



Press Release

MünchenerHyp significantly increases its new business and earnings

- Net interest and net commission income climb 19 percent to € 207.7 million
- New mortgage business up 10 percent to € 4.8 billion
- Mortgage loan portfolio expands by 6 percent since start of year to € 40.6 billion

Munich, 21 October 2021 – Münchener Hypothekenbank eG (MünchenerHyp) significantly increased its new business results, earnings power and mortgage loan portfolio during the first nine months of this year.

New residential and commercial property financing rose by 10 percent to € 4.8 billion by 30 September 2021. Residential property lending expanded at a faster pace than in the first six months, as the volume of new lending commitments rose by 12 percent over the same year-ago period to € 3.2 billion. New business grew with all of the Bank's brokerage partners: the German cooperative banks, independent providers of financial services and the cooperation partners in Switzerland and Austria. The Bank was able to expand its new commercial property financing by 6 percent to € 1.6 billion, which more than compensated for the decline noted in the first six months.

Along with its successful new business MünchenerHyp strengthened its earnings power as its net interest income improved by 18 percent to € 300.0 million. Due to the strong new business results and accompanying rise in commissions paid, the Bank's net interest and net commission income increased by 19 percent to € 207.7 million. Administrative expenses rose slightly by 0.6 percent to € 102.40 million. The risk situation in the lending business developed stably.

Results from ordinary business activities as of 30 September 2021 were € 69.7 million (30 September 2020: € 45.7 million). After deductions for tax expenses, the pro rata temporis net income for the year totalled € 33.2 million (30 September 2020 € 23.7 million).



MünchenerHyp

The mortgage loan portfolio also reflects the expansion of the bank's new business as it grew by 6 percent from the start 2021 to € 40.6 billion. The Bank's capital market business portfolio with sovereign states and banks amounted to € 3.7 billion and did not show any significant changes during the first nine months of the year.

At the end of the third quarter MünchenerHyp's equity capital had risen by 5.5 percent to € 1.6 billion, which was mainly due to the € 65.6 million increase in the Bank's paid-up capital to € 1.2 billion. On 30 September 2021 the Bank's Common Equity Tier 1 ratio was 20.2 percent (31 December 2020: 20.6 percent), which was, again, significantly higher than the legal and regulatory requirements. The Tier 1 capital ratio was 21.7 percent (31 December 2020: 22.2 percent), while the total capital ratio was 22.1 percent (31 December 2020: 22.8 percent).

MünchenerHyp is confident that it will also be able to further increase its new business and earnings power in the fourth quarter. "We are very satisfied with the way our business developed in the current year. We have proven to be a reliable financing partner, even during the Covid-19 pandemic, and our customers honour this", said Dr. Louis Hagen, the Chairman of the Board of Management of MünchenerHyp.

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