

# **NORD/LB Investor Presentation 9M2023**

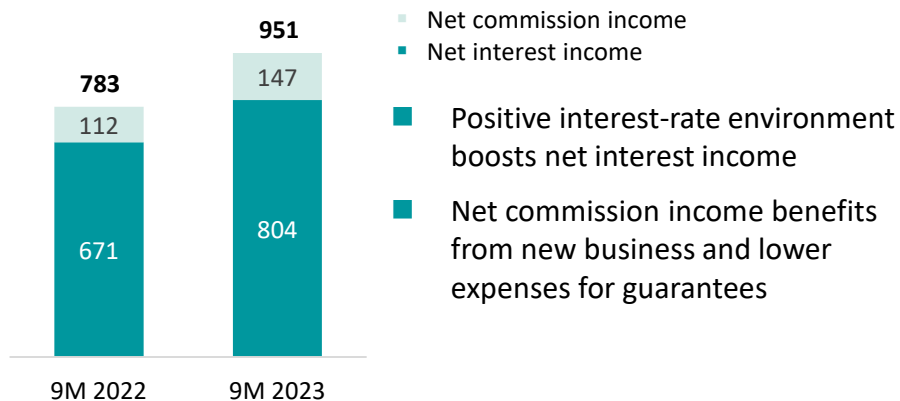
30 November 2023

## 9M2023 Highlights

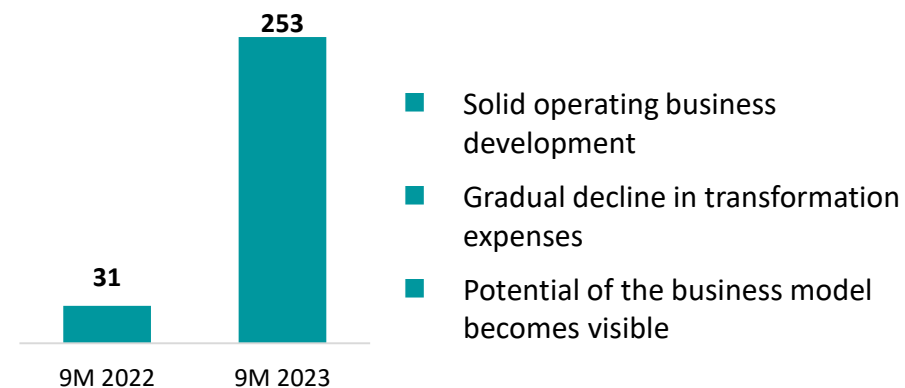
- ▶ **Best Nine-Months-Result since the beginning of the transformation**
- ▶ **Upswing in revenues while maintaining cost discipline**
- ▶ **Additional risk provisions for management adjustment**
- ▶ **Negative impacts from non-operating items decline significantly**
- ▶ **Launch of Project ‚fitt‘ – implementation of the new Bank Steering IT**

# Transformation on track – strength across key financials

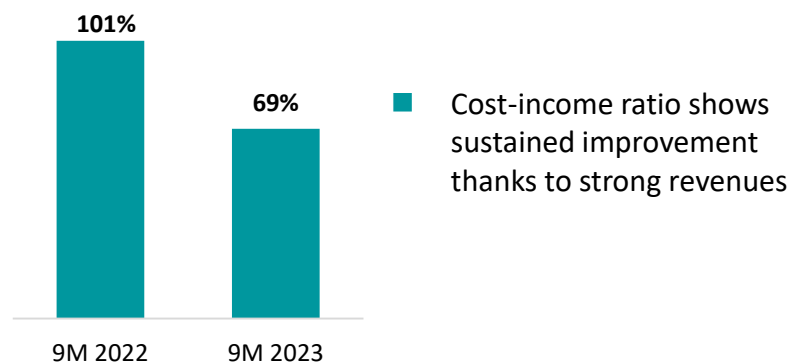
## Revenues, in €m



## Earnings before taxes, in €m



## Cost-income ratio, in %

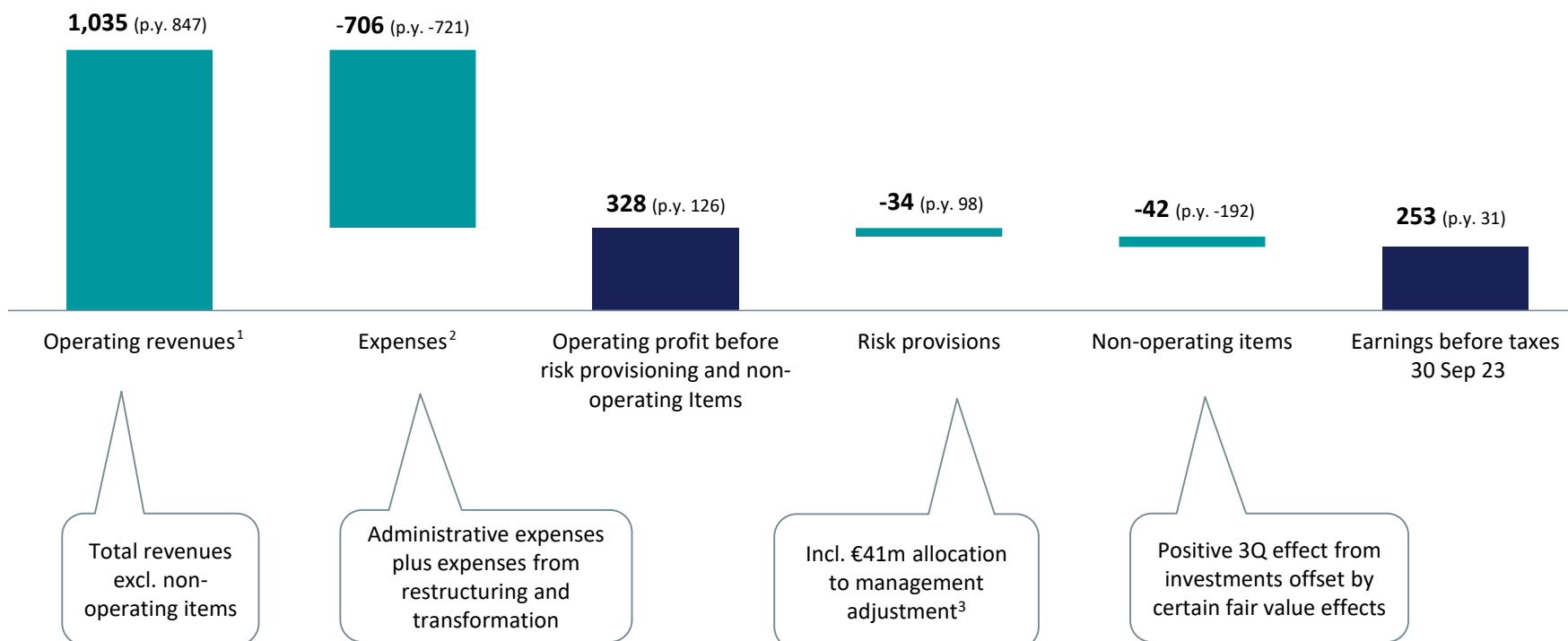


## CET-1 ratio, in %



# Operationally profitable – non-operating items less relevant

9M2023, in €m



1 Income excluding interest rate-related and valuation-related effects as well as one-off and recurring effects that are not related to the original banking business

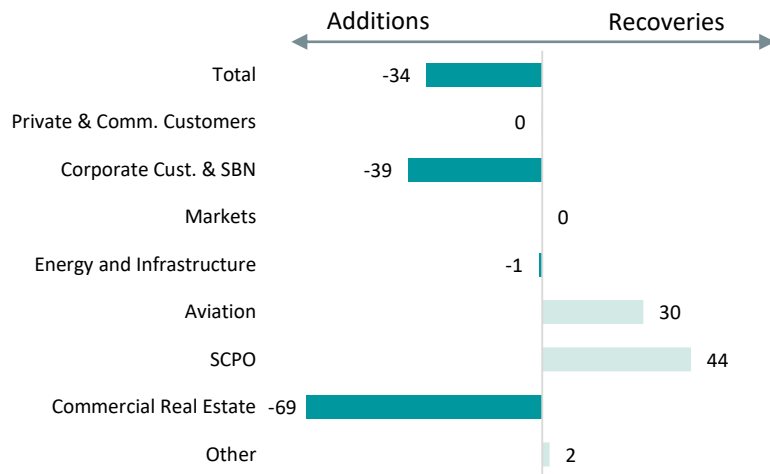
2 Administrative expenses and result from restructuring and transformation

3 Additional allocation related to Management Adjustment as of 31 Dec 2022

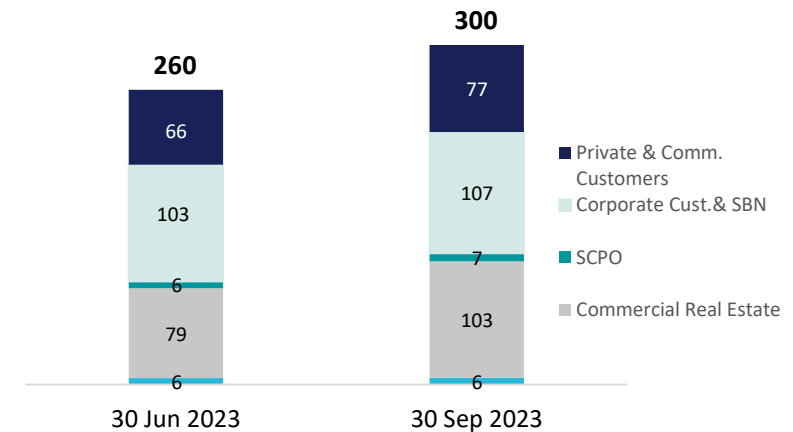
Note: Minor deviations may occur due to roundings

# Portfolio quality remains at a high level - additional buffer reinforced

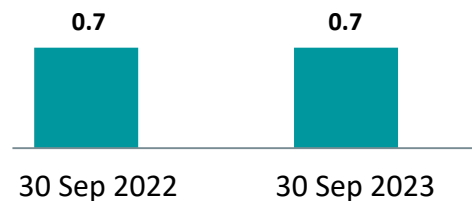
## Development of risk provisions 9M2023, in €m



## Management Adjustment, in €m



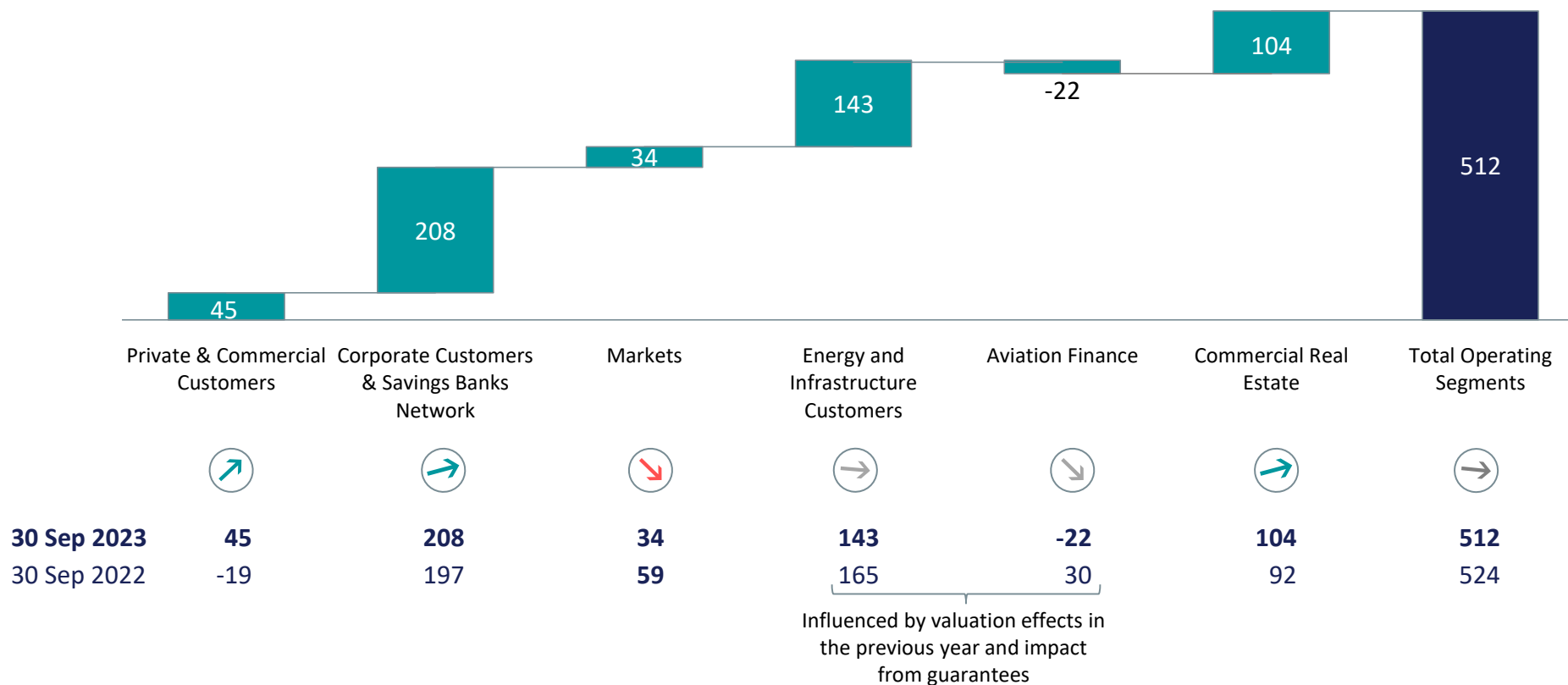
## NPL ratio, in %



- Risk reduction from transformation is sustainable
- Broad sector diversification while concentration and cluster risks are being avoided
- Stable Non-Performing Loan ratios across all portfolios, moderate increase in real estate

# Earnings performance across operating segments

Operating segment results\*, in €m

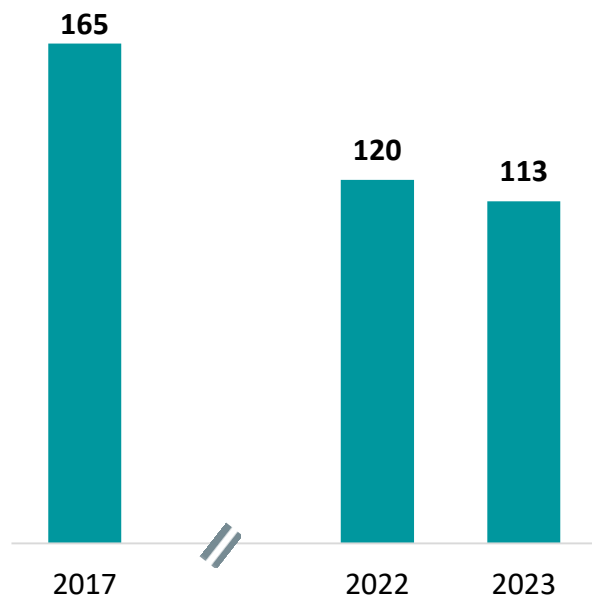


\* Profit before risk provisioning and taxes

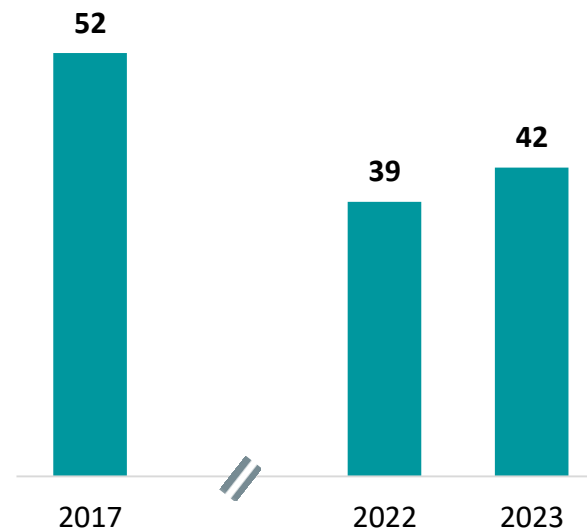
Note: Minor deviations may occur due to rounding

# Successful transformation – risks substantially reduced

Total assets as of 30 Sep,  
in €bn



Total Risk-Weighted Assets as of 30 Sep,  
in €bn



9M consolidated profit, in €m

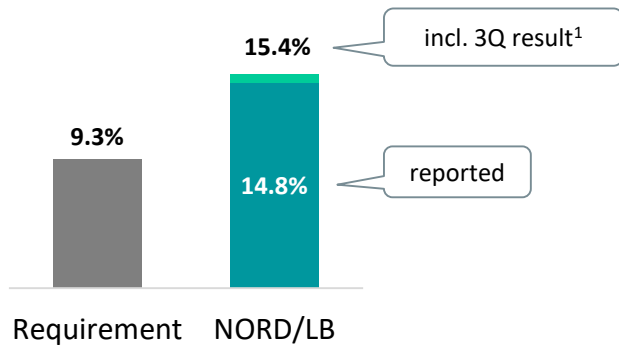


Similar result with significantly lower risks

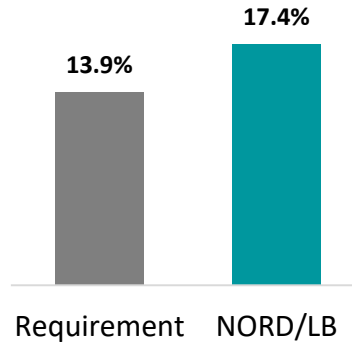
# Strong capital base and liquidity

as of 30 Sep 2023

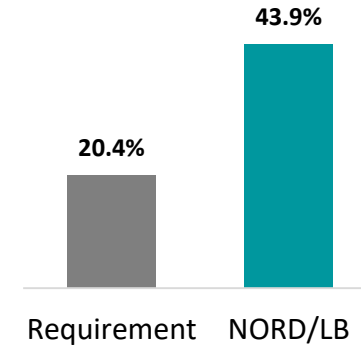
## CET1 ratio



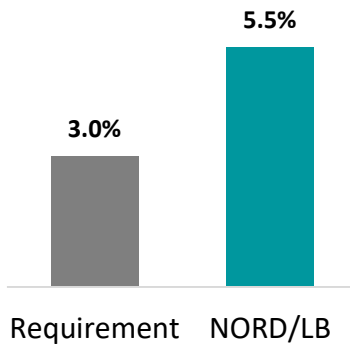
## Total capital ratio



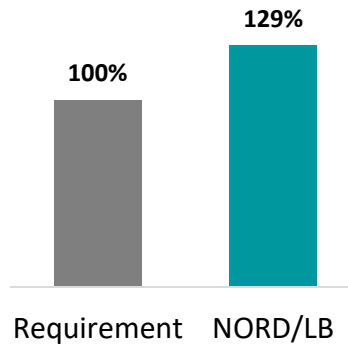
## MREL ratio<sup>2</sup>



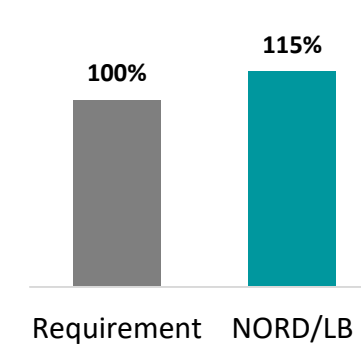
## Leverage ratio



## Liquidity coverage ratio



## Net stable funding ratio



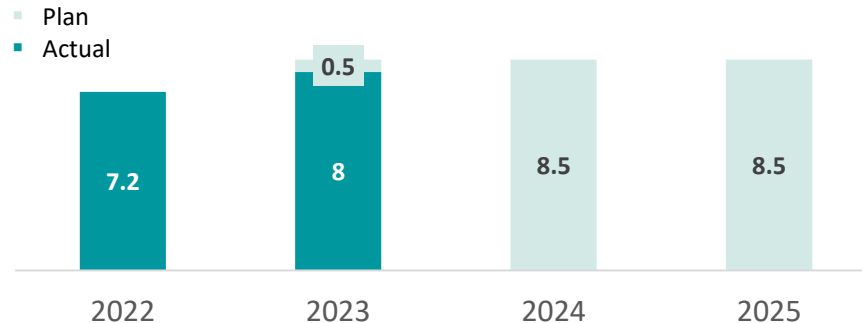
<sup>1</sup> Incl. earnings after taxes and 3Q 2023 changes in OCI

<sup>2</sup> based on risk-weighted assets

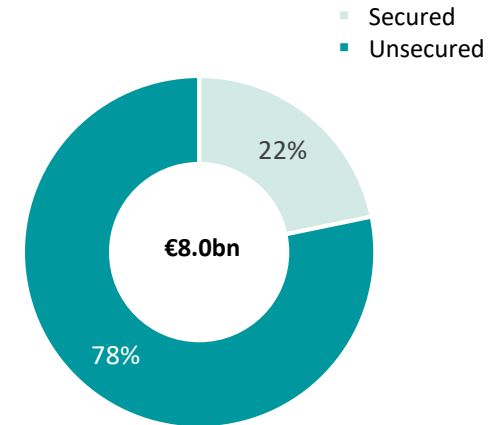


# Funding

## Funding profile, in €bn



## Funding volume 2023 as of 30 Sep 23



## Highlights 2023

- 2 Benchmark Pfandbrief issuances with tenors of 3 and 7 years
- Inaugural Green Senior Preferred Benchmark issuance with a 5-year tenor

## Outlook

- Bank for the energy transition – strengthening ESG expertise in the lending and deposit business
- Increasing funding needs of roughly € 8.5 billion per year
- Expansion of the benchmark curves and setting new reference levels in the senior segment to become a permanent issuer on the capital market
- Expanding green funding by issuing respective Pfandbriefe and Senior Bonds

## Outlook: Significant improvement in full year earnings vs. 2022

- ▶ **Supporting the economy and society as ‘Bank for the energy transition’**
- ▶ **Managing macroeconomic and cyclical challenges**
- ▶ **Maintaining our defensive risk policy**
- ▶ **Seizing tailwinds - sustainably strengthening profitability**
- ▶ **Switching to semi-annual reporting**

# Appendix

# Income statement of NORD/LB Group (IFRS)

Income statement [in €m]	1 Jan – 30 Sep 2023	1 Jan. - 30 Sep 2022 <sup>1</sup>	Change [in %]
Net interest income	804	671	+20
Net commission income	147	112	+31
Profit/loss from fair value measurement	-36	-69	-48
Risk provisions	-34	98	>100
Disposal profit/loss from financial instruments not measured at fair value through profit or loss	14	-31	>100
Profit/loss from hedge accounting	20	5	>100
Profit/loss from shares in companies	10	5	+100
Profit/loss from investments accounted for using the equity method	4	37	-89
Administrative expenses	-675	-655	+3
Other operating profit/loss	31	-75	>100
<b>Earnings before restructuring, transformation and taxes</b>	<b>283</b>	<b>97</b>	<b>&gt;100</b>
Profit/loss from restructuring and transformation	-31	-66	-53
<b>Earnings before taxes</b>	<b>253</b>	<b>31</b>	<b>&gt;100</b>
Income taxes	-58	6	>100
<b>Consolidated profit/loss</b>	<b>195</b>	<b>37</b>	<b>&gt;100</b>
Other comprehensive income (OCI)	302	367	-18
<b>Comprehensive income for the period under review</b>	<b>497</b>	<b>404</b>	<b>+23</b>

<sup>1</sup> In some items previous year's figures were adjusted

## Selected Balance Sheet items NORD/LB Group (IFRS)

Balance sheet data (in €m)	30 June 2023	31 December 2022 <sup>1</sup>	Change (in %)
Total assets	112,878	109,325	+3
Financial assets at fair value through other comprehensive income	10,921	10,633	+3
Financial assets at amortised cost	88,428	86,033	+3
<i>of which: loans and advances to banks</i>	14,078	12,890	+9
<i>of which: loans and advances to customers</i>	71,447	69,968	+2
Other assets	3,538	2,726	+30
Financial liabilities at amortised cost	96,706	93,342	+4
<i>of which: liabilities to banks</i>	30,054	28,403	+6
<i>of which: Liabilities to customers</i>	45,029	45,308	-1
<i>of which: securitised liabilities</i>	21,453	19,423	+10
Provisions	2,269	2,433	-7
Other liabilities	-716	-1,027	-30
Equity (on balance sheet)	6,815	6,300	+8

<sup>1</sup> In some items previous year's figures were adjusted

# Income statement by business segments 9M2023

30 Sep 2023 in €m <sup>1</sup>	Private & Commercial Customers	Corporate Customers & Savings Banks Network	Markets	Special Finance	thereof: Energy & Infrastruct. Customers	thereof: Aviation Finance	Special Credit and Portfolio Optimization (SCPO)	Commercial Real Estate	Treasury, Other	Reconci- liations	Group total
Revenues <sup>2</sup>	228	344	119	247	235	12	- 7	168	- 78	- 29	992
Expenses <sup>3</sup>	- 183	- 136	- 85	- 126	- 91	- 34	- 15	- 65	- 90	- 6	- 706
<b>Operating profit</b>	<b>45</b>	<b>208</b>	<b>34</b>	<b>121</b>	<b>143</b>	<b>- 22</b>	<b>- 22</b>	<b>104</b>	<b>- 168</b>	<b>- 36</b>	<b>286</b>
Risk provisions	0	- 39	0	29	- 1	30	44	- 69	4	- 2	- 34
<b>Earnings before taxes</b>	<b>45</b>	<b>169</b>	<b>34</b>	<b>150</b>	<b>142</b>	<b>8</b>	<b>21</b>	<b>35</b>	<b>- 164</b>	<b>- 38</b>	<b>253</b>

1 Minor deviations may occur due to rounding

2 Net interest income, net fee and commission income, net income from investments in companies, net income from the disposal of financial instruments not recognised at fair value through profit or loss, other net income, net income from fair value measurement (incl. hedge accounting), net income from companies accounted for using the equity method

3 Administrative expenses (for Treasury and Group incl. restructuring and transformation)

# Income statement by business segments 9M2022

30 Sep 2022 in €m <sup>1</sup>	Private & Commercial Customers	Corporate Customers & Savings Banks Network	Markets	Special Finance	thereof: Energy & Infrastruct. Customers	thereof: Aviation Finance	Special Credit and Portfolio Optimization (SCPO)	Commercial Real Estate	Treasury, Other	Reconci- liations	Group total
Revenues <sup>2</sup>	150	304	147	309	242	66	- 24	144	- 191	- 184	655
Expenses <sup>3</sup>	- 169	- 108	- 88	- 113	- 77	- 36	- 31	- 52	- 154	- 6	- 721
<b>Operating profit</b>	<b>- 19</b>	<b>197</b>	<b>59</b>	<b>195</b>	<b>165</b>	<b>30</b>	<b>- 55</b>	<b>92</b>	<b>- 345</b>	<b>- 190</b>	<b>- 66</b>
Risk provisions	- 2	5	1	41	- 4	46	29	16	11	- 3	98
<b>Earnings before taxes</b>	<b>- 22</b>	<b>202</b>	<b>60</b>	<b>237</b>	<b>161</b>	<b>76</b>	<b>- 26</b>	<b>108</b>	<b>- 335</b>	<b>- 193</b>	<b>31</b>

1 Minor deviations may occur due to rounding

2 Net interest income, net fee and commission income, net income from investments in companies, net income from the disposal of financial instruments not recognised at fair value through profit or loss, other net income, net income from fair value measurement (incl. hedge accounting), net income from companies accounted for using the equity method

3 Administrative expenses (for Treasury and Group incl. restructuring and transformation)

# Contact

NORD/LB

Norddeutsche Landesbank - Girozentrale -  
Treasury - Investor Relations

Friedrichswall 10  
30159 Hanover

[ir@nordlb.de](mailto:ir@nordlb.de)

[www.nordlb.de/www.nordlb.com](http://www.nordlb.de/www.nordlb.com)

## Gender-sensitive language

NORD/LB is committed to diversity and tolerance. This should also be expressed in the language we use. We therefore refrain from using the generic masculine wherever possible, in which other genders are "included". Instead, we prefer to use neutral formulations or double nouns. If this is not possible in individual places, we point out that the corresponding formulations expressly include all genders.



**Friedrich Karl Strödter**

**Head of Investor Relations**

[friedrich\\_karl.stroedter@nordlb.de](mailto:friedrich_karl.stroedter@nordlb.de)

Tel.: +49 511 361-3878

Mobile: +49 176 15 29 01 34



**Jonas Sachs**

**Investor Relations**

[jonas.sachs@nordlb.de](mailto:jonas.sachs@nordlb.de)

Tel.: +49 511 361-5128

Mobile: +49 176 15 29 00 01



## Additional Information (I/II)

**This presentation (hereinafter referred to as the „Information“) was drawn up by NORDDEUTSCHE LANDESBANK - GIROZENTRALE - („NORD/LB“). The competent supervisory authorities for NORD/LB are the European Central Bank („ECB“), Sonnemannstraße 20, D-60314 Frankfurt am Main, and the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* - „BaFin“), Graurheindorfer Str. 108, D-53117 Bonn, and Marie-Curie-Str. 24-28, D-60439 Frankfurt am Main. Details about the extent of NORD/LB’s regulation by the respective authorities are available on request. Generally, this Information or the products or services described therein have not been reviewed or approved by the competent supervisory authority.**

This Information is addressed exclusively to recipients in Germany (hereinafter the „Relevant Persons“ or „Recipients“). The contents of this Information are disclosed to the Recipients on a strictly confidential basis and, by accepting this Information, the Recipients agree that they will not forward to third parties, copy and/or reproduce this Information without NORD/LB’s prior written consent. This Information is only addressed to the Relevant Persons and any persons other than the Relevant Persons must not rely on the information in this Information. In particular, neither this Information nor any copy thereof must be forwarded or transmitted to Japan, Canada or the United States of America or its territories or possessions or distributed to any employees or affiliates of Recipients resident in these jurisdictions.

This Information is not an investment recommendation/investment strategy recommendation, but promotional Information solely intended for general information purposes. For this reason, this Information has not been drawn up in consideration of all statutory requirements with regard to the impartiality of investment recommendations/ investment strategy recommendations. Furthermore, this Information is not subject to the prohibition of trading before the publication of investment recommendations/ investment strategy recommendations.

This Information and the information contained herein have been compiled and are provided exclusively for information purposes. This Information is not intended as an investment incentive. It is provided for the Recipient’s personal information, subject to the express understanding, which is acknowledged by the Recipient, that it does not constitute any direct or indirect offer, recommendation, solicitation to

purchase, hold or sell or to subscribe for or acquire any securities or other financial instruments nor any measure by which financial instruments might be offered or sold.

All actual details, information and statements contained herein were derived from sources considered reliable by NORD/LB. For the preparation of this Information NORD/LB uses issuer-specific financial data providers, own estimates, company information and public media. However, since these sources are not verified independently, NORD/LB cannot give any assurance as to or assume responsibility for the accuracy and completeness of the information contained herein. The opinions and prognoses given herein on the basis of these sources constitute a non-binding evaluation of NORD/LB. Any changes in the underlying premises may have a material impact on the developments described herein. Neither NORD/LB nor its governing bodies or employees can give any assurance as to or assume any responsibility or liability for the accuracy, adequacy and completeness of this Information or any loss of return, any indirect, consequential or other damage which may be suffered by persons relying on the information or any statements or opinions set forth in this Information (irrespective of whether such losses are incurred due to any negligence on the part of these persons or otherwise).

Past performances are not a reliable indicator of future performances. Exchange rates, price fluctuations of the financial instruments and similar factors may have a negative impact on the value and price of and return on the financial instruments referred to herein or any instruments linked thereto. In connection with securities (purchase, sell, custody) fees and commissions apply, which reduce the return on investment. An evaluation made on the basis of the historical performance of any security does not necessarily give an indication of its future performance.

This Information neither constitutes any investment, legal, accounting or tax advice nor any representation that an investment or strategy is suitable or appropriate in the light of the Recipient’s individual circumstances, and nothing in this Information constitutes a personal recommendation to the Recipient thereof. The securities or other financial instruments referred to herein may not be suitable for the Recipient’s personal investment strategies and objectives, financial situation or individual needs.

# Additional Information (II/II)

Also this Information as a whole or any part thereof is not a sales or other prospectus. Correspondingly, the information contained herein merely constitutes an overview and does not form the basis for an investor's potential decision to buy or sell. A full description of the details relating to the financial instruments or transactions which may relate to the subject matter of this Information is set forth in the relevant (financing) documentation. To the extent that the financial instruments described herein are NORD/LB's own issues and subject to the requirement to publish a prospectus, the conditions of issue applicable to any individual financial instrument and the relevant prospectus published with respect thereto as well NORD/LB's relevant registration form, all of which are available for downloading at [www.nordlb.de](http://www.nordlb.de) and may be obtained, free of charge, from NORD/LB, Georgsplatz 1, 30159 Hanover, shall be solely binding. Any potential investment decision should at any rate be made exclusively on the basis of such (financing) documentation. This Information cannot replace personal advice. Before making an investment decision, each Recipient should consult an independent investment adviser for individual investment advice with respect to the appropriateness of an investment in financial instruments or investment strategies as contemplated herein as well as for other and more recent information on certain investment opportunities.

Each of the financial instruments referred to herein may involve substantial risks, including capital, interest, index, currency and credit risks, political, fair value, commodity and market risks. The financial instruments could experience a sudden substantial deterioration in value, including a total loss of the capital invested. Each transaction should only be entered into on the basis of the relevant investor's assessment of its individual financial situation as well as of the suitability and risks of the investment.

NORD/LB and its affiliates may, for their own account or for the account of third parties, participate in transactions involving the financial instruments described herein or any underlying assets, issue further financial instruments having terms that are the same as or similar to those governing the financial instruments referred to herein as well as enter into transactions to hedge positions. Such actions may affect the price of the financial instruments described in this Information.

To the extent the financial instruments referred to herein are derivatives, they may involve an initial negative market value from the customer's point of view, depending on the terms and conditions prevailing as of the transaction date. Furthermore, NORD/LB reserves the right to pass on its economic risk from any derivative transaction it has entered into to third parties in the market by way of a mirror image counter-transaction.

Further information on any fees which may be included in the sales price is set forth in the brochure „Customer Information Relating to Securities Transactions“ which is available at [www.nordlb.de](http://www.nordlb.de).

The information set forth in this Information shall supersede all previous versions of any relevant Information and refer exclusively to the date as of which this Information has been drawn up. Any future versions of this Information shall supersede this present version. NORD/LB shall not be under any obligation to update and/or review this Information at regular intervals. Therefore, no assurance can be given as to its currentness and continued accuracy.

By making use of this Information, the Recipient shall accept the foregoing terms and conditions.

NORD/LB is a member of the protection scheme of Deutsche Sparkassen-Finanzgruppe. Further information for the Recipient is set forth in clause 28 of the General Terms and Conditions of NORD/LB or at [www.dsgv.de/sicherungssystem](http://www.dsgv.de/sicherungssystem).

+++++

NORD/LB's use of data from MSCI ESG Research LLC or its affiliates ("MSCI") and the use of MSCI logos, trademarks, service marks or index names herein does not constitute sponsorship, endorsement, recommendation or promotion of NORD/LB by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided "as is". MSCI names and logos are trademarks or service marks of MSCI.