

PRESS RELEASE

Hamburg/Münster, 11 May 2021

DZ HYP celebrates its 100th anniversary

- » **The Bank's foundation closed a gap in cooperative lending**
- » **Important partner to German cooperative banks**
- » **Today, DZ HYP is one of the leading real estate banks in Germany**

DZ HYP celebrated its 100th anniversary on 11 May 2021, with a ceremony in the Recital Hall of the Elbphilharmonie concert hall in Hamburg. Clients, business partners, long-time companions and the Bank's employees took part in the festivities – virtually. In addition to Uwe Fröhlich, Chairman of the Supervisory Board of DZ HYP, and Chief Executive Officer Dr Georg Reutter, one of the speakers at the event was Dr Peter Tschentscher, the city's First Mayor. Olaf Scholz, German Federal Minister of Finance and Vice Chancellor, delivered the keynote address via video conference.

DZ HYP was founded in Berlin on 11 May 1921, as Deutsche Genossenschafts-Hypothekenbank, by Preussenkasse, the predecessor of today's DZ BANK. The aim was to close a gap in cooperative lending. In 1949, the Bank established a branch office in Hamburg. In the beginning, the Bank's main focus was on real estate loans for agricultural enterprises. Later, operations were significantly driven by state-subsidised residential construction and loans to local authorities. As the prosperity of the German population increased, so did the importance of private construction financing. In 2001, DZ BANK's commercial real estate business was transferred to DZ HYP. In 2008, the Bank realigned its business model as a commercial real estate bank. Following the merger with WL BANK in 2018, DZ HYP operates successfully in three business segments: Corporate Clients, Retail Customers and the Public Sector.

A new start in Hamburg

Upon formation, the purpose of the Bank was to provide long-term real estate credit to cooperatives specialising in short-term personal loans. German agriculture, which was in dire need of investment in the wake of the First World War, was a major beneficiary. However, hyperinflation as well as the global financial crisis weighed heavily on the Bank's business activities. The Second World War then led to an economic standstill. In October 1949, DZ HYP was recognised by the banking supervision in Hamburg as a displaced institution with an additional branch office in Hamburg and received approval for the resumption of its banking business in the currency area. In the early 1950s, DZ HYP was active in state-subsidised residential construction. Then, in the 1960s, increasing incomes and a growing desire of the population to own real estate gave the private construction financing business a tangible boost.

Success in private construction financing

In the following years, the private construction financing business area was expanded in cooperation with the cooperative banks. Product and process innovations, as well as an early move towards digitalisation, demonstrated DZ HYP's high drive to perform. In 1990, the Bank established its own commercial real estate financing division, to provide a comprehensive range of products and competent advice to the cooperative banks. After German reunification, the Bank was involved in the eastern regions of Germany via special loan programmes.

Realignment as a commercial real estate bank

After the turn of the millennium, competition in private construction financing intensified – this was also due the increasing number of online banks. Following the takeover of DZ BANK's commercial real estate finance business in 2001, the Bank realigned its activities as a commercial real estate bank within the Cooperative Financial Network in early 2008. DZ HYP developed a range of products and services that strengthened the market position of the cooperative banks.

Success in three business segments

In 2018, the Bank merged with WL BANK. DZ HYP now operates successfully throughout Germany in the business segments Corporate Clients, Retail Customers

and the Public Sector, and is one of the leading real estate banks in the country. It is also a multi-award-winning employer for around 800 members of staff.

About DZ HYP AG

DZ HYP is a leading provider of real estate finance in Germany as well as a centre of competence for public-sector clients within the Volksbanken Raiffeisenbanken Cooperative Financial Network. DZ HYP provides its clients and business partners with a comprehensive range of products and services from its four business divisions of Corporate Clients, Retail Customers and the Public Sector. The Bank is represented nationwide, with two Head Offices in Hamburg and Münster, six Real Estate Centres in Germany's economic centres and Regional Offices across Germany. Please visit www.dzhyp.de/en for more information.

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