



Investitionsbank Berlin (IBB) – Housing and urban development



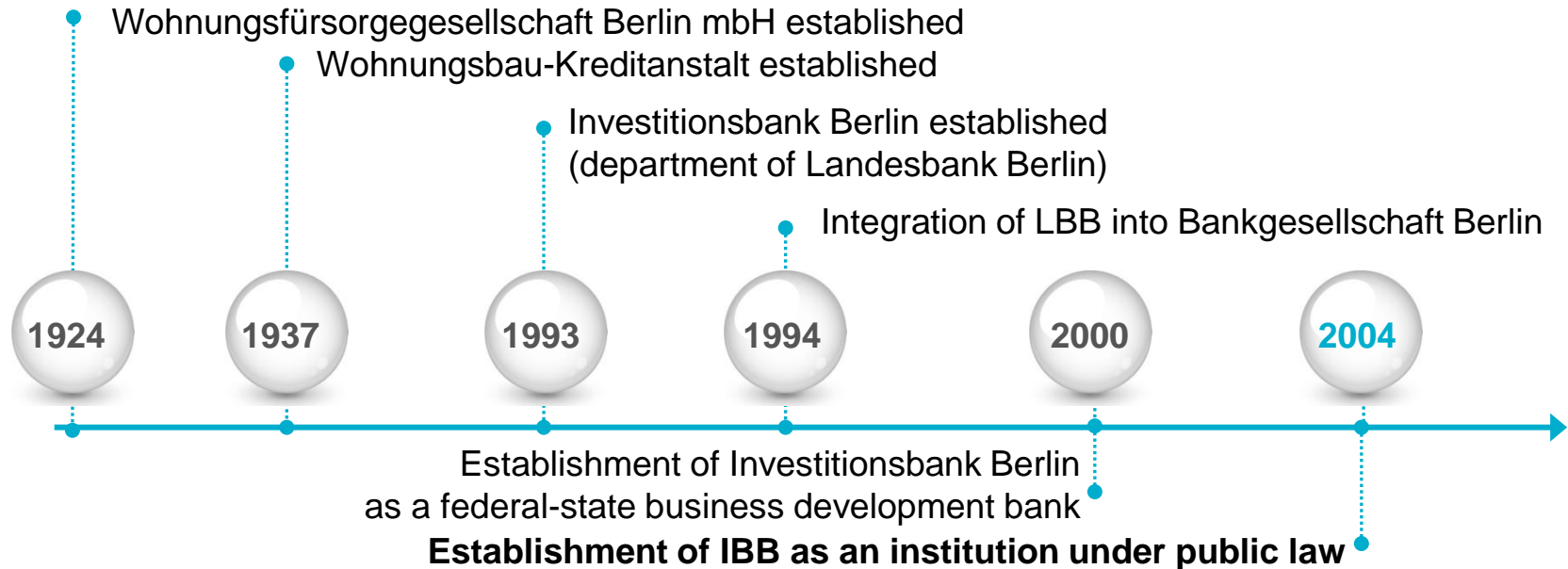
7.–9. Okt. 2019

Building networks



Leistung für Berlin.

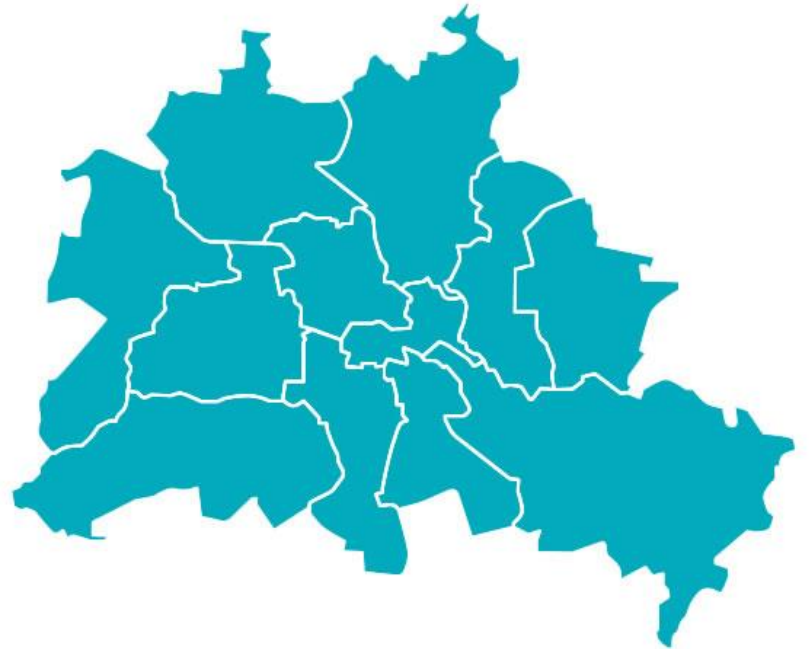
A strong partner for more than 90 years



Goals of Investitionsbank Berlin



- To promote the small and medium-sized business sector and start-ups in Berlin
- To promote and finance measures to improve energy use and conditions for the elderly in the housing sector and in new housing construction
- To generate revenues to finance business development tasks
- To achieve a capital adequacy ratio that is in line with risk



- Institute under public law
- Refinancing guarantee by the Federal Land
- Non-trading-book institute
- Classification as a capital market-oriented company (section 315a of the German Commercial Code); IFRS consolidated financial statements
- Business activities within the scope of Accord II
- **Public-sector responsibility:** The Federal Land of Berlin is IBB's sole owner.
- The IBB law, the memorandum and the articles of association form the legal framework.
- **Guarantee:** Pursuant to Article 2, section 4 of the IBB law, the Federal Land guarantees IBB's liabilities and this results in IBB's „**solva 0**“ **status** for its liabilities.
- **Guarantor Liability:** For IBB liabilities incurred prior to 1 September 2004, the Federal Land of Berlin additionally bears guarantor's liability.



- **„Performing for Berlin“**



- IBB supports companies with funding in order to promote economic growth in the capital city, to secure existing jobs and to create new ones.
- IBB is supporting the integrated development of Berlin as a business center and helping the Federal Land to achieve its climate protection goals.
- IBB generates sufficient revenues to meet with its business development tasks on a long term basis.



- In order to ensure the long-term success of the bank, the business strategy is geared to sustainability while taking into account the prevailing boundary conditions and available resources.

Important figures at a glance

| In €m | 31 December 2017 | 31 December 2018 |
|---|------------------|------------------|
| Balance-sheet sum | 17,671.6 | 17,742.9 |
| Equity | 755.8 | 771.5 |
| Total revenue | 131.3 | 139.2 |
| Total administrative expenditure | -78.4 | -79.1 |
| Risk provisioning/valuations | -13.5 | -21.7 |
| Economic performance | 39.4 | 38.3 |
| Support and grants for the Federal Land of Berlin/business development | -28.8 | -20.0 |
| New income for the year | 10.6 | 18.3 |
| New business volume* | 1,240.9 | 1,484.3 |
| Core capital ratio in % | 17.9 % | 18.1 % |
| Total capital ratio in % | 18.4 % | 18.5 % |
| No. Of employees | 626 | 630 |

* without special financing

Financing commitments

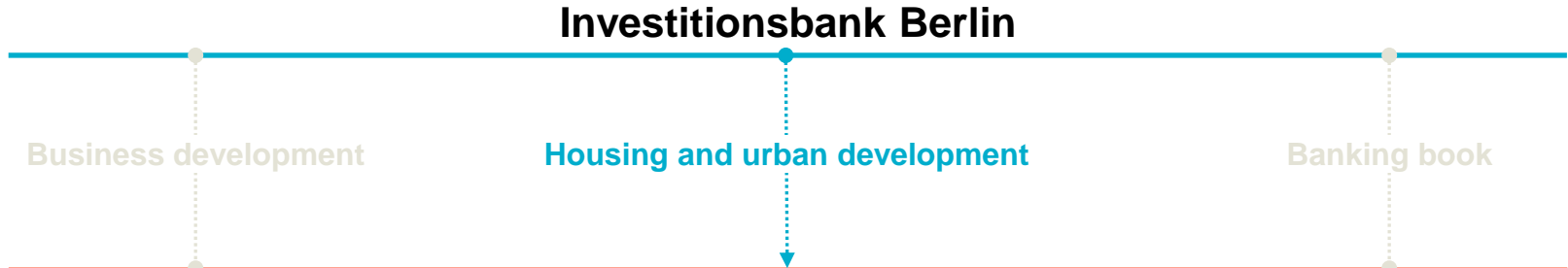
Housing and urban development



| In €m | 31 December 2017 | 31 December 2018 |
|----------------|------------------|------------------|
| • Grants | 20.5 | 24.3 |
| • Loans* | 926.3 | 1,048.9 |
| • Total | 946.8 | 1,073.2 |

* Incl. refinancing

Strategic business fields



Goals

- To promote new construction and implement the federal state's housing policy goals
 - Promotion of new housing, modernisation and maintenance
- To help the Senate to achieve the climate protection goals of the Land of Berlin
 - Consultation regarding energy-saving measures
 - Financing of energy-saving measures
- To promote and finance measures to improve energy use and conditions for the elderly
- To co-operate with commercial banks
- To maintain the existing volume and to secure revenues

Business field: Housing and urban development

We promote residentially used real estate in Berlin

- **Construction of new residential and commercial properties**
- **Purchase** of owner-used residential properties
- **Energy-efficient** refurbishment measures
- **Barrier-reducing** refurbishment measures
- General **modernisation measures**
- Purchase, refinancing of housing portfolios and property developers



WHAT
do we
finance?

Business field: Housing and urban development

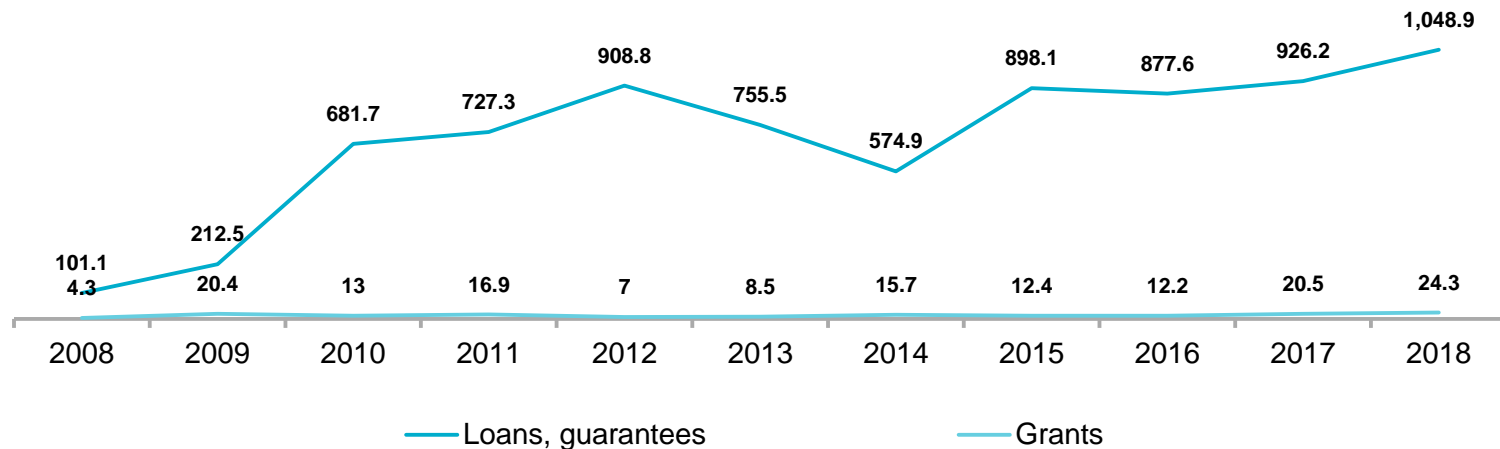
We promote and finance the housing sector in Berlin



**WHO
do we
finance?**

- Landlords and investors (commercial and private)
- Home owner communities
- Home owners
- Banks (global and consortium financing)

Financing commitments in €m*



As per 31 December 2017

* Without special financing

Financing commitments

Housing and urban development



| In €m | 31 December 2017 | 31 December 2018 |
|----------------|------------------|------------------|
| • Grants | 20.5 | 24.3 |
| • Loans* | 926.3 | 1,048.9 |
| • Total | 946.8 | 1,073.2 |

* Incl. refinancing

Programme overview

Housing and urban development



| Measure / target group | Landlords and investors | Private home owners | Home owner communities |
|--|-----------------------------------|------------------------------------|------------------------------------|
| Energy-related measures | IBB energy related refurbishment | KfW energy-efficient refurbishment | IBB home owner community financing |
| Remodeling for the elderly | IBB home for the elderly | KfW remodelling for the elderly | IBB home owner community financing |
| Refurbishment and repair | IBB housing modernisation | IBB housing modernisation | IBB home owner community financing |
| Home ownership | | KfW home ownership programme | |
| Energy-efficient new buildings | KfW energy-efficient construction | KfW energy-efficient construction | |
| Construction of new affordable apartments | IBB New Housing Fund | | |
| Supplementary financing offers | IBB supplementary support loans | IBB supplementary support loans | |

Our financing instruments in case of non-programme support



Fixed-interest loans

medium- and long-term
fixed interest (>10 years
possible)

Forward loans

To fix and secure financing
terms and conditions at an
early point in time

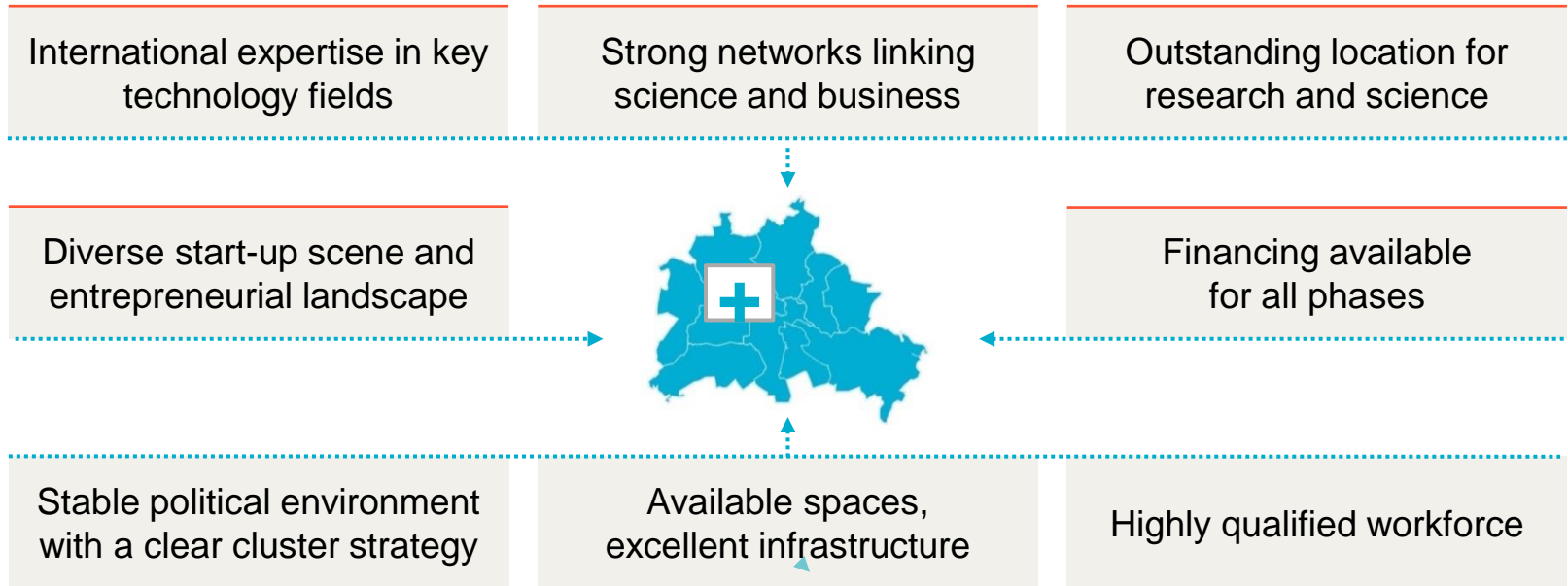
EURIBOR loans

To secure financing with
greater flexibility


Berlin – Key facts 2017

- Area of 892 sqm., Germany's largest city in terms of space
- Population: 3.7 million (2017: +41,300 inhabitants)
- 44% of the population is below the age of 45
- Gross domestic product in 2017: €136.6bn (+2.7% compared to the previous year)
- Hotel guests in 2017: 13m (+1.8% compared to the previous year)
- Berlin as the capital city of start-ups : more than 45,000 business registrations (+5,6% compared to the previous year)
- International location for congresses and exhibitions
- Moody's/Fitch long-term rating for the Federal Land of Berlin: Aa1 (stable) or AAA (stable)

Berlin – Location advantages



Overview



What do we
finance?

- **Purchase** of residential portfolios
- **Refinancing** of residential portfolios
- **Modernisation** of existing residential buildings
- **New building projects** of residential property
(Building contractors, developers, holders of portfolios)

Key information

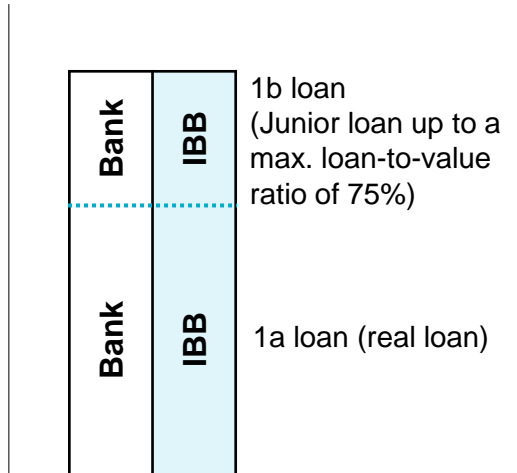
IBB is involved as a partner in open and silent consortiums financing large-scale investments in housing. A high degree of individualisation is possible for syndicated loans.

IBB generally does not act as the consortium leader. Financing from IBB comes in the form of pro-rata liquidity through capital market loans or credits line for the default risk.

Syndicated loans

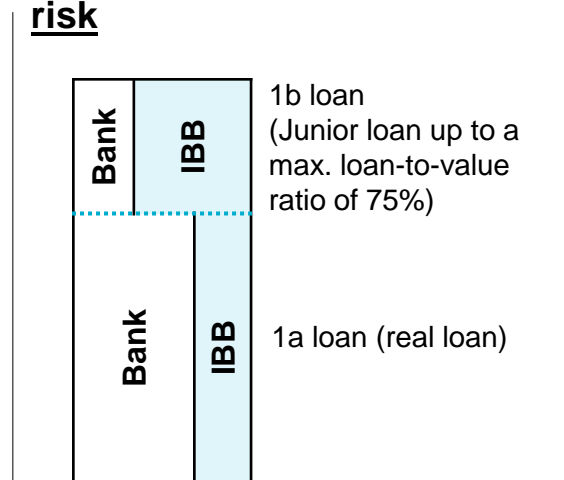
| | |
|---------------------|---|
| Type of loan | Fixed-interest or variable loans as well as guaranteed loans |
| Loan amount | Up to 50% of total financing, minimum amount generally €7.5m |
| Term | Up to 30 years, generally up to 10 years fixed interest rates, longer if applicable |
| Borrowers | Housing associations, municipal housing companies as well as commercial and private investors |
| Collateral | The consortium leader is responsible for managing collateral and this is laid down in a consortium or collateral agreement. |

Lending pari passu



- Proportional risk
- Proportional margin
- Proportional handling fee
- Liquidity provided by both parties for the 1a and 1b loan shares

Lending with a disproportionate distribution of risk



- Above-proportional risk for IBB in the 1b loan share, below-proportional risk for IBB in the 1a loan share
- Internal margin distribution and handling fee according to the distribution of risk

Your Contacts at EXPO REAL 2019



Dr. Jürgen Allerkamp
Chairman of the Board

Telephone: +49 30 2125 4001
E-Mail: juergen.allerkamp@ibb.de



Andreas Tied
*Head of Real Estate and urban development
business division*

Telephone: +49 30 2125 3900
E-mail: andreas.tied@ibb.de



Katja Lienig
*Head of Department
Key customers*

Telephone: +49 30 2125 3949
E-mail: katja.lienig@ibb.de

Your Contacts at EXPO REAL 2019



Mathias Kämmer

Banks / consortium service

Telephone: +49 30 2125 3510

E-mail: mathias.kaemmer@ibb.de



Andy Pieczynski

Banks / consortium service

Telephone: +49 30 2125 3786

E-mail: andy.pieczynski@ibb.de



Astrid Schmid

*housing companies, commercial investors,
Family offices*

Telephone: +49 30 2125 2624

E-Mail: astrid.schmid@ibb.de



Darina Fairbourn

*Family offices, commercial investors,
international Investors*

Telephone: +49 30 2125 3974

E-mail: andy.pieczynski@ibb.de