

I DZ BANK Group fundamentals

1 Business model and management of the DZ BANK Group

The business model and the management of the DZ BANK Group are described in detail on page 8 and page 15 onward of the 2017 Annual Report. Those disclosures are also applicable to the first half of 2018. The merger, completed on July 27, 2018, of the two real estate companies Deutsche Genossenschafts-Hypothekenbank AG, Hamburg, (DG HYP) and WL BANK AG Westfälische Landschaft Bodenkreditbank, Münster, (WL BANK) to form DZ HYP AG, Hamburg and Münster, (DZ HYP) was already reflected in the description of the management of the DZ BANK Group.

2 Strategic focus as a network-oriented central institution and financial services group

The DZ BANK Group's strategic focus is described in detail on page 9 onward of the 2017 Annual Report. Those disclosures are also applicable to the first half of 2018.

2.1 Reorganization of real estate activities in the DZ BANK Group

In March 2017, the DZ BANK Group announced that it was planning to reorganize its real estate activities following the merger of the central institutions. The two real estate companies DG HYP and WL BANK then entered into merger discussions. On May 25 and 28, 2018, the shareholders of the two banks consented to the planned merger by adopting resolutions at their Annual General Meetings. The merger was entered in the commercial register on July 27, 2018. From a commercial perspective, the merger took place with retrospective effect from January 1, 2018.

The joint real estate bank operates under the brand name DZ HYP within the DZ BANK family of brands and continues to serve all four of the current customer segments – small business and self-employed

customers, the housing industry, local authorities, and retail customers.

2.2 New corporate identity for VR LEASING

VR-LEASING Aktiengesellschaft, Eschborn, (VR-LEASING AG; subgroup abbreviated to VR LEASING) has been operating in the market under its new brand name, VR Smart Finanz, since mid-July 2018. This step is part of its transformation into a digital provider of finance for the self-employed and small businesses, a process that began in 2017. The new name underlines the clear focus of VR LEASING's business activities on assisting the cooperative banks with the provision of finance to small and medium-sized enterprises.