INVESTOR RELATIONS NEWS

Oldenburg, February 22, 2023

OLB continues its success story with record profit

- **Result after taxes increased to around EUR 198 million**
- **With strong financial figures, OLB is among the leading European banks: Cost-income ratio (42.3%) and return on equity after taxes (14.7%) further improved**
- **Bank benefits from diversified business model and significantly increases profitability**
- **Pending acquisition of Degussa Bank to further strengthen OLB's growth**
- **Medium-term targets raised - new return on equity after taxes target of 14 to 16%**

On the basis of preliminary (IFRS) figures, Oldenburgische Landesbank AG ("OLB" or "Bank") has ended the financial year 2022 with a further significant increase in profitability and another record profit. As of December 31, 2022 OLB's result after taxes increased by 71.5% to EUR 197.7 million (previous year: EUR 115.3 million). The cost-income ratio decreased due to the sustained reduction in the cost base as well as increased income to 42.3% (previous year: 55.2%). The return on equity after taxes improved to 14.7% and was thus at the upper end of the previously communicated target range (previous year: 9.5%). With these strong financial figures, OLB is among the most efficient universal banks not just in Germany, but also at a European level.

"We are benefiting from our solid and well-balanced business model which is now delivering outstanding results. Despite some challenges in the market environment, we have significantly improved the Bank's profitability. Our efforts have paid off. We have secured an excellent market position throughout our areas of expertise. We intend to build on that in the current year and to achieve further successful growth through the integration of Degussa Bank. Against the backdrop of our successful development and good prospects, we are raising our earnings and return targets," says Stefan Barth, CEO of OLB.

Loan volume expanded in both business segments

In 2022, OLB's customers once again placed their trust in the Bank as a competent and reliable financing partner. The Bank increased its customer loan volume by more than 6% year-on-year to EUR 18.0 billion (previous year: EUR 16.9 billion). In the Private & Business Customers business segment, private mortgage financing was a growth engine. The level of demand then normalised in the second half of the year due to the significant rise in interest rates as a result of the monetary policy adopted by the European Central Bank (ECB). In its Corporates & Diversified Lending business segment, the Bank benefited from the acquisition of NIBC Bank's leveraged loan portfolio as well as strong organic growth in selected areas of Acquisition Finance, including International Diversified Lending and Fund Finance, Commercial Real Estate and Football Finance.

Operating income improved and operating expenses reduced

Due to the strong and sustained growth in the Bank's two business segments Private & Business Customers and Corporates & Diversified Lending, operating income improved by 12.2% year-on-year to EUR 577.8 million (previous year: EUR 514.9 million). Attractive new customer business with an expanded credit volume and the significantly higher interest rates resulted in a 20.3% increase in OLB's net interest income to EUR 435.8 million (previous year: EUR 362.3 million). Net commission income declined and amounted to EUR 114.8 million. This was shaped by reduced payment transaction business and by the lower fair values of the securities held by customers (previous year: EUR 126.1 million). Other income rose to EUR 25.5 million (previous year: EUR 22.0 million).

The Bank countered inflation-related price increases and in particular the sharp rise in energy costs with strict cost management. Operating expenses declined by 14.1% to EUR 244.3 million (previous year: EUR 284.5 million). Non-personnel expenses were significantly reduced to EUR 73.4 million (previous year: EUR 84.7 million) despite ongoing investments in areas such as the expansion of the Bank's multichannel offering. This also included expenses in the high-seven figure range relating to support for one-off strategic projects, such as in connection with the acquisition of Degussa Bank. Personnel expenses decreased to EUR 145.8 million (previous year: EUR 168.9 million). As of December 31, 2022, OLB had reached the target level for the number of employees with 1,275 full-time equivalents (previous year: 1,648 full-time equivalents).

Prudent and conservative risk management

In the reporting period, the risk provisioning trend was influenced by growing risks relating to the course of economic activity, above all in view of the Russia-Ukraine war. The Bank's prudent and conservative risk management strategy paid off significantly as a solid foundation for sustainable growth. The Bank established a risk buffer of EUR 15.9 million (post-model adjustments) to cover potential risks. Overall, risk provisioning amounted to EUR 44.7 million (previous year: EUR 11.6 million). The Bank's credit portfolio remains characterised by a high level of quality. Non-performing receivables as a proportion of the overall customer credit volume have declined to 1.5% (previous year: 1.9%).

Overall, at EUR 277.2 million the result before taxes reached a level which was significantly higher than in the previous year (previous year: EUR 166.0 million).

Excellent conditions for profitable long-term growth

Total assets increased to EUR 24.1 billion (previous year: EUR 23.3 billion), mainly driven by the strong increase in the credit volume. Following the retention of EUR 46.2 million out of net retained profits for the financial year 2021 and after taking into account the current net retained profits for 2022, OLB will further strengthen its capital base. Common Equity Tier 1 capital (CET1) which is relevant for regulatory purposes rose to EUR 1.28 billion (previous year: EUR 1.15 billion). The aggregate capital ratio increased to 16.6% (previous year: 14.8%). The Common Equity Tier 1 capital ratio (CET1 ratio) improved to 13.6% (previous year: 12.0%). With this robust capital base, as usual OLB significantly exceeded the minimum level of 8,53% which is required for regulatory purposes. "With our strong financial performance, we are among the leading group of European banks. We have very comfortable capital resources and liquidity. Thanks to these solid foundations, we will be able to further expand our presence on the capital markets and achieve a broader funding base, as we already did at the start of 2023 by successfully placing our first senior preferred bond. We are thus establishing long-term foundations for our continued profitable growth," says Dr Rainer Polster, CFO of OLB.

Customer deposits, as the key component for refinancing of credit growth, rose by 14.9% in the reporting period to EUR 16.2 billion (previous year: EUR 14.1 billion).

Goal of ESG rating

In terms of its capital market presence as well as its high commitment to sustainability, the Bank is striving for a solid ESG rating. The necessary preparations for this have been largely completed. In the short to medium term, the Bank expects an "unsolicited" rating by an independent rating agency.

Strengthening of business model and profitability following acquisition of Degussa Bank

OLB currently expects to close its strategically and financially attractive acquisition of Degussa Bank in the second half of 2023. OLB currently expects to further strengthen its business model and its profitability through this acquisition. Degussa Bank's retail customer focus in western and southern Germany complements OLB's core presence in Northwestern Germany. OLB expects that the considerable cost and revenue synergies will significantly increase OLB's shareholder value. OLB finances Degussa Bank acquisition from existing resources and plans to comfortably exceed its own strategic CET1-target-ratio of over 12.25%.

In terms of financial ratios, OLB is aiming for European best-in-class returns on a sustained basis. The Bank has raised its medium-term targets. The Bank is planning to grow its loan volume in a mid-to-high-single-digit range over the business cycle. In addition, OLB is convinced that it can achieve a cost-income ratio of 40% or lower (previously: about 40%) and a return on equity after taxes in the target range of 14 to 16 percent (previously: 13 to 15%) in the medium term. Further, the management intends to steer OLB in a stable manner on the basis of a Common Equity Tier 1 capital ratio well above 12.25%.

Income Statement 2022 (IFRS)

€m	01.01.-31.12.2022	01.01.-31.12.2021	Changes[1]
Net interest income	435.8	362.3	20.3%
Net commission income	114.8	126.1	-8.9%
Trading result	8.4	7.0	19.4%
Result from hedging relationships	-19.0	-2.8	>100.0%
Other income	25.5	22.0	16.1%
Result from non-trading portfolio	12.3	0.4	>100.0%
Operating income	**577.8**	**514.9**	**12.2%**
Operating expenses	**-244.3**	**-284.5**	**-14.1%**
Operating result	**333.5**	**230.4**	**44.7%**
Expenses from bank levy and deposit protection	-15.2	-14.6	4.1%
Risk provisioning in the lending business	-44.7	-11.6	>100.0%
Result from restructurings	3.7	-38.2	<-100.0%
Result before taxes	**277.2**	**166.0**	**67.0%**
Income tax	-79.5	-50.7	56.7%
Result after taxes (profit)	**197.7**	**115.3**	**71.5%**
Return on Equity after taxes	**14.7%**	**9.5%**	**5.2 ppt**
Cost-income ratio (CIR)	**42.3%**	**55.2%**	**-12.9 ppt**

Other financial ratios 2022 (IFRS)

€m	31.12.2022	31.12.2021	Changes[1]
Receivables from customers	18,008.9	16,943.1	6.3%
Risk assets	9,362.8	9,538.9	-1.8 %
Common Equity Tier 1 capital ratio[2]	13.6%	12.0%	1.6 ppt

About OLB

Oldenburgische Landesbank AG (OLB) is a modern, customer-oriented bank with roots in northwestern Germany and strong regional and international expertise. OLB operates in two strategic business segments: Private & Business Customers and Corporates & Diversified Lending. OLB serves more than 600,000 customers and has total assets of approximately EUR 24 billion.

You can also visit us at www.olb.de and www.neelmeyer.de as well as on Facebook, Instagram and YouTube.

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1 Rounding differences possible

2 Regulatory capital position, therefore German Commercial Code (HGB)

Contact details:

Oldenburgische Landesbank AG
Corporate Communications
& Investor Relations

Theodor-Heuss-Allee 108
60486 Frankfurt am Main

Stau 15/17
26122 Oldenburg

pressestelle@olb.de
investor.relations@olb.de

Your contacts:

Sandra Büschken
Phone +49 (0)69 756193-36
sandra.bueschken@olb.de

Marthe Schepker
Phone +49 (0)441 221-2742
marthe.schepker@olb.de

Britta Silchmüller
Phone +49 (0)441 221-1213
britta.silchmueller@olb.de

Timo Cyriacks
Phone +49 (0)441 221-1781
timo.cyriacks@olb.de

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The financial information for the financial year 2022 contained in this presentation is, as of the date of this presentation, preliminary in nature. The respective audit process has not yet been finalized. Accordingly, such information presented herein is subject to change and should be treated as merely indicative of the performance of OLB and shall be superseded by the audited consolidated financial statements of OLB as of and for the financial year ended December 31, 2022.