

Wüstenrot & Württembergische AG

# Interim Report 2025

## W&W Group

14 August 2025



# Agenda

W&W – Overview & Strategy

Segment and Group Development H1 2025

Outlook

Appendix

## Our business areas are supported by strong partners across the group



### Segment Housing

- Everything around housing: home loan savings, financing, project planning, sales and brokerage



# 2

Bausparen<sup>1)</sup>



### Segment Insurance

- Service insurer in the life, health and property/casualty lines.
- Adam Riese: Direct and broker brand for private customers

Adam Riese

württembergische  
Ihr Fels in der Brandung.

# 10

Lebens-  
versicherung<sup>2)</sup>

# 9

Schaden- &  
Unfallversicherung<sup>2)</sup>



### Service and Central Functions

- Group-wide services around IT, investments, services and digitalization

w&w gruppe  
W&W Asset Management GmbH

w&w gruppe  
W&W Service GmbH

w&w gruppe  
W&W Informatik GmbH

6.4 mn customers, 6.6 k employees, one common location in Kornwestheim: the W&W-Campus

## Excellent client base with growth potential

**~6.4 mn**  
Customers<sup>1</sup>



On average three contracts per customer



High client retention (low churn rate)



Solvent customer base



Increasing digital affinity

Note: 1) as of June 2025

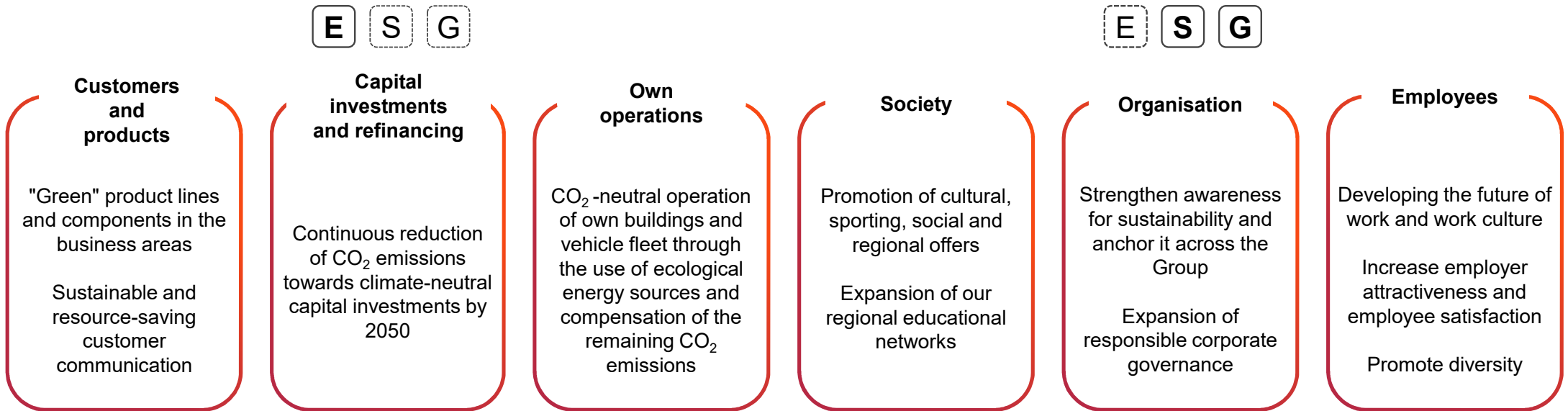


## The W&W Group pursues a multi-channel sales approach

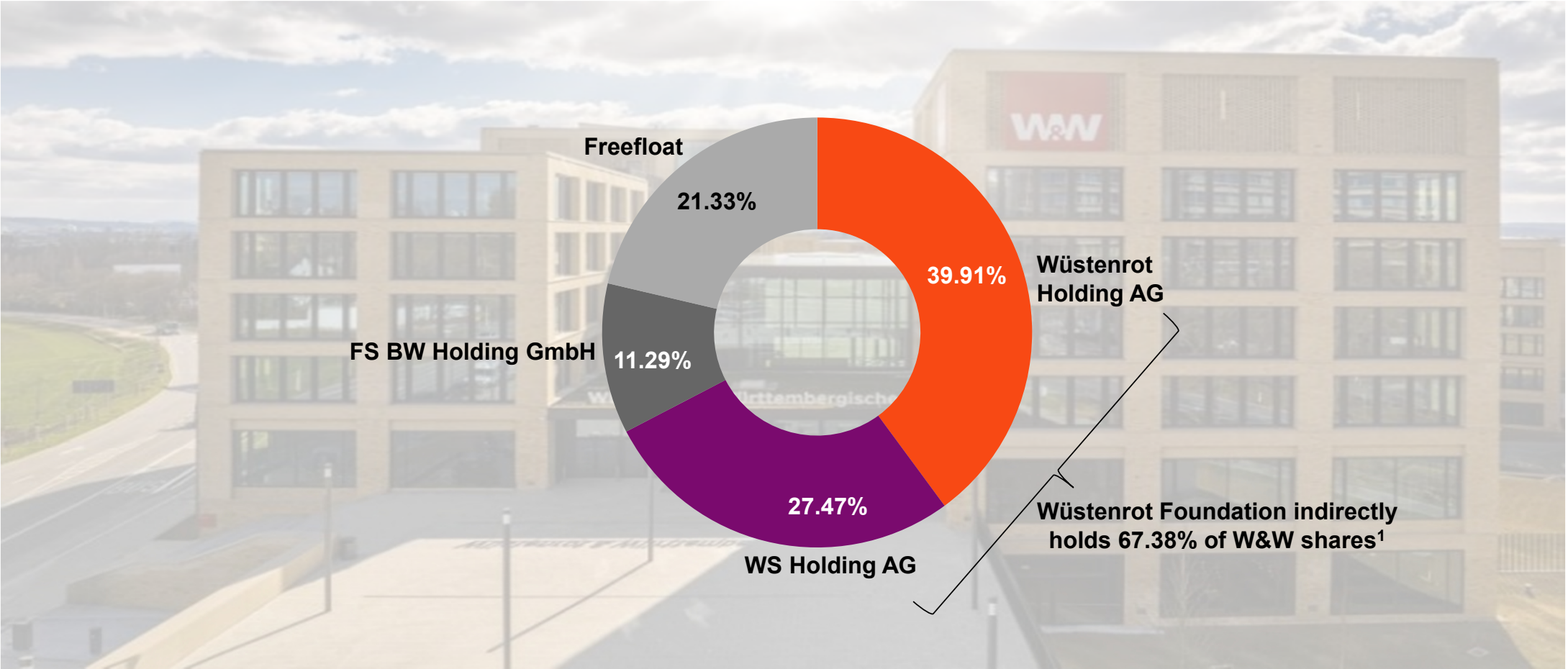


**Comprehensive multi-channel distribution approach opens up access to 55 mn customers**

# To the point: Sustainability goals of the W&W Group



# W&W Group structure as of 31 December 2024



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## Overview H1 2025

The W&W Group recorded a positive first half of 2025 overall. In the Property/Casualty Insurance segment, premium adjustments, portfolio restructuring and the absence of storm damage in the first half of the year led to a significant increase in the technical result. **IFRS consolidated net profit improved to EUR 91 million (previous year: - EUR 14 million).**

**The main portfolio volume expanded compared to the previous year.** The portfolio of building loans rose from EUR 28.4 to 29.2 billion. Insurance revenue (technical income) in accordance with IFRS 17 also improved. In the segment Life & Health, sales rose by 1.6% to EUR 630 million (previous year: EUR 620 million), in the Property/Casualty Insurance segment by 6.0% to EUR 1,441 million (previous year: EUR 1,359 million).

**New business figures increased in all segments.** New business in life insurance, consisting of regular premiums and single premiums, grew by 27.5%. In the Housing segment, new business volume grew by 8.5%. In the Property/Casualty Insurance segment, annual premium income from new and replacement business also rose by 8.9%.

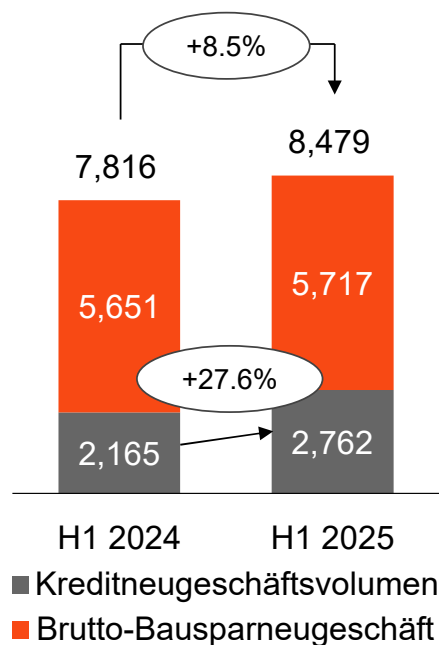
**The W&W Group strives to sustainably increase its enterprise value.** Various projects and measures were successfully implemented in the first half of 2025: In the Housing business segment, the new Wüstenrot partner portal was introduced to all **cooperation partners**, and Wüstenrot Bausparkasse AG expanded its partner network in the building savings sector through cooperation agreements with comdirect Bank and Deutsche Bank. As part of the **Wüstenrot IT transformation**, Wüstenrot Bausparkasse AG is setting an important milestone in Project b@w by consistently pushing ahead with the migration to the new core banking system. In the insurance business segment, the W&W Group offers its customers one of the **leading customer portals** in the insurance industry, according to the latest KUBUS Portal Study.

## W&W is on course for growth in both Housing and Insurance segments

### New business volume<sup>1,2</sup>

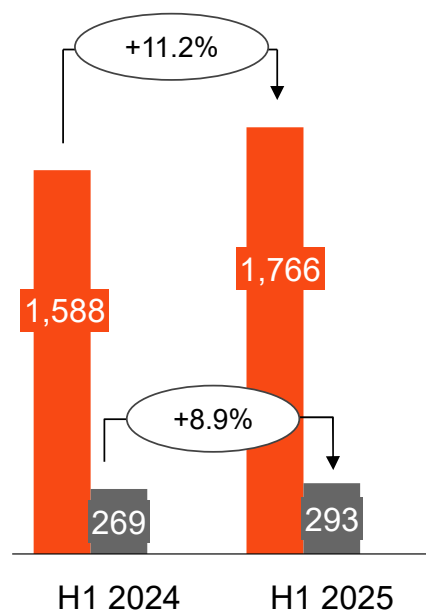
#### Housing

in EUR millions



### New business<sup>2</sup>

in EUR millions

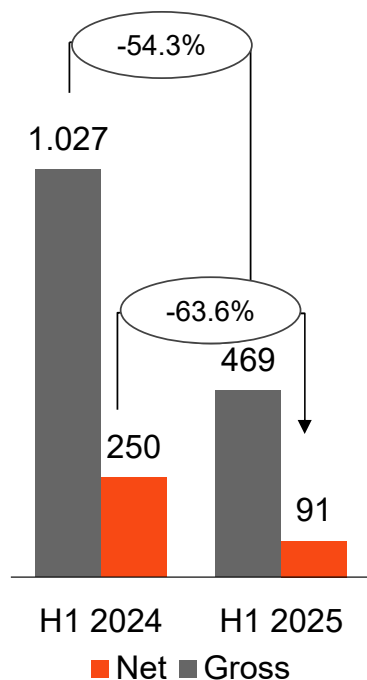


- Total premiums for new life insurance
- Annual contribution to the portfolio (new and replacement business) P&C

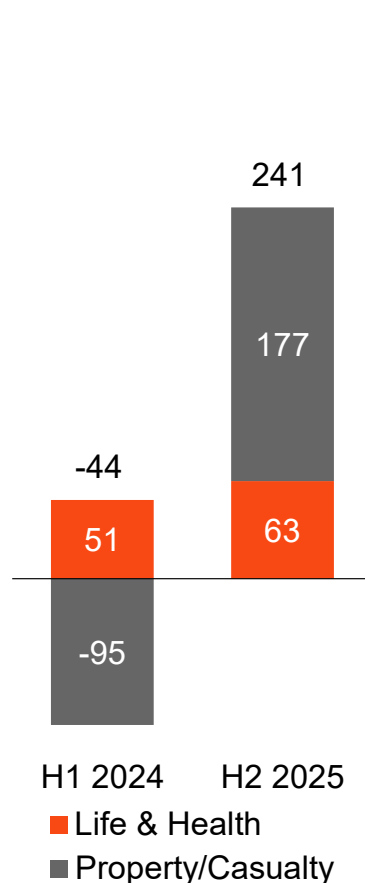
- New business volume in the Housing segment, which includes immediate financing, modernization, and equity accumulation, rose significantly compared to the previous year, thanks in particular to the very strong volume of new lending business.
- Premiums from Life insurance business grew by double digits to around EUR 1.8 billion. New business at Property/Casualty, measured in terms of annual contribution, also improved significantly.

# Strong consolidated result after loss in previous year

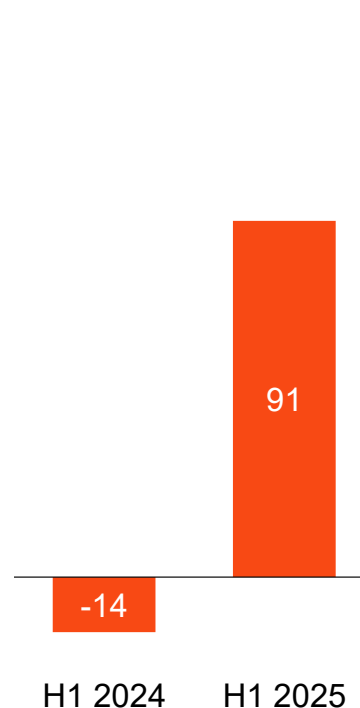
**Financial income<sup>1</sup>**  
in EUR millions



**Technical result (net)<sup>1</sup>**  
in EUR millions



**Net profit<sup>1</sup>**  
in EUR millions



- The decline in financial income is primarily attributable to a negative valuation result (EUR -128 million vs. EUR 377 million in the previous year).
- The underwriting result improved significantly, both in Property/Casualty insurance due to premium and portfolio adjustments and the absence of storm damage, and in the Life & Health insurance segment.

## Segment overview

Reported segments <sup>1</sup> (in EUR millions)	H1 2025	H1 2024	Delta
Housing segment	-51	24	-75
Life and Health Insurance segment	33	21	12
Property/Casualty Insurance segment	107	-79	186
All other segments/consolidation	2	20	-18
<b>Consolidated net income</b>	<b>91</b>	<b>-14</b>	<b>105</b>
<i>Net income before taxes</i>	<i>122</i>	<i>-18</i>	<i>140</i>
<i>Taxes</i>	<i>-31</i>	<i>4</i>	<i>-27</i>

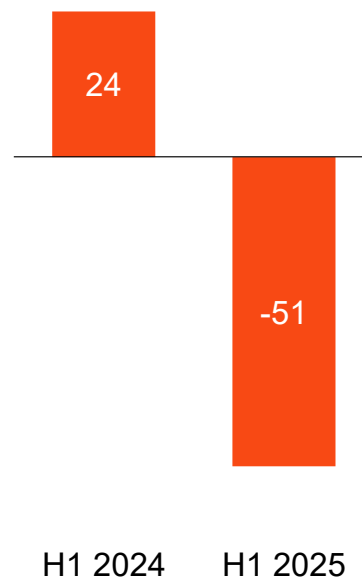
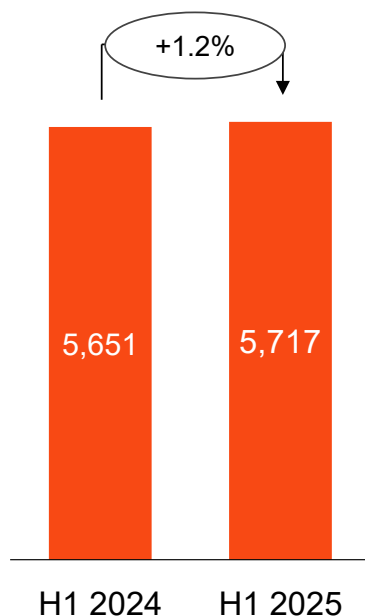
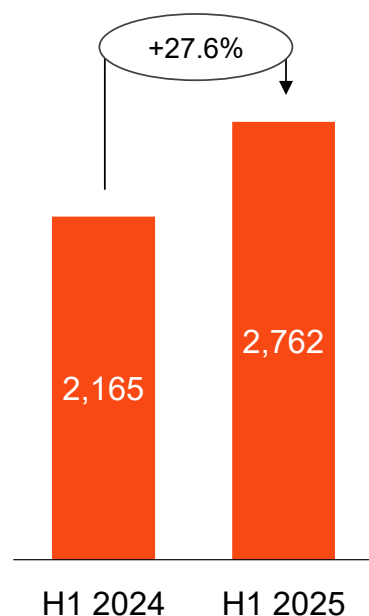


## Segment Housing – Growing new business, earnings below previous year

**New lending business<sup>1,2</sup>**  
in EUR millions

**New home loan savings  
business (gross)<sup>2</sup>**  
in EUR millions

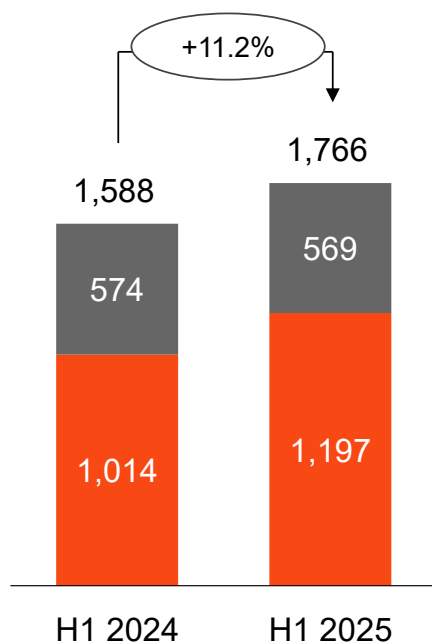
**Segment net income<sup>2</sup>**  
in EUR millions



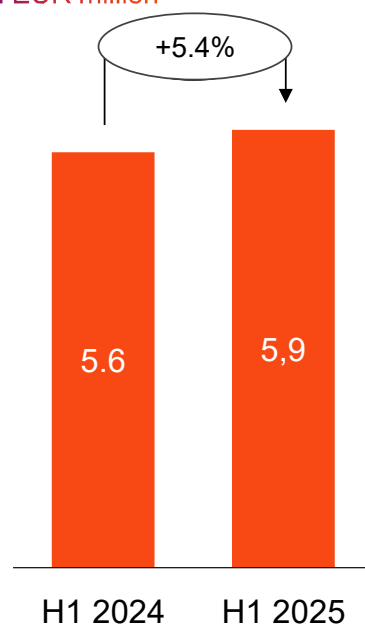
- New lending business volume increased, further strengthening the market position.
- Gross new home loan savings business amounts was slightly higher than in the previous year, thus outperforming the market.
- The hedging measures taken to manage interest rate risks for economic present value risk management will have a negative impact on the IFRS result for 2025. Overall, however, the interest rate book value increased to EUR 4.9 billion (previous year: 4.3 billion) at the end of the first half of 2025. Due to the different accounting rules, this is also clearly reflected in a positive HGB result. In addition, there are burdens from IT investments and higher risk provisions.

## Segment Life & Health Insurance – Good earnings performance (1/2)

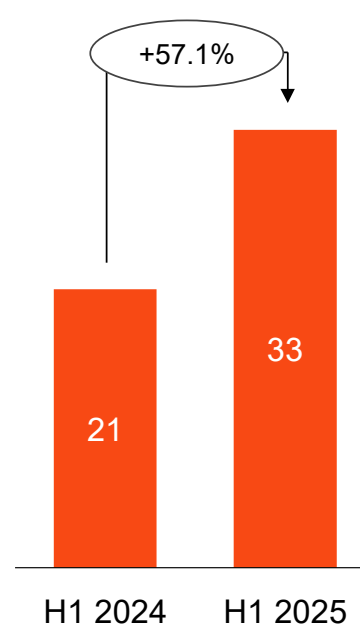
### New business premiums<sup>1</sup> in EUR millions



### Annual new health insurance premiums<sup>1</sup> in EUR million



### Segment net income<sup>1</sup> in EUR million



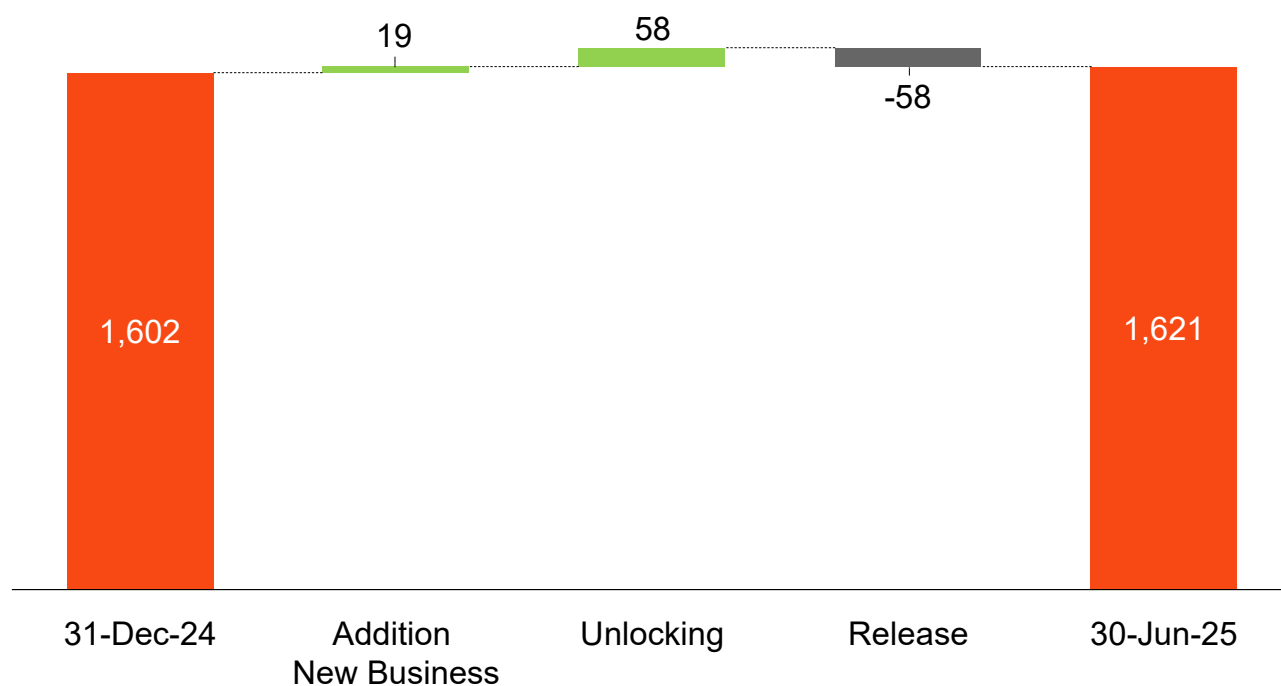
- New business in life insurance with double-digit growth.
- New annual premiums also increased in health insurance.
- Strong growth in segment earnings thanks to rising new business.

■ Total premiums in new business (not incl. company pension schemes)

■ Total premiums in new business for company pension schemes

## Segment Life & Health Insurance (2/2) – stable CSM development

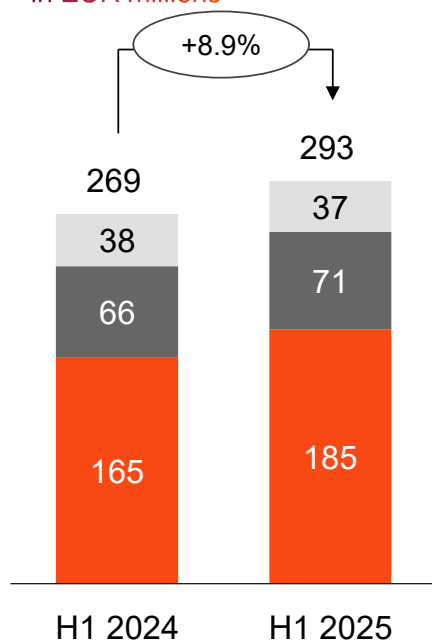
Contractual Service Margin (CSM) 2024, net<sup>1,2,3</sup>  
in EUR millions



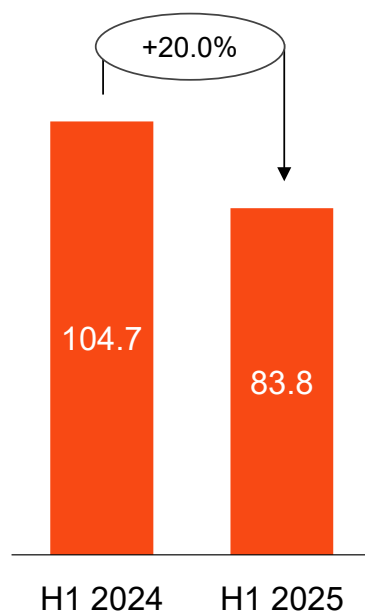
- **New business:** EUR +19 million  
New insurance contracts increase CSM
- **Unlocking:** : EUR +58 million  
Unchanged CSM at WL.  
Increase in CSM at WK and ARA.
- **Release:** EUR -58 million  
The CSM release represents the collection in the income statement

## Segment Property/Casualty Insurance – Segment earnings rebound

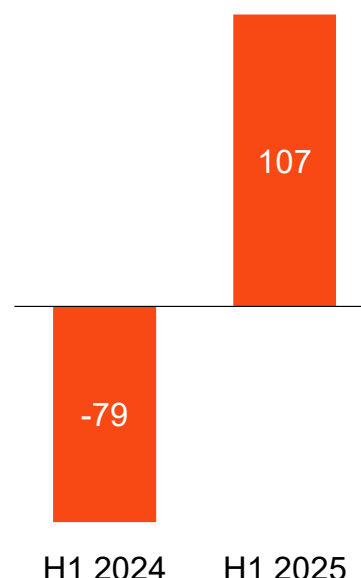
**Annual Portfolio Contribution (NRB)<sup>2</sup>**  
in EUR millions






**Combined Ratio<sup>1,2</sup> (gross)**  
in %



**Segment net income<sup>1</sup>**  
in EUR million



- Sales increased in all three areas. New business increased in the automotive and corporate customer segment. Private customer business remained at roughly the same high level as in the previous year.
- The combined ratio (gross) improved significantly to around 84%.
- Segment earnings after taxes rose significantly due to the increase in sales and the absence of storm damage in the first half of the year.

 Private customers  
 Corporate customers  
 Automotive



# IFRS consolidated income statement<sup>1</sup>

in EUR millions	H1 2025	H1 2024	Delta
Net financial income	91	250	-159
<i>Current net income</i>	652	692	-40
<i>Net expense from risk provision</i>	-36	-13	-23
<i>Net measurement gain/loss</i>	-128	377	-505
<i>Net income from disposals</i>	-19	-29	10
<i>Financial income (brutto)</i>	469	1,027	-558
<i>Insurance finance result</i>	-378	-777	399
Technical result (net)	241	-44	285
<i>Property/Casualty Insurance segment</i>	178	-95	273
<i>Life and Health insurance segment</i>	63	51	12
Net commission expense	-12	4	-16
General administrative expenses (net)	-242	-256	14
<i>General administrative expenses (gross)</i>	-573	-559	-14
<i>General administrative expenses attributable to the technical result</i>	331	303	28
Net other operating income/expense	44	28	16
<b>Consolidated net income before income taxes</b>	<b>122</b>	<b>-18</b>	<b>140</b>
Income taxes	-31	4	-35
<b>IFRS consolidated net profit</b>	<b>91</b>	<b>-14</b>	<b>105</b>

# Consolidated balance sheet<sup>1</sup>

in EUR millions	H1 2025	H1 2024	Delta
Financial assets at fair value <u>through profit or loss</u>	11,540	11,538	2
Financial assets at fair value <u>through other comprehensive income</u>	23,352	23,809	-457
Financial assets at amortised cost	32,092	31,362	730
Investment property	2,347	2,466	-119
Assets from insurance business	254	330	-76
Insurance contracts issued that are assets	31	41	-10
Reinsurance contracts held that are assets	223	289	-66
Other assets <sup>2</sup>	3,256	2,761	495
Liabilities	33,423	32,225	1,198
<i>thereof deposits</i>	28,792	28,739	53
Technical provisions	31,823	32,253	-430
Property/Casualty Insurance segment	2,777	2,552	225
Life and Health Insurance segment	29,046	29,701	-655
Other provisions	1,630	1,721	-91
Other liabilities <sup>2</sup>	976	1,137	-161
Equity	4,989	4,930	59
<b>Total equity and liabilities</b>	<b>72,841</b>	<b>72,266</b>	<b>575</b>

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## Forecast for the 2025 financial year

With a view to 2025 as a whole, **we are maintaining the earnings forecast from the 2024 Annual Report**. We are aiming for a consolidated net profit significantly above the previous year.

Depending on interest rate developments in the second half of the year, **the Housing segment's earnings could fall significantly below the previous year's level**, contrary to our forecast in the 2024 annual report. In new business for construction financing (assumptions), we continue to expect significant growth and the achievement of targets based on developments in the first half of 2025. In terms of net new business in building society savings, we will probably not be able to achieve our ambitious targets, partly due to the declining market trend despite our increasing market share.

Due to the immediate tax investment programme adopted by the Bundesrat (Federal Council) in July 2025 and the resulting burdens from the revaluation of deferred tax assets, we now expect the result in the **Life and Health Insurance segment to be significantly below the previous year**.



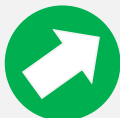


For the result in **the Property/Casualty Insurance segment, on the other hand, we expect a significant increase compared to the previous year**. In contrast to the previous forecast, we expect Württembergische Versicherung AG's new and replacement business (in terms of annual portfolio premium) to be slightly above the previous year.

**W&W AG's net profit for the year in accordance with the German Commercial Code (HGB) is forecast to be slightly above the level of the 2024 financial year**. Also the other forecasts for 2025 communicated in the „Outlook“ section of the 2024 Annual Report remain unchanged. The forecast is subject to the further development of the economy, inflation and capital markets as well as the further development of claims, in particular from natural disasters.



## Outlook

We were, are and will remain THE provider of relevant pension products from a single source

		ASSESSMENT OF MARKET TRENDS	
		2025	Outlook 2030
Home Loan Savings	Financial security and building up equity in times of volatile interest rates combined with a strong desire for home ownership.	+3%	
Construction Financing	Increasing demand for energy-efficient refurbishment and modernization.	+11%	
Composite	Increasing need for protection, especially from natural hazards. Inflation-related premium increases are understood and accepted by customers.	+6 to +8%	
Health	Private health insurance with a better benefits catalog. Growth potential, particularly in supplementary insurance and company health insurance.	+6 to +8%	
Life	Falling state pension levels and an ageing society lead to a need for products to close the pension gap. Additional protection against longevity risk.	+0 to +2.5%	

Stable, long-term business models with a clear customer benefit

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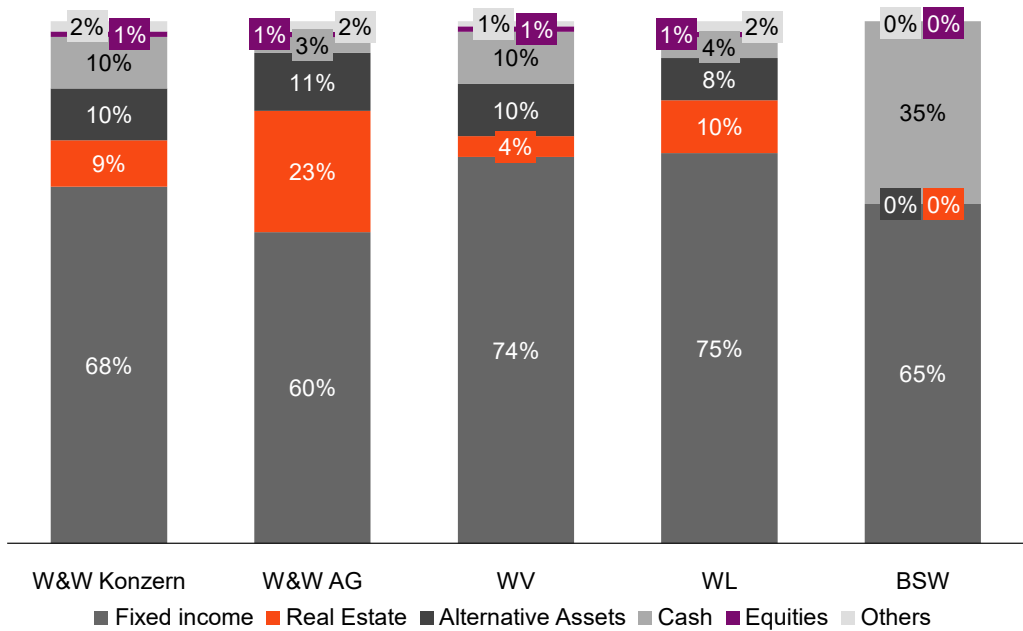
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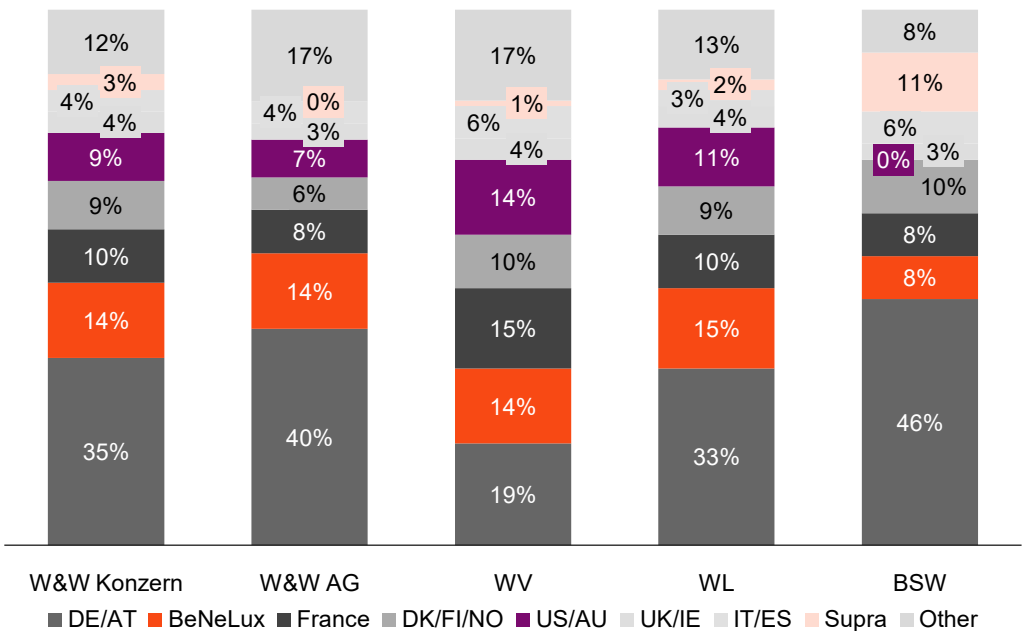
Appendix

# Investment of the W&W Group and the individual companies as of 30 June 2025

Investment by asset class

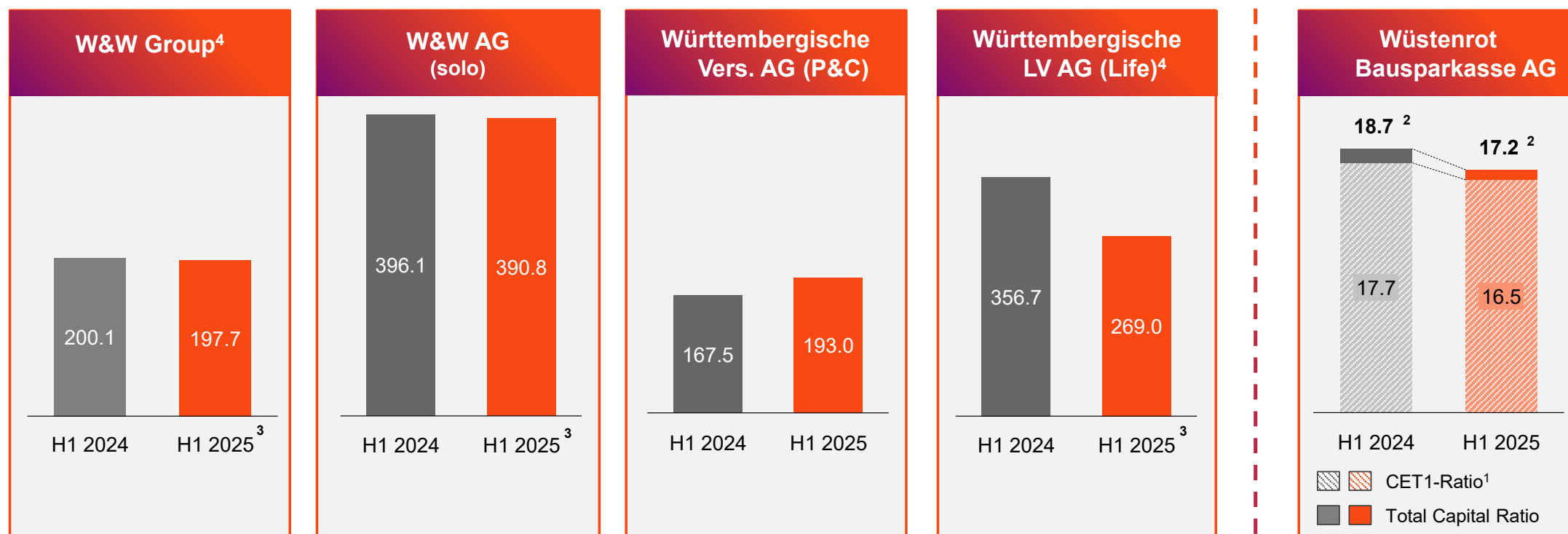


Investment by geography



# Overview regulatory capital of group key entities

## Regulatory capital of group key entities in % (Solvency II ratios for insurance entities)



## Be sure to keep in touch with us

14 Nov 2025

Quarterly Statement W&W AG as of  
30 September 2025

24 Nov 2025

Eigenkapitalforum, Frankfurt am Main

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- the impact of regulatory decisions and changes in the regulatory environment;
- the impact of political and economic developments in Germany and other countries in which the Group operates;
- the impact of fluctuations in exchange rates and interest rates; and
- the ability of the Group to generate the expected income from the investments and capital expenditures that it has made in Germany and abroad.

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