

W&W Group

Financials and Business Outlook

November 2018

Wüstenrot & Württembergische AG



Agenda

1 W&W at a glance

2 W&W Share

3 Financials

4 Strategy

5 Outlook 2018 and Guidance

W&W at a glance

200 years of experience in financial issues



1828 Württembergische Privat-Feuerversicherungsgesellschaft was established, the oldest private property insurance in southern Germany

1921 Wüstenrot (Gemeinschaft der Freunde) was founded, Germany's first home loan and savings bank

1999 Merger of Wüstenrot und Württembergische

2005 Acquisition of Karlsruher Versicherungsgruppe

2010 Acquisition of Allianz Dresdner Bauspar AG

2017 Introducing new digital brand "Adam Riese"

2018 online platform Wüstenrot Wohnwelt started

1833 Allgemeine Rentenanstalt, the first pension insurance in Germany was established



1991 Württembergische Feuerversicherung and Allgemeine Rentenanstalt merged into Württembergische Versicherung AG

2001 Acquisition of Leonberger Bausparkasse AG

2009 Acquisition of Vereinsbank Victoria Bauspar AG

2017 Participation in treefin GmbH; creating "W&W FinanzGuide-App"



W&W at a glance

W&W as diversified insurance & banking company

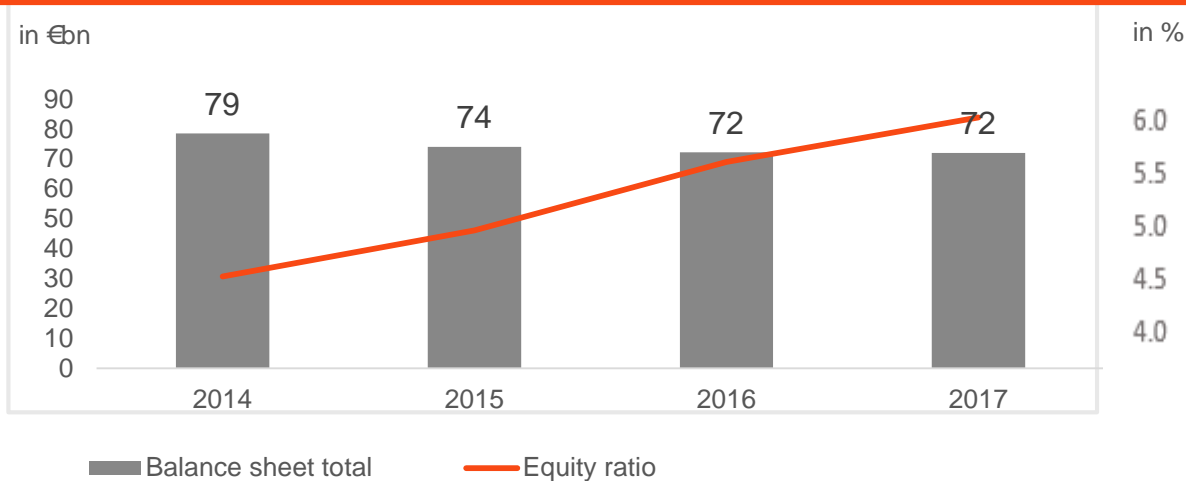
Established player with well-known brands

- Diversified insurance & banking company
- Reputation of 200 years of expertise in financial issues
- Well known brands: Wüstenrot and Württembergische
- Approx. 6 million customers in total
- Headquarters in Stuttgart, Germany
- Approx. 6,900 employees

Key figures consolidated balance sheet 30/09/2018:

- Total assets: 74.0 €bn
- Net profit: 172.3 €mn
- Capital investments: 47.7 €bn
- Senior fixed-income securities: 20.6 €bn
- Building loans: 23.1 €bn
- Technical provisions: 35.3 €bn
- Equity: 4.2 €bn

Balance sheet total and equity

















Geographic focus



- Core Market: Germany
- Additional Bauspar and banking business in Czech Republic






W&W at a glance

Broad product portfolio to create and secure values

Brand					
Business segment	Home Loan & Savings		Life & Health Insurance	Property & Casualty Insurance	brandpool
Position 31/12/17	# 2 in Germany for Bausparen 14.6% market share One of the top-brands for <u>construction finance</u>		# 13 in German life insurance 2.0% life market share*	# 9 in Germany 2.5% market share	New business segment with new approaches to financial products
Product groups	 Home loan & savings	 Life & retirement	 Car & mobility	 Fintech for digital construction finance	
	 Construction financing	 Health & care	 Liability & law	 Digital insurance brand of W&W	
	 Home & living		 Accident etc.	 Digital financial assistant	

Our sales force: broadly positioned to capture further growth

Own sales channels

~ 3,000 tied agents Württembergische	~ 3,000 tied agents Wüstenrot	Direct channel
	 	  

Partnerships and cooperations

Banks  	Insurance companies  	Financial sales networks  	Brokers 8,000 brokers	Cooperations  
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 **Potential access to 40 million customers.**

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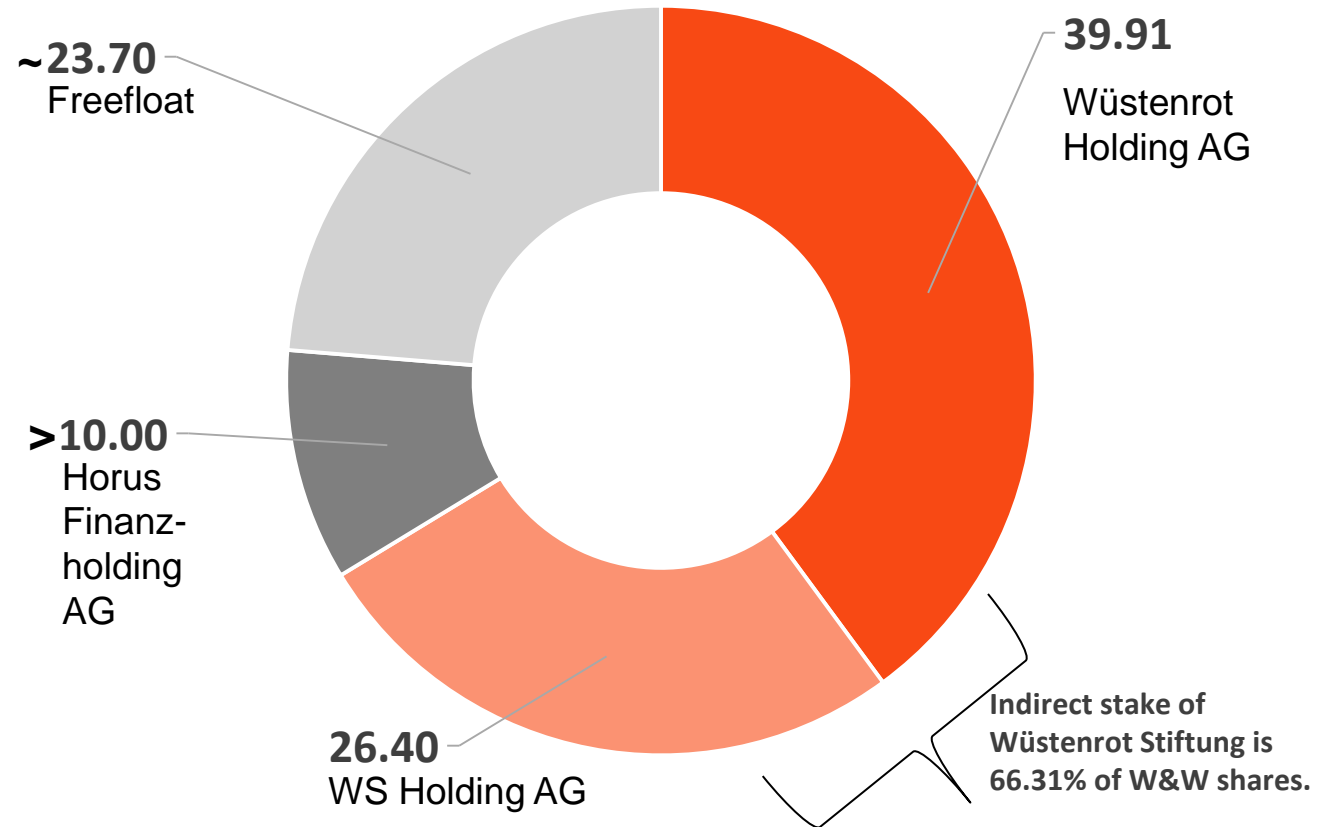
W&W Share

Investors of W&W-Group



W&W registered shares are listed on the Stuttgart and Frankfurt stock exchange. W&W AG is part of the SDAX since March 2016. Anchor shareholder is Wüstenrot Stiftung, holding an indirect stake of 66.31%.

W&W investors in %



W&W-Share

Price level with significant upside potential



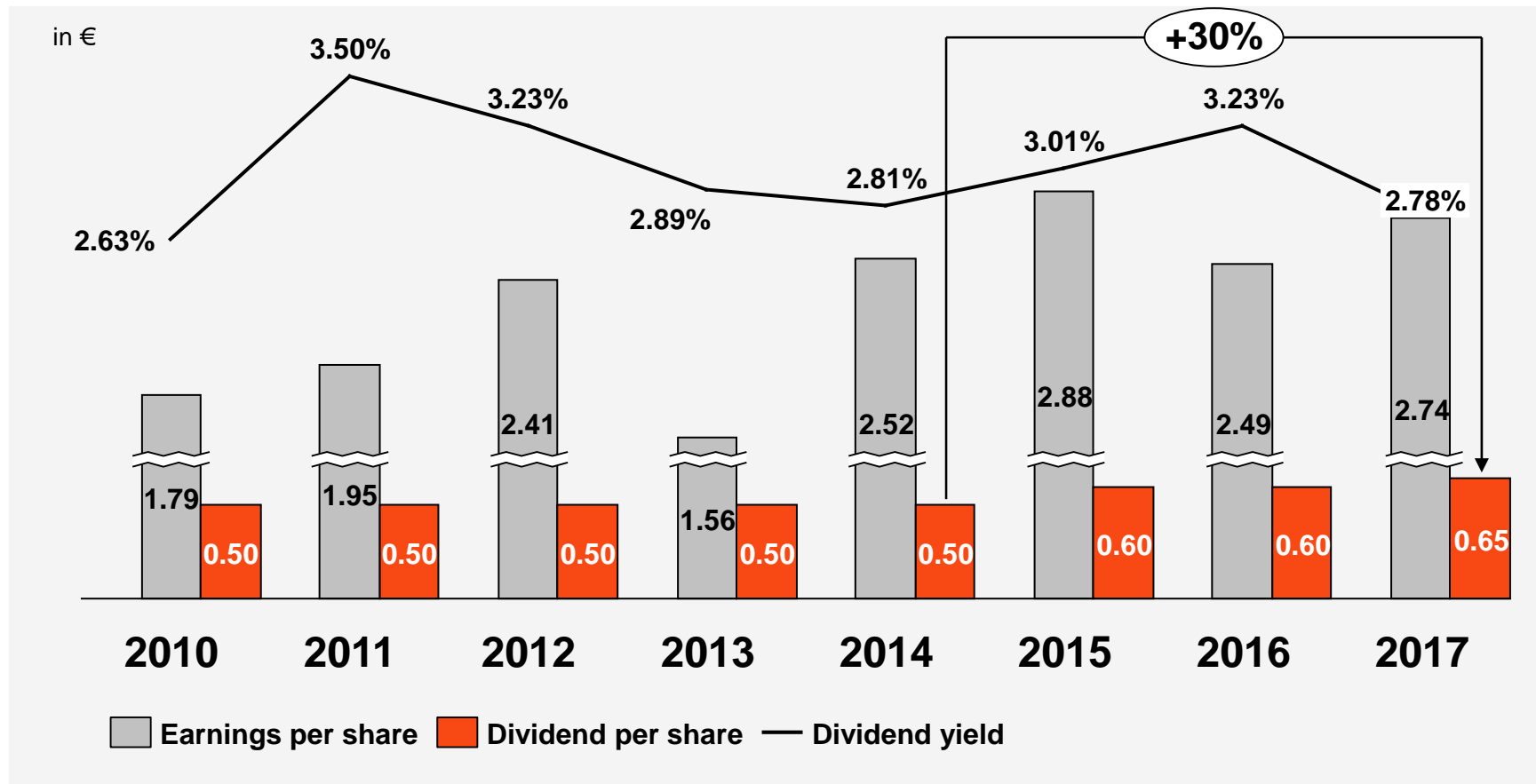
Analysts' estimates			Upside per 30/09/18
Commerzbank	14/11/18	buy / targetprice: 22.00 €	12%
Lampe	09/11/18	buy / targetprice: 23.50 €	20%
Metzler	29/03/18	buy / targetprice: 25.60 €	30%
Montega	19/11/18	buy / targetprice: 23.50 €	20%
LBBW	13/08/18	buy / targetprice: 23.00 €	17%

- Analysts see a clear upside potential and recommend the stock as a buy
- 30/09/2018:
 - Equity per share: 45.36 €
 - Earnings per share: 1.84 €

 **Current valuation offers attractive entry level.**

W&W-Share

Sustainable dividend policy



- Dividend increase 2018 from 0.60 to 0.65 € (+8.3%)
- Since 2014: + 30%
- Dividend yield currently 2.8%
- For comparison:
 - MDAX (2.6%)
 - SDAX (1.8%)



Our dividend policy: Reliable dividend at least at the previous year's level.

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Financials

Results 2014 – 2017: Overview

Group Net Profit (IFRS) in €mn	2014	2015	2016	2017
Segment Home Loan and Savings Bank	51.8	57.0	58.7	58.5
Segment Life and Health Insurance	45.7	40.3	49.7	31.8
Segment Property/Casualty Insurance	128.2	114.9	108.3	125.8
Others/Consolidation	16.3	62.1	18.6	41.9
Group Net Profit	242.0	274.3	235.3	258.0
<i>Earnings before income taxes</i>	283.0	323.6	291.6	292.4
<i>Income taxes</i>	-41.0	- 49.3	- 56.3	-34.4

Financials

W&W 9M 2018 Net Profit

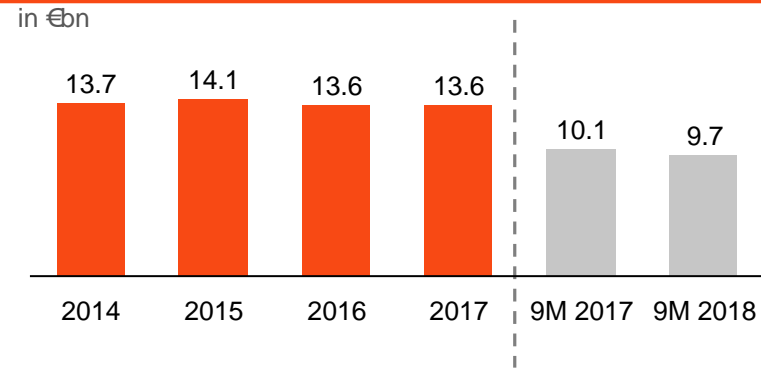
Group Net Profit 9M/18 (IFRS) in €mn	30/09/2017	30/09/2018
Segment Home Loan and Savings Bank	42.6	45.5
Segment Life Insurance	21.4	12.4
Segment Property/Casualty Insurance	109.2	106.8
Other Segments/Consolidation	41.5	7.6
Group Net Profit	214.7	172.3

➤ **W&W Group completely on course (FY exp. at least 200 €mn) in 2018;
Consolidated net profit slightly exceeds our expectations.**

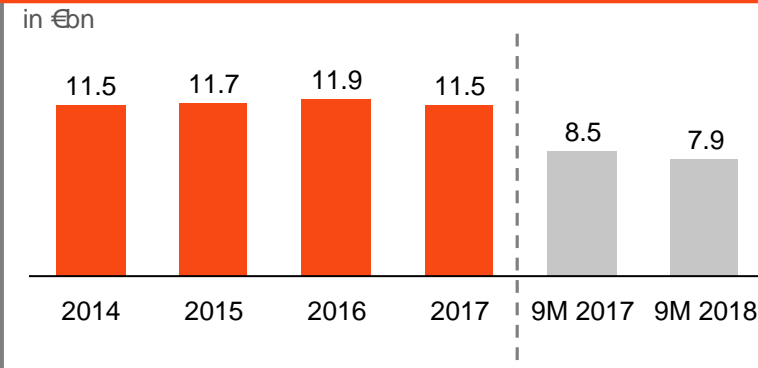
Financials

Home Loan & Savings segment*

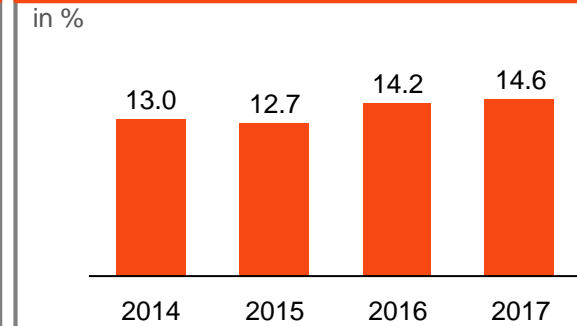
Bausparen: Gross new business



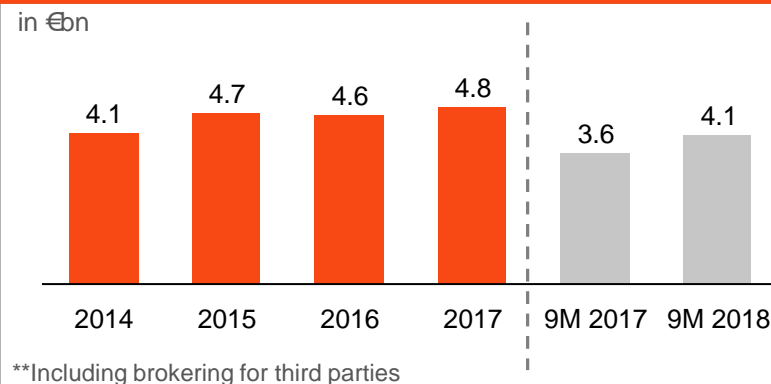
Bausparen: Net new business



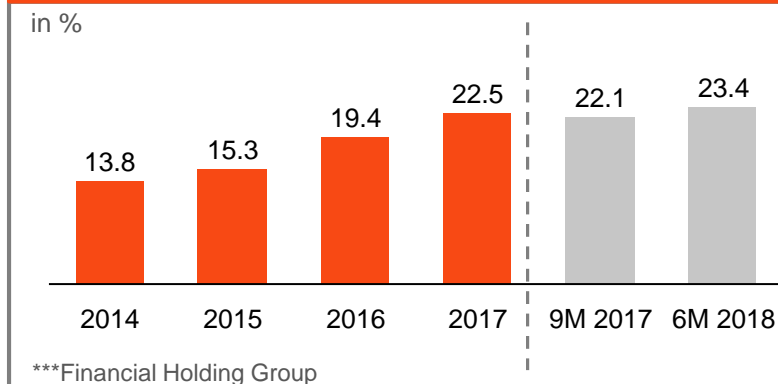
Bausparen: Market share, gross



New business construction financing**



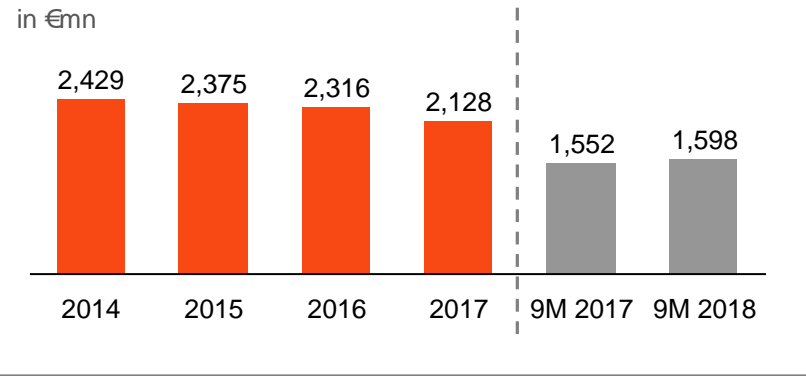
Core capital ratio***



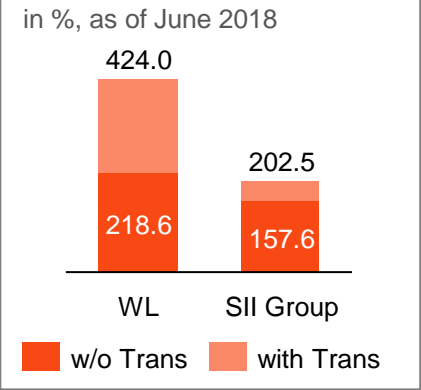
Financials

Life & Health Insurance segment

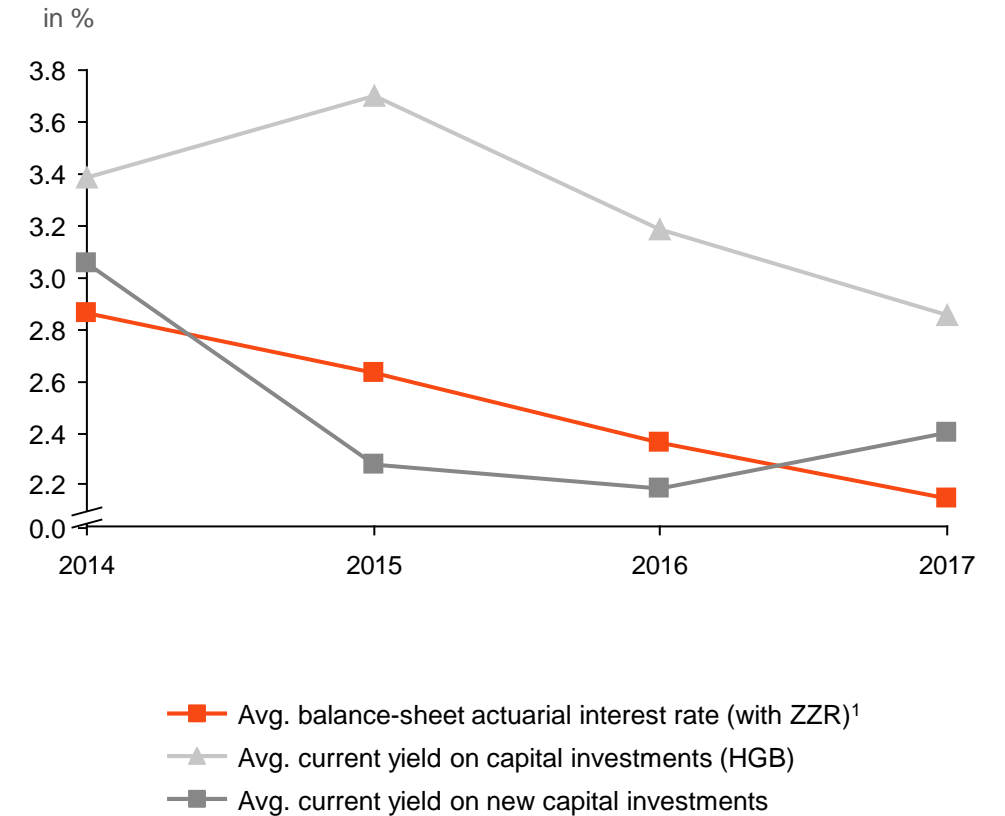
Gross premiums written



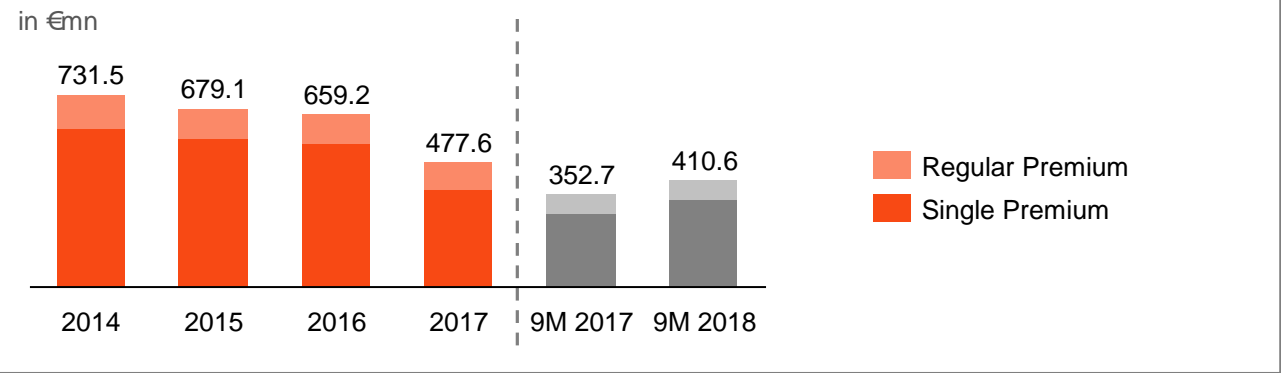
SII-Ratio



Yield on capital investments vs. actuarial interest rate

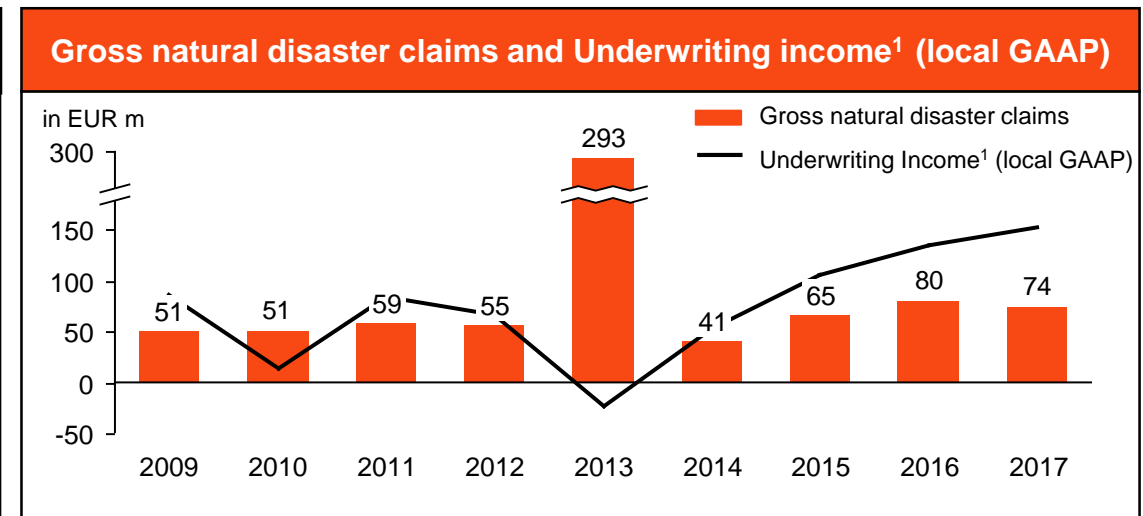
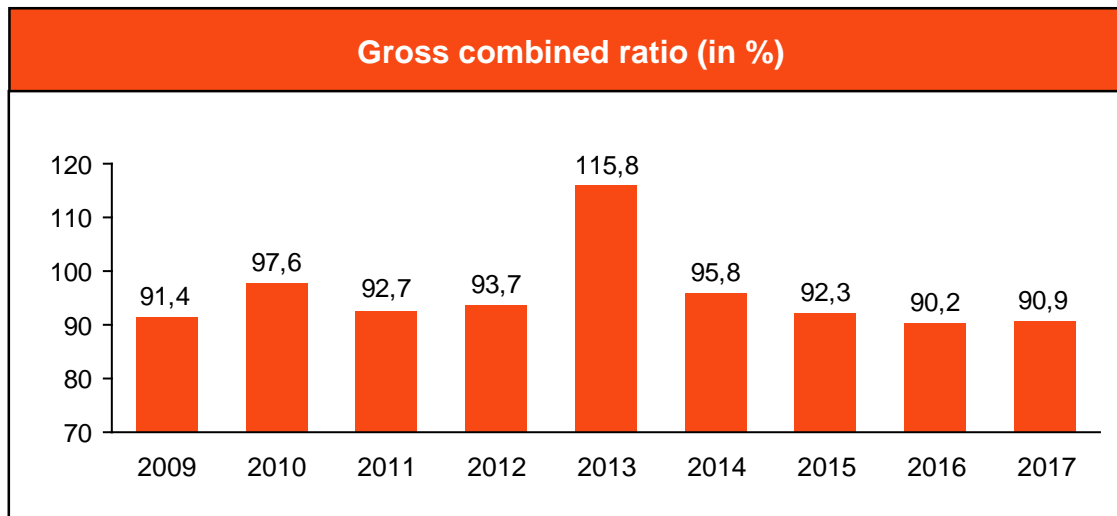
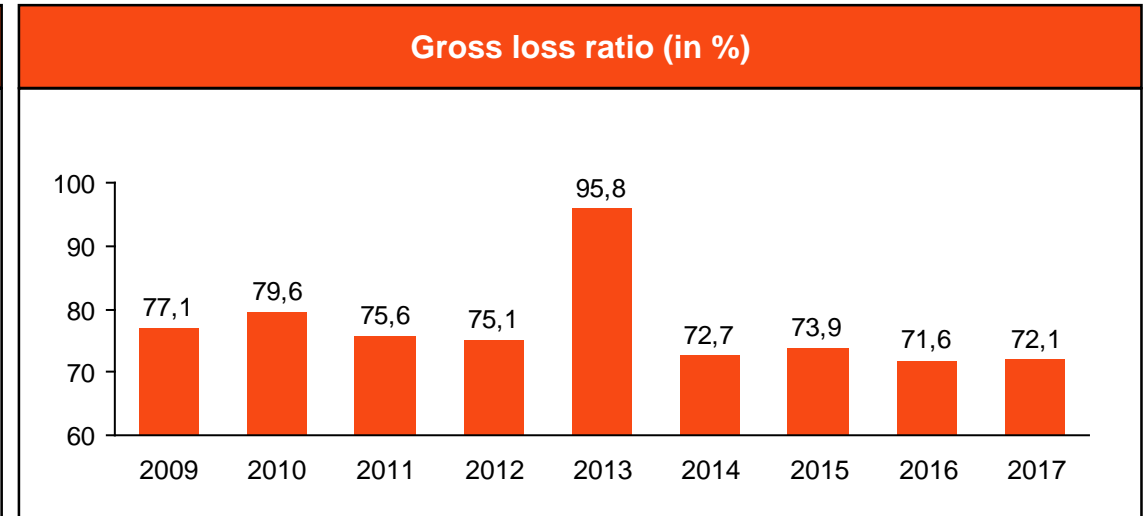
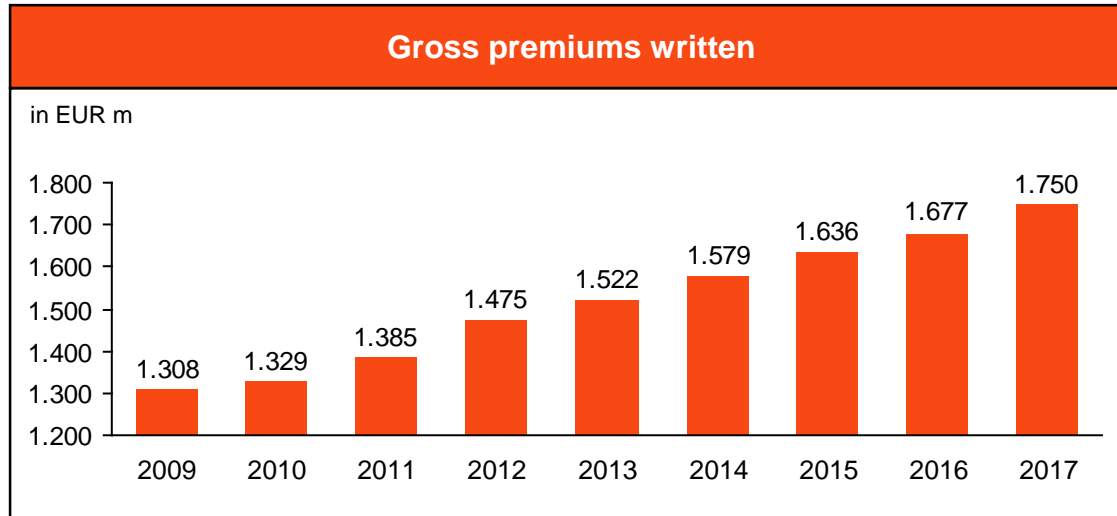


New business



Financials

Property & Casualty Insurance segment



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Strategy

W&W in challenging environment



- Shift in customer needs and values
- Change dynamic & demography

- New models in life and share economy
- Increasing plurality of society

- Regulatory requirements
- Consumer protection

- Increasing regulatory requirements for sales force
- Additional consumer data requirements

- Digitalization & technological progress
- Data era & digital networks

- Digitalization of and fight for client interface
- Data as success factors

- Interest rate development
- Capital markets

- Low interest rate environment
- Low risk premiums

Strategy

“W&W Besser!” ensures competitive edge

Growth



Grow profitable
above market rate



Digital Transformation



Be faster, better, and more
creative as competitors



Efficiency



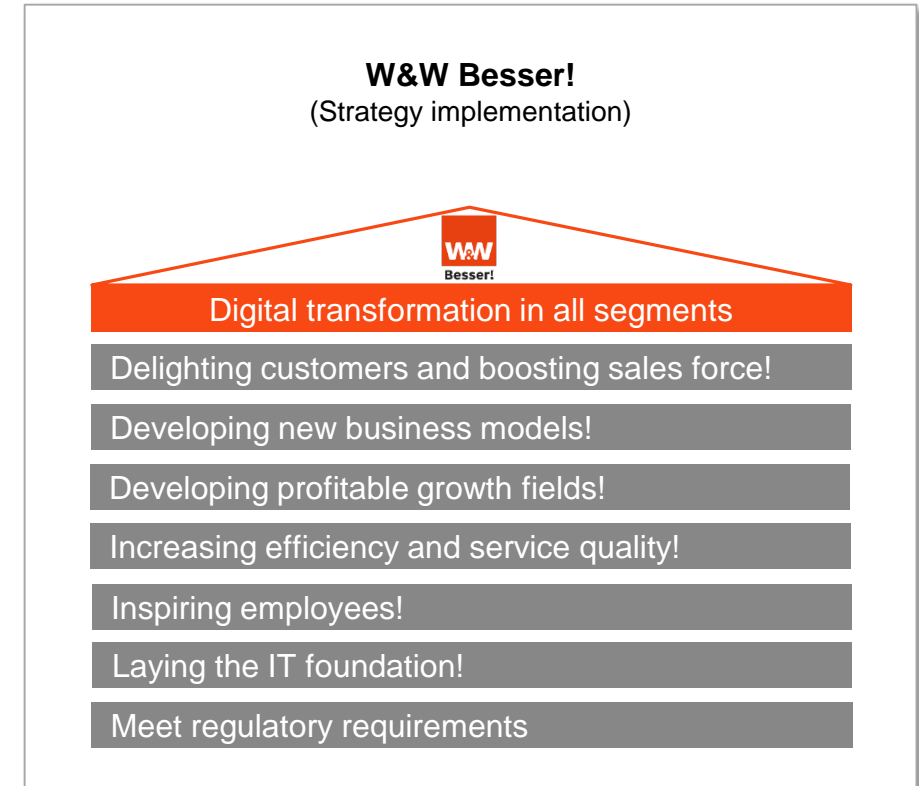
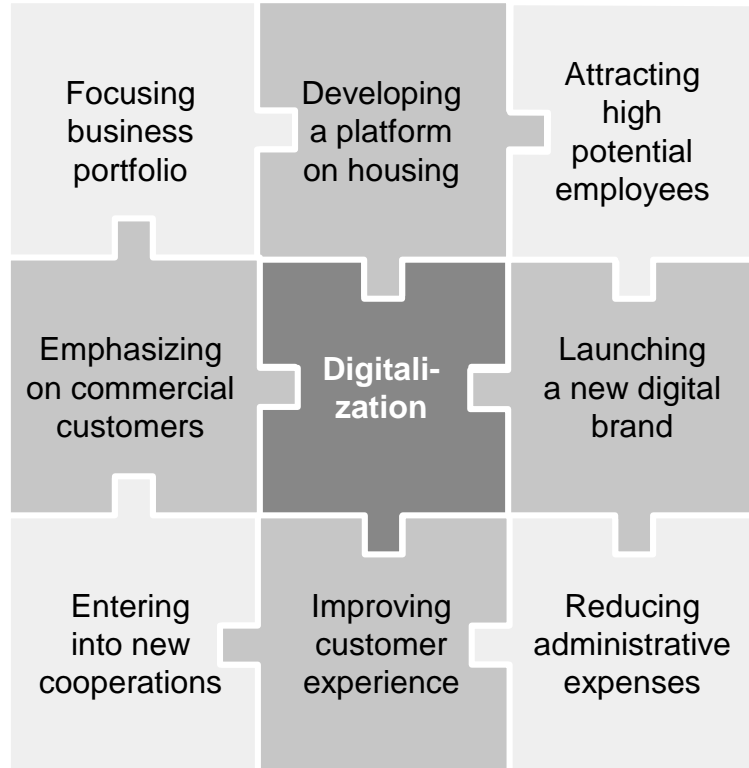
Improve productivity
by 5% p.a.



Investments in „W&W Besser!“

Strategy

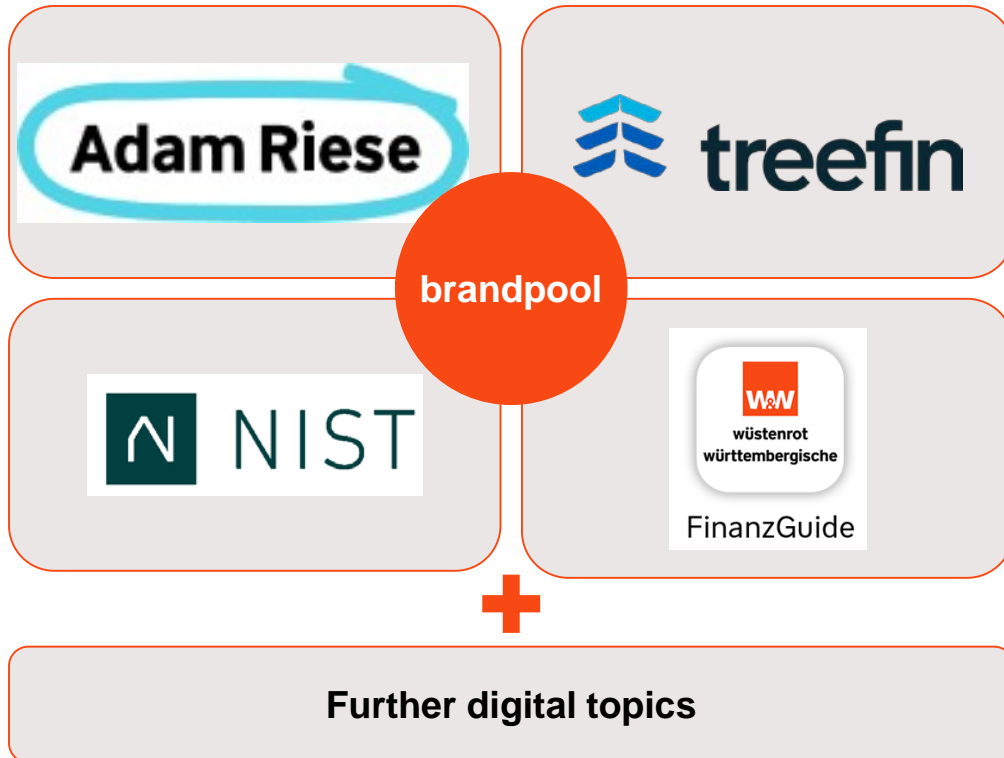
Strategy implementation bundled in “W&W Besser!”



➤ **Clear objective: W&W as winner of the upheaval in the financial industry.**

Strategy

“brandpool”: developing new digital business models



Our new business segment “**brandpool**”

- ✓ initial scope defined
- ✓ managing director Daniel Welzer (since May 2018)

Our new digital brand **Adam Riese**

- ✓ launched in October 2017 with a personal liability insurance
- ✓ enhanced offering: legal protection insurance for private customers and business protection insurance
- ✓ new business 2018 as of August: more than 18,000 contracts and more than € 1,100,000 in premiums

Our new innovation **Nist**

- ✓ is a digital, personal companion for buying the desired real estate
- ✓ first features are live

Our independent insurance broker **treefin**

- ✓ new features added (spending tracker and budget planner)
- ✓ over 7,000 active users

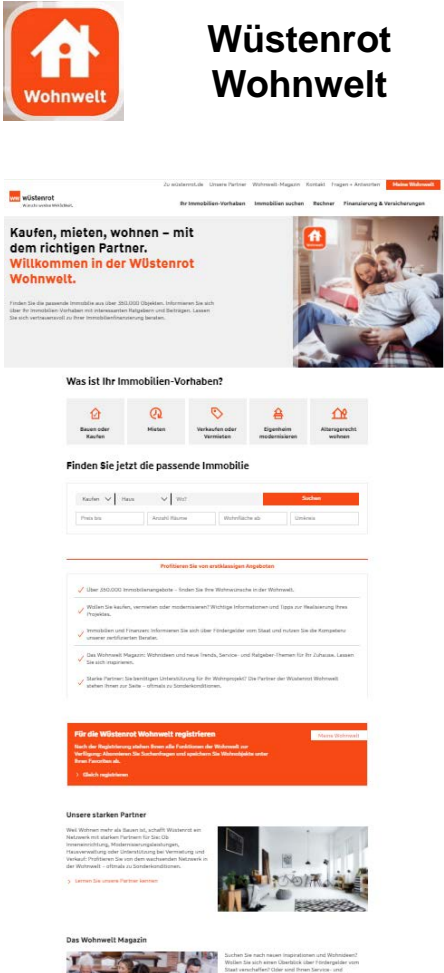
Our new digital financial assistant **Finanzguide**

- ✓ launched for W&W customers
- ✓ over 13,000 registered users

➤ **W&W invests in innovative, future-oriented new business models.**

Strategy

Further implemented strategic activities



Wüstenrot Wohnwelt

Kaufen, mieten, wohnen – mit dem richtigen Partner.
Willkommen in der Wüstenrot Wohnwelt.

Was ist Ihr Immobilien-Vorhaben?

Finden Sie jetzt die passende Immobilie

Für die Wüstenrot Wohnwelt registrieren

Unsere starken Partner

Das Wohnwelt Magazin

W&W Campus



Our new digital platform “Wüstenrot Wohnwelt”

- ✓ offering for potential real estate buyers and owners
- ✓ real estate search engine
- ✓ third party offerings on the topics of building and living
- ✓ started in January
- ✓ approx. 4 Mio. page views in 2018

Our new W&W Campus

- ✓ construction phase one completed in time
- ✓ 1,200 new, modern workspaces are in use
- ✓ demolition of further buildings for phase two started

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Group Outlook 2018

W&W completely on track

Growth

New business expected to rise in core business (e.g. construction financing, property/casualty insurance and supplementary health insurances)

Investments

Increase in overall investments to seize the chances of the digital transformation

IFRS

Because of additional investments, particularly for digital transformation, consolidated net profit for 2018 will not reach the figure for the previous year. However, we expect that consolidated net profit will amount to at least €200 million. We remain committed to our longterm goal of consolidated net profit of €220 million to €250 million.

Local GAAP

Net profit under local GAAP (HGB) is expected at € 70mn to € 90mn

Dividend

Reliable dividend policy: at least equal to previous year's level (2017: 0,65 €/ share)

Online Report German + English

wüstenrot württembergische Geschäftsbericht 2017

Startseite | Mein Geschäftsbericht | Downloadcenter | Drucken | EN

Um diese Seite korrekt darstellen zu können, benötigen sie den Flash-Player. Diesen können sie [hier](#) herunterladen.

Wenn sie eine Flash-bele Version der Seite bevorzugen, klicken sie bitte [hier](#).

W&W-Gruppe blickt auf erfolgreiches Geschäftsjahr zurück – Dividendenerhöhung auf € 0,65
[mehr lesen](#)

Wüstenrot Bausparkasse erreicht hohes Jahresniveau im Neugeschäft
[mehr lesen](#)

Schaden- und Unfallversicherung mit erfreulicher Ergebnisslogierung
[mehr lesen](#)

Aktionärsbrief
[mehr lesen](#)

Kennzahlen
[mehr lesen](#)

Geschäftsverlauf
Die W&W-Gruppe hat 2017 einen Konzernüberschuss nach Steuern von 250 Mio € erzielt. Er lag damit über der Prognose für das Geschäftsjahr 2017 des Geschäftsberichts 2016, welche ein Ergebnis in der Größenordnung des Vorjahres in Aussicht stellte.
[mehr lesen](#)

Informationen für Aktionäre
Zusammenfassender Lagebericht
W&W Konzernabschluss
W&W AG Jahresabschluss
Bericht des Aufsichtsrats
Glossar

Fact Sheet German + English

wüstenrot württembergische

16. Juli 2017
FACT SHEET

UNTERNEHMENSPROFIL
Die Wüstenrot ist eine unabhängige Finanzdienstleistungsgruppe mit Sitz in Stuttgart, die 100% aus der Fusion von Wüstenrot und Württembergische hervorgegangen ist.
Die Wüstenrot ist in zwei Geschäftsfeldern aktiv: "Bausparkasse" und "Versicherung". Durch die Kombination der Geschäftsfelder kann die Wüstenrot Gruppe ein breites Produktangebot für ihre KundInnen, das Schwermetall liegt dabei auf Privat- und Gewerkskassen im Kernmarkt Deutschland. Im Ausland konzentriert sich der Konzern strategisch auf Tschechien.
Was die Bilanz im Markt angeht, so rangiert die Wüstenrot Bausparkasse nach der Höhe des Brutto-Bausparkausgleichs – Platz 2 unter den privaten Bausparkassen. Die Wüstenrot-Versicherung rangiert unter den Wüstenrot-Versicherungen unter den Top 10 der deutschen Lebens- und Sachversicherungen.
Zu den Stärken des Konzerns gehören ein großer Stimmanteil von rund 8 Millionen Kunden sowie die eigene Kundenlinie mit über 100.000 MitarbeiterInnen, 1.100 Wüstenrot Service-Centern und 2.000 Ausstellungen der Wüstenrot-Gruppe. Große Anlaufbahnen rufen die Fortzüge an.

AKTIENKURS
18. Juli 2017
18. Juli 2016
19. Juli 2016
18. Juli 2017

FINANZKALENDER
11.08.2017 Veröffentlichung Halbjahresfinanzbericht
18.08.2017 Beratung und Goldenen Sachse Kapitalmarktkonferenz, München
14.11.2017 Veröffentlichung Quartalsfinanzbericht (Stichtag Q3)
16.11.2017 IAS 9 German Company Day, London
22.11.2017 Eigenkapitalforum, Frankfurt

VORSTAND
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Dr. Michael Ellwanger
Jana Wüstenrot

AUFSICHTSRAT
Hans-Dietrich Bauer (Vorsitzender)
Dr. Rainer Hegemann
Peter Buschbeck
Hilke Holthuis
Gudrun Lander
Marika Lotay
Ralf Martin
Christoph Singer
Hans-Ulrich Schulz
Dr. Rainer Hegemann
Jochen Höpfer
Gudrun Lander
Bernd Meier
Andreas Reibauer
Julia Schuler
Gerold Zimmermann

STAMMDATEN DER AKTIE
ISIN DE0000000000
WKN 805 100
Art der Aktie Stammaktien
Stammung Code WUWGG1R
Reuters Code WUWDE
Ticker WUW
WKN 8051R
Zusatzangabe IFRS Standard
Letzte Dividende 0,60 EUR (2016)
Anzahl der Aktien 92.758.720
Market Cap 2,04 Mrd. EUR
Börse Wüstenrot
Börsennotierung 16,17 EUR
Börsenplätze Regulierter Markt in Frankfurt/Main und Stuttgart
Finanzcenter Markt, Düsseldorf, Nürnberg und Hannover
Rating BBB- Outlook stabil (Financial Strength) BBB- Outlook stabil (Issuer Credit Rating)

AKTIONÄRSSTRUKTUR*
Wüstenrot Holding AG† 26,91% W&W Holding AG† 26,41%
* Eigenkapital der Wüstenrot Holding AG

IR Newsletter

wüstenrot württembergische Investor Relations Newsletter

22 DEUTSCH ZAKI Gewinner und Verlierer des Tages 2016
16. Mai 2016

Aktie Sehr geehrte Damen und Herren,
unser Investor Relations Newsletter informiert Sie über Neuigkeiten im W&W-Konzern und gibt Ihnen aktuelle Informationen rund um die Aktien der Wüstenrot & Württembergische AG und der Württembergischen Lebensversicherung AG.

Finanzwissen

Publikationen

W&W Quartalsmitteilung veröffentlicht
Der W&W-Konzern ist erfreulich ins Jahr 2018 gestartet. Er hat sich bei den Kennzahlen etabliert entwickelt. So lag der Konzernüberschuss im ersten Quartal bei 58,0 (v. 09,5) Mio € und liegt damit im Rahmen der Erwartungen. Der W&W-Konzern wendet seit dem 1. Januar 2018 den neuen Standard IFRS 9 Finanzinstrumente an. Die Vorjahreswerte sind weiterhin gemäß IAS 39 bilanziert.

Zu den Quartalsberichten

For further information please contact:
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Who we are

Members of W&W Management Board



Jürgen A. Junker,
CEO W&W AG
Chairman of the Management Board
and W&W Executive Board



Jens Wieland, COO/CIO
W&W AG
Member of the W&W Executive Board



Dr. Michael Gutjahr, CFO
W&W AG
Member of the W&W Executive Board



Bernd Hertweck,
Head of Division BausparBank,
Chief Executive Officer of
Bausparkasse AG



Jürgen Steffan
Member of the Executive Board of
Wüstenrot Bausparkasse AG, General
Representative of W&W AG &
Württembergische Versicherung



Thomas Bischof
Head of Division Württembergische
und Chief Executive Officer of
Württembergische Versicherungen



Daniel Welzer
Head of Division and Chairman of
W&W brandpool Board

Financial calendar 2018 / 2019



13/11/2018

W&W AG 9M 2018



14/11/2018

Lampe-Roadshow, Copenhagen



15/11/2018

LBBW German Company Day, London



26 – 27/11/2018

Eigenkapitalforum, Frankfurt



29/03/2019

W&W AG Annual report 2018



05/06/2019

Annual General Meeting W&W AG, Ludwigsburg

Disclaimer

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This presentation contains certain forward-looking statements and forecasts reflecting W&W management’s current views with respect to certain future events. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding W&W’s future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where W&W participates or is seeking to participate. The W&W Group’s ability to achieve its projected results is dependent on many factors which are outside management’s control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions. The following important factors could cause the Group’s actual results to differ materially from those projected or implied in any forward-looking statements:

- 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 currency exchange and interest rates; and
- the Group’s ability to achieve the expected return on the investments and capital expenditures it has made in Germany and in foreign countries.

The foregoing factors should not be construed as exhaustive. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. All forward-looking statements included herein are based on information available to W&W as of the date hereof. W&W undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All subsequent written and oral forward-looking statements attributable to W&W or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. The material is provided to you for informational purposes only, and W&W is not soliciting any action based upon it. The material is not intended as, shall not be construed as and does not constitute, an offer or solicitation for the purchase or sale of any security or other financial instrument or financial service of W&W or of any other entity. Any offer of securities, other financial instruments or financial services would be made pursuant to offering materials to which prospective investors would be referred. Any information contained in the material does not purport to be complete and is subject to the same qualifications and assumptions, and should be considered by investors only in light of the same warnings, lack of assurances and representations and other precautionary matters, as disclosed in the definitive offering materials. The information herein supersedes any prior versions hereof and will be deemed to be superseded by any subsequent versions, including any offering materials. W&W is not obliged to update or periodically review the material. All information in the material is expressed as at the date indicated in the material and is subject to changes at any time without the necessity of prior notice or other publication of such changes to be given. The material is intended for the information of W&W’s institutional clients only. The information contained in the material should not be relied on by any person.

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