INVESTOR RELATIONS

IR Presentation as of March 31, 2018

Helaba

PERFORMANCEFIGURES

IR Presentation as of March 31, 2018

- Despite persistent challenging environment, Helaba successfully reported a **consolidated profit before tax of € 79 m**, which was slightly above the same period in the previous year
- **Risk situation** remains **comfortable**; as in previous quarters, risk provisioning requirement low
- Further improvement in **CET1 ratio** (both phased-in and fully-loaded) to **15.7 %**, **total capital ratio** (phased-in) reaches **21.9 %**
- Consequences of changeover to **IFRS 9** are **manageable**
- **Segment reporting amended** as of January 1st, 2018

Development of key financial ratios in challenging market environment as expected

Profit before tax

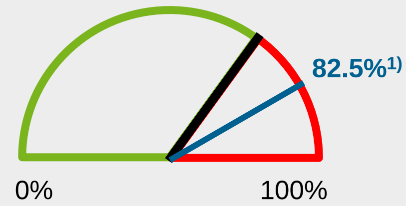
in € m

Total assets

in € bn

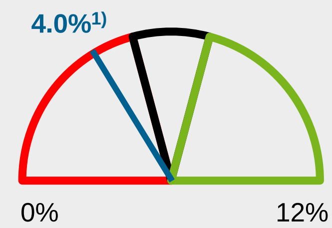
Cost-income ratio

Target ratio 2018
< 70%



Return on equity

Target range 2018
5.0–7.0%



1) Full consideration of bank levy and contributions paid into the guarantee schemes of the S-Finance Group as of March 31, 2018

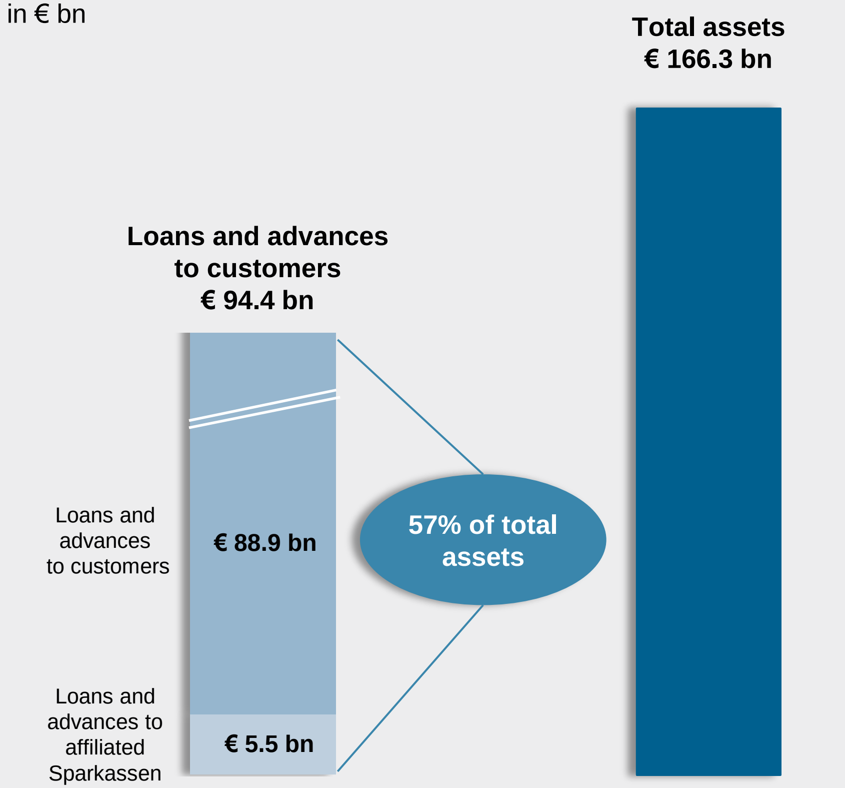
CET1 ratio (“fully-loaded”) and Liquidity Coverage Ratio

	Requirement 2018	Target ratio/ range	Ratio Q1 2018
CET1 ratio (“fully-loaded”)	8.89%[2)]	12%	15.7%
Liquidity Coverage Ratio	100%	>120%	164.5%

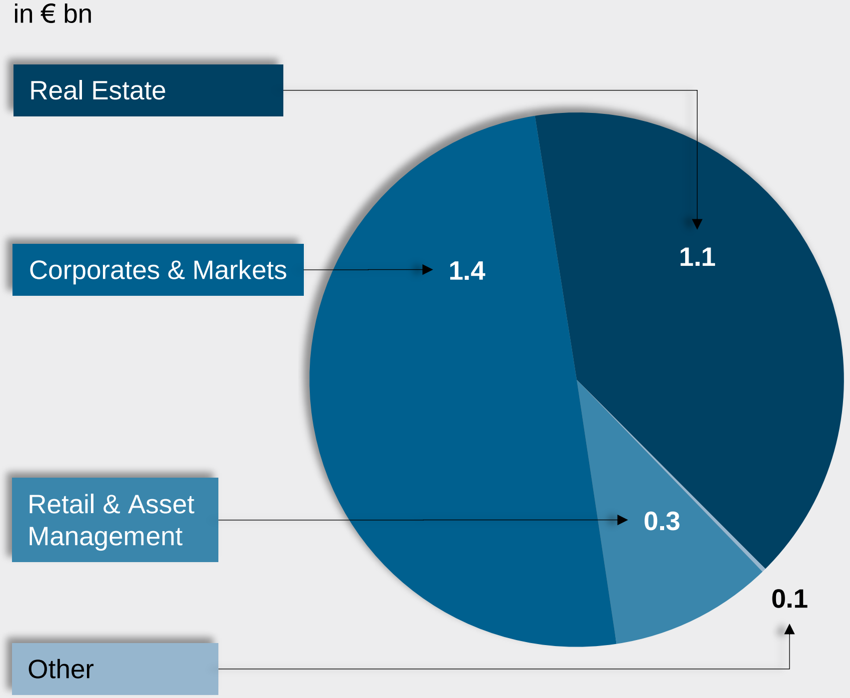
2) Derived from SREP requirement for 2017 taking capital buffers into account

Customer business dominates balance sheet structure

Closely intertwined with the real economy



New medium and long-term business: € 2.9 bn *



* New medium and long-term business excl. WIBank

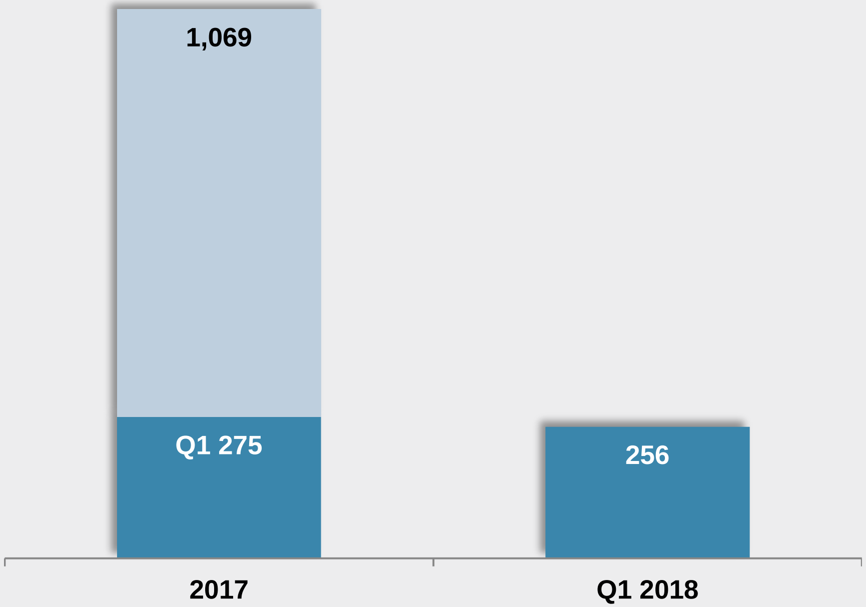
- In Q1 2018 degree of interconnectedness with real economy slightly decreased to 57% due to an increase in total assets (2017: 60%)
- Portfolio volume declined to € 94.4 bn (2017: € 95.3 bn) due to maturities, higher-than-planned repayments as well as currency effects

- New medium and long-term business of € 2.9 bn (duration of more than one year) noticeably below previous year (Q1 2017: € 4.6 bn)
- Stabilisation of new business performance anticipated for the year as a whole

Low interest rate environment reflected in net interest income, net fee and commission income slightly below previous year

Net interest income

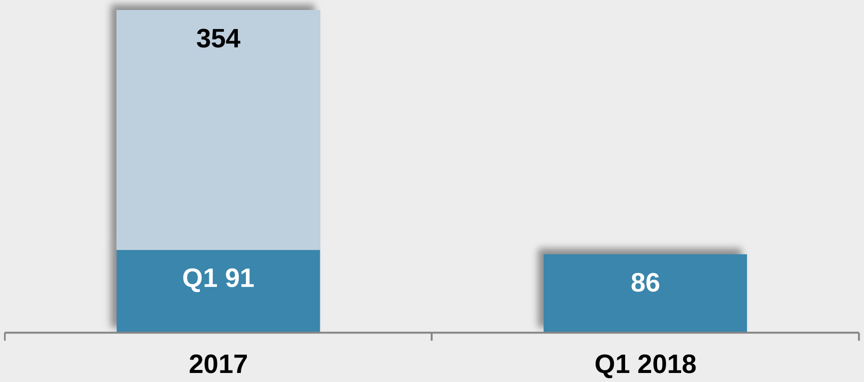
in € m



- Lower net interest income due to reduced volumes and a margin decline resulting from the persistently high competitive pressure

Net fee and commission income

in € m

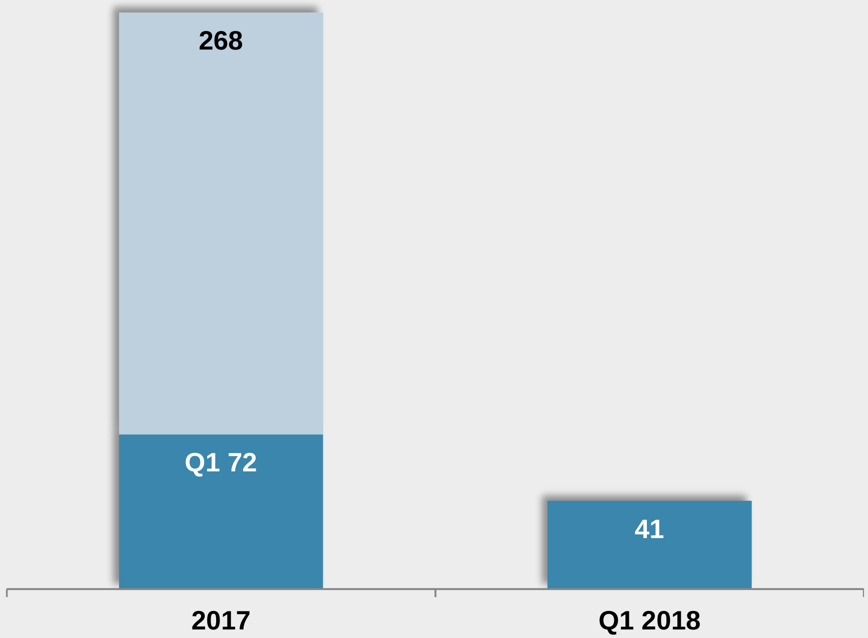


- Net fee and commission income mainly generated by Helaba's cash management activities as well as Helaba Invest's asset management
- Particular decline in securities and custodian business

Significantly lower impact of remeasurement effects

Net trading income

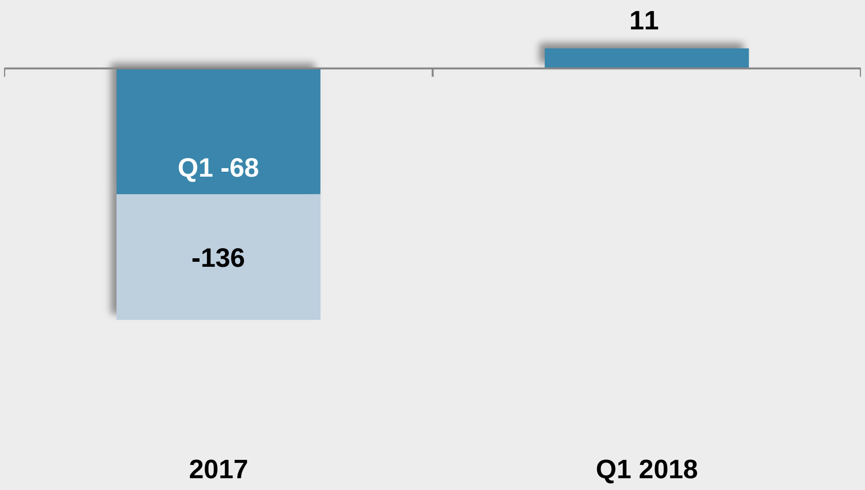
in € m



- Operating profit from customer-driven capital market business on a satisfactory level; previous year strongly affected by positive remeasurement effects

Net income from hedge accounting and other financial instruments at fair value (non-trading)

in € m

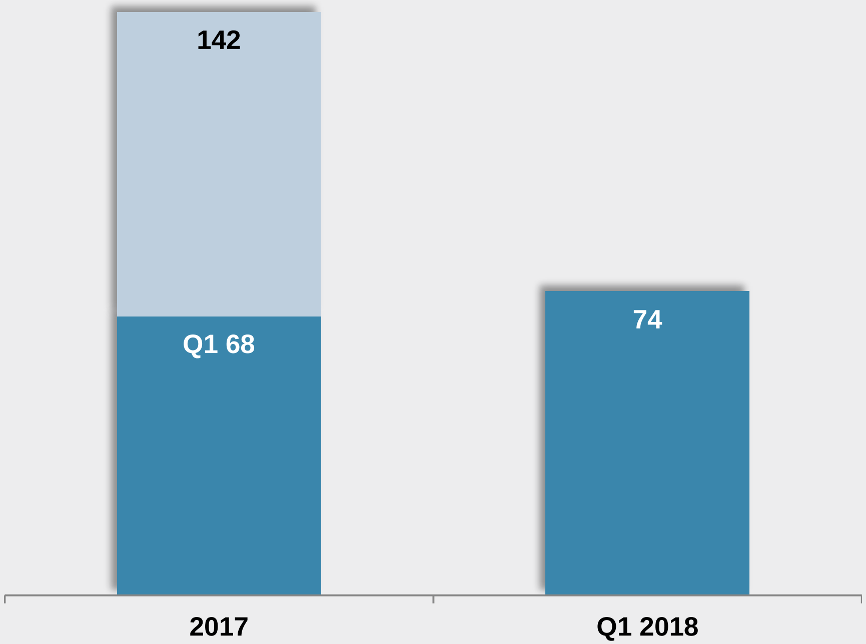


- Net income from hedge accounting and other financial instruments at fair value (non-trading)
- Negative impact in previous year due to temporary remeasurement effects, since 2018 recorded in equity with no effect on P&L

Other net income and administrative expenses rise

Other net income

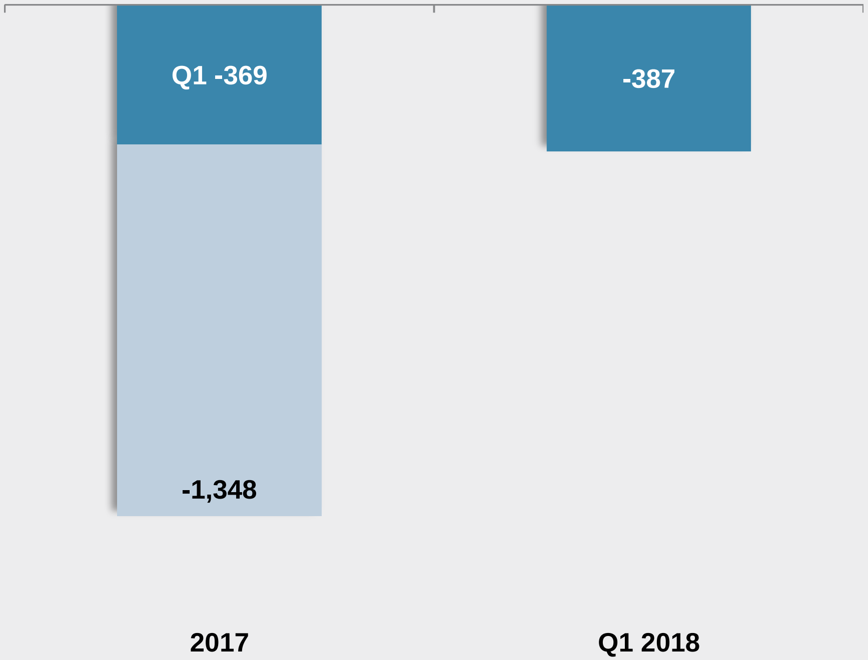
in € m



- Dominated by further rise in net income from real estate portfolio (mainly GWH) in an amount of € 60 m (Q1 2017: € 54 m)
- Scheduled depreciation on these property portfolios from 2018 recorded in general and administrative expenses (previous year's figure adjusted accordingly)

General and administrative expenses

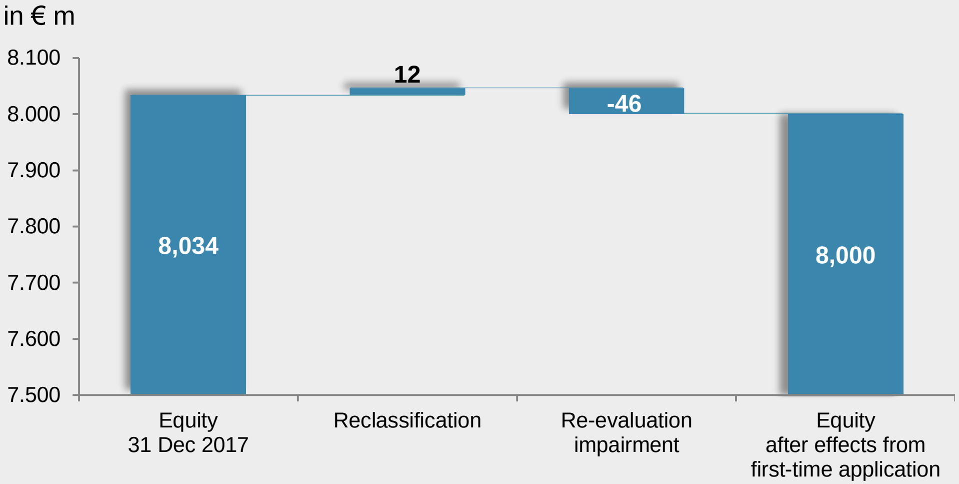
in € m



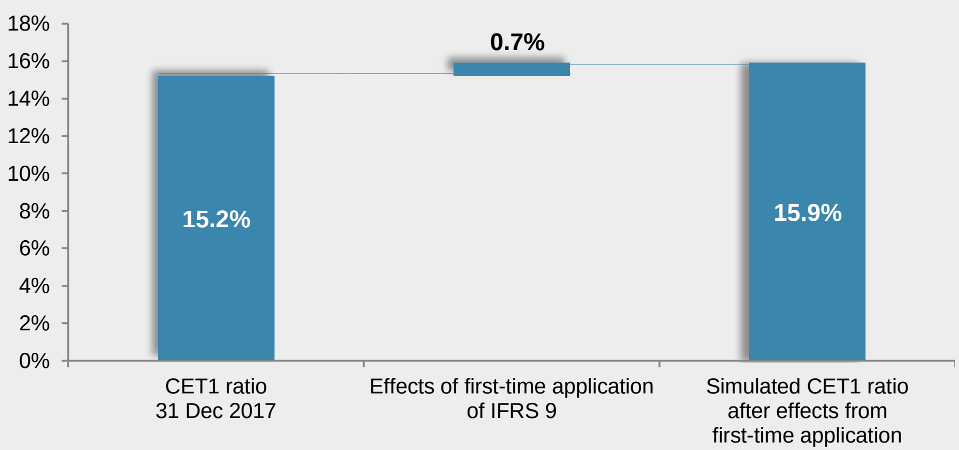
- Increase in general and administrative expenses resulted from, among others, higher costs for IT investment and consultancy fees in connection with the implementation of regulatory and business-driven requirements
- Annual bank levy of € 40 m (Q1 2017: € 37 m) as well as contributions to guarantee schemes of S-Finance Group in an amount of € 32 m (Q1 2017: € 31 m) taken fully into account

First-time adoption effects of IFRS 9 on capital position are manageable

Effects on the balance sheet equity



Effect on the CET1 capital ratio (fully-loaded)

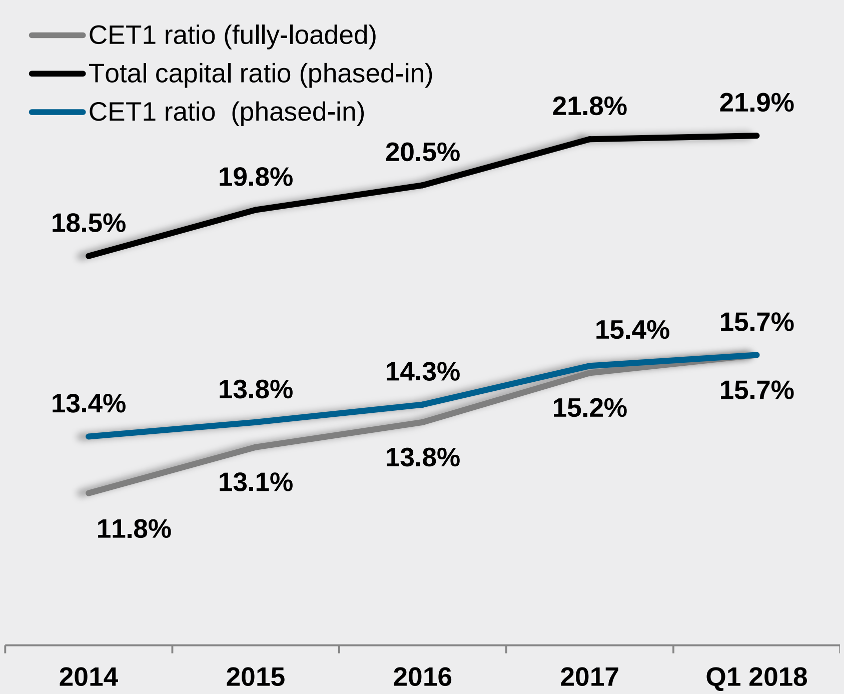


Most important effects and changes

- Increase in impairments of € 46 m due to change of risk provisioning methodology from “incurred loss model” to “expected credit loss model”
- Presentation and valuation changes as a result of new rules on classifying and measuring financial instruments, including, among other things, a new structure for the balance sheet and P&L
- Helaba has made use of simplification options, avoiding need to make any retrospective adjustments to same period of previous financial year
- Positive effect on CET1 ratio due to the elimination of an exemption permitted under IAS 39 to account for certain investments
- Transitional regulatory arrangements pursuant to CRR 473a to take into account the effect of the first-time application when determining capital ratios will not be applied

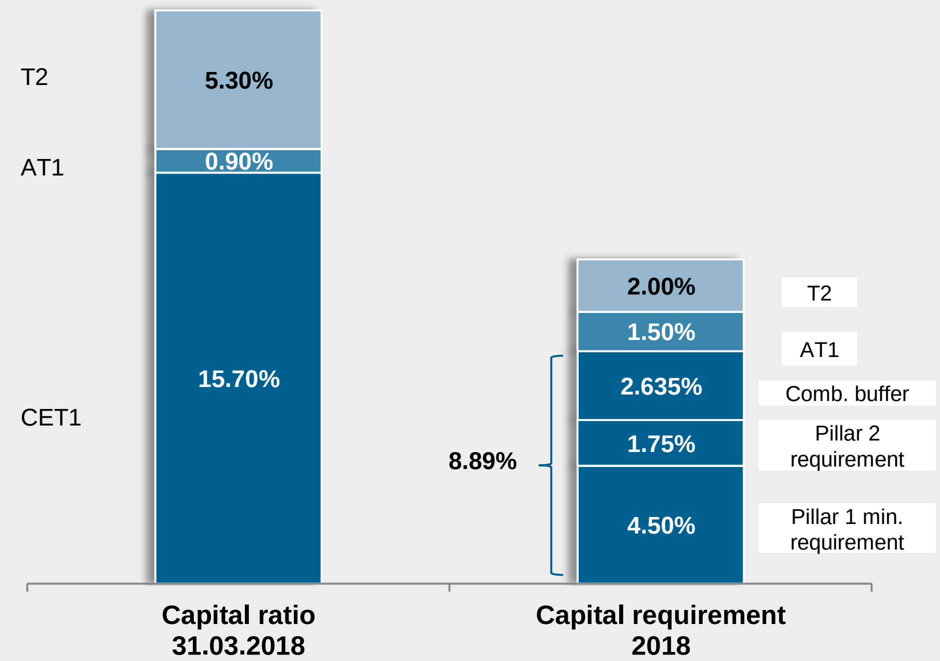
Capital ratios significantly exceeds regulatory capital requirements

Development of capital ratios



- Continuous improvement in capital ratios to a very high level
- There will be no further differences in 2018 for Helaba's CET1 ratio as a result of CRD IV / CRR transitional arrangements
- Leverage ratio at 4.8% (phased-in) and 4.5% (fully-loaded)
- Risk-weighted assets of € 51.0 bn

Capital requirements and components



- Derived CET1 capital requirement 2018 consists of following components:
  - Pillar 1: minimum capital requirement of 4.50%
  - Pillar 2: capital requirement of 1.75%
  - Total capital buffer of 2.64%

New segmentation oriented more strongly towards customer and risk structure

Real Estate
- Real Estate Lending

Corporates & Markets
- Corporate Finance
- Insurance Finance
- Banks and International Business
- Sparkasse lending business and S-Group services
- Domestic Municipal Lending Business
- Sales Public Authorities
- Public Finance
- Capital Markets
- Cash Management

Retail & Asset Management
- Frankfurter Sparkasse 1822
- Frankfurter Bankgesellschaft PRIVATBANK | Zürich | Frankfurt
- LBS
- Helaba Invest
- Settlement / custody services
- Real Estate Management
- GWH RÄUME ZUM LEBEN

Development Business
- WI Bank Wirtschafts- und Infrastrukturbank Hessen

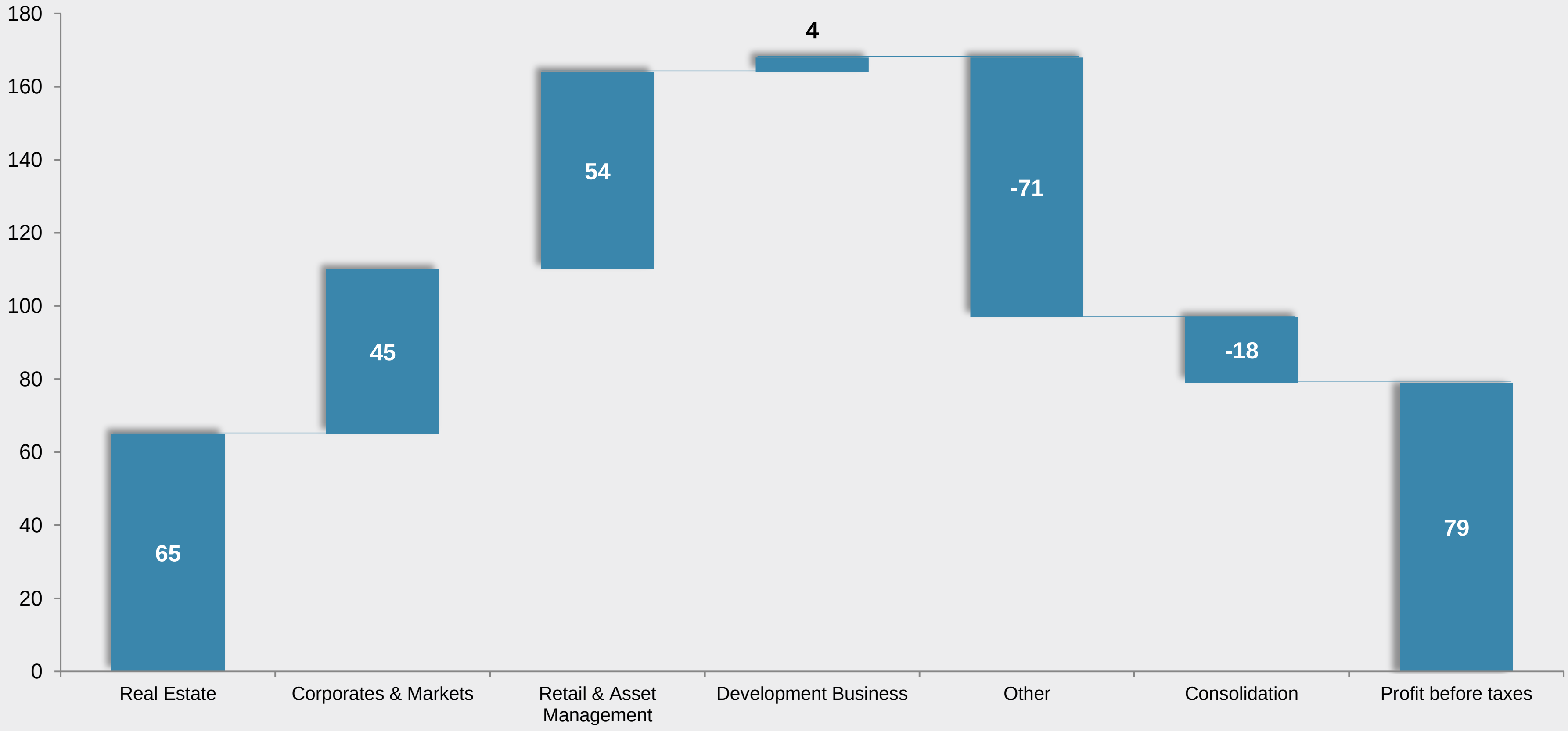
Other
- Group disposition and liquidity portfolio
- Corporate Centre Units
- OFB Projektentwicklung
- Asset/Liability Management

Consolidation
- Consolidation effects

Group profit before taxes by business segment

Profit before taxes as of 31 Mar 2018

in € m



Real Estate I Segment result on a high level but below previous year

Real Estate	Q1 2018	Q1 2017	Change
	€ m	€ m	%
Total income before loan loss provisions	96	101	-5.0
Provisions for losses on loans and advances	3	3	0.0
General and administration expenses	-34	-32	-6.3
Segment result	**64**	**72**	-9.7

	31 Mar 2018	31 Mar 2017
	€ bn	€ bn
Assets	28.6	30.7
Risk-weighted assets	14.4	14.9

- Represents commercial real estate project loans and financing of existing portfolio
- Net interest income, the most important earnings factor, below previous year due to modest growth in new business, slightly lower margins on existing portfolio and decline in portfolios, also as a result of early repayments
- Contribution to income from risk provisioning continues to be slightly positive
- Higher general and administrative expenses due to increased allocation to overheads

Corporates & Markets I Previous year characterised by positive valuation effects

Corporates & Markets	Q1 2018	Q1 2017	Change
	€ m	€ m	%
Total income before loan loss provisions	157	200	-21.5
Provisions for losses on loans and advances	-5	4	-
General and administration expenses	-108	-105	-2.9
Segment result	**45**	**99**	-54.5

	31 Mar 2018	31 Mar 2017
	€ bn	€ bn
Assets	79.4	80.2
Risk-weighted assets	20.0	21.5

- Represents customer-driven business; in addition to credit products, also comprises trading and sales activities as well as payment transactions
- Net trading income in previous year strongly characterised by positive valuation effects, the lack of which also contributed to noticeable fall in segment result
- Modest growth in new business in conjunction with slight decline in margins resulted in lower net interest income and thus in reduced net income for this segment
- Risk provisioning requirement still on a low level
- Higher general and administrative expenses due to increased allocation to overheads
- At around € 36 m, Corporate Finance unit makes largest contribution to segment result

Retail & Asset Management I Growth in net operating income and slight increase in general and administrative expenses

Retail & Asset Management	**Q1 2018**	**Q1 2017**	**Change**
	€ m	€ m	%
Total income before loan loss provisions	191	188	1.6
Provisions for losses on loans and advances	-2	-2	0.0
General and administration expenses	-135	-130	-3.8
Segment result	**54**	**56**	-3.6

	31 Mar 2018	**31 Mar 2017**
	€ bn	€ bn
Assets	29.5	29.0
Risk-weighted assets	6.4	5.8

- Segment comprises retail banking, private banking, LBS as well as asset management activities (especially GWH, Helaba Invest)
- Rise in segment earnings more than offset by higher general and administrative expenses. Segment result thus marginally lower than previous year
- Low level of additions to loan loss provisions unchanged compared to same period last year

Development Business I Result impacted by investment in IT systems

Development Business	Q1 2018	Q1 2017	Change
	€ m	€ m	%
Total income before loan loss provisions	21	21	0.0
Provisions for losses on loans and advances	1	0	-
General and administration expenses	-17	-15	-13.3
Segment result	**4**	**6**	-33.3

	31 Mar 2018	31 Mar 2017
	€ bn	€ bn
Assets	17.8	16.7
Risk-weighted assets	1.2	1.1

- Stable segment earnings in WIBank's public development business
- Rise in general and administrative expenses as a consequence of increased investment in IT operations
- First quarter saw further growth in portfolios

Other I Impact of valuation effects reduced

Other	Q1 2018	Q1 2017	Change
	€ m	€ m	%
Total income before loan loss provisions	31	-40	-
Provisions for losses on loans and advances	0	0	-
General and administration expenses	-102	-94	-8.5
Segment result	**-71**	**-134**	47.0

	31 Mar 2018	31 Mar 2017
	€ bn	€ bn
Assets	22.8	24.2
Risk-weighted assets	9.0	8.8

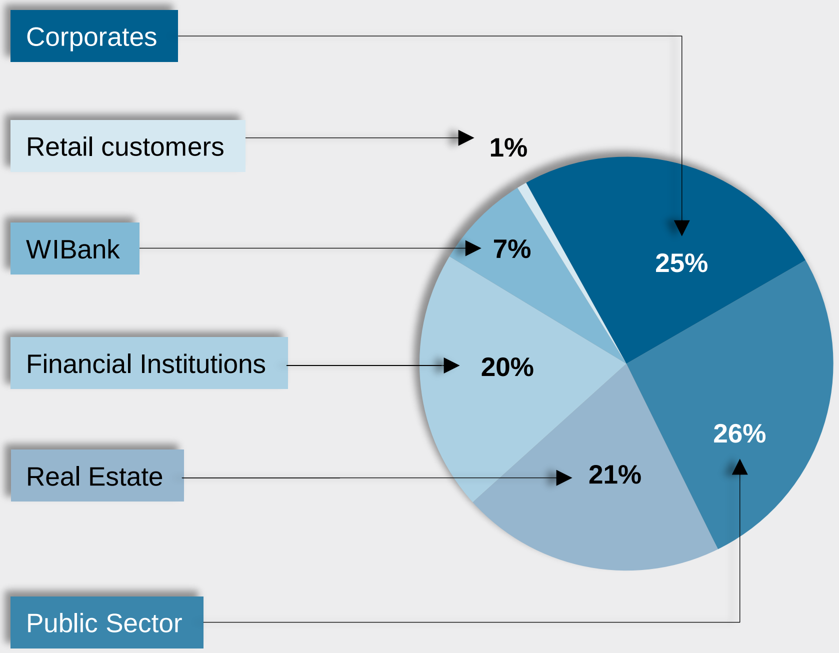
- This segment contains profit contributions and expenses that cannot be allocated to other business segments, especially earnings from treasury activities, OFB as well as costs of central corporate units
- Previous year weighed down by temporary remeasurement effects; recorded in equity with no effect on P&L since 2018
- General and administrative expenses mainly includes the costs of bank-wide projects as well as annual contributions to bank levy and guarantee schemes that have been fully accounted for

PORTFOLIOQUALITY

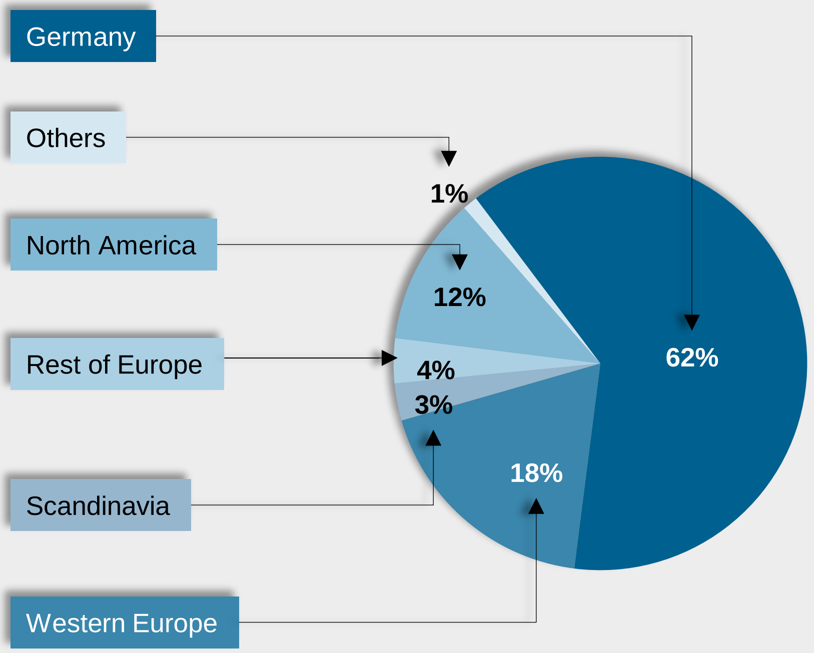
IR Presentation as of March 31, 2018

Helaba's risk profile – total volume of lending € 185.2 bn I Diversified portfolio with focus on Germany

Breakdown by customers



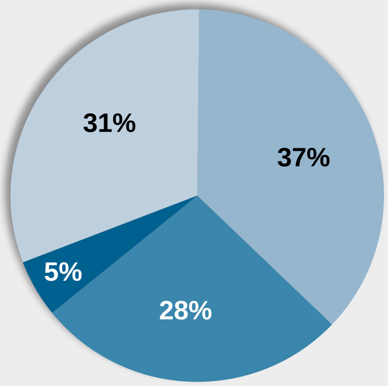
Breakdown by region



As of March 31, 2018

Further reduction in NPL ratio and stable rating structure

Total volume of lending by default rating category (RC)



RC 0-1: No default risk to excellent and sustainable financial performance; corresponding S&P Rating: AAA / AA+

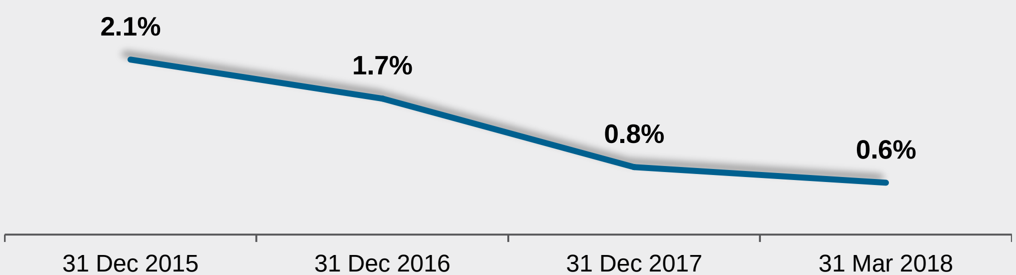
RC 2-7: Exceptionally high to outstanding financial performance; corresponding S&P Rating: AA to A-

RC 8-13: Very good to satisfactory financial performance; corresponding S&P Rating: BBB+ to BB

RC 14-24: Sufficient and lower financial performance; corresponding S&P Rating: < BB

- Total lending volume of € 185.2 bn
- 95% of total lending volume with excellent to satisfactory creditworthiness

Development of NPL[1] ratio



- As of March 31, 2018, NPL ratio had fallen further to 0.6%.
- Of total loans and advances of € 119.4 bn, € 0.8 bn were classified as non-performing exposures

1) The NPL ratio is the share of non-performing exposures according the EBA definition in relation to loans and advances to customers/banks. Based on Finrep data

High quality of portfolio reflected in low net additions to loan loss provisions

Composition of loan loss provisions

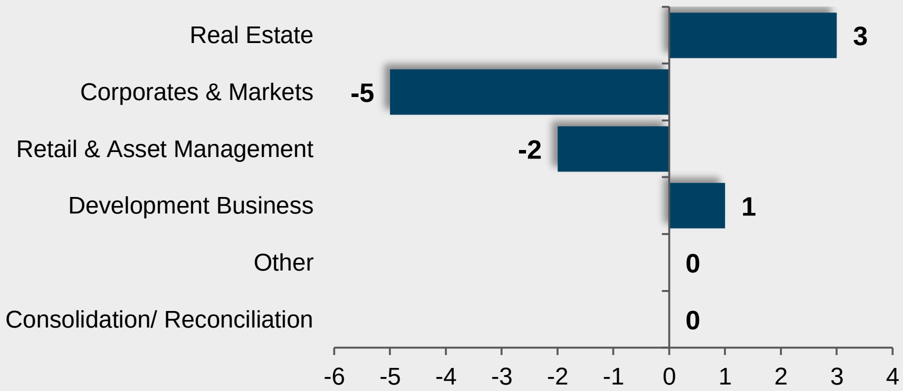
in € m

	01 Jan – 31 Mar 2017	01 Jan – 31 Mar 2018
Net risk provisioning	5	-3
Risk provisioning on financial assets measured at amortised cost		-4
Additions / reversals level 1		1
Additions / reversals level 2		1
Additions / reversals level 3		-9
Recoveries on rec. previously written down		3
Risk provisioning on financial assets measured at FV with no effect on P&L		-
Provisions for loan commitments, financial guarantees		1

- Thanks to the high quality of the loan portfolio and the good economic environment, additions to loan loss provisions remain on a low level

Breakdown by segment

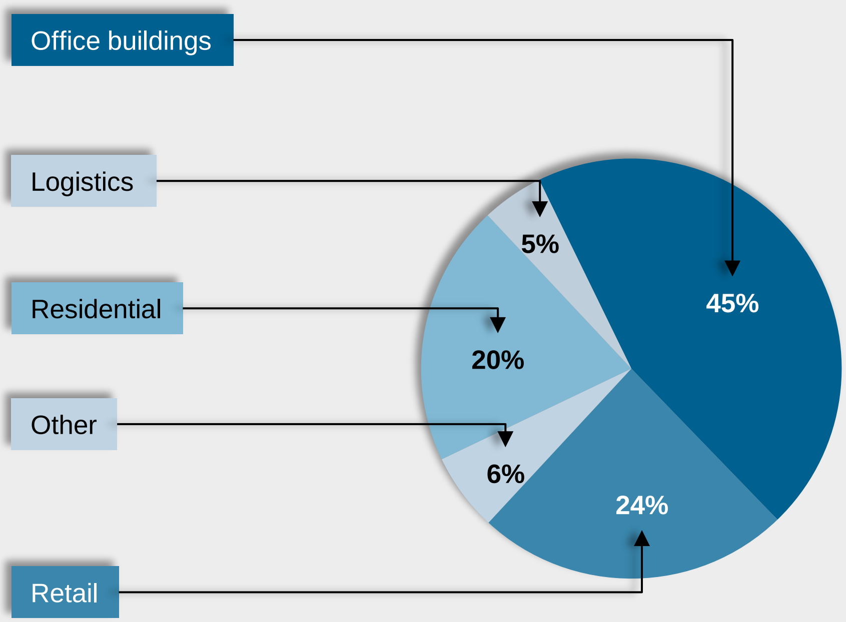
in € m



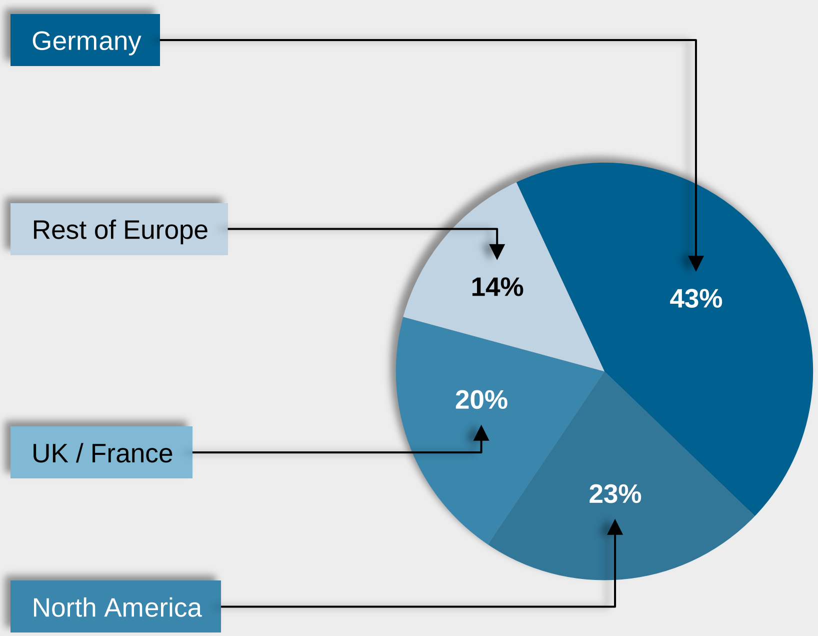
- Low level of net additions to impairments in segment of Corporates & Markets mainly from Corporate Finance activities

Real Estate Lending Portfolio | Lending volume of € 33.0 bn

Breakdown by usage



Breakdown by region

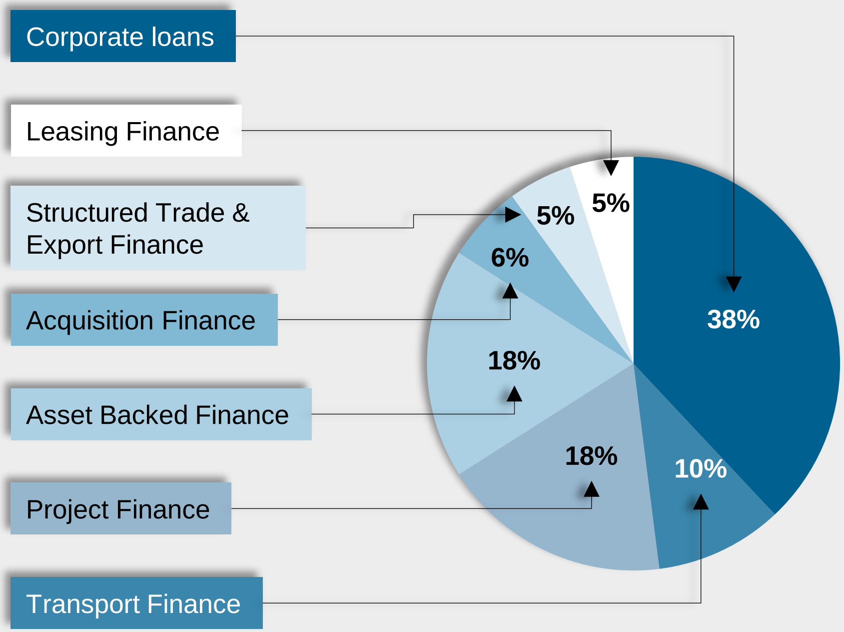


▶ As a market leader in Germany, Helaba has acknowledged expertise in the real estate lending business

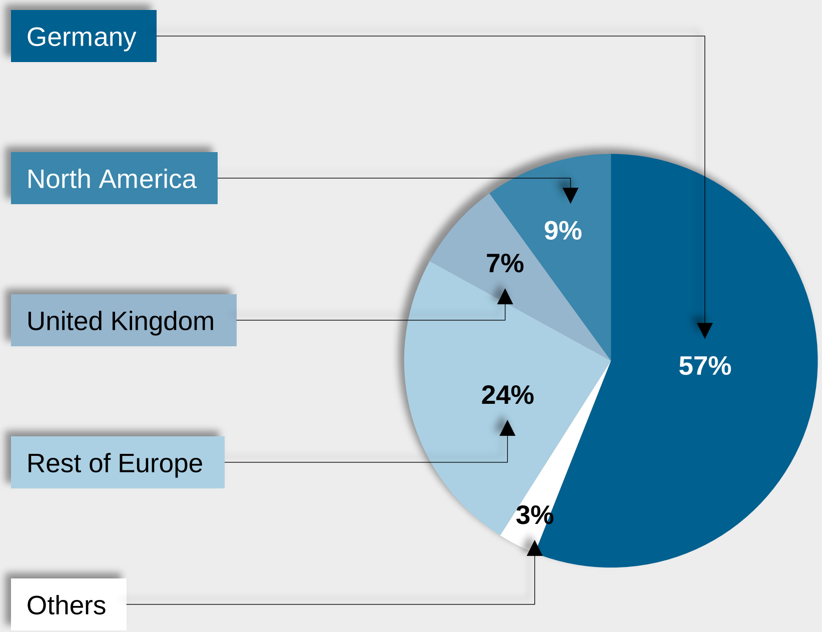
As of March 31, 2018

Corporate Finance Portfolio | Lending volume of € 39.5 bn

Breakdown by product area



Breakdown by region



▶ Corporate Finance supports target customers with customised classic and capital market oriented financing structures

As of March 31, 2018

HELABAFUNDING

IR Presentation as of March 31, 2018

Helaba

Helaba Ratings on a high level

Moody's	Rating
Outlook	Negative
Issuer Rating	A1
Counterparty Risk Assessment	Aa3(cr)
Long-term Deposit Rating	Aa3
Public-Sector Covered Bonds	Aaa
Short-term Deposit Rating [2]	P-1
Senior senior unsecured bank debt [3]	Aa3
Senior Unsecured [4]	A1
Subordinate Rating [5]	Baa2
Baseline Credit Assessment	baa3

FitchRatings	Rating
Outlook	Stable
Long-term Issuer Default Rating [1]	A+
Public Sector Pfandbriefe	AAA
Mortgage Pfandbriefe	AAA
Short-term Issuer Default Rating [1, 2]	F1+
Derivative Counterparty Rating [1]	AA-(dcr)
Long-term Deposit Rating [1,3]	AA-
Senior Unsecured [1,4]	A+
Subordinated debt [1,5]	A
Viability-Rating [1]	a+

S&P Global [1]	Rating
Outlook	Stable
Long-term Issuer Credit Rating	A
Short-term Issuer Credit Rating [2]	A-1
Long-term Senior Unsecured [3]	A
Long-term Senior Subordinated [4]	A-
Standalone Credit Profile	a

Ratings for Helaba's liabilities covered by statutory guarantee [6]	Moody's	Fitch Ratings	S&P Global
Long-term Rating	Aaa	AAA	AA-

Sources: Standard & Poor's, Moody's Investors Service, Fitch Ratings

1) Joint group rating for the S-Group Hesse-Thuringia

2) Corresponds to short-term liabilities

3) Corresponds in principle to long-term senior unsecured debt according to Sec. 46f (5 & 7) KWG ("with preferential right to payment")

4) Corresponds in principle to long-term senior unsecured debt according to Sec. 46f (6) KWG ("without preferential right to payment")

5) Corresponds to subordinated liabilities

6) Applies to all liabilities in place on 18 July 2001 (indefinitely)

Funding Strategy | Strong regional business a factor for success

Funding Strategy

- Continued matched funding of new business
- Further expansion in strong position among German investors and targeted growth in international investor base
- Focus on marketing Helaba's sound "credit story" in and outside Germany
- Further development of product and structuring capacity using issuance programmes

Funding Programmes

Medium Term Note Programm	€ 35 bn
Inlandsemissionen (Basisprospekt)	
Euro-CP/CD Programm	€ 10 bn
NEU CP (ehem. French CD) Programm	€ 6 bn
USCP Programm	$ 5 bn

Broad Access to Liquidity

Helaba Group

- € 34 bn cover pool for covered bonds
- € 32 bn securities eligible for ECB/ central bank funding
- € 18 bn retail deposits within Helaba Group

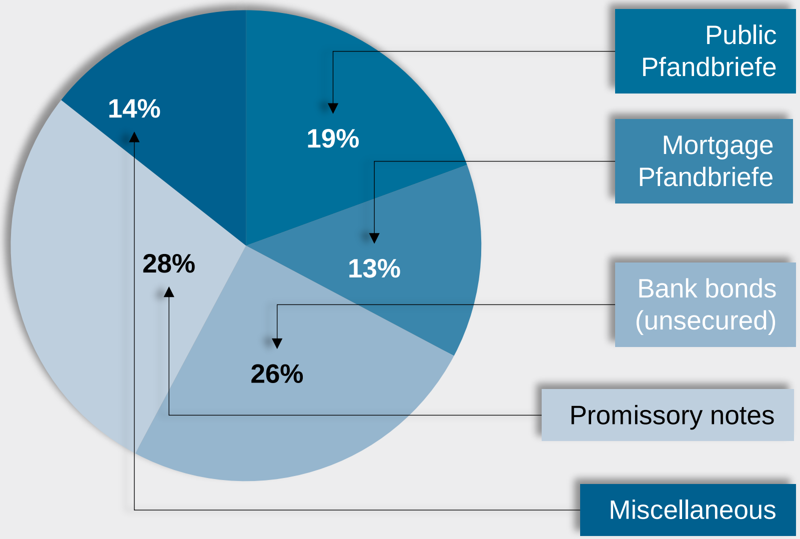
Finanzgruppe Hessen-Thüringen

- € 94 bn deposits within Finance Group Hesse-Thuringia (consolidated accounts as of 31.12.2016)

Outstanding medium and long-term funding (≥ 1 year): € 85.2 bn

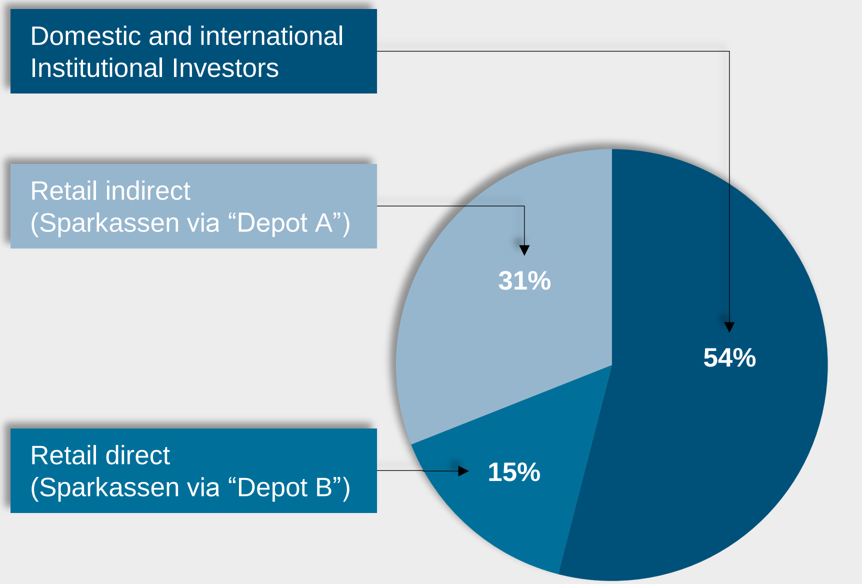
Year-on-year comparison	Q1 2018	2017	2016
	€ m	€ m	€ m
Covered bonds (“Pfandbriefe”)	27,910	26,334	27,477
thereof public sector	16,552	16,482	17,605
thereof mortgage backed	11,358	9,852	9,872
Senior unsecured bonds	21,345	20,906	20,113
Promissory notes	23,708	23,197	21,050
Miscellaneous*	12,258	12,283	12,852
Total	**85,221**	**82,720**	**81,492**

* Subordinated bonds/ participation certificates/ silent partnership contributions/ earmarked funds

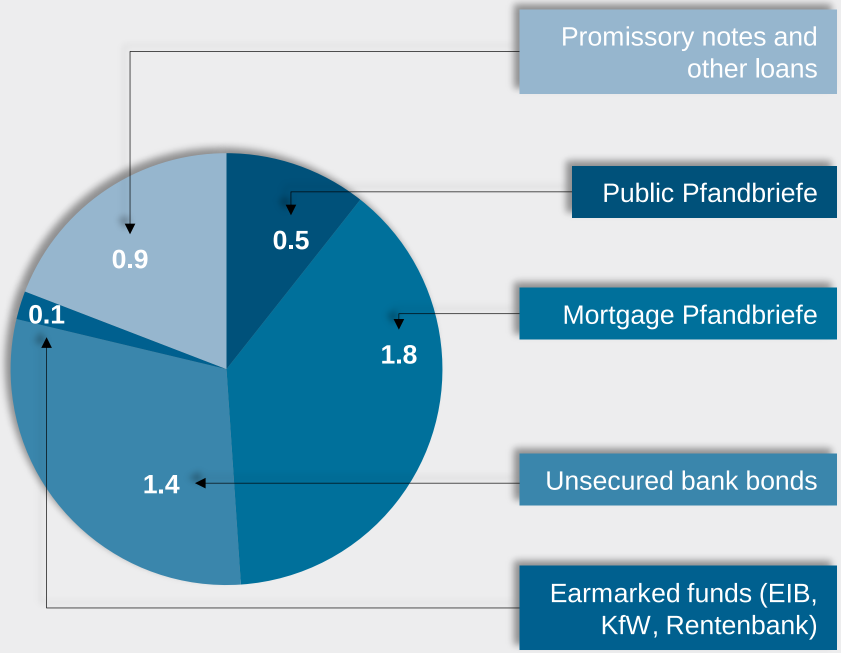


Medium and long-term funding (≥ 1 year) Q1 2018 | Helaba took advantage of positive market environment

Breakdown by Investor



Breakdown by Product (in € bn)



Medium and long-term funding volume in Q1 2018: **€ 4.7 bn**

- Helaba took advantage of favourable market environment in first quarter of 2018 and successfully placed two benchmark issues in the Pfandbrief segment (including a dual tranche) with a total volume of € 2.3 bn

Helaba‘s sustainable business orientation reflected in sustainability ratings

oekom research

Corporate Responsibility Prime
rated by oekom research

- Rating score: **C (Prime)**
- Rating scale: from D- to A+
- Ranked in the top third in the peer group of 89 banks
- Rating score **B-** for partial rating “Social & Governance”

imug

imug SUSTAINABILITY RATING
RATING 2017 POSITIVE B

- Rating score: **B (Positive)**
- Rating scale: from D to AAA
- Among the top 5 in the peer group of 32 banks
- Rating score **BBB (Positive)** for partial rating “Mortgage bonds”

MSCI ESG Research

ESG RATING A
LAST UPDATE: January 12, 2018

- Rating score: **A**
- Rating scale: from CCC to AAA
- Ranked in the upper midfield in the peer group
- **Top-Score** for partial rating “Financial Product Safety”

SUSTAINALYTICS

61 Overall ESG Score
Leader
Outperformer
Average Performer
Underperformer
Laggard

- Rating score: **61 points**
- Rating scale: from 1 to 100 points
- Ranked in the upper midfield in the peer group of 343 banks
- **71 points** for partial rating “Social”

As of April 2018

OUTLOOK

IR Presentation as of March 31, 2018

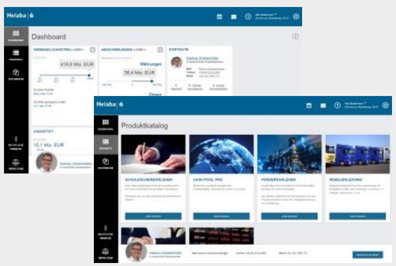
Performance
Portfolio Quality
Funding
Outlook
Contact

Start

Helaba

- Foundation of the holding company Helaba Digital GmbH & Co. KG for digital start-ups completed in the first quarter of 2018
- The aim is to acquire strategic participations in innovative companies that actively complement the business model of the Helaba Group, particularly from the financial services (FinTechs), regulatory (RegTechs) and real estate (PropTechs) sectors

Helaba digital client portals



- Go-Live of Helaba‘s digital client portals for wholesale real estate and corporate customers in the first quarter of 2018
- Enable a 360-degree view of the existing business relationship
- Continuous enhancements pursued by making us of an agile approach and by incorporation of direct customer feedback

Branch Stockholm

- Reorganisation of the Stockholm representative office into a branch on 1 June 2018
- The targets set for growth and planned business volume were exceeded
- By reorganisation conditions for further growth have been created

- **Outlook confirmed: Profit before tax expected to be in the mid-triple-digit million range for the year as a whole**

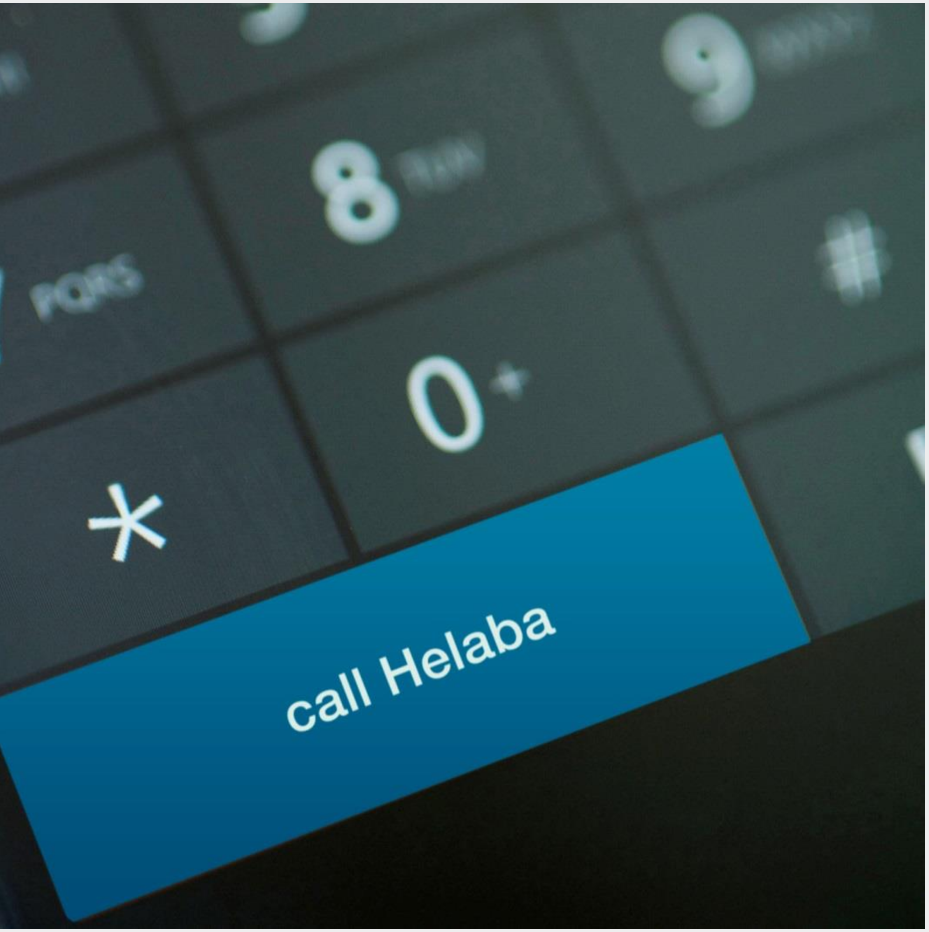
- **Stabilisation of new business performance anticipated for the year as a whole**

- **Strategic agenda to refine business model, modernise and digitalise the infrastructure as well as strengthen responsibilities and values on target**

YOURCONTACT

IR Presentation as of March 31, 2018

Helaba



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APPENDIX

IR Presentation as of March 31, 2018

Helaba

Statement of Financial Position of Helaba Group

Statement of Financial Position of Helaba Group (IFRS)	31 Mar 2018	31 Dec 2017	Change	
	€ bn	€ bn	€ bn	%
Cash, cash balances at central banks and other demand deposits	19.8	10.5	9.3	88.6
Financial assets at amortised cost	98.7	99.4	-0.7	-0.7
Debt securities	0.0	0.0	0.0	0.0
Loans and advances to credit institutions	10.8	10.7	0.1	0.9
Loans and advances to customers	87.9	88.7	-0.8	-0.9
Financial assets held for trading	15.6	16.1	-0.5	-3.1
Financial assets at fair value (non-trading)	28.2	28.0	0.2	0.7
Investment property, deferred tax assets, other assets	4.0	4.2	-0.2	-4.8
Total assets	**166.3**	**158.2**	8.1	5.1
Financial liabilities measured at amortised cost	130.2	122.5	7.7	6.3
Deposits and loans from credit institutions	32.2	31.2	1.0	3.2
Deposits and loans from customers	49.7	47.6	2.1	4.4
Securitised liabilities	48.0	43.5	4.5	10.3
Other financial liabilities	0.3	0.2	0.1	50.0
Financial liabilities held for trading	12.6	12.3	0.3	2.4
Financial liabilities at fair value (non-trading)	12.8	12.6	0.2	1.6
Provisions, deferred tax liabilities, other liabilities	2.8	2.8	0.0	0.0
Total equity	7.9	8.0	-0.1	-1.3
Total equity and total liabilities	**166.3**	**158.2**	8.1	5.1

Income Statement of Helaba Group

Income Statement of Helaba Group (IFRS)	Q1 2018	Q1 2017	Change	
	€ m	€ m	€ m	%
Net interest income	256	275	-19	-6.9
Provisions for losses on loans and advances	-3	5	-8	-
Net interest income after provisions for losses on loans and advances	253	280	-27	-9.6
Net fee and commission income	86	91	-5	-5.5
Net trading income	41	72	-31	-43.1
Net income from hedge accounting and other financial instruments at fair value (non-trading)	11	-68	79	-
Share of the profit or loss of equity-accounted entities	1	1	0	0.0
Other net income	74	68	6	8.8
General and administrative expenses	-387	-369	-18	-4.9
Profit before tax	**79**	**75**	4	5.3
Tax on income	-27	-28	1	3.6
Profit	**52**	**47**	5	10.6

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