



# WestLB – Sustaining Profitable Growth

**Research on Property Metrics**  
**Dr. Markus Scholand**

Paris, 7 December 2006

# Agenda

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**WestLB AG – A Strong Player**

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**Our Research on Property Metrics**

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Our Research on Property Metrics

## WestLB – A Strong Player and Preferred Partner

The high-potential commercial bank (former Landesbank) with pronounced international focus

Break with the past – solidly anchored giving room for sustaining profitable growth

Firmly rooted in the powerhouse NRW, one of Europe's most attractive economic regions

International player expanding in selected profitable markets

Powerful cooperation with Sparkassen giving access to large client base

Prosperous alliances and partnerships offer considerable potential

Enhanced efficiency through integrated approach in Corporates & Capital Markets

# Home Market North Rhine-Westphalia (NRW) – The Powerhouse in the Heart of Europe

## LOCATION AND POPULATION

- Densely populated with 18.1m inhabitants
- 30 cities with more than 100,000 inhabitants
- Within a day's journey, about 140m people (roughly 40% of all European consumers) can be reached from Düsseldorf

## COMPANIES

- Home to 24 of the 50 largest German companies

## NOMINAL GDP

- €489bn (one fifth of Germany's total GDP)
- 16th largest economy in the world; # 6 within Europe

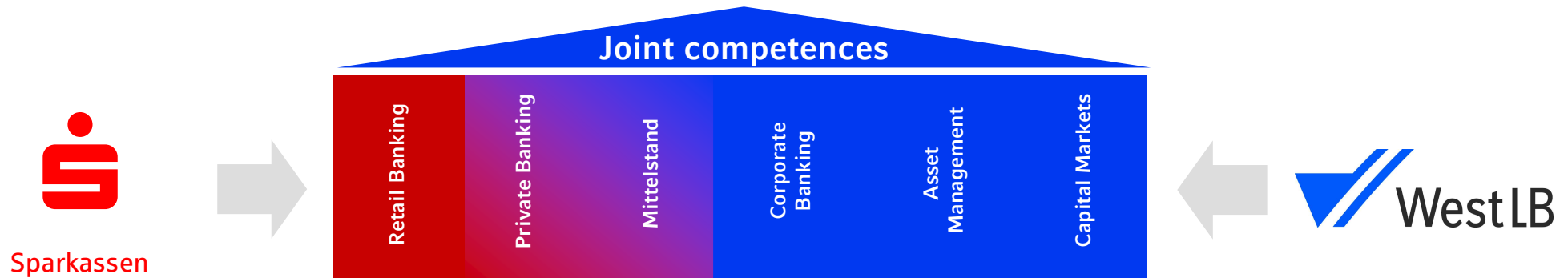
## STRONG EXPORTS

- At €143bn, NRW is one of the 20 largest exporters worldwide



 **WestLB**  
as # 1 Bank in Germany's  
powerhouse NRW

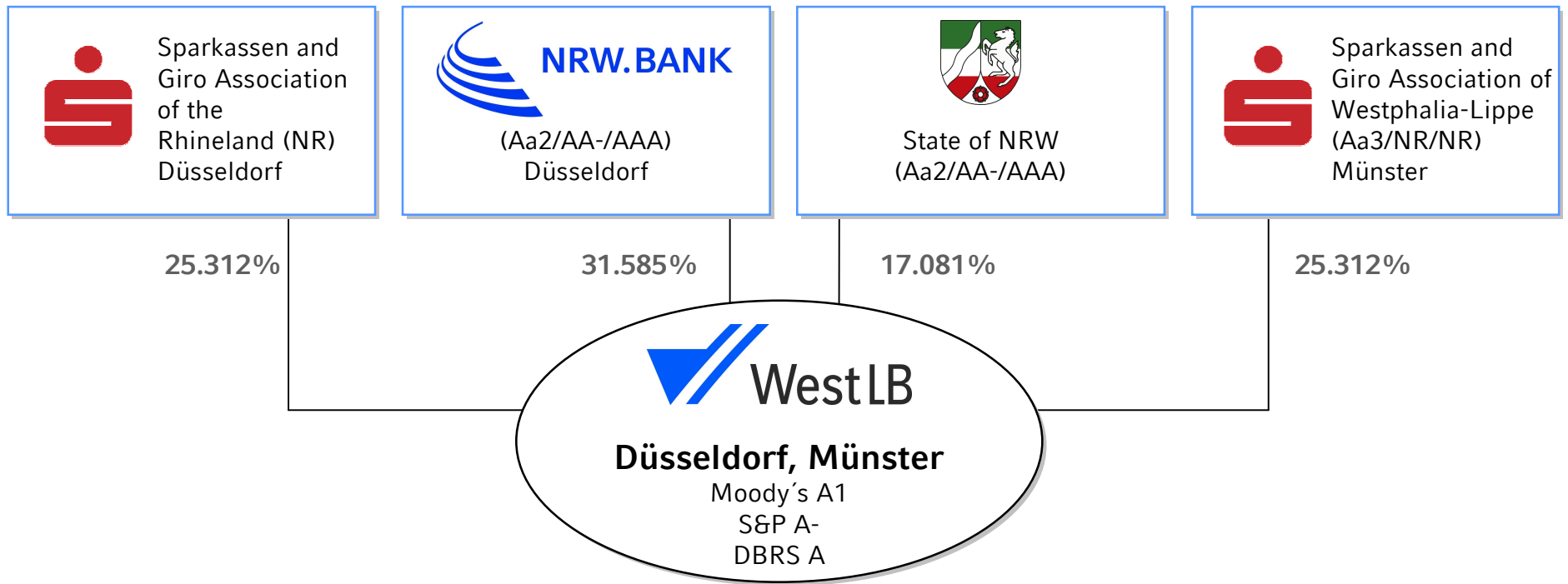
# Powerful cooperation with Sparkassen



## POTENTIAL

- 122 Sparkassen in NRW and Brandenburg as partners; via Sachsen LB access to 16 further Sparkassen in Saxony
- More than 3,700 branches with more than 80,000 employees
- Partner Sparkassen most powerful due to large client base with approx. 30% market share in S-Finance Group, 8 of the 20 biggest Sparkassen in Germany
- Market access to approx. 12m customers which is approx. 16% of Germany's banking clientele
- Share of new business resulting from joint business with Sparkassen already more than 70%
- Compound total balance sheet volume of partner Sparkassen reaching more than €300bn
- New cooperation between WestLB subsidiary "readybank" and PAYBACK offers Sparkassen an exclusive access to 30m PAYBACK customers at point of sales

# WestLB's Shareholders



Balance of 0.71% held by Regional Associations of Westphalia-Lippe and Rhineland

# WestLB – Your Window On The World



- One of the leading German Landesbank with pronounced international focus; presence in 30 countries worldwide
- Global presence and long-standing international experience (since 1972)

- Knowledge transfer from international capital markets; branches acting as product innovators
- Intensive networking with international partner banks
- International market entry for regional customers
- Access for international customers to the German economy, especially the vast Sparkassen network





## Key financials – Solid 9 months figures

<b>Performance, in €m</b>	<b>Jan – Sep 2006</b>	<b>Jan – Sep 2005</b>
Profit before taxes (MTM)	533.3	451.0
Operating income <sup>1</sup>	1,745.6	1,564.3
<b>Ratios, in %</b>	<b>Jan – Sep 2006</b>	<b>Jan – Sep 2005</b>
Cost/income ratio <sup>2</sup>	68.7	71.5
ROE before taxes <sup>3</sup>	11.9	13.9
<b>Balance sheet figures, in €bn</b>	<b>Sep 2006</b>	<b>Dec 2005</b>
Total assets	292.1	265.0
Borrowed refinancing funds	270.3	243.9
Equity capital	6.1	5.8
Risk weighted assets (BIS)	96.5	85.6
Staff (full time equivalent)	5,853	6,353

<sup>1</sup> Operating income: net interest and commission income, net income from trading operations and the balance of other operating expenses/income

<sup>2</sup> Based on income from ordinary business activities/mark-to-market valuation of trading operations

<sup>3</sup> Based on average capital shown on the balance sheet

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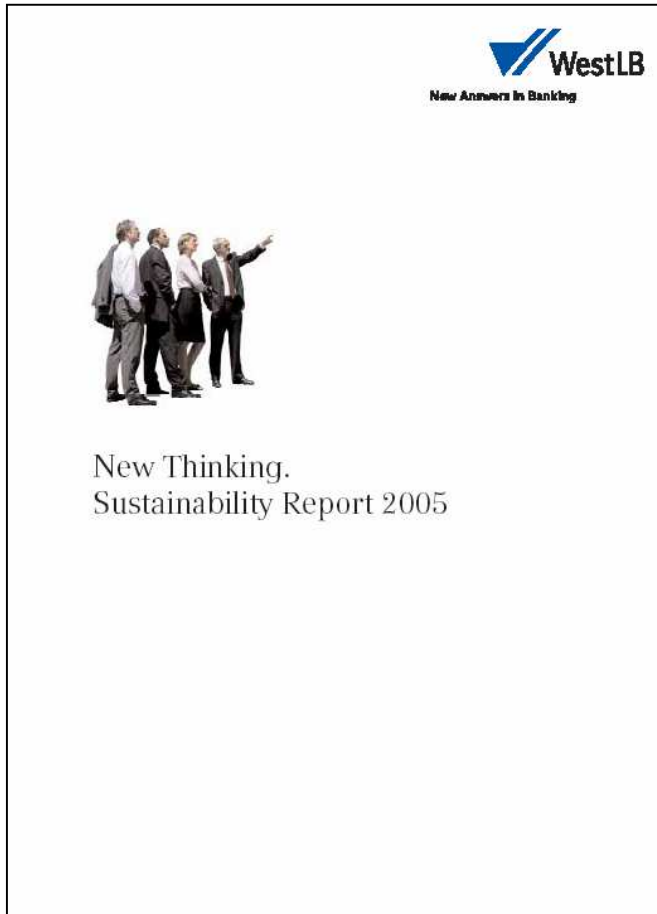
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**Our Research on Property Metrics**

# Sustainability Management ... Development



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# Our Core Activities



# New Project with New Partners ...

Bundesamt für Bauwesen und Raumordnung (Berlin)

WestLB AG (Düsseldorf)

Universität Stuttgart (Stuttgart)

Universität Karlsruhe (Karlsruhe)

RFU Consult (Wien)

Institut der deutschen Wirtschaft Consult (Köln)

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Bundesamt  
für Bauwesen und  
Raumordnung



New Answers in Banking

