

STATE OF BERLIN - INVESTOR PRESENTATION

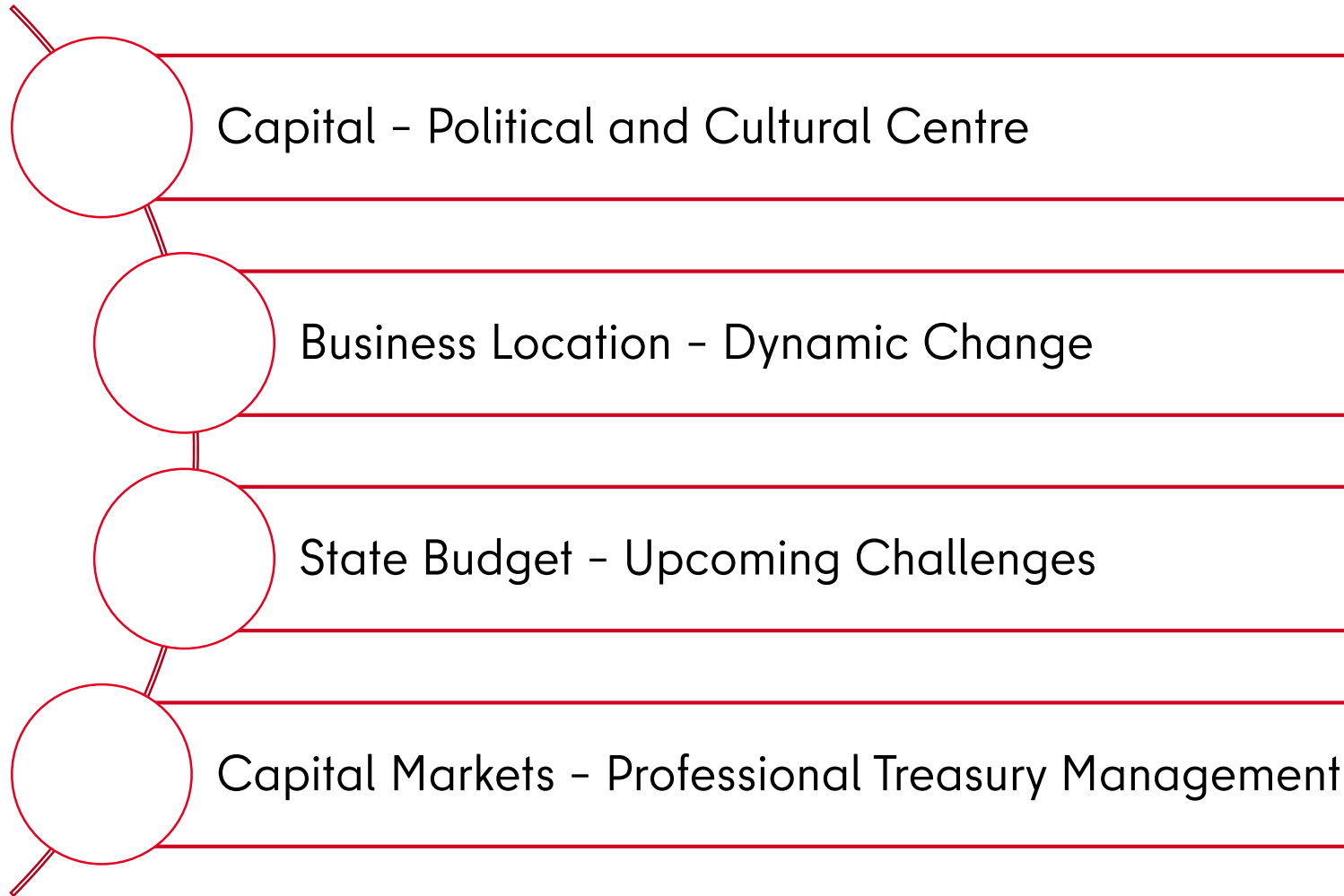


July 2022

BERLIN



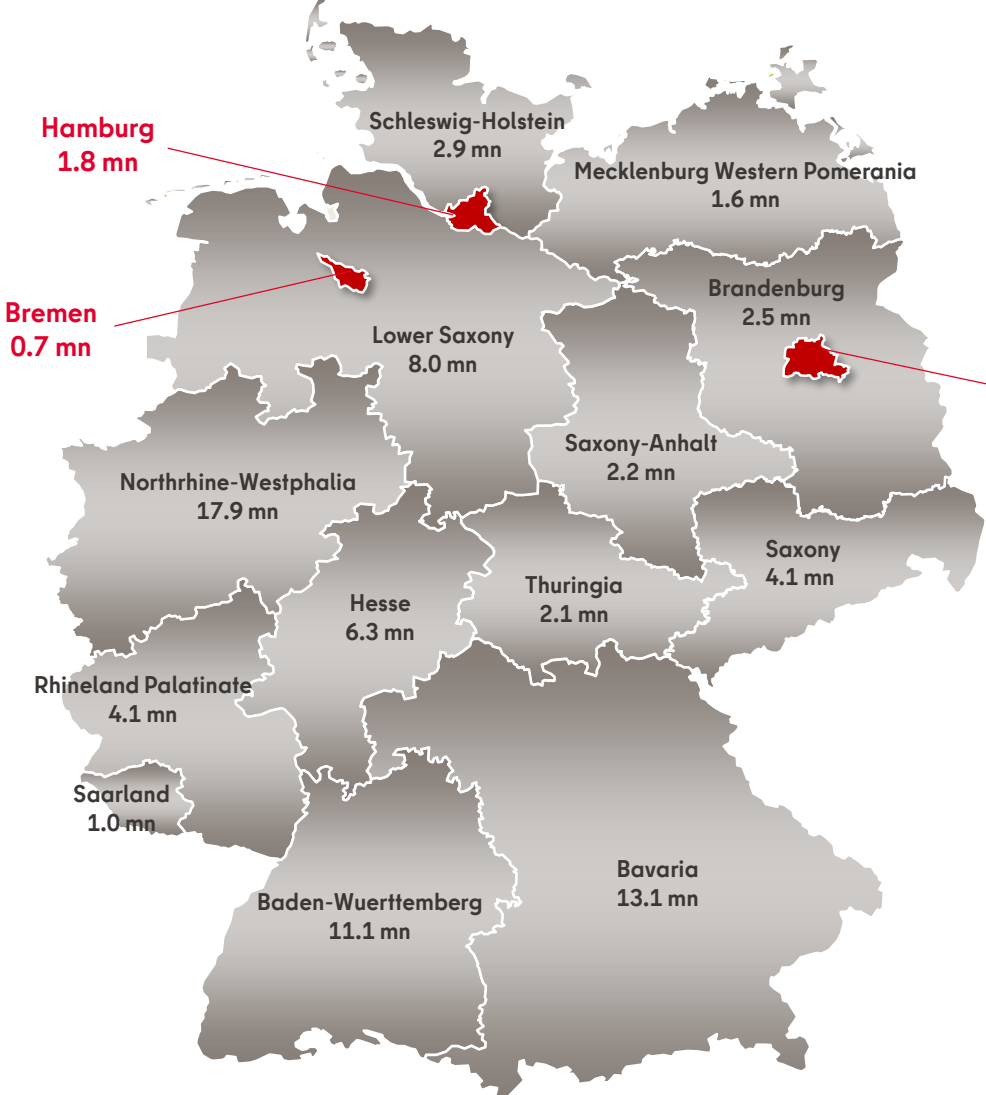
Content



© Scholvien



Berlin - Capital and Federal State



Population: 3.67 mn
(+ 343,000 since 2011)

Area: 891.1 km²



The 16 German Federal States
(83.2 mn inhabitants)
including 3 City States



Berlin – Political and Cultural Centre

- Seat of the German government, the German parliament and the Federal Council
- Outstanding science and research community with 4 universities, 11 public and around 30 private universities of applied sciences
- Embassies and consulates of 159 countries
- Main cultural and tourist destination



© Wolfgang Scholvien

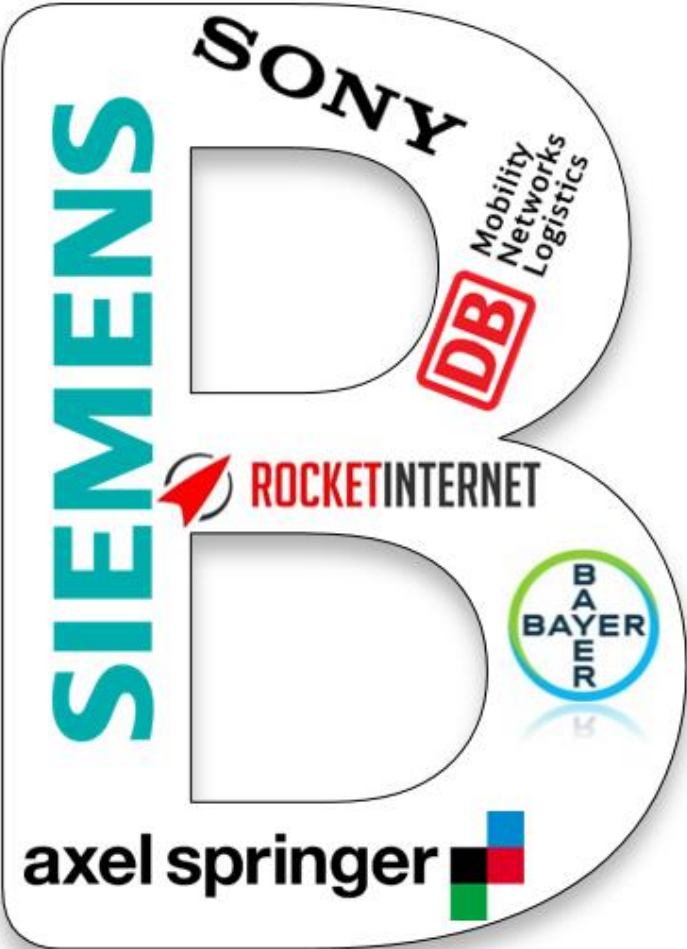


© Wolfgang Scholvien



© Wolfgang Scholvien

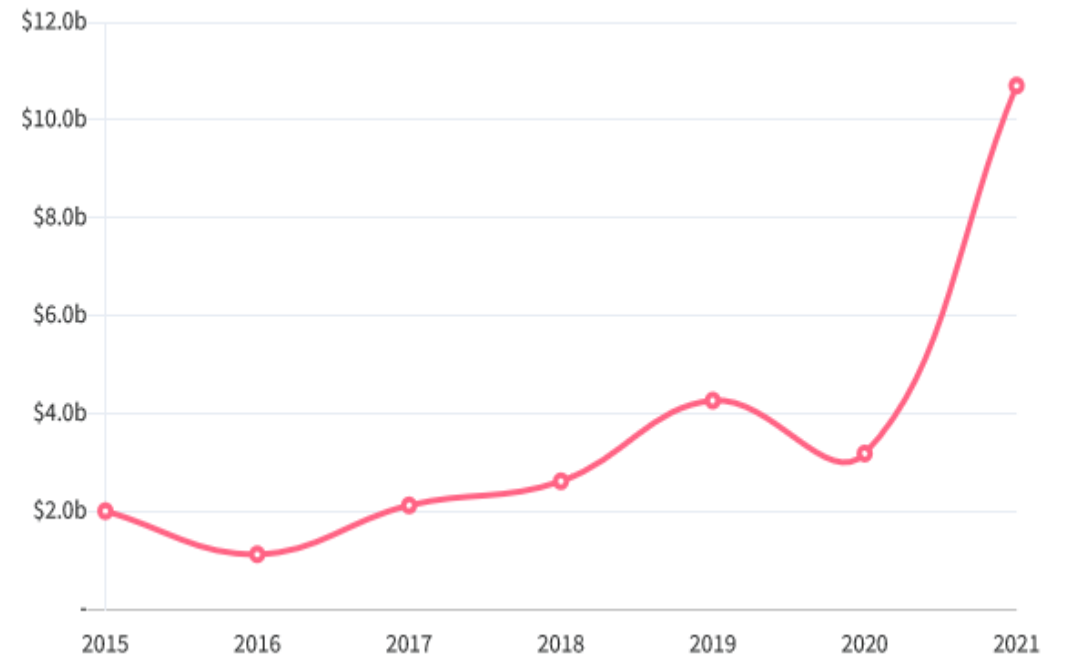
Berlin - Attractive Location for Successful Companies



Berlin - Start-ups

- Berlin among the top 10 locations for start-up financing worldwide (Volume 2021: €10 billion)
- 70,000 employees in Berlin's start-up scene
- 600 new start-ups founded every year
- 120,000 people employed in the digital sector
- Universities as a nucleus for start-ups
- Support for the start-up scene through venture capital from IBB Ventures which is part of Berlin's state owned development bank
- The Berlin Start-Up Agenda 2026 is part of the 100-day plan of the Berlin Senate

Annual investment in Berlin start-ups in \$ billion



Quelle: dealroom.co / Status from 27.04.2022



Berlin in Transition – Dynamic Development of the Science and Research Sector



© WISTA-MANAGEMENT GMBH

Science City Adlershof

- Germany's biggest science and technology park (Revenue 2021: €3.2 bn)
- 1,000 companies and scientific institutions with 24.500 employees

Berlin TXL – The Urban Tech Republic

- In development: Research and industrial park for up to 1,000 companies from the urban technology sector



© Tegel Projekt GmbH



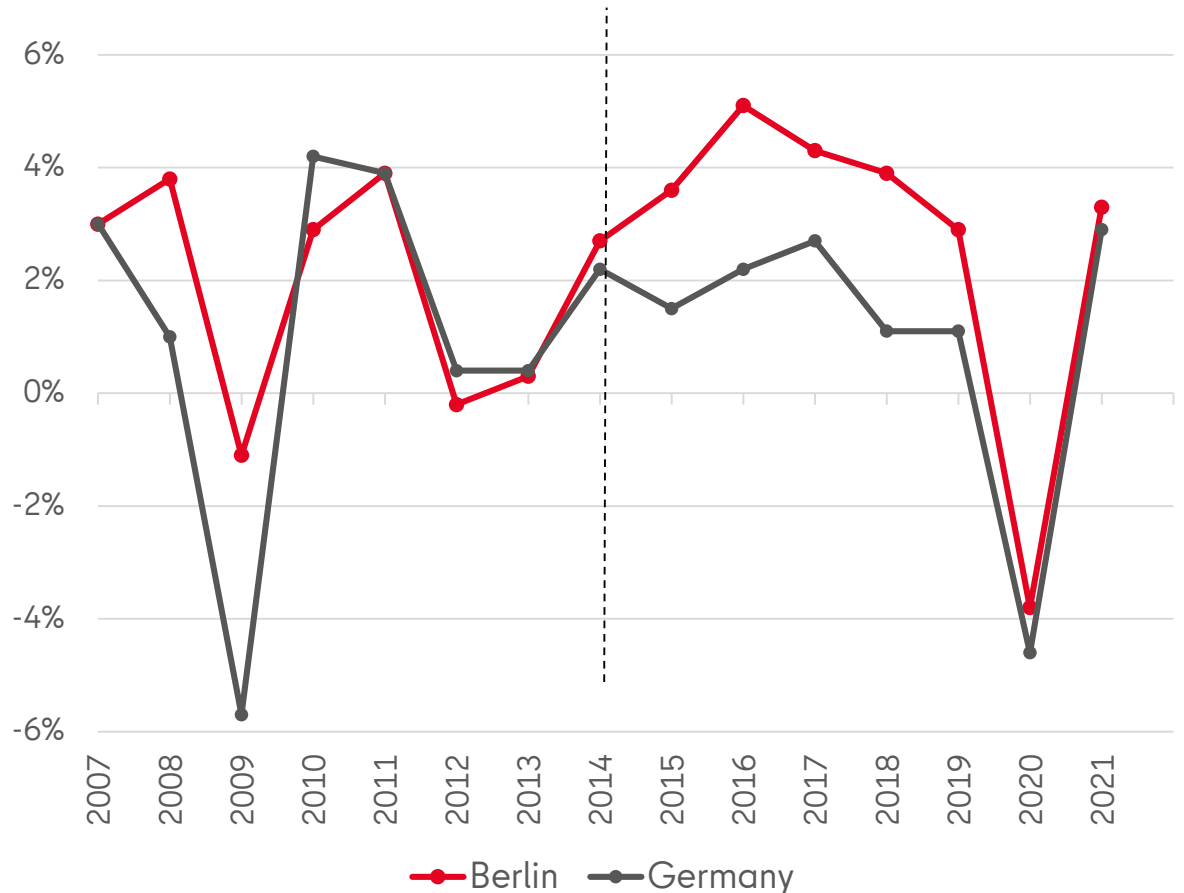
© press.siemens.com

Siemensstadt²

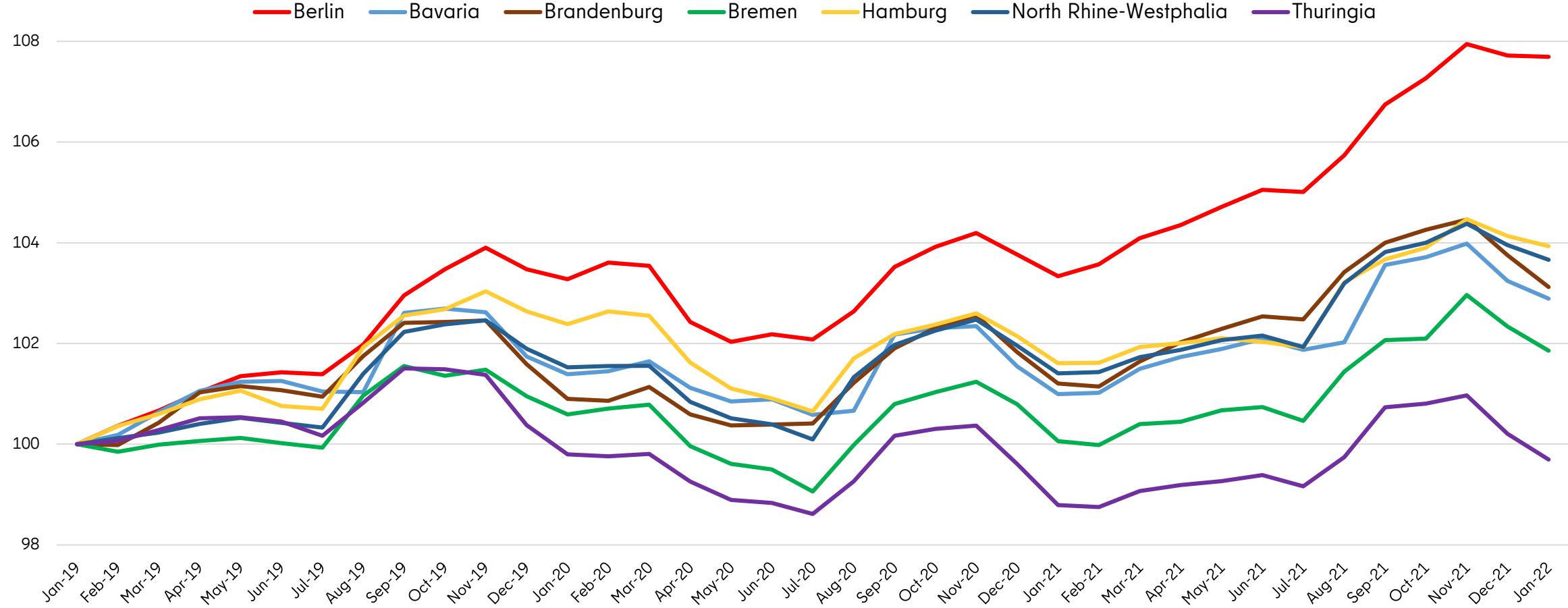
- Future address for start-up companies, research laboratories and high-tech manufacturing plants
- Planned investments of up to €600 mn

Berlin - GDP Growth above National Average

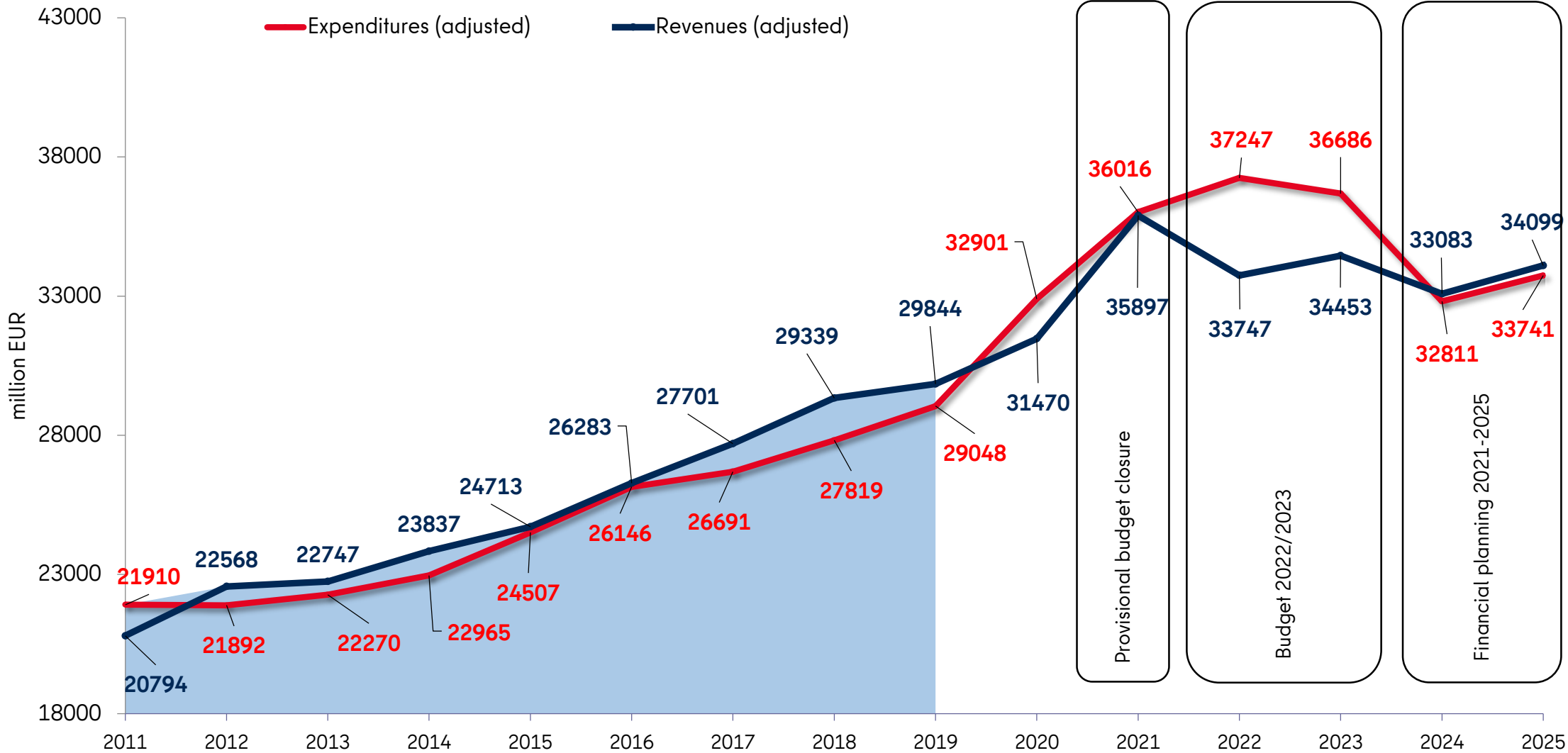
- Top position in Germany - average annual growth of 2.1% over the last 5 years (national average: 0.6%)
- GDP growth in 2021:
 - +2.9 % nationwide
 - +3.3 % in Berlin
- Nominal GDP increased by 5.4 % to €163.0 billion in 2021
- GDP per capita: with €42,000 in 2019 for the first time above the national average since 2000



Berlin - Development of Labour Market above Average (Employees Subject to Social Security Contributions)

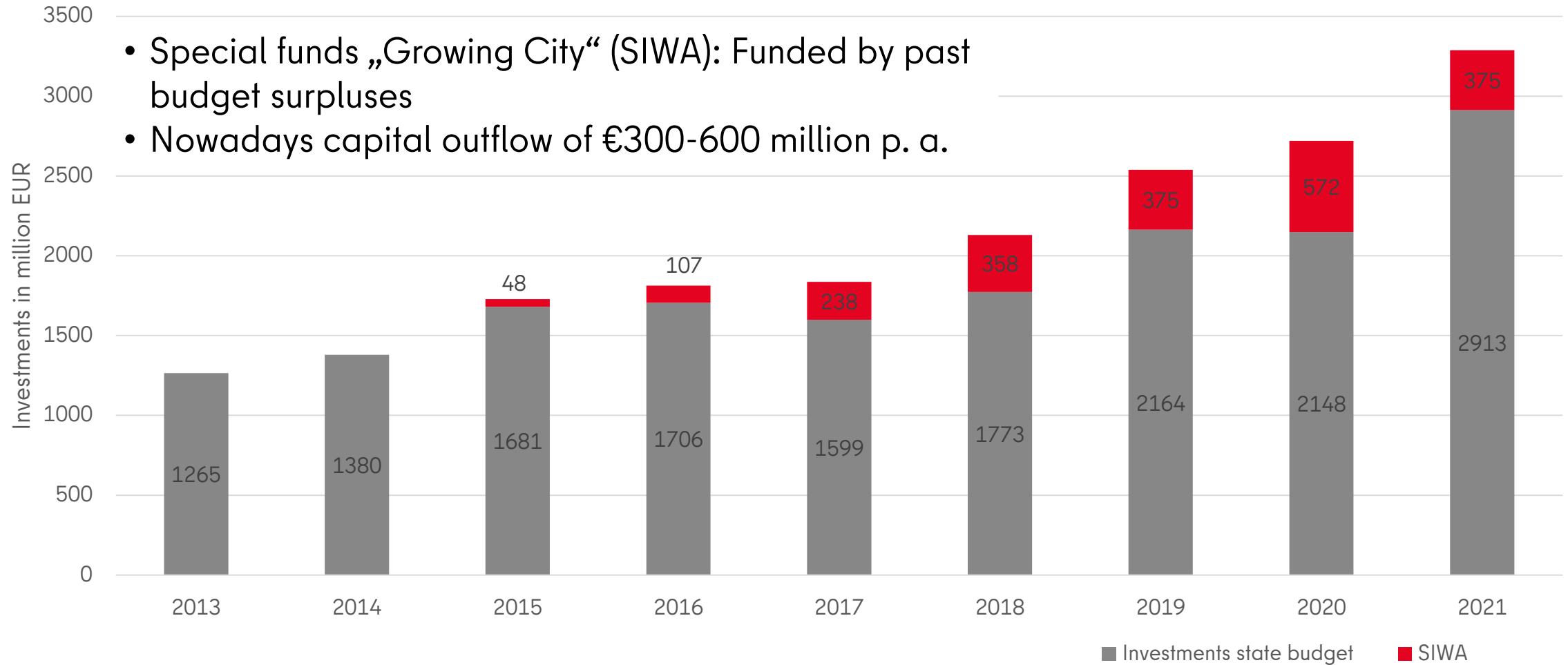


State Budget - Budget Surpluses from 2012 to 2019



State Budget – Growing City

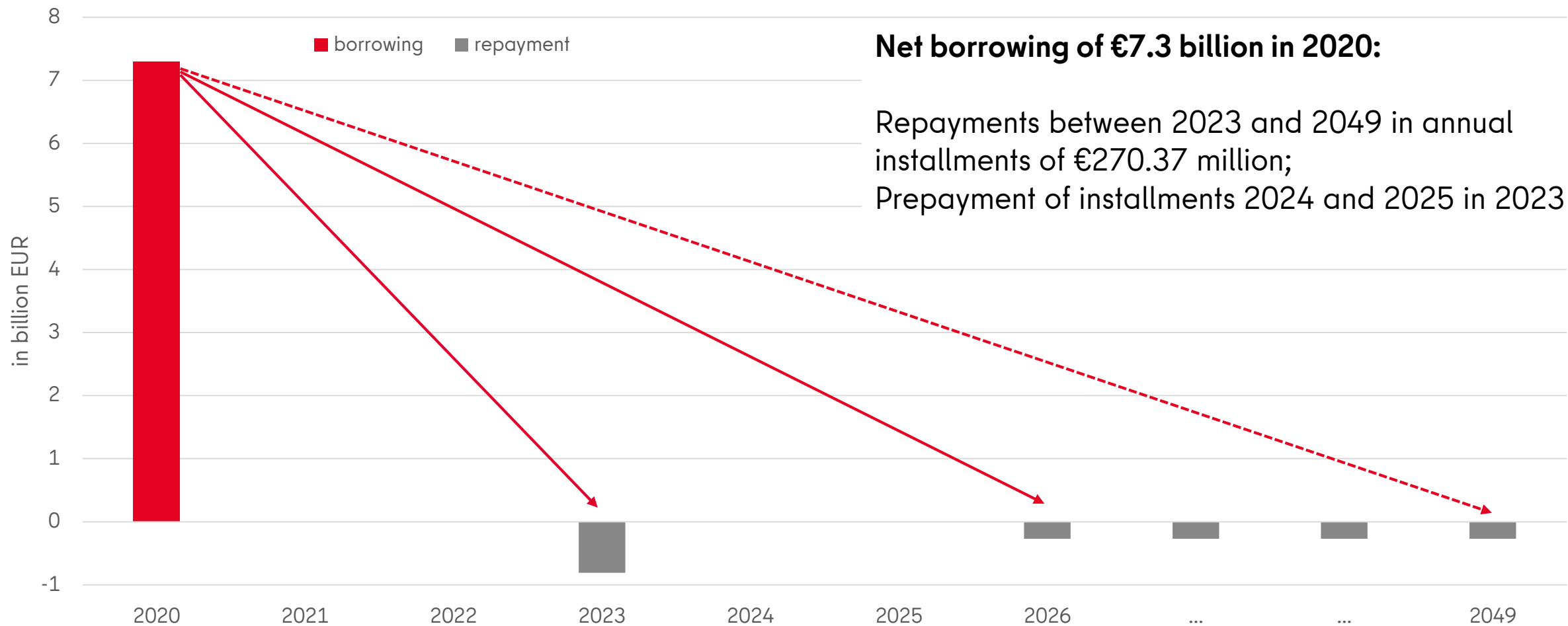
Solid growth in investment expenditure



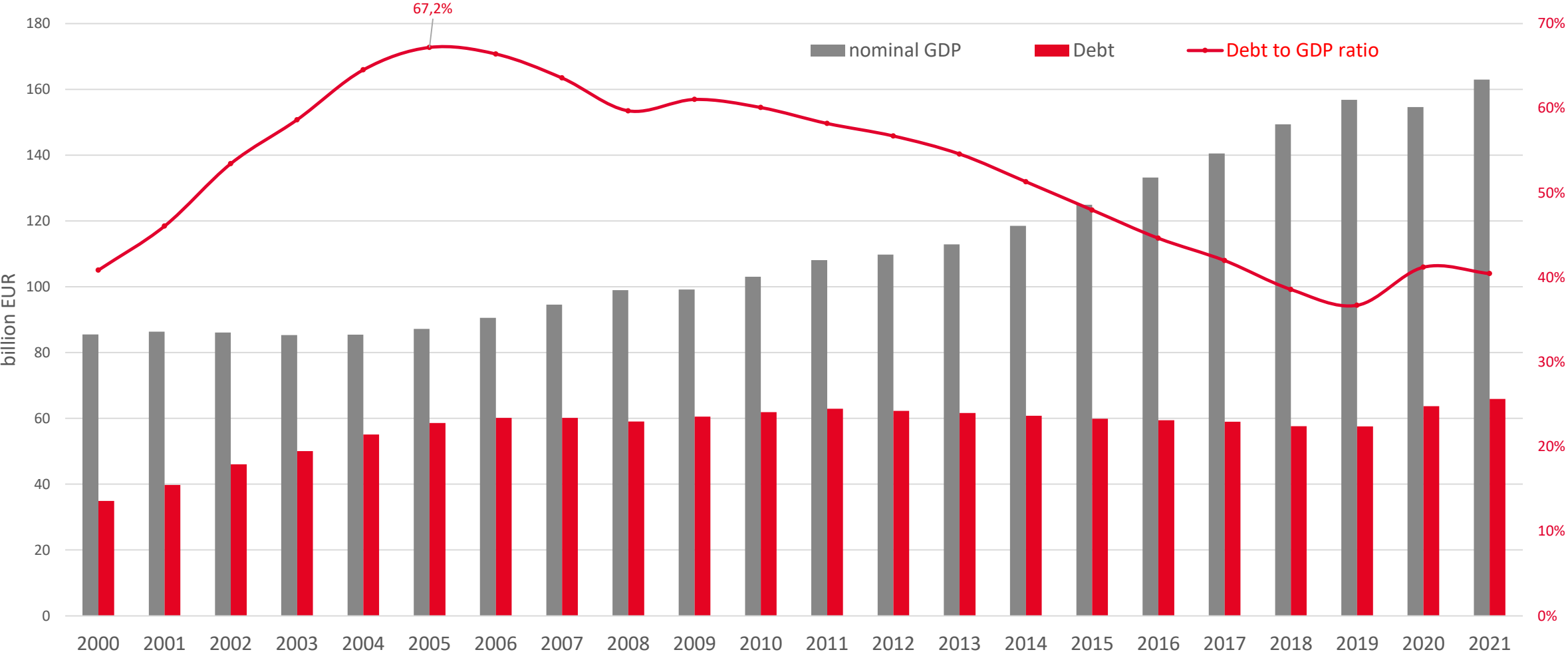
State Budget and the COVID-19 Pandemic – Additional Borrowing and Pandemic Reserve Fund

Borrowing authorization due to suspension of debt brake rule in 2020	7,300 mn
Allocation of unused funds in 2020 to a pandemic reserve as at January 1, 2021	5,353 mn
Total withdrawal from pandemic reserve in 2021	-1.162 mn
Thereunder:	
Operation of vaccination centers	-317 mn
Public transport, regional transport, S-Bahn	-171 mn
Rapid tests and masks in schools and daycare centers	-107 mn
Senate program „Soforthilfe 21“ (including Berlin Invest, new start aid, family aid)	-102 mn
Provisional Corona Soforthilfe II (reimbursement to the federal government)	-89 mn
Operation of test centers	-86 mn
Messe Berlin (basic contract, capital increase)	-71 mn
Charité loss compensation	-68 mn
Air cleaner for Schools	-29 mn
Cultural projects and institutions	-17 mn
School programs and mobile devices	-17 mn
Allocation of unexpected additional tax revenue in 2021	1,198 mn
Amount of the pandemic reserve as at December 31, 2021	5,388 mn
Expenditure estimate for withdrawals to control and manage the consequences of the pandemic in 2022	-2,312 mn
Expenditure estimate for withdrawals to control and manage the consequences of the pandemic in 2023	-3,076 mn

State Budget and the COVID-19 Pandemic – Repayment Schedule for Pandemic-related Loans



State Budget - GDP-Growth and Debt Development



Interest expenditure 2005: €2.34 bn (2.7% of GDP)

Interest expenditure 2021: €1.08 bn (0.7% of GDP)

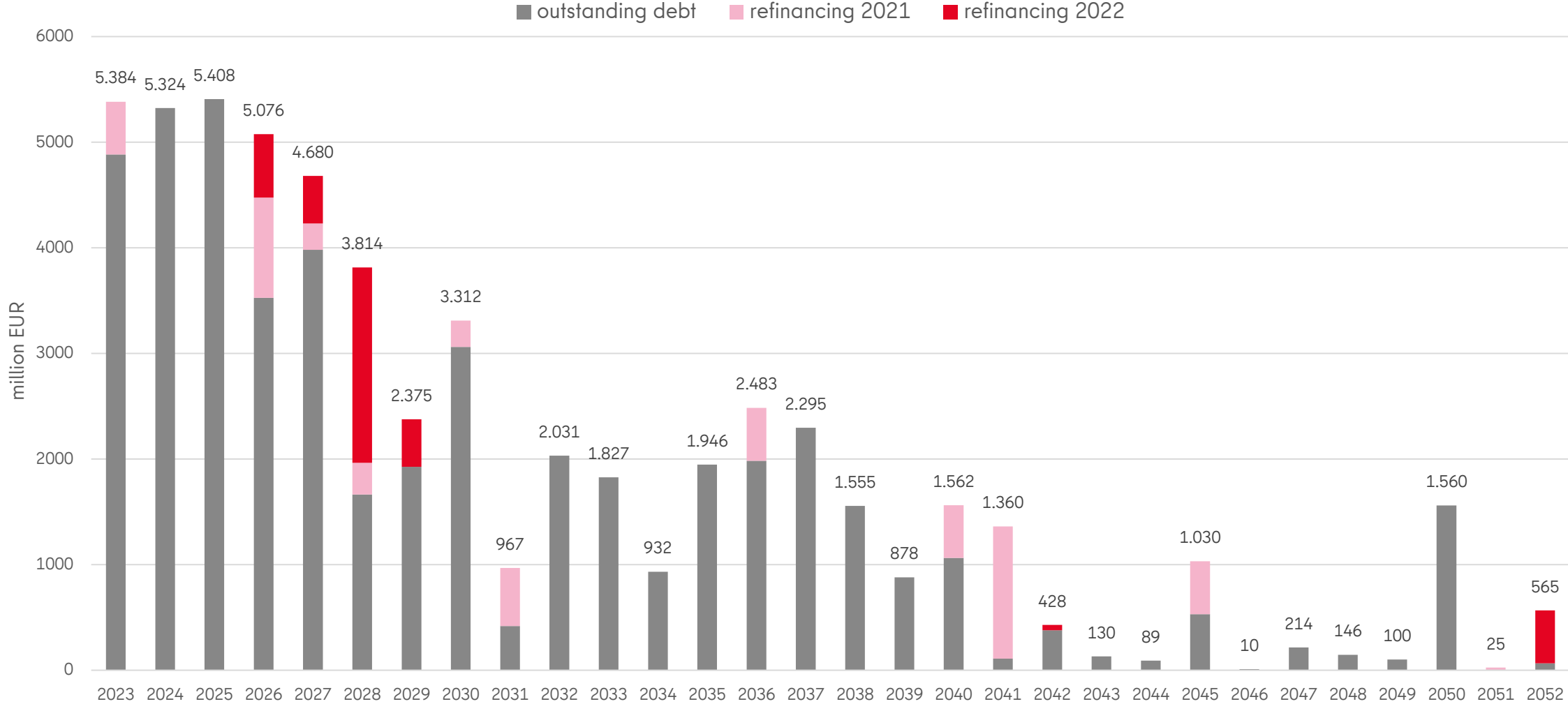


Capital Markets - Funding

- Fiscal year 2022:
Total funding up to €7,456 million, including expected net new debt of up to €1,089 million
- Total funding volumes of previous years :
2019: €4,133 mn
2020: €11,013 mn
2021: €5,700 mn
- Use of various financial instruments according to the market situation or preferences of the state
- Focus on investors, flexible funding strategy



Capital Markets - Maturity Profile (As at June 30, 2022)



Capital Markets – Benchmark Bonds

- Excellent credit quality: three issuer ratings with an overall stable outlook
 - AAA by Fitch Ratings
 - Aa1 by Moody's Investors Service
 - AAA by Scope Ratings
- 0%-risk weighting in most European countries
- ECB eligibility
- Attractive yield pick-up relative to comparable government bonds

Series	ISIN	Volume in EUR	Coupon	Maturity
459	DE000 A13R6Z9	1,300 mn	0.500 %	10.02.2025
465	DE000 A14J3F7	1,600 mn	0.250 %	22.04.2025
487	DE000 A168015	1,500 mn	0.625 %	20.03.2026
493	DE000 A2AAPL9	1,500 mn	0.625 %	08.02.2027
517	DE000 A2NB9Y6	1,500 mn	0.010 %	18.05.2027
527	DE000 A289LD0	1,000 mn	0.010 %	26.10.2028
509	DE000 A2E4EE4	1,050 mn	0.625 %	05.02.2029
514	DE000 A2NB9V2	1,250 mn	0.100 %	18.01.2030
520	DE000 A289K63	1,400 mn	0.010 %	02.07.2030
488	DE000 A168023	1,500 mn	1.000 %	19.05.2032
505	DE000 A2E4EA2	1,550 mn	1.300 %	13.06.2033
518	DE000 A2NB9Z3	1,150 mn	0.125 %	04.06.2035
490	DE000 A2AAPH7	1,500 mn	0.625 %	25.08.2036
495	DE000 A2AAPM7	1,550 mn	1.375 %	05.06.2037
521	DE000 A289K71	1,500 mn	0.050 %	06.08.2040
530	DE000 A3H2Y08	1,250 mn	0.100 %	18.01.2041
529	DE000 A289LF5	1,000 mn	0.125 %	24.11.2045
524	DE000 A289LA6	1,500 mn	0.350 %	09.09.2050



Capital Markets – Funding in 2022

- Funding requirement in 2022 up to €7,456 million. Already funded as at June 30, 2022: €3,700 million (~50%)
- In consideration of environmental, social and governance (ESG) topics:
State of Berlin has a strong ESG profile
- In March 2022, the Senate of Berlin passed the framework for a Sustainable Finance Strategy which was part of the Senate's 100-day plan
- In the near future Berlin's ministry of finance intends to issue sustainability bonds which are linked to the social and environmental projects of Berlin

Contact Details

Elke Badack-Hebig

Head of Treasury

Phone: +49 30 9020 - 4187

E-mail: Elke.Badack-Hebig@senfin.berlin.de

Christian Thürmer

Senior Funding Manager

Phone: +49 30 9020 - 4185

E-mail: Christian.Thuermer@senfin.berlin.de

Mirko Voit

Senior Funding & Asset Manager

Phone.: +49 30 9020 - 4188

E-mail: Mirko.Voit@senfin.berlin.de



Refinitiv:

FINBE

Bloomberg-Ticker:

RESP LAEN

Internet: <https://www.berlin.de/sen/finanzen/vermoegen/geld-und-kreditgeschaeft/artikel.13670.en.php>