NORD/LB

Die norddeutsche Art.

Interim report
as at 30 June 2009.

Finanzgruppe

NORD/LB Group at a Glance

	1 Jan. – 30 Jun. 2009	1 Jan. – 30 Jun. 2008	Change (in %)
Income Statement in € million			
Net interest income	630	706	– 11
Loan loss provisions	– 383	– 75	> 100
Net commission income	83	88	– 6
Profit/loss from financial instruments at fair value including hedge accounting	593	– 155	> 100
Other operating profit/loss	– 1	60	> 100
Administrative expenses	468	412	14
Profit/loss from financial assets	– 70	– 37	– 89
Profit/loss from investments accounted for using the equity method	– 108	33	> 100
Earnings before taxes	276	208	33
Income taxes	23	48	– 52
Consolidated profit	253	160	58

Key figures in %			
Cost-Income-Ratio (CIR)	39.1	56.3	
Return-on-Equity (RoE)	9.9	7.4	

	30 Jun. 2009	31 Dec. 2008	Change (in %)
Balance figures in € million			
Total assets	242,331	244,287	– 1
Customer deposits	64,827	61,998	5
Customer loans	112,326	112,172	–
Equity	5,870	5,653	4
Regulatory key figures (acc. to BIZ)			
Core capital in € million	7,685	7,235	6
Regulatory capital € million	8,648	8,999	– 4
Risk weighted assets in € million	90,855	89,825	1
Core capital ratio in %	8.5	8.1	
Total captial ratio in %	9.5	10.0	

NORD/LB Ratings (long-term / short-term / individual)

Moody's Aa2 / P-1 / C– Standard & Poor's A– / A-2 / – Fitch Ratings A / F1 / C

Dear sir / madam,

The first half of 2009 was again strongly affected by the international financial crisis. And yet we can state that at NORD/LB Norddeutsche Landesbank we are absorbing the impact of this crisis well and despite the continued difficult environment are again able to report a modest profit. However, we remain cautious, as befits our North German nature. We must, due to the ongoing distortions in the markets, continue to expect difficulties in our corporate customer business, ship financing and also in our North European business, although all in all at a bearable level. We are strongly positioned in all of these fields; we have ensured that the quality in our portfolios is high and continue to rely on our proven conservative risk policy. This is what is required for long staying power, which is needed in turbulent times such as these.

Personnel
Hartwig Rosipal (44) is the new Chairman of the Managing Board of NORDCON Investment Management AG in Hanover. He is primarily responsible for the business strategy, sales and products. Marc Knackstedt (39) was appointed as the Chief Executive of NORDCON and will perform the role of the COO/CFO there.

Thanks
We thank our customers and guarantors for their loyalty and the trust which they place in us. With sound management even in turbulent times we want to stand by your side as a reliable service provider, adviser and partner. This would not be possible without the special dedication of our employees, from whom the financial crisis demands a high degree of commitment and flexibility every day. We thank you for your loyalty and your motivation.

– The Managing Board –

Interim Group management report as at 30 June 2009

Report on income, assets and financial position

Economic development – 2009 first half-year

Economic development in Germany is at the half-year point of 2009 affected by the most difficult recession since the war. The fall in gross domestic product, after three quarters of declining economic output, had accelerated once again in the first three months of the year. The fall of – 3.5 per cent on the previous quarter was the heaviest since quarterly results were first officially calculated and published in 1970. The slowdown in global economic growth which had already been observed in 2008 was reinforced by the financial market crisis, which started over two years ago when the bubble in the US property market burst. Other factors are also responsible for the slowdown in the global economy such as for example raw materials prices going through the roof. After a phase of many years of global economic growth and strong expansion of world trade, the downswing was in line with the normal cyclical pattern. Coinciding with the height of the financial market crisis in September of last year, the crisis deepened dramatically.

Germany is one of the countries most heavily affected by the collapse of the global economy; this is attributable above all to its high dependency on exports. The German government has passed two economic stimulus packages to soften the effects of the crisis and stabilise domestic demand with fiscal policy. In the second quarter gross domestic product rose again according to provisional calculations for the first time since spring 2008. The economic growth of a seasonally-adjusted 0.3 per cent compared to the previous period was based primarily on a revival in public and private consumer expenditure. The latter was positively affected by the so-called environmental bonus (received when an old car is scrapped and a new car is registered) and the favourable development of prices. In addition the trade balance is generating economic impetus due to a heavy fall in imports while exports are stabilising somewhat at the same time. On the whole though a painful fall in economic output of 6.8 per cent for the first half of 2009 compared to the same period of the previous year can be noticed.

The crisis has so far not yet taken full effect on the job market, although unemployment has risen in recent months. The seasonally-adjusted unemployment rate in July 2009 was, as in the previous month, 8.3 per cent and the number of unemployed at the half-year point was approximately 250,000 over the previous year's level. Only limited comparison of the data is possible though due to the changes in the statistical recording of unemployment in line with the changes in policy measures relating to the job market. In addition companies have made use of the increased opportunities provided by the economic stimulus packages and avoided redundancies with reduced working hours.

The price of crude oil, which had risen greatly by the middle of last year, temporarily fell in the first half of the year to below the level of $ 40 / barrel, although it has recently climbed again towards $ 75 / barrel. Other raw materials and foodstuffs also experienced similar price changes. Due to these fluctuations inflation rates have fallen considerably. In July the Harmonised Index of Consumer Prices (HICP) fell in the euro zone to – 0.6 per cent and was therefore negative. Positive inflation will though return this year when the base effects taper off.

In the first half of 2009 the financial markets were influenced by the financial market crisis which has lasted since the middle of 2007 and was caused by the bursting of the bubble in the US property market. With the collapse of the US investment bank Lehman Brothers and the almost national bankruptcy of Iceland in the autumn of 2008, trust in the money and capital markets was eroded.
As a result the money market was no longer able to perform its task of exchanging liquidity between banks; the European Central Bank (ECB) together with other issuing banks therefore flooded the markets with liquidity and reduced interest rates to a historical low of 1.0 per cent. In addition the ECB decided to buy € 60 billion of covered bonds to further loosen monetary strings.

After what at first sight appear to be positive announcements by US banks for the first quarter and a clear recovery of survey-based economic indicators, share markets recovered noticeably between March and the start of August. At the same time government bonds, which were once sought after as safe-haven securities, came under increasing pressure. As well as the growing optimism in the economy and the associated falling risk aversion, concerns about inflation due to the expansive monetary policy and concerns about rising national budget deficits due to programmes to save the economy and the banks have also contributed towards this development. In the USA yields on ten-year treasury notes peaked at over 3.9 per cent, while yields on ten-year German federal bonds rose from approximately 3.0 per cent to over 3.7 per cent. The slope of the yield curve, already influenced by the massive reductions in interest rates by the issuing banks, became even steeper.

The spread between ten and two-year bonds temporarily rose in the USA to over 275 base points and in Germany to over 225 base points. A noticeable reversal in the bond markets supported a less euphoric interpretation of the indicators for further economic development and lessening concerns about inflation. The yields of ten-year government bonds fell by the end of July to 3.3 per cent in Germany and to approximately 3.5 per cent in the USA.

Income

The first half of 2009 was successful with earnings before taxes of € 276 million, while earnings after taxes of € 253 million are well above those for the same period of the previous year. The considerable increase in loan loss provisions was more than offset by the profit from financial instruments at fair value.

The figures for the income statement are summarised as follows:

	1 Jan.–30 Jun. 2009 (in € million)	1 Jan.–30 Jun. 2008 (in € million)	Change (in € million)	Change (in %)
Net interest income	630	706	– 76	– 11
Loan loss provisions	– 383	– 75	– 308	> 100
Net commission income	83	88	– 5	– 6
Profit/loss from financial instruments at fair value through profit or loss including hedge accounting	593	– 155	748	> 100
Other operating profit/loss	– 1	60	– 61	> 100
Administrative expenses	468	412	56	14
Profit/loss from financial assets	– 70	– 37	– 33	– 89
Profit/loss from investments accounted for using the equity method	– 108	33	– 141	> 100
Earnings before income taxes	**276**	**208**	**68**	**33**
Income taxes	23	48	– 25	– 52
Consolidated profit	**253**	**160**	**93**	**58**

Net interest income fell compared to the first half of 2008 by € 76 million to € 630 million mainly due to a decreasing short-term interest level. Part of this fall is offset by risen market values of derivatives which is shown in the profit from financial instruments at fair value. Another reason is the negative development of interest rates at a subsidiary, which contributed € 59 million towards the fall.

Loan loss provisions rose considerably compared to the same period of the previous year. As well as being the result of allocations to specific bad debt allowances (net effect after reversals of € 163 million compared to € 137 million in the previous year), this is also the result of the allocation to portfolio bad debt allowances in the amount of € 185 million (previous year reversal of € 42 million). The latter is a consequence of the rating migrations seen at numerous borrowers in the first half of 2009. The specific bad debt allowances of the previous year were primarily caused by the settlement problem.

Net commission income remained stable.

The profit/loss from financial instruments at fair value including hedge accounting is broken down with trading profit/loss responsible for € 584 million (previous year € –380 million), profit/loss from the use of the fair value option responsible for € –75 million (previous year € 215 million) and profit/loss from hedge accounting responsible for € 84 million (previous year € 10 million).

Within the trading profit/loss, due to the reversal of derivative items at € 290 million the realised profit was well above that for the same period of the previous year. Due to the recovery in the financial markets there was also a considerable improvement in the measurement result for derivatives. Further division of nominal volume and fair value is show in note (32).

In the profit/loss from the use of the fair value option, in particular measurement results (€ 233 million) relating to debt securities and other fixed-interest securities were shown in the same period of the previous year. This development was not repeated in the period under review, therefore the measurement result relating to these financial instruments was much lower at € 26 million. The balance from current income and expense remained negative at € –94 million as in the same period of the previous year (€ –71 million).

Within administrative expenses, staff expenses rose by € 20 million to € 246 million and other administrative expenses rose by € 34 million to € 189 million. With the latter there was in particular a rise in IT and communication costs and consultancy costs.

The profit/loss from financial assets remains negative. There was an expense of € 21 million (€ 11 million) relating to bad debt allowances.

The profit/loss from investments accounted for using the equity method is at € –112 million significantly influenced by DnB Nord A/S, Copenhagen (DnB Nord) and attributable to the developments in the credit markets in Scandinavia and the Baltic states.

The comparatively low tax expense is the result of the reversal of tax provisions based on an audit completed in 2009.

Assets and financial position

The balance sheet total only fell slightly compared to 31 December 2008 by € 2 billion to € 242 billion.

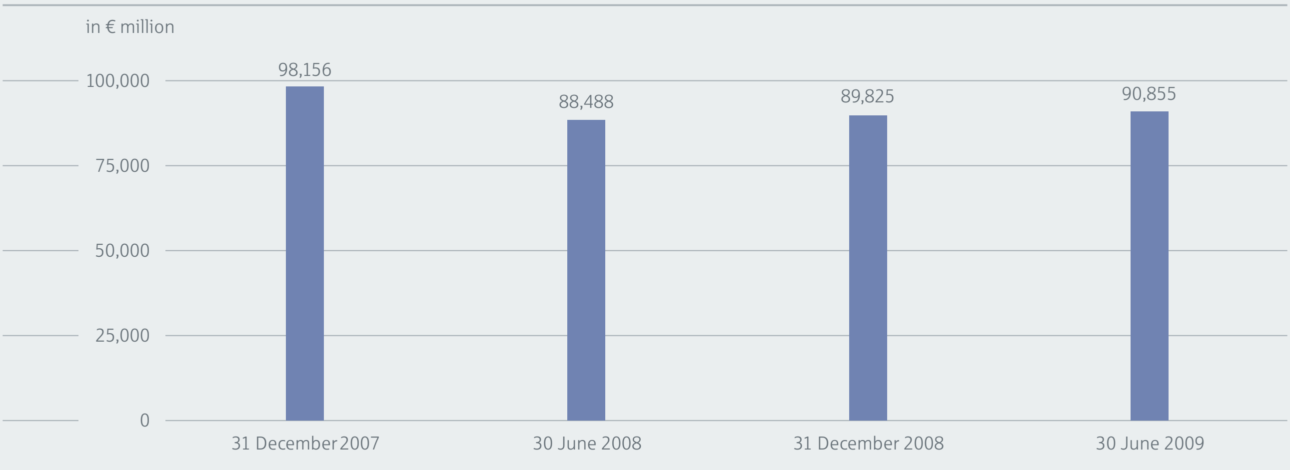
	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in € million)	Change (in %)
Loans and advances to banks	45,374	47,238	– 1,864	– 4
Loans and advances to customers	112,326	112,172	154	–
Risk provisions	– 1,461	– 1,204	– 257	21
Financial assets at fair value through profit or loss	15,833	16,995	– 1,162	– 7
Financial assets	61,919	62,257	– 338	– 1
Investments accounted for using the equity method	799	845	– 46	– 5
Other assets	7,541	5,984	1,557	26
Total assets	**242,331**	**244,287**	**– 1,956**	**– 1**
Liabilities to banks	63,255	69,862	– 6,607	– 9
Liabilities to customers	64,827	61,998	2,829	5
Securitised liabilities	78,907	77,335	1,572	2
Financial liabilities at fair value through profit or loss	15,888	16,700	– 812	– 5
Provisions	3,144	3,058	86	3
Other liabilities	10,440	9,681	759	8
Reported equity including minority interests	5,870	5,653	217	4
Total liabilities and equity	**242,331**	**244,287**	**– 1,956**	**– 1**

Assets fell in particular due to a reduction in loans and advances to banks fell. Financial instruments at fair value through profit or loss, in particular trading assets, fell due to valuation reasons by € 1.2 billion.

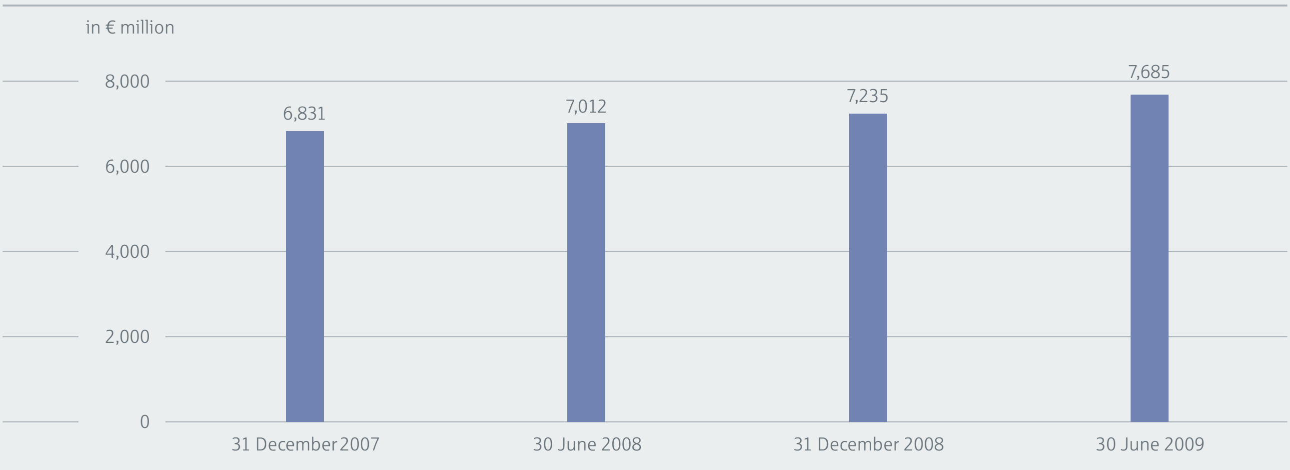
On the liabilities side, liabilities to banks, in particular liabilities resulting from money market transactions, were reduced by € 6.6 billion. However, liabilities to customers and securitised liabilities rose in total by € 4.4 billion.

Reported equity including minority interests rose by € 217 million; the reason for this was amongst other things the total profit of € 177 million and allocations to capital reserves of € 119 million with distributions of € 120 million. The total profit is the total profit in the income statement and the amounts recognised directly in equity.

Risk-weighted assets as of the balance sheet date of 30 June 2009 and the last three balance sheet dates are illustrated as follows (up to the end of 2007 based on Principle I, from 2008 based on the German solvency regulation (SolvV)):



Core capital has changed as follows:



Forecasts and other information on anticipated developments

After the stabilisation in economic development in Germany which was noticeable at the half-year point, the economy will, starting from an admittedly low level, continue to recover in the second half of 2009. The same also applies for the euro zone, even though individual countries such as Spain and Ireland still face heavily subdued economic development. Overall gross domestic product in Germany will shrink by around 5 per cent, and in the euro zone by around an anticipated 4 per cent. Germany's trade balance will show positive growth due to a slight rise in exports, while the economic stimulus programmes and inflation rates, which for a few months will continue to remain extremely low, will provide further support to consumption. Due to the considerable deterioration of the situation in the job market which is to be expected from autumn, private consumption will though come under increasing pressure in the coming year. Due to low capacity utilisation and the high uncertainty concerning further global economic development, capital expenditure on equipment will continue to be weak in the course of the year.

After two poor quarters in the USA, the economy will experience a noticeable recovery in the second half of 2009 due to the expansive monetary and fiscal policy. While the clear improvements in sentiment indicators are also providing cause for optimism here, the crisis in the property market and in the banking sector is still having a negative impact though. Due to inflation rates rising again by the end of the year and the impending economic recovery, the US central bank will pursue a policy of rising interest rates in the coming year. It is to be expected that the financial markets will remain volatile during the course of the year, as the financial market crisis is not yet over and further negative announcements from the American banking sector cannot be ruled out. In addition the risks for overall economic development remain high and further setbacks are possible. The yields from government bonds on either side of the Atlantic will rise gradually, and this will be attributable to the debt-related increase in demand for capital and the end of the severe recession. If there is a strong economic recovery, a temporary rise in inflation expectations may be possible due to the very expansive monetary policy.

After the good result for the first half-year, the NORD/LB Group expects that it will be able to achieve its target for earnings before taxes despite the continued difficult economic conditions and that earnings will therefore be well above the previous year's level. The customer-oriented business model of NORD/LB is proving to be sustainable in the difficult market environment.

On the income side, the profit/loss from financial instruments at fair value, supported by the positive impact of valuations, will contribute towards income developing according to plan and therefore being well above the previous year's level.

Now that the financial market crisis has reached the real economy, NORD/LB is expecting a further deterioration in the credit risk situation and is expecting much higher risk provisions for the current year than in previous years. At the half-year point the effects of rating migrations in the credit portfolio were reflected in rising portfolio bad debt allowances. In view of the continued tense situation in the credit market, NORD/LB is therefore taking responsible precautions to be well equipped when it starts the next year.

In total administrative expenses are developing for the whole of 2009 in line with the planned budget and will therefore be above the previous year's figure which was benefited by special effects. The increase in material expenses due to major projects will be well above the change in staff expenses. In order to optimise the structures and processes of the bank, NORD/LB has started an efficiency improvement programme.

The NORD/LB Group is confident of achieving the defined equity ratio target by the end of 2009. In addition the RoE and CIR ratios will be well over the previous year's figures at the end of 2009.

In the medium term NORD/LB is expecting that when the economic crisis ends income growth will increase considerably and earnings before taxes will rise.

As part of the restructuring of the joint venture DnB NORD, its business activities in Denmark and Finland will be divided between the joint venture partners DnB NOR ASA, Oslo/Norway (DnB NOR), and NORD/LB. The assets of the bank DnB NORD A/S will be transferred to DnB NOR in the second half of 2009. The earnings from the transferred portfolio will be distributed between DnB NOR and NORD/LB in proportion to their shares in the joint venture.

Opportunities and risk report

The risk management of the NORD/LB Group, the corresponding structures and procedures, the processes and methods implemented for measuring and monitoring risk and the risks to the Group's development were described in detail in the Financial Report 2008. In this interim report only significant developments in the period under review are addressed.

Scope

The scope of the quantitative risk reporting as at 30 June 2009 includes for the first time NORD/LB COVERED FINANCE BANK S.A., Luxembourg (NORD/LB CFB). NORD/LB CFB was included during the course of the regular audit for the first time among the companies which contributes significantly to the Group's risks. The risks of these companies are differentiated and reported by specific risk. From the point of view of the entire Group, the contribution of the other companies to specific risks is insignificant. Risks concerning these companies are shown under the bank's investment risk. The reference figures as at 31 December 2008 were not adjusted to take into account the expansion of group of significant companies.

Risk-bearing capacity

In the half-year under review the parameters for calculating the risk potential in particular in market price and liquidity risks were adjusted to take into account the knowledge gained in the financial crisis and the conditions in the money and capital market. The holding periods for market risk positions were extended and used liquidity spreads were increased. In addition the confidence level used in the risk-bearing capacity model was harmonised. Due to the change in methodology there was a heavy rise in the risk potential reported in market price and liquidity risks compared to the previous method; the risk positions were not extended. The values as at 31 December 2008 were adjusted to take into account the change in methodology and to improve comparability.

The level of risk coverage as a measure for the risk-bearing capacity rose considerably as at 30 June 2009 due to a heavy fall in liquidity risks in the ICAAP (Internal Capital Adequacy Assessment Process) scenario. In particular the issue of a guaranteed medium-term note programme has had a positive impact here. The risk-bearing capacity is given from a risk coverage level of 100 per cent.

With a coverage of 124 per cent this level was clearly exceeded as of 30 June 2009. This was therefore just below the conservative buffer of 25 per cent (coverage of 125 per cent) set in the risk strategy for a non crisis-ridden risk situation. Of the types of risk included in the model, namely credit, investment, market price, liquidity and operational risk, credit risk is by far the most significant.

The utilisation of risk capital in the ICAAP may be seen in the following chart for the NORD/LB Group:

(in € million)[1]	Risk-bearing capacity 30 Jun. 2009		Risk-bearing capacity 31 Dec. 2008[2]	
Risk capital	**8,648.0**	**100 %**	**8,999.0**	**100 %**
Credit risk	6,157.5	71 %	5,996.5	67 %
Investment risk	107.3	1 %	149.5	2 %
Market price risk	309.4	4 %	366.9	4 %
Liquidity risk	148.4	2 %	1,254.9	14 %
Operational risk	245.1	3 %	253.8	3 %
Total risk potential	**6,967.6**	**81 %**	**8,021.6**	**89 %**
Excess coverage	**1,680.4**	**19 %**	**977.4**	**11 %**
Risk cover level		**124 %**		**112 %**

[1] Total differences are rounding differences

[2] Adjustment of the figures due to changes in methodology

Credit risk

The volume of the total exposures remained almost the same in the period under review while the credit risk potential in the ICAAP rose by three per cent. The reason for this is primarily the deterioration in the global economy, which also had an impact in the first half-year on the credit portfolio of the NORD/LB Group. Due to a deterioration in ratings, the share of exposures in rating categories with a high to very high risk rose by two percentage points. A significant rise of credit in the default categories on the other hand has currently not yet been noticed.

The NORD/LB Group is closely monitoring the rating migrations and defaults and the resulting impact on the regulatory quotas and the risk-bearing capacity. Appropriate risk-management measures have been implemented. At the reporting date the developments described above were also accounted for by an increased allocation to portfolio bad debt allowances (cf. note 17).

The overall rating structure for all of the credit exposures of the NORD/LB Group, broken down by product type and compared with the structure as at 31 December 2008, is as follows:

Rating structure [1) 2)] (in € million)	Loans[3)] 30 Jun. 2009	Securities[4)] 30 Jun. 2009	Derivatives[5)] 30 Jun. 2009	Other[6)] 30 Jun. 2009	Total exposure 30 Jun. 2009	Total exposure 31 Dec. 2008[7)]
very good to good	122,959	60,529	10,880	13,284	207,653	210,367
good/satisfactory	16,462	2,302	625	1,035	20,424	21,536
reasonable/satisfactory	14,067	196	300	1,066	15,629	15,739
increased risk	6,830	79	89	459	7,457	5,617
high risk	3,640	45	38	61	3,785	2,697
very high risk	3,470	52	12	41	3,576	2,349
default (=NPL)	2,469	81	2	38	2,590	2,392
Gesamt	**169,897**	**63,284**	**11,948**	**15,985**	**261,114**	**260,698**

1) Allocated in accordance with IFD rating categories

2) Total differences are rounding differences

3) Includes loans taken up or loan commitments, guarantees and other non-derivative, off-balance sheet assets. As in the risk-bearing capacity report, irrevocable loan commitments are included at 72 per cent and revocable loan commitments at 5 per cent

4) Includes the own stocks of securities issued by third parties (banking book only)

5) Includes derivative financial instruments such as financial swaps, options, futures, forward rate agreements and currency transactions

6) Includes other products such as transmitted loans and loans asministered for third-party account

7) Adjusted figures due to changes in methodology

The share of positions in the rating category very good to good is still at a high level despite the above-mentioned developments in the first half of 2009 at 80 per cent (81 per cent). This is explained by the significance of business conducted with financing institutes and is at the same time a reflection of the conservative risk policy of the NORD/LB Group.

The following table shows the breakdown of the overall credit exposure by industry group:

Branches [1] [2] (in € million)	**Loans [3] 30 Jun. 2009**	**Securities [4] 30 Jun. 2009**	**Derivatives [5] 30 Jun. 2009**	**Other [6] 30 Jun. 2009**	**Total exposure 30 Jun. 2009**	**Total exposure 31 Dec. 2008 [7]**
Financing institutes/ insurance companies	57,523	43,483	9,321	9,628	119,954	125,252
Service industries/other	62,131	17,069	727	3,250	83,176	81,747
Of which: Land, housing	19,162	103	241	513	20,019	20,946
Of which: Public administration	27,128	14,119	359	781	42,386	40,998
Transport/communications	29,606	457	650	165	30,877	30,857
Of which: Shipping	19,342	24	401	24	19,790	20,272
Of which: Aviation	7,141	–	74	1	7,216	7,414
Manufacturing industry	6,805	842	657	302	8,606	8,037
Energy, water and mining	5,245	1,038	447	1,815	8,545	7,196
Trade, maintenance and repairs	3,542	57	85	178	3,861	4,215
Agriculture, forestry and fishing	1,051	25	5	439	1,521	1,550
Construction	2,659	61	56	152	2,928	809
Other	1,334	254	–	57	1,645	1,034
Total	**169,897**	**63,284**	**11,948**	**15,985**	**261,114**	**260,698**

[1] Allocated in alignment with the risk-bearing capacity report in accordance with economic criteria

[2] to [7] See the previous chart on the rating structure

The table shows that business conducted with financing institutes and with public authorities, which is, in principle, relatively low risk, accounts for 62 per cent (64 per cent) and still constitutes a considerable share of the total exposure.

The overall exposure is broken down by region as follows:

Regions [1] [2] (in € million)	Loans [3] 30 Jun. 2009	Securities [4] 30 Jun. 2009	Derivatives [5] 30 Jun. 2009	Other [6] 30 Jun. 2009	Total exposure 30 Jun. 2009	Total exposure 31 Dec. 2008 [7]
Euro countries	133,762	48,983	7,988	15,093	205,826	205,860
Other Western Europe	10,148	4,282	2,642	609	17,682	17,344
Eastern Europe	3,169	916	49	3	4,137	3,870
North America	14,507	5,278	871	198	20,854	20,544
Latin America	1,651	669	20	35	2,376	2,553
Middle East/Africa	853	275	–	1	1,129	1,283
Asia	3,782	2,100	353	38	6,272	6,733
Other countries	2,023	782	25	8	2,839	2,512
Total	**169,897**	**63,284**	**11,948**	**15,985**	**261,114**	**260,698**

[1] Allocated in alignment with the risk-bearing capacity report in accordance with economic criteria

[2] to [7] See the previous chart on the rating structure

This shows that the country risk for the NORD/LB Group tends to be of minor significance. The euro zone accounts for a high share of 79 per cent (79 per cent) of loans and remains by far the most important business area of the NORD/LB Group.

The total credit exposure considers for the first time group-wide consolidation effects in the amount of € 17 billion (€ 14 billion) related to inter-company loans. The continuing variance between the total credit exposures shown in the risk report and the total of the portfolio of financial instruments included in the balance sheet also results from the presentations relating to individual risks concentrated on the significant Group companies, effects of consolidation which were not included and consideration of credit equivalents from derivatives (including add-ons).

Investment risk

NORD/LB is constantly reviewing its investment portfolio. It is aiming to reduce the portfolio to strategic investments. Sales of individual investments are though dependent on an improvement in market conditions.

The NORD/LB Group does not rule out, depending on further developments in the current year and the plans for the next few years, further depreciations being made as of 31 December 2009.

Market price risk

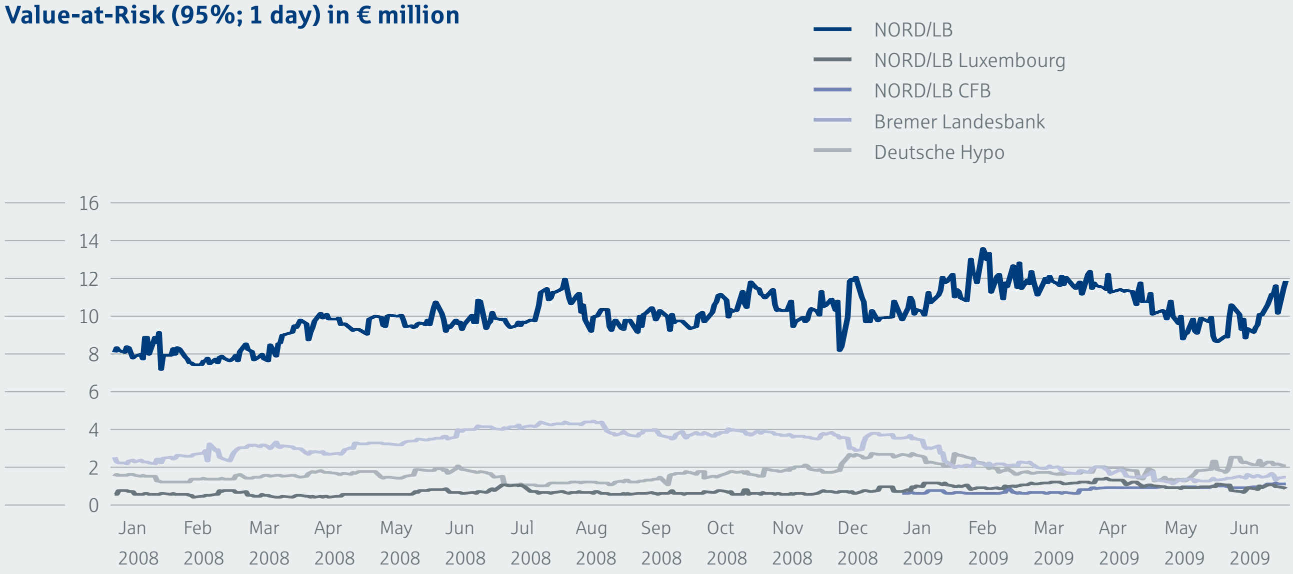
The market price risks of the NORD/LB Group shown in the following overviews were slightly above the values of the previous year (in part due to the inclusion of NORD/LB CFB), but were reduced in particular in the second quarter of 2009:

Market price risks	Maximum		Average		Minimum		End-of-period risk	
(in € 000) [1]	1 Jan. – 30 Jun. 2009	1 Jan. – 31 Dec. 2008	1 Jan. – 30 Jun. 2009	1 Jan. – 31 Dec. 2008	1 Jan. – 30 Jun. 2009	1 Jan. – 31 Dec. 2008	30 Jun. 2009	31 Dec. 2008
Interest rate risk (VaR 95 %, 1 day)	18,666	14,814	13,013	11,045	8,765	7,323	9,240	11,129
Currency risk (VaR 95 %, 1 day)	4,831	2,131	2,685	649	929	151	1,716	1,337
Share price and fund price risk (VaR 95 %, 1 day)	7,936	11,111	6,686	9,135	5,971	6,930	3,704	6,942
Volatility risk (VaR 95 %, 1 day)	2,667	3,008	1,271	531	43	196	1,627	1,652
Other add-ons	20	294	7	70	–	–	231	10
Total	**19,097**	**18,049**	**16,156**	**14,931**	**12,612**	**10,744**	**10,658**	**14,271**

[1] Maximum, average and minimum risks are calculated on the basis of the VaR totals for the significant subsidiaries (2009 incl. NORD/LB CFB); end-of-period risks are consolidated figures

In the period under review the Financial Markets division of NORD/LB was strategically realigned. The focus of the division now lies on processing customer business and supporting control measures for the bank as a whole. Credit investment positions are therefore further reduced. The Value-at-Risk (VaR) for the credit spread risks in the investment book included in the overview (confidence level 95 per cent, holding period one day) fell considerably in the period under review and was as of 30 June 2009 € 121 million (€ 166 million).

Value-at-Risk (95%; 1 day) in € million



The first half of 2009 was initially affected by turbulent markets as a result of the financial market crisis. The markets subsequently calmed down considerably. On average higher Value-at-Risk figures were therefore seen in the first half-year due to increased volatility than on average in 2008, while the Value-at-Risk on the reporting date of 30 June 2009 has fallen compared to the reference reporting date.

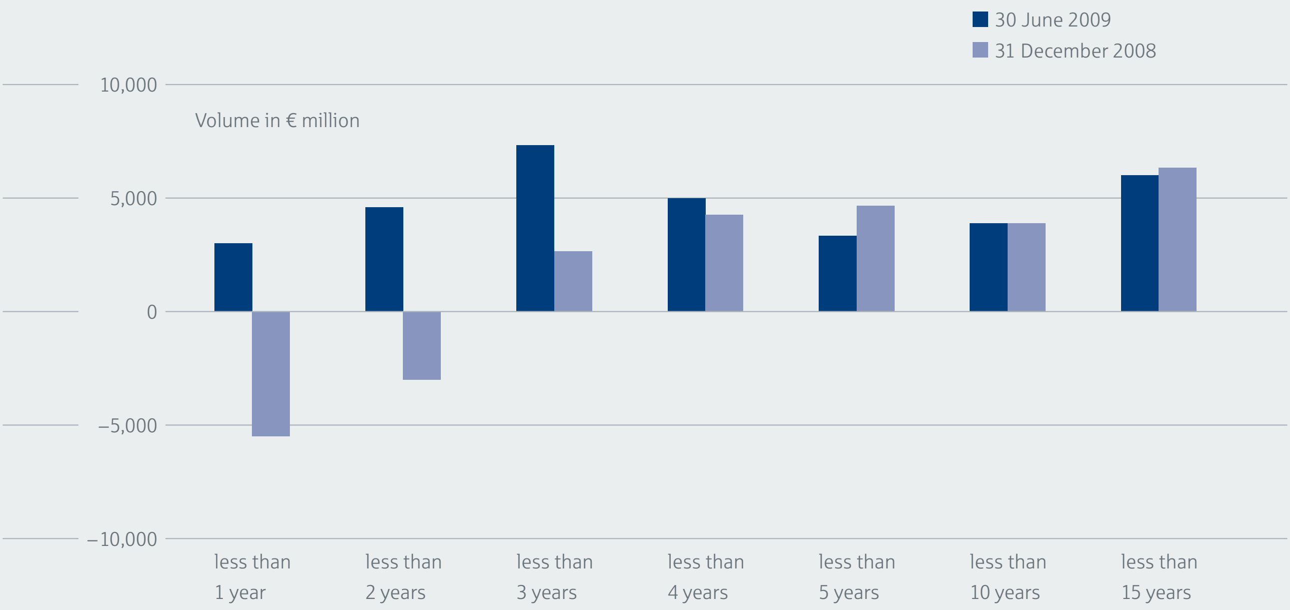
There is also a special effect with an investment listed on the stock exchange for the first time, due to the inactive market, no longer being listed under market price risk but solely under investment risk as of the reporting date; this has contributed towards a reduction in the Value-at-Risk.

Liquidity risk

The situation in the financial markets, which was still tense at the start of the half-year, has for the time being resulted in limited liquidity in many market segments. The situation has though eased considerably during the course of the half-year.

The NORD/LB Group had sufficient liquidity at all times and successfully implemented several risk-reduction measures, e.g. the issue of a guaranteed medium-term note programme. The liquidity progress review shows that the liquidity situation of the NORD/LB Group has improved considerably in the first half of 2009 in particular in the maturity periods to three years.

Accumulated liquidity maturities in € million



The liquidity ratio in accordance with the liquidity regulation (LiqV) was always well over the minimum of 1.00 required by regulatory provisions during the year:

Liquidity ratio in accordance with the LiqV[1)]

	30 Jun. 2009	31 Dec. 2008
NORD/LB	1.35	1.16
BLB	2.11	1.40
DHB	1.23	1.76

1) NORD/LB Luxembourg and NORD/LB CFB are not required to determine a comparable ratio.

Operational risk

Total net losses in the NORD/LB Group in the period under review were slightly over the values at the reference reporting date.

The reason for this is a loss in the category internal procedures as a result of an unintentionally missed deadline.

Loss event databank, Percentage net loss in the total loss amount

Category	1 Jan.–30 Jun. 2009	1 Jan.–31 Dec. 2008
External influences	1 %	12 %
Internal procedures	97 %	19 %
Employees	2 %	67 %
Technology	–	1 %

Outlook

Future development will depend in particular on how the global economic crisis progresses. The NORD/LB Group is expecting an increase in bad debt allowances for the existing credit exposure in the remainder of the year.

Beyond the above-mentioned risks, no significant new risks can currently be identified for the second half of 2009. The NORD/LB Group has again taken precautions to adequately account for all of the risks known to the bank.

Statements relating to the future

This interim report contains statements relating to the future. They can be recognised in terms such as “expect”, “intend”, “plan”, “endeavour” and “estimate” and are based on our current plans and estimations. These statements contain uncertainties since a number of factors which affect our business are beyond our sphere of influence. These factors notably include developments in the financial markets and changes in interest rates and market prices. Actual results and developments may deviate considerably from current assumptions. NORD/LB does not assume any responsibility and nor does it intend to update these statements relating to the future or to adjust them in the event of developments which deviate from those that had been anticipated.

Interim consolidated financial statements as at 30 June 2009

Interim consolidated financial statements

Income statement

	Notes	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Interest income		5,313	5,976	– 11
Interest expense		4,683	5,270	– 11
Net interest income	6	**630**	**706**	**– 11**
Loan loss provisions	7	– 383	– 75	> 100
Commission income		140	135	4
Commission expense		57	47	21
Net commission income	8	**83**	**88**	**– 6**
Trading profit/loss		584	– 380	> 100
Profit/loss from the use of the fair value option		– 75	215	> 100
Profit/loss from financial instruments at fair value throught profit or loss	9	**509**	**– 165**	> **100**
Profit/loss from hedge accounting	10	84	10	> 100
Profit/loss from financial assets	11	– 70	– 37	– 89
Profit/loss from investments accounted for using the equity method		– 108	33	> 100
Administrative expenses	12	468	412	14
Other operating profit/loss	13	– 1	60	> 100
Earnings before taxes		**276**	**208**	**33**
Income taxes	14	23	48	– 52
Consolidated earnings		**253**	**160**	**58**
of which: attributable to the shareholders of NORD/LB		245	157	
of which: attributable to minority interests		8	3	

Statement of comprehensive income

The comprehensive income for the first half of 2009 comprise the income and expense from the income statement and the income and expense recognised directly in equity:

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Consolidated earnings from the income statement	**253**	**160**	**58**
Increase / decrease from Available for Sale (AfS) financial instruments			
Unrealised profit / loss	– 132	– 414	68
Transfer due to realisation from profit / loss	57	– 110	> 100
	– 75	**– 524**	**86**
Changes in the value of companies included in the consolidated financial statements at equity	– 2	– 7	71
Conversion differences of foreign business units			
Unrealised profit / loss	– 5	– 11	55
Actuarial gains and losses for defined benefit provisions for pensions	– 26	139	> 100
Deferred taxes	32	101	– 68
Other profit / loss	**– 76**	**– 302**	**75**
Total profit / loss for the period	**177**	**– 142**	**> 100**
of which: attributable to the shareholders of NORD/LB	163	– 135	
of which: attributable to minority interests	14	– 7	

Balance sheet

Assets	Notes	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Cash reserve		915	1,110	– 18
Loans and advances to banks	15	45,374	47,238	– 4
Loans and advances to customers	16	112,326	112,172	–
Risk provisions	17	– 1,461	– 1,204	21
Financial assets at fair value through profit or loss	18	15,833	16,995	– 7
Positive fair values from hedge accounting		2,440	1,817	34
Financial assets	19	61,919	62,257	– 1
Investments accounting for using the equity method	20	799	845	– 5
Property and equipment	21	394	377	5
Investment property		92	96	– 4
Intangible assets	22	112	123	– 9
Assets held for sale	23	1	5	– 80
Current income tax assets		146	169	– 14
Deferred income tax assets		441	421	5
Other assets	24	3,000	1,866	61
Total assets		**242,331**	**244,287**	**– 1**

Liabilities	Notes	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Liabilities to banks	25	63,255	69,862	– 9
Liabilities to customers	26	64,827	61,998	5
Securitised liabilities	27	78,907	77,335	2
Adjustments item for financial instruments hedges in the fair value hedge portfolio		477	482	– 1
Financial liabilities at fair value through profit or loss	28	15,888	16,700	– 5
Negative fair values from hedge accounting		2,022	2,340	– 14
Provisions	29	3,144	3,058	3
Current income tax liabilities		175	194	– 10
Deferred income tax liabilities		12	30	– 60
Other liabilities	30	2,292	1,006	> 100
Subordinated capital	31	5,462	5,629	– 3
Equity				
Issued capital		1,085	1,085	–
Capital reserves		2,597	2,479	5
Retained reserves		2,537	2,390	6
Revaluation reserve		– 374	– 318	– 18
Currency translation reserve		– 54	– 49	– 10
		5,791	**5,587**	**4**
Minority interests		79	66	20
		5,870	**5,653**	**4**
Total liabilities and equity		**242,331**	**244,287**	**– 1**

Information from the previous year was adjusted for individual items;
see Section 2 of the Notes in this case.

Statement of changes in equity

(in € million)	Issued capital	Capital reserve	Revenue reserves	Revaluation reserve	Currency translation reserve	Equity prior to minorities	Minority interests	Consolidated equity capital
Equity as at 1 Jan. 2009	**1,085**	**2,479**	**2,390**	**– 318**	**– 49**	**5,587**	**66**	**5,653**
Distribution	–	–	– 117	–	–	– 117	– 3	– 120
Total profit/loss for the period	–	–	227	– 59	– 5	163	14	177
Capital contributions	–	118	–	–	–	118	1	119
Changes in the basis of consolidation	–	–	3	3	–	6	1	7
Consolidation effects and other changes in capital	–	–	34	–	–	34	–	34
Equity as at 30 Jun. 2009	**1,085**	**2,597**	**2,537**	**– 374**	**– 54**	**5,791**	**79**	**5,870**

(in € million)	Issued capital	Capital reserve	Revenue reserves	Revaluation reserve	Currency translation reserve	Equity prior to minorities	Minority interests	Consolidated equity capital
Equity as at 1 Jan. 2008	**1,085**	**2,479**	**2,370**	**331**	**– 61**	**6,204**	**97**	**6,301**
Adjustments according to IAS 8	–	–	–	20	–	20	2	22
Adjusted equity as at 1 Jan. 2008	**1,085**	**2,479**	**2,370**	**351**	**– 61**	**6,224**	**99**	**6,323**
Distribution	–	–	– 204	–	–	– 204	– 3	– 207
Total profit/loss for the period	–	–	243	– 367	– 11	– 135	– 7	– 142
Capital contributions	–	–	–	–	–	–	20	20
Changes in the basis scope of consolidation	–	–	7	– 1	–	6	21	27
Consolidation effects and other changes in capital	–	–	– 20	–	–	– 20	–	– 20
Equity as at 30 Jun. 2008	**1,085**	**2,479**	**2,396**	**– 17**	**– 72**	**5,871**	**130**	**6,001**

Condensed cash flow statement

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Cash and cash equivalents as at 1 Jan.	**1,110**	**1,107**	**–**
Cash flow from operating activities	– 122	89	> 100
Cash flow from investing activities	194	– 521	> 100
Cash flow from financing activities	– 267	– 421	37
Total cash flow	**– 195**	**– 853**	**77**
Effects of changes in the basis of consolidation	–	35	– 100
Cash and cash equivalents as at 30 Jun.	**915**	**289**	**> 100**

Selected notes

General information

(1) Principles for preparing the interim consolidated financial statements

The interim consolidated financial statements of Norddeutsche Landesbank Girozentrale, Hanover, Braunschweig, Magdeburg (NORD/LB) as at 30 June 2009 were prepared on the basis of Regulation (EC) No. 1606/2002 of the European Parliament and the Council of 19 July 2002 (IAS Regulation) in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB). For requirements relating to interim financial statements in particular IAS 34 is applied. National regulations contained in the German Commercial Code (HGB) under § 315a of the HGB were also observed insofar as these regulations are to be applied as at the reporting date for the interim financial statements. The interim consolidated financial statements are part of the interim financial report in terms of the German Transparency Directive Implementation Act (§ 37w of the German Securities Trading Act (WpHG)) of 5 January 2007 and are to be read in conjunction with information contained in the certified, published consolidated financial statements of NORD/LB as at 31 December 2008.

The interim consolidated financial statements as at 30 June 2009 comprise the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the condensed cash flow statement and selected notes. The segment reporting takes place in the notes.

The reporting currency for the interim consolidated financial statements is the euro. All amounts are reported rounded in euro millions (€ million), unless otherwise is indicated. The previous year's figures are shown afterwards in brackets.

(2) Accounting policies

The accounting policies for the interim financial statements are based on those of the consolidated financial statements as at 31 December 2008. The fair value of reported non-derivative financial assets is also calculated in the interim consolidated financial statements in accordance with the fair value hierarchy as at 31 December 2008. The interim financial statements did not result in any significant changes in terms of the volume and the number of units of financial assets accounted for using the mark-to-market, mark-to-matrix and mark-to-model methods.

IFRS 8 Operating Segments was applied for the first time as at 30 June 2009. The changes resulting from the first annual improvements project 2008 and the changes to the following standards were also considered:

- IAS 1 Presentation of Financial Statements (rev. 2007)
- IAS 23 Borrowing Costs (rev. 2007)
- IFRS 1 and IAS 27 (amended 2008)
- IAS 32 and IAS 1 (amended 2008)

Concerning IFRS 8, the segment information is prepared as in previous years on the basis of the internal reporting system (management approach). There is also a detailed break-down of the segment group controlling / others. The assets of the segment investments accounted for using the equity method are shown separately for the individual segments.

The income and expense recognised directly in equity are from 2009 reported on the basis of IAS 1 in the statement of comprehensive income including the separate reporting of deferred taxes and the transfers to the income statement. The statement of changes in equity focuses on the reporting of transactions with owners in their role as such.

The previously mentioned changes to the standards have no further significant effect on the accounting policies and reporting in the interim consolidated financial statements.

Additional changes which derive from described issues are shown in note (3) Adjustment to the figures for the previous year.

(3) Adjustment to the figures for the previous year

In the consolidated financial statements as at 31 December 2007 two financial assets classified as AfS (shares in companies) were not reported at fair value. The adjustments to the figures for the previous year are highlighted in the following tables.

1 Jan. 2008

(in € million)	Prior to adjustment	Adjustment	After adjustment
Financial assets	50,268	22	50,290
Revaluation reserve	331	20	351
Minority interests	97	2	99

31 Dec. 2008

(in € million)	Prior to adjustment	Adjustment	After adjustment
Financial assets	62,235	22	62,257
Revaluation reserve	– 338	20	– 318
Minority interests	64	2	66

The adjustment was also included in note (19) Financial assets. We resigned to show a three-column-chart according to IAS1 (rev. 2007) as we realised no material changes concerning the previous period.

(4) Basis of consolidation

In addition to NORD/LB as the parent company, the consolidated financial statements include 39 (31 December 2008: 40) subsidiaries (including special purpose entities in accordance with SIC-12) in which NORD/LB directly or indirectly holds more than 50 per cent of the voting rights or over which NORD/LB is in a position to exercise a controlling influence in another manner. In addition 4 (31 December 2008: 4) joint ventures and 13 (31 December 2008: 15) associated companies are accounted for using the equity method.

In January 2009 NORD/LB G-MTN S.A., Luxembourg, was established as a 100 per cent subsidiary of NORD/LB. The company serves as an issuing company for the refinancing of the NORD/LB Group and has in this respect set up a medium-term note programme guaranteed by the states of Lower Saxony and Saxony-Anhalt in February 2009. The company was included for the first time in the consolidated financial statements with effect of 8 January 2009.

FORMA Beteiligungs GmbH & Co. Mobilienleasing KG, Munich, which was accounted for using the equity method, ceased operating as a furniture leasing company and was deconsolidated as at 1 January 2009.

In addition the funds A-BLB-Aktien-Fonds and Lux-Cofonds, which were previously fully consolidated, and the NC-SP 100 Poolfonds 1, which was previously accounted using the equity method, were deconsolidated.

The effects resulting from first-time consolidation and from deconsolidation have no significant impact on the income, assets and financial position.

Subsidiaries, joint ventures and associated companies included in the consolidated financial statements are shown in Note (37) Schedule of companies and investment funds included in the basis of consolidation.

Segment reporting

(5) Segment reporting by business segments (primary reporting format)

The segment reporting in accordance with IFRS 8 provides information on the business segments of the Group and is drawn up in compliance with the bank's business model. The segments are defined as customer or product groups which reflect the organisational structures and therefore the internal control of the Group. Calculations are based on the internal data of Group member companies. The internal control focuses on the operational units' earnings before tax.

Net interest income generated by the individual segments is calculated on the basis of the market interest rate method. Segment expenditure comprises primary expenses plus expenses allocated on the basis of cost and service allocations. Loan loss provisions are allocated to segments on the basis of actual costs incurred. Overall bank revenue, such as net interest received from equity employed, portfolio-based impairments, profit/loss from hedge accounting and overhead costs are not allocated to the operational profit centres of the bank but to the segment "All other segments".

In addition to figures relating to the statement of operating results, the segment report also shows risk-weighted assets to be allocated on the basis of regulatory provisions, segment assets and liabilities, core capital employed and the cost-income ratio (CIR) and return on equity (RoE). The cost-income ratio is defined as the ratio of administrative expenses to the sum total of the following income items: net interest income, net commission income, profit/loss from financial instruments at fair value, profit/loss from hedge accounting, profit/loss from investments accounted for using the equity method and other operating profit/loss.

The RoRaC in the segments expresses the ratio between the contribution to income after risk provisions and valuation to capital employed. Calculation of the return on equity at Group level complies with the standard international definitions of financial ratios and refers to earnings before taxes (less interest expenses for silent participations in reported equity) on long-term equity under commercial law (share capital plus capital reserves, retained earnings and minority interests less silent participations in reported equity). The reconciliation figure between the various elements of equity in the business segments and in the Group is included in the column Reconciliation.

A capital charge of five per cent of risk-weighted asset values is used to calculate the capital employed in the segments. These are based on regulations pertaining to the German solvency regulation. Capital tied up in the segments is calculated on the basis of average annual figures. The reconciliation figure for the tied-up capital reported in the segments and the long-term equity in the Group in accordance with commercial law is included in the segment reconciliation. A transfer from long-term equity under commercial law to equity reported in the balance sheet is shown separately at the end of the segment overview.

The following segments are reported on by business segment in the segment reporting:

Savings Bank Network
This includes transactions with the public sector, institutional business with associated savings banks, syndicated business transacted with associated savings banks and, accounted for using the equity method, business conducted by LBS Norddeutsche Landesbausparkasse, Berlin-Hanover, Deutsche Factoring GmbH & Co., Bremen, and KreditServices Nord GmbH, Hanover.

Private and Commercial Customers
This segment comprises lending and deposit business as well as asset management activities conducted with private customers and with middle-market companies (in NORD/LB this is limited to the region of Altes Braunschweiger Land); furthermore, business conducted by Öffentliche Lebensversicherung Braunschweig, Braunschweig, and Öffentliche Sachversicherung Braunschweig, Braunschweig, including restricted funds, and, accounted for using the equity method, a share of business resulting from Bank DnB NORD A/S, Copenhagen, is included in this segment.

Corporate Customers
The corporate customer segment includes all of the NORD/LB business conducted with corporate customers in the core regions (excluding the Altes Braunschweiger Land region) and also notably agricultural banking and housing business activities conducted in the neighbouring regions.

Structured Finance
This segment mainly comprises the divisions of Real Estate Finance, Ship and Aircraft Finance and Structured Finance (including the structured finance activities of the foreign branches), business transacted by Skandifinanz Bank AG, Zurich, and, using the equity method, a share of business by LHI Leasing GmbH, Munich.

Financial Markets
This item mainly includes the following divisions of the bank in Germany, in the foreign branches and in the Group companies: Institutional Clients / Sales, Institutional Asset Management, Capital Markets, Treasury und Asset-Liability Management. The Financial Markets business segment also includes NORD/LB Covered Finance Bank S.A., Luxembourg, NORDCON Asset Management Holding GmbH, Hanover, including participating interests and allocated special funds and public funds.

All other segments
This segment covers all other performance data directly related to the business activity, parts of the group otherwise not included, performance elements at group level which are not allocated to the segments and consolidations.

Reconciliations
Here the reconciliation items from internal accounting to the overall consolidated figures in the income statement are shown. The shortfall according to the regulatory capital employed is assigned to the operative sections within the internal reporting and converted into risk-weighted assets; the adjustment item relating to the regulatory report of risk-weighted assets flows into the reconciliation.

NORD/LB Group reporting by business segments

30 Jun. 2009

(in € million)	Savings Bank Network	Private and Commercial Customers	Corporate Customers	Structured Finance	Financial Markets	Group Controlling Other	Recon-ciliation	NORD/LB Group
Net interest income	33	133	105	315	204	–	– 160	630
Loan loss provisions	–	12	71	73	20	192	15	383
Net interest income after loan loss provisions	**33**	**121**	**34**	**242**	**184**	**– 192**	**– 175**	**247**
Net commission income	8	24	15	46	4	– 9	– 5	83
Profit/loss from financial instruments at fair value	7	– 7	3	12	104	384	6	509
Profit/loss from hedge accounting	–	–	–	–	– 1	92	– 7	84
Profit/loss from financial assets	–	– 29	–	– 19	4	– 16	– 10	– 70
Profit/loss from investments accounted for using the equity method	13	– 124	3	– 4	–	4	–	– 108
Administrative expenses	27	155	34	71	66	109	6	468
Other operating profit/loss	1	41	–	4	2	6	– 55	– 1
Earnings before taxes	**35**	**– 129**	**21**	**210**	**231**	**160**	**– 252**	**276**
Taxes	–	–	–	–	–	–	23	23
Consolidated earnings	**35**	**– 129**	**21**	**210**	**231**	**160**	**– 275**	**253**
Segment assets	27,807	12,634	14,120	61,606	142,746	– 22,539	5,957	242,331
from investments accounted for using the equity method	177	440	44	19	39	80	–	799
Segment liabilities	8,435	10,168	5,833	24,698	202,540	– 17,305	7,962	242,331
Risk-weighted assets	2,248	6,317	10,722	48,370	24,778	4,247	– 5,827	90,855
Capital employed *)	201	580	536	2,435	1,239	452	– 277	5,166
CIR	43.5 %	227.1 %	27.2 %	19.0 %	21.1 %	–	–	39.1 %
RoRaC/RoE **)	34.3 %	– 44.0 %	7.9 %	17.3 %	37.3 %	–	–	9,9 %

30 Jun. 2008

(in € million)	Savings Bank Network	Private and Commercial Customers	Corporate Customers	Structured Finance	Financial Markets	Group Controlling Other	Recon-ciliation	NORD/LB Group
Net interest income	27	129	87	286	237	31	– 91	706
Loan loss provisions	1	– 3	7	10	–	44	16	75
Net interest income after loan loss provisions	**26**	**132**	**80**	**276**	**237**	**– 13**	**– 107**	**631**
Net commission income	8	23	11	39	12	– 10	5	88
Profit/loss from financial instruments at fair value	4	– 9	5	11	– 53	– 174	51	– 165
Profit/loss from hedge accounting	–	–	–	–	–	10	–	10
Profit/loss from financial assets	–	– 7	–	– 4	– 3	– 27	4	– 37
Profit/loss from investments accounted for using the equity method	10	19	2	– 1	–	4	– 1	33
Administrative expenses	28	158	34	68	62	66	– 4	412
Other operating profit/loss	2	42	–	5	8	11	– 8	60
Earnings before taxes	**22**	**42**	**64**	**258**	**139**	**– 265**	**– 52**	**208**
Taxes	–	–	–	–	–	–	48	48
Consolidated earnings	**22**	**42**	**64**	**258**	**139**	**– 265**	**– 100**	**160**
Segment assets (31 Dec. 2008)	29,334	12,811	11,674	58,781	144,041	– 19,378	7,024	244,287
from investments accounted for using the equity method (31 Dec. 2008)	174	459	41	27	20	124	–	845
Segment liabilities (31 Dec. 2008)	9,703	11,048	3,545	22,711	198,515	– 9,594	8,359	244,287
Risk-weighted assets	2,266	6,475	9,456	43,561	26,486	2,922	– 2,678	88,488
Capital employed *)	214	571	473	2,195	1,326	447	– 134	5,092
CIR	55.1 %	77.5 %	32.6 %	20.1 %	30.7 %	–	–	56.3 %
RoRaC/RoE **)	20.7 %	14.7 %	26.9 %	23.4 %	20.7 %	–	–	7.4 %

*) Reconciliation of long-term equity under commercial law to reported equity:

(in € million)	30 Jun. 2009	30 Jun. 2008
Long-term equity under commercial law	5,166	5,092
Revaluation reserve	– 374	– 17
Currency translation reserve	– 54	– 72
Accumulated profits	314	298
Silent participations in reported equity	818	700
Reported equity	5,870	6,001

**) By business segment RoRaC:
Earnings before taxes x 2 / core capital employed;

For the Group RoE:
(Earnings before taxes – interest expenses for silent participations in reported equity) x 2 / long-term equity under commercial law (= share capital + capital reserves + retained earnings + minority interests – silent participations in reported equity)

Notes to the income statement

(6) Net interest income

In addition to interest received and paid, the items interest income and interest expense include pro rata reductions in premiums and discounts resulting from financial instruments. Interest income from financial instruments allocated to the category financial assets or financial liabilities at fair value through profit or loss (AFV) are not included as they are reported in the trading profit/loss or in the profit/loss from the use of the fair value option. Due to the fact that under certain circumstances silent participations are to be classified as liabilities under IAS 32, payments to silent partners are reported as interest expense.

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Interest income			
Interest income from lending and money market transactions	3,111	3,766	– 17
Interest income from fixed-income and book entry securities	1,048	1,499	– 30
Current income			
from shares and other variable-yield securities	14	12	17
from participating interests	17	31	– 45
Interest income from hedge accounting derivatives	1,170	652	79
Interest income from portfolio fair value hedge amortisation	– 50	12	> 100
Other interest income and similar income	3	4	– 25
	5,313	**5,976**	**– 11**
Interest expenses			
Interest expenses from lending and money market transactions	1,933	2,500	– 23
Interest expenses from securitised liabilities	1,371	1,803	– 24
Interest expenses from subordinated capital	141	154	– 8
Interest expenses from hedge accounting derivatives	1,180	722	63
Interest expenses from portfolio fair value hedge amortisation	12	13	– 8
Interest expenses for provisions and liabilities	40	35	14
Other interest expenses and similar expenses	6	43	– 86
	4,683	**5,270**	**– 11**
Total	**630**	**706**	**– 11**

Interest income from hedge accounting derivatives mainly derives from swap transactions.

(7) Loan loss provisions

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Income from loan loss provisions			
Reversal of specific bead debt allowances	182	65	> 100
Reversal of flat-rate bad debt allowances	1	1	–
Reversal of portfolio bad debt allowances	11	46	– 76
Receipts of written-off loans and advances	17	23	– 26
Additions to receivables written off	7	6	17
	218	**141**	**55**
Expenses for loan loss provisions			
Allocations to specific bad debt allowances	307	203	51
Allocation to flat-rate bad debt allowances	39	–	–
Allocation to portfolio bad debt allowances	196	4	> 100
Allocation to provisions for lending business	43	6	> 100
Direct write-offs of bad debts	16	3	> 100
	601	**216**	**> 100**
Total	**– 383**	**– 75**	**> 100**

(8) Net commission income

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Commission income			
Commission income from banking transactions	131	126	4
Commission income from non-banking transactions	9	9	–
	140	**135**	**4**
Commission expense			
Commission expenses from banking transactions	43	33	30
Commission expenses from non-banking transactions	14	14	–
	57	**47**	**21**
Total	**83**	**88**	**– 6**

Commission income and commission expense from non-banking transactions relate in particular to insurance contracts.

(9) Profit/loss of financial instruments at fair value through profit or loss

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Trading profit/loss			
Realised gains/losses			
Gains/losses from debt securities and other fixed-interest securities	– 26	16	> 100
Gains/losses from shares and other variable-yield securities	2	– 21	> 100
Gains/losses from derivatives	290	62	> 100
Gains/losses from receivables held for trading	3	6	– 50
	269	**63**	**> 100**
Measurement result			
Gains/losses from debt securities and other fixed-interest securities	40	– 43	> 100
Gains/losses from shares and other variable-yield securities	5	– 17	> 100
Gains/losses from derivatives	136	– 570	> 100
Gains/losses from receivables held for trading	– 23	– 20	– 15
Gains/losses from other trading transactions	1	–	–
	159	**– 650**	**> 100**
Foreign exchange gains/losses	23	93	– 75
Current income	135	117	15
Other income	– 2	– 3	33
	584	**– 380**	**> 100**
Profit/loss from the use of the fair value option			
Realised gains/losses			
Gains/losses from debt securities and other fixed-interest securities	– 10	– 4	> 100
Gains/losses from other activities	–	– 1	100
	– 10	**– 5**	**– 100**
Result of measurement			
Gains/losses from debt securities and other fixed-interest securities	26	233	– 89
Gains/losses from shares and other variable-yield securities	3	– 1	> 100
Gains/losses from other activities	–	59	– 100
	29	**291**	**– 90**
Current income	– 94	– 71	– 32
	– 75	**215**	**> 100**
Total	**509**	**– 165**	**> 100**

(10) Profit/loss from hedge accounting

The profit/loss from hedge accounting includes fair value adjustments relating to the hedged risk of an underlying transaction and fair value adjustments to hedge instruments in effective fair value hedge relationships.

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Gains/losses from micro fair value hedges			
from hedged underlying transactions	– 421	207	> 100
from derivatives employed as hedging instruments	455	– 201	> 100
	34	**6**	**> 100**
Gains/losses from portfolio fair value hedges			
from hedged underlying transactions	– 1	144	> 100
from derivatives employed as hedging instruments	51	– 140	> 100
	50	**4**	**> 100**
Total	**84**	**10**	**> 100**

(11) Profit/loss from financial assets

Shown in the profit/loss from financial assets are profits and losses from disposals and measurement results relating to securities and company shares in the financial asset portfolio.

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Profit/loss from financial assets (excluding participating interests) classified as AfS			
Profit/loss from the disposal of			
Debt securities and other fixed-interest securities	– 18	– 30	40
Shares and other variable-yield securities	– 30	– 4	> 100
Profit/loss from allowances for			
Debt securities and other fixed-interest securities	–	– 11	– 100
Shares and other variable-yield securities	– 8	–	–
Other financial assets	– 13	–	–
	– 69	**– 45**	**– 53**
Profit/loss from shares in companies	**– 1**	**8**	**> 100**
Total	**– 70**	**– 37**	**– 89**

(12) Administrative expenses

Administrative expenses comprise staff expenses, other administrative expenses and amortisation, depreciations and impairments to property and equipment, intangible assets and investment property.

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Staff expenses	246	226	9
Other administrative expenses	189	155	22
Amortisation, depreciations and impairments	33	31	6
Total	**468**	**412**	**14**

(13) Other operating profit/loss

	1 Jan. – 30 Jun. 2009 (in € million)	1 Jan. – 30 Jun. 2008 (in € million)	Change (in %)
Other operating income			
from the reversal of provisions	320	297	8
from insurance contracts	263	268	– 2
from other business	73	59	24
	656	**624**	**5**
Other operating expenses			
from allocation to provisions	384	390	– 2
from insurance contracts	148	155	– 5
from other business	125	19	> 100
	657	**564**	**16**
Total	**– 1**	**60**	**> 100**

Income from the reversal of provisions and expense from allocation to provisions primarily concern provisions relating to insurance contracts.

Other operating income from insurance contracts are primarily the result of premium income (€ 213 million (€ 221 million)) and income from reinsurance contracts (€ 25 million (€ 27 million)).

Income from other business comprises the redemption of the bank's own issues (€ 10 million (€ 16 million)), rental income from investment property (€ 5 million (€ 6 million)), income from data processing services for third parties (€ 5 million (€ 4 million)) and reimbursements of costs (€ 6 million (€ 5 million)).

Other operating expenses from insurance contracts mainly comprise indemnity expenses (€ 112 million (€ 120 million)) and expenses from deferred reinsurance contracts (€ 30 million (€ 27 million)).

Expenses from other business essentially comprise expenses from reductions in loans and advances (€ 5 million (€ 6 million)), disposal of property and equipment (€ 0 million (€ 1 million)), expenses from investment property (€ 1 million (€ 1 million)), the disposal of intangible assets and other assets (€ 1 million (€ 1 million)) and expenses from the redemption of debt securities (€ 34 million (€ 6 million)).

(14) Income taxes

Income tax expenditure in the interim consolidated financial statements is calculated based on the anticipated income tax rate for the whole year. The tax rate used in the calculations is based on legal provisions which are valid or have been passed on the reporting date.

Notes to the balance sheet

(15) Loans and advances to banks

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Loans and advances resulting from money market transactions			
Domestic banks	5,690	4,088	39
Banks abroad	4,351	5,269	– 17
	10,041	**9,357**	**7**
Other loans and advances			
Domestic banks			
due on demand	825	506	63
with a fixed term or period of notice	28,294	30,635	– 8
Domestic banks			
due on demand	209	611	– 66
with a fixed term or period of notice	6,005	6,129	– 2
	35,333	**37,881**	**– 7**
Total	**45,374**	**47,238**	**– 4**

(16) Loans and advances to customers

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Loans and advances resulting from money market transactions			
Domestic customers	1,764	1,142	54
Customers abroad	75	120	– 38
	1,839	**1,262**	**46**
Other loans and advances			
Domestic customers			
due on demand	1,750	1,768	– 1
with a fixed term or period of notice	77,845	77,873	–
Customers abroad			
due on demand	302	266	14
with a fixed term or period of notice	30,590	31,003	– 1
	110,487	**110,910**	**–**
Total	**112,326**	**112,172**	**–**

(17) Risk provisions

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Specific bad debt allowances	1,027	983	4
Flat-rate specific bad debt allowances	41	3	>100
Portfolio bad debt allowances	393	218	80
Total	**1,461**	**1,204**	**21**

The risk provisions reported on the assets side and loan loss provisions have changed as follows:

	Specific bad debt allowances		Flat-rate specific bad debt allowances		Portfolio bad debt allowances		Loan loss provisions		Total	
(in € million)	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
1 Jan.	**983**	**913**	**3**	**–**	**218**	**207**	**79**	**93**	**1,283**	**1,213**
Allocations	307	203	39	–	196	4	43	6	585	213
Reversals	182	65	1	1	11	46	17	23	211	135
Utilisation	80	122	–	–	–	–	–	–	80	122
Unwinding	–12	–	–	–	–	–	–	–	–12	–
Effects from currency conversions and other changes	11	–6	–	–	–10	–1	–1	–1	–	–8
Increases/decreases resulting from business combinations	–	43	–	4	–	17	–	2	–	66
30 Jun.	**1,027**	**966**	**41**	**3**	**393**	**181**	**104**	**77**	**1,565**	**1,227**

(18) Financial assets at fair value through profit or loss

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Trading assets			
Debt securities and other fixed-interest securities	3,569	3,248	10
Shares and other variable-yield securities	110	95	16
Positive fair values from derivatives	7,527	9,583	– 21
Trading portfolio claims	1,706	1,189	43
	12,912	**14,115**	**– 9**
Financial assets designated as at fair value through profit or loss			
Loans and advances to banks and customers	232	116	100
Debt securities and other fixed-interest securities	2,681	2,757	– 3
Shares and other variable-yield securities	8	7	14
	2,921	**2,880**	**1**
Total	**15,833**	**16,995**	**– 7**

(19) Financial assets

The balance sheet item financial assets includes all the debt securities and other fixed-interest securities which do not serve trading purposes and are classified as available for sale (AfS), shares and other variable-yield securities, shares in companies and financial assets classified as loans and receivables (LaR).

Participating interests in equity of other companies are allocated to the category available for sale. Silent participations, which were classified as liabilities, are allocated in part to the category loans and receivables as well as to category available for sale.

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Financial assets classified as LaR	**4,958**	**4,516**	**10**
Financial assets classified as AfS			
Debt securities and other fixed-interest securities	55,653	56,406	– 1
Shares and other variable-yield securities	488	455	7
Shares in companies	811	871	– 7
Other financial assets classified as AfS	9	9	–
	56,961	**57,741**	**– 1**
Total	**61,919**	**62,257**	**– 1**

(20) Shares in investments accounted for using the equity method

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Joint ventures	438	465	–6
Associated companies	361	380	–5
Total	**799**	**845**	**–5**

(21) Property and equipment

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Land and buildings	317	299	6
Operating and office equipment	71	75	–5
Other property and equipment	6	3	100
Total	**394**	**377**	**5**

(22) Intangible assets

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Software			
Purchased	21	25	– 16
Internally generated	55	64	– 14
	76	**89**	**– 15**
Intangible assets under development	–	7	–100
Goodwill	12	11	9
Other	24	16	50
Total	**112**	**123**	**– 9**

(23) Assets held for sale

Assets held for sale in accordance with IFRS 5 as at 30 June 2009 include solely property and equipment (buildings) to the amount of € 1 million (€ 5 million).

(24) Other assets

The balance sheet item other assets includes assets relating to insurance contracts to the amount of € 161 million (€ 156 million). These comprise assets from outwards reinsurance (€ 161 million (€ 154 million)).

(25) Liabilities to banks

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Deposits from other banks			
German banks	1,437	506	> 100
Foreign banks	615	192	> 100
	2,052	**698**	**> 100**
Liabilities resulting from money market transactions			
German banks	17,438	23,961	– 27
Foreign banks	14,081	16,096	– 13
	31,519	**40,057**	**– 21**
Other liabilities			
German banks			
due on demand	2,112	1,939	9
With a fixed term or period of notice	22,044	21,861	1
Foreign banks			
due on demand	262	244	7
With a fixed term or period of notice	5,266	5,063	4
	29,684	**29,107**	**2**
Total	**63,255**	**69,862**	**– 9**

(26) Liabilities to customers

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Savings deposits			
With an agreed notice period of three months			
Domestic customers	909	857	6
Customers abroad	20	13	54
With an agreed notice period of more than three months			
Domestic customers	800	836	– 4
Customers abroad	7	6	17
	1,736	**1,712**	**1**
Liabilities resulting from money market transactions			
Domestic customers	15,334	15,619	– 2
Customers abroad	3,197	2,245	42
	18,531	**17,864**	**4**
Other liabilities			
Domestic customers			
due on demand	7,230	6,793	6
with a fixed term or period of notice	35,710	33,430	7
Customers abroad			
due on demand	312	340	– 8
with a fixed term or period of notice	1,308	1,859	– 30
	44,560	**42,422**	**5**
Total	**64,827**	**61,998**	**5**

(27) Securitised liabilities

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Issued debt securities			
Mortgage bonds	7,490	7,528	– 1
Municipal debentures	29,040	32,949	– 12
Other debt securities	35,932	29,104	23
	72,462	**69,581**	**4**
Money-market instruments			
Commercial papers	3,643	4,032	– 10
Certificates of deposit	701	934	– 25
Other money-market instruments	1,130	1,740	– 35
	5,474	**6,706**	**– 18**
Other securitised liabilities	**971**	**1,048**	**– 7**
Total	**78,907**	**77,335**	**2**

Redeemed debt securities issued by the bank itself have been directly deducted from securitised liabilities to the amount of € 6,819 million (€ 3,947 million).

(28) Financial liabilities at fair value through profit or loss

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Trade liabilities			
Negative fair values from derivatives	7,349	9,281	– 21
Delivery obligations from short-sales	221	168	32
	7,570	**9,449**	**– 20**
Financial liabilities designated as at fair value through profit or loss			
Liabilities to banks and to customers *)	4,710	4,344	8
Securitised liabilities *)	3,608	2,907	24
	8,318	**7,251**	**15**
Total	**15,888**	**16,700**	**– 5**

*) Previous year's figures were revised due to reconciliation; the total previous year's amount of the financial liabilities designated at fair value does not change.

(29) Provisions

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Provisions for pensions and similar obligations	1,206	1,160	4
Other provisions	1,938	1,898	2
Total	**3,144**	**3,058**	**3**

Other provisions include provisions from insurance contracts to the amount of € 1,673 million (€ 1,618 million).

(30) Other liabilities

The balance sheet item other liabilities includes liabilities from insurance contracts to the amount of € 53 million (€ 51 million). These contain liabilities from direct insurance and reinsurance contracts to the amount of € 5 million (€ 4 million).

(31) Subordinated capital

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Subordinated liabilities	2,657	2,624	1
Participatory capital	835	981	– 15
Silent participations	1,970	2,024	– 3
Total	**5,462**	**5,629**	**– 3**

Other information

(32) Derivative financial instruments

	Nominal values		Fair values			
(in € million)	30 Jun. 2009	31 Dec. 2008	positive 30 Jun. 2009	positive 31 Dec. 2008	negative 30 Jun. 2009	negative 31 Dec. 2008
Interest-rate risks	328,978	315,493	7,557	7,759	7,698	9,286
Currency risks	72,302	68,347	2,125	3,244	1,170	2,329
Shares and other price risks	2,144	2,050	269	286	271	297
Credit risks	11,550	14,525	125	265	231	362
Total	**414,974**	**400,415**	**10,076**	**11,554**	**9,370**	**12,274**

(33) Regulatory data

The following consolidated regulatory data was calculated in accordance with the regulations of the German solvency regulation (SolvV).

(in € million)	30 Jun. 2009	31 Dec. 2008
Risk-weighted assets *)	**90,855**	**89,825**
Capital requirements for credit risks	6,774	6,684
Capital requirements for market risk	249	248
Capital requirements for operational risks	245	254
Capital requirements according to the SolvV	**7,268**	**7,186**

*) In the consolidated financial statements as of 31 December 2008 the risk-weighted assets were shown in accordance with Principle I.

The following schedule shows the composition of regulatory equity for the group of institutes in accordance with § 10 in conjunction with § 10a of the German Banking Act.

(in € million)	30 Jun. 2009	31 Dec. 2008
Paid-in capital	1,175	1,176
Contributions from silent partners	2,546	2,428
Other reserves	2,843	2,711
Special item for general banking risks in accordance with § 340g of the German Commercial Code	1,094	888
Other components	27	32
Core capital	**7,685**	**7,235**
Non-current subordinated liabilities	2,430	2,450
Participatory capital	197	822
Other components	88	53
Supplementary capital	**2,715**	**3,325**
Deductions from core capital and supplementary capital	1,752	1,561
Modified available equity	**8,648**	**8,999**
Tier three funds	–	–
Eligible capital in accordance with § 10 of the German Banking Act	**8,648**	**8,999**

(in %)	30 Jun. 2008	31 Dec. 2008
Total ratio in accordance with § 2 para. 6 SolvV	9.52	10.02
Core capital ratio	8.46	8.10

(34) Contingent liabilities and other obligations

	30 Jun. 2009 (in € million)	31 Dec. 2008 (in € million)	Change (in %)
Contingent liabilities			
Liabilities from guarantees and other indemnity agreements	8,029	8,502	– 6
Other obligations			
Irrevocable credit obligations	19,278	22,718	– 15
Total	**27,307**	**31,220**	**– 13**

(35) Related party relationships

The scope of transactions with related parties (not including those to be eliminated under consolidation) can be seen in the following:

30 Jun. 2009

(in € 000)	Shareholders	Subsidiaries	Joint ventures	Associated companies	Persons in key positions	Other related parties
Outstanding loans and advances						
to banks	–	–	1,082,851	1,172,090	–	134,945
to customers	3,363,296	34,285	8,986	217,069	1,994	81,533
Other unsettled assets	2,202,456	74	454	18,497	460	1,168
Total assets	**5,565,752**	**34,359**	**1,092,291**	**1,407,656**	**2,454**	**217,646**
Unsettled liabilities						
to banks	–	–	1,524	76,563	–	14,875
to customers	1,031,294	37,998	1,668	78,706	4,610	37,470
Other unsettled liabilities	31,304	56	–	124,864	–	–
Total liabilities	**1,062,598**	**38,054**	**3,192**	**280,133**	**4,610**	**52,345**
Guarantees/sureties received	4,126,347	–	–	–	–	–
Guarantees/sureties granted	5,325,031	2,977	160	2,190	–	–

1 Jan. – 30 Jun. 2009

(in € 000)	Shareholders	Subsidiaries	Joint ventures	Associated companies	Persons in key positions	Other related parties
Interest expense	5,610	1,017	14	3,810	50	338
Interest income	94,334	832	17,915	26,644	43	4,354
Commission expense	3	–	–	–	–	23
Commission income	4	7	1	60	1	40
Other income and expenses	15,448	20	70	– 7,844	– 19	–
Total contributions to income	**104,173**	**– 158**	**17,972**	**15,050**	**– 25**	**4,033**

30 Jun. 2008

(in € 000)	Shareholders	Subsidiaries	Joint ventures	Associated companies	Persons in key positions	Other related parties
Outstanding loans and advances						
to banks	–	–	1,304,191	1,303,741	–	130,476
to customers	3,442,040	35,654	46,477	177,347	2,008	83,434
Other unsettled assets	2,290,699	385	15,617	351	460	709
Total assets	**5,732,739**	**36,039**	**1,366,285**	**1,481,439**	**2,468**	**214,619**
Unsettled liabilities						
to banks	–	–	10,195	29,575	–	17,565
to customers	915,155	61,202	43,571	48,023	4,290	31,900
Other unsettled liabilities	29,595	–	113,494	–	74	–
Total liabilities	**944,750**	**61,202**	**167,260**	**77,598**	**4,364**	**49,465**
Guarantees / sureties received	–	–	–	–	–	–
Guarantees / sureties granted	870	2,977	2,167	185	–	–

1 Jan. – 30 Jun. 2008

(in € 000)	Shareholders	Subsidiaries	Joint ventures	Associated companies	Persons in key positions	Other related parties
Interest expense	4,812	1,663	7	3,934	52	923
Interest income	105,027	935	26,690	35,765	28	4,569
Commission expense	2	–	–	–	–	–
Commission income	33	5	7	164	1	6
Other income and expenses	– 2,241	31	1,313	– 1,037	– 118	–
Total contributions to income	**98,005**	**– 692**	**28,003**	**30,958**	**– 141**	**3,652**

In the item guarantees / sureties received from shareholders, guarantees to the amount of € 3,550,000 thousand (€ 0 thousand) are reported; these relate to an issue programme (G-MTN) guaranteed by the states of Lower Saxony and Saxony-Anhalt which serves for the refinancing of the NORD/LB Group. In the item guarantees / sureties granted to shareholders, guarantees to the amount € 5,325,000 thousand (€ 0 thousand) are reported; these relate to a security pool of loans and advances with which the aforementioned guarantees received from the states of Lower Saxony and Saxony-Anhalt are secured. The maximum term of the guarantees is 5 years.

All of the guarantee agreements were concluded at market conditions.

(36) Members of governing bodies

1. Members of the Managing Board

Dr. Gunter Dunkel
(Chairman)

Christoph Schulz
(Deputy Chairman)

Dr. Jürgen Allerkamp

Eckhard Forst

Martin Halblaub

Dr. Johannes-Jörg Riegler

2. Members of the Supervisory Board

Hartmut Möllring
(Chairman)
Minister of Finance
State of Lower Saxony

Thomas Mang
(First Deputy Chairman)
President, Savings Bank Association
in Lower Saxony

Jens Bullerjahn
(Second Deputy Chairman)
Minister of Finance
State of Saxony-Anhalt

Frank Berg
Chairman of the Managing Board
OstseeSparkasse Rostock

Hermann Bröring
County Officer, Emsland District

Ralf Dörries
Senior Vice President
NORD/LB Hanover

Dr. Michael Frenzel
Chairman of the Managing Board
TUI AG

Dr. Josef Bernhard Hentschel
Chairman of the Managing Board
Sparkasse Osnabrück

Sabine Hermsdorf
Vice President, NORD/LB Hanover

Frank Hildebrandt
Bank Employee
NORD/LB Braunschweig

Dr. Gert Hoffmann
Mayor, City of Braunschweig

Martin Kind
Managing Director
KIND Hörgeräte GmbH & Co. KG

Walter Kleine
Chairman of the Managing Board
Sparkasse Hannover

Manfred Köhler
(since 1 February 2009)
Chairman of the Managing Board
Salzlandsparkasse

Heinrich von Nathusius
Managing Director, IFA Group

August Nöltker
Union Secretary, United Services
Union, District administration

Freddy Pedersen
Deputy District Manager
United Services Union

Werner Schäfer
(until 31 January 2009)
Managing Director of the
Savings Banks Holding Association
in Saxony-Anhalt

Ilse Thonagel
Bank Employee
Landesförderinstitut
Mecklenburg-Western Pomerania

(37) Schedule of companies and investment funds included in the basis of consolidation

(in %)	Shares indirect	Shares direct
Subsidiaries included in the consolidated financial statements		
BLB Immobilien GmbH, Bremen	100.00	–
BLB Leasing GmbH, Oldenburg	100.00	–
Braunschweig-Informationstechnologie-GmbH, Braunschweig	100.00	–
Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen	–	92.50
Bremische Grundstücks-GmbH, Bremen	100.00	–
DEMURO Grundstücks-Verwaltungsgesellschaft mbH & Co. KG, Pöcking	–	–
Deutsche Hypothekenbank AG, Hanover	–	100.00
Hannover Funding Company LLC, Delaware	–	–
MALIBO GmbH & Co. Unternehmensbeteiligungs KG, Munich	–	77.81
NIEBA GmbH, Hanover	–	100.00
NORDCON Asset Management Holding GmbH, Hanover	–	100.00
NORDCON Investment Management AG, Hanover	100.00	–
Norddeutsche Landesbank Luxembourg S.A., Luxembourg	–	100.00
NORD/FM Norddeutsche Facility Management GmbH, Hanover	–	100.00
NORD/LB COVERED FINANCE BANK S.A., Luxembourg	100.00	–
NORD/LB G-MTN S.A., Luxembourg	–	100.00
NORD/LB Immobilien-Holding GmbH & Co. Objekt Magdeburg KG, Magdeburg	–	–
NORD/LB Informationstechnologie GmbH, Hanover	–	100.00
Nord-Ostdeutsche Bankbeteiligungsgesellschaft mbH, Hanover	–	100.00
NORDWEST VERMÖGEN Bremische Grundstücks-GmbH & Co. KG, Bremen	100.00	–
Öffentliche Facility Management GmbH, Braunschweig	100.00	–
Öffentliche Facility Management Leben GmbH & Co. KG, Braunschweig	100.00	–
Öffentliche Facility Management Sach GmbH & Co. KG, Braunschweig	100.00	–
Öffentliche Lebensversicherung Braunschweig, Braunschweig	–	75.00
Öffentliche Sachversicherung Braunschweig, Braunschweig	–	75.00
PANIMA Beteiligungs GmbH & Co. Obj. Braunschweig KG, Pöcking	–	94.00
PANIMA Beteiligungs GmbH & Co. Obj. Hannover KG, Pöcking	–	94.00
Skandifinanz Bank AG, Zurich	100.00	–

(in %)	Shares indirect	Shares direct
Investment funds included in the consolidated financial statements		
NC-118 NLB	–	100.00
NC-Fonds SP 9	100.00	–
NC-Fonds SP 52	–	100.00
NC-Fonds SP 56	–	100.00
NC-Fonds SP 65	–	100.00
NC-Global Assets-Fonds	–	99.01
NC-Global Challenges Index-Fonds	–	74.67
NC-High-Yield-Fonds	–	89.91
NC-OELB-Fonds	100.00	–
NC-OESB-Fonds	100.00	–
NC-VT Renten Classic Fonds	–	100.00
Joint ventures		
Bank DnB NORD A/S, Copenhagen	–	49.00
KreditServices Nord GmbH, Hanover	–	49.00
LHI-Leasing GmbH, Munich	43.00	6.00
SGK Servicegesellschaft Kreditmanagement mbH, Frankfurt/Main	–	33.33
Associated companies		
Ammerländer Wohnungsbau-Gesellschaft mbH, Westerstede	32.26	–
BREBAU GmbH, Bremen	30.00	–
DEUTSCHE FACTORING BANK Deutsche Factoring GmbH & Co. KG, Bremen	27.50	–
GSG OLDENBURG Bau- und Wohngesellschaft mbH, Oldenburg	22.22	–
LBS Norddeutsche Landesbausparkasse Berlin-Hannover, Berlin and Hanover	44.00	–
LINOVO Productions GmbH & Co. KG, Munich	–	45.17
NORD Holding Unternehmensbeteiligungsgesellschaft mbH, Hanover	–	40.00
NORD KB Beteiligungsgesellschaft mbH, Hanover	–	28.66
SALEG Sachsen-Anhaltinische Landesentwicklungsgesellschaft mbH, Magdeburg	–	56.61
Toto-Lotto Niedersachsen GmbH, Hanover	–	49.85
US PF III Beteiligungsgesellschaft mbH & Co. KG, Düsseldorf	42.86	–
Lazard-Sparkassen Rendite-Plus-Fonds	48.92	–
NC-Emerging Market Bond Fonds	–	34.69

Responsibility statement by the Managing Board

We declare that to the best of our knowledge and in accordance with accounting principles applicable, the consolidated financial statements provide a true and fair view of the net assets, the financial position and the results of operations of the Group and that the group management report presents a true and fair view of the development of business including the operating result and the position of the Group and also describes the significant risks and rewards relating to the probable development of the Group.

Hanover / Braunschweig / Magdeburg, 25 August 2009

Norddeutsche Landesbank Girozentrale

The Managing Board

Dr. Dunkel	Schulz	Dr. Allerkamp
Forst	Halblaub	Dr. Riegler

Review attestation

To Norddeutsche Landesbank Girozentrale, Hannover, Braunschweig and Magdeburg

The following is an English translation of the Review Attestation, which has been prepared on the basis of the German language version of the Financial Statements and the Management Report. The translation of the Financial Statements, the Management Report, and the Review Attestation, are provided for convenience; the respective German versions shall be exclusively valid for all purposes.

We have reviewed the interim condensed consolidated financial statements, comprising the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the condensed cash flow statement and selected explanatory notes, and the interim group management report of Norddeutsche Landesbank Girozentrale, Hannover, Braunschweig and Magdeburg, for the period from 1 January 2009 to 30 June 2009, which are part of the six-monthly financial report pursuant to Sec. 37w WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act]. The preparation of the interim condensed consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act] applicable to interim group management reports is the responsibility of the Company's management. Our responsibility is to issue an attestation on the interim condensed consolidated financial statements and the interim group management report based on our review.

We conducted our review of the interim condensed consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the applicable provisions of the WpHG. A review is limited primarily to making inquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Hannover, 26 August 2009

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Müller-Tronnier
Wirtschaftsprüfer
(German Public Auditor)

Hultsch
Wirtschaftsprüfer
(German Public Auditor)

Norddeutsche Landesbank Girozentrale

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Branches

Braunschweig	Bad Harzburg	Hamburg	Helmstedt
Holzminden	Magdeburg	Salzgitter-Lebenstedt	Schwerin
Seesen	Vorsfelde	Wolfenbüttel	

In addition there are more than 100 Branches and self-services in the Braunschweig area.
Details: https://www.blsk.de

International branches
London, New York, Singapur, Shanghai

Representative offices
Beijing, Moskau, Paris, Mumbai

In addition, NORD/LB has a global presence with Braunschweigischen Landessparkasse, Braunschweig, Bremer Landesbank, Bremen, Norddeutsche Landesbank Luxembourg S.A., NORD/LB COVERED FINANCE BANK S.A., Luxembourg, Skandifinanz Bank AG, Zurich, NORD/LB Norddeutsche Securities PLC, London, NORDCON Investment Management AG, Hanover, Deutsche Hypothekenbank AG, Hanover ÖVB Öffentliche Versicherung, Braunschweig and Bank DnB NORD, Copenhagen.

Die norddeutsche Art.

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