Die norddeutsche Art.

Interim Report
as at 31 March 2012

Finanzgruppe

NORD/LB Group at a glance

	1 Jan. – 31 Mar. 2012	1 Jan. – 31 Mar. 2011*)	Change (in %)
In € million			
Net interest income	494	387	28
Loan loss provisions	– 33	11	> 100
Net commission income	42	42	–
Profit / loss from financial instruments at fair value through profit or loss including hedge accounting	5	24	– 79
Profit / loss from financial assets	5	– 28	> 100
Profit / loss from investments accounted for using the equity method	– 16	5	> 100
Administrative expenses	281	282	–
Other operating profit / loss	– 27	– 34	– 21
Earnings before taxes	189	125	51
Income taxes	71	49	45
Consolidated profit	118	76	55
Key figures in %			
Cost-Income-Ratio (CIR)	56.4	66.6	
Return-on-Equity (RoE)	11.5	9.3	

	31 Mar. 2012	31 Dec. 2011*)	Change (in %)
Balance figures in € million			
Total assets	224 392	227 630	– 1
Liabilities to customers	65 258	63 322	3
Loans and advances to customers	114 072	116 404	– 2
Equity	6 818	6 543	4
Regulatory key figures			
Core capital for solvency reasons in € million	8 293	8 005	4
Regulatory equity in € million	10 851	10 727	1
Risk-weighted assets in € million	81 263	84 800	– 4
Regulatory capital ratio (= overall ratio) in %	13.35	12.65	
Core capital ratio in %	10.21	9.44	

NORD/LB ratings (long-term / short-term / individual)
Moody's A2 / P-1 / D+ Fitch Ratings A / F1 / bbb-

*) Some previous year's figures were adjusted as you can see at note (3) adjustment of figures for the previous year.

Total differences are rounding differences and may cause minor deviations in the calculation of percentages.

Interim Report as at 31 March 2012

INTERIM GROUP MANAGEMENT REPORT AS AT 31 MARCH 2012

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NORD/LB Norddeutsche Landesbank Girozentrale

NORD/LB Norddeutsche Landesbank Girozentrale (hereafter NORD/LB or the bank) is a registered public institution (AöR) in Germany, with registered offices in Hanover, Braunschweig and Magdeburg. Its head office is in Hanover. Under the name of Braunschweigische Landessparkasse, Braunschweig, NORD/LB performs the function of a savings bank in the Braunschweig region and maintains a close network of branches in this region. NORD/LB also has branches in Hamburg, Düsseldorf, Schwerin, London, New York, Shanghai and Singapore. The bank also has representative offices in Beijing, Moscow and Mumbai.

The owners of the bank are the German federal states of Lower Saxony and Saxony-Anhalt, the Association of the Savings Banks of Lower Saxony (Sparkassenverband) in Hanover (hereafter SVN), the Holding Association of the Savings Banks of Saxony-Anhalt and the Special Purpose Holding Association of the Savings Banks of Mecklenburg-Western Pomerania.

The share capital amounts to € 1 493 896 250, with the federal state of Lower Saxony holding 56.03 per cent (of which 28.39 per cent is held in trust for the state-owned Hannoversche Beteiligungsgesellschaft mbH), the federal state of Saxony-Anhalt 6.00 per cent, the SVN 28.36 per cent, the Holding Association of the Savings Banks of Saxony-Anhalt 5.68 per cent and the Special Purpose Holding Association of the Savings Banks of Mecklenburg-Western Pomerania 3.94 per cent.

The executive bodies of the bank are the Owners' Meeting, the Supervisory Board and the Managing Board.

NORD/LB is the state bank for the federal states of Lower Saxony and Saxony-Anhalt. In these two federal states and in Mecklenburg-Western Pomerania the bank performs the functions of a central and clearing bank for the savings banks (Girozentrale). NORD/LB focuses its business strategy on north-east Germany and also serves customers from all the areas of banking business.

NORD/LB operates in the following segments:
- Private and Commercial Customers
- Corporate Customers & Markets
- Energy and Infrastructure Customers
- Ship and Aircraft Customers
- Real Estate Banking Customers

The bank also handles promotional loans on behalf of the federal states through Investitionsbank Sachsen-Anhalt, an institute of Norddeutsche Landesbank Girozentrale, and through Landesförderinstitut Mecklenburg-Vorpommern (LFI), a division of Norddeutsche Landesbank Girozentrale.

NORD/LB is the parent company of a group which also includes Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale, Bremen (hereafter Bremer Landesbank), Norddeutsche Landesbank Luxembourg S.A., Luxembourg/Luxembourg (hereafter NORD/LB Luxembourg), Deutsche Hypothekenbank (Actien-Gesellschaft), Hanover, (hereafter Deutsche Hypo), LBS Norddeutsche Landesbausparkasse, Berlin, Hanover (hereafter LBS), Öffentliche Lebensversicherung Braunschweig, Braunschweig and Öffentliche Sachversicherung Braunschweig, Braunschweig, (hereafter ÖVBS). The bank also holds other investments as shown in the disclosures in the Notes.

Control Systems

The control of profitability, productivity and the Group's risk profile are the responsibility of the Managing Board. The aim of this system of control is to optimise short and medium-term profitability and efficiency while at the same time maintaining the best possible degree of transparency in terms of earnings and cost. Regulating earnings and productivity at NORD/LB is primarily focussed on the key figures of return on equity (RoE), cost-income ratio (CIR) and the risk rate, on operating profit (contribution margin V) and on commercial profit / loss. The significance of key indicators is aligned towards the targets, depending on the respective banking division or the type of product. The cost-income ratio is defined as the ratio between administrative expenses and 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 calculation of the return-on-equity in the Group complies with the standard international definitions of key indicators and refers to earnings before taxes (less interest expenses for silent participations in reported equity) and long-term equity under commercial law (issued capital and capital reserves and retained earnings and non-controlling interests less silent participations in reported equity.

Based on a central, medium-term forecast of the operating result, in the third and fourth quarters the bank prepares the target operating result for the coming reporting period in a decentralised planning process. The aim of medium-term planning within the planning process is for the respective profit centres to obtain estimates concerning the medium-term development of customer potential, the market situation, products, risks, resources and measures.

Business Activities and the General Environment

Economic Development

Economic development was surprisingly positive in the first quarter of 2012 in Germany. In the months January to March seasonally and price-adjusted gross domestic product (GDP) grew by 0.5 per cent compared to the previous quarter. Therefore a further fall in economic output, as seen in the last quarter of last year, was prevented. Although production in the manufacturing sector stagnated compared to the previous quarter, it started to pick up during the quarter as expected. This is partly attributable to the strong recovery in the construction sector following the weather-related slump in February, but the manufacturing sector has noticeably come out of its winter economic dip as well. Industrial production enters the second quarter with a significant statistical surplus of 1.8 percentage points.

Despite the weaker economic development at the end of 2011, the situation in the German job market remained stable. In April 2012 the seasonally-adjusted unemployment rate remained at 6.8 per cent. The non-seasonally-adjusted unemployment rate, which receives much more public attention, fell to 7.0 per cent.

In the eurozone, economic development became increasingly subdued during the course of 2011. It is thanks only to the good development in Germany that GDP stagnated in the first quarter of 2012 and, unlike in the previous quarter, did not fall further. While the situation in the two largest economies, Germany and France, has recently been relatively robust, the economies of in particular the Southern European member states have come under increasing pressure.

The price of crude oil rose significantly at the start of the year. By the time it reached its high of almost USD 130/barrel at the beginning of March, the price of Brent crude oil had risen by approx. USD 20/barrel since the start of the year. Since the start of April the price of oil has fallen somewhat from these highs, but will according to our forecast still average USD 109/barrel for the year. Inflation has been more persistent than expected due to the rise in energy and raw materials prices both in Germany and in the eurozone. In April the Harmonised Index of Consumer Prices (HICP) was above the inflation target specified by the European Central Bank (ECB) at 2.2 per cent in Germany and 2.6 per cent in the entire eurozone.

The ECB, against the background of the very gloomy economic outlook, lowered the tender rate to 1.0 per cent at the end of 2011. At the same time it flooded the markets with liquidity, whereby there was only strong demand for the two extraordinarily long-term three-year refinancing transactions with a total volume of more than € 1 billion.

The debt crisis remains the dominant issue, despite the successful haircut on Greece's national debt. Overall the eurozone countries have reduced the deficit ratio significantly to 4.1 per cent of gross domestic product. However, the debt ratio continued to rise and reached the record level of 87.2 per cent of GDP.

With the outlook of a rapid economic recovery in Germany and helped by the markets being flooded with liquidity, the DAX (German Stock Index) rose significantly in the first quarter of 2012 and for a time was above 7 000 points. The DAX reached its high for the year so far of 7 194 points in mid-March. German government bonds remained sought-after as a 'safe haven' as the euro debt crisis worsened, while their yield recorded new lows. The yield of ten-year government bonds fell in mid-May to a new all-time low of just above 1.4 per cent. US treasuries also benefited from the high uncertainty in the markets. The yield of bonds with a ten-year residual term was at the same time around 1.8 per cent.

Report on the Earnings, Financial and Assets Position

(In the following text the previous year's figures for the first three months of 2011 or as at 31 December 2011 are shown in brackets.)

Earnings Position

The first three months of the financial year 2012 closed with satisfactory earnings before taxes of € 189 million.

The figures for the income statement are summarised as follows:

(in € million)	1 Jan.–31 Mar. 2012	1 Jan.–31 Mar. 2011*)	Change**)
Net interest income	494	387	107
Loan loss provisions	– 33	11	– 44
Net commission income	42	42	–
Profit/loss from financial instruments at fair value through profit or loss including hedge accounting	5	24	– 19
Other operating profit/loss	– 27	– 34	7
Administrative expenses	281	282	1
Profit/loss from financial assets	5	– 28	33
Profit/loss from investments accounted for using the equity method	– 16	5	– 21
Earnings before taxes	**189**	**125**	**64**
Income taxes	71	49	– 22
Consolidated profit	**118**	**76**	**42**

*) Previous year's adjustments are taken into account according to IAS 8 (please refer to note (3) Adjustment of the previous year's figures of the interim consolidated financial statements).
**) The sign of the "change" column figures reflects the impact on the result.

The individual income items are shown as follows:

Net interest income rose compared to the previous year by € 107 million to € 494 million. The development ist based on the improved equity base in conjunction with the capital-boosting programme and on the increased earnings deriving from the segments renewable energies and ship and aircraft finance in parts of the NORD/LB Group. Net interest income includes earnings of € 17 million related to the sale of the indirect holdings in DekaBank Deutsche Girozentrale in 2011.

Earnings from **loan loss provisions** fell by € 44 million compared to the previous year to € – 33 million. This is primarily due to the net allocation to general loan loss provisions in the amount of € 14 million, compared to a net reversal of € 52 million in the same period of the previous year. The net reversal of provisions for lending business of € 4 million (previous year: net allocation of € 11 million) had a positive effect. An allocation to general loan loss provisions of € 5 million (previous year: net reversal of € 2 million) is included here.

Net commission income is at € 42 million at the level of the same period of the previous year. Commission income and commission expense from banking transactions fell in equal measure.

The **profit/loss from financial instruments at fair value through profit or loss including hedge accounting** totals € 5 million and therefore fell compared to the reference period by € 19 million. The changes in interest rates in the period under review and the reference period had a positive effect on earnings. The fall in interest rates in the period under review resulted in valuation gains in debt securities recognised as assets, receivables held for trading purposes and interest derivatives; these financial instruments generated valuation losses in the reference period. The profit/loss from structured issues reported in the fair value option had a negative effect. In addition to the interest-induced valuation effects, the profit/loss from financial instruments at fair value through profit or loss including hedge accounting is affected significantly by expenses relating to currency derivatives as a result of the convergence of the EUR/USD base spreads.

The rise in **other operating profit/loss** by € 7 million to € –27 million is primarily attributable to the proceeds from the redemption of debt securities and an increase in earnings from insurance contracts. Other operating profit/loss is, as in the previous year, affected significantly by the full provision of € 37 million (€ 42 million) made for the bank levy.

Administrative expenses are at € 281 million at the previous year's level. The increase in staff expenses due to a rise in wages and salaries and the increase in scheduled depreciation were compensated for by the fall in IT and communication costs and space and building costs.

The **profit/loss from financial assets** is € 5 million and is therefore € 33 million above the previous year's figure. This result is primarily attributable to the proceeds from the disposal of debt securities and fixed-interest securities. The previous year's result was also significantly affected by the impairment of Greek government bonds and the bonds of state-related public-sector companies.

At € –16 million, the **profit/loss from investments accounted for using the equity method** was € 21 million below the figure recorded in the same period of the previous year. The fall is mainly the result of the write-down of an investment.

Income taxes in the interim financial statements are calculated based on the anticipated income tax rate for the individual companies for the whole year.

Assets and Financial Position

(in € million)	31 Mar. 2012	31 Dec. 2011	Change
Loans and advances to banks	32 838	32 928	– 90
Loans and advances to customers	114 072	116 404	– 2 332
Loan loss provisions	– 1 713	– 1 785	72
Financial assets at fair value through profit or loss	16 733	18 644	– 1 911
Financial assets	54 754	54 499	255
Investments accounted for using the equity method	379	387	– 8
Other assets	7 329	6 553	776
Total assets	**224 392**	**227 630**	**– 3 238**
Liabilities to banks	54 410	56 584	– 2 174
Liabilities to customers	65 258	63 322	1 936
Securitised liabilities	63 448	66 076	– 2 628
Financial liabilities at fair value through profit or loss	19 111	20 529	– 1 418
Provisions	3 670	3 414	256
Other liabilities	11 677	11 162	515
Reported equity including non-controlling interests	6 818	6 543	275
Total liabilities and equity	**224 392**	**227 630**	**– 3 238**

Total assets fell compared to 31 December 2011 by € 3.2 billion to € 224.4 billion. On the assets side, loans and advances to customers and financial assets at fair value through profit or loss have fallen significantly. On the liabilities side in particular liabilities to banks, securitised liabilities and financial liabilities at fair value through profit or loss fell. Liabilities to customers on the other hand have increased. Reported equity rose by € 275 million. This was due primarily to the period's comprehensive income of € 399 million, which was affected in particular the change in the positive fair values of financial instruments in the Available for Sale (AfS) category.

Loans and advances to customers are still the largest balance sheet item at 51 per cent (51 per cent), followed by financial assets at 24 per cent (24 per cent).

Financial assets at fair value through profit or loss comprise trading assets and financial assets designated at fair value. While the latter only fell slightly compared to the previous year, the negative change in the positive fair values from derivatives and the nominal fall in receivables relating to the trading portfolio resulted in a fall in trading assets. Overall there was a fall of € 1.9 billion as at 31 March 2012.

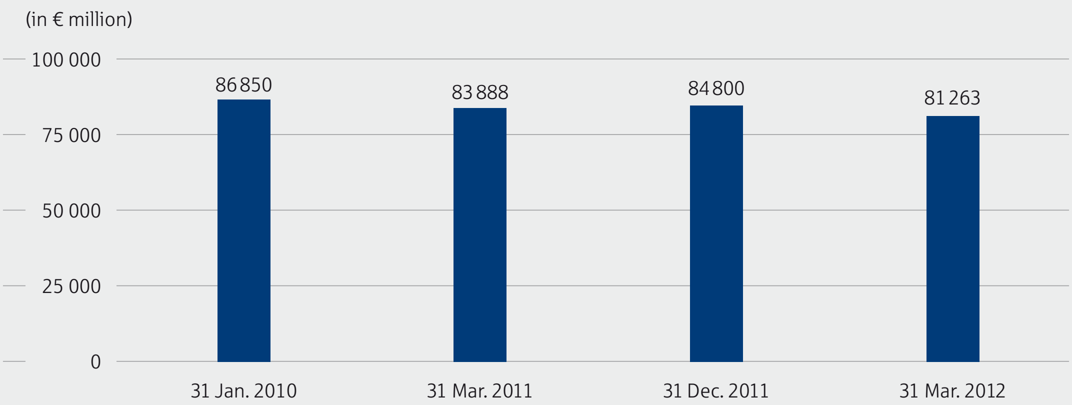
The fall in liabilities to banks is primarily attributable to the reduction in liabilities resulting from money market transactions to domestic banks. The rise in liabilities from money market transactions to domestic customers on the other hand has contributed significantly to the increase in liabilities to customers. The fall in securitised liabilities is primarily the result of the expiry of municipal bonds and a lower volume of new issues.

Liabilities at fair value through profit or loss comprise trading liabilities and financial liabilities designated at fair value. A fall of € 1.4 billion was recorded compared to the previous year. This is largely attributable to the development of negative fair values from interest derivatives in trading liabilities.

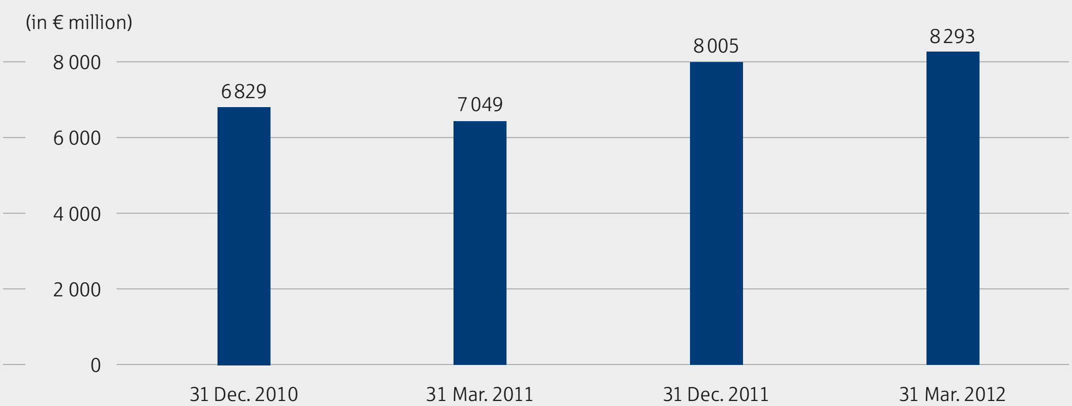
Interim Group Management Report
Interim Consolidated Financial Statements

Regulatory capital was € 10.9 billion as at the reporting date, of which € 8.3 billion related to core capital. The total capital ratio rose from 12.65 per cent as at 31 December 2011 to 13.35 per cent as at 31 March 2012. The core capital ratio (cf. Note 35) rose from 9.44 per cent to 10.21 per cent.

The risk-weighted assets are summarised as follows:



The core capital for solvency purposes has changed as follows:



Summary

The performance of the business is considered to be satisfactory.

Forecasts and Other Information on Anticipated Developments

Despite the economic downturn, the Ifo Business Climate Index, the most important early indicator for the development of the German economy, has recently been rising, although at a much slower rate. Development in the different economic sectors has been mixed. We are sticking to our on the whole optimistic view that the German economy will continue to develop dynamically in the spring and that as a result gross domestic product (GDP) will grow by a good 1 per cent over the year as a whole despite the very negative working-day effect. Domestic demand will be of particular importance this year. In addition to construction investment, in particular private consumption will be a key driver of growth.

Fiscal policy will only have a slightly restrictive effect in Germany, while the austerity policies in the eurozone will have a much more serious impact. For the current year, we expect economic output to fall in the eurozone by 0.1 per cent compared to the previous year. Risks include the debt crisis and increases in raw material and energy prices as a result of a possible escalation in geopolitical tensions. We are expecting the average annual inflation rate to be above the ECB target in both Germany and the eurozone. However, monetary policy will remain expansive even longer due to the debt crisis and risks to growth.

The outlook for the economy in the USA is much better than in the eurozone. The expansive monetary policy supports economic development for a longer period, and as a result growth of a good two per cent can be expected this year. The differences in growth are also one of the reasons for our forecast that the US dollar will gain in value against the euro in the next year to around 1.24 USD/EUR.

The financial markets will remain volatile this year with in particular the debt crisis keeping market participants in suspense. Yields from ten-year German government bonds will therefore only rise slightly during the course of the year, and the yield curve should rise a little. The continued expansive monetary policy of the ECB will contribute towards this. The ECB will leave the tender rate at 1.0 per cent until the end of next year due to the debt crisis and the risks to growth.

The financial year 2012 has started well in the NORD/LB Group. NORD/LB is expecting, based on the operational successes of the previous year, to continue to develop the solid result of 2011 qualitatively. Under the current regulatory and economic conditions, it will be more difficult though to repeat or increase the annual profit. Overall though, NORD/LB will continue on a cautious development path, but a significant rise in earnings is only expected in the medium term after the national debt crisis in the eurozone has been overcome.

Net interest income in customer business is slightly above expectations for the first quarter of 2012. The result of the interest rate risk control is moderate due to the current levels of interest rates and the adequate liquidity resources. Net commission income is still slightly below target due to the accrual principle. The contributions to earnings from fair value and financial assets are positive and in total slightly above the pro-rata target. The profit/loss from hedge accounting and the profit/loss from investments accounted for using the equity method, which was affected by the write-down on the equity carrying amount of an investment, are negative. In other operating profit/loss, the bank levy for the whole year has been considered. For the whole of 2012 the NORD/LB Group expects that the income targets will be achieved.

Administrative expenses are developing in line with budget. The NORD/LB Group expects that staff expenses will be approximately the same as in the previous year. Reductions in NORD/LB AöR due to the efficiency improvement programme will be compensated for by increases in the subsidiaries. Other administrative expenses will rise due among other things to the capitalisation of project costs in recent years, with the result that overall a moderate increase in administrative expenses is expected.

Specific valuation allowances made to date, particularly in the Ship and Aircraft Customers segment, are manageable. Due to the economic uncertainties, though, NORD/LB is bracing itself for a difficult year in lending business and has made an adequate risk buffer well above the provisions made for 2011.

The good earnings before taxes in the first quarter of 2012 cannot be extrapolated for the whole year. Nevertheless, the NORD/LB Group is cautiously optimistic about the current year and expects to achieve its targets in 2012. NORD/LB's earnings before taxes in 2012 are planned to be higher than in 2010, but will not reach the previous year's outstanding level that was influenced by positive one-time effects; the RoE and CIR will develop accordingly.

Compliance with the Basel III requirements and the criteria of the European Banking Authority (EBA) are of key importance for NORD/LB. All of the measures necessary for this will continue to be taken in future together with the owners. NORD/LB will meet the increased capital requirements required by the EBA by mid-2012 in full with the support of the owners. The first package of measures had already been implemented by the end of 2011, the second package of measures is planned for mid-2012.

NORD/LB will continue to resolutely pursue its strategy of operating its customer-oriented business model which has proved itself in the crisis and its risk-aware business policy. The business model will be constantly reviewed and adjusted if necessary. In its estimation of its medium-term development, the NORD/LB Group assumes that there will be a positive economic climate and that the economy will continue on a sustainable path of growth. The planned increase in earnings in the medium term will focus on growth in all earnings components and at the same time improving the earnings structure and a return to normal risk provisions. In the medium term the issue of refinancing will continue to be of key importance to NORD/LB in particular in longer maturity periods.

The aim of the efficiency improvement programme is to keep staff expenses stable in the medium term. The cost of materials will fall slightly in the medium-term plan after several projects have been phased out and depreciation falls after capitalisation relating to projects has expired.

Given the overall development of earnings and expenditure, with loan loss provisions at the level of the required imputed covering, the bank expects earnings before taxes to increase significantly in the period of 2012 to 2016, accompanied by a corresponding improvement in key figures.

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 Annual Report 2011. Only significant developments in the period under review are addressed in this interim report.

Risk-Bearing Capacity

The NORD/LB Group significantly improved its risk-bearing capacity model (RBC model) in the first quarter. The changes consider among other things the requirements formulated by the regulatory authority regarding the assessment of internal bank risk-bearing capacity concepts and the status of the latest industry-wide discussions on this. The objective was also to reinforce the conservative risk policy of the NORD/LB Group and to consider changes in economic conditions and the associated higher volatility.

The revised RBC model assumes the going-concern scenario to be the appropriate approach. The maintaining of solvency after the occurrence of risk remains a necessary condition for the going-concern scenario. By considering an additional buffer on the risk capital side, raising the confidence level and higher requirements of minimum capital resources after the occurrence of risk, the existing RBC model was tightened.

The approach previously named economic capital adequacy was converted into a full gone-concern scenario and will be continued as a secondary condition. The liquidity scenario includes among other things the full risk-capital-reducing inclusion of hidden liabilities and the consideration of credit-spread risks in the banking book in risk potential.

These developments have been considered as at the reporting date 31 March 2012; the reference date 31 December 2011 has been recalculated based on the changes in method. The stress scenarios considered within the scope of risk-bearing capacity will also be revised.

The utilisation of risk capital in the going-concern scenario is 50 per cent as at 31 March 2012 and therefore slightly below the utilisation of the reference date 31 December 2011 (adjusted for the changes in method). The fall in utilisation is attributable to an increase in risk capital, which is greater than the slight increase in risk potential.

Risk-bearing capacity is given up to a utilisation level of 100 per cent. Utilisation is well below this level as at the reporting date. The conservative buffer of 20 per cent (maximum utilisation of 80 per cent) set in the risk strategy is also not required. The risk-bearing capacity is also given in the gone-concern scenario.

The specifications of the Group risk strategy concerning the allocation of risk capital to risk types were also adjusted for the changes in method and complied with. Of the significant risk types, namely credit, investment, market price, liquidity and operational risk, credit risk is by far the most significant.

The utilisation of risk capital in the going-concern scenario can be seen in the following table which shows risk-bearing capacity for the NORD/LB Group:

(in € million)	Risk-bearing capacity 31 Mar. 2012		Risk-bearing capacity 31 Dec. 2011[1]	
Risk capital	**2 774**	**100 %**	**2 319**	**100 %**
Credit risk	770	28 %	786	34 %
Investment risk	39	1 %	40	2 %
Market price risk	371	13 %	258	11 %
Liquidity risk	127	5 %	83	4 %
Operational risk	67	2 %	66	3 %
Total risk potential	**1 374**		**1 232**	
Risk capital utilisation		**50 %**		**53 %**

[1] Previous year's figures were re-calculated under consideration of a methodological change.

The NORD/LB Group has continued to pursue the measures it has planned to meet the requirements of the European Banking Authority (EBA) concerning the minimum required level of hard core capital. By 31 March 2012 its core tier 1 capital has already been increased by € 1.7 billion. The remaining requirement will be largely covered by the restructuring of existing silent participations and the retention of profits. NORD/LB still expects that it will exceed the EBA requirements with these measures by 30 June 2012.

Credit Risk

The maximum default risk for on-balance-sheet and off-balance-sheet financial instruments fell in the first quarter of 2012 by 2 per cent. This is due in particular to a fall in loans and advances to customers and in financial assets at fair value through profit or loss.

Risk-bearing financial instruments (in € million)	Maximum default risk 31 Mar. 2012	Maximum default risk 31 Dec. 2011
Loans and advances to banks	32 838	32 928
Loans and advances to customers	114 072	116 404
Financial assets at fair value through profit or loss	16 733	18 644
Positive Fair Values from Hedge Accounting Derivatives	3 309	3 289
Financial assets	54 754	54 499
Sub-total	**221 706**	**225 764**
Liabilities from guarantees and other indemnity agreements	6 426	6 998
Irrevocable credit commitments	9 337	9 456
Total	**237 469**	**242 218**

There was a similar development in the figures used for internal control. The total exposure fell from € 240 billion to € 236 billion in the first three months. The fall is primarily the result of the reduced exposures in the area of banks/insurance companies and ship financing. At the same time, the risk potential from credit risks has also fallen slightly.

The quality of the NORD/LB Group's credit portfolio improved in the first quarter of 2012. Exposure in the default categories fell disproportionately compared to the total exposure by 6 per cent; the share of non-performing loans fell from 2.5 per cent to 2.4 per cent.

The Rating Structure table shows the breakdown of the total exposure in the NORD/LB Group (portfolio and new business) by rating class and product type. The share of items in the rating category “Very good to good” remains at a high level at 75 per cent (75 per cent) as at 31 March 2012. This is explained in particular by the significance of business conducted with financial institutions and public authorities and is at the same time a reflection of the conservative risk policy of the NORD/LB Group.

Rating structure [1] (in € million)	Loans [2] 31 Mar. 2012	Securities [3] 31 Mar. 2012	Derivatives [4] 31 Mar. 2012	Other [5] 31 Mar. 2012	Total exposure 31 Mar. 2012	Total exposure 31 Dec. 2011 [6]
Very good to good	99 516	52 202	12 473	11 889	176 081	179 594
Good/satisfactory	15 429	2 039	667	1 658	19 792	19 569
Reasonable/satisfactory	14 545	648	364	1 103	16 660	16 782
Increased risk	8 010	82	144	309	8 546	8 170
High risk	4 243	197	52	79	4 571	4 802
Very high risk	4 563	147	83	57	4 851	4 758
Default (=NPL)	5 371	37	138	46	5 593	5 976
Total	**151 678**	**55 353**	**13 922**	**15 141**	**236 094**	**239 651**

[1] Allocation is in accordance with IFD rating categories.

[2] Includes loans taken up or loan commitments, guarantees and other non-derivative, off-balance sheet assets. As in the internal reporting, irrevocable loan commitments are generally included at 60 per cent (61 per cent) and revocable loan commitments at 10 per cent (5 per cent).

[3] Includes the own stocks of securities issued by third parties (banking book only).

[4] Includes derivative financial instruments such as financial swaps, options, futures, forward rate agreements and currency transactions.

[5] Includes other products such as transmitted loans and loans administered for third-party account.

[6] Previous year’s figures were corrected. The incorrectly to the rating category “default” allocated exposure of € 1.3 billion is now allocated to the category “very good to good”.

The breakdown of total exposure by industry group shows that business conducted with financing institutes and with public authorities accounts for 61 per cent (61 per cent) and still constitutes a significant share of the total exposure.

Industries[1) (in € million)	Loans[2) 31 Mar. 2012	Securities[3) 31 Mar. 2012	Derivatives[4) 31 Mar. 2012	Other[5) 31 Mar. 2012	Total exposure 31 Mar. 2012	Total exposure 31 Dec. 2011
Financing institutes/ insurance companies	41 463	32 158	9 842	8 302	91 766	93 930
Service industries/other	62 429	21 125	1 244	2 079	86 878	85 958
– of which: Land, housing	19 028	32	458	477	19 995	19 683
– of which: Public administration	30 872	20 639	507	89	52 106	51 542
Transport/ communications	29 191	693	911	185	30 980	32 278
– of which: Shipping	18 079	0	431	57	18 567	19 603
– of which: Aviation	7 926	6	137	0	8 069	8 188
Manufacturing industry	5 638	507	938	251	7 334	7 842
Energy, water and mining	6 905	755	696	3 185	11 541	11 974
Trade, maintenance and repairs	3 146	40	141	217	3 544	3 548
Agriculture, forestry and fishing	785	27	5	827	1 644	1 632
Construction	2 120	48	144	95	2 408	2 489
Total	**151 678**	**55 353**	**13 922**	**15 141**	**236 094**	**239 651**

[1) Allocated in alignment with the internal reporting in accordance with economic criteria.
[2) to [5) See the previous chart on the rating structure.

The breakdown of the entire credit exposure by region shows that the eurozone accounts for a high share of 82 per cent (82 per cent) of total exposure and remains by far the most important business region of the NORD/LB Group. Germany's share rose from 66 per cent to 67 per cent.

Regions[1) (in € million)	Loans[2) 31 Mar. 2012	Securities[3) 31 Mar. 2012	Derivatives[4) 31 Mar. 2012	Other[5) 31 Mar. 2012	Total exposure 31 Mar. 2012	Total exposure 31 Dec. 2011
Euro countries	122 888	46 167	9 313	14 998	193 366	195 654
– of which: Germany	108 723	29 296	5 781	14 632	158 431	159 022
Other Europe	10 683	3 487	2 775	60	17 006	16 754
North America	9 346	3 944	1 373	70	14 732	15 703
Middle and South America	2 906	288	17	0	3 212	3 297
Middle East/Africa	1 166	85	1	1	1 253	1 262
Asia/Australia	4 687	1 383	443	13	6 525	6 982
Total	**151 678**	**55 353**	**13 922**	**15 141**	**236 094**	**239 651**

[1) Allocated in alignment with the internal reporting in accordance with economic criteria.
[2) to [5) See the previous chart on the rating structure.

Overall the exposure in Greece, Ireland, Italy, Portugal and Spain fell by 7 per cent to € 13 billion. Their share in the overall exposure is at 5 per cent. The share of receivables owed by the respective countries, regional governments and municipalities also fell to € 3.3 billion and remains 1 per cent of the total exposure.

Exposure in selected countries [1] (in € million)	Greece		Ireland		Italy		Portugal		Spain		Total	
	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011
Sovereign Exposure	65	219	325	331	2 006	1 959	384	383	499	497	**3 280**	**3 389**
– of which CDS	57	94	187	191	100	102	194	194	–	–	**538**	**581**
Financing institutions/ insurance companies	50	50	1 123	1 285	2 046	2 301	419	493	2 647	3 026	**6 285**	**7 155**
Corporates/ Other	334	353	2 010	1 882	182	190	207	211	671	710	**3 404**	**3 345**
Total	**450**	**622**	**3 457**	**3 499**	**4 234**	**4 449**	**1 010**	**1 087**	**3 818**	**4 232**	**12 969**	**13 890**

[1] Allocated in alignment with the internal reporting in accordance with economic criteria and to the country the borrower is legally domiciled.

The sovereign exposure to Greece has fallen significantly as a result of the exchange of Greek government bonds in March and the maturity of the credit default swaps (CDS) settled in cash. The CDS still in the NORD/LB Group's portfolio will be settled by securities in May. The impact of the credit event on the balance sheet was largely anticipated by the valuation of the CDS through profit or loss as at 31 December 2011.

The NORD/LB Group is also closely monitoring and analysing developments in the other countries mentioned. This also particularly applies to the banking sector in Spain. However, the Group does not consider it necessary to make any further provisions at this stage. The majority of the exposures in the five countries mentioned are in the rating class Very good to good. Further details on exposures in these selected countries can be found in Note 34 of the interim report.

Sovereign Exposure in selected countries by maturity [1] (in € million)	Greece 31 Mar. 2012	Ireland 31 Mar. 2012	Italy 31 Mar. 2012	Portugal 31 Mar. 2012	Spain 31 Mar. 2012	**Total** 31 Mar. 2012
Up to 1 year	–	35	–	33	98	**166**
More than 1 year up to 5 years	57	84	389	90	290	**910**
More than 5 years	8	206	1 617	261	111	**2 203**
Total	**65**	**325**	**2 006**	**384**	**499**	**3 280**

[1] Allocated by residual terms and, in line with the internal reporting, to the country the borrower is legally domiciled.

In addition to direct exposure, the reported exposure also comprises indirect exposure (primarily credit default swaps). The calculation is based on utilisation (in the case of guarantees the nominal value and in the case of securities the carrying amount) and the credit equivalents resulting from derivatives (including add-ons and in consideration of netting). Irrevocable and revocable credit commitments are included in the total exposure, while securities against the NORD/LB Group are ignored.

Sovereign exposure also comprises exposure to regional governments, municipalities and state-related public-sector companies enjoying government guarantees.

Investment Risk

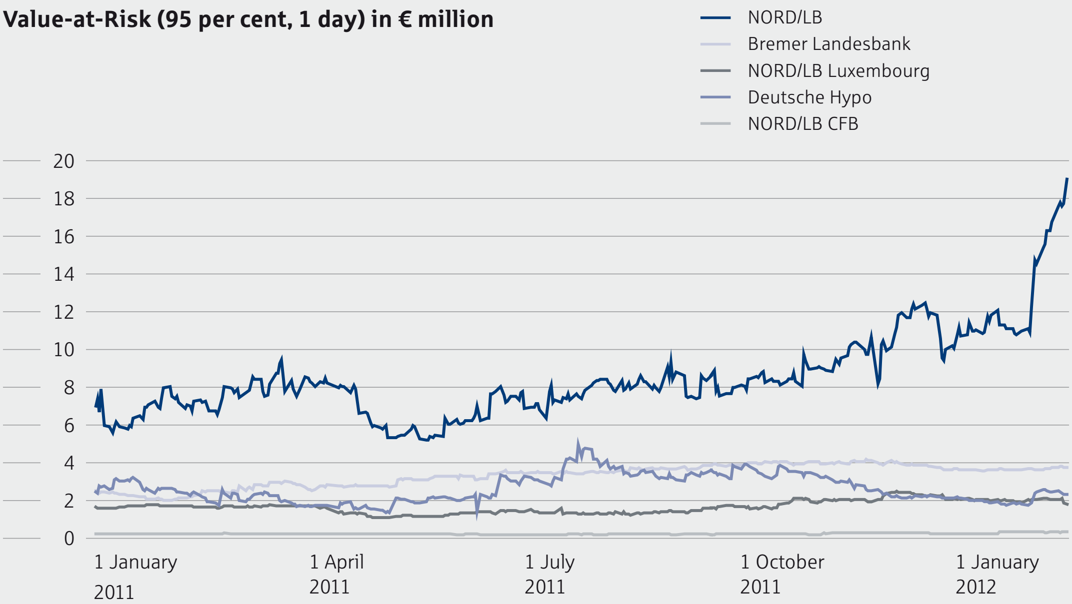
As part of the current optimisation of the investment portfolio, shares in NORD Holding Unternehmensbeteiligungsgesellschaft mbH, Hanover, were sold in the first three months of 2012. The investment analysis conceived in 2011 and since introduced in the subsidiaries Bremer Landesbank, NORD/LB Luxembourg, Deutsche Hypothekenbank and Öffentliche Versicherungen Braunschweig will be carried out in the second quarter of 2012 supported by IT.

During the further course of 2012 the focus will be on continuing to improve the control of investments in respect of the risk-return ratio and reporting.

Market Price Risk

The NORD/LB Group's market price risk (confidence level 95 per cent, holding period 250 days) rose in the period under review from € 258 million to € 371 million; this was primarily due to a strategic interest rate measure by the Asset Liability Committee in NORD/LB's banking book. This became also visible in particular in March in a significant increase in the Value-at-Risk (VaR) (confidence level 95 per cent, holding period one day) which is used for operational control. The increase in risk started from a low limit utilisation and resulted as at the reporting date in NORD/LB in a utilisation of the operational limit of 63 per cent.

Value-at-Risk (95 per cent, 1 day) in € million



Between early January and late March, the daily total VaR calculated for the significant Group companies (confidence level of 95 per cent, holding period of one day) fluctuated between € 17 million and € 27 million, with an average VaR of € 20 million.

As at 31 March 2012, based on the above, a significant increase in the VaR (confidence level 95 per cent, holding period one day) of € 26 million compared to 31 December 2011 was calculated for the NORD/LB Group. The historical simulation method was used throughout the Group.

Market price risks[1] (in € 000)	Maximum 1 Jan.– 31 Mar. 2012	Maximum 1 Jan.– 31 Dec. 2011	Average 1 Jan.– 31 Mar. 2012	Average 1 Jan.– 31 Dec. 2011	Minimum 1 Jan.– 31 Mar. 2012	Minimum 1 Jan.– 31 Dec. 2011	End-of-period risk 1 Jan.– 31 Mar. 2012	End-of-year risk 1 Jan.– 31 Dec. 2011
Interest rate risk (VaR 95 %, 1 day)	26 939	19 289	20 318	15 229	16 492	10 588	26 672	18 019
Currency risk (VaR 95 %, 1 day)	2 154	1 905	1 476	1 340	1 138	912	716	625
Share price and fund price risk (VaR 95 %, 1 day)	1 185	2 366	1 060	1 204	968	668	990	811
Volatility risk (VaR 95 %, 1 day)	530	521	298	265	149	124	163	257
Other add-ons	159	127	106	51	35	10	119	46
Total	**26 877**	**19 261**	**19 951**	**14 905**	**16 652**	**10 267**	**26 391**	**17 499**

[1] Maximum, average and minimum risks are calculated on the basis of the VaR totals for the significant subsidiaries, end-of-period risks and end-of-year risks are consolidated figures.

The VaR in the NORD/LB Group calculated on the basis of regulatory parameters (confidence level 99 per cent, holding period of ten days) is € 120 million as at 31 March 2012. The figures include interest rate, share price and currency risks in the banking book and the credit spread risks in the liquidity reserve in accordance with the German Commercial Code (HGB).

The validation of the VaR model shows a high number of backtesting exceptions in NORD/LB's banking book in the period under review. These exceptions result primarily from fundamental risks, i.e. differences in the scope of movements in the various interest rate markets leading to higher intraday fluctuations in the cash value profit/loss recorded in the Treasury Division. The VaR model is still valid as the material risks for the banking books in the longer term due to general changes in interest rate or credit spread levels are considered fully in the VaR model. In addition to this, as part of the operational risk control, conservative mark-ups are added to the VaR values calculated on a daily basis.

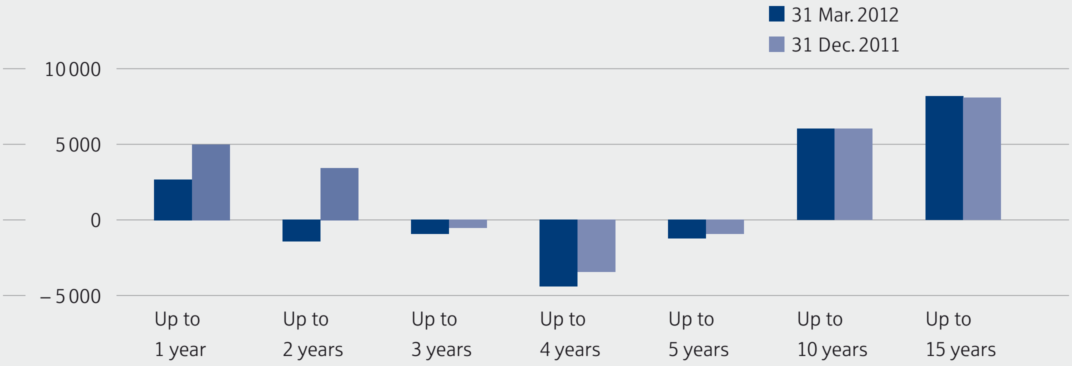
Unlike the credit-spread risks for the liquidity reserve, the credit-spread risks of fixed assets in the going-concern scenario are not included in the VaR for market price risks. They are measured and limited separately within the scope of internal control. In the first quarter of 2012, the credit investment items concerned were also further reduced by means of slimming down and targeted sales.

Liquidity Risk

The liquidity situation in the markets has calmed down for the time being in the first quarter of 2012 due to the measures of the European Central Bank, but continues to be characterised by uncertainty with regard to the possible impact in the medium to long term of the national debt crisis on the EU periphery countries. The NORD/LB Group had sufficient liquidity at all times in the period under review. The liquidity maturity balance sheet shows liquidity surpluses in the short and long-term maturity bands. The liquidity risk limits derived from the risk-bearing capacity and updated in the period under review were always complied with both as concerns all currencies taken together and as concerns the principal individual currencies.

The NORD/LB Group also operates in markets with the highest possible level of liquidity and maintains a portfolio of high-quality securities. As at the reporting date, significant companies from a risk point of view hold securities in the amount of € 60 billion (€ 61 billion), 84 per cent (82 per cent) of which are suitable for repo transactions with the European Central Bank or the US Federal Reserve.

Accumulated liquidity maturities (in € million)



In the period under review, the liquidity ratio in accordance with the German Liquidity Regulation was always well over the minimum of 1.00 required by regulatory provisions. The dynamic stress tests used for internal control showed a very good liquidity situation for all units of the NORD/LB Group as at the reporting date. The liquidity buffers for one week and one month in accordance with the Minimum Requirements for Risk Management (MaRisk) are also complied with.

Liquidity ratio in accordance with the LiqV[1)]	31 Mar. 2012	31 Dec. 2011
NORD/LB	1.61	1.73
Bremer Landesbank	1.90	1.74
Deutsche Hypo	1.44	2.09

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

Operational Risk

In order to improve the risk monitoring, changes were made in the internal reporting of the NORD/LB Group in the first quarter of 2012. The objective is to have an integrated view of operational risk. This process will be continued in the coming quarters. In addition to this, a uniform security strategy was implemented in the NORD/LB Group, while the regular monitoring for the early detection of security risks was extended.

The risk analysis for criminal activity in accordance with § 25 c of the German Banking Act was completed successfully. The risk situation of NORD/LB in respect of fraud is in line with expectations, including compared to similar institutes. There are no significant threats.

There were no significant legal risks as at the reporting date.

Summary

The NORD/LB Group's development currently depends above all on the economic situation in Germany and the development of the euro countries. In addition to this, the high degree of market volatility, in particular for interest rates and credit spreads, against the joint background of the continuing discussions concerning the euro periphery countries, also affects future developments. However, the NORD/LB Group considers these effects to be manageable and will continue to closely monitor and analyse developments.

Beyond the above-mentioned risks, no significant new risks can currently be identified. The NORD/LB Group has taken precautions to adequately account for all of the risks known to the bank and considers itself to be well prepared for upcoming challenges.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2012

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Income Statement

	Notes	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011*) (in € million)	Change (in %)
Interest income		3 204	3 005	7
Interest expense		2 710	2 618	4
Net interest income	6	**494**	**387**	**28**
Loan loss provisions	7	– 33	11	> 100
Commission income		75	84	– 11
Commission expense		33	42	– 21
Net commission income	8	**42**	**42**	**–**
Trading profit / loss		122	– 197	> 100
Profit / loss from the use of the fair value option		– 105	209	> 100
Profit / loss from financial instruments at fair value through profit or loss	9	**17**	**12**	**42**
Profit / loss from hedge accounting	10	– 12	12	> 100
Profit / loss from financial assets	11	5	– 28	> 100
Profit / loss from investments accounted for using the equity method		– 16	5	> 100
Administrative expenses	12	281	282	–
Other operating profit / loss	13	– 27	– 34	– 21
Earnings before taxes		**189**	**125**	**51**
Income taxes	14	71	49	45
Consolidated profit		**118**	**76**	**55**
of which: attributable to the owners of NORD/LB		114	70	
of which: attributable to non-controlling interests		4	6	

*) The consolidated profit reported for the previous year was adjusted; see Note 3 Adjustment of figures for the previous year.

Statement of Comprehensive Income

The statement of comprehensive income for the first three months comprises the income and expense from the income statement and the income and expense recognised directly in equity.

	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011*) (in € million)	Change (in %)
Consolidated profit	**118**	**76**	**55**
Increase/decrease from available for sale (AfS) financial instruments			
Unrealised profit/losses	474	– 395	> 100
Transfer due to realisation profit/loss	20	34	– 41
Changes in value investments accounted for using the equity method recognised directly in equity	19	– 11	> 100
Translation differences of foreign business units			
Unrealised profit/losses	2	– 5	> 100
Actuarial gains and losses for pensions for defined benefit obligations	– 118	54	> 100
Deferred taxes	– 116	88	> 100
Other profit/loss	**281**	**– 235**	**> 100**
Comprehensive income for the period under review	**399**	**– 159**	**> 100**
of which: attributable to the owners of NORD/LB	389	– 166	
of which: attributable to non-controlling interests	10	7	

Interim Consolidated Financial Statements

Balance Sheet

Assets	Notes	31 Mar. 2012 (in € million)	31 Dec. 2011*) (in € million)	Change (in %)
Cash reserve		900	796	13
Loans and advances to banks	15	32 838	32 928	–
Loans and advances to customers	16	114 072	116 404	– 2
Loan loss provisions	17	– 1 713	– 1 785	– 4
Financial assets at fair value through profit or loss	18	16 733	18 644	– 10
Positive fair values from hedge accounting derivatives		3 309	3 289	1
Financial assets	19	54 754	54 499	–
Investments accounted for using the equity method	20	379	387	– 2
Property and equipment	21	691	688	–
Investment property		79	93	– 15
Intangible assets	22	145	153	– 5
Assets held for sale	23	1	1	–
Current income tax assets		53	60	– 12
Deferred income taxes		607	721	– 16
Other assets	24	1 544	752	> 100
Total assets		**224 392**	**227 630**	**– 1**

*) The consolidated profit reported for the previous year was adjusted; see Note 3 Adjustment of figures for the previous year.

Liabilities and equity	Notes	31 Mar. 2012 (in € million)	31 Dec. 2011*) (in € million)	Change (in %)
Liabilities to banks	25	54 410	56 584	– 4
Liabilities to customers	26	65 258	63 322	3
Securitised liabilities	27	63 448	66 076	– 4
Adjustment item for financial instruments hedged in the fair value hedge portfolio		744	733	2
Financial liabilities at fair value through profit or loss	28	19 111	20 529	– 7
Negative fair values from hedge accounting derivatives		3 220	3 422	– 6
Provisions	29	3 670	3 414	7
Current income taxes liabilities		191	161	19
Deferred income liabilities		22	4	> 100
Other liabilities	30	1 723	756	> 100
Subordinated capital	31	5 777	6 086	– 5
Equity				
Issued capital		1 494	1 494	–
Capital reserves		3 047	3 175	– 4
Retained earnings		2 536	2 480	2
Revaluation reserve		– 214	– 546	– 61
Currency translation reserve		– 2	– 3	33
Equity capital attributable to the owners of NORD/LB		**6 861**	**6 600**	**4**
Equity capital attributable to non-controlling interests		– 43	– 57	– 25
		6 818	6 543	4
Total liabilities and equity		**224 392**	**227 630**	**– 1**

*) The consolidated profit reported for the previous year was adjusted; see Note 3 Adjustment of figures for the previous year.

Condensed Statement of Changes in Equity

(in € million)	Issued capital	Capital reserve	Retained earnings	Revaluation reserve	Currency translation reserve	Equity attributable to the owners of NORD/LB	Equity attributable to non-controlling interests	Consolidated equity
Equity as at 1 Jan. 2012	**1 494**	**3 175**	**2 480**	**– 546**	**– 3**	**6 600**	**– 57**	**6 543**
Comprehensive income for the period under review	–	–	56	332	1	389	10	399
Capital payments	–	– 128	–	–	–	– 128		– 128
Consolidation effects and other changes in capital	–	–	–	–	–	–	4	4
Equity as at 31 Mar. 2012	**1 494**	**3 047**	**2 536**	**– 214**	**– 2**	**6 861**	**– 43**	**6 818**

(in € million)	Issued capital	Capital reserve	Retained earnings	Revaluation reserve	Currency translation reserve	Equity attributable to the owners of NORD/LB	Equity attributable to non-controlling interests	Consolidated equity
Equity as at 1 Jan. 2011	**1 085**	**2 597**	**2 090**	**63**	**– 8**	**5 827**	**– 26**	**5 801**
Adjustments according to IAS 8	–	–	–	–	–	–	–	–
Adjusted equity as at 1 Jan. 2011	1 085	2 597	2 090	63	– 8	5 827	– 26	5 801
Comprehensive income for the period under preview	–	–	94	– 253	2	– 157	7	– 150
Distribution	–	–	– 76	–	–	– 76	–	– 76
Capital payments	–	21	–	–	–	21	–	21
Changes in the basis of consolidation	–	–	–	–	–	–	– 4	– 4
Consolidation effects and other changes in capital	–	–	– 1	–	–	– 1	–	– 1
Equity as at 31 Mar. 2011	**1 085**	**2 618**	**2 107**	**– 190**	**– 6**	**5 614**	**– 23**	**5 591**

Condensed Cash Flow Statement

	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011 (in € million)	Change (in %)
Cash and cash equivalents as at 1 Jan.	**796**	**1 069**	**– 26**
Cash flow from operating activities	416	– 138	> 100
Cash flow from investing activities	– 6	– 69	– 91
Cash flow from financing activities	– 293	– 200	47
Total cash flow	**117**	**– 407**	**> 100**
Effects of changes in exchange rates and in the basis of consolidation	– 13	– 28	– 54
Cash and cash equivalents as at 31 Mar.	**900**	**634**	**42**

Selected Notes

General disclosures

(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 31 March 2012 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 (IFRSs) 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 consolidated financial statements are to be read in conjunction with information contained in the certified, published consolidated financial statements of NORD/LB as at 31 December 2011.

The interim consolidated financial statements as at 31 March 2012 comprise the income statement, the statement of comprehensive income, the statement of financial position, 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 2011.

Estimations and assessments required by management are made in compliance with the respective IFRS standard and are reviewed regularly. All of the adjustments which are required for a fair presentation of the net assets, financial position and results of operations in the interim financial reporting were made accordingly. This refers primarily to the calculation of the fair value of financial assets and liabilities of Level 3, the loan loss provisions, the provisions and deferred taxes.

In the period under review consideration has been given to the following amendment to the standards which were first applied as at 1 January 2012 for the NORD/LB Group:

In October 2010 the IASB published amendments to IFRS 7 – Financial instruments: Disclosures as part of its comprehensive review of off-balance-sheet transactions. The amendments will allow a better understanding of transfer transactions of assets, including understanding the possible effects of any risks that may remain with the entity that transferred the assets. Against this background the amendments to IFRS 7 – Disclosures: Transfer of financial assets enhance the disclosure requirements with the description and explanation of transactions that, despite the transfer of assets, are still recognised in the financial statements due to the distribution of risks.

The first-time application of these new rules had no effect on NORD/LB's interim consolidated financial statements as at 31 March 2012.

The amendments to IAS 12 – Deferred tax: recovery of underlying assets, which came into effect on 1 January 2012, will not be applied until they have been endorsed by the EU; they are expected to be endorsed in the third quarter of 2012. The amendments provide for a new arrangement with regard to the presumed realisation of certain assets at fair value when calculating deferred tax.

The amendments to IAS 12 are not expected to have any significant effect on the NORD/LB Group.

The NORD/LB Group has not applied early other standards, interpretations or amendments that have been published but whose application is not yet mandatory.

The facts stated in Note (3) Adjustment of figures for the previous year result in additional changes.

(3) Adjustment of figures for the previous year

The figures for the previous year were adjusted in these consolidated financial statements on the basis of IAS 8 in the following areas:

As at 31 March 2011 loan processing fees for new loans and restructurings totalling € 13 million were not reported under interest income, but under commission income.

The resulting adjustments for the period of 1 January to 31 March 2011 are summarised as follows:

1 Jan. – 31 Mar. 2011 (in € million)	Prior to adjustment	Adjustment	After adjustment
Interest income	3 002	3	3 005
Commission income	87	– 3	84

During a portfolio migration in October 2011, twelve transactions were identified as having been classified incorrectly with regard to security status in the financial year 2009. These are own issues which were classified as “unsecured” but should have been classified as “secured” issues. The incorrect classification resulted in an incorrect fair value being calculated for the assets and liabilities resulting from these transactions with a corresponding impact on earnings since 2009.

The adjustment had an effect on the following items in the income statement for the period of 1 January to 31 March 2011:

1 Jan. – 31 Mar. 2011 (in € million)	Prior to adjustment	Adjustment	After adjustment
Profit/loss from financial instruments at fair value through profit or loss	24	– 3	21
Earnings before taxes	**137**	**– 3**	**134**
Income taxes	50	– 1	49
Consolidated profit	**87**	**– 2**	**85**

As at the balance sheet dates for 2005–2010, severance obligations to an atypical silent partner were not calculated correctly. This has resulted in adjustments in the income statement. As the adjusted figures are not significant, they are not reported separately.

In a special fund, the currency translation was not reported correctly with regard to the functional currency.

The effects on the income statement for the period of 1 January to 31 March 2011 are summarised as follows:

1 Jan.–31 Mar. 2011 (in € million)	Prior to adjustment	Adjustment	After adjustment
Profit/loss from financial instruments at fair value through profit or loss	21	– 9	12
Earnings before taxes[*)]	**134**	**– 9**	**125**
Income taxes[*)]	49	–	49
Consolidated profit[*)]	**85**	**– 9**	**76**

*) Initial value after several adjustments.

The respective adjustments were also taken into account in Note (9) Profit/loss from financial instruments at fair value.

(4) Basis of consolidation

In addition to NORD/LB as the parent company, the consolidated financial statements include 49 (31 December 2011: 49) 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 1 (31 December 2011: 1) joint venture and 13 (31 December 2011: 13) associated companies are accounted for using the equity method.

Compared to 31 December 2011 the basis of consolidation has not changed.

Subsidiaries, joint ventures and associated companies included in the consolidated financial statements are shown in Note (39) Companies and investment funds included in the basis of consolidation.

Segment Reporting

The segment reporting provides information on the business areas of the Group. The segment reporting below is based on IFRS 8 “Operating segments”, which follows the “management approach”. The segment information is presented on the basis of internal reporting in the same way that it is reported internally on a regular basis for assessing performance and making decisions on the allocation of resources to the segments. In the segment reporting adjustments of figures for the previous year are taken into account (cf. Note (3) Adjustment of figures for the previous year). In addition to this, some of the previous years figures have been reallocated due to the new segment distribution (see below).

Segment reporting by business segment
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.

An important criterion for the formation of segments is the greatest possible homogeneity of the customers aggregated in the segment in relation to financing and investment requirements and the products demanded. It is not possible to recognise dependencies on individual customers. The product ranges offered in the segments are described below and the earnings generated are shown in the overview. Aggregation does not take place at product level in the Group due to the different product definitions in the Group. The product range offered comprises traditional lending business and syndicate business, savings and giro products, securities, currency and derivative transactions, complex structured financing solutions, private banking products, liquidity and risk management, mergers and acquisitions, services such as accounting management, payment transactions, securities business, brokering, documentary business, credit processing, sureties, guarantees and advisory services for asset management.

Net interest income generated by the individual segments is calculated on the basis of the market interest rate method. In the process the contribution from the interest rate conditions for each customer transaction is calculated by comparing the customer conditions with the structure-congruent market interest rate for a fictitious counter transaction applicable at the time the transaction is completed. This market interest rate is at the same time the cost value for the Treasury division’s balancing provision.

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, general loan loss provisions, profit/loss from hedge accounting and overhead costs, is not allocated to the operational profit centres of the bank but to the segment “Group Management/Others”.

In addition to figures relating to the statement of comprehensive income, the segment report also shows risk-weighted assets to be allocated on the basis of regulatory provisions, segment assets and liabilities, committed capital, the cost income ratio (CIR) and return on equity (RoE). The cost-income ratio is defined as the ratio between administrative expenses and 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.

RoRaC calculations in the segments include the contribution to income after loan loss provisions and valuation on committed capital (here 7 per cent of the higher value of the RWA-limits (RWA – Risk-Weighted Assets) and the amount called on). 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 investments in reported equity) on long-term equity under commercial law (issued capital plus capital reserves, retained earnings and non-controlling interests less silent investments in reported equity).

In order to consider the increased equity requirements, since 2012 a capital securitisation level of 7 per cent (previous year: 5 per cent) of risk-weighted asset values applies for calculating committed capital in the segments. These are based on 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 statement of financial position is shown separately at the end of the segment overview.

The NORD/LB Group has revised its business model against the background of changes in general and market conditions and to sharpen its focus on customer potential. As a result the structure and the number of segments which are subject to reporting have changed. The following segments are reported by business segment in the segment reporting (the previous year's figures were adjusted accordingly):

Private and Commercial Customers
As well as business with private, individual, commercial and small-business customers, this business segment includes middle-market corporate customer business in the Braunschweig region. This segment also includes the business conducted by Öffentliche Lebensversicherung Braunschweig and Öffentliche Sachversicherung Braunschweig.

The product range for the segment private and commercial customers is based on the savings bank finance concept and comprises all of the usual banking services and products for account and lending business, savings and investment business and the provision of internet banking and direct brokerage. Extended services for wealthy private customers range from the integrated advisory approach of asset structure analysis, financial planning, asset succession and inheritance and foundation management. The product range also includes investment loans and start-up advice for the middle-market company business.

Corporate Customers & Markets
The new Corporate Customers & Markets segment replaces the former Savings Bank Network, Financial Markets/Institutional Customers and Corporate Customers segments. As a result bundled products and services can be offered to customers in a more customer-oriented and customer-focused manner.

The segment includes, for the Corporate Customers division, all of the NORD/LB business conducted with corporate customers in the core regions (excluding the Altes Braunschweiger Land region) and in neighbouring regions, and in particular Agricultural Banking and Residential Housing. The Markets division covers the Financial Markets activities performed in Germany, the foreign branches and in the Group companies on behalf of customers. The Savings Bank Network division covers transactions with the public sector, institutional business with associated savings banks and syndicated business transacted with associated savings banks are reported.

As a full-service provider, banking products and banking services are offered. The services include traditional transaction management, tailored business financing, management of interest and currency risk and solutions for company pension schemes. In the segment comprehensive solutions are developed for complex business financing and for the strategic positioning of corporate customers. This division also provides its customers with a professional, conceptual liquidity and risk management, measures for the structuring of equity and innovative financing instruments.

Alternative products which are detached from retail banking including derivatives are also offered, e.g. special kinds of debt securities which are not standardised in respect of their interest and repayment, but instead offer alternatives in respect of returns and the type or time of repayment (structured securities). In the secondary business all kinds of securities are sold and traded. Tailored solutions for institutional customers such as for example the structuring of special funds, pool funds solutions, portfolio management mandates and institutional public funds are also offered.

The product range also includes Private Banking products for the savings banks, such as investment products in the form of for example open or closed funds with assets in German or foreign real estate, ships or aircraft, products for individual asset management or inheritance or foundation management, which the savings banks require as direct customers for their own trading business or to complete their product range in their own business with private or corporate customers.

In the **Energy and Infrastructure Customers, Ship and Aircraft Customers** and **Real Estate Banking Customers** segments, traditional lending products and innovative products are generally offered irrespective of the respective industry. This primarily concerns financing for specific purposes.

Energy and Infrastructure Customers
This segment summarises the global business relations of the Group companies NORD/LB AöR and Bremer Landesbank in the Infrastructure, Energy (in particular renewable energy) and Leasing divisions. Primarily project financing which is related to a specific project or asset is offered and accordingly tailored to meet the respective individual need. The structure of this financing is developed taking into account the respective political and economic risks, legal and task factors, social determinants and optimal equity structures. The aim is to tailor project requirements and cash flows to the respective customers.

Ship and Aircraft Customers
In this segment the national and international activities of NORD/LB AöR and Bremer Landesbank in ship and aircraft financing are reported. The customers of the Ship and Aircraft Customers segment are offered short to long-term financing, such as equity pre-financing, interim finance, construction period finance (short and medium term) and financing to completion (long term). Ships or aircraft are financed by the provision of loans or guarantees on a property-related and normally property-secured basis. Products such as for example swap, option, future or forward transactions complete the product range.

Real Estate Banking Customers
Here NORD/LB AöR and Deutsche Hypo's national and international financing of commercial real estate and Bremer Landesbank's social housing business are aggregated. This normally concerns structured financing for large-volume commercial real estate projects and portfolios in Germany and abroad. Both interim finance for new construction projects and long-term loans for portfolio properties are offered.

Group Management/Others
This segment covers all other performance data directly related to the business activity, Group companies not included in the segments, performance elements at group level which are not allocated to the segments, costs of the corporate and service centres which have not been allocated and consolidations. Also shown here are the earnings that are not the direct result of customer business, such as interest rate risk control, the balancing provision, liquidity management and self-induced assets.

Reconciliations
Here the reconciliation items from internal accounting for the consolidated figures in the income statement are shown. The shortfall in the regulatory capital requirement is converted into risk-weighted assets within internal reporting and assigned to the operational units; the adjustment item resulting from the regulatory risk-weighted assets report flows into the reconciliation.

(5) Segment reporting by business segment

31 Mar. 2012 (in € million)	Private and Commercial Customers	Corporate Customers & Markets	Energy and Infra-structure Customers	Ships and Aircraft Customers	Real Estate Banking Customers	Group Management/ Others	Recon-ciliations	NORD/LB Group
Net interest income before loan loss provisions	58	122	40	114	60	83	17	494
Loan loss provisions	1	– 4	2	18	5	10	–	33
Net interest income after loan loss provisions	**57**	**126**	**38**	**96**	**54**	**73**	**17**	**460**
Net commission income	6	17	8	18	3	– 8	– 2	42
Profit/loss from financial instruments at fair value through profit or loss	1	52	–	2	1	– 43	5	17
Profit/loss from hedge accounting	–	–	–	–	–	– 12	–	– 12
Profit/loss from financial assets	–	–	–	–	–	11	– 6	5
Profit/loss from investments accounted for using the equity method	–	–	–	–	–	– 16	–	– 16
Administrative expenses	79	48	13	13	15	106	7	281
Other operating profit/loss	6	1	1	1	–	– 23	– 13	– 27
Earnings before taxes (EBT)	**– 9**	**148**	**34**	**104**	**44**	**– 125**	**– 6**	**189**
Taxes	–	–	–	–	–	–	71	71
Consolidated profit	**– 9**	**148**	**34**	**104**	**44**	**– 125**	**– 77**	**118**
Segment assets	10 996	69 843	15 090	27 876	19 565	86 008	– 4 986	224 392
of which: investments at equity	–	–	–	–	–	379	–	379
Segment liabilities	9 147	67 381	4 983	4 311	13 878	117 817	6 874	224 392
Risk-weighted assets	5 490	15 878	8 419	37 048	17 341	18 377	– 21 290	81 263
Capital employed*)	400	1 112	589	2 593	1 214	1 271	– 614	6 564
CIR	110.8 %	25.1 %	25.7 %	9.8 %	23.9 %			56.4 %
RoRaC/RoE**)	– 9.2 %	43.2 %	21.2 %	16.0 %	14.2 %			11.5 %

31 Mar. 2011 (in € million)	Private and Commercial Customers	Corporate Customers & Markets	Energy and Infra-structure Customers	Ships and Aircraft Customers	Real Estate Banking Customers	Group Management/ Others	Recon-ciliations	NORD/LB Group
Net interest income before loan loss provisions	64	132	40	102	61	71	– 83	387
Loan loss provisions	1	– 8	–	16	23	– 43	1	– 11
Net interest income after loan loss provisions	**63**	**141**	**40**	**86**	**38**	**114**	**– 83**	**398**
Net commission income	8	18	9	13	4	– 9	– 2	42
Profit/loss from financial instruments at fair value through profit or loss	–	8	1	5	1	26	– 28	12
Profit/loss from hedge accounting	–	–	–	–	–	12	– 1	12
Profit/loss from financial assets	–	–	–	–	–	– 28	–	– 28
Profit/loss from investments accounted for using the equity method	–	–	–	–	–	5	–	5
Administrative expenses	78	46	12	12	16	118	– 1	282
Other operating profit/loss	12	1	– 3	– 1	–	– 33	– 11	– 34
Earnings before taxes (EBT)	**5**	**121**	**35**	**91**	**27**	**– 30**	**– 124**	**125**
Taxes	–	–	–	–	–	–	49	49
Consolidated profit	**5**	**121**	**35**	**91**	**27**	**– 30**	**– 173**	**76**
Segment assets (31 Dec. 2011)	10 844	71 382	14 091	27 423	20 036	88 422	– 4 567	227 630
of which: investments at equity	–	–	–	–	–	401	–	401
Segment liabilities (31 Dec. 2011)	9 071	65 773	4 324	3 573	13 234	124 147	7 508	227 630
Risk-weighted assets	4 909	18 057	8 177	34 545	20 978	14 500	– 17 278	83 888
Capital employed*)	260	905	409	1 727	1 049	708	– 282	4 776
CIR	93.7 %	29.1 %	26.0 %	10.1 %	24.6 %			66.6 %
RoRaC/RoE**)	6.8 %	43.9 %	26.2 %	21.1 %	10.0 %			9.3 %

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

(in € million)	31 Mar. 2012	31 Mar. 2011
Long-term equity under commercial law	6 564	4 776
Revaluation reserve	– 214	– 190
Currency translation reserve	– 2	– 6
Accumulated profits	459	170
Silent participations in reported equity	10	839
Reported equity	**6 818**	**5 591**

**) By business segment RoRaC:
(Earnings before taxes*4) / core capital employed
(5 per cent of the higher value coming from RWA-limit or usage amount)

For the Group RoE:
((Earnings before taxes – interest expenses for silent participations in reported equity)/*4) / longterm equity under commercial law
= share capital + capital reserves + retained earnings + non-controlling interests – silent participations in reported equity)

Notes to the income statement

(6) Net interest income

The items interest income and interest expense comprise interest received and paid, deferred interest and pro rata reductions in premiums and discounts relating to financial instruments. 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.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011 (in € million)	Change (in %)
Interest income			
Interest income from lending and money market transactions	1 245	1 256	– 1
Interest income from fixed-income and book entry securities	368	353	4
Interest income from financial instruments at fair value			
Interest income from trading profit/loss and hedge accounting derivatives	1 495	1 339	12
Interest income from fair value option	9	21	– 57
Current income			
from shares and other variable-yield securities	3	2	50
from investments	17	–	–
Interest income from other amortisations	65	32	> 100
Other interest income and similar income	2	2	–
	3 204	**3 005**	**7**
Interest expense			
Interest expense from lending and money market transactions	663	721	– 8
Interest expense from securitised liabilities	441	454	– 3
Interest expense from financial instruments at fair value			
Interest expense from trading profit/loss and hedge accounting derivatives	1 366	1 170	17
Interest expense from fair value option	101	89	13
Interest expense from subordinated capital	75	80	– 6
Interest expense from other amortisations	44	84	– 48
Interest expense from provisions and liabilities	19	18	6
Other interest expenses and similar expenses	1	2	– 50
	2 710	**2 618**	**4**
Total	**494**	**387**	**28**

(7) Loan loss provisions

	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011 (in € million)	Change (in %)
Income from loan loss provisions			
Reversal of specific valuation allowance	122	111	10
Reversal of lumpsum specific loan loss provisions	5	6	– 17
Reversal of general loan loss provisions	38	86	– 56
Reversal of provisions for lending business	23	44	– 48
Additions to receivables written off	5	7	– 29
	193	**254**	**– 24**
Expenses for loan loss provisions			
Allocation to specific valuation allowance	142	140	1
Allocation to lumpsum specific loan loss provisions	2	3	– 33
Allocation to general loan loss provisions	52	34	53
Allocation to provisions for lending business	19	55	– 65
Direct write-offs of bad debts	10	10	–
Premium payments for credit insurance	1	1	–
	226	**243**	**– 7**
Total	**– 33**	**11**	**> 100**

(8) Net commission income

	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011 (in € million)	Change (in %)
Commission income			
Commission income from banking transactions	69	77	– 10
Commission income from non-banking transactions	6	7	– 14
	75	**84**	**– 11**
Commission expense			
Commission expense from banking transactions	21	31	– 32
Commission expense from non-banking transactions	12	11	9
	33	**42**	**– 21**
Total	**42**	**42**	**–**

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

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

	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011 (in € million)	Change (in %)
Trading profit/loss			
Profit/loss from debt securities and other fixed-interest securities	38	– 47	> 100
Profit/loss from shares and other variable-yield securities	4	1	> 100
Profit/loss from derivatives	55	– 86	> 100
Profit/loss from receivables held for trading	13	– 50	> 100
	110	**– 182**	**> 100**
Foreign exchange gains/losses	12	– 16	> 100
Other income	–	1	– 100
	122	**– 197**	**> 100**
Profit/loss from the use of the fair value option			
Profit/loss from loans to banks and customers	2	– 7	> 100
Profit/loss from debt securities and other fixed-interest securities	– 8	– 7	14
Profit/loss from shares and other variable-yield securities	1	–	–
Profit / loss from liabilities to banks and customers	– 1	205	> 100
Profit/loss from securitised liabilities	– 99	17	> 100
Profit/loss from other activities	–	1	– 100
	– 105	**209**	**> 100**
Total	**17**	**12**	**42**

(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 offset fair value adjustments to hedge instruments in effective fair value hedge relationships.

	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011 (in € million)	Change (in %)
Profit/loss from micro fair value hedges			
from hedged underlying transactions	– 143	55	> 100
from derivatives employed as hedging instruments	118	– 63	> 100
	– 25	**– 8**	**> 100**
Profit/loss from portfolio fair value hedges			
from hedged underlying transactions	– 60	318	> 100
from derivatives employed as hedging instruments	73	– 298	> 100
	13	**20**	**– 35**
Total	**– 12**	**12**	**> 100**

(11) Profit/loss from financial assets

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

	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011 (in € million)	Change (in %)
Profit/loss from financial assets classified as LaR	**– 3**	**6**	**> 100**
Profit/loss from financial assets classified as AfS (excluding investments)			
Profit/loss from the disposal of			
Debt securities and other fixed-interest securities	11	8	38
Shares and other variable-yield securities	1	2	– 50
Other financial assets classified as AfS	– 1	–	–
Profit/loss from allowances for losses on			
Debt securities and other fixed-interest securities	– 1	– 43	98
Shares and other variable-yield securities	– 1	– 1	–
	9	**– 34**	**> 100**
Profit/loss from shares in companies (not consolidated)	**– 1**	**–**	**–**
Total	**5**	**– 28**	**> 100**

(12) Administrative expenses

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

	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011 (in € million)	Change (in %)
Staff expenses	150	136	10
Other administrative expenses	108	128	– 16
Amortisation and depriation	23	18	28
Total	**281**	**282**	**–**

(13) Other operating profit / loss

	1 Jan.– 31 Mar. 2012 (in € million)	1 Jan.– 31 Mar. 2011 (in € million)	Change (in %)
Other operating income			
from the reversal of provisions	257	257	–
from insurance contracts	200	202	– 1
from other business	55	43	28
	512	**502**	**2**
Other operating expenses			
from allocation to provisions	418	412	1
from insurance contracts	85	91	– 7
from other business	36	33	9
	539	**536**	**1**
Total	**– 27**	**– 34**	**– 21**

Income from the reversal of provisions and expense from allocation to provisions primarily concern provisions relating to insurance contracts. The expense from allocation to provisions also includes an amount of € 37 million (€ 42 million) provided for the bank levy set by the Restructuring Fund Act.

Other operating income from insurance contracts is primarily the result of premium income (€ 170 million (€ 172 million)) and income from re-insurance contracts (€ 8 million (€ 7 million)).

Income from other business includes income from the disposal of receivables (€ 25 million (€ 7 million)), income from the chartering of ships relating to restructuring commitments in lending business (€ 11 million (€ 0 million)), reimbursements of costs (€ 3 million (€ 2 million)), rental income from investment property (€ 2 million (€ 2 million)), income from the redemption of the bank's own issues (€ 1 million (€ 2 million)) and income from IT services (€ 1 million (€ 1 million)).

Other operating expenses from insurance contracts mainly comprise indemnity expenses (€ 67 million (€ 74 million)) and expenses from deferred reinsurance contracts (€ 12 million (€ 12 million)).

Expenses from other business essentially comprise expenses from the disposal of receivables (€ 20 million (€ 5 million)), expenses from the redemption of debt securities (€ 4 million (€ 8 million)), expenses to generate charter income from ships (€ 3 million (€ 5 million)) and expenses from investment property (€ 1 million (€ 1 million)).

(14) Income taxes

Income taxes in the interim financial statements are 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

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Loans and advances resulting from money market transactions			
German banks	4 668	4 449	5
Foreign banks	2 124	2 187	– 3
	6 792	**6 636**	**2**
Other loans and advances			
German banks			
Due on demand	1 399	1 074	30
With a fixed term or period of notice	20 364	20 429	–
Foreign banks			
Due on demand	356	223	60
With a fixed term or period of notice	3 927	4 566	– 14
	26 046	**26 292**	**– 1**
Total	**32 838**	**32 928**	**–**

(16) Loans and advances to customers

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Loans and advances resulting from money market transactions			
Domestic customers	2 971	3 901	– 24
Customers abroad	88	30	> 100
	3 059	**3 931**	**– 22**
Other loans and advances			
Domestic customers			
Due on demand	2 411	2 493	– 3
With a fixed term or period of notice	78 719	79 432	– 1
Customers abroad			
Due on demand	384	334	15
With a fixed term or period of notice	29 499	30 214	– 2
	111 013	**112 473**	**– 1**
Total	**114 072**	**116 404**	**– 2**

(17) Loan loss provisions

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Specific valuation allowance	1 094	1 177	– 7
Lumpsum specific loan loss provisions	25	28	– 11
General loan loss provisions	594	580	2
Total	**1 713**	**1 785**	**– 4**

Loan loss provisions recognised on the asset side and provisions in lending business developed as follows:

	Specific valuation allowance		Lumpsum specific loan loss provisons		General loan loss provisions		Provisions in lending business		Total	
(in € million)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
1 Jan.	**1 177**	**1 312**	**28**	**36**	**580**	**671**	**113**	**172**	**1 898**	**2 191**
Allocations	142	140	2	3	52	34	19	55	215	232
Reversals	122	111	5	6	38	86	23	44	188	247
Utilisation	78	77	–	–	–	–	–	1	78	78
Unwinding	16	16	–	–	–	–	–	1	16	17
Effects from currency translation and other changes	– 9	– 16	–	–	–	– 2	– 1	– 2	– 10	– 20
31 Mar.	**1 094**	**1 232**	**25**	**33**	**594**	**617**	**108**	**179**	**1 821**	**2 061**

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

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Trading assets			
Debt securities and other fixed-interest securities	2 791	2 873	– 3
Shares and other variable-yield securities	30	39	– 23
Positive fair values from derivatives	11 030	11 650	– 5
Trading portfolio claims	1 259	2 244	– 44
Other trading assets	– 1	– 1	–
	15 109	**16 805**	**– 10**
Financial assets as at fair value through profit or loss			
Loans and advances to banks and customers	259	257	1
Debt securities and other fixed-interest securities	1 354	1 572	– 14
Shares and other variable-yield securities	11	10	10
	1 624	**1 839**	**– 12**
Total	**16 733**	**18 644**	**– 10**

(19) Financial assets

The item financial assets in the statement of financial position includes all the debt securities and other fixed-interest securities classified as available for sale (AfS), shares and other variable-yield securities, shares in companies which are not measured in accordance with IAS 27, IAS 28 or IAS 31 and financial assets classified as loans and receivables (LaR).

Investments in the equity of other companies are allocated to the category (AfS). In addition to the AfS category, some of the silent investments classified as debt are also allocated to the LaR category.

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Financial assets classified as LaR	**4 593**	**4 829**	**– 5**
Financial assets classified as AfS			
Debt securities and other fixed-interest securities	49 330	48 814	1
Shares and other variable-yield securities	389	372	5
Shares in companies	440	482	– 9
Other financial assets classified as AfS	2	2	–
	50 161	**49 670**	**1**
Total	**54 754**	**54 499**	**–**

(20) Investments accounted for using the equity method

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Joint Ventures	24	26	– 8
Associated companies	355	361	– 2
Total	**379**	**387**	**– 2**

(21) Property and equipment

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Land and buildings	355	345	3
Operating and office equipment	79	82	– 4
Ships	252	258	– 2
Other property and equipment	5	3	67
Total	**691**	**688**	**–**

(22) Intangible assets

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Software			
Purchased	15	15	–
Internally generated	107	118	– 9
	122	**133**	**– 8**
Intangible assets under development	11	8	38
Other intangible assets	12	12	–
Total	**145**	**153**	**– 5**

(23) Assets held for sale

The carrying amount of assets held for sale is € 1 million (€ 1 million). This relates entirely to property and equipment (buildings).

(24) Other assets

Included in the balance sheet item other assets are assets relating to insurance contracts in the amount of € 141 million (€ 144 million). These concern solely assets from outwards reinsurance.

(25) Liabilities to banks

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Deposits from other banks			
German banks	2 818	2 754	2
Foreign banks	25	37	– 32
	2 843	**2 791**	**2**
Liabilities resulting from money market transactions			
German banks	11 513	14 375	– 20
Foreign banks	8 810	8 176	8
	20 323	**22 551**	**– 10**
Other liabilities			
German banks			
Due on demand	1 887	1 688	12
With a fixed term or period of notice	23 636	24 081	– 2
Foreign banks			
Due on demand	290	102	> 100
With a fixed term or period of notice	5 431	5 371	1
	31 244	**31 242**	**–**
Total	**54 410**	**56 584**	**– 4**

(26) Liabilities to customers

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Savings deposits			
With an agreed notice period of three months			
Domestic customers	883	886	–
Customers abroad	21	20	5
With an agreed notice period of more than three months			
Domestic customers	552	561	– 2
Customers abroad	3	4	– 25
	1 459	**1 471**	**– 1**
Liabilities resulting from money market transactions			
Domestic customers	16 654	14 991	11
Customers abroad	3 411	2 881	18
	20 065	**17 872**	**12**
Other liabilities			
Domestic customers			
Due on demand	9 033	8 865	2
With a fixed term or period of notice	32 968	33 354	– 1
Customers abroad			
Due on demand	577	570	1
With a fixed term or period of notice	1 156	1 190	– 3
	43 734	**43 979**	**– 1**
Total	**65 258**	**63 322**	**3**

(27) Securitised liabilities

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Issued debt securities			
Mortgage bonds	7 912	8 486	– 7
Municipal debentures	14 602	17 581	– 17
Other debt securities	37 375	36 127	3
	59 889	**62 194**	**– 4**
Money market instruments			
Commercial papers	2 319	3 246	– 29
Certificates of deposit	756	453	67
Other money market instruments	484	183	> 100
	3 559	**3 882**	**– 8**
Total	**63 448**	**66 076**	**– 4**

Repurchased debt securities issued by the bank itself have been directly deducted from securitised liabilities in the amount of € 7 821 million (€ 8 136 million).

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

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Trading liabilities			
Negative fair values from derivatives	10 613	11 963	–11
Delivery obligations from short-sales	127	179	–29
Other trading liabilities	1	–	–
	10 740	**12 142**	**–12**
Financial liabilities designated at fair value			
Liabilities to banks and customers	5 040	5 055	–
Securitised liabilities	3 304	3 306	–
Subordinated capital	27	26	4
	8 371	**8 387**	**–**
Total	**19 111**	**20 529**	**–7**

(29) Provisions

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Provisions for pensions and other obligations	1 567	1 437	9
Other provisions	2 103	1 977	6
Total	**3 670**	**3 414**	**7**

Other provisions include provisions from insurance contracts in the amount of € 1 787 million (€ 1 699 million).

(30) Other liabilities

The balance sheet item other liabilities includes liabilities from insurance contracts in the amount of € 41 million (€ 47 million). These contain liabilities from direct insurance and reinsurance contracts in the amount of € 4 million (€ 10 million).

(31) Subordinated capital

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Subordinated liabilities	3 410	3 539	– 4
Participatory capital	225	236	– 5
Silent participations	2 142	2 311	– 7
Total	**5 777**	**6 086**	**– 5**

Other disclosures

(32) Fair value hierarchy

The table below shows the application of the fair value hierarchy for financial assets and liabilities at fair value recognised through profit or loss and directly in equity:

(in € million)	Level 1		Level 2		Level 3		Total	
	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011
Assets held for trading	3 991	5 077	11 111	11 669	7	59	**15 109**	**16 805**
Designated financial assets reported at fair value	754	890	426	483	444	466	**1 624**	**1 839**
Positive fair values from hedge accounting derivatives	–	–	3 309	3 289	–	–	**3 309**	**3 289**
Financial assets at fair value	44 740	42 457	3 342	3 717	1 987	3 403	**50 069**	**49 577**
Assets	**49 485**	**48 424**	**18 188**	**19 158**	**2 438**	**3 928**	**70 111**	**71 510**
Liabilities held for trading	105	181	10 546	11 856	89	105	**10 740**	**12 142**
Designated financial liabilities reported at fair value	2 544	2 439	5 827	5 948	–	–	**8 371**	**8 387**
Negative fair values from hedge accounting derivatives	–	–	3 220	3 422	–	–	**3 220**	**3 422**
Liabilities	**2 649**	**2 620**	**19 593**	**21 226**	**89**	**105**	**22 331**	**23 951**

The transfers within the fair value hierarchy are summarised as follows:

1 Jan.–31 Mar. 2012 (in € million)	from Level 1 to Level 2	from Level 1 to Level 3	from Level 2 to Level 1	from Level 2 to Level 3	from Level 3 to Level 1	from Level 3 to Level 2
Assets held for trading	–	–	–	8	48	1
Designated financial assets reported at fair value	–	9	9	–	–	–
Financial assets at fair value	50	9	747	–	1 173	78
Liabilities held for trading	–	–	–	54	–	15
Designated financial liabilities reported at fair value	–	–	129	–	– 7	–

For the financial instruments the activity status of the parameters used for the measurement is reviewed on an individual transaction basis. The review as at the balance sheet date indicates a drawback in the model as most of the transfers have been towards Level 1. This trend is also shown by the fall in the number of transfers to Level 3. The movements between the levels reflect the revival of the market.

(33) Derivative financial instruments

(in € million)	Nominal values 31 Mar. 2012	Nominal values 31 Dec. 2011	Fair values positive 31 Mar. 2012	Fair values positive 31 Dec. 2011	Fair values negative 31 Mar. 2012	Fair values negative 31 Dec. 2011
Interest rate risks	314 359	312 416	12 781	13 226	12 072	12 771
Currency risk	67 867	71 354	1 453	1 606	1 295	1 991
Share price and other price risks	1 110	1 053	74	54	56	73
Credit risk	8 022	9 163	31	53	410	550
Total	**391 358**	**393 986**	**14 339**	**14 939**	**13 833**	**15 385**

(34) Disclosures relating to selected countries

The table below shows the reported values of transactions with selected countries. The transactions shown include transactions with states, regional governments, municipalities and state-related public-sector companies:

	Financial Instruments Held for Trading		Financial Instruments designated at Fair Value through Profit or Loss		Available for Sale Assets		Loans and Receivables	
(in € million)	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011	31 Mar. 2012	31 Dec. 2011
Greece								
Country	– 47	– 56	–	–	7	36	–	–
Financing institutions/insurance companies	–	–	–	–	32	17	25	25
Companies/other	3	4	–	–	–	–	319	324
	– 44	**– 52**	**–**	**–**	**39**	**53**	**344**	**349**
Ireland								
Country	– 45	– 56	92	94	57	55	–	–
Financing institutions/insurance companies	– 7	1	12	11	421	484	598	701
Companies/other	16	– 13	4	5	10	1	1 617	1 564
	– 35	**– 67**	**108**	**110**	**489**	**539**	**2 215**	**2 265**
Italy								
Country	– 8	– 13	275	287	1 382	1 343	19	20
Financing institutions/insurance companies	– 47	– 66	–	–	1 517	1 628	162	173
Companies/other	2	14	–	–	66	67	61	55
	– 54	**– 65**	**275**	**287**	**2 964**	**3 038**	**242**	**248**
Portugal								
Country	– 74	– 75	–	–	151	142	15	15
Financing institutions/insurance companies	– 19	– 30	–	–	182	144	32	20
Companies/other	–	–	–	–	16	13	100	103
	– 93	**– 105**	**–**	**–**	**349**	**299**	**146**	**138**
Spain								
Country	– 1	– 1	–	–	443	438	83	83
Financing institutions/insurance companies	7	3	–	–	1 908	2 250	168	193
Companies/other	6	80	–	–	33	34	514	452
	13	**82**	**–**	**–**	**2 383**	**2 722**	**766**	**729**
Total	**– 213**	**– 206**	**383**	**397**	**6 224**	**6 651**	**3 714**	**3 729**

The nominal value of credit derivatives relating to the selected countries in the NORD/LB Group's portfolio is € 1 796 million (1 883 million). Of this, states account for € 558 million (€ 601 million), financing institutes/insurance companies for € 1 158 million (€ 1 198 million) and companies/others for € 80 million (€ 84 million). This includes both nominal values where the Group acts as the provider of security and nominal values where the Group acts as the recipient of security. The netted fair value of these credit derivatives is € – 277 million (€ – 356 million).

After the exchange offer for Greek government bonds was announced by the Greek government, the International Swaps und Derivatives Association, Inc. (ISDA) announced on 9 March 2012 that as a result of this a credit event had occurred. This triggered the maturity of related credit derivatives. A share of the credit default swaps in the NORD/LB Group's portfolio in the total nominal amount of € 57 million will be settled by securities, the remaining share in the nominal amount of € 35 million has already been settled in cash. The resulting effect on the profit/loss from trading is € – 13.5 million.

For financial instruments categorised as available for sale with acquisition costs totalling € 6 613 million (€ 7 326 million), the cumulative valuation of the selected countries reported in equity totals € 424 million (€ 1131 million). In addition to this, a write-off of € 0 million (€ 99 million) was recognised in the income statement for the period.

The banks of the NORD/LB Group undertook on 8 March 2012 to accept the exchange offer for Greek government bonds concerning the bonds in the portfolio at this time in the total nominal amount of € 105 million. In so doing the NORD/LB Group foregoes 53.5 per cent of the nominal amount and receives for each old bond a total of 24 new bonds with differentiated structures. The disposal of the previously held bonds had an impact of € – 2 million on the profit/loss from financial assets in the first quarter of 2012. On the other hand the acquisition costs of the new bonds categorised as available for sale in the NORD/LB Group total € 21 million. The securities are assigned to Level 1 in the fair value hierarchy and are valued as at 31 March 2012 with a fair value of € 20 million.

For receivables categorised as loans and receivables to the selected countries, specific valuation allowances totalling € – 30 million (€ – 31 million) and general loan loss provisions totalling € – 23 million (€ – 12 million) were made. The fair value of the receivables categorised as loans and receivables is € 1 405 million (€ 1 474 million).

(35) Regulatory data

The following consolidated regulatory data was calculated in accordance with the regulations of the German Solvency Regulation.

(in € million)	31 Mar. 2012	31 Dec. 2011
Risk-weighted assets	**81 263**	**84 800**
Capital requirements for credit risks	5 869	6 108
Capital requirements for market risks	245	339
Capital requirements for operational risks	387	337
Capital requirements according to the SolvV	**6 501**	**6 784**

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)	31 Mar. 2012	31 Dec. 2011
Paid-in capital	1 555	1 500
Further capital in accordance with § 10 2 a Nr. 8 KWG	–	–
Other reserves	4 345	3 998
Special item for general banking risks in accordance with § 340g of the German Commercial Code	1 400	1 425
Other capital in accordance with § 10 2a Nr. 10 KWG	1 885	2 003
Other components	– 71	– 88
Core capital	9 114	8 838
Deductions from core capital	– 821	– 833
Core capital for solvency reasons	**8 293**	**8 005**
Non-current subordinated liabilities	3 152	3 309
Participatory capital liabilities	193	218
Other components	34	29
Supplementary capital	3 379	3 556
Deductions from supplementary capital	– 821	– 834
Supplementary capital for solvency reasons	**2 558**	**2 722**
Modified available equity	**10 851**	**10 727**
Eligible capital in accordance with § 10 of the German Banking Act	**10 851**	**10 727**

(in %)	31 Mar. 2012	31 Dec. 2011
Overall ratio according to § 2 Paragraph 6 of the German Solvency Regulation (SolvV)	13.35	12.65
Core capital ratio	10.21	9.44

(36) Contingent liabilities and other obligations

	31 Mar. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Contingent liabilities			
Liabilities from guarantees and other indemnity agreements	6 426	6 998	– 8
	6 426	**6 998**	**– 8**
Other obligations			
Irrevocable credit commitments	9 337	9 456	– 1
Total	**15 763**	**16 454**	**– 4**

(37) Related parties

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

31 Mar. 2012 (in € 000)	Shareholders	Subsidiaries	Joint ventures	Affiliated companies	Persons in key positions	Other related parties
Outstanding loans and advances						
to banks	–	–	–	938 181	–	209 840
to customers	2 960 694	57 076	14 422	297 701	2 605	393 090
Other unsettled assets	2 788 592	102	–	92 461	–	25 512
Total assets	**5 749 286**	**57 178**	**14 422**	**1 328 343**	**2 605**	**628 442**
Unsettled liabilities						
to banks	–	–	–	627 829	–	163 489
to customers	1 660 535	37 101	47 947	101 675	2 260	214 679
Other unsettled liabilities	48 592	1 321 759	–	228	13	144 488
Total liabilities	**1 709 127**	**1 358 860**	**47 947**	**729 732**	**2 273**	**522 656**
Guarantees/sureties received	4 220 347	27	–	5 000	–	20
Guarantees/sureties granted	5 325 050	450	1 056	4 865	–	1 042

1 Jan.–31 Mar. 2012 (in € 000)	Shareholders	Subsidiaries	Joint ventures	Affiliated companies	Persons in key positions	Other related parties
Interest expense	10 402	25 426	47	7 358	8	3 261
Interest income	44 082	327	123	15 952	28	5 881
Commission expense	6 007	–	–	–	–	198
Commission income	5	3	9	97	–	8
Other income and expenses	14 527	9	–	– 10 229	– 23	669
Total contributions to income	**42 205**	**– 25 087**	**85**	**– 1 538**	**– 3**	**3 099**

31 Dec. 2011 (in € 000)	Share-holders	Subsi-diaries	Joint ventures	Affiliated companies	Persons in key positions	Other related parties
Outstanding loans and advances						
to banks	–	–	–	936 946	–	197 020
to customers	2 912 893	57 069	14 485	308 028	2 582	397 202
Other unsettled assets	2 928 770	161	–	81 517	–	462
Total assets	**5 841 663**	**57 230**	**14 485**	**1 326 491**	**2 582**	**594 684**
Unsettled liabilities						
to banks	–	–	–	459 580	–	85 281
to customers	761 237	38 994	21 410	102 173	2 337	249 364
Other unsettled liabilities	46 321	1 315 528	–	79	50	147 552
Total liabilities	**807 558**	**1 354 522**	**21 410**	**561 832**	**2 387**	**482 197**
Guarantees/ sureties received	4 210 347	27	–	5 000	–	20
Guarantees/ sureties granted	5 325 050	450	1 056	6 530	–	1 042

1 Jan. – 31 Mar. 2011 (in € 000)	Share-holders	Subsi-diaries	Joint ventures	Affiliated companies	Persons in key positions	Other related parties
Interest expense	32 202	24 204	161	5 920	19	3 256
Interest income	37 383	1 257	454	12 502	22	5 642
Commission expense	5 953	–	–	–	–	224
Commission income	20	2	8	70	–	6
Other income and expenses	25 016	11	1	– 2 703	– 13	5 439
Total contributions to income	**24 264**	**– 22 934**	**302**	**3 949**	**– 10**	**7 607**

As at the balance sheet date there are impairments for loans and advances to associated companies in the amount of € 2 million (€ 2 million). Expenses for loan loss provisions in the period under review total € 1 million (€ 0 million).

In the item guarantees/sureties received from shareholders, guarantees in the amount of € 3 550 million (€ 3 550 million) 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 in the amount of € 5 325 million (€ 5 325 million) 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 five years.

(38) Members of governing bodies

1. Members of the Managing Board

Dr. Gunter Dunkel
(Chairman of the Managing Board)

Ulrike Brouzi

Eckhard Forst

Dr. Hinrich Holm

Dr. Johannes-Jörg Riegler

Christoph Schulz

2. Members of the Supervisory Board

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

Thomas Mang
(First Deputy Chairman)
President, Association of
Savings Bank 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
(until 15 March 2012)

Norbert Dierkes
Chairman of the Managing Board
Sparkasse Jerichower Land
(since 1 February 2012)

Edda Döpke
Bank employee
NORD/LB Hannover

Ralf Dörries
Senior Vice President
NORD/LB Hannover

Hans-Heinrich Hahne
Chairman of the Managing Board
Sparkasse Schaumburg
(since 1 January 2012)

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
Salzlandsparkasse
(until 31 January 2012)

Ulrich Mädge
Mayor, City of Lüneburg
(since 22 March 2012)

Heinrich v. Nathusius
Managing Director
IFA Gruppe

August Nöltker
Union Secretary
ver.di Vereinte Dienstleistungsgewerkschaft

Freddy Pedersen
ver.di Vereinte Dienstleistungsgewerkschaft

Ilse Thonagel
Bank employee
Landesförderinstitut
Mecklenburg-Western Pomerania

Mirja Viertelhaus-Koschig
Deputy Chairman of the Managing Board
VIEROL AG

(39) Basis of consolidation

Company name and registered office	Shares (%) direct	Shares (%) indirect
Subsidiaries included in the consolidated financial statements		
Beteiligungs-Kommanditgesellschaft MS „Buxmelody“ Verwaltungs- und Bereedungs GmbH & Co., Buxtehude	–	–
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, Pullach im Isartal	–	–
Deutsche Hypothekenbank (Actien-Gesellschaft), Berlin – Hanover	–	100.00
GEBAG Ocean Shipping II GmbH & Co. KG, Hamburg	–	–
GEBAG Ocean Shipping III GmbH & Co. KG, Hamburg	–	–
Hannover Funding Company LLC, Dover (Delaware)/USA	–	–
KMU Shipping Invest GmbH, Hamburg	–	–
KreditServices Nord GmbH, Hanover	–	100.00
MALIBO GmbH & Co. Unternehmensbeteiligungs KG, Pullach im Isartal	–	77.81
MT „BALTIC CHAMPION“ Tankschiffahrtsgesellschaft mbH & Co. KG, Hamburg	–	–
MT „BALTIC COMMODORE“ Tankschiffahrtsgesellschaft mbH & Co. KG, Hamburg	–	–
MT „NORDIC SCORPIUS“ Tankschiffahrtsgesellschaft mbH & Co. KG, Hamburg	–	–
MT „NORDIC SOLAR“ Tankschiffahrtsgesellschaft mbH & Co. KG, Hamburg	–	–
MT „NORDIC STAR“ Tankschiffahrtsgesellschaft mbH & Co. KG, Hamburg	–	–
Nieba GmbH, Hanover	–	100.00
Norddeutsche Landesbank Luxembourg S.A., Luxembourg-Findel/Luxembourg	–	100.00
NORD/FM Norddeutsche Facility Management GmbH, Hanover	–	100.00
NORD/LB Asset Management Holding GmbH, Hanover	–	100.00
NORD/LB Capital Management GmbH, Hanover	100.00	–
NORD/LB COVERED FINANCE BANK S.A., Luxembourg-Findel/Luxembourg	100.00	–
NORD/LB G-MTN S.A., Luxembourg-Findel/Luxembourg	–	100.00
NORD/LB Immobilien-Holding GmbH & Co. Objekt Magdeburg KG, Pullach im Isartal	–	–
NORD/LB Kapitalanlagegesellschaft AG, Hanover	100.00	–
Nord-Ostdeutsche Bankbeteiligungs GmbH, Hanover	–	100.00
NORDWEST VERMÖGEN Bremische Grundstücks-GmbH & Co. KG, Bremen	100.00	–
NORDWEST VERMÖGEN Vermietungs-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
„OLIVIA“ Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	–	–
„OLYMPIA“ Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	–	–

Company name and registered office	Shares (%) direct	Shares (%) indirect
„PANDORA“ Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	–	–
„PRIMAVERA“ Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	–	–
„QUADRIGA“ Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	–	–
Skandifinanz AG, Zurich/Switzerland	100.00	–
Investment funds included in the consolidated financial statements		
NORD/LB AM 9	100.00	–
NORD/LB AM 52	–	100.00
NORD/LB AM 56	–	100.00
NORD/LB AM 65	–	100.00
NORD/LB AM High Yield	–	93.15
NORD/LB AM OELB	100.00	–
NORD/LB AM OESB	100.00	–
Companies/investment funds accounted for in the consolidated financial statements using the equity method		
Joint Ventures		
LHI Leasing GmbH, Pullach im Isartal	43.00	6.00
Associated companies		
Ammerländer Wohnungsbau-Gesellschaft mbH, Westerstede	32.26	–
BREBAU GmbH, Bremen	48.84	–
Deutsche Factoring Bank Deutsche Factoring GmbH & Co. KG, Bremen	27.50	–
GSG OLDENBURG Bau- und Wohngesellschaft mit beschränkter Haftung, Oldenburg	22.22	–
LBS Norddeutsche Landesbausparkasse Berlin-Hannover, Hanover	44.00	–
LINOVO Productions GmbH & Co. KG, Pöcking	–	45.17
NORD Holding Unternehmensbeteiligungsgesellschaft mit beschränkter Haftung, Hanover	–	40.00
NORD KB Beteiligungsgesellschaft mit beschränkter Haftung, Hanover	–	28.66
SALEG Sachsen-Anhaltinische Landesentwicklungsgesellschaft mbH, Magdeburg	–	56.61
Toto-Lotto Niedersachsen GmbH, Hanover	–	49.85
Investmentfonds		
Lazard-Sparkassen Rendite-Plus-Fonds	49.18	–
NORD/LB AM Emerging Markets Bonds	–	30.71
NORD/LB AM Global Challenges Index-Fonds	–	27.59

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the income, assets and financial position of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Hanover / Braunschweig / Magdeburg, den 22 May 2012

Norddeutsche Landesbank Girozentrale

The Managing Board

Dr. Dunkel	Brouzi	Forst
Dr. Holm	Dr. Riegler	Schulz

Statements Relating to the Future

This 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 the sphere of influence of NORD/LB. 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.

Financial calendar 2012

29 August 2012	Release of results as at 30 June 2012
29 November 2012	Release of results as at 30 September 2012

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Email: ir@nordlb.de

Branches (including Braunschweigische Landessparkasse)

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

In addition there are more than 100 Branches and self-services in the Braunschweig area. For more details, please follow this link: https://www.blsk.de

International branches
London, New York, Singapore, Shanghai

Representative offices
Beijing, Moscow, Mumbai

Major holdings (alphabetical)
Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale, Bremen and Oldenburg
Deutsche Hypothekenbank (Actien-Gesellschaft), Hanover (Amsterdam, Berlin, Duesseldorf, Frankfurt, Hanover, Hamburg, London, Madrid, Munich, Nuremberg, Paris)
Norddeutschen Landesbank Luxembourg S.A., Luxembourg
(with the subsidiary: NORD/LB COVERED FINANCE BANK S.A., Luxembourg)
NORD/LB Asset Management Holding AG, Hanover

NORD/LB

Die norddeutsche Art.

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Finanzgruppe