

28 August 2015



Norddeutsche Landesbank Girozentrale

First supplement to the published Registration Document dated 4 August 2015 of Norddeutsche Landesbank – Girozentrale – in accordance with § 16 (1) German Securities Prospectus Act (*Wertpapierprospektgesetz*, “WpPG”),

hereafter referred to as “**Supplement No. 1**”.

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I. RIGHT OF WITHDRAWAL AND CHANGES

In accordance with § 16 (3) sentence 1 WpPG, investors who have already agreed to purchase or subscribe any Instrument before Supplement No. 1 is published shall have the right, exercisable within two working days after the publication of this Supplement No. 1, to withdraw their acceptances, provided that the new factor, mistake or inaccuracy which is the subject of this Supplement No. 1 arose prior to the final closing of the offer to the public and the delivery of the Instruments, § 16 (1) WpPG.

The relevant new factor that leads to Supplement No. 1 is the publication of the interim consolidated financial statements of NORD/LB Group as of 30 June 2015 (the “**Interim Consolidated Financial Statements 30 June 2015**”) on 27 August 2015.

Pursuant to this publication, the following changes were made.

The withdrawal is to be addressed to Norddeutsche Landesbank – Girozentrale –, Friedrichswall 10, 30159 Hanover.

II. CHANGES RELATING TO SECTION 1.2. DESCRIPTION OF NORDDEUTSCHE LANDESBANK – GIROZENTRALE –

In section 1.2. „Description of Norddeutsche Landesbank – Girozentrale –“ subsection 1.2.1. „Auditors“ shall be deleted after its heading and replaced by the following:

“The unaudited interim consolidated financial statements of NORD/LB and its consolidated subsidiaries (the “**NORD/LB Group**”) for the period from 1 January to 30 June 2015 (the “**Interim Consolidated Financial Statements 30 June 2015**”) were prepared in accordance with IFRS on interim financial reporting (IAS 34), as adopted by the EU, and the interim group management report in accordance with the requirements of the German Securities Trading Act (*Wertpapierhandelsgesetz or WpHG*).

The consolidated financial statements of NORD/LB Group for the financial year 2014 (the “**Consolidated Financial Statements 2014**”) and the group management report (*Konzernlagebericht*) were audited in accordance with Section 317 German Commercial Code (*Handelsgesetzbuch*, the “**HGB**”) and the German generally accepted auditing standards (the “**German GAAS**”) by KPMG AG Wirtschaftsprüfungsgesellschaft, Osterstraße 40, 30159 Hanover (“**KPMG**”). KPMG has issued an unqualified auditor’s report (*uneingeschränkter Bestätigungsvermerk*) on the Consolidated Financial Statements 2014 and the group management report of NORD/LB Group – for the financial year 2014.

The unconsolidated financial statements of Norddeutsche Landesbank – Girozentrale – for the financial year 2014 (the “**Annual Accounts 2014**”) were prepared in accordance with German generally accepted accounting principles (the “**German GAAP**”) and have been audited, together with the management report (*Lagebericht*), in accordance with Section 317 HGB and German GAAS for the audit of financial statements by KPMG. KPMG has issued an unqualified auditor’s report (*uneingeschränkter Bestätigungsvermerk*) on the Annual Accounts 2014 and the management report of Norddeutsche Landesbank – Girozentrale – for the financial year 2014.

The consolidated financial statements of NORD/LB Group for the financial year 2013 (the “**Consolidated Financial Statements 2013**”) and the management report (*Konzernlagebericht*) were audited in accordance with Section 317 HGB and German GAAS by KPMG. KPMG has issued an unqualified auditor’s report (*uneingeschränkter Bestätigungsvermerk*) on the Consolidated Financial Statements 2013 and the group management report of NORD/LB Group for the financial year 2013.

The Consolidated Financial Statements 2013 and the Consolidated Financial Statements 2014 were prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315a (1) HGB.

KPMG is a member of the German Chamber of Auditors (*Deutsche Wirtschaftsprüferkammer*).”

III. CHANGES RELATING TO SECTION 1.3. FINANCIAL INFORMATION ON THE ASSET, FINANCIAL AND EARNINGS POSITION

1. In section 1.3. "Financial information on the asset, financial and earnings position" subsection 1.3.1. "Historical financial information" shall be deleted and replaced by the following:

"The unaudited Interim Consolidated Financial Statements 30 June 2015 are included on pages F -1 to F-53h, the Consolidated Financial Statements 2014 and the respective auditor's report (*Bestätigungsvermerk*) are included on pages F-54 to F-197, the Annual Accounts 2014 and the respective auditor's report (*Bestätigungsvermerk*) are included on pages F-199 to F-250 and the Consolidated Financial Statements 2013 and the respective auditor's report (*Bestätigungsvermerk*) are included on pages F-251 to F-369 in each case within section 3 "*Financials*" of this registration document.

The financial information contained in this Registration Document gives a true and impartial overview of the financial position of NORD/LB Group in accordance with the applicable accounting policies.

The Consolidated Financial Statements 2013 and the Consolidated Financial Statements 2014 were prepared in accordance with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315a (1) HGB. The Annual Accounts 2014 were prepared in accordance with German GAAP. The Interim Consolidated Financial Statements 30 June 2015 were prepared in accordance with IFRS and IAS 34, as adopted by the EU.

The Consolidated Financial Statements 2013 and the Consolidated Financial Statements 2014 and the respective auditor's reports (*Bestätigungsvermerke*) contained in this Registration Document have been taken from the annual report (*Geschäftsbericht*) of NORD/LB Group for the financial year 2013 and the financial year 2014 (see section 2. "Important Information 2.4. Availability of documents").

The Annual Accounts 2014 and the auditor's report (*Bestätigungsvermerk*) have been taken from the annual report (*Geschäftsbericht*) of Norddeutsche Landesbank – Girozentrale – for the financial year 2014 (see section 2. "Important Information 2.4. Availability of documents").

The Interim Consolidated Financial Statements 30 June 2015 have been taken from the Interim Report (*Konzernzwischenbericht*) of NORD/LB Group as of 30 June 2015 (see section 2. "*Important Information 2.4. Availability of documents*").

The auditor's reports (*Bestätigungsvermerke*) with respect to the Consolidated Financial Statements 2013 and the Consolidated Financial Statements 2014 were issued in accordance with Section 322 HGB on the audited consolidated financial statements and the group management reports (*Konzernlageberichte*) each as a whole, respectively. The respective group management reports (*Konzernlageberichte*) for 2013 and 2014 are neither included nor incorporated by reference in this Registration Document.

The auditor's report (*Bestätigungsvermerk*) with respect to the Annual Accounts 2014 of Norddeutsche Landesbank – Girozentrale – was issued in accordance with Section 322 HGB on the unconsolidated financial statements and the management report (*Lagebericht*) as a whole. The management report is neither included nor incorporated by reference in this Registration Document.

Some figures of the Consolidated Financial Statements 2013 of NORD/LB Group have been adjusted. The adjustment is based on IAS 8.42. The initial application of IFRS 10 with retrospective effect has also resulted in changes in the figures for the previous year (2013). The adjusted figures are displayed in the Consolidated Financial Statements 2014 of NORD/LB Group. For more information, please refer to "Note (2) Adjustment of Figures for the previous year" of the Consolidated Financial Statements 2014 on page F-67."

2. In section 1.3. **“Financial information on the asset, financial and earnings position”** subsection 1.3.3. “Significant changes in the financial positions” shall be deleted and replaced by the following:

“Since 30 June 2015, there have been no significant changes in the financial position of the Issuer and NORD/LB Group.”

IV. CHANGES RELATING TO SECTION 2. IMPORTANT INFORMATION

1. In section 2. "Important Information" subsection 2.4. "Availability of documents" shall be deleted and replaced by the following:

"As long as this registration document is valid, Norddeutsche Landesbank – Girozentrale – will provide copies of the following documents to be viewed upon request at the registered office at Norddeutsche Landesbank – Girozentrale -, Friedrichswall 10, 30159 Hanover during opening hours:

- the annual report (*Geschäftsbericht*) of NORD/LB Group for the financial years 2013 and 2014; each containing the consolidated financial statements for the corresponding financial years 2013 and 2014;
- the annual report (*Geschäftsbericht*) of Norddeutsche Landesbank – Girozentrale – for the financial year 2014; containing the Annual Accounts 2014;
- the Interim Report (*Konzernzwischenbericht*) of NORD/LB Group as of 30 June 2015;
- the Articles of Association (*Satzung*) of Norddeutsche Landesbank – Girozentrale – as amended on 9 December 2013;
- the State Treaty between the German Federal States of Lower Saxony (*Niedersachsen*), Saxony-Anhalt (*Sachsen-Anhalt*) and Mecklenburg-Western Pomerania (*Mecklenburg-Vorpommern*) dated 22 August 2007, as amended on 12 July 2011.

The Consolidated Financial Statements 2013 and the Consolidated Financial Statements 2014, the annual report (*Geschäftsbericht*) of Norddeutsche Landesbank – Girozentrale – for the financial year 2014, the Interim Report (*Konzernzwischenbericht*) of NORD/LB Group as of 30 June 2015, the Articles of Association (*Satzung*) of Norddeutsche Landesbank – Girozentrale – such as the State Treaty are available on request in printed form at the above mentioned address or in electronic form on <http://www.nordlb.de>."

V. CHANGES RELATING TO SECTION 3. FINANCIALS

The pages F-1 to F-53 of section 3. "Financials" shall be deleted and replaced by:

Interim Consolidated Financial Statements as at 30 June 2015

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F-3	Income Statement - Summary by Quarter
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Income Statement

	Notes	1 Jan. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Interest income		4 277	4 545	– 6
Interest expenses		3 277	3 550	– 8
Net interest income	5	1 000	995	1
Loan loss provisions	6	210	224	– 6
Commission income		160	147	9
Commission expenses		49	63	– 22
Net commission income	7	111	84	32
Trading profit / loss		– 134	381	> 100
Profit / loss from the fair value option		139	– 311	> 100
Profit / loss from financial instruments at fair value through profit or loss	8	5	70	– 93
Profit / loss from hedge accounting	9	90	35	> 100
Profit/loss from financial assets	10	26	50	– 48
Profit/loss from investments accounted for using the equity method		– 59	– 8	> 100
Administrative expenses	11	562	557	1
Other operating profit/loss	12	– 80	– 84	– 5
Earnings before reorganisation and taxes		321	361	– 11
Reorganisation expenses	13	– 7	– 12	– 42
Expenses for public guarantees related to reorganisation	14	–	1	– 100
Earnings before taxes		314	348	– 10
Income taxes	15	24	105	– 77
Consolidated profit		290	243	19
of which: attributable to the owners of NORD/LB		287	279	
of which: attributable to non-controlling interests		3	– 36	

Income Statement - Summary by Quarter

(in € million)	2015		2014	
	2nd Quarter	1st Quarter	2nd Quarter	1st Quarter ¹⁾
Interest income	2 108	2 169	2 270	2 275
Interest expenses	1 609	1 668	1 767	1 783
Net Interest income	499	501	503	492
Loan loss provisions	106	104	124	100
Commission income	81	79	77	70
Commission expenses	25	24	33	30
Net commission income	56	55	44	40
Trading profit / loss	- 519	385	213	168
Profit / loss from the fair value option	441	- 302	- 135	- 176
Profit / loss from financial instruments at fair value through profit or loss	- 78	83	78	- 8
Profit / loss from hedge accounting	31	59	22	13
Profit/loss from financial assets	24	2	15	35
Profit/loss from investments accounted for using the equity method	- 59	-	- 4	- 4
Administrative expenses	278	284	266	291
Other operating profit/loss	- 3	- 77	- 60	- 24
Earnings before reorganisation and taxes	86	235	208	153
Reorganisation expenses	- 1	- 6	- 2	- 10
Expenses for public guarantees related to reorganisation	-	-	- 9	10
Earnings before taxes	85	229	215	133
Income taxes	- 49	73	64	41
Consolidated profit	134	156	151	92
of which: attributable to the owners of NORD/LB	128	159	166	113
of which: attributable to non-controlling interests	6	- 3	- 15	- 21

¹⁾ For some items the previous year's figures have been adjusted; see the Interim Consolidated Financial Statements as at 31 March 2015.

Statement of Comprehensive Income

The comprehensive income of NORD/LB Group comprises the income and expense recognised in the income statement and in other comprehensive income.

	1 Jan. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Consolidated profit	290	243	19
Other comprehensive income which is not recycled in the income statement in subsequent periods			
Revaluation of the net liability from defined benefit pension plans	159	– 358	> 100
Investments accounted for using the equity method – Share of other operating profit/loss	– 5	– 11	– 55
Deferred taxes	– 50	113	> 100
	104	– 256	> 100
Other comprehensive income which is recycled in the income statement in subsequent periods on certain conditions			
Increase / decrease from available for sale (AFS) financial instruments			
Unrealised profit / losses	1	364	– 100
Transfer due to realisation profit / loss	29	7	> 100
Translation differences of foreign business units			
Unrealised profit / losses	25	11	> 100
Investments accounted for using the equity method – Share of other operating profit/loss	36	28	29
Deferred taxes	– 5	– 118	– 96
	86	292	– 71
Other profit / loss	190	36	> 100
Comprehensive income for the period	480	279	72
of which: attributable to the owners of NORD/LB	464	295	
of which: attributable to non-controlling interests	16	– 16	

Statement of Comprehensive Income - Summary by Quarter

(in € million)	2015		2014	
	2nd quarter	1st quarter	2nd quarter	1st quarter ¹⁾
Consolidated profit	134	156	151	92
Other comprehensive income which is not recycled in the income statement in subsequent periods				
Revaluation of the net liability from defined benefit pension plans	511	- 352	- 156	- 202
Investments accounted for using the equity method – Share of other operating profit / loss	5	- 10	- 6	- 5
Deferred taxes	- 162	112	49	64
	354	- 250	- 113	- 143
Other comprehensive income which is recycled in the income statement in subsequent periods on certain conditions				
Increase / decrease from available for sale (AFS) financial instruments				
Unrealised profit / losses	- 143	144	133	231
Transfer due to realisation profit / loss	11	18	5	2
Translation differences of foreign business units				
Unrealised profit / losses	- 14	39	9	2
Investments accounted for using the equity method – Share of other operating profit / loss	22	14	13	15
Deferred taxes	45	- 50	- 42	- 76
	- 79	165	118	174
Other profit / loss	275	- 85	5	31
Comprehensive income for the period	409	71	156	123
of which: attributable to the owners of NORD/LB	370	94	150	145
of which: attributable to non-controlling interests	39	- 23	6	- 22

¹⁾ For some items the previous year's figures have been adjusted; see the Interim Consolidated Financial Statements as at 31 March 2015.

Balance Sheet

Assets	Notes	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Cash reserve		655	1 064	- 38
Loans and advances to banks	16	22 681	23 565	- 4
Loans and advances to customers	17	107 512	108 255	- 1
Risk provisioning	18	- 2 787	- 2 747	1
Balancing items for financial instruments hedged in the fair value hedge portfolio		63	114	- 45
Financial assets at fair value through profit or loss	19	15 958	16 306	- 2
Positive fair values from hedge accounting derivatives		2 902	3 483	- 17
Financial assets	20	41 361	45 120	- 8
Investments accounted for using the equity method		241	318	- 24
Property and equipment	21	566	568	-
Investment property		79	80	- 1
Intangible assets	22	139	139	-
Assets held for sale	23	66	56	18
Current income tax assets		58	57	2
Deferred income taxes		716	784	- 9
Other assets		592	445	33
Total assets		190 802	197 607	- 3

Liabilites	Notes	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Liabilities to banks	24	54 820	58 986	- 7
Liabilities to customers	25	58 489	57 996	1
Securitised liabilities	26	39 701	40 714	- 2
Balancing items for financial instruments		681	1 176	- 42
Financial liabilities at fair value through profit or loss	27	17 410	18 169	- 4
Negative fair values from hedge accounting derivatives		3 267	3 926	- 17
Provisions	28	2 776	2 846	- 2
Liabilities held for sale		2	6	- 67
Current income tax liabilities		113	73	55
Deferred income taxes		50	100	- 50
Other liabilities		383	867	- 56
Subordinated capital	29	4 813	4 846	- 1
Equity				
Issued capital		1 607	1 607	-
Capital reserves		3 332	3 332	-
Retained earnings		2 240	1 957	14
Revaluation reserve		467	420	11
Currency translation reserve		- 10	- 10	-
Equity capital attributable to the owners of NORD/LB		7 636	7 306	5
Additional equity ¹⁾		50	-	-
Equity capital attributable to non-controlling interests		611	596	3
		8 297	7 902	5
Total liabilities and equity		190 802	197 607	- 3

¹⁾ Further information on "Additional capital" can be found in the Condensed Statement of Changes in Equity.

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	Additional equity components	Equity attributable to non-controlling interests	Consolidated equity
Equity as at 1 Jan. 2015	1 607	3 332	1 957	420	- 10	7 306	-	596	7 902
Comprehensive income for the period	-	-	417	47	-	464	-	16	480
Transactions with the owners	-	-	- 131	-	-	- 131	-	- 1	- 132
Distributions	-	-	- 131	-	-	- 131	-	-	- 131
Capital decreases	-	-	-	-	-	-	-	- 1	- 1
Changes in the basis of consolidation	-	-	- 3	-	-	- 3	-	-	- 3
Consolidation effects and other changes in capital	-	-	-	-	-	-	50	-	50
Equity as at 30 Jun. 2015	1 607	3 332	2 240	467	- 10	7 636	50	611	8 297

¹⁾ Includes bearer bonds classified as equity under IFRS.

(in € million)	Issued capital	Capital reserve	Retained earnings	Revaluation reserve	Currency translation reserve	Equity attributable to the owners of NORD/LB	Additional equity components	Equity attributable to non-controlling interests	Consolidated equity
Equity as at 1 Jan. 2014	1 607	3 332	2 052	122	- 6	7 107	-	1 062	8 169
Adjusted comprehensive income for the period	-	-	87	208	-	295	-	- 16	279
Transactions with the owners	-	-	- 1	-	-	- 1	-	- 1	- 2
Distributions	-	-	- 1	-	-	- 1	-	- 1	- 2
Adjusted Equity as at 30 Jun. 2014	1 607	3 332	2 138	330	- 6	7 401	-	1 045	8 446

The consolidation effects and other changes in capital are presented separately in the Notes to the Condensed Statement of Changes in Equity.

Condensed Cash Flow Statement

	1 Jan. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Cash and cash equivalents as at 1 January	1 064	1 311	- 19
Cash flow from operating activities	- 534	- 31	> 100
Cash flow from investment activities	334	- 132	> 100
Cash flow from financing activities ¹⁾	- 226	- 242	- 7
Total cash flow	- 426	- 405	5
Effects of changes in exchange rates	17	-	-
Cash and cash equivalents as at 30 June	655	906	- 28

¹⁾ The cashflow from financing activities includes a capital payment from June 30, 2015 in the amount of € million 50 out of the emission of an AT1 bearer bond from the Bremer Landesbank.

We refer to information contained in the risk report concerning the management of liquidity risk within NORD/LB Group.

Selected Notes

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General Disclosures

(1) Principles for the Preparation of the Interim Consolidated Financial Statements

The interim consolidated financial statements of Norddeutsche Landesbank Girozentrale, Hanover, Braunschweig, Magdeburg (NORD/LB) as at 30. June 2015 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). The interim financial statements meet the requirements of IAS 34 for condensed interim financial reporting. National regulations contained in the German Commercial Code (HGB) under § 315a HGB were also observed insofar as these regulations are to be applied as at the reporting date for the interim financial statements. The interim consolidated financial statements are to be read in conjunction with information contained in the certified, published consolidated financial statements of NORD/LB as at 31 December 2014.

NORD/LB as a group in terms of commercial law is referred to in the following as NORD/LB Group. The interim consolidated financial statements as at 30 June 2015 comprise the income statement, the statement of comprehensive income, the balance sheet, the condensed statement of changes in equity, the condensed cash flow statement and selected notes. The segment reporting is shown 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.

These interim consolidated financial statements were signed by the Managing Board on 18 August 2015 and approved for publication.

(2) Accounting Policies

The accounting policies for the interim financial statements are based on those of the consolidated financial statements as at 31 December 2014 unless specified otherwise.

In the period under review consideration has been given to the following standards and amendments to the standards which were first applied as at 1 January 2015 for the NORD/LB Group:

IFRIC 21 – Levies

In May 2013 the IASB issued IFRIC 21 as an interpretation of IAS 37 concerning levies. A liability for levies needs to be recognised when the obligating event that triggers the payment of the levy occurs. The occurrence of the event has to be defined by the wording of the respective legislation. According to the amendment to the Restructuring Fund Regulation (Restrukturierungsfondsverordnung) that took effect on 1 January 2015, the annual contribution for the EU's Single Resolution Fund has to be paid at the start of each and every year. From 2015 the provision for the expected annual contribution will therefore be recognised in full at the start of the year, while formerly the provisions for the German bank levy were allocated on a pro-rata basis. See Note (12) Other operating profit/loss for the details. In the same way as for the bank levy, and in accordance with the provisions of the Deposit Guarantee Act (Einlagensicherungsgesetz), the provision for the contribution for the EU deposit guarantee scheme is no longer to be made on a pro-rata basis, but the provision for the full amount is to be made at the start of the accounting period and reported in the administrative expenses.

Improvements to IFRS (2011 - 2013 Cycle) Within the Scope of the IASB's Annual Improvements Process

As part of the annual improvement process, amendments to four standards IFRS 1, IFRS 3, IFRS

13 and IAS 40 were made. With the change in the wording, the individual IFRSs should be clarified.

The annual improvements to IFRS do not have a significant impact on NORD/LB's consolidated interim financial statements.

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

(3) Basis of Consolidation

In addition to NORD/LB as the parent company, the interim consolidated financial statements include 47 (31 December 2014: 50) subsidiaries 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 2014: 1) joint venture and 11 (31 December 2014: 12) associated companies are accounted for using the equity method.

Compared to 31 December 2014 the basis of consolidation has changed as follows:

On 31 May 2015, with retrospective effect of 1 January 2015, the fully-consolidated NORD/LB COVERED FINANCE BANK S.A., Luxemburg-Findel, was merged with the fully-consolidated Norddeutsche Landesbank Luxembourg S.A., Luxemburg-Findel and renamed NORD/LB Luxembourg S.A. Covered Bond Bank, Luxemburg-Findel. The renamed company is fully consolidated.

On 30 June 2015 the previously fully-consolidated BLB Grundbesitz KG, Bremen, merged with Bremer Landesbank Kreditanstalt Oldenburg - Girozentrale-, Bremen.

Following the sale of the shares in the joint venture LHI Leasing GmbH, Pullach im Isartal, that was previously accounted for using the equity method, is with effect of 30 June 2015 no longer included in the consolidated financial statements. The effects resulting from the changes to the basis of consolidation have no significant impact on NORD/LB Group's assets, financial and earnings position.

Information on the subsidiaries, joint ventures and associated companies included in the consolidated financial statements can be found in Note (37) Basis of consolidation.

Segment Reporting

The segment reporting provides information on the operational 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 in the IFRSs 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.

Segment Reporting by Business Segment

The business 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 business 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. The product range offered comprises classical 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. Therefore interest income and interest expenses are not reported gross. The income from financing from tied-up equity is allocated to the market segments.

In the Bank every interest-bearing customer transaction is allocated to the balancing provision of the Treasury Division as the central planning division. There are no direct business relations between the market divisions in the Bank. Therefore inter-segment income is not included in the internal reporting.

Segment expenses comprise primary expenses, expenses allocated on the basis of cost and service allocations and allocated overhead costs. Risk provisionings are allocated to segments on the basis of actual costs incurred. Overall bank revenue, such as general loan loss provisions and profit/loss from hedge accounting and overhead costs, is not allocated to the operational business segments of the Bank but to the segment “Group Controlling/Others”.

In addition to figures relating to the statement of comprehensive income, the segment report also shows the total risk exposure to be allocated on the basis of CRR / CRD IV including risk weighted assets shortfall, segment assets and liabilities, committed capital, the cost-income ratio (CIR) and return on equity (RoE). The CIR 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 through profit or loss, profit/loss from hedge accounting, profit/loss from investments accounted for using the equity method and other operating profit/loss.

RoRaC (Return on Risk-adjusted Capital) calculations in the segments include the contribution to income after risk provisioning and valuation on committed capital (here 9 per cent of the higher value of the limits and the amount called on to cover the total risk exposure).

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 business segments and the long-term equity in the Group in accordance with commercial law is included in the segment reconciliation. A transfer from long-term equity under commercial law to equity reported in the balance sheet is shown separately at the end of the segment overview.

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

Since 1 January 2015 the Corporate Customers & Markets and Ship and Aircraft Customers segments have been reported separately in internal and external reporting. This step will optimise capital market communication and further improve transparency. The previous year's figures were adjusted accordingly. A small portion of the earnings has been allocated to Financial Markets activities under Group Controlling/Others.

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. Up until 30 September 2014 the current results of Öffentliche Lebensversicherung Braunschweig and Öffentliche Sachversicherung Braunschweig are also recognised here. Following the deconsolidation of ÖVB, its profit/loss accounted for using the equity method is reported in the Private and Commercial Customers segment.

The product range for the segment Private and Commercial Customers is based on the savings bank finance concept (S-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

This segment includes all of the NORD/LB business conducted with corporate customers in the core regions (excluding the Altes Braunschweiger Land region) and other selected locations in Germany, and in particular Agricultural Banking and Residential Housing.

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. Professional liquidity and risk management, the structuring of equity and innovative financing instruments supplement the product range.

Markets

The Markets segment 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.

Alternative products which are detached from retail banking including derivatives are 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 (real estate, 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 Customers, 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 business segment summarises the global business relations of the Group companies NORD/LB 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 Customers

In this business segment the national and international activities of NORD/LB and Bremer Landesbank in ship financing are reported. The customers of the Ship 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 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.

Aircraft Customers

In this business segment the national and international activities of NORD/LB and Bremer Landesbank in aircraft financing are reported. In Aircraft Finance, the focus is on the object-based financing of passenger aircraft produced by well-known manufacturers. The target customers are airlines and leasing companies who are offered tailored financing solutions in addition to the NORD/LB Group's high expertise with core productions. The segment also finances covered export business.

Real Estate Banking Customers

Here NORD/LB's and Deutsche Hypo's national and international financing of commercial real estate and Bremer Landesbank's financing of community interest properties 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 existing properties. In particular office and retail properties, multi-storey residential properties, hotels, logistics properties and nursing homes are financed.

Group Controlling / Others

This business segment covers all other performance data directly related to the business activity such as Group companies not included in the segments, components of comprehensive income at Group level which are not allocated to the segments, general loan loss provisions, the profit/loss from other financial instruments (in particular from central valuation effects), financial assets and hedge accounting, projects covering the entire bank; consolidation items; profit/loss from interest rate change risk control, balancing provision, liquidity management and self-induced assets (in particular Treasury and Bank Asset Allocation). Other operating profit/loss includes the bank levy.

Earnings after taxes in Group Controlling/Others totalled € -41 million in the second quarter.

Positive contributions were made by net interest income in the amount of € 127 million, and in particular from the Bank Controlling activities recorded here. The profit/loss from financial instruments at fair value is negative in the amount of € -2 million due in particular to the central valuation effects reported here; key variables are valuation results from the counterparty-specific default risk with derivatives and US-\$/€ base spread changes for currency derivatives and valuation results due to fair value option.

Net commission income had a negative effect in the amount of € -26 million, due in particular to guarantees relating to securitisation transactions and consolidations. Also recognised in this segment under risk provisioning are new allocations, primarily for general loan loss provisions for the ship portfolio in the amount of approx. € 28 million.

The profit/loss from hedge accounting had a positive effect in the amount of approx. € 90 million. Also reported in this segment are the effects from the profit/loss from financial assets of € 30 million, due in particular to impairments of assets classi-

fied as AfS. The profit/loss from investments accounted for using the equity method created a negative effect of € -61 million.

Administrative expenses in this business segment total € 158 million. Administrative expenses result in the amount of € 49 million from the Bank Controlling activities reported here and € 24 million from other Group companies. Further administrative expenses (€ 37 million) in this segment are for projects, IT modernisation and non-allocated service centre costs (€ 91 million). This was offset in part by consolidations in the amount of € - 44 million.

In addition, in the second quarter of 2015 reorganisation expenses in the amount of € 7 million were incurred.

Reconciliations

Here the reconciliation items from internal accounting for the consolidated figures in the income statement are shown as well as reclassifications of profit and loss items that are reported differently in the internal reporting to in the external reporting. The shortfall in the regulatory capital requirement is converted into total risk exposure amount within internal reporting and assigned to the operational units; the adjustment item resulting from the regulatory risk-weighted assets report flows into the reconciliation.

(4) Segment Reporting by Business Segment

30 Jun. 2015 (in € million)	Private and Commercial Customers	Corporate Customers	Markets	Energy and Infrastructure Customers	Ship Customers	Aircraft Customers	Real Estate Banking Customers	Group Man- agement/ Others	Reconciliations	NORD/LB Group
Net interest income before loan loss provisions	105	165	101	97	217	56	118	127	13	1 000
Loan loss provisions	7	-1	-	15	221	-1	6	-28	-8	210
Net interest income after loan loss provisions	99	166	102	82	-4	57	112	155	21	789
Net commis- sion income	33	29	36	32	18	9	1	-26	-22	111
Profit / loss from financial instruments at fair value through profit or loss	-	10	33	6	2	2	1	-2	-46	6
Profit / loss from hedge account- ing	-	-	-	-	-	-	-	90	-	90
Profit/loss from financial assets	-	-	-	-	-	-	-	30	-4	26
Profit / loss from invest- ments account- ed for using the equity method	2	-	-	-	-	-	-	-61	1	-59
Administrative expenses	99	74	71	48	58	12	33	158	10	562
Other operating profit/loss	-6	-	2	2	-	-1	-	-61	-17	-80
Profit / loss before reor- ganisation and taxes	30	131	101	74	-41	55	82	-34	-77	321
Reorganisation expenses	-	-	-	-	-	-	-	-7	-	-7
Expenses for public guaran- tees related to reorganisation	-	-	-	-	-	-	-	-	-	-
Earnings before taxes (EBT)	30	131	101	74	-41	55	82	-41	-77	314
Taxes	-	-	-	-	-	-	-	-	24	24
Consolidated profit	30	131	101	74	-41	55	82	-41	-101	290
Segment assets	7 524	20 560	41 213	16 329	21 132	8 798	15 261	59 036	949	190 802
of which: from investments accounted for using the equity method	45	-	-	-	-	-	-	196	-	241
Segment liabilities	7 400	8 645	43 843	3 653	4 911	830	577	119 104	1 840	190 802
Total risk exposure amount	4 451	12 702	5 058	8 276	38 928	5 205	7 530	8 339	-21 558	68 931
Capital em- ployed ¹	401	1 143	447	745	3 504	468	678	1 297	-1 432	7 249
CIR	72.9%	36.4%	41.5%	35.0%	24.3%	18.0%	26.9%	0.0%	0.0%	52.7%
RoRaC / RoE ²	14.1%	20.8%	44.5%	19.1%	-2.4%	23.7%	18.3%	0.0%	0.0%	8.7%

30 Jun. 2014 (in € million)	Private and Commercial Custom- ers	Corporate Custom- ers	Markets	Energy and Infrastruc- ture Custom- ers	Ship Custom- ers	Aircraft Custom- ers	Real Estate Banking Custom- ers	Group Manage- ment/ Others	Reconcilia- tions	NORD/LB Group
Net interest income before loan loss provisions	151	151	113	84	181	45	121	127	21	995
Loan loss provisions	-	-1	-	-7	288	-	34	- 88	- 2	224
Net interest income after loan loss provisions	152	153	113	91	- 107	45	87	215	24	771
Net commis- sion income	17	28	22	29	12	8	5	- 23	- 13	84
Profit/loss from financial instruments at fair value through profit or loss	2	- 2	- 1	- 2	1	-	5	27	40	71
Profit/loss from hedge account- ing	-	-	-	-	-	-	-	36	- 1	35
Profit/loss from financial assets	10	-	-	-	-	-	-	40	-	50
Profit/loss from invest- ments ac- counted for using the equity method	-	-	-	-	-	-	-	- 8	-	- 8
Administrative expenses	162	68	73	42	52	11	35	112	3	557
Other operat- ing profit/loss	- 30	1	3	1	-	-	-	- 47	- 11	- 84
Profit / loss before reor- ganisation and taxes	- 11	111	64	77	- 147	43	62	128	35	362
Reorganisation expenses	-	-	-	-	-	-	-	- 12	-	- 12
Expenses for public guaran- tees related to reorganisation	-	-	-	-	-	-	-	- 1	-	- 1
Earnings before taxes (EBT)	- 11	111	64	77	- 147	43	62	114	35	348
Taxes	-	-	-	-	-	-	-	-	105	105
Consolidated profit	- 11	111	64	77	- 147	43	62	114	- 70	243
Segment assets	7 729	20 460	42 309	15 535	20 116	8 122	16 487	65 740	1 107	197 607
of which: from investments accounted for using the equity method	45	-	-	-	-	-	-	273	-	318
Segment liabilities	7 270	6 216	45 699	3 152	4 548	677	667	125 799	3 579	197 607
Total risk exposure amount	4 805	11 685	5 344	7 110	36 267	4 534	10 142	13 619	- 26 632	66 874
Capital em- ployed ¹	385	937	409	569	2 901	364	797	1 039	228	7 630
CIR	115.6%	38.2%	52.9%	37.4%	26.9%	20.2%	26.6%	0.0%	0.0%	51.0%
RoRaC / RoE ²	-4.7%	21.7%	27.9%	23.5%	-10.1%	20.9%	13.2%	0.0%	0.0%	9.1%

(in € million)	30 Jun. 2015	30 Jun. 2014
Sustainable relating to german local GAAP equity	7 249	7 630
Revaluation reserve	467	330
Consolidated profit	580	487
Financial equity	8 297	8 446

¹⁾ Transfer of long-term equity under german local GAAP to reported equity capital

²⁾ RoRaC at business level:

(Earnings before taxes*2) / committed Tier 1 capital

(9 per cent (previous year: 8 per cent) of the higher value of the RWA limit and the amount called on)

RoE at company level:

(Earnings before taxes*2) / long-term equity under german local GAAP (= reported equity capital - revaluation reserve - earnings after taxes)

³⁾ The previous year's figures have been adjusted due to a new segment structure.

The tables may include minor differences that occur in the reproduction of mathematical operations.

Notes to the Income Statement

(5) Net Interest Income

The items interest income and interest expense comprise interest received and paid, deferred interest and pro-rata reversals of 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. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Interest income			
Interest income from lending and money market transactions	1 877	1 950	- 4
Interest income from debt securities and other fixed-interest securities	343	433	- 21
Interest income from financial instruments at fair value			
Interest income from trading profit / loss and hedge accounting derivatives	1 674	1 848	- 9
Interest income from fair value option	27	23	17
Current income			
from shares and other non fixed-interest securities	2	13	- 85
from investments	12	10	20
Interest income from other amortisations	341	267	28
Other interest income and similar income	1	1	-
	4 277	4 545	- 6
Interest expenses			
Interest expenses from lending and money market transactions	848	993	- 15
Interest expenses from securitised liabilities	307	410	- 25
Interest expenses from financial instruments at fair value			
Interest expenses from trading profit / loss and hedge accounting derivatives	1 540	1 655	- 7
Interest expenses from fair value option	121	140	- 14
Interest expenses from subordinated capital	124	114	9
Interest expenses from other amortisations	309	194	59
Interest expenses from provisions and liabilities	27	37	- 27
Other interest expenses and similar expenses	1	7	- 86
	3 277	3 550	- 8
Total	1 000	995	1

(6) Loan Loss Provisions

	1 Jan. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Income from provisions for lending business			
Reversal of specific valuation allowance	343	460	- 25
Reversal of lumpsum specific loan loss provisions	2	4	- 50
Reversal of general loan loss provisions	95	76	25
Reversal of provisions for lending business	27	43	- 37
Additions to receivables written off	22	14	57
	489	597	- 18
Expenses for provisions for lending business			
Allocation to specific valuation allowance	581	762	- 24
Allocation to lumpsum specific loan loss provisions	2	2	-
Allocation to general loan loss provisions	86	18	> 100
Allocation to provisions for lending business	8	30	- 73
Direct write-offs of bad debts	21	8	> 100
Premium payments for credit insurance	1	1	-
	699	821	- 15
Total	210	224	- 6

(7) Net Commission Income

	1 Jan. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Commission income			
Commission income from banking transactions	153	135	13
Commission income from non-banking transactions	7	12	- 42
	160	147	9
Commission expense			
Commission expense from banking transactions	49	45	9
Commission expense from non-banking transactions	-	18	- 100
	49	63	- 22
Total	111	84	32

(8) Profit/Loss from Financial Instruments at Fair Value through Profit or Loss

	1 Jan. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Trading profit / loss			
Profit / loss from debt securities and other fixed-interest securities	- 57	83	> 100
Profit / loss from shares and other non fixed-interest securities	4	-	-
Profit / loss from derivatives	38	211	- 82
Interest-rate risks	- 150	176	> 100
Currency risks	152	- 13	> 100
Share-price and other price risks	29	8	> 100
Credit derivatives	7	40	- 83
Profit / loss from receivables held for trading	- 79	89	> 100
	- 94	383	> 100
Foreign exchange result	- 41	- 5	> 100
Other income	1	3	- 67
	- 134	381	> 100
Profit / loss from the fair value option			
Profit / loss from receivables to customers and banks	- 6	9	> 100
Profit / loss from debt securities and other fixed-interest securities	- 19	53	> 100
Profit / loss from liabilities to banks and customers	191	- 323	> 100
Profit / loss from securitised liabilities	- 28	- 50	- 44
Profit / loss from other activities	1	-	-
	139	- 311	> 100
Total	5	70	- 93

(9) Profit/Loss from Hedge Accounting

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

	1 Jan. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Profit / loss from micro fair value hedges			
from hedged underlying transactions	127	236	- 46
from derivatives employed as hedging instruments	- 99	- 245	- 60
	28	- 9	> 100
Profit / loss from portfolio fair value hedges			
from hedged underlying transactions	170	- 245	> 100
from derivatives employed as hedging instruments	- 108	289	> 100
	62	44	41
Total	90	35	> 100

(10) 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. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Profit / loss from financial assets classified as LaR	- 4	1	> 100
Profit / loss from financial assets classified as AfS (excluding investments)			
Profit/ loss from the disposal of			
Debt securities and other fixed-interest securities	64	48	33
Shares and other non fixed-interest securities	18	1	> 100
Other financial assets classified as AfS	- 7	-	-
Profit / loss from allowances for losses on			
Debt securities and other fixed-interest securities	- 18	1	> 100
Shares and other non fixed-interest securities	- 3	- 3	-
Other financial assets classified as AfS	- 23	2	> 100
	31	49	- 37
Profit / loss from shares in companies (not consolidated)	- 1	-	-
Total	26	50	- 48

(11) Administrative Expenses

Administrative expenses comprise staff expenses, other administrative expenses and depreciation of

property and equipment, intangible assets and investment property.

	1 Jan. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Staff expenses	297	310	- 4
Other administrative expenses	231	210	10
Amortisation and depreciation	34	37	- 8
Total	562	557	1

(12) Other Operating Profit/Loss

	1 Jan. – 30 Jun. 2015 (in € million)	1 Jan. – 30 Jun. 2014 (in € million)	Change (in %)
Other operating income			
from the reversal of provisions	7	309	-98
from insurance business	-	343	- 100
from other business	105	55	91
	112	707	- 84
Other operating expenses			
from allocation to provisions	70	515	- 86
from insurance business	-	181	- 100
from other business	122	95	28
	192	791	- 76
Total	- 80	- 84	- 5

Insurance business results in other operating income of € 0 million (€ 343 million) and other operating expenses of € 0 million (€ 181 million). The changes to the reference period of the previous year are due to the deconsolidation of the insurance companies of Öffentliche Versicherung Braunschweig, Braunschweig, and the associated subsidiaries with effect of 30 September 2014.

Income from other business includes income from the chartering of ships relating to restructuring commitments in lending business (€ 34 million (€ 15 million)), income from the disposal of receivables (€ 27 million (€ 15 million)), income from the redemption of own debt securities (€ 7 million

(€ 1 million)) and rental income from investment property (€ 5 million (€ 6 million)).

Expenses from the allocation of provisions primarily concern in the period under review in the amount of € 70 million (€ 17 million) expenses for the expected annual contribution to the EU's Single Resolution Fund. In the previous year they concerned primarily provisions relating to insurance business.

Expenses from other business essentially comprise expenses from the disposal of promissory notes and registered bonds (€ 36 million (€ 36 million)), expenses to generate charter income from ships (€ 20 million (€ 10 million)), expenses from the disposal of receivables

(€ 12 million (€ 5 million)) and expenses from the redemption of own debt securities (€ 5 million (€ 10 million)).

(13) Reorganisation Expenses

Reorganisation expenses relate to measures aimed at securing the long-term future and maintaining the competitiveness of the NORD/LB Group, with its material costs and staff expenses being reported separately due to their importance. The need for reorganisation is related to the efficiency improvement programme launched in 2011 and a capital-boosting programme which is the result of EU requirements. The reorganisation expenses include in the amount of € 7 million (€ 12 million) expenses from the allocation made to reorganisation provisions for contracted agreements already concluded concerning the termination of contracts of employment.

(14) Expenses for Public Guarantees related to Reorganisation

The previous year's figure of € 1 million is attributable to the guarantee fee for a guarantee provided by the states of Lower Saxony and Saxony-Anhalt, which ended in the second quarter of 2014, and associated expenses for services.

(15) Income Taxes

Income taxes in the interim financial statements are calculated based on the anticipated income tax rate for the whole year. The underlying tax rate is based on the legal regulations that are applicable or have been passed as at the reporting date.

Notes to the Balance Sheet

(16) Loans and Advances to Banks

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Loans and advances resulting from money market transactions			
Domestic banks	2 145	1 991	8
Banks abroad	3 144	2 845	11
	5 289	4 836	9
Other loans and advances			
Domestic banks			
Due on demand	1 017	1 143	- 11
With a fixed term or period of notice	13 036	13 703	- 5
Banks abroad			
Due on demand	2 052	2 117	- 3
With a fixed term or period of notice	1 287	1 766	- 27
	17 392	18 729	- 7
Total	22 681	23 565	- 4

(17) Loans and Advances to Customers

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Loans and advances resulting from money market transactions			
Domestic customers	1 616	1 287	26
Customers abroad	296	21	> 100
	1 912	1 308	46
Other loans and advances			
Domestic customers			
Due on demand	3 173	3 131	1
With a fixed term or period of notice	72 309	74 209	- 3
Customers abroad			
Due on demand	856	667	28
With a fixed term or period of notice	29 262	28 940	1
	105 600	106 947	- 1
Total	107 512	108 255	- 1

(18) Risk Provisioning

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Specific valuation allowance	2 292	2 243	2
Lumpsum specific loan loss provisions	7	7	-
General loan loss provisions	488	497	- 2
Total	2 787	2 747	1

Risk provisioning recognised on the asset side and loan loss provisions developed as follows:

(in € million)	Specific valuation allowances		Lumpsum specific loan loss provisions		General loan loss provisions		Loan loss provisions		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
1 January	2 243	1 754	7	14	497	478	74	124	2 821	2 370
Allocations	581	762	2	2	86	18	8	30	677	812
Reversals	343	460	2	4	95	76	27	43	467	583
Utilisation	222	72	-	-	-	-	-	-	222	72
Unwinding	- 38	- 39	-	-	-	-	-1	-	- 39	- 39
Effects of changes of foreign exchange rates and other changes	71	28	-	-	-	- 15	1	-7	72	6
30 June	2 292	1 973	7	12	488	405	55	104	2 842	2 494

(19) Financial Assets at Fair Value through Profit or Loss

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Trading assets			
Debt securities and other fixed-interest securities	2 961	2 951	-
Shares and other non fixed-interest securities	59	55	7
Positive fair values from derivatives	8 068	8 898	- 9
Trading portfolio claims	2 907	2 451	19
	13 995	14 355	- 3
Financial assets as at fair value through profit or loss			
Loans and advances to banks and customers	202	257	- 21
Debt securities and other fixed-interest securities	1 761	1 694	4
	1 963	1 951	1
Total	15 958	16 306	- 2

(20) Financial Assets

The balance sheet item financial assets includes all the debt securities and other fixed-interest securities classified as available for sale (AfS), shares and other non fixed-interest securities, shares in companies which are not measured in accordance with IFRS 10, IFRS 11 or IAS 28 and

financial assets classified as loans and receivables (LaR).

Holdings in the equity of other companies and silent participations and participatory capital with loss sharing are allocated to the category (AfS).

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Financial assets classified as LaR	4 289	3 181	35
Financial assets classified as AfS			
Debt securities and other fixed-interest securities	36 399	41 312	- 12
Shares and other non fixed-interest securities	172	164	5
Shares in companies (not consolidated)	396	334	19
Other financial assets classified as AfS	105	129	- 19
	37 072	41 939	- 12
Total	41 361	45 120	- 8

(21) Property and Equipment

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Land and buildings	289	295	- 2
Operating and office equipment	49	53	- 8
Ships	200	198	1
Other property and equipment	28	22	27
Total	566	568	-

(22) Intangible Assets

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Software			
Purchased	25	25	-
Internally developed	30	42	- 29
	55	67	- 18
Intangible assets under development	70	60	17
Other intangible assets	14	12	17
Total	139	139	-

(23) Assets held for Sale

As at 30 June 2015 the designated assets held for sale in accordance with IFRS 5 with a carrying amount totalling € 66 million (€ 56 million) include property and equipment (ships) in the amount of € 28 million (€ 33 million), financial assets in the amount of € 36 million (€ 22 million) and other assets in the amount of € 2 million (€ 1 million).

The ships are reported at fair value as at 31 December 2014 for the first time within the full consolidation. The restructuring or disposal of the ships is planned to take place in the third quarter.

The financial assets held for sale are interests in an affiliated company that were allocated to the segment Group Controlling / Others and was classified for the first time as held for sale with effect of 28 May 2015. It was previously accounted for using the equity method. The disposal of the shares held in the Group is planned to take place in the third quarter.

The previous year's figure for financial assets of € 22 million includes a joint venture that was accounted for using the equity method and was disposed of in the 2nd quarter.

(24) Liabilities to Banks

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Deposits from other banks			
German banks	1 913	1 407	36
Foreign banks	521	887	- 41
	2 434	2 294	6
Liabilities resulting from money market transactions			
German banks	15 755	20 012	- 21
Foreign banks	8 846	8 389	5
	24 601	28 401	- 13
Other liabilities			
German banks			
Due on demand	3 942	3 117	26
With a fixed term or period of notice	20 893	21 491	- 3
Foreign banks			
Due on demand	1 010	1 512	- 33
With a fixed term or period of notice	1 940	2 171	- 11
	27 785	28 291	- 2
Total	54 820	58 986	- 7

(25) Liabilities to Customers

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Savings deposits			
With an agreed notice period of three months			
Domestic customers	1 365	1 650	- 17
Customers abroad	15	15	-
With an agreed notice period of three months			
Domestic customers	37	78	- 53
Customers abroad	1	1	-
	1 418	1 744	- 19
Liabilities resulting from money market transactions			
Domestic customers	10 260	10 896	- 6
Customers abroad	2 388	1 940	23
	12 648	12 836	- 1
Other liabilities			
Domestic customers			
Due on demand	15 913	13 719	16
With a fixed term or period of notice	26 092	27 523	- 5
Customers abroad			
Due on demand	1 088	791	38
With a fixed term or period of notice	1 330	1 383	- 4
	44 423	43 416	2
Total	58 489	57 996	1

(26) Securitised Liabilities

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Issued debt securities			
Covered bonds	10 655	11 190	- 5
Municipal debentures	11 765	10 106	16
Issued debt securities	15 862	17 376	- 9
	38 282	38 672	- 1
Money market instruments			
Commercial papers	1 190	1 726	- 31
Certificates of deposit	229	316	- 28
	1 419	2 042	- 31
Total	39 701	40 714	- 2

¹⁾ The previous year's figures were adjusted by € 1,840 million in accordance with IAS 8.42.

Repurchased debt securities issued by the Bank itself have been directly deducted from securitised liabilities in the amount of € 4,912 million (€ 5,140 million).

(27) Financial Liabilities at Fair Value through Profit or Loss

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Trading liabilities			
Negative fair values from derivatives	8 155	8 996	- 9
Delivery obligations from short-sales	229	122	88
	8 384	9 118	- 8
Financial liabilities designated at fair value			
Liabilities to banks and customers	6 301	6 429	- 2
Securitised liabilities	2 707	2 598	4
Subordinated capital	18	24	- 25
	9 026	9 051	-
Total	17 410	18 169	- 4

(28) Provisions

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Provisions for pensions and other obligations	2 346	2 478	- 5
Other provisions	430	368	17
Total	2 776	2 846	- 2

Other provisions include provisions for the contribution to the European bank levy in the amount of € 70 million (€ 0 million). This item also in-

cludes provisions for reorganisation measures in the amount of € 6 million (€ 9 million).

(29) Subordinated Capital

	30 Jun. 2015 (in € million)	31 Dec. 2014 (in € million)	Change (in %)
Subordinated liabilities	3 662	3 666	-
Participatory capital	149	188	- 21
Silent participations	1 002	992	1
Total	4 813	4 846	- 1

Notes to the Condensed Statement of Changes in Equity

The € 50 million (€ 0 million) reported under equity and in the condensed statement of changes in equity under the item additional equity components relates to a tranche of Additional Tier 1 bonds newly issued in the NORD/LB Group (hereafter referred to as “AT 1 bonds”). These AT1 bonds issued on the 29 June 2015 establish non-collateralised, subordinated liabilities and do not have a maturity date.

The bonds will have a fixed interest rate of 8.5 per cent in the first five years and a variable interest rate thereafter.

The bank has the right, as it sees fit, not to pay the interest in whole or in part, in particular, but not only, if this is necessary to prevent the Common Equity Tier 1 capital of Bremer Landesbank from falling below the minimum Common Equity Tier 1 capital ratio or to meet a condition imposed by the responsible regulatory authority. Any interest payments that are not paid will not be paid at a later date. The non-payment of interest will not entitle the creditors to terminate the debt securities and will not constitute a default for the Bremer Landesbank.

The debt securities may be terminated by the issuer in whole, though not in part, subject to the prior approval of the responsible regulatory authority, for the first time on the 29 June 2020 and thereafter on any interest payment date and paid back in their repayment amount plus interest accrued up to the repayment date. The debt securities may be terminated under certain circumstances at any time due to regulatory or tax reasons.

The repayment and nominal amount of the bonds may be reduced if a triggering event occurs. Such a triggering event occurs if the Common Equity Tier 1 capital ratio of the issuing Group company (the “Common Equity Tier 1 capital ratio”) falls

below 5.125 per cent (the minimum CET1 ratio). The triggering event may occur at any time and the relevant Common Equity Tier 1 capital ratio will be calculated not only in relation to specific reference dates. After a write-down has been effected, the nominal amount and the repayment amount of each debt security can be written up again in each of the financial years following the write-down up to the full amount of the original nominal amount (providing it has not previously been paid back or purchased and cancelled), providing there is an appropriate annual profit and therefore an annual loss is not incurred or increased.

The creditors do not have the right to terminate the debt securities.

According to IAS 32, the AT1 bonds are equity instruments, as these financial instruments do not involve any contractual liabilities to provide another company with liquid funds (or another asset). The AT1 bonds do not have a maturity date and early payment is not possible for the bearer. Furthermore, they are interest-bearing debt securities, the issuing Group company has the right not to pay the interest and not to make up the interest not paid at a later date. The AT1 bonds do not document voting rights or any residual claim to the Group’s net assets. The AT1 bonds are a distinct type of financial instrument that have to be reported separately under equity.

The payments for AT1 bonds are accounted for in accordance with the instrument’s classification as an equity instrument. Distributions to bearers of equity instruments are to be deducted directly from equity and not recognised in the income statement. This will therefore also be the case for the interest payments on the AT1 bonds.

Other Disclosures

(30) Fair Value Hierarchy

Within NORD/LB Group the three-stage fair value hierarchy is used with the Level 1, Level 2 and Level 3 terminology of IFRS 13.

Level 1

Under the fair value hierarchy, a financial instrument is categorised in Level 1 if it is traded on an active market and is used to establish the fair value of publicly listed market prices or prices actually traded on the over-the-counter market (OTC market). If no market prices or prices actually traded on the OTC market are available, in the measurement the feasible prices quoted by dealers are used for measurement purposes, with prices quoted by other banks or market makers being applied when price sources other than stock exchange quoted prices are used. These instruments are then assigned to Level 1 if there is an active market for these broker quotations, i.e. if only minor bid-ask spreads exist and there are several price suppliers with only marginally differing prices.

If the broker quotations are for (mixed) prices or if the price is established on a non-active market, these are not assigned to Level 1, but to Level 2 of the measurement hierarchy, if the quotations concern binding offers, observable prices or market transactions.

The Level 1 prices are taken over without any adjustment. Level 1 financial instruments include trading assets and liabilities, financial instruments designated at fair value, financial assets recognised at fair value, other assets and other liabilities.

Level 2

In the event that no price quotes are available, the fair value is calculated by means of recognised measurement methods or models as well as by means of external pricing services, if measure-

ment in this case is carried out either fully or to a significant degree using observable input data such as spread curves (Level 2). For the measuring of financial instruments, these methods include measurement methods which are established on the market (e.g. discounted cash flow method and the Hull-White model for options) whose calculations are always based on input parameters available on an active market. A requirement here is that variables which market participants would have taken into account when specifying prices are included in the measurement process. Wherever possible, respective parameters are taken from markets on which the instruments are issued or acquired.

Measurement models are employed primarily for OTC derivatives and securities listed on inactive markets. The models include a range of parameters such as for example market prices and other market quotations, risk-free interest-rate curves, risk premiums, exchange rates and volatilities. The parameters for the models are always chosen using prevailing market methods.

For securities on the assets side for which there is no active market and for which measurement can no longer be based on market prices, fair value is determined for measurement purposes in accordance on the basis of discounted cash flows. For discounted cash flow methods, all payments are discounted by the risk-free interest-rate curve adjusted for the credit spread. Spreads are determined on the basis of comparable financial instruments (for example on consideration of the respective market segment and the issuers credit rating).

The financial instruments in NORD/LB Group to be measured in this manner are ascertained on the basis of individual securities and a subsequent separation into active and inactive markets. Changed market assessments are included in measurement. The identification, analysis and

valuation of financial instruments in inactive markets take place in several areas of the Group, whereby the inactivity is assessed as objectively as possible. The measurement model for financial instruments for which no prices listed in active markets can be used is based on term-related interest rates, the credit rating of the respective issuer and where applicable further components such as foreign currency premiums.

Level 2 financial instruments include trading assets and liabilities, hedge accounting derivatives, financial assets and liabilities designated at fair value, financial assets recognised at fair value, designated assets held for sale at fair value and other assets.

Level 3

Financial instruments for which there is no longer an active market and for which measurement can no longer be based completely on observable market parameters are allocated to Level 3. In comparison and in differentiation to Level 2 measurement, the Level 3 valuation employs models that are specific to the bank as well as data which is not observable on the market. The input parameters used in these methods include among other things assumptions about cash flows, loss estimates and the discount rate and are gathered as far as possible on a near-market basis.

The Level 3 method is partly used to measure interest-bearing securities and derivatives for which the market has been classified as being inactive. Additionally, loans intended for syndication and associated derivatives are allocated to Level 3. Individual tranches of collateralised debt obligations (CDO) and equity structures are also

measured in accordance with Level 3. Level 3 financial instruments include trading assets and liabilities, hedge accounting derivatives, financial assets and liabilities designated at fair value and financial assets recognised at fair value.

Establishing fair values

For derivatives of OTC markets there are generally no listed prices available, the fair values are therefore established using other measurement methods. The fair values are initially measured using cash-flow models without taking into account the credit default risk. For the correct measurement of fair values, both the credit default risk of the counterparty (CVA) and the Bank's own credit default risk (DVA) need to be considered. The credit default risk is considered by way of an add-on.

Secured OTC derivatives are primarily measured by the NORD/LB Group using the current market standard of overnight index swap discounting (OIS discounting).

All measurement models applied in the Group are reviewed regularly. The fair values are subject to internal controls and processes in the NORD/LB Group. These controls and processes are carried out and coordinated in the Finance and Risk Control Division. The models, the data used in them and the resulting fair values are reviewed regularly.

In addition, the option to calculate the counterparty risk (credit value adjustment (CVA)/debit value adjustment (DVA) on the basis of the net risk position in accordance with IFRS 13.48 was exercised. The CVA/DVA is allocated to individual transactions in the balance sheet using the relative credit adjustment approach.

The fair values of financial instruments are compared with their carrying amounts in the following table.

(in € million)	30 Jun. 2015			31 Dec. 2014		
	Fair Value	Carrying amount	Difference	Fair Value	Carrying amount	Difference
Assets						
Cash reserve	655	655	–	1 064	1 064	–
Loans and advances to banks	23 378	22 681	697	24 455	23 565	890
Loans and advances to customers	108 538	107 512	1 026	110 532	108 255	2 277
Risk provisioning	¹⁾	– 2 787	–	¹⁾	– 2 747	–
Sub-total of loans and advances to banks / customers (net after loan loss provisions)	131 916	127 406	4 510	134 987	129 073	5 914
Balancing items for financial instruments hedged in the fair value hedge portfolio	²⁾	63	–	²⁾	114	–
Financial assets at fair value through profit or loss	15 958	15 958	–	16 306	16 306	–
Positive fair values from hedge accounting derivatives	2 902	2 902	–	3 483	3 483	–
Financial assets not reported at fair value	4 078	4 330	– 252	2 968	3 220	– 252
Financial assets reported at fair value	37 031	37 031	–	41 901	41 901	–
Assets held for sale not reported at fair value	75	36	39	–	–	–
Assets held for sale reported at fair value	30	30	–	56	56	–
Other assets not reported at fair value	47	47	–	20	20	–
Other assets reported at fair value	38	38	–	25	25	–
Total	192 730	188 496	4 297	200 810	195 262	5 662
Liabilities						
Liabilities to banks	55 689	54 820	869	60 251	58 986	1 265
Liabilities to customers	61 713	58 489	3 224	61 756	57 996	3 760
Securitised liabilities	40 064	39 701	363	41 691	40 714	977
Balancing items for financial instruments hedged in the fair value hedge portfolio	²⁾	681	–	²⁾	1 176	–
Financial liabilities at fair value through profit or loss	17 410	17 410	–	18 169	18 169	–
Negative fair values from hedge accounting derivatives	3 267	3 267	–	3 926	3 926	–
Liabilities held for sale not reported at fair value	2	2	–	6	6	–
Other assets not reported at fair value	71	71	–	16	16	–
Other assets not reported at fair value	1	1	–	1	1	–
Subordinated capital	5 279	4 813	466	5 360	4 846	514
Total	183 494	179 253	4 292	191 170	185 830	6 516

¹⁾ Amounts relating to risk provisioning are shown in the corresponding fair values of loans and advances to banks and loans and advances to customers.

²⁾ Amounts relating to the assets and liabilities item "Adjustment item for financial instruments hedged in the fair value hedge portfolio" are shown in the fair values of the respective items of hedged financial instruments.

It was not possible to reliably determine a fair value for € 41 million (€ 39 million) of financial instruments because there is no active market for these financial instruments and furthermore no required estimations within sustainable spreads and appropriate probabilities of occurrence are feasible. These are mainly investments.

It is intended that these financial instruments remain fully retained in the company.

For some of NORD/LB Group's liabilities recognised at fair value the guarantor liability of the state of Lower Saxony, the state of Saxony-Anhalt and the state of Mecklenburg-Western Pomerania apply. The effect of the guarantor liability is considered in the fair value measurement of the liabilities.

The table below shows the distribution of financial assets and liabilities recognised at fair value based on the fair value hierarchy:

(in € million)	Level 1		Level 2		Level 3		Total	
	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014
Assets								
Assets held for trading	1 017	847	12 834	13 311	144	197	13 995	14 355
Debt securities and other fixed-interest securities	958	792	2 003	2 159	–	–	2 961	2 951
Shares and other non fixed-interest securities	59	55	–	–	–	–	59	55
Positive fair values from derivatives	–	–	8 068	8 898	–	–	8 068	8 898
Interest-rate risks	–	–	7 060	8 060	–	–	7 060	8 060
Currency risks	–	–	758	639	–	–	758	639
Share-price and other price risks	–	–	221	181	–	–	221	181
Credit derivatives	–	–	29	18	–	–	29	18
Trading portfolio claims	–	–	2 763	2 254	144	197	2 907	2 451
Financial assets as at fair value through profit or loss	848	935	1 115	1 016	–	–	1 963	1 951
Loans and advances to customers	–	–	202	257	–	–	202	257
Financial assets	848	935	913	759	–	–	1 761	1 694
Debt securities and other fixed-interest securities	848	935	913	759	–	–	1 761	1 694
Positive fair values from hedge accounting derivatives	–	–	2 902	3 483	–	–	2 902	3 483
Positive fair values from employed micro fair value hedge derivatives	–	–	2 122	2 498	–	–	2 122	2 498
Interest-rate risks	–	–	1 999	2 383	–	–	1 999	2 383
Currency risks	–	–	123	115	–	–	123	115
Positive fair values from employed portfolio fair value hedge derivatives	–	–	780	985	–	–	780	985
Interest-rate risks	–	–	780	985	–	–	780	985
Financial assets at fair value	10 169	11 124	26 508	30 412	354	365	37 031	41 901
Debt securities and other fixed-interest securities	9 948	10 918	26 447	30 391	4	5	36 399	41 314
Shares and other non fixed-interest securities	172	162	–	2	–	–	172	164
Shares in companies (not consolidated)	49	44	7	19	299	231	355	294
Other financial assets classified as AFS	–	–	54	–	51	129	105	129
Assets held for sale reported at fair value	–	–	30	56	–	–	30	56
Other financial assets reported at fair value	16	17	22	8	–	–	38	25
Total assets	12 050	12 923	43 411	48 286	498	562	55 959	61 771

(in € million)	Level 1		Level 2		Level 3		Total	
	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014
Liabilities								
Trading liabilities	37	80	8 345	9 021	2	17	8 384	9 118
Negative fair values from derivatives relating to	4	3	8 149	8 976	2	17	8 155	8 996
interest-rate risks	1	2	6 135	7 129	1	16	6 137	7 147
currency risks	–	–	1 988	1 820	1	1	1 989	1 821
share-price and other price risks	3	1	1	1	–	–	4	2
credit derivatives	–	–	25	26	–	–	25	26
Delivery obligations from short-sales and other trading assets	33	77	196	45	–	–	229	122
Financial liabilities reported at fair value	29	26	8 992	9 016	5	9	9 026	9 051
Liabilities to banks	–	–	504	564	–	–	504	564
Liabilities to customers	–	–	5 797	5 865	–	–	5 797	5 865
Securitised liabilities	29	26	2 673	2 563	5	9	2 707	2 598
Subordinated capital	–	–	18	24	–	–	18	24
Negative fair values from hedge accounting derivatives	–	–	3 267	3 926	–	–	3 267	3 926
Negative fair values from employed micro fair value hedge derivatives	–	–	2 924	3 506	–	–	2 924	3 506
interest-rate risks	–	–	2 521	3 123	–	–	2 521	3 123
currency risks	–	–	403	383	–	–	403	383
Negative fair values from employed portfolio fair value hedge derivatives	–	–	343	420	–	–	343	420
interest-rate risks	–	–	343	420	–	–	343	420
Other financial liabilities reported at fair value	1	1	–	–	–	–	1	1
Total liabilities and equity	67	107	20 604	21 963	7	26	20 678	22 096

The Level 3 financial assets currently recognised at fair value are valued using the counterparty price.

The designated assets held for sale at fair value are non-recurrent fair value valuations (see Note (23) Assets held for Sale).

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

1 Jan. – 30 Jun. 2015 (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	33	–	194	–	–	–
Debt securities and other fixed-interest securities	33	–	194	–	–	–
Financial assets as at fair value through profit or loss	188	–	8	–	–	–
Financial assets	188	–	8	–	–	–
Debt securities and other fixed-interest securities	188	–	8	–	–	–
Financial assets at fair value	1 560	–	2 021	–	–	77
Debt securities and other fixed-interest securities	1 560	–	2 021	–	–	–
Other financial assets classified as AfS	–	–	–	–	–	–
Trading liabilities	–	–	2	–	–	77
Delivery obligations from short-sales and other trading assets	–	–	2	–	–	–
Financial liabilities reported at fair value	15	–	22	–	4	–
Securitised liabilities	15	–	22	–	4	–

For asset-side financial instruments, a level assessment takes place on an individual transaction basis in accordance with HFA 47. This specifies how financial instruments are to be classified in the various levels. Accordingly, (mixed) prices calculated by price service agencies on the basis of reported prices are to be allocated to Level 2. Broker quotations have to come from an “active market” in order to be allocated to Level 1. If there are only a few broker quotations or if these involve big bid-ask spreads or price differences, it is assumed that there is no active market. As at the balance sheet date, based on the above, the transfers have been mostly between Level 1 and Level 2 compared to the previous end-of-year reporting date.

When measuring the Bank’s own structured issues (DFV), the use of market prices is reviewed as at the reporting date. Following this review, some issues generally move between Level 1 and 2 due to a change in trading activity. Transfers from Level 3 to Level 1 have taken place because a market price be used at the year-end.

There were movements in financial assets classified as AfS from Level 3 to Level 2 as monitorable reference prices and transactions were available for identical financial assets.

The transfer date for the transfers between the individual levels is the end of the reporting period.

Financial assets and liabilities in Level 3 of the fair value hierarchy developed as follows:

(in € million)	Trading assets Trading portfolio claims and other trading assets	
	2015	2014
1 January	197	16
Effect on the income statement ¹⁾	- 45	13
Addition from purchase or issuance	54	112
Repayment / exercise	62	-
30 June	144	141
Profit / losses result from measurement effects, realisation and deferred interest and are shown in the respective items in the income statement ¹⁾	- 23	13

¹⁾ The effects reported include valuation gains/losses, realised profit/loss and deferred interest; these are reported in the income statement under the items (5) Net interest income and (8) Profit/loss from financial instruments at fair value through profit or loss.

(in € million)	Financial assets at fair value					
	Debt securities and other fixed-interest securities		Shares in companies (not consolidated)		Other financial assets classified as AFS	
	2015	2014	2015	2014	2015	2014
1 January	5	57	231	227	129	123
Effect on the income statement ¹⁾	-	-	-	-	-	2
Effect on the equity capital	-	7	53	2	- 1	- 1
Addition from purchase or issuance	-	2	15	40	-	-
Disposal from sale	1	48	-	-	-	-
Addition from Level 1 and 2	-	8	-	34	-	-
Disposal to Level 1 and 2	-	13	-	-	77	-
30 June	4	13	299	303	51	124
Profit / losses result from measurement effects, realisation and deferred interest and are shown in the respective items in the income statement ¹⁾	-	-	-	-	- 1	2

¹⁾ The effects reported include valuation gains/losses, realised profit/loss and deferred interest; these are reported in the income statement under the items (5) Net interest income and (10) Profit/loss from financial assets.

(in € million)	Trading liabilities					
	Trading Liabilities Interest-rate risk		Trading liabilities Currency risks		Trading liabilities Credit derivatives	
	2015	2014	2015	2014	2015	2014
1 January	16	-	1	-	-	4
Effect on the income statement	-	-	-	-	-	-1
Addition from purchase or issuance	1	10	-	-	-	-
Disposal from sale	16	-	-	-	-	-
Disposal to Level 1 and 2	-	-	-	-	-	3
30 June	1	10	1	-	-	-

¹⁾ The effects reported include valuation gains/losses, realised profit/loss and deferred interest; these are reported in the income statement under the items (5) Net interest income and (8) Profit/loss from financial instruments at fair value through profit or loss.

(in € million)	Designated financial liabilities reported at fair value Securitised liabilities	
	2015	2014
1.1.	9	8
Addition from purchase or issuance	-	1
Disposal to Level 1 and 2	4	-
30.6.	5	9

¹⁾ The effects reported include valuation gains/losses, realised profit/loss and deferred interest; these are reported in the income statement under the items (5) Net interest income and (8) Profit/loss from financial instruments at fair value through profit or loss.

For the fair value measurement of the financial instruments in Level 3, the following significant unobservable input data were used.

Product	Fair value 30 Jun. 2015 (in € million)	Significant non-observable input data in the fair value measurement	Spread of the used input data	Weighted average
Loans	145	Rating	Rating Class (25er DSGV- Skala) 5-22	Averaged Rating 12,62
Interest-bearing bonds (assets)	4	Fair Value	-	-
Participations	278	Discount rate	1% risk-free base interest rate	+/-50 Basispoints
	21	Adjusted Beta	+/-50 Basispoints	+/-600 Basispoints
Silent participations	51	Credit Spread	+/-100 Basispoints	+/-100 Basispoints
Derivatives (liabilities)	- 1	historical volatilities	8%	8%
Forward transactions (liabilities)	- 1	Rating	Rating Class (25er DSGV- Skala) 12	Averaged Rating 5
Interest-bearing bond (liabilities)	- 5	historical volatilities	17-34%	24%

Significant unobservable data in the fair value measurement of interest-bearing securities is the fair value, because, due to a lack of market data, counterparty prices are used that qualify as Level 3 input parameters. The sensitivity is approximated via a price amendment of 10 per cent and totals € 0.4 million (€ 0.5 million).

Significant unobservable data in the fair value measurement of silent participations is the discount rate or the adjusted beta. Significant changes in this input parameter result in a significantly higher or lower fair value. As part of the sensitivity analysis, the discount rate was stressed in the measurement by increasing or reducing it by 50 basis points. The adjusted beta was stressed in the measurement by increasing or reducing it by 50 basis points. Accordingly an imputed change in the parameter would result in a change in the fair value of investments in Level 3 of € 19.3 million (€ 5 million).

Significant unobservable data in the fair value measurement of silent participations is the credit spread. Significant changes in this input parameter result in a significantly higher or lower fair value. As part of the sensitivity analysis, the credit spread was stressed in the measurement by increasing or reducing it by 100 basis points. Accordingly an imputed change in the parameter would result in a change in the fair value of all silent participations in Level 3 of € 0.8 million (€ 3.8 million).

A significant unobservable input parameter in the fair value measurement of loans is the internal rating. Significant changes in this input parameter result in a significantly higher or lower fair value. As part of the sensitivity analysis, the rating was moved up and down one class. Accordingly an imputed change in the parameter has resulted in a change in the fair value of the loans in Level 3 of € 1.5 million (€ 1 million).

There are derivatives that have been measured as part of syndicated loans and allocated to Level 3. These are forward transactions. There are also derivatives that have been allocated to Level 3 based on historic volatility.

Significant non-observable input data in the fair value measurement of these derivatives are the rating and historic volatilities. Details concerning the sensitivity of historic volatilities are permissibly not given, as the historic volatilities are not calculated by the company itself, but are based on original market transactions. Significant changes in the ratings result in a significantly higher or lower fair value. As part of the sensitivity analysis, the rating was stressed by being moved up and down a level. Accordingly an imputed change would result in a change in the fair value of the derivatives in Level 3 of € 0 million (€ 0.6 million).

The sensitivity of the loans and derivatives described above also takes into account transactions whose performance based on parameters that

cannot be observed in the market do not have any effect on the income statement due to economically inseparable relationships between individual underlying and hedging transactions. These concern loans intended for syndication and associated derivatives, which reflect the fixed forward sale. Changes in the value of loans are partly compensated for by changes in the value of derivatives. This compensation results in a net (income-statement-relevant) sensitivity that is reduced by € 0 million.

The interest-bearing securities, investments and silent participations are mainly reported under financial assets, while derivatives and loans are reported under financial assets and liabilities at fair value through profit or loss.

For the fair value measurement of Level 3 financial instruments, there are no relevant correlations between significant Level 3 input parameters and as a result there is no impact on the fair value.

(31) Derivative Financial Instruments

Unlike their presentation in the balance sheet, the market values are stated prior to offsetting in the balance sheet in accordance with IAS 32.42.

(in € million)	Nominal values		Fair value positive		Fair value negative	
	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014
Interest-rate risk	272 793	259 597	9 839	15 272	9 001	14 422
Currency risk	50 150	54 996	882	753	2 391	2 203
Share-price and other price risks	368	332	221	181	4	2
Credit risk	3 677	3 564	28	18	25	26
Total	326 988	318 489	10 970	16 224	11 421	16 653

(32) Disclosures concerning Selected Countries

The table below shows, in contrast to the exposure in the risk report (see the Interim Management Report), the reported values of transactions relating to selected countries (including credit derivatives).

The disclosures by country include regional governments, municipalities and state-related public-sector companies.

(in € million)	Financial Instruments Held for Trading		Financial Instruments designated at Fair Value through Profit or Loss		Available for Sale Assets	
	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014
Ireland						
Country	9	-1	-	-	21	22
Financing institutes / insurance companies	55	4	-	-	24	169
Companies / other	34	42	-	-	-	-
	98	45	-	-	45	191
Italy						
Country	25	26	285	269	1 282	1 455
Financing institutes / insurance companies	- 5	14	-	-	133	439
Companies / other	3	4	-	-	90	82
	23	44	285	269	1 505	1 976
Portugal						
Country	-4	-6	-	-	76	157
Financing institutes / insurance companies	-1	-3	-	-	-	-
Companies / other	-	-	-	-	-	21
	-5	-9			76	178
Slowenien						
Country	8	-	-	-	-	31
	8					31
Spanien						
Country	11	40	-	-	161	215
Financing institutes / insurance companies	4	72	-	-	1 310	1 528
Companies / other	12	11	-	-	15	14
	27	123	-	-	1 486	1 757
Ungarn						
Country	-	-	-	-	139	165
					139	165
Zypern						
Companies / other	14	14	-	-	-	-
	14	14	-	-	-	-
Total	165	217	285	269	3 251	4 298

For financial instruments categorised as available for sale with acquisition costs totalling € 2,952 million (€ 3,914 million), the cumulative valuation result of the selected countries reported in equity totals € 247 million (€ 294 million).

(in € million)	Loans and receivables							
	Gross book value		Specific valuation allowances		General loan loss provisions		Fair value	
	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014	30 Jun. 2015	31 Dec. 2014
Greece								
Companies / other	94	214	54	51	1	1	79	181
	94	214	54	51	1	1	79	181
Ireland								
Financing institutes / insurance companies	196	233	-	-	-	-	354	238
Companies / other	2 378	2 217	-	-	1	3	2 195	2 260
	2 574	2 450	-	-	1	3	2 549	2 498
Italy								
Financing institutes / insurance companies	84	84	-	-	-	-	73	68
Companies / other	113	47	-	-	-	-	118	49
	197	131	-	-	-	-	191	117
Portugal								
Financing institutes / insurance companies	-	8	-	-	-	1	-	8
Companies / other	28	30	-	-	-	-	28	30
	28	38	-	-	-	1	28	38
Russia								
Financing institutes / insurance companies	165	158	-	-	-	-	163	157
Companies / other	46	48	-	5	-	-	44	48
	211	206	-	5	-	-	207	205
Spain								
Country	53	52	-	-	-	-	55	54
Financing institutes / insurance companies	148	98	-	5	-	-	148	99
Companies / other	242	301	33	38	35	-	245	339
	443	451	33	43	35	-	448	492
Hungary								
Financing institutes / insurance companies	1	1	-	-	-	-	1	1
Companies / other	36	38	-	-	-	-	36	38
	37	39	-	-	-	-	37	39
Cyprus								
Companies / other	1 221	1 216	61	51	11	29	923	935
	1 221	1 216	61	51	11	29	923	935
Total	4 805	4 745	148	150	48	34	4 462	4 505

The nominal value of credit derivatives relating to the selected countries in the NORD/LB Group's portfolio is € 584 million (€ 709 million). Of this, states account for EUR 378 million (€ 423 million), financing institutions/insurance companies for

€ 145 million (€ 260 million) and companies/others for € 61 million (€ 26 million). The Group acts as both a provider and recipient of collateral. The netted fair value of the credit derivatives is € -7 million (€ -11 million).

Other Notes

(33) Regulatory Data

The following schedule shows the composition of regulatory capital for the group of institutes in accordance with Article 25 et seq. of the CRR:

(in € million)	30 Jun. 2015	31 Dec. 2014
Total risk exposure amount	68 931	69 231
Capital requirements for credit risk	4 692	4 837
Capital requirements for operational risks	419	382
Capital requirements for market risks	301	220
Capital requirements for loan amount adjustments	102	99
Capital requirements	5 514	5 538

(in € million)	30 Jun. 2015	31 Dec. 2014
Paid-up capital including premium	4 930	4 960
Reserves	2 326	2 187
Eligible components of CET 1 capital at subsidiaries	838	786
Other components of CET 1 capital	101	85
– Deductible items (from CET 1 capital)	– 1 444	– 2 199
Adjustments due to transition rules	996	1 710
Balancing item to prevent negative AT 1 capital	–	– 148
Common Equity Tier 1 capital	7 747	7 381
Grandfathered AT1 instruments	620	709
Adjustments due to transition rules	– 469	– 857
Balancing item to prevent negative AT 1 capital	–	148
Additional Tier 1 capital	151	–
Tier 1 capital	7 898	7 381
Paid-up instruments of Tier 2 capital	2 768	2 788
Eligible components of Tier 2 capital at subsidiaries	354	387
– Deductible items (from Tier 2 capital)	– 5	– 1
Adjustments due to transition rules	– 983	– 1 432
Tier 2 capital	2 134	1 742
Own funds	10 032	9 123

(in %)	30 Jun. 2015	31 Dec. 2014
Common equity tier 1 capital ratio	11.24%	10.66%
Tier 1 capital ratio	11.46%	10.66%
Total capital ratio	14.55%	13.18%

(34) Contingent Liabilities and Other Obligations

	30 Jun. 2015 (in € mil- lion)	31 Dec. 2014 (in € mil- lion)	Change (in %)
Contingent liabilities			
Liabilities from guarantees and other indemnity agreements	3 863	5 315	- 27
	3 863	5 315	- 27
Other obligations			
Irrevocable credit commitments	9 542	9 337	2
Total	13 405	14 652	- 9

(35) Related Parties

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

30 Jun. 2015	Companies with significant influence	Subsidiaries	Associated companies	Persons in key positions	Other related parties
(in € million)					
Assets					
Loans and advances to banks	–	–	340	–	227
of which: money market transactions	–	–	170	–	–
of which: loans	–	–	170	–	227
of which: public-sector loans	–	–	–	–	13
of which: other loans	–	–	170	–	214
Loans and advances to customers	3 297	11	322	1	704
of which: money market transactions	447	–	9	–	31
of which: loans	2 843	11	311	1	673
public-sector loans	2 761	–	15	–	639
mortgage-backed loans	–	10	91	1	25
of which: other loans	82	1	205	–	9
Financial assets at fair value through profit or loss	350	–	74	–	3
of which: Debt securities and other fixed-interest securities	77	–	–	–	–
of which: Positive fair values from derivatives	97	–	74	–	3
of which: Trading portfolio claims	176	–	–	–	–
Positive fair values from hedge accounting derivatives	109	–	–	–	–
Financial assets	1 658	–	16	–	–
of which: Debt securities and other fixed-interest securities	1 658	–	–	–	–
of which: Shares and other non fixed-interest securities	–	–	16	–	–
Total	5 582	11	752	1	934

30 Jun. 2015	Companies with significant influence	Subsidiaries	Joint ventures	Associated companies	Persons in key positions	Other related parties
(in € million)						
Liabilities						
Liabilities to banks	–	14	–	363	–	129
Liabilities to customers	1 018	31	–	339	5	231
of which: money market transactions	–	–	–	–	1	–
of which: saving deposits	628	1	–	37	–	–
Securitised liabilities	–	–	–	–	–	1
Financial liabilities at fair value through profit or loss	217	–	–	–	–	150
of which: negative fair values from derivatives	20	–	–	–	–	26
Negative fair values from hedge accounting derivatives	3	–	–	–	–	–
Subordinated capital	1	572	–	–	–	16
Other liabilities	40	–	–	–	–	–
Total	1 279	617	–	702	5	527
Guarantees / sureties received	372	–	–	–	–	–
Guarantees / sureties granted	–	–	–	19	–	12
1 Jan. – 30 Jun. 2015						
(in € million)						
Interest expenses	27	29	–	17	–	5
Interest income	68	–	–	12	–	19
Commission income	–	–	–	1	–	–
Other income and expenses	2	–	–	3	– 3	7
Total contributions to income	43	– 29	–	– 1	– 3	21

31 Dec. 2014	Compa- nies with signifi- cant influence	Subsidiar- ies	Associat- ed com- panies	Persons in key positions	Other related parties
(in € million)					
Assets					
Loans and advances to banks	-	-	281	-	229
of which: money market transactions	-	-	125	-	-
of which: loans	-	-	155	-	230
of which: public-sector loans	-	-	-	-	13
of which: other loans	-	-	155	-	217
Loans and advances to customers	2 815	11	323	1	766
of which: money market transactions	24	-	9	-	31
of which: loans	2 771	11	314	1	736
public-sector loans	2 715	-	16	-	696
mortgage-backed loans	-	10	98	1	26
of which: other loans	56	1	200	-	14
Financial assets at fair value through profit or loss	141	-	73	-	171
of which: Debt securities and other fixed- interest securities	4	-	-	-	-
of which: Positive fair values from derivatives	85	-	73	-	3
of which: Trading portfolio claims	52	-	-	-	168
Positive fair values from hedge account- ing derivatives	142	-	-	-	-
Financial assets	2 011	-	16	-	-
of which: Debt securities and other fixed- interest securities	2 011	-	-	-	-
of which: Shares and other non fixed-interest securities	-	-	16	-	-
Total	5 109	11	693	1	1 166

31 Dec. 2014	Compa- nies with signifi- cant influence	Subsidiar- ies	Joint Ven- tures	Associat- ed com- panies	Persons in key posi- tions	Other related parties
(in € million)						
Liabilities						
Liabilities to banks	-	-	-	386	-	117
Liabilities to customers	610	44	131	359	4	330
of which: money market transactions	-	-	-	-	1	-
of which: saving deposits	83	27	-	30	-	125
Securitised liabilities	-	-	-	-	-	1
Financial liabilities at fair value through profit or loss	60	-	-	1	-	159
of which: negative fair values from derivatives	23	-	-	1	-	28
Negative fair values from hedge accounting derivatives	7	-	-	-	-	-
Subordinated capital	1	541	3	-	-	15
Total	678	585	134	746	4	621
Guarantees / sureties received	424	-	-	-	-	-
Guarantees / sureties granted	-	-	-	20	-	8
1 Jan. – 30 Jun. 2014						
(in € million)						
Interest expenses	22	25	-	18	-	5
Interest income	78	-	-	13	-	21
Commission expenses	1	-	-	-	-	-
Other income and expenses	108	-	-	6	- 3	- 10
Total contributions to income	163	- 25	-	1	- 3	6

As at the balance sheet date there are valuation allowances for loans and advances to affiliated companies in the amount of € 2 million (€ 2 million).

(36) Members of Governing Bodies and List of Mandates**1. Members of the Managing Board**

Dr. Gunter Dunkel
(Chairman)

Eckhard Forst

Ulrike Brouzi

Dr. Hinrich Holm

Thomas S. Bürkle

Christoph Schulz

2. Members of the Supervisory Board

Peter-Jürgen Schneider (Chairman)
Finance Minister of Lower Saxony

Frank Hildebrandt
Bank employee,
NORD/LB Braunschweig

Thomas Mang (First Deputy Chairman)
President of Sparkassenverband Niedersachsen

Frank Klingebiel
Mayor of Salzgitter

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

Prof. Dr. Susanne Knorre
Management Consultant

Frank Berg
Chairman of the Managing Board,
Ostsee Sparkasse Rostock

Ulrich Mägde
Mayor of the Hanseatic City of Lüneburg

Norbert Dierkes
Chairman of the Managing Board,
Sparkasse Jerichower Land

Antje Niewisch-Lennartz
Justice Minister of Lower Saxony

Edda Döpke
Bank employee,
NORD/LB Hanover

Heinrich von Nathusius
IFA ROTORION - Holding GmbH

Ralf Dörries
Senior Bank Director,
NORD/LB Hanover

Freddy Pedersen
ver.di Trade Union

Dr. Elke Eller
Personnel Director, VW Commercial Vehicles,
Volkswagen AG

Jörg Reinbrecht
ver.di Trade Union

Hans-Heinrich Hahne
Chairman of the Managing Board,
Sparkasse Schaumburg

Ilse Thonagel
Bank employee, Landesförderinstitut
Mecklenburg-Vorpommern

(37) Basis of Consolidation

Company name and registered office	Shares (%) direct	Shares (%) indirect
Subsidiaries included in the consolidated financial statements		
BLB Immobilien GmbH, Bremen	100.00	–
BLBI Investment GmbH & Co. KG, Bremen	100.00	–
BLB Leasing GmbH, Oldenburg	100.00	–
Bremer Landesbank Kreditanstalt Oldenburg - Girozentrale -, Bremen	–	54.83
Bremische Grundstücks-GmbH, Bremen	100.00	–
Deutsche Hypothekenbank (Actien-Gesellschaft), Hanover	–	100.00
KreditServices Nord GmbH, Braunschweig	–	100.00
Nieba GmbH, Hanover	–	100.00
NOB Beteiligungs GmbH & Co. KG, Hanover	100.00	–
NORD/FM Norddeutsche Facility Management GmbH, Hanover	–	100.00
NORD/LB Asset Management AG, Hanover	100.00	–
NORD/LB Asset Management Holding GmbH, Hanover	–	100.00
NORD/LB Luxembourg S.A. Covered Bond Bank, Luxemburg-Findel / Luxemburg	–	100.00
NORD/LB Vermögensmanagement Luxembourg S.A., Luxemburg-Findel / Luxemburg	–	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	–

Company name and registered office	Shares (%) direct	Shares (%) indirect
Special Purpose Entities included in the consolidated financial statements		
DEMURO Grundstücks-Verwaltungsgesellschaft mbH & Co. KG, Pullach im Isartal	-	-
Fürstenberg Capital Erste GmbH, Fürstenberg	-	-
Fürstenberg Capital II GmbH, Fürstenberg	-	-
Hannover Funding Company LLC, Dover (Delaware) / USA	-	-
KMU Group	-	-
Beteiligungs- Kommanditgesellschaft MS "Buxmelody" Verwaltungs- und Bereederungs GmbH & Co., Buxtehude	-	-
KMU Shipping Invest GmbH, Hamburg	-	-
GEBAB Ocean Shipping II GmbH & Co. KG, Hamburg	-	-
GEBAB Ocean Shipping III GmbH & Co. KG, Hamburg	-	-
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	-	-
"OLIVIA" Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	-	-
"OLYMPIA" Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	-	-
"PANDORA" Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	-	-
"PRIMAVERA" Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	-	-
"QUADRIGA" Beteiligungsgesellschaft mbH & Co. KG, Elsfleth	-	-
MS "HEDDA SCHULTE" Shipping GmbH & Co. KG, Hamburg	-	-
Niraven Group	-	-
Niraven B.V., Badhoevedorp / Netherlands	-	-
Olympiaweg 4 BV, Rotterdam / Netherlands	-	-
Rochussen CV, Amstelveen / Netherlands	-	-
Rochussenstraat 125 BV, Badhoevedorp / Netherlands	-	-
Zender CV, Amstelveen / Netherlands	-	-
Zenderstraat 27 BV, Amstelveen / Netherlands	-	-
NORD/LB Objekt Magdeburg GmbH & Co. KG, Pullach im Isartal	-	-
Investment funds included in the consolidated financial statements		
NORD/LB AM ALCO	-	100.00

Company name and registered office	Shares (%) direct	Shares (%) indirect
Companies / investment funds accounted for in the consolidated financial statements using the equity method		
Joint ventures		
caplantic GmbH, Hanover	–	50.00
Associated companies		
Ammerländer Wohnungsbau-Gesellschaft mbH, Westerstede	32.26	–
BREBAU GmbH, Bremen	48.84	–
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 KB Beteiligungsgesellschaft mit beschränkter Haftung, Hanover	–	28.66
Öffentliche Lebensversicherung Braunschweig, Braunschweig ¹⁾	–	75,00
Öffentliche Sachversicherung Braunschweig, Braunschweig ¹⁾	–	75,00
SALEG Sachsen-Anhaltinische-Landesentwicklungsgesellschaft mbH, Magdeburg ²⁾	–	56.61
Toto-Lotto Niedersachsen GmbH, Hanover	–	49.85
Investment funds		
Lazard-Sparkassen Rendite-Plus-Fonds	49.18	–
Companies measured in accordance with IFRS 5		
Subsidiaries		
KG Schifffahrtsgesellschaft MS Klara mbH & Co, Jork	–	–
Nordic Buxtehude Schifffahrtsgesellschaft mbH & Co. KG	–	–
Nordic Stade Schifffahrtsgesellschaft mbH & Co. KG	–	–
Associated companies		
Deutsche Factoring Bank Deutsche Factoring GmbH & Co., Bremen	27,50	–

¹⁾ Due to the structure under company law, this company is classified as an affiliated company.

²⁾ Due to the "potential voting rights" of third parties, this company is classified as an affiliated company.

Forward-looking Statements

This report contains forward-looking statements. 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 include uncertainties since there are numerous factors which influence our business and are beyond our control. These include in particular the development of financial markets

and changes in interest rates and market prices. Actual results and developments may therefore differ considerably from the assumptions made in the report. NORD/LB accepts no responsibility for the forward-looking statements and also does not intend to update them or to correct them if developments are other than expected.

Further Information

F-53g Responsibility Statement

F-53h Review Report

Responsibility Statement

We declare that to the best of our knowledge and in accordance with applicable accounting principles, the consolidated financial statements provide a true and fair view of the Group's assets, financial and earnings position and that the Group management report presents a true and

fair view of the development of business including the operating result and the position of the Group and also describes the significant opportunities and risks relating to the probable development of the Group.

Hanover / Braunschweig / Magdeburg, 18 August 2015

Norddeutsche Landesbank Girozentrale

The Managing Board



Dr. Dunkel



Brouzi



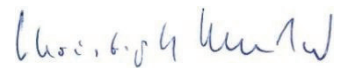
Bürkle



Forst



Dr. Holm



Schulz

Review Report

To Norddeutsche Landesbank – Girozentrale –, Hanover, Braunschweig and Magdeburg

We have reviewed the condensed interim consolidated financial statements of Norddeutsche Landesbank –Girozentrale –, Hanover, Braunschweig and Magdeburg (NORD/LB), comprising the income statement, the statement of comprehensive income, the balance sheet, the condensed statement of changes in equity, the condensed cash flow statement and selected notes – together with the interim group management report of NORD/LB for the period from 1 January to 30 June 2015 that are part of the semi annual report according to § 37 w WpHG (“Wertpapierhandelsgesetz”: “German Securities Trading Act”). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company’s management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance

with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor’s report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Hanover, 25 August 2015

KPMG AG

Wirtschaftsprüfungsgesellschaft



Ufer
Auditor



Leitz
Auditor

VI. RESPONSIBILITY

Norddeutsche Landesbank – Girozentrale – with its registered Office at 30159 Hanover, Friedrichswall 10, accepts responsibility for the information contained in this Supplement No. 1.

To the best knowledge and belief of Norddeutsche Landesbank – Girozentrale – which has taken all reasonable care to ensure that such is the case, the information contained in this Supplement No. 1 is in accordance with the facts and does not omit anything likely to affect the import of such information.

Hanover, 28 August 2015

NORDDEUTSCHE LANDESBANK – GIROZENTRALE –

gez.
Zachlod

gez.
Hoepfner