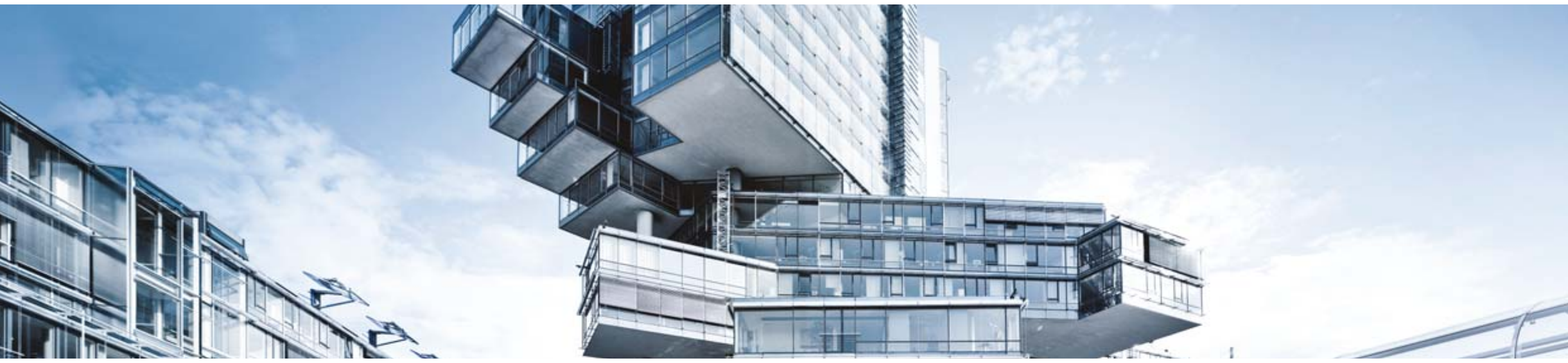
Die norddeutsche Art.



Interim Report
as at 30 September 2012

Finanzgruppe

NORD/LB Group at a glance

	1 Jan. – 30 Sep. 2012	1 Jan. – 30 Sep. 2011	Change (in %)
In € million			
Net interest income	1 504	1 311	15
Loan loss provisions	– 352	– 111	> 100
Net commission income	125	123	2
Profit / loss from financial instruments at fair value through profit or loss including hedge accounting	– 114	– 109	5
Profit / loss from financial assets	– 12	– 16	– 25
Profit / loss from investments accounted for using the equity method	– 15	– 6	> 100
Administrative expenses	824	792	4
Other operating profit / loss	– 68	– 15	> 100
Earnings before reorganisation and taxes	244	385	– 37
Reorganisation expenses	– 28	–	–
Expenses for Public Guarantees related to Reorganisation	– 7	–	–
Earnings before taxes	209	385	– 46
Income taxes	68	123	– 45
Consolidated profit	141	262	– 46
Key figures in %			
Cost-Income-Ratio (CIR)	57.5	60.8	
Return-on-Equity (RoE)	3.6	9.2	

	30 Sep. 2012	31 Dec. 2011*)	Change (in %)
Balance figures in € million			
Total assets	225 184	227 630	– 1
Customer deposits	59 211	60 648	– 2
Customer loans	114 963	114 714	–
Equity	7 709	6 543	18
Regulatory key figures			
Core capital for solvency reasons in € million	8 414	8 005	5
Regulatory equity in € million	10 761	10 727	–
Risk-weighted assets in € million	80 213	84 800	– 5
Total capital ratio in %	13.42	12.65	
Core capital ratio in %	10.49	9.44	

NORD/LB Ratings (long-term / short-term / individual)
Moody's A3 / P-2 / D Fitch Ratings A / F1 / bbb-

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

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

Interim Report as at 30 September 2012

INTERIM GROUP MANAGEMENT REPORT AS AT 30 SEPTEMBER 2012

→ *pages 5 – 31*

Contents

NORD/LB Norddeutsche Landesbank Girozentrale

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

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

The subscribed capital amounts to € 1,607,257,810, with the federal state of Lower Saxony holding 59.13 per cent (of which 33.44 per cent is held in trust for the state-owned Hannoversche Beteiligungsgesellschaft mbH), the federal state of Saxony-Anhalt 5.57 per cent, the Lower Saxony Association of Savings Banks and Girobanks 26.36 per cent, the Holding Association of the Savings Banks of Saxony-Anhalt 5.28 per cent and the Special Purpose Holding Association of the Savings Banks of Mecklenburg-Western Pomerania 3.66 per cent.

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

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

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

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

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

Control Systems

The control of profitability, productivity and the Group's risk profile are the responsibility of the Managing Board. The aim of this system of control is to optimise short and medium-term profitability and efficiency while at the same time maintaining the best possible degree of transparency in terms of earnings and cost. Regulating earnings and productivity at NORD/LB is primarily focussed on the key figures of return on equity (RoE), cost-income ratio (CIR) and the risk rate, on operating profit (contribution margin V) and on commercial profit/loss. The significance of key indicators is aligned towards the targets, depending on the respective banking division or the type of product. The cost-income ratio is defined as the ratio between administrative expenses and the sum total of the following income items: net interest income, net commission income, profit/loss from financial instruments at fair value through profit or loss, profit/loss from hedge accounting, profit/loss from investments accounted for using the equity method and other operating profit/loss. The return-on-equity refers to earnings before taxes and long-term equity under commercial law (reported equity capital less revaluation reserve less earnings after taxes.

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

Business Activities and the General Environment

Significant Events in the First Nine Months of 2012

Capital Measures
NORD/LB initiated a capital-boosting programme in 2011, the objective of which was to generate core tier 1 capital in the Group to a level that would satisfy the requirements of the EU-wide bank stress test announced in July 2011 and the tighter equity requirements approved by the EU summit in October 2011, as a result of which system-relevant banks in the EU from 30 June 2012 have to have a core tier 1 capital ratio of at least 9 per cent according to the definition of the European Banking Authority (EBA).

Significant elements of this capital-boosting programme were the conversion and restructuring of existing silent participations and other capital instruments of the owners of NORD/LB into subscribed capital and capital reserves, an increase in cash capital by the federal state of Lower Saxony in NORD/LB, the conversion of silent participations in the Group company Bremer Landesbank into subscribed capital and the provision of guarantees by the federal states of Lower Saxony and Saxony-Anhalt for the mezzanine tranch of a credit portfolio of NORD/LB brought into a securitisation structure. This guarantee is of a purely precautionary nature and may be used by NORD/LB if needed at any time until the end of 2014. During this period NORD/LB will pay a fee to the two guarantors.

In July 2012 the EU Commission finally approved all of the capital measures of this capital-boosting programme initiated in the previous year.

Significant elements of the programme had already been implemented by the end of 2011. Following the final approval by the EU Commission, the remaining measures were implemented in the third quarter of 2012. This included, in addition to the provision of guarantees, the restructuring of silent participations in NORD/LB of € 400 million and in Bremer Landesbank of € 492 million in to subscribed capital and capital reserves respectively. The conversion of the silent participations in Bremer Landesbank is linked to a reduction in NORD/LB’s share in the subscribed capital of Bremer Landesbank from 92.5 per cent to 54.8 per cent.

With the successful implementation of all of the capital-boosting measures, NORD/LB has met the requirements of the EBA concerning the required level of core tier 1 capital.

Following the approval of the capital measures by the EU Commission, a restructuring phase was launched; this restructuring is required by the EU Commission and will last several years. In this phase the bank has to meet a catalogue of binding commitments made to the EU Commission. The bank provided information about this in the interim report as at 30 June 2012.

In these consolidated financial statements the capital measures implemented in 2012 are reported as follows: The restructuring of silent participations in NORD/LB of € 400 million less the aforementioned repayment of silent participations reported as capital reserves of approx. € 129 million result in a net increase in the NORD/LB Group’s subscribed capital and capital reserves of approx. € 271 million. The conversion of silent participations in Bremer Landesbank in the amount of approx. € 492 million result due to the proportionately low participation of NORD/LB in an increase in non-controlling interests of € 652 million and a reduction in retained earnings of € 160 million. The capital measures also resulted in the end of an obligation of NORD/LB relating to the purchase of equity instruments; this increased retained earnings by € 60 million.

Economic Development

Global Economic Environment

The economic outlook has become bleaker in almost every major economy during the course of the year. This was due in particular to the worsening of the debt crisis in the eurozone between April and the end of July. The harsh consolidation measures have contributed to a severe recession in Southern Europe, which continued in the third quarter. This has also had a significant impact on economic development throughout the eurozone despite the relatively robust data in some Northern and Central European member states.

Economic development has been weaker than hoped for in other countries as well. In the USA unemployment continues to fall at a very slow rate, therefore hindering stronger economic development. In the third quarter growth picked up slightly though and gross domestic product (GDP) grew compared to the previous quarter at an annualised rate of 2.0 per cent. Private consumption remains a reliable mainstay for the US economy. The indicators for the development of the real estate market such as the number of planning approvals are starting to point towards a recovery in the real estate market.

In the most important emerging markets there has been a slowdown in growth during the course of the year. In China economic output has only risen by around 8 per cent this year. Against this background, global economic growth is only slightly above 3 per cent this year. Accordingly, there has also been a slowdown in the growth of global trade with growth of less than 4 per cent expected for 2012 as a whole.

Ships and Aircraft

In some ship segments the situation has continued to worsen in 2012. In the container segment the number of lay-ups rose in September, after the so-called peak season had not been as long as expected this year. Deliveries of high-volume ships are encountering a weak market and are having a negative impact on rates. The freight rate indices continued to fall. Charter rates also performed poorly. For example, the Harpex time charter index fell to 373 points in September after having reached 458 points in May.

Temporary rises in the Baltic Dry Index should not conceal the generally poor state of the bulker segment, which continues to be characterised by surplus tonnage. An increase in demand of 5 per cent in 2012 is seen alongside an increase of approx. 9 per cent in the bulk carrier fleet. The Baltic Dry Index therefore fell significantly by mid-September to 661 points (annual low 647 points), before recovering again to 766 points by the end of the quarter.

The slowdown in the global economy also had an effect on the tanker segment. The Baltic Dirty Tanker Index, which reflects developments in the crude oil tanker market, fell to a low of 604 points in August before improving to 649 points by the end of the quarter (26 per cent down on the high for the year in Q1 of 879 points). There was a similar development for product tankers.

The tonnage supply in the tanker segment continues to increase in line with the number of deliveries (2012 approx. 446 million dwt (deadweight tonnes)), while demand is experiencing hardly any movement (2012 approx. 346 million dwt).

Compared to the previous year, the number of global passenger flights rose to September 2012, although the growth has slowed in recent months. There is now little evidence of the slight upward trend seen in global air freight markets at the start of 2012. The reasons for these developments were among other things the fall in the business climate index, the slowdown in the growth of global trade and the weak economic development in various regions.

Despite the fall in total firm orders compared to 2011, the order activity of aircraft manufacturers has been at a good level in the current year and in some cases exceeded general market expectations. Boeing continued to benefit from a certain catch-up effect and recorded numerous orders for the 737 MAX. However, as expected Airbus recorded a significant fall in firm orders following the record year of 2011.

Real Estate
The German real estate market has developed robustly of late. A turnover volume of 2.15 million square metres was achieved in the office letting market in the first nine months of the year. This equates to a fall of 14 per cent compared to the same period of the previous year. Due to the moderate new build activity, the vacancy rate in the seven largest office locations in the country was reduced again. In the retail sector the demand for shop space in the best locations has remained buoyant since the start of 2011. The third quarter of 2012, with a volume of around 159,000 square metres, was the best quarter to date for turnover in the current letting year.

In the housing market there has been a high level of demand from investors. In the first nine months of the year a transaction volume for portfolios (more than ten residential units) of € 8 billion was registered. A change in ownership was recorded for more than 140,000 residential units. The volume for the same period of the previous year was therefore exceeded by almost 75 per cent.

Despite the continuing uncertainties in the eurozone and the worsening economic situation, investment in commercial real estate remained largely stable in Europe in the first nine months of 2012. In the third quarter the investment volume was € 24.6 billion. This equates to a slight fall of 3 per cent compared to the previous quarter. Investors continue to view Great Britain, Germany and France as the “safest havens”. The three countries accounted for almost 80 per cent of the total investment volume in the third quarter. Investment activity in the Benelux countries and Central and Eastern European countries continued to increase, although starting from a low level, while the investment volume in Scandinavian countries fell.

In the USA the slowdown in the rate of growth in the investment market seen in recent months is only temporary. The investment volume for the four submarkets of office, commercial, industry/logistics and residential was, at approximately USD 181 billion, 12 per cent higher than in the same period of the previous year. There are a lot of commercial properties that were bought at a high price in the credit crunch years and are now causing financial difficulties. However, the share of distress sales in the overall investment volume fell again in the first half of 2012 compared to the same period of the previous year. Construction activity in the residential real estate market has been picking up since mid-2011. The current level of construction starts and planning approvals is, historically, still extremely low.

Germany
Economic development was much better in Germany this year than in the rest of the eurozone, although the rate of growth slowed here as well during the course of the year. According to the hard economic indicators currently available, it appears that the third quarter was better than initially expected in Germany. Industrial production started promisingly in the summer and the seasonally-adjusted trade balance of € 18.3 billion was close to the record level of September 2007. The order situation in the manufacturing sector on the other hand has continued to deteriorate. Businesses surveyed by the Ifo Institut considered the order situation to be at its worst for two and a half years.

The situation in the financial markets calmed significantly in August and September, due in particular to the announcement by the European Central Bank (ECB) of a new programme to purchase government bonds (outright monetary transactions) and the ruling of the German Federal Constitutional Court on the Fiscal Pact and the European Stability Mechanism (ESM). The ESM was able to commence its activities in October. However, the more positive general sentiment in the financial markets has not yet carried over to businesses and consumers. Instead the business climate index for industry fell for the sixth time in a row in October. The Ifo business climate index slipped from 101.4 to 100 points. While the current situation (107.3 points) is considered to be much worse than in the previous month by businesses, at least the fall in business expectations was halted. However, the relevant index was still at its lowest point at 93.2 points since May 2009.

Unemployment has risen continuously since June, in September the seasonally-adjusted unemployment rate rose for the first time in more than three years to 6.9 per cent. Due to the recent developments, gross domestic product will grow this year by less than one per cent.

Eurozone

The German economy continues to be affected in particular by the crisis in the eurozone. Although the level of stress in the financial and capital markets has reduced somewhat of late, the improvement in the rescue infrastructure represents only one necessary and as yet insufficient condition to overcome the crisis that has now lasted for almost three years. The continuing adjustments in the public and private sectors are having a significant dampening effect on total demand in the crisis countries. The eurozone's GDP has not risen since the third quarter of 2011.

This trend is likely to have continued in the last third quarter. In the eurozone economic development continues to be weak, even though individual indicators such as industrial and construction production were very robust in the summer. The strains on private consumption due to the high and still rising level of unemployment remained though. In September almost 18.5 million people in the eurozone were unemployed, equating to a seasonally-adjusted unemployment rate of 11.6 per cent. A reversal of this trend is not yet in sight. According to the latest business and consumer survey of the EU Commission, it is expected that employment will continue to fall. The continued fall in the survey-based early indicators (economic sentiment indicator, industry confidence, national business climate indices) suggest that there will be a further contraction in the final quarter; the recession will therefore continue. Against this background, GDP is expected to fall by 0.4 per cent for the year as a whole compared to the previous year.

Inflation

Despite economic development having been weak for a good year, inflation remains high. In October the inflation rate in the eurozone was 2.5 per cent and therefore still above the European Central Bank's inflation target. A major price driver was, as in previous months, the energy sector, which is currently contributing around one percentage point to the overall inflation rate. However, the core rate is also currently being skewed upwards by special factors. For instance, consolidation requirements in the crisis countries have also resulted in higher administered prices and indirect taxes. The risk of inflationary pressures continuing can be virtually ruled out in view of the weak employment and credit developments.

Debt Crisis, Financial Markets and Interest Rates

The situation in the financial markets has calmed down significantly of late. For instance, the yields of government bonds of the crisis countries have fallen significantly, whereby the spreads on German government bonds have reduced. The ECB initially stated at the start of August that it was willing, under certain conditions, to purchase the government bonds of crisis countries in unlimited amounts. The terms for the so-called “outright monetary transactions” were specified at the start of September. An important condition for their purchase will be that the countries concerned apply for help from the ESM or EFSF, at least in the form of a preventive programme (Enhanced Conditions Credit Line).

Additionally, on 12 September the German Federal Constitutional Court cleared the way for the ratification of the ESM Treaty and the Fiscal Pact. It rejected several emergency appeals against the acts passed by the German Federal Parliament and the German Federal Council on 29 June.

The ESM Treaty states unanimously confirmed the German interpretation of the treaty with an “interpretative declaration”. The ESM was therefore able to commence its activities in October.

The markets reacted with relief to the developments. The share markets rose significantly during the third quarter. The German share index DAX climbed by a good 1,000 points from the 6,416 points recorded at the close of the first half-year to the high for the year of 7,452 points recorded on 21 September (closing price). The DAX has since fallen slightly, as poorer data from the early indicators of economic development in the eurozone has again highlighted the economic problems of the single currency area.

The yields of government bonds of the crisis countries have fallen significantly since the end of July. Against this background the yields of German government bonds, which had previously recorded historic lows due to safe-haven effects, rose again slightly. However, at the start of November the yield of ten-year German government bonds was still slightly below 1.5 per cent and therefore historically and against the background of an inflation rate of around 2 per cent extremely low.

The ECB has continued its expansive monetary policy. In July it lowered the main refinancing rate to the historically low level of 0.75 per cent. The interest rates for the deposit facility and the marginal lending facility were also lowered in line with this by 25 basis points. Money market rates subsequently fell and, due to the continuing full allocation policy, the three-month Euribor was well below the tender rate, falling below 0.2 per cent for the first time at the end of October.

Report on the Earnings, Financial and Assets Position

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

Earnings Position

Earnings before taxes for the nine months of the financial year 2012 totalled € 209 million.

The figures for the income statement are summarised as follows:

(in € million)	1 Jan.–30 Sep. 2012	1 Jan.–30 Sep. 2011*)	Change**)
Net interest income	1 504	1 311	193
Loan loss provisions	– 352	– 111	– 241
Net commission income	125	123	2
Profit/loss from financial instruments at fair value through profit or loss including hedge accounting	– 114	– 109	– 5
Profit/loss from financial assets	– 12	– 16	4
Profit/loss from investments accounted for using the equity method	– 15	– 6	– 9
Administrative expenses	824	792	– 32
Other operating profit/loss	– 68	– 15	– 53
Earnings before reorganisation and taxes	**244**	**385**	**– 141**
Reorganisation expenses	– 28	–	– 28
Expenses for Public Guarantees related to Reorganisation	– 7	–	– 7
Earnings before taxes	**209**	**385**	**– 176**
Income taxes	68	123	55
Consolidated profit	**141**	**262**	**– 121**

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

The individual income items are shown as follows:

Net interest income rose compared to the same period of the previous year by € 193 million. In the period under review the net interest income in customer business for the financing of ships, aircraft and real estate increased due to a positive development in interest rates and margins. However, given the adequate liquidity resources, the result of the interest rate change risk control initiative is below expectations due to the lack of lucrative investment opportunities with manageable risk. Compared to the previous year, expenditure on securitised liabilities fell by € 99 million due to a reduced portfolio. Following the restructuring of capital instruments, expenditure on subordinated capital also fell by € 61 million. Net interest income is also affected by a fall in income from securities transactions of € 66 million as a result of the reduction in risk-weighted assets (RWA).

Expenses related to **loan loss provisions** increased by € 241 million compared to the same period of the previous year. This is primarily due to the net allocation to specific valuation allowances in the amount of € 436 million, compared to a much lower allocation of € 108 million in the same period of the previous year. The net allocations in both reporting periods relate primarily to the shipping portfolio. An increase in the net reversal of general loan loss provisions of € 103 million had the opposite effect.

Net commission income is at € 125 million at the level of the same period of the previous year.

The **profit/loss from financial instruments at fair value through profit or loss including hedge accounting** totals € – 114 million and therefore fell slightly compared to the reference period by € 5 million. In addition to the interest and rating-induced valuation effects of structured liabilities that are recognised as an expense, the profit/loss is affected in particular by the increase in valuation losses relating to currency derivatives as a result of the convergence of the EUR/USD base spreads. However, the valuation gains for credit derivatives due to the convergence of the relevant credit spreads and share derivatives as a result of positive market developments had a positive effect.

The **profit/loss from financial assets** is € – 12 million and is therefore € 4 million above the previous year's figure. While the previous year's profit/loss was affected significantly by impairments to Greek government bonds, in the year under review profit/loss has been affected in particular by the change in the value of a financial obligation arising from an agreement with a minority shareholder to buy own equity instruments.

At € – 15 million, the **profit/loss from investments accounted for using the equity method** was € 9 million below the figure recorded in the same period of the previous year. The fall is mainly the result of the write-down of an associated company made in the year under review.

Administrative expenses are at € 824 million slightly above the previous year's level. The increase in staff expenses, which is primarily due to negotiated wage increases, was not fully compensated for by the fall in other administrative expenses, which is attributable to a fall in office and building expenses as well as a fall in expenses for external services.

The fall in **other operating profit/loss** of € 53 million to € – 68 million is primarily attributable to losses from the redemption of own bonded loans, registered bonds and collateralized loan obligations. A slight fall in expenses relating to the bank levy of € 36 million (€ 42 million) had a positive effect.

The **reorganisation expenses** of € – 28 million are attributable in the amount of € 23 million to allocations made to restructuring provisions as part of the efficiency improvement programme for contracted agreements already concluded as at the balance sheet date concerning the termination of contracts of employment. Expenditure on other restructuring measures accounted for a further € 5 million.

Expenses for Public Guarantees related to Reorganisation consist solely of guarantee measures of the federal states of Lower Saxony and Saxony-Anhalt as part of the capital-boosting programme.

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

Assets and Financial Position

(in € million)	30 Sep. 2012	31 Dec. 2011	Change
Loans and advances to banks	33 841	34 618	– 777
Loans and advances to customers	114 963	114 714	249
Loan loss provisions	– 1 868	– 1 785	– 83
Financial assets at fair value through profit or loss	18 204	18 644	– 440
Positive fair values from hedge accounting derivatives	4 703	3 289	1 414
Financial assets	52 516	54 499	– 1 983
Investments accounted for using the equity method	313	387	– 74
Other assets	2 512	3 264	– 752
Total assets	**225 184**	**227 630**	**– 2 446**
Liabilities to banks	60 316	59 258	1 058
Liabilities to customers	59 211	60 648	– 1 437
Securitised liabilities	61 814	66 076	– 4 262
Financial liabilities at fair value through profit or loss	21 093	20 529	564
Negative fair values from hedge accounting derivatives	4 795	3 422	1 373
Provisions	3 896	3 414	482
Other liabilities	1 513	1 654	– 141
Subordinated capital	4 837	6 086	– 1 249
Reported equity including non-controlling interests	7 709	6 543	1 166
Total liabilities and equity	**225 184**	**227 630**	**– 2 446**

Total assets fell compared to 31 December 2011 by € 2.4 billion to € 225.2 billion. On the assets side this fall is primarily recorded in financial assets, loans and advances to banks and financial assets at fair value through profit or loss. This has been partly compensated for by the increase in other assets and loans and advances to customers. On the liabilities side, the fall in securitised liabilities and liabilities to customers is partly compensated for by the increase in reported equity including non-controlling interests and liabilities to banks. Financial liabilities at fair value through profit or loss and provisions also increased.

Loans and advances to customers are still the largest balance sheet item at 51 per cent (51 per cent), followed by financial assets at 23 per cent (24 per cent).

Financial assets at fair value through profit or loss comprise trading assets and financial assets designated at fair value and are € 440 million below the previous year's level. The positive fair values from derivatives is seen alongside a fall in receivables from the trading portfolio and financial assets designated at fair value.

The increase in **positive fair values from hedge accounting derivatives** is attributable to an increase in transactions designated as hedge accounting. This also applies to the **negative fair values from hedge accounting** on the liabilities side.

Financial assets have fallen by € 1,983 million compared to the previous year due to a reduction in financial assets classified as loans and receivables (LaR), debt securities and fixed-interest securities.

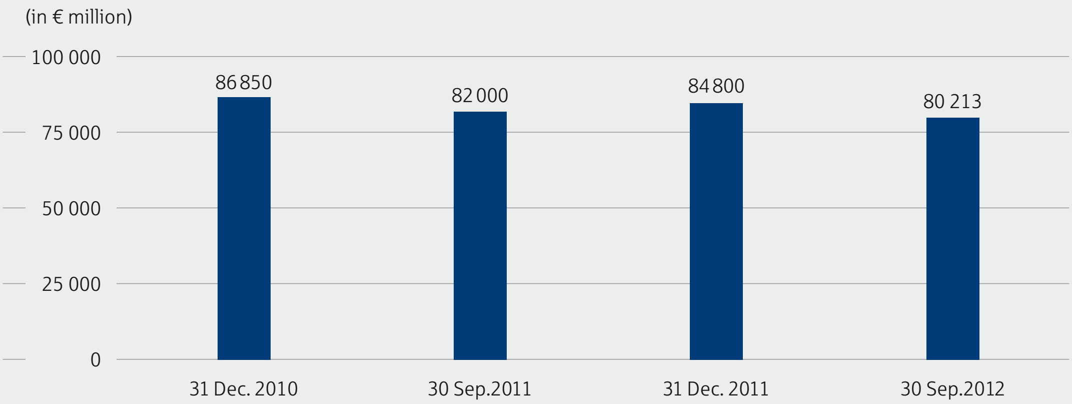
The reduction in liabilities from money market transactions to domestic customers on the other hand has contributed significantly to the fall in **liabilities to customers**. The fall in **securitised liabilities** is primarily attributable to the expiry of municipal bonds and a lower volume of new issues.

Liabilities at fair value through profit or loss comprise trading liabilities and financial liabilities designated at fair value. Compared to the previous year they have risen by € 564 billion. This is largely due to the change in financial liabilities designated at fair value.

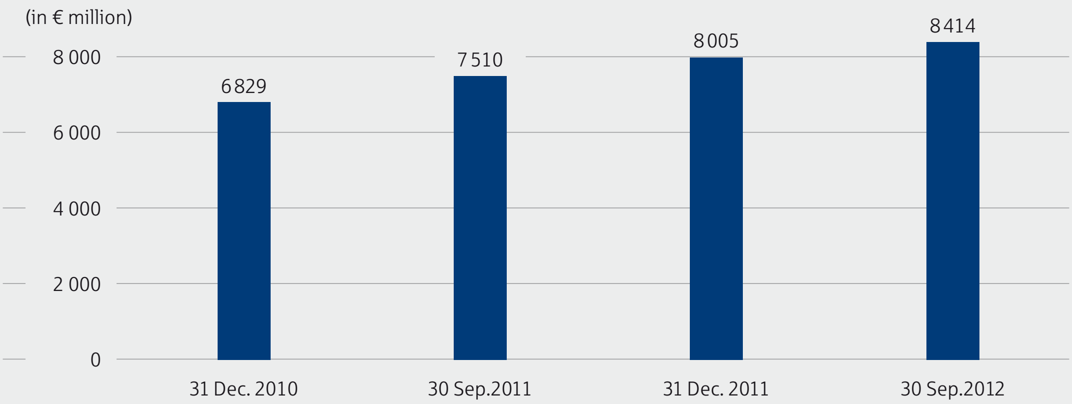
The fall in **subordinated capital** is attributable to measures relating to the capital-boosting programme and results in an increase in **reported equity including non-controlling interests**. In addition, the reported equity is positively influenced by an increase in the revaluation reserve due to an increase in the fair value of AfS financial instruments.

Regulatory capital was € 10.8 billion as at the reporting date, of which € 8.4 billion related to core capital. The total capital ratio rose from 12.65 per cent as at 31 December 2011 to 13.42 per cent as at 30 September 2012. The core capital ratio (cf. Note 37) rose from 9.44 per cent to 10.49 per cent.

Total risk-weighted assets, the total capital requirements for market price risks and operational risks, are broken down as follows:



The core capital for solvency reasons has changed as follows:



Summary

The performance of the business in the first nine months of 2012 is on the whole considered to be satisfactory.

Supplementary Report

In October NORD/LB successfully issued a public US dollar covered bond for the first time. The covered bond with a term of three years has a volume of USD 1 billion. As expected, approx. 60 per cent of the volume was issued to qualified institutional investors in the USA. The issue was given an "AAA" rating by Moody's and Fitch. The successful issue extends the bank's refinancing base in USD significantly.

Forecasts and Other Information on Anticipated Developments

Global Economic Environment
The economic outlook has become bleaker in almost all major economies during the course of the year. Compared to the weak global economic growth recorded this year, only a slight increase in growth is expected in the coming year. This is partly due to a more moderate rate of growth in the emerging markets. The People's Republic of China for example is in the middle of an economic slowdown and its growth rate in 2012 and 2013 will be around 8 per cent. The industrial countries are sill confronted by the consequences of the financial and debt crisis. In the USA unemployment continues to fall at a very slow rate, therefore hindering stronger economic development. However, gross domestic product is expected to rise by a good 2 per cent in 2013. The economic outlook is much better than in Europe and continues to be supported by the Federal Reserve's expansive monetary policy. The differences in growth are also one of the reasons for our forecast that the US dollar will gain in value against the euro in the next year to around 1.23 USD/EUR.

Ships and Aircraft
The global economic conditions for the higher-level shipping segments (the container, bulker and tanker segments) remain critical in the short term. These segments continue to suffer from an imbalance between supply and demand. On top of this, based on the order books that are known, further tonnage will be coming onto the market in 2013. For example, capacity in the container market is expected to grow by approx. 10 per cent to 18 million TEU (Twenty Foot Equivalent Unit, standard container) in 2013. Traffic is expected to grow by approx. 6 per cent. In the bulker segment an estimated 4 per cent growth in global demand for bulk goods will be seen alongside a 6 per cent increase in fleet capacity in 2013. Accordingly, expectations of an increase in freight rates are low. However, businesses operating in niche markets (e.g. cruise and offshore markets) can look more positively towards the future, which benefit from a stable development in the travel industry and constantly high oil prices.

Airlines worldwide should collectively make a profit in 2012 and 2013. There are though great geographical differences and risks (including an uncertain economic situation, mixed developments with regard to demand and prices). Many airlines are continuing to invest in low-noise, modern and fuel-efficient fleets in order to remain competitive in an environment of high oil prices. The order books of the major aircraft manufacturers are well filled, resulting in longer production periods. Against this background, Boeing and Airbus are intending to significantly expand their production capacity for selected models in the next few years.

Real Estate
The German housing market continues to develop well in light of the strong demand, particularly in Germany's metropolis regions. As the slight pick-up in housing construction does not cover the high demand, further rent increases are expected in the coming year. Due to the relatively stable employment situation, German consumers are expected to maintain their high level of consumption in 2013. City centre shopping miles and attractive shopping centres in particular will be able to benefit from this. Retail rents are expected to continue to rise in the coming year, though at a somewhat lower rate than in 2012. In 2013 the low level of economic growth should dampen the demand for office space. Vacancy rates will remain stable though, or even fall, as the number of office building completions will remain low. As a result, a slight, lower increase in peak rents is expected in this segment as well.

The continuing economic slowdown in Europe will also be felt in the European market for commercial real estate in 2013. The investment volume is expected to rise slightly, though, to approx. € 110 billion and be at around the level of 2011. In view of the shortage of core properties, it is expected that investors will be more willing to take risks in order to achieve higher returns.

Despite the risk of a continued economic slowdown, the commercial real estate market in the USA will continue to remain basically attractive in view of the volatile share market and low yields for government bonds. Real estate finance no longer represents a major obstacle. In view of the expansive monetary policy, a great deal of liquidity will be on offer in the market at very attractive interest rates. The deleveraging of balance sheets and state regulations will continue to put a brake on the lending of domestic banks; however insurance companies and debt funds will be increasingly active as lenders.

Germany and the eurozone
Economic development in the eurozone will continue to be affected by balance sheet adjustments in the public and private sectors in the coming months. Against the background of the latest business and consumer surveys, economic output is expected to contract again in the final quarter of 2012. The recession will continue for the time being in particular in the crisis countries in Southern Europe. A number of countries in the eurozone will therefore not achieve their original consolidation targets, which might result in a new wave of mistrust in the markets. In the context of the debt crisis, the focus of the markets will remain above all on the two major economies of Spain and Italy, although a recovery should gradually start to take place in the coming year, providing there is no new bad news. Growth will remain subdued though, with weak GDP growth of 0.3 per cent expected for 2013 as a whole compared to the previous year.

The effects of the debt crisis and the recession in the eurozone will, however, also be felt increasingly in the member states of the eurozone whose economies have been performing much better. In the EU Commission's October survey in particular German and French manufacturing companies considered their order situation to be much worse than in the previous month. The most important early indicator for the development of the German economy, the Ifo business climate index, fell in October for the sixth time in a row. Business expectations for industry in particular are much bleaker.

Since June the seasonally-adjusted number of unemployed has risen slightly every month. This development should continue into the next year, although the employment situation remains on the whole relatively robust.

Due to the slowdown in the second half of the year, growth rates will be below one per cent for the year as a whole. The main pillars in this and in the coming year will be private consumption and net exports. A reluctance to invest has put a brake on growth this year. However, in particular investment in housing construction is expected to provide a boost in the next year. All in all German GDP is expected to increase by a good one per cent in the coming year.

Inflation
We are expecting the average annual inflation rate to be above 2.0 per cent for 2012 and therefore above the ECB target. In the coming year, against the background of a slowdown in economic growth and lower inflationary pressure due to energy prices, prices are expected to increase at a lower rate.

Financial Markets and Interest Rates
Financial markets will continue to be affected in the final quarter and in the coming year by the debt crisis and therefore remain volatile. Yields of German government bonds are expected to rise slightly in all term categories in 2013 as it is expected that the safe-haven motive will gradually become less important. However, in the event of severe tension in the capital markets, it is possible that yields will fall again to close to their lowest levels. Due to the economic concerns and the debt crisis in the eurozone, the monetary policy of the most important central banks will remain expansive for the long term. The Federal Reserve, the Bank of England, the Swiss National Bank and the ECB are not expected to increase interest rates for some time. Instead, the expected fall in inflationary pressure and the continuing recession in the eurozone will, with the early ECB indicators continuing to fall, provide scope for a further lowering of the base rate.

Strategic Development

Based on the conditions of the national economy, the NORD/LB Group will continue to pursue its proven customer-oriented business model and its risk-conscious business policy. The essence of NORD/LB's business model is to focus closely on customer needs, to continually improve its risk-adjusted profitability, to separate earnings growth as far as possible from RWA growth and to secure its refinancing. With this in mind, NORD/LB will continue to focus on its core business and reduce its non-strategic portfolios.

NORD/LB will continue to benefit from the high level of diversification in its business portfolio, which is characterised by the financing of various asset classes in opposing cycles. The savings bank network business in the owners' region, which is important for NORD/LB as a landesbank, the retail banking and the very granular and profitable corporate banking business will be reinforced in the business model. Renewable energies business will also play an important role in the business model. Here NORD/LB – not least of all due to its regional location in Northern Germany – can point to many more years of success and experience compared to its competitors. The financing of ships, aircraft and real estate will continue to be the mainstays of the business model. The importance of the overall portfolios in these areas will be re-scaled with an eye to the future in order to obtain an even more balanced risk structure. In summary, NORD/LB will in future concentrate even more on its (extended) regional activities and focus on its target customers. The strategic focus emphasises the aspiration stated in NORD/LB's vision, i.e. of being a leader in its target markets.

The NORD/LB Group is seeking, by pushing RWA-friendly transactions, to change the earnings structure in its core business. This will be achieved by NORD/LB being perceived in its markets as a competent partner for its customers and by the many years of know-how in its business segments.

As part of the approval process for the capital-boosting programme, NORD/LB and the EU Commission agreed a catalogue of commitments for the development of the NORD/LB Group in the next few years. The commitments support the path that the NORD/LB Group has already taken.

Outlook for the NORD/LB Group

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

Overall the NORD/LB Group is expecting net interest income to be above target and the previous year's figure. However, net commission income is likely to be below target in 2012. The reason for this lies in particular in the limited level of new business for conduit-based finance, which will not produce the expected commission income. The contribution to earnings of financial instruments at fair value is negative and is currently expected to be well below target for the year as a whole. The reasons for this are in particular uncontrollable effects such as the influence of the USD/EUR base spread on the valuation of cross currency swaps. The profit/loss from hedge accounting and the profit/loss from investments accounted for using the equity will be slightly negative due to write-downs in the investment portfolio. The profit/loss from financial assets for the year as a whole is expected to be above target due to unscheduled sales. For 2012 as a whole NORD/LB Group expects that the operational income targets can be achieved overall and exceeded in the Corporate Customers & Markets and Ship and Aircraft Customers. It is currently difficult to estimate any further changes in profit/loss from financial instruments at fair value as a result of the situation in the financial markets.

Administrative expenses are developing in line with budget. The NORD/LB Group expects that staff expenses will be higher than in the previous year due to negotiated wage increases. Other administrative expenses have been rising in recent years due in particular to projects covering the entire bank to meet regulatory requirements, with the result that overall a moderate increase in administrative expenses is expected.

The loan loss provisions made to date are on the whole within the realm of what was expected. Higher than planned specific valuation allowances in the Ship and Real Estate Banking Customers segments are seen alongside reversals of general loan loss provisions. Due to the economic uncertainties, though, NORD/LB is still preparing itself for events that will impact on parts of the lending business by the end of the year and will increase the risk buffer which is already well above the provisions made for 2011.

The earnings before taxes as at the third quarter of 2012 cannot be extrapolated for the whole year. Nevertheless, the NORD/LB Group is cautiously optimistic about the current year and expects to achieve its operational targets in 2012 (before any financial-market-related effects and events covered by loan loss provisions).

The planning was based on an average exchange rate of 1.32 USD/EUR. The NORD/LB Group now expects that the exchange rate will be slightly below this, with a corresponding effect on income and RWA.

Compliance with the Basel III requirements, the criteria of the European Banking Authority (EBA) and the commitments to the EU Commission are of key importance for NORD/LB. On the capital side all of the measures necessary for this have already been taken together with the owners. NORD/LB has now met the increased capital requirements required by the EBA in full. As most of the commitments represent a confirmation and continuation of the bank's business model and strategic plans, the commitments and the reported restructuring and guarantee costs will only have a minor impact on the Group's earnings position in the medium term.

In its estimation of its medium-term development, the NORD/LB Group assumes that there will be a positive economic climate and that the economy will continue on a sustainable path of growth. The planned increase in earnings in the medium term will focus on growth in all earnings components and at the same time improving the earnings structure, the return to normal risk provisions and a restriction of administrative expenses. In the medium term the issue of refinancing will continue to be of key importance to NORD/LB in particular in longer maturity periods.

Given the planned development of earnings and expenditure, with loan loss provisions at the level of the required imputed covering, the bank expects earnings before taxes to increase significantly in the period of 2013 to 2016, accompanied by a corresponding improvement in key figures.

Risk Report

The risk management of the NORD/LB Group, the corresponding structures and procedures, the processes and methods implemented for measuring and monitoring risk and the risks to the Group's development were described in detail in the Annual Report 2011. Only significant developments in the period under review are addressed in this interim report.

Risk-Bearing Capacity

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

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

The previous approach under the term economic capital adequacy assumed a full gone-concern scenario and will be continued as a secondary condition. The definition as liquidity scenario includes among other things the full risk-capital-reducing inclusion of hidden liabilities and the consideration of credit-spread risks from fixed assets in risk potential.

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

The utilisation of risk capital in the going-concern scenario is 44 per cent as at 30 September 2012 and therefore below the utilisation of the reference date 31 December 2011 (adjusted for the changes in method). The fall in utilisation is attributable to an increase in risk capital, which is greater than the increase in risk potential. The reason for this is the significant increase in core capital in the first half of 2012.

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

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

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

Risk-bearing capacity[1] (in € million)	30 Sep.2012		31 Dec. 2011[2]	
Risk capital	**3 227**	**100 %**	**2 265**	**100 %**
Credit risk	812	25 %	786	35 %
Investment risk	38	1 %	40	2 %
Market price risk	403	13 %	258	11 %
Liquidity risk	100	3 %	83	4 %
Operational risk	74	2 %	66	3 %
Total risk potential	**1 428**		**1 232**	
Risk capital utilisation		**44 %**		**54 %**

[1] Total differences are rounding differences.
[2] Previous year's figures were re-calculated under consideration of a methodological change.

Credit Risk

The maximum default risk amount for on-balance-sheet and off-balance-sheet financial instruments fell slightly in the first nine months of 2012. A fall in particular in financial assets and loans and advances to banks is seen alongside an increase in the positive fair values from hedge accounting derivatives and loans and advances to customers.

Risk-bearing financial instruments (in € million)	Maximum default risk 30 Sep. 2012	Maximum default risk 31 Dec. 2011[1]
Loans and advances to banks	33 841	34 618
Loans and advances to customers	114 963	114 714
Adjustment item for financial instruments hedged in the fair value hedge portfolio	– 10	–
Financial assets at fair value through profit or loss	18 204	18 644
Positive fair values from hedge accounting derivatives	4 703	3 289
Financial assets	52 516	54 499
Sub-total	**224 217**	**225 764**
Liabilities from guarantees and other indemnity agreements	6 006	6 998
Irrevocable credit commitments	8 846	9 456
Total	**239 069**	**242 218**

[1] Previous year's figures were adjusted.

The total exposure used for internal control fell slightly in the period under review from € 240 billion to € 234 billion. The fall is primarily the result of the reduced exposures in the area of financing institutes/insurance companies.

The quality of the NORD/LB Group's credit portfolio remained fairly constant in the three quarters of 2012. The exposure in the rating class "Very good to good" fell slightly, while the exposure in the rating class Good/satisfactory rose. The share of non-performing loans fell from 2.5 per cent to 2.4 per cent.

The Rating structure table shows the breakdown of the total exposure in the NORD/LB Group (portfolio and new business) by rating class and product type. The share of items in the rating category "Very good to good" remains at a high level at 73 per cent (75 per cent) as at 30 September 2012. This is explained in particular by the significance of business conducted with financial institutions and public authorities and is at the same time a reflection of the conservative risk policy of the NORD/LB Group.

Rating structure [1) 2)] (in € million)	Loans [3)] 30 Sep. 2012	Securities [4)] 30 Sep. 2012	Derivatives [5)] 30 Sep. 2012	Other [6)] 30 Sep. 2012	Total exposure 30 Sep. 2012	Total exposure 31 Dec. 2011 [7)]
Very good to good	98 596	48 613	12 756	12 056	172 022	179 594
Good/satisfactory	15 600	2 917	1 310	1 851	21 678	19 569
Reasonable/satisfactory	14 678	872	410	1 082	17 042	16 782
Increased risk	7 053	261	133	291	7 739	8 170
High risk	4 632	78	60	111	4 881	4 802
Very high risk	5 073	174	89	54	5 390	4 758
Default (=NPL)	5 529	16	73	27	5 644	5 976
Total	**151 162**	**52 931**	**14 831**	**15 471**	**234 395**	**239 651**

1) Allocation is in accordance with IFD rating categories.
2) Total differences are rounding differences.
3) Includes loans taken up or loan commitments, guarantees and other non-derivative, off-balance sheet assets. As in the internal reporting, irrevocable loan commitments are generally included at 60 per cent (61 per cent) and revocable loan commitments at 10 per cent (5 per cent).
4) Includes the own stocks of securities issued by third parties (banking book only).
5) Includes derivative financial instruments such as financial swaps, options, futures, forward rate agreements and currency transactions.
6) Includes other products such as transmitted loans and loans administered for third-party account.
7) Previous year's figures were corrected. The incorrectly to the rating category "default" allocated exposure of € 1.3 billion is now allocated to the category "Very good to good".

The breakdown of total exposure by industry group shows that business conducted with financing institutes and with public authorities accounts for 60 per cent (61 per cent) and still constitutes a significant share of the total exposure.

Industries [1) 2)] (in € million)	Loans [3)] 30 Sep. 2012	Securities [4)] 30 Sep. 2012	Derivatives [5)] 30 Sep. 2012	Other [6)] 30 Sep. 2012	Total exposure 30 Sep. 2012	Total exposure 31 Dec. 2011
Financing institutes / insurance companies	40 322	29 877	9 434	8 345	87 977	93 930
Service industries/other	61 258	21 059	2 717	1 918	86 952	85 958
– of which: Land, housing	19 969	26	546	483	21 025	19 683
– of which: Public administration	29 213	20 612	1 857	84	51 765	51 542
Transport / communications	29 742	666	891	219	31 518	32 278
– of which: Shipping	18 461	0	415	56	18 932	19 603
– of which: Aviation	7 945	–	175	0	8 121	8 188
Manufacturing industry	5 895	454	745	235	7 330	7 842
Energy, water and mining	7 482	765	666	3 549	12 463	11 974
Trade, maintenance and repairs	3 486	33	209	278	4 006	3 548
Agriculture, forestry and fishing	810	28	8	854	1 700	1 632
Construction	2 166	49	161	74	2 450	2 489
Total	**151 162**	**52 931**	**14 831**	**15 471**	**234 395**	**239 651**

1) Allocated in alignment with the internal reporting in accordance with economic criteria.
2) to 6) See the previous chart on the rating structure.

The breakdown of the entire credit exposure by region shows that the eurozone accounts for a high share of 83 per cent (82 per cent) of total exposure and remains by far the most important business region of the NORD/LB Group. Germany's share rose from 66 per cent to 68 per cent.

Regions [1) 2)] (in € million)	Loans [3)] 30 Sep. 2012	Securities [4)] 30 Sep. 2012	Derivatives [5)] 30 Sep. 2012	Other [6)] 30 Sep. 2012	Total exposure 30 Sep. 2012	Total exposure 31 Dec. 2011
Euro countries	123 917	44 631	9 603	15 330	193 480	195 654
– of which: Germany	109 037	29 035	5 971	14 899	158 943	159 022
Other Europe	10 701	3 015	2 868	62	16 646	16 754
North America	8 378	3 684	2 045	67	14 174	15 703
Middle and South America	2 839	269	23	0	3 131	3 297
Middle East/Africa	1 086	29	1	1	1 117	1 262
Asia/Australia	4 240	1 303	291	13	5 848	6 982
Total	**151 162**	**52 931**	**14 831**	**15 471**	**234 395**	**239 651**

1) Allocated in alignment with the internal reporting in accordance with economic criteria.
2) to 6) See the previous chart on the rating structure.

The exposure in Greece, Ireland, Italy, Portugal and Spain fell by 15 per cent to € 12 billion. Their share in the total exposure is 5 per cent. The share of receivables owed by the respective countries, regional governments and municipalities also fell to € 3 billion and remains 1 per cent of the total exposure.

Exposure in selected european countries [1) 2)] (in € million)	Greece		Ireland		Italy		Portugal		Spain		Total	
	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011
Sovereign Exposure	10	219	295	331	1 904	1 959	352	383	412	497	2 972	3 389
– of which CDS	–	94	191	191	77	102	194	194	–	–	463	581
Financing institutions/ insurance companies	–	50	934	1 285	1 837	2 301	303	493	2 402	3 026	5 477	7 155
Corporates/ Other	252	353	2 151	1 882	153	190	182	211	612	710	3 350	3 345
Total	**263**	**622**	**3 380**	**3 499**	**3 894**	**4 449**	**836**	**1 087**	**3 426**	**4 232**	**11 799**	**13 890**

1) Allocated in alignment with the internal reporting in accordance with economic criteria and to the country the borrower is legally domiciled.
2) Total differences are rounding differences.

The sovereign exposure to Greece has fallen significantly as a result of the exchange in March of Greek government bonds and the maturity of the credit default swaps (CDS) settled in cash. In the second quarter the portfolio was further reduced by sales of securities. Receivables from Greek banks were reduced completely by maturities and sales by 30 June 2012. The Greek government bonds which still remain in the portfolio of the NORD/LB Group were provided in settlement of CDS which are not settled in cash and are included in the exposure at market value as at 30 September. The impact of the credit event on the balance sheet was largely anticipated by the valuation of the CDS through profit or loss as at 31 December 2011.

The NORD/LB Group is also closely monitoring and analysing developments in the other countries mentioned. This also applies in particular to the Spanish banking sector. However, the Group does not consider it necessary to make any further provisions at this stage. The majority of the exposures in the five countries mentioned are in the rating class "Very good to good". Further details on exposures in these selected countries can be found in Note 36 of the interim report.

Sovereign Exposure in selected european countries by maturity [1) 2)] (in € million)	Greece 30 Sep. 2012	Ireland 30 Sep. 2012	Italy 30 Sep. 2012	Portugal 30 Sep. 2012	Spain 30 Sep. 2012	Total 30 Sep. 2012
Up to 1 year	–	–	–	–	41	41
More than 1 year up to 5 years	–	86	306	91	298	781
More than 5 years	10	210	1 597	260	73	2 150
Total	**10**	**295**	**1 904**	**352**	**412**	**2 972**

1) Allocated by residual terms and, in line with the internal reporting, to the country the borrower is legally domiciled.
2) Total differences are rounding differences.

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

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

Investment Risk

As part of the current optimisation of the investment portfolio, further shares in NORD Holding Unternehmensbeteiligungsgesellschaft mbH, Hanover, were sold in the first nine months of 2012. In addition to this, as part of NORD/LB Group's capital-boosting programme against the background of the EBA's definition of core tier 1 capital, among other things the conversion of silent participations was implemented at Bremer Landesbank. NORD/LB's share in Bremer Landesbank is just under 55 per cent following the conversion. At Deutsche Hypothekenbank efficiency potential was identified in a group project. Additional synergies should be achieved with the further harmonisation of processes.

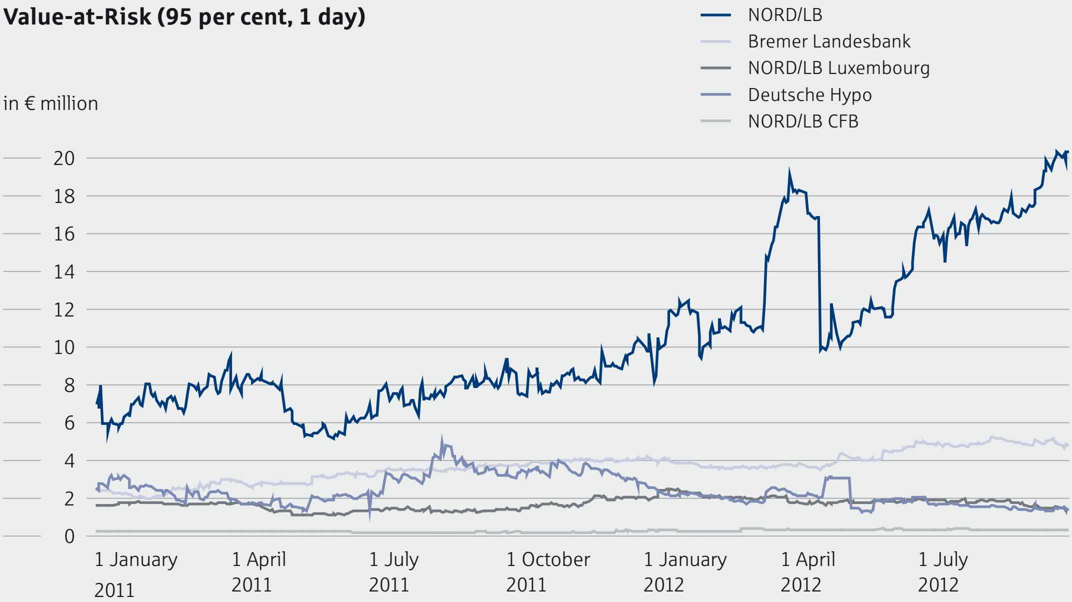
In the investment analysis conducted by NORD/LB's Investment Management unit, DekaBank Deutsche Girozentrale, Hanover, was classified as an important investment in the period under review. The investment analysis conceived in 2011 and since introduced in the subsidiaries Bremer Landesbank, NORD/LB Luxembourg, Deutsche Hypothekenbank and Öffentliche Versicherungen Braunschweig has been supported by IT since the second quarter of 2012. The individual reports on the investments were prepared for the first time in the second quarter on the basis of a newly developed standard.

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

Market Price Risk

The NORD/LB Group's market price risk (confidence level 95 per cent, holding period 250 days) rose in the first nine months from € 258 million to € 403 million; this was primarily due to the strategic interest measures of the Asset Liability Committee in the banking book of NORD/LB. There was also a significant increase in particular in the months of March, June and September 2012 in the Value-at-Risk (VaR) (confidence level 95 per cent, holding period one day) which is used for operational control. This increase in risk started from a low limit utilisation and resulted as at the reporting date in NORD/LB in a utilisation of the operational limit of 67 per cent.

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



Between early January and the end of September, the daily total VaR (confidence level of 95 per cent, holding period of one day) calculated for the significant Group companies from a risk point of view fluctuated between € 17 million and € 28 million, with an average Value-at-Risk of € 22 million.

As at 30 September 2012, based on the above, a significant increase in the VAR (confidence level 95 per cent, holding period one day) of € 28 million compared to 31 December 2011 was calculated for the NORD/LB Group. The historical simulation method was used throughout the Group.

Market price risks[1)] (in € 000)	Maximum 1 Jan.–30 Sep. 2012	Maximum 1 Jan.–31 Dec. 2011	Average 1 Jan.–30 Sep. 2012	Average 1 Jan.–31 Dec. 2011	Minimum 1 Jan.–30 Sep. 2012	Minimum 1 Jan.–31 Dec. 2011	End-of-period risk 30 Sep. 2012	End-of-year risk 31 Dec. 2011
Interest rate risk (VaR 95 %, 1 day)	27 198	19 289	22 584	15 229	16 492	10 588	26 299	18 019
Currency risk (VaR 95 %, 1 day)	2 154	1 905	1 286	1 340	837	912	717	625
Share price and fund price risk (VaR 95 %, 1 day)	1 197	2 366	746	1 204	159	668	117	811
Volatility risk (VaR 95 %, 1 day)	706	521	370	265	142	124	665	257
Other add-ons	171	127	82	51	19	10	77	46
Total	**28 068**	**19 261**	**22 290**	**14 905**	**16 652**	**10 267**	**27 522**	**17 499**

1) Maximum, average and minimum risks are calculated on the basis of the VaR totals from a risk point of view for the significant subsidiaries, end-of-period risks and end-of-year risks are consolidated figures.

The VaR in the NORD/LB Group calculated on the basis of regulatory parameters (confidence level 99 per cent, holding period of ten days) is € 124 million as at 30 September 2012. The figures include, in deviation to the regulatory reporting, interest-rate, share-price and currency risks in the banking book and the credit-spread risks in the liquidity reserve in accordance with the HGB.

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

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

As expected, the Federal Financial Supervisory Authority (BaFin) approved the addition of currency risks to NORD/LB's market risk model in the second quarter. The equity requirements for the total currency position were calculated for the first time as at 30 June 2012 using the internal market risk model.

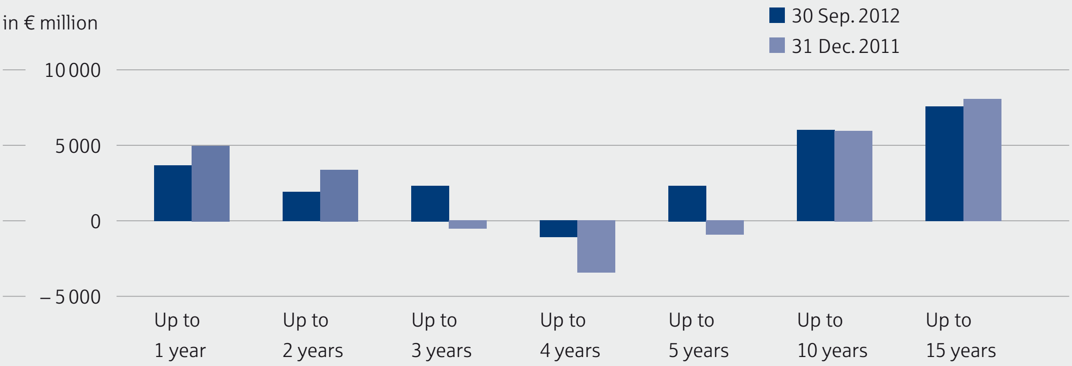
Liquidity Risk

The liquidity situation in the markets has calmed down in the first three quarters of 2012 due to the measures of the European Central Bank, but continues to be characterised by uncertainty with regard to the possible impact in the medium to long term of the national debt crisis on the EU periphery countries. The NORD/LB Group had sufficient liquidity at all times in the period under review. In order to broaden its refinancing instruments, at the start of July NORD/LB became the first issuer worldwide of an aircraft Pfandbrief (covered bond) with a volume of € 500 million. In October of this year NORD/LB also issued for the first time a public US dollar Pfandbrief in the amount of $ 1 billion.

The cumulative liquidity maturity balance sheet shows liquidity surpluses in almost all maturity bands as at 30 September 2012. The liquidity risk limits derived from the risk-bearing capacity and updated in the period under review were always complied with both as concerns all currencies taken together and as concerns the principal individual currencies.

The NORD/LB Group also operates in markets with the highest possible level of liquidity and maintains a portfolio of high-quality securities. As at the reporting date, significant Group companies from a risk point of view hold securities in the amount of € 58 billion (€ 61 billion), 83 per cent (82 per cent) of which are suitable for repo transactions with the European Central Bank or the US Federal Reserve.

Accumulated liquidity maturities



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

Liquidity ratio in accordance with the LiqV [1)]	30 Sep. 2012	31 Dec. 2011
NORD/LB	1.97	1.73
Bremer Landesbank	1.76	1.74
Deutsche Hypo	1.54	2.09

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

Operational Risk

In order to improve the risk monitoring, changes were made in the internal reporting and announcement processes of the NORD/LB Group in the first nine months of 2012. The objective is to have a holistic view of information relevant for operational risk. This optimisation will be continued in the coming quarters. Additionally, the regular monitoring for the early detection of security risks was extended and included in the regular reporting.

Regarding the control of outsourcing service providers, there have been numerous process changes in the period under review which enable better control from a risk point of view. In order to intensify preventive risk management, in the second quarter various awareness-raising and training measures were implemented in the NORD/LB Group.

As part of the contingency planning, a business impact analysis was conducted in the second quarter. For those processes and activities that are identified as time critical, contingency plans are reviewed for currentness and where applicable updated. The risk analysis for criminal activity in accordance with § 25 c of the German Banking Act was completed successfully. The risk situation of NORD/LB in respect of fraud is in line with expectations, including compared to similar institutes. There are no significant risks.

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

Summary

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

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2012

→ *pages 33 – 74*

Contents

Income Statement

	Notes	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011*) (in € million)	Change (in %)
Interest income		9 489	9 706	– 2
Interest expense		7 985	8 395	– 5
Net interest income	6	**1 504**	**1 311**	**15**
Loan loss provisions	7	– 352	–111	> 100
Commission income		204	223	– 9
Commission expense		79	100	– 21
Net commission income	8	**125**	**123**	**2**
Trading profit / loss		397	31	> 100
Profit / loss from the use of the fair value option		– 497	– 233	> 100
Profit / loss from financial instruments at fair value through profit or loss	9	**– 100**	**– 202**	**50**
Profit / loss from hedge accounting	10	– 14	93	> 100
Profit / loss from financial assets	11	– 12	–16	25
Profit / loss from investments accounted for using the equity method		– 15	– 6	> 100
Administrative expenses	12	824	792	4
Other operating profit / loss	13	– 68	– 15	> 100
Earnings before reorganisation and taxes		**244**	**385**	**– 37**
Reorganisation expenses	14	– 28	–	–
Expenses for public guarantees related to reorganisation	15	– 7	–	–
Earnings before taxes		**209**	**385**	**– 46**
Income taxes	16	68	123	– 45
Consolidated profit		**141**	**262**	**– 46**
of which: attributable to the owners of NORD/LB		130	246	
of which: attributable to non-controlling interests		11	16	

Income Statement – Summary by Quarter

	2012 Q3	2012 Q2	2012 Q1	2011 Q3	2011 Q2*)	2011 Q1*)
Interest income	2 967	3 318	3 204	3 557	3 144	3 005
Interest expense	2 436	2 839	2 710	3 101	2 676	2 618
Net interest income	**531**	**479**	**494**	**456**	**468**	**387**
Loan loss provisions	– 206	– 113	– 33	– 77	– 45	11
Commission income	58	71	75	66	73	84
Commission expense	16	30	33	27	31	42
Net commission income	**42**	**41**	**42**	**39**	**42**	**42**
Trading profit/loss	233	42	122	272	– 44	– 197
Profit/loss from the use of the fair value option	– 154	– 238	– 105	– 336	– 106	209
Profit/loss from financial instruments at fair value through profit or loss	**79**	**– 196**	**17**	**– 64**	**– 150**	**12**
Profit/loss from hedge accounting	– 25	23	– 12	44	37	12
Profit/loss from financial assets	– 23	6	5	– 34	46	– 28
Profit/loss from investments accounted for using the equity method	– 7	8	– 16	– 22	11	5
Administrative expenses	270	273	281	239	271	282
Other operating profit/loss	– 33	– 8	– 27	9	10	– 34
Earnings before reorganisation and taxes	**88**	**– 33**	**189**	**112**	**148**	**125**
Reorganisation expenses	– 3	– 25	–	–	–	–
Expenses for public guarantees related to reorganisation	– 7	–	–	–	–	–
Earnings before taxes	**78**	**– 58**	**189**	**112**	**148**	**125**
Income taxes	4	– 7	71	49	25	49
Consolidated profit	**74**	**– 51**	**118**	**63**	**123**	**76**
of which: attributable to the owners of NORD/LB	66	– 50	114	61	115	70
of which: attributable to non-controlling interests	8	– 1	4	2	8	6

*) The consolidated profit reported for the previous year was adjusted.

Statement of Comprehensive Income

The statement of comprehensive income comprises the income and expense from the income statement and the income and expense recognised in other comprehensive income (OCI):

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Consolidated profit	**141**	**262**	**– 46**
Increase/decrease from available for sale (AfS) financial instruments			
Unrealised profit/losses	666	– 724	> 100
Transfer due to realisation profit/loss	– 51	– 51	–
Changes in value investments accounted for using the equity method recognised directly in equity	35	19	84
Translation differences of foreign business units			
Unrealised profit/losses	–	12	– 100
Actuarial gains and losses for pensions for defined benefit obligations	– 349	– 63	> 100
Deferred taxes	– 98	207	> 100
Other profit/loss	**203**	**– 600**	**> 100**
Comprehensive income for the period under review	**344**	**– 338**	**> 100**
of which: attributable to the owners of NORD/LB	327	– 342	
of which: attributable to non-controlling interests	17	4	

Statement of Comprehensive Income – Summary by Quarter

	2012 Q3	2012 Q2	2012 Q1	2011 Q3	2011 Q2*)	2011 Q1*)
Consolidated profit	**74**	**– 51**	**118**	**63**	**123**	**76**
Increase/decrease from available for sale (AfS) financial instruments						
Unrealised profit/losses	440	– 248	474	– 236	– 93	– 395
Transfer due to realisation profit/loss	– 5	– 66	20	13	– 98	34
Changes in value investments accounted for using the equity method recognised directly in equity	11	5	19	26	4	– 11
Translation differences of foreign business units						
Unrealised profit/losses	– 1	– 1	2	1	16	– 5
Actuarial gains and losses for pensions for defined benefit obligations	– 175	– 56	– 118	– 91	– 26	54
Deferred taxes	– 83	101	– 116	80	39	88
Other profit/loss	**187**	**– 265**	**281**	**– 207**	**– 158**	**– 235**
Comprehensive income for the period under review	**261**	**– 316**	**399**	**– 144**	**– 35**	**– 159**
of which: attributable to the owners of NORD/LB	249	– 311	389	– 138	– 38	– 166
of which: attributable to non-controlling interests	12	– 5	10	– 6	3	7

*) The consolidated profit reported for the previous year was adjusted.

Balance Sheet

Assets	Notes	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Cash reserve		482	796	– 39
Loans and advances to banks	17	33 841	34 618	– 2
Loans and advances to customers	18	114 963	114 714	–
Loan loss provisions	19	– 1 868	– 1 785	5
Adjustment item for financial instruments hedged in the fair value hedge portfolio		– 10	–	–
Financial assets at fair value through profit or loss	20	18 204	18 644	– 2
Positive fair values from hedge accounting derivatives		4 703	3 289	43
Financial assets	21	52 516	54 499	– 4
Investments accounted for using the equity method	22	313	387	– 19
Property and equipment	23	686	688	–
Investment property		96	93	3
Intangible assets	24	142	153	– 7
Assets held for sale	25	1	1	–
Current income tax assets		76	60	27
Deferred income taxes		630	721	– 13
Other assets	26	409	752	– 46
Total assets		**225 184**	**227 630**	**– 1**

Liabilities	Notes	30 Sep.2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Liabilities to banks	27	60 316	59 258	2
Liabilities to customers	28	59 211	60 648	– 2
Securitised liabilities	29	61 814	66 076	– 6
Adjustment item for financial instruments hedged in the fair value hedge portfolio		823	733	12
Financial liabilities at fair value through profit or loss	30	21 093	20 529	3
Negative fair values from hedge accounting derivatives		4 795	3 422	40
Provisions	31	3 896	3 414	14
Current income taxes liabilities		150	161	– 7
Deferred income liabilities		24	4	> 100
Other liabilities	32	516	756	– 32
Subordinated capital	33	4 837	6 086	– 21
Equity				
Issued capital		1 607	1 494	8
Capital reserves		3 333	3 175	5
Retained earnings		2 312	2 480	– 7
Revaluation reserve		– 162	– 546	– 70
Currency translation reserve		– 3	– 3	–
Equity capital attributable to the owners of NORD/LB		**7 087**	**6 600**	**7**
Equity capital attributable to non-controlling interests		622	– 57	> 100
		7 709	6 543	18
Total liabilities and equity		**225 184**	**227 630**	**– 1**

Condensed Statement of Changes in Equity

(in € million)	Issued capital	Capital reserve	Retained earnings	Revaluation reserve	Currency translation reserve	Equity attributable to the owners of NORD/LB	Equity attributable to non-controlling interests	Consolidated equity
Equity as at 1 Jan. 2012	**1 494**	**3 175**	**2 480**	**– 546**	**– 3**	**6 600**	**– 57**	**6 543**
Comprehensive income for the period under preview	–	–	– 59	386	–	327	17	344
Distribution	–	–	– 53	–	–	– 53	– 4	– 57
Capital payments	113	158	–	–	–	271	654	925
Changes in the basis of consolidation	–	–	43	– 2	–	41	7	48
Consolidation effects and other changes in capital	–	–	– 99	–	–	– 99	5	– 94
Equity as at 30 Sep. 2012	**1 607**	**3 333**	**2 312**	**– 162**	**– 3**	**7 087**	**622**	**7 709**

(in € million)	Issued capital	Capital reserve	Retained earnings	Revaluation reserve	Currency translation reserve	Equity attributable to the owners of NORD/LB	Equity attributable to non-controlling interests	Consolidated equity
Equity as at 1 Jan. 2011	**1 085**	**2 597**	**2 167**	**66**	**– 37**	**5 878**	**6**	**5 884**
Comprehensive income for the period under preview	–	–	223	– 567	2	– 342	4	– 338
Distribution	–	–	– 127	–	–	– 127	– 3	– 130
Capital payments	–	21	–	–	–	21	– 2	19
Changes in the basis of consolidation	–	–	– 1	–	–	– 1	– 25	– 26
Consolidation effects and other changes in capital	–	–	1	–	–	1	– 16	– 15
Equity as at 30 Sep. 2011	**1 085**	**2 618**	**2 263**	**– 501**	**– 35**	**5 430**	**– 36**	**5 394**

Condensed Cash Flow Statement

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Cash and cash equivalents as at 1 Jan.	**796**	**1 069**	**– 26**
Cash flow from operating activities	– 151	320	> 100
Cash flow from investing activities	– 16	360	> 100
Cash flow from financing activities	– 147	– 508	– 71
Total cash flow	**– 314**	**172**	**> 100**
Effects of changes in exchange rates and the basis of consolidation	–	– 7	– 100
Cash and cash equivalents as at 30 Sep.	**482**	**1 234**	**– 61**

Selected Notes

General disclosures

(1) Principles for preparing the interim consolidated financial statements
The interim consolidated financial statements of Norddeutsche Landesbank Girozentrale, Hanover, Braunschweig, Magdeburg (NORD/LB) as at 30 September 2012 were prepared on the basis of Regulation (EC) No. 1606/2002 of the European Parliament and the Council of 19 July 2002 (IAS Regulation) in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB). For requirements relating to interim financial statements in particular IAS 34 is applied. National regulations contained in the German Commercial Code (HGB) under § 315a of the HGB were also observed insofar as these regulations are to be applied as at the reporting date for the interim financial statements. The consolidated financial statements are to be read in conjunction with information contained in the certified, published consolidated financial statements of NORD/LB as at 31 December 2011.

The interim consolidated financial statements as at 30 September 2012 comprise the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the condensed cash flow statement and selected notes. The segment reporting 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 20 November 2012 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 2011.

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

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

In October 2010 the IASB published amendments to IFRS 7 – Financial instruments: Disclosures – Transfers of financial assets as part of its comprehensive review of off-balance-sheet transactions. This should make the relationship between financial assets which are not to be completely derecognised and the corresponding financial assets more clear. Furthermore, it should be easier to assess the nature and in particular the risks of a continuing exposure with derecognised financial assets.

The application of these amendments had no impact on NORD/LB's interim consolidated financial statements as at 30 September 2012.

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

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

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

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

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

Since the interim consolidated financial statements as at 30 September 2012 business relations with five companies that conduct banking business in terms of § 1 of the German Banking Act have been reported as loans and advances to banks and liabilities to banks and the figures reported have been adjusted with retrospective effect. In the past we were guided by the classification of the European Central Bank and did not treat these companies as banks.

The following reclassifications were made in the balance sheet as at 31 December 2011:

(in € million)	Prior to adjustment	Adjustment	After adjustment
Loans and advances to banks	32 928	1 690	34 618
Loans and advances to customers	116 404	– 1 690	114 714
Liabilities to banks	56 584	2 674	59 258
Liabilities to customers	63 322	– 2 674	60 648

The respective adjustments were also taken into account in the notes for the following items: (17) Loans and advances to banks, (18) Loans and advances to customers, (27) Liabilities to banks, (28) Liabilities to customers.

(4) Basis of consolidation
In addition to NORD/LB as the parent company, the consolidated financial statements include 50 (31 December 2011: 49) subsidiaries (including special purpose entities in accordance with SIC-12) in which NORD/LB directly or indirectly holds more than 50 per cent of the voting rights or over which NORD/LB is in a position to exercise a controlling influence in another manner. In addition 1 (31 December 2011: 1) joint venture and 10 (31 December 2011: 13) associated companies are accounted for using the equity method.

The basis of consolidation has changed as follows compared to 31 December 2011:

The two special purpose entities Fürstenberg Capital Erste GmbH and Fürstenberg Capital II. GmbH, both based in Fürstenberg/Weser, are fully consolidated for the first time in the interim financial statements as at 30 June 2012.

The partial sale of the holding in NORD Holding Unternehmensbeteiligungsgesellschaft mit beschränkter Haftung, Hanover, has resulted in this company no longer being classified as an associated company. For this reason the company previously reported under investments accounted for using the equity method has been deconsolidated with effect of 1 July 2012.

Due to the winding up or return of shares in June 2012, the previously fully-consolidated funds NORD/LB AM 9 and NORD/LB AM 52 and the NORD/LB AM Global Challenges Index Fund which was previously accounted for using the equity method were deconsolidated. At the same time the newly established master fund NORD/LB AM ALCO, which is wholly owned by the NORD/LB Group, is consolidated for the first time.

Following an increase in the fund volume in the third quarter of 2012, the equity holding in the NORD/LB AM Emerging Markets Bonds Fund previously accounted for using the equity method fell to below 20 per cent, and as a result it has been deconsolidated with effect of 30 September 2012.

The effects resulting from the changes to the basis of consolidation have no significant impact on the Group's assets, financial and earnings position.

Subsidiaries, joint ventures and associated companies included in the consolidated financial statements are shown in Note (41) Companies and investment funds included in the 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 on the basis of internal reporting in the same way that it is reported internally on a regular basis for assessing performance and making decisions on the allocation of resources to the segments. In the segment reporting some of the previous years figures have been reallocated due to the new segment distribution (see below).

Segment reporting by business segment
The segments are defined as customer or product groups which reflect the organisational structures and therefore the internal control of the Group. Calculations are based on the internal data of Group member companies. The internal control focuses on the operational units' earnings before tax.

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

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

Segment expenditure comprises primary expenses plus expenses allocated on the basis of cost and service allocations. Loan loss provisions are allocated to segments on the basis of actual costs incurred. Overall bank revenue, such as net interest received from equity employed, general loan loss provisions, profit/loss from hedge accounting and overhead costs, is not allocated to the operational profit centres of the bank but to the segment "Group controlling/others".

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

RoRaC (Return on Risk adjusted Capital) calculations in the segments include the contribution to income after loan loss provisions and valuation on committed capital (here 7 per cent of the higher value of the RWA limits and the amount called on).

NORD/LB changed its definition of return on equity (RoE) in 2012 against the background of the capital measures implemented since the end of 2011. Previously when calculating the RoE, the contributions from silent partners which were considered to be equity under IFRSs were eliminated as they did not represent long-term equity. As almost all of the relevant contributions form silent partners have been converted since the end of 2011 into share capital of the bank plus a premium, they no longer need to be eliminated when calculating the RoE. This change has made the definition of RoE less complex.

In order to consider the increased equity requirements, since 2012 a capital securitisation level of 7 per cent (previous year: 5 per cent) of risk-weighted assets applies for calculating committed capital in the segments. These are based on the German Solvency Regulation. Capital tied up in the segments is calculated on the basis of average annual figures. The reconciliation figure for the tied-up capital reported in the segments and the long-term equity in the Group in accordance with commercial law is included in the segment reconciliation. A transfer from long-term equity under commercial law to equity reported in the statement of financial position is shown separately at the end of the segment overview.

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

Private and Commercial Customers

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

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

Corporate Customers & Markets

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

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

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

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

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

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

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

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

Real Estate Banking Customers
Here NORD/LB AöR and Deutsche Hypo’s national and international financing of commercial real estate and Bremer Landesbank’s 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 are offered.

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

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 risk-weighted assets within internal reporting and assigned to the operational units; the adjustment item resulting from the regulatory risk-weighted assets report flows into the reconciliation.

(5) Segment reporting by business segment

30 Sep.2012 (in € million)	Private and Commercial Customers	Corporate Customers & Markets	Energy and Infra-structure Customers	Ship and Aircraft Customers	Real Estate Banking Customers	Group Management/ Others	Recon-ciliations	NORD/LB Group
Net interest income before loan loss provisions	172	351	110	346	181	323	20	1 504
Loan loss provisions	2	46	8	304	111	– 116	– 2	352
Net interest income after loan loss provisions	**171**	**305**	**103**	**42**	**70**	**439**	**22**	**1 152**
Net commission income	24	60	34	44	10	– 16	– 31	125
Profit / loss from financial instruments at fair value through profit or loss	2	112	2	10	3	– 171	– 58	– 100
Profit / loss from hedge accounting	–	–	–	–	–	– 11	– 3	– 14
Profit / loss from financial assets	– 4	–	–	–	–	– 11	3	– 12
Profit / loss from investments accounted for using the equity method	–	–	–	–	–	– 13	– 2	– 15
Administrative expenses	234	152	41	43	45	298	10	824
Other operating profit / loss	34	4	4	– 3	1	– 70	– 38	– 68
Earnings before reorganisation and taxes	**– 7**	**329**	**101**	**49**	**39**	**– 151**	**– 116**	**244**
Reorganisation expenses	–	–	–	–	–	– 28	–	– 28
Expenses for public guaran-tees related to reorganisation	–	–	–	–	–	– 7	–	– 7
Earnings before taxes	**– 7**	**329**	**101**	**49**	**39**	**– 187**	**– 116**	**209**
Taxes	–	–	–	–	–	–	68	68
Consolidated profit	**– 7**	**329**	**101**	**49**	**39**	**– 187**	**– 184**	**141**
Segment assets	10 906	66 302	15 075	28 844	19 152	87 806	– 2 901	225 184
of which: investments at equity	–	–	–	–	–	313	–	313
Segment liabilities	9 919	60 704	5 171	4 404	13 966	122 088	8 932	225 184
Risk-weighted assets	5 643	15 667	8 186	37 455	17 123	15 973	– 19 835	80 213
Capital employed*)	410	1 104	656	2 641	1 258	1 171	443	7 684
CIR	100.7%	28.9%	27.2%	10.9%	23.3%			57.5%
RoRaC / RoE**)	– 2.3%	32.1%	20.9%	2.5%	4.2%			3.6%

30 Sep. 2011 (in € million)	Private and Commercial Customers	Corporate Customers & Markets	Energy and Infra-structure Customers	Ship and Aircraft Customers	Real Estate Banking Customers	Group Management/ Others	Recon-ciliations	NORD/LB Group
Net interest income before loan loss provisions	192	348	115	286	179	258	– 67	1 311
Loan loss provisions	3	– 19	2	52	63	6	5	111
Net interest income after loan loss provisions	**189**	**367**	**113**	**235**	**116**	**252**	**– 72**	**1 200**
Net commission income	32	66	29	40	12	– 22	– 34	123
Profit/loss from financial instruments at fair value through profit or loss	– 1	– 32	2	10	3	– 225	41	– 202
Profit/loss from hedge accounting	–	–	–	–	–	93	–	93
Profit/loss from financial assets	1	1	–	–	–	– 16	– 1	– 16
Profit/loss from investments accounted for using the equity method	–	–	–	–	–	– 6	–	– 6
Administrative expenses	238	143	36	39	45	280	11	792
Other operating profit/loss	56	2	– 2	1	1	– 18	– 57	– 15
Earnings before reorganisation and taxes	**39**	**261**	**107**	**247**	**87**	**– 223**	**– 133**	**385**
Reorganisation expenses	–	–	–	–	–	–	–	–
Expenses for public guaran-tees related to reorganisation	–	–	–	–	–	–	–	–
Earnings before taxes	**39**	**261**	**107**	**247**	**87**	**– 223**	**– 133**	**385**
Taxes	–	–	–	–	–	–	123	123
Consolidated profit	**39**	**261**	**107**	**247**	**87**	**– 223**	**– 255**	**262**
Segment assets (31 Dec. 2011)	10 844	66 368	14 091	27 423	20 036	93 436	– 4 567	227 630
of which: investments at equity	–	–	–	–	–	387	–	387
Segment liabilities (31 Dec. 2011)	9 071	58 125	4 324	3 573	13 234	131 795	7 508	227 630
Risk-weighted assets	5 006	17 051	7 984	33 613	19 927	13 766	– 16 885	80 463
Capital employed*)	265	853	399	1 681	996	672	678	5 545
CIR	85.3%	37.3%	24.7%	11.5%	23.1%			60.8%
RoRaC/RoE**)	19.2%	36.4%	26.6%	19.6%	10.9%			9.2%

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

(in € million)	30 Sep. 2012	30 Sep. 2011
Long-term equity under commercial law	7 684	5 545
Revaluation reserve	– 163	– 501
Currency translation reserve	188	350
Accumulated profits	**7 709**	**5 395**

**) By business segment RoRaC:
(Earnings before taxes/3*4)/ core capital employed (7 per cent (previous year: 5 per cent) of the higher value coming from RWA-limit or usage amount

For the Group RoE:
(Earnings before taxes/3*4)/ long-term equity under commercial law (= reported equity – revaluation reserve – consolidated profit)

According to the tables shown here slight deviations may occur due to recalculations.

Notes to the income statement

(6) Net interest income

The items interest income and interest expense comprise interest received and paid, deferred interest and pro rata reductions in premiums and discounts relating to financial instruments. Due to the fact that under certain circumstances silent participations are to be classified as liabilities under IAS 32, payments to silent partners are reported as interest expense.

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Interest income			
Interest income from lending and money market transactions	3 654	3 770	– 3
Interest income from fixed-income and book entry securities	995	1 062	– 6
Interest income from financial instruments at fair value			
Interest income from trading profit/loss and hedge accounting derivatives	4 482	4 622	– 3
Interest income from fair value option	49	59	– 17
Current income			
from shares and other variable-yield securities	8	7	14
from investments	26	70	– 63
Interest income from other amortisations	271	111	> 100
Other interest income and similar income	4	5	– 20
	9 489	**9 706**	**– 2**
Interest expense			
Interest expense from lending and money market transactions	1 992	2 199	– 9
Interest expense from securitised liabilities	1 243	1 382	– 10
Interest expense from financial instruments at fair value			
Interest expense from trading profit/loss and hedge accounting derivatives	4 145	4 123	1
Interest expense from fair value option	204	227	– 10
Interest expense from subordinated capital	185	246	– 25
Interest expense from other amortisations	155	152	2
Interest expense from provisions and liabilities	57	55	4
Other interest expenses and similar expenses	4	11	– 64
	7 985	**8 395**	**– 5**
Total	**1 504**	**1 311**	**15**

(7) Loan loss provisions

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Income from loan loss provisions			
Reversal of specific valuation allowance	241	286	– 16
Reversal of lumpsum specific loan loss provisions	11	13	– 15
Reversal of general loan loss provisions	145	69	> 100
Reversal of provisions for lending business	61	80	– 24
Additions to receivables written off	16	16	–
	474	**464**	**2**
Expenses for loan loss provisions			
Allocation to specific valuation allowance	677	394	72
Allocation to lumpsum specific loan loss provisions	4	7	– 43
Allocation to general loan loss provisions	35	61	– 43
Allocation to provisions for lending business	67	42	60
Direct write-offs of bad debts	41	71	– 42
Premium payments for credit insurance	2	–	–
	826	**575**	**44**
Total	**– 352**	**– 111**	**> 100**

(8) Net commission income

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Commission income			
Commission income from banking transactions	187	208	– 10
Commission income from non-banking transactions	17	15	13
	204	**223**	**– 9**
Commission expense			
Commission expense from banking transactions	58	80	– 28
Commission expense from non-banking transactions	21	20	5
	79	**100**	**– 21**
Total	**125**	**123**	**2**

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

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

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Trading profit/loss			
Profit/loss from debt securities and other fixed-interest securities	100	91	10
Profit/loss from shares and other variable-yield securities	1	– 22	> 100
Profit/loss from derivatives	228	– 99	> 100
Profit/loss from receivables held for trading	78	88	– 11
	407	**58**	**> 100**
Foreign exchange gains/losses	– 11	– 30	63
Other income	1	3	– 67
	397	**31**	**> 100**
Profit/loss from the use of the fair value option			
Profit/loss from loans to banks and customers	11	12	– 8
Profit/loss from debt securities and other fixed-interest securities	– 43	87	> 100
Profit/loss from shares and other variable-yield securities	1	– 2	> 100
Profit/loss from liabilities to banks and customers	– 211	– 275	23
Profit/loss from securitised liabilities	– 255	– 55	> 100
	– 497	**– 233**	**> 100**
Total	**– 100**	**– 202**	**50**

(10) Profit/loss from hedge accounting

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

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Profit/loss from micro fair value hedges			
from hedged underlying transactions	23	252	– 91
from derivatives employed as hedging instruments	– 56	– 248	77
	– 33	**4**	**> 100**
Profit/loss from portfolio fair value hedges			
from hedged underlying transactions	– 296	– 393	25
from derivatives employed as hedging instruments	315	482	– 35
	19	**89**	**– 79**
Total	**– 14**	**93**	**> 100**

(11) Profit / loss from financial assets

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

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Profit / loss from financial assets classified as LaR	**2**	**– 25**	**> 100**
Profit / loss from financial assets classified as AfS (excluding investments)			
Profit / loss from the disposal of			
Debt securities and other fixed-interest securities	– 2	30	> 100
Shares and other variable-yield securities	9	4	> 100
Other financial assets classified as AfS	– 2	– 10	80
Profit / loss from allowances for losses on			
Debt securities and other fixed-interest securities	–	– 38	100
Shares and other variable-yield securities	– 6	– 7	14
	– 1	**– 21**	**95**
Profit / loss from shares in companies (not consolidated)	**– 13**	**30**	**> 100**
Total	**– 12**	**– 16**	**25**

(12) Administrative expenses

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

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Staff expenses	450	419	7
Other administrative expenses	306	309	– 1
Amortisation and depriciation	68	64	6
Total	**824**	**792**	**4**

(13) Other operating profit / loss

	1 Jan.– 30 Sep. 2012 (in € million)	1 Jan.– 30 Sep. 2011 (in € million)	Change (in %)
Other operating income			
from the reversal of provisions	258	262	– 2
from insurance contracts	357	360	– 1
from other business	101	157	– 36
	716	**779**	**– 8**
Other operating expenses			
from allocation to provisions	362	404	– 10
from insurance contracts	236	241	– 2
from other business	186	149	25
	784	**794**	**– 1**
Total	**– 68**	**– 15**	**> 100**

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

Other operating income from insurance contracts is primarily the result of premium income (€ 296 million (€ 306 million)) and income from insurance contracts (€ 35 million (€ 27 million)).

Income from other business includes income from the chartering of ships relating to restructuring commitments in lending business (€ 31 million (€ 35 million)), income from the disposal of receivables (€ 25 million (€ 47 million)), reimbursements of costs (€ 8 million (€ 10 million)), rental income from investment property (€ 7 million (€ 7 million)) and income from IT services (€ 2 million (€ 2 million)).

Other operating expenses from insurance contracts mainly comprise indemnity expenses (€ 187 million (€ 193 million)) and expenses from deferred reinsurance contracts (€ 35 million (€ 36 million)).

Expenses from other business essentially comprise expenses from the disposal of receivables (€ 79 million (€ 47 million)), expenses from the redemption of debt securities (€ 24 million (€ 24 million)), expenses to generate charter income from ships (€ 18 million (€ 16 million)) and expenses from investment property (€ 3 million (€ 2 million)). The expenses from other business also include an amount of € 36 million (€ 0 million) provided for the bank levy set by the Restructuring Fund Act.

(14) 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 € 23 million expenses from the allocation made to reorganisation provisions for contracted agreements already concluded concerning the termination of contracts of employment. They also include in the amount of € 3 million expenses from projects that aim to achieve significant cost synergies. Furthermore, expenses in the amount of € 2 million which are incurred as part of capital measures implemented in consultation with the European Banking Authority (EBA) and which are not to be offset directly against equity are reported.

(15) Expenses for public guarantees related to reorganisation

The expenses for public guarantees related to reorganisation derive from the capital-boosting programme of the NORD/LB Group. The amount of € –7 million (€ 0 million) fully arises from the premium paid in conjunction with the guarantee of the states of Lower Saxony and Saxony-Anhalt.

(16) Income taxes

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

Notes to the balance sheet

(17) Loans and advances to banks

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Loans and advances resulting from money market transactions			
German banks	4 148	6 139	– 32
Foreign banks	3 272	2 187	50
	7 420	**8 326**	**– 11**
Other loans and advances			
German banks			
Due on demand	863	1 074	– 20
With a fixed term or period of notice	20 911	20 429	2
Foreign banks			
Due on demand	669	223	> 100
With a fixed term or period of notice	3 978	4 566	– 13
	26 421	**26 292**	**–**
Total	**33 841**	**34 618**	**– 2**

(18) Loans and advances to customers

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Loans and advances resulting from money market transactions			
Domestic customers	2 187	2 211	– 1
Customers abroad	37	30	23
	2 224	**2 241**	**– 1**
Other loans and advances			
Domestic customers			
Due on demand	2 940	2 493	18
With a fixed term or period of notice	79 399	79 432	–
Customers abroad			
Due on demand	275	334	– 18
With a fixed term or period of notice	30 125	30 214	–
	112 739	**112 473**	**–**
Total	**114 963**	**114 714**	**–**

(19) Loan loss provisions

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Specific valuation allowance	1 378	1 177	17
Lumpsum specific loan loss provisions	21	28	– 25
General loan loss provisions	469	580	– 19
Total	**1 868**	**1 785**	**5**

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

	Specific valuation allowance		Lumpsum specific loan loss provisons		General loan loss provisions		Provisions in lending business		Total	
(in € million)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
1 Jan.	**1 177**	**1 312**	**28**	**35**	**580**	**671**	**113**	**172**	**1 898**	**2 190**
Allocations	677	394	4	7	35	61	67	42	783	504
Reversals	241	286	11	13	145	69	61	80	458	448
Utilisation	187	285	–	1	–	–	–	1	187	287
Unwinding	45	43	–	–	–	–	1	–	46	43
Effects from currency translation and other changes	– 3	3	–	–	– 1	– 3	–	– 2	– 4	– 2
30 Sep.	**1 378**	**1 095**	**21**	**28**	**469**	**660**	**118**	**131**	**1 986**	**1 914**

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

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Trading assets			
Bonds and debt securities	2 734	2 873	– 5
Shares and other variable-yield securities	27	39	– 31
Positive fair values from derivatives	12 226	11 650	5
Trading portfolio claims	1 648	2 244	– 27
Other trading assets	– 1	– 1	–
	16 634	**16 805**	**– 1**
Financial assets as at fair value through profit or loss			
Loans and advances to banks and customers	362	257	41
Debt securities and other fixed-interest securities	1 197	1 572	– 24
Shares and other variable-yield securities	11	10	10
	1 570	**1 839**	**– 15**
Total	**18 204**	**18 644**	**– 2**

(21) Financial assets

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

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

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Financial assets classified as LaR	**4 201**	**4 829**	**– 13**
Financial assets classified as AfS			
Debt securities and other fixed-interest securities	47 505	48 814	– 3
Shares and other variable-yield securities	375	372	1
Shares in companies	433	482	– 10
Other financial assets classified as AfS	2	2	–
	48 315	**49 670**	**– 3**
Total	**52 516**	**54 499**	**– 4**

(22) Investments accounted for using the equity method

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Joint Ventures	19	26	– 27
Associated companies	294	361	– 19
Total	**313**	**387**	**– 19**

(23) Property and equipment

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Land and buildings	350	345	1
Operating and office equipment	75	82	– 9
Ships	249	258	– 3
Other property and equipment	12	3	> 100
Total	**686**	**688**	**–**

(24) Intangible assets

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Software			
Purchased	23	15	53
Internally generated	94	118	– 20
	117	**133**	**– 12**
Intangible assets under development	13	8	63
Other intangible assets	12	12	–
Total	**142**	**153**	**– 7**

(25) Assets held for sale

The carrying amount of assets held for sale is € 1 million (€ 1 million). This concerns solely property and equipment (land and buildings).

(26) Other assets

Included in the balance sheet item other assets are assets relating to insurance contracts in the amount of € 153 million (€ 145 million). These concern solely assets from outwards reinsurance.

(27) Liabilities to banks

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Deposits from other banks			
German banks	3 432	2 754	25
Foreign banks	82	37	> 100
	3 514	**2 791**	**26**
Liabilities resulting from money market transactions			
German banks	15 240	16 923	– 10
Foreign banks	9 334	8 297	12
	24 574	**25 220**	**– 3**
Other liabilities			
German banks			
Due on demand	2 762	1 688	64
With a fixed term or period of notice	23 441	24 081	– 3
Foreign banks			
Due on demand	166	102	63
With a fixed term or period of notice	5 859	5 376	9
	32 228	**31 247**	**3**
Total	**60 316**	**59 258**	**2**

(28) Liabilities to customers

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Savings deposits			
With an agreed notice period of three months			
Domestic customers	878	886	– 1
Customers abroad	18	20	– 10
With an agreed notice period of more than three months			
Domestic customers	511	561	– 9
Customers abroad	3	4	– 25
	1 410	**1 471**	**– 4**
Liabilities resulting from money market transactions			
Domestic customers	10 306	12 443	– 17
Customers abroad	2 608	2 760	– 6
	12 914	**15 203**	**– 15**
Other liabilities			
Domestic customers			
Due on demand	10 625	8 865	20
With a fixed term or period of notice	32 295	33 354	– 3
Customers abroad			
Due on demand	675	570	18
With a fixed term or period of notice	1 292	1 185	9
	44 887	**43 974**	**2**
Total	**59 211**	**60 648**	**– 2**

(29) Securitised liabilities

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Issued debt securities			
Mortgage bonds	8 858	8 486	4
Municipal debentures	14 100	17 581	– 20
Other debt securities	36 129	36 127	–
	59 087	**62 194**	**– 5**
Money market instruments			
Commercial papers	1 699	3 246	– 48
Certificates of deposit	555	453	23
Other money market instruments	473	183	> 100
	2 727	**3 882**	**– 30**
Total	**61 814**	**66 076**	**– 6**

Repurchased debt securities issued by the bank itself have been directly deducted from securitised liabilities to the amount of € 7,782 million (€ 8,136 million).

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

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Trading liabilities			
Negative fair values from derivatives	11 849	11 963	– 1
Delivery obligations from short sales	300	179	68
	12 149	**12 142**	**–**
Financial liabilities designated at fair value			
Liabilities to banks and customers	5 703	5 055	13
Securitised liabilities	3 214	3 306	– 3
Subordinated capital	27	26	4
	8 944	**8 387**	**7**
Total	**21 093**	**20 529**	**3**

(31) Provisions

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Provisions for pensions and other obligations	1 820	1 437	27
Other provisions	2 076	1 977	5
Total	**3 896**	**3 414**	**14**

Other provisions include provisions for insurance contracts in the amount of € 1,767 million (€ 1,699 million) and provisions for reorganisation measures in the amount of € 23 million (€ 0 million).

(32) Other liabilities

The balance sheet item other liabilities includes liabilities from insurance contracts in the amount of € 38 million (€ 47 million). These contain liabilities from direct insurance and reinsurance contracts in the amount of € 1 million (€ 10 million).

(33) Subordinated capital

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Subordinated liabilities	3 466	3 539	– 2
Participatory capital	221	236	– 6
Silent participations	1 150	2 311	– 50
Total	**4 837**	**6 086**	**– 21**

Other disclosures

(34) Fair value hierarchy

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

(in € million)	Level 1		Level 2		Level 3		Total	
	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011
Assets held for trading	4 298	5 077	12 331	11 669	5	59	16 634	16 805
Designated financial assets reported at fair value	937	890	608	483	25	466	1 570	1 839
Positive fair values from hedge accounting derivatives	–	–	4 703	3 289	–	–	4 703	3 289
Financial assets at fair value	43 905	42 457	3 724	3 717	568	3 403	48 197	49 577
Other assets	–	–	9	7	–	–	9	7
Assets	**49 140**	**48 424**	**21 375**	**19 165**	**598**	**3 928**	**71 113**	**71 517**
Liabilities held for trading	301	181	11 780	11 856	68	105	12 149	12 142
Designated financial liabilities reported at fair value	1 461	2 439	7 483	5 948	–	–	8 944	8 387
Negative fair values from hedge accounting derivatives	–	–	4 795	3 422	–	–	4 795	3 422
Liabilities	**1 762**	**2 620**	**24 058**	**21 226**	**68**	**105**	**25 888**	**23 951**

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

1 Jan.–30 Sep. 2012 (in € million)	from Level 1 to Level 2	from Level 1 to Level 3	from Level 2 to Level 1	from Level 2 to Level 3	from Level 3 to Level 1	from Level 3 to Level 2
Assets held for trading	–	–	–	1	35	1
Designated financial assets reported at fair value	–	–	188	–	18	242
Financial assets at fair value	116	3	1 675	–	1 528	801
Liabilities held for trading	–	–	–	23	–	9
Designated financial liabilities reported at fair value	1 011	–	195	–	–	–

For the financial instruments the activity status is reviewed on an individual transaction basis. As at the balance sheet date there have been transfers to Level 1 and Level 2 compared to the last end-of-year reporting date. The greatest number of transfers was from Level 3. These transfers are attributable to an extended assessment of market activity on the one hand and a revival in the markets on the other.

(35) Derivative financial instruments

	Nominal values		Fair values			
(in € million)	30 Sep. 2012	31 Dec. 2011	positive 30 Sep. 2012	positive 31 Dec. 2011	negative 30 Sep. 2012	negative 31 Dec. 2011
Interest rate risks	302 537	312 416	15 370	13 226	14 498	12 771
Currency risk	66 463	71 354	1 473	1 606	1 849	1 991
Share price and other price risks	1 089	1 053	62	54	36	73
Credit risk	6 495	9 163	26	53	260	550
Total	**376 584**	**393 986**	**16 931**	**14 939**	**16 643**	**15 385**

(36) Disclosures relating to selected european countries

The table below shows, in contrast to the exposure in the risk report, the reported values of transactions relating to selected European countries. The disclosures by country include regional governments, municipalities and state-related public-sector companies.

	Financial Instruments Held for Trading		Financial Instruments designated at Fair Value through Profit or Loss		Available for Sale Assets		Loans and Receivables	
(in € million)	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011	30 Sep. 2012	31 Dec. 2011
Greece								
Country	–	– 56	–	–	10	36	–	–
Financing institutions / insurance companies	–	–	–	–	–	17	–	25
Companies / other	3	4	–	–	–	–	254	324
	3	**– 52**	**–**	**–**	**10**	**53**	**254**	**349**
Ireland								
Country	– 24	– 56	97	94	23	55	–	–
Financing institutions / insurance companies	– 21	1	14	11	364	484	499	701
Companies / other	27	– 13	4	5	2	1	1 677	1 564
	– 18	**– 68**	**115**	**110**	**389**	**540**	**2 176**	**2 265**
Italy								
Country	–	– 13	242	287	1 276	1 343	19	20
Financing institutions / insurance companies	– 53	– 66	–	–	1 361	1 628	123	173
Companies / other	2	14	–	–	42	67	60	55
	– 51	**– 65**	**242**	**287**	**2 679**	**3 038**	**202**	**248**
Portugal								
Country	– 37	– 75	–	–	150	142	–	15
Financing institutions / insurance companies	– 7	– 30	–	–	133	144	12	20
Companies / other	–	–	–	–	19	13	83	103
	– 44	**– 105**	**–**	**–**	**302**	**299**	**95**	**138**
Spain								
Country	–	– 1	–	–	336	438	51	83
Financing institutions / insurance companies	– 8	3	–	–	1 533	2 250	152	193
Companies / other	10	80	–	–	33	34	467	452
	2	**82**	**–**	**–**	**1 902**	**2 722**	**670**	**728**
Total	**– 108**	**– 208**	**357**	**397**	**5 282**	**6 652**	**3 397**	**3 728**

For financial instruments categorised as available for sale with acquisition costs totalling € 5,772 million (€ 7,326 million), the cumulative valuation of the selected countries reported in equity totals € 8 million (€1,131 million). In addition to this, impairments of Greek and Irish bonds in the amount of € 0 million (€ 99 million) were recognised in the income statement for the period.

With the acceptance of the exchange offer for Greek government bonds in March 2012, the banks of the NORD/LB Group forewent 53.5 per cent of the nominal amount of their receivables in the amount of € 105 million. The disposal of the bonds had an impact of € – 3 million on the profit/loss from financial assets. On the other hand the acquisition costs of the new bonds categorised as available for sale resulting from the exchange total € 21 million. These are valued as at 30 September with a fair value of € 14 million.

For receivables categorised as loans and receivables to the selected countries, specific valuation allowances totalling € – 41 million (€ – 31 million) and general loan loss provisions totalling € – 17 million (€ – 12 million) were made. The fair values of these receivables are broken down as follows:

(in € million)	Fair Value Loans and Receivables 30 Sep. 2012	Fair Value Loans and Receivables 31 Dec. 2011
Greece	167	288
Ireland	2 184	2 183
Italy	183	232
Portugal	87	134
Spain	651	709
Total	**3 272**	**3 546**

The nominal value of credit derivatives relating to the selected European countries in the NORD/LB Group's portfolio is € 1,539 million (1,883 million). Of this, states account for € 482 million (€ 601 million), financing institutes/insurance companies for € 1,051 million (€ 1,198 million) and companies/others for € 6 million (€ 84 million). This includes both nominal values where the Group acts as the provider of security and nominal values where the Group acts as the recipient of security. The netted fair value of these credit derivatives is € – 170 million (€ – 356 million).

The announcement of the exchange offer for Greek government bonds resulted in a credit event, triggering the settlement of associated derivatives. The resulting effect on the profit/loss from trading is € – 16 million.

(37) Regulatory data

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

(in € million)	30 Sep. 2012	31 Dec. 2011
Risk-weighted assets	**80 213**	**84 800**
Capital requirements for credit risks	5 865	6 108
Capital requirements for market risks	164	339
Capital requirements for operational risks	387	337
Capital requirements according to the SolvV	**6 416**	**6 784**

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

(in € million)	30 Sep. 2012	31 Dec. 2011
Paid-in capital	1 677	1 500
Further capital	–	–
Other reserves	5 299	3 998
Special item for general banking risks in accordance with § 340g of the German Commercial Code	1 416	1 425
Other capital with § 10 2a Nr. 10 KWG	954	2 003
Other components	– 85	– 88
Core capital	**9 261**	**8 838**
Deductions from core capital	– 847	– 833
Core capital for solvency reasons	**8 414**	**8 005**
Non-current subordinated liabilities	3 012	3 309
Participatory capital liabilities	193	218
Other components	– 10	29
Supplementary capital	**3 195**	**3 556**
Deductions from supplementary capital	– 848	– 834
Supplementary capital for solvency reasons	**2 347**	**2 722**
Modified available equity	**10 761**	**10 727**
Eligible capital in accordance with § 10 of the German Banking Act	**10 761**	**10 727**

(in %)	30 Sep. 2012	31 Dec. 2011
Overall ratio according to § 2 Paragraph 6 of the German Solvency Regulation (SolvV)	13.42	12.65
Core capital ratio	10.49	9.44

(38) Contingent liabilities and other obligations

	30 Sep. 2012 (in € million)	31 Dec. 2011 (in € million)	Change (in %)
Contingent liabilities			
Liabilities from guarantees and other indemnity agreements	6 006	6 998	– 14
Other obligations			
Irrevocable credit commitments	8 846	9 456	– 6
Total	**14 852**	**16 454**	**– 10**

(39) Related parties

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

30 Sep. 2012 (in € 000)	Share-holders	Subsi-diaries	Joint ventures	Affiliated companies	Persons in key positions	Other related parties
Outstanding loans and advances						
to banks	–	–	–	944 357	–	232 441
to customers	2 896 708	55 903	35 533	238 152	1 539	403 741
Other unsettled assets	2 809 059	–	–	70 244	–	202
Total assets	**5 705 767**	**55 903**	**35 533**	**1 252 753**	**1 539**	**636 384**
Unsettled liabilities						
to banks	–	–	–	482 426	–	120 034
to customers	2 022 665	36 453	122 347	84 047	2 378	267 828
Other unsettled liabilities	48 444	467 626	–	1 584	38	158 062
Total liabilities	**2 071 109**	**504 079**	**122 347**	**568 057**	**2 416**	**545 924**
Guarantees/ sureties received	4 193 947	27	50	5 000	–	20
Guarantees/ sureties granted	5 250 674	700	1 056	12 329	–	11 354

1 Jan.–30 Sep. 2012 (in € 000)	Share-holders	Subsi-diaries	Joint ventures	Affiliated companies	Persons in key positions	Other related parties
Interest expense	32 651	76 091	111	21 836	27	12 549
Interest income	136 491	1 395	532	35 239	53	17 304
Commission expense	17 986	–	–	51	–	47
Commission income	20	6	21	147	–	212
Other income and expenses	81 117	41	–	– 8 407	– 4 085	– 9 922
Total contributions to income	**166 991**	**– 74 649**	**442**	**5 092**	**– 4 059**	**– 5 002**

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

1 Jan. – 30 Sep. 2011 (in € 000)	Share-holders	Subsi-diaries	Joint ventures	Affiliated companies	Persons in key positions	Other related parties
Interest expense	47 339	70 623	233	15 768	37	13 044
Interest income	132 236	1 805	225	39 999	77	16 674
Commission expense	18 058	–	–	–	–	648
Commission income	52	7	21	202	–	18
Other income and expenses	49 868	44	3	24 162	– 42	– 18 028
Total contributions to income	**116 759**	**– 68 767**	**16**	**48 595**	**– 2**	**– 15 028**

As at the balance sheet date there are allowances for loans and advances to associated companies in the amount of € 3 million (€ 2 million). Expenses for loan loss provisions in the period under review total € 1 million (€ 0 million).

In the item guarantees/sureties received from shareholders, guarantees in the amount of € 3,500 million (€ 3,550 million) are reported; these relate to an issue programme (G-MTN) guaranteed by the states of Lower Saxony and Saxony-Anhalt which serves for the refinancing of the NORD/LB Group. In the item guarantees/sureties granted to shareholders, guarantees in the amount of € 5,250 million (€ 5,325 million) are reported; these relate to a security pool of loans and advances with which the aforementioned guarantees received from the states of Lower Saxony and Saxony-Anhalt are secured. The maximum term of the guarantees is 5 years.

(40) Members of governing bodies

1. Members of the Managing Board

Dr. Gunter Dunkel
(Chairman of the Managing Board)

Ulrike Brouzi

Eckhard Forst

Dr. Hinrich Holm

Dr. Johannes-Jörg Riegler

Christoph Schulz

2. Members of the Supervisory Board

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

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

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

Frank Berg
Chairman of the Managing Board
OstseeSparkasse Rostock

Hermann Bröring
(until 15 March 2012)

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

Edda Döpke
Bank employee
NORD/LB Hannover

Ralf Dörries
Senior Vice President
NORD/LB Hannover

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

Frank Hildebrandt
Bank employee
NORD/LB Braunschweig

Dr. Gert Hoffmann
Mayor, City of Braunschweig
(until 31 May 2012)

Martin Kind
Managing Director
KIND Hörgeräte GmbH & Co. KG

Walter Kleine
Chairman of the Managing Board, Sparkasse Hannover
(until 31 May 2012)

Frank Klingebiel
Mayor, City of Salzgitter
(since 1 June 2012)

Manfred Köhler
Salzlandsparkasse
(until 31 January 2012)

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

Heinrich von Nathusius
Managing Director, IFA Gruppe

August Nöltker
Union Secretary
ver.di Vereinte Dienstleistungsgewerkschaft
(until 31 May 2012)

Freddy Pedersen
ver.di Vereinte Dienstleistungsgewerkschaft

Jörg Reinbrecht
ver.di Vereinte Dienstleistungsgewerkschaft
(since 1 June 2012)

Ilse Thonagel
Bank employee
Landesförderinstitut Mecklenburg-Western Pomerania

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

Klaus-Peter Wennemann
Management Consultant
(since 1 June 2012)

(41) Companies and investment funds included in the 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	–
BLB Leasing GmbH, Oldenburg	100.00	–
Braunschweig-Informationstechnologie-GmbH, Braunschweig	100.00	–
Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen	–	54.83
Bremische Grundstücks-GmbH, Bremen	100.00	–
Deutsche Hypothekenbank (Actien-Gesellschaft), Berlin – Hanover	–	100.00
KreditServices Nord GmbH, Braunschweig	–	100.00
MALIBO GmbH & Co. Unternehmensbeteiligungs KG, Pullach im Isartal	–	77.81
Nieba GmbH, Hanover	–	100.00
Norddeutsche Landesbank Luxembourg S.A., Luxembourg-Findel/Luxembourg	–	100.00
NORD/FM Norddeutsche Facility Management GmbH, Hanover	–	100.00
NORD/LB Asset Management Holding GmbH, Hanover	–	100.00
NORD/LB Capital Management GmbH, Hanover	100.00	–
NORD/LB COVERED FINANCE BANK S.A., Luxembourg-Findel/Luxembourg	100.00	–
NORD/LB G-MTN S.A., Luxembourg-Findel/Luxembourg	–	100.00
NORD/LB Kapitalanlagegesellschaft AG, Hanover	100.00	–
Nord-Ostdeutsche Bankbeteiligungs GmbH, Hanover	–	100.00
NORDWEST VERMÖGEN Bremische Grundstücks-GmbH & Co. KG, Bremen	100.00	–
NORDWEST VERMÖGEN Vermietungs-GmbH & Co. KG, Bremen	100.00	–
Öffentliche Facility Management GmbH, Braunschweig	100.00	–
Öffentliche Facility Management Leben GmbH & Co. KG, Braunschweig	100.00	–
Öffentliche Facility Management Sach GmbH & Co. KG, Braunschweig	100.00	–
Öffentliche Lebensversicherung Braunschweig, Braunschweig	–	75.00
Öffentliche Sachversicherung Braunschweig, Braunschweig	–	75.00
Skandifinanz AG, Zurich/Switzerland	100.00	–
Investment funds included in the consolidated financial statements		
Beteiligungs-Kommanditgesellschaft MS „Buxmelody“ Verwaltungs- und Bereederungs GmbH & Co., Buxtehude	–	–
DEMURO Grundstücks-Verwaltungsgesellschaft mbH & Co. KG, Pullach im Isartal	–	–
Fürstenberg Capital Erste GmbH, Fürstenberg/Weser	–	–
Fürstenberg Capital II GmbH, Fürstenberg/Weser	–	–
GEBAB Ocean Shipping II GmbH & Co. KG, Hamburg	–	–
GEBAB Ocean Shipping III GmbH & Co. KG, Hamburg	–	–
Hannover Funding Company LLC, Dover (Delaware)/USA	–	–
KMU Shipping Invest GmbH, 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	–	–
NORD/LB Immobilien-Holding GmbH & Co. Objekt Magdeburg KG, Pullach im Isartal	–	–

Company name and registered office	Shares (%) direct	Shares (%) indirect
„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	–	–
Investment funds included in the consolidated financial statements		
NORD/LB AM 56	–	100.00
NORD/LB AM 65	–	100.00
NORD/LB AM ALCO	–	100.00
NORD/LB AM High Yield	–	77.64
NORD/LB AM OELB	100.00	–
NORD/LB AM OESB	100.00	–
Companies/investment funds accounted for in the consolidated financial statements using the equity method		
Joint Ventures		
LHI Leasing GmbH, Pullach im Isartal	43.00	6.00
Associated companies		
Ammerländer Wohnungsbau-Gesellschaft mbH, Westerstede	32.26	–
BREBAU GmbH, Bremen	48.84	–
Deutsche Factoring Bank Deutsche Factoring GmbH & Co. KG, Bremen	27.50	–
GSG OLDENBURG Bau- und Wohngesellschaft mit beschränkter Haftung, Oldenburg	22.22	–
LBS Norddeutsche Landesbausparkasse Berlin-Hannover, Hanover	44.00	–
LINOVO Productions GmbH & Co. KG, Pöcking	–	45.17
NORD KB Beteiligungsgesellschaft mit beschränkter Haftung, Hanover	–	28.66
SALEG Sachsen-Anhaltinische Landesentwicklungsgesellschaft mbH, Magdeburg [1)]	–	56.61
Toto-Lotto Niedersachsen GmbH, Hanover	–	49.85
Investmentfonds		
Lazard-Sparkassen Rendite-Plus-Fonds	49.18	–

1) Due to potential voting rights of third parties this company in accounted for as an affiliated company.

Responsibility Statement

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

Hanover / Braunschweig / Magdeburg, 20 November 2012

Norddeutsche Landesbank Girozentrale

The Managing Board

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

Statements Relating to the Future

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

Financial calendar 2013

23 April 2013	Release of annual results 2013
30 May 2013	Release of results as at 31 March 2013
29 August 2013	Release of results as at 30 June 2013
28 November 2013	Release of results as at 30 September 2013

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Our Investor Relations team will be glad to give assistance in case of any questions.
Phone: +49 511 361-43 38
Email: ir@nordlb.de

Branches (including Braunschweigische Landessparkasse)

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

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

International branches
London, New York, Singapore, Shanghai

Representative offices
Beijing, Moscow, Mumbai

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

Die norddeutsche Art.

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Finanzgruppe