NORD/LB

Die norddeutsche Art.

Interim Report
as at 30 September 2013

OUR PROXIMITY / YOUR STRENGTH

Finanzgruppe

KEY FIGURES

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

	1 Sep. – 30 Jun. 2013	1 Sep. – 30 Jun. 2012 [1)]	Change (in %)
Income statement – in € million			
Net interest income	1 476	1 503	– 2
Loan loss provisions	– 642	– 352	82
Net commission income	124	125	– 1
Profit/loss from financial instruments at fair value through profit or loss including hedge accounting	54	– 114	> 100
Profit/loss from financial assets	2	– 11	> 100
Profit/loss from investments accounted for using the equity method	24	– 15	> 100
Administrative expenses	852	824	3
Other operating profit/loss	– 21	– 68	69
Earnings before reorganisation and taxes	165	244	– 32
Reorganisation expenses	– 24	– 28	14
Expenses for Public Guarantees related to Reorganisation	– 33	– 7	> 100
Earnings before taxes	**108**	**209**	**– 48**
Income taxes	– 4	68	> 100
Consolidated profit	**112**	**141**	**– 21**
Key figures in %			
Cost-Income-Ratio (CIR)	51.4	57.5	
Return-on-Equity (RoE)	1.9	3.6	

	30 Sep. 2013	31 Dec. 2012 [1)]	Change (in %)
Balance figures in € million			
Total assets	204 720	225 550	– 9
Customer deposits	54 400	55 951	– 3
Customer loans	108 954	114 577	– 5
Equity	7 940	7 700	3
Regulatory key figures			
Core capital for solvency reasons in € million	8 028	8 451	– 5
Regulatory equity in € million	10 022	10 776	– 7
Risk-weighted assets in € million	70 762	77 863	– 9
Total capital ratio in %	14.16	13.84	
Core capital ratio in %	11.34	10.85	

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

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

Ratingagentur	**Rating**	**Date of rating**
Moody's	A3/P-2/D	23 September 2013
Fitch Ratings	A/F1/bbb–	30 July 2013

More Ratings can be found here: https://www.nordlb.com/investor-relations/

INTERIM REPORT AS AT 30 SEPTEMBER 2013

INTERIM GROUP MANAGEMENT REPORT AS AT 30 SEPTEMBER 2013

BUSINESS ACTIVITIES AND THE GENERAL ENVIRONMENT

NORD/LB Norddeutsche Landesbank Girozentrale

NORD/LB Norddeutsche Landesbank Girozentrale (hereafter NORD/LB or the bank) is a registered public institute 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 a representative office in Moscow.

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

The issued 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, Hanover), 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 (Landesbank) 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 (NORD/LB Group) which also includes Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –, Bremen (hereafter Bremer Landesbank), Norddeutsche Landesbank Luxembourg S.A., 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 of the notes to the consolidated financial statements.

Control Systems

The control of profitability, productivity and the NORD/LB Group's risk profile is 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 the NORD/LB Group is primarily focused 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 CIR is defined as the ratio between administrative expenses and the sum total of the following income items: net interest income, net commission income, profit/loss from financial instruments at fair value through profit or loss, profit/loss from hedge accounting, profit/loss from investments accounted for using the equity method and other operating profit/loss. The RoE 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.

Global Economic Environment

The global economy has picked up slightly since the half-year point with industrial production higher than in the first half-year. Global trade also appears to have gathered some momentum on the back of the slight improvement in the economy, although activity was on the whole still very restrained during the summer months. While the rate of growth fell slightly in Japan and the eurozone in the summer months, in the USA, Great Britain and China economic activity picked up in the same period. Overall, business and consumer sentiment indicators improved again in the third quarter.

In the USA politicians were able, under time pressure, to agree a short-term solution for the budget and debt limit and in doing so were able to put back the problem for another day in the near future. The debt limit has been raised to a level such that the US Government will not face any liquidity problems until at least the start of February 2014. The economic data reported to date for the US suggests, though, that the government shutdown has not had a major negative impact. Economic activity in China was robust in the third quarter of 2013. The mood amongst purchasing managers in the industrial and services sectors at the start of the last three months of the year suggests that the rate of growth will continue to rise.

Germany

Following a weather-disrupted first half-year of zero growth compared to the start of the year and 0.7 growth in the spring compared to the previous quarter, economic growth returned to a reasonable level in the summer months. Economic output increased by 0.3 per cent in the summer compared to the previous quarter, while the annual rate for real Gross Domestic Product (GDP) growth climbed to 1.1 per cent. The German economy therefore remains on course for further growth, even though, as expected, the high rate of growth seen in the second quarter was not maintained in the summer months. In the spring the rate of growth compared to the previous quarter was 0.7 per cent, although this was pushed up significantly by weather-related catch-up effects. Adjusted for these special effects, the basic rate of economic growth has hardly changed in the first nine months.

The German economy is on course for further growth.

Eurozone

Economic recovery in the eurozone is fairly sluggish.

In the eurozone countries the prospects of economic growth have improved of late. The most important sentiment indicators for the eurozone have risen steadily and are now at least close to their historical averages. However, the economic recovery following the end of the recession in the spring will remain sluggish for the time being.

The rate of recovery slowed somewhat in the eurozone and Germany in the third quarter. Price and seasonally-adjusted gross domestic product in the eurozone rose slightly by 0.1 per cent compared to the previous quarter. In the summer GDP growth lost momentum in the eurozone's two biggest economies. While Germany continues to experience solid growth, economic output in France fell slightly by 0.1 per cent compared to the previous quarter. Both countries were affected negatively to differing degrees by their trade balance, but wide differences can now also be seen in the area of investment. Economic expectations and as a consequence the willingness of companies to invest are seemingly much higher in Germany than in France. This is also confirmed by the relevant early indicators.

On the whole the picture for the summer months is mixed. In Portugal the quarterly growth rate fell significantly to 0.2 per cent, but was at least it was still positive. The end of the recession in Spain is also pleasing, with a slight increase in GDP of 0.1 per cent compared to the previous quarter. In Italy, however, economic output fell in the summer by 0.1 per cent compared to the previous quarter. If the disappointing figures for France and Italy are removed, the overall picture is satisfactory. Without these two countries, the remainder of the eurozone has for the second quarter in a row achieved an average rate of growth of 0.3 per cent compared to the previous quarter.

Financial Markets and Interest Rates

Tightening of monetary policy in the eurozone still a long way off.

The very subdued price development in October and risk of a downturn for the still shaky economic recovery were the ECB's arguments for once again lowering the base rate for main refinancing operations at the start of November by 25 basis points to only 0.25 per cent. The ECB (European Central Bank) once again refrained from setting a negative interest rate for the deposit facility and left it at zero per cent, only the rate for the marginal lending facility was lowered in line with this by 25 basis points. ECB President Mario Draghi also announced that the main refinancing operations will continue to be conducted until July 2015 as volume tenders with full allotment at fixed rates. There will also be no changes for longer-term refinancing operations with a term of up to three months until at least mid-2015. The forward guidance was reaffirmed once again, with the EZB Governing Council stating that it is expecting the base rates to remain at the current or a lower level for a long time to come. In the eurozone a tightening of monetary policy is therefore still a long way off. Due to the continuing low level of growth in money supply and lending, the risks of inflation are very muted and accordingly provide the ECB with further room for manoeuvre. An initial interest rate increase is not anticipated until the second half of 2015 at the earliest, and this will only occur provided the economic situation demonstrates lasting stability by then. A massive increase in interest rates is therefore unlikely in the eurozone, even if German government bonds gradually return to normal on account of the lower risk of uncontrollable negative developments in the debt crisis.

Many share indices had reacted to the actions or non-action of the most important issuing banks and improved economic data with further rises in share prices. The German share index DAX almost reached 9,200 points at the start of November and was therefore around 1,500 points above the level recorded at the start of the year. Yields of German government bonds with ten-year residual terms fluctuated between 1.50 per cent in mid-July and the high for the year to date of just over 2 per cent, which was recorded for a brief period in mid-September. In recent weeks yields of German government bonds have fallen gradually, particularly following the surprising delay in the slight reduction of monthly securities purchases by the Federal Reserve originally expected for September. Additional pressure was also placed on the yields by the significant fall in inflation in October and the prompt reaction to this by the ECB. However, soon after this good economic data from the US had a positive impact. Money market rates have again remained largely stable in recent months. Since mid-January the three-month Euribor has been only slightly above 0.2 per cent. While a moderate, steady increase is expected for capital market interest rates, this is not expected in the medium term for money market interest rates due to the continued very expansive monetary policy of the ECB.

Ships

In the first nine months of 2013 there were very few bright spots and the situation remained, despite the occasional indication of a slight improvement, difficult for all involved.

In the container business the three-way alliance announced by the market-leading liners Maersk, MSC and CGA/CGM and the resulting pressure on the market had consequences. Unfortunately the general rate increases which the liners announced full of optimism in the third quarter of 2013 did not last. At the start of the fourth quarter 2013 the overall index for container freight rates, the Shanghai Container Freight Index, fell below 1,000 points for the first time since 2011. In particular the continued low level of demand in the important “Far East (China) – North Europe” route as a result of the poor economic conditions and the sustained level of new high-volume container ships had a negative impact here.
This is also affecting the charter market. A domino effect was experienced in particular in the upper sub-segments, where charter rates have nosedived in the year to date.

In the bulker segment, however, the recovery that started in the first half of the year continued. The Baltic Dry Index had doubled in the first half of the year, and remained high to the end of the third quarter. At the end of September it even rose above 2,100 points, therefore even tripling the year’s opening level of 700 points.

A similar development to that in the bulker sector would also have done the tanker sector good, but this did not occur in the third quarter. At the end of September the Baltic Dirty Tanker Index was, with 584 points, only marginally above the year’s low recorded in the second quarter.

In the cruise market the balance at the end of the cruise season was satisfactory for all involved. Rising passenger numbers, an increase in the number of calls at German ports, a booming cruise industry in Europe and stable order numbers reflect the optimism of the industry.

Aircraft

Passenger growth remains strong.

The International Air Transportation Organisation (IATA) again reported strong growth in global revenue passenger kilometres (RPK)) for the first nine months of 2013. Global RPK growth for the overall market totalled 5.0 per cent. The growth rates were 5.2 per cent for international traffic and 4.8 per cent for domestic traffic.
The drivers of growth were the Middle East, Asia-Pacific, Africa and Latin America regions. The North America and Europe markets performed below average in the same period.
Capacity growth (ASK) for this year was 4.3 per cent to September. The passenger load factor (PLF) in the overall global market rose to 80.1 per cent (79.5 per cent).

Slight increase in air freight after nine months.

The global air freight market (FTK) grew slightly in the first nine months by 0.5 per cent, although there were huge regional variations. For example, while freight volumes in the Middle East rose significantly by 12.3 per cent, they fell in the Asia-Pacific region by 2.1 per cent.
Global air freight capacity (AFTK) rose in the first three quarter of 2013 by 1.9 per cent. The freight load factor (FLF) in the global air freight markets rose slightly to 44.7 per cent (44.5 per cent).

High level of order activity at Airbus and Boeing.

Order activity at Airbus and Boeing was high in the first nine months. Both Airbus and Boeing received many more orders than in the previous year. Narrowbodies accounted for most of these orders, and the majority of these were for the re-engined versions. The A320 and B737 families were again particularly in demand.

Real Estate

Global investment in commercial real estate exceeds expectations.

Global investment in commercial real estate rose by 16 per cent in the first three quarters of 2013 compared to the previous year. Taking into account the traditionally strong fourth quarter, Jones Lang LaSalle has raised its forecast for the year from $ 450 to $ 500 billion to $ 475 to $ 500 billion. Coinciding with the improving economic conditions, an increased willingness of investors to take risk both in terms of location and sector has been observed.

In the German for commercial real estate, a transaction volume of approx. € 19 billion, almost 30 per cent more than in the previous year, was registered in the first nine months of 2013. The faster rate of economic growth, a positive employment trend and stable consumer confidence are responsible for the high level of demand for German real estate investment. The share of foreign investors has risen once again and is currently around 35 per cent. Active buyers were mainly from the USA and Great Britain. Office properties remain most in demand and account for around 40 per cent of total turnover. Retail properties, as expected, are the second most sought-after type of use, representing around 30 per cent of total turnover. Logistics properties have grown strongly in absolute terms and have been responsible since the start of the year for a transaction volume of almost € 2.2 billion (11 per cent share). As a consequence of the high demand for core products, peak returns in all asset classes remained stable at a low level.

In light of the signs of economic recovery that are slowly starting to emerge, demand in the office letting market and in the retail sector is continuing to stabilise.

Investment in German real estate remains high.

The German residential real estate market remains attractive. This is due to the very low level of supply and the high level of demand. Purchase prices remained largely stable in the third quarter of 2013. The highest prices were achieved as expected for project developments in the major German metropolis regions.

Confidence in the European commercial real estate markets has slowly returned. This is also the result not least of all of the positive economic growth in the eurozone in the second quarter, which paved the way for the end to an 18-month recession.

REPORT ON THE EARNINGS, ASSETS AND FINANCIAL POSITION

(In the following text the previous year's figures for the first nine months of 2013 or as at 31 December 2012 are shown in brackets.)

Earnings Position

NORD/LB closes first nine months of 2013 with earnings before taxes of € 108 million.

Earnings before taxes for the nine months of the financial year 2013 totalled € 108 million.

The figures for the income statement are summarised as follows:

(in € million)	1 Jan. – 30 Sep. 2013	1 Jan. – 30 Sep. 2012 [1]	Change [2]
Net interest income	1 476	1 503	– 27
Loan loss provisions	– 642	– 352	– 290
Net commission income	124	125	– 1
Profit / loss from financial instruments at fair value through profit or loss including hedge accounting	54	– 114	168
Profit / loss from financial assets	2	– 11	13
Profit / loss from investments accounted for using the equity method	24	– 15	39
Administrative expenses	852	824	– 28
Other operating profit / loss	– 21	– 68	47
Profit / loss before reorganisation expenses and taxes	**165**	**244**	**– 79**
Reorganisation expenses	– 24	– 28	4
Expenses for public guarantees related to restructuring	– 33	– 7	– 26
Earnings before taxes	**108**	**209**	**– 101**
Income taxes	– 4	68	72
Consolidated profit	**112**	**141**	**– 29**

[1] In accordance with IAS 8 the adjustments made to the previous year's figures are taken into account (cf. Note (3) Adjustment of figures for the previous year in the notes of the interim consolidated financial statements).
[2] The sign before figures in the change table indicates the effect on profit/loss.

Net interest income has fallen slightly compared to the previous year by € 27 million to € 1,476 million. The fall in interest income from lending and money market transactions is largely due to the low interest rate and declining loans and advances to banks and customers and the reduction of the bank's security portfolios. Interest expense also fell on account of the low interest rate and the reduction in money market transactions as well as securitised liabilities. Interest income and interest expenses from financial instruments at fair value through profit or loss also declined.

Loan loss provisions heavily affected by ship financing.

Loan loss provisions increased by € 290 million compared to the previous year to € 642 million. This is primarily due to the net allocation to specific valuation allowances in the amount of € 534 million (€ 436 million) and the net allocation to general loan loss provisions in the amount of € 71 million. In the same period of the previous year there was a net reversal of € 110 million. The increase in both is mainly attributable to ship financing.

The **net commission income** remains almost the same as the previous year's figure. The € 5 million reduction in commission income is seen alongside a € 4 million reduction in commission expenses.

Profit/loss from financial instruments at fair value including hedge accounting affected by a fall in trading profit and positive development in profit/loss from the use of the fair value option.

The **profit/loss from financial instruments at fair value through profit or loss including hedge accounting** totals € 54 million and is € 168 million up on the previous year. This effect is mainly attributable to a fall in trading profit compared to the previous year and a positive contribution to earnings from the fair value option, which more than compensated for the fall in trading profit. The trading profit/loss was primarily affected by the negative development in the income from bonds, bonded loans interest derivatives and the fall in income from credit derivatives. Compared to the previous year, income from currency derivatives has risen due to a narrowing of the EUR/USD base spread which is significant for the valuation. The profit/loss from the from the use of the fair value option is affected significantly by inverse interest-induced effects compared to the trading profit/loss and rose to € 196 million.

The **profit/loss from financial assets** is € 2 million and is therefore € 13 million above the previous year's figure. This is attributable in particular to a significant increase in income from the disposal of bonds and other fixed-interest securities, which more than compensates for an increase in loan loss provisions.

The **profit/loss from investments accounted for using the equity method** in the period under review has increased by € 39 million to € 24 million. The previous year's figure was affected by a depreciation in the amount of € 43 million.

Administrative expenses rose by € 28 million compared to the previous period. The increase in staff expenses, which was due to negotiated wage increases, and other administrative expenses was partly compensated for by a reduced level of depreciation.

Other operating profit increased compared to the previous year by € 47 million. Income from the redemption of issued bonds had a positive effect on profit/loss. The bank levy resulted in an expense of € 37 million, which has already been fully included for 2013.

The **reorganisation expenses** of € –24 million primarily comprise in the amount of € 23 million allocations made to reorganisation provisions as part of the efficiency improvement programme for contractual agreements already concluded as at the balance sheet date concerning the termination of contracts of employment.

Expenses for public guarantees related to reorganisation relate entirely to premiums for the 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. In the current quarterly financial statements among other things tax effects for previous years and the positive results of investments accounted for using the equity method result in the reported tax income.

Assets and Financial Position

(in € million)	30 Sep. 2013	31 Dec. 2012	Change
Loans and advances to banks	29 029	34 378	– 5 349
Loans and advances to customers	108 954	114 577	– 5 623
Loan loss provisions	– 2 230	– 1 949	– 281
Financial liabilities at fair value through profit or loss	14 222	17 920	– 3 698
Positive fair values from hedge accounting derivatives	3 611	4 924	– 1 313
Financial assets	48 246	52 423	– 4 177
Investments accounted for using the equity method	300	318	– 18
Other assets	2 588	2 959	– 371
Total assets	**204 720**	**225 550**	**– 20 830**
Liabilities to banks	60 151	65 079	– 4 928
Liabilities to customers	54 400	55 951	– 1 551
Securitised liabilities	51 538	60 619	– 9 081
Financial liabilities at fair value through profit or loss	16 911	20 724	– 3 813
Negative fair values from hedge accounting derivatives	3 407	4 908	– 1 501
Provisions	4 305	4 137	168
Other liabilities	1 330	1 599	– 269
Subordinated capital	4 738	4 833	– 95
Reported equity including minority interests	7 940	7 700	240
Total liabilities and equity	**204 720**	**225 550**	**– 20 830**

The **balance sheet total** fell by € 20.8 billion compared to 31 December 2012. On the assets side this was due in particular to a reduction in loans and advances to banks and customers, financial assets and financial assets at fair value through profit or loss. On the liabilities side the fall in the balance sheet total is reflected in a fall in securitised liabilities, liabilities to banks and financial liabilities measured at fair value through profit or loss.

Total assets reduced by € 20.8 billion.

Loans and advances to banks fell by € 5,349 million compared to the previous year. This change is mainly due to the reduction in receivables from repo transactions, bonded loans and securities.

Loans and advances to customers are still the largest balance sheet item at 53 per cent (51 per cent). Compared to the previous year, this item has reduced by € 5,623 million. This reduction is primarily due to the reduction in receivables from repo transactions to banks in Germany, municipal loans and mortgage loans.

Loan loss provisions increased compared to the previous year by € 281 million to € 2,230 million (€ 1,949 million). The increase is mainly attributable to the increase in loan loss provisions in ship financing.

Loan loss provisions heavily affected by loan loss provisions in the area of ship financing.

Financial assets at fair value through profit or loss comprise trading assets and financial assets designated at fair value and are € 3,698 million below the previous year’s level. This change is also reflected on the liabilities side.

Financial assets have reduced compared to the previous year by € 4,177 million and now total € 48,246 million. This is mainly attributable to the reduction in AfS financial assets as part of the reduction in risk-weighted assets (RWA).

Liabilities to banks have fallen by € 4,928 million compared to the previous year. The fall is primarily due to the reduction in liabilities from repo transactions and securities. These changes reflect the corresponding developments on the assets side.

Liabilities to customers have fallen by € 1,551 million compared to the previous year.

The € 9,081 million fall in **securitised liabilities** to € 51,538 million is attributable to the maturity of municipal bonds and other debt securities. New issues were not made at the same level.

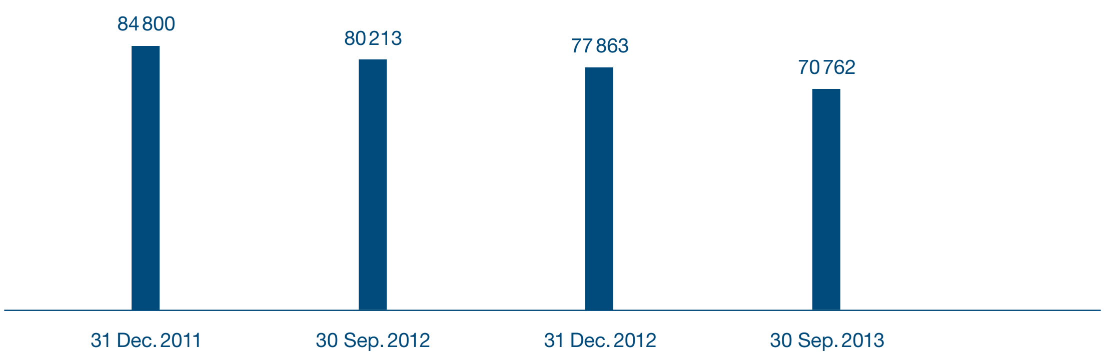
Liabilities at fair value through profit or loss comprise trading liabilities and financial liabilities designated at fair value. Compared to the previous year a fall of € 3,813 has been recorded, which is also reflected on the assets side.

Subordinated capital fell by € 95 million in the period under review. The fall is due in particular to with the repayment of silent participations.

The increase in **reported equity** is inter alia largely due to the positive development in the revaluation reserve.

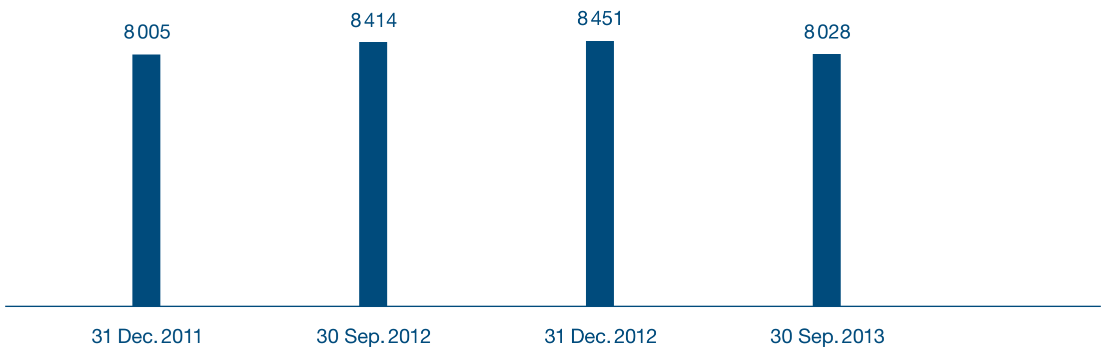
RWA have changed as follows:

RISK-WEIGHTED ASSETS (in € million)



The core capital for solvency purposes has changed as follows:

CORE CAPITAL FOR SOLVENCY PURPOSES (in € million)



NORD/LB calculates the regulatory IRB shortfall in accordance with the provisions of the German Solvency Regulation (SolvV, IRB approach). In the first nine months of 2013, the shortfall increased from € 1,565 million as at 31 December 2012 to € 2,361 million as at 30 September 2013.

The main reason for this change was the increase in anticipated loss amounts in accordance with the German Solvency Regulation for the NORD/LB Group's shipping portfolios.

SUMMARY

Profit/loss has improved compared to the second quarter of 2013, but is still severely affected by the shipping crisis as compared to the previous year.

SUPPLEMENTARY REPORT

Following the first ever worldwide issue of a US dollar public sector covered bond in October 2012, NORD/LB made another worldwide issue of a US dollar public sector Pfandbrief in November 2013. The Pfandbrief has a volume of $ 1 billion, a term of five and a quarter years and has an interest coupon of 2 per cent per annum. The issue was given an "AAA" rating by Moody's and Fitch.

With the issue the bank is increasing its investor base particularly in the USA and aims to be able to offer further refinancing instruments directly to US investors in future.

FORECASTS AND OTHER INFORMATION ON ANTICIPATED DEVELOPMENTS

Global Economic Outlook

The global economy is expected to pick up in the coming year 2014. After two on the whole very poor years in 2012 and 2013, it is expected that the recovery in the eurozone will continue, that there will be a higher annual growth rate in the USA and that the emerging markets will make a stable contribution to global economic growth. The sustained positive trend exhibited to date by early indicators is a clear sign that the downturn in the global economy will soon be over. For the USA, following solid GDP growth of around 1.7 per cent in the current year, a significant increase in economic output of 2.6 per cent is expected for 2014. Based on the strong economic figures for the third quarter of 2013, growth in China will also be in the region of the targeted annual rate of around 7.5 per cent. However, risks remain in many industrialised countries due to the financial and debt crisis, and further distortions cannot be ruled out. The capital markets will continue to focus in particular on the progress of the structural adjustments in the eurozone countries.

Economic Forecast for Germany and the Eurozone

It is expected that the German economy will continue to grow in 2014, as growth will no longer be reliant on private consumption. Exports will benefit from an increase in global demand and there are also signs that investments are picking up. Overall, German GDP, following slow growth of around 0.5 per cent this year, is expected to grow by around 2 per cent in 2014 compared to the previous year, providing the debt crisis does not provide any new shocks.

The outlook for economic development in the eurozone countries has improved of late. The most important sentiment indicators for the eurozone have risen steadily and are now close to their historical averages. However, the recovery will remain sluggish for the time being. The debt crisis remains the greatest economic risk for the eurozone countries. Additionally, despite the markets stabilising and an improved economic situation, huge consolidation efforts are still required by many member countries. The deadlines for the original consolidation targets may have been extended, but they still remain a major challenge. In the context of the debt crisis, the focus will remain above all on the two major economies of Spain and Italy, despite the improved sentiment in the financial markets. Although the economies of both countries are showing signs of stabilising after a deep recession, a dynamic counter-movement is currently no longer expected. It is expected that the low consumption and investment levels will result in a fall in economic output of 0.4 per cent in the eurozone in 2013 , followed by a moderate increase in GDP of around 1 per cent in 2014 compared to the previous year. The eurozone’s deficit ratio will probably be in the region of 3 per cent of GDP (Maastricht criterion) again in 2013 despite the poor state of the economy.

Inflationary pressure will be muted both in the eurozone and in Germany this and next year. This will be due to the low level of domestic price inflation and reduced impact of increases in indirect taxes and administered prices compared to recent years. Energy and raw materials prices also currently show no sign of any upward inflationary pressure, even though the geopolitical risks remain high. The average rate of inflation for consumer prices in Germany and the eurozone in 2014 will again be below 2.0 per cent as in the current year.

Development of International Financial Markets

The slowdown in the financial markets seen for just under a year will continue for the rest of the year and also next year. New areas of conflict in the eurozone, such as the debate about a new haircut for Greece, are foreseeable. Portugal's planned return to the capital market also currently still appears uncertain. The financial markets should though have developed a degree of robustness towards new conflicts. In addition, Ireland will become the first country to leave the rescue package in the current year. It is the intention of the Irish Government to be able to cover its refinancing requirement entirely via the capital market again from December.

Financial market participants are likely to focus more closely on developments in the USA in the near future. First of all there is the argument about the budget for 2014, which for the time being has been put back from October to the start of next year, and the upper limit for debt. There also remains for the global financial markets the question of the departure from the Federal Reserve's long-term very expansive monetary policy and the resulting implications for interest rates in the USA and on this side of the Atlantic. This is of major importance for the pensions and share markets, with the reactions in June and September following the surprising delay in the curbing of monthly securities purchases by the Federal Reserve providing impressive proof of this.

In the eurozone a tightening of monetary policy is still a long way off. The ECB will continue its policy for an even longer period or even reinforce its already very expansive monetary policy. Due to the continuing low level of growth in money supply and lending, the risks of inflation are very muted and accordingly provide the ECB with further room for manoeuvre. An initial interest rate increase is not anticipated until 2015, and this will only occur provided the economic situation demonstrates lasting stability by then. A massive increase in interest rates is therefore unlikely in the eurozone, even if German government bonds gradually return to normal on account of the lower risk of uncontrollable negative developments in the debt crisis. With an increase in yields at the long end, this should result in a somewhat steeper yield curve.

Banking Market Development

The European banking market continues to face challenges five years after the financial market crisis started. A sustained stabilisation of the market is still a long way off. The cautious economic outlook for 2013 in the majority of European countries implies that there will continue to be difficulties concerning the credit quality, capital adequacy and earnings potential of banks. Further efforts will be necessary to improve the stability of financial markets. These mainly involve the further reduction of balance sheet risks, the boosting of equity, the maintenance of capital market capability and the increasing of earnings potential. This process will be accompanied in future by a tighter regulatory environment. This applies equally for the German banking market.

Asian banks have largely emerged unscathed from the current financial crisis. This is primarily attributable to the fact that Asian banks on the whole have relatively low exposure to borrowers in the European crisis countries and sound capital resources. It is also the case for US banks that their exposure to the European crisis countries poses no threat to their own stability. Additionally, an ongoing recovery of the US banking sector is apparent. US banks were able to substantially improve their profitability in the first half of 2013. A key influencing factor here was the improved economic environment in the USA, which has recently accelerated the reduction of balance sheet risks. Further, the US banks benefited from adequate capitalisation that enables more stringent regulatory requirements to be satisfied in future.

Ships

In general expectations beyond the turn of the year are unlikely to be too optimistic for 2014. Although the current forecasts published for the global economy indicate that gross domestic product will increase compared to 2013, the International Monetary Fund has already slightly revised its World Economic Outlook in October. Therefore an increase in demand across all sectors which might result in anywhere near the utilisation of the rising tonnage capacity is not expected.

The situation in the container market remains difficult under current conditions.

The container sector is facing a difficult winter season for 2013/14 following another disappointing peak season in 2013. By the end of December it is expected that the wave of deliveries will have launched 36 large container ships with capacities of between 10,000 and 18,400 TEU (Twenty-foot Equivalent Unit) and a total capacity of more than 0.5 million TEU onto the market. Also coming onto the market will be a further 54 ships with a slightly less loading capacity of between 7,500 TEU and 10,000 TEU (approximately another 0.5 million TEU), therefore these two size categories will account for over 80 per cent of the expected 7.2 per cent growth in container shipping for 2013. As these ships will be used mainly for long-distance routes due to their size, the crowding-out/domino effect will get even worse. During the winter months a significant increase in the number of undeployed ships is once again expected. Traditionally there is no momentum in the market until the Chinese New Year. However, at least the date for the Chinese New Year in 2014 (31 January) is at least ten days earlier than in 2013. The missing of targets for freight rate increases means that there is little scope for charter rates. Under current conditions this market will remain difficult in 2014. Meanwhile the bunker price trend remains positive and will at least not exert any additional cost pressure for the time being.

Slightly positive expectations for the bulker sector in the short term.

China will remain the crucial factor for the bulker sector for the foreseeable future. China holds a significant position in the world market for important commodities such as coal and iron ore, and this demand has a significant impact on the supply of bulker tonnage primarily in the Capesize segment for the biggest ships. Following the recent rally in the Baltic Dry, which reflected in particular China's demand for Capesize ships, a reduction in import activity is expected until the first quarter of 2014. As the International Monetary Fund's forecasts for China for 2014 currently expect economic growth of approx. 7.3 per cent, the bulker sector should though be able to maintain its seasonal momentum during the course of the year.
However, rising tonnage data on the one hand and a flat economic trend indicate that the sector will at best stabilise. The estimated 5 per cent growth in bulk goods will be met in 2014 by a similarly high increase in freight volume.

Prospects in the crude oil tanker market anything but good for 2014.

In the crude oil tanker market the prospects for 2014 are anything but good due to the on the whole oversupply of tonnage, new oil production in the USA and fundamental uncertainties in major production countries. Although the International Energy Agency (IEA) has marginally adjusted its current estimate of annual global oil consumption to 91 million barrels/day and even expects global demand of 92.1 million barrels/day for 2014, whereby global economic growth was assumed, OPEC has left its forecast for global oil consumption at 89.7 million barrels/day for 2013 and is currently less optimistic for 2014 with an estimated demand for oil of 90.8 million barrels/day.
In addition, a total of only 94 tankers in the VLCC, Suezmax and Aframax segments are in the order books with a delivery date of 2014. With an average carrying capacity of between 0.75 million barrels and 2.0 million barrels, a transport capacity of approx. 117.5 million barrels is coming onto the market. The situation is just as unlikely to be eased by scrapping, as general conditions have deteriorated somewhat. The number of old single-hull tankers, which have to be retired by 2015, has already been drastically reduced and the economic environment in India and Pakistan only tentatively indicates growth in the scrap market for 2014.
Capacity is being expanded in the product tanker segment. Against the background of the new refinery capacity in the Middle and Far East and the increasing level of oil production in the USA, an increase in global demand is expected. Accordingly, despite a large number of new orders, a growth in demand which will exceed the supply of product tankers is also envisaged for 2014.

In the cruise market the trend seen in recent years will continue. An increase in passenger numbers worldwide is forecasted especially for ocean cruises. Despite new deliveries of ships with a high number of beds this year, the order book remains very full to 2016. It is expected that between six and eight new cruise ships will be built per year to 2016. The feedback in particular from German ports on the North and Baltic Seas support these assumptions. An increase in the number of calls, the very good reaction by the public at events such as Hamburg Cruise Days and the facilities of the ships designed for new travel behaviour also speak volumes.

In the offshore market grey clouds are gathering. On the one hand activity will reduce due to the weather conditions in the winter months of the northern hemisphere. This is to be viewed as just a seasonal and short-term circumstance. The statements recently made by global oil companies on the other hand warning of a fall in profits are to be viewed as somewhat more critical. Here it appears that risky exploration projects are being reduced with capital market measures preferred. Accordingly the dominance of state-owned companies (South America, Middle East) will increase. However, this will do little to change the demand for the necessary material, therefore the renewal requirements in the oil and gas offshore industry will remain. Wind energy, on the other hand, is focused on Europe, where the results to date are still below original expectations.

Aircraft

The International Air Transportation Organisation (IATA) is expecting an increase in global passenger traffic of 5.0 per cent for 2013. Capacity (ASK) is expected to increase by 4.3 per cent. Given the restrictive capacity expansion, average global utilisation should rise in 2013 to 80.2 per cent (7.2 per cent). For global air freight (TKP) the IATA is expecting slight growth of 0.9 per cent.

Passenger traffic continues to grow.

According to the IATA forecasts, the operational performance of the airlines in 2013 will improve compared to the previous year despite the difficult economic environment. Currently a global net profit for the airlines of $ 11.7 billion and a net margin of approx. 1.6 per cent are expected. Returns for passenger traffic will stagnate and fall by 4.9 per cent for air freight.

These forecasts are based on an assumed global economic growth of 2.0 per cent.

For 2014 the IATA is expecting further increases in air freight against the background of higher global economic growth of 2.7 per cent. According to the IATA forecast, passenger traffic (RPK) will increase by 5.8 per cent and capacity will expand by 5.0 per cent. Average global utilisation should therefore rise to 80.7 per cent in 2014. Global air freight (TKP) should also rise significantly in 2014 by 3.7 per cent. The forecasted net profit for global airlines is $ 16.4 billion, with a net margin of approx. 2.2 per cent.

Between 2012 and 2016 the IATA is expecting an annual average growth rate of 5.2 per cent (RPK) for global passenger traffic and 3.8 per cent (FTK) for air freight. For the same period an average annual growth rate of 6.0 per cent (RPK) for global passenger traffic and 4.3 per cent (FTK) for air freight is expected.

Order activity at Airbus and Boeing in 2013 at least at the previous year's high level.

Based on the brisk order activity in the first nine months of 2013, NORD/LB expects that the number of orders in 2013 in the market for civil aircraft with more than 100 seats will be at least at the previous year's high level.

Due to increased production capacity at Airbus and Boeing, the number of new aircraft deliveries will continue to rise in 2013.

Real Estate

As in previous years, a further increase in global investments in commercial real estate is expected for the whole of 2013. Due in particular to the dynamic development in the first three quarters, an increase in global investment of up to 15 per cent to around $ 475 to $ 500 billion is expected for the year as a whole. This would be the highest level since the outbreak of the financial and economic crisis.

The high activity in the German investment market for commercial real estate should continue to the end of the year. This will be aided by accelerating economic growth, the positive employment situation, stable consumer confidence and the continued low level of interest rates. Overall it is expected that investment in commercial real estate will total around 30 billion by the end of 2013. This would be the best result since the boom year of 2007. Due to the high demand for top properties, returns across all sub-segments should remain stable or fall slightly to the end of the year.

The German residential market remains attractive from an investor’s perspective given the still modest completion figures alongside a sustained high demand, in particular in the large cities. For the year as a whole, the transaction volume is unlikely to exceed the previous year’s level due to the shortage of core properties.

In Europe, confidence in the real estate markets should continue to grow to the end of the year in view of the expected improvement in economic conditions. If the transaction volume in the fourth quarter is around the same level as the same quarter in the previous year, the European transaction volume for 2013 as a whole should be € 143 billion compared to € 126 billion in 2012.

Strategic Development of the NORD/LB Group

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 business activities closely on customer needs and to continually improve its risk-adjusted profitability. In the process the focus is increasingly on separating earnings growth from RWA growth. NORD/LB will continue to focus on its core business and reduce its non-strategic portfolios.

NORD/LB focusses enhanced on its regional activities and on its target customers.

NORD/LB expects that it will continue to benefit from the high level of diversification in its business portfolio, which is characterised by the financing of various asset classes with opposing cycles. The savings bank network business in the owners’ region, which is important for NORD/LB as a state bank, 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 can point, not least of all due to its regional location in Northern Germany, to many more years of success and experience than its competitors. The financing of ships and real estate will continue to be the mainstays of the business model. The importance of the overall portfolios in these areas will on the whole 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.

NORD/LB is seeking, by pushing RWA-friendly transactions, to improve the earnings structure in its core business with a view to increasing net commission income. This should 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 endorse the path that the NORD/LB Group has already taken.

Outlook for the NORD/LB Group

After the solid consolidated earnings in 2012, the operational performance in the NORD/LB Group in the first three quarters of the financial year 2013 has been satisfactory with regard to income and administrative expenses. However, it is evident that the challenges to the shipping business presented in previous years have not yet been overcome. For example, the result for the first three quarters includes significant loan loss provisions made in particular in the shipping portfolio. Whole-year values such as the bank levy are also included in full.

NORD/LB Group expects improved earnings compared to the previous year.

Based on the stable business model, the NORD/LB Group expects improved earnings compared to the previous year and the RoE and CIR to improve accordingly. However, this assessment entails risks under the current conditions, such as the impact of the shipping crisis and the debt crisis.

In addition, the NORD/LB Group faces strong competition from banks for certain customer groups with the resulting pressure on margins, but there are also opportunities for new business due to the bank's good reputation. Overall, NORD/LB will remain on its cautious development path; however, a significant rise in earnings is only expected in the medium term after the national debt crisis in the eurozone has been overcome and the shipping markets have recovered.

The EU Capital Requirements Regulation (CRR), which will transpose the so-called "Basel III" regulations into EU law, will come into effect at the start of 2014. Thanks also to the extensive capital measures successfully implemented in 2011 and 2012, the NORD/LB Group will, as things currently stand, meet the capital requirements of the CRR, even taking into account the current development in deficits in valuation allowances (shortfall) to be allowed for. The bank will continue to respond appropriately to such developments in the scope of its management of the RWA and/or further capital measures.

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 loan loss 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 2014 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 2012. Only significant developments in the period under review are addressed in this interim report.

Risk-Bearing Capacity

The utilisation rate for risk capital in the going-concern scenario is 40 per cent as at 30 September 2013 and therefore slightly above the utilisation rate as at 31 December 2012. In particular a fall in credit risk is responsible for this, which is reflected directly in the position of credit risk and indirectly with the increase in the difference between economic and regulatory risk loss expectations.

Risk-bearing capacity remains strong as at 30 September 2013.

Risk-bearing capacity is given up to a utilisation rate of 100 per cent. Utilisation is again significantly lower 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. Therefore the risk-bearing capacity is given in the gone-concern scenario of the risk-bearing capacity model.

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

(in € million) [1]	Risk-bearing capacity 30 Sep. 2013		Risk-bearing capacity 31 Dec. 2012	
Risk capital	**3 412**	**100 %**	**3 388**	**100 %**
Credit risk	876	26 %	890	26 %
Investment risk	46	1 %	44	1 %
Market-price risk	422	12 %	354	10 %
Liquidity risk	103	3 %	114	3 %
Operational risk	76	2 %	72	2 %
Other [2]	– 163	– 5 %	– 98	– 3 %
Total risk potential	**1 361**		**1 376**	
Risk capital utilisation		**40 %**		**41 %**

[1] Total differences are rounding differences.
[2] Includes adjustment items for the comparison between the regulatory and economic loss expectations.

The specifications of the Group risk strategy concerning the allocation of risk capital to risk types continue to be complied with. Of the significant risk types included in the model, namely credit, investment, market-price, liquidity and operational risk, credit risk is by far the most significant.

Credit Risk

The maximum default risk amount for on-balance-sheet and off-balance-sheet financial instruments fell further in the first nine months of 2013. This fall is attributable to all balance sheet items and in particular to the reduction in loans and advances to customers and banks.

Risk-bearing financial instruments (in € million)	Maximum default risk 30 Sep. 2013	Maximum default risk 31 Dec. 2012[1]
Loans and advances to banks	29 026	34 375
Loans and advances to customers	106 726	112 631
Adjustment item for financial instruments hedged in the fair value hedge portfolio	– 146	– 3
Financial assets at fair value through profit or loss	14 222	17 920
Positive fair values from hedge accounting derivatives	3 611	4 924
Financial assets	48 246	52 423
Sub-total	**201 685**	**222 270**
Liabilities from guarantees, other indemnity agreements and irrevocable credit commitments	15 772	14 559
Total	**217 457**	**236 829**

[1] The previous year's figures were adjusted accordingly.

The total exposure used for internal control also fell in the period under review from € 232 billion to € 220 billion. The fall is primarily the result of the reduced exposures to financing institutes, insurance companies and public authorities.

Credit exposure reduces further.

The quality of the NORD/LB Group's credit portfolio has slightly deteriorated to date in 2013 due to continuing rating migrations in the ship business segment. There has been a slight fall in the share of the categories good/satisfactory to heightened risk, while the share of non-performing loans has risen due to the continuing rating downgrades in the shipping portfolio from 2.7 per cent to 3.8 per cent.

Further rating downgrades in the shipping portfolio.

The Rating Structure table shows the breakdown of the total exposure in the NORD/LB Group (existing and new business) by rating class and product type. The share of items in the rating category "Very good to good" remains at a high level at 75 per cent (74 per cent) as at 30 September 2013. This is explained in particular by the significance of business conducted with financing institutions and public authorities and is at the same time a reflection of the risk policy of the NORD/LB Group.

Rating structure[1) 2)] (in € million)	Loans[3)] 30 Sep. 2013	Securities[4)] 30 Sep. 2013	Derivates[5)] 30 Sep. 2013	Other[6)] 30 Sep. 2013	Total exposure 30 Sep. 2013	Total exposure 31 Dec. 2012
Very good to good	98 693	42 056	10 194	13 623	164 566	171 867
Good/satisfactory	12 327	2 608	1 429	1 183	17 547	19 934
Reasonable/satisfactory	9 472	961	235	1 263	11 930	14 315
Increased risk	6 842	706	387	360	8 295	10 210
High risk	2 977	1 115	106	90	4 287	4 465
Very high risk	4 481	136	62	46	4 725	5 127
Default (=NPL)	8 241	57	54	31	8 383	6 337
Total	**143 034**	**47 638**	**12 467**	**16 595**	**219 733**	**232 257**

1) The allocation is made based on the IFD rating classes.
2) Total differences are rounding differences.
3) Includes utilised and committed loans, sureties, guarantees and other non-derivative off balance sheet assets, whereby, as in the internal reporting, the irrevocable credit commitments are generally included at 45 per cent (45 per cent) and revocable credit commitments at 25 per cent (25 per cent). The conversion factors are validated annually.
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.

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

Industries [1) 2)] (in € million)	Loans [3)] 30 Sep. 2013	Securities [4)] 30 Sep. 2013	Derivates [5)] 30 Sep. 2013	Other [6)] 30 Sep. 2013	Total exposure 30 Sep. 2013	Total exposure 31 Dec. 2012
Financing institutes/ insurance companies	39 061	25 889	7 884	8 569	81 402	86 630
Service industries/other	59 584	19 388	2 802	1 888	83 663	87 379
– Of which: Land, housing	18 694	–	418	459	19 571	20 584
– Of which: Public administration	28 174	19 045	2 087	89	49 394	52 620
Transport/communications	25 096	819	605	260	26 780	30 566
– Of which: Shipping	16 498	0	234	57	16 789	18 316
– Of which: Aviation	5 495	–	111	0	5 606	7 853
Manufacturing industry	5 034	585	454	236	6 309	6 980
Energy, water and mining	7 881	799	450	4 277	13 408	12 768
Trade, maintenance and repairs	3 457	84	160	307	4 008	3 924
Agriculture, forestry and fishing	812	27	5	983	1 827	1 684
Construction	2 109	46	107	75	2 337	2 325
Total	**143 034**	**47 638**	**12 467**	**16 595**	**219 733**	**232 257**

1) Allocated in alignment with the risk-bearing capacity report in accordance with economic criteria.
2) to 6) See the previous chart on the rating structure.

Germany and the eurozone remain the most important business region.

The breakdown of the entire credit exposure by region shows that the eurozone accounts for a high share of 84 per cent (84 per cent) of total exposure and remains by far the most important business region of the NORD/LB Group. Germany's share is 69 per cent (69 per cent).

Regions [1) 2)] (in € million)	Loans [3)] 30 Sep. 2013	Securities [4)] 30 Sep. 2013	Derivates [5)] 30 Sep. 2013	Other [6)] 30 Sep. 2013	Total exposure 30 Sep. 2013	Total exposure 31 Dec. 2012
Euro countries	119 283	40 284	8 074	16 517	184 157	194 389
– Of which: Germany	105 243	26 125	4 894	15 835	152 097	160 553
Other Europe	9 591	2 854	2 961	52	15 458	15 208
North America	6 219	3 033	1 245	15	10 512	12 987
Middle and South America	2 497	181	12	0	2 691	3 046
Middle East/Africa	1 080	21	2	0	1 104	1 167
Asia/Australia	4 363	1 266	172	11	5 812	5 460
Total	**143 034**	**47 638**	**12 467**	**16 595**	**219 733**	**232 257**

1) Allocated in alignment with the risk-bearing capacity report 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, and in particular to financing institutes and insurance companies, reduced further in the first nine months of 2013 and is now € 10.4 billion (€ 11.6 billion). Their share in the total exposure is only 5 per cent. The share of receivables owed by the respective countries, regional governments and municipalities is € 2.9 billion (€ 2.9 billion) and still 1 per cent of the total exposure.

Exposure in selected European countries [1) 2)] (in € million)	Greece		Ireland		Italy		Portugal		Spain		**Total**	
	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012
Sovereign Exposure	0	0	290	294	1 856	1 894	351	350	369	394	2 866	2 932
– Of which: CDS	–	–	186	189	74	76	194	194	–	–	454	459
Financing institutes/insurance companies	–	–	607	845	1 292	1 784	292	305	2 254	2 408	4 445	5 342
Corporates/Other	202	243	2 048	2 185	138	150	147	192	537	575	3 072	3 345
Total	**202**	**243**	**2 945**	**3 324**	**3 285**	**3 828**	**790**	**847**	**3 161**	**3 377**	**10 383**	**11 619**

1) The figures are reported, as in the internal reporting, by the country in which the borrower is legally domiciled.
2) Total differences are rounding differences.

The NORD/LB Group has an exposure of € 1.2 million in Cyprus in the Corporates category. This primarily concerns a shipping exposure whose economic risk lies outside of Cyprus. The NORD/LB Group does not have any sovereign exposure or exposure to financing institutes and insurance companies in Cyprus.

In Hungary the NORD/LB Group has an exposure of € 460 million (€ 323 million sovereign exposure, € 94 million financing institutes and insurance companies, € 43 million Corporates/others), in Slovenia € 56 million (€ 30 million sovereign exposure, € 25 million financing institutes and insurance companies). The exposure in Egypt is of minor significance.

The NORD/LB Group is also closely monitoring and analysing developments in the other countries mentioned. However, the Group does not consider it necessary to make any further provisions at this stage. Further details can be found in the Notes to the Interim Report in Note (35) Disclosures relating to selected countries.

Sovereign Exposure in selected European countries by maturity [1) 2)] (in € million)	Greece	Ireland	Italy	Portugal	Spain	**Total**
	30 Sep. 2013	30 Sep. 2013	30 Sep. 2013	30 Sep. 2013	30 Sep. 2013	**30 Sep. 2013**
Up to 1 year	–	–	56	–	97	**153**
More than 1 up to 5 years	–	86	510	137	240	**973**
More than 5 years	0	205	1 290	214	32	**1 741**
Total	**0**	**290**	**1 856**	**351**	**369**	**2 866**

1) The figures are allocated by residual term of the contract and, as in the internal reporting, by the country in which 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) 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

Further optimisation for the NORD/LB Group's investment portfolio.

As part of its ongoing measures to optimise the investment portfolio, NORD/LB ceased further non-core activities in the first nine months of 2013.

In order to ensure the greater integration of Deutsche Hypo in NORD/LB, a control and profit and loss transfer agreement has been concluded between the two companies, which came into force with retrospective effect of 1 January 2013. The waiver defined in § 2a paragraph 30 of the German Banking Act, which allows exceptions with regulatory requirements, has been used since 30 June 2013. The waiver was notified by Deutsche Hypo on 7 June 2013.

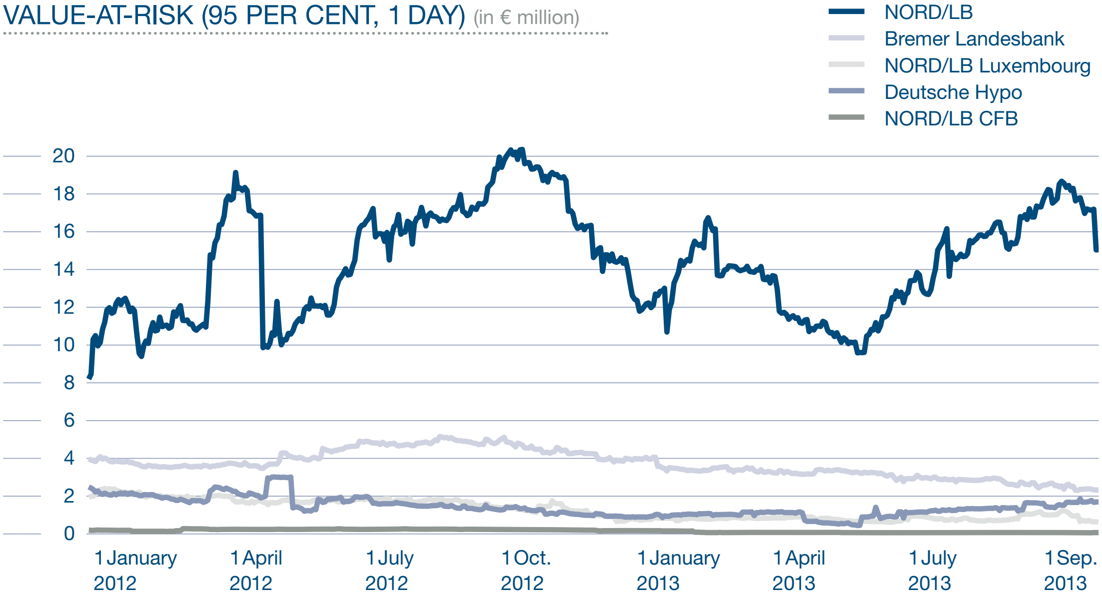
In 2013 the focus remains on improving the control of investments in respect of the risk-return ratio. In addition to this, the process reliability and efficiency of the reporting on investments was improved by the implementation of a new IT application in the second quarter of 2013.

Market Price Risk

Market price risk is on the rise.

The market price risk of the NORD/LB Group (confidence level 95 per cent, holding period 250 days) rose in the first nine months of 2013 from € 354 million to € 422 million. This increase is largely due to additional heads in assets in NORD/LB's banking book, especially in the currencies USD, GBP and CHF. The increase is also noticeable in the Value-at-Risk (VaR) (confidence level 95 per cent, holding period one day) which is used for operational control.

VALUE-AT-RISK (95 PER CENT, 1 DAY) (in € million)



Between early January and the end of September, the daily total Value-at-Risk calculated for the significant Group companies from a risk point of view (confidence level of 95 per cent, holding period of one day) fluctuated between € 14 million and € 24 million, with an average value of € 19 million. NORD/LBs Risk reduction in the end of September based on the issue of bonds.

As at 30 September 2013, based on the assumption above, an increase in the VaR (confidence level 95 per cent, holding period one day) of € 19 million compared to 31 December 2012 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. 2013	Maximum 1 Jan.– 31 Dec. 2012	Average 1 Jan.– 30 Sep. 2013	Average 1 Jan.– 31 Dec. 2012	Minimum 1 Jan.– 30 Sep. 2013	Minimum 1 Jan.– 31 Dec. 2012	End-of year risk 30 Sep. 2013	End-of year risk 31 Dec. 2012
Interest-rate risk (VaR 95 %, 1 day)	22 899	27 198	18 174	22 253	13 410	16 492	18 177	15 878
Currency risk (VaR 95 %, 1 day)	963	2 154	704	1 209	387	703	855	419
Share-price and fund-price risk (VaR 95 %, 1 day)	1 224	1 197	948	715	270	153	1 007	922
Volatility risk (VaR 95 %, 1 day)	1 361	912	723	432	344	142	420	617
Other add-ons	104	171	53	73	25	19	30	42
Total	**23 781**	**28 068**	**18 887**	**22 217**	**13 786**	**16 652**	**19 263**	**16 463**

[1] Maximum, average and minimum risks are calculated on the basis of the VaR totals for the significant subsidiaries; 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 € 128 million as at 30 September 2013 (€ 84 million). These figures also include, unlike the regulatory reporting, the interest rate and share price risks in the banking book.

The validation of the VaR model shows an improvement in the number of backtesting exceptions in NORD/LB's banking book in the period under review, which was mainly attributable to technical improvements. The remaining exceptions result primarily from fundamental risks, i. e. differences in the scope of movements in the various swap curves within the same currency leading to higher daily fluctuations in the cash value 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. The validation of the risk model in the NORD/LB COVERED FINANCE BANK shows in addition that there is need for action regarding the risk assessment of bond options in the investment book. The presentation of the options currently results in an overestimation of the VaR.

Unlike the credit-spread risks for the liquidity reserve, the credit-spread risks of fixed assets in the going-concern scenario are not included in the VaR for market price risks. They were though integrated into the VaR model for the gone-concern case in the third quarter of 2013 and limited. In the first nine months of 2013, the credit investment items concerned were also further reduced by means of slimming down and targeted sales.

Liquidity Risk

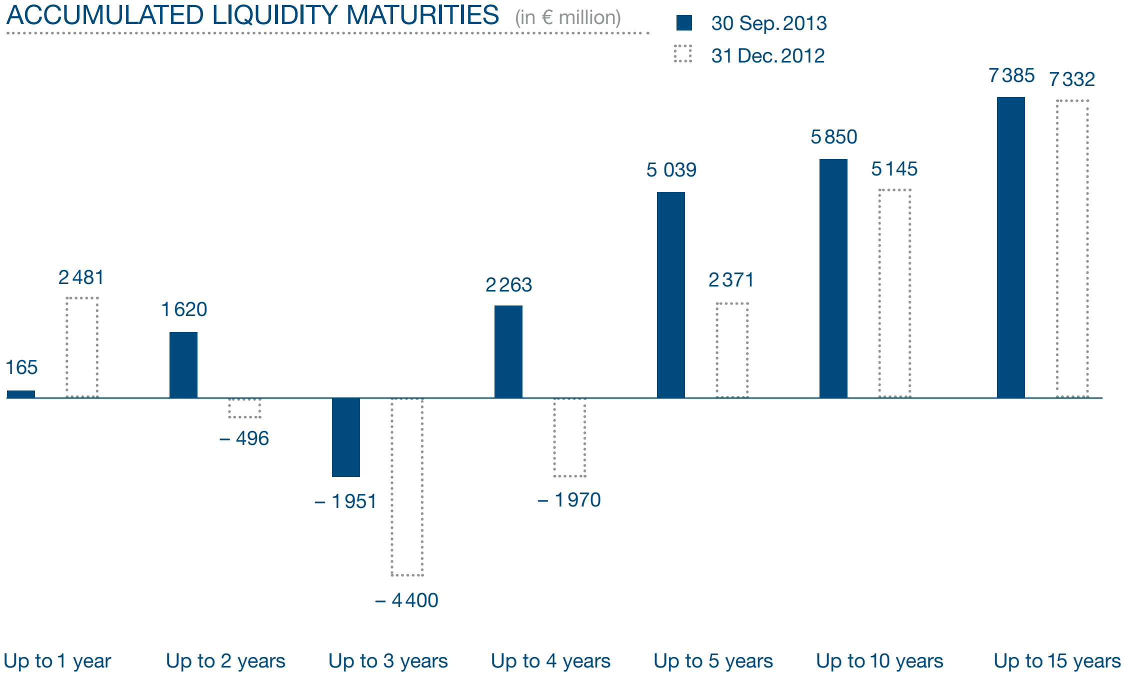
The liquidity situation in the markets stabilised in the first nine months of 2013 due to the measures taken by the EU states and the European Central Bank. While the market focused in the third quarter on the USA and the government-shutdown debate, the uncertainty concerning the possible medium and long-term effects of the national debt crisis in the EU periphery countries remains, albeit to a lesser degree.

The cumulative liquidity maturity balance sheet as at 30 September 2013 exhibits an improved liquidity situation across almost all terms. In the maturity band of up to one year, however, liquidity surpluses have fallen. The NORD/LB Group had sufficient liquidity at all times in first nine months of 2013. The liquidity risk limits derived from the risk-bearing capacity were complied with at all times at NORD/LB Group level; this applies for all currencies together and the principal individual currencies.

Improved liquidity situation across almost all terms.

The NORD/LB Group also operates in markets with the highest possible level of liquidity and maintains a portfolio of high-quality securities. As at the reporting date, significant companies from a risk point of view hold securities in the amount of € 55 billion (€ 58 billion), 91 per cent (85 per cent) of which are suitable for repo transactions with the European Central Bank or the US Federal Reserve.

ACCUMULATED LIQUIDITY MATURITIES (in € million)



In the period under review, the liquidity ratio in accordance with the German Liquidity Regulation (LiqV) was always well over the minimum of 1.00 required by regulatory provisions. The dynamic stress tests used for internal control showed a very good liquidity situation for 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. 2013	31 Dec. 2012
NORD/LB	1.78	1.52
Bremer Landesbank	2.19	2.01
Deutsche Hypo	1.71	1.49

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

Operational Risk

The set-up of an integrated OpRisk management was continued in the first nine months of 2013. Currently a uniform risk report is being produced that combines the reports on the topics of internal monitoring system, compliance and security. A start has also been made to consolidating the processes of various self-assessments relating to operational risk.

There are no significant legal risks as at the reporting date that would put the existence of the bank at risk.

Summary

The NORD/LB Group's development currently depends above all on the continuing uncertain developments in the shipping markets and the development of the euro countries. In addition, the ongoing discussion about the EU periphery countries will have an impact on the future situation. Similarly, the development of the US dollar exchange rate affected the capital ratios via the effects on the RWA and the transition to IFRS-based regulatory capital due to the implementation of Basel III in the EU. However, the NORD/LB Group considers these effects to be manageable and will continue to monitor and analyse developments closely.

NORD/LB Groups considers itself to be well prepared for coming challenges.

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

INCOME STATEMENT

	Notes	1 Jan.– 30 Sep. 2013 (in € million)	1 Jan.– 30 Sep. 2012[1)] (in € million)	Change (in %)
Interest income		7 477	9 488	– 21
Interest expense		6 001	7 985	– 25
Net interest income	6	**1 476**	**1 503**	**– 2**
Loan loss provisions	7	– 642	– 352	82
Commission income		199	204	– 2
Commission expense		75	79	– 5
Net commission income	8	**124**	**125**	**– 1**
Trading profit/loss		– 133	397	> 100
Profit/loss from the use of the fair value option		196	– 497	> 100
Profit/loss from financial instruments at fair value through profit or loss	9	**63**	**– 100**	**> 100**
Profit/loss from hedge accounting	10	– 9	– 14	36
Profit/loss from financial assets	11	2	– 11	> 100
Profit/loss from investments accounted for using the equity method		24	– 15	> 100
Administrative expenses	12	852	824	3
Other operating profit/loss	13	– 21	– 68	69
Earnings before reorganisation and taxes		**165**	**244**	**– 32**
Reorganisation expenses	14	– 24	– 28	14
Expenses for public guarantees related to reorganisation	15	– 33	– 7	> 100
Earnings before taxes		**108**	**209**	**– 48**
Income taxes	16	– 4	68	> 100
Consolidated profit		**112**	**141**	**– 21**
of which: attributable to the owners of NORD/LB		87	130	
of which: attributable to non-controlling interests		25	11	

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

INCOME STATEMENT – SUMMARY BY QUARTER

(in € million)	2013 Q3	2013 Q2	2013 Q1	2012 Q3[1]	2012 Q2[1]	2012 Q1[1]
Interest income	2 422	2 458	2 597	2 966	3 318	3 204
Interest expense	1 920	1 982	2 099	2 436	2 839	2 710
Net interest income	**502**	**476**	**498**	**530**	**479**	**494**
Loan loss provisions	– 210	– 191	– 241	– 206	– 113	– 33
Commission income	68	64	67	58	71	75
Commission expense	21	23	31	16	30	33
Net commission income	**47**	**41**	**36**	**42**	**41**	**42**
Trading profit/loss	1	– 51	– 83	233	42	122
Profit/loss from the use of the fair value option	– 39	149	86	– 154	– 238	– 105
Profit/loss from financial instruments at fair value through profit or loss	**– 38**	**98**	**3**	**79**	**– 196**	**17**
Profit/loss from hedge accounting	– 10	16	– 15	– 25	23	– 12
Profit/loss from financial assets	6	– 44	40	– 22	6	5
Profit/loss from investments accounted for using the equity method	6	8	10	– 7	8	– 16
Administrative expenses	277	281	294	270	273	281
Other operating profit/loss	3	43	– 67	– 33	– 8	– 27
Earnings before reorganisation and taxes	**29**	**166**	**– 30**	**88**	**– 33**	**189**
Reorganisation expenses	– 6	– 13	– 5	– 3	– 25	–
Expenses for public guarantees related to reorganisation	– 11	– 11	– 11	– 7	–	–
Earnings before taxes	**12**	**142**	**– 46**	**78**	**– 58**	**189**
Income taxes	– 13	23	– 14	4	– 7	71
Consolidated profit for the period	**25**	**119**	**– 32**	**74**	**– 51**	**118**
of which: attributable to the owners of NORD/LB	18	97	– 28	66	– 50	114
of which: attributable to non-controlling interests	7	22	– 4	8	– 1	4

[1] Previous year's figures were adjusted as you can see at note (3) adjustment of figures for the previous year.

STATEMENT OF COMPREHENSIVE INCOME

The comprehensive income of the NORD/LB Group comprises the income and expense recognised in the income statement and in other comprehensive income (OCI). The classification of the statement of comprehensive income has been changed due to the amendment to IAS 1; for further information see Note (2) Accounting policies. The previous year's figures were adjusted accordingly.

	1 Jan.– 30 Sep. 2013 (in € million)	1 Jan.– 30 Sep. 2012 [1] (in € million)	Change (in %)
Consolidated profit	**112**	**141**	**– 21**
Other comprehensive income that will not be reclassified subsequently to profit or loss			
Remeasurements of the net defined benefit liability	12	– 349	> 100
Changes in value investments accounted for using the equity method	– 1	– 11	– 91
Deferred taxes	– 4	7	> 100
	7	**– 353**	**> 100**
Other comprehensive income that will be reclassified subsequently to profit or loss			
Increase/decrease from available for sale (AfS) financial instruments			
Unrealised profit/losses	210	666	– 68
Transfer due to realisation profit/loss	10	– 51	> 100
Translation differences of foreign business units			
Unrealised profit/losses	– 14	–	–
Changes in value investments accounted for using the equity method	– 24	47	> 100
Deferred taxes	– 59	– 106	44
	123	556	– 78
Other profit/loss	**130**	**203**	**– 36**
Comprehensive income for the period under review	**242**	**344**	**– 30**
of which: attributable to the owners of NORD/LB	215	327	
of which: attributable to non-controlling interests	27	17	

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

STATEMENT OF COMPREHENSIVE INCOME – SUMMARY BY QUARTER

(in € million)	2013 Q3	2013 Q2	2013 Q1	2012 Q3[1]	2012 Q2[1]	2012 Q1[1]
Consolidated profit	**25**	**119**	**– 32**	**74**	**– 51**	**118**
Other comprehensive income that will not be reclassified subsequently to profit or loss						
Remeasurements of the net defined benefit liability	2	8	2	– 175	– 56	– 118
Changes in value investments accounted for using the equity method	1	– 1	– 1	– 41	34	– 4
Deferred taxes	1	– 5	–	8	– 38	37
	4	**2**	**1**	**– 208**	**– 60**	**– 85**
Other comprehensive income that will be reclassified subsequently to profit or loss						
Increase/decrease from available for sale (AfS) financial instruments						
Unrealised profit/losses	62	– 16	164	440	– 248	474
Transfer due to realisation profit/loss	1	6	3	– 5	– 66	20
Translation differences of foreign business units						
Unrealised profit/losses	– 16	– 13	15	– 1	– 1	2
Changes in value investments accounted for using the equity method	–	– 19	– 5	53	– 29	23
Deferred taxes	– 10	3	– 52	– 92	139	– 153
	37	– 39	125	395	– 205	366
Other profit/loss	**41**	**– 37**	**126**	**187**	**– 265**	**281**
Comprehensive income for the period under review	**66**	**82**	**94**	**261**	**– 316**	**399**
of which: attributable to the owners of NORD/LB	52	69	94	249	– 311	389
of which: attributable to non-controlling interests	14	13	–	12	– 5	10

[1] Previous year's figures were adjusted as you can see at note (3) adjustment of figures for the previous year.

BALANCE SHEET

Assets	Notes	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Cash reserve		464	665	– 30
Loans and advances to banks	17	29 029	34 378	– 16
Loans and advances to customers	18	108 954	114 577	– 5
Loan loss provisions	19	– 2 230	– 1 949	14
Adjustment item for financial instruments hedged in the fair value hedge portfolio		– 146	– 3	> 100
Financial assets at fair value through profit or loss	20	14 222	17 920	– 21
Positive fair values from hedge accounting derivatives		3 611	4 924	– 27
Financial assets	21	48 246	52 423	– 8
Investments accounted for using the equity method	22	300	318	– 6
Property and equipment	23	610	635	– 4
Investment property		94	94	–
Intangible assets	24	139	142	– 2
Current income tax assets		66	50	32
Deferred income taxes		747	727	3
Other assets	25	614	649	– 5
Total assets		**204 720**	**225 550**	**– 9**

Liabilities and equity	Notes	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Liabilities to banks	26	60 151	65 079	– 8
Liabilties to customers	27	54 400	55 951	– 3
Securitised liabilities	28	51 538	60 619	– 15
Adjustment item for financial instruments hedged in the fair value hedge portfolio		445	895	– 50
Financial liabilities at fair value through profit or loss	29	16 911	20 724	– 18
Negative fair values from hedge accounting derivatives		3 407	4 908	– 31
Provisions	30	4 305	4 137	4
Current income tax liabilities		148	162	– 9
Deferred income taxes		55	34	62
Other liabilities	31	682	508	34
Subordinated capital	32	4 738	4 833	– 2
Equity				
Issued capital		1 607	1 607	–
Capital reserves		3 332	3 332	–
Retained earnings		2 265	2 192	3
Revaluation reserve		130	– 13	> 100
Currency translation reserve		– 5	– 3	– 67
Equity capital attributable to the owners of NORD/LB		**7 329**	**7 115**	**3**
Equity capital attributable to non-controlling interests		611	585	4
		7 940	**7 700**	**3**
Total liabilities and equity		**204 720**	**225 550**	**– 9**

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. 2013	**1 607**	**3 332**	**2 192**	**– 13**	**– 3**	**7 115**	**585**	**7 700**
Comprehensive income for the period under preview	–	–	74	143	– 2	215	27	242
Distribution	–	–	– 1	–	–	– 1	– 1	– 2
Equity as at 30 September 2013	**1 607**	**3 332**	**2 265**	**130**	**– 5**	**7 329**	**611**	**7 940**

(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**	**– 543**	**– 3**	**6 603**	**– 57**	**6 546**
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**	**– 159**	**– 3**	**7 090**	**622**	**7 712**

The consolidation effects and other changes in equity mainly comprise transactions which result in changes in shareholdings without changing the consolidation method.

CONDENSED CASH FLOW STATEMENT

	1 Jan.– 30 Sep. 2013 (in € million)	1 Jan.– 30 Sep. 2012 (in € million)	Change (in %)
Cash and cash equivalents as at 1 January	**665**	**796**	**– 16**
Cash flow from operating activities	53	– 151	> 100
Cash flow from investing activities	– 24	– 16	– 50
Cash flow from financing activities	– 228	– 147	– 55
Total cash flow	**– 199**	**– 314**	**37**
Effects of changes in exchange rates	– 2	–	–
Cash and cash equivalents as at 30 September	**464**	**482**	**– 4**

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 2013 were prepared on the basis of Regulation (EC) No. 1606/2002 of the European Parliament and the Council of 19 July 2002 (IAS Regulation) in accordance with the International Financial Reporting Standards (IFRSs) of the International Accounting Standards Board (IASB). For requirements relating to interim financial statements in particular IAS 34 is applied. National regulations contained in the German Commercial Code (HGB) under § 315a of the HGB were also observed insofar as these regulations are to be applied as at the reporting date for the interim financial statements. The interim consolidated financial statements are to be read in conjunction with information contained in the certified, published consolidated financial statements of NORD/LB as at 31 December 2012.

The interim consolidated financial statements as at 30 September 2013 comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the condensed cash flow statement and selected notes. The segment reporting takes place in the notes.

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

These interim consolidated financial statements were signed by the Managing Board on 26 November 2013 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 2012 unless specified otherwise.

With regard to accounting and measurement in the NORD/LB Group, the following significant discretionary management decisions need to be mentioned: The use of the fair value option for financial instruments, the non-use of the categorisation of financial instruments as Held to Maturity (HtM) and the non-use of the reclassification provisions of IAS 39.

Since the first quarter of 2013 general loan loss provisions have been made at specific customer level. As a result the reporting is adjusted to reflect the actual circumstances and developments in the specific industry. Using the old calculation method, general loan loss provisions would have totalled € 605 million as at 30 September 2013. The calculation at specific customer level produces a figure of € 499 million (cf. Note (19) Loan loss provisions).

In the period under review consideration has been given to the following amendments to the standards which were first applied as at 1 January 2013: IAS 19 (rev. 2011) – Employee Benefits

- **IAS 19 (rev. 2011) – Employee Benefits**

In June 2011 the IASB published the amended IAS 19 – Employee Benefits. The resulting changes to the accounting policies for the NORD/LB Group compared to the balance sheet date 31 December 2012 primarily concern the reporting of costs and taxes relating to benefit plans. The expected income from plan assets is calculated for the first time with a standard interest rate, which is the same as the discount rate for the obligation. In addition, the top-up amounts promised in partial retirement agreements are reported and measured for the first time in accordance with the regulations for other long-term employee benefits.

The impact of the retrospective first application of the amended IAS 19 is of minor significance. As the NORD/LB Group already reported actuarial gains and losses under other comprehensive income in accordance with the previous regulations of IAS 19, this change has not had any effect.

- **IFRS 13 – Fair Value Measurement**

The IASB published IFRS 13 – Fair value measurement in May 2011. It is to be applied prospectively for financial years commencing on or after 1 January 2013. In IFRS 13 the different regulations for establishing fair value in the individual standards were consolidated for the first time in a single framework and at the same time modified and expanded in some areas; only IAS 17 and IFRS 2 will continue to have separate regulations.

The specifications of the new standard concern among other things the definition of fair value, the implementation of the change in approach particularly in the context of determining relevant markets (main market or most beneficial market), the allocation of levels, the reporting of a day one profit/loss and the use of a bid-ask spread in the measurement of assets and liabilities.

The implementation of IFRS 13 does not have a significant effect on the measurement of the NORD/LB Group's assets and liabilities. In accordance with the standard's extended disclosure requirements, a description of the process for measuring fair value has been included in the notes. In addition, the changes in financial assets and liabilities in Level 3 of the fair value hierarchy and the sensitivity analyses of significant unobservable input parameters in the fair value measurement broken down into groups of financial instruments were reported in the interim consolidated financial statements.

- **Amendments to IAS 1 – Presentation of Other Comprehensive Income**

The amendments to IAS 1 published in June 2011 by the IASB within the scope of the Financial Statement Presentation Project have changed the breakdown of the statement of comprehensive income. The items of other comprehensive income (OCI) are to be broken down by whether they can be recycled in the income statement or not. If OCI is reported before tax, deferred taxes are to be treated similarly and broken down into recyclable and non-recyclable items.

The amendments to IAS 1 result in a change in presentation in the NORD/LB Group's statement of comprehensive income.

- **Amendments to IAS 12 – Deferred taxes: Recovery of Underlying Assets**

The amendments to IAS 12 – Deferred Tax: Recovery of Underlying Assets, which were adopted in European law in December 2012, make clear that the deferred tax for investment property, which is measured using the fair value model in IAS 40, is measured on the basis of the rebuttable presumption that the carrying amount will be recovered through sale.

The application of this new rule had no effect on NORD/LB's interim consolidated financial statements as at 30 September 2013.

- **Improvements to IFRS (2009–2011 Cycle) Within the Scope of the IASB's Annual Improvements Process**

The amendments published in May 2012 within the scope of the improvement project for the cycle 2009–2011 comprise clarifications concerning IFRS 1 First-time Adoption of International Financial Reporting Standards, IAS 1 Presentation of Financial Statements, IAS 16 Property, Plant and Equipment, IAS 32 Financial Instruments: Presentation and IAS 34 Interim Financial Reporting.

The annual improvements to IFRSs (cycle 2009–2011) do not have a significant effect on the interim consolidated financial statements of NORD/LB.

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

(3) Adjustment of figures for the previous year

The figures for the previous year were adjusted in these consolidated financial statements on the basis of IAS 8.14 in the following area:

Due to a change in the interpretation of the criteria for allocation to the category Loans and Receivables (LaR), silent participations and participatory capital with loss sharing are, since the consolidated financial statements as at 31 December 2012, no longer allocated to the category LaR, but to the category Available for Sale (AfS). This change in accounting method has resulted in the following adjustments to the reference figures in the income statement: An amount of € 1 million was taken from net interest income and reported under net valuation allowances of other financial assets classified as AfS.

The respective adjustments were taken into account in the notes for the following items: Net Interest Income and Profit/Loss from Financial Assets.

(4) Basis of consolidation

In addition to NORD/LB as the parent company, the consolidated financial statements include 51 (31 December 2012: 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 2012: 1) joint venture and 10 (31 December 2012: 10) associated companies are accounted for using the equity method.

Compared to 31 December 2012 the basis of consolidation has changed as follows:

The two subsidiaries established in September 2013, BLB Grundbesitz KG and BLBI Investment GmbH & Co. KG, both based in Bremen, were fully consolidated for the first time in the interim financial statements as at 30 September 2013.

Subsidiaries, joint ventures and associated companies included in the consolidated financial statements are shown in Note (40) Basis of Consolidation.

Segment Reporting

The segment reporting provides information on the operational business areas of the Group. The segment reporting below is based on IFRS 8 "Operating segments", which follows the "management approach". The segment information is presented in the IFRSs on the basis of internal reporting in the same way that it is reported internally on a regular basis for assessing performance and making decisions on the allocation of resources to the segments. In the segment reporting adjustments of figures for the previous year are taken into account (cf. Note (2) Adjustment of figures for the previous year). In addition to this, previous year's figures have been reallocated due to overhead costs and the income from financing from tied-up equity being distributed to the business segments from 2013 (see below). The allocation of overheads and the income from financing from tied-up equity increases the focus on the actual income and cost performance of the business model, as the income from the business segments is compared with the operational costs of the bank. At the same time the burden on Group Controlling/Others segment is eased and results transparency is improved.

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. 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 divisions balancing provision. Therefore interest income and interest expenses are not reported gross. From 2013 the income from financing from tied-up equity is allocated to the market segments (the previous year's figures were adjusted).

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

Segment expenses comprise primary expenses, expenses allocated on the basis of cost and service allocations and the overhead costs allocated from 2013 (previous year adjusted). Loan loss provisions are allocated to segments on the basis of actual costs incurred. Overall bank revenue, such as general loan loss provisions and profit/loss from hedge accounting and overhead costs, is not allocated to the operational 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 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 CIR is defined as the ratio between administrative expenses and the sum total of the following income items: net interest income, net commission income, profit/loss from financial instruments at fair value through profit or loss, profit/loss from hedge accounting, profit/loss from investments accounted for using the equity method and other operating profit/loss.

RoRaC (Return on Risk adjusted Capital) calculations in the segments include the contribution to income after risk provisions and valuation on committed capital (here 8 per cent of the higher value of the RWA limits and the amount called on).

In order to consider the increased equity requirements, since 2013 a capital securitisation level of 8 per cent (previous year: 7 per cent) of risk-weighted assets applies for calculating committed capital in the segments. These are based on the provisions of the German Solvency Regulation. Capital tied up in the segments is calculated on the basis of average annual figures. The reconciliation figure for the tied-up capital reported in the segments and the long-term equity in the Group in accordance with commercial law is included in the segment reconciliation.

A transfer from long-term equity under commercial law to equity reported in the balance sheet is shown separately at the end of the segment overview.

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

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

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

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

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

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

Energy and Infrastructure Customers

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

Ship and Aircraft Customers

In this segment the national and international activities of Nord/LB AöR and Bremer Landesbank in ship and aircraft financing are reported. The customers of the Ship and Aircraft Customers segment are offered short to long-term financing for their projects, 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 such as Group companies not included in the segments, components of comprehensive income at Group level which are not allocated to the segments, general loan loss provisions, the profit/loss from other financial instruments (in particular from central valuation effects), financial assets and hedge accounting, projects covering the entire bank; consolidation items; earnings from interest rate change risk control, balancing provision, liquidity management and self-induced assets (in particular Treasury and Bank Asset Allocation). Other operating profit/loss includes the bank levy.

Earnings after taxes in Group Controlling/Others total minus € 197 million in the third quarter.

Positive contributions were made by net interest income in the amount of € 161 million, and in particular approx. € 145 million from Financial Markets activities recorded here, € 38 million from interest income not allocated to the segments, € 15 million from other Group companies and € –38 million from consolidations. Also reported in this segment in loan loss provisions are allocations to general loan loss provisions in the amount of approx. € 56, the consolidation of valuation allowances in the amount of € 15 million and the loan loss provisions for the Financial Markets of NORD/LB Luxembourg.

Net commission income, in particular from other Group companies and consolidation effects, had a slightly negative effect in the amount of € –16 million. The profit/loss from hedge accounting also had a negative effect in the amount of € –8 million. The profit/loss from financial instruments at fair value is € –42 million, in particular from central valuation effects

Also reported in this segment are the effects from the profit/loss from financial assets (€ 15 million, in particular from the sale of AfS items) and the profit/loss from investments accounted for using the equity method (€ 24 million). Regarding other operating profit/loss (€ –29 million), the contributions from other Group companies (€ 64 million) and the proceeds from sales in the Treasury division (€ 31 million) cannot compensate for the consolidation items and the bank levy (total of € –124 million).

Administrative expenses in this segment total € 191 million. Administrative expenses in this segment result in the amount of € 73 million from the Financial Markets activities reported here and € 34 million from other Group companies. Further administrative expenses (€ 145 million) in this segment are for projects covering the entire bank and non-allocated service centre costs. This was offset in part by consolidations in the amount of approx. € –61 million.

Furthermore, in 2013 reorganisation expenses (€ 24 million) and expenses related to public guarantees for reorganisation (€ 33 million) were incurred.

Reconciliations

Here the reconciliation items from internal accounting for the consolidated figures in the income statement are shown as well as reclassifications of profit and loss items that are reported differently in the internal reporting to in the external reporting. The shortfall in the regulatory capital requirement is converted into 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. 2013 (in € million)	Private and Commercial Customers	Corporate Customers & Markets	Energy and Infrastructure Customers	Ship and Aircraft Customers	Real Estate Banking Customers	Group Management/ Others	Reconciliations	NORD/LB Group
Net interest income before loan loss provisions	214	371	117	379	190	161	44	1 476
Loan loss provisions	– 3	39	6	476	55	101	– 32	642
Net interest income after loan loss provisions	**218**	**331**	**111**	**– 97**	**135**	**60**	**76**	**833**
Net commission income	28	71	40	23	6	– 16	– 28	124
Profit/loss from financial instruments at fair value through profit or loss	5	65	10	16	16	– 42	– 7	63
Profit/loss from hedge accounting	–	–	–	–	–	– 8	– 1	– 9
Profit/loss from financial assets	13	–	–	–	–	15	– 25	2
Profit/loss from investments accounted for using the equity method	–	–	–	–	–	24	–	24
Administrative expenses	241	212	59	86	52	191	10	852
Other operating profit/loss	34	6	3	– 3	–	– 29	– 32	– 21
Profit/loss before reorganisation and taxes	**57**	**261**	**104**	**– 147**	**105**	**– 188**	**– 28**	**165**
Reorganisation expenses	–	–	–	–	–	– 24	–	– 24
Expenses for public guarantees related to reorganisation	–	–	–	–	–	– 33	–	– 33
Earnings before taxes (EBT)	**57**	**261**	**104**	**– 147**	**105**	**– 245**	**– 28**	**108**
Taxes	–	–	–	–	–	–	– 4	– 4
Consolidated profit	**57**	**261**	**104**	**– 147**	**105**	**– 245**	**– 23**	**112**
Segment assets	10 856	61 745	13 923	26 791	16 725	74 473	206	204 720
of which: investments at equity	–	–	–	–	–	300	–	300
Segment liabilities	11 126	42 575	2 887	5 133	637	140 584	1 778	204 720
Risk-weighted assets	5 640	15 367	7 218	43 386	13 605	13 731	– 28 186	70 762
Capital employed [1]	474	1 233	577	3 471	1 088	1 073	– 255	7 660
CIR	85.5 %	41.3 %	34.9 %	20.7 %	24.5 %			51.4 %
RoRaC/RoE [2]	16.0 %	20.8 %	18.5 %	– 5.6 %	11.1 %			1.9 %

30 Sep. 2012 (in € million)	Private and Commercial Customers	Corporate Customers & Markets	Energy and Infrastructure Customers	Ship and Aircraft Customers	Real Estate Banking Customers	Group Management/ Others	Reconciliations	NORD/LB Group
Net interest income before loan loss provisions	215	379	125	392	200	173	20	1 503
Loan loss provisions	2	46	8	304	111	– 116	– 2	352
Net interest income after loan loss provisions	**213**	**333**	**117**	**88**	**89**	**288**	**23**	**1 152**
Net commission income	24	60	34	44	10	– 15	– 31	125
Profit/loss from financial instruments at fair value through profit or loss	9	112	2	10	3	– 178	– 58	– 100
Profit/loss from hedge accounting	–	–	–	–	–	– 11	– 3	– 14
Profit/loss from financial assets	10	–	–	–	–	– 23	2	– 11
Profit/loss from investments accounted for using the equity method	–	–	–	–	–	– 13	– 2	– 15
Administrative expenses	241	198	58	77	51	190	10	824
Other operating profit/loss	16	4	4	– 3	1	– 53	– 38	– 68
Profit/loss before reorganisation and taxes	**31**	**311**	**99**	**62**	**52**	**– 195**	**– 116**	**244**
Reorganisation expenses	–	–	–	–	–	– 28	–	– 28
Expenses for public guarantees related to reorganisation	–	–	–	–	–	– 7	–	– 7
Earnings before taxes (EBT)	**31**	**311**	**99**	**62**	**52**	**– 230**	**– 116**	**209**
Taxes	–	–	–	–	–	–	68	68
Consolidated profit	**31**	**311**	**99**	**62**	**52**	**– 230**	**– 184**	**141**
Segment assets (31 Dec. 2012)	11 798	65 459	14 745	27 780	18 308	84 838	2 622	225 550
of which: investments at equity	–	–	–	–	–	318	–	318
Segment liabilities (31 Dec. 2012)	10 917	48 175	3 098	4 261	905	155 114	3 080	225 550
Risk-weighted assets	5 643	15 667	8 186	37 455	17 123	15 478	– 19 340	80 213
Capital employed [1]	410	1 098	573	2 622	1 199	1 067	715	7 683
CIR	91.1 %	35.7 %	35.4 %	17.3 %	23.9 %			57.5 %
RoRaC/RoE [2]	10.4 %	30.4 %	20.3 %	3.2 %	4.6 %			3.6 %

[1] Reconciliation of long-term equity under commercial law to reported equity:

(in € million)	30 Sep. 2013	30 Sep. 2012
Long-term equity under commercial law	7 660	7 683
Revaluation reserve	130	– 159
Silent participations in reported equity	190	189
Reported equity	**7 940**	**7 712**

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

[2] Business segment RoRaC:
(earnings before taxes) / committed core capital
(8 per cent (previous year: 7 per cent) of the higher value of the RWA limit and the amount called on)

Group RoE:
(earnings before taxes)/3*4 / long-term equity under commercial law (= reported equity – revaluation reserve – earnings after taxes)

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. 2013 (in € million)	1 Jan.– 30 Sep. 2012[1)] (in € million)	Change (in %)
Interest income			
Interest income from lending and money market transactions	3 180	3 650	– 13
Interest income from fixed-income and book entry securities	746	998	– 25
Interest income from financial instruments at fair value			
Interest income from trading profit/loss and hedge accounting derivatives	3 119	4 482	– 30
Interest income from fair value option	40	49	– 18
Current income			
from shares and other variable-yield securities	9	8	13
profit/loss from shares in companies	8	26	– 69
Interest income from other amortisations	374	271	38
Other interest income and similar income	1	4	– 75
	7 477	**9 488**	**– 21**
Interest expense			
Interest expense from lending and money market transactions	1 621	1 992	– 19
Interest expense from securitised liabilities	859	1 243	– 31
Interest expense from financial instruments at fair value			
Interest expense from trading profit/loss and hedge accounting derivatives	2 797	4 145	– 33
Interest expense from fair value option	232	204	14
Interest expense from subordinated capital	178	185	– 4
Interest expense from other amortisations	255	155	65
Interest expense from provisions and liabilities	53	57	– 7
Other interest expenses and similar expenses	6	4	50
	6 001	**7 985**	**– 25**
Total	**1 476**	**1 503**	**– 2**

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

(7) Loan loss provisions

	1 Jan.– 30 Sep. 2013 (in € million)	1 Jan.– 30 Sep. 2012 (in € million)	Change (in %)
Income from provisions for lending business			
Reversal of specific valuation allowance	283	241	17
Reversal of lumpsum specific loan loss provisions	8	11	– 27
Reversal of general loan loss provisions	23	145	– 84
Reversal of provisions for lending business	43	61	– 30
Additions to receivables written off	17	16	6
	374	**474**	**– 21**
Expenses for provisions for lending business			
Allocation to specific valuation allowance	817	677	21
Allocation to lumpsum specific loan loss provisions	4	4	–
Allocation to general loan loss provisions	94	35	> 100
Allocation to provisions for lending business	34	67	– 49
Direct write-offs of bad debts	67	41	63
Premium payments for credit insurance	–	2	– 100
	1 016	**826**	**23**
Total	**– 642**	**– 352**	**82**

(8) Net commission income

	1 Jan.– 30 Sep. 2013 (in € million)	1 Jan.– 30 Sep. 2012 (in € million)	Change (in %)
Commission income			
Commission income from banking transactions	185	187	– 1
Commission income from non-banking transactions	14	17	– 18
	199	**204**	**– 2**
Commission expense			
Commission expense from banking transactions	53	58	– 9
Commission expense from non-banking transactions	22	21	5
	75	**79**	**– 5**
Total	**124**	**125**	**– 1**

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. 2013 (in € million)	1 Jan.– 30 Sep. 2012 (in € million)	Change (in %)
Trading profit/loss			
Profit/loss from debt securities and other fixed-interest securities	– 54	100	> 100
Profit/loss from shares and other variable-yield securities	3	1	> 100
Profit/loss from derivatives	– 89	228	> 100
Profit/loss from receivables held for trading	– 23	78	> 100
Profit/loss from other trading transactions	2	–	–
	– 161	**407**	**> 100**
Foreign exchange gains	24	– 11	> 100
Other income	4	1	> 100
	– 133	**397**	**> 100**
Profit/loss from the use of fair value option			
Profit/loss from receivables to customers and banks	– 11	11	> 100
Profit/loss from debt securities and other fixed-interest securities	– 50	– 43	– 16
Profit/loss from liabilties to banks and customers	–	1	– 100
Profit/loss from liabilties to banks and customers	331	– 211	> 100
Profit/loss from securitised liabilties	– 75	– 255	71
Profit/loss from subordinated capital	1	–	–
	196	**– 497**	**> 100**
Total	**63**	**– 100**	**> 100**

(10) Profit/loss from hedge accounting

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

	1 Jan.– 30 Sep. 2013 (in € million)	1 Jan.– 30 Sep. 2012 (in € million)	Change (in %)
Profit/loss from micro fair value hedges			
from hedged underlying transactions	– 275	23	> 100
from derivatives employed as hedging instruments	261	– 56	> 100
	– 14	**– 33**	**58**
Profit/loss from portfolio fair value hedges			
from hedged underlying transactions	119	– 296	> 100
from derivatives employed as hedging instruments	– 114	315	> 100
	5	**19**	**– 74**
Total	**– 9**	**– 14**	**– 36**

(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. 2013 (in € million)	1 Jan.– 30 Sep. 2012 [1] (in € million)	Change (in %)
Profit/loss from financial assets classified as LaR	**– 23**	**2**	**> 100**
Profit/loss from financial assets classified as AfS (excluding investments)			
Profit/loss from the disposal of			
debt securities and other fixed-interest securities	40	– 2	> 100
shares and other variable-yield securities	15	9	67
other financial assets classified as AfS	– 2	– 2	–
Profit/loss from allowances for losses on			
debt securities and other fixed-interest securities	1	–	–
shares and other variable-yield securities	– 12	– 6	– 100
other financial assets classified as AfS	– 5	1	> 100
	37	**–**	**–**
Profit/loss from shares in companies (not consolidated)	**– 12**	**– 13**	**8**
Total	**2**	**– 11**	**> 100**

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

(12) Administrative expenses

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

	1 Jan.– 30 Sep. 2013 (in € million)	1 Jan.– 30 Sep. 2012 (in € million)	Change (in %)
Staff expenses	459	450	2
Other administrative expenses	332	306	8
Amortisation	61	68	– 10
Total	**852**	**824**	**3**

(13) Other operating profit / loss

	1 Jan.– 30 Sep. 2013 (in € million)	1 Jan.– 30 Sep. 2012 (in € million)	Change (in %)
Other operating income			
from the reversal of provisions	281	258	9
from insurance contracts	440	357	23
from other business	114	101	13
	835	**716**	**17**
Other operating expenses			
from allocation to provisions	446	362	23
from insurance contracts	246	236	4
from other business	164	186	– 12
	856	**784**	**9**
Total	**– 21**	**– 68**	**69**

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 (€ 364 million (€ 296 million)) and income from insurance contracts (€ 52 million (€ 35 million)).

Income from other business includes income from the disposal of receivables (€ 47 million (€ 25 million)), income from the chartering of ships relating to restructuring commitments in lending business (€ 28 million (€ 31 million)), rental income from investment property (€ 8 million (€ 7 million)) and reimbursements of costs (€ 7 million (€ 8 million)).

Other operating expenses from insurance contracts mainly comprise indemnity expenses (€ 195 million (€ 187 million)) and expenses from deferred reinsurance contracts (€ 36 million (€ 35 million)).

Expenses from other business essentially comprise expenses from the redemption of debt securities (€ 36 million (€ 24 million)), expenses from the disposal of other liabilities (€ 24 million (€ 0 million)), expenses to generate charter income from ships (€ 20 million (€ 18 million)) and expenses from the disposal of receivables (€ 1 million (€ 79 million)). In addition, the expenses from other business also include an amount of € 37 million (€ 36 million) for the bank levy set in accordance with the Restructuring Fund Regulation.

(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 (€ 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 € 1 million (€ 3 million) expenses from projects that aim to achieve significant cost synergies.

(15) Expenses for public guarantees related to reorganisation

Expenses for public guarantees related to reorganisation concern the NORD/LB Group's capital-boosting programme. The reported amount of € 33 million (€ 7 million) is entirely attributable to the payment of a premium for a guarantee provided by the states of Lower Saxony and Saxony-Anhalt. This guarantee may be used by the NORD/LB Group up until 31 December 2014 if the ratios for regulatory capital or parts of the regulatory capital are not met.

(16) Income taxes

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

Notes to the balance sheet

(17) Loans and advances to banks

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Loans and advances resulting from money market transactions			
German banks	4 961	5 804	– 15
Foreign banks	1 956	2 606	– 25
	6 917	**8 410**	**– 18**
Other loans and advances			
German banks			
Due on demand	1 577	1 621	– 3
With a fixed term or period of notice	16 697	19 850	– 16
Foreign Banks			
Due on demand	1 491	2 488	– 40
With a fixed term or period of notice	2 347	2 009	17
	22 112	**25 968**	**– 15**
Total	**29 029**	**34 378**	**– 16**

(18) Loans and advances to customers

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Loans and advances to customers			
Domestic customers	1 456	2 822	– 48
Customers abroad	46	28	64
	1 502	**2 850**	**– 47**
Other loans and advances			
Domestic customers			
Due on demand	3 421	3 168	8
With a fixed term or period of notice	77 059	79 050	– 3
Customers abroad			
Due on demand	428	359	19
With a fixed term or period of notice	26 544	29 150	– 9
	107 452	**111 727**	**– 4**
Total	**108 954**	**114 577**	**– 5**

(19) Loan loss provisions

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Specific valuation allowance	1 716	1 493	15
Lumpsum specific loan loss provisions	15	19	– 21
General loan loss provisions	499	437	14
Total	**2 230**	**1 949**	**14**

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

	Specific valuation allowance		Lumpsum specific loan loss provisions		General loan loss provisions		Provisions in lending business		Total	
(in € million)	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
1 January	**1 493**	**1 177**	**19**	**28**	**437**	**580**	**136**	**113**	**2 085**	**1 898**
Allocations	817	677	4	4	94	35	34	67	949	783
Reversals	283	241	8	11	23	145	43	61	357	458
Utilisation	248	187	–	–	–	–	–	–	248	187
Unwinding	56	45	–	–	–	–	–	1	56	46
Effects from currency translation and other changes	– 7	– 3	–	–	– 9	– 1	– 1	–	– 17	– 4
30 September	**1 716**	**1 378**	**15**	**21**	**499**	**469**	**126**	**118**	**2 356**	**1 986**

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

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Trading assets			
Debt securities and other fixed-interest securities	3 386	2 820	20
Shares and other variable-yield securities	30	27	11
Positive fair values from derivatives	8 067	11 803	– 32
Trading portfolio claims	1 603	1 783	– 10
Other trading assets	–	– 1	– 100
	13 086	**16 432**	**– 20**
Financial assets as at fair value through profit or loss			
Loans and advances to banks and customers	256	365	– 30
Debt securities and other fixed-interest securities	870	1 112	– 22
Shares and other variable-yield securities	10	11	– 9
	1 136	**1 488**	**– 24**
Total	**14 222**	**17 920**	**– 21**

(21) Financial assets

The balance sheet item financial assets includes all the debt securities and other fixed-interest securities classified as Available for Sale (AfS), shares and other 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).

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

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Financial assets classified as LaR	**3 229**	**3 830**	**– 16**
Financial assets classified as AfS			
Debt securities and other fixed-interest securities	43 954	47 608	– 8
Shares and other variable-yield securities	569	454	25
Shares in companies	372	384	– 3
Other financial assets classified as AfS	122	147	– 17
	45 017	**48 593**	**– 7**
Total	**48 246**	**52 423**	**– 8**

(22) Investments accounted for using the equity method

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Joint ventures	21	27	– 22
Associated companies	279	291	– 4
Total	**300**	**318**	**– 6**

(23) Property and equipment

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Land and buildings	342	353	– 3
Operating and office equipment	67	74	– 9
Ships	191	200	– 5
Other property and equipment	10	8	25
Total	**610**	**635**	**– 4**

(24) Intangible assets

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Software			
Purchased	20	21	– 5
Internally generated	69	91	– 24
	89	**112**	**– 21**
Intangible assets under development	38	18	> 100
Other intangible assets	12	12	–
Total	**139**	**142**	**– 2**

(25) Other assets

The balance sheet item other assets includes assets relating to insurance contracts in the amount of € 178 million (€ 157 million). These comprise assets from outwards reinsurance (€ 178 million (€ 156 million)).

(26) Liabilities to banks

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Deposits from other banks			
German banks	745	737	1
Foreign banks	243	38	> 100
	988	**775**	**27**
Liabilities resulting from money market transactions			
German banks	17 797	20 739	– 14
Foreign banks	10 080	9 715	4
	27 877	**30 454**	**– 8**
Other liabilities			
German banks			
Due on demand	3 018	5 084	– 41
With a fixed term or period of notice	22 595	22 938	– 1
Foreign banks			
Due on demand	1 273	1 200	6
With a fixed term or period of notice	4 400	4 628	– 5
	31 286	**33 850**	**– 8**
Total	**60 151**	**65 079**	**– 8**

(27) Liabilities to customers

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Savings deposits			
With an agreed notice period of three months			
Domestic customers	1 534	911	68
Customers abroad	18	16	13
With an agreed notice period of more than three months			
Domestic customers	349	407	– 14
Customers abroad	2	2	–
	1 903	**1 336**	**42**
Liabilities resulting from money market transactions			
Domestic customers	7 597	7 275	4
Customers abroad	1 641	1 860	– 12
	9 238	**9 135**	**1**
Other liabilities			
Domestic costumers			
Due on demand	11 613	11 708	– 1
With a fixed term or period of notice	30 172	31 844	– 5
Customers abroad			
Due on demand	618	1 018	– 39
With a fixed term or period of notice	856	910	– 6
	43 259	**45 480**	**– 5**
Total	**54 400**	**55 951**	**– 3**

(28) Securitised liabilities

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Issued debt securities			
Mortgage bonds	10 167	9 732	4
Municipal debentures	10 628	13 345	– 20
Other debt securities	28 675	35 249	– 19
	49 470	**58 326**	**– 15**
Money market instruments			
Commercial paper	1 714	1 651	4
Certificates of deposit	354	240	48
Other money market instruments	–	402	– 100
	2 068	**2 293**	**– 10**
Total	**51 538**	**60 619**	**– 15**

Repurchased debt securities issued by the bank itself have been directly deducted from securitised liabilities in the amount of € 7,023 million (€ 7,962 million).

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

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Trading liabilities			
Negative fair values from derivatives	7 442	11 121	– 33
Delivery obligations from short-sales	387	214	81
	7 829	**11 335**	**– 31**
Financial liabilities designated at fair value			
Liabilities to banks and customers	5 845	5 920	– 1
Securitised liabilities	3 211	3 443	– 7
Subordinated capital	26	26	–
	9 082	**9 389**	**– 3**
Total	**16 911**	**20 724**	**– 18**

(30) Provisions

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Provisions for pensions and other obligations	2 003	1 975	1
Other provisions	2 302	2 162	6
Total	**4 305**	**4 137**	**4**

Other provisions include provisions for insurance contracts in the amount of € 1,955 million (€ 1,822 million) and provisions for reorganisation measures in the amount of € 13 million (€ 18 million).

(31) Other Liabilities

The balance sheet item other liabilities includes liabilities from insurance contracts in the amount of € 42 million (€ 46 million). These concern primarily liabilities from direct insurance and reinsurance contracts.

(32) Subordinated capital

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Subordinated liabilities	3 458	3 452	–
Participatory capital	222	224	– 1
Silent participations	1 058	1 157	– 9
Total	**4 738**	**4 833**	**– 2**

Other disclosures

(33) Fair values of financial instruments

In the NORD/LB Group the three-stage fair value hierarchy is used with the Level 1, Level 2 and Level 3 terminology of IFRS 13. The respective level is determined by the input data used in the measurement and reflects the market proximity of the parameters included in establishing the fair value. If input data from various levels is used in the calculation of the fair value, the resulting fair value is assigned to the lowest level for which the input parameters have a significant influence on the fair value measurement. In the measurement appropriate consideration is given to all relevant input data such as counterparty risk.

Under the fair value hierarchy, a financial instrument is categorised in Level 1 if it is traded on an active market and is used to establish the fair value of publicly listed market prices or prices actually traded. If no market prices or prices actually traded are available, in the Level 1 measurement the prices quoted by dealers are used for measurement purposes, with prices quoted by other banks or market makers being applied when price sources other than stock exchange quoted prices are used.

A financial instrument is categorised in Level 2 of the fair value hierarchy in case it is not possible to use prices listed on active markets to determine the fair value. In this event, the fair value is calculated using measurement methods or models that are recognised or customary in the market as well as by external pricing services, providing the measurement in this case is made in full or in part with observable parameters such as spread curves. Measurement models with a range of input data are used in particular for over-the-counter derivatives (OTC derivatives) and for securities listed on inactive markets (e. g. discounted cash flow method). If an estimation is required in a given case, a standard market method is always used. For discounted cash flow methods, all payments are discounted for example by an interest rate curve adjusted for counterparty risk. Counterparty risk and the spreads are determined on the basis of comparable financial instruments (for example on consideration of the respective market segment and the issuer's credit rating). The financial instruments classified as Level 2 in the fair value hierarchy are primarily allocated to the following balance sheet items: trading assets and liabilities, positive and negative fair values from hedge accounting derivatives, financial assets and liabilities designated at fair value and financial assets recognised at fair value. The measurement models include a range of input data such as for example market prices and other market quotations, risk-free interest curves, risk premiums, exchange rates and volatilities.

Financial instruments without an active market and whose fair values are not based on market prices or are not based entirely on observable input data are allocated to Level 3. In the Level 3 measurement, models specific to the bank and data which is not observable on the market are used. The Level 3 method is essentially used to measure certain credit default swaps (CDS), swaps with equity components, interest-bearing securities and asset-backed securities (ABS)/mortgage-backed securities (MBS), the bank's structured issues and some tranches of collateralised debt obligations (CDO) of the Group. The financial instruments classified as Level 3 in the fair value hierarchy are primarily allocated to the following balance sheet items: trading assets and liabilities, financial assets and liabilities designated at fair value and financial assets recognised at fair value. The measurement models include a range of input data such as for example term-specific interest rates, the credit rating of the respective issuer, historic volatility and an appropriate interest rate for the equity tied up. Revised assessments of market activity are continually considered in the measurement.

As part of the illiquidity assessment, relevant products are initially allocated to levels in the Group's individual trading divisions. The trading divisions' assessments are reviewed by the Risk Control Division, ensuring that the assessment of the level allocation of the financial instruments and corresponding measurement is as objective as possible. The measurement takes place based on complex measurement techniques (for example discounted cash flow models which consider interest, credit, liquidity and other risks). All measurement models applied in the Group are reviewed periodically. The review is conducted independently of the trading divisions and includes for example the calibration of the measurement models and an assessment of the measurement within the scope of the new products new markets process.

No significant change has been made to the measurement process since the previous period.

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

	30 Sep. 2013			31 Dec. 2012		
(in € million)	Fair Value	Carrying amount	Difference	Fair Value	Carrying amount	Difference
Assets						
Cash reserve	464	464	–	665	665	–
Loans and advances to banks	29 970	29 029	941	35 744	34 378	1 366
Loans and advances to customers	107 997	108 954	– 957	115 611	114 577	1 034
Loan loss provisions	[1]	– 2 230	–	[1]	– 1 949	–
Sub-total of loans and advances to banks/customers (net after loan loss provisions)	**137 967**	**135 753**	**2 214**	**151 355**	**147 006**	**4 349**
Adjustment item for financial instruments hedged in the fair value hedge portfolio	[2]	– 146	–	[2]	– 3	–
Financial assets at fair value through profit or loss	14 222	14 222	–	17 920	17 920	–
Positive fair values from hedge accounting derivatives	3 611	3 611	–	4 924	4 924	–
Financial assets not reported at fair value	2 951	3 309	– 358	3 496	3 910	– 414
Financial assets reported at fair value	44 937	44 937	–	48 513	48 513	–
Other assets not reported at fair value	22	22	–	–	–	–
Other assets reported at fair value	26	26	–	16	16	–
Total	**204 200**	**202 198**	**2 002**	**226 889**	**222 951**	**3 938**
Liabilities						
Liabilities to banks	60 572	60 151	421	66 429	65 079	1 350
Liabilties to customers	56 823	54 400	2 423	59 355	55 951	3 404
Securitsed liabilities	51 441	51 538	– 97	61 476	60 619	857
Adjustment item for financial instruments hedged in the fair value hedge portfolio	[2]	445	–	[2]	895	–
Financial liabilities at fair value through profit or loss	16 911	16 911	–	20 724	20 724	–
Negative fair values from hedge accounting derivatives	3 407	3 407	–	4 908	4 908	–
Other liabilities not reported at fair value	60	60	–	1	1	–
Subordinated capital	5 075	4 738	337	5 043	4 833	210
Total	**194 289**	**191 650**	**2 639**	**217 936**	**213 010**	**4 926**

[1] Amounts relating to loan loss provisions are shown in the corresponding fair values of loans and advances to banks and loans and advances to customers.
[2] Amounts relating to the assets and liabilities item "Adjustment item for financial instruments hedged in the fair value hedge portfolio" are shown in the fair values of the respective items of hedged financial instruments.

It was not possible to reliably determine a fair value for € 80 million (€ 80 million) of financial instruments. These are mainly investments. There is no intention to sell these investments.

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

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

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

	Level 1		Level 2		Level 3		Total	
(in € million)	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012
Assets held for trading	3 357	2 852	9 596	13 580	133	–	13 086	16 432
Designated financial assets reported at fair value	655	871	481	617	–	–	1 136	1 488
Positive fair values from hedge accounting derivatives	–	–	3 611	4 924	–	–	3 611	4 924
Financial assets at fair value	37 806	43 183	6 742	4 907	389	423	44 937	48 513
Other assets reported at fair value	26	–	–	–	–	–	26	–
Assets	**41 844**	**46 906**	**20 430**	**24 028**	**522**	**423**	**62 796**	**71 357**
Liabilities held for trading	391	215	7 436	11 116	2	4	7 829	11 335
Designated financial liabilities reported at fair value	152	222	8 638	9 167	292	–	9 082	9 389
Negative fair values from hedge accounting derivatives	–	–	3 407	4 908	–	–	3 407	4 908
Liabilities	**543**	**437**	**19 481**	**25 191**	**294**	**4**	**20 318**	**25 632**

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

1 Jan. – 30 Sep. 2013 (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
Financial assets at fair value	3 407	1	1 870	–	3	–
Designated financial liabilities reported at fair value	201	–	146	253	–	–

Transfers mainly took place between Levels 1 and 2 in the third quarter. With financial assets recognised at fair value, some issues whose whole portfolio is held are now allocated to Level 2, as the market prices listed are not entirely valid. The € 1.87 billion of transfers from Level 2 to Level 1 are mainly due to a further revival of the market, and as a result more market prices can be used.

With liabilities designated at fair value, the trading activity and therefore in particular the trading volume are considered. Here there is regular movement between Level 1 and Level 2. Transfers from Level 2 to 3 initially result in a differentiated assessment of volatility under IFRS 13. Historical volatilities are allocated to Level 3, while implicit volatilities are allocated to Level 2. Within the scope of the restructuring of an issue (nominal value € 150 million), at the close of Q3 a switch was made to a measurement model with historical volatilities, which explains the majority of the transfers.

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

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

(in € million)	Trading assets	Designated financial assets report at fair value	Total
Assets			
1 January	**–**	**423**	**423**
Effect on the income statement [1]	–	– 15	– 15
Effect on the equity capital	–	– 7	– 7
Addition from purchase	133	11	144
Disposal form sale	–	4	4
Redemption/Liquidation	–	18	18
Addition from Level 1 and 2	–	1	1
Disposal to Level 1 and 2	–	3	3
30 September 2013	**133**	**388**	**521**
For information purposes: Effect in the income statement for financial instruments still in the portfolio [1]	–	– 7	– 7

[1] The effects reported include valuation gains/losses, realised profit/loss and deferred interest; these are reported in the income statement under the items (6) Net interest income, (9) Profit/loss from financial instruments at fair value through profit or loss, (10) Profit/loss from hedge accounting, (11) Profit/loss from financial assets, (12) Administrate expenses and (13) Other operating profit/loss.

(in € million)	Trading assets	Designated financial assets report at fair value	Total
Liabilities			
1 January	**4**	**–**	**4**
Effect on the income statement [1]	– 2	34	32
Addition from purchase or issuance	–	5	5
Addition to Level 1 and 2	–	253	253
30 September 2013	**2**	**292**	**294**

[1] The effects reported include valuation gains/losses, realised profit/loss and deferred interest; these are reported in the income statement under the items (6) Net interest income, (9) Profit/loss from financial instruments at fair value through profit or loss, (10) Profit/loss from hedge accounting, (11) Profit/loss from financial assets, (12) Administrate expenses and (13) Other operating profit/loss.

The main unobservable input data in the fair value measurement of financial assets and liabilities in Level 3 of the fair value hierarchy and the effects of an assumed change in these parameters per product can be seen in the following table. Significant changes in the input data result in a significantly higher or lower fair value.

Product	Significant non-observable input data in the fair value measurement	Fair value on the balance sheet (in € million)	Stress-factor	Change in the fair Value (in € million)
Asset-Backed-Securities	ABS-Intensity-Spread	5	+/– 0 to 2 000 basis points	1
	Weighted-Average-Life (WAL)	5	+/– 1 year	1
Interest-bearing bonds	Intensity-Spread	1	+/– 0 to 914 basis points	0
Silent participations	Credit Spread	105	+/– 100 basis points	6
Derivates	CDS-Ratingshift-Factor	– 2	+/– 1 Rating class	0

The intensity spread is derived from the rating and the associated probability of default.

Details concerning the sensitivity of historic volatilities are permissibly not given, as the historic volatilities are not calculated by the company itself, but are based on original market transactions.

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

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

(34) Derivative financial instruments

(in € million)	Nominal values 30 Sep. 2013	Nominal values 31 Dec. 2012	Fair value positive 30 Sep. 2013	Fair value positive 31 Dec. 2012	Fair value positive 30 Sep. 2013	Fair value positive 31 Dec. 2012
Interest-rate risk	262 641	287 245	10 577	15 446	9 839	14 535
Currency risk	59 578	60 793	939	1 202	892	1 298
Share price and other price risks	464	764	145	61	3	27
Credit risk	5 108	5 713	17	18	115	169
Total	**327 791**	**354 515**	**11 678**	**16 727**	**10 849**	**16 029**

(35) Disclosures concerning selected countries

The tables below show, in contrast to the exposure in the risk report, the reported values of transactions relating to selected European countries (including credit derivatives). 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	
(in € million)	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012
Egypt						
Country	–	–	–	–	–	–
Financing institutes/ insurance companies	–	–	–	–	–	–
Companies/other	–	–	–	–	–	–
	–	**–**	**–**	**–**	**–**	**–**
Greece						
Country	–	–	–	–	–	–
Financing institutes/ insurance companies	–	–	–	–	–	–
Companies/other	–	2	–	–	–	–
	–	**2**	**–**	**–**	**–**	**–**
Italy						
Country	3	– 16	95	98	26	24
Financing institutes/ insurance companies	– 15	– 19	5	11	267	378
Companies/other	19	28	–	–	2	2
	7	**– 7**	**100**	**109**	**295**	**404**
Italien						
Country	– 5	4	225	251	1 283	1 335
Financing institutes/ insurance companies	4	– 41	–	–	844	1 327
Companies/other	2	3	–	–	44	45
	1	**– 34**	**225**	**251**	**2 171**	**2 707**
Portugal						
Country	– 31	– 31	–	–	159	159
Financing institutes/ insurance companies	–	– 1	–	–	125	136
Companies/other	–	–	–	–	21	20
	– 31	**– 32**	**–**	**–**	**305**	**315**
Slovenia						
Country	–	–	–	–	31	31
Financing institutes/ insurance companies	–	–	–	–	–	–
Companies/other	–	–	–	–	–	–
	–	**–**	**–**	**–**	**31**	**31**

(in € million)	Financial Instruments Held for Trading 30 Sep. 2013	Financial Instruments Held for Trading 31 Dec. 2012	Financial Instruments designated at Fair Value through Profit or Loss 30 Sep. 2013	Financial Instruments designated at Fair Value through Profit or Loss 31 Dec. 2012	Available for Sale Assets 30 Sep. 2013	Available for Sale Assets 31 Dec. 2012
Spain						
Country	15	4	–	–	353	343
Financing institutes / insurance companies	49	7	–	–	1 555	1 631
Companies / other	8	9	–	–	29	36
	72	**20**	**–**	**–**	**1 937**	**2 010**
Hungary						
Country	– 2	– 2	–	–	183	203
Financing institutes / insurance companies	–	–	–	–	69	66
Companies / other	–	–	–	–	–	–
	– 2	**– 2**	**–**	**–**	**252**	**269**
Cyprys						
Country	–	–	–	–	–	–
Financing institutes / insurance companies	–	–	–	–	–	–
Companies / other	13	23	–	–	–	–
	13	**23**	**–**	**–**	**–**	**–**
Total	**60**	**– 30**	**325**	**360**	**4 991**	**5 736**

For financial instruments categorised as Available for Sale with acquisition costs totalling € 5,074 million (€ 5,678 million), the cumulative valuation of the selected countries reported in equity totals € 53 million (€ 53 million). In addition to this, depreciation of € 1 million (€ 2 million) was recognised in the income statement for the period.

(in € million)	Loans and Receivables Gross carrying amount 30 Sep. 2013	Loans and Receivables Gross carrying amount 31 Dec. 2012	Loans and Receivables Specific loan loss provisions 30 Sep. 2013	Loans and Receivables Specific loan loss provisions 31 Dec. 2012	Loans and Receivables General loan loss provisions 30 Sep. 2013	Loans and Receivables General loan loss provisions 31 Dec. 2012	Loans and Receivables Fair Value 30 Sep. 2013	Loans and Receivables Fair Value 31 Dec. 2012
Egypt								
Country	–	–	–	–	–	–	–	–
Financing institutes/insurance companies	11	11	–	–	–	–	10	10
Companies/other	–	–	–	–	–	–	–	–
	11	**11**	**–**	**–**	**–**	**–**	**10**	**10**
Greece								
Country	–	–	–	–	–	–	–	–
Financing institutes/insurance companies	–	–	–	–	–	–	–	–
Companies/other	201	244	21	15	7	1	127	168
	201	**244**	**21**	**15**	**7**	**1**	**127**	**168**
Ireland								
Country	–	–	–	–	–	–	–	–
Financing institutes/insurance companies	310	427	–	–	3	3	299	410
Companies/other	1 693	1 696	–	2	4	3	1 721	1 675
	2 003	**2 123**	**–**	**2**	**7**	**6**	**2 020**	**2 085**
Italy								
Country	19	18	–	–	–	–	19	18
Financing institutes/insurance companies	116	123	–	–	–	–	87	91
Companies/other	46	52	–	–	–	–	48	53
	181	**193**	**–**	**–**	**–**	**–**	**154**	**162**
Portugal								
Country	–	–	–	–	–	–	–	–
Financing institutes/insurance companies	12	12	–	–	1	1	12	12
Companies/other	36	78	–	–	–	–	36	78
	48	**90**	**–**	**–**	**1**	**1**	**48**	**90**
Slovenia								
Country	–	–	–	–	–	–	–	–
Financing institutes/insurance companies	25	25	–	–	–	–	25	24
Companies/other	–	–	–	–	–	–	–	–
	25	**25**	**–**	**–**	**–**	**–**	**25**	**24**

	Loans and Receivables Gross carrying amount		Loans and Receivables Specific loan loss provisions		Loans and Receivables General loan loss provisions		Loans and Receivables Fair Value	
(in € million)	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012	30 Sep. 2013	31 Dec. 2012
Spain								
Country	51	52	–	–	1	–	43	40
Financing institutes/insurance companies	151	135	–	–	1	–	147	131
Companies/other	474	459	41	34	1	–	457	462
	676	**646**	**41**	**34**	**3**	**–**	**647**	**633**
Hungary								
Country	–	–	–	–	–	–	–	–
Financing institutes/insurance companies	4	3	–	–	–	–	4	3
Companies/other	40	10	–	–	–	–	40	10
	44	**13**	**–**	**–**	**–**	**–**	**44**	**13**
Cyprys								
Country	–	–	–	–	–	–	–	–
Financing institutes/insurance companies	–	–	–	–	–	–	–	–
Companies/other	1 189	1 146	5	23	23	6	963	1 000
	1 189	**1 146**	**5**	**23**	**23**	**6**	**963**	**1 000**
Total	**4 378**	**4 491**	**67**	**74**	**41**	**14**	**4 038**	**4 185**

The nominal value of credit derivatives relating to the selected countries in the NORD/LB Group's portfolio is € 1,557 million (1,531 million). Of this, states account for € 506 million (€ 479 million), financing institutions/insurance companies for € 1050 million (€ 1,051 million) and companies/others for € 1 million (€ 1 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 € –108 million (€ –118 million).

(36) Regulatory data

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

(in € million)	30 Sep. 2013	31 Dec. 2012
Risk-weighted assets	**70 762**	**77 863**
Capital requirements for credit risk	5 091	5 693
Capital requirements for market risks	178	149
Capital requirements for operational risks	392	387
Capital requirements according to the SolvV	**5 661**	**6 229**

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

(in € million)	30 Sep. 2013	31 Dec. 2012
Paid-in capital	1 662	1 666
Further capital	10	10
Other reserves	5 349	5 356
Special item for general banking risks in accordance with § 340g of the German Commercial Code	1 467	1 466
Other capital with § 10 2a Nr. 10 KWG	930	954
Other components	– 96	– 92
Core capital	**9 322**	**9 360**
Deductions from core capital	– 1 294	– 909
Core capital for solvency reasons	**8 028**	**8 451**
Non-current subordinated liabilities	3 198	3 051
Participatory capital liabilities	60	193
Other components	30	– 10
Supplementary capital	**3 288**	**3 234**
Deductions from supplementary capital	– 1 294	– 909
Supplementary capital for solvency reasons	**1 994**	**2 325**
Modified available equity	**10 022**	**10 776**
Eligible capital in accordance with § 10 of the German Banking Act	**10 022**	**10 776**

(in %)	30 Sep. 2013	31 Dec. 2012
Overall ratio according to § 2 Paragraph 6 of the German Solvency Regulation (SolvV)	14.16	13.84
Core capital ratio	11.34	10.85

(37) Contingent liabilities and other obligations

	30 Sep. 2013 (in € million)	31 Dec. 2012 (in € million)	Change (in %)
Contingent liabilities			
Liabilities from guarantees and other indemnity agreements	5 374	5 170	4
Other obligations			
Irrevocable credit commitments	10 525	9 525	10
Total	**15 899**	**14 695**	**8**

(38) 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. 2013 (in € 000)	Companies with a significant influence	Subsidaries	Joint Ventures	Associated companies	Persons in key positions	Other related parties
Outstanding loans and advances						
to banks	–	–	–	621 224	–	268 664
to customers	2 830 854	51 551	10 941	351 373	1 212	950 068
Other unsettled assets	2 721 190	–	–	51 516	–	3 598
Total assets	**5 552 044**	**51 551**	**10 941**	**1 024 113**	**1 212**	**1 222 330**
Unsettled liabilities						
to banks	–	–	–	444 032	–	112 960
to customers	374 060	54 205	11 559	279 675	2 437	251 407
Other unsettled liabilities	36 862	501 499	–	–	38	143 509
Total liabilities	**410 922**	**555 704**	**11 559**	**723 707**	**2 475**	**507 876**
Guarantees / sureties received	2 631 003	27	50	–	–	12
Guarantees / sureties granted	3 000 628	700	1 056	9 220	–	8 414

1 Jan.–30 Sep. 2013 (in € 000)	Companies with a significant influence	Subsidaries	Joint Ventures	Associated companies	Persons in key positions	Other related parties
Interest expense	25 134	37 510	77	33 286	22	14 746
Interest income	114 162	1 234	404	29 813	37	33 299
Commission expense	14 115	28	–	–	–	36
Commission income	14	39	25	138	1	27
Other income and expenses	– 99 879	8	1	– 10 360	– 3 297	10 742
Total contributions to income	**– 24 952**	**– 36 257**	**353**	**– 13 695**	**– 3 281**	**29 286**

31 Dec. 2012 (in € 000)	Companies with a significant influence	Subsidaries	Joint Ventures	Associated companies	Persons in key positions	Other related parties
Outstanding loans and advances						
to banks	–	–	–	936 116	–	255 795
to customers	2 778 248	54 095	34 053	235 077	1 505	402 899
Other unsettled assets	2 629 046	1	–	62 939	–	12 290
Total assets	**5 407 294**	**54 096**	**34 053**	**1 234 132**	**1 505**	**670 984**
Unsettled liabilities						
to banks	–	–	–	471 754	–	128 013
to customers	259 863	32 817	119 803	100 887	2 501	296 098
Other unsettled liabilities	51 091	512 517	–	–	50	165 352
Total liabilities	**310 954**	**545 334**	**119 803**	**572 641**	**2 551**	**589 463**
Guarantees / sureties received	4 193 947	27	50	5 000	–	20
Guarantees / sureties granted	5 250 662	700	1 056	12 130	–	11 354

1 Jan. – 30 Sep. 2012 (in € 000)	Companies with a significant influence	Subsidaries	Joint Ventures	Associated 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**

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

In the item guarantees/sureties received from companies with a significant influence, guarantees in the amount of € 2,000 million (€ 3,500 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 companies with a significant influence, guarantees in the amount of € 3,000 million (€ 5,250 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.

(39) Members of governing bodies

1. Members of the Managing Board

Dr. Gunter Dunkel
(Chairman)

Dr. Johannes-Jörg Riegler
(Deputy Chairman)

Ulrike Brouzi

Eckhard Forst

Dr. Hinrich Holm

Christoph Schulz

2. Members of the Supervisory Board

Peter-Jürgen Schneider (Chairman)
Minister of Finance, State of Lower Saxony
(since 19 February 2013)

Hartmut Möllring (Chairman)
(until 19 February 2013)

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

Norbert Dierkes
Chairman of the Managing Board
Sparkasse Jerichower Land

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

Frank Hildebrandt
Bank employee
NORD/LB Braunschweig

Martin Kind
Managing Director
KIND Hörgeräte GmbH & Co. KG

Frank Klingebiel
Mayor, City of Salzgitter

Prof. Dr. Susanne Knorre
Management consultant
(since 1 May 2013)

Ulrich Mädge
Mayor, City of Hansestadt Lüneburg

Antje Niewisch-Lennartz
Minister of Justice, State of Lower Saxony
(since 1 July 2013)

Heinrich von Nathusius
Consultant

Freddy Pedersen
ver.di Vereinte Dienstleistungsgewerkschaft

Jörg Reinbrecht
ver.di Vereinte Dienstleistungsgewerkschaft

Ilse Thonagel
Bank employee, Landesförderinstitut
Mecklenburg-Western Pomerania

Mirja Viertelhaus-Koschig
Deputy Chairman of the Managing Board, VIEROL AG
(until 26 April 2013)

Klaus-Peter Wennemann
Management consultant
(until 30 June 2013)

(40) Basis of consolidation

Company name and registered office	Shares (%) direct	Shares (%) indirect
Subsidiaries included in the consolidated financial statements		
BLB Grundbesitz KG, Bremen	100.00	–
BLB Immobilien GmbH, Bremen	100.00	–
BLBI Investment GmbH & Co. KG, 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), 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	–

Company name and registered office	Shares (%) direct	Shares (%) indirect
Special Purpose Entities 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	–	–
Fürstenberg Capital II GmbH, Fürstenberg	–	–
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	–	–
„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 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 [1]	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., 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 [2]	–	56.61
Toto-Lotto Niedersachsen GmbH, Hanover	–	49.85
Investment funds		
Lazard-Sparkassen Rendite-Plus-Fonds	49.18	–

[1] Due to the joint management, this company is classified as a joint venture.
[2] Due to the “potential voting rights” of third parties, this company is classified as an associated company.

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.

OTHER INFORMATION

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, 26 November 2013

Norddeutsche Landesbank Girozentrale

The Managing Board

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

Please download our annual and interim reports at
geschaeftsbericht@nordlb.de.

Our Investor Relations team will be glad to give assistance in case of any questions.
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Branches (including Braunschweigische Landessparkasse)

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

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

International branches
London, New York, Singapore, Shanghai

Representative offices
Moscow

Major holdings (alphabetical)
Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale, Bremen und Oldenburg
Deutsche Hypothekenbank (Actien-Gesellschaft), Hannover (Amsterdam, Berlin, Düsseldorf, Frankfurt, Hannover, Hamburg, London, Madrid, München, Nürnberg, Paris)
Norddeutsche Landesbank Luxembourg S.A., Luxemburg

NORD/LB

Die norddeutsche Art.

OUR PROXIMITY/YOUR STRENGTH

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