

NORD/LB Credit ratings

	Moody's	Fitch Ratings
Long-term (Senior unsecured)	Baa3 / negative	A- / negative
Deposits/Senior-senior	Baa2 / negative	A-
Short-term (notes/deposits)	P-2 / P-2	F1 / F1
Adjusted Baseline Credit Assessment / Viability Rating	ba3	bb
Subordinate: Tier 2	B1	-
Public Sector-/Mortgage-/Aircraft-Pfandbriefe	Aa1 / Aa1 / A3	-

NORD/LB sustainability ratings

	oekom research	MSCI	Sustainalytics
Corporate Ranking	C Prime	AA	64 of 100 points
	imug		
Unsecured Bonds	Neutral CCC		
Public-Sector Pfandbriefe	Positive BBB		
Mortgage Pfandbriefe	Positive BB		
Shipping Pfandbriefe	Positive B		

NORD/LB

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 Friedrichswall 10
 30159 Hanover, Germany
www.nordlb.com



Facts & Figures

Income Statement (in € million)	1 Jan – 31 Dec 2017	1 Jan – 31 Dec 2016
Net interest income	1417	1735
Loan loss provisions	986	2956
Net commission income	112	219
Profit/loss from financial instruments at fair value through profit or loss including hedge accounting	354	415
Profit/loss from financial assets	147	49
Profit/loss from investments accounted for using the equity method	38	-2
Administrative expenses	1185	1113
Other operating profit/loss	383	-173
Earnings before reorganisation and taxes	280	-1826
Reorganisation expenses	85	39
Earnings before taxes	195	-1865
Income taxes	60	94
Consolidated profit	135	-1959
Key figures (in %)		
Cost-Income-Ratio (CIR)	51.4	50.7
Return-on-Equity (RoE)	3.4	-24.7
Leverage Ratio	3.4	3.7
Liquidity Coverage Rate (LCR)	205	110
Non Performing Loans (NPLs) Ratio	4.7	5.5
Balance sheet figures (in € million)		
	31 Dec 2017	31 Dec 2016
Total assets	165379	174732
Customer deposits	56466	57301
Customer loans	95115	105640
Regulatory key figures		
Common equity tier 1 capital (in € million)	5696	6752
Own funds (in € million)	8349	9777
Total risk exposure amount (in € million)	46884	59896
Common equity tier 1 capital ratio (in %)	12.15	11.27
Total capital ratio (in %)	17.81	16.32

Minor discrepancies may arise in this report in the calculation of totals and percentages due to rounding. Some previous year's figures were adjusted.

// **Net interest income:** Decrease due to persistently low interest rates and declining assets on average (a.o. customer loans)

// **Loan loss provisions:** Especially from the shipping portfolio, unremarkable in all other segments

// **Net commission income:** Decrease loan acquisition fees, increased guarantee premiums, special effects in 2016

// **Fair value result (incl. hedge accounting):** Decrease in trading profits due to increased EUR interest-rate-level and tightening of EUR/USD basis spread

// Profits from sale of **financial assets classified as** available-for-sale

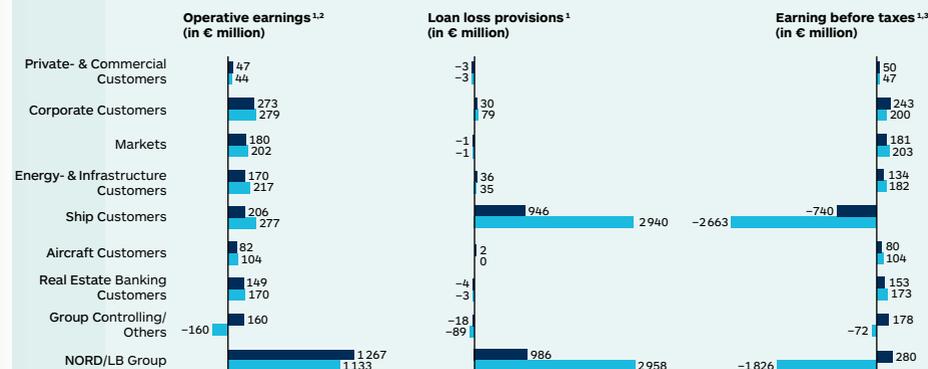
// **At equity result:** Previous year disproportionately burdened by impairments, sales profits occur this year

// **Administrative expenses:** Higher costs for data processing (IT Roadmap) and slightly increased staff expenses; incl. € 19 million for security reserve for Landesbanks and ECB contribution

// **Other operating profit/loss:** Profits from promissory notes, repurchases of own issues, contribution for Single Resolution Fund € 52 million p. a.

// **Reorganisation expenses:** restructuring reserve in line with "One Bank"

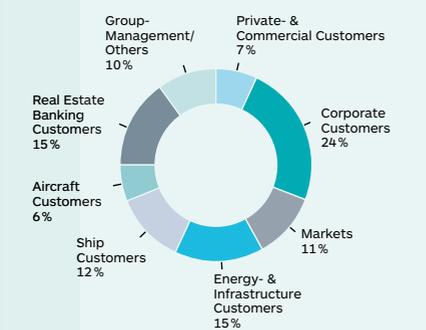
Profitability NORD/LB Group ■ 31 Dec 2017 ■ 31 Dec 2016



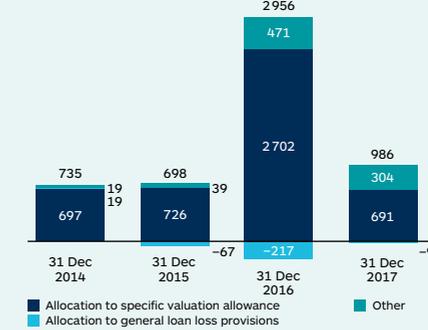
¹ Minor differences might occur in the reproduction of mathematical operations
² Earnings before provisions, reorganisation and taxes ³ Before reorganisation

// Operative earnings of the segments compensate the negative impact from loan loss provisions
 // Earnings (excl. expenses) amount to € 2.45 billion as at 31 Dec 2017 (31 Dec 2016: € 2.25 billion)
 // Earnings before taxes significantly rose from -1826 million (year-end 2016) to € 280 million as at year-end 2017

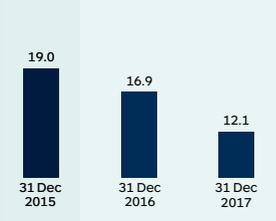
Customer loans



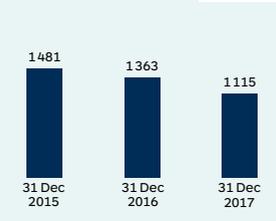
Provisions for lending business (in € million)



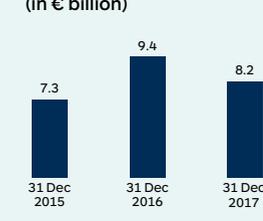
Ship exposure (in € billion)



Number of ships



NPL ship portfolio (in € billion)



// Exposure reduced by € 4.8 billion to € 12.1 billion in 2017
 // Until the end of 2019 the NPLs of the shipping portfolio should be reduced to at least € 5 billion
 // New comprehensive and cross-sector sales approach in the segment Maritime Industries