# Half-year Financial Report 2016

DKB

Deutsche Kreditbank AG

### Performance indicators

| EUR million | 30 Jun 2016 | 2015 |
|---|---|---|
| Net interest income | 390.4 | 790.4 |
| Risk provisions | 66.5 | 143.8 |
| Net commission income | –1.1 | –1.3 |
| Administrative expenses | 200.7 | 376.8 |
| Profit before taxes | 228.2 | 236.0 |
| | | |
| Cost/income ratio (CIR) in % | 38.6 | 48.0 |
| Return on equity (ROE) in % | 17.7 | 9.6 |

### Balance sheet figures

| EUR million | 30 Jun 2016 | 2015 |
|---|---|---|
| Balance sheet total | 74,006.0 | 73,428.8 |
| Equity | 3,190.9 | 2,945.7 |
| Core capital ratio in % | 8.8 | 8.2 |
| Customer receivables | 62,520.6 | 61,582.1 |
| Customer receivables as % share of balance sheet total | 84.5 | 83.9 |
| Customer deposits | 50,374.5 | 48,558.2 |

# Contents


## Group interim management report 3

Basic principles 4
Report on the economic position 5
Report on opportunities and risks 15
Outlook 24

## Condensed interim consolidated financial statements 25

Consolidated statement of comprehensive income 26
Reconciliation of other comprehensive income for the period 27
Consolidated balance sheet 28
Consolidated statement of changes in equity 30
Condensed consolidated cash flow statement 32
Selected explanatory notes to the financial statements (Notes) 33

Warranty by the Legal Representatives 70
Review report 71
Disclaimer 72
Contacts and imprint 73

# Group interim management report

Basic principles 4
Report on the economic position 5
Report on opportunities and risks 15
Outlook 24

# Basic principles

Deutsche Kreditbank (DKB), headquartered in Berlin, is one of the largest financial institutions in Germany. Our company is a wholly owned subsidiary of BayernLB. We invest over 80 % of our total assets to provide various forms of credit exclusively in Germany. Acting in an entrepreneurial and sustainable manner is important to us. When granting credit, we are vigilant about complying with environmental and social standards. For example, we finance the construction of housing suitable for senior citizens and families, energy-efficient real estate, outpatient and inpatient medical facilities, agricultural operations and construction projects in schools and childcare facilities in Germany. In addition to this we have financed numerous renewable energy projects in the fields of wind, solar, bioenergy and hydroelectric power since 1996. Supported by cutting-edge technologies, our over three million retail customers can conveniently and securely handle their banking transactions online. We divide our corporate activities into the three market segments of: Retail, Infrastructure and Corporates as well as into the segments of Financial Markets, which includes the DKB Treasury, non-core business and other. The parent company for the Deutsche Kreditbank, Berlin Group is the Deutsche Kreditbank AG, Berlin.

Further information about the Group's basic principles can be found in the Annual Report 2015 (starting on page 36). The statements included there still apply.

The interim management report for the first half of 2016 and the financial statements for H1 2016 were created taking section 37w of the German Securities Trading Act into account in agreement with section 315a, paragraph 1 of the German Commercial Code (HGB) and EC regulation no. 1606/2002 (IAS regulation) of the European Parliament and the Council from 19 July 2002 as well as further regulations with respect to the adoption of certain international accounting standards based on the International Financial Reporting Standards (IFRS) that were passed and published by the IASB and the supplementary applicable provisions under commercial law pursuant to section 315a, paragraph 1 of the HGB. Furthermore, the statements are based on the GAS 16 guidelines of the Accounting Standards Committee of Germany (ASCG) in the version amended by GAAS 7 on 21 April 2016.

# Report on the economic position

## Development of the economic environment

### Macroeconomic environment: growth continues in the first six months

Global economic performance continued its positive trend at a restrained pace in the first few months of 2016. In the euro area, there was continued macroeconomic recovery, facilitated by the mild winter weather. After seasonal and calendar adjustments and adjustments for price, Germany's gross domestic product in the first quarter of 2016 was 0.7 % higher than the figure from the fourth quarter of 2015. Positive impetus continued to come primarily from within the country where private and government expenditures were still on the increase. The favourable consumer climate was in line with a very good labour market situation and positive income expectations.

The economy generally experienced an upswing in the second quarter although Germany's performance was considerably slower than the initial months according to information from the German Central Bank. The reason was weakening momentum from the construction industry as well as a temporary decrease in industrial production.

Consumer prices in Germany in June 2016 increased by 0.3 % when compared to the previous year. Although inflation was still slowed by cheaper energy, the effect was not as strong as it was most recently.

### Financial markets remain under the influence of expansionary monetary policy

The international financial markets continued to be impacted by expansionary monetary policy measures by the large national economies, even after the turn of the year. In conjunction with the uncertainty in countries like Italy or Cyprus, developments were subject to further fluctuations. Further instalments of aid money were initiated for Greece.

To reduce price risks and provide continued support for the economic recovery, the ECB reduced interest rates by 5 basis points to 0 % and 0.25 % for the discount window and the interest rate for the deposit facility by 10 basis points to –0.40 % in March.

To support the economy and raise the rate of inflation toward the target value of 2 %, the ECB introduced a second cheap series of long-term loans for commercial banks in June for commercial banks with TLTRO-II. This enables banks to currently gain funding at an interest rate of 0 %.

Yields from the bond market continued to remain very low or, as expected, sank even lower: in mid-June, the yields for 10-year government bonds even sank below the zero mark for the first time. Yields for bonds from state-owned banks like KfW and the annuity bank and Pfandbriefe also took a downturn.

The DAX was subject to strong fluctuations in the first half of the year. After an initial value of 10,743 at the beginning of the year, the index fell to under 9,000 points in the interim and was around 9,680 points at the end of June. The euro exchange rate rose from USD 1.086 to USD 1.110 during this period.

### Brexit decision in June puts pressure on the markets

Until the British Brexit vote during the referendum at the end of June, economic experts predominantly spoke of a strong steady underlying economic trend, despite volatility. This assessment gave way to renewed uncertainty during the weeks after the decision, which was unexpected for many market participants. The British pound was subject to enormous pressure and fell to a 30-year low the day after the vote.

Immediately after the referendum, the European Central Bank and the remaining central banks within the euro system declared that they were closely monitoring the development in the financial markets and, if necessary, would provide additional liquidity in euro and foreign currencies. Independent of this, their evaluation of the banking system in the euro area with respect to capital and liquidity is that it continues to be resilient.

# Course of business

### Overall trend: stable performance in the first half of the year

Group business performance was in line with our expectations in the first half of 2016:

Despite the persistently tough interest rate environment, we reported net interest income on a par with the previous year period at EUR 390 million.

Expenses for risk provisions were EUR 67 million. With consistent business, this was less than the figure of EUR 82 million from the first half of 2015. This reflects the stable economic performance.

The expected acquisition of Visa Europe Limited by Visa Inc. was completed on 21 June 2016. This enabled the measurement effect, which was largely recognised through profit or loss on 31 December 2015 under equity, to be realised. Overall, this non-recurring item boosted our earnings for the first half of the year by EUR 129.5 million.

Pre-tax profit increased by EUR 120 million year-on-year to EUR 228 million.

In the first half of the year we increased our (nominal) lending to customers by EUR 0.9 billion to EUR 62.5 billion and customer deposits by EUR 1.8 billion to EUR 50.4 billion.

Total assets rose accordingly by EUR 0.6 billion to EUR 74.0 billion when compared to 31 December 2015.

During the first half of the year, the key figures for return on equity and profitability performed as follows:

In the semi-annual comparison, return on equity (ROE) rose from 8.8 % to 17.7 % or, without taking into account the special item consisting of the sale of Visa Europe Limited, remained slightly below H1 2015 at 7.6 %.

The cost income ratio (CIR) improved from 46.5 % to 38.6 % year-on-year. Adjusted for the Visa transaction, the CIR was 51.4 %.

Furthermore, we were able to expand our funding spectrum by a further promising instrument in June thanks to the initial offering of an unsecured Green Bond with a volume of EUR 500 million.

As in the previous year, all segments contributed to the positive development.

### Retail segment: business and the number of customers expanded further

Business with retail customers was still characterised by the complexity of new regulatory requirements (WIKR, PSD II, MiFiD II) and very intense competition during the first half of the year. Due to the continuing low-interest environment, banks increased their focus on the area of current accounts during their acquisition activities. At the same time, much of the competition spent large investment sums to expand their online presence. The speed of industry digitalisation increased, also driven by the market entry of numerous fintech companies.

Despite strong competition we further expanded our retail customer base once again in the past six months. Thanks to very successful new customer acquisition – the number of new customers rose by approximately 185,000 in the first six months – DKB now serves 3.3 million retail customers. In the process, the DKB-Cash anchor product demonstrated its attractiveness again.

The volume of receivables decreased slightly by EUR 0.1 billion to EUR 12.4 billion as at the reporting date. New business with consumer lending and home loans was partially able to compensate for the repayment-related decrease. The continued positive performance in the home loan business was temporarily slowed by implementation of the regulatory requirements from the residential properties credit guideline (WIKR).

The deposit volume continued to rise by EUR 2.3 billion to EUR 24.7 billion when compared to the value at the end of the year. The interest rate on credit balances for the DKB-Cash product was lowered again in accordance with the continuing low interest rate and the current market environment. On the semi-annual reporting date, the interest rate was 0.6 % p.a. The overdraft interest rate was reduced from 7.5 % to 6.9 % p.a. and the effective annual interest rate for the DKB personal loan was reduced by 0.3 % points to 3.69 % p.a. for DKB customers.

Since the middle of 2016, all DKB credit cards have been equipped with Near-Field Communication technology (NFC). The international transmission standard for contactless data transmission increases convenience for card users.

In February 2016, DKB-Broker was expanded with the intraday trading platform. In connection with this, we made session TANs possible. They give customers the ability to execute trade orders – within one browser session – without losing time by repeatedly entering TANs.

Since beginning the process last year, we have now completed the optimisation of our Internet presence for all devices. This ensures that customers and interested parties can use the full range of services and information on all devices.

A further innovation is the photo-based money transfer function within the DKB banking app. DKB customers can now capture the information on paper invoices with a photograph and automatically transmit it to a transfer form. The software solution is provided by our technology partner, Gini.

## Infrastructure segment: all customer groups drive the positive performance in the volume of receivables

In a stable overall environment, the infrastructure segment performed well as a whole: despite large-scale amortisations, the segment expanded the volume of receivables by 1.5 % to EUR 36.4 billion in the first six months. All customer groups were within the forecast corridor. Main drivers of the growth in credit were the housing customer group as well as local authorities, education and research. Deposit volume decreased by EUR 0.6 billion to EUR 17.3 billion and thus fell short of expectations. Performance within the segment was varied. Deposits in the housing customer group increased while deposits for energy and utilities as well as health and care decreased.

Lending conditions for the **housing** customer group remained favourable with the continued low-interest policies of the ECB. Local authority stipulations mean that substantial capital expenditure continues to be required on the part of housing companies. However at the same time, many housing companies are also taking advantage of the low interest rate to repay loans. Overall, competitive pressure remains high for banks and insurance companies. Against this backdrop, the volume of receivables increased by EUR 0.2 billion to EUR 19.2 billion. The deposit volume rose considerably by 6.6 % to EUR 5.2 billion. Market penetration by housing companies remains at 88 % in the former East German states; in the former West German states, it improved by 2 per cent points to 62 % in the past six months. Assets under management increased in the first six months by EUR 0.2 billion to over EUR 2.5 billion. On the reporting date, almost 7,000 commercial real estate managers oversaw the portfolios of 41,000 property-owner associations using DKB's platform. With a newly introduced SCHUFA interface (SCHUFA is a credit rating company), the value of the management platform anchor product increased further.

Business in the **energy and supply** customer group performed modestly in the first six months in an environment with strong competition. Lending business recorded weak momentum, whereby the capex requirements in the target industries continue to remain high. Substantial growth in business came from the energy sector, here primarily through utilities' traditional core business (investments in the network, replacement investments in energy infrastructure). The volume of receivables increased by 1.3 % to EUR 5.7 billion in the first six months. The deposit volume fell by EUR 0.7 billion to EUR 2.3 billion.

In the **health and care** customer group, industry players took a hesitant stance towards capex. This is due to the planned legislative reforms in the areas of hospital and care. Despite intense competition, the volume of receivables slightly expanded from EUR 2.4 billion to EUR 2.5 billion in the first half of the year. The deposit business decreased by 6.6 % to EUR 3.4 billion, primarily due to a decline in institutional investors. We registered stable growth in customer numbers in the outpatient segment. An overall increased willingness to repay loans is also evident in this customer group.

The **local authorities, education, research** customer group continued to expand its business volume despite pressure on margins and tough competition. The volume of receivables increased nominally by 1.6 % to EUR 9.0 billion as at the reporting date. The good performance was supported by high capex needs in the area of local authority and social infrastructure. The deposit volume remained at EUR 6.4 billion.

The **citizen participation** business segment continues to exhibit positive performance, as expected. Ten new citizen participation projects were concluded during the first half of the year. This bumped the overall number of citizen participation projects initiated up to 83.

## Corporate client segment: growth continues

The corporate client segment continued to perform well during the first six months, in line with expectations: all business areas moved within the target corridor. The nominal volume of receivables for the segment increased by 4.6 % to EUR 13.2 billion as at reporting date. In particular, growth was sustained by the environmental technology, food and agriculture customer groups. The deposit volume remained stable at EUR 3.7 billion.

The **environmental technology customer** group took advantage of the favourable capex demand and expanded its volume of receivables by 7.1 % to EUR 7.6 billion in the past six months, despite intense competition. The deposit volume increased by 8.7 % to EUR 1.2 billion. The positive demand trend is persisting in wind energy in particular. In the area of photovoltaics, the tendered amount for free-standing systems is decreasing. At the same time, the time periods leading to implementation are becoming longer. Taking this into consideration, only a modest number of new photovoltaic projects were supported during the first six months, as expected. In June, the amendment to the German Renewable Energy Act (EEG) was adopted. Starting in 2017, it stipulates new tendering rates for the new regenerative technologies. Wind energy is given a key role in this process.

In the **food and agriculture** customer group, the volume of receivables increased nominally by 2.5 % to EUR 3.4 billion during the past six months. The deposit volume decreased by EUR 0.1 billion to EUR 0.8 billion. Primarily in the dairy market, producer prices were under strong pressure in recent months. The operations were also only partially able to compensate for this pressure through lower feed costs and operational improvements. Due to the growing acuteness of the situation, the German federal government promised funds to distressed operations. Overall, investment confidence in the food and agriculture business area decreased. Demand for loans for barn financing remained restrained as a consequence. In addition to low milk prices, this is also due to low prices for grain and pork.

The **tourism** business area performed well thanks to the stable economy: the volume of receivables increased by EUR 0.1 billion to EUR 1.2 billion in the first six months. The deposit volume remained stable at EUR 0.1 billion. The industry is currently characterised by a high willingness to travel, primarily for domestic trips.

The range of services for **liberal professions** also continued its generally upwards trend: The volume of receivables remained steady at EUR 0.9 billion. At the same time, new business performed well, so we estimate that the business area will still remain on a growth path for the full year. The overall number of customers grew by approximately 1,000 to over 26,000 customers.
The deposit volume rose slightly by 2 % to EUR 1.5 billion.

## Financial markets segment: successful issue of a first Green Bond

Market performance for the first half-year resulted in a substantial increase in the revaluation surplus in the DKB AG liquidity portfolio because, especially during volatile phases, bonds from issuers with strong credit ratings were in demand. Furthermore, the expansion of the European Central Bank's purchasing programme contributed to a further decline in yield premiums and thus to higher bond prices in our portfolio.

In the course of further expanding the liquidity buffer that must be created for regulatory purposes, the portfolio was expanded by an approximate net amount of EUR 0.5 billion in highly liquid securities during the reporting period. This created a corresponding nominal increase in the volume of securities to approximately EUR 5.5 billion as of the semi-annual reporting date.

Also during the past six months, DKB continued to expand its funding. Customer deposits increased by EUR 1.8 billion to EUR 50.4 billion in the first six months. At the beginning of June, the Group issued its first Green Bond with a volume of EUR 500 million. The first DKB senior unsecured benchmark bond, which was rated A3 by Moody's Investor Service agency, encountered a high level of interest from institutional investors and was oversubscribed by a factor of almost three.

Unaffected by the low interest rate, continued high demand for programme loans was recorded in the development loan business across all customer groups. When compared to the period of the previous year, the volume of new transactions in the programme loan business increased by EUR 0.2 billion to EUR 1.3 billion. The total portfolio of programme loans and global loans was approximately EUR 12.5 billion as of the balance sheet key date (31 December 2015: EUR 13.1 billion). The slight decrease is significantly influenced by repayments of global loans in the amount of EUR 0.6 billion.

## Non-core business segment

The non-core business activities were further reduced as planned in the first half of the year, mostly by loan repayments and reductions in the securities portfolio.

The volume of receivables in the segment was EUR 0.6 billion as of the reporting date and thus 11.7 % below the value at the end of 2015.

## Segment Other

DKB Service GmbH continued its activity for the DKB Group. This includes the digitalisation projects begun during the previous year to further improve processes.

# Results of operations

| | H1 2016 EUR million | H1 2015 EUR million | Change EUR million | Change % |
|---|---|---|---|---|
| Net interest income | 390.4 | 389.6 | 0.8 | 0 |
| Risk provisions | –66.5 | –81.7 | 15.2 | 19 |
| **Net interest income after risk provisions** | **323.9** | **307.9** | **16.0** | **5** |
| Net commission income | –1.1 | 0.1 | –1.2 | < –100 |
| Gains or losses on fair value measurement | 23.6 | 8.9 | 14.7 | > 100 |
| Gains or losses on hedge accounting | –35.1 | –23.5 | –11.6 | –49 |
| Gains or losses on financial investments | 141.1 | 7.4 | 133.7 | > 100 |
| Administrative expenses | –200.7 | –180.1[1] | –20.6 | –11 |
| Expenses from the bank levy, deposit guarantee scheme and banking supervision | –22.7 | –13.9[1] | –8.8 | –63 |
| Other income and expenses | 0.8 | 5.2 | –4.4 | –85 |
| Gains or losses on restructuring | –1.6 | –3.9 | 2.3 | 59 |
| **Profit/loss before taxes** | **228.2** | **108.1** | **120.1** | **> 100** |
| Income taxes | –7.1 | –0.3 | –6.8 | < –100 |
| **Consolidated profit/loss** | **221.1** | **107.8** | **113.3** | **105** |

1 Figure from the previous-year period is adjusted by EUR 4.5 million due to the reclassification of administrative expenses into expenses from the bank levy, deposit guarantee scheme and banking supervision.

The DKB Group significantly increased its profit before taxes in a stable business situation in the first half of 2016. The main cause of this was the capital gain from Visa Europe Limited of EUR 129.5 million. Significantly rising costs from the bank levy and deposit guarantee scheme as well as administrative expenses for the implementation of regulatory requirements weighed particularly heavily.

## Net interest income

| | H1 2016 EUR million | H1 2015 EUR million | Change EUR million | Change % |
|---|---|---|---|---|
| Interest income | 1.054.4 | 1.116.7 | –62.3 | –6 |
| Interest expenses | –664.0 | –727.1 | 63.1 | 9 |
| **Net interest income** | **390.4** | **389.6** | **0.8** | **0** |

Net interest income remained on a par with the previous year despite the continued difficult interest environment, in particular thanks to interest adjustments in customer business.

## Risk provisions

Risk provisions declined when compared to the previous-year period. This primarily results from fewer additions made to specific loan loss provisions than in the previous year.

## Net commission income

| | H1 2016 EUR million | H1 2015 EUR million | Change EUR million | Change % |
|---|---|---|---|---|
| Credit card business | 21.7 | 30.0 | –8.3 | –28 |
| Payments | –27.8 | –28.3 | 0.5 | 2 |
| Lending business | 1.5 | –1.0 | 2.5 | > 100 |
| Other service business | 3.5 | –0.6 | 4.1 | > 100 |
| **Net commission income** | **–1.1** | **0.1** | **–1.2** | **< –100** |

There was an expected decrease in net credit card business profits in the net commission income due to interchange regulations.

## Gains or losses on fair value measurement/ Gains or losses on hedge accounting

Gains or losses on fair value measurement and gains or losses on hedge accounting essentially reflect the interest-driven effect of the interest rate derivatives concluded by DKB for hedging purposes and their underlying transactions.

## Gains or losses on financial investments

Gains or losses on financial investments resulted primarily from capital gains of EUR 129.5 million from Visa Europe Limited.

## Administrative expenses

| | H1 2016 EUR million | H1 2015 EUR million | Change EUR million | Change % |
|---|---|---|---|---|
| Staff costs | –109.3 | –103.4 | –5.9 | –6 |
| Other administrative expenses | –88.3 | –73.7 | –14.6 | –20 |
| Depreciation and impairments on property, plant and equipment and intangible assets | –3.1 | –3.0 | –0.1 | –3 |
| **Administrative expenses** | **–200.7** | **–180.1** | **–20.6** | **–11** |

The higher administrative expenses primarily result from implementation and fulfilment of new regulatory provisions. Against this backdrop, higher expenses arose, in particular, from employee hiring, increased consultation expenses and higher IT expenses resulting from this implementation.

## Expenses from the bank levy, deposit guarantee scheme and banking supervision

| | H1 2016 EUR million | H1 2015 EUR million | Change EUR million | Change % |
|---|---|---|---|---|
| Bank levy | –17.5 | –9.4 | –8.1 | –86 |
| Deposit guarantee scheme | –4.2 | –3.9 | –0.3 | –8 |
| Banking supervision | –1.0 | –0.6 | –0.4 | –67 |
| **Expenses from the bank levy, deposit guarantee scheme and banking supervision** | **–22.7** | **–13.9** | **–8.8** | **–63** |

The increased expenses are due especially to the considerably higher bank levy determined according to the new European provisions.

# Net assets

### Assets

| | 30 Jun 2016 EUR million | 31 Dec 2015 EUR million | Change EUR million | Change % |
|---|---|---|---|---|
| Loans and advances to banks | 3.965.6 | 4.864.6 | –899.0 | –18 |
| Loans and advances to customers | 62.520.6 | 61.582.1 | 938.5 | 2 |
| Risk provisions | –448.8 | –429.5 | –19.3 | –4 |
| Portfolio hedge adjustment | 1.165.7 | 1.145.6 | 20.1 | 2 |
| Financial investments | 5.815.4 | 5.324.7 | 490.7 | 9 |
| Other assets | 987.5 | 941.3 | 46.2 | 5 |
| **Total assets** | **74.006.0** | **73.428.8** | **577.2** | **1** |

### Liabilities

| | 30 Jun 2016 EUR million | 31 Dec 2015 EUR million | Change EUR million | Change % |
|---|---|---|---|---|
| Liabilities to banks | 13,960.2 | 15,787.2 | –1,827.0 | –12 |
| Liabilities to customers | 50,374.5 | 48,558.2 | 1,816.3 | 4 |
| Securitised liabilities | 4,494.6 | 4,098.9 | 395.7 | 10 |
| Negative fair values from derivative financial instruments | 1,266.8 | 1,267.5 | –0.7 | 0 |
| Provisions | 146.0 | 121.3 | 24.7 | 20 |
| Other liabilities | 573.0 | 650.0 | –77.0 | –12 |
| Equity | 3,190.9 | 2,945.7 | 245.2 | 8 |
| **Total assets** | **74,006.0** | **73,428.8** | **577.2** | **1** |

The slight increase in total assets reflects the overall continued positive performance in the market segments of the DKB Group. The increased loans and advances to customers stem from the corporate client and infrastructure segments, the increased liabilities to customers stem from the retail customer segment.

Reported **equity** consists of the following:

| | H1 2016 EUR million | 31 Dec 2015 EUR million | Change EUR million | Change % |
|---|---|---|---|---|
| Subscribed capital | 339.3 | 339.3 | 0.0 | 0 |
| Capital surplus | 1,414.4 | 1,314.4 | 100.0 | 8 |
| Retained earnings | 1,021.6 | 970.1 | 51.5 | 5 |
| Revaluation surplus | 184.3 | 250.1 | –65.8 | –26 |
| Consolidated net profit | 231.3 | 71.8 | 159.5 | > 100 |
| **Equity** | **3,190.9** | **2,945.7** | **245.2** | **8** |

Equity increased due to an addition to the capital surplus and the consolidated net profit produced.

# Financial position

Liquidity management is based on the principles derived from the German Banking Act (KWG) which are explained in the risk report. Please therefore refer to the risk report and the cash flow statement.

# Events after the reporting date

No events arose after the reporting date which had a significant impact on the net assets, financial position and results of operations.

# Report on opportunities and risks

## Risk report

The DKB Group maintained its risk policy in the first half of 2016. The information presented in the risk report of the half-yearly financial report therefore refers only to major developments in the reporting period. The risk management of the DKB Group, the corresponding structural and procedural organisation and the procedures and methods implemented for risk measurement and monitoring are described in detail in the risk report of the Annual Report for 2015, along with the internal control and risk management system for ensuring the correctness and reliability of the accounts.

Unless explicitly indicated otherwise, the risk report relates to the DKB Group in respect of internal risk management. DKB AG, the parent company, has a dominant share of the DKB Group. The consolidated figures are therefore essentially from DKB AG.

For quantitative information not within the scope of the risk report and especially the data presented to meet the requirements of IFRS 7, please refer to the information in the notes section.

### Significant developments in the reporting period

Complying with the legally prescribed regulatory capital requirements and ensuring risk-bearing capacity are key elements in the management of the DKB Group. In the reporting period, the DKB Group met both the regulatory requirements in respect of the capital base and liquidity as well as the requirements on economic capital adequacy as part of the risk-bearing capacity calculation. The DKB Group takes adequate account of all known risks through precautionary measures and has installed suitable instruments for detecting risks early on.

Major methodological changes during the reporting period relate to the refinement of the procedure for estimating market risk.

As part of the risk-bearing capacity calculation, Value-at-Risk (VaR) was determined for market risk up to and including 31 December 2015 by aggregating the values for financial investments and the banking book. The calculation of the individual values is based on the holding period specific to the portfolio. Since the procedure was updated, the values for financial investments and the banking book are no longer aggregated. A cross-portfolio VaR is simulated using a uniform holding period of 250 trading days. Since the switchover to a holding period of 250 trading days, it is no longer necessary to deduct potential losses from fixed-income securities until the stop-loss limits for the cover funds are reached.

As a result of the annual validation of the method for estimating counterparty and market risks, parameters were also updated.

According to estimates by the DKB Group there are currently no existential risks.

### Risk-bearing capacity

The risk-bearing capacity analysis is an integral part of the overall bank management and the internal capital adequacy assessment process (ICAAP) of the DKB Group. This determines whether the risk capital is sufficient to cover future risks from the underlying transactions.

The DKB Group has selected a liquidation approach as the leading management approach. In addition, based on a going concern approach, the ability of the Bank to operate as a going concern and the protection of the owner are both monitored.

As at the reporting date, the following risk profile was determined in the liquidation approach:

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Counterparty risk | 417 | 427 |
| of which customer receivables | 370 | 374 |
| of which Group-internal receivables from BayernLB | 47 | 53 |
| Market risks | 226 | 395 |
| Investment risks | 6 | 11 |
| Operational risks | 84 | 77 |
| **Total risk capital requirement** | **733** | **910** |
| **Available cover funds** | **3,459** | **3,131** |
| of which allocated as limits | 1,965 | 2,045 |

As at the reporting date, there were cover funds of EUR 3.5 billion available. The main reasons for the increase in the cover fund in comparison with 31 December 2015 were the elimination of the buffer for potential losses from fixed-income securities as a result of the methodological adjustment in the calculation of market risk, the addition to the capital surplus and the raising of subordinated capital.

As cover for the operating business, a total of EUR 2.0 billion (total limit) of available cover funds were allocated to limit the individual risk types. The remaining portion is held to cover the scenario loss calculated in the review of the Group-wide standard "severe economic downturn" scenario.

The risk capital requirement fell by EUR 177 million in the reporting period. The reduction is mainly due to the decrease in the risk capital requirements for market risks, in particular due to portfolio changes and small interest rate movements in the historical 250-day time series for calculating the VaR.

In the first half of the year the economic capital requirement for credit risks fell slightly by EUR 10 million and stood at EUR 417 million as at 30 June 2016 (31 December 2015: EUR 427 million). The decline is mainly attributable to the Group-internal receivables from BayernLB, primarily as a result of the funding within the BayernLB Group. The reason for this is a reduction in exposure due to the repayment of promissory note loans.

Owing to the annual recalculation, the risk capital requirement for operational risks rose to EUR 84 million (31 December 2015: EUR 77 million).

As at the reporting date, 37 % of the overall limit was utilised (31 December 2015: 44 %) and therefore this metric remains at a comfortable level. Risk-bearing capacity was maintained throughout the reporting period. The limits for the risk capital requirements of the individual risk types were also observed in the entire reporting period.

## Stress testing

Supplementing the risk-bearing capacity calculation, the DKB Group analyses in stress testing and scenario analyses the impact of exceptional but plausible events on all relevant portfolios. Stress scenarios are employed here, which take account of the impact on the capital situation in addition to observing the economic impact. Based on the methodology used in the BayernLB Group, two standard stress scenarios are observed and the analyses are supplemented by additional bank-specific scenarios and sensitivity analyses.

The Group-wide standard "severe economic downturn" scenario is based on the ICAAP logic and affects all types of risk. Here testing checks whether risk-bearing capacity is met even in a severe recession. From the stress scenario as at 30 June 2016, an additional risk capital requirement was calculated using ICAAP of EUR 1.2 billion (31 December 2015: EUR 1.5 billion). Overall, the risk capital required for the scenario is EUR 1.9 billion (31 December 2015: EUR 2.4 billion), which is fully covered by the available cover fund.

The "5-year loss" going-concern (and second) scenario also affects all risk types and simulates a major change in the relevant risk parameters which can be expected over a time horizon of five years. From the going-concern perspective, the capital available in the short term must be sufficient to cover the scenario loss, so that business operations can be continued in compliance with the regulatory minimum capital requirements. The risk capital considered is based on the free movement of own funds as defined by the Capital Requirements Regulation (CRR) after taking account of the capital preservation buffer. An income component is also factored in which takes into account the sustainable achievable income as well as the share of the net profit for the year which has already been produced and which is capped by the respective current projection of net profit for the year. For liquidity risks and/or business and strategic risks, a buffer is deducted from the cover fund in the same way as for the ICAAP observation. Due to the methodical refinement of procedures for estimating market risk and lower interest rate fluctuations, utilisation of going-concern capital fell to 40 % as at 30 June 2016 (31 December 2015: 63 %).

In addition to the stress tests prescribed by BayernLB, the DKB Group introduced bank-specific stress tests so that the requirements of MaRisk are considered in an individualised risk assessment even for extreme situations. All of these scenarios are based on a going-concern perspective. In the reporting period, the bank-specific stress scenarios had sufficient capital backing on all reference dates.

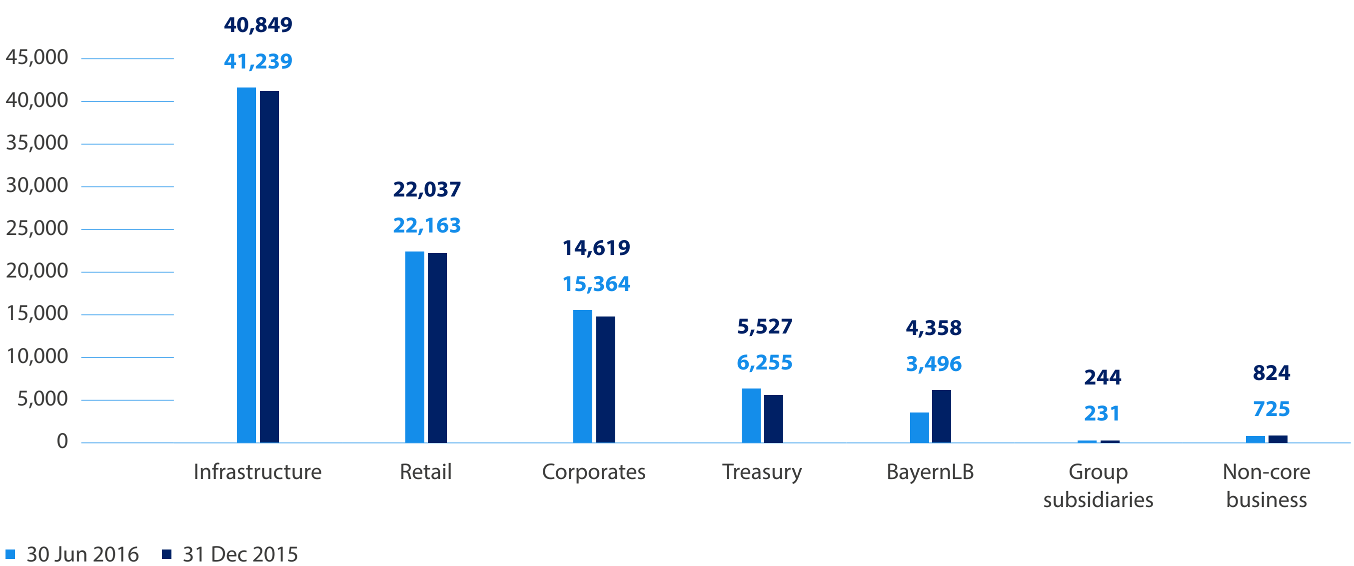
In the first half of the year, in addition to the existing stress tests, the DKB Group carried out inverse stress tests in accordance with the conditions laid down in MaRisk. Using a recursive procedure, this involved searching for the scenarios and/or parameter shifts which would endanger the survival of the bank, on par with it ceasing to operate as a going concern and/or its business model becoming unsustainable. The observations were made at the level of the individual risk types as well as across all risk types. The extent of the parameter shifts calculated shows that the probability of the scenarios occurring and thus putting in jeopardy the continuation of business operations, is relatively low.

## Changes in counterparty risks

In the first half-year, there was a marginal increase in the credit exposure of EUR 1.0 billion to EUR 89.5 billion (31 December 2015: EUR 88.5 billion). Taking a breakdown of the customer groups of the DKB Group, the following picture emerged:

### Credit exposure

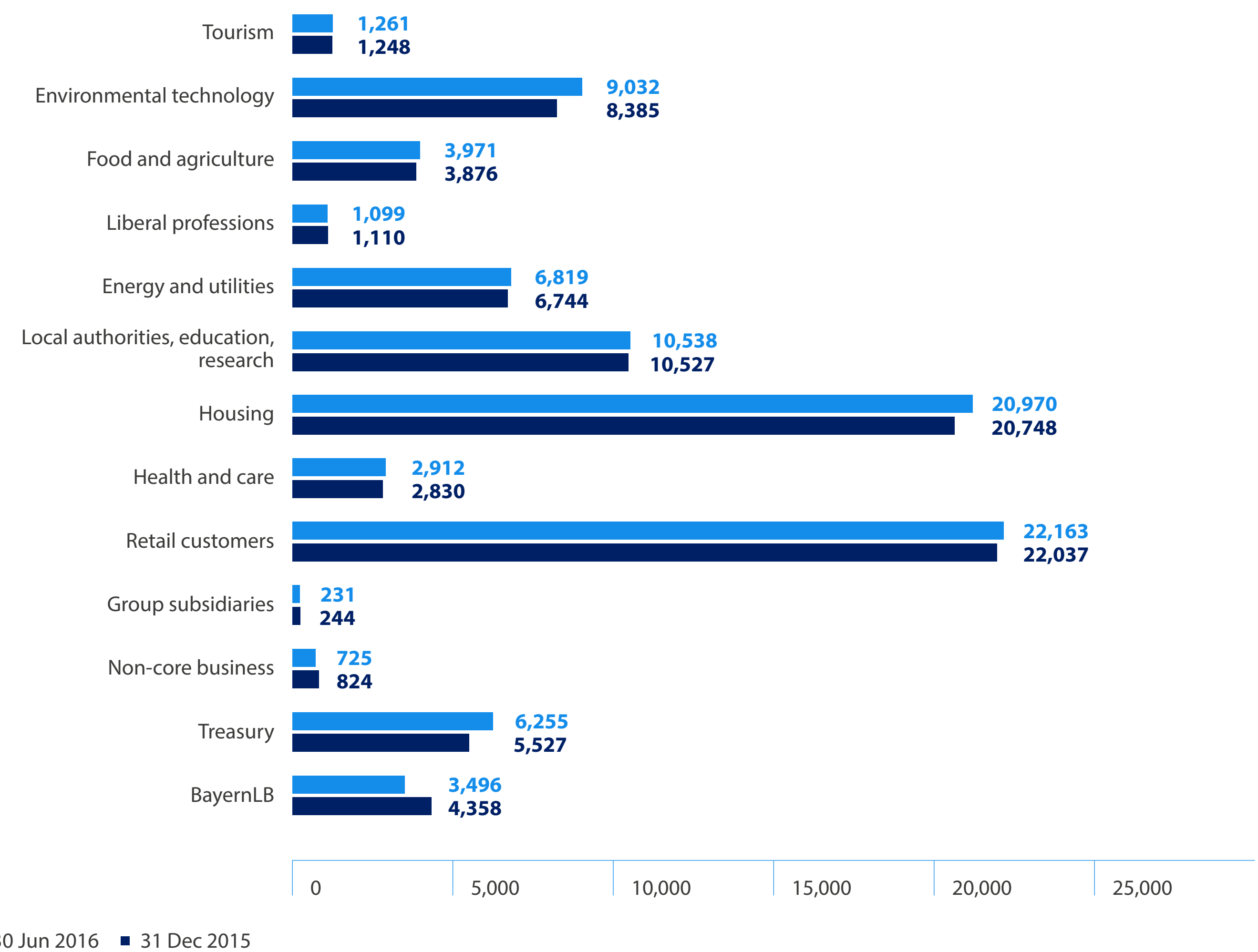
**EUR million**




The main reason for the increase in the credit exposure was the strategy-compliant growth in customer business in the strategic business areas of Infrastructure and Corporates. A slight increase in credit exposure was observed in the retail customer business compared with 31 December 2015. At the same time, the Bank continued to expand its liquidity portfolio and reduce non-core business.

**Credit exposure by customer group**

**EUR million**




The growth in customer business was focused on the strategic business areas of Infrastructure and Corporates. In Corporates, the focus was on the environmental technology customer group. The volume growth in the Infrastructure business area was mainly in the housing customer group.

In the reporting year, the fall in the Group internal exposure was due to the repayment of promissory note loans as part of funding in the BayernLB Group. As at 30 June 2016 there were receivables from BayernLB in the amount of EUR 3.5 billion (31 December 2015: EUR 4.4 billion).

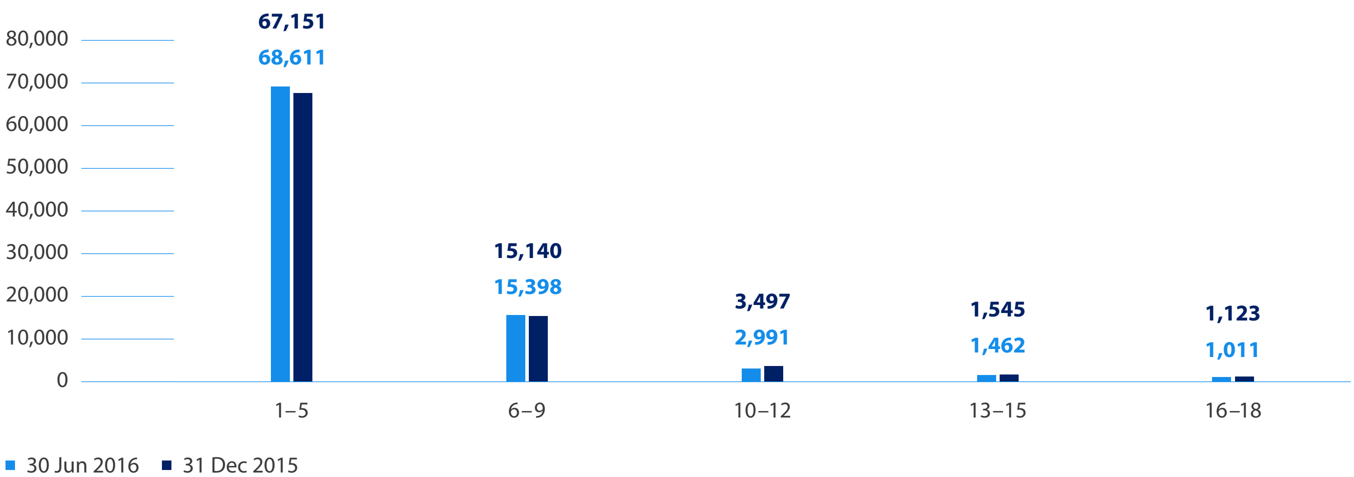
The treasury customer group consisted essentially of the securities portfolio of DKB AG and the business with institutional customers. The increase in credit exposures reflected the expansion of the liquidity portfolio. Besides bonds issued by the public sector in Germany and euro area states with top quality ratings, the focus of the securities portfolio is on bonds of supranational issuers and development banks.

As at 30 June 2016, open securities positions in the peripheral countries of the euro area had a nominal value of EUR 125 million and were therefore unchanged on 31 December 2015. These were exclusively securities from Italian and Spanish issuers. The share in terms of the entire stock was still very low.

The changes in the portfolio by rating category were as follows:

**Credit exposure by rating category**

**EUR million**




The quality of the portfolio improved slightly in the first half of the year. The average rating category of the overall portfolio was still at 7. The share of investment grade, that is the proportion of positions with a rating in categories 1 to 5, was 77 % (31 December 2015: 76 %). The share of exposure in default (rating categories 16-18) was still declining and, as at 30 June 2016 stood at 1.1 % (31 December 2015: 1.3 %).

Securitisations in the form of ABSs or MBS constructions or the purchase of securitised receivables are products which are not approved in the DKB Group. The DKB Group did not enter into such risks.

As at 30 June 2016, 35 groups of connected clients as defined by Article 4 para. 1 No. 39 CRR were identified as cluster exposures.

## Change in market risks from the securities business

The securities portfolio is mainly affected by interest rate risks due to the share of fixed-income securities held. In addition, DKB invests in equities in order to increase diversification by purchasing fund products. Risk concentrations are limited and managed in respect of issuers (in line with the existing cluster rule) and of portfolios based on regional concentrations (country risk). Due to the acquisition of Visa Europe by Visa Inc. and the first-time recognition of the stake in US dollars, currency risks, which are measured and limited within the scope of the day-to-day risk calculation, arose in the amount of EUR 8 million as at 30 June 2016.

DKB's nominal fixed-income portfolio (not including own issues) increased by EUR 0.4 billion to 5.4 billion in the first half of the year. The fixed-income portfolio is essentially a regulatory liquidity portfolio for ensuring that a sufficient volume of central bank-eligible realisable securities is immediately available on private markets at any time without loss of value. The liquidity portfolio accounts for 97 % of the entire securities portfolio. The winding down of the existing securities portfolio agreed as part of the BayernLB Group's restructuring project was continued in line with strategy. The volume was reduced by around EUR 20 million to EUR 45 million.

Due to the introduction of a uniform retention period of 250 days, the risk capital required for financial investments rose from EUR 193 million to EUR 349 million as at 30 June 2016. At the aggregate level there was, however, only a small change in the risk capital requirement as a result of the switchover in the methodology because the impact from the increase in the holding period and the diversification impact from the cross-portfolio calculation that was introduced was largely compensated.

## Change in market risks at whole Bank level

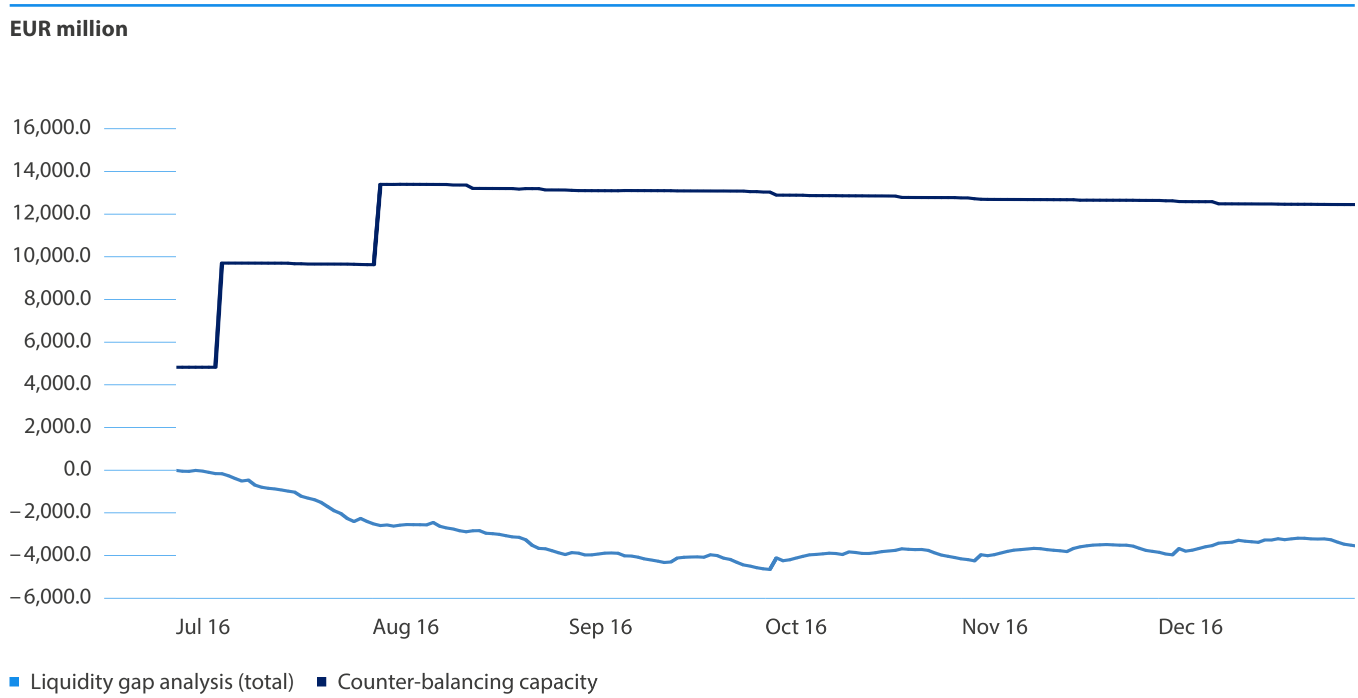
As at the reporting date, the interest rate risk amounted to EUR 296 million with an interest rate shift of +200 bp. This corresponded to a utilisation in relation to own funds under CRR of 9.8 % (31 December 2015: 13.2 %). The lowest loss in present value was EUR 235 million in June, while the highest was EUR 444 million in January.

The risk-enhancing effect of non-current new loans business and the expansion of the liquidity portfolio through fixed-income securities was more than offset by the conclusion of payer swaps, the inclusion of subordinated capital and the inflow of customer deposits.

The risk capital required for all market risks significantly decreased as at 30 June 2016, falling by EUR 169 million to EUR 226 million, with the highest value at EUR 482 million in January and the lowest value at EUR 212 million in June. The decline in risk capital requirements was largely the result of the lower volatility of market data over the 250-day historical period and portfolio changes.

## Changes in liquidity risks

As at 30 June 2016, DKB AG's liquidity overview had the following structure for the next 180 days:



Strategic liquidity management was performed using a weekly rolling liquidity preview. The counter-balancing capacity covered the liquidity gaps in the liquidity gap analysis at all times. The net of the liquidity gap analysis and counter-balancing capacity was shown as a liquidity surplus. Under the current limitation system, the lowest liquidity surplus as at the reporting date within the next 180 days was EUR 4.7 billion. DKB AG therefore had sufficient liquidity.

In addition, in several stress scenarios the DKB Group observes additional observation horizons of one week and one month under BTR 3.2 MaRisk for capital market-orientated institutions. Besides the impact of a market liquidity crisis, other scenarios observe the rapid outflows of funds in the major Retail and Infrastructure segments as well as combinations of individual stress events. The minimum liquidity surplus in a worst-case scenario (combination of market stress and retail customers) was EUR 3.3 billion for the observation horizon of one week and EUR 5.2 billion for that of one month.

The regulatory metric under the German Liquidity Regulation (LiqV) was met throughout the first half of 2016. As at the reporting date, it stood at 2.94 (31 December 2015: 2.88). As at 30 June 2016 the liquidity coverage ratio stood at 127 % (31 December 2015: 119 %).

## Funding

Funding framework is governed by the DKB funding policy and the DKB funding strategy, which must comply with the corresponding guidelines of BayernLB. The impact of the business strategy on the funding instruments and future funding needs is illustrated in the funding planning. This is based on the multi-annual planning of DKB AG and is prepared annually by the Treasury division.

DKB AG funds itself mainly via customer deposits, the development bank business and issues on the capital market. Customer deposits represent the most significant part of the funding basis and are very granular due to the high number of customers, especially in the retail customers and infrastructure areas. After the strong growth in previous years, a further EUR 1.8 billion of customer deposits were added in the reporting period. The total volume of customer deposits was EUR 50.4 billion (31 December 2015: EUR 48.6 billion). Thus DKB AG's basic strategy to fund net growth in customer lending through customer deposits was once again successfully implemented. The expansion of the deposits business generally made DKB AG less sensitive to adverse developments in the money and capital market.

Unaffected by the low interest rate, continued high demand for programme loans was recorded in the development loan business across all customer groups. In comparison with the first half of 2015, the volume of new contracts in the credit business programme rose by EUR 0.2 billion to EUR 1.3 billion. The total volume of programme loans and global loans amounted as at the half-yearly reporting date to around EUR 12.5 billion (31 December 2015: EUR 13.1 billion). The slight decline is largely due to the repayment of a global loan in the amount of EUR 0.6 billion.

On the capital market DKB AG issued public sector Pfandbriefe and mortgage Pfandbriefe in the benchmark and/or private placement format. Access to the capital market was further diversified with the initial issue of an unsecured bearer bond in the form of a Green Bond. These issues diversified the Bank's funding structure and cemented DKB AG's access to the capital market at all times. In connection with this, Moody's published a rating for unsecured liabilities for the first time ("A3"). The public and mortgage Pfandbriefe were unchanged, with a top rating of "Aaa". Overall, a volume of EUR 530 million was placed on the capital market, with EUR 500 million of this as an unsecured Green Bond and EUR 30 million as Pfandbriefe.

For short-term funding and liquidity management, the interbank market is used when necessary, primarily by accessing the secured money market. Due to DKB AG's funding structure, the share of interbank funding is very low, in line with strategy.

In addition to the previously mentioned funding sources, the ECB's collateral deposit account is available for short-term liquidity management. With an unused line in the amount of EUR 9.6 billion as at 30 June 2016, this is a significant liquidity buffer.

In the reporting half-year, the DKB Group serviced all its liabilities on time.

### Change in operational risks

The risk profile is significantly impacted by the business model for retail customers, whose customer processes and transactions are handled online. Consequently operational risks arise primarily in respect of system availability for the smooth processing of all transactions, crashes in the Bank's online portal due to external influences, the security of data against unauthorised access, account opening or credit fraud through counterfeit documents and fraud involving non-cash forms of payment. In addition, operational risks in the recent past were strongly influenced by consumer law decisions for retail customers, leading in part to increased legal risks.

In the first half of 2016 losses arising from operational risks were slightly higher on the same period of the previous year and on the reporting date amounted to around EUR 10.7 million (30 June 2015: EUR 9.5 million). This increase in OpRisk losses is essentially due to consumer law rulings on the reimbursement of processing fees and the handling of improperly drafted cancellation policies.

For the second half of 2016 the loss volume from operational risks is expected to be similar. As case law in the field of consumer protection changes, legal risks are set to rise. At the same time, a steady increase in the number of customers will go hand in hand with higher risk, e.g. from losses in connection with card fraud. The DKB Group is working to minimise this risk by implementing appropriate prevention measures.

## Opportunities report

The statements on the opportunity profile, opportunity management and opportunity risk situation in financial year 2015 made in the 2015 Annual Report continue to apply. The DKB Group can react swiftly even to developments which arise quickly.

# Outlook

## Changes in conditions: upturn in the economy will consolidate

The general economic upturn in Germany will remain very strong, according to estimates by the Bundesbank. After the slight decline in momentum in the second quarter, the expert forecast is even of a significant increase in overall economic output in summer. The driving factor remains the domestic economy.

According to the central bank, the impact on the German economy from the outcome of the United Kingdom's referendum on remaining in the European Union is currently difficult to ascertain, but could at least remain limited in the short term.

## Developments within the Group: good business performance will stabilise

After the end of the first half of the year we can confirm the forecast for 2016 communicated in the 2015 Annual Report. In all three market segments, we continue to expect an overall stable trend, which will allow us to post an operating profit on par with the previous year.

Taking into account the non-recurring effect from completion of the acquisition of Visa Europe Limited, we continue to expect that profits will increase by between EUR 100 million and EUR 130 million compared with profit before taxes for 2015 of EUR 236 million.

Return on equity and the cost-income ratio will be at least similar to that of the previous year.

# Condensed interim consolidated financial statements of the DKB Group as of 30th June 2016

Consolidated statement of comprehensive income **26**
Reconciliation of other comprehensive income for the period **27**
Consolidated balance sheet **28**
Consolidated statement of changes in equity **30**
Condensed consolidated cash flow statement **32**
Selected explanatory notes to the financial statements (Notes) **33**

Warranty by the Legal Representatives **70**
Review report **71**
Disclaimer **72**
Contacts and imprint **73**

# Consolidated statement of comprehensive income

for the period from 1 January 2016 to 30 June 2016

## Income statement

| EUR million | Notes | 1 Jan–30 Jun 2016 | 1 Jan–30 Jun 2015 |
|---|---|---|---|
| Interest income | | 1,054.4 | 1.116.7 |
| Interest expenses | | –664.0 | –727.1 |
| Net interest income | (4) | 390.4 | 389.6 |
| Risk provisions | (5) | –66.5 | –81.7 |
| Net interest income after risk provisions | | 323.9 | 307.9 |
| Commission income | | 148.5 | 153.8 |
| Commission expenses | | –149.6 | –153.7 |
| Net commission income | (6) | –1.1 | 0.1 |
| Gains or losses on fair value measurement | (7) | 23.6 | 8.9 |
| Gains or losses on hedge accounting | (8) | –35.1 | –23.5 |
| Gains or losses on financial investments | (9) | 141.1 | 7.4 |
| Administrative expenses | (10) | –200.7 | –180.1[1] |
| Expenses from the bank levy, deposit guarantee scheme and banking supervision | (11) | –22.7 | –13.9[1] |
| Other income and expenses | (12) | 0.8 | 5.2 |
| Gains or losses on restructuring | (13) | –1.6 | –3.9 |
| **Profit/loss before taxes** | | **228.2** | **108.1** |
| Income taxes | (14) | –7.1 | –0.3 |
| **Consolidated profit/loss** | | **221.1** | **107.8** |
| attributable to: | | | |
| DKB AG – owners | | 221.1 | 107.8 |
| Non-controlling interests | | – | – |
| Profit transferred to controlling shareholders | | – | – |
| Profit brought forward | | 10.2 | 9.1 |
| Transfer to retained earnings | | – | 0.0 |
| Transfer to non-controlling interests | | – | – |
| **Consolidated net profit** | | **231.3** | **116.9** |

Calculations may result in the figures in the table being rounded up or down by ± one unit.

[1] Previous year figure adjusted due to the reclassification from administrative expenses to expenses from the bank levy, deposit guarantee scheme and banking supervision in the amount of EUR 4.5 million.

## Reconciliation of other comprehensive income for the period

| EUR million | 1 Jan–30 Jun 2016 | 1 Jan–30 Jun 2015 |
|---|---|---|
| **Consolidated profit/loss** | **221.1** | **107.8** |
| **Components of other comprehensive income temporarily not recognised in profit or loss** | | |
| **Changes in the revaluation surplus from AfS financial instruments** | **51.2** | **–29.9** |
| Change in measurement | 59.2 | –23.6 |
| Reclassification adjustment due to realised gains and losses | –8.1 | –6.7 |
| Change in deferred taxes | 0.1 | 0.4 |
| **Changes in the revaluation surplus from non-current assets** | **–117.0** | **–** |
| Change in measurement | 12.5 | – |
| Reclassification adjustment due to realised gains and losses | –129.5 | – |
| **Components of other comprehensive income permanently not recognised in profit or loss** | | |
| **Changes from the revaluation of defined benefit pension plans** | **–10.1** | **2.2** |
| Change in measurement | –10.1 | 2.2 |
| Change in deferred taxes | 0.0 | 0.0 |
| **Other comprehensive income** | **–75.9** | **–27.7** |
| **Total comprehensive income** | **145.2** | **80.1** |
| attributable to:: | | |
| DKB AG – owners | 145.2 | 80.1 |
| Non-controlling interests | – | – |

Calculations may result in the figures in the table being rounded up or down by ± one unit.

# Consolidated balance sheet

as at 30 June 2016

## Assets

| EUR million | Notes | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|---|
| Cash reserves | | 866.5 | 719.9 |
| Loans and advances to banks | (15) | 3,965.6 | 4,864.6 |
| Loans and advances to customers | (16) | 62,520.6 | 61,582.1 |
| Risk provisions | (17) | –448.8 | –429.5 |
| Portfolio hedge adjustment assets | (18) | 1,165.7 | 1,145.6 |
| Assets held for trading | (19) | 4.6 | 4.2 |
| Positive fair values from derivative financial instruments (hedge accounting) | (20) | – | 6.9 |
| Financial investments | (21) | 5,815.4 | 5,324.7 |
| Property, plant and equipment | (22) | 46.1 | 46.6 |
| Intangible assets | (23) | 5.2 | 5.6 |
| Current tax assets | (24) | 11.7 | 11.7 |
| Deferred tax assets | (24) | – | – |
| Non-current assets held for sale | (25) | – | 117.0 |
| Other assets | (26) | 53.4 | 29.4 |
| **Total assets** | | **74,006.0** | **73,428.8** |

Calculations may result in the figures in the table being rounded up or down by ± one unit.

## Liabilities

| EUR million | Notes | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|---|
| Liabilities to banks | (27) | 13,960.2 | 15,787.2 |
| Liabilities to customers | (28) | 50,374.5 | 48,558.2 |
| Securitised liabilities | (29) | 4,494.6 | 4,098.9 |
| Liabilities held for trading | (30) | 32.9 | 55.4 |
| Negative fair values from derivative financial instruments (hedge accounting) | (31) | 1,266.8 | 1,267.5 |
| Provisions | (32) | 146.0 | 121.3 |
| Current tax liabilities | (33) | 16.3 | 10.3 |
| Deferred tax liabilities | (33) | 1.6 | 0.8 |
| Other liabilities | (34) | 120.8 | 263.9 |
| Subordinated capital | (35) | 401.4 | 319.6 |
| Equity | | 3,190.9 | 2,945.7 |
| Equity before non-controlling interests | | 3,190.9 | 2,945.7 |
| Subscribed capital | | 339.3 | 339.3 |
| Capital surplus | | 1,414.4 | 1,314.4 |
| Retained earnings | | 1,021.6 | 970.1 |
| Revaluation surplus | | 184.3 | 250.1 |
| Consolidated net profit | | 231.3 | 71.8 |
| Non-controlling interests | | – | – |
| **Total liabilities** | | **74,006.0** | **73,428.8** |

Calculations may result in the figures in the table being rounded up or down by ± one unit.

# Consolidated statement of changes in equity

| EUR million | Subscribed capital | Hybrid capital | Capital surplus | Retained earnings | Revaluation surplus | Consolidated net retained profits/net accumulated losses | Equity before non-controlling interests | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| **As at 31 Dec 2014** | **339.3** | **–** | **1,314.4** | **1,010.1** | **132.9** | **–32.4** | **2,764.3** | **–** | **2,764.3** |
| Changes in the revaluation surplus | | | | | –29.9 | | –29.9 | | –29.9 |
| Changes from the revaluation of defined benefit pension plans | | | | 2.2 | | | 2.2 | | 2.2 |
| **Other comprehensive income** | **–** | **–** | **–** | **2.2** | **–29.9** | **–** | **–27.7** | **–** | **–27.7** |
| Consolidated profit/loss | | | | | | 107.8 | 107.8 | | 107.8 |
| **Total consolidated profit/loss** | **–** | **–** | **–** | **2.2** | **–29.9** | **107.8** | **80.1** | **–** | **80.1** |
| Capital increases/capital decreases | | | | | | | – | | – |
| Changes in the scope of consolidation and other changes | | | | | | | – | | – |
| Allocations to/withdrawals from the reserves | | | | –41.5 | | 41.5 | – | | – |
| Transferred profit | | | | | | | – | | – |
| Distribution | | | | | | | – | | – |
| **As at 30 Jun 2015** | **339.3** | **–** | **1,314.4** | **970.8** | **103.0** | **116.9** | **2,844.4** | **–** | **2,844.4** |
| Changes in the revaluation surplus | | | | | 30.1 | | 30.1 | | 30.1 |
| Changes in the revaluation surplus from non-current assets held for sale | | | | | 117.0 | | 117.0 | | 117.0 |
| Changes from the revaluation of defined benefit pension plans | | | | –0.7 | | | –0.7 | | –0.7 |
| **Other comprehensive income** | **–** | **–** | **–** | **–0.7** | **147.1** | **–** | **146.4** | **–** | **146.4** |
| Consolidated profit/loss | | | | | | 117.2 | 117.2 | | 117.2 |
| **Total consolidated profit/loss** | **–** | **–** | **–** | **–0.7** | **147.1** | **117.2** | **263.6** | **–** | **263.6** |

| EUR million | Subscribed capital | Hybrid capital | Capital surplus | Retained earnings | Revaluation surplus | Consolidated net retained profits/net accumulated losses | Equity before non-controlling interests | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| Capital increases/capital decreases | | | | | | | – | | – |
| Changes in the scope of consolidation and other changes | | | | | | | – | | – |
| Allocations to/withdrawals from the reserves | | | | 0.0 | | 0.0 | – | | – |
| Transferred profit | | | | | | –162.3 | –162.3 | | –162.3 |
| Distribution | | | | | | | – | | – |
| **As at 31 Dec 2015** | **339.3** | **–** | **1,314.4** | **970.1** | **250.1** | **71.8** | **2,945.7** | **–** | **2,945.7** |
| Changes in the revaluation surplus | | | | | –65.8 | | –65.8 | | –65.8 |
| Changes from the revaluation of defined benefit pension plans | | | | –10.1 | | | –10.1 | | –10.1 |
| **Other comprehensive income** | **–** | **–** | **–** | **–10.1** | **–65.8** | **–** | **–75.9** | **–** | **–75.9** |
| Consolidated profit/loss | | | | | | 221.1 | 221.1 | | 221.1 |
| **Total consolidated profit/loss** | **–** | **–** | **–** | **–10.1** | **–65.8** | **221.1** | **145.2** | **–** | **145.2** |
| Capital increases/capital decreases | | | 100.0 | | | | 100.0 | | 100.0 |
| Changes in the scope of consolidation and other changes | | | | | | | – | | – |
| Allocations to/withdrawals from the reserves | | | | 61.6 | | –61.6 | – | | – |
| Transferred profit | | | | | | | – | | – |
| Distribution | | | | | | | – | | – |
| **As at 30 Jun 2016** | **339.3** | **–** | **1,414.4** | **1,021.6** | **184.3** | **231.3** | **3,190.9** | **–** | **3,190.9** |

# Condensed consolidated cash flow statement

| EUR million | 1 Jan–30 Jun 2016 | 1 Jan–30 Jun 2015 |
|---|---|---|
| **Cash and cash equivalents as at 1 Jan** | **719.9** | **657.1** |
| Cash flow from operating activities | 8.8 | 359.6 |
| Cash flow from investing activities | 111.4 | 13.6 |
| Cash flow from financing activities | 26.4 | –276.6 |
| **Cash and cash equivalents as at 30 Jun** | **866.5** | **753.7** |

The cash flow statement shows the changes in liquid funds in the DKB Group.

The reported cash and cash equivalents comprises cash in hand and deposits with central banks.

# Selected explanatory notes to the financial statements (Notes)


## General information

| | |
|---|---|
| 1 | Fundamentals of consolidated financial reporting |
| 2 | Scope of consolidation |

## Segment reporting

| | |
|---|---|
| 3 | Segment reporting |

## Notes to the consolidated statement of comprehensive income

| | |
|---|---|
| 4 | Net interest income |
| 5 | Risk provisions |
| 6 | Net commission income |
| 7 | Gains or losses on fair value measurement |
| 8 | Gains or losses on hedge accounting |
| 9 | Gains or losses on financial investments |
| 10 | Administrative expenses |
| 11 | Expenses from the bank levy, deposit guarantee scheme and banking supervision |
| 12 | Other income and expenses |
| 13 | Gains or losses on restructuring |
| 14 | Income taxes |

## Notes to the consolidated balance sheet

| | |
|---|---|
| 15 | Loans and advances to banks |
| 16 | Loans and advances to customers |
| 17 | Risk provisions |
| 18 | Portfolio hedge adjustment assets |
| 19 | Assets held for trading |
| 20 | Positive fair values from derivative financial instruments (hedge accounting) |
| 21 | Financial investments |
| 22 | Property, plant and equipment |

| | |
|---|---|
| 23 | Intangible assets |
| 24 | Tax assets |
| 25 | Non-current assets held for sale |
| 26 | Other assets |
| 27 | Liabilities to banks |
| 28 | Liabilities to customers |
| 29 | Securitised liabilities |
| 30 | Liabilities held for trading |
| 31 | Negative fair values from derivative financial instruments (hedge accounting) |
| 32 | Provisions |
| 33 | Tax liabilities |
| 34 | Other liabilities |
| 35 | Subordinated capital |

**Disclosures relating to financial instruments**

| | |
|---|---|
| 36 | Fair value and measurement hierarchies of financial instruments |
| 37 | Financial instrument measurement categories |
| 38 | Reclassification of financial assets |
| 39 | Derivatives transactions |

**Disclosures relating to the risk situation**

| | |
|---|---|
| 40 | Risks from financial instruments |

**Other disclosures**

| | |
|---|---|
| 41 | Pfandbriefe (covered bonds) in circulation |
| 42 | Contingent liabilities and other commitments |
| 43 | Bodies of Deutsche Kreditbank AG |
| 44 | Related parties |

# General information

## (1) Fundamentals of consolidated financial reporting

The interim financial statements of Deutsche Kreditbank AG (DKB AG), Berlin, were prepared in compliance with section 315a para. 1 of the HGB (German Commercial Code) and EC regulation no. 1606/2002 of the European Parliament and the Council from 19 July 2002 as well as other regulations on the adoption of certain international financial reporting standards based on the IFRS agreed and published by the International Accounting Standard Board (IASB). In addition to the standards designated as IFRS, the IFRS also comprise the International Accounting Standards (IAS) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC). These interim financial statements are based on the IFRS as they are to be applied in the EU. In particular, they also take into account the requirements of IAS 34 for interim reporting.

The same accounting policies as applied in the consolidated financial statements as at 31 December 2015 were applied in the interim financial statements as at 30 June 2016 – with the exception of the amendments described below. The disclosures in these interim financial statements must be read in conjunction with the disclosures in the published and audited consolidated financial statements as at 31 December 2015.

Financial reporting in the DKB Group takes place in accordance with Group-wide accounting policies.

The interim financial statements comprise the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the condensed statement of consolidated cash flows and the notes including the segment reporting. The euro is the reporting currency.

The interim management report is published in a separate section of the half-yearly financial report. The major part of the risk reporting is also presented as a component of the risk report in the interim management report. Additional disclosures concerning the risk situation in accordance with IFRS 7 are included in note 40.

All amounts are presented in euro million (EUR million) unless specified otherwise.

### IFRS applied for the first time

The following new and/or amended standards/interpretations were applicable for the first time in financial year 2016:

- The amendments to IAS 1 "Disclosures in the Notes" clarify the provisions to the effect that disclosures in the notes are only necessary if their content is not immaterial. This is also explicitly the case if IFRS require a list of minimum requirements. Explanations regarding the aggregation and disaggregation of items in the balance sheet and the statement of comprehensive income are also included. They also clarify how shares in the other comprehensive income of companies measured at equity are to be shown in the statement of comprehensive income. Finally a specimen structure of the notes is deleted to take greater account of items of relevance to individual companies. The amendments have no major impact on the DKB Group.

- Four standards were amended as part of the annual improvements to the IFRS/IAS. The aim of adjusting the wording in individual IFRS/IAS is to clarify the existing regulations. The standards affected are IFRS 5, IFRS 7, IAS 19 and IAS 34. The amendments have no impact on the DKB Group.

### IFRS to be applied in future

The IASB has published new or amended standards, which still need to be adopted in European law. The standards listed below may affect the DKB Group significantly. The impact on the DKB Group is currently being examined.

- IFRS 9 "Financial Instruments", which was issued in July 2014, replaces the existing guidelines in IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 contains revised guidelines on the classification and measurement of financial instruments, including a new model for expected defaults to calculate the impairment of financial assets as well as new general rules on accounting for hedging transactions. It also adopts the guidelines on the recognition and derecognition of financial instruments from IAS 39.

IFRS 9 is – subject to adoption in EU law – to be applied for the first time in financial years, which begin on or after 1 January 2018. DKB is currently analysing the impact of implementing the new standard on its consolidated balance sheet. DKB is expecting a significant impact, particularly with regard to risk provisions, from application of the new standard, since the previous incurred credit loss model specified in IAS 39 is being replaced by an expected credit loss model. As a result, in contrast to the existing approach, not only losses already incurred but also losses expected in future are to be recorded in risk provisions. The DKB Group has established a project to ensure the new requirements are implemented on time.

– IFRS 15 "Revenue from Contracts with Customers" establishes a comprehensive framework for determining whether sales revenues are to be recorded and, if so, how much and at what point. It replaces existing guidelines on recording sales revenues, including IAS 18 "Revenue", IAS 11 "Construction Contracts" and IFRIC 13 "Customer Loyalty Programmes".

  IFRS 15 is – subject to adoption in EU law – to be applied for the first time in financial years, which begin on or after 1 January 2018. The DKB Group does not expect any material impact on the consolidated financial statements from the application of IFRS 15.

As permitted, the Group opted not to apply the standards to be applied in future on a voluntary basis prematurely.

A series of amendments to other standards were also adopted, which will, however, as expected, have no significant impact on the DKB Group.

### (2) Scope of consolidation

In addition to DKB, 6 subsidiaries are included in the consolidated financial statements as at 30 June 2016 (31 December 2015: 6). DKB holds a 100 % capital stake directly or indirectly in the consolidated subsidiaries. There were no shares owned by minority interests on the reporting date. The group of fully consolidated companies was determined in accordance with materiality criteria. Companies measured in accordance with the equity method are not included in the consolidated financial statements.

## Segment reporting

### (3) Segment reporting

Segment reporting takes place in accordance with the regulations contained in IAS 34 for interim reporting in conjunction with IFRS 8 and provides information on the different segments in the DKB Group.

Segment reporting is based on the business model of DKB in conjunction with the strategic focus of the BayernLB Group. The segmentation therefore reflects the Bank's strategic segments, which are the basis of the internal control, organisational and reporting structures.

Consolidated profit is virtually entirely attributable to German-speaking countries. The Group has therefore opted not to undertake any regional differentiation.

The segment reporting is divided into six segments explained below:

– DKB's business involving retail customers is combined in the Retail segment. The key products are the DKB-Cash account package (consisting of a current account and credit card with interest paid on credit balances), construction finance and retail loans, investment products as well as co-branding credit card business. The companies DKB Grund GmbH and FMP Forderungsmanagement Potsdam GmbH, which support the customer groups, are also assigned to the segment. Their business purpose is brokering financial services and real estate and servicing and collecting loans and advances, predominantly from the retail customer business.

– The Infrastructure segment contains business with customers in the housing, energy and utilities, health and care, local authorities, education and research sectors. The key products are loans, pass-through loans, term loans and current account overdrafts, guarantees, deposit business and the management of business accounts including payment services.

– Business with customers from the environmental technology, food and agriculture, tourism and freelance professions sectors is shown in the Corporates segment. The segment also focuses on the Center of Competence for Renewable Energies. In addition, it includes lending and deposit business involving the Group's strategic subsidiaries. The key products are loans, pass-through loans, term loans and current account overdrafts, guarantees, deposit business and the management of business accounts including payment services. The subsidiaries DKB Finance GmbH and MVC Unternehmens-beteiligungs GmbH, which support customer groups through corporate and venture capital investments and via property investments as part of the development of commercial real estate, are also assigned to this segment.

– The Financial Markets segment comprises DKB AG's Treasury. Essentially, this includes funding including managing interest rate risk, deposit business with institutional clients, passing on customer deposits to BayernLB as part of the intragroup funding system as well as internal transactions with BayernLB to manage liquidity. Financial investments business is also assigned to this segment. This primarily involves management of the securities portfolio needed for core business (including the liquidity portfolio required by supervisory legislation) and business involving the DKB retail fund. The gains or losses on DKB AG's hedging transactions are also assigned to the Financial Markets segment.

– Transactions that are no longer part of the Group's strategy and which are being wound down as part of the BayernLB Group's higher-level restructuring programme are shown in the Non-Core segment. These include selected customer portfolios, securities portfolios and investments including DKB AG's lending and deposit business with these investments.

The segment Other contains overlapping transactions and contributions to income, which cannot be allocated to the segments according to source. These include central administrative expenses, investment income from subsidiaries, the bank levy, deposit guarantee scheme and supervisory fees for DKB AG as well as other special effects. The activities of DKB Service GmbH are also presented in this segment. Its key areas of activity are processing back office tasks for the DKB Group, handling standardised bulk business for DKB products and supplying services for Group companies. On the reporting date 30 June 2016, the profit on the sale of Visa Europe Limited of EUR 129.5 million was allocated to this segment in gains or losses on financial investments.

The segment information is based on the internal contribution margin accounting system used for business administration purposes and data from the external accounting system.

In principle, all consolidation effects within the DKB Group are presented in the reconciliation column. For the current year's earnings, these include, in particular, consolidation entries from offsetting income between Group companies in net interest income and the consolidation issues between DKB AG and DKB Service GmbH. The administrative expenses, other income and expenses and net commission income items were significantly affected by the consolidation of DKB Service GmbH both in the segment Other and in the consolidation. Overall, these effects are of minor significance for the Group's consolidated profit. The earnings for the current reporting year do not contain any additional reconciliation items for which explanations are required.

Intra-segment transactions are only to be found in the net interest income item in the Non-Core and Corporates segments and relate to the lending and deposit business of the respective Group subsidiaries. This relates to segment assets totalling EUR 157.4 million with no material intra-segment income. There are no dependencies on major customers as defined in IFRS 8.34.

The net interest income of DKB AG is collated on the basis of partial bank balance sheets for the internal management of the segments and reconciled to the market interest method for the purposes of customer group management. Subsidiaries' interest income and expenses are shown in the segment to which they have been allocated in each case. Particular features of IFRS financial reporting are taken into account in the respective segments – if direct allocation is possible.

In compliance with IFRS financial reporting, net commission income was allocated to the segments on the basis of the origin of the transaction using data from internal reporting and the external accounting system.

Risk provisions, gains or losses on fair value measurement, hedging transactions and financial investments as well as other income and expenses are determined in accordance with IFRS principles. The administrative expenses of the respective segments include all directly assignable staff costs and other administrative expenses, allocated indirect administrative expenses (in particular central sales and IT costs) as well as allocations of overhead costs. Gains or losses on restructuring includes expenses from run-down measures as part of implementing the restructuring concept as well as expenses from the assumption of losses for non-strategic subsidiaries. It is therefore shown in the Non-Core segment.

In principle, segment assets are determined on the basis of balance sheet figures. Customer receivables, which are shown at nominal figures, is the exception. The difference of EUR 76.1 million (31 December 2015: EUR 63.7 million) as well as risk provisions on loans and advances of DKB AG of EUR -444.0 million (31 December 2015: EUR -424.9 million) are included in the reconciliation column.

The average economic capital is determined on the basis of regulatory core capital and allocated in compliance with the average, allocated risk positions as per supervisory reporting figures (risk assets and market risks in accordance with the standard credit risk approach specified in article 111 et seq. of the regulation (EU) no. 575/2013 (CRR) plus operational risks).

The return on equity (ROE) is determined as the ratio between profit/loss before taxes and the allocated average equity. The ratio of administrative expenses to aggregate income items (net interest income, net commission income, gains or losses on fair value measurement, gains or losses on hedge accounting, gains or losses on financial investments, other comprehensive income) is presented in the cost income ratio (CIR). The figures are collected for all market-relevant segments. The collection and disclosure of these ratios is waived for the segment Other because of their limited significance.

Compared with the half-yearly financial report 2015, the overhead costs and risk positions for operational risks were allocated to the segments. Expenses were also reclassified from administrative expenses into expenses from the bank levy, deposit guarantee scheme and banking supervision. The corresponding comparative figures from the first half of the previous year were adjusted.

**Segment reporting as at 30 June 2016**

| EUR million | Retail | Infrastructure | Corporates | Financial Markets | Non-Core Business | Other | Reconciliation/ Consolidation | **Group** |
|---|---|---|---|---|---|---|---|---|
| Net interest income | 193.2 | 110.6 | 83.3 | –3.5 | 3.6 | 6.0 | –2.8 | **390.4** |
| Risk provisions | –20.7 | –8.9 | –21.2 | – | –15.0 | –0.7 | – | **–66.5** |
| Net commission income | –18.0 | 1.3 | 10.7 | –1.0 | 0.5 | 3.3 | 2.1 | **–1.1** |
| Gains or losses on fair value measurement | – | – | – | 23.8 | –0.2 | – | – | **23.6** |
| Gains or losses on hedge accounting | – | – | – | –35.1 | – | – | – | **–35.1** |
| Gains or losses on financial investments | – | – | – | 11.6 | 0.0 | 129.5 | – | **141.1** |
| Administrative expenses | –87.0 | –43.2 | –34.2 | –2.3 | –8.9 | –88.2 | 63.1 | **–200.7** |
| Expenses from the bank levy, deposit guarantee scheme and banking supervision | – | – | – | – | – | –22.7 | – | **–22.7** |
| Other income and expenses | –0.7 | –0.0 | 0.2 | – | –0.0 | 66.3 | –65.0 | **0.8** |
| Gains or losses on restructuring | – | – | – | – | –1.6 | – | – | **–1.6** |
| **Profit/loss before taxes** | **66.8** | **59.8** | **38.8** | **–6.5** | **–21.6** | **93.5** | **–2.6** | **228.2** |
| Segment assets | 12,369.0 | 36,415.0 | 13,270.3 | 10,833.8 | 642.7 | 1,061.8 | –586.6 | **74,006.0** |
| Risk positions | 6,477.2 | 10,867.8 | 11,935.3 | 337.3 | 483.8 | 138.9 | – | **30,240.3** |
| Average economic capital | 556.4 | 935.7 | 1,005.0 | 28.1 | 46.1 | 10.4 | – | **2,581.7** |
| Return on equity (ROE) | 24.0 % | 12.8 % | 7.7 % | < 0 % | < 0 % | | | **17.7 %** |
| Cost/income ratio (CIR) | 49.9 % | 38.6 % | 36.3 % | < 0 % | > 100 % | | | **38.6 %** |

## Segment reporting as at 30 June 2015

| EUR million | Retail | Infrastructure | Corporates | Financial Markets | Non-Core Business | Other | Reconciliation/ Consolidation | Group |
|---|---|---|---|---|---|---|---|---|
| Net interest income | 207.5 | 114.6 | 78.6 | –17.5 | 0.3 | 16.4 | –10.3 | **389.6** |
| Risk provisions | –24.6 | –5.0 | –4.2 | – | –47.7 | –0.7 | 0.5 | **–81.7** |
| Net commission income | –11.6 | 0.8 | 10.2 | –1.0 | 0.4 | 2.1 | –0.8 | **0.1** |
| Gains or losses on fair value measurement | – | – | – | 9.0 | –0.1 | – | – | **8.9** |
| Gains or losses on hedge accounting | – | – | – | –23.5 | – | – | – | **–23.5** |
| Gains or losses on financial investments | – | – | – | 7.4 | 0.0 | – | – | **7.4** |
| Administrative expenses | –76.8 | –44.5 | –34.5 | –2.1 | –8.7 | –74.1 | 60.6 | **–180.1** |
| Expenses from the bank levy, deposit guarantee scheme and banking supervision | – | – | – | – | – | –13.9 | – | **–13.9** |
| Other income and expenses | –5.3 | –0.0 | 0.0 | – | 0.2 | 70.7 | –60.4 | **5.2** |
| Gains or losses on restructuring | – | – | – | – | –3.9 | – | – | **–3.9** |
| **Profit/loss before taxes** | **89.2** | **65.9** | **50.1** | **–27.7** | **–59.5** | **0.5** | **–10.4** | **108.1** |
| | | | | | | | | |
| Segment assets | 13,196.3 | 33,730.4 | 12,013.6 | 12,646.1 | 1,006.9 | 1,008.4 | –1,715.1 | **71,886.6** |
| Risk positions | 6,514.6 | 10,684.7 | 10,756.7 | 284.0 | 847.8 | 149.4 | – | **29,237.2** |
| Average economic capital | 556.6 | 890.4 | 898.7 | 31.3 | 68.8 | 15.1 | – | **2,460.9** |
| | | | | | | | | |
| Return on equity (ROE) | 32.1 % | 14.8 % | 11.1 % | < 0 % | < 0 % | | | **8.8 %** |
| Cost/income ratio (CIR) | 40.3 % | 38.6 % | 38.9 % | < 0 % | > 100 % | | | **46.5 %** |

# Notes to the consolidated statement of comprehensive income

## (4) Net interest income

| EUR million | 01 Jan–30 Jun 2016 | 01 Jan–30 Jun 2015 |
|---|---|---|
| **Interest income** | **1,054.4** | **1,116.7** |
| Interest income from lending and money market transactions | 1,041.5 | 1,102.2 |
| Interest income from bonds and other fixed-income securities | 10.4 | 11.5 |
| Current income from equities and other non-fixed income securities | 0.5 | 0.4 |
| Current income from interests in non-consolidated subsidiaries, joint ventures, associates and other interests | – | 0.0 |
| Current income from other financial investments | 2.0 | 2.6 |
| **Interest expenses** | **–664.0** | **–727.1** |
| Interest expenses for liabilities to banks and customers | –372.6 | –428.9 |
| Interest expenses for securitised liabilities | –19.7 | –22.5 |
| Interest expenses for subordinated capital | –8.3 | –11.9 |
| Interest expenses for derivatives (hedge accounting) | –221.9 | –250.3 |
| Interest expenses for derivatives in economic hedging relationships | –23.7 | –6.8 |
| Other interest expenses | –17.8 | –6.7 |
| **Total** | **390.4** | **389.6** |

In 2008, the DKB Group reclassified selected securities from the AfS category to the LaR category in line with the announcement from the IASB on the amendment to IAS 39 and IFRS 7 and EU regulation 1004/2008.

Since both amortisation of the revaluation surplus (interest expense) and attribution of the reclassified securities (interest income) are effected in compliance with the effective interest rate, the results are netted out in net interest income (EUR 0.2 million in each case), meaning that the reclassification of securities from the AfS category to the LaR category did not have any impact on net interest income.

Interest income from lending and money market transactions includes income from impaired loans and advances (unwinding effect) of EUR 5.1 million (H1 2015: EUR 4.0 million).

### Negative interest income and positive interest expense

Interest income contains negative interest income from credit balances of EUR 1.0 million (H1 2015: EUR 0.1 million) and from repo transactions of EUR 0.6 million (H1 2015: EUR 0.5 million).

Interest expenses contain positive interest expenses from deposits of EUR 0.2 million (H1 2015: none) and repo transactions of EUR 0.1 million (H1 2015: EUR 0.1 million).

## (5) Risk provisions

| EUR million | 01 Jan–30 Jun 2016 | 01 Jan–30 Jun 2015 |
|---|---|---|
| **Additions** | **–103.3** | **–133.4** |
| Impairment losses on loans and advances | –96.9 | –129.1 |
| Provisions in the credit business | –6.4 | –4.3 |
| **Releases** | **36.8** | **49.3** |
| Impairment losses on loans and advances | 24.4 | 48.5 |
| Provisions in the credit business | 4.7 | 0.8 |
| **Recoveries on written down receivables** | **7.7** | **2.4** |
| **Total** | **–66.5** | **–81.7** |

The amounts relate to both balance sheet lending and off-balance sheet lending.

## (6) Net commission income

| EUR million | 01 Jan–30 Jun 2016 | 01 Jan–30 Jun 2015 |
|---|---|---|
| Credit card business | 21.7 | 30.0 |
| Securities business | 1.6 | 1.1 |
| Lending business | 1.5 | –1.0 |
| Payments | –27.8 | –28.3 |
| Other net commission income | 1.9 | –1.7 |
| **Total** | **–1.1** | **0.1** |

Net commission income contains reimbursements from a tax audit of EUR 10.7 million relating to other periods.

## (7) Gains or losses on fair value measurement

| EUR million | 01 Jan–30 Jun 2016 | 01 Jan–30 Jun 2015 |
|---|---|---|
| **Net trading income** | **23.8** | **9.0** |
| Interest-related transactions | 23.1 | 7.3 |
| Currency-related transactions | 0.7 | 1.7 |
| **Fair value gains or losses from the fair value option** | **–0.2** | **–0.1** |
| **Total** | **23.6** | **8.9** |

Current gains or losses from fair value option securities and derivatives in economic hedges are shown under net interest income.

## (8) Gains or losses on hedge accounting

| EUR million | 01 Jan–30 Jun 2016 | 01 Jan–30 Jun 2015 |
|---|---|---|
| Measurement of underlying transactions | 270.8 | –48.0 |
| Measurement of hedging instruments | –55.2 | 278.2 |
| Amortisation of the portfolio hedge adjustment | –250.7 | –253.7 |
| **Total** | **–35.1** | **–23.5** |

## (9) Gains or losses on financial investments

In addition to income from the sale of securities, gains or losses on financial investments result primarily from the disposal of the share in Visa Europe Limited classified as a non-current asset held for sale, since the expected take-over by Visa Inc. was completed on 21 June 2016. As a result, the measurement effect, most of which was already recognised in equity as at 31 December 2015, was recognised through profit or loss under gains or losses on financial investments at EUR 129.5 million.

A release of the portfolio provisions of EUR 12 thousand (addition in H1 2015: EUR 0 thousand) was recognised in the reporting period for the securities portfolio reclassified into the LaR category.

## (10) Administrative expenses

| EUR million | 01 Jan–30 Jun 2016 | 01 Jan–30 Jun 2015 |
|---|---|---|
| Staff costs | –109.3 | –103.4 |
| Other administrative expenses | –88.3 | –73.7[1] |
| Depreciation and impairments on property, plant and equipment and intangible assets | –3.1 | –3.0 |
| **Total** | **–200.7** | **–180.1[1]** |

[1] Due to the reallocation of administrative expenses to expenses from bank levies, deposit protection and banking supervision, the previous year's figure was adjusted by EUR 4.5 million.

## (11) Expenses from the bank levy, deposit guarantee scheme and banking supervision

| EUR million | 01 Jan–30 Jun 2016 | 01 Jan–30 Jun 2015 |
|---|---|---|
| Bank levy | –17.5 | –9.4 |
| Deposit guarantee scheme | –4.2 | –3.9 |
| Banking supervision BaFin | –0.5 | –0.3 |
| Banking supervision ECB | –0.5 | –0.3 |
| **Total** | **–22.7** | **–13.9** |

## (12) Other income and expenses

| EUR million | 01 Jan–30 Jun 2016 | 01 Jan–30 Jun 2015 |
|---|---|---|
| Other income | 18.3 | 22.0 |
| Other expenses | –17.5 | –16.8 |
| **Total** | **0.8** | **5.2** |

### (13) Gains or losses on restructuring

Restructuring expenses are incurred from the implementation of the restructuring measures specified for the DKB Group as part of the BayernLB Group and the unwinding strategy to be pursued by associated subsidiaries.

### (14) Income taxes

| EUR million | 01 Jan–30 Jun 2016 | 01 Jan–30 Jun 2015 |
|---|---|---|
| Current income taxes | –6.2 | –0.3 |
| Deferred income taxes | –0.9 | 0.0 |
| **Total** | **–7.1** | **–0.3** |

## Notes to the consolidated balance sheet

### (15) Loans and advances to banks

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Loans and advances to domestic banks | 3,955.5 | 4,854.3 |
| Loans and advances to foreign banks | 10.1 | 10.3 |
| **Total** | **3,965.6** | **4,864.6** |

### (16) Loans and advances to customers

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Loans and advances to domestic customers | 61,944.8 | 60,957.4 |
| Loans and advances to foreign customers | 575.8 | 624.7 |
| **Total** | **62,520.6** | **61,582.1** |

## (17) Risk provisions

### Specific loan loss provisions for loans and advances to customers

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Opening balance** | **–369.7** | **–392.6** |
| **Changes recognised through profit or loss** | **–57.0** | **–112.5** |
| Additions | –86.5 | –171.3 |
| Releases | 24.4 | 46.1 |
| Unwinding | 5.1 | 12.7 |
| **Changes not recognised through profit or loss** | **38.3** | **135.4** |
| Utilisation | 38.3 | 135.4 |
| **Closing balance** | **–388.4** | **–369.7** |

No specific loan loss provisions for loans and advances to banks were recognised in the reporting period.

### Specific loan loss provisions for loans and advances to customers

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Opening balance** | **–59.8** | **–62.2** |
| **Changes recognised through profit or loss** | **–9.7** | **–15.4** |
| Additions | –9.7 | –17.9 |
| Releases | – | 2.5 |
| **Changes not recognised through profit or loss** | | **17.8** |
| Utilisation | 9.1 | 17.8 |
| **Closing balance** | **–60.4** | **–59.8** |

There were portfolio provisions of EUR 25 thousand (FY 2015: EUR 21 thousand) for loans and advances to banks at the reporting date.

Loans and advances of EUR 9.1 million were written down directly in the reporting period (the whole of the previous year: EUR 17.8 million). The direct writedowns were reported as utilisation of portfolio provisions.

The risk provisions for contingent liabilities and other commitments are shown as provisions for risks from the lending business.

The risk provisions on securities portfolios in the LaR category are shown under financial investments.

## (18) Portfolio hedge adjustment attributable to assets

The hedge adjustment of interest rate-hedged loans and advances in the fair value hedge portfolio amounts to EUR 1,165.7 million (FY 2015: EUR 1,145.6 million). It is offset by the fair values of hedging transactions, on the liabilities side under the item Negative fair values from derivative financial instruments (hedge accounting) and on the assets side under the item Positive fair values from derivative financial instruments (hedge accounting).

## (19) Assets held for trading

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
| --- | --- | --- |
| Positive fair values from derivative financial instruments (not hedge accounting) | 4.6 | 4.2 |
| **Total** | **4.6** | **4.2** |

## (20) Positive fair values from derivative financial instruments (hedge accounting)

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
| --- | --- | --- |
| Positive fair values from fair value hedges (portfolio hedges) | – | 6.9 |
| **Total** | **–** | **6.9** |

## (21) Financial investments

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **AfS financial investments** | **5,765.2** | **5,254.3** |
| Bonds and other fixed-income securities | 5,541.5 | 5,037.6 |
| Equities and other non-fixed income securities | 161.6 | 172.1 |
| Shares in non-consolidated subsidiaries | 8.7 | 8.7 |
| Shares in non-consolidated joint ventures | 0.1 | 0.1 |
| Other investments | 18.3 | 0.8 |
| Other financial investments | 35.0 | 35.0 |
| **Fair value option financial investments** | **10.4** | **10.7** |
| Bonds and other fixed-income securities | 10.4 | 10.7 |
| **LaR financial investments** | **39.8** | **59.7** |
| Bonds and other fixed-income securities | 39.8 | 59.7 |
| **Total** | **5,815.4** | **5,324.7** |

## (22) Property, plant and equipment

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Land and buildings used for own use | 35.1 | 35.7 |
| Furniture and office equipment | 11.0 | 10.9 |
| **Total** | **46.1** | **46.6** |

## (23) Intangible assets

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Other intangible assets | 5.2 | 5.6 |
| **Total** | **5.2** | **5.6** |

## (24) Tax assets

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Current tax assets | 11.7 | 11.7 |
| Deferred tax assets | – | – |
| **Total** | **11.7** | **11.7** |

## (25) Non-current assets held for sale

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Financial investments | – | 117.0 |
| **Total** | **–** | **117.0** |

As at 31 December 2015, the DKB Group had accounted for the share it held in Visa Europe Limited separately as non-current assets held for sale because of a takeover offer from Visa Inc. On the basis of the information available on the reporting date, the sales proceeds were estimated at EUR 117.0 million.

The expected acquisition of Visa Europe Limited by Visa Inc. was completed on 21 June 2016.

The value of the stake in Visa Europe Limited rose to EUR 129.5 million because of the adjustments to the offer from Visa Inc. made during the first half of 2016. The change in measurement was recognised in the revaluation surplus without any impact on profit or loss.

On completion of the transaction, the DKB Group received preference shares in VISA Inc., which entitle it to subscribe for ordinary shares in Visa Inc. in 12 years, in addition to a payment of EUR 103.6 million in consideration for the stake in Visa Europe Limited. The DKB Group measured the value of these preference shares at EUR 17.9 million at the acquisition date (21 June 2016). The preference shares are reported as other investments under financial investments. The DKB Group has also retained a claim to a payment by Visa Inc. in three years. This payment was capitalised as a receivable by the DKB Group and valued at EUR 8.0 million at the acquisition date.

As a result, the Group no longer has any non-current assets held for sale at the reporting date. The measurement effect recognised in the revaluation surplus of EUR 129.5 million in total was derecognised against gains or losses on financial investments.

## (26) Other assets

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Prepaid expenses | 12.9 | 5.0 |
| Other assets | 40.5 | 24.4 |
| **Total** | **53,4** | **29,4** |

## (27) Liabilities to banks

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Liabilities to domestic banks | 12,747.3 | 14,527.3 |
| Liabilities to foreign banks | 1,212.9 | 1,259.9 |
| **Total** | **13,960.2** | **15,787.2** |

## (28) Liabilities to customers

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Liabilities to domestic customers | 49,480.5 | 47,717.1 |
| Liabilities to foreign customers | 894.0 | 841.1 |
| **Total** | **50,374.5** | **48,558.2** |

## (29) Securitised liabilities

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Bonds and notes issued** | | |
| Mortgage Pfandbriefe | 2,504.2 | 2.606.8 |
| Public sector Pfandbriefe | 1,492.1 | 1,491.9 |
| Other bonds and notes | 498.3 | 0.2 |
| **Total** | **4,494.6** | **4,098.9** |

Other bonds, notes and mortgage Pfandbriefe worth EUR 510.0 million were issued in the reporting period. The amount of repayments came to EUR 100.0 million.

## (30) Liabilities held for trading

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Negative fair values from derivative financial instruments (not hedge accounting) | 32.9 | 55.4 |
| **Total** | **32.9** | **55.4** |

## (31) Negative fair values from derivative financial instruments (hedge accounting)

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Negative fair values from fair value hedges (portfolio hedges) | 1,266.8 | 1,267.5 |
| **Total** | **1,266.8** | **1,267.5** |

The hedging transactions relate to loans and advances to customers in their entirety.

## (32) Provisions

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Provisions for pensions and similar obligations** | **80.8** | **68.7** |
| **Other provisions** | **65.2** | **52.6** |
| Provisions in the credit business | 15.6 | 13.9 |
| Miscellaneous provisions | 49.6 | 38.7 |
| **Total** | **146.0** | **121.3** |

## (33) Tax liabilities

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Current tax liabilities | 16.3 | 10.3 |
| Deferred tax liabilities | 1.6 | 0.8 |
| **Total** | **17.9** | **11.1** |

## (34) Other liabilities

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Profit transfer to BayernLB | – | 162.3 |
| Accruals | 57.0 | 58.9 |
| Deferred income | 11.9 | 11.8 |
| Other obligations | 51.9 | 30.9 |
| **Total** | **120.8** | **263.9** |

## (35) Subordinated capital

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Subordinated liabilities | 373.7 | 297.8 |
| Profit participation certificates | 27.7 | 21.8 |
| **Total** | **401.4** | **319.6** |

Subordinated liabilities of EUR 100.0 million were issued and of EUR 20.0 million were repaid in the reporting period.

Profit participation certificates amounting to EUR 5.4 million were issued and amounting to EUR 0.4 million were redeemed in the reporting period.

# Disclosures relating to financial instruments

In addition to the following explanations, please refer to the risk report in the DKB Group's interim management report with regard to the disclosures concerning the risks resulting from financial instruments required by IFRS 7.

## (36) Fair value and measurement hierarchies of financial instruments

### Fair value of financial instruments[1]

| EUR million | Fair value 30 Jun 2016 | Carrying amount 30 Jun 2016 | Fair value 31 Dec 2015 | Carrying amount 31 Dec 2015 |
|---|---|---|---|---|
| **Assets** | **78,667.1** | **74,276.4** | **77,173.6** | **73,720.4** |
| Cash reserves | 866.5 | 866.5 | 719.9 | 719.9 |
| Loans and advances to banks | 3,976.4 | 3,965.6 | 4,882.9 | 4,864.6 |
| Loans and advances to customers | 68,066.2 | 63,686.4 | 66,162.2 | 62,727.7 |
| Assets held for trading | 4.6 | 4.6 | 4.2 | 4.2 |
| Positive fair values from derivative financial instruments (hedge accounting) | – | – | 6.9 | 6.9 |
| Financial investments | 5,753.4 | 5,753.3 | 5,280.5 | 5,280.1 |
| Non-current assets held for sale (stake in VISA Europe Limited) | – | – | 117.0 | 117.0 |
| **Liabilities** | **73,458.0** | **70,530.4** | **72,295.7** | **70,086.8** |
| Liabilities to banks | 15,295.5 | 13,960.2 | 16,739.8 | 15,787.2 |
| Liabilities to customers | 51,678.2 | 50,374.5 | 49,687.1 | 48,558.2 |
| Securitised liabilities | 4,679.8 | 4,494.6 | 4,168.3 | 4,098.9 |
| Liabilities held for trading | 32.9 | 32.9 | 55.4 | 55.4 |
| Negative fair values from derivative financial instruments (hedge accounting) | 1,266.8 | 1,266.8 | 1,267.5 | 1,267.5 |
| Subordinated capital | 504.8 | 401.4 | 377.6 | 319.6 |

[1] For current financial instruments, the carrying amount equates to the fair value as a rule.
[2] Including portfolio hedge adjustment assets.
[3] Excluding investments and shares in affiliates, which are measured at cost.

With the exception of the non-current assets held for sale, the DKB Group does not plan to sell any of the financial instruments shown.

## Hierarchy of fair values

In the hierarchy of fair values, the measurement parameters used to assess the fair value of financial instruments are split into the following three levels:

**Level 1:**
Instruments are measured using prices quoted on active markets (without any adjustments), to which the DKB Group has access on the measurement date.

These include equities, funds and bonds, which are traded in very liquid markets.

**Level 2:**
The fair values are determined by means of measurement methods where the measurement parameters are observable directly (as prices) or indirectly (derived from prices), and do not come under level 1. These may be listed prices on active markets for similar financial instruments, listed prices on inactive markets, other observable input parameters (such as interest rates, exchange rates) and market-based input factors.

These include off-market derivatives, such as interest rate swaps and forward exchange transactions as well as bonds, which are not allocated to level 1.

**Level 3:**
The fair values are determined by means of valuation methods where the measurement parameters are not based on observable market data. The financial instruments in this category have at least one input parameter, which is not observable on the market and has a material influence on their fair values (such as internally calculated margins and creditworthiness spreads).

These include loans and advances acquired on the non-performing loan market and the stake in Visa Inc.

Financial instruments, which are not measured at fair value, are not managed on the basis of their fair value. This is the case for loans and deposits, for example. The fair value is only calculated for such instruments for the purposes of disclosure in the notes. Changes to the calculated fair values have no impact on either the consolidated balance sheet or the consolidated statement of comprehensive income.

If the fair value of the financial instrument is determined on the basis of several measurement parameters, the overall fair value is allocated in accordance with the measurement parameter with the lowest level material to the fair value calculation.

## Financial instruments measured at fair value

Financial instruments measured at fair value were transferred between the levels of the hierarchy during the reporting period. The end of the reporting period is used as the transfer date.

| | Level 1 | | Level 2 | | Level 3 | | Total | |
|---|---|---|---|---|---|---|---|---|
| **EUR million** | **2016** | **2015** | **2016** | **2015** | **2016** | **2015** | **2016** | **2015** |
| **Assets** | | | | | | | | |
| Loans and advances to customers | – | – | – | – | 10.5 | 12.0 | **10.5** | **12.0** |
| Assets held for trading | – | – | 4.6 | 4.2 | – | – | **4.6** | **4.2** |
| Positive fair values from derivative financial instruments (hedge accounting) | – | – | – | 6.9 | – | – | **–** | **6.9** |
| Financial investments | 3,966.6 | 3,692.9 | 1,746.8 | 1,527.6 | 17.5 | – | **5,730.9** | **5,220.5** |
| of which debt instruments | 3,805.0 | 3,520.8 | 1,746.8 | 1,527.6 | – | – | **5,551.8** | **5,048.4** |
| of which equity and equity-like instruments | 161.6 | 172.1 | – | – | 17.5 | – | **179.1** | **172.1** |
| Non-current assets held for sale (shares in Visa Europe Limited) | – | – | – | – | | 117.0 | | **117.0** |
| **Total** | **3,966.6** | **3,692.9** | **1,751.4** | **1,538.7** | **28.0** | **129.0** | **5,746.0** | **5,360.6** |
| **Liabilities** | | | | | | | | |
| Liabilities held for trading | – | – | 32.9 | 55.4 | – | – | **32.9** | **55.4** |
| Negative fair values from derivative financial instruments (hedge accounting) | – | – | 1,266.8 | 1,267.5 | – | – | **1,266.8** | **1,267.5** |
| **Total** | **–** | **–** | **1,299.7** | **1,322.9** | **–** | **–** | **1,299.7** | **1,322.9** |

[1] Excluding investments and shares in affiliates

On the basis of the review of whether bonds complied with the parameters to be met cumulatively for allocation to level 1 (e.g. number of prices) as at 30 June 2016, bonds and notes worth EUR 531.3 million were reclassified from level 1 to level 2 and bonds worth EUR 544.7 million were reclassified from level 2 to level 1.

Please refer to note 25 non-current assets held for sale (shares in Visa Europe Limited).

**Changes in fair values determined on the basis of non-observable market data (level 3)**

| | Financial investments | | Loans and advances to customers | | Non-current assets held for sale (shares in Visa Europe Limited) | | Total | |
|---|---|---|---|---|---|---|---|---|
| **EUR million** | **2016** | **2015** | **2016** | **2015** | **2016** | **2015** | **2016** | **2015** |
| **As at 1 Jan** | **–** | **–** | **12.0** | **18.0** | **117.0** | **–** | **129.0** | **18.0** |
| Effects recognised through profit or loss | – | – | 0.2 | 0.4 | – | – | **–0.1** | 0.4 |
| Of which other income and expenses | – | – | 0.2 | 0.4 | – | – | **–0.1** | 0.4 |
| Change in the revaluation surplus | –0.4 | – | –0.2 | –1.4 | 12.5 | – | **11.9** | –1.4 |
| Purchases | 17.9 | – | – | – | – | – | **17.9** | – |
| Sales | – | – | –1.2 | –2.0 | –129.5 | – | **–131.0** | –2.0 |
| Settlements | – | – | –0.3 | –0.5 | – | – | **0.3** | –0.5 |
| **As at 30 Jun** | **17.5** | **–** | **10.5** | **14.5** | **–** | **–** | **28.0** | **14.5** |
| Effects for financial instruments, which are in the portfolio on 30 June, recognised through profit or loss | – | – | –0.5 | –0.5 | – | – | **–0.5** | –0.5 |
| Of which other income and expenses | – | – | –0.5 | –0.5 | – | – | **–0.5** | –0.5 |

## Significant non-observable parameters (level 3) and their sensitivities

**Loans and advances to customers** (acquired on the non-performing loan market through mortgage-backed loans)

| Significant non-observable parameters | Range (Average) | Change in parameters | Change recognised through profit or loss | Change in equity |
|---|---|---|---|---|
| Realisation value | EUR 0 thousand to EUR 335 thousand (EUR 42 thousand) | +5.0 %<br>–5.0 % | + EUR 161 thousand<br>– EUR 186 thousand | + EUR 545 thousand<br>– EUR 544 thousand |
| Realisation period | 1 month to 40 months (13 months) | +6 months<br>–6 months | – EUR 48 thousand<br>+ EUR 29 thousand | – EUR 52 thousand<br>+ EUR 34 thousand |
| Interest rate | -0.03 % to 0.02 % (0.15%) | +0.05 %<br>–0.05 % | EUR 0 thousand<br>EUR 0 thousand | – EUR 5 thousand<br>+ EUR 5 thousand |

**Financial investments (shares in Visa Inc.)**

| Significant non-observable parameters | Weighted average | Change in parameters | Change recognised through profit or loss | Change in equity |
|---|---|---|---|---|
| Subscription ratio of the Visa Inc. ordinary shares | 50% | +10%<br>–10% | –<br>– | + EUR 1,753 thousand<br>– EUR 1,753 thousand |

The measurement methods used are customary and appropriate for the asset to be measured in each case.

## (37) Financial instrument measurement categories

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Assets** | | |
| **Financial assets measured at fair value through profit or loss** | **14.9** | **14.9** |
| Financial investments (FVO) | 10.3 | 10.7 |
| Assets held for trading (HfT) | 4.6 | 4.2 |
| **Loans, advances and securities (LaR)** | **66,515.5** | **66,494.4** |
| Loans and advances to banks | 3.965.6 | 4,864.6 |
| Loans and advances to customers | 62,510.1 | 61,570.1 |
| Financial investments | 39.8 | 59.7 |
| **Financial assets available for sale (AfS)** | **5,775.7** | **5,266.3** |
| Loans and advances to customers | 10.5 | 12.0 |
| Financial investments | 5,765.2 | 5,254.3 |
| **Positive fair values from derivative financial instruments (hedge accounting)** | **–** | **6.9** |
| **Liabilities** | | |
| **Financial liabilities measured at fair value through profit or loss** | **32.9** | **55.4** |
| Liabilities held for trading (HfT) | 32.9 | 55.4 |
| **Financial liabilities measured at amortised cost (LaC)** | **69,230.7** | **68,763.9** |
| Liabilities to banks | 13,960.2 | 15,787.2 |
| Liabilities to customers | 50,374.5 | 48,558.2 |
| Securitised liabilities | 4,494.6 | 4,098.9 |
| Subordinated capital | 401.4 | 319.6 |
| **Negative fair values from derivative financial instruments (hedge accounting)** | **1,266.8** | **1,267.5** |

## (38) Reclassification of financial assets

In line with the announcement by the IASB on the amendment to IAS 39 and IFRS 7 Reclassification of Financial Assets and the EU regulation 1004/2008, the DKB Group reclassified selected securities in financial investments from the AfS category with a fair value of EUR 907.5 million to the LaR category on 1 July 2008. The revaluation surplus amounted to EUR -33.3 million at the date of the reclassification. There were no further reclassifications in the reporting period.

The volume of the portfolios breaks down as follows:

| | Fair value | | Carrying amount[1] | | Nominal volume | |
|---|---|---|---|---|---|---|
| **EUR million** | **2016** | **2015** | **2016** | **2015** | **2016** | **2015** |
| AfS securities reclassified into LaR | 40.0 | 60.0 | 39.8 | 60.0 | 40.0 | 60.0 |

[1] Excluding pro rata interest.

The comparison of the total gains or losses "excluding reclassification" and "including reclassification" does not have any material impact on earnings for the reporting period.

## (39) Derivatives transactions

The following table shows the outstanding interest rate-related and foreign-currency-related derivatives and other forward transactions on the reporting date.

**Presentation of volumes**

| | Nominal value | | Positive fair value | Negative fair value |
|---|---|---|---|---|
| **EUR million** | **30 Jun 2016** | **31 Dec 2015** | **30 Jun 2016** | **30 Jun 2016** |
| **Interest rate risks** | **12,750.0** | **13,320.0** | **4.5** | **1,299.0** |
| Interest rate swaps | 12,725.0 | 13,295.0 | 4.5 | 1,297.8 |
| Options on interest rate swaps | 25.0 | 25.0 | – | 1.2 |
| **Currency risks** | **52.6** | **69.5** | **0.1** | **0.7** |
| Forward exchange transactions | 52.6 | 69.5 | 0.1 | 0.7 |
| **Total** | **12,802.6** | **13,389.5** | **4.6** | **1,299.7** |

EUR 12,095.0 million of the nominal values of the interest rate swaps relate to portfolio hedges (FY 2015: EUR 12,095.0 million). The rest relates to hedging relationships, which are no longer included in hedge accounting.

The derivatives are attributable in their entirety to banks in the OECD.

# Disclosures relating to the risk situation

## (40) Risks from financial instruments

The disclosures in the notes supplement the explanations on the DKB Group's risk management and the qualitative economic disclosures, which are presented in the risk report. Their aim is to help provide a more detailed insight into the structure of the risks incurred.

## Changes in counterparty risks

The DKB Group's maximum credit risk is based on figures reported in the balance sheet and consists of the loans and advances to customers and banks as well as irrevocable open commitments, contingent liabilities, financial investments and derivative financial instruments (most notably derivatives in hedge accounting). Revocable open commitments are also included. Specific loan loss provisions and provisions created are deducted. Equity instruments, other assets and hedge adjustments are not taken into consideration in the exposure.

The maximum credit risk breaks down as follows:

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| Loans and advances to customers | 79,750.4 | 78,496.8 |
| Of which irrevocable commitments | 2,324.5 | 2,248.7 |
| Of which revocable commitments | 14,343.5 | 14,144.6 |
| Loans and advances to banks | 4,038.8 | 4,944.5 |
| Of which irrevocable commitments | 0.0 | 0.0 |
| Of which revocable commitments | 73.2 | 79.9 |
| Financial investments | 5,591.7 | 5,108.0 |
| Derivatives | 4.6 | 11.1 |
| **Total** | **89,385.5** | **88,560.4** |

The increase in loans and advances to customers of EUR 1.3 billion is attributable to strategy-compliant growth in retail business. The expansion was concentrated on the Infrastructure and Corporates segments. In the Corporates segment, attention was focused on the environmental technology customer group. The growth in volume in the Infrastructure segment is primarily attributable to the housing customer group.

Loans and advances to banks have fallen by EUR 0.9 billion. This is largely due to the fall in exposures within the Group based on repayment of promissory note loans.

The increase in financial investments of EUR 0.5 billion is attributable to the continuing growth in the securities portfolio for the liquidity reserve. In addition to bonds issued by public sector entities in Germany and the euro countries with top-quality ratings, the primary focus of the securities portfolio is also on bonds from supranational issuers and development banks.

There have been the following changes in the allocation of the maximum credit risk to ratings:

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Rating 1–9** | **84,304.5** | **82,830.4** |
| Loans and advances to customers | 74,669.4 | 72,766.8 |
| Loans and advances to banks | 4,038.8 | 4,944.5 |
| Financial investments | 5,591.7 | 5,108.0 |
| Derivatives | 4.6 | 11.1 |
| **Rating 10–12** | **2,962.7** | **3,393.6** |
| Loans and advances to customers | 2,962.7 | 3,393.6 |
| **Rating 13–15** | **1,463.7** | **1,547.7** |
| Loans and advances to customers | 1,463.7 | 1,547.7 |
| **Default categories (Rating 16–18)** | **654.6** | **788.7** |
| Loans and advances to customers | 654.6 | 788.7 |
| **Total** | **89,385.5** | **88,560.4** |

The maximum credit risk in the rating categories 1–9 has increased by EUR 1.5 billion. This reflects the strategy-compliant increase in new loans and advances to customers and the expansion of the financial investments' securities portfolio.

Overall, the rating structure continues to improve. This is apparent from the fall in maximum credit risk in the other rating groups.

The following table shows financial assets, which are past due but not impaired:

| | Maximum credit risk | | Eligible collateral | |
|---|---|---|---|---|
| **EUR million** | **30 Jun 2016** | **31 Dec 2015** | **30 Jun 2016** | **31 Dec 2015** |
| **Loans and advances to customers** | **180.3** | **183.7** | **155.6** | **150.7** |
| More than 1 month up to 3 months | 128.7 | 120.5 | 113.6 | 104.7 |
| More than 3 months up to 1 year | 48.7 | 60.1 | 40.5 | 44.5 |
| More than 1 year | 2.9 | 3.1 | 1.5 | 1.5 |
| **Loans and advances to banks** | – | – | – | – |
| **Financial investments** | – | – | – | – |
| **Derivatives** | – | – | – | – |
| **Total** | **180.3** | **183.7** | **155.6** | **150.7** |

The maximum credit risk of past due commitments that have not been impaired has shrunk slightly by EUR 3.4 million compared with the previous year. 86 % of these loans and advances are backed by collateral.

There have been the following changes to impaired assets in the first half of 2016:

| | Maximum credit risk | | Eligible collateral | |
|---|---|---|---|---|
| **EUR million** | **30 Jun 2016** | **31 Dec 2015** | **30 Jun 2016** | **31 Dec 2015** |
| Loans and advances to customers | 654.6 | 788.7 | 558.4 | 665.6 |
| Loans and advances to banks | – | – | – | – |
| Financial investments | – | – | – | – |
| Derivatives | – | – | – | – |
| **Total** | **654.6** | **788.7** | **558.4** | **665.6** |

The structure of eligible collateral for the impaired commitments does not differ from the general composition of the collateral portfolio.

The allowances for non-performing loans – consisting of specific loan loss provisions and provisions – have increased by EUR 19.6 million to EUR 400.5 million.

Portfolio provisions of EUR 60.4 million were created for loans and advances that have not been impaired. Provisions of EUR 2.8 million were also created at portfolio level for off-balance sheet business.

## Forborne exposure

Forbearance measures are generally defined as concessions to a debtor against the background of financial difficulties. The aim of such concessions is to put the borrower in a position where he can meet his obligations under the loan agreement.

Concessions may either be made by modifying existing conditions in favour of the debtor or by granting partial or complete debt restructuring measures. Among others, modifications to the term, interest rate and repayment schedule count as forbearance measures, as do debt waivers or capitalisation of arrears.

There have been the following changes to forborne exposure in the reporting period:

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Loans and advances to customers** | **591.4** | **592.8** |
| of which irrevocable commitments | 21.3 | 15.7 |
| of which revocable commitments | 24.0 | 15.3 |
| **Loans and advances to banks** | **–** | **–** |

## Market price risks

At the beginning of 2016, the assessment of market price risk switched to a correlated consideration of financial investments and the banking book. At the same time, the bank-specific holding period concept was abandoned and switched to a standard holding period of 250 days.

The total market price risk calculated is included in the risk-bearing capacity statement. The market price risks in the banking book (excluding financial investments) are no longer reported separately or given individual limits.

The market price risks by risk factors for the bank as a whole break down as follows:

| | 6-month comparison 2016 | | | 12-month comparison 2015[1] | | |
|---|---|---|---|---|---|---|
| EUR million | 30 Jun 2016 | Maximum | Minimum | 31 Dec 2015 | Maximum | Minimum |
| Interest rate | 222 | 462 | 194 | – | – | – |
| Equities | 104 | 109 | 93 | – | – | – |
| Credit spread | 18 | 26 | 18 | – | – | – |
| Foreign currency | 8 | 8 | 0 | – | – | – |
| Volatility | 0 | 0 | 0 | – | – | – |
| **Correlated total risk** | **226** | **482** | **212** | **395** | **528** | **265** |

[1] Comparative figures for 2015 were calculated additively (securities account A + banking book). No risk factors for the entire bank were reported before the change of method.

The risk capital requirement has fallen by EUR 169 million to EUR 226 million in the first half of 2016. The change in the methodology only resulted in a minor change in the risk capital requirement at the beginning of the year, since the effects of the correlated consideration and the increase in the holding period largely cancelled each other out. The fall in the risk capital requirement is largely the result of the reduction in the volatility of market data thanks to the 250-day period and changes in the portfolios.

The takeover of Visa Europe by Visa Inc. and the recognition of the investment for the first time in the US dollar resulted in currency risks of EUR 8 million as at 30 June 2016, which are measured as part of the daily risk calculation and allocated limits.

The securities portfolio features the following structure in terms of issuers and products as at 30 June 2016. Classification is based on a risk perspective meaning that securities issued by supranational issuers, such as the European Financial Stability Facility (EFSF) or the European Stability Mechanism (ESM) and companies that are wholly government owned are allocated to the public sector issuers:

| Market value in EUR million | Banks | | Non-banks | | Public sector issuers | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 30 Jun 2016 | 31 Dec 2015 | 30 Jun 2016 | 31 Dec 2015 | 30 Jun 2016 | 31 Dec 2015 | 30 Jun 2016 | 31 Dec 2015 |
| Bonds | 1,576.3 | 1,362.4 | – | – | 4,014.3 | 3,744.6 | 5,590.6 | 5,107.0 |
| Funds | 152.6 | 162.2 | – | – | – | – | 152.6 | 162.2 |
| Equities | – | – | 9.1 | 9.9 | – | – | 9.1 | 9.9 |
| **Total** | **1,728.9** | **1,524.6** | **9.1** | **9.9** | **4,014.3** | **3,744.6** | **5,752.3** | **5,279.1** |

The securities portfolio increased as a consequence of the expansion in liquidity. The securities portfolio primarily comprises bonds issued by the German federal government, the German states and development banks. A share is also attributable to sovereign bonds issued by euro countries with top-quality ratings, bonds issued by supranational issuers and covered bonds.

There have been the following changes in the regional breakdown of the securities portfolio according to market value:

| | 30 Jun 2016 | | 31 Dec 2015 | |
|---|---|---|---|---|
| | EUR million | % | EUR million | % |
| Germany | 4,024.2 | 70.0 | 3.723.6 | 70.5 |
| Europe/EU | 1,501.2 | 26.1 | 1,410.6 | 26.7 |
| Europe/Non-EU | 125.0 | 2.2 | 95.6 | 1.8 |
| USA | 14.9 | 0.3 | 14.8 | 0.3 |
| Other | 87.0 | 1.5 | 34.6 | 0.7 |
| **Total** | **5,752.3** | **100.0** | **5,279.2** | **100.0** |

The changes in the portfolio, most notably in Germany and Europe, reflect the expansion in liquidity.

# Other disclosures

## (41) Pfandbriefe (covered bonds) in circulation

| | Nominal value | | Cash value | |
|---|---|---|---|---|
| **EUR million** | **30 Jun 2016** | **31 Dec 2015** | **30 Jun 2016** | **31 Dec 2015** |
| **Public sector Pfandbriefe and mortgage Pfandbriefe** | | | | |
| Total amount of the cover pools [1] | 17,446.1 | 16,463.5 | 20,084.4 | 18,564.9 |
| Total amount of the Pfandbriefe in circulation | 9,696.3 | 9,783.3 | 11,159.9 | 10,918.5 |
| **Surplus cover** | **7,749.8** | **6,680.2** | **8,924.5** | **7,646.4** |
| | **79.9 %** | **68.3 %** | **80.0 %** | **70.0 %** |

[1] Including further cover assets in accordance with sections 19(1) and 20(2) of the German Covered Bond Act (PfandBG).

## (42) Contingent liabilities and other commitments

| **EUR million** | **30 Jun 2016** | **31 Dec 2015** |
|---|---|---|
| **Contingent liabilities** | **953.1** | **894.7** |
| Liabilities from guarantees and indemnity agreements | 948.8 | 887.0 |
| Contingent liabilities from legal disputes | 4.3 | 7.7 |
| **Other commitments** | **2,324.5** | **2,248.7** |
| Irrevocable credit commitments | 2,324.5 | 2,248.7 |
| **Total** | **3,277.6** | **3,143.4** |

## (43) Bodies of Deutsche Kreditbank AG

### Supervisory Board

#### Shareholders' representatives

**Dr Johannes-Jörg Riegler**
Chairman of the Supervisory Board
CEO of Bayerische Landesbank

**Bernd Fröhlich**
Chairman of the Board of Directors
of Sparkasse Mainfranken Würzburg

**Marcus Kramer**
Member of the Board of Management
of Bayerische Landesbank

**Dr Markus Wiegelmann**
Member of the Board of Management
of Bayerische Landesbank
Independent financial expert

**Michael Huber**
Chairman of the Board of Directors
of Sparkasse Karlsruhe Ettlingen

**Michael Schneider**
Chairman of the Management Board
of LfA Förderbank Bayern (retired)

**Walter Pache**
Chairman of the Board of Directors
of Sparkasse Günzburg-Krumbach
Independent financial expert

**Dr Edgar Zoller**
Deputy CEO of Bayerische Landesbank

#### Employees' representatives

**Bianca Häsen**
Deputy Chairman of the Supervisory Board
Employee
Deutsche Kreditbank AG

**Christine Enz**
Representative of DBV
(German Association of Bank Employees (DBV))

**Jens Hübler**
Senior employee, Deutsche Kreditbank AG

**Frank Radtke**
Employee, Deutsche Kreditbank AG

**Wolfhard Möller**
until 31 January 2016
Employee, Deutsche Kreditbank AG

**Michaela Bergholz**
Representative of DBV
(German Association of Bank Employees (DBV))

**Jörg Feyerabend**
Employee, DKB Service GmbH

**Gunter Wolf**
Employee, Deutsche Kreditbank AG

**Frank Siegfried**
from 1 February 2016
Employee, Deutsche Kreditbank AG

#### Honorary members

**Günther Troppmann**

### Board of Management

**Stefan Unterlandstättner**
Chairman of the Board of Management

**Rolf Mähliß**
Member of the Board of Management

**Dr Patrick Wilden**
Member of the Board of Management

**Tilo Hacke**
Member of the Board of Management

**Thomas Jebsen**
Member of the Board of Management

## (44) Related parties

The DKB Group's related parties as specified in IAS 24 comprise the following groups:

- Sole shareholder (parent company) Bayerische Landesbank, Munich

- Non-consolidated subsidiaries of the DKB Group

- Joint ventures of the DKB Group

- Associates of the DKB Group

- Other related companies – these include the subsidiaries, joint ventures and associates of the BayernLB Group, the Free State of Bavaria and companies, which are controlled by the Free State of Bavaria or which are jointly managed by it or subject to significant influence from it and the Bavarian Association of Savings Banks and companies, which are controlled by the Bavarian Association of Savings Banks or are jointly managed by it

- Members of the Board of Management and the Supervisory Board of DKB AG and of the Board of Management and the Supervisory Board of Bayerische Landesbank as well as their close family members.

The DKB Group maintains a range of commercial relations with related parties. In essence, these relationships comprise typical banking services such as deposit, credit and money market business.

Transactions with related parties are concluded on standard market conditions and terms as part of normal business activities.

The scope of transactions with related parties is shown below:

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Loans and advances to banks** | **3,420.9** | **4,671.6** |
| Parent company | 3,420.9 | 4,671.6 |
| **Loans and advances to customers** | **211.6** | **209.6** |
| Non-consolidated subsidiaries | 168.1 | 168.5 |
| Joint ventures | 38.4 | 36.1 |
| Other related companies | 5.1 | 5.0 |
| **Risk provisions** | **14.5** | **8.2** |
| Non-consolidated subsidiaries | 2.9 | 2.8 |
| Joint ventures | 11.6 | 5.4 |
| **Assets held for trading** | **4.6** | **4.2** |
| Parent company | 4.6 | 4.2 |
| **Positive fair values from derivative financial instruments (hedge accounting)** | **–** | **6.9** |
| Parent company | – | 6.9 |
| **Financial investments** | **30.3** | **33.2** |
| Other related companies | 30.3 | 30.2 |
| Non-consolidated subsidiaries | – | 3.0 |
| **Other assets** | **1.2** | **1.5** |
| Non-consolidated subsidiaries | 1.1 | 1.4 |
| Other related companies | 0.1 | 0.1 |
| **Liabilities to banks** | **987.4** | **1,227.8** |
| Parent company | 755.3 | 1,041.8 |
| Other related companies | 232.1 | 186.0 |
| **Liabilities to customers** | **43.5** | **40.0** |
| Non-consolidated subsidiaries | 14.4 | 11.1 |
| Joint ventures | 2.0 | 0.7 |
| Other related companies | 27.1 | 28.2 |

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Securitised liabilities** | **48.9** | **52.2** |
| Parent company | 23.7 | 27.1 |
| Other related companies | 25.2 | 25.1 |
| **Liabilities held for trading** | **16.2** | **23.9** |
| Parent company | 16.2 | 23.9 |
| **Negative fair values from derivative financial instruments (hedge accounting)** | **1,035.0** | **937.9** |
| Parent company | 1,035.0 | 937.9 |
| **Provisions** | **0.0** | **0.0** |
| Non-consolidated subsidiaries | 0.0 | 0.0 |
| Other related companies | 0.0 | 0.0 |
| **Other liabilities** | **13.8** | **4.0** |
| Parent company | 10.1 | 0.2 |
| Non-consolidated subsidiaries | 0.1 | 0.9 |
| Joint ventures | 0.2 | 0.2 |
| Other related companies | 3.4 | 2.7 |
| **Subordinated capital** | **252.8** | **156.0** |
| Parent company | 252.8 | 156.0 |
| **Contingent liabilities** | **0.8** | **0.8** |
| Non-consolidated subsidiaries | 0.8 | 0.8 |
| Other related companies | 0.0 | 0.0 |
| **Other commitments** | **3.5** | **3.7** |
| Non-consolidated subsidiaries | 0.4 | 0.6 |
| Other related companies | 3.1 | 3.1 |

Other commitments only contain irrevocable credit commitments.

**Loans, advances and deposits**

Transactions with related parties include loans, advances and deposits to members of the Board of Management and Supervisory Board of DKB AG as well as members of the Board of Management and Supervisory Board of BayernLB. Loans were granted at standard market conditions and terms.

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Loans and advances[1]** | | |
| Members of the Board of Management of DKB AG | 2.8 | 2.2 |
| Members of the Supervisory Board of DKB AG[2] | 1.0 | 0.9 |
| Members of the Management Board of BayernLB[2] | 0.1 | 0.1 |
| Members of the Supervisory Board of BayernLB | 0.0 | 0.0 |

[1] Multiple responses are possible.
[2] The loans and advances are fully collateralised.

| EUR million | 30 Jun 2016 | 31 Dec 2015 |
|---|---|---|
| **Deposits[1]** | | |
| Members of the Board of Management of DKB AG | 1.8 | 2.1 |
| Members of the Supervisory Board of DKB AG | 2.3 | 2.1 |
| Members of the Management Board of BayernLB | 1.7 | 1.7 |
| Members of the Supervisory Board of BayernLB | 1.6 | 0.6 |

[1] Multiple responses are possible.

Berlin, 3 August 2016

Deutsche Kreditbank AG
The Board of Management

**Stefan Unterlandstättner** **Rolf Mähliß** **Dr Patrick Wilden**

**Tilo Hacke** **Thomas Jebsen**

# Warranty by the Legal Representatives

We declare that, to the best of our knowledge and in accordance with the applicable accounting principles for interim reporting, the interim consolidated financial statements provide a true representation of the Group's net assets, financial position and performance under consideration of the generally accepted accounting principles, and that the interim Group management report presents a true representation of the business performance, including the business result and the position of the Group, and that the significant opportunities and risks of the Group's expected development over the rest of the financial year are described.

Berlin, 3 August 2016

Deutsche Kreditbank AG
The Board of Management

**Stefan Unterlandstättner** **Rolf Mähliß** **Dr Patrick Wilden**

**Tilo Hacke** **Thomas Jebsen**

# Review report

For Deutsche Kreditbank AG, Berlin

We have reviewed the condensed interim consolidated financial statements – consisting of the consolidated balance sheet, consolidated statement of comprehensive income, condensed consolidated cash flow statement, consolidated statement of changes in equity and selected explanatory notes – and the Deutsche Kreditbank AG, Berlin, interim Group management report for the period from 1 January to 30 June 2016, which are part of the half-year financial report pursuant to section 37w of the German Securities Trading Act. Preparation of the condensed interim consolidated financial statements pursuant to the IFRSs applicable to interim financial reporting, as adopted by the EU, and of the interim Group management report in accordance with the provisions of the German Securities Trading Act that apply to interim group management reports is the responsibility of the company's Board of Management. Our task is to submit a review report for the condensed interim consolidated financial statements and the interim Group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim Group management report taking into consideration German generally accepted standards for reviewing financial statements set forth by the Institute of Public Auditors in Germany (German: Institut der Wirtschaftsprüfer or IDW). According to these standards, the review is to be planned and performed in such a manner that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in all material respects, in agreement with the IFRSs applicable to interim financial reporting, as adopted by the EU, and that the interim Group management report has not been prepared, in all material respects, in agreement with the provisions of the German Securities Trading Act that apply to interim group management reports. A review is limited primarily to inquiries of company employees and to analytical assessments and therefore does not provide the assurance that can be obtained in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an audit report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in all material respects, in agreement with the IFRSs applicable to interim financial reporting, as adopted by the EU, or that the interim Group management report has not been prepared, in all material respects, in agreement with the provisions of the German Securities Trading Act that apply to interim group management reports.

Berlin, 3 August 2016
KPMG AG
Wirtschaftsprüfungsgesellschaft

| | |
|---|---|
| Bergmann | Blankenheim |
| Wirtschaftsprüfer | Wirtschaftsprüferin |
| (German Public Auditor) | (German Public Auditor) |

# Disclaimer

Please note that this document is based upon the German Half-year Financial Report 2016 of DKB AG.

The text is a translation for convenience only and not legally binding. In the event of any ambiguity, the German text will prevail. The German Half-year Financial Report 2016 of DKB AG can be downloaded from our website www.dkb.de.

# Contacts and imprint

## Contact us

Deutsche Kreditbank AG
Taubenstraße 7–9
10117 Berlin
info@dkb.de
info@dkb.epost.de
Tel + 49 30 120 300 00
www.dkb.de

**Postal address**
Deutsche Kreditbank AG
10919 Berlin, Germany

Deutsche Kreditbank AG is a BayernLB Group company.

## Contacts

**Press**
Frauke Plaß
Head of Corporate Development
Tel + 49 30 120 30-3600
presse@dkb.de

Dana Wachholz
Press officer
Tel + 49 30 120 30-3610
presse@dkb.de

**Investor Relations**
Thomas Pönisch
Head of Treasury
Tel + 49 30 120 30-2900
zentrale.treasury@dkb.de

**Deutsche Kreditbank AG**
Taubenstraße 7–9
10117 Berlin
Germany

info@dkb.de
info@dkb.epost.de

www.dkb.de

Tel  + 49 30 120 300 00
Fax + 49 30 120 300 01