Erste Abwicklungsanstalt

1 January 2013 to 30 September 2013

# Interim Report

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**Interim Report as at 30 September 2013**

# Table of Contents

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## Interim Report as at 30 September 2013

# Key Figures of EAA

| Income statement in EUR million | 1 Jan.-30 Sep. 2013 | 1 Jan.-30 Sep. 2012 |
|---|---|---|
| Net interest income | 228.2 | 352.6 |
| Net fee and commission income | 148.0 | 118.9 |
| Net trading result | 75.5 | -141.6 |
| Other operating result | -2.9 | -1.1 |
| General administrative expenses | -295.9 | -304.4 |
| Results from financial assets and shareholdings | 3.6 | -131.1 |
| **Results prior to risk provisioning** | **156.5** | **-106.7** |
| Loan loss provisions | -123.5 | 116.2 |
| **Earnings before taxes** | **33.0** | **9.5** |
| Taxes on income and earnings | -0.8 | -3.4 |
| **Earnings after taxes** | **32.2** | **6.1** |

| Balance sheet in EUR billion | 30 Sep. 2013 | 31 Dec. 2012 |
|---|---|---|
| Total assets | 86.1 | 123.3 |
| Business volume | 103.6 | 148.6 |
| Loan transactions | 51.5 | 70.6 |
| Trading portfolio | 31.0 | 48.9 |
| Equity | 0.5 | 0.5 |

| Winding-up | 30 Sep. 2013 | 31 Dec. 2012 |
|---|---|---|
| **Banking book** | | |
| Notional value (before FX effect) in EUR billion | 75.5 | 94.4 |
| Winding-up activities in EUR billion | -18.9 | -32.0 |
| Winding-up activities in % | -20.0 | -25.3 |
| **Trading portfolio** | | |
| Notional value (before FX effect) in EUR billion | 678.6 | 884.8 |
| Winding-up activities in EUR billion | -206.2 | -179.3 |
| Winding-up activities in % | -23.3 | -16.8 |

| Employees | 30 Sep. 2013 | 31 Dec. 2012 |
|---|---|---|
| Number of employees | 121 | 103 |

| Rating | Short-term rating | Long-term rating |
|---|---|---|
| Moody's Investors Service | P-1 | Aa1 |
| Standard & Poor's | A-1+ | AA- |
| Fitch Ratings | F1+ | AAA |

# Foreword

Dear Ladies and Gentlemen,

The European economy fluctuates between a boom in Germany and recession in the Mediterranean countries, the stock exchanges between a bull market and interest fears, and monetary policy between inflation and deflation. In this challenging environment, Erste Abwicklungsanstalt (EAA) continues to achieve sustainable success in winding up its portfolios.

EAA also closes the third quarter of 2013 with a surplus. Overall, EUR 32.2 million were earned in the first nine months of 2013. The net interest income as well as the net fee and commission income together amounted to EUR 376.2 million. The risk provision was once more below expectations at EUR -123.5 million.

The pace in the portfolio reduction shows a decrease in total assets to EUR 86.1 billion as at 30 September 2013. Accordingly, it is 30.2 percent lower than on 31 December 2012. The entire portfolio - including the positions held by subsidiaries or guaranteed by EAA (without trading portfolio) - decreased in notional values from EUR 94.4 billion to EUR 75.5 billion (at the exchange rates of 31 December 2011). In addition, trading assets were reduced from EUR 48.9 billion to EUR 31.0 billion.

Equity amounts EUR 529.1 million and represents an adequate risk buffer based on the present planning, so to ensure our aim to end our work on at break-even.

The real economic development supported the wind-up process, which should continue through the end of the year. EAA is looking ahead with modest optimism for the future.

Sincerely yours,

**Matthias Wargers**
Spokesman
of the Managing Board

**Markus Bolder**
Member
of the Managing Board

**Horst Küpker**
Member
of the Managing Board

# Interim Management Report

## for the period from 1 January 2013 to 30 September 2013

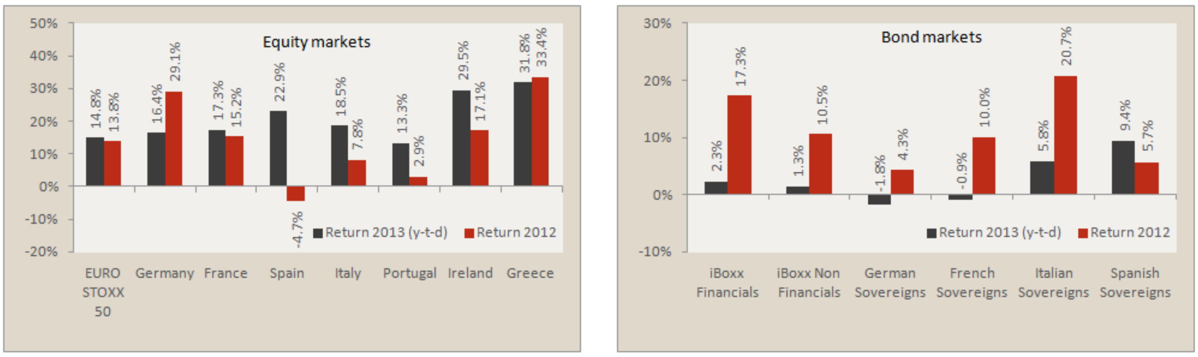
## Business and Framework Conditions

### Economic environment

The political and economic development during the Euro sovereign debt crisis provides an important insight: sometimes a (political) crisis is needed to achieve the necessary structural changes. Political instability and unsustainable constellations over the long term - such as the combination of high public deficit and highly deficitary current account ('twin deficits') - have forced the countries in the Eurozone and their most important common institutions (e.g. the European Central Bank, ECB) to make the required structural changes and implement much-needed reforms.

The perspective of the financial markets regarding this reform process has been largely positive, at the latest since the summer of 2012 - this is at least suggested by the developments of major stock markets and of peripheral bonds from the Eurozone. In Spain, Italy, Greece and Ireland, investors reached by far the most attractive value increase this year. The economically more stable markets of the (semi) core rank second to these. The comparison in government bonds shows a similar development. Because of the rising yields, the traditional 'safe harbours', such as German government bonds (current annual returns of -1.8%) tend to lag well behind the returns that can be earned in the Euro periphery.

**Financial markets in the Eurozone: Positive income development in risky asset classes**




Source: Bloomberg, EAA

Despite these positive developments and trends, the unclear majority situations after the elections in Italy, Portugal's coalition crisis in the summer or the corruption scandal in Spain caused (mostly temporary) increases in risk premiums (yields and spreads) during 2013. As soon as solutions to these problems are on the horizon, such as a forced resignation from office by Senator Silvio Berlusconi, the spread expansions and yield increases tend to reverse again. This also prevents problems of one country from spreading to other Eurozone members (contagion effects). In many respects, the Eurozone and the global economy are in a considerably better situation in 2013 than was the case in 2012 and in previous years.

#### Third Quarter of 2013 in Review

In the summer of 2013 the U.S. Federal Reserve Bank (FED) deemed its extremely expansive monetary policy stance to be no longer appropriate. It communicated this clearly to the financial markets. Especially the direct purchases of U.S. government bonds (monthly investment volume of USD 45 billion) are no longer fitting in the FED's opinion. This is due to the noticeably lower U.S. government budget deficit. The automatic tax increases and spending limits of the fiscal cliff have probably reduced the deficit in 2013 to 4.0% of the gross domestic product (GDP) at the end of 2013 from 7.0% in 2012.

The U.S. government has a correspondingly less pressing need to issue U.S. government bonds. Should, as the Open Market Committee fears, the FED continue to purchase government bonds at the present rate, the purchases would have a stronger than desired effect on the valuation of government bonds and thereby on the prevalent interest and yield level as well as U.S. economic activity. Firstly, the American (equity) markets rose strongly due to the generous amount of liquidity made available by the central bank. This contributes to the fear that the FED's monetary policy might feed future bubbles. Secondly, the intended effect on inflation might be too strong over the medium term, as the U.S. economic development proves to be rather robust as compared to other developed markets. At the end of the fourth quarter of 2013 the jobless rate will be much lower at 7.5% than in January 2012 (8.7%). In the construction sector, the number of new construction starts has increased in August 2012 by about 142,000 units to reach 891,000 units (August 2013). The recovery of real-estate prices also continues strongly. According to the Case-Shiller 20 City Index, real estate prices in the USA rose by 12.4% in July 2013 compared to the previous year. Despite this good development, the FED has not acted on its announcement to return the purchases of U.S. government bonds as of early September 2013 (Labor Day in the U.S.). Apparently there is the fear that the combination of the simmering U.S. budget debate and a reduced stimulus by the FED might weaken the economic recovery of the U.S. economy.

### Eurozone: Light at the end of the tunnel?

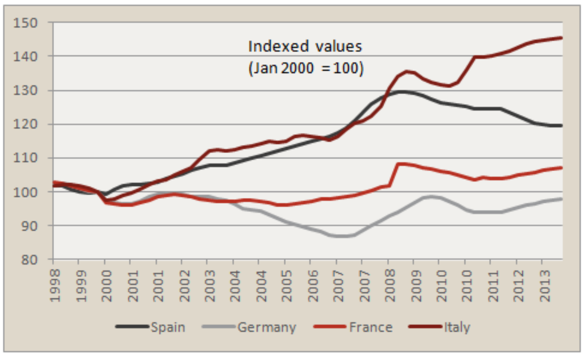
In many national economies of the Eurozone, the lowest point of the recession was reached between the first and second quarters of 2013. According to the estimates of the Spanish Central Bank, economic output grew by 0.1% in the third quarter. Spain is recording a slight gain for the first time in nine quarters. Yet it is not enough to end the overall shrinkage of economic output in the Eurozone. Nonetheless, signs are emerging that the combination of less fiscal consolidation in 2013 and subsequent years, a continued expansive monetary policy, a progressing repair of bank balance sheets and the structural reforms in the states of the Euro periphery might somewhat improve the flow of credit in the real economy. Economic activity in the Eurozone is likely to increase.

Spain rightly receives praise from its European partners and the Troika (European Union [EU], International Monetary Fund [IMF] and the ECB) for its ambitious reform and consolidation program. The implemented pension system reform has prevented a future cost explosion. Initial positive effects on the national budget from this reform are expected as early as in the year 2014. The labour market reforms have raised the efficiency of the Spanish labour market. Initially, the reform resulted in a sharp rise in unemployment. In the first quarter of 2013 the Spanish unemployment rate reached its peak at 27.2%. By the end of the third quarter the rate dropped to 26.0% supported by a good tourism season - which was the first decline apparent since the summer of 2011.

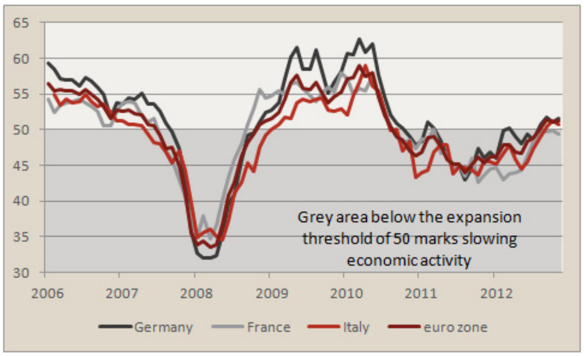
Nonetheless, the tax increases and high employment continue to dampen Spanish consumption, even if the re-alignment of the Spanish growth model seems to be on a good path. This is also shown by the positive development of the Spanish trade balance. At year's end in 2013 the surplus in the trade balance should amount a rounded 1.0% of the GDP. Spain would thereby have earned a surplus for the first time since 1995. This proves the considerable improvement in the competitiveness of the Spanish national economy. Since its peak in 2008 the Spanish unit labour costs fell by a good 8.0%.

Comparable to its large neighbour Spain, Portugal is also showing signs that the worst of the recession might be over. Although 2013 is likely to still show a shrinkage in Portugal's economic output, the very good tourist season in the second quarter has ensured a noticeable increase of the GDP by +1.1% over the previous year quarter. Thus the growth estimate of the Bloomberg consensus for 2013 at -2.0% following -3.25% in 2012 should be clearly too pessimistic.

**Unit labor costs: Improvement in Spain**




**Selected purchasing manager indexes**

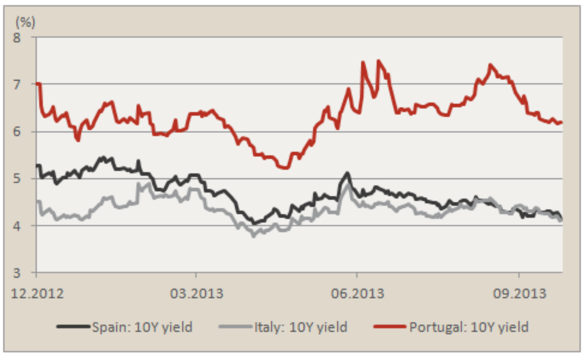


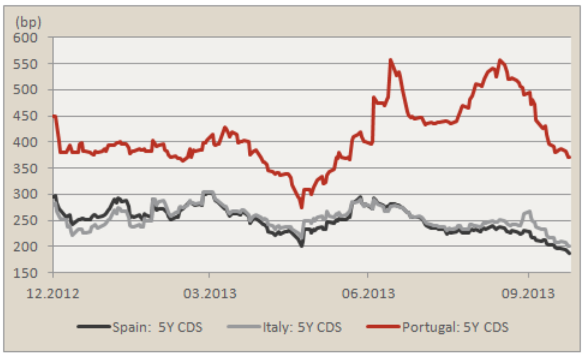

Source: Bloomberg, EAA

The economic situation in Italy is somewhat different. For a long time, the development of Italy was seen as more favourable than in Spain. Therefore, in the beginning of this year there was still a substantial (spread) difference of around 100 basis points (bp) between the ten-year yield of Italy and that of its Spanish counterpart. The reason for this gap was the quick budget consolidation that had been achieved by Italy under the technocratic government of Mario Monti. This advantage was lost again in the course of 2013. A difficult majority situation following the parliamentary elections, a rather late formation of a new coalition government, reversals or shifts of the tax hikes imposed by the new Letta government and an attempted coup d'état by the former Premier Silvio Berlusconi have resulted in a marked worsening of investors' perception of Italy as an investment.

In general, the Letta government is apparently pursuing a slower consolidation and will therefore miss the Maastricht deficit criterion in 2013 (expected deficit in 2013: 3.2%) A positive side effect of the slower pace is that the economic slowdown is slightly losing momentum. After a 2.5% decline in the economic output in 2012 the decline in 2013 will probably be less pronounced at just 1.7%. The Italian economy should not start to expand again before 2014, provided there is relative political stability. However, this development will only be likely if the coalition of social democrats and conservatives imposed by President Giorgio Napolitano proves to be sufficiently stable and provided that new scandals and problems caused by Berlusconi do not materialize.

**The lost advantage: Italy's risk premiums are trading at Spanish level**




Source: Bloomberg, EAA

The revitalization of Spain and Portugal and respectively Italy's slowed down recession, however, continue to have too little effect on the growth pattern of the economically more robust core of the Eurozone. As growth drivers in intra-European trade, these developments are not yet strong enough. Meanwhile it should be noted as a positive aspect that the economic growth in China is indeed easing off, but has stabilized at the level between 7% and 8%. A complete slump in demand for exports and raw materials in China can therefore not be expected in the Eurozone.

In this difficult environment, the economic activity in Germany has regained significant momentum during the year. The German Purchasing Manager Index for the manufacturing sector rose from 46.0 points in December 2012 to 51.5 points in October 2013. It is thus above the expansion threshold of 50 points. Economic activity in Germany seems to have overcome the phase of weakness in the fourth quarter of 2012 and the first half of 2013. Similar signs are reflected by the other confidence indicators of the German economy. In September 2013 the ifo Business Confidence Index rose to 107.7.

The direction of the ECB's monetary policy is and remains extremely expansive in this volatile environment. It thereby makes its contribution to the stabilization of the monetary union and supports the banks in the eurozone. Bank holdings of periphery government bonds bought with the liquidity of long-term tenders (LTRO) were made even more profitable, owing to the two cuts in interest rates this year to its current historic low of 0.25%. A tightening of the monetary policy is therefore not expected in 2013 and the coming years, and is ruled out by the ECB until the summer of 2015.

### Outlook: Gradual acceleration in the second half of the year

With the Outright Monetary Transactions Program (OMT Program), i.e. the ECB's announcement to purchase EUR government bonds, the ECB has almost fully restored the confidence in EUR government bonds of the periphery. That said, the debt crisis, the political problems of the eurozone and the required structural reforms are still the important drivers of the development of governmental and private finances. However, the contagion risk in the case of a further escalation of the crisis - much like the attempted coup by Berlusconi - are kept at bay by the OMT. The volatility of macro-economic indicators and financial markets data should also continue to ease off in the eurozone in the fourth quarter of 2013 and in 2014.

### Real Economic Development

Despite the drastic reduction of the U.S. budget deficit in 2013 of 4.0% from 7.0% of the GDP in 2012, the U.S. economy is growing at a rather brisk 1.6% this year. In the next year, the USA will reach nearly potential growth with an expected expansion of 2.6%. Due to the still unresolved budget conflict between Republicans and Democrats, U.S. economic activity will be muted, but will be moving in a positive direction. The improved situation in the construction and housing market and the rising employment figures set positive growth impulses, which overcompensate the effect of the automatic cuts in government spending and the tax increases. Still, the U.S. labour market remains under pressure. The unemployment rate is falling very slowly, which leads to manageable inflation pressures.

The low inflation pressure, continued muted economic growth when measured by historical standards and a slowly declining unemployment rate deliver the needed arguments to the FED for continuing its low-interest policy. According to the self-imposed commitment of the FED, a recovery in interest rates is not on the table in 2014. Nonetheless, as shown in the FED Open Market Committee (FOMC) minutes and in statements by FOMC members, the FED intends and will take initial measures in 2014 to reduce the use of extraordinary measures in its monetary policy. Depending on how quickly Democrats and Republicans can agree on a settlement or a longer postponing of the simmering budget dispute, the FED is likely to restrict its purchases of U.S. government bonds as early as in the first quarter of 2014.

### Important macro-economic forecasts in summary

| | Key economic indicators | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Growth (%) | | Inflation (%) | | Unemployment (%) | | Budget balance (% GDP) | |
| | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 |
| USA | 1.6 | 2.6 | 1.5 | 1.9 | 7.5 | 6.9 | -4.1 | -3.6 |
| Euro zone | -0.3 | 1.0 | 1.5 | 1.5 | 12.1 | 12.1 | -3.0 | -2.6 |
| Core & semi core | | | | | | | | |
| Germany | 0.5 | 1.7 | 1.6 | 1.8 | 6.8 | 6.7 | 0.0 | 0.0 |
| France | 0.1 | 0.9 | 1.1 | 1.6 | 11.0 | 10.9 | -4.1 | -3.6 |
| Periphery | | | | | | | | |
| Greece | -4.0 | -0.4 | -0.6 | -0.4 | 27.6 | 28.2 | -4.3 | -3.6 |
| Ireland | 0.4 | 1.9 | 0.8 | 1.3 | 13.6 | 13.0 | -7.5 | -4.8 |
| Portugal | -2.0 | 0.2 | 0.5 | 1.0 | 17.7 | 17.9 | -5.9 | -4.5 |
| Spain | -1.4 | 0.6 | 1.7 | 1.1 | 26.5 | 26.3 | -6.6 | -6.0 |
| Italy | -1.7 | 0.5 | 1.5 | 1.4 | 12.1 | 12.4 | -3.2 | -2.7 |
| Emerging Markets | | | | | | | | |
| Asia | 6.4 | 6.3 | 2.9 | 4.0 | 4.0 | 4.0 | -1.8 | -2.1 |
| Latin America | 2.6 | 3.2 | 7.5 | 7.4 | 6.2 | 6.2 | -2.6 | -2.6 |
| Eastern Europe & Africa | 2.1 | 3.0 | 5.4 | 4.8 | 9.1 | 9.1 | -2.0 | -1.9 |
| BRIC countries | | | | | | | | |
| Brazil | 2.4 | 2.5 | 6.1 | 5.9 | 5.6 | 5.8 | -3.1 | -3.3 |
| Russia | 1.9 | 2.8 | 6.6 | 5.4 | 5.5 | 5.6 | -0.5 | -0.7 |
| China | 7.6 | 7.4 | 2.7 | 3.2 | 4.1 | 4.1 | -2.0 | -2.0 |
| India | 5.1 | 4.7 | 6.1 | 9.2 | NA | NA | -5.2 | -5.1 |

Source: Bloomberg, EAA

Between 2013 and 2014 there are notable differences in the eurozone in terms of economic development. While the states of the (semi) core will grow modestly at best, the peripheral states of the Eurozone will remain in recession. Germany will achieve meagre positive growth of 0.5% in 2013. In 2014 the situation will improve, fostered by a recovery of global economic activity. Only Greece is expected to stay in recession in 2014. In contrast to the states of the Euro periphery and France, Germany should thus emerge from the crisis relatively unscathed.

Spain's economy is likely to grow by a favourable 0.6% in 2014, due to its improved competitiveness. Ahead of any real growth spurt in Spain, further progress will however be needed in the recovery of the Spanish financial system. Spanish banks remain burdened by continuously falling housing prices and are therefore exercising restraint in their lending to Spanish businesses and households. Portugal is also likely to reach a turning point in 2014, whereas Italy will probably continue to suffer from the consequences of the euro debt crisis during 2013. The economic output of Italy is expected to fall by 1.7% in 2013. Only at the change of the year 2013/2014 will Italy emerge from the recession and return to very weak growth of around 0.5% in 2014.

## Financial Markets Outlook 2013

In terms of the real economy, the signs in the global economy continue to be set on recovery - growth, but at a very slow pace. This is reflected in the relatively low economic growth rate of the Eurozone and in a further improvement of the fundamental data. That said, risk premiums for government bonds of the Euro periphery will continue to drop in 2014 while there are modest gains in yields of German and U.S. government bonds. The yield on ten-year federal bonds should be at a good 2.0% at year's end 2013, while the yield of the U.S. government bonds will probably be 2.8%. The driver of the rise in yields is the increased economic activity at the end of 2013.

**Key financial markets in summary**

| | Fixed income markets 2013 | | |
|---|---|---|---|
| | Policy rate (%) | 2Y yield (%) | 10Y yield (%) |
| USA | 0.25 | 0.40 | 2.80 |
| Euro zone | 0.25 | 0.30 | 1.90 |
| Core & semi core | | | |
| Germany | 0.25 | 0.30 | 1.90 |
| France | 0.25 | 0.50 | 2.60 |
| Periphery | | | |
| Spain | 0.25 | 3.50 | 4.40 |
| Italy | 0.25 | 1.90 | 4.60 |

Source: Bloomberg, EAA

As the periphery economies also continue to stabilize, the risk premiums compared to the German federal bonds should drop further. However, this development will occur in waves. Before the scheduled dates for the Troika reviews of the countries or during phases of heightened political insecurity, spreads and yields of periphery bonds will increase. However, the OMT Program, also referred to as Draghi Put, is likely to successfully limit the fluctuations in these phases. Very little change is expected to occur in the euro/dollar exchange rate. At the end of 2013, the exchange rate will be around 1.30 to 1.35 USD/EUR. This is caused on the one hand by the rather small growth differences between the Eurozone and the USA. On the other hand, the monetary policy in both economic zones is extremely expansive, so that no reason for pronounced strength or weakness of one or the other currency is apparent at this time.

## Operating activities of EAA

EAA is winding up the risk exposures taken over by former WestLB AG (WestLB, now Portigon AG [Portigon]) and its domestic and foreign subsidiaries as well as their non-strategic business units to minimize losses. This serves to stabilize the entire financial market in Germany.

It manages its business according to commercial and economic principles in consideration of its winding-up objectives. It is not deemed a credit or financial services institution as defined by the German Banking Act (Kreditwesengesetz), or as a securities services company as defined by the German Securities Trading Act (Wertpapierhandelsgesetz) or as an insurance company as defined by the German Insurance Supervision Act (Versicherungsaufsichtsgesetz). It conducts no transactions that require approval according to the Directive 2006/48/EC of the European Parliament and the Commission dated 14 June 2006 or Directive 2004/39/EC of the European Parliament and the Commission dated 21 April 2004 regarding the change of Directives 85/611/EEC and 93/6/EEC of the Commission and Directive 2000/12/EC of the European Parliament and the Commission and regarding the repeal of Directive 93/22/EEC of the Commission in their respectively valid versions.

EAA is subject to the regulatory supervision by the Federal Market Stabilization Authority (FMSA). It is also subject to the regulation by the Federal Authority for Financial Services Supervision (Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin) according to Sec. 8a para. 5 of the Financial Market Stabilization Fund Act (FMStFG) with regard to individual bank supervisory provisions.

The central foundation of EAA's work is defined in Sec. 8a FMStFG, its charter, the bylaws of the Supervisory Board and its committees, of the Managing Board and the wind-up and risk strategy. Following the principle of risk minimization and a conservative economic orientation, a wind-up plan was prepared by Portigon for EAA's respective fillings, which was then approved by the FMSA.

The wind-up plan was prepared with the aim to avoid subsequent capital contributions. This plan is reviewed at least once per year by EAA and adjusted upon the approval from the FMSA in order to take changing conditions - for example, current market developments - into account. The wind-up plan describes the intended wind-up activities of EAA by classifying asset positions into sub portfolios (clusters) and standard strategies, and contains a schedule for the wind-up of assets. Coming into consideration as wind-up channels is the sale before maturity, holding or restructuring of positions. In the wind-up reports, EAA regularly informs the FMSA, its Supervisory Board and shareholders about the progress of the winding up, and about the implementation of the wind-up plan, while also documenting the wind-up result.

Shareholders in the registered capital of EAA are the State of North Rhine-Westphalia (NRW) with approximately 48.2%, Rheinische Sparkassen- und Giroverband (RSGV) and Sparkassenverband Westfalen-Lippe (SVWL), each with approximately 25%, as well as Landschaftsverband Rheinland (LVR) and Landschaftsverband Westfalen-Lippe (LWL), each with approximately 0.9%.

The governing bodies of EAA are the Managing Board, the Supervisory Board and the Stakeholders' Meeting.

The Managing Board of EAA is composed of three members. They are appointed by the Supervisory Board with the approval from the FMSA for at most four years; a reappointment is permitted. The Management Board conducts the business of EAA and represents it in and out of court.

The Supervisory Board is composed of twelve members. Eleven members are appointed by the Stakeholders' Meeting. One member, acting on behalf of the Financial Market Stabilization Fund (FMS), is delegated from the FMSA. The members elect one chairperson and one deputy chair upon proposal by NRW. The Supervisory Board advises the Managing Board of EAA and monitors its business management; in addition, it also has further responsibilities, which are assigned to EAA by the charter.

The Stakeholders' Meeting is composed of one representative each for the shareholders in the registered capital. The responsibilities of the Stakeholders' Meeting include the approval of the annual financial report for EAA.

## Wind-up Report

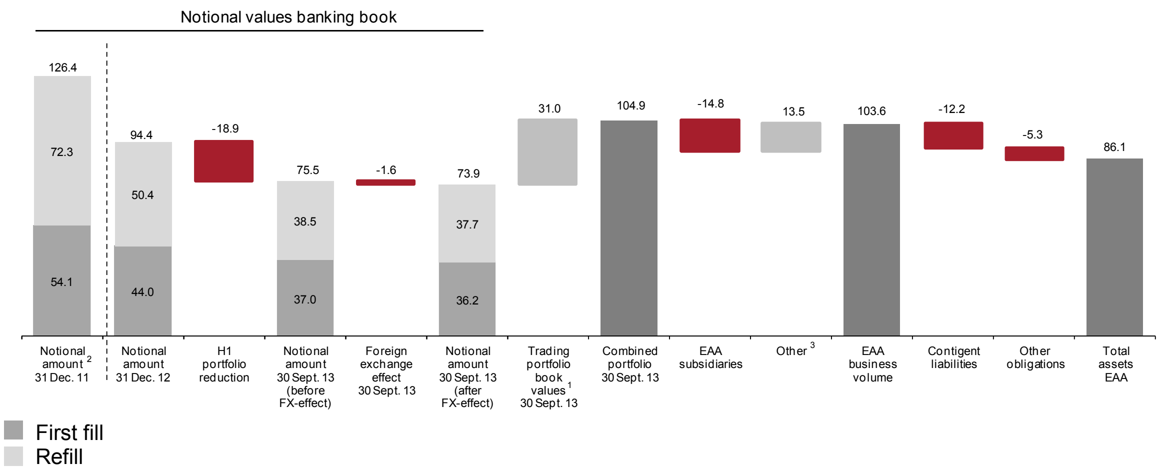
The figures and developments discussed in this chapter are regularly reported to the FMSA as part of its supervision of the EAA, as well as to the EAA’s supervisory bodies. They pertain to the entire risk portfolio transferred to the EAA, regardless of whether these figures are recorded on or off balance sheet in the EAA’s single-entity financial statements or whether they are held via subsidiaries (look-through approach).

As of 30 September 2013 the notional volume of the banking book portfolio (first and refill) amounts to EUR 75.5 billion (at exchange rates as of 31 December 2011). It was reduced by EUR 18.9 billion in the first three quarters of 2013. Since 1 January 2012, the combined banking book portfolio decreased by EUR 50.9 billion or 40.3%.

The trading portfolio as of 30 September 2013 amounts to notional EUR 678.6 billion. Overall, the notional volume of the trading portfolio was reduced by EUR 206.2 billion (at exchange rates as of 30 June 2012) in the first three quarters of 2013. Since its transfer, the trading portfolio has declined by EUR 385.4 billion or 36.2%.

The development of the portfolio's notional amounts since 1 January 2013 and the reconciliation into the balance sheet of EAA as of 30 September 2013 are shown in the following overview:

**Reconciliation of the transferred notional volume to the balance sheet as of 30 September 2013**
in EUR billion




[1] Statement according to book values for trading assets
[2] Statement for refilling, adjusted for WestImmo Retail Portfolio already transferred in the course of the first filling
[3] Contains money market transactions, cash collateral and other assets not relevant for the winding-up portfolio

According to EAA's management logic, the wind-up success is assessed by the reduction of the notional volume before exchange rate effects (meaning at constant exchange rates as of 31 December 2011 for the banking book and respectively as of 30 June 2012 for the trading portfolio), as well as in terms of business plan impacts. This involves taking into account the sales proceeds, book values, expected losses, interest income and scheduled funding costs for these risk positions.

In the first three quarters of 2013, EAA has achieved a positive business plan impact of EUR 8.1 million from sales and early repayments from the entire banking book portfolio. Measures in the Energy, NPL, Equity Mezzanine and Structured Securities portfolios have contributed to this result.

A positive business plan impact of EUR 2.3 million was generated for the trading portfolio during the first three quarters of 2013.

## Wind-up success

### Wind-up success in the banking book

From 1 January 2013 to 30 September 2013 the banking book's notional volume was reduced to EUR 75.5 billion from EUR 94.4 billion as of 31 December 2012 (at exchange rates as of 31 December 2011, including the notional values of guaranteed risk positions and those held by the subsidiaries of EAA). This is equivalent of a notional reduction of EUR 18.9 billion (20.0%) in the first three quarters of 2013. The volume at current exchange rates as of 30 September 2013 amounts EUR 73.9 billion.

| | Notional volume (at exchange rates as of 31 Dec. 2011) | | | | Notional volume (at exchange rates as of 30 Sept. 2013) | |
|---|---|---|---|---|---|---|
| **Clusters** | **Notional 30 Sept. 2013 EUR million** | **Notional 31 Dec. 2012 EUR million** | **Delta to 31 Dec. 2012 EUR million** | **in %** | **Notional 30 Sept. 2013 EUR million** | **FX effect[1] EUR million** |
| Structured Securities | 21,860 | 25,806 | -3,946 | -15.3 | 21,251 | -609 |
| WestImmo Commercial | 11,809 | 15,908 | -4,099 | -25.8 | 11,766 | -43 |
| Public Finance | 8,013 | 9,248 | -1,235 | -13.4 | 7,896 | -117 |
| NPL | 6,608 | 6,957 | -349 | -5.0 | 6,399 | -209 |
| Energy | 6,526 | 7,573 | -1,047 | -13.8 | 6,381 | -145 |
| Industrials | 3,868 | 6,075 | -2,207 | -36.3 | 3,814 | -54 |
| Other clusters | 16,832 | 22,865 | -6,033 | -26.4 | 16,353 | -479 |
| **EAA (banking book) total** | 75,516 | 94,432 | -18,916 | -20.0 | 73,860 | -1,656 |

[1] Change in notional volume due to exchange rate effects

The banking book recorded a considerable reduction in the Structured Securities, WestImmo Commercial and Industrials clusters during the first three quarters of 2013. The notional reduction in the cluster Structured Securities is essentially due to partial repayments of the Phoenix A1 (EUR and USD), B and X notes. The decline in the WestImmo Commercial cluster was caused by the transfer of WIB Real Estate Finance K.K. (WIB KK) to EAA. WIB KK changed its company name to EAA Japan K.K. (EAA KK) in the third quarter. The portfolio of EAA KK with a notional volume of EUR 0.6 billion (at exchange rates on 31 December 2011) is now largely reported in the Real Estate cluster (under Other Clusters).

### Wind-up success in the trading portfolio

| | Notional volume (at exchange rates as of 30 June 2012) | | | | Notional volume (at exchange rates as of 30 Sept. 2013) | |
|---|---|---|---|---|---|---|
| **Clusters** | **Notional 30 Sept. 2013 EUR million** | **Notional 31 Dec. 2012 EUR million** | **Delta to 31 Dec. 2012 EUR million** | **in %** | **Notional 30 Sept. 2013 EUR million** | **FX effect[1] EUR million** |
| Rates | 661,347 | 851,603 | -190,256 | -22.3 | 643,520 | -17,827 |
| Credit | 2,410 | 12,407 | -9,997 | -80.6 | 2,356 | -54 |
| FX | 480 | 2,161 | -1,681 | -77.8 | 463 | -17 |
| Equity | 13,773 | 18,084 | -4,311 | -23.8 | 13,484 | -289 |
| Other clusters | 612 | 519 | 93 | 18.0 | 583 | -29 |
| **EAA (trading portfolio) total** | 678,622 | 884,774 | -206,152 | -23.3 | 660,406 | -18,216 |

[1] Change in notional volume due to exchange rate effects

The notional volume of the trading portfolio represents the business volume underlying the derivatives and is not determined by the exposure at risk.

In the first three quarters of 2013, the notional volume of the trading portfolio was reduced by a total of EUR 206.2 billion (at exchange rates as of 30 June 2012) essentially due to maturities and active management. The main driver of the reduction was the Rates cluster with a volume of EUR 190.3 billion. The notional volume of the remaining clusters decreased by EUR 15.9 billion. The reduction of EUR 7 billion in the Credit cluster results from the sale of the Basket Default Portfolio. Inter alia, the volume of the Rates cluster was lowered by offsetting opposite positions with the same counterparties (approximately EUR -55.5 billion). The wind-up success stated here is adjusted by an FX effect of around EUR -18.2 billion.

## The EAA's overall situation

### Earnings situation

The earnings situation of the EAA in the first three quarters of 2013 is largely characterized by the positive net interest income of EUR 228.2 million, the net fee and commission income of EUR 148.0 million as well as the net trading result of EUR 75.5 million. The administrative expense amounts to EUR 295.9 million and primarily consists of expenditures in the amount of EUR 239.0 million for the provision of services by Portigon.

Expenditures of EUR 123.5 million resulted from additions to the loan loss provision.

In the following, the income statement is presented in the way as it is used for internal control purposes.

**Income statement for the period 1 January until 30 September 2013**

| | 1 Jan. - 30 Sep.2013 | 1 Jan. - 30 Sep. 2012 | Delta | |
|---|---|---|---|---|
| | EUR million | EUR million | EUR million | in % |
| Net interest income | 228.2 | 352.6 | -124.4 | -35.3 |
| Net fee and commission income | 148.0 | 118.9 | 29.1 | 24.5 |
| Net trading result | 75.5 | -141.6 | 217.1 | >100.0 |
| Total other operating income/expenses | -2.9 | -1.1 | -1.8 | >-100.0 |
| Personnel expenses | -13.3 | -8.8 | -4.5 | -51.1 |
| Other administrative expenses | -282.6 | -295.6 | 13.0 | 4.4 |
| of which: expenses for service level agreements with Portigon | -239.0 | -246.3 | 7.3 | 3.0 |
| Net income from investment securities and long-term equity investments | 3.6 | -131.1 | 134.7 | >100.0 |
| **Results prior to risk provisioning** | **156.5** | **-106.7** | **263.2** | **>100.0** |
| Loan loss provisions | -123.5 | 116.2 | -239.7 | >-100.0 |
| **Earnings before taxes** | **33.0** | **9.5** | **23.5** | **>100.0** |
| Taxes on income and earnings | -0.8 | -3.4 | 2.6 | 76.5 |
| **Net profit of the year** | **32.2** | **6.1** | **26.1** | **>100.0** |
| Net retained losses brought forward | -2,519.3 | -2,525.9 | 6.6 | 0.3 |
| Net retained losses | -2,487.1 | -2,519.8 | 32.7 | 1.3 |

## Financial situation and issuing activities

The outstanding issued bearer bonds, registered bonds, promissory note loans and commercial papers - primarily in EUR, USD and GBP - amounts EUR 48.9 billion. These include the global Commercial Paper Program with a notional volume equivalent to EUR 8.1 billion.

In the period from 1 January to 30 September 2013, new issuance as part of the Euro Medium Term Notes Program - foremost in bearer bond format - have been concluded in the amount of EUR 2.6 billion, of which an equivalent of EUR 1.6 billion has been denominated in USD. Furthermore EUR 0.2 billion in promissory note loans have been issued.

As part of the global Commercial Paper Program a notional volume equivalent to around EUR 7.6 billion was issued as a replacement for due transactions.

As of 30 September 2013 the holdings in securities that have been redeemed in the scope of the liquidity management amounted to around EUR 447.3 million. These are securities with short-term residual maturity.

In the liquidity stress test, EAA maintained a net liquidity above the minimum threshold at all times in the period from 1 January to 30 September 2013.

### Financial situation

**Assets**

| | 30 Sep. 2013 | 31 Dec. 2012 | Delta | |
|---|---|---|---|---|
| | EUR billion | EUR billion | EUR billion | in % |
| Cash reserve | 0.0 | 2.5 | -2.5 | -100.0 |
| Loans and advances to banks | 16.4 | 22.6 | -6.2 | -27.4 |
| Loans and advances to customers | 17.6 | 22.7 | -5.1 | -22.5 |
| Securities (no trading portfolio) | 18.7 | 24.3 | -5.6 | -23.0 |
| Trading portfolio | 31.0 | 48.9 | -17.9 | -36.6 |
| Long-term equity investments and shares in affiliates | 1.9 | 1.9 | 0.0 | 0.0 |
| Other assets | 0.5 | 0.4 | 0.1 | 25.0 |
| **Total assets** | **86.1** | **123.3** | **-37.2** | **-30.2** |

**Liabilities and equity**

| | 30 Sep. 2013 | 31 Dec. 2012 | Delta | |
|---|---|---|---|---|
| | EUR billion | EUR billion | EUR billion | in % |
| Deposits from banks | 6.6 | 7.8 | -1.2 | -15.4 |
| Deposits from customers | 7.3 | 7.5 | -0.2 | -2.7 |
| Debt securities in issue | 40.4 | 57.7 | -17.3 | -30.0 |
| Trading portfolio | 30.9 | 48.9 | -18.0 | -36.8 |
| Provisions | 0.3 | 0.4 | -0.1 | -25.0 |
| Other liabilities | 0.1 | 0.5 | -0.4 | -80.0 |
| Equity | 0.5 | 0.5 | 0.0 | 0.0 |
| **Total liabilities and equity** | **86.1** | **123.3** | **-37.2** | **-30.2** |
| Contingent liabilities | 12.2 | 19.7 | -7.5 | -38.1 |
| Other obligations/loan commitments | 5.3 | 5.6 | -0.3 | -5.4 |
| **Business volume** | **103.6** | **148.6** | **-45.0** | **-30.3** |

The total assets of EAA as of 30 September 2013 amount to EUR 86.1 billion (previous year: EUR 123.3 billion). The business volume, which includes off-balance sheet components, is at EUR 103.6 billion (previous year: EUR 148.6 billion).

Loans and advances to banks decreased by EUR 8.7 billion as of 30 September 2013 compared to the end of the previous year with consideration of cash reserve in the amount of EUR 2.5 billion, primarily due to the active liquidity management and the successful wind-up work.

The reduction of loans and advances to customers compared to the end of the previous year reflects the wind-up success in the first three quarters of 2013. A decrease caused by repayments can be recorded in securities.

A substantial part of the total asset reduction is due to the reduction of trading assets in the amount of EUR 17.9 billion.

Please refer to the 'Wind-up Report' section for further explanations on the changes.

**Lending business**

The lending business consists of receivables, payment obligations from irrevocable loan commitments, sureties and guarantees. Furthermore included in contingent liabilities are the risk positions of Portigon, which were transferred using the 'guarantee' alternative. Among the receivables are also bearer and other non-negotiable debentures. In addition, time deposits and loans secured by mortgages of the retail business are included in receivables.

**Lending business**

| | 30 Sep. 2013 | 31 Dec. 2012 | Delta | |
|---|---|---|---|---|
| | EUR billion | EUR billion | EUR billion | in % |
| Loans and advances to banks | 16.4 | 22.6 | -6.2 | -27.4 |
| Loans and advances to customers | 17.6 | 22.7 | -5.1 | -22.5 |
| Contingent liabilities | 12.2 | 19.7 | -7.5 | -38.1 |
| Other obligations/loan commitments | 5.3 | 5.6 | -0.3 | -5.4 |
| **Lending business** | **51.5** | **70.6** | **-19.1** | **-27.1** |

## Summary of the business situation

The disclosure of a positive net profit is, as shown, due to the wind-up success. The net interest income and the net fee and commission income were used to fund expenses of the operational business.

The financial status of EAA is in good order. The equity as of 30 September 2013 amounts EUR 529.1 million. Adequate liquidity was available at all times.

## Risk Report

The common objective of the shareholders, the FMS and EAA is to minimize the strategic wind-up risk. EAA has made further progress in the implementation of the wind-up plan during the reporting period. The centre of the wind-up activity during the period was to continue the reduction of the risk portfolio taken over by Portigon and to mitigate risks.

The portfolios transferred in 2012 in the course of the refill were integrated in the already existing and functioning management modules. Risk management was adjusted to satisfy the additional requirements for the wind-up of a trading portfolio.

The figures and developments discussed in this chapter are regularly reported to the FMSA as part of its supervision of the EAA. They relate to the entire risk portfolio transferred to the EAA, regardless of whether these figures are recorded on or off the balance sheet in the EAA's single-entity financial statements or whether they are held via subsidiaries (look-through approach).

### Organization of Risk Management

The Managing Board determines the principles of the risk policy and the risk controlling function and discusses these with the Risk Management Committee of the Supervisory Board. Upon recommendation by the Risk Management Committee, the Supervisory Board decides on the principles of the risk policy contained in the risk strategy.

The overall risk management strategy constitutes the framework for the risk management framework. It contains principles of risk management, defines the relevant risk categories and names key elements of the risk management processes. The overall strategy is supplemented by specific individual risk strategies, including the wind-up strategies related thereto. The main individual strategies are established for the risk classes of credit, market price, liquidity, operational and other risks.

The Market Risk Management department assumed the risk controlling function as defined by the Minimum Requirements for Risk Management (MaRisk) in the second quarter of 2013 and was renamed into 'Risk Controlling'. It is responsible for the independent monitoring and communication of EAA's risks, whereby it specifically assumes the following tasks:

- supporting management in all questions relating to risk policy, especially in the development and implementation of the risk strategy, as well as in the organization of a system for mitigating risks;
- conducting a risk inventory and preparing the overall risk profile; and
- supporting management in the establishment and continued development of the risk management and risk controlling processes.

The Credit Risk Management department comprises the back office function in the lending business as defined by MaRisk. Notably this department has loan approval authority. The Risk Controlling department is responsible for market price and liquidity risks as well as for operational risks. The two aforementioned departments monitor and analyze the risk positions and the utilization of the limits and will initiate risk minimizing measures if necessary.

## Risk Reporting

Risks can only be controlled and monitored sustainably if they are transparent and if the underlying analysis results are processed and communicated in a manner conducive for decisions. Accordingly, in particular the risk reporting function is among the key tasks of Risk Controlling, which fulfils this responsibility together with the Controlling & Planning department. As such, the FMSA, the responsible committees, the Managing Board and the Supervisory Board as well as its committees, are informed regularly about all developments relevant for risk and returns. Risk reporting is an integral part of the monthly wind-up report.

The Managing Board regularly informs the Supervisory Board and its committees as to the current wind-up and overall risk situation of EAA by means of wind-up reports and separate risk reporting that is adapted to the informational needs of the committees.

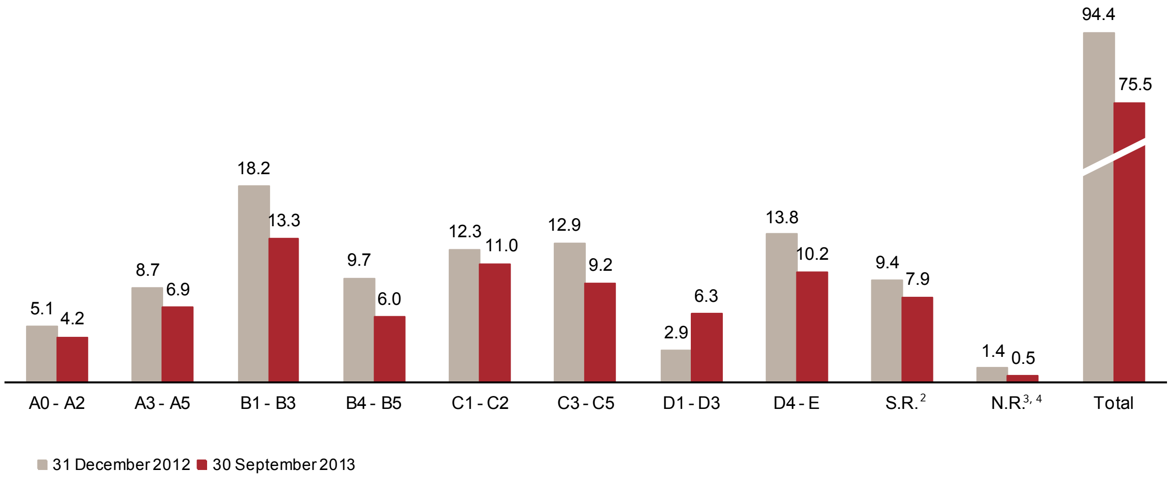
## Credit Risks

### Credit risks in the banking book

The notional volume of the banking book portfolio (essentially consisting of loans and securities) declined within the first three quarters of 2013 by EUR 18.9 billion to EUR 75.5 billion (at constant exchange rates as of 31 December 2011). Relative to the total banking book portfolio, EAA itself holds (or guarantees) 71% of the notional volume, while the remaining 29% is attributed to the subsidiaries. Detailed information on the wind-up success is provided in the section 'Wind-up Report'.

The following presentations show the notional volumes held by the subsidiaries EAA Covered Bond Bank Plc, Dublin (EAA CBB), Westdeutsche ImmobilienBank AG, Mainz (WestImmo), EAA KK as well as Basinghall using a look-through approach.

**Breakdown of the notional volumes by internal rating categories**
in EUR billion[1]




[1] Without consideration of exchange rate effects (based on exchange rates on 31 December 2011)
[2] Special rating according to the non-rating concept
[3] Not rated
[4] Of which EUR 0.34 billion are in-house securities repurchased from WestImmo
Note: The presentation by internal rating categories is based - insofar as available - on the rating of the guarantor.

The quality of the entire banking book portfolio is reflected, among other aspects, in an investment grade share (rating categories A0-C2) of approximately 55% (31 December 2012: 57%). About 15% (31 December 2012: 15%) of the notional volume has a very good rating (A0-A5) and approximately 40% (31 December 2012: 42%) is attributed to the medium rating categories B1-C2. EAA continues to strive for a reduction of the portfolio across all rating classes.

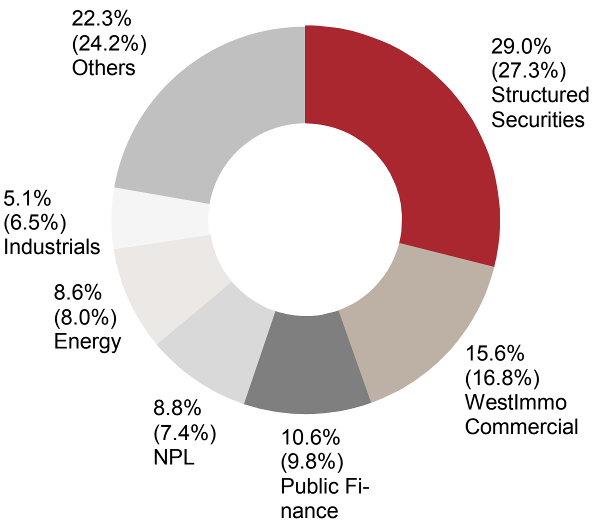
Overall, the reduction in the first three quarters of 2013 is divided evenly across all rating categories. The reduction in the category B1-B3 is primarily due to the partial repayments of the Phoenix A1 note. There was a shift from the rating category D4-E to the rating category D1-D3, which was caused by the rating improvement of the Phoenix A2 note (EUR 2.6 billion) from D4 to D3. In addition, there were rating improvements in transactions from non-EU states in Europe, which have led to a shift from C3-C5 to C1-C2.

The S.R. category includes the opening clauses for the rating process, the non-rating concept of EAA. The remaining N.R. category essentially comprises positions of the WestImmo Commercial portfolio.

The reconciliation of internal to external ratings is shown in the following table:

| INTERNAL | EXTERNAL | | | |
|---|---|---|---|---|
| **EAA** | **Moodys** | **S&P** | **Fitch** | |
| A0 | Aaa | AAA | AAA | |
| A1 | Aaa | AAA | AAA | |
| A2 | Aa1 | AA+ | AA+ | |
| A3 | Aa2 | AA | AA | |
| A4 | Aa3 | AA- | AA- | |
| A5 | A1 | A+ | A+ | |
| B1 | A1 | A+ | A+ | Investment Grade |
| B2 | A2 | A | A | |
| B3 | A3 | A- | A- | |
| B4 | Baa1 | BBB+ | BBB+ | |
| B5 | Baa1 | BBB+ | BBB+ | |
| C1 | Baa2 | BBB | BBB | |
| C2 | Baa3 | BBB- | BBB- | |
| C3 | Ba1 | BB+ | BB+ | |
| C4 | Ba2 | BB | BB | |
| C5 | Ba3 | BB- | BB- | |
| D1 | B1 | B+ | B+ | |
| D2 | B2 | B | B | Non-Investment Grade |
| D3 | B2 | B | B | |
| D4 | B3 | B- | B- | |
| D5 | Caa1 bis C | CCC+ bis C | CCC+ bis C | |
| E | C | C | C | |

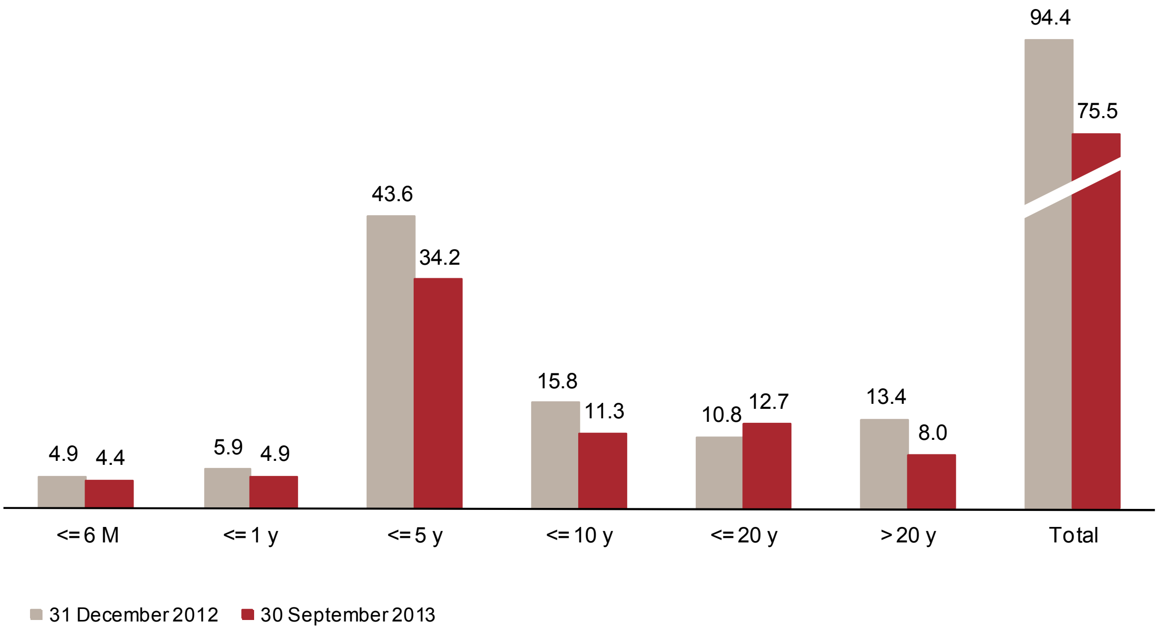
**Breakdown of notional volume by headline clusters as of 30 September 2013**
100% = EUR 75.5 billion[1]
(in parentheses: values as of 31 December 2012)




[1] Without consideration of exchange rate effects

EAA's banking book portfolio consists of 19 headline clusters. The largest headline cluster is Structured Securities with a total share of 29%. This portfolio consists of the three sub-portfolios Phoenix (65% - more details on this are contained in the section 'Phoenix'), Asset Backed Securities (26%) and EUSS (9%). The WestImmo Commercial portfolio accounts for approximately 16% of the total portfolio.

**Breakdown of notional volumes by maturities**[1]
in EUR billion[2]



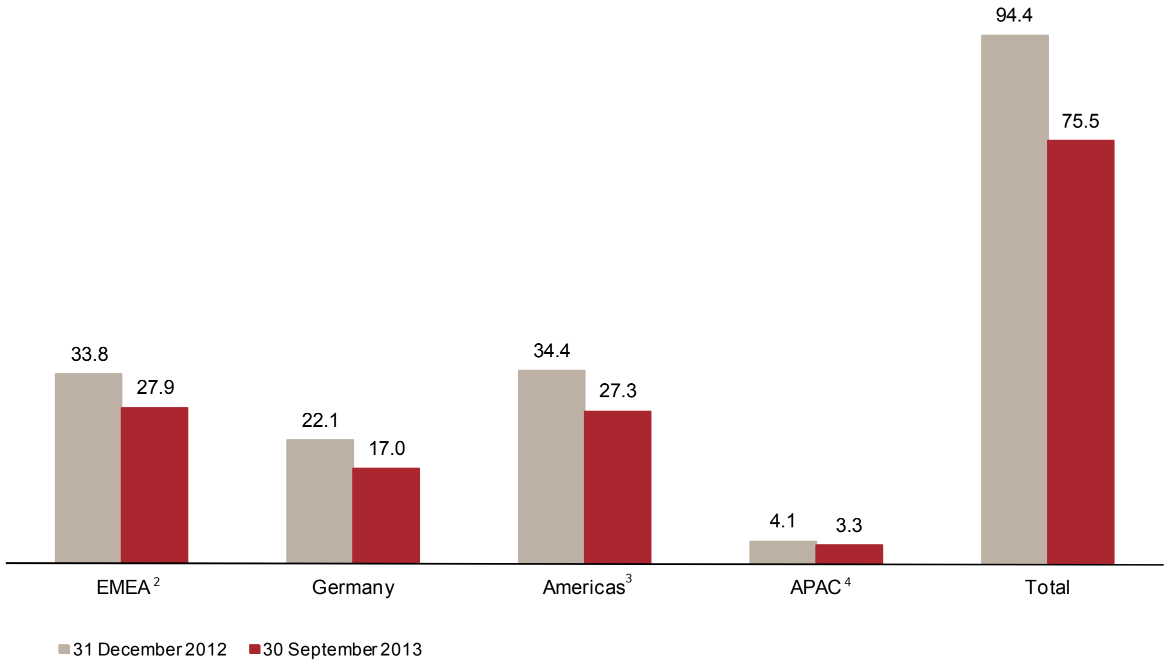

[1] For Phoenix: expected repayment profile
[2] Without consideration of exchange rate effects (based on exchange rates on 31 December 2011)

Medium term exposures with maturities of one to five years represent a share of approximately 45% of the total portfolio. These are primarily exposures held in the Structured Securities cluster (largely Phoenix, also see the table 'Capital Structure Phoenix Notes' in the 'Phoenix' section), and the WestImmo Commercial, NPL, Industrials and Public Finance clusters. Approximately 11% of the exposures in the banking book have a maturity of more than 20 years

The increase in maturities of up to 20 years results from the shift of the Phoenix A4 USD note as well as certain Public Finance and Energy positions with maturities of more than 20 years. The decrease in the maturity range of up to ten years is mainly caused by the shift of the Phoenix B note into the maturity range of up to five years. The increase in the maturity range of up to five years related to this was partly compensated by the repayment of the Phoenix A1 note.

The other changes within the maturity ranges reflect the portfolio measures implemented in the first three quarters of 2013.

**Breakdown of notional volumes by regions**
in EUR billion[1]




[1] Without consideration of exchange rate effects (based on exchange rates on 31 December 2011) Regional breakdown by borrowers, or the main risk country of the asset pool for securitizations.
[2] Europe, Middle East and Africa; without Germany
[3] Includes EUR 3.6 billion for the Phoenix B note, which is guaranteed by the state of NRW
[4] Asia, Pacific and Japan

### Problem loans and loan loss provisions

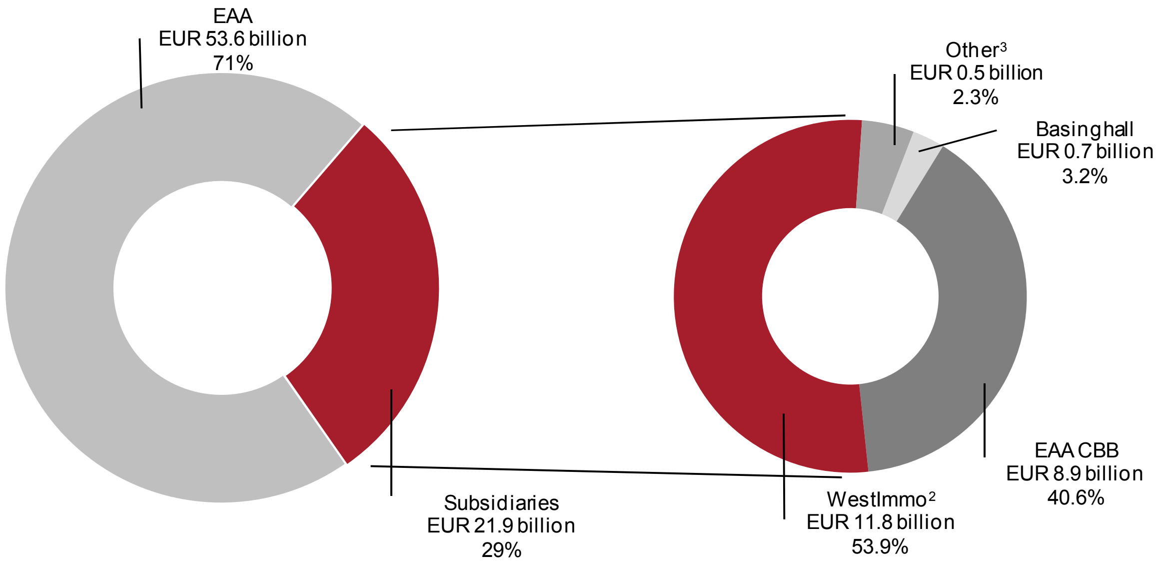
Problematic loan engagements are subject to elevated risk monitoring in accordance with the MaRisk. A potentially needed loan loss provision is assessed with consideration of collateral values, a company rating, a discounted cash flow analysis or observable market prices. It is reviewed regularly.

**Result of risk provisions - loans and advances/securities/long-term equity investments due to credit risk**

| | Provisions for loan losses EUR million | Charge-offs EUR million | Net change in an loss provision EUR million | Other exp./inc. due to risk EUR million | Total allow. losses EUR million |
|---|---|---|---|---|---|
| **Acute counterparty default risk** | **-248.7** | **108.0** | **-140.7** | **6.5** | **-134.2** |
| Credit risk | -248.7 | 108.0 | -140.7 | 14.0 | -126.7 |
| Country risk | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other risk | 0.0 | 0.0 | 0.0 | -7.5 | -7.5 |
| **Contingent counterparty default risk** | **10.7** | **0.0** | **10.7** | **0.0** | **10.7** |
| **Total** | **-238.0** | **108.0** | **-130.0** | **6.5** | **-123.5** |

## Subsidiaries and participations

**Notional volume held by subsidiaries**
in EUR billion[1]




[1] Without consideration of exchange rate effects (based on exchange rates on 31 December 2011)
[2] Only WestImmo Commercial, without Retail portfolio
[3] Others include primarily EAA KK

WestImmo holds a portfolio with a notional volume of EUR 11.8 billion as of 30 September 2013 (without Retail portfolio). The WestImmo portfolio essentially comprises commercial real estate financing and structured real estate transactions. EAA continues the privatization process started by WestLB at the time, and still has the aim to sell WestImmo.

The notional volume of EAA CBB has declined by EUR 325.3 million in the first three quarters of 2013 and the notional volume of Basinghall was cut by EUR 56.6 million.

The position 'Other' primarily includes the EAA KK (formerly WIB KK), which was transferred from WestImmo to EAA in the second quarter of 2013. The sale of Banco WestLB do Brasil, for which EAA had provided a book value guarantee, was successfully completed in the third quarter of 2013.

Basinghall and the EAA CBB are integrated into EAA's risk management and business administration structure. Participations are subject to the governance of EAA and are limited in their actions by their internal limit systems as approved by EAA. Representatives of EAA exercise non-managerial control functions as members of the governing bodies and committees at the subsidiaries.

WestImmo generally acts independently. EAA monitoring is implemented through the Supervisory Board.

## Special topics of the banking book

### Phoenix

A significant part of EAA's structured credit portfolio consists of the ten tranches of the Phoenix Light SF Ltd. securitization.

By far the largest part of the securitized Phoenix portfolio (around 90%) is denominated in U.S. dollars and reflects U.S. risks with a concentration in the U.S. real estate market. Repayments in the reporting period have led to a decrease of the notional volume denominated in Euro; as of 30 September 2013 it stands at EUR 14.2 billion (calculated at constant exchange rates as of 31 December 2011).

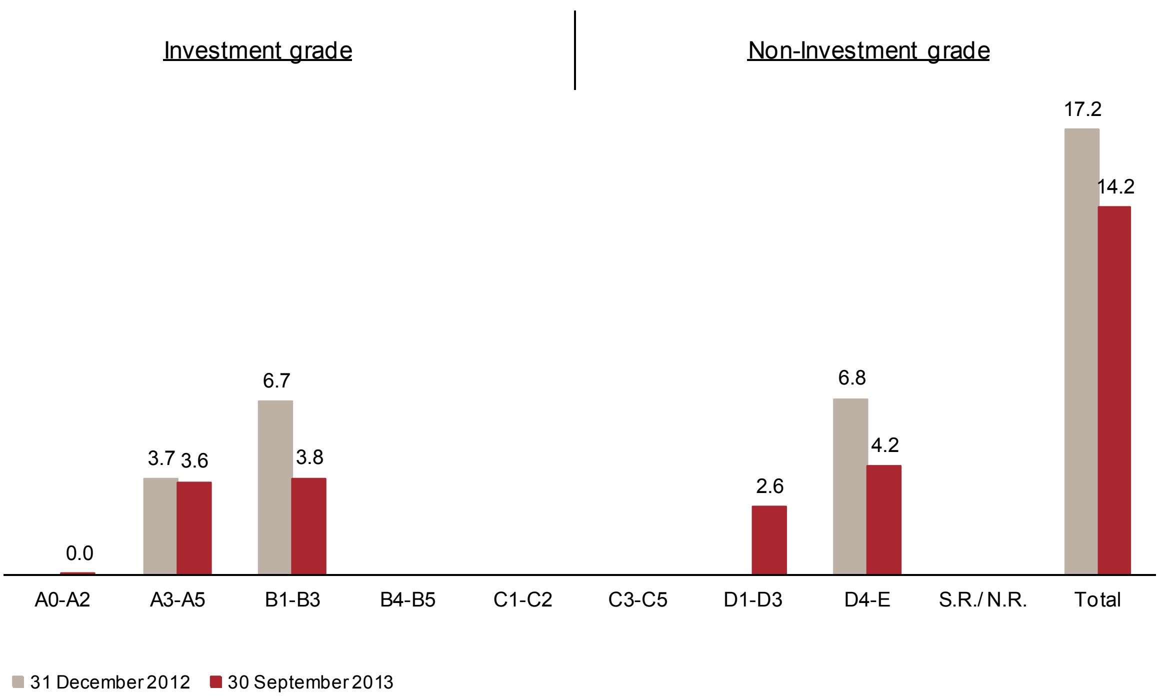
**Capital structure of the Phoenix notes**
in million

| Tranche | Amount as of 30 Sep. 2013 | | S&P Rating | Legal maturity | Weighted average maturity |
|---|---|---|---|---|---|
| Class X | 20 | EUR | AAA | 9/ Feb/ 2015 | 0.83 |
| Class A1 | 4,813 | USD | A | 9/ Feb/ 2091 | 1.45 |
| | 27 | EUR | A | 9/ Feb/ 2091 | 0.33 |
| Class A2 | 3,102 | USD | B | 9/ Feb/ 2091 | 2.72 |
| | 226 | EUR | B | 9/ Feb/ 2091 | 1.45 |
| Class A3 | 2,387 | USD | CCC- | 9/ Feb/ 2091 | 3.85 |
| | 701 | EUR | CCC- | 9/ Feb/ 2091 | 4.52 |
| Class A4 | 1,909 | USD | CCC- | 9/ Feb/ 2091 | 8.22 |
| | 181 | EUR | CCC- | 9/ Feb/ 2091 | 14.35 |
| Class B | 3,616 | EUR | not rated | 9/ Feb/ 2091 | 3.16 |

Approximately 52% of the Phoenix notes consist of risk positions with an investment grade rating (after taking into consideration the rating of the guarantor, the State of NRW, for the Phoenix B note), and accordingly have a reduced default probability.

The rest of the Phoenix notes were downgraded significantly over the past four years. The stated, weighted average of remaining maturities refers to the expected amortization profile of the respective underlying portfolio. At the present time EAA assumes that the Phoenix structure will be prematurely dissolved in 2018 and that the underlying portfolio will be transferred to EAA.

**Rating distribution for Phoenix notes**
in EUR billion[1]




[1] Without consideration of exchange rate effects (based on exchange rates on 31 December 2011)
Note: The presentation by internal rating classes considers the rating (A3) of the guarantor, the State NRW, for the Phoenix B note.

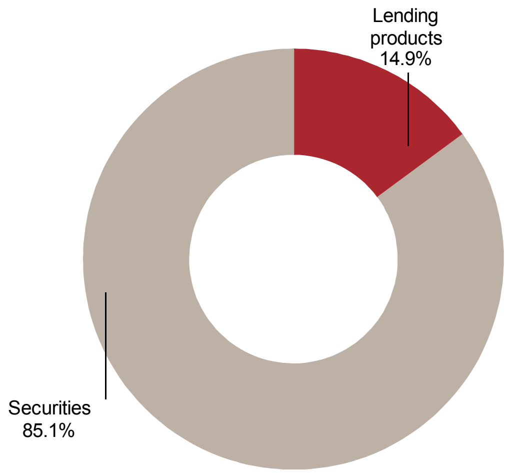
Besides the ongoing sale of parts of the portfolio by taking advantage of market opportunities, the EAA continues to implement measures with the parties involved in Phoenix in order to optimize the liquidation. These measures include the active pursuit of legal measures with regard to individual securities in the portfolio as well as the restructuring of non-performing securities. In addition, efforts are being made towards providing EAA with the ability to utilise the Phoenix portfolio to improve the refinancing situation and to reduce the funding costs for U.S. dollars. In cooperation with PIMCO, the manager of the Phoenix structure, we are working on optimizing the hedges for the risks.

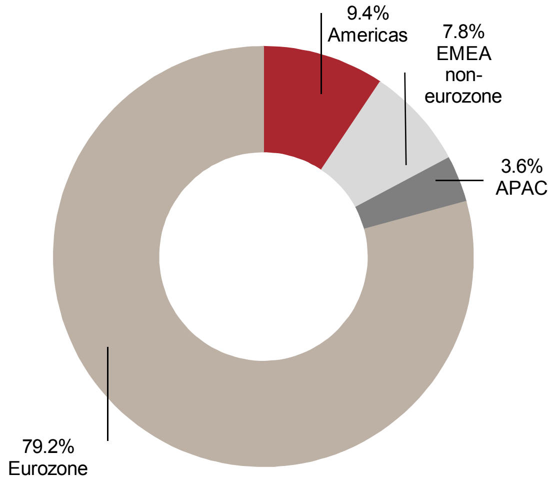
### Public Finance

The exposure in the public sector (including the Public Finance position of the NPL portfolio) has an overall notional value of EUR 9.6 billion as of 30 September 2013.

At approximately 85% of the total volume, the engagement in the public sector primarily consists of securities, particularly bonds of EU member states (including regional and municipal borrowers). They are in part held directly by EAA, and in part by EAA CBB. The remaining, approximately 15% are largely lending transactions with federal state, municipal or other public law institutions in Europe.

**Breakdown of the Public Finance exposure by products and regions as of 30 September 2013**
100% = EUR 9.6 billion[1]




[1] Without consideration of exchange rate effects (based on exchange rates on 31 December 2011) Regional breakdown by borrowers or guarantors

Note: The regions are derived from the main risk country of the asset pool for securitizations, from the place of the project headquarters for projects, and the headquarter country of the borrower or the guarantor for the additional positions.

### Credit risks in the trading portfolio

The credit risks resulting from trading transactions are divided into the counterparty risk (pre-settlement risk and settlement risk) from derivatives transactions and the issuer risk based on securities transactions.

The assessment of the issuer risk from securities transactions in the trading portfolio is based on the mark-to-market approach and on book values in the banking book. For the assessment of the replacement risks (pre-settlement risks) from derivatives transactions, EAA uses a portfolio simulation instrument based on a Monte Carlo method. Settlement risks are calculated by means of the due payments as of the valuation date. Credit risks from trading transactions are calculated daily towards the corresponding credit lines. Risk minimizing measures (such as close-out netting and collateral in the OTC derivatives business) are used to the greatest possible extent. Active new business for hedging the risk positions is only undertaken with counterparties that have corresponding master agreements.

The counterparty risk resulting from OTC derivatives is valued independently using credit valuation adjustments (CVA). This involves using externally traded credit spreads, if available, to assess default probabilities. Based on the expected future exposures and a statistically calculated recovery rate, the expected loss can be calculated as CVA. The CVA as of 30 September 2013 amounted to EUR 47.0 million (EUR 73.7 million as of 31 December 2012). The reduction is caused by the change of the market interest rates and the portfolio reduction.

## Counterparty Risks

**Direct counterparty risk (total exposure in EUR million)**

| | 30 Sept. 2013 | | 31 Dec. 2012 | |
|---|---|---|---|---|
| | **Exposure** | **Limit** | **Exposure** | **Limit** |
| Counterparty risk OTC Derivatives | 834.6 | 7,130.5 | 2,176.7 | 9,737.0 |
| Credit risk money market[1)] | 5,183.0 | 11,150.6 | 8,370.2 | 16,010.0 |
| Counterparty risk repos | 762.1 | 3,301.0 | 248.2 | 2,475.0 |

[1] All money market transactions with counterparties outside of the EAA Group have a maximum maturity of three months, with the exception of transactions involving the Central Bank of Ireland and those involving Portigon, for which the maturities are in part longer than three months.

As EAA concludes OTC derivatives, both based on the trading portfolio as well as the banking book, and because the counterparty risk is measured and controlled per counterparty, the stated explanations and figures refer to the trading portfolio and the banking book.

The counterparty risks from the OTC derivatives are driven by transactions for the liquidity management function (foreign currency swaps) as well as interest rate hedging instruments (interest rate swaps). The credit risk for money market transactions stems to 59% from monetary investments with Portigon. The remaining 41% nearly exclusively stems from investments with business partners with ratings of B or better. As EAA has sufficient liquidity, the utilization of the limits for repo transactions at EUR 575.7 million is at merely 30%. Due to the conclusion of the refill, the limits for money market transactions have been considerably reduced compared to 31 December 2012. The reduction of the OTC derivatives exposures from EUR 1,331.6 million as of 30 June 2013 to EUR 834.6 million as of 30 September 2013 was the result of a new collateral agreement with NRW.BANK.

**Issuer risk (total exposure in EUR million)**

| | < 1 y | 1 - 4 y | 4 - 8 y | 8 - 15 y | > 15 y | Total exposure |
|---|---|---|---|---|---|---|
| Public Finance | 897 | 2,351 | 1,653 | 1,941 | 1,515 | 8,357 |
| Financial Institutions | 566 | 851 | 516 | 187 | 5 | 2,125 |
| Other securities | 174 | 357 | 169 | 1,110 | 2,278 | 4,088 |
| **Total 30 Sept. 2013** | **1,637** | **3,559** | **2,338** | **3,238** | **3,798** | **14,570** |
| **Total 31 Dec. 2012** | **2,030** | **4,511** | **2,509** | **3,585** | **4,083** | **16,718** |

## Exposure to selected EU Member States

The exposure of EAA and its subsidiaries to Greece, Ireland, Italy, Portugal, Spain, Slovenia and Cyprus, and the European Financial Stability Facility (EFSF) amounts to EUR 11.4 billion as of 30 September 2013, of which EUR 1.3 billion are attributed to the WestImmo portfolio. In the first three quarters of 2013, the exposure to these states decreased by EUR 1.5 billion. The reduction is mainly attributed to Spain (EUR -0.9 billion, especially Corporates and Public Finance) and Italy (EUR -0.3 billion, especially Corporates and Financial Institutions).

The total banking book exposure of EAA and its subsidiaries to Greece, Ireland, Italy, Portugal, Slovenia, Spain, Cyprus and the EFSF is shown in the table below:

| **Country**[1] | **Debtor group** | **Notional in EUR million**[2.3] | **Notional in EUR million**[2.3] |
|---|---|---|---|
| | | **30 Sep. 2013** | **31 Dec. 2012** |
| Greece | Corporates | 63.8 | 67.3 |
| | Financial Institutions | 0.0 | 0.0 |
| | Public Finance | 0.0 | 0.0 |
| Σ Greece | | 63.8 | 67.3 |
| Ireland | Corporates | 109.4 | 142.4 |
| | Financial Institutions | 7.4 | 3.8 |
| | Public Finance | 115.0 | 115.0 |
| Σ Ireland | | 231.8 | 261.2 |
| Italy | Corporates | 1,925.4 | 2,092.6 |
| | Financial Institutions | 386.7 | 502.6 |
| | Public Finance | 2,558.4 | 2,596.5 |
| Σ Italy | | 4,870.5 | 5,191.7 |
| Portugal | Corporates | 160.2 | 225.8 |
| | Financial Institutions | 15.0 | 55.0 |
| | Public Finance | 1,581.3 | 1,590.4 |
| Σ Portugal | | 1,756.5 | 1,871.2 |
| Slovenia | Financial Institutions | 0.0 | 3.0 |
| | Public Finance | 40.0 | 40.0 |
| Σ Slovenia | | 40.0 | 43.0 |
| Spain | Corporates | 2,172.8 | 2,620.5 |
| | Financial Institutions | 752.4 | 807.6 |
| | Public Finance | 1,318.5 | 1,745.4 |
| Σ Spain | | 4,243.7 | 5,173.5 |
| Cyprus | Corporates | 68.0 | 68.9 |
| | Public Finance | 0.7 | 0.8 |
| Σ Cyprus | | 68.7 | 69.7 |
| EFSF | Public Finance | 83.1 | 192.7 |
| Σ EFSF | | 83.1 | 192.7 |
| **Total**[4] | | **11,358.1** | **12,870.3** |
| of which | Corporates | 4,499.6 | 5,217.5 |
| of which | Financial Institutions | 1,161.5 | 1,372.0 |
| of which | Public Finance | 5,697.0 | 6,280.8 |

[1] Economic view may differ depending on the country of legal domicile of the borrower (for Corporates and Financial Institutions)
[2] Based on current exchange rates as of 30 September 2013
[3] Presentation of the notional volumes including hedging transactions (net view)
[4] Among these, WestImmo Commercial EUR 1,246.7 million and EAA CBB EUR 3,540.0 million

The total trading portfolio and ALM exposure of EAA to banks, companies and governments in Greece, Ireland, Italy, Portugal, Spain and Cyprus is shown in the table below:

| **Product**[1] | **Value**[2] | **Country**[3] | **in EUR million**[4.5] | **in EUR million**[4.5] |
|---|---|---|---|---|
| | | | **30 Sep. 2013** | **31 Dec. 2012** |
| Bonds | Notional | Italy | 0.7 | 0.5 |
| Σ Bonds | | | 0.7 | 0.5 |
| Single CDS | Notional | Ireland | 0.0 | 1.2 |
| | | Italy | 0.0 | 32.5 |
| | | Portugal | 0.0 | 25.0 |
| | | Spain | 0.0 | 4.3 |
| Σ Single CDS | | | 0.0 | 63.0 |
| Decomposed CDS | EaD | Italy | 0.1 | -24.2 |
| | | Portugal | 0.0 | -38.7 |
| | | Spain | 0.1 | -41.8 |
| Σ Decomposed CDS | | | 0.2 | -104.7 |
| Equities | MtM | Greece | 0.1 | 0.0 |
| | | Ireland | 0.0 | 0.3 |
| | | Italy | 2.4 | 3.8 |
| | | Spain | 0.0 | 2.1 |
| Σ Equities | | | 2.5 | 6.2 |
| Equity derivatives | EaD | Italy | 0.0 | 4.0 |
| | | Ireland | 0.0 | 0.0 |
| | | Spain | 0.0 | -0.1 |
| Σ Equity derivatives | | | 0.0 | 3.9 |
| Other derivatives | MtM | Ireland | 10.4 | 17.4 |
| | | Italy | 592.1 | 821.6 |
| | | Portugal | 0.0 | 19.3 |
| | | Spain | 220.6 | 279.8 |
| | | Cyprus | 20.3 | 24.7 |
| Σ Other derivatives | | | 843.4 | 1,162.8 |
| ALM | MtM | Ireland | 7.2 | 25.9 |
| | | Italy | 129.6 | 67.0 |
| | | Spain | 200.0 | 200.0 |
| Σ ALM | | | 336.8 | 292.9 |

[1] CDS = Credit Default Swaps; ALM = Asset Liability Management;
Derivatives = Replacement risks from OTC derivatives and CDS;
Decomposed CDS = CDS positions that do not refer to a single underlying asset, but a portfolio of underlying individual transactions, such as a bucket of reference debtors
[2] EaD = Exposure at Default; MtM = Mark to Market
[3] Economic view may differ depending on the country of legal domicile of the borrower (for Corporates and Financial Institutions)
[4] Based on current exchange rates as of 30 September 2013
[5] Presentation of the notional volumes including hedging transactions (net view)

### Market Price Risks

EAA pursues the strategy of the greatest possible reduction of market price risks. The market price risk is controlled through a system of limits. In this case, the market price risks of the trading portfolio and the banking book are limited separately. The market risk positions are controlled on a daily basis by the Treasury/Capital Markets department of EAA and are monitored and analyzed by the Risk Controlling department of EAA.

#### Market price risks in the banking book

Given the portfolio structure, there are interest rate and foreign exchange risks (in particular in relation to the U.S. dollar), which are largely hedged according to the requirements defined in the wind-up plan. In accordance with the risk profile, EAA's hedging activities are essentially concentrated on the hedging of interest rate and foreign exchange risks.

The interest rate risk is hedged by refinancing with analogous maturities or by concluding derivatives transactions. Foreign exchange risks are hedged by corresponding hedging transactions and refinancing in matching currencies.

All options risks in the portfolio are excluded to the greatest extent, thus creating a simple, linear risk profile. The effectiveness of micro-hedges is reviewed regularly.

**Interest risk[1] - banking book**

| in TEUR | 1 w | 1 m | 3 m | 6 m | 1 y | 2 y | 3 y | 5 y | 7 y | 10 y | 15 y | 30 y | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **EAA Group** 30 Sep. 2013 | **11** | **75** | **34** | **-92** | **-22** | **-30** | **-44** | **-68** | **-53** | **-89** | **-106** | **-22** | **-406** |

[1] The interest risk is measured as the change in the cash value at an increase of the yield by one basis point (interest rate sensitivity PV01).

The interest rate sensitivity of EUR -406 thousand proves to be substantially lower than at the end of 2012 (EUR -749 thousand). The utilizations are within the limits.

**Foreign exchange risks - banking book**

| in TEUR | AUD | CZK | GBP | JPY | PLN | RUB | SGD | TRY | USD | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **EAA Group** 30 Sep. 2013 | **1,404** | **571** | **1,816** | **614** | **361** | **-111** | **630** | **214** | **-27,021** | **3,364** | **-18,158** |

Since the payment of the compensation liability to Portigon, the foreign currency position for the banking book of EAA is reported and controlled as a single item. As of 31 December 2012, the balance sheet's foreign currency position of the banking book amounted to approximately EUR 270 million, which was essentially reduced significantly by the settlement of the compensation liability.

Due to EAA's long-term perspective and the applicable accounting regulations, credit spread changes have no direct impact on EAA. The wind-up strategy aims to realize the intrinsic value of the exposure, and refrains from basing its management practices on short-term valuation changes in the capital markets. The exposures are monitored and decisions pertaining to reductions of affected positions are made as needed. Accordingly, the credit spread risks are not subject to limits.

**Market price risks in the trading portfolio**

Besides interest rate and foreign exchange risks, the trading portfolio also includes equity price risks in, and to a lesser extent credit spread and commodity risks. The trading portfolio predominantly includes derivative positions and thus also bears non-linear option risks. In line with market practice, risks in the trading portfolio are hedged at portfolio level. This entails residual risks which change due to market movements and developments in the portfolio and are hedged dynamically (dynamic hedging strategy).

EAA uses both a value at risk model (VaR model) as well as risk sensitivities to monitor and limit risks. In addition, a multitude of stress scenarios are consulted for the risk management function. The VaR model calculates daily interest rate changes, equities and foreign exchange risks (including commodity risks), including the respective volatility risks for the trading portfolio. A confidence interval of 99% as well as a one-day holding period of the positions has been assumed to calculate the VaR.

Historical and parametrical stress tests are calculated on a weekly basis. Independent of the statistically observed probabilities of occurrence, they also simulate the effect of any market price risks not covered by the VaR.

The relevant market price risk positions are continuously subjected to so-called back testing. This involves a daily comparison of actual market price changes (hypothetical profit and loss) to potential market price changes forecast by the VaR model. There were no back testing transgressions at the top tier of the portfolio structure in the trading portfolio during the third quarter of 2013. At the top tier of the portfolio structure, the 250-day history contains one transgression from the second quarter of 2013, which resulted from the strong market movements of the swap curves for the Euro and the associated volatilities; an analysis of this transgression has shown no indications of a reduced forecast quality provided by the VaR model.

The changeover of the control of the trading portfolio to the 'target structure' (EAA sub-cluster structure) took place - as planned - in the first half of 2013. Limit monitoring was accordingly changed over to the corresponding limits in line with the EAA wind-up plan. Accordingly, a comparison to 31 December 2012 is only possible at the overall trading level.

**VALUE AT RISK PER SUB-CLUSTER**

| in TEUR | 30 Sep. 2013 | Risk-based interest rate curve | Non risk-based interest rate curve | Foreign exchange risk | Equity risk |
|---|---|---|---|---|---|
| **EAA Trading** | 1,810 | 1,178 | 867 | 507 | 353 |
| INTEREST RATE OPTIONS | 413 | 464 | - | - | - |
| INTEREST RATE EXOTICS | 868 | 1,032 | - | 114 | - |
| INTEREST RATE FLOW | 459 | 273 | - | 235 | - |
| CONTINGENT CREDIT RISK | 110 | 5 | 109 | 13 | - |
| CORPORATE SYNTHETIC OBLIGATION | 0 | 0 | - | - | - |
| FUND DERIVS & CREDIT REPACKS | 28 | 18 | 2 | 15 | 2 |
| BASKET DEFAULT SWAPS | 9 | 1 | 7 | 6 | - |
| CREDIT DEFAULT SWAPS | 5 | 1 | 1 | 5 | - |
| FOREIGN EXCHANGE OPTIONS AND HYBRIDS | 193 | 56 | - | 182 | - |
| FOREIGN EXCHANGE FORWARDS | 13 | 12 | - | 6 | - |
| EQUITY FLOW PRODUCTS | 6 | 4 | - | - | 4 |
| EQUITY STRUCTURED PRODUCTS | 436 | 134 | 23 | 123 | 360 |
| MUNI GIC PORTFOLIO | 1,039 | 690 | 862 | - | - |
| COMMODITIES | 9 | 1 | - | 1 | - |
| GOLD AKTIV PORTFOLIO | - | - | - | - | - |
| OTHER | - | - | - | - | - |

Compared to 31 December 2012, the VaR has declined for the total trading portfolio to EUR 1,810 thousand (EUR 3,548 thousand VaR as of 31 December 2012). This is specifically a result of the portfolio reduction and the changed market parameters.

### Liquidity Risks

EAA differentiates between tactical and strategic liquidity risks.

- The tactical liquidity risk is the risk of not being able to generate adequate short term liquidity - in a time horizon of up to one year - to fulfil contractual payment obligations.
- The strategic liquidity risk describes the risk of not being able to implement, or not completely so, the necessary market refinancing measures as stated in the refinancing plan.

The liquidity planning and management includes affiliates of EAA so to ensure an optimal liquidity supply. Because of the loss compensation obligation of the liable stakeholders and the creditworthiness of guarantors, EAA is perceived positively in the capital markets. Accordingly, there is less of a risk in EAA-specific refinancing options but rather in the occurrence of a systemic illiquidity of the market.

As of 30 September 2013 all stress scenarios demonstrated a viable liquidity situation. The capital commitment statement as of 30 September 2013 shows from the first year onward an asset surplus, while a liability surplus was still recorded in the first year as of 31 December 2012. The liquidity reserve is consisting of the collateralized liquidity (securities holdings of the portfolio, which can be used in bilateral repo transactions to high probability) and short-term investments. For the reporting period, the liquidity reserve was always above the liquidity reserve threshold. At the time of the stress test as of the last day of September 2013, the liquidity reserve amounted to EUR 6.0 billion.

## Operational Risks

EAA differentiates between operational risks within EAA and risks from the outsourcing to Portigon and other service providers.

The operational risks within EAA are assessed by way of a risk inventory taken at regular intervals. The last risk inventory at EAA revealed four valuation objects (1%) with high risks. Of the valuation objects, 13% are characterized by medium risks and 86% by low risks. The slight deterioration of the risk inventory was a result of uncertainties associated with service providers and possible regulatory changes. The risk inventory at Portigon regarding the processes attributed to EAA showed a high risk for 8.1% of the valuation objects, especially in the case of valuation accounts related to personnel.

EAA has outsourced key business processes to Portigon. Portigon is in the process of implementing the restructuring within a transformation process that was ordered by the EU Commission. The adjustment of Portigon's structures and processes had not been completed as of 30 September 2013.

EAA has established a service provider management system in substantive, formal and qualitative respects in order to monitor the interface between the service provider and the EAA as the service recipient. Using a continuous and timely process EAA ensures that EAA's requirements, which are defined in the service level agreements, are understood and accepted by the portfolio manager and also fulfilled in the agreed form. This involves recording outsourcing risks at EAA and rating these using a traffic light logic.

## Other Risks

### Reputational risks

EAA has defined rules of conduct in its 'Code of Conduct' for its employees, which also serves the purpose of ensuring an appropriate public presentation. To further minimize reputational risks, EAA maintains an intense monitoring of the entire public reporting. This also includes reporting about subsidiaries in the wind-up portfolio. EAA's reputation is supported by coordinated and active external communication as well as public relations work.

### Legal risks

EAA has assigned Portigon with the management of the assets transferred. Accordingly, it is also within Portigon's responsibility in its role as portfolio manager to pre-emptively recognize legal risks arising in this context, and to communicate these in order to then mitigate or exclude such risks to the greatest possible extent in consultation with EAA by means of the required measures.

In respect of disputes in and out of court, for example those based on municipal legal actions and investigations regarding potential manipulations of the LIBOR interest rates, EAA has created sufficient reserves and initiated additional measures.

### Tax risks

Risks in terms of tax laws are clarified by means of active communication with the tax authorities and other state authorities. If required, external specialists are drawn upon for advice in legal questions and issues of tax laws.

### Summary of the Risk Situation

The EAA was established to take over risk positions and non-strategic business units from Portigon (formerly WestLB) and its domestic and foreign subsidiaries, and to reduce these while preserving value under a long-term wind-up plan. Intermediate, temporary fluctuations in the value are of subordinated significance.

Especially for this purpose the wind-up institutions pursuant to Sec. 8a FMStFG have been released from the capital requirements, the obligation for preparing consolidated financial statements and other statutory requirements that apply to commercial banks. EAA is therefore primarily structured for the assumption of credit risks.

In its risk management, EAA pursues the aim to reduce the credit risk resulting from the winding up. For this purpose, the wind-up success and the deviation from the wind-up plan are monitored constantly and compared to the requirements (in this regard also see the section 'Wind-up Report’).

The liquidity risk is reduced at the same rate at which EAA progresses in borrowing refinancing loans at the capital markets that are largely congruous in terms of maturities and currencies. Due to the good rating, EAA is in a stable refinancing situation.

The market price risks are largely limited.

EAA has a stringent service provider management system in place and has also introduced an internal controlling system in order to manage operational risks.

The portfolios transferred in 2012 were integrated in the existing and functioning management modules. The risk management was adjusted to satisfy the additional requirements for the wind-up of a trading portfolio.

The structured credit products Phoenix and EUSS continue to be the greatest individual risks. As a consequence, U.S. economic activity and the developments in the U.S. housing markets play a key role for the risk situation of EAA. EAA has created sufficient provisions for all known risks. Other unexpected risks that cannot be predicted at the current time are covered by the equity as risk cover.

Risks arising from the sovereign debt crisis, especially for exposure to the Euro periphery countries are monitored in a prompt and tightly knit fashion.

The requirements for the risk bearing capacity according to AT 4.1 MaRisk are not relevant for EAA. Instead, EAA performs a quarterly analysis of the development in the equity requirement of EAA in application of the wind-up plan and updated variables as well as market parameters at the end of the planning period. This specifically involves the effects of changed framework conditions on equity capital in 2027. The analyses as of 30 September 2013 have not given rise to any adjustments in the wind-up plan during the year.

In summary, EAA perceives the risks assumed by it to be adequately covered, given its capital resources as well as the existing guarantee and loss compensation obligations of the liable stakeholders.

EAA will continue to focus particularly on a sustainable and consistent risk management.

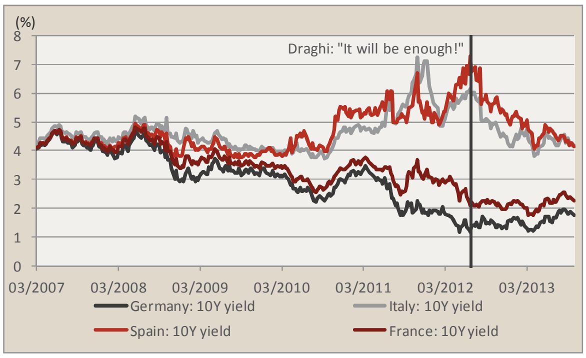
## Opportunities Report

With the OMT program of the ECB the Euro debt crisis has entered a new phase since the summer of 2012. Before the announcement of this program, political crises have always dampened other national economies by the more serious downswing in the periphery countries. At first, this negative correlation was limited to the so-called periphery countries in the Eurozone (Italy, Spain, Greece, Portugal and Ireland). The longer a crisis persisted, the stronger also states located closer to the core, such as France or Belgium (semi-core or high-beta states) moved into the focus of the crisis.

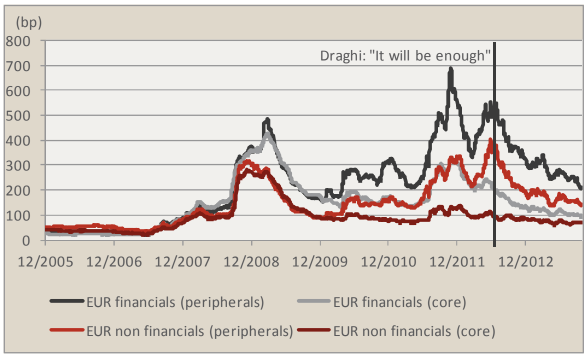
The creditworthiness of Euro states accounts for the essence of the Euro debt crisis. For this reason, the crisis swiftly spread from the states to the banks. On the one hand, the banks had exposed themselves very strongly by their investment policy in EUR government bonds of the periphery in the wake of the crisis. Accordingly, the deterioration in the credit rating of the government issuers at many banks resulted in a substantial need for value corrections and burdened the capital resources of the banks. On the other hand, the poorer credit rating of the states and their higher and growing debt level meant that the periphery countries were no longer in the position to recapitalize and stabilize hard hit banks during a (systemic) crisis.

Consequently, the credit quality of the banks also fell. A country risk premium (risk surcharge compared to German government bonds), as it could be noticed increasingly in the markets for government bonds, was included in the pricing of bank bonds, corporate bonds, debentures and loans. This led to additional charges and the need for value corrections. The process of including different country risk premiums in the pricing has cancelled out the integration of the Euro financial markets.

**Renewed convergence of yields**




**Declining spreads of periphery investments**




Source: Bank of America Merrill Lynch, Bloomberg

This phenomenon, known as 'fragmentation of the Eurozone's financial markets', is on the retreat since the announcement of the new purchase program of the ECB for periphery government bonds. This triggered a normalization of the valuation of risky assets in the Eurozone. This process is not restricted to stock exchange listed financial products, but also affects other areas of the Euro credit market (promissory note bonds, traditional loans, project financing ...). The portfolios of EAA are profiting from this normalization process because the renewed 'pricing out' of an additional country risk premium causes a marked valuation recovery.

In the coming months, this effect might become more pronounced in the financial markets. As described in the section 'Economic Environment', many national economies in the Eurozone (especially Spain and Portugal) appear to have bottomed out in terms of economic activity. Should this change in the trend be confirmed in the growth of the periphery countries, this would add steam to the risk appetite for investments in these countries. If European banks continue their balance sheet repair after the financial crisis, further progress will be made in the Eurozone. At the rate at which the balance sheets of the banks recover in the Euro periphery, the banks may again perform their original function as capital consolidation institutions and supply the real economy with new loans. This should ensure a further boost to growth in the Euro periphery, as the access to loans for businesses in Spain, Portugal or Italy has been rendered more difficult in the recent past.

Looking ahead, this process is likely to continue in the fourth quarter of 2013 as well. In spite of the recently resolved government crisis in Portugal, the ECB has created new confidence in the Euro periphery and its ability to fulfil its obligations by means of the OMT program. Furthermore it ensures that the yield and spread hikes remain limited to a single country during these times of political crisis, as has been demonstrated by Portuguese bonds. The rise in yields and spreads remained limited and there was no contagion effect of their Spanish, Italian or Irish counterparts. At the same time, the Euro crisis was an important catalyst for change. Many structural problems in the peripheral countries (rigid labour and product markets, too low a retirement age, inappropriate export mix ...) were remedied and the competitiveness of the states was raised accordingly. This process should continue further in the coming months.

## Forecast Report

Overall and beyond 2013, EAA has set its aim to wind up more than 60% of the notional volume on the banking book that has been transferred to it (including the positions held by subsidiaries) by 2016. This is equivalent of a reduction in EAA's total assets by more than 50%.

The assigned trading portfolio is to be reduced by more than 50% by the end of 2015 according to the current estimate.

The focus of EAA's wind-up activities in 2013 and beyond is on the measures for the active reduction of the portfolio. Aside from that - against the background of the takeover of the comprehensive refill portfolio, its intense analysis and its valuation - the continued expansion of the control and management instruments for the overall portfolio will play an important role.

EAA has in turn defined a sales portfolio as a target requirement on the basis of the current framework conditions. For this purpose, numerous engagements have been identified in the credit and securities portfolio that come into consideration for sale, cancellation, premature repayment and similar measures. This is subject to the overarching aim of loss minimization in consideration of the expected risk development.

Independent of this objective, EAA however also continues to pursue an opportunistic approach in that it regularly searches for opportunities to reduce the overall portfolio prematurely and therefore regularly analyzes the market conditions and potential exit options.

In respect of the assigned trading portfolio, EAA is analyzing in how far an accelerated reduction can be implemented effectively and cost-effectively.

EAA fulfils the relevant parts stipulated by MaRisk for winding up institutions. With regard to the new regulations in MaRisk as of 1 January 2013, the required adjustments will be implemented during 2013.

The presentation of the economic environment stated clearly that the attempt to break free from a debt crisis by means of savings efforts can be a very long-winded project. Empirical research concerning sovereign debt crises has shown that such crises have a median duration of a good 25 years. Nonetheless there are a number of developments giving cause for a moderately optimistic outlook into the future. In terms of the real economy, the indicators of the global economy continue to be set on recovery.

## Subsequent Events

No processes are notable concerning risk positions transferred to, or guaranteed by EAA.

# Balance Sheet

## as at 30 September 2013

### Assets

| | Note | | | 30 Sep. 2013 | 31 Dec. 2012 |
|---|---|---|---|---|---|
| | | EUR | EUR | EUR | EUR |
| 1 Cash reserve | | | | | |
| a) Balances with central banks | | | 260.00 | | (2,500,000,000.00) |
| of which: | | | | 260.00 | 2,500,000,000.00 |
| with Deutsche Bundesbank | | | | | |
| EUR 260.00 (py: EUR 2,500,000,000.00) | | | | | |
| | | | | | |
| 2 Loans and advances to banks | 3, 27 | | | | |
| a) payable on demand | | | 7,338,264,030.88 | | (9,650,059,716.99) |
| b) other loans and advances | | | 9,057,276,071.68 | | (12,957,905,903.42) |
| | | | | 16,395,540,102.56 | 22,607,965,620.41 |
| | | | | | |
| 3 Loans and advances to customers | 4, 5, 14, 27 | | | 17,648,665,428.61 | 22,671,003,682.69 |
| of which: | | | | | |
| secured by mortgage charges | | | | | |
| EUR 333,433,249.09 (py: EUR 398,665,155.22) | | | | | |
| Public-sector loans | | | | | |
| EUR 957,980,031.53 (py: EUR 1,022,257,874.76) | | | | | |
| | | | | | |
| 4 Bonds and other | | | | | |
| fixed-income securities | 6, 15, 27 | | | | |
| a) Money market instruments issued by | | | | | |
| aa) public issuers | | 0.00 | | | (0.00) |
| of which: | | | | | |
| eligible as collateral with Deutsche Bundesbank | | | | | |
| EUR 0.00 (py: EUR 0.00) | | | | | |
| ab) other issuers | | 0.00 | | | (0.00) |
| of which: | | | 0.00 | | (0.00) |
| eligible as collateral with Deutsche Bundesbank | | | | | |
| EUR 0.00 (py: EUR 0.00) | | | | | |
| b) Bonds issued by | | | | | |
| ba) public issuers | | 1,399,477,667.52 | | | (2,101,019,228.69) |
| of which: | | | | | |
| eligible as collateral with Deutsche Bundesbank | | | | | |
| EUR 1,266,423,104.66 (py: EUR 1,880,943,821.76) | | | | | |
| bb) other issuers | | 16,863,325,591.06 | | | (21,446,372,204.55) |
| of which: | | | 18,262,803,258.58 | | (23,547,391,433.24) |
| eligible as collateral with Deutsche Bundesbank | | | | | |
| EUR 2,114,211,063.01 (py: EUR 3,477,038,381.02) | | | | | |
| c) Own bonds | | | | | |
| Notional value EUR 438,135,000.00 (py: EUR 648,296,516.30) | | | 440,630,305.08 | | (670,255,111.20) |
| | | | | 18,703,433,563.66 | 24,217,646,544.44 |
| 5 Equities and other non- | | | | | |
| fixed-income securities | 7, 14 | | | 41,662,433.67 | 49,795,134.83 |
| | | | | | |
| 5a Trading portfolio | 8 | | | 31,007,737,131.65 | 48,930,585,494.70 |
| | | | | | |
| 6 Long-term equity investments | 9 | | | 111,789,872.39 | 85,848,147.20 |
| of which: | | | | | |
| in banks | | | | | |
| EUR 12,580,328.91 (py: EUR 12,580,328.91) | | | | | |
| in financial service providers | | | | | |
| EUR 0.00 (py: EUR 2,700.64) | | | | | |
| | | | | | |
| 7 Shares in affiliates | 10 | | | 1,782,393,160.74 | 1,827,323,881.85 |
| of which: | | | | | |
| in banks | | | | | |
| EUR 1,723,790,189.07 (py: EUR 1,714,297,094.52) | | | | | |
| in financial service providers | | | | | |
| EUR 10,716,603.69 (py: EUR 25,447,584.25) | | | | | |
| | | | Subtotal: | 85,691,221,953.28 | 122,890,168,506.12 |

### Liabilities and equity

| | Note | EUR | EUR | 30 Sep. 2013 EUR | 31 Dec. 2012 EUR |
|---|---|---|---|---|---|
| 1 Deposits from | | | | | |
| banks | 13, 16 | | | | |
| a) payable on demand | | | 2,482,829,317.83 | | (2,665,151,031.35) |
| b) with an agreed maturity | | | | | |
| or withdrawal notice | | | 4,105,089,459.18 | | (5,179,361,555.89) |
| | | | | 6,587,918,777.01 | 7,844,512,587.24 |
| 2 Deposits from | | | | | |
| customers | 13, 17 | | | | |
| other deposits | | | | | |
| a) payable on demand | | | 392,332,867.49 | | (353,835,504.84) |
| b) with an agreed maturity | | | | | |
| or withdrawal notice | | | 6,924,031,493.18 | | (7,108,136,797.61) |
| | | | | 7,316,364,360.67 | 7,461,972,302.45 |
| 3 Debt securities in issue | 13, 18 | | | | |
| a) Bonds | | | 2,855,876,406.96 | | (8,004,414,501.25) |
| b) Other debt securities in issue | | | 37,586,679,123.63 | | (49,648,951,557.80) |
| of which: | | | | 40,442,555,530.59 | 57,653,366,059.05 |
| Money market instruments | | | | | |
| EUR 8,140,146,244.59 (py: EUR 18,193,972,331.42) | | | | | |
| 3a Trading portfolio | 19 | | | 30,873,309,186.92 | 48,899,990,367.48 |
| 4 Trust liabilities | 20 | | | 913,859.45 | 923,133.17 |
| of which: | | | | | |
| trust loans | | | | | |
| EUR 913,859.45 (py: EUR 923,133.17) | | | | | |
| 5 Other liabilities | 21 | | | 15,600,438.42 | 449,934,675.45 |
| 6 Accruals/deferred income | 22 | | | 37,115,550.81 | 94,254,556.59 |
| 7 Provisions | 23 | | | | |
| a) Tax provisions | | | 828,715.44 | | (6,065,519.70) |
| b) Other provisions | | | 281,359,683.96 | | (373,154,120.02) |
| | | | | 282,188,399.40 | 379,219,639.72 |
| | | | Subtotal: | 85,555,966,103.27 | 122,784,173,321.15 |

### Assets

| | Note | EUR | EUR | 30 Sep. 2013 EUR | 31 Dec. 2012 EUR |
|---|---|---|---|---|---|
| | | | Subtotal: | 85,691,221,953.28 | 122,890,168,506.12 |
| | | | | | |
| 8 Trust assets | 11 | | | 913,859.45 | 923,133.17 |
| of which: | | | | | |
| trust loans | | | | | |
| EUR 913,859.45 (py: EUR 923,133.17) | | | | | |
| | | | | | |
| 9 Intangible assets | | | | | |
| a) paid concessions, | | | | | |
| trademarks and similiar | | | | | |
| rights and values such as licenses | | | | | |
| in such rights | | | 62,145.60 | | (79,100.62) |
| | | | | 62,145.60 | 79,100.62 |
| | | | | | |
| 10 Tangible fixed assets | | | | 168,849.82 | 136,449.42 |
| | | | | | |
| 11 Other assets | 12 | | | 318,162,901.81 | 296,052,137.84 |
| | | | | | |
| 12 Prepaid expenses/accrued income | 13 | | | 74,513,974.20 | 106,773,540.34 |
| | | | | | |
| Total assets | | | | **86,085,043,684.16** | **123,294,132,867.51** |

### Liabilities and equity

| | Note | EUR | EUR | 30 Sep. 2013 EUR | 31 Dec. 2012 EUR |
|---|---|---|---|---|---|
| | | | Subtotal: | 85,555,966,103.27 | 122,784,173,321.15 |
| 8 Equity | 24 | | | | |
| a) Called capital | | | | | |
| Subscribed capital | | 500,000.00 | | | (500,000.00) |
| less uncalled | | | | | |
| outstanding capital | | 0.00 | | | (0.00) |
| | | | 500,000.00 | | (500,000.00) |
| b) Capital reserves | | | 3,013,237,213.51 | | (3,026,337,213.51) |
| c) Revenue reserves | | | | | |
| Other revenue reserves | | 2,431,408.07 | | | (2,431,408.07) |
| | | | 2,431,408.07 | | (2,431,408.07) |
| d) Net retained losses | | | -2,487,091,040.69 | | (-2,519,309,075.22) |
| | | | | 529,077,580.89 | 509,959,546.36 |
| **Total liabilities and equity** | | | | **86,085,043,684.16** | **123,294,132,867.51** |
| 1 Contingent liabilities | 29 | | | | |
| Liabilities on guarantees | | | | | |
| and w arrantees | | | 12,184,725,271.11 | | (19,747,139,270.24) |
| | | | | 12,184,725,271.11 | 19,747,139,270.24 |
| 2 Other obligations | 29 | | | | |
| Irrevocable loan commitments | | | 5,280,933,152.39 | | (5,583,034,699.91) |
| | | | | 5,280,933,152.39 | 5,583,034,699.91 |

# Income Statement

## for the period from 1 January 2013 to 30 September 2013

| | Note | EUR | EUR | 1 Jan. - 30 Sep. 2013 EUR | 1 Jan. - 30 Sep. 2012 EUR |
|---|---|---|---|---|---|
| 1 Interest income from | 25 | | | | |
| a) Lending and money market transactions | | 724,799,168.13 | | | (1,250,499,995.10) |
| b) Fixed-income securities | | | | | |
| and debt register claims | | 208,706,788.14 | | | (416,076,546.08) |
| | | | 933,505,956.27 | | (1,666,576,541.18) |
| 2 Interest expense | | | 707,686,657.21 | | (1,318,676,128.66) |
| | | | | 225,819,299.06 | 347,900,412.52 |
| 3 Current income from | 25 | | | | |
| a) Equities and other non- | | | | | |
| fixed-income securities | | | 1,314,019.31 | | (2,423,874.21) |
| b) Long-term equity investments | | | 909,003.21 | | (2,102,367.27) |
| c) Shares in affiliates | | | 176,716.40 | | (150,790.69) |
| | | | | 2,399,738.92 | 4,677,032.17 |
| 4 Fee and commission income | 25 | | 171,588,706.70 | | (136,761,023.31) |
| 5 Fee and commission expense | | | 23,627,257.88 | | (17,905,227.72) |
| | | | | 147,961,448.82 | 118,855,795.59 |
| 6 Net trading result | 25 | | | 75,517,154.92 | -141,640,531.48 |
| 7 Other operating income | 25, 26 | | | 664,842.93 | 2,938,777.31 |
| 8 General and administrative expenses | | | | | |
| a) Personnel expenses | | | | | |
| aa) wages and salaries | | 12,300,119.41 | | | (8,252,877.24) |
| ab) compulsory social security contributions | | | | | |
| and expenses for pensions and | | | | | |
| other employee benefits | | 1,020,650.05 | | | (590,830.45) |
| of which | | | 13,320,769.46 | | (8,843,707.69) |
| for pensions EUR 0.00 (py: EUR 0.00) | | | | | |
| b) Other administrative expenses | | | 282,570,218.40 | | (295,604,459.30) |
| | | | | 295,890,987.86 | 304,448,166.99 |
| 9 Depreciation and write-offs | | | | | |
| on intangible assets and | | | | | |
| tangible fixed assets | | | | 50,780.23 | 33,947.00 |
| 10 Other operating expenses | 26 | | | 3,488,355.68 | 3,868,987.09 |
| 11 Depreciation and write-offs | | | | | |
| of claims and certain securities | | | | | |
| as well as additions to provisions | | | | | |
| in the lending business | 23, 27 | | | 288,868,706.55 | 630,462,778.95 |
| 12 Income from appreciations | | | | | |
| of long-term equity investments, | | | | | |
| shares in affiliates and long-term | | | | | |
| securities | 27 | | | 168,971,837.75 | 615,608,077.43 |
| 13 Result from ordinary activities | | | | 33,035,492.08 | 9,525,683.51 |
| 14 Taxes on income and earnings | 28 | | | 802,742.38 | 3,374,193.32 |
| 15 Other taxes not reported | | | | | |
| under item 10 | | | | 14,715.17 | 58,024.34 |
| 16 Net profit of the year | | | | 32,218,034.53 | 6,093,465.85 |
| 17 Net retained losses brought forward | | | | -2,519,309,075.22 | -2,525,896,319.46 |
| 18 Net retained losses | | | | **-2,487,091,040.69** | **-2,519,802,853.61** |

# Cash Flow Statement

## for the period from 1 January 2013 to 30 September 2013

| | | | 1 Jan. - 30 Sep. 2013 EUR | 1 Jan. - 30 Sep. 2012 EUR |
|---|---|---|---|---|
| 1 | | **Result for the period before extraordinary items** | 32,218,034.53 | 6,093,465.85 |
| | | Non-cash items included in net loss for the period and reconciliation to cash flows from operating activities | | |
| 2 | +/– | Allowances for losses on loans and advances and write-offs on certain securities, depreciation, amortisation on tangible fixed assets and long term financial assets as well as the reversal thereof | 182,531,784.66 | -7,814,350.35 |
| 3 | +/– | Increase/decrease in provisions | -97,031,240.32 | 417,740,818.00 |
| 4 | +/– | Other non-cash income/expense | -448,045,924.71 | -475,977,110.09 |
| 5 | –/+ | Gain/loss on disposal of long-term financial assets and tangible fixed assets | -35,014,259.87 | 34,541.31 |
| 6 | –/+ | Other adjustments (net) | -227,416,295.60 | -73,004,431.60 |
| 7 | = | Subtotal | -592,757,901.31 | -132,927,066.88 |
| | | Change in operating assets and liabilities | | |
| 8 | | Loans and advances (no trading portfolio) | | |
| 8a | +/– | – to banks | 6,301,327,545.03 | -25,396,185,389.15 |
| 8b | +/– | – to customers | 4,685,500,791.28 | 1,234,787,716.08 |
| 9 | +/– | Securities (no trading portfolio) | 5,619,629,163.88 | 4,112,420,867.77 |
| 10 | +/– | Trading assets | 2,190,017,592.11 | - |
| 11 | +/– | Other operating assets | -3,699,791.07 | -222,797,860.42 |
| 12 | | Deposits (no trading portfolio) | | |
| 12a | +/– | – from banks | -1,086,629,228.49 | 4,398,746,883.95 |
| 12b | +/– | – from customers | -162,605,223.72 | -1,699,203,744.68 |
| 13 | +/– | Debt securities in issue | -17,044,339,817.99 | 18,802,358,077.85 |
| 14 | +/– | Trading liabilities | -1,845,804,484.91 | - |
| 15 | +/– | Other operating liabilities | -441,839,783.36 | -897,677,196.63 |
| 16 | + | Interest and dividends received | 982,614,308.72 | 856,525,356.95 |
| 17 | – | Interest paid | -846,135,088.32 | -771,017,659.46 |
| 18 | + | Extraordinary receipts | 0.00 | 0.00 |
| 19 | – | Extraordinary payments | 0.00 | 0.00 |
| 20 | +/– | Income tax payments | -8,783,948.59 | -1,231,088.79 |
| 21 | = | **Cash flows from operating activities** | **-2,253,505,866.74** | **283,798,896.59** |
| 22 | | Proceeds from disposal of | | |
| 22a | + | – long-term financial assets | 63,689,932.61 | 80,558,852.74 |
| 22b | + | – tangible fixed assets | 0.00 | 0.00 |
| 23 | | Purchase of | | |
| 23a | – | – long-term financial assets | -47,046,250.14 | -3,094,387.70 |
| 23b | – | – tangible fixed assets | -66,225.61 | -107,925.35 |
| 24 | + | Receipts from disposal of consolidated subsidiaries and other business units | 0.00 | 0.00 |
| 25 | – | Purchase of consolidated subsidiaries and other business units | 0.00 | 0.00 |
| 26 | +/– | Changes in cash due to other investing activities (net) | 0.00 | 0.00 |
| 27 | = | **Cash flows from investing activities** | **16,577,456.86** | **77,356,539.69** |
| 28 | + | Cash receipts from issue of capital | 0.00 | 0.00 |
| 29 | | Cash payments to owners and minority shareholders | | |
| 29a | – | – Dividend payments | 0.00 | 0.00 |
| 29b | – | – Other payments | 0.00 | 0.00 |
| 30 | +/– | Changes in other capital (net) | -13,100,000.00 | 0.00 |
| 31 | = | **Cash flows from financing activities** | **-13,100,000.00** | **0.00** |
| 32 | | Net change in cash funds (sum of 21, 27, 31) | -2,250,028,409.88 | 361,155,436.28 |
| 33 | +/– | Effect on cash funds of exchange rate movements, changes in reporting entity structure and remeasurement | 0.00 | 0.00 |
| 34 | + | **Cash funds at beginning of period** | 2,367,478,188.72 | 160,991,899.35 |
| 35 | = | **Cash funds at end of period** | **117,449,778.84** | **522,147,335.63** |

The reported cash and cash equivalents contain the current accounts maintained at Portigon and Deutsche Bundesbank (demand positions). Additional cash and cash equivalents as defined by DRS 2.16 pp. do not exist at the present time.

# Equity Statement

## for the period from 1 January 2013 to 30 September 2013

| | Balance as of 1 Jan. 2013 EUR | transfer related changes EUR | Other change in capital EUR | Appropriation of the result EUR | Balance as of 30 Sep. 2013 EUR |
|---|---|---|---|---|---|
| Called capital | 500,000.00 | 0.00 | 0.00 | 0.00 | 500,000.00 |
| Capital reserves | 3,026,337,213.51 | -13,100,000.00 | 0.00 | 0.00 | 3,013,237,213.51 |
| Other revenue reserves | 2,431,408.07 | 0.00 | 0.00 | 0.00 | 2,431,408.07 |
| Net retained losses | -2,519,309,075.22 | 0.00 | 0.00 | 32,218,034.53 | -2,487,091,040.69 |
| **Equity under HGB** | **509,959,546.36** | **-13,100,000.00** | **0.00** | **32,218,034.53** | **529,077,580.89** |

| | Balance as of 1 Jan. 2012 EUR | transfer related changes EUR | Other change in capital EUR | Appropriation of the result EUR | Balance as of 30 Sep. 2012 EUR |
|---|---|---|---|---|---|
| Called capital | 500,000.00 | 0.00 | 0.00 | 0.00 | 500,000.00 |
| Capital reserves | 3,137,006,319.58 | -160,669,106.07 | 0.00 | 0.00 | 2,976,337,213.51 |
| Other revenue reserves | 2,431,408.07 | 0.00 | 0.00 | 0.00 | 2,431,408.07 |
| Net retained losses | -2,525,896,319.46 | 0.00 | 0.00 | 6,093,465.85 | -2,519,802,853.61 |
| **Equity under HGB** | **614,041,408.19** | **-160,669,106.07** | **0.00** | **6,093,465.85** | **459,465,767.97** |

# Condensed Notes

## for the period from 1 January 2013 to 30 September 2013

### General disclosures

### 1. Accounting principles

This interim report was prepared according to Sec. 8a para. 1, sent. 10 in conjunction with Sec. 3a para. 4 FMStFG and the supplementing regulations of EAA's charter pursuant to the stipulations of the German Commercial Code (Handelsgesetzbuch - HGB) for large corporations and the Directive on financial accounting of the credit institutions and financial service institutions (RechKredV). The condensed notes fulfil in particular the requirements of the German accounting standard no. 16 (Interim Reporting).

The statements contained in this Interim Report should be understood in the context of the statements contained in the public and certified annual financial statements for the fiscal year from 1 January to 31 December 2012. At the same time, all findings until the preparation of the Interim Report have been taken into account.

### 2. Financial accounting and Valuation principles

For the Interim Report, the same financial accounting and valuation principles have been applied as for the financial statements for the business year from 1 January to 31 December 2012.

The assumptions and estimates required particularly in connection with illiquid portfolios are based on subjective evaluations of the management are necessarily associated with forecasting uncertainties. Even if, in the scope of the estimates, the available information, historical experience and other evaluation factors have been relied upon, the actual future results may differ from the estimates. This may also have a material impact on the asset, financial and revenue situation. In the opinion of EAA, the parameters applied are appropriate and justifiable.

## Notes on the Balance Sheet

### 3. Loans and advances to banks

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **16,395.5** | **22,608.0** |
| of which: | | |
| – to affiliated companies | 4,171.5 | 4,287.1 |
| – to other investees and investors | - | 17.0 |
| payable on demand | 7,338.3 | 9,650.1 |
| due | | |
| – within 3 months | 6,696.7 | 9,963.9 |
| – 3 months to 1 year | 718.4 | 1,256.0 |
| – 1 to 5 years | 789.5 | 1,288.0 |
| – after 5 years | 852.6 | 450.0 |

### 4. Loans and advances to customers

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **17,648.7** | **22,671.0** |
| of which: | | |
| – to affiliated companies | 731.5 | 879.0 |
| – to other investees and investors | 323.0 | 347.3 |
| due | | |
| – within 3 months | 2,231.9 | 2,005.6 |
| – 3 months to 1 year | 2,508.6 | 3,849.0 |
| – 1 to 5 years | 8,171.1 | 11,332.8 |
| – after 5 years | 4,726.4 | 5,448.2 |
| No stated maturity | 10.7 | 35.4 |

## 5. Loans and advances secured with mortgages

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **333.4** | **398.7** |
| Loans and advances to customers due | | |
| – within 3 months | 5.1 | 5.7 |
| – 3 months to 1 year | 14.3 | 20.9 |
| – 1 to 5 years | 81.7 | 106.5 |
| – after 5 years | 232.3 | 265.6 |

## 6. Bonds and other fixed-income securities

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **18,703.4** | **24,217.6** |
| of which: | | |
| Amounts due in the following year | 1,488.6 | 2,282.7 |
| Breakdown | | |
| – Money market instruments | - | - |
| – Bonds issued by public issuers | 1,399.5 | 2,101.0 |
| – Bonds issued by other issuers | 16,863.3 | 21,446.4 |
| – Own bonds | 440.6 | 670.2 |
| Breakdown by marketability | | |
| – Marketable securities | 18,703.4 | 24,217.6 |
| of which | | |
| – listed | 4,428.9 | 6,690.9 |
| – unlisted | 14,274.5 | 17,526.7 |
| Breakdown by type | | |
| – Liquidity reserve | 455.1 | 684.4 |
| – Investment securities | 18,248.3 | 23,533.2 |
| Breakdown by affiliation | | |
| – Securities of affiliated companies | 474.5 | 1,232.7 |
| – Securities of other investees and investors | - | - |

## 7. Equities and other non-fixed income securities

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **41.7** | **49.8** |
| Breakdown by marketability | | |
| – Marketable securities | 31.7 | 36.4 |
| of which: | | |
| – listed | 12.1 | 16.8 |
| – unlisted | 19.6 | 19.6 |
| Breakdown by type | | |
| – Liquidity reserve | 11.2 | 16.9 |
| – Investment securities | 30.5 | 32.9 |

## 8. Trading portfolio

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **31,007.7** | **48,930.6** |
| of which: | | |
| – Derivative financial instruments | 30,880.3 | 48,177.0 |
| – Loans and advances | 9.9 | 53.0 |
| – Bonds and other fixed-income securities | 73.5 | 316.4 |
| – Equities and other non-fixed-income securities | 49.7 | 395.4 |
| – Risk allowance pursuant to § 340 e (3) sentence 1 HGB | -5.7 | -11.2 |

## 9. Long-term equity investments

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **111.8** | **85.8** |
| of which: | | |
| – in banks | 12.6 | 12.6 |
| – in financial service providers | - | - |
| Breakdown by marketability | | |
| – Marketable securities | 24.1 | 26.7 |
| of which: | | |
| – listed | - | 1.2 |
| – unlisted | 24.1 | 25.5 |

The increase in long-term equity investments compared to 31 December 2012 essentially results from the restructuring of loans.

## 10. Shares in affiliates

| | 30 Sep. 2013<br>EUR million | 31 Dec. 2012<br>EUR million |
|---|---|---|
| **Carrying amount** | **1,782.4** | **1,827.3** |
| of which: | | |
| – in banks | 1,723.8 | 1,714.3 |
| – in financial service providers | 10.7 | 25.4 |
| Breakdown by marketability | | |
| – Marketable securities | 1,185.9 | 1,184.8 |
| of which: | | |
| – unlisted | 1,185.9 | 1,184.8 |

## 11. Trust assets

| | 30 Sep. 2013<br>EUR million | 31 Dec. 2012<br>EUR million |
|---|---|---|
| **Carrying amount** | **0.9** | **0.9** |
| of which: | | |
| – Loans and advances to customers | 0.9 | 0.9 |

## 12. Other assets

| | 30 Sep. 2013<br>EUR million | 31 Dec. 2012<br>EUR million |
|---|---|---|
| **Carrying amount** | **318.2** | **296.1** |
| of which: | | |
| – Currency translation adjustments | 269.3 | 224.8 |
| – Guarantee fees and commissions | 24.3 | 32.1 |
| – Tax refund claims | 9.2 | 0.7 |
| – Receivables from profit and loss pooling agreements | 2.7 | 13.1 |
| – Premiums for options | 2.1 | 15.4 |
| – Claims from swap transactions | 0.0 | 0.1 |

## 13. Prepaid expenses/accrued income

| | 30 Sep. 2013<br>EUR million | 31 Dec. 2012<br>EUR million |
|---|---|---|
| **Carrying amount** | **74.5** | **106.8** |
| of which: | | |
| – Non-recurring payments on swaps | 51.1 | 74.5 |
| – Discount on issuing business | 17.7 | 25.6 |
| – Discount on liabilities | 4.0 | 4.7 |
| – Other | 1.7 | 2.0 |

## 14. Subordinated assets

Subordinated assets are contained in:

| | 30 Sep. 2013<br>EUR million | 31 Dec. 2012<br>EUR million |
|---|---|---|
| Loans and advances to customers | 443.8 | 476.4 |
| of which: | | |
| – to affiliates | 33.5 | 34.3 |
| – to other long-term investees and investors | 1.9 | - |
| Equities and other non-fixed-income securities | 29.6 | 29.6 |
| of which: | | |
| – to affiliates | - | - |
| – to other long-term investees and investors | - | - |
| **Total** | **473.4** | **506.0** |

## 15. Assets sold under repurchase agreements

As of 30 September 2013 and of 31 December 2012 EAA has not sold assets under repurchase agreements.

## 16. Deposits from banks

| | 30 Sep. 2013<br>EUR million | 31 Dec. 2012<br>EUR million |
|---|---|---|
| **Carrying amount** | **6,587.9** | **7,844.5** |
| of which: | | |
| – to affiliates | 63.6 | 144.0 |
| – to other long-term investees and investors | - | - |
| Payable on demand | 2,482.8 | 2,665.2 |
| due | | |
| – within 3 months | 640.0 | 597.7 |
| – 3 months to 1 year | 1,067.8 | 988.6 |
| – 1 to 5 years | 2,120.9 | 3,335.7 |
| – after 5 years | 276.4 | 257.3 |

## 17. Deposits from customers

| | 30 Sep. 2013<br>EUR million | 31 Dec. 2012<br>EUR million |
|---|---|---|
| **Carrying amount** | **7,316.4** | **7,462.0** |
| of which: | | |
| – to affiliates | - | 22.8 |
| – to other long-term investees and investors | - | - |
| Other deposits | 7,316.4 | 7,462.0 |
| of which: | | |
| – payable on demand | 392.3 | 353.8 |
| due | | |
| – within 3 months | 1,080.5 | 341.9 |
| – 3 months to 1 year | 832.2 | 594.5 |
| – 1 to 5 years | 2,156.9 | 2,831.6 |
| – after 5 years | 2,854.5 | 3,340.2 |

## 18. Debt securities in issue

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **40,442.6** | **57,653.4** |
| of which: | | |
| – to affiliates | - | - |
| – to other long-term investees and investors | - | - |
| Bonds | 2,855.9 | 8,004.4 |
| of which: | | |
| Amounts due in the following year | 1,865.6 | 5,169.8 |
| Other debt securities in issue | 37,586.7 | 49,649.0 |
| of which due: | | |
| – within 3 months | 7,897.6 | 12,261.0 |
| – 3 months to 1 year | 7,201.6 | 11,936.1 |
| – 1 to 5 years | 22,253.0 | 25,267.4 |
| – after 5 years | 234.5 | 184.5 |

## 19. Trading portfolio

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **30,873.3** | **48,900.0** |
| of which: | | |
| – Derivative financial instruments | 30,872.5 | 48,606.9 |
| – Liabilities | 0.8 | 293.1 |

## 20. Trust liabilities

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **0.9** | **0.9** |
| of which: | | |
| – Deposits from banks | 0.2 | 0.2 |
| – Deposits from customers | 0.7 | 0.7 |

## 21. Other liabilities

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **15.6** | **449.9** |
| of which: | | |
| – Compensation liability for refill | 9.4 | 409.6 |
| – Payable syndication fees | 2.4 | 2.4 |
| – Premiums from options | 2.1 | 15.4 |
| – Obligations from swap transactions | 0.1 | 0.1 |

## 22. Accruals/deferred income

| | 30 Sep. 2013 EUR million | 31 Dec. 2012 EUR million |
|---|---|---|
| **Carrying amount** | **37.1** | **94.3** |
| of which: | | |
| – Non-recurring payments on swaps | 22.6 | 81.5 |
| – Premium on issuing business | 10.5 | 9.6 |
| – Guarantee fees and commissions received in advance | 1.4 | 0.0 |
| – Premiums for sold interest rate caps and floors | 1.4 | 1.5 |
| – Other | 1.2 | 1.7 |

## 23. Provisions

| | Balance as of 31 Dec. 2012 EUR million | transfer related changes EUR million | Additions EUR million | Unwinding of discount EUR million | Charge-offs EUR million | Reversals EUR million | Other changes EUR million | Final balance 30 Sep. 2013 EUR million |
|---|---|---|---|---|---|---|---|---|
| Taxes | 6.1 | - | - | - | 0.2 | - | -5.1 | 0.8 |
| Other provisions | 373.1 | -1.0 | 168.0 | 0.1 | 219.2 | 57.4 | 17.8 | 281.4 |
| – Loans | 147.9 | - | 30.7 | 0.0 | 56.3 | 57.1 | 101.2 | 166.4 |
| – Long-term equity investments | 15.6 | - | - | -0.1 | - | - | -0.2 | 15.3 |
| – Legal actions | 14.7 | -1.0 | 2.2 | 0.0 | 1.2 | 0.0 | 0.0 | 14.7 |
| – Personnel | 0.4 | - | - | - | 0.0 | - | - | 0.4 |
| – Other | 194.5 | - | 135.1 | 0.2 | 161.7 | 0.3 | -83.2 | 84.6 |
| **Total** | **379.2** | **-1.0** | **168.0** | **0.1** | **219.4** | **57.4** | **12.7** | **282.2** |

Other provisions include additions to the service flat fee payable to Portigon.

## 24. Equity

The subscribed capital of EAA as at 30 September 2013 amounts to EUR 500,000.00.

From the transfers in the scope of the first filling, EEA received additions to the capital reserve in the amount of EUR 3,137.0 million. The capital reserve reduced by EUR 123.8 million due to the refill in the business year 2012, of which EUR 13.1 million in 2013 were due to a contractual value adjustment clause. This decline is essentially caused by the measures agreed in the context of the key point agreement dated 29 June 2011 and the binding transcript dated 18 June 2012.

Other reserves in the amount of EUR 2.4 million result from the liquidation of reserves that were valued based on the altered valuation of liabilities according to the German Accounting Law Modernization Act [Bilanzrechtsmodernisierungsgesetz - BilMoG].

The net profit of the EAA for the first nine months of 2013 amounts EUR 32.2 million and reduces the net retained loss as at 30 September 2013 to EUR 2,487.1 million.

## Notes on the Income Statement

### 25. Geographical breakdown of income components

The major income components in the income statement of EAA were earned in the geographical markets shown as follows:

| 1 Jan. - 30 Sep. 2013<br>EUR million | Interest income | Current income | Fees and commission income | Net trading result | Other operating income |
|---|---|---|---|---|---|
| Germany | 620.6 | 2.2 | 156.4 | 121.8 | 0.7 |
| United Kingdom | 174.2 | 0.0 | 11.5 | -46.3 | 0.0 |
| Rest of Europe | 4.6 | - | 1.2 | - | - |
| Far East and Australia | 29.7 | - | 0.4 | - | 0.0 |
| North America | 104.4 | 0.2 | 2.1 | 0.0 | 0.0 |
| **Income statement amount** | **933.5** | **2.4** | **171.6** | **75.5** | **0.7** |

The geographical attribution of the income is applied depending on the domicile of corporate entities and the operating branch office of Portigon before the assets were refilled.

### 26. Other operating and prior-period expenses and income

The balance of the other operating expenses and income in the first nine months 2013 amounts EUR 2.8 million (previous year: EUR -1.0 million) and is composed of expenses in the amount of EUR 3.5 million (previous year: EUR 3.9 million) and income amounting to EUR 0.7 (previous year: EUR 2.9 million).

Relevant expenses and income from other periods have neither occurred in the first three quarters of 2013 nor in the previous year.

## 27. Risk provision

**Depreciations and specific provisions according to Sec. 340f para. 3 and Sec. 340c para. 2 HGB**

| | 1 Jan. - 30 Sep. 2013<br>EUR million | 1 Jan. - 30 Sep. 2012<br>EUR million |
|---|---|---|
| **Risk result** | **-119.9** | **-14.9** |
| Loans and securities income/expense | -288.9 | -630.5 |
| of which: | | |
| – Lending operations | -295.4 | -635.6 |
| – Securities | 6.5 | 5.1 |
| Equity investments and securities income/expenses | 169.0 | 615.6 |
| of which: | | |
| – Long-term equity investments | -1.9 | -15.5 |
| – Securities | 170.9 | 631.1 |
| Result of risk provisions - loans and advances/securities/long-term equity investments due to credit risk | -123.5 | 116.2 |
| of which: | | |
| – Lending operations | -173.9 | -243.2 |
| – Structured securities | 50.4 | 412.7 |
| – Other securities | - | -53.3 |
| Net income from investment securities | 3.6 | -131.1 |

EAA generally does not use the option rights pursuant to Sec. 340f para. 3 HGB and Sec. 340c para. 2 HGB. According to Sec. 340f para. 3 HGB income and expenses from the valuation in the lending business with depreciation of securities as well as income from interest additions to securities in the liquidity reserve may be posted as offset. The net expense amounts to EUR 288.9 million (previous year: EUR 630.5 million). According to Sec. 340c para. 2 HGB, the expenses for holding, shares in affiliated companies as well as for securities of the asset portfolio may be offset against the corresponding earnings. Overall, EAA posted revenues of EUR 169.0 million (previous year: EUR 615.6 million) as net risk result for holdings and securities.

## 28. Taxes on income and earnings

The taxes on income and profit in the amount of EUR 0.8 million (previous year: EUR 3.4 million) largely concern foreign taxes.

## Other Disclosures

## 29. Contingent liabilities

### Contingent liabilities

Contingent liabilities in the amount of EUR 12.2 billion (previous year: EUR 19.7 billion) largely stem from guarantees for risk positions of Portigon. These include liabilities from credit default swaps in the amount of EUR 775.1 million (previous year: EUR 1,145.5 million). Regarding these contingent liabilities, EAA has no detailed knowledge whether, when and in what amount a draw down might occur. Reserves are created when sufficiently tangible insights as to the loss of an expected draw down become available.

### Other liabilities

The volume of EUR 5.3 billion (previous year: EUR 5.6 billion) results from the lending business. EAA reviews constantly whether losses from other liabilities are impending and if a reserve for threatened losses from pending transactions has to be created.

## 30. Forward transactions/derivative products

EAA concludes forward or derivative transactions of the following kind:

- **Interest rate related products**
  interest rate swaps, interest rate futures, forward rate agreements, interest rate caps, interest rate floors, interest rate collars, swaptions and interest rate options.

- **Currency related products**
  cross-currency interest rate swaps, forward cross-currency interest rate swaps, forward exchange contracts and currency option contracts

- **Equity and other price related products**
  stock options, index options, share and index warrants in issue

- **Credit derivatives**
  credit default swaps, total return swaps and credit linked notes

The total volume of forward transactions and derivatives transactions on the balance sheet date amounts, based on notional values, EUR 714.8 billion (previous year: EUR 932.5 billion). The focus is unchanged on interest rate related products whose share declined to 83.9% (previous year: 84.3%) of the total volume.

Derivatives for stock traded transactions were valued at the stock exchange price on the balance sheet due date. The market values for derivatives not traded at stock exchanges were assessed on the basis of financial mathematical valuation models and valuation parameters available in the market (e.g. interest rates, interest volatilities, exchange rates).

**Derivative financial instruments - Volume as of the balance sheet date**

| | Notional amount | | Positive market values | | Negative market values | |
|---|---|---|---|---|---|---|
| **EUR million** | **30 Sep. 2013** | **31 Dec. 2012** | **30 Sep. 2013** | **31 Dec. 2012** | **30 Sep. 2013** | **31 Dec. 2012** |
| **Interest rate-related products** | **599,614** | **786,535** | **27,378** | **42,672** | **26,822** | **41,994** |
| OTC products | 598,526 | 783,274 | 27,378 | 42,672 | 26,822 | 41,994 |
| Exchange-traded products | 1,088 | 3,261 | 0 | 0 | 0 | 0 |
| **Currency-related products** | **112,101** | **139,015** | **3,408** | **5,506** | **3,115** | **4,848** |
| OTC products | 112,101 | 139,015 | 3,408 | 5,506 | 3,115 | 4,848 |
| **Equity- and other price-related products** | **910** | **3,858** | **311** | **606** | **361** | **697** |
| OTC products | 910 | 3,858 | 311 | 606 | 361 | 697 |
| **Credit derivatives** | **2,153** | **3,138** | **78** | **300** | **91** | **310** |
| OTC products | 2,153 | 3,138 | 78 | 300 | 91 | 310 |
| **Total derivative financial instruments** | **714,778** | **932,546** | **31,175** | **49,084** | **30,389** | **47,849** |
| OTC products | 713,690 | 929,285 | 31,175 | 49,084 | 30,389 | 47,849 |
| Exchange-traded products | 1,088 | 3,261 | 0 | 0 | 0 | 0 |

The annual average notional values of forward transactions or derivative transactions in the current fiscal year 2013 were at EUR 1,083.5 billion (previous year: EUR 514.5 billion).

**Derivative financial instruments – Average volumes**

| | Notional amount | | Positive market values | | Negative market values | |
|---|---|---|---|---|---|---|
| **Average EUR million** | **1 Jan. - 30 Sep. 2013** | **1 Jan. - 31. Dec. 2012** | **1 Jan. - 30 Sep. 2013** | **1 Jan. - 31. Dec. 2012** | **1 Jan. - 30 Sep. 2013** | **1 Jan. - 31. Dec. 2012** |
| **Interest rate-related products** | **654,790** | **428,838** | **31,498** | **21,378** | **30,819** | **23,947** |
| OTC products | 653,372 | 427,207 | 31,498 | 21,378 | 30,819 | 23,947 |
| Exchange-traded products | 1,418 | 1,631 | 0 | 0 | 0 | 0 |
| **Currency-related products** | **121,331** | **80,745** | **4,518** | **2,703** | **4,213** | **2,760** |
| OTC products | 121,331 | 80,745 | 4,518 | 2,703 | 4,213 | 2,760 |
| **Equity and other price-related products** | **304,538** | **2,074** | **431** | **312** | **512** | **355** |
| OTC products | 304,538 | 2,074 | 431 | 312 | 512 | 355 |
| **Credit derivatives** | **2,846** | **2,851** | **196** | **217** | **203** | **241** |
| OTC products | 2,846 | 2,851 | 196 | 217 | 203 | 241 |
| **Total derivative financial instruments** | **1,083,505** | **514,508** | **36,643** | **24,610** | **35,747** | **27,303** |
| OTC products | 1,082,087 | 512,877 | 36,643 | 24,610 | 35,747 | 27,303 |
| Exchange-traded products | 1,418 | 1,631 | 0 | 0 | 0 | 0.0 |

Without exception, forward and derivatives transactions were concluded for hedging purposes.

The option premiums for derivative financial instruments not included in the trading portfolio are reported in Other Assets and Other Liabilities.

**Derivative financial instruments – Maturities**

| **Notional amount** | **Interest rate-related products** | | **Currency-related products** | | **Equity- and other price-related products** | | **Credit derivatives** | |
|---|---|---|---|---|---|---|---|---|
| **EUR million** | **30 Sep. 2013** | **31 Dec. 2012** | **30 Sep. 2013** | **31 Dec. 2012** | **30 Sep. 2013** | **31 Dec. 2012** | **30 Sep. 2013** | **31 Dec. 2012** |
| Due | | | | | | | | |
| – within 3 months | 45,438 | 72,358 | 10,104 | 14,488 | 50 | 116 | 37 | 225 |
| – 3 months to 1 year | 107,685 | 114,836 | 23,145 | 25,931 | 129 | 413 | 604 | 190 |
| – 1 to 5 years | 243,583 | 354,636 | 60,296 | 77,172 | 731 | 3,319 | 1,422 | 2,619 |
| – after 5 years | 202,908 | 244,705 | 18,556 | 21,424 | 0 | 10 | 90 | 104 |
| **Total** | **599,614** | **786,535** | **112,101** | **139,015** | **910** | **3,858** | **2,153** | **3,138** |

## 31. Number of employees

The number of employees on average during the reporting period:

| Number of employees | | | Total | Total |
|---|---|---|---|---|
| | Female | Male | 1 Jan. - 30 Sep. 2013 | 1 Jan. - 30 Sep. 2012 |
| | 43 | 74 | 117 | 80 |

## 32. Shareholders in EAA

| Shareholders | Ownership interest | |
|---|---|---|
| | 30 Sep. 2013 | 31 Dec. 2012 |
| | in % | in % |
| North Rhine-Westphalia | 48.202 | 48.202 |
| Rheinischer Sparkassen- und Giroverband (RSGV) | 25.032 | 25.032 |
| Sparkassenverband Westfalen-Lippe (SVWL) | 25.032 | 25.032 |
| Landschaftsverband Rheinland (LVR) | 0.867 | 0.867 |
| Landschaftsverband Westfalen-Lippe (LWL) | 0.867 | 0.867 |
| **Total** | **100.000** | **100.000** |

## 33. Memberships of the Members of the Managing Board

The following members of the Managing Board of EAA assumed appointments to a supervisory board or other governing bodies of large corporations as defined by Sec. 340a para. 4, no. 1 in conjunction with Sec. 267 para. 3 HGB during the first three quarters of 2013. The appointment marked with * is a voluntary disclosure, as the company is not included in the definition of large corporation according to Sec. 340a para. 4, no. 1 in conjunction with Sec. 267 para. 3 HGB.

**Matthias Wargers**

Börse Düsseldorf AG (since 24 June 2013) *

Westdeutsche ImmobilienBank AG

**Markus Bolder**

Westdeutsche ImmobilienBank AG

## 34. Memberships of the Employees

The following employees of EAA assumed appointments to a supervisory board or other governing bodies of corporations in the meaning of Sec. 340a para. 4, no. 1 in conjunction with Sec. 267 para. 3 HGB during the first three quarters of 2013. The appointments marked with * is a voluntary disclosure, as the company is not included in the definition of large corporation according to Sec. 340a para. 4, no. 1 in conjunction with Sec. 267 para. 3 HGB.

**Dr. Ulf Bachmann**

Westdeutsche ImmobilienBank AG

**Sven Guckelberger**

Basinghall Finance Plc

**Gabriele Müller**
Basinghall Finance Plc
EAA Corporate Services Public Limited Company *
EAA Covered Bond Bank Plc

**Hartmut Rahner**
EAA Corporate Services Public Limited Company *
EAA Covered Bond Bank Plc

## 35. Executive bodies of EAA

### Members of EAA's Managing Board

**Matthias Wargers (Spokesman)**
**Markus Bolder**
**Horst Küpker (since 15 May 2013)**

### Members of EAA's Supervisory Board

**Dr. Rüdiger Messal**
Chairman | State Secretary in the Finance Ministry of North Rhine-Westphalia

**Joachim Stapf**
Vice Chairman | Senior Assistant Secretary (Leitender Ministerialrat) in the Finance Ministry of North Rhine-Westphalia

**Dr. Karlheinz Bentele**
Former President of the Rheinischer Sparkassen- und Giroverband,
Former Member of the Executive Committee (Leitungsausschuss) of the Federal Agency for Financial Market Stabilisation (Bundesanstalt für Finanzmarktstabilisierung)

**Günter Borgel**
Member of the Executive Committee (Leitungsausschuss) of the Federal Agency for Financial Market Stabilisation (Bundesanstalt für Finanzmarktstabilisierung)

**Michael Breuer (since 1 July 2013)**
President of the Rheinischer Sparkassen- und Giroverband

**Ralf Fleischer (until 30 June 2013)**
Managing Director of the Rheinischer Sparkassen- und Giroverband

**Henning Giesecke**
Managing Director of GSW Capital Management GmbH
Former Chief Risk Officer of HypoVereinsbank AG and UniCredit Group

**Wilfried Groos**
Chairman of the Managing Board of the Sparkasse Siegen

**Dr. Wolfgang Kirsch**
Director of the Landschaftsverband Westfalen-Lippe

**Hans Martz**
Chairman of the Managing Board of the Sparkasse Essen

**Michael Stölting**
Member of the Managing Board of NRW.BANK

**Jürgen Wannhoff**
Vice-President and Member of the Managing Board of the Sparkassenverband Westfalen-Lippe

**Dr. Uwe Zimpelmann**
Former Chairman of the Landwirtschaftliche Rentenbank

### Stakeholders' Meeting of EAA

The Stakeholders' Meeting is composed of the representatives of the shareholders (see note 32).

## 36. Information on shareholdings

### List of shareholdings
### Supplementary disclosures pursuant to § 285 Nos. 11 and 11a HGB

Disclosing party: Erste Abwicklungsanstalt
Dated: 30 September 2013
Target currency/unit: EUR / TEUR (all currency exchange rates have been convered into EUR as of 30 September 2013)
Interest and voting rights in %

**Other shareholdings**

| Ct.No. | Name | Location | Capital share | Voting rights | Currency | Equity | Profit/loss |
|---|---|---|---|---|---|---|---|
| 1 | Basinghall Commercial Finance Limited [7)] | London, United Kingdom | 100.00 | | GBP | 6,038.76 | 29.35 |
| 2 | Basinghall Finance Plc [13)] | London, United Kingdom | 100.00 | | GBP | -2,086.00 | 1,859.94 |
| 3 | BfP Beteiligungsgesellschaft für Projekte mbH [1) 13)] | Düsseldorf | 80.00 | | EUR | 25.37 | 0.00 |
| 4 | Börse Düsseldorf AG [7)] | Düsseldorf | 21.95 | | EUR | 33,276.50 | 2,404.17 |
| 5 | CBAL S.A. [2) 9)] | Braine l'Alleud, Belgium | 100.00 | | EUR | 61.50 | 818.02 |
| 6 | COREplus Private Equity Partners GmbH & Co. KG [1) 13)] | Düsseldorf | 36.52 | 0 | EUR | 27,721.53 | 5,001.37 |
| 7 | COREplus Private Equity Partners II - Diversified Fund, L. P. [13)] | Wilmington, USA | 24.75 | 0 | USD | 34,340.67 | -314.61 |
| 8 | Dussinvest2 Beteiligungsgesellschaft mbH [4) 13)] | Düsseldorf | 100.00 | | EUR | 232.20 | 0.00 |
| 9 | Dusskapital Zwanzig Beteiligungsgesellschaft mbH [13)] | Düsseldorf | 100.00 | | EUR | 22.70 | -3.30 |
| 10 | EAA Corporate Services Public Limited Company [13)] | Dublin 1, Ireland | 100.00 | | EUR | -1,160.00 | 39.00 |
| 11 | EAA Covered Bond Bank Plc [13) 14)] | Dublin 1, Ireland | 100.00 | | EUR | 512,109.00 | 30,522.00 |
| 12 | EAA do Brasil Participacoes, Representacoes e Negocios Ltda. [13)] | Sao Paulo, Brazil | 100.00 | | BRL | 2,334.41 | 14.80 |
| 13 | EAA Europa Holding GmbH [4) 7)] | Düsseldorf | 100.00 | | EUR | 42,569.95 | 0.00 |
| 14 | EAA Japan K.K. [11)] | Minato-ku, Japan | 100.00 | | JPY | 51,028.03 | 4,252.65 |
| 15 | EMG Projekt Gewerbepark Ludwigsfelde/Löwenbruch GmbH [1) 13)] | Berlin | 47.50 | | EUR | 634.25 | 493.67 |
| 16 | Erste EAA-Beteiligungs GmbH [10)] | Düsseldorf | 100.00 | | EUR | 25.00 | n.s. |
| 17 | Fischerinsel Beteiligungs-GmbH i.L. [1) 13)] | Mainz | 100.00 | | EUR | 15.55 | -1.56 |
| 18 | Fischerinsel Vermietungs GmbH & Co. KG i.L. [1) 7)] | Mainz | 100.00 | | EUR | 971.70 | -715.08 |
| 19 | Frankonia Eurobau Max-Viertel GmbH [1) 5)] | Nettetal | 25.00 | | EUR | 3,240.37 | 50.75 |
| 20 | GID Gesellschaft für Innenstadtentwicklung in Duisburg mbH [1) 7)] | Hamburg | 45.00 | | EUR | -4.07 | -1.18 |
| 21 | GKA Gesellschaft für kommunale Anlagen mbH [1) 13)] | Düsseldorf | 100.00 | | EUR | 190.97 | 3.03 |
| 22 | GML Gewerbepark Münster-Loddenheide GmbH [1) 13)] | Münster | 33.33 | | EUR | 13,451.41 | 760.67 |
| 23 | Grundstücksentwicklungsgesellschaft Krohnstieg -Süd mbH [1) 13)] | Bremen | 45.00 | | EUR | -3,813.39 | -1,105.29 |
| 24 | Heber Avenue Partners, LLC [13)] | Dover, USA | 100.00 | | USD | -6,029.67 | -7,543.95 |
| 25 | Home Partners Holdco LLC [13)] | Dover, USA | 100.00 | | USD | 246.17 | -267.67 |
| 26 | IFV ImmobilienFonds Verwaltungsgesellschaft Objekte Halle, Essen und Magdeburg mbH i.L. [13)] | Ingelheim am Rhein | 40.00 | | EUR | 25.76 | -0.56 |
| 27 | International Leasing Solutions Japan KK [6)] | Tokyo, Japan | 100.00 | | JPY | 215.26 | 1.49 |
| 28 | KA Deutschland Beteiligungs GmbH & Co KG [1) 7)] | Düsseldorf | 100.00 | | EUR | 4,881.19 | 4,034.00 |
| 29 | Kassiterit Beteiligungs GmbH [1) 13)] | Düsseldorf | 100.00 | | EUR | 19.24 | -2.92 |
| 30 | KB Zwei Länder Beteiligungs- und Verwaltungs GmbH & Co. KG [1) 7)] | Düsseldorf | 100.00 | | EUR | 721.81 | 0.91 |
| 31 | KB Zwei Länder Beteiligungsgesellschaft mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 520.77 | 37.63 |
| 32 | Leasing Belgium N.V. [1) 13)] | Antwerp, Belgium | 100.00 | | EUR | 681.67 | -56.72 |
| 33 | LIFE.VALUE Construction GmbH [1) 13)] | Düsseldorf | 100.00 | | EUR | -2,659.54 | -186.75 |
| 34 | LIFE.VALUE GmbH & Co. 11/14 Centre KG [1) 13)] | Düsseldorf | 100.00 | | EUR | 426.94 | 709.96 |
| 35 | Life.Value Properties GmbH [1) 13)] | Düsseldorf | 100.00 | | EUR | -398.47 | 56.87 |
| 36 | Methuselah Life Markets Limited [13)] | London, United Kingdom | 100.00 | | GBP | 15,481.58 | 50.33 |
| 37 | MFC ABW LLC [1) 13)] | New York, USA | 100.00 | | USD | 0.00 | 21.24 |
| 38 | MFC Black Horse, LLC [1)] | New York, USA | 100.00 | | | n.s. | n.s. |
| 39 | MFC CMark LLC [1) 13)] | New York, USA | 100.00 | | USD | 169.04 | 160.75 |
| 40 | MFC Eagle Realty LLC [1)] | New York, USA | 100.00 | | | n.s. | n.s. |
| 41 | MFC Holdco, LLC [13)] | New York, USA | 100.00 | | USD | 8,496.24 | -2,837.58 |
| 42 | MFC Jennings Gateway LLC [1)] | New York, USA | 100.00 | | | n.s. | n.s. |
| 43 | MFC Leominster LLC [1)] | New York, USA | 100.00 | | | n.s. | n.s. |
| 44 | MFC MAR-COMM, LLC [1)] | New York, USA | 100.00 | | | n.s. | n.s. |
| 45 | MFC New Paradigm LLC [1)] | New York, USA | 100.00 | | | n.s. | n.s. |
| 46 | MFC ParcOne, LLC [1)] | New York, USA | 100.00 | | | n.s. | n.s. |
| 47 | MFC Pinecrest LLC [1)] | New York, USA | 100.00 | | | n.s. | n.s. |
| 48 | MFC Real Estate LLC [1) 13)] | New York, USA | 100.00 | | USD | 8,248.02 | -1,905.57 |
| 49 | MFC Spanish Trails LLC [1)] | New York, USA | 100.00 | | | n.s. | n.s. |
| 50 | MFC Twin Builders LLC [1) 13)] | New York, USA | 100.00 | | USD | 79.19 | -46.08 |
| 51 | MIG Immobiliengesellschaft mbH i.L. [12)] | Mainz | 40.91 | | EUR | 19.95 | -12.62 |
| 52 | Mod CapTrust Holding LLC [13)] | Dover, USA | 100.00 | | USD | 0.00 | n.s. |
| 53 | Monolith Grundstücksverwaltungsgesellschaft mbH [1) 13)] | Mainz | 100.00 | | EUR | 86.72 | 5.63 |
| 54 | Montelucia Phoenix Inc. [1)] | Dover, USA | 100.00 | | | n.s. | n.s. |
| 55 | Nephelin Grundstücksverwaltungsgesellschaft mbH [1) 13)] | Mainz | 100.00 | | EUR | -44.50 | -3.44 |
| 56 | ParaFin LLC [13)] | New York, USA | 100.00 | | USD | 0.00 | 92.27 |
| 57 | Pathos Bay LLC [13)] | Dover, USA | 100.00 | | USD | 4,752.84 | -1,622.46 |
| 58 | PE Projekt-Entwicklungsgesellschaft mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 25.06 | 0.00 |
| 59 | PE Projekt-Entwicklungsgesellschaft mbH & Co. Büro- und Businesscenter Leipzig Park KG [2) 13)] | Düsseldorf | 94.90 | 83.33 | EUR | 354.08 | -103.15 |
| 60 | PM Portfolio Management GmbH [1) 13)] | Düsseldorf | 100.00 | | EUR | 61.98 | -0.51 |

| Ct.No. | Name | Location | Capital share | Voting rights | Currency | Equity | Profit/loss |
|---|---|---|---|---|---|---|---|
| 61 | Projekt Carrée am Bahnhof GmbH & Co. Bürozentrum KG in Insolvenz [1) 5)] | Bad Homburg | 51.00 | | EUR | -3,571.86 | -116.54 |
| 62 | Projekt Carrée am Bahnhof Verwaltungs GmbH in Insolvenz [1) 5)] | Bad Homburg | 51.00 | | EUR | -13.19 | -0.17 |
| 63 | Projektentwicklungsgesellschaft Gartenstadt Wildau Röthegrund II mbH [1) 7)] | Wildau | 94.00 | | EUR | -6,253.66 | -39.85 |
| 64 | Projektgesellschaft Klosterberg mbH [1) 13)] | Münster | 94.00 | | EUR | -548.40 | -1.50 |
| 65 | S-Chancen-Kapitalfonds NRW GmbH i.L. [13)] | Haan | 50.00 | | EUR | 4,971.37 | 84.28 |
| 66 | Special PEP II GP Investors, L.L.C. [7)] | Wilmington, USA | 50.00 | 0 | USD | 352.16 | 18.26 |
| 67 | StadtGalerie Witten GmbH [1) 13)] | Düsseldorf | 40.00 | | EUR | -2,973.50 | -829.11 |
| 68 | StadtGalerie Witten Marketing GmbH [1) 7)] | Düsseldorf | 40.00 | | EUR | 16.08 | 24.82 |
| 69 | Standard Chartered (SFD No.2) Limited [7)] | London, United Kingdom | 25.00 | | USD | 0.13 | 0.00 |
| 70 | Tanzbar CH Holdings, LLC [13)] | New York, USA | 100.00 | | USD | 0.00 | 98.12 |
| 71 | Tanzbar DB Holdings, LLC [13)] | New York, USA | 100.00 | | USD | 0.00 | 495.00 |
| 72 | Vierte EAA-Beteiligungs GmbH [10)] | Düsseldorf | 100.00 | | EUR | 25.00 | n.s. |
| 73 | Vivaldis Gesellschaft für strukturierte Lösungen S.A. [13)] | Luxembourg, Luxembourg | 100.00 | | EUR | 34.10 | 48.36 |
| 74 | West Equity Fonds GmbH [4) 13)] | Düsseldorf | 100.00 | | EUR | 25.00 | 0.00 |
| 75 | West Life Markets GmbH & Co. KG [4) 13)] | Düsseldorf | 100.00 | | EUR | 1,312.00 | 0.00 |
| 76 | West Merchant Limited [7)] | London, United Kingdom | 100.00 | | GBP | 57.07 | 3.11 |
| 77 | West Zwanzig GmbH [1) 4) 13)] | Mainz | 100.00 | | EUR | 25.23 | 0.00 |
| 78 | Westdeutsche Immobilien Fonds Beteiligungsgesellschaft mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 41.73 | 0.00 |
| 79 | Westdeutsche ImmobilienBank AG [3) 4) 13)] | Mainz | 100.00 | | EUR | 876,577.27 | 0.00 |
| 80 | Westdeutsche ImmobilienHolding GmbH [1) 4) 13)] | Mainz | 94.60 | | EUR | 5,539.47 | 0.00 |
| 81 | Westfälische Textil-Gesellschaft Klingenthal & Co. mit beschränkter Haftung [8)] | Salzkotten | 25.26 | | EUR | 10,253.59 | -232.95 |
| 82 | Westfonds 5 Büropark Aachen Laurensberg KG [1) 7)] | Düsseldorf | 49.16 | 49.11 | EUR | 4,527.31 | 175.76 |
| 83 | WestFonds 5 Palazzo Fiorentino Frankfurt KG [1) 7)] | Düsseldorf | 45.64 | 45.62 | EUR | 5,988.08 | 3,809.05 |
| 84 | WestFonds 5 Walle-Center Bremen KG [1) 7)] | Düsseldorf | 46.03 | | EUR | 14,426.75 | 119.06 |
| 85 | WestFonds Dachfonds Schiffe GmbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 9.22 | -6.28 |
| 86 | WestFonds Geschäftsführungsgesellschaft 1 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 42.00 | 14.35 |
| 87 | WestFonds Geschäftsführungsgesellschaft 2 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 25.31 | -4.07 |
| 88 | WestFonds Gesellschaft für geschlossene Immobilienfonds mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 70.03 | -3.47 |
| 89 | WestFonds Holland Grundstücksgesellschaft Voorburg und s'Hertogenbosch mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 9.24 | -12.76 |
| 90 | WestFonds Immobilien Gesellschaft Objekt Halle/Saale Charlottenstraße mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | -2,965.19 | -1,918.06 |
| 91 | WestFonds Immobilien Gesellschaft Objekt Magdeburg An der Steinkuhle 2-2e mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | -980.33 | -763.71 |
| 92 | WestFonds Immobilien Gesellschaft Objekt Magdeburg Rogätzer Str. 8 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | -60.93 | -53.94 |
| 93 | WestFonds Immobilien Gesellschaft Objekt Wien Heiligenstädter Lände 29 mbH i.L. [1) 6)] | Düsseldorf | 100.00 | | EUR | 32.60 | 27.18 |
| 94 | WestFonds Immobilien-Anlagegesellschaft mbH [4) 13)] | Düsseldorf | 94.90 | | EUR | 4,302.13 | 2,190.09 |
| 95 | WestFonds Immobiliengesellschaft Objekt Essen Schnieringshof 10-14 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | -926.89 | -883.69 |
| 96 | WestFonds Premium Select Management GmbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 33.03 | -1.21 |
| 97 | WestFonds Premium Select Verwaltung GmbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 32.44 | 0.92 |
| 98 | WestFonds Verwaltung GmbH [1) 7)] | Schönefeld | 100.00 | | EUR | 71.86 | 47.44 |
| 99 | WestFonds-PHG Gesellschaft RWI-Fonds 120 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 25.10 | -6.13 |
| 100 | WestFonds-PHG Gesellschaft RWI-Fonds 125 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 25.10 | -6.13 |
| 101 | WestFonds-PHG Gesellschaft RWI-Fonds 140 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 26.41 | -3.62 |
| 102 | WestFonds-PHG Gesellschaft RWI-Fonds 43 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 26.08 | -4.40 |
| 103 | WestFonds-PHG Gesellschaft RWI-Fonds 47 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 27.32 | -4.35 |
| 104 | WestFonds-PHG Gesellschaft WestFonds 1 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 28.09 | -3.09 |
| 105 | WestFonds-PHG Gesellschaft WestFonds 2 D mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 27.62 | -3.60 |
| 106 | WestFonds-PHG Gesellschaft WestFonds 2 H mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 27.62 | -3.60 |
| 107 | WestFonds-PHG Gesellschaft WestFonds 5 Aachen mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 25.15 | -6.08 |
| 108 | WestFonds-PHG Gesellschaft WestFonds 5 Bremen mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 25.10 | -6.13 |
| 109 | WestFonds-PHG Gesellschaft WestFonds 5 Frankfurt mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 25.15 | -6.09 |
| 110 | WestFonds-PHG Gesellschaft Westfonds 6 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 27.80 | -1.78 |
| 111 | WestFonds-PHG Gesellschaft WestFonds 7 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 27.97 | -2.06 |
| 112 | WestFonds-PHG Gesellschaft WestFonds Wien 2 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 26.78 | -5.64 |
| 113 | WestFonds-PHG-Gesellschaft BI-Fonds 12 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 23.95 | -6.08 |
| 114 | WestFonds-PHG-Gesellschaft BI-Fonds 14 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 23.95 | -6.08 |
| 115 | WestFonds-PHG-Gesellschaft BI-Fonds 18 S mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 23.95 | -6.08 |
| 116 | WestFonds-PHG-Gesellschaft BI-Fonds 19 S mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 23.95 | -6.08 |
| 117 | WestFonds-PHG-Gesellschaft BI-Fonds 23 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 23.95 | -6.08 |
| 118 | WestFonds-PHG-Gesellschaft BI-Fonds 6 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 26.37 | -6.08 |
| 119 | WestFonds-PHG-Gesellschaft KA Deutschland Beteiligungsgesellschaft mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 26.65 | -4.54 |
| 120 | WestFonds-PHG-Gesellschaft KB Zwei Länder Beteiligungsgesellschaft mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 26.28 | -4.94 |
| 121 | WestFonds-PHG-Gesellschaft RWI-Fonds 25 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 27.32 | -4.35 |
| 122 | WestFonds-PHG-Gesellschaft RWI-Fonds 34 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 26.08 | -4.40 |
| 123 | WestFonds-PHG-Gesellschaft RWI-Fonds 40 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 26.08 | -4.40 |
| 124 | WestFonds-PHG-Gesellschaft WestFonds 3 Berlin mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 28.85 | -3.56 |
| 125 | WestFonds-PHG-Gesellschaft WestFonds 3 Düsseldorf mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 28.10 | -4.15 |
| 126 | WestFonds-PHG-Gesellschaft WestFonds 4 mbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 25.10 | -6.13 |
| 127 | WestGKA Management Gesellschaft für kommunale Anlagen mbH [2) 4) 13)] | Düsseldorf | 100.00 | | EUR | 1,127.70 | 0.00 |
| 128 | WestLB Asset Management (US) LLC [5)] | Wilmington, USA | 100.00 | | USD | 25,525.08 | 3,213.86 |
| 129 | WestLB Limited [13)] | London, United Kingdom | 100.00 | | GBP | 0.00 | 0.00 |
| 130 | WestLB Servicios S.A. [1) 9)] | Buenos Aires, Argentinia | 94.86 | | ARS | 0.00 | -1.37 |
| 131 | WestLB Venture Capital Management GmbH & Co. KG [7)] | München | 50.00 | | EUR | 132.92 | -8.25 |
| 132 | WestLeasing International GmbH [1) 13)] | Düsseldorf | 100.00 | | EUR | 201.33 | -4.89 |
| 133 | WestLeasing Westdeutsche Leasing Holding GmbH [4) 13)] | Düsseldorf | 94.90 | | EUR | 11,624.75 | 0.00 |
| 134 | WestMerchant Beteiligungs GmbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 26.15 | -0.06 |
| 135 | WestProject & Consult Gesellschaft für Projektentwicklung und Consulting mbH i.L. [1) 4) 13)] | Düsseldorf | 100.00 | | EUR | 1,559.56 | 0.00 |
| 136 | WestVerkehr Beteiligungsgesellschaft mbH [1) 13)] | Düsseldorf | 100.00 | | EUR | 123.14 | -17.41 |

| Ct.No. | Name | Location | Capital share | Voting rights | Currency | Equity | Profit/loss |
|---|---|---|---|---|---|---|---|
| 137 | WIP Westdeutsche Immobilien Portfolio Managementgesellschaft mbH [1) 4) 13)] | Düsseldorf | 100.00 | | EUR | 631.96 | 16.18 |
| 138 | WLB CB Holding LLC [13)] | New York, USA | 100.00 | | USD | 0.00 | 90.04 |
| 139 | WMB Beteiligungs GmbH [1) 7)] | Düsseldorf | 100.00 | | EUR | 112.84 | 0.41 |
| 140 | WMO Entwicklungsgesellschaft mbH [1) 13)] | Bonn | 100.00 | | EUR | 34.99 | 1.26 |
| 141 | WMO Erste Entwicklungsgesellschaft mbH & Co. KG [1) 13)] | Bonn | 50.25 | | EUR | -5,765.71 | -157.85 |

### Interest greater than 5% (large corporations)

| Ct.No. | Name | Location | Capital share | Voting rights | Currency | Equity | Profit/loss |
|---|---|---|---|---|---|---|---|
| 142 | AKA Ausfuhrkredit-Gesellschaft mbH [13)] | Frankfurt am Main | 5.02 | | EUR | 183,872.10 | 11,425.00 |
| 143 | Banco Finantia S.A. [7)] | Lisbon, Portugal | 8.69 | | EUR | 337,125.00 | 3,136.00 |

### Other companies for whom the EAA assumes unlimited liability

| Ct.No. | Name | Location | Capital share | Voting rights | Currency | Equity | Profit/loss |
|---|---|---|---|---|---|---|---|
| 144 | GBR Industrie- und Handelskammer Rheinisch-Westfälische-Börse | Düsseldorf | 5.88 | 5 | | | n.s. |
| 145 | GLB GmbH & Co. OHG | Frankfurt am Main | 15.47 | | | | n.s. |

1) Indirect shareholdings.

2) Including indirectly held shares.

3) A letter of comfort exists.

4) A profit and loss transfer agreement is in place with this company.

5) Only data as of 31 December 2009 is available.

6) Only data as of 31 December 2010 is available.

7) Only data as of 31 December 2011 is available.

8) Only data as of 30 June 2012 is available.

9) Only data as of 31 October 2012 is available.

10) Only data as of 23 November 2012 is available.

11) Only data as of 30 November 2012 is available.

12) Only data as of 16 December 2012 is available.

13) Only data as of 31 December 2012 is available.

14) A global guarantee exists.

# Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for the interim report, the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company, and the interim management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the material opportunities and risks associated with the expected development of the company for the remainder of the financial year.

Düsseldorf, on 18 November 2013

Erste Abwicklungsanstalt

| | | |
|---|---|---|
| **Matthias Wargers**<br>Spokesman<br>of the Managing Board | **Markus Bolder**<br>Member<br>of the Managing Board | **Horst Küpker**<br>Member<br>of the Managing Board |

# List of Abbreviations

**ALM**
Asset Liability Management

**APAC**
Asian Pacific Region

**BilMoG**

German Accounting Law Modernisation Act (Bilanzrechtsmodernisierungsgesetz)

**Bp**
Basis points

**CDS**
Credit Default Swaps

**CVA**
Credit Valuation Adjustments

**DRS**
German Accounting Standard

**EAA**
Erste Abwicklungsanstalt

**EAA CBB**
EAA Covered Bond Bank Plc, Dublin/Ireland

**EAA KK**
EAA Japan K.K., Minato-ku (formerly WIB Real Estate Finance K.K. [WIB KK])

**EaD**
Exposure at Default

**ECB**
European Central Bank

**EEC**
European Economic Community

**EFSF**
European Financial Stability Facility

**EMEA**
Europe, Middle East and Africa

**EU**
European Union

**EUSS**
European Super Senior Notes

**FMS**
Financial Market Stabilization Fund

**FMSA**
Financial Market Stabilization Authority (Bundesanstalt für Finanzmarktstabilisierung)

**FMStFG**
Financial Market Stabilization Fund Act (Finanzmarktstabilisierungsfondsgesetz)

**FX Effect**
Exchange rate effect

**GDP**
Gross Domestic Product

**HGB**
German Commercial Code (Handelsgesetzbuch)

**IMF**
International Monetary Fund

**LIBOR**
London Interbank Offered Rate

**LVR**
Landschaftsverband Rheinland

**LWL**
Landschaftsverband Westfalen-Lippe

**MaRisk**
Minimum Requirements for Risk Management

**Moody´s**
Moody´s Investors Service

**MtM**
Mark to Market

### NPL
Non-Performing Loans

### N.R.
Not rated

### NRW
North Rhine-Westphalia

### OMT
Outright Monetary Transactions

### OTC Derivatives
Over the Counter Derivatives

### Phoenix Light SF Ltd.
ABS special purpose vehicle, headquarters in Dublin/Ireland

### PIMCO
Pacific Investment Management Company, LLC

### Portigon
Portigon AG (until 2 July 2012 WestLB AG)

### RechKredV
Directive on financial accounting of credit institutions and financial service institutions

### RSGV
Rheinischer Sparkassen- und Giroverband

### S.R.
Special rating

### SVWL
Sparkassenverband Westfalen-Lippe

### VaR
Value at Risk

### WestImmo
Westdeutsche ImmobilienBank AG, Mainz