

Germany
Full Rating Report

Landwirtschaftliche Rentenbank

Ratings

Foreign Currency	
Long-Term IDR	AAA
Short-Term IDR	F1+

Support Rating	1
Support Rating Floor	AAA

Sovereign Risk

Foreign-Currency Long-Term IDR	AAA
Local-Currency Long-Term IDR	AAA

Outlooks

Foreign-Currency Long-Term IDR	Stable
Sovereign Foreign-Currency Long-Term IDR	Stable
Sovereign Local-Currency Long-Term IDR	Stable

Financial Data

Landwirtschaftliche Rentenbank			
	31 Dec 09	31 Dec 08	
IFRS			
Total assets (USDm)	112,147	125,393	
Total assets (EURm)	77,848	90,101	
Total equity (EURm)	2,236	2,066	
Operating profit (EURm)	-77.9	464.0	
Published net income (EURm)	-76.9	463.4	
Comprehensive income (EURm)	190.4	66.5	
Comprehensive income/av. equity (%)	8.46	3.36	
Eligible capital/weighted risks (%)	18.4	13.8	
Tier 1 ratio (%)	15.3	12.4	

Analysts

Simone Brehmer, Frankfurt, CFA
+49 69 768076 263
simone.brehmer@fitchratings.com

Michael Dawson-Kropf
+4969 768076 113
michael.dawson-kropf@fitchratings.com

Related Research

Applicable Criteria

- Global Financial Institutions Rating Criteria (August 2010)

Other Research

- Fitch Affirms Germany at 'AAA' - Outlook Stable (September 2010)

Rating Rationale

- Landwirtschaftliche Rentenbank's (LR) ratings are based on the extremely high probability of support from the German state (FRG), based on the principle of "Anstaltslast" (maintenance obligation). FRG is LR's liable public entity ("Anstaltsträger"). Under Anstaltslast, FRG is obliged to maintain LR's solvency. The creditors of LR have no direct claim on FRG, only on the bank itself, which in turn can fully rely upon FRG – given the latter's obligation to maintain it in a financial position such that it is able to carry out its function as a bank.
- In line with the agreement between the German government and the EC from 2002, German development banks have retained their state support for development business. LR's permitted business activities are outlined in the law governing LR and statutes of LR; its activities are limited to the development of the agricultural sector and rural areas in Germany and the EU. Due to these legal boundaries, Fitch Ratings does not expect any change in LR's business.
- LR's exposure to credit risk is low, and it has also benefited from the broad support measures for banks throughout the crisis. LR's exposure to commercial banks, through which it channels its promotional lending activities and which take on the risk of the end-borrower, represents the bulk of its assets. An increasing share of this is state-guaranteed or collateralised and is likely to remain so – at least as long as markets remain volatile. Fitch does not expect any changes in its risk profile in the short- to medium term. This may change, however, should there be any changes in state support for banks generally.
- Given its role and the restrictions on its deposit-taking activities, LR is reliant on wholesale funding. Although there is increasing competition for wholesale funds, LR benefits from its legal status and government backing. This supports its access to low-cost funds.
- LR does not have any shareholders, and its capital is considered similar to an endowment fund. Therefore it has to rely on its profit generation (LR pays no corporation tax or dividends) to support further growth and to sponsor its programme loans; demand for programme loans in the agricultural sector is likely to persist. Capitalisation is strong; nevertheless, its leverage is high, which reflects an asset structure that generally carries low risk weights.

Support

- LR is a public law institution. Although not an owner, the German state acts as LR's liable public entity and is, in effect, responsible for ensuring that the bank can meet its obligations at all times.

Key Rating Drivers

- The Outlook is in line with that of the FRG, as Fitch does not foresee any changes in LR's public promotional role or maintenance obligation from the FRG. The EC allows this, as LR functions as a development bank and is not in direct competition with other banks. Any changes in FRG's rating would trigger a rating action.

Profile

LR, established in 1949, is the central provider of credit to the agricultural sector in Germany and almost exclusively channels its funds through other banks.

- Development bank for the German agricultural sector
- Lending almost exclusively channelled through other banks
- Scope of activities restricted by law and statutes
- No shareholders; benefits from maintenance obligation of FRG (Anstaltslast)

Profile

As part of its development role, LR is a central provider of loans for rural infrastructure and environmental projects, including renewable energy projects. Loans are granted almost entirely to commercial banks, mainly in Germany, but also in other EU countries, which, in turn provide loans to the end-borrowers and take on the credit risk. Apart from providing financing, the bank's mission is to promote the interests of the agricultural sector and the rural community, raise educational standards, and support scientific research related to agriculture.

Development lending is provided either in the form of standard promotional loans ("allgemeine Förderkredite") or in the form of preferential-rate loans under special-loan programmes ("Programmkredite"). Standard promotional loans are primarily used for the general refinancing of commercial banks in the EU that are active in financing the rural or agricultural sector and are extended as interbank or as securitised loans. In contrast, special programme loans are earmarked for dedicated purposes. As a result, and in contrast to standard promotional lending activities, LR insists on detailed information on the end-borrower to judge their eligibility. These special-loan programmes are set up based on market demand and allow LR to react to market developments. They are funded out of LR's operating result and are restricted to German banks and German borrowers.

LR's new promotional lending business (see Appendix 1) declined by 13% yoy to EUR17.6bn in the year ending 2009, at about the same level as in 2007. Excluding loan extensions, new lending activities remained approximately stable yoy. In H110 new promotional business totalled EUR7.8bn, up from EUR6.1bn in H109. Special programme loans and securitised loans continue to grow in importance. The decline in standard promotional interbank loans also reflects the bank's focus on secured interbank business.

Legal and Administrative

LR does not have any shareholders, and its capital is considered similar to an endowment fund. The bank was established by the Landwirtschaftliche Rentenbank Law (Gesetz über die Landwirtschaftliche Rentenbank) of 1949, amended in 2002 and 2005 to define more accurately the bank's development activities. The Rentenbank Land Charge Law (Gesetz über die Rentenbankgrundschuld) of May 1949 laid down the guidelines for levying charges on agricultural land that raised the bank's initial capital between 1949 and 1958.

LR is defined as a public law institution (Anstalt des öffentlichen Rechts). In addition to the German Financial regulator (Bundesanstalt für Finanzdienstleistungsaufsicht) and the Bundesbank, the bank is supervised by the ministry of food, agriculture and consumer protection. The ministry represents the public interest, ensuring that LR's business activities are in accordance with the law and the bank's statutes. As mentioned above, the German state is LR's liable public entity (Anstaltsträger). Under Anstaltslast, the federal, state and local governments are obliged to maintain the solvency of public law institutions they establish. The creditor has no direct claim on the liable public entity, only on the bank itself, which in turn can fully rely upon the liable public entity, in the light of the latter's obligation to maintain it in a financial position such that it is able to carry out its function as a bank.

Although Anstaltslast was abolished in 2005 for German Landesbanks, the federal government reached an agreement with the EC in 2002 to allow it to continue to exist for development banks. As LR does not compete with commercial banks, a change in FRG's maintenance obligation is not expected.

LR's governing bodies include representatives from the agricultural sector, the ministry of food, agriculture and consumer protection, the ministry of finance, German state ministries of agriculture and farmers' associations.

- Net interest revenue, LR's key income stream, increased, due to improvements in margins in 2008/2009, but declined in H110
- High accounting volatility under IFRS due to (temporary) fair-value measurements
- High cost-efficiency, but increasing operating cost base

Presentation of Accounts

Unless otherwise stated, the analysis is based on LR's IFRS accounts.

Performance

LR's operating profitability is low, reflecting its promotional role and high share of generally lower-risk interbank assets. At the same time LR's net interest income – its major income source – has improved strongly since 2007 due to improved lending margins, as well as an increase in funding costs for commercial banks. Benefiting from its legal status, LR managed to keep its refinancing costs relatively low, and as a result, the interest rate differential improved significantly. Fitch expects a narrowing of margins as soon as markets stabilise, although this may not happen imminently. While interest margins narrowed in H110, largely due to a decline in short-term interbank margins, they remained higher than in 2007. It appears probable that margins will remain above the levels prior to 2007 in the short term.

The high proportion of LR's assets and liabilities measured at fair value – together with its hedging strategies (see *Risk Management*) – causes high volatility in its IFRS P&L and revaluation reserve (see Appendix 2). Fitch understands that this volatility is largely of a temporary nature. The result from the fair-value measurement of own liabilities is market- and not credit-related; in 2009 the bank faced valuation losses related to its liabilities as its refinancing costs declined and hence caused a market value increase of outstanding issues (which translates into a P&L loss). Part of the improvements in LR's revaluation reserve in 2009 was driven by the amortisation of securities which the bank had reclassified from its available-for-sale to its held-to-maturity book in 2008. In H110 the widening of credit spreads resulted in a deterioration of LR's revaluation reserve and a negative impact on its P&L. The latter, however, was partially offset by revaluation gains stemming from the bank's liabilities measured at fair value.

LR benefits from a lean cost structure and low provisioning needs, given the generally high quality of its interbank assets. Due to its low-margin business, cost control is vital to LR's profitability. Although its cost base has increased strongly over the last three years, LR's cost/income ratio is still low (when excluding the aforementioned volatility caused by fair-value adjustments) at about 15%.

Whereas LR had to write off an investment (EUR48m) and take credit impairment charges for two bank exposures (EUR35m) in 2008, it did not face any impairment charges in 2009 and H110. The bank only created modest portfolio provisions. Fitch expects the need for impairment charges to remain modest in the foreseeable future, in light of the continued strong support for the banking sector, among other factors.

In its analysis, Fitch deducts from LR's net interest income net funds that are set aside for preferential lending (H110: EUR12.3m; 2009: EUR36.9m; 2008: EUR23.3m). These represent the present value of the difference between the lending and market interest rates at the reporting date, which also explains the growth in provisions, as well as their amortisation over the remaining term. LR includes these funds under impairments.

Given its reliance on internal capital generation, it is crucial for LR to uphold cost controls and stringent risk management to generate sufficient profits to maintain its track record of steady growth rates in its promotional lending – especially as margins are likely to come down again. While demand for programme loans is likely to remain high, volume growth could be restricted by regulatory limits on large exposures; LR would be somewhat vulnerable to further consolidation among large German banks, although Fitch does not expect to see this in the near term. Also, any changes in the support of troubled banks may affect LR's volumes of new business and hence the bank's growth prospects in the longer term.

- Strong asset quality
- Banks represent largest creditor group
- Assets and liabilities are generally swapped into euros at floating rates

Risk Management

LR's overall risk exposure is modest and reflects the legal boundaries of the bank's operations, as outlined in the LR law.

Credit Risk

LR's EUR91bn total gross credit exposure at end-June 2010 (up from EUR78bn at end-2009) almost exclusively related to interbank risk, accounting for about 95% of the total. The bulk of the exposure related to German banks (EUR55bn) and banks in other (mainly western) European countries (EUR31bn). Fitch notes that an increasing share of its exposure is state-guaranteed or collateralised (66% at end-June 2010, up from 43% at end-2008) – a reflection of the financial market crisis and lack of confidence in banks – and expects this trend to continue whilst markets remain volatile. LR's exposure to Greece is immaterial.

Total outstanding promotional lending increased slightly in FY09 and H110 to EUR67.4bn at end-June 2010, of which EUR21.3bn stems from special-programme loans (+22.5% yoy).

The high share of interbank risk exposure is partly explained by LR's business model and governing law, which obliges LR to extend promotional loans through other banks, rather than directly to the end-borrowers ("Hausbankenprinzip"). The intermediary banks themselves bear all credit risks related to the end-borrower. Furthermore, LR's EUR28bn securities investment portfolio almost exclusively consists of bank bonds. These are largely eligible for ECB funding. The portfolio is held to ensure liquidity and to generate additional earnings from the differential between LR's own funding costs and those of commercial banks, but also as part of its promotional business. Another pocket of interbank risk stems from counterparty risks inherent in LR's sizeable derivatives portfolio (EUR136bn at end-June 2010), held solely for hedging purposes. This is, however, mitigated by collateral agreements.

As a result of this asset mix, the bank's asset quality is strong (based on internal ratings, LR's exposure – with the exception of EUR0.9bn, or 1.5% – was investment-grade-rated at end-June 2010), but has weakened somewhat in 2009 as a result of the financial market crisis and exposure to banks that are under pressure and/or are restructuring. However, as long as banks benefit from strong state support, Fitch expects asset quality to remain robust at LR. At the same time, the financial market crisis caused LR to tighten its credit exposure by cutting internal limits and focusing on state-guaranteed or collateralised business.

Loan loss experience has been limited to date; the exposure to defaulted banks during the financial market crisis was very low. In 2009 and H110, LR did not face any impairment charges but nonetheless made some modest portfolio provisions.

Non-bank customer assets are low, at EUR1.5bn at end-June 2010, part of which is state-guaranteed and hence bears little credit risk. Direct lending is likely to remain immaterial, in light of regulatory restrictions. The increase in H110 was driven by promissory notes.

Besides its lending activities, LR holds some minor equity investments through its wholly owned and consolidated subsidiary, LR Beteiligungsgesellschaft mbH (LRB). These typically reflect LR's promotional role within the agricultural sector and the food industry rather than a focus on investment returns. As a result, they are considered long-term and disposals are not planned.

Market Risk

LR's market risk exposure is limited. As a non-trading institution, the bank's trading activities are limited; LR's market risks arise primarily through interest rate and credit spread risks resulting from its asset/liability structure and security portfolio.

For its asset and liability management, LR uses derivatives to hedge its currency and interest rate risks. The majority of the assets and liabilities have either matching maturities or are swapped into floating rates. Foreign-currency funding and lending is generally swapped into EUR. These hedging strategies explain LR's sizeable derivatives portfolio, but also the high accounting volatility under IFRS.

The risk inherent in LR's open position is calculated and limited on the basis of a net-present-value sensitivity analysis. Applied limits remained unchanged, with a maximum present value change of EUR61m, equivalent to a modest 3% of core capital, and are adequate in Fitch's view.

At end-2009 a sudden parallel upward shift of the yield curve by 130bp would have resulted in a net present value decline of the banking book by a modest 4.5% of the bank's regulatory capital. A 190bp downward shift would improve the net present value by 7% of the regulatory capital.

LR carries credit spread risk on its bond investments, but it intends to hold most of these to maturity and so temporary valuation losses should not be crystallised into real losses.

- Funding reliant on international capital markets, but LR benefits from its legal status
- Comfortable liquidity position
- Capitalisation comfortable, given the bank's risk profile
- Reliant on internal capital generation

Funding and Capital

Funding and Liquidity

As a result of its promotional role and constraints on its deposit-taking activities, LR is reliant on wholesale funding, with outstanding debt issues (EUR78.2bn at end-June 2010, including EUR7.3bn in registered bonds and EUR1bn in global loans) accounting for almost 90% of its liabilities. Although access to this source of funding is generally becoming increasingly difficult, LR benefits from an international and diversified investor base, as well as its status as a direct federal institution under public law with a risk status equivalent to that of the FRG. Since January 2007, all LR's debt issues have had a zero risk-weighting throughout Europe. In the US, LR's issues are registered as "for a foreign government or political subdivision thereof". This should help LR to keep its funding costs relatively low, despite increasing competition for wholesale funds from highly rated sovereigns and banks. Interbank and customer deposits are negligible – but volatile – funding sources.

LR's annual medium- and long-term funding requirements fluctuate around EUR10bn. Up to the beginning of June 2010, LR had already issued EUR6.6bn of funds into the market. Commercial banks accounted for about half of its investor base in 2009 and H110 (based on new issuances). The remainder was split between insurance companies and pension funds, asset managers and central banks. Until 2008 central banks represented the major investor group. The shift was largely driven by banks seeking low-risk investment opportunities in a volatile market, which do not weigh on their capital position. Furthermore, the share of domestic and EUR funding increased substantially in 2009, but is likely to decrease again in the short- to medium term – as reflected in new issuance volumes in H110. The average maturity of issued debt is comfortable, at about five years.

Given its EUR26.9bn securities investment portfolio, which is eligible and freely available for refinancing with the central bank, and access to the commercial paper market for covering short-term funding needs, LR's liquidity situation is comfortable. Its management board sets limits for the maximum open medium- to long-term liquidity positions; liquidity gaps within two years have to be within the free refinancing facilities with the ECB. The bank did not make use of any open market transactions either at end-2009 or end-June 2010 (end-2008: EUR1bn).

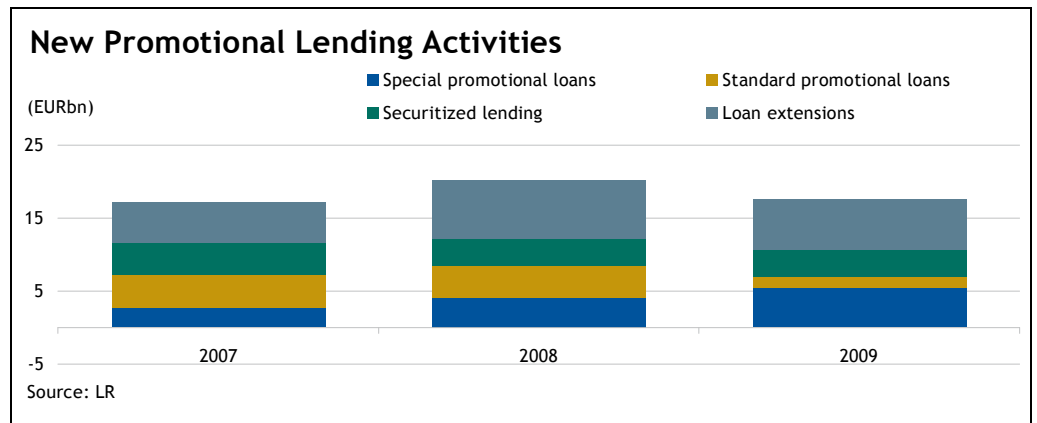
Capital

Fitch's core capital ratio is comfortable, at 17.2%. In H110 LR's capitalisation declined largely due to the contraction of LR's revaluation reserve, which Fitch

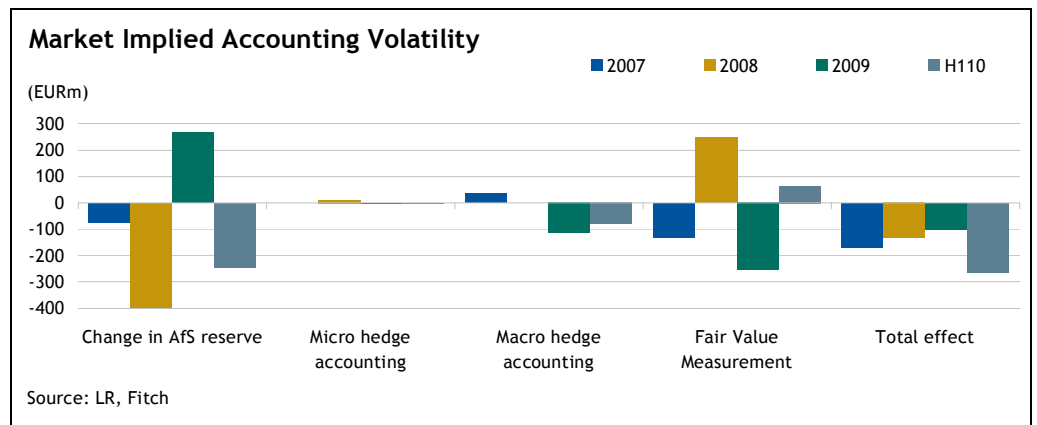
deducts from core capital. The latter is higher than LR's reported regulatory Tier 1 ratio, as Fitch's core capital ratio is based on LR's IFRS accounts, which show higher retained earnings than under local GAAP (the basis for regulatory capital). The bulk of LR's capital relates to reserves; EUR135m is related to its principal capital, which was injected by the agricultural sector between 1949 and 1958. In light of its legal structure, LR is reliant on profit generation to support its promotional business. Hybrids are not used as a capital source.

The bank's leverage is relatively high, reflecting the high share of interbank assets in its portfolio, which generally carry low risk-weights.

Appendix 1



Appendix 2



Appendix 3

Peer^a Comparison

	LR (IFRS) 'AAA'		NRW.Bank (HGB) 'AAA'		KfW (IFRS) 'AAA'		L-Bank (HGB) 'AAA'		ICO (IFRS) 'AA+'	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Net interest margin (%)	0.42	0.36	0.31	0.31	0.67	0.54	0.48	0.41	0.34	0.63
Equity/assets (%)	2.87	2.28	12.6	12.6	3.28	2.99	3.40	3.20	4.50	4.49
Total assets (EURbn)	77.8	90.1	158.4	156.9	400.1	394.8	59.3	61.0	60.4	53.0

^a NRW.Bank (state development bank in North Rhine-Westphalia), KfW (Kreditanstalt für Wiederaufbau, the largest German development bank), L-Bank (Landeskreditbank Baden-Württemberg Förderbank, a state development bank in southern Germany), ICO (Instituto de Credito Oficial, a Spanish development bank)
Source: Fitch

Landwirtschaftliche Rentenbank Income Statement

	30 Jun 2010		As % of Earning Assets	31 Dec 2009		31 Dec 2008		31 Dec 2007		31 Dec 2006	
	6 Months - Interim USDm Unaudited	6 Months - Interim EURm Unaudited		Year End EURm Unqualified	As % of Earning Assets	Year End EURm Unqualified	As % of Earning Assets	Year End EURm Unqualified	As % of Earning Assets	Year End EURm Unqualified	As % of Earning Assets
1. Interest Income on Loans	802.9	654.3	1.47	1,680.2	2.16	2,810.9	3.12	3,180.5	3.59	2,455.4	2.97
2. Other Interest Income	1,738.6	1,416.8	3.18	2,171.4	2.80	1,859.1	2.06	1,625.3	1.84	1,744.8	2.11
3. Dividend Income	5.6	4.6	0.01	2.9	0.00	8.1	0.01	n.a.	-	n.a.	-
4. Gross Interest and Dividend Income	2,547.1	2,075.7	4.66	3,854.5	4.97	4,678.1	5.20	4,805.8	5.43	4,200.2	5.08
5. Interest Expense on Customer Deposits	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Other Interest Expense	2,349.9	1,915.0	4.30	3,510.4	4.52	4,350.7	4.83	4,623.6	5.22	4,028.0	4.87
7. Total Interest Expense	2,349.9	1,915.0	4.30	3,510.4	4.52	4,350.7	4.83	4,623.6	5.22	4,028.0	4.87
8. Net Interest Income	197.2	160.7	0.36	344.1	0.44	327.4	0.36	182.2	0.21	172.2	0.21
9. Net Gains (Losses) on Trading and Derivatives	-103.4	-84.3	-0.19	-113.9	-0.15	12.9	0.01	36.4	0.04	18.4	0.02
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	1.4	0.00	0.0	0.00
11. Net Gains (Losses) on Assets at FV through Income Statement	78.8	64.2	0.14	-255.8	-0.33	248.8	0.28	-130.8	-0.15	20.1	0.02
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Fees and Commissions	1.8	1.5	0.00	2.0	0.00	-0.9	0.00	-1.0	0.00	-0.9	0.00
14. Other Operating Income	1.2	1.0	0.00	3.0	0.00	3.6	0.00	3.1	0.00	2.7	0.00
15. Total Non-Interest Operating Income	-21.6	-17.6	-0.04	-364.7	-0.47	264.4	0.29	-90.9	-0.10	40.3	0.05
16. Personnel Expenses	20.2	16.5	0.04	28.2	0.04	27.3	0.03	25.0	0.03	24.3	0.03
17. Other Operating Expenses	10.1	8.2	0.02	25.6	0.03	17.2	0.02	15.0	0.02	12.5	0.02
18. Total Non-Interest Expenses	30.3	24.7	0.06	53.8	0.07	44.5	0.05	40.0	0.05	36.8	0.04
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
20. Pre-impairment Operating Profit	145.3	118.4	0.27	-74.4	-0.10	547.3	0.61	51.3	0.06	175.7	0.21
21. Loan Impairment Charge	-3.3	-2.7	-0.01	3.5	0.00	34.9	0.04	-0.2	0.00	-0.2	0.00
22. Securities and Other Credit Impairment Charges	0.0	0.0	0.00	n.a.	-	48.4	0.05	n.a.	-	n.a.	-
23. Operating Profit	148.6	121.1	0.27	-77.9	-0.10	464.0	0.52	51.5	0.06	175.9	0.21
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Pre-tax Profit	148.6	121.1	0.27	-77.9	-0.10	464.0	0.52	51.5	0.06	175.9	0.21
30. Tax expense	0.2	0.2	0.00	-1.0	0.00	0.6	0.00	0.5	0.00	1.5	0.00
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
32. Net Income	148.4	120.9	0.27	-76.9	-0.10	463.4	0.51	51.0	0.06	174.4	0.21
33. Change in Value of AFS Investments	n.a.	n.a.	-	267.3	0.34	-396.9	-0.44	-76.1	-0.09	32.1	0.04
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
36. Remaining OCI Gains/(Losses)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
37. Fitch Comprehensive Income	148.4	120.9	0.27	190.4	0.25	66.5	0.07	-25.1	-0.03	206.5	0.25
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
39. Memo: Net Income after Allocation to Non-controlling Interests	148.4	120.9	0.27	-76.9	-0.10	463.4	0.51	51.0	0.06	174.4	0.21
40. Memo: Common Dividends Relating to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = EURO.81493

USD1 = EURO.69416

USD1 = EURO.71855

USD1 = EURO.67930

USD1 = EURO.75930

Landwirtschaftliche Rentenbank Balance Sheet

	30 Jun 2010			31 Dec 2009		31 Dec 2008			31 Dec 2007		31 Dec 2006	
	6 Months - Interim USDm	6 Months - Interim EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	
Assets												
A. Loans												
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
3. Other Consumer/ Retail Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
4. Corporate & Commercial Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
5. Other Loans	1,881.8	1,533.5	1.70	612.8	0.79	6,473.7	7.18	1,297.6	1.46	1,782.1	2.15	
6. Less: Reserves for Impaired Loans/ NPLs	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
7. Net Loans	1,881.8	1,533.5	1.70	612.8	0.79	6,473.7	7.18	1,297.6	1.46	1,782.1	2.15	
8. Gross Loans	1,881.8	1,533.5	1.70	612.8	0.79	6,473.7	7.18	1,297.6	1.46	1,782.1	2.15	
9. Memo: Impaired Loans included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
B. Other Earning Assets												
1. Loans and Advances to Banks	63,236.2	51,533.1	57.01	46,185.3	59.33	53,106.8	58.94	60,043.2	67.71	57,715.3	69.77	
2. Trading Securities and at FV through Income	13,372.1	10,897.3	12.06	12,269.5	15.76	14,835.1	16.46	12,097.5	13.64	8,369.5	10.12	
3. Derivatives	10,181.4	8,297.1	9.18	2,872.4	3.69	2,894.3	3.21	1,192.4	1.34	889.0	1.07	
4. Available for Sale Securities	16,698.9	13,608.4	15.05	11,551.5	14.84	7,387.9	8.20	13,499.9	15.22	13,432.0	16.24	
5. Held to Maturity Securities	4,784.7	3,899.2	4.31	4,116.3	5.29	5,320.8	5.91	402.1	0.45	466.8	0.56	
6. At-equity Investments in Associates	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
7. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
8. Total Securities	45,037.0	36,702.0	40.60	30,809.7	39.58	30,438.1	33.78	27,191.9	30.66	23,157.3	28.00	
9. Memo: Government Securities included Above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
10. Investments in Property	20.9	17.0	0.02	17.3	0.02	18.2	0.02	14.0	0.02	18.9	0.02	
11. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
12. Other Earning Assets	n.a.	n.a.	-	n.a.	-	0.0	0.00	4.7	0.01	0.5	0.00	
13. Total Earning Assets	110,175.8	89,785.6	99.32	77,625.1	99.71	90,036.8	99.93	88,551.4	99.86	82,674.1	99.95	
C. Non-Earning Assets												
1. Cash and Due From Banks	658.1	536.3	0.59	102.2	0.13	28.0	0.03	90.8	0.10	10.3	0.01	
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
4. Fixed Assets	30.9	25.2	0.03	25.5	0.03	25.1	0.03	24.7	0.03	24.3	0.03	
5. Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	
6. Other Intangibles	3.7	3.0	0.00	3.3	0.00	4.2	0.00	4.0	0.00	3.4	0.00	
7. Current Tax Assets	3.3	2.7	0.00	1.0	0.00	3.9	0.00	3.7	0.00	3.1	0.00	
8. Deferred Tax Assets	2.7	2.2	0.00	2.3	0.00	1.1	0.00	1.5	0.00	1.8	0.00	
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
10. Other Assets	50.2	40.9	0.05	88.4	0.11	1.9	0.00	1.6	0.00	2.4	0.00	
11. Total Assets	110,924.7	90,395.9	100.00	77,847.8	100.00	90,101.0	100.00	88,677.7	100.00	82,719.4	100.00	
Liabilities and Equity												
D. Interest-Bearing Liabilities												
1. Customer Deposits - Current	152.8	124.5	0.14	110.2	0.14	186.0	0.21	87.2	0.10	257.8	0.31	
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
3. Customer Deposits - Term	98.0	79.9	0.09	68.9	0.09	409.5	0.45	139.4	0.16	117.1	0.14	
4. Total Customer Deposits	250.8	204.4	0.23	179.1	0.23	595.5	0.66	226.6	0.26	374.9	0.45	
5. Deposits from Banks	718.6	585.6	0.65	965.0	1.24	6,938.4	7.70	7,340.9	8.28	5,142.4	6.22	
6. Other Deposits and Short-term Borrowings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
7. Total Deposits, Money Market and Short-term Funding	969.4	790.0	0.87	1,144.1	1.47	7,533.9	8.36	7,567.5	8.53	5,517.3	6.67	
8. Senior Debt Maturing after 1 Year	93,693.8	76,353.9	84.47	67,545.5	86.77	73,015.9	81.04	71,510.7	80.64	68,574.1	82.90	
9. Subordinated Borrowing	1,124.9	916.7	1.01	1,121.9	1.44	1,214.7	1.35	1,134.3	1.28	1,197.0	1.45	
10. Other Funding	1,158.9	944.4	1.04	1,018.4	1.31	812.9	0.90	623.8	0.70	269.3	0.33	
11. Total Long Term Funding	95,977.6	78,215.0	86.52	69,685.8	89.52	75,043.5	83.29	73,268.8	82.62	70,040.4	84.67	
12. Derivatives	4,467.3	3,640.5	4.03	4,362.9	5.60	5,304.7	5.89	5,709.1	6.44	4,998.2	6.04	
13. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
14. Total Funding	101,414.2	82,645.5	91.43	75,192.8	96.59	87,882.1	97.54	86,545.4	97.60	80,555.9	97.38	
E. Non-Interest Bearing Liabilities												
1. Fair Value Portion of Debt	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-	
2. Credit Impairment Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
3. Reserves for Pensions and Other	126.1	102.8	0.11	102.5	0.13	101.6	0.11	101.4	0.11	101.2	0.12	
4. Current Tax Liabilities	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
5. Deferred Tax Liabilities	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
9. Other Liabilities	6,807.3	5,547.5	6.14	316.4	0.41	60.8	0.07	30.4	0.03	26.4	0.03	
10. Total Liabilities	108,347.7	88,295.8	97.68	75,611.7	97.13	88,044.5	97.72	86,677.2	97.74	80,683.5	97.54	
F. Hybrid Capital												
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	0.0	0.00	n.a.	-	n.a.	-	n.a.	-	
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
G. Equity												
1. Common Equity	3,091.4	2,519.3	2.79	2,409.7	3.10	2,497.4	2.77	2,044.5	2.31	2,003.8	2.42	
2. Non-controlling Interest	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
3. Securities Revaluation Reserves	-514.4	-419.2	-0.46	-173.6	-0.22	-440.9	-0.49	-44.0	-0.05	32.1	0.04	
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00	
6. Total Equity	2,577.0	2,100.1	2.32	2,236.1	2.87	2,056.5	2.28	2,000.5	2.26	2,035.9	2.46	
7. Total Liabilities and Equity	110,924.7	90,395.9	100.00	77,847.8	100.00	90,101.0	100.00	88,677.7	100.00	82,719.4	100.00	
8. Memo: Fitch Core Capital	2,570.7	2,094.9	2.32	2,230.5	2.87	2,051.2	2.28	n.a.	-	n.a.	-	
9. Memo: Fitch Eligible Capital	2,570.7	2,094.9	2.32	2,230.5	2.87	2,051.2	2.28	n.a.	-	n.a.	-	

Exchange rate

USD1 = EURO.81493

USD1 = EURO.69416

USD1 = EURO.71855

USD1 = EURO.67930

USD1 = EURO.75930

Landwirtschaftliche Rentenbank Summary Analytics

	30 Jun 2010	31 Dec 2009	31 Dec 2008	31 Dec 2007	31 Dec 2006
	6 Months - Interim	Year End	Year End	Year End	Year End
A. Interest Ratios					
1. Interest Income on Loans/ Average Gross Loans	122.94	65.48	97.20	206.54	n.a.
2. Interest Expense on Customer Deposits/ Average Customer Deposits	n.a.	n.a.	n.a.	n.a.	n.a.
3. Interest Income/ Average Earning Assets	5.00	4.67	5.12	5.61	n.a.
4. Interest Expense/ Average Interest-bearing Liabilities	4.89	4.38	4.87	5.53	n.a.
5. Net Interest Income/ Average Earning Assets	0.39	0.42	0.36	0.21	n.a.
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	0.39	0.41	0.32	0.21	n.a.
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	0.39	0.42	0.36	0.21	n.a.
B. Other Operating Profitability Ratios					
1. Non-Interest Income/ Gross Revenues	-12.30	1,770.39	44.68	-99.56	18.96
2. Non-Interest Expense/ Gross Revenues	17.26	-261.17	7.52	43.81	17.32
3. Non-Interest Expense/ Average Assets	0.06	0.07	0.05	0.05	n.a.
4. Pre-impairment Op. Profit/ Average Equity	11.01	-3.30	27.69	2.54	n.a.
5. Pre-impairment Op. Profit/ Average Total Assets	0.28	-0.09	0.60	0.06	n.a.
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	-2.28	-4.70	15.22	-0.39	-0.11
7. Operating Profit/ Average Equity	11.26	-3.46	23.48	2.55	n.a.
8. Operating Profit/ Average Total Assets	0.29	-0.09	0.51	0.06	n.a.
9. Taxes/ Pre-tax Profit	0.17	1.28	0.13	0.97	0.85
10. Pre-Impairment Operating Profit / Risk Weighted Assets	1.96	-0.61	3.68	0.30	1.14
11. Operating Profit / Risk Weighted Assets	2.00	-0.64	3.12	0.31	1.14
C. Other Profitability Ratios					
1. Net Income/ Average Total Equity	11.25	-3.42	23.45	2.53	n.a.
2. Net Income/ Average Total Assets	0.29	-0.09	0.51	0.06	n.a.
3. Fitch Comprehensive Income/ Average Total Equity	11.25	8.46	3.36	-1.24	n.a.
4. Fitch Comprehensive Income/ Average Total Assets	0.29	0.23	0.07	-0.03	n.a.
5. Net Income/ Av. Total Assets plus Av. Managed Assets	n.a.	n.a.	n.a.	n.a.	n.a.
6. Net Income/ Risk Weighted Assets	2.00	-0.63	3.12	0.30	1.13
7. Fitch Comprehensive Income/ Risk Weighted Assets	2.00	1.57	0.45	-0.15	1.34
D. Capitalization					
1. Fitch Eligible Capital/ Fitch Adjusted Weighted Risks	17.17	18.35	13.80	n.a.	n.a.
2. Tangible Common Equity/ Tangible Assets	2.32	2.87	2.28	2.25	2.46
3. Tangible Common Equity/ Total Business Volume	2.28	2.83	2.25	2.22	2.44
4. Tier 1 Regulatory Capital Ratio	16.60	15.30	12.40	10.30	10.70
5. Total Regulatory Capital Ratio	26.10	23.90	19.30	16.50	16.70
6. Fitch Eligible Capital/ Tier 1 Regulatory Capital	101.15	114.15	108.53	n.a.	n.a.
7. Equity/ Total Assets	2.32	2.87	2.28	2.26	2.46
8. Cash Dividends Paid & Declared/ Net Income	n.a.	n.a.	n.a.	n.a.	n.a.
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	n.a.	n.a.	n.a.	n.a.	n.a.
10. Net Income - Cash Dividends/ Total Equity	11.61	-3.44	22.53	2.55	8.57
E. Loan Quality					
1. Growth of Total Assets	16.12	-13.60	1.61	7.20	n.a.
2. Growth of Gross Loans	150.24	-90.53	398.90	-27.19	n.a.
3. Impaired Loans (NPLs)/ Gross Loans	n.a.	n.a.	n.a.	n.a.	n.a.
4. Reserves for Impaired Loans/ Gross loans	n.a.	n.a.	n.a.	n.a.	n.a.
5. Reserves for Impaired Loans/ Impaired Loans	n.a.	n.a.	n.a.	n.a.	n.a.
6. Impaired Loans less Reserves for Imp Loans/ Equity	n.a.	n.a.	n.a.	n.a.	n.a.
7. Loan Impairment Charges/ Average Gross Loans	-0.51	0.14	1.21	-0.01	n.a.
8. Net Charge-offs/ Average Gross Loans	n.a.	n.a.	2.39	1.80	n.a.
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	n.a.	n.a.	n.a.	n.a.	n.a.
F. Funding					
1. Loans/ Customer Deposits	750.24	342.16	1,087.10	572.64	475.35
2. Interbank Assets/ Interbank Liabilities	8,800.05	4,786.04	765.40	817.93	1,122.34

Landwirtschaftliche Rentenbank Reference Data

	30 Jun 2010			31 Dec 2009			31 Dec 2008			31 Dec 2007			31 Dec 2006		
	6 Months - Interim USDm	6 Months - Interim EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets		
A. Off-Balance Sheet Items															
1. Managed Securitizated Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-		
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-		
3. Guarantees	6.0	4.9	0.01	119.1	0.15	117.6	0.13	9.0	0.01	9.7	0.01	n.a.	-		
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-		
5. Committed Credit Lines	1,888.5	1,539.0	1.70	801.5	1.03	1,080.3	1.20	1,120.0	1.26	540.0	0.65	n.a.	-		
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-		
7. Total Business Volume	112,819.3	91,939.8	101.71	78,768.4	101.18	91,298.9	101.33	89,806.7	101.27	83,269.1	100.66				
8. Memo: Total Weighted Risks	14,969.4	12,199.0	13.50	12,157.0	15.62	14,859.0	16.49	16,943.0	19.11	15,424.0	18.65				
9. Fitch Adjustments to Weighted Risks.	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
10. Fitch Adjusted Weighted Risks	14,969.4	12,199.0	13.50	12,157.0	15.62	14,859.0	16.49	16,943.0	19.11	15,424.0	18.65				
B. Average Balance Sheet															
Average Loans	1,316.9	1,073.2	1.19	2,565.8	3.30	2,891.8	3.21	1,539.9	1.74	n.a.	-				
Average Earning Assets	102,714.8	83,705.4	92.60	82,574.9	106.07	91,356.8	101.39	85,612.8	96.54	n.a.	-				
Average Assets	103,225.9	84,121.9	93.06	82,683.5	106.21	91,437.5	101.48	85,698.6	96.64	n.a.	-				
Average Managed Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Average Interest-Bearing Liabilities	96,841.7	78,919.2	87.30	80,180.7	103.00	89,315.9	99.13	83,550.7	94.22	n.a.	-				
Average Common equity	3,024.2	2,464.5	2.73	2,456.3	3.16	2,187.4	2.43	2,024.2	2.28	n.a.	-				
Average Equity	2,660.5	2,168.1	2.40	2,251.5	2.89	1,976.3	2.19	2,018.2	2.28	n.a.	-				
Average Customer Deposits	235.4	191.8	0.21	438.2	0.56	1,522.6	1.69	300.8	0.34	n.a.	-				
C. Maturities															
Asset Maturities:															
Loans & Advances < 3 months	n.a.	n.a.	-	271.5	0.35	6,248.5	6.93	1,235.9	1.39	1,697.4	2.05				
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	341.4	0.44	225.3	0.25	61.7	0.07	84.7	0.10				
Loans & Advances > 5 years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Debt Securities < 3 Months	n.a.	n.a.	-	7,107.7	9.13	6,556.4	7.28	4,852.9	5.47	4,156.5	5.02				
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Debt Securities 1 - 5 Years	n.a.	n.a.	-	20,829.6	26.76	20,987.4	23.29	21,146.6	23.85	18,111.8	21.90				
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Interbank < 3 Months	n.a.	n.a.	-	10,862.8	13.95	18,152.7	20.15	28,918.1	32.61	27,796.9	33.60				
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Interbank 1 - 5 Years	n.a.	n.a.	-	35,322.4	45.37	34,954.0	38.79	31,125.1	35.10	29,918.4	36.17				
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Liability Maturities:															
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Other Deposits < 3 Months	n.a.	n.a.	-	422.9	0.54	828.0	0.92	649.5	0.73	n.a.	-				
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Other Deposits 1 - 5 Years	n.a.	n.a.	-	5,361.9	6.89	3,448.0	3.83	3,037.9	3.43	n.a.	-				
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Interbank < 3 Months	n.a.	n.a.	-	1,614.1	2.07	7,927.7	8.80	8,242.7	9.30	n.a.	-				
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Interbank 1 - 5 Years	n.a.	n.a.	-	2,045.9	2.63	2,569.7	2.85	2,861.1	3.23	n.a.	-				
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Senior debt Maturing < 1 year	n.a.	n.a.	-	20,410.4	26.22	25,069.3	27.82	24,763.1	27.92	n.a.	-				
Senior debt Maturing > 1 year	n.a.	n.a.	-	39,852.8	51.19	41,520.0	46.08	40,147.7	45.27	n.a.	-				
Total Senior Debt on Balance Sheet	94,852.7	77,298.3	85.51	68,563.9	88.07	73,828.8	81.94	72,134.5	81.34	68,843.4	83.23				
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Subordinated Debt maturing < 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Subordinated Debt maturing > 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
Total Subordinated Debt on Balance Sheet	1,124.9	916.7	1.01	1,121.9	1.44	1,214.7	1.35	1,134.3	1.28	1,197.0	1.45				
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
D. Equity Reconciliation															
1. Equity	2,577.0	2,100.1	2.32	2,236.1	2.87	2,056.5	2.28	2,000.5	2.26	2,035.9	2.46				
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-				
4. Published Equity	2,577.0	2,100.1	2.32	2,236.1	2.87	2,056.5	2.28	2,000.5	2.26	2,035.9	2.46				
E. Fitch Eligible Capital Reconciliation															
1. Total Equity as reported (including non-controlling interests)	2,577.0	2,100.1	2.32	2,236.1	2.87	2,056.5	2.28	2,000.5	2.26	2,035.9	2.46				
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-				
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-				
4. Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00				
5. Other intangibles	3.7	3.0	0.00	3.3	0.00	4.2	0.00	4.0	0.00	3.4	0.00				
6. Deferred tax assets deduction	2.7	2.2	0.00	2.3	0.00	1.1	0.00	1.4	0.00	1.7	0.00				
7. Net asset value of insurance subsidiaries	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-				
8. Embedded value of insurance business	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-				
9. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-				
10. Fitch Core Capital	2,570.7	2,094.9	2.32	2,230.5	2.87	2,051.2	2.28	n.a.	-	n.a.	-				
11. Eligible weighted Hybrid capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00				
12. Government held Hybrid Capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-				
13. Fitch Eligible Capital	2,570.7	2,094.9	2.32	2,230.5	2.87	2,051.2	2.28	n.a.	-	n.a.	-				
14. Eligible Hybrid Capital Limit	1,101.7	897.8	0.99	955.9	1.23	879.1	0.98	n.a.	-	n.a.	-				
Exchange Rate		USD1 = EUR0.81493		USD1 = EUR0.69416		USD1 = EUR0.71855		USD1 = EUR0.67930		USD1 = EUR0.75930					

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](http://fitchratings.com/understandingcreditratings). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEB SITE AT WWW.FITCHRATINGS.COM. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE.

Copyright © 2010 by Fitch, Inc., Fitch Ratings Ltd. and its subsidiaries. One State Street Plaza, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion is based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at anytime for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of Great Britain, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.