



# **DISCLOSURE REPORT**

Disclosure Report as at 31 December 2014  
according to Part Eight CRR

# CONTENT

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<b>1.</b>	<b>INTRODUCTION AND GENERAL PRINCIPLES</b>	<b>5</b>
1.1.	OVERVIEW	5
1.2.	MATERIAL, PROPRIETARY OR CONFIDENTIAL INFORMATION	5
1.3.	FREQUENCY OF DISCLOSURE	6
1.4.	MEANS OF DISCLOSURES	6
1.5.	ADDITIONAL INFORMATION UNDER SECTION 26A OF THE GERMAN BANKING ACT	6
1.6.	NON-RELEVANCE AND NEGATIVE DECLARATIONS	7
<b>2.</b>	<b>SCOPE OF APPLICATION, OWN FUNDS AND CAPITAL REQUIREMENTS</b>	<b>8</b>
2.1.	SCOPE OF APPLICATION	8
2.2.	OWN FUNDS	8
2.3.	CAPITAL REQUIREMENTS	11
2.4.	GUARANTEE FACILITY	14
<b>3.</b>	<b>DEFAULT RISK</b>	<b>16</b>
3.1.	CREDIT RISK ADJUSTMENTS	16
3.2.	USE OF ECAIS	23
3.3.	COUNTERPARTY CREDIT RISK	25
3.4.	EQUITY HOLDINGS IN THE BANKING BOOK	28
3.5.	INFORMATION ON THE USE OF THE IRB APPROACH FOR CREDIT RISK	31
3.6.	USE OF CREDIT RISK MITIGATION TECHNIQUES	45
<b>4.</b>	<b>SECURITISATIONS</b>	<b>49</b>
4.1.	OBJECTIVES, ROLES AND EXTENT OF SECURITISATION ACTIVITIES	49
4.2.	TYPES AND EXTENT OF RISKS	49
4.3.	DETERMINATION OF RISK-WEIGHTED EXPOSURE AMOUNTS FOR SECURITISATION TRANSACTIONS	51
4.4.	ACCOUNTING POLICIES FOR SECURITISATION ACTIVITIES	52
4.5.	ECAI USED FOR SECURITISATION	53
4.6.	EXPOSURE VALUES AND CAPITAL REQUIREMENTS OF SECURITISED RECEIVABLES	54
4.7.	IMPAIRED AND PAST DUE SECURITISATIONS AND ACTUAL LOSSES	58
4.8.	SECURITISATION ACTIVITIES IN THE REPORTING YEAR AND IMPORTANT CHANGES	59
4.9.	PLANNED SECURITISATION ACTIVITIES	59
<b>5.</b>	<b>MARKET RISK, OPERATIONAL RISK AND LIQUIDITY RISK</b>	<b>60</b>
5.1.	MARKET RISK INCLUDING INTEREST RATE RISK	60
5.2.	OPERATIONAL RISK	62
5.3.	LIQUIDITY RISK	62
<b>6.</b>	<b>UNENCUMBERED ASSETS</b>	<b>64</b>
<b>7.</b>	<b>NOTES</b>	<b>66</b>
7.1.	CONSOLIDATION MATRIX	66
7.2.	OWN FUNDS IN ACCORDANCE WITH ARTICLE 437 (1) SUBPARAGRAPHS (A), (B), (D) AND (E) CRR	69
7.3.	ALTERNATIVE CALCULATIONS WITHOUT TAKING THE GUARANTEE FACILITY INTO ACCOUNT	139

## LIST OF TABLES

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Table 1: Structure of own funds and regulatory adjustments in € m	9
Table 2: Capital ratios in %	9
Table 3: Terms and conditions of own funds instruments	11
Table 4: Capital requirements in € m	13
Table 5: Exposure values by exposure classes in € m	17
Table 6: Exposure values by geographical areas in € m	18
Table 7: Exposure values by economic sectors in € m	19
Table 8: Exposure values by contractual remaining maturity in € m	20
Table 9: Division of receivables into <i>past due</i> and <i>impaired</i>	20
Table 10: Development of loan loss provisions in € m	21
Table 11: Impaired or past due receivables by economic sectors in € m	22
Table 12: Impaired or past due receivables by geographical areas in € m	22
Table 13: Rating agencies by receivables category	23
Table 14: CRSA/IRBA exposure values by regulatory risk weight in € m	25
Table 15: Net derivatives credit exposure in € m	27
Table 16: Counterparty credit risk in € m	27
Table 17: Nominal value of credit derivatives eligible for collateral in € m	27
Table 18: Nominal values of credit derivatives in € m	28
Table 19: Valuation of equity holding instruments in € m	30
Table 20: Realised and unrealised gains or losses from equity holding instruments in € m	31
Table 21: Rating modules of HSH Nordbank approved by the supervisory authorities	33
Table 22: Connection between internal and external credit assessments	34
Table 23: Avg. PD, avg. LGD, avg. RW and exposure values in € m by rating ranges	39
Table 24: Avg. PD, avg. LGD, avg. RW and exposure value in € m by geographical location	41
Table 25: Assessment basis in € m and avg. exposure value of undrawn loan commitments and of non-derivative off-balance sheet assets	42
Table 26: Exposure values and capital requirements of the equity exposures contained in investment funds or fund-like certificates in € m	43
Table 27: Actual losses in the lending business in € m	44
Table 28: Expected losses and actual losses in the lending business in € m	44
Table 29: Total amount of collateralised CRSA exposure values (without securitisations) in € m	47
Table 30: Total amount of collateralised IRBA exposure values (without securitisations) in € m	48
Table 31: Determination of risk-weighted exposure for receivables securitised as originators	52
Table 32: Accounting policies for receivables securitised as originators	53
Table 33: Securitisation transactions initiated by HSH Nordbank	53
Table 34: Exposure values of securitised receivables in € m	54
Table 35: Exposure values of retained or purchased securitisation positions in € m	55
Table 36: Exposure values and capital requirements for retained or purchased securitisation items acc. to risk weight ranges in € m	56
Table 37: Securitisation positions to be deducted from own funds or to be taken into account with a risk weight of 1,250% in € m	57
Table 38: Re-securitisation related hedge transactions in € m	57
Table 39: Securitised trading book risk positions in € m	58
Table 40: Impaired and past due securitisations, actual losses on securitised receivables in € m	58
Table 41: Capital requirements for market risks in € m	60
Table 42: Interest rate risks in the banking book in € m	61
Table 43: Capital requirements for operational risk in € m	62
Table 44: Assets in € m	65
Table 45: Collateral received in € m	65
Table 46: Encumbered assets/ collateral received and associated liabilities in € m	65
Table 47: Consolidation Matrix	68

Table 48: Disclosure of the type and amounts of the specific components of own funds during the transitional period	73
Table 49: Full reconciliation of components of own funds with the audited financial statements	78
Table 50: Description of the main features of own funds instruments issued	138
Table 51: Exposure values by exposure classes in € m (alternative calculation without taking the guarantee facility into account)	139
Table 52: Exposure values by geographical areas in € m (alternative calculation without taking the guarantee facility into account)	140
Table 53: Exposure values by economic sectors in € m (alternative calculation without taking the guarantee facility into account)	141
Table 54: Exposure values by contractual remaining maturity in € m (alternative calculation without taking the guarantee facility into account)	141
Table 55: Avg. PD, avg. LGD, avg. RW and exposure values in € m by rating ranges (alternative calculation without taking the guarantee facility into account)	143
Table 56: Total amount of collateralised CRSA exposure values (without securitisations) in € m (alternative calculation without taking the guarantee facility into account)	144
Table 57: Total amount of collateralised IRBA exposure values (without securitisations) in € m (alternative calculation without taking the guarantee facility into account)	144

## NOTE

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

This is an English translation of the original German version of the Disclosure Report.



# DISCLOSURE REPORT 2014

## of HSH NORDBANK

### 1. INTRODUCTION AND GENERAL PRINCIPLES

#### 1.1. OVERVIEW

The regulatory requirements of the Basel III framework (CRR/CRD IV) that came into effect as at 1 January 2014 have been applied for the first time in preparing this Disclosure Report as at 31 December 2014 (reporting date). The disclosures made by HSH Nordbank AG relate to the banking group in accordance with Article 13 (1) CRR. There are no significant subsidiaries. In conjunction with the implementation of the Basel III framework HSH Nordbank converted its reporting from the German Commercial Code (HGB) to the IAS/IFRS standards for the regulatory disclosures of the banking group.

On the other hand, all comparative figures disclosed in this report are generally taken from the previous year's report and are based accordingly on the requirements laid down in the German Solvency Regulation (Solabilitätsverordnung - SolvV) in the version valid until 31 December 2013 and the German Commercial Code (Handelsgesetzbuch - HGB). Exceptions to this are explicitly stated. Some disclosures have changed fundamentally compared to the previous year either due to the new prudential framework (e.g. own funds in accordance with Article 437 CRR) or new requirements (e.g. unencumbered assets in accordance with Article 443 CRR). Accordingly, disclosure of comparative figures of the previous year will only be possible from 2015 onward.

Amongst others, a guarantee facility was provided to HSH Nordbank in 2009 in connection with a capitalisation implemented by the shareholders, the Federal State of Schleswig-Holstein and the Free and Hanseatic City of Hamburg. The guarantee was replenished in the middle of 2013 by the federal states of Hamburg and Schleswig-Holstein from € 7 billion to the original facility of € 10 billion. The guarantee facility reduces capital requirements, in that the Bank is protected from secondary losses up to € 10 billion in the guaranteed portfolio, as soon as the risks in the collateralised portfolios exceed the agreed first loss piece of € 3.2 billion held by the Bank (so-called second loss guarantee).

HSH Nordbank determines capital requirements in accordance with Article 92 CRR taking the guarantee facil-

ity into account. Consequently, disclosures made in this report generally reflect the effect of the guarantee. Exceptions are explicitly stated. In addition, the Bank also determines the capital requirements excluding the effect of the guarantee facility in the form of an alternative calculation and reports this to BaFin and the Deutsche Bundesbank. Disclosures and tables essential for understanding HSH Nordbank's risk profile are included voluntarily in the Appendix to this report (Section 7.3) in order to provide comprehensive information to market participants based on the alternative calculation. Compared to the disclosures made in the Disclosure Report as at 31 December 2013 the scope of the information disclosed excluding the guarantee facility is reduced from a risk aspect to significant issues and key financial figures. This takes account of the fact that the portfolio of € 149 billion hedged by the guarantee as at 30 June 2009 has decreased significantly to € 56 billion as at the reporting date, whilst the portfolio not hedged by the guarantee increased in the same period from € 49 billion to approx. € 61 billion in particular as a result of new business transacted.

#### 1.2. MATERIAL, PROPRIETARY OR CONFIDENTIAL INFORMATION

Under Article 432 (1) CRR institutions may omit one or more of the disclosures listed in Part Eight Title II CRR, if the information provided by such disclosures is not regarded as material. In general, HSH Nordbank fully meets all disclosure requirements with one exception where the aggregation option is used due to immateriality. Credit risk Standardised Approach exposure classes, which account for an immaterial proportion of the total exposure value, are aggregated to meet the requirements under Article 442 subparagraphs (d) to (f) CRR. For this purpose, HSH Nordbank defines a proportion of a maximum of 8% as immaterial. This corresponds to the regulatory ceiling for the permanent use of the Standardised Approach for credit risk (permanent partial use).

Under Article 432 (2) institutions may also omit one or more items of information included in the disclosures listed in Part Eight Titles II and III CRR, if those items include information which is regarded as proprietary or confidential. HSH Nordbank has not made use of this op-

tion in this report and also does not currently consider that this will be required in the future.

### 1.3. FREQUENCY OF DISCLOSURE

HSH Nordbank publishes the information required under Part 8 CRR once in the reporting year as at the 31 December 2014 reporting date in accordance with Article 433 CRR.

From 1 January 2015 HSH Nordbank has been complying with the EBA guideline regarding Article 432 (1) and (2) and Article 433 CRR (EBA/GL/2014/14). Consolidated total assets of HSH Nordbank exceed € 30 billion. In accordance with the criterion set forth in Title V no. 18 subparagraph (b) of the EBA guideline HSH Nordbank will provide disclosures during the year from the 2015 reporting year onwards in line with the frequency of the publication of its financial statements. The content of the half-yearly Disclosure Report is based on the requirements laid down in Title VII of this guideline and will be published for the first time as at 30 June 2015.

### 1.4. MEANS OF DISCLOSURES

The Disclosure Report is published on HSH Nordbank's website under Investor Relations in accordance with Article 434 (1) CRR. The timing and medium of publication are notified to the supervisory authorities and published in the German Electronic Federal Gazette ("Bundesanzeiger").

Provided that equivalent disclosures are made under other requirements, these may be deemed compliant in accordance with Article 434 (2) CRR. HSH Nordbank uses this provision for the representations listed below:

- ▶ Under Article 435 (1) institutions shall disclose their risk management objectives and policies for each separate category of risk, including counterparty default risk, market risk incl. interest rate risk and operational risk. Other material risk types of HSH Nordbank include transformation risk and reputation risk. These are disclosed as part of the information provided in the Group Management Report (Risk Report) in HSH Nordbank's Annual Report. The information flow to the management body regarding risk issues is described there in accordance with Article 435 (2) subparagraph (e) CRR.
- ▶ The number of management or supervisory posts held by members of the management body as well as the recruitment policy and policy on diversity for the selection of members of the management body in accordance with Article 435 (2) subparagraphs (a) to (c) is disclosed as part of the information provided in the Corporate Governance report in HSH Nordbank's Annual Report. Information regarding the Risk Committee in accordance with Article 435 (2) subparagraph (d) CRR can be found in the Supervisory Board Report in HSH Nordbank's Annual Report.
- ▶ Under Article 438 subparagraph (a) CRR an institution shall disclose a qualitative summary of the approach used to assess the adequacy of its internal (economic) capital to support current and future activities. The internal procedures used to assess capital adequacy in relation to the risk profile as well as the strategy for maintaining the equity capital level must therefore be described. Details regarding this are set out in the Group Management Report (Risk Report) in HSH Nordbank's Annual Report.
- ▶ A description of the approaches and methods adopted for determining specific and general credit risk adjustments in accordance with Article 442 subparagraph (b) CRR takes place in the information provided in the Group Management Report and Group Financial Statements (Group notes, Note 8 "Accounting policies") in HSH Nordbank's Annual Report.
- ▶ The requirements laid down in Article 450 CRR in conjunction with Section 16 (1) of the German Ordinance on the Remuneration of Financial Institutions (Institutsvergütungsverordnung - Instituts-VergV) are met by HSH Nordbank by means of a separate remuneration report. This will be published on HSH Nordbank's website in the second quarter 2015.

### 1.5. ADDITIONAL INFORMATION UNDER SECTION 26A OF THE GERMAN BANKING ACT

The Group's legal and organisational structure as well as principles of proper management are presented in the Group Management Report (Basis of the Group and Risk Report) in HSH Nordbank's Annual Report in accordance with Section 26a (1) Sentence 1 KWG.

Additional disclosure requirements under Section 26a (1) Sentence 2 KWG are set out as an appendix to the Group Financial Statements ('Country by country reporting') in HSH Nordbank's Annual Report.

### 1.6. NON-RELEVANCE AND NEGATIVE DECLARATIONS

In principle, HSH Nordbank discloses all information laid down in Part Eight Titles II and III CRR. However, some of the requirements are irrelevant for the Bank and accordingly not disclosed. For ensuring unambiguousness of disclosure, HSH Nordbank explicitly makes a negative declaration for the information listed below:

- ▶ HSH Nordbank does not make use of Articles 7 and 9 CRR. Therefore, disclosure is not made in accordance with Article 436 subparagraph (e) CRR.
- ▶ The capital ratios are determined solely on the basis of the principles laid down in the CRR. Accordingly, an explanation according to Article 437 subparagraph (f) CRR is not provided.
- ▶ Equity holdings, to which grandfathering provisions apply regarding capital requirements, are not held in HSH Nordbank's portfolio. Therefore, disclosure in accordance with Article 438 subparagraph (d) (iv) CRR does not apply.
- ▶ HSH Nordbank uses the mark-to-market method for determining counterparty credit risk in accordance with Article 274 CRR. Methods based on internal models pursuant to Articles 276 to 282 CRR are not used. Accordingly, no information according to Article 439 subparagraphs (c) and (i) CRR regarding correlation risk pursuant to Article 291 CRR and/or the estimate for value  $\alpha$  pursuant to Article 284 CRR is disclosed.
- ▶ The requirements set out in Article 440 (1) CRR regarding compliance with the countercyclical capital buffer stipulated in Section 10d KWG in conjunction with Title VII Chapter 4 CRD IV are only to be applied pursuant to Section 64r KWG for reporting periods starting after 1 January 2016. Accordingly, no disclosures pursuant to Article 440 (1) CRR are made in this report.
- ▶ Information pursuant to Article 441 CRR is not disclosed, as HSH Nordbank was not classified as a bank of a global systemic importance (as at: November 2014).
- ▶ HSH Nordbank does not hold any securitisation positions in the trading book. For this reason, no information is provided on the specific interest rate risk pursuant to Article 445 CRR and trading book securitisation positions under Article 449 CRR.
- ▶ Hedging transactions for other retained re-securitisation and securitisation positions were not in place as at the reporting date and are also not planned. No disclosure according to Article 449 subparagraph (g) CRR is therefore made.
- ▶ An internal measurement approach for securitisations pursuant to Part Three Title II Chapter 5 (3) is currently not applied by HSH Nordbank. Accordingly, no information is disclosed with regard to Article 449 subparagraph (l) CRR.
- ▶ No securitised facilities subject to early amortisation treatment are held in HSH Nordbank's portfolio. No disclosure according to Article 449 subparagraph (n) (iv) CRR is therefore made.
- ▶ HSH Nordbank has not provided any support as defined in Article 248 (1) CRR. A disclosure pursuant to Article 449 (r) is therefore not made.
- ▶ Pursuant to Article 521 (2) (a) CRR Article 451 (1) CRR regarding the leverage ratio only applies to reporting periods beginning after 1 January 2015. The relevant information is therefore not yet disclosed in this report.
- ▶ HSH Nordbank only uses own estimates of the LGD and conversion factors for exposures to central governments, central banks, institutions and corporates. Accordingly, separate disclosure pursuant to Article 452 subparagraph (d) CRR and Article 452 subparagraph (j) (ii) CRR is not made for exposures, to which own estimates of the above-mentioned parameters are not applied.
- ▶ HSH Nordbank only uses the Standardised Approach for credit risk for the retail exposure class. As a result, no information pursuant to Article 452 subparagraph (f) CRR is disclosed.
- ▶ HSH Nordbank does not use Advanced Measurement Approaches for the calculation of capital requirements for operational risk. Information pursuant to Article 454 CRR is therefore not presented.
- ▶ Information is not disclosed under Article 455 CRR, as an internal market risk model is not used.

## 2. SCOPE OF APPLICATION, OWN FUNDS AND CAPITAL REQUIREMENTS

### 2.1. SCOPE OF APPLICATION

HSH Nordbank AG is the parent company of the HSH Nordbank Group (hereafter HSH Nordbank). In accordance with Part Eight CRR the disclosures reflect those entities belonging to the Group which form part of the banking group within the meaning of Section 10a of the German Banking Act (KWG) in conjunction with Article 11 et seqq. CRR (regulatory scope of consolidation). The scope of consolidation recognised for financial accounting/reporting purposes under International Financial Reporting Standards (IFRS) as described in the Annual Report of the HSH Nordbank differs from the regulatory scope of consolidation.

In Table 47 (Notes, Section 7.1) the consolidation principle pursuant to Article 436 subparagraph (b) CRR as well as the difference between the regulatory and IFRS consolidations are described. All entities to be consolidated and their allocation to the regulatory and/or financial accounting scope of consolidation are listed. The entities are allocated to entity types for the purposes of the regulatory consolidation on the basis of the definitions in accordance with Article 4 (1) CRR.

There are no current or foreseeable material, practical or legal impediments pursuant to Article 436 subparagraph (c) CRR within HSH Nordbank with the exception of the possible restrictions mentioned below or legal or regulatory requirements.

With regard to the regulatory capital adequacy of subsidiaries in which there are other shareholders in addition to the HSH Nordbank, a change in capital and/or own funds requires the approval of the co-shareholders and their respective bodies. In the case of subsidiaries which are also institutions, changes in capital must be approved where necessary by the appropriate banking supervisory authorities.

There are no cases where the actual own funds are less than required in relation to subsidiaries within the meaning of Article 436 subparagraph (d) CRR. A capital short-

fall is the amount by which the actual capital is lower than the regulatory capital required.

The basis for all qualitative and quantitative information disclosed is generally the regulatory banking group pursuant to Section 10a KWG in conjunction with Article 11 et seqq CRR. HSH Nordbank determines regulatory capital adequacy on the basis of IAS/IFRS accounting standards. Any exceptions are explicitly stated in the report.

### 2.2. OWN FUNDS

#### 2.2.1. Structure of own funds

For disclosures relating to own funds pursuant to Article 437 (1) subparagraphs (a), (b), (d) and (e) CRR HSH Nordbank follows the Commission Implementing Regulation (EU) No. 1423/2013 of 20 December 2013 laying down implementing technical standards with regard to disclosure of capital requirements for institutions according to Regulation (EU) No. 575/2013 of the European Parliament and of the Council (CRR).

HSH Nordbank's own funds structure has changed fundamentally compared to the previous year as a result of the implementation of the regulatory requirements of the Basel III framework (CRR/CRD IV) and transition to IFRS/IAS accounting standards. A comparison with the figures of the previous year is therefore not provided in the presentations of this year's Disclosure Report pursuant to Article 437 CRR.

#### Disclosure of the nature and amounts of the specific components of own funds during the transitional period

The template for the disclosure of own funds during the transitional period contained in Annex VI of the Commission Implementing Regulation (EU) No. 1423/2013 will be used until 31 December 2017 for disclosures pursuant to Article 437 (1) subparagraphs (d) and (e) CRR. Full disclosure of this information is made in Table 48 (Appendix, Section 7.2). In addition, the own funds structure as well as regulatory adjustments and capital ratios are shown in Table 1 and Table 2 in aggregated form.

## Structure of own funds and regulatory adjustments

	2014
Common Equity Tier 1 capital (CET1) before regulatory adjustments	4,746
Common Equity Tier 1 capital (CET1)	3,627
Additional Tier 1 capital (AT1) before regulatory adjustments	1,765
Additional Tier 1 capital (AT1)	1,720
Tier 1 capital (T1 = CET1 + AT1)	5,346
Tier 2 capital (T2) before regulatory adjustments	1,511
Tier 2 capital (T2)	1,497
Total capital (TC = T1 + T2)	6,843
Total regulatory adjustments to Tier 1 capital (CET1)	-1,119
Total regulatory adjustments to Additional Tier 1 capital (AT1) <sup>t</sup>	-45
Total regulatory adjustments to Tier 2 capital (T2)	-14

Table 1: Structure of own funds and regulatory adjustments in € m

## Capital ratios

	2014
Common Equity Tier 1 capital (as a percentage of the total debt)	9.2
Tier 1 capital (as a percentage of the total debt)	13.5
Total capital ratio (as a percentage of the total debt)	17.3

Table 2: Capital ratios in %

**Full reconciliation of components of own funds with the audited financial statements**

A full reconciliation of components of own funds with the audited financial statements pursuant to Article 437 (1) subparagraph (a) CRR in conjunction with Article 2 of the Commission Implementing Regulation (EU) no. 1423/2013 is shown in Table 49 (Appendix, Section 7.2).

The reconciliation is performed in three steps. In the first step, the consolidation group under commercial law is reconciled to the regulatory consolidation group as at 31 December 2013. The components of own funds of the consolidation group under commercial law correspond to the equity capital information originally published in HSH Nordbank's Annual Report as at 31 December 2013, as they form the basis for the regulatory own funds. The changes resulting from the restatement made during the year are not taken into account. In the second step, the components of own funds are extended and effects arising during the year are included. Lastly, the components

of own funds are assigned to the own funds items in the regulatory report of the banking group as at 31 December 2014.

A reconciliation of the changes in reported equity between 31 December 2013 and 31 December 2014 is not provided (Group notes, Note 48 "Equity"), as it is disclosed in detail in the Group Financial Statements (Group explanatory notes, Note 48 "Equity") in HSH Nordbank's Annual Report as at 31 December 2014.

**Description of the main features of own funds instruments issued**

The main features of the Common Equity Tier 1, Additional Tier 1 and Tier 2 capital instruments issued by HSH Nordbank are described in Table 50 (Appendix, Section 7.2) in accordance with Article 437 (1) subparagraph (b) CRR in conjunction with Article 3 of the Commission Implementing Regulation (EU) no. 1423/2013.



### **Transitional provisions for disclosure of own funds**

Pursuant to Article 492 (2) CRR Common Equity Tier 1 capital and Tier 1 capital exceed the requirements laid down in Article 465 CRR by € 2,045 million and € 3,172 million, respectively.

Pursuant to Article 492 (4) CRR € 1,765 million and € 37 million are credited in the transitional period as Additional Tier 1 capital and Tier 2 capital, respectively, by virtue of applying Article 484 CRR.

### **2.2.2. Terms and Conditions of own funds instruments**

Pursuant to Article 437 (1) subparagraph (c) CRR the regulatory own funds instruments of HSH Nordbank as at the reporting date mainly comprise the following:

- ▶ The subscribed capital amounts to € 3,018 million.
- ▶ The reserves of € 1,638 million consist of capital reserves (€ 594 million), other retained earnings (€-150 million) as well as Group retained earnings (€ 1,194 million).
- ▶ Silent partner contributions of € 1,765 million are credited to Additional Tier 1 capital during the transitional periods in accordance with Article 484 (4) CRR in conjunction with Article 486 (3) and (5) CRR and Section 31 SolvV taking account of the ceilings mentioned therein. Some of these silent partner contributions meet the requirements of Article 63 CRR. For the most part, the silent participations are for an indefinite period and cannot be terminated by the investors. HSH Nordbank regularly has the right to terminate after the expiry of an agreed minimum period of time that is subject to the approval of the Federal Financial Supervisory Authority
- ▶ The Tier 2 capital amounts to € 1,511 million and comprises long-term subordinated liabilities (€ 1,473 million), the profit participation capital (€ 7 million) and the eligible portion of the loan loss provision excess for IRBA positions (€31 million) in accordance with Article 62 (1) subparagraph (d) CRR.
- ▶ Subordinated liabilities were issued in the form of loan notes, registered or bearer bonds and are denominated in euro, US dollar and Japanese yen. The registered bond issued in Japanese yen meets the conditions laid down in Article 484 (5) CRR in conjunction with Article 486 (4) and (5) CRR as well as Section 31 SolvV and is thereby eligible for inclusion as Tier 2 capital during the transitional period taking account of the ceilings specified therein. The original maturities range from nine to 40 years. The interest rates payable range between 0.3% p. a. and 6.5% p.a.

More detailed information on the terms and conditions on the allocable components of own funds are set out in Table 3.

## Terms and conditions of own funds instruments

	Allocable total amount in € m			Remaining maturity < 5 years in € m	Remaining maturity >= 5 years in € m	Avg. remaining maturity in years	Avg. interest rate in % <sup>1</sup>
	Of which CET1	Of which AT1	Of which T2				
	2014	2014	2014				
Ordinary shares of HSH Nordbank AG	3,018	-	-	-	-	-	-
Allocable share capital of other entities included in the regulatory scope of consolidation	-	-	-	-	-	-	-
Silent participations with limited allocability, subject to transitional rules, indefinite and without payment triggers	-	1,733	0	-	-	-	-
Silent participations with limited allocability, subject to transitional rules, limited or with payment triggers	-	32	0	-	32	8	-
Profit participation certificates	-	-	7	7	-	2	-
Permanently eligible subordinated liabilities	-	-	1,436	390	1,046	13	1.6
Subordinated liabilities subject to a transitional rule	-	-	37	37	-	3	6.4

<sup>1</sup>Information on interest rates relates to interest payments actually made

Table 3: Terms and conditions of own funds instruments

### 2.3. CAPITAL REQUIREMENTS

The capital requirements relevant for HSH Nordbank pursuant to Article 438 subparagraphs (c) to (f) CRR are explained below and disclosed in Table 4.

#### Credit risk

Following approval by the competent authorities the risk parameters required to determine the risk weight are generally calculated internally by HSH Nordbank (see Section 3.5.1). Consequently, the risk-weighted exposure amounts for credit risk are generally calculated using the IRB approach in accordance with Part Three Title II Chapter 3 CRR.

However, as part of the temporary or permanent partial use, the Standardised Approach for credit risk pursuant to Part Three Title II Chapter 2 CRR is applied to individual exposures and companies to be consolidated (see Section 2.1). For this reason, information on capital requirements for credit risk is provided in accordance with both the advanced IRB Approach and Standardised Approach for credit risk, broken down in each case into

separate exposure classes by the approach applied. Furthermore, capital requirements determined since 1 January 2014 for risks arising from contributions to the default fund of a central counterparty (CCP) are disclosed pursuant to Articles 307 to 309 CRR.

In the case of equity holdings under the IRB approach, HSH Nordbank determines the capital requirements using the PD-LGD approach and the simple risk weight method. In addition, significant investments in financial sector entities pursuant to Article 48 CRR have been separately backed by equity since 1 January 2014, provided that these are not deducted from own funds. Furthermore, the equity holdings already held prior to 1 January 2008 and consequently “grandfathered” (portfolio protection) according to Article 495 (1) CRR are excluded from the Advanced IRB Approach until 31 December 2017 and are treated in accordance with the rules applicable to the CRSA.

In total, the capital requirements for credit risk increased as at the reporting date compared to the previous year – from € 2,272 million to € 2,467 million. The increase is mainly attributable to the planned expansion of new

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business, transition to the Basel III framework (CRR/CRD IV) and IFRS accounting standards as well as currency effects in particular as a result of the strong appreciation of the US dollar against the euro. This was offset by the ongoing winding down strategy pursued for high-risk legacy portfolios held in the Restructuring Unit. Further details on business performance are presented in the Group Management Report (Economic report, Business performance) in HSH Nordbank's Annual Report.

**Market risk**

HSH Nordbank uses standardised methods for determining capital requirements for market risk in accordance with Part Three Title IV Chapters 2 to 4 CRR.

The capital requirement for market risk amounts to € 446 million (see Section 5.1).

**Operational risk**

HSH Nordbank applies the Standardised Approach pursuant to Article 317 CRR for purposes of determining the capital requirement for operational risk.

In total, there is a capital requirement for the Group of € 200 million (see Section 5.2).

**Overall capital requirements**

In addition to credit risk, market risk and operational risk HSH Nordbank has also backed the credit valuation adjustment risk (CVA risk) with own funds since 1 January 2014 in accordance with Part Three Title VI CRR. The capital requirements for this risk amount to € 49 million. There were no capital requirements for settlement risk pursuant to Part 3 Title VI CRR as at the reporting date.

This results in total capital requirements of € 3,163 million as of the reporting date.



## Capital requirements

	2014	2013
<b>Credit risk</b>		
<b>Standardised Approach (CRSA)</b>		
Central governments or central banks	-	-
Regional governments or local authorities	0	0
Public sector entities	5	5
Multilateral development banks	-	-
International organisations	-	-
Institutions	5	5
Corporates	48	56
Retail exposures	2	1
Exposures secured by mortgages on immovable property	1	1
Exposures in default	8	21
Exposures associated with particularly high risk	3	-
Covered bonds	-	-
Securitisations	8	6
Exposures to institutions and corporates with a short-term credit assessment	-	-
Shares in collective investment undertakings	1	1
Equity holdings based on the continued use of the old methodology/grandfathering (CRSA)	20	23
Equity holdings excluded from the IRBA on a permanent basis or for a limited period (CRSA)	-	-
Other items	0	0
<b>Advanced Internal Rating Based Approach (IRBA)</b>		
Central governments or central banks	48	35
Institutions	154	91
Corporates	1,234	1,049
Retail exposures	-	-
Significant equity holdings in a financial sector entity (250%)	0	-
Equity holdings using the simple risk weight approach	12	16
Of which: private equity exposures in sufficiently diversified portfolios (190 %)	(-)	(-)
Of which: Exchange traded equity exposures (290 %)	(-)	(0)
Of which: Other equity exposures (370 %)	(12)	(16)
Equity holdings using the PD-LGD approach	23	35
Equity holdings using internal models	-	-
Securitisations	766	877
Other non credit-obligation assets	130	50
<b>Risk arising from default fund contributions to a central counterparty</b>	0	-
<b>Subtotal capital requirements for credit risks</b>	<b>2,467</b>	<b>2,272</b>
<b>Market risk in accordance with the Standardised Approach</b>	<b>446</b>	<b>354</b>
<b>Operational risk in accordance with the Standardised Approach</b>	<b>200</b>	<b>222</b>
<b>Credit valuation adjustment risk</b>	<b>49</b>	<b>-</b>
<b>Settlement risk</b>	<b>-</b>	<b>-</b>
<b>Overall capital requirements</b>	<b>3,163</b>	<b>2,848</b>

Table 4: Capital requirements in € m

## 2.4. GUARANTEE FACILITY

### 2.4.1. Provision of a guarantee facility

On 2 June 2009 the Federal State of Schleswig-Holstein and the Free and Hanseatic City of Hamburg granted HSH Nordbank AG a guarantee facility in the amount of € 10 billion via the HSH Finanzfonds AöR as the guarantor in order to secure the future of the Bank. This agreement on the provision of a guarantee facility as well as a related recapitalisation of the Bank are subject to approval by the European Commission in accordance with the law regarding state aid. The EU Commission concluded these state aid proceedings at the end of September 2011 and entered into an agreement on commitments with all the parties involved and imposed conditions. The conditions include a prohibition on the payment of dividends until and including the financial year 2014, among other things. The guarantee of the federal states is split into two partial guarantees for financial reporting purposes. Partial guarantee One relates to non-structured financial instruments. Partial guarantee Two relates to structured financial instruments, in particular those that are full or partial derivatives in nature and equity instruments. Partial guarantee One is recognised in the consolidated financial statements as a financial guarantee contract in accordance with IAS 39.9. Partial guarantee Two is recognised as a credit derivative.

The guarantor guarantees actual rating-related defaults on financial instruments selected based on certain defined criteria that form part of the assets of HSH Nordbank AG.

The amount of default on a specific commitment is determined by the amount outstanding, taking into account the specific loan loss provision existing as at 31 March 2009. The amount outstanding is at the most the amount repayable as at 31 March 2009, plus all interest owed and other ancillary payments. Losses may only be allocated under the guarantee once the guarantee case has been examined and approved by the guarantor.

The guarantee expires when it is returned to the guarantor after the last reference commitment in the hedged portfolio has been met irrevocably and in full or has resulted in a guarantee case for the full amount. Since 2014 it is possible for HSH Nordbank AG to terminate the guarantee in full.

2011 the guarantee was reduced by a total of € 3 billion to € 7 billion. The guarantee facility was replenished as at 30 June 2013 by € 3 billion to the original amount of € 10 billion. The guarantee agreement was adjusted by way of an appropriate amendment agreement. Under this agreement the fee provisions for the replenished guarantee remain essentially unchanged. A one-off payment of € 275 million becomes payable, however, on the coming into force of the amendment agreement. Through this the guarantor is put in a position as if the guarantee had never been reduced. The one-off payment represents a fee for a time-related service and is amortised over the period of the expected benefit. In 2014 € 116 million was recognised through profit or loss in the Expenses for government guarantees line item (previous year: € 69 million). The EU Commission provisionally approved the replenishment of the guarantee and at the same time initiated a formal review process, which can probably be concluded in 2015.

Additional details on the contractual arrangement, the hedging effect as well as the balance sheet treatment of the guarantee facility are presented in the consolidated financial statements (Note 3 "Provision of the guarantee facility" to the consolidated financial statements) contained in the Annual Report.

### 2.4.2. Effects of the capital measures on the capital requirements

HSH Nordbank has classified the guarantee facility issued by HSH Finanzfonds AöR as eligible unfunded credit protection in accordance with Article 213 CRR in conjunction with Article 215 CRR. As it possesses the necessary characteristics, such as for example division into tranches and ranking (waterfall), it is treated as a securitised position under the Advanced IRB Approach. The risk weight of the senior tranche is determined using the Supervisory Formula Approach in accordance with Article 262 CRR.

This secondary, loss-based, risk-shielding function of the guarantee facility is designated within HSH Nordbank as Sunrise or the Sunrise transaction. This risk shield is structured as a synthetic securitisation transaction which is recognised by the supervisory authorities so that assets remain on HSH Nordbank's balance sheet.

Due to its structure, a corresponding easing of the strain on capital requirements may be achieved through the

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HSH Finanzfonds AöR guarantee facility starting on 30 June 2009.

Based on the securitisation regulations in CRR, there is a choice for the first loss piece between a capital deduction and an allowance with a risk weight of 1,250%.

For reporting dates prior to 30 June 2010 HSH Nordbank backed the first loss piece as a risk-weighted exposure amount with equity. The first loss piece is now deducted from the Common Equity Tier 1 capital, as of the 30 June 2010 reporting date. This corresponds to the use of the option in accordance with Article 244 (1) subparagraph (b) CRR. The risk weight for the second loss piece is 0%. The risk weight for the senior tranche was 20%

(minimum risk weight for resecuritisations in accordance with Article 262 (1) CRR) at the reporting date.

HSH Nordbank determines capital requirements taking the guarantee facility into account. Consequently, disclosures made in this report generally reflect the effect of the guarantee. Exceptions are explicitly stated. In addition, the Bank also determines the capital requirements excluding the effect of the guarantee facility in the form of an alternative calculation and reports this to BaFin and the Deutsche Bundesbank.

Additional information on the features of the Sunrise transaction (e.g. treatment of currency mismatches) is set out in Chapter 4.

### 3. DEFAULT RISK

#### Definition

HSH Nordbank breaks down its default risk into credit, settlement, country and equity holding risk.

In addition to the traditional credit risk, credit risk also includes counterparty and issuer risk. The conventional credit risk is the risk of complete or partial loss in the lending business as a result of deterioration in the counterparty's credit standing. A counterparty default risk exists in the case of derivatives and refers to the risk that a counterparty defaults during the term of a transaction and HSH Nordbank must cover the shortfall for the residual term by means of a new contract on the market at the price prevailing at that time which might be less favourable. Issuer risk denotes the risk that a loss is incurred on a financial transaction as a result of the default or deterioration in the creditworthiness of the issuer.

Settlement risk consists of clearing risk and advance performance risk. Clearing risk arises in the case of possible loss of value if delivery or acceptance claims pertaining to a transaction that is already due, have not been met by both parties. Advance performance risk arises where HSH Nordbank has performed its contractual obligations but consideration from the contracting party is still outstanding.

HSH Nordbank understands country risk as the risk that agreed payments are not made or are only made in part or delayed due to government-imposed restrictions on cross-border payments (transfer risk). The risk is not related to the debtor's credit rating.

The equity holding risk is the danger of financial loss due to the impairment of equity holdings.

All elements of default risk referred to are taken into account within the context of equity capital management. For risk concentrations and equity holding risks additional management measures are in place.

#### Risk management objectives and policies

The risk management objectives and policies for default risk pursuant to Article 435 (1) CRR are set out in the information provided in the Group Management Report (Risk Report) in HSH Nordbank's Annual Report.

### 3.1. CREDIT RISK ADJUSTMENTS

#### 3.1.1. Total amount of exposures

The total amount of exposures held in HSH Nordbank's portfolio, broken down into exposure classes, geographic distribution, distribution of the exposures by industry and residual maturities, is disclosed below in accordance with Article 442 subparagraphs (c) to (f). CRSA exposure classes, which account for an immaterial proportion of the total amount of exposures, are aggregated into a total CRSA amount for the purposes of presenting information in accordance with Article 442 subparagraphs (d) to (f) in Table 6 to Table 8. For this purpose, HSH defines a proportion of a maximum of 8% as immaterial. This corresponds to the regulatory ceiling for the permanent use of the Standardised Approach for credit risk (permanent partial use). The residual maturity of "1 day" includes all transactions due within one day, which also means transactions callable daily with indefinite maturity. Receivables which generally do not have fixed terms to maturity, like investment certificates, are included in the last maturity range with a flat residual maturity of 10 years. Exposures as at 31 December 2013 are also assigned to exposure classes and not to risk-bearing instruments as it was the case in the previous year.

The exposure values are calculated after the application of CCFs in accordance with Article 111 (1) CRR and Article 166 to 168 CRR. However, with respect to the requirements stipulated in Article 442 subparagraph (c) CRR, in Table 5 to Table 8 credit risk minimisation techniques are not included in the calculation. The credit equivalent value is shown for derivative instruments. IRBA and CRSA exposure values are combined. The division does not include equity holdings and securitisations. Securitisations are presented in Chapter 4 and equity holdings are presented in Section 3.4.

The total amount of exposures is € 61 billion as at the reporting date (previous year: € 50 billion). The average amount calculated as the arithmetic mean of the quarterly amounts is € 60 billion for the reporting period (previous year: € 51 billion).

The increase in the exposure values between 31 December 2013 and the reporting date results mainly from the continued growth in new business, increase in the cash reserve due to higher credit balances held at central

banks and the appreciation of the US dollar against the euro.

The ongoing winding down of high-risk legacy portfolios in the Restructuring Unit had an offsetting effect. This winding down was primarily carried out in the collateral-

ized portfolio and is reflected in particular in the exposure values excluding the effect of the guarantee facility.

The amounts in the following tables are shown for information purposes in the Appendix (Table 51 to Table 54) excluding the effect of the guarantee facility.

#### Exposure values by exposure classes

	Exposure value			
	Reporting date		Ø during the reporting period	
	2014	2013	2014	2013
<b>Credit Risk Standardised Approach (CRSA)</b>				
Central governments or central banks	22	5	23	6
Regional governments or local authorities	1	1	1	2
Public sector entities	328	335	309	270
Multilateral development banks	-	-	-	-
International organisations	278	234	273	234
Institutions	1,089	290	821	295
Corporates	561	693	609	824
Retail exposures	38	24	40	30
Exposures secured by mortgages on immovable property	26	33	31	36
Exposures in default	73	218	107	328
Exposures associated with particularly high risk	26	-	23	-
Covered bonds	-	-	-	108
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-
Shares in collective investment undertakings	13	198	111	201
Other items	0	1	1	6
<b>Advanced Internal Rating Based Approach (IRBA)</b>				
Central governments or central banks	17,527	14,523	17,672	15,378
Institutions	10,436	8,425	10,760	8,607
Corporates	30,212	24,419	28,327	23,604
Other non credit-obligation assets	571	644	510	645
<b>Total</b>	<b>61,202</b>	<b>50,043</b>	<b>59,615</b>	<b>50,573</b>

<sup>1</sup> Arithmetic mean of the quarterly amounts

Table 5: Exposure values by exposure classes in € m

## Exposure values by geographical areas

	CRSA								IRBA	
	Total		Central govern- ments/ central banks		Institutions		Corporates		Other non-credit- obligation assets	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Germany	1,443	672	12,605	9,781	4,700	3,499	15,990	13,513	373	515
Western Europe (without Germany)	668	1,085	801	1,168	5,437	4,768	8,772	5,923	-	-
North America	18	4	3,447	2,839	172	72	3,093	3,393	95	56
Asia Pacific Region	0	5	8	7	16	41	1,507	1,044	-	-
Latin America	41	12	3	3	-	-	34	38	-	-
Central and Eastern Europe	0	0	1	0	108	31	520	291	-	-
Middle East	8	18	-	-	2	14	210	135	-	-
African countries	0	0	-	-	0	0	86	82	-	-
International organisations	278	234	663	725	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	103	73
<b>Total</b>	<b>2,455</b>	<b>2,031</b>	<b>17,527</b>	<b>14,523</b>	<b>10,436</b>	<b>8,425</b>	<b>30,212</b>	<b>24,419</b>	<b>571</b>	<b>644</b>

Table 6: Exposure values by geographical areas in € m

## Exposure values by economic sectors

	CRSA						IRBA			
	Total (including: SME <sup>1</sup> )		Central govern- ments/ central banks		Institutions		Corporates (including: SME <sup>1</sup> )		Other non-credit- obligation assets	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Credit institutions	871 (-)	110	1,591	1,145	8,296	7,503	17 (-)	36	82	24
Other financial institutions	584 (12)	788	-	-	1,409	663	941 (104)	979	53	13
Public sector	305 (0)	245	15,936	13,378	89	13	535 (117)	510	-	-
Private households	371 (1)	407	-	-	0	0	201 (12)	699	12	38
Properties and flats	59 (8)	35	-	-	323	43	6,357 (2,174)	4,784	0	0
Shipping	11 (7)	199	-	-	17	9	5,004 (829)	3,906	-	-
Industry	40 (4)	31	-	-	61	0	6,442 (2,367)	5,383	11	2
Trade and transport	10 (5)	27	-	-	220	176	2,991 (674)	3,221	28	26
Trade and transport	204 (26)	187	-	-	20	20	7,723 (163)	4,901	51	52
Other	0 (-)	2	-	-	-	-	- (-)	-	333	489
<b>Total</b>	<b>2,455 (62)</b>	<b>2,031</b>	<b>17,527</b>	<b>14,523</b>	<b>10,436</b>	<b>8,425</b>	<b>30,212 (6,440)</b>	<b>24,419</b>	<b>571</b>	<b>644</b>

<sup>1</sup>Small or medium-sized enterprises; only relevant since the 2014 reporting year

Table 7: Exposure values by economic sectors in € m

## Exposure values by contractual remaining maturity

	CRSA						IRBA			
	Total		Central governments/ central banks		Institutions		Corporates		Other non-credit- obligation assets	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
≤ 1 day	44	63	5,730	4,769	567	366	1,829	1,652	13	-
> 1 day ≤ 3 months	1,000	153	714	332	1,882	629	2,672	1,060	-	-
> 3 months ≤ 6 months	98	101	318	102	458	749	313	756	-	-
> 6 months ≤ 1 year	419	158	142	222	666	747	1,339	1,630	-	8
> 1 year ≤ 5 years	391	792	3,819	2,819	3,659	2,917	10,857	8,350	-	6
> 5 years	504	764	6,805	6,279	3,204	3,017	13,202	10,972	558	630
<b>Total</b>	<b>2,455</b>	<b>2,031</b>	<b>17,527</b>	<b>14,523</b>	<b>10,436</b>	<b>8,425</b>	<b>30,212</b>	<b>24,419</b>	<b>571</b>	<b>644</b>

Table 8: Exposure values by contractual remaining maturity in € m

**3.1.2. Definitions of "past due" and "impaired" for accounting purposes**

For accounting purposes an impairment test is to be performed for financial instruments held in the Loans and Receivables category in accordance with IAS 39, as soon as there is objective evidence of impairment. The value adjustment required, which is recognised as an individual valuation allowance, is calculated as the difference between the present value of the cash flows still expected

to be received from the loan, discounted using the original effective interest rate of the loan, and the current carrying amount. Provisions are also recognised for imminent drawdowns under irrevocable commitments made to customers in default. The loans are then divided into the following categories depending on the creditworthiness of the borrower:

## Division of receivables into past due and impaired

No individual valuation allowances or reserves created	Loans without identifiable default risks. As at the reporting date these loans do not show any risk; no individual valuation allowances or reserves are created for these credits, only portfolio valuation allowances.	
	A loan is past due when the counterparty has not made a contractually agreed-upon payment. For this purpose, even a single day past due is taken into account.	past due
Creation of individual valuation allowances, reserves or direct write-offs	Impaired On the basis of objective criteria, for these loans (partial) default is expected; hence the creation of an adequate individual valuation allowances or provision is required. No (additional) portfolio valuation allowances are created for these loans.  Non-recoverable loans Such receivables can no longer be collected. No recoverable collateral available. These loans need to be written-off.	impaired

Table 9: Division of receivables into *past due* and *impaired***3.1.3. Description of the approaches and methods adopted for determining specific and general credit risk adjustments**

HSH Nordbank pays the utmost attention to default risk in the risk management process. Impairment losses incurred on a loan commitment are covered by the recognition of individual valuation allowances for loans and ad-

vances and provisions for contingent liabilities in the amount of the potential default in accordance with uniform Group-wide standards. HSH Nordbank also recognises portfolio valuation allowances for latent default risks, which have already materialised but have not yet been identified by the Bank.



The approaches and methods adopted for determining specific and general credit risk adjustments in accordance with Article 442 subparagraph (b) CRR are set out in the information provided in the Group Management Report and Group Financial Statements (Group explanatory notes, Note 8 "Accounting Policies") in HSH Nordbank's Annual Report.

### 3.1.4. Development of loan loss provisions in the lending business

Consistent with Article 442 subparagraph (i) CRR, Table 10 lists the overall portfolio as well as the changes in loan loss provision types in the reporting. The loan loss provisioning structure in this Disclosure Report has fundamentally changed compared to the previous year due to the transition to IAS/IFRS accounting standards. A comparison with the previous year figures is therefore not

provided in the presentations pursuant to Article 442 subparagraphs (g) to (i) CRR included in this year's Disclosure Report.

Individual valuation allowances, provisions and portfolio valuation allowances total € 6,233 million as at the reporting date. Loan loss provisions recognised in particular for legacy portfolios were largely compensated by the hedging effect of the second loss guarantee (compensation item). The compensation item amounts to € 4,074 million. Detailed information on changes in loan loss provisions and on the hedging effect of the guarantee facility is set out in the Group Management Report (Economic Report) and Group Financial Statements (Group explanatory notes, Note 3 "Provision of a guarantee facility") in HSH Nordbank's Annual Report.

Development of loan loss provisions

	Individual valuation allowances	Provisions	Portfolio valuation allowances
			2014
Portfolio at the beginning of the reporting year	5,936	89	417
Addition	1,559	18	0
Reversal	993	60	41
Utilisation	951	0	-
Interest income	-215	-	-
Changes due to exchange rate fluctuations and other changes	455	1	18
<b>Portfolio at the closing date</b>	<b>5,791</b>	<b>47</b>	<b>395</b>

Table 10: Development of loan loss provisions in € m

### 3.1.5. Impaired and past due receivables in the lending business by economic sectors and geographical areas

Table 11 and Table 12 show the non-performing and past due receivables broken down by economic sectors and geographical areas consistent with Article 442 subparagraphs (g) and (h) CRR.

As at the reporting date, receivables from nonperforming loans (needing value adjustments, i.e. individual value reserves or loan loss provisions) totalled € 13,403 million, and receivables of past due loans (not needing value adjustments) totalled € 3,276 million. Of which, € 12,691 million and € 2,706 million respectively come within the Sunrise Transaction reference portfolio.

## Impaired or past due receivables by economic sectors

Main branch	Portfolio				Net additions/reversals of			DW <sup>2</sup>	Receipts <sup>3</sup>	Total re- ceiv- ables past due
	Impaired <sup>1</sup>	Individ- ual valuation allow- ance	Provi- sions	Portfolio valuation allow- ance	Individ- ual valuation allow- ances	Provi- sions	Portfolio valuation allow- ance			
Credit institutions	30	15	0	1	-133	-	0			-
Other financial institutions	567	125	1	13	-5	-2	-2			99
Public sector	139	61	1	7	22	1	-4			20
Private households	127	82	-	6	-12	0	-3			28
Properties and flats	2,281	825	6	53	-11	3	2			621
Shipping	8,356	3,658	9	138	607	-21	-17			1,770
Industry	874	436	21	131	22	-6	7			490
Trade and transport	285	162	1	20	38	-4	-4			76
Other services	742	426	8	26	38	-12	-19			171
Other	-	-	-	-	-	-	-			-
<b>Total</b>	<b>13,403</b>	<b>5,791</b>	<b>47</b>	<b>395</b>	<b>566</b>	<b>-42</b>	<b>-41</b>	<b>201</b>	<b>198</b>	<b>3,276</b>

<sup>1</sup> Total receivables from impaired loans (with need for valuation allowances; i.e. need for individual valuation allowances or provisions)

<sup>2</sup> Direct write-offs

<sup>3</sup> Recoveries on receivables written off

<sup>4</sup> Total receivables from past due loans (without need for valuation allowances)

Table 11: Impaired or past due receivables by economic sectors in € m

## Impaired or past due receivables by geographical areas

Main Region	Impaired <sup>1</sup>	Individual valuation al- lowance portfolio	Provisions portfolio	General valuation al- lowance portfolio	Total receivables past due
	2014	2014	2014	2014	2014
Germany	6,086	2,780	40	155	2,075
Western Europe (without Germany)	5,326	2,145	6	190	900
North America	257	110	0	18	9
Asia Pacific Region	968	420	0	9	183
Latin America	173	140	1	1	10
Central and Eastern Europe	464	121	0	12	100
Middle East	60	49	-	10	-
African countries	69	26	-	1	-
Int. organisations	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	<b>13,403</b>	<b>5,791</b>	<b>47</b>	<b>395</b>	<b>3,276</b>

<sup>1</sup> Total receivables from impaired loans (with need for valuation allowances; i.e. need for individual valuation allowances or provisions)

<sup>2</sup> Total receivables from of past due loans (without need for valuation allowances)

Table 12: Impaired or past due receivables by geographical areas in € m

## 3.2. USE OF ECAIS

### 3.2.1. Names of the nominated ECAIs and ECAs

Under the Standardised Approach for credit risk the required risk weight for the calculation of equity capital backing is stipulated by the supervisory authority. The risk weight depends on the type of receivable, its external rating and any collateral. HSH Nordbank uses external credit assessments provided by external credit assessment institutions (ECAI) recognised by the supervisory authorities for the determination of risk weights in accordance with Article 138 CRR. Different rating agencies (ECAI) or export insurance agencies (ECA) can be appointed for each category of receivables. The CRSA or IRBA exposure class Securitisations allows rating agencies to be appointed at the transaction level; for all other CRSA exposures they are appointed per receivables category related to credit assessment.

If an external credit assessment of a recognised rating agency is used, the assessment is to be transferred into a credit assessment according to the rating master scale. It needs to be checked for each approved ECAI whether it is based on an external rating or not. If there is more than

one external rating available, of the two ratings leading to the lowest CRSA risk weights, the rating with the higher CRSA risk weight is decisive. HSH Nordbank generally uses the issuer rating for exposures that are not part of the trading book, except for ABS transactions where the external rating for the transaction is used.

HSH Nordbank has admitted only the ECAIs listed in Table 13 to be used with respect to Article 444 subparagraph (a) CRR and makes use of these for the exposure classes listed pursuant to Article 444 subparagraph (b) CRR. Export credit agencies are not used in this context. ECAIs are only nominated for the sovereign and securitisation receivables categories. Whilst only the Standardised Approach for credit risk is involved for sovereign receivables, external ratings are used for securitisation positions under both the Standardised and IRB approaches. The external rating of the respective central government is relevant for transactions as defined in Articles 115 and 116 CRR and applied in determining the risk weight. Transactions assigned to the regional or local authority and public sector entity exposure classes are affected by this. These continue to be disclosed in the above-mentioned exposure classes.

Rating agencies by receivables category

Receivables category	Exposure class	Rating agency
States	Central governments and central banks Regional governments or local authorities Public sector entities	Fitch, Moody's, S & P
Securitisations	IRBA exposures in accordance with Article 153 (8) CRR CRSA securitisation exposures IRBA securitisation exposures	Fitch, Moody's, S & P

Table 13: Rating agencies by receivables category

### 3.2.2. Transfer of issuer and issue of credit assessments

The process used by HSH Nordbank to transfer credit assessments of issuers and issues in accordance with Article 444 subparagraph (c) CRR is described below.

Issuer credit assessments are necessary to determine the CRSA and IRBA risk weight for securitisations as well as the amounts of eligible collateral for CRSA and IRBA exposures. HSH Nordbank uses issue credit assessments provided by the rating agencies Fitch, Moody's and S & P. The listed rating agencies were specifically nominated to the regulatory authorities by HSH Nordbank.

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### **3.2.3. CRSA and IRBA exposure values under regulatory risk weights**

In order to determine the capital requirements, both the Standardised Approach for credit risk and the Advanced IRB Approach require risk-weighted exposures (the product of risk weight and exposure value) to be created. For the Standardised Approach for credit risk the risk weights are set globally by the supervisory authority by exposure class and external rating. Until the standard association of the external rating with the credit quality steps is published by the European Banking Authority (EBA), HSH Nordbank will adhere in accordance with Article 444 subparagraph (d) CRR to the association published by the national supervisory authority. Table 14 shows the CRSA exposure values before and after credit risk reduction measures in accordance with Article 444 subparagraph (e) CRR. Substitution effects mean that exposure values with risk weights that were originally higher are replaced with those with a lower risk weight.

In contrast, the Advanced IRB Approach always calculates the risk weights using parameters assessed internally. The IRBA exposure class Equity exposure and IRBA Special Financing positions are exceptions. In these cases it is possible to determine risk weight using the “simple risk weight” methodology. Risk weighting is set by the supervisory authorities depending on fixed criteria. However, HSH Nordbank currently only partially uses the simple risk weight approach for equity exposures. Depending on whether the equity exposure is not quoted on the stock exchange but is diversified sufficiently, or represents a quoted or another equity exposure, a risk weight of 190%, 290% and/or 370% in accordance with Article 155 (2) CRR is allocated. Significant equity holdings in a financial sector entity receive a risk weight of 250% subject to Article 155 (1) CRR in conjunction with Article 48 (4) CRR. The exposure values of the above-mentioned equity exposures are also listed in Table 17 in accordance with Article 438 sentence 2 CRR. This classification does not include securitizations since they are separately disclosed in Chapter 4.

CRSA/IRBA exposure values by regulatory risk weight

Risk weight in %	CRSA before credit risk reduction		CRSA after credit risk reduction		Advanced IRBA	
	2014	2013	2014	2013	2014	2013
0	312	254	312	254	-	-
2	775	-	10	-	-	-
4	-	-	-	-	-	-
10	-	-	-	-	-	-
20	463	445	643	627	-	-
35	-	-	23	29	-	-
50	0	-	2	4	-	-
70	-	-	-	1	-	-
75	60	39	36	22	-	-
100	928	1,314	748	1,118	-	-
150	92	32	91	30	-	-
190	-	-	-	-	-	-
250	3	21	0	19	0	-
290	-	-	-	-	-	0
370	-	-	-	-	39	56
1,250	1	0	1	0	-	-
Capital deduction	-	3	-	3	-	-
Other risk weights	69	212	69	214	-	-
<b>Total</b>	<b>2,702</b>	<b>2,321</b>	<b>1,936</b>	<b>2,321</b>	<b>39</b>	<b>56</b>

Table 14: CRSA/IRBA exposure values by regulatory risk weight in € m

### 3.3. COUNTERPARTY CREDIT RISK

#### 3.3.1. Methodology under which internal capital and ceilings for counterparty credit risk exposures are assigned

The usual credit approval procedures must be complied with when creating counterparty credit risk exposures within the meaning of Part Three Title II Chapter 6 CRR. The risk classification, limitation and monitoring processes of the classic lending business apply accordingly. Information, which complies with the requirements as defined in Article 435 (1) CRR, is set out in the Group Management Report (Risk Report) in HSH Nordbank's Annual Report, supplemented by the daily monitoring of derivative/issuer exposures in accordance with MaRisk requirements. As part of the monitoring of trading lines the potential future exposure on currency, interest rate and commodity derivatives is recalculated daily for each customer on the basis of a 95% quantile and compared to

the respective trading limit. The eligible sums for counterparty credit risk exposures are included in the Bank-wide economic management, capital allocation and limitation together with the other exposures subject to credit risk.

#### 3.3.2. Rules for securing collateral and establishing credit reserves

In connection with counterparty credit risk exposures HSH Nordbank uses the rules described below for securing collateral and establishing credit reserves in accordance with Article 439 subparagraph (b) CRR.

##### Policies for securing collateral

Derivative transactions for hedging interest rate, foreign exchange and other similar risks are generally concluded with single counterparties and governed by existing master agreements, namely either the German Master Agreement for Financial Derivate Transactions or the in-

ternational Master Agreement of the International Swaps and Derivatives Association (ISDA) in the 1992 or 2002 versions respectively.

In addition, collateral agreements supplementing a number of master agreements were concluded, mostly with banks in Germany and abroad, but also with non-banks in individual instances. This involves the Credit Support Annex to the German Master Agreement and the ISDA Credit Support Annex to the ISDA Master Agreement. The following information applies equally to both Master Agreements and the associated collateral agreements.

The collateral agreements include agreements on thresholds which are unsecured, eligible collateral, other collateral arrangements and the scope of the collateral agreement. Agreed collateral is generally cash, plus in several cases as an exception interest-bearing securities from G10 nations or other EU Member States with good ratings, which may be received or delivered through (generally daily) margining.

The cash collateral agreed consists of amounts in a convertible and freely transferable currency (normally euro or US dollar).

The Master Agreements and the collateral agreements are entered in the Legal Database Information System (LeDIS), in which a daily review is conducted for each individual derivative transaction as to eligibility for netting under supervisory law, the inclusion in a collateral agreement as well as the legal basis for use as collateral as to each individual derivative transaction.

In the beginning of 2012 HSH Nordbank has joined the London Clearing House (LCH) as a client in anticipation of the obligations under the European Market Infrastructure Regulation (EMIR) for central clearing to comply with in future. It is therefore possible for HSH Nordbank to also settle OTC interest swaps and forward rate agreements centrally via a clearing system. Since the beginning of 2014 HSH Nordbank has been authorized as a registered customer for the clearing of OTC derivatives on EUREX.

#### **Policies for establishing credit reserves**

HSH Nordbank uses the mark-to-market method for determining counterparty credit risk in accordance with Article 274 CRR.

Derivative financial instruments are accounted for and measured in accordance with the IFRS rules. More detailed information on the recognition, measurement as well as provisions for losses and impairment of derivatives is set out in the Group Financial Statements (Group explanatory notes, Note 8 "Accounting Policies") in HSH Nordbank's Annual Report.

#### **3.3.3. Policies with respect to Wrong-Way risk**

Methods based on internal models pursuant to Articles 276 to 282 CRR are not used. Accordingly, no information according to Article 439 subparagraphs (c) and (i) CRR regarding correlation risk pursuant to Article 291 CRR and/or the estimate for value  $\alpha$  pursuant to Article 284 CRR is disclosed.

#### **3.3.4. Changes in the amount of collateral given a downgrade in the credit rating**

The collateral agreements to these Master Agreements include individual clauses which could require the HSH Nordbank to supply collateral or additional collateral in the event that one of the external ratings of the Bank is downgraded. As at the reporting date, a ratings downgrade of one notch by the rating agencies Moody's and/or Fitch would result in additional collateral of € 25 million to be disclosed in accordance with Article 439 subparagraph (d) CRR, which would not materially affect HSH Nordbank's risk bearing capacity.

#### **3.3.5. Gross positive fair value and net credit exposures**

The extent to which HSH Nordbank is involved in different contract types and to what extent netting is used is set out in Table 15 in accordance with Article 439 subparagraph (e) CRR. Eligible collateral and net default exposures are also disclosed. Only collateral eligible in the Standardised Approach for credit risk directly reduces the default exposures, whereas collateral disclosed is incorporated in the determination of LGD under the Advanced IRB Approach (see also Section 3.6.6). Derivatives in connection with securitisations are not shown in the following table as they are described separately in Chapter 4.

## Net derivatives credit exposure

	Gross positive fair value		Netting benefits		Netted credit exposure		Collateral held		Net credit exposure	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Interest-related contracts	7,602	6,662								
Currency-related contracts	169	178								
Securities/index-related contracts	135	148								
Loan derivatives	45	43								
Goods-related contracts	122	48								
Other contracts	1,025	985								
<b>Total</b>	<b>9,098</b>	<b>8,064</b>	<b>4,773</b>	<b>3,777</b>	<b>4,325</b>	<b>4,287</b>	<b>1,153</b>	<b>1,244</b>	<b>3,172</b>	<b>3,042</b>

Table 15: Net derivatives credit exposure in € m

Parameters for the exposure to counterparty credit risk based on the approach used (regulatory market assessment approach) are given in Table 16 in accordance with

Article 439 subparagraph (f) CRR. Exposures forming part of securitisations are not shown in the following table as they are described separately in Chapter 4.

## Exposure to counterparty credit risk

	Exposure value for counterparty credit risk	
	2014	2013
<b>Mark-to-Market Method</b>	<b>5,045</b>	<b>5,483</b>

Table 16: Counterparty credit risk in € m

**3.3.6. Credit derivatives**

Credit derivatives purchased to hedge the loan portfolio of HSH Nordbank are shown in accordance with Article

439 subparagraph (g) CRR in Table 17. The nominal amount of the hedging with credit derivatives remained unchanged at zero as at the reporting date. Default risk exposures are accordingly not broken down by type.

## Nominal value of credit derivatives eligible for collateral

	Nominal value of collateral	
	2014	2013
<b>Credit derivatives (secured party)</b>	<b>-</b>	<b>-</b>

Table 17: Nominal value of credit derivatives eligible for collateral in € m

HSH Nordbank acts as both buyer and seller of credit derivatives (see Table 18 in accordance with Article 439 subparagraph (h) CRR). There were still no brokerage transactions as at the reporting date. Positions held as

part of securitisation transactions are not included in the presentation, as they are addressed separately in Chapter 4.



## Nominal values of credit derivatives

	Use for own credit portfolio					
	bought		sold		Brokerage activity	
	2014	2013	2014	2013	2014	2013
Credit Default Swaps	138	131	410	376	-	-
Total Return Swaps	-	-	-	-	-	-
Credit Options	-	-	-	-	-	-
Other contracts	-	-	-	-	-	-
<b>Total</b>	<b>138</b>	<b>131</b>	<b>410</b>	<b>376</b>	<b>-</b>	<b>-</b>

Table 18: Nominal values of credit derivatives in € m

### 3.4. EQUITY HOLDINGS IN THE BANKING BOOK

The regulatory authorities state that equity holdings must be consolidated, deducted from equity or backed with equity capital in the exposure class Equity holdings. In this context regulatory law considers equity holding risk to be a sub-class of the counterparty credit risk.

A key objective of the Bank is to wind down the equity holdings not relevant to the core business. In the reporting year the equity holding portfolio has been reduced as planned through further numerous disposals. A further decrease is also to be expected in the 2015 financial year.

The equity holdings from the banking book are explained below.

#### 3.4.1. Objectives of equity holdings

The equity holding portfolio of the HSH Nordbank is divided essentially into six sub-portfolios. Each sub-portfolio has a different objective.

##### Strategic equity holdings

Strategic equity holdings are all those which have a strategic importance for the Group and/or promote the economic interests of the region.

##### Equity holdings to support business segments

Equity holdings to support business segments are oriented towards expanding existing customer relationships or creating new ones.

##### Wind-down equity holdings

Wind-down equity holdings are former strategic equity

holdings and/or equity holdings which previously supported a business segment equity holdings, which must be wound-down in light of the decision of the EU Commission to conclude the state aid proceedings or for strategic reasons in accordance with decisions of the Bank.

##### Bail-out purchases

Bail-out purchases are equity exposures which are entered into as part of the restructuring of a loan.

##### Other equity holdings

In contrast to the regulatory and/or financial accounting regulations of the German Commercial Code all items that contain a subordinated residual claim to the assets or income of the issuer are classified as equity holding under supervisory law. Equity holdings which are considered as an equity holding under supervisory aspects (in accordance with CRR) but mostly are allocated to the item "Shares and other non-fixed-income securities" (in accordance with IFRS) do not therefore belong to the divisions described above and instead are treated as other equity holdings.

##### Equity holdings contained in investment funds or funds-like certificates

Special funds of domestic or foreign banks and certificates which under IFRS must be recognised under the heading "Bonds and other fixed-interest securities" can also include equity holdings within the meaning of CRR under supervisory law. If these equity holdings have to be allocated to the banking book, they come under the separate sub-portfolio "Equity holdings contained in investment funds or certificates similar to funds".



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### **3.4.2. Accounting policies for equity holdings**

Regular business valuations represent an important instrument for monitoring and managing equity holding risks in the case of both strategic and business segment relevant and wind-down equity holdings and bail-out purchases. The processes have been designed to ensure that the recoverability of all HSH Nordbank's direct equity holdings and relevant indirect equity holding are assessed at least once a year. Significant equity holdings are subject to a detailed assessment using the relevant standards of the Institute of Public Auditors in Germany ("Institut der Wirtschaftsprüfer"). All other equity holdings undergo a risk-oriented assessment.

Equity holdings which are allocated to the sub-portfolios "Other equity holdings" and "Equity holdings contained in investment funds or funds-like certificates" also represent a long-term commitment due to their allocation to the Bank's investment portfolio.

Assets disclosed under the position financial investments are generally classified as AFS under IAS 39. Assets in the AFS category are generally measured initially at fair value. This also applies to the subsequent measurement of financial investments such as securities that are normally traded on an exchange. Equity instruments for which there is no active market and a fair value cannot be determined by other methods, are recognised at cost in the subsequent measurement by way of exception

A permanent diminution in the value of the respective equity holding in terms of the difference between the carrying amount and fair value forms the basis for impairment.

### **3.4.3. Overview of equity holdings in the banking book**

The equity holding portfolio of the banking book of HSH Nordbank as defined by Article 447 subparagraph (b) and (c) CRR is shown in Table 19.

## Valuation of equity holding instruments

Equity holding portfolio	Carrying amount		Fair value		Stock market value	
	2014	2013	2014	2013	2014	2013
Strategic equity holdings	1	2	1	2	-	-
Items traded on the stock exchange	-	-	-	-	-	-
Not listed on the stock exchange but belonging to a sufficiently diversified equity holding portfolio	-	-	-	-	-	-
Other equity holding exposures	1	2	1	2	-	-
Business field-related equity holdings	1	1	1	1	-	-
Items traded on the stock exchange	-	-	-	-	-	-
Not listed on the stock exchange but belonging to a sufficiently diversified equity holding portfolio	-	-	-	-	-	-
Other equity holding exposures	1	1	1	1	-	-
Wind-down equity holdings	155	207	155	207	-	-
Items traded on the stock exchange	1	1	1	1	1	1
Not listed on the stock exchange but belonging to a sufficiently diversified equity holding portfolio	-	-	-	-	-	-
Other equity holding exposures	154	206	154	206	-	-
Bail-out purchases	0	26	0	26	-	-
Items traded on the stock exchange	0	1	0	1	0	1
Not listed on the stock exchange but belonging to a sufficiently diversified equity holding portfolio	-	-	-	-	-	-
Other equity holding exposures	0	25	0	25	-	-
Other equity holdings	225	275	225	289	-	-
Items traded on the stock exchange	15	39	15	53	15	53
Not listed on the stock exchange but belonging to a sufficiently diversified equity holding portfolio	-	-	-	-	-	-
Other equity holding exposures	210	236	210	236	-	-
Equity holding exposures contained in investment funds or funds-like certificates	-	-	-	-	-	-
<b>Total</b>	<b>383</b>	<b>511</b>	<b>383</b>	<b>525</b>	<b>-</b>	<b>-</b>

Table 19: Valuation of equity holding instruments in € m

### 3.4.4. Realised profits and losses and unrealised revaluation gains and losses for equity holdings

In accordance with Article 447 subparagraph (d) CRR cumulative realised gains or losses arising from sales and liquidations in the reporting period are disclosed in Table 20 on the basis of IFRS accounting standards; this also applies to the information as at 31 December 2013. They do not include any impairment losses on equity holdings

still held in the portfolio. The amount of unrealised revaluation gains (or losses), which represent unrealised gains (or losses) that are recognised directly in equity but not through profit or loss, is also shown in accordance with Article 447 subparagraph (e) CRR. It is also stated whether these are included in the regulatory Common Equity Tier 1 capital. Latent revaluation gains (or losses) are not disclosed, as HSH Nordbank applies IFRS accounting standards for determining capital adequacy and

consequently also uses the IFRS accounting standards for disclosure purposes.

Realised and unrealised gains or losses from equity holding instruments

	Realised gains or losses from sales and liquidations		Unrealised revaluation gains/losses			
			Overall		of which amounts included in Tier 1 or Tier 2 capital	
	2014	2013	2014	2013	2014	2013
Equity holding exposures	49	77	-0	-0	-0	-0
Equity holding exposures contained in investment funds or funds-like certificates	-	-	-	-	-	-
<b>Total</b>	<b>49</b>	<b>77</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>

Table 20: Realised and unrealised gains or losses from equity holding instruments in € m

### 3.5. INFORMATION ON THE USE OF THE IRB APPROACH FOR CREDIT RISK

#### 3.5.1. Permission from the competent authorities to use the IRB Approach or accepted transitional arrangements

HSH Nordbank determines all parameters required to determine the risk-weighted exposure amount internally, i.e. probability of default (PD), loss given default (LGD), exposure at default (EaD), credit conversion factor (CCF) and maturity (M), and hence complies with the requirements of the Advanced IRB Approach for credit risks. HSH Nordbank had already received the necessary permission from the competent authorities in 2007 to use this approach in accordance with Article 452 subparagraph (a) CRR. The implementation phase was completed as at 31 December 2012 by achieving the exit threshold in accordance with Section 10 (3) SolvV.

HSH Nordbank does not currently apply any transitional arrangements with respect to the use of the IRB Approach. Exposure classes, to which the Standardised Approach for credit risk is permanently applied, and any relevant exemptions or transitional arrangements for these exposure classes are presented at appropriate points in the following sections.

An exit threshold of over 92% is achieved for all coverage ratios of regulatory relevance - i.e. based on IRBA exposure values pursuant to Section 11 (1) SolvV and on risk-weighted IRBA exposure values pursuant to Section 11 (2) SolvV - as at the reporting date at both the institution and banking group levels.

#### 3.5.2. Structure of the internal rating systems and relationship between internal and external credit assessments

The rating systems for the individual portfolio segments were developed early on in cooperation with nine Landesbanks (Landesbank project) based on a scorecard and a simulation model. This cooperation between the Landesbanks led in 2003 to the founding of RSU Rating Service Unit GmbH & Co. KG (RSU). Since 2004 this company has assumed responsibility for the methodological maintenance and development of the rating systems. The individual Landesbanks provide their expertise in the form of competence or support centres. Currently 12 of the rating modules developed by the participating banks are provided by RSU. In addition, RSU has integrated two rating modules from SR und Risikosysteme GmbH (SR), a subsidiary of Deutscher Sparkassen- und Giroverband (DSGV), into the central LB-Rating application. With a single exception (rating of funds), these rating modules are all rating systems recognised at HSH Nordbank for the purposes of reporting under CRR.

In addition, during the year 2009 the LGD and CCF methodology developed by HSH Nordbank and approved by the supervisory authorities was transferred to RSU. HSH Nordbank now plays the role of centre of competence.

The structure of the internal rating systems and relationship between internal and external credit assessments pursuant to Article 452 subparagraph (b) (i) CRR are explained below.

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### Rating methods

The rating systems distinguish between scorecard and cash flow approaches. The scorecard approach identifies characteristics and factors that are able to differentiate between good and bad borrowers. Their validity is first verified with a single factor model. Subsequently, several characteristics, which each have high significance in a single factor model, are combined to create a multi-factor model. The scores determined using the multi-factor model are translated to default probabilities. A precondition for the application of a scorecard approach is that a sufficient number of relatively homogeneous borrowers is available.

The cash flow approach simulates cash flows of the asset in various scenarios. These vary depending on macro-economic and sector-based conditions. A simulation engine (SimEngine) is used to create numerous scenarios which differ according to macro-economic conditions. A sector-based model uses these scenarios to calculate scenarios for future changes in sector-related factors such as rents, vacancies or charter rates. The values are then fed into the calculation of scenarios for the cash flow of the corresponding asset. Subsequently scenarios are selected where the borrower must be considered to be defaulting. The default probability is calculated as a ratio from the number of scenarios where a default was recorded to the total number of scenarios.

Both the scorecard and the cash flow approaches include quantitative as well as qualitative factors. Once these factors have been taken into consideration, warning signals and the company background are examined. There are also override opportunities, allowing ratings to be moved up to a limited extent and down to an unlimited extent. The rating result, the local currency rating or LCR, is only finalised once all these aspects have been taken into consideration. As a result, an individual PD is obtained for each borrower, enabling assignment to a specific credit rating class. When measuring borrower risk, the risk of foreign currency transfer restrictions has to be considered, as well as default risk.

The rating result is calibrated on a standard rating master scale. This master scale is the DSGV master scale which contains 22 live and 3 default categories. Each rating class on the rating master scale is assigned a one-year default probability. This standard rating scale allows for immediate comparison of exiting ratings separately from the portfolio segment. The scale also includes mapping of external ratings to the internal categories.

The rating modules and methods used at HSH Nordbank at the reporting date for the purposes of reporting under CRR are shown in Table 24. Capital backing is calculated using the Advanced IRB Approach.

Rating modules of HSH Nordbank approved by the supervisory authorities

<b>Borrower, bearer of economic risk, asset or project</b>	<b>Rating module</b>	<b>Rating method</b>
Corporates	Corporates Sparkassen-Standard Rating	Scorecard
Real estate	Sparkassen-ImmobiliengeschäftsRating Internationale Immobilienfinanzierungen	Cash flow and scorecard
Ships	Ship financing	Cash flow
Banks, savings banks	Banks, incl. DSGVO guarantee system	Scorecard
Insurance companies	Insurance companies	Scorecard
International regional authorities	International regional authorities	Scorecard
Leasing companies, real estate lessees	Leasing	Scorecard with cash flow component
Projects	Project financing	Cash flow
Single-airline-financing	Aircraft financing	Cash flow
LBO financing	Leveraged finance	Scorecard
Individuals, self-employed, craftsmen, corporate clients	Sparkassen-StandardRating or Sparkassen-ImmobiliengeschäftsRating (depending on the primary origin of capital)	Scorecard or cash flow
States, national authorities	Country and transfer risk	Scorecard

Table 21: Rating modules of HSH Nordbank approved by the supervisory authorities

The Landesbanks participating in the further development of the RSU-rating systems are divided into competence and support centres and participants. The competence centre bank assumes a leading role in the development and maintenance of modules where it can offer special expertise. It is supported by experts from the

support banks while the remaining banks act as participants (collaborating indirectly). HSH Nordbank has the main responsibility for the rating modules ship financing and leveraged finance. HSH Nordbank is also co-responsible for the modules international real estate financing and country and transfer risk.

## Connection between internal and external credit assessments

Rating classification per the master scale rating	Moody's	S & P	Fitch
1(AAAA)	-	-	-
1(AAA)	Aaa, Aa1	AAA, AA+	AAA
1(AA+)	Aa2, Aa3	AA, AA-	AA+, AA
1(AA)	A1	A+	AA-
1(AA-)	-	-	-
1(A+)	A2	A	A+
1(A)	A3	A-	A
1(A-)	-	-	-
2	Baa1	BBB+	A-
3	Baa2	BBB	BBB+
4	Baa3	-	BBB
5	-	BBB-	-
6	Ba1	BB+	BBB-
7	Ba2	BB	BB+
8	-	-	BB
9	Ba3	BB-	BB-
10	B1	B+	-
11	-	-	B+
12	B2	B	B
13	-	-	-
14	B3	B-	B-
15	Caa1 – Caa3	CCC+ - C	CCC+ - C
16 – 18	Default Rating	Default Rating	Default Rating

Table 22: Connection between internal and external credit assessments

**LGD method**

The LGD calculation method was developed successively by HSH Nordbank for each rating segment, and is continuously reviewed and refined in the course of the annual validation process. Since the transition to the RSU Association in 2009, validation has been done jointly with other Landesbanks. In this context, HSH Nordbank assumes the Competence Centre function. The results were estimation methods for recovery rates regarding specific collateral and specific borrowers (proceeds of the assets in bankruptcy). LGD calculation takes into account the current data in the legacy systems.

When determining LGD (overall LGD) three possible default scenarios are considered. In addition to processing, restructuring of the defaulted commitment is possible. In

the best case scenario recovery is possible. LGD estimation is based on observation of the workout. In order to draw up a forecast for the loss ratio, the proceeds of the sale of collateral (the product of the market value of the collateral asset and a recovery rate specific to that asset) and proceeds from the bankruptcy estate (the product of non-collateralised exposure and a borrower-specific recovery rate) are used.

Modelling is based on historical losses, which are collected together with other Landesbanks and analysed using statistical and econometric techniques.

### CCF method

In contrast to assets on the balance sheet, where future exposure can be calculated from the loan agreements, receivables from the classic off-balance-sheet business must have the exposure at default (EaD) calculated using a credit conversion factor (CCF). The CCF is assessed annually on a joint basis as part of the RSU association together with other Landesbanks. For transactions with unlimited future absorption, different product categories are used.

#### 3.5.3. Use of internal estimates for purposes other than for calculating the risk-weighted exposures under the IRB Approach

HSH Nordbank uses parameters determined internally within the meaning of Article 452 subparagraph (b) (ii) CRR in many areas of the Group. For example, all risk parameters EaD, PD, LGD and CCF are used actively for the overall management of the Bank. The risk parameters in particular are embedded into risk-adjusted pricing of loan applications, the procedure to create loan loss provisions as well as into the profit centre calculation. With their inception the rating systems and the corresponding risk parameters are used in the following steering systems of the Bank:

- ▶ loan approval procedures/determination of competences
- ▶ a priori and ex-post calculation of individual transactions
- ▶ limit setting
- ▶ reporting
- ▶ commitment monitoring
- ▶ intensified loan management/ restructuring

In addition the parameters are used for on-going scenario calculations and in the planning and strategy process.

#### 3.5.4. Control mechanisms for rating systems

In accordance with Article 452 subparagraph (b) (iv) CRR the control mechanisms for the rating systems are described below. In particular, the independence and accountability of the rating systems and review of these systems are described.

#### Description of the rating process including independence and accountability

The rating process is determined in the Credit Manual. It is broken down into a creation process and determination process and is subject to the dual control principle. The determination of the rating is generally set by back office processing and control divisions.

The rating guidelines in the Credit Manual specify for all exposure amounts (except the retail portfolio and risks with total lending less than € 750,000 per borrower unit or less than € 75,000 at business partner level) that internal rating systems recognised under supervisory law must be used. An individual credit assessment must be prepared,

- ▶ for borrowers, bearers of economic risk, rating issuers (this applies also to the purchase of receivables without recourse);
- ▶ for persons who act exclusively as support in the rating modules;
- ▶ as a precondition in order to include specific collateral (e.g. personal collateral) provided as a risk reduction to the benefit of HSH Nordbank.

Each borrower subject to rating is given only one rating for local currency rating (LCR) and, if need be, foreign currency rating (FCR). The LCR determines the counterparty default risk without considering a foreign currency transfer risk. The foreign currency transfer risk is incorporated when the FCR is determined.

The exact triggers for the rating are also specified in the Credit Manual. Each rating must be updated according to risk aspects – but at the latest within twelve months – and verified and confirmed by the back office department. Special risk aspects which require updating before the end of the 12 month period are specifically:

- ▶ significant expansion of the counterparty default risk
- ▶ knowledge of significant new risk-related information
- ▶ commitments where a currency transfer risk exists if the risk country migrates to rating class 9 or worse
- ▶ defaults and recoveries according default guidelines.



As long as the person or entity to be assessed is classified in a default class (rating level 16-18), regular re-rating is not necessary. The default reasons are however to be updated in the rating, if there is a change within the default rating classes based on new information received. This does not apply to the rating systems for ship, aviation and project financings, for which ratings – also in the case of default - are to be generally updated at least once within 12 months.

The guidelines in the Credit Manual explain the requirements for creating a rating unit. It sets out when the rating of the legal borrower is waived as part of the rating and the loan decision process and the rating of the bearer of economic risk and/or the rating donor is to be applied instead. In addition the respective specialised rating manuals are to be observed with the regard to the specific module requirements.

To ensure comprehensive rating for the exposure for which risk classification is required by CRR, the Bank has process quality controlling (PQC).

### Rating systems review

A validation of all rating modules and of the LGD and CCF models of HSH Nordbank is performed annually within the meaning of Article 144 (1) subparagraph (e) CRR and Article 185 CRR. This includes the following steps:

- ▶ analysis of portfolio and market performance (e.g. description of the portfolio according to region and relevant customer types)
  - ▶ analysis of rating distributions
  - ▶ backtesting (comparison with actual default rates) and/or benchmarking (comparison with external ratings)
  - ▶ calibration (verification of the extent of allocated default probabilities)
  - ▶ examination of selectivity (ability of the rating module to differentiate between good and bad borrowers)
  - ▶ review of the model structure and design (e.g. significance and weighting of individual factors and partial models, inclusion of supporters, analysis of the frequency with which data were overwritten and the reasons for this, inclusion of the transfer risk)
- ▶ examination of the application of ratings (e.g. analysis of data quality, verification of standard application by carrying out duplicate analyses)

The process of validation involves two steps:

- ▶ The first step involves validation based on the pooled data of all Landesbanks and/or Landesbanks and savings banks under the lead management of RSU and/or SR. Data are pooled specifically to create the largest possible and hence statistically most significant database. In cooperation with the relevant competence centre and support centre, RSU performs the validation and, if necessary, the recalibration and further development of the modules on the basis of the pooled data. For the modules of SR, pooling is carried out on the basis of data from participating savings banks and participating Landesbanks. Updates are made by SR.
- ▶ As the validation is done on the basis of the pooled data, it is necessary to demonstrate that the results can also be applied to HSH Nordbank. This is done in a second step in cooperation with RSU and/or SR. In addition further internal analyses to complete the validation and proof that the rating modules are suitable for use at HSH Nordbank are performed.

The role of HSH Nordbank during the updating phase on the basis of the pooled data within the scope of the RSU depends on whether it has assumed one of the functions of competence and/or support centre in respect of the module in question.

The LGD and CCF methods are also validated annually jointly with other Landesbanks, similar to validation of the rating modules.

### 3.5.5. A description of the internal ratings process by exposure classes

Positions which could not have been rated using a recognised IRBA rating system but have an internal expert rating are treated as Standardised Approach for credit risk (Section 3.2.1). The internal valuation methods applied to exposure classes under the IRB Approach as laid down in Article 452 subparagraph (c) CRR are as described below.



The IRBA exposures are distributed across the internal rating systems shown in Section 3.5.2 according to their scope of application. The scope of application is based on the borrowers, bearers of economic risk, assets or projects listed in Table 21.

Exposures are assigned to exposure classes irrespective thereof on a basis of a customer classification key that codes the business partner according to various attributes.

Specific models are developed for the various rating segments in order to determine the collateral-specific recovery rate for the non-collateralised part of the EaD. Therefore the allocation of borrower to the various partial LGD models is based on the allocation performed as part of a rating system. The CCF is selected according to the product so that an allocation to rating systems is not required.

HSH Nordbank's definition of a default does not differ from that contained in Article 178 CRR.

### **Retail exposures**

For retail exposures HSH Nordbank only uses the Standardised Approach for credit risk.

### **Equity exposures**

For equity holdings covered by the grandfathering provisions of Article 495 (1) CRR, which are given a risk weight of 100% in Standardised Approach for credit risk, no rating is required under supervisory law before 31 December 2017. However, ratings are required for positions entered into since 1 January 2008. The rating systems are used for these default risks. If none of the rating modules recognised under supervisory law can be used for an equity holding, the simple risk weighting method is used, i.e. the risk weight specified in supervisory law is assigned.

For investments in funds and the underlying risk of near-fund listed certificates in the banking book the risk weight and expected loss (EL) is determined using the "look-through treatment" as described in Article 152 (1) CRR. If an assessment of the underlying assets is not possible, HSH Nordbank uses a risk weight of 370%.

### **3.5.6. Exposure values broken down by exposure classes and by rating levels under the IRB Approach**

The requirements under Article 452 subparagraphs (d), (e) and (j) are provided in Table 23 to Table 26. HSH Nordbank only uses own estimates of the LGD and conversion factors to central governments, central banks, institutions and corporates. Accordingly, separate disclosure is not made for risk exposures pursuant to Article 452 subparagraph (d) CRR and Article 452 subparagraph (j) (ii) CRR, to which own estimates of the above-mentioned parameters are not applied. Securitisation positions are not included in the values listed, as these are separately disclosed (see Chapter 4). Retail exposures are also not included, as HSH Nordbank treats these under the Standardised Approach for credit risk; accordingly, information pursuant to Article 452 subparagraph (f) is not provided. In the case of equity holdings, only equity holdings under the PD-LGD approach are shown. The overall long-term equity holding portfolio is described in more detail in Section 3.4. The exposure value for the Other assets exposure class without obligations as a borrower amounted to € 571 million as at the reporting date (previous year: € 644 million).

The rating results determined using the rating modules described above are calibrated to a standard rating scale, whereby rating classes 16 to 18 represent default classes. The individual rating classes are summarised in seven Rating ranges for greater clarity. As most of the receivables have a good rating and there are relatively few receivables in the poorer rating ranges, the assignment of rating ranges for better grades has been refined.

The following table shows the exposure values in accordance with Part Three Title I Chapter 3 Section 5 CRR allowing for credit risk reduction techniques. It also shows the average probability of default (average PD), average LGD and average risk weight within a rating range for the individual exposure classes. All disclosures made in accordance with Article 452 subparagraphs (d) and (e) CRR are based on the figures in the reports prepared in accordance with Annex I of the Commission Implementing Regulation (EU) No. 680/2014 of 16 April 2014 defining the implementation of technical standards with regard to supervisory reporting of institutions (Commission Implementing Regulation (EU) no. 680/2014).

As part of the credit risk mitigation the second loss piece is migrated into the central governments exposure class as a financial guarantee under the substitution principle. As a result, the figures include the second loss piece to-

taling € 10.0 billion of the Sunrise Transaction, but exclude the first loss piece and senior tranche.

The figures excluding the effect of the guarantee are shown for information purposes in the Notes (Table 55)

Avg. PD, avg. LGD, avg. RW and exposure values by rating ranges

IRBA exposure class	Avg. PD in %		Avg. LGD in %		Avg. RW in %		Exposure value	
	2014	2013	2014	2013	2014	2013	2014	2013
<b>Rating range 1: 1(AAAA) – 1(AA+)</b>								
Central governments and central banks	0.0	0.0	24.7	24.1	0.5	0.5	26,851	23,459
Institutions	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-
Equity holding exposures <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>0.0</b>	<b>0.0</b>	<b>24.7</b>	<b>24.1</b>	<b>0.5</b>	<b>0.5</b>	<b>26,851</b>	<b>23,459</b>
<b>Rating range 2: 1(AA) – 1(A-)</b>								
Central governments and central banks	0.0	0.0	29.7	29.3	20.3	15.7	450	997
Institutions	0.1	0.0	22.4	17.9	14.0	9.3	8,516	6,715
Corporates	0.1	0.1	29.5	27.0	15.9	14.9	6,633	5,427
Equity holding exposures <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>0.1</b>	<b>0.1</b>	<b>25.6</b>	<b>22.6</b>	<b>15.0</b>	<b>12.1</b>	<b>15,598</b>	<b>13,140</b>
<b>Rating range 3: 2 – 5</b>								
Central governments and central banks	0.1	0.2	100.0	100.0	126.7	142.2	170	14
Institutions	0.2	0.2	32.0	26.5	32.1	25.1	1,512	1,491
Corporates	0.2	0.2	35.1	36.0	40.9	44.5	11,043	9,059
Equity holding exposures <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>0.2</b>	<b>0.2</b>	<b>35.6</b>	<b>34.8</b>	<b>41.0</b>	<b>41.9</b>	<b>12,726</b>	<b>10,563</b>
<b>Rating range 4: 6 – 9</b>								
Central governments and central banks	0.9	-	100.0	-	266.2	-	1	-
Institutions	1.2	1.2	23.6	21.8	62.0	51.9	387	127
Corporates	1.0	1.0	31.7	35.1	70.1	77.7	9,406	6,299
Equity holding exposures <sup>1</sup>	1.9	1.8	90.0	90.0	307.9	300.3	82	106
<b>Subtotal</b>	<b>1.0</b>	<b>1.0</b>	<b>31.9</b>	<b>35.8</b>	<b>71.8</b>	<b>80.8</b>	<b>9,877</b>	<b>6,532</b>
<b>Rating range 5: 10 – 12</b>								
Central governments and central banks	-	-	-	-	-	-	-	-
Institutions	3.0	4.4	47.8	64.8	127.7	192.3	4	3
Corporates	4.3	5.0	35.0	37.3	118.5	129.6	615	876

IRBA exposure class	Avg. PD in %		Avg. LGD in %		Avg. RW in %		Exposure value	
	2014	2013	2014	2013	2014	2013	2014	2013
Equity holding exposures <sup>1</sup>	4.4	4.4	90.0	90.0	369.5	369.5	0	20
<b>Subtotal</b>	<b>4.2</b>	<b>4.9</b>	<b>35.2</b>	<b>38.6</b>	<b>118.7</b>	<b>135.2</b>	<b>620</b>	<b>899</b>
<b>Rating range 6: 13 – 15</b>								
Central governments and central banks	10.0	10.6	50.0	51.3	261.4	271.6	52	53
Institutions	-	20.0	-	30.5	-	166.3	-	6
Corporates	14.2	15.1	26.2	33.7	131.0	171.1	612	653
Equity holding exposures <sup>1</sup>	10.0	-	90.0	-	470.6	-	2	-
<b>Subtotal</b>	<b>13.9</b>	<b>14.8</b>	<b>28.2</b>	<b>35.0</b>	<b>142.3</b>	<b>178.6</b>	<b>666</b>	<b>712</b>
<b>Rating range 7 (Default): 16 – 18</b>								
Central governments and central banks	100.0	100.0	81.2	79.4	140.0	73.5	3	0
Institutions	100.0	100.0	37.3	61.8	64.3	70.2	16	83
Corporates	100.0	100.0	52.7	46.9	90.8	53.3	1,903	2,106
Equity holding exposures <sup>1</sup>	100.0	100.0	90.0	90.0	155.2	102.3	13	42
<b>Subtotal</b>	<b>100.0</b>	<b>100.0</b>	<b>52.8</b>	<b>48.3</b>	<b>91.1</b>	<b>54.9</b>	<b>1,936</b>	<b>2,231</b>
<b>Total (without default)</b>								
Central governments and central banks	0.0	0.0	25.3	24.4	2.1	1.8	27,524	24,523
Institutions	0.1	0.1	23.9	19.5	18.4	13.0	10,419	8,342
Corporates	0.8	1.0	32.5	33.6	48.4	53.7	28,309	22,314
Equity holding exposures <sup>1</sup>	2.1	2.2	90.0	90.0	312.4	311.4	85	126
<b>Total</b>	<b>0.4</b>	<b>0.5</b>	<b>28.2</b>	<b>27.5</b>	<b>24.8</b>	<b>25.1</b>	<b>66,337</b>	<b>55,305</b>

<sup>1</sup> Only equity holdings under the PD-LGD approach; with regulatory LGD of 65% or 90%; CCF = 100%

Table 23: Avg. PD, avg. LGD, avg. RW and exposure values in € m by rating ranges

### 3.5.7. Exposure-weighted average LGD and PD for each relevant geographical location

The exposure-weighted average LGD and PD are shown in Table 24 for each geographical area in accordance with Article 452 subparagraph (j) (i). Information is provided in accordance with the definition in Article 452 sentence

3 CRR for the EU Member States Germany and Luxembourg, as well as the third countries: USA, Cayman Islands and Singapore. This relates on the one hand to the countries of domicile of the debtors included and on the other hand takes into account that HSH Nordbank is either licensed in these countries or conducts its business activities there through a branch or subsidiary.

Avg. PD, avg. LGD, avg. RW and exposure value by geographical location

IRBA exposure value	Avg. PD in %		Avg. LGD in %		Avg. RW in %		Exposure value	
	2014	2013	2014	2013	2014	2013	2014	2013
<b>Germany</b>								
Central governments and central banks	0.0	0.0	26.3	25.5	0.0	0.0	12,605	9,781
Institutions	0.1	0.1	22.9	20.8	16.7	12.2	4,598	3,352
Corporates	7.5	11.1	36.5	38.3	58.6	58.9	15,582	13,508
Equity holding exposures <sup>1</sup>	2.1	22.1	90.0	90.0	309.0	267.6	84	155
<b>Subtotal</b>	<b>3.6</b>	<b>5.8</b>	<b>30.8</b>	<b>31.7</b>	<b>30.9</b>	<b>32.8</b>	<b>32,868</b>	<b>26,795</b>
<b>Cayman Islands</b>								
Central governments and central banks	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-
Corporates	0.6	0.4	4.9	9.4	8.5	12.8	35	38
Equity holding exposures <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>0.6</b>	<b>0.4</b>	<b>4.9</b>	<b>9.4</b>	<b>8.5</b>	<b>12.8</b>	<b>35</b>	<b>38</b>
<b>Luxembourg</b>								
Central governments and central banks	0.0	0.0	20.0	37.7	0.0	0.0	12	734
Institutions	0.6	0.2	21.6	65.0	47.3	66.3	321	41
Corporates	2.5	7.9	26.1	37.2	56.3	84.3	1,002	524
Equity holding exposures <sup>1</sup>	100.0	100.0	90.0	90.0	150.0	102.3	0	0
<b>Subtotal</b>	<b>2.1</b>	<b>3.2</b>	<b>24.9</b>	<b>38.3</b>	<b>53.6</b>	<b>36.1</b>	<b>1,336</b>	<b>1,299</b>
<b>Singapore</b>								
Central governments and central banks	0.0	0.0	20.0	20.0	1.5	1.5	8	7
Institutions	0.0	0.0	35.2	35.8	8.6	7.6	2	5
Corporates	8.0	14.1	20.6	21.3	30.4	45.1	484	160
Equity holding exposures <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>7.8</b>	<b>13.0</b>	<b>20.7</b>	<b>21.7</b>	<b>29.8</b>	<b>42.2</b>	<b>494</b>	<b>173</b>
<b>USA</b>								
Central governments and central banks	0.0	0.0	30.0	30.0	3.9	3.9	3,447	2,838
Institutions	-	-	-	-	-	-	-	-
Corporates	2.5	3.8	29.0	31.0	22.6	24.3	2,778	2,237
Equity holding exposures <sup>1</sup>	100.0	100.0	90.0	90.0	155.2	102.3	0	1
<b>Subtotal</b>	<b>1.1</b>	<b>1.7</b>	<b>29.6</b>	<b>30.5</b>	<b>12.2</b>	<b>12.9</b>	<b>6,225</b>	<b>5,076</b>
<b>Total</b>								
Central governments and central banks	0.0	0.0	27.1	27.1	0.9	0.8	16,071	13,359
Institutions	0.1	0.1	22.8	21.4	18.7	12.8	4,921	3,398
Corporates	6.6	10.0	34.5	37.0	52.7	54.8	19,882	16,467
Equity holding exposures <sup>1</sup>	2.7	22.5	90.0	90.0	308.2	266.8	84	156

IRBA exposure value	Avg. PD in %		Avg. LGD in %		Avg. RW in %		Exposure value	
	2014	2013	2014	2013	2014	2013	2014	2013
<b>Total</b>	<b>3.2</b>	<b>5.1</b>	<b>30.3</b>	<b>31.7</b>	<b>28.8</b>	<b>29.9</b>	<b>40,959</b>	<b>33,380</b>

<sup>1</sup> Only equity holdings under the PD-LGD approach; with regulatory LGD of 65% or 90%; CCF = 100%

Table 24: Avg. PD, avg. LGD, avg. RW and exposure value in € m by geographical location

### 3.5.8. Undrawn loan commitments and average exposure values under the IRB approach

Based on the rating level ranges listed in Section 3.5.6 the assessment basis for undrawn loan commitments and

the average exposure values weighted by commitment for each exposure class are given in Table 25 in accordance with Article 452 subparagraph (e) (i) and (iii) CRR.

Assessment basis and avg. exposure value

IRBA exposure class	Central governments and central banks		Institutions		Corporates		Equity holding exposures		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
<b>Rating range 1: 1(AAAA) – 1(AA+)</b>										
Basis for evaluation of loan commitments	51	1	-	-	-	-	-	-	51	1
Basis for evaluation of non-derivative assets not reported	0	0	-	-	-	-	-	-	0	0
Avg. exposure values of loan commitments	15	0	-	-	-	-	-	-	15	0
Avg. exposure values of non-derivative assets not reported	0	0	-	-	-	-	-	-	0	0
<b>Rating range 2: 1(AA) – 1(A-)</b>										
Basis for evaluation of loan commitments	-	-	1,114	290	646	637	-	-	1,760	928
Basis for evaluation of non-derivative assets not reported	-	-	90	71	103	69	-	-	193	140
Avg. exposure values of loan commitments	-	-	203	7	14	9	-	-	133	8
Avg. exposure values of non-derivative assets not reported	-	-	4	4	2	3	-	-	3	4
<b>Rating range 3: 2 – 5</b>										
Basis for evaluation of loan commitments	-	-	38	52	3,743	3,388	-	-	3,781	3,440
Basis for evaluation of non-derivative assets not reported	-	-	356	395	918	542	-	-	1,274	936
Avg. exposure values of loan commitments	-	-	3	21	9	11	-	-	9	11
Avg. exposure values of non-derivative assets not reported	-	-	260	235	10	8	-	-	80	104
<b>Rating range 4: 6 – 9</b>										
Basis for evaluation of loan commitments	-	-	13	26	3,940	3,176	-	-	3,953	3,202
Basis for evaluation of non-derivative	-	-	72	58	628	683	-	-	700	741

IRBA exposure class	Central governments and central banks		Institutions		Corporates		Equity holding exposures		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
assets not reported										
Avg. exposure values of loan commitments	-	-	4	7	6	11	-	-	6	11
Avg. exposure values of non-derivative assets not reported	-	-	3	3	7	7	-	-	7	7
<b>Rating range 5: 10 – 12</b>										
Basis for evaluation of loan commitments	-	-	4	-	133	133	-	-	137	133
Basis for evaluation of non-derivative assets not reported	-	-	-	-	68	162	-	-	68	162
Avg. exposure values of loan commitments	-	-	1	-	5	4	-	-	5	4
Avg. exposure values of non-derivative assets not reported	-	-	-	-	1	2	-	-	1	2
<b>Rating range 6: 13 – 15</b>										
Basis for evaluation of loan commitments	-	-	-	5	161	92	-	-	161	97
Basis for evaluation of non-derivative assets not reported	-	3	-	6	7	24	-	-	7	34
Avg. exposure values of loan commitments	-	-	-	5	9	4	-	-	9	4
Avg. exposure values of non-derivative assets not reported	-	3	-	1	1	2	-	-	1	2
<b>Rating range 7 (Default): 16 – 18</b>										
Basis for evaluation of loan commitments	-	-	-	1	76	84	-	-	76	85
Basis for evaluation of non-derivative assets not reported	3	-	-	-	31	32	-	-	33	32
Avg. exposure values of loan commitments	-	-	-	0	0	0	-	-	0	0
Avg. exposure values of non-derivative assets not reported	3	-	-	-	1	1	-	-	1	1
<b>Total</b>										
Basis for evaluation of loan commitments	51	1	1,168	374	8,698	7,511	-	-	9,918	7,886
Basis for evaluation of non-derivative assets not reported	3	3	518	530	1,755	1,512	-	-	2,275	2,046
Avg. exposure values of loan commitments	15	0	193	9	8	10	-	-	30	10
Avg. exposure values of non-derivative assets not reported	3	3	180	176	8	6	-	-	47	50

<sup>1</sup> Only equity holdings under the PD-LGD approach; with regulatory LGD of 65% or 90%; CCF = 100%

Table 25: Assessment basis in € m and avg. exposure value of undrawn loan commitments and of non-derivative off-balance sheet assets

In the case of investment funds and funds-like certificates purchased by HSH Nordbank and included under the Advanced IRB Approach using the look-through approach (Article 152 (1) CRR), an average risk weight is determined mostly based on information provided on a regular basis by the capital management companies. It is not possible to include this in the rating ranges, therefore

disclosure of equity holding exposures contained in investment funds or funds-like certificates is made by means of Table 26. HSH Nordbank still does not hold any such exposures in portfolio as at the reporting date.

Exposure values and capital requirements of the equity exposures contained in investment funds or fund-like certificates

Risk weight range in %	Exposure value		Capital requirements under IRBA	
	2014	2013	2014	2013
0 ≤ 10	-	-	-	-
> 10 ≤ 20	-	-	-	-
> 20 ≤ 50	-	-	-	-
> 50 ≤ 100	-	-	-	-
> 100 ≤ 350	-	-	-	-
> 350 ≤ 650	-	-	-	-
> 650 < 1,250	-	-	-	-
1,250	-	-	-	-
Capital deduction	-	-	-	-
<b>Total</b>	-	-	-	-

Table 26: Exposure values and capital requirements of the equity exposures contained in investment funds or fund-like certificates in € m

### 3.5.9. Actual specific credit risk adjustments and estimates of losses (IRB approach)

The actual realised specific credit risk adjustments in the lending business (actual losses) in the current reporting period, the previous reporting period as well as changes between the periods are disclosed in Table 27 in accordance with Article 452 subparagraph (g) CRR. Table 28 shows a comparison of loss estimates with actual losses in the lending business in accordance with Article 452 subparagraph (i) CRR. Loss estimates correspond to the expected loss (EL) after minimisation of the credit risk. The EL for non-defaulting risk assets in the traditional lending business is shown (e.g. excluding securities in the banking book and derivatives). Actual loss is defined as follows:

	Utilisation of SSLP (for balance sheet transactions)
+	Utilisation of reserves (for loan commitments and off-balance sheet assets)
+	direct write-offs

./.

= recoveries on receivables written off  
actual loss in the lending business

Compared to the previous year the actual losses in the lending business (IRB approach) have increased in the reporting period from € 447 million to € 597 million. The factors influencing the loss history in the reporting period are described below in accordance with Article 452 subparagraph (h) CRR. The increase of € 150 million comprises an increase in the exposure classes corporates and institutions of € 90 million and € 60 million, respectively. This was mainly attributable to the conclusion of corporate insolvencies in the Other services, Shipping, Industry as well as Land and Residential Properties industry sectors and insolvencies due to the default of Icelandic banks.

The figures in the following tables take into account the Sunrise transaction. For this reason EL from this transaction and actual losses which have been reported to the guarantor for review and approval or already have been settled are not included in the figures.

## Actual losses in the lending business

Exposure class	2014		2013		Actual loss
	Expected loss (EL) as at 31.12.2014	Actual loss 01.01.2014 to 31.12.2014	Expected loss (EL) as at 31.12.2013	Actual loss 01.01.2013 to 31.12.2013	Difference
Central governments and central banks	3	-	3	-	-
Institutions	2	60	1	-	+60
Corporates	53	537	59	447	+90
Equity holding exposures <sup>1</sup>	0	-	1	-	-
<b>Total</b>	<b>59</b>	<b>597</b>	<b>64</b>	<b>447</b>	<b>+150</b>

<sup>1</sup> Only equity holdings under the PD-LGD approach; with regulatory LGD of 65% or 90%; CCF = 100%

Table 27: Actual losses in the lending business in € m

## Expected losses and actual losses in the lending business

Exposure class	2014		2013	
	Expected loss (EL) as at 31.12.2014	Actual loss 01.01.2014 to 31.12.2014	Expected loss (EL) as at 31.12.2013	Actual loss 01.01.2013 to 31.12.2013
Central governments and central banks	3	-	3	-
Institutions	2	60	1	-
Corporates	53	537	59	447
Equity holding exposures <sup>1</sup>	0	-	1	-
<b>Total</b>	<b>59</b>	<b>597</b>	<b>64</b>	<b>447</b>

Exposure class	2012		2011	
	Expected loss (EL) as at 31.12.2012	Actual loss 01.01.2012 to 31.12.2012	Expected loss (EL) as at 31.12.2011	Actual loss 01.01.2011 to 31.12.2011
Central governments and central banks	1	1	1	-
Institutions	0	47	1	3
Corporates	64	177	88	264
Equity holding exposures <sup>1</sup>	2	-	1	10
<b>Total</b>	<b>69</b>	<b>225</b>	<b>91</b>	<b>276</b>

<sup>1</sup> Only equity holdings under the PD-LGD approach; with regulatory LGD of 65% or 90%; CCF = 100%

Table 28: Expected losses and actual losses in the lending business in € m



### **3.6. USE OF CREDIT RISK MITIGATION TECHNIQUES**

#### **3.6.1. Policies and processes as well as the extent of on- and off-balance sheet netting**

Banks are able to utilise netting agreements when determining their required equity capital which lead to a reduction in the evaluation basis and hence the equity capital required. Policies, processes for and the extent of on- and off-balance sheet netting are to be disclosed in accordance with Article 453 subparagraph (a) CRR.

In contrast to balance sheet netting which is not used by HSH Nordbank, off-balance sheet netting within the framework of netting agreements for derivatives is applied (see Section 3.3.5). The market assessment method is used to determine the required net assessment basis. As at the reporting date HSH Nordbank recorded a counterparty risk exposure to the amount of € 5.0 billion (see Table 16).

#### **3.6.2. Process for managing and recognising credit risk mitigation**

The Collateral and LGD Guideline issued by the Management Board defines the collateral approved by HSH Nordbank as recoverable and hence minimising default risk as well as the qualitative requirements for such collateral. Hence it also defines the benchmarks for managing credit risk mitigation at HSH Nordbank. Disclosure is made in accordance with Article 452 subparagraph (b) (ii) CRR. The guideline is supplemented by detailed instructions in the process regulations for the lending business in order to ensure comprehensive collateral management. The CRR provisions are an integral part of the Collateral Guideline.

Qualitative requirements for collateral are, first and foremost, legal enforceability (especially for foreign collateral), the absence of a correlation between the creditworthiness of the borrower and the value of the collateral, matching maturities of loan and collateral agreement and the existence of an objective market value.

For this collateral the Bank has identified collateral-specific recovery values based on historical recovery cases, which are used with recognised collateral in calculating the LGD. The collateral guidelines establish what assets (e.g. real estate, moveable assets, receivables) and – particularly for foreign jurisdictions – which collateral

instruments (e.g. mortgage, land charge, assignment) are recognised. In addition, the responsible front office department must ensure on a case by case basis that the individual collateral and associated collateral agreement meet requirements in terms of enforceability and recoverability. In the risk-relevant lending business, the recoverability of the individual collateral is reviewed for plausibility as part of the loan decision process.

The decision whether a new asset or new collateral instrument can be recognised as minimising risk is taken by a team of specialists from the divisions Credit Risk Management, Group Risk Management and Legal department.

#### **3.6.3. Policies and processes for collateral valuation and management**

Valuation and administration of collateral is integrated into the process of managing and recognising credit risk reduction techniques in accordance with Article 453 subparagraph (b) CRR. As the CRR is the basis for the collateral guidelines, collateral is only treated as reducing risk for the purpose of calculating capital requirements if all CRR requirements are satisfied.

For each item of collateral to be offset against risk, an objective market value is determined. This is done on the basis of HSH Nordbank's Valuation Guideline through experts or an entity that is independent of the Market departments of the Bank. The recoverability of an item of collateral is ensured by recognising it as reducing risk only up to the specific recovery rate for that collateral. The legal validity and enforceability of the collateral is ensured in the loan and collateral agreements. There is a standard instruction on regular monitoring and revaluation of collateral. Besides the annual review of collateral, there is a review and revaluation of the market value of the individual items of collateral every three years. The results of the annual monitoring can lead to a direct revaluation of the individual collateral in individual cases or for a segment. For individual collateral objects, there is an annual review and revaluation of the value (e.g. ships). Recognised collateral is documented and maintained in a central collateral system. This enables regular reporting to monitor and evaluate collateral. The recoverability and options for realising an item of collateral are regularly reviewed as part of the regular credit monitoring process, and more frequently in the event of wide fluctuations in market value.

In the event of permanent impairment of collateral rights, e.g. impairment in value or a change in the legal position, additional collateral is sought and/or a monitoring file may be opened in accordance with the guidelines for exposure monitoring in order to initiate the necessary measures. In the event of a borrower's default, all collateral and possibly further collateral of a borrower unit involved are revalued. All relevant information on an item of collateral is documented and updated in the IT system. Only collateral which is recognised as compliant with the guidelines and accordingly maintained is retained in the HSH Nordbank.

Back office specialists are available for prompt and competent realisation of security in the event of a borrower's default. Experience with realising security is incorporated into optimising collateral management.

#### **3.6.4. Main types of collateral as well as information about market or credit risk concentrations within the credit mitigation taken**

In principle, HSH Nordbank takes into account all collateral listed in the CRR (financial collateral, guarantees, physical collateral, other IRBA collateral) and netting agreements. Due to the portfolio and customer structure, HSH Nordbank essentially assumes the following types of collateral within the meaning of Article 453 subparagraph (c) CRR:

- ▶ Real estate and movable assets, e.g. ships, aircraft, railway wagons
- ▶ Receivables and rights
- ▶ Guarantees

In addition, securities, shareholder rights, gold and some credit derivatives serve as collateral.

In the above-mentioned collateral types there are concentrations within the context of credit risk mitigation as described below in accordance with Article 452 subparagraph (e) CRR as well as instruments for managing these risks.

The proportion of real estate and ships to total collateral amounts to about one third in each case. The remaining collateral types account for a further third. Commercial properties in turn account for about three quarters of the real estate collateral. Ship collateral is dominated by con-

tainer ships which account for just under half. Other collateral is composed primarily of cash collateral and guarantees.

Management of cluster risks from eligible collaterals is done for portfolios at the level of the Bank as a whole, e.g. by reporting and monitoring these risks in the MaRisk report to the Risk Committee. In addition, it is integrated into strategic planning and limiting by adding a further limit on the collateral typically associated with the business areas involved to the planning and limiting for typical business area related collateral (specifically tangible assets e.g. ships).

Collateral can only be taken into account in calculating LGD if its risk-reducing effect has not been taken into account in establishing a rating (PD). This means, for example, that a guarantee or assigned receivable which has already been taken into account in a rating tool or through the rating of the guarantor as the bearer of economic risk or third party debtor cannot in addition be netted against risk as collateral.

#### **3.6.5. Guarantors and credit derivative counterparty and their creditworthiness**

For a guarantee (or credit derivative) to be recognised as reducing risk there must be a current internal rating for the guarantor comparable with at least a Fitch or S & P BB- or Moody's Ba3.

Within HSH Nordbank, the main types of guarantors within the meaning of Article 453 subparagraph (d) CRR are guarantees by central governments, German local and regional administrative authorities, banks and parent companies with first class ratings. The main counterparties for credit derivatives are internationally active banks and German regional banks.

#### **3.6.6. Collateralised CRSA and IRBA exposure values**

The two following tables in accordance with Article 453 subparagraph (f) and (g) CRR show the credit risk reduction techniques for the Standard Approach for credit risk and Advanced IRBA, broken down by exposure class. Securitisations are omitted as they are shown separately (see Chapter 6). In the case of the Standard Approach for credit risk, both financial and tangible security and guar-

antees are taken into account. Under advanced IRBA financial, tangible and other collateral is included in LGD calculation. Guarantees and credit derivatives can be taken into account either in LGD calculation or through PD substitution. Here, the secured part of the receivables is given the guarantor's PD. However, collateral taken into account in calculating the PD is not shown here. Life

insurance is accounted for in accordance with Article 232 CRR.

The figures excluding the effect of the guarantee are shown for information purposes in the Notes (Table 56 and Table 57).

Total amount of collateralised CRSA exposure values (without securitisations)

Exposure class	Financial collateral		Other and physical collateral		Guarantees/ derivatives		Life insurance	
	2014	2013	2014	2013	2014	2013	2014	2013
Central governments and central banks	-	-	-	-	-	-	-	-
Regional governments or local authorities	-	-	-	-	-	-	-	-
Public sector entities	-	-	-	-	-	0	-	-
Multilateral development banks	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-
Institutions	765	-	-	-	-	-	-	-
Corporates	1	0	-	-	180	180	-	2
Retail exposures	0	0	-	-	0	0	0	1
Exposures secured by mortgages on immovable property	-	-	26	33	-	-	-	-
Exposures in default	0	-	4	5	-	-	0	1
Exposures associated with particular high risk	-	-	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-	-	-
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-
Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-
Equity holdings	-	-	-	-	-	-	-	-
<b>Total</b>	<b>766</b>	<b>1</b>	<b>29</b>	<b>38</b>	<b>181</b>	<b>180</b>	<b>0</b>	<b>3</b>

Table 29: Total amount of collateralised CRSA exposure values (without securitisations) in € m

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 Total amount of collateralised IRBA exposure values (without securitisations)
 

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Exposure class	Financial collateral		Other and physical collateral		Guarantees/ derivatives		Life insurance	
	2014	2013	2014	2013	2014	2013	2014	2013
Central governments and central banks	-	-	-	-	3	-	-	-
Institutions	430	408	232	6	204	174	-	-
Corporates	240	207	9,233	7,056	426	360	10	7
Retail exposures	-	-	-	-	-	-	-	-
Other non-credit obligation assets	-	-	-	-	-	-	-	-
Equity holdings	-	-	-	-	-	-	-	-
including: equity exposures using the simple risk weight approach	-	-	-	-	-	-	-	-
Including: equity exposures using the PD-LGD approach	-	-	-	-	-	-	-	-
including: equity exposures using internal models	-	-	-	-	-	-	-	-
<b>Total</b>	<b>671</b>	<b>616</b>	<b>9,465</b>	<b>7,062</b>	<b>633</b>	<b>480</b>	<b>10</b>	<b>7</b>

Table 30: Total amount of collateralised IRBA exposure values (without securitisations) in € m

## 4. SECURITISATIONS

### 4.1. OBJECTIVES, ROLES AND EXTENT OF SECURITISATION ACTIVITIES

Securitisations are an important instrument for banks in refinancing, capital relief and risk management. Companies in the financial sector can play different roles in a securitisation transaction, transferring credit risk themselves as originators, managing the portfolio to be securitised as sponsors and servicers, or acquiring securities from the securitisation as investors. HSH Nordbank is involved in various activities which have securitisation structures. In this process, HSH Nordbank can take on the roles of originator, investor and sponsor. HSH Nordbank performs the four roles mentioned on a case-by-case basis.

Securitisation transactions in which HSH Nordbank acts as originator are used for risk management as well as to reduce credit risk and obtain liquidity. Overall risk is managed through strategic sales of selected receivables (traditional or true sale securitisation) by eliminating or reducing cluster risk. Furthermore, HSH Nordbank in its role as originator performs advisory and administrative functions amongst other things for the special purpose entities Mare Baltic (Scandinavian securitisation transaction), Prime, Poseidon as well as Carrera and also provides credit lines for these entities.

In the past, in addition to its role as originator, HSH Nordbank acted as investor in securitisations sponsored by third parties by investing in tranches of securitisations issued by third parties (e.g. residential mortgage backed securities, commercial mortgage backed securities, collateralised debt obligations). As part of a strategic reorientation HSH Nordbank no longer enters into any new business in this business field operated as credit substitution business.

HSH Nordbank assumes the role of sponsor in order to satisfy the demand for financing alternatives in the small- and medium-sized customer segment.

As part of its securitisation programme HSH Nordbank assumes the role of sponsor for the special purpose vehicle, Smartfact. HSH Nordbank undertakes activities of an advisory and administrative nature in this connection and acts as an intermediary for the receivables purchased by Smartfact. Furthermore, HSH Nordbank supports the

special purpose vehicle through the provision of funding required for the purchase by means of a credit line or bearer debenture respectively.

In calculating the exposure values in this chapter, credit risk minimisation techniques involving substitution are generally ignored. As a result, the figures include the second loss piece of € 10.0 billion in the Sunrise Transaction. In the course of credit risk minimisation, the second loss piece as a financial guarantee is substituted in the IRBA exposure class Central governments. This guarantee is presented in Table 38, page 58.

The securitised portfolio which underlies the Sunrise Transaction includes foreign currency positions with a share of around 58% in the total portfolio. This means that there is a mismatch in currencies between the guarantee in Euro and part of the hedged portfolio. The currency fluctuation factor is been applied to the entire Sunrise Transaction in accordance with Article 223 (1) sentence 2 CRR and the second loss piece is measured based on the nominal value of the guarantee. As at the reporting date the Sunrise Transaction has an exposure value of € 55.8 billion. This is divided into the senior tranche (€ 43.7 billion), the second loss piece (€ 10.0 billion) and the first loss piece (after deducting invoiced losses in the amount of € 1.1 billion: € 2.1 billion).

Overall, the CRSA and IRBA exposure value of all securitisation positions retained or sold by HSH Nordbank (including Sunrise) as at the reporting date total € 56.4 billion. Receivables securitised where the Bank acts as originator account for the largest proportion at € 55.8 billion, whereas the share of receivables securitised where the Bank is the investor and sponsor amounts to € 0.3 billion, respectively.

HSH Nordbank held no securitisations in its trading book as at the reporting date.

### 4.2. TYPES AND EXTENT OF RISKS

#### Credit risk

HSH Nordbank's securitisation transactions are subject to the credit monitoring processes (in addition to market risk monitoring by Group Risk Management) with regard to their credit risks (change in performance and composition of the underlying transactions). By far the largest share of securitisation transactions are found within the

Restructuring Unit. The external service provider Blackrock supports the responsible departments Workout Divestments and Credit Assessment & Decision in performing the credit analysis of the positions. Blackrock acts as the supplier for monitoring required documentation and models the intrinsic values of the individual positions. The documents made available by Blackrock are reviewed and subject to quality assurance in the subsequent process. Finally, decisions are made with respect to the completed monitoring forms on the basis of the dual control principle pursuant to loan competences which have been fixed and which have been published in the Credit Manual.

For purposes of calculating intrinsic values, the cash flow structure of the underlying assets is first modelled and then applied to the contractual payment system of the securitisation transactions. These values are calculated quarterly.

The process described for credit monitoring is likewise suitable for re-securitisations and securitisations, which is why no further differentiation is made. By means of regularly updating repayment cash flows and on-going loan monitoring, changes in value of the underlying receivables are generally reflected directly in the value of the securitisation positions.

### **Market risk**

HSH Nordbank's securitisation transactions are subject to market risk monitoring with regard to their interest rate risks (changes in interest rates and credit spreads) and foreign exchange risks. The market risks of the Restructuring Unit are limited by the superimposed market risk limit of the Restructuring Unit. The same applies in the case of the small number of HSH Nordbank's own securitisations in the Restructuring Unit. The repayment structure of the securitisation transactions taking into account termination rights is first modelled for purposes of determining market risks. Interest rate and foreign exchange risks are then calculated using the same method applicable to all trading transactions after taking into account hedge transactions. The credit spread risks are determined on the basis of credit spread curves which are purchased from providers of market data and which are broken down by asset class, rating class and country.

The process described for market risk monitoring is likewise suitable for re-securitisations and securitisations,

which is why no further differentiation is made. By means of regularly updating repayment cash flows and credit spread curves, changes in value of underlying receivables are generally reflected directly in the value of the securitisation positions to the extent there are no other hedge relationships.

### **Liquidity risk**

The following distinction is made for purposes of liquidity risk monitoring in relation to securitisations:

- ▶ Accounting-related liquidity risks may arise in the form of time lags (mismatch) between incoming and outgoing cash flows.
- ▶ Market-related liquidity risks may arise, for example in cases where issued bonds cannot be fully placed on the market or where price losses are realised on the liquidation of assets.

Accounting-related liquidity risks are avoided by coordinating the fixed / determinable payments over the course of the transactions. If this cannot be accomplished (e.g. via short-term refinancing via asset backed commercial paper (ABCP) programmes), the market-related liquidity risks are hedged via liquidity facilities.

### **Risks due to the ranking of re-securitised receivables**

The synthetic securitisation transaction Sunrise meets the requirements for classification as a re-securitisation as the reference portfolio underlying the transaction comprises some securitization transactions. The primary securitisation transactions underlying the Sunrise transaction mainly involve securitisations of corporate financings in Europe and the US, of student loans in the US and residential and commercial property in Europe, the US and Australia which are allocated to the Restructuring Unit.

HSH Nordbank has invested primarily in senior and/or high-ranked tranches of securitisations. The underlying assets likewise consist primarily of senior loans.

For example, the student loans in the US are largely backed by government guarantee of at least 97%. In the case of the residential properties in the US, investments were made almost exclusively, and in the case of European residential properties a significant but not pre-



dominant share, in loans which are characterised by borrowers with low creditworthiness.

In addition, there are small re-securitisation portfolios including the first loss tranche of the Carrera transaction.

Furthermore, HSH Nordbank holds re-securitisation positions as an investor which are not secured under Sunrise.

#### **4.3. DETERMINATION OF RISK-WEIGHTED EXPOSURE AMOUNTS FOR SECURITISATION TRANSACTIONS**

The methods to be used in calculating the regulatory capital for securitisation positions are stated in the CRR. Under the IRB securitisation rules, HSH Nordbank uses the ratings-based approach in accordance with Article 261 CRR, if credit assessments by external providers are available in the market. The Bank uses the external ratings from S&P, Moody's or Fitch. For securities positions which do not have an eligible external rating HSH Nordbank applies the alternative approaches established in (Article 253 CRR for CRSA securitisation positions and Article 259 (1) subparagraphs (b) and (c) CRR for IRBA securitisation positions).

In accordance with Article 266 (3) CRR, there is the option for CRSA or IRBA securitisation positions for which a risk weight of 1,250% has been calculated of making a capital deduction or applying this risk weight to determine the total counterparty risk capital charge. In the context of the Sunrise Transaction this option is particularly important for the treatment of the first loss piece

and calculating capital ratios. For reporting dates prior to 30 June 2010 HSH Nordbank backed the first loss piece as a risk-weighted exposure amount with equity. Since the reporting date 30 June 2010 both positions have been deducted from Common Equity Tier 1 capital. This is equivalent to exercising the option pursuant to Article 244 subparagraph (b) CRR. An internal measurement approach for securitisations pursuant to Part 3 Title Two Chapter 5 (3) CRR is currently not applied by HSH Nordbank. Accordingly, no information is disclosed with regard to Article 449 subparagraph (1) CRR.

The Carrera transaction is a conduit that issues ABCP. The programme is based on ABSs. A look through at the pool assets is carried out.

Profit participation rights / liabilities to Scandinavian regional banks are securitised via the securitisation transaction Scandinotes III. The risk-weighted exposure amounts are determined by external ratings.

Through the Promise, Ocean Funding and Stratus securitisation transactions no significant and effective transfer of risk under Article 243 CRR is achieved and there is consequently no reduction in capital requirements. A look-through to the pool assets was performed. The goal of the transactions is to generate collateral objects eligible for refinancing with the European Central Bank and/or the generation of liquidity.

As at the reporting date, all securitisation transactions – other than Ocean, Promise, Stratus and parts of FaFoUn, Nausola, Neptora and Scandinotes III – are hedged by Sunrise.

Determination of risk-weighted exposure amounts for receivables securitised as originators

Securitisation activity	Type of securitisation	Approach	Procedure to determine the risk-weighted exposure amounts
Carrera (ABCP-Programme) <sup>1</sup>	Traditional securitisation	IRBA	Ratings Based Method (Article 261 CRR)
FaFoUn <sup>2</sup>	Synthetic securitisation	IRBA	Ratings Based Method (Article 261 CRR)
Nausola <sup>2</sup>	Synthetic securitisation	IRBA	Ratings Based Method (Article 261 CRR)
Neptora <sup>2</sup>	Synthetic securitisation	IRBA	Ratings Based Method (Article 261 CRR)
Ocean	Traditional securitisation	IRBA	Backing of pool assets
Promise	Synthetic securitisation	IRBA	Backing of pool assets
Scandinotes III <sup>2</sup>	Traditional securitisation	IRBA	Ratings Based Method (Article 261 CRR)
Stratus	Traditional securitisation	IRBA	Backing of pool assets
Sunrise	Synthetic securitisation	IRBA	Formula approach under supervisory law (Article 262 CRR)

<sup>1</sup> Fully hedged as part of the Sunrise transaction

<sup>2</sup> Partly hedged as part of the Sunrise transaction

Table 31: Determination of risk-weighted exposure for receivables securitised as originators

#### 4.4. ACCOUNTING POLICIES FOR SECURITISATION ACTIVITIES

##### Accounting methods

Acquired securitisation positions which meet the definition of securities in the German Ordinance on the Accounting System for Banks (RechKredV) are recognised and measured in accordance with the standard methods for securities.

Primary receivables of HSH Nordbank which the Bank allocates to synthetic securitisations without a significant transfer of risk or with regard to which a transfer is made to Special Purpose Vehicles (SPV) still included in the consolidated financial statements, continue to be reported under the original exposure class. Assumption of risks by third parties is taken into account as collateral when calculating impairments. If the risk has not been transferred through securitisation or if the guarantee is impaired, the receivable is written down.

Receivables transferred under true-sale-securitisations in terms of commercial law are shown as disposals. Risks retained by the Bank are still recognised and measured here in accordance with the standard methods for receivables.

Sales proceed from reference assets (e.g. loans, promissory notes, securities) which are a component of a securitisation are accounted for corresponding to the balance sheet item of the reference asset. In this manner, sales proceeds are accounted for independent of their inclusion in a securitisation.

Financial backing for securitisation transactions is provided in the form of liquidity facilities or guarantees. In the event a draw down is likely, the risk is covered by creating a provision for contingent losses.

Table 32 illustrates the accounting standards.



## Accounting policies for receivables securitised as originators

Securitisation transaction	Treatment under supervisory law		Treatment under financial accounting
	True-Sale: Yes/No	Approach	Disposal: Yes/No
Carrera (ABCP programme) <sup>1</sup>	-	IRBA	-
FaFoUn <sup>2</sup>	No	IRBA	-
Nausola <sup>2</sup>	No	IRBA	-
Neptora <sup>2</sup>	No	IRBA	-
Ocean	No	IRBA	No
Promise	No	IRBA	No
Scandinotes III <sup>2</sup>	Yes	IRBA	Yes
Stratus	Yes	IRBA	No
Sunrise	No	IRBA	-

<sup>1</sup> Fully hedged as part of the Sunrise transaction.

<sup>2</sup> Partly hedged as part of the Sunrise transaction

Table 32: Accounting policies for receivables securitised as originators

### Valuation methods

The fair value of securitisation transactions booked to the Restructuring Unit is calculated at least on a monthly basis using market prices. However, because the securitisation portfolio is almost exclusively classified as “Loans and receivables,” amortised cost is used for accounting purposes whereas the fair value is merely used in general for purposes of the explanatory notes to the statement of financial position. In the event impairments are needed, write-downs are performed to the fair value of the securitisation.

Various market data providers and quotes from other market participants are used as sources of data. Models are used in cases where no valid market data is available. If price information is available from several providers, a procedure for selecting a valid market price is applied.

For quality assurance purposes, all valuation results are validated by experts.

In addition, HSH Nordbank holds a small number of shares in own securitisations which are valued by the Strategic Treasury division. Valuation of such holdings is generally performed on the basis of spread curves.

### 4.5. ECAI USED FOR SECURITISATION

The securitisations issued by the HSH Nordbank in the market are rated externally on a regular basis. The rating agencies used and the type of receivables underlying the securitisation portfolio are shown in Table 33 in accordance with Article 449 subparagraph (k) CRR. The rating agencies used for investment in third party securitisation transactions are shown in Table 13.

#### Securitisation transactions initiated by HSH Nordbank

Securitisation transaction	Type of securitisation	Type of receivable	Rating agency
Carrera (ABCP programme) <sup>1</sup>	Traditional securitisation	ABS	Moody's
Scandinotes III <sup>2</sup>	Traditional securitisation	Receivables from Scandinavian regional banks	Moody's

<sup>1</sup> Fully hedged as part of the Sunrise transaction.

<sup>2</sup> Partly hedged as part of the Sunrise transaction.

Table 33: Securitisation transactions initiated by HSH Nordbank

#### 4.6. EXPOSURE VALUES AND CAPITAL REQUIREMENTS OF SECURITISED RECEIVABLES

##### Exposure values of securitised receivables

For securitisations, a distinction must be made between securitisations with transfer of receivables (traditional or true sale securitisations) and securitisations without transfer of receivables (synthetic securitisations). Depending on the nature of the securitised receivables, securitisations are also allocated to different product

classes, which have the characteristics of specific receivables.

In accordance with Article 449 subparagraph (n) (i) CRR Table 34 shows the exposure value at the reporting date of the securitised receivables at HSH Nordbank, broken down by securitisation transaction with or without transfer of receivables and the nature of the securitised receivables. In connection with Article 449 subparagraph (i) CRR the sponsor exposures of € 297 million comprise on- and off-balance sheet exposures of € 222 million and € 75 million, respectively.

Exposure value of securitised receivables

Securitisation portfolio	Exposure value			
	Originators		Sponsors	
	2014	2013	2014	2013
<b>Traditional securitisations</b>				
Real estate	-	-	-	-
Ships	-	-	-	-
Retail banking	0	9	297	183
ABS	1	6	-	-
Other	-	-	-	-
<b>Subtotal</b>	<b>1</b>	<b>15</b>	<b>297</b>	<b>183</b>
<b>Synthetic securitisations</b>				
Real estate	-	-	-	-
Ships	48	-	-	-
Retail banking	-	-	-	-
ABS	-	-	-	-
Other	-	-	-	-
Sunrise	55,759	66,063	-	-
<b>Subtotal</b>	<b>55,807</b>	<b>66,063</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>55,808</b>	<b>66,078</b>	<b>297</b>	<b>183</b>

Table 34: Exposure values of securitised receivables in € m

##### Exposure values of retained or purchased securitisation positions

In accordance with Article 449 subparagraph (n) (ii), Table 35 shows a list of the securitisation positions held by the Bank. This includes retained tranches from the Bank's own securitisation transactions (e.g. for the pur-

pose of credit enhancement), liquidity facilities provided by the Bank for securitisation transactions and investments in third party securitisation transactions. The reduction in the exposure value of the Sunrise securitisation results from sales and principal repayments.

## Exposure values of retained or purchased securitisation positions

Securitisation items	CRSA exposure value		IRBA exposure value	
	2014	2013	2014	2013
<b>Balance-sheet items</b>				
Credit Enhancements <sup>1</sup>	-	-	-	-
Participations in ABS transactions	116	58	48	192
Other balance-sheet items	229	189	48	-
Sunrise	-	-	55,759	66,063
<b>Subtotal</b>	<b>345</b>	<b>247</b>	<b>55,855</b>	<b>66,255</b>
<b>Off-balance sheet items</b>				
Liquidity facilities	-	-	-	-
Derivatives	-	-	-	-
Other off-balance sheet items	75	-	120	-
<b>Subtotal</b>	<b>75</b>	<b>-</b>	<b>120</b>	<b>-</b>
<b>Total</b>	<b>420</b>	<b>247</b>	<b>55,975</b>	<b>66,255</b>

<sup>1</sup> Measures to improve credit quality

Table 35: Exposure values of retained or purchased securitisation positions in € m

### Risk weight ranges and exposure values of securitisations

In accordance with Article 449 subparagraph (o) (i) CRR, Table 36 shows the Bank's individual securitisation positions (see Table 37) allocated to risk weight ranges, and the resulting capital requirements. As at the reporting date, all securitisation positions held by HSH Nordbank as an investor are deducted from equity and those with a risk weight of 1,250% are deducted from Common Equity Tier 1 capital. This is equivalent to exercising the option

pursuant to Article 244 subparagraph (b) CRR. The Sunrise transaction is also treated accordingly.

Changes in the securitisation positions are attributable to sales and repayments, especially in the Sunrise portfolio. In addition, the Sunrise Transaction is classified as re-securitisation transaction since 31 December 2011 and hence a minimum risk weight of 20% has to be applied. The risk weight of the senior tranche determined in accordance with Article 262 CRR was 20% as at the reporting date.

Exposure values and capital requirements for retained or purchased securitisation items acc. to risk weight ranges

Risk weight range in %	Securitized items retained/purchased							
	Exposure value				Capital requirements			
	Securitisa- tion	Re-securiti- sation	Total		Securitisa- tion	Re-securiti- sation	Total	
	2014	2014	2014	2013	2014	2014	2014	2013
<b>CRSA</b>								
0 ≤ 10	-	-	-	-	-	-	-	-
> 10 ≤ 20	313	-	313	205	5	-	5	3
> 20 ≤ 50	-	20	20	-	-	1	1	-
> 50 ≤ 100	2	16	18	12	0	1	1	1
> 100 ≤ 350	-	-	-	6	-	-	-	1
> 350 ≤ 650	-	1	1	-	-	0	0	-
> 650 < 1,250	-	-	-	-	-	-	-	-
1,250 or capital deduction <sup>1</sup>	66	3	69	24	66	3	69	1
<b>Total CRSA</b>	<b>381</b>	<b>39</b>	<b>420</b>	<b>247</b>	<b>71</b>	<b>5</b>	<b>76</b>	<b>6</b>
<b>IRBA</b>								
0 ≤ 10	-	10,000	10,000	10,000	-	-	-	0
> 10 ≤ 20	-	43,672	43,672	53,686	-	699	699	859
> 20 ≤ 50	22	-	22	29	0	-	0	1
> 50 ≤ 100	1	-	1	37	0	-	0	3
> 100 ≤ 350	77	-	77	52	17	-	17	8
> 350 ≤ 650	1	-	1	3	0	-	0	1
> 650 < 1,250	-	-	-	-	-	-	-	-
1,250 or capital deduction <sup>1</sup>	99	2,101	2,200	2,448	76	8	84	5
<b>Total IRBA</b>	<b>201</b>	<b>55,774</b>	<b>55,975</b>	<b>66,255</b>	<b>94</b>	<b>707</b>	<b>801</b>	<b>877</b>
<b>Total</b>	<b>582</b>	<b>55,813</b>	<b>56,395</b>	<b>66,502</b>	<b>166</b>	<b>712</b>	<b>878</b>	<b>883</b>

<sup>1</sup> Prior to exercise of the election under Article 266 (1) and (2) CRR

Table 36: Exposure values and capital requirements for retained or purchased securitisation items acc. to risk weight ranges in € m

### Securitisation positions to be deducted from own funds or to be taken into account with a risk weight of 1,250%

Consistent with Article 449 subparagraph (n) (v) CRR, Table 37 presents the total of securitisation positions to

be deducted from own funds or to be taken into account with a risk weight of 1,250%.

Securitisation positions to be deducted from own funds or to be taken into account with a risk weight of 1,250%

Securitisation portfolio	Exposure value <sup>1</sup>	
	2014	2013
Real estate	79	33
Ships	-	-
Retail banking	-	-
ABS	60	7
Other	44	12
Sunrise	2,087	2,419
<b>Total</b>	<b>2,269</b>	<b>2,472</b>

<sup>1</sup> Prior to exercise of the election under Article 266 (1) and (2) CRR

Table 37: Securitisation positions to be deducted from own funds or to be taken into account with a risk weight of 1,250% in € m

### Hedge transactions

Consistent with Article 449 subparagraph (o) (ii) CRR, hedge transactions related to re-securitisations are presented in Table 38. In doing so, as part of credit risk minimisation, the secondary loss tranche is substituted

as a financial guarantee contract in the IRBA exposure class Central governments. There were no hedge transactions relating to other securitised positions in accordance with Article 449 subparagraph (g) CRR as at the reporting date.

Re-securitisation related hedge transactions

	Exposure value	
	2014	2013
Re-securitisation positions prior to hedge	55,813	66,129
Hedge via guarantee	10,000	10,000
Of which: guarantors with ratings AAAA through A	10,000	10,000
Of which: guarantors with s rating below A	-	-
Hedging using other collateral	-	-
Re-securitisation positions post-hedge	<b>45,813</b>	<b>56,129</b>

Table 38: Re-securitisation related hedge transactions in € m

### Securitized trading book risk positions

The values depicted in Table 39 in accordance with Article 449 subparagraph (q) CRR represent securitized trading book positions in accordance with Section 334 (4)

No. 2 SolvV which were taken into account as trading book risk positions for purposes of measuring required regulatory capital. These positions are securitized exclusively under Sunrise.

## Securitised trading book risk positions

Securitisation portfolio	Exposure value			
	Traditional securitisation		Synthetic securitisation	
	2014	2013	2014	2013
Real estate	-	-	-	-
Ships	-	-	-	-
Retail banking	-	-	-	-
ABS	-	-	-	-
Other	-	-	-	-
Sunrise	-	-	1	1
<b>Total</b>	-	-	<b>1</b>	<b>1</b>

Table 39: Securitised trading book risk positions in € m

#### 4.7. IMPAIRED AND PAST DUE SECURITISATIONS AND ACTUAL LOSSES

In accordance with Article 449 subparagraph (p) CRR, Table 40 shows those parts of securitised receivables which are non-performing or in default and the actual losses in the period under review. The securitisation po-

sitions shown are those for which HSH Nordbank acts as originator. To ensure comparability of data, the definitions of receivables and actual losses are based on those for general recognition of non-performing and past due receivables (see Section 3.1.3 and 3.1.5) and actual losses (see Section 3.5.9).

## Impaired and past due securitisations, actual losses on securitised receivables

Securitisation portfolio	Total impaired or past due <sup>1</sup>		Actual losses	
	2014	2013	01.01.2014 to 31.12.2014	01.01.2013 to 31.12.2013
Real estate	-	-	-	-
Ships	-	-	-	-
Retail banking	-	-	-	-
ABS	-	-	-	-
Other	-	-	-	-
Sunrise <sup>2</sup>	15,397	17,060	452	465
<b>Total</b>	<b>15,397</b>	<b>17,060</b>	<b>452</b>	<b>465</b>

<sup>1</sup> Total impaired securitisations (needing value adjustment) or past due securitisations (not needing value adjustment)

<sup>2</sup> The actual losses in the Sunrise transaction are loss allocations under the guarantee which have already been reported to the guarantor for review and approval or have already been settled.

Table 40: Impaired and past due securitisations, actual losses on securitised receivables in € m

#### **4.8. SECURITISATION ACTIVITIES IN THE REPORTING YEAR AND IMPORTANT CHANGES**

##### **Securitisation activities in the reporting year**

HSH Nordbank set up the securitisation transactions Ocean Funding and Stratus as originator in the reporting year. These structures involve the sale of a pool of loans to a securitized special purpose entity which is not consolidated for regulatory purposes and without the derecognition of such loans under commercial law, whereas their servicing remains with HSH Nordbank. The securitisation transactions do not result in a reduction in regulatory capital requirements, as there is no effective and material transfer of risk. The default risk on the own pool of loans also remains with HSH Nordbank after the securitisation transactions have been executed due to the assumption of the counterparty risk on all securitisation tranches. These securitisation transactions are used to generate liquidity. The securitized special purpose entity is refinancing the purchase price of the Ocean Funding transaction through the issue of loan notes. As part of the Stratus transaction a repo was concluded subsequent to the securitisation.

The Neptora, Nausola, Falcon, Fortitude and Union asset financing has securitisation features due to the contractual arrangements. Due to the contradictions between Article 4 (1) no. 61 CRR and CRR recital 50 a query sent by the German supervisory authorities to the EBA is pending in the Q&A process. Until an answer is received HSH Nordbank is obliged to classify tranching asset financing arrangements as securitisations. The three asset financing arrangements - Falcon, Fortitude and Union - are combined in the FaFoUn securitisation transaction. The Neptora and Nausola asset financing arrangements are treated as separate securitisation transactions. External credit assessments for the three transactions were not available as at the reporting date. A risk weight of 1,250% was therefore applied. Derivation using the Supervisory Formula Method pursuant to Article 262 CRR is currently being reviewed.

In the course of the strategic realignment, HSH Nordbank has decided that the loan replacement business is not part of its core business. Commitments relating to the Poseidon, Prime and Scandinotes IV transactions, amongst others, were cancelled during the reporting period.

##### **Significant changes to quantitative disclosures**

Under Article 449 subparagraph (m) CRR significant changes to quantitative disclosures since the last reporting period are to be explained. The significant changes since the last reporting period are mainly attributable to the Sunrise transaction. There were also changes affecting sponsor as well as investment positions.

The reduction in the exposure value of the senior tranche is attributable to the reduction in the high risk legacy portfolios in the Restructuring Unit. Furthermore the increases in the loan loss provisions and losses invoiced had an impact on the quantitative information.

The increase in the exposure values calculated under the Standardised Approach for credit risk for securitised transactions where the Bank acts as sponsor is attributable to the increase in the credit lines granted for the Smartfact special purpose entity. Despite the offsetting net reduction in investments in securitisations sponsored by third parties the exposure values under the CRSA increased in total as a result.

#### **4.9. PLANNED SECURITISATION ACTIVITIES**

The Castellum securitisation transaction was set up at the beginning of the 2015 reporting year with the aim of generating funding. A reduction in capital requirements is not made use of in this connection. The securitised transaction is held in the banking book, the securitised loan volume amounts to approximately € 0.5 billion. The securitised loans are accounted for and measured in the same way as Ocean Funding and Stratus.

For the year 2015, no securitisation transactions for purposes of a reduction in capital requirements are planned at present.

## 5. MARKET RISK, OPERATIONAL RISK AND LIQUIDITY RISK

### 5.1. MARKET RISK INCLUDING INTEREST RATE RISK

#### Definition

Market risk represents the potential loss that can arise as a result of adverse changes in market values on positions held in our trading and banking book. Market movements relevant to the Bank are changes in interest rates and credit spreads (interest rate risk), exchange rates (foreign exchange risk), stock prices, indices and fund prices (equity risk) as well as commodity prices (commodity risk) including their volatilities.

#### Risk management objectives and policies

The risk management objectives and policies for operational risk pursuant to Article 435 (1) CRR are described in the information provided in the Group Management Report (Risk Report) in HSH Nordbank's Annual Report.

#### Capital requirements

HSH Nordbank uses standardised methods for determining capital requirements for market risk for regulatory purposes in accordance with Part Three Title IV Chapters 2 to 4. An internal risk model as defined in Part Three Ti-

tle IV Chapter 5 CRR is not used and a correlation trading portfolio is not maintained.

Capital requirements as at the reporting date resulting from trading book activities are shown in Table 41 in accordance with Article 445 sentence 1 CRR. With the introduction of the CRR other market risk positions are disclosed under commodity and interest rate risks. Capital requirements are not determined for the specific interest rate risk on securitised positions, as these are solely held in the banking book. There are no capital requirements for large exposures pursuant to Article 92 (3) subparagraph (b) (ii) CRR and for settlement risk pursuant to Article 92 (3) subparagraph (c) (ii) CRR as at the reporting date.

Interest rate risk has decreased from € 219 million to € 85 million during the reporting period. In the same period foreign exchange risk has increased from € 117 million to € 352 million. The main reasons for these changes are the implementation of the methodological changes to the Basel III framework (CRR/CRD IV) and IFRS accounting standards as well as the movement in foreign exchange rates, particularly as a result of the strong US dollar against the euro. Changes in option risk and interest rate movements also had an effect on market values of derivatives.

Capital requirements for market risks

Market risk	2014	2013
Interest rate risk	85	219
Including a partial weighting for general price risk	(70)	(174)
Including a partial weighting for specific price risk	(2)	(6)
Equity price risk	7	1
Foreign-exchange risk	352	117
Commodities risk	2	13
Other market risk positions	-	4
Settlement risk	-	-
Large exposure risk	-	-
<b>Total</b>	<b>446</b>	<b>354</b>

Table 41: Capital requirements for market risks in € m



### Interest rate risk on positions not held in the trading book

Management of the interest rate risk in the banking book is part of market risk management. Interest rate risk is the potential loss of an open interest rate position as a result of a possible change in market or net present value of a stream of payments due to a potential change in yields or discount factors. Discount factors are taken from the corresponding interest rate curve. For single name bonds and Credit Default Swaps (CDS) credit spreads are also taken into account.

The interest rate risk in the banking book is modelled from the strategic holdings in the HSH Nordbank bank book without using model assumptions. There is no modelling of early loan repayments due to special repayment or termination rights or investor behaviour with deposits from customers. Where loans are agreed with optional components, existing termination rights are reported by the front office to Capital Markets for entry in the trading system. Risk measurement and stress testing are done by Group Risk Management based on the transactions entered in the trading and inventory systems.

In addition there is the special feature for interest rate risk in the banking book that management is handled by two units. The Overall Management Board is responsible for the bank's ALCO – Portfolio and mainly regulates the strategic amount of interest rate risk. The interest rate risk for the bank book arising out of the Bank's client business is managed by the business unit Capital Markets. This consists of aggregating the interest rate risk

and transferring it directly to the trading book for the most part in order to manage this risk within the specified market price risk limits

The interest rate risks on the banking book are measured daily. To calculate the VaR, a confidence level of 99%, a holding period of one day and a data history of 250 trading days are used.

Besides daily calculation of the interest rate risk in the course of the VaR calculation, HSH Nordbank also measures the interest rate risk for the group as a whole in the event of an interest rate shock. For the specific analysis of interest rate risks on banking book positions, the Bank uses net present value analysis, i.e. the net present value change due to defined changes in interest rates. The figures for the year under review have shown that HSH Nordbank would lose significantly less than 20% of liable capital in the event of an interest rate shock of +200 and -200 basis points.

The effects of an interest rate shock of +200 and -200 basis points as at the reporting date 30 December 2014 in accordance with Article 448 subparagraph (b) CRR are shown in Table 42.

The total amount of € -243 million / € +221 million represents the balance of changes in present value from the interest rate shocks in the case of the parallel move in yield curves in all currencies. The interest rate risk in the banking book is broken down by currency as at the reporting date in order to provide greater transparency.

#### Interest rate risks in the banking book

Currency	Change in net present value			
	+200 bp		-200 bp	
	2014	2013	2014	2013
EUR	-178	-141	37	74
USD	-70	-21	153	120
CHF	0	-2	-2	-4
JPY	9	3	16	-12
GBP	-0	4	15	9
DKK	-3	-2	3	2
Other	-1	-11	0	10
<b>Total</b>	<b>-243</b>	<b>-170</b>	<b>221</b>	<b>199</b>

Table 42: Interest rate risks in the banking book in € m

## 5.2. OPERATIONAL RISK

### Definition

HSH Nordbank defines operational risk (OpRisk) as the risk of direct or indirect losses caused by the inappropriateness or failure of the internal infrastructure, internal procedures or staff or as a result of external factors (risk categories). This definition includes legal risk and compliance risk

### Risk management objectives and policies

The risk management objectives and policies for default risk pursuant to Article 435 (1) CRR are described in the

information provided in the Group Management Report (Risk Report) in HSH Nordbank's Annual Report. This definition includes legal risk and compliance risk.

### Capital requirements

HSH Nordbank applies exclusively the Standardised Approach in order to determine the capital requirements for operational risk. A description of the method according to Article 312 (2) CRR is therefore not provided. On the date of reporting the Group had a regulatory capital requirement to the amount of € 200 million.

Capital requirements for operational risk

Operational risk	2014	2013
According to Standardised Approach	200	222
<b>Total</b>	<b>200</b>	<b>222</b>

Table 43: Capital requirements for operational risk in € m

## 5.3. LIQUIDITY RISK

### Definition

HSH Nordbank divides its liquidity risk into risk of insolvency and liquidity maturity transformation risk.

The risk of insolvency refers to the risk that present or future payment obligations cannot be met in part or in full. This is referred to as liquidity risk in the narrower sense. The key driver of this liquidity risk is the cash flow structure in the liquidity development report which is determined by the assets (maturity/currency structure) and liabilities (funding structure by maturity/currency/investor). In this regard the market liquidity risk, i. e. the danger that transactions cannot be sold or only at unfavourable conditions because of a lack of market depth, is reflected in the liquidity development report as a component of the insolvency risk. Another component of insolvency risk is the refinancing risk, i. e. the danger of not being able to obtain liquidity or not at the expected conditions if required. The refinancing risk is determined by the refinancing structure. Information on the refinancing structure can be found in Note 52 "Residual maturity breakdown of financial instruments" to the consolidated financial statements.

Liquidity maturity transformation risk refers to the risk that a loss will result from a mismatch in the contractual maturities of assets and liabilities, the so-called liquidity maturity transformation position, and from the change in the Bank's refinancing surcharge.

### Risk management objectives and policies

The risk management objectives and policies for default risk pursuant to Article 435 (1) CRR are described in the information provided in the Group Management Report (Risk Report) in HSH Nordbank's Annual Report.

### Liquidity coverage ratio

As a voluntary participant in an impact study conducted by the Basel Committee on Banking Supervision HSH Nordbank determines the liquidity coverage ratio on a semi-annual basis. In January 2013 the Basel Committee published the changed rules for determining the minimum liquidity ratio.

The liquidity coverage ratio of 144% as at the reporting date (31 December 2013: 194%) was determined on the basis of this calculation methodology. The change in the ratio is mainly attributable to higher potential outflows resulting from an increase in deposit volume. The provi-

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sion of cash collateral due to movements in the Euro/US dollar exchange rate also had an adverse impact.

HSH Nordbank has calculated the liquidity coverage ratio pursuant to Article 415 CRR on a monthly basis since 31 March 2014. The maintenance of a liquidity coverage ratio of 60% in accordance with the CRR is mandatory as from October 2015.

The liquidity coverage ratio is disclosed in this report on a voluntary basis. The full disclosure standards for the

minimum liquidity ratio of the Basel Committee on Banking Supervision (BCBS 272) will be implemented through a semi-annual publication in the Group Management Report (Risk Report) in the HSH Nordbank's Annual Report, starting with the reporting date 30 June 2015. The entry in the Disclosure Report will be replaced in future by the disclosure in the Annual Report.

## 6. UNENCUMBERED ASSETS

HSH Nordbank follows the guidelines on disclosure of encumbered and unencumbered assets (EBA/GL/2014/03) dated 27 June 2014 and the draft of the circular regarding the implementation of the EBA guidelines on disclosure of encumbered and unencumbered assets (BA 52-QIN 4300-2014/0001) dated 25 February 2015 for the disclosure of unencumbered assets in accordance with Article 443 CRR.

### Definition

Pursuant to Article 100 CRR in conjunction with the Implementing Technical Standards on Asset Encumbrance Reporting (EBA/ITS/2013/04/rev1) dated 24 July 2014 HSH Nordbank is also required to report all forms of encumbrance of assets as part of CoRep for the first time as at 31 December 2014.

Under the EBA definition assets are considered to be encumbered or committed if they are not available to the institution for further fundraising. This is always the case if they are pledged or lent, i.e. are used to safeguard own loans or collateralise potential obligations arising in the derivatives business (netting and collateral arrangements) as part of on- or off-balance sheet transactions.

The encumbrance ratio is 30% for the regulatory Group as at the reporting date.

### Information on the level of encumbrance (Template D)

Comparative figures for previous quarterly reporting dates are not available due to the first-time reporting in accordance with Article 100 CRR. The information cannot therefore be determined on the basis of median values. Accordingly, values as of the effective date 31 December 2014 are used for the disclosure of the first reporting period.

Most (approximately 70%) of the encumbered assets and collateral received result from the provision of collateral

and netting agreements relating to derivative transactions as well as from issuing Pfandbriefe (cover pool) and ABF transactions.

The other encumbered assets are equally distributed between the provision of collateral for payment transaction lines, development bank transactions and collateral for repurchase agreements and securities lending transactions.

Over 99% of all encumbered assets at Group level are allotted to transactions of HSH Nordbank AG.

HSH Nordbank provides different types of collateral for several business purposes, the majority of which consists of cash collateral of € 5 billion for the derivative as well as in part of the development bank business. Furthermore, about € 3 billion of (commercial) loans are pledged as collateral for payment transaction lines. Both the cover pools and the rating-related surplus as well as the issuable free surplus are disclosed as encumbered assets as part of the Pfandbrief business (public sector Pfandbriefe, mortgage and ship Pfandbriefe).

Unencumbered other assets are disclosed in Template A in addition to unencumbered debt and equity instruments.

Receivables arising from the derivatives business account for about 70% and latent tax claims account for about 20% of the disclosed amount of € 9.6 billion. The remainder is spread among tangible and intangible assets as well as other receivables.

A further € 1.7 billion of unencumbered collateral received is disclosed in addition to the unencumbered assets. This relates solely to securities received under reverse repurchase agreements.

## Assets (Template A)

	Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of unencumbered assets	Fair value of unencumbered assets
	010	040	060	090
<b>010 Assets of the reporting institution</b>	<b>33,720</b>	<b>-</b>	<b>76,385</b>	<b>-</b>
030 Equity instruments	-	-	376	373
040 Debt instruments	4,297	4,356	16,321	16,387
120 Other assets	5,768	-	9,573	-

Table 44: Assets in € m

## Collateral received (Template B)

	Fair value of encumbered collateral received and own debt instruments issued	Fair value of collateral received and own debt instruments issued that are eligible for encumbrance
	010	040
<b>130 Collateral received from the reporting institution</b>	<b>251</b>	<b>1,695</b>
150 Equity instruments	-	-
160 Debt instruments	251	1,695
230 Other collateral received	-	-
<b>240 Other own debt instruments issued as Pfandbriefe or ABS</b>	<b>50</b>	<b>1,218</b>

Table 45: Collateral received in € m

## Encumbered assets/collateral received and associated liabilities (Template C)

	Coverage of liabilities, contingent liabilities or securities lent	Assets, collateral received and other own debt instruments issued as encumbered Pfandbriefe and ABS
	010	030
<b>010 Carrying amount of selected liabilities</b>	<b>29,090</b>	<b>29,361</b>

Table 46: Encumbered assets/ collateral received and associated liabilities in € m

## 7. NOTES

### 7.1. CONSOLIDATION MATRIX

Type of company / company	Consolidation			Treatment under supervisory law	Consolidation under IFRS	
	Full	Proportional	Deduction method	Risk-weighted (equity holding/ SPV)	Full	At-equity
CI HSH N Financial Securities LLC	X				X	
CI HSH Nordbank Securities S.A.	X				X	
FI AGV Irish Equipment Leasing No. 1 unlimited	X				X	
FI Asian Capital Investment Opportunities Limited	X					
FI Avia Management S.à.r.l				X	X	
FI Bach Holdings LLC				X		
FI Belgravia Shipping Ltd.				X		X
FI BINNENALSTER-Beteiligungsgesellschaft mbH	X					
FI BRINKHOF Holding Deutschland GmbH	X					
FI Bu Wi Beteiligungsholding GmbH	X				X	
FI CAPCELLENCE Dritte Fondsbeteiligung GmbH	X					
FI CAPCELLENCE Erste Fondsbeteiligung GmbH	X				X	
FI Capcellence Holding GmbH & Co. KG	X				X	
FI Capcellence Vintage Year 05/06 Beteiligungen GmbH & Co. KG		X				
FI Capcellence Vintage Year 06/07 Beteiligungen GmbH & Co. KG	X				X	
FI Capcellence Vintage Year 07/08 Beteiligungen GmbH & Co. KG	X				X	
FI Capcellence Vintage Year 09 Beteiligungen GmbH & Co. KG	X				X	
FI Capcellence Vintage Year 10 Beteiligungen GmbH & Co. KG	X				X	
FI Capcellence Vintage Year 11 Beteiligungen GmbH & Co. KG	X				X	
FI CAPCELLENCE Vintage Year 12 Beteiligungen GmbH & Co. KG	X				X	
FI CAPCELLENCE Vintage Year 13 Beteiligungen GmbH & Co. KG	X				X	
FI CAPCELLENCE Vintage Year 14 Beteiligungen GmbH & Co. KG	X				X	
FI CAPCELLENCE Zweite Fondsbeteiligung GmbH	X				X	
FI CHIOS GmbH				X	X	
FI European Capital Investment Opportunities Limited	X					
FI 4Wheels Management GmbH	X					
FI GODAN GmbH	X				X	
FI HSH Auffang- und Holdinggesellschaft mbH & Co. KG	X				X	
FI HSH N Finance (Guernsey) Limited	X				X	
FI HSH N Funding I	X				X	
FI HSH N Funding II	X				X	

Type of company / company	Consolidation			Treatment under supervisory law	Consolidation under IFRS	
	Full	Proportional	Deduction method	Risk-weighted (equity holding/ SPV)	Full	At-equity
	FI HSH Private Equity GmbH	X				X
FI Ilex Integra GmbH	X				X	
FI Lyceum Capital Fund 2000 (Number Five) GmbH & Co. KG				X		
FI Neptune Finance Partner S.à.r.l.	X				X	
FI Neptune Finance Partner II S.à.r.l.	X				X	
FI Neptune Ship Finance (Luxembourg) S.à.r.l.	X					
FI Neptune Ship Finance (Luxembourg) S.à.r.l. & Cie, S.e.c.s	X				X	
FI Relacom Management AB		X				X
FI RESPARCS Funding Limited Partnership I	X				X	
FI RESPARCS Funding II Limited Partnership	X				X	
FI Solar Holdings S.à.r.l.				X	X	
FI Teukros GmbH	X					
IU HSH N Residual Value Ltd.				X	X	
ASU HSH Facility Management GmbH	X				X	
ASU SITUS NORDIC SERVICES ApS		X				X
ASU Unterstützungs-Gesellschaft d. Hamburgischen Landesbank mit beschränkter Haftung	X				X	
Oth 2200 Victory LLC				X	X	
Oth Adessa Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs-KG				X	X	
Oth Amentum Aircraft Leasing No. Five Limited				X	X	
Oth Amentum Aircraft Leasing No. Six Limited				X	X	
Oth Amentum Aircraft Leasing No. Ten Limited				X	X	
Oth Amentum Aircraft Leasing No. Three Limited				X	X	
Oth DEERS Green Power Development Company, S.L.				X	X	
Oth Franz Portfolio 2 GmbH & Co. KG				X	X	
Oth HSH Care+Clean GmbH				X	X	
Oth HSH Gastro+Event GmbH				X	X	
Oth HSH Move+More GmbH				X	X	
Oth ISM Agency, LLC				X	X	
Oth Kontora Family Office GmbH				X	X	
Oth K/S Angered				X	X	
Oth LCG Finance II B.V.				X	X	
Oth Life Insurance Fund Elite LLC				X	X	
Oth Life Insurance Fund Elite Trust				X	X	
Oth Mitco Real Estate A S.à.r.l.				X	X	
Oth Mitco Resolution 1 S.à.r.l.				X	X	

Type of company / company	Consolidation			Treatment under supervisory law	Consolidation under IFRS	
	Full	Proportional	Deduction method	Risk-weighted (equity holding/ SPV)	Full	At-equity
	Oth Mitco Resolution 2 S.à.r.l.				X	X
Oth Mitco Resolution 3 S.à.r.l.				X	X	
Oth Mitco Resolution 4 S.à.r.l.				X	X	
Oth Mitco Resolution 5 S.à.r.l.				X	X	
Oth Next Generation Aircraft Finance 2 S.à.r.l.				X	X	
Oth Next Generation Aircraft Finance 3 S.à.r.l.				X	X	
Oth OCEAN Funding 2013 GmbH				X	X	
Oth PRIME 2006-1 Funding Limited Partnership				X		X
Oth RDM Limited				X	X	
Oth Senior Assured Investment S.A..				X	X	
Oth Senior Preferred Investments S.A.				X	X	
Oth SPE II Pissarro SAS				X	X	
Oth Stratus ABF S.A.				X	X	

Table 47: Consolidation Matrix

## Abbreviations:

- CI: Credit institution in accordance with Article 4 (1) CRR  
 FI: Financial institution in accordance with Article 4 (26) CRR  
 IU: Insurance undertaking in accordance with Article 4 (5) CRR  
 ASU: Ancillary services undertaking in accordance with Article 4 (18) CRR  
 Oth: Other companies



## 7.2. Own Funds ART. 437 (1) lit. A, B, D AND E CRR

### Disclosure of Own Funds

	(A) Amount at disclosure date	(B) REGULATION (EU) NO 575/2013 ARTICLE REFERENCE	(C) Amounts subject to pre- regulation (EU) No 575/2013 treatment or prescribed residual amount of regulation (EU) No 575/2013
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
1	Capital instruments and the related share premium accounts	3,612	26 (1), 27, 28, 29, EBA list Article 26 (3)
	of which: common shares (incl. share premium)	3,612	
2	Retained earnings	1,044	26 (1) (c)
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	-202	26 (1)
3a	Funds for general banking risk		26 (1) (f)
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1		486 (2)
	Public sector capital injections grandfathered until 1 January 2018		483 (2)
5	Minority Interests (amount allowed in consolidated CET1)		84, 479, 480
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	292	26 (2)
6	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	4,746	Sum of rows 1 to 5a
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>			
7	Additional value adjustments (negative amount)	-103	34, 105
8	Intangible assets (net of related tax liability) (negative amount)	-8	36 (1) (b), 37, 472 (4)
9	Empty Set in the EU		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-24	36 (1) (c), 38, 472 (4)
11	Fair value reserves related to gains or losses on cash flow hedges		33 (a)
12	Negative amounts resulting from the calculation of expected loss amounts	-20	36 (1) (d), 40, 159, 472 (6)
13	Any increase in equity that results from securitised assets (negative amount)		32 (1)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-24	33 (b)
15	Defined-benefit pension fund assets (negative amount)		36 (1) (e), 41, 472 (7)
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)		36 (1) (f), 42, 472 (8)
17	Holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		36 (1) (g), 44, 472 (9)
18	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)		36 (1) (h), 43, 45, 46, 49 (2) (3), 79, 472 (10)
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		36 (1) (i), 43, 45, 47, 48 (1) (b), 49 (1) to (3), 79, 470, 472 (11)

20	Empty Set in the EU			
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-104	36 (1) (k)	
20b	of which: qualifying holdings outside the financial sector (negative amount)		36 (1) (k) (i), 89 to 91	
20c	of which: securitisation positions (negative amount)	-104	36 (1) (k) (ii), 243 (1) (b), 244 (1) (b), 258	
20d	of which: free deliveries (negative amount)		36 (1) (k) (iii), 379 (3)	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in 38 (3) are met) (negative amount)	-131	36 (1) (c), 38, 48 (1) (a), 470, 472 (5)	-549
22	Amount exceeding the 15% threshold (negative amount)		48 (1)	
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		36 (1) (i), 48 (1) (b), 470, 472 (11)	
24	Empty Set in the EU			
25	of which: deferred tax assets arising from temporary differences		36 (1) (c), 38, 48 (1) (a), 470, 472 (11)	
25a	Losses for the current financial year (negative amount)		36 (1) (a), 472 (3)	
25b	Foreseeable tax charges relating to CET1 items (negative amount)		36 (1) (l)	
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment			
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	107		
	Of which: unrealised loss	133	467	
	Of which: ...filter for unrealised loss 2	0	472	
	Of which: unrealised gain	-27	468	
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	-812	481	270
	Of which: ...	-812	481	270
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)		36 (1) (j)	
28	<b>Total regulatory adjustments to Common equity Tier 1 (CET1)</b>	<b>-1,119</b>		<b>-433</b>
29	<b>Common Equity Tier 1 (CET1) capital</b>	<b>3,627</b>		
<b>Additional Tier 1 (AT1) capital: instruments</b>				
30	Capital instruments and the related share premium accounts		51, 52	
31	of which: classified as equity under applicable accounting standards			
32	of which: classified as liabilities under applicable accounting standards			
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	1,765	486 (3)	-1,765
	Public sector capital injections grandfathered until 1 January 2018		483 (3)	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		85, 86, 480	
35	of which: instruments issued by subsidiaries subject to phase out		486 (3)	
36	<b>Additional Tier 1 (AT1) capital before regulatory adjustments</b>	<b>1,765</b>		<b>-1,765</b>
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>				
37	Direct and indirect holdings by an institution of own AT1 Instruments (negative amount)		52 (1) (b), 56 (a), 57, 475 (2)	
38	Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		56 (b), 58, 475 (3)	

39	Direct and indirect holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)		56 (c), 59, 60, 79, 475 (4)	
40	Direct and indirect holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above the 10% threshold net of eligible short positions) (negative amount)		56 (d), 59, 79, 475 (4)	
41	Regulatory adjustments applied to additional tier 1 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	-45		45
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-45	472, 472 (3) (a), 472 (4) (a), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)	45
	Of which: Intangible assets	-31		31
	Of which: shortfall of provisions to expected losses	-14		14
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013		477, 477 (3), 477 (4) (a)	
	Of which items to be detailed line by line, e.g. Reciprocal cross holdings in Tier 2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc			
41c	Amount to be deducted from or added to Additional Tier 1 capital with regard to additional filters and deductions required pre- CRR		467, 468, 481	
	Of which: ...possible filter for unrealised losses		467	
	Of which: ...possible filter for unrealised gains		468	
	Of which: ...		481	
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)		56 (e)	
43	<b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>	-45		45
44	<b>Additional Tier 1 (AT1) capital</b>	1,720		
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	5,346		
<b>Tier 2 (T2) capital: instruments and provisions</b>				
46	Capital instruments and the related share premium accounts	1,444	62, 63	
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	37	486 (4)	-37
	Public sector capital injections grandfathered until 1 January 2018		483 (4)	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		87, 88, 480	
49	of which: instruments issued by subsidiaries subject to phase out		486 (4)	
50	Credit risk adjustments	31	62 (c) and (d)	
51	<b>Tier 2 (T2) capital before regulatory adjustments</b>	1,511		
<b>Tier 2 (T2) capital: regulatory adjustments</b>				
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)		63 (b) (i), 66 (a), 67, 477 (2)	
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		66 (b), 68, 477 (3)	

54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		66 (c), 69, 70, 79, 477 (4)	
54a	Of which new holdings which are not subject to transitional arrangements			
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements			
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		66 (d), 69, 79, 477 (4)	
56	Regulatory adjustments applied to tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)			
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013		472, 472 (3) (a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)	
	Of which: shortfall of provisions to expected losses	-14		14
56b	Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013		475, 475 (2) (a), 475 (3), 475 (4) (a)	
	Of which items to be detailed line by line, e.g. reciprocal cross holdings in at1 instruments, direct holdings of non significant investments in the capital of other financial sector entities, etc			
56c	Amount to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre CRR		467, 468, 481	
	Of which: ...possible filter for unrealised losses		467	
	Of which: ...possible filter for unrealised gains		468	
	Of which: ...		481	
57	<b>Total regulatory adjustments to Tier 2 (T2) capital</b>	-14		14
58	<b>Tier 2 (T2) capital</b>	1,497		
59	<b>Total capital (TC = T1 + T2)</b>	6,843		
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013(i.e. CRR residual amounts)			
	Of which: ...items not deducted from CET1 (Regulation (EU) No 575/2013residual amounts) (items to be detailed line by line, e.g. Deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc)		472, 475 (2) (b), 475 (2) (c), 477 (4) (b)	
	Of which: ...items not deducted from AT1 items (Regulation (EU) No 575/2013residual amounts) (items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc)		475, 475 (2) (b), 475 (2) (c), 475 (4) (b)	
	Items not deducted from T2 items (Regulation (EU) No 575/2013residual amounts) (items to be detailed line by line, e.g. Indirect holdings of own t2 instruments, indirect holdings of non significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc)		477, 477 (2) (b), 477 (2) (c), 477 (4) (b)	
60	<b>Total risk weighted assets</b>	39,534		

<b>Capital ratios and buffers</b>			
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	9.2%	92 (2) (a), 465
62	Tier 1 (as a percentage of risk exposure amount)	13.5%	92 (2) (b), 465
63	Total capital (as a percentage of risk exposure amount)	17.3%	92 (2) (c)
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)		CRD 128, 129, 130
65	of which: capital conservation buffer requirement		
66	of which: countercyclical buffer requirement		
67	of which: systemic risk buffer requirement		
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer		CRD 131
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	5.2%	CRD 128
69	[non relevant in EU regulation]		
70	[non relevant in EU regulation]		
71	[non relevant in EU regulation]		
<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	89	36 (1) (h), 45, 46, 472 (10), 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)
73	Direct and indirect holdings by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	12	36 (1) (i), 45, 48, 470, 472 (11)
74	Empty Set in the EU		
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	523	36 (1) (c), 38, 48, 470, 472 (c)
<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)		62
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach		62
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	31	62
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	177	62
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)</b>			
80	Current cap on CET1 instruments subject to phase out arrangements		484 (3), 486 (2) and (5)
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		484 (3), 486 (2) and (5)
82	Current cap on AT1 instruments subject to phase out arrangements	1,765	484 (4), 486 (3) and (5)
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	0	484 (4), 486 (3) and (5)
84	Current cap on T2 instruments subject to phase out arrangements	70	484 (5), 486 (4) and (5)
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0	484 (5), 486 (4) and (5)

Table 48: Disclosure of the type and amounts of the specific components of own funds during the transitional period in € m

## Full reconciliation of own funds items with audited financial statements

### Step 1) Comparison of own funds items of the consolidated financial statements between the scope of consolidation under the German Commercial Code (HGB) and the regulatory scope of consolidation

Own funds items consolidated financial statements under IFRS as at 31 Dec. 2013

Item	HGB scope of consolidation	Regulatory Scope of Consolidation	Reason for the difference
Subscribed capital	3,018	3,018	
Capital reserve	594	594	
Retained earnings	1,768	1,921	Consolidation and/or reinvestment of profits/losses
Revaluation reserve	27	27	
Currency conversion reserve	-64	-65	Consolidation effects due to different consolidation rules
Income attributable to companies measured at equity not to be presented on the face of the income statement (IAS 1.82)	3	3	
Other income from non-current assets held for sale and disposal groups	3	3	
Group net profit/loss	-812	-864	Consolidation effects due to different consolidation rules
Non-controlling interests	-13	-13	
<b>Equity</b>	<b>4,525</b>	<b>4,624</b>	
Subordinated liabilities	4,110	4,110	
Silent participations	1,146	1,146	
Profit participation capital	31	31	
<b>Subordinated capital</b>	<b>5,288</b>	<b>5,288</b>	
<b>Other assets on the balance sheet/ income statement items relevant for regulatory reporting</b>			
Intangible assets	45	44	Consolidation effects due to different consolidation rules
Deferred tax assets	2,251	2,251	
Deferred tax liabilities	1,057	1,057	
Valuation result	-153	-169	Consolidation effects due to different consolidation rules

## Step 2) Expansion of own funds items of the consolidated financial statements using the regulatory scope of consolidation taking intra-year regulatory adjustments and updates into account

Item	Expanded own funds items in the IFRS consolidated financial statements as at 31 Dec. 2013 Regulatory scope of consolidation	Regulatory adjustments and updates during the 2014 financial year	Reason for adjustments	Expanded own funds items in the IFRS consolidated financial statements as at 31 Dec. 2013 including regulatory adjustments Regulatory scope of consolidation	Component
Subscribed capital	3,018			3,018	a
Capital reserve	594			594	b
Retained earnings	1,921			1,741	
of which: other retained earnings	714			714	c
of which: gains/losses from pension obligations not recognised in the income statement	18	-262	Taking intra-year effects into account	-245	j
of which: deferred taxes on gains/losses from pension obligations not recognised in the income statement	-5	83	Taking intra-year effects into account	78	k
of which: Group reserves	1,194			1,194	d
Reveluation reserve	27			27	f
Currency conversion reserve	-65			-65	e
Income attributable to companies measured at equity not to be presented on the face of the income statement (IAS 1.82)	3			3	g
Other net income from non-current assets held for sale and disposal groups	3			3	Not considered in regulatory reporting
Group net profit/loss	-864			-864	i
Non-controlling interests	-13			-13	Not considered in regulatory reporting
<b>Equity</b>	<b>4,624</b>			<b>4,444</b>	
Subordinated liabilities	4,110	-2,674	Amortisation in accordance with Article 64 CRR and deduction of non-eligible instruments	1,436	o
including: Instruments not eligible in the future	37			37	p

Silent participations	1,146	619	plus silent participations which are disclosed as securitised liabilities in the consolidated statement of financial position	1,765	n
Profit participation capital	31	-24	Amortisation in accordance with Article 64 CRR	7	q
<b>Subordinated Capital</b>	<b>5,288</b>			<b>3,209</b>	
Intangible assets	44	3	Changes in 2014	47	ma
Deferred tax assets	2,251			2,251	
of which: deferred taxes that rely on future profitability, not arising from temporary differences	216			216	ra
of which: deferred tax that rely on future profitability, arising from temporary differences	2,035			2,035	sa
Deferred tax liabilities	1,057			1,057	
of which: deferred taxes that rely on future profitability, not arising from temporary differences	98		Allocation in accordance with Article 38 (5) CRR	98	rb
of which: deferred taxes that rely on future profitability, arising from temporary differences	924		Allocation in accordance with Article 38 (5) CRR	924	sb
of which: deferred taxes on intangible assets	8			8	mb
Measurement result	-169			-169	
of which: own credit risk asset class interest rates	-25			-25	ha
of which: own credit risk asset class equity	1			1	hb
of which: own credit risk asset class credit derivatives	0			0	hc
Interim profit/loss		292	Interim profit 2014	292	l



### Step 3) Allocation of own funds items to equity items of the regulatory banking group as at 31 December 2014

	(A) Amount at disclosure date	(C) Amounts subject to pre- regulation (EU) No 575/2013 treatment or prescribed residual amount of regulation (EU) No 575/2013	Component mapping to step 2
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
1	Capital instruments and the related share premium accounts	3,612	a+b
2	Retained earnings	1,044	c+d+i
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	-202	e+f+g+(j+k)
5a	Independently reviewed interim profits net of any foreseeable charge or dividends	292	l
6	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	4,746	
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>			
7	Additional value adjustments (negative amount)	-103	regulatory value
8	Intangible assets (net of related tax liability) (negative amount)	-8	-31 ma - mb
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-24	-94 rb-ra
12	Negative amounts resulting from the calculation of expected loss amounts	-20	-28 regulatory value
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-24	ha+hb+hc
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-104	regulatory value
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in 38 (3) are met) (negative amount)	-131	-549 sb-sa, and after consideration of Article 48 CRR thresholds
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	106	
	Of which: unrealised loss	133	(j + k) * 80%
	Of which: unrealised gain	-27	f

26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	-812	270 regulatory value
28	<b>Total regulatory adjustments to Common equity Tier 1 (CET1)</b>	-1,119	-433
29	Common Equity Tier 1 (CET1) capital	3,627	
<b>Additional Tier 1 (AT1) capital: instruments</b>			
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	1,765	-1,765 <sup>n</sup>
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>			
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to Article 472 of Regulation (EU) No 575/2013	-45	45 Residual intangible assets (row 8): € 31 million and 50% of the residual expected loss amounts (row 12): € 14 million
44	<b>Additional Tier 1 (AT1) capital</b>	1,720	
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	5,346	
<b>Tier 2 (T2) capital: instruments and provisions</b>			
46	Capital instruments and the related share premium accounts	1,444	o+q
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	37	-37 <sup>p</sup>
50	Credit risk adjustments	31	regulatory value
51	<b>Tier 2 (T2) capital before regulatory adjustments</b>	1,511	
<b>Tier 2 (T2) capital: regulatory adjustments</b>			
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-14	14 50% of the residual expected loss amounts (row 12): € 14 million
58	<b>Tier 2 (T2) capital</b>	1,497	
59	<b>Total capital (TC = T1 + T2)</b>	6,843	

Table 49: Full reconciliation of own funds Items with audited financial statements in € m

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## **Main features of equity instruments**

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	DE0003303996	XFNAM0018972	XFNAM0018717
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	Common Equity Tier 1	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Share capital	Silent participations	Silent participations
8	Amount recognised under regulatory capital	3018.2	4.6	2.3
9	Nominal amount of instrument (in currency)	3018.2 (EURm)	5 (EURm)	2.5 (EURm)
9	Nominal amount of instrument (in € million)	3018.2	5	2.5
9a	Issue price	N/A	100.0	100.0
9b	Redemption price	N/A	100.0	100.0
10	Accounting classification	Share capital	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	02 June 2003	02 November 1999	16 August 2000
12	Unlimited or with maturity date	N/A	unlimited	unlimited
13	Original maturity date	N/A	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	no	yes	yes
15	Optional call date, contingent call dates and redemption amount	no	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	N/A	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	N/A	fixed	fixed
18	Nominal coupon rate and any reference index	N/A	4.46%	3.16%
19	Existence of a dividend stopper	no	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	yes	yes
31	If write-down, write-down trigger(s)		Net loss for the year	Net loss for the year
32	If write-down, full or partial		always partially	always partially
33	If write-down, permanent or temporary		temporary	temporary
34	If temporary write-down, description of write-up mechanism		mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation		Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018931	XFNAM0018709	XFNAM0018998
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	2.5	2.3	22.8
9	Nominal amount of instrument (in currency)	2.8 (EURm)	2.5 (EURm)	30 (EURm)
9	Nominal amount of instrument (in € million)	2.8	2.5	30
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	16 August 2000	16 August 2000	12 October 2001
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.16%	7.60%	4.11%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 2 <sup>3</sup>	mechanism: 2 <sup>3</sup>	mechanism: 2 <sup>3</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018956	XFNAM0018584	XFNAM0018592
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	6.6	18.2	9.1
9	Nominal amount of instrument (in currency)	7.2 (EURm)	20 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	7.2	20	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	16 August 2000	24 July 2000	24 July 2000
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period	2 year notice period	2 year notice period
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.16%	3.16%	3.16%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 2 <sup>3</sup>	mechanism: 2 <sup>3</sup>	mechanism: 2 <sup>3</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018568	XFNAM0018808	XFNAM0018576
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	22.8	18.7	27.3
9	Nominal amount of instrument (in currency)	25 (EURm)	25 (EURm)	30 (EURm)
9	Nominal amount of instrument (in € million)	25	25	30
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	04 August 2000	01 June 2001	24 July 2000
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period	2 year notice period	2 year notice period
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.16%	7.66%	3.16%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 2 <sup>3</sup>	mechanism: 2 <sup>3</sup>	mechanism: 2 <sup>3</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018519	XFNAM0018600	XFNAM0018865
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	9.4	86.3	3.8
9	Nominal amount of instrument (in currency)	10 (EURm)	100 (EURm)	5 (EURm)
9	Nominal amount of instrument (in € million)	10	100	5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	29 May 2000	24 July 2000	10 September 2001
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period	2 year notice period	2 year notice period
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	fixed	fixed
18	Nominal coupon rate and any reference index	2.073% 12-months-Euribor plus 1.50%	4.98%	3.95%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 2 <sup>3</sup>	mechanism: 2 <sup>3</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A



1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018840	XFNAM0018766	XFNAM0018758
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	3.7	9.1	9.1
9	Nominal amount of instrument (in currency)	5 (EURm)	10 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	5	10	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	23 July 2001	22 November 2000	22 November 2000
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	4.03%	3.16%	3.16%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018741	XFNAM0018733	XFNAM0018725
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	4.6	4.6	9.1
9	Nominal amount of instrument (in currency)	5 (EURm)	5 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	5	5	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	18 September 2000	18 September 2000	18 September 2000
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period	2 year notice period
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.16%	3.16%	3.16%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 2 <sup>3</sup>	mechanism: 2 <sup>3</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018782	XFNAM0018790	XFNAM0018626
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	3.8	18.8	6.8
9	Nominal amount of instrument (in currency)	5 (EURm)	25 (EURm)	7.5 (EURm)
9	Nominal amount of instrument (in € million)	5	25	7.5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	01 February 2001	19 February 2001	02 August 2000
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period	2 year notice period	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.98%	3.93%	3.16%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 2 <sup>3</sup>	mechanism: 2 <sup>3</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018550	XFNAM0018634	XFNAM0018543
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	18.2	9.1	4.6
9	Nominal amount of instrument (in currency)	20 (EURm)	10 (EURm)	5 (EURm)
9	Nominal amount of instrument (in € million)	20	10	5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	14 July 2000	02 August 2000	14 July 2000
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.16%	3.16%	3.16%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018683	XFNAM0018691	XFNAM0018642
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	3.6	0.9	13.7
9	Nominal amount of instrument (in currency)	4 (EURm)	1 (EURm)	15 (EURm)
9	Nominal amount of instrument (in € million)	4	1	15
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	16 August 2000	16 August 2000	02 August 2000
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.16%	3.16%	3.16%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018907	XFNAM0018618	XFNAM0018915
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	0.5	27.3	0.5
9	Nominal amount of instrument (in currency)	0.5 (EURm)	30 (EURm)	0.5 (EURm)
9	Nominal amount of instrument (in € million)	0.5	30	0.5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	15 December 1999	24 July 2000	15 December 1999
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	fixed	floating
18	Nominal coupon rate and any reference index	2.049% 12-months-Euribor plus 1.50%	3.16%	2.049% 12-months-Euribor plus 1.50%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018923	XFNAM0018477	XFNAM0018659
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	2.4	9.1	9.1
9	Nominal amount of instrument (in currency)	2.5 (EURm)	10 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	2.5	10	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	15 December 1999	05 June 2000	02 August 2000
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	fixed	fixed
18	Nominal coupon rate and any reference index	2.049% 12-months-Euribor plus 1.50%	3.16%	3.16%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018873	XFNAM0018949	XFNAM0018774
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	1.9	4.3	15.0
9	Nominal amount of instrument (in currency)	2.5 (EURm)	5 (EURm)	20 (EURm)
9	Nominal amount of instrument (in € million)	2.5	5	20
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	10 September 2001	01 August 2000	01 February 2001
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.95%	4.98%	3.98%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A



1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018527	XFNAM0018535	XFNAM0018857
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	0.5	0.5	3.7
9	Nominal amount of instrument (in currency)	0.5 (EURm)	0.5 (EURm)	5 (EURm)
9	Nominal amount of instrument (in € million)	0.5	0.5	5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	29 May 2000	19 July 2000	23 July 2001
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	floating	fixed
18	Nominal coupon rate and any reference index	2.073% 12-months-Euribor plus 1.50%	2.021% 12-months-Euribor plus 1.50%	4.03%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018485	XFNAM0018816	XFNAM0018832
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	9.1	7.5	3.7
9	Nominal amount of instrument (in currency)	10 (EURm)	10 (EURm)	5 (EURm)
9	Nominal amount of instrument (in € million)	10	10	5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	14 June 2000	03 July 2001	03 July 2001
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.16%	4.00%	4.00%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018675	XFNAM0024178	XFNAM0018667
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	Tier 2	non-eligible
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	4.6	32.6	4.6
9	Nominal amount of instrument (in currency)	5 (EURm)	25.6 (EURm)	5 (EURm)
9	Nominal amount of instrument (in € million)	5	25.6	5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	16 August 2000	30 December 1997	16 August 2000
12	Unlimited or with maturity date	unlimited	Date of maturity	unlimited
13	Original maturity date	No maturity	31 December 2022	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	no	yes
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	extraordinary right of cancellation, notice period: 2 years	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)
16	Subsequent call dates, if applicable	2 year notice period		2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.16%	7.02%	3.16%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 3 <sup>4</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	N/A	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0018824	XFNAM0018493	XFHSH002533
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	non-eligible	non-eligible	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	7.5	27.3	351.5
9	Nominal amount of instrument (in currency)	10 (EURm)	30 (EURm)	500 (EURm)
9	Nominal amount of instrument (in € million)	10	30	500
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	03 July 2001	03 July 2000	19 February 2002
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	yes	yes	no
15	Optional call date, contingent call dates and redemption amount	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	2 year notice period (extraordinary right of cancellation in the event of a material change in the tax or regulatory treatment)	yes, although securities cannot be cancelled, the silent partnership can be terminated by HSH by cancelling the silent participation as a result of a material change in the tax or regulatory treatment
16	Subsequent call dates, if applicable	2 year notice period	2 year notice period	2 year notice period
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	floating
18	Nominal coupon rate and any reference index	4.00%	3.16%	3.583011% 12-months-Euribor plus 215 bp plus tax adjustment is equivalent to (coupon * 1.35823)
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	yes
31	If write-down, write-down trigger(s)	Net loss for the year	Net loss for the year	Accumulated loss
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	Share
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	RESPARCS Funding II L.P.	RESPARCS Funding L.P. I	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	DE0009842542	XS0159207850	XS0221141400
3	Governing law(s) of the instrument	German law	German law	English law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	(Partially) consolidated	(Partially) consolidated	(Partially) consolidated
7	Instrument type	Silent participations	Silent participations	Silent participations
8	Amount recognised under regulatory capital	392.2	190.7	303.4
9	Nominal amount of instrument (in currency)	500 (EURm)	300 (USDm)	500 (USDm)
9	Nominal amount of instrument (in € million)	500	247.1	411.8
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	N/A
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	28 May 2003	19 December 2002	17 June 2005
12	Unlimited or with maturity date	unlimited	unlimited	unlimited
13	Original maturity date	No maturity	No maturity	No maturity
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	yes, although securities cannot be cancelled, the silent participation can be cancelled by HSH by a yearly extraordinary right of cancellation as of June 30th, if the repayment of the nominal value and accrued interest through Resparc SPV is assured	yes, although securities cannot be cancelled, the silent participation can be cancelled by HSH by a yearly extraordinary right of cancellation as of June 30th, if the repayment of the nominal value and accrued interest through Resparc SPV is assured	yes, although securities cannot be cancelled, the silent partnership can be terminated by HSH by cancelling the silent participation (as of 31 December 2015 for the first time), given a 2-year-notice period + approval of the regulator + a solvability-indicator >9% for the
16	Subsequent call dates, if applicable	N/A	N/A	N/A
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	7.50%	8.00%	7.25%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no <sup>7</sup>	no <sup>7</sup>	no <sup>7</sup>
31	If write-down, write-down trigger(s)	Accumulated loss	Accumulated loss	Accumulated loss where the special feature is that the coupon distribution is based on the net loss for the year
32	If write-down, full or partial	always partially	always partially	always partially
33	If write-down, permanent or temporary	temporary	temporary	temporary
34	If temporary write-down, description of write-up mechanism	mechanism: 1 <sup>2</sup>	mechanism: 1 <sup>2</sup>	mechanism: 3 <sup>4</sup>
35	Position in subordination hierarchy in case of liquidation	Share	Share	N/A
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0016687	XFNAM0016661	XFNAM0008551
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Profit participation	Profit participation	Registered bonds
8	Amount recognised under regulatory capital	7.2	0.3	3.9
9	Nominal amount of instrument (in currency)	25 (EURm)	1 (EURm)	20 (EURm)
9	Nominal amount of instrument (in € million)	25	1	20
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	21 January 2000	31 July 2001	21 June 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	31 December 2016	31 December 2016	21 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	no
15	Optional call date, contingent call dates and redemption amount	Extraordinary right of cancellation in the event of tax changes; 2 year notice period at the end of the financial year	Extraordinary right of cancellation in the event of tax changes; 2 year notice period at the end of the financial year	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	floating
18	Nominal coupon rate and any reference index	7.35%	6.68%	0.497% 1-months-Euribor plus 0.472%
19	Existence of a dividend stopper	no (but potential replenishment takes precedence over dividend distributions)	no (but potential replenishment takes precedence over dividend distributions)	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	partially discretionary	partially discretionary	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	partially discretionary	partially discretionary	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	yes	yes	no
31	If write-down, write-down trigger(s)	Accumulated loss	Accumulated loss	
32	If write-down, full or partial	fully or Partially	fully or Partially	
33	If write-down, permanent or temporary	temporary	temporary	
34	If temporary write-down, description of write-up mechanism	mechanism: 4 <sup>5</sup>	mechanism: 4 <sup>5</sup>	
35	Position in subordination hierarchy in case of liquidation	N/A	N/A	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008767	XFNAM0008775	XFNAM0008783
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Registered bonds	Registered bonds	Registered bonds
8	Amount recognised under regulatory capital	3.9	3.9	3.9
9	Nominal amount of instrument (in currency)	20 (EURm)	20 (EURm)	20 (EURm)
9	Nominal amount of instrument (in € million)	20	20	20
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	08 July 2005	08 July 2005	08 July 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	21 December 2015	21 December 2015	21 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.67%	2.67%	3.42%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0009724	XFNAM0009757	XFNAM0009815
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Registered bonds	Registered bonds	Registered bonds
8	Amount recognised under regulatory capital	18.0	5.0	5.0
9	Nominal amount of instrument (in currency)	18 (EURm)	5 (EURm)	5 (EURm)
9	Nominal amount of instrument (in € million)	18	5	5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	23 October 2006	27 October 2006	07 November 2006
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	22 October 2021	27 October 2021	8 November 2021
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	4.55%	4.61%	4.48%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A



1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	DE0002502259	DE0002878980	DE0008121880
3	Governing law(s) of the instrument	English law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	1.3	16.6	3.7
9	Nominal amount of instrument (in currency)	15 (EURm)	105 (EURm)	20 (EURm)
9	Nominal amount of instrument (in € million)	15	105	20
9a	Issue price	100.0	99.8	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - designated at fair value	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	09 June 1999	15 October 2002	01 July 2003
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	9 June 2015	15 October 2015	1 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	no
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel with a two year notice period in the event that a material change in the tax treatment results in additional payments being made to the holders of the debenture or the recognition as Tier 1 capital no longer applies or is affected.	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	floating	floating
18	Nominal coupon rate and any reference index	4.5% CMS: Const.MAT.swap rate (EUR) 30 years minus 1.27 % minimum of 4.50%	0.462% 3-months-EURIBOR plus 0.38%	0.482% 3-months-EURIBOR plus 0.40%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	DE000HSH1LX9	DE000HSH1MN8	XS0096688881
3	Governing law(s) of the instrument	German law	German law	English law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	57.9	12.1	50.0
9	Nominal amount of instrument (in currency)	296 (EURm)	75 (USDm)	50 (EURm)
9	Nominal amount of instrument (in € million)	296	61.8	50
9a	Issue price	99.7	98.9	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	25 May 2005	30 June 2005	26 April 1999
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	23 December 2015	26 April 2038
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.63%	4.50%	5.38%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XS0098835761	XS0104723266	XS0105720881
3	Governing law(s) of the instrument	English law	English law	English law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	19.2	85.9	63.8
9	Nominal amount of instrument (in currency)	20 (EURm)	86 (EURm)	64 (EURm)
9	Nominal amount of instrument (in € million)	20	86	64
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	29 June 1999	25 November 1999	17 January 2000
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	29 June 2029	25 November 2039	17 January 2030
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	floating	floating
18	Nominal coupon rate and any reference index	5.00%	0.461% 3-months EURIBOR plus 0.38%	0.666% 6-months-EURIBOR plus 0.36%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XS0119807674	XS0121146137	XS0122546442
3	Governing law(s) of the instrument	English law	English law	English law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	30.0	35.0	15.2
9	Nominal amount of instrument (in currency)	30 (EURm)	35 (EURm)	18.4 (USDm)
9	Nominal amount of instrument (in € million)	30	35	15.2
9a	Issue price	100.0	100.6	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	13 November 2000	06 December 2000	29 December 2000
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	13 November 2020	6 December 2030	29 December 2030
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	floating
18	Nominal coupon rate and any reference index	6.45%	6.44%	0.6746% 3-months-USD-LIBOR plus 0.42%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XS0122825754	XS0124807099	XS0126551695
3	Governing law(s) of the instrument	English law	English law	English law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	18.7	20.6	117.8
9	Nominal amount of instrument (in currency)	22.7 (USDm)	25 (USDm)	143 (USDm)
9	Nominal amount of instrument (in € million)	18.7	20.6	117.8
9a	Issue price	100.0	100.5	100.5
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	22 January 2001	19 February 2001	21 March 2001
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	5 January 2040	19 February 2031	21 March 2031
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	floating	floating
18	Nominal coupon rate and any reference index	0.6521% 3-months-USD-LIBOR plus 0.42 %	0.63685% 3-months-LIBOR plus 0.405%	0.6521% 3-months-USD-LIBOR plus 0.405%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XS0160275292	DE000HSH0G91	DE000HSH1LW1
3	Governing law(s) of the instrument	German law	English law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	2.0	1.7	27.0
9	Nominal amount of instrument (in currency)	10 (EURm)	50 (USDm)	139 (EURm)
9	Nominal amount of instrument (in € million)	10	41.2	139
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	23 December 2002	17 March 2005	23 May 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	17 March 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	floating	floating
18	Nominal coupon rate and any reference index	5.10%	0.4226% 3-months-LIBOR plus 0.18%	0.357% 6-months-EURIBOR plus 0.18%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XS0119368222	XS0119368495	XS0119436326
3	Governing law(s) of the instrument	English law	English law	English law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	70.0	49.9	49.8
9	Nominal amount of instrument (in currency)	70 (EURm)	50 (EURm)	50 (EURm)
9	Nominal amount of instrument (in € million)	70	50	50
9a	Issue price	100.0	99.7	99.3
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	25 October 2000	25 October 2000	30 October 2000
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	25 October 2030	25 October 2030	30 October 2030
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture
16	Subsequent call dates, if applicable	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture		
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	N/A	floating	floating
18	Nominal coupon rate and any reference index	N/A	0.445% 3-months-EURIBOR plus 0.36%	0.418% 3-months-EURIBOR plus 0.33%
19	Existence of a dividend stopper	N/A	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XS0119502994	XS0120017974	XS0120117170
3	Governing law(s) of the instrument	English law	English law	English law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	80.0	50.0	60.0
9	Nominal amount of instrument (in currency)	80 (EURm)	50 (EURm)	60 (EURm)
9	Nominal amount of instrument (in € million)	80	50	60
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	30 October 2000	08 November 2000	11 December 2000
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	30 October 2040	8 November 2030	11 December 2020
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	floating	floating
18	Nominal coupon rate and any reference index	0.468% 3-months-EURIBOR plus 0.38 %	0.572% 6-months-EURIBOR plus 0.39 %	0.537% 6-months-EURIBOR plus 0.36%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A



1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XS0120635809	XS0121531122	XS0122667230
3	Governing law(s) of the instrument	English law	English law	English law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	50.0	16.0	92.0
9	Nominal amount of instrument (in currency)	50 (EURm)	16 (EURm)	92 (EURm)
9	Nominal amount of instrument (in € million)	50	16	92
9a	Issue price	100.0	99.9	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	28 November 2000	05 February 2001	22 January 2001
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	28 November 2030	5 February 2031	22 January 2041
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	floating	floating
18	Nominal coupon rate and any reference index	0.462% 3-months EURIBOR plus 0.38%	0.445% 3-months-EURIBOR plus 0.36%	0.461% 3-months-EURIBOR plus 0.38%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XS0123007279	XS0133159227	XS0223572719
3	Governing law(s) of the instrument	English law	English law	English law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Bearer bonds	Bearer bonds
8	Amount recognised under regulatory capital	5.0	19.9	58.3
9	Nominal amount of instrument (in currency)	5 (EURm)	20 (EURm)	355 (USDm)
9	Nominal amount of instrument (in € million)	5	20	292.4
9a	Issue price	100.0	99.5	99.8
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	12 January 2001	18 July 2001	30 June 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	1 December 2030	18 July 2031	30 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Option to cancel without notice in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	floating	floating
18	Nominal coupon rate and any reference index	0.442% 3-months-EURIBOR plus 0.36%	0.496% 3-months-EURIBOR plus 0.415%	0.4266% 3-months-LIBOR plus 0.17%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XS0223792242	XFNAM0021687	XFNAM0004410
3	Governing law(s) of the instrument	English law	English law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	non-eligible	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Bearer bonds	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	19.9	36.6	1.9
9	Nominal amount of instrument (in currency)	100 (EURm)	10000 (JPYm)	10 (EURm)
9	Nominal amount of instrument (in € million)	100	68.9	10
9a	Issue price	100.1	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - designated at fair value	Liability - amortised cost
11	Original issuing date	30 June 2005	26 August 1997	10 December 2002
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	30 December 2015	26 August 2017	10 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	no	yes
15	Optional call date, contingent call dates and redemption amount	Option to cancel in the event that a change in the tax treatment results in additional payments being made to the holders of the debenture	Extraordinary right of cancellation in the event of tax changes; 2 year notice period at the end of the financial year	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	floating	fixed	fixed
18	Nominal coupon rate and any reference index	0.25% 3-months-EURIBOR plus 0.17%	6.42%	5.21%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0004477	XFNAM0004469	XFNAM0004659
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.9	1.9	1.9
9	Nominal amount of instrument (in currency)	10 (EURm)	10 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	10	10	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	02 January 2003	02 January 2003	10 January 2003
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	14 December 2015	14 December 2015	15 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.17%	5.17%	5.05%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0004345	XFNAM0004360	XFNAM0004634
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.8	2.8	3.8
9	Nominal amount of instrument (in currency)	10 (EURm)	15 (EURm)	20 (EURm)
9	Nominal amount of instrument (in € million)	10	15	20
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	05 December 2002	05 December 2002	10 January 2003
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	4 December 2015	4 December 2015	15 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.28%	5.26%	5.03%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0004246	XFNAM0004154	XFNAM0004188
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	0.8	1.6	0.8
9	Nominal amount of instrument (in currency)	5 (EURm)	5 (EURm)	5 (EURm)
9	Nominal amount of instrument (in € million)	5	5	5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	04 November 2002	15 October 2002	16 October 2002
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	4 November 2015	15 October 2015	16 October 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.32%	5.13%	5.27%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0004162	XFNAM0004170	XFNAM0004386
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.6	0.8	0.9
9	Nominal amount of instrument (in currency)	10 (EURm)	5 (EURm)	5 (EURm)
9	Nominal amount of instrument (in € million)	10	5	5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	15 October 2002	15 October 2002	09 December 2002
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	15 December 2015	15 December 2015	9 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	yes, extraordinary right of cancellation with a two year notice period at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected.	yes, extraordinary right of cancellation with a two year notice period at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected.	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.18%	5.18%	5.25%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0004394	XFNAM0004485	XFNAM0004493
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	0.9	0.1	0.3
9	Nominal amount of instrument (in currency)	5 (EURm)	0.5 (EURm)	1.5 (EURm)
9	Nominal amount of instrument (in € million)	5	0.5	1.5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	09 December 2002	13 December 2002	16 December 2002
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	9 December 2015	14 December 2015	14 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.25%	5.17%	5.18%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A



1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0004501	XFNAM0004642	XFNAM0004733
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	0.5	1.9	0.3
9	Nominal amount of instrument (in currency)	2.5 (EURm)	10 (EURm)	1.5 (EURm)
9	Nominal amount of instrument (in € million)	2.5	10	1.5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	17 December 2002	10 January 2003	13 January 2003
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	17 December 2015	15 December 2015	30 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.08%	5.05%	5.00%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0004725	XFNAM0023352	XFNAM0023360
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	2.0	1.9	1.8
9	Nominal amount of instrument (in currency)	10 (EURm)	10 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	10	10	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	13 January 2003	30 January 2003	09 December 2002
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	30 December 2015	15 December 2015	1 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	no	no
15	Optional call date, contingent call dates and redemption amount	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.00%	4.80%	5.21%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0023378	XFNAM0023394	XFNAM0023402
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	10.0	5.7	1.8
9	Nominal amount of instrument (in currency)	10 (EURm)	30 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	10	30	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	02 November 2000	03 February 2003	07 October 2002
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	2 November 2020	15 December 2015	1 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	6.51%	4.78%	5.18%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0023428	XFNAM0023410	XFNAM0023345
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.8	1.8	1.8
9	Nominal amount of instrument (in currency)	10 (EURm)	10 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	10	10	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	15 October 2002	09 December 2002	07 October 2002
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	1 December 2015	1 December 2015	1 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.20%	5.21%	5.18%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008304	XFNAM0008288	XFNAM0008262
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.0	1.0	4.9
9	Nominal amount of instrument (in currency)	5 (EURm)	5 (EURm)	25 (EURm)
9	Nominal amount of instrument (in € million)	5	5	25
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	19 May 2005	19 May 2005	19 May 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	23 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.67%	3.67%	3.67%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008270	XFNAM0008320	XFNAM0008338
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	2.0	0.6	2.0
9	Nominal amount of instrument (in currency)	10 (EURm)	3 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	10	3	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	19 May 2005	30 May 2005	31 May 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	23 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.67%	3.64%	3.64%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008353	XFNAM0008346	XFNAM0008361
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.0	1.0	3.9
9	Nominal amount of instrument (in currency)	5 (EURm)	5 (EURm)	20 (EURm)
9	Nominal amount of instrument (in € million)	5	5	20
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	31 May 2005	31 May 2005	30 May 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	23 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.64%	3.64%	3.67%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008387	XFNAM0008411	XFNAM0008403
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.0	2.0	2.0
9	Nominal amount of instrument (in currency)	5 (EURm)	10 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	5	10	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	01 June 2005	02 June 2005	02 June 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	23 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.62%	3.62%	3.62%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A



1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008395	XFNAM0008379	XFNAM0008452
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	2.0	1.2	0.1
9	Nominal amount of instrument (in currency)	10 (EURm)	6 (EURm)	0.5 (EURm)
9	Nominal amount of instrument (in € million)	10	6	0.5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	02 June 2005	01 June 2005	07 June 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	23 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.62%	3.62%	3.53%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008494	XFNAM0008502	XFNAM0008460
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.0	1.0	4.9
9	Nominal amount of instrument (in currency)	5 (EURm)	5 (EURm)	25 (EURm)
9	Nominal amount of instrument (in € million)	5	5	25
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	07 June 2005	07 June 2005	07 June 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	23 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.54%	3.54%	3.54%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008528	XFNAM0008486	XFNAM0008510
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	4.9	2.0	0.4
9	Nominal amount of instrument (in currency)	25 (EURm)	10 (EURm)	2 (EURm)
9	Nominal amount of instrument (in € million)	25	10	2
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	07 June 2005	07 June 2005	07 June 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	23 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.53%	3.54%	3.54%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008544	XFNAM0013767	XFNAM0008569
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	2.0	1.0	9.8
9	Nominal amount of instrument (in currency)	10 (EURm)	5 (EURm)	50 (EURm)
9	Nominal amount of instrument (in € million)	10	5	50
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	17 June 2005	20 June 2005	22 June 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	20 October 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.60%	3.51%	3.59%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008688	XFNAM0008684	XFNAM0008858
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	2.9	1.0	1.9
9	Nominal amount of instrument (in currency)	15 (EURm)	5 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	15	5	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	29 June 2005	30 June 2005	18 July 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	15 December 2015	23 December 2015	15 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.45%	3.46%	3.57%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008866	XFNAM0008874	XFNAM0008882
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	4.8	1.9	1.0
9	Nominal amount of instrument (in currency)	25 (EURm)	10 (EURm)	5 (EURm)
9	Nominal amount of instrument (in € million)	25	10	5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	18 July 2005	18 July 2005	18 July 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	15 December 2015	15 December 2015	15 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.57%	3.57%	3.57%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0009732	XFNAM0009849	XFNAM0009831
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.9	0.2	12.5
9	Nominal amount of instrument (in currency)	5 (EURm)	1 (EURm)	62.5 (EURm)
9	Nominal amount of instrument (in € million)	5	1	62.5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	27 November 2006	13 November 2006	10 November 2006
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	27 November 2016	13 November 2015	30 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	4.47%	4.26%	4.28%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0009948	XFNAM0010292	XFNAM0010284
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	0.2	4.2	9.5
9	Nominal amount of instrument (in currency)	1 (EURm)	10 (EURm)	9.5 (EURm)
9	Nominal amount of instrument (in € million)	1	10	9.5
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	04 December 2006	08 February 2007	07 February 2007
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	30 December 2015	8 February 2017	7 February 2022
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	4.24%	4.62%	4.75%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A



1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008296	XFNAM0004527	XFNAM0004402
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.0	1.8	1.9
9	Nominal amount of instrument (in currency)	5 (EURm)	10 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	5	10	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	19 May 2005	18 December 2002	10 December 2002
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	1 December 2015	10 December 2015
14	Callable by issuer subject to prior supervisory approval	no	yes	yes
15	Optional call date, contingent call dates and redemption amount	no	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.67%	5.09%	5.21%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008312	XFNAM0004519	XFNAM0004717
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	1.0	1.8	0.6
9	Nominal amount of instrument (in currency)	5 (EURm)	10 (EURm)	3 (EURm)
9	Nominal amount of instrument (in € million)	5	10	3
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	25 May 2005	18 December 2002	14 January 2003
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	1 December 2015	15 December 2015
14	Callable by issuer subject to prior supervisory approval	no	yes	yes
15	Optional call date, contingent call dates and redemption amount	no	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.69%	5.09%	5.00%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0008445	XFNAM0008437	XFNAM0008429
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	4.9	9.8	9.8
9	Nominal amount of instrument (in currency)	25 (EURm)	50 (EURm)	50 (EURm)
9	Nominal amount of instrument (in € million)	25	50	50
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	06 June 2005	06 June 2005	06 June 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	23 December 2015	23 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	no	no	no
15	Optional call date, contingent call dates and redemption amount	no	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	3.56%	3.56%	3.56%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0004428	XFNAM0023386	XFNAM0008478
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	0.9	0.9	2.0
9	Nominal amount of instrument (in currency)	5 (EURm)	5 (EURm)	10 (EURm)
9	Nominal amount of instrument (in € million)	5	5	10
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	10 December 2002	15 October 2002	07 June 2005
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	10 December 2015	1 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	no	no
15	Optional call date, contingent call dates and redemption amount	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	no	no
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.21%	5.20%	3.54%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

1	Issuer	HSH Nordbank AG	HSH Nordbank AG	HSH Nordbank AG
2	Unique Identifier <sup>1</sup>	XFNAM0004147	XFNAM0004600	XFNAM0004550
3	Governing law(s) of the instrument	German law	German law	German law
<b>Regulatory Treatment</b>				
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
6	Eligible at single entity/Group/single entity and Group level	Solo and (partially) consolidated	Solo and (partially) consolidated	Solo and (partially) consolidated
7	Instrument type	Promissory note loans	Promissory note loans	Promissory note loans
8	Amount recognised under regulatory capital	3.2	3.8	0.6
9	Nominal amount of instrument (in currency)	20 (EURm)	20 (EURm)	3 (EURm)
9	Nominal amount of instrument (in € million)	20	20	3
9a	Issue price	100.0	100.0	100.0
9b	Redemption price	100.0	100.0	100.0
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original issuing date	15 October 2002	10 January 2003	23 December 2002
12	Unlimited or with maturity date	Date of maturity	Date of maturity	Date of maturity
13	Original maturity date	15 October 2015	15 December 2015	23 December 2015
14	Callable by issuer subject to prior supervisory approval	yes	yes	yes
15	Optional call date, contingent call dates and redemption amount	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected	yes, extraordinary right of cancellation, without a notice period, at the earliest after the expiry of 5 years from the value date, if a higher tax burden arises or recognition of the subordinated loan as Tier 1 capital within the meaning of the KWG no longer applies or is affected
16	Subsequent call dates, if applicable			
<b>Coupons / dividends</b>				
17	Fixed or floating dividend / coupon payments	fixed	fixed	fixed
18	Nominal coupon rate and any reference index	5.13%	5.06%	5.10%
19	Existence of a dividend stopper	no	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	mandatory	mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	mandatory	mandatory
21	Existence of step up or other incentive to redeem	no	no	no
22	Noncumulative or cumulative	non-cumulative	non-cumulative	non-cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	no	no	no
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
35	Position in subordination hierarchy in case of liquidation	Profit participations	Profit participations	Profit participations
36	Non-compliant features of converted instruments	N/A	N/A	N/A
37	If necessary, specify non-compliant features	N/A	N/A	N/A

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<sup>1</sup> Uniform identifiers, those beginning with XF are the Bank's own internal identifiers.

<sup>2</sup> Replenishment in the following year up to the nominal contribution amount, provided that this does not give rise to a new deficit. Replenishment of silent contribution after reduction takes precedence over replenishment of share capital and transfers to reserves.

<sup>3</sup> To be replenished up to the nominal contribution amount, only if and provided that that this would not give rise to a new or increased annual deficit. Replenishment takes precedence over transfers to reserves.

<sup>4</sup> Replenishment in the following year up to the nominal contribution amount, provided that this does not give rise to a new deficit. Replenishment of silent contribution after reduction takes precedence over replenishment of share capital and transfers to reserves but is subordinate to replenishment and restitution claims of holders of profit participation certificates.

<sup>5</sup> Replenishment of repayment claims and payment of unpaid dividends take precedence over distributions to owners and transfers to reserves. Unpaid distributions for the 2008 financial year as well as lost interest are not carried forward.

<sup>6</sup> Comment: Replenishment of repayment claims and payment of unpaid dividends take precedence over distributions to owners and transfers to reserves.

<sup>7</sup> Capital markets instruments cannot be written down, but the silent equity holding held by the SPE can be.

Table 50: Description of the main features of own funds instruments issued

### 7.3. ALTERNATIVE CALCULATIONS WITHOUT TAKING THE GUARANTEE FACILITY INTO ACCOUNT

	Exposure value			
	Reporting date		Ø during the reporting period	
	2014	2013	2014	2013
<b>CRSA</b>				
Central governments and central banks	66	65	64	66
Regional governments or local authorities	4	4	4	5
Public sector entities	385	405	361	330
Multilateral development banks	-	-	-	-
International organisations	278	234	273	234
Institutions	1,113	309	842	324
Corporates	1,897	2,555	2,138	3,119
Retail exposures	159	154	179	179
Exposures secured by mortgages on immovable property	256	332	334	386
Exposures in default	325	681	364	944
Exposures associated with particularly high risk	271	-	152	-
Covered bonds	-	-	-	108
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-
Units or shares in collective investment undertakings	13	198	111	201
Other items	0	1	1	6
<b>Advanced IRBA</b>				
Central governments and central banks	22,507	20,501	22,812	21,754
Institutions	12,054	11,190	13,052	12,686
Corporates	68,755	69,492	68,511	73,351
Other non-credit obligation assets	571	644	510	685
<b>Total</b>	<b>108,654</b>	<b>106,765</b>	<b>109,707</b>	<b>114,338</b>

<sup>1</sup>Arithmetic mean of amounts for the quarter

Table 51: Exposure values by exposure classes in € m (alternative calculation without taking the guarantee facility into account)

	CRSA						IRBA			
	Total		Central govern- ments/ central banks		Institutions		Corporates		Other non-credit obligation assets	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Germany	2,508	1,962	16,225	13,939	5,616	5,130	32,977	33,188	373	515
Western Europe (without Germany)	1,521	2,190	2,030	2,642	5,930	5,875	22,644	22,288	-	-
North America	273	314	3,447	2,989	332	72	5,360	6,523	95	56
Asia Pacific Region	29	76	8	58	65	41	4,382	3,972	-	-
Latin America	138	119	4	6	-	-	226	292	-	-
Central and Eastern Europe	0	2	126	136	108	31	1,993	2,018	-	-
Middle East	19	41	-	-	2	40	983	1,012	-	-
African countries	0	0	3	5	0	0	189	199	-	-
Int. organisations	278	234	663	725	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	103	73
<b>Total</b>	<b>4,767</b>	<b>4,938</b>	<b>22,507</b>	<b>20,501</b>	<b>12,054</b>	<b>11,190</b>	<b>68,755</b>	<b>69,492</b>	<b>571</b>	<b>644</b>

Table 52: Exposure values by geographical areas in € m (alternative calculation without taking the guarantee facility into account)



	CRSA						IRBA			
	Total (including: SME <sup>1</sup> )		Central govern- ments/ central banks		Institutions		Corporates (including: SME <sup>1</sup> )		Other non-credit obligation assets	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Credit institutions	871 (-)	120	1,624	1,184	9,436	10,162	19 (-)	42	82	24
Other financial institutions	1,220 (85)	1,669	-	-	1,409	663	2,553 (864)	3,635	53	13
Public sector	343 (3)	307	20,883	19,317	543	86	1,614 (352)	1,471	-	-
Private households	978 (5)	1,201	-	-	1	7	567 (96)	1,285	12	38
Properties and flats	448 (72)	446	-	-	332	53	15,246 (5,780)	15,603	0	0
Shipping	112 (63)	282	-	-	18	10	23,838 (10,235)	23,298	-	-
Industry	128 (9)	167	--	-	64	3	9,389 (3,788)	9,573	11	2
Trade and transport	251 (198)	228	-	-	229	185	5,323 (1,198)	6,379	28	26
Other service activities	415 (89)	516	-	-	21	20	10,205 (777)	8,207	51	52
Other	0 (-)	2	-	-	-	-	- (-)	-	333	489
<b>Total</b>	<b>4,767</b> <b>(522)</b>	<b>4,938</b>	<b>22,507</b>	<b>20,501</b>	<b>12,054</b>	<b>11,190</b>	<b>68,755</b> <b>(23,091)</b>	<b>69,492</b>	<b>571</b>	<b>644</b>

<sup>1</sup> Small and medium-sized enterprises (SMEs); only relevant from the reporting year 2014 onwards

Table 53: Exposure values by economic sectors in € m (alternative calculation without taking the guarantee facility into account)

	CRSA						IRBA			
	Total		Central govern- ments/ central banks		Institutions		Corporates		Other non-credit obligation assets	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
≤ 1 day	87	102	5,730	4,769	567	378	4,171	3,813	13	-
> 1 day ≤ 3 months	1,075	246	714	349	1,979	908	3,920	2,378	-	-
> 3 months ≤ 6 months	158	112	430	212	686	798	810	1,595	-	-
> 6 months ≤ 1 year	570	285	250	302	852	1,066	4,129	4,276	-	8
> 1 year ≤ 5 years	1,323	1,973	4,771	4,396	4,355	4,621	25,568	26,372	-	6
> 5 years	1,554	2,219	10,612	10,474	3,614	3,419	30,157	31,059	558	630
<b>Total</b>	<b>4,767</b>	<b>4,938</b>	<b>22,507</b>	<b>20,501</b>	<b>12,054</b>	<b>11,190</b>	<b>68,755</b>	<b>69,492</b>	<b>571</b>	<b>644</b>

Table 54: Exposure values by contractual remaining maturity in € m (alternative calculation without taking the guarantee facility into account)

IRBA exposure class	Avg. PD in %		Avg. LGD in %		Avg. RW in %		Exposure value	
	2014	2013	2014	2013	2014	2013	2014	2013
<b>Rating range 1: 1(AAAA) – 1(AA+)</b>								
Central governments and central banks	0.0	0.0	26.7	26.4	0.8	0.7	20,471	17,617
Institutions	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-
Equity exposures <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>0.0</b>	<b>0.0</b>	<b>26.7</b>	<b>26.4</b>	<b>0.8</b>	<b>0.7</b>	<b>20,471</b>	<b>17,617</b>
<b>Rating range 2: 1(AA) – 1(A-)</b>								
Central governments and central banks	0.0	0.0	25.1	26.5	16.9	15.5	900	1,701
Institutions	0.1	0.0	22.8	19.1	13.8	9.4	9,728	8,464
Corporates	0.1	0.1	27.6	27.1	14.9	14.6	8,545	8,608
Equity exposures <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>0.1</b>	<b>0.1</b>	<b>25.1</b>	<b>23.5</b>	<b>14.5</b>	<b>12.3</b>	<b>19,172</b>	<b>18,773</b>
<b>Rating range 3: 2 – 5</b>								
Central governments and central banks	0.2	0.2	37.3	35.3	43.7	40.5	716	736
Institutions	0.2	0.2	29.7	23.0	29.5	23.5	1,869	2,244
Corporates	0.2	0.2	29.1	29.1	33.4	34.5	16,686	16,511
Equity exposures <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>0.2</b>	<b>0.2</b>	<b>29.5</b>	<b>28.6</b>	<b>33.4</b>	<b>33.5</b>	<b>19,271</b>	<b>19,491</b>
<b>Rating range 4: 6 – 9</b>								
Central governments and central banks	0.8	0.8	46.1	50.3	116.7	131.0	358	283
Institutions	1.3	1.3	21.5	14.1	56.2	31.2	436	351
Corporates	1.1	1.1	28.1	28.3	61.3	61.4	17,290	15,615
Equity exposures <sup>1</sup>	1.9	1.7	90.0	90.0	307.9	299.5	82	111
<b>Subtotal</b>	<b>1.1</b>	<b>1.1</b>	<b>28.5</b>	<b>28.8</b>	<b>63.4</b>	<b>63.6</b>	<b>18,167</b>	<b>16,360</b>
<b>Rating range 5: 10 - 12</b>								
Central governments and central banks	6.7	3.0	50.0	30.4	174.5	107.3	1	104
Institutions	3.0	4.1	47.8	49.6	127.7	148.3	4	4
Corporates	4.8	4.6	29.7	30.5	100.2	101.6	3,386	4,088
Equity exposures <sup>1</sup>	4.4	4.4	90.0	90.0	369.5	369.5	1	20
<b>Subtotal</b>	<b>4.8</b>	<b>4.5</b>	<b>29.7</b>	<b>30.8</b>	<b>100.3</b>	<b>103.1</b>	<b>3,392</b>	<b>4,216</b>
<b>Rating range 6: 13 - 15</b>								
Central governments and central banks	10.0	10.8	50.0	51.6	261.4	274.0	52	54
Institutions	-	20.0	-	30.5	-	166.3	-	6
Corporates	15.3	14.5	31.9	34.1	148.6	170.2	4,374	6,226



undertakings								
Equity exposures	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,229</b>	<b>539</b>	<b>300</b>	<b>483</b>	<b>298</b>	<b>307</b>	<b>1</b>	<b>16</b>

Table 56: Total amount of collateralised CRSA exposure values (without securitisations) in € m (alternative calculation without taking the guarantee facility into account)

Exposure class	Financial collateral		Other and physical collateral		Guarantees/ derivatives		Life insurance	
	2014	2013	2014	2013	2014	2013	2014	2013
Central governments and central banks	-	-	-	-	126	-	-	-
Institutions	1,533	1,379	243	23	564	778	-	-
Corporates	1,125	1,761	26,573	27,086	1,338	1,108	39	36
Retail exposures	-	-	-	-	-	-	-	-
Other non-credit-obligation assets	-	-	-	-	-	-	-	-
Equity exposures	-	-	5	7	-	-	-	-
including: equity holdings using the simple risk weight approach	-	-	5	7	-	-	-	-
including: equity holdings using the PD-LGD approach	-	-	-	-	-	-	-	-
including: equity holdings using internal models	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,658</b>	<b>3,139</b>	<b>26,821</b>	<b>27,115</b>	<b>2,028</b>	<b>1,885</b>	<b>39</b>	<b>36</b>

Table 57: Total amount of collateralised IRBA exposure values (without securitisations) in € m (alternative calculation without taking the guarantee facility into account)

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**List of Abbreviations**

ABCP	Asset Backed Commercial Paper
ABF	Asset Backed Funding
ABS	Asset Backed Securities
AktG	Aktiengesetz (German Stock Corporation Act)
ALCO	Asset Liability Committee
AöR	Anstalt öffentlichen Rechts
Avg.	Average
ASU	Ancillary services undertaking in accordance with Article 4 (18) CRR
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (Federal Financial Supervisory Authority)
Basel II / Basel III	Basel Framework Agreement
CCF	Credit Conversion Factor
CDS	Credit Default Swaps
CI	Credit institution in accordance with Article 4 (1) CRR
CoRep	Common solvency ratio reporting
CRD	Directive 2013/36/EU of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (Capital Requirements Directive)
CRR	Regulation (EU) No. 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms as amended on 30 November 2013 (Capital Requirements Regulation)
CRSA	Credit Risk Standardised Approach
CVA	Credit Valuation Adjustments
DA	Direct write-downs
DSGV	Deutscher Sparkassen- und Giroverband (German Association of Savings Banks and Giro Banks)
EaD	Exposure at Default (gross loan volume at the date of default)
EBA	European Banking Authority
ECA	Export Credit Agency
ECAI	External Credit Assessment Institutions
EL	Expected Loss
EMIR	European Market Infrastructure Regulation
EU-Commission	European Commission
ECB	European Central Bank
FCR	Foreign Currency Rating
FI	Financial institution in accordance with Article 4 (26) CRR
Fitch	Fitch Ratings
FV	Total receivables
GmbHG	GmbH-Gesetz (German Limited Liability Companies Act)
GuV	Income statement
HGB	Handelsgesetzbuch (German Commercial Code)
IAS	International Accounting Standards
IFRS	International Financial Reporting Standard
InstitutsVergV	Institutsvergütungsverordnung (German Ordinance on the Remuneration of Financial Institutions) as amended on 16 December 2013
IRB	Internal Rating Based

IRBA	Internal Rating Based Approach
ISDA	International Swaps and Derivatives Association
KWG	Gesetz über das Kreditwesen/Kreditwesengesetz (German Banking Act) as amended on 28 August 2013
LBO	Leveraged Buyout
LCH	London Clearing House
LCR	Local Currency Rating
LeDIS	Legal Database Information System
LGD	Loss Given Default
LLC	Limited Liability Company
Ltd.	Limited
M	Maturity
MaRisk	Mindestanforderungen an das Risikomanagement (Minimum Requirements for Risk Management)
Moody's	Moody's Investors Service
OpRisk	Operational Risk
OTC	Over the counter
PD	Probability of Default
PoWB	Portfolio valuation allowance
PQC	Process quality controlling
RechKredV	Kreditinstituts-Rechnungslegungsverordnung
RSU	RSU Rating Service Unit GmbH & Co. KG
RW	Risk weight
SFA	Supervisory Formula Approach
SME	Small and medium-sized enterprises
SolvV	Solvabilitätsverordnung (German Solvency Regulation)
S & P	Standard & Poor's
SPC	Special Purpose Company
SPV	Special Purpose Vehicle
SR	S Rating und Risikosysteme GmbH
TWR	Bearer of economic risk
VaR	Value-at-Risk
IU	Insurance undertaking in accordance with Article 4 (5) CRR

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