

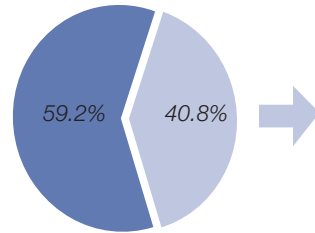
# Interim Group Report as at 30 September 2002

of DEPFA BANK plc

– according to US GAAP –

## Shareholders

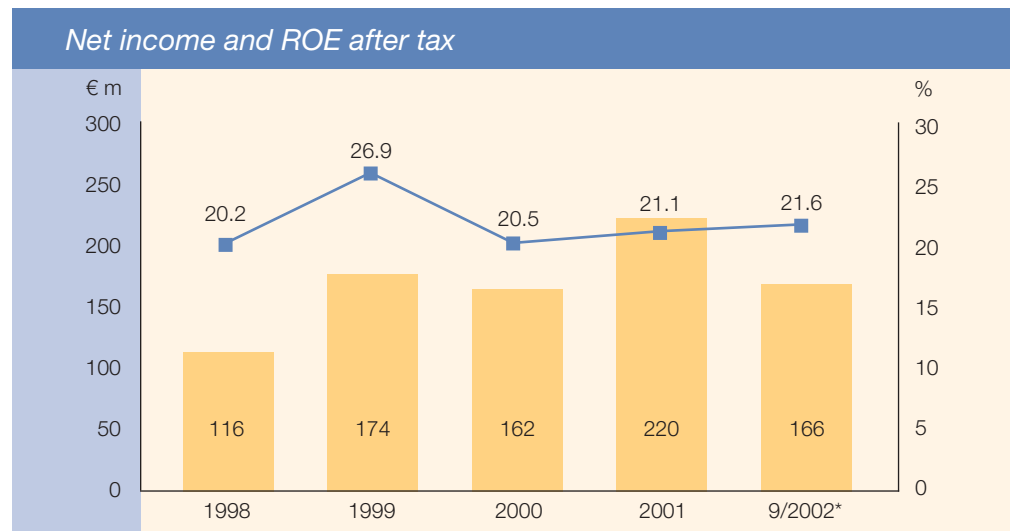
Market capitalisation: € 1.8 bn  
Number of shares: 35,301,972



■ Free float  
■ DEPFA Holding Verwaltungsgesellschaft mbH

- 8.50% Bayerische Beamten-Lebensversicherung aG
- 8.50% Schweizerische Lebensvers.- und Rentenanstalt
- 6.36% Federal and Länder Government-Service Supplementary Pension Agency
- 5.78% Bankhaus Lampe KG
- 5.00% Deutscher Ring Beteiligungs-Holding
- 2.73% Schmidt-Bank
- 2.61% Entenial S.A.
- 1.30% Condor Lebensversicherungs-AG

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\* Group net income from continuing operations

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The figures for 1998-2001 are based on the Segmental reporting by operating unit as set out in previous DEPFA Group annual reports.

## Group Figures according to US GAAP

|  | 30.09.2002<br>€ m | 30.09.2001 <sup>(1)</sup><br>€ m | Change         |              |
|--|-------------------|----------------------------------|----------------|--------------|
|  |                   |                                  | € m            | %            |
| <b>Earnings</b>  |                   |                                  |                |              |
| Total net interest income                                    | 281               | 282                              | -1             | -0.4         |
| <i>Net interest income incl. interest in trading result</i>  | 203               | 217                              | -14            | -6.5         |
| Net commission income  | 1                 | 1                                |                |              |
| Income from sale of assets                                   | 96                | 4                                | 92             |              |
| Trading result   | -112              | -37                              | -75            |              |
| of which from securities                                     | -14               | 18                               | -32            |              |
| of which derivatives valuation                               | -20               | 10                               | -30            |              |
| of which interest  | -78               | -65                              | -13            |              |
| <b>Total earnings</b>  | <b>266</b>        | <b>250</b>                       | <b>16</b>      | <b>6.4</b>   |
| Personnel expenditure  | 39                | 26                               | 13             | 50.0         |
| Other administrative expenditure                             | 21                | 9                                | 12             | 133.3        |
| Depreciation on intangible assets and property and equipment | 4                 | 7                                | -3             | -42.9        |
| <b>Administrative expenditure</b>                            | <b>64</b>         | <b>42</b>                        | <b>22</b>      | <b>52.4</b>  |
| Other income and expenditure                                 | 1                 | 30                               | -29            | -96.7        |
| <b>Operating results before provision for loan losses</b>    | <b>203</b>        | <b>238</b>                       | <b>-35</b>     | <b>-14.7</b> |
| Provision for loan losses                                    | -                 | -9                               | 9              |              |
| <b>Income before income taxes</b>                            | <b>203</b>        | <b>229</b>                       | <b>-26</b>     | <b>-11.4</b> |
| of which excluding derivatives valuation / FAS 133           | 223               | 219                              | 4              | 1.8          |
| Income taxes   | 26                | 60                               | -34            | -56.7        |
| <b>Income after income taxes</b>                             | <b>177</b>        | <b>169</b>                       | <b>8</b>       | <b>4.7</b>   |
| Minority interest income                                     | 11                | 27                               | -16            | -59.3        |
| <b>Group net income from continuing operations</b>           | <b>166</b>        | <b>142</b>                       | <b>24</b>      | <b>16.9</b>  |
| Result from discontinued operations                          | -749              | 72                               |                |              |
| <b>Group net income</b>                                      | <b>-583</b>       | <b>214</b>                       |                |              |
| <b>Key ratios</b> (continuing operations)                    |                   |                                  |                |              |
| Cost/income ratio  | 24.1%             | 16.8%                            |                |              |
| Earnings per share   | 4.70              | 4.02                             |                | 16.9         |
| RoE before tax   | 24.9%             | 26.2%                            |                |              |
| RoE after tax  | 21.6%             | 18.4%                            |                |              |
| <b>Portfolio</b>   | <b>30.09.2002</b> | <b>31.12.2001<sup>(2)</sup></b>  |                |              |
| Public sector finance  | 115,384           | 120,802                          | -5,418         | -4.5         |
| Property finance   | 6,658             | 26,054                           | -19,396        | -74.4        |
| Other loans  | 3,553             | 4,204                            | 99             | 2.4          |
| Outstanding securities including loans taken up              | 68,892            | 80,098                           |                |              |
| Equity   | 1,069             | 2,257                            |                |              |
| Total assets   | 147,916           | 180,899                          |                |              |
| <b>Ratings as at 30 September 2002</b>                       | <b>Fitch</b>      | <b>Moody's</b>                   | <b>S&amp;P</b> |              |
| DEPFA BANK plc   | AA-, F1+, B       | Aa3, P-1, B                      | AA-, A-1+      |              |
| DEPFA Deutsche Pfandbriefbank AG                             | AA-, F1+, B       | Aa3, P-1, B                      | AA-, A-1+      |              |

(1) The comparative profit and loss account figures and notes to the profit and loss account for the period to 30 September 2001 are based on the DEPFA Group interim report as at 30 September 2001 reclassified for discontinued operations.

(2) The comparative balance sheet figures are from the DEPFA Group accounts as at 31 December 2001.

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## Letter to Shareholders

Ladies and Gentlemen,  
dear shareholders,

Almost exactly two years ago, on 27 November 2000, we informed you for the first time about the planned split of the DEPFA Group. As you know, the process was completed on schedule and the new DEPFA has been operating as a pure specialist Public Finance bank since June of this year. Looking back, we can confirm that the objectives of our new legally independent status have been achieved. Since the split, the new DEPFA has enjoyed exceptional market success.

### Group structure

| DEPFA BANK plc  |                   |   | DePfa-Bank Europe plc                         |
|---|-------------------|---|---|
| DEPFA Investment Bank Ltd.  | 100% <sup>1</sup> | 98.2%   | DEPFA Deutsche Pfandbriefbank AG <sup>2</sup> |
| DEPFA USA Inc.  | 100%              | 100%  | DEPFA ACS BANK                                |
| DEPFA Capital Japan K.K.  | 100%              |   | Branches / Rep. offices                       |
| Head Office: Dublin,<br>Listing: Frankfurt Stock Exchange<br>Reuters: DEPF.DE,<br>Bloomberg: DEP GR |                   | (1) Increased from 60% to 100% in April 2002<br>(2) Listing in Frankfurt until further notice;<br>Securities code 804 700 |   |

This assessment was recently endorsed by all three major rating agencies: Fitch, Moody's, and Standard & Poor's all assigned first time ratings to DEPFA BANK plc as an independent bank. With the agencies' unanimous "AA-stable outlook" rating, DEPFA today ranks well above the average rating levels of European banks. One of the major objectives of the split has thus been met. While Standard & Poor's highlighted the excellent asset quality and specialist expertise in the international public finance business, Fitch emphasised our unique business model, minimal credit risk and above-average returns. Our strategy – which all agencies view as positive – has contributed to our stable business development in the current market environment.

Group retained income from continuing operations amounted to € 166 million during the first nine months of the year, up 16.9% year-on-year. This result – which is equivalent to a 21.6% return on equity after tax – continues the positive trend. We are therefore confident of achieving our profit target in the amount of approx. € 200 million, corresponding to a 20% return on equity in this transition year.

At € 266 million, total earnings for the first nine months of the financial year were 6.4% higher than during the same period of 2001. Net interest income of € 281 million was almost unchanged, but fell by 6.5% to € 203 million when including interest components relating to derivatives. Net commission income amounted to € 1 million for the period under review. As was the case at the half-year stage, the negative trading result (€ –112 million) was largely due to the interest impact on derivatives positions. The negative valuation result of derivatives (€ –20 million) is counterbalanced by corresponding unrealised reserves reported in equity capital under Other Comprehensive Income. At € –14 million, the pure trading result reflected the challenging capital markets environment throughout the third quarter.

While administrative expenditure grew significantly, by 52.4%, to € 64 million, expenditure of € 21 million in the third quarter was already € 5 million lower than in the previous quarter. The cost increase – which was mainly driven by split-related expenditure – has clearly been contained: administrative expenditure for the year as a whole will thus remain within the projected range. Performance-related remuneration components will be included in the fourth quarter 2002. The cost/income ratio for the first nine months of the financial year was 24.1%. We expect a level of 30 to 35 percent for the year as a whole.

In August we extended our Global Pfandbrief programme to include a US dollar-denominated issue in order to expand our global investor base in the long term, and in particular to target the US market and Asian central banks. Following in-depth discussions with investors, the Pfandbrief was issued in late September with a volume of USD 2 billion. The global syndicate structure, consisting of three lead managers and nine co-leads, ensured the bond was widely placed in Europe, Asia and the US.

Unfortunately, DEPFA's strong performance is still not sufficiently reflected in its share price. There could hardly have been more unfavourable circumstances for a newly listed bank; corporate crises, accounting scandals and the earnings situation, particularly that of the German banks has made it very difficult for us to achieve a commensurate market capitalisation. Although we are not affected by problems in the economy, lending exposure or the stock markets, but on the contrary are on track to achieve record results, we could not escape negative perceptions of the banking industry in general.

In the first five months as an independently listed bank, the DEPFA share price has fallen by approximately 25%. Despite this unsatisfactory performance, our share price still outperformed the German banking sector by 21 percentage points, and the European banking sector by seven percentage points. We welcome plans by Deutsche Börse to open up its indices to foreign equities and we are seeking admission to the new MDAX in March of next year.

## Group balance sheet as at 30 September 2002 of DEPFA BANK plc

| Assets (€ m)                                      | 30.09.2002     | 31.12.2001 <sup>(1)</sup> |
|---|----------------|---------------------------|
| Cash and balances with central banks              | 466            | 1,360                     |
| Loans and advances to banks                       | 16,809         | 14,040                    |
| Loans and advances to customers                   | 60,746         | 81,399                    |
| Debt securities and other fixed income securities | 62,722         | 74,387                    |
| Shares and other non fixed income securities      | 23             | 296                       |
| Participations                                    | 10             | 121                       |
| Intangible assets                                 | 6              | 53                        |
| Property and equipment                            | 13             | 165                       |
| Other assets                                      | 2,728          | 3,168                     |
| Accrued interest and prepayments                  | 4,393          | 5,910                     |
| <b>Total assets</b>                               | <b>147,916</b> | <b>180,899</b>            |

(1) The comparative balance sheet figures are from the DEPFA Group accounts as at 31 December 2001.

| Shareholders' equity and liabilities (€ m)                     | 30.09.2002     | 31.12.2001 <sup>(1)</sup> |
|--|----------------|---------------------------|
| Deposits by banks  | 34,581         | 51,403                    |
| Deposits by customers  | 4,445          | 15,980                    |
| Securitised liabilities  | 93,756         | 98,548                    |
| Other liabilities  | 7,457          | 4,589                     |
| Accrued interest and deferred income                           | 5,095          | 5,641                     |
| Provisions   | 185            | 372                       |
| Hybrid capital   | 1,084          | 1,539                     |
| Minority interests   | 244            | 570                       |
| <b>Total liabilities</b>                                       | <b>146,847</b> | <b>178,642</b>            |
| Equity   |                |                           |
| Subscribed capital   | 106            | 107                       |
| Capital reserve  | 408            | 394                       |
| Profit reserves  | 1,128          | 1,065                     |
| Other comprehensive income                                     | 52             | (29)                      |
| Group retained income  | (625)          | 720                       |
| <b>Total shareholders' equity</b>                              | <b>1,069</b>   | <b>2,257</b>              |
| <b>Total shareholders' equity and liabilities</b>              | <b>147,916</b> | <b>180,899</b>            |
| <b>Contingent liabilities and irrevocable loan commitments</b> |                |                           |
| Contingent liabilities on guarantees and indemnity agreements  | 168            | 1,437                     |
| Loan commitments   | 6,646          | 7,633                     |

(1) The comparative balance sheet figures are from the DEPFA Group accounts as at 31 December 2001.

## Group profit and loss account for the period 1 January to 30 September 2002 of DEPFA BANK plc

| € m   | 30.09.2002    | 30.09.2001 <sup>(1)</sup> |
|---|---------------|---------------------------|
| Interest receivable and similar income from<br>lending business and money market transactions | 2,796         | 3,178                     |
| fixed income securities   | 2,010         | 2,178                     |
| Interest payable and similar expenditure  | (4,525)       | (5,074)                   |
| <b>Net interest income</b>  | <b>281</b>    | <b>282</b>                |
| Commission income   | 6             | 6                         |
| Commission expenditure  | (5)           | (5)                       |
| <b>Net commission income</b>  | <b>1</b>      | <b>1</b>                  |
| <b>Income from sale of assets</b>   | <b>96</b>     | <b>4</b>                  |
| <b>Trading result</b>   | <b>(112)</b>  | <b>(37)</b>               |
| <b>Other income</b>   | <b>5</b>      | <b>38</b>                 |
| <b>TOTAL OPERATING INCOME</b>   | <b>271</b>    | <b>288</b>                |
| General administrative expenditure  | (60)          | (35)                      |
| Depreciation on intangible assets and<br>property and equipment                               | (4)           | (7)                       |
| Other expenditure   | (4)           | (8)                       |
| <b>OPERATING RESULTS BEFORE<br/>PROVISION FOR LOAN LOSSES</b>                                 | <b>203</b>    | <b>238</b>                |
| Provision for loan losses   | –             | (9)                       |
| <b>INCOME BEFORE INCOME TAXES</b>   | <b>203</b>    | <b>229</b>                |
| Income taxes  | (26)          | (60)                      |
| <b>INCOME AFTER INCOME TAXES</b>  | <b>177</b>    | <b>169</b>                |
| Minority interest income  | (11)          | (27)                      |
| <b>GROUP NET INCOME FROM<br/>CONTINUING OPERATIONS</b>  | <b>166</b>    | <b>142</b>                |
| Result from discontinued operations   | (749)         | 72                        |
| <b>GROUP NET INCOME</b>   | <b>(583)</b>  | <b>214</b>                |
| Weighted average number of ordinary shares  | 35,301,972    | 35,301,972                |
| <b>Earnings per share from continuing operations (€)</b>                                      | <b>4.7</b>    | <b>4.0</b>                |
| <b>Earnings per share for discontinued operations (€)</b>                                     | <b>(21.2)</b> | <b>2.0</b>                |
| <b>Total earnings per share (€)</b>   | <b>(16.5)</b> | <b>6.0</b>                |
| <b>Diluted earnings per share (€)</b>   | <b>(16.5)</b> | <b>6.0</b>                |

(1) The comparative profit and loss account figures for the period to 30 September 2001 are based on the DEPFA Group interim report as at 30 September 2001 reclassified for discontinued operations.

## Group statement of changes in shareholders' equity of DEPFA BANK plc

| € m   | Subscribed capital | Capital-reserve | Retained earnings | Group retained income | Other comprehensive Income                                  |   |  | Total          |
|---|--------------------|-----------------|-------------------|-----------------------|---|---|--|----------------|
|   |                    |                 |                   |                       | Unrealised gains/losses from market valuation of securities | Unrealised result from cash flow hedges | Accumulated effect of currency translation |                |
| <b>Balance at 1 January 2002</b>                | <b>107</b>         | <b>394</b>      | <b>1,785</b>      | <b>0</b>              | <b>(24)</b>   | <b>(19)</b>                             | <b>14</b>                                  | <b>2,257</b>   |
| Creation of minority interest by share exchange | (2)                | (8)             | (35)              | –                     | 1   | –                                       | –  | (44)           |
| <b>Adjusted balance at 1 January 2002</b>       | <b>105</b>         | <b>386</b>      | <b>1,750</b>      | <b>0</b>              | <b>(23)</b>   | <b>(19)</b>                             | <b>14</b>                                  | <b>2,213</b>   |
| Spin-off of Aareal Bank AG                      | –                  | –               | (622)             | –                     | 57  | 15                                      | –  | (550)          |
| Group net income (1)                            | –                  | –               | –                 | (583)                 | –   | –                                       | –  | (583)          |
| Other comprehensive income (2)                  | –                  | –               | –                 | –                     | 6   | 16                                      | (14)                                       | 8              |
| <b>Comprehensive income</b>                     | <b>0</b>           | <b>0</b>        | <b>(622)</b>      | <b>(583)</b>          | <b>63</b>   | <b>31</b>                               | <b>(14)</b>                                | <b>(1,125)</b> |
| Dividends                                       | –                  | –               | –                 | (42)                  | –   | –                                       | –  | (42)           |
| Sale of Treasury Stock                          | 1                  | 22              | –                 | –                     | –   | –                                       | –  | 23             |
| <b>Balance at 30 September 2002</b>             | <b>106</b>         | <b>408</b>      | <b>1,128</b>      | <b>(625)</b>          | <b>40</b>   | <b>12</b>                               | <b>0</b>                                   | <b>1,069</b>   |

(1) Including result from discontinued operations of (€ 749m)

(2) Including amounts from discontinued operations of (€ 31m)

## Reorganisation of DEPFA Group

The reorganisation of the DEPFA Group, which had the aim to build two completely separate and publicly listed banking groups was finalised on 6 June 2002.

The major steps and their accounting treatments can be described as following:

On 15 March 2002, 98.06% of the shareholders of DEPFA Deutsche Pfandbriefbank AG accepted an offer to exchange their shares in DEPFA Deutsche Pfandbriefbank AG for 35.3 million shares in DEPFA BANK plc. This share exchange was treated under US GAAP as a transaction under common control and therefore did not result in the creation of goodwill or a profit in the Group accounts of DEPFA BANK plc. With the completion of the exchange offer, DEPFA Deutsche Pfandbriefbank AG has been replaced by DEPFA BANK plc as the ultimate parent of the DEPFA Group. The Group profit and loss account for all periods presented has been restated to reflect the new capital structure of DEPFA BANK plc, including the creation of a minority interest of 1.94% in DEPFA Deutsche Pfandbriefbank AG.

The subsequent reorganisation included the transfer of certain assets and operating entities to Aareal Bank AG. Certain of these transfers required an exchange of consideration based upon the fair value. US GAAP does not permit transfer of assets between entities under common control to be accounted for at fair value. Consequently, the difference between the consideration paid and the book value of the items is transferred directly to shareholders' equity as a deemed contribution or dividend.

On 10 May 2002, DEPFA BANK plc purchased 100% of the shares in DePfa Bank AG, now Aareal Bank AG from DEPFA Deutsche Pfandbriefbank AG.

On 6 June 2002 the share capital of Aareal Bank AG was distributed to shareholders on a pro-rata basis. Under US GAAP Aareal Bank AG is accounted for as a discontinued operation.

Under US GAAP, the results for Aareal Bank AG (net of any impairment) for the period ended 6 June 2002 is included in the Group profit and loss account and disclosed as relating to discontinued operations. The profit referable to Aareal Bank AG for the comparative period is also disclosed as relating to discontinued operations. The disposal of Aareal Bank AG to the Group's shareholders is accounted for as for as a distribution (dividend in specie) at book value (including the results of Aareal Bank AG net of impairment for the period ended 6 June 2002).

## Notes to the Group balance sheet and profit and loss account

The comparative balance sheet figures and notes to the balance sheet are from the DEPFA Group accounts as at 31 December 2001.

The comparative profit and loss account figures and notes to the profit and loss account for the period to 30 September 2001 are based on the DEPFA Group interim report as at 30 September 2001 reclassified for discontinued operations.

### *(1) Loans and advances to banks*

| € m                                | 30.09.2002    | 31.12.2001    |
|------------------------------------|---------------|---------------|
| Property loans                     | –             | 4             |
| Public sector loans                | 5,878         | 6,391         |
| Other loans and advances           | 10,914        | 7,643         |
| Unamortised premiums and discounts | 17            | 2             |
| <b>Total</b>                       | <b>16,809</b> | <b>14,040</b> |
| of which repayable on demand       | 4,663         | 2,681         |

### *(2) Loans and advances to customers*

| € m                                | 30.09.2002    | 31.12.2001    |
|------------------------------------|---------------|---------------|
| Property loans                     | 6,658         | 26,050        |
| Public sector loans                | 53,544        | 55,220        |
| Other loans and advances           | 891           | 958           |
| Unamortised premiums and discounts | 56            | (28)          |
| Less provision for loan losses     | (403)         | (801)         |
| <b>Total</b>                       | <b>60,746</b> | <b>81,399</b> |

### (3) Provision for loan losses

The movement in the provisions and charges for loan losses for on-balance sheet lending business is as follows:

| € m   | Total      |            |
|---|------------|------------|
|   | 30.09.2002 | 31.12.2001 |
| <b>Balance at 1 January</b>   | <b>801</b> | <b>733</b> |
| <b>Additions</b>  |            |            |
| Provision for loan losses charged to the profit and loss account                    | –          | 185        |
| <b>Decreases</b>  |            |            |
| Provision for loan losses used for intended purpose                                 | (398)      | (51)       |
| Provision for loan losses released (shown as income on the profit and loss account) | –          | (66)       |
| <b>Balance at end of period</b>   | <b>403</b> | <b>801</b> |

### (4) Debt securities and other fixed income securities

| € m                | 30.09.2002    | 31.12.2001    |
|--------------------|---------------|---------------|
| Held to maturity   | 102           | 152           |
| Available for sale | 61,903        | 73,814        |
| Trading            | 717           | 421           |
| <b>Total</b>       | <b>62,722</b> | <b>74,387</b> |

### (5) Deposits by banks

| € m                                | 30.09.2002    | 31.12.2001    |
|------------------------------------|---------------|---------------|
| Deposits                           | 11,295        | 17,574        |
| Other liabilities                  | 23,286        | 33,838        |
| Unamortised premiums and discounts | –             | (9)           |
| <b>Total</b>                       | <b>34,581</b> | <b>51,403</b> |
| of which due on demand             | 1,080         | 5,964         |

### (6) Deposits by customers

| € m   | 30.09.2002   | 31.12.2001    |
|---|--------------|---------------|
| Deposits  | 3,462        | 12,844        |
| Savings deposits                                    |              |               |
| with agreed notice period of three months           | –            | 4             |
| with agreed notice period of more than three months | –            | 4             |
| Other liabilities                                   | 983          | 3,129         |
| Unamortised premiums and discounts                  | –            | (1)           |
| <b>Total</b>  | <b>4,445</b> | <b>15,980</b> |
| of which due on demand                              | 1,497        | 3,590         |

### (7) Securitised liabilities

| € m   | 30.09.2002    | 31.12.2001    |
|---|---------------|---------------|
| Debt securities in issue                        |               |               |
| Mortgage Pfandbriefe                            | 3,437         | 4,237         |
| (of which registered mortgage Pfandbriefe)      | (1,931)       | (2,113)       |
| Public sector Pfandbriefe                       | 58,519        | 54,830        |
| (of which registered public sector Pfandbriefe) | (2,530)       | (2,924)       |
| Other bonds                                     | 10,793        | 17,605        |
| Money market paper issued                       | 21,307        | 22,133        |
| Unamortised premiums and discounts              | (300)         | (257)         |
| <b>Total</b>                                    | <b>93,756</b> | <b>98,548</b> |

### (8) Net interest income

| € m   | 30.09.2002 | 30.09.2001 |
|---|------------|------------|
| Interest income from public sector finance                                | 2,379      | 2,603      |
| Interest income from other lending business and money market transactions | 417        | 575        |
| Interest income from fixed income securities                              | 2,010      | 2,178      |
| Interest expenditure for  |            |            |
| Pfandbriefe (asset covered bonds)   | (2,232)    | (2,196)    |
| Other debt securities   | (414)      | (560)      |
| Borrowings  | (50)       | (49)       |
| Hybrid capital  | (60)       | (60)       |
| Other banking transactions  | (1,769)    | (2,209)    |
| <b>Total</b>  | <b>281</b> | <b>282</b> |

### (9) Net commission income

| € m  | 30.09.2002 | 30.09.2001 |
|--|------------|------------|
| Commission income from banking transactions      | 6          | 6          |
| Commission expenditure from banking transactions | (5)        | (5)        |
| <b>Total</b>                                     | <b>1</b>   | <b>1</b>   |

### (10) Trading result

| € m                                | 30.09.2002   | 30.09.2001  |
|------------------------------------|--------------|-------------|
| Securities                         | (14)         | 18          |
| Valuation of Derivatives / FAS 133 | (20)         | 10          |
| Interest                           | (78)         | (65)        |
| <b>Total</b>                       | <b>(112)</b> | <b>(37)</b> |

### *(11) Other income*

The prior year comparative includes € 32 million in income realized on the sale of the holding in Deutsche Börse AG.

### *(12) General administrative expenditure*

| € m                              | 30.09.2002 | 30.09.2001 |
|----------------------------------|------------|------------|
| Personnel expenditure            |            |            |
| Wages and salaries               | 32         | 22         |
| Social security costs            | 7          | 4          |
| (of which for pensions)          | (1)        | (2)        |
| Other administrative expenditure | 21         | 9          |
| <b>Total</b>                     | <b>60</b>  | <b>35</b>  |

### *(13) Result from discontinued operations*

The result from discontinued operations of € –749 million represents the results after tax of Aareal Bank AG for the period ended 6th June 2002 (€ 42 million) and the results of other discontinued operations. These items are shown net of impairment including an impairment of the shareholding in Aareal Bank AG at the date of the spin-off as required by FAS 144.

The directors have restated the amount of the Result from discontinued operations from € –301 million as disclosed in the Interim Group Report as at 30 June 2002 to € –749 million, with an offsetting and equal change in the amount of the distribution upon the spin-off of Aareal Bank AG, on foot of a re-examination of the impairment in the shareholding in Aareal Bank AG as required by FAS 144 at the date of the spin-off. The 30 September 2002 Interim Group Report reflects this restatement. This restatement has no net effect on group equity.

## Reporting on financial instruments

The following table presents nominal amounts for derivatives as at 30 September 2002:

| € m   | Nominal amount<br>Residual maturity |               |               | Total          |
|---|-------------------------------------|---------------|---------------|----------------|
|   | < = 1 year                          | 1–5 years     | > 5 years     |                |
| Interest rate and currency swaps                  | 42,764                              | 49,579        | 63,497        | 155,840        |
| Credit derivatives                                | 426                                 | 842           | 284           | 1,552          |
| Interest rate futures and forward rate agreements | 517                                 | –             | –             | 517            |
| Interest rate options purchased                   | 111                                 | 11            | 34            | 156            |
| Interest rate options written                     | 621                                 | 1,885         | 552           | 3,058          |
| Other interest rate contracts                     | 929                                 | 3,085         | 3,258         | 7,272          |
| Foreign exchange forward contracts                | 6,740                               | –             | –             | 6,740          |
| <b>Total</b>                                      | <b>52,108</b>                       | <b>55,402</b> | <b>67,625</b> | <b>175,135</b> |

## Other details

### *New commitments*

| € m                   | 1.1.-30.09.2002 | 1.1.-30.09.2001 |
|-----------------------|-----------------|-----------------|
| Public sector finance | 15,422          | 23,135          |
| Other loans           | 590             | –               |
| <b>Total</b>          | <b>16,012</b>   | <b>23,135</b>   |

### *Primary sale of debentures including loans taken up*

| € m                       | 1.1.-30.09.2002 | 1.1.-30.09.2001 |
|---------------------------|-----------------|-----------------|
| Public sector Pfandbriefe | 6,238           | 4,918           |
| Other debentures          | 2,082           | 3,820           |
| Loans taken up            | 40              | 126             |
| <b>Total</b>              | <b>8,360</b>    | <b>8,864</b>    |

### *Employees*

|                              | 30.09.2002 | 30.09.2001   |
|------------------------------|------------|--------------|
| <b>Total</b>                 | <b>299</b> | <b>2,799</b> |
| of which part time employees | 17         | 217          |

### Regulatory capital and equity ratios

| Own funds (€ m)         | 30.09.2002<br>Central Bank of<br>Ireland | 31.12.2001<br>German<br>Banking Act |
|-------------------------|--|-------------------------------------|
| Core capital (Tier I)   | 1,053                                    | 2,117                               |
| Supplementary (Tier II) | 889                                      | 1,281                               |
| <b>Total capital</b>    | <b>1,942</b>                             | <b>3,398</b>                        |

| Equity ratios       | 30.09.2002<br>Central Bank of<br>Ireland | 31.12.2001<br>German<br>Banking Act |
|---------------------|--|-------------------------------------|
| Core capital ratio  | 6.9%                                     | 7.2%                                |
| Total capital ratio | 12.7%                                    | 11.3%                               |

The regulatory capital and equity ratios shown for 30 September 2002 were produced in accordance with the regulations of the Central Bank of Ireland. The regulatory capital and equity ratios shown for 31 December 2001 are for the DEPFA Group and were produced in accordance with the German Banking Act.

# Board of Directors

## Executive Members

### **Gerhard Bruckermann**

Chairman and CEO

### **Dr. Thomas M. Kolbeck**

Deputy Chairman

### **Dermot Cahillane**

### **Fulvio Dobrich**

### **Dr. Reinhard Grzesik**

### **Jürgen Karcher**

## Non-Executive Members

### **Dr. Richard Brantner,**

Deputy Chairman

Member of Bank Management Board (ret'd)

### **Prof. Dr. Alexander Hemmelrath,**

German Chartered Accountant, tax consultant

Founding partner of the law firm

Haarmann, Hemmelrath & Partner

### **Maurice O'Connell**

Governor of Central Bank of Ireland (ret'd)

### **Jacques Poos,**

Member of the European Parliament,

Minister of Foreign Affairs (ret'd), Luxembourg

### **Hans W. Reich,**

Chairman of the Board of Managing Directors  
of Kreditanstalt für Wiederaufbau

### **Frances Ruane,**

Professor at Trinity College, Dublin, Ireland

### **Prof. Dr. Dr. h. c. mult. Hans Tietmeyer,**

President of Deutsche Bundesbank (ret'd)

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