

Half-Yearly
Financial Report
as at 30 June

2011



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€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Earnings data in accordance with IFRS			
Income	162.0	139.9	15.8
Net interest income after allowance for credit losses	93.8	109.0	-13.9
Net interest income	112.2	109.5	2.5
Allowance for credit losses	-18.4	-0.5	-
Net fee and commission income	53.5	41.3	29.5
Net income from financial instruments in accordance with IAS 39	8.2	-14.4	-
Results from investments in companies accounted for using the equity method	0.3	5.3	-94.3
Net other operating income/expenses	6.2	-1.3	-
General administrative expenses	-87.1	-80.9	7.7
Consolidated net income before taxes	74.9	59.0	26.9
Key financial indicators (%)			
Return on equity (before taxes)	14.4	12.8	1.6 pp
Cost/income ratio	48.3	57.6	-9.3 pp

€ mn	30 Jun 2011	31 Dec 2010	%
Key items from the statement of financial position in accordance with IFRS			
Business volume	20,827.2	21,168.5	-1.6
Total assets	19,039.9	19,316.8	-1.4
Loans and advances to customers	16,054.4	16,445.0	-2.4
Deposits from customers	4,722.8	4,408.8	7.1
Securitised liabilities	5,842.7	5,319.9	9.8
Subordinated liabilities	450.0	545.5	-17.5
Equity	1,174.4	1,143.3	2.7
Own funds in accordance with the German Banking Act			
Total	1,286.0	1,309.0	-1.8
Tier 1 capital	1,110.0	1,105.1	0.4
Tier 2 and tier 3 capital	176.0	203.9	-13.7
Capital ratios in accordance with the German Banking Act (%)			
Basel II			
Tier 1 ratio	20.1	18.9	1.2 pp
Total capital ratio	23.3	22.4	0.9 pp

Ratings	2011	2010	2009
Moody's Investors Service			
Long-term Debt and Deposit Rating	A1	A1	A1
Short-term Rating	P-1	P-1	P-1
Bank Financial Strength Rating	D+	D+	D+
Outlook	negative	negative	negative
Standard & Poor's			
Long-term Issuer Credit Rating	A	A	A
Short-term Issuer Credit Rating	A-1	A-1	A-1
Outlook	stable	negative	negative

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on expected developments

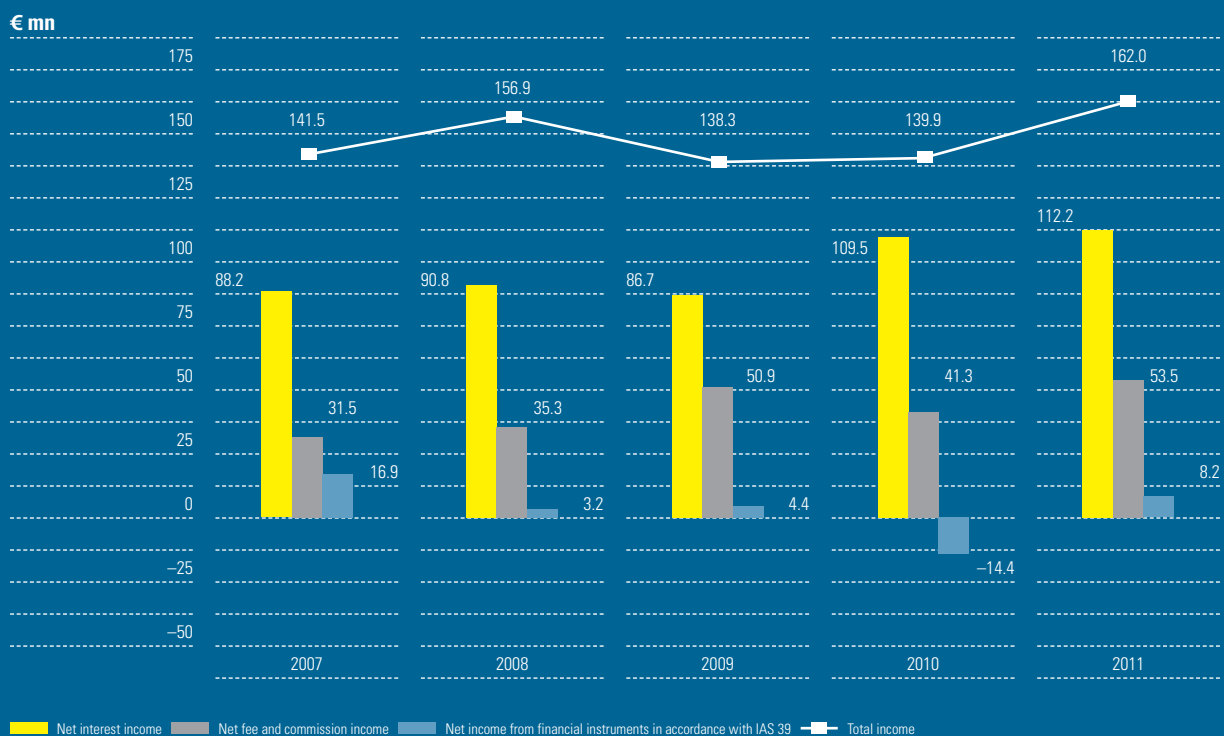
08 Report on opportunities and risks

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Interim management report

Development of income as at 30 June



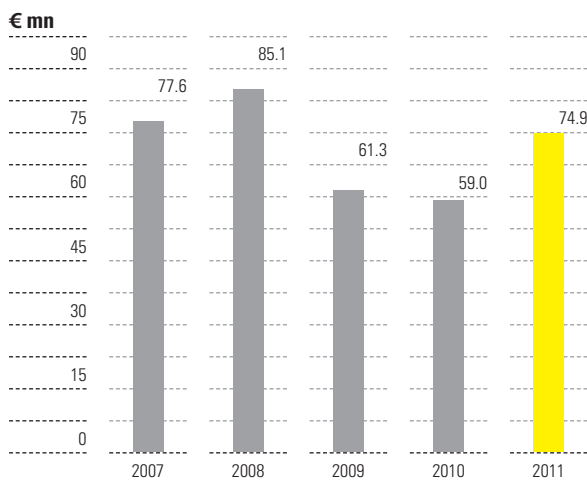
Report on assets, liabilities, financial position, and profit or loss



The present interim management report and condensed consolidated financial statements of DVB Group as at 30 June 2011 were subject to a review pursuant to section 37w (5) of the German Securities Trading Act (WpHG). The half-yearly financial report comprises DVB Group's condensed interim financial statements and the interim management report.

Following a strong start into 2011, DVB remained on course for success during the second quarter of the year, boosting consolidated net income before taxes to €74.9 million during the first half, up 26.9% (H1 2010: €59.0 million). New business developed very favourably indeed, in terms of volumes, margins, and particularly regarding commission income. ①

① Consolidated net income before taxes as at 30 June



The individual items of the half-yearly financial statements developed as follows:

At €162.0 million, total income for the first six months of 2011 (comprising net interest income after allowance for credit losses, net fee and commission income, net income from financial instruments in accordance with IAS 39, results from investments accounted for using the equity method, and net other operating income/expenses), was up by 15.8% year-on-year (H1 2010: €139.9 million), and even exceeded the six-month period preceding the financial markets crisis by 3.3% (H1 2008: €156.9 million).

At €112.2 million, net interest income increased by 2.5% year-on-year (H1 2010: €109.5 million).

Interest income rose by 5.8%, from €396.4 million to €419.5 million. At €292.6 million, the credit business once again represented the main source of income. Even though new international Transport Finance business continued to increase, reflecting growth in global transport volumes, DVB maintained its business policy – one that is both risk-aware and committed. DVB originated 75 new transactions, with an aggregate volume of €2.4 billion (H1 2010: 54 new transactions with a total volume of €1.6 billion). The average interest margin on new business originated by the three Transport Finance divisions remained high; due to intensified competition amongst banks in certain regions, however, it decreased to 327 basis points (H1 2010: 349 basis points). Interest income from finance leases totalled €26.4 million (H1 2010: €20.4 million), whilst current income from operating leases increased to €98.3 million – up 45.4% year-on-year.

Interest expenses rose by 7.1%, to €307.3 million (H1 2010: €286.9 million).

Net allowance for credit losses amounted to €18.4 million during the first half of 2011 (H1 2010: net addition of €0.5 million). New allowance for credit losses recognised totalled €42.5 million, predominantly comprising the following items:

- €16.6 million for the Shipping Finance portfolio;
- €9.4 million for the Aviation Finance portfolio;
- €9.0 million for the Transport Infrastructure portfolio (which is no longer in line with the Bank's strategy); and
- €6.3 million for the Investment Management portfolio.

Reversals amounted to €23.1 million (with Aviation Finance accounting for €9.6 million and Shipping Finance for €9.0 million), and €33.8 million in allowance for credit losses was charged off. Accordingly, total allowance for credit losses (comprising individual impairments, portfolio impairments, and provisions) decreased to €159.2 million, down 13.0% from year-end 2010 (€182.9 million).

Net interest income after allowance for credit losses declined by 13.9%, from €109.0 million to €93.8 million.

Report on assets, liabilities, financial position, and profit or loss

Net fee and commission income, which primarily includes fees and commissions from new Transport Finance business, and – to an increasing extent – asset management and advisory fees, posted another strong increase, to €53.5 million, up 29.5% year-on-year (H1 2010: €41.3 million).

Net income from financial instruments in accordance with IAS 39 (comprising net trading income, the hedge result, the result from the application of the fair value option, the result from derivatives entered into without intention to trade, and net income from investment securities) particularly reflects increased volatility on foreign exchange and interest rate markets: during the first half of 2011 the net figure was positive, at €8.2 million, after a negative result of €14.4 million during the same period of 2010.

Net other operating income and expenses showed a swing from €–1.3 million to €6.2 million: income of €15.6 million includes, in particular, proceeds from sales of aircraft engine parts by the TES Aviation Group subsidiary. On the expenses side, write-downs of €13.3 million on leased assets as at 30 June 2010 were no longer required, resulting in lower expenses of €9.4 million recognised for the 2011 financial year.

General administrative expenses rose by 7.7% to €87.1 million. Whilst staff expenses declined by 1.2%, to €47.5 million, non-staff expenses (including depreciation, amortisation, impairment and write-ups) were up 20.7%, from €32.8 million to €39.6 million. This increase was due to higher contributions and fees (specifically involving the bank levy and the contributions to BVR) higher costs for consultancy services, as well as relocation costs incurred at a branch office.

DVB reported a slight decrease in total assets by 1.6% to €19.0 billion on the reporting date of 30 June 2011 (31 Dec 2010: €19.3 billion). The nominal volume of customer lending (the aggregate of loans and advances to customers, guarantees and indemnities, irrevocable loan commitments, and derivatives) decreased by 4.2%, to €18.4 billion. Due to the fact that 85.5% of customer lending is denominated in US dollars, a year-on-year comparison in US dollar terms (up +3.9% to US\$26.6 billion) reflects business developments more accurately. All lending divisions posted increases in their respective business areas.

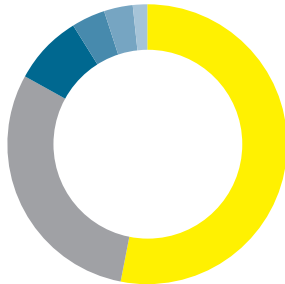
1 Customer lending

	€ bn			US\$ bn		
	30 Jun 2011	31 Dec 2010	Change (%)	30 Jun 2011	31 Dec 2010	Change (%)
Shipping Finance	9.8	10.3	–4.9	14.2	13.7	3.6
Aviation Finance	5.5	5.6	–1.8	8.0	7.5	6.7
Land Transport Finance	1.5	1.5	0.0	2.1	2.0	5.0
ITF Suisse	0.7	0.7	0.0	1.0	0.9	11.1
Investment Management	0.6	0.8	–25.0	0.9	1.0	–10.0
Business no longer in line with DVB's strategy	0.3	0.3	0.0	0.4	0.5	–20.0
Total	18.4	19.2	–4.2	26.6	25.6	3.9

Report on assets, liabilities, financial position, and profit or loss

The distribution of customer lending (in euro terms) amongst the Bank's business divisions is shown in the following chart: ①

① Customer lending by business division (in euro terms) as at 30 June 2011



Shipping Finance	53.3%	(-0.3 pp)
Aviation Finance	29.9%	(+0.7 pp)
Land Transport Finance	8.1%	(+0.3 pp)
ITF Suisse	3.8%	(+0.2 pp)
Investment Management	3.3%	(-0.9 pp)
Business no longer in line with DVB's strategy	1.6%	(0.0 pp)

DVB's successful business performance is also reflected in its key financial indicators. These developed as follows:

Return on equity before taxes (ROE,) was 14.4% – up 1.6 percentage points (H1 2010: 12.8%), and the cost/income ratio (CIR) fell by 9.3 percentage points, to 48.3% (H1 2010: 57.6%).

The ROE was calculated as follows: consolidated net income before taxes (excluding consolidated net income attributable to non-controlling interests) of €74.2 million was divided by the pro-rata total of the weighted capital (issued share capital, capital reserves and retained earnings, excluding the fund for general banking risks and non-controlling interests) of €1,027.4 million.

The CIR is calculated as follows: the general administrative expenses figure of €87.1 million was divided by €180.4 million (the total of net interest income, net fee and commission income, net income from financial instruments in accordance with IAS 39, results from investments accounted for using the equity method and net other operating income/expenses).

Calculated in accordance with Basel II, DVB's tier 1 ratio rose to 20.1% (31 December 2010: 18.9%), and the total capital ratio increased to 23.3% (31 December 2010: 22.4%).

Report on forecasts and other statements on expected developments



This half-yearly financial report contains forward-looking statements, including statements concerning the future development of DVB.

As usual, any assessments and forecasts contained herein will always be subject to the risk of erroneous perception or judgement errors, and may thus turn out to be incorrect. By their very nature, any deliberations regarding developments or events in the future are based on conjecture rather than precise predictions. Actual future developments may therefore diverge from expectations, not least as a result of fluctuations in capital market prices, exchange rates or interest rates, or due to fundamental changes in the economic environment. Although we believe the forward-looking statements to be realistic, DVB cannot accept any responsibility that they will actually materialise, for the reasons outlined above.

There are no new insights that would indicate any material changes to the forecasts regarding the development of transport markets, the Transport Finance and Investment Management portfolios, and to the financial outlook as set out in the Group Management Report on pages 55–57, 72–73, 85–87, 94–95, 99, 101, 103 and 144 of the Annual Report 2010.

Report on opportunities and risks

No risks which would jeopardise DVB's continued existence are expected to materialise during the remainder of the 2011 financial year. Please refer to the report on opportunities and risks on pages 124 to 143 of the Annual Report 2010, which contains detailed information regarding risk management principles and organisation, DVB's risk-bearing capacity and risk capital, and on the types of risk.

Opportunities available to DVB as well as risks DVB is exposed to during the second half of 2011 are outlined below.

Economic developments continued to vary considerably across regions during the first half of 2011. A clear recovery was evident in some regions and countries (including China and Germany), whilst the US economy lagged expectations. Global transport markets showed a similarly diverse picture: whilst demand varied greatly, both in regional terms and across the various transport segments, and developed positively overall, the supply side continued to be burdened by persistently high new deliveries of vessels and aircraft.

At present, sovereign debt levels in some European countries and in the United States represent the greatest risk factor for a setback to the global economy – which would directly affect transport markets. Provided that the countries affected by the debt crisis handle the situation responsibly, and that the planned (and to some extent, implemented) economic and fiscal policy measures will take effect, we anticipate continued moderate growth in the key economic regions worldwide.

It is particularly against the background of these current developments that DVB will retain its unique focus on international Transport Finance. This will enable the Bank to support its clients

as a reliable partner throughout the transport markets' economic cycles, providing tailor-made financial transactions as well as equity-based solutions via funds advised by DVB. DVB will continue to adhere to its selective Transport Finance lending policy throughout the second half of 2011; the Bank will continue to closely monitor its credit exposures, in order to recognise any problems at an early stage, and to be able to find a solution. In this context, the Restructuring Unit Shipping (RUS) and Shipping Asset Management (SAM) were merged to form the new Restructuring & Asset Management (RAM) as of 1 June 2011. RAM is primarily responsible for managing and restructuring critical Shipping Finance exposures.

The sovereign debt crisis affecting some European countries and the US once again eroded investor confidence: as a result, banks continued to have difficulties in funding their business via the interbank markets. DVB benefits from its membership of the German Cooperative Financial Services Network, which ensures that the Bank will be able to refinance its business at prevailing market terms throughout the second half of the year.

DVB anticipates business performance during the second half of 2011 to be similarly positive – in terms of new business volumes, margins, and commission income – as in the first half, despite manifold political and economic uncertainty prevailing around the globe. As forecast by DVB, charter rates have come under pressure due to excess capacity pushing into the market. This effect has been particularly pronounced in the tanker, bulk and container carrier sectors. These market developments will continue to command DVB's full attention and expertise during the second half of the year.

Report on major related party transactions

Since there were no material changes to related party transactions during the first half of 2011 which might have materially affected the financial position or financial performance of DVB Group, full reference is made to the information provided on page 199, note 61.3 of the Annual Report 2010.

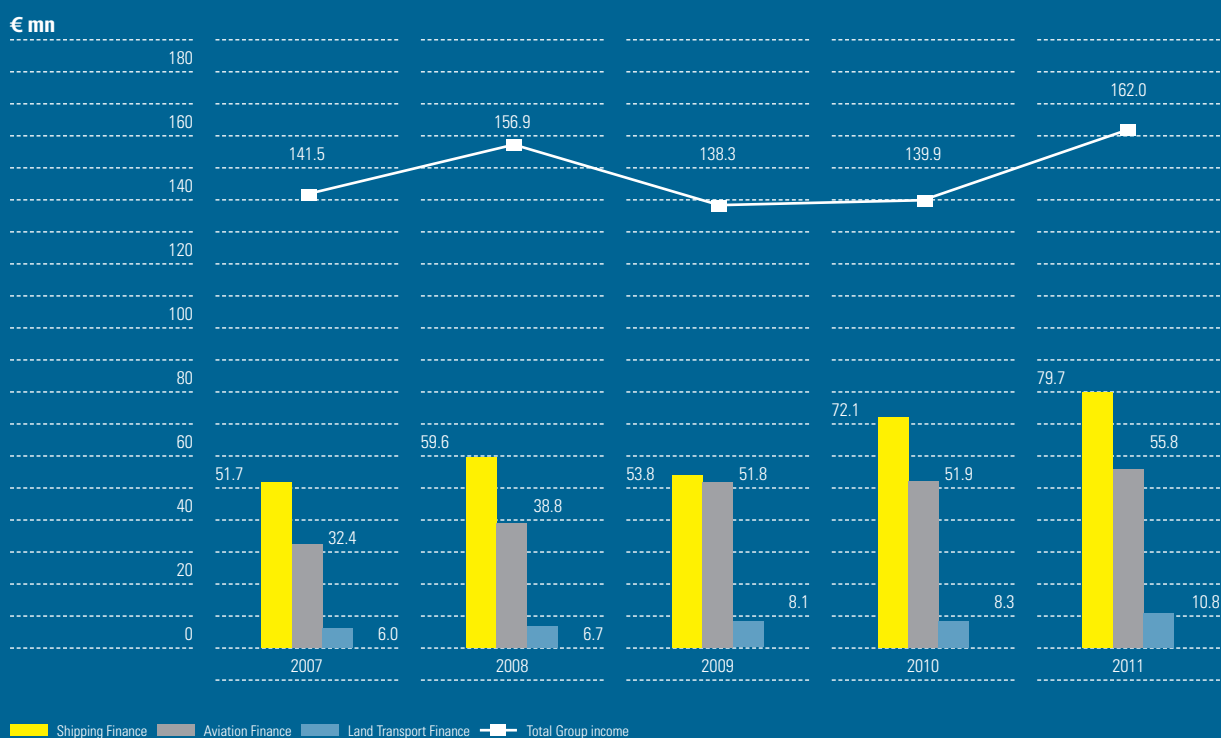
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1) These tables are part of the Notes.



Interim financial statements

Earnings development in the Transport Finance business divisions¹⁾ as at 30 June



1) Before allocation of general costs

Condensed income statement

€ mn	Note	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Net interest income after allowance for credit losses		93.8	109.0	-13.9
Net interest income	(3)	112.2	109.5	2.5
Allowance for credit losses	(4)	-18.4	-0.5	-
Net fee and commission income	(5)	53.5	41.3	29.5
Net income from financial instruments in accordance with IAS 39	(6)	8.2	-14.4	-
Results from investments in companies accounted for using the equity method		0.3	5.3	-94.3
General administrative expenses	(7)	-87.1	-80.9	7.7
Net other operating income/expenses	(8)	6.2	-1.3	-
Consolidated net income before taxes		74.9	59.0	26.9
Income taxes		-18.5	-11.1	66.7
Consolidated net income		56.4	47.9	17.7
thereof: consolidated net income attributable to non-controlling interests		0.7	-1.8	-
thereof: consolidated net income attributable to shareholders of DVB Bank SE		55.7	49.7	12.1

Condensed statement of comprehensive income

€ mn		1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Consolidated net income		56.4	47.9	17.7
Other comprehensive income:		2.5	-17.6	-
Revaluation of AFS financial instruments		-1.9	0.1	-
thereof: changes in fair value		-1.8	0.1	-
thereof: reclassifications to the income statement		-0.1	0.0	-
Cash flow hedges		7.2	-27.5	-
thereof: changes in fair value		12.2	-38.4	-
thereof: reclassifications to the income statement		-5.0	10.9	-
Currency translation		-0.5	1.3	-
Actuarial gains and losses		-	-2.0	-
Deferred taxes on other comprehensive income		-2.3	10.5	-
Total comprehensive income		58.9	30.3	94.4
thereof: total comprehensive income attributable to non-controlling interests		0.7	-1.8	-
thereof: total comprehensive income attributable to shareholders of DVB Bank SE		58.2	32.1	81.3

Earnings per share

	30 Jun 2011	30 June 2010	%
Consolidated net income attributable to shareholders of DVB Bank SE (€ mn)	55.7	49.7	12.1
Average number of ordinary shares issued	46,158,820	46,180,258	-0.1
Basic earnings per share (€)	1.21	1.08	12.0
Diluted earnings per share (€)	1.21	1.08	12.0

Statement of financial position

Assets (€ mn)	Note	30 Jun 2011	31 Dec 2010	%
Cash and balances with the central bank		148.6	114.3	30.0
Loans and advances to banks	(9)	584.5	410.3	42.5
Loans and advances to customers	(10)	16,054.4	16,445.0	-2.4
Allowance for credit losses	(11)	-158.6	-182.5	-13.1
Positive fair values of derivative hedging instruments		316.5	362.9	-12.8
Trading assets		296.9	193.1	53.8
Investment securities	(12)	101.8	110.9	-8.2
Investments in companies accounted for using the equity method	(13)	76.5	37.3	-
Intangible assets	(14)	111.7	111.7	0.0
Property and equipment	(15)	1,297.3	1,271.0	2.1
Income tax assets		110.7	106.3	4.1
Other assets	(16)	99.6	336.5	-70.4
Total		19,039.9	19,316.8	-1.4

Equity and liabilities (€ mn)	Note	30 Jun 2011	31 Dec 2010	%
Deposits from other banks	(17)	6,236.6	7,214.6	-13.6
Deposits from customers	(18)	4,722.8	4,408.8	7.1
Securitised liabilities	(19)	5,842.7	5,319.9	9.8
Negative fair values of derivative hedging instruments		187.5	197.6	-5.1
Trading liabilities		167.4	227.1	-26.3
Provisions	(20)	35.4	58.6	-39.6
Income tax liabilities		116.0	107.4	8.0
Other liabilities	(21)	107.1	94.0	13.9
Subordinated liabilities	(22)	450.0	545.5	-17.5
Equity	(23)	1,174.4	1,143.3	2.7
Issued share capital		118.0	118.0	0.0
Capital reserves		332.5	332.5	0.0
Retained earnings		661.3	661.3	0.0
thereof: fund for general banking risks		82.4	82.4	0.0
Revaluation reserve		0.1	1.9	-94.7
Hedging reserve – cash flow hedges		7.5	2.7	-
Currency translation reserve		-2.7	-2.2	22.7
Distributable profit		55.7	27.9	99.6
Non-controlling interests		2.0	1.2	66.7
Total		19,039.9	19,316.8	-1.4

Condensed statement of changes in equity

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Equity as at 1 Jan	1,143.3	1,058.5	8.0
Consolidated net income attributable to shareholders of DVB Bank SE	55.7	49.7	12.1
Other comprehensive income	2.5	-17.6	-
Dividend payment	-27.9	-27.9	0.0
Changes in treasury shares	0.0	-0.4	-
Changes in consolidated group and other changes	0.8	-1.3	-
Equity as at 30 Jun	1,174.4	1,061.0	10.7

Condensed cash flow statement

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Cash flow from operating activities	257.3	-122.8	-
Cash flow from investing activities	-117.1	9.0	-
Cash flow from financing activities	-105.9	32.9	-
Net change in cash and cash equivalents	34.3	-80.9	-
Cash and cash equivalents at beginning of period	114.3	252.4	-
Cash and cash equivalents at end of period	148.6	171.5	-13.4

Segment report¹⁾

€ mn	Group		Shipping Finance		Aviation Finance		Land Transport Finance		Investment Management		Treasury		Other segments		Reconciliation/consolidation	
	6/2011	6/2010	6/2011	6/2010	6/2011	6/2010	6/2011	6/2010	6/2011	6/2010	6/2011	6/2010	6/2011	6/2010	6/2011	6/2010
Net interest income after allowance																
for credit losses	93.8	109.0	44.7	47.3	38.8	36.6	6.9	6.7	10.7	13.1	5.9	0.6	-3.8	4.0	-9.3	0.6
thereof:																
net interest income	112.2	109.5	52.0	45.9	38.4	35.5	6.9	6.3	12.9	18.2	6.3	0.6	5.9	2.7	-10.1	0.3
thereof:																
allowance for credit losses	-18.4	-0.5	-7.3	1.4	0.4	1.1	-	0.4	-2.2	-5.1	-0.4	0.0	-9.7	1.3	0.8	0.3
Net fee and commission income	53.5	41.3	30.1	24.0	16.9	14.8	3.9	1.6	-2.6	-0.5	0.3	-0.1	5.5	3.4	-0.7	-1.9
Net income from financial instruments in accordance with IAS 39	8.2	-14.4	4.8	0.8	0.1	-0.2	-	0.0	6.3	-26.2	-3.1	11.2	-	0.0	0.2	0.0
Results from investments accounted for using the equity method	0.3	5.3	-	0.0	-	0.0	-	0.0	0.3	5.2	-	0.0	-	0.0	-	0.0
Net other operating income/expenses	6.2	-1.3	0.1	0.0	-	0.7	-	0.0	-1.0	0.8	-	0.0	5.9	1.8	1.1	-4.6
Income	162.0	139.9	79.7	72.1	55.8	51.9	10.8	8.3	13.7	-7.6	3.1	11.7	7.6	9.2	-8.7	-5.9
General administrative expenses	-87.1	-80.9	-18.8	-16.1	-7.6	-6.7	-1.4	-1.3	-9.4	-9.5	-1.0	-0.9	-34.5	-42.5	-14.2	-3.8
Staff expenses	-47.5	-48.1	-14.8	-13.4	-6.0	-5.5	-1.1	-1.1	-5.1	-5.1	-0.6	-0.6	-17.8	-22.3	-2.1	-0.1
Non-staff expenses	-37.3	-29.5	-4.0	-2.7	-1.6	-1.2	-0.3	-0.2	-4.3	-3.7	-0.4	-0.3	-14.8	-18.6	-11.8	-2.7
Depreciation, amortisation, impairment and write-ups	-2.3	-3.3	-	0.0	-	0.0	-	0.0	-	-0.7	-	0.0	-1.9	-1.6	-0.3	-1.0
Consolidated net income before taxes	74.9	59.0	60.9	56.0	48.2	45.2	9.4	7.0	4.3	-17.1	2.0	10.8	-26.9	-33.3	-22.9	-9.7
Cost/income ratio²⁾	48.3%	57.6%	21.7%	22.7%	13.7%	13.2%	13.0%	17.1%	59.0%	-	30.1%	7.7%	199.5%	-	-	-
Return on equity³⁾	14.4%	12.8%	35.4%	28.5%	48.8%	46.4%	51.7%	44.1%	2.2%	-13.7%	2.6%	25.5%	-72.6%	-	-	-
Risk-weighted assets in accordance with Basel I (average)	18,510.2	16,838.2	9,637.2	8,575.3	5,373.7	5,121.5	1,389.9	1,322.1	680.1	564.3	175.8	87.5	989.2	1,167.5	264.3	0.0

1) Before allocation of general costs 2) Excluding allowance for credit losses 3) Before taxes

General information

1 Summary of material accounting policies applied

The present interim consolidated financial statements for the period ended on 30 June 2011 have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union. They also comply with the requirements for interim financial reporting set out in section 37w of the German Securities Trading Act (WpHG).

The present interim consolidated financial statements are presented in the form of condensed interim financial statements in accordance with IAS 34. The accounting policies applied therein are in line with those applied for the consolidated financial statements as at 31 December 2010, with the following exceptions.

The following amendments to accounting standards and new interpretations have been taken into account in the interim financial statements:

- IAS 24 – Related Party Disclosures
- Amendment to IAS 32 – IFRS Classification of Rights Issues
- Amendments to IFRIC 14 – Prepayments of a Minimum Funding Requirement
- IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments
- Improvements to IFRSs (2010)

IAS 24 includes more specific guidance regarding the identification and disclosure of related party transactions, particularly in cases of significant influence or joint control. Subject to certain conditions, public-sector entities are excluded from the general scope of related parties; they are subject to separate disclosure obligations.

In accordance with previous practice, subscription rights denominated in foreign currencies were reported partially as derivative liabilities. The amendment to IAS 32 clarifies that subscription rights that are offered to all owners at a fixed subscription price and in the same ratio shall be accounted for as equity instruments, regardless of the issue currency.

IFRIC 14 now provides for the option of recognising an asset for prepayments of a minimum funding requirement.

IFRIC 19 governs the full or partial extinguishment of financial liabilities of a debtor by means of issuing equity instruments to the creditor.

The application of the amended accounting standards, and of the new interpretations, does not have any material consequences for DVB Bank SE's consolidated interim financial statements.

To the extent that estimates are necessary for recognition and measurement, these were made in accordance with the relevant standards. The basis for these estimates is continuously reviewed and adjusted, if necessary, taking into account historical experience as well as changed expectations with regard to future developments.

2 Group of consolidated companies

The group of consolidated companies changed as a result of the establishment of the following, fully consolidated companies:

- TBS I Trading Opco LLC, Marshall Islands
- Mount Benom LLC, Malaysia
- Aquila Aircraft Leasing Ltd, Ireland
- Mediterra LLC, Marshall Islands

The following newly-established joint ventures were included in the group of consolidated companies:

- Intermodal Investment Fund V LLC, Marshall Islands
- First BD Feederships Shipping Ltd, Antigua
- Second BD Feederships Shipping Ltd, Antigua
- Third BD Feederships Shipping Ltd, Antigua
- Fourth BD Feederships Shipping Ltd, Antigua

The following companies are no longer included in the scope of consolidation:

- Jebel Hafeet LLC, Marshall Islands
- Mount Santubong LLC, Marshall Islands
- Mount Keokradong Pte Ltd, Singapore
- Mount Gede LLC, Marshall Islands

Selected notes to the income statement

3 Net interest income

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Interest income			
from lending and money market operations	292.6	304.7	-4.0
from bonds and other fixed-income securities	1.8	2.8	-35.7
from finance leases	26.4	20.4	29.4
Current income			
from operating leases	98.3	67.6	45.4
from equity investments and other investment securities	0.4	0.9	-55.6
Interest income	419.5	396.4	5.8
Interest expense			
for deposits	-171.3	-209.0	-18.0
for securitised liabilities	-62.5	-36.9	69.4
for subordinated liabilities	-14.1	-12.6	11.9
for operating leases	-59.4	-28.4	-
Interest expenses	-307.3	-286.9	7.1
Net interest income	112.2	109.5	2.5

4 Allowance for credit losses

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Additions	-42.5	-14.3	-
Reversals	23.1	19.4	19.1
Direct write-offs	-0.5	-5.6	-91.1
Recoveries on loans and advances previously written off	1.5	0.0	-
Total	-18.4	-0.5	-

Allowance for credit losses includes a net €0.2 million addition from provisions.

5 Net fee and commission income

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Fee and commission income			
from guarantees and indemnities	1.5	2.0	-25.0
from the lending business	48.0	39.5	21.5
Other fee and commission income	15.0	7.0	-
Fee and commission income	64.5	48.5	33.0
Fee and commission expenses	-11.0	-7.2	52.8
Net fee and commission income	53.5	41.3	29.5

6 Net income from financial instruments in accordance with IAS 39

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Net trading income	16.1	-16.4	-
Hedge result	7.3	2.4	-
Result from the application of the fair value option	0.0	-0.6	-
Result from derivatives entered into without intention to trade	-12.6	-5.8	-
Net income from investment securities	-2.6	6.0	-
Total	8.2	-14.4	-

6.1 Net trading income

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Net trading income			
from derivatives	-0.6	1.0	-
from foreign currency transactions	15.2	-20.1	-
from interest and dividend payments	1.8	3.0	-40.0
other	-0.3	-0.3	0.0
Total	16.1	-16.4	-

6.2 Hedge result (hedge accounting)

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Result from derivatives	-61.7	75.3	-
Result from hedged items	69.0	-72.9	-
Total	7.3	2.4	-

6.3 Result from the application of the fair value option

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Loans and advances designated as at fair value through profit or loss	-0.1	-0.1	0.0
Securitised liabilities and subordinated loans designated as at fair value through profit or loss	0.5	0.3	66.7
Economic derivative hedging instruments	-0.4	-0.8	-50.0
Total	0.0	-0.6	-

7 General administrative expenses

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Staff expenses	-47.5	-48.1	-1.2
Non-staff expenses	-37.3	-29.5	26.4
Depreciation, amortisation, impairment and write-ups	-2.3	-3.3	-30.3
Total	-87.1	-80.9	7.7

8 Net other operating income/expenses

€ mn	1 Jan 2011– 30 Jun 2011	1 Jan 2010– 30 Jun 2010	%
Other operating income	15.6	23.1	-32.5
Other operating expenses	-9.4	-24.4	-61.5
Total	6.2	-1.3	-

Selected notes to the statement of financial position

9 Loans and advances to banks

€ mn	30 Jun 2011	31 Dec 2010	%
Loans and advances	582.1	361.1	61.2
thereof:			
payable on demand	582.1	361.1	61.2
Money market transactions	2.4	48.6	-95.1
thereof:			
with a limited term	2.4	48.6	-95.1
Other loans and advances to banks	-	0.6	-
Total	584.5	410.3	42.5
German banks	418.7	114.6	-
Foreign banks	165.8	295.7	-43.9
Total	584.5	410.3	42.5

10 Loans and advances to customers

€ mn	30 Jun 2011	31 Dec 2010	%
Loans and advances	16,037.0	16,432.7	-2.4
thereof:			
payable on demand	322.8	164.1	96.7
thereof:			
with a limited term	15,714.2	16,268.6	-3.4
Other loans and advances to customers	17.4	12.3	41.5
Total	16,054.4	16,445.0	-2.4
German customers	964.5	1,060.5	-9.1
Foreign customers	15,089.9	15,384.5	-1.9
Total	16,054.4	16,445.0	-2.4

DVB does not hold any claims against any of the highly-indebted euro zone countries Greece, Ireland, Portugal, Spain and Italy.

Loans and advances to clients domiciled in these countries are not exposed to any country-specific risks, especially due to the fact that the relevant claims are collateralised by the financed (transport) assets.

11 Allowance for credit losses

€ mn	Individual impairments		Portfolio impairments		Total	
	30 Jun 2011	31 Dec 2010	30 Jun 2011	31 Dec 2010	30 Jun 2011	31 Dec 2010
Allowance for credit losses as at 1 Jan	150.2	127.7	32.3	30.8	182.5	158.5
Additions	40.9	86.0	1.4	10.9	42.3	96.9
Utilisation	-33.8	-29.1	-	-	-33.8	-29.1
Reversals	-20.8	-44.3	-2.3	-9.6	-23.1	-53.9
Changes resulting from exchange rate fluctuations	-9.2	9.9	-0.1	0.2	-9.3	10.1
Balance as at the reporting date	127.3	150.2	31.3	32.3	158.6	182.5

12 Investment securities

€ mn	30 Jun 2011	31 Dec 2010	%
Bonds and other fixed-income securities	80.7	85.1	-5.2
thereof: bonds and notes	80.7	85.1	-5.2
Equities and other non- fixed-income securities	12.7	16.1	-21.1
Equity investments	8.4	9.7	-13.4
Total	101.8	110.9	-8.2

DVB does not hold any investment securities issued by any of the highly-indebted euro zone countries Greece, Ireland, Portugal, Spain and Italy.

13 Investments in companies accounted for using the equity method

€ mn	30 Jun 2011	31 Dec 2010	%
Investments in associates	6.4	6.4	0.0
Interests in joint ventures	70.1	30.9	-
Total	76.5	37.3	-

14 Intangible assets

€ mn	30 Jun 2011	31 Dec 2010	%
Goodwill	107.0	107.0	0.0
Other intangible assets	4.7	4.7	0.0
Total	111.7	111.7	0.0

15 Property and equipment

€ mn	30 Jun 2011	31 Dec 2010	%
Land and buildings	12.2	12.7	-3.9
Operating and office equipment	4.3	4.1	4.9
Assets held under operating leases	888.5	1,168.5	-24.0
Other property and equipment	392.3	85.7	-
Total	1,297.3	1,271.0	2.1

16 Other assets

€ mn	30 Jun 2011	31 Dec 2010	%
Receivables from taxes not related to income	9.1	1.6	-
Advance payments and prepaid expenses	1.2	1.3	-7.7
Container portfolio	-	223.1	-
Miscellaneous other assets	89.3	110.5	-19.2
Total	99.6	336.5	-70.4

Since 1 April 2011, the assets of the container portfolio have been held as other property and equipment (see Note 16). This does not have any consequences on the presentation of income and expenses from the container portfolio in the income statement.

17 Deposits from other banks

€ mn	30 Jun 2011	31 Dec 2010	%
Loans and advances	5,749.9	5,988.9	-4.0
thereof:			
payable on demand	42.4	0.6	-
thereof:			
with a limited term	5,707.5	5,988.3	-4.7
Money market			
transactions	480.9	1,225.7	-60.8
thereof:			
payable on demand	363.6	311.3	16.8
thereof:			
with a limited term	117.3	914.4	-87.2
Other deposits			
from other banks	5.8	0.0	-
Total	6,236.6	7,214.6	-13.6
German banks	5,863.4	6,796.5	-13.7
Foreign banks	373.2	418.1	-10.7
Total	6,236.6	7,214.6	-13.6

18 Deposits from customers

€ mn	30 Jun 2011	31 Dec 2010	%
Loans and advances	4,626.5	4,272.6	8.3
thereof:			
payable on demand	373.5	192.9	93.6
thereof:			
with a limited term	4,253.0	4,079.7	4.2
Money market			
transactions	63.9	107.8	-40.7
thereof:			
with a limited term	63.9	107.8	-40.7
Other deposits			
from customers	32.4	28.4	14.1
Total	4,722.8	4,408.8	7.1
German customers	4,138.1	3,886.3	6.5
Foreign customers	584.7	522.5	11.9
Total	4,722.8	4,408.8	7.1

19 Securitised liabilities

€ mn	30 Jun 2011	31 Dec 2010	%
Ship covered bonds	252.6	249.3	1.3
Bearer bonds	5,590.1	5,070.6	10.3
Total	5,842.7	5,319.9	9.8

During the first half of 2011, the Bank issued bearer bonds with a nominal value of €899.5 million and a term of four to six years. Bearer bonds were due in the nominal amount of €100.0 million.

20 Provisions

€ mn	30 Jun 2011	31 Dec 2010	%
Provisions for			
pension obligations	14.9	14.9	0.0
Provisions for early			
and partial retirement	0.8	0.8	0.0
Other provisions	19.7	42.9	-54.1
Total	35.4	58.6	-39.6

21 Other liabilities

€ mn	30 Jun 2011	31 Dec 2010	%
Other tax liabilities	1.8	1.0	80.0
Miscellaneous			
other liabilities	105.3	93.0	13.2
Total	107.1	94.0	13.9

22 Subordinated liabilities

€ mn	30 Jun 2011	31 Dec 2010	%
Subordinated			
promissory note loans	385.9	484.0	-20.3
Subordinated			
bearer bonds	62.2	59.6	4.4
Other subordinated			
capital	1.9	1.9	0.0
Total	450.0	545.5	-17.5

23 Equity

The net retained profit (Bilanzgewinn) reported by DVB Bank SE for the 2010 business year amounted to €27,880,422.00. On 9 June 2011, the Annual General Meeting of DVB Bank SE resolved to pay dividends in the amount of €27,880,422.00 from this net retained profit (€0.60 for each no-par value share entitled to dividends). The portion of dividends paid from net retained profit attributable to treasury shares held by DVB on the date of the Annual General Meeting was transferred to retained earnings.

Notes to financial instruments

24 Classes and categories of financial instruments

The carrying amounts and fair values of financial assets and financial liabilities are allocated to the classes and categories (or sub-categories) of financial instruments as indicated in the tables below:

€ mn	30 Jun 2011		31 Dec 2010	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at fair value	687.5	687.5	635.4	635.4
Financial assets held for trading	296.9	296.9	193.1	193.1
thereof: trading assets	296.9	296.9	193.1	193.1
Financial assets designated as at fair value through profit or loss	6.1	6.1	6.5	6.5
thereof: loans and advances to banks	–	–	–	–
thereof: loans and advances to customers	6.1	6.1	6.5	6.5
thereof: investment securities	–	–	–	–
Derivative hedging instruments	316.5	316.5	362.9	362.9
thereof: positive fair values of derivative hedging instruments	316.5	316.5	362.9	362.9
Financial assets available for sale	68.0	68.0	72.9	72.9
thereof: investment securities	68.0	68.0	72.9	72.9
Financial assets measured at amortised cost	16,193.0	16,533.9	16,247.7	16,547.2
Loans and receivables	16,175.8	16,516.7	16,229.2	16,528.7
thereof: cash and balances with the central bank	145.8	145.8	109.9	109.9
thereof: loans and advances to banks	584.5	584.5	410.3	410.3
thereof: loans and advances to customers	15,428.9	15,763.6	15,689.5	15,980.5
thereof: investment securities	16.6	22.8	19.5	28.0
thereof: other assets	–	–	–	–
Financial assets available for sale	17.2	17.2	18.5	18.5
thereof: investment securities	17.2	17.2	18.5	18.5
Other financial assets	460.8	473.2	566.5	572.1
Finance leases	460.8	473.2	566.5	572.1
thereof: loans and advances to customers	460.8	473.2	566.5	572.1

€ mn	30 Jun 2011		31 Dec 2010	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities measured at fair value	381.2	381.2	451.1	451.1
Financial liabilities classified as held for trading	167.4	167.4	227.1	227.1
thereof: trading liabilities	167.4	167.4	227.1	227.1
thereof: other liabilities	–	–	–	–
Financial liabilities designated as at fair value through profit or loss	26.3	26.3	26.4	26.4
thereof: deposits from other banks	26.3	26.3	26.4	26.4
thereof: deposits from customers	–	–	–	–
thereof: securitised liabilities	–	–	–	–
thereof: subordinated liabilities	–	–	–	–
Derivative hedging instruments	187.5	187.5	197.6	197.6
thereof: negative fair values of derivative hedging instruments	187.5	187.5	197.6	197.6
Financial liabilities measured at amortised cost	17,214.9	16,915.1	17,449.9	17,211.2
Deposits from other banks	6,210.3	6,114.8	7,188.2	7,076.7
Deposits from customers	4,711.9	4,496.5	4,396.3	4,255.9
Securitised liabilities	5,842.7	5,867.4	5,319.9	5,344.3
Other liabilities	–	–	–	–
Subordinated liabilities	450.0	436.4	545.5	534.3
Other financial liabilities	10.9	11.6	12.5	13.6
Finance leases	10.9	11.6	12.5	13.6
thereof: deposits from customers	10.9	11.6	12.5	13.6

Changes in fair value were induced by changes in yield curves, exchange rate fluctuations, and changes in credit quality.

25 Derivatives

€ mn	Market values 30 Jun 2011		Market values 31 Dec 2010		%	
	positive	negative	positive	negative	positive	negative
Interest rate instruments	397.3	336.8	459.8	342.1	–13.6	–1.5
Currency-related instruments	215.5	18.1	68.9	82.6	–	–78.1
Other products	0.6	–	–	–	–	–
Total	613.4	354.9	528.7	424.7	16.0	–16.4

26 Determination of fair values of financial instruments

€ mn	Level 1		Level 2		Level 3	
	30 Jun 2011	31 Dec 2010	30 Jun 2011	31 Dec 2010	30 Jun 2011	31 Dec 2010
Financial assets						
measured at fair value	55.0	59.9	632.5	575.5	–	–
Loans and advances to banks	–	–	–	–	–	–
Loans and advances to customers	–	–	6.1	6.5	–	–
Trading assets	–	–	296.9	193.1	–	–
Positive fair values of						
derivative hedging instruments	–	–	316.5	362.9	–	–
Investment securities	55.0	59.9	13.0	13.0	–	–
Financial liabilities						
measured at fair value	–	–	381.2	451.1	–	–
Deposits from other banks	–	–	26.3	26.4	–	–
Deposits from customers	–	–	–	–	–	–
Trading liabilities	–	–	167.4	227.1	–	–
Negative fair values of						
derivative hedging instruments	–	–	187.5	197.6	–	–
Subordinated liabilities	–	–	–	–	–	–

No financial instruments were transferred between the measurement levels.

Other disclosures

27 Financial guarantee contracts, contingent liabilities and other commitments

€ mn	30 Jun 2011	31 Dec 2010	%
Financial guarantee contracts from guarantees	239.6	306.0	–21.7
Contingent liabilities from irrevocable			
loan commitments	1,787.3	1,851.7	–3.5
Other commitments	12.8	16.5	–22.4
thereof:			
within one year	3.4	4.6	–26.1
thereof:			
within one to five years	8.3	11.2	–25.9
thereof:			
after more than five years	1.1	0.7	57.1
Total	2,039.7	2,174.2	–6.2

Responsibility statement

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

Frankfurt/Main, 10 August 2011
DVB Bank SE

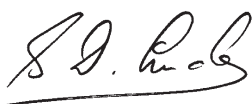
The Board of Managing Directors



Wolfgang F. Driese
Chairman of the
Board of Managing Directors



Bertrand Grabowski
Member of the
Board of Managing Directors



Dagfinn Lunde
Member of the
Board of Managing Directors

To DVB Bank SE, Frankfurt/Main

We have reviewed the interim condensed consolidated financial statements, comprising the condensed income statement, the condensed statement of comprehensive income, the statement of financial position, the condensed statement of changes in equity, the condensed statement of cash flows, and selected explanatory notes, and the interim group management report of DVB Bank SE, Frankfurt/Main, for the period from 1 January to 30 June 2011, which are part of the six-monthly financial report pursuant to section 37w WpHG. The preparation of the interim condensed consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the Company's management. Our responsibility is to issue a report on the interim condensed consolidated financial statements and the interim group management report based on our review.

We conducted our review of the interim condensed consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the applicable provisions of the WpHG applicable to interim group management reports. A review is limited primarily to making inquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU or that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Eschborn/Frankfurt/Main, 10 August 2011
Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Sterz
Wirtschaftsprüfer
(German Public Auditor)

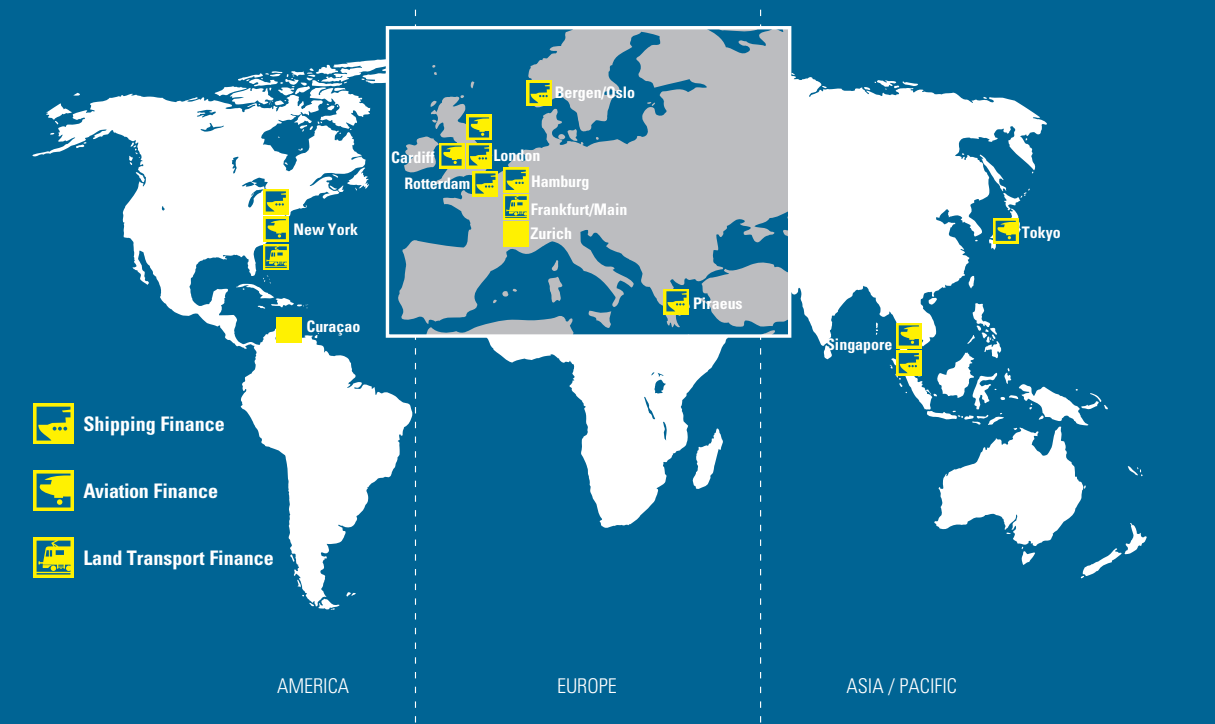
Fernholz
Wirtschaftsprüferin
(German Public Auditor)

24	DVB worldwide
26	Financial calendar
26	Imprint



Further information

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14 November 2011 (expected)

Publication of the
Interim Management Statement
during the second half of 2011
(for the first nine months ending 30 September 2011)

9 December 2011

Publication of the
Declaration of Compliance for 2011/2012

13 June 2012

Annual General Meeting
Frankfurt/Main

Imprint

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Design concept and realisation
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