



Interim Management  
Statement during the  
first half of

2011



## Continued success for DVB Group during the first quarter of 2011 – consolidated net income before taxes up significantly year-on-year

DVB had a successful start into 2011. Consolidated net income before taxes rose to €52.8 million for the first quarter of 2011, up significantly from €16.7 million the year before. ❶

Total income (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 in companies accounted for using the equity method, and net other operating income/expenses), increased by 68.1%, to €96.0 million during the first quarter of 2011 (Q1 2010: €57.1 million).

Net interest income after allowance for credit losses increased by 0.6%, to €51.8 million.

Interest income grew by 12.2%, to €204.5 million (Q1 2010: €182.2 million). The increase reflected 32 new Transport Finance transactions, with an aggregate volume of €1.0 billion (Q1 2010: 15 transactions with an aggregate volume of €0.3 billion), and with an adequate risk-reward ratio: the average interest margin on new business of 323 basis points remained at similarly attractive levels to those seen in the previous year (Q1 2010: 329 basis points). Interest expenses rose to €156.1 million, up 19.6%, particularly due to write-downs on operating leases in the Investment Management business. As a result, net interest income declined by 6.4%, to €48.4 million (Q1 2010: €51.7 million).

Allowance for credit losses of €3.4 million could be released during the first quarter of 2011 (Q1 2010: €0.2 million recognised). Accordingly, and due to the lower US dollar exchange rate, total allowance for credit losses (comprising individual impairments, portfolio impairments, and provisions) declined to €171.2 million, down 6.2% from year-end 2010 (31 Dec 2010: €182.5 million).

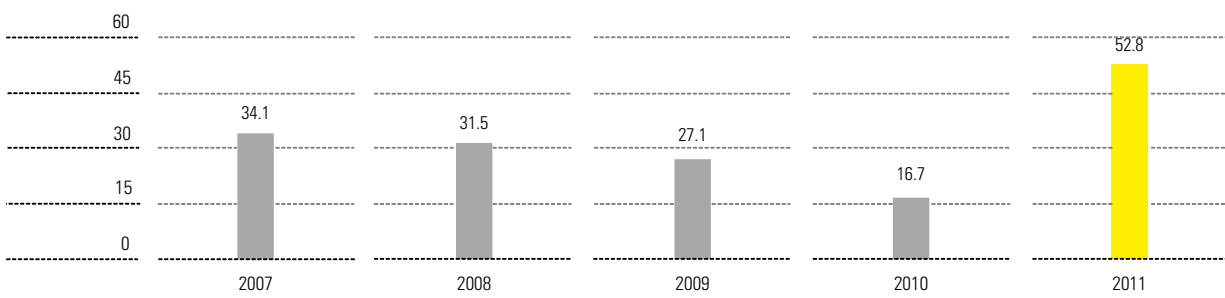
Net fee and commission income, which primarily includes fees and commissions from new Transport Finance business, and – to an increasing extent – Asset Management and Advisory fees, rose strongly to €27.2 million, up 74.4% year-on-year (Q1 2010: €15.6 million).

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) showed a marked turnaround to €13.2 million (Q1 2010: €–11.4 million). This figure particularly reflects increased volatility on foreign exchange and interest rate markets.

General administrative expenses rose by 6.9% to €43.2 million. Staff expenses fell slightly, by 1.7%, to €23.5 million. Higher costs for legal advice and IT services meant that non-staff expenses (including depreciation, amortisation and write-downs) increased by €3.2 million, to €19.7 million.

DVB reported total assets of €18.9 billion as at 31 March 2011, down 2.1% from the 2010 year-end (31 December 2010: €19.3 billion). The nominal volume of customer lending (the aggregate of loans and advances to customers, guarantees and indemnities,

### ❶ Consolidated net income before taxes (€ mn), as at 31 March



and irrevocable loan commitments) decreased by 4.7%, to €18.3 billion. Due to the fact that 86.1% of customer lending is denominated in US dollars, a year-on-year comparison in US dollar terms (up 1.2% to US\$25.9 billion) reflects business developments more accurately. ①

The distribution of customer lending (in euro terms) amongst the Bank's business divisions is shown in the following graph: ②

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

Return on equity before taxes rose to 22.3% (Q1 2010: 7.4%). The cost/income ratio declined by 24.1 percentage points, to 46.6% (Q1 2010: 70.7%).

Calculated in accordance with Basel II, DVB's tier 1 ratio rose to 19.6% (31 December 2010: 18.9%), and the total capital ratio increased slightly, to 22.6% (31 December 2010: 22.4%).

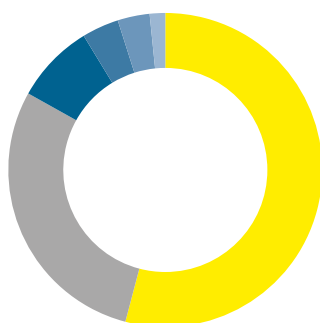
Frankfurt/Main, May 2011

THE BOARD OF MANAGING DIRECTORS

### ① Development of customer lending volume

	€ bn			US\$ bn		
	31 Mar 2011	31 Dec 2010	%	31 Mar 2011	31 Dec 2010	%
Shipping Finance	9.9	10.3	-3.9	14.1	13.7	2.9
Aviation Finance	5.3	5.6	-5.4	7.4	7.5	-1.3
Land Transport Finance	1.5	1.5	0.0	2.1	2.0	5.0
Investment Management	0.7	0.8	-12.5	0.9	1.0	-10.0
ITF Suisse	0.6	0.7	-14.3	0.9	0.9	0.0
Business no longer in line with DVB's strategy	0.3	0.3	0.0	0.5	0.5	0.0
<b>Total</b>	<b>18.3</b>	<b>19.2</b>	<b>-4.7</b>	<b>25.9</b>	<b>25.6</b>	<b>1.2</b>

### ② Customer lending by business division (in euro terms)



Shipping Finance	54.1% (+0.5 pp)
Aviation Finance	29.0% (-0.2 pp)
Land Transport Finance	8.2% (+0.4 pp)
Investment Management	3.8% (-0.4 pp)
ITF Suisse	3.3% (-0.3 pp)
Business no longer in line with the Bank's strategy	1.6% (0.0 pp)

## Condensed consolidated income statement (IFRS)

€ mn	1 Jan – 31 Mar 2011	1 Jan – 31 Mar 2010	%
Net interest income after allowance for credit losses	51.8	51.5	0.6
Net interest income	48.4	51.7	-6.4
Allowance for credit losses	3.4	-0.2	-
Net fee and commission income	27.2	15.6	74.4
Net income from financial instruments in accordance with IAS 39	13.2	-11.4	-
Result from investments in companies accounted for using the equity method	-0.5	0.0	-
General administrative expenses	-43.2	-40.4	6.9
Net other operating income/expenses	4.3	1.4	-
<b>Consolidated net income before taxes</b>	<b>52.8</b>	<b>16.7</b>	<b>-</b>
Income taxes	-9.2	-2.6	-
<b>Consolidated net income</b>	<b>43.6</b>	<b>14.1</b>	<b>-</b>
thereof: consolidated net income attributable to non-controlling interests	0.5	-0.9	-
thereof: consolidated net income attributable to shareholders of DVB Bank SE	43.1	15.0	-
<b>Earnings per share (€)</b>			
	1 Jan – 31 Mar 2011	1 Jan – 31 Mar 2010	%
Basic earnings per share	0.93	0.32	-
Diluted earnings per share	0.93	0.32	-
<b>Key financial indicators (IFRS, %)</b>			
	1 Jan – 31 Mar 2011	1 Jan – 31 Mar 2010	pp
Cost/income ratio	46.6	70.7	-24.1
Return on equity (before taxes)	22.3	7.4	14.9
Return on equity (after taxes)	18.4	6.2	12.2

<b>Assets (€ mn)</b>	<b>31 Mar 2011</b>	<b>31 Dec 2010</b>	<b>%</b>
Cash and balances with the central bank	113.5	114.3	-0.7
Loans and advances to banks	616.1	410.3	50.2
Loans and advances to customers	15,751.1	16,445.0	-4.2
Allowance for credit losses	-171.2	-182.5	-6.2
Positive fair values of derivative hedging instruments	280.2	362.9	-22.8
Trading assets	333.0	193.1	72.4
Investment securities	104.1	110.9	-6.1
Investments in companies accounted for using the equity method	62.6	37.3	67.8
Intangible assets	111.8	111.7	0.1
Property and equipment	1,185.6	1,271.0	-6.7
Income tax assets	101.7	106.3	-4.3
Other assets	417.0	336.5	23.9
<b>Total</b>	<b>18,905.5</b>	<b>19,316.8</b>	<b>-2.1</b>

<b>Equity and liabilities (€ mn)</b>	<b>31 Mar 2011</b>	<b>31 Dec 2010</b>	<b>%</b>
Deposits from other banks	6,356.8	7,214.6	-11.9
Deposits from customers	4,648.6	4,408.8	5.4
Securitised liabilities	5,563.0	5,319.9	4.6
Negative fair values of derivative hedging instruments	160.5	197.6	-18.8
Trading liabilities	149.3	227.1	-34.3
Provisions	58.4	58.6	-0.3
Income tax liabilities	105.1	107.4	-2.1
Other liabilities	140.4	94.0	49.4
Subordinated liabilities	527.8	545.5	-3.2
Equity	1,195.6	1,143.3	4.6
Issued share capital	118.0	118.0	0.0
Capital reserve	332.8	332.5	0.1
Retained earnings	689.2	661.3	4.2
thereof: fund for general banking risks	82.4	82.4	0.0
Revaluation reserve	-1.4	1.9	-
Hedging reserve – cash flow hedges	14.4	2.7	-
Currency translation reserve	-2.4	-2.2	9.1
Distributable profit	43.1	27.9	54.5
Non-controlling interests	1.9	1.2	58.3
<b>Total</b>	<b>18,905.5</b>	<b>19,316.8</b>	<b>-2.1</b>

<b>Nominal customer lending volume (€ bn)</b>	<b>31 Mar 2011</b>	<b>31 Dec 2010</b>	<b>%</b>
Nominal customer lending volume	18.3	19.2	-4.7

<b>Capital ratios in accordance with Basel II (%)</b>	<b>31 Mar 2011</b>	<b>31 Dec 2010</b>	<b>pp</b>
Tier 1 ratio	19.6	18.9	0.7
Total capital ratio	22.6	22.4	0.2

DVB Bank SE  
Investor Relations  
Elisabeth Winter  
Platz der Republik 6  
60325 Frankfurt/Main, Germany  
Phone +49 (0) 69 97 50 – 43 29  
Fax +49 (0) 69 97 50 – 48 50