

Security creates confidence

Interim Report as at 30 June 2009
DekaBank Group



DekaBank Group at a glance

Business development indicators		30.06.2009	31.12.2008	Change %
Total assets	€m	131,323	138,609	-5.3
Assets under Management (AMK and AMI)	€m	145,033	142,456	1.8
of which: Asset Management Capital Markets (AMK)	€m	124,916	123,515	1.1
of which: Asset Management Property (AMI)	€m	20,117	18,941	6.2
Number of securities accounts	thousand	4,925	5,024	-2.0
		1st half 2009	1st half 2008	
Net sales (AMK and AMI)	€m	-134	8,654	-101.5
of which: Asset Management Capital Markets (AMK)	€m	-1,386	7,269	-119.1
of which: Asset Management Property (AMI)	€m	1,252	1,385	-9.6
Performance indicators¹⁾				
Total income	€m	549.3	467.7	17.4
of which: Net interest income	€m	235.6	126.9	85.7
of which: Net commission income	€m	419.6	485.8	-13.6
Total expenses	€m	407.1	382.4	6.5
of which: Administrative expenses (incl. depreciation)	€m	407.1	382.2	6.5
Economic result	€m	142.2	85.3	66.7
Net income before tax	€m	50.0	113.8	-56.1
Key ratios				
Return on equity ²⁾	%	8.7	5.1	3.6%-points
Cost/income ratio ³⁾	%	53.0	81.8	-28.8%-points
Key regulatory figures		30.06.2009	31.12.2008	
Capital and reserves	€m	4,059	3,862	5.1
Core capital ratio (incl. market risk positions)	%	9.2	8.4	0.8%-points
Core capital ratio (excl. market risk positions)	%	11.6	10.5	1.1%-points
Total capital ratio	%	13.1	12.5	0.6%-points
Risk ratios				
Total risk-bearing capacity	€m	4,628	5,043	-8.2
Group risk (value-at-risk) ⁴⁾	€m	2,983	3,292	-9.4
Utilisation of risk-bearing capacity	%	64.5	65.3	-0.8%-points
Non-guaranteed rating (short-term/long-term)				
Moody's		P-1/Aa2	P-1/Aa2	
Standard & Poor's		A-1/A	A-1/A	
Key employee figures				
Number of employees		3,763	3,920	-4.0
Average number of positions occupied		3,348	3,355	-0.2

¹⁾ The previous year's figures were adjusted in accordance with IAS 8.42. See detailed presentation in note [28].

²⁾ Return on equity (RoE before tax) corresponds to the economic result divided by equity at the start of the financial year, including atypical silent capital contributions (figure annualised).

³⁾ Cost/income ratio (CIR) corresponds to the ratio resulting from total expenses (excluding restructuring expenses) and total income (before risk provision).

⁴⁾ Confidence level: 99.9%, holding period: 1 year.

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Foreword

Dear Shareholders and Investors,

Trends in the economy and capital markets were volatile in the first six months of 2009. Overall, the DekaBank Group performed satisfactorily in this environment. With a higher economic result than in the first half of 2008, a stable customer base and a forward-looking quality and process campaign, we have laid the foundation for sustainable and profitable growth in the months and years to come.

Like all other participants in the financial markets, DekaBank faced difficult market conditions at the beginning of 2009. Large sections of the economy had been affected by the financial market crisis at the start of 2009, unsettling companies and investors. In terms of our funds, this resulted in some cases to high net outflows. Coupled with further price markdowns on capital market credit products, this led to a slightly negative economic result in the first quarter of 2009.

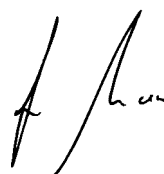
The situation improved in the period April to June and the second quarter saw the first signs of a recovery in the global economy. Initially, these were in the form of "soft" sentiment indicators pointing towards a trend reversal, but in recent weeks this development has increasingly been confirmed by "hard" economic data. The signs suggest that all the measures initiated by a large number of countries and central banks worldwide are beginning to take effect and the global economy is starting to emerge from the deep recession.

As the central asset manager for the *Sparkassen-Finanzgruppe* DekaBank has benefited from this favourable development and our business recorded significant positive growth again in the second quarter. At €142.2m in net terms, we achieved a higher economic result than in the first half of 2008 and broadened our earnings base.

Nonetheless, caution is still required as the economy is still far from overcoming the financial market crisis and its associated repercussions. We can only ensure our success as an asset manager in the future if we continually optimise our products, processes and structures so they are always best aligned with the needs of our customers and sales partners. At the same time, we have to find a response to potentially lower earnings in the wake of the crisis. This is why in the first half of 2009 we launched a quality and process campaign to permanently reduce our administrative and personnel expenses. However, there is more to this initiative than just a cost optimisation programme: it aims to improve quality on a long-term basis as well as further enhance process efficiency and combines the greatest possible savings potential with the fewest possible restrictions for products and services.

With the measures instigated, DekaBank is well equipped to position itself successfully in asset management, including under difficult framework conditions, and to offer its customers and sales partners in the *Sparkassen-Finanzgruppe* added value on a sustainable basis. Through this, we have defined the guiding principles for our activities in the second half of 2009 and beyond.

Sincerely,



Franz S. Waas, Ph. D.
Chairman of the Board of Management

Interim management report 2009

At a glance

The DekaBank Group achieved an economic result of €142.2m in the first half of 2009, thereby outstripping the previous year's figure by €56.9m. After a negative economic result in the first quarter (€-22m), essentially due to the valuation result from capital market credit products, the second quarter saw a positive result of around €164m. Our capital market business also benefited from the incipient recovery in the markets in the second quarter. However, further pressures in the market as a result of the financial market crisis cannot be ruled out. We have taken account of this situation by significantly increasing the risk provisions which are included in our half-year figures.

In our capital market and property-based Asset Management activities (AMK and AMI business divisions), we succeeded in strengthening our market position in a challenging environment. Net sales were almost balanced at €-0.1bn. We responded to the increased need for safe investments on the part of investors at an early stage with the launch of attractive bond funds and capital protected funds. Alongside equity funds, special securities funds and advisory/management mandates, these funds made a pleasing contribution to net sales in the AMK business division. In the AMI business division, sales of open-ended mutual property funds based on sales quotas performed well. Overall, sales almost fully offset the funds outflows from money market funds and fund-based asset management.

Despite this stabilisation, the net income contribution from Asset Management was down on the previous year but remained clearly positive. The downturn was mainly due to lower portfolio-related commission as a result of the decline in assets under management in the second half of 2008. The net income contribution from the C&M business division improved considerably compared with the previous year. In addition to the slow market recovery in the second quarter of 2009, this was due to the strategy already introduced at the end of 2008 to focus capital market activities on asset management services as well as the resultant stabilisation of our earnings base. In line with this strategy, we are gradually decreasing the portfolio of structured capital market credit products and further reducing our risk utilisation.

We continued to drive forward our business model focus in the first six months of 2009 and further enhanced the integration of expertise in our business divisions in close alignment with the needs of our primary customers, the savings banks and their customers. On the basis of close cooperation between AMK, AMI and C&M as well as the Sales units and Corporate Centres, we further develop our product range taking account of important trends in the capital markets, broaden access to asset classes and create tailored products to take different risk profiles and investment strategies into consideration.

In the reporting period, this integrated approach resulted in a range of attractive new products, such as Deka Loan Investments, which enable savings banks to participate in infrastructure and property finance. Here C&M and AMI function as credit providers while AMI is responsible for fund management and AMK for administration and institutional sales. Another example, the A-DekaKonzept 1 fund, gives savings banks access to yield opportunities on collateralised liquidity investments and shows how the close integration of capital market and fund expertise creates convincing product solutions which meet our First Choice Deka claim to excellence. These underpin DekaBank's position as asset manager of choice for the *Sparkassen-Finanzgruppe*, providing comprehensive asset management solutions to its alliance partners and making liquidity available on a flexible basis at all times.

We also honour our claim to excellence through the ongoing improvement of product quality and performance in the portfolio of existing business. Significant awards in the first six months of 2009, such as the accolade of "top investment company" from business magazine *Capital* and second best equities research company in Europe (Top Buy-side Firms – General Equities) from Thomson Reuters, show that we are on the right path.

To maintain and strengthen DekaBank's performance and earnings power including under difficult framework conditions, we launched a Group-wide quality and process campaign in spring 2009. The measures taken to increase efficiency and cut costs will ensure consistent process quality in the long term and create the basis for sustained growth in the economic result of the DekaBank Group over the coming years.

Compared to the administrative expenses originally budgeted for financial year 2009, the quality and process campaign should lead to a cost reduction of 20% by financial year 2011. A raft of measures was approved with the aim of increasing efficiency, for example by consolidating units, and reducing operating costs and personnel expenses.

Business development and profit performance

Economic environment

In the first six months of 2009, development in the economic environment was very restrained for the asset management industry and therefore also for the DekaBank Group. Across the sector, mutual securities funds only achieved modest sales. At the same time, interest in passively-managed products such as ETF index funds increased.

The situation in the money market remained tight, liquidity premiums and credit spreads were high and credit ratings of companies and the public sector were downgraded, all factors that affected conditions for our capital market business in the first quarter in particular. The situation in the capital markets eased noticeably in the course of the second quarter.

From an economic point of view, there are increasing signs that the worst effects of the financial market crisis have now been overcome. Nevertheless, pressure on the market as a result of the crisis cannot be ruled out in the future.

Overall economic trends

The winter half-year was marked by an historical decline in growth. In the fourth quarter of 2008 and the first quarter of 2009, national economies across the globe contracted at a rapid rate. The bankruptcy of US investment bank Lehman Brothers in mid-September 2008 crippled the activities of many companies. This was followed by a slump in incoming orders and production. Against this backdrop, forecasts for 2009 were revised to an almost unprecedented extent. GDP in Germany is now expected to contract by 5.5%.

Despite the extraordinary depth of the current global recession, an increasing number of economic indicators, such as the business climate indices, suggest an improvement in the current year already. There are good reasons for this. Monetary and financial policy has forcefully countered the crisis. Extremely low interest rates combined with major economic packages worldwide have provided the financing boost required to overcome the global crisis of confidence.

Companies increasingly believe that the stimulus packages are taking effect and order books will start to fill up again in the coming months. This is also confirmed by the Purchasing Managers' Index. Although still at a low level in most countries, it has recently climbed several times in a row. On the basis of this informative economic indicator, China is already back on track for growth.

Trends in capital markets

The year 2009 started with cautious optimism. The shock news of the collapse of Lehman Brothers had been processed, and central banks and governments worldwide had introduced the first measures to counter the crisis. While the US central bank Fed had already practically cut key lending rates to 0%, the eurozone started the new year with a key lending rate of 2.5%. However, as early as January, the European Central Bank (ECB) cut the refinancing rate by 50 basis points and further interest rate reductions down to 1.0% followed. Accordingly, interest rates at the short end of the market continued to fall rapidly and the ten-year interest rate once again dipped briefly below the 3% mark. In the credit market, the recovery trend which emerged in December continued into February.

Although the economic situation at the beginning of the year was somewhat critical, the market believed that it was prepared for this thanks to forecasts. However, economic developments in the first quarter of 2009 exceeded even the worst fears. Corporate results were disappointing right across the board and the record losses posted by banks for financial year 2008 sent further shock waves through the markets. The disappointment regarding the economic performance resulted in further panic selling of risky securities, in the wake of which some share price indices reached new ten-year lows in March. In the credit market, the highs for risk premiums recorded in November 2008 were tested once more.

From April onwards, sentiment brightened again. Banks reported an upturn in business and some of the results for the first quarter of 2009 have been a very pleasant surprise. Leading economic indicators improved for several consecutive months, pointing to an economic recovery in the second half of the year. Finally, there were increasing signs that at least in the USA, the recession may actually be overcome this summer. These hopes gave rise to a recovery rally in the markets, with most share price indices subsequently returning to their year-end levels. Many emerging markets even achieved significant share price gains. The credit markets also recovered considerably. The positive market response to numerous new issues of corporate and bank bonds was particularly remarkable.

The bond markets also saw a trend reversal. Since the large-scale economic and bank bailout programmes, in the USA in particular, need to be refinanced through a substantial expansion of the level of national debt, interest rates have increased sharply, especially at the long end of the market, despite the Fed buying US Treasuries on a massive scale. This trend has been exacerbated by concerns about rapidly rising rates of inflation in the future. As a result, the yield curve steepened significantly, both in the USA and the eurozone. Meanwhile, the sharp rise in the debt ratio has also resulted in doubts about the first-class credit rating of some countries. Rating agency Standard & Poor's, for example, has already changed its outlook for the UK's top rating to negative. Although a similar measure has also been discussed for the USA, the rating agencies did not affirm this. However, the US dollar has been adversely affected by these developments, losing substantial value against the euro.

Trends in property markets

While the investment markets came under great pressure already in the second half of 2008, as expected the financial market crisis and recession impacted on the European rental markets with some delay. In the first half of 2009, the repercussions now made themselves clearly felt. Rents in the City of London, which has been affected particularly severely by the financial market crisis, have already fallen by a third since the last high at the end of 2007/beginning of 2008. Paris and Madrid have also seen a substantial downturn in rents while locations in Germany have recorded only minor losses to date. This is also due to the lower level of volatility in the German property markets compared to other countries.

The commercial investment volume in Europe decreased further in the first six months of 2009. Due to the limited financing options, the market was dominated by low-volume transactions. Signs of stabilisation increased in the UK, which has proved to be a lead market. Financing difficulties and gloomy prospects for the rental markets have resulted in further, and in some cases, sharp rises in yields, despite the fact that risk premiums in the capital market have already decreased again. However, in locations where the market was previously not as overheated, the rise in yields has been below average.

Vacancy rates in the US office markets have increased further. City centre and suburban locations have equally been affected by growth in the vacancy rate. The capital available for property investment remained scarce in the USA. Pressure on the virtually dried up market for commercial mortgage backed securities (CMBS) has not yet eased. This meant that 50% to 75% of all arranged transactions never actually materialised. In the second quarter of 2009, the US investment market responded more extensively to the serious financial market and economic crisis. The rising number of forced sales is likely to have produced significant price pressure.

The rapid downward spiral of the Asian office markets continued into spring 2009. The picture was dominated by space becoming vacant and cost reductions. The financial centres of Hong Kong and Singapore saw the sharpest falls in rents. Despite the generally stable economic outlook, the situation in Australia's rental markets is also depressed. In view of the only moderate rental prospects and tighter financing conditions, the level of activity in the investment market in Asia and the Pacific remained below average. In the established markets of Australia, Japan, Singapore and Hong Kong, sale

offers and negotiations regained some of their momentum towards the end of the second quarter. This development is supported by the relative stability of Asian banks. All markets recorded decreasing capital values.

Trends in the funds sector

According to BVI sales statistics for the first half of 2009, mutual securities funds in the German investment market recorded a net funds outflow of €1.7bn, compared with an inflow of €16.1bn in the previous year. Money market funds fell significantly, with bond funds also seeing more fund units returned than issued. In contrast, equity funds benefited from the movement in share prices and reported the highest inflows for years at €4.9bn. Capital protected funds, hybrid funds and alternative investment funds were also considerably up. In net terms, open-ended mutual property funds attracted investor funds of €3.1bn. Special funds for institutional investors recorded net inflows of €2.3bn.

According to a survey by Deutsches Aktieninstitut (German Equities Institute), the number of fund investors increased again somewhat in the first half of 2009. Compared with the first six months of 2008, the number rose by 3.5% to around 6.8 million.

Business development and profit performance in the DekaBank Group

Overall assessment by the Board of Management

The DekaBank Group was unable to fully escape the impact of the tense market environment in the first half of 2009. After a negative economic result in the first quarter of 2009 (€–22m), essentially due to the valuation result from capital market credit products, the second quarter saw a clearly positive result of around €164m. For the first six months, the economic result stood at €142.2m and was €56.9m higher than the comparable figure for the previous year.

The environment for mutual securities funds remained challenging and severely limited net sales in Asset Management. Net sales of AMK and AMI of €–0.1bn were considerably lower than the figure for the same period in the previous year (€8.7bn). However, business stabilised compared with the second half of 2008 which was adversely

affected by returns of fund units on a massive scale. With almost balanced net sales, the DekaBank Group consolidated its market position. Assets under management in the AMK and AMI business divisions totalled €145.0bn, exceeding the level at year-end 2008 (€142.5bn) by 1.8%, mainly as a result of the upswing in prices. In terms of fund assets, according to the BVI DekaBank is still the second biggest provider of mutual securities funds and has maintained its market leading position in open-ended mutual property funds.

The high ratio of intra-alliance business of 81% in the first half of 2009 (end 2008: around 87%) again highlights the importance of DekaBank for the fund sales of its sales partners in the *Sparkassen-Finanzgruppe*. We measure our added value contribution for savings banks and *Landesbanken* on the basis of our payments to the alliance partners. These include the transferred front-end load from the sale of funds as well as the corresponding sales performance compensation, asset management fees and sales commission. Payments to the alliance partners fell year-on-year from €626m to €406m as a result of lower sales and developments in the capital markets.

As in the first half of 2008, the valuation result from capital market credit products was negative. However, the tightening of credit spreads that started in the second quarter of 2009 led to revaluations. Furthermore, in its long-term liquidity investments, the DekaBank Group benefited from the high liquidity spreads.

The leading international rating agencies Standard & Poor's and Moody's have maintained their very good ratings for DekaBank. The unguaranteed long-term rating continues to stand at A (S&P) and Aa2 (Moody's) respectively, each with a stable outlook.

Profit performance in the DekaBank Group

With an economic result of €142.2m, the DekaBank Group recorded a satisfactory development in income given the market environment. This outstripped the comparable figure for the first half of 2008 (€85.3m) by 66.7%. Income, including the negative valuation result from capital market credit products, which is reported under net financial income, as well as the increased risk provisions, totalled €549.3m (previous year: €467.7m), while expenses amounted to €407.1m (previous year: €382.4m).

Net interest income increased by almost 86% to €235.6m (previous year: €126.9m). The net margin income from customer business in both the C&M business division and Real Estate Lending (AMI business division) rose considerably. In C&M, this was primarily due to the investment of liquidity at attractive terms and conditions. In traditional banking business for example, two thirds of the net interest income for financial year 2008 as a whole was already achieved in the first six months of 2009. Furthermore, liquidity investments in corporate bonds with investment grade ratings as a minimum, made in the second half of 2008, benefited from the high liquidity spreads and impacted positively on net interest income. The portfolio volume in lending business, which on average was higher than in the first half of 2008, also had a positive effect. In Real Estate Lending, higher net margin income is partly attributable to more profitable new business.

Risk provisions amounted to €–218.9m (previous year: €0.5m). The strained market environment resulting from the financial market crisis made it necessary to increase the level of loan loss provisions.

Net commission income amounted to €419.6m, down 13.6% on the previous year (€485.8m). This was primarily due to funds outflows and price falls in the fourth quarter of 2008. As a result of the decline in assets under management

in the AMK business division, DekaBank's portfolio-related commission was significantly lower than in the first half of 2008. The downturn in net sales also had a negative impact. Overall, commission from banking business decreased. Income from commission business/sales was slightly up on the previous year, but this was countered by a drop in income from securities management and lending business.

At €150.5m, net financial income, which comprises trading and non-trading positions, was considerably higher than in the previous year (€–123.1m). The negative valuation result from capital market credit products (non-trading) of around €–171m (previous year: around €–207m) was more than compensated by the further improvement in net trading income from the continued strong level of customer business in particular. In the reporting period, this rose to €236.9m from €123.9m in the previous year. Here DekaBank also benefited from the higher income contribution from trading in fixed-interest securities, which resulted in part from the high volume of new issues and steady demand on the part of customers for corporate bonds, in particular. This trend was further supported by the upturn in the previously inactive secondary market and tightening of credit spreads in the second quarter of 2009. Moreover, net financial income from non-trading positions in Treasury improved, mostly as a result of write-ups.

Profit performance in the DekaBank Group (Fig. 1)

€m	1 st half 2009	1 st half 2008 ¹⁾	Change	
Net interest income	235.6	126.9	108.7	85.7%
Risk provision	–218.9	0.5	–219.4	(< –300%)
Net commission income	419.6	485.8	–66.2	–13.6%
Net financial income	150.5	–123.1	273.6	222.3%
Other income	–37.5	–22.4	–15.1	–67.4%
Total income	549.3	467.7	81.6	17.4%
Administrative expenses (including depreciation)	407.1	382.2	24.9	6.5%
Restructuring expenses	0.0	0.2	–0.2	–100.0%
Total expenses	407.1	382.4	24.7	6.5%
Economic result	142.2	85.3	56.9	66.7%

¹⁾ The previous year's figures were adjusted in accordance with IAS 8.42. See detailed presentation in note [28].

Other operating income fell to €–37.5m (previous year: €–22.4m).

Administrative expenses increased by 6.5% overall to €407.1m (previous year: €382.2m). The reduction in personnel expenses from €182.2m to €172.8m is due on the one hand to the transfer of employees to the joint venture, Dealis Fund Operations GmbH, established together with Allianz Global Investors in 2008, and to lower special payments and lower allocations to old-age provisions on the other. Operating expenses (excluding depreciation) amounted to €201.9m, around 7% more than in the first half of 2008. For the first time, these include expenses for fund accounting and administration which were reported under personnel expenses in the previous year. The reason for this shift is that these services have been provided by Dealis Fund Operations GmbH since the start of 2009. At €32.4m, depreciation was higher than in the previous year (€11.4m). The rise resulted from unscheduled amortisation of €25m on the goodwill for the shareholding in WestInvest GmbH acquired in 2004 (Fig. 1).

Excluding unscheduled amortisation in the first six months of 2009, the cost/income ratio improved from 81.8% in the first half of 2008 to 49.7%.

Business development and profit performance in the AMK business division

In close consultation with Savings Banks Sales, the AMK business division responded quickly and comprehensively to the increased demand on the part of savings bank customers for safe securities investments and private old-age provision. In the first half of the year, sales concentrated on bond funds and capital protected funds, which in the current low interest rate environment generate yields that are both reliable and attractive. In fund-linked asset management, AMK introduced more flexible investment strategies. For savings banks as institutional customers, this included the A-DekaKonzept 1 fund, which was set up in close cooperation with C&M and enables investors to participate in liquidity spreads.

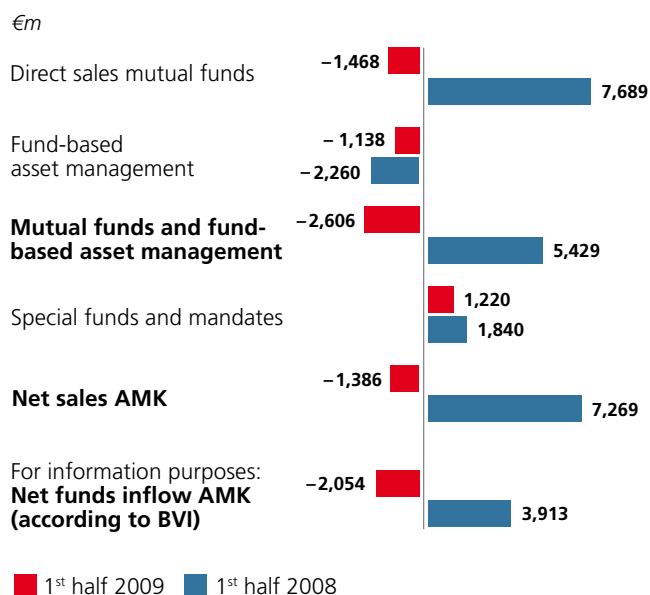
Net sales performance and assets under management

AMK's net sales performance reflects the weak capital market environment. At €–1.4bn, sales during the reporting period were considerably below the previous year's figure (€7.3bn). Outflows from mutual funds and fund-based asset management primarily affected the first quarter of 2009 and slowed in the second quarter. In the first six months, money

market funds especially saw increased returns of fund units as a result of the fundamental change in the interest rate environment. In contrast, equity funds performed significantly better than in the previous year as initial recovery trends in the equity market attracted new investor money. Bond funds and capital protected funds contributed positively to net sales, including as a result of buoyant demand for new products. However, the high inflows of the previous year were not repeated and direct sales of mutual funds were negative overall at €–1.5bn. Fund-based asset management also saw net outflows, although these reduced to €–1.1bn compared with €–2.3bn in the previous year.

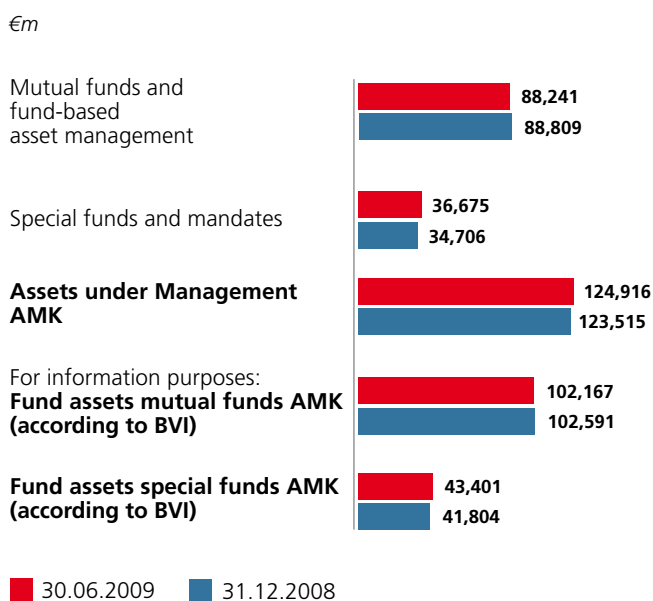
Special securities funds as well as Master KAG and advisory/management mandates reported net sales of €1.2bn (previous year: €1.8bn). At €0.5bn, net sales for special funds improved considerably on the figure of €–1.7bn achieved in the previous year (Fig. 2).

AMK sales performance (Fig. 2)



As a result of the strong fund performance, assets under management in the AMK business division increased by 1.1% to stand at €124.9bn as at 30 June 2009 (end 2008: €123.5bn). The DekaBank Group's share of the mutual securities funds market in terms of fund assets according to BVI remained virtually unchanged at around 20% (Fig. 3).

Assets under management AMK (Fig. 3)



Expanded offering

In line with its sales focus, AMK launched a range of new funds in the first half of the year and also presented convincing product solutions for old-age provision. In bond funds, the Deka-EuroRent fund series, which makes diversified investments in euro-denominated secured bonds, was launched at the start of the year and proved very popular. Demand for the Deka-RentSpezial 2/2014 fixed-term fund set up in February was also lively. This fund pools investment grade bonds from 25 renowned companies, thereby exploiting the attractive environment dominated by high yield spreads while broadly diversifying default risk. Deka-CapGarant 1 and 2 enhance the range of capital protected funds. These products allow investors to participate in the upward price potential offered by a eurozone index basket and at the same time benefit from a full guarantee on the capital invested. Investors are also safe in the knowledge

that they will fully participate in the underlying index up to an attractive maximum level.

Since February, we have been offering individually managed Riester fund savings plans with the Deka-Zukunfts-Plan. The equities portion is adjusted flexibly in line with the respective situation in the market. This product guarantees the paid-in premiums and state allowances at the start of the disbursement phase as well as the highs reached by the provision portfolio in the five years prior to this phase. DekaBank was also one of the first providers in the market to adjust its working hours accounts to meet the new regulations under the Act to Improve General Conditions to Ensure Flexible Work Time Regulations (known as the Flexi II Act). A trust and assignment model coupled with the use of guaranteed funds now enables employers to ensure capital preservation and security in the event of insolvency as required by the law.

AMK has initiated considerable changes in fund-linked asset management. The overriding aim is to give greater flexibility to the advisers in the savings banks and to end customers. The concept changes include the introduction of maximum loss limits, flexible management of the equities portion and the use of hedging instruments as well as a focus on certain asset classes or segments.

Fund performance and rating

Our equity funds and bond funds developed well by comparison with the rest of the industry with 81.8% of the equity funds and 71.4% of bond funds outperforming their respective benchmark as at 30 June 2009. DekaBank also fared well from a ratings perspective. As at the end of June, investment research firm Morningstar allocated an above-average rating to 36.5% of the Bank's funds in the three to ten-year monitoring period. At year-end 2008, this proportion stood at 27.5%.

The upward trend was also confirmed by superb placings in other offering and performance comparisons. In January 2009, business magazine Capital named Deka Investment top investment company for the first time, giving it the highest score of five stars in all five categories judged. Only nine of the 100 investment companies assessed achieved this top rating. This was followed in February 2009 by second place in a comparison of the biggest providers of bond

funds in the Morningstar Fund Awards. This ranking was achieved for good performance based on the new investment process in bond fund management. Further confirmation of our claim to excellence came in the shape of the accolade from Thomson Reuters of second best provider of equities research in Europe (Top Buyside Firms – General Equities). This award is based on an assessment of services in more than 30 individual corporate sectors.

Profit performance in the AMK business division

The economic result in the AMK business division totalled €94.1m, down 38.7% on the first half of 2008 (€153.6m). Net commission income fell by 18.3% to €286.7m (previous year: €350.9m). Portfolio-related commission also decreased as a result of the market-related decline in assets under management. The moderate improvement in the margin structure in the portfolio of existing business had only a slight impact by comparison. Other income of €–12.8m (previous year: €–11.4m) includes the effects of start-up financing for newly launched funds.

At €179.8m, administrative expenses were 3.2% lower than the previous year's figure of €185.7m. This highlights that the measures already taken under the quality and process campaign are starting to take effect. The savings more than compensated additional expenses incurred in relation

to investment in the fund accounting and administration systems. For the second half of 2009, the rise in costs is expected to be disproportionately low as a result of the measures instigated (Fig. 4).

Business development and profit performance in the AMI business division

The management of net sales performance of open-ended mutual property funds on the basis of sales quotas proved successful again in the first half of 2009. While some competitors continued to suspend acceptance of returned fund units, the AMI business division maintained the liquidity ratio of its funds in the target range and made targeted acquisitions in the property market. Despite the weak market, vacancy rates remained at a stable level. In the Real Estate Lending sub-division, AMI adopted an appropriately cautious approach, only selectively taking on new commitments.

Net sales performance and assets under management

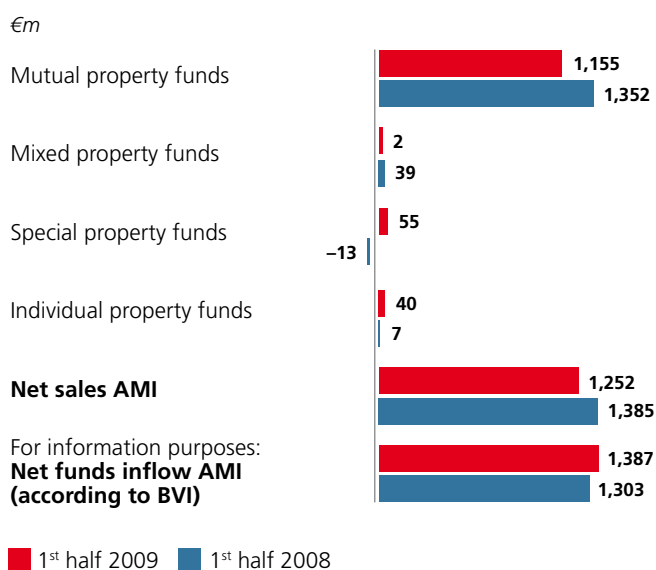
AMI achieved a net sales performance of €1.2bn (previous year: €1.4bn), mainly as a result of the fixed limit quotas for open-ended mutual property funds. Accordingly, AMI accounted for almost a third of the net funds inflow recorded in BVI statistics for mutual property funds and further expanded its position as the market leader.

AMK profit performance (Fig. 4)

€m	1 st half 2009	1 st half 2008	Change	
Net commission income	286.7	350.9	–64.2	–18.3%
Other income	–12.8	–11.4	–1.4	–12.3%
Total income	273.9	339.5	–65.6	–19.3%
Administrative expenses (including depreciation)	179.8	185.7	–5.9	–3.2%
Restructuring expenses	0.0	0.2	–0.2	–100.0%
Total expenses	179.8	185.9	–6.1	–3.3%
Economic result	94.1	153.6	–59.5	–38.7%

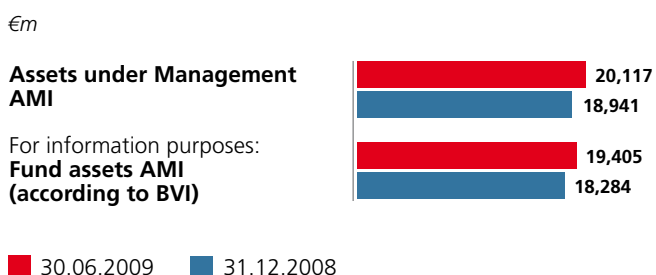
The net sales performance of special property funds and individual property funds totalling €95m was significantly up on the virtually balanced previous year's figure (€-6m). Institutional customers continued to display steady interest as at 30 June 2009 (Fig. 5).

AMI sales performance (Fig. 5)



Assets under management in the AMI business division rose by 6.2% compared with year-end 2008 (€18.9bn) to €20.1bn, despite significant distribution levels (Fig. 6). Of this, €18.0bn (year-end 2008: €17.2bn) was attributable to open-ended mutual property funds. Assets under management in special property funds and individual funds also exceeded the respective previous year's figures.

Assets under management AMI (Fig. 6)



Despite the difficult conditions resulting from the financial market crisis, property markets offered attractive opportunities for acquisitions, which were used by the funds on a selective basis. Acquisitions by Deka Immobilien included office buildings in Vancouver and Melbourne for the Deka-ImmobilienGlobal fund, thereby entering the Canadian market and consolidated its presence in Australia. Additional larger acquisitions related to an office property in Barcelona, also for the Deka-ImmobilienGlobal fund, and a logistics property in Enfield in the UK for the Deka-Immobilien-Europa fund.

Expanded offering

The launch of the logistics fund in 2008 was followed in the first half of 2009 by the establishment of funds with a focus on hotels and shopping centres respectively for the WestInvest TargetSelect product group. Both funds were still in the introduction stage as at mid-year and should be available to institutional investors from the third quarter of 2009.

AMI also launched the first genuine loan fund for institutional investors in Germany. The Deka Loan Investments concept was jointly developed with C&M and AMK. The first two asset classes, Deka Realkredit Klassik and Deka Infrastrukturkredit, are currently being launched in the market. These enable savings banks, in particular, to participate in commercial financing with small tranches. The criteria guarantee a high average rating and favourable collateral structure. The new asset class also testifies to the close cooperation of the business divisions. Alongside AMI, C&M functions as credit provider while AMK is responsible for institutional sales.

Fund performance and rating

The performance of the open-ended mutual property funds was unable to buck the sector trend. As at 30 June 2009, the funds achieved an average annualised volume-weighted yield of 3.5% and overall did not therefore match the previous year's level in the first half of 2009.

The agency Scope Analysis GmbH gave the open-ended property funds of AMI an above-average rating again in the first half of 2009. In three out of six categories, the funds achieved good positions. WestInvest InterSelect and Deka-ImmobilienEuropa continue to be among the top five funds whose target market is Europe, while Deka-Immobilien-Global came third among the funds with a global focus. In relation to the target market of Germany, our funds came in second and third place. Particularly noteworthy is the fact that WestInvest ImmoValue once again received the best rating of AAA. This fund is aimed at institutional investors and

invests in real estate in Europe. Again, it was judged to be the best of all the property funds under review. In addition, WestInvest maintained its top placing as the company with the best fund management. Deka Immobilien Investment came a strong third.

Real Estate Lending

The Real Estate Lending sub-division pursued its strategy in the first half of 2009 and focused on the markets in which AMI also acquires investment fund business. In a generally riskier environment, Real Estate Lending concentrated even more on the countries in which AMI is represented via its own locations, which were France, the UK, Italy, the USA and Japan. As in the previous year, the new loans granted related to existing property in categories in which the business division has many years of expertise, such as offices, retail space, logistics properties and hotels. In addition, financing for DekaBank's own and third party property funds was made available.

The volume of new loans granted amounted to €0.6bn as at 30 June 2009 (31 December 2008: €3.5bn). Despite the challenging current market environment, DekaBank succeeded in syndicating around €0.3bn in the first half of 2009 (previous year: €0.2bn). The loan volume in the AMI business division rose slightly on the basis of (gross) utilisation to €7.1bn as at 30 June 2009 (31 December 2008: €7.0bn). Of this, €4.7bn was attributable to commercial property finance, almost €1.9bn to property fund financing and €0.5bn to construction finance collateralised by public

sector guarantees. The latter represent a business segment which is now being phased out. In the current economic environment, we achieved higher margins in new business. At the same time, we reduced the volume of acquisitions based on lending against collateral and achieved better ratings.

Profit performance in the AMI business division

With an economic result of €25.6m (excluding non-recurring effect), the AMI business division comfortably achieved the expected figure for the first half of 2009. However, as a result of risk provision measures implemented in response to current market developments, net income was below the strong previous year's figure of €45.2m, which comprised a positive income contribution from valuation allowances that were no longer required.

The non-recurring effect amounting to €25m relates to unscheduled amortisation of goodwill for the shares in WestInvest GmbH acquired in 2004.

In Asset Management, the successful placement of sales quotas and the low level of funds outflows compared with the sector as a whole impacted favourably on portfolio-related commission. Due to the risk-aware approach in terms of buying and selling properties, this was countered by lower income from transactions. On balance, net commission income of €74.9m was approximately on a par with the previous year's level (€75.2m).

AMI profit performance (Fig. 7)

€m	1 st half 2009	1 st half 2008	Change	
Net interest income	29.6	9.5	20.1	211.6%
Risk provision	-27.7	6.5	-34.2	(< -300%)
Net commission income	74.9	75.2	-0.3	-0.4%
Net financial income	4.4	10.1	-5.7	-56.4%
Other income	0.3	0.9	-0.6	-66.7%
Total income	81.5	102.2	-20.7	-20.3%
Administrative expenses (incl. depreciation and excl. non-recurring effect)	55.9	57.0	-1.1	-1.9%
Economic result (excl. non-recurring effect)	25.6	45.2	-19.6	-43.4%
Restructuring expenses/non-recurring effect ¹⁾	25.0	0.0	25.0	n/a
Total expenses (incl. non-recurring effect)	80.9	57.0	23.9	41.9%
Economic result (incl. non-recurring effect)	0.6	45.2	-44.6	-98.7%

¹⁾ Unscheduled amortisation of the goodwill for the shares in WestInvest GmbH acquired in 2004.

In Real Estate Lending, AMI benefited from higher margin income which resulted in part from more profitable new business. Consequently, net interest income in the business division increased significantly to €29.6m (previous year: €9.5m). Due to the changed market conditions and resultant risks, the risk provision amounted to €–27.7m (previous year: €6.5m).

The lower net financial income reflects further reductions in fund units held as well as a downward trend in the performance of the Bank's own portfolio of DekaBank property fund units.

Excluding the non-recurring effect of the goodwill amortisation, administrative expenses amounted to €55.9m and were slightly down on the previous year (€57.0m); (Fig. 7).

Business development and profit performance in the C&M business division

In the first half of 2009, the C&M business division systematically expanded its role as the central service provider for Asset Management. C&M benefited from the emerging recovery in the markets and achieved a positive economic result of €94.8m (previous year: €–148.4m). The negative valuation result from capital market credit products and higher risk provisions in the wake of the financial market crisis and its repercussions was countered by a positive trend in net interest income and net trading income from customer business. Furthermore, DekaBank benefited from the liquidity cushion built up over previous years and was able to invest liquidity long term at attractive terms and conditions.

Business development in the C&M business division

In the Markets sub-division, C&M makes an integral contribution to innovative solutions for private investors and institutional customers. The offering in various product segments was expanded to precisely match the requirements of Asset Management and the *Sparkassen-Finanzgruppe*.

Securities finance business was streamlined further with a focus on repo/lending and other activities relating to short-term products. The repo and securities finance business of the Markets sub-division also made an important contribution towards the liquidity supply of the savings banks and at the same time ensured that the funds of AMK and AMI were in a position to invest liquidity profitably and on a fully collateralised basis. This made optimum use of DekaBank's long-term comfortable liquidity situation.

On the strength of its business based on bonds, interest rate derivatives and credit derivatives, the Markets sub-division once again offered institutional customers convincing fixed-income solutions from under one roof.

Ongoing product development and successful market making for derivatives facilitate risk hedging in Asset Management and simplify the representation of asset classes. For example, C&M offers the derivatives for mutual funds with clear yield targets and capital preservation in competition with other providers.

The asset classes and strategic spectrum of passively-managed exchange traded index funds (ETFs) were also extended. Following the launch of 20 new ETFs in the first half of 2009, institutional investors inside and outside the *Sparkassen-Finanzgruppe* now have access to as many as 30 index funds. The product range offered comprises 18 equity ETFs and 12 bond ETFs. These accounted for a volume of €3.4bn as at 30 June 2009 (end 2008: €1.8bn).

Traditional equity business was expanded with the support of trading algorithms. Using these algorithms enables C&M to trade and coordinate higher volumes efficiently. The derivatives offering was advanced via the derivatives platform launched in autumn 2007.

In the Credits sub-division, which covers traditional lending business, C&M pursued a very prudent approach during the reporting period in view of the current economic environment. The gross loan volume was down 6.2% to €42.1bn compared with year-end 2008 (€44.9bn). Credits acted as originator for infrastructure loans as part of Deka Loan Investments.

The net volume of the entire portfolio of capital market credit products totalled €11.4bn as at 30 June 2009 (31 December 2008: €11.8bn). More than two thirds of the portfolio was attributable to standard products such as bonds, CDS and index transactions, most of which with a good rating. The total gross nominal value of structured capital market credit products amounted to €4.4bn.

Profit performance in the C&M business division

Despite the increased risk provision, C&M considerably increased its economic result to €94.8m (previous year: €–148.4m). The turnaround in the reporting period resulted from the significant rise in net interest income and net income from trading.

Net interest income rose to €197.0m, representing a more than four-fold increase compared with the relevant figure for the previous year (€47.3m). The rise is primarily due to the investment of liquidity at attractive terms and conditions. Furthermore, liquidity investments in corporate bonds with investment grade ratings as a minimum, made in the second half of 2008, benefited from the high liquidity spreads and impacted positively on net interest income. The portfolio volume in lending business, which on average was higher than in the first half of 2008, also had a positive effect.

The risk provision amounted to €–191.2m as at the reporting date and was up on the comparable figure for the previous year (€–6.0m) as a result of the difficult market conditions.

Net commission income of €55.8m was slightly below the previous year's level (€57.0m). The decline in lending business was largely compensated by commission business.

Net financial income was up on the previous year's level (€–140.2m) to €149.7m. This includes the negative valuation result from capital market credit products amounting to around €–171m (previous year: around €–207m). Income from trading positions on the other hand increased significantly. The expansion of customer business accounted for a major proportion of this increase. In particular, the income contribution generated through trading fixed-income securities was considerably higher than in the previous year. Several factors facilitated this trend, including the high number of new issues in the market, the revival of the secondary market, the rising demand again for corporate

bonds, in particular, and the tightening of credit spreads in the second quarter of 2009. Thanks to the excellent liquidity supply at the DekaBank Group, C&M was also in a position to service the high level of demand for liquidity from renowned counterparties with the relevant volumes as part of collateralised lending transactions.

Administrative expenses of €116.6m were up 9.8% on the previous year (€106.2m). The rise reflects the further expansion of C&M activities which can be used by Asset Management with a focus on the Markets sub-division. Investment in IT infrastructure, the increased complexity of ETFs and further expansion of the range of products impacted here, in particular. At the same time, the measures introduced in the first half of 2009 as part of the quality and process campaign already produced initial positive effects (Fig. 8).

Financial position and assets and liabilities

Balance sheet changes

Compared to the year-end 2008, total assets of the DekaBank Group decreased by €7.3bn, or around 5%, to €131.3bn. Amounts due from banks and customers accounted for around 49% of total assets and decreased by €9.0bn in the first half of 2009. As loan terms came to an end, the gross loan volume in the C&M business division reduced accordingly in the first half of 2009. The reduction in total assets overall also reflects the fact that the portfolio was only selectively expanded in view of the current

C&M profit performance (Fig. 8)

€m	1 st half 2009	1 st half 2008 ¹⁾	Change	
Net interest income	197.0	47.3	149.7	(> 300%)
Risk provision	–191.2	–6.0	–185.2	(< –300%)
Net commission income	55.8	57.0	–1.2	–2.1%
Net financial income	149.7	–140.2	289.9	206.8%
Other income	0.1	–0.3	0.4	133.3%
Total income	211.4	–42.2	253.6	(> 300%)
Administrative expenses (including depreciation)	116.6	106.2	10.4	9.8%
Total expenses	116.6	106.2	10.4	9.8%
Economic result	94.8	–148.4	243.2	163.9%

¹⁾ The previous year's figures were adjusted in accordance with IAS 8.42. See detailed presentation in note [28].

market environment. Conversely, financial assets valued at fair value through profit or loss climbed by €2.8bn to €58.7bn and accounted for around 45% of total assets. The increase stemmed essentially from growth in securities business.

On the liabilities side, amounts due to banks and customers still represented the largest item, accounting for 38%. Totalling €49.7bn, the two items recorded a decline of €14.4bn. This resulted primarily from the lower volume of money transactions. The financial liabilities valued at fair value through profit or loss were up by €8.4bn to €48.5bn in the first half of 2009. They accounted for around 37% of total assets. The increase was primarily due to the expansion of the Bank's own issues.

Change in regulatory capital

Capital adequacy is determined in accordance with the Solvency Regulation (SolvV). The regulatory requirements governing capital and reserves were complied with at all times during the first half of 2009 at both Bank and Group level. DekaBank's liquidity ratio was between 1.38 and 1.83 in the first six months of 2009 and remained above the minimum requirement of 1.0 at all times. As at 30 June 2009, the core capital ratio stood at 9.2% including market risk positions and continues to reflect our sound core capital base. The core capital ratio excluding market risk positions amounted to 11.6%.

The higher total capital ratio compared with 31 December 2008 is essentially attributable to a rise in capital and reserves while the risk level remained constant (Fig. 9).

Employees

The number of employees decreased by 4.0% to 3,763 (year-end 2008: 3,920) in the first six months of 2009. This figure comprises 41 (year-end 2008: 67) trainees. The main reason for the reduction in the number of staff was the transfer at the beginning of the year of 115 employees to Dealis Fund Operations, a joint venture of DekaBank and Allianz Global Investors for fund accounting and administration.

The number of posts filled on average as at 30 June 2009 amounted to 3,348 (end 2008: 3,355).

Post balance sheet events

No major developments or events of particular significance occurred after the reporting date of 30 June 2009.

Breakdown of equity (Fig. 9)

€m	30.06.2009	31.12.2008	Change
Core capital	2,862	2,595	10.3%
Supplementary capital	1,197	1,267	-5.5%
Tier III capital	-	-	-
Capital and reserves	4,059	3,862	5.1%
Default risks	23,025	23,213	-0.8%
Market risk positions	6,288	6,113	2.9%
Operational risks	1,737	1,688	2.9%
			Change
%			% points
Core capital ratio (including market risk positions)	9.2	8.4	0.8
Core capital ratio (excluding market risk positions)	11.6	10.5	1.1
Total capital ratio	13.1	12.5	0.6

Forecast report

Expected economic environment

Expected overall economic trends

Following the difficult first half of 2009, economic recovery is now in sight. Leading indicators such as the Purchasing Managers' Index and positive signals coming from the financial markets point to this, along with macroeconomic indicators, including growth in incoming orders and industrial production. Furthermore, economic activity is being perceptibly curbed by the consequences of the financial market crisis. These include, in particular, the huge increase in national debt, the ongoing work to clean up the banking sector and the anticipated tighter regulation of the financial sector. We expect the global economy to contract by 1.6% in 2009, while growth of 3.0% is anticipated for 2010. This makes us more optimistic than the World Bank, which recently reduced its forecast for global economic growth in 2009 to -2.9%.

After a slow start in the current year, we expect a marked decrease in GDP of more than 4% for the eurozone. The outlook remains unchanged, with an unsteady phase of easing leading to actual recovery in the second half of 2010. Until then, rising unemployment figures, particularly in Germany, will increasingly affect private consumption. This is compounded by the fact that various national scrap-allowances for vehicles have resulted in consumer spending being brought forward to the first six months of the year and this spending will now be missing in the second half of 2009.

Although the US economy is set to come out of recession already in the summer months, the subsequent upturn will only be very moderate. Hopes that a stable base will soon be established also seem justified in the emerging markets. Along with fiscal programmes, interest rate cuts provide support and were most recently implemented in Latin America where central banks had hesitated for too long before taking action. The notable decrease in the rate of inflation, in some cases to below zero, facilitated the decision to ease monetary policy significantly. In Asia, the greater fiscal leeway is also likely to provide support along with the robust economies of China and India. Latin America is expected to benefit from the recovery in commodity prices. The economic outlook for Eastern Europe remains weak, with a low level of exports and pressure to

consolidate public sector budgets. In the Baltic states, there is a risk that the national currencies will have to unpeg from the euro.

According to our assessment, rates of inflation will continue to decrease as a result of the recession and favourable basis effects. In many currency zones, they will move into negative territory over the summer. The low levels to which most central banks have already reduced their key lending rates make it difficult to imagine that there is scope for further interest rate cuts. Only quantitative easing in monetary policy will be able to provide additional impetus. The risks to the financial system have further declined in recent weeks and the oil price is at a higher level than in spring this year. Both these aspects mean that the risk of deflation has diminished considerably. Instead, the spotlight of the financial markets has returned to the threat of inflation in the medium term and a possible U-turn by the central banks.

Expected trends in capital markets

The encouraging leading economic indicators have resulted in a significant rise in confidence in the capital markets during the reporting period. In the equity markets, the losses recorded in the first few months of the year have been recovered and risk premiums in the credit markets have reduced significantly. In the bond markets, interest rates have risen sharply as a result of concerns regarding the considerable increase in countries' national debt. In the US money market, the first interest rate increase by the Fed towards the year-end is already being priced in. However, we believe that this is excessive in view of the continually rising unemployment rate and low rate of inflation.

Since we do not expect a sustained recovery in the eurozone economy until the second half of 2010, we are also rather sceptical about trends in the equity markets and credit spreads. Considering the only modest improvement in the economic situation in the market, profit expectations of companies seem to have been raised prematurely. Although rating agencies often adjust their ratings with some delay, the current trend towards downgrading persists. Banks will also continue to be affected by major risks on their balance sheets. Even if the introduction of one or more bad banks will provide capital relief, under the proposed models, banks will still have to carry the risks relating to their positions in future and this will continue to restrict their earnings power accordingly.

Low key lending rates will continue to support the bond market for some time, at least at the short end of the market. Up to the end of this year, the ECB will continue to inject liquidity into the market on a massive scale through its money market tender. We do not anticipate an increase in key lending rates before mid-2010. At the long end of the market, the increased supply of government bonds has resulted in currently unfounded concerns about a future rise in the rate of inflation. The yield curve will therefore remain very steep.

Expected trends in property markets

Even if leading indicators have been pointing towards an initial stabilisation in the economic situation for some weeks, our outlook for the European office markets remains predominantly pessimistic. The reason is that the recession-related personnel cuts and associated reductions in terms of required space have hit the office markets with some delay and the impact is expected to last for a while yet. For 2009, and 2010, we expect rents to decrease by 10% in each year. We do not expect signs of stabilisation until 2011.

We anticipate further rises in yields in the second half of 2009. The exaggerated yields in the UK and also in Paris should soon reach their zenith. Particularly with regard to London, we expect prices to start rising again as early as 2010. With regard to the more stable locations where price corrections have been relatively minor to date, the upward trend in yields will continue into next year. We assume that yields will approach their long-term average levels again in the medium to long term.

In the second half of 2009 and in 2010, the US rental markets will be marked by an ongoing rise in vacancy rates and decreasing rents. The volume of new construction is set to decline considerably and coupled with the economic recovery, this should provide moderate but steady easing in the office markets from 2011 onwards. We assume that the US investment markets will see further substantial price reactions in the current and next year. The volume of distress sales as a result of financing shortfalls is expected to increase further, leading to price markdowns that far exceed the average. In the medium term, financing options are likely to stabilise, partly because the CMBS market will probably re-establish itself under changed conditions over the same time frame.

Within the Asian markets, a significant correction in rents is set to take place in the current and next year, followed by a recovery from 2011 onwards. However, this will not apply to the markets which feature structural excess supply. With financing terms remaining unfavourable, a weak outlook for the rental market and additional distress sales, yields are expected to continue to rise in the current year. In 2007 and 2008, the Asian investment market was largely driven by foreign investors. However, in the current year, these are changing from buyers to sellers. Among the Asian countries, Japan is the only country with a relatively large CMBS market. This market may experience fairly substantial distortion during the current and next year due to refinancing difficulties.

Expected business development and profit performance

The current market environment means that, like the sector as a whole, DekaBank continues to face major challenges. We have responded to these at an early stage by launching the quality and process campaign. The campaign will enable us to maintain and strengthen the productivity and earnings power of DekaBank

The implementation of measures relating to the quality and process campaign as well as the focusing of capital market business to match Asset Management services will continue to dominate developments at the DekaBank Group throughout the remaining months of the year and beyond. The measures which have been introduced to increase efficiency and reduce costs will secure consistent process quality in the long term and create the basis for sustained growth in the economic result of the DekaBank Group over the coming years.

Despite successful sales campaigns and the launch of new products, our expectations in terms of performance of net sales and assets under management remain somewhat restrained.

At present, we expect a temporary downturn in capital market and property-based Asset Management. However, we still anticipate a clearly positive economic result for 2009 as a whole. The profit trend in C&M is likely to remain positive in the second half of the year, driven by net interest income and net income from trading. However, additional negative effects on income from the valuation of capital market credit products and allocations to provisions for loan losses cannot be excluded.

AMK business division

The negative sector conditions continue to substantially restrict new business relating to equity, money market and bond funds. With regard to safety-oriented products, we expect a positive trend in net sales performance, in particular in lifecycle funds and guaranteed funds. In connection with this sales focus, we will continue to develop tailored products in the second half of the year. In addition, marketing campaigns will be implemented, such as that relating to the Deka-FondsSparplan für Kinder ("*Sparen für junge Hüpfen*"), a savings product for youngsters, or a marketing package that is specifically geared to women investors.

The institutional business of AMK continues to focus primarily on the requirements of the savings banks and *Landesbanken*. Institutional Sales will drive forward comprehensive support services for the savings banks on all matters relating to their investments for own account.

AMI business division

The structure of the range of open-ended mutual property funds will soon be comprehensively optimised. In the interests of our sales partners, we will combine funds (Deka-ImmobilienFonds and Deka-ImmobilienEuropa as well as WestInvest 1 and WestInvest InterSelect) to create even more robust fund structures with economies of scale, enhanced risk diversification and, given the prevailing market conditions, greater stability thanks to a higher proportion being invested in Germany. Pooling liquidity also facilitates targeted acquisitions at attractive market prices. With regard to both Deka Immobilien and WestInvest, the assets of the investment funds with a focus on Germany (Deka-ImmobilienFonds, WestInvest 1) are to be transferred to the funds which invest throughout Europe (Deka-ImmobilienEuropa, WestInvest InterSelect) on 1 October 2009. Rating agency Scope Analysis has given a positive assessment of the future combination of the funds.

The open-ended mutual property funds will pursue their risk-aware strategy in terms of selling and buying, since they focus on achieving strong fund performance based on market conditions and ensuring adequate liquidity ratios. Conversely, sales relating to institutional business are to be intensified, in part via the WestInvest TargetSelect fund.

AMI continues to anticipate a positive margin and commission level in Real Estate Lending for the second half of 2009. New business will continue on a selective basis and will further improve the portfolio structure. Despite the quality of the portfolio, a higher risk provision requirement with regard to the financing portfolio cannot be excluded in view of the market situation.

C&M business division

C&M expects the markets to stabilise further in the second half of 2009. Nevertheless, future developments in the capital markets are difficult to predict. Consequently, valuation results or a higher risk provision requirement may arise and have a negative impact on net income.

In the Markets sub-division, the close integration with Asset Management and development of resultant earnings potential along the value-creation chain will be advanced. A key growth driver is the increasing demand for equity and fixed-income derivatives which are used, for example, to back the growing number of guaranteed products in Asset Management, taking into account regulatory conditions for institutional business. C&M is responding to the unchanged high level of demand from customers for short-term liquidity by further expanding guaranteed business and repo/lending activities.

The Credits sub-division will largely avoid expanding its loan portfolio until the markets return to normality. Instead C&M will focus on credit segments and collateral formats that are suitable for asset management to support expansion of the Asset Management offering. Public sector finance and government-backed loan commitments are currently the only segments in which transactions are selectively considered and executed.

In the second half of 2009, the Liquid Credits sub-division will mostly be absorbed by the newly created Treasury sub-division. The process to reduce the portfolio of structured capital market credit products, which at the same time safeguards assets, will continue. At organisational level, tasks relating to asset and liability management and strategic investments as well as funding and liquidity management will transfer from the Markets sub-division to the new Treasury sub-division.

Risk report

Risk-oriented overall bank management

The risk policy and strategy of the DekaBank Group again proved sound in the first half of 2009 and no adjustment of our risk strategies was required. Our risk management system remained unchanged on the detailed presentation in the Annual Report 2008. As the central asset manager of the *Sparkassen-Finanzgruppe*, DekaBank pursues a sustainable business model and aims to generate an attractive result while maintaining an appropriate risk/reward ratio. The individual risk positions are strictly limited through the allocation of risk capital and the associated limit systems.

Overall risk position of DekaBank

Risk definitions

Market price risk describes the potential financial loss on positions in the Bank's own portfolio caused by future market price fluctuations. Both the strategic positions in the banking book and the more short-term positions in the trading book entail market price risks. As the majority of DekaBank transactions relate to interest-related products and equities, the large portion of the market price risks is attributable to interest rate risks and spread risks. Other market price risks are currency risks and share price risks.

Credit risk encompasses the position risk and advance performance risk. Position risk comprises the borrower and issuer risk, which is determined particularly by the creditworthiness of the respective contracting partner as well as replacement risk and open positions. The advance performance risk represents the danger that a business

partner does not pay the contractually agreed consideration after advance performance by DekaBank.

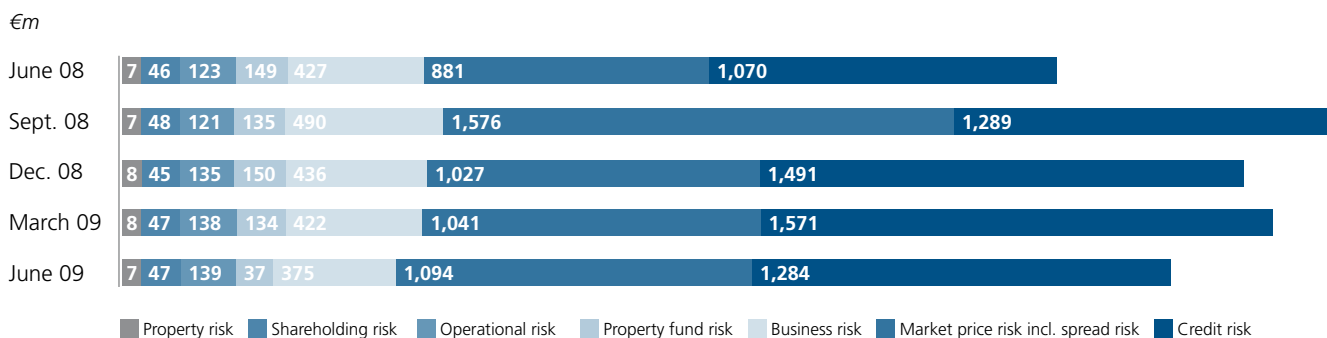
Operational risk describes possible losses resulting from the use of internal processes and systems that are inappropriate or susceptible to failure as well as human error and external events. Where losses occur due to an error by the Bank, other risks frequently arise whose damage potential also has to be taken into account. Examples of such secondary risks include reputation and legal risks.

Liquidity risk is understood as the risk of insolvency as well as the risk resulting from mismatching of maturity in assets and liabilities. In principle, the Bank distinguishes between insolvency risk and liquidity maturity transformation risk.

DekaBank understands shareholding risk as the risk of a potential financial loss from impairment of the portfolio of equity investments where these are not consolidated in the balance sheet and therefore already included under other types of risk. The property risk describes the risk of a fall in value of property held in the DekaBank Group's own portfolio. The property fund risk results from the risk of an impairment in the value of units in the property funds (essentially Deka-ImmobilienFonds) held by the Bank. Business risk is particularly important in Asset Management. It comprises potential financial losses resulting from changes in customer behaviour or economic framework conditions as well as due to technology advances.

All the above risks apart from liquidity risk are assessed in the risk-bearing capacity analysis.

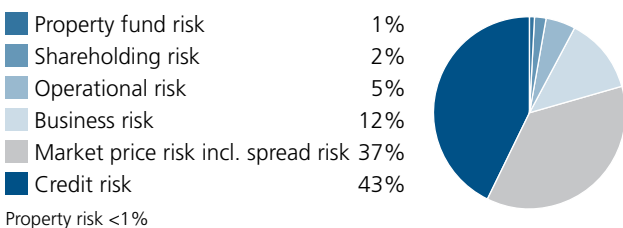
Change in Group risk over the course of the year (Fig. 10)



Overall risk position in the first six months of 2009

Group risk (value-at-risk with confidence level 99.9%, time horizon one year) fell in the first six months of 2009 by 9.4% to €2,983m (end 2008: €3,292m); (Fig. 10 and 11).

Group risk by risk type (Fig. 11)



Consequently as at 30 June 2009, the utilisation rate for the overall risk-bearing capacity of the DekaBank Group stood at 64.5% (end 2008: 65.3%) and for the primary cover potential at 92.5% (end 2008: 96.4%). The risk-bearing capacity was guaranteed at all times during the reporting period. However, as a result of the further widening of credit spreads in the first quarter of 2009, Group risk was at times higher than the primary cover potential. This situation eased in the second quarter.

The market price risk (including spread risk) increased during the first six months of 2009 by 6.5% to €1,094m (end 2008: €1,027m). Traditional market prices risks from interest rate, share price and currency positions were higher than in the previous year and the reduction in interest rate positions was countered by a considerable rise in currency positions. As at 30 June 2009, the risk from credit spreads was once again on a par with the level at year-end 2008, after a rise during the first quarter. This development resulted from the tightening of credit spreads in the second quarter of 2009.

At €1,284m the credit risk was 13.9% lower than at year-end 2008 (€1,491m). The reduction is due to tightening of credit spreads and resultant lower implied probability of default on the one hand, and the fall in the net loan volume as a result of our restraint in new business on the other. Furthermore, we have refined our methodology and credit risks are now illustrated more appropriately.

The property fund risk fell by a considerable 75.3% compared with the end of the previous year and amounted to €37m as at 30 June 2009. The decrease is essentially due to the further development of our methodology.

In the first six months of 2009, the business risk declined by 14.0% to €375m. The scenario calculation was especially affected by the drop in net commission from securities funds. However, the level of business risk is still high, reflecting the current uncertainty in the market which could impact on the development of costs and earnings.

Operational, shareholding and property risks are less significant for the calculation of Group risk and on the whole recorded only moderate changes.

Market price risks

Traditional market price risks (share price, interest rate and currency risks) were up 5.7% to €35.5m (confidence level 95.0%, holding period ten days) compared with year-end 2008. Taking correlations into account, this produces a rise of 17.8% to €32.3m.

The general interest rate risk declined considerably. As a result of the reduction of interest rate risk positions in particular, as well as lower volatilities, the risk decreased from €22.3m at the end of 2008 to €18.8m.

The share price risk, which results above all from start-up financing for mutual funds, increased from €6.5m at year-end 2008 to €8.1m as at 30 June 2009. This was mainly because of higher risks in the trading book which overcompensated the effect of the decline in volatilities. In contrast, the Group's average risk fell considerably from €19.0m in the second half of 2008 to €6.7m in the first six months of 2009. This reflects DekaBank's fundamental strategy, in place since the end of 2008, to only enter into a low level of risk positions in the equities segment.

There was a considerable rise in the currency risk from €4.8m at the end of 2008 to €8.7m. This increase is essentially due to changes in the market value of existing currency positions (Fig. 12).

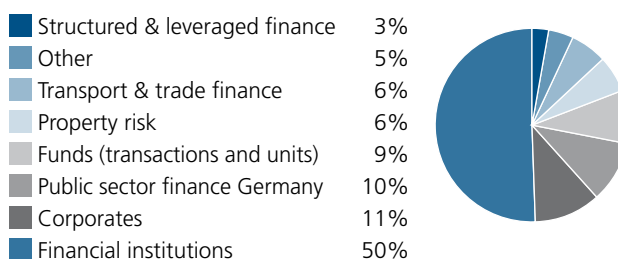
The spread risk in capital market credit products amounted to €74.0m (end 2008: €73.1m) on the basis of the value-at-risk (confidence level 95.0%, holding period ten days). Ratings in most of the asset classes were stable. The risk situation in structured capital market credit products is described in a separate section.

Credit risks

As a result of our restraint in new business and the targeted reduction of some positions, the gross loan volume declined as at 30 June 2009 to €143.0bn (end 2008: €151.4bn). The decrease was attributable almost without exception to the financial institutions (€–12.7bn) and corporates (€–1.1bn) risk segments. This development related essentially to lower bond portfolios and overdrafts. Nevertheless, at €70.9bn, financial institutions continued to account for the biggest portion (around 50%) of the gross loan volume. In the

public sector finance Germany risk segment, there was a notable rise of €3.2bn which related mainly to government bonds (Fig. 13).

Gross loan volume (Fig. 13)



The loan portfolio is concentrated more heavily than before on the eurozone, which accounted for a share of 77.8%, up from 74.4% at the year-end. The share attributable to EU countries outside the eurozone fell accordingly from 14.6% to 11.0%.

Furthermore, over half of the loan volume is collateralised (Fig. 14).

Value-at-risk in the DekaBank Group¹⁾ (Fig. 12)

€m	Holding period in days	Mid-year-end 2009	Average 1 st half 2009	Min./max. 1 st half 2009	Year-end 2008	Average 2 nd half 2008	Min./max. 2 nd half 2008
Interest rate risk							
Trading	1	4.57	3.77	2.51/6.02	4.43	3.50	1.67/8.13
Treasury	10	7.05	13.86	7.05/23.95	12.39	21.25	9.92/38.47
Group	10	18.79	22.34	13.28/38.82	22.27	28.17	14.43/50.16
Share price risk							
Trading	1	2.28	1.76	0.74/4.43	1.30	3.85	1.30/6.48
Treasury	10	2.12	2.50	1.94/4.30	2.85	13.34	2.85/21.44
Group	10	8.05	6.65	3.28/13.44	6.49	19.02	6.49/38.22
Currency risk							
Trading	1	0.19	0.70	0.14/1.48	1.69	0.57	0.18/1.90
Treasury	10	8.19	8.57	5.63/14.65	9.91	3.08	0.82/10.35
Group	10	8.67	7.85	3.38/11.56	4.81	2.93	1.01/9.14

¹⁾ All VaRs were calculated on the basis of parameters used for internal risk calculation.

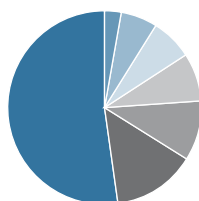
Reconciliation of gross loan volume to net loan volume (Fig. 14)

€bn	30.06.2009	31.12.2008
Gross loan volume	143.0	151.4
Claims to federal government, states and municipalities	11.4	8.8
Guarantor's liability	21.2	22.1
Personal and material collateral	11.2	11.1
Netting of financial future transactions	9.6	8.0
Covered securities	4.1	5.9
Netting of reverse repos	5.1	11.3
Netting in securities borrowing/sale and resale transactions	2.3	3.4
Lending/sale and resale transactions	0.8	1.0
Other risk reductions	13.4	11.3
Net loan volume	63.9	68.5

At €63.9bn, the remaining net loan volume is down 6.7% on the figure at year-end 2008 (Fig. 15).

Net loan volume (Fig. 15)

Transport & trade finance	3%
Property risk	6%
Structured & leveraged finance	7%
Other	8%
Corporates	10%
Funds (transactions and units)	14%
Financial institutions	52%



Public sector finance Germany <1%

The average borrower rating in accordance with the DSGV master scale remained unchanged at 3 and was therefore still below the target rating. For 92.5% of the net loan volume the rating did not change, while 5.4% of the volume was downgraded, mostly by one notch (Fig. 16).

The utilisation rate for limits stood at only 12.0% on average, mainly because of the low limit utilisation level relating to the public sector.

The provision for loan losses reported in the balance sheet was up considerably on year-end 2008 (€360.5m) at €551.3m. The rise is primarily due to specific valuation allowances in various risk segments, with the largest portion attributable to the financial institutions risk segment. The increase in provisions for loan losses reflects the current pressures in the market resulting from the financial market crisis. Portfolio valuation allowances for country and credit-worthiness risks changed only marginally during the six month period (Fig. 17).

Operational risks

The value-at-risk of the operational risks determined in accordance with the advanced measurement approach (confidence level 99.9%, risk horizon one year) increased slightly since the start of the year and rose by €4m to €139m. Losses from operational risks amounted to €954 thousand during this period. This is a significant reduction compared to the losses of around €20m incurred in 2008 as a whole.

This was based on information comprising the data on losses incurred by the external loss syndicates on the one hand and internal loss documentation on the other.

Net loan volume by risk segment and rating *(Fig. 16)*

€m	Average PD	Average rating	30.06.2009	31.12.2008
	in bps			
Financial institutions	5	A+	33,039	34,980
Corporates	26	4	6,514	7,495
Public finance	3	AA	2,870	3,349
Public sector finance Germany	1	AAA	251	498
Public infrastructure	41	5	963	984
Transport & trade finance	55	6	1,870	2,113
Structured & leveraged finance	103	7	4,597	4,708
Property risk	24	4	4,112	4,081
Retail portfolio	2	AA+	849	918
Funds (transactions/units)	5	A+	8,713	9,291
Equity investments	51	6	108	107
Total result	18	3	63,886	68,526

Liquidity risks

The DekaBank Group continued to have a very comfortable level of liquidity and has long-term liquidity surpluses. As a result of the high volume of liquid securities, most of which are eligible as collateral for central bank borrowings, and the

surplus cover in the cover pool, but also through the corresponding repurchase agreement transactions, DekaBank has extensive potential liquidity that can be made liquid at short notice.

Provisions for loan losses by risk segment *(Fig. 17)*

€m	Financial institutions	Funds	Transport & trade finance	Structured & leveraged finance	Property risk	Public infrastructure	Equity investments	Corporates	Other	30.06.2009	31.12.2008	31.12.2007
	Impaired gross loan volume ¹⁾	538.7	0.0	148.0	231.0	185.7	0.0	0.0	0.0	0.0	1,103.4	811.0
Collateral at fair-value	67.3	0.0	91.1	0.0	48.5	0.0	0.0	0.0	0.0	206.9	292.3	83.8
Impaired net loan volume ¹⁾	471.4	0.0	56.9	231.0	137.2	0.0	0.0	0.0	0.0	896.5	518.7	87.7
Provisions for loan losses ²⁾	320.8	0.4	41.5	120.2	61.8	2.6	3.0	0.7	0.3	551.3	360.5	130.7
Specific valuation allowances	315.2	0.0	2.4	88.6	48.5	0.0	0.0	0.0	0.0	454.7	274.3	35.3
Provisions	0.0	0.0	6.3	6.4	5.0	0.0	3.0	0.0	0.0	20.7	14.0	12.2
Portfolio valuation allowances for country risks	0.0	0.0	24.1	0.0	0.0	0.0	0.0	0.0	0.0	24.1	24.2	20.0
Portfolio valuation allowances for creditworthiness risks	5.6	0.4	8.7	25.2	8.3	2.6	0.0	0.7	0.3	51.8	48.0	63.2

¹⁾ Gross and net loan volumes impaired by specific and country valuation allowances.

²⁾ Provisions for loan losses in balance sheet exceed the net loan volume as portfolio valuation allowances and extraordinary provisions have been recognised.

³⁾ Also includes the portfolio-based provisions and portfolio valuation allowances for financial investments.

As at 30 June 2009, DekaBank's accumulated liquidity balance at the short end (less than a month) amounted to €23.2bn (Fig. 18).

The regulatory requirements of the Liquidity Directive were clearly exceeded at all times. The liquidity ratio of the first maturity band determined on a daily basis stood at between 1.38 and 1.83. The liquidity ratio as at 30 June 2009 amounted to 1.80 (end 2008: 1.43) and the average for the first half of the year to 1.57.

Other risks

The value-at-risk of the business risk amounting to €375m particularly reflects the comparatively extensive changes in the market environment for asset management. The decline relative to the figure at year-end 2008 (€436m) is essentially due to the downturn in net commission income. The general risk for activities outside Asset Management also reduced.

With a value-at-risk of €47m (end 2008: €45m), the shareholding risk was among the risks that are of secondary importance. The marginal rise resulted in part from a higher book value for DekaBank's equity investment in Dealis Fund Operations GmbH. Volatility in the benchmark indices also increased slightly.

The property risk amounted to €7m (previous year: €8m), while at €37m the property fund risk was down 75.3% on the figure at year-end 2008 (€150m).

Structured capital market credit products

There were only marginal changes in structured capital market credit products in the first half of 2009. DekaBank's positions in this securities class are held in the C&M business division.

The total gross nominal amount was reduced from €4.6bn (year-end 2008) to €4.4bn as a result of redemptions and exchange rate changes.

Approach and valuation

As almost 90% of the portfolio comprises positions valued at fair value through profit or loss, changes in the value of positions are largely reflected in the book values.

As a result of the ongoing turmoil in parts of the market, the fair values for non-synthetic securitisation transactions as at the reporting date were determined using the modified discounted cash flow model. Where the observable prices or price indications for individual transactions were deemed to be valid, these values were applied or used to check the plausibility of model-based fair values.

The fair value of synthetic securitisations is determined using Copula models, which were calibrated to the market prices of liquid tranches.

Normal business operations funding matrix of DekaBank Group as at 30 June 2009 (Fig. 18)

€m	<=1M	>1M-12M	>12M-7Y	>7Y-30Y	>30Y	Total
Securities, loans and promissory note loans ¹⁾	15,120	17,916	45,032	9,312	45	87,425
Other money market transactions (lending) ²⁾	17,675	4,732	2,566	0	321	25,294
Derivatives	49	-6,913	-3,015	-197	0	-10,074
Refinancing funds ³⁾	-22,550	-17,710	-46,763	-5,578	-8,051	-100,653
Other balance sheet items ⁴⁾	-24	-54	-76	-13	-3,139	-3,305
Liquidity balance (acc. gap + acc. liquidity potential)						
DekaBank Group	23,186	7,980	1,747	4,756	-2,567	

¹⁾ Including irrevocable credit commitments and guarantees.

²⁾ Of which approx. €7bn collateralised money transactions.

³⁾ Including in particular short-term products, own certificates and funding.

⁴⁾ Including silent capital contributions and equity.

Structured capital market credit products by rating class (nominal value in €m) (Fig. 19)

Product		AAA	AA	A	BBB	Non investment grade	Unrated	Total
Structured	ABS	275.1	39.0	102.8	0.0	3.5	0.0	420.5
	RMBS	337.0	178.5	138.2	5.0	0.0	0.0	658.7
	CMBS	405.1	153.2	67.7	57.0	0.0	0.0	682.9
	CLO	264.6	410.3	88.1	60.3	63.3	0.0	886.6
	CSO ¹⁾	0.0	50.0	0.0	50.0	230.0	320.8	650.8
	Structured Finance CDO	20.0	10.0	0.0	0.0	0.0	0.0	30.0
	Balance Sheet Lending	0.0	990.0	0.0	0.0	0.0	0.0	990.0
Alternative	CPPI	0.0	50.0	50.0	0.0	0.0	0.0	100.0
Total		1,301.8	1,880.9	446.8	172.4	296.9	320.8	4,419.5

¹⁾ The CSO index tranches in the portfolio are shown as unrated under CSO. This includes two iTraxx series 7 (tranche 6-9, maturity 7 years), protection seller positions totalling €150m (nominal value), two protection buyer positions on the CDX series 8 (tranche 7-10, maturity 10 years) totalling USD 100m (nominal value) as well as protection buyer positions on the iTraxx series 7 (tranche 6-9, maturity 10 years) amounting to €100m.

Rating overview

For the most part, the ratings in the portfolio continue to be good or very good. However, the ratings distribution, especially for CLOs, has shifted somewhat towards lower ratings. This is almost exclusively due to the reparametrisation of rating models by the rating agencies.

With over 200 positions, the portfolio of traditional securitisations is granular. The distribution across the asset

classes is very homogenous. All positions in the sub investment grade segment result from downgrades of previously investment grade positions (Fig. 19).

Country overview

Our securitisation portfolio focuses essentially on the European region. Within Europe, the portfolio concentrates on German and pan-European structures. The CMBS instruments include a significant share of UK securitisations,

Structured capital market credit products by risk country (nominal value in €m) (Fig. 20)

Product	Structured					Alternative			Total
	ABS	RMBS	CMBS	CLO	CSO ¹⁾	Structured finance CDO	Balance sheet lending	CPPI	
Germany	212.8	32.3	171.2	47.0	0.0	0.0	594.0	0.0	1,057.3
UK	14.1	164.5	315.2	17.0	0.0	0.0	0.0	0.0	510.8
Spain	10.0	126.5	0.0	0.0	0.0	0.0	0.0	0.0	136.5
Italy	57.7	157.4	13.0	0.0	0.0	0.0	0.0	0.0	228.1
Benelux	8.2	114.1	171.5	0.0	0.0	0.0	0.0	0.0	293.8
Scandinavia	47.8	0.0	12.0	21.7	0.0	0.0	0.0	0.0	81.5
Rest of Europe	26.7	64.0	0.0	352.1	250.0	20.0	396.0	0.0	1,108.7
USA	38.9	0.0	0.0	234.9	350.8	10.0	0.0	50.0	684.6
Other/global	4.3	0.0	0.0	214.0	50.0	0.0	0.0	50.0	318.3
Total	420.5	658.7	682.9	886.6	650.8	30.0	990.0	100.0	4,419.5

¹⁾ Gross nominal value shown (sum of protection seller and protection buyer positions).

which also corresponds to the general distribution of European CMBS securitisations. There are only notable positions outside Europe with regard to CLO and CSO securitisations (Fig. 20).

IFRS categorisation

Most of the portfolio of structured capital market credit products is allocated to the IFRS category at fair value (Fig. 21). Changes in value are therefore reported directly in the income statement. As the portfolio includes CSOs in both CLN (funded) and CDS (unfunded) form, the two portfolios were shown separately to avoid misrepresenting the

fair value results. The figures show that the sharp fall in subordinations for CSO CLN positions is included in full in the income statement. To date there have been no actual defaults on tranches. Both models and indicative prices from price service agencies were used to determine the book values of fair value portfolio (afv). The book values for loans and receivables (lar) are determined on the basis of the amortised cost. No requirement for specific valuation allowances was identified in an impairment test for any of these positions. There were defaults on principal and interest amounting to €0.5m relating to afv positions.

IFRS valuation categories and book values (in €m) (Fig. 21)

Product		Nominal	Book value	IFRS valuation category	
				afv	lar
Structured	ABS	420.5	347.9	252.3	95.6
	RMBS	658.7	536.4	488.7	47.7
	CMBS	682.9	536.2	360.5	175.8
	CLO	886.6	637.9	590.9	47.0
	CSO CLN	230.0	31.1	31.1	0.0
	Structured finance CDO	30.0	8.2	8.2	0.0
	Balance sheet lending	990.0	989.9	989.9	0.0
Alternative	CPPI	100.0	97.6	97.6	0.0
Total		3,998.8	3,185.2	2,819.1	366.1
Structured	CSO CDS ¹⁾	420.8	-87.0	-87.0	-

¹⁾ Gross nominal value shown (sum of protection seller and protection buyer positions).

Interim financial statements

Consolidated statement of comprehensive income

for the period from 1 January to 30 June 2009

€m	Notes	1 st half 2009	1 st half 2008 ¹⁾	Change	
Interest and similar income		1,921.1	2,055.4	-134.3	-6.5%
Interest expenses		1,692.6	1,928.5	-235.9	-12.2%
Net interest income	[5]	228.5	126.9	101.6	80.1%
Provisions for loan losses	[6]	-218.9	0.5	-219.4	(< -300%)
Net interest income after provisions for loan losses		9.6	127.4	-117.8	-92.5%
Commission income		1,095.6	1,324.4	-228.8	-17.3%
Commission expenses		676.1	838.6	-162.5	-19.4%
Net commission income	[7]	419.5	485.8	-66.3	-13.6%
Trading profit or loss	[8]	224.1	111.9	112.2	100.3%
Profit or loss on financial instruments designated at fair value	[9]	-149.1	-223.4	74.3	33.3%
Profit or loss on fair value hedges in accordance with IAS 39		-0.5	0.2	-0.7	(< -300%)
Profit or loss on financial instruments	[10]	-9.1	1.1	-10.2	(< -300%)
Administrative expenses	[11]	407.1	382.2	24.9	6.5%
Other operating profit	[12]	-37.4	-7.0	-30.4	(< -300%)
Net income before tax		50.0	113.8	-63.8	-56.1%
Income taxes	[13]	18.6	49.7	-31.1	-62.6%
Interest expenses for atypical silent capital contributions		10.0	10.3	-0.3	-2.9%
Net income (before minority interests)		21.4	53.8	-32.4	-60.2%
Minority interests		-25.0	0.0	-25.0	n/a
Net income for the year		46.4	53.8	-7.4	-13.8%
Profit or loss on available-for-sale financial instruments not recognised in income		0.4	-3.3	3.7	112.1%
Profit or loss on available-for-sale financial instruments recognised in income		0.0	0.0	0.0	n/a
Profit or loss on available-for-sale financial instruments		0.4	-3.3	3.7	112.1%
Change in deferred taxes not recognised in income		-0.1	0.8	-0.9	-112.5%
Currency translation adjustments		-0.3	1.2	-1.5	-125.0%
Other consolidated income		0.0	-1.3	1.3	100.0%
Net income for the period under IFRS		46.4	52.5	-6.1	-11.6%

¹⁾ Previous year's figures adjusted, see note [28].

Balance sheet

as of 30 June 2009

€m	Notes	30.06.2009	31.12.2008	Change	
Assets					
Cash reserves		608.0	1,457.2	-849.2	-58.3%
Due from banks	[14]	37,303.2	43,983.7	-6,680.5	-15.2%
(net after provisions for loan losses amounting to)	[16]	(295.2)	(183.9)	111.3	60.5%
Due from customers	[15]	27,400.8	29,759.2	-2,358.4	-7.9%
(net after provisions for loan losses amounting to)	[16]	(202.8)	(124.4)	78.4	63.0%
Financial assets at fair value	[17]	58,666.7	55,820.5	2,846.2	5.1%
(of which deposited as collateral)		(5,489.8)	(5,098.8)	391.0	7.7%
Positive market values from fair value hedges in accordance with IAS 39		199.1	142.9	56.2	39.3%
Financial investments	[18]	6,095.3	6,606.4	-511.1	-7.7%
(net after provisions for loan losses amounting to)		(26.7)	(31.9)	-5.2	-16.3%
(of which deposited as collateral)		(76.4)	(84.8)	-8.4	-9.9%
Intangible assets	[19]	120.7	146.9	-26.2	-17.8%
Property, plant and equipment	[20]	41.8	43.4	-1.6	-3.7%
Income tax assets		519.2	319.7	199.5	62.4%
Other assets		368.3	329.4	38.9	11.8%
Total assets		131,323.1	138,609.3	-7,286.2	-5.3%
Liabilities					
Due to banks	[21]	20,065.9	30,320.1	-10,254.2	-33.8%
Due to customers	[22]	29,600.6	33,745.0	-4,144.4	-12.3%
Securitised liabilities	[23]	26,046.3	27,102.0	-1,055.7	-3.9%
Financial liabilities at fair value	[24]	48,523.1	40,141.1	8,382.0	20.9%
Negative market values from fair value hedges in accordance with IAS 39		453.6	512.3	-58.7	-11.5%
Provisions	[25]	265.2	297.8	-32.6	-10.9%
Income tax liabilities		472.6	255.8	216.8	84.8%
Other liabilities		599.9	964.2	-364.3	-37.8%
Subordinated capital	[26]	1,940.3	1,978.7	-38.4	-1.9%
Atypical silent capital contributions		54.3	52.4	1.9	3.6%
Equity	[27]	3,301.3	3,239.9	61.4	1.9%
a) Subscribed capital		286.3	286.3	0.0	0.0%
b) Capital reserves		190.3	190.3	0.0	0.0%
c) Reserves from retained earnings		2,630.0	2,630.6	-0.6	0.0%
d) Revaluation reserve		2.2	1.9	0.3	15.8%
e) Currency translation reserve		3.1	3.4	-0.3	-8.8%
f) Accumulated profit/loss (consolidated profit)		46.4	28.6	17.8	62.2%
g) Minority interests		143.0	98.8	44.2	44.7%
Total liabilities		131,323.1	138,609.3	-7,286.2	-5.3%

Statement of changes in equity

for the period from 1 January to 30 June 2009

€m	Paid-in equity		Group-equity generated	
	Subscribed capital	Capital reserve	Reserves from retained earnings	Consolidated profit/loss
Holdings as at 31.12.2007	286.3	190.3	2,793.0	28.6
Net income				53.8
Currency translation adjustments				
Profit or loss on available-for-sale financial instruments not recognised in income				
Profit or loss on available-for-sale financial instruments recognised in income				
Changes in deferred taxes not recognised in income				
Other consolidated income				
Net income for the period under IFRS	–	–	–	53.8
Changes in the scope of consolidation and other changes			–	
Distribution				–28.6
Holdings as at 30.06.2008	286.3	190.3	2,793.0	53.8
Net income				–134.8
Currency translation adjustments				
Profit or loss on available-for-sale financial instruments not recognised in income				
Profit or loss on available-for-sale financial instruments recognised in income				
Changes in deferred taxes not recognised in income				
Other consolidated income				
Net income for the period under IFRS	–	–	–	–134.8
Changes in the scope of consolidation and other changes			–6.8	–46.0
Transfer reserves from retained earnings			–155.6	155.6
Holdings as at 31.12.2008	286.3	190.3	2,630.6	28.6
Net income				46.4
Currency translation adjustments				
Profit or loss on available-for-sale financial instruments not recognised in income				
Profit or loss on available-for-sale financial instruments recognised in income				
Changes in deferred taxes not recognised in income				
Other consolidated income				
Net income for the period under IFRS	–	–	–	46.4
Changes in the scope of consolidation and other changes			–0.6	
Distribution				–28.6
Holdings as at 30.06.2009	286.3	190.3	2,630.0	46.4

	Other consolidated income		Total before minority interests	Minority interests	Equity
	Revaluation reserve	Currency translation reserve			
	-1.7	-0.5	3,296.0	0.8	3,296.8
			53.8	-	53.8
		1.2			
	-3.3				
	0.0				
	0.8				
	-2.5	1.2	-1.3	-	-1.3
	-2.5	1.2	52.5	-	52.5
			-	-	-
			-28.6	-	-28.6
	-4.2	0.7	3,319.9	0.8	3,320.7
			-134.8	-34.8	-169.6
		2.7			
	8.8				
	-0.4				
	-2.3				
	6.1	2.7	8.8	-	8.8
	6.1	2.7	-126.0	-34.8	-160.8
			-52.8	132.8	80.0
			-	-	-
	1.9	3.4	3,141.1	98.8	3,239.9
			46.4	-25.0	21.4
		-0.3			
	0.4				
	-0.1				
	0.3	-0.3	-	-	-
	0.3	-0.3	46.4	-25.0	21.4
			-0.6	69.2	68.6
			-28.6	-	-28.6
	2.2	3.1	3,158.3	143.0	3,301.3

Condensed cash flow statement

for the period from 1 January to 30 June 2009

€m	1 st half 2009	1 st half 2008
Cash and cash equivalents at the beginning of the period	1,457.2	783.9
Net cash from operating activities	-830.3	1,710.3
Net cash from investment activities	34.5	-2,126.4
Net cash from financing activities	-93.1	-149.4
Effects from changes in the scope of consolidation	39.7	0.0
Cash and cash equivalents at the end of the period	608.0	218.4

The definitions for the individual cash flow components are the same as in the 2008 financial statements.

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Segment reporting

[1] Segmentation by operating business divisions

The segment reporting is based on the management reporting system of the DekaBank Group and reflects the internal organisational and reporting structure. The segment information given is the same as the information reported regularly to the decision-makers and on whose basis the performance of a segment is assessed. There were no changes in the organisational and business division structure in the first half of 2009.

	Asset Management Capital Markets		Asset Management Property		Corporates & Markets ¹⁾	
	Economic result					
€m	1 st half 2009	1 st half 2008	1 st half 2009	1 st half 2008	1 st half 2009	1 st half 2008
Net interest income	0.5	-11.2	29.6	9.5	197.0	47.3
Net risks	-	-	-27.7	6.5	-191.2	-6.0
Net commission income	286.7	350.9	74.9	75.2	55.8	57.0
Net financial income ³⁾	-3.7	7.2	4.4	10.1	149.7	-140.2
Other income	-9.6	-7.4	0.3	0.9	0.1	-0.3
Total income	273.9	339.5	81.5	102.2	211.4	-42.2
Administrative expenses (incl. depreciation)	179.8	185.7	80.9	57.0	116.6	106.2
Restructuring expenses	-	0.2	-	-	-	-
Total expenses	179.8	185.9	80.9	57.0	116.6	106.2
(Economic) result before tax	94.1	153.6	0.6	45.2	94.8	-148.4
Cost/income ratio ⁴⁾	0.66	0.55	0.51 ⁵⁾	0.60	0.29	- ⁶⁾

¹⁾ The comparative figures in the Corporates & Markets segment and the reconciliation column have been adjusted in accordance with IAS8.42. See detailed presentation in note [28].

²⁾ There is no figure for cost/income ratio for the segment Corporate Centres/Other as this ratio is not meaningful here.

³⁾ This includes income from trading positions, non-trading financial income, income from other financial investments as well as income from repurchased debt instruments and changes in the revaluation reserve and the valuation result from original lending and underwriting business.

The material changes in variables and ratios in the first half of 2009 are shown in the following table:

	Asset Management Capital Markets		Asset Management Property		Corporates & Markets	
€m	30.06.2009	31.12.2008	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Assets under management	124,916	123,515	20,117	18,941	3,417	1,844
Gross loan volume under Section 19 (1) KWG	-	-	7,812	7,848	135,031	143,455
Group risk (value-at-risk) ²⁾	302	336	182	344	2,499	2,612

¹⁾ There is no figure for Group risk for the Corporate Centres/Other segment as this figure is not meaningful here.

²⁾ Value-at-risk with confidence level of 99.9% and holding period of 1 year as at 30 June 2009 and 31 December 2008.

³⁾ The gross loan volume includes equity investments not allocated to the respective segments, but illustrated separately in the Corporate Centres/Other segment.

	Corporate Centre/ Other ²⁾		Group		Reconciliation ¹⁾		Group	
	Economic result				Net income before tax			
	1 st half 2009	1 st half 2008	1 st half 2009	1 st half 2008	1 st half 2009	1 st half 2008	1 st half 2009	1 st half 2008
	8.5	81.3	235.6	126.9	-7.1	-	228.5	126.9
	-	-	-218.9	0.5	-	-	-218.9	0.5
	2.2	2.7	419.6	485.8	-0.1	-	419.5	485.8
	0.1	-0.2	150.5	-123.1	-84.9	31.1	65.6	-92.0
	-28.3	-15.6	-37.5	-22.4	-0.1	-2.6	-37.6	-25.0
	-17.5	68.2	549.3	467.7	-92.2	28.5	457.1	496.2
	29.8	33.3	407.1	382.2	-	-	407.1	382.2
	-	-	-	0.2	-	-	-	0.2
	29.8	33.3	407.1	382.4	-	-	407.1	382.4
	-47.3	34.9	142.2	85.3	-92.2	28.5	50.0	113.8
	-	-	0.53	0.82				

⁴⁾ Calculation of the cost/income ratio excluding restructuring expenses and net risks.

⁵⁾ Cost/income ratio net of non-recurring effect from the amortisation of goodwill relating to WestInvest.

⁶⁾ Cost/income ratio has no economic significance because of the negative valuation result from capital market credit products.

	Corporate Centre/ Other ¹⁾		Group	
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
	-	-	148,450	144,300
	108 ³⁾	107 ³⁾	142,951	151,410
	-	-	2,983	3,292

The segment Asset Management Capital Markets consists of all the Group's activities directly concerned with generating income and capital gains through the investment of customer funds in capital market products. The segment also includes activities in the area Master KAG as well as fund administration and sales and services for customer custodial accounts.

All property-related activities of the DekaBank Group are pooled in the Asset Management Property segment. In addition to investing customer funds in the Group's own property (fund) products, the segment includes the purchase and sale of property, management of these assets and all other property-related services as well as product development of Group-wide, property-based activities. Property finance completes the service spectrum with financing solutions for professional property investors.

The Corporates & Markets segment pools the lending business, the capital-market related trading and sales activities as well as liquidity management and refinancing tasks in the DekaBank Group. Here the segment functions as a service provider for Asset Management activities. In addition, Corporates & Markets acts as a partner for institutional investors.

Income and expenses that are not clearly attributable to the operating segments are reported under Corporate Centres/Other. These relate essentially to overhead costs for the Corporate Centres as well as the profit or loss on the investment of capital and reserves at risk-free interest.

The profit of a segment is measured in internal reporting by the economic result, which in principle is determined in accordance with the accounting regulations under IFRS. The economic result comprises net income before tax, changes in the revaluation reserve as well as the interest-driven valuation result from original lending business and underwriting business which under IFRS is not to be recognised in the income statement.

The main difference between internal management report and Group income stems from the interest rate-related valuation result from original lending business and underwriting business of €70.3m (first half 2008: €–25.9m). This results in part from financial instruments allocated to the held to maturity category or loans and receivables category, for which economic hedges were concluded but to which the regulations on hedge accounting under IAS 39 do not apply. Consequently, Group income before tax only includes the valuation result of hedge instruments but not the interest rate-related valuation result from the assets covered by economic hedges. In contrast, internal management reporting takes both into account.

Group income before tax also includes €–21.4m attributable to minority interests, which is not taken into account in internal management reporting. The changes in the revaluation reserve before tax amount to €0.4m (first half 2008: €–3.3m). The differences from internal management reporting to Group income before tax are shown in the "Reconciliation" column of the reconciliation table.

Assets under management primarily comprise the income-relevant fund assets of the mutual and special funds under management in the AMK and AMI business divisions. Other components are the volume of direct investments in cooperation partner funds, the cooperation partner fund, third party fund and liquidity portions of fund-based asset management as well as advisory/management and asset management mandates. The passively-managed exchange traded index funds (ETFs) are reported in the Corporates & Markets business division. Assets under management refer to customer funds under management. DekaBank's own portfolio comprises almost exclusively start-up financing for newly launched funds (30 June 2009: €2,112m; 31 December 2008: €890m).

The gross loan volume is determined in accordance with the definition under Section 19 (1) of the German Banking Act (KWG) and therefore does not correspond to the amount carried in the balance sheet under IFRS. The gross loan volume includes all balance sheet assets and off-balance sheet transactions (including revocable lending commitments) subject to default risk, including impaired loans and securities, however excluding provisions for loan losses recognised for these.

General information

[2] Accounting principles

The interim report of DekaBank Deutsche Girozentrale has been prepared in accordance with the International Financial Reporting Standards (IFRS). The standards published and adopted by the European Union at the time the financial statements were prepared and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC) apply.

The present abbreviated interim financial statements were prepared in accordance with Section 37y of the Securities Trading Act (WpHG) in conjunction with Section 37w WpHG, with particular account taken of the requirements of IAS 34 Interim Reporting.

[3] Accounting policies

The interim report is based on the accounting policies of the 2008 financial statements. In accordance with IAS 34, the accounting recognition of a transaction is based on an independent evaluation as at the current reporting date and not in anticipation of the annual financial statements. The present interim report was reviewed by our year-end auditor and should be read in conjunction with our audited 2008 consolidated financial statements. The risk disclosures required under IFRS 7 are essentially provided in the risk report of the interim management report.

In principle, income and expenses are recognised in the period to which they may be assigned in economic terms. Items allocable evenly over several periods are accrued or deferred on a pro rata basis.

Estimates and assessments required in line with accounting policies under IFRS are carried out in accordance with the respective standard on a best estimate basis and are continually revalued and based on expected values and other factors, including expectations regarding future events that appear reasonable under the given circumstances on the reporting date. In the present financial statements, all adjustments required to give a suitable presentation of the net assets, financial position and results of operations of the Group are carried out as part of the interim reporting.

DekaBank applies the fair value option for those financial assets and liabilities which are managed as a unit in accordance with the Bank's documented risk management strategy. Both the risk and the results thereof are determined on the basis of fair values and reported to the Board of Management. In addition, the fair value option is exercised for financial instruments with embedded derivatives which have to be separated as well as for economic hedging derivatives.

As a result of information pertaining to adjusting events, the categorisation of some financial instruments was amended retroactively when preparing the 2008 consolidated financial statements. With regard to the financial reporting as at 30 June 2009, this has resulted in changes in the comparative figures in the consolidated statement of comprehensive income (first half year 2008), segment reporting, condensed cash flow statement and the statement of changes in equity. These changes are explained in detail in note [28].

[4] Changes in the scope of consolidation

As at 30 June 2009, in addition to DekaBank as the parent company, the scope of consolidation of the DekaBank Group includes a total of 10 (31 December 2008: 10) German and 8 (31 December 2008: 7) foreign subsidiaries in which DekaBank directly or indirectly holds more than 50% of the voting rights. In addition, the scope of consolidation includes 12 special funds (31 December 2008: 12) and 2 mutual funds (31 December 2008: 2), which are to be consolidated pursuant to IAS 27 and SIC-12.

Deka Real Estate Lending k.k. with registered office in Tokyo, which was newly established in the previous year, was included in the scope of consolidation. The shareholding in Dealis Fund Operations GmbH was included at equity in the consolidated financial statements for the first time.

In total, 24 (31 December 2008: 22) companies in which DekaBank has direct or indirect holdings were not consolidated. They are of minor significance for the presentation of the assets, financial position and earnings of the Group. The shares held in these companies are reported under financial investments.

Notes to the consolidated statement of comprehensive income

[5] Net interest income

In addition to interest income and expenses, net interest income includes prorated reversals of premiums and discounts from financial instruments. Net interest income from items in the trading book allocated to the held for trading category and the associated refinancing expenses are not included as they are reported in trading profit or loss. Under IAS 32, silent capital contributions are classified as debt and the payments to typical silent shareholders are reported in interest expenses.

€m	1 st half 2009	1 st half 2008	Change
Interest income from			
Lending and money market transactions	1,192.8	1,444.1	-251.3
Interest rate derivatives (economic hedges)	299.5	207.2	92.3
Fixed-interest securities and debt register claims	409.0	380.5	28.5
Hedging derivatives (hedge accounting)	17.0	9.0	8.0
Current income from			
Shares and other non fixed-interest securities	0.9	11.2	-10.3
Equity investments	1.9	2.5	-0.6
Result from leasing business	-	0.9	-0.9
Total interest income	1,921.1	2,055.4	-134.3
Interest expenses for			
Liabilities	893.9	986.3	-92.4
Interest rate derivatives (economic hedges)	260.0	188.6	71.4
Hedging derivatives (hedge accounting)	55.5	16.3	39.2
Securitised liabilities	422.9	676.2	-253.3
Subordinated capital	28.3	29.1	-0.8
Typical silent capital contributions	32.0	32.0	-
Total interest expenses	1,692.6	1,928.5	-235.9
Net interest income	228.5	126.9	101.6

[6] Provisions for loan losses

The breakdown of provisions for loan losses in the income statement is as follows:

€m	1 st half 2009	1 st half 2008	Change
Allocation to provisions for loan losses	-224.8	-7.0	-217.8
Direct write-downs on receivables	-	-0.1	0.1
Reversals of provisions for loan losses	5.9	6.7	-0.8
Income on written-down receivables	-	0.9	-0.9
Provisions for loan losses	-218.9	0.5	-219.4

The increase in provisions for loan losses reflects current market pressures in the wake of the financial market crisis.

[7] Net commission income

€m	1 st half 2009	1 st half 2008	Change
Commission income from			
Investment fund business	989.8	1,205.2	-215.4
Securities business	67.6	77.0	-9.4
Lending business	16.3	19.5	-3.2
Other	21.9	22.7	-0.8
Total commission income	1,095.6	1,324.4	-228.8
Commission expenses for			
Investment fund business	669.5	830.9	-161.4
Securities business	2.6	5.8	-3.2
Lending business	2.7	1.2	1.5
Other	1.3	0.7	0.6
Total commission expenses	676.1	838.6	-162.5
Net commission income	419.5	485.8	-66.3

Commission income from investment fund business essentially comprises management fees, wealth management fees and sales commission.

[8] Trading profit or loss

Trading profit or loss comprises sale and valuation results as well as commission from financial instruments in the held for trading sub-category. Valuation results are essentially determined based on market prices. If no market prices are available, the market values are calculated based on current market data using standard valuation methods. Net interest income from financial instruments for trading positions, together with related refinancing expenses are also reported under this item. In addition, the result from currency translation of trading positions is shown in trading profit or loss.

€m	1 st half 2009	1 st half 2008	Change
Sale/valuation result of interest-rate sensitive products	95.9	-101.2	197.1
Sale/valuation result of equity-price sensitive products	-244.6	29.7	-274.3
Foreign exchange profit or loss	-14.8	4.2	-19.0
Net interest income and current income from trading transactions	642.3	545.7	96.6
Refinancing expenses	-246.6	-364.4	117.8
Commission on trading transactions	-8.1	-2.1	-6.0
Trading profit or loss	224.1	111.9	112.2

The opposite trend in the results from interest rate sensitive and equity price sensitive products is attributable to the increased use of structured products. The interest rates of these products correlate with share price performance.

[9] Profit or loss on financial instruments designated at fair value

The item includes profit or loss on financial instruments allocated to the designated at fair value sub-category as well as the profit or loss on the associated economic hedges (derivatives in the banking book). Interest income and expenses from financial instruments in the designated at fair value category are reported under net interest income.

€m	1 st half 2009	1 st half 2008	Change
Net income from sale	4.4	31.9	-27.5
Valuation result	-171.9	-258.6	86.7
Foreign exchange profit or loss	18.5	3.5	15.0
Commission	-0.1	-0.2	0.1
Total	-149.1	-223.4	74.3

In principle, the valuation results are determined using market prices. If no market prices are available, the market values are calculated based on current market data using standard valuation models.

[10] Profit or loss on financial investments

€m	1 st half 2009	1 st half 2008	Change
Net income from sale of			
Securities in the loans and receivables category	-4.9	-	-4.9
Securities in the available for sale category	0.2	0.4	-0.2
Equity interests	-	0.2	-0.2
Net income from sale of financial investments	-4.7	0.6	-5.3
Allocation to risk provisions for securities in the category			
Loans and receivables	-5.1	-	-5.1
Held to maturity	-0.2	-	-0.2
Reversal of risk provisions for securities in the category			
Loans and receivables	1.1	-	1.1
Net income from investments accounted for using the equity method	-0.2	0.5	-0.7
Profit or loss on financial investments	-9.1	1.1	-10.2

[11] Administrative expenses

€m	1 st half 2009	1 st half 2008	Change
Personnel expenses	172.8	182.2	-9.4
Other administrative expenses	201.9	188.6	13.3
Depreciation and amortisation of property, plant and equipment and intangible assets	32.4	11.4	21.0
Administrative expenses	407.1	382.2	24.9

[12] Other operating income

The breakdown in other operating income is as follows:

€m	1 st half 2009	1 st half 2008	Change
Profit or loss on restructuring	-	-0.2	0.2
Profit or loss from repurchased debt instruments	-2.6	-2.1	-0.5
Other operating income	6.7	6.1	0.6
Other operating expenses	41.5	10.8	30.7
Total other operating income	-37.4	-7.0	-30.4

[13] Income taxes

As a result of DekaBank's treatment for tax purposes as an atypical silent partner and the corporation tax and trade tax rates applicable for 2009, the combined tax rate for the companies in the DekaBank fiscal group is 26.21%.

Notes to the balance sheet

[14] Due from banks

€m	30.06.2009	31.12.2008	Change
Domestic banks	32,376.4	34,204.0	-1,827.6
Foreign banks	5,222.0	9,963.6	-4,741.6
Due from banks before risk provision	37,598.4	44,167.6	-6,569.2
Provisions for loan losses	-295.2	-183.9	-111.3
Total	37,303.2	43,983.7	-6,680.5

[15] Due from customers

€m	30.06.2009	31.12.2008	Change
Domestic customers	11,730.0	12,576.2	-846.2
Foreign customers	15,873.6	17,307.4	-1,433.8
Due from customers before risk provisions	27,603.6	29,883.6	-2,280.0
Provisions for loan losses	-202.8	-124.4	-78.4
Total	27,400.8	29,759.2	-2,358.4

[16] Provisions for loan losses

Default risks in the lending business are recognised through the creation of specific and portfolio valuation allowances and the recognition of provisions for off-balance sheet liabilities. The portfolio valuation allowances for creditworthiness risks reflect the assumptions concerning impairments in the loan portfolio that have already occurred but are not yet known as at the reporting date. Account is taken of the transfer risk through the recognition of portfolio valuation allowances for country risks.

€m	30.06.2009	31.12.2008	Change
Provisions for loan losses – due from banks			
Specific valuation allowances	293.5	181.4	112.1
Portfolio valuation allowances for creditworthiness risks	1.7	2.5	-0.8
Provisions for loan losses – due from customers			
Specific valuation allowances	139.4	66.9	72.5
Portfolio valuation allowances for country risks	24.2	24.2	-
Portfolio valuation allowances for creditworthiness risks	39.2	33.3	5.9
Total	498.0	308.3	189.7

Key ratios for provisions for loan losses:

%	30.06.2009	31.12.2008
Reversal/allocation ratio as at reporting date (Quotient from net allocation and lending volume)	-0.37	-0.47
Default rate as at reporting date (Quotient from loan defaults and lending volume)	0.05	0.16
Average default rate (Quotient from loan defaults in 5-year average and lending volume)	0.10	0.11
Net provisioning ratio as at reporting date (Quotient from provisions for loan losses and lending volume)	0.88	0.53

The above key ratios are based on a lending volume of €59.5bn (31 December 2008: €61.6bn).

Provisions for loan losses by risk segment:

€m	Valuation allowances and provisions ¹⁾ for loan losses		Loan defaults	Net additions ^{2)/} reversals of valuation allowances and provisions for loan losses
	30.06.2009	31.12.2008	2009	2009
Customers				
Property risks	61.8	34.8	-	-27.7
Structured & leveraged finance	120.2	51.1	17.3	-86.4
Transport & trade finance	41.5	53.2	11.3	-0.3
Equity investments	3.0	3.0	-	-
Public infrastructure	2.6	2.3	-	-0.3
Other	0.3	0.3	-	0.1
Total customers	229.4	144.7	28.6	-114.6
Banks	295.2	183.9	-	-104.3
Total	524.6	328.6	28.6	-218.9

¹⁾ Deductible and non-deductible provisions for loan losses.

²⁾ Negative in the column.

Further disclosures on default risks required under IFRS 7 are provided in the risk report of the interim management report.

[17] Financial assets at fair value through profit or loss

In addition to securities and receivables in the categories held for trading and designated at fair value, the item financial assets at fair value includes positive market values from derivative financial instruments in the trading book and from economic hedges that do not meet the criteria for hedge accounting in accordance with IAS 39.

€m	30.06.2009	31.12.2008	Change
Held for trading			
Promissory note loans	88.1	386.7	-298.6
Money market securities	725.6	1,288.1	-562.5
Bonds and debt securities	17,978.3	15,754.4	2,223.9
Shares	3,798.1	3,745.2	52.9
Investment fund units	2,025.4	561.3	1,464.1
Participating certificates	6.8	-	6.8
Other non fixed-interest securities	23.3	16.5	6.8
Positive market values from derivative financial instruments (trading)	14,177.5	13,226.7	950.8
Other trading assets	4.1	12.4	-8.3
Total held for trading	38,827.2	34,991.3	3,835.9
Designated at fair value			
Receivables	2,518.2	2,031.2	487.0
Promissory note loans	108.6	157.6	-49.0
Money market securities	-	100.1	-100.1
Bonds and debt securities	13,813.0	15,229.3	-1,416.3
Shares	10.1	18.5	-8.4
Investment fund units	611.3	624.5	-13.2
Participating certificates	11.9	12.2	-0.3
Other non fixed-interest securities	-	2.6	-2.6
Positive market values from derivative financial instruments (economic hedges)	2,766.4	2,653.2	113.2
Total designated at fair value	19,839.5	20,829.2	-989.7
Total	58,666.7	55,820.5	2,846.2

Units held in the Group's own non-consolidated mutual funds are reported in the item investment fund units and are designated at fair value. Following a review, assets in consolidated funds are allocated to the different items in line with their character, generally to bonds and debt securities or shares.

[18] Financial investments

€m	30.06.2009	31.12.2008	Change
Loans and receivables			
Bonds and other fixed-interest securities	3,140.3	3,513.8	-373.5
Held to maturity			
Bonds and other fixed-interest securities	2,738.1	2,756.0	-17.9
Available for sale			
Bonds and other fixed-interest securities	162.4	288.1	-125.7
Shares and other non fixed-interest securities	0.4	0.6	-0.2
Equity investments	25.7	30.6	-4.9
Shares in affiliated, non-consolidated companies	2.3	5.3	-3.0
Shares in associated companies, not valued at equity	0.3	0.3	-
Shares in companies valued at equity	52.5	43.6	8.9
Financial investments before risk provisions	6,122.0	6,638.3	-516.3
Risk provisions for financial investments	-26.7	-31.9	5.2
Total	6,095.3	6,606.4	-511.1

[19] Intangible assets

€m	30.06.2009	31.12.2008	Change
Purchased goodwill	95.4	120.4	-25.0
Software	25.3	26.5	-1.2
Total	120.7	146.9	-26.2

The goodwill arising from the acquisition of WestInvest Gesellschaft für Investmentfonds mbH is allocated to the Asset Management Property division as a cash-generating unit. An impairment test was performed on this goodwill as at 30 June 2009 on the basis of current budget figures and valuation parameters. The book value of the goodwill was reduced by the amount of the ascertained impairment of around €25m, which is reported in the income statement under administrative expenses.

[20] Property, plant and equipment

€m	30.06.2009	31.12.2008	Change
Land and buildings	15.3	15.5	-0.2
Plant and equipment	21.2	21.9	-0.7
Technical equipment and machines	5.3	6.0	-0.7
Total	41.8	43.4	-1.6

[21] Due to banks

€m	30.06.2009	31.12.2008	Change
Domestic banks	13,916.6	27,414.2	-13,497.6
Foreign banks	6,149.3	2,905.9	3,243.4
Total	20,065.9	30,320.1	-10,254.2

[22] Due to customers

€m	30.06.2009	31.12.2008	Change
Domestic customers	19,709.7	23,156.9	-3,447.2
Foreign customers	9,890.9	10,588.1	-697.2
Total	29,600.6	33,745.0	-4,144.4

[23] Securitised liabilities

The securitised liabilities include bonds and other liabilities, for which transferable certificates are issued. Under IAS 39, the own bonds held in the Group in the nominal amount of €1.1bn (31 December 2008: €1.2bn) were deducted from the issued bonds.

€m	30.06.2009	31.12.2008	Change
Bonds issued	24,571.2	26,676.1	-2,104.9
Money market securities issued	1,475.1	425.9	1,049.2
Total	26,046.3	27,102.0	-1,055.7

[24] Financial liabilities at fair value

In addition to trading issues and liabilities in the designated at fair value category, financial liabilities at fair value include negative market values from derivative financial instruments in the trading book as well as economic hedges which do not meet the criteria for hedge accounting in accordance with IAS 39. Delivery commitments arising from short sales of securities are also reported in this item.

Financial liabilities at fair value:

€m	30.06.2009	31.12.2008	Change
Held for trading			
Trading issues	1,441.4	1,267.0	174.4
Delivery commitments arising from short sale of securities	6,364.0	6,019.0	345.0
Negative market value from derivative financial instruments (trading)	23,846.4	21,067.3	2,779.1
Other financial liabilities at fair value (trading)	3.9	3.8	0.1
Total held for trading	31,655.7	28,357.1	3,298.6
Designated at fair value			
Issues	13,917.1	9,027.8	4,889.3
Negative market value from derivative financial instruments (economic hedges)	2,950.3	2,756.2	194.1
Total designated at fair value	16,867.4	11,784.0	5,083.4
Total	48,523.1	40,141.1	8,382.0

The own bonds held by the Group in the designated at fair value category with a nominal amount of €355.4m (31 December 2008: €411.8m) were deducted from the bonds issued.

The issues in the designated at fair value category include cumulative creditworthiness-related changes in value amounting to €91.1m (31 December 2008: €69.0m).

[25] Provisions

€m	30.06.2009	31.12.2008	Change
Provisions for pensions and similar commitments	22.9	23.9	-1.0
Provisions for income taxes	89.9	86.6	3.3
Provisions for credit risks	26.5	20.3	6.2
Provisions for legal proceedings and recourses	0.4	0.5	-0.1
Provisions for restructuring measures	8.6	15.6	-7.0
Other provisions	116.9	150.9	-34.0
Total	265.2	297.8	-32.6

[26] Subordinated capital

€m	30.06.2009	31.12.2008	Change
Subordinated liabilities	994.8	996.3	-1.5
Profit participation capital including pro-rata interest	157.8	162.7	-4.9
Capital contributions of typical silent partner including pro-rata interest	787.7	819.7	-32.0
Total	1,940.3	1,978.7	-38.4

[27] Equity

€m	30.06.2009	31.12.2008	Change
Subscribed capital	286.3	286.3	–
Capital reserve	190.3	190.3	–
Reserves from retained earnings			
Statutory reserve	13.2	13.2	–
Reserves required by the Bank's statutes	51.3	51.3	–
Other reserves from retained earnings	2,565.5	2,566.1	–0.6
Total reserves from retained earnings	2,630.0	2,630.6	–0.6
Revaluation reserve	2.2	1.9	0.3
Currency translation reserve	3.1	3.4	–0.3
Accumulated profit/loss	46.4	28.6	17.8
Minority interest	143.0	98.8	44.2
Total	3,301.3	3,239.9	61.4

The change in minority interests is due to the fluctuation in investment holdings in the consolidated mutual fund ETFlab DAX.

Other information**[28] Adjustment of comparative figures in the consolidated statement of comprehensive income in accordance with IAS 8**

When preparing the consolidated financial statements as at 31 December 2008, as a result of information pertaining to adjusting events, some of the securities in the loans and receivables and held to maturity categories acquired in 2008 were retroactively reclassified into the at fair value through profit or loss category as at the date of acquisition following a review of the criteria.

The above changes affect the following comparative figures in the consolidated statement of comprehensive income as at 30 June 2009:

€m	1 st half 2008 after adjustment	1 st half 2008 before adjustment	Adjustment
Interest income	2,055.4	2,057.1	–1.7
Trading profit or loss	111.9	114.8	–2.9
Profit or loss on financial instruments designated at fair value	–223.4	–189.6	–33.8
Profit or loss on financial investments	1.1	1.4	–0.3
Income taxes	49.7	59.8	–10.1
Net income for the year	53.8	82.4	–28.6

In the cash flow statement, the retrospective amendment of the comparative figures has led to a shift between the cash flow from operating activities (reduction of €105.8m) and the cash flow from investing activities (increase of €105.8m). In the statement of changes in equity, the net income for the year as at 30 June 2008 was adjusted. The corresponding adjustments were also made to the comparative figures in the segment reporting for the Corporates & Markets segment (net interest income by –€1.7m; net financial income by –€34.6m) and in the “Reconciliation” column (net financial income by –€2.4m).

[29] Financial instruments under IAS 39 – valuation categories

The following table shows the book values of the financial instruments by valuation category. In addition, they are broken down into transactions allocated to fair value hedges and transactions not posted as hedges.

€m	No fair value hedge		Fair value hedge	
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Asset items				
Loans and receivables (lar)				
Due from banks	34,575.7	40,864.4	2,727.5	3,119.3
Due from customers	24,856.1	27,151.0	2,544.7	2,608.2
Financial investments	2,364.8	2,654.6	749.5	827.8
Held to maturity (htm)				
Financial investments	2,737.4	2,755.5		
Available for sale (afs)				
Financial investments	243.6	368.5	–	–
Held for trading (hft)				
Financial assets at fair value	38,827.2	34,991.3		
Designated at fair value (dafv)				
Financial assets at fair value	19,839.5	20,829.2		
Positive market values from derivative hedging instruments according to IAS 39			199.1	142.9
Total asset items	123,444.3	129,614.5	6,220.8	6,698.2
Liability items				
Liabilities				
Due to banks	19,974.0	30,177.2	91.9	142.9
Due to customers	27,861.4	31,920.3	1,739.2	1,824.7
Securitised liabilities	25,299.1	25,902.0	747.2	1,200.0
Subordinated capital	1,613.0	1,662.6	327.3	316.1
Held for trading (hft)				
Financial liabilities at fair value	31,655.7	28,357.1		
Designated at fair value (dafv)				
Financial liabilities at fair value	16,867.4	11,784.0		
Negative market values from derivative hedging instruments according to IAS 39			453.6	512.3
Total liability items	123,270.6	129,803.2	3,359.2	3,996.0

[30] Fair value data for financial instruments

Fair value is deemed to be the amount at which a financial instrument can be freely traded between knowledgeable and willing parties in an arm's length transaction. The following table shows the fair values of financial assets and liabilities compared to the respective book values.

€m	30.06.2009			31.12.2008		
	Fair value	Book value	Difference	Fair value	Book value	Difference
Asset items						
Cash reserve	608.0	608.0	–	1,457.2	1,457.2	–
Due from banks (Loans and receivables)	37,579.9	37,303.2	276.7	44,462.9	43,983.7	479.2
Due from customers (Loans and receivables)	27,447.0	27,400.8	46.2	29,826.1	29,759.2	66.9
Financial assets at fair value	58,666.7	58,666.7	–	55,820.5	55,820.5	–
Positive market values from fair value hedges under IAS 39	199.1	199.1	–	142.9	142.9	–
Loans and receivables	3,000.9	3,114.3	–113.4	3,564.2	3,482.4	81.8
Held to maturity	2,643.0	2,737.4	–94.4	2,702.4	2,755.5	–53.1
Available for sale	243.6	243.6	–	368.5	368.5	–
Financial investments	5,887.5	6,095.3	–207.8	6,635.1	6,606.4	28.7
Total asset items	130,388.2	130,273.1	115.1	138,344.7	137,769.9	574.8
Liability items						
Due to banks	20,269.4	20,065.9	203.5	30,526.4	30,320.1	206.3
Due to customers	30,066.5	29,600.6	465.9	34,256.8	33,745.0	511.8
Securitised liabilities	25,990.1	26,046.3	–56.2	27,258.1	27,102.0	156.1
Financial liabilities at fair value	48,523.1	48,523.1	–	40,141.1	40,141.1	–
Negative market values from fair value hedges under IAS 39	453.6	453.6	–	512.3	512.3	–
Subordinated liabilities	1,984.4	1,940.3	44.1	2,052.7	1,978.7	74.0
Total liability items	127,287.1	126,629.8	657.3	134,747.4	133,799.2	948.2

For financial instruments due on demand, the fair value corresponds to the respective amount payable as at the reporting date. These include cash on hand as well as overdraft facilities and sight deposits with regard to banks and customers.

The fair values of amounts due from banks or customers are determined using the present value method. The future cash flows from receivables are discounted at a risk-adjusted market interest rate. The differing credit ratings of borrowers are taken into account through appropriate adjustments in the discount rates. This procedure also applies to securities held in the loans and receivables category. The fair values determined on the basis of financial valuation models can be considerably affected by the underlying assumptions. The fair value is therefore to be seen as the model value as at the reporting date, which could not necessarily be realised through the direct sale or settlement of the financial instrument.

Financial assets in the held to maturity category are fixed-interest securities for which there is a liquid market. Here the fair values therefore correspond to the market values.

In principle, the fair values of financial assets and liabilities at fair value are determined using listed negotiable market prices where these are available. Where no prices from active markets are available, valuation models are used. The input parameters for these models largely comprise market data. However, depending on the transaction type and current market situation, it may be necessary to include assumptions and assessments by the management in the valuation.

The fair value of long-term liabilities is determined on the basis of market prices and by discounting the contractually agreed cash flows. The interest rates used are those at which the Group could issue comparable debt securities on the reporting date.

The following table shows the approach used to determine the fair values of all the financial instruments measured at fair value through profit or loss, based on the respective book values:

Valuation	At market price	Based on observable market data	Based on derived parameters	Total	Fair value
	%	%	%	%	€m
Assets					
Derivative financial instruments	11.5	84.6	3.9	100.0	17,783.0
Other financial instruments	66.7	26.2	7.1	100.0	41,082.8
Liabilities					
Derivative financial instruments	29.1	70.3	0.6	100.0	27,268.7
Other financial instruments	47.5	49.7	2.8	100.0	21,708.0

Structured financial instruments with embedded derivatives that have to be separated, which are allocated to the trading book or for which the fair value option has been exercised, are shown in the table under derivative financial instruments.

Where products are not traded on the stock market, derivatives are in principle measured using standard valuation models based on observable market data. Fair values for illiquid securities, interest rate swaps and interest rate/currency swap agreements as well as unlisted interest rate futures are determined on the basis of discounted future cash flows (the discounted cash flow model). In principle, the market interest rates applying to the remaining term of the financial instruments are used. The transactions valued using this method are shown in the column "Based on observable market data".

Against the backdrop of the financial market crisis and resultant inactive markets, as well as the at times considerable liquidity spread developments, an increasing number of securities were identified as having external prices which were categorised as inactive (illiquid). For these securities, the fair value was determined as at the reporting date based on a modified discounted cash flow model. The underlying discounting rate used in the model was determined on the basis of the current swap curve, the implied historical spread – derived from the last available liquid market price – and an adjustment for any changes in the credit rating in the meantime. The value thus calculated was also adjusted by a factor, determined using an indicator model that reflects how the last observable market price would have had to change in the meantime (liquidity factor). In our opinion, the resultant fair value represents the price which market players acting rationally would have agreed. The securities valued using this procedure (€2.3bn) are shown in the above table in the “Based on derived parameters” column.

As a result of the persistent market dislocations, the fair values for non-synthetic securitisation transactions as at the reporting date were calculated using the discounted cash flow model. Where the spreads currently observable for the relevant transaction were deemed to be valid, the market interest rate was used as input for the discounted cash flow model. Otherwise, the modified discounted cash flow model described above was used. Where indicative prices from price service agencies were also available, these were used to check the plausibility of the calculated fair values. As in the previous year, we have allocated all the non-synthetic securitisations (€2.7bn) in the above table to the “Based on derived parameters” column.

The fair value of synthetic securitisation transactions is determined using Copula models calibrated to the market prices of liquid tranches. These are also reported in the third column as the correlation assumptions of the underlying CDS portfolios represent material parameters for the valuation.

Where assumptions and estimates have been included in the valuation models, these were selected from a range of possible values using market information and management assessments. Confidence intervals for the mark-to-model values of the positions can be determined based on these ranges. Using the modified discounted cash flow procedure, the corresponding confidence intervals were determined for both the cash flows and the parameters to determine the liquidity factor. The same procedure was also used to determine the possible correlation values for the valuation of synthetic securitisation transactions.

Using sensible possible alternative scenarios determined from the minimum and maximum of the confidence intervals produces a fair value for the portfolio as at the reporting date that was up to €40.1m lower or up to €41.3m higher.

[31] Derivative transactions

The derivative financial instruments used in the DekaBank Group can be broken down by market value as follows:

€m	Positive fair values		Negative fair values	
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Interest rate risk	7,013.1	5,271.4	7,215.0	5,566.7
Currency risk	516.3	1,026.4	656.7	1,088.7
Share and other price risks	9,391.4	9,733.2	19,144.0	17,691.2
Total	16,920.8	16,031.0	27,015.7	24,346.6

[32] Equity under banking supervisory law

The following table shows the composition of the capital and reserves:

€m	30.06.2009	31.12.2008	Change
Subscribed capital	286.3	286.3	–
Open reserves	441.6	443.3	–1.7
Silent capital contributions	552.4	552.4	–
Fund for general banking risks	1,610.8	1,213.5	397.3
Interim profit under Section 10 (3) German Banking Act (KWG)	–	135.0	–135.0
Deductions under Section 10 (2a) KWG	12.5	12.7	–0.2
Deductions under Section 10 (6) and (6a) KWG (half)	16.5	23.0	–6.5
Of which deduction amounts under Section 10 (6a) Nos. 1 and 2 KWG	16.5	10.6	5.9
Core capital	2,862.1	2,594.8	267.3
Profit participation capital	153.0	153.0	–
Subordinated liabilities	813.2	813.2	–
Other components	246.9	323.8	–76.9
Deductions under Section 10 (6) and (6a) KWG (half)	16.5	23.0	–6.5
Of which deduction amounts under Section 10 (6a) Nos. 1 and 2 KWG	16.5	10.6	5.9
Supplementary capital	1,196.6	1,267.0	–70.4
Modified available capital	4,058.7	3,861.8	196.9
Tier III funds	–	–	–
Capital and reserves	4,058.7	3,861.8	196.9

The following table shows the items subject to a capital charge:

€m	30.06.2009	31.12.2008	Change
Default risks	23,025.0	23,213.0	–188.0
Market risk positions	6,287.5	6,112.5	175.0
Operational risks	1,737.5	1,688.0	49.5

As at the reporting date, the ratios for the DekaBank Group were as follows:

%	30.06.2009	31.12.2008	Change
Core capital ratio (including market risk positions)	9.2	8.4	0.8
Core capital ratio (excluding market risk positions)	11.6	10.5	1.1
Total capital ratio	13.1	12.5	0.6

The capital and reserves requirements under banking supervisory law were complied with at all times during the reporting period.

[33] Contingent and other liabilities

€m	30.06.2009	31.12.2008	Change
Irrevocable lending commitments	3,510.4	5,120.4	-1,610.0
Other liabilities	561.6	456.4	105.2
Total	4,072.0	5,576.8	-1,504.8

The guarantees provided by DekaBank are financial guarantee contracts under IFRS, which are stated net in compliance with IAS 39. The nominal amount of the guarantees in place as at the reporting date is €0.8bn (31 December 2008: €0.9bn).

The DekaBank Group's range of products contains investment funds with market value guarantees of varying degrees. For fixed-term funds with these features, the capital invested less charges is guaranteed as at the maturity date, while a minimum unit value is agreed for specific cut-off dates for such funds without a fixed term. As at the reporting date, there was no financial obligation on these products as a result of the performance of the respective fund assets. As at the reporting date, the guarantees covered a maximum volume of €7.5bn at the respective guarantee dates (present value: €6.8bn) and the market value of the corresponding fund assets amounted to €7.2bn.

[34] List of shareholdings

DekaBank directly or indirectly holds at least 20% of the shares in the following companies.

Consolidated subsidiaries:

Name, registered office	Equity share %
Deka Beteiligungs GmbH, Frankfurt/Main	100.00
Deka FundMaster Investmentgesellschaft mbH, Frankfurt/Main	100.00
Deka Grundstücksverwaltungsgesellschaft I (GbR), Frankfurt/Main	100.00
Deka Immobilien GmbH, Frankfurt/Main	100.00
Deka Immobilien Investment GmbH, Frankfurt/Main	100.00
Deka Immobilien Luxembourg S.A., Luxembourg	100.00
Deka International (Ireland) Ltd. i.L., Dublin	100.00
Deka International S.A., Luxembourg	100.00
Deka Investment GmbH, Frankfurt/Main	100.00
Deka(Swiss) Privatbank AG, Zurich	80.00 ¹⁾
DekaBank Deutsche Girozentrale Luxembourg S.A., Luxembourg	100.00
Deka Real Estate Lending k.k., Tokyo	100.00
DKC Deka Kommunal Consult GmbH, Düsseldorf (formerly: WestKC Westdeutsche Kommunal Consult GmbH)	100.00
ETFlab Investment GmbH, Munich	100.00
International Fund Management S.A., Luxembourg	100.00
Roturo S.A., Luxembourg	100.00
WestInvest Gesellschaft für Investmentfonds mbH, Düsseldorf	99.74
WIV GmbH & Co. Beteiligungs KG, Frankfurt/Main	94.90

¹⁾ Consolidation ratio based on economic ownership 100%.

Consolidated funds:

Name, registered office	Equity share %
A-DGZ 2-FONDS, Frankfurt/Main	100.00
A-DGZ 4-FONDS, Frankfurt/Main	100.00
A-DGZ 5-FONDS, Frankfurt/Main	100.00
A-DGZ 6-FONDS, Frankfurt/Main	100.00
A-DGZ 7-FONDS, Frankfurt/Main	100.00
A-DGZ 8-FONDS, Luxembourg	100.00
A-DGZ 9-FONDS, Luxembourg	100.00
A-DGZ 10-FONDS, Frankfurt/Main	100.00
A-DGZ-FONDS, Frankfurt/Main	100.00
A-Treasury 2000-FONDS, Frankfurt/Main	100.00
A-Treasury 93-FONDS, Frankfurt/Main	100.00
DDDD-FONDS, Frankfurt/Main	100.00
Deka-Treasury Corporates-FONDS, Frankfurt/Main	100.00
ETFlab DAX, Munich	92.90

Associated companies and joint ventures consolidated under the equity method:

Name, registered office	Equity share %
S PensionsManagement GmbH, Cologne	50.00
Dealis Fund Operations GmbH, Munich	49.90
S Broker AG & Co. KG, Wiesbaden	30.64

Non-consolidated companies:

Name, registered office	Equity share %
Datogon S.A., Luxembourg	100.00
Dealis Fund Operations S.A., Luxembourg	100.00
Deka Loan Investors Luxembourg I, Luxembourg	100.00
Deka Loan Investors Luxembourg II, Luxembourg	100.00
Deka Loan Investors Luxembourg III, Luxembourg	100.00
Deka Multi Asset Investors Luxembourg, Luxembourg	100.00
Deka Immobilien k.k., Tokyo	100.00
Deka Investors Investmentaktiengesellschaft mit Teilgesellschaftsvermögen, Frankfurt/Main	100.00
Deka Treuhand GmbH, Frankfurt/Main	100.00
Deka Vermögensverwaltungs GmbH, Frankfurt/Main	100.00
Deka Verwaltungs GmbH, Frankfurt/Main	100.00
Deka Vorratsgesellschaft 01 mbH, Frankfurt/Main	100.00
Deka Vorratsgesellschaft 02 mbH, Frankfurt/Main	100.00
DekaBank Advisory Ltd., London	100.00
Deutsche Landesbankenzentrale AG, Berlin	100.00
Europäisches Kommunalinstitut S.A.R.L., Luxembourg	100.00
LBG Leasing Beteiligungs-GmbH, Frankfurt/Main	100.00
Perfeus S.A., Luxembourg	100.00
STIER Immobilien AG, Frankfurt/Main	100.00
WestInvest Erste Beteiligungs- und Verwaltungs GmbH, Düsseldorf	99.74
WIV Verwaltungs GmbH, Frankfurt/Main	94.90
Deka-WestLB Asset Management Luxembourg S.A., Luxembourg	51.00
Deka-Neuburger Institut für wirtschaftsmathematische Beratung GmbH, Frankfurt/Main	50.00
Global Format GmbH & Co. KG, Munich	20.00

Non-consolidated mutual funds:

Name, registered office	Fund volume €m	Equity share %
Deka-AktienEuropa 130/30, Luxembourg	3.7	100.00
ETFlab Deutsche Börse EUROGOV® Germany, Munich	31.3	100.00
ETFlab Deutsche Börse EUROGOV® Germany 3–5, Munich	28.8	100.00
ETFlab MSCI Europe, Munich	30.2	100.00
ETFlab MSCI Japan, Munich	30.7	100.00
ETFlab MSCI Japan MC, Munich	31.7	100.00
ETFlab MSCI USA MC, Munich	28.6	100.00
RE-AVT-FundMaster, Frankfurt/Main	24.4	100.00
WestInvest Target Select Logistics, Düsseldorf	43.5	100.00
ETFlab MSCI Europe MC, Munich	29.7	99.98
ETFlab DJ STOXX 50®, Munich	34.1	99.86
ETFlab MSCI USA, Munich	29.3	99.85
ETFlab DAXplus® Maximum Dividend, Munich	594.6	99.77
ETFlab iBoxx € Liquid Sovereign Diversified 1–10, Munich	31.2	98.76
Deka-BonusStrategie 3y (II), Frankfurt/Main	22.2	97.71
ETFlab DJ STOXX® Strong Growth 20, Munich	19.3	97.55
ETFlab iBoxx € Liquid Sovereign Diversified 3–5, Munich	31.1	96.66
ETFlab iBoxx € Liquid Sovereign Diversified 1–3, Munich	31.9	96.32
ETFlab DJ STOXX® Strong Value 20, Munich	21.5	95.94
ETFlab DJ STOXX® Strong Style Composite 40, Munich	22.8	94.18
ETFlab iBoxx € Liquid Sovereign Diversified 7–10, Munich	30.7	93.34
ETFlab Deutsche Börse EUROGOV® Germany 10+, Munich	29.4	91.96
ETFlab iBoxx € Liquid Sovereign Diversified 10+, Munich	27.9	91.65
ZukunftsPlan IV, Frankfurt/Main	0.6	91.24
ETFlab iBoxx € Liquid Sovereign Diversified 5–7, Munich	30.7	88.70
ETFlab DJ EURO STOXX® Select Dividend 30, Munich	19.1	87.69
ETFlab MSCI Japan LC, Munich	26.6	87.11
Deka-RentSpezial 12/2012, Frankfurt/Main	11.6	86.40
ETFlab Deutsche Börse EUROGOV® Germany 1–3, Munich	30.7	83.15
ZukunftsPlan III, Frankfurt/Main	0.6	82.46
Deka-Zielfonds 2045–2049, Frankfurt/Main	1.8	79.17
ETFlab Deutsche Börse EUROGOV® Germany Money Market, Munich	35.8	75.89
ETFlab DAX® (ausschüttend), Munich	72.0	71.11
Deka-Zielfonds 2050–2054, Frankfurt/Main	1.9	68.78
Deka-Zielfonds 2040–2044, Frankfurt/Main	2.0	67.66
ETFlab MSCI Europe LC, Munich	21.8	67.53
ETFlab Deutsche Börse EUROGOV® Germany 5–10, Munich	31.5	67.15
Deka-BR 45, Frankfurt/Main	6.5	62.41
Deka-HedgeSelect, Frankfurt/Main	76.5	59.93
Deka-ZielGarant 2046–2049, Luxembourg	2.0	58.21
Deka-Convergence Small MidCap, Luxembourg	4.3	53.07
Deka-Zielfonds 2035–2039, Frankfurt/Main	2.4	52.05
Deka-ZielGarant 2042–2045, Luxembourg	1.8	51.61

[35] Related party disclosures

Transactions are carried out with related parties at normal market terms and conditions as part of ordinary business activities. The table below shows the extent of these transactions.

Business dealings with shareholders of DekaBank and non-consolidated subsidiaries:

€m	Shareholders		Subsidiaries	
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Liability items				
Due to customers	18.0	14.8	1.2	1.3

Business dealings with companies accounted for using the equity method and other related parties:

€m	Investments accounted for using the equity method		Other related parties	
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Asset items				
Due from customers	0.8	–	113.3	161.6
Financial assets at fair value	–	–	2.1	0.8
Other assets	2.9	–	2.6	–
Total asset items	3.7	–	118.0	162.4
Liability items				
Due to customers	2.3	1.4	190.8	187.4
Financial liabilities at fair value	–	–	3.3	0.2
Other liabilities	–	–	0.1	–
Total liability items	2.3	1.4	194.2	187.6

In addition to Deka Trust e.V., other related parties include the Group's own mutual funds where the holding of the DekaBank Group exceeds 10%. The liabilities of the DekaBank Group towards other related parties essentially comprise deposits by the Bank's own mutual funds in money on call and fixed term accounts from the temporary investment of free funds.

Assurance of the Board of Management

We assure that to the best of our knowledge, the consolidated interim financial statements prepared in accordance with the applicable reporting standards for interim reporting convey a true and fair view of the net assets, financial position and results of operations of the Group and that the interim management report conveys a true and fair view of the business performance including the business results and position of the Group and suitably presents the material risks and opportunities and likely development of the Group over the rest of the financial year.

Frankfurt/Main, 13 August 2009

DekaBank
Deutsche Girozentrale

The Board of Management



Waas, Ph. D.



Behrens



Dr. Danne



Groll



Gutenberger



Dr. h. c. Oelrich

Review Report

To DekaBank Deutsche Girozentrale, Berlin/Frankfurt am Main

“We have reviewed the condensed consolidated interim financial statements – comprising the balance sheet, statement of comprehensive income, condensed cash flow statement, statement of changes in equity and selected explanatory notes – and the interim group management report of DekaBank Deutsche Girozentrale, Berlin/Frankfurt am Main, for the period from January 1 to June 30, 2009 which are part of the half-year financial report pursuant to § (Article) 37w WpHG (“Wertpapierhandelsgesetz”: German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim 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 so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.”

Frankfurt/Main, 14 August 2009

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Stefan Palm	ppa. Mirko Braun
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Administrative Board and Board of Management of DekaBank

Administrative Board

(as of 1 August 2009)

Heinrich Haasis, Berlin

Chairman

President of the German Savings Banks and Giro Association e. V.

N.N.

First Deputy Chairman

Dr. Rolf Gerlach, Münster

Second Deputy Chairman

President of the Savings Banks and Giro Association Westphalia-Lippe

Representatives elected by the Shareholders' Meeting

Hans-Dieter Brenner, Frankfurt/Main

Chairman of the Management Board of Landesbank Hessen-Thüringen Girozentrale

Michael Breuer, Düsseldorf

President of the Rhineland Savings Banks and Giro Association

Thomas Christian Buchbinder, Saarbrücken

Chairman of the Management Board of Landesbank Saar

Dr. Gunter Dunkel, Hanover

Chairman of the Management Board of NORD/LB Norddeutsche Landesbank Girozentrale

Dr. Johannes Evers, Berlin

Chairman of the Management Board of Landesbank Berlin AG

Gerhard Grandke, Frankfurt/Main

Managing President of the Savings Banks and Giro Association Hesse-Thuringia

Klaus-Dieter Gröb, Frankfurt/Main

Member of the Management Board of Landesbank Hessen-Thüringen Girozentrale

Reinhard Henseler, Flensburg

Chairman of the Management Board of Nord-Ostsee Sparkasse

Jürgen Hilse, Göppingen

Chairman of the Management Board of Kreissparkasse Göppingen

Michael Horn, Stuttgart

Deputy Chairman of the Management Board of Landesbank Baden-Württemberg

Dr. Stephan-Andreas Kaulvers, Bremen

Chairman of the Management Board of Bremer Landesbank Kreditanstalt Oldenburg – Girozentrale –

Dr. Michael Kemmer, Munich

Chairman of the Management Board of Bayerische Landesbank

Thomas Mang, Hanover

President of the Savings Banks Association of Lower Saxony

Harald Menzel, Freiberg

Chairman of the Management Board of Kreissparkasse Freiberg

Dr. Siegfried Naser, Munich

Managing President of the Savings Banks Association Bavaria

Prof. Dr. Dirk Jens Nonnenmacher, Hamburg

Chairman of the Management Board of HSH Nordbank AG

Peter Rieck, Hamburg

Deputy Chairman of the Management Board of HSH Nordbank AG

Hans-Werner Sander, Saarbrücken

Chairman of the Management Board of Sparkasse Saarbrücken

Peter Schneider, Stuttgart

President of the Savings Banks Association Baden-Württemberg

Hans Otto Streuber, Budenheim

President of the Savings Banks Association Rhineland-Palatinate

Hans-Jörg Vetter, Stuttgart

Chairman of the Management Board of Landesbank Baden-Württemberg

Dr. Harald Vogelsang, Hamburg

President of the Hanseatic Savings Banks and Giro Association

Dietrich Voigtländer, Düsseldorf

Chairman of the Management Board of WestLB AG

Federal Organisation of Central Municipal Organisations (in an advisory capacity)

Dr. Stephan Articus, Cologne

Executive Director of the German Association of Cities

Prof. Dr. Hans-Günter Henneke, Berlin

Managing Member of the Presiding Board of the German County Association

Richard Nospers, Saarbrücken

Managing Director of the Saarland Association of Towns and Municipalities

Employees Representatives appointed by the Staff Committee

Michael Dörr, Frankfurt/Main

Chairman of the Staff Committee, DekaBank Deutsche Girozentrale

Heike Schillo, Frankfurt/Main

Member of the Staff Committee, DekaBank Deutsche Girozentrale

End of the term of office: 31.12.2013

Board of Management

Franz S. Waas, Ph. D.

Chairman of the Board of Management

Oliver Behrens

Member of the Board of Management

Dr. Matthias Danne

Member of the Board of Management

Walter Groll

Member of the Board of Management

Hans-Jürgen Gutenberger

Member of the Board of Management

Dr. h. c. Friedrich Oelrich

Member of the Board of Management

Executive Managers

Oliver K. Brandt

Manfred Karg

Osvin Nöller

Thomas Christian Schulz

Financial calendar

Financial year 2009	November 2009	Interim Report as at 30 September 2009
Financial year 2010	March 2010	Annual press conference 2009 Annual Report 2009 (German version)
	April 2010	Annual Report 2009 (English version)
	August 2010	Interim Report as at 30 June 2010 (German version)
	September 2010	Interim Report as at 30 June 2010 (English version)

Publication dates are preliminary and subject to change.

Internet website

The specialist terms used are explained in the **interactive online version** of this report, which you can view in English or German on our website at www.dekabank.de under "Investor Relations/Reports". Previously published annual reports and interim reports are also available for download here.

Ordering reports

We would be pleased to send you a printed copy of the Interim Report 2009 of the DekaBank Group (German version). If you would like to receive our annual reports or interim reports on a regular basis, please contact our Internal Communication & Media department:

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This report was prepared in August 2009.

Concept and design

ergo Unternehmenskommunikation GmbH & Co. KG,
Cologne, Frankfurt/Main, Berlin;

Kolle Rebbe Werbeagentur GmbH, Hamburg

Printed by

Druckhaus Becker GmbH, Ober-Ramstadt

Disclaimer

The interim management report as well as the Interim Report in other respects contain forward-looking statements as well as expectations and forecasts. These are based on the information available to us at this time, which we have deemed to be reliable after careful consideration. We do not assume an obligation to update based on new information and future events after the publication of this information. We have derived our estimations and conclusions from these forward-looking statements, expectations and forecasts. We expressly point out that all of our future-oriented statements are associated with known or unknown risks or imponderables and are based on conclusions relating to future events, which depend on risks, uncertainties and other factors that are outside of our area of influence. Such developments can result from, among other things, a change in the general economic situation, the competitive situation, the development of the capital markets, changes in the tax law and legal framework as well as from other risks. The events actually occurring in the future may thus turn out to be considerably different from our forward-looking statements, expectations, forecasts and conclusions. We can therefore assume no liability for their correctness and completeness or for the actual occurrence of the information provided. The English translation of the Interim Report is provided for convenience only. The German original is definitive.

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 **Finanzgruppe**