

AD HOC: HSH Nordbank reporting net loss for 2008

Hamburg/Kiel, February 13, 2009 - According to preliminary non-audited IFRS group figures, HSH Nordbank closed 2008 with a consolidated net loss of around EUR 2.8 billion before restructuring costs, taxes and loss participation (previous year: net profit of EUR 285 million).

This figure includes the impairments of around EUR 1.6 billion (previous year: EUR 1.3 billion) on the credit investment portfolio. Further writedowns necessitated by the crisis afflicting the financial market are valued at EUR 0.9 billion and include, among other things, adjustments in connection with the Lehman insolvency and the collapse of Icelandic banks. HSH Nordbank has responded to the heightened risks in its lending business in the wake of the current economic crisis by substantially increasing loan-loss provisioning to EUR 1.4 billion (previous year: EUR 1 million income). In 2008, the group generated net interest and commission income of around EUR 2 billion (previous year: EUR 1.9 billion).

The Bank had previously announced that it would be paying the coupons on silent partnerships which are contingent on the Bank reporting a net income for the year. For the individual financial statement, according to German GAAP, the Management Board assumes a profit for the year shown in the balance sheet. Therefore the Bank will be able to pay the coupons on profit participation certificates and silent partnerships. At the moment, the bank is in the advanced stages of constructive negotiations with its owners concerning a strategic realignment.

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Such forward-looking statements are based on assumptions relating to future events and are subject to uncertainties, risks and other factors, a large number we cannot influence. Thus actual events can differ considerably from the forward-looking statements made. We make no warranty for the correctness or completeness of these statements or the actual occurrence of the statements made. Furthermore, we assume no obligation for updating the forward-looking statements after this information has been published.