Baden-Württemberg
L-Finance N.V.

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In this Annual Report the Company refers to Baden-Württemberg L-Finance, Hoofddorp, LBBW refers to Landesbank Baden-Württemberg.

Baden-Württemberg
L-Finance N.V.

Message from the Supervisory Board.

At its three meetings in 2011 the Supervisory Board reviewed the written and verbal statutory reports from external auditors and considered the internal reports from the Company management formally presented on these occasions. As has been the case throughout the Company's history the Supervisory Board found the affairs of the Company to be in good order with business transacted in orderly fashion and business systems and processes properly designed and monitored.

The Netherlands cannot afford to relax as the European debt crisis and weak global economic recovery are ongoing. De Nederlandsche Bank (DNB), the Dutch Central Bank, has warned that housing market makes households and banks vulnerable to shocks and that systemically important banks will need to enhance their resilience. For this reason the DNB is monitoring and identifying the key risks to the financial system and suggesting ways to mitigate these risks where possible.

2011 was marked by a lack of investor confidence, poor public finances in virtually all European countries and stagnating growth. The importance of good defensive strategies at institutional level and firm leadership at political level has never been greater. In the Netherlands banks can only partly fund their large mortgage loan portfolios through savings deposits and are therefore dependent on market funding. The loss of confidence in the euro area in 2011 put great pressure on market funding. However, Dutch banks have considerably improved their capital position since the outset of the crisis largely by retaining profits which complies with strict quality requirements under Basel III.

With its open economy, the Netherlands has a large financial sector but with size comes risk. The Dutch authorities now require system banks to build-up extra capital buffer and develop recovery plans. They also want lifeboat plans will be drawn up to allow vital functions to be rescued if they run into unforeseen trouble. This would limit risk to the taxpayer as well as the spread of contagion.

With its narrow focus of business and conservative approach the Company remains structurally immune to many of the threats that face less specialised institutions. However, it continues to monitor very carefully risk to the external systems in which it depends and to have alternatives available.

We hope that this proven course will be of benefit to bondholders and followers in 2012.

Kind Regards

Yours sincerely,

J.H. Welsch W. Kling

Baden-Württemberg
L-Finance N.V.

Message from the Management Board

There has been little light in financial markets in 2011, the year under report. Baden-Württemberg L-Finance however, has succeeded in maintaining a steady course due its innate strengths and the resilience of its relationships with key partners, old and new.

The Company has maintained its policy not to refinance outstanding loans. Only one issue and its associated loan, amounting to DEM 1bn remains under management. They mature in 2012 when a decision will be made as to the future of the Company. Until such time as they mature, both the single issue and the loan will continue to benefit from the full attention of management.

2011 has been a remarkable year by any standard. It started with fears that the Euro would collapse in 6 months. They were unrealised, but stress continued inside and outside the EU. UK, inflation rose to 4% in January, the highest in two years. China replaced Japan as the world's second largest economy, to which nature added a terrible shock of its own – an earthquake and tsunami.

Spring 2011 was an economic winter, with downgrades for Greece and Spain. China raised interest rates and gold hit a record $1,500. A scandal forced the IMF head out at a critical moment but Portugal still managed to negotiate a Euro 78bn bailout. By mid-year Greece was in a state of semi-permanent civil unrest as European leaders tried to hammer out a new 'Marshal Plan'.

With this plan and a new IMF in place the slide in Europe seemed to be slowing, but global woes continued as the US's rating finally slipped and Switzerland moved to counter "massive overvaluation" of its franc. Flooding of the market with US dollars did not boost confidence but rather fuelled doubts over the Euro.

Attempts to profile the European Financial Stability Facility (EFSF) with its € 1 tn. capacity only partly succeeded, to judge by its initial bond placements. In Greece and Italy the first political victims of the crisis as the two Prime Ministers resigned. The year ended with fights between the US and China and UK and the EU over policy.

The Company's conservative approach spared it from the effects of such turmoil. There were three meetings of the Management Board and no changes in board composition or key personnel. The Management Board continues to report to the Supervisory Board as required under internal rules. KPMG remains auditor.

2012 will see a decision on the Company's future, as its remaining asset and liability run off. Till then it will continue to protect the interests of stakeholders.

Yours sincerely,

C.A. Rosekrans M.U. Reiser

Baden-Württemberg L-Finance.

General

Supporting LBBW's funding

The Company's sole role is to support Landesbank Baden-Württemberg by raising money on favourable terms in the international capital markets. The Company must also manage balances and payments resulting from issues made to ensure that they are received, paid and placed on deposit in secure and timely fashion.
This role requires the Company to be able to issue at any time in any relevant market, and obtain an adequate risk-adjusted return on deposits.

Summary of Bond issues.

(As at December 31, 2011)

The performance of the remaining outstanding bond by
Baden-Württemberg L-Finance N.V. can be detailed as follows:

CCY	Coupon	Nominal	Period	ISIN	Bloomberg Ticker
DEM	0	1,000,000,000	16 Jul 1992 / 12	DE0004072855	LBW 0 7/16/12

Developments in 2011.

Issuing activity
Also in 2011 the Company has focused on the management of its outstanding issue and the administration of loan previously granted.

Directors' Report.

Legal form
Baden-Württemberg L-Finance N.V. ("The Company") was established on April 12, 1988. On January 1, 1999 it became a full subsidiary of Landesbank Baden-Württemberg ("The Parent Company").
The authorised capital of the Company is EUR 100,000. Of the authorised share capital EUR 50,000 is issued and fully paid up. The share premium is EUR 50,000.

Activities
Since its incorporation the Company has been active as a finance company. In accordance with the Dutch regulations for finance companies, at least 95% of the proceeds of its bond issues are on-lent to the parent company.
As a finance Company it had issued mainly larger volume bonds in a range of currencies which are listed and traded on various stock exchanges.

Ratings
All outstanding issues are guaranteed by the parent company and rated, informal Aaa, AAA by, Moody's and Fitch/IBCA respectively.

Financial performance 2011
The balance sheet total of the Company increased by approximately EUR 35 mn to EUR 497 mn. (2010: EUR 462 mn respectively).
The rate of increase was 7.6%. Claims on the parent company increased by EUR 36 mn (2010: decrease of EUR 983 mn). The increase is solely attributable to the fact that to the loan and to the bond in the portfolio accrued interest has been added during the course of 2011.

During this financial year the shareholder decided to distribute a dividend of EUR 0.5 mn out of the profit of the year 2010. The capital position of the Company rose in 2011 to EUR 4.4 mn (2010: EUR 4.2 mn).
In order to cover all liabilities the parent company has issued a Letter of Comfort in favour of the Company in 2001, which was amended in 2011.

Principal risks
The Company does not have currency risks. The net interest risk on the shorter term financial instruments is nil.
The Company has a credit risk on the parent company the Landesbank Baden-Württemberg.
It is the management's opinion that no provision for credit risk is necessary.

Future outlook
The outstanding bond will expire in July 2012.
Meanwhile the Company is continuing to look for windows of opportunity in the capital markets.

Baden-Württemberg
L-Finance N.V.

Statement Board of Directors

Statements by the Board of Directors ex article 5.25c (2c) of the Financial Supervision Act.

To our knowledge:

1. The financial statements give a true and fair view of the assets, liabilities, financial position and the profit and loss account of the issuing institution; and
2. The annual report gives a true and fair view regarding the position of the balance sheet date, the state of affairs during the financial year of the issuing institution whose information is disclosed in the financial statements, and the principal risks confronting the issuing institution are disclosed.

Hoofddorp, 27 February 2012

C.A. Rosekrans M.U. Reiser

Baden-Württemberg
L-Finance N.V.

Balance sheet.
Before appropriation of the profit.
(Expressed in EUR)

Assets.

		December 31, 2011	December 31, 2010
	Notes		
Fixed assets			
Tangible fixed assets			
Office equipment	5	1,176	1,588
Financial fixed assets			
Loans to group Company	6	-	453,837,926
Current Assets			
Short-term loan to group Company	7	490,252,375	-
Other assets	8	90,934	249,715
Cash at bank and in hand	9	6,927,640	8,076,346
Balance		497,270,949	8,326,061
Total assets		**497,272,125**	**462,165,575**

Shareholder's equity
and liabilities.

		December 31, 2011	December 31, 2010
	Notes		
Shareholder's equity	10		
Share capital		50,000	50,000
Share premium		50,000	50,000
Retained earnings		4,357,328	4,187,225
Result for the year		781,882	670,103
Balance		5,239,210	4,957,328
Long-term liabilities			
Bonds payable	11	-	456,436,221
Accrued paying agency commission	12	621,716	589,761
Balance		621,716	457,025,982
Current liabilities			
Bonds payable in one year	13	491,239,985	-
Other payables and accrued expenses	14	171,214	182,265
Balance		491,411,199	182,265
Total liabilities		**497,272,125**	**462,165,575**

Profit and loss account.

(Expressed in EUR)

	Notes	January 1 to December 31, 2011	January 1 to December 31, 2010
Financial income and (–) expenses	17		
Interest income from group Company:	7		
EUR		36,414,450	38,825,704
Interest expense on bonds issued:	13		
EUR		–34,961,370	–37,461,236
Interest income from third parties:	18	76,476	43,383
Total financial income and expenses		1,529,556	1,407,851
Commission and guarantee expenses	19		
Guarantee expenses			
EUR		–255,646	–301,387
Result in financial income and charges		1,273,910	1,106,464
Sundry bond issue expenses	20	–29,821	–37,081
General expenses	21	–215,314	–184,618
Result from ordinary activities before taxation		1,028,775	884,765
Taxation	22	–246,893	–214,662
Result after taxation		781,882	670,103

Cash flow statement.
(Expressed in EUR)

	January 1 to December 31, 2011	January 1 to December 31, 2010
Result from ordinary activities before taxation	1,028,775	884,765
Adjustments from non-cash items:		
Amortisation of tangible assets	412	743
Accrued interest zero loan	-36,414,450	-33,709,696
Decrease interest zero bond	34,803,764	32,337,958
Change in accrued paying agency commission	31,956	31,956
Changes in operating assets and liabilities:		
Redemption of loans group Company	0	968,638,933
Decrease interest receivable group Company	0	48,593,719
Redemption of bonds	0	-968,638,933
Decrease of interest payable bonds	0	-47,147,155
Decrease current assets	158,781	196,630
Decrease current liabilities	-1,341	-486,145
Corporation income tax paid	-256,603	-186,259
Cash flow from operating activities	-1,677,481	-368,249
Cash flow from financing activities:		
Dividend paid	-500,000	-850,000
Cash flow from financing activities	-500,000	-850,000
Net decrease in cash and cash equivalents	**-1,148,706**	**-333,484**
Cash and Cash equivalents at January 1	8,076,346	8,409,830
Net decrease in cash and cash equivalents	-1,148,706	-333,484
Cash and Cash equivalents at December 31	6,927,640	8,076,346

Notes to the financial statements.

1 General

Activities
Since its incorporation the Company has been active as a finance company. In accordance with the Dutch regulations for finance companies, at least 95% of the proceeds of its bonds are on-lent to the parent company.
As a finance company it had issued mainly larger volume bonds in a range of currencies which are listed and traded on various stock exchanges.
The Company will discontinue their refinance activity after the redemption of the Zero bond in July 2012.

Structure
Since January 1, 1999 the Company became a full subsidiary of Landesbank Baden-Württemberg in Stuttgart, Karlsruhe, Mannheim and Mainz in Germany.
The annual accounts of the Company are included in the consolidated annual accounts of Landesbank Baden-Württemberg Group.

2 Principles of valuation of assets and liabilities

General
The annual accounts have been prepared in accordance with the provisions of Part 9, Book 2 of the Netherlands Civil Code and in accordance with guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standard Board.
The annual accounts are denominated in euro.

In general, assets and liabilities are stated at the amounts at which they were acquired. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet, profit and loss account includes references to the notes.

Currencies

Functional currency
Functional currency of the Company is the Euro. The remaining bond was issued in Deutsche Mark, which has since been exchanged for the euro at the rate of exchange DEM 1.95583=EUR 1.

Tangible fixed assets
The Company's capital expenditure is stated at cost less straight-line depreciation over the estimated economic life.
Purchases of small capital items are charged to depreciation at once.

Financial fixed assets
The assets disclosed under financial fixed assets are stated at amortised cost.

Current assets
Other receivables disclosed include short-term loans to group Company are stated at amortised cost. Other assets disclosed include discount on bonds, issuance costs bonds which are depreciated on straight-line basis over the maturity of the loans and the bonds. Cash at bank and in hand represents bank balances and deposits with a maturity of less than 3 months, and are stated at nominal value.

Long-term liabilities
The long-term liabilities are stated at amortised cost.

3 Principles for determination of result

Personal remuneration

Regular payments
Salaries and social charges are taken to the profit and loss account when due, and in accordance with employment contracts and obligations.

*Pension*s
The Company has pension schemes which are defined contribution schemes.
For its defined contribution schemes the Company pays contributions to an insurance company. The Company has no other obligation in connection with these defined pension schemes.

Financial income and expense
Interest income and expenses are recognised on a pro-rata basis.
When recognising the interest charges, the transaction costs are taken into account.

4 Financial instruments

Currency risk
The Company does not have any currency risk as it operates only in Euro.

Interest rate risk
The Company runs interest risk on the short-term deposits. The interest margin between the outstanding loans and bonds are fixed and also the contractual periods are identical. Therefore the Company, as a whole, is not impacted by interest rate risk on the outstanding bond and loan.

Credit risk
The loan given to the parent company is pledged as collateral by the outstanding bond.
All outstanding issues are guaranteed by the parent company and rated informal Aaa, AAA by Moody's and Fitch/IBCA respectively.

Under the LBBW act, the State of Baden-Württemberg is liable without any restriction for the obligation of the guarantor. The creditors may, however, require performance from the State of Baden-Württemberg only if they have not been satisfied out of the guarantor's assets.
This Guarantee Obligation ("Gewährträgerhaftung") extends to the guarantor's obligation under the Guarantee.

5 Tangible fixed assets

	Computer EUR	Equipment EUR	Total EUR
Balance January 1, 2011	118,937	47,558	166,495
Accumulated depreciation	118,382	46,525	164,907
Book value	555	1,033	1,588
Depreciation 2011	-148	-264	-412
Balance December 31, 2011	**407**	**769**	**1,176**
Amortisation rates:	20%	20%	

Office equipment relates to equipment at the Company's office at Boslaan 2 D in Hoofddorp, near Schiphol Airport.

6 Financial fixed assets

	Discount interest on loan EUR	Loans granted group company EUR	Total book value loans EUR
Loans to group Company:			
Zero DEM 1,000,000,000 16 Jul 1992 - 16 Jul 2012	-57,453,955	511,291,881	453,837,926
Balance as at January 1, 2011	**-57,453,955**	**511,291,881**	**453,837,926**
Movements 2011:			
Classified as short term loans to group Company (Note 7)	57,453,955	-511,291,881	-453,837,926
Balance as at December 31, 2011	**0**	**0**	**0**

The effective interest on the outstanding zero loan is 8.0% (2010: average interest: 8.0%).
For the zero loan the discounted interest is deducted.
In accordance with regulations of the Dutch Central Bank, more than 95% of the proceeds of bonds issues are used for investment in group Companies.
The loans have been granted to Landesbank Baden-Württemberg.

7 Short-term loans to group Company

	Discount interest on loan EUR	Loans granted group company EUR	Total book value loans EUR
Balance as at January 1, 2011	**0**	**0**	**0**
Movements 2011:			
From financial fixed assets (Note 6):			
Zero DEM 1,000,000,000 16 Jul 1992 - 16 Jul 2012	-57,453,955	511,291,881	453,837,926
Taken to profit and loss account	36,414,449	0	36,414,449
Balance as at December 31, 2011	**-21,039,506**	**511,291,881**	**490,252,375**

The fair value of the loan to the group Company approximates the fair value of the bond payable, allowing for the impact that the bond is traded and the loan not and the difference in the coupon of 40 basepoints.

8 Other assets

		December 31, 2011		December 31, 2010
	Total EUR	Term > 1 year EUR	Total EUR	Term > 1 year EUR
Issuance costs bonds and premium on loans	79,335	0	238,005	79,335
Interest receivable third parties	6,235	-	3,816	-
Prepaid expenses	5,364	-	7,894	-
Balance as at December 31	**90,934**	**0**	**249,715**	**79,335**

The bond in the Note 12 has been subject to issue costs at the date of issue.

The net amounts of issuance costs have been capitalised and recognised in the profit and loss account on a straight-line basis over the period of maturity. Interest receivable from third parties refers to interest receivable as mentioned in Note 18 to these accounts.

9 Cash at bank and in hand

	December 31, 2011 EUR	December 31, 2010 EUR
Cash at bank and in hand	6,927,640	8,076,346
Includes short-term deposits	6,880,000	7,990,000

At balance sheet date the Company has 4 short-term deposits with a maximum tenor of 3 months.
The average interest on these short-term deposits is 1.3% (2010: 0.7%).

10 Shareholder's equity

The authorised capital, consisting of 20 ordinary shares with a nominal value of EUR 5,000 each, amounts to EUR 100,000.
The nominal issued and paid up capital amounts to EUR 50,000.
There is a share premium of EUR 50,000.

	December 31, 2010 EUR	Dividend distribution EUR	Movement 2011 EUR	December 31, 2011 EUR
Share capital	50,000	-	-	50,000
Share premium	50,000	-	-	50,000
Retained earnings	4,187,225	-	170,103	4,357,328
Result for the year	670,103	-500,000	611,779	781,882
	4,957,328	-500,000	781,882	5,239,210

According to article 26 of the Articles of Association the profit shall be at the disposal of the General Meeting of Shareholders.
In order to cover all liabilities the parent company has issued a Letter of Comfort in favour of the Company.

11 Bonds payable

	Discount interest on bonds EUR	Bonds EUR	Total bonds EUR
Bonds issued			
Zero DEM 1,000,000,000 16 Jul 1992 - 16 Jul 2012	-54,855,660	511,291,881	456,436,221
Balance as at January 1, 2011	**-54,855,660**	**511,291,881**	**456,436,221**
Movements 2011:			
Classified as bonds payable in one year (Note 13)	54,855,660	-511,291,881	-456,436,221
Balance as at December 31, 2011	**0**	**0**	**0**

12 Accrued paying agency commission

	December 31, 2011 EUR	December 31, 2010 EUR
Paying agency commission	621,716	589,761

13 Bonds payable in one year

	Discount interest on bonds EUR	Bonds EUR	Total bonds EUR
Balance as at January 1, 2011	**0**	**0**	**0**
Movements 2011:			
From bonds payable (Note 11):			
Zero DEM 1,000,000,000 16 Jul 1992 – 16 Jul 2012	-54,855,660	511,291,881	456,436,221
Taken to profit and loss account	34,803,764	0	34,803,764
Balance as at December 31, 2011	**-20,051,896**	**511,291,881**	**491,239,985**

The effective interest on the zero bond is 7.6%. (2010: 7.6%). The bond is subordinated and guaranteed to the bondholders by Landesbank Baden-Württemberg.
At the Frankfurt stock exchange the value of the bond was € 503,213,469 (2010: € 493,652,311)

14 Other payables and accrued expenses

	December 31, 2011 EUR	December 31, 2010 EUR
Guarantee commission	117,171	117,171
Wage tax and social security contribution	7,706	7,559
Corporation tax	5,643	15,353
Other liabilities i.e. accrued expenses and suppliers	40,694	42,182
Balance as at December 31	**171,214**	**182,265**

15 Indemnities granted

The parent company has issued a Letter of Comfort in favour of the Company to cover all their liabilities.
A right of liens has not been vested as at December 31, 2011.

16 Commitments not included in the balance sheet

On behalf of the Company a guarantee has been given for the rent of the office amounting to EUR 5,732 (2010: EUR 5,732).

17 Financial income and expenses

The interest income and expenses from group Company and bonds issued reflects the margin of the Company.
The interest margin increased with EUR 88,611 is the result of added interest to the zero loan and bons.

18 Interest income from third parties.

Interest income from third parties reflects mainly the interest from placements, EUR 76,476 (2010: EUR 43,383) .

19 Commission and guarantee expenses

The amounts reported represent the guarantee commission which the Company paid to the parent company for their guarantee on capital and interest on the bonds which the Company has issued.

20 Sundry bond issue expenses

This reflects the annual expenses for the bonds issued by the Company.

21 General expenses

All expenses not related to other headings reported in the profit and loss account are reported here.

22 Taxation

	December 31, 2011 EUR	December 31, 2010 EUR
Operating income	1,028,775	884,765
Tax expense	246,893	214,662
Effective tax rate	24%	24.3%

Corporation tax
The Company is governed by the tax regulations of the Dutch tax authorities.
The corporate income tax rate in the Netherlands amounts to 25%, 20% over the first EUR 200.000.

Dividend withholding tax
The Company takes the position that based on the Directive of the European Community; no withholding tax is due on dividends paid by the Company.
As of 1994, this position has been reflected in the tax returns concerned.

23 Transactions and balance with related party Landesbank Baden-Württemberg (100% shareholder)

	December 31, 2011 EUR	December 31, 2010 EUR
Balance		
Loans and receivables	490,252,375	453,837,925
Profit and Loss		
Interest income	36,414,450	38,825,704
Guarantee commission expense	-255,646	-301,387
Off Balance sheet		
Issues guaranteed by LBBW	491,239,985	456,436,221

24 Fee external audit

	December 31, 2011 EUR	December 31, 2010 EUR
The fee for the external auditor is	27,765	11,462

25 Staff numbers

	December 31, 2011	December 31, 2010
The Company has, other than its directors, total employees	-	-

26 Directors

	December 31, 2011 EUR	December 31, 2010 EUR
The remuneration of the Directors and Supervisory Board is	90,755	89,275

The Company has two directors and two Supervisory Board members.

Hoofddorp, 27 February 2012

C.A. Rosekrans M.U. Reiser

Supplementary information.

Supplementary information to the accounts as at 31 December 2011.
Article 26 (2) of the Articles of Association provides that profits may be disposed of at the general meeting of shareholders, who may apply it in whole or in part to the creation of, and/or allocation to, one or more special reserve funds, and/or for payment of dividends.

Proposed appropriation of profit.
The management proposed to distribute an amount of EUR 700,000 from the profit of the year 2011.

Post-balance sheet events.
No other major post-balance sheet events have occurred to date.

Independent auditor's report.

To: Board of Directors

Report on the financial statements

We have audited the accompanying financial statements 2011 of Baden-Württemberg L-Finance N.V. (the "Company"), Hoofddorp, which comprise the balance sheet as at 31 December 2011, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the management board report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Baden-Württemberg L-Finance N.V. as at 31 December 2011, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements.

Pursuant to the legal requirements under Section 2:393 sub 5 at e and f of the Netherlands Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with part 9 of Book 2 of this Code, and if the information as required under Section 2:392 sub 1 at b - h has been annexed. Further, we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Netherlands Civil Code.

Amstelveen, 27 February 2012

KPMG ACCOUNTANTS N.V.

N.R. Tambach RA

Five years in figures.

(EUR 000)

Balance sheet

	2011	2010	2009	2008	2007
Assets					
Tangible fixed assets	1	1	2	1	1
Financial fixed assets					
Loans to group Company	-	453,838	420,128	1,357,561	1,786,020
Current Assets					
Short-term loans to group Company	490,252	-	968,639	457,347	2,830,494
Interest receivable from group Company	-	-	48,594	74,585	149,300
Other assets	91	250	459	1,212	4,173
Cash at bank and hand	6,928	8,076	8,410	10,181	10,461
	497,271	8,326	1,026,102	543,325	2,994,428
Total assets	497,272	462,165	1,446,232	1,900,887	4,780,449
Liabilities					
Shareholders' equity	5,239	4,957	5,137	6,390	7,576
Long-term liabilities					
Bonds payable	-	456,436	424,098	1,362,690	1,792,119
Accrued paying agency commission	622	590	558	526	494
	622	457,026	424,656	1,363,216	1,792,613
Current liabilities					
Bonds payable in one year	491,240	-	968,639	457,347	2,830,494
Interest payable on bonds	-	-	47,147	72,436	144,870
Other payables and accrued expenses	171	182	653	1,498	4,896
	491,411	182	1,016,439	531,281	2,980,260
Total liabilities	497,272	462,165	1,446,232	1,900,887	4,780,449

Profit and loss account

	2011	2010	2009	2008	2007
Interest income from group Company	36,415	38,826	88,269	191,945	299,752
Interest expense on bonds issued	-34,961	-37,461	-85,580	-186,347	-290,924
Interest income from third parties	76	43	113	432	397
	1,530	1,408	2,802	6,030	9,225
Commission and guarantee expenses	-256	-302	-762	-1,583	-2,521
Exchange differences	-	-	-	6	1
Result financial income and charges	1,274	1,106	2,040	4,453	6,705
Sundry bond expenses	-30	-37	-30	-43	-56
General expenses	-215	-184	-217	-249	-222
Result from ordinary activities before taxation	1,029	885	1,793	4,161	6,427
Taxation	-247	-215	-446	-1,047	-1,637
Result after taxation	782	670	1,347	3,114	4,790

Baden-Württemberg
L-Finance N.V.

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