Interim Report

deutsche apotheker- und ärztebank

2015

Overview of Business Development

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Balance sheet	30 Jun 2015 €m	31 Dec 2014 €m	Change[1] %
Balance sheet total	35,124	35,129	0.0
Capital and reserves	1,639	1,846	−11.2
Customer loans	27,142	27,037	0.4
Customer deposits	22,977	21,737	5.7

Income statement	30 Jun 2015 €m	30 Jun 2014 €m	Change[1] %
Net interest income	359.8	379.5	− 5.2
Net commission income	67.8	62.3	8.8
General administrative expenses	− 240.5	− 227.1	5.9
Operating profit before risk provisioning	187.4	203.5	− 7.9
Risk provisioning from the operating business[2]	− 19.0	− 52.1	− 63.4
Risk provisioning with reserve character	− 80.1	− 71.5	12.1
Operating result	88.2	79.9	10.4
Net profit after tax	27.4	24.9	10.2

Key figures	30 Jun 2015 %	31 Dec 2014 %	Change[1] ppts
Equity ratio (according to CRR)	26.1	25.0	1.1
Common equity tier 1 ratio (according to CRR)	21.8	20.2	1.6

Rating	Standard & Poor’s	Moody’s	Fitch Ratings (group rating)
Long-term rating	AA−	Aa2[3]	AA−
Short-term rating	A−1+	P−1	F1+
Outlook	stable	positive	stable
Pfandbrief rating	AAA	–	–

1) Deviations due to rounding differences
2) This includes risk provisioning measures for the customer lending business as well as for financial instruments and participations.
3) Long-term deposit rating

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Interim Management Report

Business and General Conditions

Solid growth in the eurozone

Global economic growth momentum remained sluggish at the start of 2015. In industrialised nations, economic growth from January to March 2015 was a moderate 0.3% compared to the previous quarter. The gross domestic product (GDP) of the US in particular weakened in the first quarter – as it did in 2014 – as a result of the hard winter, among other factors. US exports performed very poorly due to the stronger US dollar, industrial action at domestic ports and the economic downturn in China. GDP growth in the US picked up again in the second quarter. Relief also came on the employment market, with the rate of unemployment falling to its lowest point since June 2008 at the start of the year.

The eurozone recorded a slight acceleration in economic growth to 0.4% in the first quarter. Falling energy prices, a weak euro and low interest rates continued to bolster economic development. France was a major contributor to this trend, as were Italy and Spain. Consumption was once again the most important influencing factor. Investment and government consumer spending also increased, whereas the less dynamic foreign trade market had a negative impact due to the downturns in the US and China in the first quarter. apoBank forecasts GDP growth in the eurozone of 0.4 to 0.5% in the coming quarters. Sources of (geo-)political instability, such as Ukraine or Turkey and Syria, or turbulence on China's stock markets continue to present risks. The situation in Greece eased slightly following the preliminary agreement reached with the country's creditors. However, it remains to be seen how sustainable these measures will in fact be.

In Germany, GDP growth of 0.3% failed to match eurozone growth in the first quarter. Private consumption experienced positive development and once again carried GDP growth. The construction industry grew, while investments also increased. There were declines in the trade balance and inventories.

ECB has launched bond-buying programme

The low rate of inflation around the world is prolonging the loose monetary policies that propped up the stock markets and economic growth in the reporting period. At the moment, the European Central Bank (ECB) is leading this trend with its bond-buying programme. Since March 2015, it has been buying up bonds – predominantly government bonds – worth € 60 billion per month. The ECB's intention is to boost inflation to its target of just under 2%. By contrast, the US Federal Reserve has ended its bond-buying activities and is aiming to raise interest rates before the year is out.

Yields on federal bonds rose from 0.5% at the turn of the year to 0.77% by the midway point, after temporarily falling to almost zero in mid-April, just a few weeks after the start of the ECB's bond-buying programme. This rise in rates is fundamentally reinforced by improved economic development and a slight rise in inflation rates. However, a further rate hike should be implemented more slowly, as the ECB is continuing its bond-buying programme and the rate of eurozone inflation is likely to remain below the target of 2% for the foreseeable future.

The euro lost a significant amount of its value against the US dollar in the course of the ECB bond-buying programme. At US$1.12, the price of the euro was some € 0.09 down on the figure at the start of the year.

Shares benefit from improved economic development and looser monetary policy

Shares benefited from improved economic development in the eurozone and bond purchasing by the ECB. The latter of these factors is increasing investor liquidity and therefore boosting share development. The DAX rose by 11.6%, while the EURO STOXX 50 increased by 8.8%. However, (geo-)political risks could cause greater volatility moving forward.

Prices on residential real estate markets rose both in Germany and in the eurozone. In the US and the UK, prices increased from an already high level but at a slower pace than in 2014.

Health care market remains a stable growth market

The health care market experienced further growth in the first half of 2015. Medical and technological progress, demographic developments and rising health awareness among the population once again led to an increase in health care expenditure, from which health care professionals also benefited.

Structural change continued in the health care market. Employment and cooperation remain high across all health care professions. Further care services have been established at the boundary between outpatient and inpatient care thanks to the development of specialist outpatient care.

In June 2015, the health care structural reform act for statutory health insurances (GKV-VSG) was resolved. The aim of this legislation is to secure outpatient care across the country. It is based on stronger incentives for health care in under-supplied regions as well as the further integration of the outpatient and inpatient sector.

Health insurance expenditure climbs further

In the first quarter of 2015, health insurer expenditure exceeded income by € 170 million. The temporary cut in federal tax subsidies had an additional negative impact on health insurers' financial reserves. In total, health insurers' and health funds' financial reserves fell to € 25.3 million in the first quarter of 2015.

Based on data published so far by statutory health insurers (GKV) and private health insurers (PKV) and in view of past developments in the health care market, we believe that expenditure increased in both insurance sectors over the first half of the year.

Services that the persons insured have to pay themselves are also increasingly gaining favour. The number of patients who made use of so-called individual health services as well as the revenue generated through these services were up year on year, particularly in outpatient care. Private dental prosthesis contributions in particular were also higher in outpatient dental services. This was due to both the rise in the cost of materials for high-quality dental prostheses and patients' pronounced awareness of quality. Pharmacies are recording an increase in revenue in the area of over-the-counter pharmaceuticals, the costs of most of which are not borne by health insurers.

Pharmacists' economic situation is stagnating

Expenditure of statutory health insurers for pharmaceuticals per person increased by 5% in the first quarter of 2015. Forecasts of stagnating pharmacy earnings were confirmed in the first six months of 2015. Increases in turnover, particularly as a result of high-cost prescription pharmaceuticals, are being eaten up primarily by rises in the cost of goods and personnel costs.

Rising fees for physicians and dentists

Statutory health insurer expenditure on outpatient medical treatment increased in the first quarter of 2015 by roughly 4% per person, while expenditure on outpatient dental treatment and dental prosthetics increased by 3.5% and 0.7% respectively. The positive trend in terms of fees over the past few years therefore continued in the first half of 2015.

Retail Clients

Successful development in retail clients segment

In the retail clients segment, we support pharmacists, physicians, dentists and veterinarians in professional and private matters by means of our apoPur advisory concept, which is tailored toward customers' individual needs and their various stages in life – from university, salaried employment and self-employed practice through to retirement. We continued our successful development with this advisory model in the first half of 2015. Alongside our lending business, we also strengthened our securities business in particular.

Increase in loans on the balance sheet despite high level of redemptions

Despite the persistently high level of repayments, the retail client loan portfolio as of the reporting date rose to € 23.7 billion[1] compared to the end of 2014 (31 December 2014: € 22.6 billion). Even though the number of new business start-ups in the outpatient health care market is falling across the country, we reinforced our market-leading position in new business start-ups thanks to our comprehensive sector expertise with a portfolio of € 6.3 billion (31 December 2014: € 6.1 billion).

The ongoing low interest rate environment in the first half of 2015 led once again to high demand for real estate financing. Alongside public subsidy programmes offered by the Kreditanstalt für Wiederaufbau (KfW) and regional development authorities, demand for apoFestzinsDarlehen loans for real estate financing also increased. The competition for terms and conditions observed over the past few years continued. At the midway point of the year, the real estate financing portfolio was up on year-end 2014 at € 12.1 billion (31 December 2014: € 11.5 billion). Investment and private financing came to € 5.3 billion as at 30 June 2015 (31 December 2014: € 5.1 billion).

1) Since the start of the year, business volume generated with bank employees and retail included in intensive/problem credit management have been shifted to the retail client business. Previous year's figures were not adjusted.

Deposits rise again

In the first half of 2015, the average volume of demand, savings and term deposits among retail clients rose to € 12.3 billion (2014: € 11.4 billion). The persistently low interest rate environment meant that our customers were primarily interested in investments with short-term maturities and high availability. Demand deposits reached an average volume of € 6.0 billion (2014: € 5.4 billion). The average volume of call accounts apoZinsPlus and apoCash stood at € 5.3 billion (2014: € 5.1 billion).

Term deposits fell on average to € 725.0 million (2014: € 785.1 million), while savings deposits came to an average of € 131.4 million in the first half of the year (2014: € 97.4 million).

Securities business expanded

Given the low interest rates and the positive development of stock market indices around the world, our customers focused on shares and investment funds in the reporting period. In the first half of 2015, we recorded a noticeable recovery in turnover with these investment products. The trend towards investment in widely diversified hybrid funds also continued. All in all, we expanded retail client deposit volume to € 7.0 billion (31 December 2014: € 6.8 billion).

Continued success in private asset management

The positive trend in private asset management continued in the first half of 2015. In a challenging climate, apoBank recorded further year-on-year growth: The number of customers increased in this segment as at 30 June 2015 to over 4,300 (31 December 2014: approximately 4,000 customers), while the volume managed rose to € 2.4 billion (31 December 2014: € 2.2 billion).

Significant recovery in insurance business

The insurance business increased significantly year on year with brokerage volume of roughly € 174.1 million (30 June 2014: € 163.9 million). This recovery was driven by the increasing demand for insurance as a replacement for financing repayments. Roughly € 73.5 million of business volume (30 June 2014: € 54.2 million) was attributed to this.

Building society savings business increases

The building society savings business was extremely positive in the first half of 2015. Brokered building society savings came to € 278.7 million and were once again up year on year (30 June 2014: € 261.1 million). This was due to favourable interest rates on real estate financing as well as guaranteed interest paid.

Professional Associations, Institutional Customers and Corporate Clients

Close collaboration with associations of health care professional groups

When it comes to the professional organisations customer group, we focus on financial advisory services in a health policy context. Deposits from the professional associations, i.e. associations of panel doctors and dentists, private medical clearing centres and professional pharmacy data processing centres, represent a major share of apoBank's customer deposits.

In the first half of 2015, we succeeded in maintaining our business volume with professional organisations at a stable level overall.

In the deposit business, our customers preferred demand deposits to traditional term deposits. All in all, customer deposits averaged € 3.8 billion in the first half of the year (2014: € 3.6 billion).

Once again, the emphasis in the lending business was granting pre-financing lines for professional pharmacy data processing centres. The average lending business volume remained stable year on year at € 290.5 million (2014: € 291.6 million).

Pleasing development in institutional portfolio management

The institutional investors customer group encompasses professional pension funds of the heath care professions and the liberal professions, as well as financial intermediaries such as pension funds and other professional investors.

Within the scope of our institutional portfolio management activities, we supported our customers in a challenging environment by delivering professional management services for pension investments and applying our risk management approach. The latter of these services offers investors a separate credit rating for issuers of Pfandbrief, bank and corporate bonds.

Aside from the investment decision itself, our services were predominantly focused on ongoing monitoring of portfolios and the fulfilment of our customers' regulatory requirements, the complexity and standards of which are constantly rising. Assets under management in institutional portfolio management were once again up year on year at the end of the first six months of 2015 at € 3 billion (31 December 2014: € 2.7 billion).

Further rise in depositary volume

In the case of indirect investments in investment funds, our customers use our role as a depositary bank for their securities and real estate funds. This gives them the opportunity to make international and widely diversified capital investments and, in doing so, achieve the trade-off necessary to generate the desired yields in the ongoing low-interest environment. Volume rose to roughly € 12.4 billion in the first half of 2015 (31 December 2014: € 11 billion); the number of fund mandates also increased significantly to a total of 146 (31 December 2014: 130).

We have proven to be successful overall in competition with a number of international financial institutions. With depot bank functions largely standardised, we stand out from the crowd thanks to our wealth of expertise in relation to health care facilities, their business structures, investment targets and regulatory conditions.

High demand for apoConsult services

With our tried-and-tested asset liability study, we offer our customers a way in which they can optimise capital investments on the asset side taking into account health care commitments on the liabilities side. We identify potential for improvement and make proposals for alternative methods to our customers. Demand for our modular advisory services remained high in the first half of 2015. These services also include our apoConsult with which we make individual proposals on strategic asset allocation in consideration of our long-term yield expectations for the asset classes included, risk-bearing capacity and all relevant restrictions relating to the investor.

Corporate client business still on track for growth

apoBank pools its corporate advisory services for the health care market in the corporate client segment. Customers primarily include pharmaceutical and dental wholesalers, companies in the pharmaceutical and medical industry and private medical clearing centres. In addition, we also support inpatient care providers such as clinics, rehabilitation facilities and care centres and manage (real estate) financing projects, particularly relating to medical centres and health care centres.

In the first half of 2015, we once again succeeded in expanding our customer base in the aforementioned segments and building on existing customer relationships. In particular, our wealth of knowledge of each respective market, the regulatory environment, remuneration regulations and our tight network in the health care sector give our customers significant added value.

Other factors that contributed to the expansion of our customer relationships included the intensification of our customer contact in the first half of 2015 and the re-alignment of corporate client business. Over the next few months, we intend to systematically develop our portfolio of products and services as well as our corporate customer-specific research.

Persistently low interest rates have resulted in a tangible rise in demand for real estate financing and demand from inpatient care providers (clinics, care centres). The volume of business with pharmaceutical companies and companies in the medical and dental equipment sector only experienced a moderate rise due to the positive income and liquidity situation.

We increased corporate client financing volume once again in the first half of 2015. As at 30 June 2015, lending volume stood at €1.7 billion compared to €1.6 billion as at 31 December 2014.

Net Assets, Financial Position and Results

Positive business performance in the first half of 2015

Despite ongoing challenging general conditions, apoBank got off to a good start to the 2015 financial year. Although costs arising on the account of regulations were up significantly and interest rates remained low, the Bank generated an operating result of € 88.2 million (30 June 2014: € 79.9 million). Net profit after tax amounted to € 27.4 million (30 June 2014: € 24.9 million), corresponding to a year-on-year increase of 10.2%.

Customer and member base is up

apoBank continued to focus on fulfilling its statutory purpose: We support our members and customers in attaining their professional and personal goals with our specialised banking services. In view of this, we continued our growth trend in our core business – business with academic health care professionals – in the first half of 2015. apoBank's solid business model is reflected in the further expansion of our customer and member base: The number of customers increased to 390,000 in the first half of the year (31 December 2014: 382,000 customers). As at 30 June 2015, apoBank had 106,065 members (31 December 2014: 105,864 members).

In the following sections, we will present the main income and expenditure items for the first half of 2015.

Net interest income down year on year as expected

As a result of the historic period of low interest rates, net interest income amounted to € 359.8 million at the balance sheet date, down 5.2% on the previous year (30 June 2014: € 379.5 million). Although the new lending business was up year on year at € 3.0 billion (30 June 2014: € 2.5 billion), interest income was down on the previous year's level due to low interest rates. We also registered an expected drop in income from our strategic interest rate risk management. The previous development on the refinancing side continued in the reporting period. The trend towards short-term customer deposits prevailed.

Considerable rise in net commission income

Net commission income rose by 8.8% to € 67.8 million (30 June 2014: € 62.3 million). Our new apoPur customer care concept contributed significantly to this. The increase in the securities business was driven by retail clients and institutional customers as well as asset management.

General administrative expenses have risen

General administrative expenses increased by a total of 5.9% to € 240.5 million (30 June 2014: € 227.1 million). Personnel expenses increased by 8.8% to € 123.2 million, mainly due to the higher number of employees on account of the expansion of our advisory capacity (30 June 2014: € 113.3 million). Operating expenditure including depreciation rose by 3.0% to € 117.3 million (30 June 2014: € 113.8 million), mainly due to an increase in regulatory costs.

Income statement

in € million	30 Jun 2015	30 Jun 2014	Change in %[1]
Net interest income	359.8	379.5	– 5.2
Net commission income	67.8	62.3	8.8
General administrative expenses	– 240.5	– 227.1	5.9
Net trading expenses/revenues	< –0.1	0.2	> –100
Balance of other operating income/expenses	0.3	–11.5	> 100
Operating profit before risk provisioning	187.4	203.5	– 7.9
Risk provisioning from the operating business	–19.0	– 52.1	– 63.4
Risk provisioning with reserve character	– 80.1	– 71.5	12.1
Operating result	88.2	79.9	10.4
Extraordinary expenses and income	0	– 9.6	> 100
Taxes	– 60.8	– 45.4	33.8
Net profit after tax	27.4	24.9	10.2

1) Deviations due to rounding differences

Operating profit down year on year as expected

The operating profit, i.e. profit before risk provisioning, amounted to € 187.4 million at the end of the first half of the year, lower than in the previous year as expected (30 June 2014: € 203.5 million), mainly due to the drop in net interest income resulting from low interest rates.

Risk provisioning marked by precautionary measures

At € 19.0 million, risk provisioning from the operating business was considerably below the previous year (30 June 2014: € 52.1 million). The good creditworthiness in the loan portfolio resulted particularly in net allocations to loan loss provisions being down markedly year on year. The previous year had also been marked by higher individual precautionary measures. Financial instruments and participations both experienced slight value increases.

Risk provisioning with reserve character, which includes precautionary measures for future charges, totalled € 80.1 million (30 June 2014: € 71.5 million).

Sharp increase in net profit

Following the allocation of reserves, the operating result increased by 10.4% to € 88.2 million (30 June 2014: € 79.9 million). Net profit after tax amounted to € 27.4 million (30 June 2014: € 24.9 million). Although operating income was down year on year due to the drop in net interest income, this development was countered by lower risk costs. The result confirms apoBank's planned ability to pay out dividends for the 2015 financial year.

Stable balance sheet total

The balance sheet total amounted to a stable € 35.1 billion as at 30 June 2015 (31 December 2014: € 35.1 billion). Loans and advances to customers were up marginally to € 27.1 billion (31 December 2014: € 27.0 billion). Even though new loans continued to be high, repayments remained high as a result of the ongoing low interest rates. The securities portfolio was stable at € 5.5 billion (31 December 2014: € 5.5 billion). On the liabilities side, we were able to further increase customer deposits, which totalled € 23.0 billion (31 December 2014: € 21.7 billion).

Liquidity situation remains comfortable

The Bank's liquidity position remained comfortable in the first half of 2015. Refinancing was based on a broadly diversified customer and investor base. As an established market participant with good credit ratings, our refinancing is secured through various sources. Customer funds represent the largest source of refinancing. We also place Pfandbriefe and unsecured bonds with our institutional customers, members of the cooperative Finanz-Gruppe and on the capital market. We employ programmes offered by the Kreditanstalt für Wiederaufbau (KfW) and state development banks to refinance public loans.

As at the balance sheet date, customer funds amounted to € 23.7 billion (31 December 2014: € 22.7 billion), which represented the lion's share of the liabilities on the balance sheet. Customer funds comprise customer deposits, i.e. traditional deposits, registered securities and promissory note funds placed with institutional customers as well as apoObligations placed with retail clients. apoObligations comprising medium-term maturities from twelve months amounted to € 0.7 billion as at the balance sheet date (31 December 2014: € 1.0 billion).

Capital market-based refinancing funds, including promissory note funds placed with banks totalled € 1.9 billion as at the balance sheet date (31 December 2014: € 2.0 billion). New issues in our Pfandbrief business amounted to € 59 million, with a total issue volume of € 1.1 billion (31 December 2014: € 1.2 billion).

apoBank utilised the refinancing option via ECB open market transactions to a limited extent only. The volume of ECB-eligible securities was stable at € 4.0 billion (31 December 2014: € 4.0 billion).

Equity ratios stable at a high level

apoBank's equity ratios were stable at a high level overall in the first half of 2015. At the end of the first half of the year, the total capital ratio of apoBank calculated pursuant to the Capital Requirements Regulation (CRR) amounted to 26.1% (31 December 2014: 25.0%) and the core capital ratio amounted to 21.8% (31 December 2014: 20.2%).

Regulatory equity capital totalled € 2,389 million as at 30 June 2015 (31 December 2014: € 2,340 million). Common equity tier 1 capital rose from € 1,890 million as at the end of 2014 to € 1,998 million as at the end of the first half of the year. The rise in the capital contributions of the remaining members to € 1,086 million (31 December 2014: € 1,081 million) strengthened the Bank's capital base. We also made allocations to the fund for general banking risks and revenue reserves from the annual financial statements as at 31 December 2014.

Risk-weighted assets fell marginally to € 9.2 billion (31 December 2014: € 9.4 billion).

The leverage ratio pursuant to the transitional provisions rose from 5.2% as at 31 December 2014 to 5.5%, mainly due to the increase in core capital.

Moody's lifts apoBank's rating

apoBank's creditworthiness, i.e. its ability and readiness to meet all financial obligations fully and in a timely manner, is assessed by rating agencies Moody's Investors Service and Standard & Poor's. In addition, Standard & Poor's and Fitch Ratings assess the creditworthiness of the entire cooperative FinanzGruppe. As apoBank is part of the cooperative FinanzGruppe and is a member of the cooperative protection schemes, these ratings also indirectly apply to apoBank.

On 19 June 2015, Moody's Investors Service lifted its long-term deposit rating for apoBank two notches to Aa2 with a positive outlook. The agency rated apoBank's unsecured bonds Aa3 with a negative outlook, corresponding to an increase of one notch, while the short-term rating remained unchanged at P-1. The agency set the newly introduced Counterparty Risk Assessment at Aa1 (cr) and P-1 (cr), respectively. This rating relates to liabilities to counterparties in the form of derivatives or guarantees. The adjustment in ratings was mainly due to the new manner in which Moody's calculates ratings; Moody's calculated the risks arising from apoBank's various debt instruments following the implementation of the European Bank Recovery and Resolution Directive.

Summary of net assets, financial position and results

apoBank's business model and its consistent focus on its core business proved its worth in the reporting period. Thanks to our stable and strong market position and our in-depth knowledge of the health care market, we were able to further expand our customer and member base. On the earnings side, the picture is more varied: While net interest income fell as expected due to low interest rates, income in the commission-based business rose significantly.

Despite the unchanged tough general conditions, apoBank's net profit following the allocation of reserves was above that of the previous year. This result confirms apoBank's planned ability to pay out dividends for the 2015 financial year.

apoBank's capital ratios are stable at a high level. The liquidity situation was comfortable at all times during the reporting period and was based on a broadly diversified refinancing base.

Customer confidence in the Bank is also supported by the stability of the cooperative FinanzGruppe and its integration into the BVR protection schemes. Thanks to its strong position in health care, apoBank contributes to the overall success of the cooperative FinanzGruppe.

Events after the Reporting Date

No events took place that were subject to reporting requirements between 30 June 2015 and 18 August 2015 when the Annual Financial Statements were prepared by the Board of Directors.

Risk Report

Principles of risk management and risk control

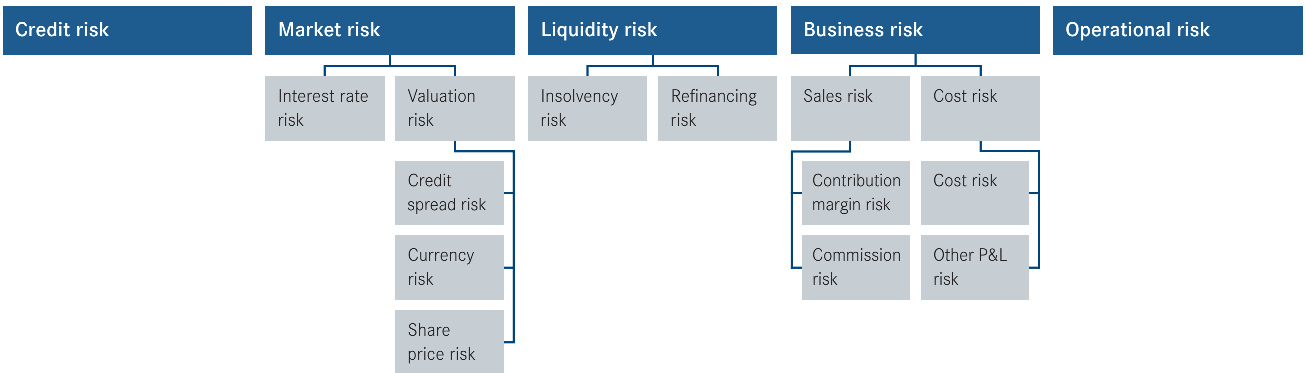
The main objective of apoBank's risk management is to secure the Bank's long-term existence. This also comprises guaranteeing the Bank's ongoing ability to pay out dividends and to generate additional retained earnings to finance the planned growth.

apoBank's risk management includes the following key elements which contribute to fulfilling the above-mentioned objectives:

- risk inventory,
- risk strategy,
- risk-bearing capacity including stress tests,
- risk control, risk measurement and risk limitation as well as
- risk reporting.

For a detailed explanation of risk management with the essential elements mentioned above, we refer to our risk report in the 2014 annual financial report, contrary to the form of presentation chosen in previous years.

Overview of the main quantifiable risk types at apoBank



Development of the risk situation in the first half of 2015

Risk-bearing capacity including stress tests

apoBank's risk-bearing capacity was guaranteed at all times in the first half of 2015. In addition, the limits derived from the total risk cover pool for the defined significant risk types, and therefore also the total bank risk limit of € 553 million (31 December 2014: € 572 million) were complied with at all times.

The utilisation of our economic capital by the measured risks was reduced slightly to 42.0% (31 December 2014: 44.6%). The trend in the first half of the year was determined by regular and repeated risk volatility as well as a continual rise in the total risk cover pool.

All in all, risks experienced a slight increase to € 433 million compared to the end of 2014 (31 December 2014: € 404.0 million). The total risk cover pool increased considerably compared to the end of 2014 at € 1,031 million (31 December 2014: € 905.3 million). The main reason for this was the growth in earnings components and the higher regulatory capital.

Credit risks

All in all, the credit risks of apoBank remained relatively constant in the first half of 2015. The limit for credit risks derived from the risk-bearing capacity was maintained at all times in the reporting year.

The key developments in credit risks for apoBank's different business segments, structured according to the individual portfolios, are shown in the following.

The rating system of apoBank

Meaning	Rating class (BVR master scale)	Probability of default in %	External rating class[1]
Commitments with **impeccable** creditworthiness, no risk factors (standard credit management)	0A	0.01	Aaa
	0B	0.02	Aa1
	0C	0.03	Aa2
	0D	0.04	
	0E	0.05	Aa3
Commitments with **good** creditworthiness, individual risk factors (standard credit management)	1A	0.07	A1
	1B	0.10	A2
	1C	0.15	
	1D	0.23	A3
	1E	0.35	Baa1
	2A	0.50	Baa2
Commitments with **low** risks (standard credit management)	2B	0.75	Baa3
	2C	1.10	Ba1
Commitments with **greater** risks (intensive credit management)	2D	1.70	Ba2
High-risk commitments (problem credit management)	2E	2.60	Ba3
	3A	4.00	B1
	3B	6.00	B2
Higher-risk commitments (problem credit management)	3C	9.00	B3
	3D	13.50	
	3E	30.00	Caa1 to C
Commitments **threatened by default** (defaulted according to SolvV definition) – Commitments overdue by more than 90 days – Commitments for which a loss provision was allocated in the previous year or a loss provision has been made in the current year (problem credit management) – Write-offs – Insolvency	4A to 4E	100.00	D
No rating			

1) According to Moody's rating system. The internal apoBank rating classes (BVR master scale) are compared with the external rating classes based on the probability of default. Since the BVR master scale is broken down into very small steps und thus contains more rating classes than Moody's rating system, not every external rating class is matched with an internal one.

Retail clients business segment

The retail clients portfolio primarily consists of loans for health care professionals, cooperations in outpatient care and smaller companies in the health care sector, if these companies' risks can be assigned to health care professionals.

Over the course of the first half of the year, drawdowns in the retail clients portfolio rose mildly to € 25.4 billion (31 December 2014: € 25.2 billion). The rating coverage is 100%. The portfolio is highly diversified and continues to show a typical rating distribution for the client group, with the focus on good and moderate rating classes.

Risk costs for lending in the first half of 2015 were lower than in the first half of 2014. They are testament to the above-average creditworthiness of health care professionals, apoBank's comprehensive financial expertise and successful risk management.

Professional associations and large customers business segment

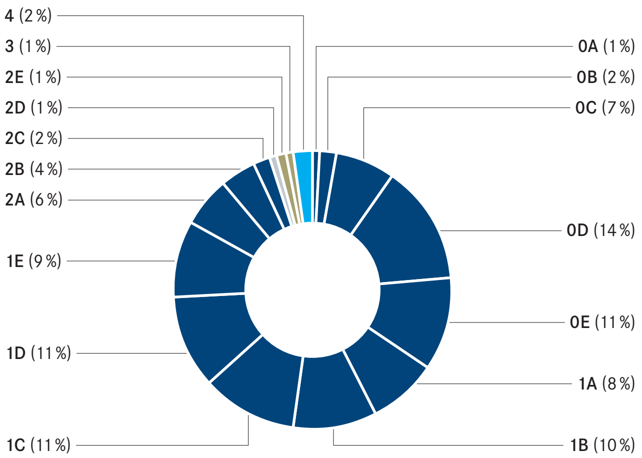
The professional associations and large customers portfolio consists of loans to institutional health care organisations, inpatient medical care structures, health care companies and other institutional customers.

Drawdowns in the professional associations and large customers portfolio declined compared to the end of 2014 to € 2.7 billion (31 December 2014: € 2.8 billion). The rating distribution of the portfolio remains balanced. The rating coverage was 100%. Unlike in the previous year, apoBank did not have to expend any net risk costs for the professional associations and large customers portfolio as at 30 June 2015.

Rating class distribution in the retail clients portfolio

Volume distribution based on drawdowns

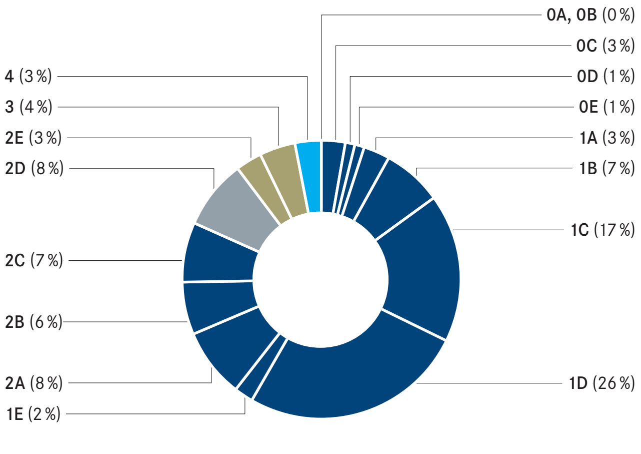
Total of € 25.408 million



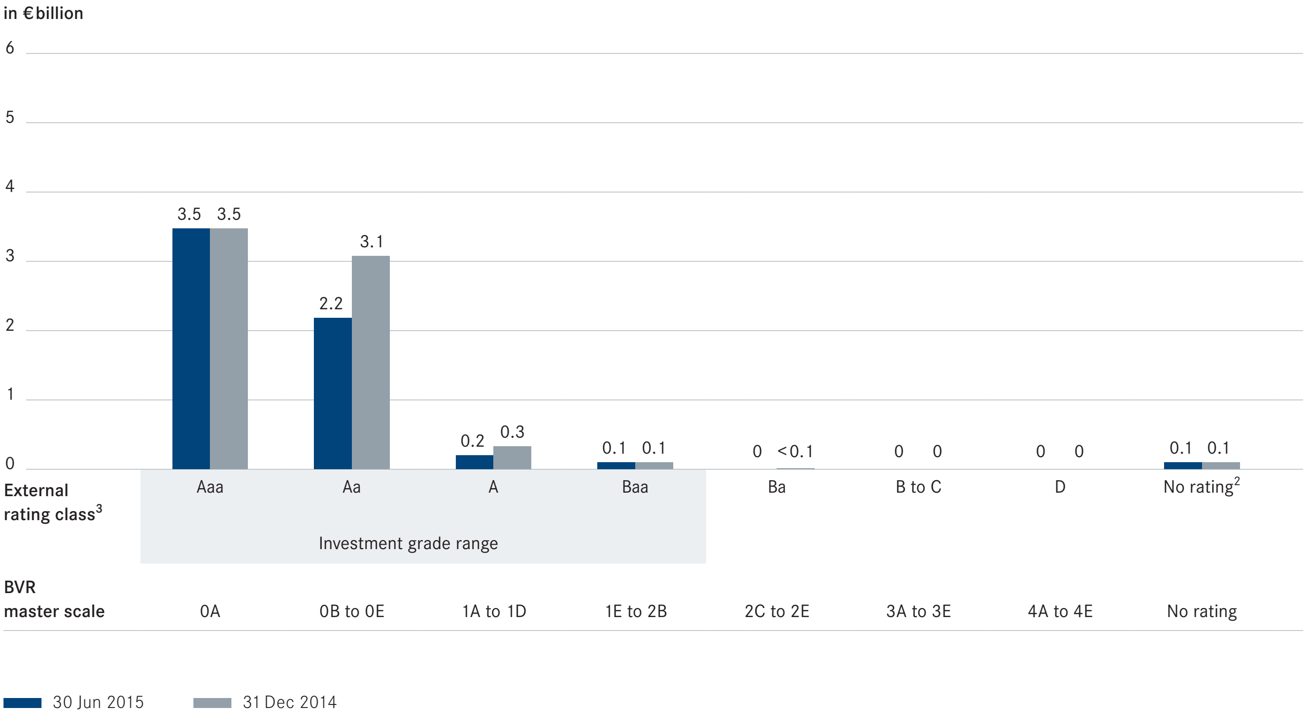
Rating class distribution in the professional associations and large customers portfolio

Volume distribution based on drawdowns

Total of € 2.734 million



Total exposure of financial instruments by rating[1]



1) Total exposure is generally the book value (loan drawdowns or the credit equivalent amount) in consideration of provisions for contingent losses. The underlying assets are disclosed in the overview contained in the total exposure information for the INKA funds.
2) The unrated exposures are mainly composed of interbank and fund items.
3) The letter ratings shown here comprise all rating classes of the respective rating segment (i.e. Aa comprises Aa1 to Aa3, for example).

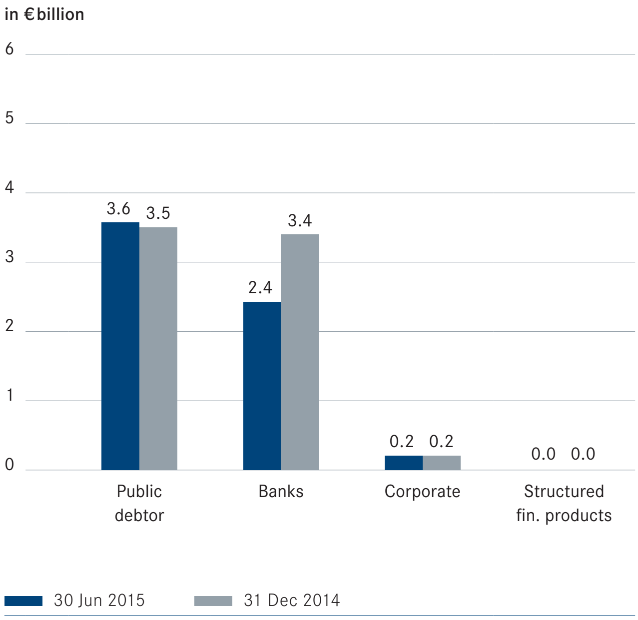
Treasury, participations and Corporate Center business segment

Financial instruments

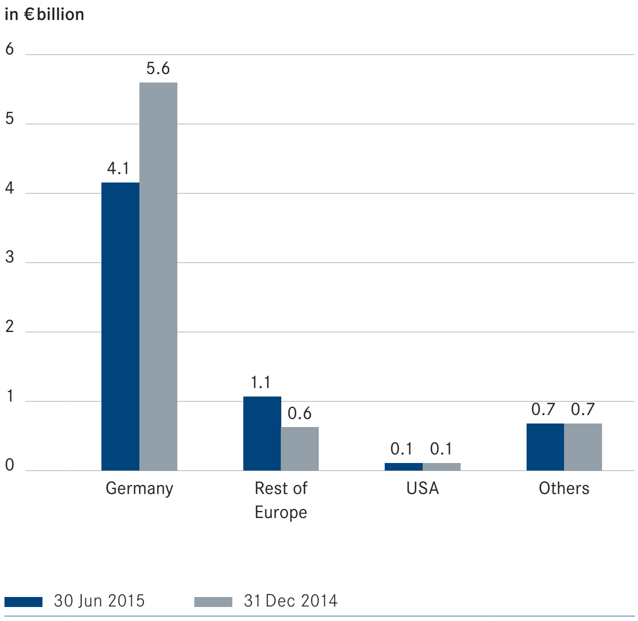
The financial instruments portfolio comprises money and capital market investments (classic securities, money trading instruments) and derivative transactions. The risk volume of the financial instruments portfolio came in at € 6.1 billion as at the reporting date (31 December 2014: € 7.1 billion), a decline of € 1.0 billion, largely due to lower balances in the inter-banking business. The risk volume of derivatives in the financial instruments portfolio was unchanged compared to the end of 2014 at € 0.2 billion (31 December 2014: € 0.2 billion). apoBank mainly uses derivatives to hedge the risk of interest rate changes from its customer business. The nominal volume amounted to € 36.3 billion on the reporting date (31 December 2014: € 37.2 billion).

As at 30 June 2015, 98.2% of the financial instruments portfolio was rated within investment grade range (31 December 2014: 98.4%). apoBank did not expend any risk costs for the financial instruments portfolio in the first half of 2015.

Total exposure of financial instruments portfolio by sector



Total exposure of financial instruments portfolio by country



Participations

This portfolio contains apoBank's participations. Depending on their business purpose, they are structured as strategic, credit-substituting or financial participations. From a risk perspective, there are no issues worth reporting in this portfolio.

Market risks

The stressed value at risk applied within the scope of risk-bearing capacity for the valuation risks of financial instruments remained largely stable compared to the end of 2014. The overall limit for market risks derived from the risk-bearing capacity, i.e. for periodic term structure risks and for valuation risks of the financial instruments, was maintained at all times in the first half of 2015. Please refer to our statements in the "Business risks" section for more details on the development of term structure risk.

The valuation risk for financial instruments measured in operating market risk management rose in the first half of 2015. This was due to new investments in liquidity reserve items, which we used to strengthen the new regulatory Liquidity Coverage Ration (LCR), and general market developments in the wake of the Greek crisis.

The validity of the applied models was reviewed and confirmed in backtestings.

The results of the interest risk coefficient determined within the scope of the present value stress calculations, which are a regulatory requirement, confirm a moderate interest rate risk in the banking book. The regulatory reporting threshold of 20% of the liable equity capital was never reached in the first half of 2015. In June, this key figure peaked at 17.8%.

Liquidity risks

apoBank's liquidity supply was guaranteed at all times in the first half of the year and is characterised by a continued stable deposit trend.

The refinancing risk taken into consideration in the risk-bearing capacity calculation remained relatively unchanged at a low level in the first half of the year. As a result, the limit set on the basis of risk-bearing capacity was comfortably maintained.

In terms of insolvency risks, the limits of the liquidity gap analysis were maintained and regulatory requirements fulfilled. The liquidity ratio was between 1.7 and 2.6 in the course of the year so far. The monthly LCR and the quarterly net stable funding ratio (NSFR) were calculated, monitored and reported according to the Capital Requirements Regulation (CRR). apoBank expects to fulfil the regulatory liquidity requirements by a comfortable margin when the compliance of LCR becomes mandatory in October 2015.

Limits relating to the Pfandbrief cover stock were also maintained throughout the first six months of 2015.

Business risks

The limit for business risks derived from the risk-bearing capacity was also maintained at all times in the first half of 2015. Declines in customer contribution risks (part of business risks) were largely offset by other developments relating to term structure risks (part of market price risks). Commission and cost risks only experienced minor fluctuations in the first half of the year.

Operational risks

The operational risks value defined on the basis of the standard regulatory approach was re-calculated as scheduled halfway through the first half of the year and subsequently reduced by a marginal amount. The limit for operational risks derived from the risk-bearing capacity was maintained at all times in the first half of the year.

Operational losses as at the end of the first half of the year were down overall on the same period last year. They are still mainly driven by legal risks in the advisory business.

Outlook

General conditions remain difficult

The general conditions in the German banking sector are set to remain difficult for the rest of 2015. Low interest rates, fierce competition and the subsequent price war continue to erode margins. At the same time, we are seeing a fundamental change in customer requirements against the backdrop of continuing digitalisation. Stricter regulatory requirements and costs are also a constant presence for European financial institutes. The European sovereign debt crisis, and particularly the debate over the situation in Greece, is not over either, while tensions between Ukraine and Russia remain problematic. That is why issues such as sustainable sources of income, costs and efficient use of resources are still high on many institutes' agendas.

The health care market, apoBank's target market, is undergoing structural change, which is gradually blurring the lines between outpatient and inpatient care. All in all, we expect the number of health care professionals to continue to rise. Cooperatives are also becoming increasingly important.

apoBank has taken a strategic approach to this climate and, thanks to its unique business model, has laid the foundations for the reinforcement of its position on the health care market.

Operating development marked by challenging environment

The planned increase in the volume of interest-bearing transactions is likely to have a positive impact on net interest income, particularly in the lending business with retail clients. At the same time, positive net interest income development will be curbed by the unfavourable interest environment, and so we expect this figure to fall in 2015 and 2016.

We plan to significantly boost net commission income. Increases over the next two years will primarily stem from the securities business with our retail clients and institutional clients, and we are on the right track with our new customer care concept apoPur. The expansion of our advisory capacities in sales should also provide positive impetus in the customer business.

Both personnel expenses and operating expenditure are likely to see a steady increase in 2015 and 2016. The further expansion of our advisory capacity is one of the reasons for the increase in personnel expenses. The planned increase in operating expenditure is the result of a wide range of individual measures that have an investment character, but are mainly due to the significantly higher regulatory requirements. Overall we expect the operating result, i.e. profit before risk provisioning, to be lower in 2015 and 2016 compared to 2014.

In the lending business, we plan that risk provisioning will be lower than in 2014, reflecting the high quality of our loan portfolio. We do not anticipate any significant risk costs in financial instruments.

Our aim is to generate an increase in net profit in 2015, which will stabilise in 2016. This would allow us to strengthen our reserves once more and pay out regular dividends to our members.

Comfortable capital and liquidity situation

We want to keep our regulatory capital ratios stable at a high level. The planned increase in capital contributions and reserves will prove beneficial in this regard. Thanks to the targeted growth in the customer business, risk positions requiring equity will increase slightly again following several years of decline. apoBank expects the liquidity situation to remain comfortable on the back of the broadly diversified customer and investor base. The liquidity gap analysis is solid both on a long- and short-term basis.

Opportunities and risks of the business development

The one major factor in reinforcing and expanding our market position is the success of our customer care concept and acceptance among our customers. This gives us the opportunity to achieve our strategic goals more quickly and to hone our business profile. In addition, we are continually working towards increasing customer satisfaction and, by doing so, increasing the level of customer retention. Adjusting our range of services against the backdrop of increasing digitalisation will also open up additional access channels for our customers, which could have a positive impact on the earnings situation.

The implications of the European debt crisis still harbour some uncertainty for our business development. Although apoBank has significantly scaled back its investments in these countries, additional reasonable risk provisioning is possible should the situation escalate again. Additional challenges in the form of supervisory stipulations in the banking sector are also feasible, such as an expected renewed increase in regulatory capital requirements. The sustained trend of extremely low interest rates could also put the results of banks under increasing strain. In return, an improvement in interest rates would have a positive impact.

Interim Financial Statements

Balance Sheet

Assets

	(Notes)	30 Jun 2015 €	31 Dec 2014 €
1. Cash reserves		**777,076,580.22**	**600,825,992.65**
a) Cash on hand		38,071,220.08	42,488,823.12
b) Cash in central banks		739,005,360.14	558,337,169.53
c) Cash in post office giro accounts		0.00	0.00
2. Debt instruments of public agencies and bills of exchange, eligible for refinancing with central banks		**0.00**	**0.00**
3. Loans and advances to banks	(2, 21)	**855,850,266.28**	**1,007,763,373.78**
a) Mortgage loans		0.00	0.00
b) Local authority loans		83,172,000.00	81,599,035.62
c) Other receivables		772,678,266.28	926,164,338.16
4. Loans and advances to customers	(2, 13, 21)	**27,141,815,599.81**	**27,036,649,068.96**
a) Mortgage loans		6,474,594,961.94	6,295,335,452.20
b) Local authority loans		65,332,940.19	92,831,217.69
c) Other receivables		20,601,887,697.68	20,648,482,399.07
5. Debt securities and other fixed-interest securities	(3, 13, 15, 21)	**4,066,217,447.43**	**4,048,395,574.47**
a) Money market papers		50,000,000.00	0.00
aa) of public issuers		0.00	0.00
ab) of other issuers		50,000,000.00	0.00
b) Bonds and debt securities		4,016,217,447.43	4,048,395,574.47
ba) of public issuers		1,735,224,335.51	1,632,574,044.29
bb) of other issuers		2,280,993,111.92	2,415,821,530.18
c) Own debt securities		0.00	0.00
6. Shares and other non-fixed-interest securities	(3, 13, 14, 15)	**1,321,471,172.51**	**1,327,239,132.11**
6a. Trading assets	(4, 16)	**113,008,274.37**	**157,365,143.89**
7. Participating interests and capital shares in cooperatives	(6, 17)	**201,215,434.60**	**201,312,943.65**
a) Participations		194,957,669.42	194,960,563.99
b) Capital shares in cooperatives		6,257,765.18	6,352,379.66
8. Shares in affiliated companies	(6, 17)	**9,363,179.61**	**9,363,179.61**
9. Trust assets		**2,743,744.71**	**2,744,134.31**
10. Compensation claims against the public sector including debt securities from their exchange		**0.00**	**0.00**
11. Intangible assets	(8)	**427,510.00**	**619,786.62**
a) Internally-generated industrial and similar rights and assets		0.00	0.00
b) Concessions, industrial property rights and similar rights and assets acquired for a consideration, as well as licenses to such rights and assets		427,510.00	619,105.00
c) Goodwill		0.00	0.00
d) Payments in advance		0.00	681.62
12. Tangible assets	(7, 18)	**178,147,399.00**	**182,257,358.01**
13. Other assets	(19)	**386,948,644.32**	**549,863,314.57**
14. Prepayments and accrued income		**69,364,349.44**	**4,764,069.70**
a) from issuing and loan transactions		1,219,129.72	1,436,295.12
b) Others		68,145,219.72	3,327,774.58
15. Deferred tax assets	(20)	**0.00**	**0.00**
Total assets		**35,123,649,602.30**	**35,129,163,072.33**

Liabilities

	(Notes)	30 Jun 2015 €	31 Dec 2014 €
1. Liabilities to banks	**(9)**	**7,083,843,301.91**	**8,033,429,477.69**
a) Registered mortgage Pfandbriefe issued		37,274,012.30	19,744,620.00
b) Registered public Pfandbriefe issued		0,00	0.00
c) Other liabilities		7,046,569,289.61	8,013,684,857.69
2. Liabilities to customers	**(9)**	**22,976,929,758.34**	**21,737,166,298.76**
a) Registered mortgage Pfandbriefe issued		735,460,829.47	765,067,678.42
b) Registered public Pfandbriefe issued		0.00	0.00
c) Savings deposits		148,992,780.37	123,202,434.81
ca) with an agreed notice period of three months		107,932,112.88	79,499,815.18
cb) with an agreed notice period of more than three months		41,060,667.49	43,702,619.63
d) Other liabilities		22,092,476,148.50	20,848,896,185.53
3. Securitised liabilities	**(9)**	**1,994,375,842.12**	**2,293,691,660.85**
a) Debt securities issued		1,994,375,842.12	2,293,691,660.85
aa) Mortgage Pfandbriefe		373,542,075.47	487,440,348.54
ab) Public Pfandbriefe		0.00	0.00
ac) Other debt securities		1,620,833,766.65	1,806,251,312.31
b) Other securitised liabilities		0.00	0.00
3a. Trading liabilities	**(4, 22)**	**37,470,172.29**	**28,605,885.80**
4. Trust liabilities		**2,743,744.71**	**2,744,134.31**
5. Other liabilities	**(23)**	**309,049,871.06**	**126,891,061.51**
6. Prepayments and accrued income		**13,845,262.67**	**16,123,313.01**
a) from issuing and lending business		8,247,170.21	9,476,126.58
b) Others		5,598,092.46	6,647,186.43
6a. Deferred tax liabilities		**0.00**	**0.00**
7. Provisions	**(10)**	**395,567,812.86**	**363,696,683.03**
a) Provisions for pensions and similar obligations		162,247,886.00	153,042,036.00
b) Tax provisions		66,976,546.00	31,431,617.00
c) Other provisions		166,343,380.86	179,223,030.03
8. Subordinated liabilities		**161,849,017.43**	**172,336,443.54**
9. Participating certificate capital		**80,000,000.00**	**80,000,000.00**
10. Fund for general banking risks		**428,789,970.29**	**428,789,970.29**
11. Capital and reserves	**(24)**	**1,639,184,848.62**	**1,845,688,143.54**
a) Subscribed capital		1,102,255,952.08	1,295,665,703.84
b) Capital reserves		0.00	0.00
c) Revenue reserves		509,491,249.19	495,491,249.19
ca) Legal reserves		395,250,000.00	388,250,000.00
cb) Other revenue reserves		114,241,249.19	107,241,249.19
d) Balance sheet profit		27,437,647.35	54,531,190.51
Total liabilities		**35,123,649,602.30**	**35,129,163,072.33**

	30 Jun 2015	31 Dec 2014
1. Contingent liabilities	**504,957,238.20**	**525,641,088.34**
a) Contingent liabilities from rediscounted, settled bills	0.00	0.00
b) Liabilities from guarantees and indemnity agreements	504,957,238.20	525,641,088.34
c) Liabilities arising from the provision of collateral for third-party liabilities	0.00	0.00
2. Other obligations	**1,865,777,337.45**	**1,613,669,213.24**
a) Obligations under optional repurchasing agreements	0.00	0.00
b) Placement and underwriting obligations	0.00	0.00
c) Irrevocable loan commitments	1,865,777,337.45	1,613,669,213.24

Income Statement

Income statement

	(Notes)	1 Jan – 30 Jun 2015 €	01 Jan – 30 Jun 2014 €
1. Interest income from		**493,460,068.40**	**560,396,638.04**
a) lending and money market transactions		487,338,779.58	550,884,978.99
b) fixed-interest securities and debt register claims		6,121,288.82	9,511,659.05
2. Interest expenses		**−146,366,231.35**	**−192,056,209.95**
3. Current income from		**12,663,560.70**	**11,138,666.19**
a) shares and other non-fixed-interest securities		0.00	0.00
b) participating interests and capital shares in cooperatives		9,692,684.46	8,250,149.54
c) shares in affiliated companies		2,970,876.24	2,888,516.65
4. Income from profit pooling, profit transfer agreements and partial profit transfer agreements		**0.00**	**0.00**
5. Commission income		**101,731,090.06**	**92,222,294.71**
6. Commission expenses		**−33,919,317.37**	**−29,915,359.82**
7. Net trading expenses (previous year: net trading revenues)		**−49,988.58**	**206,539.04**
8. Other operating income	**(26)**	**15,566,194.72**	**9,324,856.46**
9. General administrative expenses		**−234,291,316.12**	**−220,842,219.27**
a) Personnel expenses		−123,215,753.36	−113,284,248.50
aa) Wages and salaries		−94,787,986.32	−91,895,915.42
ab) Social security contributions and expenses for pensions and benefits		−28,427,767.04	−21,388,333.08
b) Other administrative expenses		−111,075,562.76	−107,557,970.77
10. Depreciation, amortisation and write-downs in respect of intangible and tangible assets		**−6,182,191.50**	**−6,244,982.62**
11. Other operating expenses	**(26)**	**−15,249,618.42**	**−20,776,228.99**
12. Write-downs and value adjustments in respect of receivables and specific securities and allocations to provisions for credit risks		**−99,944,146.49**	**−138,353,785.72**
13. Income from write-ups in respect of participations, shares in affiliates and securities treated as fixed assets		**770,616.04**	**14,803,726.04**
14. Expenses from the assumption of losses		**−283.32**	**0.00**
15. Operating result		**88,188,436.77**	**79,903,934.11**
16. Extraordinary income		**0.00**	**0.00**
17. Extraordinary expenses	**(27)**	**0.00**	**−9,603,433.21**
18. Extraordinary result		**0.00**	**−9,603,433.21**
19. Taxes on income	**(28)**	**−61,202,386.36**	**−45,264,149.23**
20. Other taxes not reported in item 11 (income; previous year: expense)		**444,113.80**	**−152,041.82**
21. Allocations to the fund for general banking risks		**0.00**	**0.00**
22. Net profit		**27,430,164.21**	**24,884,309.85**
23. Profit carried forward from the previous year		**7,483.14**	**9,666.49**
24. Balance sheet profit		**27,437,647.35**	**24,893,976.34**

Notes

A. General information

1. Framework for the preparation of the interim financial statements

The interim financial statements of Deutsche Apotheker- und Ärztebank eG (apoBank), Dusseldorf, as at 30 June 2015 were prepared according to the regulations of the German Commercial Code (HGB), the Accounting Ordinance for Banks and Financial Services Institutions (RechKredV) as well as the Securities Trading Act (WpHG). At the same time, the interim financial statements meet the requirements of the Cooperative Societies Act (GenG), the German Pfandbrief Act (PfandBG) and the Articles of Association of apoBank.

Pursuant to Section 244 of the German Commercial Code (HGB), the interim financial statements are drawn up in German and in euros. apoBank takes advantage of the option to provide information through the notes rather than the balance sheet.

B. Accounting, valuation and translation methods

In preparing the balance sheet and income statement, the following accounting and valuation methods were used.

2. Loans and advances and risk provisioning

Loans and advances to banks and customers were carried at nominal value or acquisition costs, with the difference between the higher nominal value and the amount disbursed being posted to accruals and deferred income. Identifiable credit risks in loans and advances to customers are covered by individual loan loss provisions. apoBank made a general value adjustment in respect of inherent credit risks with consideration given to tax guidelines.

3. Securities

Securities in the liquidity reserve were valued according to the strict lower-of-cost-or-market principle, while fixed-asset securities were valued according to the moderate lower-of-cost-or-market principle. The exchange or market prices provided by Bloomberg or Reuters were taken as a basis.

Acquisition costs for securities of the same type were calculated using the averaging method.

Structured financial instruments that show significantly higher or additional (distinct) opportunities or risks compared to the underlying instruments on account of the embedded derivatives are broken down into their individual components and reported and valued individually pursuant to relevant provisions. These instruments are recognised separately if unconditional or conditional purchase obligations are intended for additional financial instruments.

The costs of acquisition of the separately reported capital and reserves components result from the breakdown of the costs of acquisition of the structured financial instruments in relation to the fair value of the individual components. In the event that the fair value of the embedded derivatives cannot be determined, the value is calculated as the difference between the fair value of the structured financial instrument and the fair value of the underlying instrument.

4. Trading assets and liabilities

Financial instruments in the trading portfolio are reported under balance sheet items trading assets, 6a, and trading liabilities, 3a, and are measured at fair value considering an adjustment for risk.

The fair value normally corresponds to the market price. According to the generally accepted accounting principles, trading assets should generally be valued at the lower bid price, and trading liabilities at the higher ask price. For the sake of simplicity, a valuation on the basis of the middle rate is also permissible. The Bank has made use of this simplification rule since trading assets and liabilities are generally of minor importance and the bid-ask spreads are usually very small. If the market price cannot be calculated reliably, the fair value is measured using generally recognized valuation methods. These models are used to value part of the securities as well as all derivatives and comprise market-based valuation parameters such as yield curves, credit spreads and foreign currency rates. The fair values are calculated in accordance with the valuation models used in internal risk control.

apoBank calculates the adjustment for risk on the basis of the value at risk (VaR) for a holding period of 250 days, a forecast interval with a confidence level of 97% and an effective historical observation period of 250 days.

The criteria defined internally for including financial instruments in the trading portfolio are unchanged year on year. The value of the derivative financial instruments in the trading portfolio is derived from the foreign exchange and interest rates.

Please refer to note 25 for details on the significant terms and conditions pursuant to Section 285 no. 20b of the German Commercial Code (HGB) that may affect the amount, timing and certainty of future cash flows from derivative financial instruments.

5. Valuation units (hedge accounting)

At apoBank, micro-hedge units and portfolio valuation units are formed to hedge risks. In this respect, micro-hedge units are used as part of asset swap packages and to hedge a part of own issuances. This hedges interest rate risks. apoBank uses portfolio valuation units to hedge currency risks in various, independently controlled portfolios.

The effective portion of the valuation units formed is presented according to the cost method. A prospective and a retrospective effectiveness test is performed.

In micro-valuation units, apoBank concludes the prospective effectiveness test using the critical terms match method. Effectiveness is assumed if the essential value drivers for the hedged risks of the underlying transaction and hedging instrument correspond with each other.

For micro-hedge units with underlying transactions on the asset side, market value changes to underlying and hedging transactions are determined and netted by comparison with the last reporting date. If there is an excess loss resulting from unhedged risks, a specific valuation allowance with respect to the underlying transaction is made in this amount.

For micro-hedge units with underlying transactions on the liability side, apoBank applies the fixed valuation as long as it is considered a perfect hedge. The own issuance is posted at the redemption value and is not valued. Accordingly, the hedging derivative is also not valued.

In portfolio hedges, the risks of multiple underlying transactions of the same type are covered by one or more hedging instruments. The underlying transactions are alike in terms of their appropriation (currency, maturity, coupon).

The portfolio valuation units concern FX forward transactions, FX swaps as well as syndicated loans in foreign currencies. A portfolio is formed for each currency and each underlying transaction in which the sums of the underlying transaction and hedging transaction in terms of volume and all payment flows or changes in value are balanced as a rule. This way, a 100% effectiveness is, in principle, guaranteed. Any negative effects that occur over time are recognised in profit or loss as a provision for valuation units.

As at the reporting date, the total volume of the risks hedged amounted to € 1,022 million (31 December 2014: € 1,140 million). These risks result from an omitted depreciation of assets, an omitted appreciation of debt or omitted provisions for contingent losses and are quantified based on the gross net present values of the derivative transactions.

As at the reporting date, apoBank had designated 691 micro hedges with a nominal value of € 8,564 million:
- 508 hedges on own issues against the interest rate risk with a nominal value of € 5,141 million, including
  - 12 caps with a nominal value of € 212 million
  - 13 floors with a nominal value of € 222 million
  - 40 swaptions with a nominal value of € 375 million
  - 443 swaps with a nominal value of € 4,332 million
- 183 asset swaps to hedge against the interest rate risk of 97 acquired securities with a nominal value of € 3,423 million

As at 30 June 2015, a volume of foreign currency swaps from FX trading was used in the amount of € 542 million as valuation units, of which € 541 million to hedge offsetting FX swaps and € 1 million to hedge syndicated loans in foreign currencies.

The FX swaps can be broken down based on their currency as follows:
- € 327 million in US dollars
- € 135 million in British pounds
- € 64 million in Japanese yen
- € 16 million in other currencies

At the reporting date, apoBank had a volume of FX forward transactions of € 248 million as valuation units to hedge offsetting FX forward transactions. The FX forward transactions can be broken down based on their currency as follows:
- € 175 million in US dollars
- € 33 million in British pounds
- € 14 million in Swiss francs
- € 26 million in other currencies

6. Participating interests and shares in affiliated companies

Participating interests and capital shares in cooperatives and shares in affiliated companies were reported at cost of acquisition or the lower fair value.

7. Fixed assets/tangible assets

Tangible assets were carried at cost of acquisition less scheduled depreciation.

Depreciation for buildings was made on a straight-line basis throughout the useful life or using declining-balance rates; movable assets were depreciated on a straight-line basis throughout the useful life. Low-value assets within the meaning of Section 6 (2) of the Income Tax Act (EStG) were completely written off.

8. Fixed assets/intangible assets

Intangible assets were valued at cost of acquisition and depreciated on a straight-line basis according to plan. The underlying useful life is between three and five years.

9. Liabilities

All liabilities were generally carried at their repayment amounts. Differences between the lower issue price and the repayment amount of liabilities were reported under 'Prepayments and accrued income' and written back on an accrual basis. Zero bonds and commercial papers were carried as liabilities at their issuance price plus accrued interest.

10. Provisions

The provisions for pension liabilities as at 30 June 2015 were calculated based on the actuarial tables 'Richttafeln 2005 G' (Heubeck) using the projected unit credit method. The calculation was based on an updated forecast on the expert opinion dated 31 December 2014, taking into account an interest rate of 3.81%, a wage increase trend of 3.00% and a pension increase trend of 1.75%. apoBank recorded the releases and allocations in the balance sheet items 'Provisions for pensions and similar obligations' in relation to the interest effect in other operating income and as a net item under 'Personnel expenses'. Pension provisions and the provision for deferred compensation have been netted with the corresponding plan assets at their fair value, which is equivalent to the acquisition costs, pursuant to Section 246 (2) 2 of the German Commercial Code (HGB).

The provisions for part-time retirement and anniversary payments were also made on the basis of an interest rate of 3.81% and a wage increase trend of 3.00%. The provisions as at 31 December 2014 were projected accordingly for the interim report on the basis of these figures.

Provisions with a remaining term of more than one year are discounted or compounded pursuant to Section 253 (2) of the German Commercial Code (HGB). The current profit/loss from discounting and compounding is posted to ‘Other operating income’ or ‘Other operating expenses’.

apoBank also made adequate provisions for other uncertain liabilities.

11. Derivative financial instruments

Derivative financial instruments are generally valued individually in accordance with the general valuation provisions of German commercial law (Sections 252 et seqq. of the German Commercial Code (HGB)) and taking account of the realisation and imparity principle, unless valuation units are made to an acceptable extent in order to hedge balance sheet items or the derivatives are used for the control of the overall bank interest rate risk.

Provisions for contingent losses are recorded if apoBank anticipates a claim.

Pursuant to IDW RS HFA 22, apoBank treats separable embedded derivatives from structured financial instruments as primary derivatives.

Within overall bank control, apoBank generally uses all interest rate derivatives. They are used to hedge the interest rate risks in the banking book and manage interest income.

Pursuant to IDW RS BFA 3, apoBank is required to provide proof of a loss-free valuation of interest rate-related banking book transactions. For all interest rate-related financial instruments (on-balance sheet and off-balance sheet) in the banking book proof was provided that overall no losses will occur in future as a result of contracted interest rates. The test was based on the net present value/book value method, which compares the book values of the interest rate-related transactions of the banking book with the net present values attributable to interest rates, taking account of credit risk and portfolio management costs. As a result, apoBank did not identify any need for provisioning.

12. Currency translation

apoBank translates items based on amounts in foreign currency or which were originally based on foreign currency into euros as follows: Items denominated in foreign currencies are in principle valued pursuant to Section 340h in conjunction with Section 256a of the German Commercial Code (HGB). Valuation units are formed for material holdings in foreign currencies pursuant to Section 254 of the German Commercial Code (HGB).

apoBank considers the special coverage pursuant to Section 340h of the German Commercial Code (HGB) as given when the total item is economically balanced in respect of every foreign currency as at the reporting date. If special coverage exists, income and expenditure from currency translation are shown in the income statement in the items ‘Other operating income’ or ‘Other operating expenses’.

C. Notes to the balance sheet

Notes to assets

13. Securities portfolio/receivables by purpose

The securities portfolio is divided by purpose into the following categories:

Securities portfolio/receivables by purpose

	30 Jun 2015 € thous	31 Dec 2014 € thous
Loans and advances to customers		
Fixed assets	16,729	16,690

	30 Jun 2015 € thous	31 Dec 2014 € thous
Debt securities and other fixed-interest securities		
Fixed assets	3,582,243	3,610,494
Liquidity reserve	483,974	437,901
Total	**4,066,217**	**4,048,395**

	30 Jun 2015 € thous	31 Dec 2014 € thous
Shares and other non-fixed-interest securities		
Fixed assets	69,369	75,137
Liquidity reserve	1,252,102	1,252,102
Total	**1,321,471**	**1,327,239**

14. Shares in special investment funds

apoBank holds more than 10 % of the shares in domestic investment funds in accordance with Section 1 (10) of the German Capital Investment Code (KAGB) or comparable international investments.

Shares in special investment funds

Name of fund	Investment objective	Value in accordance with Section 278 of the KAGB in conjunction with Section 168 of the KAGB or comparable international regulations €thous	Difference to book value €thous	Distributions made for the total financial year €thous	Restriction of redemption
APO 1 INKA	Domestic and international bonds	836,636	84,534	0	no
APO 2 INKA	Domestic and international bonds	283,300	33,300	0	no
APO 3 INKA	Domestic and international bonds	283,300	33,300	0	no
arsago STIRT 2 XL	Domestic and international bonds	1,059[1]	0	0	yes
Master fund coinvestments	Domestic and international equities, domestic and international bonds, FX forward transactions, futures	61,364	6,364	0	no

1) For these special funds issued outside Germany, the official calculation of the share value according to the regulations comparable to Section 278 of the German Capital Investment Code (KAGB) in conjunction with Section 168 of the German Capital Investment Code (KAGB) has been suspended until further notice. The values stated were determined by the Bank using internal valuation models based on available market indicators and in part on model prices by looking through on the assets held by the fund.

15. Financial instruments classified as fixed assets

Financial instruments classified as fixed assets[1]

	Book value as at 30 Jun 2015 €thous	Fair value as at 30 Jun 2015 €thous	Omitted depreciation €thous
Banks	492,000	490,269	1,731
Companies	6,859	6,500	360
Total	**498,859**	**496,769**	**2,091**

1) Includes only financial instruments classified as fixed assets that show hidden burdens at the balance sheet date

Impairments are not regarded as permanent if they can be attributed to increased market interest rates and a deterioration in market liquidity.

16. Trading assets

The balance sheet item ‘Trading assets’ can be broken down as follows:

Trading assets

	30 Jun 2015[1] €thous	31 Dec 2014[1] €thous
Derivative financial instruments		
Caps	0	0
FX forward transactions	4,278	1,460
FX swaps	33,789	27,710
Loans and advances to banks	0	0
Debt securities and other fixed-interest securities	75,018	128,479
Shares and other non-fixed-interest securities	0	0
Less VaR adjustment	– 77	– 284
Total	**113,008**	**157,365**

1) The fair values are shown.

The nominal values of the derivative financial instruments included in the item ‘Trading assets’ were composed of caps amounting to € 0 thousand (31 December 2014: € 20,000 thousand), FX forward transactions amounting to € 277,053 thousand (31 December 2014: € 61,312 thousand) and FX swaps amounting to € 541,512 thousand (31 December 2014: € 623,958 thousand).

17. List of holdings

apoBank holds capital shares amounting to at least 20 % in the following companies:

List of holdings

Gesellschaft	Share in company capital on 30 Jun 2015 %	Year	Capital and reserves of the company €thous	Result of the past financial year €thous
Apo Asset Management GmbH, Dusseldorf	70	2014	5,840	2,234
APO Beteiligungs-Holding GmbH, Dusseldorf	100	2014	4,164	0 (–114)[2]
APO Data-Service GmbH, Dusseldorf[1]	100	2014	3,781	232
Kock & Voeste Existenzsicherung für die Heilberufe GmbH, Berlin[1]	26	2014	213	– 8
medisign GmbH, Dusseldorf[1]	50	2014	116	–171
aik Immobilien-Kapitalanlagegesellschaft mbH, Dusseldorf	67	2014	9,781	2,708
aik Management GmbH, Dusseldorf[1]	100	2013	70	45
CP Capital Partners AG, Zurich	24	2014	530	72
Deutsche Ärzte Finanz Beratungs- und Vermittlungs-Aktiengesellschaft, Cologne	25	2014	10,055	5,729
Finanz-Service GmbH der APO-Bank, Dusseldorf	50	2014	1,933	405
IWP Institut für Wirtschaft und Praxis Bicanski GmbH, Münster	26	2014	52	9
PROFI Erste Projektfinanzierungs- und Beteiligungsgesellschaft AG, Zurich	24	2014	5,109	3,083
Treuhand Hannover GmbH Steuerberatungsgesellschaft, Hannover	26	2014	28,241	277
ZA Zahnärztliche Abrechnungsgesellschaft Düsseldorf AG, Dusseldorf	50	2014	6,644	2,280

1) Indirect participations
2) Before profit transfer or loss assumption

Participations in corporations with limited liability pursuant to Section 340a (4) of the German Commercial Code (HGB) with more than 5% of voting rights existed with respect to Treuhand Hannover GmbH Steuerberatungsgesellschaft, Hanover, Deutsche Ärzte Finanz Beratungs- und Vermittlungs-Aktiengesellschaft, Cologne, and Deutsche Zahnärztliche Rechenzentrum GmbH, Stuttgart.

18. Tangible assets

The item ‘Tangible assets’ (assets, 12) includes:

Tangible assets

	30 Jun 2015	31 Dec 2014
	€thous	€thous
Owner-occupied land and buildings	139,546	141,899
Office furniture and equipment	36,930	38,609

19. Other assets

The ‘Other assets’ item includes the following larger amounts:

Other assets

	30 Jun 2015	31 Dec 2014
	€thous	€thous
Capitalised premiums from options and caps	307,108	440,133
Tax receivables	53,788	69,228
Including: corporation tax credit pursuant to Section 37 (5) of the Corporation Tax Law (KStG)	(49,821)	(49,821)

20. Deferred tax assets

The option to capitalise deferred tax assets under Section 274 (1) 2 of the German Commercial Code (HGB) was not exercised.

As at 30 June 2015, a net deferred tax asset existed. This deferred tax asset was essentially due to differences between the valuations in the trading and tax accounts for shares and other non-fixed-interest securities, loans and advances to customers, provisions for pensions as well as intangible assets.

The net deferred tax assets amounted to € 199.5 million, thereof deferred tax assets of € 199.6 million and deferred tax liabilities of € 0.1 million.

A tax rate of 31.3 % was applied for calculating deferred taxes.

21. Subordinated assets

Subordinated assets are included in the items ‘Loans and advances to banks’ with € 2,648 thousand (31 December 2014: € 2,584 thousand) and ‘Loans and advances to customers’ with € 29,738 thousand (31 December 2014: € 29,494 thousand). The item ‘Debt securities and other fixed-interest securities’ included subordinated assets of € 5,061 thousand as at 30 June 2015 (31 December 2014: € 5,004 thousand). Subordinated assets amounted to a total of € 37,447 thousand (31 December 2014: € 37,082 thousand).

Notes to liabilities

22. Trading liabilities

The balance sheet item ‘Trading liabilities’ includes, based on the fair value of the assets:

Trading liabilities

	30 Jun 2015	31 Dec 2014
	€thous	€thous
FX forward transactions	4,235	1,438
FX swaps	33,235	27,168
Caps	0	0
Total	**37,470**	**28,606**

The nominal values of the derivative financial instruments included in the item ‘Trading liabilities’ were composed of caps amounting to €0 thousand (31 December 2014: €20,000 thousand), FX forward transactions amounting to €219,527 thousand (31 December 2014: €61,218 thousand) and FX swaps amounting to €541,486 thousand (31 December 2014: €623,838 thousand).

23. Other liabilities

The ‘Other liabilities’ item includes the following larger amounts:

Other liabilities

	30 Jun 2015	31 Dec 2014
	€thous	€thous
Premiums from options and caps carried as liabilities	53,141	65,757
Terminated silent participations	217,219	0

24. Capital and reserves

The amounts shown under 'Subscribed capital' (liabilities, 11.a)) are structured as follows:

Subscribed capital

	30 Jun 2015 €thous	31 Dec 2014 €thous
Contributions of silent partners	**0**	**197,700**
Members' capital contributions	**1,102,256**	**1,097,966**
Of remaining members	1,086,408	1,080,864
Of departing members	13,418	13,628
Of terminated cooperative shares	2,430	3,474
Compulsory contributions due on shares in arrears	71	3

In the context of the regulatory changes and in line with the participation contract, apoBank terminated the silent participation in the amount of €197.7 million issued to Capital Issuing GmbH (ISIN XF0000QBA760) in 2010 as at 31 December 2014. It will be repaid on 31 July 2015, in line with contractual terms and conditions.

The revenue reserves (liabilities,11.c)) developed as follows in 2015:

Revenue reserves

	Legal reserves €thous	Other revenue reserves €thous
As at 1 Jan 2015	388,250	107,241
Transfers		
from balance sheet profit of the previous year	7,000	7,000
from net profit of the financial year	0	0
Withdrawals	0	0
As at 30 Jun 2015	**395,250**	**114,241**

25. Derivative financial instruments

The volume of unsettled forward transactions affected by a settlement risk or currency, interest rate and/or other market risk arising from open positions, and in the event of counterparty default also from closed positions, amounted to € 36,312 million as at 30 June 2015 (31 December 2014: € 37,225 million). As at 30 June 2015, the following types of transactions were included therein:

Distribution of traded derivatives/types of transactions

Interest rate-related transactions	Currency-related transactions	Stock-related transactions
▪ Interest rate swaps	▪ FX forward transactions	▪ Stock options
▪ Swaptions	▪ FX swaps	
▪ Caps/floors		

apoBank enters into these forward transactions, which are subject to fluctuations as regards interest rates, exchange rates and market prices, for the purpose of hedging positions, for asset liability management as well as for strategic purposes within the scope of participation management. Existing derivatives contracts are broken down according to their risk structure in the table on the following page. The nominal volumes are stated in accordance with standard international practice; however, these figures are not the same as the default risk value.

apoBank calculated the fair values shown using the following valuation models: Interest rate swaps were measured at their net present value on the reporting date. The various interest payment flows were calculated with forward rates derived from the current interest structure curve and then discounted with the swap curve in the same way as fixed payment flows. Swaptions and interest limit agreements were measured on the basis of the Black model for interest rate options.

The fair value of the FX forward transactions and the FX swaps was calculated from the net present values of the opposing payment flows (in foreign currency and in euros) using the interest structure curve of the respective currency.

apoBank measures stock options from structured financial instruments by comparing unstructured bonds from the same issuers with the same appropriation. The difference between the two financial instruments corresponds to the implied value of the option.

Risk structure

	Nominal value €m		Fair value €m	
	30 Jun 2015	31 Dec 2014	30 Jun 2015	31 Dec 2014
Interest rate-related transactions[1]				
Time to maturity up to 1 year	9,285	12,299	200	443
more than 1 year to 5 years	14,758	13,743	202	253
more than 5 years	12,265	11,158	– 58	– 140
Subtotal	**36,308**	**37,200**	**344**	**556**
Currency-related transactions				
Time to maturity up to 1 year	1	22	0	0
more than 1 year to 5 years	0	0	0	0
more than 5 years	0	0	0	0
Subtotal	**1**	**22**	**0**	**0**
Stock-related transactions[1]				
Time to maturity up to 1 year	0	0	0	0
more than 1 year to 5 years	0	0	0	0
more than 5 years	3	3	0	0
Subtotal	**3**	**3**	**0**	**0**
Total	**36,312**	**37,225**	**344**	**556**

1) Interest rate- and stock-related transactions are reported under the items 'Other assets' (€ 307 million), 'Prepayments and accrued income (assets)' (€ 53 million) as well as under the items 'Other liabilities' (€ 4 million) and 'Prepayments and accrued income (liabilities)' (€ 1 million).

Most of the derivative financial instruments are used to hedge interest rate or currency fluctuations as part of a valuation unit (see note 5) as well as within the scope of asset/liability management.

D. Notes to the income statement

26. Other operating expenses and income or expenses and income related to other periods

Other operating income of € 15,566 thousand (30 June 2014: € 9,325 thousand) include, among other things:

Other operating income

	30 Jun 2015 € thous	30 Jun 2014 € thous
Rental income	1,780	1,811
Release of reserves (related to other periods)	9,496	2,022
Accounting gains from the disposal of fixed assets and intangible assets (related to other periods)	76	1,545
Interest income from tax refunds (related to other periods)	236	0
Income from discounting	0	106
Income from currency translation	1,184	643

Other operating expenses of € 15,250 thousand (30 June 2014: € 20,776 thousand) result primarily from the following items:

Other operating expenses

	30 Jun 2015 € thous	30 Jun 2014 € thous
Provisions for litigation costs	6,460	10,344
Accounting losses from the disposal of fixed assets and intangible assets (related to other periods)	1	96
Interest expenses from tax arrears (related to other periods)	84	800
Expenses from compounding	4.,360	3,521
Expenses from currency translation	3	0

The item 'Interest income from lending and money market transactions' include additional material income related to other periods of € 8,425 thousand for prepayment penalties (30 June 2014: € 6,584 thousand).

27. Extraordinary income and expenses

No extraordinary expenses were incurred in the first half of 2015 (30 June 2014: € 9,603 thousand).

28. Taxes on income

Income taxes are related exclusively to the profit from ordinary business activities of the current period and to tax audits of the previous years. Taxes on income were calculated largely on the basis of actual figures and the current tax rate.

E. Other notes

29. Disclosure pursuant to Section 28 of the German Pfandbrief Act (PfandBG)

Please refer to the quarterly report as at 30 June 2015 of apoBank prepared pursuant to the German Pfandbrief Act (PfandBG) for information with respect to the mortgage Pfandbriefe included in the items ‘Liabilities to banks’, ‘Liabilities to customers’ and ‘Securitised liabilities’.

30. Additional notes pursuant to Section 26a of the German Banking Act (KWG) and the breakdown of income by geographic markets

Deutsche Apotheker- und Ärztebank eG, 40547 Dusseldorf, Germany

The purpose of the cooperative is the economic promotion and support of its members and especially members of the health care professions, their organisations and associations. Its business includes carrying out transactions customary in banking within the framework of legal provisions for members as well as non-members. The head office, the branches and the advisory offices of Deutsche Apotheker- und Ärztebank are all located in Germany.

Revenue of € 427.8 million resulted from the profit from ordinary business activities, excluding risk provisioning and general administrative expenses. Deutsche Apotheker- und Ärztebank’s operating result amounted to € 88.2 million based on HGB accounting.

The average number of employees (excluding members of the Board of Directors) in 2015 (January to June) was 2,531.

The operating result of € 88.2 million as at 30 June 2015 was largely generated in Germany. Taxes on income relating to this amount came to 61.2 million.

apoBank does not receive any public aid.

31. Board of Directors

Members of the Board of Directors
- Herbert Pfennig, Spokesman
- Harald Felzen
- Eckhard Lüdering
- Dr. Thomas Siekmann
- Ulrich Sommer

32. Supervisory Board

Members of the Supervisory Board
- Hermann Stefan Keller, Chairman, pharmacist
- Wolfgang Häck[1], Deputy Chairman, bank employee
- Ralf Baumann[1], bank employee
- Fritz Becker, pharmacist
- Marcus Bodden[1] (since 19 June 2015), bank employee
- Martina Burkard[1], bank employee
- Mechthild Coordt[1], bank employee
- Dr. med. dent. Peter Engel, dentist
- Sven Franke[1], bank employee
- Eberhard Gramsch (until 19 June 2015), physician
- Dr. med. Torsten Hemker (since 19 June 2015), physician
- Klaus Holz[1] (until 19 June 2015), trade union secretary
- Dr. med. Andreas Köhler, physician
- Walter Kollbach, tax consultant/auditor
- Ulrice Krüger[1] (until 19 June 2015), bank employee
- Prof. Dr. med. Frank Ulrich Montgomery, physician
- Dr. med. dent. Helmut Pfeffer, dentist
- Robert Piasta[1], bank employee
- Dr. med. dent. Karl-Georg Pochhammer, dentist
- Christian Scherer[1], bank employee
- Friedemann Schmidt, pharmacist
- Ute Szameitat[2], bank employee
- Björn Wißuwa[1] (since 19 June 2015), trade union secretary

1) Employee representative
2) Representative of the executive staff

33. Name and address of the responsible auditing association

RWGV
Rheinisch-Westfälischer Genossenschaftsverband e. V.
Mecklenbecker Straße 235 – 239
48163 Münster
Germany

Dusseldorf, 18 August 2015
Deutsche Apotheker- und Ärztebank eG
The Board of Directors

Herbert Pfennig | Harald Felzen | Eckhard Lüdering | Dr. Thomas Siekmann | Ulrich Sommer

Certifications

Review Report

To Deutsche Apotheker- und Ärztebank eG, Dusseldorf

We have reviewed the interim condensed financial statements, comprising the condensed balance sheet, the condensed income statement and the condensed notes, and the interim management report of Deutsche Apotheker- und Ärztebank eG, Dusseldorf, for the period from 1 January 2015 to 30 June 2015, which are part of the six-monthly financial report pursuant to Sec. 37w WpHG ('Wertpapierhandelsgesetz': German Securities Trading Act). The preparation of the interim condensed financial statements in accordance with German commercial law and of the interim management report in accordance with the provisions of the WpHG ('Wertpapierhandelsgesetz': German Securities Trading Act) applicable to interim management reports is the responsibility of the Board of Directors of the cooperative. Our responsibility is to issue a report on the interim condensed financial statements and the interim management report based on our review.

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

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed financial statements are not prepared, in all material respects, in accordance with the provisions of German commercial law and that the interim management report has not been prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim management reports.

Dusseldorf, 20 August 2015
Rheinisch-Westfälischer Genossenschaftsverband e. V.

Thomas Kulina	Dieter Schulz
Certified Auditor	Certified Auditor

Responsibility Statement by the Legal Representatives

To the best of our knowledge, we assure that the interim financial statements give a true and fair view of the earnings, asset and financial position in accordance with the applicable accounting principles for interim financial reporting and that the interim management report gives a true and fair account of the development of the business including the company’s performance and position, as well as the material opportunities and risks associated with the company’s expected development for the remaining months of the financial year.

Dusseldorf, 18 August 2015
Deutsche Apotheker- und Ärztebank eG
The Board of Directors

Herbert Pfennig Harald Felzen Eckhard Lüdering Dr. Thomas Siekmann Ulrich Sommer

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The interim report is available in
German and English. The German
version is legally binding.