FINANCIAL PAGES
2010

Die Sparkasse Bremen
Finanzdienstleistung

Report from Bremen

General Information

Board of Managing Directors

Dr. Tim Nesemann
Chairman of the Board of Managing Directors

Joachim Döpp (from 1 August 2010)
Thomas Fürst
Klaus Schöniger (until 30 June 2010)
Dr. Heiko Staroßom

Head of International Division

Prof. Dr. iur. Christoph Graf v. Bernstorff,
Executive Vice President

Membership

Member of Berlin/Bremen Stock Exchange, Association of German Independent Savings Banks (organized under civil law), Hanseatic Savings Banks Association, German Savings Banks Association

DIE SPARKASSE BREMEN AG

REGIONAL COMMERCIAL AND FOREIGN TRADE BANK

OUR BANK

Of the 431 savings banks operating in Germany, six are known as »independent« savings banks. Die Sparkasse Bremen is one of the largest of these independent institutions. Independent savings banks differ from communal savings banks in that they are not subject to German public law. Die Sparkasse Bremen is a bank under civil law. This has various advantages for our bank. First of all, our bank is not subject to any direct government influence. For example, it is not obliged to finance public borrowing. Secondly, our bank's activities are not restricted to the Bremen area. Die Sparkasse Bremen was established by citizens of Bremen in 1825.

»Die Sparkasse Bremen-Gruppe« took on a new structure with the spinning off of banking operations to Die Sparkasse Bremen AG with retroactive economic effect as of 1 January 2004. The economic association, for over 179 years as Die Sparkasse in Bremen a trusted Sparkasse business institution, remains intact and is today doing business as Finanzholding der Sparkasse in Bremen. It holds all shares in the new Die Sparkasse Bremen AG.

Though our bank was named »Sparkasse« (savings bank) and this name has been retained ever since, this banking institution is authorized to provide a complete range of banking and related financial services. It is therefore correct to describe Die Sparkasse Bremen as a privately organized universal bank. This means that our bank is a commercial and savings bank offering all kinds of banking transactions (including commercial banking business) in the city and area of Bremen and all over Germany.

All of our bank's liabilities are covered by the reserve funds, which are held in accordance with section 10 of the German Banking Act. Having been established by Bremen citizens 185 years ago, our bank is today the oldest financial institution in the Bremen market. Uniquely, it is managed by people, which enables it to cope with any specific Bremen issues which may arise. This is also the reason why we are the bank accounting for about two thirds of the domestic market and a large part of the international banking market in Bremen.

Our bank continues to provide financial assistance not only to its personal and corporate customers but also to many charitable, sporting, cultural and educational organizations, with the aim of helping as many people and organizations as possible in the northern part of Germany.

Through its activities, Die Sparkasse Bremen thus performs a major financing role in the City of Bremen. This special place in the Bremen community has been acquired and maintained only through a proven capacity to respond quickly, decisively and creatively to the constantly changing needs of Bremen's entrepreneurs and individuals. This, coupled with an impressive range of services (provided through a dense network of more than 60 branch offices all over Bremen), has enabled our bank to have the highest rate of market penetration of all the financial institutions operating in Bremen. Our bank enjoys a high standing in the international markets and a reputation that has opened many doors to the bank's customers, allowing them to profit from trading and financing arrangements that would otherwise be unattainable.

A focal point of our bank's international success of has been the satisfaction of our customers' specific requirements. Our correspondent banks have played an integral part in our international activities. These are located in most countries of the world, and Die Sparkasse Bremen attaches great importance to the relationships which have been established with these institutions over many years. Bremen, as a seaport, is closely involved in importing and exporting. Our bank therefore supplies all kinds of international banking activities, including international trade financing, document collections, international payment services and foreign exchange dealing.

CITY OF BREMEN

The Free Hanseatic City of Bremen, located on the lower reaches of the River Weser, is an autonomous State of the Federal Republic of Germany, and the country's second largest seaport. Bremen's significance as a major port and trading centre stretches back to the Middle Ages. It was one of the principal cities of the Hanseatic League, and retained its special importance in later centuries. For instance, it was in Bremen that the United States opened its first consulate in Europe. To this day the trading houses in Bremen, rooted in tradition and yet forward-looking as they are, cultivate business contacts with all the major countries engaged in international trade.

Bremen's international outlook is also attested by the representative offices it maintains in Tokyo, Seoul, Taipeh, Manila, Jakarta, Kuala Lumpur, and Singapore, its twinning with the town of Dalian in the People's Republic of China.

At the same time, Bremen is a major industrial centre. Numerous world-famous firms in the aerospace and motor industries, iron and steel production, electrical engineering, shipbuilding, and the food, drink and tobacco industry have their registered offices in Bremen. Universities and research institutes operating in a wide variety of scientific disciplines cooperate with local business enterprises. What is more, Bremen has a comparatively low cost level, a well-developed transport infrastructure and a plentiful supply of well-trained and highly motivated labour. This makes Bremen an attractive location for setting up new enterprises of all kinds.Through its activities, Die Sparkasse Bremen thus performs a major financing role in the City of Bremen. This special place in the Bremen community has been acquired and maintained only through a proven capacity to respond quickly, decisively and creatively to the constantly changing needs of Bremen's entrepreneurs and individuals. This, coupled with an impressive range of services (provided through a dense network of more than 60 branch offices all over Bremen), has enabled our bank to have the highest rate of market penetration of all the financial institutions operating in Bremen. Our bank enjoys a high standing in the international markets and a reputation that has opened many doors to the bank's customers, allowing them to profit from trading and financing arrangements that would otherwise be unattainable.

DIE SPARKASSE BREMEN AG

ANNUAL REPORT 2010

RAHMENBEDINGUNGEN

RECOVERY FOLLOWING THE FINANCIAL MARKET AND ECONOMIC CRISIS

Since indications of economic recovery began to increase in the spring of 2009, following the financial market and economic crisis that was triggered in 2007 and became distinctively worse in 2008, nobody has been able to predict whether and to what extent this recovery would prove to be stable. Economic development in Germany, given the general condition of the economy, was all the more surprising – and also positive – in 2010.

Although the global economy also recovered on the whole, several of the individual elements of its recovery were different to those in Germany. The enormous pace of growth in emerging markets in Latin America and notably in Asia, such as the market in China, was matched by development that ranged from cautious to still-in-crisis in many industrial countries – in the USA and particularly also in Greece, Ireland, Portugal and Spain, all of which are suffering, albeit in differing compositions and with different weightings, from high national debt, a poor competitive capacity, strong negative effects on their banking system and burst real-estate bubbles. This confirms the fact that the recession is not predominantly an economic problem, it is definitely of a fundamental nature. The risk premiums required on capital markets for financing these Euro states rose markedly in 2010, initially in spring and then again in autumn. The rescue system initiated by the German government, the development of a sustainable support mechanism and the interventions of the European Central Bank, which acquired government bonds for more than EUR 70 billion, were all aimed at restoring the proper functioning of the markets. Ultimately, however, it was not possible to achieve any perceptible containment of the risk premiums.

Germany plays a special role in this context. Following a very considerable 4.7 % decline in its gross domestic product (GDP), initial estimations by the Federal Statistical Office indicated that GDP had grown in real terms by as much as 3.6 % in 2010. Recovery has been faster and stronger than had been anticipated a year ago, with the decisive impulses initially coming more from export business, which, besides benefiting from the exchange of goods with industrial countries, also mainly benefited from the demand for capital goods from emerging markets. During the course of the year, the driving forces shifted perceivably to the domestic economy, which ultimately contributed a total of 2.5 percentage points to economic growth, driven by private consumption and investment activities. This also had a positive effect on the labour market, which had already shown itself to be robust in the previous year, with unemployment at 8.2 %. In the year ended the rate of unemployment was further lowered to 7.7 %, despite the discontinuation of the provisions for short-time employees. The rise in consumer prices was reasonable, at around 1 %.

The outlook for 2011 is favourable. Seasonally-adjusted employment in Germany is likely to rise. The earnings situation of companies appears to be good and the debt ratio of consumers and enterprises is moderate. The high growth rate seen in the previous year will nevertheless not be reached again, since growth in 2010 was strongly influenced by recovery following the slump of recession. According to forecasts by the council of experts for the appraisal of general economic development and by the Organisation of Economic Cooperation and Development, a growth rate of 2.2 % to 2.5 % nevertheless seems feasible.

The development in Bremen was similar, as are expectations for the economy in Bremen, which benefited from an improved order situation and a rise in demand from abroad in 2010. The situation for all the sectors was predominantly more friendly – particularly for the industrial sector, export business and transport and logistics, although the outlook was somewhat more cautious for the construction industry and retailing. Despite the fact that the number of corporate insolvencies increased, as had been expected, fewer employees were affected than in the previous year. Short-time work due to the economic situation was generally in decline. In addition to the number of vacancies, the number of employees in jobs subject to social security contributions rose by around 1 %. The number of people out of work and the unemployment rate were at the same levels as those of the previous year, nourishing hopes that the process of recovery could perhaps continue.

However, despite all this expedient optimism, risks cannot be ruled out – for example those resulting from global economic development, tension in the eurozone and future developments on financial markets.

OUTSTANDING CONSULTING QUALITY AND OPERATIVE EXCELLENCE

Die Sparkasse Bremen and its subsidiary, nwi nordwest international Servicegesellschaft mbH, once again received the prestigious J. P. Morgan »Elite Quality Recognition Award« for their services to US dollar clearing business, and FOCUS MONEY distinguished us for the third time in sequence in the »CityContest 2011« as »Winner of the Bremen bank test«. Here and in 250 other cities, test buyers visited several financial institutions in order to closely examine – incognito – their specialised knowledge and consulting skills on the spot. This award once again shows that die Sparkasse Bremen has above-average consulting skills thanks to the excellent professional training and advanced professional training provided to its employees and to an integral approach to consulting tailored to the needs of its customers. The awards are also praise and recognition for our employees.

IMPLEMENTATION OF THE GERMAN ACCOUNTING LAW MODERNISATION ACT

Legislators had already adopted the German Accounting Law Modernisation Act (BilMoG) in 2009, with the aim of improving the informative value and transparency of annual financial statements in compliance with commercial law.

The provisions of the law relating to accounting were to be fully applied for the first time in the 2010 accounting period. In terms of their complexity and significance for enterprises in all the sectors – and hence also for lending business – the provisions constitute the biggest accounting law reform since the adoption of the German Accounting Directives Act in 1985.

Die Sparkasse Bremen had thus already commenced with business analyses in 2008 to examine the effects of the intended changes to its accounting system and had identified fields of action. This meant that conditions for carrying out the required measures for implementation and adapting accounting to the new legislation in the 2010 accounting period had already been established at an early stage.

DEVELOPMENT OF BUSINESS

BALANCE SHEET TOTAL DOWN

2010 was characterised by a tense general economic situation due to the global financial market and economic crisis of the previous years. However, during the course of the year, the overall economic development clearly indicated that the economy was recovering. Against the background of this persistently difficult general environment, die Sparkasse Bremen looks back on a more than satisfactory accounting period.

The balance sheet total decreased by 2.3 % to € 10.6 billion. While a reporting date comparison showed that loans and advances to customers had increased slightly, we once again significantly reduced the loans and advances to banks.

In a reporting date review, this development in assets corresponds with equity and liabilities, notably with a considerable reduction in the portfolio of customer deposits. On the other hand, liabilities to banks were increased.

Developments in detail:

LENDING BUSINESS

DEVELOPMENT OF LENDING BUSINESS (IN € MILLION)

	2010	2009	2008	2007	2006
Loans and advances to customers	**8,166.2**	**8,099.1**	**8,077.4**	**7,770.1**	**7,723.3**
of which:					
Bills of exchange	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Short, medium and long-term receivables from customers	**7,703.9**	**7,626.3**	**7,578.9**	**7,317.0**	**7,335.4**
of which:					
Promissory notes acquired	103.3	77.1	229.5	151.7	262.8
Loans on a trust basis	**19.4**	**18.1**	**18.4**	**18.8**	**18.6**
Guarantees and endorsement liabilities	**442.9**	**454.7**	**480.1**	**434.3**	**373.3**
Loans and advances to banks	**890.6**	**1,064.2**	**1,648.7**	**1,955.5**	**1,127.2**

Aggregated receivables from customers (including promissory notes acquired, loans on a trust basis and guarantees and endorsement liabilities) amounted to € 8.2 billion on 31 December 2010, hence slightly exceeding those of the previous year.

DEVELOPMENT OF LENDING BUSINESS WITH CORPORATE AND PRIVATE CUSTOMERS (IN € MILLION)

	2010	2009	2008	2007	2006
Corporate customers*)	**5,175.0**	**5,038.5**	**4,838.7**	**4,634.2**	**4,477.9**
Private customers*)	**2,582.6**	**2,601.9**	**2,631.1**	**2,699.7**	**2,773.7**

* On the basis of regulatory reported data

At € 5.2 billion, lending business with corporate customers again exceeded that of the previous year and was hence also ahead of projections. While declines were reported for lending business for housing, this was compensated for with increases in other lending business.

Loans to private customers were at the same level as those of the previous year, at € 2.6 billion, but nevertheless fell slightly short of projections. This was due to LBB Privatkredit, a joint product introduced in the other lending business of the savings bank organisation, which results in a shift in portfolio business and commission business. In contrast, lending business for housing showed a rising trend thanks to the positive effects of the introduction of the real-estate centre, particularly in the latter six months of the year.

Loans and advances to banks fell by 16.3 % to € 0.9 billion on the balance sheet reporting date. As in the previous year, savings deposits due payable at banks were not prolonged.

INVESTMENT BUSINESS

DEVELOPMENT OF INVESTMENT BUSINESS (IN € MILLION)

	2010	2009	2008	2007	2006
Liabilities to customers and securitised liabilities	**6,787.1**	**7,282.5**	**7,173.5**	**7,335.9**	**6,965.4**
of which:					
Savings deposits	2,967.3	3,139.8	3,314.9	3,674.2	3,798.4
Savings bank certificates	0.0	0.0	0.0	0.0	11.1
Debt securities	451.8	382.2	475.3	441.6	436.9
Deposits due on demand	2,476.9	2,873.7	2,095.3	2,168.2	1,844.6
Time deposits	891.1	886.8	1,288.0	1051.9	874.4
Liabilities to banks	**2,844.6**	**2,541.5**	**2,599.2**	**2,924.4**	**3,004.9**

The aggregate of liabilities to customers and securitised liabilities dropped in the period up to year-end by 6.8 % to € 6.8 billion.

While the portfolio of time deposits developed virtually consistently on the balance sheet reporting date, the portfolio of savings deposits was reduced as in the previous year. The portfolio of deposits due on demand also showed a downward development against the considerable portfolio of the previous year, but it does remain on a high level in a comparison covering several years.

We continue to view this development in the portfolio, which we had basically forecast, essentially as a result of the ongoing low level of interest rates and a resulting fundamental reluctance to invest. Our estimation that the economic upswing would initially be financed with deposits was confirmed in the decline in the volume of customer deposits.

The registered bonds issued by die Sparkasse Bremen showed a reverse trend and fell considerably short of the level of the previous year. We consider this development to be evidence for the great interest shown in the high-yield debt securities of die Sparkasse which offer a good start to investing in variable-yield securities with a first-class credit rating.

Liabilities to banks were raised in the year under report, by 11.9 % to € 2.8 billion on the balance sheet reporting date.

BUSINESS WITH SERVICES

Commission income remains a vital earnings component. Due to a decline in commissions, notably in commission generated with insurance contracts, as well as with business with building-society savings, as a result of marked consumer caution, net commission income fell short of the figure we had projected. Against the background of this problematic general environment, we nevertheless achieved a good result for die Sparkasse Bremen, at € 55.8 million.

DEVELOPMENT OF SERVICES BUSINESS WITH SECURITIES (IN € MILLION)

	2010	2009	2008	2007	2006
Aktien und Shares and investment certificates	559.3	630.7	984.8	922.4	677.2
Fixed-interest securities	262.3	376.2	307.8	204.2	146.0
Own security issues1)	244.0	271.3	182.0	162.4	208.5

[1] Since 2009 including mortgage bond issues

Turnover with fixed-interest securities and with shares and investment certificates declined by 30.3 & and 11.3 % respectively. We consider this to be a consequence of fundamental consumer caution which still existed in 2010 given the background of a general economic environment that was not yet stable at the beginning of the year.

The issue of mortgage bonds, commenced in 2009, led to a clear increase in our own security issues. Against this background, turnover with these issues also reached a positive level in 2010, despite the decline.

OWN-ACCOUNT INVESTMENTS IN SECURITIES

Global economic recovery was maintained in 2010 thanks to robust industrial activity. An expansionary money policy in conjunction with comprehensive economic stimulus packages continued to have an effect throughout 2010. Structural problems in individual economies (peripheral countries) and a financial system that remains susceptible could, however, slow down the pace of growth in future and give rise to renewed uncertainty on capital markets.

National debt was clearly increased in the financial crisis environment. Some of the eurozone national budgets have got into difficulties. A strict savings policy was imposed, confronting the countries with drastic cuts in spending.

The fight against deflation was continued with a zero interest rate policy in the USA and Europe and reinforced with unconventional measures undertaken by the reserve banks (e.g. the purchase of government bonds).

Liquidity that was made available saw the DAX achieving ever-new record highs in 2010. After slumping to its lowest point in February, it gradually approached its annual high of 7,088 points, accompanied by volatile movements on the market. The index closed at 6,914 points at year-end.

Long maturities in the investment portfolio were used to repay payable long-term liabilities bearing higher interest rates. In order to prevent negative effects resulting from relevant developments on the capital markets, we also sold long-term bonds at the end of the year.

Investments were made in current asset classes in the investment category of investment funds. In this case the »Negative Basis« asset class, which exploits price differences between bonds and credit default swaps, was considerably extended.

PARTICIPATING INTERESTS AND SHARES IN AFFILIATED COMPANIES

With development differing in individual cases, our participating interests and shares in affiliated companies were reduced by altogether € 2.4 million, to € 215.2 million.

Reductions mainly resulted from the disposal of our shareholding in Bankhaus Carl F. Plump & Co. GmbH & Co. KG, the capital repayments of three private equity funds and umbrella funds in addition to a partial disposal of shares held in Freie Internationale Sparkasse S. A. within the framework of a participation model for their managers and executive staff members as well as the scheduled liquidation of bremen 4u Multimedia-Produktion und Vermarktung GmbH i. L.

Reductions outweighed increases. The latter resulted predominantly from the capital called in by seven investments in private equity funds and umbrella funds, of which two investments had been newly entered into, and also from the repurchase of shares within the framework of a participation model for the managers and executive staff of Freie International Sparkasse S.A. and an increase in our investment in neue leben Pensionsverwaltung AG.

Changes in participating interests were undertaken in terms of strategic and earnings aspects in compliance with our investment strategy. We have concluded profit surrender agreements with most of our subsidiaries.

INVESTMENTS IN FIXED ASSETS

Investments in our future projects are notably reflected in material expenses. Material expenses, at € 98.2 million, were below projections and once again showed a decreasing trend in a comparison with those of the previous year. This positive development is mainly due to the cost management activities already completed and those we are currently operating. More than anything else, the transfer of IT applications to Finanz Informatik GmbH & Co. KG, a company operating as the data processing centre of the Association of Savings Banks, implemented in 2008, in addition to the related process modifications and optimisations, have already had an effect on costs and will result in more cost reductions in the years to come. The cost of comprehensive cooperation with our service providers is also reflected in our material costs. These services predominantly relate to back office activities in lending and in deposit business as well as in the areas of finances and controlling.

HUMAN RESOURCES AND SOCIAL ISSUES

On 31 December 2010 die Sparkasse Bremen had 1,532 employees (0.7 % fewer than in the previous year), which is equivalent to 1,303 employees extrapolated on a full-time basis. Die Sparkasse Bremen employs 489 part-time and temporary employees. The number of apprentices, at 100, was once again raised over that of the previous year (99). With the proportion of apprentices at 7.46 % of bank-related employees, we made a considerable contribution to creating opportunities for professional training in Bremen.

In 2010 new or foreseeable legal regulations again made considerable demands on our employees, both in terms of consulting services for our customers and in the area of administration. Our offer of professional training and advanced professional training measures in the form of internal company seminars and external seminars ensures that our employees meet these expectations. This is reflected in their high level of training: more than 84 % of our employees are qualified bankers, of which more than 50 % also have additional qualifications as specialised savings bank clerks/ bank officers, graduated savings bank business managers or bank business managers; approximately another 10 % have gained a degree at a university of applied science or a full university.

Our remuneration system is aligned to the collective agreement for private and public-sector banks and is made up of fixed and variable income components. We meet current regulatory requirements. This also applies for the requirements relating to remuneration systems of institutions.

New pension schemes were signed in September 2010 following intensive negotiations with the respective shareholders. This up-to-date new regulation of our company pension plan entered into force for all the employees of die Sparkasse Bremen on 1 January 2010.

We were awarded the »workandfamily« certification for family-conscious enterprises as early as in 2007, subsequent to an audit conducted by the German Hertie Foundation. We continued to enhance the attraction of die Sparkasse Bremen as an employer during the year ended with our efforts to improve reconciliation between work and family life, particularly in the areas of part-time work, parental leave and support for those taking care of relatives as well as with a number of events around this issue. At the end of 2010 the Hertie Foundation recertified us under the »workandfamily« audit.

ASSETS POSITION

DEVELOPMENT OF SELECTED BALANCE SHEET ITEMS (IN € MILLION)

	2010	2009	2008	2007	2006
Loans and advances to banks	890.6	1,064.2	1,648.7	1,955.5	1,127.2
Loans and advances to customers	7,703.9	7,626.3	7,578.9	7,317.0	7,335.4
Securities	1,402.0	1,616.4	1,081.4	1,343.0	1,862.6
Liabilities to banks	2,844.6	2,541.5	2,599.2	2,924.4	3,004.9
Liabilities to customers	6,335.3	6,900.3	6,698.2	6,894.3	6,528.4

Loans and advances to banks were reduced against those of the previous year by € 173.6 million or 16.3 %, which meant that the proportion of loans and advances to banks in the balance sheet total dropped from 9.8 % to 8.4 %. Loans and advances to customers rose over those of the previous year by € 77.6 million, or 1.0 %, and account for 72.7 % of the balance sheet total. Holdings of investments in securities were reduced against those of the previous year by € 214.4 million or 13.3 %, which meant that the proportion of securities in the balance sheet total dropped from 14.9 % to 13.2 %. This development is mainly due to long maturities in the investment portfolio, which were used to repay payable long-term liabilities bearing higher interest rates in 2010. Moreover, the portfolio of longer-term bonds was reduced at the end of the year. Declines on the asset side correspond in particular with the development of liabilities to customers in equity and liabilities, which decreased by € 565.0 million, or 8.2 %, against those of the previous year. We consider this development to be mainly the result of a persisting reluctance to invest in the Private Customer Division. Besides, more available liquidity was fallen back on for financing the economic upswing in the Corporate Customer Division. In relation to the balance sheet total, the proportion of liabilities to customers was reduced from 63.6 % to 59.7 %. Liabilities to banks developed in the opposite direction, increasing by € 303.1 million or 11.9 %.

Against the background of secured repayment, we valued some of the securities in direct investments and investments in funds in fixed assets in accordance with the mitigated principle of the lower of cost or market.

The core capital of die Sparkasse Bremen amounted to € 535.2 million on 31 December 2010. This is equivalent to a capital ratio of 6.9 %. Capital resources amounted to € 757.3 million. The resulting ratio between equity capital and weighted risk assets was 9.9 %, thus constituting an adequate basis for the continued development of business.

FINANCES

Our liquidity position, which had already been comfortable in previous years, was consciously maintained at this level in 2010; it is also more than sufficient for the following years.

A significant indicator of willingness to pay in the short term is the liquidity ratio in accordance with the German Liquidity Regulation, which shows material liquidity. On average, this liquidity ratio clearly exceeded that of the legally required minimum standard.

Our annual standing credit balance at the German Federal Bank for the purpose of complying with minimum reserve regulations averaged € 119.3 million.

The aggregated amount of cash reserves, loans and advances to banks and debt securities and other fixed-interest securities was € 1.9 billion on the balance sheet reporting date.

This comfortable liquidity position as well as our comprehensive liquidity management and liquidity control measures will also ensure our liquidity in future.

EARNINGS

DEVELOPMENT OF SELECTED BALANCE-SHEET ITEMS (IN € MILLION)

	2010	2009	2008	2007	2006
Net interest income [1]	232.1	202.9	212.4	208.3	221.0
Net commission income	55.8	59.1	59.8	59.1	55.8
Net income from financial and investment banking transactions	-0.8	2.1	-2.1	3.6	1.3
Staff expenses	89.9	114.8	124.3	106.4	119.3
Materials expenses [2]	98.2	104.8	112.9	105.7	95.1
Administrative expenses [2]	188.1	219.6	237.2	212.1	214.4
Result of evaluation	-55.2	-38.2	-48.6	-65.3	-66.1
Profit on extraordinary activities	-6.4	0.0	0.0	0.0	0.0
Earnings-related taxes	6.4	2.4	-1.9	0.3	-1.2
Profit for the year	23.0	12.7	2.2	10.5	15.1
Dividends	0.6	0.0	0.0	0.4	0.5
Allocation to reserves	22.4	12.7	2.2	10.1	14.6

[1] Including current income from securities and participating interests as well as income from profit pooling, profit transfer and partial profit transfer agreements
[2] Including depreciation

Earnings are shown on the basis of commercial figures. Interim planning and controlling is conducted in accordance with economic principles. Both approaches are at all times mutually compliant. While the economic approach to the system employed by the German savings bank and giro association complies with the inter-company comparison and the exchange of know-how of the major savings banks, the method of commercial reporting we apply here also enables us to conduct comparisons with private-sector banks.

The development of die Sparkasse Bremen earnings was also influenced by the ongoing tense general economic situation in 2010. Despite a continued negative environment, we achieved a profit for the year that clearly exceeded that of the previous year and was also far above projections.

Net interest income increased against that of the previous year by 14.4 %, or € 29.2 million. At € 232.1 million, it far exceeds the projected figure. While business with customers, particularly in the Corporate Customer Division, developed far better than expected, the strongly increased term transformation result nevertheless failed to meet our expectations. The drop in liabilities to customers and the ongoing low level of interest rates had a significantly positive effect on interest expenses. While interest income was reduced by € 40.8 million to € 426.2 million, we reported a reduction in interest expenses (including the balanced net interest income resulting from derivatives) of as much as € 69.9 million, to € 194.1 million. Against the background of a problematic general environment due to the tense general economic situation and the persistent low level of interest rates on money markets and capital markets, this result is outstanding for die Sparkasse Bremen. As in previous years, net interest income includes income and expenses from a reduction in interest rate swaps which served the purpose of controlling the interest-rate book.

Commission income remains a vital earnings component. Due to a decline in commissions, notably in commission generated with insurance contracts, as well as with business with building-society savings, as a result of marked consumer caution, net commission income fell short of the figure we had projected. Against the background of this problematic general environment, we nevertheless achieved a good result for die Sparkasse Bremen, at € 55.8 million.

Unfortunately we were not able to achieve the same positive contribution to income as in the previous year in the case of net income from financial and investment banking transactions. The negative development of earnings is closely related to the persistently problematic general environment on money markets and capital markets.

Staff expenses were considerably reduced against those of the previous year by 21.7 % or € 24.9 million, to € 89.9 million, and were thus also far below projections. The reduction against the figure for the previous year is mainly due to a drop in the number of staff as a result of natural fluctuation and to decreases resulting from the new regulation adopted for the company pension plan. The reasons why this figure fell below the figure planned for the reporting period are the collective bargaining agreement for private and public-sector banks taken into account in wage, salary and pension payments, which was more moderate than had been expected, and lower allocations to pension reserves due to decreases resulting from the company pension plan.

Material costs, which also fell below projections, are once again showing a decreasing trend in a comparison with costs for the previous year, having dropped by 6.3 % or € 6.6 million, to € 98.2 million. This positive development is mainly due to the cost management activities already completed and those we are currently operating. More than anything else, the transfer of IT applications to Finanz Informatik GmbH & Co. KG, a company operating as the data processing centre of the Association of Savings Banks, implemented in 2008, in addition to the related process modifications and optimisations, have already had an effect on costs and will result in more cost reductions in the years to come. The cost of comprehensive cooperation with our service providers is also reflected in our material costs. These services predominantly relate to back office activities in lending and in deposit business as well as in the areas of finances and controlling.

Administrative expenses in general have thus developed more positively than expected.

The improvement in the performance of earnings and expenses was correspondingly reflected in the development of the cost-income ratio. In the year under report it was 69.4 % (previous year 80.7 %).

On the other hand, we were not able to reach the figure we had projected for the result of evaluation for 2010.

On the basis of the prevailing uncertain general economic environment at the beginning of the year and a conservative estimation, we had, by way of precaution, planned with a higher result than in the previous year for the lending division. Our estimation was confirmed, the result of evaluation was poorer than that of the previous year, but it was better than had initially been expected.

Contrary to our projections, we saw a negative development in some of the securities and participating interest portfolios, which made additional valuation measures necessary.

The profit on extraordinary activities reported for the first time in the reporting period is the result of the effects of changes relating to the implementation of the provisions of the German Accounting Law Modernisation Act.

Earnings-related tax expenses amounted to € 6.4 million.

The profit for the year increased considerably over that of the previous year by € 10.3 million, to € 23.0 million, of which € 0.6 million are to be paid out to the financial holding of the Sparkasse in Bremen and € 22.4 million allocated to retained earnings for the purpose of further reinforcing capital.

Return on equity before taxes derived from the development of earnings amounted to 5.4 % (previous year 2.9 %).

GENERAL STATEMENT ON THE DEVELOPMENT OF BUSINESS

Against the background of the general economic environment, which once again saw banks facing exceptional challenges, business at die Sparkasse Bremen developed most positively in the previous accounting period. With an orderly financial and assets situation, the earnings potential of die Sparkasse Bremen is satisfactory. Requirements for die Sparkasse Bremen to remain an efficient partner for its customers in terms of any financial or lending concern are hence all met.

SUPPLEMENTARY REPORT

There were no occurrences of any special significance that needed to be reported subsequent to closure of the 2010 accounting period.

RISK REPORT

The success of banking operations is to a great extent contingent on risks taken. Consciously taking risks and controlling these risks hence has a direct effect on the measure of success achieved and is essential for generating an adequate yield.

Risks are thus always taken and controlled on observation of two aspects of risk strategy: on the one hand there must be a sufficient amount of reserves available for the assumption of risk and on the other hand adequate earnings must be anticipated.

The active management of risks and portfolios in lending business is a central element in ensuring sustained success and the continued existence of the company particularly in view of the current general economic framework.

Die Sparkasse Bremen also gets an overview of its risks in a regular risk inventory. At present the risk management system distinguishes four types of risk resulting from banking and business activities. These include counterparty risk (including investment risk), market price risk (including the risk of changes in interest rates and credit spread risk), liquidity risk and operational risk. Risks resulting from fluctuations in earnings which may be caused by changes in business volumes or in margins are taken into account as significant sub-components of other types of risk.

OVERALL BANK MANAGEMENT

The overall bank and risk management approach of die Sparkasse Bremen, which is aligned to the requirements of the business model, is based on the following principles:

The Board of Managing Directors bears overall responsibility for the regular monitoring of all the risks and reviews the risk strategy at least once a year. This strategy is the guideline to be followed by all the divisions and in addition to the current risk situation it is regularly discussed with the Supervisory Board.

In this case the Chairman of the Board of Managing Directors, among other responsibilities, is in charge of strategic planning and overall bank management.

Die Sparkasse Bremen has an institutionalised procedure in place, in which all the significant organisational units of the savings bank are integrated for the purpose of strategic and operative planning. The Internal Auditing Division is also involved in the planning processes. Responsibility for the coordination of all the strategic planning activities lies with the Corporate Development and Management Unit. Strategic planning is reviewed every year here and is resolved by the Board of Managing Directors.

Monthly target/actual comparisons in the Overall Bank Management Committee ensure that deviations in operative planning are identified early and in good time and that necessary counter-control measures are initiated.

The Overall Bank Management Committee also conducts preparatory work for decisions to be taken on fundamental issues such as strategy, risk guarantee funds and risk limits. Here the activities of the Overall Bank Management Committee are based on the results produced by the Treasury and Credit Risk Control committees.

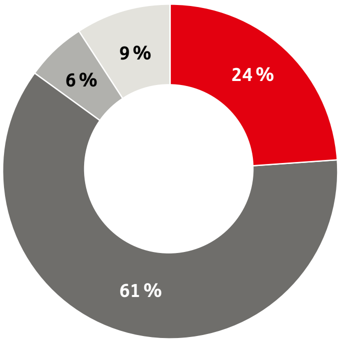
The integrated risk management system regulates the structural and procedural framework for controlling and monitoring risks. It constitutes a significant component of overall bank management, which also includes the outsourced divisions. This risk management system ensures that all the organisational requirements pertaining to Section 25a of the German Banking Act (KWG) are met, for example MaRisk provisions and other regulatory requirements.

At die Sparkasse Bremen, risk processes are the responsibility of the Corporate Development and Control and Credit Management units. These units are answerable to the back office directors. They are responsible for the methods relating to all the issues relevant to risk, the monitoring of risk and the reporting system, with the development of methods and the drawing up of reports being carried out by the Risk Control department at NRS Norddeutsche Retail-Service AG upon agreement with and on the instructions of die Sparkasse Bremen. Depending on the dynamics of individual risk types or tailored to the different addressees, monthly reports on the development of all the risks are always made in the Group Board of Managing Directors or in the committees responsible in addition to the daily risk reports, thus enabling risk to be recognised and managed at an early stage and supporting local risk management in the various divisions.

The core elements of risk reporting are the monthly risk reports and the quarterly credit risk reports, in which statements relevant to management concerning the development of available risk cover potential, risk capacity, the development of the loan portfolio and the scope and development of risk provisions are summarised.

The fundamental aim of the risk management system is to be able to secure the ongoing financial viability of risks taken. The concept for regularly monitoring the guarantee fund and risk exposures ensures that the risk-bearing capacity of the bank is guaranteed at all times on the basis of an economic and an income statement-related control cycle. Business aspects are focussed on here and external risk-bearing capacity requirements are taken into account as stringent constraints. The limit system is aligned towards the economic potential to cover risk. To this purpose the overall risk determined across all the types of risk is regularly compared with available value-based reported capital on consideration of withdrawable silent reserves. Overall risk constitutes aggregated, unexpected losses incurred in a given year, which, at a probability rate of 99.9 %, would not be exceeded. When aggregating the different types of risk, risk-mitigating correlations are not additionally taken into account.

ALLOCATION OF RISKS AT DIE SPARKASSE BREMEN AS AT 31 DECEMBER 2010



Regular risk-measurement activities are supplemented with an ongoing analysis and individual analyses of individual stress tests, scenarios and concentration risks. This makes it possible to better assess the possible effects of rare yet at the same time potentially serious events and market disruptions for die Sparkasse Bremen. With the help of these stress tests it is possible to determine the necessity to derive control measures at full bank and sub-portfolio levels at an early stage.

In its endeavour to achieve an optimal control system for profitability, risk and liquidity, die Sparkasse Bremen permanently develops and improves its instruments relevant to control.

SUMMARISED PRESENTATION OF THE RISK SITUATION

An effective risk management and controlling system is employed for any risks which may significantly influence the assets, financial or earnings position of the bank.

Against the background of current developments on money markets and capital markets, supplementary analyses were carried out on selected portfolios and items in additions to the regular review of the limits, particularly with a view to country risks in the European area. In this context, suitable strategies for action were defined.

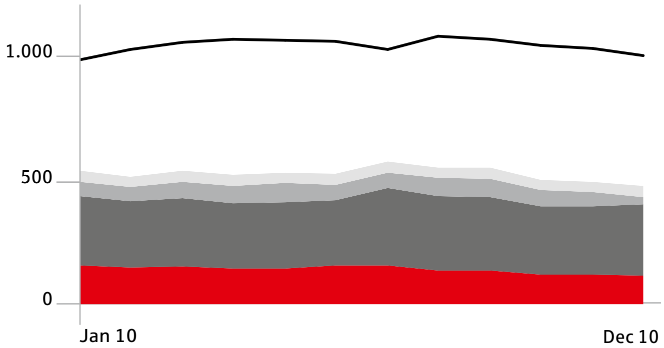
Risks relating to the future development of the bank which could put its future existence at risk are identified with the risk inventory system, monitored with a comprehensive early warning system for risks and supervised in regular analyses of stress tests. At present there is no evidence of risks which would put the existence of the bank at risk. In 2010 a risk-bearing capacity was given at all times in both steering committees. This also included the results of all the individual stress tests.

The available potential to cover all risks also continued to rise in 2010.

On an annual average, the aggregate of all the cash-value risks was significantly lower than the available potential for covering risk. The amount of risk capital effectively employed was maintained at a consistent level during the course of the year and is reflected in the stable risk situation.

ACTUAL RISKS

in € Million)



Operational Risk
Liquidity Risk
Market price risk
Counterparty risk including investment risk
Potential to cover risk

The ratio between recognised equity capital and the sum of weighted risk-bearing assets and risks resulting from market risk items (previously Principle I) also clearly exceeded the minimum of 8.0 % stipulated by the bank regulatory authorities at a total of 9.9 % as at 31 December 2010.

Solvency coefficient (previously: Principle I)	31.12.2010	31.12.2009	31.12.2008
Overall ratio	9.9 %	10.3 %	10.9 %

The new core capital requirements under Basel III can be met and do not give rise to any need to take immediate action.

The real economy recovered strongly in 2010 in the wake of the financial market and economic crisis without, however, reaching the level prior to the crisis. In the course of the crisis, financing conditions on money markets and capital markets improved perceptibly in the first six months of the year. However, as of the second quarter of 2010, risks were observed to have risen again due to instability in the monetary policies of individual European states. As a result, it is not possible to rule out more negative effects for the financial system and in consequence for the real economy. We have taken account of this situation by continuing to pursue a cautious risk policy. At the same time, chances that presented themselves on capital markets were taken up through restructuring the portfolio of our own securities while maintaining a stable liquidity situation and the risk-bearing capacity of die Sparkasse Bremen.

The minimum requirements for risk management (MaRisk) were revised once again in the period up to the end of 2010 in a reaction of the bank regulatory authorities to the financial market and economic crisis.

The third amendment to MaRisk is in some cases likely to necessitate an updating of the risk management system of die Sparkasse Bremen.

In 2010 die Sparkasse Bremen, in compliance with regulatory deadlines, first of all concluded activities remaining from the previous amendment to MaRisk. Following this, a project was launched as early as in the latter six months of the year in order to examine the new regulatory requirements, identify omissions in its implementation and to close the majority of these omissions before the end of 2010.

The following presents further information on the risk management and controlling systems as well as on the risk situation of individual types of risk.

COUNTERPARTY DEFAULT RISK

We understand counterparty default risk to be the risk of a decline in the value of a loan or a financial instrument if a business partner defaults or if the credit rating of a business partner deteriorates with the resulting risk that capital made available will not be repaid or will only be partly repaid.

In order to quantify economic credit risk at portfolio level, methods and procedures developed by the savings bank financial group are implemented to enable an integrated review of counterparty default risk throughout die Sparkasse Bremen. This value-at-risk (VaR) procedure applied on the basis of a credit portfolio review enables a portfolio-oriented calculation to be carried out followed by a corresponding ascertainment of the utilisation of risk guarantee funds for the purposeof inspecting borrower‘s default risks at full-bank level. This ensures that a suitable quantifying approach in alignment with market price risks is in place for the purpose of calculating counterparty default risk.

In support of the strategic alignment of die Sparkasse Bremen and in order to secure its existence in the long term, lending business is controlled in terms of yield and risk aspects in the credit management unit and in the credit risk control committee.

The current concept for limiting and controlling borrower‘s default risks was also revised in 2010 and the quota system for certain business divisions was further extended. This information and other information on the significant structural features of the loan portfolio is given in a quarterly credit risk report, which was fundamentally revised in 2010 within the scope of continued further development in order to enable the optimal integration of the figures in the overall bank management system. The report is intended for the management and for the Credit Committee and the Credit Risk Control Committee.

For many years now, die Sparkasse Bremen has been employing different rating procedures for corporate and for private customers as a significant instrument for assessing creditworthiness in lending business in order to ensure that risks are adequately estimated. This involves using different Savings Bank Financial Group methods in order to determine the individual credit rating of each customer. In addition to the well-established procedures for customer scoring, customer compact rating, standard rating and real-estate business rating, the introduction of a rating procedure for ship financing within the rating procedures for special customer segments in business with corporate customers (project financing, leasing, banking and corporates) is scheduled for 2011. We thus already have suitable credit rating assessment methods in place for our standard customer segments and for most of our special customer segments.

Decision-making authority for the approval of individual credits is graduated according to credit volume and risk content. An additional risk assessment in the form of a vote taken independently of the market division becomes obligatory when certain criteria arise. The Credit Committee of die Sparkasse Bremen, as the top loan approval body and part of the Supervisory Board decides on whether or not to take up significant risks.

We put employees with special know-how in a unit which is independent of the market division to supervise credit exposures which are at risk (intensive consulting) or credit exposures requiring debt readjustment (debt readjustment).

Investment risk, as a special form of counterparty default risk, is monitored and controlled with the help of an independent investment controlling and reporting system which is applied at regular intervals.

Die Sparkasse Bremen operates several early warning systems in order to identify risks in the lending business and trading transactions conducted with customers in good time. These systems are consistently further developed with regard to market developments. The IntensPro application is used for lending business conducted with customers.

Die Sparkasse Bremen has set up a project for the further development of the active credit portfolio management system already anchored in the system of credit management. The aim here is to use traditional and derivative risk transfer instruments to reduce concentrations of counterparty risk and to invest the resulting released risk capital in risk assets again in order to generate profits. This means that not only capital employed, but notably also the scope for business with corporate customers can be optimised and increased while at the same time limiting individual risks and portfolio risks. In the project, the methods of measuring risk concentration, for defining potential for reducing borrower‘s default risk, for investments relating to overall business and for monitoring the performance of a portfolio are being refined, the catalogue of risk protection instruments is being completed and the organisation of the management is being adapted to the optimised control possibilities.

MARKET PRICE RISK

We consider market price risk to be the risk of impairment to financial instruments due to fluctuations in market parameters such as interest rates, share prices and foreign currencies. Moreover, in 2010 credit spread risks were quantified as a significant risk component of market price risk and integrated in the risk management process.

The Board of Managing Directors stipulated risk limits for die Sparkasse Bremen market price risks. Compliance with these limits is monitored by the risk control department on every stock-exchange trading day. Future potential losses are limited by a risk limit with which the overall risk of items which carry market price risks is measured in accordance with the value-at-risk method (VaR). The VaR (confidence level of 99.9 % and holding period of 250 days) of all the market price risk items was below the allocated risk limit in 2010, although it rose strongly in the latter six months of the year due to the inclusion of credit spread risks. The term transformation was reduced in the fourth quarterly period due to a flattening of yield curves, which in turn led to a slight drop in risk.

Daily back-testing is carried out on the trading portfolio in order to check the VaR risk model. The results of back testing, also retrospectively for 2010, show that the model used and the corresponding parameters are appropriate.

Extreme market fluctuations for the trading division are also simulated with the help of regularly-conducted stress tests.

The interest-rate book of die Sparkasse Bremen is separately controlled and monitored due to its significance. This is carried out in an institutional procedure by the Treasury Committee, with the support of the Treasury and Risk Control divisions. The Treasury Committee also resolves on the in-house interest-rate estimation and on measures to control market-price risk within the specified limits.

We apply an active strategy for controlling the interest-rate book, which is adjusted by the Treasury Commission within defined limits in accordance with the current interest-rate estimation.

LIQUIDITY RISK

On the one hand, we understand liquidity risk to be the risk that payment obligations which are due cannot be met or cannot be fully met. On the other hand this also includes the liquidity term transformation risk, referring to the risk of a loss resulting from adjusting the internal refinancing curve through liquidity term transformation within a specific period.

These risks are controlled by die Sparkasse Bremen both within the framework of liquidity planning and management and through compliance with the liquidity index in accordance with the German Liquidity Regulation.

Furthermore, liquidity at risk is calculated and compared with a liquidity schedule (liquidity ladder) once a month in order to enhance the transparency of the short-term liquidity risk and the current liquidity situation at die Sparkasse Bremen. The diversification of the capital structure is also analysed on a quarterly basis.

Insofar as they may be relevant to assessing the situation or the future development of die Sparkasse Bremen, risks resulting from fluctuations in payment flows are implicitly dealt with in the respective types of risk. Thus any fluctuations in payment flows relating to financial instruments bearing variable interest rates are included in the system of interest-rate book management, while varying payments through customer disposals in short-term liquidity management are controlled by the Treasury Division. Furthermore, the effects of rating migrations in general and shortages of liquidity on trading transactions in particular are simulated.

In addition to this, conceptional principles for optimally managing liquidity risk from the point of view of regulatory and economic aspects were developed in the project for updating and expanding the system of liquidity management in 2010. Moreover, in addition to an extended liquidity risk strategy and a distinctively increased number of stress tests, the current contingency plan for an efficient management of liquidity risk even in difficult market situations was revised. The supplementary regulatory requirements have already all been taken into account.

To further back up the entire liquidity management system, the standard software package »sDIS OSPlus« was the first module to be put into operation at die Sparkasse Bremen at mid-year within the scope of the implementation procedure of Finanzinformatik GmbH & Co. KG covering several years. Other modules will be implemented in 2011 in extension of the established »Integrated Interest-Rate Book Controlling Plus« application system by the liquidity risk management component.

The liquidity index according to the Liquidity Regulation regularly exceeded the required minimum standard in 2010, thus reflecting our stable liquidity situation.

Liquidity regulation (previously: Principle II)	31.12.2010	31.12.2009	31.12.2008
Overall ratio	1.29	2.15	2.13

The overall ratio performed according to plan, since improved control instruments meant that an economically optimised system of liquidity management was operated in 2010.

OPERATIONAL RISK

We refer to operational risk as the risk of incurring losses as a result of the inadequacy or the failure of internal procedures, of employees, of the internal infrastructure or as a result of external influences.

For the management of operational risk, die Sparkasse Bremen uses the concepts and software developed in the German Association of Savings Banks and Giro Banks (Deutsche Sparkassen- und Giroverband) in cooperation with many savings banks. In addition to the general basic concepts, this includes a loss event database as well as the methods applied for an annual inventory of risks and for the risk map, which are carried out every two years. A central performance management system is also in place and regular risk monitoring is carried out in the Corporate Development and Control unit, in which all the significant outsourcing measures are integrated for the purpose of controlling current service relationships and outsourced bank-related and dp functions. The system is continuously improved in the sense of a modern service provider management system. This service management system is supplemented with an annual risk analysis covering significant outsourcing activities which is carried out within the scope of the regular investment control system.

Operational risks are identified and assessed in the risk inventory and in the risk map on the basis of structurally prepared scenarios.

The loss event database serves to systematically record losses incurred as a result of operational risk and to record follow-up measures. As in previous years, in 2010 actual losses resulting from operational risk were clearly below the amount reserved for verifying the risk-bearing capacity of the bank. According to all the information available, in 2010 the risk inventory did not reveal any operational risks for die Sparkasse Bremen and its subordinated companies that would put their existence at risk.

The divisions are responsible for the valuation and control of the results determined with all the methods. They decide on the implementation of limiting and improvement measures, while at the same time taking account of cost and efficiency aspects. If a management decision involves the initiation of a measure, this measure (if it is sufficiently significant) is integrated in the planning process at die Sparkasse Bremen.

Legal risks, as a part of operational risk, are reduced in a thorough examination of the basic contractual principles and the use of widely used, legally certified standard contracts.

Information and reliable processes are central resources for ensuring the success of business conducted in the area of financial services. Die Sparkasse Bremen makes good use of the technical possibilities available for processing information in order to ensure that its business processes are highly efficient. The aim of the contingency and safety architecture is thus to comprehensively protect die Sparkasse Bremen and its customers against all the relevant risks with a combination of organisational, staff-related, technical and structural measures. This serves to secure the availability, integrity, confidentiality and binding nature of information and processes and to limit the magnitude of potential losses.

Contingency tests carried out and the emergency manuals and security guidelines available all define this ambitious aim and requirements for security management at die Sparkasse Bremen, its subsidiaries and its external service providers.

FORECAST REPORT

In the following we report on the expected development of die Sparkasse Bremen in the current and the coming accounting period. Our forecast is based on our current expectations and assumptions, which are in turn based on generally anticipated overall economic development, our operative planning, our medium-term earnings projection and yearlong experience.

We expect the economy to continue to recover steadily in 2011 and 2012 following the clear indications of last year. However, we still consider this forecast development to be one involving uncertainty, in particular concerning monetary stability in the euro area. This is why, as in previous years, we took account of this expectation in a somewhat conservative planning approach. However, any statement on future occurrences in itself bears the risk of developments effectively being quite different.

In view of the positive forecasts for economic development, we presume that the volume of lending business transacted with customers will continue to grow in the years to come, particularly in the case of business with corporate customers. We will essentially continue to maintain stringent control over risk aspects relating to lending business as we have done in the past in order to guarantee the effective control and monitoring of the result of our evaluation.

In deposit business we see a further slight decline in the volume of customer deposits in the case of call money and fixed deposits. This assessment is based on the assumption that reinforced economic growth will initially continue to be financed more from deposits.

In terms of earnings, we expect to see a slightly positive development in the interest result commencing in 2011, particularly because of a gradual increase in money market and capital market interest rates to result in contributions to income that exceed the net interest income of the previous year. We believe that the significant driver of this improvement in earnings will be business with customers. While we expect proceeds from lending business to increase, particularly on the basis of increases in the portfolio as already described, we presume that growth in proceeds from deposit business will be margin-driven.

We also see potential for net commission income to increase in the current year and the following year. Notably in business with securities – as a result of rising customer demand due to the positive economic development – and in insurance business contracted, we presume that commission income will increase considerably.

Beyond these expected developments we see potential additional opportunities, provided that the measures for a gradual, sustainable improvement in earnings defined in particular in the 2015 strategy process have a better effect than anticipated. Additional risks may essentially occur if economic development proves to be weaker than anticipated and if the resulting forecast for the general environment does not come into being. However, we do make sure that we respond to risks relating to interest and commission income, which arise through deviations from an anticipated general environment, with regular scenario analyses. We thus stabilise the informative value of our projected data.

We generally see administrative expenses in 2011 at virtually the same level as last year, but we presume that in 2012 the trend will be once of decline. We expect staff expenses to decrease in 2011, predominantly in the area of pension payments. This is mainly due to special encumbrances which resulted from statutory changes in the valuation of pension obligations in 2010 already and the decreases resulting from the new regulation of the company pension plan adopted in 2010. We presume that there will be virtually no change in the development of material costs in 2011. These costs are predominantly characterised by a high project budget and the bank levy that has to be paid. We do however expect material costs to decrease sharply in the following years. Further process optimisations relating to the outsourcing of our IT applications in 2008 as well as cost reducing effects resulting from cooperation with our service companies will have a particularly positive effect. We also expect reductions from measures provided for in order to optimise our system of procurement management.

The cost-income ratio will be at around 70 % in 2011.

We expect the result of evaluation in lending business to develop positively. Despite a rising credit volume, we presume that the result will be equivalent to that of the previous year in 2011 in consequence of the positive forecasts for the economy. We see declining results of evaluation in the credit division in the medium term, commencing as of 2012. In addition to the positive economic development, this is reflected in the structural optimisation of the loan portfolio.

The reduction of risk items in special fund investments made in previous years continues to have a positive effect on the result of evaluation in business with securities. We expect spreads to decline against the background of expected economic recovery and a resulting improvement in interest rate forecasts. We believe that the results of evaluations will tend to be balanced in the current year and in 2012 on consideration of an investment policy based on interest rate forecasts. Die Sparkasse Bremen will continue to ensure that its direct and special fund investments always show a balanced risk structure.

Based on the developments defined for 2011 and 2012, we expect net annual earnings to continue to rise in the overall result. Return on equity will consequently also develop positively in the following years.

FINAL STATEMENT

We have prepared a report on relationships with affiliated companies in accordance with Section 312 of the German Companies Act (AktG). This report closes with the following statement: »In accordance with Section 3 of the German Companies Act we, the Board of Managing Directors of Die Sparkasse Bremen AG, Bremen, declare that, in accordance with circumstances known to us at the time of conducting a legal transaction or implementing a measure or refraining from conducting such a legal transaction or implementing such a measure, the institute received adequate consideration for each legal transaction conducted with an associated company or for each legal transaction conducted on behalf of or in the interest of such a company and that we were not disadvantaged by the implementation or non-implementation of such a measure in the 2010 reporting period.

Bremen, March 2011

The Board of Managing Directors

DIE SPARKASSE BREMEN AG

ANNUAL ACCOUNTS

ANNUAL BALANCE SHEET AS AT 31 DECEMBER 2010

ASSETS	€	€	€	€	Previous year €thousand
1. Cash reserve					
a) Cash on hand			57,430,961.96		71,982
b) Credit balance at Deutsche Bundesbank			184,423,572.08		104,205
				241,854,534.04	**176,187**
2. Debt instruments of public authorities and bills of exchange authorised for refinancing at Deutsche Bundesbank					
a) Treasury bills and non-interest bearing treasury certificates and similar public-sector debt instruments			–.–		–
b) Bills of exchange			–.–		–
				–.–	**–**
3. Loans and advances to banks					
a) Due on demand			32,535,082.76		396,166
b) Other receivables			858,063,097.97		668,021
				890,598,180.73	**1,064,187**
4. Loans and advances to customers				**7,703,885,039.93**	**7,626,304**
Of which:					
secured by mortgage liens	*3,280,327,614.50*				*3,210,477*
public sector loans	*135,654,638.14*				*149,498*
5. Debt securities and other fixed-interest securities					
a) Money-market instruments					
aa) Issued by public-sector borrowers		–.–			–
Of which:					
eligible to serve as collateral with Deutsche Bundesbank	–.–				–
ab) Issued by other borrowers		–.–	–.–		–
Of which:					
eligible to serve as collateral with Deutsche Bundesbank	–.–				–
b) Bonds and debt securities					
ba) Issued by public-sector borrowers		19,282,821.91			87,707
Of which:					
eligible to serve as collateral with Deutsche Bundesbank	*19,282,821.91*				*87,707*
bb) Issued by other borrowers		748,488,023.21	767,770,845.12		959,395
Of which:					
eligible to serve as collateral with Deutsche Bundesbank	*690,815,164.51*				*916,796*
c) Debt securities issued by the institution itself			–.–		17,789
Nominal amount	–.–				*17,662*
				767,770,845.12	**1,064,891**
6. Shares and other variable-yield securities				**608,304,887.69**	**551,555**
6a. Trading portfolio				**25,881,959.19**	**–**
7. Participating interests				**117,292,829.88**	**119,871**
Of which:					
in banks	*1,028.19*				*6,276*
in financial institutions	*3,337,083.63*				*3,337*
8. Shares in affiliated companies				**97,909,966.53**	**97,734**
Of which:					
in banks	*12,967,853.36*				*12,792*
in financial institutions	–.–				–
9. Assets held in trust				**19,403,053.93**	**18,937**
Of which:					
loans on a trust basis	*18,589,716.37*				*18,124*
10. Intangible assets					
a) Internally produced industrial property rights and similar rights and assets			–.–		–
b) Licenses acquired for a consideration, industrial property rights and similar rights and assets and licenses for such rights and assets			2,150,219.82		–
c) Goodwill			–.–		–
d) Advance payments			–.–		–
				2,150,219.82	**4,300**
11. Property and equipment				**91,700,473.59**	**98,485**
12. Other assets				**32,686,199.68**	**23,457**
13. Prepaid expenses				**4,260,267.88**	**4,093**
Total assets				**10,603,698,458.01**	**10,850,001**

EQUITY AND LIABILITIES	€	€	€	€	Previous year €thousand
1. Liabilities to banks					
a) Due on demand			144,745,921.81		102,722
b) With an agreed term or notice period			2,699,862,720.93		2,438,799
				2,844,608,642.74	**2,541,521**
2. Liabilities to customers					
a) Savings deposits					
aa) With an agreed period of notice of three months		2,696,304,127.44			2,730,906
ab) With an agreed period of notice of more than three months		270,971,195.70	2,967,275,323.14		408,914
b) Other receivables					
ba) Due on demand		2,476,917,537.00			2,873,711
bb) With an agreed term or notice period		891,103,603.53	3,368,021,140.53		886,777
				6,335,296,463.67	**6,900,308**
3. Securitised liabilities					
a) Issued debt securities			274,486,800.68		217,728
b) Other securitised liabilities			–.–		–
Of which:					
money-market instruments issued by	–.–				–
the institution itself and promissory notes in circulation	–.–				–
				274,486,800.68	**217,728**
3a. Trading portfolio				**–.–**	**–**
4. Liabilities held in trust				**19,403,053.93**	**18,937**
Of which:					
loans on a trust basis	*18,589,716.37*				*18,124*
5. Other liabilities				**28,032,159.18**	**32,382**
6. Deferred income				**5,107,534.92**	**5,755**
7. Provisions					
a) Provisions for pensions and similar obligations			244,427,215.00		241,051
b) Tax provisions			3,747,367.00		1,608
c) Other provisions			46,812,290.48		49,751
				294,986,872.48	**292,410**
8. Subordinated liabilities				**177,333,810.69**	**164,499**
9. Participatory capital				**62,000,000.00**	**137,000**
Of which:					
due within two years	*40,000,000.00*				*80,000*
10. Funds for general banking risks				**–.–**	–
11. Equity					
a) Issued capital					
aa) Issued capital		370,000,000.00			370,000
ab) Silent participations		53,000,000.00	423,000,000.00		53,000
b) Capital reserves			47,041,959.68		47,042
c) Retained earnings					
ca) Legal reserve		–.–			–
cb) Reserve for the bank's own shares		–.–			–
cc) Statutory reserves		–.–			–
cd) Other retained earnings		69,418,814.64	69,418,814.64		56,680
d) Accumulated profits			22,982,345.40		12,739
				562,443,119.72	**539,461**
Total equity and liabilities				**10,603,698,458.01**	**10,850,001**
1. Contingent liabilities					
a) Contingent liabilities under rediscounted and settled bills of exchange			–.–		–
b) Liabilities from guarantees and indemnity agreements			442,932,463.80		454,706
c) Liability from the provision of collateral for third-party debts			–.–		–
				442,932,463.80	**454,706**
2. Other obligations					
a) Obligation to repurchase from sales with an option to repurchase			–.–		–
b) Placement and underwriting obligations			–.–		–
c) Irrevocable credit commitments			421,616,878.96		314,201
				421,616,878.96	**314,201**

INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2010

	€	€	€	€	Previous year €thousand
1. Interest income from					
a) Lending and money market transactions		379,725,628.55			416,596
b) Fixed-interest securities and book entry securities		21,848,378.52	401,574,007.07		26,966
2. Interest expense			194,115,357.37		264,057
				+207,458,649.70	**+179,505**
3. Current income from					
a) Shares and other variable-yield securities			17,315,675.87		18,830
b) Participating interests			2,551,823.13		1,513
c) Shares in affiliated companies			1,637,543.25		2,093
				21,505,042.25	**22,436**
4. Income from profit pooling, profit transfer and partial profit transfer agreements				**3,181,365.40**	**1,004**
5. Commission income			62,119,513.01		65,416
6. Commission income			6,318,197.06		6,272
				+55,801,315.95	**+59,144**
7. Net income or net expenditure relating to the trading portfolio				**-764,909.51**	**+2,133**
8. Other operating income				**16,617,624.41**	**22,490**
9. General administrative expenses					
a) Staff expenses					
aa) Wages and salaries		73,489,388.90			80,267
ab) Social contributions and expenditure on pension schemes and other benefits		16,433,759.18	89,923,148.08		34,560
Of which: for pension schemes	*4,505,315.16*				*22,054*
b) Other administrative expenses			88,686,395.48		94,534
				178,609,543.56	**209,361**
10. Amortisation and write-downs of tangible and intangible assets				**9,558,224.22**	**10,273**
11. Other operating expenses				**22,817,763.38**	**11,606**
12. Write-downs of and value adjustments to claims and certain securities and allocations to provisions for lending business			43,516,235.95		34,482
13. Income from write-ups of claims and certain securities and reversal of provisions for lending business			–.–		–
				-43,516,235.95	**-34,482**
14. Write-downs of and value adjustments to participating interests, shares in affiliated companies and securities treated as fixed assets			11,649,781.96		3,736
15. Income from write-ups of participating interests, shares in affiliated companies and securities treated as fixed assets			–.–		–
				-11,649,781.96	**-3,736**
16. Expenses on assumption of losses				**1,484,724.19**	**1,500**
17. Allocations to or transfers from the funds for general banking risks				**–.–**	**–**
18. Profit on ordinary activities				**+36,162,814.94**	**+15,754**
19. Extraordinary income			44,588.52		–
20. Extraordinary expenses			6,395,317.00		–
21. Profit on extraordinary activities				**-6,350,728.48**	**–**
22. Taxes on income and earnings			6,350,184.75		2,409
23. Other taxes			479,556.31		606
				6,829,741.06	**3,015**
24. Profit for the year				**22,982,345.40**	**12,739**
25. Profit/loss brought forward from the previous year				**–.–**	**–**
26. Withdrawals from capital reserves				**–.–**	**–**
27. Transfer from retained earnings					
a) from the legal reserve			–.–		–
b) from the reserve for the bank's own shares			–.–		–
c) from statutory reserves			–.–		–
d) from other revenue reserves			–.–	**–.–**	**–**
28. Transfer to retained earnings					
a) to the legal reserve			–.–		–
b) to the reserve for the bank's own shares			–.–		–
c) to statutory reserves			–.–		–
d) to other revenue reserves			–.–	**–.–**	**–**
29. Unappropriated retained earnings				**22,982,345.40**	**12,739**

NOTES

I. ACCOUNTING POLICIES

We have prepared our annual accounts in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch), for the first time in the version of the German Accounting Law Modernisation Act (BilMoG), the German Companies Act, accounting regulations for financial institutions and our statutes. In accordance with Section 340 i of the German Commercial Code in conjunction with Section 296 Paragraph 2 of the German Commercial Code, no sub-consolidated accounts were prepared, since the subsidiaries are of secondary significance for the presentation of the net assets, the financial position and the results of operations of the Group, both individually and collectively.

The figures for the previous year were not adjusted on the basis of the option pertaining to Article 67 Paragraph 8 Clause 2 of the Introductory Law of the German Commercial Code (EGHGB).

A breakdown of maturities on the basis of residual terms in accordance with Section 9 of the German accounting regulations for financial institutions and financial service institutions (RechKredV) for specific balance sheet items and sub-items is shown in the notes to the financial statements. Proportionate interest was not allocated to the various residual maturity periods in accordance with the option provided for in Section 11 of the German accounting regulations for financial institutions and financial service institutions.

LOANS AND ADVANCES TO CUSTOMERS AND BANKS

Balance sheet items were reported at their nominal value. Specific loan loss provisions and reserves were established in order to take account of discernible risks in lending business. General provisions cover latent risks in the portfolio of receivables. The requirement to reverse write-downs was observed on evaluating credits. Bills of exchange were reported at their current value.

SECURITIES

Investment securities were closely examined by the savings bank and were found not to be subject to permanent impairment; in some cases these securities were measured at the mitigated principle of the lower of cost or market. This applies for securities for which repayment at nominal value has been agreed and whose stock exchange price or market price fell short of the carrying amount on the balance sheet reporting date or whose carrying amount fell short of the redemption price. As in the previous year, the redemption price of fixed-interest securities for which the mitigated principle of the lower of cost or market was applied was used as an upper value limit.

The same method was used for investment shares which are in some cases not written down on the basis of low redemption prices provided that these prices did not result from permanent impairment to the relevant investments.

The other securities were all measured on application of the strict principle of the lower of cost or market. The requirement to reverse write-downs and the principle of amortised cost were observed for all the other securities.

TRADING PORTFOLIO

The financial instruments in the trading portfolio are valued at fair value less a deduction for risk (value-at-risk). In accordance with IDW RS BFA 2 this value is deducted in a single amount from the larger of the respective »trading portfolio« balance sheet items (assets or liabilities).

Die Sparkasse did not change the criteria defined in the institutes for the inclusion of financial instruments in the trading portfolio during the course of the accounting period.

Die Sparkasse Bremen applies the value-at-risk deductions calculated for the system of internal risk control for the risk deductions that are to be taken into account. In this case a holding period of 10 days, an observation period of 250 days and a confidence level of 99.9 % were assumed. The resulting absolute amount for the deduction for risk is € 0.3 million.

Die Sparkasse Bremen does not report its current and deferred income and its current and prepaid expenses resulting from trading portfolios in the net income or net expenditure of the trading portfolio, but in the corresponding items of the income statement, since this complies with the system of internal management.

SHARES IN AFFILIATED COMPANIES AND PARTICIPATING INTERESTS

Shares in affiliated companies and participating interests were all recognised at acquisition cost or, in the event of special circumstances, at lower values. The requirement to reverse write-downs was observed in this case.

PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS

These were all valued at acquisition cost and consumable assets were depreciated by applying the straight-line or declining-balance method of depreciation.

On exercising options in the first-time application of the German Accounting Law Modernisation Act, a small proportion of tangible assets was still depreciated at the highest rates permissible under fiscal law in accordance with the declining-balance method, provided that these assets were added in 2009.

Until the 2007 accounting period, fixed assets of minor value were fully amortised in the year of their acquisition. In the 2008 and 2009 accounting periods, die Sparkasse applied permissible tax regulations in accordance with an amendment to Section 6

Paragraphs 2 and 2a of the German Income Tax Act (EstG) (creation of compound items relating to a specific year involving a consistent reversal in recognition of profit or loss over a period of five years). Since the 2010 accounting period, assets of minor value up to a value of EUR 410.00 (excluding input tax) were fully amortised in the year of their acquisition due to their insignificance for die Sparkasse Bremen.

OTHER ASSETS

Impairments or discernible risks relating to other assets were taken into account with corresponding valuation adjustments.

LIABILITIES

Liabilities were valued at their settlement amount. Discounts were carried as assets and premiums as liabilities. They were accrued in accordance with their terms to maturity.

PROVISIONS

Discernible risks and contingent liabilities were all accounted for on the basis of prudent business judgement. Provisions were recognised at their settlement amount required on the basis of prudent business judgement and discounted in the case of a remaining term of more than one year. The discount rate applied was based on the matching maturity interest rate published by the Deutsche Bundesbank in accordance with the German regulations on discounting provisions.

The utilisation of the option under Article 67 Paragraph 1 Clause of the introductory law of the German Commercial Code (EGHGB) resulted in excessive allocation for some provisions as at 31 December 2010 to the total amount of € 0.5 million. Since these excessive allocations will probably need to be allocated again by 31 December 2024, the provisions were retained unchanged.

Provisions for pensions and similar obligations were calculated on an updated basis (2005 G Heubeck mortality tables) on application of the projected unit credit method. They were discounted at a fixed rate on exercising the option under Section 253 Paragraph 2 Clause 2 of the German Commercial Code at the average market rate of interest of the past seven years resulting from an assumed remaining term of 15 years as published by the Deutsche Bundesbank. The discount rate is 5.15 %. Furthermore, a salary increase of 2.5 %, an increase in pensions of 1.5 % and an increase in the assessment basis under social security legislation of 1.0 % p.a. were applied as a basis.

In exercising the option under Article 67 Paragraph 1 Clause 1 of the introductory law of the German Commercial Code (EGHGB), the addition to provisions for pensions resulting from the revaluation of provisions for pensions and similar obligations will have been accumulated to not less than one fifteenth in each accounting period by 31 December 2024 at the latest. On 31 December 2010 the amount still to be transferred was € 74 million and was in this case ascertained as at 31 December 2010.

CURRENCY TRANSLATION

Currency was translated in accordance with the provisions of Section 340h of the German Commercial Code in conjunction with Section 256 a of the German Commercial Code. Assets in foreign currencies which are treated as fixed assets are translated into euros at their purchase rate.

The remaining balance sheet stocks in foreign currencies and the spot exchange transactions and forward transactions that have not been concluded and were in total not allocated to the trading portfolio are considered to be separately covered transactions (special cover) according to Section 340 h of the German Commercial Code.

In this case the special cover is based on a cover according to the amount of the transactions included, without taking account of congruent maturities. Special-cover transactions are valued at their spot or forward rate, with both rates being based on the reference quotation of the European Central Bank.

The exchange-rate gains and losses calculated on the basis of the translation of transactions with a special cover are reported in other operating income (Item 8) or other operating expenses (Item 11) of the income statement.

VALUATION UNITS

The respective hedge transactions are designed in such a manner that the risk-relevant parameters of underlying transactions are completely reversed as at the balance-sheet reporting date and during the term of the underlying transaction (critical terms match). Derivative transactions for third account and reversed hedge transactions concluded with banks with reliable credit ratings are in each case combined in a micro valuation unit.

Pending transactions with a nominal value of € 278.1 million are included as underlying transactions in valuation units in accordance with Section 254 Clause 1 of the German Commercial Code. These valuation units are also micro valuation units. These transactions are hedged against interest rate and foreign currency risks with derivative financial instruments. The risk of changes in interest rates is hedged for € 254.3 million and foreign currency risks for € 23.8 million.

DERIVATES

Derivative financial instruments were at all times valued individually in accordance with the principle of imparity and the realisation principle. Interest rate swaps were predominantly employed to control the risk of changes in interest rates. For this reason no valuation was undertaken in this respect. Structured products were handled in accordance with IDW RS HFA 22 and IDW RS BFA 1.

II. EXPLANATORY NOTES TO THE BALANCE SHEET

(IN € THOUSAND UNLESS OTHERWISE INDICATED)

ASSETS

On 3: Loans and advances to banks

Other loans and advances to banks – sub-item b) – cover receivables with residual terms to maturity of

– less than three months	183,222	
– more than 3 months but less than 1 year	574,018	
– more than 1 year but less than 5 years	79,135	
– more than 5 years	356	

Item 3 covers:

– Receivables from affiliated companies (previous year 7,662)		9,198
– Receivables from companies in which an equity investment exists (previous year 250)		223
– Receivables from the bank's own central giro institution		420
– Subordinated receivables (previous year –)		–

On 4: Loans and advances to customers

Loans and advances to customers include receivables

– with an indefinite term	860,466	

and receivables with residual terms of

– less than three months	361,578	
– more than 3 months but less than 1 year	573,368	
– more than 1 year but less than 5 years	1,827,301	
– more than 5 years	4,075,323	

Item 4 covers:

– Receivables from affiliated companies (previous year 29,610)		27,115
– Receivables from companies in which an equity investment exists (previous year 252,092)		207,118
– Subordinated receivables (previous year 31,608)		6,508
– including receivables from affiliated companies (previous year 1,608)	1,508	
– Receivables from companies in which an equity Investment exists (previous year –)	–	

On 5: Debt securities and other fixed-interest securities

The following amount of debt securities and other fixed-interest securities will become due payable in the coming year	421,201	

Item 5 covers:

– Marketable securities and listed securities		726,664
– Marketable securities and unlisted securities		41,107
– Investment securities (previous year 740,869)		614,518
– Securities not evaluated at the lower of cost or market value (previous year 249,111)		149,120
– Current value of these securities		142,552
– Subordinated securities (previous year 6,067)		5,456

On 6: Shares and other variable-yield securities

Item 6 covers:

– Marketable securities and listed securities		–
– Marketable securities and unlisted securities		28,482
– Investment securities (previous year 536,441)		608,305
– Securities not evaluated at the lower of cost or market value (previous year 254,968)		270,125
– Current value of these securities		254,263
– Subordinated securities (previous year –)		–
– Shares in special funds		503,744

In accordance with Section 92 of the German Investment Act (InvG), investment certificates in restricted funds may be transferred on the agreement of the investment company. The companies always pay out interest and dividends resulting for the fund asset account at the end of the business year for the fund and not those utilised for covering costs. Interim distributions are made. Price gains realised and available for distribution as at the end of the business year of the fund are fully accumulated by the companies.

Investment asset pool with a share of more than 10 %:

Funds	Carrying amount 31.12.2010	Market value 31.12.2010	Difference	Distribution 2010	Daily return possible	Application NWP
Bond funds						
Lupus Alpha Em. M.	7,496	7,496	0	0	Nein [1]	Ja
IP Opti Flex 2009	5,000	5,367	-367	0	Ja	Ja
Lupus Alpha L/s Duration	19,007	19,007	0	509	Ja	Ja
HI Bremen 3	170,000	157,495	12,505	1,830	Ja	Nein [2]
HI Bremen 7	115,331	115,331	0	4,590	Ja	Ja
HI Bremen 9	100,125	96,769	3,356	4,050	Ja	Nein [2]
HI Bremen 10	118,288	119,480	-1,192	3,370	Ja	Ja
Share funds						
Spf Mg Alpha Plus UI I	1,979	1,979	0	0	Ja	Ja
Lupus Alpha Neurobayes I.	9,614	9,614	0	0	Ja	Ja

[1] Repayment of the shares is made ten days after an announcement by the savings bank.

[2] For application of the principle of the lower of cost or market we refer to the information on accounting policies in the securities section.

On 6a. Trading portfolio

Item 6a is to be broken down as follows:	
– Derivative financial instruments	–
– Receivables	–
– Debt securities and other fixed-interest securities	14,765
– Shares and other variable-yield securities	11,466
– Other assets	–
– Subtotal	**26,231**
– Deduction for risk	349
– Total	**25,882**

On 7: Participating interests

Item 7 covers:	
Marketable securities and listed securities	23
- Marketable securities and unlisted securities	–

On 8: Shares in affiliated companies

Item 8 does not include any marketable securities.

On 9. Assets held in trust

Assets held in trust are	
– loans and advances to customers	18,590
– other assets	813

On 10. and 11. Tangible and intangible assets

Development of intangible assets and tangible assets:	immaterielle Anlagewerte	Sachanlagen
Acquisition cost at beginning of the year	29,849	252,770
Additions	26	820
Disposals	9,306	3,033
Accumulated depreciation	18,419	158,857
Balance sheet values at year-end	2,150	91,700
Depreciation in the accounting period	2,068	7,490

Item 11 on tangible assets includes:	
– Land and buildings utilised within the scope of savings bank activities	58,109
– Operating and office equipment	11,059
– Compound item for fixed assets of minor value	276

On 12. Other assets

Item 12 covers:	
– Financial assets (previous year: 83)	86
Exceptional individual items:	
– Receivables from the disposal of shares	7,610
– Subordinated assets (silent participations)	7,000
– Receivables from affiliated companies	5,242
– Option premiums paid	4,546

On 13. Prepaid expenses

Item 13 covers:	
– Discount on liabilities (previous year: 543)	438
- Premiums on receivables (previous year 1,802)	1,571

_EQUITY AND LIABILITIES

On 1. Liabilities to banks

Liabilities to banks with an agreed term or notice period – Sub-item b) – include liabilities with a residual term of

– less than three months	1,103,226	
– more than 3 months but less than 1 year	223,353	
– more than 1 year but less than 5 years	571,598	
– more than 5 years	758,168	

Item 1 covers:

- Liabilities to affiliated companies (previous year: 4,857)		5,486
– Liabilities to companies in which an equity investment exists (previous year: 32,350)		17,482
– Liabilities to the bank's own giro institution		14,472

Assets amounting to € 972.7 million were transferred as security for liabilities included under this Item.

On 2. Liabilities to customers

Savings deposits with an agreed notice period of more than three months – Sub-item a) ab) – include liabilities with a residual term of

– less than three months	61,551	
– more than 3 months but less than 1 year	123,394	
– more than 1 year but less than 5 years	80,854	
– more than 5 years	5,172	

Other liabilities to customers with an agreed term or notice period – sub-item b) bb) – include liabilities with residual terms of

– up to 3 months	277,386	
– more than 3 months but less than 1 year	164,628	
– more than 1 year but less than 5 years	153,335	
– more than 5 years	280,075	

Item 2 covers:

– Liabilities to affiliated companies (previous year 30,733)		35,437
– Liabilities to companies in which an equity investment exists (previous year 37,016)		23,774

On 3. Securitised liabilities

The following amount will become due in the coming year for issued debt securities	78,087	

Item 3 covers:

– Liabilities to affiliated companies (previous year 1,285)		503
– Liabilities to companies in which an equity investment exists (previous year 15,744)		15,744

On 4. Liabilities held in trust

Liabilities held in trust are:

– Liabilities to banks		17,818
– Liabilities to customers		1,585

On 5. Other liabilities

Exceptional individual items:

– Liabilities to affiliated companies		5,743
– Repayment obligations resulting from closed-end real-estate funds		5,171
– Customers' flat withholding tax retained		4,673

Securities valued at € 5 million were transferred as security for margin liabilities resulting from EUREX transactions included under this item.

On 6. Deferred income

Item 6 includes discounts on liabilities (previous year 5,476):	4,538

On 8. Subordinated liabilities

Item 8 covers:	
– Liabilities to affiliated companies (previous year: 1,021)	1,021
– Liabilities to companies in which an equity investment exists (previous year: 214)	214
In 2010 the following interest expenses were recognised for liabilities recognised under this item:	8,361

The portfolio refers to bearer and registered debentures denominated in euros bearing fixed interest rates and with maturity dates from 2011 to 2020. Provision has not been made for premature repayment or for conversion into capital or into any other form of debt.

On 9. Participatory capital

The portfolio refers to 9 registered participation certificates. In the 2010 accounting period no new registered participation certificates were issue.

On 11. Equity

The registered capital of the bank amounts to € 370 million and comprises 370,000 no-par value denominated shares. The shares are all held by the financial holding of die Sparkasse in Bremen. Subscribed capital includes a silent participation to the amount of € 13 million with a residual term of 7 years and 6 months and a silent participation investment to the amount of € 40 million with a residual term of 6 years.

In accordance with a resolution passed at the Annual General Meeting of 3 June 2010, the accumulated profits for 2009, to the amount of € 12.7 million, were appropriated to other retained earnings.

The Board of Management proposes to the Annual General Meeting that € 22.4 million of the profits shown on the balance sheet for 2010 to the amount of € 23.0 million be allocated to retained earnings and € 0.6 million be paid out to the Finanzholding der Sparkasse in Bremen.

On contingent liabilities (first item below the line)

Contingent liabilities are subject to organisational credit assessment, decision and monitoring processes. The approval of a credit and its monitoring is contingent on the amount of individual risk. Relevant credit authorities are defined subject to the volume and the credit rating of a borrower, so that risk-based credit decisions are always taken at an adequate level. Liabilities resulting from contingent liabilities to third parties entered into to the benefit of b orrowers are not to be carried as liabilities, since the underlying liabilities will in all probability be met by the borrowers so that a claim is unlikely to occu.

On other obligations (second item below the line)

Irrevocable credit commitments mainly cover loans which have been partly made available and not yet fully paid out. Irrevocable credit commitments are subject to organisational assessment, decision and monitoring processes. No significant default risks can be recognised.

III. OTHER DISCLOSURES CONCERNING THE BALANCE SHEET

_FOREIGN CURRENCY DUE AND FOREIGN CURRENCY OWING

Assets and liabilities denominated in foreign currencies total an equivalent of € 287.5 million and € 289.3 million respectively.

_DEFERRED TAXES

Deferred tax liabilities on the basis of taxable temporary differences mainly result from differences in reporting participating interests in business partnerships in the commercial and tax balance sheet. These are compensated with deferred tax assets due to deductible temporary differences resulting from different methods of recognising receivables, securities and provisions in the commercial and tax balance sheet. The aggregated resulting surplus deferred tax assets were not reported upon exercising the option in Section 274 Paragraph 1 Clause 2 of the German Commercial Code.

_OTHER FIANANCIAL OBLIGATIONS

Obligations arising from leasing, licensing and maintenance agreements for the coming financial years currently total € 6.8 million p.a.

In the participating interest section, unpaid call-in obligations and obligations to make additional contributions currently amount to € 51.9 million.

On the basis of a declaration revoked on 6 April 2000 in accordance with Section 5 Paragraph 10 of the statute on a deposit protection fund of the Bundesverband deutscher Banken e.V. (German Association of Banks) in Cologne, die Sparkasse Bremen AG, Bremen, is obliged to release this participating interest from losses sustained in measures implemented until that time in accordance with § 2 Paragraph 2 of statute on a deposit protection fund.

Under special declarations, general partners appointed by die Sparkasse Bremen for five projects financed for real-estate limited partnerships are to be released from personal liability for payments due by them to die Sparkasse Bremen.

Concerning the outsourcing of activities, die Sparkasse Bremen has committed itself for a limited period to enabling a subsidiary to settle equalisation payments in the event of operation-related dismissals as they would need to be met for employees of the savings bank in the event of operation-related dismissals. This applies for as long as die Sparkasse Bremen is a majority partner of the respective subsidiary.

_INFORMATION ON THE NOTES IN ACCORDANCE WITH SECTION 160 PARAGRAPH 1 NO 8 OF THE GERMAN COMPANIES ACT

The following was announced to the AG: »The financial holding of die Sparkasse in Bremen, Am Brill 1–3 in 28195 Bremen, has notified us in accordance with § 20 Paragraphs 1 and 4 of the German Companies Act (AktG) that it holds 100 % of the shares in our company.«

FUTURES TRANSACTIONS

The majority of interest-rate related transactions (interest-rate swaps) as at the balance sheet reporting were concluded for the purpose of security against the risk of changes in interest rates. Transactions relating to foreign currencies are primarily trading transactions with customers which were virtually fully insured against changes in exchange-rates.

Transactions bearing other risks are credit derivatives and structured products for which the issuer has a right of cancellation.

Remaining term	NOMINAL VALUES less than 1 year including €.m	more than 1 year less than 5 years €.m	more than 5 years €.m	Total €.m	of which Trading portfolio €.m	MARKET VALUES positive €.m	negative €.m
Interest-rate related transactions							
OTC products	207.5	1,417.4	1,809.0	3,433.9	0.0	42.3	135.1
Stock-exchange transactions	–	–	–	–	–	–	–
Currency-related transactions							
OTC products	469.2	54.7	54.6	578.5	0.0	11.3	9.9
Stock-exchange transactions	–	–	–	–	–	–	–
Geschäfte mit sonstigen Risiken							
OTC products	–	124.8	–	124.8	0.0	124.7	–
Stock-exchange transactions	–	–	5.4	5.4	0.0	5.0	–
Total				**4,142.6**	**0.0**		

Interest-rate swaps

The current value is the balance of the present values of the cash flows on the two swap sides calculated with the help of zero-bond yields. Cash flows on the variable side are calculated on the basis of implied forward rates.

Forward exchange contracts

The current value results from the current forward rate (spot price on the balance-sheet date +/- the swap rate for the residual period as at the balance-sheet date).

Currency options

The Garmann-Kohlhagen model is used to calculate current values.

Caps / Floors

With the help of the modified Black model, the current value is calculated as the total of theoretical prices discounted with the zero bond yields of each individual caplet on the date of evaluation.

Credit derivatives

These are primarily existing security provider items reported off-balance sheet as contingent liabilities from guarantees and indemnity agreements.

Structured products bearing a right of cancellation

Structured products bearing cancellation rights acquired by the savings bank are handled in accordance with general valuation principles.

MORTGAGE BONDS

Die Sparkasse Bremen AG has issued mortgage bonds since the 2009 accounting period. Regular transparency requirements as laid down in Section 28 of the German Covered Bond Act (PfandBG) are met through publication on our website at www.sparkasse-bremen.de.

	2010 € million	2009 € million
Section 28 Paragraph 1 No. 1 of the German Covered Bond Act		
Mortgage bonds in circulation		
Nominal value	85.1	53.0
Present value	90.3	53.8
Risk cash asset [1] Stress test + 250 BP	73.2	43.8
Risk cash asset [1] Stress test – 250 BP	112.3	66.6
Guarantee fund		
Nominal value	234.0	119.3
Present value	259.8	132.2
Risk cash asset [1] Stress test + 250 BP	226.2	114.6
Risk cash asset [1] Stress test – 250 BP	299.2	153.7
Excess coverage		
Nominal value	148.9	66.3
Present value	169.5	78.4
Risk cash asset [1] Stress test + 250 BP	153.0	70.8
Risk cash asset [1] Stress test – 250 BP	186.9	87.1
Section 28 Paragraph 1 No. 2 of the German Covered Bond Act		
Term structure of the mortgage bonds in circulation		
Less than 1 year	0.0	0.0
More than 1 year but less than 2 years	0.0	0.0
More than 2 years but less than 3 years	0.0	0.0
More than 3 years but less than 4 years	0.0	0.0
More than 4 years but less than 5 years	0.0	0.0
More than 5 years but less than 10 years	58.0	43.0
From 10 years	27.1	10.0
Guarantee fund fixed interest period		
Less than 1 year	7.1	2.5
More than 1 year but less than 2 years	8.6	3.4
More than 2 years but less than 3 years	12.5	5.8
More than 3 years but less than 4 years	26.5	6.6
More than 4 years but less than 5 years	14.3	10.5
More than 5 years but less than 10 years	136.7	76.5
From 10 years	28.3	14.0

Section 28 Paragraph 1 No. 3 of the German Covered Bond Act

There are no derivatives in the guarantee fund.

	2010 € million	2009 € million
Section 28 Paragraph 1 No. 4 of the German Covered Bond Act		
The guarantee fund contains other covering assets according to Section 19 Paragraph 1 No. 2 of the German Covered Bond Act:	10.0	5.3
of which covering assets according to Section 4 Paragraph 1 of the German Covered Bond Act	10.0	5.3

[1] Static method according to the German mortgage bond net present value directive (PfandBarwertV)

	2010 in € million	2009 in € million
Section 28 Paragraph 2 No. 1 of the German Covered Bond Act		
a.) Total amount of the guarantee fund applied at its nominal value according to volume class		
Loan cover		
– less than € 300,000	205.4	109.5
– more than € 300,000 but less than € 5 million	12.2	4.5
– more than € 5 million	6.4	0.0
Surplus cover		
– less than € 300,000	0.0	0.0
– more than € 300,000 but less than € 5 million	0.0	0.0
– more than € 5 million	10.0	5.3
b.) Total amount of receivables applied as security by states [1]		
Federal Republic of Germany	224.0	114.0

c.) Total amount of receivables applied as security by type of use [1]	residential land and buildings		commercial land and buildings	
	2010 in € million	2009 in € million	2010 in € million	2009 in € million
Apartments	30.9	8.7		
Single-family houses	148.3	83.3		
Multiple-family houses	31.4	15.9		
Office building			0.3	0.0
Commercial building			0.0	0.0
Industrial building			7.8	2.6
Other building used for commercial purposes			5.3	3.3
New buildings in progress, not yet productive			0.0	0.0
Building sites			0.0	0.2

	2010 in € million	2009 in € million
Section 28 Paragraph 2 No. 2 of the German Covered Bond Act		
Total of payments in arrears by at least 90 days [1]	0.0	0.0

	Residential land and buildings		Commercial land and buildings	
	2010 Number	2009 Number	2010 Number	2009 Number
Section 28 Paragraph 2 No. 3 of the German Covered Bond Act				
a.) Number of pending foreclosure suits and compulsory administration suits as at 31.12. 2010	0	0	0	0
Number of foreclosures executed in the accounting period	0	0	0	0
b.) Assumption of land and buildings in the acc.period	0	0	0	0

	2010 in € million	2009 in € million	2010 in € million	2009 in € million
c.) Interest in arrears	0,0	0,0	0,0	0,0

[1] No land as security outside Germany

IV. EXPLANATORY NOTES TO THE STATEMENT OF INCOME

On 1.a) Interest income

This item includes around 4 % of income relating to other periods of which 50 % relates to control measures in the interest-rate book.

On 2. Interest expense

This item includes € 0.1 million from the reversal of accruals.

On 5. Commission income

We received income as commission for the negotiation of life insurances and property insurances, building society savings products and shares in investment funds for services performed for third parties within the scope of our Allfinance offer.

On 8. Other operating income

This item includes € 3.3 million from the reversal of accruals, € 5.7 million in reimbursements of administrative expenses through subsidiaries and € 2.5 million in ordinary income from land and buildings.

Income from the reversal of accruals to the amount of € 0.1 million and € 0.3 million from currency conversions was reported.

On 11. Other operating expenses

This item includes € 15.0 million in expenses accrued on interest for provisions and € 0.6 million in expenses for currency conversions.

On 21. Profit on extraordinary activities

This item exclusively includes income and expenses resulting from conversion to the provisions of the German Accounting Law Modernisation Act.

V. OTHER INFORMATION

EQUITY HOLDING

Equity holdings as of not less than 20 % in other companies, insofar as not insignificant:	Shares in capital End of 2010 in %	Equity 2009 in € 000	Income 2009 in € 000 [3]
Name and registered office of the company			
nwk nordwest Kapitalbeteiligungsgesellschaft der Sparkasse Bremen mbH, Bremen	100.0	71,500 [2]	0 [1]
BREBAU GmbH, Bremen	48.8	63,392	4,563
LBS Landesbausparkasse Bremen AG, Bremen	25.0	37,158	2,443
nwu nordwest Unternehmensbeteiligungsgesellschaft der Sparkasse Bremen mbH, Bremen	100.0	12,000 [2]	0 [1]
Öffentliche Versicherung Bremen, Bremen	20.0	5,710	60
nwi nordwest international Servicegesellschaft mbH, Bremen	100.0	1,000 [2]	0 [1]
nwd nordwest-data Servicegesellschaft der Sparkasse in Bremen mbH, Bremen	100.0	385 [2]	0 [1]
nwb nordwest Beteiligungsgesellschaft der Sparkasse Bremen mbH, Bremen	100.0	150 [2]	-6 [2]
s mobile finanzberatung Gesellschaft der Sparkasse Bremen mbH, Bremen	100.0	125 [2]	0 [1]
nwm nordwest-media Servicegesellschaft der Sparkasse in Bremen mbH, Bremen	100.0	100 [2]	0 [1]
KV Kapitalbeteiligungs- und Vermögensverwaltungs-GmbH, Bremen	100.0	51 [2]	0 [1]
S-Consult Hanseatische Unternehmensberatung-GmbH, Bremen	100.0	51 [2]	0 [1]
Bremer Schoss Grundstücksverwaltungsgesellschaft mbH, Bremen	100.0	42 [2]	0 [1]
nws nordwest-service & catering Gesellschaft der Sparkasse in Bremen mbH, Bremen	100.0	25 [2]	0 [1]

Please note:

[1] Profit surrender contracts have been concluded with these companies
[2] 2010 equity and income
[3] Recognised profit/loss for the year of the respective enterprise

Sparkasse Bremen AG participating interest in major corporate entities and banks and insurance companies that exceed five percent of the voting rights:	Shares in capital in %
Name and registered office of the company	
BREBAU GmbH, Bremen	48.8
Öffentliche Versicherung Bremen, Bremen	20.0
Wincor Nixdorf Portavis GmbH, Hamburg	11.0
Bürgschaftsbank Bremen GmbH, Bremen	10.7
neue leben Pensionsverwaltung AG, Hamburg	8.0

Die Sparkasse Bremen AG, Bremen, is a full subsidiary of the financial holding of Sparkasse in Bremen, Bremen. The financial holding of the Sparkasse in Bremen, Bremen, prepares consolidated financial statements in which die Sparkasse Bremen AG, Bremen is included.
The consolidated financial statements are published in the electronic federal register.

Total amount of fees paid to the legal auditor

Expenses for the accounting period include € 0.7 million for the audit of the annual financial statements and € 0.1 million for other certification services.

GOVERNING BODIES

SUPERVISORY BOARD

Dipl.-Bw. Gerhard Harder, Chairman	Retired Chairman of the Board of Managing Directors of swb AG
Dipl.-Kfm. Klaus Ziegler, Vice Chairman	Managing Partner of NordCap GmbH & Co. KG
Dipl.-Kfm. Holger U. Birkigt	Managing Partner of BIRKIGT INT'L CONSULTING & Media GmbH
Dipl.-Kfm. Joachim M. Clostermann	Tax consultant and chartered accountant with Clostermann & Jasper Partnerschaft Wirtschaftsprüfungs-/Steuerberatungsgesellschaft
Alexander Künzel	Chairman of the Board of Managing Directors of Bremer Heimstiftung (foundation)
Otto Lamotte	Managing Director of HENRY LAMOTTE OILS GmbH
Heiko Oerter	Die Sparkasse Bremen AG employee
Hans-Joachim Schur	Die Sparkasse Bremen AG employee
Volker Stange	Die Sparkasse Bremen AG employee

Loans granted to members of the Supervisory Board amounted to € 1.4 million on the balance sheet reporting date.

EMOLUMENTS

Members of the Supervisory Board received € 0.2 million in remuneration for the performance of their duties on the Supervisory Board and in the committees.

BOARD OF MANAGING DIRECTORS

Dr. rer. nat. Tim Nesemann	Chairman of the Board of Managing Directors (from 1 August 2010)
Joachim Döpp	Deputy member of the Board of Managing Directors (until 30 April 2010)
Thomas Fürst	Member of the Board of Managing Directors (from 1 May 2010)
Klaus Schöniger	(until 30 June 2010)
Dr. rer. pol. Heiko Staroßom	

Loans granted to members of the Board of Managing Directors amounted to € 0.1 million on the balance sheet reporting date.

EMOLUMENTS

Members of the Board of Managing Directors received € 2.1 million in remuneration, of which € 1.4 million was paid in fixed remuneration and € 0.7 million in variable remuneration.

Former members of the Board of Management and their dependants received € 1.4 million; pension obligations for this group of people amount to € 19.3 million, of which an amount of € 4.2 million will have been accumulated by 31 December 2024 in exercising the option pertaining to Article 67 Paragraph 1 Clause 1 of the Introductory Law of the German Commercial Code (EGHGB).

MANDATES

The following legal representatives and other employees of the Sparkasse held mandates in the supervisory bodies required by law for major corporate entities or in the supervisory bodies of banks and insurance companies:

DR. TIM NESEMANN

Bankhaus Carl F. Plump & Co. GmbH & Co. KG	Supervisory Board, Vice Chairman	(until 31 December 2010)
Freie Internationale Sparkasse S.A.	Supervisory Board, Chairman	
GEWOBA Aktiengesellschaft Wohnen und Bauen	Supervisory Board	
NRS Norddeutsche Retail-Service AG	Supervisory Board	

THOMAS FÜRST

Bremer Toto-Lotto GmbH	Supervisory Board	
Diakonische Behindertenhilfe gemeinnützige GmbH	Supervisory Board, Chairman	
Freie Internationale Sparkasse S.A.	Supervisory Board	
LBS Landesbausparkasse Bremen AG	Supervisory Board, Vice Chairman	(from 1 October 2010)
neue leben Holding AG	Supervisory Board	(from 26 November 2010)
neue leben Pensionskasse AG	Supervisory Board	(from 26 November 2010)
neue leben Pensionsverwaltung AG	Supervisory Board	(from 26 November 2010)
neue leben Unfallversicherung AG	Supervisory Board	(from 26 November 2010)

JOACHIM DÖPP

Öffentliche Versicherung Bremen	Supervisory Board, deputy member	(from 1 October 2010)

KLAUS SCHÖNIGER

BREBAU GmbH	Supervisory Board, Chairman	(until 30 September 2010)
Freie Internationale Sparkasse S.A.	Supervisory Board	(until 6 June 2010)
LBS Landesbausparkasse Bremen AG	Supervisory Board, Vice Chairman	(until 30 September 2010)
neue leben Holding AG	Supervisory Board	(until 30 September 2010)
neue leben Pensionskasse AG	Supervisory Board	(until 30 September 2010)
neue leben Pensionsverwaltung AG	Supervisory Board	(until 30 September 2010)
neue leben Unfallversicherung AG	Supervisory Board	(from 9 April 2010 until 30 September 2010)
Öffentliche Versicherung Bremen	Supervisory Board, deputy member	(until 30 September 2010)
S Broker AG & Co. KG	Supervisory Board	(until 30 September 2010)

DR. HEIKO STAROßOM

BREBAU GmbH	Supervisory Board, Chairman	(from 1 October 2010)
Öffentliche Versicherung Bremen	Supervisory Board	

HOLM DIEZ

LBS Landesbausparkasse Bremen AG	Supervisory Board	

NIELS RASMUSSEN

Wincor Nixdorf Portavis GmbH	Supervisory Board	(from 19 May 2010)

THORSTEN ROTH

Freie Internationale Sparkasse S.A.	Supervisory Board	(from 7 June 2010)

BERNHARD RUSCHKE

Wincor Nixdorf Portavis GmbH	Supervisory Board	(until 15 April 2010)

EMPLOYEES

Annual average employment:	
Full-time employees	961 [1]
Part-time and temporary end-of-month employees	479 [1]
	1.440
Apprentices	83
Total	**1.523**

[1] of which commercial employees

– Full-time employees	0
– Part-time and temporary end-of-month employees	62

Bremen, 22 February 2011

Die Sparkasse Bremen AG
The Board of Managing Directors

Dr. Nesemann Döpp Fürst Dr. Staroßom

AUDITOR'S CERTIFICATE REPORT

We have audited the annual financial statements prepared by Die Sparkasse Bremen AG, Bremen, comprising the balance sheet, the Income statement and the notes to the consolidated financial statements, together with the accounts and the management report, for the accounting period from 1 January 2010 to 31 December 2010. The accounts and the preparation of the annual financial statements and the management report in accordance with German commercial law and supplementary provisions of the Statues is the responsibility of the legal representatives of the Sparkasse. Our responsibility is to express an opinion on the annual financial statements, including the accounts and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with Section 317 of the German Commercial Code (HGB) and German generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors (Institut der Wirtschaftsprüfer (IDW)). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with (German) principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Sparkasse and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the accounts, annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles applied and significant estimates made by the legal representatives as well as evaluating the overall presentation of the annual financial statements and the management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion based on the findings of our audit, the annual financial statements comply with the legal requirements and supplementary provisions of the statutes and give a true and fair view of the net assets, financial position and results of operations of the Sparkasse in accordance with (German) principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the position of the Sparkasse and suitably presents the chances and risks of future development.

Hamburg, 11 April 2011

Audit Office of the

HANSEATISCHER SPARKASSEN- UND GIROVERBAND

Jacobs
Chartered Accountant

For further information please contact

Die Sparkasse Bremen AG

International Division
Postal Address
PO Box 107880
28078 Bremen
Germany

Visiting Address
Am Brill 1–3
28195 Bremen
Germany

SWIFT-Address SBREDE 22
Reuter Dealing Code SBRE
E-mail service@nordwest-international.de
Telephone +49 (0) 421/179-2181
E-mail mail@sparkasse-bremen.de

Head of International Division
Prof. Dr. iur. Christoph Graf v. Bernstorff, Executive Vice President – Ext. 2367

Foreign Trade Finance
Bernd Kloppenborg, Vice President – Ext. 2188
Heiko Hirsig, Assistant Vice President – Ext. 3384

Foreign Exchange
Dealing/Money Market
Bernd Etmer, Vice President – Ext. 3310
Günter Spanjer, Assistant Vice President – Ext. 2190

Document Collection
Thomas Gädje, Assistant Vice President – Ext. 2183

International Payments
Thomas Markwitz, Assistant Vice President – Ext. 2181