IFRS INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2023

Result after taxes (EUR m)

104.8

Previous year: 99.7

We broke the 100-million-euro profit mark for the first time ever during the first half year, thus testifying to our strength as of June 30, 2023 and the success of our chosen path.

Operating income (EUR m)

304.2

Previous year: 283.6

All business segments showed positive momentum. Net interest income climbed in particular, despite non-recurring expenses of around EUR 20 million.

Net interest margin (in %)

2.65

Previous year: 2.45

A year-on-year improvement of 20 basis points in the net interest margin – in combination with increased credit volumes – laid the foundation for the growth in net interest income.

Cost-income ratio* (in %)

38.6

Previous year: 42.0

The cost-income ratio improved by 3.6 percentage points after adjusting for non-recurring expenses. Without adjusting for such expenses, the cost-income ratio came to 40.3 %.

** Excluding expenses associated with the acquisition of Degussa Bank.*

Return on equity post tax** (in %)

15.3

Previous year: 15.3

Profitable growth and efficient cost management led to a post-tax return on equity of 15.3 % (adjusted) or 14.3 % (unadjusted).

*** Excluding expenses associated with the acquisition of Degussa Bank and including the bank levy (pro-rated).*

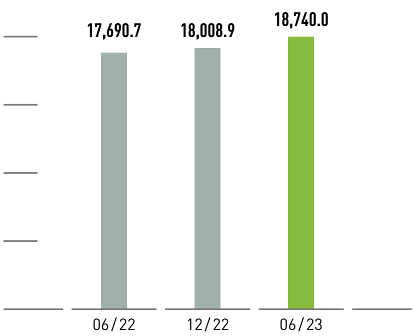
Common Equity Tier 1 capital ratio (in %)

14.4

Previous year: 13.6

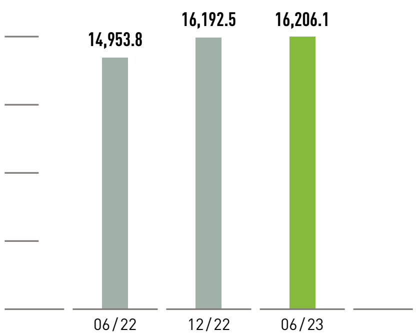
The CET1 ratio of 14.4 % is not only a reflection of our stable balance sheet but also well above the regulatory requirements, especially in light of having funded the Degussa Bank acquisition.

Customer credit volumes (EUR m)



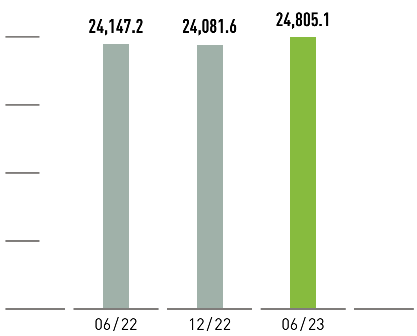
Customer credit volumes are growing steadily thanks to selected new business in the Corporates & Diversified Lending segment and the success of our private mortgage loan financing platform business.

Customer deposit volumes (EUR m)



Our growing customer deposit volumes are characterised by a high level of granularity and stability based on deposits from regional business with retail banking customers. The deposit beta is approximately 18 % overall.

Total assets (EUR m)



Our dynamic business growth also led to growth in total assets. After completion of the Degussa Bank acquisition, we expect to fall under ECB monitoring.

Unless otherwise stated, all figures refer to the first half of 2023 (as of June 30, 2023).

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INTERIM MANAGEMENT REPORT

ABOUT THE COMPANY

Oldenburgische Landesbank AG (OLB) is a financial institution which is rooted in northern Germany and which serves its customers throughout Germany through its OLB Bank and Bankhaus Neelmeyer (BHN) brands. OLB pursues a multichannel approach in its business with private and business clients – which include small and medium-sized enterprises (SMEs) – and combines its regional branch network with a nationwide digital presence. OLB operates throughout Germany and, selectively, in other European countries in its larger-volume corporate clients business segment. In the area of export financing, it is active worldwide. Moreover, OLB exploits growth opportunities in a targeted fashion in specific areas of finance judged to have an attractive risk / return profile, such as Acquisition Finance and Commercial Real Estate Finance. The Bank has many long-term customer relationships and a credit portfolio which is diversified in terms of volumes and sectors. Its capital resources comprise more than EUR 1.3 billion of Common Equity Tier 1 capital.

For management purposes, the Bank has divided up its business activities into two business segments in terms of target customers, products and services as well as from a procedural and settlement point of view.

Business with private customers and regional small and medium-sized enterprises (SMEs) is allocated to the Private & Business Customers (PBC) segment. OLB offers these clients competent advisory and support services via its centrally managed network of branches and its Central & Digital Sales (CDS) department. At the same time, customers are also able to directly access products and services via online and mobile banking channels. OLB thus combines a branch presence in its Weser-Ems core business area with the offering of a digital bank active throughout Germany, together with distribution partners and brokerage business. The Bank's offering concentrates on current accounts and credit cards, online banking and mobile banking, instalment loans, private mortgage financing and private investments. In addition, the Bank offers insurance brokering and assistance with private real estate purchases and sales. The Bank operates under the Bankhaus Neelmeyer brand in the area of Private Banking & Wealth Management.

The higher-volume corporate business, including Football Finance, and the fields of Acquisition Finance, including Fund Finance, International Diversified Lending and Commercial Real Estate, have been combined in the Corporates & Diversified Lending (CDL) segment. This business segment is supplemented by project financings in the Wind and Shipping unit. The Bank's offering in these segments is characterised by an individually tailored profile, larger individual transactions and an increased volume of resources committed to advisory processes and servicing.

ECONOMIC FRAMEWORK CONDITIONS

The Russian war of aggression on Ukraine continued to weigh on the outlook for the global economy, leading to a high degree of political uncertainty. Economic growth slowed considerably, especially in the European Union. The European economy stagnated in the first quarter of 2023 following a weak final quarter of 2022. However, eurozone growth picked up in the second quarter, with economic output expanding on the back of robust economies in France, Spain and the Baltic countries.

In Germany, the economy had been stagnant since the end of the previous year after having benefited from a relatively strong recovery up through the end of summer 2022. There was no growth in GDP in the first half, but no recession set in either. This is evidence of how rapidly the Germany economy has succeeded in adapting to the new economic situation. However, German exports suffered from the poor outlook for the global economy. Business with China was the main factor putting the brakes on exports, whereas orders from the United States gained momentum. In addition, high inflation rates pushed down consumer and construction spending based on declining purchasing power and significantly higher financing costs.

However, inflation has already peaked. No additional spikes in inflation are expected over the coming months, especially not with respect to energy prices. Prices for sourcing electricity and gas have dropped notably since the end of summer 2022, and government price caps have been in effect since January 2023. Above all, the energy price caps will help companies whose energy costs are based on market prices. Thus, notably fewer price hikes are planned in the manufacturing industry over the coming months, meaning that growth in producer prices will continue to slow.

The consumer price inflation rate is expected to decline notably during the second half of 2023 given the lag of approximately four to six months before lower producer prices translate into lower consumer prices. However, wage pressure will persist due to an expected significant increase in collective pay rates over the course of 2023.

On the whole, the overall inflation rate is likely to see a notable decline from 6.9 % in 2022 to 6 % in 2023. In 2024, inflation is expected to continue to normalise and ultimately fall back to around 2 %.

An extremely heterogeneous picture has emerged with respect to economic growth in Germany. Whereas the manufacturing industry – especially the construction industry – was in a recession during the first half of 2023, economic output expanded in the services sector. Since the services sector has a larger share in the total value chain than the manufacturing sector, GDP has the potential to increase slightly over the course of the year. We expect to see an increase of 0.18 % in GDP in 2023.

Although the government budget will show a deficit both this year and next year, the budget deficit will be much less severe than feared. In particular, the amount budgeted for government energy price caps was cut by a total of more than EUR 35 billion in light of the substantial improvement in prices for procuring electricity and gas in the forecast period from today's perspective. Thus, German government finances will remain very stable, which will reduce capital market interest rates.

From a current perspective, we expect the economy to record significant growth in 2024 based on lower financing costs and declining inflation rates. The Bank assesses the risk of a recession setting in during 2024 as extremely low.

NET ASSETS AND FINANCIAL POSITION

In the first half of 2023, OLB's lending business continued to expand in a market shaped by rising interest rates and weak economic growth. The Bank's capital and liquidity levels remained at a high level, and we maintained our solid balance sheet with a balanced proportion of lending and deposit business.

EUR m	06/30/2023	12/31/2022	Change	Change (%)
Cash reserve	284.0	1,529.8	– 1,245.7	– 81.4
Trading portfolio assets	93.2	108.5	– 15.2	– 14.1
Positive fair values of derivative hedging instruments	8.2	17.9	– 9.7	– 54.1
Receivables from banks	310.4	775.2	– 464.8	– 60.0
Receivables from customers	18,740.0	18,008.9	731.0	4.1
Financial assets of the non-trading portfolio	4,780.5	3,087.3	1,693.1	54.8
Tangible fixed assets	57.2	60.5	– 3.3	– 5.4
Intangible assets	29.2	31.0	– 1.8	– 5.7
Other assets	389.9	357.2	32.7	9.1
Income tax assets	0.0	0.0	–	–
Deferred tax assets	111.8	104.7	7.1	6.8
Non-current assets held for sale	0.7	0.7	0.0	3.1
Total assets	**24,805.1**	**24,081.6**	**723.5**	**3.0**
Trading portfolio liabilities	134.8	161.2	– 26.4	– 16.4
Negative fair values of derivative hedging instruments	8.3	9.4	– 1.1	– 11.8
Liabilities to banks	5,314.6	5,075.3	239.3	4.7
Liabilities to customers	16,206.1	16,192.5	13.6	0.1
Securitised liabilities	1,184.0	706.9	477.0	67.5
Subordinated debt	131.1	161.9	– 30.7	– 19.0
Income tax liabilities	25.1	44.8	– 19.7	– 44.0
Provisions	114.5	129.0	– 14.6	– 11.3
Other equity and liabilities	103.1	83.1	20.0	24.1
Equity	1,583.5	1,517.4	66.0	4.4
Total equity and liabilities	**24,805.1**	**24,081.6**	**723.5**	**3.0**

LENDING BUSINESS

Despite weaker economic growth and a significant decline in new business in the area of mortgage financing, OLB succeeded in increasing credit volumes by an additional 4.1 % to EUR 18.7 million (December 31, 2022: EUR 18.0 million). Private mortgage financing volumes reached a historic high of EUR 7.6 billion based on the disbursement of loans that had already been approved as well as the success of the Bank's collaboration with the TULP multi-lender platform in the Netherlands. In addition, the good performance of Diversified Lending and Football Finance also contributed to the expansion in business volumes.

CREDIT VOLUME EUR bn

18.7

PY 18.0

OLB increased its credit volume by 4.1 % to EUR 18.7 billion in the first six months of financial year 2023.

No notable change in risk associated with customer business occurred in the first six month of the 2023 financial year. Despite the difficult macroeconomic climate, the credit quality of the Bank's portfolio remained stable thanks to its diversified credit portfolio and adherence to conservative standards for new business. The NPL ratio dropped significantly below the 2022 year-end level with a decrease from 1.5 % to 1.3 %.

OLB established an additional risk provision in the amount of EUR 15.9 million as of December 31, 2022 for expected charges arising from higher energy costs and consumer prices as well as possible interest rate increases. Because the Bank is operating on the assumption that the impact of any such price increases on the economic situations of borrowers will only be felt indirectly and after a time lag, it was decided in the context of the scheduled review to retain the risk provision in the full amount as of June 30, 2023.

TOTAL PORTFOLIO

EUR m	06/30/2023	12/31/2022	Change	Change (%)
Receivables from customers (gross)	**18,924.5**	**18,193.9**	**730.6**	**4.0**
thereof non-performing loans	245.6	273.3	– 27.7	– 10.1
Total risk provision for receivables from customers	**184.5**	**184.9**	**– 0.4**	**– 0.2**
thereof general loan loss provisions (Stage 1 / Stage 2)	86.1	79.5	6.6	8.4
thereof specific loan loss provisions (Stage 3)	98.4	105.5	– 7.1	– 6.7
Credit volume	**18,740.0**	**18,008.9**	**731.0**	**4.1**
Proportion of non-performing loans ("NPL ratio")	1.3 %	1.5 %	n / a	n / a
Collateral assigned to non-performing loans (–)	101.0	109.1	– 8.1	– 7.4
NPL coverage ratio	81.2 %	78.5 %	n / a	n / a
NPL coverage ratio excluding collateral	40.1 %	38.6 %	n / a	n / a

CAPITAL RESOURCES

Despite payment of a dividend of EUR 30.2 million in April 2023, the Bank's balance sheet equity increased by 4.4 % to EUR 1,584.5 million. The improvement was due in particular to the profit of EUR 105.8 million after taxes reported at the end of the first half. A subordinated convertible bond allocated to equity under IFRS was converted in June 2023, which increased the Bank's subscribed capital and capital reserves. The effects of higher interest rates on measurement offset each other in the revaluation reserve for the most part.

OLB's regulatory Common Equity Tier 1 capital is established on the basis of on-balance-sheet equity in accordance with the German Commercial Code (Handelsgesetzbuch – HGB), taking into account regulatory deductions. In 2022, the Bank made use of the option to claim EUR 110.0 million – most of its net profit for the first six months of the year – as Common Equity Tier 1 capital over the course of the year on the basis of Article 26(2) CRR. Reinvestment of an additional EUR 77.6 million from net retained profits for the year as a whole was the main driver for the marked increase in Common Equity Tier 1 capital, which rose from EUR 1,275.2 at year-end 2022 to EUR 1,352.0 million as of June 30, 2023.

The Bank's risk assets declined by EUR 700 million due to a synthetic risk transfer transaction concluded in March 2023. Otherwise, no notable rating migration that could have led to an increase in risk-weighted assets was identified with respect to the existing customer base during the first six months. These two factors resulted in the increase of 0.3 % in risk-weighted assets remaining well below the increase of 4.1 % in credit volumes.

Ultimately, the measures taken led to an intended increase in the Common Equity Tier 1 capital ratio to 14.4 %, which is in excess of the strategic target of 12–13 %. The higher capital buffer is intended to absorb fluctuations arising from the volatile market environment in addition to providing the necessary backing for Degussa Bank to make acquisitions in the second half of 2023.

COMMON EQUITY TIER 1 CAPITAL RATIO in %

14.4

PY 13.6

OLB deliberately increased its Common Equity Tier 1 capital ratio from 13.6 % as of December 31, 2022, to 14.4 %.

EUR m	06/30/2023	12/31/2022	Change	Change (%)
Common Equity Tier 1 capital	1,352.0	1,275.2	76.8	6.0
Additional Tier 1 capital (AT1)	101.2	141.2	– 40.0	– 28.3
Tier 1 capital	**1,453.3**	**1,416.4**	**36.9**	**2.6**
Tier 2 capital	131.0	141.0	– 10.0	– 7.1
Share capital and reserves	**1,584.3**	**1,557.4**	**26.9**	**1.7**
Risk assets for counterparty risks	8,430.5	8,542.0	– 111.5	– 1.3
Risk assets for market price risks	–	–	–	n / a
Risk assets for operational risks	960.5	820.8	139.6	17.0
Risk assets	**9,391.0**	**9,362.8**	**28.1**	**0.3**

%	06/30/2023	12/31/2022
Common Equity Tier 1 capital ratio	14.4	13.6
Tier 1 capital ratio	15.5	15.1
Aggregate capital ratio	16.9	16.6

LIQUIDITY

In the Bank's opinion, it maintained an appropriate level of liquidity in the first six months of 2023. It consistently and clearly exceeded the regulatory minimum threshold for its liquidity coverage ratio (LCR) of 100 % on all reporting dates. In response to the sharp rise in interest rates in the first half of 2023, the Bank reallocated liquid funds to higher-yielding investment vehicles, thus significantly reducing its cash reserve. As a result, the Bank's investment portfolio grew by more than 50 % compared with year-end 2022 to EUR 4.8 billion.

DEPOSITS AND BORROWED FUNDS

Once again, deposit business proved to offer a solid funding base during the first half of 2023. Customers mainly responded to higher interest rates by transferring funds from overnight deposits to term deposits. OLB's products were seen as competitive. At EUR 16.2 billion, total customer deposits were stable compared with year-end 2022. The Bank reached another milestone in January 2023 when it issued its first senior preferred bond in the amount of EUR 400 million for the purpose of gradually strengthening its presence on the capital market.

RESULTS OF OPERATIONS

Operating income was primarily impacted by the significant increase of 14.7 % in net interest income, which rose from EUR 212.2 million to EUR 243.4 million in the first half of the year. The Bank's income and yield ratios for the first half were at the high levels set out in its ambitious budget thanks to a combination of a lean organisational structure (cost-income ratio of 40.3 %) and risk provisioning at the lower end of the forecast level.

EUR m	01/01–06/30/2023	01/01 – 06/30/2022	Change	Change (%)
Net interest income	243.4	212.2	31.2	14.7
Net commission income	58.9	60.1	– 1.2	– 2.0
Trading result	5.2	0.1	5.1	>100.0
Result from hedging relationships	– 13.2	– 0.2	– 13.0	>100.0
Other income	9.0	2.1	6.9	>100.0
Result from financial assets of the non-trading portfolio	0.8	9.2	– 8.4	– 91.4
Operating income	**304.2**	**283.6**	**20.6**	**7.3**
Personnel expenses	– 68.7	– 70.4	1.7	– 2.4
Non-personnel expenses	– 42.3	– 36.4	– 5.9	16.2
Depreciation, amortisation and impairments of intangible and tangible fixed assets	– 11.0	– 11.7	0.7	– 5.8
Other expenses	– 0.6	– 0.6	0.0	– 1.1
Operating expenses	**– 122.6**	**– 119.0**	**– 3.6**	**3.0**
Expenses from bank levy and deposit protection	– 11.1	– 15.2	4.1	– 26.8
Risk provisioning in the lending business	– 15.0	– 3.6	– 11.4	>100.0
Result from derecognition of financial instruments AC	–	–	–	n / a
Result from restructuring	– 0.2	0.3	– 0.5	<– 100.0
Result before taxes	**155.2**	**146.1**	**9.1**	**6.3**
Income taxes	– 50.4	– 46.3	– 4.1	8.9
Result after taxes (profit)	**104.8**	**99.7**	**5.0**	**5.0**

One reason for the year-on-year increase of more than EUR 30 million in net interest income to EUR 243.4 million was growth in the Bank's lending business in 2022 and 2023. Compared with December 31 of the previous year, credit volumes increased by 4.1 % to EUR 18.7 billion. In addition, the substantial year-on-year increase in interest rate levels positively impacted net interest income. The Bank benefits directly from higher interest rates, especially with respect to its variable-rate asset positions and interest rate hedges. The additional income more than compensated for the higher refinancing costs caused by higher interest rates on deposits.

The Bank also succeeded in considerably raising net commission income from financing services in the context of expanding lending business in the Corporates & Diversified Lending segment. The other business areas that generate commission income either performed stably or recorded a slight decline. In the securities business, this was attributable to the delay in introducing the new securities trading platform, among other things. In this context, the Bank received another payment from an external contractor as compensation for having made slower-than-expected progress in implementing the outsourcing process. The payment is essentially reflected in other income in the amount of EUR 9.0 million.

OLB's total operating income as of June 30, 2023, came to EUR 304.2 million, up approximately 7.3 % on the prior-year amount of EUR 283.6 million, and thus breaking the EUR 300-million mark for the first time ever for a six-month period.

OPERATING INCOME EUR m

304.2

PY 283.6

Operating income once again increased year-on-year, by + 7.3 % to EUR 304.2 million.

The implementation of OLB's restructuring program has resulted in a significantly reduced cost base. Headcount was well below the prior-year comparative period at an average of 1,256 full-time equivalents (previous year: 1,385 FTEs). Personnel expenses amounted to EUR 68.7 million, or around 2.4 % below the prior-year level (EUR 70.4 million).

Non-personnel expenses rose significantly year-on-year with an increase from EUR 36.4 million to EUR 42.3 million. The increase was primarily attributable to the investment of EUR 5.2 million necessary to prepare for the integration of Degussa Bank. The transaction is expected to close in the second half of 2023. All in all, operating expenses rose only slightly above the previous year's level (EUR 119.0 million) to EUR 122.6 million – despite the significant non-recurring expenses incurred. Adjusted for non-recurring expenses, operating expenses were below the prior-year level at EUR 117.4 million.

COST-INCOME RATIO in %

40.3

PY 42.0

The cost-income ratio decreased from 42.0 % to 40.3 % year-on-year due to the significant increase in income.

Charges for mandatory regulatory contributions decreased markedly year-on-year during the first half of 2023. Expenses for the banking levy and deposit protection decreased from EUR 15.2 million in the first half of 2022 to EUR 11.1 million in the reporting period due to a revised assessment basis.

With respect to the underlying conditions for risk provisioning, the macroeconomic trend essentially followed the moderately optimistic scenario laid out in our 2022 Forecast, in which we projected that the Russia–Ukraine war would have only a limited impact on economic growth, that energy prices would normalise and that inflation would decline. Risk provisioning expense amounted to EUR 15.0 million as of June 30, 2023. This is well below the pro-rated forecast amount for this scenario, which foresaw a total expense at the prior-year level (EUR 44.7 million).

All in all, continued growth in the Bank's operating business based on an improved cost base (including the mandatory regulatory contributions) combined with a favourable trend in risk provisioning led to an increase of 5.0 % in the result after taxes, which rose from EUR 99.7 million in the prior year to EUR 104.8 million. At 14.3 %, return on equity fell within our ambitious expectations. Return on equity would come to 15.3 % if the figure for the banking level were to be extrapolated to the full year and after adjusting for non-recurring expenses for the acquisition of Degussa Bank.

RETURN ON EQUITY POST TAX in %

14.3

PY 15.3

OLB's return on equity post tax was 14.3 % in the first six months of financial year 2023.

SEGMENT EARNINGS

EUR m	Private & Business Customers	Corporates & Diversified Lending	Corporate Centre	OLB Group
01/01–06/30/2023				
Net interest income	130.0	131.9	– 18.5	243.4
Net commission income	40.4	22.0	– 3.4	58.9
Other operating income*	1.4	5.3	– 5.7	1.0
Result from non-trading portfolio**	–	–	0.8	0.8
Operating income	**171.8**	**159.2**	**– 26.8**	**304.2**
Operating expenses***	**– 75.8**	**– 31.1**	**– 15.7**	**– 122.6**
Operating result	**96.0**	**128.1**	**– 42.6**	**181.6**
Expenses from bank levy and deposit protection	– 3.7	– 3.4	– 4.1	– 11.1
Risk provisioning in the lending business	– 5.5	– 10.9	1.4	– 15.0
Result from restructuring	–	–	– 0.2	– 0.2
Result before taxes	**86.8**	**113.9**	**– 45.5**	**155.2**
Income taxes	– 26.9	– 35.3	11.8	– 50.4
Result after taxes (profit)	**59.9**	**78.6**	**– 33.7**	**104.8**
Cost-income ratio (CIR)	**44.1**	**19.5**	**n / a**	**40.3**
Return on equity (post tax)	**34.2**	**18.9**	**n / a**	**14.3**
01/01 – 06/30/2022				
Net interest income	85.4	112.3	14.5	212.2
Net commission income	45.4	18.4	– 3.6	60.1
Other operating income*	1.4	3.9	– 3.3	2.0
Result from non-trading portfolio**	–	–	9.2	9.2
Operating income	**132.2**	**134.6**	**16.8**	**283.6**
Operating expenses***	**– 80.8**	**– 27.4**	**– 10.9**	**– 119.0**
Operating result	**51.4**	**107.2**	**6.0**	**164.6**
Expenses from bank levy and deposit protection	– 5.7	– 4.3	– 5.2	– 15.2
Risk provisioning in the lending business	– 0.8	– 4.6	1.8	– 3.6
Result from restructuring	–	–	0.3	0.3
Result before taxes	**44.9**	**98.2**	**2.9**	**146.1**
Income taxes	– 13.9	– 30.4	– 1.9	– 46.3
Result after taxes (profit)	**31.0**	**67.8**	**1.0**	**99.7**
Cost-income ratio (CIR)	**61.1**	**20.4**	**n / a**	**42.0**
Return on equity (post tax)	**18.5**	**17.5**	**n / a**	**15.3**

** Comprises trading result, result from hedging relationships and other income*

*** Including result from derecognition of financial instruments AC*

**** Comprises personnel expenses, non-personnel expenses, depreciation, amortisation and impairments of intangible and tangible fixed assets and other expenses*

The cost-income ratio and return on equity are not taken into consideration within the scope of management of the Corporate Centre.

PRIVATE & BUSINESS CUSTOMERS

In the Private & Business Customers segment, net interest income benefited heavily in the first half from significantly higher margin contributions from deposit business in line with the general rise in interest rates. This more than compensated for slight declines in contribution margins in the lending business due to a lower net interest margin in the lending business and the decline in commission business in all business segments. On the whole, operating income increased by 30 % year-on-year to EUR 171.8 million.

The significant improvements to the cost base made in the previous year proved sustainable in the first six months of financial year 2023. Direct personnel and non-personnel costs for the segment saw another year-on-year decline once all measures implemented had come to fruition. The transfer prices charged for the use of central services and apportionment of the costs to the Corporate Centre remained stable compared with the previous year. In combination with the significant increase in income, the decrease in operating expenses considerably improved the cost-income ratio, which declined by 17 percentage points to 44.1 %.

Risk provisioning expense normalised to EUR 5.5 million after the extremely good figure recorded the prior year (EUR 0.8 million). The segment was positively impacted by the decrease in mandatory regulatory contributions, which declined by EUR 2.0 million to EUR 3.7 million.

Overall, segment profitability improved considerably thanks to the developments described. Return on equity rose to 34.2 %.

CORPORATES & DIVERSIFIED LENDING

In the Corporates & Diversified Lending segment, operating income saw another significant increase compared with the first half of 2022, with a rise of 18.3 % to EUR 159.2 million. One reason for the increase was sustained, strong growth in lending, which led to an additional increase in net interest income, as well as higher commission income from lending business. Moreover, the Corporates & Diversified Lending segment also benefited from higher margin contributions from deposit business. Total segment expenses rose from EUR 27.4 million to EUR 31.1 million year-on-year in view of the significant expansion in business volumes. At EUR 10.9 million, risk provisioning expense exceeded the favourable prior-year level (EUR 4.6 million), but was still well below expectations. On the whole, segment earnings after taxes increased by EUR 10.8 million to EUR 78.6 million. As a result, return on equity for the Corporates & Diversified Lending segment rose from 17.5 % to 18.9 %.

CORPORATE CENTRE

Operating income for the Corporate Centre was predominantly impacted by the inverse yield curve in the first half of 2023. Short-term interest rates (up to one year) were significantly higher than longer-term interest rates in some cases, which resulted in a significant reduction in income from maturity transformation. In addition, the prior-year figure contained non-recurring income from realising gains from the liquidity reserve. The main effect of these two factors was to reduce operating income to EUR –26.8 million (previous year: EUR 16.8 million).

The increase in administrative expenses for the Corporate Centre is primarily attributable to non-recurring expenses incurred in connection with the acquisition and preparation for integration of Degussa Bank.

As a result of the two factors mentioned, profit after tax for the Corporate Centre decreased substantially to –33.7 million (previous year: EUR 1.0 million).

OUTLOOK

No significant changes arose during the reporting period in respect of the fundamental opportunities and legal and financial risks associated with the Bank's operational performance or with respect to the Bank's risk management targets and methods, all of which were described in its Annual Report 2022.

With respect to the future course of the Russia–Ukraine war and its economic consequences, the macroeconomic trend for the first half of 2023 primarily followed the moderately optimistic scenario laid out in our 2022 Forecast, in which we projected that the conflict would have an only limited impact on economic growth, that energy prices would normalise and that inflation would decline. Due to the volatile nature of the war and the political situation in Russia, however, there is still a risk of the conflict escalating sharply. This would have a negative impact on the economy and an indirect negative effect on OLB's business. Therefore, the favourable risk provisioning trend for the first six months of 2023 in particular cannot be extrapolated to the year as a whole.

The regulatory authorities are expected to approve the acquisition of Degussa Bank AG ("Degussa Bank") by OLB in the second half of the year. This means that the planned merger of Degussa Bank into OLB will not be able to be completed until 2024. The Bank plans to use the extra time to improve and expand its preparations and for quality assurance with respect to the technical migration process to ensure a smooth transition for Degussa Bank customers. The specific effects of the acquisition on net assets, financial position and result of operations in OLB's consolidated financial statements will depend in particular on the date of closing, the impact of the standard adjustment clause stipulated for the purchase price and the impact of the measurement adjustments for business combinations required under IFRS 3.

With regard to the other components of its operating expenses and income which shape its results of operations, the Bank continues to expect a stable trend for the second half of the year, in line with its ambitious expectations.

Oldenburg, August 24, 2023
Oldenburgische Landesbank AG

The Executive Board

Stefan Barth
Chief Executive Officer

Marc Ampaw

Aytac Aydin

Chris Eggert

Giacomo Petrobelli

Dr. Rainer Polster

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF THE OLDENBURGISCHE LANDESBANK AG GROUP

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

of the Oldenburgische Landesbank Group for the period from January 1, 2023, to June 30, 2023

STATEMENT OF PROFIT AND LOSS

EURm	01/01–06/30/2023	01/01–06/30/2022	Notes
Interest income accounted for using the effective interest method	402.1	219.0	(5)
Interest income not accounted for using the effective interest method	84.4	– 1.6	(5)
Interest expenses	– 243.0	– 5.3	(5)
Net interest income	243.4	212.2	(1),(5),(9)
Commission income	81.1	84.9	(6)
Commission expense	– 22.2	– 24.8	(6)
Net commission income	58.9	60.1	(1),(6),(9)
Trading result	5.2	0.1	
Result from hedging relationships	– 13.2	– 0.2	
Other income	9.0	2.1	
Current income	**303.4**	**274.4**	
Personnel expenses	– 68.7	– 70.4	(1),(7),(9)
Non-personnel expenses	– 42.3	– 36.4	(1),(7),(9)
Depreciation, amortization and impairments of intangible and tangible fixed assets	– 11.0	– 11.7	(1),(7),(9)
Other expenses	– 0.6	– 0.6	(1),(7),(9)
Expenses from bank levy and deposit protection	– 11.1	– 15.2	(1),(7),(9)
Current expenses	**– 133.7**	**– 134.3**	(1),(7),(9)
Risk provisioning in the lending business	– 15.0	– 3.6	
Result from non-trading portfolio	0.8	9.2	
Result from restructurings	– 0.2	0.3	
Result before taxes	**155.2**	**146.1**	
Income tax	– 50.4	– 46.3	
Result after taxes (profit)	**104.8**	**99.7**	
Thereof: Result after taxes (profit) attributable to the owners of the parent	104.8	99.7	
Basic earnings per share (euros)	2.14	2.04	(10)
Diluted earnings per share (euros)	1.83	1.74	(10)

OTHER COMPREHENSIVE INCOME

EURm	01/01–06/30/2023	01/01–06/30/2022	Notes
Result after taxes (profit)	104.8	99.7	
Items reclassifiable through profit or loss			(1)
Change in debt instruments measured at fair value through other comprehensive income (FVOCI)	– 4.5	– 23.3	
Valuation changes	– 6.8	– 25.1	
Gains and losses reclassified to the income statement	0.3	– 8.7	
Deferred taxes	2.0	10.5	
Items not reclassifiable through profit or loss			(1)
Change from remeasurement of defined benefit plans recognised in other comprehensive income	– 4.0	33.1	
Valuation changes	– 5.8	47.9	
Deferred taxes	1.8	– 14.9	
Other comprehensive income	– 8.5	9.8	(1)
Total comprehensive income	**96.2**	**109.5**	
Thereof: Total comprehensive income attributable to the owners of the parent	**96.2**	**109.5**	

BALANCE SHEET

of the Oldenburgische Landesbank Group as of June 30, 2023

ASSETS

EURm	06/30/2023	12/31/2022	Notes
Cash reserve	284.0	1,529.8	(12)
Trading portfolio assets	93.2	108.5	
Positive fair values of derivative hedging instruments	8.2	17.9	
Receivables from banks	310.4	775.2	
Receivables from customers	18,740.0	18,008.9	(11)
Financial assets of the non-trading portfolio	4,780.5	3,087.3	(12)
Tangible fixed assets	57.2	60.5	
Intangible assets	29.2	31.0	
Other assets	389.9	357.2	
Income tax assets	0.0	0.0	
Deferred tax assets	111.8	104.7	
Non-current assets held for sale	0.7	0.7	
Total assets	**24,805.1**	**24,081.6**	

EQUITY AND LIABILITIES

EURm	06/30/2023	12/31/2022	Notes
Trading portfolio liabilities	134.8	161.2	
Negative fair values of derivative hedging instruments	8.3	9.4	
Liabilities to banks	5,314.6	5,075.3	(14)
Liabilities to customers	16,206.1	16,192.5	(15)
Securitised liabilities	1,184.0	706.9	(16)
Subordinated debt	131.1	161.9	(17)
Income tax liabilities	25.1	44.8	
Provisions	114.5	129.0	
Other liabilities	103.1	83.1	
Equity	1,583.5	1,517.4	
Subscribed capital	99.8	97.4	
Capital reserve	540.0	517.3	
Revenue reserves	860.6	786.1	
Additional equity components	99.2	124.2	
Other comprehensive Income (OCI)	– 16.1	– 7.6	
Total equity and liabilities	**24,805.1**	**24,081.6**	

STATEMENT OF CHANGES IN EQUITY
of the Oldenburgische Landesbank Group for the period from January 1, 2023, to June 30, 2023

					Cumulative other comprehensive income		
EURm	**Subscribed capital**	**Capital reserve**	**Revenue reserves**	**Additional equity components**	**Debt instruments with reclassification**	**Pensions**	**Total equity**
Notes			(2)				
12/31/2021	**90.5**	**517.3**	**635.4**	**124.2**	**6.0**	**– 17.8**	**1,355.6**
Result after taxes (profit)	—	—	99.7	—	—	—	99.7
Other comprehensive income from changes in debt instruments measured at fair value through other comprehensive income (FVOCI)	—	—	—	—	– 23.3	—	– 23.3
Other comprehensive income from changes in defined benefit plans recognised directly in equity	—	—	—	—	—	33.1	33.1
Instrument-based changes in equity	—	—	—	—	—	—	—
Other changes in equity	—	—	—	—	—	—	—
Total result	**—**	**—**	**99.7**	**—**	**– 23.3**	**33.1**	**109.5**
Payment on additional equity components	—	—	—	—	—	—	—
Dividend payment	—	—	– 40.0	—	—	—	– 40.0
06/30/2022	**90.5**	**517.3**	**695.2**	**124.2**	**– 17.3**	**15.3**	**1,425.2**
12/31/2022	**97.4**	**517.3**	**786.1**	**124.2**	**– 38.4**	**30.8**	**1,517.4**
Result after taxes (profit)	—	—	104.8	—	—	—	104.8
Other comprehensive income from changes in debt instruments measured at fair value through other comprehensive income (FVOCI)	—	—	—	—	– 4.5	—	– 4.5
Other comprehensive income from changes in defined benefit plans recognised directly in equity	—	—	—	—	—	– 4.0	– 4.0
Instrument-based changes in equity	2.4	22.6	—	– 25.0	—	—	– 0.0
Other changes in equity	—	—	—	—	—	—	—
Total result	**2.4**	**22.6**	**104.8**	**– 25.0**	**– 4.5**	**– 4.0**	**96.2**
Payment on additional equity components	—	—	—	—	—	—	—
Dividend payment	—	—	– 30.2	—	—	—	– 30.2
06/30/2023	**99.8**	**540.0**	**860.6**	**99.2**	**– 42.9**	**26.8**	**1,583.5**

In the 2023 reporting period, EUR 30.2 million were distributed, ie, EUR 0.62 per share – based on 48.7 million shares at the time of the distribution (2022: EUR 40.0 million, ie, EUR 0.82 per share were distributed – based on 48.7 million shares after share split in the second half year of 2022; EUR 1.72 per share based on 23.3 million shares as of June 30, 2022).

As part of the conversion of a convertible bond (WKN A2LQQC9) with a nominal value of EUR 25.0 million into subscribed capital, this capital was increased by EUR 2.4 million while the remainder was transferred to the capital reserve.

CASH FLOW STATEMENT

of the Oldenburgische Landesbank Group for the period from January 1, 2023, to June 30, 2023

EURm	01/01–06/30/2023	01/01–06/30/2022	Notes
Operating activities			
Result after taxes (profit)	104.8	99.7	
Adjustments for			
Depreciation, amortisation and impairments of intangible and tangible fixed assets and impairments/reversals of impairments in the lending business	29.4	14.7	
Change in provisions	9.1	8.6	
Other non-cash expenses/income*	– 8.1	38.8	
Gain/loss on disposal of fixed assets	0.5	22.4	
Subtotal	**135.7**	**184.3**	
Change in trading portfolio assets	– 85.5	– 13.4	
Change in receivables from banks	470.1	252.3	
Change in receivables from customers	– 718.1	– 1,025.3	(11)
Change in financial assets of the non-trading portfolio	– 1,666.3	– 89.6	(12)
Change in other assets	– 736.4	– 68.2	
Change in trading portfolio liabilities	21.2	17.1	
Change in liabilities to banks	193.0	– 355.4	(14)
Change in liabilities to customers	– 38.6	983.4	(15)
Change in securitised liabilities	465.5	325.0	(16)
Change in other liabilities	753.4	491.6	
Net interest income**	– 243.4	– 212.2	
Income taxes	50.5	46.3	
Interest received	433.8	264.0	
Dividend payments received	0.0	0.0	
Interest paid	– 129.5	– 64.2	
Income tax paid	– 73.5	– 20.5	
Cash flows from operating activities	**– 1,167.9**	**715.0**	

** Prior year's other non-cash expenses/income mainly driven by effects from hedge accounting*
*** Including cash payments for the interest portion of lease liabilities*

EURm	01/01–06/30/2023	01/01–06/30/2022	Notes
Investing activities			
Proceeds from disposal of financial assets of the non-trading portfolio	—	—	
Proceeds from disposal of tangible fixed assets	0.0	1.0	
Payments to acquire financial assets of the non-trading portfolio	– 0.0	—	
Payments to acquire tangible fixed assets	– 5.9	– 1.1	
Cash flows from investing activities	**– 6.0**	**– 0.1**	
Financing activities			
Proceeds from capital contributions	—	—	
Dividends paid	– 30.2	—	
Change in subordinated debt	– 28.5	– 4.4	(17)
Additional equity components	– 0.0	—	
Interest expense for additional equity components	—	—	
Change in cash funds from other financing activity***	– 13.1	– 49.0	
Cash flows from financing activities	**– 71.9**	**– 53.4**	

**** Including cash payments for the principal portion of lease liabilities*

EURm	01/01–06/30/2023	01/01–06/30/2022	Notes
Cash reserve			
Cash reserve as of January 1	1,529.8	2,154.2	
Cash flows from operating activities	– 1,167.9	715.0	
Cash flows from investing activities	– 6.0	– 0.1	
Cash flows from financing activities	– 71.9	– 53.4	
Cash reserve as of June 30	284.0	2,815.7	
Change in cash reserve	**– 1,245.7**	**661.5**	

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE OLDENBURGISCHE LANDESBANK GROUP

FOR THE PERIOD FROM JANUARY 1, 2023, TO JUNE 30, 2023

GENERAL DISCLOSURES

(1) BASIS OF ACCOUNTING

The interim financial statements as of June 30, 2023, have been prepared in accordance with the International Financial Reporting Standards (IFRS). In particular, the requirements of IAS 34 Interim Financial Reporting have been complied with. In preparing this interim report, the Bank has applied those IFRS applicable to interim financial reporting as adopted by the EU. These financial statements have been subject to a limited review. The following IFRS have been applied for the first time in the interim consolidated financial statements:

- Amendments to IAS 12, IAS 1, IAS 8 and to IFRS 17

These have not had any significant impact on the interim consolidated financial statements. Please see our IFRS consolidated financial statements 2022 for further information on new and revised standards.

The reporting period for the condensed interim consolidated financial statements covers the period January 1, 2023, to June 30, 2023. These interim consolidated financial statements do not contain all of the information and disclosures which are required in consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements as of December 31, 2022. In principle, we have applied the same accounting policies for this consolidated interim report as of June 30, 2023, as in the Bank's consolidated financial statements as of December 31, 2022. The euro is the reporting and functional currency. Figures are generally shown in millions of euros, rounded to one decimal place. Due to rounding, in some cases individual figures may not precisely add up to the stated total amount. This Group interim report has been prepared on the basis of the going concern principle.

(2) DISCLOSURES CONCERNING THE BASIS AND METHODS OF CONSOLIDATION

Oldenburgische Landesbank AG, Compartment 2, Compartment 3, Compartment 4, Compartment 5 and Compartment 6 of Weser Funding S.A. have been included in the consolidated financial statements. One subsidiary has not been included, since it only has a minor impact on OLB's net assets, financial position and results of operations.

(3) UNCERTAIN ESTIMATES AND DISCRETIONARY JUDGMENTS

Estimates, discretionary judgments and assumptions have permissibly been made for the preparation of the consolidated financial statements which affected the amounts shown in the consolidated financial statements. All of the estimates required for accounting and valuation purposes have been made while taking into account experience and observable factors which are regularly reviewed. Any estimates rely on the appropriate exercise of judgement with respect to the applicable standard. The following estimates, discretionary judgments and assumptions have had the greatest impact on the amounts reported in the interim financial statements:

Within the scope of IFRS 9, impairment guidance concerning financial assets measured at amortised cost and fair value through other comprehensive income require significant estimates and discretionary judgments during the classification into the appropriate stages as well as during the determination of the relating risk provisions. The same applies to contingent liabilities and loan commitments under IFRS 9. The determination of the criteria as to when a significant increase in the level of credit risk has occurred constitutes a discretionary judgment.

The estimates required for the determination of Stage 1 and Stage 2 risk provisions and for the parameter-based calculation of Stage 3 risk provisions are subject to significant uncertainty, particularly with regard to the integration of forward-looking macroeconomic scenarios. This is particularly so in view of the development of the Russia–Ukraine war and its economic consequences. In order to reflect the risk that the existing models may not reflect all relevant factors and uncertainties of this unprecedented situation, the bank has set up in 2022 an additional post model adjustment (PMA) of EUR 15.9 million and kept it unchanged as of June 30, 2023. The Stage 3 risk provisions are calculated on the basis of individual transactions including assumptions and forecasts with regard to the determination of future recoverable amounts.

Retirement benefit obligations have been measured using the projected unit credit method. In particular, this includes assumptions relating to the interest rate, the long-term pension trend and average life expectancy. The weighted assumptions for the determination of the present value of pension entitlements earned and for the determination of net pension expense are as follows:

in %	06/30/2023	12/31/2022
Discount rate	4.00	4.00
Expected salary increase	2.50	2.50
Expected pension increase	2.25	2.25

Management judgement was also applied to the accrual of the negative interest expense of the longer-term refinancing operations (TLTRO) taken up with the ECB.

At the Bank's discretion, the ECB measures are not considered to be an application of IAS 20 ("Government Grants"), but are accounted for in accordance with IFRS 9 ("Financial Instruments"). As an intermediary, the Bank issues loans at the market interest rate including margin and refinances itself analogously. The ECB's measures are thus seen as determining the market interest rate level and not as a government grant to OLB.

(4) DISCLOSURES ON SEGMENT REPORTING

In accordance with IFRS 8, the internal financial reporting – as a decision-oriented tool produced on a monthly basis to assist with corporate management and control and to reflect risks and opportunities – forms the basis for the segment reporting.

For management purposes, the Bank divides up its business activities by business segments, in terms of its target customers, products and services as well as from a procedural and settlement point of view.

Business with private clients and regional small and medium-sized enterprises (SMEs) is the first core pillar of OLB's business operations. This has formed the "Private & Business Customers" strategic business segment. OLB offers these clients competent advisory and support services based on personal and trusting contact via its centrally managed network of branches and its Advisory Center Oldenburg (CDS). At the same time, customers are also able to directly access products that meet their needs and up-to-date services via online and mobile banking. OLB thus combines a branch presence in its Weser-Ems core business area with the offering of a digital bank active throughout Germany, together with distribution partners and brokerage business. The Bank's offering concentrates on current accounts and credit cards, online banking and mobile banking (via its OLB banking app), instalment loans, private construction financing and private investments. In addition, the Bank offers insurance brokering and assistance with private real estate purchases and sales. The Bank operates under the Bankhaus Neelmeyer brand in the area of Private Banking & Wealth Management.

The second pillar of the Bank's business model is the larger-volume corporate business segment including Football Finance as well as Acquisition Finance including Fund Finance, International Diversified Lending and Commercial Real Estate Finance. The Bank's offering in these subsegments is characterised by an individually tailored profile, larger individual transactions and the commitment of an increased volume of resources to advisory processes and servicing. However, on the other hand this enables higher margins. This business segment is supplemented by Wind Power Finance. The Bank's activities which fall under the scope of its manufactory business have been combined in its "Corporates & Diversified Lending" strategic business segment.

Personnel and non-personnel expenses resulting from central operational, management and administrative functions are presented as part of OLB's Corporate Center. Back office and settlement services are provided centrally for the strategic business segments in the operating units. The management and administrative units are responsible for steering the Bank. The costs incurred by central units for the performance of services within the scope of business operations are apportioned to the strategic business segments on the basis of the source of these costs. In addition, any items which do not belong elsewhere – in particular, those arising from the Bank's asset / iability management, earnings from affiliated companies, investment securities and reconciling items – are also presented within the scope of OLB's Corporate Center. The Corporate Center is not a business segment.

OLB primarily assesses the financial success of its segments for which reporting is required and of its other units on the basis of its operating result (ie, before risk provisions). Its operating result is the balance of income and expenses from core business operations which can be allocated to the segment or unit in question. The result after taxes is another key indicator.

Net interest income is divided up into its profit components on the basis of the market interest rate method and allocated to the segments on the basis of its source.

Operating expenses comprise direct costs allocated to the segments as well as the costs of central units which arise through the performance of services within the scope of business operations.

Risk capital is assigned on the basis of the allocation of risk-weighted assets to the segments. Market price risk, operational risks and currently free capital shares are allocated to the Corporate Center unit.

NOTES TO THE STATEMENT OF PROFIT AND LOSS AND THE SEGMENT REPORTING

(5) NET INTEREST INCOME

EURm	01/01–06/30/2023	01/01–06/30/2022
Interest income accounted for using the effective interest method	**402.1**	**219.0**
Interest income from lending transactions accounted for using the effective interest method	367.7	213.2
Interest income from securities business accounted for using the effective interest method	34.3	5.8
Interest income not accounted for using the effective interest method	**84.4**	**– 1.6**
Negative interest from financial assets	– 3.3	– 18.0
Current income from shares and other non-fixed income securities	0.0	0.0
Current income from investment securities and non-consolidated affiliated companies	0.0	—
Other interest income[1]	87.6	16.4
Total interest income	**486.4**	**217.5**
Interest expenses from liabilities to banks	– 55.5	– 8.0
Interest expenses from liabilities to customers	– 82.5	– 13.2
Interest expenses from securitised liabilities	– 13.7	– 1.2
Interest expenses from subordinated debt	– 3.2	– 3.3
Other interest expenses	– 88.4	– 9.2
Positive interest from financial liabilities	0.3	29.7
Total interest expenses	**– 243.0**	**– 5.3**
Net interest income	243.4	212.2

1) Other interest income not accounted for using the effective interest method includes positive amounts of interest payments and accrued interest from interest rate swaps with spreads between far and near legs substantially higher in the reporting period than in prior years comparable period.

(6) NET COMMISSION INCOME

EURm	01/01–06/30/2023	01/01–06/30/2022
Account fees et al.	**14.1**	**13.8**
Income	18.1	17.9
Expense	– 3.9	– 4.1
Securities business and asset management	**18.4**	**20.0**
Income	32.8	37.7
Expense	– 14.4	– 17.7
Private real estate, house-saving and insurance business [1]	**5.3**	**7.8**
Income	6.2	8.6
Expense	– 0.9	– 0.8
Loan business fees	**20.3**	**16.6**
Income	22.5	18.8
Expense	– 2.2	– 2.2
Others [1]	**0.8**	**2.0**
Income	1.5	2.0
Expense	– 0.7	0.0
Total net commission income	**58.9**	**60.1**
Income	81.1	84.9
Expense	**– 22.2**	**– 24.8**

1) Private real estate, house-saving and insurance business includes income from private real estate and house-saving business of EUR 4.5 million and expenses of EUR – 0.4 million in the comparative period from January 1 to June 30, 2022, which were reported as Others in the financial statements for the comparative period.

(7) CURRENT EXPENSES

EURm	01/01–06/30/2023	01/01–06/30/2022
Wages and salaries	– 55.8	– 55.7
Social contributions	– 8.5	– 8.7
Expenses fo retirement benefits and support	– 4.5	– 6.0
Total current personnel expenses	**– 68.7**	**– 70.4**
IT expenses	– 12.1	– 7.9
Room costs	– 3.9	– 5.7
Information costs	– 3.3	– 2.7
Insurances	– 1.1	– 1.4
Advertising and representation expenses	– 1.3	– 1.5
Audit and association costs	– 3.2	– 2.6
Other services	– 4.9	– 4.7
Consulting and legal costs	– 12.0	– 5.6
Capital market costs	– 1.8	– 0.6
Digital Banking	– 0.8	– 0.5
Other administrative expenses	2.1	– 3.3
Non-personnel expenses	**– 42.3**	**– 36.4**
Depreciation/amortisation of IFRS 16 right-of-use assets	– 5.8	– 6.2
Depreciation of IAS 16 assets	– 3.5	– 4.1
Amortization of IAS 38 intangible assets	– 1.6	– 1.4
Write-offs	—	—
Depreciation, amortisation and impairments of intangible and tangible fixed assets	**– 11.0**	**– 11.7**
Other expenses	– 0.6	– 0.6
Expenses from bank levy and deposit protection	– 11.1	– 15.2
Current expenses	**– 133.7**	**– 134.3**

(8) RISK PROVISIONING IN THE LENDING BUSINESS

The change in risk provisions – recognised in profit or loss – for receivables from banks and receivables from customers for which risk provisions are required and for financial assets of the non-trading portfolio and off-balance sheet lending business (loan commitments, financial guarantees) is reported in the risk provision expense item. The risk provision expense item consists of the following:

EURm	01/01–06/30/2023	01/01–06/30/2022
Receivables from banks measured at AC		
Additions to risk provisions	– 0.1	– 0.1
Reversals of risk provisions	0.0	0.1
Result from changes in the risk provisions of receivables from banks measured at AC	**– 0.1**	**0.0**
Receivables from customers measured at AC		
Additions to risk provisions	– 41.3	– 40.5
Reversals of risk provisions	21.9	29.7
Result from changes in the risk provisions of receivables from customers	**– 19.4**	**– 10.8**
Off-balance sheet business		
Additions to risk provisions	– 3.7	– 6.1
Reversals of risk provisions	7.2	11.8
Result from changes in provisions in credit business	**3.4**	**5.7**
+ Direct write-offs	– 1.6	– 1.3
– Recoveries on receivables written-off	2.6	2.8
Result from changes in provisions in credit business	1.0	1.5
Total risk provisions	**– 15.0**	**– 3.6**
Financial assets of the non-trading portfolio measured at FVOCI		
Additions to risk provisions	– 0.1	– 0.2
Reversals of risk provisions	0.1	0.1
Result from changes in the risk provisions of financial assets of the non-trading portfolio measured at FVOCI	**– 0.0**	**– 0.1**

(9) SEGMENT REPORTING

Please see the accounting policies explained in Note (4) for details of the basis and methods for the segment reporting.

The following table shows the results of the segment reporting in terms of the structure of segments which were actually managed in the first half of the financial year 2023, together with corresponding figures for the reference period:

EURm	Private & Business Customers	Corporates & Diversified Lending	Corporate Center	OLB Group
01/01–06/30/2023				
Net interest income	130.0	131.9	– 18.5	243.4
Net commission income	40.4	22.0	– 3.4	58.9
Other operating income*	1.4	5.3	– 5.7	1.0
Result from non-trading portfolio**	—	—	0.8	0.8
Operating income	**171.8**	**159.2**	**– 26.8**	**304.2**
Operating expenses* **	**– 75.8**	**– 31.1**	**– 15.7**	**– 122.6**
Operating result	**96.0**	**128.1**	**– 42.6**	**181.6**
Expenses from bank levy and deposit protection	– 3.7	– 3.4	– 4.1	– 11.1
Risk provisioning in the lending business	– 5.5	– 10.9	1.4	– 15.0
Result from restructurings	—	—	– 0.2	– 0.2
Result before taxes	**86.8**	**113.9**	**– 45.5**	**155.2**
Income tax	– 26.9	– 35.3	11.8	– 50.4
Result after taxes (profit)	**59.9**	**78.6**	**– 33.7**	**104.8**
Cost-income ratio (CIR)	**44.1**	**19.5**	**n / a**	**40.3**
Return on equity (post tax)	**34.2**	**18.9**	**n / a**	**14.3**
01/01–06/30/2022				
Net interest income	85.4	112.3	14.5	212.2
Net commission income	45.4	18.4	– 3.6	60.1
Other operating income*	1.4	3.9	– 3.3	2.0
Result from non-trading portfolio**	—	—	9.2	9.2
Operating income	**132.2**	**134.6**	**16.8**	**283.6**
Operating expenses* **	**– 80.8**	**– 27.4**	**– 10.9**	**– 119.0**
Operating result	**51.4**	**107.2**	**6.0**	**164.6**
Expenses from bank levy and deposit protection	– 5.7	– 4.3	– 5.2	– 15.2
Risk provisioning in the lending business	– 0.8	– 4.6	1.8	– 3.6
Result from restructurings	—	—	0.3	0.3
Result before taxes	**44.9**	**98.2**	**2.9**	**146.1**
Income tax	– 13.9	– 30.4	– 1.9	– 46.3
Result after taxes (profit)	**31.0**	**67.8**	**1.0**	**99.7**
Cost-income ratio (CIR)	**61.1**	**20.4**	**n / a**	**42.0**
Return on equity (post tax)	**18.5**	**17.5**	**n / a**	**15.3**

* *Comprising Trading result, Result from hedging relationships and Other income*

** *Including Results from derecognition of financial instruments AC*

*** *Comprising Personnel expenses, Non-personnel expenses, Depreciation, amortisation and impairments of intangible and tangible fixed assets and Operating expenses*

(10) BASIC AND DILUTED EARNINGS PER SHARE

To determine the basic and diluted earnings per share, the profit is divided by the average weighted number of shares in circulation during the financial period.

	01/01–06/30/2023	01/01–06/30/2022
Profit (million euros)	104.8	99.7
Average number of shares in circulation (million shares)	48.9	48.9
Basic earnings per share (euros)	**2.14**	**2.04**
Average diluted number of shares in circulation (million shares)	57.2	57.2
Diluted earnings per share (euros)	**1.83**	**1.74**

The dilution resulted from conversion rights for several subordinate financial instruments. The calculation of the basic and diluted earnings per share for 2022 was adjusted according to IAS 33.64 due to the changes in the share capital in 2023.

NOTES TO THE BALANCE SHEET – ASSETS

(11) RECEIVABLES FROM CUSTOMERS

EURm	06/30/2023	12/31/2022
Receivables from customers (gross carrying amount)	**18,924.5**	**18,193.9**
less risk provision	– 184.5	– 184.9
Receivables from customers	**18,740.0**	**18,008.9**
of which: Receivables from customers measured at AC	18,740.0	18,008.9
of which:Receivables from customers measured at FVOCI	—	—

EURm	06/30/2023	12/31/2022
Private & Business Customers	9,949.9	9,889.8
Corporates & Diversified Lending	9,329.6	8,691.3
Corporate Center	– 355.1	– 387.2
less risk provision	– 184.5	– 184.9
Receivables from Customers	**18,740.0**	**18,008.9**
of which: Receivables from customers measured at AC	18,740.0	18,008.9
of which: Receivables from customers measured at FVOCI	—	—

Adjustments of the book value resulting from fair value hedge accounting (potentially positive or negative) were reflected in the Corporate Center.

(12) FINANCIAL ASSETS OF THE NON-TRADING PORTFOLIO

The Group's financial assets of the non-trading portfolio ↗ comprise bonds including other fixed-interest securities, shares including other non-fixed-interest securities, investment securities and shares in non-consolidated affiliated companies.

Financial assets of the non-trading portfolio have the following breakdown:

EURm	06/30/2023	12/31/2022
Bonds and other fixed-income securities	4,778.6	3,085.6
Financial assets of the non-trading portfolio classified at FVOCI	**4,778.6**	**3,085.6**
Shares	1.1	1.0
Investment securities	0.6	0.6
Shares in not-consolidated subsidiaries	0.1	0.1
Financial assets of the non-trading portfolio classified at FVPL	**1.9**	**1.7**
Financial assets of the non-trading portfolio	**4,780.5**	**3,087.3**

Since market rates for short- to medium-term interest increased in the first half of 2023, parts of the cash reserve held per December 31, 2022, were allocated to the financial assets of the non-trading portfolio.

(13) RISK PROVISION

Default risks of the lending and securities business are taken into account by establishing risk provisions. The following risk provisions have been established:

EURm	06/30/2023	12/31/2022
Risk provision for lending business		
Risk provision for receivables from banks	0.1	0.0
Risk provision for receivables from customers	184.5	184.9
Risk provision for Off-balance sheet obligations to customers	16.4	19.8
Risk provision for Off-balance sheet obligations to banks	0.0	0.1
Risk provision for financial assets of the non-trading portfolio	0.7	0.6
Total	**201.7**	**205.4**

Risk provisions have developed as follows:

EURm	Business with customers measured at AC	Business with banks measured at AC	Financial assets of the non-trading portfolio measured at FVOCI	Total portfolio
01/01/2022	**156.2**	**0.0**	**0.2**	**156.4**
Utilisation	– 8.9	—	—	– 8.9
Additions	40.5	0.1	0.2	40.7
Reversals	– 29.7	– 0.1	– 0.1	– 29.9
Reversals from unwinding	– 0.4	—	—	– 0.4
06/30/2022	**157.7**	**0.0**	**0.2**	**158.0**

EURm	Business with customers measured at AC	Business with banks measured at AC	Financial assets of the non-trading portfolio measured at FVOCI	Total portfolio
01/01/2023	**184.9**	**0.0**	**0.6**	**185.5**
Utilisation	– 18.9	—	—	– 18.9
Additions	41.3	0.1	0.1	41.5
Reversals	– 21.9	– 0.0	– 0.1	– 22.0
Reversals from unwinding	– 0.9	—	—	– 0.9
06/30/2023	**184.5**	**0.1**	**0.7**	**185.2**

Risk provisioning for business with customers has developed as follows for the various risk provision stages:

	Receivables from customers measured at AC				Off-balance sheet business with customers				
EURm	Stage 1	Stage 2	Stage 3	**Risk provision**	Stage 1	Stage 2	Stage 3	**Provisions**	**Business with customers measured at AC**
01/01/2022	16.2	47.0	93.0	**156.2**	5.3	1.7	15.6	**22.6**	**178.8**
Utilisation	—	—	– 8.9	**– 8.9**	—	—	—	**—**	**– 8.9**
Additions	13.6	6.7	20.2	**40.5**	2.1	2.6	1.3	**6.0**	**46.5**
Reversals	– 0.9	– 20.7	– 8.2	**– 29.7**	– 1.7	– 1.1	– 9.0	**– 11.7**	**– 41.4**
Reversals from unwinding	—	—	– 0.4	**– 0.4**	—	—	—	**—**	**– 0.4**
06/30/2022	28.9	33.1	95.8	**157.7**	5.7	3.3	7.9	**16.9**	**174.6**

	Receivables from customers measured at AC				Off-balance sheet business with customers				
EURm	Stage 1	Stage 2	Stage 3	**Risk provision**	Stage 1	Stage 2	Stage 3	**Provisions**	**Business with customers measured at AC**
01/01/2023	39.8	39.7	105.5	**184.9**	7.0	4.5	8.3	**19.8**	**204.7**
Utilisation	—	—	– 18.9	**– 18.9**	—	—	—	**—**	**– 18.9**
Additions	2.1	9.0	30.3	**41.3**	1.6	1.0	1.1	**3.6**	**44.9**
Reversals	– 3.5	– 0.9	– 17.5	**– 21.9**	– 2.5	– 1.8	– 2.6	**– 7.0**	**– 28.9**
Reversals from unwinding	—	—	– 0.9	**– 0.9**	—	—	—	**—**	**– 0.9**
06/30/2023	38.3	47.8	98.4	**184.5**	6.0	3.6	6.8	**16.4**	**200.9**

NOTES TO THE BALANCE SHEET – EQUITY & LIABILITIES

(14) LIABILITIES TO BANKS

EURm	06/30/2023	12/31/2022
Demand deposits	88.3	101.7
Development banks	2,161.9	2,315.7
Promissory notes / registered notes	23.6	23.2
Covered bonds	65.2	65.5
Other term deposits	2,975.6	2,569.2
Liabilities to banks (AC)	**5,314.6**	**5,075.3**

Under a transaction structure, OLB received several secured, variable-rate loans that were reported as part of other term deposits. As collateral for the loans, receivables were used in a two-step lending transaction that OLB reported in the balance sheet of its interim consolidated financial statements and that arose at OLB in the course of its primary banking activities. The transaction has a term from March 2023 to May 2026 and has provided OLB with liquid funds totaling EUR 576.9 million.

(15) LIABILITIES TO CUSTOMERS

The following table shows the breakdown of liabilities to customers by customer group:

EURm	06/30/2023	12/31/2022
Private & Business Customers	11,105.6	10,830.9
Corporates & Diversified Lending	3,150.8	3,116.9
Corporate Center	1,949.7	2,244.8
Liabilities to customers (AC)	**16,206.1**	**16,192.5**

The second table shows the breakdown of liabilities to customers by product group:

EURm	06/30/2023	12/31/2022
Demand deposits	9,130.6	9,999.1
Promissory notes / registered notes	405.1	403.4
Covered bonds	116.4	117.1
Other term deposits	5,221.0	4,038.7
Saving deposits	1,333.1	1,634.2
Liabilities to customers (AC)	**16,206.1**	**16,192.5**

(16) SECURITISED LIABILITIES

EURm	06/30/2023	12/31/2022
Covered bonds issued	697.5	699.5
Other debt securities issued	486.5	7.4
Securitised liabilities (AC)	**1,184.0**	**706.9**

A bearer bond with a nominal volume of EUR 400 million was issued in the first half of the financial year 2023.

As a subset of the debt securities issued, OLB issued a structure in the nominal amount of EUR 70.6 million, with the notes of which the so-called "second loss" of the default losses attributable to OLB on certain loan receivables is transferred to the note investors (relating to loans that OLB originated to corporate customers in the course of its original banking activities and continues to retain on its balance sheet with the intention to hold them until maturity). The loss transfer takes the form of a reduction in the volume of notes, which is the basis for calculating the contractual cash flows from the notes, when chargeable losses occur in relation to the defaulted receivables at OLB. As of the reporting date, there had been no loss transfers from this.

(17) SUBORDINATED DEBT

EURm	06/30/2023	12/31/2022
Convertible bonds (tier 1)	1.7	16.7
Debt instruments (tier 2)	—	14.0
Promissory note loans (tier 2)	126.5	128.1
Customer deposits (tier 2)	3.0	3.1
Subordinated Debt	**131.1**	**161.9**

(18) OWN FUNDS AND RISK ASSETS UNDER SEC. 10 KWG

EURm	06/30/2023	12/31/2022
Common Equity Tier 1 capital	**1,352.0**	**1,275.2**
Additional Tier 1 capital (AT1)	101.2	141.2
Tier 1 capital	**1,453.3**	**1,416.4**
Tier 2 capital	131.0	141.0
Share capital and reserves	**1,584.3**	**1,557.4**
Risk assets for counterparty risks	8,430.5	8,542.0
Risk assets for market price risks	—	—
Risk assets for operational risks	960.5	820.8
Risk assets	**9,391.0**	**9,362.8**

Own funds and risk assets are based on German GAAP.

(19) CAPITAL RATIOS UNDER SEC. 10 KWG

%	06/30/2023	12/31/2022
Common Equity Tier 1 capital ratio	14.40	13.62
Tier 1 capital ratio	15.48	15.13
Aggregate capital ratio	16.87	16.63

Calculations of capital ratios are based on German GAAP.

NOTES TO THE BALANCE SHEET – FURTHER DISCLOSURES

(20) DERIVATIVE TRANSACTIONS AND HEDGE ACCOUNTING

EURm	Positive fair values	Negative fair values	Total nominal values
June 30, 2023			
Interest rate derivatives	**824.3**	**– 314.6**	**15,331.7**
Interest rate derivates from customer business	138.2	– 124.8	5,358.4
Interest rate derivatives from interest book management	686.1	– 189.8	9,973.3
of which: designated as micro hedging instruments	454.1	– 183.7	7,280.3
of which: designated as portfolio hedging instruments	232.0	– 3.1	2,193.0
of which: free-standing hedging instruments	—	– 3.0	500.0
Currency derivatives	**40.3**	**– 32.0**	**3,891.5**
Currency options: purchases	1.6	—	197.7
Currency options: sales	—	– 1.6	197.7
Cross-currency swaps	4.3	—	147.1
FX swaps and currency forwards	34.4	– 30.5	3,349.0
Total derivatives	**864.6**	**– 346.6**	**19,223.3**
December 31, 2022			
Interest rate derivatives	**858.6**	**– 336.3**	**12,068.0**
Interest rate derivates from customer business	145.2	– 131.9	5,027.7
Interest rate derivatives from interest book management	713.4	– 204.4	7,040.3
of which: designated as micro hedging instruments	452.7	– 204.0	5,122.3
of which: designated as portfolio hedging instruments	260.7	– 0.3	1,918.0
Currency derivatives	**52.0**	**– 52.7**	**3,861.6**
Currency options: purchases	3.2	—	243.9
Currency options: sales	—	– 3.2	243.9
Cross-currency swaps	3.7	—	150.0
FX swaps and currency forwards	45.0	– 49.5	3,223.9
Total derivatives	**910.6**	**– 389.0**	**15,929.6**

OFF-BALANCE SHEET BUSINESS

(21) CONTINGENT LIABILITIES AND LOAN COMMITMENTS

EURm	06/30/2023	12/31/2022
Credit guarantees	188.2	203.4
Other guarantees and warranties	497.7	491.3
Letters of credit	8.5	9.8
less provisions	– 7.6	– 8.7
Contingent liabilities	**686.9**	**695.8**
Loans	1,579.0	1,476.7
Guarantee lines	197.2	206.1
less provisions	– 4.5	– 4.6
Irrevocable credit commitments	**1,771.7**	**1,678.2**

ADDITIONAL DISCLOSURES

(22) FAIR VALUES AND CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS BY MEASUREMENT CATEGORY AND BALANCE SHEET ITEM AND THEIR CLASSIFICATION IN THE FAIR-VALUE HIERARCHY

For each measurement category of financial instruments, the fair values have been compared to their carrying amounts and reconciled with the items on the assets side and the equity and liabilities side of the balance sheet. In addition, the financial instruments reported at fair value have been allocated to one of the three fair-value levels according to the IFRS fair-value hierarchy. The following abbreviations are used in the following tables: AC = at amortised cost (Amortised Cost), FVOCI = at fair value through other comprehensive income (Fair Value through Other Comprehensive Income), FVPL = at fair value through profit or loss (Fair Value through Profit or Loss).

The same procedures, measurement methods and classification criteria have been used here as were applied in the consolidated financial statements as of December 31, 2022, in order to determine fair values and for the purpose of categorisation in terms of the three fair-value levels according to the IFRS fair-value hierarchy.

The following tables show the fair values and carrying amounts of the financial instruments within the scope of the levels of the IFRS fair-value hierarchy:

ASSETS

	06/30/2023									
	Category	**Balance sheet items**	**Financial instruments measured at amortised cost**			**carried at fair value**	**∑ financial instruments**	**Level 1**	**Level 2**	**Level 3**
EURm		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Cash and cash equivalents (carried at nominal value)	AC	284.0	284.0	—	284.0		284.0	—	284.0	—
Trading portfolio assets										
Non-derivative trading assets measured at FVPL	FVPL	0.1				0.1	0.1	0.1	—	—
Positive fair values from interest rate derivatives	FVPL	138.2				138.2	138.2	—	138.2	—
Positive fair values from currency derivatives	FVPL	40.3				40.3	40.3	—	40.3	—
Adjustments related to offsetting and CVA	FVPL	– 85.4				– 85.4	– 85.4	—	– 85.1	– 0.2
Positive fair values of derivative hedging instruments	FVPL	8.2				8.2	8.2	—	8.2	—
Receivables from banks (net after risk provision)	AC	310.4	310.4	– 0.7	309.7		309.7	—	292.3	17.4
Receivables from customers (net after risk provision)	AC	18,740.0	18,740.0	– 577.3	18,162.6		18,162.6	—	1,042.2	17,120.4
Financial assets of the non-trading portfolio										
Financial assets of the non-trading portfolio classified at FVOCI	FVOCI	4,778.1				4,778.1	4,778.1	4,760.2	—	18.0
Financial assets of the non-trading portfolio classified at FVPL	FVPL	1.9				1.9	1.9	—	—	1.9
Other assets										
Cash collaterals CCP	AC	271.0	271.0	—	271.0		271.0	—	271.0	—
Total financial instruments		**24,486.7**	**19,605.3**	**– 578.0**	**19,027.3**	**4,881.4**	**23,908.7**	**4,760.3**	**1,991.1**	**17,157.4**

LIABILITIES

	06/30/2023									
	Category	**Balance sheet items**	**Financial instruments measured at amortised cost**			**carried at fair value**	**∑ financial instru-ments**	**Level 1**	**Level 2**	**Level 3**
EURm		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Trading portfolio liabilities										
Negative fair values from interest rate derivatives derivatives	FVPL	127.8				127.8	127.8	—	127.8	—
Negative fair values from currency derivatives	FVPL	32.0				32.0	32.0	—	32.0	—
Adjustments related to offsetting	FVPL	– 25.0				– 25.0	– 25.0	—	– 25.0	—
Negative fair values from hedging derivatives	FVPL	8.3				8.3	8.3	—	8.3	—
Liabilities to banks	AC	5,314.6	5,314.6	– 384.8	4,929.9		4,929.9	—	128.3	4,801.5
Liabilities to customers	AC	16,206.1	16,206.1	140.9	16,347.1		16,347.1	—	9,130.6	7,216.5
Securitised liabilities	AC	1,184.0	1,184.0	– 105.2	1,078.8		1,078.8	—	1,078.8	—
Subordinated debt	AC	131.1	131.1	– 10.0	121.1		121.1	—	—	121.1
Other liabilities										
Cash collaterals CCP	AC	8.6	8.6	—	8.6		8.6	—	8.6	—
Total financial instruments		**22,987.5**	**22,844.4**	**– 359.0**	**22,485.4**	**143.1**	**22,628.5**	**—**	**10,489.4**	**12,139.1**
Contingent liabilities	N / A	—					– 7.6	—	—	– 7.6
Irrevocable loan commitments	N / A	—					– 17.0	—	—	– 17.0

ASSETS

	12/31/2022									
	Category	**Balance sheet items**	**Financial instruments measured at amortised cost**			**carried at fair value**	**∑ financial instru-ments**	**Level 1**	**Level 2**	**Level 3**
EURm		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Cash and cash equivalents (carried at nominal value)	AC	1,529.8	1,529.8	—	1,529.8		1,529.8	—	1,529.8	—
Trading portfolio assets										
Non-derivative trading assets measured at FVPL	FVPL	0.0				0.0	0.0	0.0	—	—
Positive fair values from interest rate derivatives	FVPL	145.2				145.2	145.2	—	145.2	—
Positive fair values from currency derivatives	FVPL	52.0				52.0	52.0	—	52.0	—
Adjustments related to offsetting and CVA	FVPL	– 88.7				– 88.7	– 88.7	—	– 87.3	– 1.5
Positive fair values of derivative hedging instruments	FVPL	17.9				17.9	17.9	—	17.9	—
Reveivables from banks (net after risk provision)	AC	775.2	775.2	– 0.5	774.7		774.7	—	770.5	4.2
Reveivables from cus-tomers (net after risk provision)	AC	18,008.9	18,008.9	– 643.7	17,365.2		17,365.2	—	1,062.3	16,302.9
Financial assets of the non-trading portfolio										
Financial assets of the non-trading portfolio classified at FVOCI	FVOCI	3,085.6				3,085.6	3,085.6	3,067.7	—	17.9
Financial assets of the non-trading portfolio classified at FVPL	FVPL	1.7				1.7	1.7	—	—	1.7
Other assets										
Cash collaterals CCP	AC	265.7	265.7	—	265.7		265.7	—	265.7	—
Total financial instruments		**23,793.3**	**20,579.6**	**– 644.2**	**19,935.4**	**3,213.7**	**23,149.1**	**3,067.7**	**3,756.0**	**16,325.3**

LIABILITIES

	12/31/2022									
	Category	**Balance sheet items**	**Financial instruments measured at amortised cost**			**carried at fair value**	**∑ financial instru-ments**	**Level 1**	**Level 2**	**Level 3**
EURm		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Trading portfolio liabilities										
Negative fair values from interest rate derivatives derivatives	FVPL	131.9				131.9	131.9	—	131.9	—
Negative fair values from currency derivatives	FVPL	52.7				52.7	52.7	—	52.7	—
Adjustments related to offsetting	FVPL	– 23.5				– 23.5	– 23.5	—	– 23.5	—
Negative fair values from hedging derivatives	FVPL	9.4				9.4	9.4	—	9.4	—
Liabilities to banks	AC	5,075.3	5,075.3	– 362.0	4,713.3		4,713.3	—	101.7	4,611.6
Liabilities to customers	AC	16,192.5	16,192.5	109.8	16,302.3		16,302.3	—	9,999.1	6,303.2
Securitised liabilities	AC	706.9	706.9	– 120.6	586.3		586.3	—	586.3	—
Subordinated debt	AC	161.9	161.9	– 10.8	151.1		151.1	—	—	151.1
Other liabilities										
Cash collaterals CCP	AC	0.6	0.6	—	0.6		0.6	0.6	—	—
Total financial instruments		**22,307.9**	**22,137.3**	**– 383.6**	**21,753.7**	**170.6**	**21,924.3**	**0.6**	**10,857.8**	**11,065.9**
Contingent liabilities	N/A	—					– 8.7	—	—	– 8.7
Irrevocable loan commitments	N/A	—					– 17.1	—	—	– 17.1

Transfer of financial instruments

No transfers between the levels of the fair-value hierarchy occurred in the period under review.

Development of Level 3 financial instruments measured at fair value

The following table summarises the development of these financial instruments:

EURm	Financial assets of the non-trading portfolio classified at FVPL				
	Investment securities	Shares in not-consolidated subsidiaries	Shares	Financial assets of the non-trading portfolio classified at FVPL	Financial assets of the non-trading portfolio classified at FVOCI
Balance as of January 1, 2022	**0.6**	**0.2**	**1.9**	**2.6**	**19.8**
Additions	—	—	—	—	—
Disposals	—	– 0.0	– 0.9	– 0.9	—
Changes in balance during the financial year	**—**	**– 0.0**	**– 0.9**	**– 0.9**	**—**
Gains during the financial year	—	—	—	—	—
Losses during the financial year	—	—	—	—	– 2.0
Valuation changes during the financial year	**—**	**—**	**—**	**—**	**– 2.0**
Balance as of December 31, 2022	**0.6**	**0.1**	**1.0**	**1.7**	**17.9**
Additions	0.0	—	—	0.0	—
Disposals	– 0.0	—	—	—	—
Changes in balance during the financial year	**—**	**—**	**—**	**0.0**	**—**
Gains during the financial year	—	—	0.1	0.1	0.1
Losses during the financial year	—	—	—	—	—
Valuation changes during the financial year	**—**	**—**	**0.1**	**0.1**	**0.1**
Balance as of June 30, 2023	**0.6**	**0.1**	**1.1**	**1.9**	**18.0**

Sensitivity of financial assets of the non-trading portfolio classified at FVPL

The theoretical value of the preferred stock assigned to Level 3 has been determined on the basis of the value of the common stock and a percentage discount in view of the restrictions applicable to preferred stock. The theoretical value of the preferred stock will increase or decrease by 10 % if the market price of the common stock likewise changes by +/–10 %. If the discount is increased by 10 %, the theoretical value will be reduced by approximately 8 %, and vice versa. The other financial assets of the non-trading portfolio allocated to Level 3 (investment securities and shares in non-consolidated subsidiaries) were not characterised by any significant level of sensitivity.

Sensitivity of financial assets of the non-trading portfolio classified at FVOCI

The model price was determined by means of the zero swap curve including a spread resulting from the original purchase valuation.

(23) RELATED-PARTY DISCLOSURES

Within the scope of ordinary business activities, transactions with related parties are entered into at arm's length terms and conditions. The scope of these transactions is presented below:

EURm	06/30/2023	12/31/2022
Receivables from customers		
Key management personnel of OLB AG	0.8	0.8
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	2.0	1.4
Financial assets of the non-trading portfolio		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons [1]	—	18.1
Other Assets		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Receivables total	**2.7**	**20.3**
Liabilities to customers		
Key management personnel of OLB AG	3.0	2.2
Entities with significant influence over OLB AG	—	—
Subsidiaries	0.7	0.9
Other related companies and persons	0.8	1.1
Subordinated debt		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	1.7	16.7
Provisions		
Key management personnel of OLB AG	11.1	11.1
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Additional Equity Components		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons [1]	—	5.0
Liabilities total	**17.3**	**37.0**

1) A specific counterparty – compared to December 31, 2022 – did not as of June 30, 2023, qualify as related party any more.

(24) DATE OF RELEASE FOR PUBLICATION

The full Board of Managing Directors of Oldenburgische Landesbank AG released these interim consolidated financial statements and this interim management report for publication on August 24, 2023. Events after the balance sheet date may be taken into account up to this date.

(25) EVENTS AFTER THE END OF THE LAST REPORTING PERIOD

No events of particular significance have occurred since June 30, 2023 and thus no events are reflected in the statement of profit and loss or the balance sheet.

Oldenburg, August 24, 2023
Oldenburgische Landesbank AG

The Executive Board

Stefan Barth
Chief Executive Officer

Marc Ampaw

Aytac Aydin

Chris Eggert

Giacomo Petrobelli

Dr. Rainer Polster

DECLARATION BY THE EXECUTIVE BOARD

We hereby certify to the best of our knowledge that, in accordance with the applicable basis of accounting for this interim financial report, these interim financial statements give a true and fair view of the net assets, financial position and results of operations of the Group and that the interim management report provides a true and fair view of the course of business, including the Group's performance and its position, and describes the key risks and opportunities associated with the Group's expected development.

Oldenburg, August 24, 2023
Oldenburgische Landesbank AG

The Executive Board

Stefan Barth Chief Executive Officer	Marc Ampaw	Aytac Aydin	Chris Eggert	Giacomo Petrobelli	Dr. Rainer Polster

DEFINITION OF KEY PERFORMANCE INDICATORS

Key performance indicator	Definition	Comment
Cost-income ratio (CIR)	Operating expenses / operating income	The CIR is the ratio of operating expenses to operating income and thus indicates the level of operational efficiency for core business operations.
Coverage Ratio	Ratio of Stage 3 risk provisions, collateral and retained ("set-aside") interest to volume of non-performing receivables	The coverage ratio is the proportion of non-performing receivables covered economically against a loss of value.
Return on equity (post tax) at the Whole Bank level	Result after taxes less (pro rata temporis) payment on additional equity components / average IFRS equity, not incl. additional equity components	This ratio measures the Bank's earning power in relation to the volume of capital provided by its owners.
Return on equity (post tax) at the level of an individual segment	Result after taxes for this segment / equity internally assigned to this segment, while taking the risk-weighted assets into account	This ratio measures the earning power of a segment in relation to the equity utilised for risk coverage purposes.
Common Equity Tier 1 capital ratio	Tier 1 capital defined according to regulatory standards / risk-weighted assets	The (Common Equity) Tier 1 capital ratio indicates the Bank's capital strength.
Tier 1 capital ratio	Tier 1 capital defined according to regulatory standards / risk-weighted assets	

Key performance indicator	Definition	Comment
Non-performing-loans (NPL) ratio	Volume of non-performing customer receivables to receivables from customers (gross)	The NPL ratio indicates the proportion of the overall credit volume comprising loans classified as non-performing. This ratio provides information regarding the quality of a credit portfolio.
Operating income	Total of net interest income, net commission income, other operating income and the result from financial assets of the non-trading portfolio	The operating income figure indicates the Bank's overall level of success in its core activities.
Other operating income	Total of the trading result, result from hedging relationships and other income P & L items	Simplified summary
Operating expenses	Total of personnel expenses, non-personnel expenses, depreciation, amortisation and impairments of intangible and tangible fixed assets and other expenses P & L items	The operating expenses figure indicates the level of factor input required in order to achieve the operating income figure.
Operating result before risk provisions	Balance of operating income and expenses	Result provided by the Bank's core business activities

Regional competence centres*

1. Aurich
2. Bad Zwischenahn
3. Brake
4. Bremen
5. Cloppenburg
6. Delmenhorst
7. Emden
8. Leer
9. Lingen
10. Lohne
11. Meppen
12. Oldenburg-Eversten
13. Oldenburg-Mitte
14. Osnabrück
15. Quakenbrück
16. Wilhelmshaven

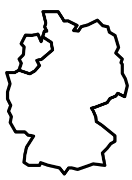
**Address details can be found on the next two facing pages.*

COMPETENCE IN NORTH-WEST GERMANY

40 branches in north-west Germany, including 16 competence centres serving as anchor points for personal customer relationship management services, are at the heart of our regional advisory services. This structure is also serving us well from a business point of view, after we optimised our network of branches over the past few years. We are also continuously developing our relationships with our customers throughout Germany via our telephone-based customer service and our attractive online offerings. We are investing a significant proportion of our annual IT budget in further improvements to these digital channels, which form the backbone of our multichannel sales approach. We are also expanding our business via digital platforms and partners, above all for our core products such as consumer and investment loans and private mortgage financing.

Branches in north-west Germany

40



Private & Business Customers: credit volumes (EUR b)

9.9

Mortgage financing *Commercial loans*
Consumer loans *Other*

Market presence in Germany*

1 Oldenburg – headquarters of OLB Bank

2 Ludwigsburg – sales partnership location

3 Bremen – headquarters of Bankhaus Neelmeyer

4 Hamburg

5 Berlin

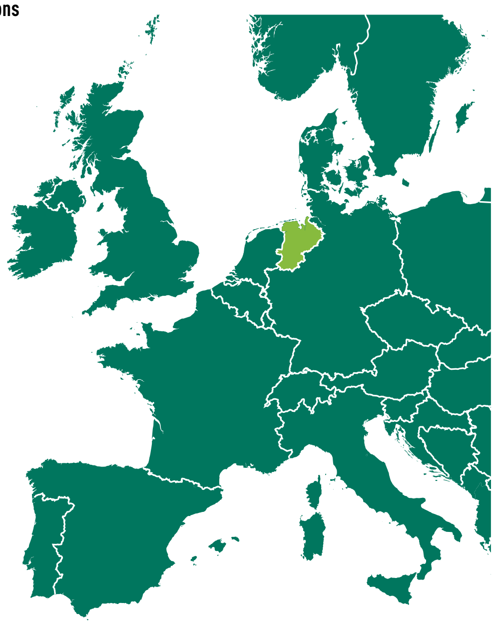
6 Düsseldorf

7 Frankfurt

8 Munich

**Address details can be found on the next two facing pages.*

Our area of operations



A STRONG PARTNER FOR COMPLEX PROJECTS

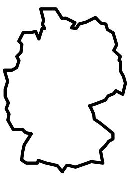
Oldenburg is the headquarters of OLB Bank, we coordinate our sales partnerships from Ludwigsburg, while Bremen is the traditional home of Bankhaus Neelmeyer. From our national branch offices, we support major companies, project developers and investors. Our expertise is in demand in the fields of acquisition finance and commercial real estate just as much as it is in the financing of football transfers, investment funds, wind farms and other international commercial activities.

REGIONAL, INTERNATIONAL, DIGITAL

We combine our regional presence in north-west Germany and in selected cities across Germany with advisory services that can be accessed anywhere via digital channels. Various cooperation partners and a sales platform complement our Germany-wide offering for our customers. We also operate in the rest of Europe when providing services for SMEs, institutional investors and project developers in particular.

National offices

5



Corporates & Diversified Lending: credit volumes (EUR b)

9.3

Corporates *AQF* *Football Finance* *CRE*
Wind *IDL* *Fund Finance* *Shipping*

OUR REGIONAL COMPETENCE CENTRES

Aurich
Osterstraße 8–12
26603 Aurich
04941 1702-0

Bad Zwischenahn
Peterstraße 8–10
26160 Bad Zwischenahn
04403 603-0

Brake
Bahnhofstraße 29
26919 Brake
04401 9394-0

Bremen
Wachtstraße 16
28195 Bremen
0441 221-2210

Cloppenburg
Mühlenstraße 1
49661 Cloppenburg
04471 955-0

Delmenhorst
Bahnhofstraße 1–2
27749 Delmenhorst
04221 108-0

Emden
Bismarckstraße 20
26721 Emden
04921 893-0

Leer
Mühlenstraße 80
26789 Leer
0491 9810-0

Lingen
Neue Straße 4–8
49808 Lingen
0591 9139-0

Lohne
Marktstraße 33
49393 Lohne
04442 9221-0

Meppen
Bahnhofstraße 17
49716 Meppen
05931 9309-0

Oldenburg-Eversten
Hauptstraße 37–39
26122 Oldenburg
0441 95067-0

Oldenburg-Mitte
Heiligengeiststr. 4–8
26121 Oldenburg
0441 221 - 2210

Osnabrück
Schillerstraße 11
49074 Osnabrück
0541 351 - 0

Quakenbrück
Lange Straße 25
49610 Quakenbrück
05431 16–0

Wilhelmshaven
Virchowstraße 34
26382 Wilhelmshaven
04421 405 - 0

CONTACT

+49 441 221-2210, Mon. – Fri., 8:00 a.m. – 7:00 p.m.

Email: olb@olb.de

www.olb.de, www.neelmeyer.de

http://www.facebook.com/olb.bank

http://www.instagram.com/OLB.bank/

http://www.youtube.com/c/OldenburgischeLandes-bankAGOLB

NATIONAL OFFICES

Oldenburg

Stau 15/17
26122 Oldenburg
+49 441 221-0

Advisory Center Oldenburg
Heiligengeiststraße 4–8
26122 Oldenburg

+49 441 221-2210

Bremen

OLB Bremen
Bankhaus Neelmeyer
Wachtstraße 16
28195 Bremen

+49 421 36030

Hamburg

OLB Hamburg
Ferdinandstraße 12
20095 Hamburg

+49 40 3020020

Berlin

OLB Berlin
Lietzenburger Straße 69
10719 Berlin

+49 30 203070

Düsseldorf

OLB Düsseldorf
Hans-Böckler-Straße 1 /
Roßstraße 92
40476 Düsseldorf

+49 211 130750

Frankfurt

OLB Frankfurt
Theodor-Heuss-Allee 108
60486 Frankfurt am Main

+49 69 7561930

Munich

OLB München
Schleißheimer Straße 373
80935 München

+49 89 24209780

Ludwigsburg

OLB Ludwigsburg
Carl-Benz-Straße 20
71634 Ludwigsburg

+49 7141 8661-0

PUBLISHER
Oldenburgische Landesbank AG
Stau 15/17
26122 Oldenburg
Phone +49 441 221-0
Fax +49 441 221-1457
Email olb@olb.de

CONTACT
Corporate Communications & Investor Relations

CONCEPT AND DESIGN
Kammann Rossi GmbH, Cologne

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