

Extract from the Annual Report 2008

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2008: Strong Savings Banks Brave the Crisis

The Sparkassen-Finanzgruppe (Sparkassen Financial Group) in Baden-Württemberg experienced another turbulent year in 2008. The fiscal year reached a dramatic pinnacle with the application for bankruptcy protection filed by Lehman Brothers on September 15, which left considerable traces even in our financial group.

However, 2008 also clearly showed how important it is for us in Germany to be able to rely on strong, crisis-proof savings banks. Without the savings banks and their liquidity as well as their ability to issue credit, the effects of the worldwide financial crisis would have been felt much more keenly in Baden-Württemberg: The savings banks were a key stabilizing factor. Since the start of the financial crisis, the debate about the necessity of public-sector banks has faded away.

We are satisfied on the whole with the results of fiscal 2008 at our savings banks. Deposits by customers at the savings banks rose once again, this time by a healthy 4.3 percent, which is the largest increase in recent savings bank history. As of December 31, 2008, the people of Baden-Württemberg had entrusted a total of € 104.3 billion to their savings banks. Starting in mid-September, people stopped looking for the highest returns, instead concentrating almost exclusively on finding a safe place for their money. This is an area where the savings banks are clear leaders. Consumers who entrust their money to a savings bank know with

100 % certainty that they will receive their money back. Statistics show that this security counts – and builds confidence in the savings banks.

Customer deposits are also the foundation enabling the savings banks to continue to extend loans in their respective regions. As of December 31, the savings banks had loaned out € 94.8 billion – more than ever before. Compared with the previous year, the overall loan volume grew by 3 percent, whereas business loans increased by 6.6 percent. We are particularly proud of this fact. Our savings banks made a significant contribution to preventing a credit crunch in Baden-Württemberg.

In contrast, we have some concerns about the *Landesbanken*, even our own. LBBW was hit with the full force of the global financial crisis, and for this reason, we have been preparing a capital increase since November. However, we believe in LBBW's future.

On the whole, the savings banks in Baden-Württemberg are well-prepared, even for a difficult year in 2009. Germany is faced with major challenges, but not with a collapse. The savings banks financed a large part of the financial upswing of recent years, and now we are also ready for difficult times.

Peter Schneider, President /
member of the State Parliament of
Baden-Württemberg



The Savings Banks in 2008: Stability in Crisis

The savings banks in Baden-Württemberg can look back on a solid fiscal year in 2008. Due to their stable business model, they did not sink into the mire of the financial market crisis. Quite to the contrary, the need for safety expressed by bank customers had an extraordinarily positive effect on customer deposits at Baden-Württemberg's savings banks. The past year has revealed particularly clearly that the savings banks are an essential anchor of stability.

Largest regional savings bank association measured by total assets

With total assets of nearly € 172 billion at the end of 2008, Baden-Württemberg's savings banks continue to make up the largest regional savings bank association in Germany. Total assets rose by 3.6 percent over the prior year, more than in any year since 1999. The increase in total assets is mainly due to the positive performance of the business with customers.

Customers trust savings banks

In the past year, the savings banks in Baden-Württemberg saw sharp growth in customer deposits by 4.3 percent to € 104.3 billion. In the month of October alone, the 55 savings banks received € 2.3 billion in new customer funds. The large increase in deposits at the savings banks unmistakably indicates that the need for security by customers grows in times of crisis. It also confirms the strong – and justified – confidence that people have in the savings banks. After

all, at the savings banks, deposits are fully insured.

Savings banks prevent credit crunch

The large surplus in deposits – customer deposits totaled around 110 percent of claims on customers in 2008 – enabled the savings banks to extend more loans and prevent a credit crunch. Customer loans increased overall by 3.0 percent to approximately € 95 billion.

During the past year, commitments were made to small- and medium-sized enterprises (SMEs) in Baden-Württemberg amounting to nearly € 10 billion in new loans. Over € 9 billion was disbursed. Lending to companies and the self-employed rose by just on 7 percent for the largest increase in years. Two out of every three loans to SMEs were arranged through the savings banks or LBBW last year. The Sparkassen-Finanzgruppe therefore remains by far the most important financing partner to businesses in Baden-Württemberg.

Securities business affected by the crisis

Whereas in fiscal 2007 the securities business was still breaking all records, this business was seriously impacted by the crisis in the past fiscal year. In 2008, net sales of securities declined by roughly € 2.5 billion to around € 1 billion. The significant price drops on securities exchanges, uncertainties with regard to the creditworthiness of issuers, and the anticipated effects of the crisis on the real economy amplified customer

skepticism about direct investments. Since economic forecasts toward the end of 2008 predicted a severe downward slide, customers are very likely to continue to be hesitant to invest in 2009.

Results of operations

Although the results of operations of Baden-Württemberg's savings banks took a downturn in 2008, in contrast to the industry as a whole, the savings banks were able to hold steady with stable results despite the financial market crisis.

At € 1.4 billion, the operating result before valuation was down by € 94 million from the previous year (€ 1.5 billion). At the savings banks in Baden-Württemberg, the ratio of the operating result before valuation to average total assets (ATA) was 0.82 percent (previous year: 0.91 percent), which was on the level of the figure for Germany as a whole (0.84 percent).

The decline in net interest income to 1.75 percent of ATA is largely due to the drop in earnings from maturity transformation resulting from further flattening of the yield curve. In absolute terms, net interest income decreased by € 11 million to € 2.9 billion. This total is the result of the strong increase in interest expense (+€ 643 million), which stands in contrast to the significantly weaker increase in interest income (+€ 589 million), plus net interest from derivatives (+€ 43 million). Ordinary income rose by nearly € 2 million to 0.53 percent (pre-

vious year: 0.55 percent) of ATA, or a total of € 889 million.

Ordinary expenses amounted to 1.46 percent of ATA, which is both below the previous year's figure (1.49 percent) and significantly lower than the figure for Germany as a whole (1.76 percent). In detail, personnel expenses increased by € 80 million to € 1,572 million, while non-labor costs were reduced by € 21 million to € 837 million. Baden-Württemberg's savings banks continue to be leaders in Germany in terms of managing costs.

The low level of net income from financial transactions of € 6 million (previous year: € 37 million) reflects the insignificance of the securities trading portfolio for the savings banks.

Cost-income ratio

On the whole, a decrease in earnings of € 44 million stood in contrast to an increase in administrative expenses of € 59 million. This increased the cost-income ratio from 61 percent to 64 percent, putting Baden-Württemberg's savings banks in second place in Germany.

Write-downs and provisions for general banking risks

The precursors of the economic downturn could be felt strongly in the write-downs in the lending business; the valuation result here amounted to € -405 million, or -0.24 percent of ATA (previous year: -0.14 percent).

A similar change was evident in the valuation result in the securities business: The financial market crisis led the savings banks in Baden-Württemberg to recognize write-downs totaling € –496 million, or –0.29 percent of ATA (previous year: –0.16 percent of ATA).

Correspondingly, additions to the provisions for general banking risks decreased, amounting to € 134 million (0.08 percent of ATA), or € 175 million lower than in the prior year (0.19 percent of ATA).

Nonetheless, the additions of € 134 million allowed the savings banks to expand their provisions for general banking risks, whereas competitors were required to release reserves to stabilize their earnings situations.

Earnings

The net valuation result was € –1,003 million (–0.59 percent of ATA). Consequently, the operating result after valuation dropped to 0.22 percent of ATA (previous year: 0.42 percent). This placed Baden-Württemberg's savings banks solidly in the middle of the field of all savings banks.

At € 5 million, non-operating earnings were positive again after six years. After deduction of taxes totaling € 184 million (previous year: € 295 million), net income for the year was € 200 million, or 0.12 percent of ATA (previous year: € 268 million).

Overview of Business Performance	As of		Change in			
	Dec. 31, 2008		2008		2007	
	€m	%	€m	%	€m	%
Own Savings deposits	37,729	22.0	-2,930	-7.2	-2,836	-6.5
Time issues	18,544	10.8	1,874	11.2	2,176	15.0
Demand deposits	16,359	9.5	4,061	33.0	2,263	22.5
Liabilities to deposits	31,672	18.5	1,289	4.2	1,444	5.0
Liabilities to customers	104,304	60.8	4,294	4.3	3,047	3.1
Credits on bills of banks	50,761	29.6	932	1.9	-123	-0.2
Short-term exchange	72	0.0	32	-30.9	-28	-21.1
Medium-term receivables	9,339	5.4	170	1.9	531	6.1
Long-term receivables	6,154	3.6	614	11.1	235	4.4
Loans to receivables	79,210	46.2	1,999	2.6	1,449	1.9
Loans to customers ¹⁾	94,775	55.2	2,750	3.0	2,186	2.4
Own securities banks ²⁾	14,000	8.2	-3,887	-21.7	3,814	27.1
Total investments	42,756	24.9	5,148	13.7	-2,929	-7.2
Business assets	171,587	100.0	5,904	3.6	3,915	2.4
volume	171,589		5,902	3.6	3,915	2.4

1) Including acquired borrower's notes and registered bonds

2) Not including acquired borrower's notes and registered bonds

The SVBW

At the end of 2008, Sparkassenverband Baden-Württemberg (Savings Bank Association of Baden-Württemberg – hereinafter always referred to as "SVBW") brought together a total of 55 savings banks with 2,475 branches (including self-service branches), 35,888 employees, and total assets of € 171.6 billion and their municipal owners.

The head of SVBW is Association President Peter Schneider, a member of the State Parliament of Baden-Württemberg. He represents and leads the Group in SVBW's governing bodies. His full-time deputy is Association Director Tilmann Hesselbarth. The head of the Association is the Supervisory Board Chairman of Landesbank Baden-Württemberg (LBBW) and of LBS Landesbausparkasse Baden-Württemberg. Moreover, SVBW's President is also Supervisory Board Chairman of SparkassenVersicherung Baden-Württemberg Holding AG.

Legal Form

SVBW is a public-law institution with headquarters in Stuttgart. The second office in Mannheim was closed as of March 31, 2008.

Members

As of December 31, 2008, SVBW was composed of 55 legally independent savings banks (54 since January 1, 2009). These savings banks – 19 *Kreissparkassen* (county savings banks), one *Stadtsparkasse* (municipal savings bank), 33 *Bezirkssparkassen* (district savings banks), and two *Zweckverbandssparkassen* (special-purpose association savings banks)

– along with their municipal owners comprise SVBW.

Legal Supervision

Baden-Württemberg's savings banks and the SVBW are subject to the legal supervision of the State of Baden-Württemberg. The supervisory authority responsible for the SVBW is the Ministry of the Interior of Baden-Württemberg. The savings banks are subject to the supervision of the responsible *Regierungspräsidium* (Regional Council).

Employees

At the end of 2008, the SVBW employed 306.1 full-time equivalents (FTE) on average for the year. These employees are divided among the individual departments as follows:

Association Management and Department 1 Policy/Legal Affairs/Human Resources and Administration	64.2 FTE
Department 2 Sparkassenakademie (Savings Bank Academy)	65.9 FTE
Department 3 Market and Operations	58.6 FTE
Department 4 Information Technology	16.0 FTE
Department 5 Auditing	101.4 FTE

In the year under review, two employees (one male, one female) of the Auditing department successfully passed the Association's audit examination.

Memberships

The SVBW is a member of Deutscher Sparkassen- und Giroverband e.V. (DSGV – the German Savings Bank Association), as well as Deutscher Sparkassen- und Giroverband Körperschaft des öffentlichen Rechts, both based in Berlin.

Ownership

The owners of Landesbank Baden-Württemberg (LBBW), which was founded on January 1, 1999, are the State of Baden-Württemberg and the SVBW (35.611 percent interest each), the state capital Stuttgart (18.932 percent), the Savings Bank Association of Rhineland-Palatinate (4.923 percent), and Landeskreditbank (4.923 percent).

The owners of LBS Landesbausparkasse Baden-Württemberg are the SVBW (93.33 percent) and LBBW (6.67 percent). In addition, the SVBW is also one of the owners of LBS Landesbausparkasse Rheinland-Pfalz (20 percent interest held).

In addition to being a co-owner of the Association partners LBBW and LBS, the shares in SV Holding AG are combined via investment companies, which are managed by SVBW.

Additional Key Equity Investments

- Beteiligungsgesellschaft des Sparkassenverbands Baden-Württemberg mbH & Co.KG, Stuttgart
- ConCardis GmbH, Frankfurt am Main
- Deutscher Sparkassen Verlag GmbH, Stuttgart
- DS Zahlungsverkehrsgesellschaft mbH, Karlsruhe
- EURO Kartensysteme GmbH, Frankfurt am Main
- Geschäftsführungsgesellschaft mbH des Sparkassenverbands Baden-Württemberg, Stuttgart
- Innovationsförderungs-Gesellschaft der Badischen Sparkassenorganisation mbH, Mannheim (Stuttgart since 2009)
- LBBW Immobilien Kommunalentwicklung GmbH, Stuttgart
- LBBW Immobilien Landsiedlung GmbH, Stuttgart
- SI-BW Geschäftsführungsgesellschaft mbH, Karlsruhe (Stuttgart since 2009)
- SIZ-Informatik-Zentrum der Sparkassenorganisation GmbH, Bonn
- Solidarpakt Grundstücksgesellschaft des Badischen Sparkassen- und Giroverbandes KG, Mannheim (Stuttgart since 2009)
- Sparkassen-Beteiligungen Baden-Württemberg GmbH, Stuttgart
- Sparkassen Informatik Verwaltungsgesellschaft mbH, Frankfurt am Main
- „WIRTSCHAFTSPRÜFUNG“ Treuhand-, Revisions- und Unternehmensberatungs-Gesellschaft mbH, Wirtschaftsprüfungsgesellschaft und Steuerberatungsgesellschaft, Ditzingen
- WSV Württembergische Sparkassen Beteiligungsverwaltungsgesellschaft mbH, Stuttgart

Activities of the Executive Bodies and Committees

The Association's governing bodies make forward-looking decisions regarding savings bank policy and strategic issues affecting the Sparkassen-Finanzgruppe.

For the banking sector, 2008 was the most difficult year in many decades. For this reason, the executive bodies and committees held their originally scheduled meetings along with extra sessions during the period under review. An important responsibility of the Association's management was to inform the governing bodies regularly, comprehensively and in a timely manner about current events and to jointly discuss key issues.

Representatives from the 55 member savings banks met on July 14, 2008 for the SVBW's 13th Association Assembly meeting. On the agenda were traditional issues such as SVBW's annual financial statements for 2007 as well as the annual reports by the SVBW and Association members Landesbank Baden-Württemberg, LBS Landesbausparkasse Baden-Württemberg and SV Sparkassenversicherung.

The Association's Board met five times. In addition to discussing business policy and strategic issues, the Board talked about issues such as the complete integration of Landesbank Rheinland-Pfalz and the absorption of Sachsen LB into LBBW, along with a merger of data centers.

In addition, the Marketing and Marketing Communication Committee held three meetings, and the Human Resources Development Committee held two meetings.

Moreover, the Supervisory Board Chairmen's Working Group and the Owner Representatives' Working Group each held three meetings. Two joint meetings of both Working Groups were also conducted. The Chairmen's Conference met a total of seven times, and one conference of the full Board took place as well.

The focus of the consultations in most of the committees during the year under review was the issue of *Landesbank* consolidation. From autumn onward, the issue of a capital increase at LBBW was the focal point of the work of the executive bodies.

SVBW Philanthropy at a Glance

For many years, the savings banks have been increasing their commitment to the community by forming savings bank foundations. In 2008, Baden-Württemberg's savings banks formed three new foundations and increased the capital at its now 82 foundations by an additional € 7.6 million to over € 123 million in total.

Their total philanthropic spending (donations, funds distributed by the foundations, sponsorships, etc.) amounted to € 41 million, with around € 21 million earmarked for cultural and social projects.

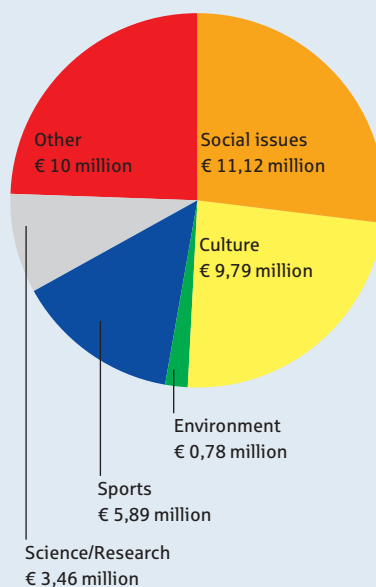
Baden-Württemberg's savings banks therefore continue to contribute substantially to the cultural and social life of the region.

Contributions made by Baden-Württemberg's savings banks for charitable purposes in 2008

Donations	€ 19,6 million
Special-purpose bonus savings plan income (Prämienspar-Zweckerträge)	€ 3,1 million
Other contributions and sponsorships	€ 12,3 million
Foundation disbursements	€ 6,0 million

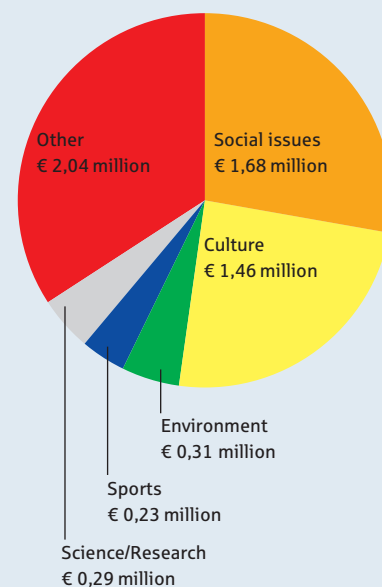
Total funds disbursed:

Breakdown of philanthropic spending € 41,04 million



Breakdown of foundation disbursements:

Foundation disbursements € 6,01 million



Baden-Württemberg's Savings Banks

(as of December 31, 2008)

Savings Bank	Chairman of the Supervisory Board	Board of Managing Directors	Owner representative
Stadtsparkasse ¹⁾ Baden-Baden	OB Wolfgang Gerstner	Eduard Freudl, Lothar Volle	SR Hubert Falk
Kreissparkasse Biberach	LR Dr. Heiko Schmid	Günther Wall, Thomas Jakob, Joachim Trapp	KR/BM a.D. Martin Loth
Sparkasse Bodensee	OB Horst Frank	Werner Allgöwer, Franz Bernhard Bühler, Rainer Weis	LR Lothar Wölfle
Kreissparkasse Böblingen	LR Roland Bernhard	Carsten Claus, Dr. Detlef Schmidt, Michael Tillmann	KR/BM Wilfried Dölker
Sparkasse Bonndorf-Stühlingen	BM Michael Scharf	Theo Binninger, Georg Riesterer	BM Isolde Schäfer
Sparkasse Bühl	OB Hans Striebel	Karl Ferdinand Langanki, Norbert Hartmann	BM Helmut Pautler
Sparkasse Engen-Gottmadingen	BM Johannes Moser	Jürgen Stille, Werner Schwacha	BM Dr. Michael Klinger
Kreissparkasse Esslingen-Nürtingen	LR Heinz Eininger	Franz Scholz, Bernd Haußels, Bernd Georges, Michael Vogt	KR/BM Hermann Bauer
Sparkasse Ettlingen	OB Gabriela Büsemaker	Kurt Rössler, Hans Fütterer	BM Rudi Knodel
Sparkasse Freiburg-Nördlicher Breisgau	OB Dr. Dieter Salomon	Horst Kary, Marcel Thimm, Erich Greil, Werner Haas, Stefan Siebert	OB Stefan Schlatterer
Kreissparkasse Freudenstadt	LR Peter Dombrowsky	Uwe Braun, Thomas Müller, Leopold Zanker	KR/BM Heinz Hornberger
Sparkasse Gaggenau-Kuppenheim ¹⁾	BM Karsten Mußler	Dieter Kraft	OB Christof Florus
Sparkasse Gengenbach	BM Michael Roschach	Thomas Laubenstein, Alois Lehmann	BM Horst Wimmer
Kreissparkasse Göppingen	LR Franz Weber	Jürgen Hilse, Joachim Müller, Dr. Hariolf Teufel	KR Albrecht Sperrfechter
Sparkasse Hanauerland	OB Dr. Günther Petry	Joachim Parthon, Bernd Gier, Jutta Grandjean (stv.), Wolfgang Huber (stv.)	BM Rolf Karrais
Sparkasse Haslach-Zell	BM Heinz Winkler	Mathias Wangler, Klaus Minarsch	BM Hans-Martin Moll
Sparkasse Heidelberg	OB Dr. Eckart Würzner	Helmut Schleweis, Rainer Arens, Bruno Fertig, Bernd Wochele	OB Franz Schaidhammer
Kreissparkasse Heidenheim	LR Hermann Mader	Thomas Bögerl, Otto Häcker, Dieter Steck	KR/OB a.D. Siegfried Rieg

SR = City Councilor (Stadtrat)

BM = Mayor (Bürgermeister)

LR = District Administrator (Landrat)

KR = District Councilor (Kreisrat)

OB = Lord Mayor (Oberbürgermeister)

12 ¹⁾ The savings banks Gaggenau-Kuppenheim and Baden-Baden merged on January 1st, 2009.

	Liabilities to customers €m Dec. 31		Loans to customers ³⁾ €m Dec. 31		Business volume €m Dec. 31	
	2008	2007	2008	2007	2008	2007
	739	669	568	531	1,058	982
	2,456	2,337	2,067	1,980	6,308	5,964
	2,737	2,644	2,656	2,511	4,277	4,323
	4,080	3,819	3,998	3,909	6,659	6,455
	278	259	255	256	481	475
	521	486	446	445	820	790
	538	514	583	563	962	879
	5,218	4,895	4,556	4,481	8,656	8,856
	843	818	634	610	1,231	1,244
	3,452	3,273	3,820	3,745	5,615	5,363
	1,157	1,204	840	837	1,840	1,789
	508	497	443	440	817	765
	226	220	243	238	476	470
	3,030	2,906	3,015	2,930	5,099	4,834
	632	624	629	607	1,160	1,070
	601	576	636	617	1,041	978
	3,753	3,559	3,448	3,160	5,952	5,629
	1,196	1,170	903	862	1,779	1,714

³⁾ Including acquired borrower's notes and registered bonds

Facts and Figures

Savings Bank	Chairman of the Supervisory Board	Board of Managing Directors	Owner representative
Kreissparkasse Heilbronn	LR Detlef Piepenburg	Hans Michael Hambücher, Matthias Peschke, Dr. Thomas Braun, Bernhard Steck	OB Helmut Himmelsbach
Sparkasse Hochrhein	OB Martin Albers	Edwin Bürsner, Heinz Rombach, Roland Supper	BM Martin Weissbrodt
Sparkasse Hochschwarzwald	BM Armin Hinterseh	Jochen Brachs, Dieter Vogelbacher	BM Georg-Wilhelm von Oppen
Sparkasse Hohenlohekreis	LR Helmut M. Jahn	Werner Gassert, Bernd Kaufmann, Johannes von Hebel	KR/BM a.D. Martin Tuffentsammer
Sparkasse Karlsruhe	OB Heinz Fenrich	Michael Huber, Ralph Ganz, Heinrich G. Birken, Manfred Blum, Rudolf Scheuer	BM Klaus-Dieter Scholz
Sparkasse Kraichgau	OB Bernd Doll	Volker Wopperer, Bernhard Firnkes, Norbert Griefhaber	OB Paul Metzger
Sparkasse Lörrach-Rheinfelden	OB Gudrun Heute-Bluhm	André Marker, Klaus Jost, Rainer Liebenow	OB Eberhard Niethammer
Kreissparkasse Ludwigsburg	LR Dr. Rainer Haas	Dr. Heinz-Werner Schulte, Harald Felzen, Günter Kunkel (bis 31.12.2008), Dieter Wizemann	KR/OB a.D. Manfred List
Sparkasse Markgräflerland	OB Wolfgang Dietz	Georg Belle, Wolfgang Seitz, Ulrich Feuerstein	BM Dr. René Lohs
Sparkasse Neckartal-Odenwald	OB Michael Jann	Gerhard Stock, Helmut Augustin	BM Jürgen Galm
Sparkasse Offenburg/Ortenau	OB Edith Schreiner	Dr. Hermann Weber, Helmut Kienzle	OB Dr. Wolfgang G. Müller
Kreissparkasse Ostalb	LR Klaus Pavel	Johannes Werner, Carl Trinkl, Dr. Christof Morawitz	KR Eugen Sienz
Sparkasse Pforzheim Calw	OB Christel Augenstein	Dr. Herbert Müller, Stephan Scholl, Hans Neuweiler, Hans-Heiner Bouley, Imanuel Mohn (bis 31.12.2008)	LR Hans-Werner Köblitz
Sparkasse Pfullendorf-Meißkirch	BM Thomas Kugler	Hermann Stengele, Hubert Rist	BM Bernhard Stadler
Sparkasse Rastatt-Gernsbach	OB Hans Jürgen Pütsch	Ulrich Kistner, Klemens Götz, Martin Seidel	BM Dieter Knittel
Kreissparkasse Ravensburg	LR Kurt Widmaier	Heinrich Pumpmeier, Norbert Martin, Dr. Manfred Schöner	KR/BM Roland Bürkle
Bezirkssparkasse Reichenau	BM Volker Steffens	Johann Roth, Günter Weber	BM Helmut Kennerknecht
Kreissparkasse Reutlingen	LR Thomas Reumann	Eugen Schäufele, Dr. Harald Griesel, Michael Bläsius, Joachim Henkel (stv.)	KR/BM a.D. Otwin Brucker
Sparkasse Rhein Neckar Nord	OB Heiner Bernhard	Prof. Dr. Rüdiger Hauser, Jürgen Muley, Matthias Bretschneider, Ulrich Sonntag	OB Dr. Peter Kurz

SR = City Councillor (Stadtrat)

BM = Mayor (Bürgermeister)

LR = District Administrator (Landrat)

KR = District Councillor (Kreisrat)

OB = Lord Mayor (Oberbürgermeister)

	Liabilities to customers €m Dec. 31		Loans to customers ³⁾ €m Dec. 31		Business volume €m Dec. 31	
	2008	2007	2008	2007	2008	2007
	4,614	4,272	4,717	4,579	8,182	7,416
	1,626	1,484	1,491	1,457	2,608	2,412
	580	564	604	597	960	938
	1,012	931	881	862	1,469	1,415
	3,559	3,593	3,550	3,370	5,468	5,271
	2,062	1,890	1,917	1,832	3,261	3,003
	1,269	1,228	1,483	1,448	2,202	2,121
	5,844	5,720	4,277	4,092	9,407	8,764
	1,026	962	1,367	1,256	2,155	1,978
	1,382	1,369	1,102	1,139	2,300	2,080
	2,251	2,257	2,022	2,050	3,685	3,643
	3,266	3,213	2,423	2,384	4,499	4,418
	5,888	5,692	6,256	6,166	11,121	11,009
	399	353	371	342	584	529
	962	954	699	700	1,563	1,438
	2,789	2,603	2,672	2,641	4,896	4,779
	341	317	614	607	771	744
	2,966	2,799	2,160	2,036	4,428	4,230
	3,312	3,161	1,859	1,906	4,822	4,595

³⁾ Including acquired borrower's notes and registered bonds

Facts and Figures

Savings Bank	Chairman of the Supervisory Board	Board of Managing Directors	Owner representative
Kreissparkasse Rottweil	LR Dr. Wolf-Rüdiger Michel	Matthäus Reiser, Roland Eckhardt	KR/BM Herbert Halder
Sparkasse Salem-Heiligenberg	BM Manfred Härle	Hans-Peter Knoblauch, Ralf Bäuerle	BM Knut Simon
Sparkasse Schönau-Todtnau	BM Bernhard Seger	Klaus Armbruster, Gabriele Jankowiak	BM Andreas Wießner
Sparkasse Schopfheim-Zell	BM Rudolf Rümmele	Lothar Müller, Georg Ückert	BM Christof Nitz
Sparkasse Schwäbisch Hall-Crailsheim	LR Gerhard Bauer	Thomas Lützelberger, Manfred Hegedüs, Klaus Ehrmann	KR/BM a. D. Kurt Engel
Sparkasse Schwarzwald-Baar	OB Dr. Rupert Kubon	Arendt Gruben, Wolfgang Wurbs	BM Richard Krieg
Hohenzollerische Landesbank Kreissparkasse Sigmaringen	LR Dirk Gaerte	Dr. Joachim Herrmann, Stefan Häußler	KR Otto Bacher
Sparkasse Singen-Radolfzell	OB Oliver Ehret	Volker Wirth, Udo Klopfer	OB Dr. Jörg Schmidt
Bezirkssparkasse St. Blasien	BM Johann Meier	Herbert Schupp, Arno Lehmann	BM Rolf Schmidt
Sparkasse Staufeu-Breisach	BM Michael Benitz	Herbert Lehmann, Georg Selinger	BM Oliver Rein
Sparkasse Stockach	BM Rainer Stolz	Michael Grüninger, Thomas Lorenz	BM Hans Veit
Sparkasse Tauberfranken	OB Stefan Mikulicz	Thomas Menke, Markus Biere, Wolfgang Reiner	BM Wolfgang Vockel
Kreissparkasse Tübingen	LR Joachim Walter	Raimund Kirschniak, Dr. Christoph Gögler, Jürgen Ferber	KR/BM Manfred Hofelich
Kreissparkasse Tuttlingen	LR Guido Wolf, MdL	Lothar Broda, Markus Waizenegger	KR/BM Anton Stier
Sparkasse Ulm	LR Heinz Seiffert	Manfred Oster, Dr. Guido Steeb, Wolfgang Hach	OB Ivo Gönner
Kreissparkasse Waiblingen	LR Johannes Fuchs	Albert Häberle, Lothar Kümmerle, Ralph Walter	KR/BM a. D. Friedrich Seibold
Sparkasse Wolfach	BM Gottfried Moser	Günter Rauber, Ulrich Kniep	BM Thomas Haas
Sparkasse Zollernalb	LR Günther-Martin Pauli, MdL	Markus Schmid, Jürgen Haberbosch, Claus Kimmerle	KR/BM a. D. Hermann Luppold

**Book values
total Baden-Wuerttemberg**

SR = City Councilor (Stadtrat)
KR = District Councilor (Kreisrat)

BM = Mayor (Bürgermeister)
OB = Lord Mayor (Oberbürgermeister)

LR = District Administrator (Landrat)

	Liabilities to customers €m Dec. 31		Loans to customers ³⁾ €m Dec. 31		Business volume €m Dec. 31	
	2008	2007	2008	2007	2008	2007
	1,493	1,467	1,198	1,185	2,303	2,233
	539	516	395	394	837	783
	170	170	171	171	314	300
	464	435	430	423	694	678
	1,469	1,340	1,531	1,448	2,813	2,837
	2,129	2,030	1,673	1,619	3,286	3,370
	1,070	1,051	836	791	1,720	1,645
	1,267	1,182	1,621	1,573	2,475	2,436
	157	154	209	204	331	321
	797	771	636	634	1,185	1,174
	269	255	284	271	433	427
	1,790	1,769	1,433	1,428	3,054	2,857
	2,756	2,646	2,647	2,535	4,539	4,457
	1,799	1,795	2,046	2,040	2,992	3,151
	3,839	3,592	3,221	3,007	5,390	4,998
	4,708	4,611	4,117	4,027	6,846	6,977
	278	265	206	211	418	415
	2,193	2,129	1,915	1,877	3,348	3,264
	104,304	100,010	94,775	92,025	171,589	165,687

³⁾ Including acquired borrower's notes and registered bonds

Statistical Overviews

Interim figures / Status of the savings banks				
Assets	As of Dec. 31, 2008		As of Dec. 31, 2007	
	Mio. €	%	Mio. €	%
Cash on hand	833	0.5	822	0.5
Balances at central banks	1,881	1.1	1,918	1.2
Bills eligible for refinancing	0	0.0	0	0.0
Claims on banks (MFIs)	25,195	14.7	27,229	16.4
Claims on non-banks (non-MFIs)	94,774	55.2	92,021	55.5
Bonds and other fixed-interest securities	32,652	19.0	26,554	16.0
Shares and other non-fixed interest securities	10,104	5.9	11,054	6.7
Equity investments	2,719	1.6	2,620	1.6
Shares in affiliated companies	206	0.1	273	0.2
Trust assets	24	0.0	27	0.0
Tangible assets	1,950	1.1	2,022	1.2
Other assets	1,252	0.7	1,143	0.7
Total assets	171,587	100.0	165,683	100.0

Interim figures / Status of the savings banks				
Liabilities	As of Dec. 31, 2008		As of Dec. 31, 2007	
	Mio. €	%	Mio. €	%
Liabilities to banks (MFIs) ¹⁾	48,182	28.1	46,976	28.4
Liabilities to non-banks (non-MFIs) ¹⁾	98,486	57.4	93,586	56.5
Savings deposits	37,729	22.0	40,659	24.5
Other liabilities	60,757	35.4	52,927	31.9
Certificated liabilities ²⁾	6,436	3.8	7,157	4.3
thereof: Bonds issued	6,042	3.5	6,638	4.0
Money market securities issued	394	0.2	518	0.3
Trust liabilities	24	0.0	27	0.0
Bad debt provisions	284	0.2	280	0.2
Provisions	1,419	0.8	1,345	0.8
Special tax-allowable reserves	6	0.0	4	0.0
Subordinated liabilities ³⁾	1,962	1.1	2,121	1.3
Capital generated by profit participation certificates	489	0.3	542	0.3
Equity	505	0.3	411	0.2
Other liabilities	7,397	4.3	7,141	4.3
Total assets	6,398	3.7	6,093	3.7
Contingent liabilities	171,587	100.0	165,683	100.0
Business volume	171,589		165,687	
Guarantees	6,211		5,068	

¹⁾ Not including bonds or subordinated liabilities

²⁾ Not including subordinated liabilities

³⁾ Banks and non-banks

Savings banks and branches

	Dec. 31, 2008	Dec. 31, 2007
Savings banks ¹⁾	55	55
Total savings bank branches	2,186	2,235
managed full-time	2,125	2,137
managed part-time	61	98
Self-service branches	289	284

¹⁾ Two savings banks officially merged on January 1st, 2009

Staff

	2008		2007	
	No.	Change in %	No.	Change in %
Total employee	35,938	+0.0	35,930	-1.1
thereof apprentices	2,700	+5.0	2,572	+2.1

Breakdown of savings banks by size

Business volume in €m	Dec. 31, 2008		Dec. 31, 2007	
	No. of Institute	Business volumen	No. of Institute	Business volumen
less than 500	6	2,453	6	2,408
500 to 1,500	14	13,588	15	14,407
1,500 to 2,500	9	18,337	9	18,408
2,500 to 5,000	14	52,509	15	58,760
5,000 or more	12	84,702	10	71,704
Total¹⁾	55	171,589	55	165,687

¹⁾ Two savings banks officially merged on January 1st, 2009

Tax liability of Baden-Württemberg's savings banks

	2008 €m Prelim. figures	2007 €m
Corporation tax (incl. solidarity surcharge)	97.5	161.6
Trade income tax	80.9	127.0
Other taxes	5.3	6.1
Total tax liability	183.7	294.7

Facts and Figures

Donations, foundation disbursements and other contributions		
Use:	2008	
	€m	Share in %
Social issues	11.1	27.1
Culture	9.8	23.8
Environment	0.8	1.9
Sports	5.9	14.3
Research, promotion of business and science	3.5	8.4
Other	10.0	24.4
Total	41.0	100.0

Account overview		
	Total in thousands of accounts	
	Dec. 31, 2008	Dec. 31, 2007
Savings accounts	7,548	7,965
Checking (giro) accounts	5,469	5,287
Term deposit accounts ¹⁾	209	143
Loan accounts ²⁾	1,274	1,288
Custody accounts ¹⁾	438	455

¹⁾Including accounts with no balance

²⁾Not including checking accounts

Savings deposits				
	Total		Thereof: bearing a higher interest rate	
	Dec. 31, 2008	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2007
Savings deposits (volume in €m)	37,729	40,659	33,637	35,948
Average balance per account (in €)	4,998	5,105	9,848	10,096

Securities business		
	2008 €m	2007 €m
Total sales	26,769	25,740
Fixed-interest securities	3,056	3,868
Shares, warrants	1,826	1,827
Investment and real estate shares	9,010	8,415
Purchases by customers	13,892	14,110
Fixed-interest securities	3,911	3,278
Shares, warrants	1,604	2,699
Investment and real estate shares	7,361	5,652
Sales by customers	12,876	11,630
Fixed-interest securities	-854	590
Shares, warrants	222	-872
Investment and real estate shares	1,649	2,762
Net sales to customers	1,016	2,480

Accumulation of financial assets by private individuals in Germany				
	2008		2007	
	€m	%	€m	%
Savings deposits	-2,868	-87.9	-2,771	-70.6
Own issues ^{*)}	1,956	59.9	2,123	54.1
Time deposits	2,508	76.9	1,198	30.5
Demand deposits	613	18.8	1,277	32.6
Profit participation certificates	-47	-1.5	-53	-1.3
Securities ^{**)}	1,102	33.8	2,148	54.7
Fixed-interest securities	-888	-27.2	661	16.8
Shares, warrants	208	6.4	-808	-20.6
Investment certificates	1,782	54.6	2,295	58.5
Total	3,263	100.0	3,924	100.0

^{*)} At nominal value (zero coupon bonds at the face value of the issue), including subordinated securities and the balance from secondary sales and redemption of bearer bonds and savings bank bonds

^{**)} At market value

Facts and Figures

Lending business						
Borrowers	As of Dec. 31, 2007		Change since the beginning of the year 2008		Change since the beginning of the year 2007	
	€m	%	€m	%	€m	%
Agriculture/forestry, fisheries	995	1.0	57	6.1	30	3.3
Energy/water utilities, mining	1,231	1.3	268	27.9	174	22.1
Manufacturing	8,146	8.6	383	4.9	639	9.0
Construction	2,472	2.6	31	1.3	50	2.1
Retail/wholesale	6,082	6.4	75	1.3	211	3.6
Communications/information transmission	1,203	1.3	143	13.5	94	9.8
Financial institutions (not including credit institutions) and insurance companies	2,438	2.6	213	9.6	125	6.0
Service providers (incl. the professions)	21,285	22.5	1,554	7.9	974	5.2
These include: housing companies	3,006	3.2	184	6.5	239	9.3
investment companies	1,163	1.2	176	17.9	81	8.9
other real estate business	7,125	7.5	671	10.4	633	10.9
hospitality industry	1,446	1.5	28	2.0	8	0.6
data processing and data bases, research and development, corporate governance	3,570	3.8	65	1.9	-43	-1.2
health care, veterinary care, social services	2,592	2.7	-31	-1.2	36	1.4
Companies and financially independent private individuals	43,852	46.3	2,726	6.6	2,298	5.9
Consumer loans (installment and non-installment loans)	10,193	10.8	-470	-4.4	-483	-4.3
Home construction loans (including mortgage loans)	35,859	37.8	52	0.1	174	0.5
Non-financially independent private individuals and other private individuals	46,052	48.6	-419	-0.9	-309	-0.7
Public sector	2,956	3.1	-24	-0.8	-3	-0.1
Other borrowers	1,916	2.0	468	32.3	200	16.0
Total loans to customers	94,775	100.0	2,750	3.0	2,186	2.4
For information only: loans to tradesmen	5,387	5.7	119	2.3	18	0.3

Statement of income						
	BV 2008		SVBW BV 2007		Change	
	% of ATA (avg. total assets)	€m	% of ATA	€m	in % points of ATA	€m
	Net interest income	1.75	2,944	1.83	2,955	-0.08
Net commission income	0.48	806	0.50	808	-0.02	-2
Administrative expenses	1.43	2,410	1.46	2,351	-0.03	59
Operating result before valuation	0.82	1,379	0.91	1,474	-0.09	-94
Net income for the year	0.12	200	0.17	268	-0.05	-67

Equity base ¹⁾			
	2008 €m	2007 €m	Change in %
Liabile equity	12,937	12,572	2.9
including: core capital	7,777	7,411	4.9
supplementary capital	5,159	5,161	0.0
Capital requirements²⁾	7,075	7,857	-

¹⁾2007 according to former Grundsatz I Meldung (German Banking Act); 2008 according to current German Solvency Regulation

²⁾2007 only for credit default risk and market risks



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