

Transfer of Business Activities to the Erste Abwicklungsanstalt

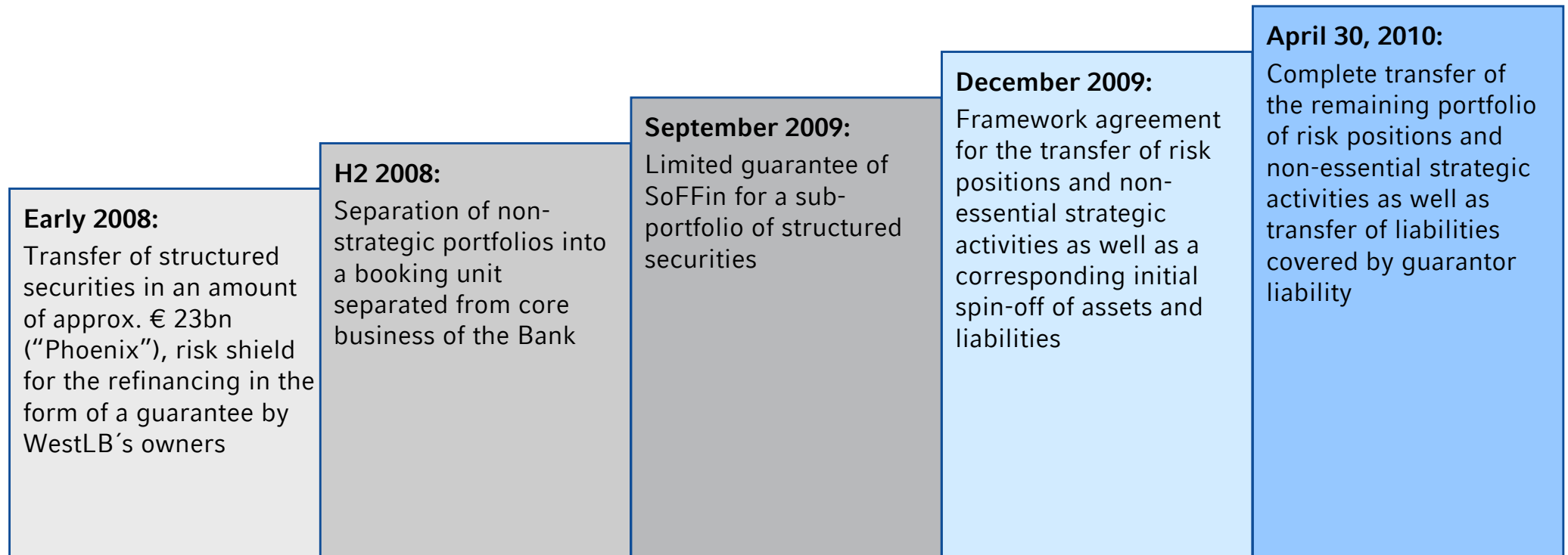
Information for Clients

May 2010



Transfer of business activities

A lean Core Bank with a balanced risk profile is born



Our approach: WestLB takes advantage of the SoFFin instruments

Transfer of a portfolio of risk positions and non-essential strategic activities to Erste Abwicklungsanstalt (EAA) with retroactive effect from January 1, 2010 (Spin-off for absorption according to the German Transformation Act in conjunction with §8a FMStFG); entry in the register of companies effected on April 30, 2010



EAA receives approx. € 3bn in capital through spin-off from WestLB and € 1bn as a guarantee from the existing shareholders and their protection schemes



SoFFin will take a € 3bn silent participation in the WestLB Core Bank; silent participation can be converted to shares after July 1, 2010 (§7 FMStFG)



Security of the spun off liabilities is ensured

Payment obligations continue to be covered by guarantor liability following the spin-off



Erste Abwicklungsanstalt is rated Aa1 (Moody's), AA- (S&P) and AAA (Fitch)



Erste Abwicklungsanstalt has a "Solva Zero" status, which means that its debt is risk-weighted at zero percent under regulatory law



Consequences of the spin-off

Spin-off of non-essential strategic activities helps to meet the requirements of the European Commission to reduce total assets as well as risk-weighted assets



WestLB has a substantially improved risk profile



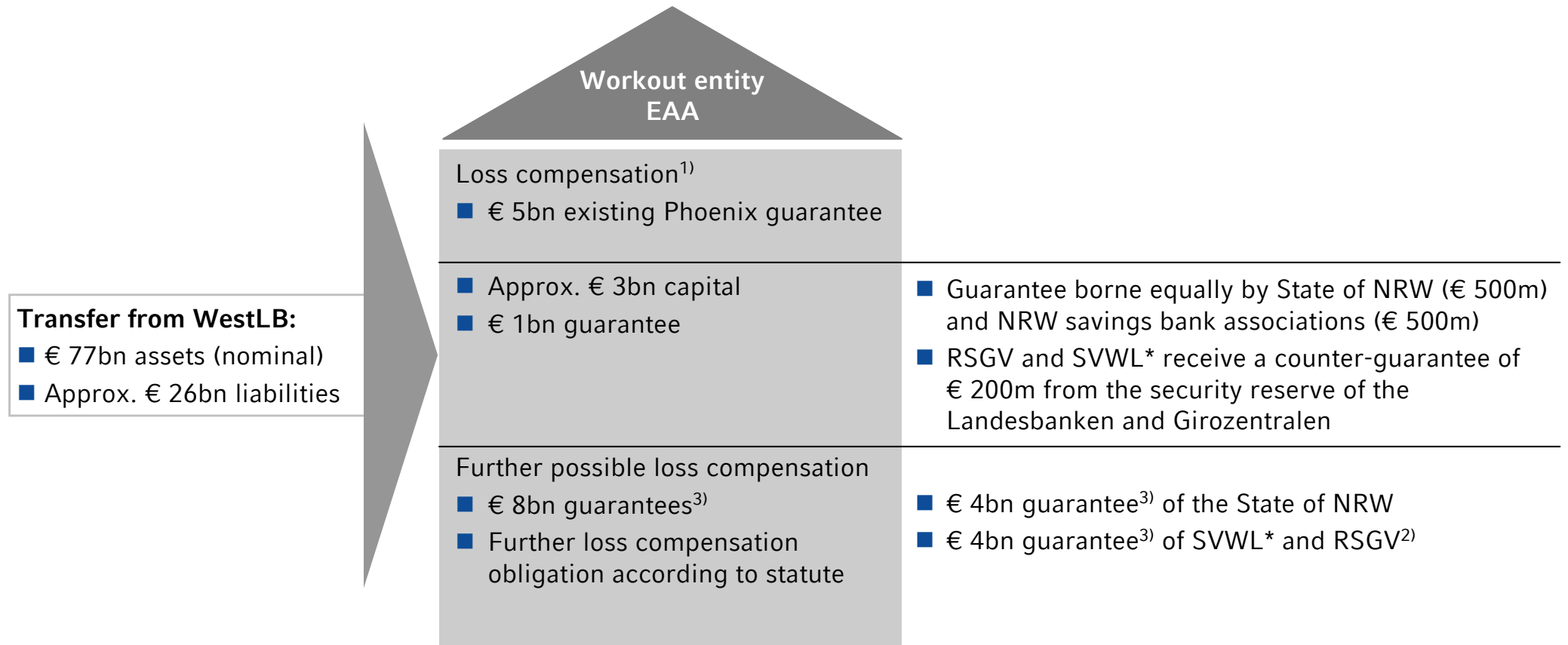
WestLB is freed from risks arising from market value fluctuations and rating migrations resulting from the spun-off assets



Ring-fencing of non-essential strategic activities is therefore the more capital-sparing solution for WestLB's owners



Loss compensation obligation in workout entity (EAA)



1) For the purpose of simplification, shown without participation of the regional associations

2) Savings banks save towards building up the total guarantee over a period of 25 years

3) Loss compensation obligation according to statute

* Renamed, formerly WLSGV

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