

DZ BANK Capital Funding Trust III Wilmington, State of Delaware, United States of America

Semi-Annual Management Report of Financial Year 2011

Substantial Business Transactions

Important events which could influence the position of DZ BANK Capital Funding Trust III and subsidiary (the "Company") have not been occurred until preparation of the Financial Report.

Financial Position and Financial Performance

The assets of the Company in the amount of TEUR 350,717 consist of the Subordinated Note Receivable from DZ BANK AG in the amount of TEUR 350,003, and accrued interest on the Subordinated Note Receivable in the amount of TEUR 714.

The Financial Performance of the fiscal year consists of Interest Income on the Subordinated Note Receivable from DZ BANK AG and shows a net income amounting to TEUR 4,611.

At the same time an amount of TEUR 4,536 was passed through in the form of Trust capital payments for the Trust Preferred Securities to the owners of the Trust Preferred Securities.

Risk Report

Credit Risk

The Company is solely focused on passing through the interest payments, which have been received from DZ BANK AG, to the owners of Trust Preferred Securities in the form of Trust capital payments. Therefore the financial performance of the Company depends on the interest payments of DZ BANK AG, whereby the assignment for passing through the interest payments to the owners of Trust Preferred Securities depends amongst others on certain tests in relation to the financial position of DZ BANK AG and DZ BANK Group.

Accounting risks

Primary goal of the external accounting of the Company is the appropriate and timely provision of information for addressees of the financial statements and the management report. Therewith connected is the ambition to assure the correctness of the external accounting and for this reason to avoid the violation of accounting norms which could lead to false information of the addressees or cause controlling errors.

As the Regular Trustees of DZ BANK Capital Funding Trust III are employees of DZ BANK AG the regulation, monitoring, and control of the accounting is implemented into the general risk management system of DZ BANK AG. With regard to the financial statements and the management reporting the accounting related risk management aims to avoid or reduce identified and valuated operational risks. In this regard the activities of the employees, the implemented controls, the used technologies, and the workflows are organized in a manner to assure the compliance with the applicable statutory provisions.

The relevant methods which are used to prepare the financial statements are specified in an organization manual and are updated regularly.

Furthermore the established processes are reviewed continuously and if necessary adjusted with regard to new circumstances as well as modified statutory provisions. To ensure and enhance the quality of the accounting the employees assigned to the reporting process are trained regarding statutory provisions and IT-systems in use.

The correctness of the form and content as well as the consistent application of the instructions and rules by the employees involved in the accounting process are audited by an audit company within the scope of the statutory audit.

Forecast of the Financial Year 2011

The result for the next six months of the financial year 2011 of the Company is expected to be positive. It is assumed that in 2011 the Company will continue to pass through the interest payments received from DZ BANK AG to the owners of Trust Preferred Securities as the above mentioned certain tests in relation to the financial position of DZ BANK AG and DZ BANK Group are positive.