

### 3. Notes to the Consolidated Balance Sheet

#### 45\_Cash and cash equivalents

	2008	2007
	€ M	€ M
Cash on hand	13	8
Balances with central banks	686	448
Public sector debt instruments and bills of exchange eligible for refinancing with central banks	10	19
Government bills and discount notes as well as similar public sector debt instruments	10	19
<b>Total</b>	<b>709</b>	<b>475</b>

#### 46\_Assets held for trading

	2008	2007
	€ M	€ M
Bonds and other fixed-income securities	1,058	4,175
Bonds and notes	1,058	4,175
of public-sector issuers	184	469
of other issuers	874	3,706
Equities and other non-fixed income securities	928	3,693
Positive fair values from derivative financial instruments	8,531	5,591
Borrower's note loans	5	13
<b>Total</b>	<b>10,522</b>	<b>13,472</b>

Deferred interest in the amount of € 4 million (previous year: € 58 million) is included in Bonds. Further information relating to derivatives can be found in note 75.

#### 47\_Positive fair values from hedge accounting

	2008	2007
	€ M	€ M
Positive fair values from hedge accounting	47	31
of which fair value hedges	47	31
<b>Total</b>	<b>47</b>	<b>31</b>

#### 48\_Financial assets designated at fair value through profit or loss (fair value option)

	2008	2007
	€ M	€ M
Bonds and other fixed-income securities	1,438	2,209
Bonds and notes	1,438	2,209
of public-sector issuers	0	244
of other issuers	1,438	1,965
Equities and other non-fixed income securities	329	895
Equity investments	35	86
<b>Total</b>	<b>1,802</b>	<b>3,190</b>

Deferred interest in the amount of € 36 million (previous year: € 51 million) is included in Bonds.

#### 49\_Loans and advances to banks

	2008	2007
	€ M	€ M
<b>DOMESTIC BANKS</b>	<b>255</b>	<b>535</b>
On demand	255	20
Other loans and advances	0	515
<b>FOREIGN BANKS</b>	<b>8,658</b>	<b>9,635</b>
On demand	3,143	2,179
Other loans and advances	5,515	7,456
<b>Total</b>	<b>8,913</b>	<b>10,170</b>

This item contains money market loans and advances to banks totalling € 2,324 million (previous year: € 6,095 million). A breakdown of residual maturities can be found in note 74.

As of the balance sheet date, there are no overdue or impaired loans and advances to banks.

## 50\_ Loans and advances to customers

	2008	2007
	€ M	€ M
<b>DOMESTIC CLIENTS</b>	39	62
Corporate clients	23	52
Private clients	16	9
Other clients	0	1
<b>FOREIGN CLIENTS</b>	7,587	7,054
Corporate clients	4,710	4,077
Private clients	2,734	2,923
Public-sector clients	129	48
Other clients	14	6
<b>Total</b>	<b>7,626</b>	<b>7,116</b>

Loans in the amount of € 319 million (previous year: € 295 million), included in Loans and advances to customers, were secured by mortgages or land charges. Note 74 contains a breakdown of residual maturities.

For information on credit quality, loans and advances to customers can be broken down as follows:

	2008	2007
	€ M	€ M
Neither overdue nor impaired	7,380	6,869
Overdue but not impaired	1	50
of which 3 to 6 months overdue	1	24
of which 6 months to 1 year overdue	0	25
of which more than 1 year overdue	0	1
Impaired	245	197
<b>Total</b>	<b>7,626</b>	<b>7,116</b>

Overdue loans and advances include loans and advances that have not yet been impaired but for which the debtor has not met contractual payment obligations. Impaired loans and advances include those loans and advances recorded at the loan amount granted, for which specific valuation allowances were made on the reporting date taking collateral received into account. Information on the amount of the allowances for impairment losses as well as the collateral received can be found in the details on allowances for impairment losses on loans and advances in note 52.

### 51\_Lending volume

	2008	2007
	€ M	€ M
Loans to banks	1,377	1,349
Loans to customers	7,318	6,873
<b>Total</b>	<b>8,695</b>	<b>8,222</b>

In contrast to Loans and advances to banks and customers, only such loans were included for which special loan agreements were concluded with the borrowers. Moreover, we do not report any repo transactions in the lending volume.

### 52\_Allowances for impairment losses on loans and advances

	Specific valuation allowances		General allowances for doubtful accounts		Total	
	2008	2007	2008	2007	2008	2007
	€ M	€ M	€ M	€ M	€ M	€ M
<b>As at 1 January</b>	<b>124</b>	125	<b>43</b>	34	<b>167</b>	159
Established	14	10	11	9	25	19
of which affecting net interest income	4	4	0	0	4	4
Utilised	-5	-8	0	0	-5	-8
Reversed	-5	-8	-14	0	-19	-8
Reclassifications	0	1	0	0	0	1
<b>As at 31 December</b>	<b>132</b>	124	<b>40</b>	43	<b>172</b>	167

Provisions for loan losses are recognised under Other provisions. Total risk provision comprising allowances for impairment losses on loans and advances and provisions for loan losses can be broken down as follows:

	2008	2007
	€ M	€ M
Allowances for impairment losses on loans and advances	172	167
Loans and advances to banks	6	6
Loans and advances to customers	164	161
Non-current financial assets	2	0
Provisions for loan losses	2	7
<b>Total</b>	<b>174</b>	174

Overall, collateral was pledged in the form of cash contributions, securities and security interests in land with a total value of € 66 million (previous year: € 40 million), which was considered as risk-reducing in calculating the provision for loan losses.

### 53\_Maximum credit risk exposure

Collateral received such as cash and securities or other credit enhancements such as guarantees, indemnities or netting agreements are not taken into account in calculating the maximum exposure to credit risk in accordance with IFRS 7.36 (a). The on-balance sheet items are recognised at carrying amount, while the off-balance sheet items are recognised at the maximum amount of possible utilisation.

	2008	2007
	€ M	€ M
Loans and receivables	23,583	17,286
Loans and advances to banks	8,913	10,170
Loans and advances to customers	7,626	7,116
Non-current financial assets	7,044	0
Financial assets held for trading	10,522	13,472
Assets held for trading	10,522	13,472
Hedge accounting derivatives	47	31
Fair value option	1,802	3,190
Financial assets designated at fair value through profit or loss	1,802	3,190
Available-for-sale financial assets	2,442	5,181
Non-current financial assets	2,405	5,146
of which carried at amortised cost	391	319
of which carried at fair value	2,014	4,827
Other assets	37	35
Financial guarantees	416	214
Contingent liabilities from guarantees and indemnity agreements	1,130	1,564
Irrevocable loan commitments	2,017	2,270
Non-current assets held for sale (IFRS 5)	594	0
<b>Total</b>	<b>42,553</b>	<b>43,208</b>

Further notes on the calculation and internal management of credit risk as well as credit quality of financial assets are presented in the risk report within the management report. Moreover, information on credit quality can be found in note 49 Loans and advances to banks, note 50 Loans and advances to customers, note 52 Allowances for impairment losses on loans and advances as well as note 54 Non-current financial assets.

## 54\_Non-current financial assets

	2008	2007
	€ M	€ M
Bonds and other fixed-income securities	8,758	3,918
Bonds and notes	8,758	3,918
of public-sector issuers	862	332
of other issuers	7,896	3,586
Equities and other non-fixed income securities	118	383
Equity investments	573	845
Shares in affiliated companies (non-consolidated)	37	47
Investment property	187	194
<b>Total</b>	<b>9,673</b>	<b>5,387</b>

Of bonds and other fixed-income securities, € 7,044 million is carried at amortised cost for the first time. This item includes securities for which there was no active market upon acquisition, as well as securities previously recognised under Assets held for trading or Non-current financial assets at fair value which were reclassified during the financial markets crisis. Further information on this subject is provided in note 73 Disclosures on financial instruments.

Of equities and other non-fixed income securities, no securities (previous year: € 2 million) are carried at amortised cost.

Of equity investments and shares in affiliated companies, € 428 million (previous year: € 364 million) are carried at cost. These are shares in partnerships and non-listed companies for which a fair value cannot be reliably determined.

The development of equity investments and shares in affiliated companies is presented in the table under note 58, and a breakdown of residual maturities in note 74.

In connection with investment property which generated rental income during the reporting period, directly attributable expenses were recorded through profit or loss in the amount of € 1 million.

For information on credit quality, non-current financial assets can be broken down as follows:

	2008	2007
	€ M	€ M
Neither overdue nor impaired	9,266	5,147
Impaired	407	240
<b>Total</b>	<b>9,673</b>	<b>5,387</b>