

RESPARCS Funding II Limited Partnership: Expected EC-Requirements burden expected result of HSH Nordbank AG

25 August 2011

RESPARCS Funding II Limited Partnership (the "Company") gives notice of the following:

The Company was informed by HSH Nordbank AG, Hamburg and Kiel, (the „Bank“) that in today's meeting the supervisory board of the Bank approved of the financial planning submitted by the management board. The financial planning contains the requirements expected to be laid down by the EU Commission in the state aid matter HSH Nordbank. The final decision by the EU Commission is expected for mid September.

The Bank expects that the Commission will consider the remuneration for the financial guarantee granted to the Bank by the two states Hamburg and Schleswig-Holstein through HSH Finanzfonds AöR in the amount of 400 bps as insufficient and that the Commission will levy additional elements of remuneration on the Bank by way of a condition to its decision. On account of the expected decision, the Bank has included a one-off payment in the amount of EUR 500 million in its financial planning.

The Bank assumes that the one-off payment will impact on the profit and loss account of the Bank and will take effect in the financial year 2011. The planning further assumes that HSH Finanzfonds AöR will have to contribute its claim for the one-off payment to the Bank in a capital increase by way of contribution in kind, which will likely not become effective in the financial year 2011.

Implementing the expected EC-requirements will necessitate alterations in the business of HSH Nordbank AG. Hence, the new financial planning provides for a lump sum expenditure for restructuring efforts in the magnitude of a mid range two digit amount of million EUROS for each of 2011 and the two following years respectively.

The total expenses resulting from the new financial planning will result in a net loss for the financial year 2011 in the Bank's P&L according to German GAAP (*HGB*).

For the instruments issued by RESPARCS Funding II Limited Partnership, ISIN DE0009842542, permitted for trading at the Frankfurt stock exchange and in the official trading of Euronext Amsterdam N.V., based on a silent participation, this means that due to the expected net loss no coupon will be paid for the coupon period 2011 and the instruments will participate in a net loss for the financial year 2011 via the silent participation. The exact amount of the loss participation cannot yet be quantified and will be made public after the Bank's supervisory board has approved of the annual financial statement of the Bank in March 2012.

The following instruments issued by RESPARCS Funding II Limited Partnership are affected:

ISIN DE0009842542, which is permitted at the Frankfurt stock exchange and in the official trading of Euronext Amsterdam N.V. Date of coupon payment: 30.06.2012

Issuer:

The Company RESPARCS Funding II Limited Partnership, a limited partnership founded on 17 April 2003 according to the laws of the Channel Island Jersey, has acquired a silent participation in the business of HSH Nordbank (formerly Landesbank Schleswig-Holstein Girozentrale) in the form of a silent partnership under German law from the proceeds of the „Re-Engineered Silent Participation Assimilated Regulatory Capital“-instruments („RESPARC-Instruments“).

Jersey, 25 August 2011

Company: RESPARCS Funding II Limited Partnership
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Jersey