

Helaba International Finance plc

Report and Financial Statements

Year Ended 31 December 2008

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Directors and Other Information**Board of Directors**

R. Krick (Chairman)
L. Steinborn-Reetz
Dr. U. Pähler
E. Hanly
N. O'Byrne
P. Murray
P. Smyth

Secretary

Wilton Secretarial Limited

Registered Office

P. O. Box 3137
5 George's Dock
IFSC
Dublin 1

Registered Number : 166932

Auditors

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
One Spencer Dock
North Wall Quay
Dublin 1

Solicitors

William Fry
Fitzwilton House
Wilton Place
Dublin 2

Bankers

Landesbank Hessen-Thüringen
Girozentrale,
Frankfurt am Main / Erfurt,
Germany

Report of the Directors

The directors submit their report together with the audited financial statements for the year ended 31 December 2008.

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable Irish law and generally accepted accounting practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts 1963 to 2006. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website. Information published on the Internet is accessible in many countries with different legal requirements. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Books of Account

The measures taken by the directors to secure compliance with the company's obligation to keep proper books of account are the use of appropriate systems and procedures and the employment of competent persons. The books of account are kept at PO Box 3137, 5 George's Dock, IFSC, Dublin 1.

Principal Activities and Review of The Business

During the financial year 2008, the balance sheet total of Helaba International Finance plc decreased by EUR 355 million, or 25 % , to EUR 1,054 million, as compared with the 31st December 2007. The decrease in the balance sheet total reflects (note 10) six redemptions (AUD, NZD, ZAR and CZK) and no new issues.

All issues are unconditionally and irrevocably guaranteed by Landesbank Hessen-Thüringen Girozentrale and have been rated "Aaa" (Moody's Investors Service), "AAA" (FitchRatings) and "AA" (Standard & Poor's). The proceeds from these issues are exclusively used for the financing of associated companies within the Helaba Group.

The guarantees of the owners of Landesbank Hessen-Thüringen Girozentrale (the Savings Banks and Giro Association of Hesse-Thuringia and the Federal States of Hesse and Thuringia) in the form of Anstaltslast (statutory liability) and Gewährträgerhaftung (guarantor obligation) has ensured a high credit quality of Helaba. The German authorities and the European Commission agreed, in July 2001 and February 2002, on a restructuring of the guarantee mechanisms of German public banks. Anstaltslast was maintained in its original form until 18 July 2005.

The provisions applying to the statutory guarantee state that liabilities in existence on 18 July 2001 will be covered by the statutory guarantee until the end of their term. Liabilities created after this date are in principle covered by the statutory guarantee until 18 July 2005, at which time such coverage will cease unless the term of the liabilities concerned does not extend beyond 31 December 2015.

Helaba's senior unsecured unguaranteed obligations (obligations not covered by Gewährträgerhaftung) are rated "Aa2" / "A+" / "A" (long-term) by Moody's Investors Service, FitchRatings, and Standard & Poor's respectively.

Profits, Dividends and Reserves

	TEUR
Profit for the financial year	640
Balance at beginning of year	25
Total profit retained	665

Events since the Year End

There have been no significant events affecting the company since the year-end.

Safety, Health and Welfare of Employees

It is the policy of the company to ensure the health and welfare of its employees by maintaining a safe place and system of work. This policy is based on the requirements of employment legislation, including the Safety, Health and Welfare at Work Act, 1989.

Future Developments

In its financial year 2009, the company plans to continue its financing function for the Helaba Group.

Financial Risk Management

Please see note 21 to the financial statements.

Directors

The names of the persons who were directors during the year ended 31 December 2008, are set out below. They served as directors for the entire year except where noted.

R. Krick (Chairman) (German)
L. Steinborn-Reetz (German)
Dr. N. Schraad (Resigned 15 January 2009) (German)
Dr. U. Pähler (Appointed 15 January 2009) (German)
E. Hanly
N. O'Byrne
P. Murray
P. Smyth

The directors are not required to retire by rotation under the terms of the company's articles of association.

Ultimate Holding Company

The ultimate holding company is Landesbank Hessen-Thüringen Girozentrale ("Helaba"), Federal Republic of Germany.

The existing guarantees of the owners of Helaba were abolished after 18 July 2005 in the case of Anstaltslast (statutory liability) respectively phased out as from 19 July 2005 in the case of Gewährträgerhaftung (guarantor obligation) (see "Principal Activities and Review of the Business"). Helaba's senior unsecured unguaranteed obligations (obligations not covered by Gewährträgerhaftung) are rated "Aa2"/"A+"/"A" (long-term) by Moody's Investors Service, FitchRatings, and Standard & Poor's respectively.

Directors' and Other Interests

None of the directors in office at 31 December 2008 had any interest in the shares or debentures of the company, its holding company or other group companies.

Transactions Involving Directors

There were no transactions involving directors during the year as defined by Section 41 of the Companies Act, 1990.

Auditors

The auditors, PricewaterhouseCoopers, offer themselves for re-appointment in accordance with section 160(2) of the Companies Act, 1963.

R. Krick, Chairman of the Board of Directors

P. Murray, Managing Director

5th March 2009

Independent Auditors' Report to the Members of Helaba International Finance Plc

We have audited the financial statements on pages 8 to 20. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and the accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2006. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account.

We also report to you our opinion as to:

- whether the company has kept proper books of account;
- whether the directors' report is consistent with the financial statements; and
- whether at the balance sheet date there existed a financial situation which may require the company to convene an extraordinary general meeting; such a financial situation may exist if the net assets of the company, as stated in the company balance sheet, are not more than half of its called-up share capital.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 31 December 2008 and of its profit and cash flows for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts, 1963 to 2006.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion the information given in the directors' report on pages 3 to 5 is consistent with the financial statements.

The net assets of the company, as stated in the balance sheet on page 11, are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 December 2008 a financial situation which under Section 40(1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the company.

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Dublin

5th March 2009

Accounting Policies and Estimates

The significant accounting policies adopted by the company are as follows:

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2006. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

In 2005 the company adopted FRS 25 'Financial Instruments - Disclosure and Presentation', and FRS 26 'Financial Instruments - Measurement' in these financial statements. In 2007, the company has adopted FRS 29 'Financial Instruments - Disclosures' which supersedes the disclosure requirements of FRS 25. The adoption of these standards represents a change in accounting policy, and the company has taken the exemption not to restate comparatives.

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Financial assets

The company classifies its financial assets in the category "Loans and receivables". Management determines this category at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the company advances funds directly to a debtor with no intention of trading the receivable. Loans and receivables are carried at amortised cost using the effective interest method.

Tangible assets

Tangible assets are stated at cost less accumulated depreciation.

Depreciation is calculated in order to write off the cost of tangible assets over their estimated useful lives by equal annual instalments.

Debt securities in issue

Debt securities in issue are recognised initially at fair value, being their issue proceeds (fair value of consideration received) net of transaction costs incurred. Borrowings are subsequently stated at amortised cost: any difference between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Reporting currency

The financial statements are prepared in thousands of Euro, denoted by the symbol TEUR.

Interest income and expense

Interest income and expense are recognised in the financial statements for all instruments measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument, or where appropriate, a shorter period to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the company estimates cash flows considering all contractual terms of the financial instrument, but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transactions costs and all other premiums and discounts.

Once a financial asset has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purposes of measuring the impairment loss.

Foreign currencies

All monetary assets and liabilities, denominated in currencies other than Euro are translated into Euro at the exchange rates ruling at the balance sheet date.

Tangible assets are translated at the historical rate.

The monthly revenues and costs arising in currencies other than Euro are translated into Euro at the relevant exchange rate at each month end.

Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable in currencies other than Euro are dealt with through the profit and loss account.

Deferred taxation

Deferred taxation is recognised on all timing differences where the transaction or event that gives rise to an obligation to pay more or less tax in the future has occurred by the Balance Sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered.

Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes.

Deferred tax is measured using rates of tax that have been enacted by the Balance Sheet date. Deferred tax balances are not discounted.

Pensions

The pension obligations of the company are met by payments to a defined contribution pension plan, which are made by Helaba Dublin under the terms of a management agreement. The annual contributions are paid by Helaba Dublin in the accounting year to which they relate.

Profit and Loss Account

	Notes	2008 TEUR	2007 TEUR	2006 TEUR
Interest receivable and similar income		69,180	104,418	161,125
Interest payable and similar charges		(68,196)	(103,122)	(159,439)
Net interest income		<u>984</u>	<u>1,296</u>	<u>1,686</u>
Administration expenses		(254)	(297)	(336)
Profit on ordinary activities before tax	2	<u>730</u>	<u>999</u>	<u>1,350</u>
Tax on profit on ordinary activities	3	(90)	(122)	(166)
Profit on ordinary activities after tax		<u><u>640</u></u>	<u><u>877</u></u>	<u><u>1,184</u></u>

Profit on ordinary activities arose solely from continuing operations. There are no recognised gains or losses other than those included in the profit and loss account.

There is no difference between the profit on ordinary activities before taxation and the retained profits for the periods stated above, and their respective historical cost equivalents.

Directors:

R. Krick Chairman of the Board of Directors

P. Murray Managing Director

5th March 2009

The accounting policies on page 8-9 and the notes to the Financial Statements on pages 13 to 20 form part of these accounts. Auditors' Report pages 6 – 7.

Balance Sheet

Assets	Notes	2008 TEUR	2007 TEUR	2006 TEUR
Cash at bank	18	567	667	432
Loans and advances to group companies	7	1,023,990	1,371,542	2,139,528
Other debtors	8	-	-	272
Tangible fixed assets	6	-	-	-
Prepayments and accrued income	9	29,247	36,565	44,807
Total Assets		<u>1,053,804</u>	<u>1,408,774</u>	<u>2,185,039</u>
Liabilities				
Debt securities in issue	10	1,019,016	1,366,578	2,134,418
Creditors (amounts falling due within one year)	11	175	72	109
Other Liabilities	12	-	950	1,100
Accruals	13	28,835	36,036	44,201
Shareholders' Funds				
Called up share capital	14	5,000	5,000	5,000
Capital conversion reserve fund	15	113	113	113
Profit and loss account	5	665	25	98
Total Liabilities		<u>1,053,804</u>	<u>1,408,774</u>	<u>2,185,039</u>

Directors:

R. Krick Chairman of the Board of Directors

P. Murray Managing Director

5th March 2009

The accounting policies on page 8-9 and the notes to the Financial Statements on pages 13 to 20 form part of these accounts. Auditors' Report pages 6 – 7.

Cash Flow Statement

	Notes	2008 TEUR	2007 TEUR	2006 TEUR
Net cash inflow from operating activities	(A)	862	1,475	1616
Dividends paid	17	(950)	(1,100)	(1,650)
Taxation				
Corporation tax paid		<u>(12)</u>	<u>(140)</u>	<u>(178)</u>
(Decrease) / Increase in cash	18	<u>(100)</u>	<u>235</u>	<u>(212)</u>

Note A**Reconciliation of operating profit to net cash inflow from operating activities**

Profit on ordinary activities before taxation		730	999	1,350
Net decrease in prepayments and accrued income		7,318	8,242	50,889
Net (decrease) in accruals		(7,201)	(8,165)	(50,404)
Depreciation		<u>-</u>	<u>-</u>	<u>-</u>
Net cash inflow from trading activities		847	1,076	1,835
Net decrease in loans and advances to group companies		347,552	767,986	1,711,931
Net (decrease) in debt securities in issue		(347,562)	(767,840)	(1,712,544)
Net (decrease) in creditors (amounts falling due within one year)		25	(19)	24
Net decrease in other debtors		<u>-</u>	<u>272</u>	<u>370</u>
Net cash inflow from operating activities		<u>862</u>	<u>1,475</u>	<u>1,616</u>

Notes to the Financial Statements

1. Ultimate Holding Company

The ultimate holding company of Helaba International Finance plc is Landesbank Hessen - Thüringen Girozentrale, Federal Republic of Germany. Landesbank Hessen-Thüringen Girozentrale is the parent company of the only group for which group financial statements are prepared and of which the company is a member. Copies of the financial statements of Landesbank Hessen-Thüringen Girozentrale may be obtained from their registered offices at Neue Mainzer Straße 52 - 58, D-60311, Frankfurt am Main and Bonifaciusstraße 3, D-99084, Erfurt, Federal Republic of Germany.

2. Profit on Ordinary Activities before Taxation

	2008	2007	2006
	TEUR	TEUR	TEUR
Profit before taxation has been arrived at after charging:			
Staff costs			
- wages and salaries	-	-	-
- social welfare costs	-	-	-
Depreciation	-	-	-
Auditors' remuneration	-	-	-
Operating lease rentals: Property	-	-	-
Management Agreement	254	297	336
	<u>254</u>	<u>297</u>	<u>336</u>

For the periods ended 31 December 2008, 31 December 2007 and 31 December 2006 the day to day expenses of Helaba International Finance plc were paid by Helaba Dublin under the terms of a management agreement. This includes an amount of TEUR 8 (2007: TEUR 12, 2006: TEUR 13) in respect of auditors' remuneration.

3. Tax on Profit on Ordinary Activities

	2008	2007	2006
	TEUR	TEUR	TEUR
(A) Based on profit on ordinary activities:			
Corporation tax at 12.5%	90	122	166
	<u>90</u>	<u>122</u>	<u>166</u>
(B) Deferred tax	Nil	Nil	Nil
	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>

(A) The current rate of Corporation Tax applicable since 31 December 2005 is 12.5%.

(B) No provision has been made for deferred tax as there are no material timing differences between profits as computed for tax purposes and accounting purposes.

4. Dividends

	2008	2007	2006
	TEUR	TEUR	TEUR
Interim dividend of EUR 0.00 (2007: EUR 0.19) (2006: EUR 0.22) per EUR 1 ordinary equity share:	-	950	1,100
Total declared dividends	<u>-</u>	<u>950</u>	<u>1,100</u>

On 11 December 2008, the Board of Directors proposed an interim dividend of TEUR 650 (EUR 0.13 per EUR 1 ordinary equity share).

5. Statement of Movement in Profit and Loss Account

	2008	2007	2006
	TEUR	TEUR	TEUR
Balance at the beginning of the year	25	98	14
Net increase / (reduction) in shareholders funds (see note 16)	<u>640</u>	<u>(73)</u>	<u>84</u>
Balance at end of year	<u>665</u>	<u>25</u>	<u>98</u>

6. Tangible Fixed Assets

	Fixtures and Fittings TEUR	Computer Equipment TEUR	Office Furniture TEUR	Total TEUR
Cost				
At 31 December 2006	<u>7</u>	<u>6</u>	<u>12</u>	<u>25</u>
At 31 December 2007	<u>7</u>	<u>6</u>	<u>12</u>	<u>25</u>
At 31 December 2008	<u>7</u>	<u>6</u>	<u>12</u>	<u>25</u>
Accumulated Depreciation				
At 31 December 2005	7	6	12	25
Charge for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2006	<u>7</u>	<u>6</u>	<u>12</u>	<u>25</u>
Charge for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2007	<u>7</u>	<u>6</u>	<u>12</u>	<u>25</u>
Charge for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2008	<u>7</u>	<u>6</u>	<u>12</u>	<u>25</u>
Net book amount				
At 31 December 2006	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2007	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2008	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The estimated useful lives of tangible assets by reference to which depreciation has been calculated are as follows:

Average approximately

Fixtures and fittings	5 years
Office furniture	10 years
Computer equipment	3 years

7. Loans and Advances to Group Companies

	2008	2007	2006
	TEUR	TEUR	TEUR
Due after one year	600,831	1,143,407	1,417,142
Due within one year	<u>423,159</u>	<u>228,135</u>	<u>722,386</u>
	<u>1,023,990</u>	<u>1,371,542</u>	<u>2,139,528</u>

The amounts due after one year from group companies represent the proceeds of bond issues which have been guaranteed, in full, by Landesbank Hessen –Thüringen Girozentrale, (see note 10). As security for the issue of these guarantees, the proceeds are pledged to Landesbank Hessen - Thüringen Girozentrale.

8. Other Debtors

	2008	2007	2006
	TEUR	TEUR	TEUR
Other debtors comprise of:			
Deferred premium on loans	<u>-</u>	<u>-</u>	<u>272</u>

9. Prepayment and Accrued Income

	2008	2007	2006
	TEUR	TEUR	TEUR
Interest on Advances to Group	<u>29,247</u>	<u>36,565</u>	<u>44,807</u>

10. Debt Securities In Issue

Amounts falling due in less than one year excluding interest:

	2008	2007	2006
	TEUR	TEUR	TEUR
AUD 100 million 5.750% due 8 August 2007	-	-	59,913
EUR 500 million 4.000% due 27 September 2007	-	-	500,000
EUR 100 million 4.000% due 27 September 2007	-	-	100,000
ESP 10 billion Note (i) due 30 May 2007	-	-	60,101
AUD 100 million 5.000% due 30 July 2008	-	59,677	-
ZAR 100 million 13.500% due 31 March 2008	-	9,970	-
CZK 500 million 11.000% due 19 June 2008	-	18,777	-
AUD 50 million 5.000% due 30 July 2008	-	29,839	-
NZD 100 million 6.500% due 15 December 2008	-	52,565	-
NZD 100 million 6.750% due 31 March 2008	-	52,565	-
GBP 200 million 4.750% due 7 December 2009	209,974	-	-
GBP 50 million 4.750% due 7 December 2009	36,745	-	-
GBP 65 million 4.750% due 7 December 2009	68,241	-	-
GBP 85 million 4.750% due 7 December 2009	104,987	-	-
Deferred premium on notes	-	300	1,569
Deferred management / underwriting commission / issue expenses on notes	(517)	(522)	(1,821)
	<u>419,430</u>	<u>223,171</u>	<u>719,762</u>

Amounts falling due after one year excluding interest:

	2008	2007	2006
	TEUR	TEUR	TEUR
GBP 200 million 4.750% due 7 December 2009	-	272,721	297,841
GBP 50 million 4.750% due 7 December 2009	-	68,180	74,460
DEM 1 billion 5.500% due 4 February 2013	511,292	511,292	511,292
GBP 65 million 4.750% due 7 December 2009	-	88,634	96,798
JPY 5 billion 2.460% due 8 January 2010	39,639	30,316	31,861
GBP 85 million 4.750% due 7 December 2009	-	115,907	126,582
NOK 500 million 6.540% due 11 September 2013	51,282	62,830	60,694
AUD 100 million 5.000% due 30 July 2008	-	-	59,912
ZAR 100 million 13.500% due 31 March 2008	-	-	10,855
CZK 500 million 11.000% due 19 June 2008	-	-	18,192
AUD 50 million 5.000% due 30 July 2008	-	-	29,956
NZD 100 million 6.500% due 15 December 2008	-	-	53,405
NZD 100 million 6.750% due 31 March 2008	-	-	53,405
Deferred premium on notes	2,469	3,074	4,479
Deferred management / underwriting commission / issue expenses on notes	(5,096)	(9,547)	(15,076)
	<u>599,586</u>	<u>1,143,407</u>	<u>1,414,656</u>
Total Debts securities in issue	<u>1,019,016</u>	<u>1,366,578</u>	<u>2,134,418</u>

These bonds/notes issued are guaranteed in full as to principal and coupons by Landesbank Hessen-Thüringen Girozentrale.

Note (i) Floating rate based on 6 month Euribor plus 30 basis points, maximum rate 8.40%, minimum rate 4.00%

11. Creditors (Amounts Falling Due Within One Year)

	2008	2007	2006
	TEUR	TEUR	TEUR
Amounts due to inter-company	39	23	51
Unclaimed Coupons	46	37	28
Corporation tax	90	12	30
	<u>175</u>	<u>72</u>	<u>109</u>

Corporation tax is net of TEUR Nil preliminary tax paid for 2008 (2007: TEUR 110, 2006: TEUR 136)

12. Other Liabilities

	2008	2007	2006
	TEUR	TEUR	TEUR
Declared dividend	<u>-</u>	<u>950</u>	<u>1,100</u>

13. Accruals

	2008	2007	2006
	TEUR	TEUR	TEUR
Amounts due on debt securities - falling due in less than one year	<u>28,835</u>	<u>36,036</u>	<u>44,201</u>

14. Share Capital

	2008	2007	2006
	TEUR	TEUR	TEUR
Authorised:			
5,000,000 ordinary equity shares of EUR 1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Issued and fully paid:			
5,000,000 ordinary equity shares of EUR 1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

On 18th July, 2001, the authorised and issued share capital of the company was converted to Euro, and an amount of TEUR 113 transferred to the Capital Conversion Reserve Fund (note 15).

15. Capital Conversion Reserve Fund

	2008	2007	2006
	TEUR	TEUR	TEUR
Capital Conversion Reserve Fund	<u>113</u>	<u>113</u>	<u>113</u>

An amount equal to the aggregate amount of the reduction in the issued share capital of the company resulting from the conversion and redenomination of the ordinary shares to Euro was transferred to the Capital Conversion Reserve Fund on the 18th of July 2001.

16. Reconciliation of Movements in Shareholders' Funds

	2008	2007	2006
	TEUR	TEUR	TEUR
Profit on ordinary activities after tax	640	877	1,184
Dividends	-	(950)	(1,100)
Net increase / (reduction) to shareholders' funds	<u>640</u>	<u>(73)</u>	<u>84</u>
Opening shareholders' funds	<u>5,138</u>	<u>5,211</u>	<u>5,127</u>
Closing shareholders' funds	<u>5,778</u>	<u>5,138</u>	<u>5,211</u>

17. Dividends Paid

	2008	2007	2006
	TEUR	TEUR	TEUR
Ordinary equity dividends paid	<u>(950)</u>	<u>(1,100)</u>	<u>(1,650)</u>

18. Cash and Cash Equivalents

	2008	2007	2006
	TEUR	TEUR	TEUR
Balance at beginning of year	667	432	644
(Decrease) / Increase in cash and cash equivalents	<u>(100)</u>	<u>235</u>	<u>(212)</u>
Balance at end of year	<u>567</u>	<u>667</u>	<u>432</u>

19. Directors' Remuneration

	2008	2007	2006
	TEUR	TEUR	TEUR
Emoluments:			
Emoluments paid to Directors' included within management fee payable to Helaba Dublin:			
- for services as directors	18	18	20
- for other services	<u>54</u>	<u>51</u>	<u>73</u>
	<u>72</u>	<u>69</u>	<u>93</u>

20. Pensions

Pensions for employees arise from a defined contribution scheme. These pensions are funded through an external pension scheme for the sole benefit of qualifying employees or their dependants. Under the terms of the management agreement Helaba Dublin pays the pension premium for Helaba International Finance plc, which amounted to TEUR 10 for the current financial year (2007: TEUR 8, 2006: TEUR 18). There were no outstanding contributions at the balance sheet date.

21. Derivatives and Other Financial Instruments

The principal activity of the company is the issuing of notes and placing the proceeds of these issues with companies within the Helaba Group. The proceeds are placed for the same term as that of the issue and at a rate higher than the rate of the issue. The issues and the placing of the proceeds are predominantly at fixed rates for the full term. Therefore, the normal market risks of foreign currency, interest rate and that of liquidity and credit risks are not material.

Foreign currency risk

The margins earned on the placing of the proceeds of the issues with group companies do represent foreign currency risk. However, the amount of value at risk is not material.

Interest rate risk

For the year ended 31 December 2008, the outstanding issues and the placing of the proceeds were at fixed rates for the full term.

Liquidity risk

The proceeds of the issues are placed with Helaba group companies for the same term as the related issues.

Credit risk

The company is exposed to a credit risk on other Helaba group companies and bears the risk of settlement default. However, this risk is low as the proceeds of the issues have been guaranteed in full by Landesbank Hessen-Thüringen Girozentrale.

Fair value of financial assets and financial liabilities

Financial assets are held at nominal value as adjusted by the unamortised discounts and premiums. Financial liabilities are held at nominal value as adjusted by the unamortised discounts, premiums, commissions and issue expenses arising on the long-term borrowings.

The following table summarises the carrying amounts and fair values of those financial assets and liabilities not presented on the balance sheet at their fair value.

	Carrying Value Including Accrued Interest 2008	Fair Value 2008	Carrying Value Including Accrued Interest 2007	Fair Value 2007	Carrying Value Including Accrued Interest 2006	Fair Value 2006
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Financial assets						
Advances to group companies	1,053,237	1,117,830	1,408,107	1,435,027	2,184,335	2,226,962
Financial liabilities						
Debt securities in issue	1,047,851	1,107,593	1,402,614	1,420,468	2,178,619	2,206,711

(a) Advances to group companies.

Advances to group companies are net of provisions for impairment (Nil). The estimated fair value of advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

(b) Debt securities in issue

The estimated fair values of debt securities in issue are calculated on a discounted cash flow model based on a current yield curve appropriate for the remaining term to maturity.

22. Segmental Reporting

The principal class of business of the company is capital markets fundraising and lending which takes place in the international financial markets (excluding Ireland).

23. Related Party Transactions

Advantage has been taken of the exemption in Financial Reporting Standard No. 8, "Related Party Disclosures", which permits wholly-owned subsidiary undertakings not to disclose transactions and balances between Group undertakings which are eliminated on consolidation.

24. Approval of the Financial Statements

The directors approved the financial statements on 5 March 2009.