

Report of the Owners' Meeting.

The Owners' Meeting held two regular meetings and four extraordinary meetings in the 2010 fiscal year. The Board of Managing Directors of Landesbank Baden-Württemberg (LBBW) reported to the Owners' Meeting regularly and in a timely manner about the business situation and performance of the Bank and the Group during 2010. In particular, the reports dealt with the development of the income statement, the revaluation reserve, risk provision in the lending business and administrative expenses, as well as LBBW's liquidity and funding situation. Detailed reports were also provided on changes to gross income in the individual segments, country spreads and volume development in the credit investment portfolio. In addition, the Board of Managing Directors explained the development of the risk-weighted assets and the resulting implications for the Tier 1 capital ratio at LBBW. Reporting focused increasingly on the development of net exposure to the PIIGS countries. The Owners' Meeting was also informed about the progress and conclusion of the wage agreement for employment and location securing, the status of the staff cuts, the results of the EU-wide banking stress tests, potential effects of the latest decisions on Basel III and the bank levy and the status of the EU restructuring process. Within the framework of its responsibility, the Owners' Meeting issued its approval for the disposals of equity investments necessary as a result of the EU restructuring process.

The meetings also focused on various issues and questions in connection with the preliminary investigation by the Stuttgart public prosecution authority and the legal opinion regarding LBBW Immobilien GmbH and information and reports from discussions of the previous Supervisory Board. Moreover, the Chairman of the Board of Managing Directors informed the Chairman of the Owners' Meeting about key developments and decisions between meetings. Where necessary, resolutions requiring an urgent decision were voted on in writing. The Owners' Meeting performed the duties incumbent upon it pursuant to the laws and statutes.

Dr. Bernhard Walter left the Board of Managing Directors of Landesbank Baden-Württemberg at his own request as of April 30, 2010. In its meeting of September 20, 2010, the LBBW Owners' Meeting appointed Mr. Ingo Mandt as a member of the Board of Managing Directors.

Mr. Peter Hauk, Parliamentary Group Chairman, was appointed the First Deputy Chairman of the Supervisory Board. The employee representatives on the Supervisory Board elected by employees of LBBW on October 19, 2009 were confirmed by the Owners' Meeting through a ballot.

As preparation for the change in legal form, LBBW's legal basis - the law governing Landesbank Baden-Württemberg and the LBBW articles of association - were amended in summer 2010. The change to LBBW's articles of association fell within the remit of the Owners' Meeting and was decided upon by it. With the constituent assembly of the Supervisory Board on November 8, 2010, the annual general meeting took the place of the Owners' Meeting.

The signatory was elected on March 30, 2010 as Chairman of the Owners' Meeting in succession to Mr. Günther H. Oettinger, Minister-President (retired), MdL, who moved to Brussels as an EU Commissioner. As Minister-President, Mr. Oettinger was largely concerned with the matter

of the recapitalization and realignment of LBBW. The committees of LBBW owe Mr. Günther H. Oettinger, Minister-President (retired), lasting thanks and appreciation.

On behalf of the members of the Owners' Meeting, I would like to thank the Board of Managing Directors and LBBW's employees for their hard work during the year under review. In particular, I would like to draw attention to the major efforts made in connection with the realignment of LBBW and the prevailing market conditions.

Stuttgart, November 8, 2010
Chairman of the Owners' Meeting



STEFAN MAPPUS MdL
Minister-President of the State of Baden-Württemberg