

»» KfW Press Briefing Capital Markets 2017/2018

Frankfurt, 11 December 2017

KFW

»» Key financial figures for KfW Group (IFRS)

	2015	2016	Q3 2017
Business activities (in EUR bn) – for the period			
Promotional business volume	79.3	81.0	54.7
Income statement key figures (in EUR mn) – for the period			
Operating result before valuation & promotional activities	2,066	1,898	1,320
Consolidated profit	2,171	2,002	1,099
Consolidated profit before IFRS effects from hedging	1,900	1,769	973
Balance sheet (in EUR bn) – at the end of the period			
Total assets	503.0	507.0	482.2
Equity	25.2	27.1	28.3
Volume of business	587.2	609.2	580.8
Key regulatory figures (in %)⁽¹⁾ – at the end of the period			
Tier 1 capital ratio	18.3%	22.3%	20.3%
Total capital ratio	18.4%	22.3%	20.3%

⁽¹⁾ Up to 2015 calculated voluntarily for internal purposes on the basis of the relevant legal provisions. In 2016, calculated for internal purposes based on the voluntary application of all material IRBA rules. In 2017, calculated based on the IRBA approach for a large part of the portfolio. For the remaining sub-portfolios KfW applies the CRSA approach until full IRBA approval.

»» KfW's ratings and awards

Top credit ratings

Aaa

MOODY'S

AAA



AAA

STANDARD & POOR'S

Excellent ESG ratings

9. out of 109

imug

Prime status

oekom research

2. out of 343

SUSTAINALYTICS

Awards



GLOBAL FINANCE

The World's Safest Bank



Global Capital Awards

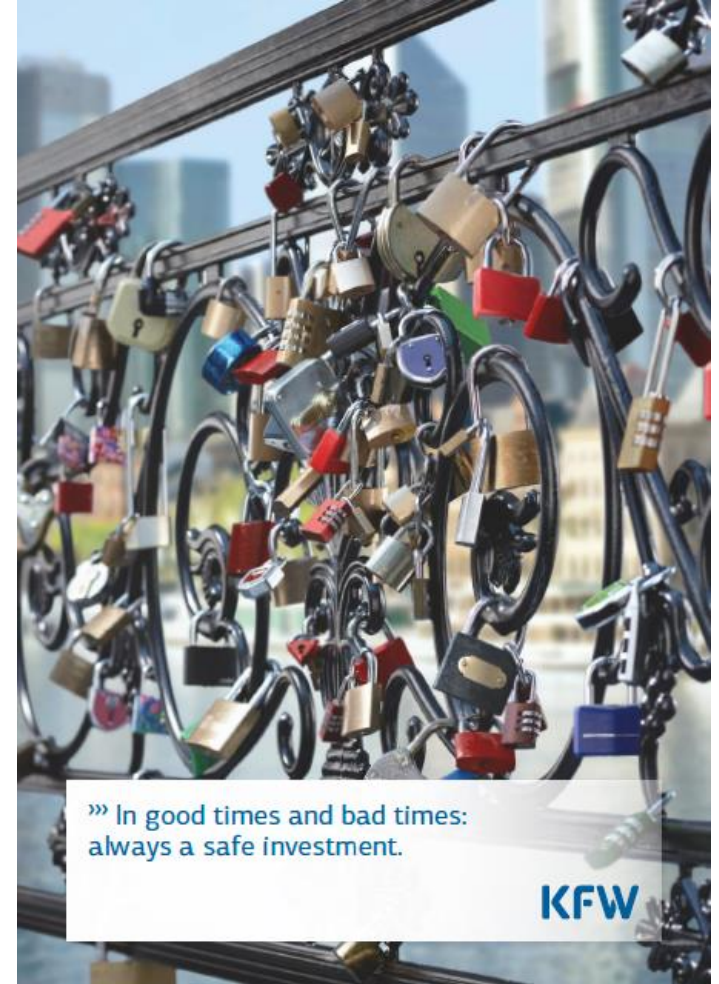
Best Supranational and Agency Deal in Euros



Most Impressive Government Agency Green/SRI Bond Issuer



Best Overall Issuer
Best SSA Issuer
Best Uridashi Issuer
Best Overall ECP Issuer

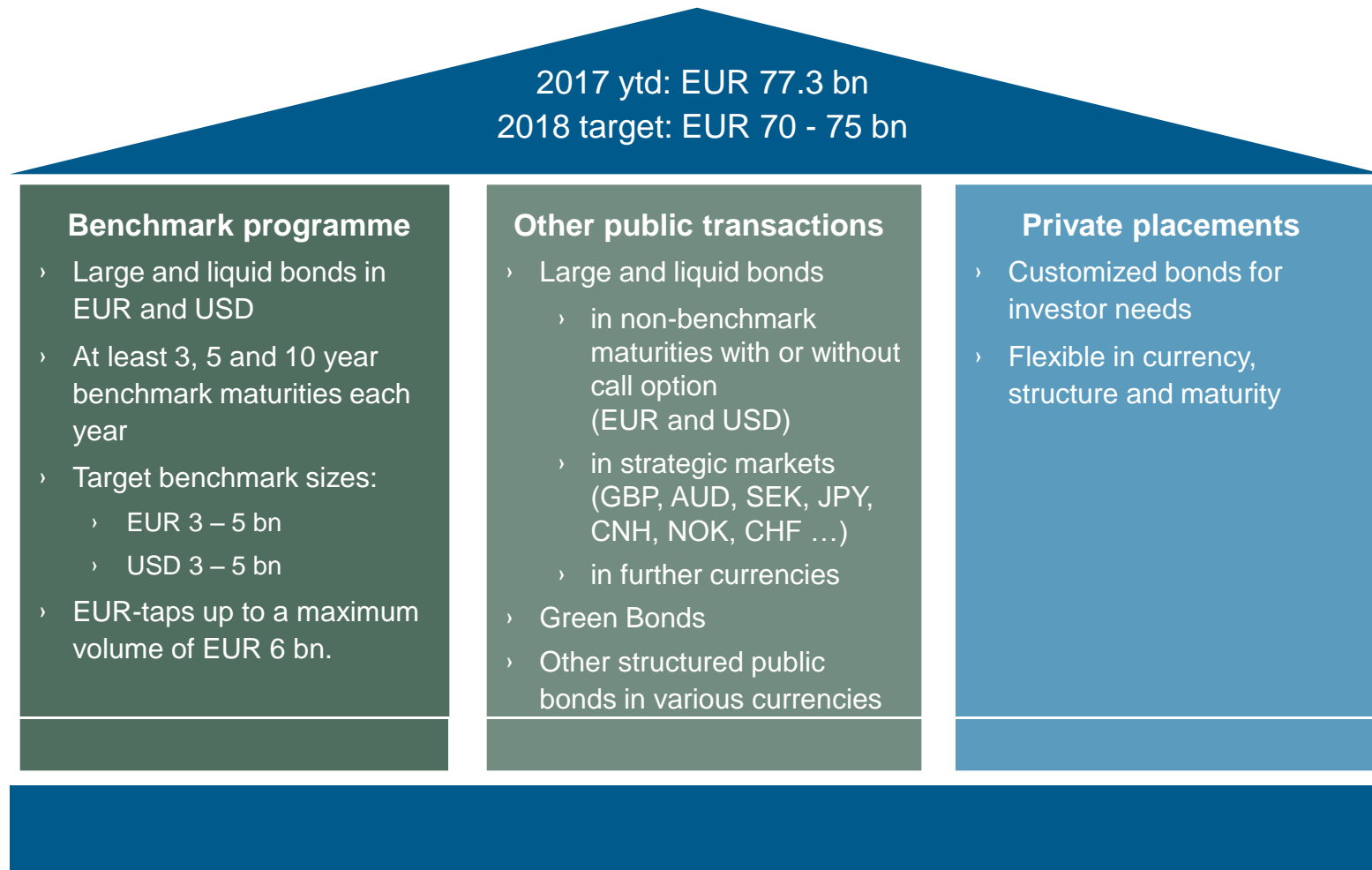


»» In good times and bad times:
always a safe investment.

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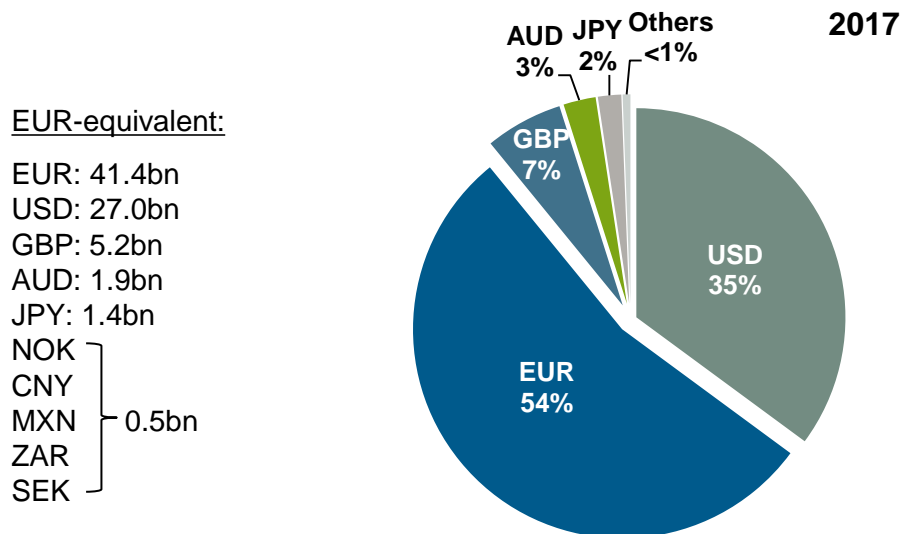
»» KfW's funding: three pillar strategy

A well-structured range of products offers suitable opportunities for various investors' needs



»» KfW - a solid and reliable issuer

2017: EUR is the major funding currency – multi-year high

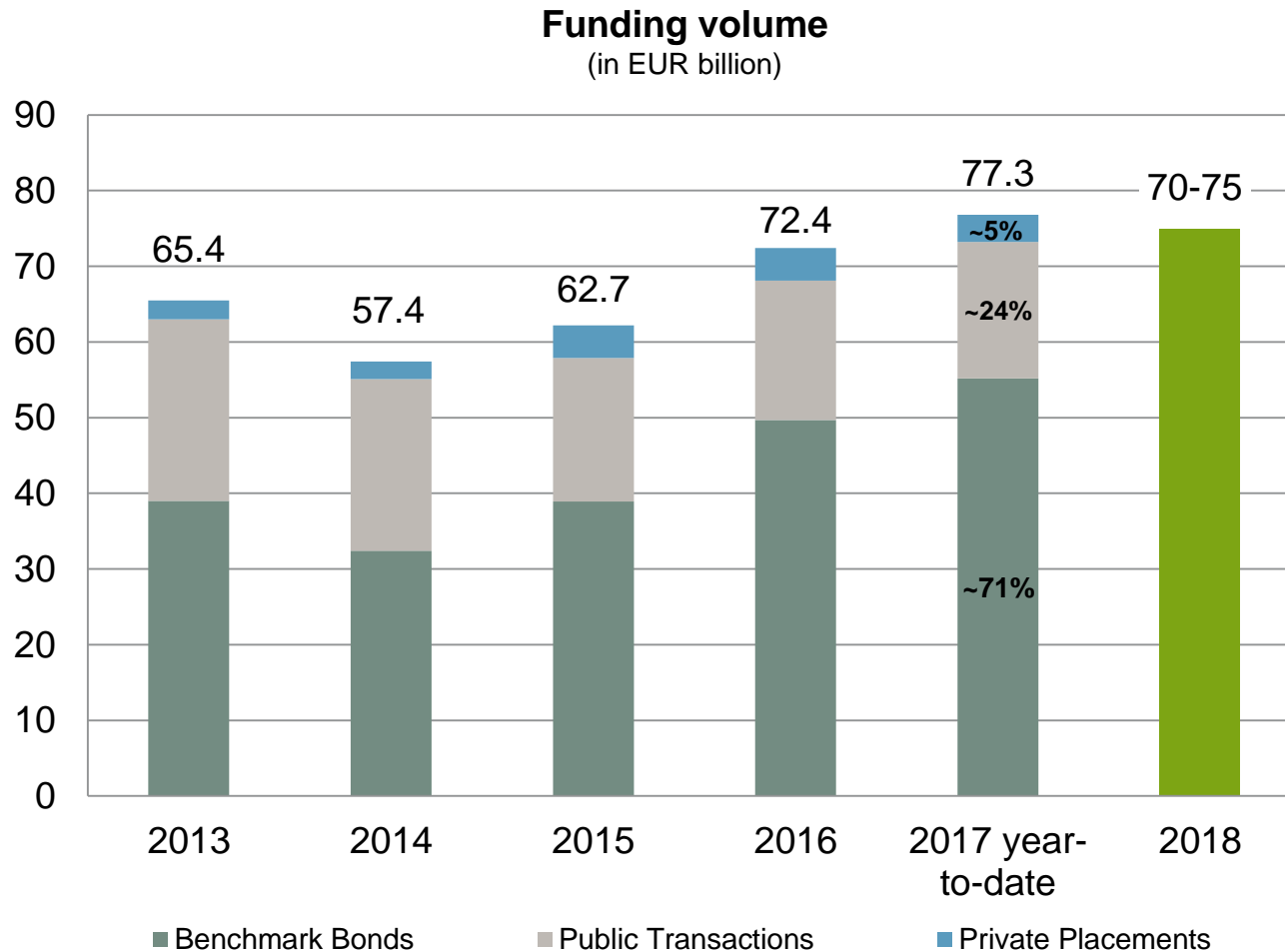


- › EUR **77.3 bn** funded in 2017 year-to-date in 10 currencies and 141 single transactions.
- › 12 benchmark bonds (plus 4 taps) in EUR and USD account for about 71% of total funding.
- › KfW's diversified market approach allows for flexible funding operations focused on investors' needs.
- › EUR with 41.4 bn at multi-year high the strongest funding currency, followed by USD, GBP, AUD and JPY.
- › Largest GBP and AUD issuer in its segment in 2017.

All numbers as at 04/12/2017

»» KfW well positioned in international debt markets

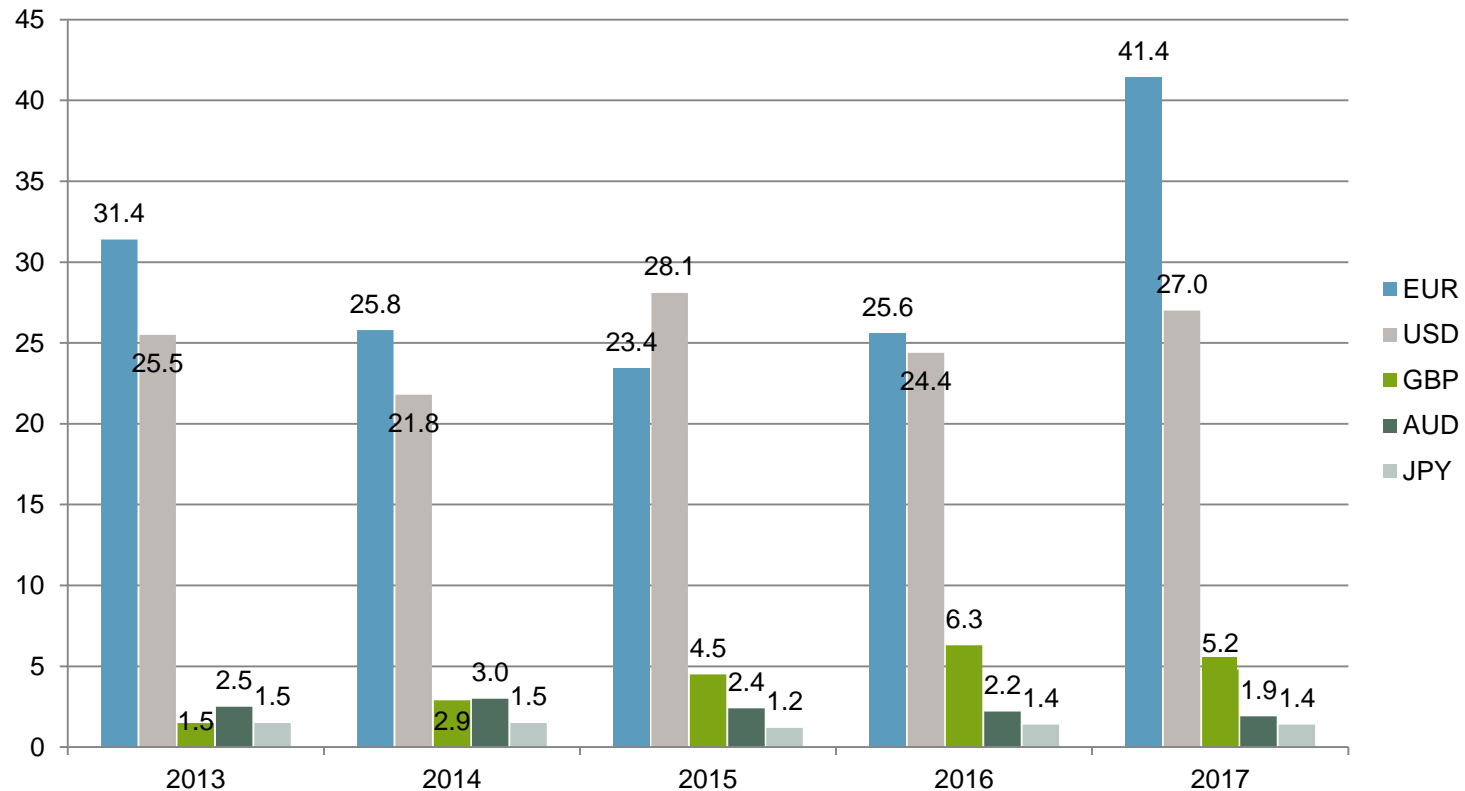
Funding volume for 2018 with EUR 70 - 75 billion at stable heights



»» EUR – major funding currency in 2017

Development

in EUR billion



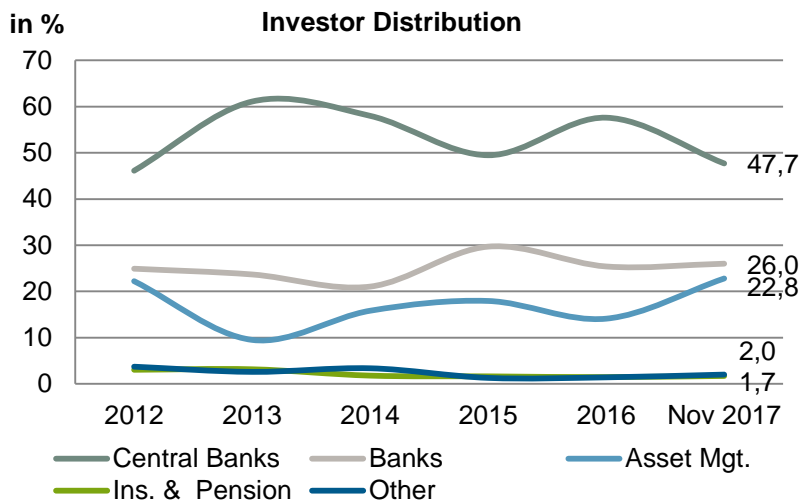
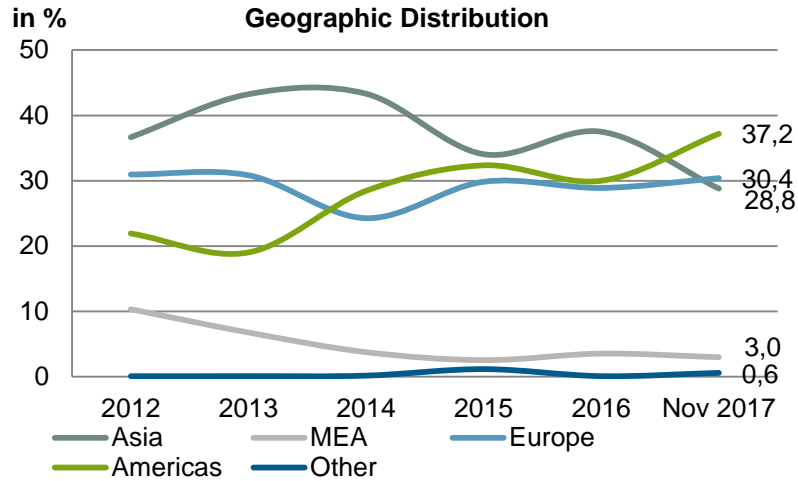
- › EUR is the major funding currency with a new multi-year high with an issuance volume of EUR 41.4bn, 54% of KfW's total funding amount.
- › KfW launched five EUR benchmark bonds with a size of 5bn EUR each.

»» KfW's global investor base 2017

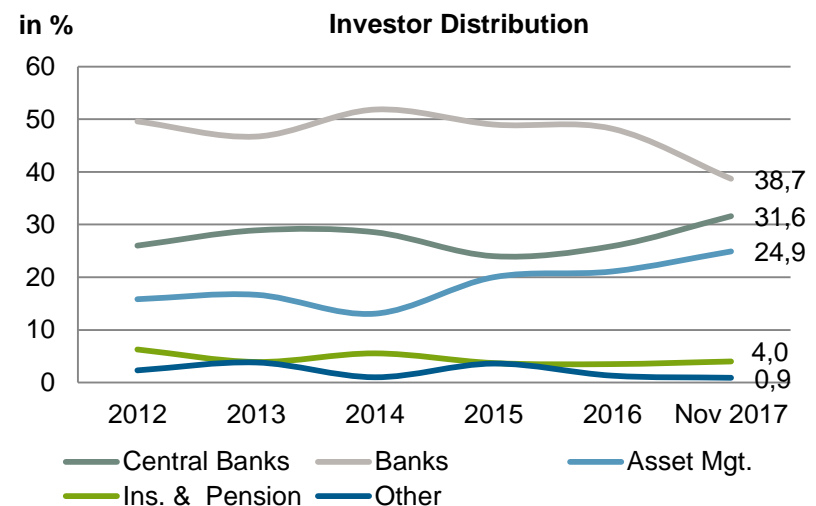
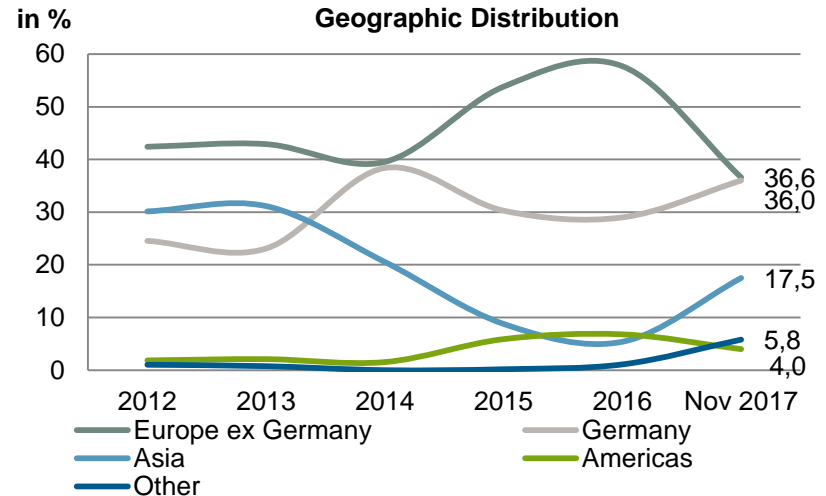
Exceptional yield environment shapes investor distribution



USD: America, Asia & Europe at high level



EUR: Asian central banks picking up again



»» Green Bonds – Made by KfW

Highlights of KfW's green bond issuances



- › Net proceeds are used for financing projects under KfW's "Renewable Energies – Standard" – loan programme.
- › KfW green bonds are award-winning „dark green“ transactions.
- › 2014-2017: 14 bonds (and four taps) issued in five currencies (EUR, USD, AUD, GBP, SEK) with an equivalent of EUR 12.9 bn.
- › A record volume with an equivalent of EUR 3.7 bn in Green Bonds was issued in 2017 (about 5% of total funding).
- › In 2017, KfW issued its largest Green Bond ever with an equivalent of EUR 2 bn.
- › Established Green Bond curves in EUR and USD.

»» Largest EUR-Green-Bond – Made by KfW

Prime example: KfW EUR 2 billion Green Bond, 8-year maturity, 0.25% coupon

In Juni 2017, KfW issued a EUR-Green-Bond with 8-year maturity lead by Citigroup, LBBW and Société Générale. It was the largest Green Bond with an equivalent of EUR 2 bn which was ever issued by KfW.

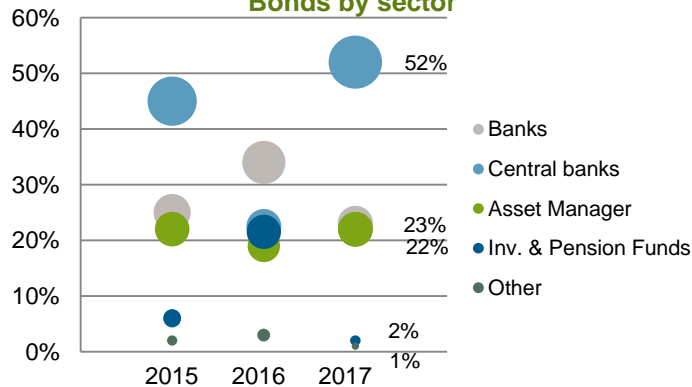
The orderbook closed in excess of EUR 3.7bn. More than 80 investors participated in the deal with an increasing number of them focusing on SRI criteria.

Petra Wehlert (Head of Capital Markets) comments:

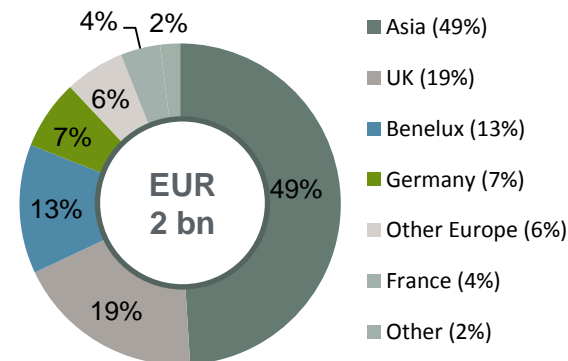
“We see a growing interest from investors for liquidity in the green bond segment. We were able to issue KfW’s largest green bond, fulfill investors’ needs for liquidity and deliver an interesting product for green bond investors. The bond was placed without any new issue premium which reflects the strong demand for green products.”

ISIN:	XS1612940558
Issuer:	KfW
Guarantor:	Federal Republic of Germany
Rating:	Aaa – stable (Moody’s) AAA – stable (Scope) AAA – stable (S&P)
Size:	EUR 2,000,000,000
Settlement Date:	16 May 2017
Maturity Date:	30 June 2025
Coupon:	0.25% p.a.
1st Coupon at:	30 June 2018 (long first coupon)
Re-Offer Price:	99.288%
Re-Offer Yield:	0.339% p.a.
Mid-Swap Spread:	mid-swaps -30
Benchmark Spread:	DBR due Feb 2025 + 22.7 Bp.
Format:	EMTN
Listing:	Luxembourg

Investor distribution of recent EUR-Green-Bonds by sector



Investor distribution by regions



»» Green Bonds – Made by KfW

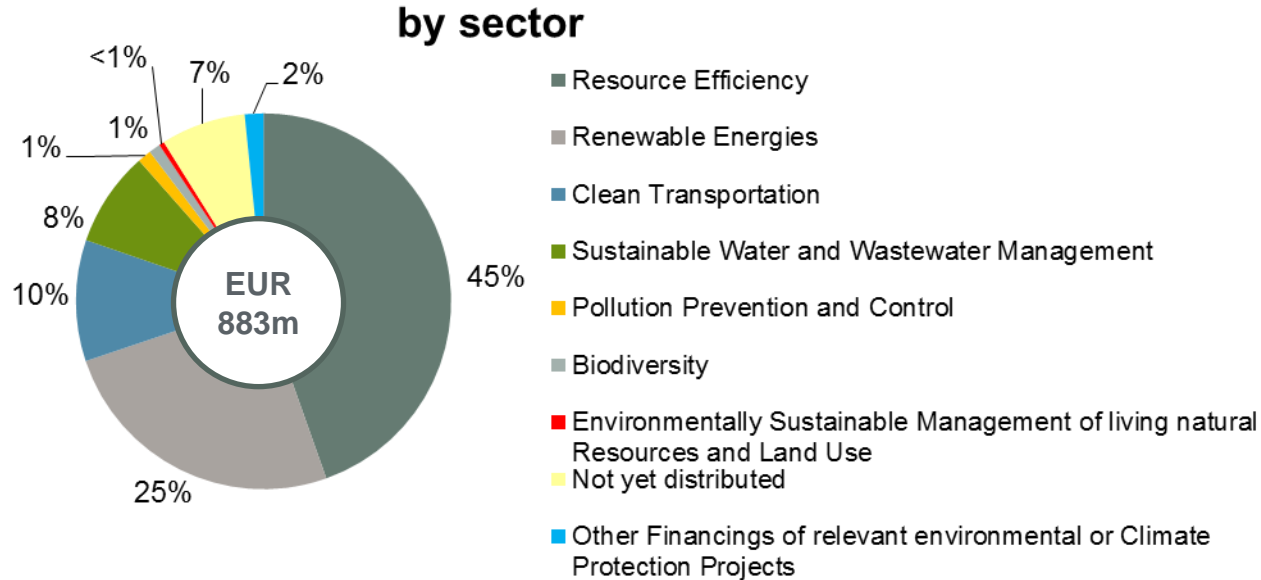
Issuance

Green Bond	ISIN	Coupon	Volume	CCY	Awards
KfW Green Bond EUR 2014/2019	XS1087815483	0.375%	EUR 1.5bn	€	 
KfW Green Bond USD 2014/2019	US500769GF56	1.75%	USD 1.5bn	\$	
KfW Green Bond AUD 2015/2020	AU000KFWHAC9	2.40%	AUD 1bn	A\$	
KfW Green Bond GBP 2015/2020	XS1268337844	1.625%	GBP 1bn	£	
KfW Green Bond EUR 2015/2020	XS1311459694	0.125%	EUR 1.5bn	€	
KfW Green Bond USD 2015/2020	US500769GU24	1.875%	USD 1bn	\$	
KfW Green Bond SEK 2015/2020	XS1333145040	0.586%	SEK 1bn	SEK	
KfW Green Bond SEK 2016/2021	XS1351716896	0.50%	SEK 1bn	SEK	
KfW Green Bond EUR 2016/2024	XS1414146669	0.05%	EUR 1bn	€	
KfW Green Bond USD 2016/2021	US500769HD99	2.00%	USD 1.5bn	\$	
KfW Green Bond EUR 2017/2025	XS1612940558	0.25%	EUR 2bn	€	
KfW Green Bond USD 2017/2020	US48245ACK51	1.66%	USD 150mn	\$	
KfW Green Bond USD 2017/2020	US48245ACL35	1.79%	USD 200mn	\$	
KfW Green Bond USD 2017/2022	US500769HP20	2.00%	USD 1bn	\$	

- › Outstanding green bond volume: EUR 12.9bn. KfW's market share: 5.8%.
- › KfW is the largest green bond issuer in Germany. Market share: more than 65%.
- › KfW is the second-largest green bond issuer in its segment.

»» KfW Green Bond Portfolio

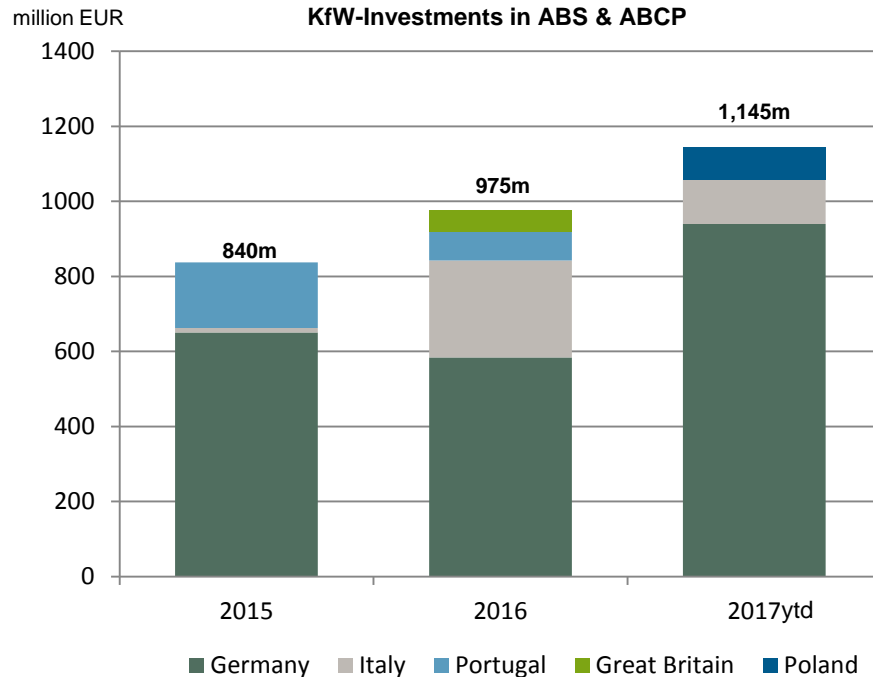
Doubling of KfW's Green Bond Portfolio to EUR 2 billion



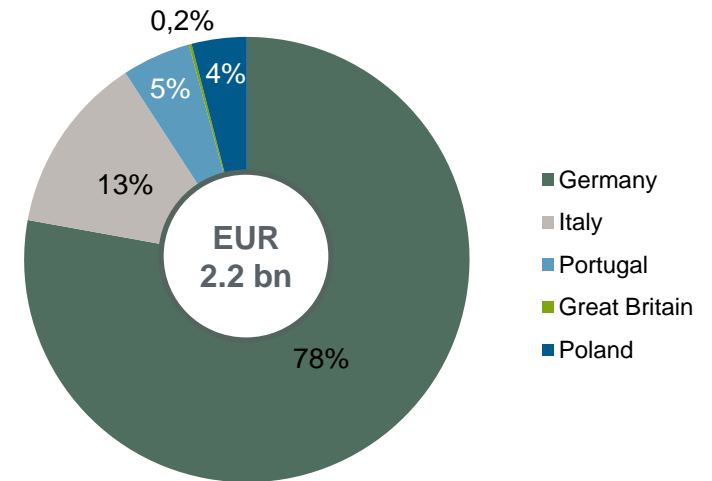
- › KfW's Green Bond portfolio: In May 2017, the target volume of the portfolio was doubled to EUR 2 billion.
- › In 2017, KfW's Green Bond Portfolio reached a total volume of EUR 883m due to 12 new investments. In total, KfW investments in 2017 amount to EUR 321m.
- › Since 2015, KfW purchased more than 30 Green Bonds from various issuers from 10 different countries in four currencies.

»» Activities in securitisation

KfW investments in ABS & ABCP for promotional SME financing (2015-2017)



Current outstanding portfolio by regions



- › KfW investments since 2015 in Germany and Europe amount to roughly EUR 3 bn, thereof transactions in the context of ENSI (EIF-NPIs Securitisation Initiative): EUR 740m.
- › Current outstanding portfolio of SME securitisations: about EUR 2.2 bn.

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