

KFW'S BUSINESS AND PROMOTIONAL RESULTS

As at 30 September 2010



KfW Bankengruppe
As at 30 September 2010

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Explanatory note: at the beginning of 2009 KfW restructured its domestic lending business. The functions were divided into three business areas: KfW Mittelstandsbank for start-ups and entrepreneurs, KfW Privatkundenbank for housing and education and KfW Kommunalbank for municipalities. They replace the previous brands KfW Mittelstandsbank and KfW Förderbank and also form the basis for KfW's reporting. The calculation of the overall BUSINESS and BUSINESS and PROMOTIONAL business volume was updated retroactively.

Differences in the totals may occur due to rounding.

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Key financial figures for the KfW Group (IFRS)

<i>Income statement (in EUR millions)</i>	<i>01 Jan 2010-30 Sept 2010</i>	<i>01 Jan 2009-30 Sept 2009</i>
<i>Operating result before valuation</i>	1,713	1,757
<i>including interest rate reductions</i>	-419	-433
<i>Consolidated profit</i>	1,481	781
<i>Consolidated profit before IFRS effects from hedging</i>	2,235	1,162
<i>Statement of financial position (in EUR billions)</i>	<i>30. Sep 10</i>	<i>31 Dec 2009</i>
<i>Total assets</i>	445,8	400,1
<i>Equity</i>	14,7	13,1
<i>Volume of business</i>	533,9	474,8
<i>Key regulatory figures (in %) ¹⁾</i>	<i>30 Sept 2010</i>	<i>31 Dec 2009</i>
<i>Tier 1 ratio</i>	12,0%	9,4%
<i>Total capital ratio</i>	14,4%	11,7%

¹⁾ Determined voluntarily for internal purposes based on the essential legal requirements

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Business activities of KfW Bankengruppe

(in EUR bn)

	As at 31 Dec. 2009	As at 30 Sept. 2009	As at 30 Sept. 2010
Core business of KfW Group ¹⁾	63,9	41,8	59,8
KfW Mittelstandsbank ²⁾	23,8	13,8	21,7
KfW Privatkundenbank	16,1	11,2	15,5
KfW Kommunalbank	9,4	8,1	12,7
Advisory grants	0,1	0,1	0,1
Export and project finance (KfW IPEX-Bank)	8,9	5,3	5,3
<i>of which:</i>			
<i>Promotional business</i>	<i>4,3</i>	<i>2,5</i>	<i>1,7</i>
<i>Market business</i>	<i>4,6</i>	<i>2,8</i>	<i>3,6</i>
Promotion of developing and transition countries	4,5	2,1	3,2
<i>of which:</i>			
<i>KfW Entwicklungsbank</i>	<i>3,5</i>	<i>1,6</i>	<i>2,6</i>
<i>DEG</i>	<i>1,0</i>	<i>0,5</i>	<i>0,6</i>
Asset securitisation (synthetic securitisation, new ABS business, refinancing of export loans with federal guarantee)	1,5	1,5	1,3
Overall commitment volume of KfW Group (consolidated) ^{1) 3)}	63,9	41,8	82,1

¹⁾ Adjustment of the total volume of the KfW Group for commitments in export and project finance refinanced through KfW programme loans (EUR 394 million in 2009, EUR 250 million after the third quarter 2009, EUR 128 million after Q 3 2010)

²⁾ Including cancellations and waivers under the KfW Special Programme amounting to EUR 1,428 million in 2010.

³⁾ Total volume of commitments of the KfW Group includes special business from loan extensions to Greece on behalf of the federal government amounting to EUR 22.3 billion. Thereof a maximum disbursement amount in the first year of EUR 8.4 billion.

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KfW Mittelstandsbank

(in EUR bn)

	<i>As at 31 Dec. 2009</i>	<i>As at 30 Sept. 2009</i>	<i>As at 30 Sept. 2010</i>
KfW Mittelstandsbank	23,8	13,8	21,7
Start-ups and general investments	15,5	8,7	11,6
<i>of which:</i>			
<i>KfW-Unternehmerkredit (Entrepreneur Loan)</i>	<i>6,4</i>	<i>4,4</i>	<i>5,4</i>
<i>KfW Unternehmerkapital (Entrepreneur Capital)</i>	<i>0,3</i>	<i>0,2</i>	<i>0,2</i>
<i>KfW Special Programme</i>	<i>7,2</i>	<i>2,9</i>	<i>5,4</i>
<i>KfW StartGeld</i>	<i>0,2</i>	<i>0,1</i>	<i>0,2</i>
Innovation	1,3	1,1	1,6
<i>of which:</i>			
<i>ERP Innovation Programme</i>	<i>1,2</i>	<i>1,1</i>	<i>0,3</i>
Environment	7,0	3,9	8,5
<i>of which:</i>			
<i>KfW Renewable Energies Programme ¹⁾</i>	<i>5,5</i>	<i>2,7</i>	<i>7,6</i>
<i>ERP Environmental and Energy Efficiency Programme ²⁾</i>	<i>1,3</i>	<i>1,1</i>	<i>0,9</i>

1) New programme structure since 1 January 2009, including commitments under the "old programmes" KfW Environmental Protection Programme and Solar Power Generation

2) New programme structure since 1 January 2009, including commitments under the "old programmes" ERP Environmental and Energy Conservation Programme and ERP Energy Efficiency Programme

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KfW Special Programme since programme start

<i>KfW Special Programme as at 29 October 2010</i>	<i>Number</i>	<i>Volume in EUR bn</i>
<i>Applications KfW Special Programme ¹⁾</i>	<i>6,050</i>	<i>22,0</i>
<i>Commitments KfW Special Programme ²⁾</i>	<i>4,336</i>	<i>12,7</i>
<i>of which:</i>		
<i>SMEs</i>	<i>4,058</i>	<i>4,2</i>
<i>Large enterprises</i>	<i>270</i>	<i>5,3</i>
<i>Global loans</i>	<i>6</i>	<i>3,1</i>
<i>Processed applications as at 29 October 2010</i>	<i>5,917</i>	<i>98%</i>

¹⁾ Including global loans. Excluding global loans: 6,044 applications; Volume EUR 18.9 billion

²⁾ Including global loans

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KfW Privatkundenbank

(in EUR bn)

	<i>As at 31 Dec. 2009</i>	<i>As at 30 Sept. 2009</i>	<i>As at 30 Sept. 2010</i>
KfW Privatkundenbank	16,1	11,2	15,5
Housing	14,4	10,2	14,2
<i>of which:</i>			
<i>KfW Home Ownership Programme</i>	<i>3,9</i>	<i>2,4</i>	<i>4,4</i>
<i>Energy-Efficient Construction and Rehabilitation</i>	<i>3,1</i>	<i>2,3</i>	<i>3,0</i>
<i>Energy-Efficient Rehabilitation (Loans)</i>	<i>5,7</i>	<i>4,3</i>	<i>4,7</i>
<i>Energy-Efficient Rehabilitation (Grants)</i>	<i>0,1</i>	<i>0,1</i>	<i>0,1</i>
Education	1,7	1,0	1,4
<i>of which:</i>			
<i>KfW Student Loan</i>	<i>0,7</i>	<i>0,4</i>	<i>0,6</i>

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KfW Kommunalbank

(in EUR bn)

	<i>As at 31 Dec. 2009</i>	<i>As at 30 Sept. 2009</i>	<i>As at 30 Sept. 2010</i>
KfW Kommunalbank	9,4	8,1	12,7
Infrastructure	2,0	1,3	3,5
<i>of which:</i>			
<i>Investment Offensive Infrastructure</i>	<i>0,6</i>	<i>0,4</i>	<i>0,8</i>
Global Loans	7,4	6,8	9,2
<i>of which:</i>			
<i>General funding for promotional institutions of the federal states</i>	<i>7,3</i>	<i>6,8</i>	<i>8,8</i>
<i>Global Loans Europe</i>	<i>0,1</i>	<i>0,1</i>	<i>0,3</i>

Export and project finance (KfW IPEX-Bank) ¹⁾

(in EUR bn)

	<i>As at 31 Dec. 2009</i>	<i>As at 30 Sept. 2009</i>	<i>As at 30 Sept. 2010</i>
<i>KfW IPEX-Bank, regional distribution</i>	<i>8,9</i>	<i>5,3</i>	<i>5,3</i>
<i>of which:</i>			
<i>Germany</i>	<i>3,0</i>	<i>2,0</i>	<i>1,5</i>
<i>Europe</i>	<i>3,6</i>	<i>1,9</i>	<i>2,0</i>
<i>Regions outside Europe</i>	<i>2,3</i>	<i>1,4</i>	<i>1,8</i>
<i>KfW IPEX-Bank, distribution by sector</i>	<i>8,9</i>	<i>5,3</i>	<i>5,3</i>
<i>of which:</i>			
<i>Industry, power and basic industries</i>	<i>5,2</i>	<i>3,0</i>	<i>3,5</i>
<i>Transport, transport infrastructure</i>	<i>3,7</i>	<i>2,3</i>	<i>1,8</i>

¹⁾ Data includes refinancing through KfW programme loans

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Promotion of developing and transition countries

(in EUR bn)

	<i>As at 31 Dec. 2009 ¹⁾</i>	<i>As at 30 Sept. 2009</i>	<i>As at 30 Sept. 2010</i>
Promotion of developing and transition countries	4,5	2,1	3,2
KfW Entwicklungsbank	3,5	1,6	2,6
<i>FC standard loans/grants</i>	<i>1,3</i>	<i>0,4</i>	<i>0,7</i>
<i>FC development loans</i>	<i>0,9</i>	<i>0,3</i>	<i>1,2</i>
<i>of which:</i>			
<i>Budget funds</i>	<i>0,1</i>	<i>0,0</i>	<i>0,1</i>
<i>KfW funds</i>	<i>0,8</i>	<i>0,3</i>	<i>1,1</i>
<i>FC promotional loans</i>	<i>1,2</i>	<i>0,8</i>	<i>0,6</i>
<i>Delegated funds</i>	<i>0,1</i>	<i>0,1</i>	<i>0,1</i>
DEG	1,0	0,5	0,6

¹⁾ Commitments not including structuring agreements in the amount of EUR 233 million in 2009