

KFW'S BUSINESS AND PROMOTIONAL RESULTS

As at 30 June 2010

KfW Bankengruppe As at 30 June 2010

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Differences in the totals may occur due to rounding.

RESULTS FIRST HALF 2010

Key financial figures for the KfW Group (IFRS)

<i>Income statement (in EUR millions)</i>	<i>01.01.2009 - 30.06.2009</i>	<i>01.01.2010 - 30.03.2010</i>
<i>Operating result before valuation</i>	1.244	1.126
<i>including interest rate reductions</i>	-298	-278
<i>Consolidated profit</i>	478	980
<i>Consolidated profit before IFRS effects from hedging</i>	629	1.335
<i>Statement of financial position (in EUR billions)</i>	<i>31.12.2009</i>	<i>30.06.2010</i>
<i>Total assets</i>	400.1	452.3
<i>Equity</i>	13.1	14.1
<i>Volume of business</i>	474.8	551.3
<i>Key regulatory figures (in %) ¹⁾</i>	<i>31.12.2009</i>	<i>30.06.2010</i>
<i>Tier 1 ratio</i>	9.4%	10.3%
<i>Total capital ratio</i>	11.7%	12.4%

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 June 2009	As at 30 June 2010
Core business of KfW Group ¹⁾	63.9	25.6	41.9
KfW Mittelstandsbank ²⁾	23.8	8.2	16.3
KfW Privatkundenbank	16.1	6.4	9.5
KfW Kommunalbank	9.4	4.8	10.8
Advisory grants	0.1	0.0	0.1
Export and project finance (KfW IPEX-Bank)	8.9	3.6	3.0
<i>of which:</i>			
<i>Promotional business</i>	<i>4.3</i>	<i>1.9</i>	<i>0.9</i>
<i>Market business</i>	<i>4.6</i>	<i>1.7</i>	<i>2.1</i>
Promotion of developing and transition countries	4.5	1.3	2.3
<i>of which:</i>			
<i>KfW Entwicklungsbank</i>	<i>3.5</i>	<i>1.0</i>	<i>1.8</i>
<i>DEG</i>	<i>1.0</i>	<i>0.3</i>	<i>0.4</i>
Asset securitisation (synthetic securitisation, new ABS business, refinancing of export loans with federal guarantee)	1.5	1.5	0.3
Overall commitment volume of KfW Group (consolidated) ¹⁾³⁾	63.9	25.6	64.3

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 140 million in the first half 2009, EUR 287 million in first half 2010)

²⁾ Including cancellations and waivers under the KfW Special Programme amounting to EUR 247 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.

RESULTS FIRST HALF 2010

KfW Mittelstandsbank

(in EUR bn)

	<i>As at 31 Dec. 2009</i>	<i>As at 30 June 2009</i>	<i>As at 30 June 2010</i>
KfW Mittelstandsbank	23.8	8.2	16.3
Start-ups and general investments	15.5	5.2	8.8
<i>of which:</i>			
<i>KfW-Unternehmerkredit (Entrepreneur Loan)</i>	<i>6.4</i>	<i>2.9</i>	<i>3.5</i>
<i>KfW-Unternehmerkapital (Entrepreneur Capital)</i>	<i>0.3</i>	<i>0.1</i>	<i>0.1</i>
<i>KfW Special Programme including Global loans</i>	<i>7.2</i>	<i>1,1</i>	<i>4.8</i>
<i>KfW StartGeld</i>	<i>0.2</i>	<i>0.1</i>	<i>0.1</i>
Innovation	1.3	0.8	1.4
<i>of which:</i>			
<i>ERP Innovation Programme</i>	<i>1.2</i>	<i>0.8</i>	<i>0.2</i>
Environment	7.0	2.2	6.2
<i>of which:</i>			
<i>KfW Renewable Energies Programme ¹⁾</i>	<i>5.5</i>	<i>1.3</i>	<i>5.6</i>
<i>ERP Environmental and Energy Efficiency Programme ²⁾</i>	<i>1.3</i>	<i>0.8</i>	<i>0.6</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

KfW Special Programme since programme start

	<i>Number</i>	<i>Volume in EUR bn</i>
<i>KfW Special Programme as at 6 August 2010</i>		
<i>Applications KfW Special Programme ¹⁾</i>	<i>5.555</i>	<i>21.4</i>
<i>Commitments KfW Special Programme ²⁾</i>	<i>3.958</i>	<i>12.1</i>
<i>of which:</i>		
<i>SMEs</i>	<i>3.705</i>	<i>4.0</i>
<i>Large enterprises</i>	<i>248</i>	<i>5.1</i>
<i>Global loans</i>	<i>5</i>	<i>3.0</i>
<i>Processed applications as at 6 August 2010</i>	<i>5.427</i>	<i>98%</i>

¹⁾ Including global loans. Excluding global loans: 5550 applications; Volume EUR 18.4 billion

²⁾ Including global loans

RESULTS FIRST HALF 2010

KfW Privatkundenbank

(in EUR bn)

	<i>As at 31 Dec. 2009</i>	<i>As at 30 June 2009</i>	<i>As at 30 June 2010</i>
<i>KfW Privatkundenbank</i>	<i>16.1</i>	<i>6.4</i>	<i>9.5</i>
<i>Housing</i>	<i>14.4</i>	<i>5.7</i>	<i>8.7</i>
<i>of which:</i>			
<i>KfW Home Ownership Programme</i>	<i>3.9</i>	<i>1.4</i>	<i>2.8</i>
<i>Energy-Efficient Construction</i>	<i>3.1</i>	<i>1.3</i>	<i>2.1</i>
<i>Energy-Efficient Rehabilitation (Loans)</i>	<i>5.7</i>	<i>2.4</i>	<i>2.9</i>
<i>Energy-Efficient Rehabilitation (Grants)</i>	<i>0.1</i>	<i>0.0</i>	<i>0.1</i>
<i>Education</i>	<i>1.7</i>	<i>0.6</i>	<i>0.8</i>
<i>of which:</i>			
<i>KfW Student Loan</i>	<i>0.7</i>	<i>0.1</i>	<i>0.3</i>

KfW Kommunalbank

(in EUR bn)

	<i>As at</i> <i>31 Dec. 2009</i>	<i>As at</i> <i>30 June 2009</i>	<i>As at</i> <i>30 June 2010</i>
<i>KfW Kommunalbank</i>	<i>9.4</i>	<i>4.8</i>	<i>10.8</i>
<i>Infrastructure</i>	<i>2.0</i>	<i>0.7</i>	<i>1.7</i>
<i>of which:</i>			
<i>Investment Offensive Infrastructure</i>	<i>0.6</i>	<i>0.1</i>	<i>0.5</i>
<i>Global Loans</i>	<i>7.4</i>	<i>4.1</i>	<i>9.1</i>
<i>of which:</i>			
<i>General funding for promotional institutions of the federal states</i>	<i>7.3</i>	<i>4.0</i>	<i>8.8</i>
<i>Global Loans (Europe)</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>

RESULTS FIRST HALF 2010

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

(in EUR bn)

	<i>As at 31 Dec. 2009</i>	<i>As at 30 June 2009</i>	<i>As at 30 June 2010</i>
<i>KfW IPEX-Bank, regional distribution</i>	8.9	3.6	3.0
<i>of which:</i>			
<i>Germany</i>	3.0	1.3	1.1
<i>Europe</i>	3.6	1.2	1.1
<i>Regions outside Europe</i>	2.3	1.1	0.8
<i>KfW IPEX-Bank, distribution by sector</i>	8.9	3.6	3.0
<i>of which:</i>			
<i>Industry, power and basic industries</i>	5.2	2.0	1.8
<i>Transport and transport infrastructure</i>	3.7	1.6	1.2

¹⁾ Data includes refinancing through KfW programme loans

RESULTS FIRST HALF 2010

Promotion of developing and transition countries

(in EUR bn)

	<i>As at 31 Dec. 2009 ¹⁾</i>	<i>As at 30 June 2009</i>	<i>As at 30 June 2010</i>
Promotion of developing and transition countries	4.5	1.3	2.3
KfW Entwicklungsbank	3.5	1.0	1.8
<i>FC standard loans/grants</i>	<i>1.3</i>	<i>0.2</i>	<i>0.5</i>
<i>FC development loans</i>	<i>0.9</i>	<i>0.2</i>	<i>0.9</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>0.2</i>	<i>0.9</i>
<i>FC promotional loans</i>	<i>1.2</i>	<i>0.5</i>	<i>0.3</i>
<i>Delegated funds</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>
<i>For information:</i>			
<i>Total budget funds</i>	<i>1.4</i>	<i>0.2</i>	<i>0.6</i>
<i>Total KfW funds</i>	<i>1.9</i>	<i>0.7</i>	<i>1.2</i>
DEG	1.0	0.3	0.4

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