

KFW'S BUSINESS AND PROMOTIONAL RESULTS

as at 31 March 2011



KfW Bankengruppe
As at 31 March 2011

1. Key financial figures
2. Overview of KfW's business activities
3. KfW Mittelstandsbank
4. KfW Special Programme
5. KfW Privatkundenbank
6. KfW Kommunalbank
7. Export and project finance (KfW IPEX-Bank)
8. Promotion of developing and transition countries
(KfW Entwicklungsbank, DEG)

Differences in the totals may occur due to rounding.

BUSINESS AND PROMOTIONAL RESULTS Q1 2011

Key financial figures for the KfW Group (IFRS)

<i>Income statement (in EUR millions)</i>	<i>1 Jan. 2010 - 31 Mar. 2010</i>	<i>1 Jan. 2011 - 31 Mar. 2011</i>
<i>Operating result before valuation</i>	567	509
<i>including interest rate reductions</i>	-139	-139
<i>Consolidated profit</i>	575	1,021
<i>Consolidated profit before IFRS effects from hedging</i>	628	588
<i>Statement of financial position (in EUR billions)</i>	<i>31 Dec. 2010</i>	<i>31 Mar. 2011</i>
<i>Total assets</i>	441.8	425.3
<i>Equity</i>	15.8	16.8
<i>Volume of business</i>	530.6	516.9
<i>Regulatory figures (in %) ¹⁾</i>	<i>31 Dec. 2010</i>	<i>31 Mar. 2011</i>
<i>Tier 1 ratio</i>	12.4%	13.9%
<i>Total capital ratio</i>	14.7%	16.5%

¹⁾ Calculated voluntarily for internal purposes on the basis of relevant legal regulations

BUSINESS AND PROMOTIONAL RESULTS Q1 2011

Business activities of KfW Bankengruppe

(in EUR bn)

	As at 31 Dec. 2010	As at 31 Mar. 2010	As at 31 Mar. 2011
Core Business of KfW Group (consolidated) ¹⁾	81.4	17.8	22.7
KfW Mittelstandsbank ²⁾	28.6	7.3	5.6
<i>of which:</i>			
Advisory grants	0.1	0.0	0.0
KfW Privatkundenbank	20.0	4.6	4.5
KfW Kommunalbank	15.8	3.7	9.0
Export and project finance (KfW IPEX-Bank)	9.3	1.3	2.8
<i>of which:</i>			
Promotional business	3.9	0.3	1.1
Market business	5.4	1.1	1.7
Promotion of developing and transition countries	5.7	0.7	0.8
<i>of which:</i>			
Financial Cooperation (KfW Entwicklungsbank)	4.5	0.6	0.7
DEG	1.2	0.1	0.1
Asset Securitisation and Capital Market Related Products	2.1	0.1	0.1
Overall commitment volume of KfW Group (consolidated) ^{1),3)}	103.7	17.8	22.7

¹⁾ Adjustment of the total volume of the KfW Group for commitments in export and project finance refinanced through KfW programm loans (EUR 231 million in 2010, EUR 30 million in Q 1 2011, EUR 197 million in Q 1 2011)

²⁾ Including cancellations and waivers under the KfW Special Programme amounting to EUR 57 million in 2010.

³⁾ Total volume of commitments of the KfW Group includes special special business from loan extensions to Greece on behalf of the federal government amounting to EUR 22.3 billion. There of a maximum disbursement amount in the year 2010 of EUR 8.4 billion

BUSINESS AND PROMOTIONAL RESULTS Q1 2011

Business activities of KfW Bankengruppe

(in EUR bn)

	<i>As at 31 Dec. 2010</i>	<i>As at 31 Mar. 2010</i>	<i>As at 31 Mar. 2011</i>
<i>Domestic promotional business</i>	<i>64.4</i>	<i>15.6</i>	<i>19.2</i>
<i>of which:</i>			
<i>Environmental and climate protection ¹⁾</i>	<i>20.8</i>	<i>5.2</i>	<i>3.6</i>
<i>International Business</i>	<i>15.0</i>	<i>2.0</i>	<i>3.6</i>

¹⁾ As cross-cutting task across all business areas

BUSINESS AND PROMOTIONAL RESULTS Q1 2011

KfW Mittelstandsbank

(in EUR bn)

	As at 31 Dec. 2010	As at 31 Mar. 2010	As at 31 Mar. 2011
KfW Mittelstandsbank	28.6	7.3	5.6
Start-ups and general investments	15.4	4.6	3.2
<i>of which:</i>			
<i>KfW-Unternehmerkredit (Entrepreneur Loan)</i>	8.0	1.6	2.4
<i>KfW Unternehmerkapital (Entrepreneur Capital)</i>	0.3	0.1	0.1
<i>KfW Special Programme including Global Loans</i>	6.2	2.7	0.4
<i>KfW StartGeld</i>	0.2	0.1	0.1
<i>Avisory grants</i>	<i>126 million</i>	<i>30 million</i>	<i>33 million</i>
Innovation	2.1	0.1	0.5
<i>of which:</i>			
<i>ERP Innovation Programme</i>	0.8	0.1	0.5
Environment	11.1	2.6	1.9
<i>of which:</i>			
<i>KfW Renewable Energies Programme</i>	9.6	2.3	1.2
<i>ERP Environmental and Energy Efficiency Programme</i>	1.5	0.3	0.7

BUSINESS AND PROMOTIONAL RESULTS Q1 2011

KfW Special Programme since programme start

<i>KfW Special Programme as at 31 March 2011</i>	<i>As at 31 Mar. 2011</i>	<i>Volume in EUR bn</i>
<i>Applications KfW Special Programme ¹⁾</i>	<i>6,723</i>	<i>24.0</i>
<i>Commitments KfW Special Programme ²⁾</i>	<i>5,009</i>	<i>13.7</i>
<i>of which:</i>		
<i>SMEs</i>	<i>4,705</i>	<i>4.8</i>
<i>Large enterprises</i>	<i>294</i>	<i>5.8</i>
<i>Global loans</i>	<i>6</i>	<i>3.1</i>

¹⁾ Including global loans. Excluding global loans: 6.717 applications; Volume EUR 20.9 billion

²⁾ Including global loans

BUSINESS AND PROMOTIONAL RESULTS Q1 2011

KfW Privatkundenbank

(in EUR bn)

	<i>As at</i> 31 Dec. 2010	<i>As at</i> 31 Mar. 2010	<i>As at</i> 31 Mar. 2011
KfW Privatkundenbank	20.0	4.6	4.5
Housing	18.0	4.2	4.1
<i>of which:</i>			
<i>KfW Home Ownership Programme</i>	6.5	1.3	2.0
<i>Energy-Efficient Construction</i>	3.7	0.9	1.0
<i>Energy-Efficient Rehabilitation (Loans)</i>	4.9	1.5	0.4
<i>Energy-Efficient Rehabilitation (Grants)</i>	147 Mio.	36 Mio.	11 Mio.
Education	2.1	0.4	0.5
<i>of which:</i>			
<i>KfW Student Loan</i>	21,590	3,696	3,721

BUSINESS AND PROMOTIONAL RESULTS Q1 2011

KfW Kommunalbank

(in EUR bn)

	<i>As at 31 Dec. 2010</i>	<i>As at 31 Mar. 2010</i>	<i>As at 31 Mar. 2011</i>
<i>KfW Kommunalbank</i>	<i>15.8</i>	<i>3.7</i>	<i>9.0</i>
<i>Infrastructure</i>	<i>6.1</i>	<i>0.6</i>	<i>1.1</i>
<i>of which:</i>			
<i>Investment Offensive Infrastructure</i>	<i>1.3</i>	<i>0.2</i>	<i>0.1</i>
<i>Global Loans</i>	<i>9.7</i>	<i>3.1</i>	<i>8.0</i>
<i>of which:</i>			
<i>General funding for promotional institutions of the federal states</i>	<i>9.2</i>	<i>3.1</i>	<i>8.0</i>
<i>Global Loans (Europe)</i>	<i>0.4</i>	<i>0.0</i>	<i>0.0</i>

BUSINESS AND PROMOTIONAL RESULTS Q1 2011

Export and project finance (KfW IPEX-Bank)

(in EUR bn)

	<i>As at</i> <i>31 Dec. 2010</i>	<i>As at</i> <i>31 Mar. 2010</i>	<i>As at</i> <i>31 Mar. 2011</i>
<i>KfW IPEX-Bank, regional distribution ¹⁾</i>	8.3	1.3	2.8
<i>of which:</i>			
<i>Germany</i>	2.6	0.7	0.9
<i>Europe</i>	3.0	0.5	1.3
<i>Regions outside Europe</i>	2.7	0.1	0.6
<i>KfW IPEX-Bank, distribution by sector</i>	9.3	1.3	2.8
<i>of which:</i>			
<i>Industry, power and basic industries</i>	5.0	0.6	1.4
<i>Transport and transport infrastructure</i>	3.3	0.7	1.4
<i>Bank Refinancings CIRR Ship Financing</i>	1.1	0.0	0.0

¹⁾ Without Bank Refinancings CIRR Ship Financing

BUSINESS AND PROMOTIONAL RESULTS Q1 2011

Promotion of developing and transition countries

(in EUR bn)

	<i>As at</i> <i>31 Dec. 2010</i> ¹⁾	<i>As at</i> <i>31 Mar. 2010</i>	<i>As at</i> <i>31 Mar. 2011</i>
Promotion of developing and transition countries	5.7	0.7	0.8
<i>of which:</i>			
KfW Entwicklungsbank	4.5	0.6	0.7
<i>FC standard loans/grants</i>	<i>1.2</i>	<i>0.3</i>	<i>0.3</i>
<i>FC development loans</i>	<i>2.1</i>	<i>0.2</i>	<i>0.3</i>
<i>of which:</i>			
<i>Budget funds</i>	<i>0.2</i>	<i>0.0</i>	<i>0.0</i>
<i>KfW funds</i>	<i>1.9</i>	<i>0.2</i>	<i>0.3</i>
<i>FC promotional loans</i>	<i>0.9</i>	<i>0.1</i>	<i>0.1</i>
<i>FC promotional holders</i>	<i>0.1</i>	<i>0.0</i>	<i>0.0</i>
<i>Mandates</i>	<i>0.2</i>	<i>0.0</i>	<i>0.0</i>
DEG	1.2	0.1	0.1

1) Commitments not including structuring agreements in the amount of EUR 10 million EUR in 2010