

KFW'S BUSINESS AND PROMOTIONAL RESULTS

as at 30 September 2012

Bank aus Verantwortung

KFW

KfW

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(KfW Entwicklungsbank, DEG)

Differences in the totals may occur due to rounding.

BUSINESS AND PROMOTIONAL RESULTS as at 30th Sept 2012

Key financial figures (IFRS)

<i>Key income statement figures (in EUR millions)</i>	<i>1 Jan 2011 - 30 Sept 2011</i>	<i>1 Jan 2012 - 30 Sept 2012</i>
<i>Operating result before valuation</i>	<i>1,411</i>	<i>1,717</i>
<i>including interest rate reductions</i>	<i>-421</i>	<i>-401</i>
<i>Consolidated profit</i>	<i>1,806</i>	<i>1,739</i>
<i>Consolidated profit before IFRS effects from hedging¹⁾</i>	<i>1,548</i>	<i>1,512</i>
<i>Key balance sheet figures (in EUR billions)</i>	<i>31 Dec 2011</i>	<i>30 Sept 2012</i>
<i>Total assets</i>	<i>494.8</i>	<i>517.9</i>
<i>Equity</i>	<i>17.8</i>	<i>19.9</i>
<i>Volume of business</i>	<i>573.6</i>	<i>587.5</i>
<i>Key regulatory figures (in %)²⁾</i>	<i>31 Dec 2011</i>	<i>30 Sept 2012</i>
<i>Tier 1 ratio</i>	<i>15.4%</i>	<i>17.1%</i>
<i>Total capital ratio</i>	<i>17.8%</i>	<i>19.5%</i>

¹⁾ Explanation of consolidated profit before IFRS effects from hedging: Under IFRS, derivatives must be recognised at fair value in the balance sheet even if they are not used for trading, as in the case of KfW, but to hedge interest and currency risks. The opposing valuation effects of the underlying on-balance transactions thus hedged can be reported only inadequately under IFRS and therefore lead to economically inappropriate temporary earnings effects in KfW's income situation. These effects offset each other in total in the course of the overall maturity of the hedged items.

²⁾ Calculated voluntarily for internal purposes on the basis of relevant legal regulations

BUSINESS AND PROMOTIONAL RESULTS as at 30th Sept 2012

Business activities

(in EUR bn)

	As at 31 Dec 2011	As at 30 Sept 2011	As at 30 Sept 2012
Core Business of KfW Group (consolidated) ¹⁾	70.4	52.9	48.2
<i>KfW Mittelstandsbank</i>	22.4	16.4	17.3
<i>KfW Privatkundenbank</i>	16.7	11.4	12.3
<i>KfW Kommunalbank</i>	11.8	11.2	5.8
<i>Capital market-based financing</i>	1.1	0.4	1.5
<i>Export and project finance (KfW IPEX-Bank)</i>	13.4	10.4	8.8
<i>of which:</i>			
<i>Trust business</i>	6.4	5.2	5.0
<i>Market business</i>	7.0	5.2	3.9
Promotion of developing and transition countries	5.8	3.3	2.5
<i>of which:</i>			
<i>Financial Cooperation (KfW Entwicklungsbank)</i>	4.5	2.6	1.6
<i>DEG</i>	1.2	0.7	0.9

¹⁾ Adjustment of the total volume of the KfW Group for commitments in export and project finance refinanced through KfW programm loans (EUR 847 million in 2011, EUR 158 million per September 2011, EUR 64 million per September 2012)

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Business activities

(in EUR bn)

	<i>As at</i> <i>31 Dec 2011</i>	<i>As at</i> <i>30 Sept 2011</i>	<i>As at</i> <i>30 Sept 2012</i>
<i>Core Business of KfW Group (consolidated)</i> ¹⁾	70.4	52.9	48.2
<i>of which:</i>			
<i>Environmental and climate protection</i> ²⁾	22.8	14.8	19.1
<i>Quote</i> ²⁾	32%	-	40%

¹⁾ Adjustment of the total volume of the KfW Group for commitments in export and project finance refinanced through KfW programm loans (EUR 847 million in 2011, EUR 158 million per September 2011, EUR 64 million per September 2012)

²⁾ As cross-cutting task across all business areas. Calculated since 2012.

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KfW Mittelstandsbank

(in EUR bn)

	<i>As at 31 Dec 2011</i>	<i>As at 30 Sept 2011</i>	<i>As at 30 Sept 2012</i>
KfW Mittelstandsbank	22.4	16.4	17.3
Start-ups and general investments	9.4	7.6	8.2
<i>of which:</i>			
<i>KfW-Unternehmerkredit (Entrepreneur Loan)</i>	<i>6.3</i>	<i>5.1</i>	<i>5.8</i>
<i>ERP-Gründerkredit (Start-up Loan)</i>	<i>-</i>	<i>-</i>	<i>1.4</i>
<i>KfW-Gründerkredit (Start-up Loan)¹⁾</i>	<i>0.9</i>	<i>0.6</i>	<i>0.4</i>
<i>Advisory grants</i>	<i>127 m</i>	<i>94 m</i>	<i>75 m</i>
Innovation	2.2	2.0	0.7
<i>of which:</i>			
<i>ERP Innovation Programme</i>	<i>1.3</i>	<i>1.1</i>	<i>0.6</i>
Environment	10.8	6.9	8.4
<i>of which:</i>			
<i>KfW Renewable Energies Programme</i>	<i>7.0</i>	<i>4.4</i>	<i>6.0</i>
<i>ERP Environmental and Energy Efficiency Programme²⁾</i>	<i>1.9</i>	<i>1.8</i>	<i>-</i>
<i>KfW Environmental and Energy Efficiency Programme</i>	<i>1.3</i>	<i>-</i>	<i>2.4</i>
<i>KfW Offshore Programme³⁾</i>	<i>0.5</i>	<i>0.5</i>	<i>0.0</i>

¹⁾ Including old programme KfW-StartGeld

²⁾ Old programme

³⁾ Programme Start: 8. June 2011

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KfW Privatkundenbank

(in EUR bn)

	<i>As at 31 Dec 2011</i>	<i>As at 30 Sept 2011</i>	<i>As at 30 Sept 2012</i>
KfW Privatkundenbank	16.7	11.4	12.3
Housing	14.6	9.9	10.7
<i>of which:</i>			
<i>KfW Home Ownership Programme</i>	<i>5.9</i>	<i>4.5</i>	<i>3.6</i>
<i>Energy-Efficient Construction</i>	<i>3.6</i>	<i>2.3</i>	<i>3.7</i>
<i>Energy-Efficient Rehabilitation (Loans)</i>	<i>2.8</i>	<i>1.8</i>	<i>3.1</i>
<i>Energy-Efficient Rehabilitation (Grants)</i>	<i>59 m</i>	<i>46 m</i>	<i>61 m</i>
<i>Senior-friendly Conversion</i>	<i>444 m</i>	<i>187 m</i>	<i>122 m</i>
Education	2.2	1.4	1.6

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KfW Kommunalbank

(in EUR bn)

	<i>As at 31 Dec 2011</i>	<i>As at 30 Sept 2011</i>	<i>As at 30 Sept 2012</i>
<i>KfW Kommunalbank</i>	<i>11.8</i>	<i>11.2</i>	<i>5.8</i>
<i>Infrastructure</i>	<i>4.1</i>	<i>2.9</i>	<i>2.3</i>
<i>General Refinancing of promotional institutions of the federal states /Global Loans Infrastructure</i>	<i>7.7</i>	<i>8.4</i>	<i>3.5</i>

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Export and project finance (KfW IPEX-Bank)

(in EUR bn)

	<i>As at 31 Dec 2011</i>	<i>As at 30 Sept 2011</i>	<i>As at 30 Sept 2012</i>
<i>KfW IPEX-Bank, regional distribution ¹⁾</i>	<i>11.4</i>	<i>8.5</i>	<i>8.5</i>
<i>of which:</i>			
<i>Germany</i>	<i>3.2</i>	<i>2.5</i>	<i>2.1</i>
<i>Europe</i>	<i>4.0</i>	<i>2.8</i>	<i>2.9</i>
<i>Regions outside Europe</i>	<i>4.3</i>	<i>3.3</i>	<i>3.6</i>
<i>KfW IPEX-Bank, distribution by sector</i>	<i>13.4</i>	<i>10.4</i>	<i>8.8</i>
<i>of which:</i>			
<i>Industry, power and basic industries</i>	<i>6.3</i>	<i>4.6</i>	<i>4.6</i>
<i>Transport and transport infrastructure</i>	<i>5.1</i>	<i>3.9</i>	<i>4.0</i>
<i>Bank Refinancings CIRR Ship Financing</i>	<i>2.0</i>	<i>1.9</i>	<i>0.3</i>

¹⁾ Without Bank Refinancings CIRR Ship Financing

BUSINESS AND PROMOTIONAL RESULTS as at 30th Sept 2012

Promotion of developing and transition countries

(in EUR bn)

	<i>As at 31 Dec 2011¹⁾</i>	<i>As at 30 Sept 2011</i>	<i>As at 30 Sept 2012</i>
Promotion of developing and transition countries	5.8	3.3	2.5
<i>of which:</i>			
KfW Entwicklungsbank	4.5	2.6	1.6
<i>FC standard loans/grants</i>	<i>1.5</i>	<i>0.6</i>	<i>0.5</i>
<i>FC development loans</i>	<i>1.7</i>	<i>1.1</i>	<i>0.6</i>
<i>of which:</i>			
<i>Budget funds</i>	<i>134 m</i>	<i>20 m</i>	<i>9 m</i>
<i>KfW funds</i>	<i>1.6</i>	<i>1.1</i>	<i>0.5</i>
<i>FC promotional loans</i>	<i>0.9</i>	<i>0.6</i>	<i>0.4</i>
<i>FC promotional holders</i>	<i>0.1</i>	<i>0.1</i>	<i>34 m</i>
<i>Mandates</i>	<i>0.3</i>	<i>0.3</i>	<i>0.1</i>
<i>For information:</i>			
<i>Total budget funds</i>	<i>1.6</i>	<i>0.7</i>	<i>0.5</i>
<i>Total KfW funds</i>	<i>2.6</i>	<i>1.7</i>	<i>1.0</i>
DEG	1.2	0.7	0.9

¹⁾ Commitments not including structuring agreements in the amount of EUR 73 million EUR in 2011