

KFW'S BUSINESS AND PROMOTIONAL RESULTS

as at 31 March 2012



KfW

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(KfW Entwicklungsbank, DEG)

Differences in the totals may occur due to rounding.

BUSINESS AND PROMOTIONAL RESULTS as at 31 March 2012

Key financial figures (IFRS)

<i>Key income statement figures (in EUR millions)</i>	<i>01.01.2011 - 31.03.2011</i>	<i>01.01.2012 - 31.03.2012</i>
<i>Operating result before valuation</i>	509	576
<i>including interest rate reductions</i>	-139	-135
<i>Consolidated profit</i>	1,021	697
<i>Consolidated profit before IFRS effects from hedging ¹⁾</i>	588	685
<i>Key balance sheet figures (in EUR billions)</i>	<i>31.12.2011</i>	<i>31.03.2012</i>
<i>Total assets</i>	494.8	493.4
<i>Equity</i>	17.8	18.8
<i>Volume of business</i>	573.6	575.7
<i>Key regulatory figures (in %) ²⁾</i>	<i>31.12.2011</i>	<i>31.03.2012</i>
<i>Tier 1 ratio</i>	15.4%	17.0%
<i>Total capital ratio</i>	17.8%	19.6%

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

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Business activities

(in EUR bn)

	<i>As at 31 Dec 2011</i>	<i>As at 31 Mar 2011</i>	<i>As at 31 Mar 2012</i>
<i>Core Business of KfW Group (consolidated) ¹⁾</i>	<i>70.4</i>	<i>22.7</i>	<i>14.7</i>
<i>KfW Mittelstandsbank</i>	<i>22.4</i>	<i>5.6</i>	<i>5.2</i>
<i>KfW Privatkundenbank</i>	<i>16.7</i>	<i>4.5</i>	<i>3.8</i>
<i>KfW Kommunalbank</i>	<i>11.8</i>	<i>9.0</i>	<i>1.6</i>
<i>Capital market related products & asset securitisation</i>	<i>1.1</i>	<i>0.1</i>	<i>0.3</i>
<i>Export and project finance (KfW IPEX-Bank)</i>	<i>13.4</i>	<i>2.8</i>	<i>3.1</i>
<i>of which:</i>			
<i>Promotional business</i>	<i>6.4</i>	<i>1.1</i>	<i>1.2</i>
<i>Market business</i>	<i>7.0</i>	<i>1.7</i>	<i>1.9</i>
<i>Promotion of developing and transition countries</i>	<i>5.8</i>	<i>0.8</i>	<i>0.8</i>
<i>of which:</i>			
<i>Financial Cooperation (KfW Entwicklungsbank)</i>	<i>4.5</i>	<i>0.7</i>	<i>0.6</i>
<i>DEG</i>	<i>1.2</i>	<i>0.1</i>	<i>0.2</i>

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 197 million per 31 March 2011, EUR 14 million per 31 March 2012)

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KfW Mittelstandsbank

(in EUR bn)

	<i>As at 31 Dec 2011</i>	<i>As at 31 Mar 2011</i>	<i>As at 31 Mar 2012</i>
KfW Mittelstandsbank	22.4	5.6	5.2
Start-ups and general investments	9.4	3.2	2.6
<i>of which:</i>			
<i>KfW-Unternehmerkredit (Entrepreneur Loan)</i>	<i>6.3</i>	<i>2.4</i>	<i>1.7</i>
<i>ERP-Gründerkredit (Start-up Loan)</i>	<i>-</i>	<i>-</i>	<i>0.4</i>
<i>KfW-Gründerkredit (Start-up Loan)¹⁾</i>	<i>0.9</i>	<i>0.1</i>	<i>0.3</i>
<i>Advisory grants</i>	<i>127 m</i>	<i>33 m</i>	<i>29 m</i>
Innovation	2.2	0.5	0.2
<i>of which:</i>			
<i>ERP Innovation Programme</i>	<i>1.3</i>	<i>0.5</i>	<i>0.2</i>
Environment	10.8	1.9	2.4
<i>of which:</i>			
<i>KfW Renewable Energies Programme</i>	<i>7.0</i>	<i>1.2</i>	<i>1.8</i>
<i>ERP Environmental and Energy Efficiency Programm²⁾</i>	<i>1.9</i>	<i>0.7</i>	<i>-</i>
<i>KfW Environmental and Energy Efficiency Programm</i>	<i>1.3</i>	<i>-</i>	<i>0.5</i>
<i>KfW Offshore Programme³⁾</i>	<i>0.5</i>	<i>-</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 31 Mar 2011</i>	<i>As at 31 Mar 2012</i>
<i>KfW Privatkundenbank</i>	<i>16.7</i>	<i>4.5</i>	<i>3.8</i>
<i>Housing</i>	<i>14.6</i>	<i>4.1</i>	<i>3.3</i>
<i>of which:</i>			
<i>KfW Home Ownership Programme</i>	<i>5.9</i>	<i>2.0</i>	<i>0.9</i>
<i>Energy-Efficient Construction</i>	<i>3.6</i>	<i>1.0</i>	<i>1.1</i>
<i>Energy-Efficient Rehabilitation (Loans)</i>	<i>2.8</i>	<i>0.4</i>	<i>1.2</i>
<i>Energy-Efficient Rehabilitation (Grants)</i>	<i>59 m</i>	<i>11 m</i>	<i>8 m</i>
<i>Senior-friendly Conversion</i>	<i>444 m</i>	<i>63 m</i>	<i>29 m</i>
<i>Education</i>	<i>2.2</i>	<i>0.5</i>	<i>0.5</i>

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KfW Kommunalbank

(in EUR bn)

	<i>As at 31 Dec 2011</i>	<i>As at 31 Mar 2011</i>	<i>As at 31 Mar 2012</i>
<i>KfW Kommunalbank</i>	<i>11.8</i>	<i>9.0</i>	<i>1.6</i>
<i>Infrastructure</i>	<i>4.1</i>	<i>1.1</i>	<i>0.4</i>
<i>General Refinancing of promotional institutions of the federal states /Global Loans Infrastructure</i>	<i>7.7</i>	<i>8.0</i>	<i>1.2</i>

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Export and project finance (KfW IPEX-Bank)

(in EUR bn)

	<i>As at</i> <i>31 Dec 2011</i>	<i>As at</i> <i>31 Mar 2011</i>	<i>As at</i> <i>31 Mar 2012</i>
<i>KfW IPEX-Bank, regional distribution ¹⁾</i>	<i>11.4</i>	<i>2.8</i>	<i>3.1</i>
<i>of which:</i>			
<i>Germany</i>	<i>3.2</i>	<i>0.9</i>	<i>1.1</i>
<i>Europe</i>	<i>4.0</i>	<i>1.3</i>	<i>1.2</i>
<i>Regions outside Europe</i>	<i>4.3</i>	<i>0.6</i>	<i>0.8</i>
<i>KfW IPEX-Bank, distribution by sector</i>	<i>13.4</i>	<i>2.8</i>	<i>3.1</i>
<i>of which:</i>			
<i>Industry, power and basic industries</i>	<i>6.3</i>	<i>1.4</i>	<i>1.9</i>
<i>Transport and transport infrastructure</i>	<i>5.1</i>	<i>1.4</i>	<i>1.2</i>
<i>Bank Refinancings CIRR Ship Financing</i>	<i>2.0</i>	<i>-</i>	<i>-</i>

¹⁾ Without Bank Refinancings CIRR Ship Financing

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Promotion of developing and transition countries

(in EUR bn)

	<i>As at 31 Dec 2011¹⁾</i>	<i>As at 31 Mar 2011</i>	<i>As at 31 Mar 2012</i>
Promotion of developing and transition countries	5.8	0.8	0.8
<i>of which:</i>			
KfW Entwicklungsbank	4.5	0.7	0.6
<i>FC standard loans/grants</i>	<i>1.5</i>	<i>0.3</i>	<i>0.2</i>
<i>FC development loans</i>	<i>1.7</i>	<i>0.3</i>	<i>0.3</i>
<i>of which:</i>			
<i>Budget funds</i>	<i>0.1</i>	<i>0.0</i>	<i>9 m</i>
<i>KfW funds</i>	<i>1.6</i>	<i>0.3</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>41 m</i>	<i>24 m</i>
<i>Mandates</i>	<i>0.3</i>	<i>13 m</i>	<i>0.1</i>
<i>For information:</i>			
<i>Total budget funds</i>	<i>1.6</i>	<i>0.3</i>	<i>0.2</i>
<i>Total KfW funds</i>	<i>2.6</i>	<i>0.4</i>	<i>0.4</i>
DEG	1.2	0.1	0.2

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