

Press conference on annual results 2024

Friday, 22 March 2024

KfW Group 2023

Normalisation of new business



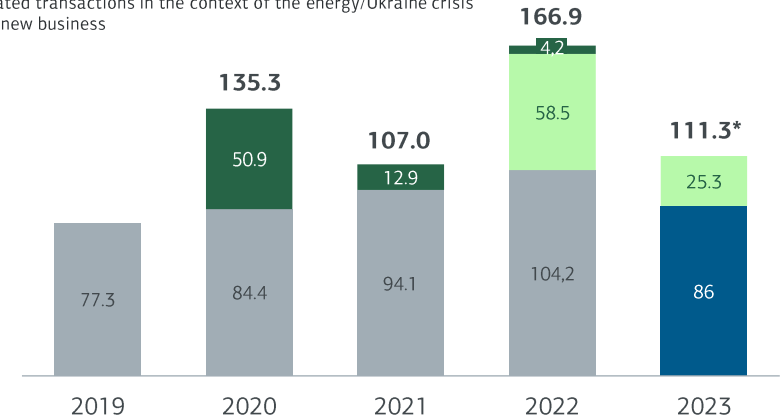
111.3

billion euros*

New business

(EUR in billions)

- Coronavirus aid
- Mandated transactions in the context of the energy/Ukraine crisis
- Other new business



77.1

Domestic promotional business

24.2

Export and project finance

10.9

Development finance

0.5

Financial markets

1.6
billion euros

Consolidated profit

- KfW's profitability remains high ...
- ...despite challenging underlying conditions

27.9%

Risk-bearing capacity

- Capitalisation and risk-bearing capacity further improved
- Total capital ratio and tier 1 capital ratio compared to 2022 increased by around 2.8 percentage points

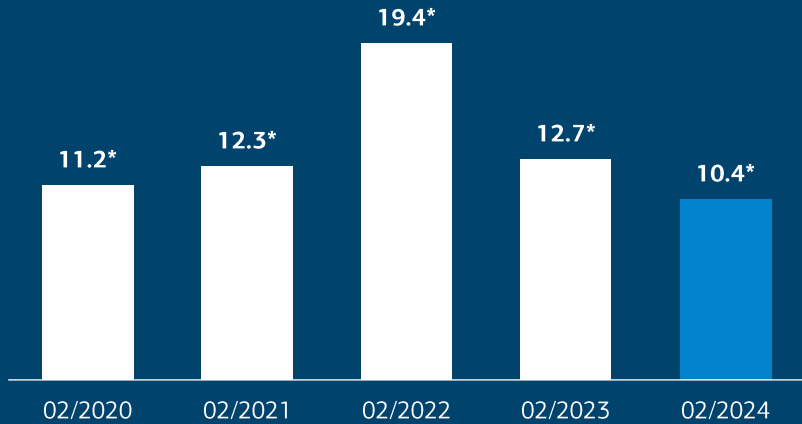


KfW is thus in a strong position as it enters 2024

Promotion review as of 29/02/2024

High EU reference rate curbs demand.
Construction and housing programmes just launched.

(EUR in billions)



10.4*

billion euros

Promotion review as of 29 February 2024



Supporting citizens
in our country



Strengthening the
German SME &
start-up ecosystem



Financial
Cooperation

6.4
Domestic
promotional business

3.8
Export and
project finance

0.3
Development
finance

*ordinary promotional business (excl. coronavirus aid and commitments for special transactions Ukraine/energy)

Consolidated profit 2023

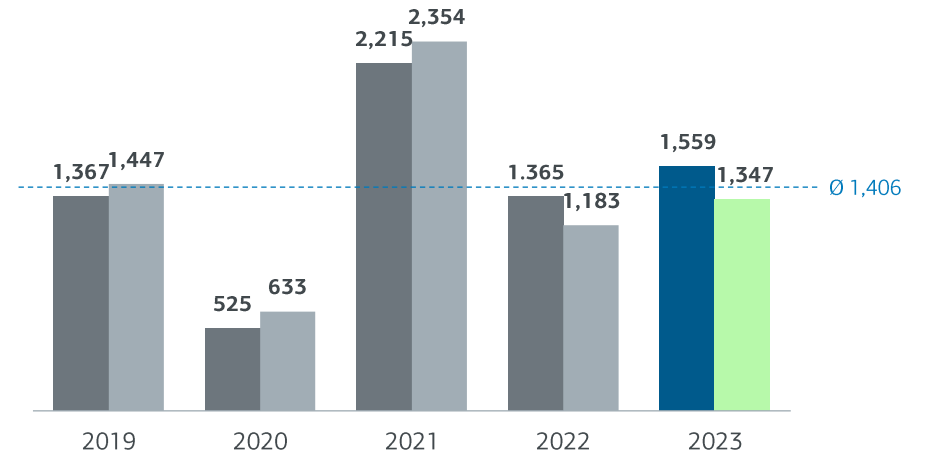
Very encouraging consolidated earnings in a challenging environment



1.56 billion euros

Consolidated profit

(EUR in millions)



Very encouraging consolidated earnings, which, despite uncertainties in the geopolitical and macroeconomic environment, are significantly above the previous year

■ After IFRS effects

■ Before IFRS effects

Operating result

A strong performance

Net interest and commission income (before promotional expense)

(EUR in millions)

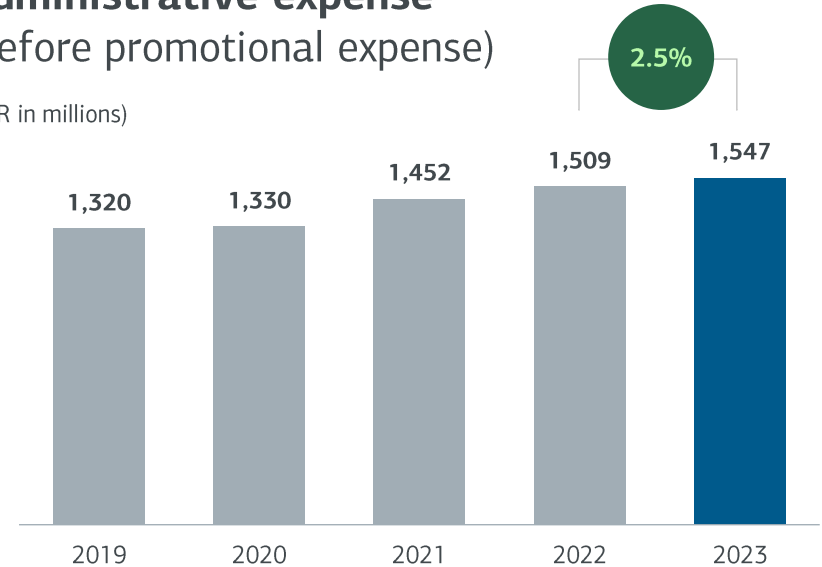


Net interest income as the group's main source of income benefits from the higher interest rate level. **Net commission income** characterised by declining remuneration for federal programmes.

■ Net interest income ■ Net commission income

Administrative expense (before promotional expense)

(EUR in millions)



Administrative expense was below expectations despite a slight increase compared to the previous year.

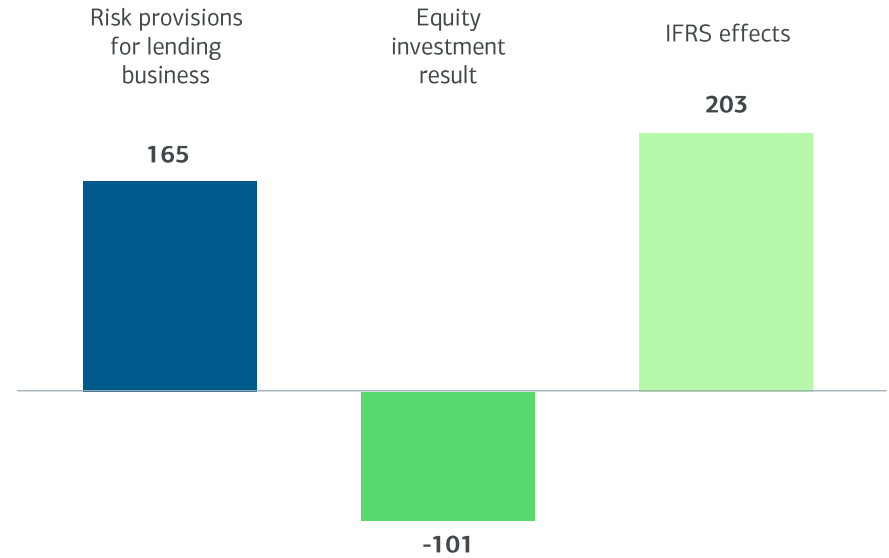
Valuation result

Robust risk position



2023 result

(EUR in millions)

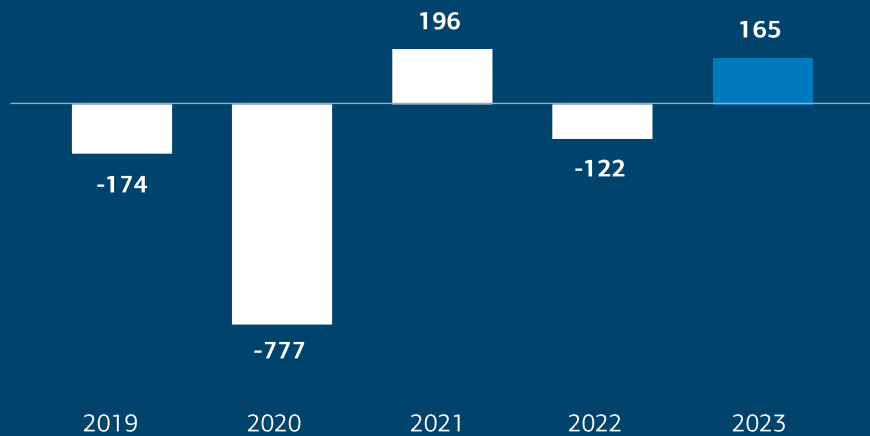


A positive macroeconomic environment in the **loan portfolio** and **positive effects** in hedge accounting more than compensate for the **negative equity investment result**.

KfW Group in a robust risk position

Risk provisions for lending business

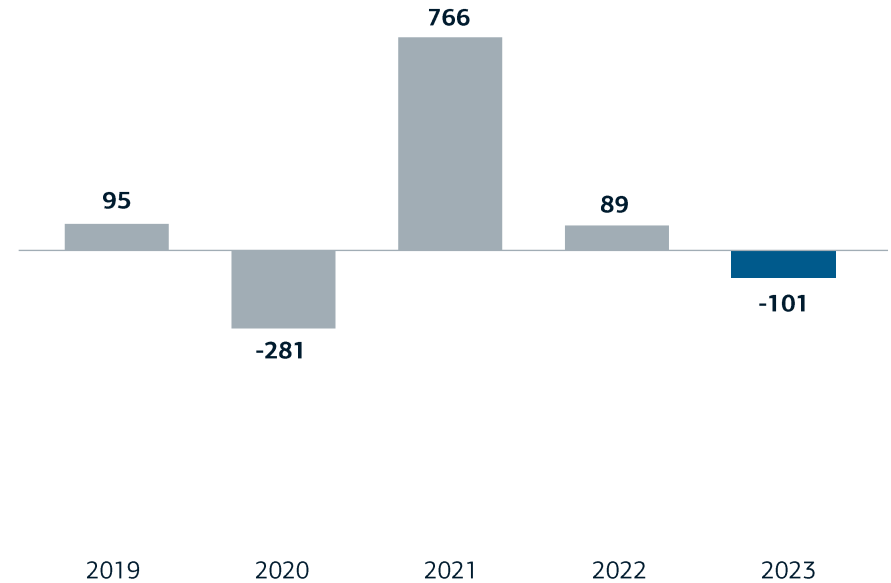
(EUR in millions)



Positive loan loss provisions result was primarily due to net reversals of performing loans as a result of the improved macroeconomic outlook

Equity investment portfolio

(in EUR millions)



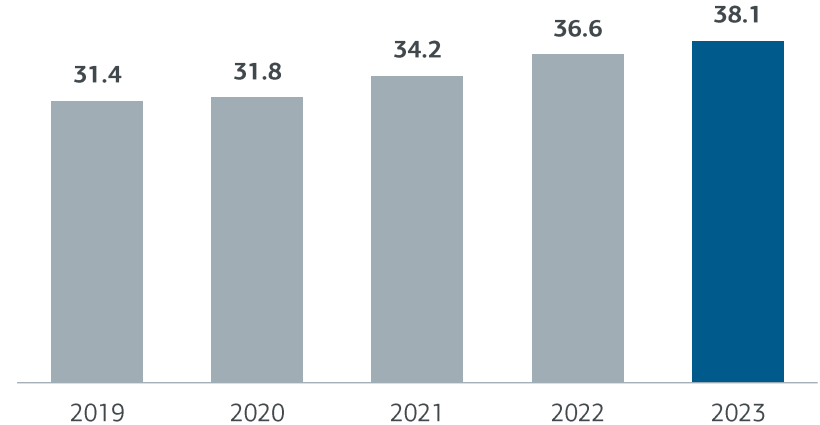
Negative equity investment result in the venture capital environment, among others, and in DEG, in particular due to the USD exchange rate

Significant increase in equity



Equity

EUR in billions)



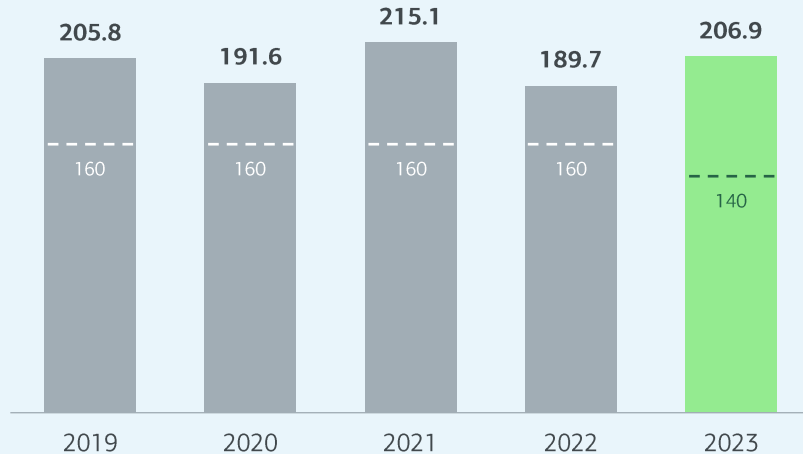
2023 consolidated profit significantly increases equity and further increases risk-bearing capacity.

Robust risk-bearing capacity

as of 31 Dec. 2023

Economic risk-bearing capacity*

(in %)



Increase in 2023: increase in available financial resources due to positive net present value effects and positive income statement development.

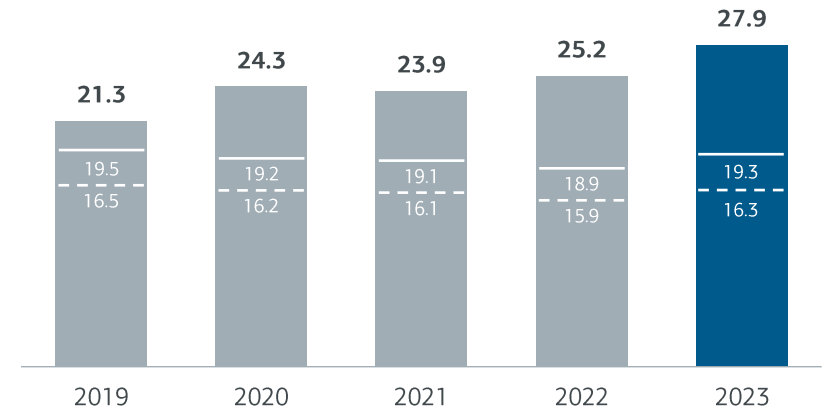
■ Economic coverage ratio

** Solvency level: 99.90%

--- Risk strategy target

Normative risk-bearing capacity

(in %)



Increase in 2023, in particular due to the postponed recognition of earnings for the second half of 2022 and the first half of 2023 as well as a lower total risk exposure amount due to a risk-appropriate valuation of structured funds and rating improvements in the on-lending business

■ Total capital ratio

— Overall capital requirement incl. management buffer of 3%
 --- Overall capital requirement

Total assets

Moderate growth of EUR 6.1 billion

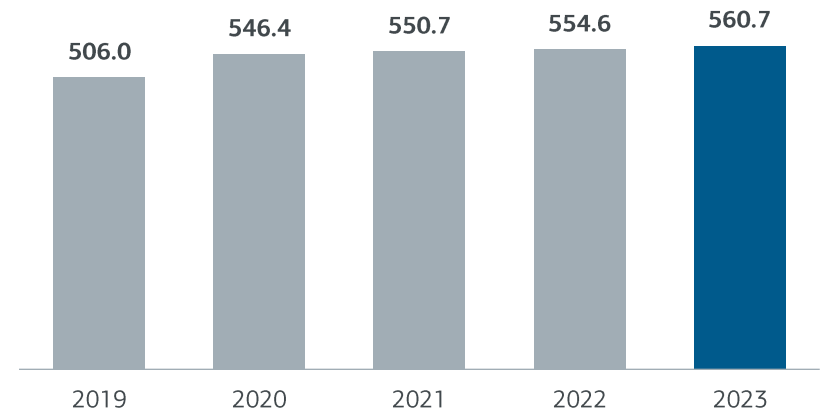


560.7

billion euros

Total assets

(EUR in billions)



-15.4

Lending business

+10.8

Liquidity held

+7.4

Fair value derivatives /
hedge accounting

+3.3

Other