



»» Start of the year press conference

Frankfurt am Main, Germany
2 February 2021

KFW

»»» 2020 – a record year in promotional funding

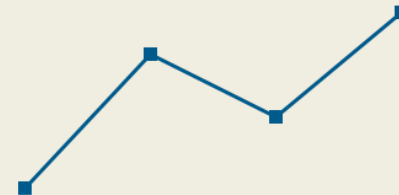
Reporting on the promotional result and impact

**Start of the year
press conference
2 February 2021**



Promotional result and impact

**Press conference on
annual results
25 March 2021**

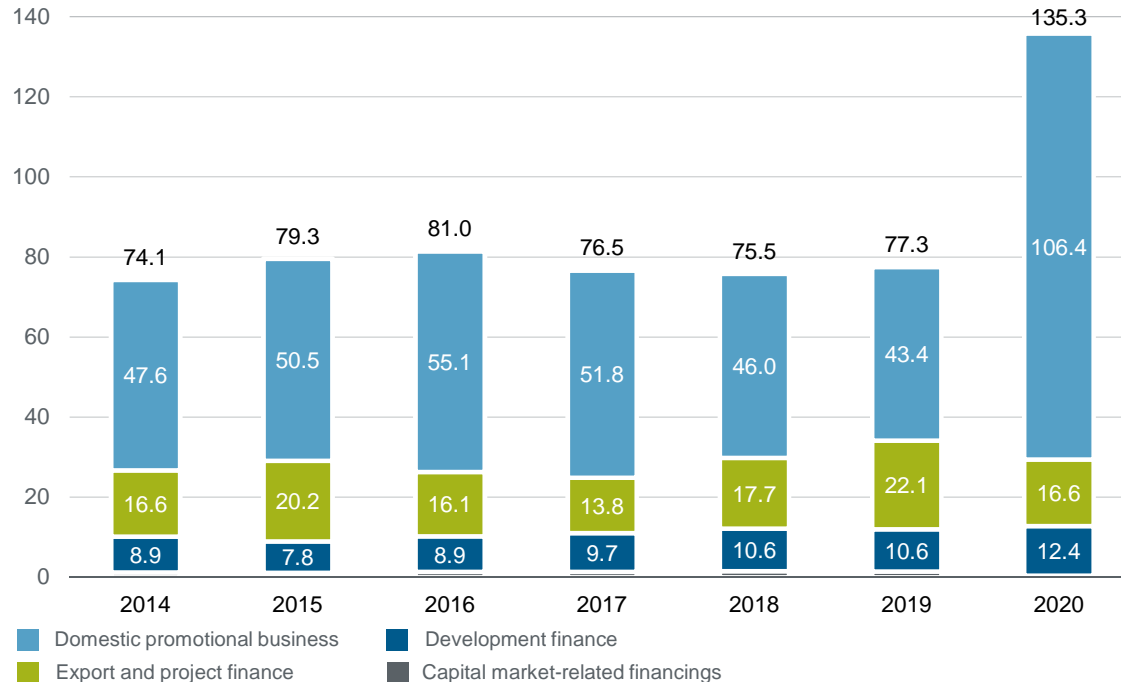


Business review

Business activities of KfW Group in 2020

Record year due to coronavirus aid programmes – business volume at EUR 135.3 billion

Business activities¹ (EUR in billions)



Highlights

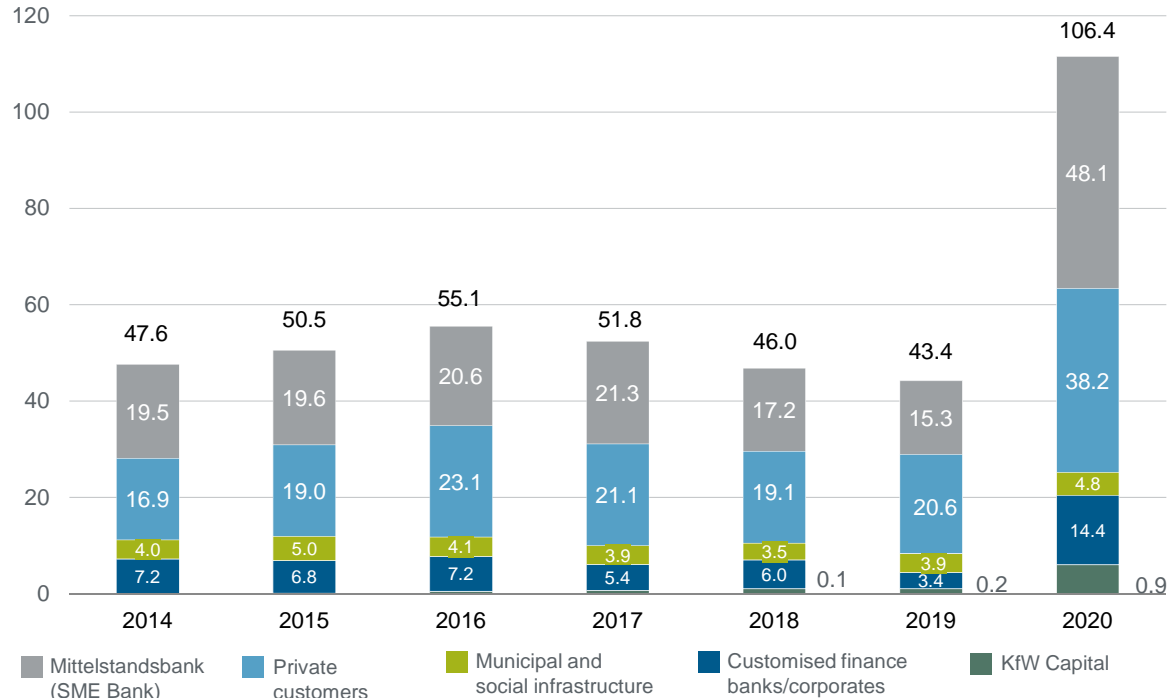
- KfW coronavirus aid programmes launched at lightning speed; group-wide EUR 50.9 billion, **38%** of business volume, SME ratio soars to **48%**
- Environmental quota **33%**; adjusted for special coronavirus measures: **50%**
- **Contribution to SDGs 8** (promote the economy) **and 13** (climate action) significantly increased
- Commitments in developing countries and emerging economies again at record levels; support during the coronavirus crisis
- Priority funding areas with future relevance expanded further: venture capital for young companies, energy efficiency, infrastructure and digitalisation

¹ 2019: adjusted by EUR 175 million for commitments in Export and project finance with refinancing from KfW programme loans

»»» Promotion in Germany

Record high – promotion volume more than doubled

Domestic business (EUR in billions)

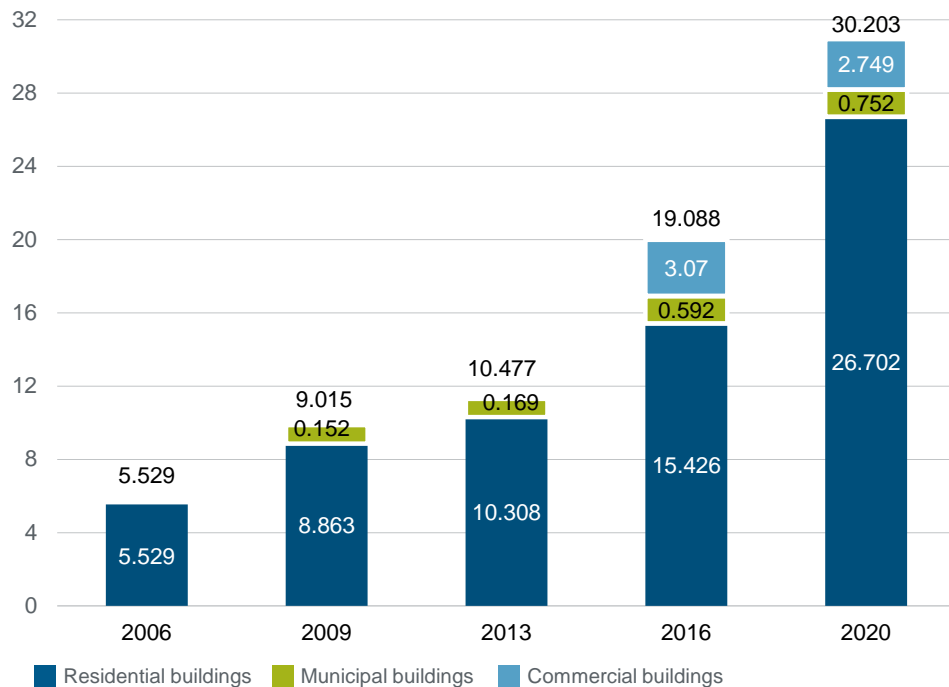


Highlights

- All-time record: one million funding commitments for loans and grants
- Largest share accounted for by coronavirus aid programmes at EUR 46 billion
- Record commitments also for energy-efficient buildings
- Strong demand for new funding for charging stations for electric cars: 137,000 applications within a single month
- New investment loan for digital infrastructure supports broadband expansion in Germany
- Climate action campaign for SMEs launched

Energy-efficient construction and refurbishment supports German economy - The climate action success story

Commitment volume in top years (EUR in billions)



€180 billion
for energy-efficient buildings since 2006

Approx. **6 million**
jobs secured

Funding for more than
6 million
homes provided

12 million
tonnes
of CO2 emissions saved
annually

EUR **480**
billion
in investments triggered

»»» KfW Group's coronavirus aid programmes

»»» Coronavirus aid: one of the largest special programs in KfW's history

KfW embraces role as crisis manager

€46 billion

KfW Special Coronavirus Aid Programme

2020



Oil crisis

€1.74 billion

1981

Marshall Plan

€1.7 billion

1949-1953



Refugee crisis
roughly **€1.4 billion**
2015

EUR 102 million

Catastrophic flooding
of the Oder River

1997

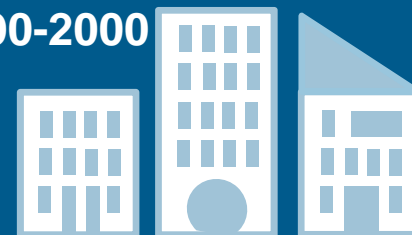
€14 billion

Financial crisis
2009-2011

€ 82.5 billion

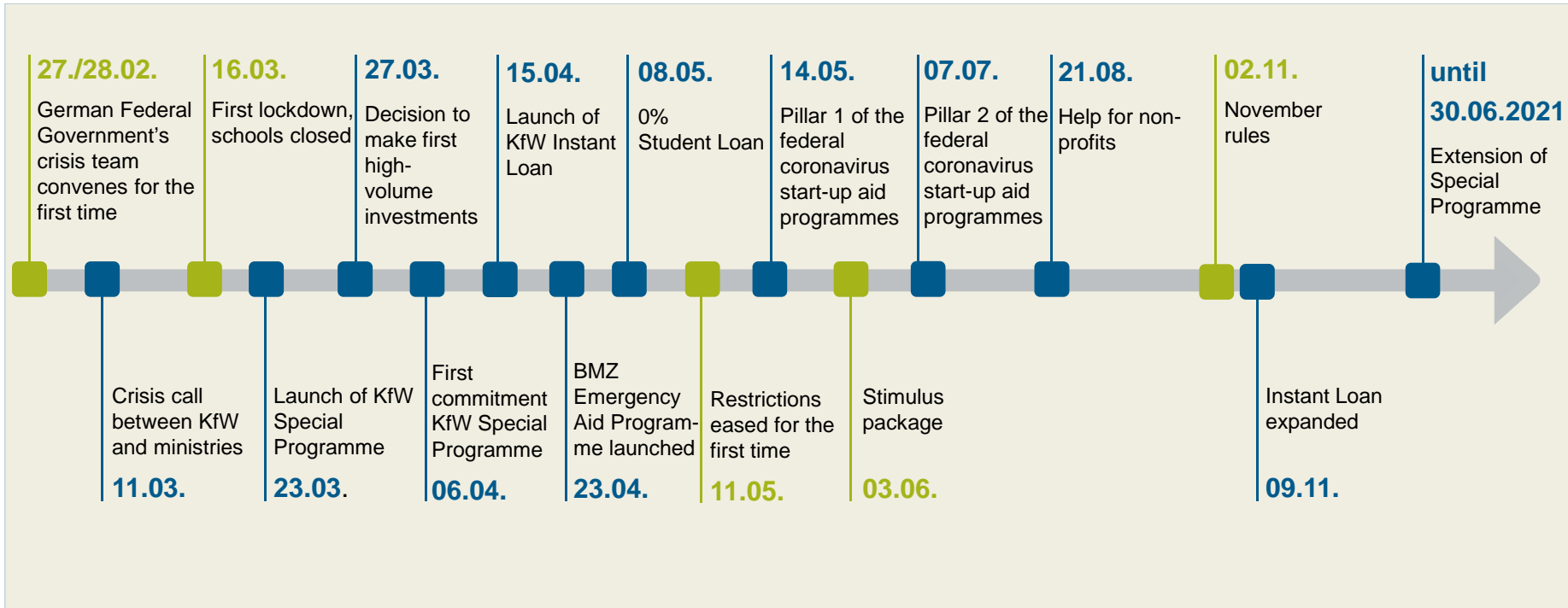
10 years of reconstruction of Eastern
Germany „Aufbau Ost“

1990-2000



»»» KfW coronavirus aid – a chronology

Fast launch – continuous expansion and improvement



»»» Total of EUR 50.9 billion for KfW coronavirus aid

Aid available for all target groups: companies, start-ups, students, developing countries

Liquidity aid for companies

KfW Special Programme

Support for nearly **103,000**
companies with EUR **44bn**

Pillar 1 of the federal start-up aid, including Corona Matching Facility

KfW Capital together with EIF, HTGF, ERP

Approx. EUR **700 million**
for around **300** start-ups

Pillar 2 of the federal start-up aid Equity for start-ups & small businesses

Global loans to promotional institutions of
the federal states (LFI)

Already to **14 LFIs**
Total of EUR **619 million**

Financing for non-profits

Global loans to promotional institutions of
the federal states

Contracts for
EUR **486 million**

Support for students

KfW Student Loan with 0% interest

EUR **1 billion** for
78,000 students

Developing countries and emerging economies

Emergency Aid Programme
Development Bank

EUR **4 billion**
in 118 projects

DEG support for German enterprises
in developing countries

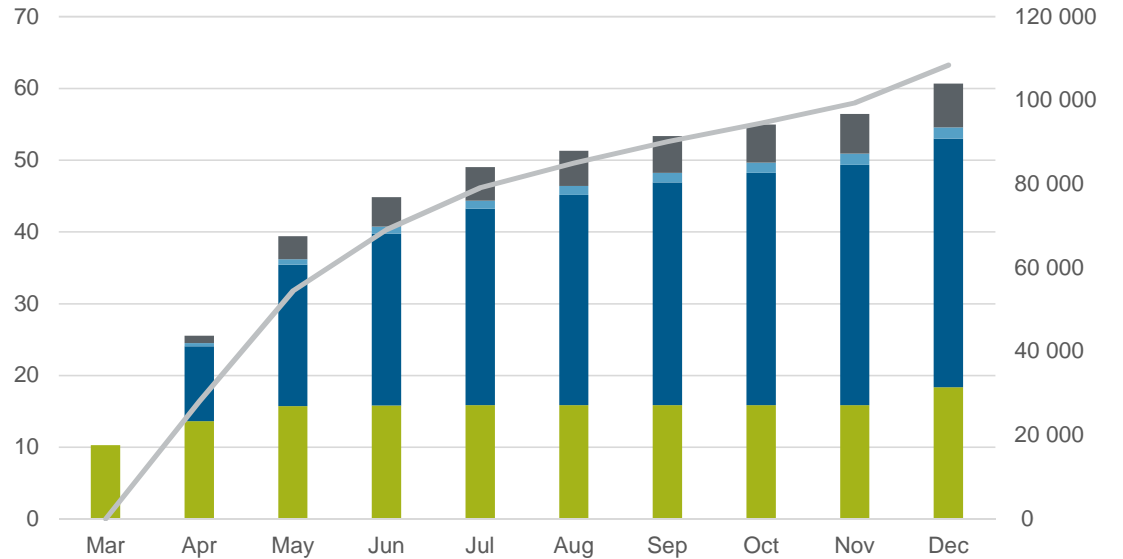
EUR **50 million**

Centrepiece of coronavirus aid: KfW Special Programme 2020

Companies of all sizes benefit; 97% goes to SMEs

Application volume (EUR in billions)

Cumulative, by programme



Number of applications

Cumulative, total

Highlights

- Off to a lightning start, enormous effort by all partners
- Applications: 108,000 applications for EUR 60.7 billion
- Commitments: 103,000 applications for EUR 44 billion
- Two thirds of commitments utilised
- Small amounts often enough
- Repayments and waivers already at EUR 6.1 billion

■ Direct participation for syndicate financing
 ■ KfW Entrepreneur Loan
 ■ ERP Start-Up Loan
 ■ KfW Instant Loan

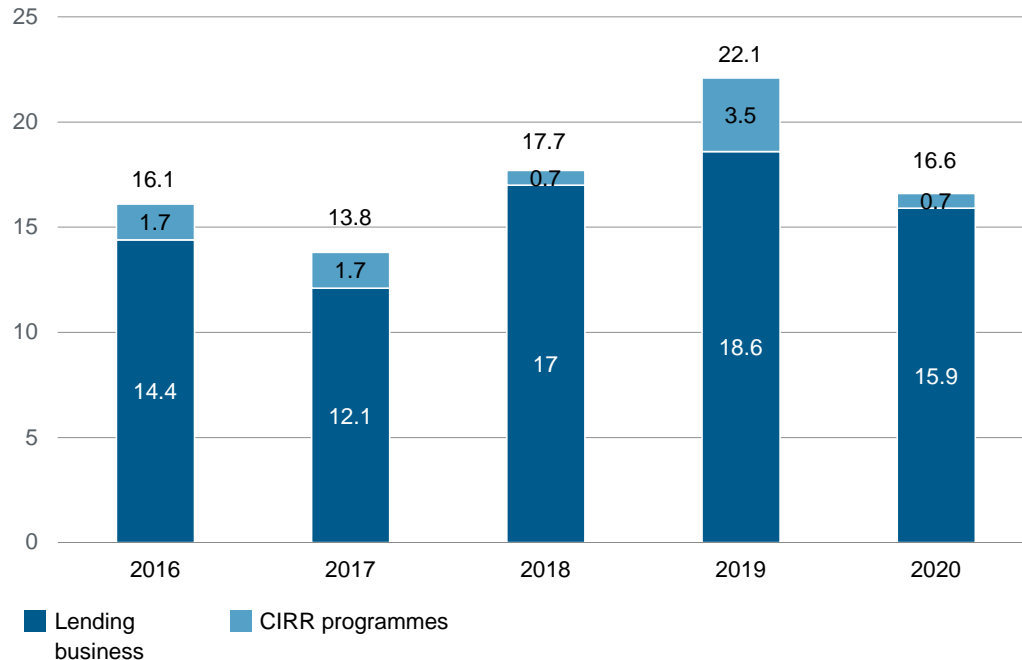
— Number of applications

All figures as of 31 December 2020

»»» Promotion of the German and European economy

KfW IPEX-Bank stable partner of the export industry during the coronavirus crisis too

Export and project finance (EUR in billions)



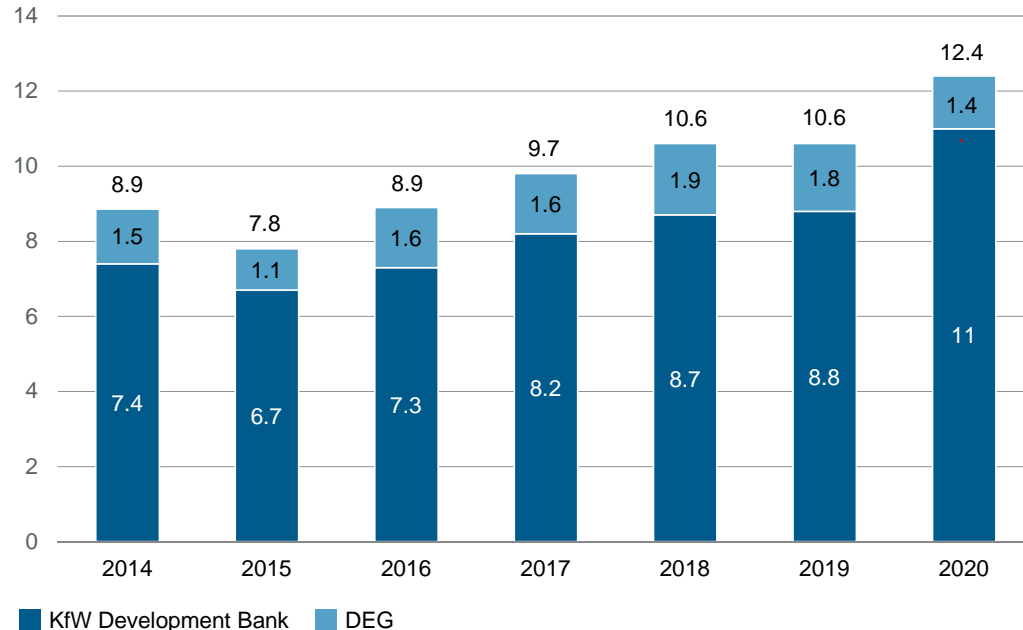
Highlights

- Support for the German and European economy in a challenging market environment due to the pandemic
- After record commitments in the previous year (driven strongly by CIRR programmes), decline in new commitments to the average level of previous years
- Financing usually in syndicates, often as arranger and structurer
- Priority areas in the areas of digitalisation as well as energy and environment/climate (strong environment quota at 17%)
- Financing contributes to many SDGs

»»» Promotion of developing countries and emerging economies

KfW Development Bank: record figure of the previous year significantly exceeded

Development cooperation (EUR billion)



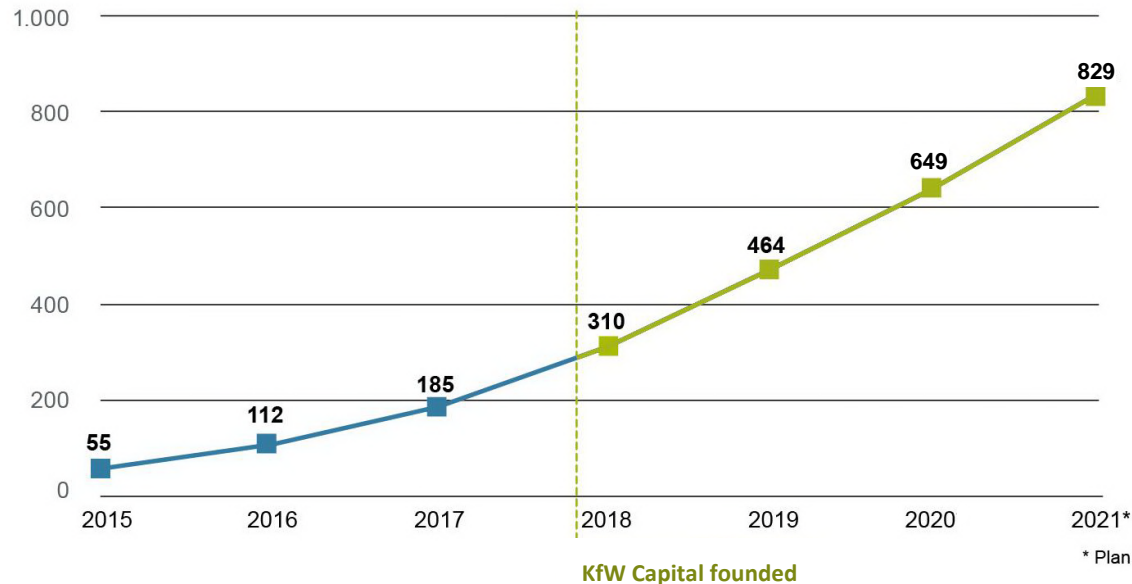
Highlights

- FC commitments again at a record high of EUR 11 billion, 35% for Africa: EUR 3.8 billion
- Coronavirus Emergency Aid Programme of Federal Ministry for Economic Cooperation and Development (BMZ) with commitments of EUR 4 billion, 36% of which in Africa (EUR 1.4 billion)
- DEG: needed as an experienced partner for its customers during the pandemic
- New commitments for Africa of EUR 386 million (+12% compared to 2019)
- More than EUR 50 million for COVID-19 response programmes and advisory services

»» KfW Capital

2020: reliable partner for the German Federal Government and the VC market during the pandemic

Cumulative commitment volume ERP Venture Capital Fund Investments (EUR in millions, approx.)



With support of the ERP Special Fund; all totals without HTGF I, II, III and coparion

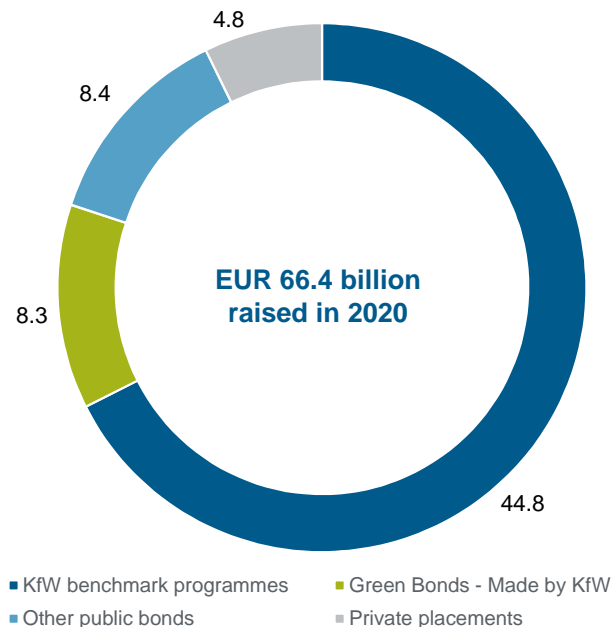
Highlights

- Year 2 KfW Capital (ERP-VC): planned increase in commitment volume by EUR 184 million (roughly +19%) despite coronavirus
- Together with KfW and Federal Ministry for Economic Affairs and Energy (BMWi) / Federal Ministry of Finance (BMF), structuring of Pillar 1 of Corona support for start-ups (including the Corona Matching Facility)
- From May 2020 implementation together with EIF, HTGF, ERP Start-up Fund
- Total coronavirus aid: around EUR 700 million; VC funds can finance around 300 start-ups with this amount
- Structuring of the Future Fund and coordination of project implementation in consultation with BMWi/BMF

Capital market activities

Funding of promotional business in the year of the coronavirus 2020

Funding via capital market (EUR in billions)



KfW is well equipped to meet the challenges in 2021. Planned capital market borrowing: EUR 70-80 billion – of which EUR 14.6 billion (19.5%) already raised

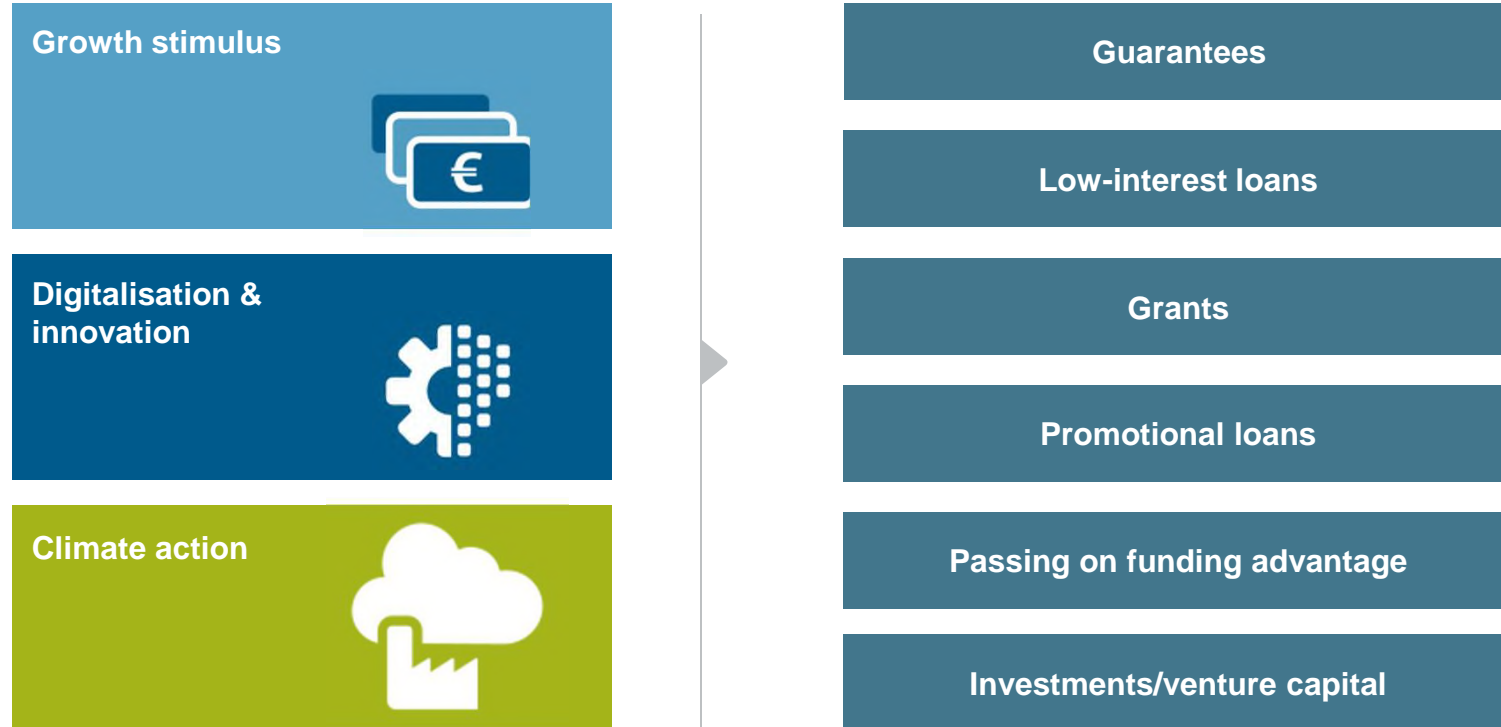
Funding & promotional business

- **Green bond portfolio**
Stable with EUR 400 million in investments
- **EUR market still attractive:**
EUR share 64%
USD 24%
- **Green bond issues at record level** with 11 KfW Green Bonds plus 3 top-ups of EUR 8.3 billion
- **Additional funds:**
of ~ EUR 52 billion through WSF and TLTRO

»»» What happens after the coronavirus? (Funding) our way out of the crisis

>>> 2021: the year of enormous challenges – KfW is ready

Lines of business and funding instruments 2021





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