

## Release of EU Allowances in Germany – Monthly report July 2009 –

KfW Bankengruppe sold a total of 4,217,000 EU allowances for a total of EUR 58,427,010.00 in the reporting month.

Of these, 3,022,000 allowances for the equivalent of EUR 41,907,060.00 (average price EUR 13.87) were sold as December 2009 futures contracts and 1,195,000 allowances for the equivalent of EUR 16,519,950.00 (average price EUR 13.82) were sold on the spot market.

The average difference between the futures contracts and the volume weighted average prices on the London exchange (ECX) (published daily as "ECX CFI Emissions Index") amounted to only +0.07 %, or EUR +0,01 per allowance. Differences per trading day ranged from -0.14 % to +0.39 %. This shows that the sale of allowances on the exchanges had little impact on the market and that the allowances were sold at market prices.

The volumes sold per trading day varied between 150,000 and 225,000 allowances in the reporting month.

Sales have been affected by the most liquid futures contract as well as on the spot market on the two carbon exchanges in Leipzig (EEX) and London (ECX).

| Month        | Contract | Volume sold       | Average price per<br>EUA | Difference from<br>ECX CFI Emissions<br>Index in % | Revenues                |
|--------------|----------|-------------------|--------------------------|--|-------------------------|
| January      | Future   | 3,647,000         | 13.14 €                  | 0.11%  | 47,936,650.00 €         |
|              | Spot     | 0                 |                          |  |                         |
| February     | Future   | 3,692,000         | 9.72 €                   | 0.22%  | 35,895,360.00 €         |
|              | Spot     | 0                 |                          |  |                         |
| March        | Future   | 3,781,000         | 11.50 €                  | 0.12%  | 43,468,220.00 €         |
|              | Spot     | 241,000           | 10.93 €                  |  |                         |
| April        | Future   | 2,284,000         | 13.29 €                  | 0.13%  | 30,363,030.00 €         |
|              | Spot     | 1,278,000         | 12.69 €                  |  |                         |
| May          | Future   | 2,489,000         | 14.98 €                  | 0.08%  | 37,289,790.00 €         |
|              | Spot     | 709,500           | 14.52 €                  |  |                         |
| June         | Future   | 2,459,000         | 13.45 €                  | 0.15%  | 33,072,700.00 €         |
|              | Spot     | 995,000           | 13.06 €                  |  |                         |
| July         | Future   | 3,022,000         | 13.87 €                  | 0.07%  | 41,907,060.00 €         |
|              | Spot     | 1,195,000         | 13.82 €                  |  |                         |
| <b>Total</b> |          | <b>25,792,500</b> | <b>12.74 €</b>           | <b>0.13%</b>                                       | <b>328,607,734.40 €</b> |

still to be sold in 2009                      14,207,500

| <b>Summary of sold EU Allowances</b>                             |                     |
|--|---------------------|
| Reporting period   | 01.01. - 31.07.2009 |
| EUAs sold so far   | 25,792,500          |
| EUAs sold so far as share of total amount to be released in 2009 | 64.48 %             |
| Value of sold EUAs so far (without VAT)                          | 328,607,734.40 €    |
| Average price per EUA sold so far                                | 12.74 €             |
| Average difference from ECX CFI Emissions Index (Futures only)   | 0.13 %              |

| Contract FUTURE | 2009         | Volume sold FUTURES | Revenues                | ECX CFI Emissions Index | VWAP KfW | Difference from ECX CFI Emissions Index in % |
|-----------------|--------------|---------------------|-------------------------|-------------------------|----------|--|
|                 | January      | 3,647,000           | 47,936,650.00 €         |                         |          | 0.11   |
|                 | February     | 3,692,000           | 35,895,360.00 €         |                         |          | 0.22   |
|                 | March        | 3,781,000           | 43,468,220.00 €         |                         |          | 0.12   |
|                 | April        | 2,284,000           | 30,363,030.00 €         |                         |          | 0.13   |
|                 | May          | 2,489,000           | 25,739,870.00 €         |                         |          | 0.08   |
|                 | June         | 2,459,000           | 33,072,700.00 €         |                         |          | 0.15   |
|                 | July         | 3,022,000           | 41,907,060.00 €         |                         |          | 0.07   |
| <b>Futures</b>  | <b>Total</b> | <b>18,352,000</b>   | <b>228,025,750.00 €</b> |                         |          | <b>0.14</b>                                  |

| Contract FUTURE | July 2009    | Volume sold FUTURES | Revenues               | ECX CFI Emissions Index | VWAP KfW | Difference from ECX CFI Emissions Index in % |
|-----------------|--------------|---------------------|------------------------|-------------------------|----------|--|
|                 | 01.07.2009   | 105,000             | 1,397,000.00 €         | 13.30 €                 | 13.30 €  | 0.00%  |
|                 | 02.07.2009   | 170,000             | 2,217,900.00 €         | 13.05 €                 | 13.05 €  | 0.00%  |
|                 | 03.07.2009   | 110,000             | 1,446,650.00 €         | 13.15 €                 | 13.15 €  | 0.00%  |
|                 | 06.07.2009   | 135,000             | 1,742,500.00 €         | 12.86 €                 | 12.91 €  | 0.39%  |
|                 | 07.07.2009   | 175,000             | 2,296,500.00 €         | 13.11 €                 | 13.12 €  | 0.08%  |
|                 | 08.07.2009   | 145,000             | 1,924,900.00 €         | 13.23 €                 | 13.28 €  | 0.38%  |
|                 | 09.07.2009   | 175,000             | 2,389,500.00 €         | 13.63 €                 | 13.65 €  | 0.15%  |
|                 | 10.07.2009   | 195,000             | 2,731,400.00 €         | 14.01 €                 | 14.01 €  | 0.00%  |
|                 | 13.07.2009   | 210,000             | 3,004,480.00 €         | 14.32 €                 | 14.31 €  | -0.07%                                       |
|                 | 14.07.2009   | 45,000              | 651,170.00 €           | 14.47 €                 | 14.47 €  | 0.00%  |
|                 | 15.07.2009   | 180,000             | 2,597,150.00 €         | 14.40 €                 | 14.43 €  | 0.21%  |
|                 | 16.07.2009   | 110,000             | 1,599,420.00 €         | 14.53 €                 | 14.54 €  | 0.07%  |
|                 | 17.07.2009   | 141,000             | 2,009,580.00 €         | 14.21 €                 | 14.25 €  | 0.28%  |
|                 | 20.07.2009   | 123,000             | 1,742,930.00 €         | 14.19 €                 | 14.17 €  | -0.14%                                       |
|                 | 21.07.2009   | 140,000             | 2,013,250.00 €         | 14.39 €                 | 14.38 €  | -0.07%                                       |
|                 | 22.07.2009   | 130,000             | 1,878,010.00 €         | 14.44 €                 | 14.45 €  | 0.07%  |
|                 | 23.07.2009   | 105,000             | 1,515,390.00 €         | 14.43 €                 | 14.43 €  | 0.00%  |
|                 | 24.07.2009   | 50,000              | 722,400.00 €           | 14.46 €                 | 14.45 €  | -0.07%                                       |
|                 | 27.07.2009   | 116,000             | 1,648,720.00 €         | 14.21 €                 | 14.21 €  | 0.00%  |
|                 | 28.07.2009   | 72,000              | 1,006,350.00 €         | 13.99 €                 | 13.98 €  | -0.07%                                       |
|                 | 29.07.2009   | 135,000             | 1,849,350.00 €         | 13.69 €                 | 13.70 €  | 0.07%  |
|                 | 30.07.2009   | 125,000             | 1,721,620.00 €         | 13.75 €                 | 13.77 €  | 0.15%  |
|                 | 31.07.2009   | 130,000             | 1,800,890.00 €         | 13.85 €                 | 13.85 €  | 0.00%  |
| <b>Futures</b>  | <b>Total</b> | <b>3,022,000</b>    | <b>41,907,060.00 €</b> |                         |          | <b>0.07%</b>                                 |

| <b>Contract SPOT</b> | <b>2009</b>      | <b>Volume sold SPOT</b> | <b>Revenues</b>        |
|----------------------|------------------|-------------------------|------------------------|
|                      | January          | 0                       |                        |
|                      | February         | 0                       |                        |
|                      | March            | 241,000                 | 2,633,874.40 €         |
|                      | April            | 1,278,000               | 16,221,320.00 €        |
|                      | May              | 709,500                 | 10,304,480.00 €        |
|                      | June             | 995,000                 | 12,995,300.00 €        |
|                      | July             | 1,195,000               | 16,519,950.00 €        |
| <b>Spot</b>          | <b>Total</b>     | <b>4,418,500</b>        | <b>58,674,924.40 €</b> |
| <b>Contract SPOT</b> | <b>July 2009</b> | <b>Volume sold SPOT</b> | <b>Revenues</b>        |
|                      | 01.07.2009       | 85,000                  | 1,116,400.00 €         |
|                      | 02.07.2009       | 10,000                  | 129,000.00 €           |
|                      | 03.07.2009       | 70,000                  | 909,650.00 €           |
|                      | 06.07.2009       | 50,000                  | 637,450.00 €           |
|                      | 07.07.2009       | 20,000                  | 260,000.00 €           |
|                      | 08.07.2009       | 35,000                  | 461,350.00 €           |
|                      | 09.07.2009       | 25,000                  | 338,050.00 €           |
|                      | 13.07.2009       | 15,000                  | 212,800.00 €           |
|                      | 14.07.2009       | 115,000                 | 1,631,250.00 €         |
|                      | 15.07.2009       | 10,000                  | 140,500.00 €           |
|                      | 16.07.2009       | 70,000                  | 1,008,800.00 €         |
|                      | 17.07.2009       | 20,000                  | 281,800.00 €           |
|                      | 20.07.2009       | 40,000                  | 561,600.00 €           |
|                      | 21.07.2009       | 40,000                  | 572,900.00 €           |
|                      | 22.07.2009       | 50,000                  | 717,100.00 €           |
|                      | 23.07.2009       | 85,000                  | 1,215,150.00 €         |
|                      | 24.07.2009       | 105,000                 | 1,498,350.00 €         |
|                      | 27.07.2009       | 60,000                  | 848,450.00 €           |
|                      | 28.07.2009       | 95,000                  | 1,314,600.00 €         |
|                      | 29.07.2009       | 65,000                  | 883,700.00 €           |
|                      | 30.07.2009       | 55,000                  | 751,200.00 €           |
|                      | 31.07.2009       | 75,000                  | 1,029,850.00 €         |
| <b>Spot</b>          | <b>Total</b>     | <b>1,195,000</b>        | <b>16,519,950.00 €</b> |