



First Half Year 2024 Results

IKB Deutsche Industriebank AG

16 August 2024, Düsseldorf

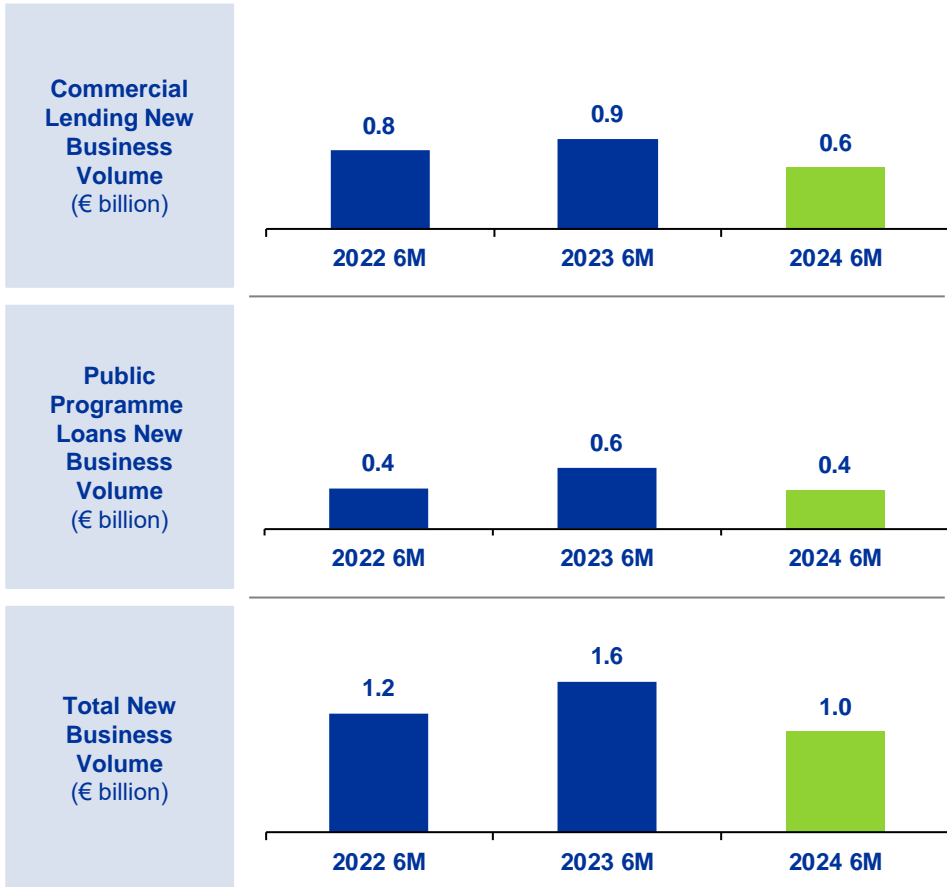
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Good Start in the First Half of FY 2024

	2024 Guidance	Achievements	met/overachieved	
Net Interest Income	<ul style="list-style-type: none"> Significant increase in comparison to the FY 2022 (+20%) 	<ul style="list-style-type: none"> HY1 2024: €107 million HY1 2023: €107 million 	✓	<ul style="list-style-type: none"> Net interest income stable at €107 million
New Business Volume	<ul style="list-style-type: none"> Could be significantly lower than the forecast of €2.7 billion for 2024 	<ul style="list-style-type: none"> HY1 2024: €1.0 billion HY1 2023: €1.6 billion 	(✓)	<ul style="list-style-type: none"> Consciously selective lending with focus on good credit ratings with 93% of new origination being investment grade resulted in lower new business volume
Cost/income Ratio	<ul style="list-style-type: none"> Moderately above 60% 	<ul style="list-style-type: none"> HY1 2024: 58%, normalised 54% HY1 2023: 66%, normalised 57% 	✓	<ul style="list-style-type: none"> Discontinuation of EU bank levy and lower project costs
Risk Provisioning	<ul style="list-style-type: none"> €-35 million 	<ul style="list-style-type: none"> HY1 2024: €-13 million HY1 2023: €-12 million 	✓	<ul style="list-style-type: none"> Low risk provisioning due to selective lending in line with forecast
Net Income before Tax	<ul style="list-style-type: none"> Around €70 million 	<ul style="list-style-type: none"> HY1 2024: €32 million HY1 2023: €36 million 	✓	<ul style="list-style-type: none"> Half year result in line with guidance
CET 1 Ratio	<ul style="list-style-type: none"> Capital accretion driven by profit generation 	<ul style="list-style-type: none"> HY1 2024: 17.2% FY 2023: 16.8% 	✓	<ul style="list-style-type: none"> Higher CET 1 driven by profit generation

▶▶ Major performance indicators in line with expectations, solid capital position, selective lending policy
 ▶▶ Overall on track with 2024 guidance

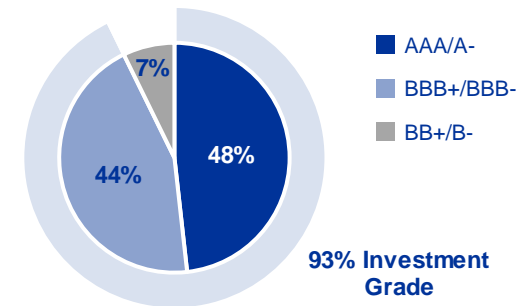
€1.0 Billion of New Business in HY1 2024 – 93% Investment Grade



Summary

- New business volume below previous year due to the selective lending policy and overall reduction in market credit demand, driven by reluctance of companies to make investments due to macro uncertainty.
 - IKB continues to expect a gradually evolving recovery from Q3 2024 onwards.
- Focused lending approach results in 93% investment grade new business and therefore significantly better than in 6M 2023 (80%).
- IKB's total lending volumes at €9.0 billion (Dec 2023: €9.0 billion) due to a selective approach in the current macro environment.

New business by rating (2024 6M)¹⁾

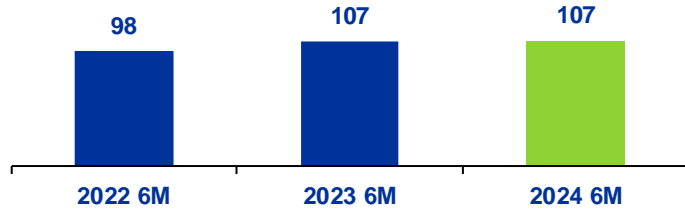


Note: Differences of sums to total numbers may occur due to rounding.

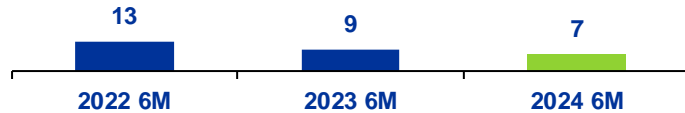
1) S&P equivalent to internal ratings

Stable Banking Revenues in a challenging economic environment

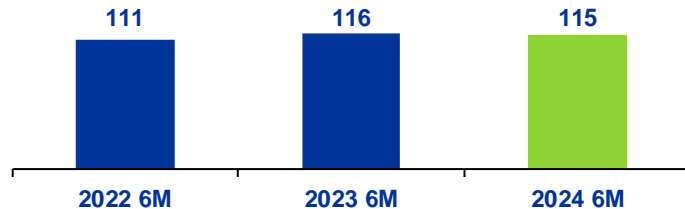
Net Interest Income
(€ million)



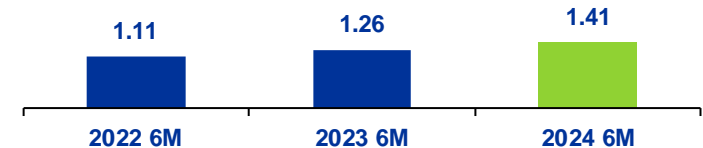
Net Fee and Commission Income
(€ million)



Total Banking Revenues
(€ million)



NIM Credit Volume
(in %)¹⁾



Summary

- Net interest income stable at 107 million (2023 6M: 107 million).
- Net fee and commission income decreased to €7 million (2023 6M: €9 million) due to lower commission income from capital market transactions driven by subdued market activities.
- Total banking revenues stable at €115 million due to steady net interest income.
- The NIM credit volume increased by c.15bps reaching 1.41% in 2024 6M.

Note: Differences of sums to total numbers may occur due to rounding.

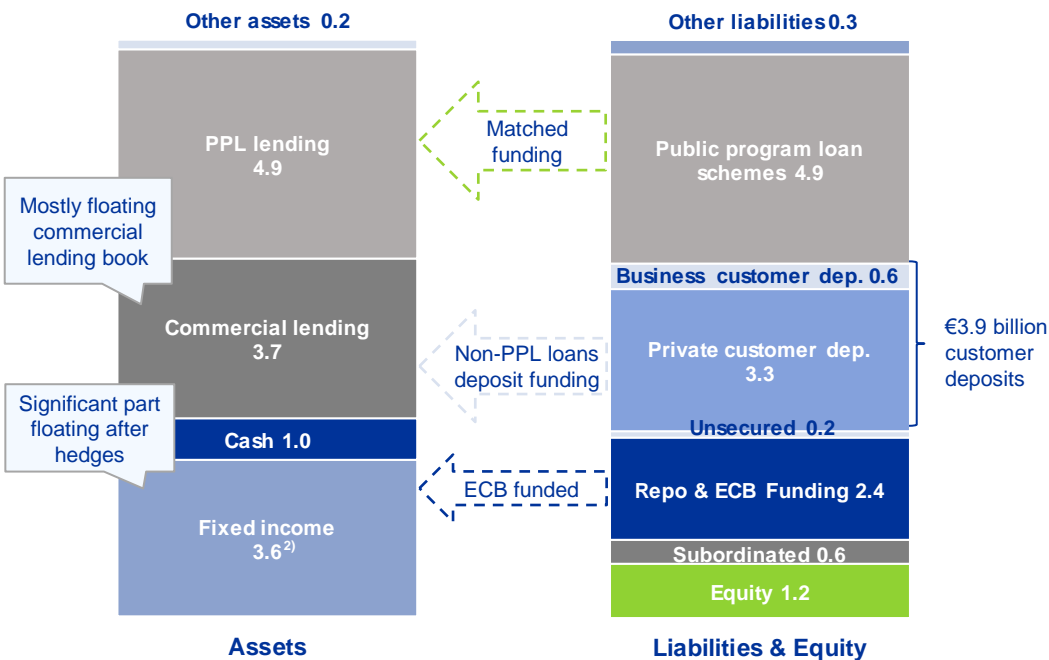
1) NIM credit volume based on group Net interest income.

Interest income stabilisation, with balance sheet positioning for upcoming rates reduction

Balance sheet summary 6M 2024 (€ billion)

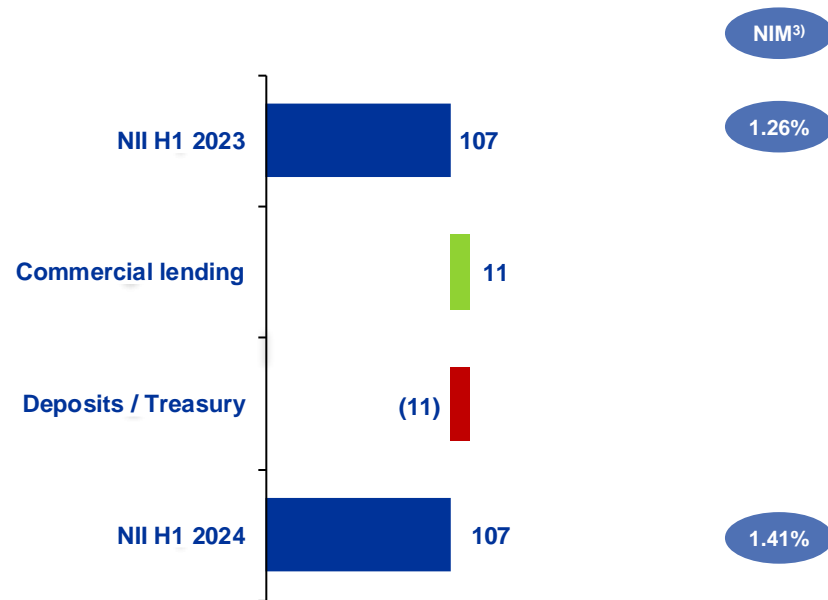
13.4¹⁾
(31 Dec. 2023: 14.5)

13.4¹⁾
(31 Dec. 2023: 14.5)



Interest rate sensitivity and evolution 6M 2024 (€ million)

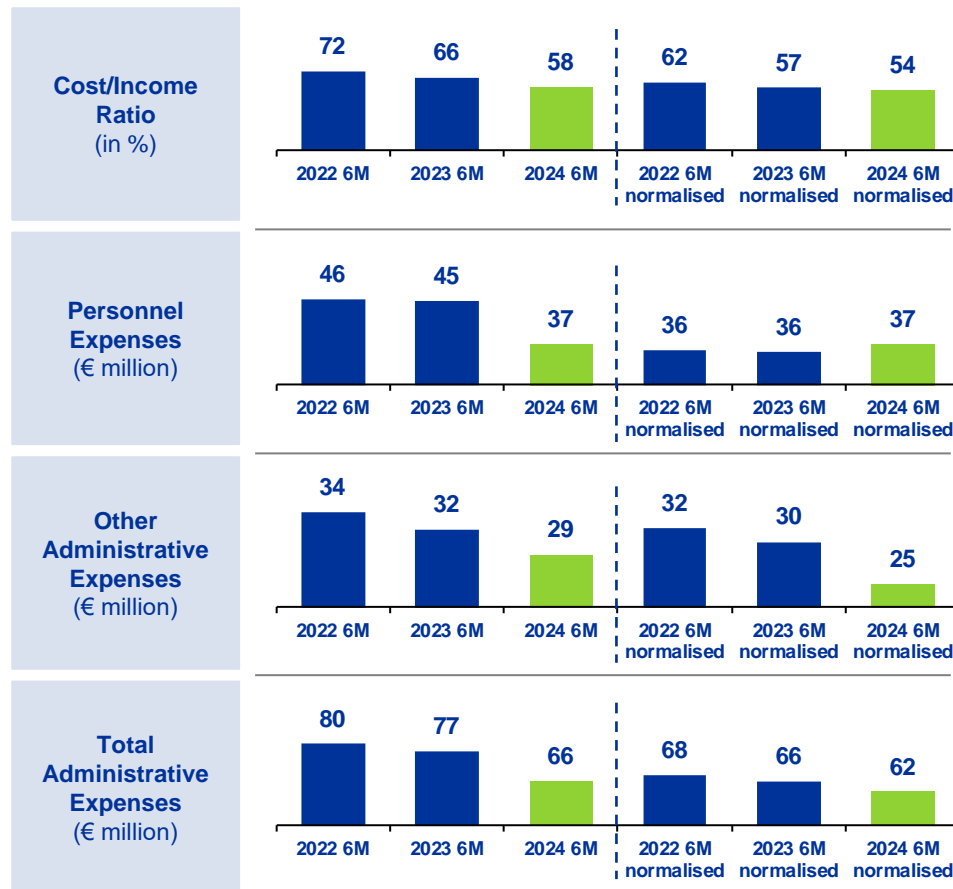
- Interest income expansion in commercial lending due to higher interest rates.
- Net interest income overall stable at €107 million
- Interest rate sensitivity reduced in anticipation of decreasing rates.



Note: Differences of sums to total numbers may occur due to rounding.

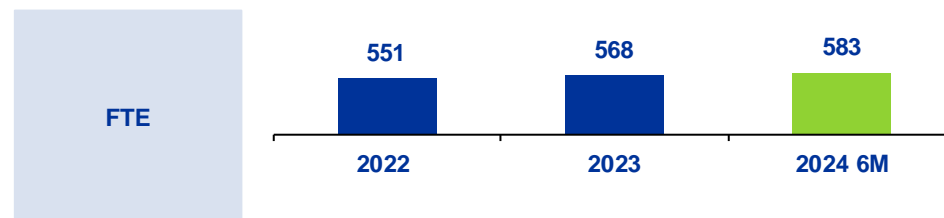
1) Decrease in comparison to 2023 due to optimisation of liquidity management. 2) thereof €3.2 billion ALCO portfolio 3) NIM credit volume based on group Net interest income.

Strict Cost Control – Structural Cost Reductions on Track



Summary

- Continued focus on operating expense reduction; headcount temporarily slightly increased to 583 (FY 2023: 568) due to more junior hires.
- Total administrative expenses of €66 million (normalised at €62 million) significantly lower than in the prior year (€77 million) and in line with the forecast for 2024. The decline is mainly due to the discontinuation of pension fund inflation effects and the European bank levy.
- Normalised Cost/income Ratio of 54% (6M 2023: 57%), decline driven by lower administrative expenses.
- In the medium term, further reductions in administrative expense and expansion in total income are expected to translate into a Cost/income Ratio of around 40%.

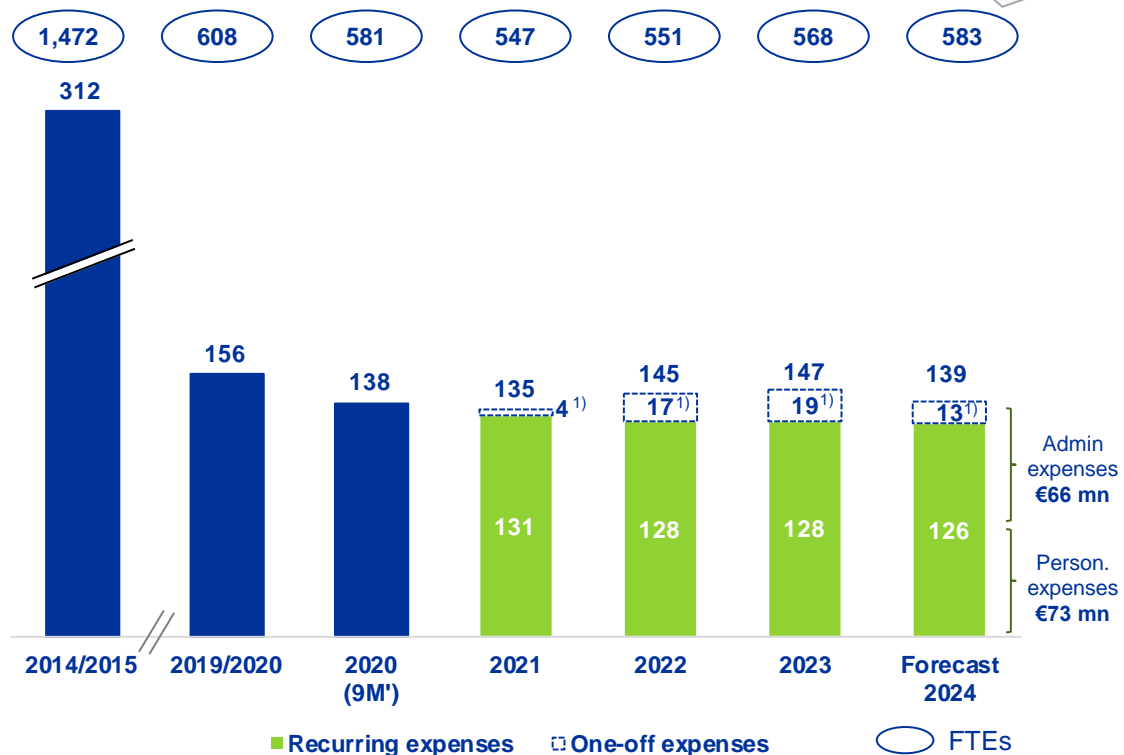


Normalised figures adjusted for inflation-related pension fund expenses (6M 2023: €9 million; 6M 2022: €10 million) and one-offs, mainly project costs (6M 2024: €4 million; 6M 2023: €2 million; 6M 2022: €2 million).

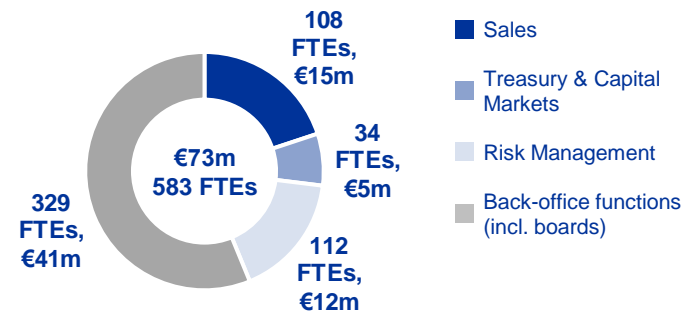
Cost Base Already Significantly Reduced

Total administrative expenses (€ million)

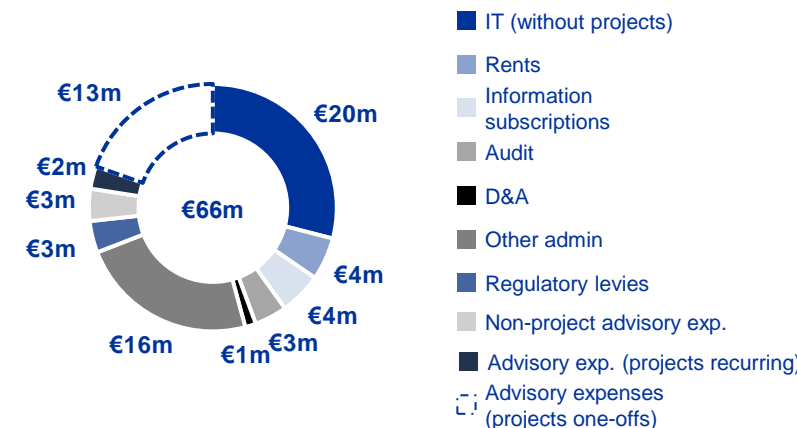
Reflects HR strategy of attracting entry-level employees as well as resources dedicated to strategic projects (e.g. ESG, IFRS conversion).



Personnel expenses (€ million in FC 2024)



Other administrative expenses (€ million in FC 2024)

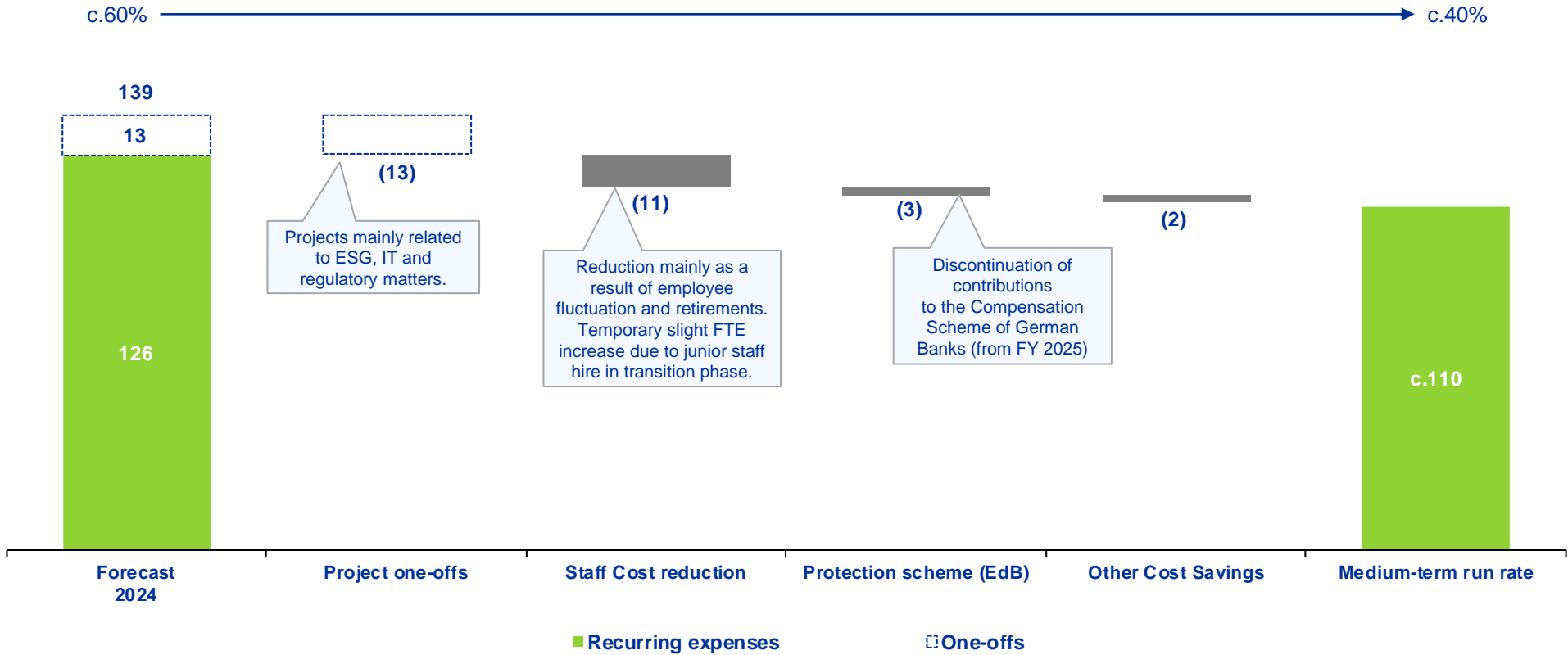


Note: Differences of sums to total numbers may occur due to rounding.

1) Including inflation-related adjustment of pension payments (€3 million in 2021, €13 million in 2022, €10 million in 2023) and one-offs, mainly for projects (€1 million in FY 2021, €4 million in FY 2022, €9 million in FY 2023, €13 million Forecast 2024).

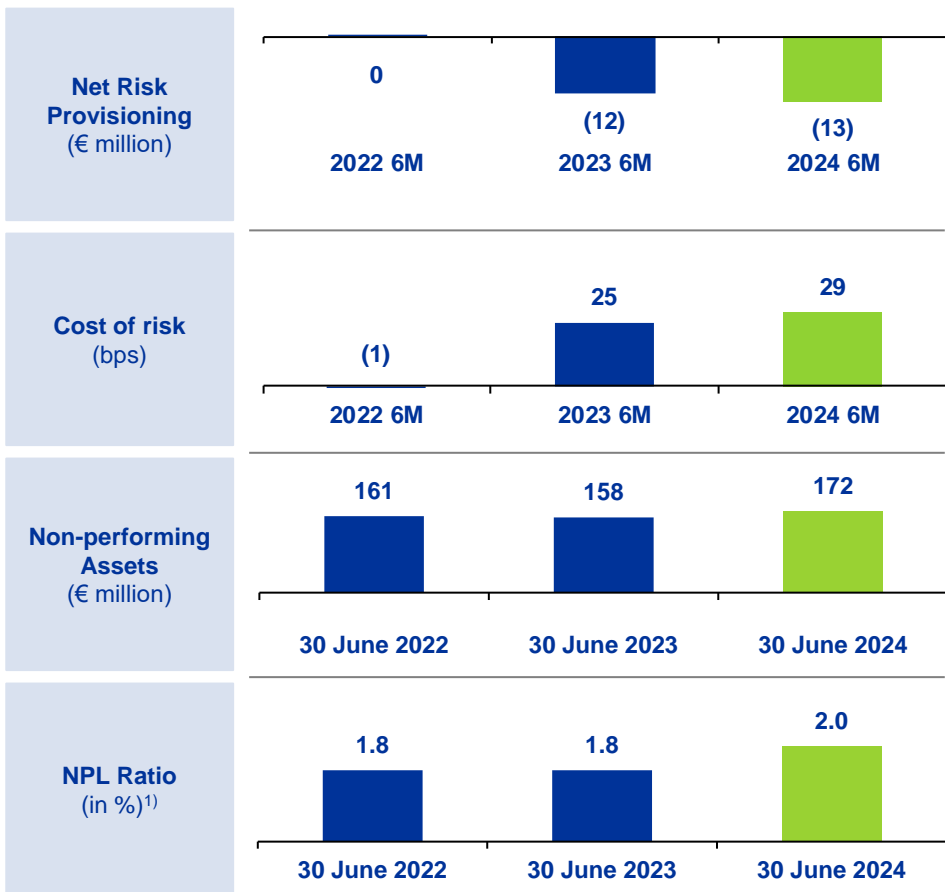
Once cost base has reached steady state, best in Class Profitability will have been achieved

Total administrative expenses (€ million) and Cost/income Ratio (in %)



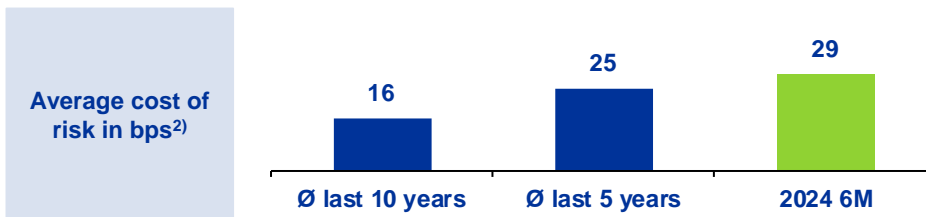
Note: Differences of sums to total numbers may occur due to roundings

Risk Provisioning in Line With Guidance



Summary

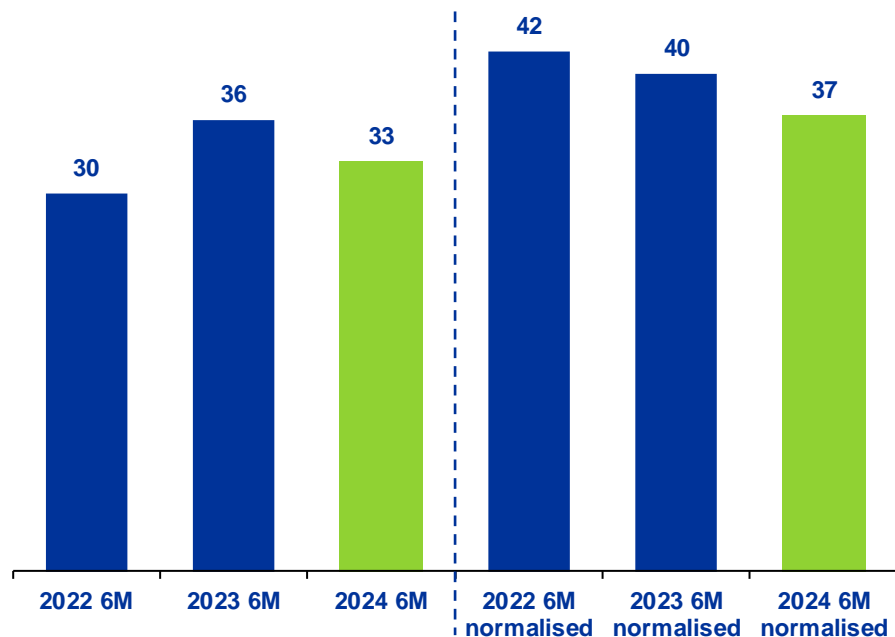
- Net risk provisioning result at €-13 million (plan FY 2024: € -35 million) (FY 2023: €-35 million).
- The runoff portfolio LBO (loan volume € 164 million) and the real estate portfolio (loan volume € 737 million) strictly monitored and under control.
- Cost of risk at 29bps (FY 2023: 37bps) reflective of conservative provisioning amid macro uncertainties. Cost of risk in 2024 expected to remain elevated in line with 2023 before normalising towards c.20 bps in the mid-term.
- Non-performing assets amount to €172 million and remained stable in comparison to Dec 2023 (€172 million), demonstrating IKB's resilient asset quality. Low NPL ratio (EBA definition) of 2.0% (Dec 2023: 2.0%).
- IKB is maintaining its high lending standards in an economic environment characterised by protracted uncertainty.



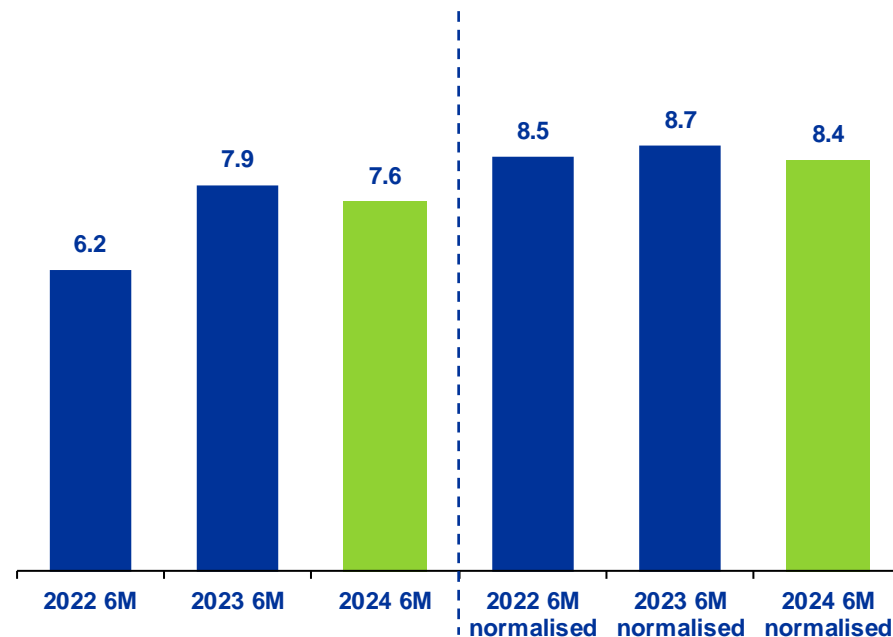
1) NPL ratio according to EBA definition.
 2) Core business lending – 10-year figures excluding Leasing activities.

Medium Term Goal to Increase RoE to Above 10%

Net result (€ million)



RoE (in %)

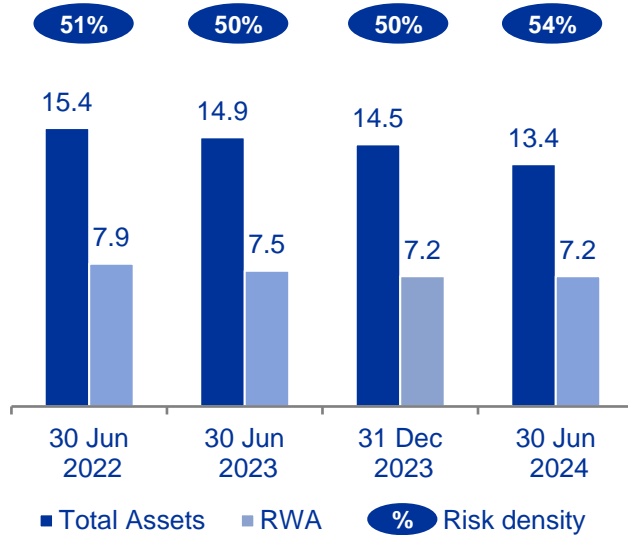


- ▶▶ In 2024 6M financial year, IKB reached a net result of €33 million (circa €37 million normalised for one-offs) in line with the target for the FY 2024.
- ▶▶ Medium term objective to increase RoE after taxes to more than 10%.

2024 6M: normalised for one-off project expense (€4 million).

Organic Capital Generation of c. 40bps Further Strengthens Solid Capital Position

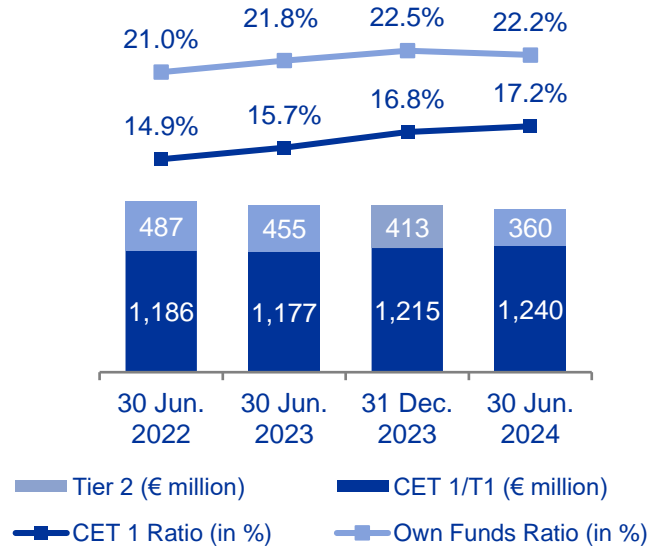
Total Assets and Risk-weighted Assets¹⁾ (fully phased) (€ billion)



Key RWA measures

- RWAs remain at €7.2 billion in HY1 2024.
- Reduction of balance sheet assets with 0% risk weight leads to a higher risk density of 54%.
- Leverage Ratio as of June 2024 at 7.9%.

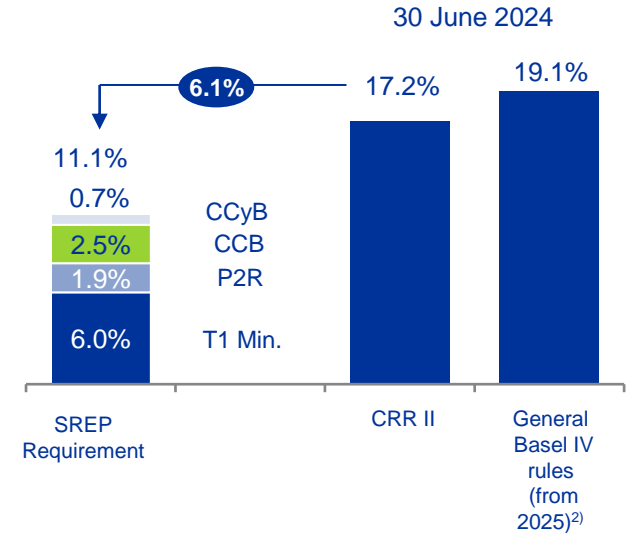
Capital Ratios¹⁾ (fully phased)



Improvement of Capital Position

- CET 1 / T 1 ratio amounted to 17.2%.
- c.40bps of organic capital generation in HY1 2024 driven by profit generation.

T1 Position and Capital Requirements (transitional)¹⁾



Buffers to regulatory requirement

- T1 capital requirements of 11.1%.
- As of 30 June 2024, IKB Group holds a comfortable buffer to T1 requirements of 6.1 pp.

1) IKB Group consolidated; on AG level, IKB is subject to temporary capital add-ons of 200bps on total capital basis.

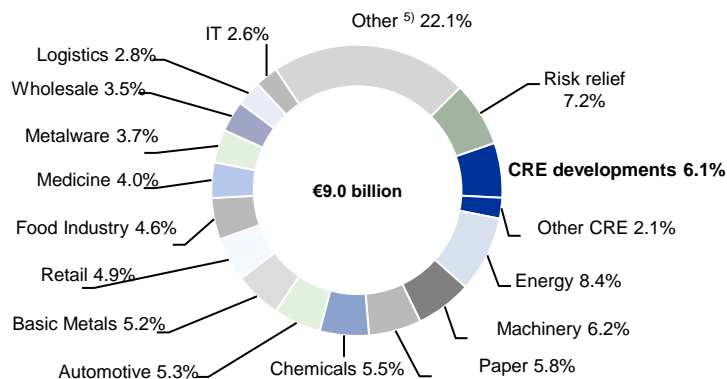
2) "General Basel IV rules" include the core requirements of the Basel IV framework without the "CRR III specific transitional rules".

Resilient Lending Book With a Strong Customer Base

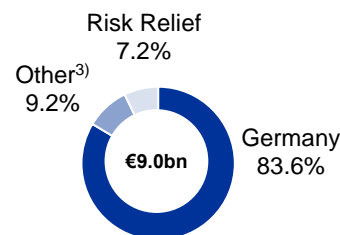
Portfolio Volume and 6M New Business Volume¹⁾ (€ billion)



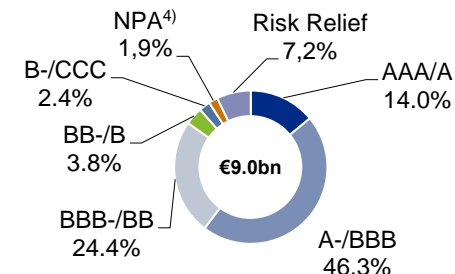
Portfolio by sector (in %)



Portfolio by Geography (in %)



Portfolio by Rating²⁾ (in %)



Commercial Real Estate (CRE)

- Continuous and consistent reduction of real estate loans and commitments.
Loans: Dec 22 €0.9 billion, Dec 23 €0.7 billion, Jun 24 €0.7 billion
Commitments: Dec 22 €0.3 billion, Dec 23 €0.2 billion, Jun 24 €0.1 billion
- Remaining real estate portfolio is strictly monitored and under control.
- No US exposure; 99% of total exposure in Germany
- Loans for CRE developments of €551 million focused on projects in tier 1 cities („A-Cities“), 72% completed or almost completed
- Other CRE exposures of €186 million comprise
 - Loans to CRE developers of €88 million, of which €76 million loan to a subsidiary of a European large cap insurance company with A+ S&P rating
 - Loans to Real Estate investment companies of €98 million

Note: All figures including risk relief (Hermes guarantees, indemnifications, risk transferred).

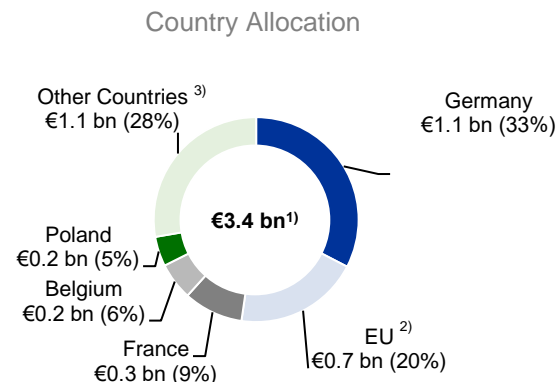
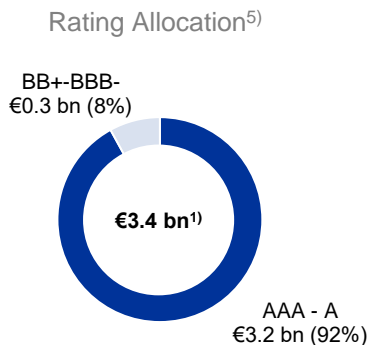
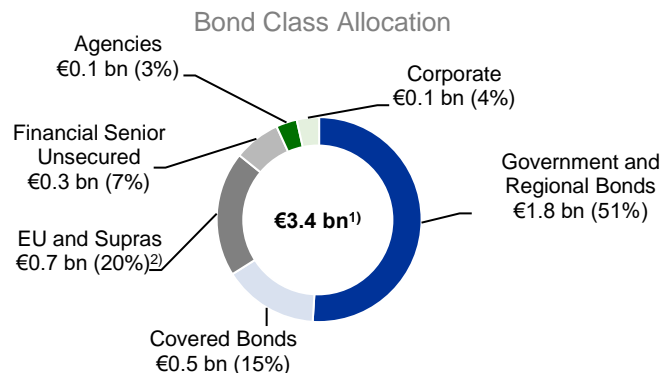
1) Includes also revolving credit facilities volumes in € billion: 0.2 (H1 2022), 0.1 (H1 2023), 0.1 (H1 2024).

2) Mapped to internal ratings. 3) Major countries: Austria, UK, USA, Switzerland, Netherlands

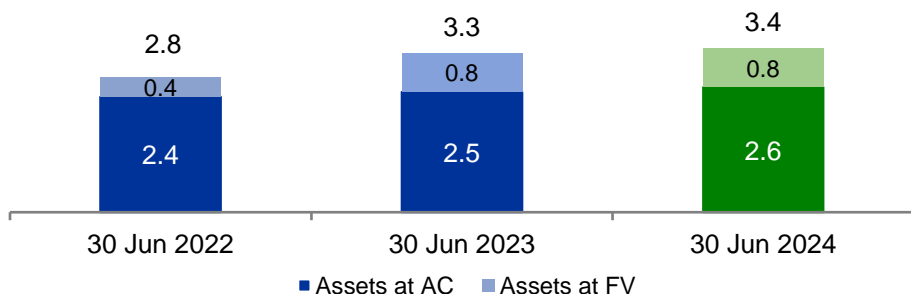
4) NPL-Ratio (EBA definition) 2.0% 5) Consists of 26 different industries each below 2.5%

Well Diversified Liquidity Portfolio

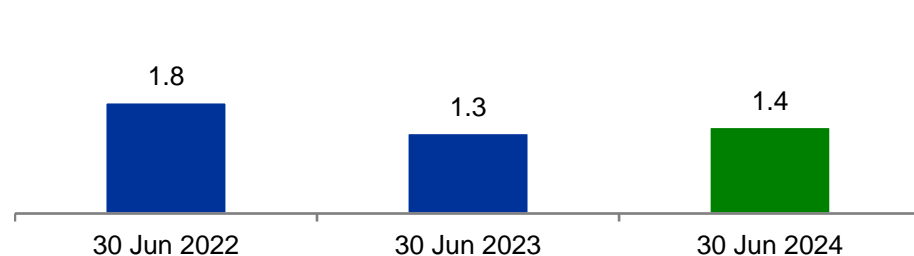
Structure of the Liquidity Portfolio (in %)



Credit Volumes of Liquidity Portfolio (€ billion)



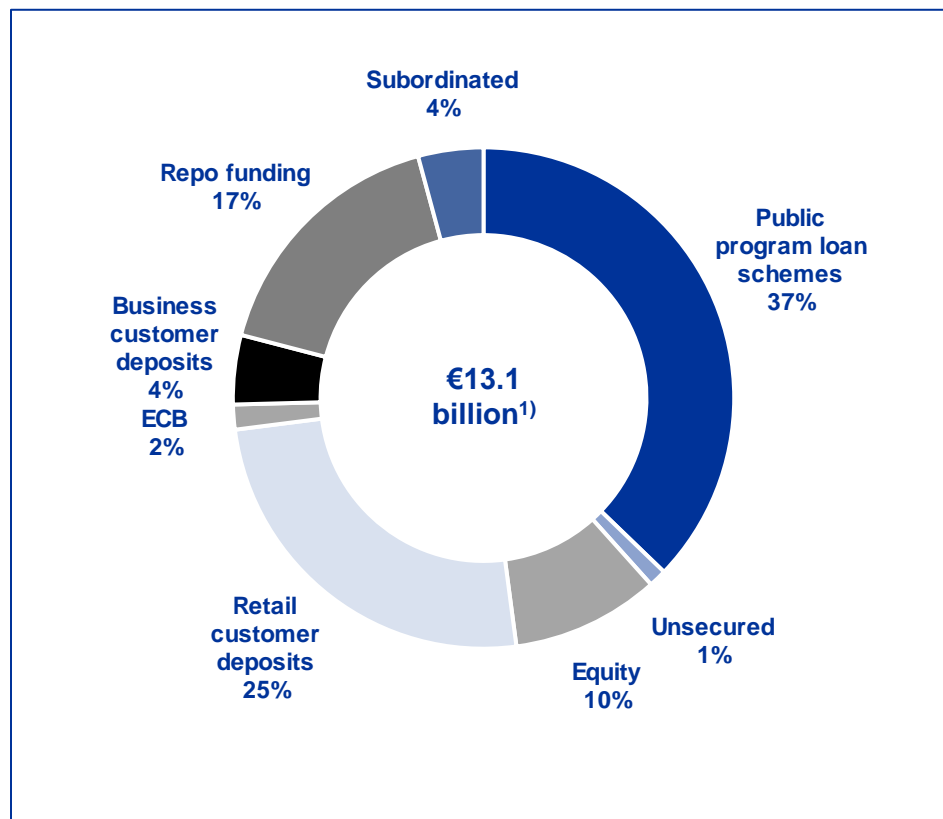
Unencumbered Liquidity Reserve⁴⁾ (€ billion)



1) Fixed income, excluding bonds in loan book and non consolidated IKB balances in non-fixed income securities.
 2) European Investment Bank and European Financial Stability Facility SA
 3) Other countries including Romania, USA, Netherlands, Austria, Hungary
 4) Based on mapped internal ratings.

5) Including cash held with ECB and ECB-eligible loans.

Funding Sources Breakdown



1) Equity and interest-bearing liabilities; €0.3 billion other liabilities (prepaid expenses, pension provisions, etc.) not included.

Funding position

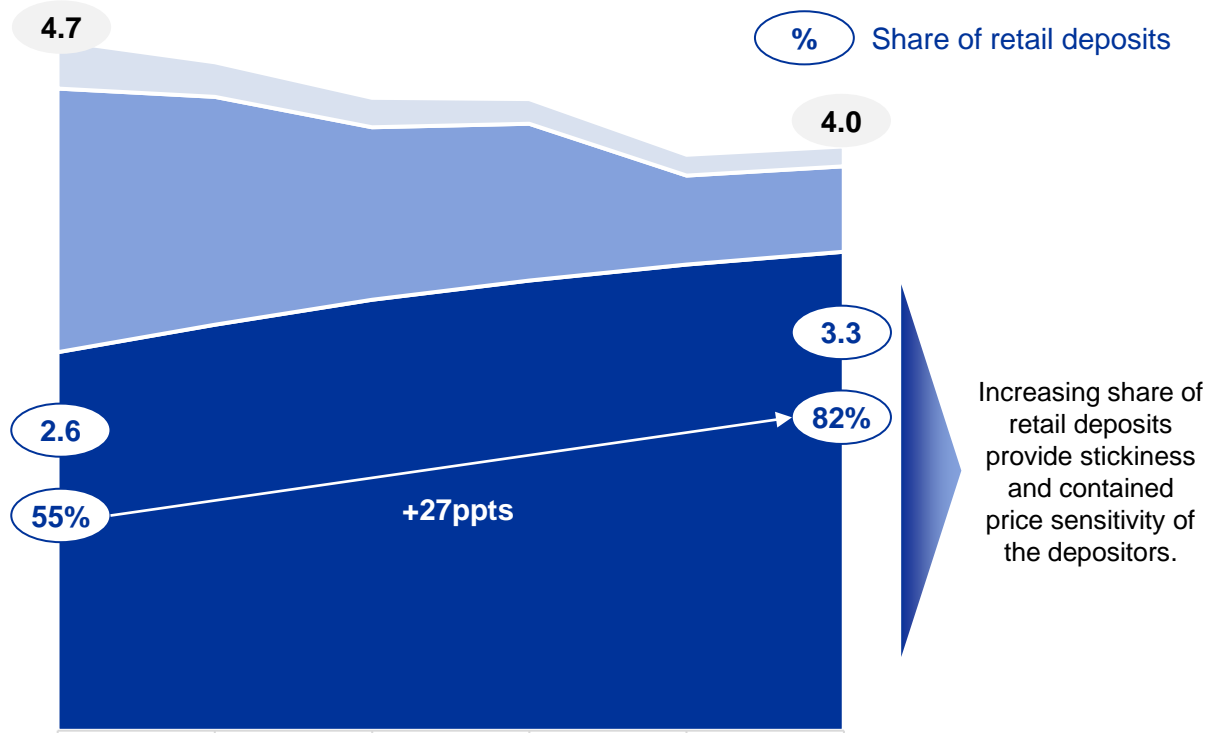
Public Programme Loan Schemes	<ul style="list-style-type: none"> Channeling loans from KfW and regional development banks. Volume of €4.9 billion.
Deposits	<ul style="list-style-type: none"> Stable and cost-efficient private customer deposits: €3.3 billion. Decreasing business customer deposits: €0.6 billion. Promissory note loans: €0.1 billion.
Secured funding/ ECB	<ul style="list-style-type: none"> Financing of liquidity portfolio. Portfolio serves as collateral. Only €0.2 billion remaining ECB's TLTRO III funding.

Liquidity Position

Liquidity Coverage Ratio	<ul style="list-style-type: none"> Group LCR with 201% well above target, slightly below 31 December 2023 (249%).
Net Stable Funding Ratio	<ul style="list-style-type: none"> Group NSFR with 112% well above minimum requirement, slightly below 31 December 2023 (116%).
Liquidity Reserve	<ul style="list-style-type: none"> Approx. €1.4 billion free and unencumbered available liquidity reserve (€1.4 billion as of 31 December 2023).

IKB Has Established a Granular Retail Deposit Base Contributing to Its Diversified Funding

Deposit base evolution (€ billion)



Dez-2021 Jun-2022 Dez-2022 Jun-2023 Dez-2023 Jun-2024

■ Promissory note loans ■ Business customer deposits ■ Private customer deposits

Comments

- Since pivoting into retail refinancing, IKB has experienced strong client retention and has successfully attracted €3.3 billion in retail deposit inflows.
- Retail funding increased by c.€100 million since December 2023.
- Well diversified customer group with c.88k accounts and an average account balance of c.€45k¹⁾.

Increasing share of retail deposits provide stickiness and contained price sensitivity of the depositors.

1) Customers with a positive balance.

Sustainability set as one of IKBs overall strategic goals

1 Governance

- Three-pillar approach: strategy, regulation and products
- Regular ESG Steering Committee with the participation and responsibility of the entire Management Board to implement the initiatives
- Sustainability defined as a strategic overall bank objective with the publication of the 2024 business and risk strategy (in accordance with MaRisk)

2 ESG in the product portfolio

- IKB financing solutions for the transition to a sustainable economy and a more social society
- 2023: Sustainable new business of approx. €0.9 billion financed and approx. €1.7 billion mobilised¹⁾ (33% share of combined new business)
- Target by 2025: To mobilize a sustainable new business volume of €3 to 4 billion
- IKB makes an important contribution to the transformation of German SMEs across all sectors through its development expertise

3 Social responsibility

- Internal & external ESG training for members of the Management Board and Supervisory Board
- 3,897 participation in 378 qualification measures in the 2023 financial year
- Employees from over 22 nations
- Various donation formats for charitable purposes



4 Operational ecology

- From 2019 to 2022: Reduction of operational GHG emissions by approx. 59% according to the VfU indicator system
- Conversion of the central external IT service provider to renewable energy sources
- To date: Recording of scope 1, 2 & 3 upstream (operational emissions)
- Planned: Recording of scope 3 downstream (financed emissions)

5 Alliances and memberships

- IKB has signed up to global and national sustainability targets and regulations:
 - Signatories of the "Charta der Vielfalt e.V."
 - Member of the "United Nations Environment Program"
 - Member of the CDI programme „Cluster Decarbonisation in Industries"
 - Handelsblatt "Fair Company 2022"



6 ESG risk and regulation project

- Ensuring the ability to manage ESG risks and fulfil the regulatory minimum ESG requirements (ESG in the lending process, in the risk management cycle, in the disclosure report and in non-financial reporting)
- Responsibility for the development of ESG data processes and the integration of ESG data into IKB's data repository

1) "Mobilised volume" is the volume arranged by IKB for its clients, which IKB only partially presented through own commitment.

1	Clear Profile as MidCap Specialist	<ul style="list-style-type: none">▪ Focus on core products commercial lending and PPL pursuing a selective lending policy.
2	Profitability before Growth	<ul style="list-style-type: none">▪ Stable operating profit.
3	Cost Reduction	<ul style="list-style-type: none">▪ Administrative expenses in 2024 to be moderately lower than in 2023.
4	Loan Losses	<ul style="list-style-type: none">▪ Budgeting net risk provisioning in lending business at the previous year's level €-35 million.
5	Profitability	<ul style="list-style-type: none">▪ Income before taxes of around €70 million.
6	Capitalisation	<ul style="list-style-type: none">▪ Continue to accrue capital driven by profit generation.▪ Subject to potential future distributions.▪ Leverage Ratio of around 8%.



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Appendix

Segmental Reporting of IKB Group

in € million	PPI		Corporate Bank		Corporate Center		IKB	
	1 Jan. to 30 Jun. 2024	1 Jan. to 30 Jun. 2023	1 Jan. to 30 Jun. 2024	1 Jan. to 30 Jun. 2023	1 Jan. to 30 Jun. 2024	1 Jan. to 30 Jun. 2023	1 Jan. to 30 Jun. 2024	1 Jan. to 30 Jun. 2023
Net interest income	37	37	54	63	17	7	107	107
Net fee and comission income	2	2	4	5	2	2	7	9
Gross income	38	40	58	68	19	9	115	116
Administrative expenses	(18)	(22)	(22)	(21)	(26)	(34)	(66)	(77)
Pre-provision income	20	18	36	47	(7)	(25)	49	39
Provisions for possible loan losses	(7)	5	(7)	(17)	0	0	(13)	(12)
Operating profit	13	22	29	30	(7)	(25)	35	28
Net other income	0	0	(0)	0	(4)	9	(4)	9
Income before taxes	13	22	29	30	(11)	(16)	32	36
Tax income/expenses	(1)	(3)	(3)	(4)	6	6	1	(0)
Consolidated net result	12	19	26	26	(5)	(10)	33	36
New business volume	404	631	641	935	0	0	1,045	1,565
Loans outstanding (end of period)	4,875	5,021	4,104	4,321	5,950	7,538	14,929	16,880
Risk weighted assets	2,565	2,510	3,098	3,266	1,539	1,695	7,201	7,471
Average CET 1 capital at 12%	312	305	369	404	185	205	866	914
Core business NIM (in %)	1.46	1.47	2.64	2.91			1.99	2.13
Cost/income ratio (in %)	46.9	55.3	38.3	31.1			57.6	66.3
Cost of risk (in %)	0.28	(0.18)	0.32	0.76			0.29	0.25
Return on Equity (in %)	7.6	12.8	13.9	13.0			7.6	7.9

Note: Differences of sums to total numbers may occur due to rounding. All ratios without adjustments.

Consolidated Income Statement of IKB Group

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in € million	1 Jan. to 30 Jun. 2024	1 Jan. to 30 Jun. 2024 normalised ¹⁾	1 Jan. to 30 Jun. 2023
Net interest income	107	107	107
Net fee and comission income	7	7	9
Total net banking income	115	115	116
Administrative expenses	(66)	(62)	(77)
<i>Personnel expenses</i>	(37)	(37)	(45)
<i>Other administrative expenses</i>	(29)	(25)	(32)
Pre-provision income	49	52	39
Net risk provisioning	(13)	(13)	(12)
Operating profit	35	39	28
Net other income	(4)	(4)	9
Income before taxes	32	35	36
Tax income/expenses	1	1	(0)
Consolidated net result	33	37	36

Note: Differences of sums to total numbers may occur due to rounding.

1) Normalised for one-off project expenses (€4 million).

Consolidated Balance Sheet of IKB Group

ASSETS in € million	30 Jun. 2024	31 Dec. 2023	EQUITY AND LIABILITIES in € million	30 Jun. 2024	31 Dec. 2023
Cash reserve	5	30	Liabilities to banks	7,370	8,508
Receivables from banks	969	2,255	Liabilities to customers	4,006	3,947
Receivables from customers	8,549	8,562	Securitised liabilities	13	19
Bonds and other fixed-income securities	3,348	3,098	Other liabilities	66	74
Equities and other non-fixed-income securities	299	302	Deferred income	20	23
Equity investments	0	0	Provisions	147	155
Investments in affiliated companies	0	0	Subordinated liabilities	539	546
Intangible assets	1	1	Fund for general banking risks ¹⁾	150	159
Tangible assets	1	2	Equity	1,099	1,066
Other assets	83	89	Subscribed Capital	100	100
Prepaid expenses	31	34	Capital reserves	648	648
Deferred tax assets	119	119	Revenue reserves ²⁾	187	164
Excess of plan assets over post-employment benefit liability	3	7	Net accumulated losses/gains	164	154
Total assets	13,409	14,498	Non-controlling interests	0	0
			Total equity and liabilities	13,409	14,498

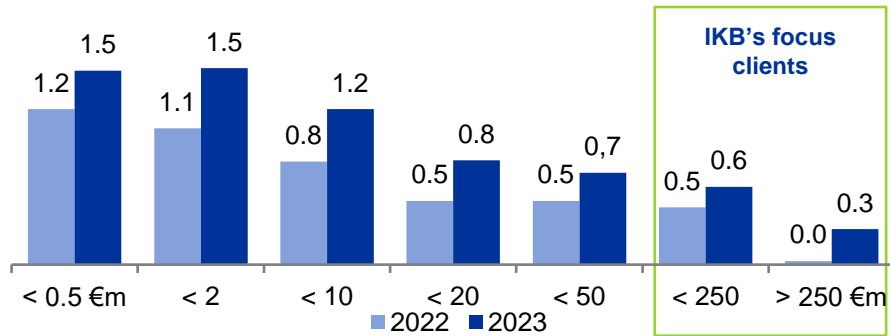
Note: Differences of sums to total numbers may occur due to rounding.

1) Treated as CET 1 capital for regulatory purposes

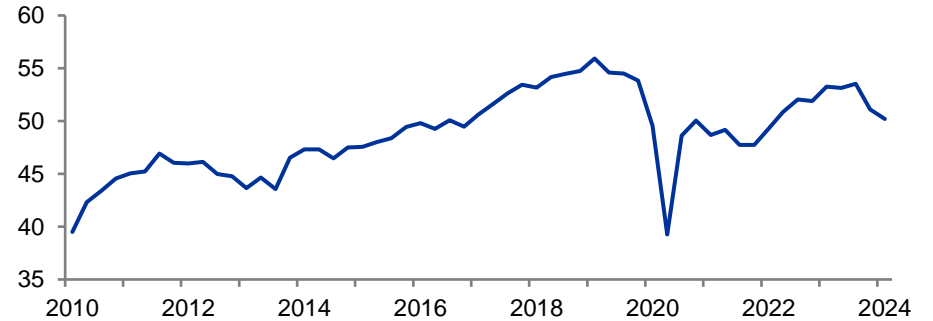
2) Revenue reserves comprises the legal reserves and other revenue reserves

Significant Growth Potential in Corporate Credit Expected from the Transformation of the Economy

Credit default rates of German companies by revenue segment (in %)¹⁾



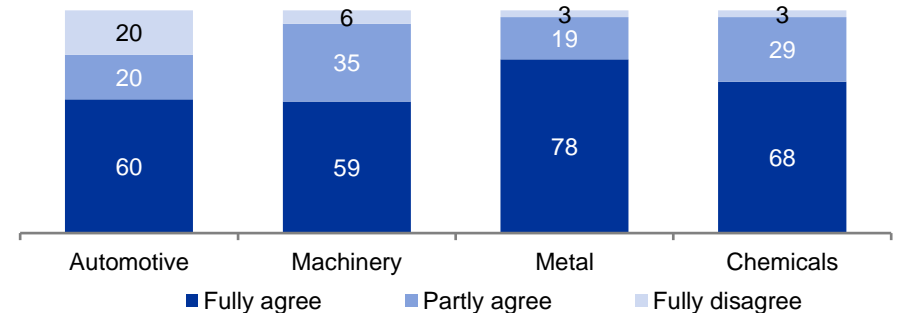
Real private investment in machinery and equipment (€ bn)²⁾



Summary

- There are almost 8,600 companies in Germany with a turnover of over €100 million each. These companies have shown remarkably low and stable default rates.
- As the transformation and economic recovery gains momentum, investment spending is expected to increase sizeably. Demand for loans will benefit from an increase in capital expenditure.
- Funding programmes, for example from KfW, will become increasingly important to achieve the EU's climate goals.
- An IKB survey among its clients has shown that Germany remains an important location for production and investment spending.

IKB client survey for production and investment spending: Germany remains important location (in %)³⁾



1) Source: Creditreform

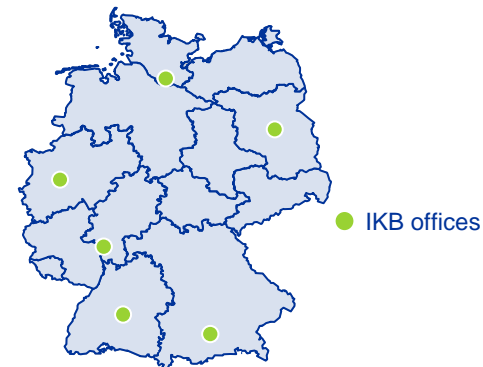
2) Source: German Federal Statistical Office

3) Source: IKB client survey 2023

Very Well Positioned in The German Mittelstand – Focused Business Model And Profitable Products

1	Client Focus	<ul style="list-style-type: none">▪ Focus on high end Mittelstand companies, i.e. internationally successful companies, 'backbone' of the German economy.▪ Clearly defined clients with annual turnover above €100 million.▪ Diversified client base across industries.▪ Investment demand driven by high level of innovation.
2	Product Focus	<ul style="list-style-type: none">▪ Strong commercial lending expertise.▪ Long-standing experience in public programme loans.▪ 8.9% market share of the public programme loans by KfW Bankengruppe in new business.
3	Low Risk	<ul style="list-style-type: none">▪ Long-standing client relationships, profound market knowledge and deep insight in industry sectors.▪ Favourable risk profile: German MidCaps have relatively stable and conservative balance sheets with global diversification on the demand and supply side.
4	Profitable	<ul style="list-style-type: none">▪ Focus on profit ahead of growth.▪ Outstanding expertise in tailor-made solutions driving higher margins.▪ Lending business with strict price and risk discipline.
5	Solid	<ul style="list-style-type: none">▪ Very solid capital position, diversified funding.
6	Lean	<ul style="list-style-type: none">▪ Strict cost control, further improvement of Cost/income ratio.

Key Facts¹⁾



Based in
Düsseldorf with
6 branches
across Germany

FTE: 583

Financing partner for almost
100 years

1) as at 30 June 2024

Rating Review of Moody's And Fitch

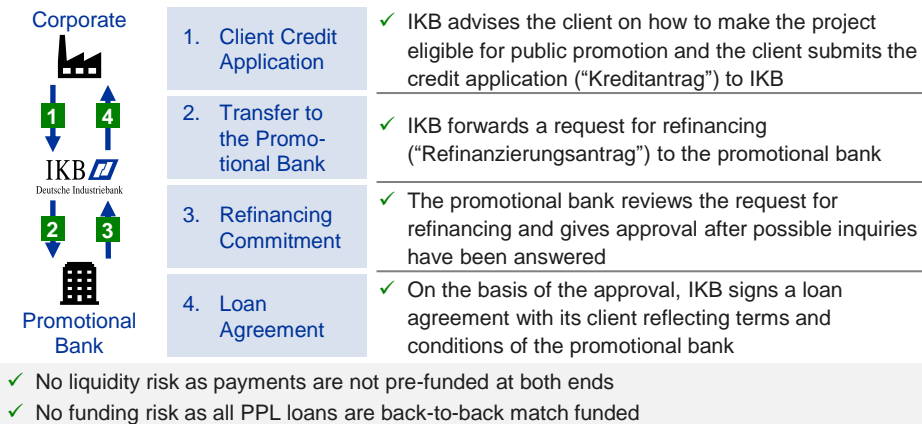
Bank Ratings		Moody's	Fitch
Counterparty Risk Rating	Long-term	A3	NR
	Short-term	P-2	NR
Issuer Credit Rating	Long-term	Baa2 (Outlook: negative)	BBB- (Outlook: stable)
	Short-term	P-3	F3
Deposit Rating	Long-term	Baa2 (Outlook: negative)	BBB- (Outlook: stable)
	Short-term	P-3	F3
Stand-alone Rating		baa3	bbb-

- In June 2024 Moody's confirmed IKB's investment grade rating (baa3 stand-alone rating), highlighting IKB's improved capitalization and acknowledging its continued good asset quality.
- Furthermore, Moody's downgraded IKB's issuer and deposit rating from Baa1 to Baa2 following the buyback of preference stock and the maturity of junior unsecured debt. The outlook remains negative, reflecting potential downwards pressure on the bank's intrinsic strength.
- In March 2024 Fitch confirmed its BBB- deposit and issuer rating with a stable outlook.

Overview

- Multiple promotional banks such as KfW, the 16 German regional state-owned promotional banks or European promotional banks offer funding at favourable conditions for investments eligible to public programme loan schemes, transmitting their lower funding costs to borrowers.
 - KfW is the most significant provider of PPL funding and MidCaps represent a key public policy area for the German government.
- Typical uses of PPL funding include long-term investments or specialty funding, particularly in environmental sustainability and energy.
- Such funding is attractive for borrowers as it allows them to lock in long term funding at favourable terms and conditions with no possibility that it can be withdrawn during the lifetime of the loan against the objection of the borrower.
 - Borrowers need to make sure that investment is in adherence with the strict requirements of the programme loan schemes.
- Promotional banks rely on commercial on-lending banks such as IKB for origination, application, risk taking and administration and provide matched funding.
- IKB has a strong competitive advantage in PPL lending as a top 3 provider in Germany.
 - In-depth knowledge of all available programs, thorough understanding of the application processes, established relationships with the promotional banks, dedicated structuring teams and fast and reliable processes are key competitive advantages for IKB.

Application and Funding



Credit Risk

Ordinary Programmes	<ul style="list-style-type: none"> ✓ In general, PPL credit risk does not differ from commercial loans as PPL does not include risk mitigation and on-lending banks bear the full credit risk ✓ However, some promotional programmes offer optional risk mitigation or partial subordination of up to 50% <ul style="list-style-type: none"> - IKB rarely uses this option as the application process is quite complicated and the on-lending margin is significantly reduced
COVID-19 KfW Special Programmes	<ul style="list-style-type: none"> ✓ In response to COVID-19, KfW set up special programs to provide additional liquidity to German corporates ✓ These programs offer standardized non-optional risk mitigation between 80% and 100% ✓ IKB mainly accesses the KfW Corporate loan: <ul style="list-style-type: none"> - Limited to €100 million per company - Standardized term loan (fixed interest, amortizing) with maturities up to 6 years - Fully refinanced by KfW - 80% covered by state guarantee - 2% and 2.12% interest rate according to KfW pricing grid

Glossary

Key parameter	Explanation	
Banking Revenues	Net interest income plus net fee and commission income	
CAGR	Compound Annual Growth Rate	
Net Stable Funding Ratio (NSFR)	Medium to long-term liquidity	
Total administrative expenses	Personnel expenses plus other administrative expenses (incl. levy) plus D&A	
Commercial lending	Loans and bonds in segment Corporate Bank	
Corporate Loans	Public Programme Loans and Commercial lending	
Key ratio	Numerator	Denominator
CET 1 Ratio	Regulatory Common Equity Tier 1 capital (CET 1)	Regulatory risk-weighted assets
NIM Credit Volume	Net interest income of segments Public Programme Loans and Corporate Bank	Average segmental Public Programme Loans and Corporate Bank Loans and Corporate Center Loans (incl. Treasury) outstanding
Cost/income Ratio	Total administrative expenses (incl. D&A and levy)	Banking revenues
Cost of Risk	Net risk provisioning	Average value of the loan book
Leverage Ratio	Largely unweighted sum of on-balance-sheet and off-balance-sheet transactions	Regulatory Common Equity Tier 1 capital
Liquidity Coverage Ratio	Highly liquid assets (liquidity buffer)	Short-term net liquidity requirements, quantified as the net amount of all weighted cash inflows and outflows in the next 30 calendar days
Loan to Value	Loan amount	Market value or fair value of an asset
NIM	Group Net Interest Income	Average balance sheet total
Return on Equity (RoE)	Consolidated net result	Equity derived from a 12-percent imputed capital charge for risk-weighted assets in accordance with the CRR
Risk Density	Risk-weighted assets	Total assets

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