

Ad hoc statement according to §15 German securities law

Dublin/Frankfurt, 14 February 2006.

DEPFA BANK raises dividend by 47%

DEPFA BANK plc today released its preliminary full year 2005 results. The net profit of € 475 m for the full year is 11% below the previous year's level which was enhanced by a one-time net profit of € 50 m. Investments in new products and the expansion of the regional presence were a prominent feature of 2005. Dividend will be raised from 17 to 25 cents per share (+47%). Segment reports are published for the first time. Business is divided into Budget Finance, Infrastructure Finance, Client Product Services (CPS) and Global Markets. In 2005 Budget Finance advanced to € 351 m (+18%) while Global Markets declined to € 316 m (-29%). For the segments Budget Finance, Infrastructure Finance and CPS DEPFA expects double-digit growth-rates in 2006. Overall a net return on equity of 20-25% is targeted. DEPFA has established a new Risk Committee of the Board of Directors, which is headed by Thomas Kolbeck who is stepping down from his position as Deputy CEO. Matthias Mosler has taken over as Deputy CEO. Rolf Hengsteler, Member of the Executive Committee, has become the Chief Risk Officer (CRO) of the Group.

Unaudited group figures 2005 (IFRS)

	2005	2004	Change
	EUR m	EUR m	%
Net interest income	422	417	1.2
Net fee and commission income	20	19	5.3
Gains less losses from investment securities	480	357	34.5
Net trading income	-115	41	
Other operating income	7	3	
Net operating income before impairment losses	814	837	-2.7
Impairment losses on loans and advances	-3	0	
Operating expenses	-215	-182	18.1
Profit before income tax	596	655	-9.0
Income tax expenses and minorities	-121	-121	
Group net income	475	534	-11.0