

Ad hoc statement according to §15 German securities law

Dublin/Frankfurt, 31 July 2006.

DEPFA BANK with strong growth in high quality earnings

DEPFA BANK plc today released its second quarter 2006 results. With a net profit of € 140 m it is the best quarterly result ever. The client segments combining Budget Finance, Infrastructure Finance and Client Product Services made up 84% of pre-tax profit in the second quarter versus 77% in the first quarter. Net interest income showed a healthy improvement to € 110 m, which confirmed the upwards trend of the year. Net fee and commission income more than doubled to € 12 m (from € 5 m). The trading result reached € 41 m and gains from sale of financial assets totalled € 67 m. Total expenditure showed a headline figure of € 56 m which represents a slight fall of € 2 m against the first quarter 2006. The RoE of 23% after tax is well within the profit target for the full year, the cost/income ratio stood stable at 24%.

Group figures Q2 2006 (IFRS)

	Q2 2006	Q2 2005	Change
	EUR m	EUR m	
Net interest income	110	96	14.6%
Net fee and commission income	12	5	140.0%
Net trading income	41	-181	
Gains less losses from financial assets	67	292	-77.1%
Other operating income	-	4	
Total operating income	230	216	6.5%
Operating expenses	-56	-52	7.7%
Profit before taxes	174	164	6.1%
Profit after taxes	140	126	11.1%