

Ad hoc statement according to §15 German securities law

Dublin/Frankfurt, 2 November 2005.

DEPFA BANK's net profit in Q3 set to fulfil full year 2005 target

DEPFA BANK plc released its third quarter results 2005 today. With a net profit of € 130 m in the third quarter and € 376 m in the first nine months DEPFA is on course to achieve a total net profit above the € 500 m mark for fiscal year 2005. Total revenues in the third quarter of 2005 reached € 222 m, up 11%. Net interest income amounted to € 97 m, net commission income stood at € 16 m and income from sale of assets amounted to € 93 m. The trading result stood at € 16 m and new business volumes reached € 20 bn. Administrative expenditure increased by 32% year-on-year to € 54 m. The cost income ratio stands at 24.3%. DEPFA has been in active discussions with Moody's and S&P over the past 12 months in relation to the bank's plans to enter the Financial Guaranty Business. The goal to achieve triple A ratings for this business was based on the clear focus of DEPFA's business model, its triple A rated covered bond programs and the low risk profile of the bank overall. However, preliminary feedback received from the rating agencies indicates that adjustments to the business model will be required to achieve the desired rating. In light of this situation, DEPFA BANK puts its plans for the Financial Guaranty business on hold for the time being.

Group figures in the third quarter of 2005

	Q3 2005	Q3 2004	Change
	EUR m	EUR m	
Extended net interest income	97	110	-11.8%
Net commission income	16	14	14.3%
Trading result	16	3	
Income from sale of assets	93	73	27.4%
Total revenues	222	200	11.0%
Administrative expenditure	-54	-41	31.7%
Income before taxes	168	154	9.1%
Group net income	130	129	0.8%
Cost/income ratio	24.3%	20.5%	