

TERMS SHEET

18 November 2009

To:

KfW
Palmengartenstraße 5-9
D-60325 Frankfurt am Main
Germany

KfW - A\$ 10,000,000,000 NOTE PROGRAMME

We hereby confirm the following agreement for the issue to us of Notes, each having the terms and conditions set out below, and otherwise in accordance with the terms and conditions of the Deed of Terms and Conditions dated 16 March 2004 made by the Issuer, the Manager and the Registrar. Terms not defined herein have the meanings given to them in the Deed of Terms and Conditions.

The Notes are to be consolidated and form a single Series with the Issuer's A\$300,000,000 6.00% Notes due 28 March 2017, issued on 28 March 2007 and A\$200,000,000 6.00% Notes due 28 March 2017, issued on 15 September 2009:

Overall Note Details

Issuer:	KfW
Principal Amount (face amount) on the Issue Date of each Note:	A\$1,000 (Note: subject to minimum consideration within Australia of A\$500,000)
Number of Notes to be issued:	350,000 (to be consolidated and form a single Series with the 300,000 Notes comprising the Issuer's A\$300,000,000 6.00% Notes due 28 March 2017, issued on 28 March 2007 and the 200,000 Notes comprising the Issuer's A\$200,000,000 6.00% Notes due 28 March 2017, issued on 15 September 2009)
Total Principal Amount of the Series:	A\$850,000,000 (being the Total Principal Amount of this tranche, the A\$300,000,000 6.00% Notes due 28 March 2017, issued on 28 March 2007 and the A\$200,000,000 6.00% Notes due 28 March 2017, issued on 15 September 2009).
Type of Notes:	☐ Amortised Notes ☐ Dual Currency Notes ☒ Fixed Rate Notes ☐ Floating Rate Notes ☐ High Interest (premium) Notes ☐ Indexed Notes ☐ Low Interest (discount) Notes

- ☐ Structured Notes
- ☐ Zero Coupon Notes
- ☐ Other (specify)

Maturity Date: 28 March 2017

Issued at: ☐ Par
☒ Discount
☐ Premium

Purchase Price: A\$341,355,000 (being 97.530 per cent. of Principal Amount of A\$350,000,000)

Issue Price: 96.821 per cent. of the Principal Amount of A\$350,000,000 (plus accrued interest of 53 days of A\$3,073,000)

In the event the Tenor of the Note consists of a number of days which is not evenly divisible by the number of whole months in the Interest Period, the Aggregate Purchase Price of the Note will take into account the interest owed for days not in the Tenor of the Note (in the event the number of months is rounded up) or interest not owed for days in the Tenor of the Note (in the event the number of months is rounded down).

Issue Date: 20 November 2009

Business Day: Sydney

Listing: ASX

Business Day Convention: Following

Clearing System (if any): ☒ Austraclear
☒ Euroclear
☒ Clearstream Banking
☐ Other (specify): _____

On admission to the Austraclear System, interests in the Notes may be held through Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear") or Clearstream Banking, société anonyme ("Clearstream, Luxembourg"). In these circumstances, entitlements in respect of holdings of interests in the Notes in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as a nominee of Euroclear while entitlements in respect of holdings of interests in the Notes in Clearstream, Luxembourg would be held in the Austraclear System by ANZ Nominees Limited as nominee of Clearstream, Luxembourg.

The rights of a holder of interests in Notes held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, Luxembourg, the terms and conditions of agreements between Euroclear and Clearstream, Luxembourg and their respective nominee and the rules and regulations of the Austraclear System.

Interest Calculation and Payment, Repayment

(a) Amortised Notes

Redemption Amount: N/A

Redemption Price: N/A
Reference Price: N/A
Other details (specify): N/A

(b) **Dual Currency Notes**

Rate of Exchange: N/A

Determination of:

- ♦ rate of interest: N/A
- ♦ accrual of interest: N/A
- ♦ interest amounts: N/A
- ♦ interest payment dates: N/A
- ♦ other (specify): N/A

(c) **Fixed Rate Notes**

Fixed Interest Rate(s): 6.00 per cent. per annum

Interest Payment Dates: 28 March and 28 September in each year, from and including 28 March 2010, to and including the Maturity Date (subject to adjustment in accordance with clause 8.6 of the Deed of Terms and Conditions)

Redemption Amount: A\$1,000 per Note (100 per cent of the face Principal Amount)

Day Count Fraction:

- ☐ Actual/365 (fixed)
- ☐ Actual/365 or Actual/Actual (ISDA)
- ☐ 30/360, 360/360 or Bond Basis
- ☒ RBA Bond Basis
- ☐ 30E/360 or Eurobond Basis

(d) **Floating Rate Notes**

Floating Rate Basis: ☐ Bank Bill Rate
☐ Other (specify and detail source and procedures if not available)

Manner of determination:

- ☐ *ISDA Determination:*

- ♦ Floating Rate Option: N/A
- ♦ Designated Maturity: N/A
- ♦ Reset Date
 - ☐ BBSW
 - ☐ LIBOR
 - ☐ EURIBOR
 - ☐ Other (specify)
- ♦ Determined by
 - ☐ Manager
 - ☐ Other (specify)

or:

☐ *Screen Rate Determination*

- ♦ Reference Rate
 - ☐ BBSW
 - ☐ LIBOR
 - ☐ EURIBOR
 - ☐ Other (specify)
- ♦ Relevant Screen Page: N/A _____
- ♦ Determined by
 - ☐ Manager
 - ☐ Other (specify)

Margin(s) to Floating Rate Basis: +/- ____ per centum per annum

Minimum Interest Rate: N/A

Maximum Interest Rate: N/A

Interest Payment Dates: N/A

Additional Business Centre: N/A

Redemption Amount: N/A

Day Count Fraction:

- ☐ Actual/365 (fixed)
- ☐ Actual/365 or Actual/Actual (ISDA)
- ☐ 30/360, 360/360 or Bond Basis
- ☐ RBA Bond Basis
- ☐ 30E/360 or Eurobond Basis

Interest Determination Date: N/A

(e) High Interest (premium) Notes

Premium: N/A

Interest Rate see:

- ☐ (c)
- ☐ (d)

Amortisation Yield: N/A

Reference Price: N/A

Other details (specify): N/A

(f) **Indexed Notes**

Index: N/A

Specify method of calculation of Variable Indexed Amount: N/A

Details to include:

- ◆ Source for index N/A
- ◆ Person responsible for calculations N/A
- ◆ Provision for calculation on early redemption, where reference to Index or formula is impossible or impracticable etc) N/A

Base Index Figure \$: N/A

Interest Payment Dates: N/A

Redemption Amount: N/A

(g) **Low Interest (discount) Notes**

Discount Rate: N/A

Interest Rate see: ☐ (c)
☐ (d)

Amortisation Yield: N/A

Reference Price: N/A

Other details (specify): N/A

(h) **Structured Notes**

Describe characteristics N/A

(Give details including, as required, source, calculation arrangements, alternatives etc)

(i) **Zero Coupon Notes**

Redemption Price N/A

Amortisation Yield N/A

(j) **Other Options** (Give details) N/A

Other Issue Details

Partly Paid Notes (details): N/A

Special Issuance Instructions: N/A

Other Special Conditions including, as appropriate:

Events Affecting Maturity N/A

Put option (early redemption at the option of the Noteholders) (give details): N/A

♦ Clause 9.3 applies: ☐ Yes ☐ No

♦ Put Option Date(s)

or

Put Option Period N/A

♦ Put Option applies to all Notes in Series

or

Details of Notes to which Put Option applies N/A

Maturity Extension Option (option of the Noteholder to extend maturity, at the offer of the Issuer) (give details): N/A

Minimum notice

Other:

Application has been made for the Notes to be listed on the Australian Stock Exchange.

In relation to the Notes, the following additional terms and conditions shall apply:

In the fourth paragraph of clause 2.2 of the Deed of Terms and Conditions, the words "Australian System" are deleted and replaced with the words "Austraclear System".

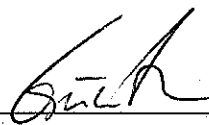
The above details are confirmed by the Issuer, in respect of:

ISIN: AU0000KFWHK7

Series ID: KfW 209



Klaus-Peter Eitel
Vice President



Normen Günther
Senior Manager

18 November 2009