

INDEPENDENT AUDITORS' REPORT



KPMG LLP
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Independent Auditors' Report

President and Board of Directors
International Finance Corporation:

We have audited the accompanying consolidated balance sheets of the International Finance Corporation (IFC) as of June 30, 2012 and 2011, including the consolidated statement of capital stock and voting power as of June 30, 2012, and the related consolidated income statements and statements of comprehensive income, changes in capital, and cash flows for each of the fiscal years in the three-year period ended June 30, 2012. These consolidated financial statements are the responsibility of IFC's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of IFC as of June 30, 2012 and 2011, and the results of their operations and their cash flows for each of the fiscal years in the three-year period ended June 30, 2012 in conformity with accounting principles generally accepted in the United States of America.

We have also examined in accordance with attestation standards established by the American Institute of Certified Public Accountants, management's assertion, included in the accompanying *Management's Report Regarding Effectiveness of Internal Control Over External Financial Reporting*, that IFC maintained effective internal control over external financial reporting as of June 30, 2012, based on criteria established in *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated August 9, 2012 expressed an unqualified opinion on management's assertion.

The KPMG LLP logo features the letters 'KPMG' in a stylized, bold font, followed by 'LLP' in a smaller, simpler font. The letters are white and set against a dark, textured background.

Washington, DC
August 9, 2012