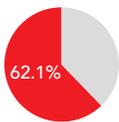
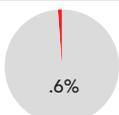


CONFERENCE ON JEWISH MATERIAL CLAIMS AGAINST GERMANY

SUMMARY OF FINANCIAL STATEMENTS YEAR ENDED 2010

The following is a summary and explanation, prepared by the Claims Conference, of the 2010 Financial Statements. Amounts are rounded and may not equal totals due to rounding. The audited Financial Statements are available by calling or writing the Claims Conference or on our website: www.claimscon.org.

Revenues Year Ended December 31, 2010

Direct Compensation to Survivors ¹	\$335 million	
Income Regarding Property ²	\$104 million	
Implementation of Social Welfare Programs ⁴	\$80 million	
Reimbursement of Administrative Expenses ⁵	\$8 million	
Reimbursement for Implementation of Technical Services ⁶	\$3 million	
Other ⁷	\$8 million	
Total-Statement of Activities	\$538 million	
Funds from Swiss Banks Settlement for Payments to Account Holders and Heirs ⁸	\$99 million	
Total Funds Received	\$637 million	

¹ Direct Compensation to Survivors is composed of revenue used to make individual compensation payments to survivors; primarily German Government funding for the Article 2 Fund, Hardship Fund, and Central and Eastern European Fund. This funding is for payments to individual survivors under programs administered according to specific criteria set by the German government. These funds are transferred directly to individual eligible survivors.

² Income Regarding Property refers to the funds generated by the Successor Organization, which recovers and sells or receives compensation for unclaimed Jewish property in the former East Germany. It is comprised of: (a) Sale of and compensation for restituted property (\$100 million), (b) Special cases (Wertheim claims) (\$17 million), (c) Net change

in unsold restituted properties (negative \$15 million), and (d) Rental income (\$3 million) which refers to rental income from Successor Organization property before it is sold (net of certain maintenance expenses).

⁴ Implementation of Social Welfare Programs refers to funds received by the Claims Conference to fund social welfare grants primarily for in-home services on behalf of the German government.

⁵ Reimbursement of Administrative Expenses refers to the amount the Claims Conference receives in reimbursement for administrative expenses from various sources.

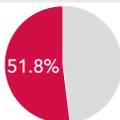
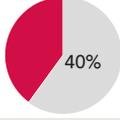
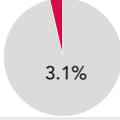
⁶ Reimbursement for Implementation of Technical Services refers to reimbursement of expenses incurred by the Claims Conference in providing technical assistance primarily for the

Swiss Banks Settlement Deposited Assets program.

⁷ Other is composed primarily of investment and interest income from assets.

⁸ Funds from Swiss Banks Settlement for Payments to Account Holders and Heirs (\$99 million) refers to the funds awarded to claimants by the Court under the Swiss Banks Settlement Deposited Assets Class. Under this program, the Claims Conference provides technical assistance with regard to claims processing. The funds were distributed by the Claims Conference in 2010. These disbursements are not recorded in the 2010 Statement of Activities of the Claims Conference.

Expenses Year Ended December 31, 2010

Direct Compensation to Survivors ¹	\$337 million	
Heirs of Property -Goodwill Fund ²	\$19 million	
Allocations ³	\$260 million	
Administration ⁴	\$20 million	
Implementation of Technical Services ⁵	\$3 million	
Other ⁶	\$10 million	
Total-Statement of Activities	\$649 million	
Swiss Banks Settlement Payments to Account Holders and Heirs ⁷	\$99 million	
Total Funds Distributed	\$748 million	

1) Direct Compensation to Survivors: The total amount of payments for the compensation programs for individual survivors in 2010 (contractual programs) was approximately \$337 million. In certain limited cases, heirs also receive payments.

Article 2 Fund: Monthly pensions for Holocaust survivors living in need (not in Eastern Europe or the former Soviet Union). \$265 million was paid in 2010.

Hardship Fund: One-time payments for Jewish victims of Nazi persecution who did not receive a payment under the German Federal Indemnification Law and who suffered damage to health. \$24 million was paid in 2010.

Central and Eastern European Fund: Monthly pensions for Holocaust survivors in Eastern Europe and the republics of the Former Soviet Union. \$48 million was paid in 2010.

2) Heirs of Property - Goodwill Fund is the net amount representing applications that were approved as a liability under the Goodwill program during 2010.

3) Allocations: In 2010, the Claims Conference allocated approximately \$267 million. Net of cancellations, this amounted to \$260 million.

\$190 million was allocated from the Claims Conference Successor Organization, which recovers and sells unclaimed Jewish property in the former East Germany. Net of cancellations and other adjustments, this amounted to \$185 million.

Most of these allocations are for social care programs for elderly, needy Jewish victims of Nazi persecution. Programs include provision of homecare and case management, emergency assistance grants, food packages, medical equipment, nursing beds and senior day centers. The remainder supports Shoah research, education, and documentation. The Claims Conference made the following further social welfare allocations in 2010 to benefit needy Jewish victims of Nazism:

\$61 million for in-home services to needy survivors funded by the German government;

\$2 million from the ICHEIC Humanitarian Program;

\$9 million comprised primarily of Hungarian Gold Train and certain ongoing government programs; and

\$3.5 million from the Weinberg Foundation.

It should be noted that significant allocations for programs in 2011 were made in 2010 and such allocations are in addition to those described above.

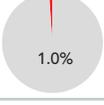
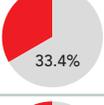
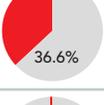
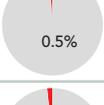
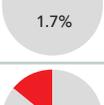
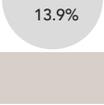
4) Administration: A significant part of the administrative expenses of Claims Conference programs is reimbursed from various sources. Also, see property restitution program described in Other, below.

5) Implementation of Technical Services refers to the expenses incurred by the Claims Conference in providing technical assistance for the Court under the Swiss Banks Settlement (primarily regarding dormant accounts). Costs incurred by the Claims Conference are reimbursed.

6) Other is composed primarily of costs of management and other costs of restituted properties as well as the property restitution program (which reflects an amount of \$3.0 million of general Frankfurt office Successor Organization administrative costs which is attributed to the property restitution program (i.e., to represent costs of recovering property) and which is not included in amounts recorded under Administration described above).

7) Funds from Swiss Banks Settlement for Payments to Account Holders and Heirs (\$99 million) refers to the funds awarded to claimants by the Court under the Swiss Banks Settlement Deposited Assets Class. Under this program, the Claims Conference provides technical assistance with regard to claims processing. These funds were distributed by the Claims Conference in 2010. These disbursements are not recorded in the 2010 Statement of Activities of the Claims Conference.

Liabilities and Net Assets as of December 31, 2010

Goodwill Fund Awardees–Property Owners and Heirs ¹	\$68 million	
Designated for Goodwill Fund and Other Uses ²	\$24 million	
Estimated Value of Unsold Restituted Properties (Net) ³	\$10 million	
Grants Payable–Previously Allocated ⁴	\$347 million	
Designated for Programs ⁵	\$379 million	
Designated for Contractual Obligations ⁶	\$5 million	
Designated for Future Costs ⁷	\$20 million	
Accrued Expenses ⁸	\$21 million	
Deferred Income and Other ⁹	\$18 million	
<u>Designated for Longer-Term Needs</u> ¹⁰	\$144 million	
Total Liabilities and Net Assets	\$1.036 billion	

¹ Goodwill Fund Awardees–Property Owners and Heirs: The Goodwill Fund was established in order to set aside funds for payments to certain Jewish property owners or heirs who had not filed claims by the German deadline and thus were no longer entitled to the asset or its proceeds under German law.

² Designated for Goodwill Fund and Other Uses generally represents funds held for certain Goodwill Fund applications where the approval process had not been completed and it also includes applications where either the required documentary evidence has still not been presented, a determination has not been made regarding the validity of certain claims, or where it is estimated that the funds may potentially otherwise be subject to Goodwill Fund claims.

³ Estimated Value of Unsold Restituted Properties is the net estimated value of unsold restituted properties after amounts for Goodwill Fund liability and amounts Designated for Goodwill Fund and Other Uses are taken into account.

⁴ Grants Payable–Previously Allocated refers primarily to funds on hand at December 31, 2010 that have already been allocated but not disbursed. This is for grants that are multi-year in nature or for capital projects that take time to complete.

The Claims Conference, in keeping with its fiduciary obligation, releases funds to agencies only as and when appropriate accounting and reporting has been provided. It includes grants made from funds of the Successor Organization as well as from ICHEIC, the German government for Homecare, the Hungarian government, the Hungarian Gold Train, Austrian government and the Swiss Banks Settlement. It also includes funds for payments to identified eligible individuals under individual compensation programs where the amounts were received at the end of 2010 for disbursement during 2011.

⁵ Designated for Programs refers to funds available for allocation for social welfare programs (e.g., homecare and case management, emergency assistance grants, food packages, medical equipment, nursing beds and senior day centers, etc.) and other programs to be made over the next two years. It includes primarily funds from the Successor Organization and ICHEIC.

⁶ Designated for Contractual Obligations is composed of funds received in 2010 that are designated for payments to individuals to be identified under individual compensation programs in 2011.

⁷ Designated for Future Costs represents funds designated for future costs, i.e., funds earmarked for expenditures to take place in 2011 and thereafter.

⁸ Accrued Expenses is comprised of expenses for 2010 anticipated to be paid in 2011.

⁹ Deferred Income and Other is comprised of primarily unprocessed claims under agreement with the German Federal Office for the Regulation of Pending Property and Compensation Claims.

¹⁰ Designated for Longer-Term Needs: During 2000, the Board of Directors designated certain net assets to establish a fund to support longer-term needs of Jewish victims of Nazi persecution and other needs arising from the Holocaust after income from current Claims Conference activities declines. This was based on the recommendations of a Planning Committee which found that there would be a significant number of Nazi victims living in poor conditions over the next number of years. Details are included in the Annual Report as well as in demographic data, which is available on the Claims Conference website, www.claimscon.org.