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## PRESS RELEASE

### A year marked by the tie-up with BNP Paribas

### Results confirm continued business pace

### Generally positive trends in the commercial operations of all business lines

#### A year marked by the tie-up with BNP Paribas

Developments in 2009 reflected the shared commitment of all stakeholders to making a success of the tie-up between BGL and BNP Paribas.

On 13 May 2009, the BNP Paribas group became the bank's majority shareholder with a 65.96% interest, while the Luxembourg State remained a significant shareholder with a 34% interest. On 21 September 2009, the bank took the name BGL BNP Paribas, confirming the two partners' commitment to pooling their best resources to serve clients and the Luxembourg economy. On 25 November 2009, the BGL BNP Paribas Board of Directors, presided by Gaston Reinesch, approved BNP Paribas' industrial plan for Luxembourg. The tie-up will in particular entail the merger of BNP Paribas Luxembourg into BGL BNP Paribas at the end of 2010.

#### Results confirm continued business pace

In 2009 BGL BNP Paribas achieved an **unconsolidated net profit** amounting to EUR 432.4 million (compared with EUR 30.6 million in 2008) on the basis of Luxembourg accounting principles. The favourable trend in net profit reflected a rise in operating income combined with effective cost controls.

**Net interest income** and **net fees and commissions**, the bank's traditional sources of revenue, came to EUR 555.7 million (+44%) and EUR 219.8 million (-16%) respectively.

**Staff expenses** and **other administrative expense** remained under control.

The proposed appropriation of earnings that was submitted to the General Meeting of Shareholders on 1 April 2010 provides for the payment of a **dividend** totalling EUR 330.15 million, representing a gross dividend per share of EUR 11.80. The portion of the dividend due to the Luxembourg State amounts to EUR 112.25 million.



Turning to **consolidated results**, established in accordance with International Financial Reporting Standards (IFRS), **net banking income** showed a 20% rise to EUR 1,215.7 million, but operating results suffered from the scale of exceptional provisions at the level of the bank's subsidiaries.

A positive net contribution from the parent company was thus in large part neutralized by the negative net results in relation with leasing entities. All told, **net consolidated profit** came to EUR 6.2 million. Excluding non-recurring items, the net consolidated profit was EUR 195 million.

### **Generally positive trends in the commercial operations of all business lines despite a persistently difficult economic environment**

In March 2009, BGL BNP Paribas was the first bank in Luxembourg to offer individual and professional clients the benefit of a programme for personalized support to help them through economic difficulties, in particular by adjusting terms on loans and credit.

For individual clients, the bank has deployed a full range of products and services suited to their current needs. In this context, a significant innovation was the offer of a guaranteed rate of interest on savings products up to the end of 2009. New mortgage loans to households in Luxembourg and in the region were up 5.6% from 2008.

Traditionally in the service of the national economy, BGL BNP Paribas remained the number-one bank for businesses in Luxembourg and the *Grande Région*. Investment credits showed a 5.2% rise from the previous year. In September 2009, BGL BNP Paribas was the first Luxembourg bank to sign an agreement with the European Investment Bank, making a total of EUR 50 million available to SMEs in the form of low-interest loans to finance their investments.

In Private Banking, the bank maintained a steady business base with a proactive approach centring on long-term relationships and in-depth understanding of the needs and aspirations of individual clients. The rebound in stock markets between the end of March and the end of December 2009 resulted in highly satisfactory performances for discretionary management portfolios. At the end of the year, Private Banking services were extended with the inclusion of BNP Paribas Wealth Management's Philanthropy offering.

In Merchant Banking, generally positive trends in revenues were mainly attributable to a favourable market environment and good financing terms, especially at the beginning of the year. For Securities Services, the rebound in financial markets had a positive impact on assets on deposit with the bank, which rose 27% to EUR 91 billion at 31 December 2009.

### **Luxembourg's number one employer in the financial sector**

Despite the difficult economic context, the bank continued to participate actively and visibly on the labour market, taking part in national job forums and welcoming 61 new recruits as well as some 30 interns in the course of 2009. Following the tie-up, BNP Paribas is Luxembourg's number-one employer in the financial sector and the second largest employer in the private sector as a whole, counting 4,000 staff members.



*BGL BNP Paribas' annual report for 2009 can be accessed at [www.bgl.lu](http://www.bgl.lu).*

**About BGL BNP Paribas**

BGL BNP Paribas ([www.bgl.lu](http://www.bgl.lu)) is one of the largest banks in the Grand Duchy of Luxembourg, with a balance sheet totalling EUR 52.8 billion at 30 June 2009. Now a leader on its domestic market, it offers an especially wide range of financial products to individuals, professionals, private banking clients and businesses. BGL BNP Paribas is Luxembourg's number-one provider of banking services to professionals and small- and medium-size companies, and number two in services for individuals. It is also the leader for bancassurance.

**About BNP Paribas**

BNP Paribas ([www.bnpparibas.com](http://www.bnpparibas.com)) is one of the six strongest banks in the world according to Standard & Poor's\* and the largest bank in the eurozone by deposits. With a presence in more than 80 countries and more than 200,000 employees, including 160,000 in Europe, BNP Paribas is a leading European provider of financial services on a worldwide scale. It ranks highly in its three core activities: Retail Banking, Investment Solutions and Corporate & Investment Banking. In Retail Banking, the Group has four domestic markets: Belgium, France, Italy and Luxembourg. BNP Paribas is rolling out its integrated model across the Europe-Mediterranean zone and boasts a large network in the United States. BNP Paribas Personal Finance is the leader in consumer lending in Europe. In its Corporate & Investment Banking and Investment Solutions activities, BNP Paribas also enjoys top positions in Europe and solid and fast-growing businesses in Asia.

\*Within its peer group

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