



# Press release

Brussels, 24 March 2010

## BNP Paribas Fortis (Fortis Bank SA/NV) 2009 financial results

- Net underlying profit of EUR 56 million
- Consolidated net loss of EUR 665 million

BNP Paribas Fortis delivered in 2009 a **net underlying<sup>1</sup> profit** of EUR 56 million. This positive result is driven by 3 factors: good commercial performance, strong capital markets, but unfortunately also a high level of impairments, reflecting the consequences of the economic downturn.

The **consolidated net result** for the legal entity Fortis Bank SA/NV is negative at minus EUR 665 million. The difference with the EUR 56 million mentioned above reflects exceptional, one-off elements, such as, on the positive side, the sale of a portfolio of structured credits to Royal Park Investments, and, on the negative side, the sale of non-core activities, the valuation of discontinued operations<sup>2</sup> and the one-time alignment of accounting policies and estimates with those applied by BNP Paribas.

- Net interest income amounted to almost EUR 4.7 billion in 2009, up 18% in comparison to 2008, thanks to strong Global Markets activities and to a recovery of deposits as of the second quarter. 2009 saw customer deposits in Retail & Private Banking Belgium increase by EUR 8 billion or 14% compared to the end of 2008. From May to December 2009, the loans to individuals increased by 5% to EUR 47 billion. Loans to professionals and small enterprises increased with 4% (more than EUR 400 million) in that same period.
- Net fee and commission income reached almost EUR 2 billion in 2009, down 10% compared to 2008, mainly driven by lower fees on securities brokerage and on assets under management (AUM). However, commission and fee income regained momentum as of the second quarter in line with the more favorable development of financial markets.
- All other income amounted to EUR 0.8 billion in 2009, mainly supported by solid capital markets results and realized capital gains on investments.
- Specific impairments on loans remained high at EUR 2.0 billion following the difficult economic environment leading to a deterioration of the loan portfolio especially in Real Estate, Commercial Banking, Leasing and Institutional Banking<sup>3</sup>.

---

<sup>1</sup> The concept of underlying profit is unaudited

<sup>2</sup> In order to describe the business evolutions which took place during the year 2009, the comments below are based on the results including the discontinued operations

<sup>3</sup> Reported impairments stand at EUR 4.2 billion. These also include the goodwill and intangible asset impairments, the valuation of discontinued operations and the one-time alignment of accounting policies and estimates with those applied by BNP Paribas

- Total expenses amounting to EUR 5.7 billion showed a substantial decrease in 2009 reflecting the reduction of the range of activities and tight cost containment. Intrinsic staff expenses decreased by 4.5% in 2009, reflecting mainly a lower average staff base (-5.5% worldwide) and a limited wage drift under the difficult economic situation.

The **liquidity position** continued to improve in the course of 2009 thanks to confidence gradually returning to the markets and thanks to BNP Paribas gaining majority control and removing the uncertainty about the future of the bank. The ratio naked deposits/loans (excluding secured loans and deposits) improved from 88% at the end of 2008 to 98% at 31 December 2009.

**Solvency** remained strong. At 31 December 2009, Fortis Bank's Tier 1 capital ratio amounted to 12.3% compared to 10.7% on 31 December 2008. At 31 December 2009, the total capital ratio stood at 19%, well above the regulatory required minimum of 8%.

In **2010**, the first priority is to fully implement the new business models and bring the new offerings to clients. The bank is focusing on its core businesses, securing its current market positions and increasing client satisfaction. The integration within the BNP Paribas Group is developing as planned. On 1 December the industrial plan, developed with the input of over 3,500 people, was presented to the outside world. Its implementation is well under way. More than 1000 integration projects have been launched and new governance procedures set up. In the areas where BNP Paribas Fortis will play a role for the whole group – performed through competence centres, steering centres and shared services centres - around 1,200 people will be employed in Belgium, of which 550 new positions.

The Board of Directors of Fortis Bank SA/NV will propose to the Annual General Meeting of Shareholders in April 2010 not to declare a dividend over the year 2009 as the formal conditions for paying out a dividend are currently not satisfied. The Board will organise an Extraordinary General Meeting of Shareholders in order to propose the shareholders to restore the company's capacity to declare a dividend, by imputation of the carried forward losses on the issue premium available.

More details are included in the consolidated and non-consolidated Financial Statements<sup>4</sup> available on [www.bnpparibasfortis.com](http://www.bnpparibasfortis.com). This press release should be read together with these Financial Statements.

As a reminder: The difference of the above-mentioned consolidated net loss with the net profit contribution to the BNP Paribas Group consolidated results as reported by BNP Paribas on February

---

<sup>4</sup> The published financial statements are in English and have been substantially audited by the joint statutory auditors. The final audit reports will be included in all language versions of the financial statements (Dutch, French and English), which are expected to become available before the end of the month. The financial information included in this press release is unaudited save that the consolidated net loss amounting to EUR 665 million has been derived from the 2009 consolidated financial statements of Fortis Bank which have been closed by the board of directors on 23 March 2010. The joint statutory auditors have substantially completed their audit on these aforementioned financial statements and anticipate issuing the following audit report:

- unqualified opinion on the 2009 consolidated financial statements except for the 2008 comparative figures which are subject to a qualified opinion relating to the application of IFRS 5 for the disposal of FBN(H) and the required disclosures; and
- emphasis of matter paragraph relating to the existence of claims related to the 2008 events having impacted the former Fortis Group for which the outcome remains uncertain.

17<sup>th</sup> can be explained by the different time periods and the opening accounts of BNP Paribas. For the full year results reported by BNP Paribas, see [www.bnpparibas.com](http://www.bnpparibas.com).

Press contact: **+32 (0)2 565 35 84**

*BNP Paribas Fortis offers a comprehensive package of financial services for retail customers, wealthy individuals, companies, public and financial institutions for which it can draw on BNP Paribas' know-how and international network.*

*BNP Paribas is one of the 6 strongest banks in the world according to Standard & Poor's. With a presence in 85 countries and more than 205,000 employees, BNP Paribas is a global-scale European leader in financial services. It holds key positions in its three activities: Retail banking, Investment Solutions and Corporate & Investment Banking. The Group benefits from its four domestic markets: Belgium, France, Italy and Luxembourg. The bank also has a significant presence in the United States and strong positions in Asia and the emerging markets.*

*More information is available at [www.bnpparibasfortis.com](http://www.bnpparibasfortis.com) and [www.bnpparibas.com](http://www.bnpparibas.com).*