



PRESS RELEASE
BGL BNP Paribas financial performance
at 30 June 2011

- **Consolidated financial performance shows gains at 30 June 2011**
 - *Consolidated net profit of EUR 207.6 million*
 - *Positive trend in commercial activities, with total operating expense well in hand*
- **Solvency improves once again**
 - *Own funds EUR 4.4 billion*
 - *Solvency ratio 27.1%*
- **A socially responsible business in a changing world**
 - *Ongoing presence in the job market*
 - *Commitment recognised by two well-known awards*

On 30 August 2011, the BGL BNP Paribas Board of Directors, meeting under the chairmanship of Gaston Reinesch, reviewed consolidated financial statements under IFRS at 30 June 2011 (*).

Consolidated financial performance shows gains at 30 June 2011

In a particularly unsettled economic and geopolitical environment, BGL BNP Paribas reported **consolidated net profit** of EUR 207.6 million. This represents a rise on the figure for the corresponding period of 2010, which saw significant changes in the scope of consolidation as the bank was integrated into the BNP Paribas group.

Net banking income totalled EUR 400 million. Both interest and commission income were on the rise (+8.4% at constant scope of consolidation), reflecting the robust development of commercial activities. However other income was down, due in particular to an extraordinary EUR 33 million foreign-exchange gain in 2010 reflecting the sale of operations in Switzerland that year, in line with the industrial plan approved in 2009, and a decline in income from treasury management.



The bank's core business lines all turned in good performances.

Regarding the **Luxembourg Retail & Corporate Banking** business line, the roll-out of new products drove growth in assets managed for individual clients, including both Luxembourg residents and cross-border commuters. Property loans were up 5% from 30 June 2010, and client demand for other types of loans, in particular business loans, was down.

With market conditions under pressure, private banking business, brought together under the **Wealth Management** banner, maintained its assets under management at a stable level compared with the first half of 2010. As Luxembourg's top-ranked private bank, BGL BNP Paribas offers domestic and international clients customised investment and financial engineering solutions.

A provider of on-line services to meet the investment needs of an international clientele, **Personal Investors** reported a further rise in business and income (+11%). This reflects both its tailored offering for expatriates and the deployment of an advisory package for investment in shares, offered in collaboration with the bank's branch network.

In **Corporate & Investment Banking**, excluding treasury management, results for financial-market businesses as a whole are in line with projections in the industrial plan. Despite difficult market conditions, a large number of transactions were carried out for institutional and corporate clients.

Operating expenses came to EUR 201.9 million, down EUR 23 million from the first half of 2010.

Under the **support package for Greece** decided by the heads of state or government in July, BGL BNP Paribas has set aside provisions covering 21% of its commitments related to Greek government securities, which total EUR 150 million and which all mature before 31 December 2020. Excluding this exceptional item, the cost of risk has declined sharply from 2010.

Net profit was buoyed by a EUR 55 million contribution from BNP Paribas leasing business in which BGL BNP Paribas holds a 33% interest. This compares with a EUR 31 million charge in the first half of 2010 in connection with the sale of assets under the industrial plan.

Solvency improves once again

The bank raised its solvency ratio further to 27.1% (23.1% at 31 December 2010), well above the legal minimum of 8%. Regulatory own funds of EUR 4.4 billion give BGL BNP Paribas a particularly sound foundation for serving its clients and the Luxembourg economy.



A socially responsible business in a changing world

BGL BNP Paribas maintained its presence and visibility in the job market in the first half of 2011, taking part in many national recruitment forums and welcoming 67 additions to its staff, including 22 interns from university programmes.

With Europe designating 2011 the “Year of Volunteering”, BGL BNP Paribas also continued to promote corporate social responsibility. In the first half of 2011, its many initiatives in this area were recognized twice. On 16 March 2011, it was the first universal bank in Luxembourg to receive the “Socially Responsible Business” label awarded by the Institut National pour le Développement Durable et la Responsabilité Sociale des Entreprises (INDR). The label reflects an ongoing commitment by the bank and staff to promoting social responsibility and equality of opportunity, governance and the environment. On 31 March 2011, its Facilities Management department won the *Green Team Award 2011* in recognition of the many eco-friendly initiatives that were successfully completed.

(*) BGL BNP Paribas’s 2011 half-year report is available in French and can be downloaded from www.bgl.lu.

EUR millions

Consolidated half-year results

	30 June 2011	30 June 2010
Net banking income, of which:	400	437.9
Net interest and assimilated products	318.5	260.6
Commissions	100.5	98.6
Operating expenses	-201.9	-224.9
Cost of risk	-41.1	-24.2
Other non-operating results and tax	50.6	-78.3
Net profit (excluding minority interests)	207.6	110.6



About BGL BNP Paribas

BGL BNP Paribas (www.bgl.lu) is one of the largest banks in the Grand Duchy of Luxembourg. As 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) is one of the strongest banks in the world*. The Group has a presence in more than 80 countries and more than 200,000 employees, including more than 160,000 in Europe. It ranks highly in its three core activities: Retail Banking, Investment Solutions and Corporate & Investment Banking. In Europe, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the leader in consumer lending. BNP Paribas is rolling out its integrated retail banking model across the Europe-Mediterranean zone and boasts a large network in the western part of the United States. In its Corporate & Investment Banking and Investment Solutions activities, BNP Paribas also enjoys top positions in Europe, a strong presence in the Americas and solid and fast-growing businesses in Asia.

* Rated AA by Standard & Poor's i.e. 3rd rating level on a scale of 22.

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