

## PRESS RELEASE 12/28

### ■ PROFIT AND LOSS ACCOUNT OF CREDIT INSTITUTIONS AS AT 30 JUNE 2012

Based on provisional figures, the CSSF estimates profit before provisions of the Luxembourg banking sector at EUR 2,555 million for the first half of 2012. Compared to the same period in 2011 and in line with the development already recorded in the first quarter profit before provisions decreased by 12%.

As at 30 June 2012, profit and loss account of the Luxembourg banking sector was marked by two developments: the stagnation of operational income (interest margin and commissions received) and the important increase in general expenses.

At the same date and although the economic and financial environment was very difficult, the interest margin (-1.2%) and the commissions received (-0.2%) remained quite stable year-on-year. Due to the decrease of essentially more volatile other net income, **banking income** registered a loss of 4.2% over a year.

**General expenses** recorded a growth of 5.7% due to the effects of the expenses other than staff costs which increased by 7.9% in a year. These expenses were mainly linked to investments in IT systems.

Overall, the above indicated factors taken as a whole resulted during the first half of 2012 in a gross profit before provisions which decreased by 12% compared to last year.

#### Profit and loss account as at 30 June 2012

Items in million EUR	June 2011	June 2012	%
Interest-rate margin <sup>1</sup>	2,916	2,882	-1.2%
Commissions received	1,927	1,922	-0.2%
Other net income	369	190	-48.5%
<b>Banking income</b>	<b>5,212</b>	<b>4,994</b>	<b>-4.2%</b>
Staff costs	1,254	1,301	+3.8%
Other general expenses	1,054	1,138	+7.9%
<b>General expenses</b>	<b>2,308</b>	<b>2,439</b>	<b>+5.7%</b>
<b>Result before provisions</b>	<b>2,904</b>	<b>2,555</b>	<b>-12%</b>

Luxembourg, 25 July 2012

<sup>1</sup> Including dividends received from subsidiaries