

PRESS RELEASE 10/08

■ PROFIT AND LOSS ACCOUNT OF CREDIT INSTITUTIONS AS AT 31 MARCH 2010

Based on provisional figures¹, the Commission de Surveillance du Secteur Financier estimates result before provisions of the Luxembourg banking sector at EUR 1,529 million as at 31 March 2010. Compared to the first quarter of 2009, the result before provisions thus decreases by 5.5%.

The decrease in the balance sheet total and the development of market conditions over a year lead to a reduction in the interest-rate margin by 26.7%. This significant decrease of recurring income is amortised to a fifth by the upward development of commission income. Their 10% progression is relevant in the context of the recovery of stock market values which increased the price of assets under management used as basis for the calculation of management fees. Like in the previous quarters, the other net income benefits from the increase in value of financial assets which allows a few isolated banks to announce important results in comparison to last year. The increase of this largely non-recurring income ringfences the decrease of banking income at 1.2%.

Staff costs increased by 7.8%, taking into account the social contributions triggered by the reduction in banking staff.

Overall, the above indicated factors taken as a whole resulted in a result before provisions which decreased by 5.5% compared to last year.

Profit and loss account of banks as at 31 March 2010

Items in million EUR	March 2009	March 2010	%
Interest-rate margin ²	1,930	1,415	-26.7%
Commissions received	792	871	10%
Other net income	-10	394	-
Banking income	2,712	2,681	-1.2%
Staff costs	613	661	7.8%
Other general expenses	482	491	1.9%
General expenses	1,095	1,152	5.2%
Result before provisions	1,617	1,529	-5.5%

Luxembourg, 20 April 2010

¹ Survey carried out on a sample of 96.31% of the profit before provisions of the financial year 2009.

² Including dividends received from subsidiaries.