PARIS ORLEANS

The Paris Orléans Supervisory Board, chaired by Eric de Rothschild, met on 30 June 2009 to review the company and consolidated financial statements for the financial year ended 31 March 2009 approved by the Executive Board.

The consolidated net income for the year ended 31 March 2009 came to €76.0 million, compared with €125.9 million for the year ended 31 March 2008. After minority interests, net income attributable to equity holders of the parent company totalled €46.7 million compared with €109.1 million in 2007/2008.

Given the restructuring of the banking group that took place at the end of 2007 and beginning of 2008, the income statement also presents the pro-forma results for the year ended 31 March 2008 to facilitate comparison with the results for the year ended 31 March 2009.

INCOME STATEMENT (in m€)	31/03/2009	31/03/2008	31/03/2008 pro forma
+ Interest income	441.2	224.8	607.0
- Interest expenses and similar charges	(329.9)	(170.5)	(466.4)
+ Fee and commission income	575.1	264.0	822.4
- Fee and commission expense	(9.8)	(5.4)	(38.1)
+/- Net gain (loss) on AFS securities and financial instruments at fair value through profit and loss	14.1	33.2	16.0
+ Other operating income	62.1	3.6	8.0
Net banking income	**752.8**	**349.7**	**948.9**
- General and administrative expenses	(576.6)	(240.2)	(771.8)
- Depreciation and amortisation	(17.9)	(8.9)	(21.1)
Gross operating income	**158.3**	**100.6**	**156.0**
- Risk related costs	(139.9)	(73.1)	(104.8)
Operating income	**18.4**	**27.5**	**51.2**
+/- Share of profits of associated undertakings	25.6	57.8	72.2
+/- Net gain or loss on disposal of other assets	54.8	61.2	62.1
Profit before tax	**98.8**	**146.5**	**185.5**
- Tax	(22.8)	(20.6)	(23.8)
Net Income	**76.0**	**125.9**	**161.7**
Minority interests	29.3	16.8	42.1
Net Income – Group share	**46.7**	**109.1**	**119.6**

Despite the financial crisis and global recession, the Group's operating results, although down, remained at levels that reflect the strength of its main business lines – investment banking, asset management and private banking.

The comparison of the key figures as at 31 March 2009 with the pro-forma figures for the year ended 31 March 2008 shows a 21% decline in revenues, from €948 million to €752.8 million. After taking into account a gain of €54.2 million linked to the reclassification under equity of a subordinated debt, and a substantial decrease in operating expenses, gross operating income came to €158.3 million, very similar to the pro-forma 2007/2008 level (€156.0 million).

Taking into account an unallocated provision of €37 million, the cost of risk remained at a similar level to that of the previous year. It reflects a very prudent policy in the present difficult economic conditions. The regulatory ratios are all higher than the minimum requirements and the Group has abundant liquidity.

The main private equity business contribution has been the sale related to the 40% holding in the Manufaktura shopping centre in Lodz, Poland, with €50.3 million to net income attributable to equity holders of the parent.

After taking into account the data analysed above and including €25.6 million corresponding to the Group's share of the earnings of associates, income before tax and minority interests came to €98.8 million compared with €146.5 million on a reported basis and €185.5 million on a pro-forma basis the previous year.

Given the absence of any tangible signs of an improvement in the financial and economic environment, the Supervisory and Executive Boards consider it prudent, despite the Group's positive medium-term outlook, to propose to the Annual General Meeting of Shareholders to be held on 29 September 2009 the distribution of a dividend of €0.35 per share compared with €0.55 per share the previous year. Shareholders will be able to choose between payment of this dividend in cash or in new shares of the company.

The Paris Orléans annual report will be available on its corporate website at the end of July 2009.