

**Subject**

Press release Annual Accounts 2009

**BNG Profit EUR 278 million**

**BNG closes the 2009 financial year with a net profit of EUR 278 million (2008: EUR 158 million). As a result of the low money market interest rate, interest results have risen by EUR 60 million. The increased marketability of interest bearing securities has led to an increase of the result financial transactions by EUR 104 million. The proposed dividend payout to shareholders amounts to EUR 139 million.**

BNG is the bank of and for authorities and public sector institutions. Despite difficult market conditions, during the year under review, the bank continued to offer uninterrupted lending at competitive rates to its core client groups - local authorities, housing associations and health care and educational institutions - and strengthened its market position.

The long-term lending amounts to EUR 8.6 billion (2008: EUR 10.5 billion). This development is a repercussion of clients' reduced willingness to invest as a result of the uncertain economic developments. In contrast, the short-term lending offered to clients in 2009 averages EUR 5.8 billion (2008: EUR 3.9 billion). Anticipating the economic recovery and making use of the very low rates for short-term lending, local authorities in particular have financed themselves short-term to a greater extent than in the past.

The cautious but continuous recovery of confidence in financial institutions during 2009 has increased the activity on the international capital markets. This had a favourable effect, particularly in the second half of 2009, on the amount of the spreads payable by the bank for credit and liquidity risks and on the variation in maturity of new issues. In 2009, BNG attracted EUR 14.1 billion in long-term funding for long-term lending and refinancing (2008: EUR 13.1 billion). The triple A ratings of the bank were reconfirmed and investor confidence in BNG has been maintained. This was amongst others reflected in relatively favorable purchase prices. That benefit was transferred to clients in their rates.

BNG is confidently looking forward to 2010. The interest result is expected at about the level of 2009. However, given the fragile economic recovery, the increased volatility of results and all of the remaining uncertainties, the bank does not consider it wise to make a statement about the 2010 net profit.

On 29 April 2010 BNG will publish its Annual Report 2009 on its investors site ([www.bng.com](http://www.bng.com)).

This is an unofficial translation of the press release *Winst BNG EUR 278 miljoen* which is provided for convenience only. In the event of any ambiguity, the Dutch text will prevail.

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**Date**

5 March 2010

**Our reference**

1151485

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**Consolidated balance sheet as of 31 December 2009**

In millions of euros

<b>Assets</b>	<b>31 december 2009</b>	<b>31 december 2008</b>
Cash and cash equivalents	655	497
Banks	7,683	8,956
Loans and advances	79,305	75,699
Financial assets at fair value via the income statement	2,983	3,001
Financial assets available for sale	5,531	5,185
Other financial assets	8,002	7,695
Associates and joint ventures	106	105
Property and equipment	23	24
Other assets	208	203
<i>Total assets</i>	<u>104,496</u>	<u>101,365</u>
<b>Liabilities</b>		
Banks	5,615	3,285
Funds entrusted	7,070	6,439
Subordinated loans	174	170
Debt securities	79,935	79,157
Financial liabilities at fair value via the income statement	351	791
Other financial liabilities	8,854	9,359
Other liabilities	244	185
Total liabilities	<u>102,243</u>	<u>99,386</u>
Equity	2,253	1,979
<i>Total liabilities and equity</i>	<u>104,496</u>	<u>101,365</u>

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**Consolidated income statement 2009**

In millions of euros

	<b>2009</b>	<b>2008</b>
- Interest income	2,628	4,524
- Interest expenses	2,291	4,247
Interest result	337	277
Income from associates and joint ventures	2	(1)
- Commission income	36	25
- Commission expenses	6	5
Commission result	30	20
Results financial transactions	40	(64)
Foreign exchange result	0	2
Other income	2	9
<i>Total income</i>	<u>411</u>	<u>243</u>
- Staff costs	35	32
- Other administrative expenses	24	27
Staff costs and other administrative expenses	59	59
Depreciation	2	2
<i>Operating expenses</i>	<u>61</u>	<u>61</u>
<i>Profits before tax</i>	<u>350</u>	<u>182</u>
Taxation	(72)	(24)
<i>Net profit</i>	<u>278</u>	<u>158</u>