

Press Release

Amsterdam, 21 April 2011

"Well positioned for Basel III"

Credit Europe Bank: net profit doubles to €102 million

- Total assets stable at €10 billion
- Net profit doubles to €102 million compared to 2009
- Loan portfolio up 12% to €5.9 billion
- Tier I ratio up to 11.4%
- Solvency ratio up to 13.3%

Credit Europe Bank NV maintained its strong profitability in the last quarter of 2010 and posted a record profit for the full year. The bank benefited from improved market conditions and increased its trade finance volume and lending activities. The total loan book grew from €5.2 billion at the end of 2009 to €5.9 billion at the end of 2010. A net increase of 27% in fee and commission income compensated for a decline in interest margins on customer loans. Meanwhile the market recovery contributed to a sharp decrease in impairments.

In December 2010 the bank completed the acquisition of a 95% stake in Turkey-based Millennium Bank AS, a subsidiary of Banco Comercial Português SA, for a total adjusted price of €58.9 million. The new bank with approximately 300 employees will join the Dutch bank's international network that currently consists of branches and subsidiaries in Western Europe (The Netherlands, Germany, Belgium, Malta and Switzerland), Eastern Europe (Russia, Romania and Ukraine) and the United Arab Emirates. In 2010, Credit Europe Bank also expanded its branch network and created jobs via organic growth. Although employee numbers grew from 5,242 to 6,042 and the network increased from 193 to 220 branches the bank successfully maintained its organizational efficiency and limited the increase in its operating expenses to 4%.

"Credit Europe Bank combines a strategy of further growing its retail and corporate banking franchises with sound risk management. Our 2010 financial results confirm the success of our business model. What is more, our historic reliance on 'core' capital and our strong liquidity levels mean we are well positioned for the new Basel III requirements," says Murat Basbay, CEO of Credit Europe Bank.

Developments in the business lines:

Retail Banking:

- Credit Europe Bank maintained its strong position in the credit card businesses in Russia and Romania. In Russia, the bank further strengthened its position via co-branded card programs with IKEA, Metro, Mega and Auchan. In Romania, the bank is market leader with its CardAvantaj credit card.
- In Russia, Credit Europe Bank obtained a 5-year \$100 million equivalent credit line from the European Bank for Reconstruction and Development for the purpose of financing regional SMEs through its branch network across Russia.
- In Russia, the bank entered new cooperation agreements with five car manufacturers and ended the year ranked 6th in car loans. In Ukraine the bank intensified sales of car loans and reached a 5% market share at the end of the year.
- In Belgium, Credit Europe Bank signed an exclusive cooperation agreement with online portal Auxifina in order to increase retail loan sales.

Corporate Banking:

As a result of improved market conditions and intensive marketing efforts, Credit Europe Bank increased its trade and commodity finance volume by 27% to €6.2 billion. The bank maintained its focus on metals & minerals, energy & petrochemicals and agro-commodities.

About Credit Europe Bank

Credit Europe Bank NV is an international financial services group ranked in the top 10 of Dutch commercial banks, with more than 6,000 employees serving three million customers. The bank offers easy-to use retail banking and SME products as well as private banking through more than 200 branches and more than 11,000 sales points across nine European countries. It also offers trade finance and corporate banking services through its network in these countries, as well as in China and the United Arab Emirates.

For more information, please see www.crediteuropebank.com

Appendix: Consolidated Balance Sheet and Income Statement

Note: The 2010 consolidated figures of Credit Europe Bank NV include Millennium Bank AS, the Turkish bank that was acquired in December 2010 as mentioned before.

Balance Sheet (x € million)	31/12/2010 (Audited)	31/12/2009 (Audited)
Cash and balances at central banks	1,235	1,596
Financial assets at FVPL	143	996
Financial investments	1,414	1,118
Loans and receivables – banks	786	616
Loans and receivables – customers	5,854	5,219
Derivative financial instruments	210	202
Property and equipment	89	83
Intangible assets	30	22
Deferred tax assets	18	8
Current tax assets	44	19
Other assets	180	77
Total Assets	10,003	9,956
Due to banks	1,114	1,317
Due to customers	7,185	7,223
Derivative financial instruments	313	199
Issued debt securities	301	214
Deferred tax liabilities	35	30
Current tax liabilities	18	2
Other liabilities	68	109
Total liabilities (excl. subordinated liabilities)	9,034	9,094
Subordinated liabilities	236	224
Total liabilities	9,270	9,318
Total equity	733	638
Total equity and liabilities	10,003	9,956
Solvency ratio	13.3%	12.6%
Tier I ratio	11.4%	9.2%

Income statement (x € million)	2010 (Audited)	2009 (Audited)
Net interest income	323	341
Net fees & commissions	70	55
Net trading income	12	70
Results from financial transactions	47	6
Other operating income	15	4
Operating income	467	476
Credit loss charges	(93)	(160)
Net operating income	374	316
Personnel expenses	(129)	(126)
General and administrative expenses	(88)	(90)
Depreciation and amortization	(14)	(16)
Other operating expenses	(15)	(4)
Other impairment losses	(2)	(2)
Total operating expenses	(248)	(238)
Share of profit of associate	1	-
Profit before tax	127	78
Income tax expense	(25)	(27)
Net profit	102	51
Attributable to:		
Equity holders of the parent company	100	50
Minority interests	2	1