

PRESS RELEASE 11/35

■ PROFIT AND LOSS ACCOUNTS OF THE CREDIT INSTITUTIONS AS AT 30 SEPTEMBER 2011: 18% DECREASE OF NET PROFIT

Based on provisional figures, the CSSF estimates net profit of the Luxembourg banking sector at EUR 2,647 million as at 30 September 2011. Compared to the same period in 2010, net profit thus fell by 17.8%.

To date, uncertainties with regard to the development of the European public finances have not had any negative impact on gross profit of Luxembourg banks, as reflected by the rise in interest income and commissions received.

Banking income thus grew by 5.6% year-on-year.

As regards **general expenses**, the 2.9% growth is mainly due to integration and restructuring costs caused by the different acquisitions and disposals of activities among professionals of the financial sector.

For the third quarter of 2011, the development of banking income and general expenses leads to **profit before provisions** that rise by 8% year-on-year.

However, owing to value adjustments in the Greek debt that Luxembourg banks constituted as at 30 September 2011, **net profit** of the Luxembourg banking sector **fell by 17.8%** year-on-year.

Profit and loss account as at 30 September 2011

Items in million EUR	September 2010	September 2011	%
Interest-rate margin ¹	4,285	4,419	+3.1%
Commissions received	2,641	2,928	+10.9%
Other net income	471	464	-1.4%
Banking income	7,397	7,812	+5.6%
Staff costs	1,907	1,918	+0.6%
Other general expenses	1,537	1,626	+5.8%
General expenses	3,443	3,544	+2.9%
Result before provisions	3,954	4,268	+8.0%
Net profit	3,219	2,647	-17.8%

Luxembourg 25 October 2011

¹ Including dividends received from subsidiaries