



## PRESS RELEASE

BNG Bank Interim Report 2013

### **Net profit BNG Bank EUR 123 million**

**In the first half of 2013 BNG Bank posted a net profit of EUR 123 million, down EUR 36 million on the same period in 2012. The interest result – the bank’s core result – showed a slight increase of EUR 13 million. The result: financial transactions came under pressure because of a change in the valuation method of derivatives in line with the valuation now customary in the market; this gave rise to an incidental unrealized result of EUR 27 million negative. The bank also posted an additional impairment of a little over EUR 20 million on a participation.**

New long-term lending during the reporting period amounted to EUR 5.7 billion, the same as in the first half of 2012. BNG Bank’s social importance is underlined by the bank’s persistently high share in the total funding demand from the client sectors. In 2013 client demand primarily relates to the refinancing of existing loans. As a result of the economic conditions and the announced cutbacks clients are reluctant to make new investments.

For both refinancing and lending purposes, BNG Bank raised a total of EUR 7.7 billion (2012: EUR 9.8 billion) in long-term funding in the period under review. The subsidence of the turmoil in the international capital markets enabled the bank to improve its liquidity profile on favorable conditions.

BNG Bank expects that the interest result for 2013 will exceed the figure for 2012. The result financial transactions will also in 2013 remain volatile, partly due to the development of the European debt crisis. In view of all uncertainties, the bank does not consider it wise to make a statement regarding the expected 2013 net profit.

Today, BNG Bank will publish its half-yearly report about the first half of 2013 on [bngbank.com](http://bngbank.com). We refer to this publication for a detailed explanation.

This is an unofficial translation of the press release ‘BNG Bank Halfjaarbericht 2013’ which is provided for convenience only. In the event of any ambiguity, the Dutch text will prevail. For further information please contact:

BNG Bank  
Aart Rietveld, BNG Bank spokesman  
P.O. Box 30305  
2500 GH THE HAGUE

**BNG Bank is the bank of and for local authorities and public sector institutions. The bank makes a sustainable contribution to minimizing the costs of social provisions for the public.**

Koninginnegracht 2  
2514 AA The Hague  
The Netherlands  
T +31 (0)70 3750 750  
[www.bngbank.com](http://www.bngbank.com)

**Date**  
August 27, 2013

**Our reference**  
1514881

**Contact person**  
Aart Rietveld

BNG Bank is a trade name of N.V. Bank Nederlandse Gemeenten with registered office in The Hague, Trade Register no 27008387

## Consolidated balance sheet as at June 30, 2013

Amounts in millions of euros

Date

August 27, 2013

	June 30, 2013	December 31, 2012
<b>ASSETS</b>		
Cash and balances with the central banks	4,360	2,834
Amounts due from banks	9,239	10,171
Financial assets at fair value through the income statement	3,322	3,476
Other financial assets	19,746	25,824
Financial assets available-for-sale	9,646	9,018
Loans and advances	91,136	90,725
Investments in associates and joint ventures	59	89
Property and equipment	18	18
Other assets	132	73
<b>TOTAL ASSETS</b>	<b>137,658</b>	<b>142,228</b>
<b>LIABILITIES</b>		
Amounts due to banks	5,296	6,223
Financial liabilities at fair value through the income statement	2,633	2,730
Other financial liabilities	16,096	18,692
Debt securities	98,648	99,424
Funds entrusted	11,838	12,139
Subordinated debts	33	33
Other liabilities	193	235
<b>Total liabilities</b>	<b>134,737</b>	<b>139,476</b>
Share capital	139	139
Share premium reserve	6	6
Revaluation reserve	163	103
Cash flow hedge reserve	0	-69
Other reserves	2,490	2,241
Net profit	123	332
<b>Equity</b>	<b>2,921</b>	<b>2,752</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>137,658</b>	<b>142,228</b>

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## Consolidated income statement

Amounts in millions of euros

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August 27, 2013

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	First half of 2013	First half of 2012
- Interest income	725	1,172
- Interest expense	471	931
Interest result	254	241
Results from associates and joint ventures	0	0
- Commission income	16	16
- Commission expense	3	3
Commission result	13	13
Result financial transactions	-49	-9
Other results	2	3
<b>TOTAL INCOME</b>	<b>220</b>	<b>248</b>
Staff costs	18	18
Other administrative expenses	12	11
Depreciation	1	1
<b>TOTAL OPERATING EXPENSES</b>	<b>31</b>	<b>30</b>
Impairments	18	6
<b>PROFIT BEFORE TAX</b>	<b>171</b>	<b>212</b>
Taxes	-48	-53
<b>NET PROFIT</b>	<b>123</b>	<b>159</b>