



1Q 2009 Results – Press Presentation

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Agenda

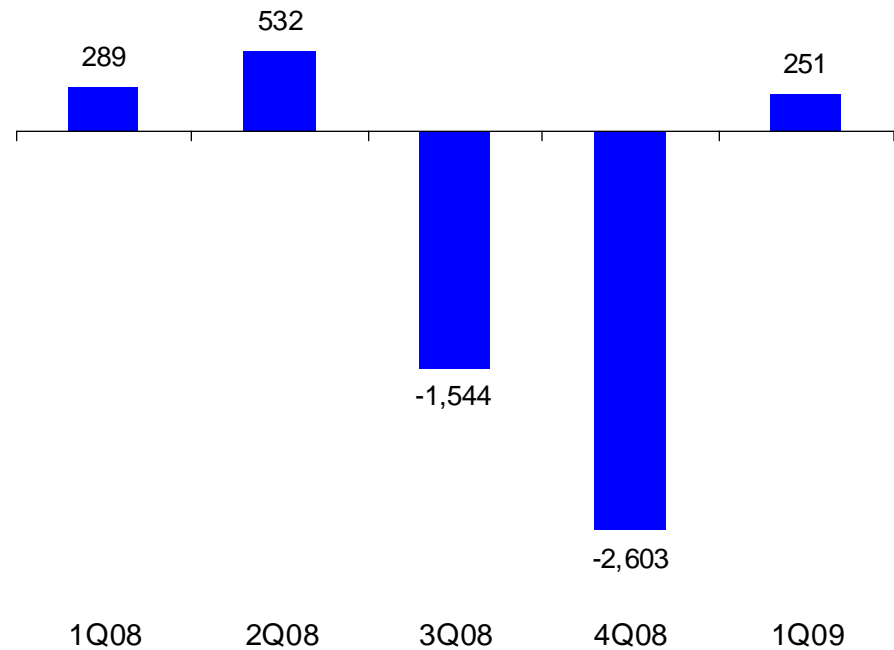
 1Q 2009 Results Highlights & Transformation Plan progresses

 1Q 2009 Group & Business Line Results

 Conclusion

Quarterly group results

EUR m

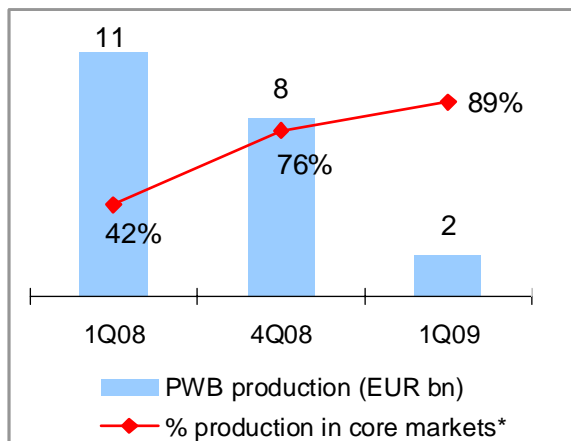


- Positive results in 1Q09
- 1Q09 highlights the resiliency of Dexia in a challenging environment
- No major one-off shock suffered in 1Q09
- Financial crisis impact of EUR -419 m
- Quality of the asset base is confirmed

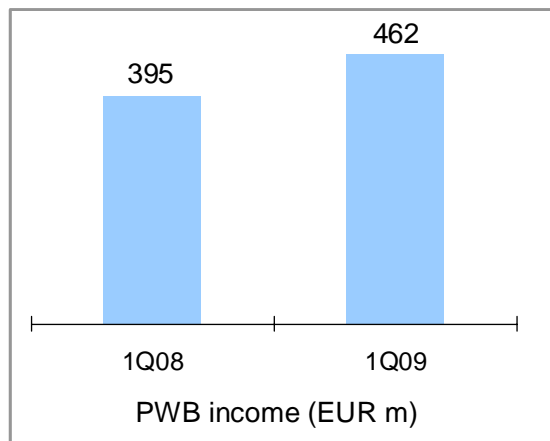
1Q 2009 Public & Wholesale Banking Performance

Confirmed solidity and profitability of PWB activities

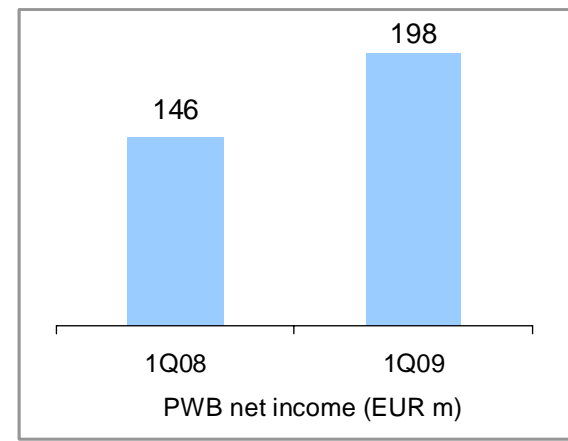
Rapid refocus on core markets



Resilient business



Profitable

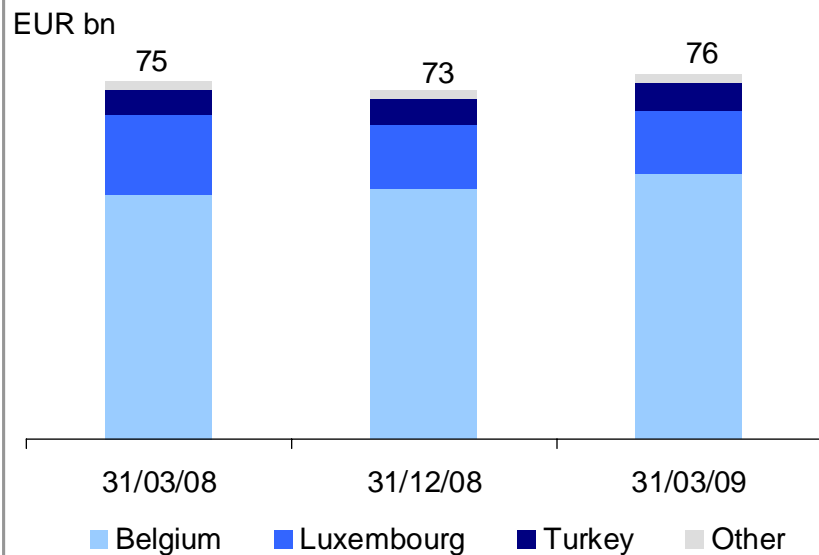


Note: * Belgium, France, Italy, Iberia

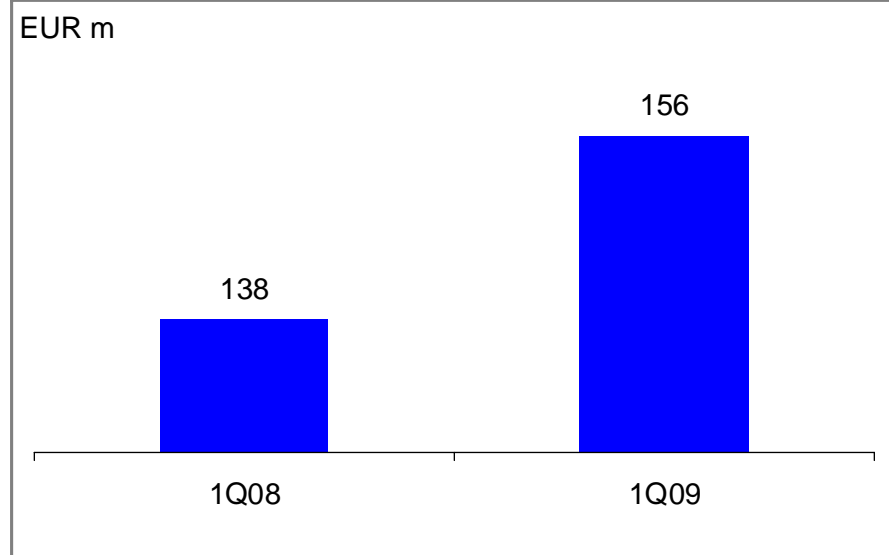
1Q 2009 Retail & Commercial Banking Performance

Good commercial and financial results

RCB deposits



RCB net income

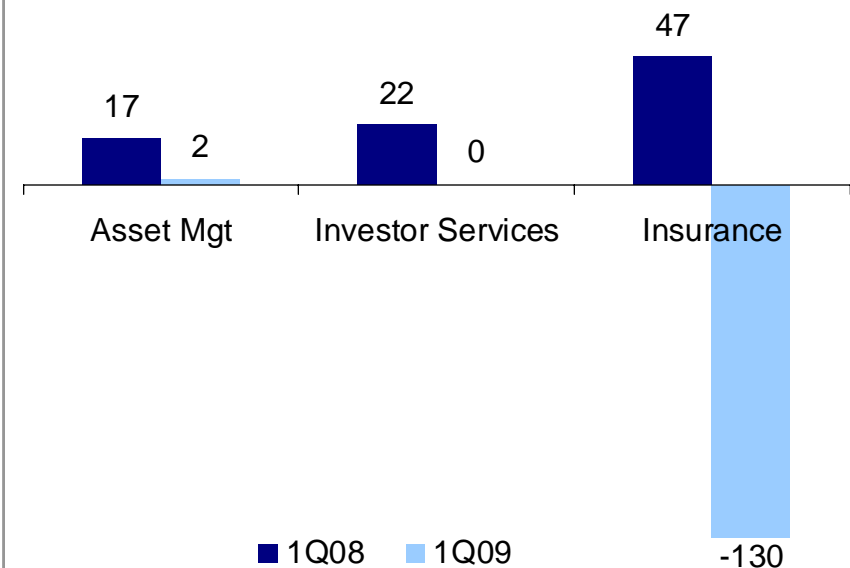


1Q 2009 Asset Management & Services Performance

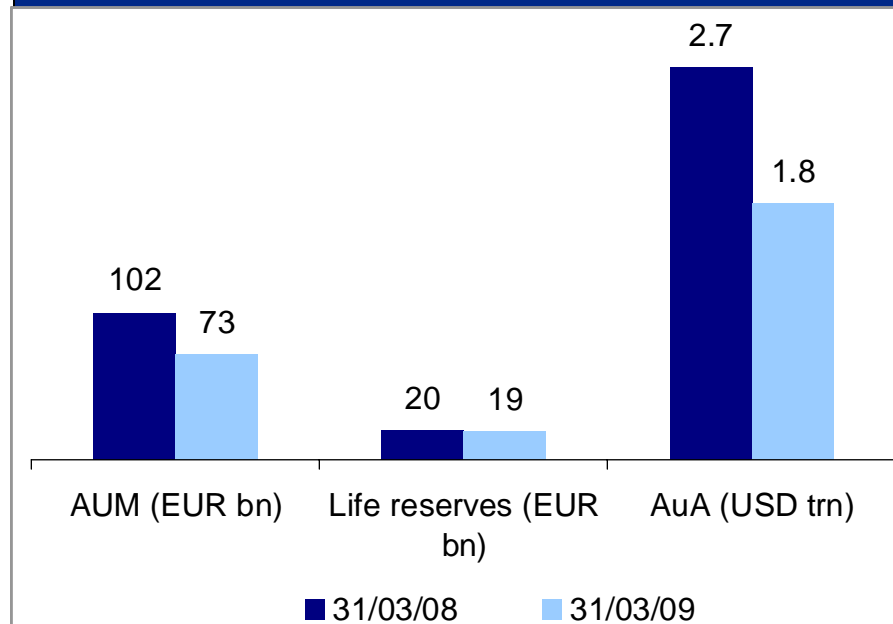
Significant impact of the market turmoil

Net income contributions

EUR m



Evolution of assets

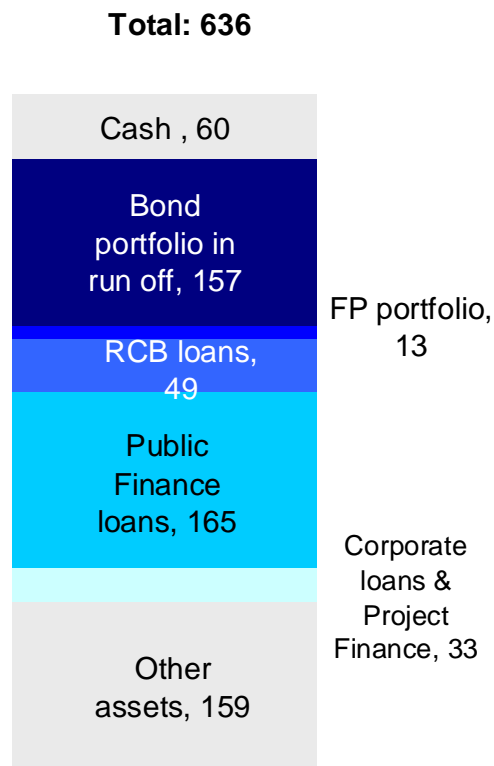


Asset Quality and Cost of Risk (1)

Proven resiliency of asset base in 1Q09

Group total assets by nature

As of Mar 09
Eur bn



- Bond portfolio in run-off: 99% investment grade, no impairment in 1Q09
- Financial Products Portfolio: EUR 35 m net impairments in 1Q09
- RCB loans: risks mostly concentrated in Turkey where conservative provisioning standards are applied
- Public Finance loans: risk charge remained low in 1Q09

=> Limited increase in impaired loans to customers in 1Q09 (+3% qoq)

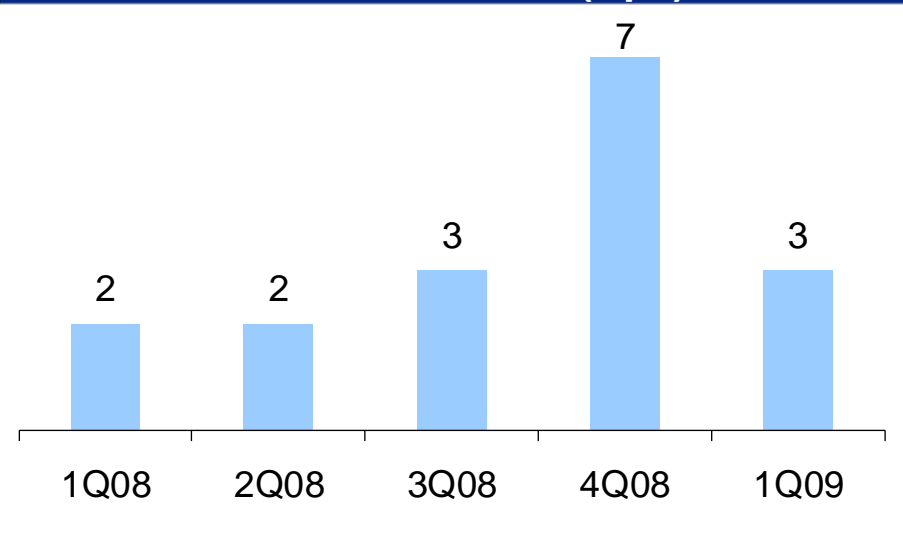
=> Risk charge limited to EUR 97 m in 1Q09 (11 bps)*

* Excluding FSA and financial crisis impacts, on average customer loans

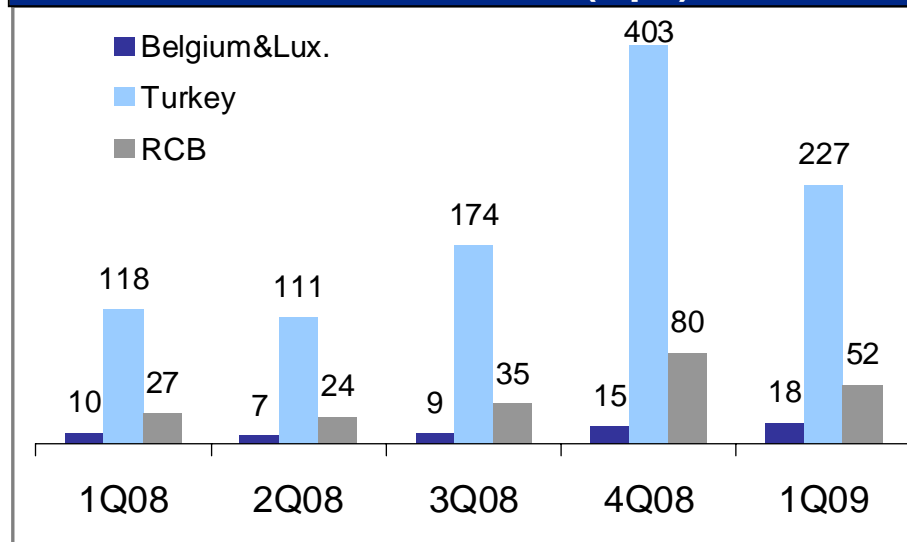
Asset Quality and Cost of Risk (2)

Evolution of the cost of risk by business line

Cost of risk PWB (Bps)



Cost of risk RCB (Bps)



Expressed on average customer loans, incl. off balance sheet commitments for PWB

Update on Closing of FSA Insurance Sale to Assured

Improvement in the Group's risk profile

- States guarantee from Belgium and France on Financial Products is now finalized and includes a number of new developments
- The clearance of the deal by rating agencies, as well as legal documentation of the transaction are well on track
- Upon completion of both steps, Assured will have a maximum of 45 days during which it will raise funds, before closing the transaction
- Closing of the transaction expected by the end of June. Dexia will then retain:
 - ✓ *A stake in FSA-Assured: maximum of 24.7%*
 - ✓ *USD 16.6 bn FSA's Financial Products, on which risks are contained by the States guarantee*



Significant step in Dexia's Transformation Plan about to be achieved

States Guarantee on Financial Products Portfolio

Scope and cost of the guarantee

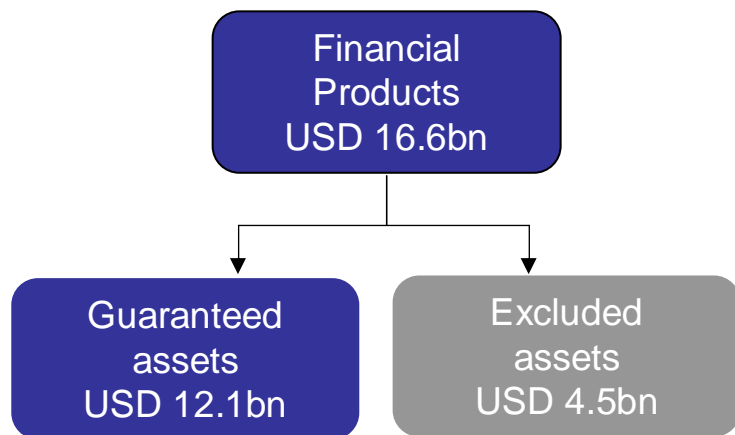
Liquidity guarantees

Liquidity guarantees

- Cover collateral posting obligations related to GIC liabilities and an event of default on credit lines granted to FSAM* by Dexia
- Guarantees expiring in October 2011
- *Cost to Dexia: 32 bps on GIC outstandings*

Guarantee on assets

- The USD 16.6bn FP portfolio is divided in two parts
 - USD 12.1bn of assets benefit from the Guarantee. Dexia covers a first loss of USD 4.5 bn (reserves of USD 2.0 bn already booked as of 31/03/09). Above USD 4.5 bn, the States will cover losses and be entitled to receive ordinary or non-voting profit shares
 - USD 4.5bn of high quality assets (100% invt grade) were excluded from the guarantee but still benefit from the first loss mechanism
- *Cost to Dexia: 113 bps on guaranteed outstandings*



*FSA Asset Management, entity managing the Financial Products Portfolio, where proceeds from Guaranteed Investment Contracts (GICs) were invested

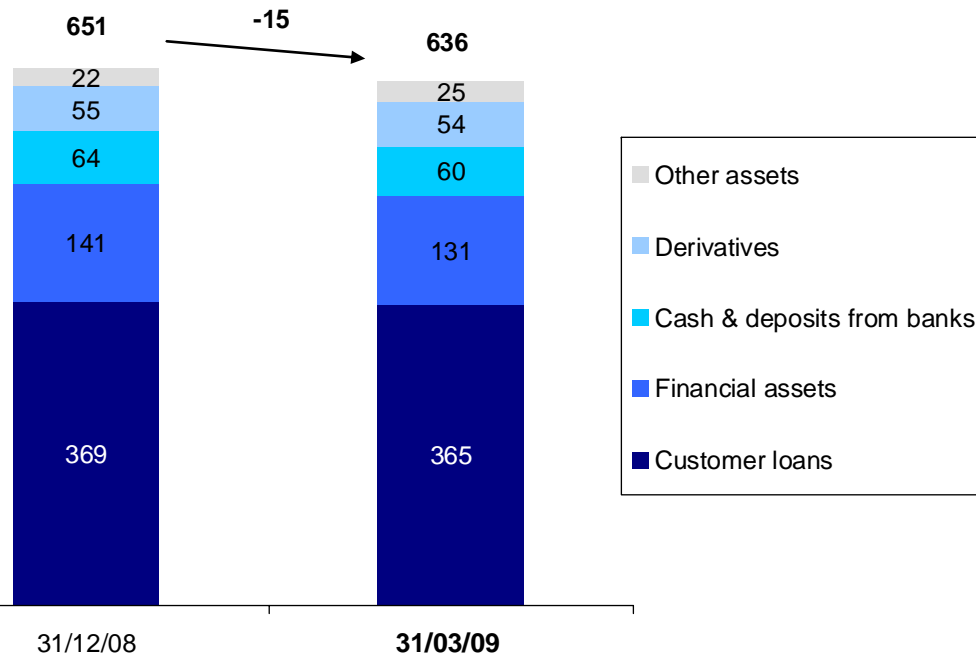
Data as of end March 2009

Balance Sheet Deleverage

Reducing size of bond portfolios, limiting new loan production

Group assets by category

EUR bn



- First results of deleveraging efforts in a challenging environment. Total assets down by EUR 15 bn since Dec. 2008
- EUR 5bn bond sales realized since Oct. 2008 with limited P&L impact
- Reduced new loan production in 1Q09, entirely focused on core markets

Ongoing Improvement of Group Liquidity

Benefit of States guarantee

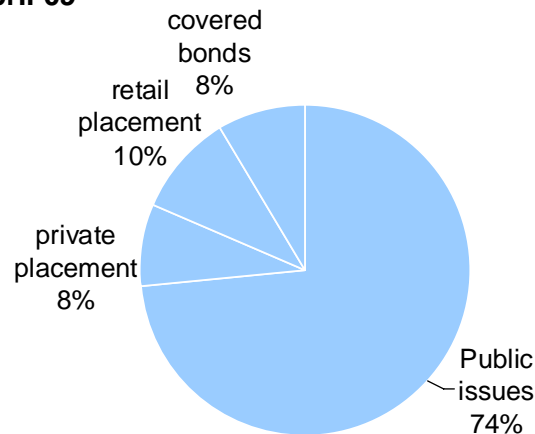
Current situation

- Further improvement of access to short term liquidity
- 85% of long-term funding budget completed, with EUR 21 bn issues at end-April 09
- RCB deposits increase in 1Q09: EUR 3.5 bn
- Additional decrease of draws on US liquidity lines
- Lower loan production and reduction of balance sheet

Next steps

- Reopening of long term covered bond markets
- Revised long term funding budget
- Expected extension of the State guarantee on unsecured borrowings beyond October 2011

EUR 21 bn LT funds raised at end-April 09

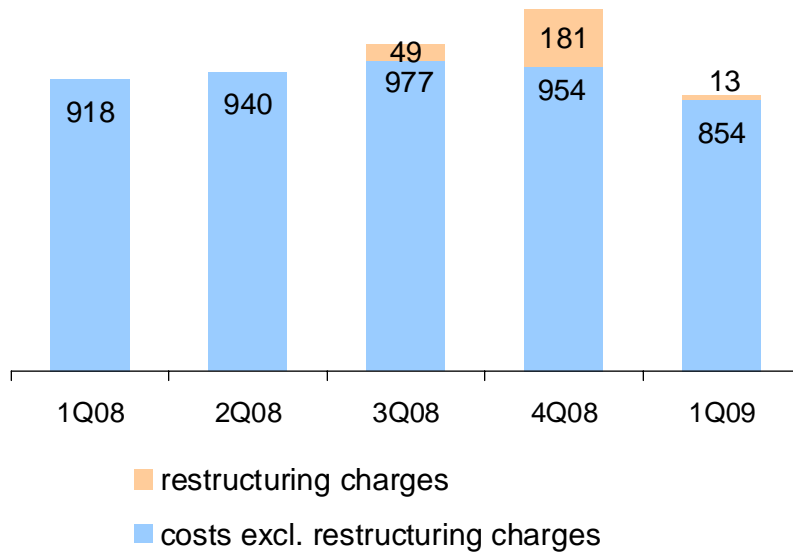


Adaptation of the Cost Base

Cost savings program on track

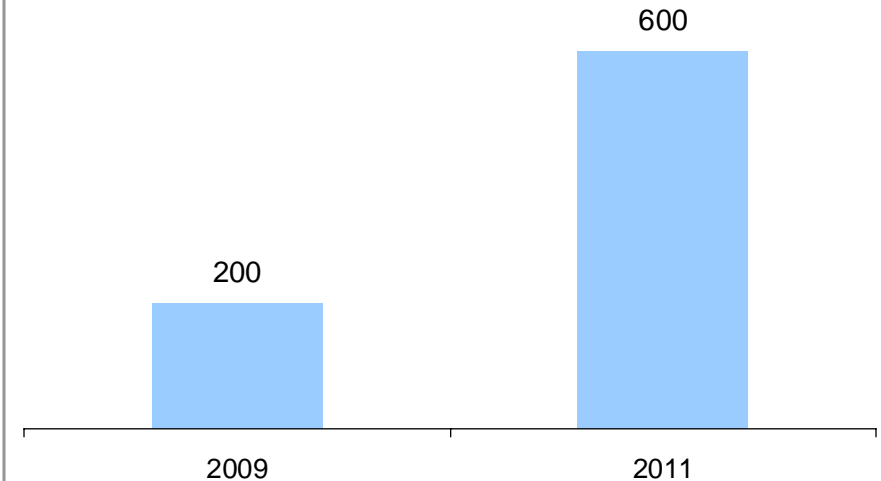
Quarterly trend in group expenses*

EUR m



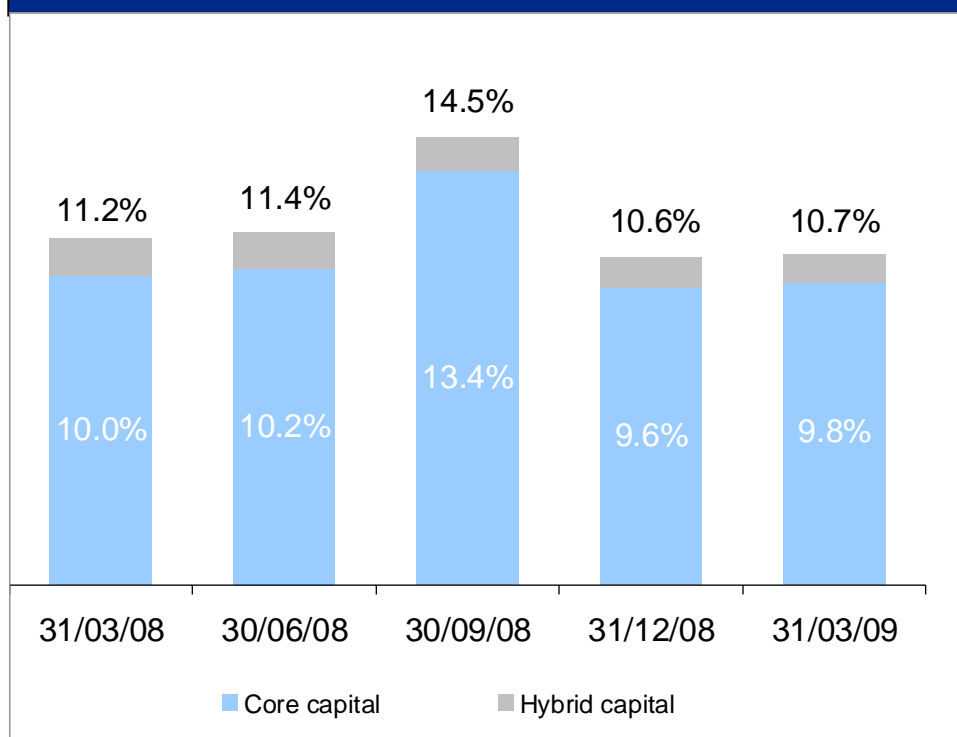
Cost savings program

EUR m



* Excluding FSA Insurance

Tier 1 ratio and core Tier 1 ratio



- All impacts from the sale of FSA Insurance and prudential consolidation of FP were taken into account in 4Q08
- Dexia Tier 1 ratio protected against further FP losses since 31/12/2008
- Core capital contributes to 92% of Tier 1 capital

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Group Performance

- **Net profit** of EUR 251 m in 1Q09
- **Financial crisis impact** of EUR -419 m in 1Q09 mainly related to impairments & losses on insurance portfolios, CVA on monolines, and adjustments on the net loss on FSA sale
- **Quality of Portfolios** confirmed in 1Q09
- **Negative AFS reserve** EUR 0.8 bn lower to EUR -12.7 bn
- **Tier 1** ratio of 10.7%, **core Tier 1** ratio of 9.8%

Business Lines Results

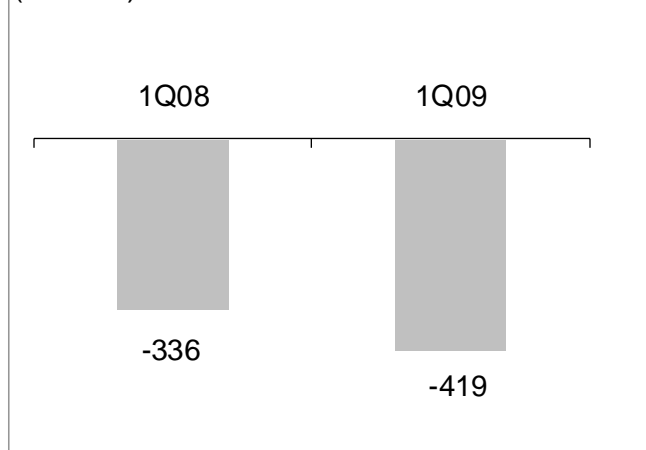
- **PWB**: resiliency confirmed in 1Q09
- **RCB**: EUR 3.5 bn of deposits increase; margins recovering in Belgium; record quarter for DenizBank
- **Asset Mgt & Services**: activities impacted by the financial markets turmoil; impairments & losses on insurance portfolios; continued focus on costs

1Q 2009 Reported Results

Profitable quarter, despite EUR -419 m financial crisis impact

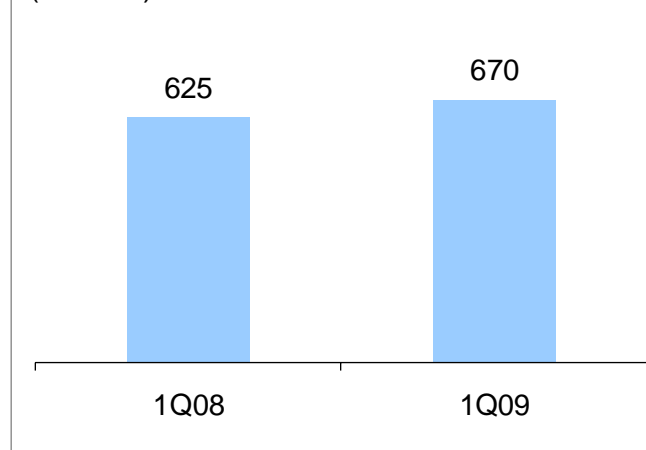
(EUR m)	1Q08	1Q09	Var*	Impact crisis 1Q09
Income	1,499	1,703	13.6%	-508
Expenses	-942	-896	-4.9%	0
Gross operating income	557	807	44.9%	-508
Cost of risk	-288	-409	42.0%	-39
Pre-tax income	270	398	47.4%	-547
Net income - Group share	289	251	-13.1%	-419

Impact from fin. crisis
(EUR m)



+

Net income, excl. crisis
(EUR m)



* At current exchange rate

1Q 2009 Results Excluding FSA Inc.

(EUR m)	1Q08	1Q09	Var*
Income	1,733	1,331	-23.2%
o/w income excl. Crisis impact	1,743	1,839	5.6%
Expenses	-918	-867	-5.5%
o/w expenses excl. Crisis impact	-918	-867	-5.5%
Gross operating income	815	464	-43.1%
o/w gross op. income excl. Crisis impact	825	972	17.8%
Cost of risk	-91	-136	49.2%
o/w cost of risk excl. Crisis impact	-91	-97	6.8%
Pre-tax income	724	327	-54.7%
o/w pretax excl. Crisis impact	734	874	19.1%
Net income - Group share	576	251	-56.4%
o/w net income excl. Crisis impact	569	670	17.7%

* At current exchange rate

EUR -419 m Financial Crisis Impact in 1Q 2009

Major item: insurance impairments

(EUR m)	Revenues (before tax)	Cost of risk (before tax)	Net income
FSA	-116	-35	-83
FSA Financial Products	-22	-35	-57
Adjustment deferred taxes	-	-	+67
Adjustments on provisions sale of FSA Inc.	-94	-	-94
Impairments and other	-393	-4	-336
Impairments and losses - insurance activities	-201	-	-201
Monolines	-106	-	-70
Other value adjustments (MtM on trading portfolios)	-42	-	-23
Other	-35	-4	-35
Own credit risk	-8	-	-6
Total financial crisis impact	-509	-39	-419

New Segmentation as from 2009

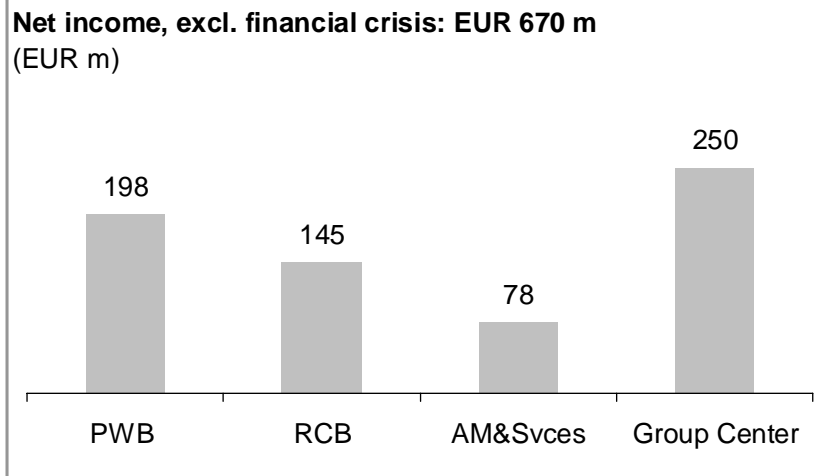
Composition of business lines

Public & Wholesale Banking	Retail & Commercial Banking	Asset Management & Services	Group Center
<p>Businesses</p> <ul style="list-style-type: none">• Public Finance• Project Finance• Corporates <p>Geographies</p> <ul style="list-style-type: none">• Core markets (France, Belgium, Italy, Iberia)• Other markets*	<p>Businesses</p> <ul style="list-style-type: none">• Retail banking• Private banking• Commercial banking <p>Geographies</p> <ul style="list-style-type: none">• Belgium• Luxembourg• Turkey• Slovakia	<p>Businesses</p> <ul style="list-style-type: none">• Asset Management• Insurance• Investor Services	<p>Activities</p> <ul style="list-style-type: none">• Bond portfolio in run off• Financial Products portfolio, in run off• Treasury activities• Other (former central assets division)• FSA Insurance (currently being sold)

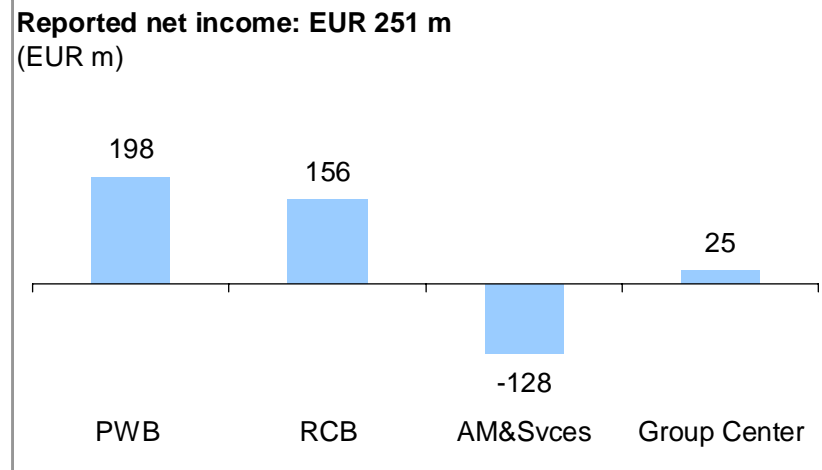
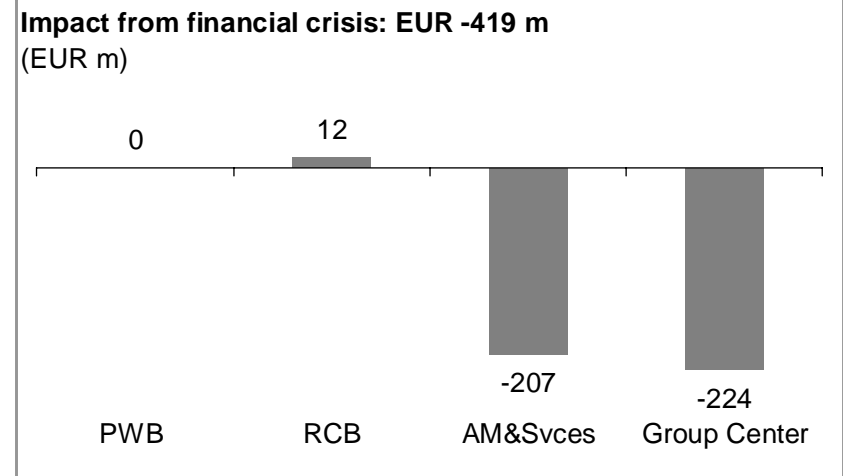
* US & Canada, Mexico, Japan, Israel, Australia, UK, Switzerland, Sweden, Germany, CEE except Slovakia (totally allocated to RCB)

PWB and RCB Profitable in 1Q09, AM & Services affected by the Financial Crisis

1Q 2009 figures



+



Public and Wholesale Banking: Key Financials

Despite higher funding costs, PWB resilient and profitable

(EUR m)	1Q09			Variation*	
	1Q08	4Q08	1Q09	%yoy	%qoq
Income	395	380	462	17.0%	21.6%
Expenses	-155	-157	-145	-6.7%	-8.0%
C/I ratio	39.2%	41.3%	31.4%	-8pts	-10pts
Gross operating income	240	223	318	32.3%	42.5%
Cost of risk	-10	-141	-21	x 2.1	÷ 6.8
Pre-tax income	230	81	297	28.9%	x 3.6
Tax expense	-74	-10	-89	19.9%	x 9.3
Net income - Group share	146	78	198	35.5%	x 2.5
o/w Impact financial crisis	0	-54	0	n.s.	n.s.
o/w Without financial crisis	146	132	198	35.5%	50.0%

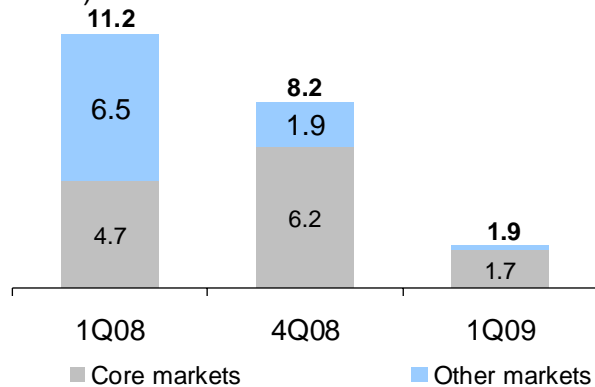
- Despite higher funding costs and State guarantee fees, revenues up by 17% yoy due to draws on high margin liquidity lines in the US
- Spreads on new loan production in France and Belgium increased substantially
- Strict control of costs, decreasing by 7% yoy partly due to the reversal of bonus provisions in 1Q09
- Risk charge remaining at a low level (3bps annualized on average outstandings)

* At current exchange rate

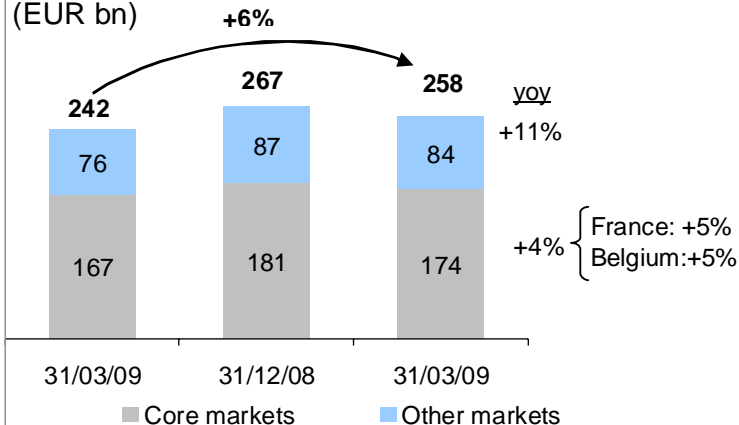
Public and Wholesale Banking: Activity Figures

Slowdown of production and focus on core markets

Loan production
(EUR bn)



Long-term commitments
(EUR bn)



- Production and commitments numbers have been restated to exclude the Public sector bond portfolio (in run off, allocated to Group Center), in line with the new segmentation
- Low loan demand in early 2009 especially in France and a strict refocus on core markets account for the steep reduction of production in 1Q09
- Commitments up by 6% yoy, due to strong originations during previous year/quarters and long amortization profile
- Decrease of commitments as of March 2009 vs. Dec. 2008 due to contained 1Q loan production

Note: core markets include France, Belgium, Italy, Spain

Retail and Commercial Banking: Key Financials

Solid results, improving margins and control on risks

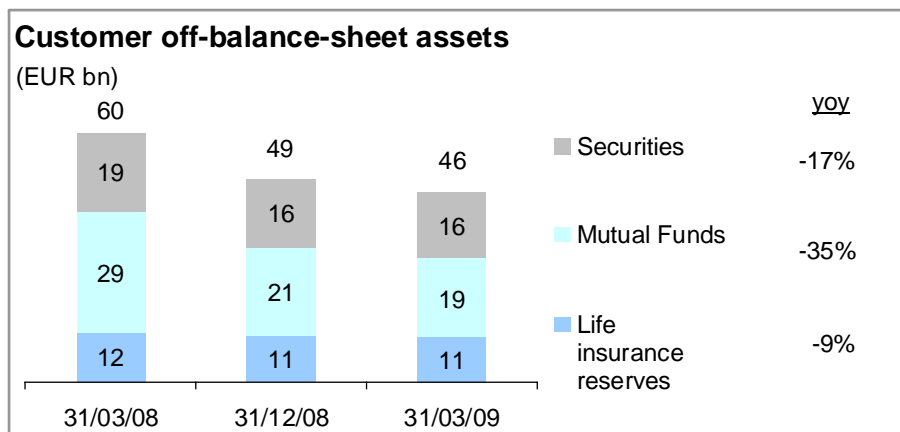
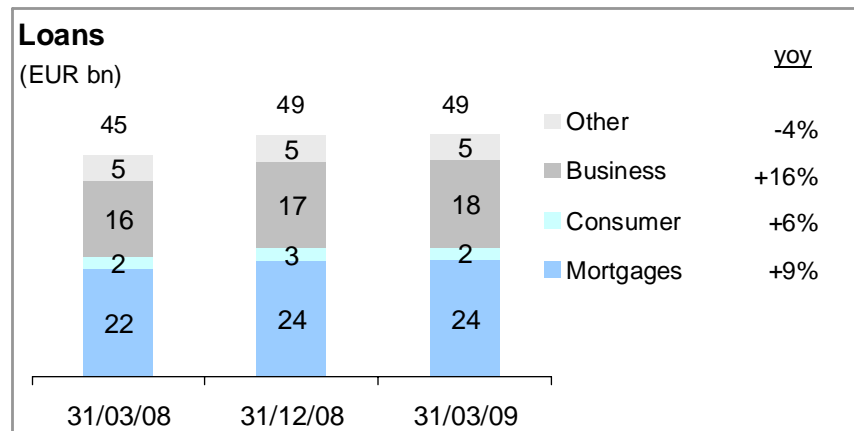
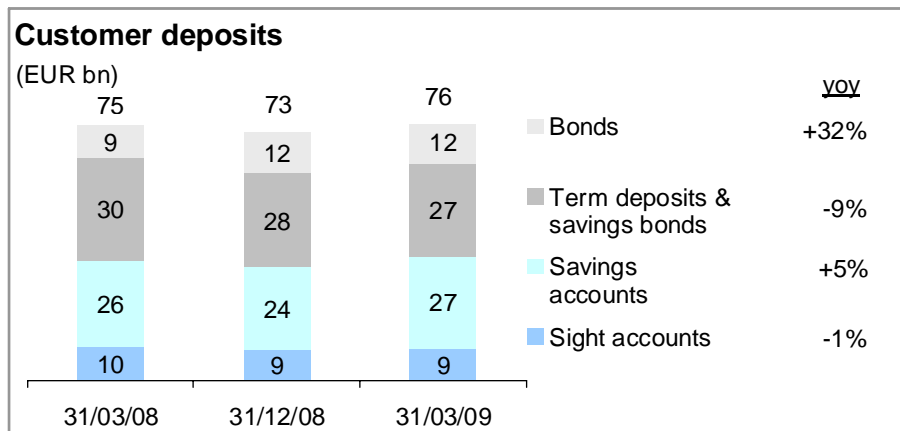
(EUR m)	1Q08	1Q09		Variation*	
		4Q08	1Q09	%yoy	%qoq
Income	690	686	722	4.7%	5.3%
Expenses	-472	-488	-461	-2.2%	-5.5%
<i>C/I ratio</i>	68.4%	71.1%	63.9%	-5pts	-7pts
Gross operating income	218	198	261	19.7%	31.7%
Cost of risk	-30	-228	-47	56.5%	-79.6%
Pre-tax income	188	-37	214	13.7%	n.s.
Tax expense	-50	54	-57	15.7%	n.s.
Net income - Group share	138	23	156	13.1%	x 6.8
o/w Impact financial crisis	-1	69	12	n.s.	n.s.
o/w Without financial crisis	139	91	145	3.8%	95.9%

- Revenues up by 5% yoy with diverging trends:
 - In Belgium, revenues down due to lower fees on off-balance sheet products and lower deposit margins vs. 1Q 08, albeit improving from previous quarters
 - Marked increase in DenizBank revenues, as margins benefited from lower interest rates
 - Luxembourg revenues up thanks to improved margins
- Continuous good cost control in all countries
- Provisions up by EUR 17m (+56%)
 - In Turkey, increase in provisions to face local risk degradation and general provisions reflecting a tougher stance on risk provisioning standards

* At current exchange rate

Retail and Commercial Banking: Activity Figures

EUR 3.5 bn increase in deposits



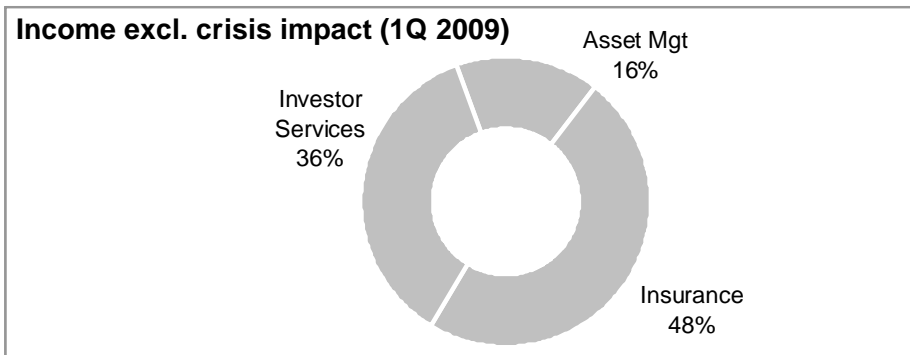
- Deposits: EUR 3.5 bn increase vs. Dec. 2008: EUR 3.0 bn in Belgium (mainly savings accounts) and EUR 0.5 bn in Turkey
- Negative market effect on off-balance sheet customer assets (EUR 8.1 bn)
- Shift in customers' asset mix continues
- Luxembourg more affected by the crisis
- Loans up by 10% yoy, decelerating growth in 1Q09

Asset Management & Services: Key Financials

Activities affected by the crisis

(EUR m)	1Q09			variation*	
	1Q08	4Q08	1Q09	%yoy	%qoq
Income	276	-334	21	-92.3%	n.s.
Expenses	-172	-176	-165	-4.1%	-5.8%
C/I ratio	62.3%	-52.7%	ns	ns	ns
Gross operating income	104	-509	-144	n.s.	n.s.
Cost of risk	0	-1	-6	n.s.	x7.6
Pre-tax income	104	-510	-150	n.s.	n.s.
Tax expense	-13	52	22	n.s.	-58.0%
Net income - Group share	87	-462	-128	n.s.	n.s.
o/w Impact financial crisis	0	-497	-207	n.s.	n.s.
o/w Without financial crisis	87	35	78	-10.0%	x 2.3

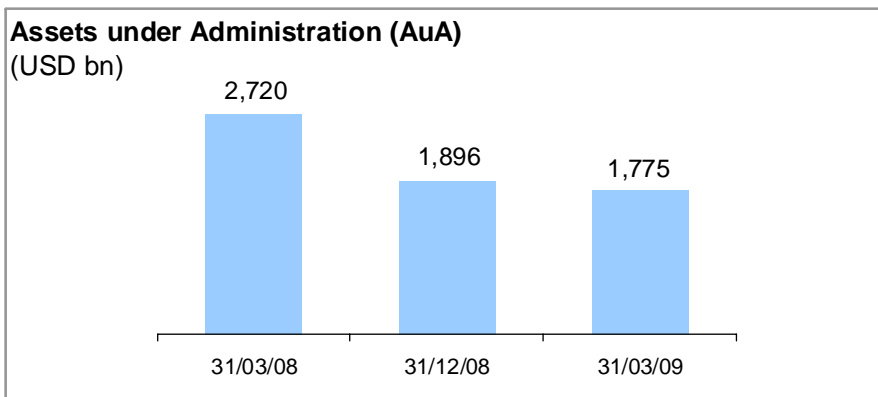
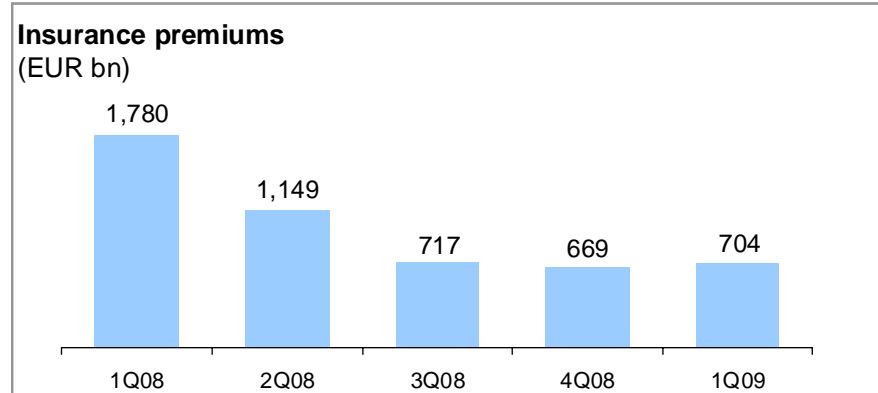
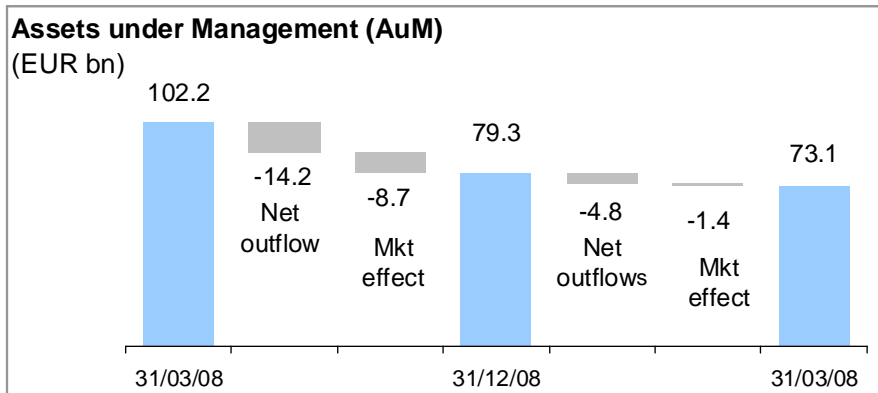
- Crisis impact: mainly EUR 201 m impairments & losses on insurance portfolios in 1Q09
- Asset Management: affected by challenging market conditions; focus on costs; launch of an internal re-organization aiming at a greater focus on clients and efficiency
- Investor Services: declining in asset values and activity levels impacting fees; stabilization of the cost base
- Insurance activities: impairment & losses on the investment portfolio, mainly on shares. Equity exposure was reduced by one third



* At current exchange rate

Asset Management & Services: Activity Figures

Decrease in assets related to the financial crisis

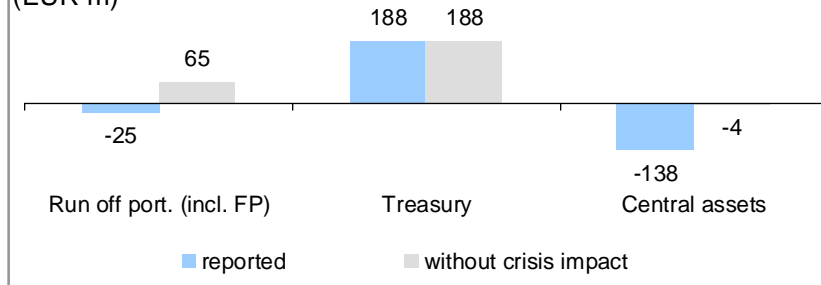


- AuM down EUR 6 bn (- 8%) over the quarter o.w. EUR 4.8 bn of net outflows, mainly in retail funds
- 6% decrease in AuA over the quarter due to negative market effects
- Insurance premiums are down 60% yoy due to the shift of customer assets out of life insurance and despite 6.5% growth in non-life insurance

Group Center: Key Financials

(EUR m)	1Q09			Variation*	
	1Q08	4Q08	1Q09	%yoy	%qoq
Income	138	-982	496	x3.6	n.s.
Expenses	-143	-355	-124	-13.3%	-62.5%
Gross operating income	-5	-1,337	372	n.s.	n.s.
Cost of risk	-248	-1,068	-335	-89.7%	÷3.2
Pre-tax income	-253	-2,408	37	n.s.	n.s.
Tax expense	184	172	15	-91.9%	-91.4%
Net income - Group share	-82	-2,241	25	n.s.	n.s.
o/w Impact financial crisis	-335	-2,540	-224	-33.0%	-91.2%
o/w Without financial crisis	253	298	250	-1.3%	-16.3%

Contribution to 1Q09 net income
(EUR m)



- Bond portfolio in run-off (excl. FP)
 - Negative impact of State guarantee fees and funding costs
 - No meaningful credit event during the quarter
 - Negative 'crisis' impacts from Monoline CVA and MtM on trading portfolios
- Financial products portfolios: EUR 43m impairment in 1Q09
- Treasury: positive contribution from Cash & Liquidity Management
- Central assets booking adjustments on the loss provisioned in 4Q08 on the FSA Insurance sale

* At current exchange rate

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 **Conclusion**

- Positive results in 1Q09
- PWB and RCB core businesses: resilient and profitable, despite a challenging environment
- Quality of the asset base is confirmed
- Group expenses down 6% in 1Q09 vs. last year, cost savings program on track
- Sale of FSA about to be completed
- Ongoing improvement of group liquidity, notably thanks to healthy long term issuance volumes
- High solvency ratios, with a Tier 1 and core Tier 1 of 10.7% and 9.8%, protected from potential additional losses of Financial Products