

A light gray world map is centered in the background of the slide. Overlaid on the map is a dark blue rounded rectangle containing the DEXIA logo.

DEXIA

World Leader of Public Finance

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DEXIA Group

Moscow
May 2007

DEXIA :
World Leader
of Public Finance

A light gray world map is centered in the background of the slide, showing the outlines of continents and major islands.

I. DEXIA Group

1. A success story from the first European cross border mergers in banking sector
2. A world leader on the local public sector with a distinctive business model

History:

In 1996 CCB and CLF combined into Dexia



Net combined income 1996:

481 M€

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Dexia mostly present in Europe & North America

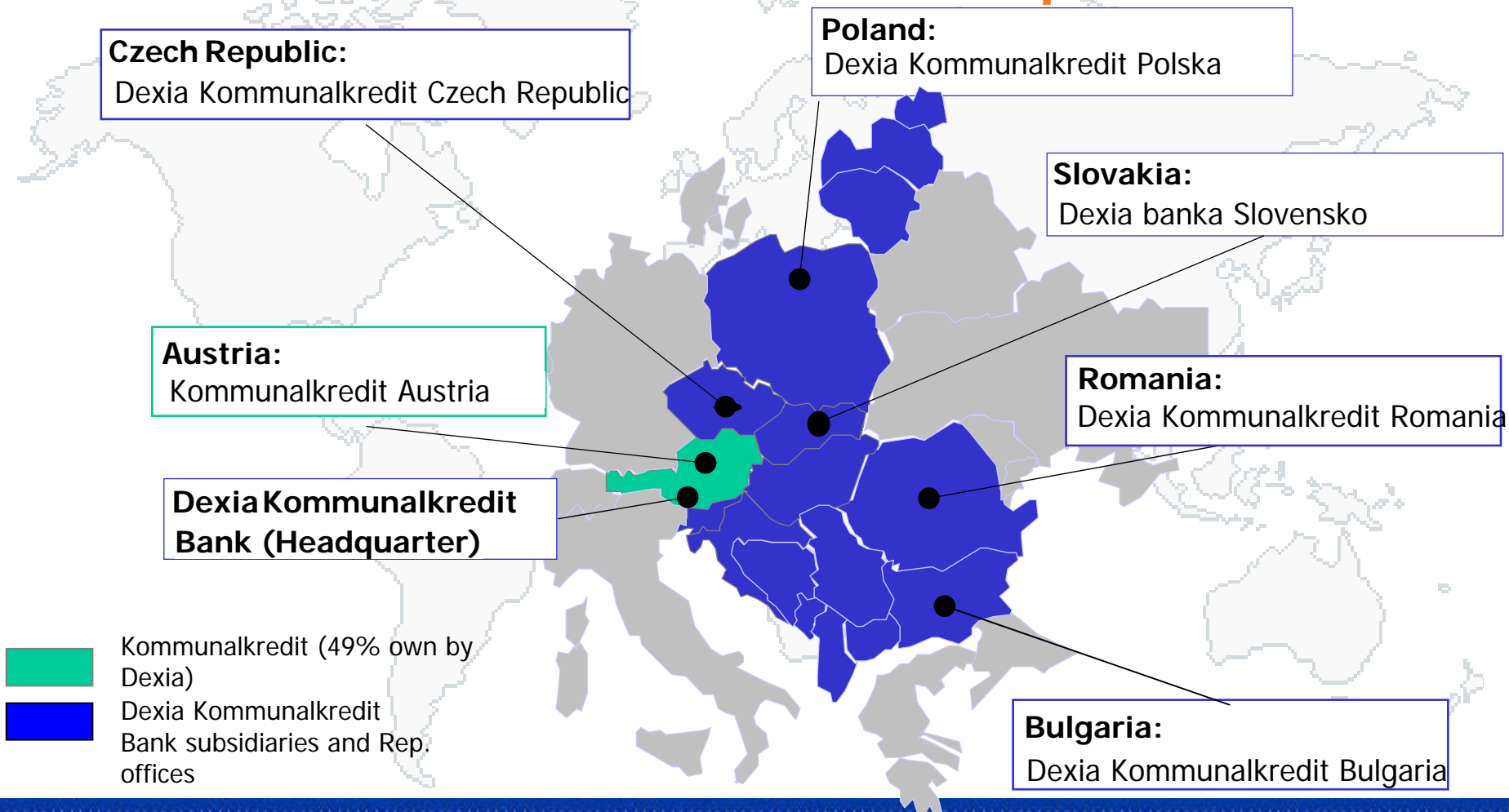
France
Great Britain
Ireland
Canada
USA
Portugal
Spain
Austria



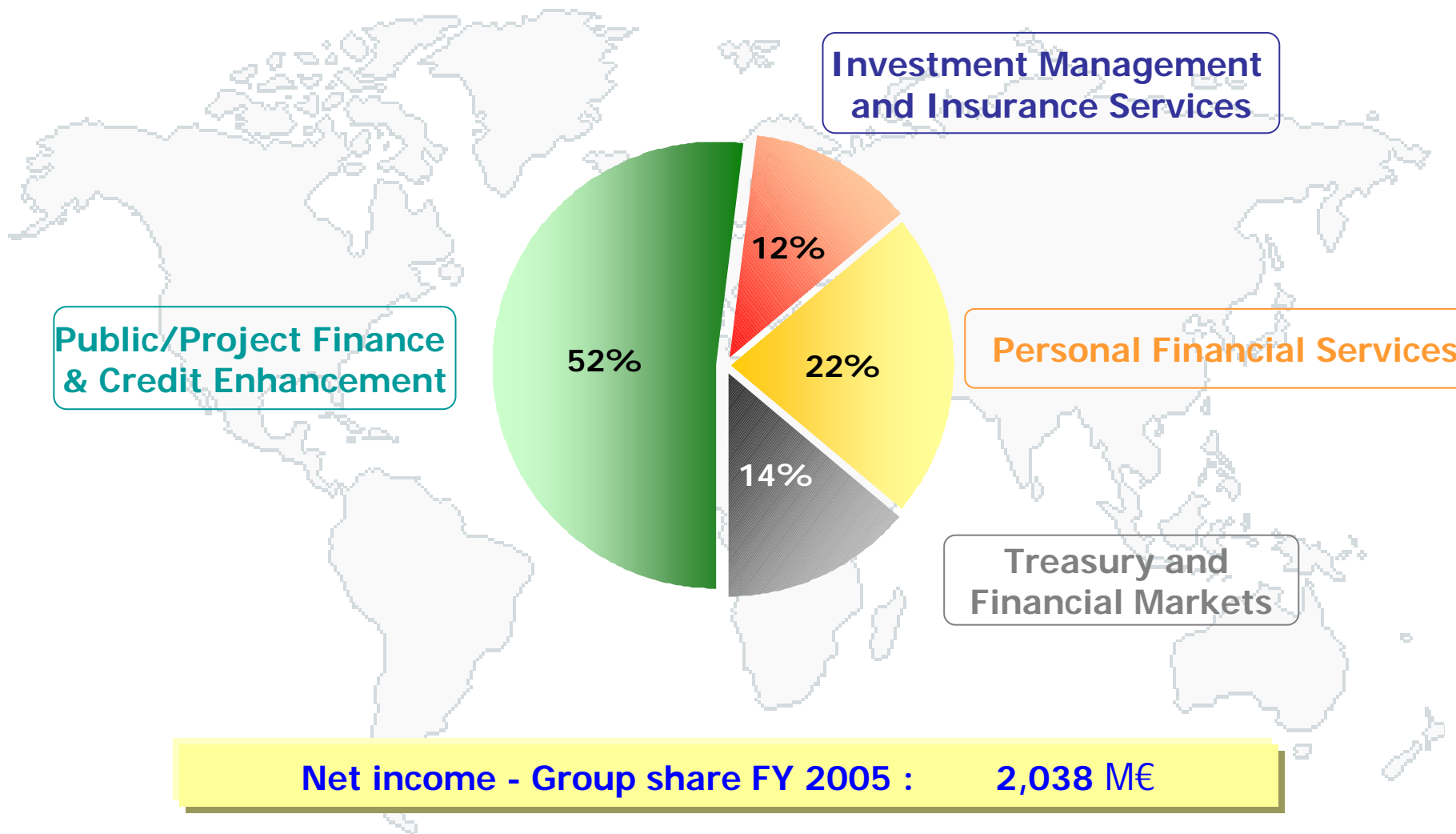
Italy
Sweden
Poland
Romania
Germany
Slovakia
Switzerland
Czech Republic
Bulgaria
Hungary
Australia
Japan

South Africa Israel

Central & Eastern Europe



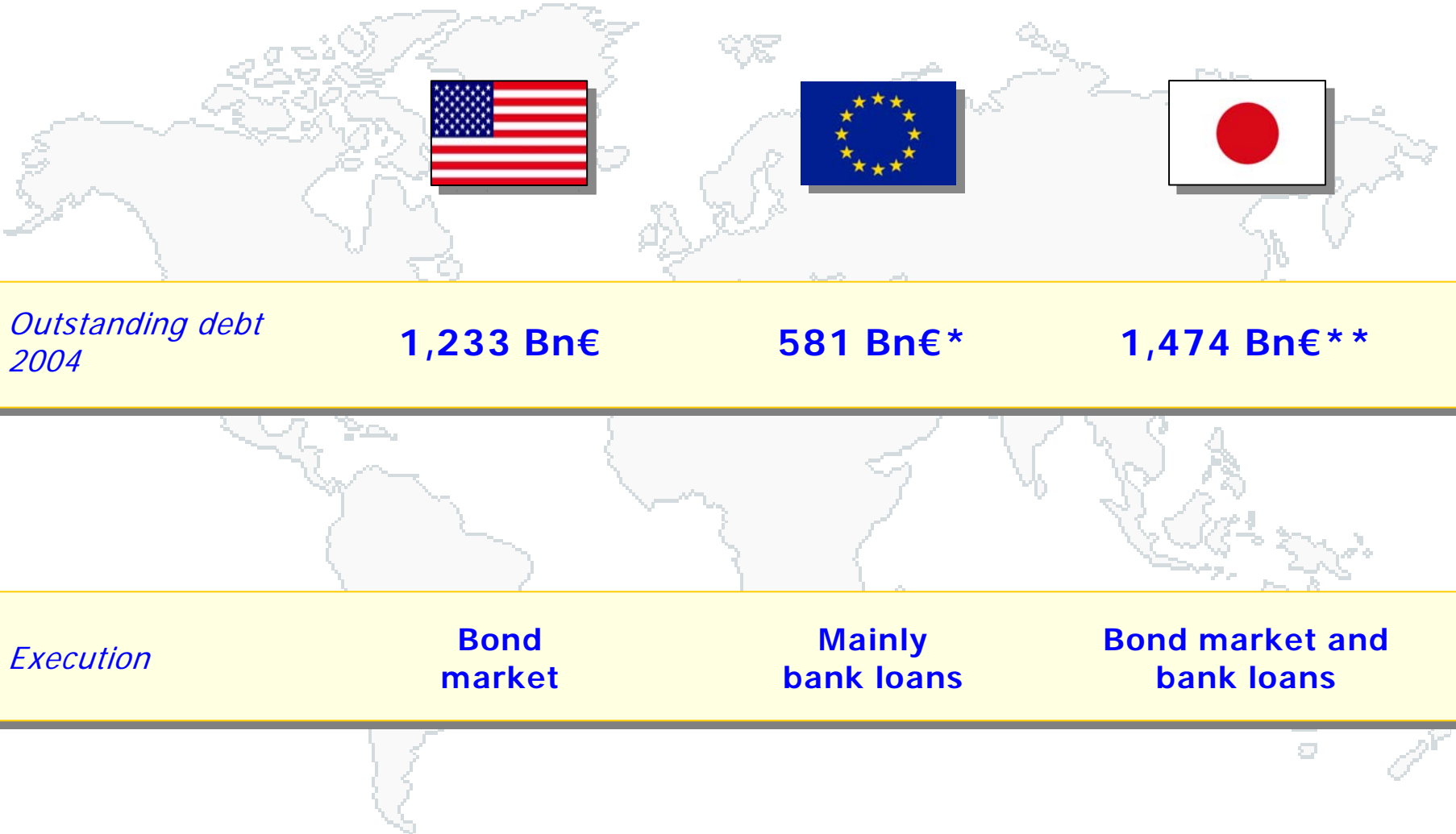
Business portfolio and income breakdown



Pie chart represents segment contributions to the underlying net income – Group share in 2005 (i.e. excluding non-operating items & Central Assets)

**DEXIA :
World Leader
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The main markets of local public finance



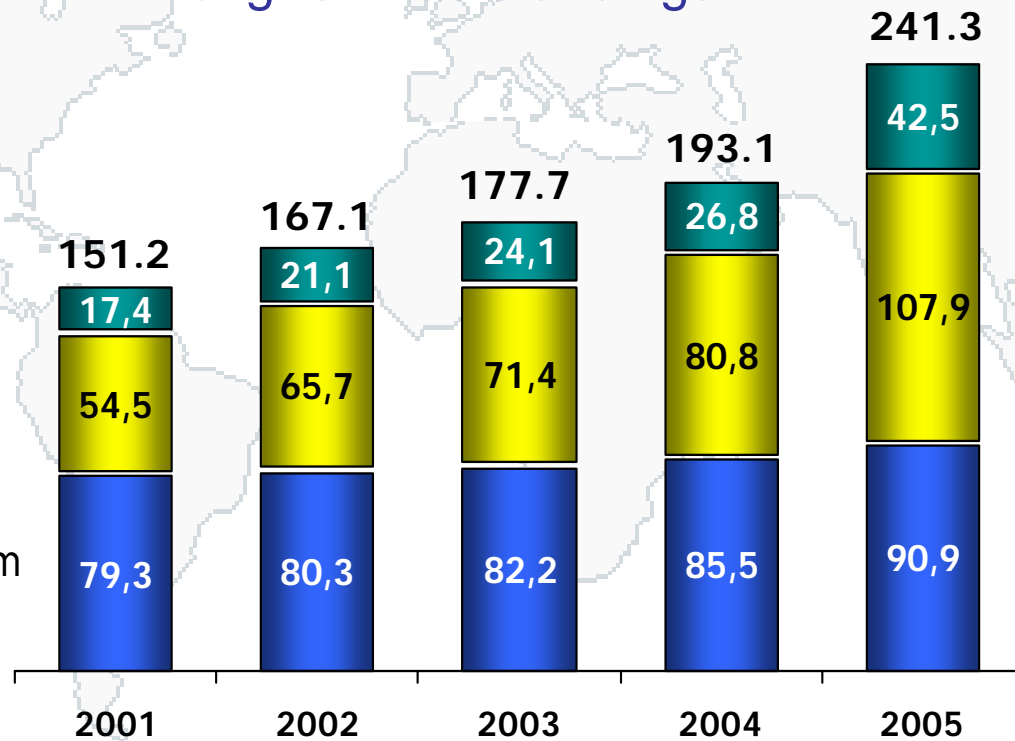
* EU-25 data
 ** Estimation based on 2003 figures

Growth of outstandings stems mainly from new markets...

CAGR 2001-2005

Long-term outstandings

- (Bn€)
- America
- Other countries
- France + Belgium



+ 12.4 %

+ 25.0 %

+ 18.6 %

+ 3.5 %

II. Keystones of Dexia's success in Public Finance

1. Products innovation thanks to financial engineering skills

- ↳ Structured loans
- ↳ Debt management
- ↳ Capital markets solution

2. Geographic expansion

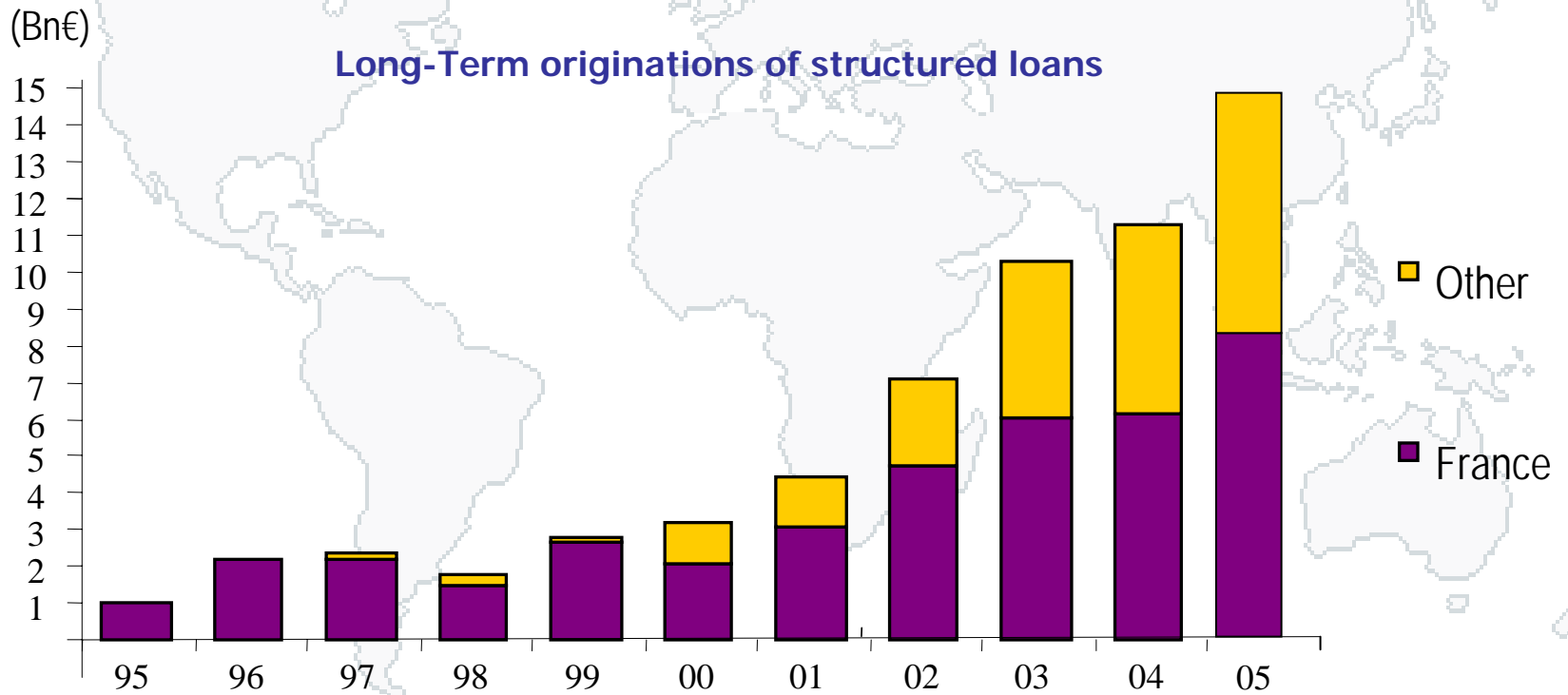
Dexia is the only global player to offer full range of products/services to the local public sector



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Structured loans

- A unique expertise developed in France since 1994
- Several thousands transactions totaling nearly 60 Bn€
- Dexia know-how in Financial engineering technology is exportable

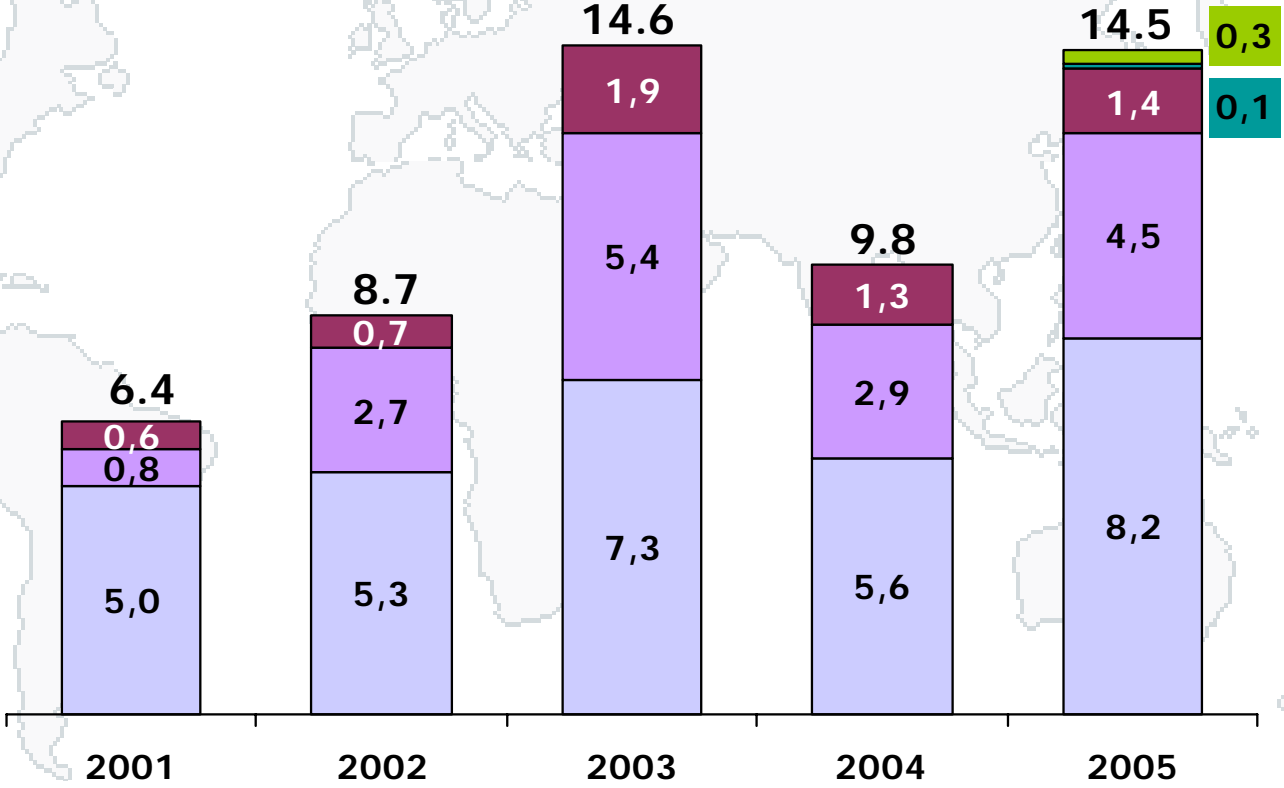


Debt management


Volumes of transactions restructured

(Bn€)

- United Kingdom
- Spain
- Italy
- Belgium
- France




Capital markets solutions – Examples of transactions



City of Paris
EUR 120 000 000
2015
3.25%

June 2005
Joint Bookrunner
Joint Lead Manager



Capital Markets

Inaugural bond under EMTN

- EUR 120 million
- Dexia acted as Joint-Bookrunner

Distribution:

- Insurance companies and banks
- France, Belgium, Germany & UK



Republic of Poland
EUR 500 000 000
2055
4.25%

July 2005
Joint Bookrunner
Joint Lead Manager




Capital Markets

50-year Private Placement

- EUR 500 million
- Dexia acted as Joint-Bookrunner


Distribution:

- Public sector banks
- France, Ireland, Germany & Austria



City of Bucharest
EUR 500 000 000
2015
4.125%

June 2005
Co Arranger



Capital Markets

Eurobond issue

- EUR 500 million
- Dexia acted as Co-lead Manager

Distribution:

- Insurance companies and banks
- France, UK, Ireland & Germany



M6 Duna Autópálya Koncessziós
Részvénytársaság
EUR 212 000 000
2025
Guaranteed secured
FRN

March 2006
Sole Bookrunner
Lead Manager



Capital Markets

PFI bond issue, wrapped by FSA

- EUR 212 million
- Dexia acted as Sole Bookrunner and Lead Manager

Distribution:

- Institutional banks, supras and Central banks, saving banks, asset managers and insurance companies
- France, Ireland, UK, Italy, Belgium and Luxembourg

A light gray world map is centered on the slide, showing the outlines of all continents. The text 'III. Dexia :Project Finance' is overlaid in the center of the map.

III. Dexia :Project Finance



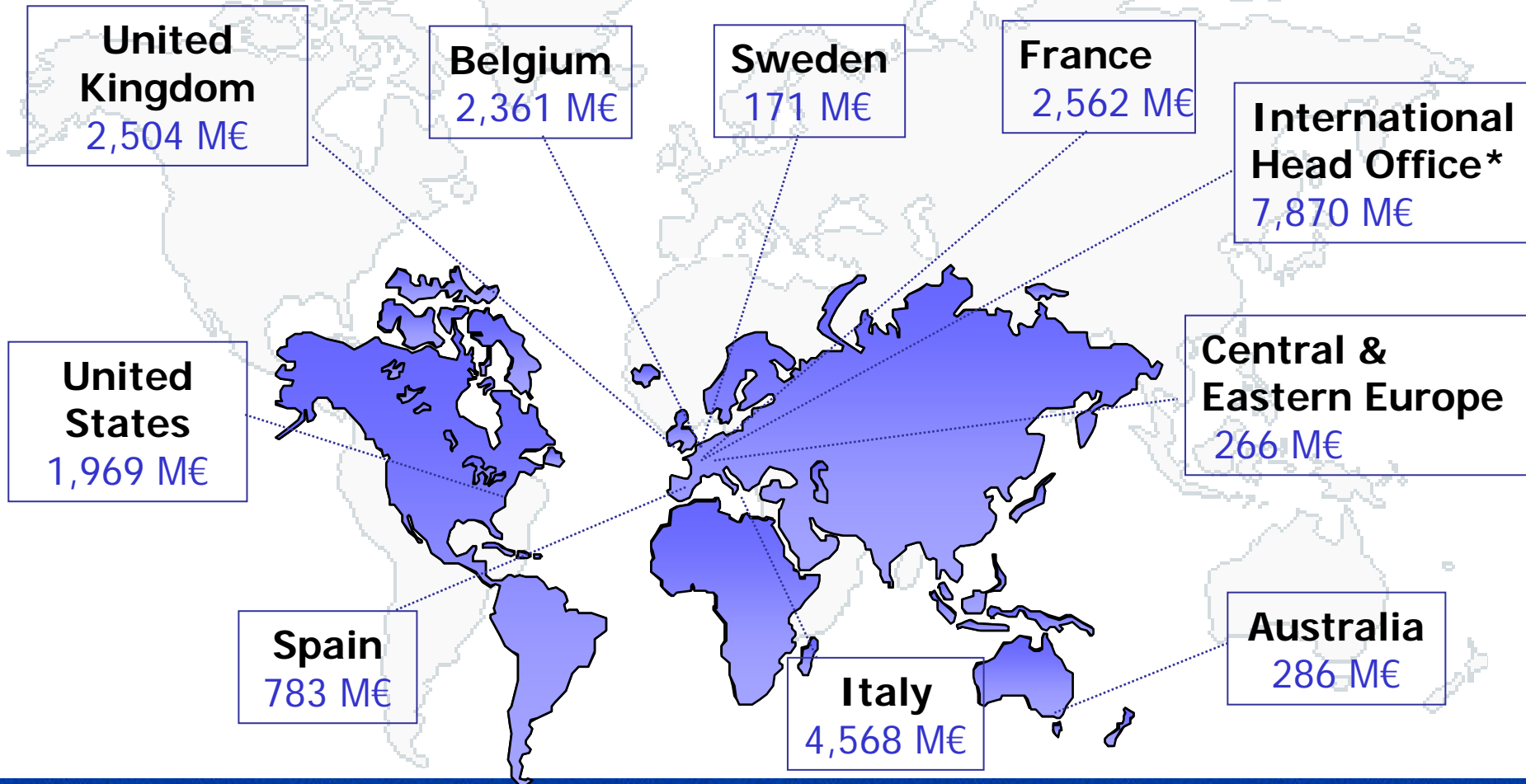
- Priority given to "Infrastructures " (Transport, Environment, "PFI accommodation", Energy, PPP)
- Continue to develop in renewable energy
- Continue to diversify in oil/gas



- Prudent recovery in thermal energy
- Opportunist interventions in telecoms
- Several sectors are ignored (mining, industrial, leisure projects,...)

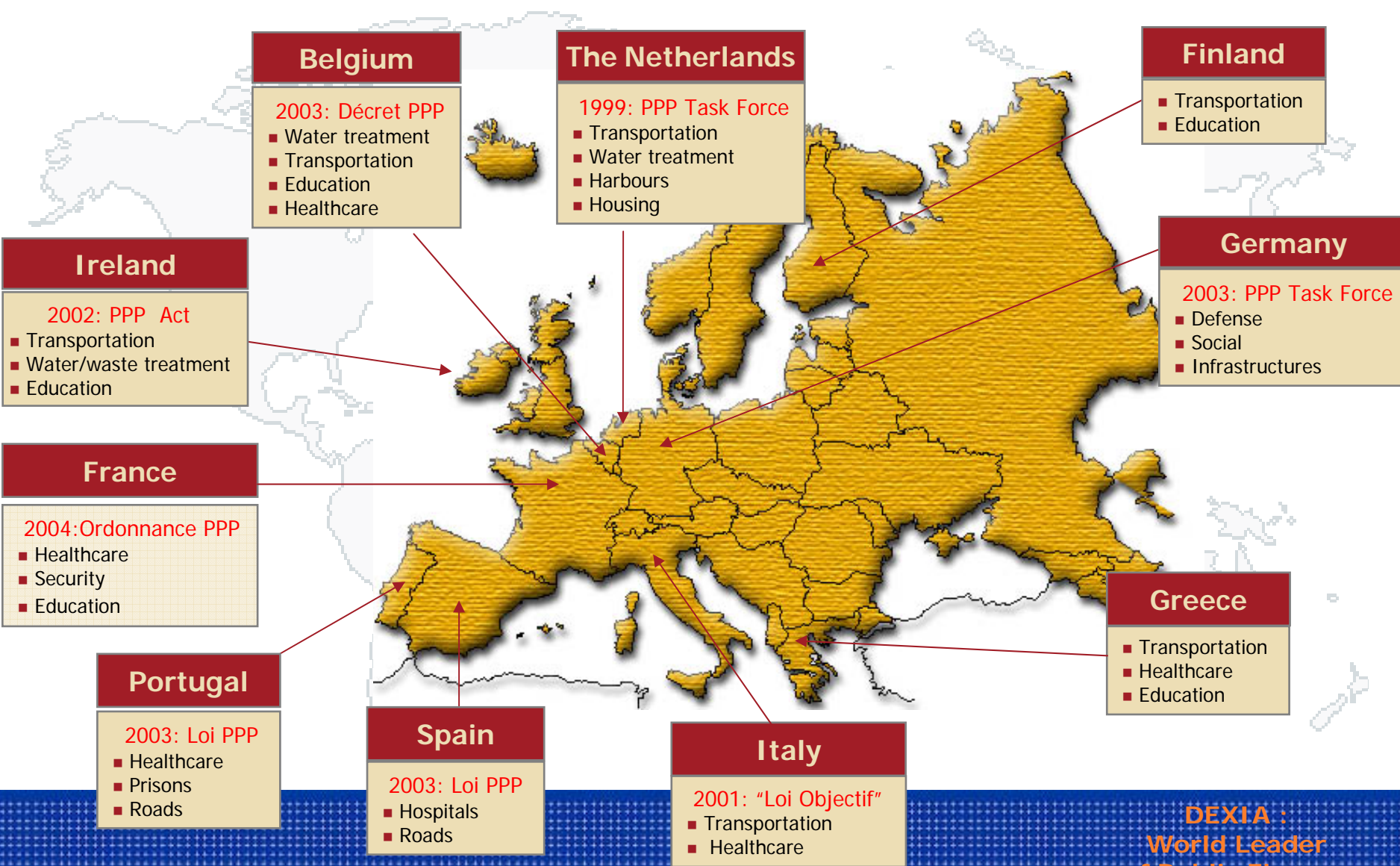


24Bn€ outstanding commitments as of December 31, 2005



* for countries where Dexia has no local presence

Private Public Partnerships (PPP) spread out in Europe



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Global contract between a public entity and a private one to design, build, operate and maintain an asset in order to provide a service to the public sector in return of an ongoing fee based on availability or demand.

Some of the most common PPP models :

Design Build

Design Build Maintain

Design Build Operate

Design Build Operate Maintain

Build Own Operate Transfert

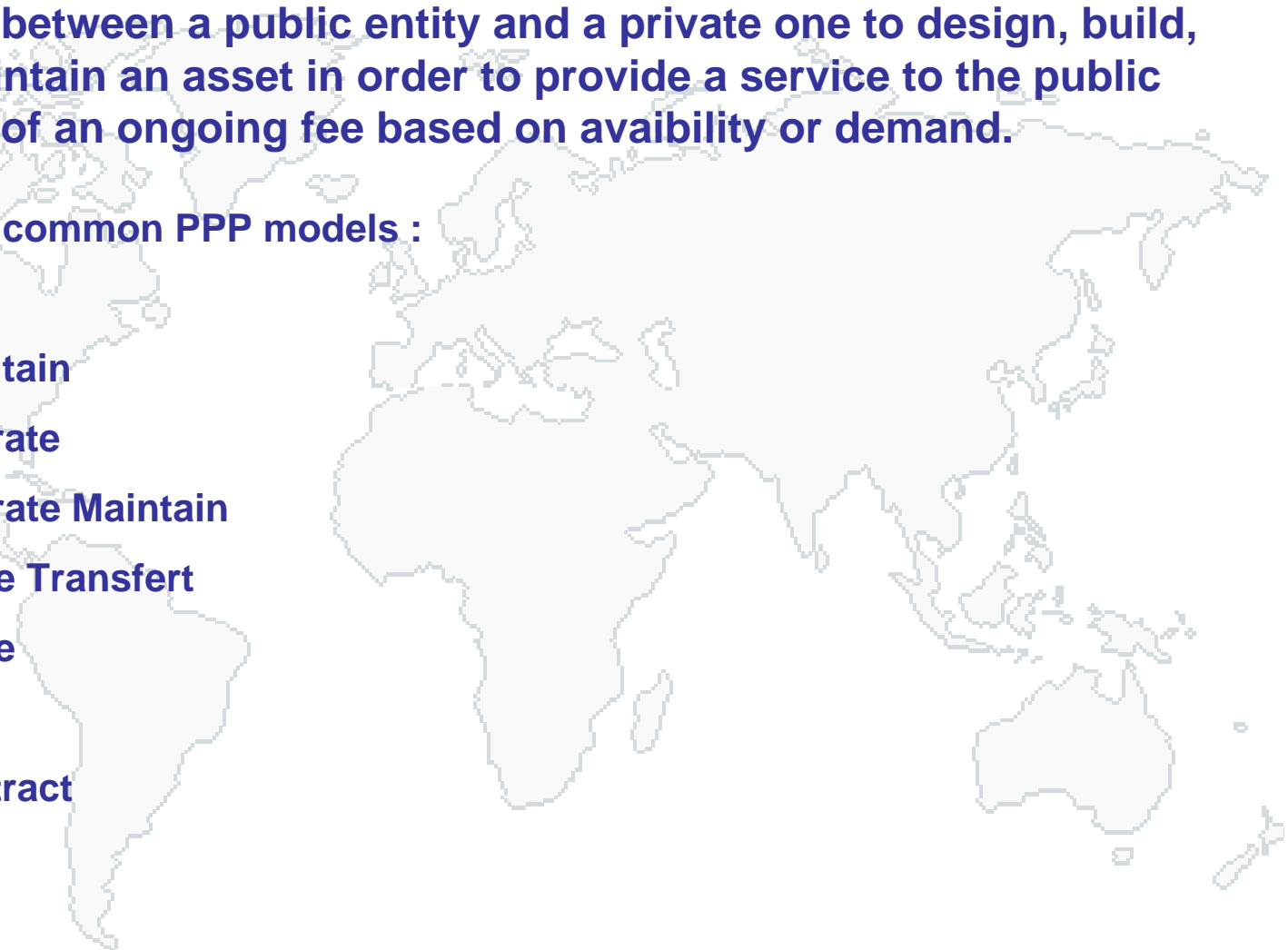
Build Own Operate

Service Contract

Management Contract

Concession

Divestiture



- **A strong political willingness**

- Creation of PPP Taskforce at the State level
- Promote pilote projects / sectorial programs

- **A tailored legal framework**

- A stable legal and financial environment
- A specific/sectorial framework to facilitate PPP projects
- Clear tender procedures

- **Skills and knowledge of PPP by both public and private sector**

PPP can achieve the best risks allocation to the right party at the right price

