

DEXIA IN 2006



no achievement without commitment

DEXIA

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EXPERTISE, PERFORMANCE AND RATING

Dexia's success lies not only in its well-established franchise and strong distribution skills, but also in its ability to conceive efficient products and develop innovative solutions to meet its clients' financial needs. In all business lines, Dexia has been able to attract and deploy the best professional skills. It exercises the highest standards in terms of underwriting, risk monitoring, operational disciplines and product performance. Dexia has one of the highest credit ratings in the banking industry: its three main entities – Dexia Crédit Local, Dexia Bank and Dexia BIL – are AA/Aa1/AA+ rated; two of its subsidiaries in Europe issue AAA rated secured bonds; finally FSA, one of the four largest bond insurers in the US is a AAA rated company.

CORPORATE PROFILE

DEXIA, A EUROPEAN BANK, WORLD LEADER IN PUBLIC FINANCE

Dexia was born of the alliance in 1996, of two major institutions in local public finance in Europe: Crédit local de France and Crédit Communal de Belgique. Both institutions, together with Banque Internationale à Luxembourg (BIL) were united in 1999 into one publicly-quoted company named Dexia. This was one of the very first cross-border mergers in the European banking sector. Today, Dexia ranks among the top 20 largest banks in Euroland, and conducts its strategy on two pillars: Universal Banking in Europe (Belgium, Luxembourg, Slovakia, Turkey) and a worldwide leadership in Public/Project Finance.

TWO PILLARS: UNIVERSAL BANKING IN EUROPE AND PUBLIC/PROJECT FINANCE WORLDWIDE

Dexia is a leading retail bank, and serves more than million customers in Belgium, Luxembourg, Slovakia and Turkey. Over the years, Dexia has developed an entire range of banking services catering to individual customers, small and medium-sized enterprises and institutional clients and it is an active player in asset management, insurance, investor services and capital markets.

Since its merger in 1999 and the acquisition in 2000 of Financial Security Assurance (FSA) in the United States, Dexia has become the world's largest player in local public finance. Dexia's high level of expertise, its long-term horizon and the very high solvency of its customers, grant a superior quality of franchise. Dexia develops its strategy in this area on a global scale.

BUSINESS LINES

Public/Project Finance

Dexia has a well-deserved reputation for global leadership in public finance. This business line is especially exercised by Dexia Crédit local and its branch offices, and by subsidiaries established in thirty countries worldwide. The main subsidiaries are located in France, Belgium, Italy, North America and Mexico, Germany, Spain, the UK, Scandinavia, Switzerland, Austria, Slovakia, Poland, Romania, the Czech Republic, Australia, Israel, Bulgaria, Hungary and Japan. In this enormous market, character-

ized by high-quality borrowers seeking to finance vast and growing public infrastructure needs, Dexia has a wealth of profitable business opportunities and strong prospects for international growth. Scale, innovation, expertise and a long-term view are the key ingredients of Dexia's success in this business line, which generates more than half of Dexia's earnings. Dexia participates in this market through a variety of activities which include basic lending, bond execution, structured project financing and credit enhancement.

In addition, Dexia offers insurance, payment, asset management and other services to its clients.

Personal Financial Services

In Belgium, Dexia Bank is one of the country's top players in retail banking. It offers a complete range of banking and insurance services to a clientele of households and small and medium-sized enterprises. Similarly, Dexia BIL is a major retail bank in Luxembourg. Dexia banka Slovensko is a retail bank in Slovakia. In 2006, Dexia acquired DenizBank, the sixth largest privately-owned bank in Turkey.

An important private banking business has been developed over the years, sometimes through joint ventures, in a number of European countries such as Belgium, Luxembourg, France, Spain and Switzerland.

Treasury and Financial Markets

Dexia's principal businesses give the Group an intensive presence in the capital markets, both for funding and managing the Group's balance sheet and for structuring sophisticated products and solutions for clients of the various business lines. This business segment not only provides key support to the entire Group, it also functions as an important profit center generating substantial earnings.

Asset Management, Insurance and Investor Services

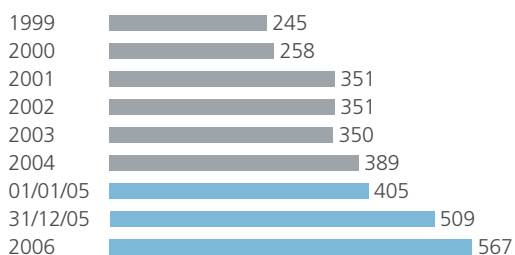
- Dexia Asset Management has built a strong reputation in Europe and today distributes more than a third of its products to institutions and through third-party channels.
- Dexia Insurance Services supplies all the life and nonlife insurance products sold in the retail networks of the Group in Belgium and Luxembourg, and in France.
- In Investor Services, RBC Dexia Investor Services was set up as a joint venture with Royal Bank of Canada in 2006. Today it ranks among the ten largest custodian banks worldwide.

FINANCIAL HIGHLIGHTS

GROUP – CONSOLIDATED FIGURES

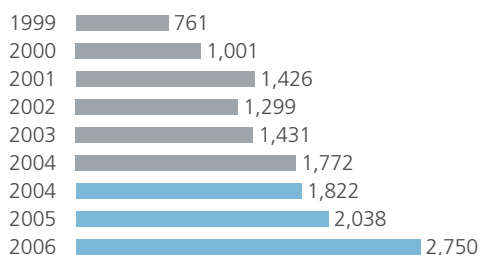
BALANCE SHEET TOTAL

(in billions of EUR)



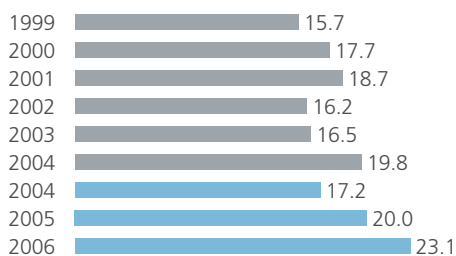
NET INCOME – GROUP SHARE

(in millions of EUR)



RETURN ON EQUITY (ROE)

(in %)



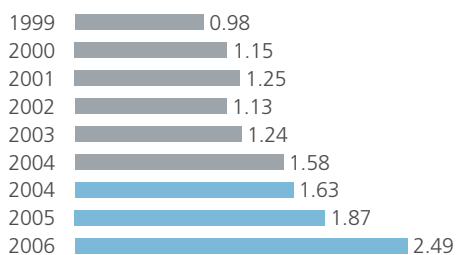
COST-INCOME RATIO

(in %)



EARNINGS PER SHARE

(in EUR)



■ Dexia Group accounting standards adopted until the publication on December 31, 2004.

■ IFRS as adopted by the European Union for publications after January 1, 2005.

RATINGS ⁽¹⁾ (long term)

	Dexia Bank	Dexia Crédit Local	Dexia BIL	Financial Security Assurance	Dexia Municipal Agency
Moody's	Aa1	Aa1	Aa1	Aaa	Aaa
Standard & Poor's	AA	AA	AA	AAA	AAA
Fitch	AA+	AA+	AA+	AAA	AAA

(1) Ratings as of April 10, 2007.

RESULTS (in millions of EUR)

	2004	2005	2006
Income	5,623	5,976	7,012
Costs	(3,057)	(3,229)	(3,481)
Gross operating income	2,566	2,747	3,531
Net income – Group share	1,822	2,038	2,750

BALANCE SHEET (in billions of EUR)

	Jan. 1, 2005	Dec. 31, 2005	Dec. 31, 2006
Total assets	404.6	508.8	566.7
Loans and advances to customers	169.5	192.4	226.5
Loans and securities	147.3	198.9	223.2
Customer borrowings and deposits	87.1	97.7	109.5
Debt securities	144.2	175.7	184.7
Core shareholders' equity	10.5	11.5	14.4

DATA PER SHARE (in EUR)

	2004	2005	2006
Earnings per share ⁽¹⁾	1.63	1.87	2.49
Gross dividend	0.62	0.71	0.81 ⁽²⁾
Net assets ⁽³⁾	8.87	9.86	11.60
Pay-out ratio ⁽⁴⁾	37.6%	37.9%	34.3%

(1) The ratio between the net income – Group share and the average weighted number of shares.

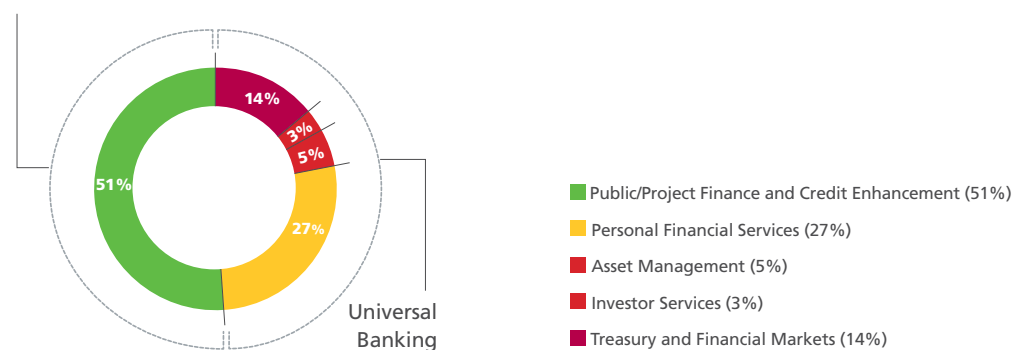
(2) Proposed dividend.

(3) The ratio between the core shareholders' equity (estimated dividend for the period deducted) and the number of shares (after deduction of treasury shares) at the end of the period.

(4) The ratio between the total dividend and the net income – Group share. For 2006, based on proposed dividend.

BUSINESS LINES' CONTRIBUTION TO THE NET INCOME IN 2006 ⁽¹⁾

Public/Project
Finance



(1) Underlying net income – Group share; excluding Central Assets and non-operating items. The result of the insurance activity, previously treated separately, has now been split between Public/Project Finance and Personal Financial Services.

MESSAGE FROM PIERRE RICHARD

CHAIRMAN OF
THE BOARD OF DIRECTORS

2006 was a year of contrasts. On the one hand, political crises and wars have escalated dangerously in the Middle East, on fronts wider today than ever before. Energy prices and supply, as well as global warming have become even more acute issues, not only for policy makers but for everyone in their day-to-day life. Economic imbalances have worsened rather than improved, and now require global solutions never previously conceived. On the other hand, the world economy continued to generate robust overall growth in 2006 in excess of 5% however and, along with the increasing supply of liquidities worldwide, this has fuelled intensive activity in the financial industry. The European Union has kept growing at a honorable pace of 2.9%, and on the strength today of 500 million inhabitants in 27 countries, has a greater influence on the international scene. One satisfying feature is that the "economic engine" seems to have restarted in Germany, giving positive signals for the future.

Dexia was able to share in this buoyancy, even though the market's risk appetite kept growing, thus further increasing competitive pressure.

Beyond the vibrant business origination activity, a great deal more has happened during Dexia's tenth year in existence, which the Board of Directors has dealt with actively, either directly or through its specialized committees. Among the most important decisions, the first related to the double transition at the two highest levels of governance of Dexia: the Board of Directors and the Management Board.

Having been appointed Chairman of the Board of Directors, I passed the baton to Axel Miller, who was appointed Chairman of the Management Board. The Board of Directors first of all proceeded with the appointment of new management team members and approval of the proposed organizational structures. Secondly, following the in-depth strategic review which was carried out during the first months of the year, the Board expressed its full support for proceeding with the proposed strategic plan, which was presented to the market in autumn. On this basis, Dexia will be able to stand ever more firmly on its two pillars, universal banking and public/project finance, and keep developing a solid business portfolio. The Board has also examined a number of projects, among which the acquisition of DenizBank in Turkey, and several divestiture proposals aimed at refocusing on the essential. The Board has given its full support to those initiatives announced during the course of the year.

The Board has also followed the situation of Dexia Bank Nederland with close attention. It is particularly rewarding to see that Dexia's management efforts to achieve a just and appropriate solution to this difficult problem eventually came to fruition, with the Duisenberg agreement being granted binding force by the Amsterdam Court of Appeal in January 2007.

Dexia has continued to regard corporate governance as an absolute essential, where the Group aims at being seen to conduct best practices. Transparency is at a maximum on all items such as the compensation of



Management and Board members, the tasks of the specialized committees and the Board's agenda throughout the year. This year, the annual Board assessment was carried out with the aid of an external consultant, with a view to presenting useful references on how corporate governance is practiced elsewhere and to offering new future perspectives.

Turning to the subject of sustainable development, Dexia's commitment on this front did not diminish at all. This is true in the field of collective infrastructures, where Dexia is committed to finance projects which respect environmental needs. It is also true in the field of Socially Responsible Investments (SRI), a domain where Dexia Asset Management excels. Dexia was recently nominated at the international forum in Davos among the "global 100" companies awarded for their "best in class" socially responsible behavior, and is one of the ten financial institutions worldwide to be given the award.

All this good work was done with the greatest professionalism and dedication. In my role as Chairman of the Board of Directors, I convey my thanks to all Board members, to the Management and the members of staff of Dexia for their contribution. I also want to pay a particular tribute to Francis Mayer, who passed away prematurely at the end of the year after intense suffering, when he was at the peak of his bright career. He made an immense and outstanding contribution to Dexia, for which he must be thanked. We shall miss him.

This year again, the performance of Dexia was excellent, as shown by the greatly increasing volumes in most of our business lines, and by the growth of earnings per share (+33.2%), which come to EUR 2.49, a new record in Dexia's history. After this latest very good vintage in 2006, the Board will be pleased to propose a dividend of EUR 0.81 per share, a rise of 14.1% on 2005, which reflects Dexia's performance this year, and confirms our collective confidence in our ability to continue delivering value in the long term, on the strength of a robust capital base, superior ratings, and the quality of the franchise and of the teams.

A handwritten signature in black ink, appearing to read 'P. Richard', written over a horizontal line.

Pierre Richard

MESSAGE FROM AXEL MILLER

CHAIRMAN OF THE MANAGEMENT BOARD,
CHIEF EXECUTIVE OFFICER

2006 has been a year of achievements and progress on three essential fronts.

The strategic review carried out during the first half by all the entities has led us to the elaboration of a very promising development plan, including a detailed 3-year plan 2006-2009 and a 10-year outlook. This exercise has reinforced our confidence in being able to deliver very healthy growth over the next decade. This ability of Dexia to set our ambitions over such a time span demonstrates that our commitment is long lasting. It rests not only on the excellence and motivation of our people, but also on very good visibility stemming from the very nature of our franchises. This gives us a strategic advantage which has proved its worth year after year. Each member of the staff now "owns" the plan, shares its ambitions and is set to move forward with Dexia into the next ten years. This means that all the talents in the Group are being deployed with energy and passion towards the achievement of our goals. Dexia is more than ever ready to progress and enrich its development on its two pillars: as a European banking group, world leader in Public/Project Finance.

Another reason for great pride and excitement is that we have been able to shape a new organizational model which has already proved its power and efficiency. Dexia functions as one company, and our operation today in thirty different countries under business models that are not always similar, is entirely seamless. The common values are clear to all, and senior management has a perfect understanding that the priority is to work on Dexia's success as a whole. Our key projects are led by the heads of the business lines and those of the strategic functions across the Board, all of whom are totally empowered. Similarly, the operating entities are clearly organized and focused towards the generation of business

and the delivery of earnings on their local markets. Each executive is on a yearly management contract defining the objectives and means, and containing all the necessary provisions to reward achievements and sanction shortcomings.

A final reason for pride is that all these profound changes have not precluded us from developing our day-to-day business, from fighting efficiently against fierce competition, and from continuing to deliver value and growth. Once again this year, activity has been excellent. Dexia succeeded in increasing its originations, income and earnings per share. Costs remained under good control overall, despite the fact that many developments, reorganizations and relocations were undertaken during the year, and that new closures and/or divestitures took place. In particular, activity in Public/Project Finance continued to be buoyant in 2006, with long-term commitments jumping 14.5%, and net par outstanding insured by FSA rising 7.1% in one year. Net underlying income rose 14.1%, and with a return on economic equity of 22.9% the business line continued to deliver very high profitability. Similarly, Personal Financial Services achieved a very good commercial performance again this year, with customer assets growing by 5.3%, and loans by 11.8%. Net underlying income rose 13.1% in the business line, as a result of robust revenue growth and well-contained cost progression. In the other business segments, results have been equally good: net underlying income was up 31.7% in Asset Management, 12.1% in Insurance Services, 51.4% in Investor Services and 11.2% in Treasury and Financial Markets. All these good underlying performances combined with a number of one-offs during the year to create a very healthy bottom line income amounting to EUR 2,750 million, 34.9% above the very good performance of the previous year.



Of course, the major change which occurred during the year was the acquisition of DenizBank which is now 99.8% owned by Dexia. As discussed on many occasions during the year, this is a move which almost perfectly reflects the strategic path Dexia is taking, and one opportunity which we expect will bring a great deal to Dexia in terms of growth and strategic penetration in a very important new market. From the fourth quarter of 2006, DenizBank is fully consolidated into Dexia, and the integration process is already well on its way. The acquisition was financed partly with the proceeds from divestitures, partly with excess capital available, and finally through the issuance of ordinary shares and hybrid Tier 1 instruments. This brings Dexia's earnings per share in 2006 to EUR 2.49, up 33.2% on 2005.

The Dexia share performance continued to make progress in 2006, with a rise of 6.5% over the year, but lower than the Eurostoxx Banks index (which rose +22.5%), the CAC 40 (+17.5%), or the BEL20 (+23.6%). The relative underperformance among industry peers results in part from intensive general M&A activity during the year, notably in Italy. As for Dexia, the share price was influenced by the announcement of the acquisition/financing scheme of DenizBank, which has clearly triggered changes of portfolio allocations among certain types of shareholders. Dexia's management is conscious of market attitudes in such circumstances, and, in this environment, assesses share performance in a long-term perspective.

Turning to capital management, in 2006 Dexia has done what was announced on several occasions in previous years: at times when capital is in excess, shares are bought back, and when capital is needed for a project, we must turn to the market. After three years (2003, 2004 and 2005) and

a first quarter 2006 marked by share buy-backs, Dexia raised share capital in the market in September 2006, under good timing and cost conditions. We intend to continue with such discipline, constantly bearing in mind our policy of maintaining a high level of solvency and superior credit ratings.

I would like to close by conveying my warmest thanks to my 33,000 colleagues, women and men, who worked very hard, often making sacrifices in their personal and family lives, contributing to all Dexia's achievements in 2006. I know that 2007 will be another year of excitement and pride for all of us.

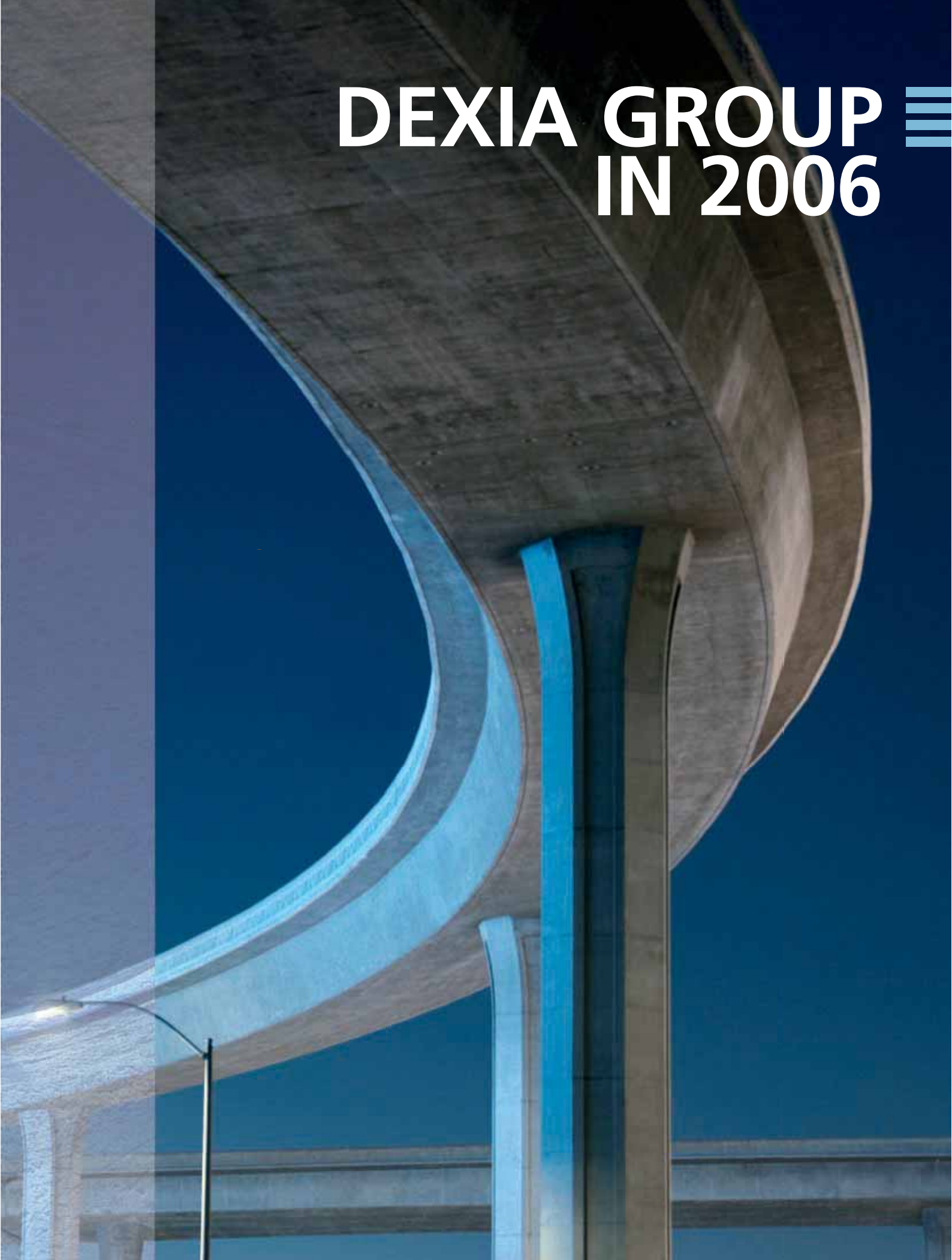


Axel Miller

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DEXIA GROUP IN 2006



STRATEGY

A development strategy based on two pillars: Universal Banking in Europe and Public/Project Finance worldwide.

BUILDING ON TWO PILLARS

Since 1996, Dexia has developed a Universal Banking activity deeply anchored in Belgium, Luxembourg, Slovakia and from now on also in Turkey, and has confirmed its world leadership in Public/Project Finance.

A pioneer in European cross-border consolidation and working on the principle of "no achievement without commitment", Dexia carried out a strategic review during the first half year 2006 which permitted the elaboration of a development plan for the next ten years. Dexia's future will continue to rest on the two pillars of its current activity:

- Universal Banking with the ambition to become a leading European player, able to capture significant growth opportunities specific to this activity;
- the anchoring and constant strengthening of its world leadership in public/project finance, through continuing geographic expansion, and by the development of a large and innovative product portfolio servicing the local authorities.

The Group's ambition is therefore to give even greater power to its two principal growth drivers. The simultaneous strengthening of these two pillars gives the Group a balanced portfolio of activities, enlarges its sources of finance, enables optimum use of capital, increases the client base and opens up further development prospects.

Dexia will continue to develop its business lines in an energetic but balanced manner, maintaining its founding values with regard to risk and financial soundness, and acting with the long term in view.

The strength of Dexia and its staff will continue to rest in the ability to combine long-term commitment towards clients, financial stature, know-how, reputation and local presence.

A WIDE AND PROMISING HORIZON

One of Dexia's key strengths is its capacity to achieve excellent visibility on market growth and client needs.

Extending Universal Banking activities in Europe

In the field of Universal Banking, the growth of European markets will be robust, as a result of the convergence of equipment rates, banking penetration rates, the effects of scale and synergies in the consolidation of the banking sector, hailed both by consumers and by the European Commission.

Benefiting from its position as leader in wealthy markets such as Belgium and Luxembourg, and from its new key position in Turkey, Dexia is uniquely positioned to continue its development by dynamically exploiting its know-how and its skills in this growing market.

Dexia will remain vigilant for opportunities which will enable it to continue its development at a European level, either through partnerships or external growth transactions.

Consolidating its world leadership in Public/Project Finance

The world market for local public debt is very large: it is estimated at USD 5,000 billion at present, and this should grow by USD 1,500 billion (in constant currency) over the next ten years, a new business volume equal to or more than three times the current Dexia Group commitments in this field.

In the developed regions of the world, demographic evolutions will result in the need for major infrastructure projects (hospitals, education, energy etc.). In the developing regions there will be requirements to construct or to update essential infrastructures (water, waste treatment, transport, energy, etc.).

The volumes involved will be considerable, and the sophistication of financial solutions will increase constantly. A world leader in this market, Dexia is already strongly positioned and, by virtue of its size and its innovation skills, it will be able to grasp the many opportunities which will arise.

Expertise to the service of growth

As an important participant on the Treasury and Financial Markets, Dexia expects in coming years to combine its strong financial market presence with its know-how in providing financial services to the public sector.

In Asset Management, new growth opportunities will be aligned principally to new institutional client segments, new pension products for the private and institutional markets and widening distribution via third parties outside Dexia's own distribution networks.

For Investor Services, the acceleration of growth on existing and recently penetrated markets, and the enlargement of its range of products will enable Dexia to strengthen this flourishing sector of activity.

THE AMBITION OF A STRONG FINANCIAL PERFORMANCE ON A THREE-YEAR HORIZON

The objectives defined within the context of the strategic review on a 2009-horizon and communicated to the market in September 2006 illustrate the Group's confidence in its ability to deliver autonomously extremely good operational and financial performances, principally:

- target an underlying cost-income ratio of less than 52% in 2009;
- target a return on equity (Core ROE) of minimum 15% at an underlying level, and of 16% at an overall level;
- deliver an average 10% annual growth, both of underlying net income and earnings per share;
- target earnings per share of EUR 2.47 in 2009 (EUR 2.35 underlying);
- a gross dividend per share increasing by at least 10% per annum.

LONGER-TERM PROSPECTS

The strategic review carried out in 2006 also related to prospects on a ten-year horizon. Supported by its extremely good vision of future markets, Dexia is confident of its ability autonomously to deliver an average annual income growth in the order of 10%.

CORPORATE GOVERNANCE

Dexia's corporate governance takes place through its Board of Directors chaired by Pierre Richard and its Management Board headed by Axel Miller, Chief Executive Officer. The relationship with the individual and institutional shareholders is crucial within this government process.

The principal rules on corporate governance at Dexia are based on the Belgian code on corporate governance (the "Lippens Code"), which became effective on January 1, 2005. The Lippens Code includes nine mandatory principles for listed companies. Dexia, which has always placed an emphasis on corporate governance, intends to comply with those nine principles.

BOARD OF DIRECTORS

The Board of Directors is composed of 18 members (as of the end of 2006). It reflects the Group's European identity with five nationalities represented at Board level: Belgian, French, Luxemburgish, British and Italian.

The responsibilities of the Board are in three areas:

- strategy and general policy;
- management control and monitoring risks;
- relations with shareholders.

Specialized committees

In order to review in detail the matters submitted to the Board of Directors, it has established four specialized committees: the Compensation Committee, the Audit Committee, the Strategy Committee and the Appointments Committee. Each Committee is charged with preparing the decisions of the Board of Directors in those matters.

Activities of the Board of Directors in 2006

The Board of Directors met seven times in 2006. The directors' attendance rate at Board meetings was 87%.

In 2006 the Board concentrated in particular on the following matters:

- the definition of Dexia's strategic direction over the next 3, 5 and 10 year periods;
- the composition of the Board of Directors and its specialized subcommittees;
- the Board of Directors' self-assessment process and the implementation of the specific recommendations for improvement;
- compliance with the Lippens Code;
- the criteria for independent directors;
- the review and approval of the 2006 audit plan;
- several external growth proposals and more particularly the acquisition of DenizBank;

- the report from the Chairman of the Board of Directors of Dexia SA concerning the operations of the Board and the internal controls for the Group;
- the discussion and reading of the internal audit report and the report on risk assessment and monitoring in 2005;
- the discussion on Dexia's positioning and strategic stake in the asset management area;
- the strategy for the buy-back of the company's treasury shares;
- discussion on Dexia's management policy for its strategic portfolio;
- the evaluation of the Group's new organization, which was implemented at the beginning of 2006, and the changes to the Group's operational structure.

Directors' compensation in 2006

Dexia SA's 2006 Ordinary Shareholders' Meeting decided to pay a total maximum annual compensation amount of EUR 1,300,000 to the directors for their services. ⁽¹⁾

Each director is granted a fixed compensation of EUR 20,000 (EUR 5,000 per quarter – fixed compensation), and directors' fees (variable compensation) of EUR 2,000 per Board meeting or specialized committee meeting.

MANAGEMENT BOARD

At the end of 2006 Dexia decided to adapt its organizational structure and more particularly its Management Board on three axes:

- a strong decision center at Group level, which ensures unity of command and speed in decision-taking without unnecessary intermediate management levels;
- robust local entities, close to their clients, active in the field, and with a clear mandate to implement Group strategy on the territory assigned to them;
- a framework which enables Dexia to make the best use of all the skills in the Group, wherever they are, without duplications.

The Management Board is composed of 10 members and is chaired by the Chief Executive Officer to whom the Board of Directors has entrusted the daily management of Dexia. The members of the Management Board, other than the Chief Executive Officer, are appointed and dismissed by the Board of Directors on the recommendation of the Chief Executive Officer and on the advice of the

(1) The details of the compensation paid in 2006 to the directors and the members of the Management Board of Dexia SA are published in the annual report 2006 of the company (available on the website www.dexia.com).

Management Board. Members are appointed for a term of four years renewable.

The Management Board is commissioned by the Board of Directors, which delegates powers for that purpose, for the management of the company and the Dexia Group. It directs and coordinates the various businesses and specialized activities that support those businesses within the framework of the objectives and general policy defined by the Board of Directors.

Composition of the Group Management Board

Axel Miller (G)

Chairman of the Management Board
Chief Executive Officer

Jacques Guerber (F)

Vice Chairman of the Management Board
General coordination, ALM Committee,
Credit Committee and Sustainable Development

Xavier de Walque (H)

Chief Financial Officer
Supervision of Dexia Insurance Services

Rembert von Lowis (J)

Strategy and Development
Investor and Rating Agencies Relations

Dirk Bruneel (I)

Supervision of DenizBank, RBC Dexia Investor Services
and Dexia Bank Nederland

Bruno Deletré (B)

Public/Project Finance and Credit Enhancement

Hugo Lasat (C)

Personal Financial Services (Retail and Private Banking)
Asset Management

Alain Delouis (A)

Treasury and Financial Markets

Claude Piret (D)

Risk Management

Marc Huybrechts (E)

Operations & IT

DEXIA GROUP CONTROL

The activities of the Group and its entities are monitored in particular by the internal audit and by the “ethics and compliance” function.

Dexia has an internal audit function that meets the highest standards. The mission of this function is to promote internal control within the Group and to ensure continuous performance and effective application of the control system in force. This requirement is consistent with the Group’s desire to ensure that the protection of its reputation and the efficiency and integrity of its structures are priority values.

The ethics and compliance function is exercised by a coordination committee composed of the Compliance Officers for the three operating entities of the Group (Dexia Bank Belgium, Dexia Crédit Local and Dexia Banque Internationale à Luxembourg) under the chairmanship of the Chief Compliance Officer (CCO) of Dexia. The role of the committee is, first, to coordinate the regulatory watch mechanism, and to establish, disseminate and ensure compliance with Group policies and, second, to control, through information, awareness, training and audits, compliance risks, which are the risks resulting from failure to comply with the laws, regulations or standards of the profession.



HIGHLIGHTS

JANUARY

LAUNCH OF THE JOINT VENTURE "RBC DEXIA INVESTOR SERVICES"

Dexia and Royal Bank of Canada announced the finalization of the joint venture aimed at combining institutional investor services. Based in London, RBC Dexia Investor Services appears in the Top Ten of world custodian banks, and employs 4,400 people in 15 countries on 4 continents.

MARCH

DEXIA SABADELL BANCO LOCAL PARTICIPATES IN THE STRUCTURING FOR THE MAIN HOSPITAL IN THE MADRID REGION

For the first time in Spain, the financing of a hospital project (EUR 222.6 million) has been structured in the form of a Private Finance Initiative (PFI). It concerns the financing of Puerto de Hierro Hospital, for which Dexia Sabadell Banco Local is one of the co-arrangers.

DEXIA FINANCES THE GOLDEN EARS BRIDGE IN CANADA

Three months after the opening of its branch in Canada, Dexia Crédit Local signed the financing of the Golden Ears Bridge in British Columbia.

This operation is one of the biggest Public Private Partnership (PPP) financing deals so far in Canada for a "green field" project.

DEXIA CAPITAL MARKETS ARRANGES THE BOND ISSUE TO REFINANCE A MOTORWAY PPP PROJECT IN HUNGARY

Dexia Capital Markets acted as lead arranger for a bond issue of EUR 212 million to refinance a PPP highway project in Hungary.

It is the first enhanced bond issue ever put in place to finance a project in Central Europe.

MAY

DEXIA ACQUIRES 75% OF DENIZBANK IN TURKEY

Dexia acquired a majority holding in the sixth largest privately-owned Turkish bank DenizBank (approximately 1.9 million retail clients) by signing a purchase agreement with Zorlu Holding in relation to 75% of the capital of DenizBank, for a total amount of USD 2.4 billion.

SEPTEMBER

DEXIA CREDIT LOCAL OBTAINS THE "ISO 9001" CERTIFICATION IN FRANCE

Dexia Crédit Local obtained an ISO 9001 certificate, and thus becomes the first bank in France to be certified for all its activities in that country.

DEXIA ISSUES NEW SHARE CAPITAL

On September 6, Dexia launched a capital increase as part of its plan to finance the acquisition of DenizBank (see above), by the issue of new ordinary shares placed with institutional investors via an accelerated book build offering.

This transaction was successfully closed the day it was launched, as a consequence of significant demand from institutional investors. The offer has enabled Dexia to gather an amount of EUR 1.2 billion of share capital.

DEXIA PRESENTS ITS STRATEGY: "MOVING FORWARD INTO THE NEXT 10 YEARS"

On September 26, in Paris, Dexia presented its strategy and ambitions for the next three, five and ten years.

OCTOBER

SALE OF BANQUE ARTESIA NEDERLAND

Dexia signed an agreement with GE Commercial Finance with a view to sell 100% of its subsidiary Banque Artesia Nederland.

This operation was finalized in December 2006.

DEXIA ASSET MANAGEMENT OPENS A NEW BRANCH IN GERMANY

Dexia Asset Management opens a branch in Frankfurt. The opening of this branch provides a platform for developments in Central and Eastern Europe.

LAUNCH OF DEXIA PUBLIC FINANCE (SWITZERLAND)

In Switzerland, Dexia Crédit Local created Dexia Public Finance (Switzerland).

Based in Geneva, this entity specializes in financing the local public sector.

DEXIA ISSUES EUR 500 MILLION OF HYBRID TIER 1 CAPITAL

Dexia successfully launched the issue of perpetual subordinated bonds qualifying as Tier 1 equity for an amount of EUR 500 million. This issue was used to finance the acquisition of DenizBank.

NOVEMBER

DEXIA FINANCES THE ACQUISITION OF THE LARGEST HARBOUR COMPANY IN THE UK

Dexia acted as one of the four lead arrangers which financed the acquisition of the company Associated British Ports, a leading harbour company in the United Kingdom, by a consortium of private equity investors.

DEXIA OBTAINS A BANKING LICENSE IN JAPAN AND A LICENCE FOR FSA

The Japanese banking regulator granted a banking license to the branch of Dexia Crédit Local located in Tokyo.

Also in 2006, FSA obtained a licence to open a subsidiary in Tokyo. Dexia intends to develop its activity to the public sector in Japan.

DEXIA SABADELL BANCO LOCAL FINANCES THE MADRID SUBWAY

In Spain, jointly with three other banks, Dexia Sabadell Banco Local structured the finance of 142 trains (for a total amount of EUR 1.2 billion) to serve the network in Madrid and its surroundings.

DECEMBER

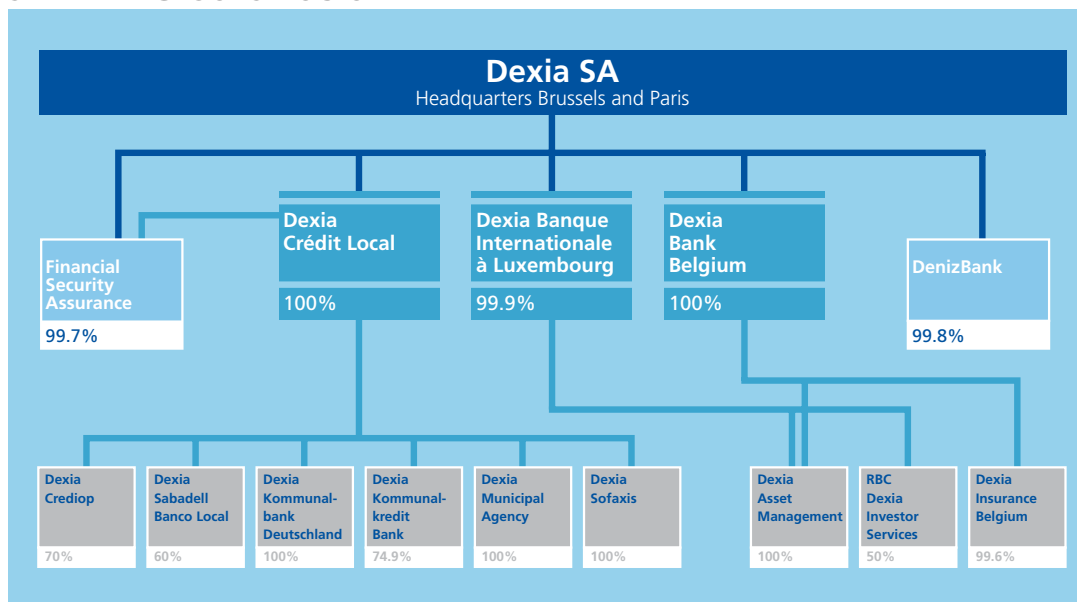
DEXIA ASSET MANAGEMENT OPENS A REPRESENTATIVE OFFICE IN BAHRAIN

This new office covers nine countries in the Middle East: Lebanon, Jordan, Egypt, Saudi Arabia, Bahrain, the United Arab Emirates, Kuwait, the sultanate of Oman and Qatar.

SUCCESS OF THE MANDATORY TENDER OFFER FOR THE REMAINING 25% SHARES OF DENIZBANK

Following the purchase in May of 75% of the shares of DenizBank, a compulsory bid is launched for the remaining shares of DenizBank listed on the Istanbul Stock Market. The majority of shareholders having responded in favor of the bid, this participation has risen to 99.8% as of today.

SIMPLIFIED GROUP STRUCTURE



Percentages refer to direct and indirect holdings.

FINANCIAL RESULTS

STRONG EARNINGS PROGRESSION IN 2006

Net income – Group share amounted to EUR 2,750 million in 2006, up EUR 712 million (+34.9%) over 2005. The contribution of non-operating factors was EUR +703 million in 2006 (compared to EUR +263 million in 2005). At constant scope of consolidation and excluding non-operating items, the underlying net income progressed by EUR +256 million. The progression was strong in all business lines.

Total income (EUR 7,012 million in 2006), increased by +17.3% compared to 2005. At constant scope of consolidation and excluding non-operating items, the increase was +8.2%, stemming from the growth of revenues in all the business lines, particularly in Public Finance, in Asset Management and in Investor Services.

Costs stood at EUR 3,481 million in 2006, up 7.8%. At constant scope of consolidation, and excluding non-operating items the progression was +6.1%. Analysis of the individual business line performances underscores that in those businesses where the development momentum is strong; costs have progressed at a relatively high rate, but at a much slower pace than revenues. In the business line Personal Financial Services, the cost base was up only 1.2%, i.e. almost half the growth pace of the business line's revenues year on year, and an effective decrease in real terms.

The **cost-income ratio** was 49.6%, much below that of 2005 (54.0%). The underlying cost-income ratio stood at

55.1% (down compared to 56.2% in 2005). This reduction is satisfactory when considering the expenditure incurred in developing the business and franchise of Dexia both domestically and internationally during the year along with the projects which took place in 2006.

Gross operating income amounted to EUR 3,531 million in 2006, up 28.5%. At constant scope of consolidation and on an underlying basis, growth was +10.9%.

The **cost of risk** (impairments on loans and provisions for credit risks) amounted to EUR 124 million in 2006, compared to EUR 52 million in 2005. In spite of this increase, the underlying cost of risk nonetheless remained at a very low level (0.024% on average outstanding commitments).

Tax expense amounted to EUR 569 million in 2006, down compared to 2005, largely explained by the higher amount of capital gains in 2006, compared to 2005, bearing in mind that such gains are not taxable in Belgium.

A ROBUST FINANCIAL PERFORMANCE

Return on equity stood at 23.1% (compared to 20.0% in 2005) partly pulled in 2006 – and to a lesser extent in 2005 – by the influence of the non-operating items.

Earnings per share (EPS) reached EUR 2.49 in 2006, up 33.2 % over the previous year.

Group tier 1 ratio stood at 9.8% at year end (10.3% as of December 31, 2005).

CONSOLIDATED STATEMENT OF INCOME

<i>(in millions of EUR)</i>	2005	2006	Variation
Income	5,976	7,012	+17.3%
Costs	(3,229)	(3,481)	+7.8%
Gross operating income	2,747	3,531	+28.5%
Cost of risk	(52)	(124)	x2.4
Tax expense	(602)	(569)	-5.5%
Minority Interests	55	88	+60.0%
Net income – Group share	2,038	2,750	+34.9%
Cost-income ratio	54.0%	49.6%	
ROE	20.0%	23.1%	



DEXIA, A PARTNER FOR ENVIRONMENTAL PROJECTS



“Balloons, mills, kites ... the wind has always been a fascination, as much for its power and its energy as for its gentleness. So inevitably when I had the occasion to work for a company maintaining wind generators, I did not hesitate, even if they told me it was just hot air. The company prospered: recently it submitted a bid to construct a wind farm, and I put all my efforts into the project. Working as a real team, we succeeded together: my company and **Dexia**. ”

THE DEXIA SHARE

EVOLUTION OF THE SHARE PRICE IN 2006

The year 2006 marked a further rise of world stock markets, particularly in Europe. The upward and downward trends during the year were strongly correlated on the one hand to the price of oil, which exceeded USD 70 a barrel at one point in the year, with its negative impact on economic growth, and on the other hand to the monetary policies of the Fed and the ECB as well as the weakness of the US dollar, which lost 12% of its value against the euro in one year. During the year a large number of mergers and acquisitions in all sectors influenced the stock market prices and volumes.

Against that background, stock market indices climbed, with the EuroStoxx 50 up 15.2%, the CAC 40 up 17.5%, the BEL20 up 23.6% and the DJ EuroStoxx Banks up

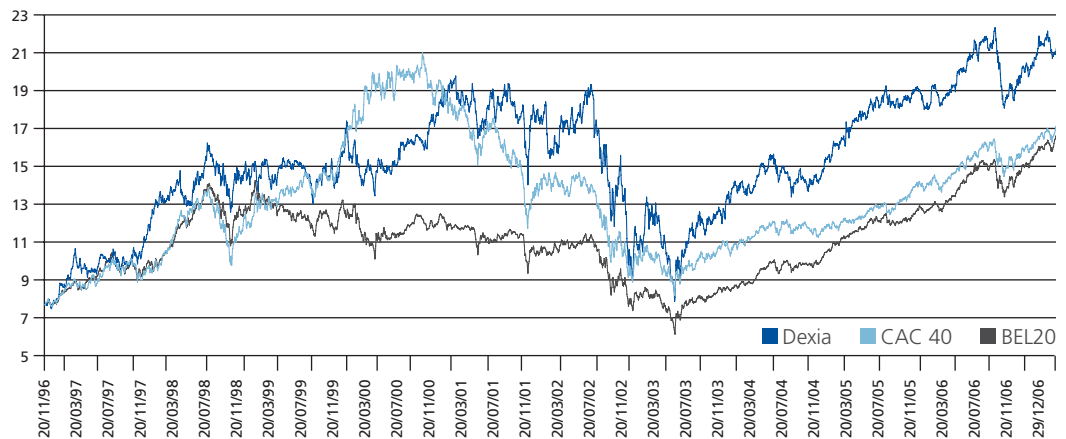
22.5%. The latter benefited from excellent results posted by banks as a consequence of a favourable economy and also the merger activity taking place in the sector.

The Dexia share began the year well and on May 11, 2006 hit a high of EUR 22.20, but some of that ground was lost at the end of May when the markets reversed.

The announcement at the same time of the acquisition of DenizBank and the need of a capital increase to finance it also weighed on the share price which ceded a maximum 9.4% compared to the end of 2005. When the capital increase was announced on September 6, the share took off, rising 17.6% to the end of the year.

The Dexia share closed the year 2006 at EUR 20.75 in Brussels and Paris, thus posting a rise of 6.5% in the whole year.

DEXIA'S SHARE PERFORMANCE (SINCE THE CREATION OF THE GROUP)



ANNUAL SHARE PERFORMANCE

	Dexia	CAC 40	BEL20	EuroStoxx Banks
1996	+0.2%	+3.7%	+1.9%	+2.6%
1997	+63.2%	+29.5%	+27.6%	+69.4%
1998	+19.2%	+31.5%	+45.3%	+18.3%
1999	+25.2%	-10.4%	+0.1%	-6.0%
2000	+19.4%	-0.5%	-9.5%	+3.8%
2001	-16.2%	-22.0%	-8.0%	-18.5%
2002	-27.4%	-33.7%	-27.2%	-26.8%
2003	+16.1%	+16.1%	+10.8%	+31.0%
2004	+24.0%	+7.4%	+30.7%	+10.9%
2005	+15.1%	+23.4%	+21.0%	+26.5%
2006	+6.5%	+17.5%	+23.6%	+22.5%
1996-2006	+145.5%	+62.5%	+116.4%	+133.6%
1999-2006	+62.8%	-2.2%	+41.6%	+43.3%

DEXIA'S POSITION IN THE PRINCIPAL EUROPEAN INDICES (AS OF DEC. 31, 2006)

	Weighting in index	Position
BEL20	10.01%	5
CAC 40	1.97%	18
Euronext 100	1.14%	26
Next CAC 70	1.26%	26
FTSE EuroTop 100	0.46%	96
FTSE EuroFirst 80	0.84%	51
Dow Jones EuroStoxx Banks	2.48%	13

DATA PER SHARE

	2002	2003	2004	2005	2006
Earning per share – EPS ⁽¹⁾ (in EUR)					
- basic under Dexia GAAP ⁽²⁾	1.13	1.24	1.58	-	-
- basic under EU GAAP ⁽³⁾	-	-	1.63	1.87	2.49
Dividend (in EUR)					
Gross dividend	0.48	0.53	0.62	0.71	0.81 ⁽⁴⁾
Net dividend ⁽⁵⁾	0.36	0.40	0.47	0.53	0.61 ⁽⁴⁾
Net dividend for shares with a VVPR strip ⁽⁶⁾	0.41	0.45	0.53	0.60	0.69 ⁽⁴⁾
Payout ratio ⁽⁷⁾ (in %)					
- under Dexia GAAP ⁽²⁾	43.0	42.1	38.7	-	-
- under EU GAAP ⁽³⁾	-	-	37.6	37.9	34.3 ⁽⁸⁾

(1) The ratio between the net income – Group share and the weighted average number of shares.

(2) Dexia Group accounting standards adopted until the publication on December 31, 2004.

(3) IFRS as adopted by the European Union for publications after January 1, 2005.

(4) Proposed dividend; net dividends are rounded for the purpose of this publication.

(5) After deduction of a 25% Belgian withholding tax.

(6) After deduction of a 15% Belgian withholding tax (as the deduction is reduced to 15% for securities with a VVPR strip).

(7) The ratio between the total dividend and the net income – Group share.

(8) Based on proposed dividend.

STOCK EXCHANGE DATA

	Dec. 31, 2005	Dec. 31, 2006
Share price ⁽¹⁾ (in EUR)	19.49	20.75
Stock market capitalization (in millions of EUR)	21,579	24,136

(1) Average closing prices on Euronext Brussels and Euronext Paris.

MAIN SHAREHOLDERS (AS OF DEC. 31, 2006)

	Percentage of Dexia SA capital held
Arcofin	17.5%
Holding Communal	16.4%
Caisse des dépôts et consignations	11.8%
Group Ethias	6.4%
CNP Assurances	2.0%

SHAREHOLDERS TAKE PART IN THE LIFE OF THE GROUP

Over the years, Dexia has developed a rigorous, regular and interactive system for providing information to individual shareholders.

This system is based on the European club for individual shareholders and the European advisory committee for individual shareholders, meetings throughout the year, and also the transmission of various documents including the Letter to shareholders, a telephone information service and a dedicated section on the website www.dexia.com.

The European Advisory Committee of Individual Shareholders

This committee, chaired by Axel Miller, Chief Executive Officer, aims to associate the individual shareholders with the life of the company. Its composition reflects that of the individual shareholding of the Dexia Group and the European identity of the Group. The committee is composed of 12 members, 4 of Belgian nationality, 5 of French nationality and 3 Luxemburgish, of which the term of the office is fixed at 3 years. The committee constitutes an essential relay of advice and information towards the individual shareholders in order to take better account of their expectations.

The European club for individual shareholders

The European club for individual shareholders has 16,000 members who receive information enabling them to better know the business lines of the Group, its strategy,

its news and its results. The Group also invites them to take part in meetings organized in France and in Belgium. These meetings are organized in partnership with the Fédération française des clubs d'investissement or its Belgian equivalent Investa and asset management publications. They are a favored exchange place between Dexia and its shareholders which is also attended by leading executives of the Group.

Becoming a member of the club

To join the shareholders' club, you just have to send your details (name, forename, email address and the number of shares you hold).

By email

shareholder@dexia.com

By mail

Dexia SA
Service Relations actionnaires
1, passerelle des Reflets
Tour Dexia La Défense 2
TSA 12203
F-92919 La Défense Cedex
France

By telephone

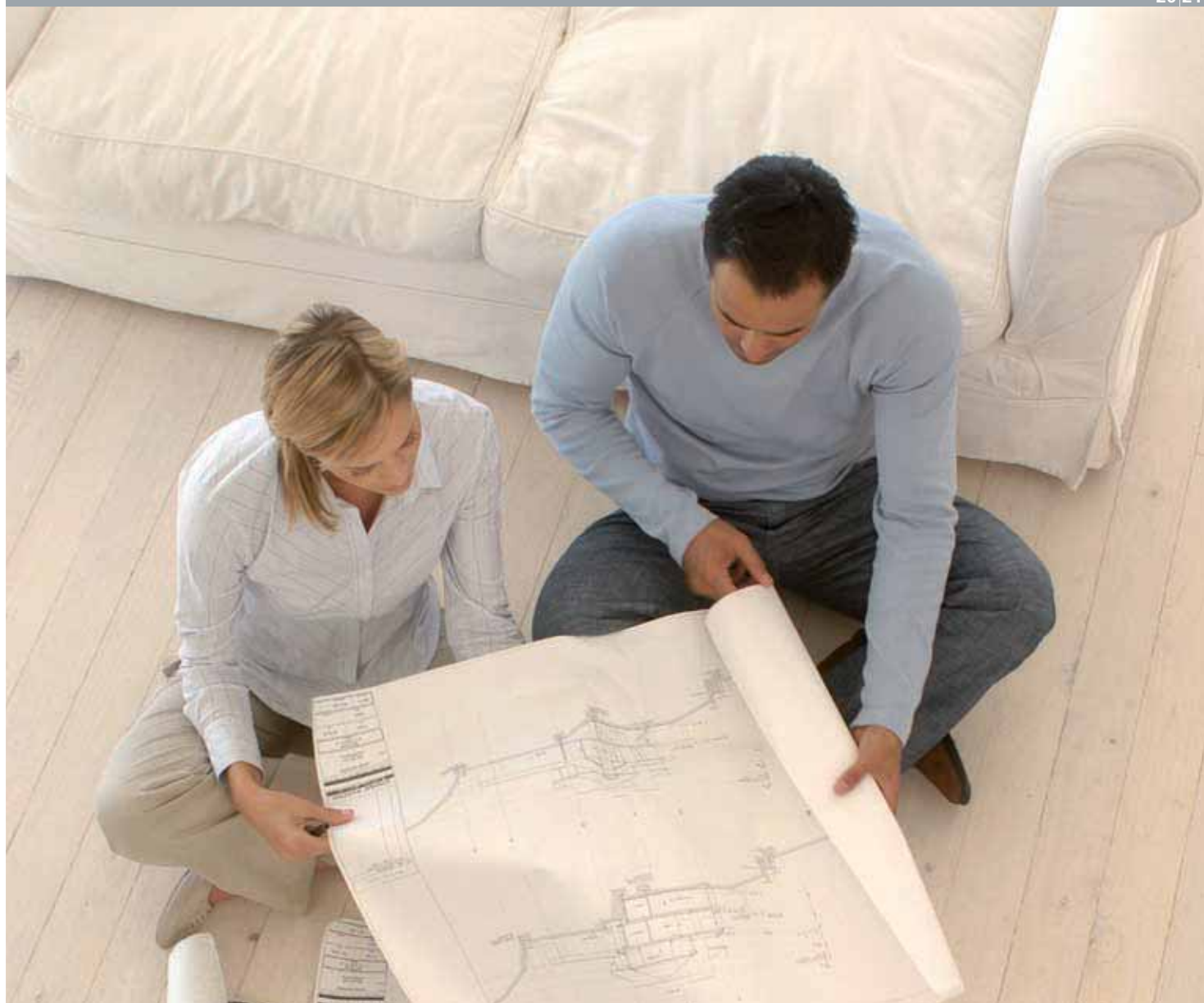
For French shareholders: 0800 355 000

For Belgian and Luxembourg shareholders: 00 800 33 942 942
(from a fixed-line telephone)

SHAREHOLDERS' CALENDAR IN 2007

May 9	Brussels	Ordinary and Extraordinary Shareholders' Meetings
May 10	Paris – Méridien Etoile	Meeting co-chaired by Pierre Richard and Axel Miller in partnership with <i>Investir</i>
May 23	Lille	In partnership with <i>Le Revenu</i>
June 7	Strasbourg	In partnership with FFCI ⁽¹⁾
June 21	Nancy	In partnership with FFCI ⁽¹⁾
September 13	Toulouse	In partnership with FFCI ⁽¹⁾
September 27	Montpellier	In partnership with <i>La Vie Financière</i>
October 4	Dijon	In partnership with FFCI ⁽¹⁾
October 18	Lyon	In partnership with FFCI ⁽¹⁾
October 22	Nantes	In partnership with FFCI ⁽¹⁾
November 16 – November 17	Paris – Palais des Congrès	Actionaria Convention
November 19	Bordeaux	In partnership with <i>Investir</i>

(1) Fédération française des clubs d'investissement.



**DEXIA,
A PARTNER
FOR PERSONAL PROJECTS**



“ We have so much in common that Claire and I just had to marry! The same friends, the same values, the same desires and the same plans: trips away, a house, a garden and three children to run around in it! Our trips are limited to a few weekends and Jules our son arrived while we were still in our first small apartment. But we've decided: the next two will be born when we are in the new house we are having built. It is easy to understand why so many of our friends envy our plans, our happiness and ... our bank, **Dexia!** ”

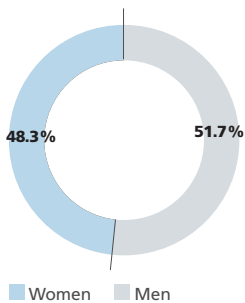
HUMAN RESOURCES

The Human Resources (HR) vision of Dexia is reflected in different strategic axes which aim to:

- reinforce Dexia's strategy and align the HR structure to it;
- install and manage one common Dexia HR model for all entities and departments;
- make Dexia an "Employer of Choice" in the Financial Services Industry in Europe;
- develop and deploy talents in the Group in an optimal manner and in an international context;
- develop a dynamic Dexia leadership model;
- align the reward package to motivate and retain talents within the Group;
- position the social dialogue.

DEXIA'S STAFF

GENDER BREAKDOWN



- At the end of 2006, Dexia had 33,321 members of staff in 33 countries (including the joint venture RBC Dexia Investor Services and the self-employed networks of Dexia Bank Belgium and Dexia Insurance Belgium).
- The year 2006 was marked by significant geographic expansion with the acquisition of DenizBank (6,342 members of staff as of December 31, 2006) and the setting up of the joint venture RBC Dexia Investor Services (4,411 members of staff as of December 31, 2006).
- More than 62% of members of staff have joined the Group since less than ten years ago, which proves the strong development of Dexia since its creation in 1996.
- In 2006, the overall division of workforce between men and women was well balanced, at 51.7% and 48.3% respectively.
- Group members of staff are young: in total, 42.9% are less than 35 and 58.8% less than 40 years of age.
- 14.8% of Group members of staff work part time.

DIVERSITY

Three diversity topics received special attention in 2006:

- the place of women in the Dexia Group;
- the older employees of Dexia. A large number of them will retire in the next ten years. Dexia and those employees should be prepared for this.
- the integration of employees with a disability in the Dexia Group.

DEXIA CORPORATE UNIVERSITY

Since its creation in January 2005, the Dexia Corporate University has welcomed more than 2,000 participants and has been offering high quality learning programs. The Corporate University facilitates the implementation of

Dexia's strategy and development. Through its learning programs, the University is contributing to the development of the Group's identity and facilitating the creation of an international management community at Group level, sharing and "speaking" a common language. In 2006 the Dexia Corporate University launched its e-learning platform, thus opening its doors to all members of staff of the Group.

EMPLOYEE SHAREHOLDING PLAN

Since its creation, the percentage of capital held by members of staff of Dexia has been one of the major unifying elements throughout the Group.

Today the proportion of capital held by members of staff is evolving between 4% and 5%. With these results, Dexia is positioned in the Top 30 of the "European Employee Shareholding".

33,321 MEMBERS OF STAFF IN 33 COUNTRIES

Belgium	15,270
Turkey	6,290
Luxembourg	3,513
France	2,639
Canada	1,738
Slovakia	812
United States	518
United Kingdom	478
Italy	302
Australia	301
Netherlands	254
Spain	225
Switzerland	220
Ireland	200
Singapore	125
Germany	84
China	61
Russia	52
Jersey	40
Denmark	38
Israel	38
Japan	34
Poland	26
Sweden	18
Mexico	10
Czech Republic	8
Other countries	27
Total workforce as of December 31, 2006	33,321

DEXIA, A MAJOR PLAYER OF SUSTAINABLE DEVELOPMENT

THE DEXIA SUSTAINABLE DEVELOPMENT REPORT 2006

A new format for the report

Within the context of its "corporate environmental responsibility" action plan, the Dexia Group has undertaken to reduce the global consumption of paper per Group member of staff by 2010 compared to their consumption in 2006.

For its 2006 report, Dexia has chosen to limit printed copies and to favor an on-line version on its website [www.dexia.com/Discover Dexia](http://www.dexia.com/Discover_Dexia). The 2006 Dexia sustainable development report is also available on CD-ROM.

Main subjects dealt with in the Sustainable Development Report 2006

Dexia: one group, one strategy, one culture

- Vision
- Missions and values
- Commitments

Sustainable development: a process integrated into the Group's strategy

- The integration of sustainable development into the Group's organization
- Our actions in 2006
- The sustainable development report 2006

Commitments and achievements

- Our shareholders: performance and responsibility
- Our clients: innovation and quality relations
- Our members of staff: personal support and development
- Society: citizen commitment and transparency

Appendices

- 2007 calendar of Dexia Group sustainable development actions
- Reporting indicators
- Application of the Global Reporting Initiative and the New Economic Regulations (France)
- Application of the principles of the Global Compact and the Unep-Fi
- Questions frequently asked by society
- External audit opinion
- Glossary
- Continuing dialogue
- Legal information and contacts

THE FIGHT AGAINST CLIMATE CHANGE AT THE HEART OF THE DEXIA GROUP SUSTAINABLE DEVELOPMENT STRATEGY

To ensure that its direct environmental impacts are managed responsibly, the Dexia Group has set the fight against climate change at the heart of its sustainable development strategy.

A STRATEGY OF "CARBON NEUTRALITY"

In 2007 the Dexia Group will follow a carbon neutral policy combining the reduction and offsetting of its CO₂ emissions.

- The Group strategy is aimed at neutralizing the majority of its 2006 emissions associated with energy consumption and professional journeys undertaken by members of staff.
- This revolves around two projects linked to Dexia activity in the two countries in which it is historically established, namely France and Belgium:
 - Reduction of CO₂ emissions: investment in a renewable energy project and the acquisition of green electricity.
 - Offsetting the non-reducible emissions quota.

To learn more about the Group's offsetting policy and the projects retained: www.dexia.com.

26	PUBLIC/PROJECT FINANCE AND CREDIT ENHANCEMENT	█
32	PERSONAL FINANCIAL SERVICES	█
34	ASSET MANAGEMENT	█
36	INVESTOR SERVICES	█
38	TREASURY AND FINANCIAL MARKETS	█

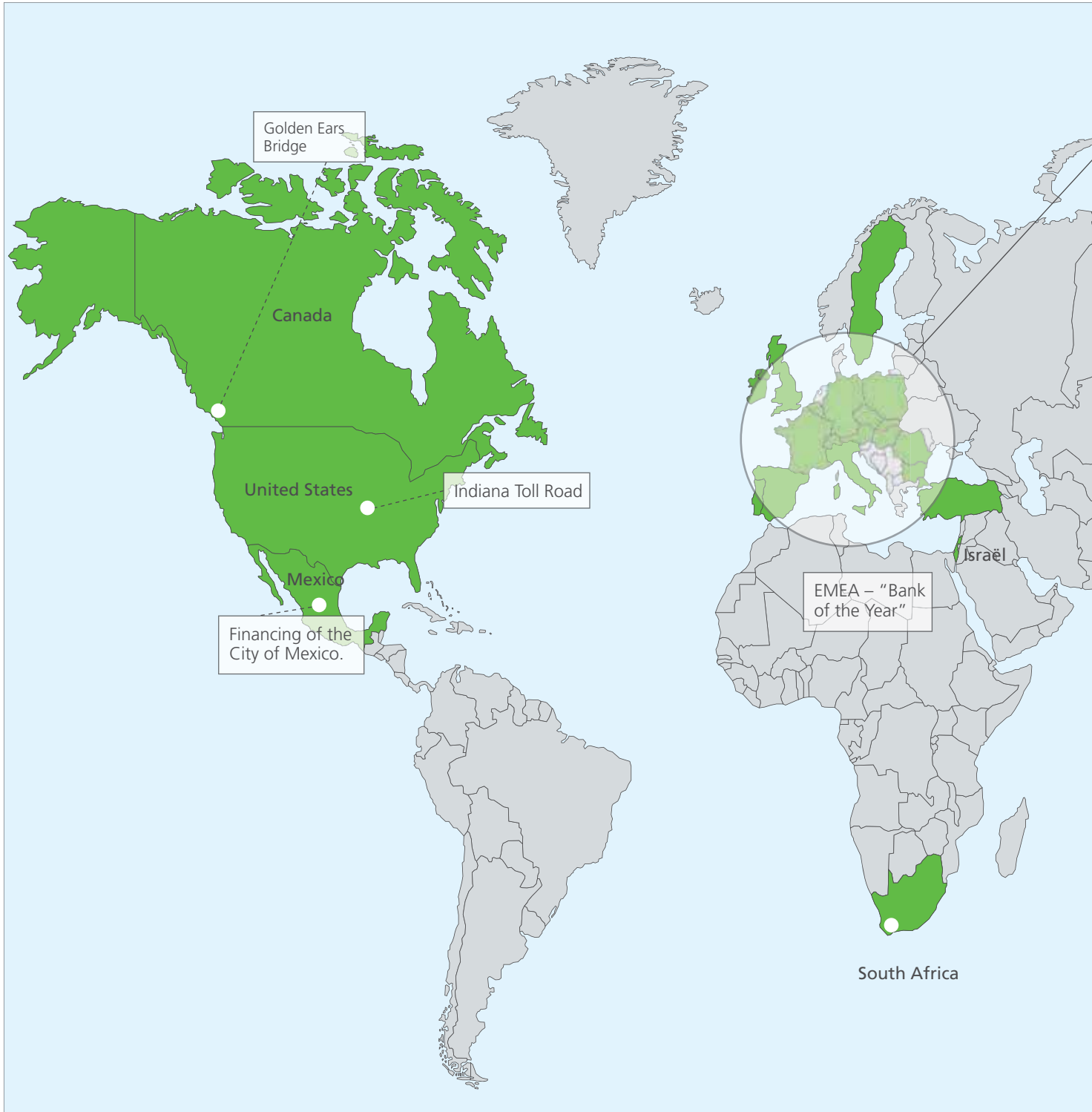


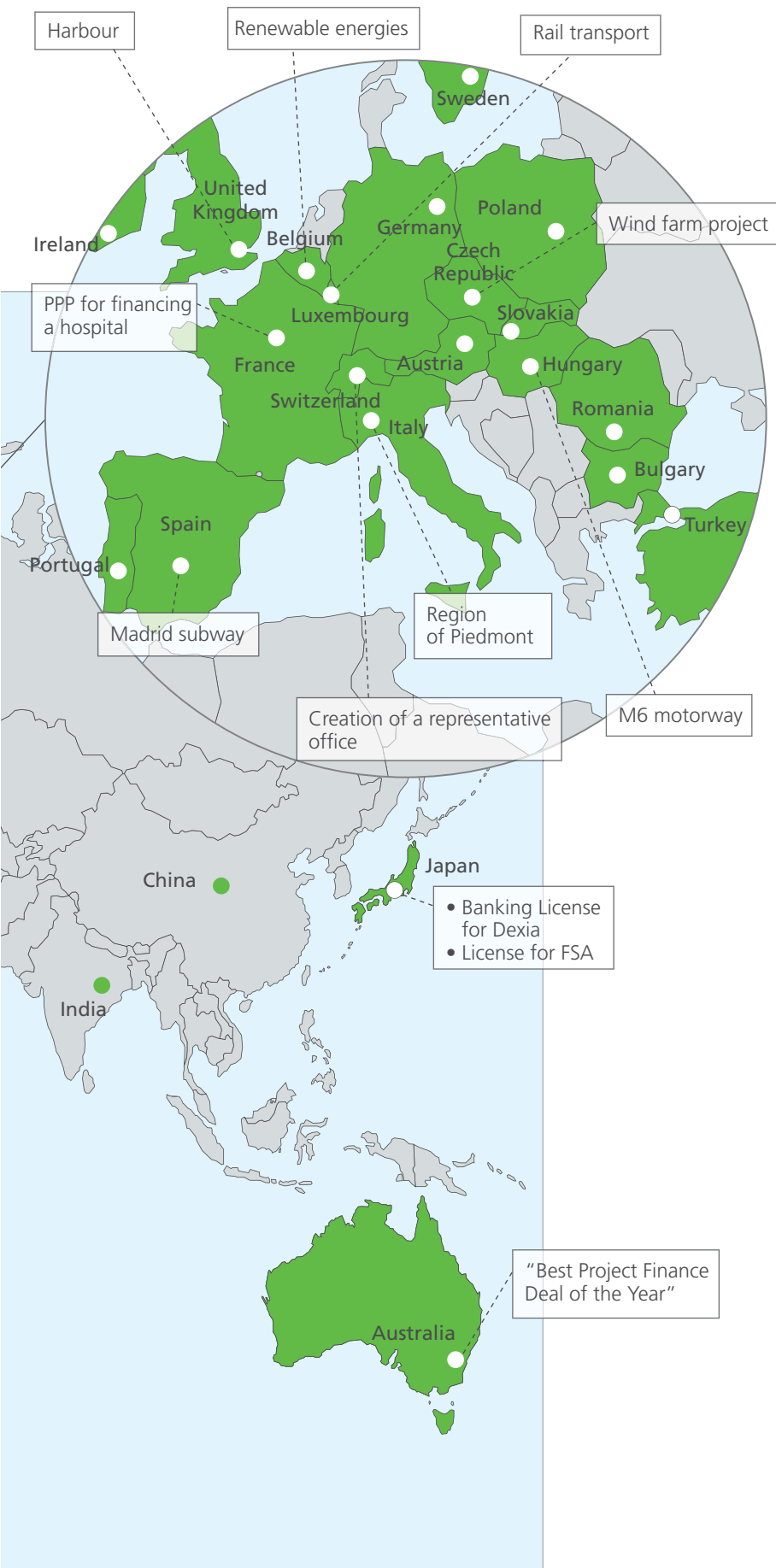
DEXIA'S BUSINESS LINES IN 2006



PUBLIC/PROJECT FINANCE AND CREDIT ENHANCEMENT

- WORLD LEADER, DEXIA OPERATES FROM 30 COUNTRIES
- MAJOR PROJECTS AND DEVELOPMENTS IN 2006





France

Dexia organizes the country's largest Public Private Partnership by co-financing the construction of a hospital in the Paris region for an amount of EUR 345 million.

Belgium

In the field of renewable energies, Dexia participates in the financing of three wind farms and a biomass plant.

Luxembourg

In the field of rail transport, Dexia provides financing to Luxembourg Railways.

United Kingdom

Dexia co-arranges a GBP 2.4 billion transaction for the acquisition of the leading harbour operator in the United Kingdom by a syndicate of investors.

Italy

For the region of Piedmont, Dexia organizes the largest Eurobond issue ever made by an Italian local authority, in an amount of EUR 1.8 billion.

Spain

Dexia co-arranges the financing of rolling stock for the Madrid subway in an amount of EUR 1.2 billion, as well as the first Public Finance Initiative in the hospital sector.

Czech Republic

In the field of renewable energies, Dexia provides the initial financing for a wind farm project.

United States

Dexia arranges the financing of the state of Indiana Toll Road concession in an amount of USD 4.1 billion.

Japan

Dexia obtains a banking license and intends steadily to develop its financial services and local public sector project financing activities in Japan. FSA also obtained a license for its activities.

Switzerland

Dexia opens a new representative office in Geneva specializing in providing financing to the local public sector and Swiss public corporations (communes and cantons).

Hungary

Using a bond issue, Dexia refinances the Hungarian M6 motorway, a Public Private Partnership, in an amount of EUR 431 million.

Australia

The prize for "Best Australian Project Finance Deal of the Year 2006" is awarded to Dexia by the magazine *Asia-money*, for the financing of the largest wind farm in Australia, at Lake Bonney.

Canada

Dexia co-arranges financing of CAD 1 billion for the Golden Ears Bridge project near Vancouver, the largest PPP ever concluded in Canada.

Mexico

Dexia grants a loan of MXN 2,200 million to Mexico City.

Europe / Middle East / Africa

Dexia is named "Bank of the Year" for the Europe / Middle East / Africa by Thomson Financial's magazine *Project Finance International*.

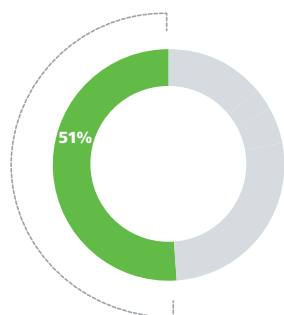
→ Public/Project Finance and Credit Enhancement covers three activities. Municipal Finance consists of financing the needs of local public authorities or other public service organizations, in the form of direct loans, signed commitments, liquidity guarantees or the purchase of securities issued by customers. Dexia offers its clients an entire range of products – including structured loans as well as debt management – to optimize their debt portfolio profile. Dexia is also one of the major players worldwide in Project Finance. Its approach is selective, in line with the Group's risk policy: priority is given to essential infrastructures (transportation, environment etc.) and the renewable energy sector. As one of the largest banks in Belgium, Dexia also supplies finance to corporate borrowers. Through its American based AAA-rated subsidiary, Financial Security Assurance (FSA), Dexia insures municipal bonds and infrastructure deals, as well as asset-backed securities (ABS).

ACTIVITY

As for geographic development, 2006 was a very active year with, inter alia, Dexia obtaining a banking license in Poland, the opening of a representative or commercial office in Hungary, in China, in India and the creation of a representative office in Switzerland. Dexia is delighted to have been granted a banking license in November in Japan, as, in terms of volumes, this country is the deepest market for public finance in the world. A significant portion of the total new production of Dexia in 2006 (10% or EUR 5.7 billion) was made in countries where a banking license was obtained in 2005 or 2006: Central and Eastern Europe (Dexia Kommunalkredit Bank), Canada, Mexico, Switzerland and Japan.

Long-term commitments reached EUR 268.2 billion, up 14.5% year-on-year and up 16% at a constant exchange rate, a dynamism especially noticeable in France, Italy, America, Germany, the United Kingdom and Central and Eastern Europe, and the Iberian peninsula.

CONTRIBUTION OF THE BUSINESS LINE TO THE NET INCOME



LONG-TERM COMMITMENTS ⁽¹⁾

(in billions of EUR)	Dec. 31, 2005	Dec. 31, 2006	Variation
Belgium	31.0	30.8	-0.4%
France	60.6	65.0	+7.3%
Luxembourg	1.9	2.1	+7.9%
United Kingdom	6.8	9.5	+40.3%
Sweden	3.6	3.9	+9.3%
Italy	34.1	37.3	+9.1%
Iberia (Spain & Portugal)	6.5	8.9	+37.2%
Germany	26.0	31.0	+19.3%
Central & Eastern Europe	3.1	5.1	+67.3%
America	42.5	46.1	+8.6%
Other ⁽²⁾	18.4	28.5	+55.2%
Total	234.3	268.2	+14.5%
<i>of which public sector</i>	<i>209.9</i>	<i>235.5</i>	<i>+12.2%</i>
<i>of which corporate and project finance</i>	<i>24.5</i>	<i>32.7</i>	<i>+33.4%</i>

(1) The above amounts exclude DenizBank.

(2) Includes the activities of the Pacific area, Mexico, Israel, Japan, Switzerland, as well as the transactions carried out by the head office in countries where the Group has no direct presence.

In 2006 **originations** amounted to EUR 61.8 billion. In *Public Finance* alone, production reached the high level of EUR 48.6 billion, with Dexia even named “Best Lead Manager on Regional/Municipal Bonds” in 2006 by *EuroWeek* online magazine. The *Corporate and Project Finance* sector recorded good progress, +7.8% to EUR 13.2 billion, relying on large-scale deals in infrastructure/PPP. Dexia was lead arranger with other banks of a number of major-league deals in 2006 such as the GBP 2.4 billion debt package for the acquisition of the largest port company in the UK or the CAD 1 billion Golden Ears Bridge project in Vancouver. The latter received the “North American Deal of the Year 2006” award from Thomson Financial.

In **France**, 2006 was a very dynamic year with long-term commitments increasing by 7.3%, to EUR 65.0 billion, a remarkable growth experienced both in public finance and in project finance. In *Public Finance*, where Dexia holds a 42% market share, the bank made the best of a favorable environment: transfer of financial responsibilities from Central Government to local authorities, expectation of a rate increase, and the pre-election period.

2006 was also a very good year for *Project Finance*, with new production doubling to EUR 1.2 billion. Among the deals confirming Dexia as a major player on the French PPP market, Dexia co-financed the largest PPP in the country, a hospital near Paris (EUR 345 million).

In **Belgium**, long-term commitments amounted to EUR 30.8 billion.

In 2006, an election year, *Public Finance* activity remained stable and Dexia succeeded in maintaining its leadership. *Corporate and Project Finance* activities were very buoyant with originations increasing significantly by 49.4% (EUR 2.2 billion). In addition, the bank took part in the financing of three wind farms and a biomass plant.

In **Luxembourg** long-term commitments amounted to EUR 2.1 billion, up 7.9%, steady growth taking into account the significant transaction closed in 2005 with Luxembourg Railways.

In the **United Kingdom**, long-term commitments reached EUR 9.5 billion, 40.3% growth in one year. This increase stems from very buoyant Project Finance activity, and an almost stable trend in the public sector:

In **Italy**, Dexia Crediop reached EUR 37.3 billion in long-term commitments in 2006, up 9.1% over the last twelve months. On the *Public Finance* front, the activity was sustained for local authorities, in the international issues and securitization transactions segment where production was up 16%. 2006 was marked by the largest Eurobond ever issued by an Italian local authority: the loan issue by the Piedmont Region, which was joint booked and joint lead-managed by Dexia Crediop. Originations in *Project Finance* reached EUR 664 million.

In **Iberia**, in a context of rather subdued demand in *Public Finance*, long-term commitments for this segment were up 26.5%, to EUR 7.1 billion, a rise all the more remarkable since 2005 was punctuated by large-scale deals. In 2006, two book runner mandates with the Madrid region and one with the Aragon Region were won by Dexia. Regarding *Project Finance*, Dexia Sabadell Banco Local co-led the financing of many landmark transactions in the infrastructure and energy sectors: the Madrid subway rolling stock (EUR 1.2 billion), the first hospital PFI project in Spain (EUR 223 million).

In **Central and Eastern Europe** long-term commitments were up 67.3% at EUR 5.1 billion. In *Public Finance*, commitments stood at EUR 4.4 billion (+57.1%). In Poland, Dexia Kommunalkredit Bank was especially active in the health sector as well as with local authorities. In Romania, the bank has been the lender of several major cities, among them Bucharest. On the *Corporate and Project Financing* side, commitments reached EUR 0.7 billion from EUR 0.3 billion one year earlier. Dexia Kommunalkredit Bank arranged its first deal in the Czech Republic for the financing of a wind farm.

America saw a contrasted market in 2006, with a very dynamic trend in *Project Finance* and a much less active market in municipality bond issues. In this context, long-term commitments reached EUR 46.1 billion, up 8.6% in one year. In the *Public Finance* sector, the market was less active than in the record year of 2005. Among numerous deals closed in 2006, the liquidity guarantees to the State of Mississippi (USD 224 million) and to the State of Georgia (USD 314 million) are to be noted. In *Project Finance*, a large number of deals were closed, including the co-arrangement of the USD 4.1 billion Indiana Toll Road concession.

The activity conducted in **other countries** increased at a more than satisfying pace; outstanding commitments rose by 55.2% in 2006 to EUR 28.5 billion.

In Switzerland, in November 2006, Dexia opened a representative office in Geneva. At the same time, Dexia was granted a banking license in Japan, allowing the bank to work in the largest market in local public finance worldwide.

Corporate and Project Finance activities also saw significant growth, with long-term commitments reaching EUR 11.6 billion. Important transactions were closed, among them the EUR 431 million dual-wrapped bond/loan refinancing of the Hungarian M6 motorway and the WISE CBO, a GBP 1.47 billion securitization of wrapped PFI and utility bonds.

In **Germany**, long-term commitments reached EUR 31.0 billion, a 19.3% increase. The new Frankfurt office of Dexia Kommunalbank Deutschland increased its originations by 23%, to EUR 3.8 billion, with a large attraction for structured products. Numerous deals have been made during the year 2006, including transactions with the City of Aachen (EUR 110 million).

Debt management activity was extremely buoyant in 2006, with a total amount of EUR 17.3 billion, one billion above the level of 2005, which was itself very high.

Short-term commitments, mainly in France, Belgium and Germany, amounted to EUR 19.3 billion at the end of 2006, up 15% on 2005.

Deposits and assets under management increased at a steady pace of +17.7% given the level recorded at the end of last year, and amounted to EUR 34.6 billion.

Focus on insurance activities

Financial Security Assurance (FSA), acquired by Dexia in 2000, carries on the activities of credit enhancement for municipal bonds and asset-backed securities (ABS) in North America and also in Europe. In the municipal sector, the activity consists of guaranteeing issued bonds. By giving the benefit of its excellent AAA rating, FSA enables them, by way of a premium, to access the bond market under the most advantageous conditions. Credit enhancement of asset-backed securities is a guarantee similar to that granted for bond issues refinancing different asset classes (consumer credits, mortgages, and so on).

Within the context of a 6% decrease of the overall volume of new issues and refunding in the municipal market and despite a highly competitive environment, in 2006 FSA managed to keep its local market share at around 25%, and reach a still remarkable progression in the international market, with net par outstanding up

72%. On the asset-backed securities (ABS) side in the United States, given the competitive environment, FSA decreased its originations and preferred not to sacrifice margins on volumes. Outside the United States, just like Dexia, FSA has been granted a license to open a subsidiary in Tokyo.

Dexia Sofaxis, the only French operator specializing in insuring the statutory obligations of local authorities and hospital establishments with regard to their staff, collected EUR 367 million in premiums (up 4%) as of December 31, 2006.

Dexia Insurance Services collected EUR 621 million premiums from the business line customers, of which EUR 350 million in France and EUR 271 million in Belgium.

Dexia Epargne Pension, in another dynamic year, collected EUR 271 million, up 4.5% on 2005. This company, a subsidiary of Dexia Insurance Services, offers to local institutional clients (social housing bodies, semi-public companies, chambers of commerce and so on) tailor-made collective life insurance products: end of career indemnities, supplementary pensions, save-as-you-earn schemes. It also offers an entire range of life-insurance products and capitalization contracts to private customers.

The social engineering products are distributed directly by Dexia Crédit Local, whereas the classical life insurance products are distributed through partnerships with third parties. Of note, in 2006, Dexia Epargne Pension has signed about 15 new partnerships, reaching a total of around 60, among which two thirds were signed with private banks and fund management companies.



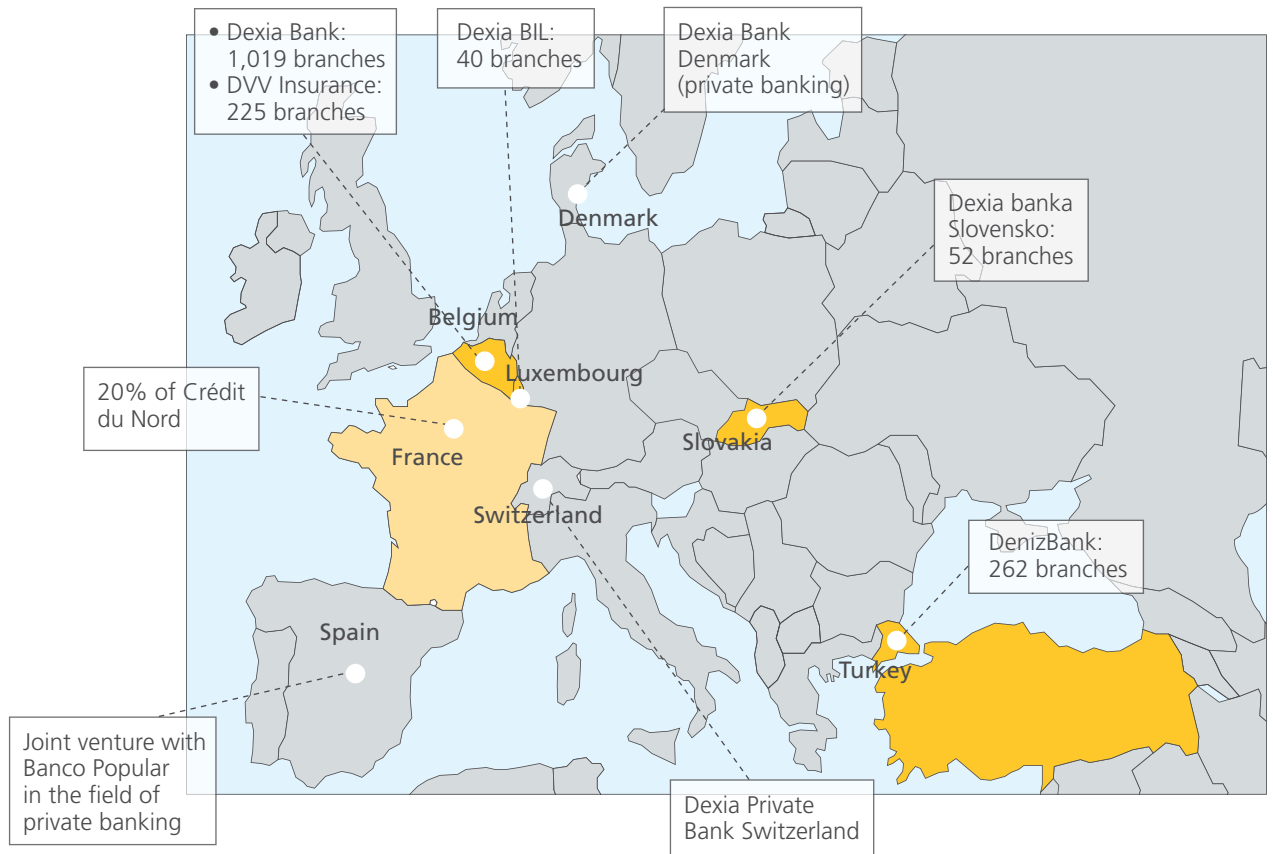
**DEXIA,
A PARTNER
FOR LOCAL AUTHORITIES**



“ Every teacher says it: for children, school is first of all a place where they meet their friends, and play together. The school in our small town is no exception to the rule. Nevertheless, for a long time now my pupils had nothing really to smile about: dilapidated buildings, drab playground ... But two years ago everything began to change: the classrooms are now brand new and the playground could not be better equipped: swings, slides, ropes..., it lacks absolutely nothing! Now they come to school singing, all thanks to our mayor ... and to **Dexia!** ”

PERSONAL FINANCIAL SERVICES

• DEXIA: RETAIL NETWORK AND PRIVATE BANK, SERVING MORE THAN SIX MILLION CUSTOMERS



→ The business line distributes its own products and services as well as those created in other business units of the Group (primarily Dexia Asset Management, Dexia Insurance Services and Treasury and Financial Markets – TFM), to a clientele predominantly composed of individuals (including affluent and high net worth individuals, professionals and self-employed), as well as small and medium-sized companies. The major part of the activity is carried out in Belgium, in Luxembourg and since 2006, in Turkey, where there is an important sale network. In Belgium the network has 802 branches operated by independent agents, and 217 branches run by bank employees. In Luxembourg, the activity is carried out through 40 branches. The business line also operates units outside those two countries. These involve various types of approach and/or product focus.

The main areas are:

- Turkey where the Group owns a 99.8% participation in DenizBank, the sixth largest privately-owned bank in the country;
- France where the Group holds a 20% participation in Crédit du Nord, and Dexia Epargne Pension, a specialist life insurance business;
- Switzerland through Dexia Private Bank Switzerland;
- Slovakia through Dexia banka Slovensko, a bank with 52 branches, which caters both for local public clients and the personal sector;
- Spain where Dexia holds a 40% participation in Popular Banca Privada, a private banking joint venture with Banco Popular.

ACTIVITY

Total customer assets and liabilities reached EUR 159.2 billion at the end of 2006.

Total **customer assets in Retail Banking** amounted to EUR 83.0 billion at the end of 2006, a 1.7% progression in one year explained by contrasting evolutions. Bonds issued by the Group and placed through over Dexia Retail Banking networks were up 14.7%, reaching EUR 7.5 billion as of December 31, 2006. Savings accounts, in contrast, which amounted to EUR 24.9 billion at the end of 2006, were down 2.7%. Savings bonds and term deposits were up by a satisfying 4.8% to EUR 10.1 billion. Mutual funds were stable, at EUR 20.8 billion. Life insurance technical reserves increased by +7.6% to EUR 7.8 billion.

There were a number of successful commercial and innovative initiatives in 2006 such as:

- “Axion”, the brand developed by Dexia Bank to attract young customers, allowed Dexia to be number one bank in Belgium, with a 31% market share in the 18-24-year-old segment, an absolute Market Leadership position;
- debit cards with personalized pictures were very successful: 200,000 applications since their launch in June 2006. Dexia’s personalized cards were the first issued on the Belgian market.
- “Dexia Direct Net”: more than 500,000 customers are now handling their banking transactions via the internet.

Total **customer assets in Private Banking** reached EUR 45.4 billion, up 12.5%. A dedicated call center – “Dexia Direct Private” – for customers willing to manage their funds by themselves was put in place. This service provides access to accurate and up to date market information.

Loans to retail and private customers saw a significant 11.8% increase, to EUR 30.9 billion. Mortgage loan activity, which benefited from a stronger client appetite as a result of increasing confidence, rose by 13.6% to EUR 18.6 billion.

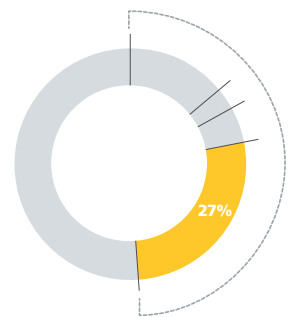
Focus on the insurance activities

Dexia Insurance Services (DIS) consolidates the various insurance subsidiaries of the Group (with the exception of FSA and Dexia Sofaxis). DIS is active mainly in Belgium, Luxembourg and France, the core market being Belgium. DIS supplies all the life and non-life insurance products sold in the retail networks of the Group in Belgium and Luxembourg or through partnerships like in France.

On the Belgian market, Dexia focuses on the distribution of insurance products in three networks: (i) Dexia Bank Belgium branches; (ii) the exclusive DVV Insurance consultants and (iii) the direct insurer Corona Direct. In Luxembourg, the distribution of the insurance products is realized through the network of Dexia Banque Internationale à Luxembourg, while in France, Dexia Epargne Pension and Dexia Prévoyance handle their distribution respectively through partnerships with third party sales networks and own sales forces supported by a call center.

Total gross premiums collected in 2006 through DIS reached EUR 3,774 million (up 3.8%) of which life insurance activity generated 89% and non-life insurance activity originated 11%. Personal Financial Services is the leading collector of premiums in the Group.

CONTRIBUTION OF THE BUSINESS LINE TO THE NET INCOME



TOTAL CUSTOMER ASSETS AND LIABILITIES ⁽¹⁾

(in billions of EUR)	Dec. 31, 2005	Dec. 31, 2006	Variation
Total customer assets and liabilities	149.5	159.2	+6.5%
Total customer assets	121.9	128.3	+5.3%
of which retail banking	81.5	83.0	+1.7%
of which private banking	40.3	45.4	+12.5%
Total customer liabilities	27.6	30.9	+11.8%
of which retail banking	25.0	27.7	+10.8%
of which private banking	2.7	3.3	+21.5%

(1) The above amounts exclude DenizBank.

TOTAL GROSS WRITTEN PREMIUMS

(in millions of EUR)	2005	2006	Variation
Total premiums	3,635	3,774	+3.8%
Non-life	415	426	+2.8%
Life	3,221	3,347	+3.9%

ASSET MANAGEMENT

- DEXIA ASSET MANAGEMENT A SIZEABLE EUROPEAN PLAYER WITH 4 PRODUCTION CENTERS AND 14 DISTRIBUTION OFFICES



→ **Dexia Asset Management** is the organization within the Dexia Group where asset management skills are concentrated. It is a significant European player, with four production centers in Belgium, Luxembourg, France and Australia, and client coverage in these four countries plus Italy, Spain, Switzerland, Germany, Austria, the United Kingdom, the Scandinavian countries. Dexia Asset Management exceeded the EUR 100 billion threshold in 2006. Dexia Asset Management manages a complete range of products including equity, fixed income, money market

and global balanced funds. The company holds strong positions in specific areas such as alternative investment management and socially responsible investment funds. Products or mandates are distributed either through the various distribution channels (Retail and Private Banking networks, Public Finance customer base), through third party networks, or via its own pan-European sales force. More than half of the business comes from institutional mandates.

ACTIVITY

Dexia Asset Management has carried out its international expansion in continental Europe with the opening of a branch in Germany, a springboard for further growth into Central and Eastern Europe. A representative office was also opened in the Kingdom of Bahrain. The very good investment performances were once again rewarded by many five and four-star attributions to funds and some awards (i.e. "Dexia Sustainable European Balanced Low" was given two awards by Lipper in France, "Dexia Equities B EMU Value" won the Standard & Poor's award in Switzerland, "Dexia Bonds Euro Short Term" received an award by Lipper Europe and so on). Dexia Asset Management had 60% of its funds placed in the first two quartiles in Standard & Poor's ranking in 2006.

Concerning volumes, assets under management reached EUR 105.2 billion at year end, up 16.1% (EUR 14.6 billion) in one year. Over the twelve months of 2006, the company collected EUR 10.0 billion net new cash (+11.0%) while EUR 4.6 billion (+5.1%) came from a positive market effect.

Total assets under management originating from institutional mandates reached EUR 28.6 billion, a 31.4% increase in one year, the new cash coming for a large part from pension

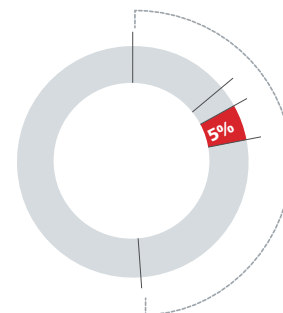
schemes and insurance companies. Similarly, the progression of institutional mutual funds has been very satisfactory, reaching EUR 24.6 billion, up 29.1% since December 31, 2005. The volumes of private mandates increased by 16.6%, whilst the growth of funds distributed through the networks was up 3.2%.

Dexia Asset Management continues to show one of the best productivity ratios in the industry.

Today, Dexia Asset Management covers a large number of asset classes via a significant number of very efficient investment processes. Fixed income and money market investments represented 41.1% of assets under management, equity investments 21.2% and alternative investments the balance.

With EUR 14.3 billion of its total assets under management in Socially Responsible Investment (SRI), Dexia Asset Management was awarded the "Sustainable Asset Manager of the Decade" by *Banco*, a Swiss asset management magazine, recognizing its leadership in sustainable investment in continental Europe over the last decade. In 2006 Dexia Asset Management created an Advisory Board which will assist the continuous development of the SRI approach and analysis.

CONTRIBUTION OF THE BUSINESS LINE TO THE NET INCOME



ASSETS UNDER MANAGEMENT

(in billions of EUR)	Dec. 31, 2005	Dec. 31, 2006	Variation
Total	90.6	105.2	+16.1%
<i>of which</i>			
Equity funds	11.2	13.5	+20.8%
Bond funds	18.8	19.2	+2.1%
Money market funds	10.2	11.5	+13.2%
Alternative funds	5.8	8.0	+37.5%
Global balanced funds	9.7	10.8	+11.1%
Structured products	3.2	3.4	+5.7%
Other	5.3	4.8	-8.7%

INVESTOR SERVICES

- RBC DEXIA INVESTOR SERVICES: ACTIVE IN 15 COUNTRIES ON 4 CONTINENTS



→ This business encompasses the custody and other administrative tasks relating to securities and funds. Through its joint venture with Royal Bank of Canada, **RBC Dexia Investor Services**, Dexia offers three types of services: custody and related services, central administration (fund bookkeeping, legal work, providing periodic valuations etc.), and transfer agent services (keeping registers and managing subscriptions and redemptions of fund shares). Dexia has long been a leading player in this industry in Europe owing to its pre-

mier position in the Luxembourg market, which is the second largest in Europe. Over the years, Dexia has developed a renowned expertise in the central administration and transfer agent businesses and is now a European leader in these two activities. Dexia has developed outside Luxembourg and now operates in many other European countries. In 2005, the joint venture with Royal Bank of Canada established one of the first global players in this area with over USD 2 trillion of funds under custody.

ACTIVITY

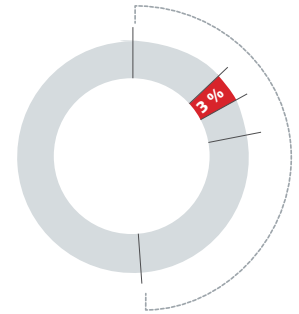
RBC Dexia Investor Services' commitment to quality and consistency of service has generated numerous awards. In 2006, the company was named #1 global custodian in the World by *Global Investor* magazine for the third consecutive year, and #1 global custodian in the World for the second consecutive year by R&M Consultants. RBC Dexia Investor Services was also awarded "Transfer Agent of the Year" and "Client Relationship Manager of the Year" at the ICFA European Awards. In terms of growth, new clients around the world such as Manulife Financial in Canada, and Great West Life in the UK, Ireland, Canada and Isle of Man have demonstrated their confidence in the unique brand of value created by the company.

Total assets under administration amounted to USD 2,290 billion as of December 31, 2006, a 27.5% increase over the previous year. This robust growth comes from both the appreciation of stock indices and strong growth from clients.

For the transfer agency, the number of shareholder accounts rose by 10.4% over the year due to both the wider range of products offered since the joint venture and also to the strong commercial activity. RBC Dexia Investor Services has been selected by many large institutions to provide fund administration services, including Manulife Financial Corporation in Canada for its CAD 26 billion portfolio of funds.

The number of funds under administration has grown by 20% since the inception of the joint venture, due to strong commercial activity and new funds contributed by existing clients. For example, RBC Dexia Investor Services's commitment to service excellence, led Goldman Sachs JBWere to choose the company as fund administrator and transfer agent for AUD 8 billion portfolio of funds in Australia.

CONTRIBUTION OF THE BUSINESS LINE TO THE NET INCOME



ACTIVITY STATISTICS

	Dec. 31, 2005 ⁽¹⁾	Dec. 31, 2006	Variation
Assets under administration ⁽²⁾ (in billions of USD)	1,796	2,290	+27.5%
Number of funds under administration	3,898	4,679	+20.0%
Number of shareholder accounts in transfer agent (in thousands)	5,783	6,385	+10.4%

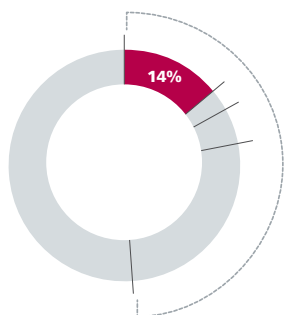
(1) The 2005 figures are pro forma.

(2) i.e. assets under custody, administration and transfer agent.

TREASURY AND FINANCIAL MARKETS

→ The aim of this business line is to manage the balance sheet and provide support to the other business lines of the Group. Treasury and Financial Markets (TFM) provides short-term money market products and long-term funding for the Group. Through permanent innovation, TFM teams also develop the offer of a large range of capital market products (fixed income, structured products based on interest rates and equity derivatives, foreign exchange, securitization) to customers of the commercial business lines (local authorities, corporate customers, retail and private clients, institutional investors, central banks, fund managers etc.). TFM also runs a securitization business, both on the American and the European markets. Lastly, TFM manages a bond portfolio (Credit Spread Portfolio), which contributes to ensuring a high level of liquidity for the Group.

CONTRIBUTION OF THE BUSINESS LINE TO THE NET INCOME



ACTIVITY

In 2006, **Group Treasury** activities were again very buoyant, supporting the growth of the Group's balance sheet. The long-term bonds issued represented a total of EUR 29.9 billion for the full year 2006 (against EUR 29.7 billion in 2005). EUR 18.6 billion bears the AAA signature of Dexia Municipal Agency (DMA) or Dexia Kommunalbank Deutschland. Private placements represented 50% of the total issuance volumes in 2006, of which 70% through the AAA issuers. Public placement activity remained important in 2006, with almost 28% of the total issuances of the Group.

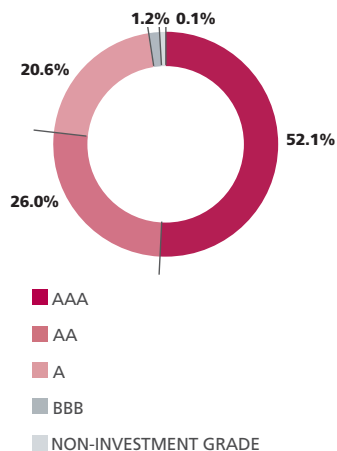
The **Fixed Income** business mainly encompasses the Credit Spread Portfolio (CSP) activity, which benefited from very good market opportunities in 2006. The outstanding amount of this portfolio stands at EUR 74 billion. In the CSP, Dexia keeps the credit risk but hedges the interest rate risk. The investment lines are essentially classified in the available-for-sale (93%) and hold-to-maturity (1%) categories, the remaining portion classified as trading. Regarding securitization activity in Europe, where Dexia acts as an advisor, arranger and/or underwriter, the business performed very well with 24 underwritings in 2006 compared to 16 in 2005.

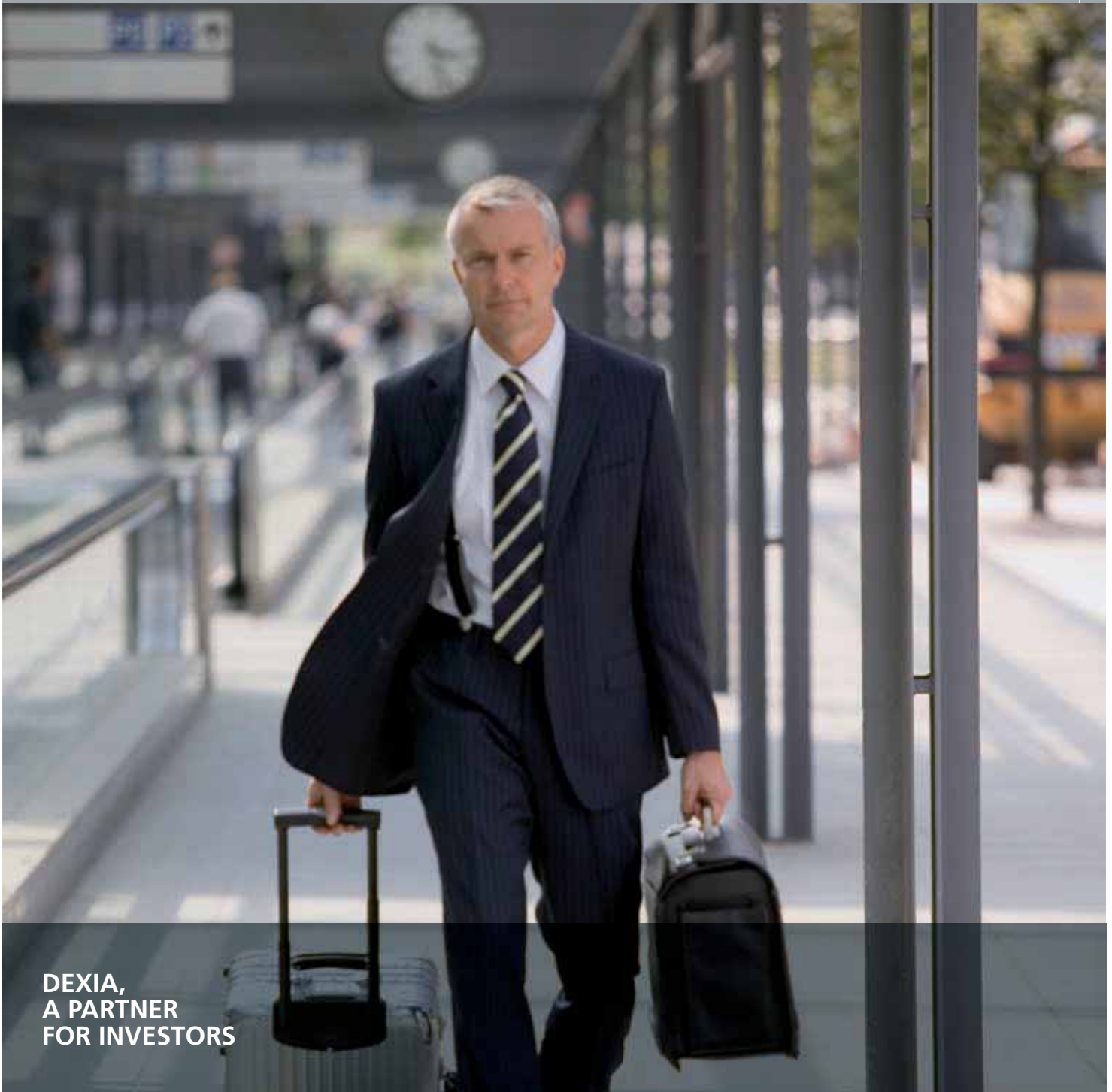
Market Engineering and Trading brings together teams focusing in particular on the supply of structured products to Personal Financial Services clients, institutional clients and public sector clients. Those activities were particularly successful in 2006. In Belgium, the appetite for structured Eurobonds was high, resulting in significant volumes. The structuring desk registered a record in terms of production volume focused on debt restructuring in France, in Germany and in the United Kingdom.

Finally, it should be recalled that TFM is not only a strong revenue generator on its own, but also an important support unit for the other business lines and for the Group as a whole regarding balance-sheet management.

A HIGH-QUALITY CREDIT SPREAD PORTFOLIO

OUTSTANDING AMOUNT: EUR 74.0 BILLION (AS OF DEC. 31, 2006)





**DEXIA,
A PARTNER
FOR INVESTORS**



“Investing for my future, and that of my children? Of course I am interested, but not just anyhow. “We do not inherit the Earth from our ancestors, but borrow it from our children,” said Saint-Exupéry. Many companies are beginning to understand that. I am sure they will be better than others at dealing with future demands, and therefore more innovative, better performing. In order to select companies from among the most profitable and the most responsible, I have chosen to place my trust in one of them: **Dexia !**”

This brochure has been published by the Corporate Communication department of Dexia SA.
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It just needs to be requested at the Dexia head office in Brussels or in Paris or via the company website at www.dexia.com.



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FINANCIAL CALENDAR 2007

Ordinary Shareholders' Meeting for the 2006 financial year

May 9, 2007

Results as of March 31, 2007

May 23, 2007

Payment of dividend for the 2006 financial year

May 24, 2007


Results as of June 30, 2007

August 30, 2007

Results as of September 30, 2007

November 15, 2007

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