BANQUE HAVILLAND

ANNUAL REPORT 2009

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“ For some time now I have strongly believed that there is a need for a traditional private bank where clients can be confident that their assets are safe. Despite my long experience of the financial markets I was deeply concerned by the recent global financial crisis, which made it all the more apparent to me that there is a need for a bank such as this.

With Banque Havilland we aim to build a strong new private bank that provides safety and reliability for those who are looking for a new partner to help them structure and manage their wealth. Our Bank will be run conservatively and will initially focus on getting the 'basics' right. We want to make Banque Havilland into the type of bank that we, as a family, would like to bank with - from prudent management of the balance sheet through to good quality service. By placing family members in both the management and staff of the Bank we hope to ensure that these values of the family are embedded into the culture.

We think that our proposition will be attractive, as whilst clients will have the security of a sound and independent bank this is complemented by having access to the experience and the network of a family that has successfully grown and managed their wealth over 45 years.

We have made a good start on this in 2009 and look forward to the coming year with excitement and enthusiasm. ”

David Rowland

Honorary President, Banque Havilland S.A.

Management report 2009

Official Opening of Banque Havilland, September 2009 - From left to right:
Hubert Wurth - Luxembourg Ambassador to U.K., David Rowland - Honorary President / Banque Havilland,
Luc Frieden - Luxembourg Minister of Finance, Jonathan Rowland - CEO / Banque Havilland,
HRH The Duke of York K.G., Magnús Guðmundsson - CEO / Banque Havilland,
Peter Bateman - British Ambassador to Luxembourg

We are pleased to report that since the opening on the 10th July 2009 by HRH The Duke of York K.G., Banque Havilland S.A. ("the Bank ") has outperformed the expectations of the new shareholders, the Rowland Family, producing a net profit after tax of E 8M. The Bank has a strong, clean balance sheet of E 1.1B which is composed of loans and advances to credit institutions of E 202M and high graded bonds, fully eligible for the monetary policy operations of the ECB, amounting to E 710M.
Since the inception of the Bank, client deposits have remained stable, standing at E 290M at the end of December 2009.

A PRIVATE, PRIVATE BANK

The strategy of Banque Havilland is to provide traditional private banking and wealth management services to High Net Worth Individuals and Families across the globe and to become ***The private*, Private Bank**.

Banque Havilland is looking to attract a more affluent client base and has been active in changing the eligibility criteria by which new accounts will be accepted. This means that the profile of a new client will be that of an Ultra High Net Worth person with more investable assets. This approach will lead to Banque Havilland migrating towards a smaller client base, but with a higher value in terms of assets under management. By doing this we will be able to provide the expected exceptional level of service to our clients across the whole experience from basic banking through to asset management and wealth structuring.

In addition to these traditional private banking services, Banque Havilland is unique in that we are also able to offer clients the option to participate in co-investment opportunities with the Rowland

Family. This involvement means that the network of the Family becomes the network of the client creating value that truly surpasses the traditional scope of private banks.

During this period we have also been working to bring the investment and fund management arm of the Family group into the Bank. This transaction was completed after 31st December 2009 and Banque Havilland now owns the two regulated group companies as fully owned subsidiaries: Blackfish Capital Management Limited regulated in the United Kingdom, by the Financial Service Authority and Blackfish Capital Holdings Limited that is regulated in Guernsey, by the Guernsey Financial Services Commission. The acquisition of the Blackfish companies will enhance the asset management offering of the Bank, and provides a further opportunity to draw the investment expertise of the Family into the Bank.

THE YEAR AHEAD

Going forward into 2010 the emphasis will be to continue to deliver and develop an unparalleled service for our existing and new private banking clients including examining in detail everything we do from our account opening process through to the products and services offered.

We are also looking at expanding the reach of the Bank to new locations. The first initiative will be a representative office in London which will support the marketing activities of the Bank and is a logical starting point being the headquarters of the Blackfish Group. The Bank is also considering the Middle East as a potential location for a subsidiary or branch office. The region has a mature banking infrastructure and is seen as a prime strategic base for the Bank to leverage the existing Family network.

RISK MANAGEMENT

We understand the importance of having a robust risk management function within the Bank and as such have created an independent Risk and Control department that reports directly to the Board of Directors and the CEOs.

The Bank also aims to minimise traditional risk by imposing a strict lending policy. This is reflected in the fact that loans to customers are less than the total equity of the Bank which therefore enjoys a high solvency ratio (CAD) of 31% and liquidity ratio of 38%.

The Bank has no direct or indirect exposure towards sub-prime credit or structured credit obligations (such as CDOs, SIVs and CLOs) in its loan or bond portfolios.

Additional information on risk management is available on request in accordance with Pillar III of the CSSF circular 06/273. For further information on the Bank's exposure to risks, we refer you to the notes

6.3 and 6.4 of these annual accounts.
Looking back over the first year of operation we feel very positive about the future of the Bank. The current economic environment gives Banque Havilland a unique opportunity to acquire new business and a foothold in the private banking market due to its robust balance sheet and independence. We are committed to providing clients with a first class private banking service that is grounded in traditional banking values.
On behalf of the Family and the management of the Bank we would like to express our gratitude to our clients for their continued support and loyalty.

Finally, our most sincere thanks go to our staff for their continued dedication and professionalism.

Luxembourg, 29th March 2010

Magnús Guðmundsson
CEO

Jonathan Rowland
CEO

Independent Auditor's report

To the Board of Directors of Banque Havilland S.A.

REPORT ON THE ANNUAL ACCOUNTS

Following our appointment by the General Meeting of the Shareholders dated July 10, 2009, we have audited the accompanying annual accounts of Banque Havilland S.A. ("the Bank"), which comprise the balance sheet as at December 31, 2009, the profit and loss account for the period from June 1, 2009 to December 31, 2009 and a summary of significant accounting policies and other explanatory notes.

Board of Directors' responsibility for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted by the "Institut des Réviseurs d'Entreprises". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these annual accounts give a true and fair view of the financial position of the Bank as of December 31, 2009, and of the results of its operations for the period from June 1, 2009 to December 31, 2009 in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The management report, which is the responsibility of the Board of Directors, is consistent with the annual accounts.

PricewaterhouseCoopers S.à r.l.
Luxembourg, March 29, 2010

Réviseur d'entreprises
Represented by

Paul Neyens - Réviseur

PricewaterhouseCoopers
Société à responsabilité limitée
Réviseur d'Entreprises

400, Route d'Esch
B.P. 1443
L-1014 Luxembourg
Telephone +352 494848-1
Facsimile +352 494848-2900
www.pwc.com/lu
info@lu.pwc.com

R.C.S. Luxembourg B 65 477
TVA LU17564447

Banque HAVILLAND S.A.

BALANCE SHEET AS AT DECEMBER 31, 2009 (EXPRESSED IN EURO)

ASSETS	NOTES	31/12/2009
Cash, balances with central banks and post office banks	6.1	62 424 144
Loans and advances to credit institutions	6.1, 6.3	
repayable on demand		174 502 232
other loans and advances		27 948 199
		202 450 431
Loans and advances to customers	6.1, 6.3, 3.2	84 330 456
Debt securities and other fixed-income securities	3.3, 6.1, 6.3	
Issued by other borrowers		710 275 145
		710 275 145
Shares and other variable-yield securities	3.4, 6.1, 6.3	11 213 945
Shares in affiliated undertakings	3.5, 3.6	12 166 096
Intangible assets	3.6	1 260 247
Tangible assets	3.6	1 950 716
Other assets	3.7	7 589 370
Prepayments and accrued income		1 362 944
TOTAL ASSETS		**1 095 023 494**

The accompanying notes form part of these annual accounts.

LIABILITIES	NOTES	31/12/2009
Amounts owed to credit institutions	6.1	
repayable on demand		2 124 780
with agreed maturity dates		636 526 944
		638 651 724
Amounts owed to customers	6.1	
other debts		
repayable on demand		193 128 897
with agreed maturity dates		96 778 869
		289 907 766
Other liabilities	4.3	20 533 060
Accruals and deferred income		2 938 903
Provisions		
provisions for taxation		24 680 608
other provisions		7 016 170
		31 696 778
Fund for general banking risk		2 000 000
Subscribed capital	4.4	100 000 000
Share premium	4.4	1 260 709
Profit for the financial period		8 034 554
TOTAL LIABILITIES		**1 095 023 494**

OFF BALANCE SHEET ITEMS		
Contingent liabilities of which:	5.1, 5.2	19 054 425
guarantees		19 054 425
Fiduciary operations		235 118

The accompanying notes form part of these annual accounts.

Profit and loss account for the period from June 1, 2009 to December 31, 2009 (EXPRESSED IN EURO)

	NOTES	31/12/2009
Interest receivable and similar income	7.1	13 295 705
of which: arising from debt securities and other fixed-income securities		5 588 576
Interest payable and similar charges		(11 516 316)
Net interest income		**1 779 388**
Income from securities		
Income from shares and other variable-yield securities		**88 528**
Commission receivable	7.1	3 848 106
Commission payable		(588 830)
Net commission income		**3 259 276**
Net profit on financial operations	7.1	**21 262 667**
Other operating income	7.2	**4 879 112**
Total operating income		**31 268 971**
General administrative expenses		
Staff costs		(7 531 481)
of which:		
- wages and salaries		(5 882 340)
- social security costs		(921 770)
of which : social security costs relating to pensions		(411 926)
Other administrative expenses		(6 172 261)
		(13 703 742)
Value adjustments in respect of tangible and intangible assets		**(1 931 813)**
Other operating charges	7.3	**(3 730 510)**
Value adjustments in respect of loans and advances and provisions for contingent liabilities and for commitments	7.4	**(14 378 198)**
Value re-adjustments in respect of loans and advances and provisions for contingent liabilities and for commitments	7.4	**14 684 031**
Value adjustment in respect of securities held as financial fixed assets, participating interests and shares in affiliated undertakings	3.5	**(2 119 600)**
Transfer to the Fund for general banking risks		**(2 000 000)**
Profit before tax		**8 089 139**
Tax on profit on ordinary activities		**-**
Profit after tax		**8 089 139**
Other taxes not shown under the preceding items		**(54 585)**
Profit for the financial period		**8 034 554**

The accompanying notes form part of these annual accounts.

Banque HAVILLAND S.A.

Notes to the annual accounts as at December 31, 2009

1.

General

Banque Havilland S.A. ("the Bank") was incorporated in the Grand-Duchy of Luxembourg on July 10, 2009 as a limited liability company ("Société Anonyme"). The Ministry of Finance granted the Company a banking licence on June 25, 2009.

On July 10, 2009, the Bank issued 50 031 new shares of a nominal value of E 1 000 and a demerger premium of E 4 786 457 in consideration for the non-cash contribution of assets and liabilities contributed from the former Kaupthing Bank Luxembourg S.A. (the "former Bank"). This non cash contribution in the exchange for the shares and demerger premium issued took place with an effective accounting date of June 1, 2009.

On July 10, 2009, an extraordinary general meeting has voted a capital increase by issuing 49 969 new shares with a nominal value of E 1 000. As at December 31, 2009, the subscribed and fully paid share capital of the Bank is E 100 000 000 made up of 100 000 shares with a nominal value of E 1 000 each.

The non cash contribution has been calculated as the lower of net book value or fair value as at the date of the demerger. As a consequence, the Bank is now carrying all former assets and liabilities and reflects the historical cost, accumulated depreciation, and adjustments derived from the past as other income / expense or exceptional charges in its annual accounts.

The Bank is permitted to carry out all banking activities. Its principal activity is private banking.

2.
Summary of significant accounting policies

The Bank's accounting policies are in accordance with regulations in force in the Grand-Duchy of Luxembourg and, in particular, the modified law of June 17, 1992, relating to the annual accounts of credit institutions.

2.1 FIXED ASSETS

2.1.1 Intangible assets

Intangible assets are included at purchase price less accumulated amortisation.

Intangible assets consist of software amortised over 4 years on a linear basis. Formation expenses and costs in relation to capital increases are directly expensed when incurred.

2.1.2 Tangible assets

Tangible assets are included at purchase price less accumulated depreciation. Tangible assets are depreciated over their expected useful life.

The rates and methods of depreciation are as follows:

	RATES	METHOD
Office equipment fixtures & fittings	25 %	linear
Company cars	25 %	linear

Fixtures and fittings costing less than E 867 or whose expected useful life does not exceed one year are charged directly to profit and loss account for the year.

2.1.3 Shares in affiliated undertakings

Shares in affiliated undertakings are recorded at purchase price. If the valuation is lower than the purchase price, value adjustments are booked to account for the unrealised loss.

2.2 CURRENT ASSETS

2.2.1 Debt securities and other fixed-income securities

Debt securities and other fixed-income securities are recorded at purchase price.

Value adjustments are made for securities in the structural portfolio for which the valuation is lower than the purchase price. The valuation is the market value on the balance sheet date or the estimated realisable value or the quotation which best represents the inherent value of the securities held. All bank's securities are held in a structural portfolio.

2.2.2 Shares and other variable-yield securities

Shares and other variable-yield securities are recorded at purchase price. If the valuation is lower than the purchase price, value adjustments are booked to account for the unrealised loss.

2.2.3 Loans and advances

Loans and advances are disclosed at their nominal value. Accrued interest not received is recorded under the heading "Prepayments and accrued income" on the asset side of the balance sheet.

2.2.4 Value adjustments in respect of current assets

The policy of the Bank is to establish specific provisions to cover the risk of loss and of the non-recovery of debtors.

Value adjustments are deducted from the relevant current assets.

2.2.5 Provision for assets at risk

A tax free lump sum provision is accounted for based on the Bank's assets at risk. These assets are determined in accordance with the regulatory provisions governing the computation of the capital adequacy ratio. The lump sum provision is apportioned between the relevant assets at risk in accordance with the provisions of the Luxembourg Monetary Institute circular letter dated December 16, 1997. The portion related to the assets at risk is deducted from these assets.

2.3 FUND FOR GENERAL BANKING RISKS

The Bank has established a fund for general banking risks to cover the particular risks associated with banking. Transfer to this fund are booked from income after tax, but before determination of net income. This fund is not subject to any quantitative limit.

2.4 PURCHASE PRICE OF FUNGIBLE ASSETS

The Bank values fungible assets by the weighted average price method.

2.5 VALUATION OF FOREIGN CURRENCY BALANCES AND TRANSACTIONS

2.5.1 Foreign currency translation

The share capital of the Bank is expressed in Euro ("EUR") and the accounting records are maintained in that currency.

Shares in affiliated undertakings included in fixed assets as well as intangible and tangible assets are converted at the historic rate. All other assets and liabilities denominated in a currency other than EUR are converted into EUR at the rate of exchange ruling at the balance sheet date.

Income and charges in foreign currencies are converted into EUR at the rate of exchange ruling on the date of the transaction.

Foreign currency differences arising from these valuation principles are taken to profit and loss account.

2.5.2 Valuation of transactions not subject to currency risk

Swap transactions not linked to balance sheet items

The spot result realised in cash terms is offset by the result arising from the revaluation of the forward leg. The premium/discount is spread prorata temporis.

2.5.3 Valuation of transactions not subject to currency risk (continued)

Over-the-counter closed forward transactions

Future profits that are certain to arise are deducted from future losses that are certain to arise in the same currency.

A provision is created for any excess losses; any excess profits are deferred.

2.5.4 Valuation of transactions subject to currency risk

Over-the-counter speculative forward transactions

Provision is made for unrealised losses on forward transactions, which do not represent the hedging of a spot position. Unrealised gains are not accounted for.

The Bank only enters into financial instruments for hedging purposes.

3.

Detailed disclosures relating to asset headings

3.1 LOANS AND ADVANCES TO CREDIT INSTITUTIONS

The Bank has no affiliated credit institutions.

3.2 LOANS AND ADVANCES TO CUSTOMERS

Loans and advances to affiliated undertakings amount to E 10 500 000.

3.3 DEBT SECURITIES AND OTHER FIXED-INCOME SECURITIES

This heading includes debt securities, whether quoted on a recognised market or not, issued by public bodies, credit institutions or other issuers and which are not included under another balance sheet heading.

Quoted and non-quoted securities are analysed as follows:

	2009 EUR
Securities quoted on a recognised market	710 275 145
Securities not quoted on a recognised market	0
	710 275 145

All the debt securities and other fixed-income securities held are included in the structural portfolio. The Bank uses the European Central Bank Monetary Policy Operations to finance its eligible securities portfolio.

3.4 SHARES AND OTHER VARIABLE-YIELD SECURITIES

This heading includes shares, holdings in investment funds and other variable-yield securities whether quoted on a recognised market or not which are not included in fixed asset investments.

Quoted and non-quoted shares and other variable-yield securities are analysed as follows:

	2009 EUR
Securities quoted on recognised market	11 196 183
Securities not quoted on recognised market	17 762
	11 213 945

All shares and other variable-yield securities held are included in the structural portfolio.

3.5 SHARES IN AFFILIATED UNDERTAKINGS

As at December 31, 2009, the Bank holds at least 20% of the capital of the following non-quoted undertakings:

	% HELD	NET BOOK VALUE EUR	CAPITAL AND RESERVES DECEMBER 31, 2009 (*) EUR	Result for the year 2009 (*) EUR
Kaupthing Life & Pension S.A. 35a, avenue J.F. Kennedy L-1855 Luxembourg	100 %	2 994 517	4 859 163	(187 035)
Kaytwo S.à r.l. 35a, avenue J.F. Kennedy L-1855 Luxembourg	100 %	9 171 579	4 521 033	(469 521)
		12 166 096		

(*) Audited figures.

At December 31, 2009 a value adjustment of E 2 119 600 has been accounted for in relation to Kaytwo S.à r.l. to reflect the estimated decrease in value of its investments.

3.6 MOVEMENTS ON FIXED ASSETS

FIXED ASSETS (IN EUR)	GROSS VALUE AT THE BEGINNING OF THE FINANCIAL PERIOD	ADDITIONS	REDUCTIONS	GROSS VALUE AT THE END OF THE FINANCIAL PERIOD	CUMULATIVE VALUE ADJUSTMENTS	NET BOOK VALUE AT THE BALANCE SHEET DATE
1. Shares in affiliated undertakings	14 308 245			14 308 245	(2 142 149)	12 166 096
2. Intangible assets	5 399 348	151 365		5 550 712	(4 290 466)	1 260 247
Software	5 399 348	151 365		5 550 712	(4 290 466)	1 260 247
3. TANGIBLE ASSETS of which:	13 052 199	71 903	(107 691)	13 016 411	(11 065 695)	1 950 716
a) Office equipment fixtures and fittings	11 070 825	71 903		11 142 728	(9 756 115)	1 386 613
b) Company cars	1 981 374		(107 691)	1 873 683	(1 309 580)	564 103
TOTAL	**32 759 792**	**223 268**	**(107 691)**	**32 875 370**	**(17 498 310)**	**15 377 059**

3.7 OTHER ASSETS

This heading consists of the following:

	2009 EUR
VAT receivable	3 387 404
Guarantee called	2 802 369
Other receivable	1 399 597
	7 589 370

3.8 ASSETS DENOMINATED IN FOREIGN CURRENCIES

Assets denominated in currencies other than EUR have a total value of E 159 595 237 as at December 31, 2009. The gap between non EUR denominated assets and non EUR denominated liabilities is covered by off-balance sheet instruments.

4.
Detailed disclosures relating to liability headings

4.1 AMOUNTS OWED TO CREDIT INSTITUTIONS

The Bank has no affiliated credit institutions.

4.2 AMOUNTS OWED TO CUSTOMERS

The Bank has no liability towards affiliated undertakings.

4.3 OTHER LIABILITIES

This heading consists of the following:

	2009 EUR
Payable on sales of securities	11 569 179
Invoices payable	3 000 000
Guarantee payable	2 807 564
Preferential creditors	525 372
Other payables	2 630 945
	20 533 060

4.4 SUBSCRIBED CAPITAL AND SHARE PREMIUM

On July 10, 2009, an extraordinary general meeting has voted a capital increase by issuing 49 969 new shares with a nominal value of E 1 000.

As at December 31, 2009, the subscribed and fully paid share capital of the Bank is EUR 100 000 000 made up of 100 000 shares with a nominal value of E 1 000 each.

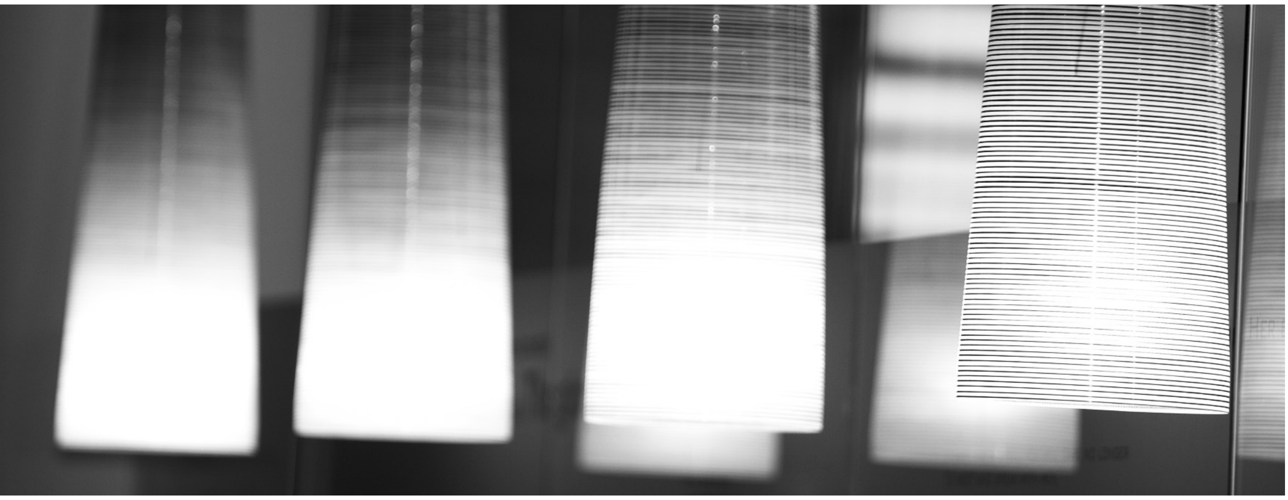
The Bank reduced the share premium for an amount of E 3 525 748 to account for valuation differences of its assets and liabilities at the date of its constitution. As at December 31, 2009, the share premium amounts to E 1 260 709.

4.5 LEGAL RESERVE

In accordance with article 72 of the Luxembourg company law, an amount of 5% of net profits should be allocated to a non distributable legal reserve, until this reserve reaches 10% of the subscribed capital. As a result, the 2009 Annual General Meeting of the Bank will allocate an amount of E 401 728 to the legal reserve, in respect of the 2009 financial year.

4.6 LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

Liabilities denominated in currencies other than EUR have a total value of E 159 062 550 as at December 31, 2009. The gap between non EUR denominated assets and non EUR denominated liabilities is covered by off-balance sheet instruments.



5.
Information relating to off-balance sheet items

5.1 CONTINGENT LIABILITIES

Contingent liabilities consist of guarantees and other direct substitutes for loans.

As at December 31, 2009, the Bank has granted a guarantee of E 13 800 000 to its subsidiary Kaytwo S.à r.l.. Those guarantees are required as a security for certain interest and scheduled capital repayments which shall be paid by Kaytwo S.à r.l. to its lenders (borrowing of E115 000 000).

5.2 COMMITMENTS

The Bank is member of the "Association pour la Garantie des Dépôts, Luxembourg" ("A.G.D.L."). The A.G.D.L. has for its exclusive object the establishment of a system of mutual guarantee of deposits placed with members by private individuals and by small companies without distinction of nationality or residence. No provision has been made in respect of specific liabilities arising under this scheme.

5.3 OPEN FORWARD AGREEMENTS AT THE BALANCE SHEET DATE

The Bank is engaged in forward foreign exchange transactions (swaps, outrights) in the normal course of its banking business. A significant portion of these transactions has been contracted to hedge the effects of fluctuations in exchange rates.

5.4 MANAGEMENT AND REPRESENTATIVE SERVICES SUPPLIED BY THE BANK

The Bank's services to third parties consist of:

- Management and advice on asset management;
- Safekeeping and administration of marketable securities;
- Fund administration;
- Holding company domiciliation;
- Credit activities.

6.
Information relating to financial instruments

6.1 DISCLOSURES RELATING TO PRIMARY FINANCIAL INSTRUMENTS IN RELATION TO NON TRADING ACTIVITIES

The following tables provide an analysis of the carrying amount of primary financial assets and financial liabilities of the Bank into relevant maturity groupings based on the remaining periods to repayment.

As at December 31, 2009, primary financial assets and liabilities are analysed as follows (in EUR):

FINANCIAL ASSETS	LESS THAN THREE MONTHS	BETWEEN THREE MONTHS AND ONE YEAR	BETWEEN ONE YEAR AND FIVE YEARS	MORE THAN 5 YEARS	NO MATURITY	TOTAL
Cash, balances with central banks and post office banks	62 424 144					62 424 144
Loans and advances to credit institutions	190 472 631	11 977 800				202 450 431
Loans and advances to customers	41 279 494		30 387 596	12 663 366		84 330 456
Debt securities and other fixed-income securities	66 028 329	131 748 540	500 395 323	12 102 954		710 275 145
Shares and other variable-yield securities					11 213 945	11 213 945
TOTAL	**360 204 598**	**143 726 340**	**530 782 919**	**24 766 320**	**11 213 945**	**1 070 694 121**

FINANCIAL LIABILITIES	LESS THAN THREE MONTHS	BETWEEN THREE MONTHS AND ONE YEAR	BETWEEN ONE YEAR AND FIVE YEARS	MORE THAN FIVE YEARS	TOTAL
Amounts owed to central banks	100 000 000	520 000 000			620 000 000
Amounts owed to credit institutions	2 124 780		3 912 752	12 614 192	18 651 724
Amounts owed to customers	222 375 940	170 737	67 361 089		289 907 766
Contingent liabilities	19 054 425				19 054 425
TOTAL	**343 555 145**	**520 170 737**	**71 273 841**	**12 614 192**	**947 613 915**

The maturity mismatch between the assets and the liabilities of the Bank are mainly

6.1 DISCLOSURES RELATING TO PRIMARY FINANCIAL INSTRUMENTS IN RELATION TO NON TRADING ACTIVITIES (CONTINUED)

related to the Bank's bond portfolio. This portfolio has a 2.5 years duration and is made of floating rate notes indexed on the 3 or 6 months Libor. The funding of the portfolio is made through the ECB Monetary Policy Operations via MRO's and LTRO's (medium and long term refinancing operations) and matches therefore the interest rate risks of the assets. The portfolio is therefore not sensitive to the fluctuation of short term rates. These bonds are sufficiently liquid should we decrease our ECB funding.

6.2 DISCLOSURES RELATING TO DERIVATIVE FINANCIAL INSTRUMENTS

The following tables provide an analysis of the derivative financial liabilities of the Bank into relevant maturity groupings based on the remaining periods to repayment. As of December 31, 2009, the Bank has no derivative financial assets.

As at December 31, 2009, over the counter derivative financial liabilities are analysed as follows (in EUR):

FINANCIAL LIABILITIES (notional amounts)	LESS THAN THREE MONTHS	BETWEEN THREE MONTHS AND ONE YEAR	BETWEEN ONE YEAR AND FIVE YEARS	TOTAL	NEGATIVE FAIR VALUE
Instruments linked to exchange rates					
- currency swap contracts	2 505 466			2 505 466	114 043

As at December 31, 2009, the net fair value of derivative financial liabilities is a loss of E 114 043.

6.3 DISCLOSURES RELATING TO CREDIT RISK

The Bank is exposed to credit risk mainly through its lending, investing and hedging activities and in cases where the Bank acts as an intermediary on behalf of customers and issues guarantees.

The Bank's primary exposure to credit risk arises from its loans and advances and debt

6.3 DISCLOSURES RELATING TO CREDIT RISK (CONTINUED)

securities. The credit exposure in this regard is represented by the carrying amounts of the assets in the balance sheet.

The Bank is also exposed to off balance sheet credit risk through guarantees issued and instruments linked to exchange, interest and other market rates (forward transactions, swap and option contracts). The credit exposure in respect of instruments linked to exchange, interest and other market rates are equal to the equivalent at risk according to the initial risk approach.

The credit risk exposure as at December 31, 2009 can be analysed as follows (in EUR):

	GROSS RISK EXPOSURE
Loans and advances to credit institutions	202 450 431
Loans and advances to customers	84 330 455
Debt securities and other fixed-income securities	710 275 145
Shares and other variable-yield securities	11 213 945
Contingent liabilities	19 054 425
Derivatives Instruments linked to exchange rates	50 261
	1 027 374 662

Loans and advances to customers are usually secured by cash, listed investments and third party guarantees.

Credit risk concentrations on total on and off balance sheet are analysed as follows:

	2009 EUR
Corporates	105 994 537
Credit institutions	912 880 293
Individuals	8 499 832
	1 027 374 662

Credit institutions, corporates and individuals are almost all from OECD countries.

6.4 INFORMATION ON THE MANAGEMENT OF OTHER RISKS

Liquidity Risk

A cash management system enables the Bank to achieve a daily automatic "vostro-nostro" reconciliation of its main correspondent accounts.

The Bank is able to identify possible cash flow errors, to determine adjusted opening balances and generate an accurate liquidity gap to better channel short-term liquidity needs.

The asset and liability committee (ALCO) receive a daily report on the overall liquidity situation of the Bank, the upcoming liquidity risks and the cash buffer.

Interest Rate Risk

The Bank monitors its interest rate risk by analysing the different maturity gaps in the balance sheet. The Bank is not exposed to interest rate risks due to the nature of its business. Less than 5% of the assets are fixed rate denominated.

Stress tests are performed monthly by analysing parallel curve shifts.

Exchange Rate Risk

The Bank's main exposure to foreign exchange risk arises from USD, JPY, CHF, DKK, GBP and ISK.

A foreign exchange position system provides an overall view of the currency risk and related profit or loss impact by business line, turnover and margins.

The implementation of a VaR model gives a view of the potential loss of the overnight position. The VaR model is a copula with Gamma margin enabling to catch the dependencies between the cross currencies and extreme events.

ALCO members control the exchange rate risk through the daily report received from the Treasury department.

6.4 INFORMATION ON THE MANAGEMENT OF OTHER RISKS (CONTINUED)

Market Risk

The Bank is subject to market risk through its portfolio of debt securities.

The new reporting includes the liquidity of the underlying, the geographical diversification, the industry sector diversification and credit risk measures.

Guidelines are reviewed and approved by the Board of Directors on a yearly basis.

7. Information on the profit and loss account

7.1 GEOGRAPHICAL ANALYSIS INCOME

Interest receivable and similar income, commission receivable and net profit on financial operations originate mainly from Western Europe.

7.2 OTHER OPERATING INCOME

Other operating income as at December 31, 2009 are analysed as follows:

	2009 EUR
Guarantees called	2 807 564
Provisions reversed	1 572 372
Settled claims	499 176
	4 879 112

7.3 OTHER OPERATING EXPENSES

Other operating expenses as at December 31, 2009 are analysed as follows:

	2009 EUR
Guarantees paid	2 807 564
Clients write offs	646 713
Other	276 233
	3 730 510

7.4 NET VALUE ADJUSTMENTS IN RESPECT OF LOANS AND ADVANCES AND PROVISION FOR CONTINGENT LIABILITIES AND FOR COMMITMENTS

This heading is analysed as follows:

	2009 EUR
Specific value adjustments on loans and advances to credit institutions	
Additions	598 142
Reversals	(10 730 123)
Specific value adjustments on loans to customers	
Additions	11 780 056
Reversals	(3 953 908)
Lump sum provision	
Additions	2 000 000
	(305 833)

As at December 31, 2009, the lump sum provision amounts to E 2 000 000.

7.5 TAX INFORMATION

The bank is liable to taxes on income and net assets in respect with the Luxembourg legislation.

8.
Other Information

8.1 PERSONNEL

The average number of persons employed during the financial year was as follows:

	2009
Management	7
Employees	98
	105

8.2 ADMINISTRATIVE, MANAGERIAL AND SUPERVISORY BODIES

Remuneration paid to the various bodies of the Bank during the financial year was as follows:

	2009 EUR
Management	793 793

The amount of loans and advances granted to members of the Management and the Board of Directors and commitment entered into on their behalf by way of guarantees of any kind amounted to E 377 916 at December 31, 2009.

8.3 FEES BILLED BY PRICEWATERHOUSECOOPERS S.À R.L., LUXEMBOURG AND OTHER MEMBER FIRMS

Fees billed (excluding VAT) to the Bank by PricewaterhouseCoopers S.à r.l., Luxembourg and other member firms of the PricewaterhouseCoopers network during the year are as follows:

	2009 EUR
Audit Fees	158 000
Audit-related Fees	256 000
Tax Fees	5 700
All other Fees	6 000
	425 700

Such fees are presented under other administrative expenses in the profit and loss account.

BANQUE HAVILLAND S.A.

ORGANISATIONAL CHART