

Regulated information * - Brussels, Paris, 31 December 2012 – 17.45

Subscription by the Belgian and French States to the Dexia SA capital increase

Dexia confirms that, in accordance with their undertaking, the Belgian and French States have today subscribed to the Dexia SA capital increase in an amount of EUR 5.5 billion. This capital increase was authorised by the Dexia SA Extraordinary Shareholders' Meeting held on 21 December last and, with its approval of the revised Group orderly resolution plan, approved by the European Commission on 28 December 2012. The participation of the Belgian and French States in this capital increase was also subject to the required legal and regulatory authorisations.

The Belgian State subscribed to 15,342,105,203 and the French State to 13,605,263,158 new preference shares in Dexia SA, thus bringing their holdings in the capital of Dexia SA to 50.02% and 44.40% respectively.

As previously announced, the subscription price for the preference shares was set at EUR 0.19 per share¹.

The proceeds of this capital increase have been allocated as follows:

- An increase of the capital of Dexia Crédit Local S.A. (DCL) in an amount of EUR 2,000 millions, including issue premium. This recapitalisation of DCL was realised today and takes the share capital of DCL to EUR 1.286 billion.
- EUR 2,120 millions to settling the balance of the contractual liabilities of Dexia SA and DCL, with the exception of a residual loan that will be repaid by Dexia SA's forthcoming incomes, in particular those related to the sale of Dexia Asset Management. Those liabilities are essentially divided as follows:
 - EUR 606 millions to repaying the loans subscribed by Dexia SA with DCL;
 - EUR 1,942 millions due from Dexia SA to DCL by virtue of a guarantee on Greek securities;
 - EUR 372 millions allocated by Dexia SA for subscription to a capital increase of Dexia Holdings Inc².; and
 - EUR 208 millions due from DCL to Dexia SA in order to terminate the advance made to DCL by virtue of setting-up fees paid within the framework of an autonomous guarantee agreement concluded on 16 December 2011 between the Kingdom of Belgium, the Republic of France, the Grand Duchy of Luxembourg, Dexia SA and DCL.

At the end of these various transactions, Dexia SA will have sufficient liquidity enabling it to cover its future commitments, under foreseeable market conditions.

¹ The price of EUR 0.19 per share corresponds, under Article 598 of the Belgian Companies Code, to the average closing price of the Dexia share during the 30 calendar days prior to the decision taken by the Board of Directors in 14 November 2012 to propose to the Extraordinary Shareholders' Meeting that it proceed with the capital increase.

² Dexia Holding Inc. is 90% owned by DCL and 10% by Dexia SA. It is the entity that held the Financial Products portfolio inherited from FSA, that was almost entirely sold in 2011.

With the guarantee on DCL funding, the Dexia SA capital increase constitutes one of the pillars of the revised orderly resolution plan for the Dexia Group.

As a consequence of the realisation of the capital increase, all the statutory amendments passed by the Shareholders' Meeting on 21 December 2012 have entered into force, and the resignations and co-options of directors decided and recorded on 27 December 2012 have taken effect.

** Dexia is a limited company listed on a regulated market (NYSE-Euronext Brussels and NYSE-Euronext Paris). This press release contains information the dissemination of which is governed by the Royal Decree dated 14 November 2007 relating to the obligations of issuers of financial instruments listed on a regulated market.*

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