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Paris EUROPLACE International Financial Forum - Singapore
**“The Next Challenges of the Financial Sector:
Combining New Regulations & Economic Growth”**

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PRESS RELEASE

Paris, Singapore, November 30, 2011 – Bringing together 350 delegates from Singapore’s banking and financial community as well as key executives from the Paris financial market, Paris EUROPLACE held its 2nd annual Financial Forum in Singapore on November 30, 2011 to present a general macroeconomic outlook of the current economic situation in Europe as well as discussing solutions for financial centers to overcome the financial crisis.

Christian NOYER, Governor, Banque de France, in his inaugural speech said that **“looking at fundamentals, the euro area today seems in a position of strength when compared to other developed economies, in terms of growth, as well as external accounts and the fiscal position. On aggregate, the euro area deficit (4% of GDP) is the smallest of all, less than half of that in the US, Japan or UK.”**

“Despite of that, destabilizing dynamics have been developed and need to be addressed by a conjunction of complementary actions: stabilize European bond markets, delink bank from sovereign risk. The European Central Bank must ensure that the banking system has access to liquidity and the bond buying program is justified by its primary mandate, i.e. maintaining price stability.”

“Markets and lenders will trust those currencies that, whatever the circumstances, are managed with one priority: preserving price stability and the intrinsic value of the currency unit. On this fundamental basis, we can look at the future of the euro with strong and realistic optimism.”

Ravi MENON, Managing Director, Monetary Authority of Singapore, highlighted that **“Asia is not immune to developments in America or Europe, as there are two channels through which the effects of deleveraging will be transmitted to Asia: finance and trade. Asia is not decoupled of the global crisis, but will not derail. Because emerging Asia’s fundamentals are strong. At the same time, Asian countries must increase domestic demand and better manage capital flows. Europe may be beset by uncertainties, but European companies remain among the most dynamic, technologically advanced, and global businesses in the world. Together – Asian economies and European corporate can create opportunity and prosperity.”**

Arnaud de BRESSON, Managing Director, Paris EUROPLACE, underlined that **“the current crisis is a wake-up call to finalize key governance reforms in Europe. The ability to resolve it, can only be regained through the reduction of budget deficits and a closer alignment of European policies. The Paris financial marketplace is confident that the present global crisis and the solutions under implementation by European Union will accelerate the European integration that market professionals expect since a long time and therefore will tackle the economic crisis in Europe”**.

Important structural reforms are underway in France and in Europe. Hervé de VILLEROUCHE, Vice Secretary, Financial Sector, French Treasury Directorate confirmed that:

- **first, by accelerating the reduction of public deficits in all European countries.** France has recently announced a 51 billion Euros package in budget savings for 2011-2012. The objective is to return below 3 % and to fiscal balance by 2016.
- **second, by strengthening European banks' financial structure.** Like in other European countries, the process has been accelerated in France and for French banks, the strengthening of French banks' capital represents around 8 billion Euros for a total amount of 106 billion for all European banks.
- **third, by improving the European governance and finalizing the economic integration. New measures including proposals to grant the European Commission more oversight and disciplinary powers over national budgets will be presented** on December 9 on the occasion of the upcoming European Council Meeting.

In that context, the Paris financial marketplace offers many key advantages and investment opportunities for Asian market players:

- **an active equity markets, NYSE Euronext, the world's leading and most liquid stock exchange** is n°1 in terms of trading volume in Europe.
- a competitive **debt market: French issuers dominate the primary corporate bond market in Europe** with more than 35% of market share. On the secondary market, a new corporate bond-trading platform, sponsored by NYSE Euronext, has been launched this summer combining sell side and buy side interests.
- **Paris has acquired a pre-eminent position in Europe in the short term paper market.** A growing number of international banks have set up their CP/CDs programs in Paris in order to capitalize on the Eurosystem efficiency and eurozone liquidity provided by the ECB.
- **the French asset management industry is the 2nd largest of the world**, and Paris will greatly benefit from the current UCITs IV European directives. Life insurance represents more than €1,500 billion in assets under management. With a turnover of €200bn, France and UK are the European leaders for both life and non-life insurance activities.
- **Paris also puts a strong focus on market infrastructures developments** and offers the best quality and security to investors. Paris plays an active role in the consolidation of Exchanges and favors the combination between NYSE Euronext and Deutsche Börse.
- **France is at the forefront of innovation in Finance:** Paris is leading up for socially responsible investing with 200 funds. With BlueNext, Powernext and Metnext, the Paris marketplace is also a world leader in green business and in environmental finance.

More globally, key 71 innovation clusters have been developed in France, in electronics, digital technology, media and telecom, energy, transport, as well as finance, and contribute to France's reputation for high tech knowledge and openness.

All these factors explain the strong presence of international investors as well as market players active in Paris including GIC and Ascott Group in Real Estate, Fraser, Cophorn, Raffles in tourism and DoYee, Flextronics and ST Electronics Ltd in NTIC.

Conversely, Singapore is a major Asian platform for the 450 French companies which have set up their headquarters like AXA, Air Liquide, BNP Paribas with more than 27,000 employees in the region.

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The Singapore Forum has been co-organized with the French Fund Management Industry (AFG), BNP Paribas, Caisse des Dépôts, Credit Agricole CIB, Credit Foncier, EIFR, HSBC, GDF SUEZ, Suez Environment, Groupama AM, Linklaters, NYSE Euronext, the Paris Region Development Agency and the kind support of the Monetary Authority of Singapore, La Direction Générale du Trésor and La Banque de France.