

Press Release

- **28% increase in lending to sustainable businesses in 2010**
- **Operating profit up 20%**
- **Sustainable banking is a powerful answer to the banking crisis**

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Triodos Bank maintained a pattern of long-term growth in 2010, providing strong evidence that sustainable banking is a powerful answer to the financial crisis. In its aftermath more and more people and businesses are choosing a sustainable home for their finances. And many are coming to Triodos Bank. Funds entrusted to the Triodos Group, comprised of Triodos Bank, Triodos Investment Funds and Triodos Private Banking grew by 15% in 2010 to EUR 5.6 billion.

Lending, which is exclusively to sustainable businesses, was up by 28% to EUR 2.1 billion. Customer numbers increased by over 43,000 to 285,000. Net profit in 2010 was EUR 11.5 million, reflecting a 20% increase on 2009.

Renewable energy

Triodos Bank's most important ambition in 2011 is to grow the loan portfolio to renewable energy projects (solar and wind) and other innovations in Europe that effectively reduce society's dependence on fossil fuels.

By the end of 2010 Triodos Bank, and its climate and energy funds under management, financed over 300 renewable energy projects across Europe. Together they have a generating capacity of 1,624 MW of clean, green energy. This includes 171 wind farms, 98 solar plants and various small biomass and hydro projects, producing approximately 4.1 billion KWh per annum, or the equivalent of the electricity consumption of around 1.2 million European households. This green power avoids over 1.6 million tonnes of CO₂ emissions every year.

CEO Peter Blom: "European governments are shifting their focus away from solving our biggest social and environmental problems in favour of pressing economic priorities. This means cost cutting measures that affect sustainability policy and slow down the necessary shift to a low carbon economy. In their place business and civil society are increasingly acting as the key players in sustainability. We are at the forefront of these efforts and plan to accelerate our lending to renewable energy projects."

Basel III

Triodos Bank's equity base grew by 14% to EUR 362 million in 2010. By developing its already strong capital base, Triodos Bank is building a solid foundation for future growth. Its solvency ratio (or BIS-ratio), an important measure of a bank's solvency, is 14.7% (2009: 16.5%). Triodos Bank already complies with both new capital and liquidity requirements, as recently published by the Basel Committee, and better known as Basel III. The regulations are required to be fully implemented by 2019.

The credit portfolio continues to be of good quality. However Triodos Bank has increased the level of provisions on its loans to EUR 9.8 million (2009 EUR 5.0 million) in response to issues in some sectors – most notably, renewable energy from biomass projects.

Investment Funds

Triodos Investment Management is responsible for 20 funds, totalling EUR 1.8 billion assets under management. Total growth of the investment funds was EUR 166 million in 2010, up 10%, against

31% in 2009. The impact of uncertainty around tax benefits for the Triodos Groenfond and Triodos Cultuurfonds in The Netherlands was responsible, in part, for lower growth.

Triodos Investment Funds invest in sustainable sectors such as microfinance, organic agriculture, cultural projects, renewable energy, sustainable real estate, and stock-market listed companies who are screened for their social and environmental performance.

Impact investing

Through specialised microfinance funds we provided finance to over 85 emerging and well-established microfinance institutions in 43 countries, in 2010. We also held equity stakes in 19 leading and innovative microfinance institutions. The microfinance institutions in our portfolio reach 7.2 million loan clients - 67% of whom are women and 55% of whom live in rural areas.

2010 highlights in figures:

- Triodos Bank balance sheet: EUR 3.5 billion (17% growth)
- Triodos Investment Funds: EUR 1.8 billion (10% growth)
- Number of customers: 285,000 (18% growth)
- Sustainable lending: EUR 2.1 billion (28% growth)
- Triodos Bank net profit: EUR 11.5 million (20% growth)
- Solvency ratio (or BIS-ratio), an important measure of a bank's solvency, is 14.7% (2009: 16.5%)
- Number of co-workers: 636 (10% growth)

Prospects for 2011

Excluding unforeseen circumstances, Triodos Bank expects to achieve a positive result in 2011. It will actively contribute to a more sustainable future, by responding to the social, environmental and cultural challenges we face.

Sustainable Banking

Triodos Bank is an independent bank that promotes sustainable and transparent banking. The Bank, which was founded in 1980, does not see any conflict between a focus on people and the earth and a good financial return. Instead it is convinced that they will reinforce each other in the long-term.

Triodos Bank was involved from the very beginning in fiscal promotion schemes for green, social-ethical and cultural projects in the Netherlands. Triodos Bank launched the first green fund and culture fund in the Netherlands and is a global authority on microfinance in developing countries, and emerging economies in Central Asia and Eastern Europe.

Through its activities Triodos Bank wants to boost the market for sustainable banking. It has branches in the Netherlands, Belgium, the UK, Spain and Germany.

Triodos Bank N.V. has a full banking licence and is registered with The Nederlandsche Bank N.V. (the Dutch central bank) and The Netherlands Authority for the Financial Markets.

Global Alliance for Banking on Values

Triodos Bank is co-founder of the Global Alliance for Banking on Values, a network of thirteen sustainable and successful banks. Together these banks want to grow sustainable banking and its impact substantially.

Sustainable Bank of the Year

In 2009 Triodos Bank was voted the most sustainable bank of the year. This prize was awarded because of the leadership and the innovation that Triodos Bank has shown for the past 30 years in integrating sustainability in all its activities. An international jury, appointed by the Financial Times and the IFC - a member of the World Bank – voted for the winners at the FT Sustainable Banking Awards.

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