

PRESS RELEASE
15 March 2007



Results 2006 Insinger de Beaufort Holdings SA

PROFIT BEFORE TAX FOR 2006 INCREASED BY 24% TO € 10.9 MILLION
OPERATING INCOME UP 9% TO € 89.1 MILLION
ASSETS UNDER MANAGEMENT GROW BY 19% TO € 6.3 BILLION

Insinger de Beaufort Holdings SA (“Insinger de Beaufort”) reports a profit before tax of € 10.9 million for 2006 compared to € 8.8 million for 2005. Operating income increased by € 7.2 million (9%) to € 89.1 million. Chief Executive Officer Ian Kantor said: ‘The core operations of the group showed a good improvement over the previous year. The Asset Management and Private Banking units continued to show a significant inflow of new assets and realised good performance on these assets. Consequently they managed to increase their operating income and operating margins with above average investment performance related fees. This illustrates the success of these units and provides an important basis for ongoing solid growth. Although Monument Securities Ltd. performed in line with expectations, overall the Institutional units were adversely impacted by market conditions and produced results below expectations’.

The assets under management as at 31 December 2006 increased by 19% to € 6.3 billion compared to € 5.3 billion as at 31 December 2005. The increase resulted from both a net inflow of new assets from clients (10%) and market value appreciation (9%).

The operating profit increased to € 10.9 million in 2006 from € 3.9 million in 2005, which is an increase of € 7.0 million. The higher effective tax rate for 2006 and the income in 2005 on the sale of subsidiaries caused the net profit for 2006 to come to € 7.4 million compared to € 9.1 million for 2005.

Agreement was reached to terminate the lease contract of the previously occupied premises in London resulting in a lower than expected liability. Consequently net € 1.3 million (pre tax) of the provision made in 2005 for these property lease commitments was released.

The group continues to maintain a highly liquid balance sheet and most of the assets are invested in cash or near cash and the loan assets have been collateralised by liquid securities. The capital resources increased from € 53.0 million to € 56.4 million, mainly due to the net result less the movement in treasury shares and dividend paid. The employee options that were exercised during the year have been fully covered by shares held and taken in treasury. Net of warrants held in treasury by the group, the number of outstanding warrants is 0.3 million as at 31 December 2006.

The Insinger de Beaufort group may from time to time take up Insinger de Beaufort shares and outstanding warrants 2008 from the market. This is executed on occasions when the group believes this to be opportune in terms of price, capital, or both. These shares will not be



cancelled but could inter alia be made available to underpin the outstanding employee share options and compulsory convertible loan notes.

Main operating developments in 2006

Chief Executive Officer Ian Kantor said: 'The core operations of the group showed a good improvement over the previous year. Both Asset Management and Private Banking managed to increase their operating income and operating margins. Together with a good inflow of assets under management these operations provide a solid basis for continued growth. Operating income from Institutional and Corporate Clients increased due to the acquisition of Monument Securities Ltd. at the start of the year, which partly offset lower trading levels in the bond markets and lower placing fees earned by Corporate Finance.

The **Asset Management** division again had a good year with important net inflows of assets under management. The thorough investment process supporting both our direct European equity products and the manager selection products has again delivered good investment performance, and generated performance fees for the unit during the year that exceeded expectations. The unit continues to develop selective specialist skills that are producing consistently good results.

The **Private Banking** activities of the Group continued to show a growth in operating income and operating profit. The quality investment process has again delivered good investment returns for clients and a considerable net inflow of assets under management was achieved during the year. This illustrates the success of the unit and provides a good basis for continued growth. As part of the range of alternative investment offerings the unit remains active in the construction and distribution of structured products for clients as well as placing selected real estate partnerships (CV's). The dedicated, focussed and professional approach of the units in servicing their clients is fundamental to the success of attracting an increasing number of clients.

The **Institutional** units produced higher operating income in 2006 due to the acquisition of Monument Securities Ltd., offset by lower results from bond broking and lower fees earned by Corporate Finance. The number of concluded introductions by Corporate Finance to the AIM market has been less than last year and the fixed income broking unit has made a lower contribution than expected caused by rising global interest rates and further tightening of credit spreads which combined to create a difficult operating environment. These units are more susceptible to market fluctuations and have therefore more volatile income.

The investment advisory service for institutions is developing well and continues to attract new clients. The prospects for this activity are looking promising and investment in this area continues.

The increase in other administrative expenses reflects the full year impact of outsourcing of our back office processes and IT systems to Ordina BPO together with additional consulting fees for setting up our bank branch in London and preparing for the implementation of Basel II.

The Group continues to pursue growth through the further development of the current core businesses, while retaining a tight control on costs. The Group is cautious on the development of the equity markets and the effect this may have on the level of performance fees for the coming year.

The board proposes a dividend for the year of € 0.22 (2005: € 0.18).'



Consolidated financials

	2006	2005	2004
Results in Euro			
Operating income (million)	89.1	81.9	75.4
Operating profit (million)	10.9	3.9	3.0
Profit before tax (million)	10.9	8.8	3.1
Net profit for the year	7.4	9.1	2.7
Per ordinary share			
Earnings per share (in cents) (fully diluted)	50.2	65.7	22.6
Proposed dividend	0.22	0.18	0.12
Net asset value	4.38	4.12	3.81
Balance sheet			
Shareholders' equity (million)	56.4	53.0	49.2
Number of ordinary shares of € 2.00 each in issue (million) (less shares held in treasury)	12.9	12.9	12.9
Number of ordinary shares held in treasury (million)	0.5	0.5	0.5
Number of warrants 2008 in issue (million) (less warrants held in treasury)	0.3	0.3	0.3
Other information			
Assets under management (excluding fiduciary assets) (billion)	6.3	5.3	4.9
Number of staff employed (FTE's)	374	340	436

The full consolidated balance sheet, profit and loss account as per 31 December 2006, segmental information, movements in capital resources, the statement of cash flows for the year ended 31 December 2006 and summary of significant accounting policies and other explanatory notes are attached as appendices.

The annual report has not yet been prepared. The annual report is being prepared on the basis of these figures for approval by the shareholders on 21 May 2007.



About Insinger de Beaufort

Insinger de Beaufort is an Anglo Dutch banking group with origins dating back to 1779. The group operates through three main business lines, focusing on Asset Management, Institutional & Corporate products and services and Private Banking. Besides the main offices in Amsterdam and London, Insinger de Beaufort also has offices in Eindhoven, The Hague, Luxembourg, Rome and Cape Town.

Insinger de Beaufort, as an independent group, offers its private clients a broad range of products and services, from integrated private banking, private equity and stockbroking to a full range of manager selection funds. The offering to institutional clients varies from asset management, equity, bond and derivative broking and research to mid market corporate finance services.

The group operates through Bank Insinger de Beaufort N.V. and its subsidiaries. Insinger de Beaufort Holdings S.A., the ultimate parent company, is listed on the Luxembourg Stock Exchange.

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Not for publication:

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APPENDICES

INSINGER DE BEAUFORT HOLDINGS SA

**CONDENSED CONSOLIDATED FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2006**



CONDENSED CONSOLIDATED FINANCIAL REPORT

APPENDIX 1 GROUP BALANCE SHEET

as at 31 December

	2006	2005
	€000's	€000's
Assets		
Cash and balances with central banks	2,928	6,445
Treasury bills	57,634	35,896
Loans and advances to credit institutions	146,883	148,671
Trading securities	815	882
Derivative financial instruments	122	38
Investment securities:		
- available for sale	24,227	18,306
- held-to-maturity	94	7,127
Loans and advances to customers	124,786	119,262
Investments in Associates	303	3,917
Intangible fixed assets	23,340	16,090
Tangible fixed assets	6,549	6,627
Investment property	-	1,458
Deferred tax assets	9,473	11,858
Current income tax receivable	103	-
Other assets	40,146	31,064
Total assets	437,403	407,641
Liabilities		
Amounts owed to credit institutions	865	9,700
Amounts owed to customers	323,090	301,071
Loan notes and other long term debt	7,690	7,737
Provisions	-	1,986
Other liabilities	46,007	31,450
Current income tax liabilities	3,205	2,631
Total liabilities	380,857	354,575
Capital resources		
Shareholders' equity	54,366	50,942
Shareholders' compulsory convertible loan note	2,063	2,063
Minority interests	117	61
Total equity and liabilities	437,403	407,641
Off-Balance sheet items: contingent assets	11,464	11,464
Off-Balance sheet items: contingent liabilities	6,332	9,432



CONDENSED CONSOLIDATED FINANCIAL REPORT

APPENDIX 2 GROUP PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2006

	Full year 2006	Full Year 2005
	€000's	€000's
Interest income	15,592	12,157
Interest expense	(11,114)	(6,721)
Net interest income	4,478	5,436
Fee and commission income	104,653	91,961
Fee and commission expense	(30,285)	(29,174)
Net fee and commission income	74,368	62,787
Net trading income	670	1,797
Gains less losses from investment securities	-	246
Other operating income	9,581	11,597
Operating income	89,097	81,863
Personnel costs	(45,331)	(40,614)
Redundancy expense	(459)	(625)
Provisions	1,302	(5,890)
Impairment charges	(130)	-
Depreciation	(1,766)	(3,722)
Other operating expenses	(31,784)	(27,144)
Operating profit	10,929	3,868
Income on sale of subsidiaries	-	4,220
Share of profits from associates	3	739
Profit before taxation	10,932	8,827
Taxation	(3,548)	250
Net profit for the period	7,384	9,077
Attributable to:		
Equity holders of the parent	7,293	9,074
Minority interest	91	3
Net profit for the period	7,384	9,077

EARNINGS PER SHARE

Basic earnings per share	56.6	71.1
Diluted earnings per share	50.2	65.7



CONDENSED CONSOLIDATED FINANCIAL REPORT

APPENDIX 3 SEGMENTAL INFORMATION

	2006	2005
	<u>€ 000's</u>	<u>€ 000's</u>
Segmentation of operating income		
Private Banking	38,420	34,005
Asset Management	29,925	27,419
Institutional Clients	19,764	17,220
Ops & Support	(481)	4
Group	1,469	3,215
	<u>89,097</u>	<u>81,863</u>
 Segmentation of profit before tax		
Private Banking	5,416	3,029
Asset Management	15,119	14,366
Institutional Clients	(4,951)	108
Ops & Support	(1,417)	(5,305)
Group	(3,235)	(3,371)
	<u>10,932</u>	<u>8,827</u>



CONDENSED CONSOLIDATED FINANCIAL REPORT

APPENDIX 4 MOVEMENTS IN SHAREHOLDERS' EQUITY

	<u>2006</u>	<u>2005</u>
	€ 000's	€ 000's
Balance at 1 January	53,066	49,305
Dividend	(2,355)	(1,571)
Issue of compulsory convertible loan note 2013	-	804
Net gains from changes in fair value, net of tax	83	162
Net (gains)/losses transferred to net profit on disposal and impairment, net of tax	-	(236)
Employee share option plan:		
-equity settled share based payment plan, net of tax	456	371
-proceeds from options exercised	1,577	3,153
Release of capitalised interest, net of tax	-	35
Translation adjustments and other movements, net of tax	(53)	(594)
Movement in minority interests, net of tax	-	(36)
(Purchases) of treasury shares	(3,612)	(7,404)
Net profit	7,384	9,077
Balance at 31 December	<u>56,546</u>	<u>53,066</u>



CONDENSED CONSOLIDATED FINANCIAL REPORT

APPENDIX 5 STATEMENT OF CASH FLOWS

	Full year 2006	Full year 2005
	€ 000's	€ 000's
Cash flows from operating activities		
Net profit	7,384	9,074
Adjustment for:		
Taxation	3,548	(250)
Depreciation of tangible fixed assets	1,766	3,722
Impairment charges	130	-
Income from associates	(3)	(739)
Provisions	(1,986)	5,890
Share-based compensation (IFRS 2)	456	371
Profit on sale of operations in Jersey and Switzerland	-	(4,220)
	<u>11,295</u>	<u>13,848</u>
Decrease/(Increase) in operating assets:		
Loans and advances to credit institutions	1,788	(32,883)
Loans and advances to customers	(5,525)	(53,478)
Purchase of trading securities	(17)	(920)
Other assets	(6,889)	(2,761)
(Decrease)/Increase in operating liabilities:		
Amounts owed to credit institutions	(8,835)	7,734
Amounts owed to customers	22,020	57,531
Other liabilities	5,984	(6,762)
<i>Net cash inflow (outflow) from operating activities before payment of taxation</i>	<u>19,821</u>	<u>(17,691)</u>
Taxation received	692	293
<i>Net cash inflow (outflow) from operating activities after payment of taxation</i>	<u>20,513</u>	<u>(17,398)</u>



Cash flows from investing activities

Acquisition of subsidiaries, net of cash acquired	(7,396)	-
Purchase of investment securities	(45,706)	(18)
Proceeds from sale and redemption of investment securities	51,982	12,516
Proceeds from sale of shareholding in associates	3,588	-
Purchase of treasury bills	(158,738)	(81,726)
Proceeds from sale and redemption of treasury bills	137,000	86,631
Sale/(Purchase) of fixed assets	(176)	(2,766)
Sale of subsidiaries in Jersey and Switzerland		7,391
<i>Net cash inflow (outflow) from investing activities</i>	<u>(19,446)</u>	<u>22,028</u>

Cash flows from financing activities

Movement in minority interests	-	(33)
Dividends paid	(2,355)	(1,571)
Option exercise	1,577	3,153
Treasury shares	(3,612)	(7,404)
Issue of compulsory convertible loan note	-	996
Repayment of loans	-	(1,600)
<i>Net cash (outflow) from financing activities</i>	<u>(4,390)</u>	<u>(6,459)</u>
Net decrease in cash and cash equivalents	(3,323)	(1,829)
Cash and cash equivalents at beginning of year	6,445	9,430
Net (decrease) in cash and cash equivalents	(3,323)	(1,829)
Exchange differences	(194)	(1,156)
Cash and cash equivalents at end of year	<u>2,928</u>	<u>6,445</u>

* Cash flows from operating activities include:

Interest received	13,977	10,452
Interest paid	(11,114)	(6,721)
Dividends received	-	-



CONDENSED CONSOLIDATED FINANCIAL REPORT

APPENDIX 6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY NOTES

for the period ended 31 December 2006

General

Insinger de Beaufort Holdings S.A. was incorporated on 30 November 1994 as a '1929' Holding Company' in the Grand Duchy of Luxembourg, and was listed on the Luxembourg Stock Exchange on 30 September 1997.

Together with its subsidiaries, Insinger de Beaufort Holdings S.A. ("the Group") operates in the fields of private banking, asset management, securities trading and corporate advisory.

The activities of the Group are not significantly impacted by seasonal influences.

The information in this condensed financial report is unaudited.

Accounting Policies

The consolidated condensed financial report has been prepared in accordance with consolidation and accounting policies consistent with the consolidated financial statements as of December 31, 2005. As disclosed in Note 2 of Insinger de Beaufort Holdings S.A.'s consolidated financial statements for the year ended December 31, 2005, on January 1, 2006, several new IFRS pronouncements became effective. In addition to these IFRS pronouncements, IFRIC 10 - Interim Financial Reporting and Impairment was published in July 2006 (to be applied on or after November 1, 2006). Management determined that none of the new pronouncements have a material impact on Insinger de Beaufort Holdings S.A.'s accounting principles.

Financial position

On 24 March 2006 the subordinated loan of GBP 2.5 million was repaid by UTB Partners Limited. On 24 April 2006 the Group sold its share of the 25% shareholding in UTB Partners Limited for a consideration of GBP 2.5 million. This transaction has no effect on the result for the period.

On 29 June 2006 the Group sold its investment property in the Netherlands. The result realized on this sale amounts to EUR 0.2 million.

Equity increased EUR 3.4 million to EUR 56.4 million mainly because of net profit for the period offset by the dividend paid of EUR 2.3 million. In 2006 322.850 options were exercised for which the shares were issued from shares held in treasury.

Accounting estimates

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated. No significant changes have occurred compared to 2005.