



PRESS RELEASE

BNP PARIBAS LEASE GROUP SETS UP A JOINT VENTURE WITH SREI, LEADER IN INFRASTRUCTURE EQUIPMENT FINANCE IN INDIA

Paris, June 7, 2007– BNP Paribas Lease Group (BPLG), France's leading business equipment finance specialist, and SREI Infrastructure Finance Limited (SREI), India's leader in infrastructure equipment finance, have announced that they have signed a strategic partnership agreement, which will take the form of a joint venture held 50-50 by each of the partners.

SREI will transfer its current business in infrastructure equipment financing and insurance brokerage to the new structure, while BNP Paribas Lease Group will invest some €141 million in the venture. The agreement, the first of its type on the Indian market, will give the new company the equity required to develop its activity. Furthermore, the financial solidity and support of BNP Paribas Lease Group will ensure lower refinancing costs and strengthen the leading position SREI enjoys on the infrastructure equipment finance market. With GDP growth set to rise by 10% a year until 2012, India is planning to invest over \$320 billion by that year in the construction of roads, ports and other infrastructure.

SREI and BNP Paribas Lease Group are both convinced that they have the requisite tools and resources to make the already solid foundations set in place by SREI even more fruitful and to improve profitability and efficiency.

BNP Paribas Lease Group will dispatch a dedicated team to work with the joint venture to ensure that synergies are developed and to contribute their expertise.

SREI's solid foundations and knowledge of the Indian market will enable the joint venture to play an active part in developing the infrastructure equipment finance market, and its team will be able to devote themselves fully to the numerous opportunities that India offers.

Bertrand Gousset, a member of BNP Paribas Lease Group Executive Committee, commented: "We are delighted to have found in SREI a powerful partner whose business is complementary to ours and which has a sales network covering most of the sub-continent. It is important for us that BNP Paribas Lease Group be present in India to accompany its clients in their development projects in the sub-continent and to take part in building up a market in a nation that is showing such growth."

Thus, the joint venture will gain SREI's broad coverage of the Indian market and strong network and BNP Paribas Lease Group's experience and know-how in developing financing solutions, and "Vendor Programme" offers in particular, that will complete direct sales offers.

By joining forces with SREI, which holds one-third of the Indian market for financing civil engineering and construction materials, BNP Paribas Lease Group is making a lasting commitment to the Indian infrastructure equipment-financing sector. At the same time, BNP Paribas Lease Group will be able to rely on its other areas of expertise to set up and develop finance offers in other areas of business, such as agriculture, information technologies and medical equipment, three key sectors behind growth in India, in which BNP Paribas Lease Group holds excellent positions in Europe.



“We would also like to have a sound, operational network to accompany our French and European manufacturer- and distributor-partners in all their projects and more particularly when they need a financial ‘relay’ in a country like India, which is a key player in building the new landscape for the world economy,” emphasized Bertrand Gousset.

French companies will be able to contact BNP Paribas Lease Group directly for their equipment financing requirements in India. The joint venture should be in operation during the fourth quarter 2007, once the regulatory approvals have been received and the requisite consultations completed.

BNP Paribas Lease Group background

BNP Paribas Lease Group is a 100% BNP Paribas subsidiary specialized in financing investments made by companies and professionals, either through the intermediary of its partner-manufacturers and importers or directly to the customers. Its remit is to offer customized financing solutions in the form of financial and operating leases and credit, as well as the services related to these solutions. BNP Paribas Lease Group has been in the business for over 50 years, and is the European and French market leader. BNP Paribas Lease Group offers manufacturers, importers and equipment vendors a comprehensive service to finance their sales, and with them builds local, national and international partnerships, ranging from simple recommendation agreements to the forming of joint financial companies. For the BNP Paribas banking network, BNP Paribas Lease Group also handles the lease-financing of its customers’ investments in capital goods and property. BNP Paribas Lease Group is present in 14 countries: Algeria, Austria, Belgium, France, Germany, Greece, Hungary, Italy, the Netherlands, Poland, Portugal, Spain, the United Kingdom and Ukraine. In France, it has some 60 sales offices run by teams of experts.

For further information: www.bplg.com

PRESS CONTACT

Claude Martin Franz+33 (0)1 41 97 20 02

External Communication / Responsable Communication Externe

e-mail: claude.martinfranz@bnpparibas.com