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PRESS RELEASE

Regulated information issued by the National Bank of Belgium

The Constitutional Court upholds the rules on the distribution of the profits of the National Bank

A law enacted on 3 April 2009 amended the rules on sharing out the financial proceeds of the National Bank. As of the 2009 accounting year, the balance of the annual profits after constitution of the necessary reserves and remuneration of the Bank's shareholders shall be allocated to the State.

In its ruling handed down on 23 June 2010, the Constitutional Court confirmed that this legal provision is in conformity with the Constitution. More precisely, the Court found that the new rules on sharing out the National Bank's profits do not entail any expropriation of its shareholders, nor are they discriminatory, and that the mechanism for sharing out the proceeds preserves a fair balance between the interests of the central bank, its shareholders and the State.

By confirming that the State has the right to the balance of the Bank's profits after transfers to the reserves and distribution of the dividend, the Constitutional Court has confirmed definitively and with regard to all parties that there is a fundamental distinction between, on the one hand, the financial rights of the Bank's shareholders, including the State as a shareholder, and, on the other hand, the rights of the sovereign State that granted the Bank the right of issue. Since the bulk of the Bank's income is effectively drawn from this privilege to issue banknotes, it is therefore justifiable that the balance of these revenues accrues to the State, that is, to the population of Belgium as a whole.

[Full Text of the Judgement](#) (in French and in Dutch, pdf - 195k)