



Press Release

**Jean-Claude Biver, guest speaker at the 10th Milestones conference**

*30/11/07 – On the occasion of Dexia BIL's 10<sup>th</sup> Milestones Conference, which took place on Thursday 29 November at the Congress Centre Hemicycle at Luxembourg-Kirchberg, Jean-Claude Biver, managing director of Hublot, examined and commented on the history and development of the Swiss watch industry before an audience of 800 guests.*

In his welcome speech, Frank Wagener, Chairman of the Dexia BIL Management Board, referred to Jean-Claude Biver as “one of those few Luxemburgers who have succeeded in forging an exceptional international career. By dint of hard work, determination and entrepreneurial spirit, he has carved out a path that has taken him right to the top of the Swiss watch industry.”

Among other problems, Jean-Claude Biver spoke of the crisis which hit traditional Swiss watch manufacturing during the late 1970s and into the 1980s, precipitated by the emergence of quartz watches marketed by the Japanese. Nicolas Hayek, president of the Swatch Group, worked hard to safeguard the traditional know-how of Swiss watchmaking. Since then the industry has regained its lustre to the point where the sector is now really booming.

During his time with the Swatch group, Jean-Claude Biver was for ten years the right-hand man and spiritual son of Nicolas Hayek, as well as the “benefactor” of the Omega brand. He was, in particular, the man behind the advertising campaigns featuring celebrities such as Cindy Crawford and Michael Schumacher.

Mr Biver rounded off his speech by commenting on the revival of Blancpain, a high-end luxury brand which he was able to turn round in spectacular manner, and of Hublot, where he multiplied the turnover six-fold in three years. Today, demand is so high that the Hublot factories cannot keep up with the pace of the orders. There are two reasons for this: “The ceaseless expansion of the luxury goods sector and the lack of qualified labour in the watch-making industry - the crisis in the 70s to 80s left a gaping void at the centre of the artisan watch-making profession.”



During the second half of the conference, Anton Brender, director of economic research at Dexia Asset Management, presented the economic outlook for the United States and the euro zone in the wake of the summer's turbulence.

According to this financial expert, "The American economy is resilient, in spite of the risk of a recession, and a soft landing remains the most likely outcome. Nevertheless, for this scenario to unfold, the Federal Reserve will have to adjust its policy to allow long-term rates to remain low for many more months to come ... And if the financial turmoil were to prevent a normal economic response to interest rate adjustments, the FED would not hesitate to cut rates even further to stave off a recession."

With regard to the euro zone, growth should be just above 2% in 2008 and the ECB is likely to leave its key rates unchanged at 4%: "A cut to 3.75% in 2008 cannot, however, be ruled out." The 10-year interest rate should remain at around 4% for the best part of 2008 and if the euro appreciates sharply, the ECB may find itself having to significantly lower its rates.