



**FIRST SUPPLEMENT DATED APRIL 30, 2019
TO THE BASE PROSPECTUS DATED 15 FEBRUARY 2019**

BANQUE INTERNATIONALE A LUXEMBOURG, SOCIETE ANONYME

(Incorporated with limited liability in Luxembourg)

EUR10,000,000,000

Programme for the issue of Euro Medium Term Notes and Warrants

This supplement (**the “First Supplement”**) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 15 February 2019 (**the “Base Prospectus”**), prepared in relation to the €10,000,000,000 Euro Medium Term Note program of Banque Internationale à Luxembourg, société anonyme. On 15 February 2019, the Commission de Surveillance du Secteur Financier (the “CSSF”) approved the Base Prospectus as a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC as amended by Directive 2010/73/EC (together the “Prospectus Directive”) and Article 8.4 of the Luxembourg Law on prospectuses for securities dated 10 July 2005 as amended on 3 July 2012 (the “Luxembourg Law”).

This First Supplement constitutes a supplement to the Base Prospectus for the purposes of Article 16 of the Prospectus Directive and Article 13 of the Luxembourg Law.

The Issuer accepts responsibility for the information contained in this First Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this First Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this First Supplement.

To the extent that there is any inconsistency between (a) any statement in this First Supplement or any statement incorporated by reference into the Base Prospectus by this First Supplement and (b) any other statement in or incorporated by reference into the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this First Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

This First Supplement and the document incorporated by reference are available on the Luxembourg Stock Exchange’s website: “www.bourse.lu”.

In accordance with Article 13 paragraph 2 of the Luxembourg Law, investors who have before the publication of this First Supplement already agreed to purchase or subscribe Notes which are not yet settled at the date

of such publication, have the right, exercisable within a time limit of 2 working days after such publication i.e. May 3, 2019, to withdraw their acceptance.

This First Supplement provides updated information about the issuer.

The following text is inserted on page 203 of the Base Prospectus at the end of the paragraph “2018” in the section entitled “Banque Internationale à Luxembourg, société anonyme”:

Press release:

BIL’s 2018 financial results: a good business performance in a challenging environment

Luxembourg, 26 April 2019: Banque Internationale à Luxembourg SA (BIL) announced its financial results for the year 2018. BIL recorded a good performance of all business lines with a 5% increase in net income after tax compared to 2017.

- Net income after tax: EUR 131 million, +5% (EUR 124 million in 2017 after restatement¹)
- Assets under Management: EUR 39.5 billion, +0.2% (EUR 39.4 billion in 2017)
- Customer deposits: EUR 17.3 billion, +5.8% (EUR 16.3 billion in 2017)
- Customer loans: EUR 13.4 billion, with a +5.2% increase in commercial loans
- Common Equity Tier 1 Capital Ratio: 12.04%
- Capital Adequacy Ratio: 15.62%

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BIL reported a solid net income after tax of EUR 131 million in 2018, compared with EUR 124 million in 2017 after restatement (+5%). The positive evolution in 2018 mainly results from:

- a stability of the core operating income from the commercial business lines of EUR 500 million despite a challenging macroeconomic environment with low interest rates and regulatory changes such as the introduction of MiFID II,
- the revaluation of investment properties resulting from an alignment of BIL’s accounting policies with those of its majority shareholder Legend Holdings generated a positive impact of EUR 35 million on BIL’s accounts, compared with EUR 10 million in 2017.

All business areas (Retail & Digital Banking, Corporate & Institutional Banking, and Wealth & Investment Management) delivered a good performance in 2018, although the assets under management were impacted by negative market conditions:

- Assets under Management (AuM) increased by 0.2%, reaching EUR 39.5 billion compared with EUR 39.4 billion in 2017. This increase resulted from new net inflows of EUR 0.95 billion. However, this growth was dented by a negative market effect of EUR 0.87 billion due to corrections in equity markets in the last quarter of 2018,
- Customer deposits increased by 5.8%, reaching EUR 17.3 billion compared with EUR 16.3 billion at year-end 2017,
- Commercial activities’ loans increased by EUR 0.68 bn (+5.2% compared with year-end 2017), once again demonstrating BIL’s support for the Luxembourgish economy. This was offset by a decrease of

¹ In the financial statements as at December 31, 2018, BIL changed the measurement of property held for investment and amended the calculation of provisions for pensions. The impacts of these changes have been applied retrospectively to the 2017 published results.

maturing institutional clients' loans from Treasury and Financial Markets which positioned the annual growth at 0.3% to EUR 13.4 billion.

"We again delivered good results in 2018 despite challenging market conditions. Looking back at my time as CEO of BIL, I must say that I am very proud of what we have achieved as a team at the Bank over the last five years. I would like to thank the shareholders and the BIL employees for their support and commitment" commented Hugues Delcourt, outgoing CEO.

Marcel Leyers, incoming CEO of BIL, commented: "Going forward, even though global growth is currently slowing, market fundamentals remain strong and we generally retain a positive outlook on the macroeconomic environment. We will continue to invest in strategic areas and to foster innovation and we are confident that our performance will remain robust in the coming years."

Luc Frieden, Chairman of the Board of Directors of BIL Group, added: "2018 was marked by the completion of the acquisition of Precision Capital's majority stake in BIL by Legend Holdings. The combination of the two shareholders, the State of Luxembourg and Legend Holdings, is excellent for BIL and its clients, as it combines a strong and a stable anchoring in Luxembourg and Europe with the technological and international know how of Legend Holdings."

2018 HIGHLIGHTS

Against the background of a shareholder change and new regulatory requirements, BIL continued to implement its BIL2020 strategy in 2018 with a particular focus on the constant improvement of its client experience, including its digital offering and onboarding as well as the launch of new in-house investment funds. These efforts were recognised externally by the "Best Bank in Luxembourg" award by Global Finance for the third time in a row.

- **NEW INVESTMENT PRODUCTS**

Regulatory change continued to be a major topic in 2018. MiFID II and PRIIPs entered into force on January 2018 bringing profound changes to the way in which BIL interacts with clients. As a result, clients have been able to benefit from a new, simplified suite of investment products with a new accompanying pricing grid since the beginning of 2018.

As part of its new investment offering, BIL launched 12 new in-house BIL INVEST investment funds in March for use in mandated products and for distribution through execution-only and advisory services. The funds match BIL's asset allocation model and are open for subscription to all clients in Luxembourg, Belgium, France and Germany. These funds will help BIL achieve its BIL 2020 strategy objective of becoming a well-known investment fund brand also available through digital channels in all core markets.

Thanks to the new shareholder Legend Holdings, BIL now has Legend Capital, an outstanding Venture Capital fund manager as a sister company. In order to give its clients the opportunity to benefit from Legend Capital's proven track record, extensive network and unique experience in the Chinese private equity market the bank launched BIL PE I fund of funds that was incorporated in the form of a Reserved Alternative Investment Fund (RAIF) in September 2018. The aim is to offer clients long-term capital appreciation by capturing all Legend Capital's private equity know-how within one single diversified fund.

- **FURTHER STRENGTHENING OF THE DIGITAL OFFER**

Digitalisation is a key focus of the BIL2020 strategy as it enables the Bank to tailor services to the clients' needs and to increase efficiency. Over 70% of our clients use our BILnet online banking platform and over half of them do so using our app on their mobile devices.

A key digitalisation milestone was met in April 2018 when BIL launched a more innovative, simple and secure version of its BILnet app. Clients can now carry out simple banking transactions via biometric fingerprint or PIN. BIL was also the first Luxembourgish bank to offer online account opening entirely from a smartphone or tablet in a matter of minutes via the new app. By answering a few questions, prospects can be identified during a webcam session, and the process ends with the electronic signature of the banking contract and the issuance of an International Bank Account Number (IBAN).

- **SUPPORTING INNOVATIVE COMPANIES IN LUXEMBOURG**

In addition to the Bank's ongoing efforts to provide clients with innovative services, BIL encourages entrepreneurship in Luxembourg. For example, BIL launched a dedicated innovation website ([www .bil.com/innovation](http://www.bil.com/innovation)) in April which lists services, subsidy schemes and partnerships for innovative companies seeking a sponsor.

BIL is also a key sponsor of local start-up contests such as the regional semi-final of the Startup World Cup 2018 that took place in March and the 4th annual Pitch Your Start-Up competition in May. Of course BIL also continued to support its more traditional client base of established companies. For example, BIL structured and distributed a EUR 180 million syndicated loan in January 2018 by acting as the sole arranger, agent and security agent. This transaction was notable as it was the first time BIL combined equity bridge financing with a loan syndication process. BIL has the only dedicated syndication team in Luxembourg and specialises in syndicated lending under 200 million Euros.

Documents incorporated by reference

The audited annual report of the Issuer for the year 2018 which has previously been published and have been filed with the CSSF shall be incorporated by reference in, and form part of, this First Supplement.

Cross-reference list

	Annual Report 2018
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The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Prospectus Directive.

Element B.12 of “Section B—Issuer” in the “Summary” beginning on P 9 of the Base Prospectus is hereby deleted and replaced with the following Selected historical key financial information:

Consolidated Statement of Income

The table below sets out summary information extracted from the Issuer's audited consolidated statement of income for each of the two years ended 31 December 2017 and 31 December 2018:

	31 December, 2017 (Restated) IAS 39 Audited	31 December, 2018 IFRS9 Audited
Profit or loss	<i>(in EUR)</i>	<i>(in EUR)</i>
Income	562,290,340	573,318,245
Expenses	-396,116,955	-398,261,445
Gross operating income	166,173,385	175,056,800
Impairment on financial instruments and provisions	-20,036,185	-18,122,023
Provisions for legal litigation	234,317	-510,000
Net income before tax	146,371,517	156,424,777
Tax expense	-21,966,183	-25,610,161
Net income	124,405,334	130,814,616
Net Income - Group share	124,405,334	130,814,616

Consolidated balance Sheet:

The table below sets out summary information extracted from the Issuer's consolidated audited statement of financial position as at 31 December 2017 and 31 December 2018:

ASSETS	31/12/2017	31/12/2018
(in EUR)	(Restated)	
	IAS 39 Audited	IFRS9 Audited
I. Cash, balances with central banks and demand deposits	2,795,735,288	3,281,434,826
II. Financial assets held for trading	70,526,377	126,889,819
III. Financial investments measured at fair value		1,498,024,806
<i>Financial assets at fair value through other comprehensive income</i>		1,476,561,341
<i>Non-trading financial assets mandatorily at fair value through profit or loss</i>		21,463,465
Financial investments available for sale	4,178,699,775	
IV. Loans and advances to credit institutions	653,467,381	1,075,243,576
V. Loans and advances to customers	13,344,203,406	13,386,056,162
VI. Financial investments measured at amortised cost		5,039,541,719
Financial investments held to maturity	1,753,271,909	
VII. Derivatives	227,748,388	290,313,542
VIII. Fair value revaluation of portfolio hedged against interest rate risk	3,175,567	1,470,569
Investments in subsidiaries, joint ventures and associates		
IX. Investment property	25,225,654	24,580,236
X. Property, plant and equipment	134,820,000	800,000
XI. Property, plant and equipment	111,832,558	106,587,651
XII. Intangible fixed assets and goodwill	161,458,649	194,083,757
XIII. Current tax assets	224,374	201,980
XIV. Deferred tax assets	233,836,509	225,453,739
XV. Other assets	76,400,794	62,015,329
XVI. Non-current assets and disposal groups held for sale	0	171,859,785
TOTAL ASSETS	23,770,626,629	25,484,557,496

LIABILITIES	31/12/2017	31/12/2018
(in EUR)	(Restated)	
	IAS 39 Audited	IFRS9 Audited
I. Amounts due to credit institutions	2,787,854,788	2,945,818,913
II. Amounts due to customers	16,315,477,809	17,267,224,127
III. Financial liabilities measured at fair value through profit or loss	776,333,210	832,445,114
IV. Derivatives	384,294,457	503,183,727
V. Fair value revaluation of portfolio hedged against interest rate risk	35,131,162	24,826,064
VI. Debt securities	1,580,051,579	1,933,985,745
VII. Subordinated debts	281,864,136	285,345,888
VIII. Provisions and other obligations	58,643,944	53,116,313
IX. Current tax liabilities	4,452,914	1,878,972
X. Deferred tax liabilities	8,699,564	4,876,126
XI. Other liabilities	228,254,924	245,969,510
Liabilities included in disposal groups held for sale		
XII. Liabilities included in disposal groups held for sale	0	1,335,413
TOTAL LIABILITIES	22,461,058,487	24,100,005,912
TOTAL SHAREHOLDERS' EQUITY	1,309,568,142	1,384,551,584
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	23,770,626,629	25,484,557,496

The above consolidated statement of income and consolidated balance sheet as at 31 December 2018 have been prepared using IFRS 9 and consequently, the related information is not comparable with the financial statements prepared using IAS 39.

Restatements made in accordance with IAS 8

- Investment properties

Compared to previous financial statements, in the financial statements as at December 31, 2018, BIL has changed its accounting policy for the measurement of property held for investment where it switches from the cost model to the fair value model as permitted by IAS 40.

In accordance with IAS 8 BIL has voluntarily changed the measurement model of investment property from cost to fair value in order (i) to align with the accounting policies of its new shareholder Legend Holdings and (ii) to provide more relevant information about the Bank's financial position.

- Provisions for pensions

Compared to previous financial statements, in the financial statements as at December 31, 2018, BIL has corrected the calculation of the provisions for pensions where obligations are calculated considering employees historical occupancy rate instead of considering each employee with a full time occupancy rate.

- Impact of restatements made in accordance with IAS 8

In accordance with IAS 8, the changes made have been applied retrospectively and impact the financial position of BIL as disclosed in the table hereunder.

(in EUR)	31/12/2017	31/12/2017	Impact of restatement of provisions for	Impact of restatement of investment properties
		Restated		
	IAS 39 Audited	IAS 39 Audited		
X. Investment property	114,161,786	134,820,000	0	20,658,214
XIV. Deferred tax assets	238,463,684	233,836,509	-2,937,396	-1,689,779
XV. Other assets	74,322,139	76,400,794	2,078,655	0
TOTAL ASSETS	23,752,516,935	23,770,626,629	-858,741	18,968,435
VIII. Provisions and other obligations	67,858,620	58,643,944	-9,214,676	0
X. Deferred tax liabilities	4,641,338	8,699,564	0	4,058,226
XVI. Reserves and retained earnings	275,198,005	291,372,912	8,412,817	7,762,090
XVII. Net income for the year	116,643,342	124,405,334	613,873	7,148,119
XVIII. Gains and losses not recognised in the consolidated statement of income	46,486,381	45,815,626	-670,755	0
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	23,752,516,935	23,770,626,629	-858,741	18,968,435

Save as disclosed in this First Supplement and to the best of the Issuer's knowledge (having taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in this First Supplement, is in accordance with the facts and contains no omission likely to affect its import and there has been (i) no material adverse change in the prospects of the Issuer since December 31, 2018 and (ii) no significant change in the financial or trading position of the Issuer subsequent to December 31, 2018.

The following text replace the item 2 on page 316 of the Base Prospectus (GENERAL INFORMATION):

There has been no material adverse change in the prospects of the Issuer and no significant change in the financial or trading position of the Issuer since 31 December, 2018.