

The new BIL delivers solid profits for 2013

- Income before tax increased by EUR 117 million to reach EUR 139 million
- Assets under management stable (EUR 28.8 billion)
- Client deposits up 8.2% (EUR 12.5 billion)
- Client loans increase 5.3% (EUR 10.1 billion)
- Tier 1 common equity ratio under Basel II: 14.93%
- CAD Ratio (capital adequacy): 20.77%
- A new private banking branch in Brussels and soon another in Dubai
- Multi-family office created, under the name Belair House
- Management company BIL Manage Invest set up
- Strong A- stable outlook credit rating affirmed by Fitch Ratings and S&P

Luxembourg, March 4, 2014: Banque Internationale à Luxembourg S.A. (BIL), the oldest privately owned bank in Luxembourg, today announced its financial results for the year ending December 31, 2013. These figures will be submitted for the approval of BIL's annual general meeting of shareholders, to be held on April 25, 2014.

Despite a difficult macroeconomic environment, BIL has generated a solid performance for each of its retail, private and corporate & institutional banking activities, as well as its financial market activities. With the full support of its shareholders – Precision Capital and the Grand Duchy of Luxembourg – BIL is well on its way to realising its 2015 growth ambitions.

The Bank's systemic role was confirmed by its selection by the European Central Bank as one of the 128 euro zone financial institutions to be subjected to an Asset Quality Review and to undergo stress testing. The results of both evaluations will be published at the end of 2014.

Strong Growth Exceeds Expectations

In 2013, client deposits went up significantly, by 8.2%, reaching EUR 12.5 billion. Lending activity rose significantly during the year, reaching EUR 10.1 billion, an increase of 5.3% compared to the previous year.

BIL continues to play a key role in supporting the Luxembourg economy by financing businesses, including SMEs, and real estate projects. Investment loans and mortgages registered increases of 8% and 5,3%, respectively.

Over the same period, the pre-tax income was up EUR 117 million compared to 2012, reaching EUR 139 million at the end of 2013. Assets under management were stable at EUR 28.8 billion.

Net income for the BIL Group totalled EUR 113 million on December 31, 2013, a highly significant growth of EUR 83 million over the year ending in December 2012. This development results from all of BIL's business activities: retail, private, corporate and institutional banking, as well as financial market activities and balance sheet management.

"This result exceeded expectations, thanks to the dynamism of all of our business activities", BIL CEO François Pauly rejoiced. "So far, the announcements on the automatic exchange of information have had no significant impact on BIL's financial results."

As at December 31, 2013, BIL had a Tier 1 common equity ratio of 14.93%, exceeding Basel II's minimum capital requirements, while the CAD capital adequacy ratio reached 20.77%.

Also of significant note: the Bank's A- long-term credit ratings have been affirmed with a stable outlook by both Fitch Ratings and Standard & Poor's.

BIL's board of directors will propose at the shareholders' general meeting that there should not be a dividend distribution for the year 2013, and that the profit should be allocated to the Bank's reserves in order to reinforce BIL's capital.

Seizing Growth Opportunities

These strong results support the realisation of BIL's ongoing strategic development plans for 2015.

BIL is undertaking a series of strategic actions to expand and enhance its international presence as well as to offer a range of new services, both in its home market as well as on the foreign markets where it is increasing its presence:

- In 2013, BIL opened in Belgium a branch intended to serve customers living in that country, as well as independent financial advisers and family offices. The branch's first months of activity have produced encouraging results.
- In the Middle East, BIL is actively pursuing its international expansion strategy by working towards the imminent opening of its first branch in Dubai, which will become the BIL Group's new hub in the high-growth Gulf region.
- In Denmark, a new branch has taken over, in December, the assets and liabilities of the local subsidiary.
- The Bank has also enhanced its wealth management offering with the opening of two subsidiaries: multi-family office Belair House and management company BIL Manage Invest.

Recognition for BIL's Quality of Service

BIL received further industry recognition for the quality of its service and the '*BIL is Back*' programme this year. François Pauly said he was "*extremely pleased*", by the Bank's achievements in the 2014 edition of the Euromoney Private Banking and Wealth Management Survey.

This survey, organised every year by the trade publication Euromoney, rewarded the Bank in both the 'Best Local Private Bank in Luxembourg' and the 'Best Private Bank for Super Affluent Clients (USD 500,000 to USD 1 million) in Luxembourg' categories.

The Bank's online and mobile transactional banking sites were also awarded the "ICT Team of the Year Award 2013", which rewards the market's best practices and solutions.

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About Banque Internationale à Luxembourg (BIL):

Founded in 1856, Banque Internationale à Luxembourg (BIL) is the oldest private bank in the Grand Duchy. Since its founding, BIL has played an active role in the development of the major stages of the Luxembourg economy and today carries out the businesses of retail, private and corporate banking, as well as financial market operations.

With over 2,000 employees, the Bank is present in the financial centres of Luxembourg, Belgium (since 2013) Switzerland (since 1984), Singapore (since 1982), Denmark (since 2000) and in the Middle East (since 2005).

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