

Luxembourg, 31 March, 2022

## Strong 2021 Performance, Investing for Sustainable Growth

**Banque Internationale à Luxembourg records a strong performance in 2021, driven by dynamic commercial activities. Net income reaches EUR 135 million, a 34% increase. The Bank accelerates its transformation to build sustainable growth, to improve products and services and to be an employer of choice in the many years to come.**

### Key figures

- Assets under Management (AuM): EUR 45.9 billion, +5.2%;
- Customer deposits: EUR 20.7 billion, +4.6%;
- Customer loans: EUR 16.3 billion, +6.1%.
- Total balance sheet: EUR 32.4 billion, +6.2%
- Total revenues: EUR 632 million, +15%
- Expenses: EUR 442 million, +6%
- Net income: EUR 135 million, +34%
- CET1 ratio: 14.15%

### 2021: the economy bounces back, BIL accelerates its transformation

After the pandemic-induced recession of 2020, 2021 saw the economy bounce back and return to pre-pandemic level. This fast recovery came with new challenges which have become a marker of 2021: supply-chain bottlenecks, shortages of supplies and the first signs of the return of inflation. Notwithstanding massive vaccination campaigns started in early 2021 in Luxembourg, the EU and globally, the pandemic continued to affect social interactions and business activities. For the banking sector, in addition to the pandemic and its consequences on commercial activities, persistently low interest rates, reinforced regulation, and increased competition from digital entrants remain the biggest challenges.

To be fit for the future and become the best bank for entrepreneurs in Luxembourg, BIL embarked in 2020 on a transformative 5-year strategic plan. Thanks to its strong position in Luxembourg, coupled with major investments in its operations, its talents and with added focus on the strengthening of its wealth management business and on building bridges between Europe and China, BIL is well positioned to build sustainable growth, improve products and services and to be an employer of choice in the years to come. In the context of the on-going pandemic, agility and the capability to adapt proved to be essential, highlighting the need for faster changes.

### A strong performance, driven by dynamic commercial activities

BIL Group reported a net income after tax of 135 million euros, a 34% increase compared with 2020, successfully navigating turbulent economic times.

The Group's increased focus on its core businesses and markets, combined with its ability to accompany clients and the economy in a comprehensive way sustained the increase of

revenues. In 2021, total income amounted to EUR 632 million, up 15% compared with 2020. The core operating revenues of its commercial and financial markets activities reached EUR 573 million.

Negative interest rates continued to weigh on revenues but were compensated for by continued loan growth, which increased by 6.1% to EUR 16.3 billion. Assets under Management increased by 5.2% reaching EUR 45.9 billion, and customer deposits increased by +4.6%, reaching EUR 20.7 billion. In addition to the dynamism of commercial activities thanks to ongoing support to individual and business clients in their projects, non-recurring items, such as capital gains from the Bank's investment portfolio and the partial sale of BIL's stake in Bourse de Luxembourg S.A., also contributed to the growth of revenues in 2021.

In this challenging, yet growing economic environment, BIL continued to invest heavily to be fit for the future. The implementation of a new core banking system, in the final stages of development, additional recruitment to boost human capital, and investments in regulatory requirements led to a 6% increase of expenses, reaching EUR 442 million.

The strong post-pandemic recovery of the Luxembourg economy and the bank's main foreign market economies has also led to a significant improvement in the quality of assets, which had been impacted by the pandemic since the second quarter of 2020, and as a consequence, to a decrease of the core cost of risk by 40%.

Marcel Leyers, Chief Executive Officer of Banque Internationale à Luxembourg, commented: « Thanks to the engagement of our teams and the strength of our services, Banque Internationale à Luxembourg achieved a strong performance in 2021. This performance acknowledges our long-term commitment towards our retail, private and corporate banking clients, and it confirms our major role in financing the economy. »

### **2022: a defining year**

Uncertainties surrounding the global economy will remain high throughout 2022. BIL Group is closely monitoring the ongoing conflict between Russia and Ukraine. From a risk management perspective, BIL's exposure to Russia is relatively small. The direct impacts of the conflict on the 2021 Consolidated Financial Statements are limited. Credit exposure towards Russia reaches 0.3% of total exposures as of December, 31, 2021. All exposures are well collateralised and all collaterals are located in Western Europe. However, the overall impact of the crisis is, as yet, not known. BIL expects corporate and individual clients will be impacted, as energy and commodities prices are surging. The Bank will continue to support its clients through the crisis in the best possible way.

Amidst this challenging environment, agility, adaptability and focus will remain paramount. BIL Group will continue the roll out of its strategy, accelerate the execution of major projects that will be defining for the bank of tomorrow.

The 2021 Financial report will be published on April 28 2022 following the general assembly of shareholders.



**COMMUNIQUÉ DE PRESSE  
PRESSEMITTEILUNG  
PRESS RELEASE**

**About Banque Internationale à Luxembourg (BIL):**

Founded in 1856, Banque Internationale à Luxembourg (BIL) is the oldest multi-business bank in the Grand Duchy. It has always played an active role in the main stages of development of the Luxembourg economy. It currently operates in retail, private and corporate banking, as well as on financial markets. Employing more than 2,000 people, BIL is present in the financial centres of Luxembourg, Switzerland, and China.

[www.bil.com](http://www.bil.com)

**For more information, please contact :**

Vincent Pelletier  
Banque Internationale à Luxembourg SA  
69, route d'Esch • L-2953 Luxembourg  
Tél. : +352 4590 5046 - E-mail : [vincent.pelletier@bil.com](mailto:vincent.pelletier@bil.com)