



PRESS RELEASE

KBL *epb* announces 2018 financial results, outlines investments in long-term growth

- *Group core operating profit stands at €38.6 million*
- *Revenues reach €444.8 million; expenses decline to €433.6 million*
- *Total assets under management and custody stand at €72.6 billion*
- *Basel III common equity tier-1 capital ratio stands at 17.2%*

Luxembourg; April 26, 2019: KBL European Private Bankers (KBL *epb*), founded in Luxembourg in 1949 and operating in 50 cities in Europe, announced today its financial results for the 12-month period ending December 31, 2018.

KBL *epb* reported a group core operating profit of €38.6 million for 2018. Group revenues reached €444.8 million for the same period, while group expenses declined to €433.6 million.

Group assets under management and assets under custody stood at a combined total of €72.6 billion as of December 31, 2018, demonstrating the strength of KBL *epb*'s core activities across its pan-European footprint.

As of December 31, 2018, the group's Basel III common equity tier-1 capital ratio stood at 17.2%, underscoring KBL *epb*'s strong solvency position.

"We're actively investing in the future, including in areas such as client experience, product development, sales marketing, digital innovation, staff training and external recruitment," said Group CEO Peter Vandekerckhove. "Our 2018 results reflect the scale of those ongoing investments and our growth ambitions."

Last year, according to Vandekerckhove, KBL *epb* hired over 60 private bankers and remains focused on creating additional scale through both semi-organic initiatives and M&A activity, following a string of successful acquisitions over the past five years.

"We have put in place a client-focused strategy and core principles that will serve as the foundation for the group's future growth," Vandekerckhove said, noting that KBL *epb* last year conducted a deep review of its existing structures, leading to a streamlining of decision-making processes at this highly agile organization.

"While we successfully managed operating expenses in 2018, profitability was impacted by significant long-term investments, as well as volatile market conditions and negative investor sentiment, especially in the fourth quarter, leading to lower transaction levels and reduced fee income," noted Nicholas Harvey, Deputy Group CEO. "At the same time, historically low interest rates continue to put pressure on our cash-rich group."



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Since the start of this year, KBL *epb* has witnessed a return to more robust organic growth, supported by more favorable market conditions, according to Harvey. "Our business, like that of our peers, is by nature cyclical," he said. "Our focus on service and performance is unwavering, however, as is our commitment to earning the trust and recommendation of each client we have the opportunity to serve."

In recognition of that client-centricity, KBL *epb* was recognized for the fourth straight year among the "Outstanding Private Banks in Europe" at the Private Banker International Global Wealth Awards. Meanwhile, KBL Luxembourg was named the best private bank in the Grand Duchy for the third consecutive year at the PWM/The Banker Global Private Banking Awards, and InsingerGilissen, the group's Dutch affiliate, was named the best private bank in the Netherlands at the IEX Gouden Stier Awards.

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About KBL European Private Bankers:

KBL European Private Bankers (KBL *epb*), founded in 1949, is headquartered in Luxembourg and operates in 50 cities across Europe, staffed by some 2,000 professionals.

Widely recognized as a wealth management leader, the KBL *epb* group serves high net worth individuals, families and business owners, as well as a broad range of institutional and professional clients, including family offices, foundations and external asset managers.

The KBL *epb* group operates under the following domestic brand names:

- Brown Shipley (UK)
- InsingerGilissen (Netherlands)
- KBL España (Spain)
- KBL Luxembourg (Luxembourg)
- Merck Finck (Germany)
- Puilaetco Dewaay Private Bankers (Belgium)
- Banque Puilaetco Dewaay (Luxembourg)

With the full support of its shareholder, Precision Capital, a Luxembourg-based bank holding company, KBL *epb* continues to consolidate its leadership status across Europe.

For further information about the KBL *epb* group, please visit: www.kbl.lu

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