

4<sup>th</sup> March 2015

## **COMPANY ANNOUNCEMENT**

The following is a Company Announcement issued by Izola Bank p.l.c. pursuant to the Malta Financial Services Authority Listing Rules:

### **Quote**

The Board of Directors of Izola Bank p.l.c. has approved the Annual Report for the financial year ended 31 December 2014 and its publication, which has been made available for viewing on the Company's website [www.izolabank.com](http://www.izolabank.com) (*refer to Investor Information section*) or at the Company's registered address at 58, East Street, Valletta, VLT 1251, Malta.

The financial information provided below has been extracted from the Annual Report of Izola Bank p.l.c. for the financial year ended 31 December 2014. The Bank's Financial Statements were audited by KPMG and prepared in accordance with the International Financial Reporting Standards as adopted by the EU and with the requirements of the Companies Act, 1995 and the Banking Act, 1994.

### **Review of performance**

During the year ended 31 December 2014, the Bank generated a profit before tax of €3,527,401, up 24% on 2013. Profit after tax was €2,298,200, an increase of 24% over the previous year.

Net interest income increased by 16% whilst net fee and commission income increased by 22% over the previous year.

Administrative expenses increased by 8% in the year under review. At year end the Bank's cost-to-income ratio stood at a healthy 31.5% (2013: 34.5%).



# izola Bank

## Review of financial position

Total assets increased by 24% to €148,370,669 whereas total liabilities rose from €98,012,284 to €123,430,226 – an increase of 26%. Shareholders' equity amounted to €24,940,443 compared with €21,479,257 of a year earlier.

As at 31 December 2014 the Capital Adequacy Ratio of 49% and Liquidity Ratio of 148% were both well above the requirements of the EU Credit Requirements Directive (CRD IV).

There was no sign of deterioration in asset quality in 2014. The current credit approval and monitoring structures have helped to ensure very good credit quality of factoring debtors and minimised losses.

The Directors have proposed a final dividend of €2,250,000 in respect of 2014, representing a dividend per share of €5.63.

## Unquote

Calvin Bartolo  
*Company Secretary*