

THE CRÈDIT ANDORRÀ GROUP MAINTAINS ITS PROFITS AT 70.86 MILLION EUROS AND INCREASES ITS BUSINESS VOLUME TO 14,410 MILLION, 9% MORE THAN IN 2011

- Total assets under management rise by 12% and reach 11,308 million euros
- The Group increases its total operating income by 12.41% and financial margin by 13.30%
- The solvency ratio reaches 17.80% and the liquidity ratio 59,35%
- The Group operates in Spain through Banco Alcalá, one of the most secure banks in Europe with a Tier 1 of 95%

Andorra la Vella, 30 April 2013

The Crèdit Andorrà Group ended 2012 with a 9% increase in its business volume, reaching 14,410 million euros. Total assets under management also increased, up to 11,308 million euros, 12% more than in 2011. The Group achieved a net consolidated profit of 70.86 million euros, 0.33% more than in 2011, a highly satisfactory result given the current economic climate and after the Group's efforts to boost its presence in new geographies and consolidate its international project over the last few years.

Faithful to its commitment to the country and its customers, Crèdit Andorrà has continued to facilitate access to financing. Loan investments stood at 3,102 million euros.

Within a complex international economic context and new regulations, of particular note is the significant rise in all margins, combined with an effort to contain costs. The total operating income reached 195.64 million, 12.14% more than in 2011; the financial margin totalled 76.46 million euros, a rise of 13.30%, and net profit from operations came to 74.61 million euros, up by 8.41%. Crèdit Andorrà has decided to continue containing its costs, a policy applied by the Group over the last few years that has helped to keep its efficiency ratio at 50.77%.

The Crèdit Andorrà Group's equity, 579 million euros, provides it with a suitable degree of solvency to ensure the Group's sustained growth in the future. Its solvency ratio is 17.80% and its liquidity ratio is 59.35%.

In 2012, the Crèdit Andorrà Group remained as the leading group in Andorra's financial sector in terms of market share (33.6%). It has the largest network of branches and automatic cash dispensers, which cover the whole of Andorra. Regarding its international expansion project, it has worked on increasing its consolidation and is present in new geographies.



Overall, at the end of 2012 a total of 662 professionals were working for the Crèdit Andorrà Group, 53 people more than in 2011 (8.7%). The workforce for the companies located in Andorra has remained stable: 418 professionals (411 the previous year).

The Chief Executive Office of the Crèdit Andorrà Group, Josep Peralba, points out that *"in 2012, we continued to work on consolidating our strength in Andorra and progressing with the implementation of the Group's international expansion plan with a greater presence abroad. The geographical diversification of our business in private banking, asset management and insurance in Europe and America has provided us with sustainable growth and guaranteed strength as a leading group in the Andorran financial market. Our philosophy and approach, always based on prudence, personal attention, quality and security, is helping us to further the business project we have been implementing over the last few years without the current economic climate affecting our present or future development"*.

International expansion: key operations in 2012

Throughout 2012, the Crèdit Andorrà Group continued to make progress with the implementation of its international expansion plan, enhancing its geographical diversification in private banking and asset management in Europe and America. The Group is currently present in ten countries: Andorra, Spain, Switzerland, Luxembourg, United States, Mexico, Panama, Paraguay, Peru and Uruguay.



Europe: 15% increase in the share capital of Banco Alcalá

The Group has reinforced its European project for private banking and asset management made up of Banco Alcalá in Spain and Banque de Patrimoines Privés in Luxembourg. In 2012, Banco Alcalá's share capital was increased by 15%, bringing in two strategic partners: the financial group Riva y García and the Ros González family. After this increase, carried out in the first quarter of 2013, its share capital is distributed as follows: 72.25% for the Crèdit Andorrà Group, 12.75% for the Argüelles family (founders of the bank), 10% for Riva y García and 5% for the Ros family.

The Crèdit Andorrà Group acquired Banque de Patrimoines Privés and Banco Alcalá in 2011. One year after this initial transaction, its European private banking project has consolidated the differentiated products and services it offers (a wide range, comprehensive advice and a guided open product architecture) and manages a business volume of more than 2,600 million euros. The solvency ratios of both banks, 96% for Banco Alcalá and 31.71% for Banque de Patrimoines Privés (and a Tier 1 of 95% and of 23.01%, respectively), positions the Group as a benchmark for solvency within the European financial sector.

In the area of insurance, the Crèdit Andorrà Group's ERM Holding has set up offices in Barcelona, Girona, Tarragona, Lleida, Madrid, Seville and Palma.

America: breaking into Peru and Paraguay

The Crèdit Andorrà Group has been the first Andorran bank to start operations in Peru and Paraguay. In 2012 it acquired 51% of the share capital of Krese Sociedad Intermediaria de Valores S.A.C. (currently CA Perú Sociedad Agente de Bolsa), with its head offices in Lima, and 70% of the share capital of Valores Casa de Bolsa S.A., based in Paraguay. Operations are carried out through these two companies in their respective markets, offering financial consultancy and the trading of stocks and shares, as well as promoting and providing financial services.

These operations have reinforced the Group's position in the international financial system and especially in Latin America, where it is also present with Banco Crèdit Andorrà Panama, a representative office in Uruguay and the wealth management firm CA México Asesores Patrimoniales.

In Miami it has the broker dealer Beta Capital Management LP.

Ratings and recognition

The different types of recognition received in 2012 are a reflection of the prudent, conservative management of Crèdit Andorrà, of its leading position in the Andorran market, its increase in international private banking business and the positive trends in the Group's margins.



Fitch Ratings highlighted the bank's solid solvency and liquidity compared with the average for international banking. Fitch maintained all its classifications for Crédit Andorrà with a long-term rating "A-" and a short-term rating "F2". It has therefore maintained the last ratings given, particularly relevant considering the economic and financial context.

The Group has been ranked 757th in the world and number 1 among Andorran banks in the Top 1000 ranking produced by the financial magazine, The Banker, of the Financial Times Group (July 2012 edition). This ranking classifies banks according to their strength and capitalisation.

Commitment to society

Regarding its corporate social responsibility strategy, the Crédit Andorrà Group invested 2.16 million euros overall (3% of its total net profit) to programmes and actions aimed at achieving a better future for Andorra.

By area of action, 65% of its CSR investment was allocated to economic and institutional initiatives, 13% to culture, 11% to society, 8% to education and 3% to environmental initiatives.

The Group has prioritised the main engines of the Andorran economy and the business world via the Crédit Andorrà Chair in Markets, Organisations and Humanities at IESE, as well as other institutions in the Principality. The will to serve that characterises the Group is most clearly reflected in the Fundació Crédit Andorrà, commemorating its 25th anniversary in 2012.

Josep Peralba has explained that *"the most evident example of our commitment to society has been highlighted in 2012 by the celebration of the 25th anniversary of the Fundació Crédit Andorrà. We know we are contributing to the wellbeing of our society, listening to the concerns of the most vulnerable to provide them with a better quality of life, training young people and the elderly, furthering culture and, in short, making our service more accessible for those who form part of our society and who are helping to build the country"*.

