

Ulster Bank Reports €752m Profit Lending to Businesses up 46%, Mortgage Drawdowns up 41%

26th February 2015: Royal Bank of Scotland today announced its 2014 Results, including those for Ulster Bank. Ulster Bank 2014 highlights include (vs full year 2013):

- An operating profit of €752m for 2014, representing the first annual profit since 2008;
- Net interest margin improved by 39bps to 2.27%;
- Operating expenses reduced by €130m;
- Impairment release of €453m.

Commenting on the Ulster Bank figures, Chief Executive Jim Brown said:

"Ulster Bank today announced annual profits of €752m for 2014, a clear signal that our strategy is working and evidence of sustained progress across all areas of the Bank. This performance was driven by the underlying strength of the core Ulster Bank franchise and increased lending to customers across personal and business coupled with our proactive debt management and rising asset prices in a recovering economy.

"In 2014 our new lending activity increased by 38% to €2.3bn. €1.4bn of new loan facilities were made available to business customers, an increase of 46% on 2013 and a further €1.9bn will be made available to business in 2015. We saw a 41% increase in mortgage drawdowns in 2014 and in the Republic of Ireland we have recently reduced our variable and fixed mortgage rates for new and existing customers."

"In 2015 we will continue to focus on the needs of our customers and we have stated our ambition to become Ireland's number one bank for customer service, trust and advocacy. We have appointed our first Director of Customer Experience and Products, reporting directly to me and responsible for making it easier for customers to do business with us. This builds on recent customer-centric innovations such as TouchID, which allows our customers to log into their app using their fingerprint, and sectoral supports such as our recently launched proposition for business customers specialising in food and drink."

"Across the business, we will continue to progress our strategy and build the best bank for customer service on the island of Ireland."

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