# SECOND QUARTER 2024 RESULTS

PRESS RELEASE

24 July 2024

BNP PARIBAS

The bank for a changing world

# RESULTS AS AT 30 JUNE 2024

## PRESS RELEASE

Paris, 24 July 2024

## Very good performance in the 2nd quarter 2024
## 2024 trajectory confirmed

**Revenues** (€12,270m) up by +3.9% vs. 2Q23[1]

- Excellent quarter at CIB (+12.1% vs. 2Q23[1]) in particular at Global Markets (+17.6% vs. 2Q23[1])
- Stable revenues at CPBS, with positive trends at Commercial & Personal Banking (fees: +7.4% vs. 2Q23[1]) and headwinds that will fade in the second half 2024
- Good performance at IPS, particularly at Insurance (+5.2% vs. 2Q23[1]) and Asset Management[2] (+9.8% vs. 2Q23[1])

**Operating efficiency and cost control** (€7,176m)

- Positive jaws effect (+0.4 point) excluding the phasing effect of the DGS contribution in Italy (€51m accounted for 2024 in 2Q24 vs. €51m accounted for 2023 in 3Q23 and 4Q23)
- Continued implementation of operational efficiency measures: €650m in 2H24, of which €350m was part of the additional plan announced in March 2024

**Gross operating income** (€5,094m) up by +3.4% vs. 2Q23[1]

**Cost of risk[3]** below 40 bps (33 bps), thanks to the quality of the asset portfolio, despite a specific credit situation this quarter

**Net Income, group share** (€3,395m) up by +1.6% vs. 2Q23[1], driven by very good operating performances

**Earnings per share**[4] (€2.81) up sharply by +8.1% vs. 2Q23[1]

**A very solid financial structure** (CET1 ratio of 13.0%)

- Redeployment of capital from the Bank of the West divestment on track with the announced objectives (55 bps CET1; 2025 ROIC[5] >16%)
- Impact of model updates initially scheduled for 2025 (-10 bps CET1)

**On the strength of its first half 2024 performances, BNP Paribas confirms its 2024 trajectory:** a revenue growth greater than 2% compared to 2023[1] revenues (€46.9bn), a positive jaws effect[15], a cost of risk below 40 bps, and Net Income, Group share greater than the 2023[1] net income (€11.2bn).

BNP PARIBAS

The bank for a changing world

The Board of Directors of BNP Paribas met on 23 July 2024. The meeting was chaired by Jean Lemierre, and the Board examined the Group's results for the second quarter 2024.

Jean-Laurent Bonnafé, Chief Executive Officer, stated at the end of the meeting:

*"On the strength of its diversified and integrated model, the Group performed very well in the 2nd quarter 2024 thanks to the business momentum of its operating divisions. We remain focused on our commitment to serving our customers to the utmost, to deploying our platforms, particularly in Asset Management, Wealth Management and Insurance, and to continuing to gain market shares at CIB, while retaining a balanced allocation of capital. In the second half of 2024, we will also continue to implement operating efficiency measures, and maintain our disciplined management of cost of risk through the cycle. BNP Paribas is well placed in the new phase of the economic cycle and accordingly confirms its 2024 trajectory. I thank our teams for their commitment."*

# CONSOLIDATED GROUP RESULTS AS OF 30 JUNE 2024

## Group 2nd quarter 2024 results

### Revenues

In the second quarter 2024 (hereinafter: 2Q24)**, net banking income (NBI)** came to €12,270m, up by 3.9% compared to the second quarter 2023 on a distributable basis[1] (hereinafter: 2Q23).

NBI at **Corporate & Institutional Banking (CIB)** rose strongly (12.1% vs. 2Q23), due to the combined impact of a good performance from all three business lines. In particular, Global Markets (+17.6% vs. 2Q23) benefited from the pronounced growth in revenues at Equity & Prime Services (+57.5% vs. 2Q23), by far offsetting the decrease at FICC (-7.0% vs. 2Q23). Global Banking revenues (+5.4% vs. 2Q23) were driven by Capital Markets (+12.5%[6] vs. 2Q23) and Transaction Banking (+7.6%[6]/ 2Q23). Securities Services revenues also rose strongly (10.5% vs. 2Q23), driven by fee volumes and improvement in the interest margin.

NBI at **Commercial, Personal Banking & Services (CPBS)**[7] was stable (-0.3% vs. 2Q23), thanks to growth at Commercial & Personal Banking (+1.7% vs. 2Q23), on the back of higher fees (+7.4% vs. 2Q23) and higher interest revenues (+3.8%), excluding the impact of certain headwinds (Belgian government bonds, non-remuneration of ECB mandatory reserves, and inflation hedges totalling €140m). The first two of these headwinds will fade away in the second half 2024.

Specialised Businesses revenues decreased (-3.6% vs. 2Q23), due mainly to Arval and Leasing Solutions (-5.5% vs. 2Q23), which were impacted by the change in used-car prices despite higher volumes. Personal Finance revenues were stable (-0.9% at constant scope and exchange rates), while New Digital Businesses and Personal Investors performed very well (+9.5% vs. 2Q23).

NBI at **Investment & Protection Services (IPS)** rose by 3.0% (+6.5% excluding the contribution of Real Estate and Principal Investments). Wealth Management (+6.1% vs. 2Q23), Insurance (+5.2% vs. 2Q23) and Asset Management (+9.8%[8]/ 2Q23) had a very good quarter and continued to support IPS's revenue growth.

## Operating expenses

Operating expenses (€7,176m) were kept under control, while supporting growth in 2Q24. Their year-on-year change (+4.2% vs. 2Q23) was driven by the phasing effect of the DGS contribution in Italy (the €51m contribution was paid in the second quarter of 2024 whereas it was paid in the third and fourth quarters 2023). Excluding this impact, operating expenses were up by 3.5% vs. 2Q23 and the jaws effect was positive (+0.4 point). Moreover, the deployment of operational efficiency measures is expected to continue in the second half 2024, recording 65% of the €1bn 2024 guidance, including €350m of the €400m additional measures announced in March 2024.

**CIB** operating expenses were up significantly (+9.4% vs. 2Q23) but less so than revenues (+12.1% vs. 2Q23). The jaws effect was thus very positive (+2.7 points) at CIB overall, as well as at Global Markets (+6.3 points) and Securities Services (+4.8 points). Regarding Global Banking, operating expenses increased (+9.2% vs. 2Q23) compared to a low 2Q23 base.

Costs were up at **CPBS**[7] (+5.6% vs. 2Q23), due mainly to Europe-Mediterranean. At Commercial & Personal Banking in the eurozone, operating expenses rose by 1.1% excluding the impact of the DGS contribution in Italy. When neutralising the aforementioned headwinds, the jaws effect was positive, above 1.5 points. Operating expenses fell by 1.0% at Specialised Businesses. The jaws effect was positive at Personal Finance and New Digital Businesses.

**IPS** operating expenses were stable (+0.1% vs. 2Q23) and down markedly at Real Estate. The jaws effect, above 2 percentage points in all business lines except Real Estate, was positive on the whole (+2.9 points).

On this basis, the **Group gross operating income** came to €5,094m in 2Q24, up by +3.4% compared to 2Q23 (€4,927m).

## Cost of risk

Group cost of risk stood at €752m[3] in 2Q24 (€609m in 2Q23), or 33 basis points of customer loans outstanding – still below 40 basis points thanks to the quality and diversification of the asset portfolio and despite a specific credit situation during the quarter. In 2Q24, the cost of risk reflects releases of €275m in provisions on performing loans (stages 1 and 2) and a €1,027m provision on non-performing loans (stage 3).

## Operating income, pre-tax income and Net income, Group share

**Group operating income** amounted to €4,251m (€4,318m in 2Q23) and **Group pre-tax income** to €4,422m (€4,591m in 2Q23).

The average corporate income tax rate amounted to 20.8%, at an exceptionally low level reflecting a tax methodology change in the US, generating a one-off reduction in the tax expense recognised in 2Q24.

**Net income, Group share** came to €3,395m in 2Q24, close to its 2Q23 level (€3,343m).

On this basis, **earnings per share**[4] amounted to 2.81 euros, up by +8.1% compared to 2Q23.

Artificial intelligence

In addition to this financial performance, the second quarter of 2024 showed the ongoing ambitious and disciplined development in artificial intelligence (AI), as illustrated by the number of use cases overall (780) and in the experimental stage (300, including 150 based on generative AI with LLM[9]), as well as by the recently expanded partnership with Mistral AI.

A few figures illustrate the investments and progress made: the Group employs about 800 AI specialists (data scientists or AI business analysts) and more than 260 initiatives/POCs[10] with Fintechs (including Mistral AI) are under way. 49% of applications use a cloud infrastructure (+50% since the start of the plan in 2022), with a 2025 target of 60% and more than 1 billion transactions are carried out each month on the Group's API platforms (+56% vs. end 2023).

Cybersecurity accounts for 9% of the Group's total IT budget, and about 150,000 hours of training were provided on privacy and data protection in 2023.

Sustainability

2Q24 also confirmed BNP Paribas' leadership in Sustainability, as noted by recent rankings (and in particular the "World's Best Bank for Financial Inclusion" award at the Euromoney Awards for Excellence 2024). The second quarter saw the deployment of several innovative solutions to address client needs.

For example, the world's first gender bond (€50m) was arranged exclusively by the Group. This issuance finances improvement in parental leave and the acquisition of affordable homes for women in Iceland.

In Spain, a USD176.6m financial agreement was signed with Solarpack to build Peru's largest photovoltaic solar power farm, which will supply renewable energy to almost 440,000 homes from 2Q25.

Cardif has pledged to take part in launching the *Fonds Objectif Biodiversité*, with initial assets of more than €100m.

In Belgium, a €499m loan was granted to Umicore, a global specialist in recycling and clean mobility materials that is well placed to support the growing production of electric vehicles.

## Group 1st half 2024 results

In the first half, **NBI** came to €24,753m, up by 1.7% compared to the 1st half 2023 on a distributable basis[1] (hereinafter 1H23).

NBI at **CIB** (€9,158m) rose by 3.2% compared to 1H23, driven by the increase in revenues at Global Banking (+5.8% vs. 1H23) and Securities Services (+8.7% vs. 1H23).

NBI at **CPBS**[7] was stable at €13,450m, with positive trends, particularly within Commercial & Personal Banking (BNL: +6.5% vs. 1H23, CPBL: +6.2% vs. 1H23).

NBI at **IPS** amounted to €2,892m (+1.9% vs. 1H23), driven by the good revenue performance at Insurance (+4.7% vs. 1H23), Wealth Management (+5.6% vs. 1H23) and Asset Management[8] (+6.2% vs. 1H23).

Group **operating expenses** amounted to €15,113m, up by 1.1% compared to 1H23 (€14,942m). They included the exceptional impact of restructuring and adaptation costs (€79m) and IT reinforcement costs (€172m) for a total of €251m. At the operating division level, operating expenses rose by +1.4% at CIB and by +4.3% at CPBS (+6.1% in Commercial & Personal Banking and +0.2% in the specialised businesses). They were stable at IPS.

At the Group level, the jaws effect was positive (+0.5 point).

Group **gross operating income** thus came to €9,640m in the first half, up by 2.5% compared to 1H23 (€9,403m).

Group **cost of risk stood at** €1,392m (€1,201m in 1H23).

The Group's non-operating items (€633m in 1H24) include the reconsolidation of activities in Ukraine[11] (+€226m) and a capital gain on the divestment of Personal Finance activities in Mexico (+€118m).

Group **pre-tax income** amounted to €8,785m, up from 1H23 (€8,653m).

On the basis of the 25.1% average corporate income tax rate, due mainly to the aforementioned tax methodological change in the US, the **net income, Group share** came to €6,498m (vs. €6,516m in 2023).

As of 30 June 2024, the **return on non-revaluated tangible equity** stood at 12.5%. This reflects the BNP Paribas Group's solid performances on the back of its diversified and integrated model.

## A very solid financial structure as of 30 June 2024

The **common equity Tier 1 ratio** stood at 13.0% as of 30 June 2024, down by 10 basis points compared to 31 March 2024 but remaining far above SREP requirements and the 12% Group objective.

This change is due to the combined effects of organic capital generation net of changes in risk-weighted assets in 2Q24 (+40 bps), of the distribution of the 2Q24 result (-30 bps on the basis of a 60% pay-out ratio), of the reinvestment of capital from the Bank of the West divestment (-10 bps), and of the updating of models initially scheduled for 2025 (-10 bps).

The **leverage ratio**[12] stood at 4.4% as of 30 June 2024.

The **Liquidity Coverage Ratio**[13] (end-of-period) stood at a high level of 132% as of 30 June 2024 (134% as of 31 March 2024) and the **immediately available liquidity reserve**[14] came to €468bn as of 30 June 2024, equivalent to more than one year to manoeuvre in terms of wholesale funding.

## 2024 trajectory confirmed

On the strength of its first half 2024 performances, **BNP Paribas confirms its 2024 trajectory:** revenue growth greater than 2% compared to 2023 distribuable[1] revenues (€46.9bn), a positive jaws effect[15], a cost of risk below 40 bps, and Net Income, Group share greater than the 2023 distributable net income (€11.2bn).

With the second half of the year already under way, BNP Paribas benefits from key strengths in continuing its trajectory. These include its diversified and integrated model limiting its dependence on any one business or geographical region, and more broadly its scaled up positioning, its ability to grow through the cycle, and the quality of its relationships and its customer portfolio. Furthermore, its model is suited to a scenario of gradual decline in interest rates, while fee-generating activities continue to develop.

## CORPORATE AND INSTITUTIONAL BANKING (CIB)

### CIB 2nd quarter 2024 results

**CIB's results were driven this quarter by very good performances in all three business lines, in particular by Equity & Prime Services within Global Markets.**

**Net banking income**, at €4,481m, was up by 12.1% compared to 2Q23, driven by the combined effect of good performances in all three business lines. In particular, Global Markets (+17.6% vs. 2Q23) was driven by the strong growth at Equity & Prime Services (+57.5% vs. 2Q23), by far offsetting the decrease at FICC (-7.0% vs. 2Q23). Global Banking (+5.4% vs. 2Q23) was also driven by Capital Markets (+12.5%[6] vs. 2Q23) and Transaction Banking (+7.6%[6]/ 2Q23). Securities Services (+10.5% vs. 2Q23) was driven by fee volumes and the improvement in net interest margin.

**Operating expenses,** at €2,489m, were up by 9.4% compared to 2Q23 (+8.9% at constant scope and exchange rates), in connection with very a strong activity this quarter and a low 2Q23 base as well as investments made to develop the platforms further. The jaws effect was very positive (+2.7 points, +3.1 points at constant scope and exchange rates).

**Gross operating income** amounted to €1,992m, up by 15.6% compared to 2Q23.

**Cost of risk** saw €106m in releases, reflecting releases of provisions on performing loans (stages 1 and 2), and stood at -17 basis points of customer loans outstanding.

Based on these good operating performances, CIB achieved **pre-tax income** of €2,099m, up by 16.2% compared to a very high 2Q23.

#### CIB – Global Banking

**Global Banking was driven in the 2nd quarter by very good business momentum, as reflected by strong revenue growth.**

Global Banking revenues (€1,502m) were up by 5.4% compared to 2Q23, particularly in EMEA and the Americas. By business line, revenues rose on the Capital Markets platform (+12.5%[6] vs. 2Q23), particularly in EMEA as well as in Transaction Banking in all regions (+7.6%[6] / 2Q23). Activity was very busy in origination, notably on fixed-income markets (with global transaction volumes up by 13.0%[16]).

Loans, at €183bn, were up by 1.7%[6] compared to 2Q23 and by 2.1%[6] compared to 1Q24. Deposits, at €213bn, rose slightly (+1.2%[6] vs. 2Q23).

Global Banking confirmed its leadership positions in the 2nd quarter 2024: EMEA leader[17] in syndicated loans and bond issuances, 4th worldwide[17] in investment grade corporate bond issuances, tied for first[18] in transaction banking revenues in EMEA in 1Q24 and the European and global leader[19] in sustainable financing.

### CIB – Global Markets

**The 2nd quarter featured a very strong increase at Equity & Prime Services.**

At €2,249m, Global Markets revenues were up very sharply, by 17.6% compared to 2Q23.

At €1,147m, Equity & Prime Services revenues rose very steeply (+57.5% vs. 2Q23) in all business lines, with an especially strong increase in Prime Services (AuM up by about 40% compared to 2Q23) and Equity Derivatives, driven by high client demand. Revenues rose in all three regions.

At €1,102m, FICC revenues were down by 7.0% compared to 2Q23. Credit activities fared very well, offset by revenues that on the whole were less robust than in 2Q23, in particular in commodities on the back of lower demand in Europe.

In terms of rankings, Global Markets confirmed its leadership on multi-dealer electronic platforms.

Average 99% 1-day interval VaR, a measure of market risks, came to €30m. It decreased by €6m compared to 1Q24 due to lower risk, mainly in the interest-rate perimeter.

### CIB – Securities Services

**The 2nd quarter featured solid business drive.**

At €730m, Securities Services achieved a strong increase in NBI (+10.5% vs. 2Q23), driven by the impact of increases in net interest margins and in fees due to the increase in average outstandings. Two new mandates were signed (with Flossbach von Storch and Berenberg). Meanwhile, commercial development in Private Capital continues.

Outstandings rose (+8.1% at the end of period compared to 2Q23), driven mainly by the market rally and the implementation of new mandates. Transaction volumes rose by 6.0%, despite lower average volatility. Securities Services confirmed its leadership with the “World’s Best Bank for Securities Services” award at the Euromoney Awards for Excellence 2024.

## CIB 1st half 2024 results

In the first half, CIB’s **NBI** amounted to €9,158m, up by 3.2% and its **operating expenses** came to €5,230m, up by 1.4% compared to 1H23.

CIB’s **gross operating income** came to €3,927m, up by 5.8% compared to 1H23, and **cost of risk** came to a release of €201m.

On this basis, CIB’s **Pre-tax income** amounted to €4,132m, up by 9.0% compared to 1H23 and thus confirmed an excellent first half at CIB.

# COMMERCIAL, PERSONAL BANKING & SERVICES (CPBS)

## 2nd quarter 2024 results at CPBS

**CPBS's performances this quarter featured strong momentum in activity, driven by the quality of franchises and partnerships.**

**Net banking income**[7], at €6,758m, decreased by 0.3% vs. 2Q23. It was impacted this quarter by several headwinds, some of which will begin to fade in the 3rd quarter 2024: inflation hedges in France (-€45m, with the impact vanishing in 3Q24), the Belgian government bond issue (-€49m, with the impact fading away in 2H24) and the ECB's decision to stop remunerating mandatory reserves (-€45m). The second quarter also featured the normalisation of used-car prices at a high level at Arval and the increased costs of medium-term financing at Personal Finance.

**Commercial & Personal Banking revenues** came to €4,229m (+1.7% vs. 2Q23). Net interest revenues were up by 3.8% excluding the impact of the aforementioned headwinds[20], driven by the increased margins on deposits. Fees rose by 7.4%, driven mainly by good performances in France, Italy and Europe-Mediterranean. Private Banking achieved very good inflows at €5.6bn euros (+ 9.0% vs. 2Q23), with €291bn euros in assets under management as of 30.06.2024. Hello bank! continued to develop with 3.6 million customers (+7.0% vs. 2Q23).

**Specialised Businesses revenues** amounted to €2,530m (-3.6% vs. 2Q23). This decline was due to Arval and Leasing Solutions (-5.5% vs. 2Q23) caused by used-car prices, despite the improvement in the financial margin and the margin on services at Arval, in connection with the increase in volumes and partnerships. Volumes rose and margins improved at Leasing Solutions. Personal Finance revenues decreased slightly (-0.9% vs. 2Q23 at constant scope and exchange rates). Personal Finance, which continued to implement its strategic refocusing, achieved resilient volumes, thanks to mobility partnerships and a boost from the launch of the partnership with Orange in Spain. Nickel continued on its growth trajectory (about 4 million accounts opened[21] as of 30.06.2024).

**Operating expenses**[7] rose by 5.6% (+4.3% vs. 2Q23, excluding the DGS contribution in Italy). They remained under control at Commercial & Personal Banking in the eurozone (+3.5% vs. 2Q23). Excluding the impact of the afore mentioned headwinds and the DGS contribution in Italy, the jaws effect was positive by more than 1.5 percentage points. Within Europe-Mediterranean, they included the impact of inflation, particularly in Türkiye and Poland, and the reconsolidation of Ukraine. Operating expenses fell at Specialised Businesses (-1.0% vs. 2Q23). Jaws effects were positive at Personal Finance, Leasing Solutions and New Digital Businesses.

**Gross operating income**[7] amounted to €2,770m (-7.8% vs. 2Q23).

**Cost of risk**[7] and others stood at €916m (€653m in 2Q23), due in particular to a specific credit situation in France (€123m) and other net losses for risk on financial instruments in Poland (€91m).

As a result, after allocating one-third of Private Banking's Net Income to Wealth Management (IPS division), CPBS achieved **pre-tax income**[22] of €1,796m (- 24.0% vs. 2Q23). As a reminder, 2Q23 booked the positive impact of non-recurring items under "Other non-operating items" at Personal Finance and Europe-Mediterranean.

## CPBS – Commercial & Personal Banking in France

**CPBF's commercial activity was supported this quarter by the quality of its franchises, as illustrated in the very strong inflows at Private Banking, customer acquisition at Hello bank!, and the development of cross-selling.**

Customer loans outstanding fell by 1.6% compared to 2Q23 and volumes stabilised compared to 1Q24, with production up in 2Q24 on mortgage loans and corporate investment loans. Deposits were down by 2.5% compared to 2Q23 but up by 1.1% compared to 1Q24, with a stabilisation in their breakdown in the first half. Off-balance sheet savings rose by 5.7% compared to 30.06.23 and net asset inflows in life insurance were solid (+€1.6bn as of 30 June 2024). Cross-selling with BNP Paribas Cardif is developing.

Private Banking achieved very good net asset inflows of €3.8bn.

Hello bank! continues to acquire new customers at a sustained pace (about 195K in 1H24, 2.5x compared to 1H23), driven by the pace of organic growth and by the good progress of the Orange bank operation.

Net banking income[7] amounted to €1,663m, down by 3.1% compared to 2Q23. Excluding the impacts of inflation hedges (-€45m in the process of normalising) and the non-remuneration of mandatory reserves (-€20m), it was stable (+0.7% vs. 2Q23). Net interest revenues[7] fell by 11.0% (-4.2% vs. 2Q23, excluding the impact of the headwinds). Fees[7] rose (+6.1% vs. 2Q23), driven by card and Cash Management fees and AuM-based fees in Private Banking.

At €1,118m, operating expenses[7], (+0.4% vs. 2Q23) remained under control despite inflation, thanks to the ongoing effect of cost-saving measures.

Gross operating income[7] came to €545m (-9.4% vs. 2Q23).

Cost of risk[7] amounted to €239m (€151m in 2Q23) or 41 basis points of customer loans outstanding, in connection with a specific credit situation (20 bps excluding this case).

As a result, after allocating one third of Private Banking's Net Income to Wealth Management (IPS division), CPBF achieved pre-tax income[22] of €262m (-35.5% vs. 2Q23).

## CPBS – BNL Banca Commerciale (BNL bc)

**BNL bc continued to demonstrate its good intrinsic performance, driven in this quarter by the increase in deposits and ongoing improvement in margins on deposits across all customer segments.**

Customer loans outstanding decreased by 7.1% overall compared to 2Q23 and by 6.0% on the perimeter excluding non-performing loans. This was due in particular to the disciplined management of margins at production in a competitive environment. Deposits rose by 5.9% compared to 2Q23, with, on the one hand, an increase in Corporate and Private Banking customer deposits, and, on the other hand, an ongoing improvement in margins on deposits across all segments. Off-balance sheet savings fell by 3.9% compared to 30.06.2023.

Net banking income[7] amounted to €722m (+5.0% vs. 2Q23). Net interest revenues rose by 3.7%, driven by the margin on deposits partly offset by the decrease in volumes and loan margins. Fees are also up sharply, by 7.0% compared to 2Q23, in connection with the strong increase in financial fees, mainly in life insurance, combined with improved Cash Management fees.

At €486m, operating expenses[7] rose by 13.6% (+1.1% excluding IFRIC; DGS contribution of €51m paid in 2Q24[23]). The jaws effect was positive excluding IFRIC.

Gross operating income[7] fell by 9.2%, to €235m.

At €95m, cost of risk[7] rose by 18.4% from a low 2Q23 base, amounting to 53 basis points of customer loans outstanding.

As a result, after allocating one third of Private Banking's Net Income to Wealth Management (IPS division), BNL bc achieved pre-tax income[22] of €133m, down sharply by 22.5%.

## CPBS – Commercial & Personal Banking in Belgium (CPBB)

**CPBB's activity was resilient, and it continued to transform its operating model, driven by the successful integration of Bpost bank.**

Customer loans outstanding rose by 2.1% compared to 2Q23, driven by an increase in mortgage and corporate loans. Deposits fell 3.8% compared to 2Q23 (+0.5% excluding the impact of the Belgian government bonds issuance maturing in September 2024). Corporate customer deposits rose by +3.6% compared to 2Q23. Off-balance sheet savings[24] increased by 5.5% compared to 30.06.2023, driven by mutual funds. Private Banking achieved net asset inflows of €1.2bn euros this quarter.

Net banking income[7] decreased by 3.4% to €972m (+3.1% excluding the impact of the non-remuneration of mandatory reserves and the Belgian government bonds (combined impact of -€65m)). Net interest revenues[7] decreased by 4.0% (+5.2%[25] vs. 2Q23), in connection with the aforementioned impact of Belgian government bonds and the tightening in loan margins. The specialised subsidiaries performed well. Fees[7] were down by 1.8%, due to regulatory and commercial impacts on payment fees and to a high level of savings activity by individual customers in 2023, partly offset by the increase of financial fees in Private Banking.

At €577m, operating expenses[7] rose by 1.6%, driven by inflation, partly offset by cost-saving measures and the transformation of the operating model, with the successful integration of Bpost bank.

Gross operating income[7] amounted to €395m, down by 9.8%.

With €11m in releases (€19m in 2Q23), cost of risk[7] is still very low and amounted to -3 basis points of customer loans outstanding, in connection with releases of provisions on performing loans (stages 1 and 2) and lower stage 3 provisioning.

As a result, after allocating one third of Private Banking's Net Income to Wealth Management (IPS division), CPBB achieved pre-tax income[22] of €387m.

## CPBS – Commercial & Personal Banking in Luxembourg (CPBL)

**CPBL continued to achieve very good performances, driven by net interest revenues.**

Net banking income[7] increased by 5.5% to €153m. Net interest revenues[7] rose by 6.2%, in connection with good resiliency of margins on deposits, particularly in corporate deposits, and capital gains on divestment of securities. CPBL achieved good growth in fees, particularly in Private Banking. They rose by 1.9%[7] compared to 2Q23.

At €73m, operating expenses[7] rose by 6.0%, in connection with inflation and a base effect related to banking taxes. The jaws effect was positive excluding IFRIC (+1.1 point).

Gross operating income[7] rose sharply to €79m (+5.2%).

With €4m in releases, cost of risk[7] is still very low.

After allocating one third of Private Banking's Net Income to Wealth Management (IPS division), CPBL achieved a pre-tax income[22] of €81m, up very sharply by 11.5%.

## CPBS – Europe-Mediterranean

**Despite strong business momentum in Poland and Türkiye, Europe-Mediterranean's pre-tax income fell sharply, due to provisioning in Poland. In contrast, the impact of the hyperinflation situation in Türkiye remains moderate, in relative terms, compared to 2Q23.**

Customer loans outstanding rose by 6.3%[6] compared to 2Q23, in connection with increased volumes. Origination is prudent with individual customers in Poland, and production momentum is recovering in Türkiye across all customer segments. Deposits rose by 9.9%[6] compared to 2Q23, driven by good momentum in Türkiye and in Poland.

Net banking income[7], at €718m, rose by 3.2%[26], due in particular to the strong increase of net interest revenues in Poland and increased fees in Türkiye.

Operating expenses[7], at €493m, rose by 31.6%[26] due to high inflation.

Gross operating income[7] fell by 33.2%[26] to €226m.

Cost of risk[7] stood at 18 basis points of customer loans outstanding, up from a low 2Q23 base (releases of stage 1 and 2 provisions).

Other net losses for risk on financial instruments[26] include the impact of the "Act on Assistance to Borrowers" in Poland (-€47m) and other provisions in Poland (-€44m).

After allocating one third of Private Banking's Net Income to Wealth Management (IPS division), Europe-Mediterranean achieved **pre-tax income**[22] of €134m, down sharply, by 60.6%[26] (-58.2% compared to 2Q23 excluding the effect of the hyperinflation situation in Türkiye).

## CPBS – Specialised Businesses – Personal Finance

**In the 2nd quarter 2024, Personal Finance benefited from the initial impacts of the transformation of the operating model, causing a positive jaws effect**.

Customer loans outstanding rose by 3.3%[6] compared to 2Q23 driven particularly by an increase in mobility, with greater selectivity at origination. Margins at production continued to improve despite ongoing competitive pressure.

The effects of the implementation of partnerships with Orange in Spain and France and the good increase achieved by partnerships in auto loans favourably impact the volumes increase and the structural improvement in the risk profile.

The geographical refocusing of activities and the reorganisation of the operating model continued.

Net banking income, at €1,266m, decreased by -0.9%[6] (-4.6% at historical scope and exchange rates), mainly due to higher medium-term financing costs, partly offset by pricing initiatives and volume growth.

Operating expenses, at €684m, fell by 4.8%[6] (-6.7% at historical scope and exchange rates), in connection with the effect of cost-saving measures. The jaws effect was therefore positive on the quarter (+3.9 points[6]).

Gross operating income decreased by 2.0% to €581m.

Cost of risk stood at €409m (€363m in 2Q23), increasing slightly despite the structural improvement in the risk profile. As of 30.06.2024, it stood at 152 basis points of customer loans outstanding.

Pre-tax income thus came to €184m, down sharply by 30.9%[6] (-36.4% at historical scope and exchange rates). Reminder: Personal Finance booked the positive impact of a non-recurring item in “Other non-operating items” in 2Q23.

## CPBS – Specialised Businesses – Arval and Leasing Solutions

**The 2Q24 featured the normalisation of used-car prices and the improvement in the financial margin and margin on services at Arval.**

Arval’s financed fleet rose sharply (+6.4%[27] vs. 30.06.2023), as did its outstandings (+22.8% vs. 2Q23). The offering for individuals (+16.3%[27] vs. 30.06.2023) is being developed through partnerships with automakers. Internationally, momentum is good with large international clients, mainly due to the global coverage provided by the Element-Arval-Sumitomo Mitsui alliance. The gradual normalisation of used-car prices at a high level continues, offset partly by the favourable volume effect on vehicle sales (110,000 vehicles sold in 2Q24).

Outstandings at Leasing Solutions rose by 2.6% compared to 2Q23, and margins improved. Business drive was also good with production volumes up by 16.0% compared to 2Q23. A partnership was signed with HP Inc. for equipment financing and an offering of lifecycle management solutions.

Combined net banking income of Arval and Leasing Solutions, at €989m, fell by 5.5%. Overall, the normalisation of used-car prices was partly offset by the higher financial margin and margin on services at Arval. Leasing Solutions revenues are increasing due to a volume impact and improved margins.

Operating expenses rose by 5.9% to €379m, in connection with inflation and business drive.

Pre-tax income at Arval and Leasing Solutions fell by 18.1% to €539m.

## CPBS – Specialised Businesses – New Digital Businesses and Personal Investors

**Activity was very robust this quarter.**

The number of Nickel points of sale rose (+16.1% vs. 30.06.2023) and Nickel continued to expand in Europe. Nickel developed its offering of services and products (e.g. 100% digital account-opening path in France), expanded its payment offerings (e.g. Apple Pay, Google Pay) and continued its diversification offers in partnership with the rest of the Group (e.g., the “*coup de pouce*” loans with Floa[28]).

Regarding Floa, numerous partnerships have been signed in France, and activity is developing internationally (number of active partnerships: 2.3x compared to 2Q23).

Personal Investors achieved a strong increase in assets under management (+14.7% vs. 30.06.2023), driven by the favourable impact of financial market trends and the number of transactions remaining at a high level.

On this basis, net banking income[7], at €275m, rose by 9.5%, reflecting the efficient organic growth at Nickel and the good resiliency in revenues at Personal Investors to the interest-rate environment.

Operating expenses[7], at €176m, rose by 10.1%, due to the business development strategy.

Gross operating income[7] amounted to €99m (+8.3% vs. 2Q23) and cost of risk[7] amounted to €22m (€30m in 2Q23).

Pre-tax income[22] at New Digital Businesses and Personal Investors after allocating one third of the Private Banking result in Germany to Wealth Management (IPS division), rose very sharply by 30.0%, to €76m.

## CPBS 1st half 2024 results

In the first half, **NBI**[7] amounted to €13,450m, stable compared to 1H23.

**Operating expenses**[7] rose by 4.3% compared to the first half of 2023, at €8,470m.

**Gross operating income**[7] amounted to €4,980m and decreased by 6.5% compared to 1H23.

**Cost of risk**[7] amounted to €1,642m (€1,253m in 1H23).

**Pre-tax income**[22] amounted to €3,313m€ (€4,116m in 1H23).

# INVESTMENT & PROTECTION SERVICES (IPS)

## IPS 2nd quarter 2024 results

**IPS's assets under management and revenues achieved solid growth this quarter, driven by market performance effects and net asset inflows.**

As of 30 June 2024, **assets under management**[29] amounted to €1,312bn (+6.1% compared to 31 December 2023, +2.2% compared to 31.03.2024). They reflected the combined effects of net asset inflows (+€42.1bn euros), market performance (+€28.2bn euros), and a moderate exchange rate impact (+€2.4bn). Net asset inflows were robust in all business lines, driven by the diversity of the distribution networks.

**Wealth Management,** in particular, achieved very good momentum in inflows in Commercial & Personal Banking and internationally with high-net-worth individuals. **Asset Management** also achieved strong inflows, driven mainly by money-market funds. **Insurance** achieved strong inflows in Savings, particularly in France. As of 30 June 2024, assets under management[29] broke down as follows: €601bn at Asset Management and Real Estate[30], €446bn at Wealth Management and €265bn at Insurance.

**Revenues**, at €1,472m, rose by 3.0% (+6.5% excluding the contribution of Real Estate and Principal Investments). They were driven by the very good momentum in Insurance, Asset Management and Wealth Management. Revenues were down at Principal Investments, due to a high base, and revenues decreased at Real Estate, due to a very lacklustre market.

At €879m, **operating expenses** rose by 0.1% (+2.6% excluding the contribution of Real Estate and Principal Investments), kept under control with efficiency and savings measures offsetting targeted investments. The jaws effect was positive (+2.9 points) and very positive excluding the cyclical impact from Real Estate and Principal Investments (+3.9 points).

**Gross operating income** rose by +7.5% to €593m.

At €638m, **pre-tax income** was up by 5.0% (+10.6% excluding the contribution of Real Estate and Principal Investments). It included a lower contribution from associates.

## IPS – Insurance

**The 2nd quarter featured strong business drive and an increase in revenues.**

Savings achieved a very good performance in France and internationally with gross inflows up sharply (+11.6% compared to 2Q23). Net asset inflows rose sharply, driven by a strong business drive, particularly in France in internal networks and via external distribution.

Protection's gross written premiums rose by 8.1% compared to 2Q23. It continued its strong increase internationally, driven by the strength of partnerships and the multi-channel model. Protection continued to develop its offering with the launch of a new individual protection range in France, as well as an extension of home insurance with Lemonade and affinity insurance with Orange.

Revenues rose by 5.2%, to €586m, driven by the strong performance in France and the deployment of the model.

Operating expenses, at €204m, were stable, with targeted investments offset by efficiency measures. The jaws effect was strongly positive (+5.0 points).

At €428m, pre-tax income at Insurance was up by 6.9%.

## IPS – Wealth & Asset Management[31]

**The 2nd quarter featured strong growth in assets and revenues at Wealth Management and Asset Management[8].**

Wealth Management achieved very good net asset inflows (€12.9bn in the 2Q24), especially in Commercial & Personal Banking and with high-net-worth individuals. Transaction activity was strong in all geographies.

Asset Management[8] also achieved very strong inflows (€10.9bn in 2Q24), driven by money-market funds. Assets under management classified Article 8 or 9[32] rose sharply (+€17bn in the first half 2024).

Wealth Management revenues, at €419m, rose by +6.1%, driven by increased fees and resilience in net interest revenues. Revenues at Asset Management[8] were also up sharply, by +9.8%, driven by the increase in assets under management. Revenues were down with a high base effect at Principal Investments and a market that has slowed considerably at Real Estate.

Operating expenses were stable, at €675m.

The jaws effect was positive (+4.1 points) excluding the cyclical impact from Real Estate and Principal Investments.

Pre-tax income at Wealth & Asset Management thus came to €210m, up by 1.4%.

### IPS 1st half 2024 results

In the first half, **revenues** came to €2,892m, up by 1.9% compared to the first half of 2023.

**Operating expenses** amounted to €1,762m, stable compared to the first half of 2023.

**Gross operating income** amounted to €1,130m, up by 4.9% compared to the first half of 2023.

**Pre-tax income** came to €1,211m, up by 1.0% compared to the first half of 2023.

## CORPORATE CENTRE

Restatements related to insurance in 2Q24

Net banking income of restatements related to insurance at Corporate Centre came to -€277m (-€305m in 2Q23), operating expenses to €283m (€271m in 2Q23), and pre-tax income to €6m (-€33m in 2Q23).

2Q24 Corporate Centre results (excluding restatements related to insurance)

Net banking income amounted to €22m (€87m in 2Q23), and operating expenses to -€198m (-€313m in 2Q23). The latter included the impact of €50m in restructuring and adaptation costs (€57m in 2Q23) and €98m in IT reinforcement costs (€94m in 2Q23).

Cost of risk amounted to €35m (€33m in 2Q23).

Pre-tax income of Corporate Centre excluding restatements related to insurance thus came to -€119m.

# CONSOLIDATED PROFIT & LOSS STATEMENT – GROUP

| €m | 2Q24 | 2Q23 Distributable | 2Q24 / 2Q23 Dist. | 2Q23 | 1H24 | 1H23 Distributable | 1H24 / 1H23 Dist. | 1H23 |
|---|---|---|---|---|---|---|---|---|
| **Group** | | | | | | | | |
| **Revenues** | **12,270** | **11,811** | **+3.9%** | **11,363** | **24,753** | **24,345** | **+1.7%** | **23,395** |
| Operating Expenses and Dep. | -7,176 | -6,884 | +4.2% | -6,889 | 15,113 | -14,942 | +1.1% | -16,080 |
| **Gross Operating Income** | **5,094** | **4,927** | **+3.4%** | **4,474** | **9,640** | **9,403** | **+2.5%** | **7,315** |
| Cost of Risk | -752 | -609 | +23.5% | -609 | -1,392 | -1,201 | +15.9% | -1,201 |
| Other net losses for risk on financial instruments | -91 | 0 | n.s. | -80 | -96 | 0 | n.s. | -130 |
| **Operating Income** | **4,251** | **4,318** | **-1.6%** | **3,785** | **8,152** | **8,202** | **-0.6%** | **5,984** |
| Share of Earnings of Equity-Method Entities | 164 | 149 | +10.1% | 149 | 385 | 327 | +17.7% | 327 |
| Other Non Operating Items | 7 | 124 | n.s. | 124 | 248 | 124 | n.s. | 124 |
| **Pre-Tax Income** | **4,422** | **4,591** | **-3.7%** | **4,058** | **8,785** | **8,653** | **+1.5%** | **6,435** |
| Corporate Income Tax | -886 | -1,078 | -17.8% | -1,078 | -2,052 | -1,869 | +9.8% | -1,869 |
| Net Income Attributable to Minority Interests | -141 | -170 | -17.1% | -170 | -235 | -268 | -12.3% | -268 |
| Net Income from discontinued activities | 0 | 0 | n.s. | 0 | 0 | 0 | n.s. | 2,947 |
| **Net Income Attributable to Equity Holders** | **3,395** | **3,343** | **+1.6%** | **2,810** | **6,498** | **6,516** | **-0.3%** | **7,245** |
| **Cost/income** | **58.5%** | **58.3%** | **+0.2 pt** | **60.6%** | **61.1%** | **61.4%** | **-0.3 pt** | **68.7%** |

# RESULTS BY BUSINESS LINES FOR THE 2ND QUARTER 2024

| €m | | Commercial, Personal Banking & Services (2/3 of Private Banking) | Investment & Protection Services | CIB | Operating Divisions | Corporate Center | Group |
|---|---|---|---|---|---|---|---|
| **Revenues** | | **6,572** | **1,472** | **4,481** | **12,525** | **-255** | **12,270** |
| | %Change2Q23 Dis | -0.4% | +3.0% | +12.1% | +4.1% | +17.6% | +3.9% |
| | %Change1Q24 | +1.0% | +3.7% | -4.2% | -0.6% | n.s. | -1.7% |
| Operating Expenses and Dep. | | -3,892 | -879 | -2,489 | -7,260 | 84 | -7,176 |
| | %Change2Q23 Dis | +5.5% | +0.1% | +9.4% | +6.1% | n.s. | +4.2% |
| | %Change1Q24 | -11.0% | -0.4% | -9.2% | -9.2% | +40.5% | -9.6% |
| **Gross Operating Income** | | **2,681** | **593** | **1,992** | **5,265** | **-171** | **5,094** |
| | %Change2Q23 Dis | -7.9% | +7.5% | +15.6% | +1.5% | -33.9% | +3.4% |
| | %Change1Q24 | +25.6% | +10.4% | +2.9% | +14.3% | n.s. | +12.1% |
| Cost of Risk | | -917 | 2 | 106 | -809 | -34 | -843 |
| | %Change2Q23 Dis | +40.5% | n.s. | +35.2% | +40.5% | +3.2% | +38.4% |
| | %Change1Q24 | +26.4% | n.s. | +11.6% | +27.4% | n.s. | +30.7% |
| **Operating Income** | | **1,764** | **595** | **2,097** | **4,456** | **-205** | **4,251** |
| | %Change2Q23 Dis | -21.9% | +8.2% | +16.4% | -3.3% | -29.7% | -1.6% |
| | %Change1Q24 | +25.2% | +11.7% | +3.3% | +12.2% | n.s. | +9.0% |
| Share of Earnings of Equity-Method Entities | | 83 | 44 | 4 | 130 | 34 | 164 |
| Other Non Operating Items | | -48 | -1 | -2 | -51 | 58 | 7 |
| **Pre-Tax Income** | | **1,798** | **638** | **2,099** | **4,535** | **-113** | **4,422** |
| | %Change2Q23 Dis | -23.8% | +5.0% | +16.2% | -5.0% | -38.0% | -3.7% |
| | %Change1Q24 | +18.4% | +11.3% | +3.2% | +9.9% | n.s. | +1.4% |

| €m | | Commercial, Personal Banking & Services (2/3 of Private Banking) | Investment & Protection Services | CIB | Operating Divisions | Corporate Center | Group |
|---|---|---|---|---|---|---|---|
| **Revenues** | | **6,572** | **1,472** | **4,481** | **12,525** | **-255** | **12,270** |
| | 2Q23 Dis | 6,600 | 1,430 | 3,998 | 12,028 | -217 | 11,811 |
| | 1Q24 | 6,507 | 1,420 | 4,677 | 12,604 | -121 | 12,483 |
| Operating Expenses and Dep. | | -3,892 | -879 | -2,489 | -7,260 | 84 | -7,176 |
| | 2Q23 Dis | -3,689 | -878 | -2,275 | -6,842 | -42 | -6,884 |
| | 1Q24 | -4,373 | -883 | -2,741 | -7,997 | 60 | -7,937 |
| **Gross Operating Income** | | **2,681** | **593** | **1,992** | **5,265** | **-171** | **5,094** |
| | 2Q23 Dis | 2,911 | 551 | 1,723 | 5,186 | -259 | 4,927 |
| | 1Q24 | 2,134 | 537 | 1,936 | 4,607 | -61 | 4,546 |
| Cost of Risk | | -917 | 2 | 106 | -809 | -34 | -843 |
| | 2Q23 Dis | -652 | -2 | 78 | -576 | -33 | -609 |
| | 1Q24 | -725 | -4 | 95 | -635 | -10 | -645 |
| **Operating Income** | | **1,764** | **595** | **2,097** | **4,456** | **-205** | **4,251** |
| | 2Q23 Dis | 2,259 | 550 | 1,801 | 4,610 | -292 | 4,318 |
| | 1Q24 | 1,409 | 533 | 2,031 | 3,972 | -71 | 3,901 |
| Share of Earnings of Equity-Method Entities | | 83 | 44 | 4 | 130 | 34 | 164 |
| | 2Q23 Dis | 71 | 58 | 3 | 132 | 17 | 149 |
| | 1Q24 | 96 | 40 | 3 | 139 | 82 | 221 |
| Other Non Operating Items | | -48 | -1 | -2 | -51 | 58 | 7 |
| | 2Q23 Dis | 29 | 0 | 2 | 31 | 93 | 124 |
| | 1Q24 | 14 | 1 | 0 | 14 | 227 | 241 |
| **Pre-Tax Income** | | **1,798** | **638** | **2,099** | **4,535** | **-113** | **4,422** |
| | 2Q23 Dis | 2,360 | 608 | 1,806 | 4,774 | -183 | 4,591 |
| | 1Q24 | 1,519 | 573 | 2,033 | 4,125 | 238 | 4,363 |
| Corporate Income Tax | | | | | | | -886 |
| Net Income Attributable to Minority Interests | | | | | | | -141 |
| Net Income from discontinued activities | | | | | | | 0 |
| **Net Income Attributable to Equity Holders** | | | | | | | **3,395** |

# RESULTS BY BUSINESS LINES FOR THE 1ST HALF OF 2024

| €m | | Commercial, Personal Banking & Services (2/3 of Private Banking) | Investment & Protection Services | CIB | Operating Divisions | Corporate Center | Group |
|---|---|---|---|---|---|---|---|
| **Revenues** | | **13,079** | **2,892** | **9,158** | **25,129** | **-376** | **24,753** |
| | %Change1H23 Dis | -0.1% | +1.9% | +3.2% | +1.3% | -18.0% | +1.7% |
| Operating Expenses and Dep. | | -8,264 | -1,762 | -5,230 | -15,257 | 144 | -15,113 |
| | %Change1H23 Dis | +4.2% | -0.0% | +1.4% | +2.7% | n.s. | +1.1% |
| **Gross Operating Income** | | **4,815** | **1,130** | **3,927** | **9,872** | **-232** | **9,640** |
| | %Change1H23 Dis | -6.7% | +4.9% | +5.8% | -0.8% | -57.7% | +2.5% |
| Cost of Risk | | -1,642 | -2 | 201 | -1,443 | -45 | -1,488 |
| | %Change1H23 Dis | +31.5% | -14.8% | n.s. | +23.0% | +65.0% | +23.9% |
| **Operating Income** | | **3,173** | **1,128** | **4,128** | **8,428** | **-276** | **8,152** |
| | %Change1H23 Dis | -18.9% | +5.0% | +8.9% | -4.0% | -51.9% | -0.6% |
| Share of Earnings of Equity-Method Entities | | 179 | 83 | 6 | 269 | 116 | 385 |
| Other Non Operating Items | | -34 | 0 | -2 | -37 | 285 | 248 |
| **Pre-Tax Income** | | **3,317** | **1,211** | **4,132** | **8,660** | **125** | **8,785** |
| | %Change1H23 Dis | -19.4% | +1.0% | +9.0% | -4.9% | n.s. | +1.5% |
| Corporate Income Tax | | | | | | | -2,052 |
| Net Income Attributable to Minority Interests | | | | | | | -235 |
| Net Income from discontinued activities | | | | | | | 0 |
| **Net Income Attributable to Equity Holders** | | | | | | | 6,498 |

# BALANCE SHEET AS OF 30 JUNE 2024

| *In millions of euros* | 30/06/2024 | 31/12/2023 |
|---|---|---|
| **ASSETS** | | |
| Cash and balances at central banks | 184,461 | 288,259 |
| Financial instruments at fair value through profit or loss | | |
| Securities | 308,256 | 211,634 |
| Loans and repurchase agreements | 275,205 | 227,175 |
| Derivative financial Instruments | 278,668 | 292,079 |
| Derivatives used for hedging purposes | 26,562 | 21,692 |
| Financial assets at fair value through equity | | |
| Debt securities | 57,141 | 50,274 |
| Equity securities | 1,660 | 2,275 |
| Financial assets at amortised cost | | |
| Loans and advances to credit institutions | 48,361 | 24,335 |
| Loans and advances to customers | 872,147 | 859,200 |
| Debt securities | 137,899 | 121,161 |
| Remeasurement adjustment on interest-rate risk hedged portfolios | (4,683) | (2,661) |
| Investments and other assets related to insurance activities | 267,395 | 257,098 |
| Current and deferred tax assets | 6,253 | 6,556 |
| Accrued income and other assets | 174,871 | 170,758 |
| Equity-method investments | 7,219 | 6,751 |
| Property, plant and equipment and investment property | 47,875 | 45,222 |
| Intangible assets | 4,372 | 4,142 |
| Goodwill | 5,596 | 5,549 |
| **TOTAL ASSETS** | **2,699,258** | **2,591,499** |
| **LIABILITIES** | | |
| Deposits from central banks | 3,637 | 3,374 |
| Financial instruments at fair value through profi t or loss | | |
| Securities | 99,377 | 104,910 |
| Deposits and repurchase agreements | 351,110 | 273,614 |
| Issued debt securities | 98,017 | 83,763 |
| Derivative financial instruments | 264,751 | 278,892 |
| Derivatives used for hedging purposes | 40,046 | 38,011 |
| Financial liabilities at amortised cost | | |
| Deposits from credit institutions | 89,008 | 95,175 |
| Deposits from customers | 1,003,053 | 988,549 |
| Debt securities | 201,431 | 191,482 |
| Subordinated debt | 26,912 | 24,743 |
| Remeasurement adjustment on interest-rate risk hedged portfolios | (14,247) | (14,175) |
| Current and deferred tax liabilities | 3,470 | 3,821 |
| Accrued expenses and other liabilities | 149,182 | 143,673 |
| Liabilities related to insurance contracts | 227,865 | 218,043 |
| Financial liabilities related to insurance activities | 18,553 | 18,239 |
| Provisions for contingencies and charges | 9,326 | 10,518 |
| **TOTAL LIABILITIES** | **2,571,491** | **2,462,632** |
| **EQUITY** | | |
| *Share capital, additional paid-in capital and retained earnings* | *119,111* | *115,809* |
| *Net income for the period attributable to shareholders* | *6,498* | *10,975* |
| **Total capital, retained earnings and net income for the period attributable to shareholders** | **125,609** | **126,784** |
| Changes in assets and liabilities recognised directly in equity | (3,427) | (3,042) |
| **Shareholders' equity** | **122,182** | **123,742** |
| **Minority interests** | **5,585** | **5,125** |
| **TOTAL EQUITY** | **127,767** | **128,867** |
| **TOTAL LIABILITIES AND EQUITY** | **2,699,258** | **2,591,499** |

# ALTERNATIVE PERFORMANCE INDICATORS
# ARTICLE 223-1 OF THE AMF GENERAL REGULATIONS

| Alternative performance measures | Definition | Reason for use |
|---|---|---|
| **Insurance P&L aggregates (Revenues, Operating expenses, Gross operating income, Operating income, Pre-tax income)** | Insurance P&L aggregates (Revenues, Gross operating income, Operating income, Pre-tax income) excluding the volatility generated by the fair value accounting of certain assets through profit and loss (IFRS 9) transferred to Corporate Centre; Gains or losses realised in the event of divestments, as well as potential long-term depreciations are included in the Insurance income profit and loss account.<br><br>A reconciliation with Group P&L aggregates is provided in the tables “Quarterly Series.” | Presentation of the Insurance result reflecting operational and intrinsic performance (technical and financial) |
| **Corporate Centre P&L aggregates** | P&L aggregates of Corporate Centre, including restatement of the volatility (IFRS 9) and attributable costs (internal distributors) related to Insurance activities”, following the application from 01.01.23 of IFRS 17 “insurance contracts” in conjunction with the application of IFRS 9 for insurance activities, including:<br>• Restatement in Corporate Centre revenues of the volatility to the financial result generated by the IFRS 9 fair value recognition of certain Insurance assets;<br>• Operating expenses deemed “attributable to insurance activities,” net of internal margin, are recognized in deduction from revenues and no longer booked as operating expenses. These accounting entries relate exclusively to the Insurance business and Group entities (excluding the Insurance business) that distribute insurance contracts (known as internal distributors) and have no effect on gross operating income. The impact of entries related to internal distribution contracts is borne by the “Corporate Centre.”<br><br>A reconciliation with Group P&L aggregates is provided in the “Quarterly Series” tables. | Transfer to Corporate Centre of the impact of operating expenses “attributable to insurance activities” on internal distribution contracts in order not to disrupt readability of the financial performance of the various business lines. |
| **Operating division profit and loss account aggregates (Revenues, Net interest revenue, Operating expenses, Gross operating income, Operating income, Pre-tax income)** | Sum of CPBS’ profit and loss account aggregates (with Commercial & Personal Banking’ profit and loss account aggregates, including 2/3 of private banking in France, Italy, Belgium, Luxembourg, Germany, Poland and in Türkiye), IPS and CIB.<br><br>BNP Paribas Group profit and loss account aggregates = Operating division profit and loss account aggregates + Corporate Centre profit and loss account aggregates.<br>Reconciliation with Group profit and loss account aggregates is provided in the tables “Results by Core businesses.”<br>Net interest revenue mentioned in Commercial & Personal Banking includes the net interest margin (as defined in Note 3.a of the financial statements), as well as, to a lesser extent, other revenues (as defined in Notes 3.c, 3.d and 3.e of the financial statements), | Representative measure of the BNP Paribas Group’s operating performance |

| Alternative performance measures | Definition | Reason for use |
|---|---|---|
| | excluding fees (Note 3.b of the financial statements). P&L aggregates of Commercial & Personal Banking or Specialized Businesses distributing insurance contracts exclude the impact of the application of IFRS 17 on the accounting presentation of operating expenses deemed “attributable to insurance activities” in deduction of revenues and no longer operating expenses, with the impact carried by Corporate Centre. | |
| **Profit and loss account aggregates of Commercial & Personal Banking activity with 100% of Private Banking** | Profit and loss account aggregate of a Commercial & Personal Banking activity including the whole profit and loss account of Private Banking<br><br>Reconciliation with Group profit and loss account aggregates is provided in the “Quarterly series” tables. | Representative measure of the performance of Commercial & Personal Banking activity including the total performance of Private Banking (before sharing the profit & loss account with the Wealth Management business, Private Banking being under a joint responsibility of Commercial & Personal Banking (2/3) and Wealth Management business (1/3)) |
| **Profit and loss account aggregates, excluding PEL/CEL effects (Revenues, Gross operating income, Operating income, Pre-tax income)** | Profit and loss account aggregates, excluding PEL/CEL effects.<br><br>Reconciliation with Group profit and loss account aggregates is provided in the “Quarterly series” tables. | Representative measure of the aggregates of the period excluding changes in the provision that accounts for the risk generated by PEL and CEL accounts throughout their lifetime. |
| **Cost-income ratio** | Ratio of costs to income | Measure of operating efficiency in the banking sector |
| **Cost of risk/customer loans outstanding at the beginning of the period (in basis points)** | Ratio of cost of risk (in €m) to customer loans outstanding at the beginning of the period<br><br>Cost of risk does not include “Other net losses for risk on financial instruments.” | Measure of the risk level by business in percentage of the volume of loans outstanding |
| **Change in operating expenses excluding IFRIC 21 impact** | Change in operating expenses excluding taxes and contributions subject to IFRIC 21 | Representative measure of the change in operating expenses excluding taxes and contributions subject to IFRIC 21 booked almost entirely in the 1st half of the year, given in order to avoid any confusion compared to other quarters |
| **Return on equity (ROE)** | Details of the ROE calculation are disclosed in the Appendix “Return on Equity and Permanent Shareholders’ Equity” of the results’ presentation. | Measure of the BNP Paribas Group’s return on equity |
| **Return on tangible equity (ROTE)** | Details of the ROTE calculation are disclosed in the Appendix “Return on Equity and Permanent Shareholders’ Equity” of the results’ presentation. | Measure of the BNP Paribas Group’s return on tangible equity |
| **Distributable Net Income, Group share** | P&L aggregates up to Net Income adjusted in accordance with the announcements made in February 2023 to reflect the Group’s intrinsic performance in 2023, pivotal year, after the sale of Bank of the West on 01.02.2023 but also as the last expected year of the ramp up of the Single Resolution Fund, marked by extraordinary items.<br>Adjustments are detailed in the 2023 results’ presentation:<br>- include the effect of the anticipation of the end of | Measure of BNP Paribas Group’s Net Income reflecting the Group’s intrinsic performance in 2023, pivotal year, post-impact of the sale of Bank of the West and the last expected year of the contribution to the ramp-up of the Single Resolution Fund, marked by extraordinary items. |

| Alternative performance measures | Definition | Reason for use |
|---|---|---|
| | the ramp-up of the Single Resolution Fund in 2023<br>- exclude the Net Income of entities intended to be sold (application of IFRS 5) (notably the capital gain on the sale of Bank of the West) and additional items related to the sale of Bank of the West<br>- exclude extraordinary items such as the extraordinary negative impact of the hedging adjustment related to changes in the TLTRO terms decided by the ECB in the fourth quarter 2022 and extraordinary provisions for litigation<br><br>The distributable Net Income is used to calculate the ordinary distribution in 2023 as well as to monitor the Group's performance in 2023. | |
| **Net Income, Group share excluding exceptional items** | Net Income attributable to equity holders excluding exceptional items.<br><br>Details of exceptional items are disclosed in the slide "Main Exceptional Items" of the results' presentation. | Measure of BNP Paribas Group's Net Income excluding non-recurring items of a significant amount or items that do not reflect the underlying operating performance, notably restructuring, adaptation, IT reinforcement and transformation costs. |
| **Coverage ratio of non-performing loans** | Relationship between stage 3 provisions and impaired outstandings (stage 3), balance sheet and off-balance sheet, netted for collateral received, for customers and credit institutions, including liabilities at amortised cost and debt securities at fair value through equity (excluding Insurance) | Measure of provisioning of non-performing loans |

### Methodology: Comparative analysis at constant scope and exchange rates

The method used to determine the effect of changes in scope of consolidation depends on the type of transaction (acquisition, sale, etc.). The underlying purpose of the calculation is to facilitate period-on-period comparisons.

In cases of acquired or created entity, the results of the new entity are eliminated from the constant scope results of current-year periods corresponding to the periods when the entity was not owned in the prior-year.

In cases of divested entities, the entity's results are excluded symmetrically for the prior year for quarters when the entity was not owned.

In cases of change of consolidation method, the policy is to use the lowest consolidation percentage over the two years (current and prior) for results of quarters adjusted on a like-for-like basis.

Comparative analysis at constant exchange rates is prepared by restating results for the prior-year quarter (reference quarter) at the current quarter exchange rate (analysed quarter). All of these calculations are performed by reference to the entity's reporting currency.

### Reminder

**Net banking income (NBI)**: throughout the document, the terms "net banking income" and "Revenues" are used interchangeably.

**Operating expenses: sum of salary and employee benefit expenses, other operating expenses and depreciation, amortisation and impairment of property, plant, and equipment. Throughout the document, the terms "operating expenses" and "costs" may be used indifferently.**

**There are three operating divisions:**

- **Corporate and Institutional Banking (CIB)** including Global Banking, Global Markets, and Securities Services.
- **Commercial, Personal Banking and Services (CPBS)** including:
  - Commercial & Personal Banking in France, in Belgium, in Italy, in Luxembourg, in Europe-Mediterranean;
  - Specialised Businesses, with Arval & Leasing Solutions; BNP Paribas Personal Finance; New Digital Businesses (including Nickel, Lyf…) & Personal Investors;
- **Investment & Protection Services (IPS)** including Insurance, Wealth & Asset Management, which includes Wealth Management, Asset Management, Real Estate and Principal Investments

## NOTES

1 2023 distributable income based on the restatement of quarterly series released on 29 February 2024. Results serving as a basis for calculating the 2023 distribution reflecting the Group's intrinsic performance post impact of the Bank of the West divestment and post contribution to the build-up of the Single Resolution Unique (SRF) excluding extraordinary items

2 Excluding Real Estate and Principal Investments

3 Cost of risk does not include "Other net losses for risk on financial instruments".

4 Earnings per share at end of period calculated on the basis of 2Q24 Net Income adjusted for the remuneration of undated super subordinated notes and the average number of shares outstanding during the period

5 Return on invested capital: estimated 2025 Net Income generated by the capital redeployed since 2022 compared to allocated capital (CET1)

6 At constant scope and exchange rates

7 Including 100% of Private Banking (excluding PEL/CEL effects in France)

8 Excluding Real Estate and Principal Investments

9 LLM: large language model

10 POC: proof of concept

11 60% stake in Ukrsibbank, the remaining 40% being held by the European Bank for Reconstruction and Development

12 Calculated in accordance with Regulation (EU) n°2019/876

13 Calculated in accordance with Regulation (CRR) 575/2013, Art. 451a

14 Liquid market assets or eligible assets in central banks (counterbalancing capacity), taking into account prudential standards, notably US standards, minus intra-day payment system needs

15 Increase in Group revenues between 2023 (distributable) and 2024 minus the increase in Group operating expenses between 2023 (distributable) and 2024

16 Dealogic, Global DCM as of 30.06.24, transaction volumes

17 Dealogic, Debt Capital Markets rankings, Syndicated Loans rankings as of 30.06.24, bookrunner rankings by volume

18 Coalition Greenwich 1Q24 Competitor Analytics; tied for #1. Rankings based on revenues of banks in the Top 12 Coalition Index in Transaction Banking (Cash Management and Trade Finance, excluding Correspondent Banking) in 1Q24 in EMEA: Europe, Middle East, Africa

19 Dealogic, All ESG Bonds & Loans, EMEA and Global, bookrunner rankings by volume, based on data retrieved on 12 July 2024. Data may differ in the 1G24 Dealogic Sustainable Finance Review

20 Belgian government bond issue, inflation hedges in France and non-remuneration of mandatory reserves

21 Accounts opened since inception, in all countries

22 Including 2/3 of Private Banking (excluding PEL/CEL effects in France)

23 Paid in the third and fourth quarter of 2023

24 Life insurance and mutual funds

25 Excluding the impact of non-remuneration of mandatory reserves and Belgian government bonds (-€65m)

26 At constant scope and exchange rates, with the exception of Türkiye at historical scope and exchange rates in accordance with IAS29

27 End-of-period increase in the fleet

28 Online mini-loan offering, with repayment in four installations, fees included

29 Including distributed assets

30 Assets under management at Real Estate: €25bn

31 Asset Management, Wealth Management, Real Estate and Principal Investments

32 Assets under management of open-ended funds distributed in Europe and classified Article 8 or 9 by SFDR

The figures included in this press release are unaudited.

As a reminder, on 29 February 2024 BNP Paribas reported restated quarterly series for 2023 to reflect, in particular, the end of the build-up of the Single Resolution Fund (SRF), effective 1 January 2024, and the assumption of a similar contribution to local bank taxes at a level estimated at about 200 million euros annually beginning in 2024, as well as an accounting heading separated from cost of risk and entitled “Other net losses for risks on financial instruments”, beginning in the fourth quarter 2023. This press release reflects this restatement.

This press release includes forward-looking statements based on current beliefs and expectations about future events. Forward-looking statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives, and expectations with respect to future events, operations, products and services, and statements regarding future performance and synergies. Forward-looking statements are not guarantees of future performance and are subject to inherent risks, uncertainties and assumptions about BNP Paribas and its subsidiaries and investments, developments of BNP Paribas and its subsidiaries, banking industry trends, future capital expenditures and acquisitions, changes in economic conditions globally, or in BNP Paribas' principal local markets, the competitive market and regulatory factors. Those events are uncertain; their outcome may differ from current expectations, which may in turn significantly affect expected results. Consequently, actual results may differ from those projected or implied in these forward-looking statements due to a variety of factors. These factors include among others: i) BNP Paribas's ability to achieve its objectives, ii) the impacts from central bank interest rate policies, whether due to continued elevated interest rates or potential significant reductions in interest rates, iii) changes in regulatory capital and liquidity rules, iv) continued elevated levels of, or any resurgence in, inflation and its impacts, v) the various geopolitical uncertainties and impacts related notably to the invasion of Ukraine and the conflict in the Middle East, or vi) the precautionary statements included in this press release.

BNP Paribas undertakes no obligation to publicly revise or update any forward-looking statements in light of new information or future events. It should be recalled in this regard that the Supervisory Review and Evaluation Process is carried out each year by the European Central Bank, which can modify each year its capital adequacy ratio requirements for BNP Paribas.

The information contained in this press release as it relates to parties other than BNP Paribas or derived from external sources has not been independently verified and no representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. Neither BNP Paribas nor its representatives shall have any liability whatsoever in negligence or otherwise for any loss however arising from any use of this presentation or its contents or otherwise arising in connection with this presentation or any other information or material discussed.

The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding.

The percentage changes stated for indicators in the second quarter 2024 profit-and-loss statement have been calculated with reference to the profit-and-loss statement on a distributable base for the second quarter of 2023, using the restatement of quarterly series reported on 29 February 2024. The 2023 distributable result serves as a basis for calculating the distribution in 2023 and reflects the Group's intrinsic performance post impact of the Bank of the West sale and post ramp-up of the Single Resolution Fund (SRF) excluding extraordinary items.

BNP Paribas' financial disclosures of the second quarter 2024 and first half 2024 consist of this press release, the attached presentation, and quarterly series. For a detailed information, the quarterly series are available at the following address: https://invest.bnpparibas/document/2q24-quarterly-series. All legally required disclosures, including the Universal Registration document, are available online at https://invest.bnpparibas.com in the “Results” section and are made public by BNP Paribas pursuant to the requirements under Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 and seq. of the French Financial Markets Authority General Regulations.

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