



PRESS RELEASE

2023 Full Year Results

Brussels, 8 March 2024

BNP PARIBAS FORTIS INCREASED ITS SUPPORT TO THE BELGIAN ECONOMY IN 2023

BNP Paribas Fortis achieved good consolidated results in the year 2023. The net banking income stood at EUR 10,551 million, increasing by +9.4% compared to 2022. The net income attributable to equity holders, at EUR 3,095 million, decreased by -1.3%. At constant scope, constant exchange rates and excluding other one-off results, the net income attributable to equity holders increased by +8.7%. With a common equity tier 1 ratio at 16.2% and liquidity coverage ratio at 118%, the financial structure of BNP Paribas Fortis remains solid.*

2023 was an eventful year for our bank. We operated against a backdrop of ongoing geopolitical instability. The war in Ukraine continued and new armed conflicts emerged on Europe's borders. These converging crises led to uncertainty and volatility in many areas, putting pressure on industrial and private activity in our markets. Despite these elements, we took important steps in the implementation of our strategy focused on Growth, Accessibility and Sustainability (GAS). We prepared the bpost bank merger, which we completed with the successful migration of customer accounts in January 2024. We also achieved strong financial results, both in our banking business and in our specialised subsidiaries. Above all, BNP Paribas Fortis' teams were fully committed to helping our more than 4.7 million Belgian clients.

We started the year with the successful implementation of our New Commercial Organisation (NCO), focused around three customer groups. Retail clients are now served by multidisciplinary teams while private clients and corporates benefit from dedicated relationship managers.

GOOD BUSINESS GROWTH SUPPORTED BY ALL CONSOLIDATED ACTIVITIES

CUSTOMER LOANS ¹	CUSTOMER DEPOSITS ²
EUR 254.0	EUR 203.3
BILLION	BILLION
+3.4%* VS. 31.12.2022	-2.7%* VS. 31.12.2022

CONTINUED SUPPORT TO THE BELGIAN ECONOMY

EUR 159.0 BILLION
(+4.5%) OF LOANS PORTFOLIO³ VS. 31.12.2022

EUR 153.4 BILLION
(-4.8%) OF DEPOSITS PORTFOLIO² VS. 31.12.2022

EUR 38.0 BILLION
(-5.9%) OF LOAN PRODUCTION⁴ VS. 2022

EUR 99.9 BILLION
(+15.9%) OF OFF-BALANCE SHEET ASSETS UNDER MANAGEMENT⁵ VS. 31.12.2022



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"An important part of our New Commercial Organisation is the bpost bank project, involving the migration of 3 million customer accounts, 80,000+ hours of preparation and the training of 2,270 bpost employees. Our staff gave their best to prepare and complete the merger and welcome more than 1 million new customers. With over-the-counter banking services in 656 post offices, expert advice in BNP Paribas Fortis branches, 16 Client Houses, the Fintro bancassurance network and Nickel's now more than 400 points of sale we are able to offer the Belgian population a service tailored to their needs and have laid the foundations for the most accessible retail network in Belgium.

We also launched our Easy Go and Easy Guide modular packs. With these packs, each customer has a unique offering in which they can fine-tune the interaction option, product mix and advice from multi-disciplinary teams. In the area of mortgages, we strengthened our franchise by merging the Krefima and Demetris credit brokers into the new BNP Paribas Fortis Credit Brokers brand.

With a 14% increase in digital contacts, our Easy Banking App remains the main gateway to our products and services, to the satisfaction of our customers. Our 2.5 million app users give the app a 4.6/5 rating and our digital solutions were also recognised with several prizes.

We remain fully committed to the financing of the Belgian economy. While GDP rose by 1.5% in 2023, our total loans grew by 4.5% to 159 billion euros, driven by the strong growth of 11.3% in our ESG related loans. Our customers also increasingly prefer sustainable investments. Our sustainable off-balance portfolio grew with 10.4%, outpacing the 9.8% growth of our global investment portfolio.

Our strategy in 2024 and beyond remains focused on building a sustainable bank with people and technology at its core. Everything we do is guided by these principles: our investments in IT and Artificial Intelligence to improve new products and customer satisfaction, the diversification of our distribution channels, the expansion of our app with innovative services and the development of green solutions for housing, vehicles and industry.

I would like to thank our employees for their efforts and our customers for the trust they continue to place in our bank."

Michael Anseeuw
Chief Executive Officer

REVENUES

EUR 10,551 MILLION

+9.1%* VS. 2022

STRONG GROWTH OF REVENUES SUPPORTED BY MOST ACTIVITIES

COSTS

EUR (5,495) MILLION

+7.8%* VS. 2022

COST INCREASE IN ALL ACTIVITIES TO SUPPORT THEIR BUSINESS DEVELOPMENT

GROSS OPERATING INCOME

EUR 5,056 MILLION

+10.6%* VS. 2022

SOLID OPERATIONAL PERFORMANCE AND POSITIVE JAWS EFFECT OF 1.0%

COST OF RISK

EUR (280) MILLION

-3BP⁶ VS. 2022

STRUCTURALLY LOW COST OF RISK AT 11BP

PRE-TAX INCOME

EUR 5,024 MILLION

+13.8%* VS. 2022

NET INCOME

EUR 3,095 MILLION

+8.7%* VS. 2022

SOLID FINANCIAL STRUCTURE

RETURN ON EQUITY

12.2%

COMMON EQUITY
TIER 1 RATIO

16.2%

LIQUIDITY COVERAGE
RATIO

118%⁷



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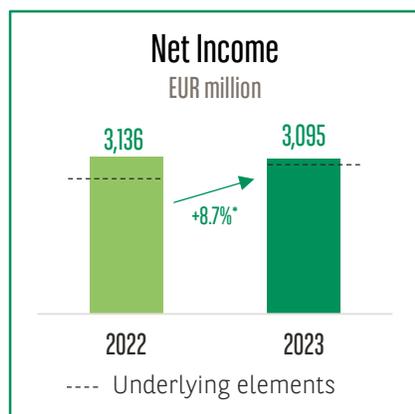
Consolidated income statement and key figures & ratios

In EUR million	2023	2022	Total variance ⁸		Retreated items ⁹		Variance excl. retreated items ⁸	
			Δ EUR	Δ %	2023	2022	Δ EUR	Δ %
	a	b	c	d	e	f	g	h
Net banking income	10,551	9,640	911	9.4%	205	161	867	9.1%
Operating expenses and Depreciation	-5,495	-5,067	-428	8.4%	-156	-113	-385	7.8%
Gross operating income	5,056	4,573	483	10.6%	48	47	482	10.6%
Cost of Risk	-280	-328	48	-14.5%	-70	-35	83	-28.3%
Operating income	4,775	4,245	530	12.5%	-22	12	565	13.3%
Share of Earnings of Associates	311	263	48	18.3%	17	22	53	22.0%
Other Non-Operating Items	-63	301	-364	n/a	-63	301	0	n/a
Pre-tax income	5,024	4,809	215	4.5%	-68	335	618	13.8%
Corporate income tax	-1,482	-1,211	-271	22.4%	26	-57	-354	30.7%
Minority interests	-447	-463	15	-3.3%	27	-5	-16	3.5%
Net income attributable to equity holders	3,095	3,136	-41	-1.3%	-15	274	248	8.7%

In EUR million	31 December 2023	31 December 2022
Balance Sheet		
Total assets	373,880	350,265
• of which customers loans	254,036	244,495
• of which customers deposits	203,282	212,648
Total Shareholders' equity	25,413	25,296
Total risk weighted assets (RWA)	128,972	122,520
Profitability		
Cost income ratio	52.1%	52.6%
Return on assets	0.8%	0.9%
Return on risk weighted assets	2.4%	2.6%
Return on equity	12.2%	12.3%
Solvency		
Common equity Tier 1 ratio (CET 1 ratio)	16.2%	17.2%
Tier 1 ratio	16.8%	17.8%
Total capital ratio	17.6%	18.6%
Liquidity		
Liquidity coverage ratio (LCR)	118%	126%
Net Stable Funding Ratio (NSFR)	107%	119%

Restatement of the figures of 2022 related to the application of IFRS 17 (Insurance contracts) and IFRS 9 (Financial instruments) for insurance entities effective 1st January 2023.

Analysis of the full year 2023 financial performance

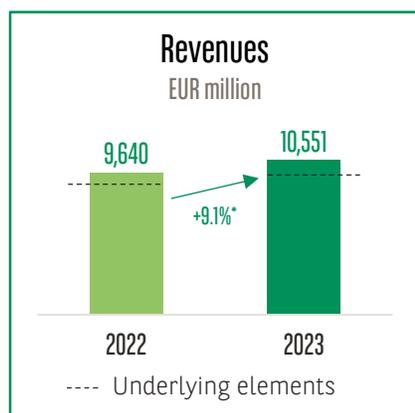


BNP Paribas Fortis consolidated net income attributable to equity holders in 2023 amounted to EUR 3,095 million. Compared to 2022, the reported evolution of the net income attributable to equity holders showed a decrease of -1.3%.

When excluding the retreated items⁹ for the scope changes, the foreign exchange effects and the other one-off results such as the noticeable impact of the change of consolidation method of bpost bank in Q1 2022 (resulting in a badwill of EUR +245 million in non-operating income), the underlying evolution of the net income attributable to equity holders showed an increase of +8.7%*.

The below analysis focuses on the underlying evolution. The consolidation scope includes BNP Paribas Fortis¹⁰ in Belgium, BGL BNP Paribas¹⁰ in Luxembourg, Turk Ekonomi Bankasi¹⁰ in Turkey, Specialised Businesses¹⁰ with international activities, and Other¹⁰.

Strong growth of revenues supported by most activities



At BNP Paribas Fortis and BGL BNP Paribas, the evolution of the revenues was driven by a strong growth of revenues in the Commercial & Personal Banking business with a higher net interest income supported by both margins and average lending volumes. The net commission income was slightly lower than in 2022.

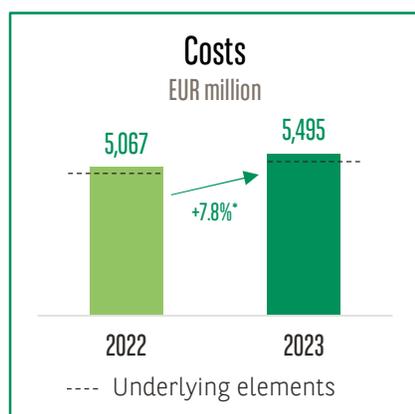
The revenues of the Corporate & Institutional Banking business were lower than in the exceptional 2022, mainly due to market activities servicing clients and despite a good performance coming from the lending activities.

The growth of the consolidated revenues was also substantially driven by the higher results at **Specialised Businesses**. The higher results were mainly driven by Arval with a further enlargement of the financed fleet by +6.9% compared to 2022, and the gradual normalisation, still at a high level, of the prices of the second-hand vehicles. At Leasing Solutions and Personal Finance, there was also a strong expansion of the financed outstandings supporting higher revenues, which was partly offset by a pressure on margins due to higher funding costs in a context of rising interest rates.

Revenues also increased significantly at **Turk Ekonomi Bankasi ("TEB")** mainly driven by a further growth of the results coming from market activities servicing clients in a context of high volatility in interest rates and currency exchange rates, higher volumes of customer loans and deposits, partly offset by lower margins.



Costs increase to support the business development



At **BNP Paribas Fortis and BGL BNP Paribas**, the costs increase was mainly driven by higher staff expenses, mostly due to the wage drift induced by inflation. The increase in the other operating expenses was contained thanks to cost-saving measures and lower contributions required by the European Single Resolution Fund and Deposit Guarantee Scheme, that partly offset the impact of inflation.

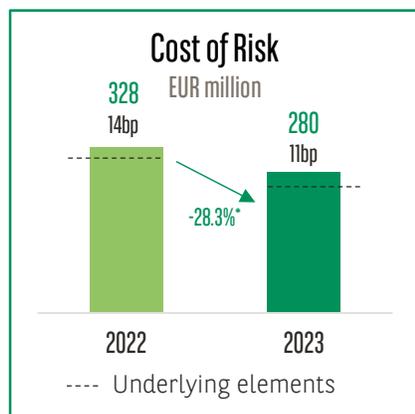
The growth of the costs was also mainly driven by **Specialised Businesses** where the staff expenses and the other operating expenses were impacted by inflation. Next to that, the overall increase was also driven by the continuous development in amongst others the digital domains and the growth of activities.

The increase of costs at **TEB** was substantial in an economy that is still in hyperinflation, impacting mostly the staff expenses, with a more limited expansion in other operating expenses thanks to the achievement of material savings.

Solid operational performance and positive jaws effect

The gross operating income stood at EUR 5,056 million, increasing by +10.6%*. The consolidated jaws effect was positive (1.0 point) and the cost income ratio improved from 52.6% in 2022 to 52.1% in 2023.

Structurally low cost of risk at 11bp



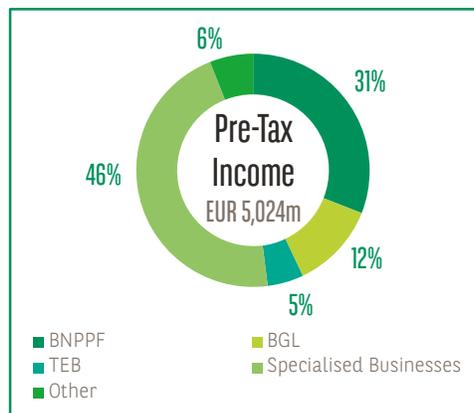
At **BNP Paribas Fortis and BGL BNP Paribas**, there was an overall decrease in the cost of risk driven by the Corporate & Institutional Banking business with lower provisions on performing and non-performing loans thanks to the favourable evolution of the macroeconomic context. The cost of risk increased in the Commercial & Personal Banking business essentially due to higher provisions in relation with the exposures on commercial real estate, compared to a historically low level in 2022. The Commercial & Personal Banking cost of risk on average outstanding loans of the period remained at a low level of 6bp for both BNP Paribas Fortis and BGL BNP Paribas.

The increase in the cost of risk at **Specialised Businesses** is mainly related to the growth of the financed outstandings.

The cost of risk at **TEB** came lower than in 2022, thanks to lower provisions on performing loans and non-performing loans, driven by a release of provisions previously booked in the context of the COVID crisis.

The consolidated operating income increased by +13.3%*

The share of earnings of equity-method entities amounted to EUR 311 million in 2023 compared to EUR 263 million in 2022. The increase is explained mainly by the participations held in AG Insurance and BNP Paribas Bank Polska, partly offset by lower results at BNP Paribas Asset Management.

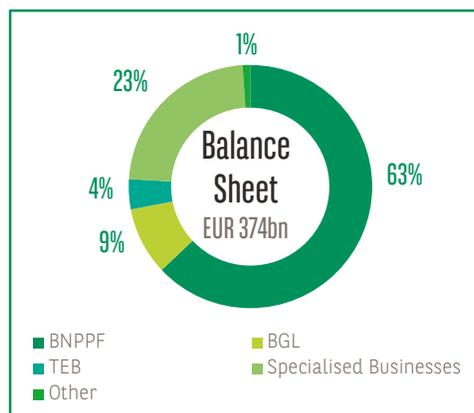


The pre-tax income increased by +13.8%* compared to 2022. The difference between the underlying variance of +13.8%* and the reported variance of +4.5% mainly comes from the evolution of the non-operating income that is excluded from the underlying variance.

The corporate income taxes amounted to EUR 1,482 million in 2023, an increase of +30.7%*. In 2023, the effective tax rate stood at 31%, versus 28% in 2022.

The net income attributable to equity holders amounted to EUR 3,095 million, an increase of +8.7%* compared to 2022.

Solid balance sheet and financial structure



The consolidated balance sheet totalled EUR 374 billion on 31 December 2023, an increase of EUR 24 billion compared to 31 December 2022, of which EUR 254 billion of customer loans¹ increasing by EUR 10 billion, including EUR 4 billion of scope change mainly related to the acquisition of Creation Financial Services and Creation Consumer Finance, two consumer finance entities in the UK, on 1 April 2023.

The consolidated Common Equity Tier 1 ratio remained solid and stood at 16.2%, compared to 17.2% as of 31 December 2022. The decrease of the ratio, despite a stable Common Equity Tier 1 regulatory capital, is explained by a higher amount of risk weighted assets driven by the credit risk in relation with the growth of customer loans.

The non-consolidated Liquidity Coverage Ratio stood at 118%, compared to 126% as of 31 December 2022.

The Board of Directors intends to propose at the General Shareholder's Meeting scheduled on 18 April 2024 a dividend distribution of EUR 5.01 per share.



Press Contact

Valéry Halloy

valery.halloy@bnpparibasfortis.com

+32 (0)2 565 46 50

+32 (0)475 78 80 97

Hilde Junius

hilde.junius@bnpparibasfortis.com

+32 (0)2 565 47 37

+32 (0)478 88 29 60

Jeroen Petrus

jeroen.petrus@bnpparibasfortis.com

+32 (0)2 312 54 84

+32 (0)498 32 14 94

BNP Paribas Fortis (www.bnpparibasfortis.com) offers the Belgian market a comprehensive range of financial services for private individuals, the self-employed, professionals, companies and public organisations. In the insurance sector, BNP Paribas Fortis works closely, as a tied agent, with Belgian market leader AG Insurance. At international level, the Bank also provides high-net-worth individuals, large corporations and public and financial institutions with customised solutions, for which it is able to draw on the know-how and international network of the BNP Paribas Group.

BNP Paribas (www.bnpparibas.com) is the European Union's leading bank and key player in international banking. It operates in 63 countries and has nearly 183,000 employees. The Group has key positions in its three main fields of activity: Commercial, Personal Banking & Services for the Group's commercial & personal banking and several specialised businesses including BNP Paribas Personal Finance and Arval; Investment & Protection Services for savings, investment and protection solutions; and Corporate & Institutional Banking, focused on corporate and institutional clients. Based on its strong diversified and integrated model, the Group helps all its clients (individuals, community associations, entrepreneurs, SMEs, corporates and institutional clients) to realise their projects through solutions spanning financing, investment, savings and protection insurance. In Europe, BNP Paribas has four domestic markets: Belgium, France, Italy and Luxembourg. The Group is rolling out its integrated commercial & personal banking model across several Mediterranean countries, Turkey, and Eastern Europe. As a key player in international banking, the Group has leading platforms and business lines in Europe, a strong presence in the Americas as well as a solid and fast-growing business in Asia-Pacific. BNP Paribas has implemented a Corporate Social Responsibility approach in all its activities, enabling it to contribute to the construction of a sustainable future, while ensuring the Group's performance and stability.



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Notes

* Excluding retreated items, i.e. at constant scope, constant exchange rates and excluding other one-off results.

¹ Loans and receivables due from customers excluding securities and reverse repos and including Arval's rental fleet.

² Amounts due to customers excl. repurchase agreements ('repos').

³ Including Belgian subsidiaries (including the Arval's rental fleet in Belgium).

⁴ Including Belgian subsidiaries (excluding the Arval's rental fleet in Belgium).

⁵ Commercial & Personal Banking in Belgium scope, excluding Assets under Administration (AuA).

⁶ Cost of risk on average outstanding loans over the period.

⁷ On a non-consolidated basis.

⁸ Variances are calculated as follows:

- $c = a - b$
- $d = c / b$
- $g = (a - e) - (b - f)$
- $h = g / (b - f)$

⁹ Retreated items for the Profit and Loss account relate to the following elements:

- Adjustments for constant exchange rates, mainly related to the Turkish lira depreciation.
- Adjustments for constant scope, including mainly (1) the entry into scope and full consolidation of (i) Creation Financial Services and Creation Consumer Finance, acquired by Alpha Credit, as from 1 April 2023, (ii) Terberg, acquired by Arval, as from 1 December 2022 and (iii) a Belgian branch newly created by BNP Paribas Asset Management as from Q1 2023, and (2) the change of consolidation from equity-method to full consolidation of Arval Relsa and its subsidiaries after the acquisition of the residual 50% of the shares of Arval Relsa.
- Other one-off results, mainly related to (1) in 2022, (i) the first consolidation impact of Demetris (Belgian entity) in Q1 2022, (ii) the badwill recognised on bpost bank in Q1 2022, (iii) the cost of risk adjustment related to bpost bank in Q1 2022, (iv) the positive impact of the merger of a BNPP-AM Indian subsidiary in Q2 2022, (2) in 2022 and 2023, (v) the transformation, restructuring & adaptation costs and (vi) the remaining non-operating income, and associated corporate income taxes and minority interests, and (3) in 2023 (vii) the realised gain on the sale of a building owned by BGL BNP Paribas in Q4 2023 (sale and lease-back transaction).

¹⁰ The structure of the consolidation scope includes:

- **"BNP Paribas Fortis"**: mainly the legal entity BNP Paribas Fortis and some smaller subsidiaries, mostly located in Belgium, of which bpost bank and legal entities of the Factoring and Private Equity businesses;
 - Main businesses are Commercial & Personal Banking in Belgium and Corporate & Institutional Banking.
- **"BGL BNP Paribas"**: mainly the legal entity BGL BNP Paribas (50% ownership) and some smaller subsidiaries, mainly located in Luxembourg;
 - Main business includes Commercial & Personal Banking in Luxembourg.
- **"Turk Ekonomi Bankasi"**: mainly the legal entity Turk Ekonomi Bankasi ("TEB") (49% ownership) and some smaller subsidiaries, mainly located in Turkey;
- **"Specialised Businesses"**: all legal entities of **Arval** (100% ownership), **Leasing Solutions** (25% ownership) and **Personal Finance** (100% ownership).
 - Personal Finance legal entities include: Alpha Credit, located in Belgium, and, since 1 April 2023, Creation Financial Services and Creation Consumer Finance, located in the United Kingdom.

"Other": mainly participations consolidated in equity method, mainly AG Insurance located in Belgium (25% ownership), BNP Paribas Bank Polska located in Poland (24% ownership) and BNP Paribas Asset Management with international activities (33% ownership).

