Press Release

27.03.2025

Helaba achieves sharp rise in net earnings in 2024 to € 767 million before tax - new all-time high

- Pre-tax profit increases by a substantial 6.3 percent to € 767 million (FY 2023: € 722 million)
- Further growth in operating income to € 2,916 million (+1.2 percent), net fee and commission income rises by a disproportionately strong 7.9 percent to € 578 million
- Net interest income declines slightly by 2.4 percent to € 1,797 million
- General and administrative expenses up 5.1 percent to € 1,798 million due to investments in modernising IT infrastructure and in growth initiatives
- Cost of risk provisioning falls to € -351 million (FY 2023: € -448 million) - Loan loss provisions in Real Estate below previous year
- CET1 ratio at 14.2 percent (FY 2023: 14.7 percent) following changes to Group's capital composition
- Return on equity of 7.3 percent slightly improved (FY 2023: 7.2 percent), cost/income ratio at 61.7 percent (FY 2023: 59.4 percent)
- Despite challenging business environment, Helaba expects to generate a net profit in 2025 only marginally lower than in 2024 and reaffirms its medium-term goal of achieving a sustained pre-tax profit of over € 1 billion

Frankfurt am Main – For the third year in a row, Helaba Landesbank Hessen-Thüringen has achieved a new best-ever result. In the 2024 financial year, the consolidated profit before tax rose by 6.3 percent to € 767 million (FY 2023: € 722 million). Both significant growth in net fee and commission income as well as a reduced burden from loan loss provisions in the real estate activities were the principal factors behind this success.

"This is now the third consecutive year in which we have recorded our best-ever results, to which all business segments have made a positive contribution. The significant rise in net fee and commission income is very encouraging. Our strategy of focusing more closely on non-interest bearing activities has proven to be successful. In addition, we were able to reduce loan loss provisions in our real estate business. We continue to invest in our future, our IT infrastructure, AI projects and other growth initiatives", says Thomas Groß, Helaba's CEO.

Helaba once again posted an increase in operating income. **Net fee and commission income** rose by a significant 7.9 percent to € 578 million (FY 2023: € 536 million). As part of the non-interest-bearing activities, the **result from investment property** grew to a welcome € 289 million (FY 2023: € 207 million). In part, this was due to the absence of depreciation that was a burden on the previous year's result. Among other things, recoveries in portfolio property values were responsible for the significant increase in this item's net earnings. In contrast, the **result from fair value measurement** fell due to negative valuation effects to € 96 million (FY 2023: € 207 million). **Net interest income** declined slightly to € 1,797 million (FY 2023: € 1,840 million), which is also a reflection of changes in the monetary policy environment.

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Helaba continues to invest in growth. For this reason, **general and administrative expenses** increased to € 1,798 million in 2024 (FY 2023: € 1,711 million). This rise was mainly related to modernising the IT infrastructure and investments in growth initiatives. Higher personnel expenses reflect a further expansion in the headcount as well as recent adjustments to the collective bargaining agreement. The absence of the bank levy, however, had a positive impact.

Net additions to **loan loss provisions** fell by 21.8 percent to € -351 million (FY 2023: € -448 million). Lower risk provisioning was driven by a stabilisation in the real estate market, especially in commercial segments. At the same time, higher loan loss provisions in the Corporates & Markets segment were attributable to a small number of isolated exposures involving challenges for specific companies.

Thomas Groß is confident that Helaba is well prepared for the future: "We continue to live in challenging times due to ongoing geopolitical conflicts, heightening uncertainty arising from the new US administration and the weakness of the German economy. This contrasts with the fact that inflation has meanwhile fallen, and that the ECB has recently made several adjustments to its key interest rates. We are also registering a stabilisation on the real estate market, especially in commercial segments of importance to us. With our diversified business model geared towards long-term sustainable growth, we are ideally positioned for 2025. Despite formidable economic and geopolitical challenges, we expect to generate a pre-tax profit only marginally lower than in the previous financial year. In the medium term, we still anticipate a sustained net profit before taxes of over € 1 billion."

Summary of key figures for FY 2024

As a result of the change to Helaba's capital composition, the **CET1 ratio** stood at 14.2 percent at the end of 2024 (FY 2023: 14.7 percent), which was still considerably above regulatory minimum requirements.

At 7.3 percent, **return on equity** slightly improved in 2024 (FY 2023: 7.2 percent).

The **cost/income ratio** was 61.7 percent (FY 2023: 59.4 percent).

Other comprehensive income rose significantly to € 152 million after a previous year dominated by impairment losses (FY 2023: € 103 million).

Consolidated net profit after tax rose to € 526 million (FY 2023: € 466 million).

The **Group's total assets** fell slightly to € 200.6 billion (FY 2023: € 202.1 billion).

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Segment report

The **Real Estate** segment returned to making a positive contribution to net profit of € 93 million before tax (FY 2023: € -241 million). The additions to loan loss provisions stood at € -158 million (FY 2023: € -556 million). There was a marginal, volume-related fall in net interest income compared to the previous year, which amounted to € 429 million (FY 2023: € 442 million). New medium and long-term business fell by a substantial 9.2 % year-on-year to € 3.9 billion. This was principally a result of more selective origination and a generally lower level of activity on real estate markets.

The result before tax in the **Corporates & Markets** segment declined to € 142 million (FY 2023: € 409 million). Due to a small number of isolated exposures involving challenges for specific companies, additions to loan loss provisions rose to € -123 million (FY 2023: € 13 million). At € 571 million, net interest income was below the previous year's figure (FY 2023: € 632 million), which was mainly driven by changes in the interest rate environment. The result from fair value measurement of € 31 million (FY 2023: € 83 million) was also down on the prior period.

In the segment of **Retail & Asset Management**, the net profit before tax stood at € 447 million and was thus 21.4 percent above the preceding financial year (FY 2023: € 368 million). In particular, this segment benefited from growth in the result from investment property to € 289 million (FY 2023: € 207 million), which was primarily generated by the GWH subsidiary. Net interest income rose to € 421 million (FY 2023: € 410 million), while net fee and commission income was higher at € 313 million (FY 2023: € 294 million), the main drivers of which were Frankfurter Sparkasse and Frankfurter Bankgesellschaft (FBG).

WIBank achieved a result before tax of € 62 million (FY2023: € 57 million). WIBank performs essential development funding activities for the German state of Hesse. In addition to the promotional loan business, which generates a corresponding net interest income, as a service provider WIBank is also responsible for fulfilling additional tasks mandated by the State of Hesse and other public sector authorities.

Pre-tax earnings in the **Other** segment (incl. consolidation) amounted declined markedly to € 24 million (FY 2023: € 129 million). Among other things, this was due to a lower result from fair value measurement and a post-model adjustment for geopolitical risks.

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Income Statement of Helaba Group under IFRS as of 31 December 2024

	01.01.-31.12.2024	01.01.-31.12.2023	Change	
	In EUR (millions)	In EUR (millions)	In EUR (millions)	In %
Net interest income	1,797	1,840	(43)	(2.4)
Provisions for losses on loans and advances	(351)	(448)	98	21.8
Net interest income after provisions for losses on loans and advances	**1,446**	**1,392**	**54**	**3.9**
Net fee and commission income	578	536	42	7.9
Result from investment property	289	207	81	39.1
Result from fair value measurement	96	207	(111)	(53.8)
Share of profit or loss of equity-accounted entities	5	-13	18	>100
Other net operating income	152	103	49	47.3
General and administrative expenses (incl. scheduled depreciation and amortisation)	(1,798)	(1,711)	(87)	(5.1)
Consolidated net profit before tax	**767**	**722**	46	6.3

Net earnings by segment

	31.12.2024	31.12.2023	Change
	In EUR (millions)	In EUR (millions)	In %
Real Estate	93	(241)	n.a.
Corporates & Markets	142	409	(65.4)
Retail & Asset Management	447	368	21.5
WIBank	62	57	9.1
Other (incl. consolidation)	24	129	(81.4)
Consolidated net profit before tax	**767**	**722**	**6.3**

Key indicators

	2024	2023
	In %	In %
Cost/income ratio	61.7	59.4
Return on equity (before tax)	7.3	7.2

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	2024	2023
	In %	In %
CET1 ratio	14.2	14.7
Total capital ratio	19.0	18.7
Leverage ratio	5.2	4.9

Helaba's rating

	Moody's	Fitch
Issuer default rating	Aa2	A+
Short-term rating	P-1	F1+
Public-sector Pfandbriefe	Aaa	-
Mortgage Pfandbriefe	Aaa	-

Detailed information on the Group's overall and segment performance can be found at:
Helaba - IR at a glance

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About Helaba:

One of the leading banks in the German financial centre of Frankfurt, the Helaba Group employs approximately 6,600 people and has total assets of EUR 201 billon. It offers a complete range of financial services from a single source for corporates, banks and institutional investors. A sustainable approach to business has long been firmly embedded in Helaba's business model and is also in keeping with our public service remit. The aim is to support its clients in their own transformation towards a sustainable world with a range of professional ESG

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advisory services and tailor-made financing solutions. Helaba provides innovative, high-quality financial products and services for the Sparkassen. It serves as the Sparkasse central bank for Hesse, Thuringia, North Rhine-Westphalia and Brandenburg, making Helaba a strong partner for some 40 percent of Germany's Sparkassen. Helaba is also the regional market leader in retail banking through its subsidiary Frankfurter Sparkasse and has a presence in direct banking through 1822direkt. Landesbausparkasse Hessen-Thueringen, Helaba's independent home loans and savings division, uses the Sparkassen as sales partners and is the market leader in both Hesse and Thuringia. WIBank, which comes under Helaba's Public Development and Infrastructure business unit, supports development programmes for the State of Hesse. Helaba also engages in many areas of public life by sponsoring ground-breaking cultural, educational, environmental, sporting and social projects.

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