Press Release

22.08.2024

Helaba sustains growth momentum in H1 2024 with double-digit rise in earnings to € 413 million

- Consolidated net profit before tax increases by 22.8 percent to € 413 million (H1 2023: € 336 million)
- Helaba's diversified business model generates constant positive growth, even in challenging cycles
- Operating income in first six months rises significantly to € 1,470 million (+ 12.1 percent)
- Net fee and commission income improves to € 272 million (H1 2023: € 259 million)
- Net interest income of € 907 million remains on high level (H1 2023: € 817 million)
- Considerably higher investments in modernising IT infrastructure and in growth initiatives reflected in general and administrative expenses
- Loan loss provisions of € 173 million elevated in line with expectations
- CET1 ratio climbs to 14.2 percent (30 June 2023: 13.9 percent)
- Return on equity higher at 8.5 percent (30 June 2023: 8.1 percent) while cost/income ratio improves to 58.1 percent (30 June 2023: 61.0 percent)
- Helaba reaffirms guidance for 2024: Full-year result at previous year's level

Frankfurt am Main – In the first half of 2024, the Helaba Group achieved a sharp 22.8 percent rise in its consolidated net profit before tax to € 413 million (H1 2023: € 336 million), reaffirming its forecast of generating a full-year result on a par with the previous financial year. This strong performance largely reflects tangible growth in the Group's operating income.

"We closed out the first half of 2024, in which we continued to face a challenging economic environment, with a very encouraging result. Earnings from operating activities continued to increase, while further growth in non-interest bearing business was also a welcome development. My tremendous gratitude goes to all our members of staff who work every day to make this success possible," remarked Thomas Groß, Helaba's CEO, on the Group's results. "Our well-diversified business model forms the basis for steady and positive growth. In order to maintain this positive trend, we continue to make strategically targeted investments in our growth initiatives and our IT infrastructure."

Net interest income increased significantly to € 907 million (H1 2023: € 817 million). With the interest rate environment that remains favourable, deposit-taking activities generated a positive result. Income from investing the Group's own funds and from interest rate management activities by the treasury department also made a substantial contribution to growth in net interest income. Furthermore, the Group managed to raise margins on new lending business. **Net fee and commission income**, which rose to € 272 million (H1 2023: € 259 million), benefited from the strong performance of cash management, securities and custodian business as well as asset management. There was a noticeable improvement in the **result from investment property** to € 131 million (H1 2023: € 86 million), while the **result from fair value**

measurement declined as expected to € 78 million (H1 2023: € 99 million). Net income from trading activities, which is included in the latter item, increased to € 65 million (H1 2023: € 51 million). Considerably higher investments in modernising the Group's IT infrastructure and in growth initiatives, as well as lower costs due to the absence of the bank levy, are reflected in **general and administrative expenses** of € -884 million (H1 2023: -867 million).

As anticipated, **net additions to loan loss provisions** of € -173 million (H1 2023: -108 million) remained on an elevated level. This figure includes burdens from real estate activities and specific corporate banking counterparties.

Thomas Groß looks to the full year with confidence: "A significant factor is persistent uncertainty in respect of the economy, not only in Germany. In addition, ongoing geopolitical tensions, combined with a still restrictive monetary policy and the resulting high financing costs, are having an impact on the capital and real estate markets," says Groß. "However, over the medium term, we feel that the opportunities outweigh the risks. Moreover, our broadly diversified business model that is geared towards stable growth means we are ideally positioned on the markets in which we operate. We remain confident that full-year earnings for 2024 will be in line with last year. In the medium term, we expect to achieve a sustainable consolidated profit before tax in excess of € 750 million."

Summary of key figures for H1 2024

Other income increased to € 75 million (H1 2023: € 46 million).

The **consolidated net profit after tax** climbed to € 298 million (H1 2023: € 241 million).

The **CET1 ratio** improved to 14.2 percent (30 June 2023: 13.9 percent).

The **cost/income ratio (CIR)** reached 58.1 percent (30 June 2023: 61.0 percent).

Return on equity (RoE) improved to 8.5 percent (30 June 2023: 8.1 percent).

Total Group assets amounted to € 206.1 billion (31 December 2023: € 202.1 billion).

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Segment report

Pre-tax earnings in the **Real Estate** segment of € 93 million were significantly higher than in the previous year (H1 2023: € -25 million) thanks to lower burdens from loan loss provisions. Net interest and net fee and commission income remained stable. Net additions to risk provisioning stood at € -49 million (H1 2023: € -173 million).

The contribution to earnings from the **Corporates & Markets** segment fell to € 41 million (H1 2023: € 183 million). Net interest income declined slightly to € 270 million (H1 2023: € 288 million). Compared to the relatively low level in the previous year, additions to loan loss provisions increased to € -107 million (H1 2023: € -10 million) due to defaults of individual exposures. Net trading income in the segment amounted to € 60 million (H1 2023: € 51 million). The result from fair value measurement (non-trading) fell to € -2 million (H1 2023: € 18 million) as a result of negative valuation effects.

The **Retail & Asset Management** segment saw a marked jump in earnings to € 223 million (H1 2023: € 163 million). An increase in net interest income to € 206 million (H1 2023: € 197 million) was largely generated by Frankfurter Sparkasse. Net fee and commission income grew to € 154 million (H1 2023: € 142 million) and was primarily driven by Frankfurter Sparkasse, Helaba Invest and Frankfurter Bankgesellschaft. The result from investment property of € 131 million was almost entirely attributable to GWH.

With a pre-tax profit of € 26 million (H1 2023: € 29 million), **WIBank's** contribution to the Group's net earnings was virtually unchanged from the previous year. 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.

In the **Other** segment, net income before tax of € 20 million was considerably higher than in the same period last year (H1 2023: € -15 million). An increase in net interest income to € 183 million (H1 2023: € 98 million), which was chiefly related to investments of the Group's own funds and to interest rate management activities, was a key factor in this result. Total risk provisioning in this segment returned to a normal level of € -8 million (H1 2023: € +66 million).

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Income Statement of Helaba Group under IFRS as of 30 June 2024

	01.01.-30.06.2024	01.01.-30.06.2023	Change	
	In EUR (millions)	In EUR (millions)	In EUR (millions)	In %
Net interest income	907	817	90	11.0
Provisions for losses on loans and advances	(173)	(108)	(64)	(59.4)
Net interest income after provisions for losses on loans and advances	734	709	26	3.6
Net fee and commission income	272	259	13	5.1
Result from investment property	131	86	46	53.5
Result from fair value measurement	78	99	(21)	(21.2)
Share of profit or loss of equity-accounted entities	6	4	2	48.8
Other net operating income	75	46	28	61.1
General and administrative expenses (incl. scheduled depreciation and amortisation)	(884)	(867)	(17)	(2.0)
Consolidated net profit before tax	413	336	77	22.8

Net earnings by segment

	30.06.2024	30.06.2023	Change
	In EUR (millions)	In EUR (millions)	In %
Real Estate	93	(25)	>100.0
Corporates & Markets	41	183	(77.6)
Retail & Asset Management	223	163	37.2
WIBank	26	29	(10.9)
Other (incl. consolidation)	30	(14)	>100.0
Consolidated net profit before tax	**413**	**336**	**22.8**

	30.06.2024	31.12.2023	Change
	In EUR (billions)	In EUR (billions)	In EUR (billions)
Balance sheet total	206.1	202,1	4.0

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Key indicators

	01.01. - 30.06.2024	01.01. - 30.06.2023
	In %	In %
Cost-income ratio	58.1	61.0
Return on equity (before tax)	8.5	8.1

	30.06.2024	30.06.2023
	In %	In %
CET1 ratio	14.2	13.9
Total capital ratio	18.0	17.8
Leverage ratio	4.9	4.5

Helaba's ratings

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

*based on joint group rating for the S-Group Hesse-Thuringia

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 206 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 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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