



Meaningful & inspiring for
Belgian society. Together.

Belfius Results FY 2023

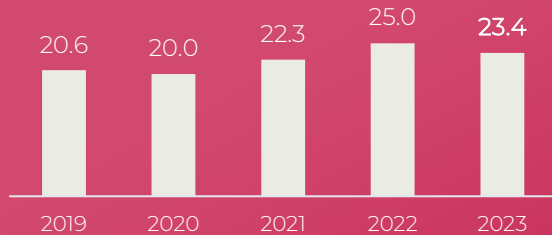
Analyst Conference
01.03.2024

Please note that the accounts 2023 will be finally validated by the Board of Directors on 21 March 2024.



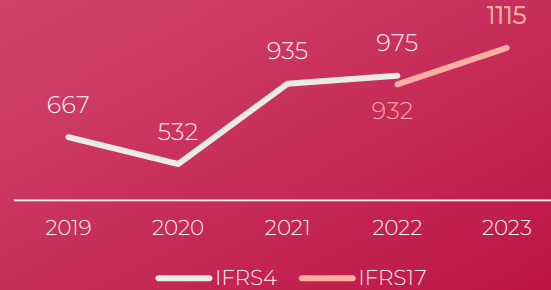
Capacity to continue to transform strategy in solid financials

LT loan production (in bn€)



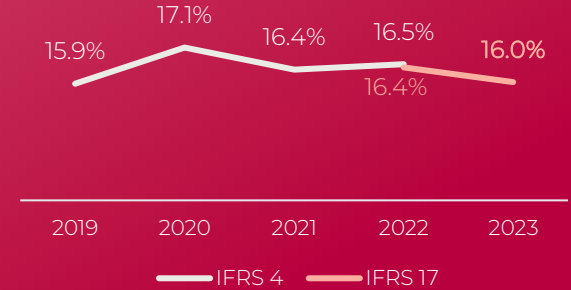
Commercial dynamics
benefitting from
diversification strategy

Net Income (group share, in m€)



Excellent financial
results

CET1 ratio (in %)



Sustained risk profile
and sound solvability

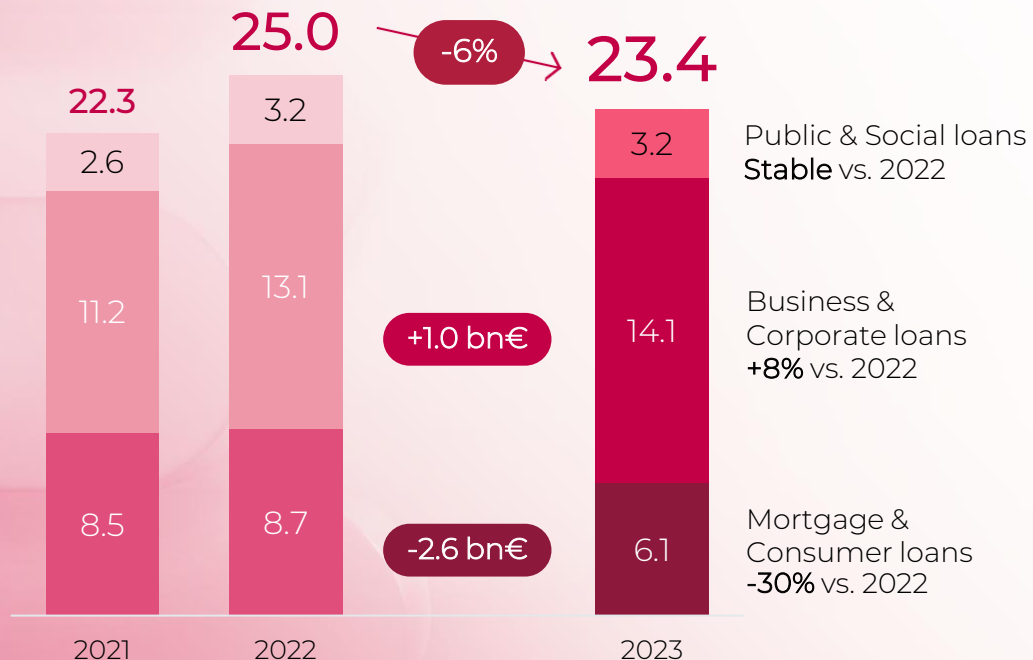
In a transforming macroeconomic, geopolitical and
inflationary context



Diversification
strategy supporting
Commercial
Dynamics

Corporate loan production was 2023 engine, mortgage loan production slowed down amid decrease of demand in Belgium

LT loan production (in bn€)



17.5%
Market Share Mortgage Loans¹

19.4%
Market Share Business Loans²

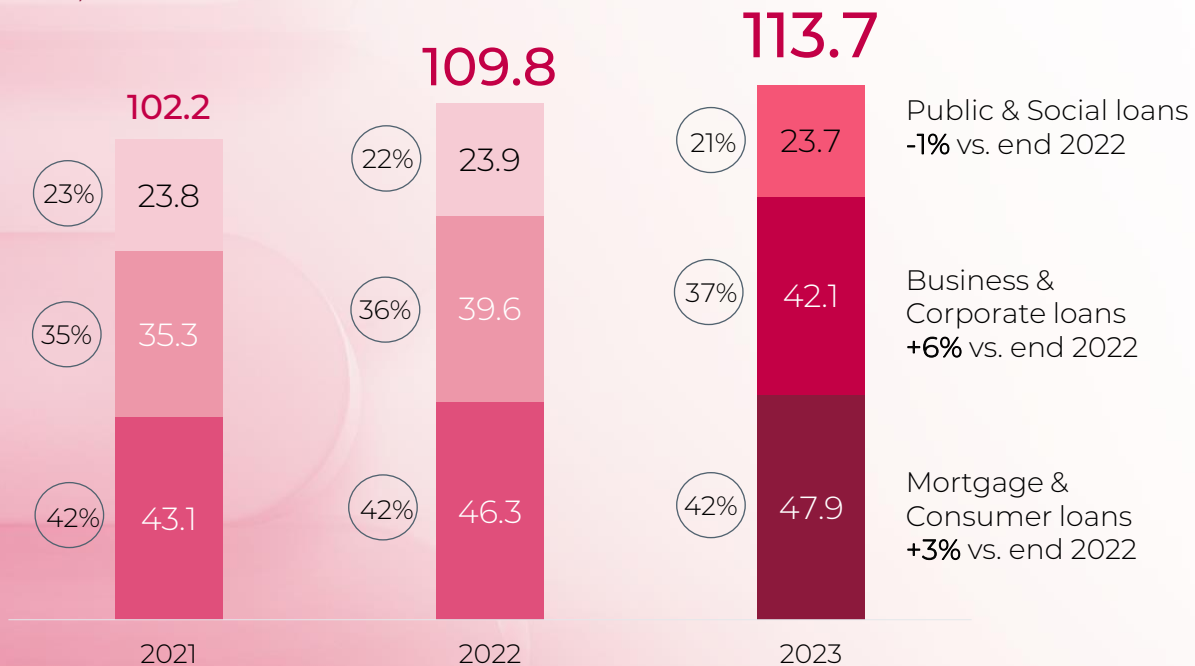
21.1%
Market Share Corporate Loans²

Note: 1. Calculation based on production per FY 2023. 2. Market share on outstanding loans per end 2023.



Belfius continues to diversify its commercial loan book to foster growth and support the Belgian society

Outstanding commercial loans
(in bn€)



% of total portfolio

Mortgage Loans

from 44.0 bn€ end 2022
to 45.4 bn€ end 2023

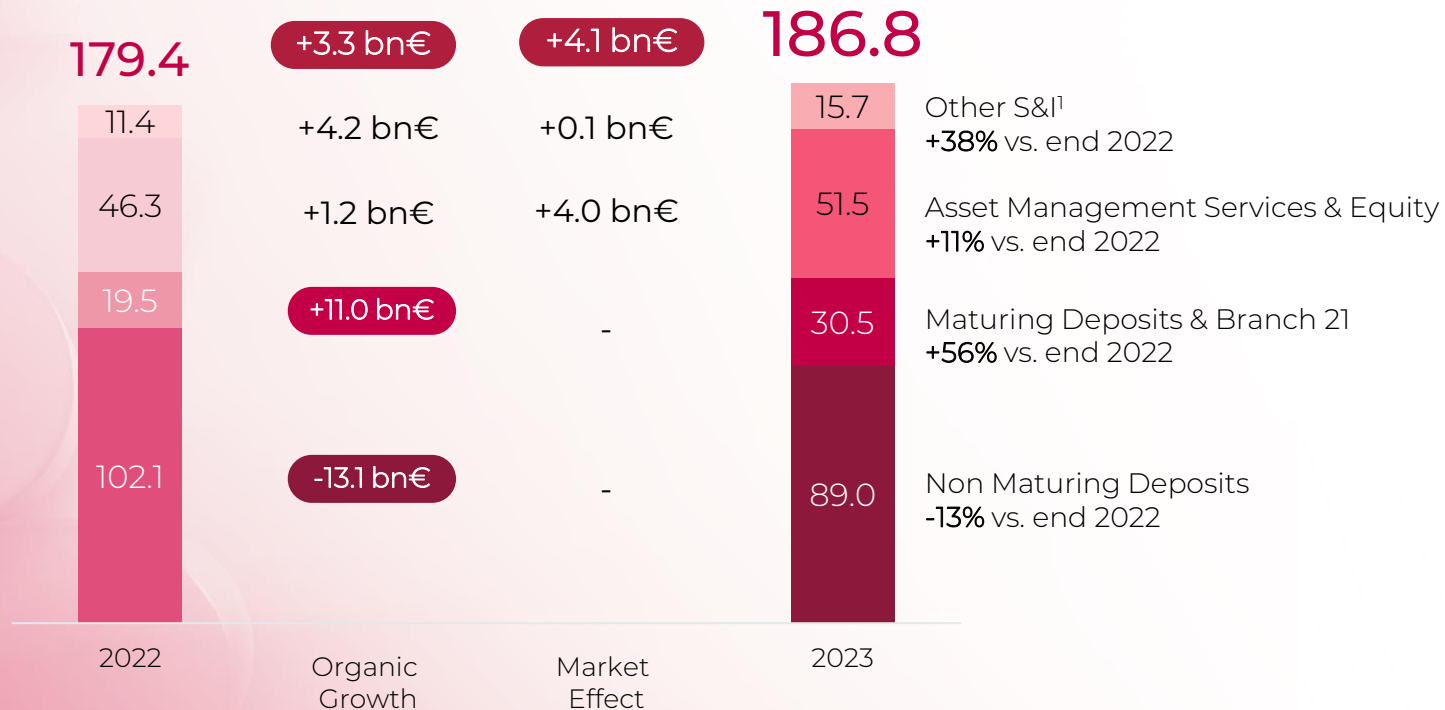
Corporate Loans

from 22.3 bn€ end 2022
to 24.2 bn€ end 2023



Continued funding profile change in new interest rate environment: solid growth in Maturing Deposits and Br21, material contraction in Non Maturing Deposits

Outstanding S&I
(in bn€)

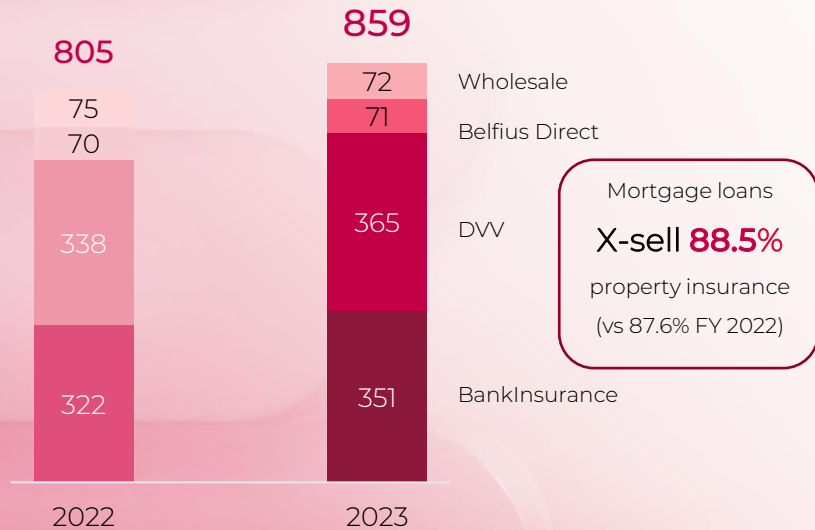


Note: 1. Other S&I consisting of Belfius' Commercial Paper, Pension Insurance and Third Party Products (excluding stock exchange), the latter including 2.5bn€ of 1Y Belgian government bond bought by Belfius' customers through Belfius' channels.

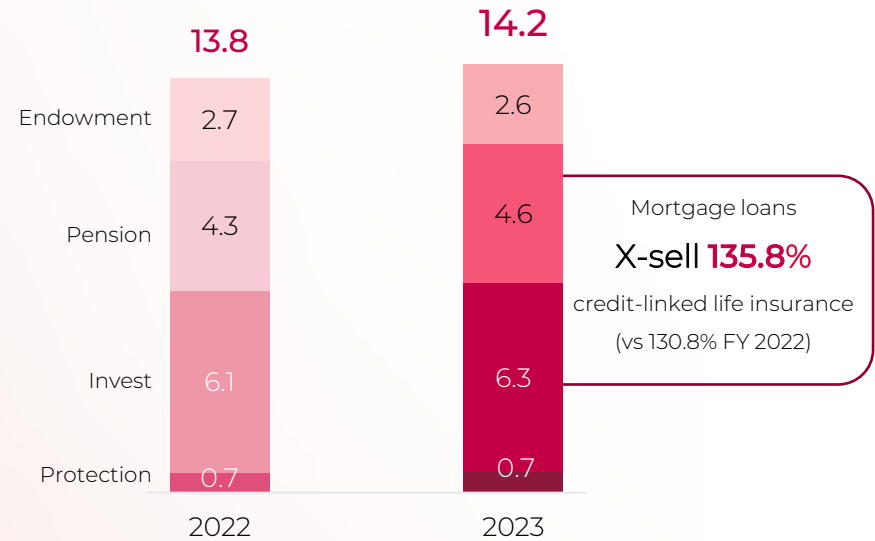


Belfius' insurance activities continue to grow with strong growth in Non-Life and revival of Branch 21 products

Non-Life & Health
GWP per channel (in m€)



Life Outstanding
per product type (in bn€)



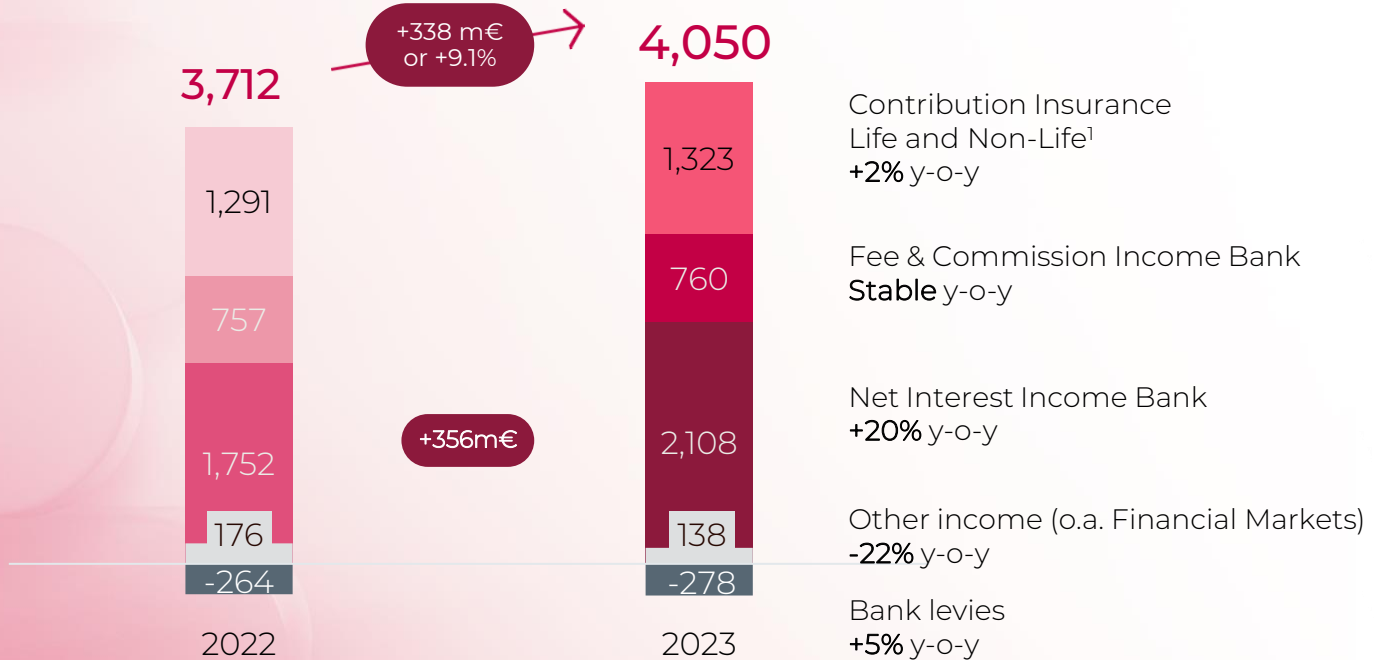


Excellent
Financial
Results

Solid growth of total income (+338 m€) mainly thanks to strong interest income

Total Income

Total income
(in m€)



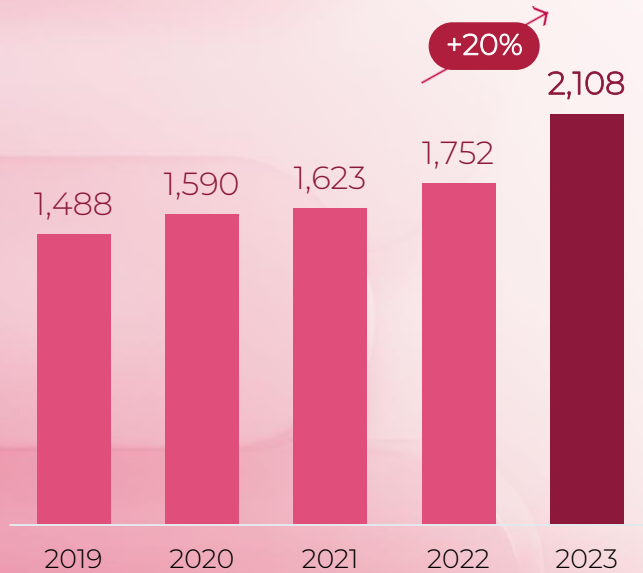
Note: 1. **Life Income** represents the Financial Income, Net Insurance Finance Result, Insurance Revenue, Net Commissions & Other Income allocated from Life Insurance contracts. **Non-Life & Health Income** represents the Financial Income, Net Insurance Finance Result, Insurance Revenue, Net Commissions & Other Income allocated from Non-Life & Health Insurance contracts.



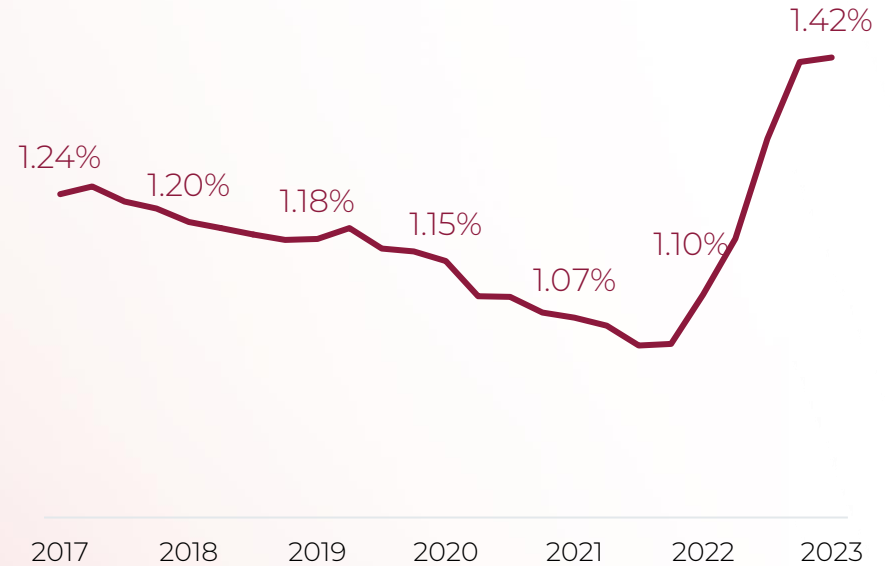
Strong increase of NIM, in new interest rate environment, after low for long era

NII

Net Interest Income
(in m€)



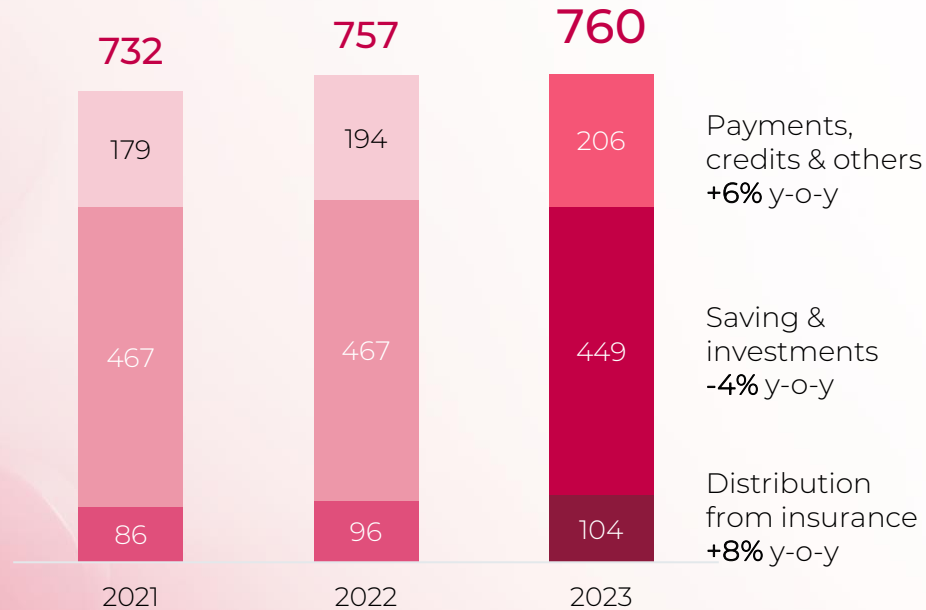
Net Interest Margin
(in %)



Stronger payment & insurance fee income lead to slightly increasing F&C income

F&C income

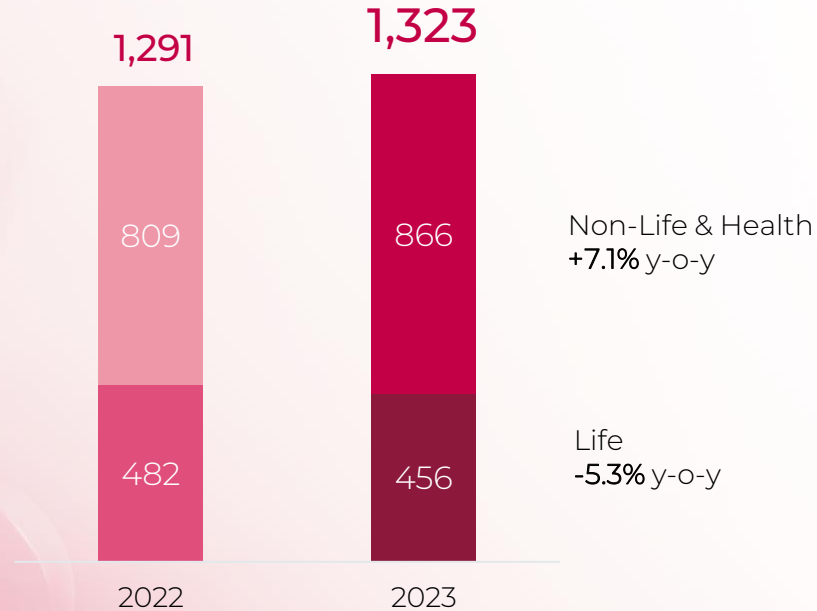
F&C Income
(in m€)



Non-Life income supported by continued P&C portfolio growth; Life income supported by higher insurance revenue, compensated by lower financial results

Contribution
Insurance

Insurance Income¹
(in m€)



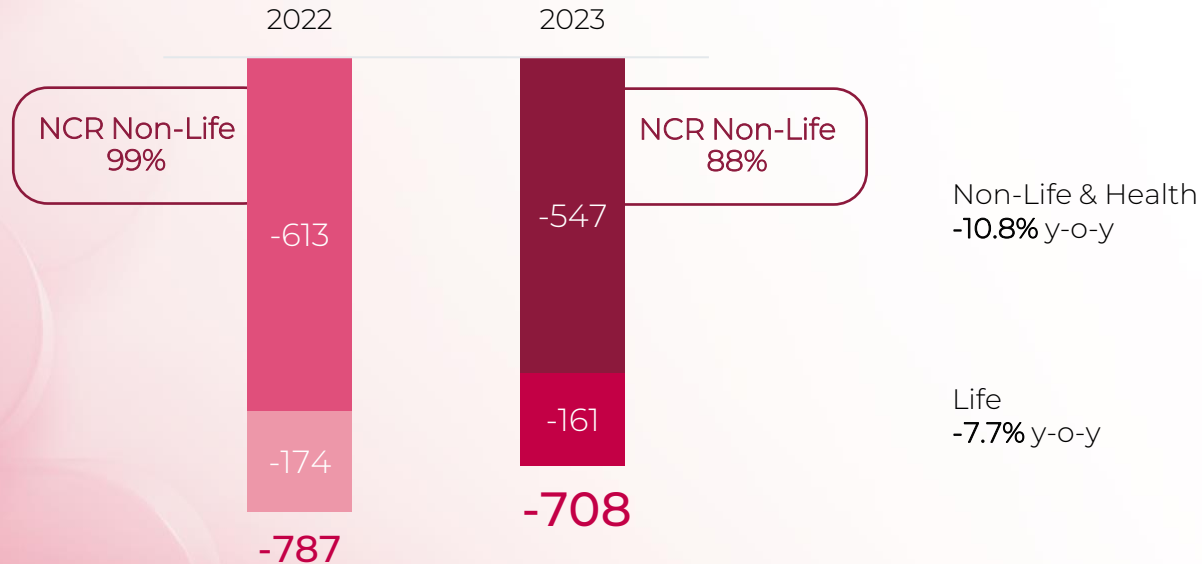
Note: 1. **Life Income** represents the Financial Income, Net Insurance Finance Result, Insurance Revenue, Net Commissions & Other Income allocated from Life Insurance contracts. **Non-Life & Health Income** represents the Financial Income, Net Insurance Finance Result, Insurance Revenue, Net Commissions & Other Income allocated from Non-Life & Health Insurance contracts.



Non-Life Insurance Service Expenses adjusted¹ supported by lower NatCat claims, lower inflation forecasts for Non-Life LIC² and some release of risk adjustment in 2023

Insurance Service Expenses adjusted

Insurance Service Expenses adjusted (in m€)



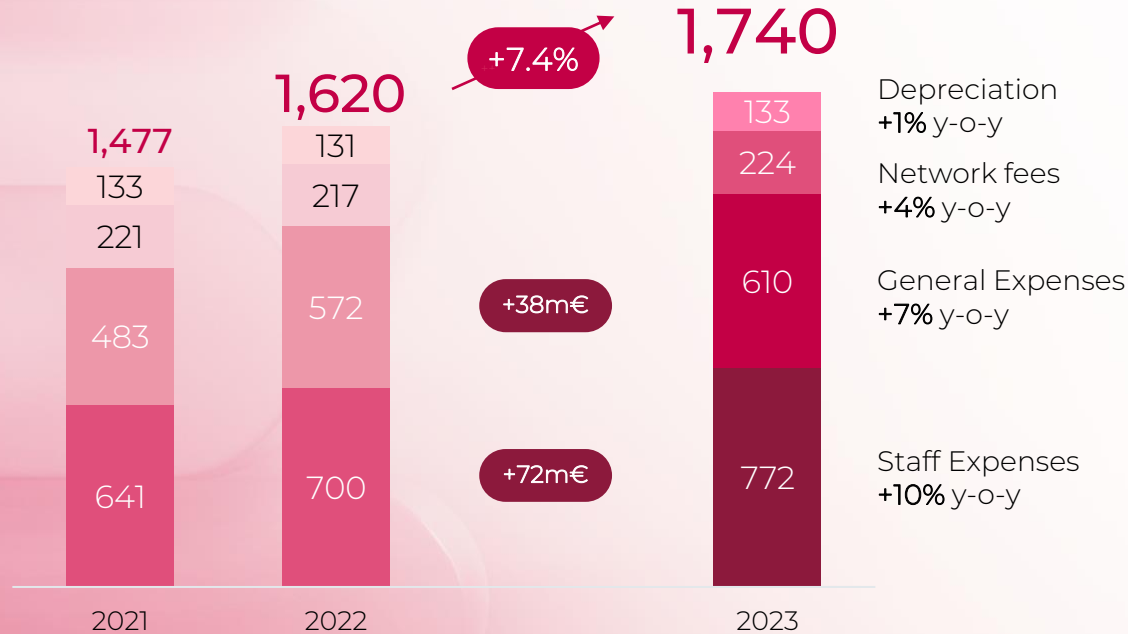
Note: 1. Insurance Service Expenses adjusted = Insurance Service Expenses + Net Reinsurance Result – directly attributable cost to insurance contracts. 2. LIC: Liability for Incurred Claims.



Costs¹ increasing due to inflationary pressures alongside continued investments in people, brand and digital

Costs

Costs
(in m€)



Cost growth mainly from:

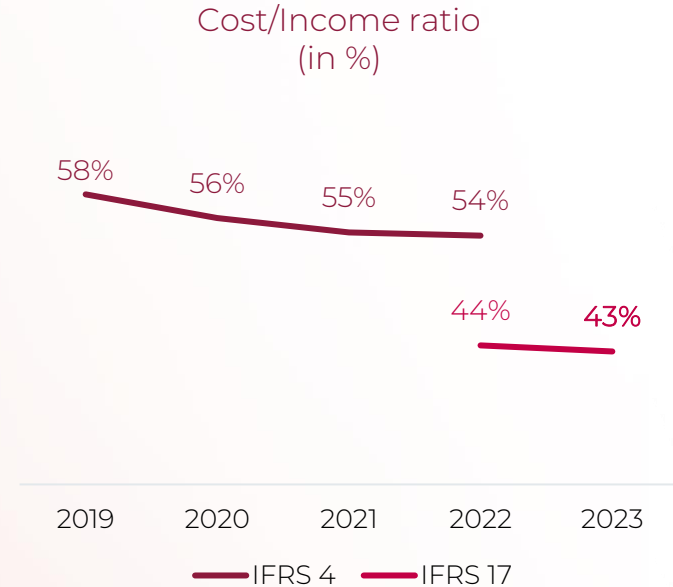
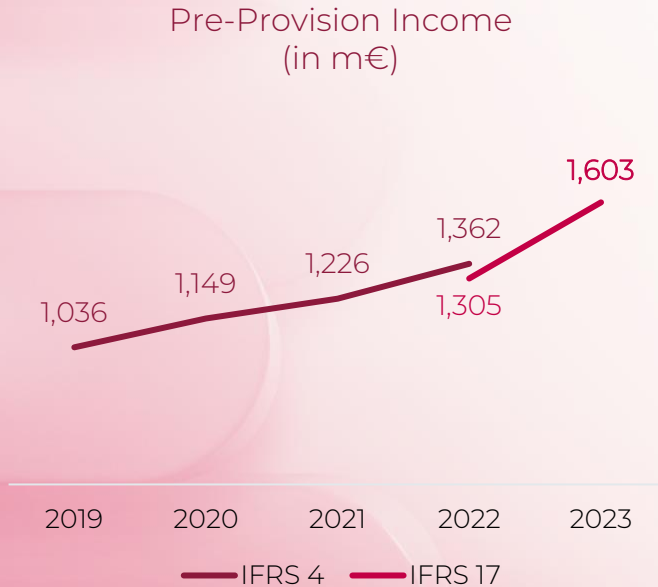
- Workforce increase² + 61m€
- Inflation & other impacts + 60m€

Note: 1. Including directly attributable costs for Insurance contracts. 2. Workforce costs only consider increase in number of people working for Belfius, whereas wage drift is included in inflation and other impacts.



Improving interest margin strongly supported pre-provision income growing further to 1,603 m€

Profitable growth



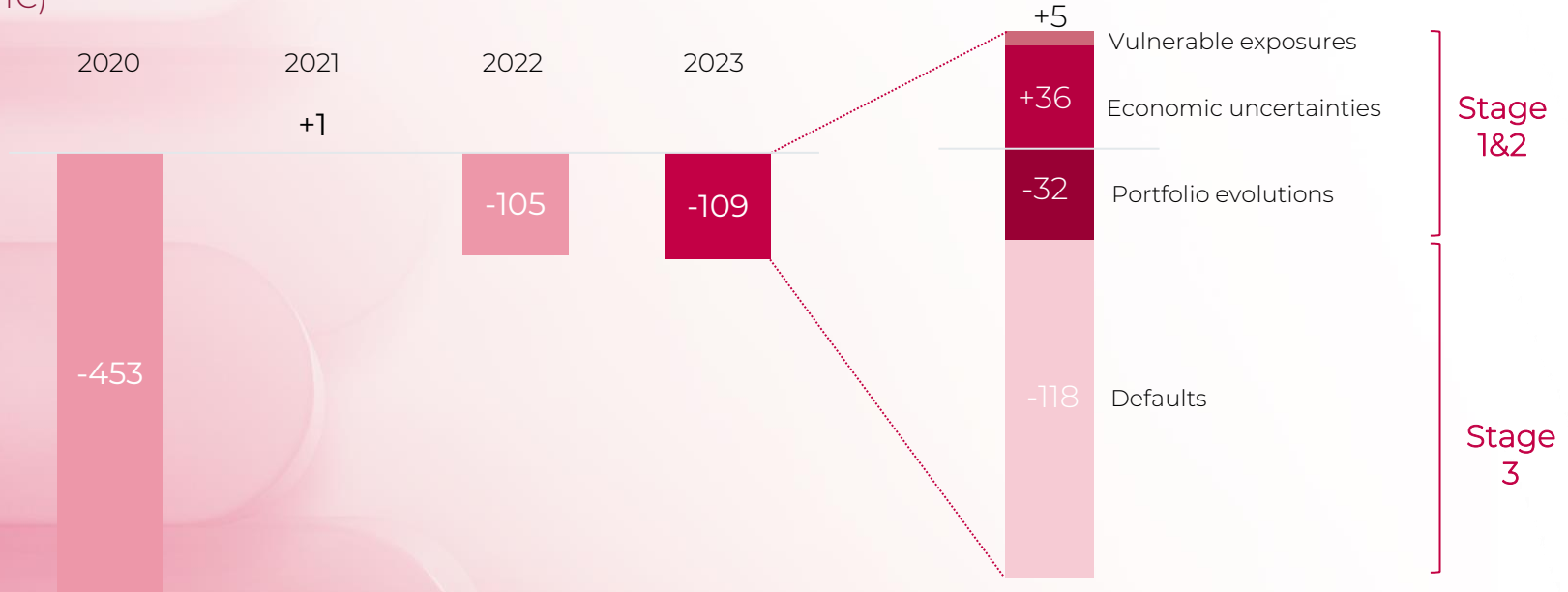


Continued solid risk,
liquidity & solvency profile

The cost of risk 2023 is primarily driven by net allowances to Stage 3

Cost of Risk

Cost of Risk
(in m€)



Partial release of overlay for economic uncertainties

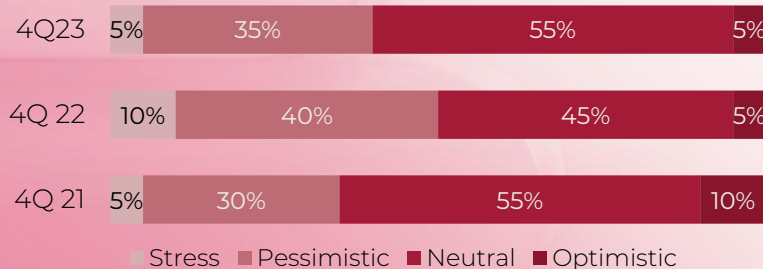
Return to moderate growth and normalized inflation takes a bit longer than anticipated last year

	As of end 2022			As of end 2023		
	2022	2023	2024	2023	2024	2025
GDP (% y-o-y)						
Belgium	2.8	0.1	1.6	1,5	1,2	1,4
Eurozone	3.0	0.0	1.5	0,5	0,9	1,5
United States	1.6	1.0	1.2	2,4	1,1	1,6

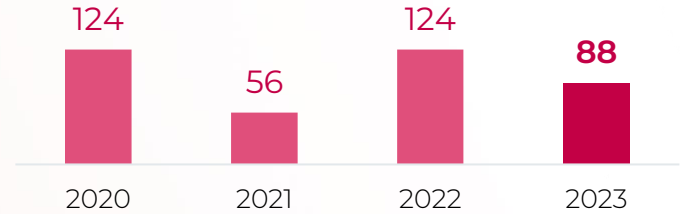
	As of end 2022			As of end 2023		
	2022	2023	2024	2023	2024	2025
CPI (% y-o-y)						
Belgium	10.4	6.1	3.0	2,6	4,7	2,1

The temporary methodology adjustments relating to the covid period have been fully removed in 2023

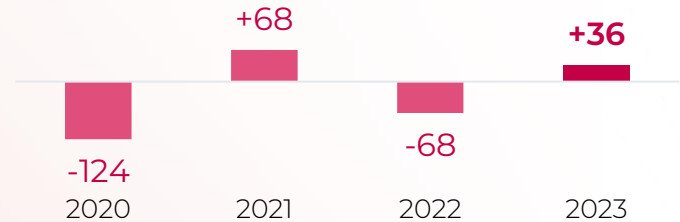
Lower weight is assigned to stress & pessimistic scenarios compared to 2022



Resulting stock of provision for economic uncertainties (in m€)

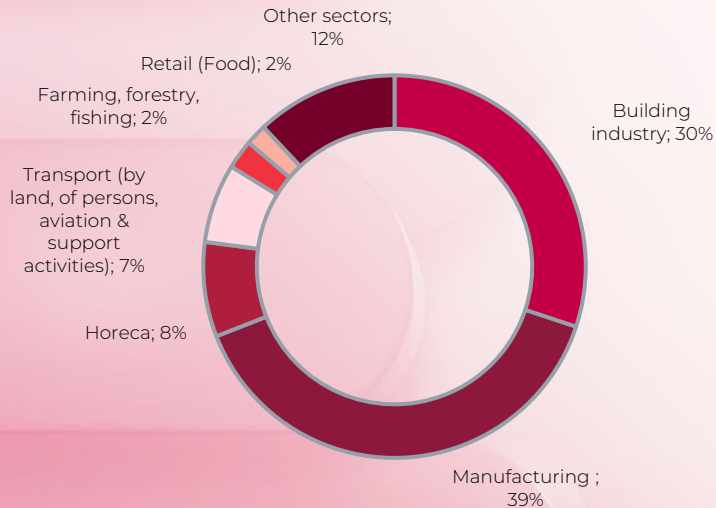


Cost of risk relating to economic uncertainties (in m€)



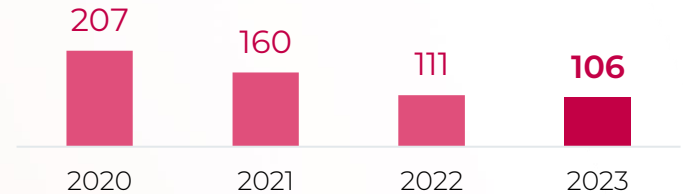
Slight release of overlay for vulnerable exposures

E&E exposures in scope “vulnerable”
(total : 6.5 bn€)

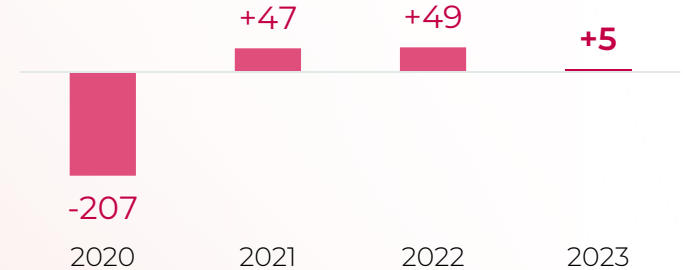


Note: 1. Others = sum of sectors representing less than 5%.

Resulting stock of provision for vulnerable exposures (in m€)

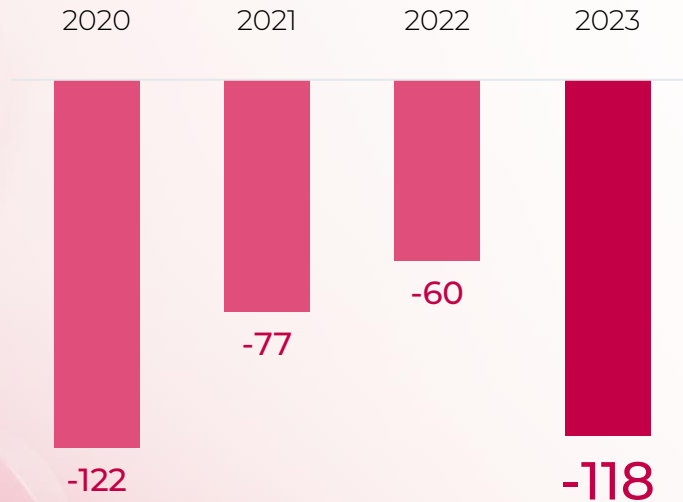


Cost of Risk relating to vulnerable exposures (in m€)



The stage 3 cost of risk normalizes; the increase in provisions for defaults is driven by SMEs & corporate exposures, especially in the real estate and construction sectors

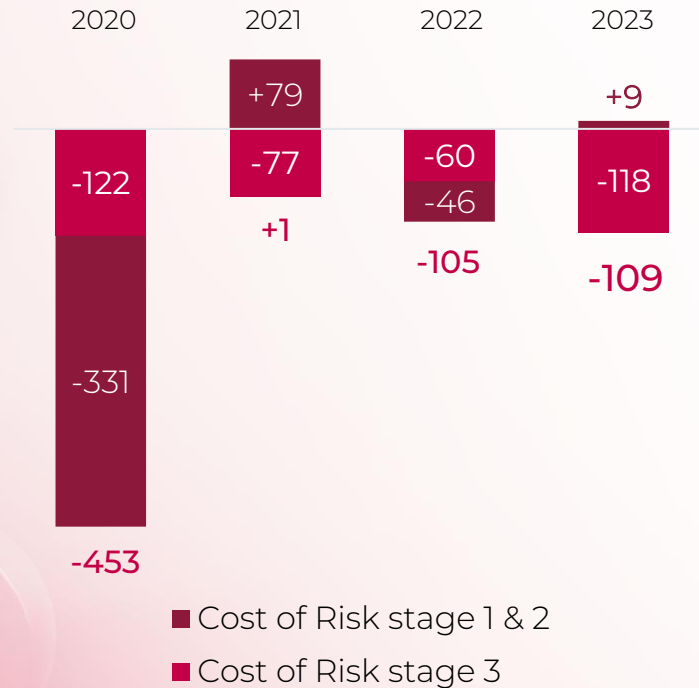
Cost of risk Stage 3
(in m€)



Overall, the cost of risk has been under control in 2023

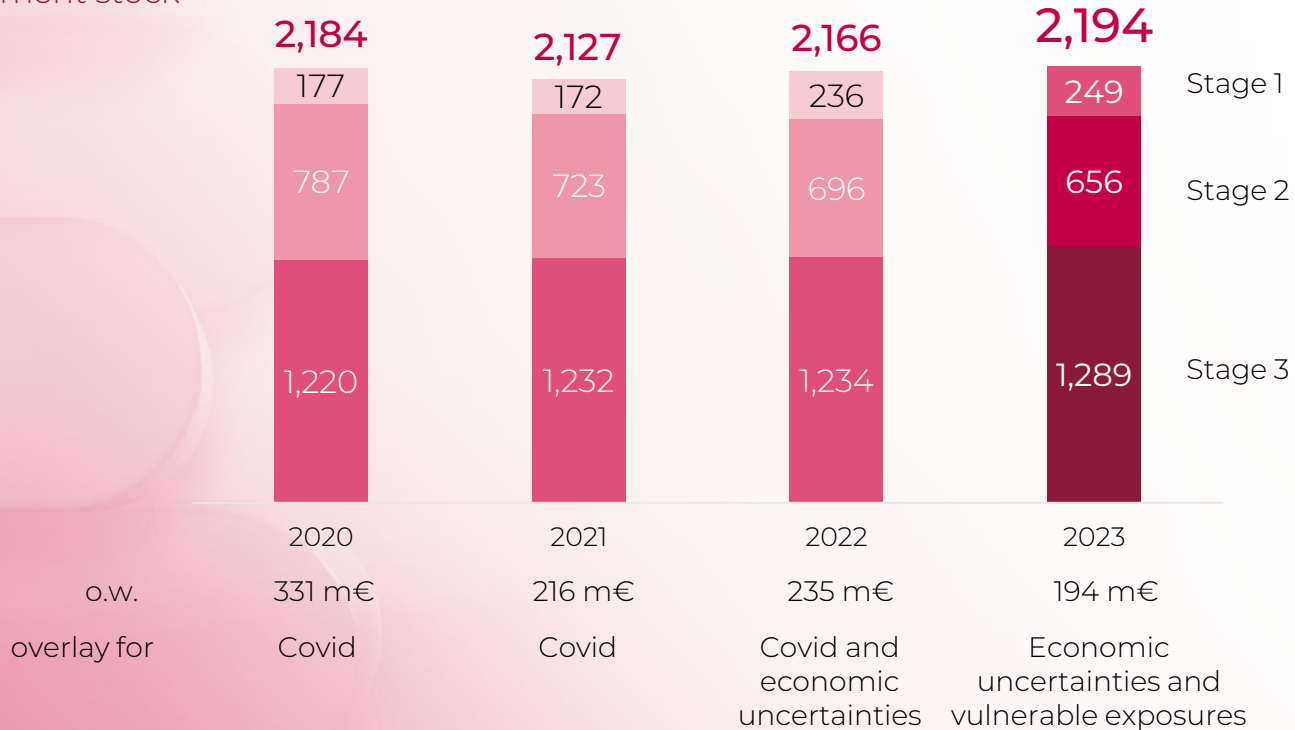
Cost of risk
(in m€)

Cost of Risk



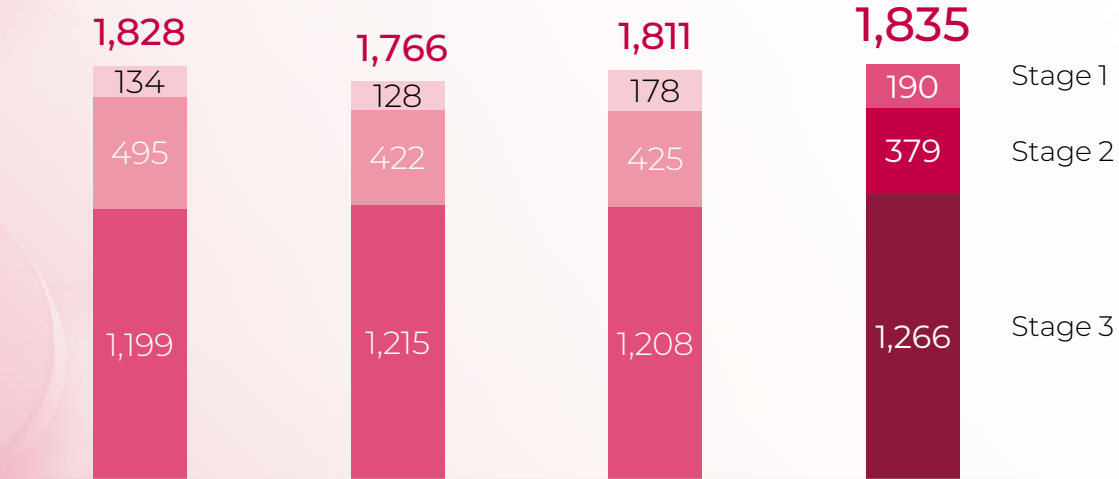
Belfius maintains a sound level of provisioning for credit risk, in a context of significant economic and geopolitical uncertainties

Total impairment stock
(in m€)



Belfius maintains a low NPL ratio and a strong coverage of stage 3 exposures

o.w. for loans to customers
(in m€)



	2020	2021	2022	2023
NPL ratio	2.02%	1.95%	1.82%	1.95%
Coverage ratio stage 3	60.0%	60.4%	59.6%	56.0%

Belfius is able to combine commercial growth with solid solvency & liquidity

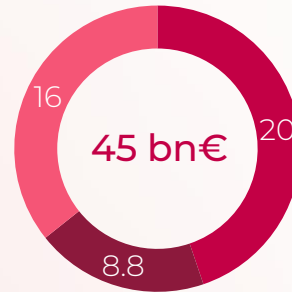
Liquidity & funding

LCR¹ of 139%

NSFR of 128%

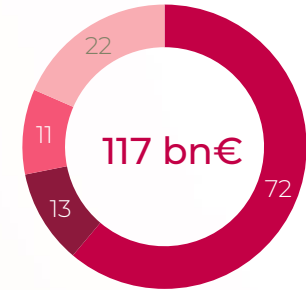
HQLA of 28 bn€

Total liquidity buffer
(in bn€)



- cash placed at central bank²
- liquid bonds³
- assets eligible for central bank funding

Commercial funding
(in bn€)



- Individuals
- Business
- Corporate
- Public

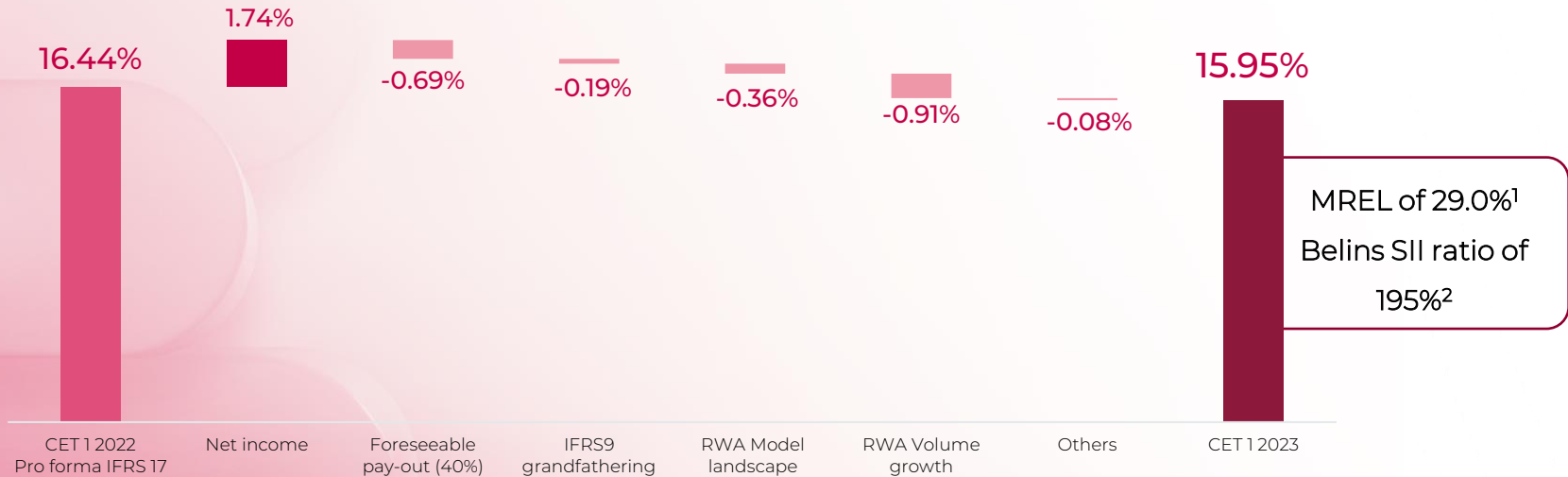
Note: 1. 12 months average; 2. consisting of HQLA cash and monetary reserves; 3. of which 8.6 bn€ HQLA eligible bonds and 0.2bn€ other liquid bonds.



Belfius is able to grow its franchise, even in this transforming macroeconomic, geopolitical and inflationary context, and combine this with continued solid solvency

Solvency

CET 1 ratio
(in %)



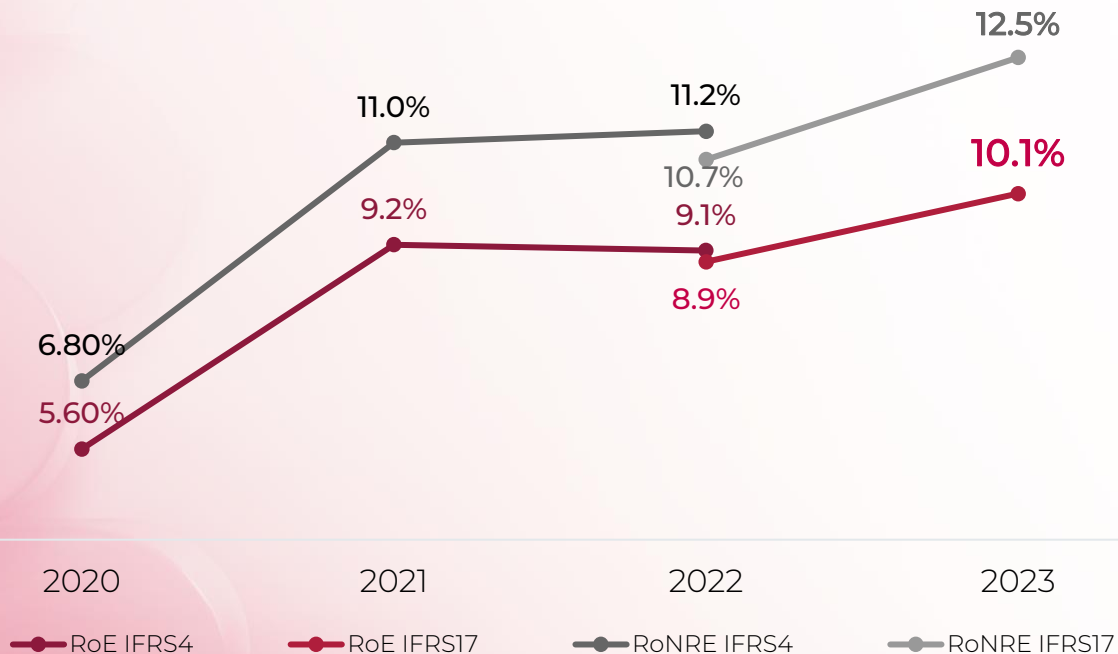
Notes: 1. Total MREL/RWA, Requirement of 28.2%. 2. SII ratio after dividend to Belfius Bank.



All in all, Belfius' RoE & RoNRE continue to deliver to all stakeholders

Profitable growth

Return on Equity & RoNRE
(in %)



Notes: RoNRE definition (13.5% RWA) = last 4 quarters Net Income / last 5 quarters rolling average RWA*13.5%;

RoE definition = sum of the net result of the last 4 quarters divided by the 4 quarter rolling average of the Shareholders Equity



Belfius presents meaningful and rewarding dividends to its shareholder

Dividend

440 m€

Proposed ordinary dividend for FY 2023, the highest ever since Belfius' origins

2.5 bn€

Cumulative dividends since Belfius' origins





Thank you

Q&A

by chat



Disclaimer

This presentation has been prepared by Belfius Bank NV/SA, Place Charles Rogier 11, 1210 Brussels, Belgium or by any affiliated company (herein referred as 'Belfius Bank') on behalf of itself or its affiliated companies.

This document is published for information purposes only and on the basis of the acceptance of this disclaimer. This document does not constitute an offer to purchase or sell any financial instruments, or a solicitation to purchase or subscribe for any financial instruments, in Belgium or any other jurisdiction. This document, and any information therein, is not an advertisement, does not comprise investment advice and is not confirmation of any transaction.

This document contains forward-looking statements that necessarily involves risks and uncertainties, including statements about plans, objectives, expectations and intentions. These forward-looking statements are based on a series of assumptions, both general and specific, regarding a.o. Belfius Bank strategies and future business environment. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies (including matters not yet known to it or its management or not currently considered material), many of which are beyond the control of Belfius. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. No rights may be derived from any information included in this document. As a result, neither Belfius nor any other person assumes any responsibility in that respect.

All opinions, estimates and projections contained in this document are indicative and are those of Belfius Bank as of the date hereof and are subject to change at any time without notice. The information contained in this document was obtained, compiled and derived from a number of different sources of information believed to be reliable, but no representation or warranty, express or implied is made as to their accuracy, completeness or correctness. Errors or omissions in those sources or in the internal or external processes cannot be excluded a priori. Belfius Bank cannot be held liable for any consequence, direct or indirect damage or loss resulting from the use of this document or any information therein.

The information contained in this document is indicative and therefore is not to be relied upon as authoritative or taken in substitution for the exercise of judgment by any recipient. Each Recipient is advised to seek independent professional advice as to the suitability of any products, to seek independent professional advice as to their tax, accounting, legal, regulatory or other implications, and are encouraged to contact their local regulatory authorities to determine whether any restrictions, obligation or other is applicable.

The consolidated financial statements of Belfius are prepared on a going concern basis in accordance with the International Financial Reporting standards as adopted by the EU.

This document or any part of it may not be used, reproduced, distributed or published without the prior written consent of Belfius Bank. All rights reserved.

