

PRESS RELEASE RESULTS 1H 2021

BRUSSELS, 6 AUGUST 2021

RESULTS FOR THE FIRST HALF-YEAR 2021: SUSTAINABLE SUPPORT TO BELGIAN SOCIETY, COUPLED WITH A STRONG NET RESULT

Over the past period, characterised by uncertainty and exceptional circumstances, Belfius has been more present than ever for its customers and for Belgian society. It is a role which is played fully and which fits perfectly with its raison d'être "Meaningful & Inspiring for Belgian Society. Together".

Belfius is able to play this role because over the years it has become one of the best capitalised banks in Europe, with a very strong liquidity and solvency position. This foundation, combined with excellent commercial dynamics, has been the basis for a record result before provisions for cost of risk of EUR 512 million and a strong net result of EUR 406 million.

This performance demonstrates the relevance of its diversified bank-insurance business model and its clear and consistent long-term strategy.

Today, Belfius looks towards the future with confidence and healthy caution; with confidence, following its good results, and cautiously, because of the still uncertain impact of Covid-19, especially the Delta variant, and the consequences of the climate change.

It is clear that Belfius will continue to play its role towards society, in order to help and accompany its customers in their daily affairs and indeed at every stage of their lives. But also to assist them when they face difficult circumstances, such as those we are experiencing with the Covid situation or during the recent floods.

€ 10.5 billion

NEW LONG-TERM LOANS
granted to the Belgian economy

GROWTH OF OUTSTANDING
SAVINGS AND INVESTMENTS
reaching

€ 129.7 billion

€ 406 million

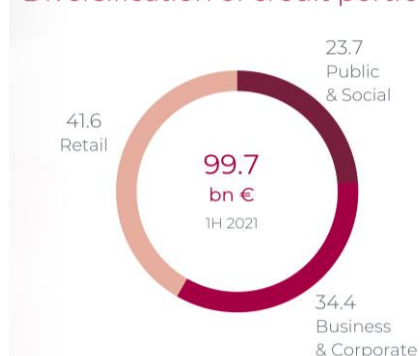
of which
BELFIUS INSURANCE
contributed

€ 116 million

KEY FIGURES

- Belfius closes the first half of 2021 with a **record result before provisions** for cost of risk of EUR 512 million. This unprecedented increase (+22%) is the result of its very strong commercial dynamics, the relevance of its strategy as the driver of the Belgian economy and its strict financial and risk management discipline.
- **The cost of credit risk** is positively influenced by the macroeconomic recovery and the effectiveness of government measures, which allow a net reversal of part of the provisions made in anticipation of the Covid-19 crisis in 2020. As a result, the cost of credit risk evolved from a cost of EUR -393 million in the first half of last year to a net recovery of EUR +31 million in the first half of 2021.
- **The consolidated result of Belfius before and after tax** amounts to EUR 542 million and EUR 406 million respectively for the first half of the year. Belfius Bank contributed EUR 290 million to the latter, while Belfius Insurance saw its contribution increase to EUR 116 million.
- **Covid-19:** since the start of the Covid-19 pandemic, we have helped a total of 44,270 customers to cope with the crisis by granting them deferred payments on their loans. Since then, 97.8% of Business and Corporate customers have resumed repayment of their loans, as have 99.5% of individual customers and 100% of public customers.

Diversification of credit portfolio



- A record amount of EUR 10.5 billion of new long-term financing was granted to the Belgian economy, an increase of 14%. More than ever before in its history, Belfius supports all segments of Belgian society. Business and Corporate customers were granted EUR 5.3 billion in long-term loans (+8%) and the Public and Social sector EUR 1.1 billion. Retail customers accounted for EUR 4.2 billion (+29%), of which EUR 3.8 billion in mortgage loans (+30%). Compared to last year, the total amount of outstanding loans rose by 2% to EUR 99.7 billion, thus approaching the symbolic milestone of EUR 100 billion.

- The organic growth of savings and investments of individual and Business customers amounted to EUR 4.8 billion (+4%). Outstanding payment and savings accounts held by individual customers (including the Business segment) grew by 6% to EUR 72.7 billion. Outstanding savings and investments of Private and Wealth customers amounted to EUR 49.9 billion, up strongly (+12%) compared to the end of 2020. The Wealth segment even recorded a 32% increase in assets under management.

- Belfius also continues to grow well as a bank-insurer. The amount of premiums collected in Non-Life via banking channels rose by a further 11% to EUR 149 million. In the first half of the year, the branch 23 reserves also rose by 11% to EUR 4.2 billion. The net combined ratio for Non-Life insurance was 92.2%, taking all distribution channels into account.
- At EUR 720 million, costs remained stable compared to the first half of 2020, while allowing Belfius to pursue rigorously its strategic investments in Belgian talents and innovative data and insurance solutions. The Cost-Income ratio stands at 58.4%, a historically low level.
- With a CET 1 ratio of 16.2%, Belfius remains one of the best capitalised banks in Europe in terms of solvency. At the end of June, the group's total shareholders' equity amounted to EUR 10.6 billion.
- The resilience of Belfius is confirmed by the latest results of the EBA stress tests published on 30 July 2021. Despite the unprecedented severity of the shocks, the decline in the CET 1 ratio (-2.7%) over the stress period is the lowest that Belfius has experienced in these tests. This strength confirms the relevance of Belfius' strategy, combined with sound financial and risk management and a forward-looking provisioning policy in the context of the Covid-19 crisis.



BUSINESS AND CORPORATE: BELFIUS SUPPORTS COMPANIES AND ENTREPRENEURS MORE THAN EVER

The year 2021 started in a minor key, but effective policies, accelerated vaccinations and lockdown relaxations have sent macroeconomic optimism soaring. Increased consumer confidence and strong demand from abroad have also pushed the Belgian business and entrepreneurial confidence barometer towards the upswing. In the first half of the year, Belfius built on the previous year's momentum and continued to rely on its strong financial strength to stimulate the recovery of the Belgian economy even further.

At the beginning of 2021, many Belgian companies are starting to escape the Covid rut, and this is reflected in the decline in outstanding Covid loans and deferred payments to Belfius customers. Of the 25,740 business loans granted payment deferrals in 2020 or the first half of 2021, only 3,057 files (12%) were still open at the end of June. With regards to leasing contracts, only 3% of the 13,855 contracts still benefit from deferred payments. Even in temporarily more difficult times, Belfius continues to play its role as a loan provider, as evidenced by the 726 Covid loans with a state guarantee amounting to EUR 95 million which were still open at the end of June.

The rising confidence of businesses is also clearly reflected in the production of ordinary loans. In the first half of the year, a record total of EUR 10.5 billion of new **long-term financing** (+14%) was granted, of which EUR 5.3 billion (+8%) went to **Business and Corporate customers**.

In line with its ambition to become the leading bank for Belgian companies and entrepreneurs, Belfius maintained in the first half of the year its **production of long-term loans to Corporate customers** at the same high level as last year, at EUR 2.7 billion. Compared to the end of 2020, the **outstanding** of short and long-term Corporate loans rose by 6% to EUR 18.6 billion.

Belfius confirms its strong position in the **issuance of treasury certificates and bonds (Debt Capital Markets, DCM)** for this customer segment. The Bank participates in 58% of the available mandates and issues EUR 1.9 billion of short-term issues (average outstanding commercial paper) and new long-term issues (Medium Term Notes and bonds). In this segment too, in addition to the production of long-term loans, Belfius carried out other financing operations in the form of short-term loans, factoring and short and long-term issues for a total amount of EUR 6.5 billion. In the area of **Equity Capital Markets (ECM)**, Belfius participated in 9 transactions for a total value of EUR 1.23 billion, making it the undisputed market leader in the first half of the year.

In terms of granting loans to SMEs, the self-employed and the liberal professions, Belfius also confirms its growing role as a driver of the local economy. In the first half of the year, the production of **long-term loans** reached EUR 2.5 billion for the **Business segment**, up 16% compared to the first half of 2020. As a result, **outstanding short and long-term loans** rose by 3% compared to the end of 2020 to EUR 15.8 billion. More and more frequently those creating companies turn to Belfius as a financial partner. 6,798 new **start-ups** have placed their trust in Belfius, a figure that has risen by 10% (6,202 in the first half of 2020), and can benefit from favourable credit conditions thanks to our focus on entrepreneurs and the partnership concluded with the European Investment Fund (EIF).

The growth in lending activity is also reflected in a further increase in the market share of outstanding loans on the Belgian market, both for the Business and Corporate segments. These are estimated at **17.2% and 17.5%** respectively.

Against the background of its ambition to contribute to sustainable change, Belfius launched its first **Green Senior Bond** in the past half-year, a benchmark bond with a maturity of six years and a value of EUR 500 million. The transaction was a success and resulted in a well-diversified and high-quality final portfolio, with an order book of more than 100 investors subscribing to more than EUR 1.2 billion.

BELFIUS REMAINS THE PREFERRED PARTNER OF THE PUBLIC AND SOCIAL SECTOR

Within this context and after the unprecedented pandemic experienced last year, local authorities are an absolutely essential link in the economic recovery. As a preferred partner, Belfius continues to support the Public and Social sector in order to help it find the most appropriate solutions to meet its future challenges and recovery plans. In the first half of the year, Belfius granted EUR 1.1 billion in **new long-term loans** to the Public and Social sector, which is as much as in the first half of 2020. In the local authority market, the Bank accounts for 54% of the financing files.

Belfius also confirmed its leading position in **Debt Capital Markets (DCM)** issues for (semi-)public customers, taking part in 87% of the mandates available on the Belgian market. In the first half of the year, the Bank issued EUR 4.2 billion of alternative financing in the form of short-term issues (average outstanding commercial paper) and new long-term issues (Medium Term Notes and bonds).

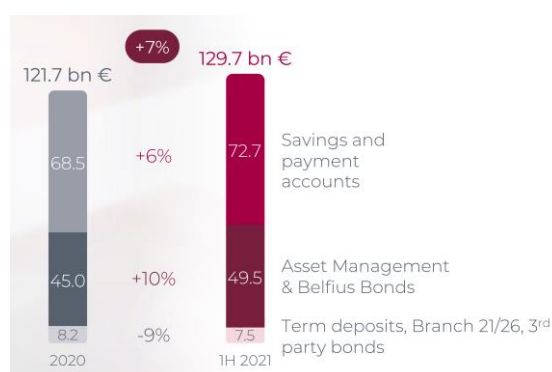
INDIVIDUAL CUSTOMERS: STRONG ACCELERATION OF DEMAND FOR MORTGAGE LOANS AND EXCEPTIONAL GROWTH OF SAVINGS AND INVESTMENTS

• EUR 3.8 billion of new mortgage loans in an extremely strong real estate market

The historically low interest rates, but also Covid-19, have encouraged many Belgians to look for a new home or to renovate their existing one. In the first half of the year, Belfius granted EUR 4.2 billion in **new long-term financing** to individual customers, an increase of 29%. In addition to the increase in the production of **consumer loans** (+16%), Belfius also recorded a high production (+30%) for EUR 3.8 billion of **mortgage loans**, which corresponds to a market share of 16.1%.

Furthermore, after one year into the crisis, almost all the individual customers who benefited last year from a payment deferral **under the Covid-19 sectoral support measures** have found sufficient financial capacity to resume their repayments. This includes both the 19,614 mortgages (amounting to EUR 2 billion) which have benefited from public moratoria and the 9,938 cases (amounting to EUR 1.1 billion) which have benefited from contractual payment deferrals since the beginning of the Covid-19 crisis.

• Savings and investments: Belfius shows the way as the “loved bank for investors”



In the first half of the year, **total outstanding on savings and investments** of individual customers (including the Business segment) amounted to EUR 129.7 billion. Compared to the end of 2020, this unprecedented increase of 7% was driven by a strong market effect thanks to an optimistic stock market climate but also by robust **organic growth**: growth excluding market effect. This organic growth amounted to EUR 4.8 billion and was 4% higher than the organic growth of the first half of 2020. It reflects the confidence of new and existing customers in Belfius and its ability to attract fresh capital.

The total volume of payment and savings accounts followed the same trend and rose by 6% to EUR 72.7 billion, partly due to the typical savings reflex triggered by the Covid-19 crisis.

In addition to the growth in deposits, customers are increasingly finding their way into the investment alternatives offered by Belfius. This trend is reinforced by a generally favourable investment climate, as evidenced by the strong 13% increase in the **outstanding investments in funds** of EUR 32.5 billion. The success of the **periodic investment plans** (volume of investments +38%) and of the “**Funds of the future**”, the sales of which rose by more than 85% to EUR 408 million, speaks for itself. Two years ago, Belfius launched this unique investment concept. Since then, it has already launched five Funds of the future which are performing well and the assets of which have meanwhile tripled over one year to EUR 1.5 billion. This success shows that investors are not only attracted by the expectation of returns, but also by the meaning of this type of investment which helps society to progress.

• Confirmation of increasing success with Private and Wealth Management customers

The efforts made to establish Belfius as a modern and leading bank for investors are also bearing fruit in the Private and Wealth Management customer segment. In the first half of the year, Belfius attracted 15,348 new customers in these two segments. The number of Private and Wealth customers stands at **142,244**, up 12% compared to the end of 2020. **The outstanding of savings and investments for Private and Wealth customers reached EUR 49.9 billion (+12% compared to the end of 2020)**. The outstanding amount in the Wealth segment increased by 32% over the period.

Belfius is also promoting greater sustainability in this segment. This year, Belfius joined forces with **Planet First Partners** as a partner and exclusive distributor on the Belgian market. Through this new investment fund, Belfius aims to offer its customers sustainable and philanthropic private equity investment solutions which, in line with its ambition, invest exclusively in companies with a positive societal impact. Belfius is also expanding its asset management offering with products from BlackRock and JP Morgan Asset Management. These are an additional alternative to Candriam, which remains our preferred partner. This approach is reflected in **an increase of 12% in outstanding mandates and service contracts**, which amount to EUR 14.6 billion.

• Daily banking reinvented

Belfius is constantly reinventing itself and is resolutely continuing to diversify its revenues and digitalise its services in order to achieve a sustainable business model in daily banking. With the launch of **Beats** in the retail segment, Belfius is moving towards a membership model, which focuses on the equipment at the start of the customer relationship. Beats evolves the extensive offer of accounts, cards and packages into a simple, all-in-one subscription formula combining banking and insurance services (account and cards), but also beyond bank-insurance services (Internet, telephony, TV and Mobile subscription) as part of the strategic partnership between Belfius and Proximus. In the autumn, this partnership will be further expanded with the full digital integration of Beats in the Belfius app and the launch of the **Banx app**, the fully digital and sustainable *slow banking* experience for Proximus customers, designed by Belfius.

During the first half of the year, the digital acceleration which began during the Covid-19 crisis continued. The **number of active users of Belfius apps** for smartphones and tablets increased to 1.67 million. Each customer consults them on average 34 times per month.

STRONG LIFE AND NON-LIFE RESULTS CONFIRM THE ROBUSTNESS OF THE BANK-INSURANCE MODEL

The recent **floods** in July do not have any impact on these half-year results, but we would nevertheless like to mention them. Belfius cannot ignore human suffering. As an insurer, we make every effort to mitigate the material damage of our clients. The numbers will probably continue to grow, but to date, more than 5,000 customers have called on Belfius Insurance in connection with the floods.

Belfius is using all the means at its disposal to compensate its customers as quickly and efficiently as possible: **reinforcement of the Claims department**, including working evenings and weekends, **deployment of mobile teams** so that the customers concerned can ask questions or report their claims, advances for major damage, **settlement of claims** by photographs, increased autonomy of claims managers and experts, and so on.

The position of Belfius is clear: it wants to play fully its important role as an insurer and live up to its motto in practice: "Meaningful & inspiring for Belgian Society. Together".

• A solid first half-year

In the first half of the year, **Non-Life premiums collected** at group level amounted to EUR 406 million (+5%). The increase is mainly observed at Belfius Bank (+11%). DVV Insurance also grew by 4% and Corona Direct remained virtually unchanged. The **cross-selling ratios** for mortgage loans **remain excellent**, both for fire and family insurance (84%) and for outstanding balance insurance (130%).

In the last six months, the relatively low number of claims files and the efficient management of the claims process explain the low combined ratio (**NCR**) of **92.2%** for general insurance.

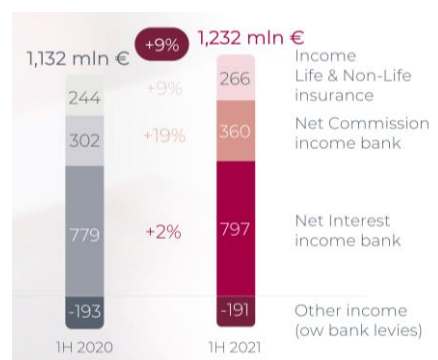
Available since 2020, the **app-normal home and family insurance**, an innovative digital insurance, has been a great success. At the beginning of 2021, the international consultancy firm SIA Partners awarded Belfius first place in its first ever digital benchmark of the Belgian insurance market. With a score of 17.34/20, Belfius is firmly in first place as the most mobile first end2end insurer. This confirms Belfius' ambition to offer **the best digital service and user experience**, not only as a bank **but also as an insurer**. At the beginning of the year and based on this same digital ambition, Belfius Insurance concluded a partnership with **MedExel**, renowned for its particularly powerful digital tools and its 25 years of experience in the management of healthcare policies. Belfius Insurance takes digital innovation very seriously, as demonstrated by the partnership concluded at the beginning of the summer with the innovative care centre **Z-plus**. This partnership will enable us to continue to innovate together within the context of Jane, the digital assistant which enables elderly people to live safely in their own homes for longer with the help of intelligent technologies.

Life production amounted to EUR 1.018 billion, up 8% on the first half of 2020. The **Life reserves**, at EUR **14.3 billion**, reflect the gradual strategic reduction of Branch 21 in favour of Branch 23. The decrease in Branch 21 reserves is partially offset by a further 11% increase in **Branch 23 reserves to EUR 4.2 billion**.

A SOLID NET RESULT THANKS TO A DYNAMIC AND DIVERSIFIED COMMERCIAL PERFORMANCE AND A BUOYANT MACROECONOMIC ENVIRONMENT

Belfius closed the first half of the year with a record result before provisions for risk costs of EUR 512 million, an unprecedented increase of 22%. **The consolidated result of Belfius before and after tax** was EUR 542 and EUR 406 million respectively. Belfius Bank contributed EUR 290 million to the latter, while Belfius Insurance saw its contribution increase to EUR 116 million.

• Growth of all the main income elements



Total income amounted to EUR 1,232 million, up 9% compared to the first half of 2020. This reflects the strong commercial and diversified dynamics and a favourable macroeconomic environment. Despite the persistent low interest rates, the Bank's **net interest income** rose by 2% to EUR 797 million, by virtue in particular of the strong commercial dynamics in the granting of loans. The strategy of further developing Belfius as a resolutely modern and leading bank for investors, combined with strong income diversification, is bearing fruit. This is also reflected in the 19% increase in **the Bank's net commission income** to EUR 360 million. **Income from insurance activities** continues to show good growth (+9%) and reached EUR 266 million. Non-Life income decreased by 6% to EUR 122 million (first half 2020 income was very high). Life income, on the other hand, increased by 25% to EUR 144 million.

Other income was almost stable at **EUR -191 million**, due, inter alia, to the more negative impact of bank taxes for an amount of EUR 34 million, entirely charged to the first half of the year, but which is offset by better trading and hedging results than last year.

• Belfius combines an ambitious growth strategy with rigorous cost control

Belfius managed to keep costs almost stable at **EUR 720 million**, while rigorously pursuing its strategic investments in Belgian talent and innovative data and digital solutions. Combined with strong commercial performance, these efforts resulted in a further improvement in the Cost-Income ratio to a historically **low 58%** at the end of June, compared with 63% at the same time last year.

• **Reduction of the cost of credit risk by virtue of the improving economic context**

In the first half of 2021, the **cost of credit risk** was very positively influenced by the macroeconomic recovery and the effectiveness of government measures, which allow for a net reversal of part of the provisions set aside in anticipation of the Covid-19 crisis in 2020. As a result, the cost of credit risk evolved from a cost of EUR -393 million in the first half of last year to a net reversal of EUR +31 million in the first half of 2021. The amount put forward for risk costs in 2020 was the “best current estimate”, based on historical statistical models combined with expert opinion. In the first half of the year, risk costs are even lower than the compliant level before the Covid-19 crisis. This reflects the **prudent risk assessment and forward-looking provisioning policy** of Belfius since the beginning of the Covid-19 crisis. The credit provisions set up in advance due to Covid-19 in 2020 (based on estimates of the future macroeconomic climate and the additional reserves required for Covid-sensitive sectors and their exposures) amount to EUR 331 million; they were reduced to EUR 247 million in the first half of this year. The number of loans moving towards actual default remains historically low. In the first half of 2021, the cost of credit amounted to EUR 25 million, compared to EUR 81 million in the previous half year. These figures once again prove that (despite the scale of this unprecedented crisis) the support measures of the various levels of government combined with the banks' moratoria have borne fruit.

A GOOD LEVEL OF LIQUIDITY AND SOLVENCY, EVEN AFTER MORE THAN A YEAR OF COVID-19

By virtue of strict balance sheet management and a far-sighted risk anticipation policy, the pursuit of a strong diversification strategy, and a solid commercial performance supported by positive macroeconomic forecasts and effective policies, Belfius was able to maintain a very high level of liquidity and solvency, even after more than a year of Covid-19.

The CET 1 ratio stands at 16.2%, which is still an excellent level, although slightly below the level at the end of 2020 due to the strong growth in lending activities, which leads to an increase in risk-weighted assets. The latter amounted to EUR 63.8 billion.

Belfius Insurance's **Solvency II ratio** is very strong at 197%. With an **LCR-12 months trailing ratio** of 189% and an **NSFR ratio** of 136%, Belfius also more than meets the liquidity requirements and has a liquidity buffer of EUR 43 billion at the end of June.

The group's total shareholders' equity increased from EUR 10.2 billion at the end of 2020 to EUR 10.6 billion at the end of June.

CONCLUSION

Within this atypical context following an unprecedented pandemic, Belfius achieved excellent financial and commercial results in the first half of 2021. This is the result of an Inspire 2025 strategy which is already bearing fruit, the right choice for a strong diversification strategy and further digitalisation, prudent balance sheet and risk management, and a sustainable and resilient business model.

MARC RAISIÈRE

CEO

“To fully play our role towards our customers and Belgian society, especially in these difficult times, has always been our top priority. Moreover, the fact that we have recorded a good net result for the first half of the year not only proves that our strategy is the right one, but also demonstrates the strength of Belfius, its agents and its staff members. I would like expressly to thank them, as they undeniably contribute to this excellent result. I am also very grateful for the extremely important role they play towards our customers, and even more so in these particularly difficult circumstances.”

CHRIS SUNT

CHAIRMAN OF THE BOARD
OF DIRECTORS

“When I became the new Chairman of the Board of Directors, I set two priority objectives: to strengthen the role of Belfius in Belgian economy and to further develop its ESG policy. Today, Belfius is firmly anchored in society and plays a crucial role in it, as we have seen in recent months. To grow in a sustainable way is an unavoidable requirement for every company. Furthermore, these good results will allow Belfius to pay an additional dividend of EUR 130 million in October 2021, subject to the approval of the competent authorities.”

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Information based on non-audited figures

KEY FIGURES

CONSOLIDATED STATEMENT OF INCOME <i>(in millions of EUR)</i>		1H 2020	1H 2021
INCOME		1,132	1,232
EXPENSES		(711)	(720)
PRE-PROVISION INCOME		421	512
Impairments on financial instruments and provisions for credit commitments		(393)	31
Impairments on tangible and intangible assets		(2)	(1)
NET INCOME BEFORE TAX		26	542
Tax expense (income)		(5)	(136)
NET INCOME AFTER TAX		21	406
Non-controlling interests		(1)	0
NET INCOME GROUPE SHARE		21	406
<i>of which Bank</i>		<i>(68)</i>	<i>290</i>
<i>Insurance⁽¹⁾</i>		<i>89</i>	<i>116</i>

(1) Contribution of the Belfius Insurance group to the consolidated statement of income.

CONSOLIDATED BALANCE SHEET <i>(in millions of EUR)</i>		31/12/20	30/06/20
TOTAL ASSETS		187,991	193,962
<i>of which Cash and balances with central banks</i>		<i>25,434</i>	<i>33,721</i>
<i>Loans and advances due from credit institutions</i>		<i>11,912</i>	<i>10,596</i>
<i>Loans and advances</i>		<i>98,108</i>	<i>100,104</i>
<i>Debt securities & equity instruments</i>		<i>28,849</i>	<i>28,348</i>
<i>Unit linked products insurance activities</i>		<i>3,813</i>	<i>4,228</i>
<i>Derivatives</i>		<i>12,188</i>	<i>9,752</i>
TOTAL LIABILITIES		177,258	182,870
<i>of which Cash and balances from central banks</i>		<i>14,174</i>	<i>15,676</i>
<i>Credit institutions borrowings and deposits</i>		<i>5,008</i>	<i>6,616</i>
<i>Borrowings and deposits</i>		<i>95,338</i>	<i>99,364</i>
<i>Debt securities issued and other financial liabilities</i>		<i>24,402</i>	<i>26,732</i>
<i>Unit linked products insurance activities</i>		<i>3,813</i>	<i>4,228</i>
<i>Derivatives</i>		<i>18,310</i>	<i>14,878</i>
TOTAL SHAREHOLDERS' EQUITY		10,209	10,568
<i>of which Shareholders' core equity</i>		<i>9,815</i>	<i>10,150</i>
<i>Gains and losses not recognised in the statement of income</i>		<i>393</i>	<i>418</i>
TOTAL EQUITY		10,733	11,092
<i>of which Total shareholders' equity</i>		<i>10,209</i>	<i>10,568</i>
<i>Additional Tier-1 instruments included in equity</i>		<i>497</i>	<i>497</i>
<i>Non-controlling interests</i>		<i>28</i>	<i>27</i>



RATIOS⁽¹⁾	31/12/20	30/06/21
Return on equity (ROE)	5.6%	9.3%
Return on assets (ROA)	0.29%	0.48%
Cost- income ratio (C/I ratio)	56.0%	58.4%
Asset quality ratio	2.02%	2.02%
Coverage ratio	60.0%	58.2%
Liquidity Coverage Ratio (LCR) ⁽²⁾	158%	189%
Net Stable Funding Ratio (NSFR)	128%	136%

(1) Unaudited.

(2) 12-month average (as from 2017 onwards).

SOLVENCY RATIOS	31/12/20	30/06/21
CET 1-ratio ⁽¹⁾	17.1%	16.2%
Tier 1-ratio ⁽¹⁾	18.0%	16.9%
Total capital ratio ⁽¹⁾	20.4%	19.1%
Leverage ratio	6.9%	6.9%
Solvency II-ratio (before dividend)	212%	212%
Solvency II-ratio (after dividend)	200%	197%

(1) For the determination of the Capital ratios under Basel III, the regulatory authority asks Belfius Bank to apply a prudential deconsolidation of Belfius Insurance and to apply a risk weighting of 370% on the equity instruments held by Belfius Bank in Belfius Insurance after deduction of goodwill. This is commonly known as "Danish compromise".

Belfius' annual accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU'). The condensed consolidated interim financial statements of Belfius are prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by the European Union. This document does not constitute an offer to purchase or sell any securities, or a solicitation to purchase or subscribe for any securities, in Belgium or any other jurisdiction. This document contains forward-looking information that necessarily involves risks and uncertainties, including statements about plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, 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. As a result, neither Belfius nor any other person assumes any responsibility in that respect.