

Luxembourg, 25 September 2020

**PRESS RELEASE**

## **BGL BNP Paribas: Financial statements at 30 June 2020**

**The first half of 2020 was marked by the global health crisis  
and the bank's support of its clients and the Luxembourg economy**

The key event in the first half of 2020 was the unprecedented global health emergency. As soon as the crisis hit, BGL BNP Paribas began mobilising its teams and resources to help its clients and the economy get through these difficult times. The bank took measures to protect its staff and clients, measures which it has continued to adapt as the health crisis has developed. A large part of the bank's employees were equipped with remote working solutions, and clients were advised to use remote banking services for their day-to-day operations. Branches remained open for urgent needs or issues that required in-branch support, but by appointment only. The vast majority of the bank's branches are now open again to the public, whether fully or by appointment only.

Throughout this period, the bank has stood alongside its clients and has worked with them to offer responsiveness, advice and pragmatism when assessing issues and finding appropriate solutions. Our advisors have shown great dedication to supporting clients, providing explanations and telling them about the various types of assistance available.

BGL BNP Paribas has also played an active role in discussions within the Luxembourg financial centre to contribute to the support measures implemented by the Luxembourg government to help the economy. Over the past few months, the bank has granted a total of 5,275 moratoriums for operations in Luxembourg in order to help its clients with looming cashflow issues. Companies requiring additional cashflow were able to draw credit covered by various types of collateral. In total, BGL BNP Paribas granted EUR 206 million in credit in partnership with the Office du Ducroire Luxembourg, alongside government-backed loans amounting to EUR 22.6 million.

Since the start of the lockdown, the bank has also introduced measures to support those hardest hit by the crisis. It has permitted employees who were exempt from physical work presence to participate in public interest initiatives with approved associations. The bank has matched every donation made by an employee to healthcare organisations in the Greater Region that are assisting vulnerable people and contributing to medical research. Right at the start of the crisis, the bank provided 5,000 FFP2 masks and 30,000 surgical masks to the Ministry of Health. What's more, as part of the emergency support plan rolled out by the BNP Paribas Group across more than 30 countries, a total donation of EUR 100,000 has been split across three charities: the Hôpitaux Robert Schuman Foundation, Caritas Luxembourg and Stëmm vun der Strooss. More recently, the bank has been running its "Coronavirus Solidarity" initiative. Every time a client made a payment using a BGL BNP Paribas credit card, the bank contributed 10 cents to a fund set up to contribute towards the housing costs of clients who have faced financial hardship due to the coronavirus crisis. This initiative has already allowed the bank to donate EUR 30,000 to Caritas Luxembourg.

Béatrice Belorgey, Chair of the Executive Committee of BGL BNP Paribas and Country Head of the BNP Paribas Group in Luxembourg said: "As soon as the crisis took hold, BGL BNP Paribas' teams pulled together to make sure our clients had all the support they needed during these difficult times and to find them the best solutions. I cannot thank the bank's staff enough for all their

incredible work over the last few months. We remain fully committed to mitigating the economic and social impact of the crisis and to helping build a sustainable recovery.”

## Financial statements at 30 June 2020

On 24 September 2020, the bank's Board of Directors examined the consolidated financial statements of BGL BNP Paribas under IFRS at 30 June 2020.

**Net banking income** reached EUR 792.6 million, up 5% on the first half of 2019. This increase is due in particular to a sustained commercial dynamic in the various fields of activity up until mid-March 2020 and to the great efforts of the bank's client service teams in face of the health emergency and lockdown.

**Retail and Corporate Banking** recorded 10% growth in average loan outstandings, boosted by an increase in mortgages and capital investment loans. Average deposit volumes grew by 2%, largely due to excellent inflows from corporate clients associated with the expansion of international cash management services.

**Wealth Management** posted a loss of 2% in assets under management due to an unfavourable valuation effect linked to the market downturn in Q1 2020. Net inflows remain in positive territory. Average loan outstandings grew by 17%.

**Leasing International's** business operations recorded a 3% drop in average loan outstandings after new production took a hit in Q1. This was despite resilience in the development of new services for the benefit of clients.

**Overheads** were EUR 388.5 million, down 2% on the first half of 2019.

**Cost of risk** amounted to EUR -50.3 million versus EUR -51.9 million in the first half of 2019. The collective provisions include an estimation of the impact of the COVID-19 crisis.

The **share of the net profits of equity affiliates** (i.e. the share of net profits of subsidiaries in which the bank does not have a majority shareholding) stood at EUR 4.0 million, compared with EUR 11.3 million in the first half of 2019.

Group consolidated **net profit** came to EUR 199.5 million, up 9% against the net profit on 30 June 2019.

At 30 June 2020, the balance sheet total stood at EUR 55.7 billion, 2% down on 30 June 2019.

## High solvency maintained

The bank's solvency ratio was 23.6% (under Basel III rules), well above the regulatory minimum. With the Group's share of regulatory capital amounting to EUR 6.2 billion, BGL BNP Paribas is well placed to back its clients' projects and investments.

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### About BGL BNP Paribas

BGL BNP Paribas ([www.bgl.lu](http://www.bgl.lu)) is one of the largest banks in Luxembourg and part of the BNP Paribas Group. It offers an especially wide range of financial products and bancassurance solutions to individuals, professionals, businesses and private banking clients. At end 2019, BGL BNP Paribas employed 2,375 people in Luxembourg.

In 2020, BGL BNP Paribas was named “Best Bank in Luxembourg” by Euromoney for the fifth year in a row.



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world**

**About BNP Paribas**

BNP Paribas is a leading bank in Europe with an international reach. It has a presence in 71 countries, with approximately 199,000 employees, of which more than 151,000 in Europe. The Group has key positions in its three main activities: Domestic Markets and International Financial Services (whose retail-banking networks and financial services are covered by Retail Banking & Services) and Corporate & Institutional Banking, which serves two client franchises: corporate clients and institutional investors. 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, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the European leader in consumer lending. BNP Paribas is rolling out its integrated retail-banking model in Mediterranean countries, in Turkey, in Eastern Europe and a large network in the western part of the United States. In its Corporate & Institutional Banking and International Financial Services activities, BNP Paribas also enjoys top positions in Europe, a strong presence in the Americas as well as a solid and fast-growing business in Asia-Pacific.

**Press contacts:**

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| Eliane Thines | +352 42 42-62 64 | <a href="mailto:eliane.thines@bgl.lu">eliane.thines@bgl.lu</a> |
| Corinne Thill | +352 42 42-30 85 | <a href="mailto:corinne.thill@bgl.lu">corinne.thill@bgl.lu</a> |



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