



**BANQUE ET CAISSE D'ÉPARGNE DE L'ÉTAT
LUXEMBOURG**

**Head Office:
Luxembourg, 1, Place de Metz**

Luxembourg Trade and Companies Register (R.C.S.) No B 30775

Self-governing public institution, established pursuant to the law of 21 February 1856 (Memorandum 1, no. 6 of 10 March 1856) and governed by the constitutional law of 24 March 1989 (Memorandum A, no. 16 of 28 March 1989)

Interim condensed consolidated financial information as at 30 June 2026

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**BANQUE ET CAISSE D'ÉPARGNE DE L'ÉTAT,
LUXEMBOURG**

**STATEMENT ON THE COMPLIANCE
OF THE CONSOLIDATED FINANCIAL STATEMENTS**

30 June 2026

Luxembourg, 8 September 2026

Statement on the compliance of the condensed consolidated financial statements and the consolidated management report in accordance with the provisions of article 4 of the Luxembourg Transparency Law ("Loi Transparence") of 11 January 2008

We hereby inform you that, to the best of our knowledge, the consolidated financial statements as at 30 June 2026 have been prepared in accordance with International Financial Reporting Standards (IFRS) on interim financial reporting (IAS 34) as adopted by the European Union, and give a true and fair view of the assets and liabilities, the financial position and results, and that the interim consolidated management report is an accurate description of the information required pursuant to article 4 (4) of the Luxembourg Transparency Law.

For the Executive Committee

Doris Engel
Executive Vice President
Member of the Executive Committee

Françoise Thoma
Chief Executive Officer
President of the Executive Committee

**BANQUE ET CAISSE D'ÉPARGNE DE L'ÉTAT,
LUXEMBOURG**

CONSOLIDATED MANAGEMENT REPORT
30 June 2026

SPUERKEESS GROUP CONSOLIDATED MANAGEMENT REPORT

The economic environment in the eurozone in first-half 2026 was marked by a fragile recovery, hampered by a new energy shock and ongoing geopolitical uncertainties.

Economic activity in Luxembourg showed signs of an upturn and the trend there was more positive overall than in the eurozone. Unemployment continued to rise despite the improvement in employment dynamics.

In terms of the development of Spuerkeess's commercial activities in the first half of 2026, outstanding loans and advances to customers fell by a slight 0,2% compared with 31 December 2025. New housing loan production continued to be affected by an unfavourable market environment, reflecting the combined impact of the general rise in interest rates on the markets and the expiration of tax incentives for housing at the end of first-half 2025.

Customer deposit volumes increased by 6,0% compared with 31 December 2025, driven by growth in retail and corporate deposits, among other factors. This confirmed the soundness of our primary sources of stable financing. Public sector deposits also increased significantly, as changes in this item are more volatile and depend on the needs of the State's cash management policy.

At EUR 627,0 million as of 30 June 2026, the Group's bank margin was up EUR 25,0 million (4,1%) compared with the first half of 2025. This strong performance was driven mainly by the growth in interest margin and the resilience of fee and commission income.

Net interest margin increased by 6,4%, i.e. by EUR 28,9 million, compared with the first half of 2025. This performance can be attributed to business development in the activities in the first half of 2026. However, the picture in the real estate market is mixed. While existing home transactions have normalised, the off-plan sales segment is still under pressure. Both the level of activity and transaction volumes remain limited.

Income from securities fell by 16,7%, or EUR 5,5 million. The Spuerkeess Group received lower dividends for 2025, due mainly to one specific holding that does not fall within the scope of consolidation.

Fee income stood at EUR 112,9 million at 30 June 2026, in line with the level seen in the same period last year. The decline in loan fees due to lower business volumes was offset by the increase in fees from capital markets activities, as well as fees for securities administration and custody.

Income from financial instruments fell by EUR 2,4 million from first-half 2025 to stand at -EUR 0,4 million at 30 June 2026. The change was mainly due to the decline in foreign exchange income.

General expenses and depreciation and amortisation increased by 13,3% compared with the first half of 2025. This increase can be attributed to the rise in the number of staff members, structural wage growth and the May 2025 and June 2026 index bracket payment. In addition, the investments made to modernise the IT infrastructure and strengthen the cybersecurity systems played a significant role in the overall increase in other general and administrative expenses.

Income after general expenses of EUR 340,2 million at 30 June 2026 was down 2,5% compared with 30 June 2025.

The cost of risk increased from the level reported at 30 June 2025. Spuerkeess recognised value adjustments and net provisions totalling EUR 10,6 million at 30 June 2026 while net

reversals of EUR 20,8 million had been recorded at 30 June 2025. Retail customers' credit risk parameters were revised in first-half 2025, leading to a more favourable assessment of these outstandings. The allocation for the first half of 2026 was mainly due to the unfavourable macroeconomic environment, which resulted in the use of a management overlay on the scenario weighting to account for the potential economic impacts of the conflict in the Middle East, in particular the risk of higher oil prices.

In light of the above, the Spuerkeess Group reported half-yearly net income attributable to equity holders of the parent company of EUR 295,9 million, down 7,0% compared with first-half 2025.

Total equity for the Group at 30 June 2026 attributable to equity holders of the parent company was EUR 7.048,5 million compared with EUR 6.872,0 million at 31 December 2025. The increase in equity can be attributed mainly to the integration of half-yearly net income.

Events after the 30 June 2026 reporting period

At the time of writing of this report, we are not aware of any significant events that occurred after the 30 June 2026 reporting date and that could impact the normal course of the Spuerkeess Group's business.

The Bank's new Chief Executive Officer will take office on 1 October 2026.

In addition, and as part of its succession planning, the Bank completed a rigorous, months-long selection process and then submitted two names to the European Central Bank to undergo a fit and proper assessment in accordance with the latter's regulatory procedure. These two new officers are expected to replace the two members of the Bank's Executive Committee who are set to retire on 16 September and 1 October 2026, respectively. The two new members of the Executive Committee will take up their duties as soon as the necessary procedures have been completed.

Outlook for second-half 2026

The economic outlook for Luxembourg for the second half of 2026 points to a gradual improvement in activity in what is an uncertain international environment. Growth is expected to remain moderate, while the labour market and investment should show signs of gradual improvement.

First-half performances and the outlook for the second half of the year confirm the Bank's growth trajectory for full-year 2026.

Luxembourg, 8 September 2026

For the Executive Committee

Doris Engel
Executive Vice President
Member of the Executive Committee

Françoise Thoma
Chief Executive Officer
President of the Executive Committee

**BANQUE ET CAISSE D'EPARGNE DE L'ETAT,
LUXEMBOURG**

RAPPORT DU REVISEUR D'ENTREPRISES AGREE
30 juin 2026

Rapport d'examen limité de l'information financière consolidée intermédiaire résumée

Au Comité de direction,
Banque et Caisse d'Epargne de l'Etat, Luxembourg
1, place de Metz
L-1930 Luxembourg

Introduction

Nous avons procédé à l'examen limité de l'information financière consolidée intermédiaire résumée ci-jointe de la Banque et Caisse d'Epargne de l'Etat, Luxembourg et de ses filiales (le « Groupe ») au 30 juin 2026, comprenant le bilan consolidé résumé, le compte de résultat consolidé résumé et l'état résumé du résultat global consolidé y afférent, l'état résumé des variations de capitaux propres consolidés et l'état résumé consolidé des flux de trésorerie pour la période du 1^{er} janvier 2026 au 30 juin 2026, et l'annexe contenant un résumé des principales méthodes comptables et d'autres notes explicatives.

Le Comité de direction est responsable de l'établissement et de la présentation sincère de cette information financière consolidée intermédiaire résumée conformément aux Normes Internationales d'Informations Financières telles qu'adoptées par l'Union Européenne relative à l'Information Financière Intermédiaire (« IAS 34 »). Notre responsabilité consiste à émettre un rapport sur cette information financière consolidée intermédiaire résumée basé sur notre examen limité.

Étendue de notre examen limité

Nous avons effectué notre examen limité selon la norme internationale relative aux missions d'examen limité par le réviseur de la société de l'information financière consolidée intermédiaire résumée (ISRE 2410). Un examen limité d'information financière consolidée intermédiaire résumée se limite à des entretiens, essentiellement avec les responsables comptables et financiers ainsi qu'à des procédures analytiques et autres procédures d'examen limité. L'étendue d'un examen limité est significativement moindre que celle d'un audit effectué conformément aux normes internationales de révision et ne nous permet pas de nous assurer que nous avons identifié toutes les anomalies significatives qui auraient pu être décelées au cours d'un audit. Nous n'avons pas effectué d'audit, et en conséquence, nous n'exprimons pas d'opinion d'audit.

Conclusion

Sur la base de notre examen limité, aucun fait n'a été porté à notre attention qui nous laisse penser que l'information financière consolidée intermédiaire résumée ci-jointe n'est pas présentée sincèrement, à tous les égards importants, conformément aux normes IAS 34.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Antoine Le Bars

Luxembourg, le 09 septembre 2026

BANQUE ET CAISSE D'ÉPARGNE DE L'ÉTAT,
LUXEMBOURG

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION**
30 June 2026

Condensed consolidated balance sheet as at 30 June 2026

ASSETS	Notes	31/12/2025	30/06/2026
Cash and sight accounts with central banks	3.1	7.183.227.647	4.765.532.365
Loans and advances at amortised cost – Credit institutions	3.2	3.689.365.915	7.415.733.999
Loans and advances at amortised cost – Customers	3.3	29.247.731.396	29.200.982.892
Financial instruments held for trading	3.4 3.12	100.474.684	215.212.023
Hedging derivative financial instruments	3.12	1.118.311.565	1.020.055.541
Financial assets mandatorily recognised at fair value through profit or loss	3.5	150.926.712	151.572.771
Fixed-income securities recognised at amortised cost	3.6	16.411.867.040	17.384.143.624
Fixed-income securities recognised at fair value through the revaluation reserve	3.7	27.253.041	27.235.140
Variable-income securities recognised at fair value through the revaluation reserve	3.8	974.497.829	1.057.836.454
Investments in associates accounted for using the equity method	3.9	998.564.136	994.612.920
Change in fair value of a portfolio of financial instruments hedged against interest rate risk	3.14	-629.787.554	-582.819.339
Tangible assets for own use	3.15	255.575.504	254.256.237
Investment property		8.438.212	8.036.837
Intangible assets		67.786.988	65.385.224
Non-current assets and disposal groups classified as held for sale	3.13	1.044.738	1.044.738
Other assets	3.17	40.379.405	41.367.179
TOTAL ASSETS		59.645.657.258	62.020.188.605
LIABILITIES	Notes	31/12/2025	30/06/2026
Deposits at amortised cost – Credit institutions	3.18	4.800.760.829	4.336.281.885
Deposits at amortised cost – Customers	3.19	43.326.369.833	45.940.378.886
Financial instruments held for trading	3.4 3.12	91.431.493	137.685.575
Hedging derivative financial instruments	3.12	305.995.813	264.513.485
Financial liabilities designated at fair value through profit or loss	3.20	307.748.180	388.365.378
Issuance of debt securities	3.21	3.422.035.395	3.489.491.183
Change in fair value of a portfolio of financial instruments hedged against interest rate risk	3.14	3.667.062	-2.995.154
Provisions	3.22	130.846.360	135.194.910
Other liabilities	3.23	84.890.600	87.888.370
Provision for employee benefits	3.24	79.726.921	20.800.597
Current taxes	3.16	208.803.439	159.439.307
Deferred taxes	3.16	11.129.292	14.443.345
Sub-total of LIABILITIES (before equity capital) to be carried forward		52.773.405.217	54.971.487.767

Condensed consolidated balance sheet as at 30 June 2026 (continued)

EQUITY	Notes	31/12/2025	30/06/2026
Sub-total of LIABILITIES (before equity capital) carried forward		52.773.405.217	54.971.487.767
Share capital		173.525.467	173.525.467
Consolidated reserves		5.312.436.988	5.686.455.223
Other items of comprehensive income		799.193.275	892.589.968
° <i>Variable-income securities recognised at fair value through the revaluation reserve</i>	3.8	694.660.688	771.160.820
° <i>Actuarial gains/losses relating to employee benefits</i>	3.24	-238.034.030	-217.393.005
° <i>Equity method adjustment</i>		341.542.129	339.179.147
° <i>Change in fair value of liabilities measured at fair value through profit or loss attributable to own credit risk</i>	3.20	2.029.259	588.547
° <i>Gains or losses on disposals of variable-income securities measured at fair value</i>	3.26	482	-19
° <i>Fixed-income securities recognised at fair value through the revaluation reserve</i>	3.7	-1.005.253	-945.522
° <i>Cash flow hedges</i>	3.12	-	-
Income for the year/period		586.835.188	295.905.459
Sub-total of equity attributable to the equity holder of the parent company		6.871.990.918	7.048.476.117
Non-controlling interests		261.123	224.721
Total equity		6.872.252.041	7.048.700.838
TOTAL LIABILITIES, including EQUITY		59.645.657.258	62.020.188.605

Condensed consolidated income statement as at 30 June 2026

in EUR	Notes	30/06/2025	30/06/2026
Interest income	4.1	452.571.626	481.447.297
Income from securities	4.2	33.176.458	27.632.381
Fee and commission income	4.3	112.909.282	112.882.281
INCOME FROM INTEREST, DIVIDENDS AND FEES AND COMMISSIONS		598.657.366	621.961.959
Income from financial instruments not recognised at fair value through profit or loss	4.4	53.799	-166.039
Income from financial instruments held for trading	4.5	-5.188.284	-4.851.968
Income from financial instruments designated at fair value through profit or loss	4.6	-3.022.628	-1.791.475
Income from financial instruments mandatorily measured at fair value through profit or loss	4.7	-1.438.715	846.684
Income from hedging transactions	4.8	-1.553.501	-1.625.199
Foreign exchange income		13.137.952	7.177.600
Income from derecognition of non-financial assets		540.138	-
Other operating income	4.9	14.806.731	11.859.883
Other operating expenditure	4.9	-14.004.256	-6.453.416
BANK MARGIN		601.988.602	626.958.029
Personnel expenses	4.10	-153.983.639	-163.511.539
Other general and administrative expenses	4.11	-67.718.091	-88.066.535
Cash contributions to resolution funds and deposit guarantee systems	4.12	-	-
Allowances for impairment of tangible and intangible assets		-31.466.089	-35.210.610
<i>of which allowances for impairment of right-of-use assets in relation to leases</i>		<i>-2.702.106</i>	<i>-2.741.388</i>
INCOME AFTER GENERAL EXPENSES		348.820.783	340.169.345
Net allowances for impairment of individual and collective credit risks	4.13	14.018.822	-4.898.683
Provisions	4.14	6.784.888	-5.697.568
Share in the profit of equity-accounted associates		31.564.909	31.796.105
INCOME BEFORE TAXES AND NON-CURRENT ASSETS		401.189.402	361.369.199
Tax on income from continuing operations	4.15	-83.774.937	-64.909.347
Deferred taxes	4.15	629.250	-553.626
INCOME FOR THE PERIOD		318.043.715	295.906.226
<i>of which income for the period attributable to:</i>			
- non-controlling interests		-10.621	767
- equity holder of the parent company		318.054.336	295.905.459

Condensed consolidated statement of comprehensive income as at 30 June 2026

in EUR	30/06/2025	30/06/2026
INCOME FOR THE PERIOD	318.043.715	295.906.226
Items not reclassified in net income subsequently	73.843.269	93.337.444
Actuarial gains/(losses) on the defined-benefit pension scheme	-1.131.748	27.112.867
Contribution of equity-accounted associates	-46.024.525	-2.362.982
Variable-income securities recognised at fair value through the revaluation reserve	127.087.933	71.400.237
- <i>Variation in measurement results</i>	127.087.439	71.400.262
- <i>Income from sales</i>	494	-25
Change in fair value of financial liabilities designated at fair value through profit or loss attributable to own credit risk	-	-1.892.437
Impact of deferred and current taxes	-6.088.391	-920.241
Items to be reclassified in net income subsequently	275.522	59.730
Fixed-income securities recognised at fair value through the revaluation reserve	372.887	78.459
Cash flow hedges	-10.978	-
Impact of deferred taxes	-86.387	-18.729
Total items of comprehensive income for the period - net of tax	74.118.791	93.397.174
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	392.162.506	389.303.400
<i>share attributable to</i>		
- <i>non-controlling interests</i>	-10.621	767
- <i>equity holders of the parent company</i>	392.173.127	389.302.633

BANQUE ET CAISSE D'ÉPARGNE DE L'ÉTAT, LUXEMBOURG
Interim condensed consolidated financial information
as at 30 June 2026

Condensed statement of changes in consolidated equity as at 30 June 2026

in EUR	Share capital	Consolidated reserves	Other items of comprehensive income	Net income	Total equity of the parent	Non-controlling interests	Total equity
As at 1 January 2025	173.525.467	4.980.798.503	715.290.688	442.180.923	6.311.795.581	435.530	6.312.231.111
Appropriation of 2024 income	-	442.180.923	-	-442.180.923	-	-	-
Appropriation of 2024 income from sales of variable-income securities	-	6.437.369	-6.437.369	-	-	-	-
First-half 2025 net income	-	-	-	318.054.336	318.054.336	-10.621	318.043.715
Distribution for FY 2024	-	-120.000.000	-	-	-120.000.000	-	-120.000.000
Actuarial gains/(losses) on pension fund	-	-	-861.600	-	-861.600	-	-861.600
Change in fair value of financial liabilities measured at fair value through profit or loss attributable to own credit risk	-	-	-	-	-	-	-
Value adjustment on financial instruments measured at fair value through the revaluation reserve net of deferred taxes	-	-	121.012.772	-	121.012.772	-	121.012.772
Net measurement results of cash flow hedges	-	-	-8.357	-	-8.357	-	-8.357
Equity method adjustment	-	1.948.808	-46.024.525	-	-44.075.717	-	-44.075.717
2025 income from sales of variable-income securities	-	-	501	-	501	-	501
Other	-	-10.902.579	-	-	-10.902.579	-158.969	-11.061.548
As at 30 June 2025	173.525.467	5.300.463.024	782.972.110	318.054.336	6.575.014.937	265.940	6.575.280.877

in EUR	Share capital	Consolidated reserves	Other items of comprehensive income	Net income	Total equity of the parent	Non-controlling interests	Total equity
As at 1 January 2026	173.525.467	5.312.436.988	799.193.276	586.835.188	6.871.990.919	261.123	6.872.252.042
Appropriation of 2025 income	-	586.835.188	-	-586.835.188	-	-	-
Appropriation of 2025 income from sales of variable-income securities	-	482	-482	-	-	-	-
First-half 2026 net income	-	-	-	295.905.459	295.905.459	767	295.906.226
Distribution for FY 2025	-	-210.000.000	-	-	-210.000.000	-	-210.000.000
Actuarial gains/(losses) on pension fund	-	-	20.641.026	-	20.641.026	-	20.641.026
Change in fair value of financial liabilities measured at fair value through profit or loss attributable to own credit risk	-	-	-1.440.713	-	-1.440.713	-	-1.440.713
Value adjustment on financial instruments measured at fair value through the revaluation reserve net of deferred taxes	-	-	76.559.862	-	76.559.862	-	76.559.862
Net measurement results of cash flow hedges	-	-	-	-	-	-	-
Equity method adjustment	-	9.622.961	-2.362.982	-	7.259.979	-	7.259.979
2026 income from sales of variable-income securities	-	-	-19	-	-19	-	-19
Other	-	-12.440.396	-	-	-12.440.396	-37.169	-12.477.565
As at 30 June 2026	173.525.467	5.686.455.223	892.589.968	295.905.459	7.048.476.117	224.721	7.048.700.838

The distribution of profit attributable to the equity holder of the Group's parent company for financial year 2025 was made in the second quarter of 2026.

Condensed consolidated statement of cash flows as at 30 June 2026

in EUR	30/06/2025	30/06/2026
Cash and cash equivalents		
Cash and sight accounts with central banks	5.614.640.920	4.765.706.608
Loans and advances at amortised cost – Credit institutions	2.244.658.843	4.922.145.114
Loans and advances at amortised cost – Customers	1.241.871.221	1.498.863.436
Total	9.101.170.984	11.186.715.158

The statement of cash flows represents the inflow and outflow of cash. Cash and cash equivalents include cash on hand, deposits with central banks, and assets with an original maturity of 90 days or less.

BANQUE ET CAISSE D'ÉPARGNE DE L'ÉTAT, LUXEMBOURG
Interim condensed consolidated financial information
as at 30 June 2026

in EUR	30/06/2025	30/06/2026
CASH POSITION AT 1 JANUARY	10.831.342.189	11.678.194.193
Income for the period	318.043.715	295.906.226
Non-cash adjustments relating to:		
Net allowances for impairment of credit risks	-14.018.924	4.861.229
Allowances for impairment of tangible and intangible assets	28.935.567	32.634.191
Provisions	-7.068.735	5.953.859
Unrealised gains/losses	103.177.791	99.059.019
Share in the profit of equity-accounted associates	-31.564.909	-31.796.105
Other adjustments	2.865.066	4.516.265
Changes relating to assets and liabilities from operating activities:		
Financial instruments recognised at fair value	-73.287.311	49.218.153
Loans and advances at amortised cost	-1.293.691.410	-1.751.791.436
Deposits at amortised cost	481.253.643	2.075.939.483
Issuance of debt securities	351.522.476	60.071.611
Other assets and liabilities	-43.432.807	-24.099.650
Total cash flow from operating activities	-177.265.838	820.472.845
<i>of which:</i>		
Interest received	1.278.996.602	1.250.521.718
Interest paid	-734.155.276	-680.197.794
Income from securities	33.176.458	27.632.381
Tax on income from continuing operations	-83.774.937	-64.909.347
Acquisition/disposal of variable-income securities	-780.000	-4.200.004
Acquisition/disposal of investments in associates accounted for using the equity method	-1.557.871	-15.661
Acquisition of fixed-income securities	-3.167.629.636	-2.497.805.209
Disposal/redemption of fixed-income securities	1.468.788.669	1.543.789.169
Acquisitions/disposals of intangible and tangible assets	-31.613.567	-28.113.190
Total cash flow from investment activities	-1.732.792.405	-986.344.895
Proceeds from subordinated liabilities	-	-
Expenses related to leases	-2.702.106	-2.741.389
Income distribution	-120.000.000	-210.000.000
Total cash flow from financing activities	-122.702.106	-212.741.389
NET CHANGE IN CASH	-2.032.760.348	-378.613.439
Effect of exchange rates on cash and cash equivalents	302.589.143	-112.865.596
CASH POSITION AT 30 JUNE	9.101.170.984	11.186.715.158

The Spuerkeess Group's parent company does not provide information on subordinated issues at 30 June 2026 and 31 December 2025.

**BANQUE ET CAISSE D'ÉPARGNE DE L'ÉTAT,
LUXEMBOURG**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION
30 June 2026**

1 GENERAL INFORMATION

Banque et Caisse d'Épargne de l'État, Luxembourg (hereinafter "Spuerkeess" or the "Group's parent company"), established by the law of 21 February 1856 and governed by the law of 24 March 1989, as amended, is a self-governing public law institution endowed with legal personality. Ultimate responsibility for the institution lies with the Government Minister with responsibility for the Treasury.

The Spuerkeess Group comprises fully consolidated subsidiaries as well as investments in associates (the Group).

The Group's parent company's registered office is located at 1, Place de Metz, L-1930 Luxembourg. Within the limits set by the laws and regulations applicable to credit institutions, the objective of the Group's parent company is to perform all financial and banking activities, as well as all similar, related or ancillary operations.

On 8 September 2026, the Executive Committee of the Group's parent company authorised the publication of the interim condensed consolidated financial information as at 30 June 2026.

The Group had an average headcount as at 30 June 2026 of 2.100 (2.005 as at 31 December 2025).

The Group's business is not subject to seasonality.

The financial year coincides with the calendar year.

2 BASIS OF PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

2.1 Compliance with general principles

The Group's interim condensed consolidated financial information as at 30 June 2026 was prepared in accordance with IAS 34 "Interim Financial Reporting". It should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025, which were prepared under IFRS, as adopted by the European Union.

a) New or revised standards adopted by the European Union, applicable since 1 January 2026:

The amendments to the following standard have no impact on the Group:

- The amendments to IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments;
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7;
- Annual improvements – volume 11, as published in the European Financial Reporting Advisory Group's (EFRAG) EU endorsement status report.

b) New or revised standards adopted by the European Union and not yet applicable as of 1 January 2026:

The following new standard will have a substantial impact on the presentation of the Group's financial statements:

- IFRS 18 "Presentation and Disclosure in Financial Statements" (applicable from 1 January 2027).

c) New or revised standards not yet adopted by the European Union and not yet applicable as of 1 January 2026:

The following new standards are not expected to have a material impact on the Group:

- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" regarding translation to a hyperinflationary presentation currency (application expected on 1 January 2027);
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" and its amendments (application expected on 1 January 2027);

- IAS 28 "Investments in Associates and Joint Ventures" regarding the fair value option (application expected on 1 January 2027);
- IFRS 20 "Regulatory Assets and Regulatory Liabilities" (application expected on 1 January 2029).

2.2 Accounting principles and rules

The accounting principles applied to the interim condensed consolidated financial information as at 30 June 2026 are the same as those applied to the consolidated annual financial statements as at 31 December 2025.

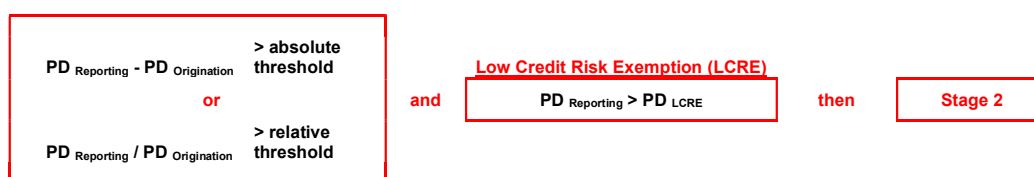
2.2.1 Impairment of financial assets

In accordance with the second phase of IFRS 9, Spuerkeess considers all Hold to Collect (HTC) model products meeting the Solely Payment of Principal and Interest (SPPI) criterion as well as guarantees and certain commitments recognised off the balance sheet in the calculation of impairment of financial assets.

These exposures are classified according to three stages determining the calculation of the value adjustments:

- Stage 1 includes exposures whose credit risk has not deteriorated significantly since the loan was granted or the security was purchased ("at inception").
⇒ **Value adjustment is equal to a 1-year expected credit loss.**

- Stage 2 includes financial instruments whose credit risk has increased significantly since the loan was granted or the security was purchased, i.e. exposures that:
 - have seen a deterioration in their probability of default (PD). Since November 2023, the approach based on a deterioration in PD, which takes greater account of the forward-looking aspect, has replaced the method based on ratings downgrades¹. This deterioration is now based on a comparison (absolute and relative) of the residual lifetime probabilities of default (annualised) on the reference date compared with the origination date. A probability of default (PD) threshold of 0,3% is applied for the low credit risk exemption (LCRE):



With:

- PD threshold to define the LCRE: 0,3%;
 - choice of relative threshold: threshold of "x 3" compared with PD at origination;
 - choice of absolute threshold: 5%.
- are past due for 30 days but less than 90 days;
 - have been restructured according to the definition introduced by the European Banking Authority (EBA) and adopted by the European Union in Regulation (EU) 2015/227;
 - are manually assigned to Stage 2 to account for qualitative criteria not considered in the previous points;
- ⇒ **Value adjustment is equal to a lifetime expected credit loss.**

- Stage 3 includes non-performing exposures as well as those in default according to Article 178 of the CRR.
 - ⇒ **Value adjustment is equal to a lifetime expected credit loss (with probability of default = 1)**

As Spuerkeess applies the definition of default at the debtor level, all the exposures of a customer in default are found in Stage 3. This "contagion" is not automatically applied for Stage 2. The same customer can therefore have commitments classified in Stage 1 and Stage 2.

¹ Internal rating downgraded by ≥ 3 notches (≥ 2 notches for exposures to individuals) since initial recognition.

The table below summarises the triggers for various events:

Notions	Explanations	Stage IFRS9
1. Default	No payment arrears, but "unlikelihood to pay" (ULP), in the sense of a serious doubt about the future ability to meet the commitments (e.g. bankruptcy).	STAGE 3
	The absolute threshold (a) and the relative threshold (b) have been exceeded for 90 consecutive days: a) absolute threshold: arrears > EUR 100 (retail) or EUR 500 (wholesale); b) relative threshold: amount of arrears relative to the total amount of exposures to the borrower on the Bank's balance sheet > 1% (retail and wholesale).	
2. Watchlist	Counterparty monitored through inclusion on the watchlist.	STAGE 2
3. Forbearance/renegotiated due to significant increase in credit risk (IFRS 9 B.5.5.27)	Restructuring measures granted to the customer during the term of the contract (deferment, extension of due date) <u>and</u> customer in financial difficulty.	STAGE 2
4. Past due	Payment more than 30 days late with materiality thresholds (a) and (b) crossed (see default thresholds).	STAGE 2
5. Deterioration in PD	Deterioration in PD between its origination date and its reporting date.	STAGE 2
6. Stage override	Potential reclassification of the stage to account for information not included in the above indicators.	STAGE 2

Probationary periods:

Migration	Migration trigger	Probationary period	Conditions
Stage 2 to Stage 1	Forbearance	2 years	- Significant amount repaid during the probationary period - Investment-grade rating - Performing
	Wholesale rating	1 year	The variables considered for the Wholesale rating are based on the financial statements published annually (in addition to behavioural data): potential impact on the rating for 12 months.
	Retail internal rating	6 months	The variables considered for the Retail rating are based on historical behaviour in the last 6 months: potential impact on the rating for 6 months.
Stage 3 to Stage 2	Forbearance and Past due	1 year	Parallel past due and forbearance status triggers the default. A one-year probationary period therefore starts when the past due event begins and is added chronologically to the forbearance event.
	Automatic closure of the default (repayment of outstanding debts), but other ongoing Stage 2 event	min. 3 months	Payment of outstanding debts triggers a 3-month probationary period (or 12 months for forbearance status). After the probationary period, the customer moves from Stage 3 to Stage 2.
	Manual closure of an unlikelihood to pay default, but other ongoing Stage 2 event	min. 3 months	When a default is closed manually, a 3-month probationary period (or 12 months for forbearance status) is also applied.
Stage 3 to Stage 1	Automatic closure of the default (repayment of outstanding debts)	min. 3 months	Payment of outstanding debts triggers a 3-month probationary period (no forbearance). After the probationary period, the customer moves from Stage 3 to Stage 1 (no significant increase in credit risk (SICR)).
	Manual closure of an unlikelihood to pay default	min. 3 months	When a default is closed manually, a 3-month probationary period (no forbearance) is also applied.

Determination of "Expected Credit Loss" (ECL): for each stage, the calculation method used is different:

Stage	Description	Formula	Explanation
1	Expected loss is calculated over a period of up to one year.	$ECL = PD_{M,1} \cdot LGD_1 \cdot Exposures(t_0)$	- $PD_{M,1} = 1 - (1 - PD_1)^M$ and M the residual maturity in number of days/365,25 of the next year, - PD_1 = Probability of default for the first year, which takes into account the actual residual duration (Daily granularity), - LGD_1 = Loss given default during the next year, - $Exposure(t_0)$ = Exposure at the beginning of the period.
2	The expected loss is to be estimated over the entire remaining life of the contract (lifetime expected loss).	$ECL = \sum_{k=1}^n ECL_k = \sum_{k=1}^n PD_{M,k} \cdot \frac{(Exposition_{k-1} \cdot LGD_k)}{(1+i)^{k-1}}$	- $PD_{M,k}$ takes into account the actual residual duration (daily granularity). - The ECL is the sum of expected losses per year, discounted at the respective contractual rate i. - The variable n represents the remaining duration of the exposure expressed in years.
3	The probability of default is 100% for these exposures; the expected loss is therefore a function of the current exposure and the loss rate (LGD), which takes into account the re-estimated future flows.	$ECL = 100\% \cdot LGD_1 \cdot Exposures(t_0)$	- LGD_1 = Loss given default occurring within 12 months, - $Exposure(t_0)$ = Exposure at the beginning of the period.

The basic principles applied by Spuerkeess are given in the previous table, and the PD and loss given default (LGD) risk parameters are derived from forward-looking models, based on macroeconomic variables that are projected according to four scenarios:

- optimistic,
- baseline,
- adverse, and
- severely adverse.

In particular, the LGDs of exposures secured by property factor in the future change in the value of the properties defined in the respective macroeconomic scenario (including the management overlay). The change in the price index has a direct impact on the haircut calculation. A portion of these haircuts, which are larger for the most adverse scenarios, also relates to the cost of realising the collateral when there is recovery. They were recalibrated in August 2025: haircuts of 0%, 26%, 49% or 60% depending on the scenario.

The model used to revalue residential properties utilises energy performance class as the model's explanatory variable. Based on historical price observations, the revaluation model applies a more favourable price indexation for properties with a more efficient energy class. Climate risk can therefore be considered a transition risk when determining LGDs and value adjustments. For now, the real estate price scenario does not yet differentiate between energy classes. Exposure to physical risk, primarily

flood risk, is accounted for in the initial valuation of the property, but in general remains insignificant at the portfolio level. Only 3,87% of residential properties with a mortgage are in a 100-year floodplain².

As of April 2025, the forward-looking values of the macroeconomic factors used to estimate forward-looking risk parameters (GDP, property price index, etc.) are provided by Moody's Analytics for the baseline, adverse and optimistic scenarios, and are based on an in-house assessment by the Bank for the severely adverse scenario. One exception is Luxembourg commercial real estate (CRE) prices, which are determined through an in-house assessment by the Bank for the baseline, adverse and optimistic scenarios, as projections for this measurement are not available from Moody's Analytics.

The Moody's Analytics scenarios, as well as the narrative that accompanies them, incorporate different geopolitical events and impacts. The projections used to calculate the June 2026 (and December 2025) provisions take into account, for example, uncertainties related to tariffs and to the conflict between Russia and Ukraine and its impacts on the energy market, as well as tensions in the Middle East and relations between China and the United States.

Under the existing procedure, the scenarios are weighted based on the level of confidence assigned to them by Moody's Analytics for the optimistic (90%), baseline (50%) and adverse (25%) scenarios. The level of confidence for the severely adverse scenario which, as a reminder, was determined based on expert estimates by the Bank, has been set at 1% as it is far more severe than Moody's "S4 – Protracted Slump" scenario, with a level of confidence of 4%.

Based on the new "mid-point" methodology, the weightings of the optimistic, baseline, adverse and severely adverse scenarios are respectively 30%, 32,5%, 24,5% and 13%. The Group's parent company nevertheless uses the following scenario weightings, which are also affected by the management overlays detailed below:

	Scenario weighting			
	Baseline	Adverse	Severely adverse	Optimistic
06/2026	47,5%	29,5%	13%	10%
12/2025	52,5%	24,5%	13%	10%
12/2024	60%	20%	10%	10%

² The floodplain maps developed by the Ministry of the Environment, Climate and Development as part of its flood risk management plans for the Grand Duchy of Luxembourg were used for this flood risk analysis.

To account for climate risk in the forward-looking views, an add-on was applied to the GDP projections for the adverse and severely adverse scenarios. This add-on is based on three climate scenarios from the Network for Greening the Financial System (NGFS), referred to as "Net Zero 2050", "Current policies" and "Delayed transition" for the "Advanced economies" region:

Climate add-on to GDP as %														
Net zero 2050					Current policies					Delayed transition				
Year 1	Year 2	Year 3	Year 4	Year 5	Year 1	Year 2	Year 3	Year 4	Year 5	Year 1	Year 2	Year 3	Year 4	Year 5
-1,1	-0,6	-0,5	-0,4	-0,4	-0,5	-0,4	-0,3	-0,3	-0,3	-0,4	-0,4	-0,3	-0,3	-0,3

A weighting (20/45/35) was then determined using expert judgements based on current climate policy developments and scientific observations relating to changes in climate objectives. The add-on applied to the 30 June 2026 and 31 December 2025 ECL calculation was based on NGFS's new data published at the end of 2024 and used the following values:

Weighting (20/45/35) as %				
Year 1	Year 2	Year 3	Year 4	Year 5
-0,6	-0,4	-0,3	-0,3	-0,3

It should be noted that this add-on is only for real GDP projections (Luxembourg and Advanced Economies) and applies for a 35-year horizon. Starting in year 6, the value of -0,3% is maintained.

- ECLs and sensitivity scenarios at 31/12/2025:

Type of scenario	Weighting	Macroeconomic variables	2026	2027	2028	Unweighted ECLs (in EURm)	Weighted ECLs (in EURm)
Optimistic	10%	Luxembourg GDP	3,95%	2,83%	2,51%	216	549
		Advanced economies GDP	3,05%	2,53%	1,93%		
Baseline	52,5%	Luxembourg GDP	2,11%	2,31%	2,79%	314	
		Advanced economies GDP	1,55%	1,78%	1,93%		
Adverse	24,5%	Luxembourg GDP	-0,25%	1,40%	3,50%	613	
		Advanced economies GDP	-0,91%	0,72%	2,24%		
Severely adverse	13%	Luxembourg GDP	-3,60%	-1,40%	-0,80%	1.639	
		Advanced economies GDP	-4,60%	-3,40%	-0,80%		

- ECLs and sensitivity scenarios at 30/06/2026:

Type of scenario	Weighting	Macroeconomic variables	07/2026 to 06/2027	07/2027 to 06/2028	07/2028 to 06/2029	Unweighted ECLs (in EURm)	Weighted ECLs (in EURm)
Optimistic	10%	Luxembourg GDP	3,90%	3,15%	2,56%	221	542
		Advanced economies GDP	2,98%	2,58%	1,97%		
Baseline	47,5%	Luxembourg GDP	2,06%	2,63%	2,83%	313	
		Advanced economies GDP	1,61%	1,83%	1,96%		
Adverse	29,5%	Luxembourg GDP	-0,30%	1,72%	3,54%	603	
		Advanced economies GDP	-0,82%	0,79%	2,24%		
Severely adverse	13%	Luxembourg GDP	-3,60%	-1,40%	-0,80%	1.490	
		Advanced economies GDP	-4,60%	-3,40%	-0,80%		

To address the identified weaknesses that could result from the forward-looking aspect of the modelling parameters, Spuerkeess continues to apply adjustments in the form of management overlays (and in-model adjustments) in its IFRS 9 models.

To compensate for the uncertainties related to the macroeconomic environment, Spuerkeess has applied a management overlay to the scenario weighting. In August 2025, the weighting of the optimistic scenario was reduced by 20% (i.e. from 30% to 10%) in order to increase the weighting of the baseline scenario (from 32,5% to 52,5%). Another adjustment was made in March 2026 due to the geopolitical tensions in the Middle East, with a 5% reduction in the weighting of the baseline scenario (from 52,5% to 47,5%) in order to increase the weighting of the adverse scenario (from 24,5% to 29,5%).

In 2022, Spuerkeess began applying a management overlay, which has entailed downgrading the rating of certain counterparties. The rules for identifying counterparties subject to this management overlay and the severity of the downgrade remained unchanged in first-half 2026 and are as follows:

- small- and medium-sized Luxembourg companies rated by the Bank's internal rating model and active in a sector classified as "high risk", excluding the real estate sector which is considered as a special case, are downgraded by one notch;
- individuals or small-sized companies treated as retail with a significant deterioration in repayment ability due to rising interest rates are downgraded by two notches on a 12-grade scale.

Given the weak momentum in the real estate sector, as from November 2024 specific downgrades have been applied to counterparties in the real estate sector as follows:

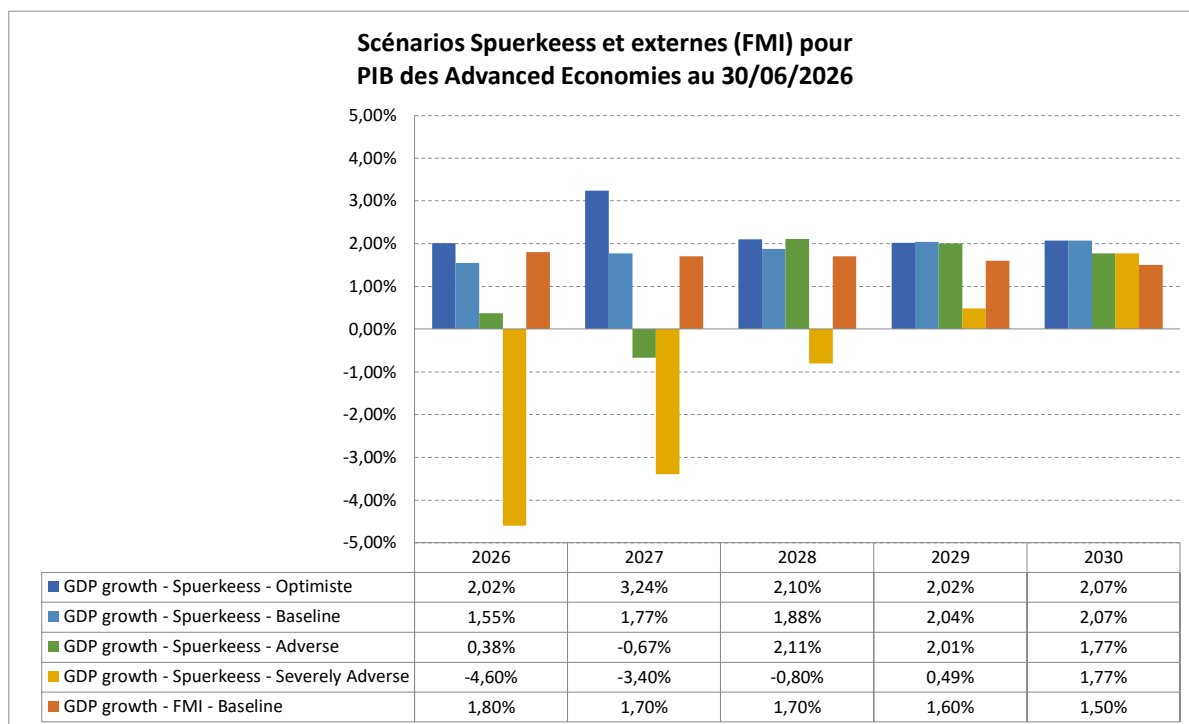
- small-, medium- and large-sized Luxembourg companies, rated by the Bank's internal rating model and active in real estate according to their Global Industry Classification Standard (GICS) code are downgraded by two notches;
- these measures also extend to Special Lending entities (SPLs) active in real estate, which Spuerkeess downgrades by one notch based on a rating scale with fewer notches.

The sector risk level classification is based on Spuerkeess's integrated strategy, which aims to assess each sector's risk in a given macroeconomic environment. Each sector's climate and environmental risks are also taken into consideration in this integrated strategy.

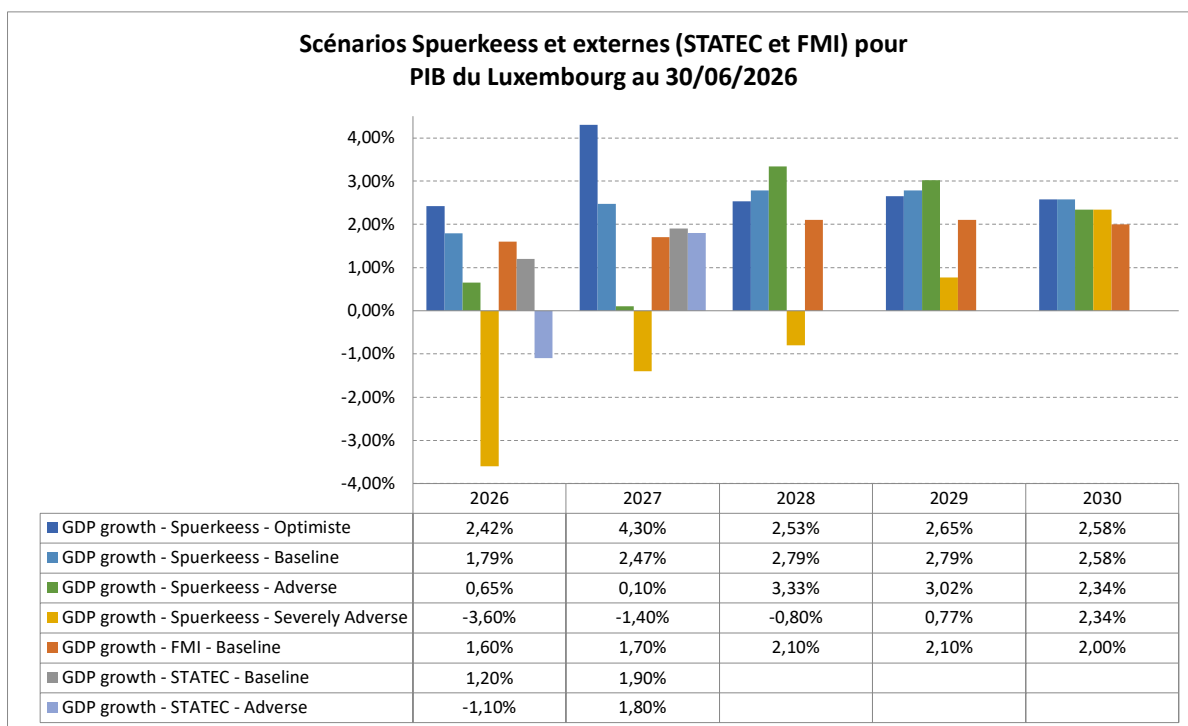
The stock of value adjustments for credit risk of EUR 542,3 million at 30 June 2026 included management overlays and in-model adjustments in the amount of EUR 129,7 million (versus EUR 123,3 million at 31 December 2025), broken down as follows:

- rating downgrade (management overlays): the impact was EUR 74,5 million (versus EUR 73,6 million at end-2025);
- climate add-on (in-model adjustments): the impact was EUR 27,7 million (versus EUR 32,1 million at end-2025);
- scenario weighting (management overlays): the impact was EUR 27,6 million (versus EUR 17,6 million at end-2025).

The tables below compare the internal scenarios used with those published by the IMF and STATEC.



Comparison of scenarios used at 30/06/2026 (Advanced Economies)



Comparison of scenarios used at 30/06/2026 (Luxembourg) ³

³ STATEC data not available from 2028.

2.2.2 Sector-based analysis

The Group's parent company classifies its national and international corporate commitments based on the Global Industry Classification Standard (GICS) system. This classification is divided into 11 key sectors, each of which is subdivided into industry groups, industries and sub-industries.

The analysis of the risks and opportunities specific to each sector and sub-industry is part of an integrated sector strategy, which takes several components into account: credit risks, ESG issues and the vulnerabilities specific to each area. Each sub-industry is assigned a level of vulnerability, which may be characterised as low, medium or high.

Vulnerabilities include factors such as geopolitical risks, supply chain disruptions and pressures on profitability which can have a significant impact on certain sub-industries. These factors have a direct impact on the sector assessment and, where applicable, counterparties in sub-industries that are viewed as vulnerable are subject to enhanced monitoring. Vulnerability is also incorporated into the calculation of sector-based credit limits and internal ratings, which has an impact on exposure provisioning.

Due to the rapid changes in certain macroeconomic and geopolitical risks, mainly ongoing international tensions, long-term supply chain weaknesses, the rise of protectionist measures, and uncertainty around trade policies, Spuerkeess reassessed the vulnerabilities in March 2026.

The Group's parent company therefore revised the internal rating for various business exposures to give priority to sectors categorised as high risk and account for the importance of the borrowers for the national economy and the extent of their commitments to Spuerkeess. Sector risk is also taken into account when assigning ratings to the customers in question.

Ratings were downgraded at 30 June 2026 versus 31 December 2025 for 29,8% of customers active in the most affected sectors, classified as high risk under the integrated approach; confirmed for 55,3%; upgraded for 9,0%; and left unchanged for 1,7% of these customers. For the 4,2% of new customers in these sectors, the impact was considered when assigning the initial rating and in any reviews conducted during the year.

Sectors currently classified as high risk mainly include companies active in the following areas:

- Real estate operating companies;
- Diversified real estate activities;
- Real estate development;
- Health care facilities;
- Automotive retail.

At 30 June 2026, the combined exposures of professional customers classified as high risk represented EUR 5.748 million in outstandings, versus EUR 5.766 million at 31 December 2025 based on vulnerabilities applicable on that date, and the related expected credit losses recorded stood at EUR 280,1 million, versus EUR 267,1 million at 31 December 2025. The breakdown of provisions by stage is as follows:

- 7,9% of impairments come from stage 1, versus 7,1% at 31 December 2025;
- 48,7% of impairments come from stage 2, versus 45,5% at 31 December 2025;
- 43,3% of impairments come from stage 3, versus 47,4% at 31 December 2025.

2.2.3 Scope of consolidation

2.2.3.1 Fully consolidated subsidiaries

The scope of fully consolidated subsidiaries has changed relative to 31 December 2025. The company Think Sphere S.A., whose corporate purpose is research, development and innovation, was created in the first half of 2026.

Subsidiaries included in the scope of consolidation:

Name	Activity	% of voting rights held	
		31/12/2025	30/06/2026
Lux-Fund Advisory S.A.	Investment advice	88,35	88,35
Spuerkeess Asset Management S.A.	UCI management company	100,00	100,00
Bourbon Immobilière S.A.	Real estate	100,00	100,00
Luxembourg State and Savings Bank Trust Company S.A.	Acquisition of shareholdings	100,00	100,00
Spuerkeess Ré S.A.	Reinsurance	100,00	100,00
Think Sphere S.A.	Research, development and innovation activities	-	100,00

2.2.3.2 Investments in associates

The scope of investments in associates was unchanged relative to 31 December 2025.

The Group's investments in associates:

Associates	Activity	% of capital held	
		31/12/2025	30/06/2026
Société Nationale de Circulation Automobile S.à r.l.	Automotive services	20,00	20,00
i-Hub S.A.	Financial services	20,00	20,00
Luxair S.A.	Air transport	21,81	21,81
Société de la Bourse de Luxembourg S.A.	Financial services	25,35	25,35
LuxConstellation S.A.	Financial services	30,00	30,00
Europay Luxembourg S.C.	Financial services	30,00	30,00
LuxHub S.A.	Financial services	32,50	32,50
Lalux Group S.A.	Insurance	40,00	40,00
Visalux S.C.	Financial services	45,20	46,30
Prolog Luxembourg S.A.	Financial services	43,96	43,96

2.3 Foreign currency transactions

The following exchange rates were used for translation of the main currencies in the consolidated annual financial statements. The Group's functional currency is the euro (EUR).

One euro is equal to:

Currency	31/12/2025	30/06/2026
CHF	0,9314	0,9223
GBP	0,8731	0,8610
USD	1,1741	1,1395

3 NOTES TO THE CONDENSED CONSOLIDATED BALANCE SHEET⁴ (in EUR)

3.1 Cash and sight accounts with central banks

Cash consists of cash, cash balances with central banks and other sight deposits with credit institutions. The minimum reserve requirement with the Banque centrale du Luxembourg is included in "Deposits with central banks".

Headings	31/12/2025	30/06/2026
Cash	71.361.200	62.473.591
Deposits with central banks	6.291.415.760	4.108.464.804
Other deposits at sight	820.450.686	594.593.970
Total	7.183.227.647	4.765.532.365
<i>of which impairment of financial assets</i>	<i>-691.948</i>	<i>-433.442</i>

Change in impairments:

	Stage 1	Stage 2	Stage 3	Total
Position as at 1 January 2025	463.297	425.765	-	889.063
Changes	228.651	-425.766	-	-197.114
Increase due to acquisition or origination	114.821	-	-	114.821
Decrease due to repayment	-	-	-	-
Change related to credit risk	86.331	-425.765	-	-339.434
Other changes	23.979	-	-	23.979
Depreciation	-	-	-	-
Exchange gain or loss	3.521	-	-	3.521
Position as at 31 December 2025	691.948	-	-	691.948
Outstanding loan stage transfers	Stage 1	Stage 2	Stage 3	Total
Transfer from Stage 1		-	-	-
Transfer from Stage 2	-		-	-
Transfer from Stage 3	-	-		-
Outstanding excluding impairment at 31 December 2025	Stage 1	Stage 2	Stage 3	Total
Outstanding	7.183.919.595	-	-	7.183.919.595

⁴ Minor differences between the figures in the notes to the financial statements and the figures in the different condensed consolidated statements are rounding differences only.

	Stage 1	Stage 2	Stage 3	Total
Position as at 1 January 2026	691.948	-	-	691.948
Changes	-258.506	-	-	-258.506
Increase due to acquisition or origination	61	-	-	61
Decrease due to repayment	-25.074	-	-	-25.074
Change related to credit risk	-110.367	-	-	-110.367
Other changes	-	-	-	-
Depreciation	-	-	-	-
Exchange gain or loss	-123.126	-	-	-123.126
Position as at 30 June 2026	433.442	-	-	433.442
Outstanding loan stage transfers	Stage 1	Stage 2	Stage 3	Total
Transfer from Stage 1		-	-	-
Transfer from Stage 2	-		-	-
Transfer from Stage 3	-	-		-
Outstanding excluding impairment at 30 June 2026	Stage 1	Stage 2	Stage 3	Total
Outstanding	4.765.965.807	-	-	4.765.965.807

"Other changes" in the previous tables reflect changes in methodology made to the expected credit losses model (see section 2.2.1).

3.2 Loans and advances at amortised cost – Credit institutions

Headings	31/12/2025	30/06/2026
Interbank loans	718.737.142	1.484.010.620
Reverse repos	2.917.826.363	5.893.118.793
Finance leases	802.033	640.447
Other	52.000.376	37.964.140
Total	3.689.365.915	7.415.733.999
<i>of which impairment of financial assets</i>	<i>-129.158</i>	<i>-151.376</i>
Undrawn confirmed credits	374.161.660	1.459.930.265

In the case of reverse repurchase transactions, the Group becomes the legal owner of the securities received as collateral and has the right to sell or collateralise these securities. In 2026 and 2025, the Group's parent company reused securities from reverse repurchase transactions.

3.3 Loans and advances at amortised cost – Customers

Headings	31/12/2025	30/06/2026
Retail customers	20.939.899.296	21.144.702.326
Corporate customers	7.256.285.175	6.854.973.214
Public sector	1.051.546.926	1.201.307.352
Total	29.247.731.396	29.200.982.892
<i>of which finance leases</i>	233.021.840	227.060.976
<i>of which impairment of financial assets</i>	-465.806.086	-456.073.114
Undrawn confirmed credits	6.193.242.566	6.130.858.644

Change in impairments:

	Stage 1	Stage 2	Stage 3	Total
Position as at 1 January 2025	47.638.288	195.889.855	184.691.229	428.219.372
<i>of which:</i>				
<i>Retail customers</i>	26.083.783	84.794.813	65.540.055	176.418.651
<i>Corporate customers</i>	21.493.151	111.037.868	119.151.174	251.682.193
<i>Public sector</i>	61.354	57.174	-	118.528
Changes	8.515.308	-26.487.198	55.558.605	37.586.715
Increase due to acquisition or origination	22.330.469	20.711.481	10.242.279	53.284.229
<i>Retail customers</i>	12.208.360	3.348.174	6.854.818	22.411.352
<i>Corporate customers</i>	10.034.889	17.363.307	3.387.461	30.785.657
<i>Public sector</i>	87.220	-	-	87.220
Decrease due to repayment	-1.504.435	-2.394.608	-2.910.354	-6.809.397
<i>Retail customers</i>	-1.312.114	-1.787.359	-2.602.925	-5.702.398
<i>Corporate customers</i>	-192.290	-607.249	-307.429	-1.106.968
<i>Public sector</i>	-31	-	-	-31
Change related to credit risk	-26.225.415	-194.076	364.547	-26.054.944
<i>Retail customers</i>	-6.101.515	-8.604.908	-2.062.736	-16.769.159
<i>Corporate customers</i>	-20.007.665	8.413.596	2.427.127	-9.166.942
<i>Public sector</i>	-116.235	-2.764	156	-118.843
Other changes	13.917.018	-44.610.052	49.601.281	18.908.247
<i>Retail customers</i>	458.613	-29.464.804	27.359.524	-1.646.667
<i>Corporate customers</i>	13.459.772	-15.146.224	22.241.661	20.555.209
<i>Public sector</i>	-1.367	976	96	-295
Depreciation	-	-	-1.637.852	-1.637.852
<i>Retail customers</i>	-	-	-1.394.922	-1.394.922
<i>Corporate customers</i>	-	-	-242.930	-242.930
<i>Public sector</i>	-	-	-	-
Exchange gain or loss	-2.329	57	-101.296	-103.568
<i>Retail customers</i>	-316	263.711	-101.296,00	162.099
<i>Corporate customers</i>	-2.364	-263.654	-	-266.018
<i>Public sector</i>	351	-	-	351
Position as at 31 December 2025	56.153.596	169.402.657	240.249.834	465.806.087
<i>of which</i>				
<i>Retail customers</i>	31.336.812	48.549.627	93.592.518	173.478.957
<i>Corporate customers</i>	24.785.494	120.797.644	146.657.064	292.240.202
<i>Public sector</i>	31.291	55.386	252	86.929

Outstanding loan stage transfers	Stage 1	Stage 2	Stage 3	Total
Retail customers	693.085.481	837.532.661	81.820.251	1.612.438.393
Transfer from Stage 1		782.295.441	40.832.783	823.128.224
Transfer from Stage 2	690.854.864		40.987.468	731.842.332
Transfer from Stage 3	2.230.617	55.237.220		57.467.837
Corporate customers	631.245.331	518.164.134	163.378.861	1.312.788.326
Transfer from Stage 1		437.315.673	4.981.766	442.297.439
Transfer from Stage 2	626.776.084		158.397.095	785.173.179
Transfer from Stage 3	4.469.247	80.848.461		85.317.708
Public sector	-	8.586	-	8.586
Transfer from Stage 1		8.586	-	8.586
Transfer from Stage 2	-		-	-
Transfer from Stage 3	-	-		-
Outstanding excluding impairment at 31 December 2025	Stage 1	Stage 2	Stage 3	Total
Retail customers	18.954.210.337	1.808.552.684	350.615.231	21.113.378.252
Corporate customers	4.787.106.664	2.228.622.539	532.796.174	7.548.525.377
Public sector	1.019.782.789	31.850.686	379	1.051.633.854

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	Stage 1	Stage 2	Stage 3	Total
Position as at 1 January 2026	56.153.596	169.402.657	240.249.834	465.806.086
<i>of which</i>				
Retail customers	31.336.812	48.549.627	93.592.518	173.478.957
Corporate customers	24.785.494	120.797.644	146.657.064	292.240.202
Public sector	31.291	55.386	252	86.929
Changes	-13.191.887	45.048.045	-41.589.131	-9.732.973
Increase due to acquisition or origination	7.107.510	27.516.792	5.955.567	40.579.869
Retail customers	3.228.483	8.022.417	1.451.110	12.702.010
Corporate customers	3.867.725	19.494.375	4.504.457	27.866.557
Public sector	11.302	-	-	11.302
Decrease due to repayment	-498.095	-1.215.819	-6.669.372	-8.383.286
Retail customers	-369.954	-856.737	-2.117.748	-3.344.439
Corporate customers	-128.109	-359.082	-4.551.624	-5.038.815
Public sector	-32	-	-	-32
Change related to credit risk	8.361.327	-13.748.553	-24.502.156	-29.889.382
Retail customers	3.209.958	-6.129.705	-7.513.057	-10.432.804
Corporate customers	5.087.540	-7.615.385	-16.988.960	-19.516.805
Public sector	63.829	-3.463	-139	60.227
Other changes	-28.163.580	32.495.443	233.431	4.565.294
Retail customers	-26.312.737	30.571.324	-5.927.518	-1.668.931
Corporate customers	-1.966.989	1.923.933	6.160.949	6.117.893
Public sector	116.146	186	-	116.332
Depreciation	-	-	-16.602.039	-16.602.039
Retail customers	-	-	-621.974	-621.974
Corporate customers	-	-	-15.980.065	-15.980.065
Public sector	-	-	-	-
Exchange gain or loss	951	182	-4.561	-3.428
Retail customers	8	187	-4.575	-4.380
Corporate customers	943	-5	14	952
Public sector	-	-	-	-
Position as at 30 June 2026	42.961.709	214.450.702	198.660.704	456.073.114
<i>of which</i>				
Retail customers	11.092.570	80.157.115	78.858.755	170.108.440
Corporate customers	31.646.604	134.241.477	119.801.836	285.689.917
Public sector	222.535	52.110	113	274.758

Outstanding loan stage transfers	Stage 1	Stage 2	Stage 3	Total
Retail customers	628.223.364	908.864.047	38.544.453	1.575.631.864
Transfer from Stage 1		843.016.525	9.369.080	852.385.605
Transfer from Stage 2	618.613.778		29.175.373	647.789.151
Transfer from Stage 3	9.609.586	65.847.522		75.457.108
Corporate customers	383.380.555	463.783.037	10.121.121	857.284.714
Transfer from Stage 1		413.678.219	1.000.887	414.679.106
Transfer from Stage 2	382.695.563		9.120.234	391.815.798
Transfer from Stage 3	684.992	50.104.818		50.789.810
Public sector	24.498	1.095	-	25.593
Transfer from Stage 1		1.095	-	1.095
Transfer from Stage 2	24.498		-	24.498
Transfer from Stage 3	-	-		-
Outstanding excluding impairment at 30 June 2026	Stage 1	Stage 2	Stage 3	Total
Retail customers	18.778.343.628	2.278.988.951	257.478.187	21.314.810.766
Corporate customers	4.624.040.215	2.091.988.340	424.634.576	7.140.663.131
Public sector	1.169.519.757	32.062.186	167	1.201.582.110

"Other changes" in the previous tables reflect changes in methodology made to the expected credit losses model (see section 2.2.1).

In addition to information on impairments of loans and advances at amortised cost for customers, the Group reports restructured loans by type of customer. According to the EBA's definition, financial restructurings are characterised by a deterioration in financial position due to the customer's financial difficulties and the fact that the financing conditions granted to the customer go beyond the concessions the Group would have been willing to accept for a customer under normal circumstances. Included in these new financing conditions are an extension of the final maturity or a partial or total deferment of payment if it is not granted as part of a legislative or private moratorium.

31/12/2025	Performing restructured loans		Non-performing restructured loans		Total restructured loans	
	Outstanding	Impairment	Outstanding	Impairment	Outstanding	Impairment
Retail customers	183.937.731	-3.626.270	111.087.994	-23.271.741	295.025.725	-26.898.011
Corporate customers	145.186.508	-12.703.667	315.105.009	-71.983.744	460.291.517	-84.687.411
Total	329.124.239	-16.329.937	426.193.003	-95.255.485	755.317.242	-111.585.422

30/06/2026	Performing restructured loans		Non-performing restructured loans		Total restructured loans	
	Outstanding	Impairment	Outstanding	Impairment	Outstanding	Impairment
Retail customers	196.349.005	-3.851.472	66.016.373	-15.534.436	262.365.378	-19.385.908
Corporate customers	157.275.872	-12.056.850	276.587.570	-74.187.058	433.863.442	-86.243.908
Total	353.624.877	-15.908.322	342.603.943	-89.721.494	696.228.820	-105.629.816

3.4 Assets and liabilities held for trading

Assets	31/12/2025	30/06/2026
Derivative financial instruments (note 3.12)	100.474.684	215.212.023
Total	100.474.684	215.212.023

Liabilities	31/12/2025	30/06/2026
Derivative financial instruments (note 3.12)	91.431.493	137.685.575
Total	91.431.493	137.685.575

3.5 **Financial assets mandatorily recognised at fair value through profit or loss**

Headings	31/12/2025	30/06/2026
Debt instruments	111.248.544	110.735.897
<i>Public sector</i>	-	-
<i>Credit institutions</i>	61.675.698	60.860.373
<i>Corporate customers</i>	49.572.846	49.875.524
Loans and advances	39.678.168	40.836.874
<i>Public sector</i>	-	-
<i>Credit institutions</i>	-	-
<i>Corporate customers</i>	39.678.168	40.836.874
Total	150.926.712	151.572.771
<i>of which unrealised valuation</i>	280.795	1.105.613

This item includes financial instruments that, according to IFRS 9, do not pass the Solely Payment of Principal and Interest (SPPI) test and are therefore to be measured at fair value through profit or loss.

3.6 **Fixed-income securities recognised at amortised cost**

This item includes debt instruments in the form of variable-rate, fixed-rate and other interest-rate bonds subject to compliance with the "Solely Payment of Principal and Interest" criterion in the context of the hold-to-collect (HTC) business model. Some fixed-rate bonds are converted into variable-rate bonds using derivative financial instruments (asset swaps). The Group applies fair value hedge accounting to these transactions. Prospective and retrospective effectiveness is close to 100%.

Headings	31/12/2025	30/06/2026
Debt instruments		
<i>Public sector</i>	3.391.192.667	3.807.251.432
<i>Credit institutions</i>	6.426.520.972	6.842.443.122
<i>Corporate customers</i>	6.594.153.401	6.734.449.070
Total	16.411.867.040	17.384.143.624
<i>of which unrealised valuation (interest-rate component) for the purposes of hedge accounting</i>	-173.729.837	-198.594.861
<i>of which impairment of financial assets</i>	-19.209.453	-17.342.580

Change in impairments:

	Stage 1	Stage 2	Stage 3	Total
Position as at 1 January 2025	12.947.846	1.454.217	150.598	14.552.661
<i>of which</i>				
<i>Public sector</i>	5.134.884	-	-	5.134.884
<i>Credit institutions</i>	3.162.767	67.253	-	3.230.020
<i>Corporate customers</i>	4.650.195	1.386.964	150.598	6.187.757
Changes	4.135.853	520.939	-	4.656.792
Increase due to acquisition and origination	3.106.837	-	-	3.106.837
Decrease due to repayment	-103.098	-771	-	-103.869
Change related to credit risk	-1.354.459	457.925	-	-896.534
Other changes	2.660.098	71.948	-	2.732.046
Depreciation	-	-	-	-
Exchange gain or loss	-173.525	-8.163	-	-181.688
Position as at 31 December 2025	17.083.699	1.975.155	150.598	19.209.453
<i>of which</i>				
<i>Public sector</i>	8.232.161	-	-	8.232.161
<i>Credit institutions</i>	3.810.845	-	-	3.810.845
<i>Corporate customers</i>	5.040.693	1.975.156	150.598	7.166.447
Outstanding loan stage transfers	Stage 1	Stage 2	Stage 3	Total
Public sector	-	-	-	-
Credit institutions	-	-	-	-
Corporate customers	9.417.869	32.656.745	-	42.074.615
<i>Transfer from Stage 1</i>		32.656.745	-	32.656.745
<i>Transfer from Stage 2</i>	9.417.869		-	9.417.869
<i>Transfer from Stage 3</i>	-	-		-
Outstanding excluding impairment at 31 December 2025	Stage 1	Stage 2	Stage 3	Total
Public sector	3.399.424.828	-	-	3.399.424.828
Credit institutions	6.430.331.817	-	-	6.430.331.817
Corporate customers	6.502.274.606	98.818.198	227.044	6.601.319.848

	Stage 1	Stage 2	Stage 3	Total
Position as at 1 January 2026	17.083.699	1.975.155	150.598	19.209.453
<i>of which</i>				
Public sector	8.232.161	-	-	8.232.161
Credit institutions	3.810.845	-	-	3.810.845
Corporate customers	5.040.693	1.975.155	150.598	7.166.446
Changes	-841.581	-874.694	-150.598	-1.866.873
Increase due to acquisition or origination	3.160.538	-	-	3.160.538
Decrease due to repayment	-42.120	-	-150.598	-192.718
Change related to credit risk	-3.287.275	-474.605	-	-3.761.880
Other changes	-724.346	-403.943	-	-1.128.289
Depreciation	-	-	-	-
Exchange gain or loss	51.622	3.854	-	55.476
Position as at 30 June 2026	16.242.118	1.100.461	-	17.342.580
<i>of which</i>				
Public sector	8.006.964	-	-	8.006.964
Credit institutions	3.667.109	-	-	3.667.109
Corporate customers	4.568.045	1.100.462	-	5.668.507
Outstanding loan stage transfers	Stage 1	Stage 2	Stage 3	Total
Public sector	-	-	-	-
Credit institutions	-	-	-	-
Corporate customers	73.603.336	10.398.084	-	84.001.419
Transfer from Stage 1		10.398.084	-	10.398.084
Transfer from Stage 2	73.603.336		-	73.603.336
Transfer from Stage 3	-	-		-
Outstanding excluding impairment at 30 June 2026	Stage 1	Stage 2	Stage 3	Total
Public sector	3.815.258.395	-	-	3.815.258.395
Credit institutions	6.846.110.231	-	-	6.846.110.231
Corporate customers	6.709.789.508	30.328.068	-	6.740.117.576

The “Other changes” item mainly reflects changes in the impairment calculation methodology. Please refer to note 2.2.1 for further explanations.

3.7 **Fixed-income securities recognised at fair value through the revaluation reserve**

This item includes debt instruments in the form of variable-rate, fixed-rate and other interest-rate bonds subject to compliance with the "Solely Payment of Principal and Interest" criterion in the context of the hold-to-collect-and-sell (HTC&S) business model.

Headings	31/12/2025	30/06/2026
Debt instruments		
<i>Public sector</i>	22.342.329	22.328.832
<i>Credit institutions</i>	4.910.712	4.906.308
Total	27.253.041	27.235.140
<i>of which unrealised valuation through the revaluation reserve</i>	-1.321.493	-1.245.290

The amount shown in equity items for unrealised valuation is net of taxes and comes to -EUR 945.522 at 30 June 2026 and -EUR 1.005.253 at 31 December 2025.

3.8 **Variable-income securities recognised at fair value through the revaluation reserve**

This item includes the equity instruments held by the Group. These instruments are measured at fair value through the revaluation reserve. Gains and losses on the sale of these instruments are recognised on a separate line in equity.

Headings	31/12/2025	30/06/2026
Equity instruments		
<i>Credit institutions</i>	8.824.035	8.999.070
<i>Corporate customers</i>	965.673.794	1.048.837.384
Total	974.497.829	1.057.836.454
<i>of which unrealised valuation through the revaluation reserve</i>	694.125.816	771.873.078
Dividends received during the period	38.319.938	27.453.028
<i>of which dividends from positions sold during the period</i>	-	-
Gains/losses on sales in equity	469	-25

The amount shown in equity items in relation to the unrealised valuation of variable-income securities recognised at fair value through the revaluation reserve is net of taxes and comes to EUR 771.160.820 at 30 June 2026 and EUR 694.660.688 at 31 December 2025.

3.9 Investments in associates accounted for using the equity method

List of associates:

Associates	Fraction of capital held (%)	Acquisition value	Equity-accounted value 31/12/2025
Société Nationale de Circulation Automobile S.à r.l.	20,00	24.789	12.014.072
i-Hub S.A.	20,00	10.250.000	1.113.497
Luxair S.A.	21,81	14.830.609	454.987.187
Société de la Bourse de Luxembourg S.A.	25,35	6.979.907	75.080.624
LuxConstellation S.A.	30,00	75.000	125.112
Europay Luxembourg S.C.	30,00	70.342	376.316
LuxHub S.A.	32,50	3.705.000	2.059.312
Lalux Group S.A.	40,00	28.904.385	449.895.647
Visalux S.C.	45,20	495.920	2.539.267
Prolog Luxembourg S.A.	43,96	659.327	373.102
Total		65.995.279	998.564.136

Associates	Fraction of capital held (%)	Acquisition value	Equity-accounted value 30/06/2026
Société Nationale de Circulation Automobile S.à r.l.	20,00	24.789	12.372.752
i-Hub S.A.	20,00	10.250.000	1.022.867
Luxair S.A.	21,81	14.830.609	473.536.830
Société de la Bourse de Luxembourg S.A.	25,35	6.979.907	71.114.995
LuxConstellation S.A.	30,00	75.000	140.176
Europay Luxembourg S.C.	30,00	70.342	371.622
LuxHub S.A.	32,50	3.705.000	2.472.079
Lalux Group S.A.	40,00	28.904.385	430.551.016
Visalux S.C.	46,30	511.581	2.689.645
Prolog Luxembourg S.A.	43,96	659.327	340.938
Total		66.010.940	994.612.920

Pursuant to the provisions of IFRS 12 “Disclosure of Interests in Other Entities”, the Group considers all interests in other companies to be immaterial and therefore provides the following information:

Associates	30/06/2025			
	Net income from continuing operations	Net income after tax from discontinued operations	Other items of comprehensive income	Total comprehensive income
Société Nationale de Circulation Automobile S.à r.l.	740.758	-	220.261	961.019
i-Hub S.A.	-893.858	-	-	-893.858
Luxair S.A.	29.850.479	-	-36.242.731	-6.392.252
Société de la Bourse de Luxembourg S.A.	1.265.913	-	-591.895	674.018
LuxConstellation S.A.	68.553	-	-39.395	29.158
Europay Luxembourg S.C.	-9.778	-	-731.346	-741.124
LuxHub S.A.	330.685	-	-11.294	319.391
Lalux Group S.A.	56.384.380	-	18.793.092	75.177.472
Visalux S.C.	7.713.668	-	-10.167.532	-2.453.864
Prolog Luxembourg S.A.	-379.930	-	66.042	-313.888
Total	95.070.870	-	-28.704.798	66.366.072

Associates	30/06/2026			
	Net income from continuing operations	Net income after tax from discontinued operations	Other items of comprehensive income	Total comprehensive income
Société Nationale de Circulation Automobile S.à r.l.	368.353	-	-9.673	358.680
i-Hub S.A.	-90.630	-	-	-90.630
Luxair S.A.	8.756.879	-	9.792.764	18.549.643
Société de la Bourse de Luxembourg S.A.	1.311.950	-	-5.277.579	-3.965.629
LuxConstellation S.A.	35.179	-	-20.115	15.064
Europay Luxembourg S.C.	-4.694	-	-	-4.694
LuxHub S.A.	384.574	-	28.193	412.767
Lalux Group S.A.	18.217.304	-	-4.161.935	14.055.369
Visalux S.C.	2.889.962	-	-2.755.245	134.717
Prolog Luxembourg S.A.	-72.772	-	40.608	-32.164
Total	31.796.105	-	-2.362.982	29.433.123

3.10 Securities collateralised

Securities collateralised in the framework of bilateral repurchase agreements, including contracts offset against reverse repurchase agreements:

Headings	31/12/2025	30/06/2026
Debt instruments issued by the public sector	63.833.381	49.263.390
Debt instruments issued by credit institutions	64.467.689	43.815.090
Debt instruments issued - other	72.659.872	42.930.485
Total	200.960.942	136.008.965

The debt instruments issued are primarily "Fixed-income securities recognised at amortised cost".

Securities lent and other collateral

Headings	31/12/2025	30/06/2026
Securities lending		
Debt instruments issued by the public sector	282.204.124	560.155.593
Debt instruments issued by credit institutions	118.448.358	21.678.734
Debt instruments issued - other	-	-
Total	400.652.482	581.834.327

3.11 Convertible bonds included in the different portfolios

The Group had no convertible bond positions in its different portfolios at 30 June 2026 and 31 December 2025.

3.12 Derivative financial instruments

Categories as at 31/12/2025	Assets	Liabilities	Notional
Derivative financial instruments held for trading	100.474.684	91.431.493	23.484.262.398
Operations linked to exchange rates	67.693.674	67.853.839	14.898.710.298
- Foreign exchange swaps and forward exchange contracts	67.693.674	66.522.547	14.873.654.393
- CCIS	-	1.331.292	25.055.905
Operations linked to interest rates	32.781.010	23.577.654	8.585.552.100
- IRS	32.774.915	23.573.606	8.541.992.100
- other	6.095	4.048	43.560.000
Fair value micro-hedges	474.581.706	270.512.144	15.713.354.896
Operations linked to exchange rates	196.864.402	50.154.252	2.464.319.768
- CCIS	196.864.402	50.154.252	2.464.319.768
Operations linked to interest rates	277.717.304	220.357.892	13.249.035.128
- IRS	277.717.304	220.357.892	13.249.035.128
Fair value macro-hedges	643.729.858	35.483.669	7.855.224.441
Operations linked to interest rates	643.729.858	35.483.669	7.855.224.441
- IRS	643.729.858	35.483.669	7.855.224.441
Categories as at 30/06/2026	Assets	Liabilities	Notional
Derivative financial instruments held for trading	215.212.023	137.685.575	36.779.280.460
Operations linked to exchange rates	185.624.547	104.073.585	19.442.395.740
- Foreign exchange swaps and forward exchange contracts	185.624.547	103.012.592	19.438.632.740
- CCIS	-	1.060.993	3.763.000
Operations linked to interest rates	29.587.476	33.611.990	17.336.884.720
- IRS	29.570.731	33.610.200	17.294.204.720
- other	16.745	1.790	42.680.000
Fair value micro-hedges	424.466.913	226.017.285	17.177.430.536
Operations linked to exchange rates	146.620.499	48.578.016	2.318.115.616
- CCIS	146.620.499	48.578.016	2.318.115.616
Operations linked to interest rates	277.846.414	177.439.269	14.859.314.920
- IRS	277.846.414	177.439.269	14.859.314.920
Fair value macro-hedges	595.588.627	38.496.200	8.888.223.595
Operations linked to interest rates	595.588.627	38.496.200	8.888.223.595
- IRS	595.588.627	38.496.200	8.888.223.595

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Fair value hedges at 31/12/2025	Balance sheet categories	Type of hedge	Fair value of hedged instruments	Change in fair value of hedging instruments	Change in fair value of hedged instruments	Inefficiency	Effectiveness rate
Interest rate risk							
Fixed-rate asset instruments	Fixed-income securities recognised at amortised cost, loans and advances at amortised cost – Customers, change in fair value of a portfolio of financial instruments hedged against interest rate risk	Micro-hedge	-183.743.731	89.876.185	-95.763.234	-5.887.049	106,55%
		Macro-hedge	-623.451.891	276.292.287	-278.251.424	-1.959.137	100,71%
Fixed-rate liability instruments	Issuance of debt securities	Micro-hedge	60.103.757	-24.013.670	24.101.284	87.614	100,36%
	Deposits at amortised cost	Macro-hedge	-3.667.062	-8.962.646	9.059.265	96.619	101,08%

Currency risk							
Fixed-rate asset instruments	Fixed-income securities recognised at amortised cost, Loans and advances at amortised cost – Customers	Micro-hedge	-37.256.687	-45.824.918	44.550.507	-1.274.411	97,22%
Fixed-rate liability instruments	Issuance of debt securities	Micro-hedge	-829.976	1.769.226	-1.722.012	47.214	97,33%

Cash flow hedges at 31/12/2025	Balance sheet categories		Change in fair value of hedging instruments	Change in fair value of hedged instruments	Cash flow hedging reserve
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					Continuity of hedging	Termination of hedging
Interest rate risk						
Fixed-rate asset instruments	Loans and advances at amortised cost – Customers		-18.164	-	-	-
Currency risk						
Fixed-rate asset instruments	Fixed-income securities recognised at amortised cost		-	-	-	-

Fair value hedges at 30/06/2026	Balance sheet categories	Type of hedge	Fair value of hedged instruments	Change in fair value of hedging instruments	Change in fair value of hedged instruments	Inefficiency	Effectiveness rate
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Interest rate risk							
Fixed-rate asset instruments	Fixed-income securities recognised at amortised cost, loans and advances at amortised cost – Customers, change in fair value of a portfolio of financial instruments hedged against interest rate risk	Micro-hedge	-199.373.278	14.405.519	-15.629.546	-1.224.027	108,50%
		Macro-hedge	-577.975.096	-47.248.212	47.171.465	-76.747	99,84
Fixed-rate liability instruments	Issuance of debt securities	Micro-hedge	60.442.620	-506.305	338.863	-167.442	66,93%
	Deposits at amortised cost	Macro-hedge	2.995.154	-6.636.935	6.662.216	25.281	100,38%

Currency risk							
Fixed-rate asset instruments	Fixed-income securities recognised at amortised cost, Loans and advances at amortised cost – Customers	Micro-hedge	-46.134.954	8.696.290	-8.878.267	-181.977	102,09%
Fixed-rate liability instruments	Issuance of debt securities	Micro-hedge	70.055	-900.318	900.032	-286	99,97%

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Cash flow hedges at 30/06/2026	Balance sheet categories	Change in fair value of hedging instruments	Change in fair value of hedged instruments	Cash flow hedging reserve
				Continuity of hedging Termination of hedging
Interest rate risk				
Fixed-rate asset instruments	Loans and advances at amortised cost – Customers	-	-	-
Currency risk				
Fixed-rate asset instruments	Fixed-income securities recognised at amortised cost	-	-	-
Income on hedging activities recognised in net income and other comprehensive income at 31/12/2025		Net income or other comprehensive income		
Fair value hedges (micro + macro hedges)		-8.889.149		
gains (losses) on hedging instruments		297.215.435		
gains (losses) on hedged instruments related to the hedged risk		-298.025.614		
ineffective part		-8.078.971		
Cash flow hedges		-18.164		
ineffective part		-		
effective part		-18.164		
reclassified in profit or loss over the period		-		
Reconciliation of the equity component at 31/12/2025		Cash flow hedges recognised in revaluation reserve		
Balance at 1 January 2025		18.164		
Change in fair value related to hedging of:		-18.164		
<i>interest rate risk</i>		-18.164		
<i>foreign exchange risk</i>		-		
Amount reclassified to profit or loss related to hedging of:		-		
<i>interest rate risk</i>		-		
<i>foreign exchange risk</i>		-		
Balance at 31 December 2025		-		
Income on hedging activities recognised in net income and other comprehensive income at 30/06/2026		Net income or other comprehensive income		
Fair value hedges (micro + macro hedges)		-1.625.199		
gains (losses) on hedging instruments		-30.860.281		
gains (losses) on hedged instruments related to the hedged risk		30.564.761		
ineffective part		-1.329.679		
Cash flow hedges		-		
ineffective part		-		
effective part		-		
reclassified in profit or loss over the period		-		

Reconciliation of the equity component at 30/06/2026	Cash flow hedges recognised in revaluation reserve
Balance at 1 January 2026	-
Change in fair value related to hedging of:	-
<i>interest rate risk</i>	-
<i>foreign exchange risk</i>	-
Amount reclassified to profit or loss related to hedging of:	-
<i>interest rate risk</i>	-
<i>foreign exchange risk</i>	-
Balance at 30 June 2026	-

3.13 Non-current assets and disposal groups classified as held for sale

Type of instrument/type of asset	31/12/2025	30/06/2026
Intangible and tangible assets held for sale	1.044.738	1.044.738
Total	1.044.738	1.044.738

The Group's parent company recognises intangible and tangible assets as well as financial assets held for sale in the near term under this heading in keeping with the provisions of IFRS 5. For financial year 2025, one building was classified under non-current assets held for sale, in accordance with IFRS 5. The decision was taken to dispose of this asset and its sale is highly probable within 12 months. It is therefore measured at the lower of its carrying value and fair value less estimated costs to sell.

3.14 Change in fair value of a portfolio of financial instruments hedged against interest rate risk

Headings	31/12/2025	30/06/2026
Assets: Change in fair value of a portfolio of financial instruments hedged against interest rate risk	-629.787.554	-582.819.339
Liabilities: Change in fair value of a portfolio of financial instruments hedged against interest rate risk	3.667.062	-2.995.154

This item includes the fair value of the "Loans and advances at amortised cost – Customers" and "Deposits at amortised cost – Customers" items hedged against interest rate risk using a fair value macro-hedging strategy. The hedges relate solely to portfolios of fixed-rate loans and deposits hedged by IRS derivative financial instruments.

The change in this item between 31 December 2025 and 30 June 2026 is due primarily to the impact of the change in the interest-rate curves used to determine fair value.

3.15 **Tangible assets for own use**

Headings	31/12/2025	30/06/2026
Tangible assets for own use	239.423.589	238.864.762
Right-of-use assets arising from leases	16.151.914	15.391.475
Total	255.575.504	254.256.237

3.16 **Taxes: Tax assets and liabilities**

Whereas current tax is a current liability, deferred taxes are the amounts of income taxes that may be payable in the future in respect of taxable temporary differences.

As no tax law incorporating IFRS standards has been passed in Luxembourg, the Group calculates the tax liability payable based on the change in net assets of the balance sheet items valued through profit or loss and in income from the sale of securities not reclassified as income. The nominal tax rate is 23,87% for financial years 2026 and 2025.

As at 30 June 2026, the Group posted a deferred tax asset of EUR 75.833.079, and a deferred tax liability of EUR 90.276.424.

The table below gives a breakdown of the changes to deferred tax assets and liabilities, depending on whether the changes relate to items that are charged or credited to equity, or relate to items that are charged or credited to the income statement.

Headings	01/01/2025	Movements in equity	Movements in income statement	31/12/2025
Deferred tax assets	85.324.305	-8.860.854	1.281.480	77.744.931
Deferred tax liabilities	-91.378.506	1.870.562	633.721	-88.874.223
Net deferred tax assets/liabilities	-6.054.201	-6.990.292	1.915.201	-11.129.292

Headings	01/01/2026	Movements in equity	Movements in income statement	30/06/2026
Deferred tax assets	77.744.931	-1.911.852	-	75.833.079
Deferred tax liabilities	-88.874.223	-848.574	-553.627	-90.276.424
Net deferred tax assets/liabilities	-11.129.292	-2.760.426	-553.627	-14.443.345

3.16.1 Tax assets

Headings	31/12/2025	30/06/2026
Deferred taxes	77.744.931	75.833.079
Tax assets	77.744.931	75.833.079

Breakdown of deferred tax assets according to origin:

Headings	31/12/2025	30/06/2026
Debt instruments - application of fair value	393.317	428.302
Equity instruments - application of fair value	2.717.799	496.197
Actuarial gains/losses relating to employee benefits	74.633.815	74.908.580
Deferred tax assets	77.744.931	75.833.079

3.16.2 Tax liabilities

Headings	31/12/2025	30/06/2026
Current tax	208.803.439	159.439.307
<i>Income tax</i>	<i>137.561.624</i>	<i>110.802.834</i>
<i>Municipal business tax</i>	<i>71.220.949</i>	<i>48.615.608</i>
<i>Wealth tax</i>	<i>20.865</i>	<i>20.865</i>
Deferred taxes	88.874.223	90.276.424
Tax liabilities	297.677.662	249.715.731

Breakdown of deferred tax liabilities according to origin:

Headings	31/12/2025	30/06/2026
Derivative financial instruments - application of fair value	-	-
Debt instruments - application of fair value	2.391.120	2.305.745
Equity instruments - application of fair value	6.708.474	1.208.454
Regulatory and other provisions	79.774.629	80.015.618
Actuarial gains/losses relating to employee benefits	-	6.746.607
Deferred tax liabilities	88.874.223	90.276.424

3.17 Other assets

Headings	31/12/2025	30/06/2026
Operational outstandings	39.043.293	32.633.539
Preferential or secured borrowers	1.095.809	2.026.559
Other	240.303	6.707.081
Total	40.379.405	41.367.179

"Operational outstandings" includes settlement accounts for transactions in financial instruments as well as other accrued income.

3.18 Deposits at amortised cost – Credit institutions

Headings	31/12/2025	30/06/2026
Interbank deposits	4.403.686.686	3.973.426.463
<i>of which central bank deposits</i>	139.302	15.277.177
Repurchase agreements	200.263.969	134.860.200
Other financial liabilities	196.810.174	227.995.222
Total	4.800.760.829	4.336.281.885

Margin calls on derivative financial instruments under Credit Support Annex (CSA) agreements are included in "Interbank deposits".

3.19 Deposits at amortised cost – Customers

Headings	31/12/2025	30/06/2026
Private sector	37.434.190.920	38.643.032.046
- Demand deposit and notice accounts	13.344.670.580	14.123.948.849
- Time deposit accounts	9.785.422.747	10.175.138.034
- Savings	14.303.064.183	14.342.790.964
- Repurchase/Reverse repurchase agreements	1.033.410	1.154.199
Public sector	5.892.178.913	7.297.346.840
Total	43.326.369.833	45.940.378.886

3.20 Financial liabilities designated at fair value through profit or loss

Headings	31/12/2025	30/06/2026
Unsubordinated notes	307.748.180	388.365.378
Total	307.748.180	388.365.378
<i>of which unrealised valuation</i>	-15.429.660	-10.972.667

This item includes financial instruments which, depending on their characteristics, incorporate derivative components that are not directly related and are therefore not eligible for measurement at amortised cost.

3.21 Issuance of debt securities

Headings	31/12/2025	30/06/2026
Certificates of deposit	7.403.276	7.108.385
Commercial paper	1.609.173.300	1.454.867.445
Medium Term Notes and other securities issued	1.805.458.819	2.027.515.353
Total	3.422.035.395	3.489.491.183
<i>of which subordinated notes</i>	-	-
<i>of which unrealised valuation (interest-rate component) for the purposes of hedge accounting</i>	-59.273.781	-60.512.675

In first-half 2026, Spuerkeess issued Euro Medium Term Notes (EMTNs) for a nominal amount of EUR 241,1 million versus EUR 633,3 million in first-half 2025.

3.22 Provisions

This item comprises three main types of provisions: provisions to be established under IAS 37, provisions for the time savings account, and impairments of Group off-balance sheet commitments in accordance with IFRS 9.

Movements:

	Provisions			
	Risks and charges	Time savings account	IFRS 9	Total
Position as at 1 January 2025	21.347.392	41.064.096	64.214.875	126.626.362
Additions	2.140.512	-	41.015.168	43.155.680
Reversals	-679.413	-	-41.115.188	-41.794.600
Use	-2.140.513	-	-469.954	-2.610.467
Exchange gain or loss	-	-	-3.847	-3.847
Expense included in personnel expenses	-	5.473.232	-	5.473.232
Position as at 31 December 2025	20.667.978	46.537.328	63.641.054	130.846.360
Position as at 1 January 2026	20.667.978	46.537.328	63.641.054	130.846.360
Additions	1.078.572	-	31.105.886	16.441.361
Reversals	-	-	-26.486.894	-10.743.796
Use	-2.146.058	-	-	-2.146.058
Exchange gain or loss	-	-	3.830	3.830
Expense included in personnel expenses	-	793.214	-	793.214
Position as at 30 June 2026	19.600.492	47.330.542	68.263.876	135.194.910

Change in impairments of off-balance sheet commitments:

	Stage 1	Stage 2	Stage 3	Total
Position as at 1 January 2025	10.736.787	23.696.930	29.781.158	64.214.875
Changes	-65.841	2.301.452	-2.809.433	-573.822
Increase due to acquisition or origination	4.759.896	5.436.402	1.116.434	11.312.732
Decrease due to repayment	-2.416.904	-5.845.395	-6.687.111	-14.949.411
Change related to credit risk	-1.413.692	1.316.478	4.582.729	4.485.514
Other changes	-991.281	1.393.967	-1.821.484	-1.418.797
Exchange gain or loss	-3.860	-	-	-3.860
Position as at 31 December 2025	10.670.946	25.998.382	26.971.726	63.641.054
Outstanding loan stage transfers	Stage 1	Stage 2	Stage 3	Total
Transfer from Stage 1		167.161.467	1.506.119	168.667.586
Transfer from Stage 2	194.247.198		33.054.791	227.301.989
Transfer from Stage 3	323.108	5.138.345		5.461.453
Outstanding excluding impairment at 31 December 2025	Stage 1	Stage 2	Stage 3	Total
Outstanding	6.390.161.091	996.340.612	123.232.767	7.509.734.469

	Stage 1	Stage 2	Stage 3	Total
Position as at 1 January 2026	10.670.946	25.998.382	26.971.726	63.641.054
Changes	1.934.925	2.411.909	275.988	4.622.822
Increase due to origination	2.656.593	6.335.764	3.604.300	12.596.658
Decrease due to use or reversal	-2.007.659	-4.550.536	-4.185.601	-10.743.796
Change related to credit risk	3.379.148	-3.110.973	826.283	1.094.458
Other changes	-2.096.750	3.737.416	31.006	1.671.672
Exchange gain or loss	3.593	237	-	3.830
Position as at 30 June 2026	12.605.871	28.410.291	27.247.714	68.263.876
Outstanding loan stage transfers	Stage 1	Stage 2	Stage 3	Total
Transfer from Stage 1		137.855.305	380.143	138.235.448
Transfer from Stage 2	166.899.796		1.155.462	168.055.258
Transfer from Stage 3	177.668	5.256.442		5.434.110
Outstanding excluding impairment at 30 June 2026	Stage 1	Stage 2	Stage 3	Total
Outstanding	7.455.106.211	1.014.150.519	96.213.769	8.565.470.499

The "Other changes" item mainly reflects changes in the impairment calculation methodology. Please refer to note 2.2.1 for further explanations.

3.23 Other liabilities

Headings	31/12/2025	30/06/2026
Operational outstandings	3.243.590	20.254.406
Privileged or guaranteed creditors	52.077.610	34.412.978
Liabilities arising from leases	16.151.914	15.391.475
Other	13.417.485	17.829.511
Total	84.890.599	87.888.370

Under IFRS 16, the "Liabilities arising from leases" item consists of lease obligations. End-of-year allowances recorded proportionally throughout the financial year are included in "Other".

3.24 Pension funds – Defined-benefit pension plan

Main estimates used to determine pension commitments:

Variables	31/12/2025	30/06/2026
Discount rate for active employees	4,10%	4,20%
Discount rate for beneficiaries	3,90%	3,90%
Salary increases for persons entitled before 1999 (including indexation)	3,00%	3,00%
Salary increases for persons entitled after 1999 (including indexation)	4,25%	4,25%
Pension increases (including indexation)	3,25%	3,25%
Induced yield	3,98%	3,98%

Under revised IAS 19, the induced yield for 2026 corresponds to the weighted-average discount rate at end-2025.

Net pension fund allowance as entered under "Personnel expenses" in the income statement:

Components	31/12/2025	30/06/2026
Current service cost	9.304.354	4.566.542
Interest cost	23.521.922	13.938.150
Induced yield	-20.051.103	-12.353.043
Total	12.775.173	6.151.649

Pension commitments:

	Commitments
Position as at 1 January 2025	696.956.893
Current service cost	9.304.354
Interest cost	23.521.922
Benefits paid or payable	-18.430.464
Actuarial gains or losses	-10.298.526
Position as at 31 December 2025	701.054.179
Position as at 1 January 2026	701.054.179
Current service cost	4.566.542
Interest cost	13.938.150
Benefits paid or payable	-14.260.933
Actuarial gains or losses	1.661.949
Position as at 30 June 2026	706.959.887

Pension plan assets:

	Assets
Position as at 1 January 2025	594.116.185
Benefits paid	-18.430.464
Contribution	43.276.910
Induced yield	20.051.103
Fair value gain / loss	-17.686.476
Position as at 31 December 2025	621.327.258
Position as at 1 January 2026	621.327.258
Benefits paid	-14.260.933
Contribution	37.965.106
Induced yield	12.353.043
Fair value gain / loss	28.774.816
Position as at 30 June 2026	686.159.290

Net pension commitments under IAS 19:

	31/12/2025	30/06/2026
Pension commitments	701.054.179	706.959.887
Plan assets measured at fair value	-621.327.258	-686.159.290
Unfunded liabilities/overfunding	79.726.921	20.800.597

The decrease in net commitments is due mainly to the inclusion of the contribution to the pension plan.

3.25 Financial instruments that are the subject of a netting agreement

Financial assets that are the subject of a legally enforceable netting framework agreement or a similar agreement:

31/12/2025	Financial assets that are the subject of netting			Potential netting not recognised on the balance sheet		Financial assets after taking potential netting into account
	Financial assets before balance sheet netting	Balance sheet netting with financial liabilities	Financial assets recorded on the balance sheet	Financial liabilities	Collateral received	
Reverse repurchase/Repurchase agreements	3.498.726.992	-	3.498.726.992	59.859.458	3.437.647.837	1.219.698
Derivatives	1.176.393.730	-	1.176.393.730	283.049.299	877.153.387	16.191.044
Total assets	4.675.120.722	-	4.675.120.722	342.908.757	4.314.801.224	17.410.742

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30/06/2026	Financial assets that are the subject of netting			Potential netting not recognised on the balance sheet		Financial assets after taking potential netting into account
	Financial assets before balance sheet netting	Balance sheet netting with financial liabilities	Financial assets recorded on the balance sheet	Financial liabilities	Collateral received	
Reverse repurchase/Repurchase agreements	5.969.540.165	-	5.969.540.165	86.007.656	5.859.614.919	23.917.590
Derivatives	1.154.040.290	-	1.154.040.290	259.064.390	877.036.757	17.939.144
Total assets	7.123.580.455	-	7.123.580.455	345.072.046	6.736.651.676	41.856.734

Financial liabilities that are the subject of a legally enforceable netting framework agreement or a similar agreement:

31/12/2025	Financial liabilities that are the subject of netting			Potential netting not recognised on the balance sheet		Financial liabilities after taking potential netting into account
	Financial liabilities before balance sheet netting	Balance sheet netting with financial assets	Financial liabilities recorded on the balance sheet	Financial assets	Collateral given	
Repurchase/Reverse repurchase agreements	141.437.921	-	141.437.921	-	140.566.211	871.710
Derivatives	111.555.478	-	111.555.478	28.714.190	80.246.245	2.595.043
Total liabilities	252.993.399	-	252.993.399	28.714.190	220.812.456	3.466.754

30/06/2026	Financial liabilities that are the subject of netting			Potential netting not recognised on the balance sheet		Financial liabilities after taking potential netting into account
	Financial liabilities before balance sheet netting	Balance sheet netting with financial assets	Financial liabilities recorded on the balance sheet	Financial assets	Collateral given	
Repurchase/Reverse repurchase agreements	50.215.196	-	50.215.196	-	49.346.051	869.145
Derivatives	140.528.148	-	140.528.148	66.882.730	65.196.414	8.449.004
Total liabilities	190.743.344	-	190.743.344	66.882.730	114.542.465	9.318.149

3.26 Gains or losses on disposals of variable-income securities recognised at fair value

Headings	31/12/2025	30/06/2026
Variable-income securities recognised at fair value through the revaluation reserve	469	-25
Shares in associates and subsidiaries	-	-
Non-current assets and disposal groups classified as held for sale	-	-
Total	469	-25

The amount shown in equity items is net of taxes and comes to -EUR 19 at 30 June 2026 versus EUR 482 at 31 December 2025.

3.27 Related-party transactions

The related parties of the Group's parent company are the consolidated subsidiaries, investments in associates, governmental institutions and the Group's key management personnel.

All transactions with related parties are completed under market conditions.

3.27.1 Relationships between the Group's parent company and equity-accounted associates

	31/12/2025	30/06/2026
Deposits from associates	835.314.645	810.678.536
Total	835.314.645	810.678.536

	31/12/2025	30/06/2026
Loans from associates	345.927.582	339.734.973
Total	345.927.582	339.734.973

3.27.2 Government institutions

The Group's parent company, established by the law of 21 February 1856 and governed by the organic law of 24 March 1989, as amended, is a self-governing public law institution endowed with legal personality. Ultimate responsibility for the institution lies with the Government Minister with responsibility for the Treasury.

Therefore, the Luxembourg Government controls the Group which, as a result, must comply with the requirements of IAS 24. The Group applies the exemption provided for in paragraph 25 of IAS 24.

The Group makes the following disclosures concerning its commercial relationship with the Luxembourg State and other governmental institutions while applying the provisions of paragraph 25 of IAS 24:

ASSETS	31/12/2025	30/06/2026
Loans and advances at amortised cost	1.733.850.236	1.748.832.496
Fixed-income securities recognised at amortised cost	423.963.082	589.877.565
Fixed-income securities recognised at fair value through the revaluation reserve	22.342.329	22.328.832
Other	-	1.386.447
TOTAL ASSETS	2.180.155.647	2.362.425.340
LIABILITIES	31/12/2025	30/06/2026
Deposits at amortised cost	5.731.196.783	7.207.120.722
Other	1.549.190	1.218.036
TOTAL LIABILITIES	5.732.745.973	7.208.338.758

The "State and other government institutions" scope includes the various institutions that depend directly or indirectly on the State's budget.

3.27.3 Remuneration paid to the members of the management and administrative bodies

Remuneration paid to the members of the Group's governing bodies breaks down as follows:

	30/06/2025	30/06/2026
Board of Directors (nine members) and supervisory commissioner	263.000	294.500
Executive Board (five members)	566.688	532.885
Total	829.688	827.385

Like all civil servants, the members of the Executive Committee participate in the Luxembourg civil service pension scheme. These government pensions are paid out by the pension fund of the Group's parent company.

3.27.4 Loans and advances granted to members of the Group's management and administrative bodies

Loans and advances granted to members of the Group's management and administrative bodies are as follows:

	30/06/2025	30/06/2026
Board of Directors (nine members) and supervisory commissioner	3.285.775	3.082.702
Executive Board (five members)	1.270.069	1.417.024
Total	4.555.844	4.499.726

3.28 Off-balance sheet items

Type of guarantees issued:

Headings	31/12/2025	30/06/2026
Completion bonds	203.519.485	195.079.611
Letters of credit	93.688.783	96.533.567
Counter-guarantees	540.119.410	556.883.258
Other	92.447.047	110.994.357
Total	929.774.725	959.490.794

Commitments:

Headings	31/12/2025	30/06/2026
Amounts subscribed and unpaid on securities, equity interests and shares in affiliated companies	12.555.519	15.190.796
Undrawn confirmed credits	6.567.404.226	7.590.788.909
<i>Financing</i>	<i>3.264.551.432</i>	<i>3.600.642.857</i>
<i>Current accounts</i>	<i>2.840.750.254</i>	<i>2.641.050.934</i>
<i>Money market contracts</i>	<i>150.000.000</i>	<i>940.947.160</i>
<i>Other</i>	<i>312.102.539</i>	<i>408.147.958</i>
Total	6.579.959.745	7.605.979.705

Management of third-party assets:

The Group's parent company provides management and representation services to third parties, particularly asset management services, custody and administration of securities, hire of safe deposit boxes, fiduciary representation and agent functions.

4 NOTES TO THE CONDENSED CONSOLIDATED INCOME STATEMENT⁵ (in EUR)

4.1 Interest income

Interest received and similar income	30/06/2025	30/06/2026
Financial assets held for trading	158.871.052	113.573.985
Financial assets mandatorily recognised at fair value through profit or loss	2.706.536	1.660.834
Financial assets recognised at fair value through the revaluation reserve	95.312	94.652
Loans and advances at amortised cost	545.502.591	534.703.452
Fixed-income securities recognised at amortised cost	179.085.361	195.775.271
Derivatives - Hedge accounting, interest rate risk	456.268.575	471.518.664
Other assets	4.882.154	4.422.024
Interest received on liability instruments	108.990	114.075
Total	1.347.520.571	1.321.862.957
<i>of which interest calculated based on the effective interest rate</i>	<i>1.312.586.686</i>	<i>1.287.379.241</i>
Interest paid and similar expenses	30/06/2025	30/06/2026
Financial liabilities held for trading	-103.561.518	-59.695.205
Financial liabilities designated at fair value through profit or loss	-4.863.499	-4.488.663
Liabilities at amortised cost - Deposits	-344.654.643	-263.779.887
Liabilities at amortised cost - Debt certificates	-64.939.162	-57.286.771
Derivatives - Hedge accounting, interest rate risk	-376.271.242	-454.894.845
Other liabilities	-18.797	-159.667
Interest paid on asset instruments	-640.084	-110.622
Total	-894.948.945	-840.415.660
<i>of which interest calculated based on the effective interest rate</i>	<i>-763.370.830</i>	<i>-745.839.850</i>
Interest income	452.571.626	481.447.297
Total interest received and similar income on financial instruments not recognised at fair value through profit or loss	729.579.096	735.109.474
Total interest paid and similar expenses on financial instruments not recognised at fair value through profit or loss	-410.252.686	-321.336.947

Net interest income increased by 6,4% to EUR 481,4 million as at 30 June 2026 compared with EUR 452,6 million in the previous year.

4.2 Income from securities

Headings	30/06/2025	30/06/2026
Variable-income securities recognised at fair value through the revaluation reserve	33.176.458	27.632.381
Income from securities	33.176.458	27.632.381

⁵ Minor differences between the figures in the notes to the financial statements and the figures in the different condensed consolidated statements are rounding differences only.

4.3 **Fee and commission income**

Headings	30/06/2025	30/06/2026
Loan activities	23.876.760	19.443.114
Asset management	46.568.102	48.942.284
Investment fund activities	27.340.221	29.187.368
Demand deposit accounts and related activities	33.099.994	33.808.017
Insurance premiums	1.451.892	1.307.915
Other (*)	3.592.276	3.787.902
Total commissions received	135.929.245	136.476.600
Loan activities	-929.986	-985.210
Asset management	-12.382.974	-11.553.932
Investment fund activities	-1.713.059	-1.782.546
Demand deposit accounts and related activities	-6.274.686	-8.595.597
Other (*)	-1.719.258	-677.034
Total commissions paid	-23.019.963	-23.594.319
TOTAL COMMISSIONS	112.909.282	112.882.281

(*) mostly fees on derivative financial instruments

4.4 **Income from financial instruments not recognised at fair value through profit or loss**

Headings	30/06/2025	30/06/2026
Loans and advances (at amortised cost)	-39.223	-1.941
Fixed-income securities recognised at amortised cost	93.022	-164.098
Financial liabilities (at amortised cost)	-	-
Total	53.799	-166.039

4.5 **Income from financial instruments held for trading**

Headings	30/06/2025	30/06/2026
Equity instruments and related derivatives	-1.085	-1.958
Foreign exchange instruments and related derivatives	2.027.913	-1.688.703
Interest rate instruments and related derivatives	-7.215.113	-3.161.307
Total	-5.188.285	-4.851.968

4.6 Income from financial instruments designated at fair value through profit or loss

Headings	30/06/2025	30/06/2026
Financial liabilities designated at fair value	-3.022.628	-1.791.475
Total	-3.022.628	-1.791.475

4.7 Income from financial instruments mandatorily measured at fair value through profit or loss

Headings	30/06/2025	30/06/2026
Fixed-income securities	1.819.077	-688.339
Units of UCITS and ETFs	-2.868.958	1.876.180
Loans and advances	-388.834	-341.157
Total	-1.438.715	846.684

4.8 Net income from hedging transactions

Headings	30/06/2025	30/06/2026
Fair value hedges		
Debt instruments (assets) hedged by derivative financial instruments	-900.192	-904.572
Debt issues hedged by derivative financial instruments	-30.278	-167.729
Loans hedged by derivative financial instruments	-635.444	-578.179
Deposits hedged by derivative financial instruments	12.413	25.281
Total	-1.553.501	-1.625.199
Value adjustment on hedged instruments	-79.627.622	30.564.760
Value adjustment on hedging instruments	78.074.121	-32.189.959
Total	-1.553.501	-1.625.199

Interest rate risk hedging operations are highly effective.

4.9 **Other net operating income**

Headings	30/06/2025	30/06/2026
Other operating income	14.806.731	11.859.883
Other operating expenditure	-14.004.256	-6.453.416
Other net operating income	802.475	5.406.467

"Other operating income and expenditure" mainly includes:

- valuations of precious metals;
- the rent from property rented and miscellaneous advances from tenants;
- VAT repayments relating to previous financial years;
- income on amortised loans.

4.10 **Personnel expenses**

Headings	30/06/2025	30/06/2026
Remuneration	130.798.016	138.307.104
Social security charges	4.541.601	4.455.356
Pensions and similar expenses	8.691.014	10.490.523
Pension fund expense	6.387.587	6.151.649
Other personnel expenses	3.565.421	4.106.907
Total	153.983.639	163.511.539

4.11 **Other general and administrative expenses**

Headings	30/06/2025	30/06/2026
Expenses related to property and furniture	7.991.034	8.489.516
Rents and maintenance of software	22.634.244	30.176.521
Operating expenditure related to the banking business	30.915.381	43.212.110
Other	6.177.432	6.188.388
Total	67.718.091	88.066.535

4.12 Cash contributions to resolution funds and to the deposit guarantee system

As in financial year 2025, no contribution to the Resolution Fund will be required in 2026, as the fund reached its target size of 1% of covered deposits of credit institutions in Banking Union countries at the end of 2023. As at 30 June 2026, no invoice had been received for the 2026 contribution to the Fonds de Garantie des Dépôts Luxembourg (Luxembourg deposit guarantee fund).

4.13 Impairment of credit risks

	30/06/2025			30/06/2026		
	Additions	Reversals	Total	Additions	Reversals	Total
Fixed-income securities recognised at amortised cost	-3.937.467	1.440.586	-2.496.881	-2.991.234	4.762.983	1.771.749
Fixed-income securities recognised at fair value through the revaluation reserve	-102	10.061	9.959	-2.256	-	-2.256
Loans and advances	-127.437.698	143.943.440	16.505.742	-153.126.533	146.458.357	-6.668.176
Total	-131.375.267	145.394.087	14.018.820	-156.120.023	151.221.340	-4.898.683

4.14 Provisions and reversal of provisions

Headings	30/06/2025	30/06/2026
Provisions	-20.239.193	-32.184.459
Reversal of provisions	27.024.081	26.486.891
Total	6.784.888	-5.697.568

4.15 Tax expense

Headings	30/06/2025	30/06/2026
Tax on income from continuing operations	-83.774.937	-64.909.347
Deferred taxes	629.250	-553.626
Tax on profit/(loss) for the period	-83.145.687	-65.462.973

The tax expense was calculated on the basis of the 30 June 2026 figures, on a same-methodology basis.

5 ANALYSIS OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents the comparison by category of the carrying amounts and fair values of the Group's financial instruments included in the consolidated financial statements.

Categories as at 31/12/2025	Carrying amount	Fair value	Unrealised valuation	Level 1	Level 2	Level 3
Financial assets						
Cash and sight accounts with central banks	7.183.227.647	7.183.227.647	-	-	-	-
Loans and advances at amortised cost	32.937.097.311	31.704.843.398	-1.232.253.913	-	-	100,0%
<i>of which measured at fair value for hedging purposes</i>	945.323.532	945.323.532	-	-	-	-
Financial instruments held for trading	100.474.684	100.474.684	-	-	-	-
Hedging derivative financial instruments	1.118.311.565	1.118.311.565	-	-	-	-
Financial assets mandatorily recognised at fair value through profit or loss	150.926.712	150.926.712	-	-	-	-
Fixed-income securities recognised at amortised cost	16.411.867.040	16.358.004.020	-53.863.020	85,9%	14,1%	-
<i>of which measured at fair value for hedging purposes</i>	11.938.472.333	11.938.472.333	-	-	-	-
Fixed-income securities recognised at fair value through the revaluation reserve	27.253.041	27.253.041	-	-	-	-
Variable-income securities recognised at fair value through the revaluation reserve	974.497.829	974.497.829	-	-	-	-
Investments in associates accounted for using the equity method	998.564.136	998.564.136	-	-	-	-
Change in fair value of a portfolio of financial instruments hedged against interest rate risk	-629.787.554	-629.787.554	-	-	-	-
TOTAL	59.272.432.411	57.986.315.478	-1.286.116.933			
Financial liabilities						
Deposits at amortised cost	48.127.130.662	47.682.848.385	-444.282.277	-	100,0%	-
Financial instruments held for trading	91.431.493	91.431.493	-	-	-	-
Hedging derivative financial instruments	305.995.813	305.995.813	-	-	-	-
Financial liabilities designated at fair value through profit or loss	307.748.180	307.748.180	-	-	-	-
Debt securities in issue	3.422.035.395	3.423.484.946	1.449.551	-	100,0%	-
<i>of which measured at fair value for hedging purposes</i>	1.805.458.819	1.805.458.819	-	-	-	-
Change in fair value of a portfolio of financial instruments hedged against interest rate risk	3.667.062	3.667.062	-	-	-	-
TOTAL	52.258.008.605	51.815.175.879	-442.832.726			
Categories as at 30/06/2026	Carrying amount	Fair value	Unrealised valuation	Level 1	Level 2	Level 3
Financial assets						
Cash and sight accounts with central banks	4.765.532.365	4.765.532.365	-	-	-	-
Loans and advances at amortised cost	36.616.716.891	35.389.731.214	-1.226.985.677	-	-	100,00%
<i>of which measured at fair value for hedging purposes</i>	893.490.463	893.490.463	-	-	-	-
Financial instruments held for trading	215.212.023	215.212.023	-	-	-	-
Hedging derivative financial instruments	1.020.055.541	1.020.055.541	-	-	-	-
Financial assets mandatorily recognised at fair value through profit or loss	151.572.771	151.572.771	-	-	-	-
Fixed-income securities recognised at amortised cost	17.384.143.624	17.353.315.578	-30.828.046	89,13%	10,87%	-
<i>of which measured at fair value for hedging purposes</i>	14.175.815.215	14.175.815.215	-	-	-	-
Fixed-income securities recognised at fair value through the revaluation reserve	27.235.140	27.235.140	-	-	-	-
Variable-income securities recognised at fair value through the revaluation reserve	1.057.836.454	1.057.836.454	-	-	-	-
Investments in associates accounted for using the equity method	994.612.920	994.612.920	-	-	-	-
Change in fair value of a portfolio of financial instruments hedged against interest rate risk	-582.819.339	-582.819.339	-	-	-	-
TOTAL	61.650.098.390	60.392.284.668	-1.257.813.722			
Financial liabilities						
Deposits at amortised cost	50.276.660.771	49.775.620.096	-501.040.675	-	100,00%	-
Financial instruments held for trading	137.685.575	137.685.575	-	-	-	-
Hedging derivative financial instruments	264.513.485	264.513.485	-	-	-	-
Financial liabilities designated at fair value through profit or loss	388.365.378	388.365.378	-	-	-	-
Debt securities in issue	3.489.491.183	3.489.628.354	137.171	-	100,00%	-
<i>of which measured at fair value for hedging purposes</i>	2.027.515.355	2.027.515.355	-	-	-	-
Change in fair value of a portfolio of financial instruments hedged against interest rate risk	-2.995.154	-2.995.154	-	-	-	-
TOTAL	54.553.721.238	54.052.817.734	-500.903.504			

Hierarchy of financial assets and liabilities at fair value

The Group uses valuation techniques based on observable and non-observable market data to determine fair value:

- observable data reflect market variations collected from independent sources and reflecting real transactions. Observable market data include:
 - credit spread curves based on CDS prices;
 - interbank interest rates or swap rates;
 - foreign exchange rates;
 - stock indices;
 - share prices;
 - volatilities (forex, swaptions, caps & floors);
 - counterparty credit spreads;
- non-observable data reflect estimates and internal assumptions relating to the market variations adopted by the Group.

A fair value hierarchy was established according to the type of observable and non-observable data. To determine this hierarchy of fair values, the Group's parent company reviewed all financial instruments measured at fair value to assess the importance of observable data directly or indirectly on the markets:

- Level 1 fair value: Level 1 inputs are essentially quoted prices in active markets for identical financial instruments. This level includes equity securities and debt instruments listed on stock exchanges, as well as derivative financial instruments traded on a regulated market. Financial instruments not listed on a market but that were recently involved in a transaction are also included in Level 1.
- Level 2 fair value: Level 2 inputs are inputs other than quoted market prices included within Level 1 that are directly observable for the financial instruments, such as a price, or indirectly observable, i.e. derived from observable prices, such as implied volatilities of a share derived from observable prices of option contracts on this share. This level includes the majority of over-the-counter derivative financial instruments and structured debt securities issued. These inputs, such as "EURIBOR" yield curves or credit spreads, are initially provided by specialised financial data providers.

- level 3 fair value: This level includes equity instruments or debt securities for which significant parameters used in the valuation models are based on estimations and internal assumptions. Spuerkeess's shareholdings in unlisted companies are valued twice a year, on 30 June and 31 December. The Group's parent company values each shareholding consistently over time using one of the three eligible approaches, namely the market-based approach, an approach based on income or the net assets approach, or at the level of the discounts applied to determine fair value. Preference is given to the market-based approach for the largest shareholdings. In general:
 - in the event of a transaction (capital increase or sale transaction) during the last 12 months prior to the valuation date or if the parties to a future transaction agree on the price of the transaction, on the valuation date, this transaction price serves as a reference for the valuation price for the position, except for duly justified exceptions;
 - when this concerns a company that holds listed assets, the market price of these assets on the valuation date is used to calculate net asset value;
 - where there has been no transaction during the last 12 months prior to the valuation date, the stock market ratios for a peer group, meaning a sample of listed companies that are comparable to the unlisted company, allows the fair value of the position to be determined. A discount is applied, where applicable, for illiquidity and/or for restrictions on the security, with documentation of the EV/EBITDA, Price-to-Book, Price-to-Sales and Price-to-Earnings ratios for the listed companies in the peer group;
 - the market multiples valuation may be supplemented by multiples based on recent transactions in companies with the same characteristics as the unlisted company held by Spuerkeess, or by a discounted cash flow-type valuation, when the unlisted company regularly draws up a multi-year business plan that is provided to Spuerkeess;
 - when the by-laws of the unlisted company set a transaction price or determine the method used to calculate fair value, the price resulting from the by-laws or from application of the calculation method determine the measurement value of the position on each valuation date;
 - non-material unlisted positions are valued on the basis of net assets after taking into account any discount for illiquidity and/or for restrictions on the security, and/or the company's dividend on income for the last financial year audited, once the information is available.

The data used in the valuation process are derived from the company accounts or are estimated based on the latest figures available. The peer group's market multiples and the accounting data of the companies making up each peer group come from Bloomberg with reference to the closing price for the valuation date, i.e. 30 June or 31 December of the respective year. The process for measuring fair value on the valuation dates is systematically controlled by the first line of defence (data quality) and the second line of defence (methodology, models and accuracy of the first line's work).

Financial assets and liabilities at fair value:

Categories as at 31 December 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets held for trading	-	100.474.684	-	100.474.684
- Derivative financial instruments	-	100.474.684	-	100.474.684
- IRS	-	32.774.915	-	32.774.915
- CCIS/outright	-	67.693.674	-	67.693.674
- other	-	6.095	-	6.095
Hedging derivative financial instruments	-	1.118.311.565	-	1.118.311.565
- IRS	-	921.447.163	-	921.447.163
- CCIS	-	196.864.402	-	196.864.402
Financial assets mandatorily recognised at fair value through profit or loss	-	150.914.916	11.796	150.926.712
- Debt instruments	-	111.236.748	11.796	111.248.544
- Public sector	-	-	-	-
- Credit institutions	-	61.675.700	-	61.675.700
- Corporate customers	-	49.561.048	11.796	49.572.844
- Other financial instruments	-	39.678.169	-	39.678.169
- Corporate customers	-	39.678.169	-	39.678.169
Variable-income securities recognised at fair value through the revaluation reserve	26.089.440	120.897.205	827.511.185	974.497.829
- Public sector	-	-	-	-
- Credit institutions	-	-	8.824.035	8.824.035
- Corporate customers	26.089.440	120.897.205	818.687.150	965.673.794
Fixed-income securities recognised at fair value through the revaluation reserve	27.253.041	-	-	27.253.041
- Credit institutions	22.342.329	-	-	22.342.329
- Public sector	4.910.712	-	-	4.910.712
TOTAL	53.342.481	1.490.598.369	827.522.981	2.371.463.832
Financial liabilities				
Derivative financial instruments held for trading	-	91.431.493	-	91.431.493
- IRS	-	23.573.606	-	23.573.606
- CCIS/outright	-	67.853.839	-	67.853.839
- other	-	4.048	-	4.048
Hedging derivative financial instruments	-	305.995.813	-	305.995.813
- IRS	-	255.841.561	-	255.841.561
- CCIS	-	50.154.252	-	50.154.252
Financial liabilities designated at fair value through profit or loss	-	307.748.180	-	307.748.180
TOTAL	-	705.175.486	-	705.175.486

Categories as at 30 June 2026	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets held for trading	-	215.212.023	-	215.212.023
- Derivative financial instruments	-	215.212.023	-	215.212.023
- IRS	-	29.570.731	-	29.570.731
- CCIS/outright	-	185.624.548	-	185.624.548
- other	-	16.745	-	16.745
Hedging derivative financial instruments	-	1.020.055.541	-	1.020.055.541
- IRS	-	873.435.042	-	873.435.042
- CCIS	-	146.620.499	-	146.620.499
Financial assets mandatorily recognised at fair value through profit or loss	-	151.560.183	12.589	151.572.771
- Debt instruments	-	110.723.309	12.589	110.735.898
- Public sector	-	-	-	-
- Credit institutions	-	60.860.373	-	60.860.373
- Corporate customers	-	49.862.936	12.589	49.875.525
- Other financial instruments	-	40.836.874	-	40.836.874
- Corporate customers	-	40.836.874	-	40.836.874
Variable-income securities recognised at fair value through the revaluation reserve	44.157.131	130.015.863	883.663.460	1.057.836.454
- Public sector	-	-	-	-
- Credit institutions	-	-	8.999.070	8.999.070
- Corporate customers	44.157.131	130.015.863	874.664.390	1.048.837.384
Fixed-income securities recognised at fair value through the revaluation reserve	27.235.140	-	-	27.235.140
- Credit institutions	22.328.832	-	-	22.328.832
- Public sector	4.906.308	-	-	4.906.308
TOTAL	71.392.272	1.516.843.610	883.676.049	2.471.911.930
Financial liabilities				
Derivative financial instruments held for trading	-	137.685.575	-	137.685.575
- IRS	-	33.610.200	-	33.610.200
- CCIS/outright	-	104.073.585	-	104.073.585
- other	-	1.790	-	1.790
Hedging derivative financial instruments	-	264.513.485	-	264.513.485
- IRS	-	215.935.469	-	215.935.469
- CCIS	-	48.578.016	-	48.578.016
Financial liabilities designated at fair value through profit or loss	-	388.365.378	-	388.365.378
TOTAL	-	790.564.437	-	790.564.437

No financial assets or liabilities were reclassified between Level 1 and Level 2 of the fair value hierarchy in financial years 2025 and 2026.

Changes in the breakdown between the different levels from one period to the next stem primarily from changes in fair value.

Thus, 2,9% of financial assets measured at fair value, presented above, are classified as Level 1 (versus 2,2% at 31 December 2025), 61,4% as Level 2 (versus 62,9% at 31 December 2025) and 35,7% as Level 3 (versus 34,9% at 31 December 2025).

For financial liabilities, all financial instruments were allocated to Level 2 as at 30 June 2026 and 31 December 2025.

The Group's parent company used measurement models based on market data to calculate the fair value of Level 2 positions and measurement models based on estimates and market data to calculate the fair value of Level 3 positions as at 30 June 2026.

Level 3 breakdown:

	Financial assets mandatorily recognised at fair value through profit or loss		Variable-income securities recognised at fair value through the revaluation reserve	Hedging derivative financial instruments	Total financial assets
	Debt instruments	Equity instruments			
Total as at 1 January 2025	14.067	-	779.396.540	-	779.410.607
Total gains / losses	142.623	-	67.293.043	-	67.435.666
- <i>Income statement</i>	142.623	-	-	-	142.623
- <i>Revaluation reserve</i>	-	-	67.293.043	-	67.293.043
Purchases	-	-	780.000	-	780.000
Reimbursements/sales	-	-	-11.937	-	-11.937
Other changes	-144.894	-	-5.842.376	-	-5.987.270
Transfers from Level 1 to Level 3	-	-	-	-	-
Transfers from Level 2 to Level 3	-	-	-	-	-
Transfers from Level 3	-	-	-14.104.085	-	-14.104.085
Total as at 31 December 2025	11.796	-	827.511.184	-	827.522.981
Total gains/losses for the period included in the income statement for financial assets and liabilities held as at 31 December 2025	449.619	-	24.619.808	-	25.069.426

	Financial assets mandatorily recognised at fair value through profit or loss		Variable-income securities recognised at fair value through the revaluation reserve	Hedging derivative financial instruments	Total financial assets
	Debt instruments	Equity instruments			
Total as at 1 January 2026	11.796	-	827.511.184	-	827.522.981
Total gains / losses	-82.482	-	54.560.911	-	54.478.429
- <i>Income statement</i>	-82.482	-	-	-	-82.482
- <i>Revaluation reserve</i>	-	-	54.560.911	-	54.560.911
Purchases	-	-	200.007	-	200.007
Reimbursements/sales	-	-	-6.404	-	-6.404
Other changes	83.275	-	1.397.762	-	1.481.037
Transfers from Level 1 to Level 3	-	-	-	-	-
Transfers from Level 2 to Level 3	-	-	-	-	-
Transfers from Level 3	-	-	-	-	-
Total as at 30 June 2026	12.589	-	883.663.460	-	883.676.049
Total gains/losses for the period included in the income statement for financial assets and liabilities held as at 30 June 2026	33.151	-	19.369.213	-	19.402.365

Sensitivity analysis of Level 3 financial instruments:

Given the small amount recognised for debt instruments, the Group's parent company does not provide a sensitivity analysis for Level 3 at 30 June 2026 and 31 December 2025.

For equity instruments, the Group's parent company has performed a sensitivity analysis using the following methods:

- 10% decrease or increase in EBITDA, with a simulation of the impact on net income and on liquid funds on the assets side of companies' balance sheets;
- 10% decrease or increase in net income;
- 10% decrease or increase in real estate prices in Luxembourg.

The fair value sensitivity for Level 3 instruments is therefore quantified as follows:

Headings	Level 3 fair value as at 31/12/2025	Impact on fair value	
		10% decrease depending on the methodology used	10% increase depending on the methodology used
Variable-income securities recognised at fair value through the revaluation reserve	803.282.047	-78.144.776	78.100.912

Headings	Level 3 fair value as at 30/06/2026	Impact on fair value	
		10% decrease depending on the methodology used	10% increase depending on the methodology used
Variable-income securities recognised at fair value through the revaluation reserve	857.675.855	-82.444.114	82.454.499

The sensitivity analysis was performed on the three largest shareholdings, i.e. the same three as at 30 June 2026 and 31 December 2025.

6 SEGMENT REPORTING

6.1 The Group's operations

The Group's activities are carried out from the territory of the Grand Duchy of Luxembourg and are broken down into four major segments, each with comparable profitability and risk characteristics. Spuerkeess also owns stakes in companies in Luxembourg, which are included in a separate segment.

The Group's parent company has adopted a pillar-based management view determined on the basis of the main customer segments. This view makes it possible to monitor the Group's parent company's strategic and business objectives and better support different types of customers.

The segments break down as follows:

- Retail Banking and Private Banking:

This segment comprises the activities of the Retail and Private pillars and covers all of the Group's parent company's retail customers:

- The Retail pillar consists of the branch network, with deposit-taking, loan distribution, advice on housing, investments and private pensions, and management of means of payment for retail customers, self-employed professionals and small businesses. These products and services are sold through the branch network, by Spuerkeess Direct, and through the digital channels that serve Spuerkeess's customers;
- The Private pillar manages relationships with customers who have purchased one of the execution-only investment, structured investment advice or discretionary management solutions. These products and services are sold by dedicated Private Banking advisors at both the head office and Spuerkeess's finance centres.

- Corporate, Public Sector and Institutional Client Banking:

This segment comprises the activities of the Corporate, Institutional and Public Sector pillars and thus covers all business customers:

- The Corporate pillar manages relationships with business customers, which are categorised as either large companies or small and medium-sized companies. Specialised teams provide services to these customers in respect of loans and credits, investing, leasing and other financial advice;
- The Institutional pillar manages relationships with institutional customers, investment funds, banks and other financial intermediaries, insurance and reinsurance companies, financial companies and private equity and multi-family office entities. The institutional client relationship managers are the key contacts for these customers;

- The Public Sector pillar manages government customers, other public sector entities and regional and local administrations. This pillar also covers relationships with the embassies of other countries located in Luxembourg.
- Financial Markets:
This segment comprises the activities of the Financial Markets and ALM pillars:
 - The Financial Markets pillar covers the money market position management activity as well as management of the inventory of all securities held by Spuerkeess (the Collateral Management component). This pillar also manages the Global Credit Investment activity, i.e. management of Spuerkeess's investment portfolio through bond investments. Alongside these Spuerkeess proprietary trading activities, the pillar covers a broad range of services such as financial instrument order execution (equities, bonds and derivatives), as well as foreign-exchange transactions for customers in other segments;
 - The ALM pillar covers Spuerkeess's Asset and Liability Management activity, which involves quantifying and managing interest rate risk (IRRBB), structural liquidity risk and balance sheet balances.
- Investments and Corporate Center:
This segment comprises income from investments, whether or not they are consolidated, Spuerkeess's own activities that cannot be allocated to customers in other pillars, such as the gains from sales of buildings and other income, as well as Management and Secretary General overheads.

6.2 Allocation rules and net bank margin

The sector reporting is produced from analytical balance sheet allocation rules, an internal transfer pricing system and general expense allocation methods.

The internal transfer pricing system (FTP) reflects the transfer of interest rate risk and liquidity risk which are assumed by Spuerkeess's Asset and Liability Management unit. This entity is responsible for interest rate risk and liquidity risk management and for asset/liability management for Spuerkeess as a whole.

Back-office department, support activity and overhead costs are rebilled to the different pillars using an activity-based costing analytical cost allocation mechanism that reflects the economic consumption of the products and services provided to these segments.

The Group's net bank margin (NBM) consists of these main products:

- deposits from Retail customers, Private Banking, and Corporate, Public Sector and Institutional Client Banking;
- loans and advances to Retail customers, Private Banking, and Corporate, Public Sector and Institutional Client Banking;
- other products for Retail customers, Private Banking, and Corporate, Public Sector and Institutional Client Banking;
- other products.

The Group therefore publishes its segment reporting (management view) according to a "pillar" view in accordance with IFRS 8:

In EUR 30/06/2025	Retail Banking and Private Banking	Corporate, Public Sector and Institutional Client Banking	Financial Markets	Investments and Corporate Center	Total
Net bank margin	353.579.475	174.821.753	21.429.695	51.355.204	601.186.127
Income before tax	222.836.228	113.055.821	5.766.727	59.541.247	401.200.023
Income/(loss)	167.033.211	84.744.195	4.322.614	61.954.316	318.054.336

In EUR 30/06/2026	Retail Banking and Private Banking	Corporate, Public Sector and Institutional Client Banking	Financial Markets	Investments and Corporate Center	Total
Net bank margin	376.300.205	187.421.936	3.181.171	54.648.251	621.551.562
Income before tax	197.243.353	108.586.985	-8.912.553	64.450.647	361.368.432
Income/(loss)	153.665.591	84.596.428	-6.943.467	64.586.906	295.905.459

Neither one individual customer nor any consolidated group of customers generates more than 10% of the Group's NBM.

The reconciliation of income before tax with the consolidated primary financial statements takes minority interests into account, as the segment statement is prepared on the basis of income attributable to equity holders of the parent company.

Net bank margin corresponds to the bank margin presented in the consolidated income statement, excluding other operating income and expenditure.