

# Dexia

## Annual results 2021

*11 March 2022 – Press presentation*



DEXIA

### Progress on the Group's resolution

- **Balance sheet total below EUR 100 billion** as at 31 December 2021
  - 14% fall over the year as a result of portfolio reduction and the rise of interest rates
  - Balance sheet at EUR 98.7 billion as at 31 December 2021, of which EUR 35.6 billion for the asset portfolio
- **EUR 3.8 billion of assets sold** in 2021
  - Reduction of the concentration risk on the Republic of Italy and the State of Illinois
  - Approximately 95% of the target set within the context of the asset disposal programme already achieved
  - Given the strong geopolitical uncertainties on the financial markets, extension of the window for execution of the programme until the end of 2023
- **Ongoing simplification of the international network**
  - Transfer of a portfolio of assets and derivatives from Dexia Crediop to Dexia Crédit Local
  - Launch of a process to dispose of the portfolio of GICs in the United States

### Confirmed resilience of the funding model

- Annual long-term funding programme completed in July
- Extension of the funding guarantee by the Belgian and French States effective as at 1 January 2022
- End of access to European Central Bank funding as at 31 December 2021

“

*Despite a persistently difficult environment, the Dexia Group again demonstrated its resilience and agility in simplifying and reducing its balance sheet, which fell below EUR 100 billion for the first time. The beginning of 2022 is marked by a particularly complex geopolitical situation. Dexia has no direct exposure to Ukraine and Russia and its funding model, based on the diversification of funding sources and the maintenance of a comfortable liquidity reserve, enables it to face stressed market conditions. I salute the constant commitment of the Group's staff members, which was once again evident this year. ”*

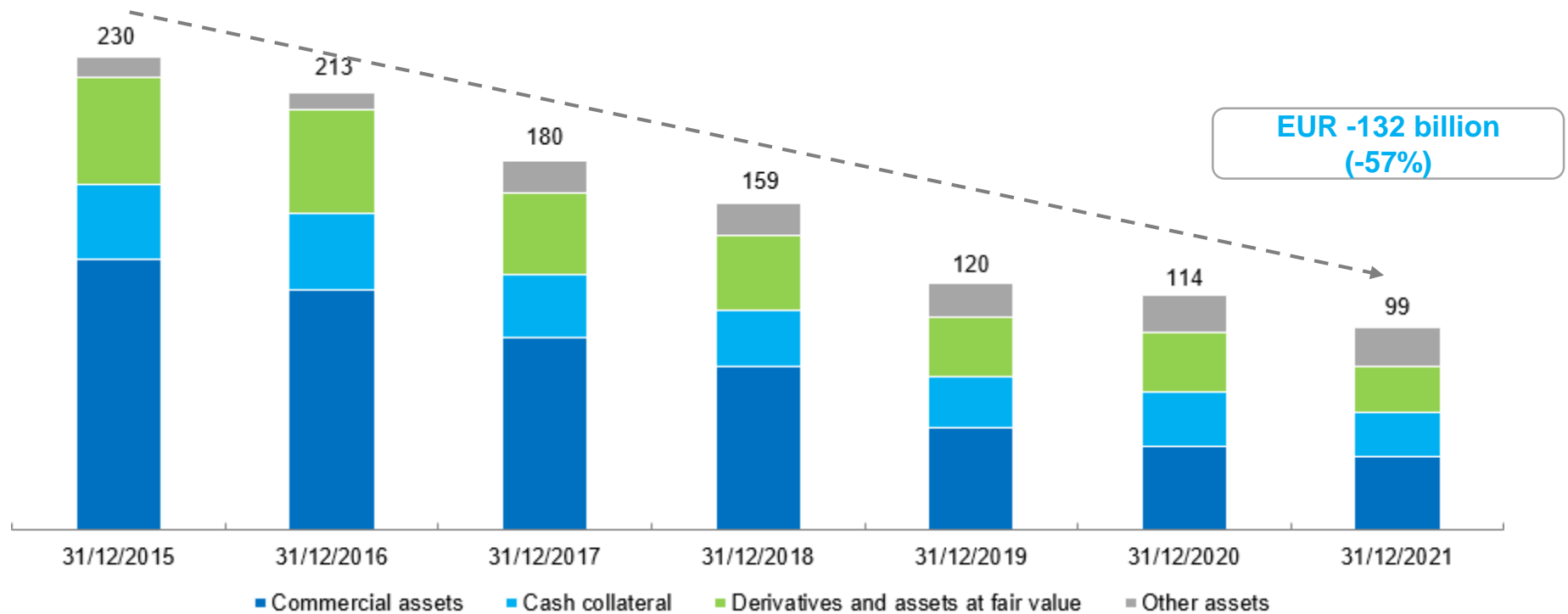
Pierre Crevits, CEO

“ *In 2021, the Board of Directors has pursued its long-term strategic reflection. This reflection continues in 2022 and is the subject of in-depth studies by Dexia. I would like to thank Dexia's management and teams for all the work done in 2021 effectively to pursue the implementation of the Group's orderly resolution and I am delighted with the strong support of the Belgian and French States, which share a common vision of Dexia's ambition to evolve. ”*

Gilles Denoyel, Chairman of the Board of Directors

# Annual results 2022

## Evolution of the size of the balance sheet since 2015



Net income Group share: EUR -334 m



### Recurring result

EUR -133 m

- Improvement of the net interest margin by EUR +25 m, to EUR +37 m, mainly due to the decrease of the cash collateral cost over the year
- Operating costs at EUR -279 m, down by EUR 28 m
- Positive cost of risk at EUR +117 m, mainly linked to the review of the macroeconomic scenario determining expected credit losses



### Accounting volatility

EUR +3 m

- Unfavourable impact of fair value hedging inefficiencies (EUR -151 m)
- Income of EUR +117 m associated with the transition of hedging derivatives contracts within the context of the reform of the reference indices (IBOR)
- Positive variation of the value of assets classified at fair value through profit or loss (EUR +19 m)
- Neutral effect of the Funding Value Adjustment (FVA), Credit Value Adjustment (CVA) and Debit Valuation Adjustment (DVA)



### Non-recurring elements

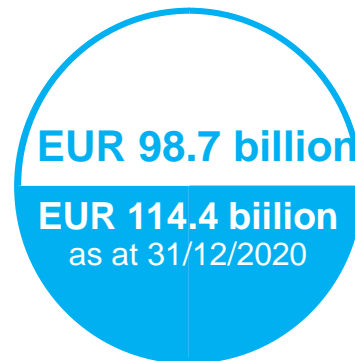
EUR -203 m

- EUR -130 m of losses associated with asset disposals
- EUR -32 m net negative impact of provisions for litigation
- Impact of EUR -18 m mainly associated with restructuring and transformation costs
- EUR +25 m from the settlement of a dispute involving a former subsidiary of the Group
- A deferred tax charge of EUR -54 m, related to the transfer of Dexia Crediop shares to Dexia Crédit Local Dublin

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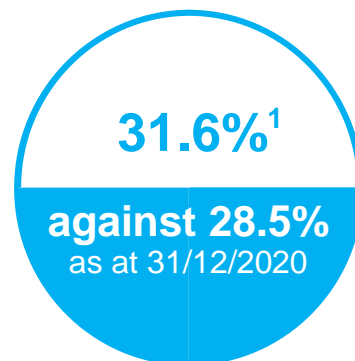
Key figures as at 31 December 2021

## Balance sheet



- **Balance sheet down by EUR -15.8 billion (-14%)**, driven by a favourable environment of rising interest rates and the reduction of the asset portfolio
- **Asset portfolio at EUR 35.6 billion**, of which EUR 20 billion in bonds and EUR 15.6 billion in loans

## Solvency



- **Negative impact of net loss for the financial year** (EUR -334 m) **offset by the decrease in risk-weighted assets** (EUR -3.6 billion), which amounted to EUR 20.6 billion as at 31 December 2021
- **Total Capital Ratio higher than the minimum** of 11.25% **required** for the year 2021 within the framework of the SREP

## Guaranteed debt



EUR 24.7 billion



EUR 21.9 billion



EUR 1.4 billion

(1) Total Capital Ratio

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