HSBC

Press Release

04 August 2026

HSBC CONTINENTAL EUROPE
INTERIM RESULTS 2026

On 3 August 2026, HSBC Continental Europe's Board of Directors reviewed and approved the consolidated financial statements for the first half of 2026.

Performance in the first half of 2026 reflected growth in transaction banking revenues in Corporate and Institutional Banking (CIB) and in asset management revenues in International Wealth and Premier Banking (IWPB), lower cost of risk and lower operating expenses. These effects were more than offset by impacts from the exit of non-core business activities.

The HSBC Group is focused on increasing its leadership and market share in areas where it has a clear competitive advantage, and where it has the greatest opportunity to grow and support its clients. In Europe, this includes connecting clients to opportunities across the HSBC Group's international network and supporting the needs of the HSBC Group's global client base in Europe.

In 2026, HSBC has received the Euromoney Awards for Excellence, recognising "how we serve customers around the world". HSBC Continental Europe has also been recognised as Best Bank in France for Large Corporates.

Net operating income before change in expected credit losses and other credit impairment charges, in respect of continuing operations, was €1,580m, down from €1,807m in the first half of 2025, reflecting lower revenues from the exit of non-core business activities, partly offset by growth in transaction banking revenue in CIB and growth in asset management revenues in IWPB.

Change in expected credit losses and other credit impairment charges, in respect of continuing operations, was a charge of €31m, compared to a charge of €73m in the first half of 2025. The cost of risk[1] was 15 basis points, compared to 32 basis points in the first half of 2025. The credit risk profile of the portfolio remains diversified and stable.

Operating expenses, in respect of continuing operations, were €1,162m, down from €1,292m in the first half of 2025, driven by lower restructuring costs and the impact of cost savings initiatives.

Profit before tax, in respect of continuing operations, was €387m, compared to €442m in the first half of 2025 driven by the above items.

Profit after tax, in respect of continuing and discontinued operations, was €46m, compared to a profit of €373m in the first half of 2025, and included the loss on sale of HSBC Bank Malta p.l.c. for €0.3bn.

The consolidated balance sheet of HSBC Continental Europe reported total assets of €266bn at 30 June 2026, compared to €251bn at 31 December 2025.

[1] Annualised change in expected credit losses and other credit impairment charges divided by customer loans outstanding at the end of the period.

This press release is issued by ***HSBC Continental Europe***
Registered office: 38 avenue Kléber, 75116 Paris, France
Website: www.hsbc.fr
SIREN 775 670 284 RCS Paris

At 30 June 2026, HSBC Continental Europe reported an average liquidity coverage ratio (LCR)[2] of 151% and a net stable funding ratio (NSFR)[2] of 160%. The common equity tier 1 (CET1)[3] ratio was 15.4% and the total capital ratio was 20.4%. The leverage ratio[3] was 4.4%.

[2] Computed in respect of CRR II (Regulation EU 2019/876).

[3] Including phasing in accordance with applicable CRR3/CRD6 rules, transposing the final Basel III text.

Appendix

Interim accounts were subject to a limited review by the statutory auditors.

Summary consolidated income statement

€m	**Half year to 30 June 2026**	Half year to 30 June 2025
Continuing operations		
Net interest income	**543**	628
Net fee income	**556**	637
Net income/(expense) from financial instruments held for trading or managed on a fair value basis	**402**	463
Other operating income/(expense)	**79**	79
Net operating income before change in expected credit losses and other credit impairment charges	**1,580**	**1,807**
Change in expected credit losses and other credit impairment charges	**(31)**	(73)
Total operating expenses	**(1,162)**	(1,292)
Profit/(loss) before tax	**387**	**442**
Tax expense	**(114)**	(73)
Profit/(loss) after tax in respect of continuing operations	**273**	369
Profit/(loss) after tax in respect of discontinued operations	**(227)**	4
Profit/(loss) after tax for the period	**46**	**373**
Profit/(loss) attributable to shareholders of the parent company	**35**	**360**
Profit/(loss) attributable to non-controlling interests	**11**	13

Profit/(loss) for the period by global business

	Continuing operations			
	Half year to 30 June 2026			
	CIB	**IWPB**	**Corporate Centre**	**Total**
	€m	**€m**	**€m**	**€m**
Net operating income before change in expected credit losses and other credit impairment charges	**1,405**	**151**	**24**	**1,580**
Change in expected credit losses and other credit impairment charges	**(31)**	**—**	**—**	**(31)**
Net operating income	**1,374**	**151**	**24**	**1,549**
Total operating expenses	**(947)**	**(138)**	**(77)**	**(1,162)**
Profit/(loss) before tax	**427**	**13**	**(53)**	**387**
	Half year to 30 June 2025			
Net operating income before change in expected credit losses and other credit impairment charges	1,547	154	106	1,807
Change in expected credit losses and other credit impairment charges	(73)	—	—	(73)
Net operating income	1,474	154	106	1,734
Total operating expenses	(1,060)	(155)	(77)	(1,292)
Profit/(loss) before tax	414	(1)	29	442

Business disposals and accounting policy for classifying non-current assets or disposal groups as ‘held for sale’

HSBC Continental Europe classifies non-current assets or disposal groups (including assets and liabilities) as held for sale when their carrying amounts will be recovered principally through sale rather than through continuing use. To be classified as held for sale, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets or disposal groups, and the sale must be highly probable.

As at 30 June 2026, the following disposal groups met the held for sale criteria:

Custody Business in Germany
On 27 June 2025, HSBC Continental Europe reached an agreement to sell its custody business in Germany to BNP Paribas. This transaction is being completed in a phased manner, which began in the first half of 2026. The disposal group met the held for sale criteria in the second quarter of 2025, with balances remaining classified as held for sale at 30 June 2026 of €0.6bn in assets and €6.7bn in liabilities. The sale is expected to generate an estimated pre-tax gain on disposal of €0.1bn, which will be recognised in line with the completion of client transfers.

Fund Administration Business in Germany
On 11 July 2025, HSBC Continental Europe reached an agreement to sell its fund administration business, Internationale Kapitalanlagegesellschaft mbH, to BlackFin Capital Partners S.A.S. The disposal group met the held for sale criteria in the third quarter of 2025, with immaterial balances remaining classified as held for sale at 30 June 2026. This transaction, which has received regulatory approval, is expected to complete in the second half of 2026, at which point an immaterial gain on disposal will be recognised.

HSBC Bank Malta p.l.c.
On 16 September 2025, HSBC Continental Europe entered into a put option agreement with CrediaBank S.A. for the potential sale of its 70.03% majority stake in HSBC Bank Malta p.l.c. On 22 December 2025, following completion of HSBC Continental Europe's employee information and consultation process in France, and in line with the put option terms, a sale and purchase agreement was signed.

The disposal group met the held for sale criteria in the first quarter of 2026 at which point a pre-tax loss on disposal of €0.3bn was recognised. As at 30 June 2026, €7.3bn of assets and €7.1bn of liabilities remained classified as held for sale. The transaction, which remains subject to regulatory approval, is expected to complete in the first half of 2027.

HSBC Bank Malta p.l.c. also met the criteria of discontinued operations classification and presentation under IFRS 5, and accordingly, the profit/(loss) of the discontinued operations has been reported separately in the income statement.

Contacts: **Raphaële Marie Hirsch** **raphaele.marie.hirsch@hsbc.fr** **+33 (0) 7 64 57 35 55**
Stéphanie Préaut **stephanie.preaut@hsbc.fr** **+33 (0) 6 75 31 16 58**

HSBC Continental Europe

Headquartered in Paris, HSBC Continental Europe is an indirectly held subsidiary of HSBC Holdings plc. HSBC Continental Europe comprises corporate and institutional banking, private banking, insurance and asset management activities across Continental Europe, including the business activities of 10 European branches (in Belgium, Czech Republic, Germany, Ireland, Italy, Luxembourg, the Netherlands, Poland, Spain and Sweden) and two banking subsidiaries in Luxembourg and Malta. HSBC Continental Europe's mission is to serve both customers in Continental Europe for their needs worldwide and the HSBC Group customers for their needs in Continental Europe.

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. HSBC serves customers worldwide from offices in 56 countries and territories. With assets of US$3,438bn at 30 June 2026, HSBC is one of the world's largest banking and financial services organisations.