27 August 2026 Press release Banks Investors

Helaba reports significantly lower earnings in first half of 2026

- Consolidated profit before tax falls to € 194 million (H1 2025: € 458 million)
- Decline mainly attributable to burdens in the commercial real estate business and a lower result from fair value measurement
- Despite the challenging environment, new business rises by 20.4 per cent to € 10.2 billion (H1 2025: €8.5 billion)
- Net fee and commission income grows by 10.0 per cent to € 319 million (H1 2025: € 290.0 million); net interest income declines moderately by 6.4 per cent to € 770 million (H1 2025: € 823 million)
- NPL ratio improves to 2.6 per cent (H1 2025: 3.1 per cent), while the CET1 ratio remains very comfortable at 15.8 per cent (H1 2025: 16.3 per cent)
- General and administrative expenses rise by 6.6 per cent to -€ 975 million (H1 2025: -€ 915 million)
- Cost-saving measures to limit future cost growth to below inflation while accelerating growth initiatives
- In view of these burdens, Helaba expects full-year 2026 pre-tax profit of around € 500 million, below expectations
- Helaba reaffirms its target of achieving pre-tax profit of € 1 billion within the next five years

Helaba reported significantly lower earnings in the first six months of the 2026 financial year, with consolidated profit before tax falling significantly to € 194 million (H1 2025: € 458 million). The decline was mainly attributable to burdens in the commercial real estate business and a lower result from fair value measurement.

“The challenging macroeconomic and capital market environment has weighed particularly heavily on our commercial real estate business and depressed the result from fair value measurement. This half-year result does not meet our expectations,” said Thomas Groß, Helaba’s CEO. “Despite this, the strong growth in new business and net fee and commission income confirms that our strategic direction is the right one. In addition, targeted portfolio management enabled us to reduce our NPL ratio noticeably,” Groß added.

The result was significantly affected by ongoing geopolitical tensions, the associated rise in market interest rates and persistently subdued economic activity in Germany. Operating income fell by 8.9 per cent to € 1,368 million (H1 2025: € 1,502 million). **Net interest income** declined moderately by 6.4 per cent to € 770 million (H1 2025: € 823 million). By contrast, **net fee and commission income** rose significantly by 10.0 per cent to € 319 million (H1 2025: € 290 million), partly as a result of positive developments in the lending and guarantee business. Valuation effects resulting from the rise in interest rates in the first half of the year, together with a temporary slowdown in the relevant areas of customer business, led to a 67.1 per cent decline in the **result from fair value measurement** to € 54 million (H1 2025: € 164 million). In non-interest-bearing business, **income from investment property**, primarily residential properties held by GWH, rose by 22.2 per cent to € 163 million (H1 2025: € 134 million).

Investments in growth as well as cost increases resulting from collective bargaining agreements and inflation led to a 6.6 per cent rise in **general and administrative expenses** to -€ 975 million (H1 2025: -€ 915 million).

Net additions to **loan loss provisions** increased substantially by 53.0 per cent to -€ 198 million (H1 2025: -€ 129 million). The increase was driven predominantly by higher burdens in the real estate business. Geopolitical risks were also reflected in additions to loan loss provisions.

“We remain confident that Helaba is strategically well positioned for the future. We are currently sharpening the focus of our investments, accelerating our growth initiatives and have introduced rigorous cost-saving measures,” Groß said. “Against this backdrop, we expect to generate a pre-tax profit of around € 500 million for 2026 as a whole. We remain committed to our medium-term target of raising the Group’s consolidated net profit before tax to € 1 billion within the next five years.”

Other key figures for the first half of 2026 at a glance

The **CET1 ratio** stood at 15.8 per cent (H1 2025: 16.3 per cent) and thus remained well above regulatory requirements.

Return on equity was 3.5 per cent (H1 2025: 8.5 per cent).

The **cost/income ratio** came to 70.8 per cent (H1 2025: 60.5 per cent).

Other income declined by 26.6 per cent to € 64 million (H1 2025: € 87 million).

Consolidated net profit after tax fell to € 148 million (H1 2025: € 342 million).

The Group’s **total assets** increased slightly to € 205.0 billion (31 December 2025: € 201.8 billion).

Segment report

Conditions remain challenging in parts of the commercial real estate market, reflecting higher interest rates and persistently high market uncertainty. Overall, the **Real Estate** segment recorded a pre-tax result of -€ 26 million (H1 2025: profit of € 106 million). Additions to loan loss provisions increased significantly to -€ 113 million (H1 2025: -€ 26 million). Net interest income, at € 179 million, was below the previous year's level (H1 2025: € 206 million). New medium and long-term business developed positively in the first six months of the year, reaching € 3.9 billion (H1 2025: € 3.0 billion).

Pre-tax profit in the **Corporates & Markets** segment stood at € 58 million, compared with € 84 million in the prior-year period. Net interest income rose to € 316 million (H1 2025: € 299 million). Net fee and commission income increased to € 99 million (H1 2025: € 83 million). New medium and long-term business recorded strong growth to reach € 5.5 billion (H1 2025: € 4.5 billion). Lower trading income, higher loan loss provisions and increased general and administrative expenses weighed on earnings. Loan loss provisions increased to -€ 57 million (H1 2025: -€ 44 million).

In the **Retail & Asset Management** segment, pre-tax profit rose to € 209 million (H1 2025: € 194 million). Net interest income reached € 209 million (H1 2025: € 205 million), while net fee and commission income increased to €171 million (H1 2025: € 162 million). Loan loss provisions in this segment declined to -€ 4 million (H1 2025: -€ 9 million).

The **Development Business** segment generated a pre-tax profit of € 21 million (H1 2025: € 22 million). This segment primarily reflects the business of WIBank, which performs important development functions for the German state of Hesse. In addition to its promotional lending business, which generates corresponding net interest income, WIBank also performs other tasks on behalf of the state of Hesse and other public-sector authorities in its role as a service provider.

The pre-tax result in the **Other** segment, including consolidation, came to -€ 69 million, significantly below the previous year's level (H1 2025: € 51 million). The result was affected by a decline in net interest income to € 25 million (H1 2025: € 72 million), a fall in the result from fair value measurement to -€ 13 million (H1 2025: € 69 million) and burdens arising from the realignment of OFB's real estate project business. The segment also includes loan loss provisions arising from the addition to the post-model adjustment.

Financial Data

find the financial data here

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