



**NATIXIS**  
**HONG KONG BRANCH**  
(Incorporated in France and the liability of its members is limited)

**KEY FINANCIAL INFORMATION**  
**DISCLOSURE STATEMENTS**  
**AS AT 30 JUN 2020**



**NATIXIS  
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**KEY FINANCIAL INFORMATION DISCLOSURE STATEMENTS AS AT 30 JUN 2020**

**Section A - Branch Information**

**I. Unaudited Income Statement**

Figures in HKD thousand	2020-06-30	2019-06-30
<b>Net interest income</b>		
Interest income	819,692	1,365,005
Interest expense	(758,450)	(1,259,582)
	61,242	105,423
<b>Other operating income</b>		
Net gains/(losses) on fair value change of financial instruments designated at fair value through profit or loss	-	-
Gains less losses arising from trading in foreign currencies	84,850	160,810
Gains less losses on securities held for trading purposes	(92)	(125)
Gains less losses from other trading activities	49,842	(10,228)
Net fees and commission income	57,915	89,985
Others	747,036	804,776
	939,551	1,045,218
<b>Operating expenses</b>		
Staff expenses	(315,791)	(359,212)
Rental expenses	(34,997)	(35,496)
Other expenses	(292,372)	(287,779)
Other net release/(charge) on provisions	105	(1,064)
	(643,055)	(683,551)
Operating profit before provisions	357,738	467,090
Impairment losses and provisions for impaired loans and receivables	(110,387)	(4,915)
Operating profit	247,351	462,175
Gains less losses from the disposal of property, plant and equipment and investment properties	-	-
Profit before taxation	247,351	462,175
Tax expenses	(25,308)	(61,883)
Profit after taxation	222,043	400,292

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**II. Unaudited Balance Sheet**

Figures in HKD thousand	2020-06-30	2019-12-31
<b>Assets</b>		
Cash and balances with banks	176,403	316,675
Cash and Balances with central bank	723,419	2,567
Placements with banks which have a residual contractual maturity of more than one month but not more than 12 months	2,551,850	802,329
Amount due from overseas offices	32,056,218	57,547,093
Trade bills	845,621	1,838,730
Certificates of deposit held	5,843,069	3,324,750
Securities held for trading purposes	-	-
<b>Loans and receivables</b>		
Loans and advances to customers	39,067,652	29,475,016
Loans and advances to banks	-	-
Other accounts	2,142,950	2,015,056
Provisions for impaired loans, receivables and others	(159,335)	(50,335)
	41,051,267	31,439,737
Investment securities	10,716,488	10,876,271
Other investments	95,391	98,191
Property, plant and equipment and investment properties	42,310	46,821
<b>TOTAL ASSETS</b>	<b>94,102,036</b>	<b>106,293,164</b>
<b>Liabilities</b>		
Deposits and balances from banks	3,640,876	2,986,630
<b>Deposits from customers</b>		
Demand deposits and current accounts	4,962,359	6,360,727
Savings deposits	-	-
Time, call and notice deposits	1,820,514	1,862,524
	6,782,873	8,223,251
Amount due to overseas offices	69,299,744	88,437,630
Certificates of deposit issued	10,850,140	3,893,150
Issued debt securities	-	-
Other liabilities	3,528,403	2,752,503
Provisions	-	-
<b>TOTAL LIABILITIES</b>	<b>94,102,036</b>	<b>106,293,164</b>

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**III. Unaudited Additional Profit and Loss Information**

Figures in HKD thousand	2020-06-30	2019-06-30
Fees and commission income	82,557	129,280
Fees and commission expenses	(24,642)	(39,295)
Net fees and commission income	<u>57,915</u>	<u>89,985</u>

**IV. Unaudited Additional Balance Sheet Information**

Figures in HKD thousand	2020-06-30	2019-12-31
1) Provision for impaired loans, receivables and others		
- Collective provisions	23,812	19,527
- Specific provisions for loans and receivables to customers	<u>135,523</u>	<u>30,808</u>
	<u>159,335</u>	<u>50,335</u>

*Specific and Collective provisions were made at the branch level.*

2) Impaired loans and advances to customers	2020-06-30	2019-12-31
- amount of impaired loans and advances to customers which are individually determined to be impaired	271,033	272,304
- amount of specific provisions made for such loans and advances	135,518	30,808
- value of collateral which has been taken into account in respect of such loans and advances to which the specific provisions relate	-	-
- percentage of such loans and advances to total amount of loans and advances to customers	0.69%	0.92%

*Specific provision were made after taking into account the value of collateral in respect of such loans and advances.*

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**IV. Unaudited Additional Balance Sheet Information (Continued)**

Figures in HKD thousand	2020-06-30	2019-12-31
<b>3) Overdue loans and advances to customers</b>		
Gross amount of loans and advances to customers which have been overdue for :		
more than 3 months but not more than 6 months	91,990	-
more than 6 months but not more than one year	179,043	-
more than one year	-	-
	<u>271,033</u>	<u>-</u>
Percentage of total amount of loans and advances to customers which have been overdue for :		
more than 3 months but not more than 6 months	0.23%	0.00%
more than 6 months but not more than one year	0.46%	0.00%
more than one year	0.00%	0.00%
	<u>0.69%</u>	<u>0.00%</u>
Amount of specific provisions made on such overdue loans and advances for :		
more than 3 months but not more than 6 months	45,996	-
more than 6 months but not more than one year	89,522	-
more than one year	-	-
	<u>135,518</u>	<u>-</u>
Market value of collateral held against the covered portion of overdue loans and advances		
Covered portion of overdue loans and advances	-	-
Uncovered portion of overdue loans and advances	-	-
	<u>-</u>	<u>-</u>
<b>4) Rescheduled loans and advances to customers, excluding those which have been overdue for more than 3 months</b>	<u>-</u>	<u>-</u>
Percentage of such loans and advances to total amount of loans and advances to customers	<u>0.00%</u>	<u>0.00%</u>
<b>5) Overdue other assets (including trade bills and debt securities) which have been overdue for</b>		
more than 3 months but not more than 6 months	-	-
more than 6 months but not more than one year	-	-
more than one year	-	-
	<u>-</u>	<u>-</u>
<b>6) Amount of repossessed assets held</b>	<u>-</u>	<u>-</u>

*The repossessed assets are booked under the lowest cost or net realizable value.*

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**V. Unaudited Off-Balance Sheet Exposures**

Figures in HKD thousand	2020-06-30	2019-12-31
<b>Contingent liabilities and commitments</b>		
Direct credit substitutes	1,329	1,250
Transaction-related contingencies	849,778	81,797
Trade-related contingencies	134,621	4,397,105
Note issuance and revolving underwriting facilities	-	-
Other commitments	20,526,752	33,153,197
Forward forward deposits placed	1,886,182	1,369,226
	<u>23,398,662</u>	<u>39,002,575</u>
<b>Derivative transactions</b>		
Notional amounts of derivatives transactions		
Exchange rate-related derivative contracts	41,149,942	24,013,362
Interest rate derivative contracts	30,337,986	25,481,987
Others	-	-
	<u>71,487,928</u>	<u>49,495,349</u>
Fair value of derivative transactions		
Exchange rate-related derivative contracts	26,491	(91,306)
Interest rate derivative contracts	(609,662)	(378,170)
Others	-	-
	<u>(583,171)</u>	<u>(469,476)</u>

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**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION**

**VI. Segmental Information**

	2020-06-30		2019-12-31			
1) By industry sector	HKD'000	% of loans and advances covered collateral	by	HKD'000	% of loans and advances covered collateral	by
Gross loans and advances to customers by industry sector						
Loans and advances for use in Hong Kong						
Industrial, commercial and financial:						
- Property development	-			-		
- Property investment	-			-		
- Financial concerns	2,379,455	0.0%		1,525,227	0.0%	
- Stockbrokers	-			-		
- Wholesale and retail trade	209,321	0.0%		-		
- Manufacturing	2,950,564	0.0%		2,423,815	0.0%	
- Transport and transport equipment	-			-		
- Recreational activities	-			-		
- Information technology	868,786	0.0%		872,922	0.0%	
- Electricity and gas	1,150,331	0.0%		1,006,389	0.0%	
- Others	2,799,974	0.0%		2,492,133	0.0%	
Individuals:						
- loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes;	-			-		
- loans for the purchase of other residential properties	-			-		
- credit card advances	-			-		
- others	-			-		
Trade finance	760,457	0.0%		1,635,263	0.0%	
Loans and advances for use outside Hong Kong	27,948,764	6.7%		19,519,267	12.5%	
	<u>39,067,652</u>	4.8%		<u>29,475,016</u>	8.3%	
	<b>2020-06-30</b>			<b>2019-12-31</b>		
2) By geographical areas	<b>HKD'000</b>			<b>HKD'000</b>		
(a) Gross amount of loans and advances to customers by countries or geographical areas						
- Hong Kong	15,844,906			13,960,473		
- Japan	7,195,005			716,806		
- Australia	7,370,683			5,456,117		
- Others	8,657,058			9,341,620		
	<u>39,067,652</u>			<u>29,475,016</u>		
(b) Overdue loans and advances to customers by countries or geographical areas						
- Hong Kong	271,033			-		
	<u>271,033</u>			<u>-</u>		
(c) Impaired loans and advances to customers which are individually determined to be impaired, by countries or geographical areas						
- Hong Kong	271,033			272,304		
	<u>271,033</u>			<u>272,304</u>		



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**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**  
**VI. Segmental Information (Continued)**

3) International Claims

Breakdown of the international claims by countries that constitutes 10% or more of the total international claim, according to the location of the counterparties and the type of counterparties after taking into account of transfer of risk.

	<u>Banks</u>	<u>Official sector</u>	<u>Non-bank private sector</u>		<u>Total</u>
			<u>Non-bank financial institutions</u>	<u>Non-financial private sector</u>	
<u>As of 2020-06-30</u>	HKD Million	HKD Million	HKD Million	HKD Million	HKD Million
Developed countries of which France	33,502	708	-	501	34,711
Developing Asia-Pacific of which China	6,873	84	-	7,443	14,400
Total	40,375	792	-	7,944	49,111

	<u>Banks</u>	<u>Official sector</u>	<u>Non-bank private sector</u>		<u>Total</u>
			<u>Non-bank financial institutions</u>	<u>Non-financial private sector</u>	
<u>As of 2019-12-31</u>	HKD Million	HKD Million	HKD Million	HKD Million	HKD Million
Developed countries of which France	58,387	906	-	162	59,455
Developing Asia-Pacific of which China	4,728	86	-	9,210	14,024
Total	63,115	992	-	9,372	73,479

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**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**

**VII. Non-bank Mainland Exposures**

Figures in HKD million

As of 2020-06-30

Types of counterparties	On-balance Sheet Exposure	Off-balance Sheet Exposure	Total
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	9,824	4,056	13,880
2 Local governments, local government-owned entities and their subsidiaries and JVs	5,326	157	5,483
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	3,547	406	3,953
4 Other entities of central government not reported in item 1 above	-	-	-
5 Other entities of local governments not reported in item 2 above	-	-	-
6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	310	1	311
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	218	-	218
<b>Total</b>	<b>19,225</b>	<b>4,620</b>	<b>23,845</b>
Total assets after provision	94,102		
On-balance sheet exposures as percentage of total	20.43%		

As of 2019-12-31

Types of counterparties	On-balance Sheet Exposure	Off-balance Sheet Exposure	Total
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	10,179	7,022	17,201
2 Local governments, local government-owned entities and their subsidiaries and JVs	3,176	313	3,489
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	3,969	670	4,639
4 Other entities of central government not reported in item 1 above	-	58	58
5 Other entities of local governments not reported in item 2 above	240	117	357
6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	351	162	513
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	350	-	350
<b>Total</b>	<b>18,265</b>	<b>8,342</b>	<b>26,607</b>
Total assets after provision	106,293		
On-balance sheet exposures as percentage of total	17.18%		

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**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**

**VIII. Currency Risk**

Figures in HKD million

The net position in a particular foreign currency where it constitutes 10% or more of the total net position in all foreign currencies.

	As of 2020-06-30			
	USD	AUD	EUR	Total
Spot assets	55,982	6,336	15,079	77,397
Spot liabilities	(72,451)	(5,329)	(9,396)	(87,176)
Forward purchases	28,821	2,141	2,780	33,742
Forward sales	(12,341)	(3,121)	(8,427)	(23,889)
Net options position	-	-	-	-
Net long (or net short) position	11	27	36	74
Net structural position	-	-	-	-

	As of 2019-12-31			
	USD	AUD	EUR	Total
Spot assets	72,729	12,623	12,252	97,604
Spot liabilities	(84,663)	(4,719)	(10,587)	(99,969)
Forward purchases	17,951	2,472	1,746	22,169
Forward sales	(6,017)	(10,382)	(3,273)	(19,672)
Net options position	-	-	-	-
Net long (or net short) position	-	(6)	138	132
Net structural position	-	-	-	-

**IX. Liquidity**

Figures in percentage	2020-06-30	2019-06-30
(i) Liquidity Maintenance Ratio (LMR)		
Average LMR for 3 months period	77.15%	66.17%

Average Liquidity Maintenance ratio is calculated as the simple average of each month's average liquidity maintenance ratio for the three months of the financial year computed in accordance with Banking Liquidity Rules.

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**Section B - Bank Information (Consolidated Basis)**

	2020-06-30	2019-12-31
<b>I. Capital and Capital Adequacy</b>		
Capital Adequacy Ratio	<u>15.5%</u>	<u>15.7%</u>
The capital adequacy ratio as of 30 June 2020 and 31 December 2019 have been calculated in accordance with the Capital Requirements Directive rules / Basel 3 rules.		
	2020-06-30	2019-12-31
	EUR Million	EUR Million
Shareholders' funds	<u>19,116</u>	<u>19,396</u>
<b>II. Other financial information</b>		
	2020-06-30	2019-12-31
	EUR Million	EUR Million
Total assets	503,812	513,170
Total liabilities	484,696	493,774
Total loans and advances	126,842	119,204
Total customer deposits	34,934	30,485
	2020-06-30	2019-06-30
	EUR Million	EUR Million
Pre-tax (losses) / profits	(192)	1,668

*Total loans and advances include loans and advances to banks and customers less provisions.*

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**Declaration of Compliance**

We have pleasure in presenting the Key Financial Information Disclosure Statement of Natixis, Hong Kong Branch for the period ended 30 June 2020. We confirm that the Disclosure Statement complies in all material respects with the Banking (Disclosure) Rules and, to the best of my knowledge and belief, it is not false or misleading.



Bruno Stephane Jean Marie LE SAINT  
Chief Executive  
Hong Kong Branch

25 September 2020

