FINANCIAL REPORT

January to March 2020

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Basis of presentation

The consolidated income statement and balance sheet at the close of March 2019 and March 2020, together with the breakdowns of different items shown in this Financial Report, are presented in accordance with the bases, principles and accounting criteria defined in Note 1 of the Group's consolidated financial statements for the 12-month period ending on 31 December 2019.

Some of the figures included in this document have been rounded up or down. As a result, there may be small discrepancies in the tables between the totals and the amounts listed.

The macroeconomic analysis has been prepared by Analistas Económicos de Andalucía, a Group company.

Introduction

Unicaja Banco Group posted net profits of EUR 46 million in the first quarter, after provisioning EUR 25 million for Covid-19

Net income	46€ million	-27.5%
Net income (excl. COVID provisions	63€ million	+0.2%

Results

Core income	+0.6%
Fee income	10.6%
OPEX	-1.0%
Net operating income excluding Covid	15.6%

Risks

NPA	-29.1%
NPL ratio	-1.7pp
NPL coverage ratio	56.0%
Foreclosed assets coverage	62.7%

Commercial activity

Performing credit and loans	+1.7%
New lending	-10%
On-balance sheet retail customer funds	0.4%

Liquidity and solvency

LTD	72.2%
CET 1 Fully Loaded	14.1%

x	To 31 March 2020
x	YoY March 2020 and March 2019
x	YoY March 2020 and December 2019

The indicators for Unicaja Banco's banking business are favourable:

- **Net profit**, excluding the effect of the provisions for Covid-19, is stable, 0.2% higher than the same period the previous year.
- **Core income** (net interest income + fees) **grew by 0.6%** over the same period a year earlier, boosted by the 10.6% improvement in fees.
- **Operating expenses** fell by 1% compared to the first quarter of 2019, maintaining the downward trend from previous quarters.
- El **net operating income,** excluding Covid-19 provisions is up by 15.6%.

Commercial activity continued to improve, both in terms of loans and customer funds:

- **Performing loans** to clients (excluding reverse repos) grows 1.7% in the year, mainly in large corporates and public administrations.
- **Loan production** fell by 10% from the first quarter of 2019, impacted by the standstill resulting from the state of alert, after having shown growth up to that point of 20.4% over the same period in the previous year.
- **On-balance sheet customer funds** grew during the period (+0.4%). This expansion affected private sector sight balances (+0.5%) and public sector balances (+4.6%).

Risk indicators remain positive:

- **Non-performing assets** (NPAs) fell by 29.1% year-on-year (EUR 1,009 million); of these, NPLs dropped by 27.2% and foreclosed assets by 31.1%. The NPL ratio shrank by 1.7 pp year-on-year, posting at 4.6%.
- The **coverage ratio** for non-productive assets (NPAs) rose by 2.5 pp year-on-year, an improvement on both non-performing assets and foreclosures.

High levels of solvency, financial strength and improved dividends

- The Group has a comfortable liquidity position, with a LTD ratio of 72.2% and a LCR of 335%.
- The high level of solvency, with regulatory CET1 at 15.4% and total capital at 16.8%, represents a surplus of EUR 1,072 million above SREP requirements.

2. Key Highlights

Million euros / % / pp	31/03/20	31/12/19	31/03/19	QoQ	YoY
BALANCE SHEET					
Total assets	55,632	56,708	56,411	-1.9%	-1.4%
Gross loans and advances to customers (ex-reverse repos, ex others financial assets)*	27,564	27,151	27,754	1.5%	-0.7%
Performing gross loans and advances to customers (ex-reverse repos, ex other financial assets)*	26,229	25,800	25,921	1.7%	1.2%
On-balance sheet customers funds*	38,180	38,035	38,222	0.4%	-0.1%
Off-balance sheet customer funds and insurance	11,928	12,863	12,781	-7.3%	-6.7%
Shareholders equity	3,969	3,971	3,903	0.0%	1.7%
Total equity	4,051	3,970	3,856	2.0%	5.1%
(*) Excluding valuation adjustments					
RESULTS (cumulative figures)					
Net interest income	140	579	145		-3.3%
Gross income	254	1,009	258		-1.7%
Pre-provision profit	105	402	108		-2.6%
Consolidated net income	46	172	63		-27.5%
Cost to income	54.3%	55.9%	54.0%	-1.6 pp	0.3 pp
ROE	4.7%	4.4%	6.6%	0.3 pp	-1.9 pp
ROA	0.3%	0.3%	0.5%	0.0 pp	-0.1 pp
ROE*	6.4%	4.4%	6.6%	2.0 pp	-0.1 pp
ROA*	0.5%	0.3%	0.5%	0.1 pp	0.0 pp
(*) Excludes Covid-19 provisions					
RISK MANAGEMENT					
Non performing loans (NPL) (a)	1,334	1,351	1,833	-1.2%	-27.2%
Foreclosed assets (b)	1,130	1,120	1,640	0.9%	-31.1%
Non performing assets -NPA- (a+b)	2,464	2,470	3,473	-0.3%	-29.1%
NPL ratio	4.6%	4.8%	6.3%	-0.1 pp	-1.7 pp
NPL coverage	56.0%	54.0%	52.0%	2.0 pp	4.0 pp
Foreclosed assets coverage	62.7%	62.7%	61.7%	0.1 pp	1.0 pp
Non performing assets (NPA) coverage	59.1%	57.9%	56.6%	1.2 pp	2.5 pp
Cost of risk	0.48%	0.04%	0.10%	0.4 pp	0.4 pp
LIQUIDITY					
Loan to deposit ratio	72.2%	71.4%	72.6%	0.8 pp	-0.4 pp
LCR	335%	319%	353%	16.0 pp	-18.0 pp
NSFR	143%	141%	139%	2.0 pp	4.0 pp
SOLVENCY					
CET1 ratio (phase-in)*	15.4%	15.6%	14.9%	-0.3 pp	0.4 pp
CET1 ratio (fully loaded)*	14.1%	14.0%	13.3%	0.1 pp	0.9 pp
Total capital ratio (phase-in)*	16.8%	17.1%	15.1%	-0.3 pp	1.7 pp
Total capital ratio (fully loaded)*	15.6%	15.5%	13.5%	0.1 pp	2.2 pp
Risk weighted assets (RWA)	23,297	23,000	23,189	1.3%	0.5%
Texas ratio	45.9%	46.7%	60.8%	-0.9 pp	-14.9 pp
(*) 2019 Pro-forma figures: Excludes the deduction of the authorised unused treasury stock limit. 2020 and 2019 includes the quarterly results that has not been audited.					
ADDITIONAL INFORMATION					
Employees (average number)	6,299	6,719	6,852	-6.3%	-8.1%
Branches	1,031	1,046	1,131	-1.4%	-8.8%
ATMs	1,488	1,485	1,494	0.2%	-0.4%

3. Macroeconomic environment

In the first months of the year world economic growth was tapering. This pattern was drastically interrupted by the outbreak of Covid-19, classified as a pandemic in mid March by the World Health Organization (WHO). A public health crisis without precedent, with a high cost in human lives. According to WHO figures, as of 15th April there were around 2 million cases, with 120,000 deaths recorded worldwide. On that date Spain was the second worst affected country, after the USA, with nearly 180,000 cases and 18,600 deaths.

The need to contain infection and the effort to avoid the collapse of public health systems has led governments around the world to adopt extraordinary measures without precedent in recent history, such as limiting movement and confining the civil population in their homes, together with the shutdown of part, or in some cases all, productive activity. These measures are having a heavy impact on economic activity. On the one hand, there was the initial supply-side shock, resulting from measures to contain the epidemic in China, causing significant disruption to world supply chains, given their interdependence nowadays, which hit the industry particularly hard. To this we should add not only a supply-side shock deriving from the restriction and sometimes prohibition on the opening of establishments and conducting normal activities, but also the demand-side shock from containment measures impacting consumption; not forgetting the effects of uncertainty on investment and the nose dive in confidence.

The situation has surpassed the worst forecasts and the socio-economic impact of this pandemic will be much more intense than was anticipated at its start. Specifically, in its report published at the beginning of March, the OECD indicated that world economic growth in 2020 could fall by around 0.5 percentage points (pp) as a result of the pandemic, or even more if the impact is more longlasting and intense, in which case world Gross Domestic Product (GDP) would grow by 1.5%, half the rate forecast in November 2019. However, just three weeks later, the outlook had worsened considerably.

The latest IMF estimates indicate that world GDP could fall by 3% in 2020, a much more severe drop than during the 2008-2009 financial crisis. As the base scenario, supposing that the pandemic dissipates in the second half of 2020 and that the containment measures can be gradually rolled back, the global economy could grow by 5.8% in 2021, although the possibility that the impact could be even harsher cannot be ruled out. The impact depends on factors that are difficult to predict, such as how the pandemic itself evolves, the intensity and effectiveness of containment efforts, the extent of fluctuations in supply, variations in patterns of expenditure and changes in behavior, volatility in the prices of commodities, etc, all of which mean that these forecasts are subject to extreme uncertainty.

The recession will be widespread and in the case of advanced economies GDP could fall by around 6%, with a bigger squeeze projected for the eurozone, where it will be particularly tough in Italy and Spain (the countries, together with the USA, most affected by the pandemic). Emerging economies, meanwhile, could see their production fall by 1.0%, and China likely to grow nearly 5 points less than had been projected in January. In turn, measures put in place to offset the impact of the crisis will make public deficit figures shoot up; they may reach 9.9% of global GDP, and surpass 10% in the US and China.

The gravity of the situation has led a number of institutions and public administrations to take unprecedented monetary and fiscal policy measures to try to avoid even greater impact. Specifically, central banks have announced major injections of liquidity in an attempt to alleviate the tensions in world financing markets. On the other hand, separately from each country's fiscal measures, the EU has activated the Stability & Growth Pact's general escape clause, which will enable the member states to take action to deal with the crisis without being restricted by their budgetary targets. There is also a debate about the need to put other mechanisms in place, such as eurobonds, to strengthen the member states' capacity to mutualize their budgetary risk.

The rapid propagation of Covid-19 around the world and the high degree of uncertainty have triggered strong variations in asset prices and a significant increase in the volatility of financial markets, as they factor in a likely global recession. The main stock exchange indexes in developed countries have accumulated falls of over 20%, reflecting the impact of the crisis on business profits and risk aversion, although these falls were softened somewhat by the measures announced by central banks and other supranational institutions. Volatility has also spread to the bond markets, with an increase in corporate bond spreads, as well as falls in longterm yields on sovereign bonds of countries such as the US and Germany (references for best credit quality), with a significant increase in the risk premiums of countries on the eurozone periphery.

Likewise, the propagation of the epidemic has triggered a sharp drop in prices of commodities, especially oil, in a context already featuring disagreements between Saudi Arabia and Russia, although OPEC finally agreed to reduce its supply by nearly 10 million barrels a day (a historic cut) to try to offset the bottoming out of demand as a consequence of the virus. The price of a barrel of Brent crude reached historic lows and drops that had not been seen since the first Gulf War, with an average price during March of around USD 32, representing a fall of more than 40% from February.

The economic impact is very profound and some, mainly qualitative indicators are already starting to be known, giving an idea of the magnitude of this crisis. Thus, for example, the Chinese manufacturers' PMI (Purchasing Managers' Index) registered its worst result ever in February, although it upticked in March. In the US too, (where the epidemic started somewhat later) the PMI indexes, for both manufacturing and services, are deteriorating, while applications for unemployment welfare are rising, applications that in the last ten years have been under 500,000 but which peaked to over 6.5 million in a single week, with more than 15 million applications in just three weeks. Similarly, in the eurozone the global PMI index has fallen to its historic minimum, and the economic sentiment indicator has plummeted, with retreats that are particularly visible in services and retail trade, and in consumer confidence.

As we have mentioned above, in such a rapidly changing environment, it is extremely difficult to calculate the exact magnitude of the impact of the measures taken to control the pandemic, but they are obviously going to trigger a major contraction in production, in household spending, investment, and international trade. According to the OECD's preliminary estimates (without using the complete battery of data usually employed for their projections), the initial direct impact (without taking into account additional indirect impacts that might arise) could be a reduction in production levels of between 20-25% in some of the larger advanced economies, with a drop of around 30% in consumer spending.

The OECD estimates that for each month in lockdown there is a 2 pp loss in annual GDP growth. In general, commercial activity and professional and real estate services are among the hardest hit, but in other sectors there are differences between countries, and while for some the closure of plants that manufacture vehicles and transport equipment has had a huge effect, as is the case with Germany, for others the reduction in tourism and leisure activities has a greater impact, the scenario for Italy and Spain. In any event, the impact of this crisis will vary depending on each country's productive structure, such that those where tourism is particularly important may be more affected (the tourism sector faces a drop of up to 70% in activity). In other countries where the primary sector has more weight, or among oil producers, the initial effects could be lower, although subsequently production may be affected by the reduction in world demand for commodities.

Turning to the Spanish economy, the information available for the first two months of the year showed that the expansionary phase of the cycle was continuing, although somewhat more sluggishly, but this trend has been abruptly interrupted by the epidemic. The exponential increase of infection in the second week of March led the Government to decree the state of alert on 14th March, a situation entailing the roll-out of strict confinement measures over the population that will continue until at least 9th May, with non-essential activities shut down between 30th March and 9th April. To try to relief the impact of these measures on growth and employment, the Government has set up several packages of measures.

The IMF forecasts that the Spanish economy will contract by 8.0% in 2020, and that the unemployment rate will jump to 20.8%, projecting growth of 4.3% for 2021. Similarly, the public deficit could amount to 9.5% of GDP, up from the 2019 rate of 2.6%, and public-sector debt could top 110% of GDP. Spain would therefore be one of the worst affected economies, to a large extent because of its productive structure, more focused on services and particularly on tourism. Nevertheless, we should keep in mind that making estimates and forecasts is enormously complex at the moment, since the short time that has passed since the declaration of the state of alert means that there are not yet enough indicators to measure the magnitude of this crisis with any precision, added to the enormous uncertainty around the duration of the containment measures and the exit process ("de-escalation").

Nevertheless, and quite apart from the intensity of the fall in production, there is no doubt that Covid-19 has interrupted the Spanish economy's expansionary phase. In this regard, the latest figures published by the National Accounts indicate that GDP closed 2019 with growth of 2.0%, 0.4 pp less than in 2018. Year-on-year GDP moderated by one tenth in the fourth quarter, to 1.8%, due above all to the lower contribution of domestic demand and in particular to less momentum in investment, particularly construction, which posted its sharpest drop since the end of 2013. On the supply side, industry grew a little more at the end of 2019, while the growth rate remained stable in the services sector, with growth losing some momentum in construction and falling in the farm sector.

However, over 2019 as a whole, the construction sector was the fastest growing, although not at the rate of 2018, together with services, which grew just 0.1 pp less than in 2018, with visible upturns in trade, transport and the hospitality sector. Industrial activity improved too, although manufacturing grew at a slower rate, and only the farm sector showed a decrease. In terms of demand, the contribution to growth of domestic components inched back by around 1 pp, as a result of lower expansion in both consumer spending and investment. The exhaustion of the consumption backlog that had been pent up during the previous crisis; the slight uptick in the household saving rate from the minimal rates recorded at the beginning of 2018; and the moderation in job creation have all impacted on household consumption, while high levels of uncertainty have affected investment.

Job creation also slowed in 2019, although in the fourth quarter there were slightly higher rates of growth in terms of full-time job equivalents and in the number of occupied people, with 402,300 more people in employment than in the final quarter of 2018, according to the Labour Force Survey (LFS). This has coincided with a speeding up of the active population's growth rate, so unemployment fell at a similar rate to that of the previous quarter, bringing the unemployment rate to 13.8%, 0.6 pp below the year before.

However the Covid-19 crisis is having a serious impact on employment, which started to be noticeable from 12th March; by 31st March 2020 the number of workers contributing to Spain's Social Security system was 18,445,436, a decrease of 833,979 compared to the end of February, the sharpest drop in the historical series, although the fall between 12th and 31st March is close to 900,000. The greatest contractions over those days were in construction and hospitality, with two-digit percentage falls, as well as in administrative jobs and auxiliary services, education and transport. By autonomous regions the greatest falls were in Andalusia (-6.6%), the Canary Islands (-6.2%), Valencian Community (-5.7%) and Murcia (-5.1%). But the impact of Covid-19 on employment is even higher if we bear in mind the workers affected by temporary furlough schemes ("ERTEs"), who are included in these figures of contributing workers (over 3 million of them).

To conclude, the latest data available, as well as preliminary estimates, reflect the heavy impact that the measures to put a brake on the pandemic will have on economic activity and jobs, across the world. For this reason, many bodies are insisting on the need for a more ambitious and more coordinated response to this crisis. As the OECD points out, in a globalised world problems (pandemics, migration, trade, environmental damage…) cannot be tackled on a unilateral basis and the challenge posed by this pandemic is so huge that there has even been talk of the need for a worldwide Marshall Plan, a major investment plan to drive economic recovery after the pandemic is under control. The IMF has spoken out on this idea, indicating the need for close multilateral cooperation to overcome the effects of this pandemic. The IMF believes that cooperation to stop the propagation of the virus and to develop a vaccine and therapies against the illness are urgently needed, since no country will be safe if the infection continues to spread in other places. Nor must we forget the possibility of a second outbreak after this initial wave.

4. Balance Sheet

Million euros	31/03/2020	31/12/2019	31/03/2019	QoQ	YoY
Cash and balances at central banks	2,366	4,559	2,821	-48.1%	-16.1%
Assets held for trading & Finantial assets at fair value through P&L	132	128	120	3.5%	10.3%
Financial assets at fair value through other comprehensive income	2,100	1,886	3,177	11.3%	-33.9%
Financial assets at amortised cost	28,643	28,018	29,080	2.2%	-1.5%
Loans and advances to central banks and credit institution	566	459	1,062	23.2%	-46.7%
Loans and advances to customers	28,078	27,558	28,018	1.9%	0.2%
Debt securities at amortised cost	16,779	16,662	15,524	0.7%	8.1%
Hedging derivatives	680	507	494	34.1%	37.7%
Investment in joint ventures and associates	324	363	352	-10.9%	-8.1%
Tangible assets	1,155	1,162	1,228	-0.6%	-6.0%
Intangible assets	70	66	61	5.9%	14.5%
Tax assets	2,684	2,758	2,615	-2.7%	2.6%
Other assets	394	294	558	34.2%	-29.4%
Non current assets held for sale	304	304	380	-0.2%	-20.1%
TOTAL ASSETS	**55,632**	**56,708**	**56,411**	**-1.9%**	**-1.4%**
Financial liabilities held for trading & at fair value through P&L	52	25	18	107.9%	193.8%
Financial liabilities at amortised cost	49,167	50,205	50,212	-2.1%	-2.1%
Deposits from central banks	3,300	3,303	3,313	-0.1%	-0.4%
Deposits from credit institutions	1,060	2,538	2,462	-58.3%	-57.0%
Customer deposits	43,274	42,969	43,302	0.7%	-0.1%
Other Issued Securities	362	358	60	1.2%	503.3%
Other financial liabilities	1,171	1,037	1,075	13.0%	9.0%
Hedging derivatives	393	428	308	-8.1%	27.5%
Provisions	865	921	861	-6.1%	0.5%
Tax liabilities	295	325	248	-9.5%	18.8%
Other liabilities	828	833	909	-0.7%	-8.9%
TOTAL LIABILITIES	**51,599**	**52,737**	**52,556**	**-2.2%**	**-1.8%**
Own Funds	3,952	3,971	3,903	-0.5%	1.3%
Accumulated other comprehensive income	81	-1	-48	-7823.2%	-268.6%
Minority Interests	0	0	0	-0.2%	13.9%
Total Equity	**4,033**	**3,970**	**3,856**	**1.6%**	**4.6%**
Total Liabilities and Equity	**55,632**	**56,708**	**56,411**	**-1.9%**	**-1.4%**
OFF BALANCE SHEET CUSTOMER FUNDS AND INSURANCE	**11,928**	**12,863**	**12,781**	**-7.3%**	**-6.7%**

At the close of the first quarter 2020, Unicaja Banco Group's assets came to EUR 55,632 million. Financial assets carried at amortised cost account for EUR 28,643 million, with Loans and advances to customers worth EUR 28,078 million.

Debt securities carried at amortised cost amount to EUR 16,779 million, and mainly consist of Spanish Treasury debt.

Total assets dropped by 1.9%, in the quarter, mainly as a result of the fall in Cash and balances at central banks, which include short term liquidity items. Part of this drop has been offset by an increase of EUR 214 million in the "Financial assets at fair value through other comprehensive income" item and an increase of EUR 117 € million in the item "Debt securities at amortised cost." In addition, "Financial assets at amortised cost" is up by EUR 651 million. Of these, the "Loans and advances to customers" item, that accounts for retail banking activity, is up by EUR 519 million, representing a growth of 1.9 %. This increase is thanks to the 1.7% growth this year of performing loans, amounting to EUR 429 million, and to a lesser extent to the EUR 111 million increase in repos, while non-performing loans have fallen by 1.2% and insolvency funds have increased because of the extraordinary provisions made for Covid-19.

Looking at year-on-year change, total assets were down by 1.4%, mainly as a result of drops in liquidity positions recorded in “Cash and balances at central banks” and in “Loans and advances to central banks and credit institutions”. On the other hand, “Financial assets at fair value through other comprehensive income” fall by EUR 1,077 million (-33.9%) but have been offset by an increase in “Debt securities at amortized cost” of EUR 1,255 million.

“Loans and advances to customers” have grown by 0.2% in net terms. This rise is based on the EUR 308 million growth in performing balances; offsetting this increase we should note that repos have fallen by EUR 36 million and non-performing asset by 27.2% (EUR 499 million). The final increase in the net credit balance is contributes to the variation in insolvency provisioning, which falls by EUR 206 million, representing 21.6% less than the fall in non-performing balances, thus improving the coverage rates.

The Group’s total liabilities come to EUR 51,599 million. The vast majority of this is made up of financial liabilities carried at amortized cost, amounting to EUR 49,167 million. Customer deposits of EUR 43,274 million account for 88% of these total financial liabilities. The Group also manages other customer funds as well as the deposits mentioned above, mainly investment funds, pension funds and savings insurance, which come to EUR 11,928 million.

Liabilities have decreased over the quarter by 2.2%, mainly from the drop in liquidity positions, booked as “Financial liabilities at amortised cost”. It is for this reason that within this category, the reductions have been on market balances. Balances in “Deposits from credit institutions” have dropped by EUR 1,479 million, all of them balances raised on financial markets. On the other hand, balances in the “Customer deposits” item have risen, comprising, once valuation corrections have been netted out, EUR 145 million in retail customer balances and EUR 127 million in markets. Of the latter, balances on mortgage bonds fell by EUR 174 million, whereas those on repos increased by EUR 301 million.

Liabilities are down 1.8% on a year-on-year basis. This drop takes place, as has happened in the year, mainly in the item “Financial liabilities measured at amortized cost”. Under this heading, the reduction is due to liquidity positions in “Deposits from credit institutions”.

Customer deposits have only fallen by EUR 28 million essentially because of the change in valuation adjustments, whereas the balances, if these adjustments are excluded, have grown by 0.6% as a result of the increase in wholesale funds, and particularly as a consequence of the EUR 300 million Tier II issue in the last quarter of 2019.

Total equity rose during the quarter thanks to the positive change in valuation adjustments, which grew by EUR 82 million. Of this rise, EUR 105 million is due to the variation in the adjustments to cashflow hedging that have been partly offset by the negative change in valuation adjustments resulting from the negative performance in both debt and equity markets.

In year-on-year terms, net equity expanded by 4.6%, amounting to a EUR 178 million increase. The factors contributing to this outcome are valuation adjustments worth EUR 129 million and the EUR 49 million rise in shareholder’s equity from the contribution of 2019 results. The change in valuation adjustments is accounted for by the positive EUR 61 million variation of cashflow hedges and EUR 68 million from the positive variation of valuation adjustments of financial assets at fair value.

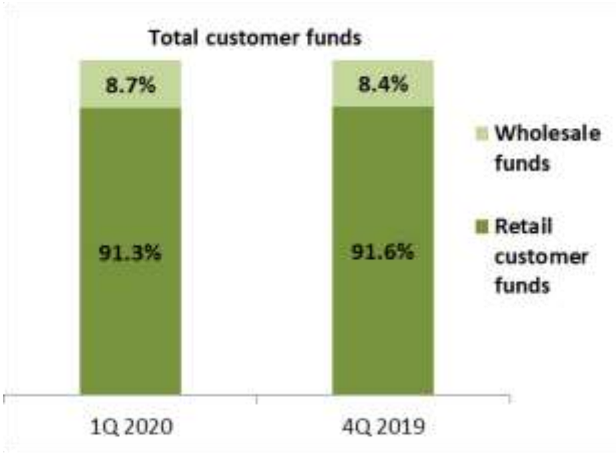
5. Customer Funds

Million euros. Excluding valuation adjustments	31/03/2020	31/12/2019	31/03/2019	YtD	YoY
On-balance sheet customer funds	**42,967**	**42,695**	**42,705**	**0.6%**	**0.6%**
Customer funds	**42,607**	**42,335**	**42,645**	**0.6%**	**-0.1%**
Public Sector	**2,942**	**2,812**	**2,638**	**4.6%**	**11.5%**
Private sector	**39,665**	**39,523**	**40,007**	**0.4%**	**-0.9%**
Sight deposits	29,411	29,256	28,035	0.5%	4.9%
Term deposits	9,080	9,420	11,460	-3.6%	-20.8%
of which: covered bonds	*3,404*	*3,578*	*4,249*	*-4.9%*	*-19.9%*
Repos	1,174	848	512	38.5%	129.3%
Issues	**360**	**360**	**60**	**0.0%**	**500.0%**
Promissory notes	0	0	0	-	-
Mortgages securities	60	60	60	0.0%	0.0%
Other values	0	0	0	-	-
Subordinated liabilities	300	300	0	0.0%	-
Off-balance sheet customer funds and insurance	**11,928**	**12,863**	**12,781**	**-7.3%**	**-6.7%**
Mutual funds	5,047	5,430	5,565	-7.0%	-9.3%
Pension funds	2,145	2,376	2,344	-9.7%	-8.5%
Insurance savings	3,950	4,112	4,093	-3.9%	-3.5%
Other managed assets	785	945	779	-16.9%	0.8%
TOTAL CUSTOMER FUNDS	**54,895**	**55,558**	**55,485**	**-1.2%**	**-1.1%**
Retail customers funds	**50,107**	**50,898**	**51,002**	**-1.6%**	**-1.8%**
of which: on-balance sheet	38,180	38,035	38,222	0.4%	-0.1%
Public Sector	2,942	2,812	2,638	4.6%	11.5%
Sight deposits	29,411	29,256	28,035	0.5%	4.9%
Term deposits	5,675	5,841	7,211	-2.8%	-21.3%
Others	151	125	338	20.5%	-55.3%
of which: off-balance sheet and insurance	11,928	12,863	12,781	-7.3%	-6.7%
Wholesale funds	**4,787**	**4,660**	**4,483**	**2.7%**	**6.8%**

Total customer funds managed by the Group at the end of the first quarter of 2020 came to EUR 54,895 million.

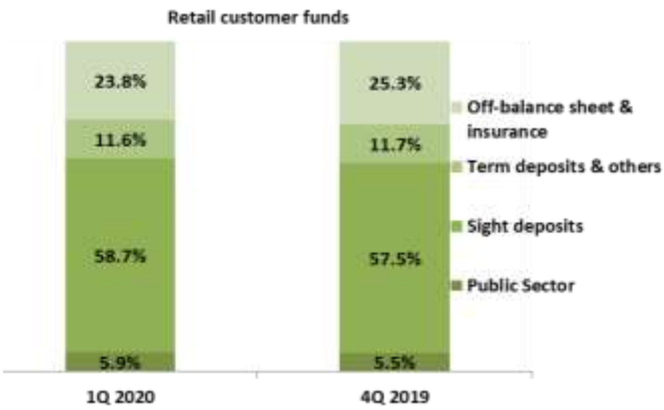
The bulk of managed funds are customer deposits (EUR 42,607 million), of which EUR 29,411 million are private sector clients' sight deposits, EUR 9,080 million are term deposits (including EUR 3,404 million in non-negotiable mortgage covered bond issues) and EUR 1,174 million are repos. Customer funds managed using off-balance sheet instruments and insurance amounted to EUR 11,928 million, consisting mainly of customer funds raised through investment funds (EUR 5,047 million), pension funds (EUR 2,145 million) and savings insurance (EUR 3,950 million).

As to the origin of the funds, 91.3% (91.6% at the close of 2019) relates to retail customers' banking business (EUR 50,107 million), while the remaining 9% (EUR 4,787 million) is represented by funds raised in wholesale markets through issuances or repos. The issuance section has grown by EUR 300 million, as a result of the issue of Tier II bonds in the last quarter of 2019, all of which were placed on wholesale markets. The balance of the category (EUR 60 million) consists of mortgage securities also in the hands of third parties booked under the markets section.



In year-on-year terms, the weight of retail customers funds has gone down slightly with respect to wholesale funds. This is because retail customer funds have fallen as a result of negative performance by off-balance sheet funds, impacted by the Covid-19 crisis, and because wholesale funds have grown, as a consequence of the EUR 300 million issue mentioned above. Total customer funds grew by 1.1%, which breaks down as a 6.8% increase in wholesale funds, and a 1.8% decrease in retail customer funds. The expansion by EUR 304 million of wholesale funds is almost entirely because of the Tier II issue in the fourth quarter of 2019, while the maturities of mortgage bond balances have been offset by an increase in the balance of reverse repos.

Retail customer funds have performed unevenly. On the one hand off-balance sheet funds and insurance have fallen by 6.7%, but on-balance sheet funds have remained virtually unchanged, edging down by just 0.1%. Within the funds on the balance sheet there has been a 4.9% rise in sight deposits, as well as an 11.5% increase in balances with public administrations, while most of the falls have been in term deposits. The performance of off-balance sheet funds and insurance has been affected in all items by the impact on the valuations of these instruments caused by market falls triggered by the Covid-19 crisis in the first quarter of 2020, accounting for around 80% of their negative movement.

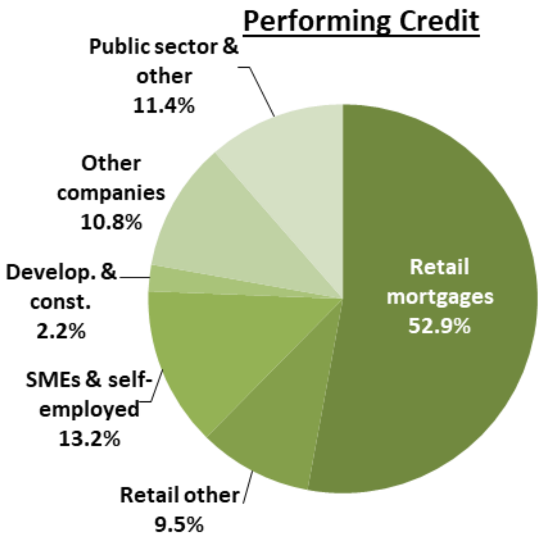


In comparison with the year-on-year results, this quarter on-balance customer funds have performed more strongly (0.4%), while off-balance sheet funds have done rather worse (-7.3%), bringing overall performance down by 1.6%. In terms of the balance sheet performance, we should point to the 4.6% increase in public administration funds and in sight deposits, which are up by 0.5%. On the other hand, off-balance sheet resources have shrunk by EUR 936 million, of which EUR 694 million are as a result of the impact on their valuations due to the market falls mentioned above.

6. Performing Loans

Million euros. Excluding valuation adjustments	31/03/2020	31/12/2019	31/03/2019	YtD	YoY
Public sector	**1,938**	**1,704**	**1,444**	**13.8%**	**34.2%**
Private sector	**24,291**	**24,097**	**24,478**	**0.8%**	**-0.8%**
Corporates	**7,187**	**6,848**	**6,868**	**5.0%**	**4.6%**
RED and construction	604	591	517	2.3%	16.8%
SMEs and self-employed	3,631	3,611	3,871	0.6%	-6.2%
Other corporates	2,952	2,647	2,480	11.5%	19.0%
Individuals	**17,104**	**17,249**	**17,609**	**-0.8%**	**-2.9%**
Mortgages	14,511	14,633	15,163	-0.8%	-4.3%
Consumer and other	2,594	2,616	2,446	-0.9%	6.0%
PERFORMING LOANS TO CUSTOMERS	**26,229**	**25,800**	**25,921**	**1.7%**	**1.2%**
Repos and valuation adjustments	**1,192**	**1,081**	**1,228**	**10.3%**	**-2.9%**
TOTAL PERFORMING LOANS	**27,422**	**26,882**	**27,150**	**2.0%**	**1.0%**

Performing loans balance of the Group stands at EUR 27,422 million. Of these, EUR 1,938 million correspond to loans to public sector, EUR 24,291 million to private sector loans and EUR 1,192 million to reverse repos and other unclassified balances, the latter being collateral for financing transactions in markets and derivatives. By portfolio type, the most important are retail loans with mortgage guarantees, representing 52.9% of total performing loans, and the SME and self-employed portfolio, accounting for another 13.2%.



Performing balances have posted positively despite the slowdown in lending resulting from the declaration of the state of alert. Thus, the segments most affected have been SMEs, retail mortgages and consumer loans and others, which have posted falls in their underwriting of 2.4%, 13.6% and 14.1%, respectively, over the same period last year. Until the lockdown regulations came into force, growth in new lending was 12.4% for SMEs, 10.7% in consumer loans and others, whereas retail mortgage production remained similar to 2019. Overall, considering all segments, quarterly production was EUR 1,040 million, 10% less than in the first quarter of 2019, whereas until the beginning of the state of alert production had been growing by 20.3%. In this context performing loans have grown by 1.7% during the quarter, with outstanding growth in the public administrations item, at 13.8%, and in large corporations, at 11.5%. The Covid crisis has affected consumer balances more this quarter, with a drop of 0.8%, whereas corporates have expanded by 5%. It is noticeable that the consumer and others portfolio shrank by 0.9% after several quarters of performing positively, with the fall in production making more of an impact.

7. Non-performing loans & foreclosed assets

Million euros	31/03/2020	31/12/2019	31/03/2019	YtD	YoY
GROSS BALANCE					
Public sector	**14**	**14**	**14**	**0.0%**	**-2.3%**
Private sector	**1,321**	**1,337**	**1,819**	**-1.2%**	**-27.4%**
Business	**494**	**502**	**635**	**-1.7%**	**-22.3%**
RED and construction	99	102	140	-3.1%	-29.2%
SMEs and self-employed	363	377	466	-3.8%	-22.2%
Other corporates	32	24	29	26.5%	9.1%
Individuals	**827**	**835**	**1,184**	**-0.9%**	**-30.1%**
Mortgages	510	515	793	-1.0%	-35.7%
Consumer and other	318	321	391	-0.9%	-18.8%
Repos and valuation adjustments	**0**	**0**	**0**	**n.a.**	**n.a.**
NON PERFORMING LOANS	**1,334**	**1,351**	**1,833**	**-1.2%**	**-27.2%**
Non performing loans (excluding RED loans)	**1,235**	**1,249**	**1,693**	**-1.1%**	**-27.0%**
PROVISIONS					
Public sector	**8**	**8**	**7**	**-0.6%**	**4.1%**
Private sector	**739**	**712**	**936**	**3.7%**	**-21.0%**
Business	**367**	**348**	**415**	**5.1%**	**-11.6%**
RED and construction	102	99	116	3.4%	-12.1%
SMEs and self-employed	210	215	257	-2.5%	-18.5%
Other corporates	55	34	41	37.5%	32.4%
Individuals	**372**	**364**	**521**	**2.3%**	**-28.5%**
Mortgages	159	143	241	10.5%	-33.9%
Consumer and other	213	221	280	-3.8%	-23.9%
Repos and valuation adjustments	**0**	**10**	**10**	**-6800.0%**	**-98.6%**
NON PERFORMING LOANS	**747**	**729**	**953**	**2.4%**	**-21.6%**
Non performing loans (excluding RED loans)	**644**	**630**	**836**	**2.2%**	**-22.9%**
% COVERAGE					
Public sector	**55.9%**	**56.2%**	**52.4%**	**-0.4 pp**	**3.4 pp**
Private sector	**55.9%**	**53.2%**	**51.4%**	**2.7 pp**	**4.5 pp**
Business	**74.3%**	**69.3%**	**65.3%**	**5.0 pp**	**9.0 pp**
RED and construction	103.4%	97.0%	83.3%	6.4 pp	20.1 pp
SMEs and self-employed	57.8%	57.0%	55.1%	0.7 pp	2.6 pp
Other corporates	170.9%	145.4%	140.8%	25.5 pp	30.1 pp
Individuals	**45.0%**	**43.5%**	**44.0%**	**1.5 pp**	**1.0 pp**
Mortgages	31.3%	27.7%	30.4%	3.5 pp	0.8 pp
Consumer and other	67.1%	69.0%	71.5%	-1.9 pp	-4.5 pp
Repos and valuation adjustments	**na**			**n.a.**	**n.a.**
NON PERFORMING LOANS	**56.0%**	**54.0%**	**52.0%**	**2.0 pp**	**4.0 pp**
Non performing loans (excluding RED loans)	**52.2%**	**50.5%**	**49.4%**	**1.7 pp**	**2.8 pp**

The Group continues with its effective strategy of reducing its non-performing assets, with the balance of the latter standing at EUR 1,334 million at the end of March 2020, representing a drop of 27.2% in existing balances at the close of the previous year (-EUR 499 million), thus showing a further improvement in the NPL ratio, which falls 1.7 percentage points to at 4.6%. Over the quarter, this has dropped by EUR 16 million, with gross entries accounting for EUR 56 million. On the other hand, there is considerable improvement in recoveries, which, excluding write-offs, means the Entity has recorded sixteen consecutive quarters of net outflows (if the effect of the Banks of Spain Circular 4/2016 in Q4 2016 is stripped out).

Coverage levels have risen over the quarter, improving both in quarterly terms (2.0 pp) and in the last 12 months (4.0 pp), to reach 56.0%. These ratios would have improved even if the extraordinary Covid provisions had not been set up, demonstrating the Group's capacity to date to reduce its non-performing exposures without impairing coverage levels and with low levels of cost of risk.

Million euros	1Q 2020	4Q 2019	3Q 2019	2Q 2019	1Q 2019
NPL EVOLUTION					
NPLs at the beginning of the period	**1,351**	**1,573**	**1,731**	**1,833**	**1,926**
Recoveries	-6	-216	-153	-70	-80
Write-offs	-10	-7	-4	-32	-13
NPLs at the end of the period	**1,334**	**1,351**	**1,573**	**1,731**	**1,833**

Million euros	1Q 2020	4Q 2019	3Q 2019	2Q 2019	1Q 2019
NPL recoveries evolution					
Gross entries	56	23	56	36	50
Recoveries	-62	-239	-209	-106	-131
Net recoveries	**-6**	**-216**	**-153**	**-70**	**-80**

FORECLOSED ASSETS

At the end of Q1 2020, the net balance of foreclosed assets, net of provisions, amounted to EUR 421 million euros (Eur 1,130 million gross), representing only 0.8% of Unicaja Banco Group's total assets.

50.0% of the foreclosed assets, at net book value, are finished new housing.

Following Unicaja Banco Group's conservative policy, the provisioning for foreclosed assets was EUR 708 million at the end of the first quarter of 2020. This represents a coverage of 62.7%, similar to the year-end closing figure and higher than that achieved on the same date a year earlier.

During this first quarter 2020, outflows at cost amounted to EUR 17 million, which is equivalent to 2% of the stock held at the beginning of the year. Both outflows and inflows have slowed due to the coming into force of the state of alarm, which has impacted legal proceedings and sales. In addition, no portfolio sales took place during the quarter. But despite slackening sales, they are still producing positive margins in line with those of the first quarter 2019.

Million euros	31/03/2020	31/12/2019	31/03/2019	YtD	YoY
GROSS BALANCE					
From lending to RE developers	**577**	**581**	**873**	**-0.6%**	**-33.8%**
Finished buildings	69	72	145	-4.0%	-52.2%
Buildings under construction	57	54	96	5.9%	-40.8%
Land	451	455	632	-0.9%	-28.6%
From retail mortgages	**359**	**347**	**508**	**3.3%**	**-29.5%**
Other foreclosed assets	**193**	**191**	**259**	**1.1%**	**-25.3%**
TOTAL FORECLOSED ASSETS	**1,130**	**1,120**	**1,640**	**0.9%**	**-31.1%**
Off which finished buildings	**428**	**419**	**654**	**2.1%**	**-34.5%**
PROVISIONS					
From lending to RE developers	**398**	**399**	**604**	**-0.4%**	**-34.2%**
Finished buildings	37	39	77	-4.1%	-51.6%
Buildings under construction	33	31	55	4.5%	-40.4%
Land	328	329	473	-0.4%	-30.6%
From retail mortgages	**177**	**170**	**247**	**3.9%**	**-28.2%**
Other foreclosed assets	**134**	**132**	**161**	**1.2%**	**-16.9%**
TOTAL FORECLOSED ASSETS	**708**	**702**	**1,012**	**1.0%**	**-30.0%**
Off which finished buildings	**214**	**209**	**323**	**2.4%**	**-33.8%**
COVERAGE (%)					
From lending to RE developers	**68.9%**	**68.7%**	**69.2%**	**0.2 pp**	**-0.4 pp**
Finished buildings	53.4%	53.5%	52.7%	-0.1 pp	0.7 pp
Buildings under construction	57.4%	58.2%	57.0%	-0.8 pp	0.4 pp
Land	72.7%	72.3%	74.9%	0.4 pp	-2.2 pp
From retail mortgages	**49.3%**	**49.1%**	**48.5%**	**0.3 pp**	**0.8 pp**
Other foreclosed assets	**69.2%**	**69.1%**	**62.2%**	**0.1 pp**	**7.0 pp**
TOTAL FORECLOSED ASSETS	**62.7%**	**62.7%**	**61.7%**	**0.1 pp**	**1.0 pp**
Off which finished buildings	**50.0%**	**49.8%**	**49.4%**	**0.2 pp**	**0.6 pp**

Million euros	1Q 2020	4Q 2019	3Q 2019	2Q 2019	1Q 2019
FORECLOSED ASSETS EVOLUTION					
BoP	**1,120**	**1,138**	**1,604**	**1,640**	**1,661**
Inflows	27	35	57	62	48
Outflows	17	53	522	99	69
EoP	**1,130**	**1,120**	**1,138**	**1,604**	**1,640**
% Quaterly out-flows / foreclosures at beginning of year	**2%**	**3%**	**31%**	**6%**	**4%**

8. Results

RESULTS *Million euros*	31/03/2020	31/03/2019	YoY Amount	YoY %
Interest income	180	194	-14	-7.3%
Interest expense	40	49	-9	-19.2%
NET INTEREST INCOME	**140**	**145**	**-5**	**-3.3%**
Dividend income	7	9	-2	-25.7%
Equity method	12	8	3	41.9%
Net fee income	61	55	6	10.6%
Trading income	28	24	4	18.3%
Other operating income/expenses	5	16	-11	n.a.
GROSS INCOME	**254**	**258**	**-4**	**-1.7%**
Administrative costs	138	139	-2	-1.2%
Staff costs	92	96	-4	-3.9%
Other administrative costs	46	44	2	4.6%
Depreciation and amortization	11	11	0	1.4%
PRE-PROVISION PROFIT	**105**	**108**	**-3**	**-2.6%**
Provisions /reversal of provisions	4	22	-18	-80.8%
Impairments / reversal of financial assets	36	7	28	377.4%
NET OPERATING INCOME	**65**	**78**	**-13**	**-16.4%**
Impairments on non-financial assets	4	-7	11	-156.7%
PROFIT BEFORE TAX	**61**	**85**	**-23**	**-27.6%**
Taxes	15	21	-6	-27.8%
NET INCOME FROM CONTINUING OPERATIONS	**46**	**63**	**-17**	**-27.5%**
Profit / loss from discontinued operations	0	0	0	n.a.
CONSOLIDATED NET INCOME	**46**	**63**	**-17**	**-27.5%**
CONSOLIDATED NET INCOME (excluding COVID provisions)	**63**	**63**	**0**	**0.2%**
ATTRIBUTABLE NET INCOME	**46**	**63**	**-17**	**-27.5%**

QUARTERLY EVOLUTION **Million euros**	1Q 2020	4Q 2019	3Q 2019	2Q 2019	1Q 2019
Interest income	180	186	189	194	194
Interest expense	40	44	45	46	49
NET INTEREST INCOME	**140**	**142**	**144**	**148**	**145**
Dividend income	7	4	4	10	9
Equity method	12	11	8	13	8
Net fee income	61	59	58	58	55
Trading income	28	32	**43**	2	24
Other operating income/expenses	5	-24	33	6	16
GROSS INCOME	**254**	**223**	**291**	**236**	**258**
Administrative costs	138	142	141	141	139
Staff costs	92	98	98	97	96
Other administrative costs	46	44	44	44	44
Depreciation and amortization	11	11	11	11	11
PRE-PROVISION PROFIT	**105**	**71**	**139**	**85**	**108**
Provisions /reversal of provisions	4	238	71	20	22
Impairments / reversal of financial assets	36	-20	19	11	7
NET OPERATING INCOME	**65**	**-147**	**49**	**53**	**78**
Impairments on non-financial assets	4	-118	-9	-8	-7
PROFIT BEFORE TAX	**61**	**-29**	**57**	**61**	**85**
Taxes	15	-43	14	9	21
NET INCOME FROM CONTINUING OPERATIONS	**46**	**13**	**43**	**53**	**63**
Profit / loss from discontinued operations	0	0	0	0	0
CONSOLIDATED NET INCOME	**46**	**13**	**43**	**53**	**63**
CONSOLIDATED NET INCOME (excluding COVID provisions)	**63**	**13**	**43**	**53**	**63**
ATTRIBUTABLE NET INCOME	**46**	**13**	**43**	**53**	**63**

YIELDS & COSTS

Million euros / %	1Q 2020			4Q 2019			3Q 2019			2Q 2019			1Q 2019		
	Average balances	FI/FE	Yield/ cost (%)	Average balances	FI/FE	Yield/ cost (%)	Average balances	FI/FE	Yield/ cost (%)	Average balance	FI/FE	Yield/ cost (%)	Average balance	FI/FE	Yield/ cost (%)
Financial intermediaries	4,372	0	-0.03	4,697	-2	-0.16	3,628	-2	-0.21	3,703	-2	-0.19	5,384	-5	-0.34
Fixed income portfolio	17,380[1]	55	1.27	16,807[1]	54	1.28	16,993[1]	53	1.23	17,499[1]	54	1.25	17,250[1]	54	1.26
Net loans (including NPLs)	**26,616**	**119**	**1.80**	**26,825**	**125**	**1.85**	**27,284**	**132**	**1.92**	**27,081**	**133**	**1.97**	**26,669**	**133**	**2.03**
Other assets	7,803	0		7,928	1		7,959	0		7,883	1		7,655	1	
TOTAL ASSETS	**56,170**	**174**	**1.25**	**56,257**	**178**	**1.26**	**55,864**	**182**	**1.29**	**56,166**	**187**	**1.33**	**56,958**	**183**	**1.30**
Financial intermediaries	6,150	-4	-0.23	6,500	-5	-0.29	6,619	-4	-0.23	6,639	-4	-0.25	7,251	-6	-0.31
Debt securities	3,551	18	2.07	3,874	22	2.22	4,109	24	2.31	4,209	24	2.28	4,309	25	2.33
Customer deposits	**37,969**	**16**	**0.17**	**37,531**	**17**	**0.18**	**36,977**	**17**	**0.19**	**37,342**	**17**	**0.19**	**37,614**	**18**	**0.19**
Sight deposits (PS)	29,334	2	0.03	28,722	2	0.03	28,054	2	0.03	27,978	2	0.03	27,674	2	0.03
Term deposits (PS)	5,758	14	0.98	5,952	15	0.97	6,175	15	0.94	6,749	15	0.89	7,337	15	0.83
Subordinated liabilities	300	2	2.99	150	1		0	0		0	0		0	0	0.00
Other liabilities	8,200	1		8,202	1		8,159	1		7,976	2		7,784	1	
TOTAL LIABILITIES	**56,170**	**34**	**0.24**	**56,257**	**36**	**0.25**	**55,864**	**38**	**0.27**	**56,166**	**39**	**0.28**	**56,958**	**38**	**0.27**
CUSTOMER SPREAD*			**1.63**			**1.66**			**1.73**			**1.78**			**1.84**
NET INTEREST MARGIN	**56,170**	**140**	**1.01**	**56,257**	**142**	**1.00**	**55,864**	**144**	**1.02**	**56,166**	**148**	**1.05**	**56,958**	**145**	**1.03**

F.I.: Financial Interest
F.E.: Financial expenses
PS: Private Sector
(*) Net loans (including NPLs) - Customer deposits

(1) It does not include Fixed Income Portfolio from Unión del Duero Vida and Duero Pensiones

At the close of the first quarter of 2020, the Group reported a net profit of EUR 46 million after making a EUR 25 million provision for the Covid crisis. The results for the first quarter would be 0.2% higher, compared to the same period in 2019, if the extraordinary provision is excluded.

This net profit comes in the first instance from core revenues (net interest income and fees) of EUR 201.5 million, which is 0.6% better with respect to the same period a year earlier.

This performance in core revenues is thanks to the positive growth in commissions, 10.6% with respect to Q1 2019 and 3.4% vis-á-vis Q4 2019. The results from equity stakes (dividends + results of entities at equity method (EVPEMP by its Spanish acronym), have also improved overall, although the first item has fallen because a large number of companies have announced that they would not be paying dividends, in response to the Covid-19 crisis. This negative evolution, obviously an outcome of the economic situation, has been offset by an improvement in the contribution made by companies valued at equity method (results of EVPEMP), which to March have been less impacted by the crisis. Meanwhile, the results from financial transactions have risen, with the realization of capital gains from the fixed income portfolio, that are EUR 4 million higher than the previous financial year. Finally, offsetting the increases in the previous items, there has been a fall in other operating income /expenses, mainly due to good results from real estate activity posted under this item in the first quarter of 2019,

FEES

Million euros	1Q 2020	4Q 2019	3Q 2019	2Q 2019	1Q 2019	QoQ	YoY
FEE INCOME	**67**	**64**	**64**	**64**	**62**	**5.3%**	**9.4%**
From contingent risk	3	4	2	2	2	-28.2%	84.7%
From contingent commitments	1	1	1	1	1	-3.6%	-6.7%
From currency exchange	0	0	0	0	0	-18.5%	-35.2%
From payments and collections	32	37	36	34	34	-12.0%	-5.8%
From non banking products	30	22	25	26	23	31.3%	27.2%
Other fees	2	1	1	1	2	31.5%	0.4%
FEE EXPENSES	**6**	**5**	**6**	**6**	**6**	**23.8%**	**-1.8%**
NET FEE INCOME	**61**	**59**	**58**	**58**	**55**	**3.4%**	**10.6%**

as well as other one-off income booked in this period from insurance activity recorded in this item.

The change in transformation expenses (administrative expenses plus amortizations and depreciations), show a positive performance, accounting for a 1.0% drop compared to the previous period. The application of a strict policy of cost containment and rationalization, have resulted in a decrease in transformation expenses of EUR 2 million.

We should point out that at the end of 2019 a company that had been fully integrated and that supplies administrative services to Unicaja Banco left the consolidation perimeter. This means that about EUR 1 million that was booked in the first quarter of 2019 as staff expenses for this company, appears in the same period of 2020 as administrative expenses, accounting for part of the increase in that item, with the rest basically corresponding to expenses for the systems and transformation plan.

Finally, impairments and other results came to a net total of EUR 44 million, which is a EUR 21 million increase with respect to the same period a year earlier. Were it not for the extraordinary insolvency provisions of EUR 25 million that have been made for Covid-19, mentioned above, impairments and other results would have fallen. Impairments from foreclosures remained minimal, while credit impairments, stripping out the Covid prevision referred to, have increased by just EUR 2 million, meaning that the cost of ordinary risk in the first quarter of 2020 is barely 3 bps above where it was in 2019. The reduction in impairments, therefore, is mainly in remaining provisions and other results, due mainly to reduced provisioning for legal risks.

IMPAIRMENTS						**YoY**	
Million euros	**1Q 2020**	**4Q 2019**	**3Q 2019**	**2Q 2019**	**1Q 2019**	**Amount**	**%**
Credit impairments	34	-21	17	8	7	27	375.0%
Foreclosed assets impairments	1	8	-1	0	0	1	233.3%
Provisions and other results	8	113	65	14	16	-7	-46.5%
TOTAL IMPAIRMENTS	**44**	**100**	**81**	**23**	**23**	**21**	**88.6%**

CUMULATIVE IMPAIRMENTS			**Cumulative variation**	
Million euros	**1Q 2020**	**1Q 2019**	**Amount**	**%**
Credit impairments	34	7	27	375.0%
Foreclosed assets impairments	1	0	1	233.3%
Provisions and other results	8	16	-7	-46.5%
TOTAL IMPAIRMENTS	**44**	**23**	**21**	**88.6%**

9. Liquidity

Loan to deposits				QoQ	
Million euros	31/03/2020	31/12/2019	31/03/2019	Amount	%
Credit and loans (excluding valuations adjustments and C	28,693	28,169	28,843	524	1.9%
-Reverse repos	1,129	1,018	1,089	111	10.9%
a) Core credit and loans	27,564	27,151	27,754	413	1.5%
Customers deposits (excluding valuations adjustments)	42,607	42,335	42,645	272	0.6%
-Repos	1,023	722	174	301	41.6%
-Multi-issuer covered bonds	3,404	3,578	4,249	-174	-4.9%
b) Core customer deposits	38,180	38,035	38,222	145	0.4%
LtD ratio (a/b)	**72.2%**	**71.4%**	**72.6%**	**0.8%**	

The Group's high liquidity levels are reflected in its LTD ratio which, at the close of the first quarter of 2020, stands at 72.2%, up compared to same period last year and slightly down compared to year end 2019. This fall is the product of higher growth in credit volumes than in funds, which have also risen this year, particularly sight deposits and public administration balances, as mentioned above.

				QoQ	
Liquid assets	31/03/2020	31/12/2019	31/03/2019	Amount	%
Cash surplus (1)	1,683	3,736	1,950	-2,053	-54.9%
Reverse repos	1,294	1,110	1,890	184	16.6%
Fixed income portfolio and other discountable assets in E	15,867	15,919	15,860	-52	-0.3%
Total liquid assets (ECB discount value)	**18,844**	**20,765**	**19,700**	**-1,921**	**-9.3%**
Liquid assets used					
In ECB	3,300	3,303	3,313	-3	-0.1%
Repos	2,473	3,452	2,734	-979	-28.4%
Total liquid assets used	**5,773**	**6,755**	**6,048**	**-982**	**-14.5%**
AVALABLE DISCOUNTABLE LIQUID ASSETS	**13,072**	**14,011**	**13,653**	**-939**	**-6.7%**
% over total assets	**23.5%**	**24.7%**	**24.2%**	**-1.2%**	

(1) Interbank deposits + surplus balance in ECB and operating balances

Unicaja Banco Group recorded in the first quarter of 2020 a liquid and discountable assets position at the European Central Bank, net of assets used, of EUR 13,072 million, representing 23.5% of the balance sheet total. The LCR ratio is also worth noting, at 335%, is well above regulatory requirements.

Debt securities maturities

	Debt securities (*)
2020	**150**
2021	**690**
2022	**182**

(*) Includes multi issuer covered bonds

LIQUIDITY RATIOS	31/03/2020	31/12/2019	31/03/2019	QoQ
LCR	335%	319%	353%	16 pp
NSFR	143%	141%	139%	2 pp

10. Solvency

PHASE IN RATIOS					
Million € and %	**31/03/2020(*)**	**31/12/2019(*)**	**30/09/2019(*)**	**30/06/2019(*)**	**/03/2019(*)**
Qualifying capital	**3,925**	**3,938**	**3,668**	**3,570**	**3,507**
CET1 capital (BIS III)	3,578	3,590	3,621	3,523	3,459
Capital and share premium	2,820	2,820	2,820	2,820	2,820
Reserves	1,069	946	951	952	975
Attributable net profit (excluding dividends)	21	88	85	62	37
Deductions	-448	-438	-432	-464	-469
Others (1)	115	174	198	153	97
Tier 1	48	48	48	48	48
Tier 2	300	300	0	0	0
Risk weighted assets	**23,297**	**23,000**	**23,516**	**23,853**	**23,189**
CET1 capital (BIS III) (%)	**15.4%**	**15.6%**	**15.4%**	**14.8%**	**14.9%**
Tier 1	0.2%	0.2%	0.2%	0.2%	0.2%
Tier 2	1.3%	1.3%	0.0%	0.0%	0.0%
Total capital ratio (%)	**16.8%**	**17.1%**	**15.6%**	**15.0%**	**15.1%**

(1) Treasury stock, minorities, other global result and transitional period of IFRS9

(*) Pro-forma figures: Excludes the deduction of the authorised unused treasury stock limit. Also, March includes the quarterly results that have not been audited.

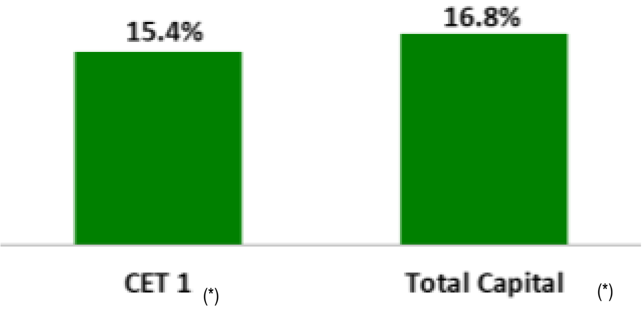
FULLY LOADED RATIOS					
Million € and %	**31/03/2020(*)**	**31/12/2019(*)**	**30/09/2019(*)**	**30/06/2019(*)**	**/03/2019(*)**
Qualify capital	**3,609**	**3,540**	**3,256**	**3,157**	**3,092**
CET1 capital (BIS III)	3,261	3,192	3,208	3,109	3,045
Capital and share premium	2,820	2,820	2,820	2,820	2,820
Reserves	1,069	946	951	952	975
Attributable net profit (excluding dividends)	21	88	85	62	37
Deductions	-683	-737	-746	-779	-785
Others (2)	34	76	99	54	-2
Tier 1	48	48	48	48	48
Tier 2	300	300	0	0	0
Risk weighted assets	**23,113**	**22,793**	**23,304**	**23,640**	**22,976**
CET1 capital (BIS III) (%)	**14.1%**	**14.0%**	**13.8%**	**13.2%**	**13.3%**
Tier 1	0.2%	0.2%	0.2%	0.2%	0.2%
Tier 2	1.3%	1.3%	0.0%	0.0%	0.0%
Total capital ratio (%)	**15.6%**	**15.5%**	**14.0%**	**13.4%**	**13.5%**

(*) Pro-forma figures: Excludes the deduction of the authorised unused treasury stock limit. Also, March includes the quarterly results that have not been audited.

	31/03/2020(*)
	Phase in
CET1 (%)*	15.4%
Total capital (%)*	16.8%
2019 CET1 SREP requirement	8.75%
2019 Total capital SREP requirement	12.25%
Excess of capital over 2019 CET1 SREP requirement	**4.60%**

(*) Pro-forma figures: Excludes the deduction of the authorised unused treasury stock limit.

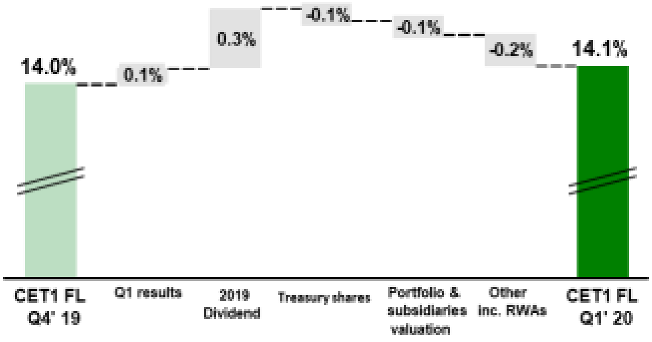
Unicaja Banco Group has a common equity tier 1 ratio (CET1) of 15.4%, a 0.4 pp improvement in this ratio compared to the same quarter last year. The successful issue of securities worth EUR 300 million classified as Tier II, conducted in the fourth quarter of 2019, has meant that the total capital ratio has risen during the previous 12 months by 1.7 pp to 16.8%.



In fully loaded terms Unicaja Banco has a CET1 ratio of 14.1% and a total capital ratio of 15.6%, which compared to the first quarter 2019, represents a 0.9 pp and 2.2 pp increase, respectively.

These capital ratios have taken into account the removal from the Agenda of the Annual General Meeting of the proposal for a dividend distribution for 2019, that the Board of Directors had submitted, awaiting greater visibility. Following the recommendation of the oversight bodies, it has been suspended, as has also been the case other banking institutions.

The CET1 Fully loaded ratio grew by 0.1 pp during the quarter. The contribution of the result over the period explains this 0.1 pp expansion, while the withdrawal of the proposed dividend distribution, mentioned above, has entailed a further 0.3 pp increase. Meanwhile, it has been negatively impacted by treasury portfolio growth, the performance of portfolio valuations and subsidiaries at fair value and remaining effects, mainly the performance of RWAs because of the increase in credit, which has entailed another fall of 0.2 pp.



The levels required by the ECB (including progressive application of systemic and conservation buffers) for March 2020, sets the total capital ratio at 12.25%. This means that the Group has a surplus of EUR 1,072 million over its total capital requirements. On 12th March, the ECB announced flexibility measures, which on the principle of caution have not been included in the calculation of capital surplus, allowing institutions to operate in the short term with capital ratios below the Pillar 2 guidance (P2G) and below the capital conservation buffer, as well as to use in part non-CET1 capital instruments to comply with their Pillar 2 (P2R) requirements.

Finally, the Texas ratio comes in at 45.9% at the close of the first quarter of 2020. The lower this ratio, the better the quality of the balance sheet and liquidity. In the case of the Group, the ratio has gone down by 14.9 pp in the last 12 years.

	31/03/2020	31/12/2019	30/09/2019	30/06/2019	31/03/2019	YtD	YoY
Texas Ratio	45.9%	46.7%	49.9%	58.1%	60.8%	-0.9 pp	-14.9 pp

Texas Ratio: NPLs + Foreclosed assets / Tangible Book value + NPAs provisions

(*) Pro-forma figure as of 31/12/ 2019, excludes the deduction of the authorised unused treasury stock limit and as of 31st March 2020 it includes unaudited quarterly result.

11. Subsequent events

On 24th January 2020, Unicaja Banco published a significant event regarding its stake in Caja de Seguros Reunidos, Compañía de Seguros y Reaseguros ("CASER"). The notification indicated that as part of the process of Helvetia Schweizerische Versicherungs gesellschaft AG ("HELVETIA") acquiring a controlling stake in this company, Unicaja Banco:

1. Will adjust the fair value of its 9.99% stake in CASER.

2. Has signed an agreement with Helvetia under the terms of which, in the context of this change of control, it undertakes to waive exercising its right to terminate the distribution agreement it has with CASER. The aforementioned waiver will represent a profit of EUR 46.87 million.

At 31st March 2020, the item indicated in point 1 above was restated. The revenues from point 2 have yet to be booked; these will be accounted for when the handover of control in CASER is effective, dependent on receiving the appropriate administrative approvals.

APPENDIX I:

SHARE PRICE PERFORMANCE

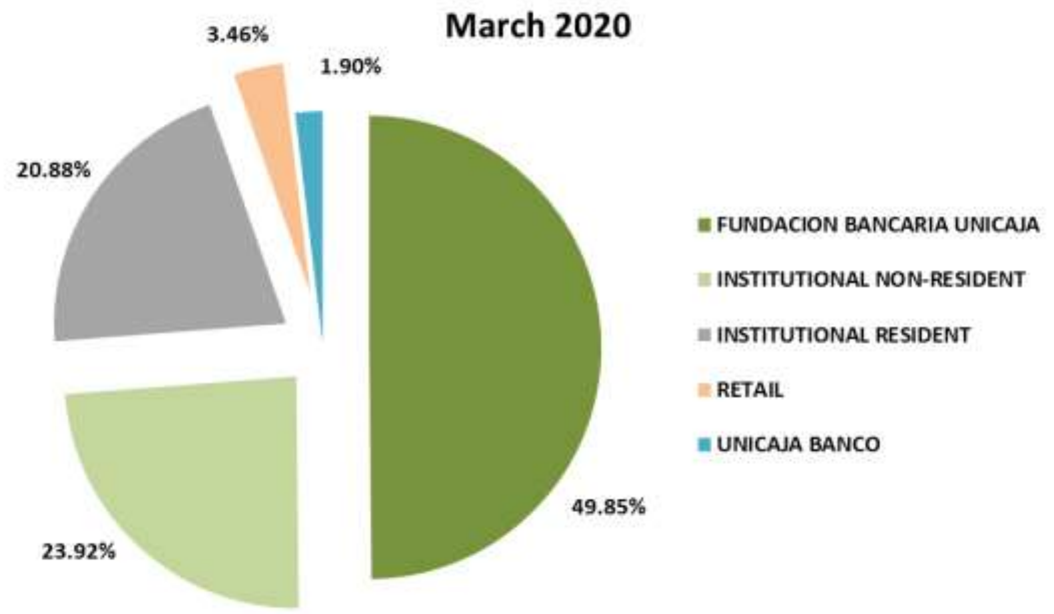
Listing Data

UNICAJA BANCO	mar-20
Number of shareholders	17,717
Average daily trading (num. of shares)	2,523,603
Average daily trading (euros)	1,821,327
Closing high (euros/share)	0.9825 (3-jan)
Closing low (euros/share)	0.4856 (20-mar)
Year-end closing (euros/share)	0.53 (31-mar)

Note: Data cumulative YTD March 2020

Main shareholders

	NUM. OF SHAREHOLDERS	SHARES	%
FUNDACION BANCARIA UNICAJA	1	802,707,000	49.85%
INSTITUTIONAL NON-RESIDENT	130	385,246,145	23.92%
INSTITUTIONAL RESIDENT	458	336,154,685	20.88%
RETAIL	17,127	55,677,458	3.46%
UNICAJA BANCO	1	30,516,833	1.90%
TOTAL	17,717	1,610,302,121	100.00%



APPENDIX II:

ALTERNATIVE PERFORMANCE MEASURES (APM)

The information contained in this Appendix is prepared in accordance with the International Financial Reporting Standards adopted by the European Union (EU-IFRS). In addition, Unicaja Banco Group considers that certain Alternative Performance Measures (APM), as defined in the Directive on Alternative Performance Measures issued by the European Securities Market Authority (ESMA) on 5th October 2015 (ESMA / 2015 / 1415en), provide additional information that may be useful for analysing the Group's financial performance.

The Group considers that the APMs included in this appendix comply with ESMA Guidelines. These APMs have not been audited and in no way are a substitute for the financial information prepared under IFRS. Likewise, the definition that the Group uses of these APMs may differ from other similar measures calculated by other companies and therefore may not be comparable.

Following the recommendations of the aforementioned Guidelines, the breakdown of the APMs used by Unicaja Banco Group is attached below, including the definitions and matching items of the balance sheet, income statement and notes to the consolidated financial statements used by the Grupo Unicaja Banco on its annual or interim financial statements:

ALTERNATIVE PERFORMANCE MEASURES (APM)

(in EUR million or %)

		March'20	December'19
Cost of risk	Impairment or (-) reversal of impairment in value of loans and receivables to customers *Management measure*	34.1	11.9
	Average between start/end of period for loans and receivables from customers (excluding valuation adjustments)	28,494	28,467
	Ratio	**0.48%**	**0.04%**

Source: Public income statement consolidated using IAS39 criteria (under IFRS9, these are not broken down) for value impairment, and Note 27 for loans and advances.

Purpose: Defines the Group's credit quality rating through the annual cost, in terms of impairment losses (loans and receivables write downs, booked to the item Impairment of financial assets not valued at fair value through profit and loss) of each gross customer loans unit.

		March'20	December'19
Impairment or (-) reversal of impairment in value of loans and receivables to customers ***Management measure***	1. Impairment or (-) reversal of impairment in value and gains or losses from adjustments in cash flows of financial assets not valuated at fair value through profit or loss and net gains or (-) losses from adjustments. Financial assets carried at amortized cost	34.9	17.4
	1a. From loans and receivables portfolio. *Management measure*	34.1	11.9
	1b. Rest of financial assets carried at amortised cost.	0.7	5.5
	Performance measure (1a)	**34.1**	**11.9**

Source: Public income statement consolidated using IAS39 criteria (under IFRS9, these are not broken down).

Purpose: Defines the figure for impairments of loans and receivables, booked in the impairment of financial assets not valued at fair value through profit and loss item.

		March'20	March'19
Cost to income ratio (Operating Expenses excl. amort. & depre. / gross margin)	Administrative expenses	138	139
	Gross Margin	254	258
	Ratio	**54.3%**	**54.0%**

Source: Consolidated public income statement
Purpose: Productivity metric defining the proportion of funds used to generate operating income.

		Q1 2020	Q4 2019
Customer spread (quarterly figure)	Quarterly yields on doubtful loans and advances to customers (excluding reverse repos) over net average quarterly balances of loans and advances to customers (excluding reverse repos and other financial assets) *Management measure*	1.80%*	1.85%*
	Cost in the quarter of customer deposits (excluding repos) over average quarterly balances of customer deposits (excluding repos) *Management measure*	0.17%*	0.18%*
	Difference between yield & cost	**1.63%***	**1.66%**

Source: Internal information using management criteria
Purpose: Profitability metric that defines the difference between the customer loan portfolio's average profitability and the average cost of customer funds.
*Annualized measure (365/92)

		March'20	December'19
NPL ratio	Loans and receivables portfolio. NPL risks	1,334	1,351
	Loans and receivables portfolio. Gross amount	28,756	28,232
	Ratio	**4.6%**	**4.8%**

Source: Note 27
Purpose: Measures the quality of the Group's loan portfolio, indicating the percentage of non-performing loans over total loans.

		March'20	December'19
NPL coverage ratio	Loans and receivables portfolio. Total adjustments for impairment of assets.	747	729
	Loans and receivables portfolio. NPL risks	1,334	1,351
	Ratio	**56.0%**	**54.0%**

Source: Note 27
Purpose: Defines the percentage of the NPL portfolio that is covered by liquidity provisions. An indicator of the expected recovery of these assets.

		March'20	December'19
Foreclosed assets coverage	Impairment of foreclosed Real Estate assets	708	702
	Gross carrying amount of foreclosed Real Estate assets	1,130	1,120
	Ratio	**62.7%**	**62.7%**

Source: Note 41.2
Purpose: Shows the extent to which foreclosed real estate goods are covered and, thus, their net exposure value and the asset quality.

		March'20	December'19
NPA coverage ratio	1. Loans and receivables portfolio. Total adjustments for impairment of assets.	747	729
	2. Impairment of Real Estate foreclosed assets	708	702
	3. Loans and receivables portfolio. NPL risks	1,334	1,351
	4. Gross carrying amount of Real Estate foreclosed assets	1,130	1,120
	Ratio (1+2)/(3+4)	**59.1%**	**57.9%**

Source: Note 27 and Note 41.2

Purpose: The Group uses this APM as an indicator of the asset quality, to measure the weight of distressed assets after deducting provisions for these on the Group's balance sheet.

		March'20	March'19
ROA	Consolidated net income	45.9	63.3
	Total average assets (average of quarterly average balances)	56,170	56,958
	Ratio*	**0.3%**	**0.5%**

Source: Consolidated public income statement and consolidated balance sheet

Purpose: Measures profitability of the Group's entire assets, reflecting the Group's efficiency in generating profits from applying funds to such assets.

*Annualized measure (365/92)

		March'20	March'19
ROE	Consolidated net income	45.9	63.3
	Average own funds (average of quarterly average balances)	3,970	3,912
	Ratio*	**4.7%**	**6.6%**

Source: Consolidated public income statement and consolidated balance sheet

Purpose: Measures the yield from funds invested/retained in the Group and, as such, is an indicator of the profitability of own funds used.

*Annualized measure (365/92)

		March'20	December'19
Loans and advances to customers (excluding valuation adjustments)	Loans and receivables portfolio. Gross amount	28,756	28,232

Source: Note 27

Purpose: Reconciles the report's definition with the consolidated annual statement item.

		March'20	December'19
Performing Loans	1. Loans and receivables portfolio. Gross amount	28,756	28,232
	2. Loans and receivables portfolio. NPL risks	1,334	1,351
	Performance measure (1-2)	27,422	26,882

Source: Note 27

Purpose: Defines the total balance and performance of the Group's performing loans and advances (those classified as stage 1 or stage 2).

		March'20	December'19
Gross loans and advances to customers ex reverse repos & other financial assets (excluding valuation adjustments)	1. Loans and receivables. Credit and loans at variable interest rate	21,555	20,976
	2. Loans and receivables. Credit and loans at fixed interest rate	6,009	6,175
	Performance measure (1+2)	**27,564**	**27,151**

Source: Note 8.3 (others assets at fair value) and Note: 10.1 (loans and receivables)
Purpose: Reconciles the definition with consolidated annual statement items. Defines (non-wholesale market) customer credit in the category of loans and advances to customers.

		March'20	December'19
Gross performing loans and advances to customers ex reverse repos & other financial assets (excluding valuation adjustments)	1. Loans and receivables. Credit and loans at variable interest rate	21,555	20,976
	2. Loans and receivables. Credit and loans at fixed interest rate	6,009	6,175
	3. Loans and receivables portfolio. NPL risks	1,334	1,351
	Performance measure (1+2-3)	**26,229**	**25,800**

Source: Note 8.3 (others assets a fair value), Note: 10.1 (loans and advances) and Note: 27 (NPLl risks)
Purpose: Defines the total balance and progress of performing credit risk (that is, those in stage 1 or stage 2) in the category of loans and advances to customers.

		March'20	December'19
Total customer funds	1. Financial liabilities measured at amortized cost. Deposits from customers (excluding valuation adjustments)	42,607	42,335
	2. Issued debt securities (excluding valuation adjustments)	360	360
	3. Funds managed through off-balance sheet instruments	11,928	12,863
	Performance measure (1+2+3)	**54,895**	**55,558**

Source: Note 17.3 (customer deposits), 17.4 (debt securities) and 31.4 (off-balance sheet customer funds)
Purpose: Defines the total balance and performance of funds managed by the group, both on and off balance sheet.

		March'20	December'19
Retail Customer funds (Non-market).	1. Total customer funds	55,895	55,558
	2. Covered bonds under the heading "Term deposits". Carrying amount (excluding valuation adjustments)	3,404	3,578
	3. Deposits from customers. Repos (excluding valuation adjustments)	1,174	848
	4. Issued debt securities (excluding valuation adjustments)	60	60
	5. Subordinated liabilities (excluding valuation adjustments)	300	300
	6. Repos controlled by retail customers. *Management measure*	151	125
	Performance measure (1-2-3-4-5+6)	**50,107**	**50,898**

Source: Note 17.3 (customer deposits), 17.4 (debt securities) and 31.4 (off-balance sheet customer funds)
Purpose: Defines the total balance and performance of funds managed by the group, both on and off balance sheet on behalf of customers, excluding market transactions.

		March'20	December'19
Wholesale funds (Markets)	1. Covered bonds under the heading "Term deposits". Carrying amount (excluding valuation adjustments)	3,404	3,578
	2. Deposits from customers. Repos (excluding valuation adjustments)	1,174	848
	3. Issued debt securities (excluding valuation adjustments)	60	60
	4. Subordinated liabilities (excluding valuation adjustments)	300	300
	5. Repos controlled by retail customers. *Management measure*	151	125
	Performance measure (1+2+3+4-5)	**4,787**	**4,660**

Source: Note 17.3 (deposits from customers) and 17.4 (debt securities)
Purpose: Defines the total balance and performance of funds managed by the group in market transactions
.

		March'20	December'19
Loan to Deposits (LtD)	1. Loans and receivables. Credit and loans at variable interest rate	21,555	20,976
	2. Loans and receivables. Credit and loans at fixed interest rate	6,009	6,175
	(1+2+3) NUMERATOR. Loans and advances. Customers -excluding valuation adjustments	**27,564**	**27,151**
	1. Financial liabilities measured at amortized cost. Deposits from customers (excluding valuation adjustments)	42,207	42,335
	2. Covered bonds under the heading "Term deposits". Carrying amount (excluding valuation adjustments)	3,404	3,578
	3. Deposits from customers. Repos (excluding valuation adjustments)	1,174	848
	4. Repos controlled by retail customers. *Management measure*	151	125
	(1-2-3+4) DENOMINATOR. Customer deposits (non-market) -excluding valuation adjustments	**38,180**	**38,035**
	Ratio	**72.2%**	**71.4%**

Source: Note 8.3 (others assets a fair value), Note: 10.1 (loans and receivables) and Note 17.3 (customer deposits)
Purpose: Liquidity indicator that measures the ratio between the Group's funds in its customer deposits and the volume of loans and advances.

		March'20	December'19
Gross liquid assets	1. Cash surplus (interbank deposits + balance surplus in ECB and operating accounts)	1,683	3,736
	2. Reverse purchase agreements	1,294	1,110
	3. Fixed income portfolio and other discountable assets in ECB	15,867	15,919
	Performance measure (1+2+3)	**18,844**	**20,765**

Sum of:

- Surplus/deficit of deposits in Bank of Spain with respect to the minimum reserve ratio in effect on the date and surplus/ deficit in operating accounts open in credit institutions compared to the average during the previous 12 months

- Net position of interbank deposits with other credit institutions.

- Fixed-income portfolio that the Entity can discount in ECB, both in fixed assets and through reverse repos, including the own portfolio issued for use as collateral in ECB and pledged loans, valued at discount value in ECB.

Source: Internal information using management criteria
Purpose: Defines the total balance and performance of the Group's HQLA (high quality liquid assets).

		March'20	December'19
Net liquid assets	1. Gross liquid assets	18,844	20,765
	2. Taken in the ECB	3,300	3,303
	3. Repos and other pledges	2,473	3,452
	Performance measure (1-2-3)	**13,072**	**14,011**
Any part of the gross assets already used or being used as collateral for financing, either with the ECB, for repos or other pledges, has been discounted.			

Source: Internal information using management criteria
Purpose: Defines the total balance and performance of the Group's HQLA (high quality liquid assets) netted out from assets of this nature that are being used as collateral for financing.

		March'20	March'19
Operating or transformation expenses	1. Administrative expenses	137.7	139.4
	2. Depreciation and amortization	11.0	10.8
	Performance measure (1+2)	**148.7**	**150.3**

Source: Consolidated public income statement
Purpose: Reconciles the report's definition with consolidated public financial statement items.

		March'20	December'19
Credit and loans impairment	Impairment or (-) reversal of impairment in value of loans and receivables to customers *Management measure*	34.1	11.9

Source: Public income statement consolidated using IAS39 criteria (under IFRS9, these are not broken down).
Purpose: Defines the figure for impairments of loans and receivables, booked in the impairment of financial assets not valued at fair value through profit and loss item.

		March'20	March'19
Pre-provision profit (before impairments)	1. Gross Margin	253.7	258.1
	2. Administrative expenses	137.7	139.4
	3. Depreciation and amortization	11.0	10.8
	Performance measure (1-2-3)	**105.0**	**107.9**

Source: Consolidated public income statement
Purpose: Reconciles the report's definition with consolidated public financial statement items. Shows the Group's results from its business excluding impairments, as defined in its APMs.

		March'20	March'19
Impairments	1. Provisioning or (-) provisioning reversals	4.3	22.4
	2. Impairment or (-) reversal in the value of financial assets not measured at fair value through profit and loss	35.6	7.4
	3. Impairment or (-) reversal in the value of joint ventures or associates	-1.3	0.0
	4. Impairment or (-) reversal in the value of non-financial assets	4.2	5.7
	5. Net gain or (-) loss on derecognition from the statements non-financial assets and stakes	0.2	11.9
	6. Recognised negative goodwill	0.0	0.0
	7. Gains or (-) losses arising from non-current assets and disposal groups of items classified as held for sale that cannot be classified as discontinued operations	-1.2	0.6
	Performance measure (1+2+3+4-5-6-7)	**43.7**	**23.2**

Source: Consolidated public income statement
Purpose: Reconciles the report's definition with consolidated public financial statement items. Shows the volume of the Group's impairments and provisions.

		March'20	March'19
Net Fees	1. Fee and commission income	67.3	61.5
	2. Fee and commission expense	6.1	6.2
	Performance measure (1-2)	**61.2**	**55.3**

Source: Consolidated public income statement
Purpose: Reconciles the report's definition with consolidated public financial statement items. Shows the net result from service provision and selling of products invoiced through fees and commissions.

		March'20	March'19
Net trading income	1. Net gain or (-) losses on derecognition from the statements of financial assets and liabilities (not measured at fair value) through profit or loss	34.0	21.8
	2. Net gain or (-) losses from financial assets and liabilities held for trading	-2.3	-0.5
	3. Net gain or (-) losses from non-trading financial assets mandatorily designated at fair value through profit or loss	-5.4	2.2
	4. Net gain or (-) losses from financial assets and liabilities designated at fair value through profit or loss	0.0	0.0
	5. Net gain (-) losses from hedge accounting	2.0	0.0
	6. Net exchange differences, gains or (-) losses	-0.1	0.4
	Performance measure (1+2+3+4+5+6)	**28.3**	**23.9**

Source: Consolidated public income statement
Purpose: Reconciles the report's definition with consolidated public financial statement items and groups into one item the contribution to the statement of the asset valuations at fair value and sale, essentially, of fixed and equity assets not valued at fair value through P&L, as well as their hedges as shown in P&L.

		March'20	March'19
Other products / operating charges	1. Other operating income	14.6	27.1
	2. Other operating expenses	11.6	20.0
	3. Income from assets under insurance or reinsurance contracts	15.5	20.3
	4. Expenses from liabilities under insurance or reinsurance contracts	13.2	11.1
	Performance measure (1-2+3-4)	**5.3**	**16.2**

Source: Consolidated public income statement
Purpose: Reconciles the report's definition with consolidated public financial statement items.

		March'20	March'19
Impairment/reversal in the value of other assets and other gains & losses	1. Impairment or (-) reversal in the value of joint ventures or associates	-1.3	0.0
	2. Impairment or (-) reversal in the value of non-financial assets	4.2	5.7
	3. Net gain or (-) loss on derecognition from the statements of non-financial assets	0.2	11.9
	4. Recognised negative goodwill	0.0	0.0
	5. Gains or (-) losses arising from non-current assets and disposal groups of items classified as held for sale that cannot be classified as discontinued operations	-1.2	0.6
	Performance measure (1+2-3-4-5)	**3.8**	**-6.7**

Source: Consolidated public income statement
Purpose: Reconciles the report's definition with consolidated public financial statement items.

		March'20	December'19
Covered bonds under the heading "Term deposits". Carrying amount (excluding valuation adjustments)	1. Covered bonds under the heading "Term deposits". Nominal value	3,582	3,756
	2. Measurement at fair value of issues. Management measure	-178	-178
	Performance measure (1+2)	**3,404**	**3,578**

Source: Note 17.3 (customer deposits)

Purpose: Reconciles the report's definition with consolidated public financial statement items.

		March'20	December'19
Repos controlled by retail customers. Management measure	1. Deposits from customers. Repos (excluding valuation adjustments)	1,174	848
	1a. Repos controlled by retail customers. Management measure	151	125
	1b. Rest of repos	1,023	722
	Performance measure (1a.)	**151**	**125**

Source: Note 17.3 (customer deposits)

Purpose: Reconciles the report's definition with consolidated public financial statement items.