FINANCIAL REPORT

January to September 2022

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1. Highlights

Recurrent income increases, with strong contribution from retail business and fees.

01	Net income **+260M**	Net income YoY Variation **+67.1%**	**Ordinary income increases while containing costs and impairments**
02	Retail NII and fees over gross margin **78%**		**Retail net interest income and fees represent a high share of the gross margin**
03	Fee YoY Variation **+11.0%** Mutual funds fess YoY Variation **+35%**	Credit card fees YoY Variation **+23%**	**Growth in fees driven by mutual funds and payment services**
04	Staff costs YoY evolution **-11.3%**	Other administrative costs YoY variation **-2.7%**	**72% of the planned personnel exits accomplished with planned branch closures at 100%**
05	Cost of risk **29 b.p.**	YoY impairments variation **-39.9%**	**Cost of risk remains low, due to the portfolio's risk profile and high coverages**
06	NPL Ratio **3.53%**	NPL coverage ratio **65%**	**NPL ratio remains contained with high coverage levels**
07	Gross foreclosed sales **393M**	Gross foreclosed assets YoY Variaton **-18.8%**	**Foreclosed assets decline with sales recording positive results**
08	CET 1 Ratio Fully loaded **13,01%**		**1,635M in excess of regulatory requirements**
09	Loan to deposits **79.4%**	% retail funds vs managed funds **89%**	**Comfortable liquidity position with broad retail deposits base**
10	Active digital customers **60.4%**	NPS digital onboarding **46.7**	**Focus on the development of Open Banking capabilities**

Annex I- Alternative Performance Measures (APMs) details the definition and calculation of the ratios and variables used throughout the document

2. Key figures

TABLE 0 (*Million euros / % / pp*)	30/09/22	30/06/22	30/09/21	QoQ	Ytd	YoY
BALANCE SHEET						
Total assets [(1)]	112,956	114,832	109,144	-1.6%	-2.2%	3.5%
Gross loans and advances to customers [(1) & (2)]	55,294	56,199	54,940	-1.6%	-0.3%	0.6%
Performing gross loans and advances to customers [(1) & (2)]	53,343	54,237	53,079	-1.6%	-0.3%	0.5%
On-balance sheet customers funds [(1) & (2)]	89,780	91,555	94,726	-1.9%	-6.5%	-5.2%
Off-balance sheet customer funds and insurance	20,119	20,725	21,443	-2.9%	-8.7%	-6.2%
Shareholders equity [(1)]	6,626	6,536	6,161	1.4%	3.3%	7.5%
Total equity [(1)]	6,496	6,350	6,013	2.3%	2.7%	8.0%
(1) Data as of 06.30.21 is aggregated consolidated public information of both entities. (2) Excluding valuation adjustments and intercompanies						
RESULTS (cumulative figures)						
Net interest income [(3)]	765	502	793			-3.6%
Gross income [(3)]	1,244	825	1,204			3.3%
Pre-provision profit [(3)]	590	389	490			20.5%
Consolidated net income [(3)]	260	165	156			67.1%
Cost to income [(3)]	52.5%	52.9%	59.3%	-0.3 pp	-9.2 pp	-6.8 pp
Return On Tangible net Equity (ROTE) [(3)]	5.5%	5.2%		0.2 pp		
(3) 2021 data from the pro-forma income statement where the results of Unicaja and Liberbank are added to all dates and extraordinary adjustments from the merger or restructuring costs recorded by Liberbank prior to the integration are not considered.						
RISK MANAGEMENT						
Non performing loans (NPL) (a) [(1)]	1,951	1,962	1,862	-0.5%	-0.5%	4.8%
Foreclosed assets (b) [(1)]	1,887	1,943	2,323	-2.9%	-14.6%	-18.8%
Non performing assets -NPA- (a+b) [(1)]	3,838	3,905	4,185	-1.7%	-7.9%	-8.3%
NPL ratio [(1)]	3.5%	3.5%	3.4%	0.0 pp	0.0 pp	0.1 pp
NPL coverage [(1)]	64.7%	64.9%	72.1%	-0.2 pp	-3.8 pp	-7.4 pp
Foreclosed assets coverage [(1)]	63.4%	63.1%	62.1%	0.3 pp	0.7 pp	1.4 pp
Non performing assets (NPA) coverage [(1)]	64.1%	64.0%	66.5%	0.1 pp	-1.4 pp	-2.4 pp
Cost of risk [(1)]	0.29%	0.27%	0.41%	0.0 pp	-0.1 pp	-0.1 pp
LIQUIDITY						
Loan to deposit ratio [(1)]	79.4%	79.3%	75.0%	0.0 pp	4.4 pp	4.4 pp
LCR [(4)]	272%	333%	300%	-61.0 pp	-35.0 pp	-28.1 pp
NSFR [(4)]	142%	142%	140%	0.0 pp	0.0 pp	2.2 pp
SOLVENCY						
CET1 ratio *phased in* [(4)]	13.7%	13.5%	14.9%	0.2 pp	0.1 pp	-1.2 pp
CET1 *ratio fully loaded* [(4)]	13.0%	12.8%	13.6%	0.2 pp	0.5 pp	-0.6 pp
Total capital ratio *phased in* [(4)]	17.1%	16.8%	16.6%	0.3 pp	0.3 pp	0.5 pp
Total capital ratio *fully loaded* [(4)]	16.4%	16.1%	15.4%	0.3 pp	0.7 pp	1.0 pp
Risk weighted assets (RWA) [(4)]	34,245	34,899	35,699	-1.9%	-3.0%	-4.1%
Texas ratio [(4)]	42.9%	44.1%	47.6%	-1.3 pp	-3.2 pp	-4.7 pp
(4) Data as of 06.30.21 pre-merger with Liberbank.						
OTHER DATA						
Employees (average number)	8,063	8,337	9,546	-3.3%	-16.0%	-15.5%
Branches in Spain	966	1,097	1,371	-11.9%	-29.4%	-29.5%
ATMs	2,482	2,506	2,683	-1.0%	-7.4%	-7.5%

QoQ (variation 3Q22 vs 2Q22) - Ytd (variation 3Q22 vs 4Q21) - YoY (variation 3Q22 vs 3Q21)

3. Macroeconomic environment

The IMF (International Monetary Fund) has reduced its world economy growth estimate for 2022 down to 3.2% and for 2023 down to 2.7%, due to inflation exceeding the worst expectations.

In the Eurozone, the growth forecasted for 2022 is 1.6% and 1% for 2023, with an estimated inflation rate of 8.3% at the end of 2022, and 5.7% in 2023.

The ECB (European Central Bank) tightened its monetary policy as of September 14, responding to the strong inflationist pressures. It raised the interest rates on the main funding operations, the marginal lending facility and the deposit facility up to 1.25%, 1.50% and 0.75% respectively. Further raises are expected in the coming months, until interest rates reach their equilibrium level.

At the same time, benchmark interest rates in financial markets have also risen sharply. In the last twelve months the 1-year Euribor has risen by more than 290 bps, standing above 2.6%.

The 27 member states of the European Union announced very extensive tax packages to confront the energy crisis. The largest of them is that approved by the German government, amounting to €200 billion. These packages are being criticized by several international bodies, including the ECB, as they tend to increase the inflationary pressures that the monetary policy is trying to curb, increasing the risk of debt sustainability.

So far this year, the Euro accumulates a depreciation of more than 10% against the US$, falling below parity, for the first time since 2002.

Spanish economic situation

In the second quarter of the year, the Spanish economy recorded a quarter-on-quarter growth of 1.5%, well above expectations, driven by the reactivation of international tourism, growth in housing construction and the good performance of private consumption. A lower growth is expected for the third quarter.

Inflation has continued to climb, driven not only by the increase in commodities prices, but also by the underlying component, reaching 8.9% in September.

Regarding the labour market, job creation remains strong. In September, the Social Security enrolment increased by more than 17,000 people compared to the previous month, +0.6% in relative terms.

Real estate activity stays at higher levels than those registered before the pandemic. In the first seven months of 2022, more than 383,000 home property transactions were recorded in Spain. This represents a year-on-year growth of 21%. This notable upturn in demand has been accompanied by a significant price increase of 8%. The loss of dynamism in new building permits and the increase in the funding costs, point to a potential slowdown in investment in new housing during the coming quarters.

In this extremely uncertain scenario with a worsening of expectations, the private sector continued its deleveraging process. In the second quarter of 2022, household and corporate debt declined by 0.7% year-on-year, representing 132% of GDP.

The Bank of Spain foresees the Spanish economy to grow by 4.5% in 2022, anticipating a 1.4% slowdown for 2023. The activity is expected to regain momentum in the spring of 2024, with a year-end growth estimated at around 3%.

Average inflation is expected to reach 8.7% in 2022, and 5.6% in 2023, although a progressive moderation of prices is envisaged towards 2024, stabilizing again at the 2% level.

Financial Sector

The rise in interest rates improves banks' interest margins, through the ordinary margins of the loan portfolio. However, other factors, like the rising funding costs, the new tax on banks, and the increase of the cost of risk could offset this positive impact.

The fall in disposable income in real terms, derived from the increase in funding costs, and the increase in the cost of goods, may affect both the demand for new credit production and the capacity to repay debts.

After a decade of negative interest rates, bank deposits could transfer the rise in interest rates. However, a price war to attract deposits is not foreseeable, because there is excess liquidity in the system. The rise in rates transferred to bank deposits would change their structure. Deposits are mainly demand deposits, with term deposits having lost weight, a situation that could be reversed.

A risk factor for the sector are tax and regulatory changes.

The main fiscal change is the new tax for banks (4.8% tax on interest and fees during 2023 and 2024).

On the other hand, measures are being studied to alleviate the increase in mortgage payments and to avoid over-indebtedness of families due to inflation and rising interest rates.

Regarding regulatory changes, a modification in the regulation of TLTRO-III could be announced.

4. Balance sheet

TABLE 1 *(Million euros)*	**30/09/22**	**30/06/22**	**30/09/21**	**QoQ**	**Ytd**	**YoY**
Cash and cash balances at central banks	16,245	19,782	15,367	-17.9%	-23.7%	5.7%
Assets held for trading & Fin. assets at fair value thr. P&L	190	205	356	-7.6%	-30.5%	-46.7%
Fin. assets at fair value through o/ comprehensive income	1,098	977	1,346	12.4%	-15.4%	-18.4%
Financial assets at amortised cost	56,722	57,354	56,839	-1.1%	-0.7%	-0.2%
Debt securities at amortised cost	27,295	25,415	24,932	7.4%	9.8%	9.5%
Hedging derivatives	2,201	1,586	796	38.7%	170.1%	176.4%
Investment in joint ventures and associates	950	977	1,030	-2.7%	-9.7%	-7.8%
Tangible assets	2,125	2,176	2,273	-2.3%	-5.5%	-6.5%
Intangible assets	76	79	84	-3.6%	-4.7%	-9.2%
Tax assets	5,111	5,137	4,760	-0.5%	-2.7%	7.4%
Other assets	353	541	626	-34.8%	-35.0%	-43.6%
Non current assets held for sale	590	602	735	-1.9%	-15.7%	-19.7%
TOTAL ASSETS	**112,956**	**114,832**	**109,144**	**-1.6%**	**-2.2%**	**3.5%**
Financial liabilities held for trading & at fair value thr. P&L	50	38	29	29.9%	59.8%	69.4%
Financial liabilities at amortised cost	102,668	104,670	99,616	-1.9%	-2.7%	3.1%
Deposits from central banks	10,238	10,241	10,318	0.0%	-0.5%	-0.8%
Deposits from credit institutions	9,069	7,960	3,864	13.9%	36.1%	134.7%
Customer deposits	77,843	79,921	82,041	-2.6%	-7.5%	-5.1%
Other Issued Securities	2,872	2,916	1,916	-1.5%	15.0%	49.9%
Other financial liabilities	2,646	3,633	1,477	-27.2%	41.7%	79.2%
Hedging derivatives	996	1,008	1,053	-1.1%	-0.3%	-5.4%
Provisions	1,204	1,294	1,118	-7.0%	-15.7%	7.7%
Tax liabilities	436	398	411	9.6%	12.1%	6.0%
Other liabilities	1,105	1,073	902	3.0%	22.8%	22.5%
TOTAL LIABILITIES	**106,460**	**108,482**	**103,131**	**-1.9%**	**-2.5%**	**3.2%**
Own Funds	6,626	6,536	6,161	1.4%	3.3%	7.5%
Accumulated other comprehensive income	-131	-186	-149	-29.9%	45.1%	-12.1%
Minority Interests	0	0	0	-0.6%	3.9%	1.1%
Total Equity	**6,496**	**6,350**	**6,013**	**2.3%**	**2.7%**	**8.0%**
Total Liabilities and Equity	**112,956**	**114,832**	**109,144**	**-1.6%**	**-2.2%**	**3.5%**

Source: Consolidated Balance Sheet (PC1 statement of the Bank of Spain).

Consolidated balance sheet grows by 3.5% year on year during the second quarter, reaching €112,956 million. It shrinks by 1.6% and 2.2% respectively, during the third quarter and throughout the year, due to a reduction in the interbank positions.

Loans and advances at amortized cost decreased seasonally 1.1% in the quarter, repaying the advance of the double pension payment. The credit portfolio maintains a low risk profile, with a high weight of mortgages and public administrations.

Financial assets with changes in other comprehensive income register the acquisition of a small portfolio of private fixed income securities from European institutions of good credit quality.

The securities portfolio is mainly composed of government bonds, classified in the amortized cost portfolio (*debt securities at amortized cost*). Its size increased by 7.4% in the last quarter, mainly by purchases of Spanish government bonds. Its average yield stands at 1.61% at the end of the month.

Derivatives and hedges mainly record interest rate risk coverages of assets at amortized cost.

Non-current assets held for sale continued to perform positively. They decline by 1.9% during the quarter, as summer sales usually slow down, but the decline is higher year-to-date (-15.7%).

Customer deposits also contracted seasonally in the third quarter by 2.6%, due to the increase in consumption and inflation, which reduced household's saving capacity. They also recorded the amortization of multi-cedent covered bonds with a face value of €200 million.

In the last twelve months, €1,160 million of preferred senior debt were issued (registered under the *Debt securities* heading), €300 million Tier 2 subordinated debt (registered under the *Other financial liabilities* heading*),* and €500 million of AT1 (registered under *Net equity).* These issues contribute to the MREL requirements.

5. Customer Funds

TABLE 2 (*Million €) Exc. valuation adjustments*	**30/09/22**	**30/06/22**	**30/09/21**	**QoQ**	**Ytd**	**YoY**
On-balance sheet customer funds	**80,987**	**82,931**	**83,454**	**-2.3%**	**-6.0%**	**-3.0%**
Customer funds (excluding bonds)	**73,016**	**74,751**	**76,350**	**-2.3%**	**-7.0%**	**-4.4%**
Public Sector	**6,693**	**7,122**	**9,198**	**-6.0%**	**-27.7%**	**-27.2%**
Private sector	**66,323**	**67,629**	**67,151**	**-1.9%**	**-4.2%**	**-1.2%**
Sight deposits	57,652	58,105	56,969	-0.8%	-1.3%	1.2%
Term deposits	5,257	5,543	6,420	-5.2%	-13.9%	-18.1%
Repos	3,414	3,981	3,762	-14.2%	-27.6%	-9.2%
Issues	**7,971**	**8,180**	**7,105**	**-2.6%**	**3.7%**	**12.2%**
Mortgages securities	6,212	6,422	6,452	-3.3%	-3.3%	-3.7%
Other values	1,159	1,159	45	0.0%	75.7%	2476.4%
Subordinated liabilities	599	599	608	0.0%	-1.4%	-1.4%
Off-balance sheet customer funds & insurance	**20,119**	**20,725**	**21,443**	**-2.9%**	**-8.7%**	**-6.2%**
Mutual funds *	11,205	11,759	11,811	-4.7%	-9.7%	-5.1%
Pension funds	3,652	3,761	4,005	-2.9%	-9.4%	-8.8%
Insurance savings	4,270	4,173	4,658	2.3%	-6.1%	-8.3%
Other managed assets	991	1,031	968	-3.8%	-5.5%	2.4%
TOTAL CUSTOMER FUNDS	**101,106**	**103,656**	**104,897**	**-2.5%**	**-6.6%**	**-3.6%**
Retail customers funds	**89,780**	**91,555**	**94,726**	**-1.9%**	**-6.5%**	**-5.2%**
Wholesale funds (Markets)	**11,326**	**12,101**	**10,171**	**-6.4%**	**-7.3%**	**11.4%**

(*) Includes mutual funds discretional portfolios

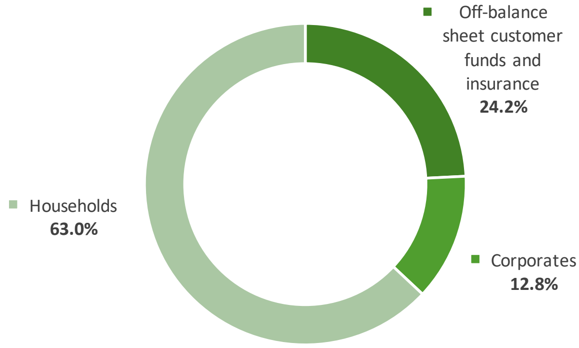
The volume of total customer funds amounts to €101,106 million, declining by 2.5% in the third quarter. 89% of those are retail customer funds which decreased by 1.9% between June and September, and by 5.2% year-on-year, in a macroeconomic context not very favourable for savings: high inflation and high volatility in the financial markets. During the third quarter of 2022, Spanish household savings expectations declined by 32.6% compared to the same quarter of the previous year (source: Sociologic Research Centre, CIS).

Mutual funds declined by 4.7% in the quarter and increased by 5.1% year-on-year in 2022.

In this scenario two commercial campaigns were launched in July and August involving savings insurance, which were very well received, leading to an increase in these products of 2.3% quarter-on-quarter.

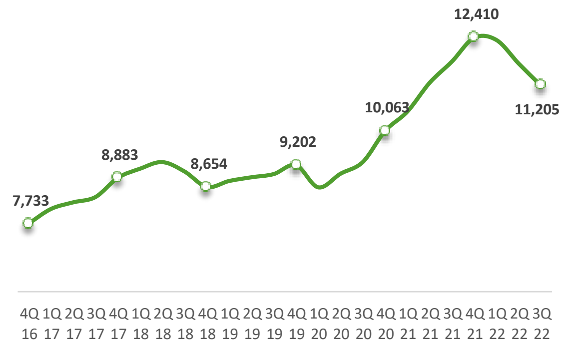
Retail Funds sector and product breakdown

Exc. Public Sector



Mutual Funds evolution

In € Million



6. Performing loans

TABLE 3 *(Million €) Exc. valuation adjustments*	**30/09/22**	**30/06/22**	**30/09/21**	**QoQ**	**Ytd**	**YoY**
Public sector	**5,983**	**5,953**	**5,915**	**0.5%**	**7.6%**	**1.2%**
Private sector	**47,359**	**48,284**	**47,163**	**-1.9%**	**-1.3%**	**0.4%**
Business	**12,966**	**13,223**	**13,435**	**-1.9%**	**-8.0%**	**-3.5%**
Real Estate developers	731	758	926	-3.6%	-13.1%	-21.1%
SMEs and self-employed	6,457	6,520	7,027	-1.0%	-6.9%	-8.1%
Other corporates	5,778	5,945	5,482	-2.8%	-8.5%	5.4%
Individuals	**34,393**	**35,060**	**33,729**	**-1.9%**	**1.6%**	**2.0%**
Mortgages	31,574	31,528	31,001	0.1%	1.6%	1.9%
Consumer and other	2,819	3,532	2,728	-20.2%	1.6%	3.3%
PERFORMING LOANS TO CUSTOMERS	**53,343**	**54,237**	**53,079**	**-1.6%**	**-0.3%**	**0.5%**

The performing loans portfolio amounted to €53,343 million, decreasing by 1.6% quarter-on-quarter, repaying the double pensions advanced in June. Year-on-year it grows by 0.5%, maintaining a low risk profile, with a high weight of mortgages to individuals (59% of the total) and loans to public sector (11% of the total).

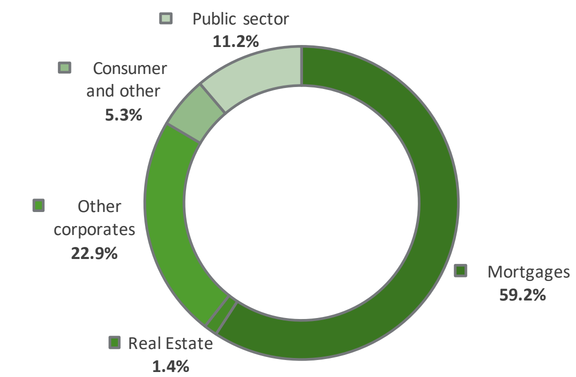
In the first nine months of 2022, €7,766 million of new loans and credits were granted. This includes €3,225 million in mortgages.

New mortgages production declines by 7.7% year on-year, in a highly competitive environment. Despite this, the market share of new mortgages stands at 7.4% of the national total (source: General Council of Notaries. Data as of August 2022, accumulated over the last 12 months).

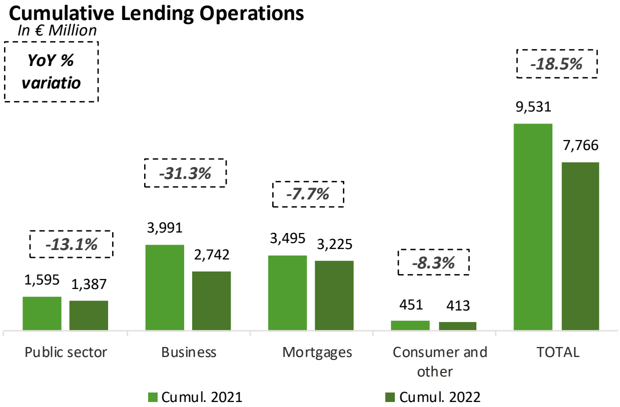
The new loan production to corporates has slowed down due to the financing lines guaranteed by the ICO, which allowed companies to stockpile liquidity in 2021. Equally contributing to this decline was the extraordinary increase in credit in 2021, to meet the investment growth target (required to obtain maximum profitability for TLTROS).

The corporate portfolio is highly diversified by business sector. 16% of the outstanding risk of the corporate portfolio is guaranteed by the ICO, of which 95% was already paying principal by the end of the third quarter of 2022, with 90% classified as performing loans.

Gross performing loans sector breakdown



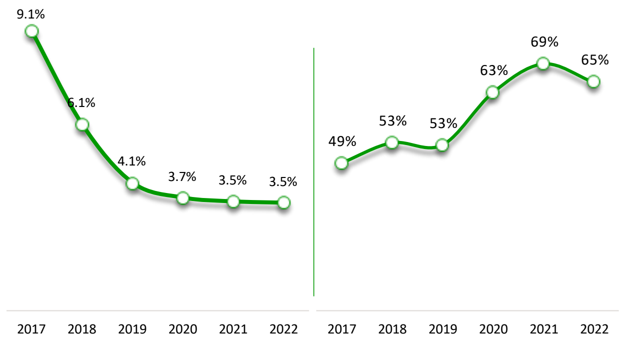
Cumulative Lending Operations



7. NPL & foreclosed assets

TABLE 4 *(Million euros)*	30/09/22	30/06/22	30/09/21	QoQ	Ytd	YoY
NON PERFORMING LOANS	**1,951**	**1,962**	**1,862**	**-0.5%**	**-0.5%**	**4.8%**
Public sector	**13**	**13**	**13**	**2.7%**	**0.0%**	**4.4%**
Private sector	**1,938**	**1,949**	**1,849**	**-0.6%**	**-0.5%**	**4.8%**
Business	**904**	**920**	**840**	**-1.8%**	**-2.1%**	**7.6%**
Real Estate	144	151	154	-4.7%	-8.2%	-6.3%
SMEs and self-employed	621	592	552	4.9%	3.8%	12.6%
Other corporates	139	177	135	-21.5%	-17.7%	3.1%
Individuals	**1,034**	**1,028**	**1,009**	**0.5%**	**1.0%**	**2.4%**
Mortgages	986	973	939	1.3%	3.3%	4.9%
Consumer and other	48	55	70	-13.2%	-30.8%	-31.2%
TOTAL NPL RATIO	**3.5%**	**3.5%**	**3.4%**	**0.0 pp**	**0.0 pp**	**0.1 pp**
Public sector	**0.2%**	**0.2%**	**0.2%**	**0.0 pp**	**0.0 pp**	**0.0 pp**
Private sector	**3.9%**	**3.9%**	**3.8%**	**0.1 pp**	**0.0 pp**	**0.2 pp**
Business	**6.5%**	**6.5%**	**5.9%**	0.0 pp	0.4 pp	0.6 pp
Real Estate	16.5%	16.6%	14.2%	-0.2 pp	0.7 pp	2.2 pp
SMEs and self-employed	8.8%	8.3%	7.3%	0.4 pp	0.8 pp	1.5 pp
Other corporates	2.3%	2.9%	2.4%	-0.5 pp	-0.3 pp	-0.1 pp
Individuals	**2.9%**	**2.8%**	**2.9%**	**0.1 pp**	**0.0 pp**	**0.0 pp**
Mortgages	3.0%	3.0%	2.9%	0.0 pp	0.1 pp	0.1 pp
Consumer and other	1.7%	1.5%	2.5%	0.1 pp	-0.8 pp	-0.8 pp

NPL Ratio and Coverage



Non-performing loans decreased by €11 million in the third quarter of 2022, down to €1,951 million.

Most of the NPL inflows of 2022 are classified as NPL for subjective reasons, representing 35% of the stage 3 portfolio.

The NPL ratio remains stable at 3.50% and coverage is high at 65%. The mortgage portfolio NPL ratio is 3%. 62% of variable rate operations are prior to 2012, so a limited impact on the asset quality is expected from the rise in interest rates.

The 4 pp decrease in the coverage ratio through 2022 follows the inflows of NPL for subjective reasons. Their default level is very low, and so is their coverage, impacting the average coverage.

TABLE 5 *(Million euros)*	30/09/22	30/06/22	30/09/21	QoQ	Ytd	YoY
Credit	**55,294**	**56,199**	**54,940**	**-1.6%**	**-0.3%**	**0.6%**
Stage 1	49,937	50,683	49,379	-1.5%	0.0%	1.1%
Stage 2	3,405	3,554	3,700	-4.2%	-4.6%	-8.0%
Stage 3	1,951	1,962	1,862	-0.5%	-0.5%	4.8%
Provisions	**1,263**	**1,274**	**1,342**	**-0.8%**	**-6.0%**	**-5.9%**
Stage 1	150	160	91	-6.3%	15.8%	65.1%
Stage 2	236	300	277	-21.3%	-25.9%	-14.8%
Stage 3	877	814	974	7.8%	-2.1%	-10.0%
Coverage	**64.7%**	**64.9%**	**72.1%**	**-0.2 pp**	**-3.8 pp**	**-7.4 pp**
Stage 1	0.3%	0.3%	0.2%	0.0 pp	0.0 pp	0.1 pp
Stage 2	6.9%	8.4%	7.5%	-1.5 pp	-2.0 pp	-0.6 pp
Stage 3	45.0%	41.5%	52.3%	3.5 pp	-0.7 pp	-7.4 pp

TABLE 6 (*Million euros*)	**30/09/22**	**30/06/22**	**30/09/21**	**QoQ**	**Ytd**	**YoY**
TOTAL FORECLOSED ASSETS - GROSS BALANCE	**1,887**	**1,943**	**2,323**	**-2.9%**	**-14.6%**	**-18.8%**
Buildings under construction	261	262	266	-0.6%	6.5%	-1.9%
Residential	551	568	698	-2.8%	-21.5%	-21.0%
Land	911	947	1,090	-3.8%	-13.3%	-16.5%
Commercial RE	164	167	269	-1.7%	-22.5%	-39.0%
TOTAL FORECLOSED ASSETS - PROVISIONS	**1,197**	**1,226**	**1,442**	**-2.4%**	**-13.6%**	**-17.0%**
Buildings under construction	168	169	174	-0.3%	6.4%	-3.4%
Residential	307	313	374	-1.9%	-21.0%	-17.8%
Land	641	665	755	-3.6%	-12.5%	-15.1%
Commercial RE	80	79	139	1.2%	-24.7%	-42.4%
TOTAL FORECLOSED ASSETS - COVERAGE (%)	**63.4%**	**63.1%**	**62.1%**	**0.3 pp**	**0.7 pp**	**1.4 pp**
Buildings under construction	64.5%	64.3%	65.5%	0.2 pp	-0.1 pp	-1.0 pp
Residential	55.7%	55.2%	53.5%	0.5 pp	0.4 pp	2.2 pp
Land	70.4%	70.2%	69.3%	0.2 pp	0.7 pp	1.1 pp
Commercial RE	48.7%	47.3%	51.6%	1.4 pp	-1.4 pp	-2.9 pp

The balance of foreclosed assets stands at €1,887 million, provisioned with €1,197 million, resulting in a net balance of €690 million, 0.6% of the Group's total assets.

Gross outflows of foreclosed assets amounted to €393 million. Sales recorded positive results, and are distributed among housing (47% of the total), land (41% of the total) and tertiary sector assets and construction work-in-progress (12% of the total).

Foreclosed assets gross value declined by 2.9% during the quarter and by 18.8% in the last twelve months. The coverage level stands at 63.4% (among the highest in the sector in Spain).

In addition, €105 million of gross assets classified as investment property were sold in 2022.

TABLE 7 (*Million euros*)	**30/09/22**	**30/06/22**	**30/09/21**	**QoQ**	**Ytd**	**YoY**
Non performing assets (NPA)- GROSS BALANCE	**3,838**	**3,905**	**4,185**	**-1.7%**	**-7.9%**	**-8.3%**
NPL	1,951	1,962	1,862	-0.5%	-0.5%	4.8%
Foreclosed Assets	1,887	1,943	2,323	-2.9%	-14.6%	-18.8%
NPAs Ratio	**6.7%**	**6.7%**	**7.3%**	**0.0 pp**	**-0.5 pp**	**-0.6 pp**
Non performing assets (NPA)- PROVISIONS	**2,459**	**2,499**	**2,784**	**-1.6%**	**-9.9%**	**-11.6%**
NPL	1,263	1,274	1,342	-0.8%	-6.0%	-5.9%
Foreclosed Assets	1,197	1,226	1,442	-2.4%	-13.6%	-17.0%
Non performing assets (NPA)- COVERAGE (%)	**64.1%**	**64.0%**	**66.5%**	**0.1 pp**	**-1.4 pp**	**-2.4 pp**
NPL	64.7%	64.9%	72.1%	-0.2 pp	-3.8 pp	-7.4 pp
Foreclosed Assets	63.4%	63.1%	62.1%	0.3 pp	0.7 pp	1.4 pp

NPAs declined by €67 million in the third quarter of 2022, and by €347 million in the last twelve months (-8.3%) with coverage level at 64.1%.

8. Results

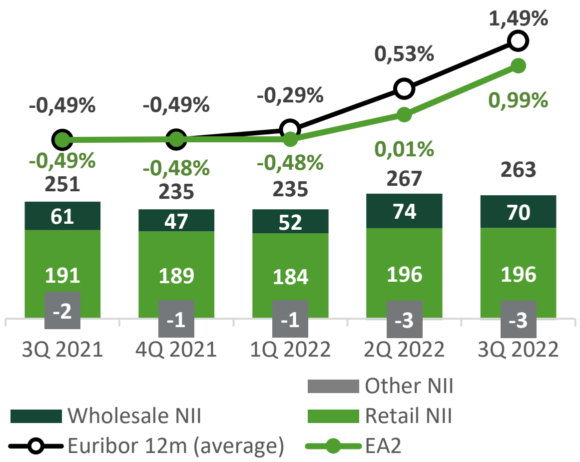
TABLE 8 *(Million euros)*	**30/09/22**	**30/09/21**	**YoY**	**YoY%**
Interest income	881	912	-30	-3.3%
Interest expense	-117	-118	2	-1.4%
NET INTEREST INCOME	**765**	**793**	**-29**	**-3.6%**
Dividend income	16	19	-3	-16.3%
Share of results of entities accounted for using the equity method	52	49	4	7.5%
Net fee income	394	355	39	11.0%
Trading income and exchange differences	39	26	13	51.2%
Other operating income/expenses	-21	-37	16	-43.0%
GROSS INCOME	**1,244**	**1,204**	**40**	**3.3%**
Administrative costs	-586	-640	54	-8.5%
Staff costs	-383	-432	49	-11.3%
Other administrative costs	-203	-208	6	-2.7%
Depreciation and amortization	-68	-74	6	-7.9%
PRE-PROVISION PROFIT	**590**	**490**	**101**	**20.5%**
Provisions /reversal of provisions	-84	-65	-18	27.9%
Impairments / reversal of impairments of financial assets	-129	-214	86	-39.9%
NET OPERATING INCOME	**378**	**210**	**168**	**79.9%**
Other profits or losses	-21	-6	-15	
PROFIT BEFORE TAX	**357**	**204**	**153**	**74.7%**
Taxes	-96	-48	-48	99.2%
CONSOLIDATED NET INCOME	**260**	**156**	**104**	**67.1%**
ATTRIBUTABLE NET INCOME	**260**	**156**	**104**	**67.1%**

2021 data from the pro-forma income statement where the results of Unicaja Banco and Liberbank are added to all dates and extraordinary adjustments from the merger or restructuring costs recorded by Liberbank prior to the integration are not considered.

Quarterly performance of the income statement

TABLE 9 *(Million euros)*	**3Q 22**	**2Q 22**	**1Q 22**	**4Q 21**	**3Q 21**
Interest income	303	301	277	277	284
Interest expense	-40	-34	-42	-42	-34
NET INTEREST INCOME	**263**	**267**	**235**	**235**	**251**
Dividend income	3	12	1	5	1
Share of results of entities accounted using equity method	11	38	3	10	15
Net fee income	131	130	133	134	121
Trading income and exchange differences	8	21	10	21	4
Other operating income/expenses	3	-26	2	-91	-7
GROSS INCOME	**419**	**443**	**382**	**313**	**385**
Administrative costs	-196	-194	-196	-201	-211
Staff costs	-125	-129	-129	-140	-141
Other administrative costs	-70	-65	-67	-61	-70
Depreciation and amortization	-22	-23	-23	-22	-23
PRE-PROVISION PROFIT	**202**	**225**	**164**	**90**	**150**
Provisions /reversal of provisions	-32	-25	-27	-34	-12
Impairments / reversal of impairments of financial assets	-40	-38	-51	-56	-57
NET OPERATING INCOME	**130**	**162**	**86**	**0**	**82**
Other profits or losses	2	-21	-2	-23	-10
PROFIT BEFORE TAX	**131**	**141**	**84**	**-24**	**71**
Taxes	-36	-36	-24	5	-18
CONSOLIDATED NET INCOME	**95**	**105**	**60**	**-18**	**54**
ATTRIBUTABLE NET INCOME	**95**	**105**	**60**	**-18**	**54**

Net interest income in the quarter amounts to €263 million, increasing by €12 million compared to the third quarter of the previous year but declining €4 million compared to the second quarter of 2022.



The wholesale business contributes to the net interest income adding €70 million, €4 million less than the previous quarter. The change in the TLTRO remuneration (reducing the NII by €21 million in the quarter) and the increase in issuance costs are largely offset by the profitability of new fixed income investments and the active portfolio management.

Retail business maintains its contribution (€196 million). The rise in interest rates increased the quarterly NII by €16 million. However, other factors with a one-off impact on the quarter-on-quarter variation (including the elimination of the negative remuneration on liabilities), offset this positive impact. This will be reflected in the fourth quarter of 2022.

Customer spread stands at 1.40%.

Million euros / %	3Q 2022			2Q 2022			1Q 2022			4Q 2021			3Q 2021		
TABLE 10	**Av. Bal.**	**FI/FE**	**Yield**	**Av. Bal.**	**FI/FE**	**Yield**	**Av. Bal.**	**FI/FE**	**Yield**	**Av. Bal.**	**FI/FE**	**Yield**	**Av. Bal.**	**FI/FE**	**Yield**
F.I. Financial intermediaries, Repos	16,938	2.1	0.05	13,919	-7.5	-0.22	15,496	-14.0	-0.37	16,614	-13.7	-0.33	11,028	-4.5	-0.16
F.I. Fixed income portfolio	27,159	101.6	1.48	25,551	75.9	1.19	25,166	57.6	0.93	25,553	52.6	0.82	29,705	56.7	0.76
F.I. Net loans (including NPLs)	**55,432**	**198.1**	**1.42**	**55,760**	**192.5**	**1.38**	**55,340**	**183.5**	**1.34**	**55,326**	**189.7**	**1.36**	**55,261**	**193.0**	**1.39**
F.I. Other assets		0.0			-1.0			0.2			0.6			0.3	
TOTAL ASSETS	**113,894**	**301.9**	**0.00**	**112,728**	**260.0**		**112,471**	**227.2**		**112,018**	**229.2**		**111,047**	**245.4**	
C.F. Financ. Intermediaries, Repos	21,563	2.1	0.04	19,394	-28.9	-0.60	17,954	-33.2	-0.75	17,479	-34.0	-0.77	19,398	-33.9	-0.69
C.F. Issuances (inc. singular bonds)	7,642	26.3	1.37	7,216	19.1	1.06	7,174	17.6	1.00	7,062	19.1	1.07	5,977	18.5	1.23
C.F. Customer deposits	**69,778**	**2.4**	**0.01**	**67,647**	**-3.1**	**-0.02**	**71,615**	**-0.4**	**0.00**	**74,026**	**1.2**	**0.01**	**72,099**	**1.6**	**0.01**
Sight deposits (PS)	57,475	1.7	0.01	56,242	-3.9	-0.03	57,532	-0.7	0.00	57,400	0.3	0.00	56,911	0.4	0.00
Term deposits (PS)	5,218	0.6	0.05	5,042	0.3	0.03	6,527	0.9	0.05	6,844	1.1	0.06	7,104	1.3	0.07
C.F. Subordinated liabilities	599	4.9	3.22	596	4.0	2.72	806	7.4	3.72	605	6.8	4.46	574	6.5	4.48
C.F. Other liabilities		2.9			1.8			1.3			1.4			1.9	
TOTAL LIABILITIES & NET EQUITY	**113,894**	**38.7**		**112,728**	**-7.0**		**112,471**	**-7.3**		**112,018**	**-5.6**		**111,047**	**-5.4**	
CUSTOMER SPREAD*			**1.40**			**1.40**			**1.35**			**1.35**			**1.38**
NET INTEREST INCOME		**263.2**			**267.0**			**234.6**			**234.7**			**250.8**	

F.I.: Financial Interest
F.E.: Financial expenses
PS: Private Sector

(*) F.I. Net loans (including NPLs) - F.E. Customer deposits

Fees increased by 11.0% year-on-year, show significant growth in mutual funds (+34.9%) and credit cards (+23.5%). This heading accounts for 32% of the gross margin.

Profit from associates amounted to €68 million in 2022, including dividends and results of associate entities, mainly from insurance companies and the position in Oppidum capital (EDP's holding company).

TABLE 11 (*Million euros*)	**3Q 2022**	**2Q 2022**	**1Q 2022**	**4Q 2021**	**3Q 2021**	**QoQ**	**9M22 vs 9M21**
FEE INCOME	**145**	**143**	**144**	**145**	**132**	**1.6%**	**11.7%**
From contingent risk	3	5	4	4	3	-38.2%	12.0%
From contingent commitments	1	1	1	0	1	-50.3%	-18.0%
From currency exchange	0	0	0	0	0	101.8%	146.2%
From payments and collections	78	72	75	82	76	7.7%	5.7%
From non banking products	62	63	61	56	50	-0.6%	21.0%
Other fees	2	2	3	3	2	-22.3%	-3.9%
FEE EXPENSES	**15**	**13**	**11**	**11**	**11**	**17.7%**	**18.5%**
NET FEE INCOME	**131**	**130**	**133**	**134**	**121**	**0.1%**	**11.0%**

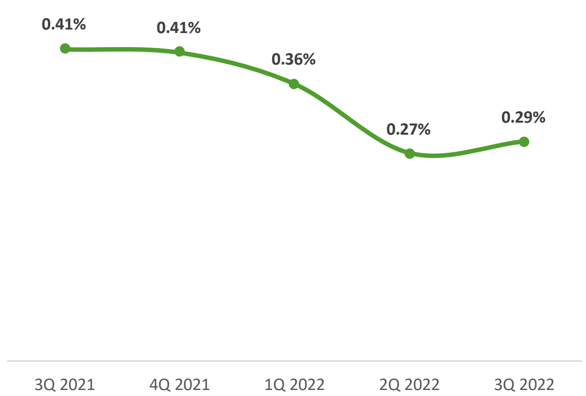
Trading income and exchange differences amount to €39 million in 2022, mainly including the active management of the fixed income portfolio.

Administrative expenses show a year-on-year decrease of 8.5%. Personnel expenses fall by 11.3% year-on-year, after the first synergies resulting from both the closure of branches and the workforce adjustments materialized. By the end of September 2022, more than 100% of the planned branch closures were completed: 986 branches were expected to be open at the end of 2024 (a 35% reduction in four years), but at the end of September, there were only 966 branches open. 72% of the personnel exits foreseen in the Redundancy Program (ERE) signed on December 3, 2021, following the merger, had materialized. The ERE is to run until December 31, 2024, although there is a plan to accelerate exits, to anticipate savings.

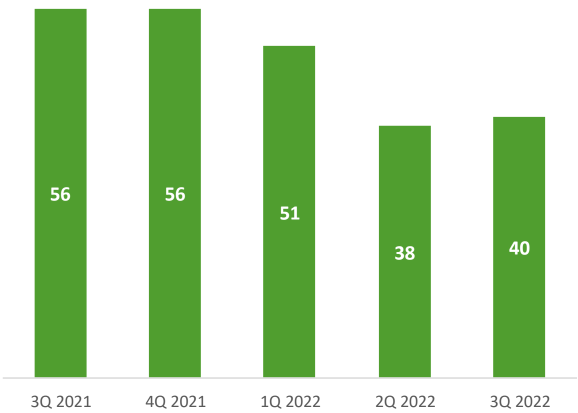
Provisions /reversal of provisions amount to €84 million year-to-date, to cover risks related to guarantees and litigation issues.

Impairments of financial assets total €129 million of loan-loss provisions year-to-date. The annualized quarterly cost of risk stands at 29 bps.

Cost of risk evolution



Credit impairments (In € millions)



9. Liquidity

The Entity maintains very comfortable liquidity levels.

The LTD ("Loan to Deposit") ratio, which shows the percentage that the balance of loans represents in relation to the balance of retail deposits, was 79.4%.

The LCR (Liquidity Coverage Ratio), which indicates the level of short-term liquidity, was 272%.

The NSFR (Net Stable Financial Ratio), which measures the ratio between the stable resources and the resources that would be desirable according to the type of investments made by the Group, was 142%.

At the end of the third quarter of 2022, Unicaja Banco recorded a position of liquid and discountable assets at the European Central Bank, net of assets used, of €22,926 million, which represents 20.3% of the total balance sheet.

10. Solvency

TABLE 12 (*Million € and %)*	**30/09/2022**	**30/06/2022**	**30/09/2021**	**QoQ**	**Ytd**	**YoY**
Qualifying capital (PHASED-IN)	**5,853**	**5,876**	**5,935**	**-0.4%**	**-1.4%**	**-1.4%**
CET1 capital (BIS III)	4,684	4,711	5,316	-0.6%	-2.5%	-11.9%
Tier 1	547	547	47	0.0%	0.0%	1055.0%
Tier 2	621	617	571	0.6%	5.9%	8.7%
Risk weighted assets	**34,245**	**34,899**	**35,699**	**-1.9%**	**-3.0%**	**-4.1%**
CET1 capital (BIS III) (%)	**13.7%**	**13.5%**	**14.9%**	**0.2 pp**	**0.1 pp**	**-1.2 pp**
Tier 1	1.6%	1.6%	0.1%	0.0 pp	0.0 pp	1.5 pp
Tier 2	1.8%	1.8%	1.6%	0.0 pp	0.2 pp	0.2 pp
Total capital ratio (%)	**17.1%**	**16.8%**	**16.6%**	**0.3 pp**	**0.3 pp**	**0.5 pp**

Million € and %	**30/09/2022**	**30/06/2022**	**30/09/2021**	**QoQ**	**Ytd**	**YoY**
Qualify capital FULLY LOADED	**5,604**	**5,603**	**5,463**	**0.0%**	**1.4%**	**2.6%**
CET1 capital (BIS III)	4,435	4,439	4,824	-0.1%	1.0%	-8.0%
Tier 1	547	547	47	0.0%	0.0%	1055.0%
Tier 2	621	617	592	0.7%	5.9%	4.8%
Risk weighted assets	**34,103**	**34,790**	**35,441**	**-2.0%**	**-2.7%**	**-3.8%**
CET1 capital (BIS III) (%)	**13.0%**	**12.8%**	**13.6%**	**0.2 pp**	**0.5 pp**	**-0.6 pp**
Tier 1	1.6%	1.6%	0.1%	0.0 pp	0.0 pp	1.5 pp
Tier 2	1.8%	1.8%	1.7%	0.0 pp	0.1 pp	0.1 pp
Total capital ratio (%)	**16.4%**	**16.1%**	**15.4%**	**0.3 pp**	**0.7 pp**	**1.0 pp**

As of September 30, under phased-in, the Unicaja Banco Group had a CET 1 Common Equity Tier 1 of 13.7%, a Tier 1 Capital ratio of 15.3% and a Total Capital ratio of 17.1%. These ratios represent a buffer over the bank's required levels of 5.5 pp in CET 1 and 4.4 pp in Total Capital. Capital ratios include the net income pending approval from the ECB to be incorporated in the ratios and deducts accrued dividends.

Under fully loaded basis, the Unicaja Banco Group's CET 1 Common Equity Tier 1 ratio was 13.0%, Tier 1 Capital ratio 14.6% and Total Capital ratio 16.4%.

The CET1 fully loaded ratio increases by +25 bps in the quarter, driven by the generation of results and the reduction of risk weighted assets. The drop in risk-weighted assets is related with the foreclosed assets sales, the decline in corporate lending and mortgage granting under IRB models.

The tangible book value per share (TBV per share) reached 2.24% as of June 30, 2022.

Finally, the Texas ratio stays at 42.9%.

11. The Share

The share capital of Unicaja Banco is €663,708,369.75, divided into 2,654,833,479 registered shares of €0.25 par value each, fully subscribed and paid up, belonging to the same class and series, with identical voting and economic rights, and represented by book entries.

The Bank's main shareholders are Fundación Bancaria Unicaja which holds 30% of the share capital of Unicaja Banco, S.A., Indumenta Pueri 8%, Oceanwood Capital Management LLP 7% (including financial instruments) and Fundación Bancaria Caja de Ahorros de Asturias 7%. The remaining 48% of the share capital is held by other wholesale and retail investors.

Unicaja Banco's shares price closed as of September 30 at €0.927 per share, representing a +9.7% appreciation during the year.

12. Rating

Fitch. On July 26, the agency affirmed Unicaja Banco's long-term rating at "BBB-", its short-term rating at "F3" and its outlook as Stable. Unicaja Banco's current ratings are therefore:

- Long-term IDR rating "BBB-" Stable outlook.
- Short-term IDR rating "F3".
- Viability rating (VR) "bbb-".
- Subordinated senior preferred debt "BBB-"
- Subordinated debt rating (Tier 2) "BB"
- CoCos (AT1) "B+"

Moody's. On June 16, the agency confirmed Unicaja Banco's credit rating at "Baa3" with a stable outlook and its short-term rating (Short-term Bank Deposits) at P-3 ("Prime-3"). Therefore, Unicaja Banco's current ratings are:

- Long-term rating "Baa3" with stable outlook.
- Short-term rating (Short-term Bank Deposits) "P3".
- Rating mortgage covered bonds "Aa1" (last available April 19, 2018).
- Subordinated debt rating (Tier2) "Ba3"

13. Insurance business restructuring

The purchase of 50% of CCM Vida from Mapfre and 50% of Liberbank Vida from Aegon was subject to the declaration of non-opposition by the Directorate General of Insurance and Pension Funds (DGSFP), which was eventually obtained, so the purchase took place in the first half of October. Subsequently, 50% of CCM Vida and Liberbank Vida will be sold to Santalucía, for which Santalucía has the required authorization from the DGSFP.
Finally, the merger by absorption of CCM Vida and Liberbank Vida by Unicorp Vida will take place, which is expected to be completed by the end of the first quarter of 2023.

14. Strategic Alliances

J.P. Morgan AM

Unicaja Banco maintains a strategic agreement with J.P. Morgan Asset Management since June 2017, which allows it to rely on the capabilities of a global leader in asset management and to enhance its mutual fund offering and long-term savings management.

Real Madrid

Unicaja Banco is the official bank of the Real Madrid Club since the 2020-2021 season. This sponsorship agreement covers Real Madrid's three sports sections: men's soccer, women's soccer, and basketball.
The alliance with the most valuable soccer club in the world, according to the Forbes magazine and the consulting firm Brand Finance, has made it possible to:

- Build customer loyalty
- Facilitate access to value-added products and services, such as the Real Madrid credit card or the Real Madrid mortgage,

for potential customers and fans of the Club.

- Increase business opportunities with new customers thanks to digital audiences and the financing of member's season tickets.

Play Station

Unicaja Banco has a strategic agreement with Play Station since 2019 that includes the development of a common strategy for the design and marketing of financial products and services aimed at the gamer community.

The agreement has enabled the Bank to market exclusive products through digital channels, such as commission-free current accounts, Play Station-branded payment methods, financing of PS5 consoles, peripherals, and video games, while customers have been able to obtain incentives for the purchase of Play Station products.

In addition to attracting a significant volume of young customers from outside the bank's natural territories, this alliance has enabled the bank to establish agreements with specialized and benchmark partners in the digital world.

Appendix I:

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 Unicaja Banco Group on its annual or interim financial statements:

ALTERNATIVE PERFORMANCE MEASURES

(In € million or %)

Table 13:

	30/09/2022	30/06/2022	30/09/2021
Total customer funds (1+2+3)	**101,106**	**103,656**	**104,897**
(1) Financial liabilities at amortized cost. Customer deposits (without valuation adjustments) (1a+1b)	78,014	79,958	81,557
(1a) Financial liabilities at amortized cost. Customer deposits	77,864	79,921	82,041
(1b) Valuation adjustments. Financial liabilities at amortized cost. Customer deposits	171	37	-484
(2) Debt securities issued (w/o valuation adjustments) (2a+2b)	2,973	2,973	1,897
(2a) Debt securities issued	2,872	2,916	1,916
(2b) Valuation adjustments. Debt securities issued	101	57	-18
(3) Funds managed through off-balance sheet instruments. *Management data*	20,119	20,725	21,443

Source: Consolidated public financial statement and Internal information using management criteria.
Purpose: To know the total balance and evolution of the resources managed by the Group, both on-balance and off-balance sheet.

Table 14:

	30/09/2022	30/06/2022	30/09/2021
Retail customer funds (non-market) (1-2-3-4+5)	**89,780**	**91,555**	**94,726**
(1) Total customer funds	101,106	103,656	104,897
(2) Covered bonds under the heading "Term deposits". Carrying amount (excluding valuation adjustments)	4,997	5,207	5,207
(3) Deposits from customers. Repos (excluding valuation adjustments)	3,414	3,981	3,762
(4) Issued debt securities (excluding valuation adjustments)	2,973	2,973	1,897
(5) Repos controlled by retail customers. *Management data*	59	60	696

Source: Consolidated public financial statements and internal information using management criteria
Purpose: To determine the total balance and evolution of the funds managed by the Group, both on-balance sheet and off-balance sheet, at the customer level without considering market operations.

Table 15:

	30/09/2022	30/06/2022	30/09/2021
Wholesale funds (Markets) (1+2+3-4)	**11,326**	**12,101**	**10,171**
(1) Covered bonds under the heading "Term deposits". Carrying amount (excluding valuation adjustments)	4,997	5,207	5,207
(2) Deposits from customers. Repos (excluding valuation adjustments)	3,414	3,981	3,762
(3) Issued debt securities (excluding valuation adjustments)	2,973	2,973	1,897
(4) Repos controlled by retail customers. *Management measure*	59	60	696

Source: Consolidated public financial statements and internal information using management criteria.
Purpose: To determine the total balance and evolution of the funds managed by the Group in the market operations area.

Table 16:

	30/09/2022	30/06/2022	30/09/2021
Repos controlled by retail customers. Management measure (1a)	**59**	**60**	**696**
(1) Deposits from customers. Repos (excluding valuation adjustments)	3,414	3,981	3,762
(1a) Repos controlled by retail customers *Management measure*	59	60	696
(1b) Rest of repos	3,356	3,921	3,066

Source: Internal information using management criteria.

Table 17:

	30/09/2022	30/06/2022	30/09/2021
Performing Gross loans w/o Repos and OFA (excluding valuation adjustments) (1-7)	**53,343**	**54,237**	**53,079**
(1) Loan portfolio and receivables. Gross amount (2a+3a-4-5-6)	55,294	56,199	54,940
(2) Financial assets held for trading with changes in profit or loss	190	205	356
(2a) of which: Loans and advances - Customers	*103*	*122*	*138*
(3) Financial assets at amortized cost	84,017	82,769	81,772
(3a) of which: Loans and advances - Customers	*55,693*	*56,476*	*55,386*
(4) Valuation adjustments (excluding other financial assets)	-890	-931	-881
(5) Reverse Repos	773	835	870
(6) Other financial assets	620	496	596
(7) Loan portfolio and receivables. Gross amount Stage 3 (excluding other financial assets)	1,951	1,962	1,862

Source: Consolidated public balance sheet.

Purpose: It allows to know the total balance and evolution of the Group's performing loans and advances (considered as those classified in stage 1 or stage 2).

Table 18:

	30/09/2022	30/06/2022	30/09/2021
Loan to Deposits (LtD)	**79.4%**	**79.3%**	**75,0%**
(1) Numerator. Loans and advances to customers - excluding valuation adjustments	**55,294**	**56,199**	**54,940**
(2) Denominator. Customer deposits (non-market) - excluding valuation adjustments - (2a-2b-2c+2d)	**69,661**	**70,830**	**73,283**
(2a) Financial liabilities at amortized cost. Deposits from customers (excluding valuation adjustments)	78,014	79,958	81,557
(2b) Covered bonds under the heading “Term deposits”. Carrying amount (excluding valuation adjustments)	4,997	5,207	5,207
(2c) Deposits from customers. Repos (excluding valuation adjustments)	3,414	3,981	3,762
(2d) Repos controlled by retail customers. Management data	59	60	696

Source: Consolidated public financial statements and internal information using management criteria.

Purpose: Liquidity indicator measuring the funds available to the Group in customer deposits in relation to the volume of loans and advances.

Table 19:

	30/09/2022	30/06/2022	30/09/2021
NPL Ratio (1/2)	**3.5%**	**3.5%**	**3.4%**
(1) Loans and receivables. Gross amount Stage 3	1,951	1,962	1,862
(2) Loans and receivables. Gross amount	55,294	56,199	54,940

Source: Consolidated public financial statements.

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

Table 20:

	30/09/2022	30/06/2022	30/09/2021
NPL Coverage Ratio (1/2)	**64.7%**	**64.9%**	**72.1%**
(1) Loans and receivables. Total impairment losses on assets	1,263	1,274	1,342
(2) Loans and receivables. Gross amount Stage 3	1,951	1,962	1,862

Source: Consolidated public financial statements**.**

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

Table 21:

	30/09/2022	30/06/2022	30/09/2021
Foreclosed assets coverage (1/2)	**63.4%**	**63.1%**	**62.1%**
(1) Accumulated impairment losses on foreclosed real estate or properties received in payment of debts	1,197	1,226	1,442
(2) Gross carrying amount of foreclosed real estate or properties received in payment of debts	1,887	1,943	2,323

Source: Internal information using management criteria.

Purpose: Shows the extent to which foreclosed real estate assets are covered and, thus, their net exposure value and the quality of those assets.

Table 22:

	30/09/2022	30/06/2022	30/09/2021
NPA coverage ratio (1+2)/(3+4)	**64.1%**	**64.0%**	**66.5%**
(1) Loans and receivables. Total impairment losses on assets	1,263	1,274	1,342
(2) Accumulated impairment losses on foreclosed real estate or properties received in payment of debts	1,197	1,226	1,442
(3) Loans and receivables. Gross amount Stage 3	1,951	1,962	1,862
(4) Gross carrying amount of foreclosed real estate or properties received in payment of debts	1,887	1,943	2,323

Source: Consolidated public financial statements and internal information using management criteria.

Purpose: It measures the coverage level of distressed assets.

Table 23:

	30/09/2022	30/06/2022	30/09/2021
Texas ratio (1+2)/(3+4+5)	**42.9%**	**44.1%**	**47.6%**
(1) Loans and receivables portfolio. Gross amount Stage 3	1,951	1,962	1,862
(2) Gross carrying amount of real estate foreclosed assets	1,887	1,943	2,323
(3) Loans and receivables portfolio. Total adjustments for impairment of assets	1,263	1,274	1,342
(4) Impairment of real estate foreclosed assets	1,197	1,226	1,442
(5) Total equity	6,493	6,350	6,013

Source: Consolidated public balance sheet.

Purpose: Reflects the percentage of non-performing assets over total funds and equity.

Table 24:

	30/09/2022	30/06/2022	30/09/2021
Customer Spread (quarterly data) (1-2)	**1.40%**	**1.40%**	**1.38%**
(1) Quarterly yields on loans and advances to customers (excluding reverse repos) on average quarterly balances of loans and advances to customers, net (excluding reverse repos and other financial assets). *Management Data*	1.42%	1.38%	1.39%
(2) Quarterly cost of customer deposits (excluding repos) over average quarterly balance of customer deposits (excluding repos). *Management Data.*	0.01%	-0.02%	0.01%

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.

Table 25:

	30/09/2022	30/06/2022	30/09/2021
Net fees (1-2)	**394.2**	**263.6**	**355.0**
(1) Fee and commission income	432.7	287.3	387.5
(2) Fee and commission expenses	38.5	23.6	32.5

Source: Consolidated public income statement.
Purpose: Reflects the net profit obtained from the rendering of services and marketing of products that are invoiced via fees.

Table 26:

	30/09/2022	30/06/2022	30/09/2021
Trading income +Exchange differences (1+2+3+4+5+6)	**38.7**	**30.5**	**25.6**
(1) Net gain or (-) losses on derecognition from the statements of financial assets and liabilities (not measured at fair value) through profit or loss	23.1	20.0	30.2
(2) Net gain or (-) losses from financial assets and liabilities held for trading	13.7	6.4	8.0
(3) Net gain or (-) losses from non-trading financial assets mandatorily designated at fair value through profit or loss	-5.2	-4.0	-0.9
(4) Net gain or (-) losses from financial assets and liabilities designated at fair value through profit or loss	-4.1	-0.3	0.0
(5) Net gain (-) losses from hedge accounting	5.2	6.5	-15.1
(6) Net exchange differences, gains or (-) losses	6.0	1.9	3.5

Source: Consolidated public income statement.
Purpose: Group under a single heading the contribution to the P&L account of the valuation of assets at fair value and the sale of fixed-income assets and equities mainly, not measured at fair value through profit or loss, as well as their hedges reflected in the P&L account.

Table 27:

	30/09/2022	30/06/2022	30/09/2021
Other products / operating charges (1-2+3-4)	**-21.3**	**-24.3**	**-37.3**
(1) Other operating income	80.8	56.7	69.8
(2) Other operating expenses	113.0	88.3	125.2
(3) Income from assets under insurance or reinsurance contracts	38.4	25.4	49.8
(4) Expenses from liabilities under insurance or reinsurance contracts	27.4	18.2	31.7

Source: Consolidated public income statement.

Table 28:

	30/09/2022	30/06/2022	30/09/2021
Operating or transformation expenses (1+2)	**653.8**	**436.2**	**714.0**
(1) Other administrative expenses	585.6	390.0	640.0
(2) Depreciation	68.1	46.2	74.0

Source: Consolidated public income statement.

Table 29:

	30/09/2022	30/06/2022	30/09/2021
Efficiency ratio (1+2)/3	**52.5%**	**52.9%**	**59.3%**
(1) Other administrative expenses	585.6	390.0	640.0
(2) Depreciation	68.1	46.2	74.0
(3) Gross margin	1,244.2	825.0	1,203.9

Source: Consolidated income statement.
Purpose: Reflects relative productivity by relating the income obtained to the expenses necessary to obtain that income.

Table 30:

	30/09/2022	30/06/2022	30/09/2021
Pre-provision profit (before impairments) (1-2-3)	**590.5**	**388.9**	**489.9**
(1) Gross income	1,244.2	825.0	1,203.9
(2) Other administrative expenses	585.6	390.0	640.0
(3) Depreciation	68.1	46.2	74.0

Source: Consolidated public income statement.
Purpose: Reflects the result obtained by the Group from its activity before taking into account the write-downs as defined in its APMs.

Table 31:

	30/09/2022	30/06/2022	30/09/2021
Impairment losses or reversal of impairment losses on loans and receivables. Management Data (1a + 1b)	**128.9**	**89.0**	**214.4**
(1) Impairment losses or (-) reversal of impairment and gains or losses on changes in cash flows of financial assets not measured at fair value through profit or loss and net gains or (-) losses on changes. Financial assets at amortized cost	128.9	89.0	214.4
(1a) From loans and receivables to customers. *Management data*	129.2	89.2	214.3
(1b) From other financial assets at amortized cost	-0.4	-0.2	0.1

Source: Consolidated public income statement**.**
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.

Table 32:

	30/09/2022	30/06/2022	30/09/2021
(1) Impairment or (-) reversal of impairment in value of loans and receivables to customers (annualized quarterly data). *Management data*	160.1	154.3	225.5
(2) Loans and receivables. Gross amount (ex-valuation adjustments)	55,397	56,199	54,940
Cost of risk (1/2)	**0.29%**	**0.27%**	**0.41%**

Source: Consolidated public income statement and management data.
Purpose: Defines the Group's credit quality rating through the annualized quarter 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.

Table 33:

	30/09/2022	30/06/2022	30/09/2021
Impairment/reversal in the value of other assets and other gains & losses (1+2-3-4-5)	**21.4**	**23.0**	**6.1**
(1) Impairment or (-) reversal in the impairment of the value of joint ventures or associates	-1.0	-1.0	-0.4
(2) Impairment or (-) reversal in the impairment of the value of non-financial assets	25.8	17.7	4.4
(3) Net gain or (-) loss on derecognition from the statements of non-financial assets and stakes	5.8	2.5	9.3
(4) Recognised negative goodwill	0.0	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	-2.4	-8.8	-11.3

Source: Consolidated public income statement.

Table 34:

	30/09/2022	30/06/2022	30/09/2021
Impairments and others (1+2+3+4-5-6-7)	**233.9**	**163.6**	**285.9**
(1) Provisioning or (-) provisioning reversals	83.6	**51.6**	65.4
(2) Impairment or (-) reversal in the value of financial assets not measured at fair value through profit and loss	128.9	**89.0**	214.4
(3) Impairment or (-) reversal in the value of joint ventures or associates	-1.0	-1.0	-0.4
(4) Impairment or (-) reversal in the value of non-financial assets	25.8	17.7	4.4
(5) Net gain or (-) loss on derecognition from the statements of non-financial assets and stakes	5.8	2.5	9.3
(6) Recognised negative goodwill	0.0	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	-2.4	-8.8	-11.3

Source: Consolidated public income statement.
Purpose: To show the volume of the Group's write-downs and provisions

Table 35:

	30/09/2022	30/06/2022	30/09/2021
ROTE (1/4)	**5.5%**	**5.2%**	**3.5%**
(1) Total comprehensive income for the year annualized and net of interests from equity instruments other than capital (2-3)	324.3	306.8	207.6
(2) Total comprehensive income for the year	346.9	329.4	207.6
(3) Interests from equity instruments other than capital	22.6	22.6	0
(4) Shareholders' equity -excluding intangible elements, debt issues convertible into shares and preferred shares- (5-6-7-8)	5,950	**5,856**	5,976
(5) Shareholders' equity	6,626	6,536	6,161
(6) Issued equity instruments other than capital (AT1)	547	547	47
(7) Intangible assets	76	79	84
(8) Equity goodwill	53	53	54

Source: Consolidated public income statement and Consolidated public balance sheet.

Table 36:

	30/09/2022	30/06/2022	30/09/2021
Tangible Book value per share (1/7)	**2.24**	**2.21**	**2.25**
(1) Tangible assets (2–3–4-5-6)	**5,949**	5,856	**5,976**
(2) Total Equity	6,626	6,536	6,161
(3) Issued equity instruments other than capital (AT1)	547	547	47
(4) Minority interests	0	0	0
(5) Intangible assets	76	79	84
(6) Equity goodwill	53	53	54
(7) Nº of shares outstanding (thousand)	**2,654,833**	**2,654,833**	**2,654,833**

Source: Consolidated public balance sheet.
Purpose: To show the value that the Bank generates for its shareholders through its own business.

Table 37:

	30/09/2022	30/06/2022	30/09/2021
Net liquid assets (1-2-3)	**22,926**	**26,313**	**26,588**
(1) Gross liquid assets	44,570	47,645	44,608
(2) Taken in ECB	10,250	10,241	10,318
(3) Repos and other pledges	11,394	11,091	7,701

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.