FINANCIAL REPORT

January to June 2024

July, 30th 2024

FINANCIAL REPORT

1. Highlights

Unicaja doubles its profit up to 294 million euros, with double-digit growth in main P&L lines.

01	Net interest income YoY variation **+25.7%**	Net Interest Income above 380M in the quarter.
02	Core banking results YoY variation (Core banking results = NII + Fees - OPEX) **+27.4%**	Core banking business profit increases by 27.4% year-on-year.
03	Efficiency ratio **44.6%**; Operating profit YoY variation **38.7%**	Efficiency ratio increases by 7 p.p. in the last twelve months up to 44.6%. Main P&L lines recorded double digit growth.
04	Private sector customer funds YoY variation **+2.5%**; Deposits cost during the quarter **0.72%**	Deposits of private sector customers increase by 2.5% year-on-year, with a contained funding cost. 77% of deposits belong to households, with high level of granularity.
05	Performing loan book QoQ variation **+1.5%**; New lending YoY variation **+7.4%**	Loan demand reactivated, increasing new lending by 7.4% year-on-year, while early payments decline
06	NPL ratio **2.9%**; Gross NPA YoY variation (€M) **-1,117M**	Intense NPA reduction continues, while coverage increasing, bringing the year-on-year decline in net NPA to 39.5%.
07	NPL coverage **66.0%**; Cost of risk in 2Q24 (b.p.) **23**; NPA coverage **69.7%**	Lower needs for provisions and other results -29.7% year-on-year due to the good performance of cost of risk and real estate impairments, maintaining coverage among the highest in the sector.
08	CET 1 Fully loaded **15.1%**	Solid solvency position, with large regulatory buffers (7.4 p.p. in Total Capital).
09	Loan to Deposits **72.8%**; LCR **312%**; NSFR **157%**	Strong liquidity position.

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

2. Key figures

TABLE 1 (*Million euros / % / pp)*	30/06/24	31/03/24	30/06/23	QoQ	YtD	YoY
BALANCE SHEET						
Total assets	95,647	97,093	97,259	-1.5%	-1.5%	-1.7%
Gross loans and advances to customers (1)	49,638	48,988	53,151	1.3%	-0.5%	-6.6%
Performing gross loans and advances to customers (1)	48,220	47,528	51,231	1.5%	-0.2%	-5.9%
On-balance sheet customers funds (1)	89,598	88,114	88,662	1.7%	0.9%	1.1%
Off-balance sheet customer funds and insurance	21,422	21,424	21,004	0.0%	1.6%	2.0%
Shareholders equity	6,629	6,620	6,429	0.1%	1.6%	3.1%
Total equity	6,639	6,557	6,480	1.3%	-0.1%	2.5%
(1) Excluding valuation adjustments and intercompanies						
RESULTS (cumulative figures)						
Net interest income	774	390	616			25.7%
Gross income	1,006	462	831			21.1%
Pre-provision profit	558	237	402			38.7%
Consolidated net income	294	111	148			98.7%
Cost to income	44.6%	48.6%	51.6%	-4.1 pp	-3.8 pp	-7.0 pp
Return On Tangible net Equity (ROTE)	6.5%	5.4%	4.1%	1.2 pp	2.4 pp	2.5 pp
RISK MANAGEMENT						
Non performing loans (NPL) (a)	1,417	1,460	1,921	-2.9%	-9.6%	-26.2%
Foreclosed assets (b)	1,085	1,202	1,698	-9.8%	-13.5%	-36.1%
Non performing assets -NPA- (a+b)	2,502	2,662	3,619	-6.0%	-11.3%	-30.9%
NPL ratio	2.9%	3.0%	3.6%	-0.1 pp	-0.3 pp	-0.8 pp
NPL coverage	66.0%	66.1%	65.8%	-0.2 pp	2.3 pp	0.1 pp
Foreclosed assets coverage	74.6%	73.9%	64.9%	0.7 pp	0.7 pp	9.7 pp
Non performing assets (NPA) coverage	69.7%	69.7%	65.4%	0.0 pp	1.5 pp	4.3 pp
Cost of risk	0.23%	0.25%	0.30%	0.0 pp	0.0 pp	-0.1 pp
LIQUIDITY						
Loan to deposit ratio	72.8%	73.5%	78.6%	-0.6 pp	-0.8 pp	-5.8 pp
LCR	312%	294%	284%	18.0 pp	4.0 pp	28.0 pp
NSFR	157%	157%	143%	0.0 pp	8.2 pp	13.7 pp
SOLVENCY						
CET1 ratio *phased in*	15.1%	14.5%	14.1%	0.6 pp	0.1 pp	1.0 pp
CET1 *ratio fully loaded*	15.1%	14.5%	13.8%	0.6 pp	0.4 pp	1.3 pp
Total capital ratio *phased in*	20.2%	19.6%	17.8%	0.6 pp	1.4 pp	2.4 pp
Total capital ratio *fully loaded*	20.1%	19.5%	17.4%	0.6 pp	1.6 pp	2.7 pp
Risk weighted assets (RWA) *phased in*	28,603	28,886	31,916	-1.0%	-4.1%	-10.4%
Texas ratio	29.8%	31.6%	40.9%	-1.8 pp	-3.1 pp	-11.1 pp
OTHER DATA						
Employees (average number)	7,578	7,558	7,692	0.3%	0.7%	-1.5%
Branches in Spain	952	957	958	-0.5%	-0.5%	-0.6%
ATMs	2,327	2,337	2,450	-0.4%	-2.0%	-5.0%

QoQ (variation 2Q24 vs 1Q24) - YtD (variation 2Q24 vs 4Q23) - YoY (variation 2Q24 vs 2Q23)

3. Macroeconomic environment

During the first half of the year, economic activity has shown a certain acceleration at a global scale, mainly due to a better-than-expected performance of the services sector and the strength of consumption, in a resilient labor market scenario. A disaggregated analysis reveals notable differences between economic areas, with growth registered in the UK and the Eurozone standing out, while the US and China have shown more moderate increases than in previous quarters, as their activity has been impacted by the prolongation of the existing trade tensions between both countries.

This favorable dynamic had resulted in an upward revision of the economic forecasts published by international economic organizations and leading analysts. Recently, the International Monetary Fund anticipated a global growth rate for 2024 of 3.2%. For 2025 it foresees a slight upturn to 3.3%. Although these rates are in line with those registered between the years following the end of the international financial crisis and the onset of the Covid pandemic, they are more modest than those achieved in a historical perspective. Even though the risks are on the downside, there are significant sources of uncertainty, arising from the various sources of geopolitical instability, the rise in risk premiums, the future path of interest rates, given the different sensitivities shown by the Central Banks of the developed economies, and the evolution of public accounts, given the possible application of adjustment programs.

Regarding inflation, a gradual decline has been witnessed albeit at a slower pace than in the course of 2023, due to the inertia of services components, which remain at historically high levels, and pressures from energy components, in line with the evolution of oil and gas prices. In this context, most Central Banks have lowered official interest rates. As for their future evolution, their downward adjustment is expected to be lower than expected, given the persistence of inflationary pressures.

In the specific case of the Eurozone, the main indicators have confirmed the prolongation of the incipient recovery in activity, reversing the trend that began in the second half of 2022, with the services sector as the main support. The ECB estimates a GDP growth of 0.9% for the current year. Until 2025 and 2026, the output growth rate will not reach levels around 1.5%, in line with those of potential growth. This growth will be supported, among other factors, by an increase in household disposable income in real terms, impacting in a positive way on private consumption, as well as by the recovery of activity in export markets. Inflation continued its downward trend, despite the significant contribution of the service-related components. In June, inflation rate stood at 2.5%, 0.4 p.p. below core inflation (2.9%). Forecasts indicate that it will remain high for a prolonged period of time, exceeding the expected levels in the event that the increase in the prices of the most volatile components persists and generates significant second-round effects, both through wages and margins. The projected path of price increases is 2.5% for 2024, not falling below the monetary policy target level until 2026, when the estimated rate is 1.9%.

In view of the evolution of the macroeconomic situation and the outlook for the future, the ECB, at its last meeting held on July 18th, decided to maintain the intervention rate at 4.25%, while the marginal lending and deposit facility rates remained at 4.50% and 3.75% respectively. It also continued to implement measures aimed at reducing the size of the Eurosystem's balance sheet, both through the Asset Purchase Program (APP) and the Pandemic Emergency Purchase Program (PEPP).

Expectations of a reduction in official rates at the meeting to be held in September have led to a downward movement in yield curves, especially in the short-term tranche. The 10-year benchmark for Germany stands at around 2.5%, 1 p.p. below the yield offered by Spanish and French debt, while in the case of Italy it is close to 4%. In June, the 12-month Euribor stood at 3.65%.

Spanish economic situation

In this context, the Spanish economy has performed well, better than expected, leading Eurozone growth. The latest GDP data for the first quarter of 2024 show a quarter-on-quarter increase of 0.7%, 0.1 p.p. higher than in the previous quarter. On a year-on-year basis, the increase was 2.5%, compared to 2.1% in the previous quarter. From the demand side, the drivers of growth were private consumption (2.7%), given the strength of the labor market, and capital gross formation, which increased by 1.1%, with a positive contribution from external demand of 0.2 p.p. On the supply side, the performance of construction stood out, with a variation of 3.4% compared to the same period of the previous year, and that of the services sector, 2.7%, with a very positive contribution from the sectors linked to tourism. Record figures were achieved, both in terms of foreign tourist arrivals and expenditure. For the second quarter of the year, the Bank of Spain estimates a variation rate of 0.5% with respect to the previous quarter.

The good performance of activity has been reflected in the main labor market indicators, with an intensification of job creation over the course of the year. In the second quarter, seasonally adjusted Social Security enrollment increased by 0.8% quarter-on-quarter, with larger companies accounting for more than a third of the total.

In June, inflation resumed its correction path, after the increases recorded between February and May, due to the moderation of food and fuel prices. At the end of the first half of the year, inflation stood at 3.4%, impacted by the progressive withdrawal of indirect tax rebates. Core inflation remained near 3.0%.

In view of this evolution and the positive carry-over effect of the last quarters, the Bank of Spain has revised upwards its projections for 2024, keeping unchanged those for the following two years, where production is estimated to converge with its long-term potential level. Thus, estimated growth for 2024 rises to 2.3%, 0.4 p.p. higher than the previous forecast, and is set at 1.9% for 2025 and 1.7% for 2026. As for inflation, it would average 3.0% in 2024, falling to 2.0% and 1.8% for 2025 and 2026 respectively, with its evolution being highly conditioned by the contribution of the energy and services components.

Regarding the real estate market, the number of sale and purchase transactions continues to moderate, although it should be borne in mind that the starting point was the highest level in the last fifteen years. In the first five months of 2024, nearly 250,000 transactions were carried out, representing a 4.1% drop compared to the same period of the previous year. As for prices, they continue their expansive cycle, which has now lasted ten years, with a robust performance. In the first quarter of 2024, the housing price index increased in year-on-year terms by 6.3%, even exceeding the 10% barrier in the new housing segment. In this line, new mortgages in April (latest available data) showed a year-on-year increase of 28.0%.

Financial Sector

The evolution and outlook for economic activity and employment, together with the slight reduction in financing costs, has been reflected in a certain recovery of new lending. In May, the amount of new loans granted to households for house purchases increased by 6.5% year-on-year. The new flows have not been able to offset pre-payments, which have continued at a high rate, resulting in a contraction of the outstanding balance of the portfolio of more than 2%. On the other hand, household consumer credit increased by 7.2% in year-on-year terms, with a clear focus on financing the acquisition of durable goods. On the corporate side, flows of new financing showed signs of recovery, with stock levels remaining unchanged. In terms of prices, the average lending rate for housing loans reached 3.48% in May, while for transactions granted to non-financial companies, it stood at around 5%.

On the liabilities side, household deposits increased by 2.5% year-on-year in May, and those of non-financial corporations by 6.8%. The cost of liabilities has continued to rise, by more than 0.5 p.p. so far this year, reaching an average of 3%. The average synthetic rate for household transactions stood at 0.55% in May, rising to 1.11% for companies.

On the other hand, the volume of non-performing loans remained contained. In April, the non-performing loans ratio sector stood at 3.6%.

4. Balance sheet

TABLE 2 *(Million euros)*	30/06/24	31/03/24	30/06/23	QoQ	Ytd	YoY
Cash and cash balances at central banks	8,388	10,375	6,879	-19.1%	4.3%	21.9%
Assets held for trading & Fin. assets at fair value thr. P&L	913	601	203	51.8%	-0.6%	348.7%
Fin. assets at fair value through o/ comprehensive income	1,863	1,649	1,169	12.9%	24.0%	59.3%
Financial assets at amortised cost	51,038	50,698	53,750	0.7%	-2.5%	-5.0%
Loans and advances to central banks and credit instit.	1,354	1,653	1,065	-18.1%	-40.9%	27.1%
Loans and advances to customers	49,685	49,045	52,685	1.3%	-0.8%	-5.7%
Debt securities at amortised cost	24,703	24,840	25,354	-0.6%	-1.6%	-2.6%
Hedging derivatives	1,198	1,183	1,533	1.3%	-2.0%	-21.9%
Investment in joint ventures and associates	843	827	986	1.9%	-10.4%	-14.5%
Tangible assets	1,688	1,735	1,925	-2.8%	-4.5%	-12.3%
Intangible assets	87	83	80	5.1%	2.9%	9.3%
Tax assets	4,524	4,610	4,705	-1.9%	-4.1%	-3.8%
Non current assets held for sale & Other assets	402	491	674	-18.1%	-20.9%	-40.4%
TOTAL ASSETS	**95,647**	**97,093**	**97,259**	**-1.5%**	**-1.5%**	**-1.7%**
Financial liabilities held for trading & at fair value thr. P&L	461	456	50	1.1%	-0.3%	816.7%
Financial liabilities at amortised cost	85,494	86,752	87,109	-1.5%	-1.2%	-1.9%
Deposits from central banks	0	0	936		-100.0%	-100.0%
Deposits from credit institutions	2,562	5,775	4,541	-55.6%	-55.6%	-43.6%
Customer deposits	75,203	74,387	74,095	1.1%	2.4%	1.5%
Other Issued Securities	4,049	4,537	3,854	-10.8%	-4.5%	5.1%
Other financial liabilities	3,680	2,054	3,684	79.2%	73.9%	-0.1%
Hedging derivatives	782	994	1,115	-21.3%	-31.9%	-29.8%
Provisions	877	900	1,023	-2.5%	-8.4%	-14.3%
Tax liabilities	466	493	460	-5.3%	12.7%	1.5%
Other liabilities	927	941	1,022	-1.5%	-4.3%	-9.3%
TOTAL LIABILITIES	**89,008**	**90,536**	**90,779**	**-1.7%**	**-1.7%**	**-2.0%**
Own Funds	6,629	6,620	6,429	0.1%	1.6%	3.1%
Accumulated other comprehensive income	8	-66	49	-112.9%	-93.0%	-82.6%
Minority Interests	2	2	3	-2.2%	-4.8%	-11.3%
Total Equity	**6,639**	**6,557**	**6,480**	**1.3%**	**-0.1%**	**2.5%**
Total Liabilities and Equity	**95,647**	**97,093**	**97,259**	**-1.5%**	**-1.5%**	**-1.7%**

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

The size of the balance sheet remained stable in the second quarter of 2024 at €95,647 million, down 1.5% from the previous quarter and by 1.7% year-on-year, after reducing interbank positions.

Loans and advances to customers seasonally increased 1.3% in the quarter and declined 5.7% year-on-year. Excluding the positive seasonal effect of the double pension payment, performing loans stabilized. The end of the upward rally in interest rates explains the decline in early redemptions and cancellations, which had had a particular impact on the floating rate portfolio in previous quarters. In addition, greater consumer confidence and the reactivation of business investment boosted the demand for credit.

The securities portfolio consists mainly of government bonds, classified in the amortised cost portfolio (*Debt securities at amortised cost* heading). Its size remains stable in the quarter (-0.6%) and it has an average yield of 2.57% and a duration of 2.5 years.

Hedging derivatives mainly record interest rate risk hedges of assets at amortised cost.

Non-current assets held for sale and other assets, which include among others real estate assets, decreased by 18.1% in the second quarter and by 40.4% for the year.

Customer deposits grew 1.1% in the last quarter and 1.5% year-on-year, concentrated in retail deposits, with high granularity.

5. Customer funds

TABLE 3 (*Million €) Exc. valuation adjustments*	30/06/24	31/03/24	30/06/23	QoQ	Ytd	YoY
On-balance sheet customer funds	**79,159**	**78,728**	**78,188**	**0.5%**	**1.9%**	**1.2%**
Customer funds (excluding bonds)	**71,080**	**70,148**	**69,594**	**1.3%**	**2.7%**	**2.1%**
Public Sector	**7,307**	**7,091**	**5,572**	**3.1%**	**34.0%**	**31.1%**
deposits	4,404	4,338	5,572	1.5%	-19.2%	-21.0%
Repos	2,903	2,753	0	5.5%		
Private sector	**63,773**	**63,057**	**64,021**	**1.1%**	**0.0%**	**-0.4%**
Sight deposits	51,767	51,772	54,141	0.0%	-0.5%	-4.4%
Term deposits	11,756	10,558	7,915	11.4%	16.1%	48.5%
Repos	249	728	1,965	-65.8%		-87.3%
Issues	**8,079**	**8,579**	**8,594**	**-5.8%**	**-4.2%**	**-6.0%**
Mortgages securities	5,222	5,222	5,839	0.0%	-3.0%	-10.6%
Other values	1,957	2,457	2,156	-20.4%	-20.3%	-9.2%
Subordinated liabilities	900	900	599	0.0%	50.2%	50.2%
Off-balance sheet cust. funds & insurance	**21,422**	**21,424**	**21,004**	**0.0%**	**1.6%**	**2.0%**
Mutual funds *	12,169	11,823	11,360	2.9%	6.7%	7.1%
Pension funds	3,655	3,664	3,719	-0.2%	1.2%	-1.7%
Insurance savings	4,330	4,649	4,742	-6.9%	-12.1%	-8.7%
Other managed assets	1,268	1,288	1,184	-1.6%	10.7%	7.1%
TOTAL CUSTOMER FUNDS	**100,581**	**100,151**	**99,192**	**0.4%**	**1.9%**	**1.4%**
Retail customers funds	**89,598**	**88,114**	**88,662**	**1.7%**	**0.9%**	**1.1%**
Public Sector	4,404	4,338	5,572	1.5%	-19.2%	-21.0%
Retail customers funds minus Public Sector	85,194	83,776	83,090	1.7%	2.2%	2.5%
Markets	**10,982**	**12,037**	**10,530**	**-8.8%**	**10.7%**	**4.3%**

(*) Includes mutual funds discretional portfolios

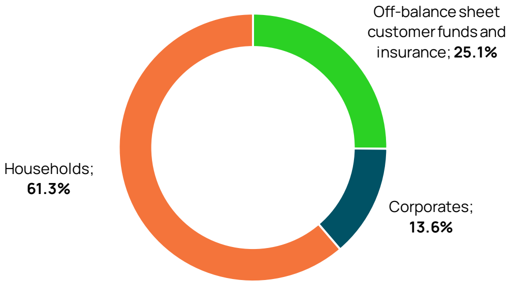
Funds under management amounted to €100,581 million, up 0.4% in the second quarter and 1.4% year-on-year.

Retail deposits increased 1.7% in the second quarter and 1.1% in the last 12 months. Excluding the impact of public administrations, more volatile by nature, the evolution of customer funds would be even better, with a 2.5% year-on-year growth (+1.7% in the second quarter).

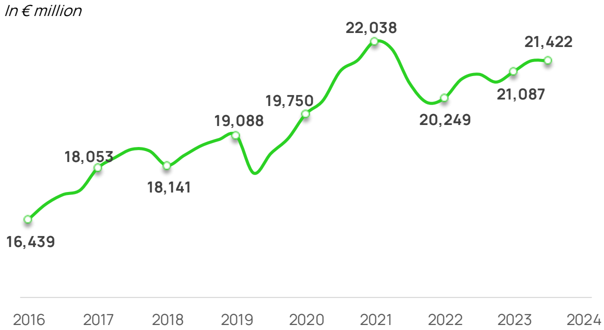
Demand deposits continued to be the main savings product of the Bank's customers (61% excluding public administrations), their balance declined 4.4% year-on-year. The most popular savings products were term deposits (+11.4% in the last quarter and +48.5% in the last 12 months) and Mutual funds (+2.9% in the second quarter and +7.1% year-on-year), driven by the appreciation of net asset values and positive net subscriptions.

The bank has a very granular and stable deposit base, thus allowing it to have a contained cost of retail funding (beta of 19.1%), as the volumes of unit balances per customer are low and with high transactionality.

Retail Funds sector and product breakdown
Exc. Public Sector



Off-balance sheet funds evolution
In € million



6. Performing loans

TABLE 4 *(Million €) Exc. valuation adjustments*	30/06/24	31/03/24	30/06/23	QoQ	Ytd	YoY
Public sector	**4,957**	**4,569**	**5,072**	**8.5%**	**3.3%**	**-2.3%**
Private sector	**43,264**	**42,959**	**46,159**	**0.7%**	**-0.6%**	**-6.3%**
Business	**9,943**	**10,253**	**11,424**	**-3.0%**	**-5.3%**	**-13.0%**
Real Estate developers	414	447	544	-7.5%	-18.6%	-24.0%
Individuals	**33,321**	**32,706**	**34,735**	**1.9%**	**0.9%**	**-4.1%**
Mortgages	29,647	29,771	31,068	-0.4%	-1.6%	-4.6%
Consumer and other	3,674	2,935	3,667	25.2%	27.2%	0.2%
PERFORMING LOANS TO CUSTOMERS	**48,220**	**47,528**	**51,231**	**1.5%**	**-0.2%**	**-5.9%**

The performing loan portfolio stands at €48,220 million, after seasonally increasing due to the double pension payment by 1.5% in the second quarter and decreasing by 5.9% year-on-year.

Excluding the seasonal effect, the loan book would have contracted less than in the first quarter of the year (-0.2% in the second quarter vs. -1.6% in the previous quarter) as demand reactivated in the expectation that interest rates will continue to fall, and there was a reduction in early repayments.

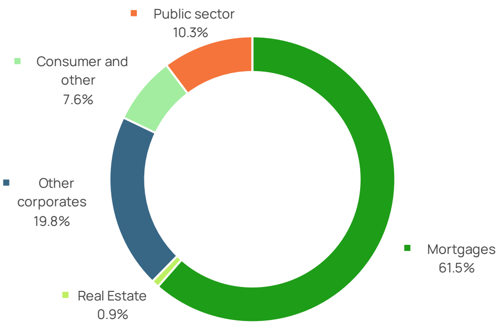
In the first half of the year, €4,131 million of new loans and credits were granted, 7.4% more than in the previous year, including €1.200 million of mortgages to individuals, €680 million in this quarter, 30.9% more than in the first quarter. New lending for productive activities increased 12.3% year-on-year.

The market share in mortgage new production amounts to 4.6% of the national total (source: Consejo General del Notariado, with data as of May 2024, accumulated over the last 12 months), being higher in regions with greater economic dynamism, such as Malaga, Seville or Madrid.

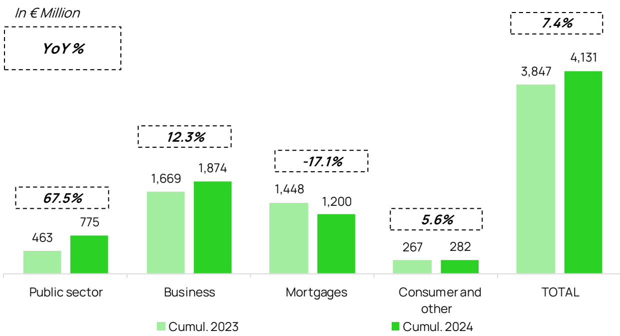
The mortgage portfolio declined 0.4% in the quarter and 4.6% in the year. The pace of early repayments and cancellations slowed down in the second quarter of 2024 to 8.9% annually in the floating rate portfolio (9.5% in the first quarter of 2024).

Corporate lending declined 3.0% in the quarter and 13.0% in the last twelve months.

Gross performing loans sector breakdown



Cumulative Lending Operations



7. NPL & Foreclosed assets

TABLE 5 *(Million euros)*	30/06/24	31/03/24	30/06/23	QoQ	Ytd	YoY
NON PERFORMING LOANS	1,417	1,460	1,921	-2.9%	-9.6%	-26.2%
Public sector	**8**	**8**	**14**	**1.2%**	**340.5%**	**-42.9%**
Private sector	**1,410**	**1,452**	**1,907**	**-2.9%**	**-10.0%**	**-26.1%**
Business	**614**	**654**	**857**	**-6.1%**	**-8.8%**	**-28.3%**
of which: Real Estate	*60*	*54*	*125*	*11.8%*	*-2.7%*	*-52.2%*
Individuals	**795**	**798**	**1,050**	**-0.3%**	**-10.9%**	**-24.3%**
Mortgages	739	732	1,002	0.9%	-11.6%	-26.2%
Consumer and other	56	66	48	-14.5%	-1.7%	16.6%
TOTAL NPL RATIO	2.9%	3.0%	3.6%	-0.1 pp	-0.3 pp	-0.8 pp
Public sector	**0.2%**	**0.2%**	**0.3%**	**0.0 pp**	**0.1 pp**	**-0.1 pp**
Private sector	**3.2%**	**3.3%**	**4.0%**	**-0.1 pp**	**-0.3 pp**	**-0.8 pp**
Business	**5.8%**	**6.0%**	**7.0%**	-0.2 pp	-0.2 pp	-1.2 pp
of which: Real Estate	*12.6%*	*10.7%*	*18.7%*	*1.9 pp*	*1.8 pp*	*-6.0 pp*
Individuals	**2.3%**	**2.4%**	**2.9%**	**-0.1 pp**	**-0.3 pp**	**-0.6 pp**
Mortgages	2.4%	2.4%	3.1%	0.0 pp	-0.3 pp	-0.7 pp
Consumer and other	1.5%	2.2%	1.3%	-0.7 pp	-0.4 pp	0.2 pp

Non-performing loans declined by €42 million in the quarter and by €503 million in the last twelve months to €1,417 million. There were no signs of deterioration in credit quality, as shown in the evolution of inflows, which decline by 13.6% year-on-year, and where over 55% correspond to non-performing loans with no defaults or with defaults of less than 90 days. The maturity and expiry of interest-only periods on loans with ICO guarantees did not deteriorate the NPL ratio in the corporate segment and, on the other hand, the use by individuals of the Code of Good Banking Practices has been very limited.

The individuals NPL ratio stood at 2.3%, below the sector average, which reached 3.2% as of March 2024. Mortgage NPL stood at 2.4%, and there are still no signs of deterioration after the end of the interest rate hike, as variable rate mortgages are the oldest and therefore have a lower financial burden and a lower LTV ratio.

The NPL ratio declined by 12 b.p. in the quarter to 2.86%, below the sectorial average. The coverage ratio stays at 66.0% and the stage 3 coverage ratio stays at 42.8%.

The weights by stage in the loan portfolio remain stable.

TABLE 6 *(Million euros)*	30/06/24	31/03/24	30/06/23	QoQ	Ytd	YoY
Credit	49,638	48,988	53,151	1.3%	-0.5%	-6.6%
Stage 1	45,256	44,465	47,756	1.8%	0.4%	-5.2%
Stage 2	2,964	3,063	3,474	-3.2%	-8.5%	-14.7%
Stage 3	1,417	1,460	1,921	-2.9%	-9.6%	-26.2%
Provisions	935	966	1,264	-3.2%	-6.3%	-26.1%
Stage 1	160	169	191	-5.3%	-6.4%	-16.2%
Stage 2	168	161	216	4.3%	-0.9%	-22.4%
Stage 3	607	636	857	-4.5%	-7.7%	-29.2%
Coverage	66.0%	66.1%	65.8%	-0.2 pp	2.3 pp	0.1 pp
Stage 1	0.4%	0.4%	0.4%	0.0 pp	0.0 pp	0.0 pp
Stage 2	5.7%	5.2%	6.2%	0.4 pp	0.4 pp	-0.6 pp
Stage 3	42.8%	43.5%	44.6%	-0.7 pp	0.9 pp	-1.8 pp

TABLE 7 (*Million euros*)	30/06/24	31/03/24	30/06/23	QoQ	Ytd	YoY
TOTAL FORECLOSED ASSETS - GROSS BALANCE	**1,085**	**1,202**	**1,698**	**-9.8%**	**-13.5%**	**-36.1%**
Buildings under construction	249	264	258	-5.5%	0.2%	-3.3%
Residential	247	290	445	-15.0%	-23.1%	-44.6%
Land	474	506	802	-6.3%	-10.1%	-40.8%
Commercial RE	115	142	193	-19.4%	-26.7%	-40.8%
TOTAL FORECLOSED ASSETS - PROVISIONS	**809**	**889**	**1,102**	**-9.0%**	**-12.7%**	**-26.6%**
Buildings under construction	189	202	174	-6.5%	-2.3%	8.4%
Residential	162	187	254	-13.4%	-22.6%	-36.3%
Land	392	416	565	-5.8%	-9.0%	-30.7%
Commercial RE	67	84	109	-20.9%	-28.7%	-38.8%
TOTAL FORECLOSED ASSETS - COVERAGE (%)	**74.6%**	**73.9%**	**64.9%**	**0.7 pp**	**0.7 pp**	**9.7 pp**
Buildings under construction	75.8%	76.6%	67.6%	-0.8 pp	-1.9 pp	8.2 pp
Residential	65.6%	64.4%	57.0%	1.2 pp	0.4 pp	8.6 pp
Land	82.6%	82.1%	70.4%	0.5 pp	1.0 pp	12.1 pp
Commercial RE	58.1%	59.2%	56.2%	-1.2 pp	-1.6 pp	1.9 pp

The net book value of foreclosed assets declined by €38 million in the quarter and by €320 million in the last twelve months to €276 million, 0.29% of the Group's total assets, of which land accounted for €83 million, less than a third of the total.

Sales of foreclosed assets classified as non-current assets held for sale totaled €201 million in the first half year and recorded positive results of €6.5 million. Of the year's sales, 41% were residential properties, 28% land and 31% commercial RE sector assets and work in progress.

Gross foreclosed loans declined 9.8% in the quarter and 36.1% in the last 12 months (down 12.0% and 53.7%, respectively in net terms). The coverage ratio increases by 0.6 p.p. up to 74.6% (+9.7 p.p. in the last 12 months)

In addition, €127 million of assets classified as investment property were sold in the quarter, with positive results.

Total non-performing assets declined by €160 million in the quarter (-6.0%) and by €1,117 million in the last 12 months (-30.9%) and their coverage ratio stays at 69.7% (4.3 p.p. higher than a year ago).

TABLE 8 (*Million euros*)	30/06/24	31/03/24	30/06/23	QoQ	Ytd	YoY
Non performing assets (NPA) - GROSS BALANCE	**2,502**	**2,662**	**3,619**	**-6.0%**	**-11.3%**	**-30.9%**
NPL	1,417	1,460	1,921	-2.9%	-9.6%	-26.2%
Foreclosed Assets	1,085	1,202	1,698	-9.8%	-13.5%	-36.1%
NPAs Ratio	**4.9%**	**5.3%**	**6.6%**	**-0.4 pp**	**-0.6 pp**	**-1.7 pp**
Non performing assets (NPA) - PROVISIONS	**1,744**	**1,854**	**2,366**	**-6.0%**	**-9.4%**	**-26.3%**
NPL	935	966	1,264	-3.2%	-6.3%	-26.1%
Foreclosed Assets	809	889	1,102	-9.0%	-12.7%	-26.6%
Non performing assets (NPA) - COVERAGE (%)	**69.7%**	**69.7%**	**65.4%**	**0.0 pp**	**1.5 pp**	**4.3 pp**
NPL	66.0%	66.1%	65.8%	-0.2 pp	2.3 pp	0.1 pp
Foreclosed Assets	74.6%	73.9%	64.9%	0.7 pp	0.7 pp	9.7 pp

8. Results

TABLE 9 *(Million euros)*	**30/06/24**	**30/06/23**	**YoY**	**YoY%**
Interest income	1,396	1,067	329	30.8%
Interest expense	-622	-452	-170	37.7%
NET INTEREST INCOME	**774**	**616**	**158**	**25.7%**
Dividend income	9	18	-9	-51.4%
Share of results of entities accounted for using the equity method	59	48	11	22.5%
Net fee income	256	269	-13	-5.0%
Trading income and exchange differences	4	8	-4	-48.7%
Other operating income/expenses	-96	-129	33	-25.8%
GROSS INCOME	**1,006**	**831**	**175**	**21.1%**
Administrative costs	-405	-383	-21	5.5%
Staff costs	-270	-244	-26	10.6%
Other administrative costs	-135	-140	5	-3.4%
Depreciation and amortization	-44	-45	1	-3.2%
PRE-PROVISION PROFIT	**558**	**402**	**156**	**38.7%**
Provisions /reversal of provisions	-63	-62	0	0.5%
Impairments / reversal of impairments of financial assets	-59	-76	16	-21.4%
NET OPERATING INCOME	**436**	**264**	**172**	**65.0%**
Other profits or losses	-4	-41	37	-90.4%
PROFIT BEFORE TAX	**432**	**223**	**209**	**93.9%**
Taxes	-137	-74	-63	84.4%
CONSOLIDATED NET INCOME	**294**	**148**	**146**	**98.7%**
ATTRIBUTABLE NET INCOME	**294**	**148**	**146**	**98.6%**

Quarterly performance of the income statement

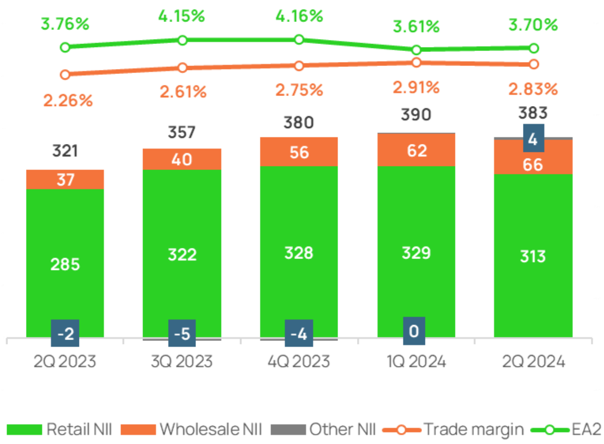
TABLE 10 *(Million euros)*	**2Q 24**	**1Q 24**	**4Q 23**	**3Q 23**	**2Q 23**
Interest income	704	692	665	614	585
Interest expense	-320	-302	-285	-256	-264
NET INTEREST INCOME	**383**	**390**	**380**	**357**	**321**
Dividend income	8	0	0	6	18
Share of results of entities accounted using equity method	34	25	29	15	34
Net fee income	126	130	133	132	134
Trading income and exchange differences	3	1	4	7	0
Other operating income/expenses	-10	-85	-104	-14	-49
GROSS INCOME	**544**	**462**	**442**	**503**	**458**
Administrative costs	-202	-203	-195	-189	-193
Staff costs	-135	-135	-123	-120	-124
Other administrative costs	-67	-68	-73	-69	-69
Depreciation and amortization	-22	-22	-22	-24	-23
PRE-PROVISION PROFIT	**320**	**237**	**225**	**290**	**242**
Provisions /reversal of provisions	-43	-19	-27	-25	-30
Impairments / reversal of impairments of financial assets	-29	-31	-34	-37	-40
NET OPERATING INCOME	**248**	**188**	**164**	**228**	**171**
Other profits or losses	-1	-3	-207	-38	-21
PROFIT BEFORE TAX	**247**	**184**	**-42**	**190**	**150**
Taxes	-64	-73	23	-53	-36
CONSOLIDATED NET INCOME	**184**	**111**	**-19**	**137**	**114**
ATTRIBUTABLE NET INCOME	**184**	**111**	**-19**	**137**	**114**

Unicaja obtained in the first half of the year a profit of €294 million, 98.7% higher than in the same period of the previous year.

Net interest income remains above €380 million, €383 million in the second quarter, after declining by 1.8% compared to the previous quarter and increases b 25.7% year-on-year.

Retail business reduces its contribution in €15 million compared to the previous quarter because of lower revenues from lending due to lower interest rates and the improvement in the commercial gap, passing on results to the wholesale business. However, 80% of the floating rate portfolio is linked to 12-month Euribor, which means that the portfolio's repricing is slower and performs relatively better in a scenario of falling interest rates. The lower contribution from retail business was partially offset by an increase of €5 million in the margin of wholesale business, mainly from net interest income, due to the improvement in the commercial gap, and other income and expenses of €4 million, mainly from contingent risks (guarantees).

The granularity of the Bank's deposits, and the high weight of those from individual customers (77% of the total), enabled the remuneration of these deposits to be adapted to their characteristics (low volume per customer, high transactionality and wide dispersion), with an average of 72 b.p. in the second quarter, only 5 b.p. more than in the previous quarter.



Customer spread (commercial) stands at 2.83%, 8 b.p. lower than in the first quarter (+57 b.p. year-on-year).

Million euros / %	2Q 2024			1Q 2024			4Q 2023			3Q 2023			2Q 2023		
TABLE 11	**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	11,467	94.0	3.30	10,236	77.6	3.05	7,581	60.9	3.18	5,813	48.1	3.28	10,212	77.9	3.06
F.I. Fixed income portfolio	26,448	170.3	2.59	26,280	172.1	2.63	25,951	176.5	2.70	25,661	162.1	2.51	26,347	154.5	2.35
F.I. Net loans (including NPLs) (1)	**48,994**	**433.0**	**3.55**	**49,286**	**440.1**	**3.59**	**50,902**	**429.7**	**3.35**	**51,667**	**402.2**	**3.09**	**53,002**	**347.1**	**2.63**
F.I. Other assets		6.2			2.5			-1.6			1.2			4.5	
TOTAL ASSETS	**96,370**	**703.5**		**97,123**	**692.2**		**96,199**	**665.5**		**96,252**	**613.7**		**101,196**	**584.0**	
C.F. Financ. Intermediaries, Repos	9,183	90.8	3.98	9,091	83.4	3.69	6,786	74.8	4.37	6,552	67.3	4.07	12,209	104.9	3.45
C.F. Issuances (inc. singular bonds)	8,118	91.3	4.52	8,245	93.5	4.56	8,274	95.6	4.58	8,598	92.6	4.27	8,130	80.9	3.99
C.F. Customer deposits (2)	**66,371**	**119.6**	**0.72**	**66,162**	**111.4**	**0.68**	**66,937**	**101.5**	**0.60**	**66,729**	**79.8**	**0.47**	**67,336**	**62.3**	**0.37**
Sight deposits (PS)	50,976	35.9	0.28	51,358	34.7	0.27	51,807	27.3	0.21	52,944	22.2	0.17	54,278	20.2	0.15
Term deposits (PS)	11,021	63.4	2.31	10,184	55.1	2.17	9,413	43.6	1.84	8,212	30.2	1.46	7,420	19.5	1.06
C.F. Subordinated liabilities	900	15.8	7.07	651	11.3	7.00	599	10.7	7.06	599	10.4	6.91	599	9.2	6.16
C.F. Other liabilities		2.5			2.4			2.8			6.3			6.0	
TOTAL LIABILITIES & NET EQUITY	**96,370**	**320.0**		**97,123**	**301.9**		**96,199**	**285.3**		**96,252**	**256.3**		**101,196**	**263.4**	
CUSTOMER SPREAD (1-2)			**2.83**			**2.91**			**2.75**			**2.61**			**2.26**
NET INTEREST INCOME		**383.5**			**390.3**			**380.2**			**357.4**			**320.6**	

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

TABLE 12 (*Million euros*)	2Q 2024	1Q 2024	4Q 2023	3Q 2023	2Q 2023	QoQ	6M24 vs 6M23
FEE INCOME	**135**	**143**	**143**	**147**	**145**	**-5.4%**	**-4.2%**
From payments and collections	65	70	72	75	75	-6.2%	-9.1%
From insurance	26	28	21	24	25	-7.1%	6.3%
From mutual funds	32	31	34	33	31	3.3%	-1.7%
From pension plans	3	3	3	3	2	20.9%	12.2%
Other fees	9	12	13	12	11	-24.3%	-6.3%
FEE EXPENSES	**10**	**13**	**11**	**15**	**11**	**-23.7%**	**5.1%**
NET FEE INCOME	126	130	133	132	134	-3.5%	-5.0%

Fee income amounted to €126 million in the quarter (-5.0% year-on-year). The evolution was affected by the strengthening of linkage in Zero Fees plans, which include improvements in fee waiver plans for individual and professional customers, aiming to facilitate capturing customers and strengthening their satisfaction, loyalty and retention. There was also a year-on-year decline in average fees from mutual funds, due to the increase in balances in buy & hold funds, which have lower fees, which is being offset by higher volumes, moderating the fall in these revenues. Insurance fees increased 6.3% year-on-year, due to the improvement in recurrent activity.

Income from investee companies amounted to €42 million in the quarter, amounting to €68 million for the year, including dividends and results from associates, mainly from associated insurance companies.

Gains/losses on financial transactions and exchange rate differences are positive although not significant.

Other operating income and expenses include results from subsidiaries and real estate activity, as well as €79 million from the temporary levy on credit institutions. The decrease compared to 2023 is due to the fall in the contribution to the SRF (Single Resolution Fund).

Gross income in the first half of the year increased by 21.1% year-on-year.

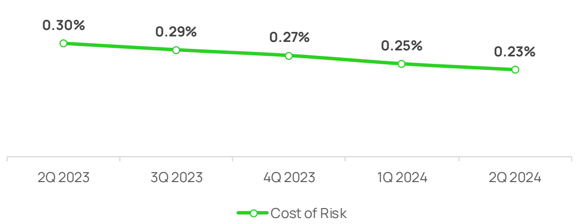
Administrative expenses increased 5.5% year-on-year, basically due to the impact on personnel expenses of the results of the application of the sector's collective bargaining agreement. Personnel expenses increased 10.6% year-on-year, while general and amortization costs decrease more than 3%. However, the higher growth in gross income compared to operating expenses enabled the efficiency ratio to improve by 7 p.p. in the last 12 months to 44.6%.

Provisions/reversals amounted to €63 million, similar to the previous year.

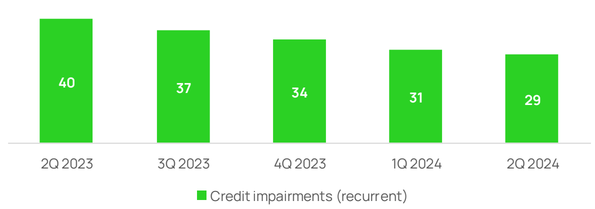
Impairment losses on financial assets, which declined 21% year-on-year, amounted to €29 million in the quarter, all of which were credit impairment losses, bringing the annualised quarterly cost of risk to 23 b.p.

Other gains/losses mainly include impairments of real estate, dropping by 90.4% compared to the previous year.

Annualized quarterly cost of risk evolution



Credit impairments (In € millions)



9. Liquidity

The Entity maintains very comfortable liquidity levels.

The evolution of retail business improved the liquidity indicators, so that the LTD ("Loan to Deposit" ratio, which shows the percentage that the balance of loans represents in relation to the balance of retail deposits), declined 5.8 p.p. in the last twelve months, to 72.8%.

The LCR (Liquidity Coverage Ratio), which indicates the level of short-term liquidity, stands at 312%.

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 reaches 157%.

At the end of the first half of the year of 2024, Unicaja Banco recorded a position of liquid and discountable assets at the European Central Bank, net of assets used, of €30,909 million, increasing by 27.5% year-on-year, and representing 32.3% of the total balance sheet.

10. Solvency

TABLE 13 *(Million € and %)*	30/06/2024	31/03/2024	30/06/2023	QoQ	Ytd	YoY
Qualifying capital (PHASED-IN)	**5,773**	**5,649**	**5,667**	**2.2%**	**2.8%**	**1.9%**
CET1 capital (BIS III)	4,326	4,201	4,501	3.0%	-3.2%	-3.9%
Tier 1	547	547	547	0.0%	0.0%	0.0%
Tier 2	900	900	618	0.0%	50.0%	45.6%
Risk weighted assets	**28,603**	**28,886**	**31,916**	**-1.0%**	**-4.1%**	**-10.4%**
CET1 capital (BIS III) (%)	**15.1%**	**14.5%**	**14.1%**	**0.6 pp**	**0.1 pp**	**1.0 pp**
Tier 1	1.9%	1.9%	1.7%	0.0 pp	0.1 pp	0.2 pp
Tier 2	3.1%	3.1%	1.9%	0.0 pp	1.1 pp	1.2 pp
Total capital ratio (%)	**20.2%**	**19.6%**	**17.8%**	**0.6 pp**	**1.4 pp**	**2.4 pp**

Million € and %	30/06/2024	31/03/2024	30/06/2023	QoQ	Ytd	YoY
Qualify capital FULLY LOADED	**5,760**	**5,635**	**5,556**	**2.2%**	**4.2%**	**3.7%**
CET1 capital (BIS III)	4,313	4,188	4,389	3.0%	-1.6%	-1.7%
Tier 1	547	547	547	0.0%	0.0%	0.0%
Tier 2	900	900	620	0.0%	50.0%	45.3%
Risk weighted assets	**28,594**	**28,877**	**31,846**	**-1.0%**	**-4.0%**	**-10.2%**
CET1 capital (BIS III) (%)	**15.1%**	**14.5%**	**13.8%**	**0.6 pp**	**0.4 pp**	**1.3 pp**
Tier 1	1.9%	1.9%	1.7%	0.0 pp	0.1 pp	0.2 pp
Tier 2	3.1%	3.1%	1.9%	0.0 pp	1.1 pp	1.2 pp
Total capital ratio (%)	**20.1%**	**19.5%**	**17.4%**	**0.6 pp**	**1.6 pp**	**2.7 pp**

As of June 30, under phased-in, the Unicaja Banco Group had a CET 1 Common Equity Tier 1 of 15.1%, a Tier 1 Capital ratio of 17.0% and a Total Capital ratio of 20.2%. These ratios represent a buffer over the bank's required levels of 6.9 p.p. in CET 1 and 7.4 p.p. in Total Capital. Capital ratios include the net income pending approval from the ECB to be incorporated in the ratios and deducts accrued dividends.

Unicaja Banco Group's CET 1 Common Equity Tier 1 ratio, under fully loaded, was 15.1%, Tier 1 Capital ratio 17.0% and Total Capital ratio 20.1%.

The CET1 fully loaded ratio increases by +130 b.p. in the last twelve months, driven by the reduction of risk weighted assets related with the foreclosed assets sales, NPL reduction and deleveraging mainly in the corporate segment.

The capital ratio increases by 105 b.p., both phased-in and fully loaded, following the issuance of €300 million TIER II in March.

The tangible book value (TBV) per share reached €2.24 as of June 30, 2024, after increasing by 3.4% during the last year. Finally, the Texas ratio stays at 29.8%, after decreasing by 1.8 p.p. in the second quarter and by 11.1 p.p. in the last 12 months.

In addition, once the relevant authorisation has been obtained from the European Central Bank, the Company is carrying out a €100 million share buy-back programme (limited to a maximum of 3.8% of the total number of shares of the entity), in order to reduce the share capital of the Company through the redemption of treasury shares.

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 30.2% of the share capital of Unicaja Banco, S.A., Tomás Olivo López 9.1%, Indumenta Pueri 8.5%, Norges Bank 7.5%, Fundación Bancaria Caja de Ahorros de Asturias 6.7% and Santa Lucía, S.A. Insurance company 5.2%. The remaining 32.8% of the share capital is held by other wholesale and retail investors.

Unicaja Banco's shares price closed as of June 28th, 2024, at €1.27 per share, after a 43% repricing in the first half of the year.

Unicaja's General Meeting of Shareholders, held on 5 April, approved the distribution of €132.0 million in dividends charged to the 2023 profit, which represents almost 50% of consolidated profit. This dividend, paid on 19 April, is equivalent to €0.0499 per share.

12. Rating

Fitch. On May 13, 2024, the agency upgraded Unicaja Banco's outlook to positive from stable, maintaining the long-term rating at "BBB-" and its short-term rating at "F3". This upgrade follows expectations of a structural improvement in Unicaja's profitability and asset quality. Unicaja Banco's current ratings are therefore:

- Long-term IDR rating "BBB-" Positive outlook
- Short-term IDR rating "F3"
- Senior preferred debt rating "BBB-"
- Non preferred senior debt rating "BB+"
- Subordinated debt rating (Tier 2) "BB"
- CoCos (AT1) "B+"

Moody's. On March 19th, 2024, the agency improved Unicaja Banco's long-term deposits rating up to "Baa2" from "Baa3" with a stable outlook. The ratings upgrade reflects the bank's improved solvency position, as well as its solid funding and liquidity position, with a large and granular retail deposit base and a high level of liquid assets. Therefore, Unicaja Banco's current ratings are:

- Long-term rating "Baa2" with stable outlook
- Short-term rating (Short-term Bank Deposits) "P2"
- Long-term rating (Baseline Credit Assessment) "ba1"
- Rating mortgage covered bonds "Aa1" (last available January 11, 2023)
- Subordinated debt rating (Tier2) "Ba2"

13. Innovation

Unicaja begins 2024 by developing its innovation strategy with a strong focus on anticipating innovative opportunities that help our customers and the company to prosper. A corporate strategy is being designed to incorporate Generative AI, with the aim of achieving efficiencies, productivity improvements and operational excellence to put at the service of our customers. In addition, it has partnered with Bit2Me, a national company of reference in the current cryptocurrency and DLT technology ecosystem, to be able to better respond to the innovations that may arise from upcoming entry into force of the European MiCA (Market in Crypto Assets) regulations, which legislate the issuance, custody and sale and purchase of cryptocurrencies; Pilot Regime, which defines the rules applicable to the creation of new financial markets for digitized (tokenized) assets in distributed technologies, the so-called DLT or blockchain, and the future digital euro.

Lastly, in line with our commitment to ESG and to making our customer prosper, an AI laboratory was completed, focused on developing and piloting a conversational banking prototype. This prototype has enabled us to assess, with a limited set of users who have serious problems using traditional digital channels (app and website), whether AI can help them to go digital, using their own natural language and way of expressing themselves, carrying out some basic operations with the bank (checking their balance, activating/deactivating cards, using Bizum, checking pension payments, contacting a human agent).

14. Digital plan

In the second quarter of 2024, the implementation of the Digital Plan, included in the 2022-2024 Strategic Plan, continued.

Once the implementation of the New Digital Banking has been completed, we have the technological base required to continue developing the digital capabilities envisaged in the roadmap of the Digital Plan.

During this period, progress was made mainly in achieving the milestones foreseen in the development of the digital platforms for Mortgages, Consumer and Insurance, as well as providing new capabilities to the virtual assistant (NICA), based on Artificial Intelligence, which advances as a direct communication channel with customers offering contextual support, with an improved experience and greater efficiency in the management of processes.

Digital non-face-to-face transactions stood at 82% (ATM + Digital Banking), and the adoption of the immediate payment platform (Bizum) continued to rise, with 60.7% of active digital customers registered.

At the end of the second quarter, 70.2% of customers were digital. The contribution of digital channels to new consumer loans was 41.4% of the total and 28.4% for subscriptions in mutual funds/delegated portfolio management

15. Sustainability

In the area of sustainable and responsible banking, the following actions were carried out in the second quarter of the year:

- Unicaja has signed up to the United Nations Principles for Responsible Banking (PRB), a proposal of the United Nations Environment Program Finance Initiative (UNEP FI). The PRB is a unique global framework to accelerate the transition to a sustainable financial industry, and is supported by financial institutions around the world.
- Unicaja's Green Bond Framework, which covers the issuance of bonds of this nature, has been reviewed and updated. This Framework is aligned with the ICMA Green Bond Principles ('GBP') published in June 2021 (with Annex 1 of June 2022).
- Unicaja has issued in the last two years (2022 and 2023) green bonds for a total of €1,300 million, which have contributed to avoiding the emission of a total of 54,791 tons of CO2. To calculate this impact, a methodology based on international standards and guidelines has been used, developed by the external advisor Ecodes, ensuring the objectivity and comparability of the data. DNV has been the independent verifier. The entity's objective is to contribute financially to the development of a fairer and more inclusive society, supported by efficient economic management that respects the preservation of the environment, favoring the progressive reduction of CO2 emissions, both its own and those of its customers.
- Unicaja has joined the line of guarantees offered by the Ministry of Housing and Urban Agenda, through the Official Credit Institute (ICO), for the purchase of the first home by young people and families with dependent minors. According to this agreement, the amount of the mortgage loan granted by the bank can reach 100% of the financing of the house, and can be equal to the appraisal value or the purchase price -whichever is lower-, provided that the required conditions are met.
- In terms of financial education, in the second quarter of 2024, it is worth highlighting Unicaja's new agreement with Funcas, which strengthens its drive for a greater financial culture in society. Also noteworthy were the initiatives carried out by the Edufinet Project - promoted by Unicaja and the Unicaja Foundation - as part of its economic and financial training and dissemination activities for different groups, such as the 15th Financial Olympics (a competition associated with the financial education workshops for young people for the practical application of knowledge); the second edition of the Edufinet 'Ambassadors' project (an online financial education course aimed mainly at elderly people in rural areas); the 2nd Elderly People's Day (an educational and practical training day aimed at the elderly to promote their financial and digital inclusion), and a new collaboration agreement with the Academy of Social Sciences and the Environment of Andalucía to continue working to improve the financial knowledge of the public. In the first half of 2024, the Edufinet Project exceeded 13,500 beneficiaries, 400 training sessions and 400 publications and videos. It also registered 3.9 million views and reproductions on social networks and podcast platforms, and nearly 84,000 visits to the Edufinet web portals.

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 14:

	30/06/2024	31/03/2024	30/06/2023
Total customer funds (1+2+3)	**100,581**	**100,151**	**99,192**
(1) Financial liabilities at amortized cost. Customer deposits (without valuation adjustments) (1a+1b)	75,102	74,171	74,249
(1a) Financial liabilities at amortized cost. Customer deposits	75,203	74,387	74,095
(1b) Valuation adjustments. Financial liabilities at amortized cost. Customer deposits	-102	-216	153
(2) Debt securities issued (w/o valuation adjustments) (2a+2b)	4,057	4,556	3,939
(2a) Debt securities issued	4,049	4,537	3,854
(2b) Valuation adjustments. Debt securities issued	8	19	85
(3) Funds managed through off-balance sheet instruments. Management data	21,422	21,424	21,004

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 15:

	30/06/2024	31/03/2024	30/06/2023
Retail customer funds (1-2-3-4-5+6)	**89,598**	**88,114**	**88,662**
(1) Total customer funds	100,581	100,151	99,192
(2) Covered bonds under the heading "Term deposits". Carrying amount (excluding valuation adjustments)	4,022	4,022	4,655
(3) Public Sector. Repos (excluding valuation adjustments)	2,903	2,753	0
(4) Deposits from customers. Repos (excluding valuation adjustments)	249	728	1,965
(5) Issued debt securities (excluding valuation adjustments)	4,057	4,556	3,939
(6) Repos controlled by retail customers. Management data	249	23	29

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 16:

	30/06/2024	31/03/2024	30/06/2023
Customer funds (Markets) (1+2+3+4-5)	**10,982**	**12,037**	**10,530**
(1) Covered bonds under the heading "Term deposits". Carrying amount (excluding valuation adjustments)	4,022	4,022	4,655
(2) Public Sector. Repos (excluding valuation adjustments)	2,903	2,753	0
(3) Deposits from customers. Repos (excluding valuation adjustments)	249	728	1,965
(4) Issued debt securities (excluding valuation adjustments)	4,057	4,556	3,939
(5) Repos controlled by retail customers. *Management data*	249	23	29

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 17:

	30/06/2024	31/03/2024	30/06/2023
Repos controlled by retail customers. Management measure (1a)	**249**	**23**	**29**
(1) Deposits from customers. Repos (excluding valuation adjustments)	249	728	1,965
(1a.) Repos controlled by retail customers. *Management data*	249	23	29
(1b.) Rest of repos	0	705	1,936

Source: Internal information using management criteria

TABLE 18:

	30/06/2024	31/03/2024	30/06/2023
Performing Gross loans w/o Repos and OFA (excluding valuation adjustments) (1-7)	**48,220**	**47,528**	**51,231**
(1) Loan portfolio and receivables. Gross amount (2a+3a-4-5-6)	49,638	48,988	53,151
(2) Financial assets held for trading with changes in profit or loss	913	601	203
(2a) of which: Loans and advances - Customers	*64*	*66*	*107*
(3) Financial assets at amortized cost	75,742	75,538	79,104
(3a) of which: Loans and advances - Customers	*49,685*	*49,045*	*52,685*
(4) Valuation adjustments (excluding other financial assets)	-478	-492	-849
(5) Reverse Repos	48	48	0
(6) Other financial assets	541	567	490
(7) Loan portfolio and receivables. Gross amount Stage 3 (excluding other financial assets)	1,417	1,460	1,921

Source: Consolidated public balance sheet.
Purpose: 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 19:

	30/06/2024	31/03/2024	30/06/2023
Loan to Deposits (LtD)	**72.8%**	**73.5%**	**78.6%**
(1) Numerator. Loans and advances to customers - excluding valuation adjustments	**49,638**	**48,988**	**53,151**
(2) Denominator. Customer deposits (non-market) - excluding valuation adjustments - (2a-2b-2c-2d+2e)	**68,177**	**66,691**	**67,658**
(2a) Financial liabilities at amortized cost. Deposits from customers (excluding valuation adjustments)	75,102	74,171	74,249
(2b) Covered bonds under the heading “Term deposits”. Carrying amount (excluding valuation adjustments	4,022	4,022	4,655
(2c) Public Administrations. Repos (excluding valuation adjustments)	2,903	2,753	0
(2d) Deposits from customers. Repos (excluding valuation adjustments))	249	728	1,965
(2e) Repos controlled by retail customers. Management measure	249	23	29

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 20:

	30/06/2024	31/03/2024	30/06/2023
NPL Ratio (1/2)	**2.9%**	**3.0%**	**3.6%**
(1) Loans and receivables. Gross amount Stage 3	1,417	1,460	1,921
(2) Loans and receivables. Gross amount	49,638	48,988	53,151

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 21:

	30/06/2024	31/03/2024	30/06/2023
NPL Coverage Ratio (1/2)	**66.0%**	**66.1%**	**65.8%**
(1) Loans and receivables. Total impairment losses on assets	935	966	1,264
(2) Loans and receivables. Gross amount Stage 3	1,417	1,460	1,921

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 22:

	30/06/2024	31/03/2024	30/06/2023
Foreclosed assets coverage (1/2)	**74.6%**	**73.9%**	**64.9%**
(1) Accumulated impairment losses on foreclosed real estate or properties received in payment of debts	809	889	1,102
(2) Gross carrying amount of foreclosed real estate or properties received in payment of debts	1,085	1,202	1,698

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 23:

	30/06/2024	31/03/2024	30/06/2023
NPA coverage ratio (1+2)/(3+4)	**69.7%**	**69.7%**	**65.4%**
(1) Loans and receivables. Total impairment losses on assets	935	966	1,264
(2) Accumulated impairment losses on foreclosed real estate or properties received in payment of debts	809	889	1,102
(3) Loans and receivables. Gross amount Stage 3	1,417	1,460	1,921
(4) Gross carrying amount of foreclosed real estate or properties received in payment of debts	1,085	1,202	1,698

Source: Consolidated public financial statements and internal information using management criteria.
Purpose: It measures the coverage level of distressed assets.

TABLE 24:

	30/06/2024	31/03/2024	30/06/2023
Texas ratio (1+2)/(3+4+5)	**29.8%**	**31.6%**	**40.9%**
(1) Loans and receivables portfolio. Gross amount Stage 3	1,417	1,460	1,921
(2) Gross carrying amount of real estate foreclosed assets	1,085	1,202	1,698
(3) Loans and receivables portfolio. Total adjustments for impairment of assets	935	966	1,264
(4) Impairment of real estate foreclosed assets	809	889	1,102
(5) Total equity	6,639	6,557	6,480

Source: Consolidated public balance sheet.
Purpose: Reflects the percentage of non-performing assets over total funds and equity.

TABLE 25:

	30/06/2024	31/03/2024	30/06/2023
Customer Spread (quarterly data) (1-2)	**2.83%**	**2.91%**	**2.26%**
(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*	3.55%	3.59%	2.63%
(2) Quarterly cost of customer deposits (excluding repos) over average quarterly balance of customer deposits (excluding repos). *Management Data.*	0.72%	0.68%	0.37%

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 26:

	30/06/2024	31/03/2024	30/06/2023
Deposits's Beta (1/2)	**19.1%**	**18.4%**	**7.1%**
(1) Deposit's average interest rate	**0.70%**	**0.68%**	**0.26%**
(1a.) Financial costs of deposits during the year, annualized	463.1	445.5	177.7
(1b.) Deposit's average balance	66,267	66,162	67,555
(2) 12-month Euribor's Annual average	**3.67%**	**3.67%**	**3.69%**

Source: Consolidated public income statement and Internal information using management criteria.
Purpose: Profitability metric representing the proportion of 12-month Euribor carried over to the financial cost of customer deposits.

TABLE 27:

	30/06/2024	31/03/2024	30/06/2023
Net fees (1-2)	**255.8**	**130.2**	**269.1**
(1) Fee and commission income	278.5	143.1	290.7
(2) Fee and commission expenses	22.7	12.9	21.6

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 28:

	30/06/2024	31/03/2024	30/06/2023
Core revenues (1+2)	**1,029.6**	**520.5**	**884.8**
(1) Recurrent Net interest income (1a-1b)	**773.8**	**390.3**	**615.7**
(1a.) Recurring interest and similar revenues	1,395.7	692.2	1,067.2
(1b.) Interest and similar charges	621.9	301.9	451.5
(2) Recurring net fees	**255.8**	**130.2**	**269.1**

Source: Consolidated income statement.
Purpose: Records the results from the core business activity, as the difference between financial income and financial costs and the net income from services rendered and marketing of products invoiced via fees.

TABLE 29:

	30/06/2024	31/03/2024	30/06/2023
Trading income +Exchange differences (1+2+3+4+5+6)	**4.3**	**1.3**	**8.3**
(1) Net gain or (-) losses on derecognition from the statements of financial assets and liabilities (not measured at fair value) through profit or loss	3.9	2.4	4.8
(2) Net gain or (-) losses from financial assets and liabilities held for trading	3.7	3.1	4.7
(3) Net gain or (-) losses from non-trading financial assets mandatorily designated at fair value through profit or loss	-2.9	-3.2	0.1
(4) Net gain or (-) losses from financial assets and liabilities designated at fair value through profit or loss	0.0	0.0	0.0
(5) Net gain (-) losses from hedge accounting	-1.8	-1.7	-3.3
(6) Net exchange differences, gains or (-) losses	1.4	0.8	2.0

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 30:

	30/06/2024	31/03/2024	30/06/2023
Other products / operating charges (1-2+3-4)	**-95.5**	**-85.1**	**-128.7**
(1) Other operating income	30.0	14.9	33.4
(2) Other operating expenses	129.3	101.9	168.7
(3) Income from assets under insurance or reinsurance contracts	3.8	1.9	6.6

Source: Consolidated public income statement.

TABLE 31:

	30/06/2024	31/03/2024	30/06/2023
Operating or transformation expenses (1+2)	**448.2**	**224.6**	**428.6**
(1) Administrative expenses	404.6	202.9	383.5
(2) Depreciation	43.7	21.7	45.1

Source: Consolidated public income statement.

TABLE 32:

	30/06/2024	31/03/2024	30/06/2023
Efficiency ratio (1+2)/3	**44.6%**	**48.6%**	**51.6%**
(1) Administrative expenses	404.6	202.9	383.5
(2) Depreciation	43.7	21.7	45.1
(3) Gross Margin	1,006.0	461.9	830.7

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

TABLE 33:

	30/06/2024	31/03/2024	30/06/2023
Core profit (1+2-3-4)	**581.3**	**295.9**	**456.2**
(1) Gross Margin	773.8	390.3	615.7
(2) Net Fees	255.8	130.2	269.1
(3) Administrative expenses	404.6	202.9	383.5
(4) Depreciation	43.7	21.7	45.1

Source: Consolidated income statement
Purpose: Records the result obtained by the Group from its banking activity before considering the write-downs as defined in its APMs

TABLE 34:

	30/06/2024	31/03/2024	30/06/2023
Pre-provision profit (before impairments) (1-2-3)	**557.8**	**237.4**	**402.1**
(1) Gross income	1,006.0	461.9	830.7
(2) Administrative expenses	404.6	202.9	383.5
(3) Depreciation	43.7	21.7	45.1

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

TABLE 35:

	30/06/2024	31/03/2024	30/06/2023
Impairment losses or reversal of impairment losses on loans and receivables. Management Data (1a + 1b)	**59.4**	**30.5**	**75.6**
(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	59.4	30.5	75.6
(1a) From loans and receivables to customers. *Management data*	59.2	30.5	74.4
(1b) From other financial assets at amortized cost	0.2	0.0	1.3

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 36:

	30/06/2024	31/03/2024	30/06/2023
(1) Impairment or (-) reversal of impairment in value of loans and receivables to customers (annualised quarterly data). Management measure	114.9	122.0	156.8
(2) Gross loans and receivables to customers (ex valuation adjustments)	49,638	48,988	53,151
Cost of risk (1/2)	**0.23%**	**0.25%**	**0.30%**

Source: Consolidated public financial statement.
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.

TABLE 37:

	30/06/2024	31/03/2024	30/06/2023
Impairment/reversal in the value of other assets and other gains & losses (1+2-3-4-5)	**4.0**	**3.3**	**41.4**
(1) Impairment or (-) reversal in the impairment of the value of joint ventures or associates	0.0	0.0	-1.5
(2) Impairment or (-) reversal in the impairment of the value of non-financial assets	4.4	1.7	18.0
(3) Net gain or (-) loss on derecognition from the statements of non-financial assets and stakes	-7.4	0.3	2.0
(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	7.9	-2.0	-26.9

Source: Consolidated public income statement

TABLE 38:

	30/06/2024	31/03/2024	30/06/2023
Impairments and others (1+2+3+4-5-6-7)	**126.1**	**53.2**	**179.5**
(1) Provisioning or (-) provisioning reversals	62.7	19.3	62.4
(2) Impairment or (-) reversal in the value of financial assets not measured at fair value through profit and loss	59.4	30.5	75.6
(3) Impairment or (-) reversal in the value of joint ventures or associates	0.0	0.0	-1.5
(4) Impairment or (-) reversal in the value of non-financial assets	4.4	1.7	18.0
(5) Net gain or (-) loss on derecognition from the statements of non-financial assets and stakes	-7.4	0.3	2.0
(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	7.9	-2.0	-26.9

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

TABLE 39:

	30/06/2024	31/03/2024	30/06/2023
Return on Tangible Equity ROTE (1/4)	6.5%	5.4%	4.1%
(1) Total comprehensive income of the last twelve months, net of interests from equity instruments other than capital (2-3)	389.1	319.2	232.9
(2) Total comprehensive income for the year	412.7	343.1	255.4
(3) Interests from equity instruments other than capital (AT1 Cost)	23.6	23.9	22.6
(4) Shareholders' equity -excluding intangible elements, debt issues convertible into shares and preferred shares- (5-6-7-8)	**5,942**	**5,937**	**5,749**
(5) Shareholders' equity	6,629	6,620	6,429
(6) Issued equity instruments other than capital (AT1)	547	547	547
(7) Intangible assets	87	83	80
(8) Equity goodwill	52	52	53

Source: Consolidated public income statement and Consolidated public balance sheet
Purpose: To show the Bank's profit related to its Shareholders' equity, excluding intangible assets and Issued equity instruments and preference shares.

TABLE 40:

	30/06/2024	31/03/2024	30/06/2023
Tangible Book value per share (1/7)	2.24	2.24	2.16
(1) Tangible assets (2-3-4-5-6)	**5,939**	**5,934**	**5,746**
(2) Total Equity	6,629	6,620	6,429
(3) Issued equity instruments other than capital (AT1)	547	547	547
(4) Minority interests	2	2	3
(5) Intangible assets	87	83	80
(6) Equity goodwill	52	52	53
(7) Nº of shares outstanding (thousands)	**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 41:

	30/06/2024	31/03/2024	30/06/2023
Net liquid assets (1-2-3)	30,909	29,914	24,241
(1) Gross liquid assets	36,571	39,125	31,770
(2) Taken in the ECB	0	0	936
(3) Repos and other pledges	5,661	9,210	6,594

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.