



20 April 2023

# Results Presentation 1Q23



Member of  
**Dow Jones  
Sustainability Indices**

FTSE4Good Powered by the S&P Global CSA

# Regulatory framework

Bankinter presents its financial statements in accordance with the regulations that apply to the Group, set out in the Code of Commerce and other company regulations and in the International Financial Reporting Standards adopted by the European Union.

Bankinter advises that this presentation contains forward-looking statements. These can be found in various parts of this document and include, without limitation, statements concerning our future business development and economic performance.

While these statements represent our judgement and future expectations about our business development, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, (1) the general market, and macro-economic, governmental and new regulations, (2) the variation in local and international securities markets, currency exchange rates and interest rates as well as change to market and operational risk, (3) competitive pressures, (4) technological developments, (5) changes in the financial position or credit worthiness of our customers, obligors and other counterparties

	1Q23	vs 1Q22	vs 4Q22
Loan book	€73bn	+5%	-2%
Customer deposits	€74bn	-3%	-1%
Off-balance sheet managed funds	€40bn	+2%	+7%
Gross Operating income	€616M	+23%	+9%
Pre-provision profit	€396M	+36%	+31%
Profit before taxes	€294M	+37%	+60%
Net income	€185M	+20%	+42%
NPL ratio	2.18%	-2bps.	+8bps
Coverage ratio	67%	+2p.p.	+0p.p.
CET1 FL	12.2%	+31bps	+20bps
LCR (12m average)	198%	-35%	-10%
ROE	14%	+4p.p.	+2p.p.

01. Results

02. Risk Management

03. Businesses

04. Summary





**01**

# Results

## 1Q23 Profit &amp; Loss statement

- in million of euros -	Bankinter Group						
	1Q23	1Q22	Dif. €		4Q22	Dif. €	
			1Q23/1Q22	1Q23/ 1Q22		1Q23/4Q22	1Q23/4Q22
Net Interest Income	522	320	202	63%	471	51	11%
Net fees and commissions	153	147	6	4%	154	-1	-1%
Other Income/Expenses	-59	33	-92	n.a.	-58	-1	1%
<b>Gross Operating Income</b>	<b>616</b>	<b>499</b>	<b>117</b>	<b>23%</b>	<b>567</b>	<b>49</b>	<b>9%</b>
<i>Gross Operating Income ex Banking Tax</i>	<i>693</i>	<i>499</i>	<i>194</i>	<i>39%</i>	<i>567</i>	<i>127</i>	<i>22%</i>
Operating expenses	-220	-208	-12	6%	-263	43	-16%
<b>Pre-provision profit</b>	<b>396</b>	<b>292</b>	<b>104</b>	<b>36%</b>	<b>304</b>	<b>93</b>	<b>31%</b>
<i>Pre-provision profit ex Banking Tax</i>	<i>474</i>	<i>292</i>	<i>182</i>	<i>62%</i>	<i>304</i>	<i>170</i>	<i>56%</i>
Cost of risk and other provisions	-102	-78	-24	31%	-120	18	-15%
<b>Profit before taxes</b>	<b>294</b>	<b>214</b>	<b>80</b>	<b>37%</b>	<b>183</b>	<b>111</b>	<b>60%</b>
<b>Total Group Net Income</b>	<b>185</b>	<b>154</b>	<b>31</b>	<b>20%</b>	<b>130</b>	<b>55</b>	<b>42%</b>
<i>Total Group Net Income ex Banking Tax</i>	<i>262</i>	<i>154</i>	<i>108</i>	<i>70%</i>	<i>130</i>	<i>132</i>	<i>102%</i>

# Results Balance sheet

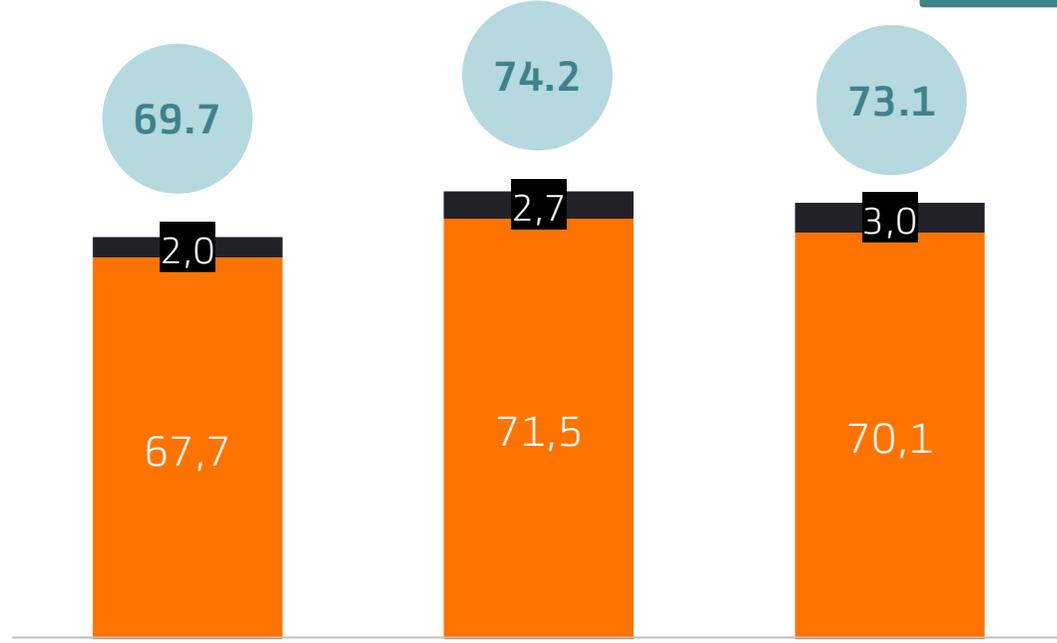
## Loan Book

In billion of euros

Spain	+1.7%	Sector*	-0.8%
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**+3.4bn**  
YoY

**+4.9%**  
YoY



Bankinter (SPA+PT+IRE)

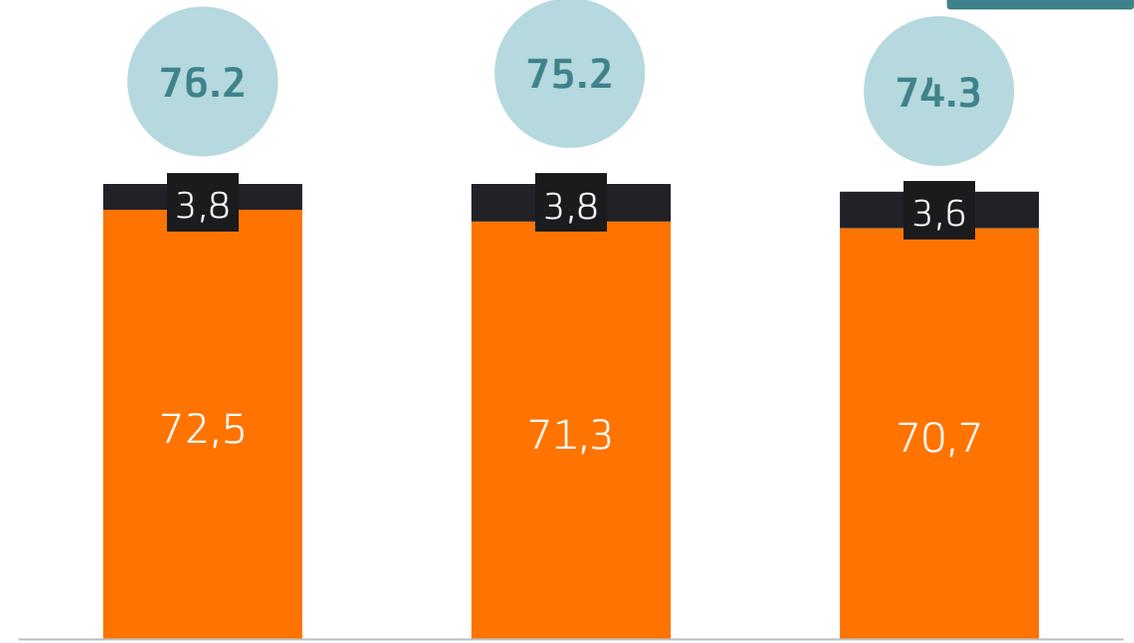
## Retail Deposits

In billion of euros

Spain	-1.4%	Sector*	-3.1%
-------	-------	---------	-------

**-1.9bn**  
YoY

**-2.6%**  
YoY



EVO Banco

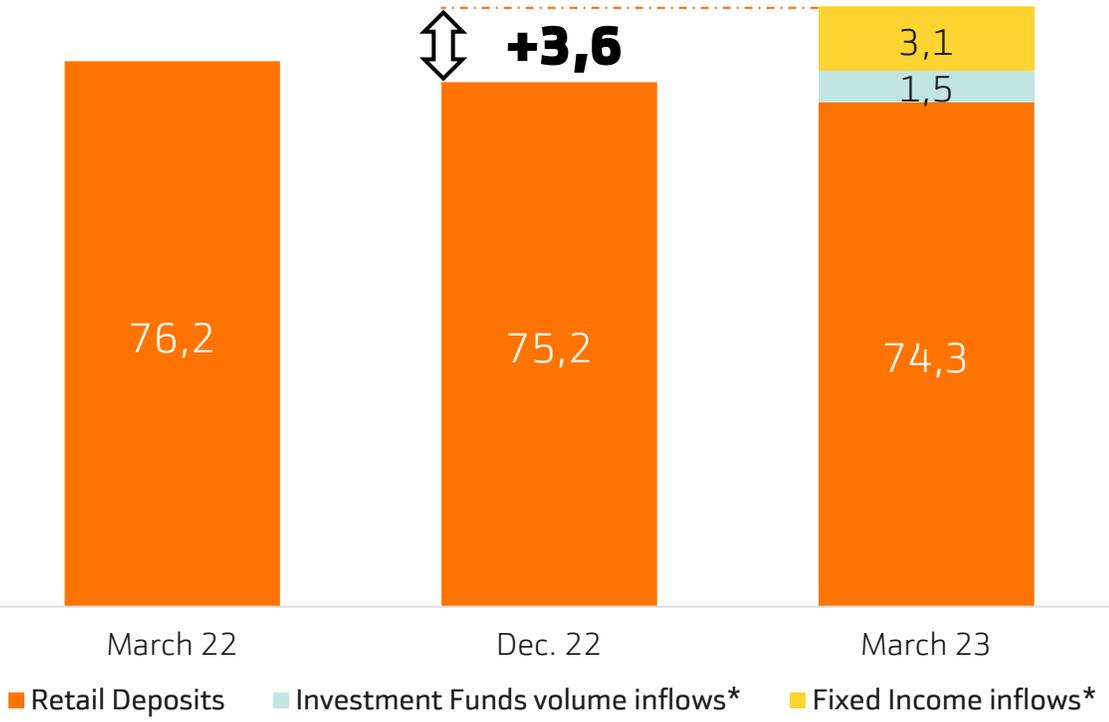
\* Data as of last quarter and YTD for the sector. BdE as of Feb-23

# Balance sheet

## Retail Deposits

In billion of euros

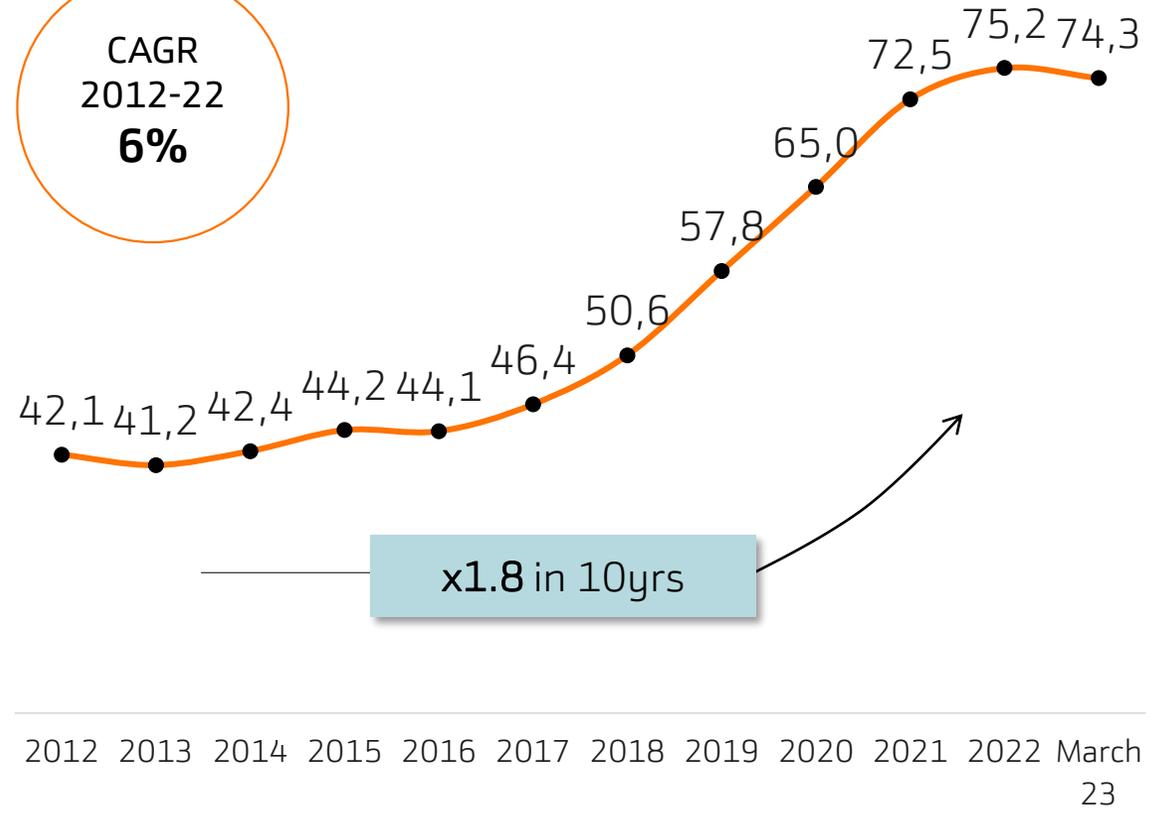
Deposits + Off Balance Sheet Inflows  
**78.8bn**



## Retail Deposits evolution

In billion of euros

CAGR 2012-22  
**6%**

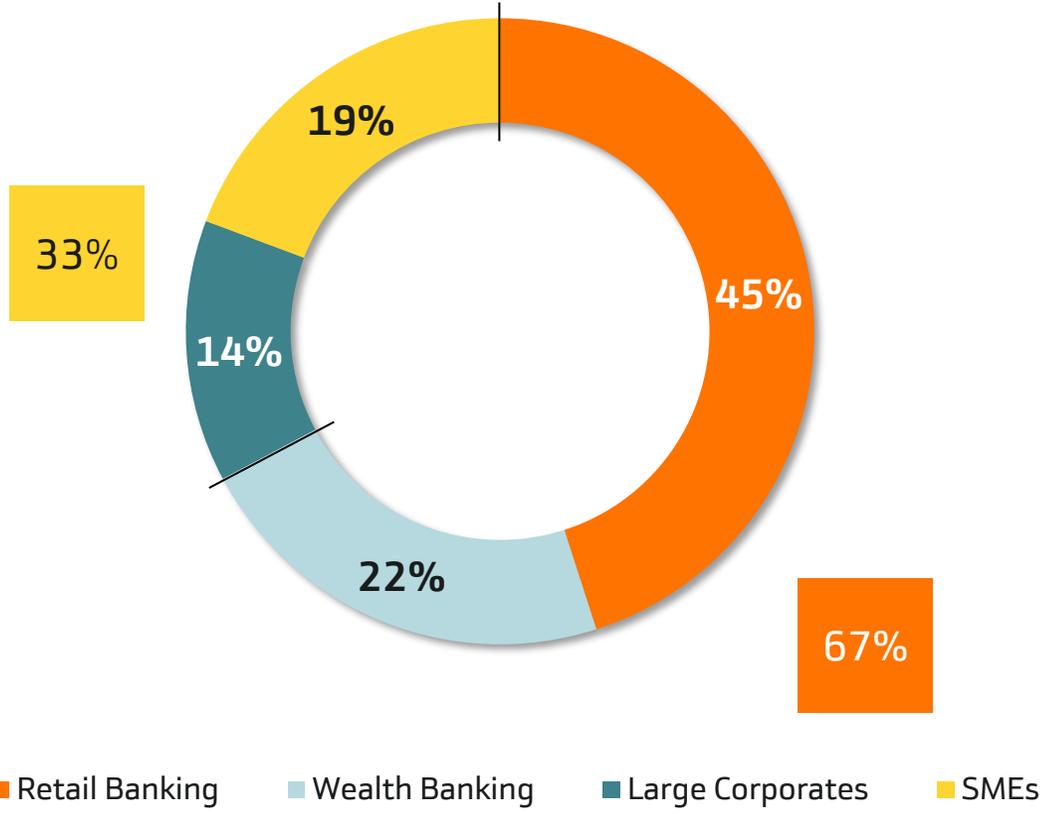


\* Bankinter Spain only

# Retail Funds

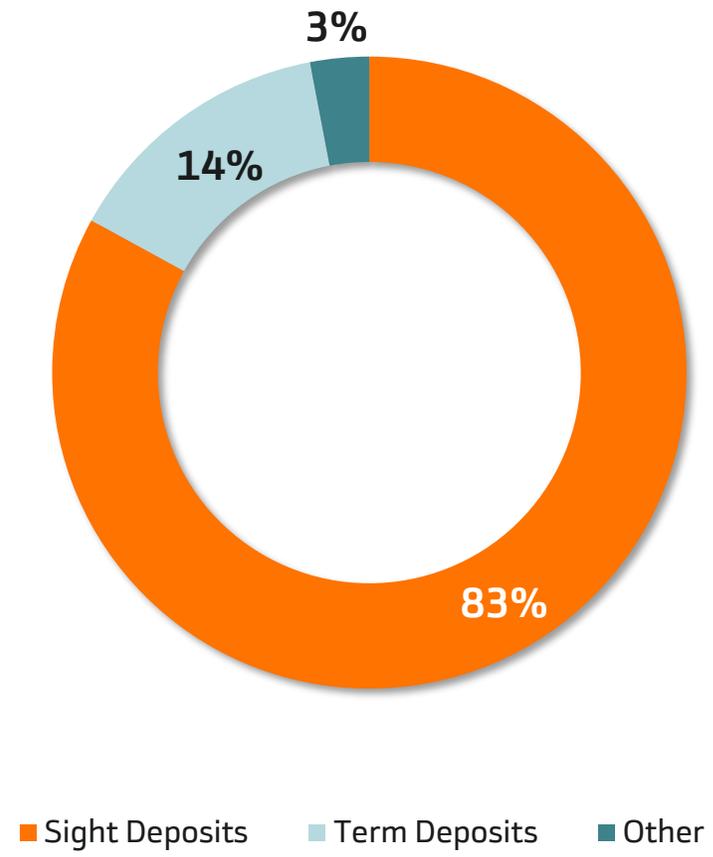
## Distribution by business

In %



## Distribution by product

In %



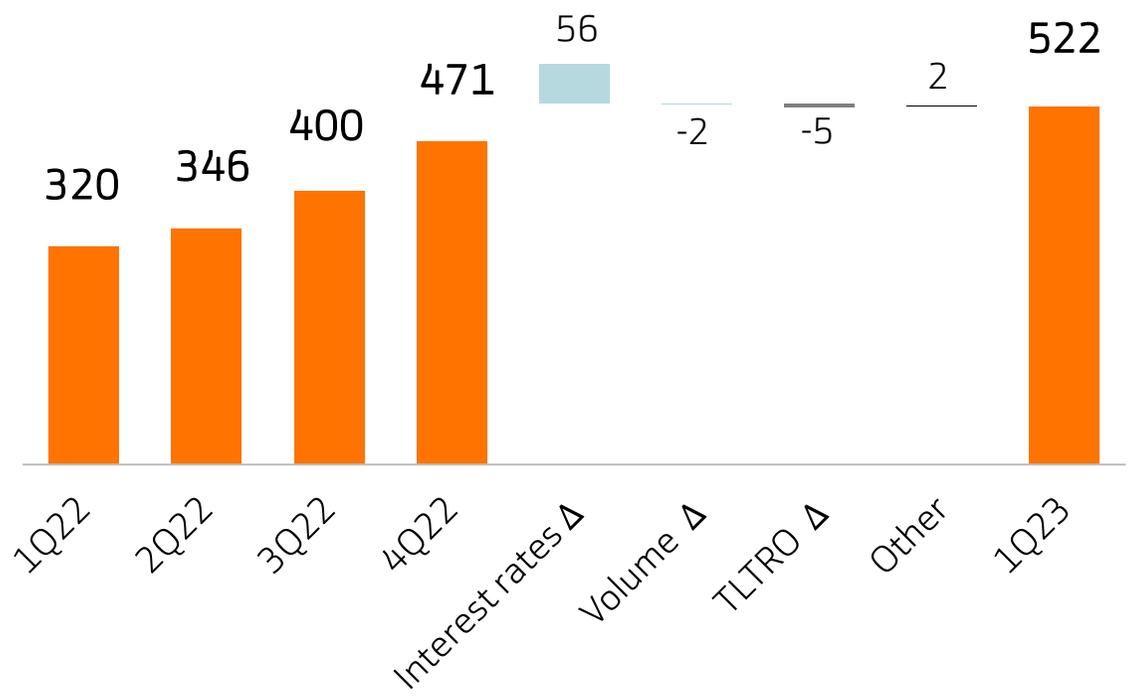
# Net Interest Income

## Quarterly evolution and bridge

In million of euros

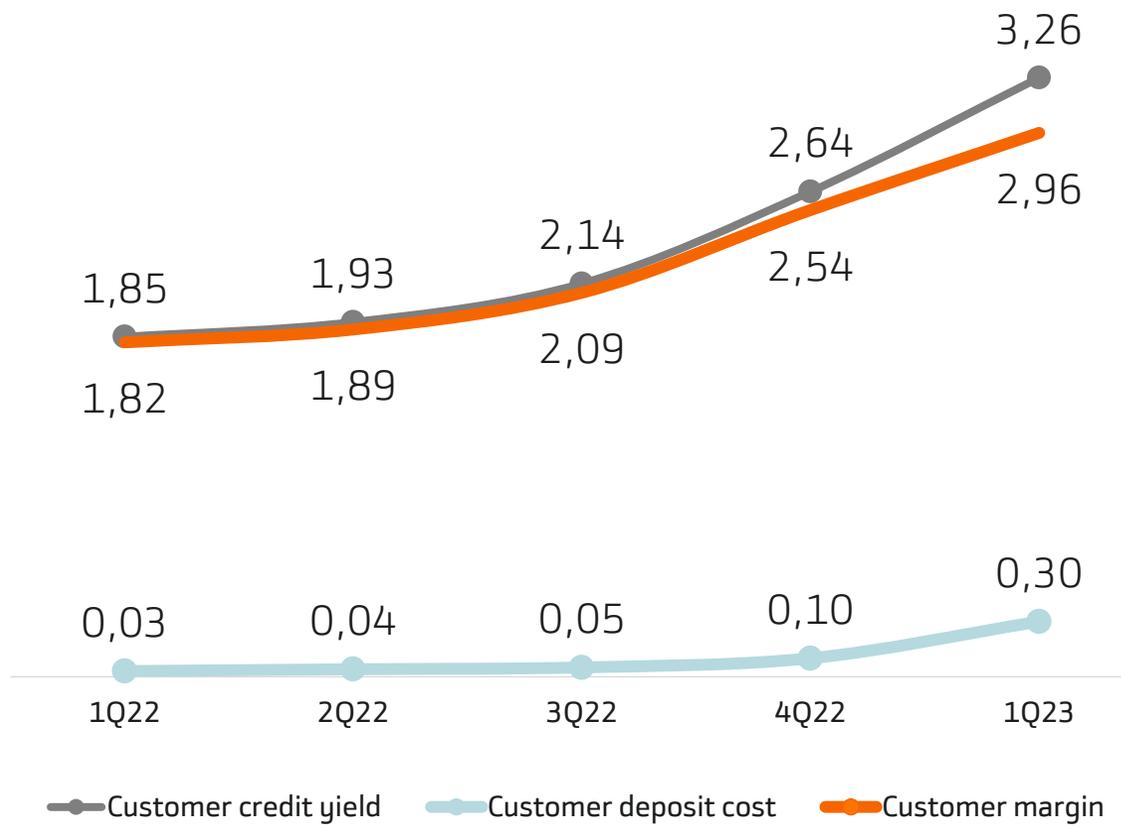
**+63%**  
vs 1Q22

**+11%**  
vs 4Q22



## Customer Margin

In %



Results 1Q23

## ALCO Portfolio

	HTC	FV	Total	Var. vs.4Q22
Amount (€bn)	9.3	1.8	11.0	-0.9
Duration (years)	4.9	1.8	4.4	-0.6
Avg. maturity (years)	9.4	2.5	8.2	0.3
Yield (%)	1.9	1.7	1.9	0,0
Unrealised Capital gains (€mn)	-677	-101	-778	161
YTD Unrealised Capital gains (€mn)	161	0	161	

ALCO Portfolio / Total Assets

**10.4%**

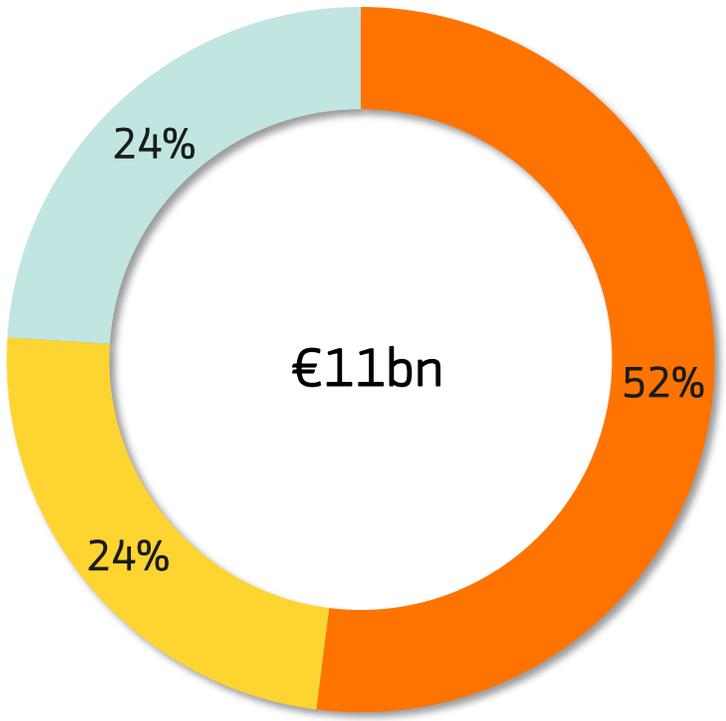
ALCO Portfolio / Total Equity

**x2.2**

# ALCO Portfolio

## ALCO Distribution

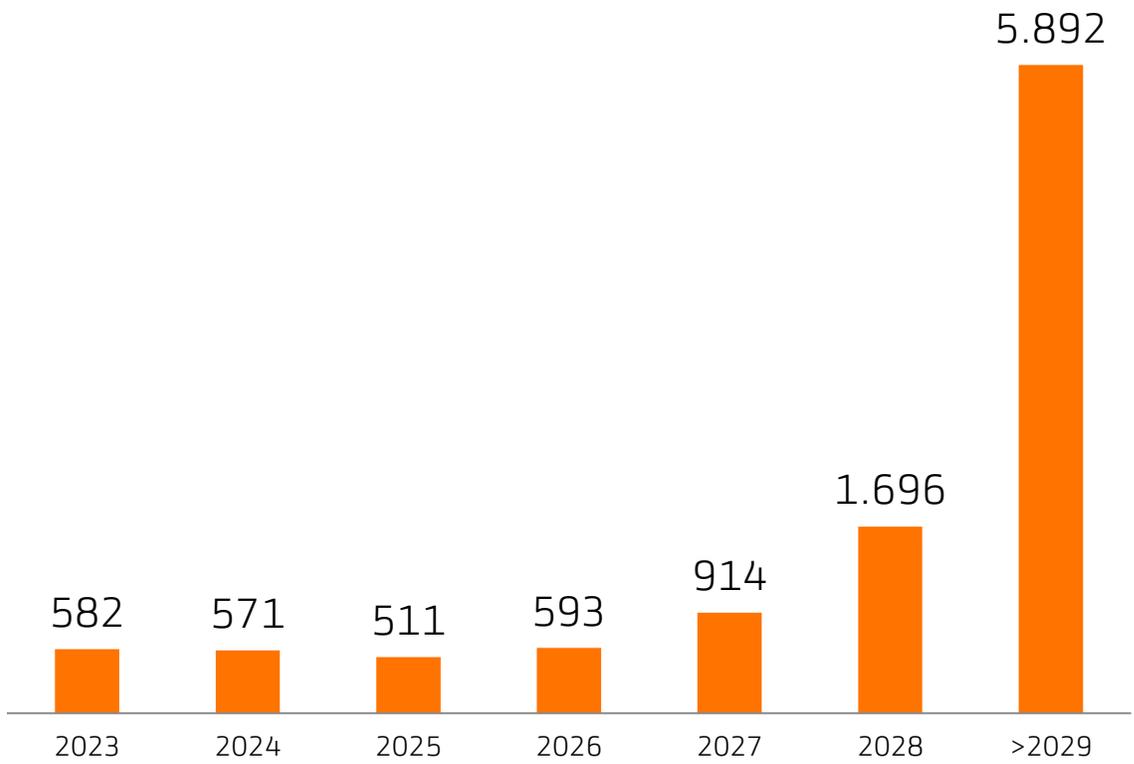
In %



Spanish Sovereign    Other Sovereign    Other

## Maturities

In million of euros

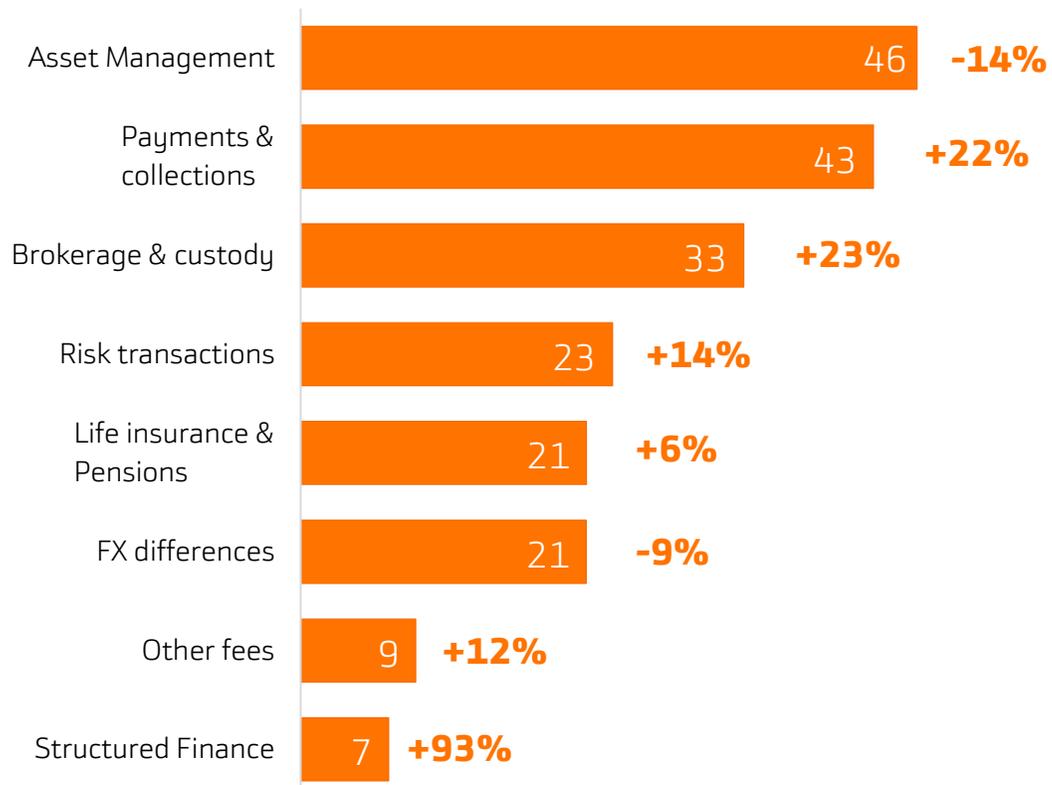


Results 1Q23 — 12

# Fee Income

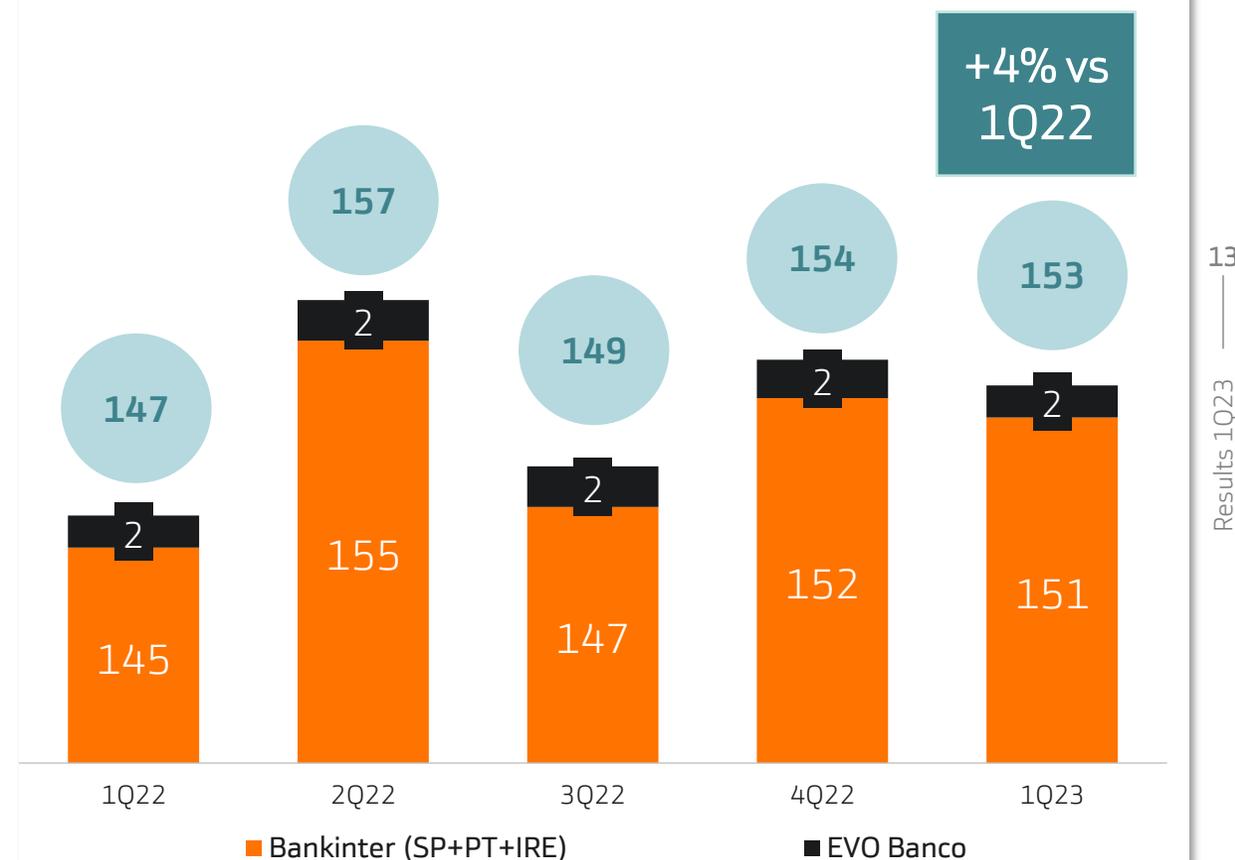
## Breakdown of fees received 1Q23

In million of euros



## Evolution of net fees

In million of euros



# Other Income / Expenses

In million of euros	1Q23	1Q22	Dif. €	% Dif.
Equity method	10	11	-2	-15%
Trading income/losses & Dividends	25	37	-12	-32%
Regulatory charges	-84	-7	-78	n.a.
of which Banking Tax	-77	0	-77	n.a.
Other operating income/expenses	-10	-9	-1	10%
Total	-59	33	-92	n.a.

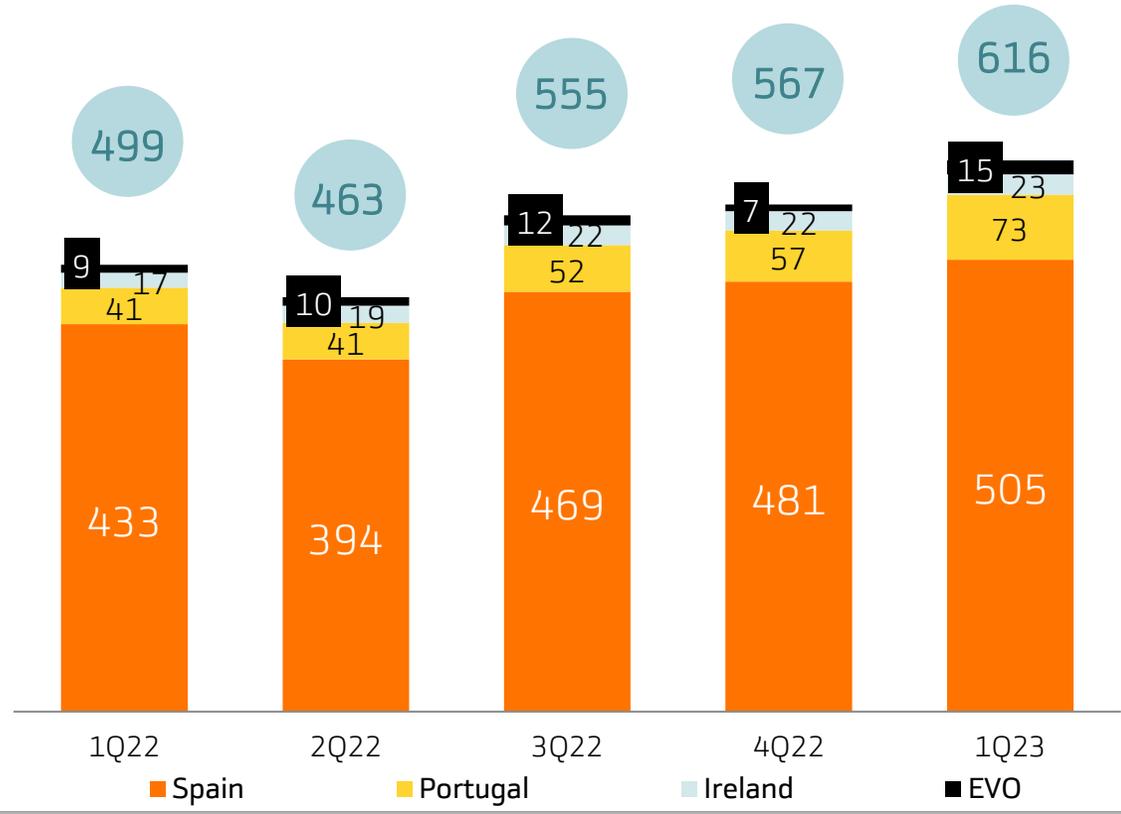
# Total Operating Income

## Total Income

In million of euros

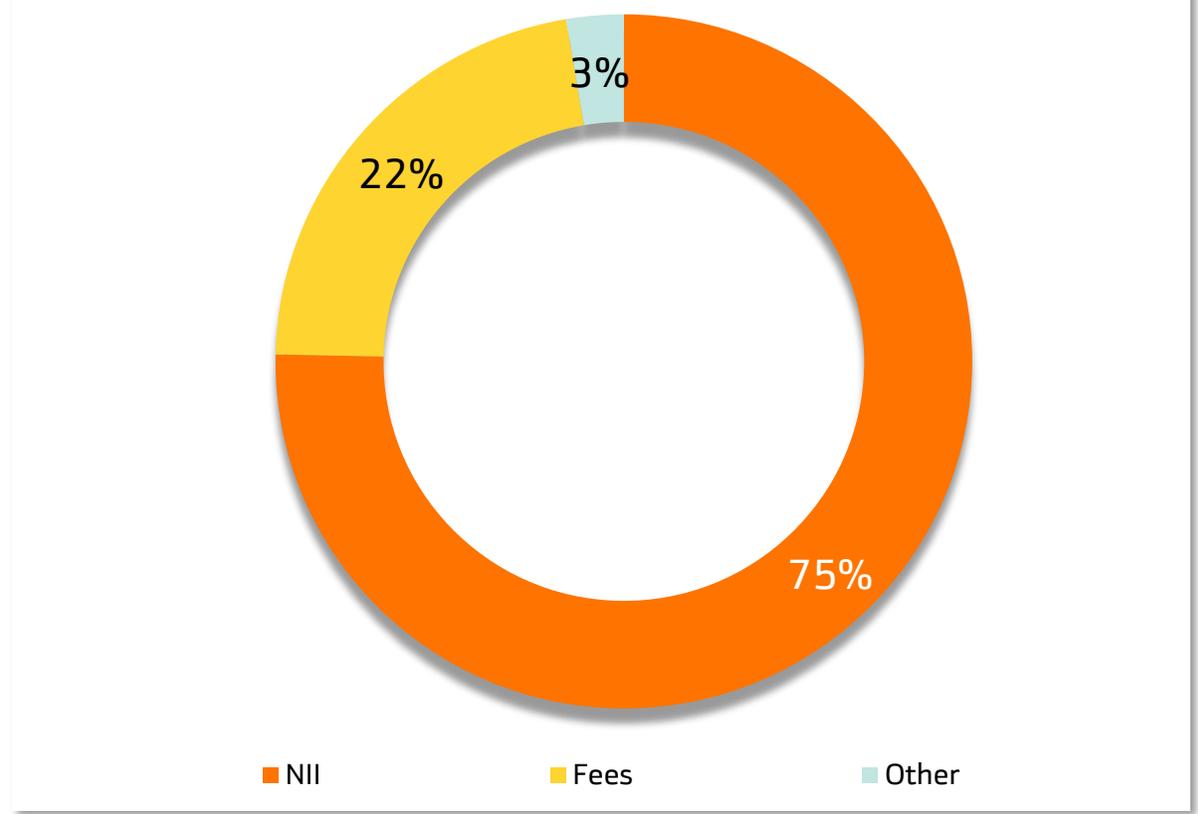
Ex-banking Tax  
+39%

+23 %  
vs/1Q22



## Contribution by income type

In % of total income exbanking tax



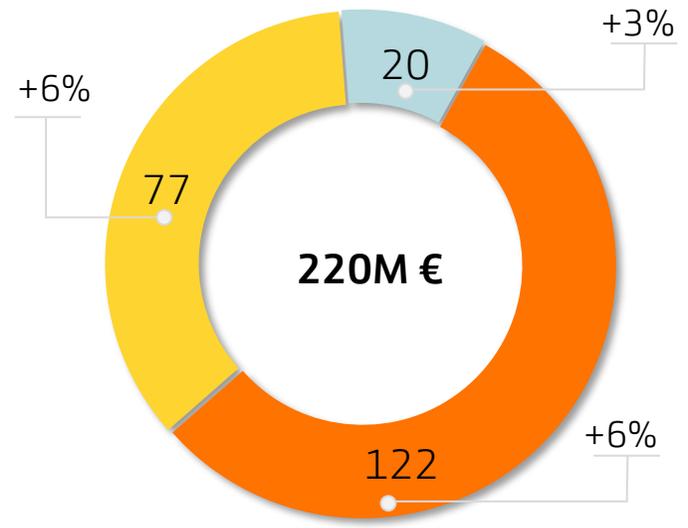
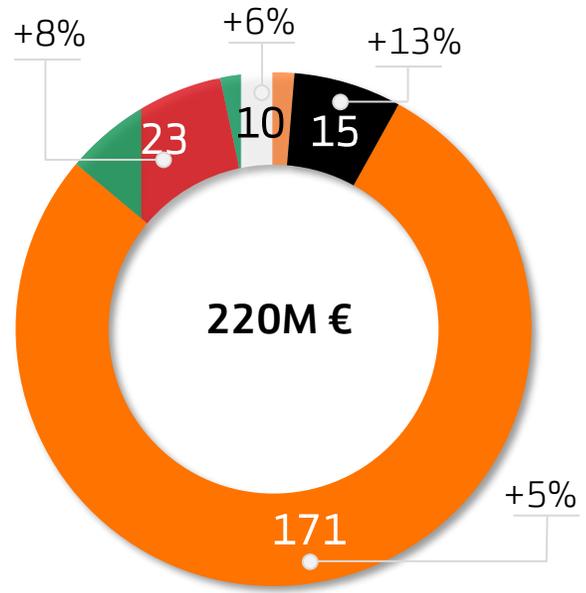
# Operating Expenses

+5.7%  
vs 1Q22

-17%  
vs 4Q22

## Total Expenses

In million of euros and YoY in %



Spain Portugal Ireland EVO

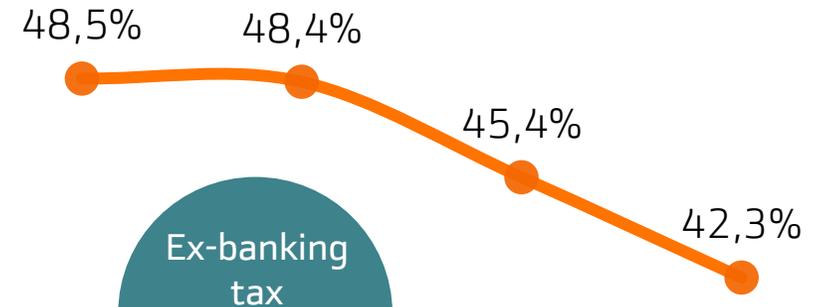
Personal expenses General expenses D&A

C/I Bankinter  
Spain 1Q23

**33.8%**

## Cost-to-income ratio

Last 12 months in %



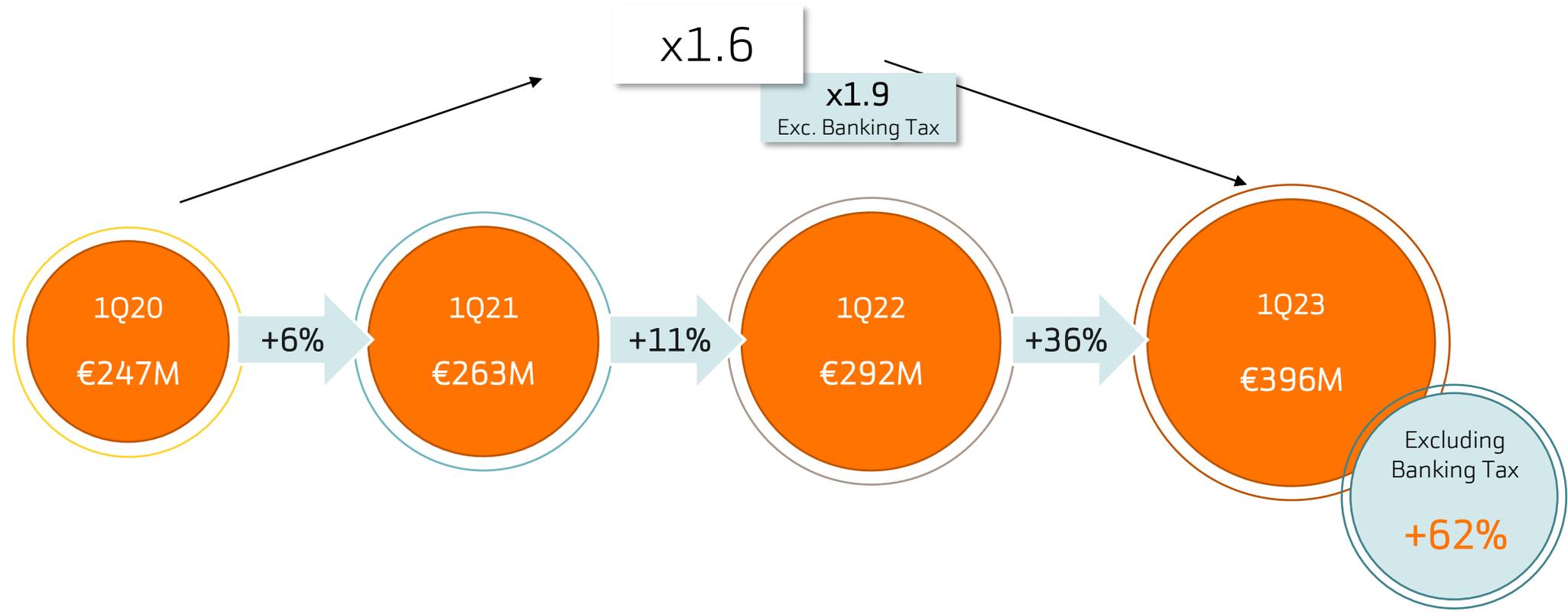
March '19-'20 March '20-'21 March '21-'22 March '22-'23

16  
Results 1Q23

# Pre-Provision Profit

## Pre-Provision Profit growth rate

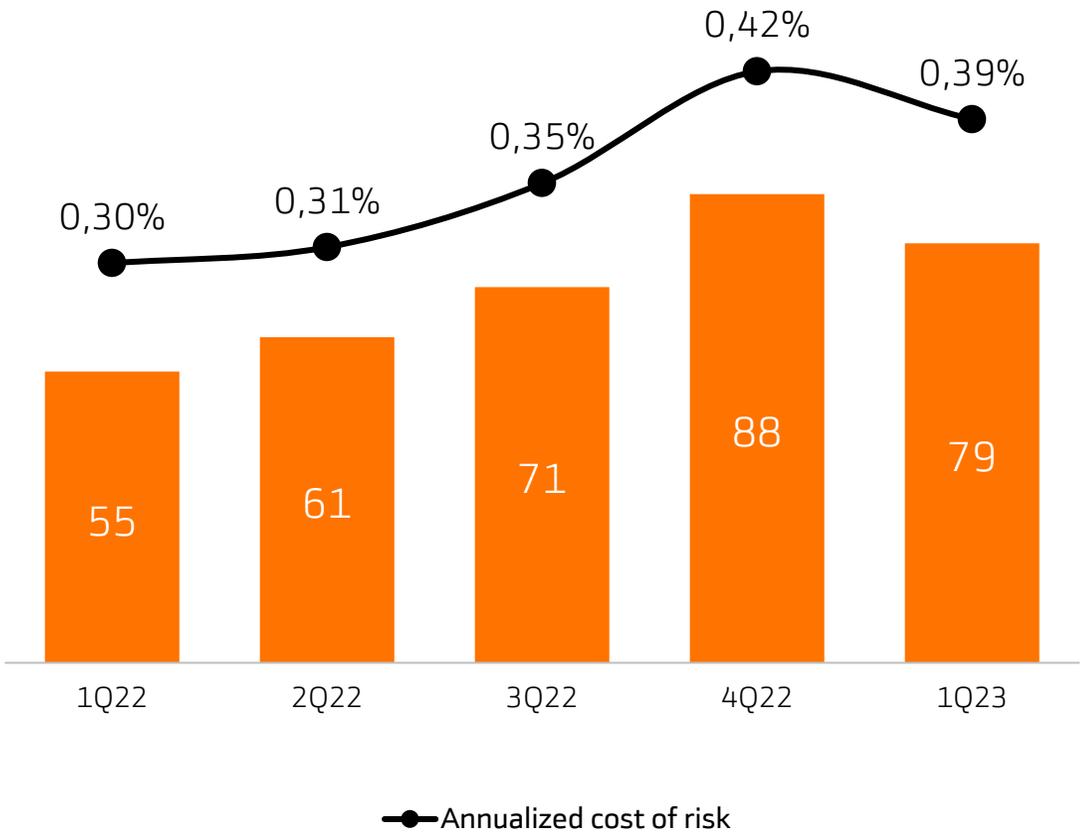
In million of euros and YoY in %



# Cost of risk & other provisions

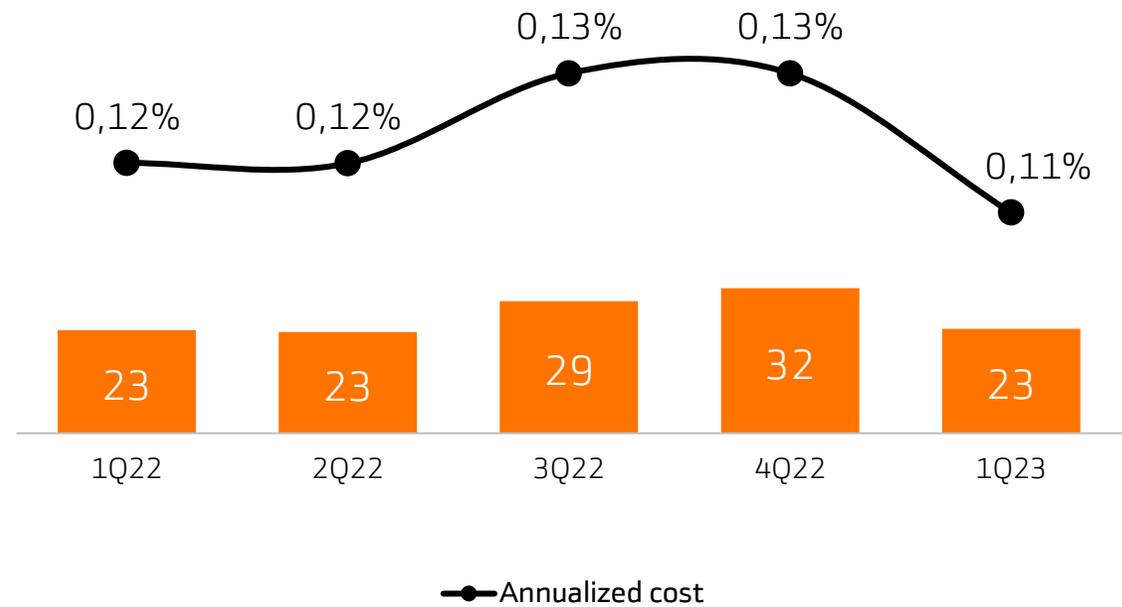
## Cost of Credit Risk

In % of total risk exposure\* and in million of euros.



## Other provisions

In % of total risk exposure\* and in million of euros.



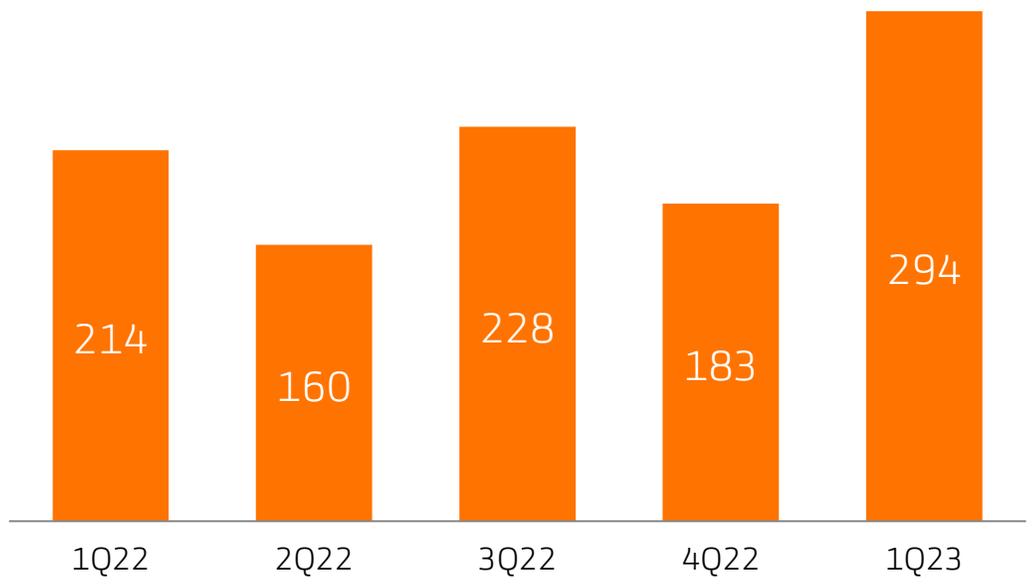
\* CoR includes impairments & gains/losses on asset disposals. Extraordinaries are not included.

# Net Income

## Profit before tax

In million of euros

**+37%  
vs1Q22**

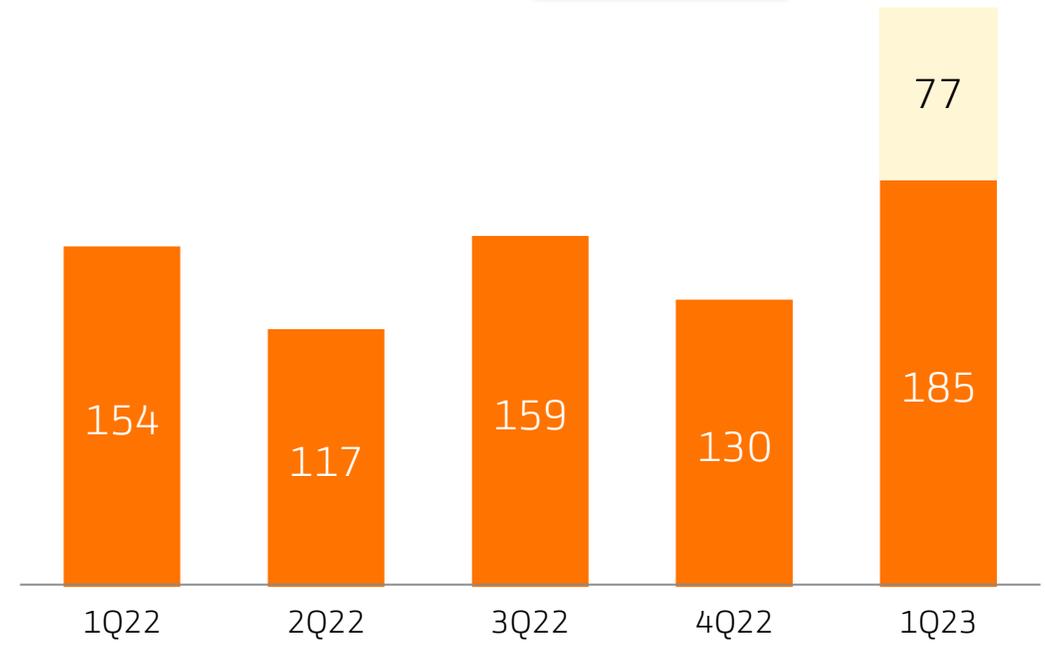


## Total Group net income

In million of euros

**+70%  
Exc. Banking Tax**

**+20%  
vs1Q22**



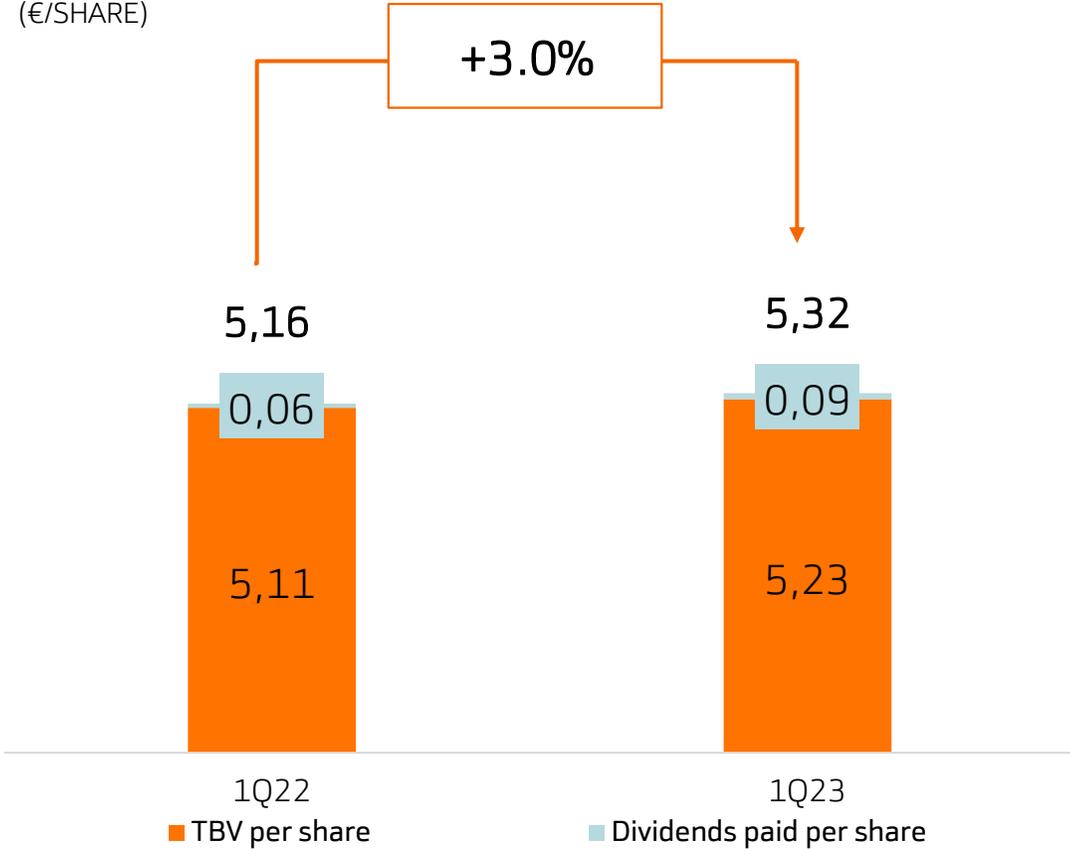
Banking Tax

19  
Results 1Q23

# Results Profitability

## TBV + Dividends

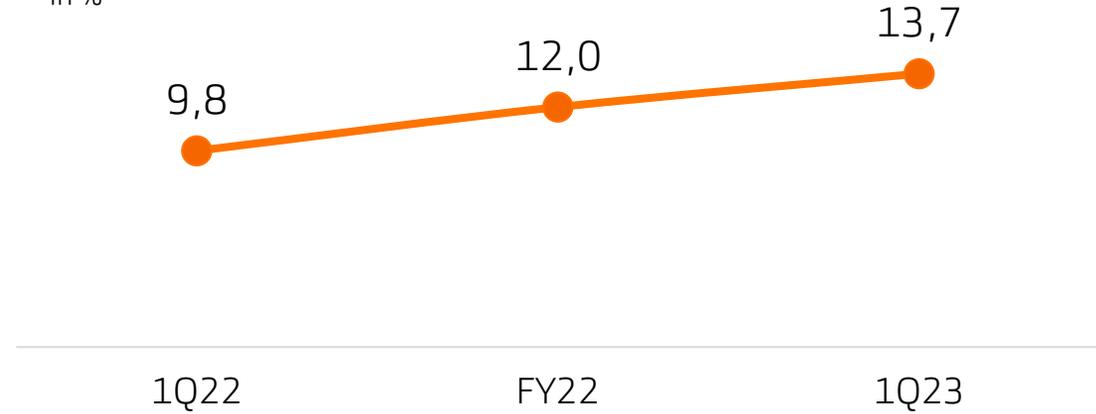
(€/SHARE)



Book Value = 5.54€ per share

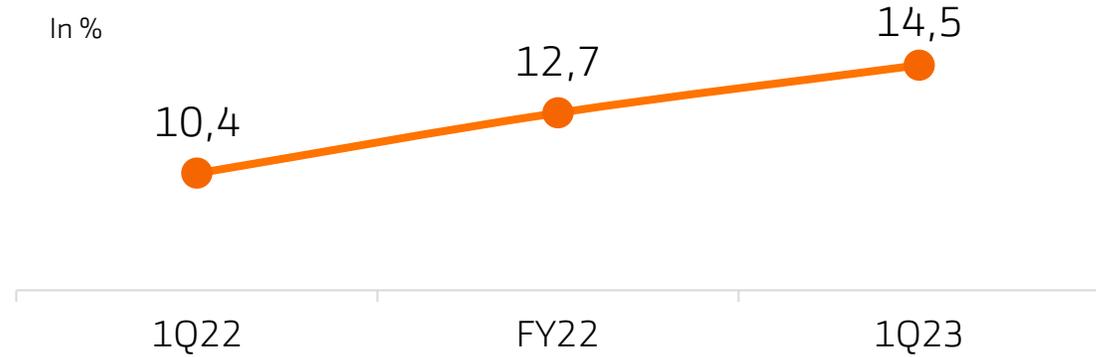
## ROE

In %



## ROTE

In %



20  
Results 1Q23

**Risk  
Management**

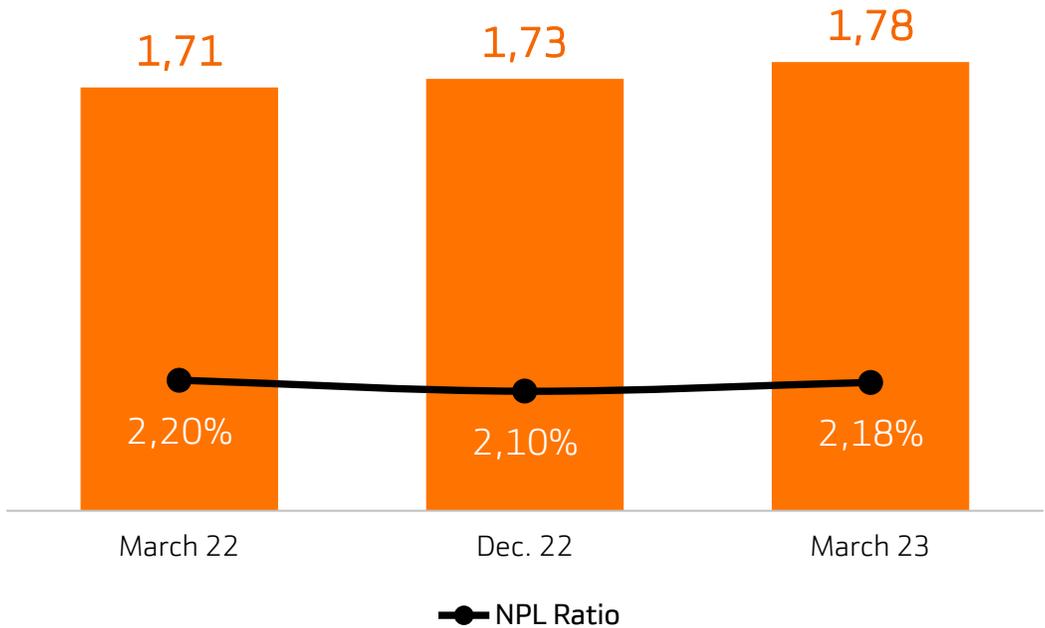
**02**



### Non-performing loans

In billion of euros and ratio in %

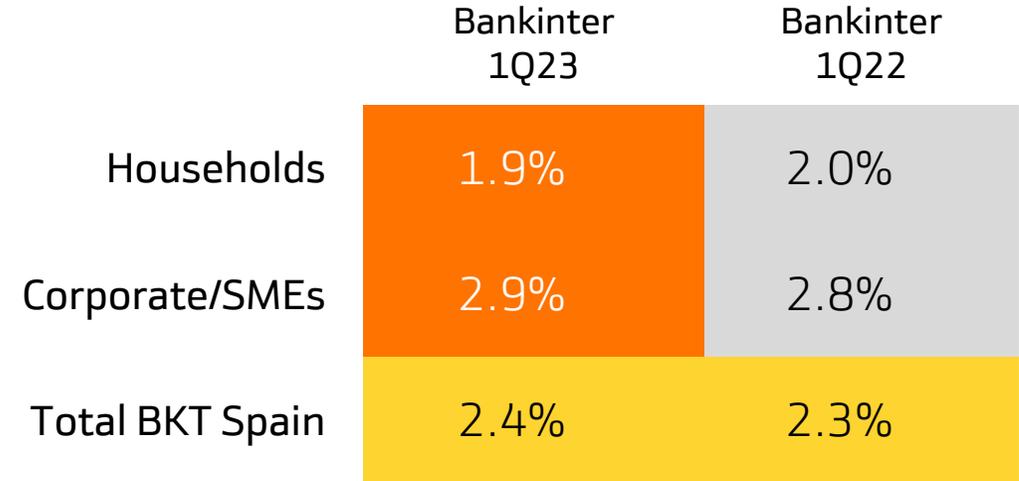
**67%**  
Coverage  
Ratio



### NPL ratios in Spain

in %

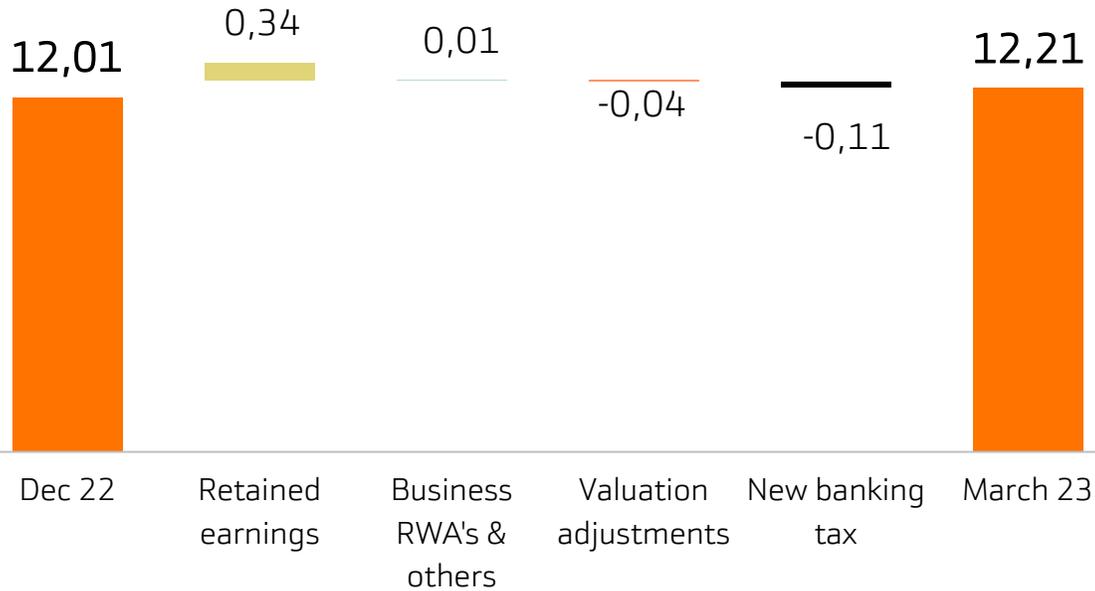
Sector in Spain\*  
**3.56%**



\* BdE as of Jan-23

### Ratio CET1 "fully loaded"

in %



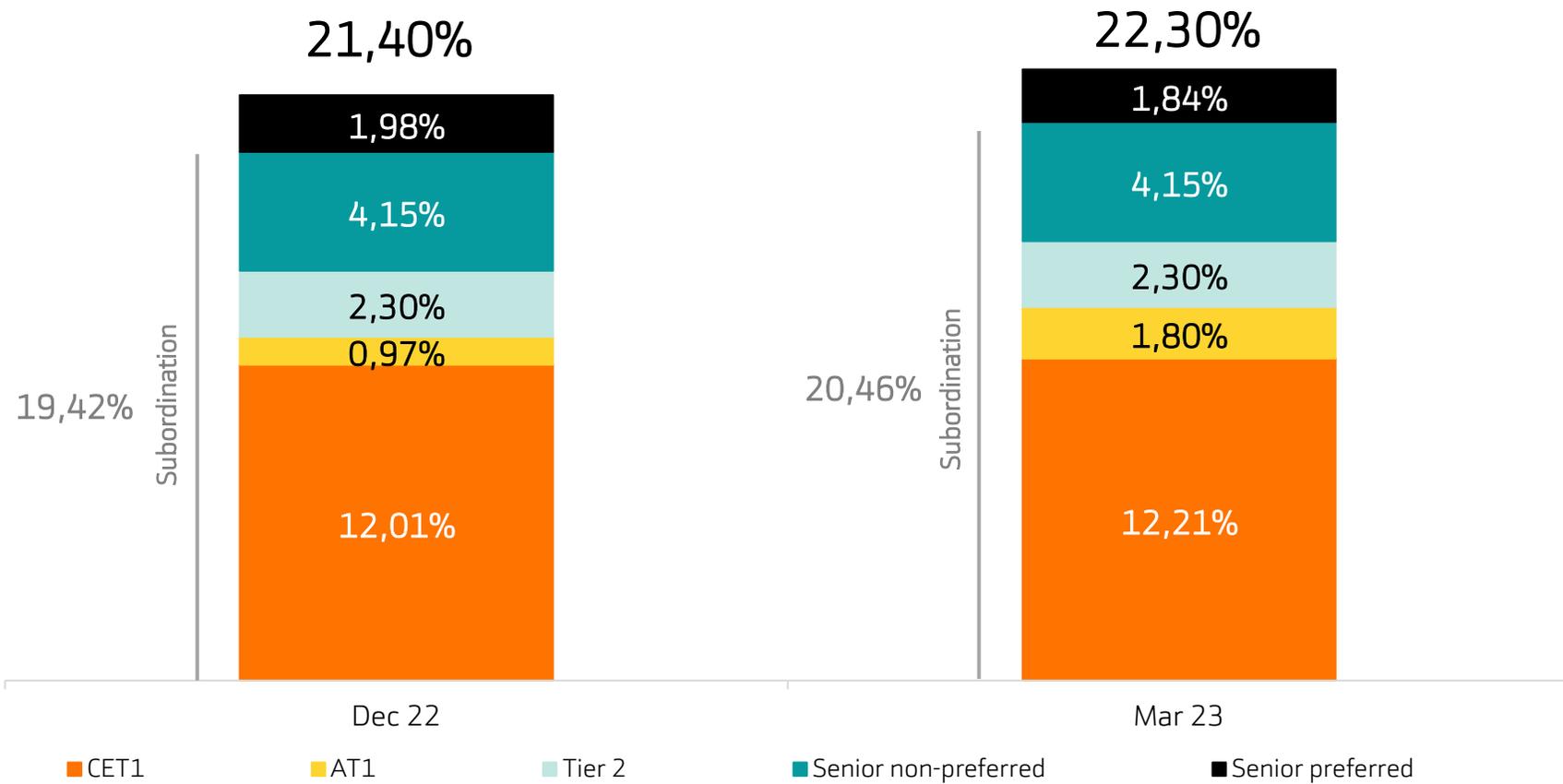
**CET1**  
**"fully loaded"**  
**12.2%**

Buffer 4.5% vs. Minimum regulatory requirement of 7.726%

Leverage ratio	4.8%
Total Capital Ratio	16.3%
MDA Buffer	4.5%
Pillar 2 Requirement 2023	1.29%
5th Best Bank in Europe	

### MREL ratio

% RWA's

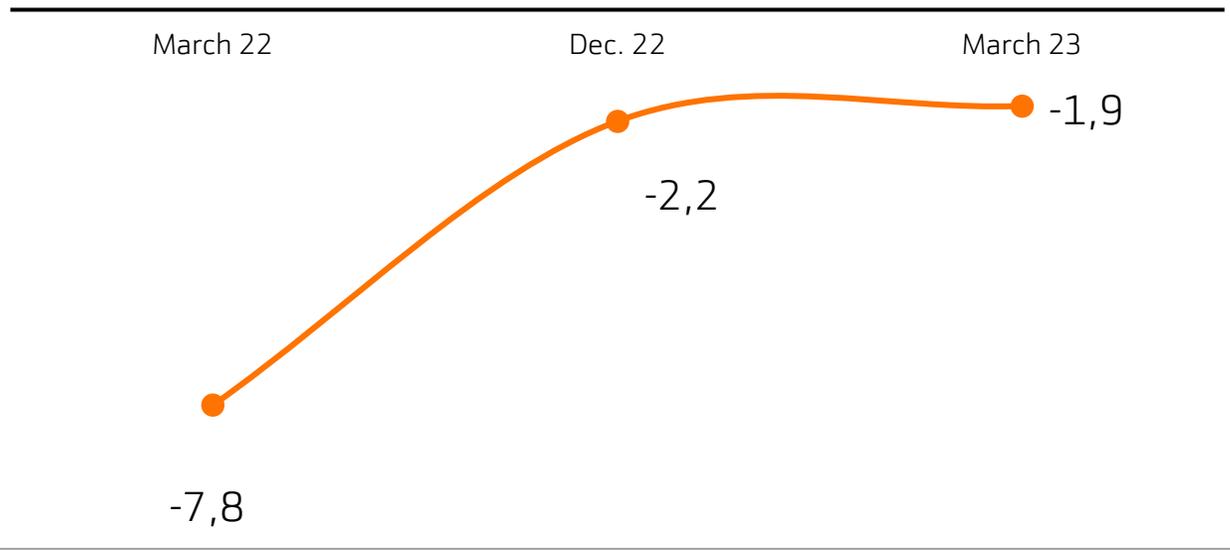


**20.53%**  
Jan-2024 Requirements

**19.58%**  
Subordination Requirement in Jun-2024

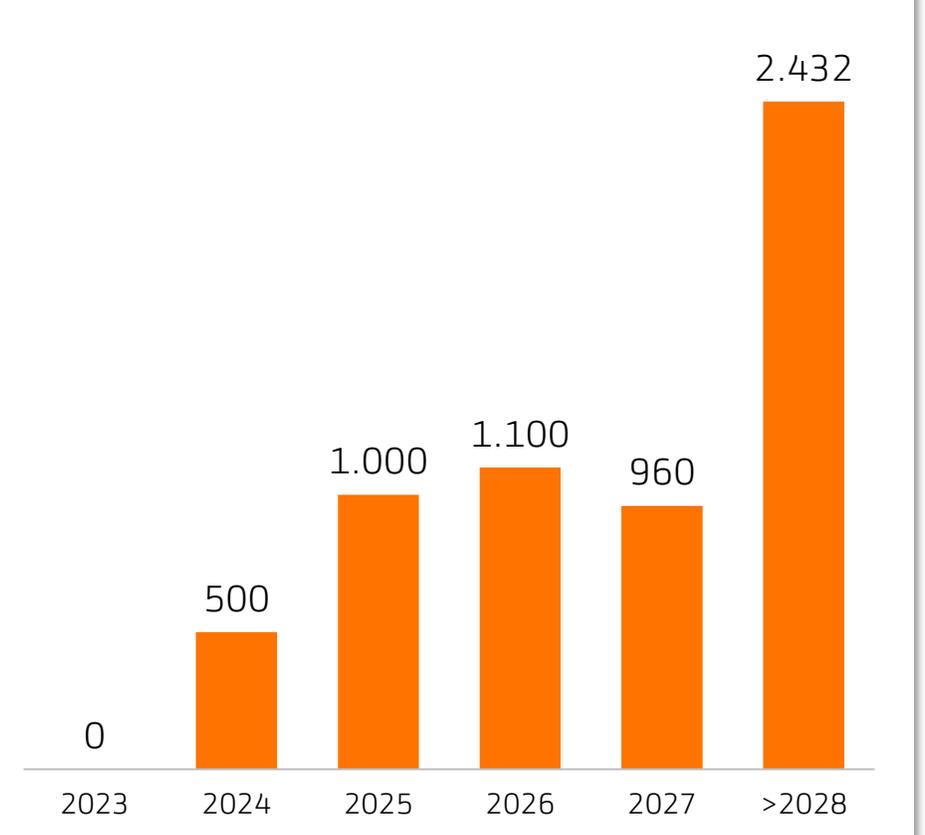
### Commercial gap

In billion of euros



### Wholesale funding maturities

In million of euros



HQLAs

€19.3bn

Total Liquid Assets

€19.8bn

Issuance Capacity

€6.8bn

LCR\*

198%

\*12 months average

## TLTRO III Outstanding

Tranche	Notional (million of euros)	Settlement date	Maturity date
TLTRO III.4	5.050	24/06/2020	28/06/2023
TLTRO III.5	2.788	30/09/2020	27/09/2023
TLTRO III.7	1.294	24/03/2021	27/03/2024

- **Banking Activity**  
(Spain & Portugal)
- **Consumer Finance Activity**  
(Spain, Portugal & Ireland)
- **EVO Banco**

## **Businesses**

**03**

**2**

**1**

# Corporate and SME banking

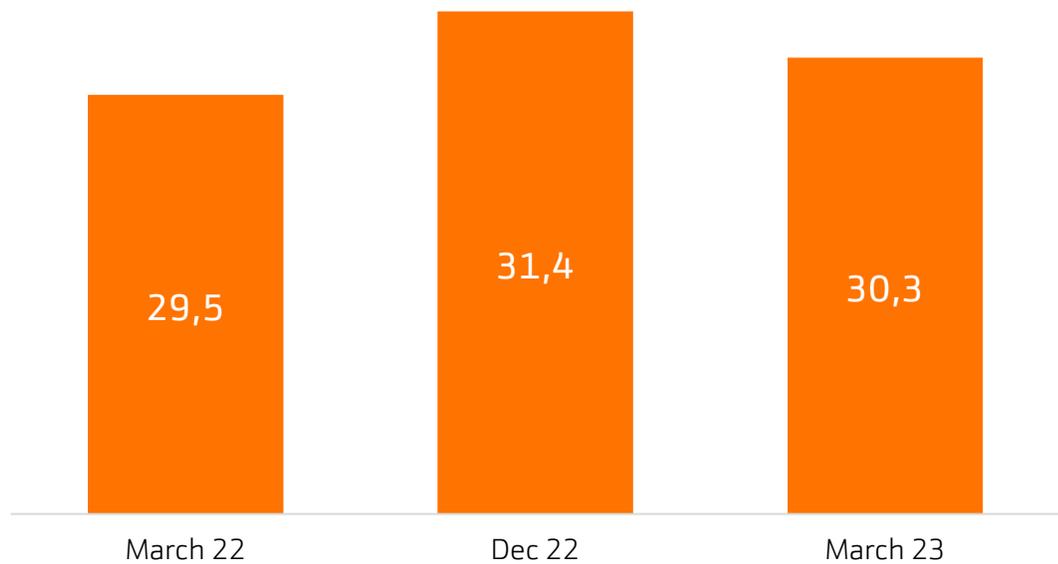
## Loan book

In billion euros

Spain  
**+1.3%**

Sector\*  
**-0.8%**

**+2.9%**  
vs1Q22



\* BdE as of February-23

## ICO financing

(March 23)

Drawn amount  
**€5.8bn**

**4.2%**  
NPL  
ratio

## Collateral business

Loan book  
International  
banking  
**€7.6bn**  
**+11% vs1T22**

Supply Chain  
Finance  
**€186M**  
**+90% vsDec.22**

Next Gen. EU  
funds  
**€265M**  
**+20% vsDec22**

03. Business  
**Wealth & Retail Banking**

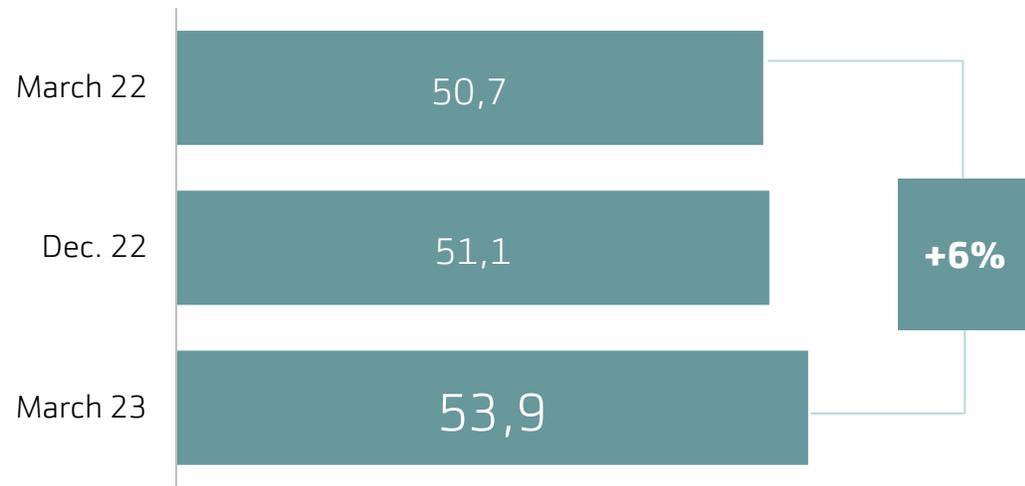
**Customer Assets**

In billion of euros

**+€3.6bn  
 vs  
 Dec.22**

Net New Money 1Q23	+1.7
Market Effect 1Q23	+0.9

Net New Money 1Q23	+0.4
Market Effect 1Q23	+0.6

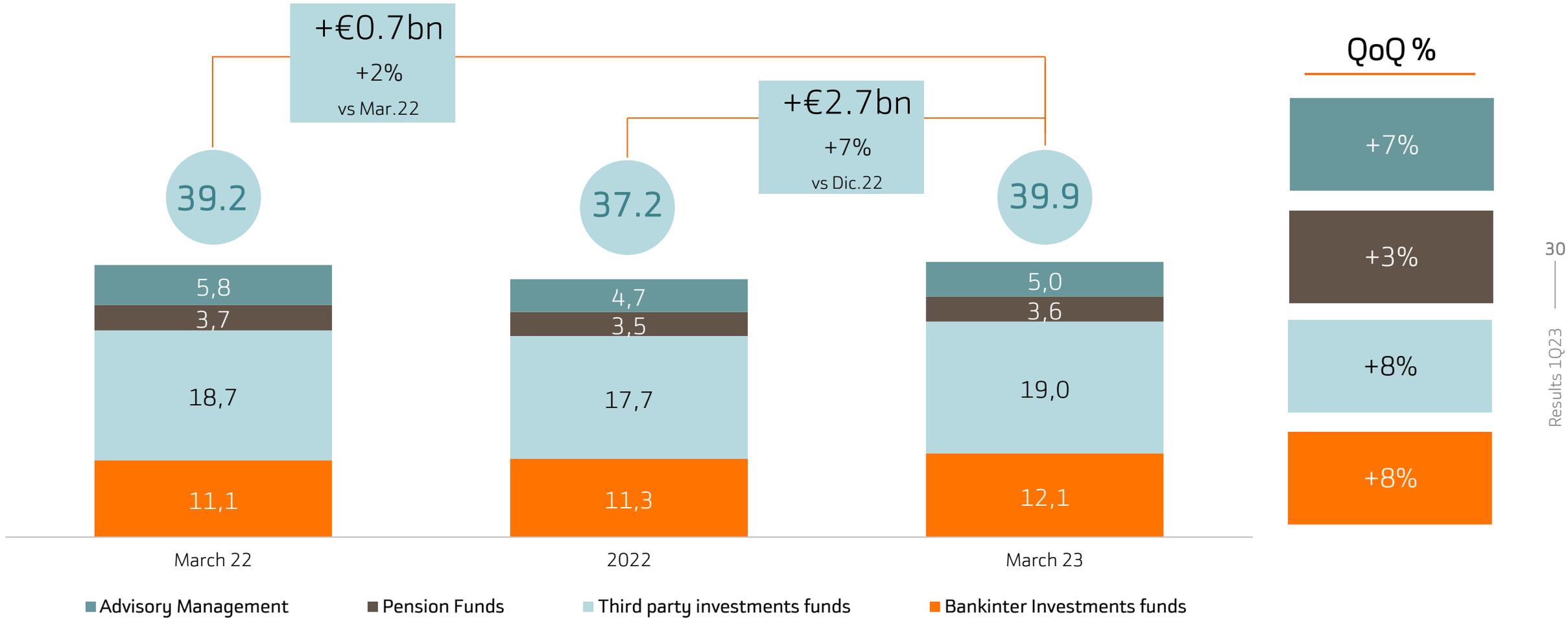


**Wealth Banking**

**Retail Banking**

# Off Balance Sheet Controlled Funds

Asset Managed by type in billion of euros

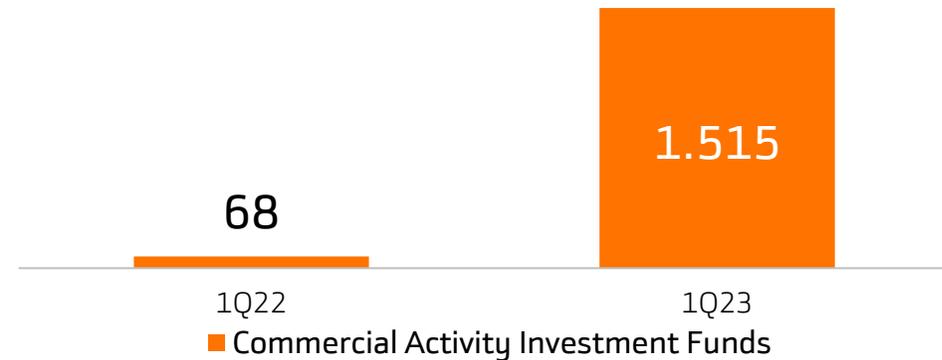


# Off Balance Sheet Controlled Funds Commercial Activity

## Investment Funds

In million of euros

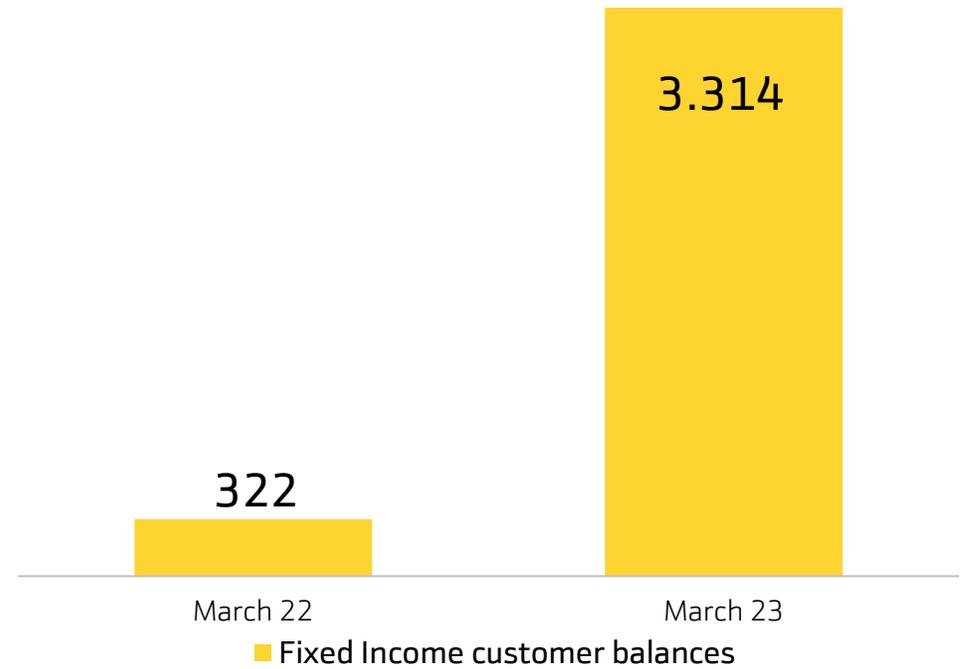
+1.447 Mn€  
vs1Q22



## Fixed Income

Growth in the last year in million of euros

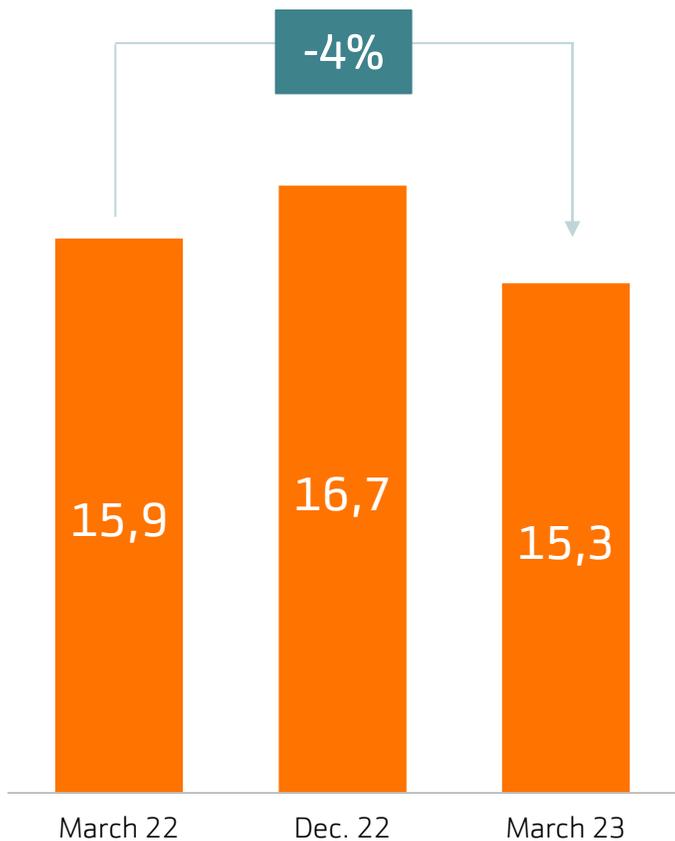
+2.992 Mn €  
vs1Q22



# Retail banking

## Salary account balances in Spain

In billion of euros

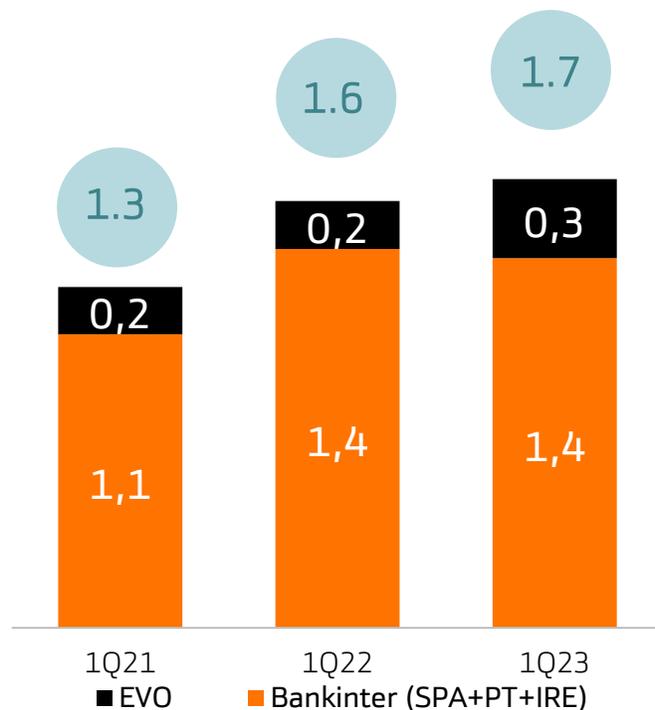


## New mortgage production

In billion of euros

Market share new mortgages in Spain\* | 6.6%

LTV 57% | Fixed 42%



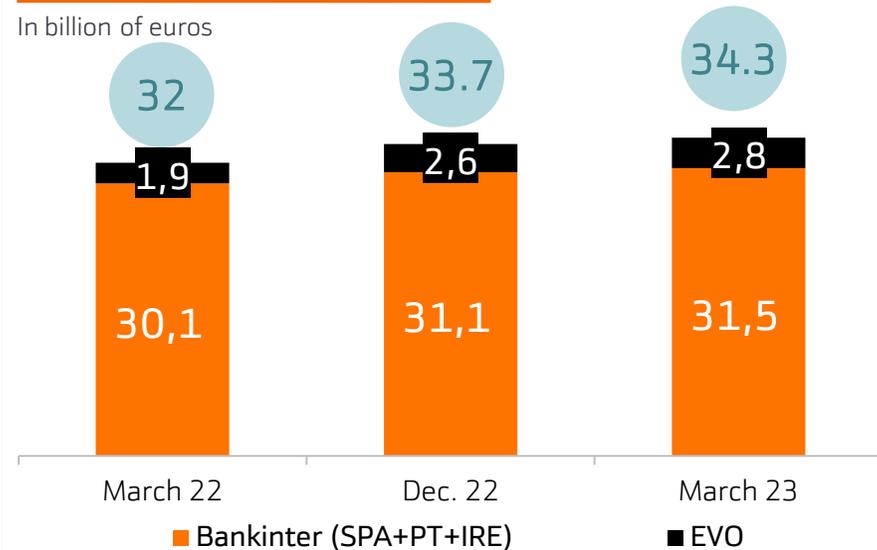
\*INE Jan-23. Market share LTM in Spain

## Mortgage back book

In billion of euros

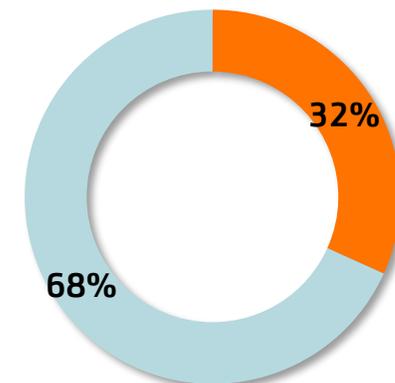
Sector\*\* -1.1%

LTV 54%



## Mortgages types

Fixed  
Floating



\*\*BdE as of Feb-22

# Bankinter Portugal

## Business Indicators

In billion of euros

**€8.4bn**

Loan Book  
**+17% YoY**

Retail Banking  
€5.9bn **+16%**

Corporate/SMEs Banking  
€2.5bn **+20%**

**€6.6bn**

Retail Funds  
**+5% YoY**

**€3.9bn**

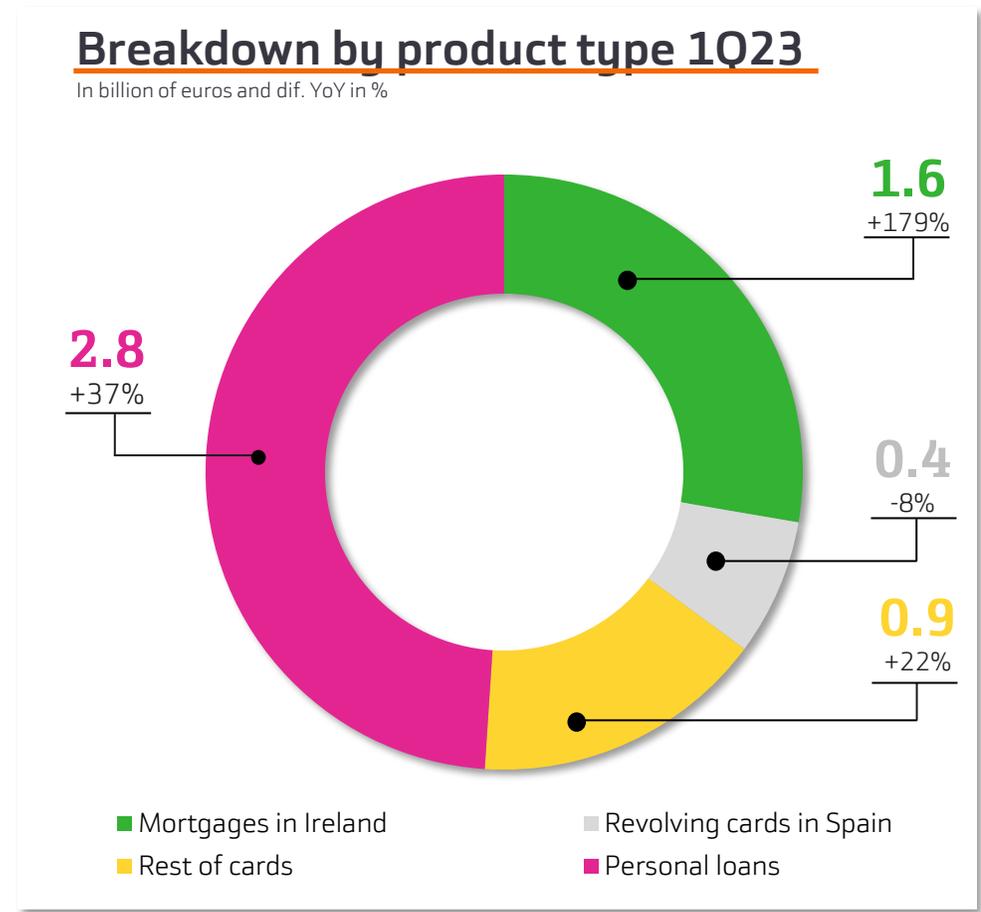
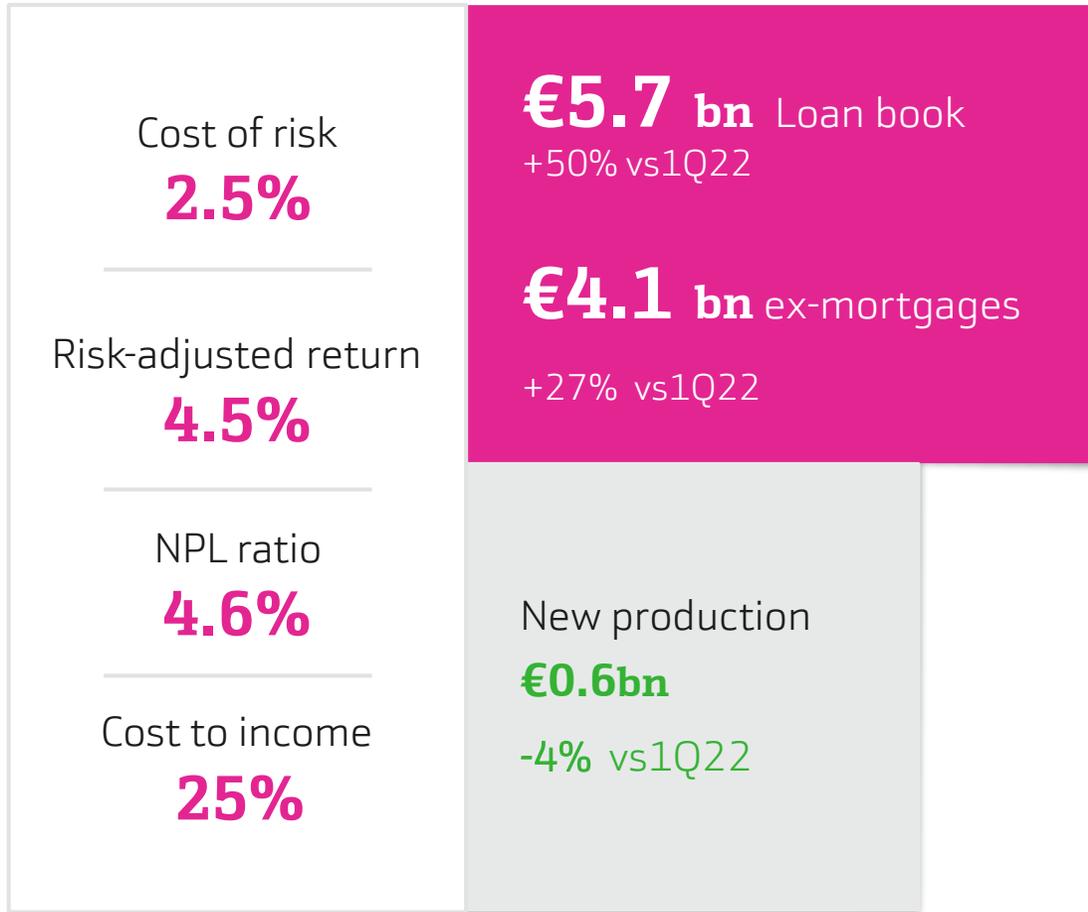
Off-balance sheet funds  
**-6% YoY**

## P&L

In million of euros

	1Q23	1Q22	Dif. %
Net Interest Income	56	26	114%
Net fees and commissions	16	16	5%
Other income/expenses	1	-1	n.a.
<b>Gross operating income</b>	<b>73</b>	<b>41</b>	<b>79%</b>
Operating expenses	-23	-21	8%
<b>Pre-provision profit</b>	<b>50</b>	<b>19</b>	<b>159%</b>
LLP and other provisions	-6	-4	80%
<b>Profit before taxes</b>	<b>43</b>	<b>16</b>	<b>177%</b>

# Bankinter Consumer Finance



# Bankinter Ireland

Cost of risk <b>0.7%</b>	<b>€2.3bn</b> Loan book +102% vs1Q22
NPL ratio <b>0.4%</b>	
	Mortgages: €1.6bn +179% Consumer lending: €0.7bn +25%

### An award-winning consumer finance company

The image displays five award logos:
 

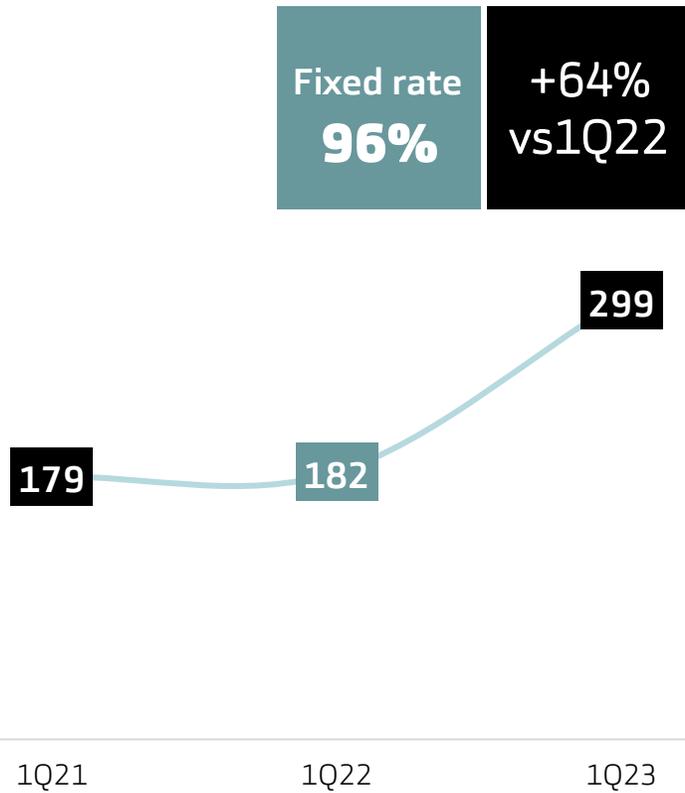
- bQnkers.ie Winner**: Best Rewards or Loyalty Programme 2021 (3 stars).
- Irish Loyalty Awards**: Winner 2021, Financial Services Loyalty Programme.
- CCMA**: Customer Contact Management Association.
- The KeepWell Mark**: An ethics initiative.
- Best Workplaces™**: Great Place To Work, Ireland 2021.

# EVO Banco



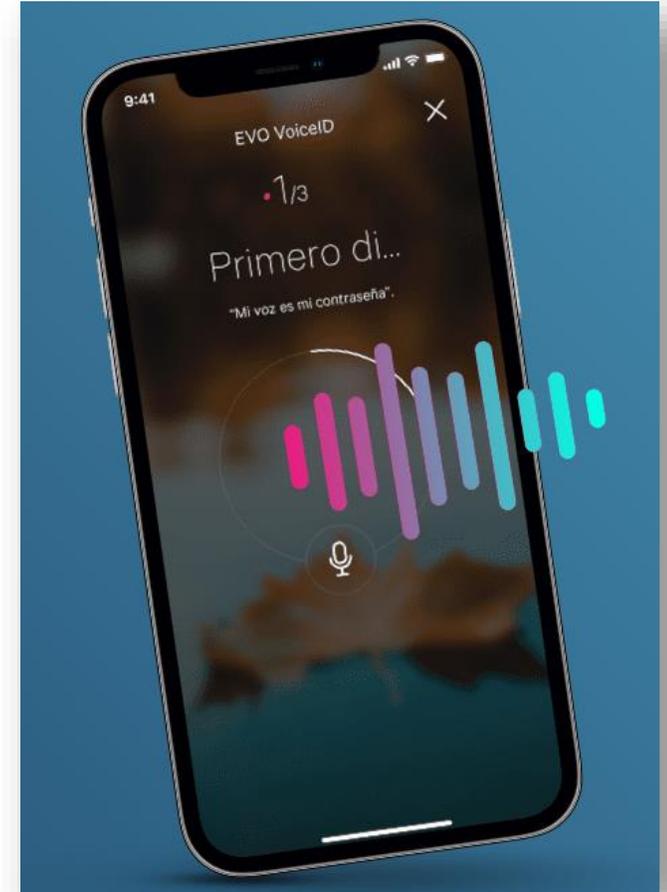
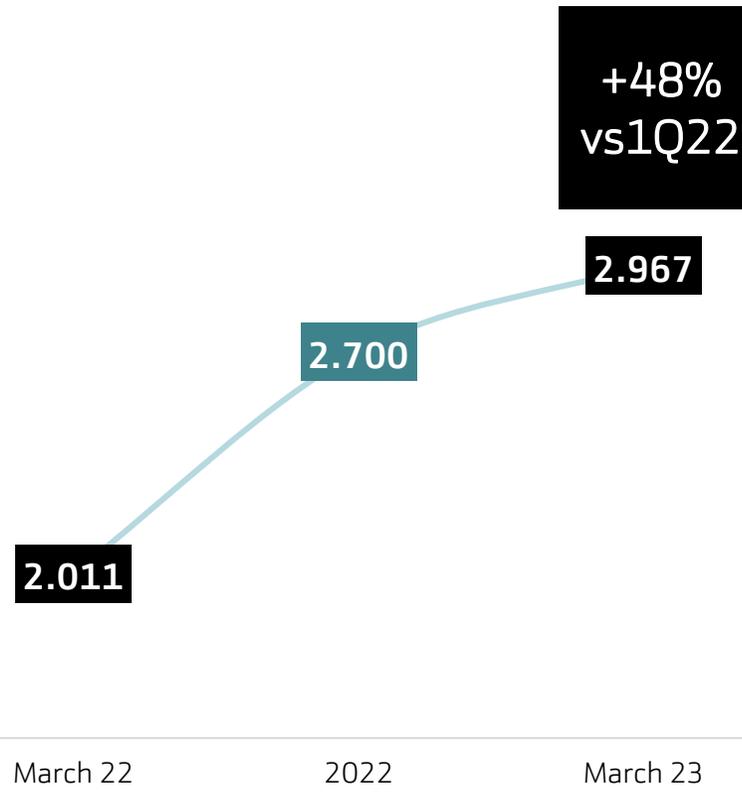
## New mortgages

In million of euros



## Total loan book

In million of euros



# Summary

04



Balance sheet

<p><b>€616M</b> Total Income</p> <p><b>+23%</b></p> <p>NII <b>+63%</b>    Fees <b>+4%</b></p>	<p><b>€396M</b> Pre-Provision Profit</p> <p><b>+36%</b></p>	<p><b>185M€</b> Net Income</p> <p><b>+20%</b></p>	<p><b>73MM€</b> Loan Book</p> <p><b>+5%</b></p>	<p><b>74MM€</b> Retail Funds</p> <p><b>-3%</b></p>	
<p>ROE</p> <p><b>13.7%</b></p>	<p>NPL Ratio</p> <p><b>2.18%</b></p>	<p>Coverage Ratio</p> <p><b>67%</b></p>	<p>LCR</p> <p><b>198%</b></p>	<p>LtD</p> <p><b>97.4%</b></p>	<p>CET 1 "Fully Loaded"</p> <p><b>12.2%</b></p>

# Executive summary

## Commercial activity

- One more quarter with strong commercial activity: mortgage production holding up in the group, corporate lending down in the quarter in line with the market. Total customers controlled funds growing by 2% year to date more than offsetting customer deposits decrease by 1%. Strong performance in geographies outside Spain, Portugal, Ireland and Luxembourg.
- Investment funds recovery growing at 8% in the quarter reflects the strength of the franchise with affluent customers with 2.2bn growth year to date.

## Results

- Net profit at €185M growing by 20% and already offsetting the full year new tax on banking effect of 77 million euros .
- NII reached €522M a 63% growth YoY and a record figure for a quarter that proves the good customer margin management and the absence of one offs in the year.
- ROE stands at 14%, cost-to-income at 36% and NPLs at 2.2%, best in class of the European banking sector.

## Risk Management

- Asset quality remains almost unchanged with coverage ratio increasing to 67% and cost of risk at 39 bps within our guidance.
- In solvency CET1 FL ratio increasing to 12.2% at very comfortable level well above regulatory requirements.



20 April 2023

Thank You



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# Glossary

In addition to financial information prepared in accordance with IFRS Standards, this document includes alternative performance measures ('APMs'), based on the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority on 30 July 2015 (ESMA/2015/1057) ('the ESMA Guidelines'). Bankinter uses certain APMs, which have not been audited, in order to provide a better understanding of the company's financial performance. These measures should be considered additional information, and in no case do they substitute the financial information prepared in accordance with the IFRS Standards. Furthermore, the manner in which Bankinter defines and calculates these measures may differ from other similar measures calculated by other companies and, therefore, may not be comparable. The ESMA guidelines define APMs as a financial measure of past or future financial performance, of financial situation or of cash flows, except for a financial measure defined or detailed in the applicable financial reporting framework. Pursuant to the recommendations set out in the guidelines previously mentioned, the APMs that have been used are described below.

Alternative performance measure	Definition
ALCO	Asset - Liability Committee
CET1	Common Equity Tier 1
CAGR	Compound Annual Growth Rate
Cost of risk	This metric includes the total NPL cost as of the reporting date. It includes losses from impaired assets (NPL provisions) and gains and losses on asset disposals.
Cost-to-income ratio	This is the result of dividing the sum of the staff costs, other general administrative expenses and depreciation and amortisation expenses, by the gross margin.
Foreclosed assets	Available-for-sale foreclosed assets
Foreclosure coverage	Calculated as the balance of the provisions divided by the balance of foreclosed assets.
LCR	Liquidity Coverage ratio
Loan-to-deposit ratio	The loan-to-deposit ratio is the quotient of total loans divided by customer deposits.
MREL	Minimum requirement for own funds and eligible liabilities
NPL coverage	Calculated as the balance of the provisions divided by the balance of doubtful loans (with off-balance sheet exposure).
NPL ratio	Calculated as the balance of doubtful loans (with off-balance sheet exposure) divided by the balance of the total risk.
RoE (Return on equity)	This is the result of dividing attributed net profit in the last twelve months by shareholders' equity on the date (excluding the profit/loss for the year, dividends and remunerations and valuation adjustments). In the denominator, average own funds are the average of own funds for the reporting period.
ROTE (Return on Tangible Equity)	This is the result of dividing attributed net profit in the last twelve months by shareholders' tangible equity on the date (excluding the profit/loss for the year, dividends and remunerations and valuation adjustments). In the denominator, average own funds are the average of own funds for the reporting period.
RWAs	Risk-weighted assets
SREP	Supervisory Review and Evaluation Process
TSR	Total Shareholder Return: calculated with the share Price at the beginning of the period and including the dividends paid in the last 12 months