4Q24
Quarterly Financial Report

Contents

Basis of presentation

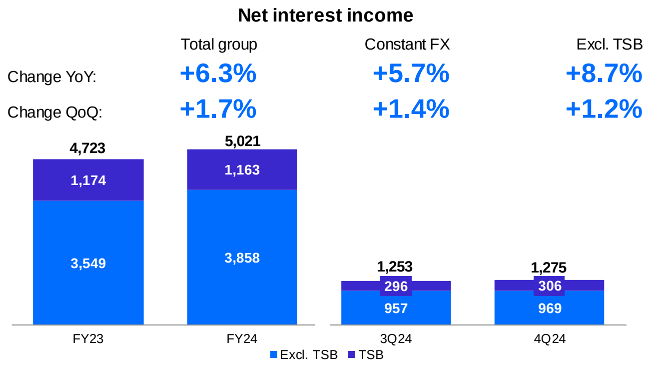
The consolidated income statement and balance sheet as at the end of December 2024 and 2023, together with the disclosures shown in this Financial Report, are presented in accordance with the accounting standards, principles and criteria defined in Note 1 to the Group's consolidated annual financial statements as at 31 December 2024.
Pursuant to the Guidelines on alternative performance measures published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415), a glossary has been included with the definitions and the reconciliation with the items presented in the financial statements of certain alternative financial measures used in this document. See Glossary of terms on performance measures.

1. Summary

Net interest income

Net interest income followed a positive trend, reaching 5,021 million euros as at the end of 2024, representing year-on-year growth of 6.3%, mainly due to a higher loan yield and increased revenue from the fixed-income portfolio, underpinned by interest rates, as well as the extraordinary interest on arrears related to debt recovery following a favourable court ruling after a legal dispute, all of which served to offset the higher cost and volume of deposits and wholesale funding. Not including the interest on arrears, net interest income recorded year-on-year growth of 5.5%.

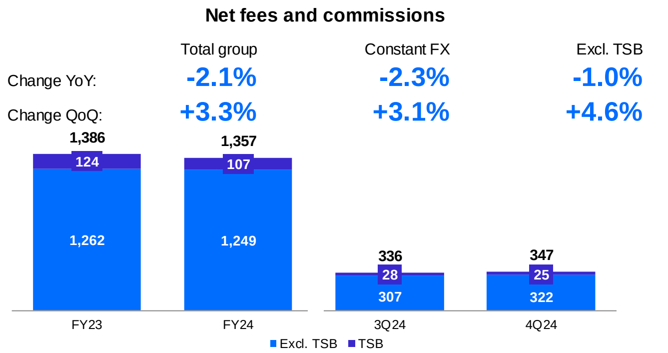
In the quarter, net interest income was up by 1.7%, positively impacted by the aforesaid extraordinary interests on arrears. Not including this effect, net interest income fell by -1.2% quarter-on-quarter, where it is worth mentioning the lower loan yields following interest rate cuts, mainly in Spain, which neutralised the growth of net interest income at TSB, which continued to trend upwards.



Net fees and commissions

Net fees and commissions amounted to 1,357 million euros as at the end of 2024, representing a year-on-year reduction of -2.1%, mainly due to reduced service fees.

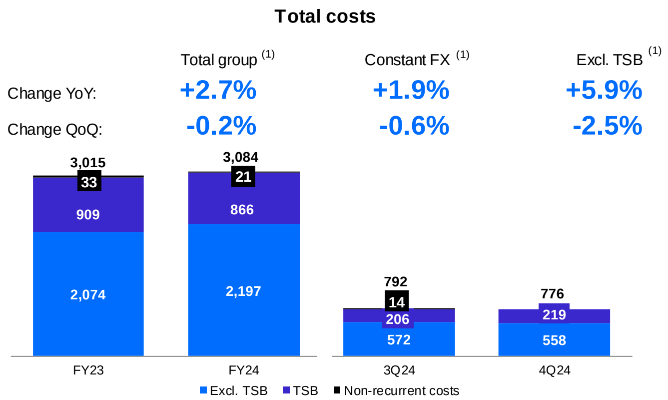
In the quarter, they recorded growth of 3.3%, due to an increase in asset management fees, underpinned by the positive seasonality related to success fees.



Total costs

Total costs came to 3,084 million euros as at the end of 2024, increasing by 2.3% year-on-year. Recurrent costs rose by 2.7% year-on-year, due to an increase of both staff expenses and general expenses, which partially counterbalanced the reduction of amortisations/depreciations.

Quarter-on-quarter, total costs showed a reduction of -2.0%, mainly because the previous quarter included restructuring costs at TSB. Excluding this effect, recurrent costs remained broadly steady during the quarter.

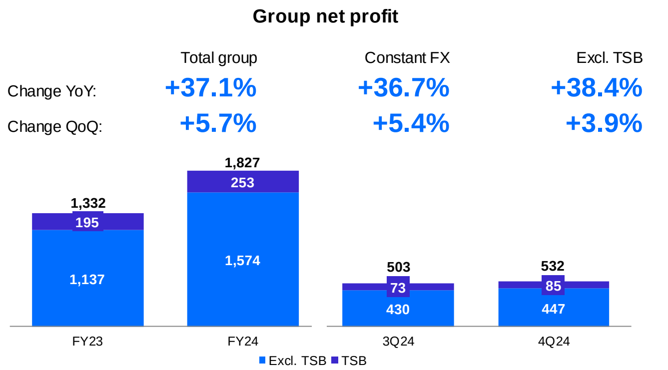


(1) Change over total recurrent costs.

Group net profit

As at the end of 2024, the Group's net profit amounted to 1,827 million euros, representing year-on-year growth of 37.1%, with profit ex-TSB amounting to 1,574 million euros and profit at TSB to 253 million euros. This level of profit pushed the Group's ROTE up by 343bps year-on-year to 14.9%.

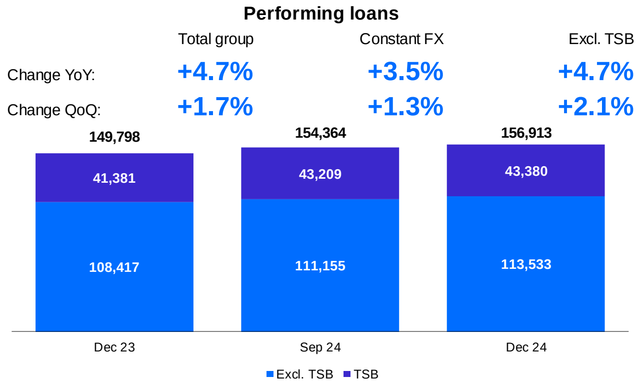
Core results (net interest income + fees and commissions – recurrent costs) grew by 6.0% year-on-year, driven by the increase of net interest income.



Performing loans

Performing loans grew by 4.7% year-on-year, driven both by good performance in Spain, where it is particularly worth noting the growth of lending to SMEs and corporates and individuals, and by the businesses abroad, particularly Miami and TSB, in the latter case due to the positive impact of the appreciation of the pound sterling.

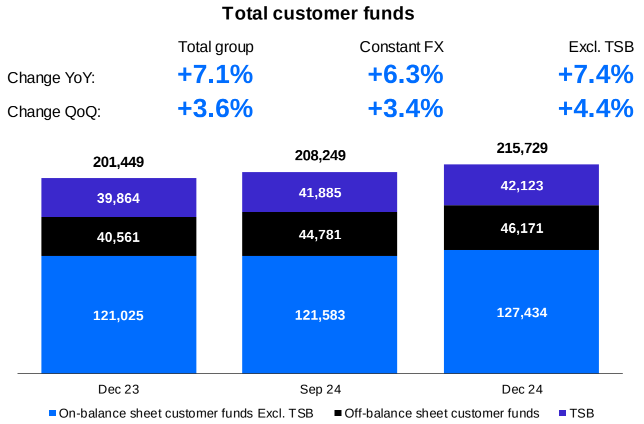
Quarter-on-quarter, lending recorded an increase of 1.7%, driven by growth in Spain, mainly its mortgage portfolio and its business lending portfolio, as well as the growth recorded by businesses abroad, particularly Miami.



Customer funds

Customer funds posted a year-on-year increase of 7.1%, due to an increase of on-balance sheet funds, with growth of both sight accounts and term deposits, and also due to an increase of off-balance sheet funds, mainly mutual funds, underpinned by the positive flow of net subscriptions.

These same facts were also behind the 3.6% growth recorded by customer funds in the quarter.

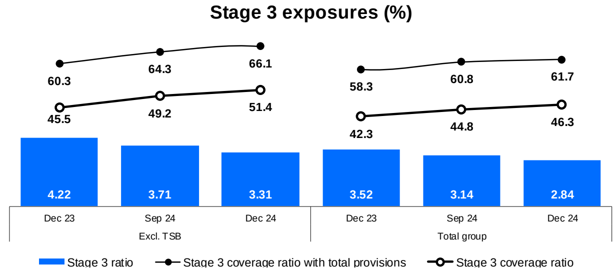


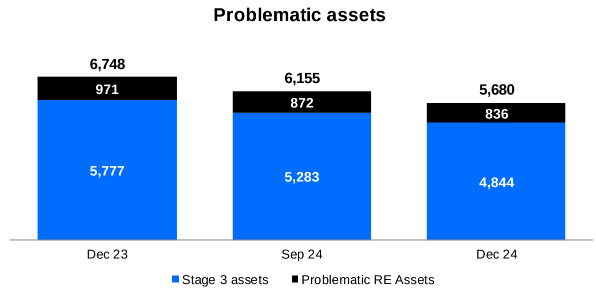
Non-performing assets (NPAs)

The balance of NPAs was reduced by 1,069 million euros over the year, the reduction in the fourth quarter of 2024 being 476 million euros, of which 360 million euros related to a favourable court ruling after a legal dispute, while the coverage ratio considering total provisions rose to 58.6%.

The Group's stage 3 ratio improved to 2.8%, while the stage 3 coverage ratio considering total provisions and the stage 3 coverage ratio increased to 61.7% and 46.3%, respectively.

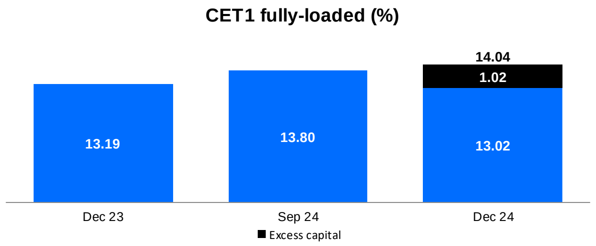
There were improvements both in the Group's credit cost of risk, which fell by 17bps year-on-year and by 5bps in the quarter to stand at 26bps as at the end of 2024, and in its total cost of risk, which was down by 13bps year-on-year and by 2bps in the quarter, standing at 42bps.





Capital ratio

The fully-loaded CET1 ratio considering the distribution of excess capital of 1 percentage point was 13.02% as at the end of 2024, while the total capital ratio reached 17.60%, thus standing above requirements, with an MDA buffer of 406bps. Not considering the distribution of excess capital, the ratio was 14.04%, thus increasing by 24bps in the quarter and by 85bps in the year.



2. Key figures

		Excl. TSB			Total group		
		31.12.23	31.12.24	YoY (%) (6)	31.12.23	31.12.24 (5)	YoY (%) (6)
Profit and loss account (€ millions)							
Net interest income		3,549	3,858	8.7	4,723	5,021	6.3
Core revenues		4,811	5,107	6.2	6,109	6,378	4.4
Gross operating income		4,571	5,051	10.5	5,862	6,337	8.1
Pre-provisions income		2,497	2,855	14.3	2,847	3,254	14.3
Attributable net profit		1,137	1,574	38.4	1,332	1,827	37.1
Balance sheet (€ millions)							
Total assets		183,918	188,143	2.3	235,173	239,598	1.9
Performing gross loans		108,417	113,533	4.7	149,798	156,913	4.7
Gross loans to customers		113,405	117,614	3.7	155,459	161,717	4.0
On-balance sheet customer funds		121,025	127,434	5.3	160,888	169,557	5.4
Off-balance sheet customer funds		40,561	46,171	13.8	40,561	46,171	13.8
Total customer funds		161,585	173,606	7.4	201,449	215,729	7.1
Net equity		--	--		13,879	15,033	8.3
Shareholders' equity		--	--		14,344	15,389	7.3
Profitability and efficiency ratios (%)							
ROA		--	--		0.5	0.8	
RORWA		--	--		1.7	2.3	
ROE		--	--		9.5	12.4	
ROTE		--	--		11.5	14.9	
Efficiency		37.1	36.0		42.6	40.8	
Efficiency with amortisation & depreciation		45.4	43.5		51.4	48.7	
Risk management	(1)						
Stage 3 exposures (€ millions)		5,165	4,180	-19.1	5,777	4,844	-16.2
Total problematic assets (€ millions)		6,136	5,016	-18.3	6,748	5,680	-15.8
Stage 3 ratio (%)		4.22	3.31		3.52	2.84	
Stage 3 coverage ratio (%)		45.5	51.4		42.3	46.3	
Stage 3 coverage ratio with total provisions (%)		60.3	66.1		58.3	61.7	
Problematic assets coverage (%)		57.0	61.8		55.6	58.6	
Liquidity management (%)							
Loan-to-deposit ratio		90.5	89.6		94.0	93.2	
LCR		264	237		228	210	
NSFR	(2)	--	--		140	142	
Capital management							
Risk weighted assets (RWA) (€ millions)		--	--		78,428	80,559	2.7
Common Equity Tier 1 (%)		--	--		13.19	13.02	
Common Equity Tier 1 fully-loaded (%)		--	--		13.19	13.02	
Tier 1 (%)		--	--		15.42	15.19	
Total capital ratio (%)		--	--		17.76	17.60	
MREL (% RWA)		--	--		27.83	27.85	
MREL (% LRE)		--	--		9.36	9.54	
Leverage ratio (%)		--	--		5.19	5.20	
Share data (period end)							
Number of outstanding shares (millions)	(3)	--	--		5,403	5,361	
Share price (€)	(4)	--	--		1.113	1.877	
Market capitalisation (€ millions)		--	--		6,014	10,063	
Earnings per share (EPS) (€)		--	--		0.23	0.32	
Book value per share (€)		--	--		2.65	2.87	
TBV per share (€)		--	--		2.20	2.39	
Price / Tangible book value (times)		--	--		0.51	0.78	
Price / Earnings ratio (P/E) (times)		--	--		4.94	5.84	
Other data							
Branches		1,209	1,164		1,420	1,350	
Employees		13,890	14,040		19,316	18,769	

(1) The NPA coverage ratio is based on total provisions.
(2) Taking into account the best estimate as at the date of publication of this report.
(3) Total number of shares minus final treasury stock position (including shares in the buyback programme, where applicable).
(4) Historical values not adjusted.
(5) The cumulative EUR/GBP exchange rate as at 31.12.2024 applied throughout the report to the income statement is 0.8463 (the one applied as at 31.12.2023 was 0.8706). In the case of the balance sheet, the exchange rate applied is 0.8292 (the one applied as at 31.12.2023 was 0.8691).
(6) Throughout this document, YoY changes in relation to the income statement refer to the cumulative twelve-month period of 2024 versus the same cumulative twelve-month period of 2023.

3. Performance review

Macroeconomic environment

Global economic, political and financial context

Donald Trump's victory in the US presidential election was the most prominent topic of Q4 2024. The Republicans gained control of Congress and the Senate, marking a shift to a single-party administration. The political agenda proposed by Trump focused on tariff increases, an immigration crackdown and an extension of the tax breaks introduced during his first term in office.

Still on the topic of politics, political noise in Europe was high. In Germany, the Chancellor lost the confidence vote called against his government, which had been ruling in a minority after the liberals abandoned the coalition. Snap elections have been called for 23 February. In France, political instability continued after Barnier's government collapsed following a vote of no-confidence. Macron subsequently named Bayrou as Prime Minister, tasked with approving a budget for 2025. As had occurred under Barnier, the new government lacks a majority in Parliament.

Economic activity data in Q4 2024 showed signs of robustness in the US economy and ongoing weakness in the Eurozone, against a backdrop in which inflation slowed on both sides of the Atlantic.

In relation to economic activity, in the Eurozone, the latest business confidence indices pointed towards subdued growth in the last quarter of 2024, after a quarterly upturn of 0.4% in Q3 2024, with that growth driven by the Olympic Games held in Paris. Furthermore, German GDP contracted by 0.2% in 2024, which was the first time since the early 2000s that the country recorded two consecutive years of contraction. In the United States, overall, data in Q4 2024 were positive. Employment rose by slightly below the historical average, while unemployment ended the year at 4.1%. In China, on the other hand, the authorities announced wide-ranging measures intended to halt the decline of the real estate sector and stabilise economic growth.

As for inflation, the trend of moderation observed in other quarters came to a stop, although in the case of the Eurozone it remained close to the ECB's target. In the United States, annual inflation stood at 2.9%, while in the Eurozone it rebounded slightly to 2.4% in December, influenced by energy prices. In any case, service inflation remained high on both sides of the pond.

In the geopolitical arena, it is worth noting the collapse of the Syrian regime headed by Bashar-al-Assad after an internal offensive led by opposition forces. Ultimately though, the impact on oil prices was limited, largely due to the current favourable supply conditions and the expected weakness in demand.

Economic situation in Spain

In Spain, the economy continued with its positive trend of Q3 2024, recording quarterly growth of 0.8%, the same as in Q2 2024. Growth forecasts for Q4 2024 are also favourable and point towards growth in the order of 0.7% thanks to, among other factors, the good performance of certain economic sentiment indicators and the good momentum of the labour market. All in all, GDP is expected to record annual growth of around 3.0% in 2024.

In terms of prices, inflation ended the last few months of the year rebounding to 2.8% in December, driven by more expensive fuel prices and, to a lesser extent, the higher price of services. Headline inflation for the full year 2024 stood at 2.9% (2023: 3.4%), the same as core inflation, which reached 4.1% in 2023.

In terms of economic policy, it is worth mentioning the aid packages introduced by the government to remedy the effects of the DANA flash floods in the province of Valencia and surrounding areas, valued at 16.6 billion euros. A number of fiscal measures were also approved, including a 15% floor on corporation tax for large corporates and an extension of the banking tax. Lastly, the government also approved, by means of a decree, its reform of active and partial retirement, a system of guarantees for rental agreements, as well as a decree containing various social measures, such as the extension (to June) of discounted prices on public transport, the revaluation of pensions to match inflation, and the extension of the ban on evictions and utilities cuts for vulnerable families.

Economic situation in the United Kingdom

The UK economy showed signs of stagnation in Q4 2024. Monthly GDP data in October and November showed no monthly growth, while confidence indicators also showed some weakness, particularly in the manufacturing industry. The job market, on the other hand, posted mixed data, with slight growth of employment but with the unemployment rate rising to 4.3% in November. Wage growth slowed and job vacancies are already close to pre-pandemic levels, suggesting that the labour market has returned to normal.

In terms of inflation, prices remained close to, but still above, the target. Headline inflation stood at 2.5% in December, while core inflation dropped to 3.2%. The services component, which is the most persistent of the basket, corrected substantially but remained at high levels (above 4% year-on-year), putting upwards pressure on the core component.

The real estate market ended the year on a positive note. Prices in December recorded year-on-year growth of 3.3% (according to the Halifax index), while approved mortgages continued to perform well (in line with the pre-pandemic average) in November.

In the political environment, the Labour Party unveiled its Autumn budget, which outlined the general courses of action that the government will take in the coming years. It announced an increase in public spending (two-thirds to be current expenses, with the remaining one-third to be spent on investment, in order to keep the ratio of public investment to GDP stable), prompting a negative reaction by the financial markets. Half of this increased spending will be funded with higher taxes and the other half with increased borrowing.

Economic situation in Mexico

Economic activity data for Q4 2024 showed some weakness, similar to that experienced in the first half of the year, after GDP surprised to the upside in Q3 2024 (1.1% quarter-on-quarter), driven by the primary sector and reduced levels of drought. The government unveiled its budget for 2025, which considers a 5.9% reduction on the public deficit estimated for 2024 to 3.9% of GDP in 2025. However, achieving this could be complicated, as it assumes higher economic growth rates than those considered by the consensus.

In terms of inflation, headline inflation dropped, ending the year at an annual rate of 4.2%, the lowest since early 2021. In this context, Banxico continued with its cycle of interest rate cuts, taking its official rate to 10.00%, and in its last meeting it left the door open to picking up the pace of its quantitative easing.

In the political arena, the spotlight was on the US elections that took place in November. Trump's victory heightened uncertainty, as he threatened to introduce higher tariffs for Mexico and a further renegotiation of the trade deal between Mexico, the US and Canada (T-MEC). In terms of domestic politics, the legislative chambers continued with the process to approve constitutional reforms, notably including the approval of a reform to ban courts from suspending the constitutional amendments approved by the chambers and the reform that dissolves certain autonomous bodies. In terms of the latter, it is unclear whether this could affect the T-MEC, which is scheduled to be ratified in 2026.

Against this backdrop, the Mexican currency depreciated in its pair with the US dollar, falling to levels not seen since 2022, affected by Trump's rhetoric against Mexico.

Fixed-income markets

The ECB continued to cut official interest rates, placing the deposit facility rate at 3.00% in December. Overall in 2024, the central bank cut its deposit facility rate by 100bps. The ECB insisted that it will maintain a data-dependent approach and did not commit to any particular path of interest rate cuts. Lagarde signalled that the direction of the cuts is clear and insisted that the ECB must remain cautious, as service inflation is still high, as are wage dynamics. Lagarde also indicated that there was some discussion about whether to introduce a 50bps cut in December, although ultimately it was only 25bps.

The Federal Reserve, for its part, reduced the target range of the Fed Funds rate by 50bps to 4.25-4.50% in Q4 2024, in a context in which the central bank appeared more confident that inflation is nearing the 2% target and considered that risks were fairly evenly balanced. Going forward, the central bank indicated that it will maintain a data-dependent stance.

The BoE continued with its cycle of interest rate cuts, lowering the base rate by a further 25bps to 4.75% in November, but made no further changes in December. The central bank appeared in favour of gradually lowering interest rates with its 'meeting-by-meeting' approach.

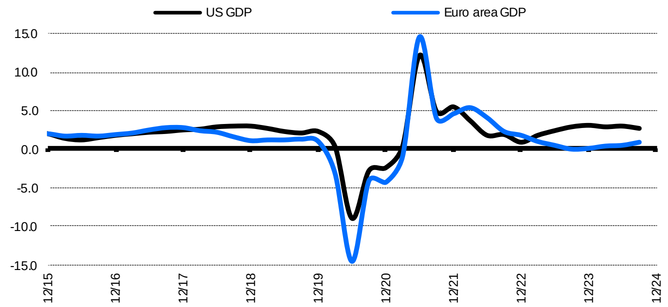
Long-term government bond yields rebounded on both sides of the Atlantic, especially in the United States. This was due to Trump's electoral win, the upward revision of interest rate expectations by the Fed in its December meeting and certain upside surprises in terms of macroeconomic data in the United States.

The risk premiums on European government bonds performed well, except for France, where their spread was weighed down by the collapse of Barnier's government and downgrades of the country's sovereign debt rating by Fitch and Moody's. France's risk premium therefore climbed to its highest since 2012.

Equity markets

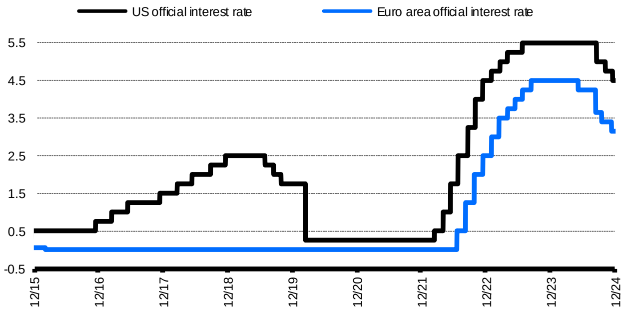
The main stock market indices in the developed economies showed divergent performance. In the United States, Standard & Poor's 500 rebounded by 2.1% in dollars (almost 10% in euros, thanks to the depreciation of the European currency). In Europe, on the other hand, the Euro Stoxx 50 dropped by 2.1% in euros, weighed by political uncertainty in France, where the main equity index fell by 3.3%, and by Spain's IBEX, which dropped by 2.4%. The stock market indices of other European countries performed better, including the DAX in Germany, which rebounded by 3.0%.

GDP – US vs. Euro area (year-on-year change, %)



Source: Bloomberg

Official interest rate – US vs. Euro area (%)



Exchange rates: Parity vs. euro

Fx	31.12.23	31.03.24	30.06.24	30.09.24	31.12.24
USD	1.1050	1.0811	1.0705	1.1196	1.0389
GBP	0.8691	0.8551	0.8464	0.8354	0.8292
MXN	18.7231	17.9179	19.5654	21.9842	21.5504

Source: Bank of Spain

Income statement

Summary of results:

Banco Sabadell Group earned profit of 1,827 million euros as at the end of 2024, representing year-on-year growth of 37.1%, of which 1,574 million euros were recorded ex-TSB and 253 million euros correspond to TSB. The Group's ROTE increased by 343bps compared to the end of 2023, reaching 14.9%.

This Group profit was driven by the good performance of core results (net interest income + fees and commissions – recurrent costs), which increased by 6.0% year-on-year due to the growth of net interest income, mainly underpinned by higher loan yield.

It is worth highlighting the good evolution of asset quality and, by extension, of credit provisions, which delivered improvements both in the Group's credit cost of risk, standing at 26bps as at the end of 2024, and in its total cost of risk, which stood at 42bps.

Cumulative income statement

		Excl. TSB			Total group			
(€ millions)		FY23	FY24	YoY (%)	FY23	FY24	YoY (%)	YoY (%) at constant FX
Net interest income		**3,549**	**3,858**	**8.7**	**4,723**	**5,021**	**6.3**	**5.7**
Net fees and commissions		1,262	1,249	-1.0	1,386	1,357	-2.1	-2.3
Core revenues		**4,811**	**5,107**	**6.2**	**6,109**	**6,378**	**4.4**	**3.9**
Net trading income and exchange differences		52	49	-7.3	68	87	27.4	26.5
Income from equity method and dividends		131	166	26.5	131	166	26.5	26.5
Other operating income/expense		-424	-271	-36.2	-447	-294	-34.3	-34.4
Gross operating income		**4,571**	**5,051**	**10.5**	**5,862**	**6,337**	**8.1**	**7.6**
Operating expenses		-1,694	-1,817	7.3	-2,496	-2,583	3.5	2.6
Personnel expenses		-1,103	-1,154	4.6	-1,495	-1,531	2.5	1.8
Other general expenses		-591	-664	12.2	-1,002	-1,051	5.0	3.9
Amortisation & depreciation		-380	-379	-0.1	-519	-501	-3.5	-4.1
Total costs		-2,074	-2,197	5.9	-3,015	-3,084	2.3	1.5
Memorandum item:								
Recurrent costs		-2,074	-2,197	5.9	-2,982	-3,062	2.7	1.9
Non-recurrent costs		0	0	--	-33	-21	-35.2	-37.0
Pre-provisions income		**2,497**	**2,855**	**14.3**	**2,847**	**3,254**	**14.3**	**14.0**
Provisions for NPLs		-735	-531	-27.7	-813	-567	-30.3	-30.4
Provisions for other financial assets		-21	-67	217.9	-18	-69	287.7	289.8
Other impairments		-80	-78	-1.9	-80	-78	-1.9	-1.9
Gains on sale of assets and other results		-45	-18	-60.9	-46	-26	-43.0	-42.2
Profit before tax		**1,616**	**2,161**	**33.7**	**1,891**	**2,514**	**33.0**	**32.5**
Income tax		-478	-585	22.5	-557	-685	23.0	22.6
Minority interest		1	2	28.1	1	2	28.1	28.1
Attributable net profit		**1,137**	**1,574**	**38.4**	**1,332**	**1,827**	**37.1**	**36.7**
Memorandum item:								
Core results (NII + net fees and commissions - costs)	(1)	2,738	2,911	6.3	3,127	3,315	6.0	5.8

(1) Calculation taking into account recurrent costs.

Quarterly income statement

(€millions)		Excl. TSB 4Q23	1Q24	2Q24	3Q24	4Q24	QoQ (%)	Total group 4Q23	1Q24	2Q24	3Q24	4Q24	QoQ (%)	QoQ (%) at constant FX
Net interest income		**938**	**953**	**979**	**957**	**969**	**1.2**	**1,211**	**1,231**	**1,262**	**1,253**	**1,275**	**1.7**	**1.4**
Net fees and commissions		306	310	310	307	322	4.6	339	340	335	336	347	3.3	3.1
Core revenues		**1,244**	**1,263**	**1,289**	**1,265**	**1,290**	**2.0**	**1,550**	**1,571**	**1,597**	**1,589**	**1,621**	**2.1**	**1.8**
Net trading income and exchange differences		2	24	-11	15	21	45.3	5	35	2	18	31	70.1	87.3
Income from equity method and dividends		36	48	39	44	35	-19.6	36	48	39	44	35	-19.6	-19.6
Other operating income/expense		-183	-199	-3	-4	-65	--	-177	-209	-21	13	-76	--	--
Gross operating income		**1,099**	**1,136**	**1,314**	**1,319**	**1,282**	**-2.8**	**1,414**	**1,444**	**1,617**	**1,664**	**1,612**	**-3.1**	**-3.4**
Operating expenses		-442	-433	-443	-476	-465	-2.3	-658	-627	-639	-666	-651	-2.3	-2.7
Personnel expenses		-283	-282	-278	-307	-287	-6.7	-401	-373	-371	-406	-381	-6.0	-6.4
Other general expenses		-160	-152	-164	-169	-179	5.6	-257	-254	-269	-260	-269	3.5	3.0
Amortisation & depreciation		-93	-95	-96	-96	-92	-3.5	-126	-124	-125	-126	-126	-0.1	-0.4
Total costs		-535	-528	-539	-572	-558	-2.5	-784	-751	-764	-792	-776	-2.0	-2.4
Memorandum item:														
Recurrent costs		-535	-528	-539	-572	-558	-2.5	-751	-750	-758	-778	-776	-0.2	-0.6
Non-recurrent costs		0	0	0	0	0	--	-33	-1	-6	-14	0	-100.0	-100.0
Pre-provisions income		**564**	**608**	**776**	**747**	**724**	**-3.0**	**630**	**693**	**853**	**872**	**836**	**-4.1**	**-4.3**
Provisions for NPLs		-165	-176	-134	-136	-85	-37.7	-191	-194	-139	-155	-80	-48.4	-48.2
Provisions for other financial assets		0	-3	-18	-14	-32	132.8	-5	-5	-22	-9	-32	248.9	250.8
Other impairments		-32	-9	-20	-8	-41	--	-32	-9	-20	-8	-41	--	--
Gains on sale of assets and other results		-15	0	-3	-2	-13	--	-15	0	-2	-9	-14	51.1	48.9
Profit before tax		**351**	**420**	**600**	**587**	**554**	**-5.5**	**387**	**484**	**670**	**690**	**669**	**-3.0**	**-3.3**
Income tax		-80	-157	-165	-156	-106	-32.0	-82	-176	-186	-187	-136	-27.1	-27.4
Minority interest		1	0	1	0	1	--	1	0	1	0	1	--	--
Attributable net profit		**270**	**263**	**434**	**430**	**447**	**3.9**	**304**	**308**	**483**	**503**	**532**	**5.7**	**5.4**
Memorandum item:														
Core results (NII +net fees and commissions - costs)	(1)	708	735	750	693	733	5.8	799	821	839	811	845	4.2	4.0

(1) Calculation taking into account recurrent costs.

Net interest income:

Net interest income ended 2024 at 5,021 million euros, representing growth of 6.3% in year-on-year terms and of 1.7% in the quarter, positively affected by the collection of 36 million euros in the fourth quarter of extraordinary interest on arrears related to debt recovery following a favourable court ruling after a legal dispute.

Not including this effect, the year-on-year growth of net interest income was 5.5%, driven by higher loan yield and by increased income from the fixed-income portfolio, supported by interest rates, all of which offset the higher cost and volume of deposits and wholesale funding. Quarter-on-quarter, net interest income fell by -1.2%, where it is worth mentioning the lower loan yield, mainly in Spain due to interest rate cuts, which neutralised the growth of net interest income at TSB, which continued to trend upwards.

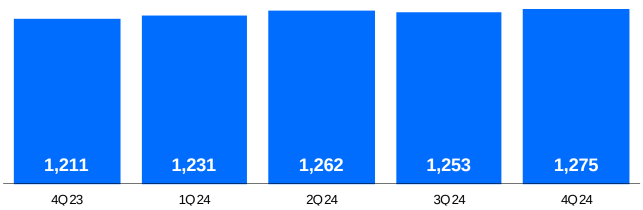
Customer margin and net interest margin:

The customer margin improved 23bps compared to the end of 2023, driven by the increase in loan yields, which offset the higher cost of deposits. In the quarter, this item increased 5bps, positively affected by the impact of the extraordinary interest mentioned previously, as not including that effect it fell 4bps due to reduced credit yields, which were affected by interest rate cuts.

The net interest margin as a percentage of average total assets increased 14bps year-on-year and remained stable in the quarter.

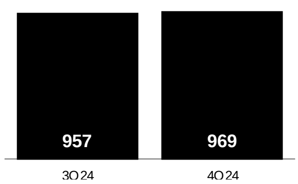
Evolution of net interest income

Total group (€ millions)



	Total group	Constant FX
Change YoY:	+6.3%	+5.7%
Change QoQ:	+1.7%	+1.4%

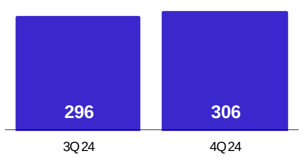
Sabadell Excl. TSB (€ millions)



Change YoY:
+8.7%

Change QoQ:
+1.2%

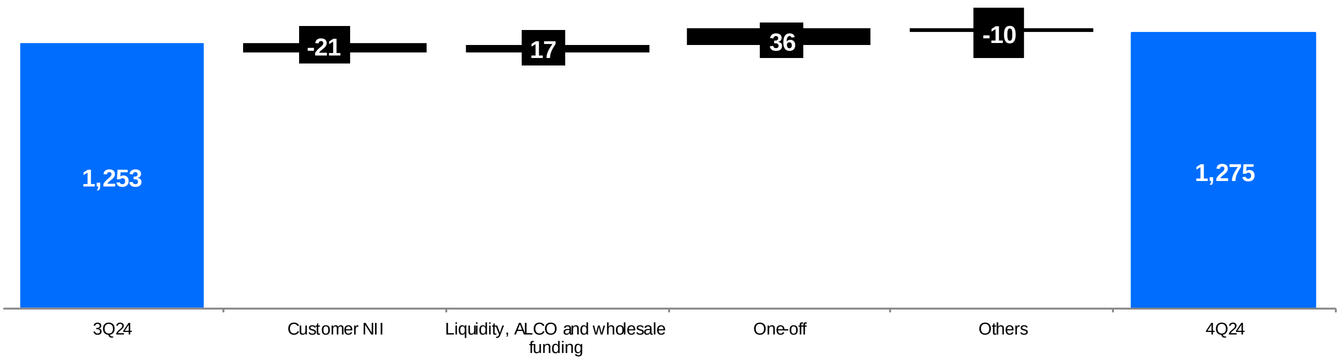
TSB (€ millions)



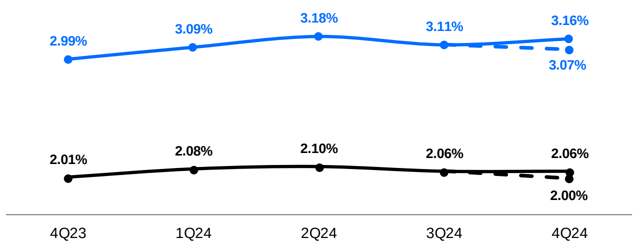
Change YoY:
-0.9%
-3.7% Constant FX

Change QoQ:
+3.5%
+2.0% Constant FX

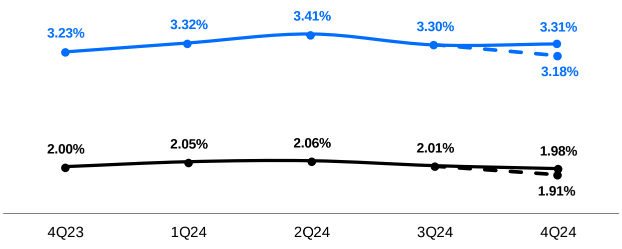
Quarterly evolution of net interest income (€ million)



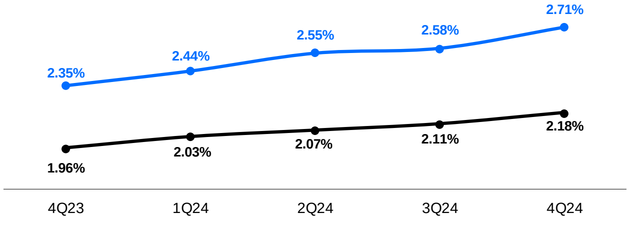
Net interest income, Group (%)

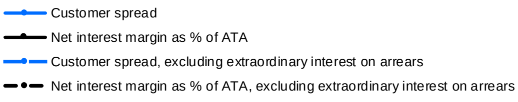


Net interest income, ex-TSB (%)



Net interest income, TSB (%)





Gains and charges in the quarter

Total Group

(€ millions)	4Q23			1Q24			2Q24			3Q24			4Q24		
	Avge. balance	Rate %	Results	Avge. balance	Rate %	Results	Avge. balance	Rate %	Results	Avge. balance	Rate %	Results	Avge. balance	Rate %	Results
Cash and cash equivalents (1)	39,240	4.05	401	37,941	4.17	393	39,009	4.06	394	36,808	3.91	362	37,340	3.70	347
Loans to customers (net)	151,914	4.20	1,607	151,377	4.33	1,628	153,042	4.41	1,680	155,571	4.35	1,700	156,492	4.37	1,718
Fixed-income securities	27,848	3.36	236	29,441	3.47	254	30,087	3.52	263	30,778	3.41	264	32,699	3.32	273
Equity securities	974	--	--	936	--	--	935	--	--	1,024	--	--	1,108	--	--
Tang. & intang. assets	4,523	--	--	4,520	--	--	4,495	--	--	4,478	--	--	4,500	--	--
Other assets	14,248	4.12	148	14,086	3.40	119	14,495	3.13	113	13,364	3.18	107	14,011	2.78	98
Total assets	**238,748**	**3.97**	**2,392**	**238,301**	**4.04**	**2,394**	**242,061**	**4.07**	**2,450**	**242,023**	**4.00**	**2,432**	**246,150**	**3.94**	**2,436**
Financial institutions (2)	25,579	-4.09	-264	26,425	-4.18	-275	28,336	-4.11	-289	26,562	-3.90	-260	24,189	-3.65	-222
Customer deposits	159,613	-1.21	-486	159,610	-1.24	-493	160,580	-1.23	-493	162,257	-1.24	-504	166,506	-1.21	-507
Capital markets	26,837	-3.91	-264	26,236	-4.01	-261	26,105	-4.15	-270	26,259	-4.23	-279	28,063	-4.18	-295
Other liabilities	12,780	-5.15	-166	11,962	-4.49	-134	12,778	-4.29	-136	12,654	-4.26	-135	12,545	-4.34	-137
Shareholders' equity	13,938	--	--	14,068	--	--	14,263	--	--	14,292	--	--	14,847	--	--
Total funds	**238,748**	**-1.96**	**-1,180**	**238,301**	**-1.96**	**-1,163**	**242,061**	**-1.97**	**-1,188**	**242,023**	**-1.94**	**-1,179**	**246,150**	**-1.88**	**-1,161**
Net interest income			**1,211**			**1,231**			**1,262**			**1,253**			**1,275**
Customer spread		**2.99**			**3.09**			**3.18**			**3.11**			**3.16**	
Net interest margin as % of ATA		**2.01**			**2.08**			**2.10**			**2.06**			**2.06**	

(1) Includes cash, central banks, credit institutions and reverse repos.
(2) Includes repos.

Sabadell ex-TSB

(€ millions)	4Q23			1Q24			2Q24			3Q24			4Q24		
	Avge. balance	Rate %	Results	Avge. balance	Rate %	Results	Avge. balance	Rate %	Results	Avge. balance	Rate %	Results	Avge. balance	Rate %	Results
Cash and cash equivalents (1)	32,747	3.87	319	32,198	4.03	322	33,714	3.90	327	31,267	3.73	293	31,591	3.49	277
Loans to customers (net)	110,051	4.38	1,214	108,739	4.49	1,214	110,053	4.55	1,246	111,957	4.42	1,243	112,740	4.41	1,249
Fixed-income securities	25,583	3.25	209	27,246	3.42	231	27,923	3.47	241	28,534	3.36	241	30,428	3.28	251
Other assets	18,556	0.87	41	18,667	0.58	27	19,058	0.55	26	18,298	0.58	27	19,325	0.59	29
Total assets	**186,937**	**3.79**	**1,784**	**186,850**	**3.86**	**1,794**	**190,748**	**3.88**	**1,840**	**190,056**	**3.78**	**1,804**	**194,084**	**3.70**	**1,806**
Financial institutions (2)	20,941	-3.85	-203	22,209	-3.97	-219	24,827	-3.94	-243	23,481	-3.74	-221	22,069	-3.51	-195
Customer deposits	119,891	-1.15	-348	119,500	-1.17	-346	120,097	-1.14	-340	120,967	-1.12	-340	124,633	-1.10	-343
Capital markets	23,712	-3.67	-220	23,123	-3.87	-223	22,692	-4.00	-226	22,320	-4.04	-227	23,622	-3.97	-235
Other liabilities and shareholders' equity	22,393	-1.33	-75	22,018	-0.97	-53	23,132	-0.91	-52	23,287	-1.02	-60	23,761	-1.07	-64
Total funds	**186,937**	**-1.79**	**-846**	**186,850**	**-1.81**	**-841**	**190,748**	**-1.82**	**-861**	**190,056**	**-1.77**	**-847**	**194,084**	**-1.72**	**-837**
Net interest income			**938**			**953**			**979**			**957**			**969**
Customer spread		**3.23**			**3.32**			**3.41**			**3.30**			**3.31**	
Net interest margin as % of ATA		**2.00**			**2.05**			**2.06**			**2.01**			**1.98**	

(1) Includes cash, central banks, credit institutions and reverse repos.
(2) Includes repos.

Profit or loss on financial operations and exchange differences:

As at the end of 2024, this item came to a total of 87 million euros, increasing in year-on-year terms due to higher profit on derivatives, which together with positive results of sales of non-performing assets explain the growth during the quarter.

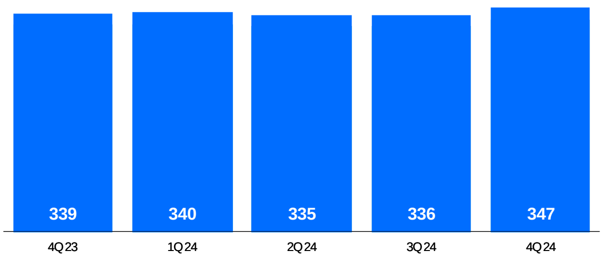
Net fees and commissions:

Net fees and commissions amounted to 1,357 million euros as at the end of 2024, representing a year-on-year reduction of -2.1%, mainly due to reduced service fees, where it is particularly worth noting card fees and sight accounts fees.

In the quarter, they recorded growth of 3.3%, due to an increase in asset management fees, underpinned by the positive seasonality related to success fees in asset management and insurance.

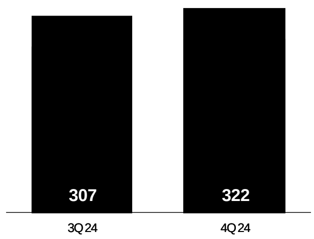
Evolution of net fees and commissions

Total group (€ millions)



	Total group	Constant FX
Change YoY:	-2.1%	-2.3%
Change QoQ:	+3.3%	+3.1%

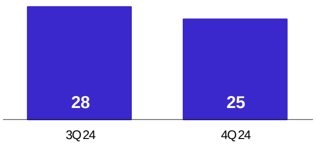
Sabadell Excl. TSB (€ millions)



Change YoY:
-1.0%

Change QoQ:
+4.6%

TSB (€ millions)



Change YoY:
-13.6%
-16.0% Constant FX

Change QoQ:
-11.3%
-12.9% Constant FX

Net fees and commissions

	Excl. TSB			Total group			Excl. TSB			Total group		
(€ millions)	3Q24	4Q24	QoQ (%)	3Q24	4Q24	QoQ (%)	FY23	FY24	YoY (%)	FY23	FY24	YoY (%)
Lending fees	44	43	-0.5	44	43	-0.5	183	178	-2.9	183	178	-2.9
Guarantees commissions	26	25	-2.1	26	25	-2.1	103	102	-1.0	103	102	-1.0
Risk transaction fees	**69**	**68**	**-1.1**	**69**	**68**	**-1.1**	**286**	**280**	**-2.2**	**286**	**280**	**-2.2**
Cards	42	46	8.3	58	62	5.6	175	162	-7.2	252	227	-9.8
Payment orders	20	21	3.6	20	21	3.6	81	80	-0.7	82	82	-0.8
Securities	14	15	2.0	14	15	2.0	57	63	9.7	57	63	9.7
Sight accounts	56	56	0.5	63	63	-0.3	246	226	-8.2	277	255	-8.1
Foreign currency and notes exchange	21	22	4.9	29	29	2.2	89	85	-4.4	117	113	-2.8
Other transactions	13	6	-51.3	6	-3	--	35	48	35.8	12	20	70.2
Commissions for services	**166**	**165**	**-0.5**	**192**	**187**	**-2.3**	**683**	**664**	**-2.8**	**797**	**760**	**-4.6**
Mutual funds	30	32	6.8	30	32	6.8	115	121	5.4	115	121	5.4
Pension funds and insurance brokerage	37	42	14.2	39	45	14.3	155	153	-1.3	165	164	-0.6
Managed accounts	6	14	141.0	6	14	141.0	23	31	37.3	23	31	37.3
Asset Under Management commissions	**72**	**88**	**21.7**	**75**	**91**	**21.5**	**293**	**305**	**4.3**	**303**	**317**	**4.5**
Total commissions	**307**	**322**	**4.6**	**336**	**347**	**3.3**	**1,262**	**1,249**	**-1.0**	**1,386**	**1,357**	**-2.1**

Equity-accounted income and dividends:

This item amounted to 166 million euros as at the end of 2024, representing an increase compared to the figure as at the end of 2023, due to the increased contribution of the insurance business and the higher earnings of BS Capital investees. In the quarter, this item showed a reduction due to the reduced earnings of BS Capital investees.

Other operating income and expenses:

This item amounted to -294 million euros as at the end of 2024, compared to -447 million euros at the end of 2023. The positive year-on-year balance variation is mainly explained by the -132 million euros recognised in the previous year in connection with Banco Sabadell's contribution to the Deposit Guarantee Fund (DGF) and the -76 million euros recognised in the previous year for the contribution to the Single Resolution Fund (SRF), which offset the negative balance variation caused by the recognition of a greater impact of the banking tax in 2024, which was -192 million euros compared to -156 million euros recognised in the previous year.

The negative quarter-on-quarter balance variation is mainly due to the recognition, in the fourth quarter of the year, of -37 million euros due to the payment of the tax on deposits of credit Institutions (*Impuesto sobre Depósitos de Entidades de Crédito*, or IDEC) and also because the third quarter included a positive impact in TSB corresponding to its collection of insurance recoveries.

Total costs:

Total costs came to -3,084 million euros as at the end of 2024, increasing by 2.3% year-on-year. Recurrent costs rose by 2.7% year-on-year, due to an increase of both staff expenses and general expenses, which partially counterbalanced the reduction of amortisations/ depreciations.

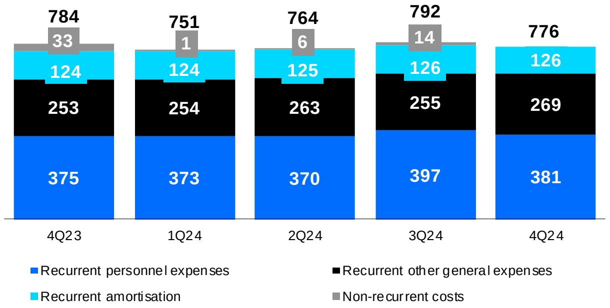
Quarter-on-quarter, total costs showed a reduction of -2.0%, mainly because the previous quarter included restructuring costs at TSB. Excluding this effect, recurrent costs remained broadly steady during the quarter.

Total costs

	Excl. TSB			Total group			Excl. TSB			Total group		
(€ millions)	3Q24	4Q24	QoQ (%)	3Q24	4Q24	QoQ (%)	FY23	FY24	YoY (%)	FY23	FY24	YoY (%)
Personnel expenses	**-307**	**-287**	**-6.7**	**-406**	**-381**	**-6.0**	**-1,103**	**-1,154**	**4.6**	**-1,495**	**-1,531**	**2.5**
IT and communications	-59	-58	-1.8	-118	-114	-3.0	-223	-229	2.7	-442	-458	3.5
Publicity	-19	-20	8.9	-25	-26	5.5	-66	-81	23.5	-97	-105	8.4
Property and plant	-8	-7	-15.0	-14	-11	-25.0	-33	-32	-4.5	-63	-56	-11.5
Technical reports and judicial expenses	-15	-31	108.7	-19	-34	84.4	-22	-66	196.9	-36	-79	120.0
Subcontracted administrative services	-15	-16	3.0	-19	-28	48.3	-50	-71	41.8	-118	-122	3.0
Contributions and taxes	-33	-33	-0.4	-35	-35	-0.5	-107	-113	5.8	-117	-122	4.8
Others	-20	-14	-32.3	-31	-21	-32.2	-90	-72	-20.7	-129	-110	-14.7
Other general expenses	**-169**	**-179**	**5.6**	**-260**	**-269**	**3.5**	**-591**	**-664**	**12.2**	**-1,002**	**-1,051**	**5.0**
Amortisation & depreciation	**-96**	**-92**	**-3.5**	**-126**	**-126**	**-0.1**	**-380**	**-379**	**-0.1**	**-519**	**-501**	**-3.5**
Total costs	**-572**	**-558**	**-2.5**	**-792**	**-776**	**-2.0**	**-2,074**	**-2,197**	**5.9**	**-3,015**	**-3,084**	**2.3**
Memorandum item:												
Recurrent costs	-572	-558	-2.5	-778	-776	-0.2	-2,074	-2,197	5.9	-2,982	-3,062	2.7
Non-recurrent costs	0	0	--	-14	0	-100.0	0	0	--	-33	-21	-35.2
Efficiency ratio (%)							37.1	36.0		42.6	40.8	
Efficiency ratio with amortisation & depreciation (%)							45.4	43.5		51.4	48.7	

Evolution of total costs

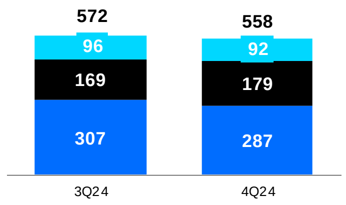
Total group (€ millions)



	Total group [1]	Constant FX [1]
Change YoY:	**+2.7%**	**+1.9%**
Change QoQ:	**-0.2%**	**-0.6%**

(1) Change over total recurrent costs.

Sabadell Excl. TSB (€ millions)

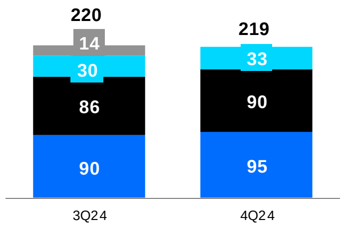


Recurrent costs

Change YoY:
+5.9%

Change QoQ:
-2.5%

TSB (€ millions)



Recurrent costs

Change YoY:
-4.7%
-7.4% Constant FX

Change QoQ:
+6.3%
+4.7% Constant FX

Core results:

Core results (net interest income + fees and commissions – recurrent costs) followed a positive trend, standing at 3,315 million euros as at the end of 2024, growing by 6.0% year-on-year as a result of the good evolution of net interest income. In the quarter, they increased by 4.2%, due to the balance variations mentioned above.

	Total group					
(€ millions)	3Q24	4Q24	QoQ (%)	FY23	FY24	YoY (%)
Net interest income	1,253	1,275	1.7	4,723	5,021	6.3
Net fees and commissions	336	347	3.3	1,386	1,357	-2.1
Recurrent costs	-778	-776	-0.2	-2,982	-3,062	2.7
Core results	**811**	**845**	**4.2**	**3,127**	**3,315**	**6.0**

Provisions for credit losses and other impairments:

This item amounted to a total of -714 million euros as at the end of 2024, compared to -910 million euros as at the end of 2023, representing a year-on-year reduction of -21.6%, mainly due to an improvement of credit provisions, which also explains the -11.5% reduction in provisions during the quarter.

It should be noted that the fourth quarter includes the release of 54 million euros related to debt recovery following a favourable court ruling after a legal dispute and to provisions allocated for the floods in Valencia.

This level of provisions allows for improvements both in the Group's credit cost of risk, which fell by 17bps year-on-year and by 5bps in the quarter to stand at 26bps as at the end of 2024, and in its total cost of risk, which was down by 13bps year-on-year and by 2bps in the quarter, standing at 42bps.

Not including the aforementioned release of 54 million euros, the Group's credit cost of risk stood at 29bps and its total cost of risk stood at 45bps as at the end of 2024.

Gains on sale of assets and other results:

Gains on asset sales and other results improved in year-on-year terms, as the previous year included higher levels of asset write-offs. In the quarter, they recorded growth due to a higher level of recognised write-offs.

Net profit:

The Group's net profit amounted to 1,827 million euros as at the end of 2024, increasing by 37.1% year-on-year. In the quarter, it increased by 5.7%, as it included a positive impact on profit tax of c.50 million euros, mainly due to the recognition of tax deductions for research & development and technological innovation activities.

Balance sheet

Highlights:

Performing loans showed a positive evolution both in year-on-year terms and during the quarter, driven by good performance both in Spain and in the businesses abroad, particularly Miami and TSB, in the latter case positively impacted by the appreciation of the pound sterling.

Customer funds posted an increase both year-on-year and in the quarter, due to an increase of on-balance sheet funds, with growth of both sight accounts and term deposits, and also due to an increase of off-balance sheet funds, mainly mutual funds, underpinned by the positive flow of net subscriptions.

Balance sheet

(€millions)	31.12.23	30.09.24	31.12.24	Change YoY (%)	Change QoQ (%)
Cash, cash balances at central banks and other demand deposits	29,986	29,914	18,382	-38.7	-38.5
Financial assets held for trading and fair value with changes in PL	2,860	2,846	3,607	26.1	26.7
Financial assets in fair value OCI	6,269	6,658	6,370	1.6	-4.3
Financial assets at amortised cost	180,914	191,255	196,520	8.6	2.8
Loans and advances to customers	152,260	156,580	158,872	4.3	1.5
Loans and advances of central banks and credit institutions	7,152	11,097	12,772	78.6	15.1
Debt securities	21,501	23,578	24,876	15.7	5.5
Investments in subsidaries, joint ventures and associates	463	528	525	13.4	-0.6
Tangible assets	2,297	2,138	2,078	-9.5	-2.8
Intangible assets	2,483	2,516	2,549	2.7	1.3
Other assets	9,902	9,660	9,567	-3.4	-1.0
Total assets	**235,173**	**245,514**	**239,598**	**1.9**	**-2.4**
Financial liabilities held for trading and fair value with changes in PL	2,867	2,558	2,381	-16.9	-6.9
Financial liabilities at amortised cost	216,072	226,274	220,228	1.9	-2.7
Central banks	9,776	2,719	1,697	-82.6	-37.6
Credit institutions	13,840	13,544	14,822	7.1	9.4
Customer deposits	160,331	175,924	169,823	5.9	-3.5
Debt securities issued	25,791	26,897	27,437	6.4	2.0
Other financial liabilities	6,333	7,190	6,450	1.8	-10.3
Provisions	536	465	478	-10.8	2.8
Other liabilities	1,818	1,792	1,477	-18.8	-17.6
Subtotal liabilities	**221,294**	**231,089**	**224,565**	**1.5**	**-2.8**
Shareholders' equity	14,344	14,868	15,389	7.3	3.5
Accumulated other comprehensive income	-499	-478	-391	-21.6	-18.1
Minority interest	34	34	34	0.6	0.3
Net equity	**13,879**	**14,425**	**15,033**	**8.3**	**4.2**
Total liabilities and net equity	**235,173**	**245,514**	**239,598**	**1.9**	**-2.4**
Financial guarantees granted	2,064	1,892	1,980	-4.1	4.6
Commitments for loans granted	27,036	27,671	28,775	6.4	4.0
Other commitments granted	7,943	8,014	9,366	17.9	16.9

Assets:

The Group's total assets amounted to 239,598 million euros, increasing by 1.9% year-on-year, despite the repayment in full of TLTRO III borrowing (5,000 million euros) and the 2,615 million pound sterling repayment made to the Bank of England under the TFSME (Term Funding Scheme with additional incentives for SMEs) in 2024 (850 million pounds repaid in the fourth quarter). In quarter-on-quarter terms, total assets were down by -2.4%, mainly due to a reduction of repos.

Loans and advances to customers:

Performing loans ended the year 2024 with a balance of 156,913 million euros, increasing by 4.7% year-on-year and by 1.7% in the quarter.

In Spain, performing loans posted an improvement of 5.3% year-on-year and of 2.1% in the quarter, driven by the increase of lending to SMEs and corporates as well as individuals, where it is worth highlighting the good performance of the mortgage book.

Gross performing loans of foreign branches (Europe and Miami), included in the Spain perimeter, amounted to 11,098 million euros, increasing by 20.5% year-on-year and by 9.7% in the quarter, mainly due to the good performance of Miami, partly boosted by the appreciation of the US dollar. At constant exchange rates, year-on-year growth was 15.0% and quarterly growth was 4.5%.

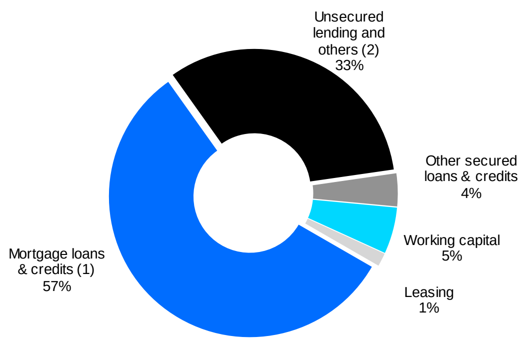
In TSB, performing loans increased by 4.8% year-on-year and 0.4% in the quarter, benefitting from the appreciation of the pound sterling given that, at a constant exchange rate, they actually remained stable year-on-year, and dipped slightly in the quarter by -0.4%, due to the smaller volume of the mortgage book.

Mexico saw a decline of -7.5% year-on-year and growth of 2.1% in the quarter, impacted by the exchange rate movements of the Mexican peso. At constant exchange rates, the year-on-year reduction was -4.6%, while in the quarter this item posted a decline of -3.0%.

Loans and advances to customers

	Excl. TSB					Total group				
				Change					Change	
(€ millions)	31.12.23	30.09.24	31.12.24	YoY (%)	QoQ (%)	31.12.23	30.09.24	31.12.24	YoY (%)	QoQ (%)
Mortgage loans & credits	47,344	48,052	48,447	2.3	0.8	86,162	88,622	89,185	3.5	0.6
Other secured loans & credits	4,723	4,761	5,670	20.1	19.1	5,064	5,031	5,924	17.0	17.8
Working capital	7,465	7,221	8,356	11.9	15.7	7,465	7,221	8,356	11.9	15.7
Leasing	2,236	2,359	2,376	6.3	0.8	2,236	2,359	2,376	6.3	0.8
Unsecured lending and others	46,648	48,762	48,684	4.4	-0.2	48,870	51,132	51,071	4.5	-0.1
Performing gross loans	**108,417**	**111,155**	**113,533**	**4.7**	**2.1**	**149,798**	**154,364**	**156,913**	**4.7**	**1.7**
Stage 3 assets (customer)	4,861	4,367	3,933	-19.1	-9.9	5,472	5,037	4,595	-16.0	-8.8
Accruals	110	194	148	35.2	-23.7	172	255	208	21.3	-18.5
Gross loans to customers (excluding repos)	**113,388**	**115,716**	**117,614**	**3.7**	**1.6**	**155,442**	**159,657**	**161,717**	**4.0**	**1.3**
Reverse repos	17	0	0	-100.0	--	17	0	0	-100.0	--
Gross loans to customers	**113,405**	**115,716**	**117,614**	**3.7**	**1.6**	**155,459**	**159,657**	**161,717**	**4.0**	**1.3**
NPLs and country-risk provisions	-2,955	-2,838	-2,627	-11.1	-7.4	-3,199	-3,077	-2,844	-11.1	-7.6
Loans and advances to customers	**110,450**	**112,878**	**114,987**	**4.1**	**1.9**	**152,260**	**156,580**	**158,872**	**4.3**	**1.5**

Loans and advances to customers, by product type, 31.12.2024 (%) (*)

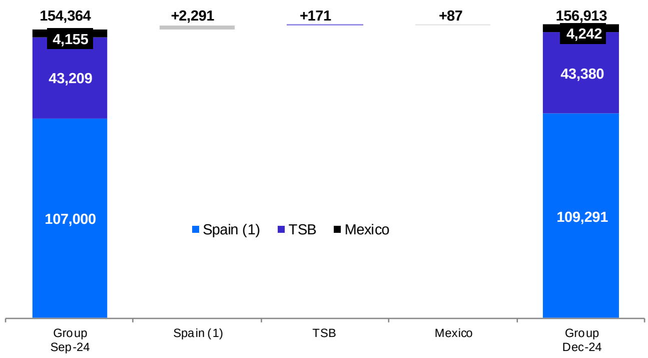


(1) Includes mortgage loans and credits both to individuals and companies.

(2) Includes ICO loans.

(*) Excluding stage 3 assets and accrual adjustments.

Gross performing loans, by geography (€ million)



	Spain (1)	TSB	Mexico	Group
Change YoY:	+5.3%	+4.8%	-7.5%	+4.7%
Change YoY at constant FX:		+0.0%	-4.6%	+3.5%
Change QoQ:	+2.1%	+0.4%	+2.1%	+1.7%
Change QoQ at constant FX:		-0.4%	-3.0%	+1.3%

(1) Spain includes foreign branches (€11,098M in Dec 24 and €10,119M in Sep 24).

Liabilities:

Customer funds:

Total customer funds amounted to 215,729 million euros as at the end of 2024, representing growth of 7.1% year-on-year and of 3.6% in the quarter.

On-balance sheet customer funds came to a total of 169,557 million euros, posting growth of 5.4% year-on-year and 3.7% in the quarter, due to an increase of both sight accounts and term deposits.

Sight accounts balances amounted to 138,347 million euros, representing growth of 3.1% year-on-year and of 3.4% in the quarter.

Term deposits came to a total of 31,047 million euros, representing an increase of 21.3% year-on-year and of 4.8% in the quarter.

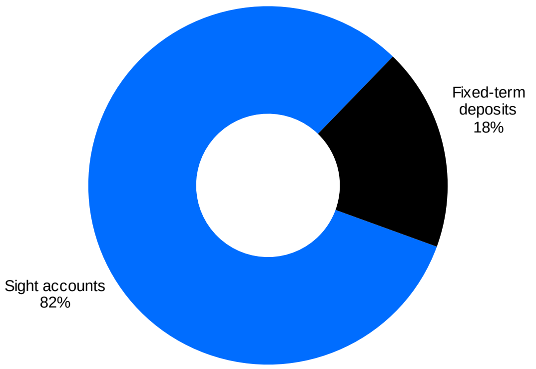
Total off-balance sheet customer funds came to 46,171 million euros as at the end of 2024, reflecting an increase of 13.8% in year-on-year terms and of 3.1% in the quarter, where it is particularly worth noting the good evolution of mutual funds, mainly because they recorded a positive level of net subscriptions.

Funds under management and third-party funds:

This item amounted to a total of 243,431 million euros, representing a year-on-year increase of 7.4% and a quarterly decrease of -1.7%, impacted by the reduction of repos. Not including repos, this item increased by 3.3% in the quarter.

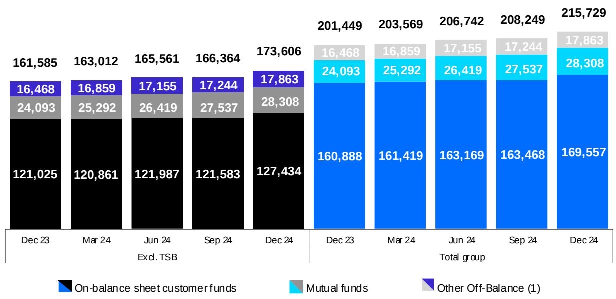
In 2024, the remaining 5,000 million euros of TLTRO III borrowing was repaid, meaning that all of that borrowing has now been repaid in full. The balance of the TFSME (Term Funding Scheme with additional incentives for SMEs) came to 1,385 million pounds, having repaid 2,615 million pounds during 2024 (850 million pounds in the fourth quarter of 2024).

Customer deposits, 31.12.2024 (%) (*)



(*) Excluding accrual adjustments and hedging derivatives.

Evolution of customer funds (€ million)



On-balance sheet customer funds

	Excl. TSB	Total group
Change YoY:	5.3%	5.4%
Change QoQ:	4.8%	3.7%

Total customer funds

	Excl. TSB	Total group
Change YoY:	7.4%	7.1%
Change QoQ:	4.4%	3.6%

(1) Includes pension funds, third-party insurance products and managed accounts.

Customer funds

(€ millions)		Excl. TSB 31.12.23	Excl. TSB 30.09.24	Excl. TSB 31.12.24	Excl. TSB Change YoY (%)	Excl. TSB Change QoQ (%)	Total group 31.12.23	Total group 30.09.24	Total group 31.12.24	Total group Change YoY (%)	Total group Change QoQ (%)
Financial liabilities at amortised cost		**166,805**	**176,225**	**170,850**	**2.4**	**-3.1**	**216,072**	**226,274**	**220,228**	**1.9**	**-2.7**
Non-retail financial liabilities		45,780	54,642	43,415	-5.2	-20.5	55,184	62,806	50,671	-8.2	-19.3
Central banks		5,107	0	0	-100.0	--	9,776	2,719	1,697	-82.6	-37.6
Credit institutions		13,840	13,544	14,821	7.1	9.4	13,840	13,544	14,822	7.1	9.4
Institutional issues		21,919	35,368	23,718	8.2	-32.9	25,234	39,353	27,702	9.8	-29.6
Other financial liabilities		4,915	5,731	4,877	-0.8	-14.9	6,333	7,190	6,450	1.8	-10.3
On-balance sheet customer funds	(1)	**121,025**	**121,583**	**127,434**	**5.3**	**4.8**	**160,888**	**163,468**	**169,557**	**5.4**	**3.7**
Customer deposits		120,328	133,860	127,551	6.0	-4.7	160,331	175,924	169,823	5.9	-3.5
Sight accounts	(1)	100,046	98,968	102,786	2.7	3.9	134,243	133,776	138,347	3.1	3.4
Fixed-term deposits	(1)	19,921	22,557	24,485	22.9	8.5	25,588	29,633	31,047	21.3	4.8
Repos		200	12,058	0	-100.0	-100.0	200	12,058	0	-100.0	-100.0
Accruals and derivative hedging adjustments		160	277	280	74.7	1.1	299	456	429	43.3	-6.1
Debt and other marketable securities	(1)	19,023	19,011	19,510	2.6	2.6	22,198	22,817	23,345	5.2	2.3
Subordinated liabilities	(2)	3,593	4,080	4,092	13.9	0.3	3,593	4,080	4,092	13.9	0.3
On-balance sheet funds		**142,944**	**156,951**	**151,152**	**5.7**	**-3.7**	**186,122**	**202,821**	**197,260**	**6.0**	**-2.7**
Mutual funds		24,093	27,537	28,308	17.5	2.8	24,093	27,537	28,308	17.5	2.8
Dedicated investment companies		589	629	674	14.5	7.2	589	629	674	14.5	7.2
Third-party funds		23,504	26,908	27,634	17.6	2.7	23,504	26,908	27,634	17.6	2.7
Managed accounts		3,598	4,255	4,729	31.4	11.1	3,598	4,255	4,729	31.4	11.1
Pension funds		3,249	3,353	3,352	3.2	0.0	3,249	3,353	3,352	3.2	0.0
Individual		2,103	2,164	2,166	3.0	0.1	2,103	2,164	2,166	3.0	0.1
Company		1,141	1,184	1,183	3.7	-0.1	1,141	1,184	1,183	3.7	-0.1
Group		5	5	4	-21.8	-22.6	5	5	4	-21.8	-22.6
Third-party insurance products		9,621	9,636	9,782	1.7	1.5	9,621	9,636	9,782	1.7	1.5
Off-balance sheet customer funds		**40,561**	**44,781**	**46,171**	**13.8**	**3.1**	**40,561**	**44,781**	**46,171**	**13.8**	**3.1**
Funds under management and third-party funds		**183,504**	**201,732**	**197,323**	**7.5**	**-2.2**	**226,682**	**247,602**	**243,431**	**7.4**	**-1.7**

(1) On-balance sheet customer funds at the Group level as at 31.12.2024 include 138,347 million euros of sight accounts (133,776 million euros as at 30.09.2024 and 134,243 million euros as at 31.12.2023), 30,690 million euros of term deposits excluding multi-seller covered bonds, subordinated deposits and Yankee CD (29,256 million euros as at 30.09.2024 and 25,237 million euros as at 31.12.2023) and 520 million euros of retail issuances (commercial paper), included in 'Debt and other marketable securities' (436 million euros as at 30.09.2024 and 1,408 million euros as at 31.12.2023).

(2) Subordinated liabilities of debt securities.

Equity:

The following table shows the evolution of equity as at 2024 year-end:

Equity

(€millions)	31.12.23	30.09.24	31.12.24	Change YoY	Change QoQ
Shareholders' equity	**14,344**	**14,868**	**15,389**	**1,045**	**521**
Issued capital	680	680	680	0	0
Reserves	12,512	13,419	13,405	893	-14
Other equity	21	23	25	4	2
Less: treasury shares	-40	-119	-119	-80	0
Attributable net profit	1,332	1,295	1,827	495	532
Less: interim dividends	-162	-429	-429	-267	0
Accumulated other comprehensive income	**-499**	**-478**	**-391**	**108**	**87**
Minority interest	**34**	**34**	**34**	**0**	**0**
Net equity	**13,879**	**14,425**	**15,033**	**1,153**	**608**

Risk management

Highlights:

Non-performing assets were reduced by -476 million euros during the quarter, with the reduction of those classified as stage 3 being -439 million euros, of which -360 million euros related to a favourable court ruling after a legal dispute, while problematic real estate assets fell by -36 million euros.

It is worth highlighting the higher NPA coverage ratio including total provisions, which rose to 58.6% as at the end of 2024, from 55.6% as at the end of 2023 and from 57.9% as at the end of September 2024. The stage 3 coverage ratio considering total provisions as at the end of 2024 stood at 61.7%, also improving from 58.3% as at the end of 2023 and from 60.8% as at September 2024. The coverage of problematic real estate assets as at the end of 2024 stood at 40.5%, improving from 39.6% as at the end of 2023 and from 40.3% as at September 2024.

The Group's stage 3 ratio stood at 2.84% as at the end of 2024, falling by -68bps year-on-year and by -30bps in the quarter.

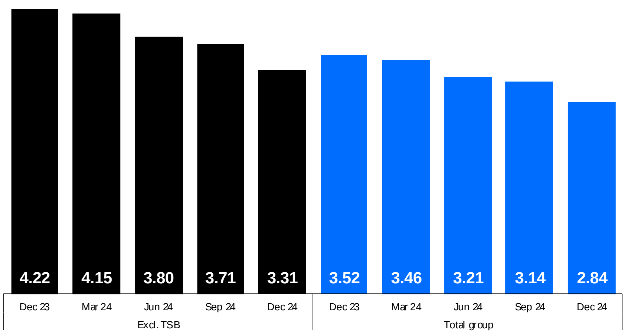
With regard to the breakdown of loans by stages, it should be noted that 90.9% are classified as stage 1 with a coverage level of 0.2%, the balance of stage 2 loans represents 6.3% of total loans with coverage of 3.8%, while the balance of stage 3 loans represents 2.8% of the total with coverage of 46.3%, reflecting an improvement compared to the end of 2023, when it was 42.3%, and compared to the 44.8% recorded as at the end of September 2024. Excluding TSB, the stage 3 coverage ratio as at the end of 2024 stood at 51.4%, improving from 45.5% as at the end of 2023 and from 49.2% as at the end of September 2024.

Risk management:

Non-performing assets showed a balance of 5,680 million euros as at the end of 2024, of which 4,844 million euros correspond to stage 3 loans and 836 million euros correspond to problematic real estate assets.

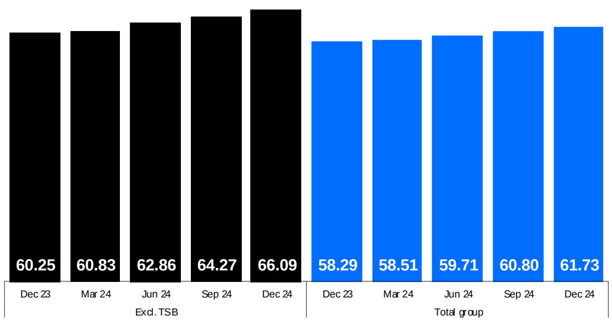
The gross NPA ratio was reduced to 3.3%, while the net NPA ratio considering total provisions stood at 1.4%.

Stage 3 ratios (%) (*)



(*) Calculated including contingent exposures.

Stage 3 coverage ratios with total provisions (%) (*)

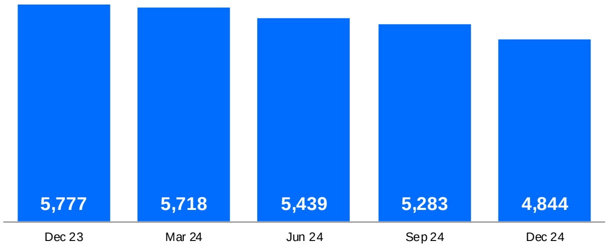


Stage 3 ratios, by segment (*)

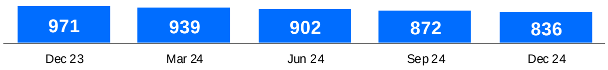
Total group	Dec 23	Mar 24	Jun 24	Sep 24	Dec 24
Real estate development and/or construction purposes	6.44%	6.88%	6.27%	6.08%	5.66%
Construction purposes non-related to real estate dev.	5.25%	5.30%	4.51%	4.61%	4.06%
Large corporates	2.47%	2.34%	1.90%	1.87%	2.00%
SME and small retailers and self-employed	8.52%	8.97%	8.74%	8.19%	6.70%
Individuals with 1st mortgage guarantee assets	2.29%	2.10%	1.96%	1.92%	1.89%
Stage 3 ratio	**3.52%**	**3.46%**	**3.21%**	**3.14%**	**2.84%**

(*) Calculated including contingent exposures.

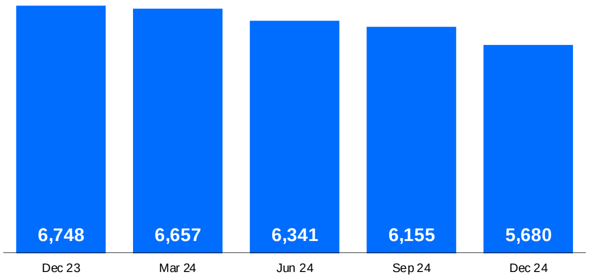
Evolution of stage 3 loans (€ million) (*)



Evolution of problematic real estate assets (€ million) (*)

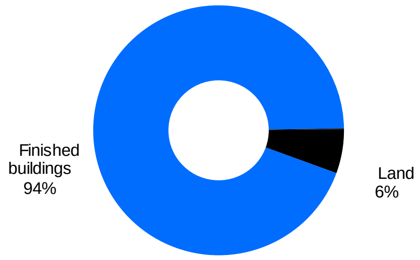


Evolution of non-performing assets (€ million) (*)



(*) Calculated including contingent exposures.

Composition of problematic real estate assets (%)



The table below shows the evolution of non-performing assets over the last few quarters:

Quarterly balance variation of non-performing assets

(€millions)	4Q23	1Q24	2Q24	3Q24	4Q24
Gross entries	601	727	581	505	478
Recoveries and sales	-635	-687	-763	-533	-786
Net stage 3 entries	**-35**	**40**	**-182**	**-27**	**-307**
Gross entries	6	10	14	7	4
Sales	-73	-42	-50	-38	-40
Change in problematic RE assets	**-68**	**-32**	**-36**	**-31**	**-36**
Net stage 3 entries + Change in problematic RE assets	**-103**	**8**	**-219**	**-58**	**-344**
Write-offs	-79	-100	-97	-128	-132
NPAs quarterly change	**-182**	**-92**	**-316**	**-186**	**-476**

Evolution of Group non-performing asset coverage (*)

(€ millions)		Dec 23	Mar 24	Jun 24	Sep 24	Dec 24
Stage 3 exposures		5,777	5,718	5,439	5,283	4,844
Total provisions		3,368	3,346	3,247	3,213	2,990
Stage 3 coverage ratio with total provisions (%)		**58.3%**	**58.5%**	**59.7%**	**60.8%**	**61.7%**
Stage 3 exposures		5,777	5,718	5,439	5,283	4,844
Stage 3 provisions		2,445	2,433	2,399	2,365	2,245
Stage 3 coverage ratio (%)		**42.3%**	**42.5%**	**44.1%**	**44.8%**	**46.3%**
Problematic RE Assets		971	939	902	872	836
Provisions		385	370	356	352	338
Problematic Real Estate coverage ratio (%)		**39.6%**	**39.4%**	**39.5%**	**40.3%**	**40.5%**
Total problematic assets		6,748	6,657	6,341	6,155	5,680
Provisions		3,752	3,715	3,604	3,564	3,329
Problematic assets coverage (%)		**55.6%**	**55.8%**	**56.8%**	**57.9%**	**58.6%**
Gross loans to customers excluding repos +financial guarantees and other guarantees granted + problematic RE Assets		165,309	166,235	170,198	169,133	171,251
Gross NPA ratio (%)	(1)	**4.1%**	**4.0%**	**3.7%**	**3.6%**	**3.3%**
Net problematic assets		2,996	2,941	2,738	2,591	2,351
Net NPA ratio (%)	(1)	**1.8%**	**1.8%**	**1.6%**	**1.5%**	**1.4%**
Net problematic assets as % of total assets		**1.3%**	**1.2%**	**1.1%**	**1.1%**	**1.0%**

(*) Includes contingent exposures.
(1) The gross NPA ratio is calculated as gross non-performing assets divided by gross customer lending excluding repos and guarantees given plus problematic real estate assets, while the net NPA ratio is calculated as net non-performing assets, including all provisions, divided by gross customer lending excluding repos and guarantees given plus problematic real estate assets.

Refinanced and restructured loans

Stage 3 balances of refinancing and restructuring transactions as at the end of 2024 fell by -19.0% year-on-year and by -3.2% in the quarter to stand at 2,178 million euros, with coverage of 36.2%.

(€millions)	Dec 23		Mar 24		Jun 24		Sep 24		Dec 24	
	Total	Of which: stage 3	Total	Of which: stage 3	Total	Of which: stage 3	Total	Of which: stage 3	Total	Of which: stage 3
Public sector	6	1	16	0	12	0	13	0	5	0
Companies and self employed	3,395	1,668	3,345	1,734	3,138	1,658	2,943	1,487	2,788	1,418
Of which: Financing for construction and real estate development	239	144	236	143	194	121	170	101	161	93
Individuals	1,547	1,022	1,325	869	1,254	804	1,225	763	1,137	760
Total	**4,949**	**2,690**	**4,686**	**2,602**	**4,404**	**2,463**	**4,181**	**2,250**	**3,931**	**2,178**
Provisions	**1,100**	**1,009**	**1,045**	**967**	**981**	**910**	**926**	**855**	**847**	**788**
Coverage ratio	**22.2%**	**37.5%**	**22.3%**	**37.1%**	**22.3%**	**36.9%**	**22.1%**	**38.0%**	**21.6%**	**36.2%**

Breakdown of loans and provisions, by stages

In terms of the breakdown of loans by stages, it is worth noting that 90.9% was classified as stage 1 with coverage of 0.2% and the balance increased by 2.6% in the quarter and by 5.9% year-on-year. Stage 2 balances accounted for 6.3% of the total credit balance, with coverage standing at 3.8%, representing a quarter-on-quarter balance reduction of -11.1% and a year-on-year reduction of -12.8%. Lastly, stage 3 loans accounted for 2.8% of the total, with coverage of 46.3%, representing a balance reduction of -8.3% in the quarter and of -16.2% year-on-year.

(€ millions)	Stage 1	Stage 2	Stage 3
Gross loans to customers excluding repos and financial guarantees and other guarantees granted	154,917	10,655	4,844
Change QoQ	*2.6%*	*-11.1%*	*-8.3%*
Change YoY	*5.9%*	*-12.8%*	*-16.2%*
Provisions	345	400	2,245
% Stage / Total loans	**90.9%**	**6.3%**	**2.8%**
Coverage group	**0.2%**	**3.8%**	**46.3%**
Coverage excl. TSB	**0.2%**	**4.5%**	**51.4%**

Liquidity management

Highlights:

The Group has a sound liquidity position, with a Liquidity Coverage Ratio (LCR) of 210% as at the end of 2024 (237% excluding TSB and 200% at TSB) and total liquid assets of 65,257 million euros.

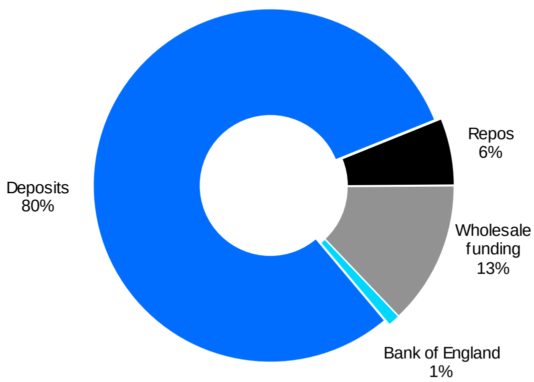
The loan-to-deposit ratio as at the end of 2024 was 93.2%, with a balanced retail funding structure.

It is worth noting that in 2024, Banco Sabadell issued 1,750 million euros of mortgage covered bonds, 1,000 million euros of senior non-preferred debt, 750 million euros and 450 million pounds of senior preferred debt and 500 million euros of Tier 2 subordinated debt. In addition, TSB issued one mortgage covered bond deal amounting to 500 million euros and another one amounting to 500 million pounds.

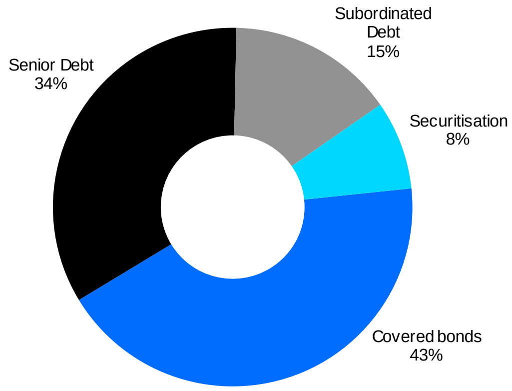
(€ millions)		31.12.23	30.09.24	31.12.24
Loans and advances to customers	(1)	152,243	156,580	158,872
Brokered loans		-953	-999	-884
Adjusted net loans and advances		**151,290**	**155,581**	**157,988**
On-balance sheet customer funds		**160,888**	**163,468**	**169,557**
Loan-to-deposit ratio (%)		**94.0**	**95.2**	**93.2**

(1) Excludes reverse repos.

Funding structure, 31.12.2024 (%)



Wholesale funding breakdown, 31.12.2024 (%)



Maturities

(€millions)	2025	2026	2027	2028	2029	2030	>2030	Outstanding balance
Covered bonds	831	1,390	2,306	2,493	2,053	1,250	1,200	11,523
Senior preferred	989	0	500	750	1,293	750	0	4,281
Senior non preferred	500	1,317	18	500	1,500	500	695	5,030
Subordinated Debt	300	500	0	0	0	0	1,515	2,315
Total	**2,620**	**3,207**	**2,824**	**3,743**	**4,846**	**2,500**	**3,410**	**23,149**

New issuances in the year

(€ millions)	1Q24	2Q24	3Q24	4Q24
Covered bonds	500	1,000	598	750
Senior preferred	750	0	539	0
Senior non preferred	500	0	0	500
Subordinated Debt	500	0	0	0
Total	**2,250**	**1,000**	**1,137**	**1,250**

Maturities in the year

(€ millions)	1Q24	2Q24	3Q24	4Q24
Covered bonds	1,134	1,050	0	250
Senior preferred	735	10	13	500
Senior non preferred	0	395	0	0
Total	**1,869**	**1,455**	**13**	**750**

Capital management and credit ratings

Highlights:

The fully-loaded and phase-in CET1 ratios considering the distribution of excess capital of 1 percentage point stood at 13.02% as at the end of 2024, while the Total Capital ratio reached 17.60%, thus standing above requirements, with an MDA buffer of 406bps.

Not including the distribution of excess capital, the ratio stood at 14.04%, increasing by 24bps in the quarter, of which 30bps correspond to the organic generation of capital, 2bps to risk-weighted assets and -8bps to valuation adjustments of the fair value portfolio. Over the last twelve months, 85bps of CET1 capital have been generated.

The minimum prudential requirements applicable to Banco Sabadell for 2024 following the Supervisory Review and Evaluation Process (SREP) are 8.95% for CET1 and 13.44% for Total Capital. The minimum prudential requirements applicable as from 1 January 2025 remain the same.

The leverage ratio was 5.20% in both fully-loaded and phase-in terms.

The MREL ratio as a percentage of RWAs stood at 27.85%, above the current requirement of 25.33%[1], while the MREL ratio as a percentage of the Leverage Ratio Exposure (LRE) was 9.54%, also above the requirement of 6.39%.

Banco Sabadell Board of Directors has resolved to propose to the next Annual General Meeting of Shareholders a final dividend of 12.44 cents of a euro (gross) per share charged to the results of the 2024 financial year. In addition, Banco Sabadell's Board of Directors has also agreed, having obtained the prior permission of the European Central Bank, to propose two share buyback programmes, one of this to resume the share buyback programme currently suspended, against 2023 earnings, and with a pending amount to be executed of 247 million euros, and other as a way of distributing capital exceeding the 13% CET 1 level, of up to a maximum amount of 755 million euros.

[1] The ratio includes the combined buffer requirement, estimated at 3.19%.

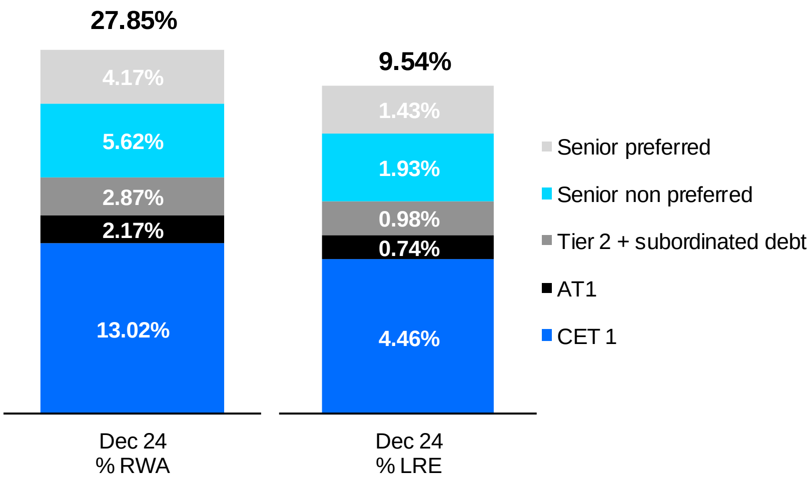
Capital ratios

(€millions)		Phase-in 31.12.23	Phase-in 30.09.24	Phase-in 31.12.24	Fully-loaded 31.12.23	Fully-loaded 30.09.24	Fully-loaded 31.12.24
Issued capital		680	680	680	680	680	680
Reserves		13,198	13,712	13,159	13,198	13,712	13,159
Deductions	(1)	-3,532	-3,362	-3,354	-3,532	-3,362	-3,354
Common Equity Tier 1		**10,347**	**11,029**	**10,485**	**10,347**	**11,029**	**10,485**
CET 1 (%)		**13.19%**	**13.80%**	**13.02%**	**13.19%**	**13.80%**	**13.02%**
Preference shares and other		1,750	1,750	1,750	1,750	1,750	1,750
Primary capital		**12,097**	**12,779**	**12,235**	**12,097**	**12,779**	**12,235**
Tier I (%)		**15.42%**	**15.99%**	**15.19%**	**15.42%**	**15.99%**	**15.19%**
Secondary capital		**1,829**	**2,278**	**1,946**	**1,829**	**2,278**	**1,946**
Tier II (%)		**2.33%**	**2.85%**	**2.42%**	**2.33%**	**2.85%**	**2.42%**
Total capital		**13,926**	**15,057**	**14,181**	**13,926**	**15,057**	**14,181**
Total capital ratio (%)		**17.76%**	**18.84%**	**17.60%**	**17.76%**	**18.84%**	**17.60%**
Risk weighted assets (RWA)		**78,428**	**79,931**	**80,559**	**78,428**	**79,931**	**80,559**
Leverage ratio (%)		**5.19%**	**5.31%**	**5.20%**	**5.19%**	**5.31%**	**5.20%**
CET 1 - BS (non-consolidated basis) (%)		**13.65%**	**14.12%**	**13.31%**			
Tier I - BS (non-consolidated basis) (%)		**15.83%**	**16.30%**	**15.47%**			
Tier II - BS (non-consolidated basis) (%)		**2.20%**	**2.74%**	**2.32%**			
Total capital ratio - BS (non-consolidated basis) (%)		**18.04%**	**19.04%**	**17.79%**			
ADIs	(2)	**3,657**	**4,514**	**4,428**			

Note: The CET1 ratio includes the dividend accrual with a pay-out ratio of 60% for 2024, as well as the distribution of excess capital. The 2023 ratios are updated with COREP data.

(1) Includes IFRS 9 transitional adjustments.
(2) "Available Distributable Items": refers to distributable profit. It does not include interim dividends or share premiums.

Evolution of Group MREL (% RWAs, % LRE)



Credit ratings

Agency	Date	Long term	Short term	Outlook
Fitch Ratings	10.01.2025	BBB+	F2	Stable
Moody's Investors Service	15.10.2024	Baa2	P-2	Positive
Morningstar DBRS	07.06.2024	A (low)	R-1 (low)	Stable
S&P Global Rating (1)	29.04.2024	BBB+	A-2	Positive

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On 10 January 2025, **Fitch Ratings** upgraded Banco Sabadell's long-term rating to 'BBB+' from 'BBB' and maintained the stable outlook. The upgrade was driven by the strengthening of Banco Sabadell's asset quality, profitability and capitalisation, as well as the improved assessment of the operating environment for Spanish banks. The short-term rating was kept at 'F2'.

On 8 October 2024, **Moody's Investors Service** affirmed Banco Sabadell's long-term deposit rating at 'Baa1' and its long-term senior unsecured debt rating at 'Baa2', maintaining the positive outlook for both ratings. The affirmed ratings reflect the strength of the Bank's credit profile, with stronger asset-quality metrics and improved profitability during the first quarter of 2024. The short-term rating was kept at 'P-2'. The full report on the revision was published on 15 October.

On 10 May 2024, **Morningstar DBRS** confirmed Banco Sabadell's long-term issuer rating at 'A (low)' with a stable outlook, reflecting the significantly improved profitability and the restructuring plan that the Bank has implemented, enabling it to boost its operating efficiency. It also praised its good access to wholesale markets and liquidity, as well as its solid capitalisation. The short-term rating remained at 'R-1 (low)'. The full report on the revision was published on 7 June.

On 29 April 2024, **S&P Global Ratings** affirmed Banco Sabadell's long-term issuer rating at 'BBB+', improving the outlook to positive from stable, reflecting the possibility that it could raise the long-term rating over the next 18-24 months if industry risks for banks operating in Spain were to ease and, at the same time, Banco Sabadell strengthens its financial ratios further. The short-term rating was also maintained at 'A-2'.

Results, by business unit

This section gives information regarding earnings and other indicators of the Group's business units.

The criteria that Banco Sabadell Group uses for its segment reporting are:

- Three geographical areas: Banking Business in Spain, United Kingdom and Mexico.
- Each business unit is allocated capital equivalent to 13% of its risk-weighted assets in 2024 (12% in 2023), assigning all of the corresponding deductions to each business unit and allocating the surplus of own funds to Banking Business Spain.

In terms of the other criteria applied, segment information is first structured with a breakdown by geographical area and then broken down according to the customers at which each segment is aimed.

Segmentation by geographical area and business unit

- **Banking Business Spain** groups together the Retail Banking, Business Banking and Corporate Banking business units, with individuals and businesses managed under the same branch network:

- Retail Banking: This business unit offers financial products and services to individuals for personal use. The business is based on a banking model that combines processes typical of a digital bank for interactions that require the autonomy, immediacy and simplicity that only digital channels can offer with specialised and personalised commercial management for those interactions where expert support is needed, provided through the branch network, both in brick-and-mortar branches and remotely. Among the main products offered, it is worth noting investment and financing products in the short, medium and long term such as consumer loans, mortgages and leasing/rental services. As for funds, the main products on offer are customer term and sight accounts, savings insurance, mutual funds and pension plans. Additionally, the main services also include payment methods such as cards and various kinds of insurance products.

- Business Banking: This business unit offers financial products and services to legal and natural persons engaging in business activities, serving all types of companies with turnover of up to 200 million euros, as well as the institutional sector. The products and services offered to companies are based on short- and long-term funding solutions, solutions to manage cash surpluses, products and services to guarantee the processing of day-to-day payments and collections through any channel and in any geographical area, as well as risk hedging and bancassurance products. Banco Sabadell has a clearly defined relationship model for each business segment, which is innovative and sets it apart from its peers and which allows it to be very close to its customers, acquiring in-depth knowledge of its customer base whilst at the same time offering a level of full engagement. Large enterprises are essentially managed by specialised branches. All other companies, which include SMEs, small businesses and self-employed professionals, are managed by standard branches. All of these companies have relationship managers who specialise in their respective segments, as well as access to expert advice from product and/or sector specialists. This all enables Banco Sabadell to be a yardstick for all companies, as well as a leader in customer experience. It also includes Private Banking, which offers personalised expert advice, backed by specialised and high-value product capabilities for our customers.

- Corporate Banking: Through its presence in Spain and in a further 11 countries, it offers financial and advisory solutions to large Spanish and international corporations and financial institutions. It structures its activity around two pillars, the first of which is the customer. It aims to serve its customers who are natural persons to meet the full range of their financial needs. This pillar is determined by the nature of those customers and includes large corporations classed under the Corporate Banking umbrella, financial institutions, Private Banking customers in the USA and the venture capital business carried out through BS Capital. The second pillar is Specialised Business, which encompasses the activities of Structured Finance, Treasury, Investment Banking, and Trading, Custody and Research. Its goal is to advise, design and execute custom operations that anticipate the specific financial needs of its customers, be they companies or individuals, with its scope of activity ranging from large corporations to smaller companies and customers, insofar as its solutions are the best way to meet their increasingly complex financial needs.

- **Banking Business United Kingdom:**

  The TSB franchise includes business conducted in the United Kingdom, which includes current and savings accounts, loans, credit cards and mortgages.

- **Banking Business Mexico:**

  Offers banking and financial services for Corporate Banking, Commercial Banking and Retail Banking in Mexico.

The information presented herein is based on the standalone accounting records of each Group company, after all consolidation disposals and adjustments have been made.

Each business unit bears its own direct costs, calculated on the basis of general accounting.

Key information relating to the segmentation of the Group's activity is given here below.

Profit and loss 2024

(€ millions)	Banking business Spain	Banking business United Kingdom	Banking Business Mexico	Total
Net interest income	**3,652**	**1,163**	**206**	**5,021**
Net fees and commissions	1,231	107	18	1,357
Core revenues	**4,883**	**1,270**	**224**	**6,378**
Net trading income and exchange differences	36	39	13	87
Income from equity method and dividends	166	0	0	166
Other operating income/expense	-249	-23	-21	-294
Gross operating income	**4,836**	**1,286**	**216**	**6,337**
Operating expenses	-1,707	-765	-110	-2,583
Amortisation & depreciation	-364	-122	-15	-501
Total costs	-2,071	-887	-126	-3,084
Memorandum item:				
Recurrent costs	-2,071	-866	-126	-3,062
Non-recurrent costs	0	-21	0	-21
Pre-provisions income	**2,765**	**399**	**90**	**3,254**
Total provisions & impairments	-652	-37	-24	-714
Gains on sale of assets and other results	-14	-8	-4	-26
Profit before tax	**2,098**	**353**	**62**	**2,514**
Income tax	-579	-100	-6	-685
Minority interest	2	0	0	2
Attributable net profit	**1,517**	**253**	**57**	**1,827**
ROTE	15.9%	12.0%	9.7%	14.9%
Efficiency	35.1%	59.5%	51.2%	40.8%
Efficiency with amortisation & depreciation	42.6%	69.0%	58.3%	48.7%
Stage 3 ratio	3.3%	1.5%	2.8%	2.8%
Stage 3 coverage ratio with total provisions	66.3%	34.3%	59.5%	61.7%

Profit and loss 2023

(€ millions)	Banking business Spain	Banking business United Kingdom	Banking Business Mexico	Total
Net interest income	**3,353**	**1,174**	**196**	**4,723**
Net fees and commissions	1,247	124	15	1,386
Core revenues	**4,601**	**1,298**	**211**	**6,109**
Net trading income and exchange differences	45	16	8	68
Income from equity method and dividends	131	0	0	131
Other operating income/expense	-404	-23	-20	-447
Gross operating income	**4,372**	**1,291**	**198**	**5,862**
Operating expenses	-1,604	-802	-91	-2,496
Amortisation & depreciation	-362	-139	-18	-519
Total costs	-1,965	-941	-108	-3,015
Memorandum item:				
Recurrent costs	-1,965	-909	-108	-2,982
Non-recurrent costs	0	-33	0	-33
Pre-provisions income	**2,407**	**350**	**90**	**2,847**
Total provisions & impairments	-816	-75	-19	-910
Gains on sale of assets and other results	-27	0	-19	-46
Profit before tax	**1,564**	**274**	**53**	**1,891**
Income tax	-469	-80	-9	-557
Minority interest	1	0	0	1
Attributable net profit	**1,093**	**195**	**44**	**1,332**
ROTE	12.0%	10.0%	8.9%	11.5%
Efficiency	37.2%	62.1%	45.7%	42.6%
Efficiency with amortisation & depreciation	45.6%	72.9%	54.7%	51.4%
Stage 3 ratio	4.3%	1.5%	2.4%	3.5%
Stage 3 coverage ratio with total provisions	59.9%	41.8%	74.3%	58.3%

Balance sheet 2024

(€ millions)	Banking business Spain	Banking business United Kingdom	Banking Business Mexico	Total
Total assets	**177,348**	**55,604**	**6,646**	**239,598**
Performing gross loans	109,291	43,380	4,242	156,913
RE exposure	497	0	0	497
Total liabilities and net equity	**177,348**	**55,604**	**6,646**	**239,598**
On-balance sheet customer funds	124,235	42,123	3,199	169,557
Capital markets wholesale funding	21,135	5,859	0	26,994
Allocated equity	12,161	2,543	686	15,389
Off-balance sheet customer funds	46,171	0	0	46,171

Balance sheet 2023

(€ millions)	Banking business Spain	Banking business United Kingdom	Banking Business Mexico	Total
Total assets	**173,648**	**54,855**	**6,670**	**235,173**
Performing gross loans	103,830	41,381	4,587	149,798
RE exposure	586	0	0	586
Total liabilities and net equity	**173,648**	**54,855**	**6,670**	**235,173**
On-balance sheet customer funds	117,820	39,864	3,205	160,888
Capital markets wholesale funding	19,949	4,545	0	24,494
Allocated equity	11,345	2,368	631	14,344
Off-balance sheet customer funds	40,561	0	0	40,561

Banking Business Spain

Net profit as at the end of 2024 amounted to 1,517 million euros, representing a year-on-year increase of 38.7%, mainly driven by the good evolution of net interest income and reduced provisions.

Net interest income amounted to 3,652 million euros as at the end of 2024, increasing by 8.9% year-on-year, impacted by the collection of 36 million euros in extraordinary interest on arrears related to debt recovery following a favourable court ruling after a legal dispute. Not including this effect, growth would be 7.8%, driven by higher credit yields and by higher income from the fixed-income portfolio, supported by interest rates, all of which offset the higher cost and volume of deposits and wholesale funding.

Net fees and commissions stood at 1,231 million euros, -1.3% less than at the end of 2023, mainly due to the drop in service fees, notably payment card and sight accounts fees.

Net trading income and exchange differences amounted to 36 million euros, representing a year-on-year reduction, mainly due to reduced earnings on derivatives.

Equity-accounted income and dividends showed a year-on-year increase of 26.5%, mainly due to the larger contribution of the insurance business and higher earnings of BS Capital investees.

The positive balance variation in Other income and expenses is mainly explained by the -132 million euros recognised in the previous year in connection with Banco Sabadell's contribution to the Deposit Guarantee Fund (DGF) and the -76 million euros recognised in the previous year for the contribution to the Single Resolution Fund (SRF), which offset the negative balance variation caused by the recognition of a greater impact of the banking tax in 2024, which was -192 million euros compared to -156 million euros recognised in the previous year.

Total costs recorded a year-on-year increase of 5.4%, due to higher staff expenses and the increase in general expenses.

Provisions and impairments amounted to -652 million euros, down by -20.1% year-on-year, mainly due to an improvement in credit provisions. The year 2024 includes the release of 54 million euros related to debt recovery following a favourable court ruling after a legal dispute and to provisions allocated for the floods in Valencia.

Profit tax in 2024 includes a positive impact of c.50 million euros, mainly due to the recognition of tax deductions for research & development and technological innovation activities.

				Simple evolution							
(€ millions)	FY23	FY24	YoY (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24
Net interest income	**3,353**	**3,652**	**8.9**	**752**	**821**	**895**	**885**	**906**	**921**	**907**	**919**
Net fees and commissions	1,247	1,231	-1.3	321	314	311	301	305	305	303	318
Core revenues	**4,601**	**4,883**	**6.1**	**1,073**	**1,135**	**1,206**	**1,186**	**1,210**	**1,226**	**1,210**	**1,237**
Net trading income and exchange differences	45	36	-19.9	-6	32	22	-3	19	-11	10	18
Income from equity method and dividends	131	166	26.5	31	40	23	36	48	39	44	35
Other operating income/expense	-404	-249	-38.3	-157	-74	3	-176	-194	3	1	-59
Gross operating income	**4,372**	**4,836**	**10.6**	**941**	**1,133**	**1,255**	**1,043**	**1,082**	**1,257**	**1,265**	**1,231**
Operating expenses	-1,604	-1,707	6.4	-388	-393	-412	-412	-404	-413	-452	-437
Amortisation & depreciation	-362	-364	0.6	-95	-90	-88	-89	-90	-92	-92	-89
Total costs	-1,965	-2,071	5.4	-483	-482	-499	-501	-495	-505	-545	-526
Pre-provisions income	**2,407**	**2,765**	**14.9**	**458**	**651**	**756**	**542**	**588**	**752**	**721**	**705**
Total provisions & impairments	-816	-652	-20.1	-214	-217	-192	-194	-181	-167	-148	-156
Gains on sale of assets and other results	-27	-14	-47.2	-1	-11	-4	-10	0	0	-2	-12
Profit before tax	**1,564**	**2,098**	**34.2**	**243**	**423**	**560**	**338**	**406**	**585**	**570**	**537**
Income tax	-469	-579	23.5	-106	-122	-164	-76	-155	-166	-155	-104
Minority interest	1	2	28.1	0	1	0	1	0	1	0	1
Attributable net profit	**1,093**	**1,517**	**38.7**	**137**	**300**	**395**	**261**	**252**	**418**	**416**	**432**
Accumulated ratios											
ROTE	12.0%	15.9%		8.0%	9.7%	10.9%	12.0%	13.0%	14.1%	14.3%	15.9%
Efficiency	37.2%	35.1%		39.0%	37.1%	36.5%	37.2%	33.2%	33.8%	35.0%	35.1%
Efficiency with amortisation & depreciation	45.6%	42.6%		48.6%	45.8%	44.8%	45.6%	40.7%	41.4%	42.6%	42.6%
Stage 3 ratio	4.3%	3.3%		4.3%	4.3%	4.3%	4.3%	4.2%	3.9%	3.8%	3.3%
Stage 3 coverage ratio with total provisions	59.9%	66.3%		55.8%	57.2%	58.1%	59.9%	60.6%	62.7%	64.2%	66.3%

Performing loans increased by 5.3% year-on-year, driven by the increase of lending to SMEs and corporates and individuals, where it is particularly worth mentioning the good performance of the mortgage book, as well as the good performance of foreign branches (included in this perimeter), particularly Miami.

On-balance sheet customer funds increased by 5.4% year-on-year, while off-balance sheet funds grew by 13.8%, mainly due to mutual funds, underpinned by the positive flow of net subscriptions.

				Simple evolution							
(€ millions)	Dec 23	Dec 24	YoY (%)	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24	Dec 24
Total assets	**173,648**	**177,348**	**2.1**	**186,941**	**180,613**	**180,767**	**173,648**	**174,505**	**182,140**	**183,403**	**177,348**
Performing gross loans	103,830	109,291	5.3	106,524	106,965	105,159	103,830	103,684	107,606	107,000	109,291
RE exposure	586	497	-15.2	688	664	635	586	569	546	520	497
Total liabilities and net equity	**173,648**	**177,348**	**2.1**	**186,941**	**180,613**	**180,767**	**173,648**	**174,505**	**182,140**	**183,403**	**177,348**
On-balance sheet customer funds	117,820	124,235	5.4	118,177	117,905	118,163	117,820	117,475	118,786	118,771	124,235
Capital markets wholesale funding	19,949	21,135	5.9	20,734	21,119	21,662	19,949	20,275	19,751	20,837	21,135
Allocated equity	11,345	12,161	7.2	10,697	11,019	11,291	11,345	11,414	11,587	11,667	12,161
Off-balance sheet customer funds	40,561	46,171	13.8	39,513	39,720	39,342	40,561	42,150	43,574	44,781	46,171
Other data											
Employees	13,455	13,525		13,077	13,369	13,397	13,455	13,441	13,545	13,575	13,525
Branches	1,194	1,152		1,222	1,221	1,188	1,194	1,188	1,159	1,155	1,152

Banking Business United Kingdom

Net profit amounted to 253 million euros as at the end of 2024, representing year-on-year growth of 29.9%.

Net interest income came to a total of 1,163 million euros, less than in 2023, due to the higher cost of deposits and wholesale funding, and also due to reduced average volumes, which offset the higher credit yield. However, in quarter-on-quarter terms, net interest income reversed this trend and increased by 3.5%.

Net fees and commissions amounted to 107 million euros as at the end of 2024, representing a year-on-year reduction of -13.6%, mainly due to lower payment card fees, which include an increase in costs.

Total costs amounted to -887 million euros, falling by -5.8% year-on-year due both to the reduction of staff and general expenses and of amortisations/depreciations. Total costs include -21 million euros of non-recurrent restructuring costs in 2024 and -33 million euros in 2023, and as such the reduction of recurrent costs is -4.7%.

Provisions and impairments amounted to -37 million euros, representing a year-on-year improvement due to fewer credit provisions, mainly explained by the macroeconomic scenario updates.

					Simple evolution							
(€ millions)	FY23	FY24	YoY (%)	YoY (%) at constant FX	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24
Net interest income	**1,174**	**1,163**	**-0.9**	**-3.7**	**303**	**300**	**298**	**273**	**278**	**283**	**296**	**306**
Net fees and commissions	124	107	-13.6	-16.0	28	30	33	33	30	24	28	25
Core revenues	**1,298**	**1,270**	**-2.1**	**-4.9**	**331**	**330**	**331**	**307**	**308**	**307**	**324**	**331**
Net trading income and exchange differences	16	39	141.0	134.3	7	-2	8	2	11	13	4	10
Income from equity method and dividends	0	0	--	--	0	0	0	0	0	0	0	0
Other operating income/expense	-23	-23	-0.4	-3.2	-11	-9	-9	6	-11	-18	17	-11
Gross operating income	**1,291**	**1,286**	**-0.4**	**-3.2**	**328**	**318**	**330**	**315**	**309**	**303**	**345**	**330**
Operating expenses	-802	-765	-4.6	-7.2	-188	-199	-199	-216	-194	-197	-190	-185
Amortisation & depreciation	-139	-122	-12.6	-15.0	-38	-38	-30	-33	-30	-29	-30	-33
Total costs	-941	-887	-5.8	-8.4	-226	-238	-229	-249	-224	-225	-220	-219
Memorandum item:												
Recurrent costs	-909	-866	-4.7	-7.4	-226	-238	-229	-216	-223	-219	-206	-219
Non-recurrent costs	-33	-21	-35.2	-37.0	0	0	0	-33	-1	-6	-14	0
Pre-provisions income	**350**	**399**	**14.1**	**10.9**	**102**	**81**	**101**	**66**	**85**	**77**	**125**	**112**
Total provisions & impairments	-75	-37	-50.2	-51.6	-19	-4	-22	-30	-20	-8	-14	5
Gains on sale of assets and other results	0	-8	--	--	0	0	0	-1	0	1	-7	-1
Profit before tax	**274**	**353**	**28.8**	**25.2**	**83**	**77**	**78**	**36**	**65**	**70**	**104**	**115**
Income tax	-80	-100	26.0	22.4	-29	-25	-23	-2	-19	-21	-31	-30
Minority interest	0	0	--	--	0	0	0	0	0	0	0	0
Attributable net profit	**195**	**253**	**29.9**	**26.3**	**53**	**52**	**55**	**34**	**46**	**49**	**73**	**85**
Accumulated ratios												
ROTE	10.0%	12.0%			5.9%	6.7%	7.9%	10.0%	9.6%	9.4%	9.8%	12.0%
Efficiency	62.1%	59.5%			57.4%	59.9%	60.1%	62.1%	62.9%	63.9%	60.7%	59.5%
Efficiency with amortisation & depreciation	72.9%	69.0%			68.9%	71.7%	71.0%	72.9%	72.5%	73.4%	69.9%	69.0%
Stage 3 ratio	1.5%	1.5%			1.4%	1.4%	1.4%	1.5%	1.5%	1.5%	1.5%	1.5%
Stage 3 coverage ratio with total provisions	41.8%	34.3%			41.3%	40.4%	40.5%	41.8%	40.2%	37.1%	37.0%	34.3%

Performing loans increased by 4.8% year-on-year, benefitting from the appreciation of the pound sterling, as considering a constant exchange rate they remained broadly stable.

On-balance sheet customer funds grew by 5.7% year-on-year, where it is worth pointing out the growth of term deposits. At constant exchange rates, the growth was 0.8%.

					Simple evolution							
(€ millions)	Dec 23	Dec 24	YoY (%)	YoY (%) at constant FX	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24	Dec 24
Total assets	**54,855**	**55,604**	**1.4**	**-3.3**	**55,127**	**56,086**	**55,497**	**54,855**	**54,624**	**55,423**	**55,975**	**55,604**
Performing gross loans	41,381	43,380	4.8	0.0	41,993	42,526	41,793	41,381	42,330	42,907	43,209	43,380
Total liabilities and net equity	**54,855**	**55,604**	**1.4**	**-3.3**	**55,127**	**56,086**	**55,497**	**54,855**	**54,624**	**55,423**	**55,975**	**55,604**
On-balance sheet customer funds	39,864	42,123	5.7	0.8	40,617	41,203	40,209	39,864	40,558	41,182	41,885	42,123
Capital markets wholesale funding	4,545	5,859	28.9	23.0	3,697	3,787	4,337	4,545	4,534	5,168	5,824	5,859
Allocated equity	2,368	2,543	7.4	2.5	2,387	2,368	2,348	2,368	2,516	2,539	2,520	2,543
Other data												
Employees	5,426	4,729			5,656	5,618	5,510	5,426	5,314	4,990	4,818	4,729
Branches	211	186			220	211	211	211	211	211	195	186

Banking Business Mexico

Net profit as at the end of 2024 amounted to 57 million euros, representing a year-on-year increase of 28.8%, mainly due to the increase in core revenues.

Net interest income came to 206 million euros, growing by 5.0%, mainly due to larger average volumes and a higher credit yield.

Net fees and commissions came to 18 million euros as at the end of 2024, increasing by 3 million euros compared to the same period in the previous year due to higher levels of commercial activity.

Total costs amounted to -126 million euros, reflecting year-on-year growth, mainly due to higher general expenses, particularly marketing costs.

Provisions and impairments amounted to -24 million euros as at the end of 2024, representing a year-on-year increase due to the impairment of single-name borrowers.

Gains on asset sales and other results fell during the year due to the recognition of fewer IT asset write-offs.

(€ millions)	FY23	FY24	YoY (%)	YoY (%) at constant FX	Simple evolution 1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24
Net interest income	**196**	**206**	**5.0**	**8.6**	**45**	**49**	**49**	**53**	**47**	**58**	**50**	**50**
Net fees and commissions	15	18	24.8	29.1	2	3	6	5	5	5	5	4
Core revenues	**211**	**224**	**6.4**	**10.1**	**46**	**52**	**55**	**57**	**53**	**63**	**55**	**54**
Net trading income and exchange differences	8	13	67.3	73.1	-1	1	2	5	5	0	4	3
Income from equity method and dividends	0	0	--	--	0	0	0	0	0	0	0	0
Other operating income/expense	-20	-21	7.6	-5.3	-4	-6	-3	-7	-4	-6	-5	-6
Gross operating income	**198**	**216**	**8.6**	**14.4**	**42**	**47**	**54**	**56**	**53**	**57**	**54**	**51**
Operating expenses	-91	-110	21.7	25.9	-17	-19	-24	-31	-29	-30	-24	-28
Amortisation & depreciation	-18	-15	-13.9	-10.9	-4	-8	-1	-4	-4	-4	-4	-3
Total costs	-108	-126	15.8	19.9	-21	-27	-25	-35	-33	-34	-28	-31
Pre-provisions income	**90**	**90**	**-0.1**	**7.5**	**21**	**19**	**29**	**21**	**20**	**24**	**26**	**20**
Total provisions & impairments	-19	-24	27.1	31.5	-3	-12	0	-4	-7	-6	-10	-1
Gains on sale of assets and other results	-19	-4	-80.7	-80.0	-1	0	-13	-4	0	-3	0	-1
Profit before tax	**53**	**62**	**18.5**	**31.3**	**16**	**7**	**16**	**13**	**13**	**15**	**16**	**18**
Income tax	-9	-6	-32.8	-30.5	-2	-1	-2	-4	-3	0	-1	-2
Minority interest	0	0	--	--	0	0	0	0	0	0	0	0
Attributable net profit	**44**	**57**	**28.8**	**44.6**	**14**	**7**	**14**	**9**	**11**	**16**	**15**	**15**
Accumulated ratios												
ROTE	8.9%	9.7%			8.2%	7.4%	7.3%	8.9%	7.7%	8.9%	8.8%	9.7%
Efficiency	45.7%	51.2%			40.8%	41.2%	42.1%	45.7%	53.8%	52.5%	50.0%	51.2%
Efficiency with amortisation & depreciation	54.7%	58.3%			50.9%	55.1%	51.8%	54.7%	61.7%	60.0%	57.3%	58.3%
Stage 3 ratio	2.4%	2.8%			2.5%	3.1%	2.9%	2.4%	2.8%	2.2%	2.4%	2.8%
Stage 3 coverage ratio with total provisions	74.3%	59.5%			69.7%	65.8%	66.0%	74.3%	69.4%	71.7%	68.8%	59.5%

Performing loans fell by -7.5% year-on-year, impacted by the depreciation of the Mexican peso, the reduction at a constant exchange standing at -4.6%.

On-balance sheet customer funds fell by -0.2% year-on-year, while at constant exchange rates they increased by 10.5%, due to an increase in both sight accounts and term deposits.

(€ millions)	Dec 23	Dec 24	YoY (%)	YoY (%) at constant FX	Simple evolution Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24	Dec 24
Total assets	**6,670**	**6,646**	**-0.4**	**5.6**	**6,411**	**6,753**	**6,997**	**6,670**	**7,007**	**6,765**	**6,135**	**6,646**
Performing gross loans	4,587	4,242	-7.5	-4.6	4,119	4,343	4,676	4,587	4,781	4,651	4,155	4,242
Total liabilities and net equity	**6,670**	**6,646**	**-0.4**	**5.6**	**6,411**	**6,753**	**6,997**	**6,670**	**7,007**	**6,765**	**6,135**	**6,646**
On-balance sheet customer funds	3,205	3,199	-0.2	10.5	3,513	3,681	3,601	3,205	3,387	3,201	2,812	3,199
Allocated equity	631	686	8.7	25.1	573	602	624	631	702	693	681	686
Other data												
Employees	435	515			418	418	424	435	458	480	504	515
Branches	15	12			15	15	15	15	15	12	12	12

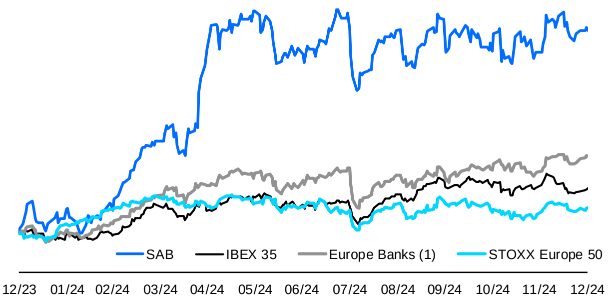
4. Share price performance

		31.12.23	30.09.24	31.12.24
Shares and trading				
Number of outstanding shares (millions)	(1)	5,403	5,361	5,361
Average daily trading volume (millions shares)		30	27	23
Share price (€)	(2)			
Opening session (of the year)		0.881	1.113	1.113
High (of the year)		1.364	2.050	2.050
Low (of the year)		0.873	1.105	1.105
Closing session		1.113	1.909	1.877
Market capitalisation (€ millions)		6,014	10,235	10,063
Stock market multiples				
Earnings per share (EPS) (€)		0.23	0.28	0.32
Book value (€ millon)		14,344	14,898	15,389
Book value per share (€)		2.65	2.78	2.87
Tangible book value (€ millon)		11,861	12,382	12,840
TBV per share (€)		2.20	2.31	2.39
Price / Tangible book value (times)		0.51	0.83	0.78
Price / Earnings ratio (P/E) (times)		4.94	6.92	5.84

(1) Total number of total shares minus final treasury stock position (including shares in the buyback programme, where applicable).
(2) Historical values not adjusted.

Comparative evolution of SAB share price

Period from 31.12.2023 to 31.12.2024



(1) STOXX Europe 600 Banks

5. Key developments in the quarter

Banco Sabadell receives decision from European Central Bank regarding Supervisory Review and Evaluation Process (SREP)

On 11 December 2024, Banco Sabadell received the European Central Bank decision regarding the minimum prudential requirements as a result of the supervisory review and evaluation process (SREP) that will apply from 1 January 2025.

The requirement for Banco Sabadell at consolidated level is to keep a minimum Common Equity Tier I ratio of 8.95% (CET1 phased-in) and a minimum Total Capital phased-in of 13.44%.

These ratios include the minimum Pillar 1 requirement (8.00%, of which CET1 4.50%), the Pillar 2 requirement (2.25% of which CET1 1.27%), the capital conservation buffer (2.50%), the requirement derived from its consideration as "other systemically important institution" (0.25%) and the countercyclical buffer (0.44%), mainly linked to exposures in UK.

Banco Sabadell receives notice of the decision determining the minimum requirement for own funds and eligible liabilities (MREL)

On 17 December 2024, Banco Sabadell has received the communication through the Bank of Spain of the decision made by the Single Resolution Board (SRB) on the minimum requirement for own funds and eligible liabilities (MREL) and the subordination requirement applicable to Banco Sabadell on a consolidated basis.

The requirements, which are to be met with immediate effect, are as follows:

• The minimum requirement for MREL is 22.14% of the total risk exposure amount (TREA) and 6.39% of the leverage ratio exposure (LRE).

• The subordination requirement is 15.84% of TREA and 6.39% of LRE.

The own funds used by the entity to meet the combined buffer requirement (CBR) will not be eligible to meet its MREL and subordination requirements expressed in terms of TREA.

It is highlighted that in calibrating the minimum MREL requirement, the bank has obtained the maximum possible reduction of 20% of the market confidence charge (MCC) taking into account the progress shown in its level of resolvability and following the provisions of Art 12d(3) of Regulation (EU) 2019/877, which defines that the SRB has the power to establish a lower amount of said component in the calibration process of the MREL requirement.

Banco Sabadell is compliant with the new requirements.

Fitch Ratings upgrades Banco Sabadell's long-term rating

On 10 January 2025, Fitch Ratings has upgraded Banco Sabadell's long-term rating to BBB+ from BBB and it has maintained the outlook stable.

The upgrade has been driven by the strengthening of Banco Sabadell's asset quality, profitability and capitalisation, as well as the improved assessment of the operating environment for Spanish banks.

BBVA announces that it has decided to amend the voluntary tender offer to acquire Banco de Sabadell, S.A., reducing the minimum acceptance condition provided in the offer's prior announcement

In relation to the voluntary tender offer launched by BBVA for the entire share capital of Banco de Sabadell, S.A. ("Banco Sabadell" or the "Target Company") (the "Offer"), for which the prior announcement was published as inside information on May 9, 2024 and the request for authorisation was submitted to the CNMV on May 24, 2024 and gave leave to proceed on June 11, 2024, BBVA informs that it has decided to modify the Offer by reducing the minimum acceptance condition provided in the prior announcement, which implies a more favorable treatment for its recipients, in accordance with Article 31.1 of Royal Decree 1066/2007.

The aforementioned minimum acceptance condition, which initially required the acceptance of the Offer by at least 2,720,654,746 shares of the Target Company, representing 50.01 percent of its share capital, is now reduced so that it requires the Offer to be accepted for a number of shares that allows BBVA to acquire at least more than half of the effective voting rights of Banco Sabadell at the end of the Offer acceptance period (therefore excluding the treasury shares that the Target Company may hold at that time).

As of the date of this communication, 9 January 2025, the total share capital with voting rights amounts to 5,361,450,912 ordinary shares (5,361,450 effective voting rights), considering that Banco Sabadell's share capital is represented by a total of 5,440,221,447 ordinary shares (5,440,221 voting rights) and that it holds 78,770,535 treasury shares (as stated in Banco Sabadell's Universal Registration Document posted on the CNMV's website on May 23, 2024), whose voting rights are suspended in accordance with Article 148(a) of the Spanish Companies Act. Therefore, assuming that all such treasury shares remain as such at the end of the Offer acceptance period, the reduced minimum acceptance condition will be deemed fulfilled if the Offer is accepted for at least 2,680,726,000 shares of Banco Sabadell (2,680,726 voting rights), which would represent half plus one of Banco Sabadell's effective voting rights at that time.

The above notwithstanding, if Banco Sabadell's treasury shares vary by the end of the acceptance period, the condition will be deemed fulfilled if the Offer is accepted for the number of shares necessary to acquire more than 50 percent of the effective voting rights at that time, thus excluding the suspended voting rights corresponding to the treasury shares held by Banco Sabadell on that date.

In the event of a positive outcome of the Offer, BBVA will seek the redemption of Banco Sabadell's treasury shares at the end of the acceptance period at the first General Shareholders' Meeting of Banco Sabadell, reducing the share capital and locking up those shares in the meantime.

The fulfillment of this reduced minimum acceptance condition, under the described terms, will make applicable the exception to the obligation to launch a mandatory tender offer in accordance with Article 8(f) of Royal Decree 1066/2007, to the extent that the Offer would have been accepted for shares representing, at least, 50 percent of the effective voting rights to which it was addressed.

BBVA will submit to the CNMV the documentation related to the improved terms of the Offer in accordance with Articles 17 and 20 of Royal Decree 1066/2007.

Banco Sabadell moves its registered office

The Board of Directors of Banco Sabadell, in its meeting held on 22 January 2025, resolved to amend Article 2 of the by-laws to set the registered office at Sabadell, Plaça de Sant Roc nº 20.

The Board of Directors of Banco Sabadell agreed to execute the share capital reduction through the redemption of all the treasury shares acquired under the share buyback programme until its suspension

Further to the other relevant information disclosure dated 13 May 2024, with registration number 28651, regarding the temporary suspension of the treasury share buy-back programme announced by the inside information disclosure dated 25 April 2024 with registration number 2203 (the “Buy-back Programme”) due to the publication of the preliminary announcement of the tender offer for the shares of Banco Sabadell launched by BBVA, Banco Sabadell announces that, on 29 January 2025, in accordance with the authorization received from the European Central Bank, the Board of Directors of Banco Sabadell has resolved to execute the reduction of the share capital of Banco Sabadell through the redemption of all treasury shares acquired under the Buy-back Programme until it was suspended. The execution of the capital reduction has been approved pursuant to the delegation of powers granted in favour of the Board of Directors under the capital reduction resolution approved by the Annual General Meeting of Shareholders held on 10 Abril 2024, under item 4 of the agenda, setting the amount of the capital reduction at 6,566,420.625 euros.

The capital reduction is carried out through the redemption of all treasury shares acquired under the Buy-back Programme, this is 52,531,365 shares of 0.125 euros of par value each, representing approximately 0.97 per cent of Banco Sabadell's share capital before the capital reduction.

The share capital resulting from the capital reduction is set at 673,461,260.25 euros, represented by 5,387,690,082 shares of 0.125 euros of par value each, all of them belonging to the same class and series.

The execution of the capital reduction does not entail a refund of contributions to the shareholders, since at the time of execution of the capital reduction the shares to be redeemed are owned by Banco Sabadell, and it is made out of unrestricted reserves, through the recognition of a restricted reserve for redeemed capital for an amount equal to the par value of the redeemed shares (this is, 6,566,420.625 euros), which may only be used subject to the same requirements as for the capital reduction, by application of article 335.c) of the consolidated text of the Capital Companies Law approved by Royal Legislative Decree 1/2010, of 2 July (Capital Companies Law), so that Banco Sabadell's creditors will not be entitled to object under Article 334 of the Capital Companies Law.

For the purposes of the provisions of Article 411 of the Capital Companies Law and in accordance with the first additional provision of Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions, since Banco Sabadell is a credit institution and the other requirements set forth in the aforementioned additional provision are met, the consent of the syndicates of holders of the outstanding debentures and bonds is not required to execute the capital reduction.

The capital reduction resolution will be published in the Official Gazette of the Mercantile Registry and in the Banco Sabadell's corporate website (www.grupbancsabadell.com) in the coming days.

Afterwards, the public deed for the reduction of capital through the redemption of treasury shares and the amendment of the Articles of Association of Banco Sabadell will be executed. Once registered at the Mercantile Registry, Banco Sabadell will request the delisting of the redeemed shares from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and its cancellation and removal from the accounting records of the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear).

Banco Sabadell Board of Directors has resolved to propose to the next Annual General Meeting of Shareholders a final dividend charged to the results of the 2024 financial year, establish two share buyback programmes and the payment of two interim dividends during the 2025 financial year

At the meeting held on 6th February 2025 and in accordance with the new Shareholder Remuneration Policy approved at that meeting, the Board of Directors of Banco Sabadell has resolved to propose to the next Ordinary General Meeting of Shareholders a final dividend of 12.44 euro cents (gross) per share charged to earnings for the 2024 financial year, to be paid in cash on 28th March 2025.

This dividend supplements the interim cash dividend of 8 euro cents (gross) per share which was approved by Banco Sabadell’s Board of Directors on the 22nd July 2024, and which was paid on the 1st October 2024.

Total shareholder remuneration in cash for fiscal year 2024, which combines the interim dividend and the final dividend, will therefore be equivalent to 60% of the attributable net profit.

In addition to this cash dividend, Banco Sabadell’s Board of Directors has also agreed, following receipt of the prior approval of the European Central Bank, to propose two share buyback programmes to the next Ordinary General Meeting of Shareholders. On the one hand, a proposal will be put forward to the Ordinary General Meeting of Shareholders to resume the share buyback programme charged to earnings for 2023, currently suspended, for an outstanding amount of 247 million euros pending to be executed. On the other hand, a proposal will be put forward, as a way of distributing capital exceeding the 13% CET 1 level, for a share buyback programme of up to a maximum of 755 million euros. The terms of both programmes will be announced in a new statement before commencement of their execution.

At 6th February 2025 meeting, the Board of Directors of Banco Sabadell has also agreed to propose to the next Ordinary General Meeting of Shareholders the approval of a new shareholder remuneration policy which provides for the payment of two interim dividends during 2025 and successive financial years, foreseeably on August 29th (or the following business day) and December 29th (or the following business day), to be added to the final dividend that the entity expects to pay in March 2026, subject to the prior approval of the corresponding Ordinary General Meeting of Shareholders.

6. Glossary of terms on performance measures

In the presentation of its results to the market, and for the purpose of monitoring the business and decision-making processes, the Group uses performance indicators pursuant to the generally accepted accounting regulations (EU-IFRS), and also uses other unaudited measures commonly used in the banking industry (Alternative Performance Measures, or APMs) as monitoring indicators to manage the Group's assets and liabilities, as well as its financial and economic situation, which facilitates its comparison with other institutions.

Following the ESMA guidelines on APMs (ESMA/2015/1415 of October 2015), the purpose of which is to promote the use and transparency of information for the protection of investors in the European Union, the Group presents below, for each APM, the reconciliation with items shown in the financial statements (in each section of the report) as well as its definition and calculation:

		Definition and calculation	Page
ROA		Consolidated income during the year (last 12 months) / ATA. The denominator considers the average of the last 12 months.	5
ROE		Profit attributed to the Group (last 12 months) / average equity. The denominator considers the average of the last 12 months.	5
RORWA		Consolidated income during the year (last 12 months) / average risk-weighted assets (RWA). The denominator considers the average of the last 12 months.	5
ROTE		Profit attributed to the Group (last 12 months) / average equity. The denominator considers the average of the last 12 months and excludes intangible assets and the goodwill of the investees.	5
Efficiency ratio	(*)	Administrative expenses / adjusted gross income. The denominator includes the linear accrual of contributions to deposit guarantee fund and resolution fund (DGF and SRF), tax on deposits of credit institutions (IDEC), and banking tax (BT), except year end.	5
Efficiency ratio with amortisation & depreciation	(*)	Administrative expenses and amortisation & depreciation / adjusted gross income. The denominator includes the linear accrual of contributions to deposit guarantee fund and resolution fund (DGF and SRF), tax on deposits of credit institution (IDEC) and banking tax (BT), except year end.	5
Other operating income/expense		Includes the epigraphs of the profit and loss account: i) other operating income and ii) other operating expense.	9
Total provisions & impairments		Includes the epigraphs of the profit and loss account: (i) provisions or reversal of provisions, (ii) impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and net modification losses or gains, (iii) impairment of reversal of impairment of investments in joint ventures and associates, (iv) impairment or reversal of impairment on non-financial assets, (v) profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations (excluding gains or losses on sales of equity holdings and other items) and (vi) investment properties in the net gains or losses on derecognition of non-financial assets.	9
Gains on sale of assets and other results		Includes the epigraphs of the profit and loss account: i) net gains or losses on derecognition of non-financial assets, excluding investment properties, and ii) gains or losses on sales of equity holdings and other items included in the profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations.	9
Pre-provisions income		Comprised of the following accounting items: gross income plus administration and amortisation/depreciation expenses.	9
Customer spread	(**)	Difference between return and cost of assets and liabilities related to customers. The ratio has been calculated taking into account the difference between the average rate charged by the bank for customers loans and the average rate paid by the bank for the customers deposits. The average customers loans rate is the annualised ratio between the financial income from customer loans and the average daily balance of customer loans. The average rate of customers funds is the annualised ratio between the financial expenses on customers funds and the average daily balance of customers funds.	10
Credit cost of risk (bps)		Ratio between provisions for NPLs / gross loans to customers excluding repos and including financial guarantees and other guarantees granted. The numerator considers the linear annualization of the provisions for NPLs. In addition, the costs associated with the stage 3 management assets are adjusted.	15
Total cost of risk (bps)		Ratio between total provisions & impairments / gross loans to customers excluding repos and including financial guarantees and other guarantees granted and problematic RE Assets. The numerator considers the linear annualization of total provisions & impairments.	15
Other assets		Includes the following assets epigraphs from the balance sheet: i) derivatives - hedge accounting, ii) fair value changes of the hedged items in portfolio hedge of interest rate risk, iii) assets under insurance or reinsurance contracts, iv) tax assets, v) other assets, and vi) non-current assets and disposal groups classified as held for sale.	16
Other liabilities		Includes the following liabilities epigraphs from the balance sheet: i) derivatives - hedge accounting, ii) fair value changes of the hedged items in portfolio hedge of interest rate risk, iii) tax liabilities, iv) other liabilities, and v) liabilities included in disposal groups classified as held for sale.	16
Gross loans to customers		Includes loans and advances to customers excluding impairment alowances.	17
Performing gross loans		Includes gross loans to customers excluding repos, accrual adjustments (accrued interest, commissions and others) and stage 3 assets.	17
On-balance sheet customer funds		Includes financial liabilities at amortised cost except non-retail financial liabilities such as central banks, credit institutions, institutional issues and other financial liabilities.	19
Off-balance sheet customer funds		Includes funds under management and third-party funds such as mutual funds, managed accounts, pension funds and third-party insurance products.	19
On-balance sheet funds		Includes customer deposits and debt securities issueds (debt and other tradable securities and subordinated liabilities).	19
Funds under management and third-party funds		Sum of on-balance sheet and off-balance sheet customer funds.	19
Stage 3 coverage ratio with total provisions		Shows the % of stage 3 exposures covered by total provisions. Calculated using the ratio between the allowance of loans and advances to customers (including allowances for off-balance exposure) / total stage 3 exposures.	20
Stage 3 coverage ratio		Shows the % of stage 3 exposures covered by stage 3 provisions. Calculated using the ratio between the stage 3 allowance of loans and advances to customers (including stage 3 allowances for off-balance exposure)/ total stage 3 exposures.	20
Problematic assets coverage		Ratio between provisions associated with problematic assets / total problematic assets.	20
Stage 3 ratio		Calculated using the ratio where the numerator includes stage 3 exposure and the denominator includes: i) gross loans to customers excluding repos and ii) financial guarantees and other guarantees granted.	20
Problematic assets		Sum of stage 3 exposures and problematic real estate assets. Also referred to as non-perfoming assets (NPAs).	22
Problematic Real Estate coverage ratio		Ratio between allowances for impairment of problematic RE assets / total problematic RE assets. Amount of problematic RE assets includes property classified in the portfolio of non-current asset and disposable groups classified as held for sale, excluding real estate investments with significant latent capital gains and rental properties, for which there is an agreement of sale that will be carried out after a reform process.	22
Stage 3 exposures		Includes: (i) stage 3 assets including other valuation adjustments (accrued interest, commissions and others) classified in stage 3 of loans and advances that are not classified as non-current assets held for sale and ii) financial guarantees and other guarantees classified in stage 3 granted.	22
Loan-to-deposit ratio		Net loans and receivables divided by retail funding. The numerator excludes mediation loans. The denominator considers retail funding or on-balance sheet customer funds.	23
Total capital ratio		Ratio between total capital and the risk weighted assets. Total capital includes the accounting profit assuming a pay-out of c.50% in 2023 and c.60% in 2024, that is different from the regulatory criteria which decreases that amount based on the obligations to fulfil for the rest of the year. The denominator has been calculated based on the Group's best estimate.	24
Market capitalisation		Share price multiplied by the number of outstanding shares (total number of shares minus the final position of treasury shares, including the buyback programme, if applicable) at the end of the period.	31
Earnings per share		Ratio between net profit attributed to the Group, adjusted by the Additional Tier I coupon payment registered in equity, for the last 12 months and the average number of outstanding shares in the last 12 months (average number of total shares minus the average of treasury shares, including the buyback programme, if applicable).	31
Book value per share	(*)	Ratio between book value / number of outstanding shares (total number of shares minus the final position of treasury shares, including the buyback programme, if applicable) at the end of the period. Book value refers to equity, adjusted by contributions to deposit guarantee and resolution funds (DGF and SRF), tax on deposits of credit institutions (IDEC) and banking tax (BT), except at year end.	31
TBV per share	(*)	Ratio between tangible book value and the number of outstanding shares (total number of shares minus the final position of treasury shares, including the buyback programme, if applicable) at the end of the period. The tangible book value is calculated as the sum of equity adjusted by intangible assets and the goodwill of the investees, and by contributions to deposit guarantee and resolution funds (DGF and SRF), tax on deposits of credit institutions (IDEC), and banking tax (BT), except year end.	31
Price / Tangible book value (times)		Ratio between share price / tangible book value per share.	31
Price / Earnings ratio (P/E) (times)		Ratio between share price / earnings per share.	31

(*) The accrual on a straight-line basis of contributions to the deposit guarantee fund and the resolution fund, the tax on deposits of credit institutions, as well as the banking tax, has been calculated based on the Group's best estimates.
(**) Arithmetic mean calculated as the sum of daily balances during the reference period divided by the number of days during that period.

Alternative Performance measures	Conciliation (€millions)	FY23	FY24
ROA	Average total assets (last 12 months)	245,173	242,145
	Consolidated net profit (last 12 months)	1,334	1,829
	ROA (%)	**0.5**	**0.8**
ROE	Average equity (last 12 months)	14,042	14,738
	Attributable net profit (last 12 months)	1,332	1,827
	ROE (%)	**9.5**	**12.4**
RORWA	Average risk weighted assets (RWA) (last 12 months)	78,519	79,693
	Consolidated net profit (last 12 months)	1,334	1,829
	RORWA (%)	**1.7**	**2.3**
ROTE	Average equity, excluding intangible assets (last 12 months)	11,583	12,235
	Attributable net profit (last 12 months)	1,332	1,827
	ROTE (%)	**11.5**	**14.9**
Efficiency ratio	Gross operating income	5,862	6,337
	Operating expenses	-2,496	-2,583
	Efficiency ratio (%)	**42.6**	**40.8**
	Amortisation & depreciation	-519	-501
	Efficiency ratio with amortisation & depreciation (%)	**51.4**	**48.7**
Other operating income/expense	Other operating income	91	112
	Other operating expenses	-538	-405
	Other operating income/expense	**-447**	**-294**
Total provisions & impairments	Provisions or reversal of provisions	-6	-44
	Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and net modification losses or gains	-824	-592
	Provisions for NPLs and other financial assets	**-831**	**-636**
	Impairment of reversal of impairment of investments in joint ventures and associates	0	0
	Impairment or reversal of impairment on non- financial assets	-26	-45
	Profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations (excludes gains or losses on sales of equity holdings and other items)	-58	-36
	Gains from sales of investment properties and associates	4	3
	Other impairments	**-80**	**-78**
	Total provisions & impairments	**-910**	**-714**
Gains on sale of assets and other results	Gains or losses on derecognition of non-financial assets, net (excludes gains from sales of investment properties and associates)	-44	-26
	Gains or losses on sales of equity holdings and other items	-2	0
	Gains on sale of assets and other results	**-46**	**-26**
Pre-provisions income	Gross operating income	5,862	6,337
	Operating expenses	-2,496	-2,583
	Personnel expenses	-1,495	-1,531
	Other general expenses	-1,002	-1,051
	Amortisation & depreciation	-519	-501
	Pre-provisions income	**2,847**	**3,254**
Customer spread (*)	Loans to customers (net)		
	Avge.balance	153,978	154,131
	Results	5,840	6,726
	Annualised average rate %	3.79	4.36
	Customer deposits		
	Avge.balance	160,564	162,250
	Results	-1,432	-1,997
	Annualised average rate %	-0.89	-1.23
	Customer spread	**2.90**	**3.13**
Other assets	Derivatives - Hedge accounting	2,425	2,395
	Fair value changes of the hedged items in portfolio hedge of interest rate risk	-568	-412
	Tax assets	6,838	6,441
	Other assets	436	425
	Non-current assets and disposal groups classified as held for sale	771	718
	Other assets	**9,902**	**9,567**
Other liabilities	Derivatives - Hedge accounting	1,172	804
	Fair value changes of the hedged items in portfolio hedge of interest rate risk	-422	-227
	Tax liabilities	333	219
	Other liabilities	723	652
	Liabilities included in disposal groups classified as held for sale	13	30
	Other liabilities	**1,818**	**1,477**

(*) Customer margin calculated using cumulative data.

Alternative Performance measures	Conciliation (€millions)	FY23	FY24
	Mortgage loans & credits	86,162	89,185
	Other secured loans & credits	5,064	5,924
	Working capital	7,465	8,356
	Leasing	2,236	2,376
	Unsecured lending and others	48,870	51,071
Performing gross loans	**Performing gross loans**	**149,798**	**156,913**
	Stage 3 assets (customer)	5,472	4,595
	Accruals	172	208
	Gross loans to customers excluding repos	**155,442**	**161,717**
	Reverse repos	17	0
Gross loans to customers	**Gross loans to customers**	**155,459**	**161,717**
	NPLs and country-risk provisions	-3,199	-2,844
	Loans and advances to customers	**152,260**	**158,872**
	Financial liabilities at amortised cost	216,072	220,228
	Non-retail financial liabilities	55,184	50,671
	Central banks	9,776	1,697
	Credit institutions	13,840	14,822
	Institutional issues	25,234	27,702
	Other financial liabilities	6,333	6,450
On-balance sheet customer funds	**On-balance sheet customer funds**	**160,888**	**169,557**
	Customer deposits	160,331	169,823
	Sight accounts	134,243	138,347
	Fixed-term deposits including available and hybrid financial liabilities	25,588	31,047
	Repos	200	0
	Accruals and derivative hedging adjustments	299	429
	Debt and other marketable securities	22,198	23,345
	Subordinated liabilities (*)	3,593	4,092
On-balance sheet funds	**On-balance sheet funds**	**186,122**	**197,260**
	Mutual funds	24,093	28,308
	Managed accounts	3,598	4,729
	Pension funds	3,249	3,352
	Third-party insurance products	9,621	9,782
Off-balance sheet customer funds	**Off-balance sheet customer funds**	**40,561**	**46,171**
Funds under management and third-party funds	**Funds under management and third-party funds**	**226,682**	**243,431**
	Stage 3 assets (includes valuation adjustments)	5,510	4,637
Stage 3 exposures	Financial guarantees and other guarantees classified in stage 3 granted (off-balance)	268	207
	Stage 3 exposures (€ millions)	**5,777**	**4,844**
	Stage 3 exposures	5,777	4,844
Stage 3 coverage ratio with total provisions (%)	Total provisions	3,368	2,990
	Stage 3 coverage ratio with total provisions (%)	**58.3%**	**61.7%**
	Stage 3 exposures	5,777	4,844
Stage 3 coverage ratio (%)	Stage 3 provisions	2,445	2,245
	Stage 3 coverage ratio (%)	**42.3%**	**46.3%**
	Problematic RE Assets	971	836
Problematic Real Estate coverage ratio (%)	Provisions	385	338
	Problematic Real Estate coverage ratio (%)	**39.6%**	**40.5%**
	Stage 3 exposures	5,777	4,844
	Problematic RE Assets	971	836
Problematic assets	**Problematic assets**	**6,748**	**5,680**
	Provisions of problematic assets	3,752	3,329
Problematic assets coverage (%)	**Problematic assets coverage (%)**	**55.6%**	**58.6%**
	Stage 3 exposures	5,777	4,844
Stage 3 ratio (%)	Gross loans to customers excluding repos	155,442	161,717
	Financial guarantees and other guarantees granted (off-balance)	8,896	8,699
	Stage 3 ratio (%)	**3.52%**	**2.84%**
	Gross loans to customers excluding repos and financial guarantees and other guarantees granted (off-balance)	164,338	170,416
Credit cost of risk (bps)	Provisions for NPLs	-813	-567
	NPLs costs	-106	-118
	Credit cost of risk (bps)	**43**	**26**
	Gross loans to customers excluding repos and financial guarantees and other guarantees granted (off-balance)	164,338	170,416
Total cost of risk (bps)	Problematic RE Assets	971	836
	Total provisions & impairments	-910	-714
	Total cost of risk (bps)	**55**	**42**
	Adjusted net loans and advances w/o repos by brokered loans	151,290	157,988
Loan-to-deposit ratio (%)	On-balance sheet customer funds	160,888	169,557
	Loan-to-deposit ratio (%)	**94.0%**	**93.2%**
	Number of outstanding shares (millions)	5,403	5,361
Market capitalisation (€millions)	Share price (€)	1.113	1.877
	Market capitalisation (€ millions)	**6,014**	**10,063**
	Net profit attributed to the Group adjusted	1,217	1,729
	Attributable net profit (last 12 months)	1,332	1,827
Earnings per share (EPS) (€)	Accrued AT1 (last 12 months)	-115	-98
	Average number of outstanding shares (€millions)	5,401	5,376
	Earnings per share (EPS) (€)	**0.23**	**0.32**
	Shareholders' equity	14,344	15,389
	Number of outstanding shares (millions)	5,403	5,361
Book value per share (€)	**Book value per share (€)**	**2.65**	**2.87**
	Intangible assets	2,483	2,549
	Tangible book value (€millon)	11,861	12,840
TBV per share (€)	**TBV per share (€)**	**2.20**	**2.39**
	Share price (€)	1.113	1.877
Price / Tangible book value (times)	**Price / Tangible book value (times)**	**0.51**	**0.78**
Price / Earnings ratio (P/E) (times)	**Price / Earnings ratio (P/E) (times)**	**4.94**	**5.84**

(*) Refers to subordinated liabilities of debt securities.

See list, definition and purpose of the APMs used by Banco Sabadell Group here:
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