

Results Presentation Bankinter 9M21

21 October 2021

bankinter.

bankinter

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Regulatory framework

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

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

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

Summary

	9M21	vs 9M20	vs 9M19
Loan Book	€66bn	+4%	+11%
Gross Operating Income	€1.423M	+10%	+15%
Pre-provision profit	€799M	+15%	+23%
NPL ratio	2,40%	-11bps	-33bps
Coverage ratio	63%	+1p.p.	+12 p.p.
Group Net Profit	€1.251M	n.a.	n.a.
Net Profit ex-LDA spin-off	€355M	+61%.	-20%*
CET1 FL	12,3%	+28bps	+68bps
ROE adjusted ex-LDA spin-off	9,4%	+2,3p.p.	-3,2p.p.

* including the extraordinary €57mn badwill arising from the EVO purchase in 2019

Content

01.
Results

02.
Risk Management

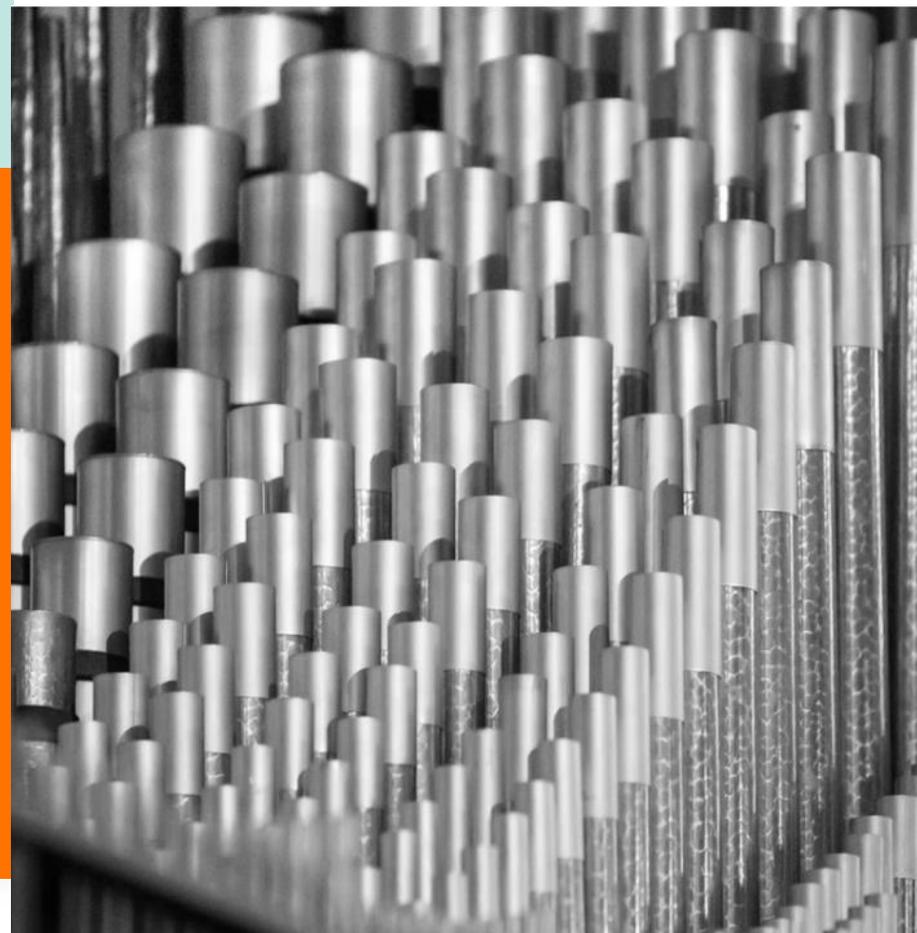
03.
Businesses

04.
Summary



01.

Results



9M21 Profit & Loss statement

	Bankinter Group				
	9M21	9M20	9M19	Dif. % 21/ 20	Dif. % 21/ 19
- In million of euros-					
Net Interest Income	955,1	927,0	858,5	3,0%	11,2%
Net fees and commissions	442,7	358,5	346,3	23,5%	27,8%
Other Income/Expenses	25,2	10,8	34,7	n.a.	-27,3%
Gross Operating Income	1.422,9	1.296,3	1.239,5	9,8%	14,8%
Operating expenses	-624,2	-601,6	-589,2	3,8%	5,9%
Pre-provision profit	798,7	694,6	650,3	15,0%	22,8%
Cost of risk and other provisions	-355,9	-541,4	-220,8	-34,3%	61,1%
Net income ex-LDA spin-off	354,9	220,1	444,4	61,3%	-20,1%
Total Group Net Income	1.250,6	220,1	444,4	n.a.	n.a.

3Q21 Profit & Loss statement

- In million of euros-	Bankinter Group				
	3Q21	2Q21	3Q20	Dif. % QoQ	Dif. % YoY
Net Interest Income	315,7	327,5	314,5	-3,6%	0,4%
Net fees and commissions	177,8	135,1	114,6	31,6%	55,1%
Other Income/Expenses	14,7	-12,9	3,9	n.a.	n.a.
Gross Operating Income	508,2	449,7	433,0	13,0%	17,4%
Operating expenses	-213,6	-208,6	-208,1	2,4%	2,7%
Pre-provision profit	294,6	241,1	224,9	22,2%	31,0%
Cost of risk and other provisions	-139,4	-114,1	-133,5	22,1%	4,4%
Net income ex-LDA spin-off	110,4	96,2	110,9	14,7%	-0,5%
Total Group Net Income	110,4	992,0	110,9	-88,9%	-0,5%

Balance sheet

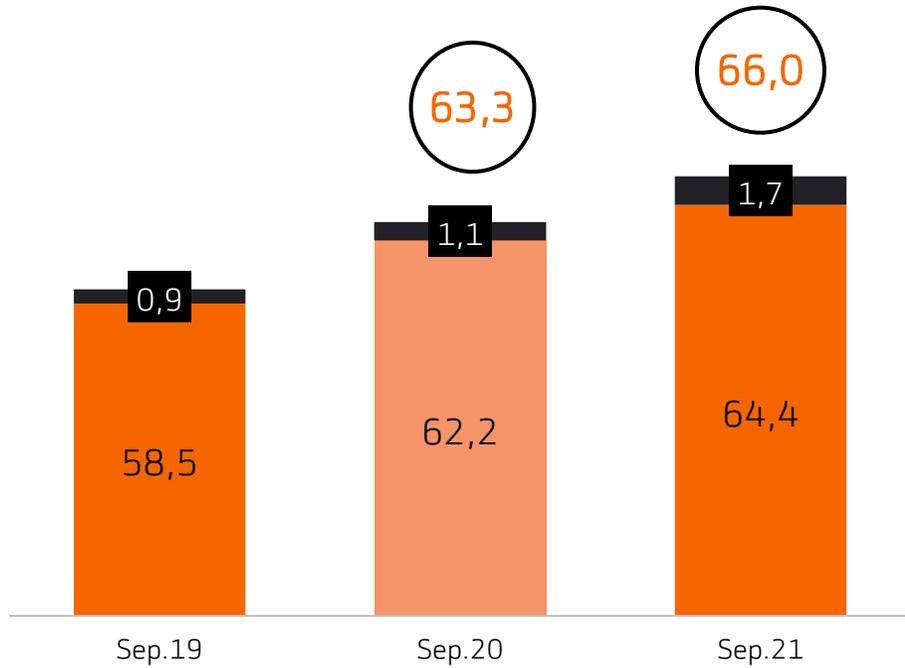
Loan book

In billion of euros

+2,7bn

+4,3%

+2,6% Spain / Sector* -1,0%



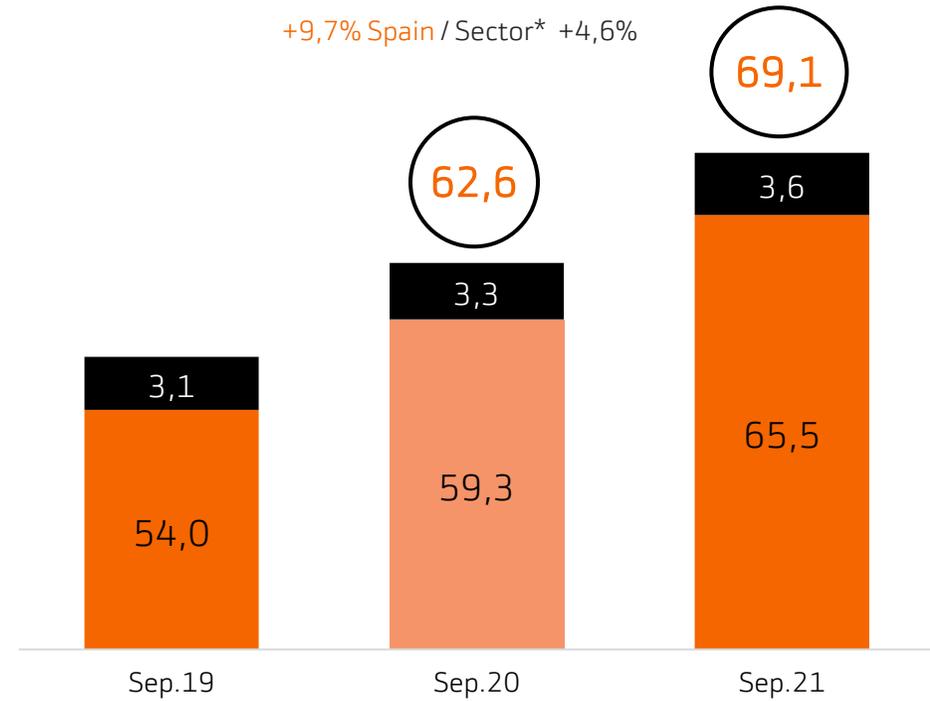
Retail funds

In billion of euros

+6,5bn

+10,4%

+9,7% Spain / Sector* +4,6%



■ Bankinter (ESP+PT+IRL)

■ EVO Banco

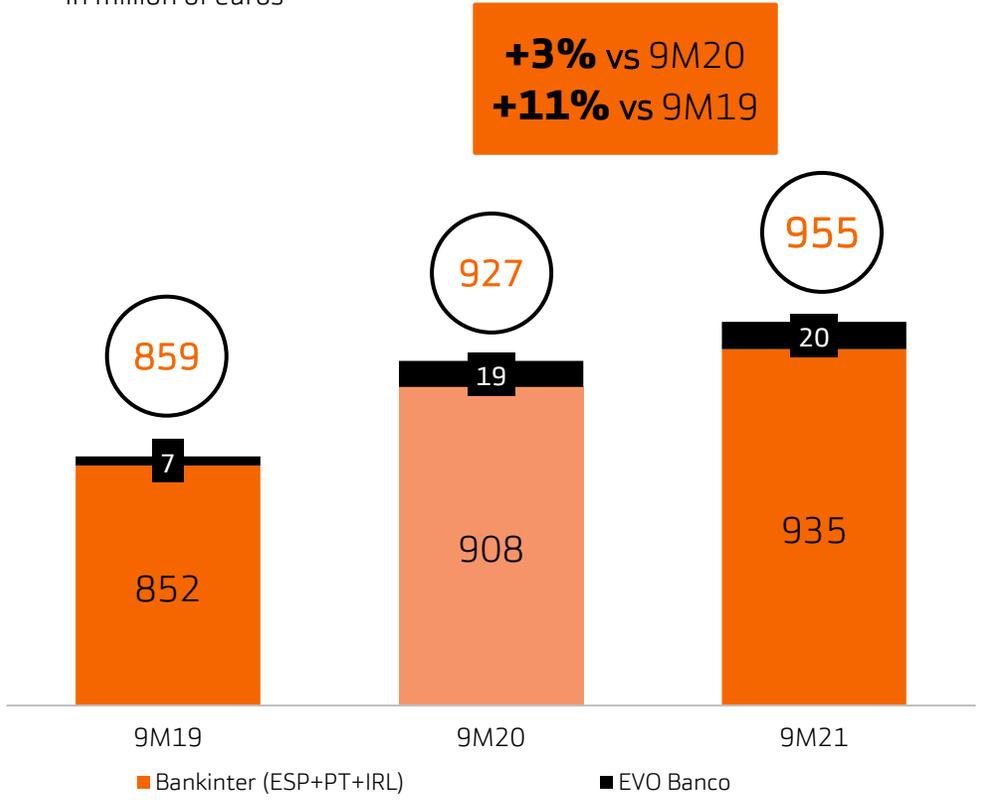
*BdE as of August-21

Net Interest Income

NII YTD

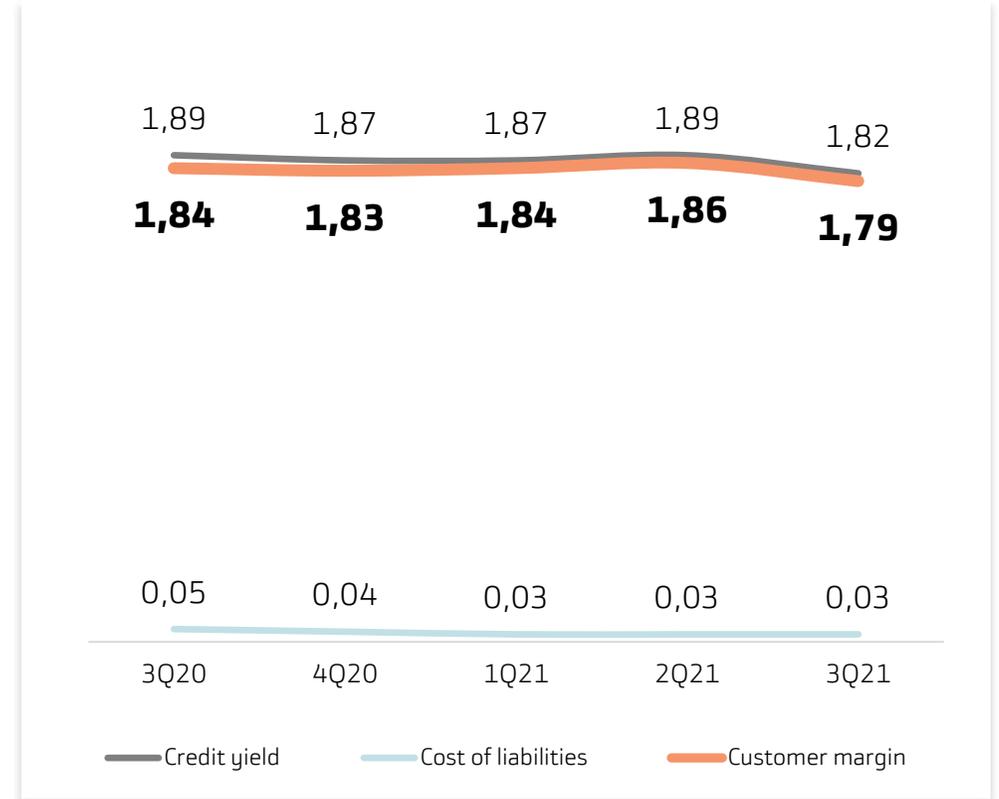
In million of euros

+3% vs 9M20
+11% vs 9M19



Customer margin

in %



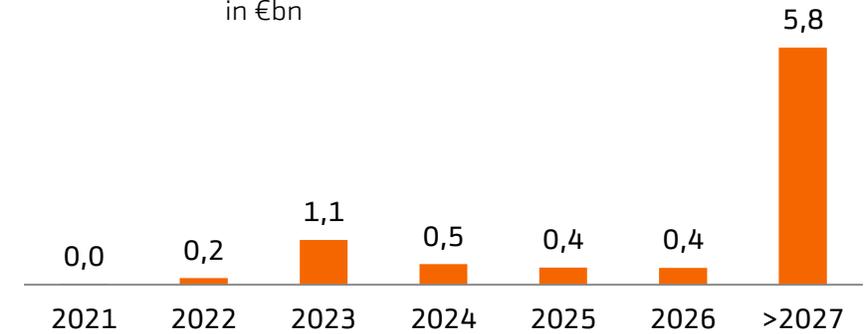
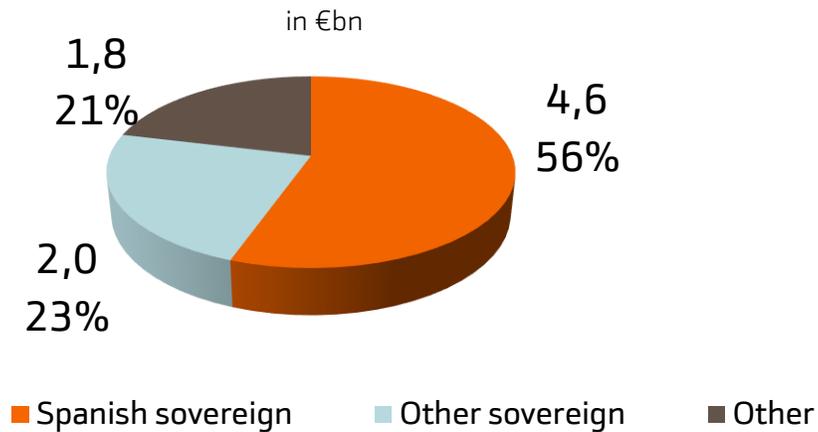
ALCO portfolio

in €bn

ALCO portfolio	Amort.	Fair Value	Total
Nominal amount (€bn)	6,3	2,1	8,4
Duration (years)	5,3	2,2	4,5
Avg. maturity (years)	11,0	2,9	8,9
Yield (%)	1,2	2,8	1,6
Unrealised gains (€bn)	0,45	0,09	0,54

Maturities

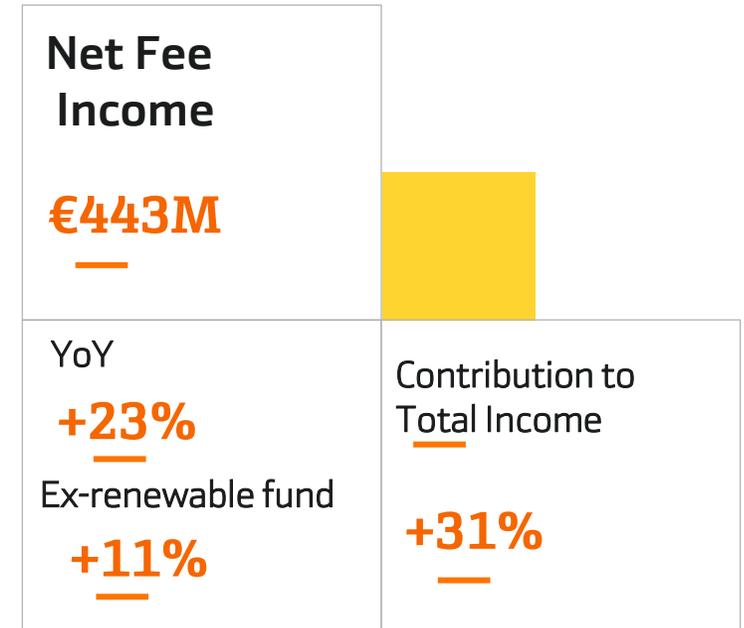
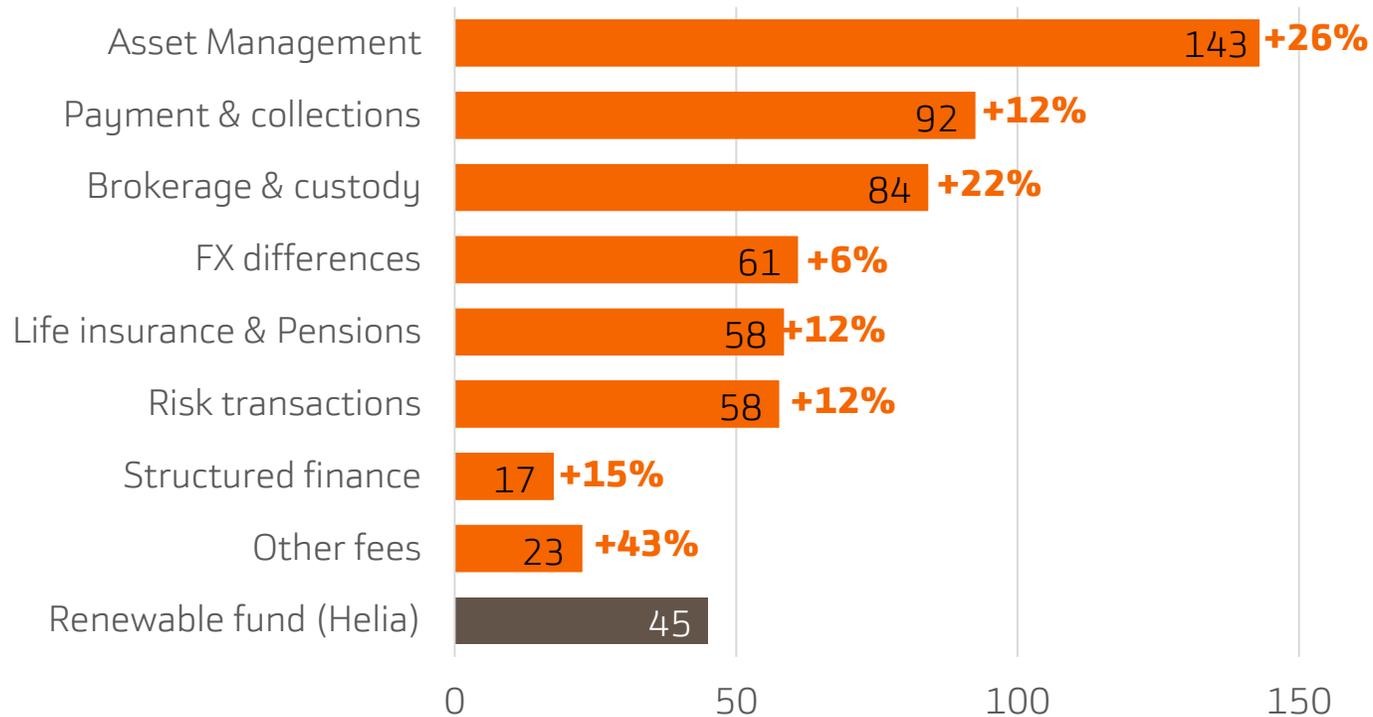
in €bn

10
Results 9M21

Fee Income

Breakdown of fees received in 9M21

In million of euros



Other Income / Expenses

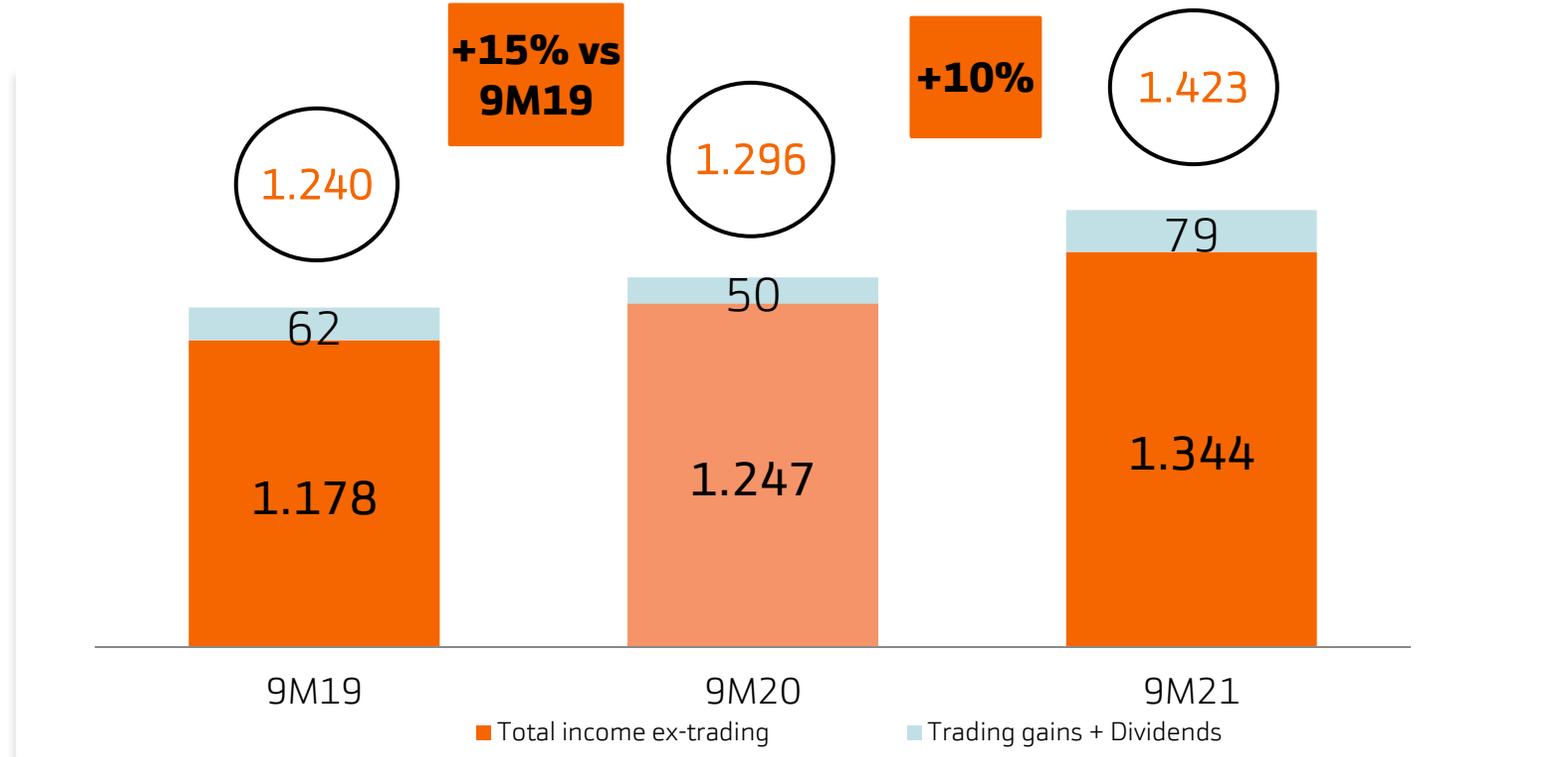
In million of euros

	9M21	9M20	Dif. €	% Dif.
Equity method	24,1	22,2	1,8	8,1%
Trading income / losses / Dividends	78,9	49,5	29,4	59,4%
Regulatory charges	-59,1	-51,9	-7,2	13,9%
Other operating income/expenses	-18,7	-9,1	-9,6	n.a.
Total	25,2	10,8	14,4	n.a.

Total Operating Income

Total Income

in million of euros

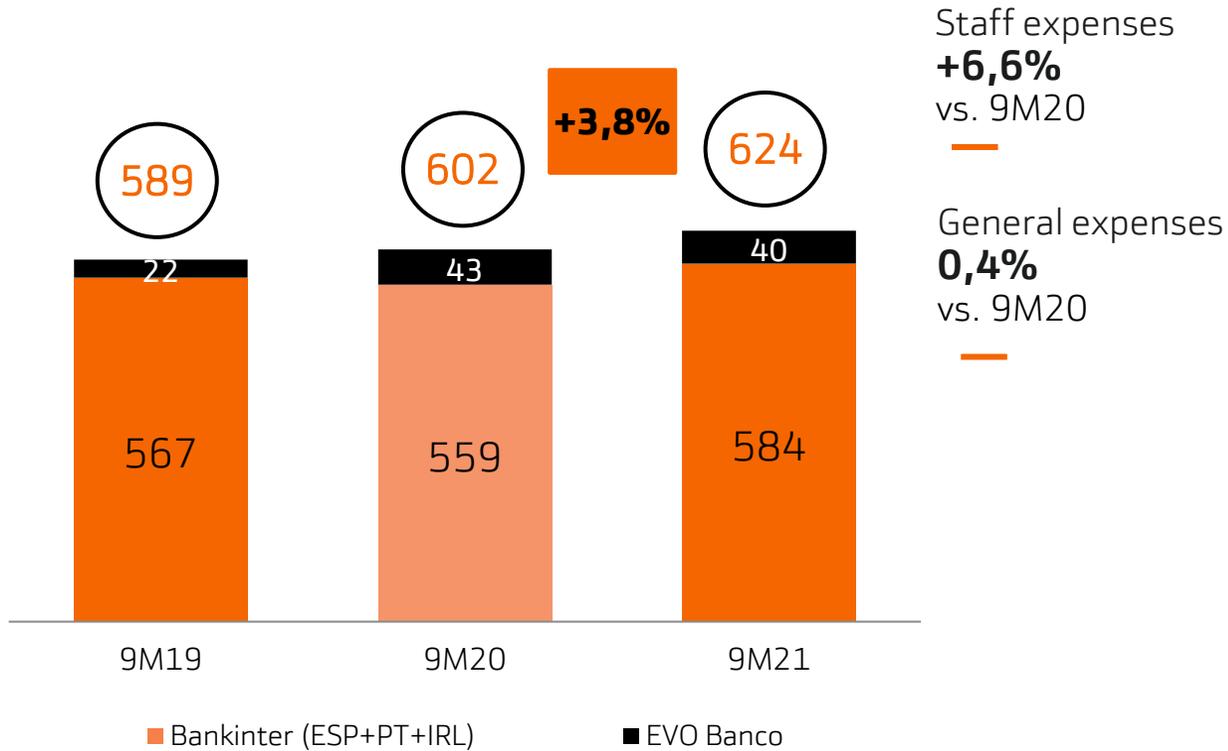


Operating expenses

**C/I Bankinter
Spain 9M21
39,9%**

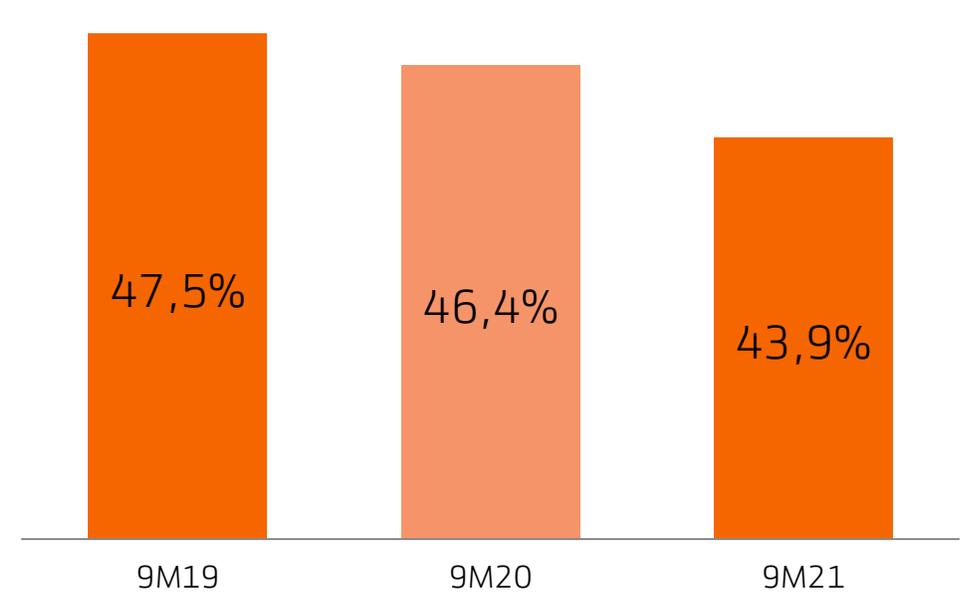
Total expenses

In million of euros and YoY dif. in %

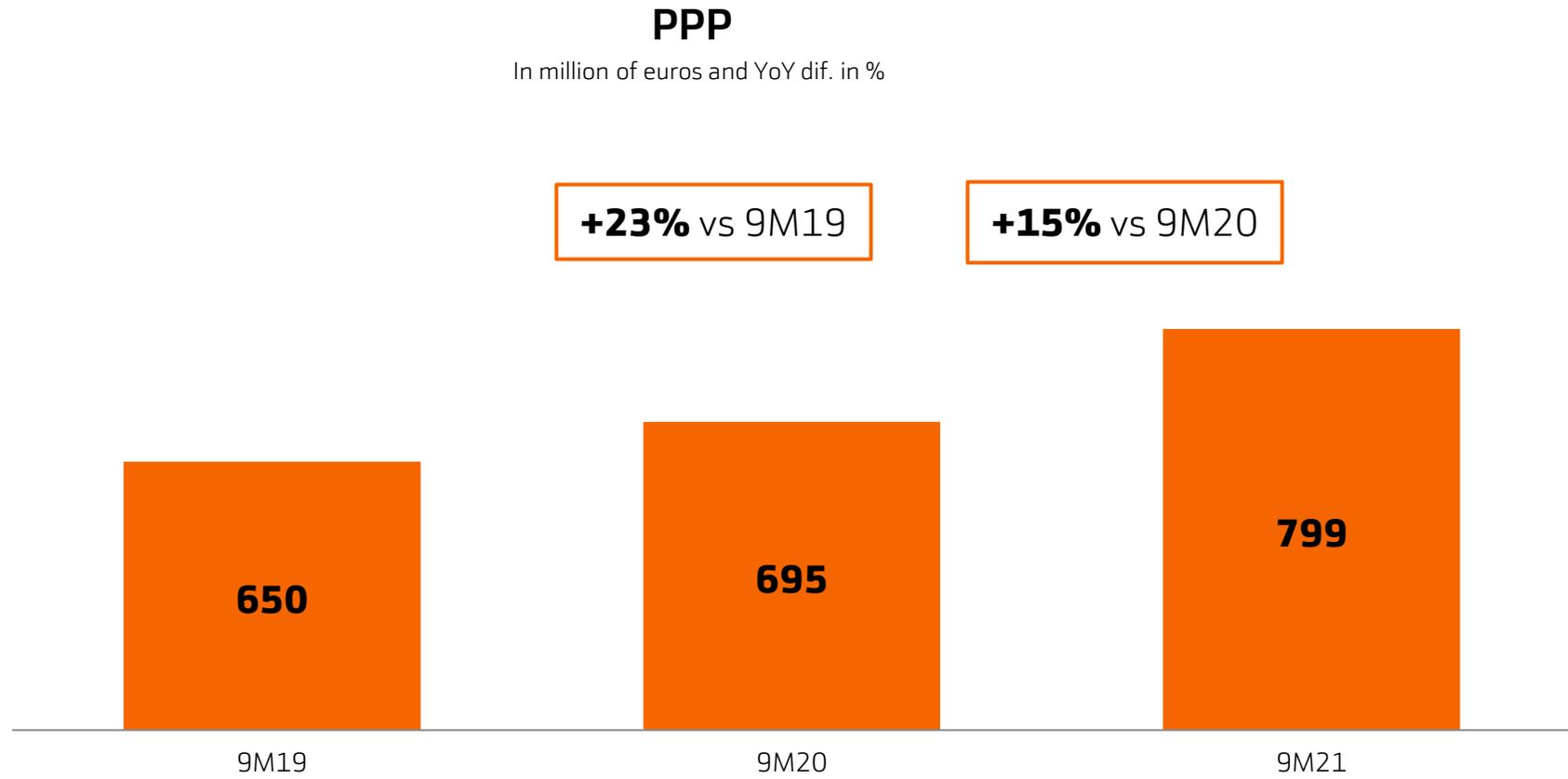


Cost-to-income ratio

in %



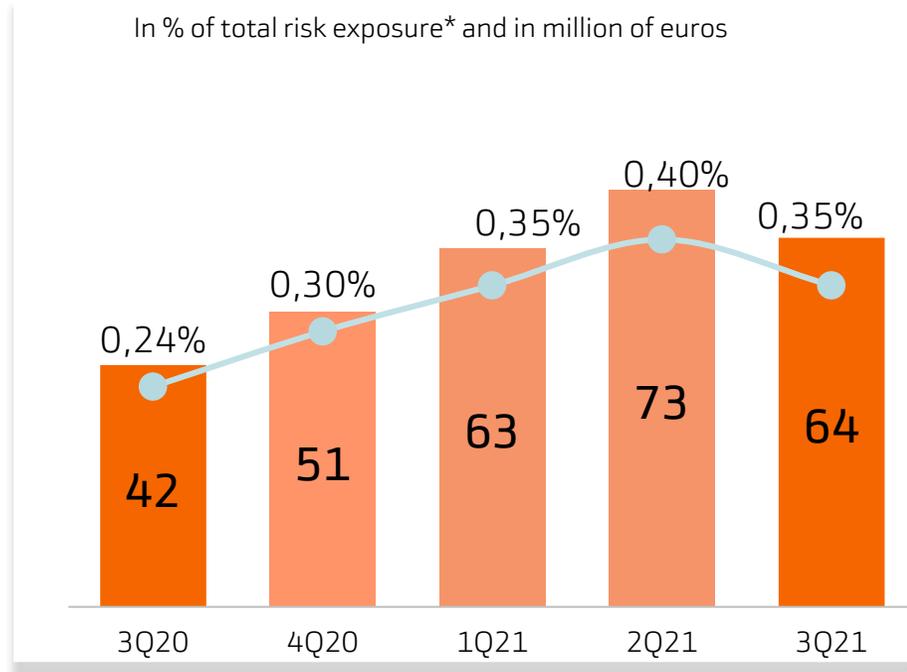
Pre-Provision Profit



15
Results 9M21

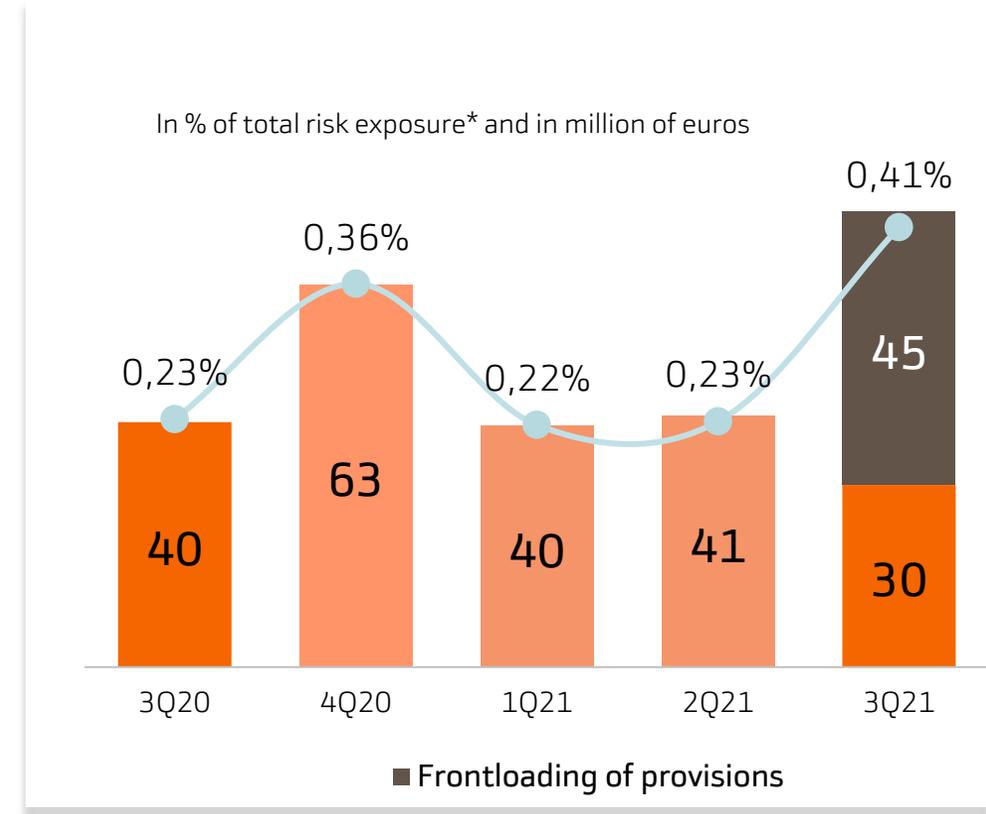
Cost of risk & Other provisions

Recurrent cost of Credit risk



* CoR includes impairments & gains/losses on asset disposals

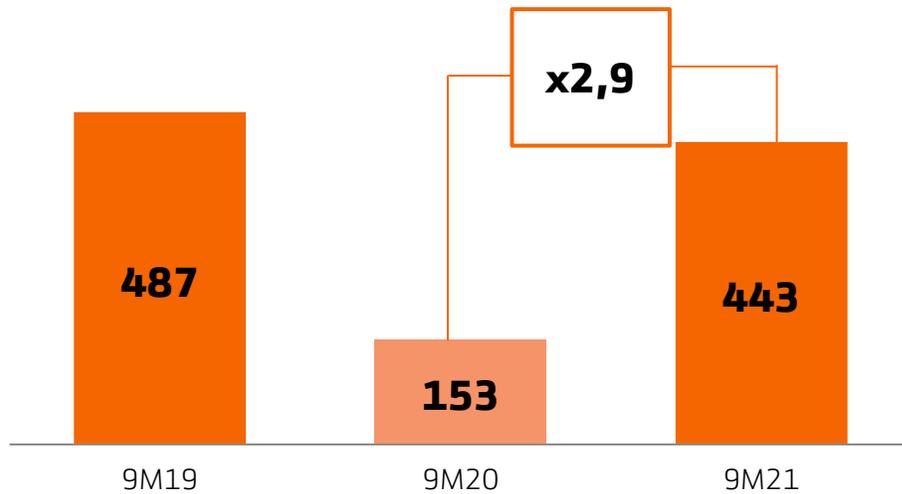
Other Provisions



Total Group Net Income

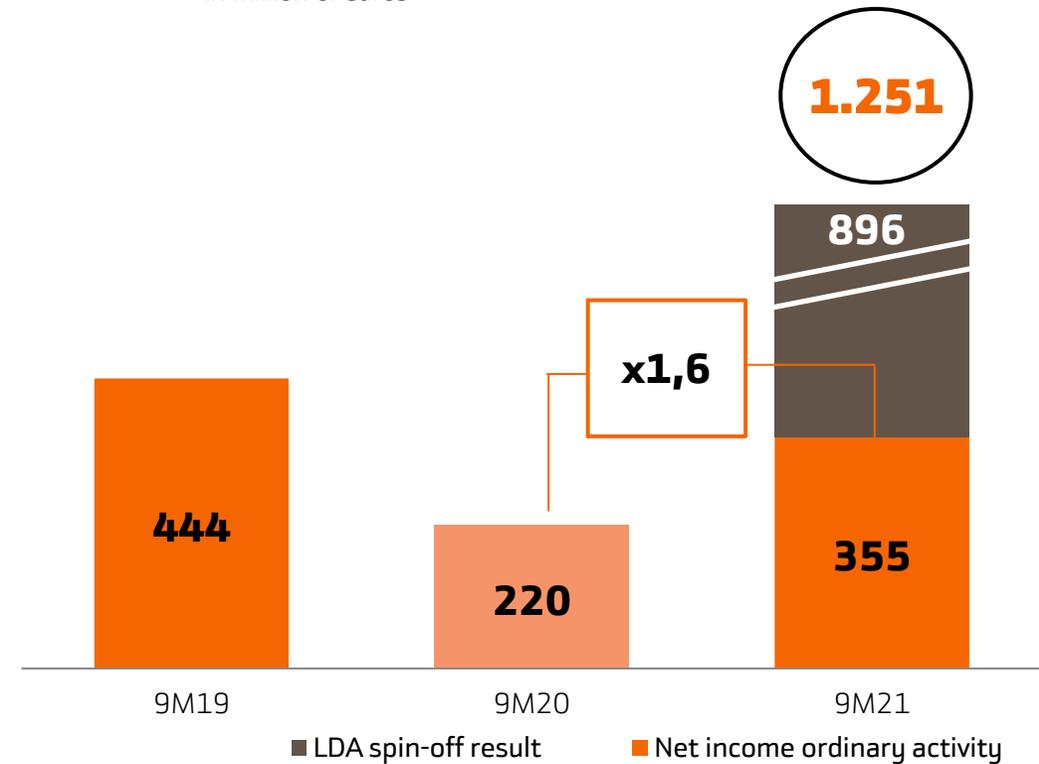
Profit before taxes on banking activity

in million of euros

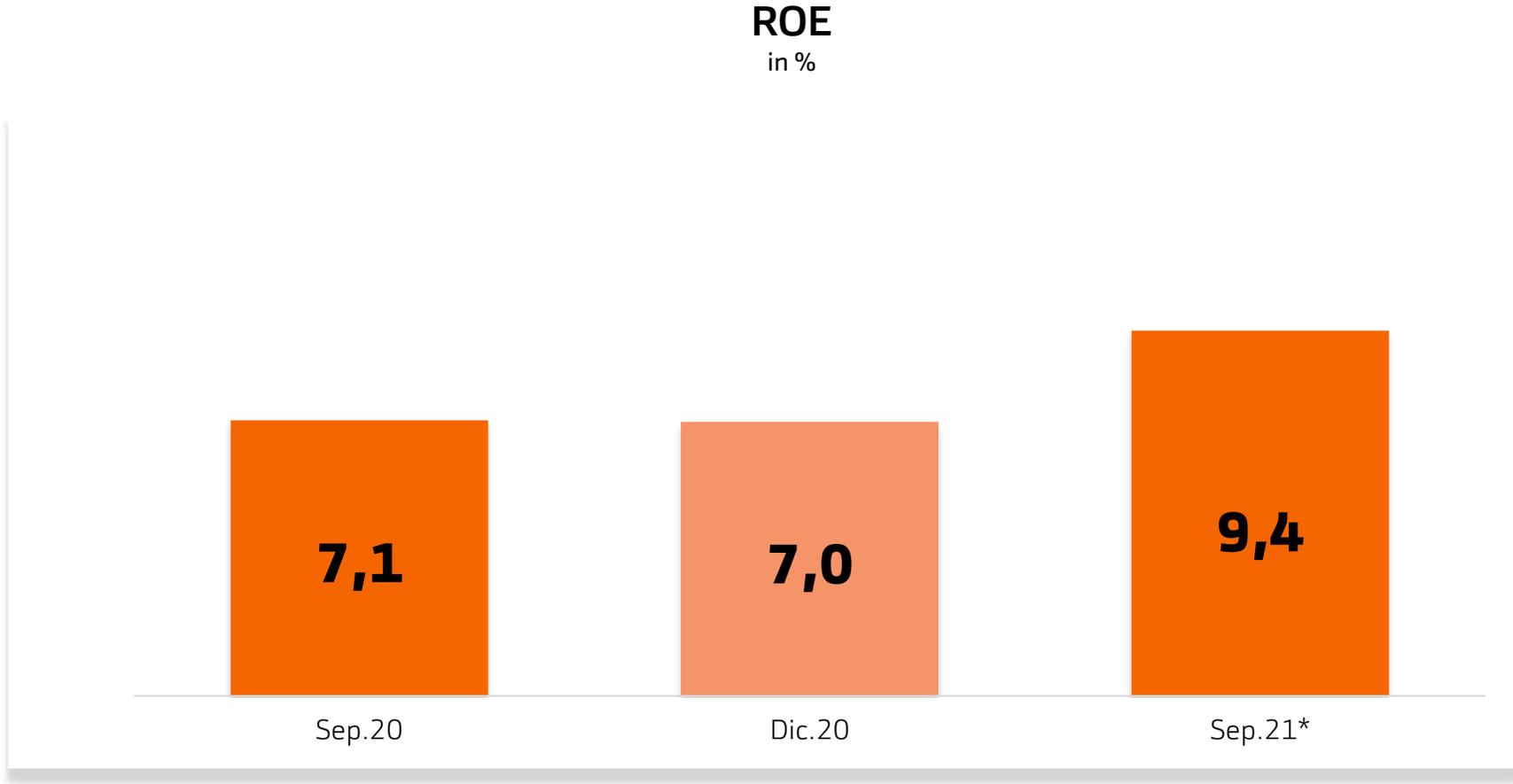


Net Income

in million of euros



Profitability



18
Results 9M21

* Excluding the extraordinary impact of Linea Directa spin-off

02.

**Risk
Management**

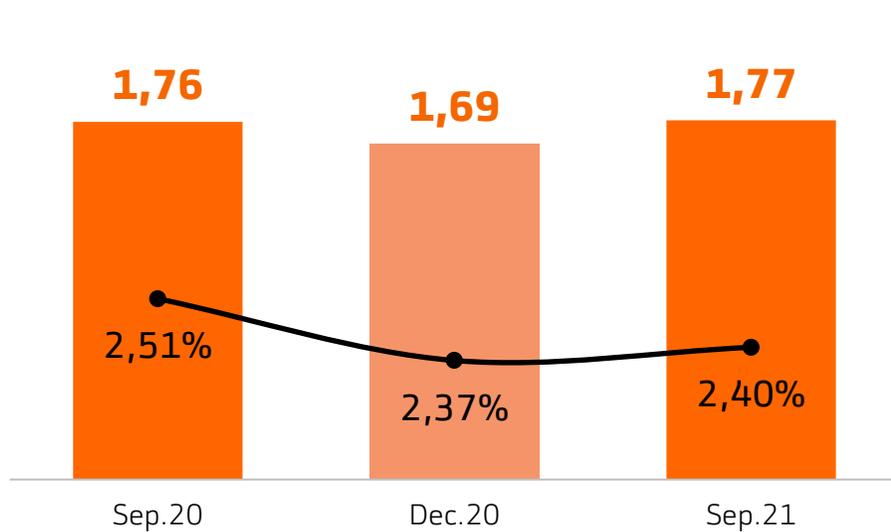


Credit Risk

63%
Coverage ratio

Non-performing loans

In billion of euros & ratio in %



Sector in Spain*
4,39%

NPL ratio in Spain

in %

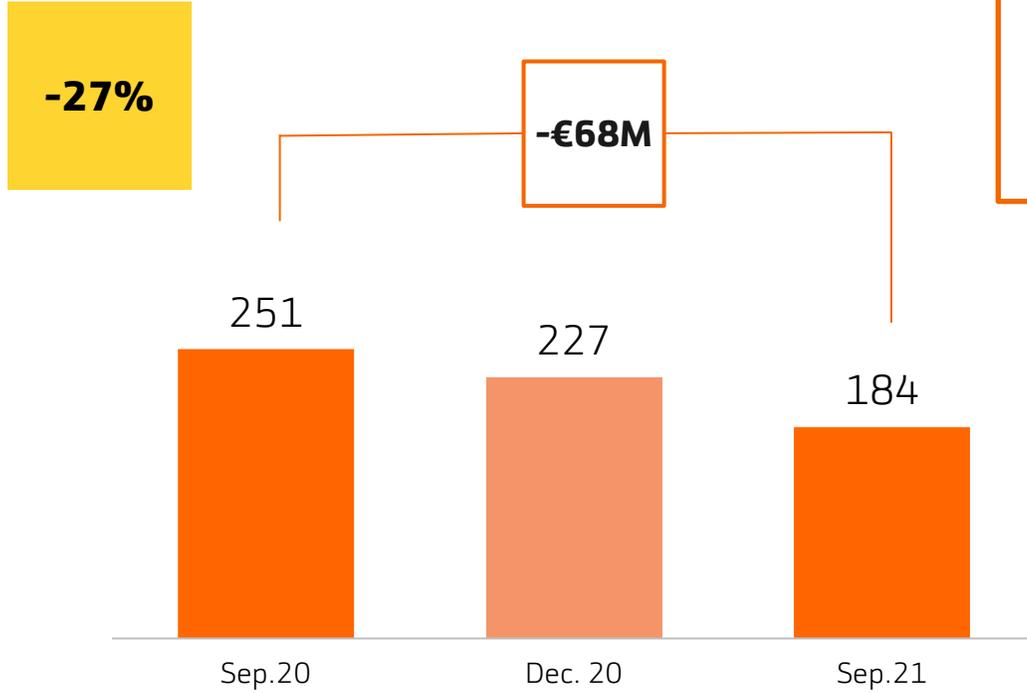
	Bankinter Sep'21	Bankinter Sep'20
Households	2,32%	2,27%
Corporates/ SME's	2,88%	2,83%

*BdE as of July-21

Foreclosed assets

Stock of foreclosed assets

In million of euros



52%
Coverage ratio

September - 21

Book value of sold assets	Total Price of sold assets
€67M	€42M
Average discount on sold assets	Average coverage on sold assets
-38%	41%

Capital

**Ranked 3rd. '21
EBA stress test
&
1st. Spanish bank**

**CET1
"fully loaded"
12,3%**
Mín. 7,675%

**MREL
22,2%**
of RWA's
Min. 2022: 18,7%

Ratio CET1 "fully loaded"

Breakdown in %



Leverage ratio

5,2%

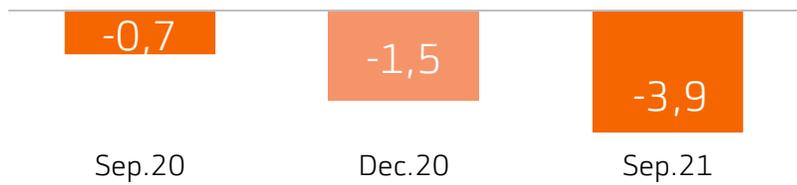
Total Capital

15,7%

Liquidity

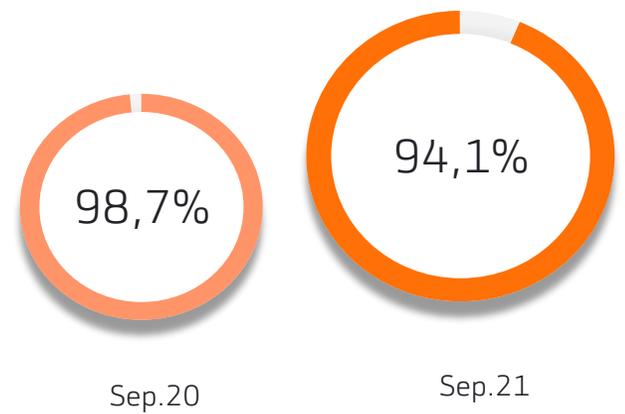
Commercial gap

In billion of euros



Loan-to-deposits ratio

in %



+4,6 p.p.
vs. 9M20



03.

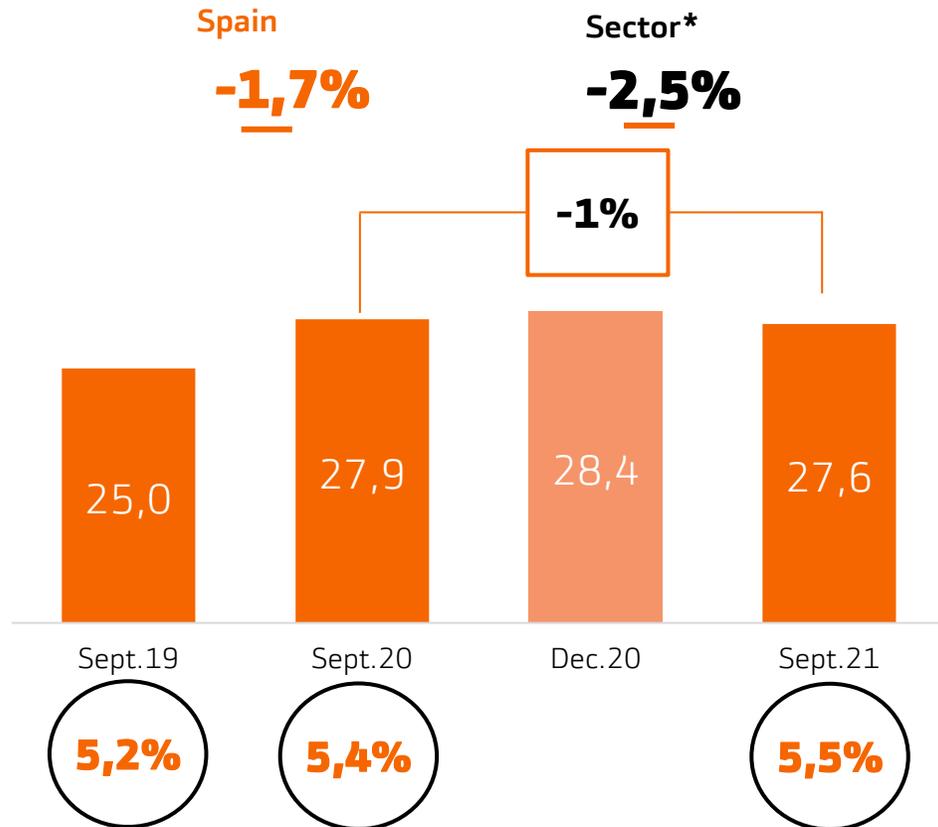
Business

1. Banking activity (Spain & Portugal)
2. Consumer Finance activity (Spain, Portugal & Irlanda)
3. EVO Banco

Corporate/ SME banking

Loan book

In billion of euros

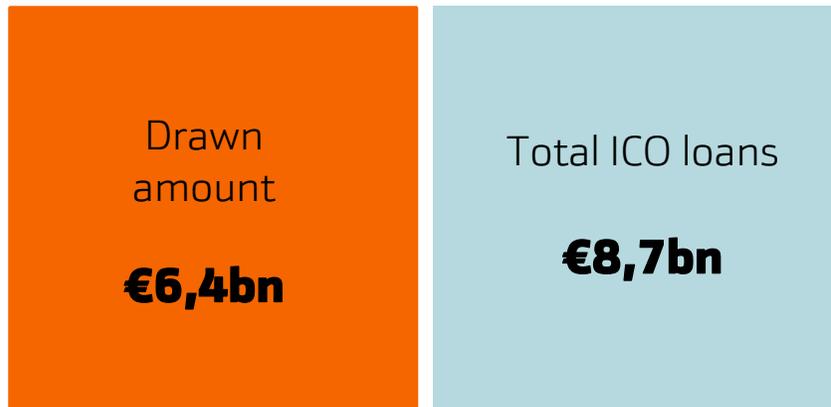


* BdE as of August-21

CIB Total Income €66M +18% YoY	
International Banking Total income €124M +2% QoQ	Payment & collections volumes €355M +9% YTD

ICO & Moratorium

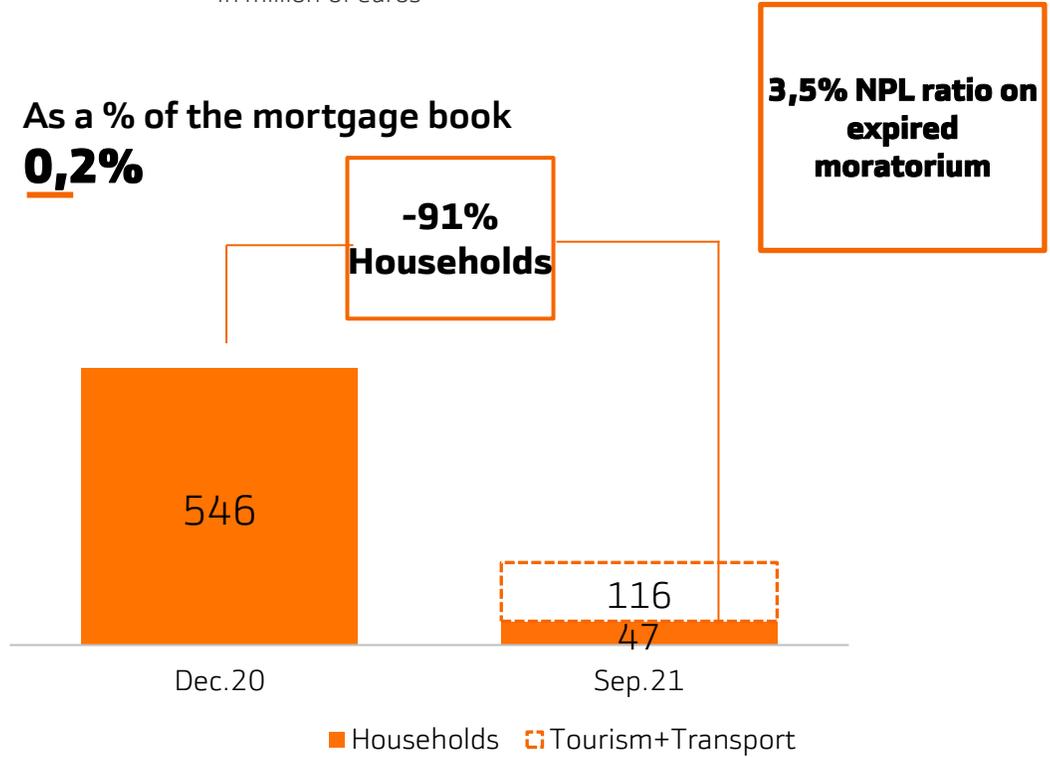
ICO loans (September 2021)



**38%
maturity &
grace period
extended**

Commercial banking moratorium in Spain

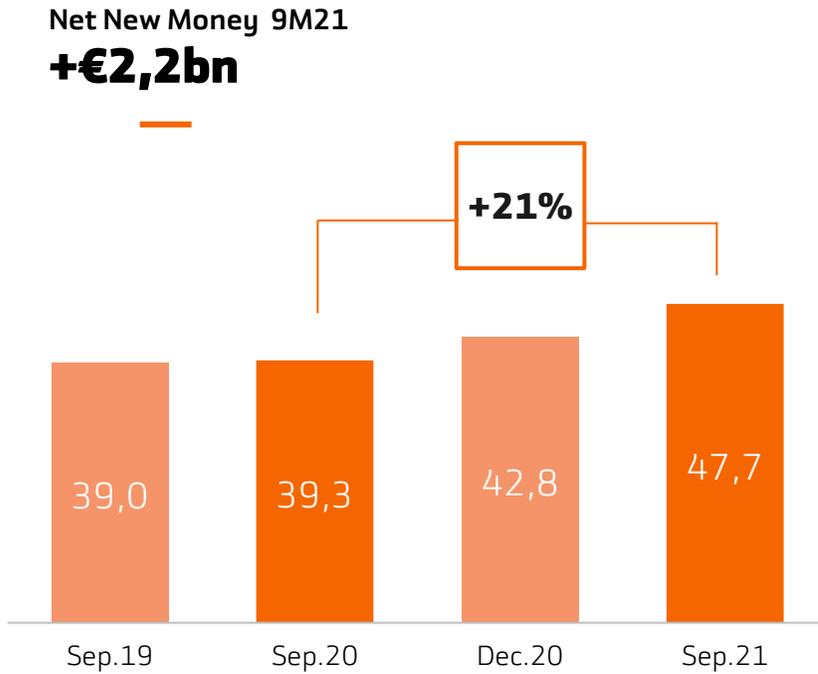
In million of euros



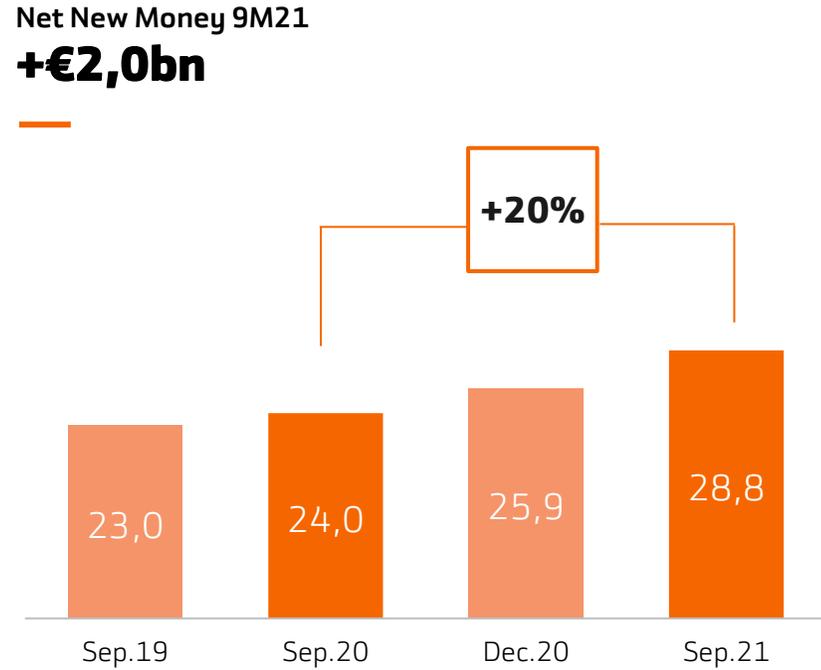
Private and Personal banking

Customer wealth

In billion of euros



Private Banking



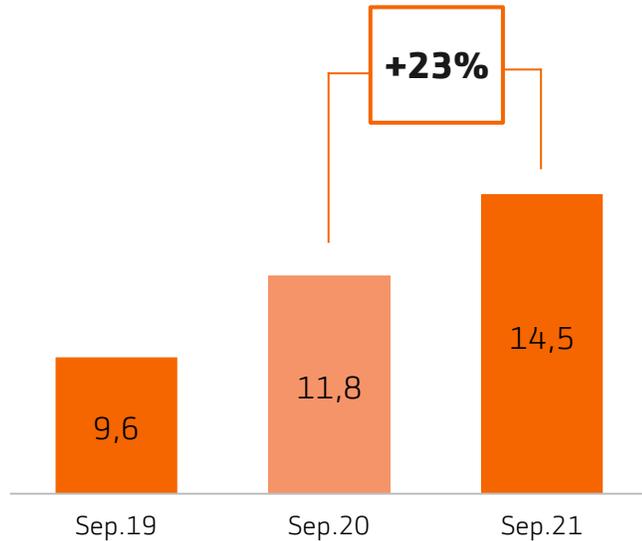
Personal Banking

Retail banking

Market share of new mortgages in Spain**
9,3 %

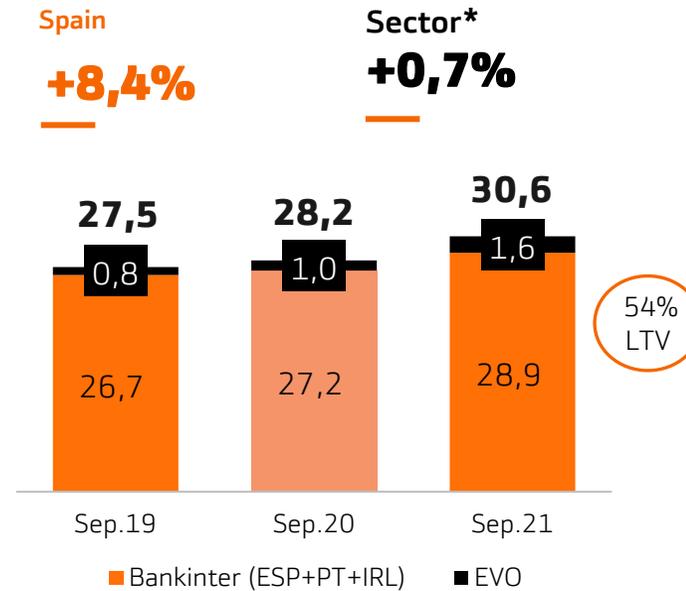
Salary account balances in Spain

In billion of euros



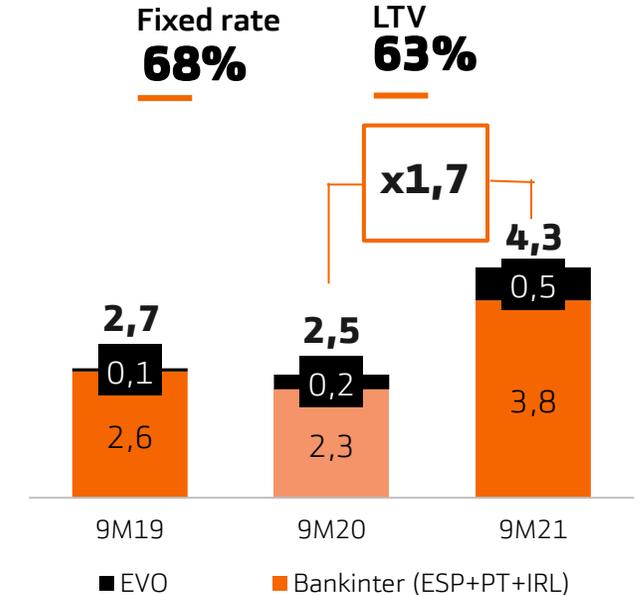
Mortgage back book

In billion of euros



New mortgage production

In billion of euros

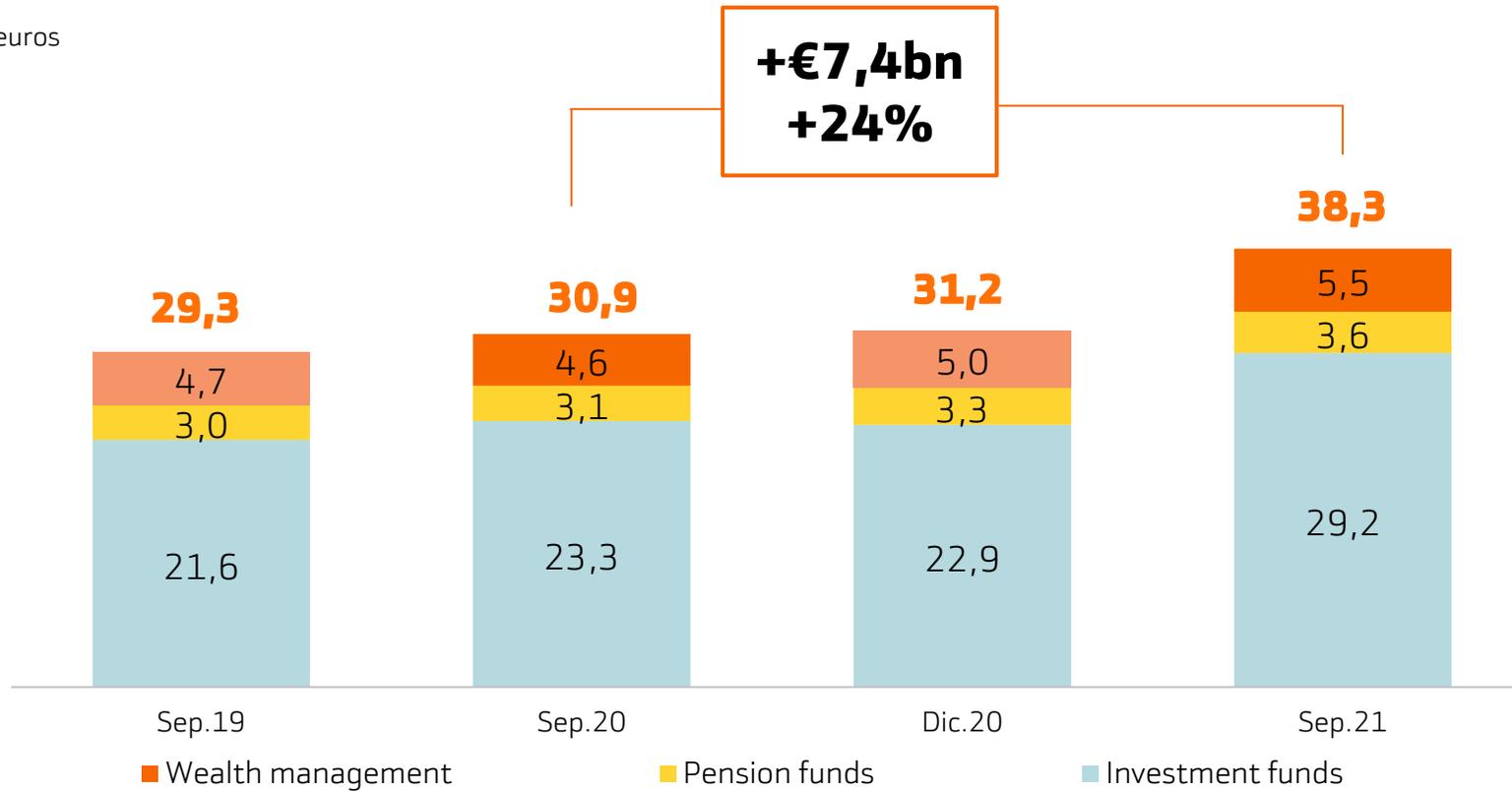


*BdE as of August-21

**INE July-21. Market share LTM in Spain

Asset Management

In billion of euros



Bankinter Portugal

Business indicators

In billion of euros

€6,8bn

Loan book

+5% YoY

Retail banking
€4,9bn +6%

Corporate/SME's
€2,0bn +5%

€5,6bn

Retail funds

+19% YoY

€4,2bn

Off-balance sheet funds

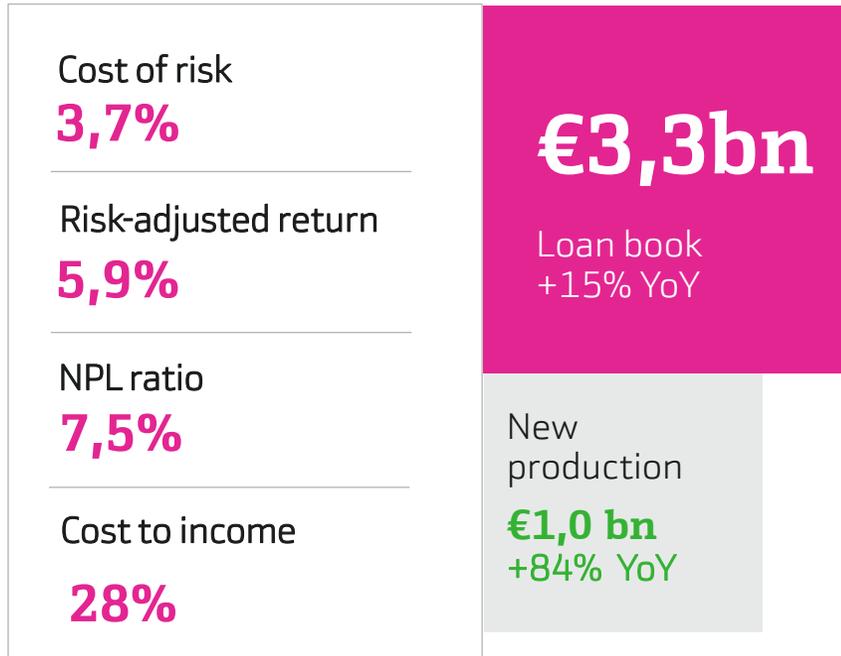
+20% YoY

9M21 P&L

In million of euros

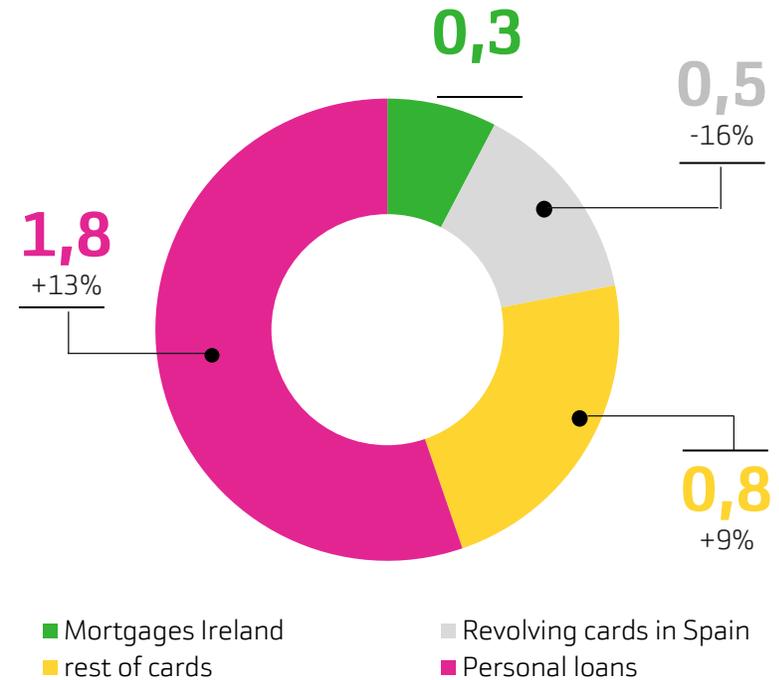
	9M21	9M20	Dif. %
Net Interest Income	73	70	4%
Net fees and commissions	44	36	23%
Other income/expenses	-2	-3	-23%
Gross operating income	115	103	12%
Operating expenses	-64	-61	5%
Pre-provision profit	51	42	21%
LLP and other provisions	-10	-9	13%
Earnings before taxes	40	33	24%

Bankinter Consumer Finance

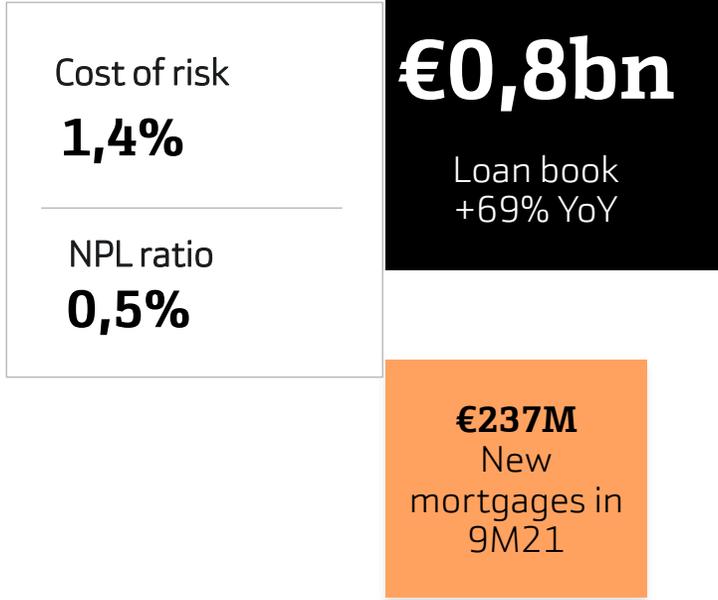
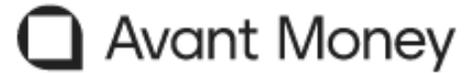


Breakdown by product as of 9M21

In billion of euros and dif. in % YoY



Bankinter Ireland



Avant Money

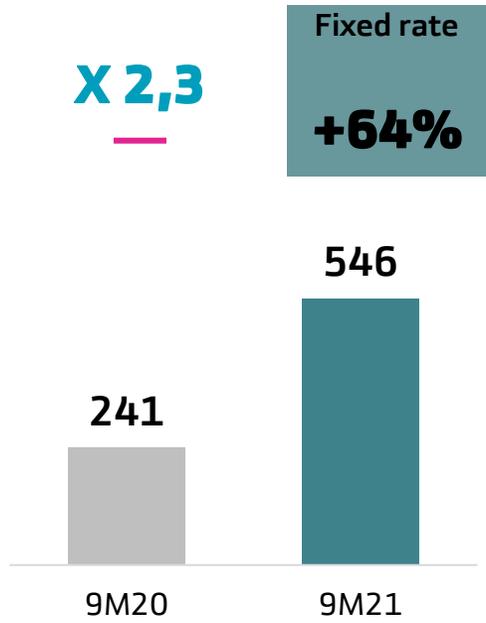
One and a Billion

In just one year, you've trusted us with €1 billion in mortgage applications. **Thank you!**
 We said we would bring you great rates, more choice, flexibility and innovation. We've done just that!
 So, if you're moving, switching, or a first-time buyer, we've got the right mortgage for you.
 Find our exclusive brokers at avantmoney.ie/mortgages

EVO Banco

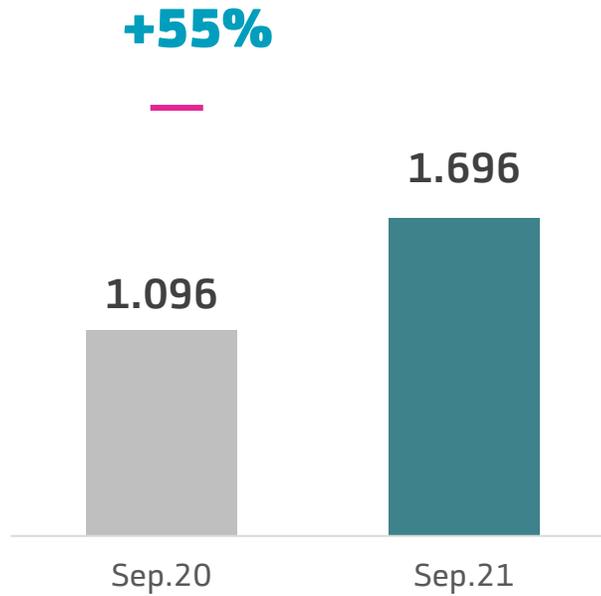
New Mortgages 9M21

In million of euros



Loan book

In million of euros



**672k customers
September-21**

ESG strategy

Sustainability Indices

Member of
Dow Jones Sustainability Indices
 Powered by the S&P Global CSA



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Environmental



Signature of the NET ZERO BANKING ALLIANCE



Sustainable Investment Funds:
 Own Managed: €68,1 MM
 Third-party distributed: €5.672 MM



Clean energy financing:
 8 agreements green Hydrogen:
 €800 MM



Renewable energy Project Finance:
 18 new projects:
 € 347 MM



Carbon footprint:
 Neutral in Scopes 1&2
 100% "green" electricity

Social



11.894 beneficiaries of financial education programs



28 NGO's and foundations beneficiaries



Ranked 4° TOP EMPLOYER

Governance



54,5% independent Board Members



45,5% women Board Members



New **Sustainability Policy** for 21-23



Board Committee of Appointments, Sustainability, and Corporate Governance.

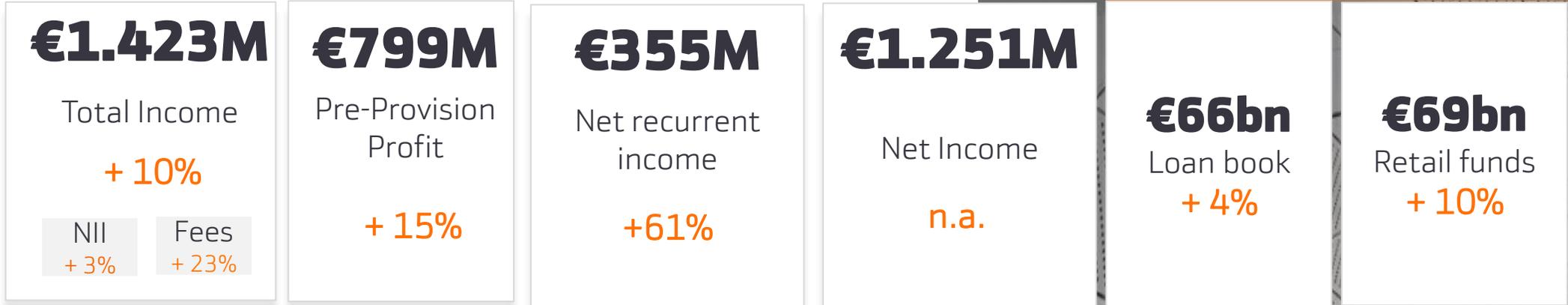
04.

Summary



Key Performance Indicators

Balance Sheet





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Thank you

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Sustainability Indices**

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Glossary

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

Alternative performance measure	Definition
ALCO	Asset - Liability Committee
CET1	Common Equity Tier 1
Combined ratio	Indicator that measures the net earned premium from non-life insurance policies. It is the sum of the net claims ratio and the cost ratio, divided by net earned reinsurance premiums.
Cost of risk	This metric includes the total NPL cost as of the reporting date. It includes losses from impaired assets (NPL provisions) and gains and losses on asset disposals.
Cost-to-income ratio	This is the result of dividing the sum of the staff costs, other general administrative expenses and depreciation and amortisation expenses, by the gross margin.
Foreclosed assets	Available-for-sale foreclosed assets
Foreclosure coverage	Calculated as the balance of the provisions divided by the balance of foreclosed assets.
Loan-to-deposit ratio	The loan-to-deposit ratio is the quotient of total loans divided by customer deposits.
NPL coverage	Calculated as the balance of the provisions divided by the balance of doubtful loans (with off-balance sheet exposure).
NPL ratio	Calculated as the balance of doubtful loans (with off-balance sheet exposure) divided by the balance of the total risk.
RoE (Return on equity)	This is the result of dividing attributed net profit by shareholders' equity on the date (excluding the profit/loss for the year, dividends and remunerations and valuation adjustments). In the denominator, average own funds are the average of own funds for the reporting period.
RWAs	Risk-weighted assets
SREP	Supervisory Review and Evaluation Process
MREL	Minimum requirement for own funds and eligible liabilities. Calculated over Risk Weighted Assets