

# Bankinter 1Q22

## Results Presentation

21 April 2022

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1/6

Si miras el dinero  
y ves la posibilidad  
de dormir tranquilo:

CUENTA NÓMINA  
BANKINTER

Hasta

5%

TAE el primer año



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Sustainability Indices  
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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

	1Q22	vs 1Q21
Loan Book	€70bn	+8 %
Gross Operating Income	€499M	+7 %
Pre-provision profit	€292M	+11%
NPL ratio	2,20%	-17pbs
Coverage ratio	65%	+3p.p.
Profit before taxes banking activity	€214M	+33%
Net Profit	€154M	+4 %
CET1 FL	11,9%	-38pbs
ROE	11,7%	+42pbs

**01.**  
**Results**

**02.**  
**Risk Management**

**03.**  
**Businesses**

**04.**  
**Summary**



01.

Results



## 1Q22 Profit &amp; Loss statement

	Bankinter Group						
	1Q22	1Q21	Dif. € 1Q22/21	Dif. % 1Q22/21	4Q21	Dif. € 1Q22/4Q21	Dif. % 1Q22/4Q21
--- in million of euros ---							
Net Interest Income	320	312	8	3%	320	0	0%
Net fees and commissions	147	130	17	13%	161	-14	-9%
Other Income/Expenses	33	23	10	41%	-49	81	n.a.
<b>Gross Operating Income</b>	<b>499</b>	<b>465</b>	<b>35</b>	<b>7%</b>	<b>432</b>	<b>67</b>	<b>16%</b>
Operating expenses	-208	-202	-6	3%	-229	21	-9%
<b>Pre-provision profit</b>	<b>292</b>	<b>263</b>	<b>29</b>	<b>11%</b>	<b>203</b>	<b>88</b>	<b>43%</b>
Cost of risk and other provisions	-78	-102	25	-24%	-110	32	-29%
<b>Profit before taxes banking activity</b>	<b>214</b>	<b>161</b>	<b>54</b>	<b>33%</b>	<b>94</b>	<b>120</b>	<b>128%</b>
Result on discontinued operations		32	-32	-100%		n.a.	n.a.
<b>Total Group Net Income</b>	<b>154</b>	<b>148</b>	<b>6</b>	<b>4%</b>	<b>82</b>	<b>72</b>	<b>87%</b>

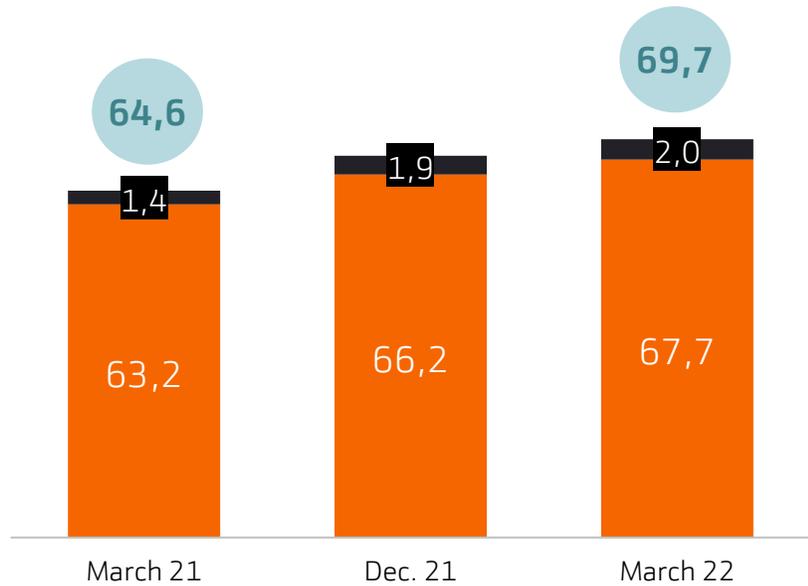
# Results Balance sheet

## Loan book

In billion of euros



+5,0bn



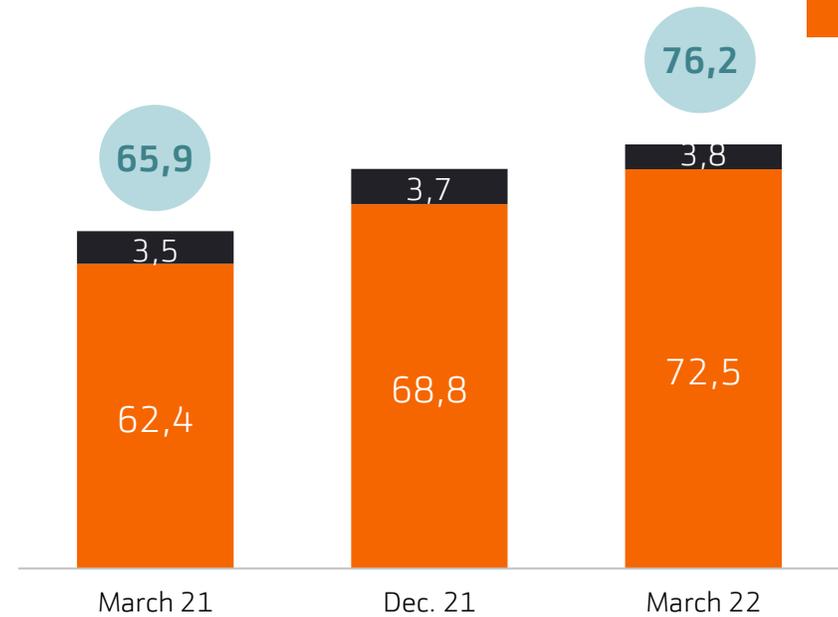
■ Bankinter (ESP+PT+IRL) ■ EVO Banco

## Retail funds

In billion of euros



+10,3bn



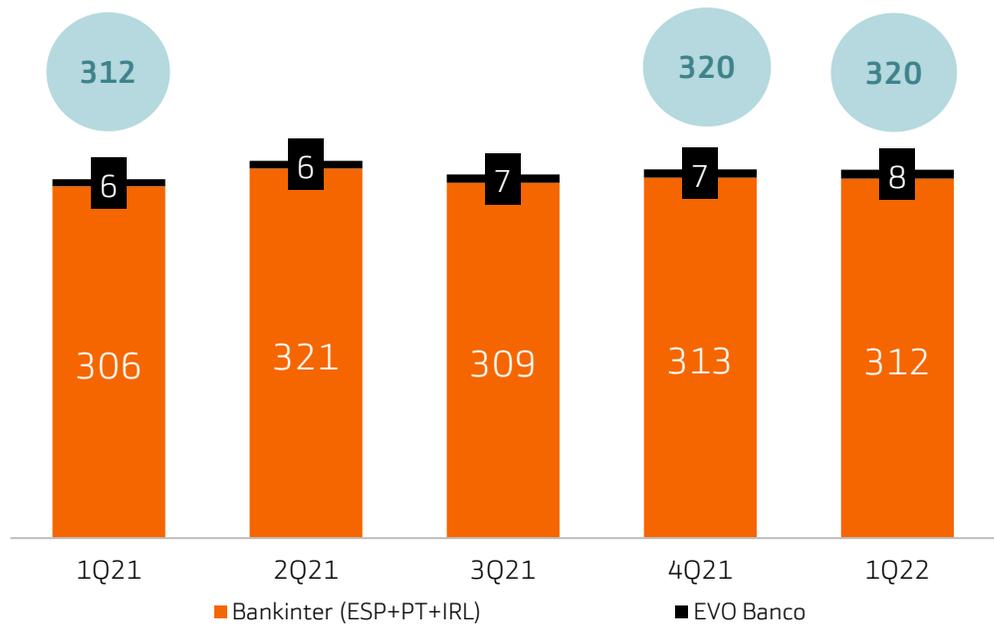
\* BdE as of Feb-22

# Net Interest Income

## NII

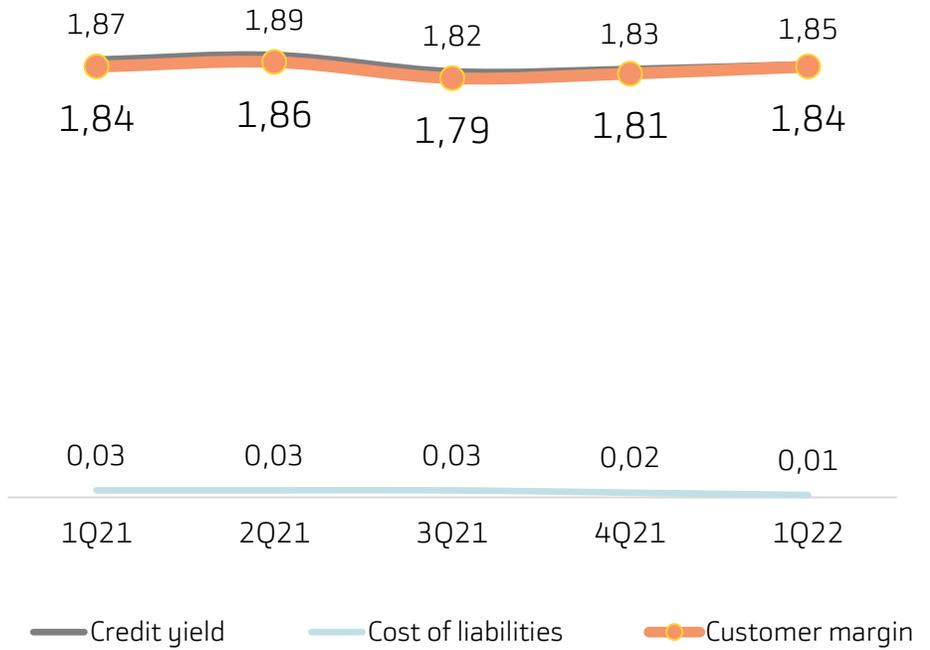
In million of euros

**+2,6%**  
vs 1Q21



## Customer margin

in %



# ALCO portfolio

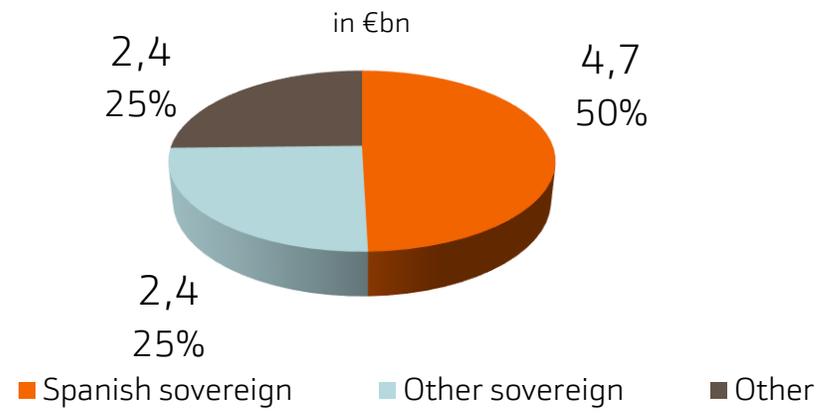
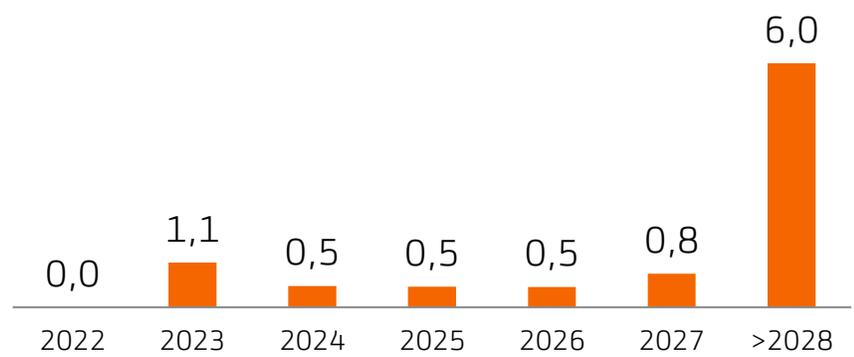
## Alco portfolio

In billion of euros

	HTC	FV	Total
Nominal amount (€bn)	7,2	2,2	9,4
Duration (years)	5,2	2,2	4,5
Avg. maturity (years)	10,5	3,0	8,7
Yield (%)	1,1	2,3	1,4
Unrealised gains (€bn)	0,03	0,02	0,05

## Maturities

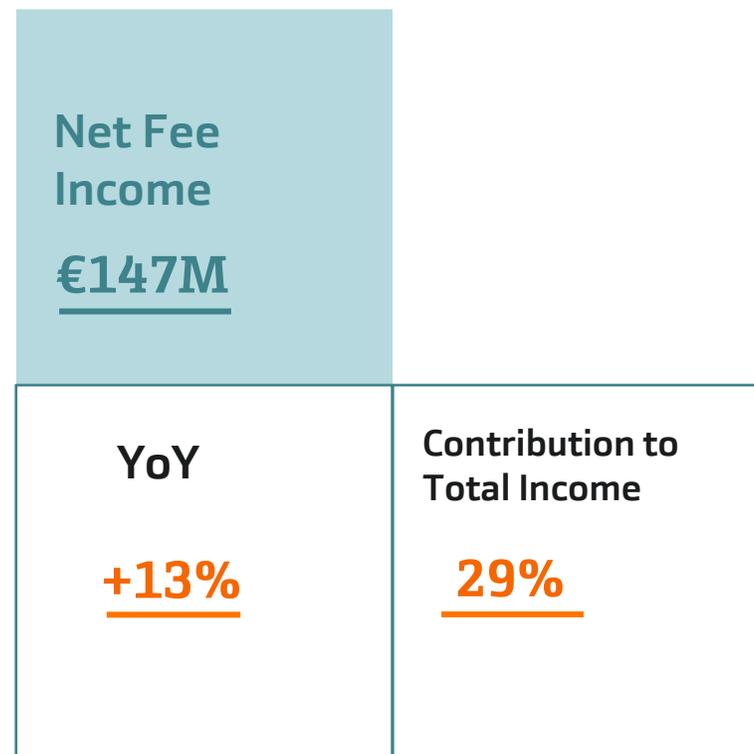
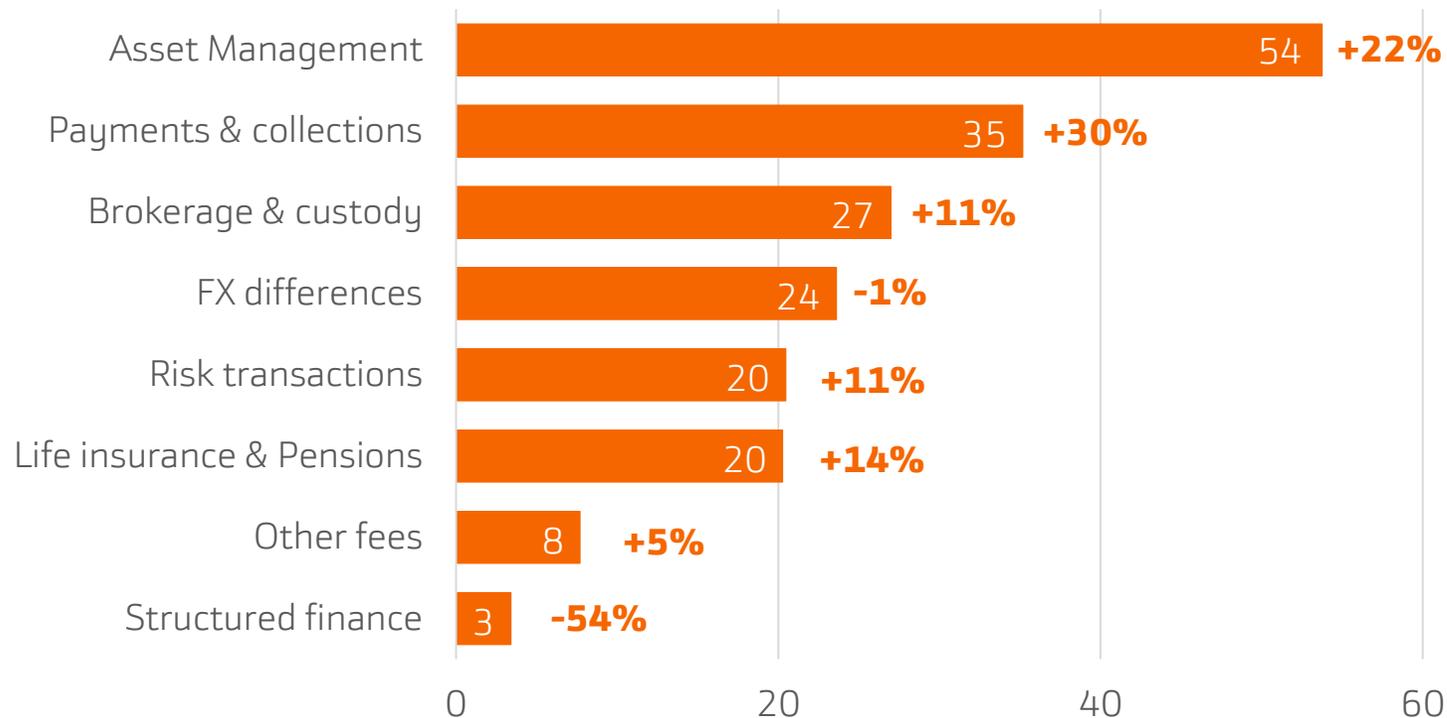
In billion of euros



# Fee Income

## Breakdown of fees received in 1Q22

In million of euros



# Other Income / Expenses

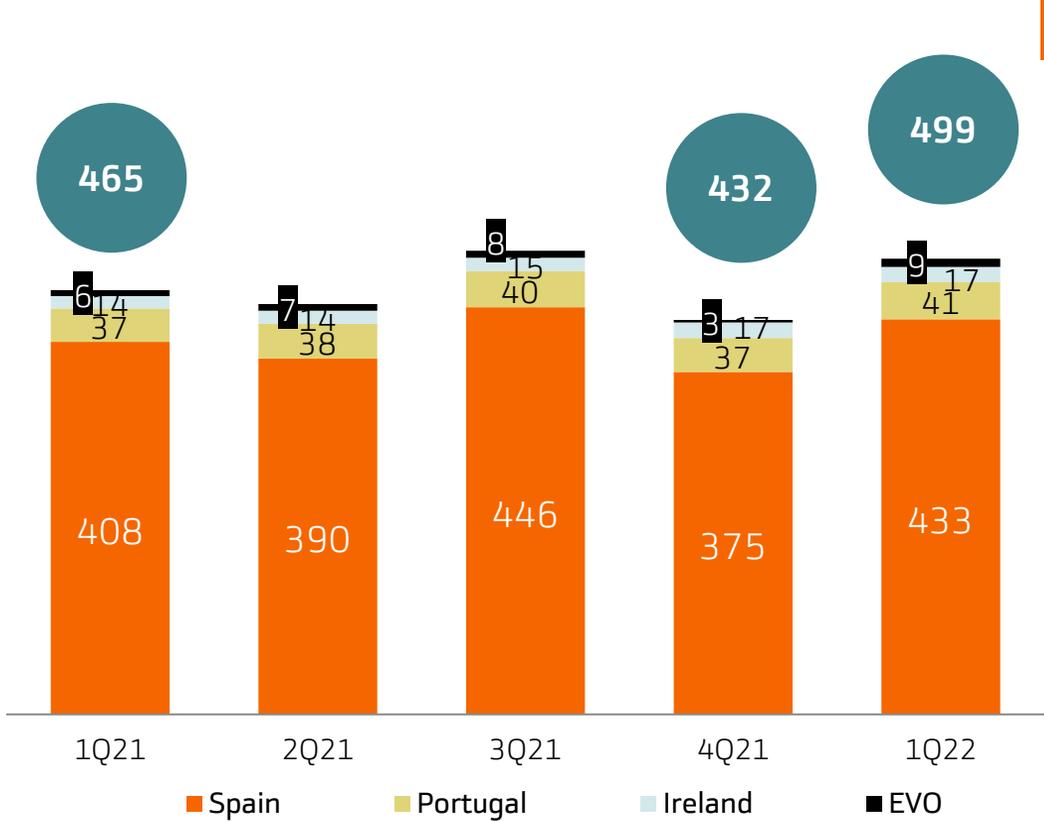
In million of euros	1Q22	1Q21	Dif. €	% Dif.
Equity method	11,2	6,4	4,8	75,4%
Trading income / losses / Dividends	37,2	29,9	7,3	24,3%
Other operating income/expenses	-15,5	-13,0	-2,5	19,3%
<b>Total</b>	<b>32,9</b>	<b>23,3</b>	<b>9,6</b>	<b>41,0%</b>

01. Results  
**Total Operating Income**

**Total Income**

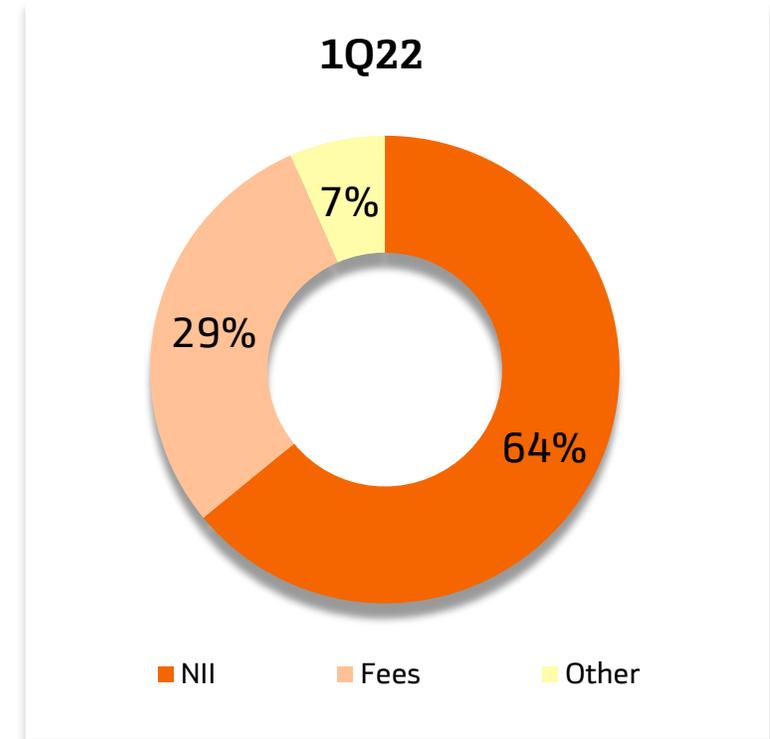
In million of euros

**+7,4%  
vs 1Q21**



**Contribution by income type**

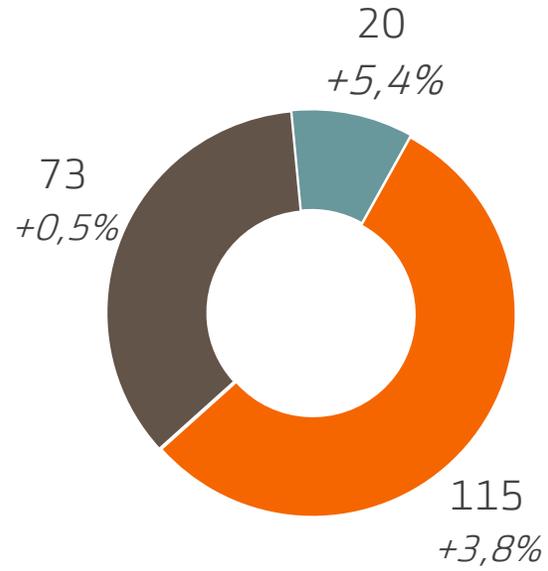
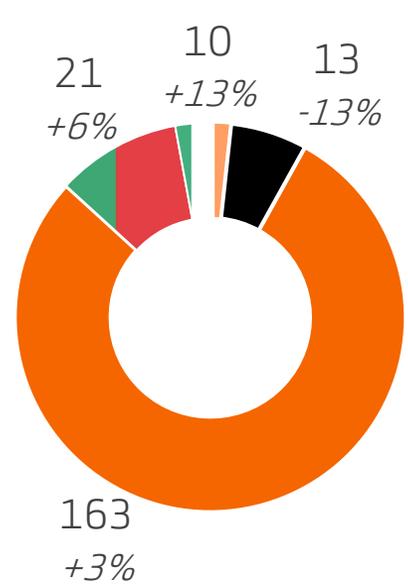
In % of total income



# Operating expenses

## Total expenses

In million of euros and YoY in %



- Spain
- Portugal
- Ireland
- EVO

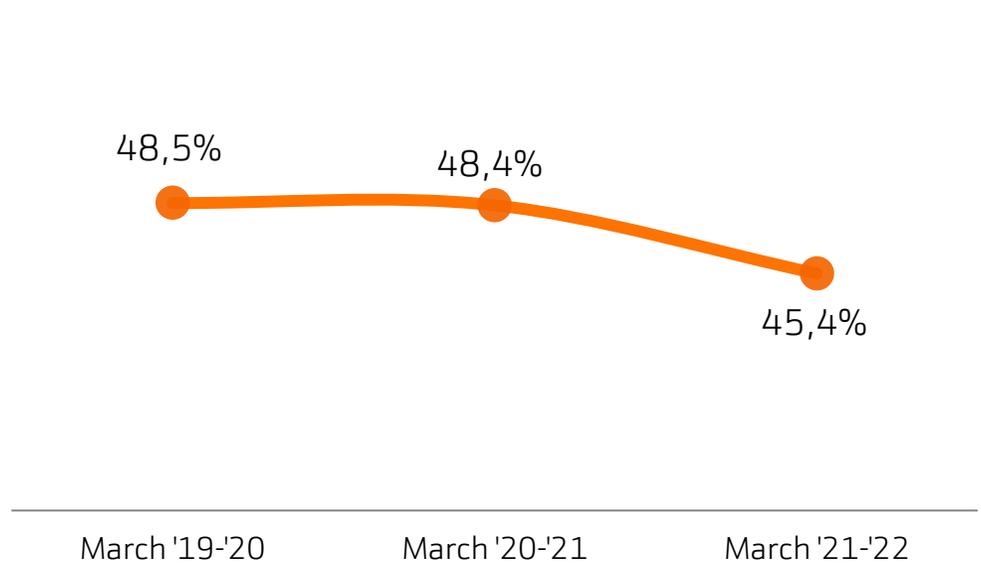
- Personal expenses
- General expenses
- D&A

## Cost-to-income ratio

Last 12 Months as of march in %

C/I Bankinter Spain LTM

**41,8%**

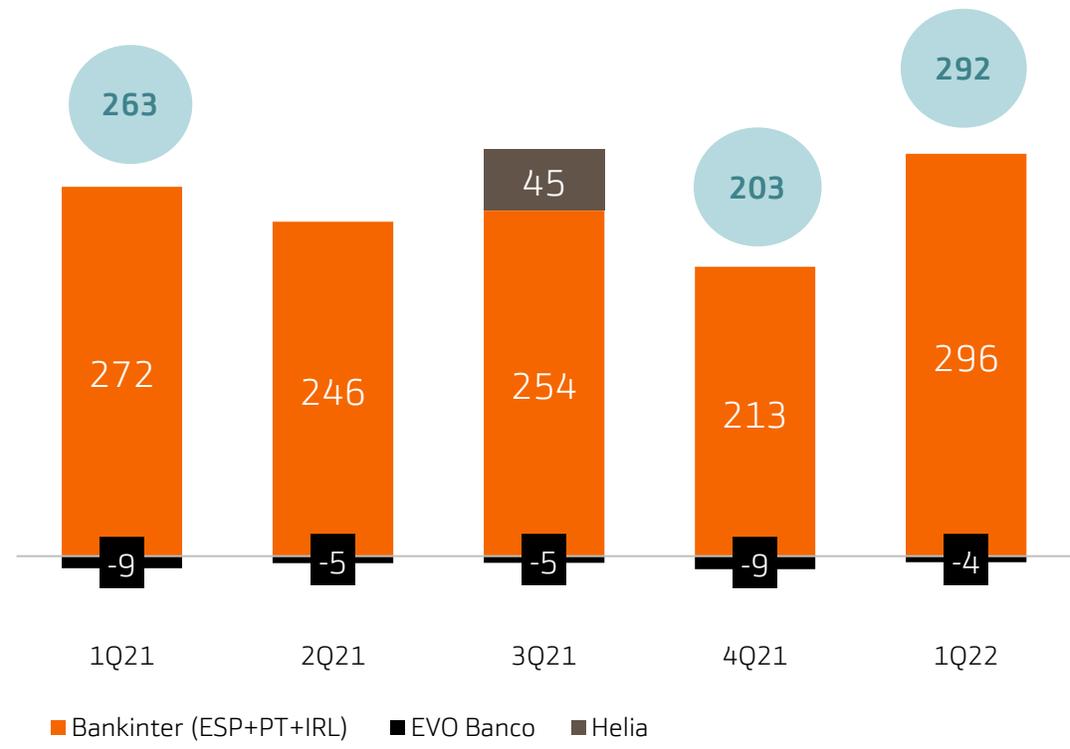


# Pre-Provision Profit

## PPP

In million of euros and YoY in %

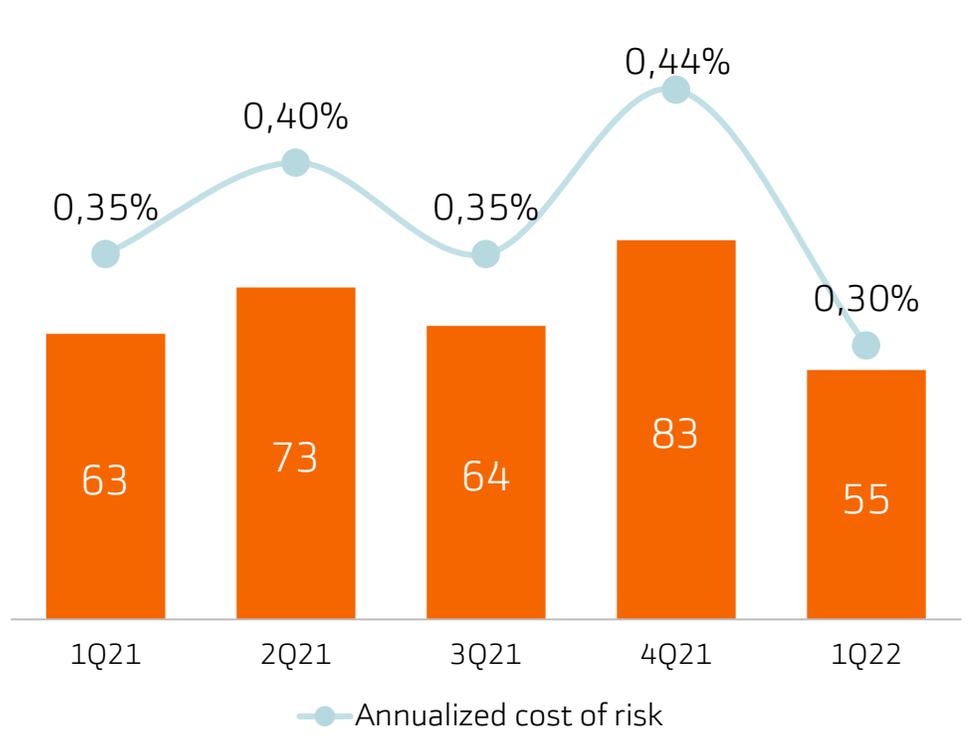
+11%  
vs 1Q21



# Cost of risk & Other provisions

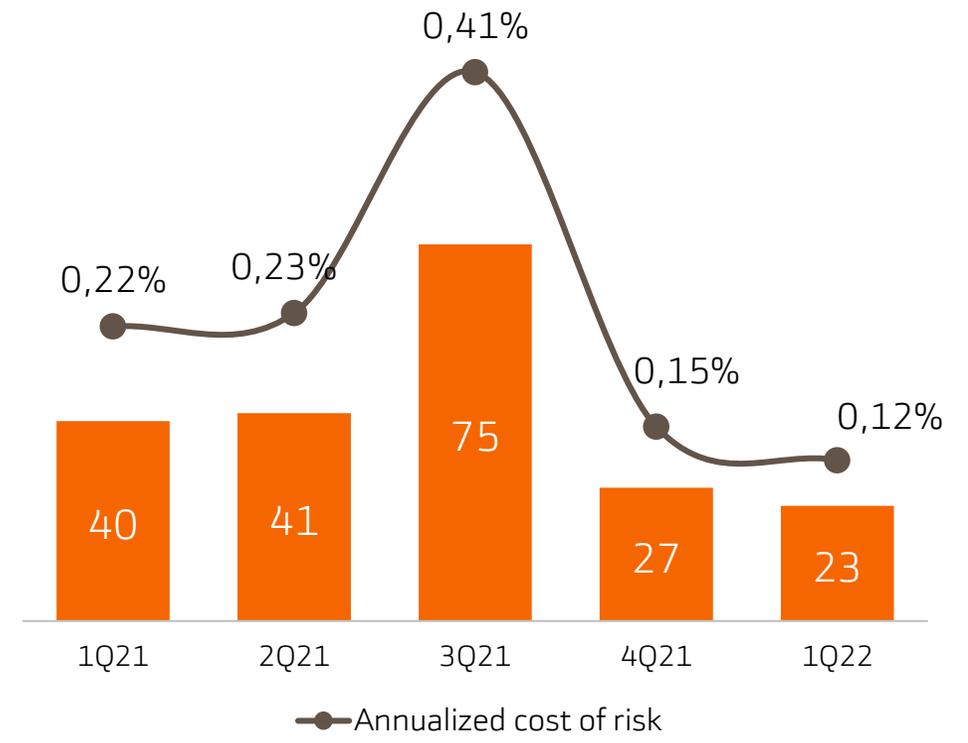
## Cost of Credit risk

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



## Other provisions

In % of total risk exposure and in million of euros

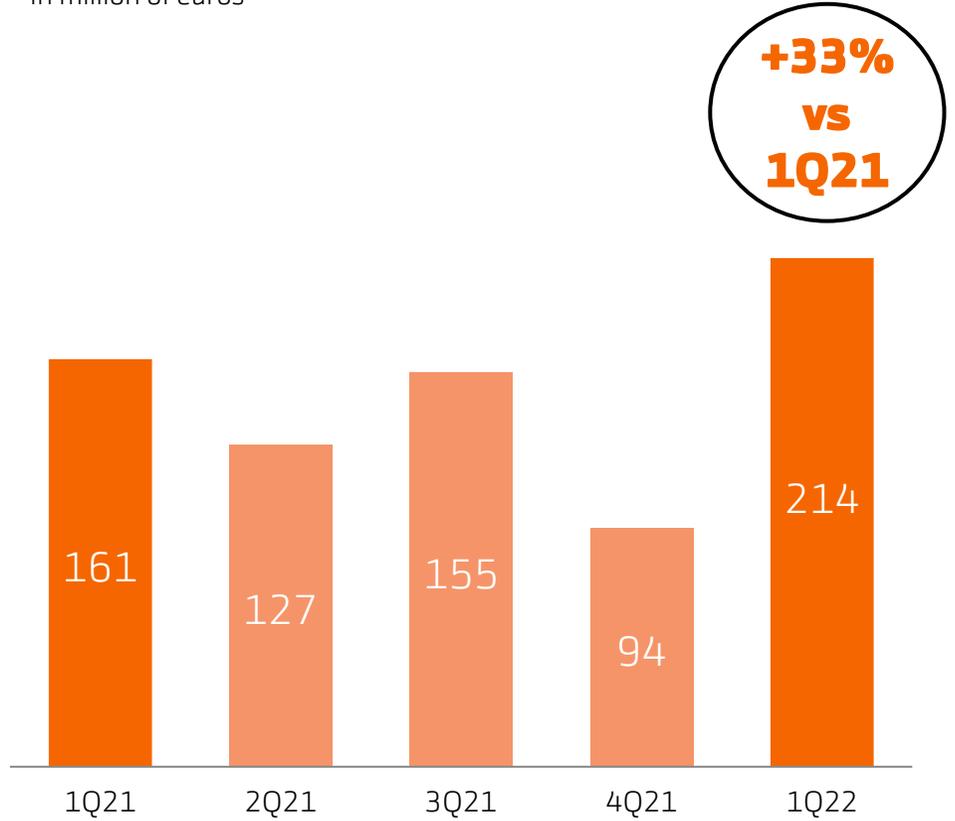


\* CoR includes impairments & gains/losses on asset disposals. Extraordinaries are not included

# Net Income

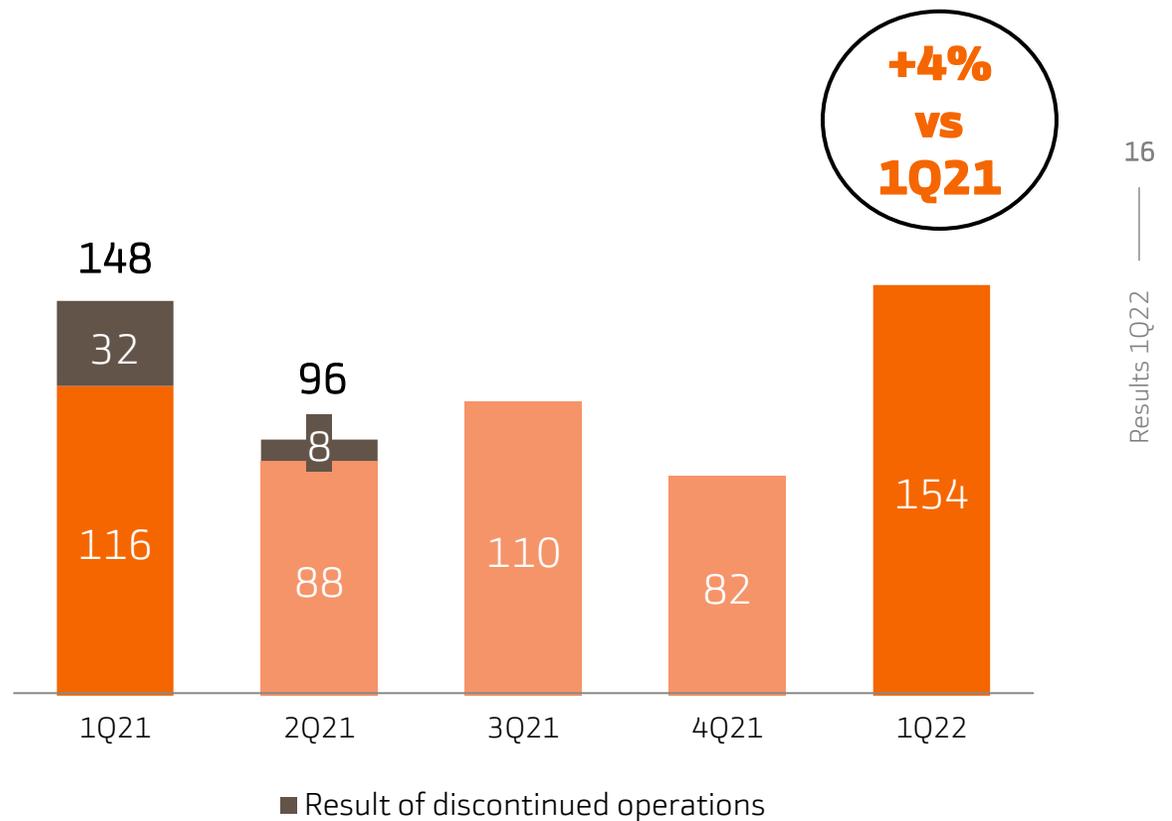
## Profit before tax banking activity

In million of euros



## Total group net income

In million of euros (excluding the result of the Linea Directa spin-off in 2Q21)

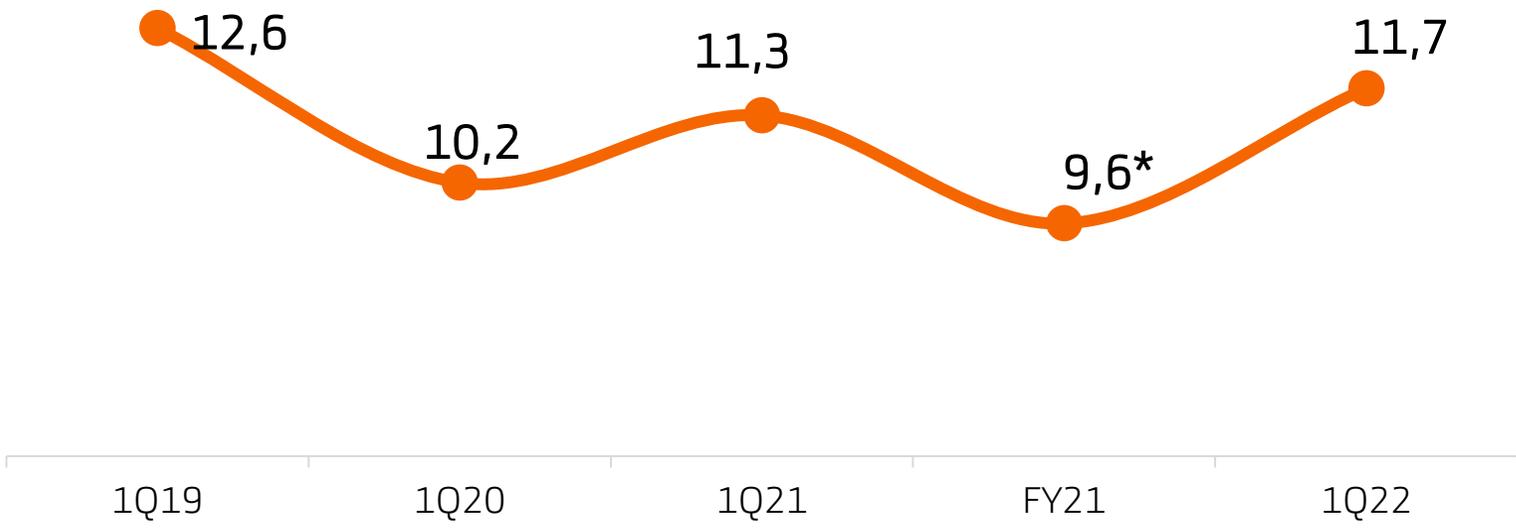


# Results Profitability

## ROE

in %

ROE  
1Q22  
12,4%



\*Excluding the extraordinary impact of Linea Directa spin-off. Total ROE is 29%

02.

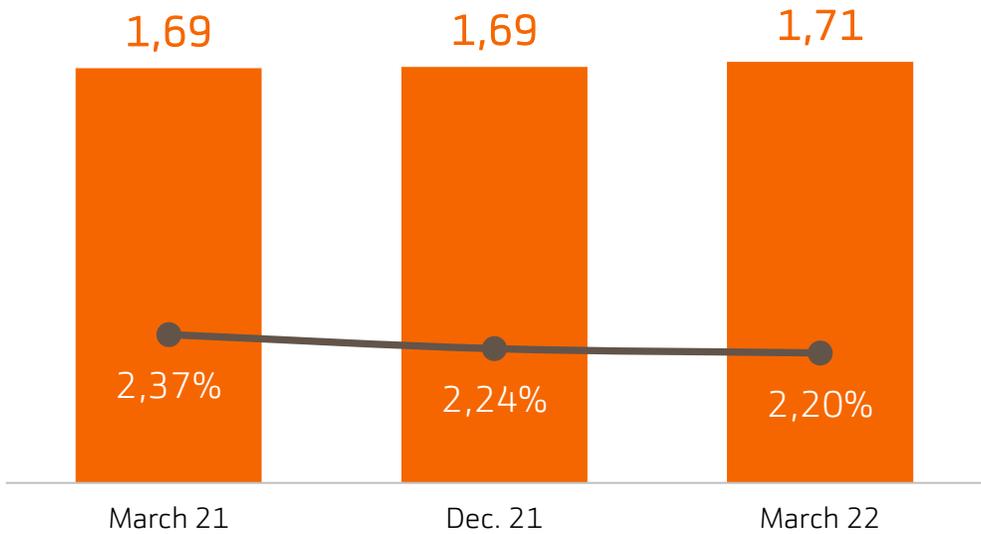
# Risk Management



### Non-performing loans

In billion of euros and ratio in %

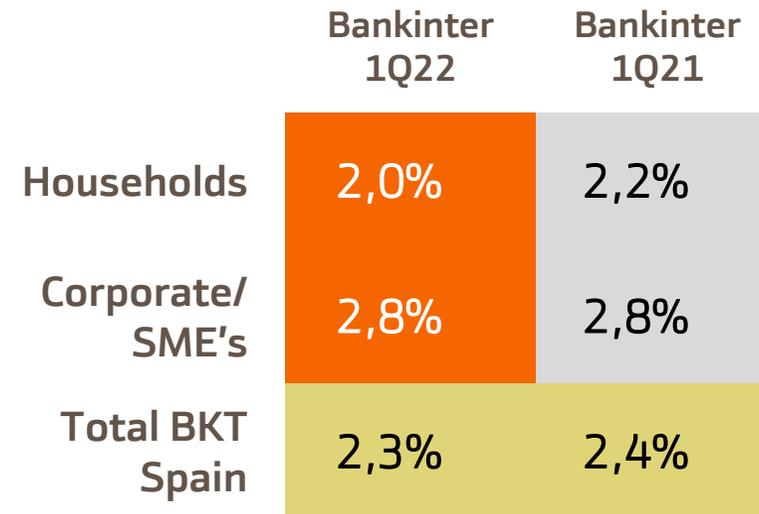
**65%**  
Coverage ratio



### NPL ratios in Spain

in %

Sector in Spain\*  
**4,32%**

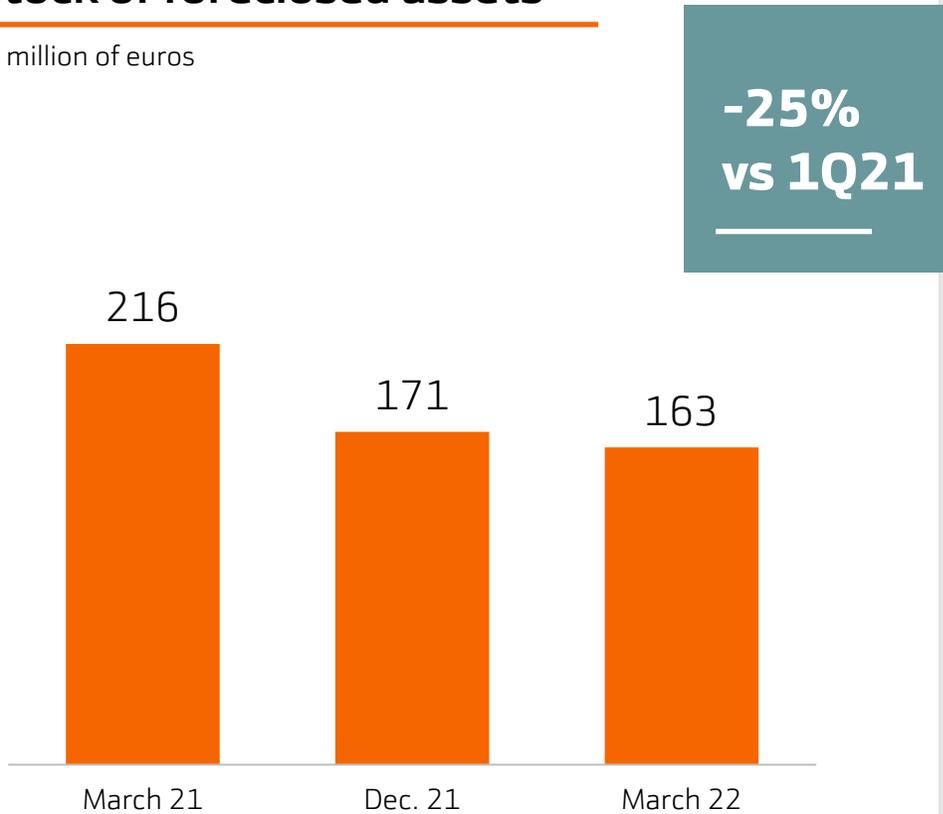


\* BdE as of Jan-22

# Foreclosed assets

## Stock of foreclosed assets

In million of euros



## Activity in 1Q22



**CET1  
"fully loaded"  
11,9%**  
Min. 7,726%

Leverage ratio  
**4,9%**

Total Capital ratio  
**15,2%**

### CET1 ratio "fully loaded"

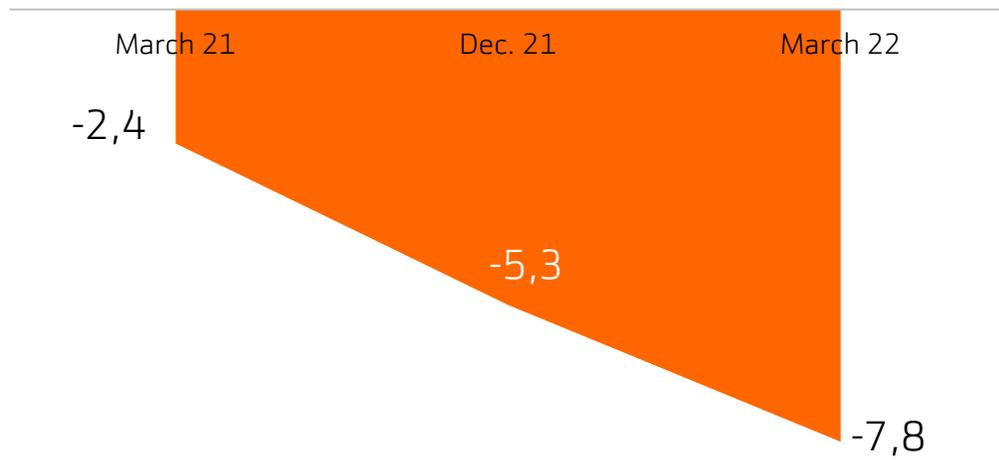
Breakdown in %



**MREL  
21,4%**  
Min. '22 18,7%

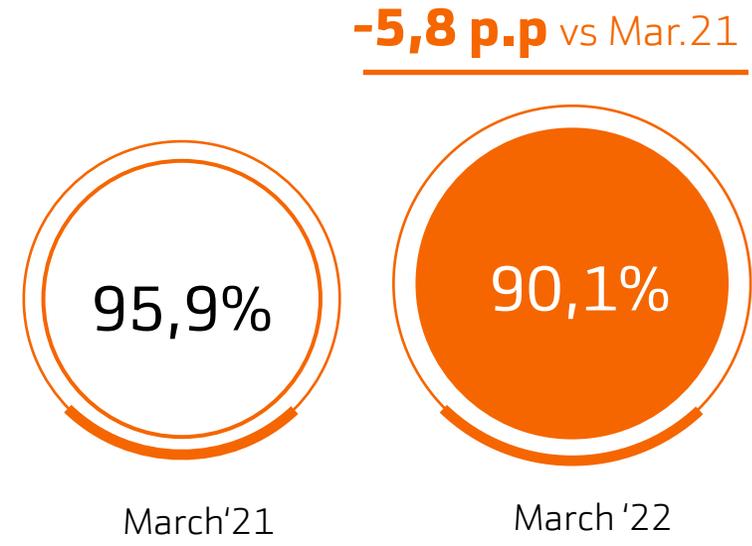
### Commercial gap

In billion of euros



### Loan-to-deposits ratio

in %





**03.**

## **Business**

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

# Corporate / SME banking

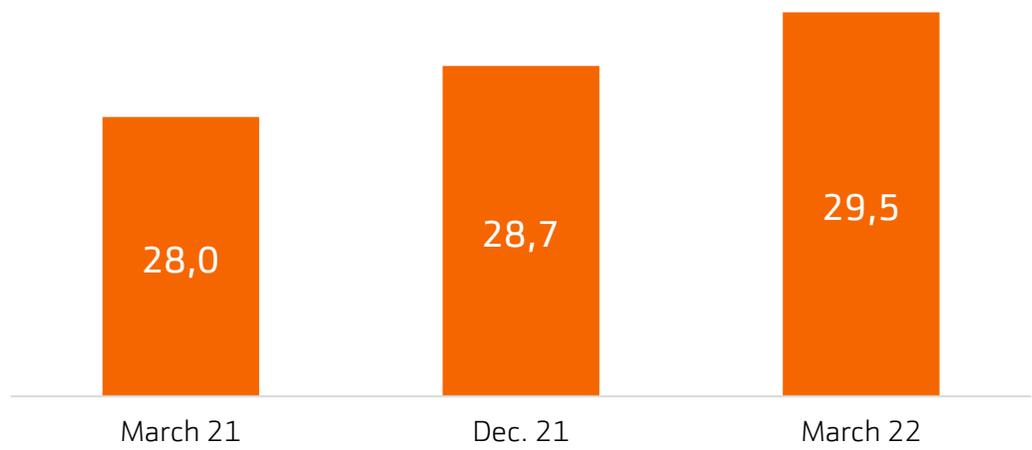
## Loan book

In billion euros

Spain  
**+5,2%**

Sector\*  
**-0,4%**

**+5,4%**  
**VS**  
**1Q21**



\*BdE as of Feb-22

## ICO credit lines

(March 2022)

Drawn amount  
**€6,4bn**

Total ICO lending  
**€8,6bn**

## International banking

Loan book international banking  
**€6,8bn**  
**+19% vs 1Q21**

Payment & collections international  
**€27bn**  
**+50% vs 1Q21**

Total Income International banking  
**+16% vs 1Q21**

# Private & Personal banking

## Customer wealth

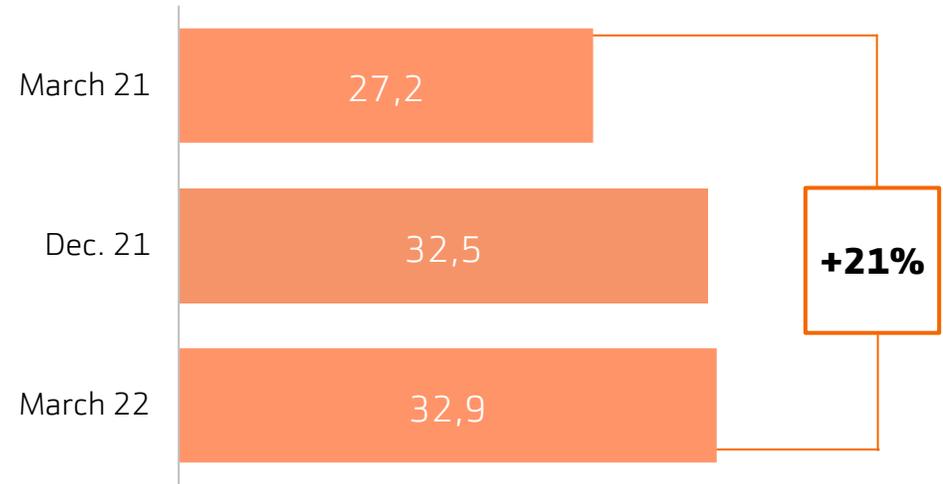
In billion of euros

Net new money in 1Q22	<b>+€1,7bn</b>
Market effect 1Q22	<b>-€1,3bn</b>



**Private Banking**

Net new money 1Q22	<b>+€0,9bn</b>
Market effect 1Q22	<b>-€0,4bn</b>

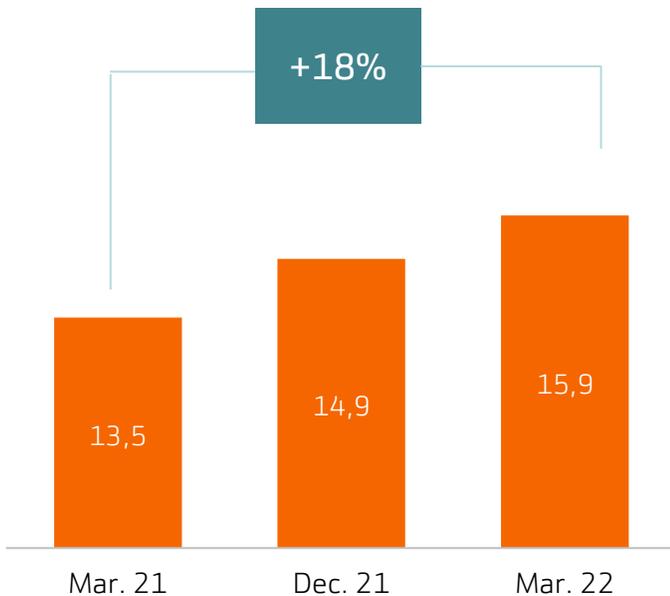


**Personal Banking**

# Retail banking

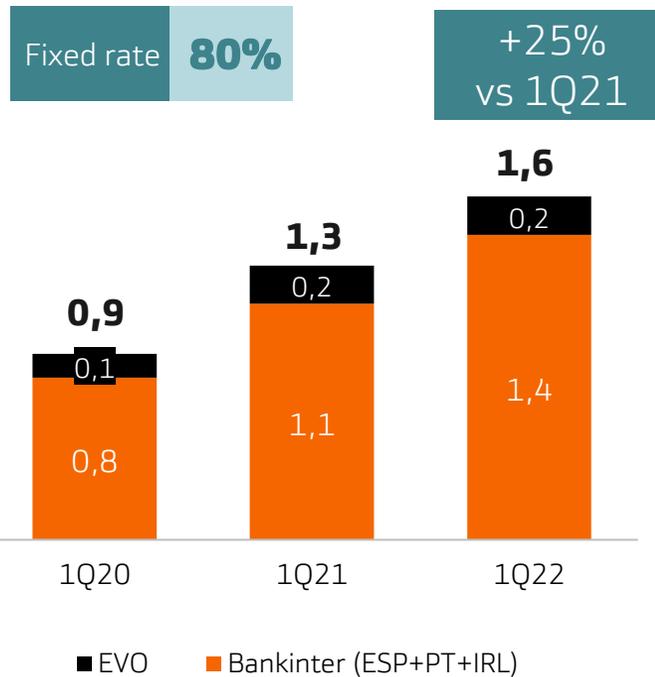
## Salary account balances in Spain

In billion of euros



## New mortgage production

In billion of euros

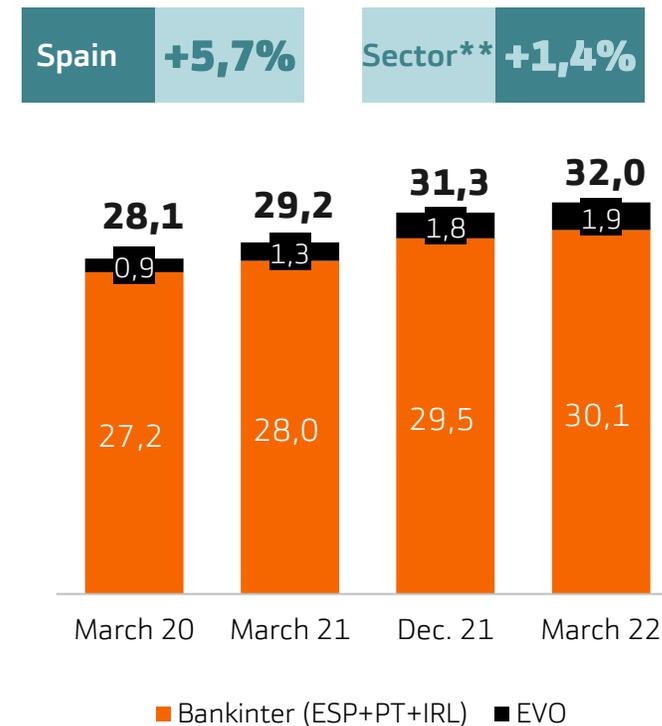


Market share of new mortgages in Spain\*

**8,4 %**

## Mortgage back book

In billion of euros

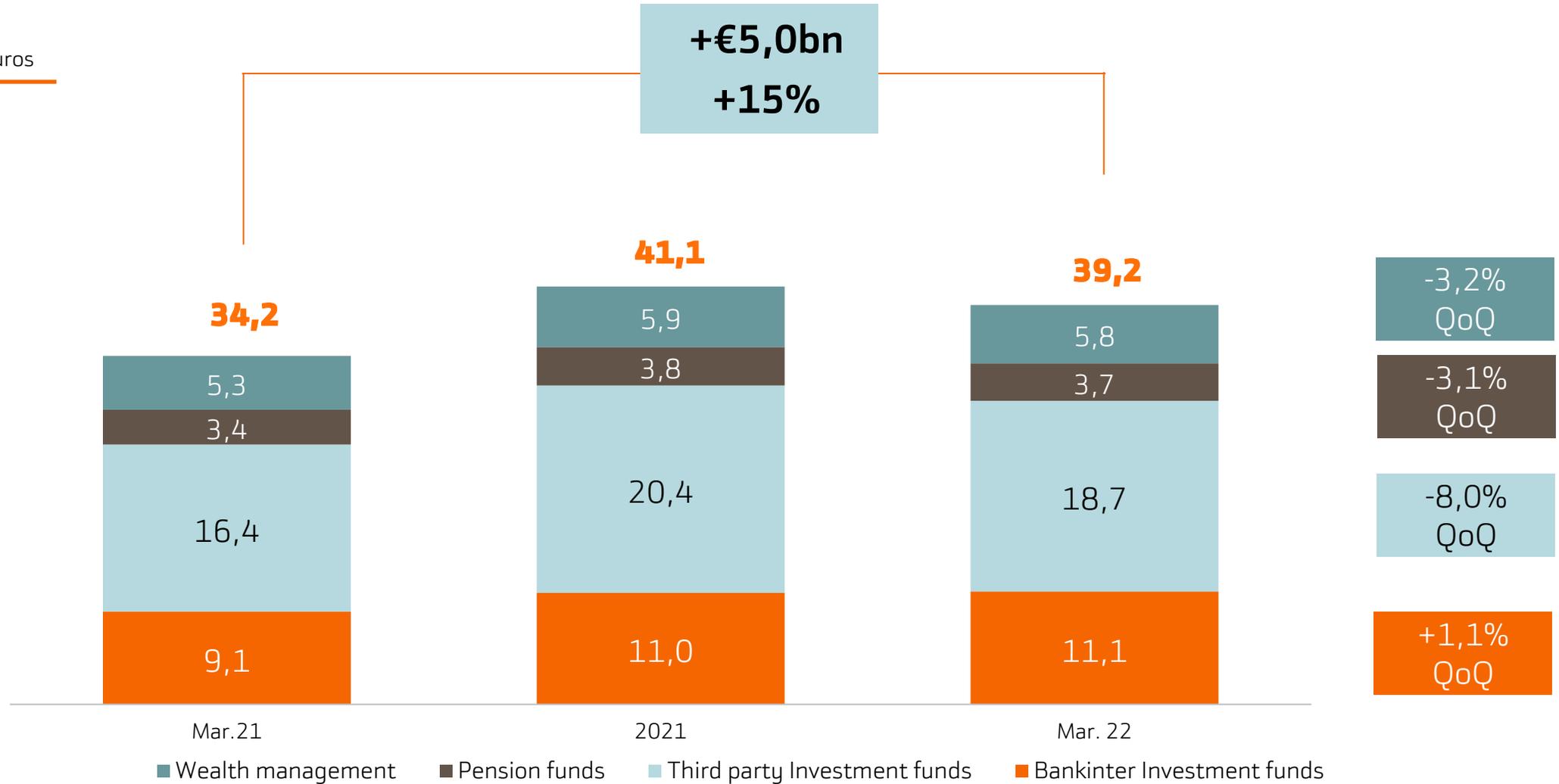


\*INE as of Jan-22. Market share in Spain for the LTM rolling

\*\*BdE as of Feb-22

# Asset Management

In billion of euros



# Bankinter Portugal

## Business indicators

In billion of euros

### €7,2bn

Loan book

**+8% YoY**

Retail banking  
€5,1bn +8%

Corporate/SME banking  
€2,1bn +8%

### €6,2bn

Retail funds

**+25% YoY**

### €4,2bn

Off-balance sheet funds

**+11% YoY**

## Profit & Loss account

in million of euros

	<b>1Q22</b>	<b>1Q21</b>	<b>Dif. %</b>
Net Interest Income	26	24	8%
Net fees and commissions	16	13	16%
Other income/expenses	-1	-1	20%
<b>Gross operating income</b>	<b>41</b>	<b>37</b>	<b>11%</b>
Operating expenses	-21	-20	6%
<b>Pre-provision profit</b>	<b>19</b>	<b>17</b>	<b>16%</b>
LLP and other provisions	-4	-3	33%
<b>Profit before taxes</b>	<b>16</b>	<b>14</b>	<b>13%</b>

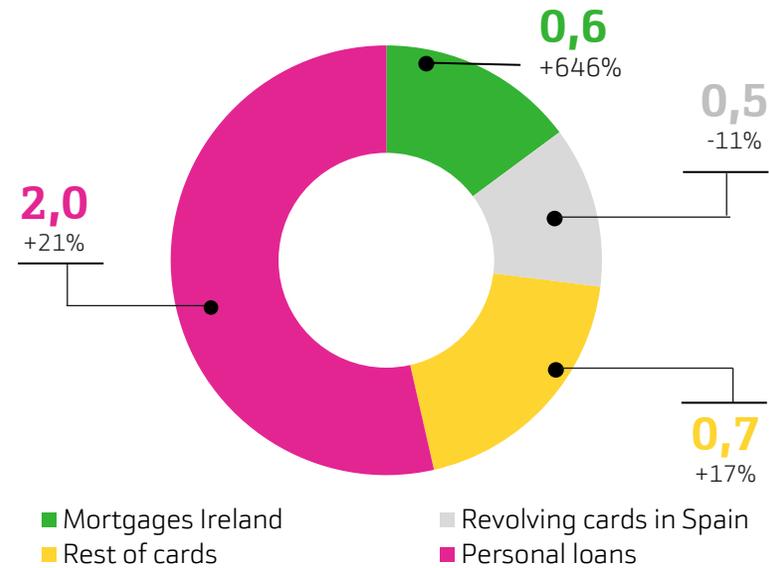
# Bankinter Consumer Finance



Cost of risk <b>1,8%</b>	<b>€3,8bn</b> Loan book +31% vs1Q21
Risk-adjusted return <b>6,9%</b>	
NPL ratio <b>5,2%</b>	New production <b>€0,6bn</b> +110% vs 1Q21
Cost to income <b>21%</b>	

## Breakdown by product type as of 1Q22

In million of euros and dif. in % YoY



# Bankinter Ireland



Cost of risk  
**0,4%**

---

NPL ratio  
**0,6%**

**€1,1bn**  
Loan book  
+117% YoY

Mortgages: €565M€ +646%  
Consumer lending: €574M +28%

**€0,1M**  
x2,6  
New  
mortgages  
in 1Q22

## One Mortgage

Life has its ups and downs.  
The new **One Mortgage** doesn't.

[Enquire today](#)

Credit Cards

**Our credit cards don't follow the herd. They lead the pack.**

Get **0% for one year** on money transfers\* with the One card or up to **25% of your interest refunded** every month\*\* with Reward+. You choose.

[One card](#) [Reward+ card](#)

An award-winning consumer finance company.

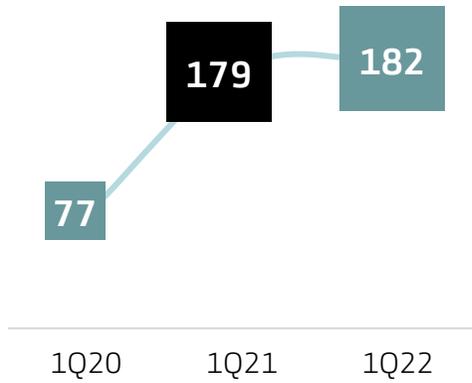


# EVO Banco



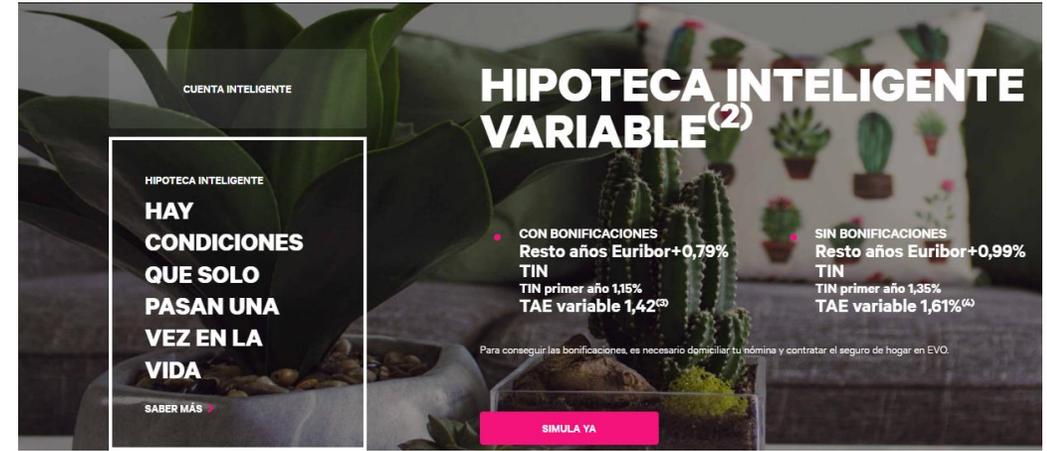
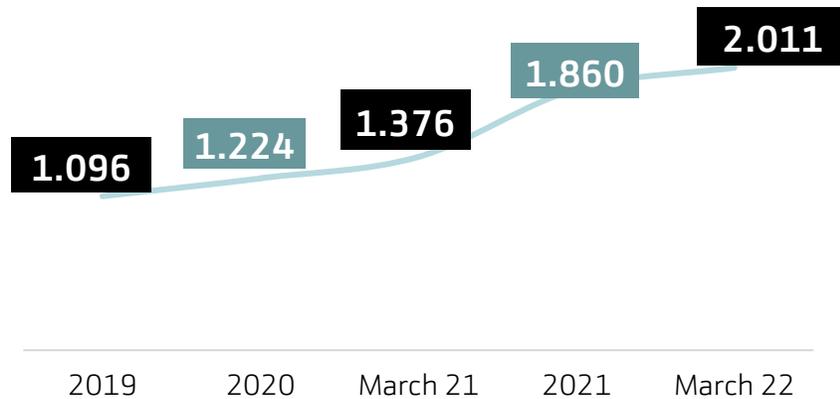
## New mortgages in 1Q22 in million of euros

Fixed rate mortgages  
**93%**



## Loan book in million of euros

**+47%**  
**vs Mar.21**



**687k Customers  
as of March 2022**

### Sustainability Indices

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



FTSE4Good



**STOXX** Member 2020/2021  
**ESG Leaders Indices**

### Environmental

#### Impact reduction climate change

Decarbonization strategy

Green Bond prevented emissions in 2021:  
239.457 CO2 Tons



#### Increase in sustainable business



Renewable energy Project Finance  
28 projects / €455,8 M

Efficient Homes mortgages  
€45,5 M

### Social

#### Accessibility improvements

Web accessibility  
93,47%

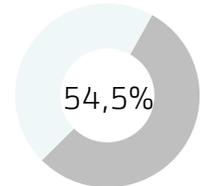
#### Social investment beneficiaries increase

No. of Beneficiaries  
42.000

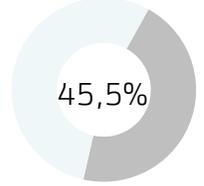
### Governance

#### Adoption of the best Governance practices

100% of the recommendations of the Good Governance code



Independent Board Members



Women Board Members



04.

# Summary



**€499M**  
Total Income  
**+7%**  
NII +3%    Fees +13%

**€292M**  
Pre-Provision Profit  
**+11%**

**€154M**  
Net Income  
**+4%**

**Balance sheet**  
**€70bn** Loan book **+ 8%**  
**€76bn** Retail funds **+ 16%**

ROE  
**11,7%**

NPL ratio  
**2,20%**

Coverage ratio  
**65%**

CET1  
"FULLY LOADED"  
**11,9%**

# Executive summary

## COMERCIAL ACTIVITY

 Strong commercial activity, with mortgage production up 25% YoY, retail funds +16%, Investment funds +15%, and Corporate banking lending growing at 5%. Strong performance in all of our geographies: Spain, including EVO, Portugal & Ireland.

## RESULTS

 Profit before taxes reach €214m in the quarter, growing at 33%, a record figure that proves the strong performance of our banking business

 Net quarterly Income at €154m growing 4% YoY, and already offsetting the contribution from Linea Directa in 1Q21. And, improving the net income from 1Q19.

 In the quarter, ROE reaches 11,7%, cost to income below 42% and npl ratio goes down to 2,2%, all of them top on their sector rankings.

## RISK MANAGEMENT

 Asset quality remains solid, with delincuencias at record lows and with improved coverage ratios being built to prevent future losses, all within the expected cost of risk.

**bankinter.**  
El banco que ve el dinero como lo ves tú.

# Thank you

21 April 2022

**bankinter.**

1/6

**Si miras el dinero  
y ves la posibilidad  
de dormir tranquilo:**

**CUENTA NÓMINA  
BANKINTER**

Hasta

**5%**

TAE el primer año

Reservado el 3 de febrero de 2022. El Fondo de Reserva de Bankinter de España de Entidades de Crédito de la República de España garantiza el depósito por depósitos.



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In Collaboration with RobecoSAM



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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
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