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Condensed consolidated
interim financial statements

June 2022



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**Línea Directa Aseguradora, S.A.,
Compañía de Seguros y Reaseguros and
subsidiaries**

Condensed interim consolidated financial statements and interim
consolidated management report at 30 June 2022

The English version is a translation of the original in Spanish made by Línea Directa Aseguradora, S.A on his sole responsibility and shall not be considered official. In case of discrepancy, the Spanish version shall prevail

Condensed consolidated balance sheets at 30 June 2022 and 31 December 2021
(in thousand euro)

ASSETS	Notes	2022	2021
Cash and cash equivalents		102,517	115,788
Available-for-sale financial assets	8 a)	767,715	864,978
I. Equity instruments		132,892	153,963
II. Debt securities		634,823	711,015
Loans and receivables	8 a)	120,230	120,615
I. Debt securities		8,499	10,990
II. Receivables on direct insurance business		61,996	53,538
1. Policyholders		61,996	53,538
III. Receivables on reinsurance business		7,756	7,969
IV. Other receivables		41,979	48,118
1. Tax and social security receivable		1,040	1,040
3. Other receivables		40,939	47,078
Hedging derivatives		3,272	-
Reinsurers' share of technical provisions	12	23,580	20,153
I. Provision for unearned premiums		6,597	4,280
II. Provision for claims		16,983	15,873
Property, plant and equipment and investment property	9	109,456	110,721
I. Property, plant and equipment		44,388	45,264
II. Investment property		65,068	65,457
Right-of-use assets	10 a)	3,659	4,496
Intangible assets	11	14,064	14,121
I. Other intangible assets		14,064	14,121
Tax assets		20,847	28,467
I. Current tax assets		2,900	19,916
II. Deferred tax assets		17,947	8,551
Other assets		102,947	89,139
I. Prepaid fees and other acquisition costs		96,391	87,219
II. Accruals		6,049	1,528
III. Other assets		507	392
TOTAL ASSETS		1,268,287	1,368,478

Notes 1 to 17 to the accompanying condensed consolidated financial statements form an integral part of these condensed consolidated interim financial statements at 30 June 2022.

Condensed consolidated balance sheets at 30 June 2022 and 31 December 2021
(in thousand euro)

LIABILITIES	Notes	2022	2021
Debt and accounts payable	8 b)	129,654	175,406
I. Due on direct insurance business		3,027	2,526
1. Due to policyholders		2,698	1,939
2. Due to agents, brokers and intermediaries		326	587
3. Lease liabilities		3	-
II. Due on reinsurance business		1,024	1,244
III. Lease liabilities		3,684	4,534
IV. Other debts		121,919	167,102
1. Taxes and social security payable		16,235	17,454
2. Due to group companies and associates		-	56
3. Other debts		105,684	149,592
Hedging derivatives	8 b)	-	9,447
Technical provisions	12	747,273	738,158
I. Provision for unearned premiums		470,194	449,740
II. Provision for unexpired risks		3,280	3,280
III. Provision for claims		273,799	285,138
Non-technical provisions		22,033	22,133
II. Provisions for settlement agreements		21,652	21,915
IV. Other non-technical provisions		381	218
Tax liabilities		40,335	44,456
I. Current tax liabilities		4,824	-
II. Deferred tax liabilities		35,511	44,456
Other liabilities		30	603
II. Other liabilities		30	603
TOTAL LIABILITIES		939,325	990,203
Equity		340,540	334,909
I. Share capital		43,537	43,537
1. Subscribed capital		43,537	43,537
II. Reserves		270,796	260,146
1. Legal and bylaw reserves		9,046	9,046
2. Other reserves		261,750	251,100
IV. (Own shares)		(999)	(1,247)
VII. Profit/(loss) for the year		48,976	110,137
VIII. (Interim dividend)	5	(21,770)	(77,664)
Other equity instruments		(21,770)	(77,664)
Valuation adjustments		(11,578)	43,366
I. Available-for-sale financial assets		(11,578)	43,366
TOTAL EQUITY		328,962	378,275
TOTAL LIABILITIES AND EQUITY		1,268,287	1,368,478

Notes 1 to 17 to the accompanying condensed consolidated financial statements form an integral part of these condensed consolidated interim financial statements at 30 June 2022.

Condensed consolidated statements of profit or loss at 30 June 2022 and 2021

(in thousand euro)

NON-LIFE STATEMENT OF PROFIT OR LOSS	Notes	2022	2021
Earned premiums, net of reinsurance		441,739	435,993
Premiums written		474,768	456,475
Direct insurance		474,789	456,465
Change due to impairment of outstanding premiums receivable		(21)	10
Premiums from ceded reinsurance		(14,890)	(12,914)
Change in the provision for unearned premiums and unexpired risks	12	(20,455)	(9,728)
Direct insurance		(20,455)	(9,728)
Change in the provision for unearned premiums, reinsurers' share	12	2,316	2,160
Income from property, plan and equipment and from investments	4	36,794	22,769
Income from investment property		2,172	2,169
Income from financial investments		14,392	14,337
Application of impairment of property, plant and equipment and investments		-	-
Property, plant and equipment and investment property		-	-
Gains on realisation of property, plant and equipment and investments		20,230	6,263
Property, plant and equipment and investment property		-	-
Financial investments		20,230	6,263
Claims incurred, net of reinsurance	4	(310,218)	(284,885)
Claims and other expenses paid		(262,769)	(234,565)
Direct insurance		(268,465)	(239,775)
Reinsurers' share		5,696	5,210
Change in the provision for claims	12	12,872	3,522
Direct insurance		11,762	(238)
Reinsurers' share		1,110	3,760
Claims-related expenses	12	(60,321)	(53,842)
Profit sharing and premium refunds		(235)	(172)
Change in the provision for profit sharing and premium refunds		(235)	(172)
Net operating expenses		(94,279)	(97,485)
Acquisition costs		(84,217)	(86,582)
Administration expenses		(12,525)	(13,708)
Reinsurance commissions and profit participation		2,463	2,805
Other technical expenses		7,044	9,688
Change in claims paid under settlement agreements		11,161	11,827
Other		(4,117)	(2,139)
Expenses from property, plant and equipment and investments	4	(18,414)	(9,974)
Management expenses from property, plant and equipment and investments		(3,679)	(3,765)
Expenses from property, plant and equipment and investment property		(1,554)	(1,342)
Expenses from financial investments and accounts		(2,125)	(2,423)
Valuation adjustments for property, plant and equipment and investments		(14)	(13)
Depreciation of property, plant and equipment and investment property		(14)	(13)
Impairment of property, plant and equipment and investment property		-	-
Losses on property, plant and equipment and investments		(14,721)	(6,196)
Property, plant and equipment and investment property		-	(7)
Financial assets		(14,721)	(6,189)
Profit/(loss) from non-life insurance		62,431	75,934

Notes 1 to 17 to the accompanying condensed consolidated financial statements form an integral part of these condensed consolidated interim financial statements at 30 June 2022.

Condensed consolidated statements of profit or loss at 30 June 2022 and 2021

(in thousand euro)

OTHER ACTIVITIES	Notes	2022	2021
Profit/(loss) from non-life insurance		62,431	75,934
Other income		4,189	4,632
Other income		4,189	4,632
Other expenses		(1,369)	(2,948)
Other expenses		(1,369)	(2,948)
Subtotal (Profit or loss from other activities)		2,820	1,684
Profit/(loss) before tax		65,251	77,618
Income tax		(16,275)	(19,408)
Profit/(loss) for the year		48,976	58,210
Profit/(loss) attributable to the Parent Company		48,976	58,210
Profit/(loss) attributable to non-controlling interests		-	-
Basic earnings per share (in euro)	6	0.05	0.05
Diluted earnings per share (in euro)	6	0.05	0.05

Notes 1 to 17 to the accompanying condensed consolidated financial statements form an integral part of these condensed consolidated interim financial statements at 30 June 2022.

Condensed consolidated statements of other comprehensive income at 30 June 2022 and 2021

(in thousand euro)

	Notes	2022	2021
Profit/(loss) for the year		48,976	58,210
Items that may be subsequently reclassified to profit or loss		(54,944)	5,588
Available-for-sale financial assets		(73,252)	7,528
Gains/(losses) on valuation adjustments		(67,049)	7,432
Amounts transferred to the consolidated statement of profit or loss		(6,203)	96
Income tax		18,308	(1,940)
Total other comprehensive income	8	(54,944)	5,588
Total comprehensive income for the year, net of tax		(5,968)	63,798

Notes 1 to 17 to the accompanying condensed consolidated financial statements form an integral part of these condensed consolidated interim financial statements at 30 June 2022.

Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Condensed consolidated statements of changes in equity for the six months ended 30 June 2022 and 2021

(in thousand euro)

	Notes	Subscribed capital	Reserves	Own shares	Consolidated profit or loss for the period	(Interim dividend)	Valuation adjustments	Total
Adjusted balance at 1 January 2021 (*)		37,512	250,369	-	134,846	-	44,632	467,359
Total recognised income/(expense)		-	-	-	58,210	-	5,588	63,798
Transactions with owners or mutual members		6,025	(126,025)	(765)	-	(26,636)	-	(147,401)
Capital increases or mutual fund		6,025	(6,025)	-	-	-	-	-
Capital reductions or mutual fund		-	(120,000)	-	-	-	-	(120,000)
Distribution of dividends or payments due to mutual members	5	-	-	-	-	(26,636)	-	(26,636)
Transactions with own shares or holdings (net)		-	-	(765)	-	-	-	(765)
Other changes in equity		-	134,978	-	(134,846)	-	-	132
Payments based on equity instruments		-	132	-	-	-	-	132
Transfers between equity items		-	134,846	-	(134,846)	-	-	-
Balance at 30 June 2021		43,537	259,322	(765)	58,210	(26,636)	50,220	383,888
Adjusted balance at 01 January 2022		43,537	260,146	(1,247)	110,137	(77,664)	43,366	378,275
Total recognised income/(expense)		-	-	-	48,976	-	(54,944)	(5,968)
Transactions with owners or mutual members		-	-	248	(21,459)	(21,770)	-	(42,981)
Distribution of dividends or payments due to mutual members	5	-	-	-	(21,459)	(21,770)	-	(43,229)
Transactions with own shares or holdings (net)		-	-	248	-	-	-	248
Other changes in equity		-	10,650	-	(88,678)	77,664	-	(364)
Payments based on equity instruments		-	(364)	-	-	-	-	(364)
Transfers between equity items		-	11,014	-	(88,678)	77,664	-	-
Balance at 30 June 2022		43,537	270,796	(999)	48,976	(21,770)	(11,578)	328,962

Condensed consolidated statements of cash flows for the six months ended 30 June 2022 and 2021

(in thousand euro)

	30/06/2022	30/06/2021 (*)
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	46,268	53,792
Insurance activities:	49,460	68,726
Cash proceeds from insurance activities	483,100	479,429
Cash payments from insurance activities	(433,640)	(410,703)
Other operating activities:	4,748	2,741
Cash proceeds from other operating activities	4,984	6,333
Cash payments from other operating activities	(236)	(3,592)
Income tax collected/(paid)	(7,940)	(17,675)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	29,821	21,505
Proceeds from investing activities:	119,406	85,144
Property, plant and equipment	-	-
Investment property	2,189	2,388
Financial instruments	102,918	67,896
Interest received	12,364	13,128
Dividends collected	1,935	1,732
Payments for investing activities:	(89,585)	(63,639)
Property, plant and equipment	(943)	(1,649)
Investment property	(434)	(348)
Intangible assets	(2,242)	(2,576)
Financial instruments	(82,782)	(57,176)
Other payments for investing activities	(3,184)	(1,890)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	(90,055)	(123,475)
Proceeds from financing activities:	-	52
Other proceeds from financing activities	-	52
Payments for financing activities:	(90,055)	(123,527)
Dividends to shareholders	(43,229)	(120,000)
Acquisition of own and parent company securities	(364)	(766)
Other payments for financing activities	(46,462)	(2,761)
EFFECT OF EXCHANGE RATE FLUCTUATIONS	695	(170)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(13,271)	(48,348)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	115,788	162,500
CASH AND CASH EQUIVALENTS AT END OF PERIOD	102,517	114,152

(*) Unaudited figures, presented for comparison purposes only.

Notes 1 to 17 to the accompanying condensed consolidated financial statements form an integral part of these condensed consolidated interim financial statements at 30 June 2022.

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Notes to the consolidated
interim financial statements

June 2022



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Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

1. Overview of the Group and its activities

a) Overview of the Group

The Línea Directa Group consists of Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and its subsidiaries. Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros (the "Parent") was incorporated in Madrid on 13 April 1994 under the name of "Bankinter Seguros Directos, S.A. Compañía de Seguros y Reaseguros". On 6 July 1994, it changed its name to "Bankinter Aseguradora Directa, S.A. Compañía de Seguros y Reaseguros". The decision was reached at the General Shareholders' Meeting held on 26 January 1995 to change its name to "Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros".

The Parent engages in insurance and reinsurance activities in the motor, home and other non-life segments, all of which it is authorised to carry out by the Spanish Directorate General of Insurance and Pension Funds. On 19 July 2017, the Directorate granted authorisation to operate also within the illness line of the healthcare segment. The Parent started selling health insurance products in October 2017.

Its registered office is at calle Isaac Newton 7, Tres Cantos, Madrid, Spain. The Parent operates entirely in Spain and Portugal.

With respect to Portugal, the Group was authorised to operate in the Other insurance segment on 25 September 2017. As this line of activity was residual and immaterial in 2022 and 2021, it has not been deemed relevant to break down the information by geographical area.

The Parent directs and manages its stakes in other entities by organising human and material resources accordingly. The Parent operates in Motor, Home, Health and Other insurance business, as described in Note 4. Its business distribution channels are mainly telephone and internet sales.

The Parent's shares have been listed and traded on the continuous market of the Madrid Stock Exchange since 29 April 2021. Bankinter, S.A. holds a 17.4% stake in the Parent, while the remaining 82.6% was distributed among its shareholders by delivering one share in Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros for each Bankinter share held (Note 14).

The subsidiaries of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros and subsidiaries are as follows: Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros, Línea Directa Asistencia, S.L.U., Motoclub LDA, S.L.U., Centro Avanzado de Reparaciones, S.L.U., Ambar Medline, S.L.U., LDActivos, S.L.U. and LDA Reparaciones, S.L.U, as described in Note 4, all of which are auxiliary or non-insurance investment companies.

Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

The consolidated financial statements for 2021 were approved at the Annual General Meeting held on 24 March 2022 and then filed with the Companies Registry of Madrid. Those same consolidated financial statements can be found on the Company's corporate website: www.lineadirectaaseguradora.com.

b) Risk environment

The Group does not believe that there were any significant changes in the risks to which it is exposed during the first half of 2022.

2. Basis of presentation of the condensed consolidated interim financial statements

a) Regulatory financial reporting framework applicable to the Group

These interim financial statements have been prepared in accordance with the applicable financial reporting framework, as set forth below:

- International Financial Reporting Standards, adopted by the European Union by means of EU Regulations, in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002, and its subsequent amendments (EU-IFRS).
- In the IFRS Interpretations Committee (IFRIC).
- Regulations emanating from the Spanish Directorate General for Insurance and Pension Funds, including the Framework Document on the accounting regime for insurance entities relating to IFRS 4 — Insurance Contracts, as published on 22 December 2004.
- The Spanish Commercial Code (*Código de Comercio*) and other commercial legislation.
- The Spanish Law and Regulation on the organisation, supervision and solvency of insurance and reinsurance undertakings (hereinafter known by its Spanish acronym of “LOSSEAR” when referring to the Law and “ROSSEAR” when referring to the Regulation), as approved by Law 20/2015 and Royal Decree 1060/2015, respectively, and the regulations emanating from the Directorate General for Insurance and Pension Funds.
- The non-repealed articles of the Regulation on the Organisation and Supervision of Private Insurance (hereinafter, “ROSSP” or the “Regulation”), as approved by Royal Decree 2486/1998 and its partial amendments.
- Format and marking requirements set out in Commission Delegated Regulation (EU) 2018/815.

Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

These condensed consolidated interim financial statements are presented in accordance with IAS 34 – Interim Financial Reporting and were drawn up by the directors on 21 July 2022, all in accordance with the provisions of Article 12 of Royal Decree 1362/2007 and taking into account the provisions of Circular 3/2018 of the Spanish Securities Market Regulator (CNMV) of 28 June 2018.

In accordance with IAS 34, interim financial information is prepared for the sole purpose of updating the content of the last consolidated financial statements to have been drawn up (in this case, at 31 December 2021), focusing on new activities, events and circumstances to have occurred during the six-month period without duplicating information previously disclosed in those last special purpose consolidated financial statements.

Accordingly, these condensed interim consolidated financial statements do not include all the information that would be required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2021, to ensure a proper understanding of the information contained herein.

The accounting policies and methods used in the preparation of these condensed interim consolidated financial statements have not changed significantly from those applied in the Group's consolidated financial statements for the year ended 31 December 2021.

b) True and fair view

The accompanying condensed consolidated interim financial statements have been prepared from the Company's accounting records and are presented in accordance with the applicable financial reporting framework, especially the accounting principles and criteria contained therein, to provide a true and fair view of the Group's consolidated equity, consolidated financial position, consolidated earnings and consolidated cash flows for the six-month period ended 30 June 2022.

c) Functional currency and presentation currency

The condensed consolidated interim financial statements are presented in thousands of euro, rounded off to the nearest thousand, which is the functional and presentation currency of the Parent and its Subsidiaries.

d) Basis of presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, with the following exceptions:

- Derivative financial instruments and financial assets at fair value through other comprehensive income.

Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

- Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs of disposal.

There has been no early adoption of any standards or interpretations that have been approved by the European Commission but that were not yet in effect during the first half of 2022.

e) Critical aspects regarding the valuation and estimation of uncertainty

The preparation of condensed consolidated interim financial statements in accordance with IFRS-EU requires significant accounting estimates, judgments and assumptions to be made during the process of applying the Group's accounting policies. These estimates are made on the basis of the best information available and relate mainly to provisions for benefits, impairment losses on certain assets, the useful life of intangible assets, property, plant and equipment, investment property and the fair value of certain non-listed assets and liabilities. They also relate to income tax expense, which, in accordance with IAS 34, is recognised in interim periods on the basis of the best estimate of the weighted average tax rate that the Group expects for the annual period.

While these estimates have been made on the basis of the best information available in relation to the events analysed at the balance sheet date, it is possible that future events may require these estimates to be modified (upwards or downwards) in subsequent years. Any resulting changes would be reflected in the corresponding consolidated statements of profit or loss and under the heading "Valuation adjustments" in the Group's equity.

During the six months ended 30 June 2022, there have been no significant changes to the estimates made at the end of 2021. With respect to 30 June 2021, note that on 29 December 2021, the Directorate General for Insurance and Pension Funds issued a decision on the request made to change the statistical methodology used in the motor segment, thus authorising the Group to calculate the technical provisions for motor insurance benefits using the Merz & Wüthrich stochastic methodology and the average cost deterministic methodology as a counterfactual methodology. The methodological change started to be applied at the close of 2021 and did not have a significant impact. In accordance with IFRS 4, the new calculation method does not introduce an additional element of prudence.

f) Comparison of information

The information contained in these condensed consolidated interim financial statements at 31 December 2021 and 30 June 2021 is presented solely for comparative purposes with the information relating to the six-month period ended 30 June 2022.

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Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

g) Materiality

When determining the information to be disclosed under the various line items of the financial statements or other business, the Group has, in accordance with IAS 34, considered materiality in relation to the interim consolidated financial statements for the six-month period.

h) Seasonality of the Group's transactions

Given the nature of the business activities carried out by the various Group companies, the Group's transactions are not considered heavily cyclical or seasonal. As a result, no specific disclosures are included in these explanatory notes to the condensed consolidated financial statements for the six months ended 30 June 2022.

i) Changes in accounting standards

There has been no change in accounting policies during the six months ended 30 June 2022 in respect of the consolidated financial statements for the year ended 31 December 2021.

j) Standards, amendments and interpretations mandatory for all financial years beginning on or after 1 January 2022

IAS 16 (Amendment) — Property, Plant and Equipment: Proceeds before Intended Use.

It is prohibited to deduct from the cost of an item of property, plant and equipment any proceeds from selling items produced while the entity was readying the asset for its intended use. Proceeds from the sale of such samples, together with production costs, are now recognised in profit or loss. The amendment also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. An asset might therefore be capable of operating as intended by management and subject to depreciation before it has achieved the level of operating performance expected by management. The effective date of these amendments is 1 January 2022.

These amendments have had no impact on the Group's condensed consolidated statements.

Annual Improvements to IFRS 2018 – 2020 Cycle.

The amendments affect IFRS 1, IFRS 9, IFRS 16 and IAS 41 and apply to annual periods beginning on or after 1 January 2022. The main changes relate to:

- IFRS 1 — First-time Adoption of IFRS: IFRS 1 allows for an exemption if a subsidiary adopts IFRSs at a later date than its parent. This amendment permits entities that have taken this exemption to also measure

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Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.

- IFRS 9 — Financial Instruments: the amendment addresses which costs should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to third parties or to the lender. According to the amendment, costs or fees paid to third parties will not be included in the 10% test.
- IAS 41 — Agriculture: this amendment removes the requirement to exclude cash flows for tax purposes when measuring fair value under IAS 41.

These amendments have had no impact on the Group's condensed consolidated statements.

k) Standards and interpretations issued but not applied

IFRS 17 – Insurance contracts

This standard will replace IFRS 4 – Insurance Contracts, which allows for the continued use of local accounting practices and has resulted in insurance contracts being accounted for differently across jurisdictions. This standard, endorsed by the International Accounting Standards Board (IASB), was published on 23 November 2021 in the Official Journal of the European Union (OJEU). IFRS 17 sets out principles for the recognition, presentation and disclosure of insurance contracts so that an entity provides relevant and reliable information to enable users of financial information to assess the effect that these contracts have on the entity's financial statements.

With the aim of standardising international insurance accounting practices, IFRS 17 envisions three valuation methods for insurance contracts:

- General measurement model (Building Block Approach, or BBA), which is the default method.
- Variable Fee Approach (VFA), which is a variant of the general model (BBA) and should be applied to contracts with significant direct participation features.
- Premium Allocation Approach (PAA), which is a simplification of the BBA and can optionally be used for contracts with coverage equal to or less than one year, or in those specific cases where, although the contract is for a duration of more than one year, it is not expected to produce a valuation materially different from that of the BBA. This approach is similar to the current unearned premium provision model.

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Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

The implementation of IFRS 17 will entail consistent accounting for all insurance contracts based on the valuation models provided for in the standard, which will use calculation assumptions updated at each reporting date (such as the discount rate, actuarial assumptions and with respect to other financial variables).

The Group currently operates in the Motor, Home, Health and Other insurance business segments. The direct insurance contracts relating to these segments currently have a term of one year, which allows the Group to opt for the application of the PAA approach. In addition, an eligibility test has been carried out on reinsurance contracts with terms of more than one year, without finding significant differences in the application of the valuation models (BBA and PAA). Therefore, the Group has decided to apply the PAA model for all reinsurance contracts.

In the first half of 2022, a final decision was made to select as units of account the current segments set out in IFRS 8.

The effects of changes in the above assumptions may be recognised in either the consolidated statement of profit or loss or in equity in the consolidated balance sheet, depending on their nature and whether or not they are associated with the provision of a service that has already occurred, or involve a reclassification between the components of the recognised insurance liability.

In recognising finance income or finance costs on insurance contracts that arise as a result of a change in the discount rate, they may be recognised both in the statement of profit or loss and in equity in the consolidated balance sheet. The Group's preliminary decision is to recognise financial expenses or income from insurance contracts in the consolidated statement of profit or loss.

However, if the contract is onerous at initial recognition or becomes so during the period in which the entity performs the service, the entity must immediately recognise the loss in the consolidated statement of profit or loss. According to the preliminary analysis carried out, the only unit of account that could be considered as onerous is the health unit, given that a provision for unexpired risks has already been assigned to this segment (Note 12).

IFRS 17 will apply for annual periods beginning on or after 1 January 2023, although comparative disclosures will be mandatory. This means that:

- Each group of contracts must be identified, recognised and measured as if IFRS 17 had always been applied.
- Items that would not exist if IFRS 17 had always been applied should be derecognised from the financial statements.
- Any net difference that may arise in application of the above items shall be recorded in equity.

In this respect, the Group shall apply the changes retrospectively for the insurance contracts of the direct business as well as for ceded reinsurance contracts.

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The Group has performed a preliminary impact analysis on the application of IFRS 17. The main impacts are expected to affect the recognition of onerous contracts, the calculation and amount of which does not differ significantly from the current calculation under IFRS 4 of the provision for unexpired risks, and also in the calculation of the provision for claims incurred, the preliminary analysis of which yields results that are in a similar confidence interval to the provision for benefits calculated under IFRS 4, concluding that the first-time adoption of the standard will not have a significant financial impact on the Group, as the PAA model will generally be applied and its calculation methodology is substantially similar to the method currently used under IFRS 4.

The impact on future earnings is also expected to be immaterial, with the difference in respect of current earnings existing mainly because of the pattern of recognition of contracts with initial loss (onerous).

During the first half of 2022, the Group finalised the definition of the accounting policies to be applied under IFRS 17 and the necessary tools were installed and adapted so as to be able to apply them properly. The Group is currently finalising the necessary tests so that all of the necessary improvements can be put into production so as to ensure compliance with the standard and the preparation of the necessary reports as of 1 January 2023. Parallel events are also scheduled to take place during the second half of the year in order to anticipate any problems that may arise prior to the entry into force of the standard.

IFRS 9 — Financial Instruments

The Group has elected to apply the temporary exemption from the effective date of IFRS 9 — Financial Instruments, as described in paragraphs 20A – 20N of IFRS 4 — Insurance Contracts, as it considers that it meets the eligibility criteria set out in that standard.

By availing itself of this exemption, the date of application of IFRS 9 will be the date of entry into force of IFRS 17 — Insurance Contracts, which, according to the decision of the International Accounting Standards Board (“IASB”), will be 1 January 2023. The European Union has adopted IAS 39 — Financial Instruments for application in Europe on 19 November 2021. Therefore, the Group will continue to apply IAS 39 — Financial Instruments: Recognition and measurement.

The Group has conducted the necessary analyses to be able to apply such deferral and has determined its eligibility by confirming that the percentage of the total carrying amount of its liabilities connected with insurance relative to the total carrying amount of all its liabilities is greater than 90%, and that the Group does not engage in a significant activity unconnected with insurance, as indicated in paragraph 20D of IFRS 4. The analysis has been carried out on the basis of figures at 31 December 2021, with no significant change in this respect having become apparent during the first half of the financial year 2022.

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The disclosure requirements for financial assets required by IFRS 4 when applying this temporary exemption are set out in Note 8-a iii).

In addition, and given that it was already required under IFRS 4, in order to analyse the potential impact of the effective application of IFRS 9 — Financial Instruments and to improve the comparability of the information between the entities that are applying that standard, the SPPI test is already being carried out for the securities recognised under the headings “Available-for-sale financial assets” and “Loans and receivables”. Note 7-a 2) “Financial investments” provides the information required under the standard.

Its implementation is not expected to generate any significant impact, due to the nature and characteristics of the Group’s investment portfolio, as no significant changes are expected in the classification of financial assets or in their valuation, because the current debt securities pass the SPPI test. Therefore, no major reclassifications of portfolios will be necessary, although there may be a non-substantial increase in the impairment loss due to the new methodology used under this standard. Any such increase would be recorded in reserves at the transition date. The most significant change will affect the way changes in the valuation of investment funds are recognised under IFRS 9, which will be done through the consolidated statement of profit or loss due to the characteristics of this type of asset. In relation to shares, IFRS 9 provides for the possibility of measuring them either at fair value through equity without recycling to profit or loss (irrevocable election) or at fair value through profit or loss, depending on the business model chosen. The Group has assessed the impact of this choice and has decided to opt for the application of the irrevocable election in the case of shares.

1) Standards, amendments and interpretations of existing standards that cannot be adopted early or that have not been adopted by the European Union

Amendments to IAS 1 – Presentation of Financial Statements

IAS 1 will be amended to promote consistency in application and to clarify the requirements on determining whether a liability is current or non-current.

A number of further amendments will be included with the aim of improving disclosures relating to accounting policies that are considered material, i.e. without which users of financial statements would be unable to understand other material information contained in the financial statements. The amendments also clarify that immaterial disclosures on accounting policies are not required.

These amendments shall apply for annual periods beginning on or after 1 January 2023. They are currently pending adoption by the European Union.

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Amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

The amendments to IAS 8 provide a new definition of accounting estimates, among other changes, to help entities distinguish between changes in accounting estimates and changes in accounting policies. An entity is required to apply the standard in its first IFRS financial statements for periods beginning on or after 1 January 2023. This amendment is pending adoption by the European Union.

Amendments to IAS 12 — Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

On 7 May 2021, the IASB issued amendments to IAS 12 that require deferred tax to be recognised on transactions that, on initial recognition, give rise to cumulative and deductible temporary differences of the same amount. This will be mainly reflected in the recognition of deferred tax upon initial recognition of right-of-use assets and lease liabilities under IFRS 16 — Leases and for the recognition of assets and liabilities when decommissioning provisions are made under IAS 37 — Provisions, Contingent Liabilities and Contingent Assets. The amendments are effective for financial years beginning on or after 1 January 2023. Early adoption is permitted. This amendment is pending adoption by the European Union.

IFRS 17 (Amendment) — Initial Application of IFRS 17 and IFRS 9 — Comparative Information

The IASB has published an amendment to IFRS 17 that makes modifications of limited scope to the transition requirements under IFRS 17 — Insurance Contracts and does not affect any other requirements of IFRS 17. IFRS 17 and IFRS 9 — Financial Instruments have different transition requirements. For some insurers, these differences may result in one-off accounting mismatches between financial assets and insurance contract liabilities in the comparative information they present in their financial statements when they apply IFRS 17 and IFRS 9 for the first time. The amendment will help insurers to avoid these asymmetries and thus improve the usefulness of the comparative information they provide to investors.

This amendment, which is pending adoption by the European Union, is effective for annual periods beginning on or after 1 January 2023.

3. Scope of consolidation

Subsidiaries are all companies over which the Parent exercises direct or indirect control (see Note 3 a)). Subsidiaries are considered from the date on which control is transferred to the Parent and are excluded from consolidation on the date on which consolidation ceases.

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The list of entities included in the scope of consolidation is as follows:

Company name	% of direct holding	Relationship	Method of consolidation	Activity	Address	Auditor
Línea Directa Asistencia, S.L.U.	100%	Subsidiary	Fully consolidated	Valuations, vehicle inspections and roadside assistance	Madrid	PricewaterhouseCoopers Auditores S.L.
Moto Club LDA, S.L.U.	100%	Subsidiary	Fully consolidated	Services for motorcycle users	Tres Cantos (Madrid)	PricewaterhouseCoopers Auditores S.L. (*)
Centro Avanzado de Reparaciones, S.L.U.	100%	Subsidiary	Fully consolidated	Vehicle repairs	Torrejón de Ardoz (Madrid)	PricewaterhouseCoopers Auditores S.L.
Ambar Medline, S.L.U.	100%	Subsidiary	Fully consolidated	Insurance brokerage	Tres Cantos (Madrid)	PricewaterhouseCoopers Auditores S.L. (*)
LDActivos, S.L.U.	100%	Subsidiary	Fully consolidated	Asset management on behalf of insurance companies	Tres Cantos (Madrid)	PricewaterhouseCoopers Auditores S.L. (*)
LDA Reparaciones, S.L.U.	100%	Subsidiary	Fully consolidated	Management and repair of special home claims	Tres Cantos (Madrid)	PricewaterhouseCoopers Auditores S.L. (*)

(*) Limited review of condensed annual accounts.

All significant balances and transactions between consolidated companies have been eliminated in the consolidation process.

There were no changes in the scope of consolidation in 2022 or 2021.

4. Segment information

The Group is structured internally into operating segments, which have been defined according to the different categories of products and services provided by the Group. The earnings and results of these segments are regularly reviewed as part of the decision-making process to decide on the resources to be allocated to the segment and to assess its performance. The Group's Board of Directors, which includes the Chief Executive Officer, identifies the segments from a business perspective and is the supreme decision-making body when it comes to defining these segments.

The Group comprises the following operating segments within the meaning of IFRS 8, whose principal products, services and operations are as follows:

- Motor
- Home
- Health
- Other insurance businesses

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– Other activities

All segments are directly or indirectly related to the insurance business. The motor, home, health and other insurance business segments correspond to insurance-only activities.

- The motor segment includes private motor insurance through a range of products including comprehensive, with and without excess, extended third party and standard third party, among others, motorbike insurance with products such as comprehensive with excess, third party with theft and fire, extended third party etc., or fleet insurance.
- The home segment includes a variety of multi-risk home insurance products that include coverage such as theft damage, civil liability, fire damage, aesthetic damage, etc.
- The health segment includes health insurance products under the Vivaz brand in the health care segment.
- The other insurance segment includes various products with stand-alone policies that are not linked to motor, home or health insurance, such as travel insurance for holders of credit cards and wellness insurance.
- The other activities segment mainly relates to auxiliary insurance businesses and commissions from the sale of insurance products of other insurers. It also includes roadside assistance and vehicle repair services that Group subsidiaries provide to third parties outside the Group and that are not, therefore, eliminated on consolidation. The income and expenses of this segment are shown in the headings "Other income" and "Other expenses" in the consolidated statement of profit or loss in relation to other activities. These activities do not meet the quantitative criteria for separate presentation.

The Group's management strategy is to analyse the performance of each segment by its profit after tax. The Group performs virtually all of its business activities in Spain.

There are no differences in accounting policies, nature of activities, valuation and measurement of assets and liabilities between each of the operating segments and there have been no changes from previous years.

Set out below is a breakdown of segment income and expenses and segment profit/(loss) for the year, a performance measure used by Group management in accordance with the requirements of IAS 34 for the six-month periods ended 30 June 2022 and 2021.

30/06/2022

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	Motor	Home	Health	Other insurance businesses	Consolidated
Total premiums earned, net of reinsurance	370,371	63,021	7,610	737	441,739
Total claims incurred in the period, net of reinsurance	(266,484)	(36,183)	(7,530)	(21)	(310,218)
Profit sharing	-	-	-	(235)	(235)
Total net operating expenses	(71,468)	(20,405)	(2,330)	(76)	(94,279)
Other income and expense for the non-life insurance business	7,286	(121)	(121)	-	7,044
Technical profit/(loss)	39,705	6,312	(2,371)	405	44,051
Total investment income	32,781	2,604	1,379	30	36,794
Total investment expenses	(18,312)	(90)	(11)	(1)	(18,414)
Income from the non-life insurance business account	54,174	8,826	(1,003)	434	62,431

30/06/2021

	Motor	Home	Health	Other insurance businesses	Consolidated
Total premiums earned, net of reinsurance	370,806	58,166	6,342	679	435,993
Total claims incurred in the period, net of reinsurance	(244,740)	(33,435)	(6,678)	(32)	(284,885)
Profit sharing	-	-	-	(172)	(172)
Total net operating expenses	(75,358)	(19,550)	(2,567)	(10)	(97,485)
Other income and expense for the non-life insurance business	9,882	(91)	(103)	-	9,688
Technical profit/(loss)	60,590	5,090	(3,006)	465	63,139
Total investment income	20,101	1,622	1,027	19	22,769
Total investment expenses	(9,915)	(51)	(7)	(1)	(9,974)
Income from the non-life insurance business account	70,776	6,661	(1,986)	483	75,934

The following table provides a breakdown of investment income and expenses of the consolidated non-life insurance business by segment for the six-month periods ended 30 June 2022 and 2021.

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	Motor	Home	Health	Other insurance businesses	Consolidated
Income from investments in property, plant and equipment	1,823	308	37	4	2,172
Income from financial investments	10,728	2,296	1,342	26	14,392
Gains/(losses) on realisation of investments	20,230	-	-	-	20,230
On investments in property, plant and equipment	-	-	-	-	-
Financial investments	20,230	-	-	-	20,230
Total investment income	32,781	2,604	1,379	30	36,794
Investment management expenses	(3,577)	(90)	(11)	(1)	(3,679)

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Expenses from managing investments in property, plant and equipment	(1,452)	(90)	(11)	(1)	(1,554)
Expenses from managing financial investments	(2,125)	-	-	-	(2,125)
Investment valuation adjustments	(14)	-	-	-	(14)
Depreciation of investments in property, plant and equipment	(14)	-	-	-	(14)
Losses on investments	(14,721)	-	-	-	(14,721)
Losses on investments in property, plant and equipment	-	-	-	-	-
Losses on financial investments	(14,721)	-	-	-	(14,721)
Total investment expenses	(18,312)	(90)	(11)	(1)	(18,414)

30/06/2021

	Motor	Home	Health	Other insurance businesses	Consolidated
Income from investments in property, plant and equipment	1,854	281	31	3	2,169
Income from financial investments	11,984	1,341	996	16	14,337
Gains/(losses) on realisation of investments	6,263	-	-	-	6,263
Financial investments	6,263	-	-	-	6,263
Total investment income	20,101	1,622	1,027	19	22,769
Investment management expenses	(3,707)	(51)	(6)	(1)	(3,765)
Expenses from managing investments in property, plant and equipment	(1,284)	(51)	(6)	(1)	(1,342)
Expenses from managing financial investments	(2,423)	-	-	-	(2,423)
Investment valuation adjustments	(13)	-	-	-	(13)
Depreciation of investments in property, plant and equipment	(13)	-	-	-	(13)
Losses on investments	(6,196)	-	-	-	(6,196)
Losses on investments in property, plant and equipment	(7)	-	-	-	(7)
Losses on financial investments	(6,189)	-	-	-	(6,189)
Total investment expenses	(9,916)	(51)	(6)	(1)	(9,974)

5. Dividends

At its meeting of 24 March 2022, the General Shareholders' Meeting resolved to approve a final dividend out of profits for 2021 for a total amount of € 21,459 thousand. The dividend was paid on 31 March 2022.

At its meeting of 21 April 2022, the Board of Directors of the Parent resolved to distribute an interim dividend out of 2022 earnings for a total amount of € 21,770 thousand (€ 0.020 per share). This interim dividend was paid on 8 June 2022.

The legally required accounting statement drawn up by the Parent in relation to the last available accounting close at the date of the dividend proposal shows sufficient liquidity for the distribution of the interim dividend, as follows:

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Liquidity statement for the period:

	Resolution of 24.03.2022	Resolution of 21.04.2022
Net profit at date of resolution	110,137	24,189
Less:		
Other reserves	-	-
Interim dividends charged to profit or loss for the year	-	-
Unrestricted profit	110,137	24,189
Proposal to pay interim dividends	21,459	21,770
Total dividend to be paid	21,459	21,770
Cash liquidity prior to payment	82,003	108,217
Expected receipts less expected payments	54,404	18,514
Remaining cash	136,407	126,731

6. Earnings per share

Basic:

Basic earnings per share are calculated by dividing the profit for the year attributable to shareholders of the Parent by the weighted average number of ordinary shares outstanding during the year:

	30/06/2022	30/06/2021
Profit/(loss) for the year attributable to the owners of the Parent	48,976	58,210
Weighted average of shares issued (thousands of shares)	1,088,417	1,088,417
Weighted own shares (thousands of shares) (*)	(536)	(173)
Weighted average number of common shares outstanding (thousands of shares)	1,087,881	1,088,417
Basic earnings per share (in euro)	0.05	0.05

(*) Refers to own shares held in treasury and weighted according to the period in which they were issued (Note 16-b).

At 30 June 2022, there were 638 thousand treasury shares making the weighted average number of ordinary shares outstanding lower than the weighted average number of shares issued at that date.

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At 30 June 2021, there were 521 thousand treasury shares making the weighted average number of ordinary shares outstanding lower than the weighted average number of shares issued at that date.

Diluted:

Diluted earnings per share are calculated by adjusting the profit for the year attributable to shareholders of the Parent and the weighted average number of ordinary shares outstanding for all dilutive potential ordinary shares. The dilutive effect on earnings per share at 30 June 2022 and 2021 was not material.

7. Remuneration and other benefits of the Board of Directors

Remuneration received by the Group's directors and executives amounted to € 1,149 thousand and € 3,277 thousand, respectively, during the first half of 2022, and € 872 thousand and € 2,107 thousand, respectively, during the first half of 2021, as follows:

	30/06/2022	30/06/2021
Remuneration for membership of the Board and/or Board committees	398	226
Wages	170	250
Variable remuneration in cash	-	221
Share-based remuneration schemes	55	-
Severance items	405	-
Long-term savings schemes	99	161
Other items	22	14
Total	1,149	872

	30/06/2022	30/06/2021
Wages	1.045	1.154
Variable remuneration in cash	-	252
Share-based remuneration schemes	277	-
Severance items	1.342	-
Long-term savings schemes	527	612
Other items	86	89
Total	3,227	2,107

Senior Management is defined as the Group's Management Committee comprising 12 executives. This group, together with the Chief Executive Officer, participates in the share-based remuneration programme described in Note 16-c.

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The € 98 and € 527 thousand pertaining to long-term savings schemes are defined contributions to the collective insurance policy that the Group has arranged as a pension commitment for certain senior management employees and the CEO and which qualify as non-vested employee benefit products.

At 30 June 2022 and 2021, no advances or loans had been granted by the Parent to the members of its Board of Directors or Senior Management and no obligations had been assumed on their behalf as way of guarantee or collateral.

8. Financial instruments

a) Financial assets

i. Balances of financial assets

The classification of financial assets by category and class at 30 June 2022 and 31 December 2021 is as follows:

	30/06/2022	31/12/2021
Financial assets at fair value through other comprehensive income		
Available-for-sale financial assets		
Equity instruments		
Listed	66,265	97,457
Non-listed	66,627	56,506
Debt securities		
Listed	634,823	711,015
Total financial assets at fair value through other comprehensive income	767,715	864,978
Financial assets at amortised cost		
Loans and receivables		
Debt securities	8,499	10,990
Receivables on direct insurance business – policyholders	61,996	53,538
Receivables on reinsurance business	7,756	7,969
Other receivables	40,939	47,078
Total financial assets at amortised cost	119,190	119,575
Total financial assets	886,905	984,553

With respect to “Financial assets at fair value through other comprehensive income”, the main changes in the balances at 30 June 2022 compared to the end of 2021 are a reduction in the balance of debt securities due to the prevailing economic climate and rising interest rates, which have pushed down the value of the portfolio held by the Group.

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The increase in the balance of non-listed equity instruments is mainly due to the investment, through subsidiary company LD Activos, of € 6,620 thousand in two companies engaged in real estate investment activities. The main investment was a further increase of € 2,400 thousand in the existing stake held in Bankinter Logística, which invests in logistics assets in Spain (central Spain, Barcelona and Zaragoza) through one of the main asset managers operating in the sector (Montepino). Its current portfolio is made up of state-of-the-art, high quality assets with 100% occupancy and an average age of 1.5 years. The leases include long-term mandatory periods and the assets are occupied by prime tenants. The Group's stake in this company is not significant and Bankinter S.A., which is a significant shareholder of the Group, acts as marketer in placing the company's shares. This company is likely to become a SOCIMI (Spanish REIT) in the mid run.

The second investment was to acquire a stake worth € 4,220 thousand in a company whose corporate purpose is to take part in the acquisition of business premises located at Puerta del Sol, 11 in Madrid, the tenant of which is Primor. The company and its main asset are managed by Sonae Sierra.

Under Financial assets at amortised cost:

- The sub-heading "Debt securities" includes commercial paper from private issuers. The reduction in the balance at 30 June 2022 compared to December 2021 is due to the maturity of certain commercial paper instruments.
- The sub-heading "Receivables on direct insurance business" shows insurance policy receipts pending collection, both those relating to earned premium receipts and unearned split payments of premium receipts. The increase in the balance at 30 June 2022 compared to December 2021 relates largely to split payments of premium receipts in the Health segment, most of which are annual policies with split monthly payments running from 1 January to 31 December of each year; at year-end there were no split payment receipts pending issue and at the end of June they included the split payments still payable over the second half of the year.

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ii. Income and expenses from financial assets

The amount of net gains and losses by category of financial asset at 30 June 2022 and 2021 is as follows:

	30/06/2022		
	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Other financial assets
Interest on bank deposits	172	-	-
Income from premium instalments	2,293	-	-
Application of change in value of investments	-	-	-
Net losses on swap valuation	-	-	13,691
Losses on realisation of investments	-	(2,041)	-
Interest on fixed-income securities	-	7,531	-
Income on equity instruments	-	2,207	-
Net valuation gains on fixed income securities covered by swap	-	-	(12,680)
Gains on realisation of investments	-	6,539	-
Positive exchange differences	-	897	-
Negative exchange differences	-	(202)	-
Other expenses	-	-	(630)
Net result in profit and loss	2,465	14,931	381
Change in fair value	-	(54,944)	-
Net result in other comprehensive income	-	(54,944)	-
	31/12/2021		
	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Other financial assets
Interest on bank deposits	208	-	-
Income from premium instalments	2,263	-	-
Application of change in value of investments	-	-	-
Gains on realisation of investments	-	-	-
Positive exchange differences	-	-	-
Net losses on swap valuation	-	-	5,637
Losses on realisation of investments	-	(552)	-
Interest on fixed-income securities	-	8,581	-
Income on equity instruments	-	1,768	-
Net valuation gains on fixed income securities covered by swap	-	-	(5,637)
Gains on realisation of investments	-	626	-
Positive exchange differences	-	20	-
Negative exchange differences	-	(190)	-
Other expenses	-	-	(735)
Net result in profit and loss	2,471	10,253	(735)
Change in fair value	-	5,588	-
Net result in other comprehensive income	-	5,588	-

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iii. Fair value breakdown

Financial assets at fair value with changes in other comprehensive income are as follows, by valuation level:

		30/06/2022		
	Carrying amount	Level 1	Fair value Level 2	Level 3
Financial assets at fair value through other comprehensive income				
Equity instruments				
Listed	66,265	66,265	-	-
Non-listed	66,627	-	28	66,599
Debt securities				
Listed	634,823	631,924	2,899	-
Non-listed	-	-	-	-
Total	767,742	698,189	2,927	66,627

		31/12/2021		
	Carrying amount	Level 1	Fair value Level 2	Level 3
Financial assets at fair value through other comprehensive income				
Equity instruments				
Listed	97,457	97,457	-	-
Non-listed	56,506	-	28	56,478
Debt securities				
Listed	711,015	702,923	8,092	-
Non-listed	-	-	-	-
Total	864,978	800,380	8,120	56,478

The fair values of non-current loans and receivables are not included because their carrying amounts are a reasonable approximation of fair value.

To determine Level 2 fair values at 30 June 2022 and 31 December 2021, a model has been used in which discounted future cash flows, including the redemption value, are discounted from a yield curve with two main components:

- Zero coupon swap curve of the currency in which the issue is denominated, which is considered to be the best approximation of the risk-free interest rate.
- Additional risk spread, which will be the spread added or deducted from the zero-coupon swap curve reflecting the risks inherent in the issuance being assessed, such as: Credit risk, illiquidity and optionality risk.

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The following table sets out the valuation methods used at 30 June 2022 and 31 December 2021 to determine Level 3 fair values, along with the unobservable inputs used and the interrelationship between key inputs and fair value.

Type	Valuation method	Variables used (non-observable)	Interrelationship between key variables and fair value
Net asset value of investments in private equity funds with renewable energy generating assets as the underlying	<p>Discounted cash flows: the most widely accepted method, which treats the investment as a cash flow generator. To obtain its value, this method calculates the present value of the future cash flows by taking into account the implicit risk of achieving them. Thus, the discounted cash flow method estimates the cash flows that the asset/investment will generate in the future, and then discounts them at an appropriate discount rate, depending on the risk associated with achieving those cash flows.</p> <p>The expected flows are determined on the basis of the following key assumptions: Regulated income – return on investment and operation in accordance with Spanish Order ETU/130/2017, Pool price, Production – number of hours, Inflation, OPEX of each facility, CAPEX, Residual value and decommissioning cost.</p> <p>Cash flows are discounted at a discount rate representing the average of the various sources of financing for each asset, weighted by the market value of each source of financing, reflecting in each case the risk assumed in financing the assets. The rates have been updated to 30 June 2022.</p> <p>Helia II: Project Cinca (mini-hydro): 4.5% – 5.0%. Project Tharsis (photovoltaic): 5.5% – 6.0%. General photovoltaic: 3.0% – 3.5%. Rest of the portfolio: 3.5% – 4.0%.</p> <p>Helia III: All the portfolio: 3.7% – 4.2%.</p> <p>Helia IV: Project Dean (photovoltaic): 3.6% – 4.1%. Rest of the portfolio: 2.7% – 3.2%.</p>	WACC and Return on investment	The higher the WACC the lower the fair value, and the higher the return on investment the higher the fair value (bearing in mind that income depends on prevailing regulations)
Net asset value of the underlying funds	<p>As funds of funds, the value of each unit is calculated as the sum of the net asset values provided by each of the underlying funds. Valuation based on amounts reported by the Fund Managers, which are compared with the net asset values included in the annual accounts. These Fund Managers are registered and filed with the CNMV.</p> <p>In each fund, the fair value is calculated in accordance with the valuation reports and financial statements provided by each investee.</p>	<p>Net asset value of each fund</p> <p>% holding in the portfolio of each fund</p>	<p>The higher the net asset value of the underlying funds, the higher the value of these funds.</p> <p>The higher the percentage holding in the underlying funds, the greater the proportional value of that fund to the investing funds.</p>
Net asset value of shares	Corresponds to holdings in SOCIMIs (Spanish REITs). The valuation methodology is based on the standards and techniques recommended by RICS, using the comparison (comparable transactions) and discounted cash flow methods (based on the estimated income and expenses of the asset over a 10-year period).	Market data on income, discount rates and annual valuation by independent expert	The higher the value of the investment property, the higher the Company's net asset value.
Net asset value of loans	Fund manager BNY Mellon conducts a daily valuation of the fund. When calculating the value, the fund manager relies on public sources to extract the daily price of the loans, these public sources being independent price providers such as Bloomberg, Markit or Reuters. These price providers draw up their information on the basis of actual transactions supplied to them by the trading desks of major financial institutions based on cross trades during the day, and supply and demand that each loan experiences during the day.	Quotations provided by the trading desks of the main financial institutions. Specialised sources, Markit Partners/LoanX and IDC/Reuters.	Prices calculated on the basis of the information supplied to them by the trading desks of the main financial institutions.

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Changes in financial assets measured in accordance with valuation techniques based on unobservable data (Level 3) are as follows:

30/06/2022	
Equity instruments	Non-listed
Balance at 31 December 2021	56,478
Purchases	8,047
Sales	(886)
Statement of profit or loss	408
Other comprehensive income	2,553
Balance at 30 June 2022	66,599

31/12/2021	
Equity instruments	Non-listed
Balance at 31 December 2020	39,852
Purchases	17,924
Sales	(8,839)
Statement of profit or loss	4,378
Other comprehensive income	3,163
Balance at 31 December 2021	56,478

There were no transfers of financial assets between the different levels during the first half of 2022.

The fixed income investment portfolio by credit rating at 30 June 2022 and 31 December 2021 is as follows (in thousand euros):

30/06/2022							
Rating	AAA	AA	A	BBB	Below investment grade	No rating	Total
Public fixed income							
SPPI	5,371	-	172,576	175,316	-	-	353,263
Private fixed income							
SPPI	8,694	8,602	98,143	146,571	13,189	14,860	290,059
Total fixed income	14,066	8,602	270,719	321,887	13,189	14,860	643,322
% fixed income	2%	1%	42%	50%	2%	2%	100%

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31/12/2021							
Rating	AAA	AA	A	BBB	Below investment grade	No rating	Total
Public fixed income							
SPPI	6,342	-	191,924	198,080	-	-	396,346
Private fixed income							
SPPI	-	10,092	104,812	165,045	27,989	17,721	325,659
Total fixed income	6,342	10,092	296,736	363,125	27,989	17,721	722,005
% fixed income	0%	1%	44%	48%	3%	4%	100%

b) Financial liabilities

i. Balances of financial liabilities

The classification of financial liabilities by category and class at 30 June 2022 and 31 December 2021 is as follows:

	30/06/2022	31/12/2021
Financial liabilities at amortised cost		
Debt and accounts payable		
Due on insurance business with policyholders	2,698	1,939
Due on insurance business with brokers	326	587
Due on conditional insurance business	3	-
Due on reinsurance business	1,024	1,244
Lease liabilities (Note 10-b)	3,684	4,534
Due to group companies and associates	-	56
Other debts	105,684	149,592
Total financial liabilities at amortised cost	113,419	157,952
Hedging derivatives	-	9,447
Total hedging derivatives	-	9,447
Total financial liabilities	113,419	167,399

Other debts

Details of the sub-heading "Other payables" at 30 June 2022 and 31 December 2021 are as follows:

	30/06/2022	31/12/2021
On goods delivered and services rendered	31,692	30,207
On securities lending	70,215	115,306
Outstanding remuneration	3,777	4,079
Total other debts	105,684	149,592

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At 30 June 2022, the sub-heading “On securities lending” showed the monetary guarantee received for a public debt repo transaction (assignment of government bonds with repurchase agreement) with a total carrying amount of € 70,215 thousand, including uncollected accrued interest and comprising two repos, one on Spanish Government securities and the other on Italian Government securities maturing on 11 July 2021. The counterparty to the transactions is Banco BBVA. Guarantees on the transactions amount to € 70,215 thousand. On 11 July 2022, the repo operations were renewed, but for three Spanish government securities, subject to a new maturity date of 11 August 2022 at an average negative interest rate of 0.43% per annum. The counterparty to these transactions is Banco Santander, S.A. The carrying amount of the assets transferred was € 100,866 thousand.

At 31 December 2021, the sub-heading “On securities lending” showed the monetary guarantee received for a public debt repo transaction (assignment of government bonds with repurchase agreement) with a total carrying amount of € 115,306 thousand, including uncollected accrued interest and comprising two repos, one on Spanish Government securities and the other on Italian Government securities maturing on 10 January 2022. The counterparty to the transactions was Banco BBVA. Guarantees on the transactions amounted to € 115,306 thousand. On 10 January 2022, the two repo operations were renewed on the same Spanish and Italian Government securities, subject to a new maturity date of 10 February 2022 and at an average negative interest rate of 0.51% per annum. The counterparty to these transactions is Banco Santander S.A.

The sub-heading “Outstanding remuneration” includes provisions for recurring annual, quarterly and monthly variable incentives totalling € 3,538 thousand and € 3,683 thousand at 30 June 2022 and 31 December 2021, respectively. In 2021, a total of € 3,773 thousand under the 2019–2021 three-year remuneration programme was reversed as a reduction in expenses due to the failure to meet the proposed minimum revenue targets.

ii. Income and expense on financial liabilities

It was not necessary to recognise any amount for hedge ineffectiveness of derivatives in the consolidated statement of profit or loss for the first half of 2022 or 2021.

The amounts of fair value hedge adjustments made to the hedged item recognised in the statements of profit or loss are as follows:

30 June 2022	Nominal	Carrying amount	Heading of the consolidated balance sheet	Changes in fair value used as the basis for recognising ineffectiveness in the period	Ineffectiveness reported
Hedging derivatives	50,000	3,902	Hedging derivatives (Assets)	5,545	-
Fixed-income instruments	50,000	46,302	Debt securities	3,902	5,545

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31 December 2021	Nominal	Carrying amount	Heading of the consolidated balance sheet	Changes in fair value used as the basis for recognising ineffectiveness in the period	Ineffectiveness reported
Hedging derivatives	75,000	9,447	Hedging derivatives (Liabilities)	5,720	-
Fixed-income instruments	75,000	85,971	Debt securities	9,447	5,720

iii. Fair value breakdown

The fair value of derivatives is calculated through the use of valuation techniques. Valuation techniques maximise the use of available observable market data and rely as little as possible on entity-specific estimates.

As all significant inputs required to calculate their fair value are observable, the swaps are included in Level 2. The fair value has been calculated as the present value of estimated future cash flows based on estimated interest rate curves.

For current debts and payables, details of fair values have not been provided because their carrying amounts are a reasonable approximation of fair value.

There were no transfers of financial liabilities between the different levels during the first half of 2022.

9. Property, plant and equipment and investment property

a) Property, plant and equipment

At 30 June 2022 and 31 December 2021, the balances of these headings of the accompanying consolidated balance sheet are as follows:

	Property for own use	Other property, plant and equipment	Total
Cost at 30 June 2022	43,164	44,832	87,996
Accumulated depreciation at 30 June 2022	(7,373)	(33,984)	(41,355)
Impairment losses	(2,251)	-	(2,253)
Net carrying amount at 30 June 2022	33,540	10,848	44,388

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	Property for own use	Other property, plant and equipment	Total
Cost at 31 December 2021	43,122	43,939	87,061
Accumulated depreciation at 31 December 2021	(7,120)	(32,426)	(39,546)
Impairment losses	(2,251)	-	(2,251)
Net carrying amount at 31 December 2021	33,751	11,513	45,264

No significant activity in relation to property, plant and equipment was recognised in the first half of 2022.

No impairment losses were recognised or reversed in the consolidated statement of profit or loss during the first half of 2022.

New property valuations were carried out during the period due to the uncertainty of the possible loss in value of the properties owned by the Group in the wake of the COVID-19 health crisis and the general downturn in the real estate market. As a result, an impairment provision of € 851 thousand was recognised at 31 December 2020, to be reviewed in 2022 through further valuations.

The fair value of property assets as part of property, plant and equipment was as follows at 30 June 2022 and 31 December 2021:

30/06/2022					
Description	Cost value	Accumulated depreciation	Impairment	Net carrying amount	Market value
Land and buildings at I. Newton, 7 (Tres Cantos)	5,394	(1,873)	-	3,521	11,231
Land and buildings at I. Newton, 9 (Tres Cantos)	7,371	(1,384)	(734)	5,253	5,369
Land and buildings at Ronda Europa, 7 (Tres Cantos)	21,853	(3,647)	(1,275)	16,931	17,287
Land and buildings at Torres Quevedo, 1 (Tres Cantos)	6,199	(168)	(105)	5,926	6,026
Land and Constructions in Avda. El Sol, 9 (Torrejón de Ardoz)	2,347	(301)	(137)	1,909	1,951
Total	43,164	(7,373)	(2,251)	33,540	41,864

31/12/2021					
Description	Cost value	Accumulated depreciation	Impairment	Net carrying amount	Market value
Land and buildings at I. Newton, 7 (Tres Cantos)	4,958	(1,823)	-	3,135	11,231
Land and buildings at I. Newton, 9 (Tres Cantos)	7,371	(1,345)	(734)	5,292	5,369
Land and buildings at Ronda Europa, 7 (Tres Cantos)	21,853	(3,528)	(1,275)	17,050	17,287
Land and buildings at Torres Quevedo, 1 (Tres Cantos)	6,593	(137)	(105)	6,351	6,026
Land and Constructions in Avda. El Sol, 9 (Torrejón de Ardoz)	2,347	(287)	(137)	1,923	1,951
Total	43,122	(7,120)	(2,251)	33,751	41,864

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b) Investment property

The movements recorded under this heading at 30 June 2022 and 31 December 2021 are as follows:

	Land	Buildings	Plant	Total
Cost at 30 June 2022	32,409	38,396	289	71,096
Accumulated depreciation at 30 June 2022	-	(5,899)	(127)	(6,026)
Impairment losses	-	-	-	-
Net carrying amount at 30 June 2022	32,409	32,497	162	65,068

	Land	Buildings	Plant	Total
Cost at 31 December 2021	32,409	38,396	289	71,094
Accumulated depreciation at 31 December 2021	-	(5,517)	(120)	(5,637)
Impairment losses	-	-	-	-
Net carrying amount at 31 December 2021	32,409	32,879	169	65,457

No significant activity in relation to investment property was recognised in the first half of 2022 and in the year ended 31 December 2021.

The comparison between the carrying amount and fair value of investment property (land and buildings) at 30 June 2022 and 31 December 2021 is as follows:

30/06/2022

Description	Cost value	Accumulated depreciation	Impairment	Net carrying amount	Fair value
C/ José Echegaray, 9 (Madrid)	6,902	(881)	-	6,021	8,077
C/ Chamberí 8 (Madrid)	42,022	(2,790)	-	39,232	45,050
Avda. de Bruselas 22 (Madrid)	21,881	(2,228)	-	19,653	25,564
Total	70,805	(5,899)	-	64,906	78,691

31/12/2021

Description	Cost value	Accumulated depreciation	Impairment	Net carrying amount	Fair value
C/ José Echegaray, 9 (Madrid)	6,902	(832)	-	6,070	8,077
C/ Chamberí 8 (Madrid)	42,022	(2,614)	-	39,408	45,050
Avda. de Bruselas 22 (Madrid)	21,881	(2,071)	-	19,810	25,564
Total	70,805	(5,517)	-	65,288	78,691

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10. Right-of-use assets and lease liabilities

a) Right-of-use assets

Right-of-use assets at 30 June 2022 and 31 December 2021 are as follows:

	Buildings	Furniture and other property, plant and equipment	Total
Cost at 30 June 2022	3,680	7,779	11,459
Accumulated depreciation at 30 June 2022	(2,271)	(5,529)	(7,800)
Impairment losses	-	-	-
Net carrying amount at 30 June 2022	1,409	2,250	3,659
	Buildings	Furniture and other property, plant and equipment	Total
Cost at 31 December 2021	3,596	7,766	11,362
Accumulated depreciation at 31 December 2021	(1,999)	(4,867)	(6,866)
Impairment losses	-	-	-
Net carrying amount at 31 December 2021	1,597	2,899	4,496

During the first half of 2022, additions of € 97 thousand were recognised in connection with the updating of lease contracts, both for buildings and for furniture and other property, plant and equipment.

In 2021, additions of € 3,503 thousand were recognised, mostly relating to vehicle leasing contracts with an average term of three years. These vehicles are used to offer a replacement vehicle service to policyholders through the Group's network of collaborating repair shops.

b) Lease liabilities

The following table shows changes in lease liabilities at 30 June 2022 and 31 December 2021.

	30/06/2022	31/12/2021
Balance at the beginning of the year	4,534	2,766
Additions	140	3,770
Finance costs	(27)	(63)
Payments	(963)	(1,939)
Balance at the end of the year	3,684	4,534

The weighted average incremental borrowing rate was 1.2% for the first half of 2022 and 1.37 % for 2021.

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11. Intangible assets

At 30 June 2022 and 31 December 2021, the balances of these headings of the accompanying consolidated balance sheet are as follows:

	Software	Assets in course of construction	Total
Cost at 30 June 2022	95,980	3,343	99,323
Accumulated amortisation at 30 June 2022	(85,259)	-	(85,259)
Impairment losses	-	-	-
Net carrying amount at 30 June 2022	10,721	3,343	14,064

	Software	Assets in course of construction	Total
Cost at 31 December 2021	94,693	2,388	97,081
Accumulated amortisation at 31 December 2021	(82,960)	-	(82,960)
Impairment losses	-	-	-
Net carrying amount at 31 December 2021	11,733	2,388	14,121

No significant activity in relation to intangible assets was recognised in the first half of 2022 and 2021.

12. Technical provisions

Activity in the first half of 2022 and 2021 in relation to each of the technical provisions shown in the accompanying consolidated balance sheets is as follows:

First half of 2022:

Direct insurance

Thousand euro	Balance at 1 January 2022	Change in the statement of profit or loss	Change in exchange rates	Change in adjustments and settlements in the statement of profit or loss	Balance at 30 June 2022
Technical provisions:					
Unearned premiums	449,740	20,454	-	-	470,194
Provision for unexpired risk	3,280	-	-	-	3,280
Provision for claims	285,138	(4,197)	-	(7,142)	273,799
Total	738,158	16,258	-	(7,142)	747,273

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Ceded and retroceded reinsurance

Thousand euro	Balance at 1 January 2022	Change in the statement of profit or loss	Balance at 30 June 2022
Technical provisions:			
Unearned premiums	4,280	2,317	6,597
Provision for claims	15,873	1,110	16,983
Total	20,153	3,427	23,580

First half of 2021:

Direct insurance

Thousand euro	Balance at 1 January 2021	Change in the statement of profit or loss	Change in exchange rates	Change in adjustments and settlements in the statement of profit or loss	Balance at 30 June 2021
Technical provisions:					
Unearned premiums	446,423	9,728	-	-	456,151
Provision for unexpired risk	4,622	-	-	-	4,622
Provision for claims	265,446	6,708	-	(6,470)	265,684
Total	716,491	16,436	-	(6,470)	726,457

Ceded and retroceded reinsurance

Thousand euro	Balance at 1 January 2021	Change in the statement of profit or loss	Balance at 30 June 2021
Technical provisions:			
Unearned premiums	3,705	2,160	5,865
Provision for claims	8,772	3,760	12,532
Total	12,477	5,920	18,397

The above provisions have been estimated following the procedures described in the consolidated annual financial statements for the year ended 31 December 2021, which includes an analysis of sensitivity and of the adequacy of the technical provisions. The conclusions of these analyses have not changed significantly from those made at the end of December 2021.

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13. Tax position

The calculation of income tax expense for the first half of 2022 is based on the best estimate of the average effective tax rate that would be applied to expected earnings for 2022. Therefore, the amounts calculated as the tax expense for the current interim period may be adjusted in subsequent periods should the annual rate estimates change.

Inspections in progress

At 30 June 2022 and in relation to the last tax inspection carried out by the Tax Agency in relation to the Parent (corporate income tax, financial years 2011, 2012 and 2013), the tax assessments that were signed in protest are currently being appealed before the Central Tax Appeals Board.

Meanwhile, pursuant to Inspection Order 51/2016 of 14 November 2016, inspection proceedings were initiated in relation to the surcharges payable to the Insurance Compensation Consortium (CSS) in relation to the 2016 financial year. On 22 December 2017, the Parent was notified of the findings and the corresponding arguments were then lodged by the Company on 25 January. On 21 June 2018, a resolution was received from the Directorate General of Insurance and Pension Funds. On 27 May 2019, an appeal was lodged with the Supreme Court of Justice in Madrid. On 23 April 2021, the court's decision was received, partially upholding the claims made by the Company. On 9 June 2021, the Parent lodged an appeal in cassation before the Supreme Court protesting the part of the ruling that was not upheld. The appeal was admitted for processing on 21 December 2021, with the court noting that the appeal had grounds to proceed and the corresponding arguments were then submitted.

In addition to the above, the Group has analysed each uncertain tax treatment separately by virtue of IFRIC 23. The analysis revealed that it is probable that the Spanish tax authorities will accept the current tax treatments considered uncertain. Therefore, no additional contingency was disclosed at 30 June 2022 relating to the calculation and presentation of the Group's income tax expense.

No new relevant events occurred during the first half of 2022 in relation to the inspections ongoing at the end of 2021.

The Board of Directors does not believe that these proceedings will ultimately result in any significant contingency, control measure or any other risks that might have a significant impact on the Group's consolidated financial statements.

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14. Equity

The composition of equity and changes therein in the first half of 2022 and 2021 are shown in the accompanying consolidated statements of changes in equity.

On 19 March 2020, the Annual General Meeting of Bankinter, S.A. approved the distribution in kind of the entire share premium —amounting to € 1,184 million— through the delivery to its shareholders of 82.6% of the share capital of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros, with the bank retaining a non-controlling financial interest of 17.4% in the Company. The transaction was authorised on 22 March 2021 by the European Central Bank and the Spanish Directorate General for Insurance and Pension Funds.

Prior to the admission to trading of the Parent's shares, on 5 April the General Meeting approved an extraordinary dividend of € 120 million payable to Bankinter. After analysing the proposal to distribute the extraordinary dividend, the Management Centre of the Directorate General for Insurance and Pension Funds concluded that it would raise no objections to its implementation, given the limited impact it would have on the Company's future solvency and the protection of policyholder rights.

On 15 April 2021, the CNMV approved and filed the prospectus for the shares of the Parent ("Prospectus"), under registration number 11,157. Following the aforementioned distribution and approval of the prospectus, the Company's shares were admitted to trading on the continuous market on 29 April 2021 (see Note 1).

Following the aforementioned distribution, the Company's shares were admitted to trading on the continuous market on 29 April 2021 (see Note 1).

On 18 March 2021, the General Shareholders' Meeting of the Parent passed the following resolutions in unison:

- i. To modify the number of shares into which the Company's share capital is divided, such that the resulting share capital is divided into a total of 1,088,416,840 shares.
- ii. Pursuant to Article 296 of the Corporate Enterprises Act, to increase the Company's share capital in the amount of € 6,024,673.60, to be charged to voluntary and unrestricted reserves, on the basis of the consolidated financial statements for the period ended 31 December 2020, as duly audited and approved by shareholders at the general meeting under Resolution 1. As a result, the Company's share capital will rise from its current amount to € 43,536,673.60, all this to be achieved by raising the nominal value of the shares by € 0.005535263126 per share (taking into account also the new number of shares approved at the same time as this capital increase under the terms of the preceding paragraph, thus yielding a total of 1,088,416,840 shares, with a par value of € 0.04 each).

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As a result, the 2,400,000 registered shares previously held by the Parent, each with a par value of € 15.63, rose to 1,088,416,840 shares, each with a par value of € 0.04.

Name of shareholder	Amount of voluntary reserve to be netted	Shares that increase in par value	Numbering (both inclusive)		Final par value per share	
Bankinter S.A.	€ 6,024,671.09	€ 1,088,416,386.00	1	a	1,088,416,386	€ 0.04
Hispanmarket, S.A.	€ 2.51	€ 454.00	1,088,416,386	a	1,088,416,840	€ 0.04
	€ 6,024,673.60	€ 1,088,416,840.00				

At 30 June 2022, the Parent's share capital amounted to € 43,537 thousand and was represented by 1,088,416,840 registered shares, each having a par value of € 0.04, all fully subscribed for and paid up and conferring the same rights and obligations.

The shareholders of the Parent with a stake equal to or greater than 3% of the share capital as at 30 June 2022 and considered significant shareholders according to the regulations of the Securities Market are as follows:

	Number of shares	%
Cartival	208,426,443	19.15%
Bankinter	189,550,907	17.42%
Fernando Masaveu Herrero	57,737,669	5.30%
Lazard Asset Management	34,778,950	3.20%

15. Related party transactions

"Related parties", in addition to the dependent and associated entities, are considered the "key personnel" of the Management of the Group (members of its Board of Directors and the Management Committee), as well as the shareholders who may directly or indirectly exercise control of the Group, as well as those or a significant influence on financial and operational decision-making as mentioned in ORDER EHA/3050/2004, of 15 September, on the information of the related transactions to be provided by companies issuing securities admitted to trading on official secondary markets.

During the first half of 2022, there were no intercompany transactions between Group companies that were not eliminated on consolidation.

Following the admission to listing of Línea Directa Aseguradora on 29 April 2021, the Bankinter Group and all the companies comprising that group are considered Significant Shareholders. Prior to that date, the Línea Directa Group was part of the Bankinter Group, which held a 99.99% stake. From the day of admission to trading until 30 June 2021, and as indicated in Note 14, Bankinter's percentage of

Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

participation has been reduced to 17.40%, and the bank has no representative on the Group's Board of Directors since the date of IPO.

To enable a better comparison of the information with related parties, Bankinter Group companies have been considered as significant shareholders in both 2022 and 2021.

a) Expenses and revenue

This heading includes the aggregate amount of income and expenses recognised in the consolidated statement of profit or loss or other consolidated comprehensive income that pertain to related party transactions.

This table does not include remuneration accrued by directors and executives, details of which are disclosed in Note 7 to these condensed consolidated financial statements.

30/06/2022					
	Significant shareholders	Directors and executives	Group employees, companies and entities	Other related parties	Total
Finance costs	277				277
Other expenses	3,716				3,716
Total expenses	3,993				3,993
Finance income	619				619
Services rendered	446				446
Other income	739				739
Total income	1,804				1,804

30/06/2021					
	Significant shareholders	Directors and executives	Group employees, companies and entities	Other related parties	Total
Finance costs	605	-	-	-	605
Other expenses	3,060	-	-	-	3,060
Total expenses	3,665	-	-	-	3,665
Finance income	287	-	-	-	287
Services rendered	946	-	-	-	946
Other income	657	-	-	-	657
Total income	1,890	-	-	-	1,890

The amounts of expenses and income with significant shareholders relate to transactions with Bankinter Group companies that were carried out at arm's length.

Expenses mainly correspond to brokerage fees on the sale of insurance policies in the Home segment.

Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

Income from services rendered largely relates to remuneration under collaboration agreements for the marketing, sale and issuance of "Affinity" cards and the provision of personalised offers of financial products and services intended for the Group's existing policyholders. Other income relates to income from insurance premiums whose policyholders are Bankinter Group companies.

b) Other transactions

Details of other related-party transactions for the six months ended 30 June 2022 and 2021 are as follows:

30/06/2022					
	Significant shareholders	Directors and executives	Group employees, companies and entities	Other related parties	Total
Dividends and other earnings distributed	7,534	-	-	-	7,534
30/06/2021					
	Significant shareholders	Directors and executives	Group employees, companies and entities	Other related parties	Total
Dividends and other earnings distributed	120,000	-	-	-	120,000

This heading shows the aggregate amount of related party transactions, whether or not they have had an impact on the consolidated statement of profit or loss or on the consolidated statement of other comprehensive income.

As mentioned in Note 5 on dividends, the € 7,534 thousand corresponds to the dividend from 2021 profits and the dividend from profits for the first quarter of 2022.

c) Balances at period-end

The following table shows the related party headings of the consolidated balance sheets at 30 June 2022 and 31 December 2021.

	Note	Significant shareholders	
		2022	2021
Assets			
Available-for-sale financial assets			
I. Equity instruments	8 a)	19,800	9,950
II. Fixed-income securities	8 a)	3,684	4,181
Cash and cash equivalents			
Cash and cash equivalents		57,934	70,373
Other receivables			
Other receivables	8 a)	239	(419)
Other assets			
Accruals		21	34
Total asset balances		81,678	84,119

The English version is a translation of the original in Spanish made by Línea Directa Aseguradora, S.A on his sole responsibility and shall not be considered official. In case of discrepancy, the Spanish version shall prevail.

Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

Liabilities			
Due to group companies and associates	8 b)	1,053	56
Total liability balances		1,053	56

16. Other information

a) Average number of employees

The average number of Group employees on the payroll at 30 June 2022 and 2021, broken down by gender, is as follows:

	30/06/2022	30/06/2021
Male	1,089	1,099
Female	1,473	1,491

The Board of Directors of the Parent consists of seven natural persons; four women and three men.

b) Own shares

The balance of this sub-heading of equity in the consolidated balance sheet is shown net of equity in accordance with IAS 32 – Financial Instruments: Presentation.

Since 29 April 2021, the date of the IPO, on which the Parent was awarded 239,678 own shares in the exchange of Bankinter shares, it has made successive acquisitions of shares, all duly communicated to the CNMV, to complete the remuneration plan. Thus, the number of own shares acquired by the Parent in 2021 was 795,643 shares, at an average price of € 1.57, accounting for 0.11% of the total number of issued shares. In 2022, part of the committed shares was delivered at a quoted price of € 1.37.

Changes in treasury shares are as follows:

Thousand euro	Cost of purchase	Nominal value	Number of shares
Balance at 01 January 2022	-	-	-
Additions	999	26	637,586
Balance at 30 June 2022	999	26	637,586

Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

The breakdown of own shares at 30 June 2022 is as follows:

Acquisition date	Type of acquisition	Instruments	Price	Market value (thousand euro)	Acquisition cost (thousand euro)
29/04/2021	Exchange	239,678	1.32	316	316
04/05/2021	Purchase	186,570	1.61	300	300
06/05/2021	Purchase	94,700	1.58	150	150
21/07/2021	Purchase	64,332	1.77	114	114
22/07/2021	Purchase	85,957	1.73	150	150
23/07/2021	Purchase	59,702	1.74	104	104
26/07/2021	Purchase	27,293	1.76	48	48
27/07/2021	Purchase	23,183	1.75	41	41
28/07/2021	Purchase	14,228	1.75	25	25
01/05/2022	Delivery	-157,593	1.57	-247	-247
11/05/2022	Sale	-463	1.26	-2	-2
26/05/2022	Sale	-1	1.32	0	0
Total		637,586	19	999	999

c) Share-based remuneration plan

The Chief Executive Officer and the members of the Group's Management Committee participate in a share-based remuneration plan following the Bank's stock market listing. The Plan was approved at the Annual General Meeting held on 18 March 2021, which has been set as the award date of the Plan. It is intended to motivate and build the loyalty of plan members by offering them the option of receiving a certain number of shares within the three years following the date of the Company's stock market listing. The main features of the plan are as follows:

- i. The number of shares to be delivered per participant is the result of dividing € 100 thousand by the average share price over the 30 trading days following the date of the IPO. As this average price was € 1.6339, the number of shares to be delivered is 61,203 shares per participant. With 13 participants, the plan will entail the delivery of a total of 795,639 shares worth € 1,300 thousand.
- ii. Term and vesting conditions: Under the plan, participants may receive 33% of the shares on the first anniversary of the IPO, the second batch of 33% on the second anniversary, and the remaining 34% on the third anniversary. The vesting condition for delivery of each batch of shares is that the participant must continue to serve at the Company on the date of each of the three anniversaries.

The cost of the programme for the Company is recorded as a staff expense with a balancing entry in a reserve for own shares in equity in the consolidated balance sheet. This expense will be progressively written off on the three anniversaries as and when the shares are delivered to the employees.

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Línea Directa Aseguradora S.A., Compañía de Seguros y Reaseguros and subsidiaries

Notes to the condensed interim consolidated financial statements for the six months ended 30 June 2022

(in thousand euro)

During 2022, no personnel expenses were recognised as the expense was fully accrued at 31 December 2021 for a total of € 995 thousand under the scenario that all members of the Plan would meet the tenure condition on each anniversary.

17. Events after the reporting period

No significant events have occurred following the end of the six-month period ended 30 June 2022 and through to the date of authorisation for issue of these condensed interim consolidated financial statements.

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Consolidated interim
management report

June 2022



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CONSOLIDATED INTERIM MANAGEMENT REPORT

Línea Directa Aseguradora, S.A.

June 2022



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1. Main figures for the first half of the year

At 30 June 2022, premiums written from the direct insurance business amounted to € 474.8 million, marking an increase of 4%.

Profit after tax amounted to € 49 million and the return on equity (ROE) reached 28.3%, illustrating the excellent profitability of the business.

Key figures of Línea Directa Aseguradora for the first half of 2022

Income Statement

	6M 2022	6M 2021	% var.
Gross written premiums (GWP)	474,789	456,465	4.0%
Profit/(loss) before tax	65,251	77,618	-15.9%
Profit/(loss) after tax	48,976	58,210	-15.9%
Earnings per share (euro)	0.0450	0.0535	-15.9%
Loss ratio	70.2%	65.3%	4.9 p.p
Expense ratio	19.8%	20.2%	-0.4 p.p
Combined ratio	90.0%	85.5%	4.5 p.p

Employees

	6M 2022	6M 2021	% var.
Average number of employees	2,562	2,590	-1.1%

Balance sheet

	6M 2022	12M 2021	% var.
Available-for-sale financial assets	767,715	864,978	-11.2%
Total assets	1,268,287	1,368,478	-7.3%
Technical provisions	747,273	738,158	1.2%
Equity	328,962	378,275	-13.0%
RoAE	28.3%	30.4%	-2.0 p.p

Solvency

	6M 2022	12M 2021	p.p var.
Solvency II ratio	207%	195%	11.5 p.p

Clients

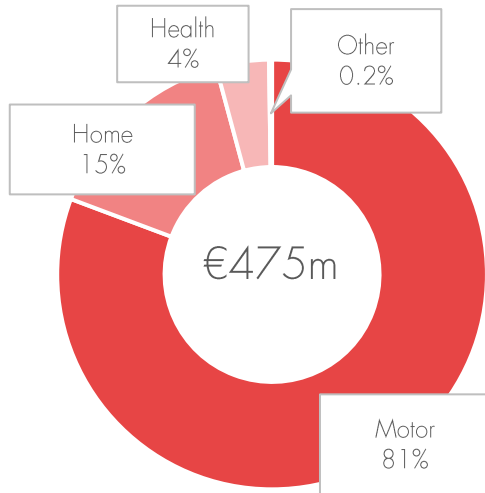
	6M 2022	6M 2021	% var.
Number of clients (thousand)	3,430	3,306	3.8%

The Línea Directa Aseguradora share

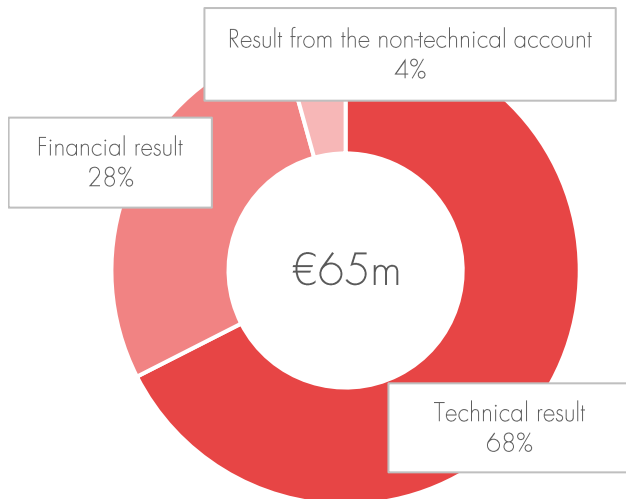
	6M 2022	12M 2021	% var.
Market capitalisation (million €)	1,369	1,751	-21.8%
Share price (€)	1.258	1.609	-21.8%
Number of shares	1,088,416,840	1,088,416,840	-
Treasury shares	637,587	795,643	-19.9%
Number of outstanding shares	1,087,779,253	1,087,621,197	0.01%



In the first half of 2022, premiums were up by 4.0% on the same period of the previous year, to reach € 474.8 million. The Motor segment accounted for 81% of the total premium figure, followed by the Home, Health and Other insurance business segments, which accounted for 15%, 4% and 0.2%, respectively:



Profit before tax was € 65.3 million. Technical insurance results accounted for 68% of that total figure, with investments and the non-technical account contributing 28% and 4%, respectively.



The combined ratio was 90%, illustrating the excellent technical performance of the business. The technical result amounted to € 44.1 million.

The Company closed the first half of the year with a profit after tax of € 49 million, significantly down on the previous year due to the increase in mobility and heavy cost inflation affecting the sector.

Equity amounted to € 329 million, while the return on equity (ROE) stood at 28.3% at June 2022, one of the highest in the sector.

The solvency ratio was 207%, € 194.3 million above the solvency capital requirement (SCR) and therefore comfortably exceeding the minimum regulatory requirements.

In addition, at the issue date of this management report, the Company had 3.43 million policyholders, up 3.8%. At June 2021, this figure stood at 3.3 million policyholders.

During the first six months of 2022, Línea Directa continued to promote and develop its digital acceleration process by adding new functionalities, making applications more robust and improving the customer experience. At June 2022, 53% and 36% of claims for Motor and Home, respectively, were managed digitally. Customers who interact digitally with the Company already account for more than 85.4% of the total portfolio.

2. Relevant economic events

2.1 The Ukrainian conflict and the course of COVID-19

The first half of the year was dominated by Russia's invasion of Ukraine. Not only has the war dealt a fresh blow to the European economy, it also marks a turning point in the world economic order, where two types of effects are unfolding. The first relates to restrictions on energy products (Europe is heavily reliant on supplies from Russia, mainly gas), food and raw materials. The resulting shortages of these essential products have driven up prices and are threatening growth. The second is the rampant



inflation and rising interest rates, which are threatening the sustainability of public finances. The sharp uptick in inflation is causing continuous upward corrections in the inflation rate forecasts of most analysts, both for the Spanish economy and globally.

Meanwhile, the coronavirus pandemic remains a threat, although the new variants have shown themselves to be somewhat less damaging. Mobility has been restored in most countries, with the notable exception of China, which has imposed tight border controls, movement restrictions and quarantines to curtail any outbreaks. This policy has compounded existing tensions and taken a heavy toll on the country's economy, factory production and domestic and global supply chains.

2.2 Main impacts of the geopolitical context on the Spanish insurance market

In the insurance business, there was a notable easing of mobility restrictions in early 2022, though amid rising levels of inflation. Claims frequency during the first six months of the year has been close to the levels seen prior to the pandemic, and prices have risen sharply.

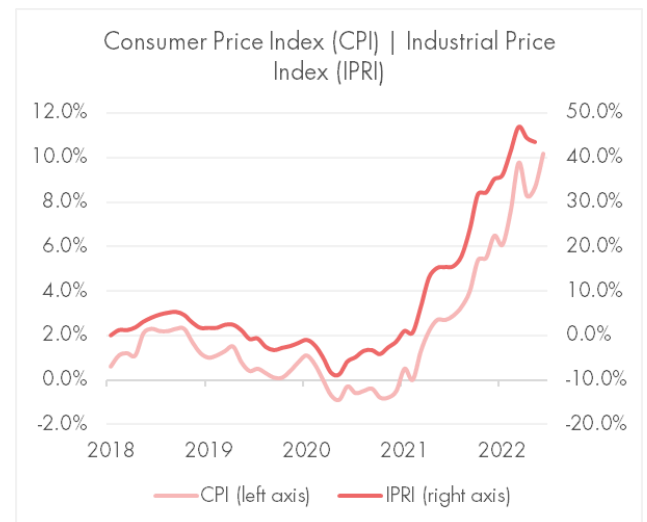
The Motor, Home and Health segments all delivered a positive performance in terms of business volumes in the first half of 2022. Premiums written in the Motor segment managed to reverse the trend, growing by 2.7% in the first six months of the year (compared to a decline of 0.1% at June 2021). Meanwhile, the Home and Health segments posted growth of 5% and 7%, respectively (source: ICEA, latest figures available at May 2022).

However, rising prices have led to an increase in the scale for covering the cost of road traffic injuries and in the costs of repairs, which will affect the loss ratio for the sector.

3. Macroeconomic conditions and financial markets

With the main developed countries all making progress in their vaccination rates and with COVID-19 becoming somewhat less severe, economies are now focusing their attention on the conflict unfolding in Ukraine. The war has had major repercussions on the economy, at a time when the recovery from the health crisis was not yet complete, leading to a sharp increase in prices.

Spain reached levels of 10.2% for the Consumer Price Index (CPI, June 2022) and of 43.6% for the Industrial Price Index (IPRI, May 2022).

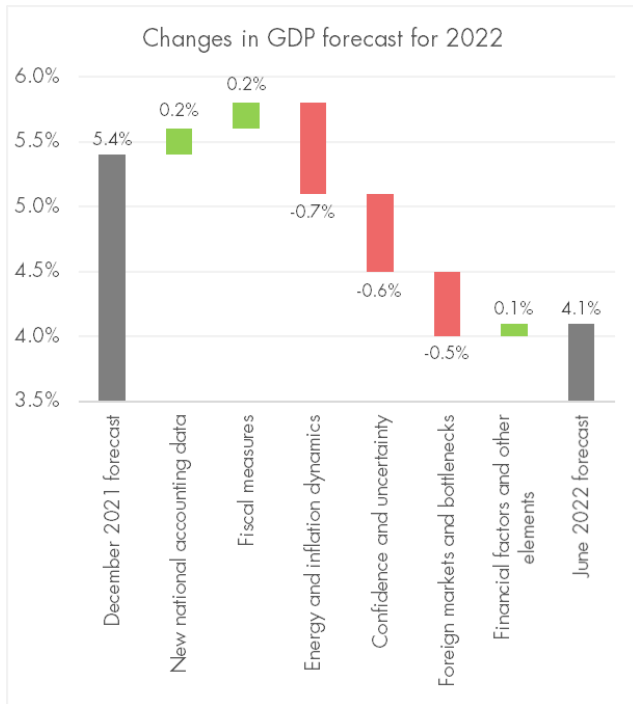


Spain's economic outlook will largely depend on how the conflict pans out, with the situation at present being hugely uncertain in terms of both duration and intensity.

The Bank of Spain downgraded its GDP outlook for 2022 and 2023, but upgraded it for 2024. Inflation has heavily upgraded in 2022, although it is expected to moderate gradually in the medium term. GDP growth is expected to reach levels of 4.1%, 2.8% and 2.6% for 2022, 2023 and 2024, respectively. On the side of inflation, the Bank of Spain expects to see levels of 7.2%, 2.6% and 1.8%



for 2022, 2023 and 2024, respectively. (Source: Bank of Spain).



Meanwhile, the gradual recovery of the unemployment rate, which ended 2021 at above 13.3% – driven by the reopening of the services sector – is expected to take longer to complete, with projections pointing to a rate of 13.8% for 2022 and of 12.9% for 2023. (Source: Funcas).

Spain	3M '22	12M '21	12M '20	12M '19
CPI % var.	+9,8%	+6,5%	-0,5%	+0,8%
IPRI % var.	+47,0%	+35,2%	-1,4%	-1,7%
GDP % var.	+6,4%	+5,1%	-10,8%	+2,1%
Unemployment	13,7%	13,3%	16,1%	13,8%
Debt-GDP ratio	117,7%	118,4%	120,0%	95,5%

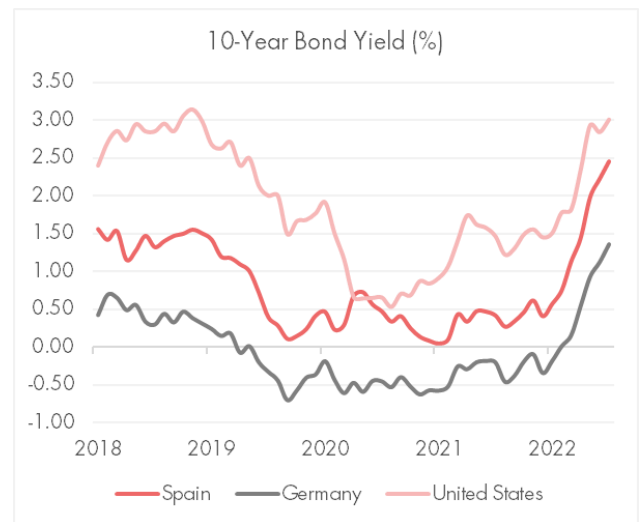
Source: INE, EPA, Bank of Spain

The process of monetary normalisation has led to a tightening of borrowing conditions globally. In Spain, it is now harder to obtain financing and conditions are likely to tighten further in the near future. The ECB, as part of its strategy to halt the rise in inflation, has confirmed a rate hike at its upcoming meeting in July and a further hike in September (expected to be 25 basis points each), which would

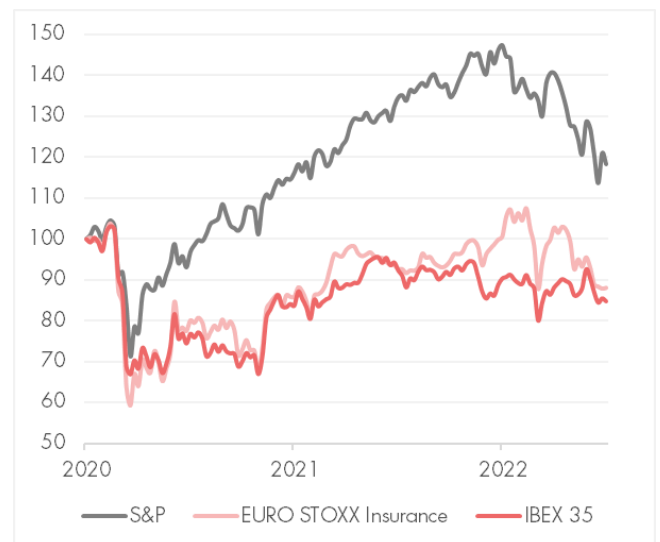
make it the first rate hike in 11 years and finally bring the euro area out of the negative interest rate environment, where rates have been for more than 8 years now. In addition, the ECB will be ending net bond purchases as of 1 July 2022.

Country	Bond Yield (%)		
	1Y	5Y	10Y
Spain	0.6	1.7	2.4
Germany	0.4	1.1	1.3
United States	2.8	3.0	3.0

Source: Refinitiv



In the meantime, equities have experienced sharp declines as a result of the war, rising fuel prices and supply chain problems caused by the COVID-19 variants.





3.1 Prospects for the insurance sector

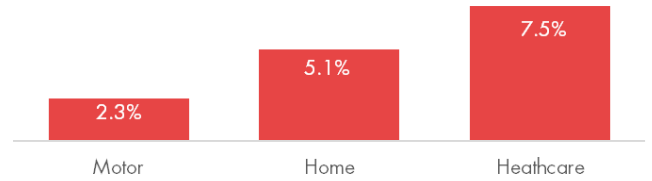
Against this backdrop, the insurance sector turned in another solid performance, consolidating its position as one of the most stable, respected and profitable sectors of the wider Spanish economy.

In terms of total insured vehicles, there are currently more than 32.9 million vehicles insured in Spain, with year-on-year growth of 1.4%, equivalent to more than 464 thousand new vehicles (*Source: FIVA, latest figures available at June 2022*). Vehicle sales and purchases are still well off the level seen in 2019, thus resulting in an ageing fleet with an average vehicle age of nearly 14 years. This reduction in vehicle sales and purchases is down to problems in the supply of chips, although car factories are now beginning to show signs of recovery. Segment turnover was up 2.3% through to June 2022 (*Source: ICEA, latest figures available at June 2022*).

The economic environment, especially cost inflation, has dragged down profit margins in the Motor segment for the market as a whole. Inflation has fed through to the injury scale and repair costs (paint, parts and labour), coupled with a return to mobility and rising claims frequency. It remains to be seen whether rising fuel prices will curb mobility as we move through the latter half of the year.

House sales and purchases maintained their growth rate, rising 24.4% over the first five months of the year. Segment turnover was up 5.1% through to June 2022 (*Source: ICEA, latest figures available at June 2022*).

Last but not least, the health segment is accelerating its growth trend, albeit partly affected by higher healthcare costs, with hospital prices rising. Segment turnover was up 7.5% through to June 2022 (*Source: ICEA, latest figures available at June 2022*).



4. Business performance

4.1 Relevant corporate events

On 17 February 2022, the Board of Directors of Línea Directa Aseguradora appointed Patricia Ayuela as the company's new Chief Executive Officer.

Patricia Ayuela (Oviedo, 1975) has spent most of her career at Línea Directa Aseguradora, which she joined in 2003. Throughout these almost 20 years at the Group, she has held various management positions that have given her a broad and very deep knowledge and understanding of the company, the business and the wider insurance sector. During this time, she has managed the Group's main lines of business (Motor and Home) and has helped to design, implement and lead the strategic decisions of Línea Directa Aseguradora.

She has sat on the Management Committee of Línea Directa Aseguradora since 2008, having been previously responsible for Customer Loyalty (2003–2007) and Corporate Project Management and Strategy (2007–2008). She would later take the helm at Quality Management (2008–2009) and in 2009 she became head of the Home segment, which was in its infancy at that time and which, under her management, increased its customer portfolio fivefold, rising 18 places in the premium ranking and achieving the break-even for this division – today one of the Group's main growth drivers.

Patricia Ayuela was appointed Head of Motor in 2016, thus taking the helm of the Company's main



business line, which represents almost 81% of the Group's total business. Since then, the Motor customer base has grown by more than 550,000 policies and premium income growth over the period has been 17%.

In 2017, Patricia Ayuela added the Digital Transformation department to her growing list of responsibilities, with the aim of accelerating the

digitalisation of Línea Directa Aseguradora – an area in which the Group is a leader in the Spanish insurance sector. At present, 85% of customers already interact with the company and manage their affairs through digital channels, such as the web and mobile app, and services such as digital claims opening and towing requests have reached very high penetration levels.



4.2 Business performance

4.2.1 Main figures

Despite the uncertain and hyperinflationary economic environment, Línea Directa Aseguradora performed remarkably well during the period. Turnover amounted to € 474.8 million, up 4%, revealing solid growth in premiums and policyholders across all segments.

The combined ratio stood at 90%, while the expenses ratio fell to 19.8%, showing ongoing efficiency and tight control of expenses. After-tax profit amounted to € 49 million, with a return on equity of 28.3%.

The following table presents a summary of the consolidated statement of profit or loss as at June 2022, showing its different components and their changes with respect to the same period of the previous year.

<i>Thousand euro</i>	6M 2022	6M 2021	<i>% var. 22/21</i>
Gross written premiums (GWP)	474,789	456,465	4.0%
Earned premiums, net of reinsurance	441,739	435,993	1.3%
Technical result	44,051	63,139	-30.2%
Financial result	18,380	12,795	43.6%
Profit/(loss) before tax	65,251	77,618	-15.9%
Income tax	(16,275)	(19,408)	-16.1%
Profit/(loss) after tax	48,976	58,210	-15.9%

	6M 2022	6M 2021	<i>p.p. var.</i>
Loss ratio	70.2%	65.3%	4.9 p.p
Expense ratio	19.8%	20.2%	-0.4 p.p
Combined ratio	90.0%	85.5%	4.5 p.p

Clients (thousands)	3,425	3,300	3.8%
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Turnover amounted to € 474.8 million, up 4%. Meanwhile, premiums earned, net of ceded reinsurance, grew in the first half of the year by 1.3%.

On the profitability front, the technical result amounted to € 44.1 million. The consolidated combined ratio increased by 4.5 percentage points to 90%, mainly due to increased mobility and a persistently high inflationary environment.

The financial result came to € 18.4 million, up 43.6% on the previous year. The Company realised capital gains amounting to € 4.5 million, mainly on equity instruments. Portfolio returns were 3.93% (2.3% as at June 2021). The return on fixed income came to 2.61% (2.16% as at June 2021), while the return on equities and mutual



funds was 9.28% (1.17% as at June 2021). Income from the real estate portfolio remained on a par with the figure at June 2021 (€ 2.2 million in both periods with a return of 6.41% and 6.36% at June 2022 and 2021, respectively).

Profit after tax totalled € 49 million, down 15.9% on the same period of the previous year, as a result of lower technical profits, as described above.

4.2.2 Management ratios

The combined ratio was 90% in the first six months of 2022, up 4.5 percentage points on the first six months of 2021. The Company's technical performance has remained excellent, despite the difficult environment, demonstrating its continued rigour in underwriting and cost control.

	Loss ratio			Expense ratio			Combined ratio		
	6M 2022	6M 2021	p.p. var.	6M 2022	6M 2021	p.p. var.	6M 2022	6M 2021	p.p. var.
Motor	72.0%	66.0%	5.9 p.p	17.3%	17.7%	-0.3 p.p	89.3%	83.7%	5.6 p.p
Home	57.4%	57.5%	-0.1 p.p	32.6%	33.8%	-1.2 p.p	90.0%	91.2%	-1.3 p.p
Health	98.9%	105.3%	-6.3 p.p	32.2%	42.1%	-9.9 p.p	131.2%	147.4%	-16.2 p.p
Other	2.8%	4.7%	-1.9 p.p	42.2%	26.8%	15.4 p.p	45.0%	31.5%	13.5 p.p
Total	70.2%	65.3%	4.9 p.p	19.8%	20.2%	-0.4 p.p	90.0%	85.5%	4.5 p.p

The loss ratio performed well amid the return to normality and high inflation in the Motor segment. In the Home segment, atmospheric perils had no significant impact and the loss ratio remained at an excellent level.

The consolidated expense ratio was down 0.4 percentage points, showing ongoing cost control and the search for efficiency across all business lines.

4.2.3 Statement of profit or loss by segment

Below is a detailed summary of changes in the statement of profit or loss by line of business:

Motor

The Motor segment reported solid premium growth of 2.5%, above the market, which increased by 2.3% (source: ICEA, figures for June 2022). The number of policyholders increased by 2.6%, equivalent to 65,089 customers, to reach 2.6 million at 30 June 2022.



<i>Thousand euro</i>	6M 2022	6M 2021	% var.
Gross written premiums (GWP)	383,206	373,701	2.5%
Premiums earned, net of reinsurance	370,371	370,806	-0.1%
Claims incurred, net of reinsurance	(266,484)	(244,740)	8.9%
Net operating expenses	(71,468)	(75,358)	-5.2%
Other technical expenses and income	7,286	9,882	-26.3%
Technical result	39,705	60,590	-34.5%

	6M 2022	6M 2021	p.p. var.
Loss ratio	72.0%	66.0%	5.9 p.p
Expense ratio	17.3%	17.7%	-0.3 p.p
Combined ratio	89.3%	83.7%	5.6 p.p
Clients (thousands)	2,581	2,516	65

The change in the technical result is a product of:

- A well-contained loss ratio of 89.3%, against a backdrop of heavy inflation and rising victim compensation and repair costs;
- An excellent expense ratio, which fell by 0.3 percentage points to reach 17.3%, reflecting the ongoing search for efficiency cost discipline.

Home

The Company has continued to report double-digit growth in the Home segment, reporting year-on-year growth of 10.6% in the first half of the year; double that of the wider market, which gained 5.1% (source: ICEA, figures for June 2022):

The number of policyholders in the segment increased by 7.2%, equivalent to 49,575, to reach 738,000 policyholders as at 30 June 2022.

<i>Thousand euro</i>	6M 2022	6M 2021	% var.
Gross written premiums (GWP)	71,667	64,779	10.6%
Premiums earned, net of reinsurance	63,021	58,166	8.3%
Claims incurred, net of reinsurance	(36,183)	(33,435)	8.2%
Net operating expenses	(20,405)	(19,550)	4.4%
Other technical expenses and income	(121)	(91)	33.0%
Technical result	6,312	5,090	24.0%

	6M 2022	6M 2021	p.p. var.
Loss ratio	57.4%	57.5%	-0.1 p.p
Expense ratio	32.6%	33.8%	-1.2 p.p
Combined ratio	90.0%	91.2%	-1.3 p.p
Clients (thousands)	738	688	50

The change in the technical result is a product of:

- An excellent and stable loss ratio;
- Relative absence of atmospheric perils in the first half of the year (€ 0.91 million, net of reinsurance (€ 0.88 million, gross of reinsurance)); and
- Cost control, with an improvement in the expense ratio of 1.2 percentage points.



Health

Vivaz, the Company's health insurance brand that rewards customers for healthy lifestyle habits, has also been faring well. Health reported premium growth of 13.4% in the period, compared with 7.5% for the sector (*source: ICEA, Asistencia Sanitaria, figures for June 2022*).

The number of policyholders reached 106,289, revealing an increase of almost 10,291 policyholders (+10.7%).

In this business segment, the Company has proportional reinsurance in which it cedes 50% of the premium and claims.

<i>Thousand euro</i>	6M 2022	6M 2021	% var.
Gross written premiums (GWP)	18,848	16,622	13.4%
Premiums earned, net of reinsurance	7,610	6,342	20.0%
Claims incurred, net of reinsurance	(7,530)	(6,678)	12.8%
Net operating expenses	(2,330)	(2,567)	-9.2%
Other technical expenses and income	(121)	(103)	17.5%
Technical result	(2,371)	(3,006)	-21.1%

The change in the technical result reflects an ongoing improvement in the following areas:

- The loss ratio was down 6.3 percentage points to 98.9%, showing that the focus is now on risk underwriting and selection;
- The positive performance of the expense ratio, which was down 9.9 percentage points.

	6M 2022	6M 2021	p.p. var.
Loss ratio	98.9%	105.3%	-6.3 p.p
Expense ratio	32.2%	42.1%	-9.9 p.p
Combined ratio	131.2%	147.4%	-16.2 p.p
Clients (thousands)	106	96	10

Other insurance businesses

This line of business includes various products, notably assistance insurance for holders of Bankinter and Bankinter Consumer Finance credit cards and the Vivaz Safe&Go insurance line launched in September 2021; the first pay-as-you-go insurance for users of personal mobility vehicles.

At 30 June 2022, premiums written in this business amounted to € 1,068 million, with an outstanding combined ratio of 45%.



<i>Thousand euro</i>	6M 2022	6M 2021	% var.
Gross written premiums (GWP)	1,068	1,363	-21.6%
Premiums earned, net of reinsurance	737	679	8.5%
Claims incurred, net of reinsurance	(21)	(32)	-34.4%
Profit sharing and premiums refunds	(235)	(172)	36.6%
Net operating expenses	(76)	(10)	660.0%
Other technical revenues and expenses	-	-	-
Technical result	405	465	-12.9%

	6M 2022	6M 2021	p.p. var.
Loss ratio	2.8%	4.7%	-1.9 p.p
Expense ratio	42.2%	26.8%	15.4 p.p
Combined ratio	45.0%	31.5%	13.5 p.p

Clients (thousands)	4	5	(1)
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4.3 Condensed consolidated balance sheets

4.3.1 Condensed balance sheets

The Company's balance sheet is as follows at 30 June 2022:

<i>Thousand euro</i>	6M 2022	12M 2021	% var.
Assets			
Cash and cash equivalents	102,517	115,788	-11.5%
Available-for-sale financial assets	767,715	864,978	-11.2%
<i>Equity instruments</i>	132,892	153,963	-13.7%
<i>Debt securities</i>	634,823	711,015	-10.7%
Loans and receivables	120,230	120,615	-0.3%
Reinsurers' share of technical provisions	23,580	20,153	17.0%
Property, plant and equipment and investment property	109,456	110,721	-1.1%
<i>Investment property</i>	65,068	65,457	-0.6%
<i>Property, plant and equipment</i>	44,388	45,264	-1.9%
Intangible assets	14,064	14,121	-0.4%
Other assets	130,725	122,102	7.1%
Total assets	1,268,287	1,368,478	-7.3%

*Thousand euro*

Liabilities and Equity	6M 2022	12M 2021	% var.
Debt and accounts payable	129,654	175,406	-26.1%
Hedging derivatives	-	9,447	-100.0%
Technical provisions	747,273	738,158	1.2%
<i>Provision for unearned premiums</i>	470,194	449,740	4.5%
<i>Provision for unexpired risks</i>	3,280	3,280	0.0%
<i>Provision for claims</i>	273,799	285,138	-4.0%
Nontechnical provisions	22,033	22,133	-0.5%
Other liabilities	40,365	45,059	-10.4%
Total liabilities	939,325	990,203	-5.1%
Equity	340,540	334,909	1.7%
Valuation adjustments	(11,578)	43,366	-126.7%
Total equity	328,962	378,275	-13.0%

The most relevant changes include:

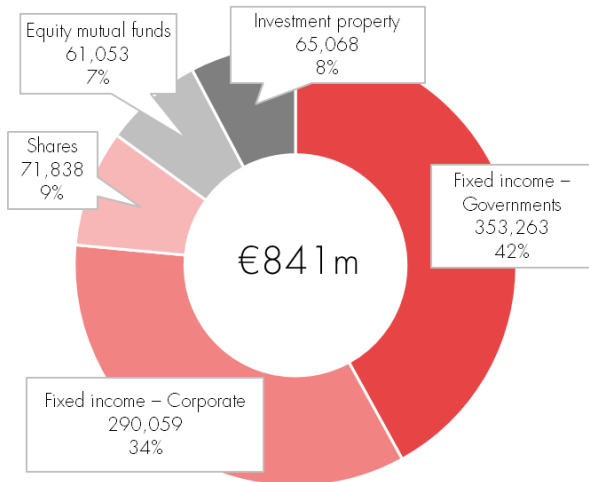
- The decrease in Equity instruments and Debt Instruments is due to the mark-to-market valuation of the available-for-sale portfolio in the first six months of the year and is also reflected in equity. The Company also reduced its exposure to equities by € 31.7 million in the first half of the year.
- Technical provisions largely show the solid growth in the volume of premiums, reflecting the change in provision for unearned premiums, partially offset by the change in the provision for claims.
- Changes in Other assets and liabilities are a result of the business management process.
- Equity valuation adjustments reflect the reduction in unrealised gains on the investment portfolio mentioned above.
- The Company has no subordinated liabilities or financial debt.



4.3.2 Investment portfolio

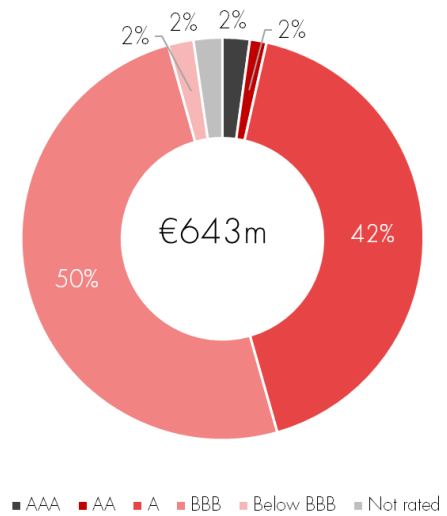
The Company has a low-risk investment portfolio, based on a prudent investment strategy.

At 30 June 2022, the investment portfolio amounted to € 841 million (without cash and cash equivalents), is distributed as follows:



- Fixed income of € 643.3 million, comprising € 353.3 million in government bonds and € 290.1 million in corporate debt.
- Equities and equity funds for a total of € 71.8 million and € 61.1 million, respectively;
- Investment property amounting to € 65.1 million.

The credit rating of fixed income investments is as follows. Of the total, 96% has a rating of BBB or higher.



The average maturity of the fixed income portfolio is 4.04 years.

Meanwhile, investment property comprises three properties, with an occupancy ratio of 100%. The Company also has four buildings for its own use. Off-balance sheet capital gains on investment property and properties for own use amounted to € 22.1 million before tax.



4.4.3 Changes in equity

Consolidated equity totalled € 329 million. The book value per share amounted to € 0.30 at 30 June 2022 (€ 0.35 at 31 December 2021).

Changes in net equity in the first six months of the year reflect:

- The declining value of unrealised gains on the available-for-sale portfolio amounting to € 54.9 million as a result of prevailing market conditions;
- The delivery of 157,592 treasury shares to the management team under the Extraordinary Share-based Variable Remuneration Plan on the occasion of the listing;
- Profit as at June 2022, totalling € 49 million;
- The first interim dividend for 2022 of € 21.8 million, paid on 8 June.

5. Risks and uncertainties for the second half of the year

The macroeconomic scenario remains subject to a high degree of uncertainty. The ongoing war in Ukraine and China's zero-Covid policy have made it harder to resolve existing bottlenecks in global supply chains and even made them worse in some cases. The speed at which these major problems are resolved will be a key factor steering the future recovery in economic activity.

Meanwhile, the gradual tightening of financing costs on a global scale could have a negative impact on the buoyancy of the Spanish economy. Persistently high prices levels in Spain are having a negative impact on the purchasing power of national incomes and on agents' spending.

The prevailing environment in the insurance sector may lead to lower sales of new vehicles and lower take-up of motor insurance cover.

Claims frequency is expected to increase further once the restrictive mobility measures have been fully lifted. It remains to be seen whether this upturn consolidates or is mitigated by the sharp rise in fuel prices. Rising

prices are another relevant factor affecting the cost of claims and this has already led to a significant increase in repair prices.

Atmospheric perils will continue to be a determining factor shaping the loss ratio in the Home segment.

No major changes are expected in the Health segment compared to the close of 2021, which saw continued growth.

Lastly, the Company's overhead expenses will continue to follow the current trend of strict cost control.

6. Treasury shares

At 30 June 2022, Línea Directa Aseguradora held 637,587 treasury shares, representing 0.059% of capital, at an average cost of € 999 thousand.

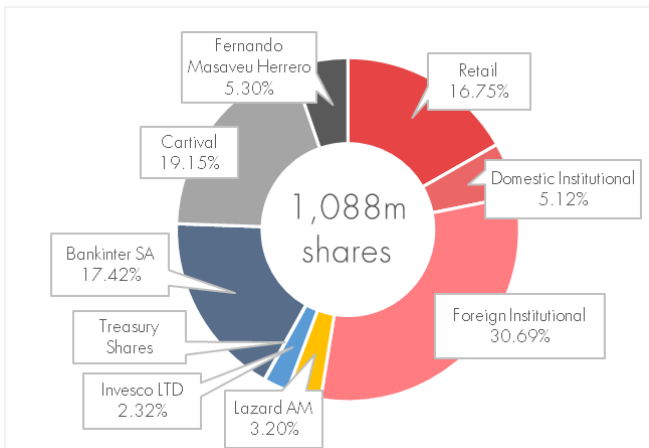
On 29 April 2022, the first accrual took place under the 2021–2023 Extraordinary Share-based Variable Remuneration Plan, aimed at the management team on the occasion of the Company's IPO. In accordance with the Plan approved by shareholders at the Annual General Meeting, on 3 May 2022 the Company used the corresponding treasury stock, as acquired under the



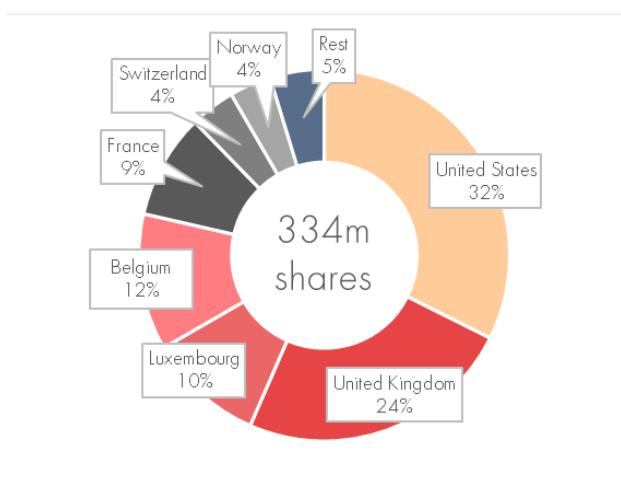
share buyback programme announced on 12 May 2021, as payment of this remuneration. Note that all of these events have been duly notified to the Spanish National Securities Market Commission (CNMV).

7. Shareholding structure

At 30 June 2022, Cartival held 19.15% of Línea Directa's shares, Bankinter 17.416%, Fernando Masaveu Herrero 5.305%, Lazard Asset Management 3.195% and Invesco Ltd. 2.321%. Línea Directa holds 0.059% of treasury stock. The remaining 52.5% is therefore free float and is largely in the hands of institutional investors.



The foreign institutional tranche has the following composition:



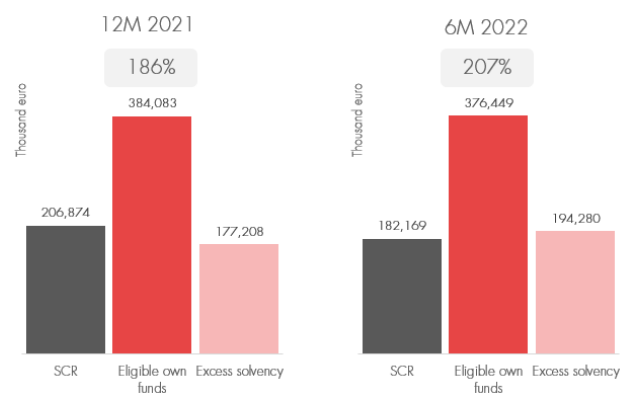
8. Solvency II

The Solvency II ratio of Línea Directa Aseguradora stood at 207% in the first six months of 2022, compared to 186% at December 2021.

The table below shows the calculation of the SCR broken down into its different modules and its comparison with year-end 2021.

	6M 2022	12M 2021
SCR Market	97,305	132,271
SCR Counterparty	11,847	13,086
SCR Health	3,257	3,134
SCR Non-Life	162,056	171,657
BSCR	215,498	248,666
SCR Operational	27,393	27,166
Deferred tax adjustment	(60,723)	(68,958)
SCR	182,169	206,874
Eligible own funds Solvency II	376,449	384,082
<i>Thousand euro</i>		
Solvency II ratio	207%	186%

Eligible own funds amounted to € 376.4 million, of which 100% is unrestricted Tier 1 capital of the highest quality.



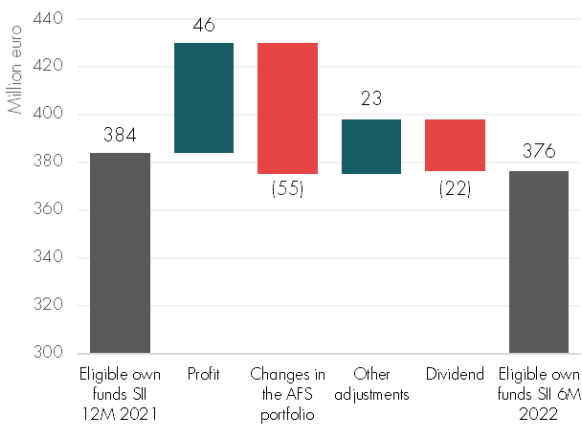
The solvency ratio excludes the subsidiaries of Línea Directa Aseguradora, as their corporate objects are ancillary insurance services almost all of which are provided to the parent company. As they are not



insurers or reinsurers, there is no obligation to submit solvency reports at Group level.

The change in eligible own funds for solvency purposes from December 2021 through to 30 June 2022 is largely a result of:

- profit at the parent, Línea Directa Aseguradora, on a separate basis;
- the change in the unrealised gains on the available-for-sale portfolio amid high levels of volatility in the equity and bond financial markets;
- the change in the best estimate premium provision for solvency purposes; and
- the first interim dividend for the year.



9. Other non-financial information

The Group has a strategic plan in place for the 2020–2022 three-year period, overseen by a dedicated committee and guided by the three main ESG axes (environmental, social and good governance), which apply to three different areas of action: the company, the organisation and society. In order to develop and implement the plan, we also have specific strategies in the realm of sustainability, approved by the Board of Directors

itself and reflecting the Company's commitment to the Sustainable Development Goals and the 2030 Agenda, where Línea Directa has pledged to support eight of the goals.

Another notable milestone of the period is the fact that for the first time in our history we have produced a non-financial statement (NFS), not only to comply with applicable regulations but also to make the Company more transparent and provide society and our stakeholders with the most truthful and objective information as possible about our ESG performance.

Línea Directa Aseguradora uses this document to report on environmental, corporate governance, human resources, social and human rights issues relevant to the company in the context of its business activities.

The report is available on the corporate website at the following link: <https://www.lineadirectaaseguradora.com/sostenibilidad/estado-de-informacion-no-financiera>

10. IFRS 17

In the accounting realm, IFRS 17 – the IASB’s new standard for insurance contracts – comes into force on 1 January 2023. It represents a complete overhaul of the accounting for insurance contracts due to the need for greater transparency in respect of the financial positions held by insurers and their performance. The enhanced information in the new disclosures will provide greater comparability with the financial statements of other insurers.

It will be the biggest accounting change the industry has seen in decades. The standard profoundly changes the approach to insurance accounting from a traditional, historical value-based approach to a more economic value-based approach to insurance contracts.



As Línea Directa Aseguradora is exclusively a non-life insurance group and with contracts in which the period of coverage is one year or less, the simplified valuation method known as the Premium Allocation Approach (PAA) will be applied. Therefore, IFRS 17 will not have a significant impact on the results.

11. Corporate governance

The first General Shareholders' Meeting of Línea Directa Aseguradora as a listed company was held in the first half of 2022, as both an in person and online event, with a high attendance quorum of 77.65% and a percentage of votes in favour of over 92% for all items on the agenda.

Following the appointment, by co-optation on 17 February 2022, of Patricia Ayuela as executive director and CEO, the General Shareholders' Meeting held on 24 March ratified her appointment with more than 99% of votes cast in favour.

Notably, the Board has a strong contingent of independent directors and its members are suitably diverse in terms of training, experience and skills. Furthermore, 57% of its members are women and 57% are independent directors and the advisory committees attached to the board are chaired by independent directors and composed of members with the necessary skills in accordance with the remit of each committee, thus enhancing their effectiveness and independence.

Aside from the Company's regular contact with shareholders and other stakeholders throughout the year, and the information permanently available on the corporate website (<https://www.lineadirectaaseguradora.com/gobierno-corporativo>), the Annual Corporate Governance Report (also available on the corporate website) provides a particularly detailed account of Línea

Directa's corporate governance system and practices.

Events after the reporting period

There have been no events after the end of the accounting period that may affect the half-yearly accounts or be of interest to users of the financial statements.



Appendices

Condensed consolidated balance sheets:

<i>Thousand euro</i>		
Assets	6M 2022	12M 2021
Cash and cash equivalents	102,517	115,788
Available-for-sale financial assets	767,715	864,978
Equity instruments	132,892	153,963
Debt securities	634,823	711,015
Loans and receivables	120,230	120,615
Debt securities	8,499	10,990
Deposits with credit institutions	-	-
Receivables on direct insurance business	61,996	53,538
Policyholders	61,996	53,538
Receivables on reinsurance business	7,756	7,969
Other receivables	41,979	48,118
Tax and social security receivable	1,040	1,040
Other receivables	40,939	47,078
Hedging derivatives	3,272	-
Reinsurers' share of technical provisions	23,580	20,153
Provision for unearned premiums	6,597	4,280
Provision for claims	16,983	15,873
Property, plant and equipment and investment property	109,456	110,721
Property, plant and equipment	44,388	45,264
Investment property	65,068	65,457
Right-of-use assets	3,659	4,496
Intangible assets	14,064	14,121
Other intangible assets	14,064	14,121
Tax assets	20,847	28,467
Current tax assets	2,900	19,916
Deferred tax assets	17,947	8,551
Other assets	102,947	89,139
Prepaid fees and other acquisition expenses	96,391	87,219
Accrued income	6,049	1,528
Other assets	507	392
Assets held for sale	-	-
Total assets	1,268,287	1,368,478



Thousand euro

Liabilities and equity	6M 2022	12M 2021
Debt and accounts payable	129,654	175,406
Due on direct insurance business	3,027	2,526
Due to policyholders	2,698	1,939
Due to agents, brokers and intermediaries	326	587
Conditional debt	3	-
Due on reinsurance business	1,024	1,244
Lease liabilities	3,684	4,534
Other debts	121,919	167,102
Taxes and social security payable	16,235	17,454
Due to group companies and associates	-	56
Other debts	105,684	149,592
Hedging derivatives	-	9,447
Technical provisions	747,273	738,158
Provision for unearned premiums	470,194	449,740
Provision for unexpired risks	3,280	3,280
Provision for claims	273,799	285,138
Non-technical provisions	22,033	22,133
Provisions for taxes and other legal contingencies	-	-
Provisions for settlement agreements	21,652	21,915
Other non-technical provisions	381	218
Tax liabilities	40,335	44,456
Current tax liabilities	4,824	-
Deferred tax liabilities	35,511	44,456
Other liabilities	30	603
Accruals	-	-
Other liabilities	30	603
Total liabilities	-	-
Equity	340,540	334,909
Share capital	43,537	43,537
Subscribed capital	43,537	43,537
Reserves	270,796	260,146
Legal and bylaw reserves	9,046	9,046
Other reserves	261,750	251,100
Reserves in consolidated companies	-	-
(Own shares)	(999)	(1,247)
Profit/(loss) for the year	48,976	110,137
(Interim dividend)	(21,770)	(77,664)
Valuation adjustments	(11,578)	43,366
Available-for-sale financial assets	(11,578)	43,366
Total equity	328,962	378,275
Total liabilities and equity	1,268,287	1,368,478



Condensed consolidated statement of profit or loss – Non-life insurance business

<i>Thousand euro</i>		
Non-Life Profit and Loss Account	6M 2022	6M 2021
Earned premiums in the period, net of reinsurance	441,739	435,993
Written premiums	474,768	456,475
Written premiums, direct insurance	474,789	456,465
Change due to impairment of outstanding premiums receivable	(21)	10
Premiums from ceded reinsurance	(14,890)	(12,914)
Change in the provision for unearned premiums and unexpired risks	(20,455)	(9,728)
Direct insurance	(20,455)	(9,728)
Change in the provision for unearned premiums, reinsurers' share	2,316	2,160
Income from property, plant and equipment and investments	36,794	22,769
Income from investment property	2,172	2,169
Income from financial investments	14,392	14,337
Applications of value corrections due to impairment of property, plant and equipment and investments	-	-
Property, plant and equipment, and investment property	-	-
Financial investments	-	-
Gains on realisation of property, plant and equipment and investments	20,230	6,263
Property, plant and equipment, and investment property	-	-
Financial investments	20,230	6,263
Claims incurred, net of reinsurance	(310,218)	(284,885)
Claims and other expenses paid	(262,769)	(234,565)
Direct insurance	(268,465)	(239,775)
Reinsurers' share	5,696	5,210
Change in the provision for claims	12,872	3,522
Direct insurance	11,762	(238)
Reinsurers' share	1,110	3,760
Claims-related expenses	(60,321)	(53,842)
Profit sharing and premium refunds	(235)	(172)
Change in the provision for profit sharing and premium refunds	(235)	(172)
Net operating expenses	(94,279)	(97,485)
Acquisition expenses	(84,217)	(86,582)
Administrative expenses	(12,525)	(13,708)
Reinsurance commissions and profit participation	2,463	2,805
Other technical expenses	7,044	9,688
Change in claims paid under settlement agreements	11,161	11,827
Other	(4,117)	(2,139)
Expenses from property, plant and equipment and investments	(18,414)	(9,974)
Expenses from managing property, plant and equipment and investments	(3,679)	(3,765)
Expenses from property, plant and equipment and investment property	(1,554)	(1,342)
Expenses from financial investments and accounts	(2,125)	(2,423)
Valuation adjustments for property, plant and equipment and investments	(14)	(13)
Depreciation of property, plant and equipment and investment property	(14)	(13)
Impairment of property, plant and equipment and investment property	-	-
Losses on property, plant and equipment and investments	(14,721)	(6,196)
Property, plant and equipment and investment property	-	(7)
Financial assets	(14,721)	(6,189)
Profit/(loss) from the non-life insurance business	62,431	75,934



Condensed consolidated statements of profit or loss – Other activities account

<i>Thousand euro</i>		
Non-Technical Account	6M 2022	6M 2021
Profit/(loss) from the non-life insurance business	62,431	75,934
Other income	4,189	4,632
Other income	4,189	4,632
Other expenses	(1,369)	(2,948)
Other expenses	(1,369)	(2,948)
Subtotal (Profit/(loss) from other activities)	2,820	1,684
Profit/(loss) before tax	65,251	77,618
Income tax	(16,275)	(19,408)
Profit/(loss) for the year	48,976	58,210
Profit/(loss) attributable to the Parent Company	48,976	58,210
Profit/(loss) attributable to non-controlling interests	-	-
Basic earnings per share (euro)	0.05	0.05
Diluted earnings per share (euro)	0.05	0.05

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Auditor's report

June 2022



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**Línea Directa Aseguradora, S.A.,
Compañía de Seguros y Reaseguros
and its subsidiaries**

Report on limited review
Condensed consolidated interim financial statements
for the six months period ended 30 June 2022
Consolidated interim management report



This version of our report is a free translation from the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Report on limited review of condensed consolidated interim financial statements

To the shareholders of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros

Introduction

We have performed a limited review of the accompanying condensed consolidated interim financial statements (hereinafter, the interim financial statements) of Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros (hereinafter, “the Parent company”) and its subsidiaries (hereinafter, “the Group”), which comprise the balance sheets at 30 June 2022, and the statements of profit or loss, statement of other comprehensive income, statements of changes in equity, statements of cash flows and related notes, all condensed and consolidated, for the six months period then ended. The Parent company’s directors are responsible for the preparation of these interim financial statements in accordance with the requirements of International Accounting Standards (IAS) 34, “Interim Financial Reporting”, as adopted by the European Union, for the preparation of condensed interim financial statements, as provided in Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with legislation governing the Audit practice in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our limited review, that cannot be considered as an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six months period ended 30 June 2022 have not been prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, “Interim Financial Reporting”, as adopted by the European Union, as provided in Article 12 of Royal Decree 1362/2007, for the preparation of condensed interim financial statements.



Emphasis of matter

We draw attention to note 2.a), in which it is mentioned that these interim financial statements do not include all the information required in a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and therefore the accompanying condensed consolidated interim financial statements should be read together with the consolidated annual accounts of the Group for the year ended 31 December 2021. Our conclusion is not modified in respect of this matter.

Other matters

Consolidated interim management report

The accompanying consolidated interim management report for the six months period ended 30 June 2022 contains the explanations which the Parent company's directors consider appropriate regarding the principal events of this period and their impact on the interim financial statements presented, of which it does not form part, as well as the information required under the provisions of Article 15 of Royal Decree 1362/2007. We have verified that the accounting information contained in this management report is in agreement with that of the interim financial statements for the six months period ended 30 June 2022. Our work as auditors is limited to checking the consolidated interim management report in accordance with the scope mentioned in this paragraph and does not include a review of information other than that obtained from Línea Directa Aseguradora, S.A., Compañía de Seguros y Reaseguros and its subsidiaries' accounting records.

Preparation of this review report

This report has been prepared at the request of la Junta General de Accionistas in relation to the publication of the half-yearly financial report required by Article 119 of Royal Legislative Decree 4/2015 of 23 October, approving the revised text of the Securities Market Law developed by Royal Decree 1362/2007, of 19 October.

PricewaterhouseCoopers Auditores, S.L.

Enrique Anaya Rico

21 July 2022

Original signed in Spanish



APPENDIX III

INSURANCE ENTITIES

1st

FINANCIAL INFORMATION CORRESPONDING TO THE YEAR

2022

PERIOD END DATE

06/30/2022

I. COMPANY INFORMATION

Company name: Línea Directa Aseguradora, S.A. Compañía de Seguros y Reaseguros

Registered address: Calle Isaac Newton 7, Tres Cantos (Madrid)

C.I.F.

A80871031

II. ADDITIONAL INFORMATION TO THE INFORMATION PUBLISHED FOR THE PREVIOUS HALF-YEAR

IV. SELECTED FINANCIAL INFORMATION

1. INDIVIDUAL BALANCE SHEET (1/2)

(PREPARED IN ACCORDANCE WITH THE CURRENT NATIONAL ACCOUNTING CRITERIA)

Units: Thousand euros

ASSETS		A	B
		CURRENT PERIOD 06/30/2022	PREVIOUS PERIOD 12/31/2021
1. Cash and other equivalent liquid assets	0005	81,414.00	98,911
2. Financial assets held for trading	0010		
3. Other financial assets at fair value, with changes in profit and loss account	0015		
4. Financial assets available for sale	0020	729,772	829,700
5. Loans and receivables	0025	149,391	130,881
6. Investments held to maturity	0030		
7. Hedging derivatives	0035	3,587	
8. Participation of reinsurance in technical provisions	0041	23,580	20,153
9. Property, plant and equipment, and real estate investments:	0045	42,650	43,497
a) Property, plant and equipment	0046	40,741	41,574
b) Real estate investments	0047	1,909	1,923
10. Intangible assets:	0050	14,037	14,061
a) Goodwill	0051		
b) Acquisition costs of portfolios	0053		
c) Other intangible assets	0052	14,037	14,061
11. Equity investments in Group and associated companies:	0055	65,952	65,785
a) Associated companies	0056		
b) Multigroup companies	0057		
c) Group companies	0058	65,952	65,785
12. Tax assets:	0060	19,182	27,315
a) Current tax assets	0061	1,333	18,896
Deferred tax assets	0062	17,849	8,419
13. Other assets	0075	109,446	95,777
14. Assets held for sale	0080		
TOTAL ASSETS	0100	1,239,011	1,326,080

IV. SELECTED FINANCIAL INFORMATION

1. INDIVIDUAL BALANCE SHEET (2/2)

(PREPARED IN ACCORDANCE WITH THE CURRENT NATIONAL ACCOUNTING CRITERIA)

Units: Thousand euros

LIABILITIES AND EQUITY		A	B
		CURRENT PERIOD 06/30/2022	PREVIOUS PERIOD 12/31/2021
TOTAL LIABILITIES	0170	932,392	981,153
1. Financial liabilities held for trading	0110		
2. Other financial liabilities at fair value, with changes in profit and loss account	0115		
3. Debts:	0120	115,317	159,871
a) Subordinated liabilities	0121		
b) Bonds and other negotiable securities	0122		
c) Debts with credit institutions	0123		
d) Other debts	0124	115,317	159,871
4. Hedging derivatives	0130		8,922
5. Technical provisions:	0131	754,415	744,677
a) For unearned premiums	0132	470,194	449,740
b) Unexpired risk reserve	0133	3,280	3,280
c) For life assurance	0134		
d) For outstanding claims	0135	280,941	291,657
e) For profit sharing and returned premiums	0136		
f) Other technical provisions	0137		
6. Non-technical provisions	0140	22,033	22,118
7. Tax liabilities:	0145	40,331	44,456
a) Current tax liabilities	0146	4,824	
b) Deferred tax liabilities	0147	35,507	44,456
8. Other liabilities	0150	296	1,109
9. Liabilities linked to assets held for sale	0165		
TOTAL NET EQUITY	0195	306,619	344,927
SHAREHOLDERS' EQUITY	0180	318,189.00	301,561
1. Share capital or mutual fund:	0171	43,537.00	43,537
a) Declared capital or mutual fund	0161	43,537.00	43,537
b) Less: Uncalled capital	0162		
2. Share premium	0172		
3. Reserves	0173	237,448	228,820
4. Less: Treasury stock and own shares	0174	(999)	(1,247)
5. Previous years' results	0178		
6. Other contributions from partners	0179		
7. Results for the year	0175	59,973	108,115
8. Less: Interim dividend	0176	(21,770)	(77,664)
9. Other equity instruments	0177		
VALUATION ADJUSTMENTS	0188	(11,570)	43,366
1. Financial assets available for sale	0181	(11,570)	43,366
2. Hedging operations	0182		
3. Foreign exchange differences	0184		
4. Correction for accounting asymmetries	0185		
5. Other adjustments	0187		
SUBSIDIES, DONATIONS AND LEGACIES RECEIVED	0193		
TOTAL LIABILITIES AND EQUITY	0200	1,239,011	1,326,080

IV. SELECTED FINANCIAL INFORMATION
2. INDIVIDUAL PROFIT AND LOSS ACCOUNT
(PREPARED IN ACCORDANCE WITH CURRENT NATIONAL ACCOUNTING CRITERIA)

Units: Thousand euros

		A	B	C	D
		CURRENT PERIOD (2nd HALF)	PREVIOUS PERIOD (2nd HALF)	ACCUMULATED CURRENT PERIOD 06/30/2022	ACCUMULATED PREVIOUS PERIOD 06/30/2021
(+)	1. Premiums allocated to the period, net	0201		441,739	435,993
(+)	2. Revenue from property and other investments	0202		35,084	21,070
(+)	3. Other technical revenue	0203			
(-)	4. Net claims incurred	0204		(312,528)	(287,959)
(+/-)	5. Net variation of other technical provisions	0205			
(+/-)	6. Profit sharing and returned premiums	0206		(235)	(172)
(-)	7. Net operating expenses	0207		(94,051)	(97,202)
(+/-)	8. Other technical expenses	0209		7,044	9,687
(-)	9. Expenses from property and other investments	0210		(17,775)	(9,577)
A)	TECHNICAL RESULT FROM NON-LIFE OPERATIONS (1+ 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)	0220		59,278	71,840
(+)	10. Premiums allocated to the period, net	0221			
(+)	11. Revenue from property and other investments	0222			
(+)	12. Revenue from investments on account of the life policyholders bearing the investment risk	0223			
(+)	13. Other technical revenue	0224			
(-)	14. Net claims incurred	0225			
(+/-)	15. Net variation of other technical provisions	0226			
(+/-)	16. Profit sharing and returned premiums	0227			
(-)	17. Net operating expenses	0228			
(+/-)	18. Other technical expenses	0229			
(-)	19. Expenses from property and other investments	0230			
(-)	20. Expenses from investments on account of the life policyholders bearing the investment risk	0231			
B)	TECHNICAL RESULT FROM LIFE OPERATIONS (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18 + 19 + 20)	0240			
C)	TECHNICAL RESULT (A + B)	0245		59,278	71,840
(+)	21. Revenue from property and other investments	0246		14,000	
(-)	22. Expenses from property and other investments	0247			
(+)	23. Other revenue	0248		2,011	2,285
(-)	24. Other expenses	0249		(22)	(218)
E)	RESULT BEFORE TAX (C + 21 + 22 + 23 + 24 + 25)	0265		75,267	73,907
(+/-)	25. Corporate Income Tax	0270		(15,294)	(18,474)
F)	RESULT FOR THE PERIOD FROM ONGOING OPERATIONS (E + 26)	0280		59,973	55,433
(+/-)	26. Result after tax from discontinued operations	0285			
G)	RESULT FOR THE PERIOD (F + 27)	0300		59,973	55,433
EARNINGS PER SHARE					
		Amount (X.XX euros)	Amount (X.XX euros)	Amount (X.XX euros)	Amount (X.XX euros)
	Basic	0290			
	Diluted	0295			

IV. SELECTED FINANCIAL INFORMATION
3. STATEMENT OF RECOGNISED INDIVIDUAL INCOME AND EXPENSES
(PREPARED IN ACCORDANCE WITH THE CURRENT NATIONAL ACCOUNTING CRITERIA)

Units: Thousand euros

A	B
CURRENT PERIOD	PREVIOUS PERIOD
06/30/2022	06/30/2021

A) RESULT FOR THE PERIOD	0305	59,973	55,433
B) OTHER RECOGNISED REVENUE / (EXPENSES)	0310	(54,936)	5,822
1. Financial assets available for sale:	0315	(73,248)	7,762
a) Gains/(Losses) due to valuation	0316	(67,045)	7,666
b) Amounts transferred to the income statement	0317	(6,203)	96
c) Other reclassifications	0318		
2. Cash flow hedging:	0320		
a) Gains/(Losses) due to valuation	0321		
b) Amounts transferred to the income statement	0322		
c) Amounts recognised at initial value of hedged items	0323		
d) Other reclassifications	0324		
3. Hedging of net investments in businesses abroad:	0325		
a) Gains/(Losses) due to valuation	0326		
b) Amounts transferred to the income statement	0327		
c) Other reclassifications	0328		
4. Foreign exchange differences:	0330		
a) Gains/(Losses) due to valuation	0331		
b) Amounts transferred to the income statement	0332		
c) Other reclassifications	0333		
5. Correction of accounting asymmetries:	0335		
a) Gains/(Losses) due to valuation	0336		
b) Amounts transferred to the income statement	0337		
c) Other reclassifications	0338		
6. Assets held for sale:	0340		
a) Gains/(Losses) due to valuation	0341		
b) Amounts transferred to the income statement	0342		
c) Other reclassifications	0343		
7. Actuarial gains/(losses) for long-term remuneration for employees	0345		
8. Other recognised revenue and expenses	0355		
9. Corporate Income Tax	0360	18,312	(1,940)
TOTAL RECOGNISED REVENUE/(EXPENSES) (A+B)	0400	5,037	61,255

IV. SELECTED FINANCIAL INFORMATION
4. STATEMENT OF CHANGES IN INDIVIDUAL EQUITY (1/2)
(PREPARED IN ACCORDANCE WITH THE CURRENT NATIONAL ACCOUNTING CRITERIA)

Units: Thousand euros

CURRENT PERIOD		A	B	C	D	E	F	G	H
		EQUITY					Adjustments for changes in value	Subsidies, donations and legacies received	Total equity
		Capital or mutual fund	Share premium and other reserves (1)	Treasury stock and own shares	Result for the period	Other equity instruments			
Opening balance as of 01/01/2022	3010	43,537	228,820	(1,247)	108,115	(77,664)	43,366		344,927
Adjustments for changes in accounting criteria	3011								
Adjustments for errors	3012								
Adjusted opening balance	3015	43,537	228,820	(1,247)	108,115	(77,664)	43,366		344,927
I. Total recognised revenue / (expenses)	3020				59,973		(54,936)		5,037
II. Operations with shareholders or owners	3025			248	(21,459)	(21,770)			(42,981)
1. Capital increases (decreases)	3026								
2. Conversion of financial liabilities to equity	3027								
3. Distribution of dividends	3028				(21,459)	(21,770)			(43,229)
4. Operations involving treasury stock of own shares	3029			248					248
5. Increases / (Decreases) due to changes in business combinations	3030								
6. Other operations with shareholders or owners	3032								
III. Other variations in equity	3035		8,628		(86,656)	77,664			(364)
1. Payments using equity instruments	3036		(364)						(364)
2. Transfers between equity items	3037		8,992		(86,656)	77,664			
3. Other variations	3038								
Closing balance as of 06/30/2022	3040	43,537	237,448	(999)	59,973	(21,770)	(11,570)		306,619

IV. SELECTED FINANCIAL INFORMATION
4. STATEMENT OF CHANGES IN INDIVIDUAL EQUITY (2/2)
(PREPARED IN ACCORDANCE WITH THE CURRENT NATIONAL ACCOUNTING CRITERIA)

Units: Thousand euros

PREVIOUS PERIOD		A	B	C	D	E	F	G	H
		EQUITY					Adjustments for changes in value	Subsidies, donations and legacies received	Total equity
		Capital or mutual fund	Share premium and other reserves (1)	Treasury stock and own shares	Result for the period	Other equity instruments			
Opening balance as of 01/01/2021 (period of comparison)	3050	37,512	228,183		132,671	(6,964)	44,397		435,799
Adjustments for changes in accounting criteria	3051								
Adjustments for errors	3052								
Adjusted opening balance	3055	37,512	228,183		132,671	(6,964)	44,397		435,799
I. Total recognised revenue / (expenses)	3060				55,433		5,822		61,255
II. Operations with shareholders or owners	3065	6,025	(126,025)	(765)		(26,636)			(147,401)
1. Capital increases (decreases)	3066	6,025	(6,025)						
2. Conversion of financial liabilities to equity	3067								
3. Distribution of dividends	3068		(120,000)			(26,636)			(146,636)
4. Operations involving treasury stock or own shares	3069			(765)					(765)
5. Increases / (Decreases) due to changes in business combinations	3070								
6. Other operations with shareholders or owners	3072								
III. Other variations in equity	3075		129,253		(132,671)	3,550			132
1. Payments using equity instruments	3076		132						132
2. Transfers between equity items	3077		125,707		(132,671)	6,964			
3. Other variations	3078		3,414			(3,414)			
Closing balance as of 06/30/2021 (period of comparison)	3080	43,537	231,411	(765)	55,433	(30,050)	50,219		349,785

IV. SELECTED FINANCIAL INFORMATION
5. INDIVIDUAL CASH FLOW STATEMENT (DIRECT METHOD)
(PREPARED IN ACCORDANCE WITH CURRENT NATIONAL ACCOUNTING CRITERIO)

Units: Thousand euros

		A	B
		CURRENT PERIOD	PREVIOUS PERIOD
		06/30/2022	06/30/2021
A) NET CASH FLOW FROM OPERATING ACTIVITIES (1 + 2 + 3)	7435	42,077	50,370
1. Insurance activities:	7405	47,476	65,015
(+) Inflows from insurance activities	7406	481,617	479,139
(-) Outflows from insurance activities	7407	(434,141)	(414,124)
2. Other operating activities:	7410	2,541	3,030
(+) Other operating activities cash inflows	7415	2,802	3,986
(-) Other operating activities cash outflows	7416	(261)	(956)
3. Inflows/(outflows) due to corporate income tax	7425	(7,940)	(17,675)
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (1 + 2)	7460	28,416	29,806
1. Inflows from investment activities:	7450	117,513	83,081
(+) Tangible assets	7451		
(+) Investments in property, plant and equipment	7452	61	103
(+) Intangible assets	7453		
(+) Financial instruments	7454	102,918	67,896
(+) Participations	7455		
(+) Other business units	7457		
(+) Interests collected	7456	12,599	13,350
(+) Dividends collected	7459	1,935	1,732
(+) Other income related to investment activities	7458		
2. Payments related to investment activities:	7440	(89,097)	(53,275)
(-) Tangible assets	7441	(759)	(1,241)
(-) Investments in property, plant and equipment	7442		
(-) Intangible assets	7443	(2,242)	(2,576)
(-) Financial instruments	7444	(82,913)	(40,568)
(-) Participations	7445		(7,000)
(-) Other business units	7447		
(-) Other payments related to investment activities	7448	(3,183)	(1,890)
C) NET CASH FLOW FROM FINANCING ACTIVITIES (1 + 2)	7490	(88,684)	(122,503)
1. Inflows from financing activities:	7480		52
(+) Subordinated liabilities	7481		
(+) Inflows from the issue of equity instruments and capital increases	7482		
(+) Capital contributions from owners or mutual members	7483		
(+) Sales of treasury stock	7485		
(+) Other income related to financing activities	7486		52
2. Payments related to financing activities:	7470	(88,684)	(122,555)
(-) Dividends to shareholders	7471	(43,229)	(120,000)
(-) Interest payments	7475		
(-) Subordinated liabilities	7472		
(-) Capital contributions returned to shareholders	7473		
(-) Capital contributions returned to owners or mutual members	7474		
(-) Acquisition of treasury stock	7477	(364)	(765)
(-) Other payments related to financial activities	7478	(45,091)	(1,790)
D) FOREIGN EXCHANGE DIFFERENCES	7492	695	(170)
E) NET INCREASE / (DECREASE) IN CASH AND EQUIVALENTS (A + B + C + D)	7495	(17,496)	(42,497)
F) OPENING CASH BALANCE AND EQUIVALENTS	7499	98,911	141,646
G) CLOSING CASH BALANCES AND EQUIVALENTS (E + F)	7500	81,415	99,149

COMPONENTS OF CASH AND EQUIVALENTS AT PERIOD END

		CURRENT PERIOD	PREVIOUS PERIOD
		06/30/2021	06/30/2020
		(+) Cash and banks	7550
(+) Other financial assets	7552	4,996	
(-) Less: Bank overdrafts payable on demand	7553		
TOTAL CLOSING CASH AND EQUIVALENTS	7600	81,415	99,149

IV. SELECTED FINANCIAL INFORMATION
6. CONSOLIDATED BALANCE SHEET (IFRS) (1/2)

Units: Thousand euros

ASSETS	A		B	
	CURRENT PERIOD		PREVIOUS PERIOD	
	06/30/2022		12/31/2021	
1. Cash and other equivalent liquid assets	1005	102,517	115,788	
2. Financial assets held for trade	1010			
3. Other financial assets at fair value, with changes in profit and loss account	1015			
4. Financial assets available for sale	1020	767,715	864,978	
5. Loans and receivables	1025	120,230	120,615	
6. Investments held to maturity	1030			
7. Hedging derivatives	1035	3,272		
8. Participation of reinsurance in technical provisions	1041	23,580	20,153	
9. Property, plant and equipment, and real estate investments:	1045	113,115	115,217	
a) Property, plant and equipment	1046	48,047	49,760	
b) Real estate investments	1047	65,068	65,457	
10. Intangible assets:	1050	14,064	14,121	
a) Goodwill	1051			
b) Acquisition costs of portfolios	1053			
c) Other intangible assets	1052	14,064	14,121	
11. Participation in equity-accounted entities	1055			
a) Associated entities	1056			
b) Multigroup entities	1057			
12. Tax assets:	1060	20,847	28,467	
a) Current tax assets	1061	2,900	19,916	
b) Deferred tax assets	1062	17,947	8,551	
13. Other assets	1075	102,947	89,139	
14. Assets held for sale	1080			
TOTAL ASSETS	1100	1,268,287	1,368,478	

IV. SELECTED FINANCIAL INFORMATION
6. CONSOLIDATED BALANCE SHEET (IFRS) (2/2)

Units: Thousand euros

LIABILITIES AND EQUITY	A		B	
	CURRENT PERIOD		PREVIOUS PERIOD	
	06/30/2022		12/31/2021	
A) TOTAL LIABILITIES	1170	939,325	990,203	
1. Financial liabilities held for trade	1110			
2. Other financial liabilities at fair value, with changes in profit and loss account	1115			
3. Debts:	1120	129,654	175,406	
a) Subordinated liabilities	1121			
b) Bonds and other negotiable securities	1122			
c) Debts with credit institutions	1123			
d) Other debts	1124	129,654	175,406	
4. Hedging derivatives	1130		9,447	
5. Technical provisions:	1131	747,273	738,158	
a) For unearned premiums	1132	470,194	449,740	
b) Unexpired risk reserve	1133	3,280	3,280	
c) For life assurance	1134			
d) For outstanding claims	1135	273,799	285,138	
e) For profit sharing and returned premiums	1136			
f) Other technical provisions	1137			
6. Non-technical provisions	1140	22,033	22,133	
7. Tax liabilities:	1145	40,335	44,456	
a) Current tax liabilities	1146	4,824		
b) Deferred tax liabilities	1147	35,511	44,456	
8. Other liabilities	1150	30	603	
9. Liabilities linked to assets held for sale	1165			
B) TOTAL NET EQUITY (B.1 + B.2 + B.3)	1195	328,962	378,275	
B.1) SHAREHOLDERS' EQUITY	1180	340,540	334,909	
1. Share capital or mutual fund:	1171	43,537	43,537	
a) Declared capital or mutual fund	1161	43,537	43,537	
b) Less: Uncalled capital	1162			
2. Share premium	1172			
3. Reserves	1173	270,796	260,146	
4. Less: Treasury stock and own shares	1174	(999)	(1,247)	
5. Previous years' results	1178			
6. Other contributions from partners	1179			
7. Results for the year	1175	48,976	110,137	
8. Less: Interim dividend	1176	(21,770)	(77,664)	
9. Other equity instruments	1177			
B.2) VALUATION ADJUSTMENTS	1188	(11,578)	43,366	
1. Items that are not reclassified to the period result	1190			
2. Items that can be recycled after the period result	1183	(11,578)	43,366	
a) Financial assets available for sale	1181	(11,578)	43,366	
b) Hedging operations	1182			
c) Foreign exchange differences	1184			
d) Correction for accounting asymmetries	1185			
e) Equity-accounted entities	1186			
f) Other adjustments	1187			
NET EQUITY ATTRIBUTABLE TO THE CONTROLLING COMPANY (B.1 + B.2)	1189	328,962	378,275	
B.3) NON-CONTROLLING INTERESTS	1193			
TOTAL LIABILITIES AND NET EQUITY (A+ B)	1200	1,268,287	1,368,478	

IV. SELECTED FINANCIAL INFORMATION
7. CONSOLIDATED PROFIT AND LOSS ACCOUNT (IFRS)

Units: Thousand euros

		A	B	C	D
		STANDALONE	STANDALONE	ACCUMULATED	ACCUMULATED
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
		(2nd HALF)	(2nd HALF)	06/30/2022	06/30/2021
(+) 1. Premiums allocated to the period, net	1201			441,739	435,993
(+) 2. Revenue from property and other investments	1202			36,794	22,769
(+) 3. Other technical revenue	1203				
(-) 4. Net claims incurred	1204			(310,218)	(284,885)
(+/-) 5. Net variation of other technical provisions	1205				
(+/-) 6. Profit sharing and returned premiums	1206			(235)	(172)
(-) 7. Net operating expenses	1207			(94,279)	(97,485)
(+/-) 8. Other technical expenses	1209			7,044	9,688
(-) 9. Expenses from property and other investments	1210			(18,414)	(9,974)
A) TECHNICAL RESULT FROM NON-LIFE OPERATIONS (1+ 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)	1220			62,431	75,934
(+) 10. Premiums allocated to the period, net	1221				
(+) 11. Revenue from property and other investments	1222				
(+) 12. Revenue from investments on account of the life policyholders bearing the investment risk	1223				
(+) 13. Other technical revenue	1224				
(-) 14. Net claims incurred	1225				
(+/-) 15. Net variation of other technical provisions	1226				
(+/-) 16. Profit sharing and returned premiums	1227				
(-) 17. Net operating expenses	1228				
(+/-) 18. Other technical expenses	1229				
(-) 19. Expenses from property and other investments	1230				
(-) 20. Expenses from investments on account of the life policyholders bearing the investment risk	1231				
B) TECHNICAL RESULT FROM LIFE OPERATIONS (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18 + 19 + 20)	1240				
C) TECHNICAL RESULT (A + B)	1245			62,431	75,934
(+) 21. Revenue from property and other investments	1246				
(-) 22. Expenses from property and other investments	1247				
(+) 23. Other revenue	1248			4,189	4,632
(-) 24. Other expenses	1249			(1,369)	(2,948)
E) RESULT BEFORE TAX (C + 21 + 22 + 23 + 24)	1265			65,251	77,618
(+/-) 25. Corporate Income Tax	1270			(16,275)	(19,408)
F) RESULT FOR THE PERIOD FROM ONGOING OPERATIONS (E + 25)	1280			48,976	58,210
(+/-) 26. Result after tax from discontinued operations	1285				
G) RESULT FOR THE PERIOD (F + 26)	1288			48,976	58,210
a) Result attributable to the controlling company	1300			48,976	58,210
b) Result attributable to non-controlling interests	1289				
EARNINGS PER SHARE		Amount	Amount	Amount	Amount
		(X.XX euros)	(X.XX euros)	(X.XX euros)	(X.XX euros)
Reported	1290			0.05	0.05
Diluted	1295			0.05	0.05

IV. SELECTED FINANCIAL INFORMATION
8. OTHER COMPREHENSIVE INCOME (IFRS ADOPTED)

Units: Thousand euros

	A	B	C	D
	STANDALONE CURRENT PERIOD (2nd HALF)	STANDALONE PREVIOUS PERIOD (2nd HALF)	ACCUMULATED CURRENT PERIOD 06/30/2022	ACCUMULATED PREVIOUS PERIOD 06/30/2021
A) CONSOLIDATED PROFIT AND LOSS FOR THE YEAR	1305		48,976	58,210
B) OTHER GLOBAL RESULTS - ITEMS NOT RECLASSIFIED TO THE RESULT FOR THE PERIOD	1310			
1. Actuarial gains/(losses) for long-term remuneration for employees	1370			
2. Participation in other recognized global results from investments in joint and associated businesses	1371			
3. Other income and expenses not reclassified to the result for the period	1372			
4. Tax effect	1373			
C) OTHER GLOBAL RESULTS - ITEMS THAT CAN BE SUBSEQUENTLY RECLASSIFIED TO THE RESULT FOR THE PERIOD	1345		(54,944)	5,588
1. Financial assets available for sale:	1315		(73,252)	7,528
a) Gains/(Losses) due to valuation	1316		(67,049)	7,432
b) Amounts transferred to the income statement	1317		(6,203)	98
c) Other reclassifications	1318			
2. Cash flow hedging:	1320			
a) Gains/(Losses) due to valuation	1321			
b) Amounts transferred to the income statement	1322			
c) Amounts recognised at initial value of hedged items	1323			
d) Other reclassifications	1324			
3. Hedging of net investments in businesses abroad:	1325			
a) Gains/(Losses) due to valuation	1326			
b) Amounts transferred to the income statement	1327			
c) Other reclassifications	1328			
4. Foreign exchange differences:	1330			
a) Gains/(Losses) due to valuation	1331			
b) Amounts transferred to the income statement	1332			
c) Other reclassifications	1333			
5. Correction of accounting asymmetries:	1335			
a) Gains/(Losses) due to valuation	1336			
b) Amounts transferred to the income statement	1337			
c) Other reclassifications	1338			
6. Assets held for sale:	1340			
a) Gains/(Losses) due to valuation	1341			
b) Amounts transferred to the income statement	1342			
c) Other reclassifications	1343			
7. Participation in other recognized global results from investments in joint and associated businesses:	1350			
a) Gains/(Losses) due to valuation	1351			
b) Amounts transferred to the income statement	1352			
c) Other reclassifications	1353			
8. Other income and expenses that can be subsequently reclassified to the result for the period	1355			
9. Tax effect	1360		18,308	(1,940)
TOTAL GLOBAL RESULT FOR THE PERIOD (A + B + C)	1400		(5,968)	63,798
a) Attributable to the controlling company	1398		(5,968)	63,798
b) Attributable to minority interests	1399			

IV. SELECTED FINANCIAL INFORMATION

9. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS) (1/2)

Units: Thousand euros

CURRENT PERIOD		A	B	C	D	E	F	G	H	
		Equity of the controlling company							Non-controlling interests	Total equity
		Shareholders' Equity					Adjustments for changes in value			
		Capital or mutual fund	Share premium and other reserves (1)	Treasury stock and own shares	Result for the period attributable to the controlling company	Other equity instruments				
Opening balance as of 01/01/2022	3110	43,537	260,146	(1,247)	110,137	(77,664)	43,366		378,275	
Adjustments for changes in accounting criteria	3111									
Adjustments for errors	3112									
Adjusted opening balance	3115	43,537	260,146	(1,247)	110,137	(77,664)	43,366		378,275	
I. Total revenue/ (expenses) recognized	3120				48,976		(54,944)		(5,968)	
II. Operations with shareholders or owners	3125			248	(21,459)	(21,770)			(42,981)	
1. Capital increases (decreases)	3126									
2. Conversion of financial liabilities to equity	3127									
3. Distribution of dividends	3128				(21,459)	(21,770)			(43,229)	
4. Operations involving treasury stock or own shares	3129			248					248	
5. Increases / (Decreases) due to changes in business combinations	3130									
6. Other operations with shareholders or owners	3132									
III. Other variations in equity	3135		10,650		(88,678)	77,664			(364)	
1. Payments using equity instruments	3136		(364)						(364)	
2. Transfers between equity items	3137		11,014		(88,678)	77,664				
3. Other variations	3138									
Closing balance as of 06/30/2022	3140	43,537	270,796	(999)	48,976	(21,770)	(11,578)		328,962	

IV. SELECTED FINANCIAL INFORMATION
9. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS) (2/2)

Units: Thousand euros

PREVIOUS PERIOD		A	B	C	D	E	F	G	H	
		Equity of the controlling company							Non-controlling interests	Total equity
		Shareholders' Equity					Adjustments for changes in value			
		Capital or mutual fund	Share premium and other reserves (1)	Treasury stock and own shares	Result for the period attributable to the controlling company	Other equity instruments				
Opening balance as of 01/01/2021 (period of comparison)	3150	37,512	250,369		134,846		44,632		467,359	
Adjustments for changes in accounting criteria	3151									
Adjustments for errors	3152									
Adjusted opening balance	3155	37,512	250,369		134,846		44,632		467,359	
I. Total revenue/ (expenses) recognized	3160				58,210		5,588		63,798	
II. Operations with shareholders or owners	3165	6,025	(126,025)	(765)		(26,636)			(147,401)	
1. Capital increases (decreases)	3166	6,025	(6,025)							
2. Conversion of financial liabilities to equity	3167									
3. Distribution of dividends	3168		(120,000)			(26,636)			(146,636)	
4. Operations involving treasury stock or own shares	3169			(765)					(765)	
5. Increases (Decreases) due to changes in business combinations	3170									
6. Other operations with shareholders or owners	3172									
III. Other variations in equity	3175		134,978		(134,846)				132	
1. Payments using equity instruments	3176		132						132	
2. Transfers between equity items	3177		134,846		(134,846)					
3. Other variations	3178									
Closing balance as of 06/30/2021 (period of comparison)	3180	43,537	259,322	(765)	58,210	(26,636)	50,220		383,888	

IV. SELECTED FINANCIAL INFORMATION

10. A. CONSOLIDATED CASH FLOW STATEMENT (DIRECT METHOD) (IFRS)

Units: Thousand euros

A	B
CURRENT PERIOD	PREVIOUS PERIOD
06/30/2022	06/30/2021

A) NET CASH FLOW FROM OPERATING ACTIVITIES (1 + 2 + 3)	8435	46,268	53,792
1. Insurance activities:	8405	49,460	68,726
(+) Inflows from insurance activities	8406	483,100	479,429
(-) Outflows from insurance activities	8407	(433,640)	(410,703)
2. Other operating activities:	8410	4,748	2,741
(+) Cash inflows from other operating activities	8415	4,984	6,333
(-) Cash outflows from other operating activities	8416	(236)	(3,592)
3. Inflows / (outflows) due to corporate income tax	8425	(7,940)	(17,675)
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (1 + 2)	8460	29,821	21,505
1. Inflows from investment activities:	8450	119,406	85,144
(+) Property, plant and equipment	8451	-	-
(+) Real estate investment	8452	2,189	2,388
(+) Intangible fixed assets	8453	-	-
(+) Financial instruments	8454	102,918	67,896
(+) Investments in associates	8455	-	-
(+) Controlled companies and other business units	8457	-	-
(+) Interests collected	8456	12,364	13,128
(+) Dividends collected	8459	1,935	1,732
(+) Other income related to investment activities	8458	-	-
2. Payments related to investment activities:	8440	(89,585)	(63,639)
(-) Property, plant and equipment	8441	(943)	(1,649)
(-) Real estate investment	8442	(434)	(348)
(-) Intangible fixed assets	8443	(2,242)	(2,576)
(-) Financial instruments	8444	(82,782)	(57,176)
(-) Investments in associates	8445	-	-
(-) Controlled companies and other business units	8447	-	-
(-) Other payments related to investment activities	8448	(3,184)	(1,890)
C) NET CASH FLOW FROM FINANCING ACTIVITIES (1 + 2)	8490	(90,055)	(123,475)
1. Inflows from financing activities:	8480		52
(+) Subordinated liabilities	8481	-	-
(+) Inflows from the issue of equity instruments and capital increases	8482	-	-
(+) Capital contributions from owners or partners	8483	-	-
(+) Sales of treasury stock	8485	-	-
(+) Other income related to financing activities	8486	-	52
(+) Sales of interests to external associates	8487	-	-
2. Payments related to financing activities:	8470	(90,055)	(123,527)
(-) Dividends to shareholders	8471	(43,229)	(120,000)
(-) Interest paid	8475	-	-
(-) Subordinated liabilities	8472	-	-
(-) Capital contributions returned to shareholders	8473	-	-
(-) Capital contributions returned to owners or partners	8474	-	-
(-) Acquisition of treasury stock	8477	(364)	(766)
(-) Other payments related to financing activities	8478	(46,462)	(2,761)
(-) Acquisition of non-controlling interests	8479	-	-
D) FOREIGN EXCHANGE DIFFERENCES	8492	695	(170)
E) NET INCREASE / (DECREASE) IN CASH AND EQUIVALENTS (A + B + C + D)	8495	(13,271)	(48,348)
F) OPENING CASH BALANCE AND EQUIVALENTS	8499	115,788	162,500
G) CLOSING CASH BALANCES AND EQUIVALENTS (E + F)	8500	102,517	114,152

COMPONENTS OF CASH AND EQUIVALENTS AT PERIOD END

CURRENT PERIOD	PREVIOUS PERIOD
06/30/2021	06/30/2020

(+) Cash and banks	8550	97,521	114,152
(+) Other financial assets	8552	4,996	-
(-) Less: Bank overdrafts payable on demand	8553	-	-
TOTAL CLOSING CASH AND EQUIVALENTS	8600	102,517	114,152

IV. SELECTED FINANCIAL INFORMATION

10. B. CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD) (IFRS)

Units: Thousand euros

A	B
CURRENT PERIOD	PREVIOUS PERIOD
06/30/2022	06/30/2021

A) NET CASH FLOW FROM OPERATING ACTIVITIES (1 + 2 + 3 + 4)	1435		
1. Result before taxes	1405		
2. Result adjustments	1410		
(+/-) Variation in provisions	1415		
(+/-) Other adjustments	1419		
3. Net Increase / (Decrease) in assets and liabilities from operating activities	1420		
4. Other cash flows from operating activities	1431		
(+/-) Inflows / (outflows) due to corporate income tax	1430		
(+/-) Otros cobros/(pagos) de actividades de explotación	1432		
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (1 + 2)	1460		
1. Inflows from investment activities:	1450		
(+) Property, plant and equipment	1451		
(+) Real estate investment	1452		
(+) Intangible fixed assets	1453		
(+) Financial instruments	1454		
(+) Investments in associates	1455		
(+) Controlled companies and other business units	1457		
(+) Interests collected	1456		
(+) Dividends collected	1459		
(+) Other income related to investment activities	1458		
2. Payments related to investment activities:	1440		
(-) Property, plant and equipment	1441		
(-) Real estate investment	1442		
(-) Intangible fixed assets	1443		
(-) Financial instruments	1444		
(-) Investments in associates	1445		
(-) Controlled companies and other business units	1447		
(-) Other payments related to investment activities	1448		
C) NET CASH FLOW FROM FINANCING ACTIVITIES (1 + 2)	1490		
1. Inflows from financing activities:	1480		
(+) Subordinated liabilities	1481		
(+) Inflows from the issue of equity instruments and capital increases	1482		
(+) Capital contributions from owners or partners	1483		
(+) Sales of treasury stock	1485		
(+) Other income related to financing activities	1486		
(+) Sales of interests to external associates	1487		
2. Payments related to financing activities:	1470		
(-) Dividends to shareholders	1471		
(-) Interest paid	1475		
(-) Subordinated liabilities	1472		
(-) Capital contributions returned to shareholders	1473		
(-) Capital contributions returned to owners or partners	1474		
(-) Acquisition of treasury stock	1477		
(-) Other payments related to financing activities	1478		
(-) Acquisition of non-controlling interests	1479		
D) FOREIGN EXCHANGE DIFFERENCES	1492		
E) NET INCREASE / (DECREASE) IN CASH AND EQUIVALENTS (A + B + C + D)	1495		
F) OPENING CASH BALANCE AND EQUIVALENTS	1499		
G) CLOSING CASH BALANCES AND EQUIVALENTS (E + F)	1500		

COMPONENTS OF CASH AND EQUIVALENTS AT PERIOD END

CURRENT PERIOD	PREVIOUS PERIOD
06/30/2021	06/30/2020

(+) Cash and banks	1550		
(+) Other financial assets	1552		
(-) Less: Bank overdrafts payable on demand	1553		
TOTAL CLOSING CASH AND EQUIVALENTS	1600		

IV. SELECTED FINANCIAL INFORMATION

11. DIVIDENDS PAID

		CURRENT PERIOD			PREVIOUS PERIOD		
		Euros per share (X.XX)	Amount (thousand euros)	Total outstanding shares	Euros per share (X.XX)	Amount (thousand euros)	Total outstanding shares
Ordinary shares	2158	0.04	43,229		0.12	120,000	
Other shares (non-voting, reedemable, etc)	2159						
Total dividends paid	2160	0.04	43,229		0.12	120,000	
a) Dividends paid out against results	2155	0.04	43,229				
b) Dividends paid out against reserves or share premium	2156				0.12	120,000.00	
c) Dividends in kind	2157						
d) Flexible payment	2154						

IV. SELECTED FINANCIAL INFORMATION

12. BREAKDOWN OF FINANCIAL INSTRUMENTS BY NATURE AND CATEGORY (1/2)

Units: Thousand euros

FINANCIAL ASSETS: NATURE / CATEGORY		A	B	C	D	E
		CURRENT PERIOD				
		Financial assets held for trading	Other financial assets at FV with changes in P&L	Financial assets available for sale	Loans and receivables	Investments held to maturity
Derivatives	2062					
Equity instruments	2063			102,309		
Debt securities	2064			627,463		
Hybrid instruments	2065					
Loans	2066				24,141	
Deposits established for accepted reinsurance and other deposits	2067					
Receivables on direct insurance, reinsurance, and coinsurance	2068				69,752	
Investments on behalf of life insurance policy holders bearing investment risk	2069					
Other financial assets	2070				55,498	
TOTAL (INDIVIDUAL)	2075			729,772	149,391	

Derivatives	2162					
Equity instruments	2163			132,892		
Debt securities	2164			634,823	8,499	
Hybrid instruments	2165					
Loans	2166					
Deposits established for accepted reinsurance and other deposits	2167					
Receivables on direct insurance, reinsurance, and coinsurance	2168				69,752	
Investments on behalf of life insurance policy holders bearing investment risk	2169					
Other financial assets	2170				41,979	
TOTAL (CONSOLIDATED)	2175			767,715	120,230	

FINANCIAL LIABILITIES: NATURE / CATEGORY		A	B	C
		CURRENT PERIOD		
		Financial liabilities held for trading	Other financial liabilities at FV with changes in P&L	Debts and payables
Derivatives	2076			
Subordinated liabilities	2077			
Deposits received on ceded reinsurance	2079			
Due on direct insurance, reinsurance and coinsurance operations	2080			4,051
Debentures and other negotiable securities	2081			
Due to credit institutions	2082			
Due on preparatory operations for insurance contracts	2083			
Other financial liabilities	2084			111,266
TOTAL (INDIVIDUAL)	2090			115,317
Derivatives	2176			
Subordinated liabilities	2177			
Deposits received on ceded reinsurance	2179			
Due on direct insurance, reinsurance and coinsurance operations	2180			4,051
Debentures and other negotiable securities	2181			
Due to credit institutions	2182			
Due on preparatory operations for insurance contracts	2183			
Other financial liabilities	2184			125,603
TOTAL (CONSOLIDATED)	2190	-	-	129,654

(Abbreviations- FV: Fair Value / P&L: profit and loss account)

IV. SELECTED FINANCIAL INFORMATION

12. BREAKDOWN OF FINANCIAL INSTRUMENTS BY NATURE AND CATEGORY (2/2)

Units: Thousand euros

		A	B	C	D	E
		PREVIOUS PERIOD				
FINANCIAL ASSETS:		Financial assets held for trading	Other financial assets at FV with changes in P&L	Financial assets available for sale	Loans and receivables	Investments held to maturity
NATURE / CATEGORY						
Derivatives	5062					
Equity instruments	5063			125,740		
Debt securities	5064			703,960		
Hybrid instruments	5065					
Loans	5066				22,981	
Deposits established for accepted reinsurance and other deposits	5067					
Receivables on direct insurance, reinsurance, and coinsurance	5068				61,507	
Investments on behalf of life insurance policy holders bearing investment risk	5069					
Other financial assets	5070				46,393	
TOTAL (INDIVIDUAL)	5075			829,700	130,881	

Derivatives	5162					
Equity instruments	5163			153,963		
Debt securities	5164			711,015	10,990	
Hybrid instruments	5165					
Loans	5166					
Deposits established for accepted reinsurance and other deposits	5167					
Receivables on direct insurance, reinsurance, and coinsurance	5168				61,507	
Investments on behalf of life insurance policy holders bearing investment risk	5169					
Other financial assets	5170				48,118	
TOTAL (CONSOLIDATED)	5175			864,978	120,615	

		A	B	C
		PREVIOUS PERIOD		
FINANCIAL LIABILITIES:		Financial liabilities held for trading	Other financial liabilities at FV with changes in P&L	Debts and payables
NATURE / CATEGORY				
Derivatives	5076			
Subordinated liabilities	5077			
Deposits received on ceded reinsurance	5079			
Due on direct insurance, reinsurance and coinsurance operations	5080			3,770
Debentures and other negotiable securities	5081			
Due to credit institutions	5082			
Due on preparatory operations for insurance contracts	5083			
Other financial liabilities	5084			156,101
TOTAL (INDIVIDUAL)	5090			159,871

Derivatives	5176			
Subordinated liabilities	5177			
Deposits received on ceded reinsurance	5179			
Due on direct insurance, reinsurance and coinsurance operations	5180			3,770
Debentures and other negotiable securities	5181			
Due to credit institutions	5182			
Due on preparatory operations for insurance contracts	5183			
Other financial liabilities	5184			171,636
TOTAL (CONSOLIDATED)	5190			175,406

(Abbreviations- FV: Fair Value / P&L: profit and loss account)

IV. SELECTED FINANCIAL INFORMATION

13. INFORMATION BY SEGMENTS

Units: Thousand euros

		A	B	C	D
		Distribution of net premiums attributed to business by geographical area			
		INDIVIDUAL		CONSOLIDATED	
GEOGRAPHICAL AREA		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
National market	2210	441,659	435,926	441,659	435,926
International market	2215	80	67	80	67
a) European Union	2216	80	67	80	67
a.1) Euro Zone	2217	80	67	80	67
a.2) Non-Euro Zone	2218				
b) Rest	2219				
TOTAL	2220	441,739	435,993	441,739	435,993

		CONSOLIDATED			
		Total ordinary revenues		Result	
SEGMENTS		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Motor	2221	370,371	370,806	54,174	70,776
Home	2222	63,021	58,166	8,826	6,661
Health	2223	7,610	6,342	(1,003)	(1,986)
Other (Roadside Assistance)	2224	737	679	434	483
Other activities (non-technical)	2225	4,189	4,632	2,820	1,684
	2226				
	2227				
	2228				
	2229				
	2230				
TOTAL	2235	445,928	440,625	65,251	77,618

IV. SELECTED FINANCIAL INFORMATION

14. AVERAGE WORKFORCE

		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
AVERAGE WORKFORCE	2295	2,218	2,236	2,562	2,590
Men	2296	868	874	1,089	1,099
Women	2297	1,350	1,362	1,473	1,491

IV. SELECTED FINANCIAL INFORMATION

15. REMUNERATIONS RECEIVED BY DIRECTORS AND MANAGERS

DIRECTORS:

Remuneration concept:

		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Remuneration for being a member of the Board and/or Board Committees	2310	398	226
Salaries	2311	170	250
Variable remuneration in cash	2312		221
Share-based remuneration system	2313	55	
Compensation	2314	405	
Long-term savings system	2315	99	161
Other items	2316	22	14
TOTAL	2320	1,149	872

MANAGERS:

		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Total remuneration received by managers	2325	3,277	2,107

IV. SELECTED FINANCIAL INFORMATION

16. TRANSACTIONS WITH RELATED PARTIES (1/2)

Units: Thousand euros

		CURRENT PERIOD				
		Significant shareholders	Directors and Managers	People, companies or undertakings of the Group	Other related parties	Total
REVENUE AND EXPENSES:						
1)	Financial expenses	2340	277			277
2)	Leases	2343				
3)	Reception of services	2344				
4)	Purchase of goods (completed or in progress)	2345				
5)	Other expenses	2348	3,716			3,716
EXPENSES (1+2+3+4+5)		2350	3,993			3,993

6)	Financial income	2351	619			619
7)	Dividends received	2354				
8)	Provisions of services	2356	446			446
9)	Sale of goods (completed or in progress)	2357				
10)	Other revenue	2359	739			739
REVENUE (6+7+8+9+10)		2360	1,804			1,804

		CURRENT PERIOD				
		Significant shareholders	Directors and Managers	People, companies or undertakings of the Group	Other related parties	Total
OTHER TRANSACTIONS:						
	Financing agreements, credit and capital contributions (lender)	2372				
	Financing agreements, credit and capital contributions (borrower)	2375				
	Guarantees and sureties provided	2381				
	Guarantees and sureties received	2382				
	Commitments made	2383				
	Dividends and other benefits distributed	2386	7,534			7,534
	Other operations	2385				

		CURRENT PERIOD				
		Significant shareholders	Directors and Managers	People, companies or undertakings of the Group	Other related parties	Total
CLOSING BALANCE:						
1)	Clients and commercial debtors	2341	239			239
2)	Loans and credits granted	2342				
3)	Other collection rights	2346				
TOTAL BALANCE RECEIVABLE (1+2+3)		2347	239			239
4)	Providers and commercial creditors	2352	1,053			1,053
5)	Loans and credits received	2353				
6)	Other payments due	2355				
TOTAL BALANCE OWED (4+5+6)		2358	1,053			1,053

IV. SELECTED FINANCIAL INFORMATION

16. TRANSACTIONS WITH RELATED PARTIES (2/2)

Units: Thousand euros

		PREVIOUS PERIOD			
		Significant shareholders	Directors and Managers	People, companies or undertakings of the Group	Other related parties
REVENUE AND EXPENSES:					
1) Financial expenses	6340	605			605
2) Leases	6343				
3) Reception of services	6344				
4) Purchase of goods (completed or in progress)	6345				
5) Other expenses	6348	3,060			3,060
EXPENSES (1+2+3+4+5)	6350	3,665			3,665

6) Financial income	6351	287			287
7) Dividends received	6354				
8) Provisions of services	6356	945			945
9) Sale of goods (completed or in progress)	6357				
10) Other revenue	6359	657			657
REVENUE (6+7+8+9+10)	6360	1,889			1,889

		PREVIOUS PERIOD			
		Significant shareholders	Directors and Managers	People, companies or undertakings of the Group	Other related parties
OTHER TRANSACTIONS:					
Financing agreements, credit and capital contributions (lender)	6372				
Financing agreements, credit and capital contributions (borrower)	6375				
Guarantees and sureties provided	6381				
Guarantees and sureties received	6382				
Commitments made	6383				
Dividends and other benefits distributed	6386	120,000			120,000
Other operations	6385				

		PREVIOUS PERIOD			
		Significant shareholders	Directors and Managers	People, companies or undertakings of the Group	Other related parties
CLOSING BALANCE:					
1) Clients and commercial debtors	6341	528			528
2) Loans and credits granted	6342				
3) Other collection rights	6346				
TOTAL BALANCE RECEIVABLE (1+2+3)	6347	528			528
4) Providers and commercial creditors	6352	370			370
5) Loans and credits received	6353				
6) Other payments due	6355	11,755			11,755
TOTAL BALANCE OWED (4+5+6)	6358	12,125			12,125