

**1Q24**

**Quarterly Financial  
Report**

# Contents

<b>1</b>	
<b>Summary</b>	<b>3</b>
<b>2</b>	
<b>Key figures</b>	<b>5</b>
<b>3</b>	
<b>Performance review</b>	<b>6</b>
<b>Macroeconomic environment</b>	<b>6</b>
<b>Income statement</b>	<b>8</b>
<b>Balance sheet</b>	<b>15</b>
<b>Risk management</b>	<b>19</b>
<b>Liquidity management</b>	<b>22</b>
<b>Capital management and credit ratings</b>	<b>23</b>
<b>Results, by business unit</b>	<b>25</b>
<b>4</b>	
<b>Share price performance</b>	<b>30</b>
<b>5</b>	
<b>Key developments in the quarter</b>	<b>31</b>
<b>6</b>	
<b>Glossary of terms on performance measures</b>	<b>33</b>

## Legal disclaimer

This document is strictly for information purposes only and is not an offer of any product. No agreement or commitment should be based or dependent on this document or any part thereof. Any decisions concerning financial transactions should take into account the client's needs and their appropriateness from a legal, fiscal, accounting and/or financial point of view, in accordance with the information documents envisaged by the law in force. Investments mentioned or recommended herein may not be suitable for all investors. The opinions, forecasts and estimates contained in this document are based on available public information and are an evaluation by Banco de Sabadell, S.A. as at the date of preparing this document. No assurance is given that future results or events will conform to these opinions, forecasts and estimates. The information is subject to change without prior notice, its accuracy is not guaranteed and it may be incomplete or summarised. Banco de Sabadell, S.A. accepts no liability whatsoever for any losses arising from the use of this document or its content, or otherwise in connection herewith.

## Basis of presentation

The consolidated income statement and balance sheet as at the end of March 2024 and 2023, together with the disclosures shown in this Financial Report, are presented in accordance with the accounting standards, principles and criteria defined in Note 1 to the Group's consolidated annual financial statements as at 31 December 2023.

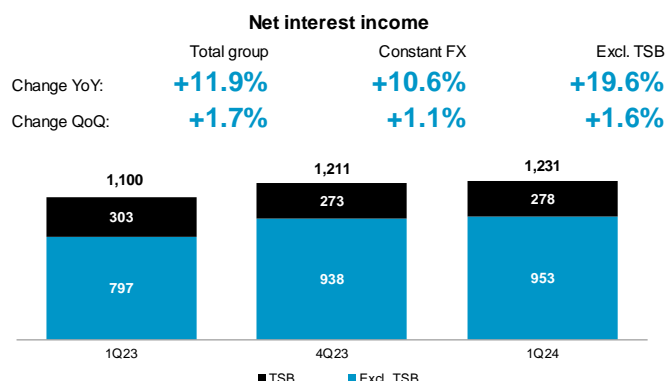
Pursuant to the Guidelines on alternative performance measures published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415), a glossary has been included with the definitions and the reconciliation with the items presented in the financial statements of certain alternative financial measures used in this document. See Glossary of terms on performance measures.

# 1. Summary

## Net interest income

Net interest income followed a positive trend, reaching 1,231 million euros as at the end of March 2024, representing year-on-year growth of 11.9%, mainly due to a higher credit yield and improved revenue from the fixed-income portfolio, underpinned by higher interest rates, all of which served to offset higher costs of both deposits and wholesale funding as well as lower volumes.

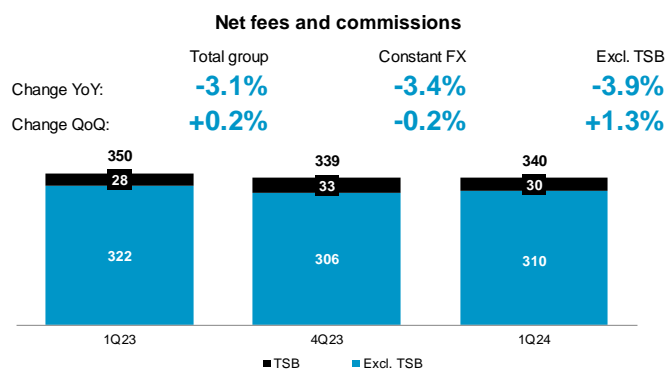
In the quarter, net interest income increased by 1.7%, driven by a higher customer margin, where credit yield growth was underpinned by portfolio repricing, while the cost of deposits grew at a slower pace.



## Net fees and commissions

Net fees and commissions amounted to 340 million euros as at the end of March 2024, representing a year-on-year reduction of -3.1%, mainly due to reduced service fees, particularly sight account fees, as well as reduced asset management fees.

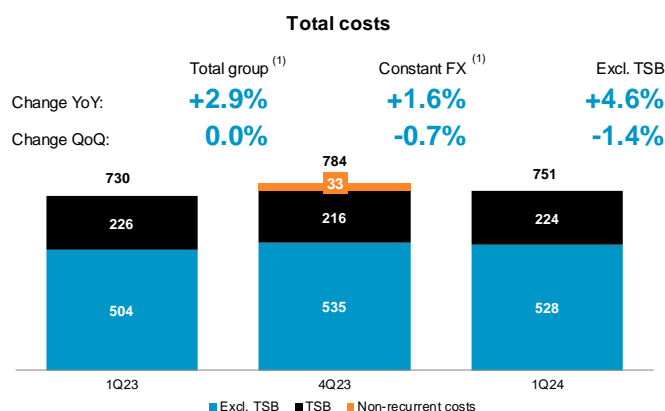
In the quarter, they showed slight growth of 0.2%, mainly due to greater asset management fees in spite of positive seasonality in the previous quarter.



## Total costs

Total costs came to 751 million euros as at the end of March 2024, reflecting a year-on-year increase of 2.9%, due to both higher staff expenses and higher general expenses, where particular note should be taken of marketing and IT expenses, which offset the reduction of amortisations/depreciations.

Quarter-on-quarter, total costs showed a reduction of -4.2%, as the previous quarter was impacted by non-recurrent restructuring costs at TSB. Excluding this impact, recurrent costs remained in line with the previous quarter.

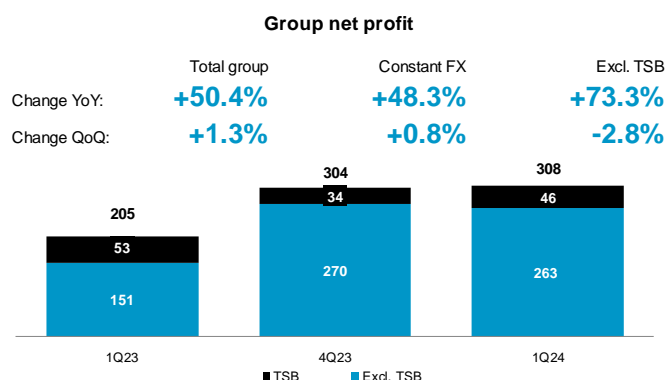


(1) Change over total recurrent costs.

## Net profit of the Group

As at the end of March 2024, the Group's net profit amounted to 308 million euros, representing year-on-year growth of 50.4%, with profit ex-TSB amounting to 263 million euros, impacted by the -192 million euro payment corresponding to the banking tax in Spain, while 46 million euros correspond to TSB. This level of profit pushed the Group's ROTE up to 12.2%.

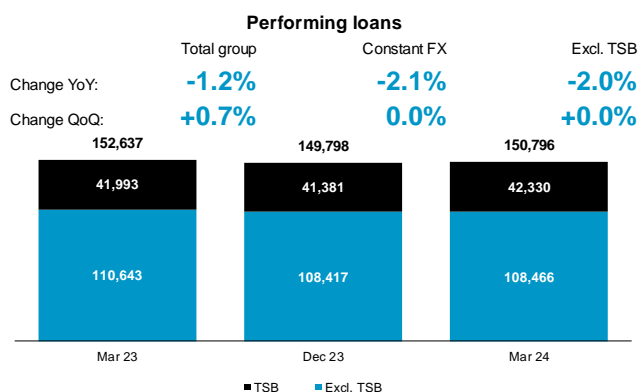
Core results (net interest income + fees and commissions – recurrent costs) grew by 13.8% year-on-year and by 2.6% in the quarter, driven by the increase of net interest income.



## Performing loans

Performing loans decline by -1.2% year-on-year, where it is particularly worth mentioning the reduction of mortgage lending and reduced volumes of SMEs and corporates, affected by the higher interest rate environment.

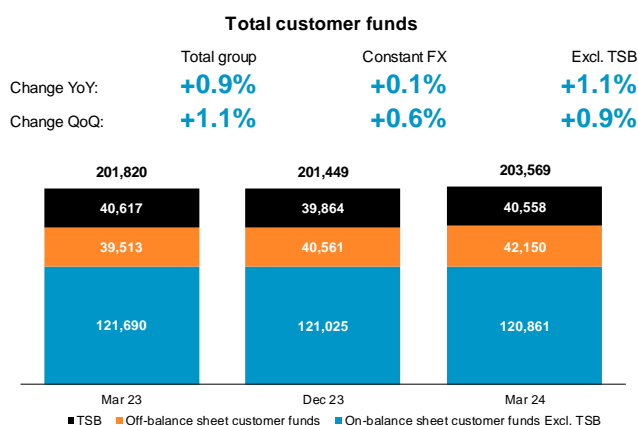
In quarter-on-quarter terms, lending grew by 0.7%, driven by currencies appreciation, as considering a constant exchange rate it remained at similar levels to the previous quarter, with a slight increase in loans granted to corporates.



## Customer funds

Customer funds increased by 0.9% year-on-year, positively impacted by the currency exchange rate. Assuming a constant exchange rate, they increased slightly, flowing through from sight accounts to off-balance sheet funds, mainly mutual funds, and towards term deposits.

In the quarter, they followed a positive trend, recording growth of both on-balance sheet and off-balance sheet customer funds, notably mutual funds, due both to greater returns and to a positive level of net inflows.



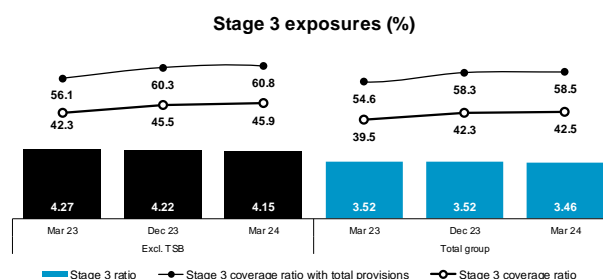
## Non-performing assets (NPAs)

The balance of NPAs has been reduced by 351 million euros over the past twelve months, the reduction in the first quarter of 2024 being 92 million euros, while the coverage ratio considering total provisions rose to 55.8%.

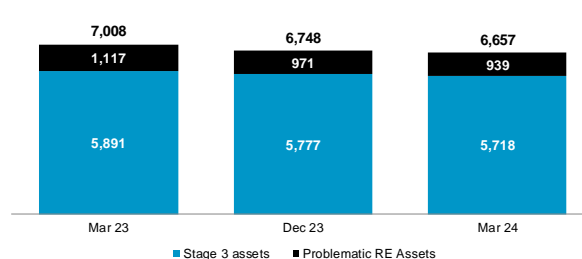
The Group's stage 3 ratio improved to 3.5%, while the stage 3 coverage ratio considering total provisions and the stage 3 coverage ratio increased to 58.5% and 42.5%, respectively.

The gross NPA ratio was 4.0%, while the net NPA ratio stood at 1.8% considering total provisions.

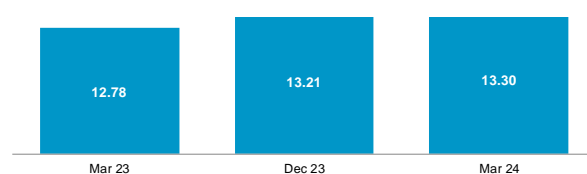
The Group's credit cost of risk improved by 2bps in the quarter, standing at 41bps, while the total cost of risk fell by 5bps to stand at 50bps as at the end of March 2024.



## Problematic assets



## CET1 fully-loaded (%)



## Capital ratio

The fully-loaded CET1 ratio increased by 9bps in the quarter, standing at 13.30%, while the total capital ratio reached 18.42%, thus standing above requirements, with an MDA buffer of 437bps.

## 2. Key figures

	Excl. TSB			Total group		
	31.03.23	31.03.24	YoY (%) <sup>(7)</sup>	31.03.23	31.03.24	YoY (%) <sup>(7)</sup>
<b>Profit and loss account (€ millions)</b>						
Net interest income	797	953	19.6	1,100	1,231	11.9
Core revenues	1,119	1,263	12.8	1,450	1,571	8.3
Gross operating income	983	1,136	15.5	1,311	1,444	10.2
Pre-provisions income	479	608	26.9	581	693	19.3
Attributable net profit	151	263	73.3	205	308	50.4
<b>Balance sheet (€ millions)</b>						
Total assets	196,699	185,234	-5.8	248,480	236,135	-5.0
Performing gross loans	110,643	108,466	-2.0	152,637	150,796	-1.2
Gross loans to customers	115,818	113,414	-2.1	158,454	156,445	-1.3
On-balance sheet customer funds	121,690	120,861	-0.7	162,307	161,419	-0.5
Off-balance sheet customer funds	39,513	42,150	6.7	39,513	42,150	6.7
Total customer funds	161,203	163,012	1.1	201,820	203,569	0.9
Net equity	--	--	--	13,145	14,240	8.3
Shareholders' equity	--	--	--	13,657	14,633	7.1
<b>Profitability and efficiency ratios (%)</b>						
ROA	--	--	--	0.3	0.6	--
RORWA	--	--	--	1.1	1.8	--
ROE	--	--	--	6.2	10.1	--
ROTE	--	--	--	7.6	12.2	--
Efficiency	39.1	34.1	--	43.5	39.7	--
Efficiency with amortisation & depreciation	48.7	41.5	--	53.6	47.6	--
<b>Risk management</b> <sup>(1)</sup>						
Stage 3 exposures (€ millions)	5,314	5,077	-4.5	5,891	5,718	-2.9
Total problematic assets (€ millions)	6,431	6,015	-6.5	7,008	6,657	-5.0
Stage 3 ratio (%)	4.27	4.15	--	3.52	3.46	--
Stage 3 coverage ratio (%)	42.3	45.9	--	39.5	42.5	--
Stage 3 coverage ratio with total provisions (%)	56.1	60.8	--	54.6	58.5	--
Problematic assets coverage (%)	53.0	57.5	--	52.0	55.8	--
<b>Liquidity management (%)</b>						
Loan-to-deposit ratio	91.9	90.7	--	95.0	94.3	--
LCR	250	238	--	220	205	--
NSFR <sup>(2)</sup>	--	--	--	141	144	--
<b>Capital management</b>						
Risk weighted assets (RWA) (€ millions)	--	--	--	77,659	79,285	2.1
Common Equity Tier 1 (%)	--	--	--	12.78	13.30	--
Common Equity Tier 1 fully-loaded (%)	--	--	--	12.78	13.30	--
Tier 1 (%)	--	--	--	15.04	15.51	--
Total capital ratio (%)	--	--	--	18.09	18.42	--
MREL (% RWA)	--	--	--	27.57	29.34	--
MREL (% LRE)	--	--	--	8.65	9.93	--
Leverage ratio (%)	--	--	--	4.72	5.25	--
<b>Share data (period end)</b>						
Number of shareholders	--	--	--	222,228	205,510	--
Number of outstanding shares (millions) <sup>(3)</sup>	--	--	--	5,582	5,414	--
Share price (€) <sup>(4)</sup>	--	--	--	0.989	1.455	--
Market capitalisation (€ millions)	--	--	--	5,520	7,877	--
Earnings per share (EPS) (€) <sup>(5)</sup>	--	--	--	0.13	0.24	--
Book value per share (€)	--	--	--	2.46	2.73	--
TBV per share (€)	--	--	--	2.02	2.27	--
Price / Tangible book value (times)	--	--	--	0.49	0.64	--
Price / Earnings ratio (P/E) (times)	--	--	--	7.44	5.95	--
<b>Other data</b>						
Branches	1,237	1,203	--	1,457	1,414	--
Employees	13,495	13,899	--	19,151	19,213	--

(1) The NPA coverage ratio is based on total provisions.

(2) Taking into account the best estimate as at the date of publication of this report.

(3) Total number of shares minus final treasury stock position (including shares in the buyback programme, where applicable).

(4) Historical values not adjusted.

(5) Net profit adjusted by the Additional Tier 1 coupons recorded under shareholders' equity. Calculated based on the average number of shares (average number of total shares minus average treasury stock and average number of shares subject to a buyback programme, where applicable).

(6) The cumulative EUR/GBP exchange rate as at 31.03.2024 applied throughout the report is 0.8562 in the case of the income statement and 0.8551 in the case of the balance sheet.

(7) Throughout this document, YoY changes in relation to the income statement refer to the cumulative three-month period up to the end of March 2024 versus the same cumulative three-month period of 2023.

## 3. Performance review

### Macroeconomic environment

#### Global economic, political and financial context

In Q1 2024, the economy continued to show resilience in the United States and fragility in the Eurozone, although there were some signs of improvement. In the United States, some indicators pointed towards a slight slowdown following the rapid growth recorded in Q4 2023 (3.2% QoQ, annualised). In any event, the Conference Board's leading indicator stopped pointing towards an upcoming economic recession for the first time since July 2022. On the other hand, the Houses reached an agreement to avoid a government shutdown in March.

In the Eurozone, meanwhile, GDP became stagnant in Q4 2023 and growth in the region as a whole in 2023 was subdued (0.4%). In Q1 2024, economic sentiment indicators pointed towards a slight improvement in economic activity, although it remained fragile. In terms of countries, those in the periphery stood out in a positive light, supported by the surge of tourism, the reduced exposure to Russian gas and the disbursement of NGEU funds. Germany stood out in a negative light. The job market in the Eurozone continued to show considerable resilience, despite fragile economic activity. The unemployment rate remained at record-low levels (6.5%).

As for prices, there were surprises to the upside in some of the figures recorded during the first quarter, particularly in the United States, and there was heightened concern surrounding the high level of inertia shown by services inflation. In any event, in the Eurozone, inflation eased off, standing at 2.4% in March, close to the ECB's target (2.0%). Services inflation remained at 4.0%. In the United States, headline inflation rose to 3.5% in March, while core inflation stood at 3.8%.

Lastly, geopolitics continued to attract attention. The conflict in the Middle East continued to disrupt shipping in the Red Sea, diverting vessels around Africa, with the ensuing rise in costs. In addition, Europe remained focused on building up its defence strategy to be ready for any negative developments in relation to Russia. As for trade tensions, strategies for de-risking from China continued to gain traction, which is a noteworthy development, particularly given that this is an electoral year in the United States. On that topic, Biden and Trump were confirmed as candidates for the US presidential elections, which will be held in November. Trump threatened to introduce a tariff of 60% on all products from China and of 10% on imports from all other countries.

#### Economic situation in Spain

Economic activity remained positive and Q1 2024 data pointed towards potentially stronger economic momentum than in Q4 2023, when GDP recorded quarterly growth of 0.6%. Business confidence indicators improved, and here it is particularly worth mentioning the recovery of the manufacturing industry, which returned to expansionary territory for the first time since March 2023, in a context in which industrial output also improved during the quarter. There was also an upswing in job creation, while indicators

such as international tourist arrivals continued to be positive. In terms of prices, inflation barely slowed in the quarter and reached 3.3% in March (Feb: 2.9%), largely influenced by the recovery of VAT on electricity and the increased contribution of tourist services.

In terms of economic policy, the government announced that it would be mobilising 40,000 million euros in connection with the Recovery Plan addendum. These funds will be channelled by the ICO through a number of financial instruments, including brokered loans with financial institutions, direct loans, and equity investments in certain companies.

#### Economic situation in the United Kingdom

The UK economy showed signs of recovery in Q1 2024. After declining in Q4 2023, preliminary data pointed towards recovery in Q1 2024, reversing the trend followed in the second half of 2023. Confidence indicators improved, both in the services sector and in the manufacturing industry, while household consumption started the year strong. In the political arena, elections are expected to be called towards the end of the year, while the government announced a mildly expansionary budget for the tax year.

As for inflation, prices corrected considerably but are still above the 2% target. Core inflation slowed to 4.5% in February, while headline inflation was 3.4%. The moderation of energy and food prices drove this momentum.

In the job market, the unemployment rate stood at 3.9% in January and job vacancies continued to return to normal levels. In terms of salaries, the most recent data suggest that the pressure is easing.

In the real estate market, prices continued to rise in the first quarter of 2024. There was also an improvement in the volume of approved mortgages for house purchase, in keeping with the reduction of market interest rates. Even so, transaction levels remained below the historical average.

#### Economic situation in Mexico

Growth momentum eased off after performing well throughout 2023. In any event, investment continued to grow at a high pace, driven by expenditure on public works towards the end of López Obrador's term in office and by the positive effects of nearshoring. As for inflation, core inflation continued to drop, although the services component showed considerable inertia and remained at particularly high levels. Against this backdrop, Banxico began its cycle of interest rate cuts, announcing a first cut of 25bps to 11.00%. In any event, it remained firm in its data-dependent stance, implying that it will not necessarily introduce further rate cuts in each of its meetings. In the currency market, the peso rallied against the US dollar, reaching its strongest level since 2015.

#### Fixed-income markets

During the last quarter, the ECB kept its deposit facility rate at 4.00% (an all-time high). The majority of the central bank's members suggested that the first interest rate cut

could take place in June. The ECB also unveiled its operational framework review. The minimum reserve requirement will remain at 1% and the interest rate corridor will be narrowed to reduce the stigma around financing operations and to attempt to revitalise the interbank market. The ECB will also provide liquidity to credit institutions through short- and long-term credit operations and through the purchase of bonds.

The Federal Reserve kept US rates unchanged in the range of 5.25-5.50% during the quarter. In its March meeting, it was considered that interest rates could be cut even though inflation was somewhat higher than anticipated. Members of the Fed continued to forecast cuts of 75bps throughout 2024, which would leave rates at 4.50%-4.75% at the end of the year. However, the long-term rate was revised upwards to 2.6% (from 2.5% previously). Similarly, in subsequent statements, members of the Fed reiterated that a restrictive monetary policy is necessary to reach the inflation target and the majority believe that a cautious approach is needed.

The BoE kept its base rate at 5.25% in its March meeting, citing the improvement of prices as well as the deterioration of activity, although it still showed concern over wage growth. The central bank judged that monetary policy will need to remain restrictive for sufficiently long to return inflation to the 2% target sustainably, although it emphasised that monetary policy will remain tight, even if the base rate is reduced, this being the first time the possibility of rate cuts had been mentioned.

Long-term government bond yields rebounded on both sides of the Atlantic after the decline observed in the previous quarter. This increase was influenced by the rebound of oil prices and by the fact that financial markets adjusted their expectations, delaying the interest rate cuts by the Fed and the ECB, in a context in which inflation data surprised to the upside and in which the US continued to show a resilient economy.

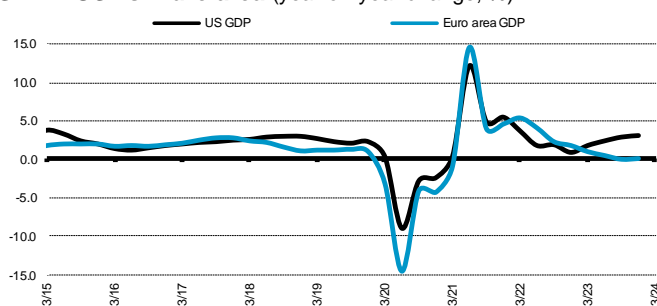
Risk premiums in the periphery performed well and spreads in Italy and Spain fell to their lowest since 2022, against a backdrop of high demand for government bonds in the primary market given the scenario of interest rate cuts. This good performance took place despite public deficit surprising to the downside in Italy, reaching 7.2% of GDP in 2023, due to intensive use of tax incentives for green home renovations (superbonus).

Concerns around US regional banks and other banks with commercial real estate exposures resurfaced but the markets remained unscathed.

### Equity markets

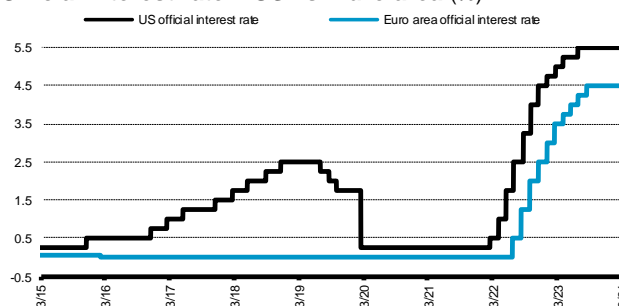
Equity indices in the main developed economies performed well throughout the quarter, underpinned by a scenario of official interest rate cuts introduced by central banks and in the face of a resilient economy in the US. The S&P 500, for instance, gained 12.9% in euros (10.2% in dollars). Good performance was also seen in Europe, with the Euro Stoxx 50 increasing by 12.4% in euros. Italy did particularly well, as its main stock market index rebounded by 14.5%. In the United Kingdom, equity indices also rebounded, although less sharply than in the Eurozone and the United States.

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



Source: Bloomberg

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



### Exchange rates: Parity vs. euro

Fx	31.03.23	30.06.23	30.09.23	31.12.23	31.03.24
USD	1.0875	1.0866	1.0594	1.1050	1.0811
GBP	0.8792	0.8583	0.8646	0.8691	0.8551
MXN	19.6392	18.5614	18.5030	18.7231	17.9179

Source: Bank of Spain

## Income statement

### Summary of results:

Banco Sabadell Group earned profit of 308 million euros as at the end of March 2024, representing year-on-year growth of 50.4%, of which 263 million euros were recorded ex-TSB and 46 million euros correspond to TSB. The Group's ROTC increased by 462bps compared to the end of the first quarter of the previous year, reaching 12.2%.

It is worth noting that the first quarter of the year was negatively impacted by the recognition of the banking tax, which amounted to -192 million euros.

This Group profit was mainly driven by the good performance of core results (net interest income + fees and

commissions – recurrent costs), which increased by 13.8% year-on-year due to the improvement of net interest income, mainly supported by higher interest rates. In the quarter, it grew by 2.6%.

This growth of net interest income allowed gross operating income to increase, with the improvement of the Group's cost-to-income ratio including amortisation, which reached 47.6% compared to 53.6% as at the end of the previous March and compared to 51.4% in the previous quarter, which included TSB's non-recurrent costs.

### Cumulative income statement

(€ millions)	Excl. TSB			Total group			
	1Q23	1Q24	YoY (%)	1Q23	1Q24	YoY (%)	YoY (%) at constant FX
<b>Net interest income</b>	<b>797</b>	<b>953</b>	<b>19.6</b>	<b>1,100</b>	<b>1,231</b>	<b>11.9</b>	<b>10.6</b>
Net fees and commissions	322	310	-3.9	350	340	-3.1	-3.4
<b>Core revenues</b>	<b>1,119</b>	<b>1,263</b>	<b>12.8</b>	<b>1,450</b>	<b>1,571</b>	<b>8.3</b>	<b>7.2</b>
Net trading income and exchange differences	-6	24	--	1	35	--	--
Income from equity method and dividends	31	48	52.0	31	48	52.0	52.0
Other operating income/expense	-161	-199	23.3	-172	-209	21.8	21.1
<b>Gross operating income</b>	<b>983</b>	<b>1,136</b>	<b>15.5</b>	<b>1,311</b>	<b>1,444</b>	<b>10.2</b>	<b>9.0</b>
Operating expenses	-405	-433	7.0	-593	-627	5.8	4.5
Personnel expenses	-264	-282	6.6	-350	-373	6.6	5.6
Other general expenses	-141	-152	7.6	-243	-254	4.5	2.9
Amortisation & depreciation	-100	-95	-4.9	-138	-124	-9.5	-10.5
Total costs	-504	-528	4.6	-730	-751	2.9	1.6
<b>Pre-provisions income</b>	<b>479</b>	<b>608</b>	<b>26.9</b>	<b>581</b>	<b>693</b>	<b>19.3</b>	<b>18.3</b>
Provisions for NPLs	-200	-176	-11.9	-217	-194	-10.4	-10.8
Provisions for other financial assets	-11	-3	-72.5	-14	-5	-60.3	-60.5
Other impairments	-6	-9	61.5	-6	-9	61.5	61.5
Gains on sale of assets and other results	-3	0	-100.0	-3	0	-100.0	-100.0
<b>Profit before tax</b>	<b>259</b>	<b>420</b>	<b>61.8</b>	<b>342</b>	<b>484</b>	<b>41.6</b>	<b>39.9</b>
Income tax	-108	-157	45.6	-137	-176	28.4	27.4
Minority interest	0	0	--	0	0	--	--
<b>Attributable net profit</b>	<b>151</b>	<b>263</b>	<b>73.3</b>	<b>205</b>	<b>308</b>	<b>50.4</b>	<b>48.3</b>
Memorandum item:							
Core results (NII + net fees and commissions - costs)	615	735	19.6	720	820	13.8	13.0



## Quarterly income statement

(€millions)	Excl. TSB						Total group							
	1Q23	2Q23	3Q23	4Q23	1Q24	QoQ (%)	1Q23	2Q23	3Q23	4Q23	1Q24	QoQ (%)	QoQ (%) at constant FX	
<b>Net interest income</b>	<b>797</b>	<b>870</b>	<b>944</b>	<b>938</b>	<b>953</b>	<b>1.6</b>	<b>1,100</b>	<b>1,170</b>	<b>1,242</b>	<b>1,211</b>	<b>1,231</b>	<b>1.7</b>	<b>1.1</b>	
Net fees and commissions	322	317	317	306	310	13	350	347	350	339	340	0.2	-0.2	
<b>Core revenues</b>	<b>1,119</b>	<b>1,187</b>	<b>1,261</b>	<b>1,244</b>	<b>1,263</b>	<b>1.5</b>	<b>1,450</b>	<b>1,517</b>	<b>1,592</b>	<b>1,550</b>	<b>1,571</b>	<b>1.3</b>	<b>0.8</b>	
Net trading income and exchange differences	-6	32	24	2	24	--	1	30	32	5	35	--	--	
Income from equity method and dividends	31	40	23	36	48	32.8	31	40	23	36	48	32.8	32.8	
Other operating income/expense	-161	-80	0	-183	-199	8.6	-172	-89	-9	-177	-209	18.4	17.8	
<b>Gross operating income</b>	<b>983</b>	<b>1,180</b>	<b>1,309</b>	<b>1,099</b>	<b>1,136</b>	<b>3.3</b>	<b>1,311</b>	<b>1,498</b>	<b>1,638</b>	<b>1,414</b>	<b>1,444</b>	<b>2.1</b>	<b>1.5</b>	
Operating expenses	-405	-412	-435	-442	-433	-2.1	-593	-611	-634	-658	-627	-4.7	-5.4	
Personnel expenses	-264	-274	-282	-283	-282	-0.4	-350	-367	-376	-401	-373	-7.0	-7.6	
Other general expenses	-141	-138	-153	-160	-152	-5.2	-243	-244	-258	-257	-254	-12	-2.0	
Amortisation & depreciation	-100	-98	-89	-93	-95	19	-138	-136	-119	-126	-124	-15	-2.0	
Total costs	-504	-510	-524	-535	-528	-14	-730	-748	-753	-784	-751	-4.2	-4.9	
Memorandum item:														
Recurrent costs	-504	-510	-524	-535	-528	-14	-730	-748	-753	-751	-751	0.0	-0.7	
Non-recurrent costs	0	0	0	0	0	--	0	0	0	-33	0	-100.0	-100.0	
<b>Pre-provisions income</b>	<b>479</b>	<b>670</b>	<b>785</b>	<b>564</b>	<b>608</b>	<b>7.8</b>	<b>581</b>	<b>750</b>	<b>885</b>	<b>630</b>	<b>693</b>	<b>10.0</b>	<b>9.5</b>	
Provisions for NPLs	-200	-201	-168	-165	-176	6.3	-217	-216	-189	-191	-194	15	12	
Provisions for other financial assets	-11	-4	-5	0	-3	--	-14	7	-6	-5	-5	13.2	11.4	
Other impairments	-6	-23	-19	-32	-9	-71.5	-6	-23	-19	-32	-9	-71.5	-71.5	
Gains on sale of assets and other results	-3	-11	-17	-15	0	-100.0	-3	-11	-17	-15	0	-100.0	-100.0	
<b>Profit before tax</b>	<b>259</b>	<b>430</b>	<b>576</b>	<b>351</b>	<b>420</b>	<b>19.5</b>	<b>342</b>	<b>507</b>	<b>654</b>	<b>387</b>	<b>484</b>	<b>25.1</b>	<b>24.5</b>	
Income tax	-108	-122	-167	-80	-157	95.8	-137	-148	-190	-82	-176	114.2	113.0	
Minority interest	0	1	0	1	0	-100.0	0	1	0	1	0	-100.0	-100.0	
<b>Attributable net profit</b>	<b>151</b>	<b>307</b>	<b>409</b>	<b>270</b>	<b>263</b>	<b>-2.8</b>	<b>205</b>	<b>359</b>	<b>464</b>	<b>304</b>	<b>308</b>	<b>1.3</b>	<b>0.8</b>	
Memorandum item:														
Core results (Nil+net fees and commissions - costs)	(1)	615	677	737	708	735	3.8	720	769	839	799	820	2.6	2.2

(1) Calculation taking into account recurrent costs.

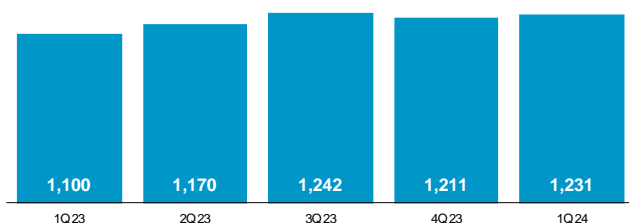
### Net interest income:

Net interest income amounted to 1,231 million euros as at the end of March 2024, growing by 11.9% year-on-year and by 1.7% in the quarter.

The year-on-year growth was mainly driven by higher loan yields and higher earnings on the fixed-income portfolio, underpinned by higher interest rates, all of which offset the higher costs of both deposits and wholesale funding, as well as reduced volumes. In the quarter, net interest income was driven by a higher customer margin, where credit yield growth was underpinned by portfolio repricing, while the cost of funds grew at a slower pace.

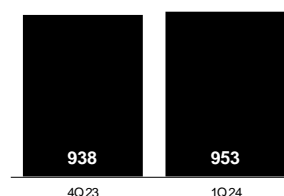
### Evolution of net interest income

Total group (€ millions)



	Total group	Constant FX
Change YoY:	<b>+11.9%</b>	<b>+10.6%</b>
Change QoQ:	<b>+1.7%</b>	<b>+1.1%</b>

Sabadell ex - TSB (€ millions)



Change YoY:  
**+19.6%**

Change QoQ:  
**+1.6%**

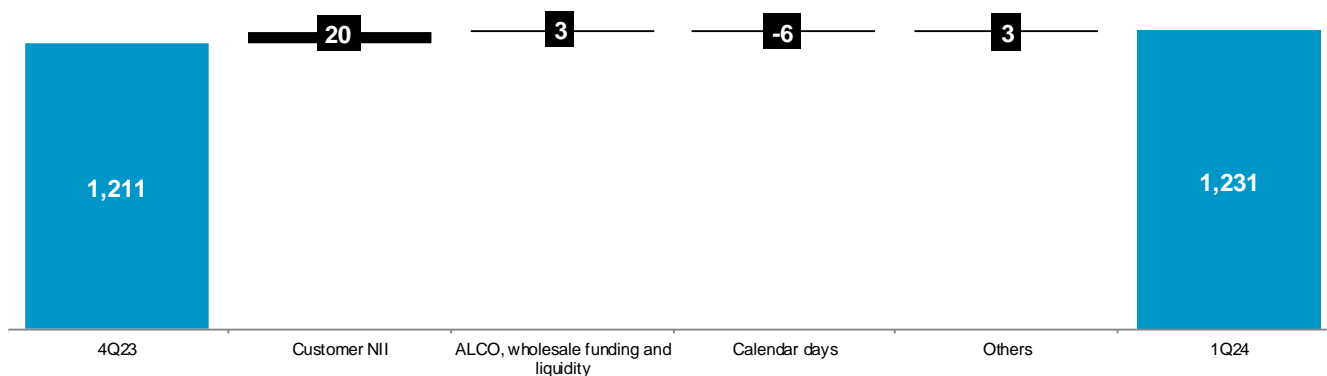
TSB (€ millions)



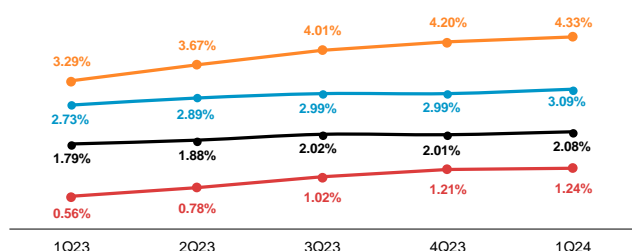
Change YoY:  
**-8.1%**  
**-10.9%** Constant FX

Change QoQ:  
**+1.8%**  
**+0.3%** Constant FX

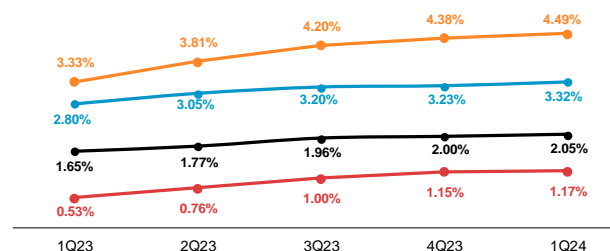
### Quarterly evolution of net interest income (€ million)



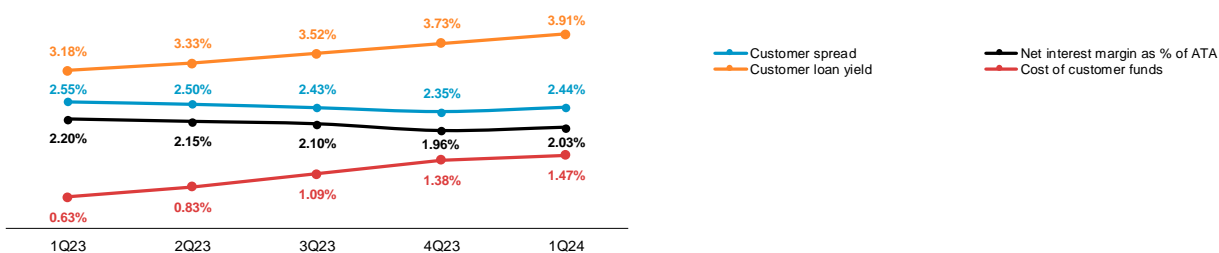
### Net interest income, Group (%)



### Net interest income, ex-TSB (%)



### Net interest income, TSB (%)



## Gains and charges in the quarter

### Total Group

(€ millions)	1Q23			2Q23			3Q23			4Q23			1Q24		
	Avg. balance	Rate %	Results	Avg. balance	Rate %	Results	Avg. balance	Rate %	Results	Avg. balance	Rate %	Results	Avg. balance	Rate %	Results
Cash and cash equivalents (1)	44,352	2.75	301	45,491	3.44	390	39,474	3.87	386	39,240	4.05	401	37,941	4.17	393
Loans to customers (net)	155,284	3.29	1,258	154,297	3.67	1,413	154,449	4.01	1,561	151,914	4.20	1,607	151,377	4.33	1,628
Fixed-income securities	28,818	2.34	166	28,961	2.80	202	28,511	3.19	229	27,848	3.36	236	29,441	3.47	254
Equity securities	743	--	--	835	--	--	882	--	--	974	--	--	936	--	--
Tang. & intang. assets	4,659	--	--	4,584	--	--	4,540	--	--	4,523	--	--	4,520	--	--
Other assets	15,056	2.70	100	15,076	3.10	116	16,059	3.54	143	14,248	4.12	148	14,086	3.40	119
<b>Total assets</b>	<b>248,912</b>	<b>2.97</b>	<b>1,825</b>	<b>249,243</b>	<b>3.41</b>	<b>2,122</b>	<b>243,916</b>	<b>3.77</b>	<b>2,319</b>	<b>238,748</b>	<b>3.97</b>	<b>2,392</b>	<b>238,301</b>	<b>4.04</b>	<b>2,394</b>
Financial institutions (2)	36,788	-2.60	-236	36,073	-3.35	-301	27,663	-3.78	-264	25,579	-4.09	-264	26,425	-4.18	-275
Customer deposits	161,138	-0.56	-221	160,352	-0.78	-310	161,163	-1.02	-415	159,613	-1.21	-486	159,610	-1.24	-493
Capital markets	25,074	-2.57	-159	26,425	-3.21	-211	27,156	-3.53	-241	26,837	-3.91	-264	26,236	-4.01	-261
Other liabilities	12,870	-3.43	-109	13,377	-3.88	-130	14,630	-4.25	-157	12,780	-5.15	-166	11,962	-4.49	-134
Shareholders' equity	13,042	--	--	13,017	--	--	13,304	--	--	13,938	--	--	14,068	--	--
<b>Total funds</b>	<b>248,912</b>	<b>-1.18</b>	<b>-725</b>	<b>249,243</b>	<b>-1.53</b>	<b>-952</b>	<b>243,916</b>	<b>-1.75</b>	<b>-1,077</b>	<b>238,748</b>	<b>-1.96</b>	<b>-1,180</b>	<b>238,301</b>	<b>-1.96</b>	<b>-1,163</b>
<b>Net interest income</b>			<b>1,100</b>			<b>1,170</b>			<b>1,242</b>			<b>1,211</b>			<b>1,231</b>
<b>Customer spread</b>		<b>2.73</b>			<b>2.89</b>			<b>2.99</b>		<b>2.99</b>				<b>3.09</b>	
<b>Net interest margin as % of ATA</b>		<b>1.79</b>			<b>1.88</b>			<b>2.02</b>		<b>2.01</b>				<b>2.08</b>	

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

### Sabadell ex-TSB

(€ millions)	1Q23			2Q23			3Q23			4Q23			1Q24		
	Avg. balance	Rate %	Results	Avg. balance	Rate %	Results	Avg. balance	Rate %	Results	Avg. balance	Rate %	Results	Avg. balance	Rate %	Results
Cash and cash equivalents (1)	38,630	2.63	250	39,363	3.32	326	33,510	3.70	312	32,747	3.87	319	32,198	4.03	322
Loans to customers (net)	112,346	3.33	922	111,722	3.81	1,060	111,782	4.20	1,183	110,051	4.38	1,214	108,739	4.49	1,214
Fixed-income securities	26,435	2.29	149	26,615	2.73	181	26,082	3.07	202	25,583	3.25	209	27,246	3.42	231
Other assets	18,988	0.52	24	19,013	0.59	28	19,645	0.56	28	18,556	0.87	41	18,667	0.58	27
<b>Total assets</b>	<b>196,399</b>	<b>2.78</b>	<b>1,346</b>	<b>196,713</b>	<b>3.25</b>	<b>1,596</b>	<b>191,018</b>	<b>3.58</b>	<b>1,725</b>	<b>186,937</b>	<b>3.79</b>	<b>1,784</b>	<b>186,850</b>	<b>3.86</b>	<b>1,794</b>
Financial institutions (2)	30,939	-2.38	-181	31,270	-3.18	-248	22,977	-3.51	-203	20,941	-3.85	-203	22,209	-3.97	-219
Customer deposits	120,722	-0.53	-158	119,805	-0.76	-226	120,789	-1.00	-304	119,891	-1.15	-348	119,500	-1.17	-346
Capital markets	23,018	-2.51	-143	23,788	-3.11	-184	24,392	-3.39	-209	23,712	-3.67	-220	23,123	-3.87	-223
Other liabilities and shareholders' equity	21,720	-1.25	-67	21,851	-1.23	-67	22,861	-1.12	-65	22,393	-1.33	-75	22,018	-0.97	-53
<b>Total funds</b>	<b>196,399</b>	<b>-1.13</b>	<b>-549</b>	<b>196,713</b>	<b>-1.48</b>	<b>-725</b>	<b>191,018</b>	<b>-1.62</b>	<b>-781</b>	<b>186,937</b>	<b>-1.79</b>	<b>-846</b>	<b>186,850</b>	<b>-1.81</b>	<b>-841</b>
<b>Net interest income</b>			<b>797</b>			<b>870</b>			<b>944</b>			<b>938</b>			<b>953</b>
<b>Customer spread</b>		<b>2.80</b>			<b>3.05</b>			<b>3.20</b>		<b>3.23</b>				<b>3.32</b>	
<b>Net interest margin as % of ATA</b>		<b>1.65</b>			<b>1.77</b>			<b>1.96</b>		<b>2.00</b>				<b>2.05</b>	

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

### Net trading income and exchange differences:

As at the end of March 2024, this item came to a total of 35 million euros, increasing in both year-on-year and quarterly terms, mainly due to higher earnings on overall derivatives.

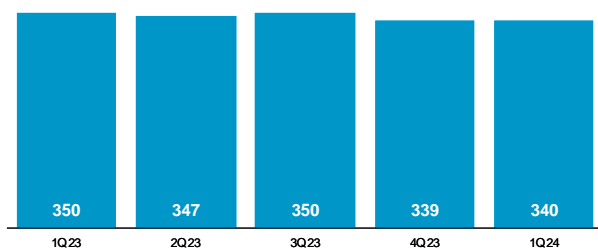
### Net fees and commissions:

Net fees and commissions amounted to 340 million euros as at the end of March 2024, representing a reduction of -3.1% year-on-year, mainly due to reduced service fees, particularly sight account fees, as well as reduced asset management fees, where it is worth mentioning fees on the sale of pension funds and insurance.

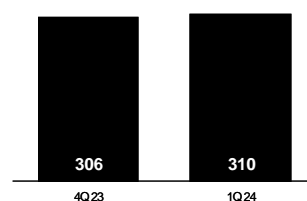
In the quarter, they showed slight growth of 0.2%, mainly due to greater asset management fees in spite of the previous quarter's positive seasonality.

## Evolution of net fees and commissions

Total group (€ millions)



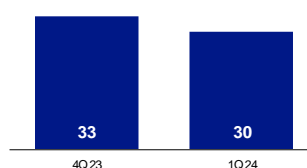
Sabadell ex - TSB (€ millions)



Change YoY:  
**-3.9%**

Change QoQ:  
**+1.3%**

TSB (€ millions)



Change YoY:

**+6.3%**

**+3.1%** Constant FX

Change QoQ:

**-10.6%**

**-12.0%** Constant FX

	Total group	Constant FX
Change YoY:	<b>-3.1%</b>	<b>-3.4%</b>
Change QoQ:	<b>+0.2%</b>	<b>-0.2%</b>

## Net fees and commissions

(€ millions)	Excl. TSB			Total group			Excl. TSB			Total group		
	4 Q23	1Q24	QoQ (%)	4 Q23	1Q24	QoQ (%)	1Q23	1Q24	YoY (%)	1Q23	1Q24	YoY (%)
Lending fees	45	46	1.0	45	46	1.0	46	46	0.0	46	46	0.0
Guarantees commissions	26	25	-1.0	26	25	-1.0	26	25	-2.7	26	25	-2.7
<b>Risk transaction fees</b>	<b>71</b>	<b>71</b>	<b>0.3</b>	<b>71</b>	<b>71</b>	<b>0.3</b>	<b>72</b>	<b>71</b>	<b>-1.0</b>	<b>72</b>	<b>71</b>	<b>-1.0</b>
Cards	43	37	-13.7	63	56	-10.9	39	37	-3.9	57	56	-1.2
Payment orders	20	19	-3.4	21	20	-3.5	21	19	-8.0	22	20	-7.9
Securities	14	15	9.4	14	15	9.4	14	15	11.4	14	15	11.4
Sight accounts	60	57	-4.8	71	64	-9.5	64	57	-10.5	71	64	-9.4
Foreign currency and notes exchange	21	20	-3.7	27	26	-3.6	23	20	-12.6	29	26	-10.2
Other transactions	6	17	187.4	-1	11	--	13	17	29.7	7	11	67.3
<b>Commissions for services</b>	<b>164</b>	<b>166</b>	<b>1.2</b>	<b>195</b>	<b>193</b>	<b>-0.9</b>	<b>174</b>	<b>166</b>	<b>-4.3</b>	<b>199</b>	<b>193</b>	<b>-3.0</b>
Mutual funds	26	29	11.5	26	29	11.5	29	29	-0.1	29	29	-0.1
Pension funds and insurance brokerage	37	38	1.4	40	41	1.7	42	38	-10.2	45	41	-8.9
Managed accounts	7	5	-23.9	7	5	-23.9	5	5	-1.6	5	5	-1.6
<b>Asset Under Management commissions</b>	<b>71</b>	<b>73</b>	<b>2.7</b>	<b>73</b>	<b>75</b>	<b>2.8</b>	<b>77</b>	<b>73</b>	<b>-5.8</b>	<b>80</b>	<b>75</b>	<b>-5.2</b>
<b>Total commissions</b>	<b>306</b>	<b>310</b>	<b>1.3</b>	<b>339</b>	<b>340</b>	<b>0.2</b>	<b>322</b>	<b>310</b>	<b>-3.9</b>	<b>350</b>	<b>340</b>	<b>-3.1</b>

### Equity-accounted income and dividends:

This item amounted to 48 million euros as at the end of March 2024, increasing compared to the end of March 2023, due to the increased contribution of the insurance business. In the quarter, in addition to the increased contribution of the insurance business, growth was impacted by higher earnings recorded by BS Capital investees.

### Other operating income and expenses:

It amounted to -209 million euros as at the end of March 2024, compared to -172 million euros at the end of the previous March. This negative variation is mainly due to a greater impact of the banking tax in 2024, which increased to -192 million euros compared to -156 million euros recognised in the previous year.

The quarterly variation is mainly explained by the aforesaid recognition of the banking tax. The previous quarter mainly included the contribution to Banco Sabadell's Deposit Guarantee Fund (DGF), amounting to -132 million euros, and the payment of the tax on deposits of credit institutions (*Impuesto sobre Depósitos de Entidades de Crédito*, IDEC), which amounted to -34 million euros.

### Total costs:

Total costs came to -751 million euros as at the end of March 2024, reflecting a year-on-year increase of 2.9%, due to both higher staff expenses and higher general expenses, where particular note should be taken of marketing and IT expenses, which offset the reduction of amortisations/depreciations.

Quarter-on-quarter, total costs showed a reduction of -4.2%, as the previous quarter was impacted by -33 million euros of non-recurrent restructuring costs at TSB. Excluding this impact, recurrent costs remained in line with the previous quarter.

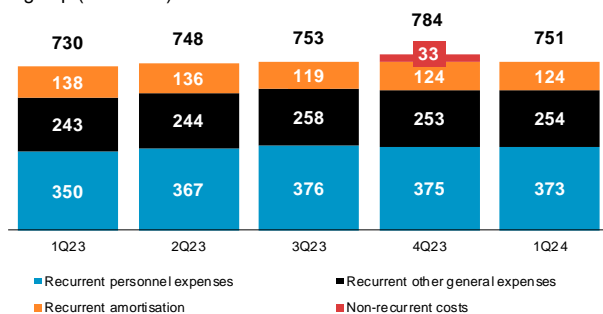
It is worth noting that the cost-to-income ratio including amortisation improved to 47.6%, compared to 53.6% as at the end of March 2023 and compared to the 51.4% recorded in the previous quarter.

### Total costs

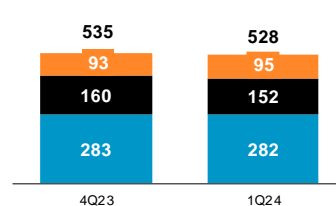
(€millions)	Excl. TSB			Total group			Excl. TSB			Total group		
	4Q23	1Q24	QoQ (%)	4Q23	1Q24	QoQ (%)	1Q23	1Q24	YoY (%)	1Q23	1Q24	YoY (%)
<b>Personnel expenses</b>	<b>-283</b>	<b>-282</b>	<b>-0.4</b>	<b>-401</b>	<b>-373</b>	<b>-7.0</b>	<b>-264</b>	<b>-282</b>	<b>6.6</b>	<b>-350</b>	<b>-373</b>	<b>6.6</b>
IT and communications	-52	-58	10.5	-110	-117	6.4	-55	-58	4.7	-108	-117	8.3
Advertising	-25	-22	-12.6	-31	-28	-11.4	-11	-22	108.6	-17	-28	63.3
Premises and office supplies	-7	-9	25.4	-16	-16	1.0	-10	-9	-11.0	-17	-16	-7.3
Technical reports and judicial expenses	-5	-6	9.2	-8	-9	7.0	-5	-6	7.9	-9	-9	-8.9
Subcontracted administrative services	-12	-19	66.6	-22	-36	68.3	-14	-19	41.3	-33	-36	8.7
Contributions and taxes	-32	-20	-38.7	-35	-22	-38.6	-24	-20	-18.8	-27	-22	-18.8
Others	-26	-18	-31.4	-35	-27	-23.8	-22	-18	-17.6	-31	-27	-14.8
<b>Other general expenses</b>	<b>-160</b>	<b>-152</b>	<b>-5.2</b>	<b>-257</b>	<b>-254</b>	<b>-1.2</b>	<b>-141</b>	<b>-152</b>	<b>7.6</b>	<b>-243</b>	<b>-254</b>	<b>4.5</b>
<b>Amortisation &amp; depreciation</b>	<b>-93</b>	<b>-95</b>	<b>1.9</b>	<b>-126</b>	<b>-124</b>	<b>-1.5</b>	<b>-100</b>	<b>-95</b>	<b>-4.9</b>	<b>-138</b>	<b>-124</b>	<b>-9.5</b>
<b>Total costs</b>	<b>-535</b>	<b>-528</b>	<b>-1.4</b>	<b>-784</b>	<b>-751</b>	<b>-4.2</b>	<b>-504</b>	<b>-528</b>	<b>4.6</b>	<b>-730</b>	<b>-751</b>	<b>2.9</b>
Memorandum item:												
Recurrent costs	-535	-528	-1.4	-751	-751	0.0	-504	-528	4.6	-730	-751	2.9
Non-recurrent costs	0	0	--	-33	0	-100.0	0	0	--	0	0	--
Efficiency ratio (%)							39.11	34.08		43.50	39.71	
Efficiency ratio with amortisation & depreciation (%)							48.73	41.53		53.59	47.58	

## Evolution of total costs

Total group (€ millions)



Sabadell ex - TSB (€ millions)



Recurrent costs

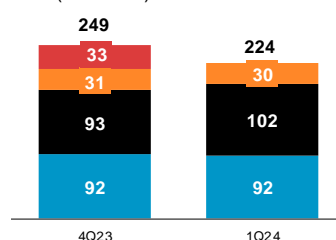
Change YoY:

**+4.6%**

Change QoQ:

**-1.4%**

TSB (€ millions)



Recurrent costs

Change YoY:

**-1.0%**

**-4.0%** Constant FX

Change QoQ:

**+3.5%**

**+1.9%** Constant FX

	Total group <sup>(1)</sup>	Constant FX <sup>(1)</sup>
Change YoY:	<b>+2.9%</b>	<b>+1.6%</b>
Change QoQ:	<b>0.0%</b>	<b>-0.7%</b>

(1) Change over total recurrent costs.

## Core results:

Core results (net interest income + fees and commissions – recurrent costs) followed a positive trend, standing at 820

million euros as of the end of March 2024, growing by 13.8% year-on-year and by 2.6% in the quarter, as a result of the good evolution of net interest income.

(€ millions)	Total group					
	4 Q23	1Q24	QoQ (%)	1Q23	1Q24	YoY (%)
Net interest income	1,211	1,231	1.7	1,100	1,231	11.9
Net fees and commissions	339	340	0.2	350	340	-3.1
Recurrent costs	-751	-751	0.0	-730	-751	2.9
<b>Core results</b>	<b>799</b>	<b>820</b>	<b>2.6</b>	<b>720</b>	<b>820</b>	<b>13.8</b>

## Provisions for credit losses and other impairments:

Total provisions amounted to -208 million euros as at the end of March 2024, compared to -236 million euros at the end of March 2023, representing a reduction of -11.6%, mainly due to an improvement of credit provisions.

In the quarter, provisions were reduced by -8.5%, due to the recognition of fewer credit provisions and also due to the reduction of provisions for real estate and other impairments.

This level of provisions reflects an improvement in the Group's credit cost of risk, which dropped by 2bps in the quarter to stand at 41bps, as well as in the total cost of risk, which fell by 5bps in the quarter to stand at 50bps as at the end of March 2024.

## Gains on sale of assets and other results:

There were no capital gains on asset sales and other results during the quarter, whereas both the first and fourth quarters of 2023 included asset write-offs.

## Net profit:

The Group's net profit amounted to 308 million euros as at the end of March 2024, increasing by 50.4% year-on-year. In the quarter, net profit grew by 1.3% despite the recognition of the banking tax payment.

## Balance sheet

### Highlights:

Performing loans showed a year-on-year reduction, affected by the environment of higher interest rates. It is particularly worth noting the volume of mortgages and the reduced balances of SMEs and corporates. In quarter-on-quarter terms, lending volumes were up, driven by currency appreciation, as considering a constant exchange rate they remained at similar levels to the previous quarter, with an increase in loans granted to corporates.

On-balance sheet customer funds, not considering the positive exchange rate effect, declined both year-on-year and in the quarter, mainly due to the reduced volume of sight accounts, which was partially reflected in the growth of off-balance sheet funds and term deposits.

The loan-to-deposit ratio remained at 94.3%, with a balanced retail funding structure and generating a positive year-on-year funding gap of c.900 million euros.

Off-balance sheet funds showed positive momentum in year-on-year terms and during the quarter, supported by increases across all segments, particularly in mutual funds, due both to increased yields and to a positive level of net inflows.

### Balance sheet

(€millions)	31.03.23	31.12.23	31.03.24	Change	
				YoY (%)	QoQ (%)
Cash, cash balances at central banks and other demand deposits	38,093	29,986	28,290	-25.7	-5.7
Financial assets held for trading and fair value with changes in PL	3,769	2,860	3,042	-19.3	6.4
Financial assets in fair value OCI	5,834	6,269	6,591	13.0	5.1
Financial assets at amortised cost	185,824	180,914	183,285	-14	13
Loans and advances to customers	155,413	152,260	153,259	-14	0.7
Loans and advances of central banks and credit institutions	8,285	7,152	7,762	-6.3	8.5
Debt securities	22,126	21,501	22,264	0.6	3.5
Investments in subsidiaries, joint ventures and associates	432	463	443	2.7	-4.2
Tangible assets	2,473	2,297	2,283	-7.7	-0.6
Intangible assets	2,464	2,483	2,489	10	0.2
Other assets	9,592	9,902	9,710	12	-19
<b>Total assets</b>	<b>248,480</b>	<b>235,173</b>	<b>236,135</b>	<b>-5.0</b>	<b>0.4</b>
Financial liabilities held for trading and fair value with changes in PL	3,429	2,867	3,005	-12.3	4.8
Financial liabilities at amortised cost	229,901	216,072	216,897	-5.7	0.4
Central banks	18,521	9,776	3,664	-80.2	-62.5
Credit institutions	17,304	13,840	13,351	-22.8	-3.5
Customer deposits	161,567	160,331	168,492	4.3	5.1
Debt securities issued	25,878	25,791	25,552	-13	-0.9
Other financial liabilities	6,632	6,333	5,839	-12.0	-7.8
Provisions	615	536	504	-18.0	-6.0
Other liabilities	1,390	1,818	1,488	7.0	-18.2
<b>Subtotal liabilities</b>	<b>235,335</b>	<b>221,294</b>	<b>221,894</b>	<b>-5.7</b>	<b>0.3</b>
Shareholders' equity	13,657	14,344	14,633	7.1	2.0
Accumulated other comprehensive income	-546	-499	-427	-21.9	-14.5
Minority interest	34	34	34	-0.4	0.0
<b>Net equity</b>	<b>13,145</b>	<b>13,879</b>	<b>14,240</b>	<b>8.3</b>	<b>2.6</b>
<b>Total liabilities and net equity</b>	<b>248,480</b>	<b>235,173</b>	<b>236,135</b>	<b>-5.0</b>	<b>0.4</b>
Financial guarantees granted	1,990	2,064	1,855	-6.8	-10.1
Commitments for loans granted	26,443	27,036	27,427	3.7	14
Other commitments granted	9,124	7,943	8,914	-2.3	12.2

### Assets:

The Group's total assets amounted to 236,135 million euros, dropping by -5.0% year-on-year, affected by the repayment in full of TLTRO III borrowing (5,000 million euros in the first quarter of 2024) and the 1,500 million pound sterling repayment made to the Bank of England under the TFSME

(Term Scheme with additional incentives for SMEs) (915 million pounds in the first quarter of 2024). In quarter-on-quarter terms, total assets increased by 0.4%, underpinned by currency appreciation, as assuming a constant exchange rate, they remained at similar levels to the previous quarter.

## Loans and advances to customers:

Performing gross loans ended March 2024 with a balance of 150,796 million euros, declining by -1.2% year-on-year and increasing by 0.7% in the quarter, in both cases driven by currency appreciation. At constant exchange rates, they fell by -2.1% year-on-year and remained constant in the quarter.

In Spain, performing loans were affected by the higher interest rate environment, which led to a year-on-year decline of -2.7%, driven by reduced mortgage volumes and smaller balances of loans granted to SMEs and corporates. In the quarter, lending volumes remained stable, with an increase in loans granted to corporates.

Performing gross loans in foreign branches (Europe and Miami), included within the Spain perimeter, amounted to 9,065 million euros, up by 0.8% year-on-year and down by -1.6% in the quarter, in both cases influenced by the appreciation of the US dollar. Assuming a constant exchange rate, this item remained stable year-on-year, while in the quarter, lending recorded a decline of -3.2%.

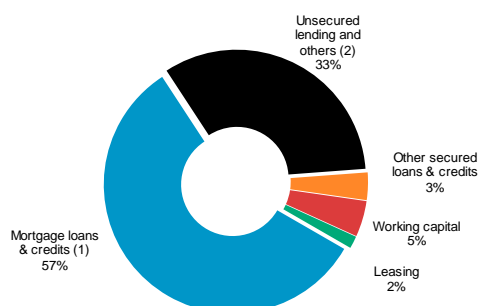
In TSB, performing gross loans increased by 0.8% year-on-year and 2.3% in the quarter, benefitting from the appreciation of the pound sterling given that, at a constant exchange rate, they actually declined by -2.0% year-on-year and increased by 0.7% in the quarter, in both cases due to variations in the volume of the mortgage book.

Mexico recorded growth of 16.1% year-on-year and of 4.2% in the quarter, in both cases driven by the appreciation of the US dollar and of the Mexican peso. At constant exchange rates, growth was 10.7% year-on-year and 1.0% in the quarter.

## Loans and advances to customers

(€ millions)	Excl. TSB					Total group				
	31.03.23	31.12.23	31.03.24	Change		31.03.23	31.12.23	31.03.24	Change	
				YoY (%)	QoQ (%)				YoY (%)	QoQ (%)
Mortgage loans & credits	48,903	47,344	46,916	-4.1	-0.9	88,261	86,162	86,641	-1.8	0.6
Other secured loans & credits	2,978	4,723	4,879	63.8	3.3	3,370	5,064	5,211	54.6	2.9
Working capital	6,739	7,465	6,812	1.1	-8.8	6,739	7,465	6,812	1.1	-8.8
Leasing	2,237	2,236	2,331	4.2	4.2	2,237	2,236	2,331	4.2	4.2
Unsecured lending and others	49,786	46,648	47,528	-4.5	1.9	52,029	48,870	49,801	-4.3	1.9
<b>Performing gross loans</b>	<b>110,643</b>	<b>108,417</b>	<b>108,466</b>	<b>-2.0</b>	<b>0.0</b>	<b>152,637</b>	<b>149,798</b>	<b>150,796</b>	<b>-1.2</b>	<b>0.7</b>
Stage 3 assets (customer)	4,948	4,861	4,770	-3.6	-1.9	5,524	5,472	5,410	-2.1	-1.1
Accruals	107	110	171	60.0	56.3	174	172	232	33.3	35.4
<b>Gross loans to customers (excluding repos)</b>	<b>115,698</b>	<b>113,388</b>	<b>113,408</b>	<b>-2.0</b>	<b>0.0</b>	<b>158,335</b>	<b>155,442</b>	<b>156,439</b>	<b>-1.2</b>	<b>0.6</b>
Reverse repos	120	17	6	-94.7	-63.9	120	17	6	-94.7	-63.9
<b>Gross loans to customers</b>	<b>115,818</b>	<b>113,405</b>	<b>113,414</b>	<b>-2.1</b>	<b>0.0</b>	<b>158,454</b>	<b>155,459</b>	<b>156,445</b>	<b>-1.3</b>	<b>0.6</b>
NPL and country-risk provisions	-2,818	-2,955	-2,939	4.3	-0.5	-3,041	-3,199	-3,185	4.7	-0.4
<b>Loans and advances to customers</b>	<b>113,000</b>	<b>110,450</b>	<b>110,475</b>	<b>-2.2</b>	<b>0.0</b>	<b>155,413</b>	<b>152,260</b>	<b>153,259</b>	<b>-1.4</b>	<b>0.7</b>

## Loans and advances to customers, by product type, 31.03.2024 (%) <sup>(\*)</sup>

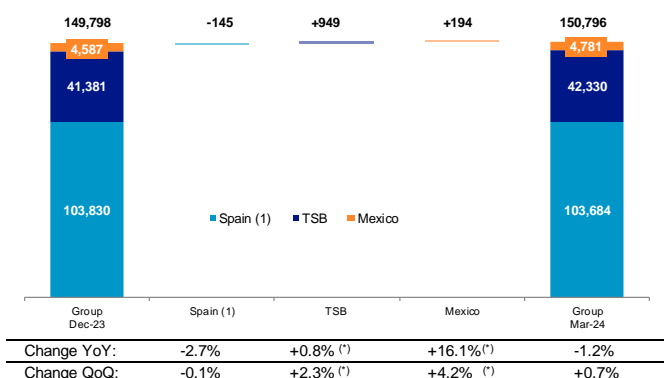


(1) Includes mortgage loans and credits both to individuals and companies.

(2) Includes ICO loans.

(\*) Excluding stage 3 assets and accrual adjustments.

## Gross performing loans by geography (€ million)



(\*) At a constant exchange rate in TSB -2.0% YoY and +0.7% QoQ and in Mexico +10.7% YoY and +1.0% QoQ.

(1) Spain includes foreign branches (€9,065M in Mar 24 and €9,211M in Dec 23).



## Liabilities:

### Customer funds:

Total customer funds amounted to 203,569 million euros as at the end of March 2024, representing growth of 0.9% year-on-year and of 1.1% in the quarter, in both cases supported by currency appreciation. At constant exchange rates, annual growth was 0.1% and quarterly growth was 0.6%.

As for on-balance sheet customer funds, these came to a total of 161,419 million euros, representing a decline of -0.5% year-on-year and growth of 0.3% in the quarter due to higher volume of sight accounts. Not including the exchange rate effect, the year-on-year balance variation was -1.4%, while the quarter showed a slight drop of -0.2%.

Sight account balances amounted to 134,315 million euros, representing a reduction of -5.8% year-on-year and slight growth of 0.1% in the quarter. At constant exchange rates, the year-on-year balance variation was -6.6%, while the quarter saw a reduction of -0.4%.

Term deposits came to a total of 26,612 million euros, representing an increase of 44.9% year-on-year and of 4.0% in the quarter.

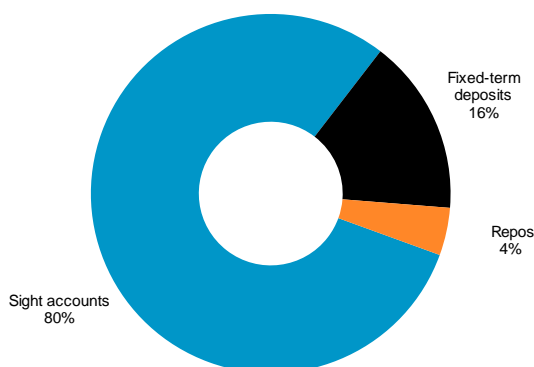
Total off-balance sheet customer funds came to 42,150 million euros as at the end of March 2024, reflecting an increase of 6.7% in year-on-year terms and of 3.9% in the quarter, with growth across all segments, notably mutual funds, which showed improvements in terms of both yields and net inflows.

### Funds under management and third-party funds:

This item amounted to a total of 236,194 million euros, representing a year-on-year increase of 4.1% and a quarterly increase of 4.2%, impacted by the growth of repos. Not including repos, total funds under management and third-party funds increased by 1.1% both year-on-year and in the quarter.

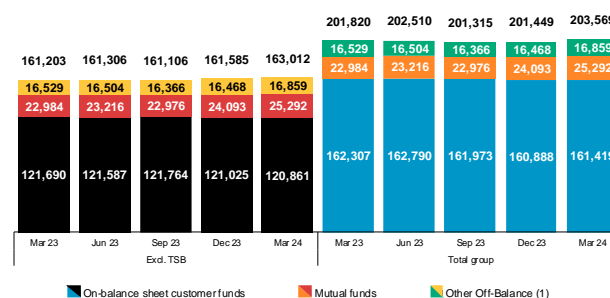
In the first quarter of 2024 the remaining 5,000 million euros of TLTRO III borrowing was repaid, meaning that all of that borrowing has now been repaid in full. The balance of the Term Funding Scheme with additional incentives for SMEs (TFSME) came to 3,085 million pounds, having repaid 915 million pounds during the quarter.

### Customer deposits, 31.03.2024 (%) (\*)



(\*) Excluding accrual adjustments and hedging derivatives.

### Evolution of customer funds (€ million)



#### On-balance sheet customer funds

	Excl. TSB	Total group
Change YoY:	-0.7%	-0.5%
Change QoQ:	-0.1%	0.3%

#### Total customer funds

	Excl. TSB	Total group
Change YoY:	1.1%	0.9%
Change QoQ:	0.9%	1.1%

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

## Customer funds

(€ millions)	Excl. TSB					Total group				
	31.03.23	31.12.23	31.03.24	Change		31.03.23	31.12.23	31.03.24	Change	
				YoY (%)	QoQ (%)				YoY (%)	QoQ (%)
<b>Financial liabilities at amortised cost</b>	<b>179,783</b>	<b>166,805</b>	<b>167,580</b>	<b>-6.8</b>	<b>0.5</b>	<b>229,901</b>	<b>216,072</b>	<b>216,897</b>	<b>-5.7</b>	<b>0.4</b>
Non-retail financial liabilities	58,093	45,780	46,719	-19.6	2.0	67,594	55,184	55,478	-17.9	0.5
Central banks	13,348	5,107	0	-100.0	-100.0	18,521	9,776	3,664	-80.2	-62.5
Credit institutions	17,303	13,840	13,333	-22.9	-3.7	17,304	13,840	13,351	-22.8	-3.5
Institutional issues	22,443	21,919	29,333	30.7	33.8	25,138	25,234	32,625	29.8	29.3
Other financial liabilities	4,999	4,915	4,052	-18.9	-17.6	6,632	6,333	5,839	-12.0	-7.8
<b>On-balance sheet customer funds</b>	<b>(1) 121,690</b>	<b>121,025</b>	<b>120,861</b>	<b>-0.7</b>	<b>-0.1</b>	<b>162,307</b>	<b>160,888</b>	<b>161,419</b>	<b>-0.5</b>	<b>0.3</b>
Customer deposits	120,823	120,328	127,780	5.8	6.2	161,567	160,331	168,492	4.3	5.1
Sight accounts	(1) 106,185	100,046	99,836	-6.0	-0.2	142,624	134,243	134,315	-5.8	0.1
Fixed-term deposits	(1) 14,194	19,921	20,533	44.7	3.1	18,372	25,588	26,612	44.9	4.0
Repos	455	200	7,207	--	--	517	200	7,207	--	--
Accruals and derivative hedging adjustments	-12	160	204	--	27.7	54	299	358	--	19.7
Debt and other marketable securities	(1) 19,218	19,023	18,311	-4.7	-3.7	21,786	22,198	21,449	-1.5	-3.4
Subordinated liabilities	(2) 4,092	3,593	4,104	0.3	14.2	4,092	3,593	4,104	0.3	14.2
<b>On-balance sheet funds</b>	<b>144,133</b>	<b>142,944</b>	<b>150,195</b>	<b>4.2</b>	<b>5.1</b>	<b>187,445</b>	<b>186,122</b>	<b>194,044</b>	<b>3.5</b>	<b>4.3</b>
Mutual funds	22,984	24,093	25,292	10.0	5.0	22,984	24,093	25,292	10.0	5.0
Dedicated investment companies	638	589	633	-0.9	7.5	638	589	633	-0.9	7.5
Third-party funds	22,345	23,504	24,659	10.4	4.9	22,345	23,504	24,659	10.4	4.9
Managed accounts	3,669	3,598	3,801	3.6	5.7	3,669	3,598	3,801	3.6	5.7
Pension funds	3,229	3,249	3,300	2.2	1.6	3,229	3,249	3,300	2.2	1.6
Individual	2,097	2,103	2,134	1.7	1.4	2,097	2,103	2,134	1.7	1.4
Company	1,126	1,141	1,162	3.1	1.8	1,126	1,141	1,162	3.1	1.8
Group	5	5	5	-7.1	2.2	5	5	5	-7.1	2.2
Third-party insurance products	9,631	9,621	9,757	1.3	1.4	9,631	9,621	9,757	1.3	1.4
<b>Off-balance sheet customer funds</b>	<b>39,513</b>	<b>40,561</b>	<b>42,150</b>	<b>6.7</b>	<b>3.9</b>	<b>39,513</b>	<b>40,561</b>	<b>42,150</b>	<b>6.7</b>	<b>3.9</b>
<b>Funds under management and third-party funds</b>	<b>183,646</b>	<b>183,504</b>	<b>192,345</b>	<b>4.7</b>	<b>4.8</b>	<b>226,957</b>	<b>226,682</b>	<b>236,194</b>	<b>4.1</b>	<b>4.2</b>

- (1) On-balance sheet customer funds at the Group level as at 31.03.2024 included 134,315 million euros of sight deposits (134,243 million euros as at 31.12.2023 and 142,624 million euros as at 31.03.2023), 26,237 million euros of term deposits excluding multi-seller covered bonds, subordinated deposits and Yankee CD (25,237 million euros as at 31.12.2023 and 17,907 million euros as at 31.03.2023) and 867 million euros of retail issuances (commercial paper), included in 'Debt and other marketable securities' (1,408 million euros as at 31.12.2023 and 1,777 million euros as at 31.03.2023).
- (2) Subordinated liabilities of debt securities.

## Equity:

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

### Equity

(€ millions)	31.03.23	31.12.23	31.03.24	Change	
				YoY	QoQ
<b>Shareholders' equity</b>	<b>13,657</b>	<b>14,344</b>	<b>14,633</b>	<b>976</b>	<b>289</b>
Issued capital	703	680	680	-23	0
Reserves	12,777	12,512	13,649	872	1,137
Other equity	20	21	23	3	1
Less: treasury shares	-48	-40	-27	21	12
Attributable net profit	205	1,332	308	103	-1,024
Less: interim dividends	0	-162	0	0	162
<b>Accumulated other comprehensive income</b>	<b>-546</b>	<b>-499</b>	<b>-427</b>	<b>120</b>	<b>72</b>
<b>Minority interest</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>0</b>	<b>0</b>
<b>Net equity</b>	<b>13,145</b>	<b>13,879</b>	<b>14,240</b>	<b>1,096</b>	<b>361</b>

## Risk management

### Highlights:

Non-performing assets were reduced by -92 million euros during the quarter, with those classified as stage 3 falling by -60 million euros while problematic real estate assets did so by -32 million euros.

It is worth highlighting the higher NPA coverage ratio including total provisions, which rose to 55.8% as at the end of March 2024, from 52.0% as at the end of March 2023. The stage 3 coverage ratio considering total provisions as at the end of March 2024 stood at 58.5%, also improving from 54.6% as at March 2023. The coverage of problematic real estate assets ended March 2024 at 39.4%, improving from the 38.4% recorded in the previous March.

The Group's stage 3 ratio stood at 3.46% as at the end of March 2024, falling by 6bps year-on-year and in the quarter.

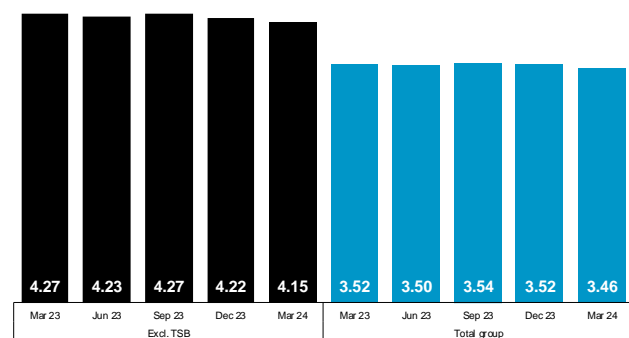
With regard to the breakdown of loans by stages, it should be noted that 89.4% are classified as stage 1 with a coverage level of 0.3%, the balance of stage 2 loans represents 7.2% of total loans with coverage of 4.2%, while the balance of stage 3 loans represents 3.5% of the total with coverage of 42.5%, reflecting an improvement compared to the previous March, when it was 39.5%. Excluding TSB, the stage 3 coverage ratio as at the end of March 2024 stood at 45.9%, improving from 42.3% as at the end of March 2023.

### Risk management:

Non-performing assets showed a balance of 6,657 million euros as at the end of March 2024, of which 5,718 million euros correspond to stage 3 assets and 939 million euros correspond to problematic real estate assets.

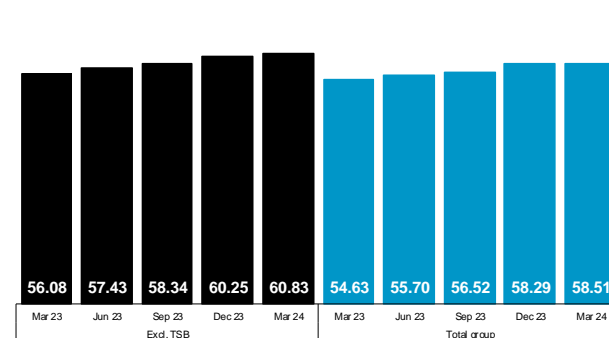
The gross NPA ratio was reduced in the quarter and stood at 4.0%, while the net NPA ratio considering total provisions stood at 1.8%.

### Stage 3 ratios (%) (\*)



(\*) Calculated including contingent exposures.

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

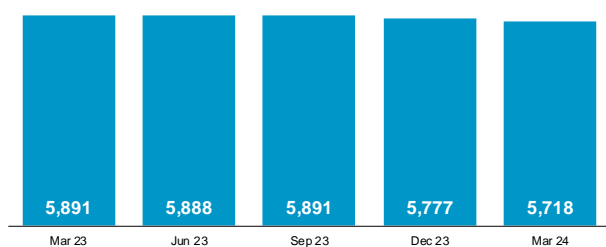


### Stage 3 ratios, by segment (\*)

Total group	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24
Real estate development and/or construction purposes	7.30%	7.19%	7.09%	6.44%	6.88%
Construction purposes non-related to real estate dev.	9.17%	6.80%	6.61%	5.25%	5.30%
Large corporates	2.22%	2.29%	2.52%	2.47%	2.34%
SME and small retailers and self-employed	7.87%	7.69%	8.54%	8.52%	8.97%
Individuals with 1st mortgage guarantee assets	2.44%	2.19%	2.26%	2.29%	2.10%
<b>Stage 3 ratio</b>	<b>3.52%</b>	<b>3.50%</b>	<b>3.54%</b>	<b>3.52%</b>	<b>3.46%</b>

(\*) Calculated including contingent exposures.

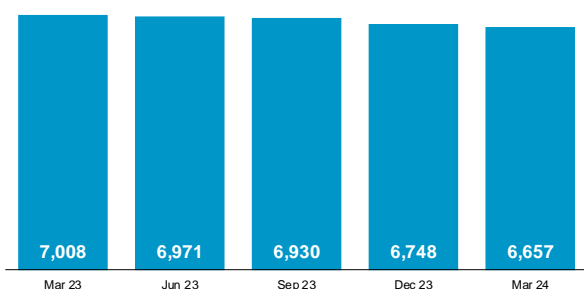
### Evolution of stage 3 loans (€ million) (\*)



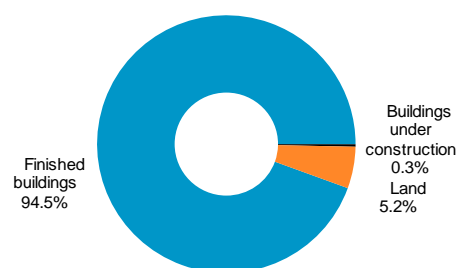
### Evolution of problematic RE assets (€ million) (\*)



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



### Composition of problematic RE assets (%)



(\*) Calculated including contingent exposures.

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

### Group non-performing assets quarterly change

(€millions)	1Q23	2Q23	3Q23	4Q23	1Q24
Gross entries	687	751	658	601	727
Recoveries and sales	-504	-641	-573	-635	-687
<b>Net stage 3 entries</b>	<b>183</b>	<b>111</b>	<b>85</b>	<b>-35</b>	<b>40</b>
Gross entries	12	46	19	6	10
Sales	-52	-79	-63	-73	-42
<b>Change in problematic RE assets</b>	<b>-40</b>	<b>-34</b>	<b>-44</b>	<b>-68</b>	<b>-32</b>
<b>Net stage 3 entries + Change in problematic RE assets</b>	<b>143</b>	<b>77</b>	<b>41</b>	<b>-103</b>	<b>8</b>
Write-offs	-106	-114	-82	-79	-100
<b>NPA's quarterly change</b>	<b>37</b>	<b>-37</b>	<b>-41</b>	<b>-182</b>	<b>-92</b>

## Evolution of Group non-performing asset coverage <sup>(\*)</sup>

(€ millions)	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24
Stage 3 exposures	5,891	5,888	5,891	5,777	5,718
Total provisions	3,219	3,280	3,329	3,368	3,346
<b>Stage 3 coverage ratio with total provisions (%)</b>	<b>54.6%</b>	<b>55.7%</b>	<b>56.5%</b>	<b>58.3%</b>	<b>58.5%</b>
Stage 3 exposures	5,891	5,888	5,891	5,777	5,718
Stage 3 provisions	2,328	2,361	2,402	2,445	2,433
<b>Stage 3 coverage ratio (%)</b>	<b>39.5%</b>	<b>40.1%</b>	<b>40.8%</b>	<b>42.3%</b>	<b>42.5%</b>
Problematic RE Assets	1,117	1,083	1,039	971	939
Provisions	429	419	404	385	370
<b>Problematic Real Estate coverage ratio (%)</b>	<b>38.4%</b>	<b>38.7%</b>	<b>38.9%</b>	<b>39.6%</b>	<b>39.4%</b>
Total problematic assets	7,008	6,971	6,930	6,748	6,657
Provisions	3,648	3,699	3,733	3,752	3,715
<b>Problematic assets coverage (%)</b>	<b>52.0%</b>	<b>53.1%</b>	<b>53.9%</b>	<b>55.6%</b>	<b>55.8%</b>
Gross loans to customers excluding repos +financial guarantees and other guarantees granted + problematic RE Assets	168,347	169,497	167,348	165,309	166,235
<b>Gross NPA ratio (%)</b>	(1) <b>4.2%</b>	<b>4.1%</b>	<b>4.1%</b>	<b>4.1%</b>	<b>4.0%</b>
Net problematic assets	3,360	3,272	3,196	2,996	2,941
<b>Net NPA ratio (%)</b>	(1) <b>2.0%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>1.8%</b>	<b>1.8%</b>
<b>Net problematic assets as % of total assets</b>	<b>1.4%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.2%</b>

(\*) Includes contingent exposures.

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

## Refinanced and restructured loans

Stage 3 balances of refinancing and restructuring transactions as at the end of March 2024 were reduced by

-7.0% year-on-year and by -3.3% in the quarter to stand at 2,602 million euros, with coverage of 37.1%.

(€ millions)	Mar 23		Jun 23		Sep 23		Dec 23		Mar 24	
	Total	Of which: stage 3	Total	Of which: stage 3	Total	Of which: stage 3	Total	Of which: stage 3	Total	Of which: stage 3
Public sector	8	7	7	1	7	1	6	1	6	0
Companies and self employed	3,920	1,822	3,693	1,792	3,405	1,746	3,395	1,668	3,345	1,734
Of which: Financing for construction and real estate development	247	137	245	140	234	135	239	144	236	143
Individuals	1,605	969	1,605	1,015	1,565	1,013	1,547	1,022	1,325	869
<b>Total</b>	<b>5,533</b>	<b>2,797</b>	<b>5,304</b>	<b>2,807</b>	<b>4,977</b>	<b>2,759</b>	<b>4,949</b>	<b>2,690</b>	<b>4,686</b>	<b>2,602</b>
<b>Provisions</b>	<b>1,020</b>	<b>925</b>	<b>1,119</b>	<b>1,023</b>	<b>1,124</b>	<b>1,032</b>	<b>1,100</b>	<b>1,009</b>	<b>1,045</b>	<b>967</b>
<b>Coverage ratio</b>	<b>18.4%</b>	<b>33.1%</b>	<b>21.1%</b>	<b>36.4%</b>	<b>22.6%</b>	<b>37.4%</b>	<b>22.2%</b>	<b>37.5%</b>	<b>22.3%</b>	<b>37.1%</b>

## Breakdown of loans and provisions, by stages

In terms of the breakdown of loans by stages, it is worth noting that 89.4% was classified as stage 1 with coverage of 0.3% and the balance increased by 1.0% in the quarter. Stage 2 balances accounted for 7.2% of the total credit

balance, with coverage standing at 4.2% and representing a balance reduction of -3.2% during the quarter. Lastly, stage 3 loans accounted for 3.5% of the total, with coverage of 42.5%, representing a balance reduction of -1.0% in the quarter.

(€ millions)	Stage 1	Stage 2	Stage 3
Gross loans to customers excluding repos and financial guarantees and other guarantees granted	147,751	11,827	5,718
Change QoQ	1.0%	-3.2%	-1.0%
Change YoY	0.3%	-15.9%	-2.9%
Provisions	419	494	2,433
<b>% Stage / Total Loans</b>	<b>89.4%</b>	<b>7.2%</b>	<b>3.5%</b>
<b>Coverage group</b>	<b>0.3%</b>	<b>4.2%</b>	<b>42.5%</b>
<b>Coverage excl. TSB</b>	<b>0.3%</b>	<b>5.4%</b>	<b>45.9%</b>

## Liquidity management

### Highlights:

The Group has a sound liquidity position, with an LCR (Liquidity Coverage Ratio) of 205% as at the end of March 2024 (238% excluding TSB and 172% at TSB) and total liquid assets of 60,240 million euros.

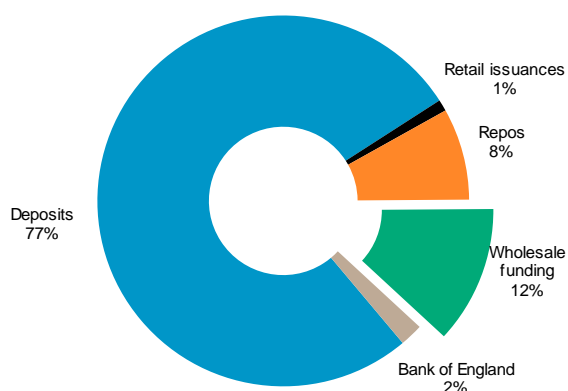
The loan-to-deposit ratio as at the end of March 2024 was 94.3%, with a balanced retail funding structure.

It is worth noting that in the first quarter of 2024 Banco Sabadell issued 750 million euros of senior preferred debt, 500 million euros of senior non-preferred debt and 500 million euros of Tier 2 subordinated debt. In addition, TSB issued 500 million euros of mortgage covered bonds.

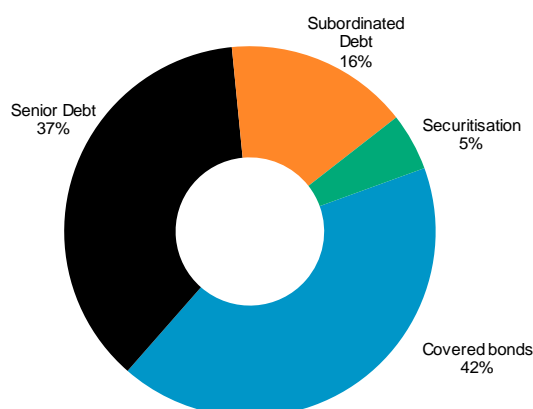
(€ millions)		31.03.23	31.12.23	31.03.24
Loans and advances to customers	(1)	155,293	152,243	153,253
Brokered loans		-1,177	-953	-963
<b>Adjusted net loans and advances</b>		<b>154,116</b>	<b>151,290</b>	<b>152,290</b>
<b>On-balance sheet customer funds</b>		<b>162,307</b>	<b>160,888</b>	<b>161,419</b>
<b>Loan-to-deposit ratio (%)</b>		<b>95.0</b>	<b>94.0</b>	<b>94.3</b>

(1) Excludes reverse repos.

### Funding structure, 31.03.2024 (%)



### Wholesale market breakdown, 31.03.2024 (%)



### Maturities

(€ millions)	2024	2025	2026	2027	2028	2029	>2029	Outstanding balance
Covered bonds	1,300	836	1,390	2,269	2,447	1,450	700	10,393
Senior preferred	23	1,489	0	500	750	750	750	4,262
Senior non preferred	395	500	1,317	18	500	1,500	695	4,925
Subordinated Debt	0	0	500	0	0	0	1,815	2,315
<b>Total</b>	<b>1,718</b>	<b>2,825</b>	<b>3,207</b>	<b>2,788</b>	<b>3,697</b>	<b>3,700</b>	<b>3,960</b>	<b>21,894</b>

### New issuances in the year

(€ millions)	1Q24
Covered bonds	500
Senior preferred	750
Senior non preferred	500
Subordinated Debt	500
<b>Total</b>	<b>2,250</b>

### Maturities in the year

(€ millions)	1Q24	2Q24	3Q24	4Q24
Covered bonds	1,134	1,050	0	250
Senior preferred	735	13	10	0
Senior non preferred	0	395	0	0
<b>Total</b>	<b>1,869</b>	<b>1,458</b>	<b>10</b>	<b>250</b>

## Capital management and credit ratings

### Highlights:

The fully-loaded and phase-in CET1 ratios stood at 13.30% as at the end of March 2024, growing by 9bps in the quarter, of which 29bps correspond to the organic generation of capital, -12bps to the impact of the banking tax payment and -8bps to the increase of risk-weighted assets.

The minimum prudential requirements applicable to Banco Sabadell as from 1 January 2024 following the Supervisory Review and Evaluation Process (SREP) are 8.93% for CET1 and 13.42% for Total Capital.

The fully-loaded and phase-in total capital ratios stood at 18.42% as at the end of March 2024, thus remaining above the requirements for 2024 with an MDA buffer of 437bps.

The leverage ratio was 5.25% in both fully-loaded and phase-in terms.

The MREL ratio as a percentage of RWAs stood at 29.34%, above the requirement for the year 2024 (25.69%<sup>1</sup>), while the MREL ratio as a percentage of the Leverage Ratio Exposure (LRE) was 9.93%, also above the requirement for 2024 (6.35%).

<sup>1</sup> The ratio includes the combined buffer requirement, estimated at 3.17% for 2024.

### Capital ratios

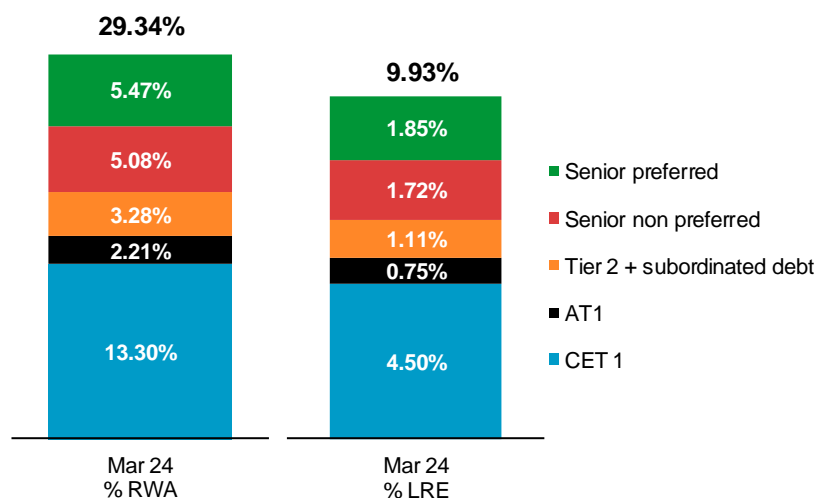
(€millions)	Phase-in			Fully-loaded		
	31.03.23	31.12.23	31.03.24	31.03.23	31.12.23	31.03.24
Issued capital	703	680	680	703	680	680
Reserves	12,694	13,198	13,321	12,694	13,198	13,321
Deductions	(1) -3,471	-3,531	-3,455	-3,475	-3,531	-3,455
<b>Common Equity Tier 1</b>	<b>9,926</b>	<b>10,347</b>	<b>10,546</b>	<b>9,922</b>	<b>10,347</b>	<b>10,546</b>
<b>CET 1 (%)</b>	<b>12.78%</b>	<b>13.21%</b>	<b>13.30%</b>	<b>12.78%</b>	<b>13.21%</b>	<b>13.30%</b>
Preference shares and other	1,750	1,750	1,750	1,750	1,750	1,750
<b>Primary capital</b>	<b>11,676</b>	<b>12,097</b>	<b>12,296</b>	<b>11,672</b>	<b>12,097</b>	<b>12,296</b>
<b>Tier I (%)</b>	<b>15.04%</b>	<b>15.44%</b>	<b>15.51%</b>	<b>15.03%</b>	<b>15.44%</b>	<b>15.51%</b>
<b>Secondary capital</b>	<b>2,375</b>	<b>1,831</b>	<b>2,311</b>	<b>2,375</b>	<b>1,831</b>	<b>2,311</b>
<b>Tier II (%)</b>	<b>3.06%</b>	<b>2.34%</b>	<b>2.91%</b>	<b>3.06%</b>	<b>2.34%</b>	<b>2.91%</b>
<b>Total capital</b>	<b>14,051</b>	<b>13,928</b>	<b>14,607</b>	<b>14,047</b>	<b>13,928</b>	<b>14,607</b>
<b>Total capital ratio (%)</b>	<b>18.09%</b>	<b>17.78%</b>	<b>18.42%</b>	<b>18.09%</b>	<b>17.78%</b>	<b>18.42%</b>
<b>Risk weighted assets (RWA)</b>	<b>77,659</b>	<b>78,343</b>	<b>79,285</b>	<b>77,655</b>	<b>78,343</b>	<b>79,285</b>
<b>Leverage ratio (%)</b>	<b>4.72%</b>	<b>5.19%</b>	<b>5.25%</b>	<b>4.71%</b>	<b>5.19%</b>	<b>5.25%</b>
<b>CET 1 - BS (non-consolidated basis) (%)</b>	<b>13.30%</b>	<b>13.64%</b>	<b>13.65%</b>			
<b>Tier I - BS (non-consolidated basis) (%)</b>	<b>15.48%</b>	<b>15.82%</b>	<b>15.82%</b>			
<b>Tier II - BS (non-consolidated basis) (%)</b>	<b>2.90%</b>	<b>2.20%</b>	<b>2.79%</b>			
<b>Total capital ratio - BS (non-consolidated basis) (%)</b>	<b>18.39%</b>	<b>18.02%</b>	<b>18.61%</b>			
<b>ADIs</b>	(2) <b>2,943</b>	<b>3,657</b>	<b>3,984</b>			

Note: CET1 ratio includes dividend accrual with a pay-out ratio of 50%.

(1) Includes IFRS 9 transitional adjustments.

(2) "Available Distributable Items": Refers to distributable profit. It does not include interim dividends or share premiums.

### Evolution of Group MREL (% RWAs, % LRE)



### Credit ratings

Agency	Date	Long term	Short term	Outlook
DBRS	24.05.2023	A (low)	R-1 (low)	Stable
S&P Global Rating <sup>(1)</sup>	02.04.2024	BBB+	A-2	Stable
Moody's	08.04.2024	Baa2	P-2	Positive
Fitch Ratings	30.06.2023	BBB-	F3	Positive

(1) Copyright by Standard & Poor's, A division of the McGraw-Hill Companies, Inc. Reproduced with permission of Standard & Poor's.

On 12 May 2023, **DBRS Ratings GmbH** affirmed Banco Sabadell's long-term issuer rating of A (low) with a stable outlook, reflecting the strength of the franchise as Spain's fourth largest banking group. It also took a positive view of its solid asset quality profile, its strong position in wholesale funding and liquidity, and the Group's satisfactory capitalisation. The short-term rating remained at R-1 (low). The full report on the revision was published on 24 May.

On 9 February 2024, **S&P Global Ratings** upgraded Banco Sabadell's long-term issuer credit rating from 'BBB' to 'BBB+', changing the outlook to stable from positive. This rating upgrade reflects Banco Sabadell's improved profitability, which is currently at levels commensurate with the depth of its franchise and with its competitors' profitability, according to the agency. The stable outlook reflects the expectation of S&P Global Ratings that Banco Sabadell will further leverage its banking franchise and continue making progress with its digitalisation and efficiency, maintaining a solid financial profile. The short-term rating was maintained at 'A-2'. The full report on the revision was published on 2 April.

On 19 March 2024, **Moody's Investors Service** affirmed Banco Sabadell's long-term deposit rating at 'Baa1' and its senior debt rating at 'Baa2', changing the outlook on both ratings to positive from stable, reflecting the Bank's improved asset quality and the gradual strengthening of its profitability boosted by the increase in interest rates. The short-term rating was also maintained at 'P-2'. The full report on the revision was published on 8 April.

On 13 June 2023, **Fitch Ratings** affirmed its long-term rating of Banco Sabadell of 'BBB-', improving the outlook to positive from stable, mainly reflecting Fitch's expectations that Sabadell's profitability will continue to structurally improve due to higher interest rates, contained credit provisions and improved earnings of the Bank's UK subsidiary. The short-term rating remained at 'F3'. The full report on the revision was published on 30 June.



## Results, by business unit

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

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

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

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

### Segmentation by geographical area and business unit

- **Banking Business Spain** groups together the Retail Banking, Business Banking and Corporate Banking business units, with individuals and businesses managed under the same branch network:
  - Retail Banking: This business unit offers financial products and services to individuals for personal use. The business is based on a banking model that combines processes typical of a digital bank for interactions that require the autonomy, immediacy and simplicity that only digital channels can offer with specialised and personalised commercial management for those interactions where expert support is needed, provided through the branch network, both in brick-and-mortar branches and remotely. Among the main products offered, it is worth noting investment and financing products in the short, medium and long term such as consumer loans, mortgages and leasing/rental services. As for funds, the main products on offer are customer term and demand deposits, savings insurance, mutual funds and pension plans. Additionally, the main services also include payment methods such as cards and various kinds of insurance products.
  - Business Banking: This business unit offers financial products and services to legal and individual persons engaging in business activities, serving all types of companies with turnover of up to 200 million euros, as well as the institutional sector. The products and services offered to companies are based on short- and long-term funding solutions, solutions to manage cash surpluses, products and services to guarantee the processing of day-to-day payments and collections through any channel and in any geographical area, as well as risk hedging and bancassurance products. Banco Sabadell has a clearly defined relationship model for each business segment, which is innovative and sets it apart from its peers and which allows it to be very close to its customers, acquiring in-depth knowledge of its customer base whilst at the

same time offering a level of full engagement. Large enterprises with turnover in excess of 10 million euros are essentially managed by specialised branches. All other companies, which include SMEs, small businesses and self-employed professionals, are managed by standard branches. All of these companies have relationship managers who specialise in their respective segments, as well as access to expert advice from product and/or sector specialists. This all enables Banco Sabadell to be a yardstick for all companies, as well as a leader in customer experience. It also includes Private Banking, which offers personalised expert advice, backed by specialised and high-value product capabilities for our customers.

- Corporate Banking: Through its presence in Spain and in a further 15 countries, it offers financial and advisory solutions to large Spanish and international corporations and financial institutions. It structures its activity around two pillars, the first of which is the customer. It aims to serve its customers who are natural persons to meet the full range of their financial needs. This pillar is determined by the nature of those customers and includes large corporations classed under the Corporate Banking umbrella, financial institutions, Private Banking customers in the USA and the venture capital business carried out through BS Capital. The second pillar is Specialised Business, which encompasses the activities of Structured Finance, Treasury, Investment Banking, and Trading, Custody and Research. Its goal is to advise, design and execute custom operations that anticipate the specific financial needs of its customers, be they companies or individuals, with its scope of activity ranging from large corporations to smaller companies and customers, insofar as its solutions are the best way to meet their increasingly complex financial needs.

#### Banking Business United Kingdom:

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

#### Banking Business Mexico:

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

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

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

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

## Profit and loss 1Q24

(€ millions)	Banking business	Banking business	Banking Business	Total
	Spain	United Kingdom	Mexico	
<b>Net interest income</b>	<b>906</b>	<b>278</b>	<b>47</b>	<b>1,231</b>
Net fees and commissions	305	30	5	340
<b>Core revenues</b>	<b>1,210</b>	<b>308</b>	<b>53</b>	<b>1,571</b>
Net trading income and exchange differences	19	11	5	35
Income from equity method and dividends	48	0	0	48
Other operating income/expense	-194	-11	-4	-209
<b>Gross operating income</b>	<b>1,082</b>	<b>309</b>	<b>53</b>	<b>1,444</b>
Operating expenses	-404	-194	-29	-627
Amortisation & depreciation	-90	-30	-4	-124
Total costs	-495	-224	-33	-751
<b>Pre-provisions income</b>	<b>588</b>	<b>85</b>	<b>20</b>	<b>693</b>
Total provisions & impairments	-181	-20	-7	-208
Gains on sale of assets and other results	0	0	0	0
<b>Profit before tax</b>	<b>406</b>	<b>65</b>	<b>13</b>	<b>484</b>
Income tax	-155	-19	-3	-176
Minority interest	0	0	0	0
<b>Attributable net profit</b>	<b>252</b>	<b>46</b>	<b>11</b>	<b>308</b>
ROTE	13.0%	9.6%	7.7%	12.2%
Efficiency	33.2%	62.9%	53.8%	39.7%
Efficiency w ith amortisation & depreciation	40.7%	72.5%	61.7%	47.6%
Stage 3 ratio	4.2%	1.5%	2.8%	3.5%
Stage 3 coverage ratio w ith total provisions	60.6%	40.2%	69.4%	58.5%

## Profit and loss 1Q23

(€ millions)	Banking business	Banking business	Banking Business	Total
	Spain	United Kingdom	Mexico	
<b>Net interest income</b>	<b>752</b>	<b>303</b>	<b>45</b>	<b>1,100</b>
Net fees and commissions	321	28	2	350
<b>Core revenues</b>	<b>1,073</b>	<b>331</b>	<b>46</b>	<b>1,450</b>
Net trading income and exchange differences	-6	7	-1	1
Income from equity method and dividends	31	0	0	31
Other operating income/expense	-157	-11	-4	-172
<b>Gross operating income</b>	<b>941</b>	<b>328</b>	<b>42</b>	<b>1,311</b>
Operating expenses	-388	-188	-17	-593
Amortisation & depreciation	-95	-38	-4	-138
Total costs	-483	-226	-21	-730
<b>Pre-provisions income</b>	<b>458</b>	<b>102</b>	<b>21</b>	<b>581</b>
Total provisions & impairments	-214	-19	-3	-236
Gains on sale of assets and other results	-1	0	-1	-3
<b>Profit before tax</b>	<b>243</b>	<b>83</b>	<b>16</b>	<b>342</b>
Income tax	-106	-29	-2	-137
Minority interest	0	0	0	0
<b>Attributable net profit</b>	<b>137</b>	<b>53</b>	<b>14</b>	<b>205</b>
ROTE	8.0%	5.9%	8.2%	7.6%
Efficiency	39.0%	57.4%	40.8%	43.5%
Efficiency w ith amortisation & depreciation	48.6%	68.9%	50.9%	53.6%
Stage 3 ratio	4.3%	1.4%	2.5%	3.5%
Stage 3 coverage ratio w ith total provisions	55.8%	41.3%	69.7%	54.6%

## Balance sheet 1Q24

(€ millions)	Banking business	Banking business	Banking Business	Total
	Spain	United Kingdom	Mexico	
<b>Total assets</b>	<b>174,505</b>	<b>54,624</b>	<b>7,007</b>	<b>236,135</b>
Performing gross loans	103,684	42,330	4,781	150,796
RE exposure	569	0	0	569
<b>Total liabilities and net equity</b>	<b>174,505</b>	<b>54,624</b>	<b>7,007</b>	<b>236,135</b>
On-balance sheet customer funds	117,475	40,558	3,387	161,419
Capital markets w holesale funding	20,275	4,534	0	24,809
Allocated equity	11,414	2,516	702	14,633
Off-balance sheet customer funds	42,150	0	0	42,150

## Balance sheet 1Q23

(€ millions)	Banking business	Banking business	Banking Business	Total
	Spain	United Kingdom	Mexico	
<b>Total assets</b>	<b>186,941</b>	<b>55,127</b>	<b>6,411</b>	<b>248,480</b>
Performing gross loans	106,524	41,993	4,119	152,637
RE exposure	688	0	0	688
<b>Total liabilities and net equity</b>	<b>186,941</b>	<b>55,127</b>	<b>6,411</b>	<b>248,480</b>
On-balance sheet customer funds	118,177	40,617	3,513	162,307
Capital markets w holesale funding	20,734	3,697	0	24,431
Allocated equity	10,697	2,387	573	13,657
Off-balance sheet customer funds	39,513	0	0	39,513

## Banking Business Spain

Net profit as at the end of March 2024 amounted to 252 million euros, representing a year-on-year increase of 83.7%, mainly driven by the good evolution of net interest income.

Net interest income amounted to 906 million euros as at the end of March 2024, growing by 20.4% year-on-year as a result of a higher credit yield and improved revenue from the fixed-income portfolio, underpinned by higher interest rates, all of which served to offset higher costs of both deposits and wholesale funding and reduced volumes.

Net fees and commissions stood at 305 million euros, -5.0% less than at the end of March 2023, mainly due to reduced service fees, notably sight account fees, as well as the drop in asset management fees, particularly fees for the sale of pension funds and insurance.

Net trading income and exchange differences amounted to 19 million euros, representing year-on-year growth, mainly due to higher returns on overall derivatives.

Equity-accounted results and dividends showed year-on-year growth of 52.0% due mainly to the increased contribution of the insurance business.

Other income and expenses were mainly impacted by the -192 million euro banking tax payment made at the end of March 2024, while this impact amounted to -156 million euros in the last year.

Total costs recorded a year-on-year increase of 2.4%, due to higher staff expenses and to the increase in general expenses, particularly marketing and IT expenses.

Provisions and impairments amounted to -181 million euros, down by -15.3% year-on-year, due to the booking of fewer provisions for both loan losses and financial assets.

(€ millions)	1Q23	1Q24	YoY (%)	Simple evolution				
				1Q23	2Q23	3Q23	4Q23	1Q24
<b>Net interest income</b>	<b>752</b>	<b>906</b>	<b>20.4</b>	<b>752</b>	<b>821</b>	<b>895</b>	<b>885</b>	<b>906</b>
Net fees and commissions	321	305	-5.0	321	314	311	301	305
<b>Core revenues</b>	<b>1,073</b>	<b>1,210</b>	<b>12.8</b>	<b>1,073</b>	<b>1,135</b>	<b>1,206</b>	<b>1,186</b>	<b>1,210</b>
Net trading income and exchange differences	-6	19	--	-6	32	22	-3	19
Income from equity method and dividends	31	48	52.0	31	40	23	36	48
Other operating income/expense	-157	-194	23.8	-157	-74	3	-176	-194
<b>Gross operating income</b>	<b>941</b>	<b>1,082</b>	<b>15.0</b>	<b>941</b>	<b>1,133</b>	<b>1,255</b>	<b>1,043</b>	<b>1,082</b>
Operating expenses	-388	-404	4.3	-388	-393	-412	-412	-404
Amortisation & depreciation	-95	-90	-5.1	-95	-90	-88	-89	-90
Total costs	-483	-495	2.4	-483	-482	-499	-501	-495
<b>Pre-provisions income</b>	<b>458</b>	<b>588</b>	<b>28.2</b>	<b>458</b>	<b>651</b>	<b>756</b>	<b>542</b>	<b>588</b>
Total provisions & impairments	-214	-181	-15.3	-214	-217	-192	-194	-181
Gains on sale of assets and other results	-1	0	-93.6	-1	-11	-4	-10	0
<b>Profit before tax</b>	<b>243</b>	<b>406</b>	<b>67.0</b>	<b>243</b>	<b>423</b>	<b>560</b>	<b>338</b>	<b>406</b>
Income tax	-106	-155	45.5	-106	-122	-164	-76	-155
Minority interest	0	0	-87.5	0	1	0	1	0
<b>Attributable net profit</b>	<b>137</b>	<b>252</b>	<b>83.7</b>	<b>137</b>	<b>300</b>	<b>395</b>	<b>261</b>	<b>252</b>
<b>Accumulated ratios</b>								
ROTE	8.0%	13.0%		8.0%	9.7%	10.9%	12.0%	13.0%
Efficiency	39.0%	33.2%		39.0%	37.1%	36.5%	37.2%	33.2%
Efficiency with amortisation & depreciation	48.6%	40.7%		48.6%	45.8%	44.8%	45.6%	40.7%
Stage 3 ratio	4.3%	4.2%		4.3%	4.3%	4.3%	4.3%	4.2%
Stage 3 coverage ratio with total provisions	55.8%	60.6%		55.8%	57.2%	58.1%	59.9%	60.6%

Performing loans recorded a reduction of -2.7% year-on-year, impacted by higher interest rates, where it is particularly worth noting the volume of mortgages and the reduced balances of SMEs and corporates.

On-balance sheet customer funds fell by -0.6% year-on-year, mainly due to the reduction of sight accounts, as customers searched for products that offer higher returns on savings, which was offset by an increase in term deposits and off-balance sheet funds, which grew by 6.7%, mainly due to mutual funds.

(€ millions)	Mar 23	Mar 24	YoY (%)	Simple evolution				
				Mar 23	Jun 23	Sep 23	Dec 23	Mar 24
<b>Total assets</b>	<b>186,941</b>	<b>174,505</b>	<b>-6.7</b>	<b>186,941</b>	<b>180,613</b>	<b>180,767</b>	<b>173,648</b>	<b>174,505</b>
Performing gross loans	106,524	103,684	-2.7	106,524	106,965	105,159	103,830	103,684
RE exposure	688	569	-17.2	688	664	635	586	569
<b>Total liabilities and net equity</b>	<b>186,941</b>	<b>174,505</b>	<b>-6.7</b>	<b>186,941</b>	<b>180,613</b>	<b>180,767</b>	<b>173,648</b>	<b>174,505</b>
On-balance sheet customer funds	118,177	117,475	-0.6	118,177	117,905	118,163	117,820	117,475
Capital markets w wholesale funding	20,734	20,275	-2.2	20,734	21,119	21,662	19,949	20,275
Allocated equity	10,697	11,414	6.7	10,697	11,019	11,291	11,345	11,414
Off-balance sheet customer funds	39,513	42,150	6.7	39,513	39,720	39,342	40,561	42,150
<b>Other data</b>								
Employees	13,077	13,441		13,077	13,369	13,397	13,455	13,441
Branches	1,222	1,188		1,222	1,221	1,188	1,194	1,188

## Banking Business United Kingdom

Net profit amounted to 46 million euros as at the end of March 2024, representing a year-on-year reduction of -14.6% due to the decline of net interest income.

Net interest income came to a total of 278 million euros, less than in the first quarter of 2023, due to the higher cost of deposits and wholesale funding, and also due to reduced volumes, which offset the growth of higher credit yield.

Net fees and commissions amounted to 30 million euros as at the end of March 2024, representing an increase of 6.3%, mainly due to higher payment card fees.

Total costs amounted to -224 million euros, falling by -1.0% year-on-year due to the reduction of amortisations/depreciations, which offset the increase in staff expenses.

Provisions and impairments amounted to -20 million euros, representing an increase of -1 million euros, due to higher credit provisions.

(€ millions)	1Q23	1Q24	YoY (%)	YoY (%) at constant FX	Simple evolution				
					1Q23	2Q23	3Q23	4Q23	1Q24
<b>Net interest income</b>	<b>303</b>	<b>278</b>	<b>-8.1</b>	<b>-10.9</b>	<b>303</b>	<b>300</b>	<b>298</b>	<b>273</b>	<b>278</b>
Net fees and commissions	28	30	6.3	3.1	28	30	33	33	30
<b>Core revenues</b>	<b>331</b>	<b>308</b>	<b>-6.9</b>	<b>-9.8</b>	<b>331</b>	<b>330</b>	<b>331</b>	<b>307</b>	<b>308</b>
Net trading income and exchange differences	7	11	49.0	44.5	7	-2	8	2	11
Income from equity method and dividends	0	0	--	--	0	0	0	0	0
Other operating income/expense	-11	-11	-0.6	-3.6	-11	-9	-9	6	-11
<b>Gross operating income</b>	<b>328</b>	<b>309</b>	<b>-5.9</b>	<b>-8.7</b>	<b>328</b>	<b>318</b>	<b>330</b>	<b>315</b>	<b>309</b>
Operating expenses	-188	-194	3.2	0.0	-188	-199	-199	-216	-194
Amortisation & depreciation	-38	-30	-21.7	-24.0	-38	-38	-30	-33	-30
Total costs	-226	-224	-1.0	-4.0	-226	-238	-229	-249	-224
<b>Pre-provisions income</b>	<b>102</b>	<b>85</b>	<b>-16.6</b>	<b>-19.2</b>	<b>102</b>	<b>81</b>	<b>101</b>	<b>66</b>	<b>85</b>
Total provisions & impairments	-19	-20	6.1	2.9	-19	-4	-22	-30	-20
Gains on sale of assets and other results	0	0	--	--	0	0	0	-1	0
<b>Profit before tax</b>	<b>83</b>	<b>65</b>	<b>-21.8</b>	<b>-24.1</b>	<b>83</b>	<b>77</b>	<b>78</b>	<b>36</b>	<b>65</b>
Income tax	-29	-19	-34.8	-36.8	-29	-25	-23	-2	-19
Minority interest	0	0	--	--	0	0	0	0	0
<b>Attributable net profit</b>	<b>53</b>	<b>46</b>	<b>-14.6</b>	<b>-17.2</b>	<b>53</b>	<b>52</b>	<b>55</b>	<b>34</b>	<b>46</b>
<b>Accumulated ratios</b>									
ROTE	5.9%	9.6%			5.9%	6.7%	7.9%	10.0%	9.6%
Efficiency	57.4%	62.9%			57.4%	59.9%	60.1%	62.1%	62.9%
Efficiency w/ amortisation & depreciation	68.9%	72.5%			68.9%	71.7%	71.0%	72.9%	72.5%
Stage 3 ratio	1.4%	1.5%			1.4%	1.4%	1.4%	1.5%	1.5%
Stage 3 coverage ratio w/ total provisions	41.3%	40.2%			41.3%	40.4%	40.5%	41.8%	40.2%

Performing loans increased by 0.8% year-on-year, benefitting from the appreciation of the pound sterling, as considering a constant exchange rate they fell by -2.0% due to a smaller mortgage book.

On-balance sheet customer funds fell by -0.1% year-on-year, with the reduction assuming a constant exchange rate standing at -2.9%, due to the reduction of sight accounts, which was partially offset by the increase of term deposits.

(€ millions)	Mar 23	Mar 24	YoY (%)	YoY (%) at constant FX	Simple evolution				
					Mar 23	Jun 23	Sep 23	Dec 23	Mar 24
<b>Total assets</b>	<b>55,127</b>	<b>54,624</b>	<b>-0.9</b>	<b>-3.6</b>	<b>55,127</b>	<b>56,086</b>	<b>55,497</b>	<b>54,855</b>	<b>54,624</b>
Performing gross loans	41,993	42,330	0.8	-2.0	41,993	42,526	41,793	41,381	42,330
<b>Total liabilities and net equity</b>	<b>55,127</b>	<b>54,624</b>	<b>-0.9</b>	<b>-3.6</b>	<b>55,127</b>	<b>56,086</b>	<b>55,497</b>	<b>54,855</b>	<b>54,624</b>
On-balance sheet customer funds	40,617	40,558	-0.1	-2.9	40,617	41,203	40,209	39,864	40,558
Capital markets w/ wholesale funding	3,697	4,534	22.7	19.3	3,697	3,787	4,337	4,545	4,534
Allocated equity	2,387	2,516	5.4	2.5	2,387	2,368	2,348	2,368	2,516
<b>Other data</b>									
Employees	5,656	5,314			5,656	5,618	5,510	5,426	5,314
Branches	220	211			220	211	211	211	211

## Banking Business Mexico

Net profit as at the end of March 2024 amounted to 11 million euros, representing a year-on-year reduction of -25.0%, mainly due to the increase in total costs.

Net interest income amounted to 47 million euros, increasing by 5.8% year-on-year, supported by the appreciation of the Mexican peso, as considering a constant exchange rate it fell by -2.5% due to a higher cost in credit institutions due to their larger volume.

Net fees and commissions came to 5 million euros as at the end of March 2024, increasing by 3 million euros compared to the first quarter of the previous year due to higher levels of commercial activity.

Total costs amounted to -33 million euros, reflecting sharp year-on-year growth, mainly due to higher general expenses, particularly marketing costs.

Provisions and impairments stood above the end-March 2023 figure, due to the recognition of several single name provisions.

(€ millions)	1Q23	1Q24	YoY (%)	YoY (%) at constant FX	Simple evolution				
					1Q23	2Q23	3Q23	4Q23	1Q24
<b>Net interest income</b>	<b>45</b>	<b>47</b>	<b>5.8</b>	<b>-2.5</b>	<b>45</b>	<b>49</b>	<b>49</b>	<b>53</b>	<b>47</b>
Net fees and commissions	2	5	216.2	191.3	2	3	6	5	5
<b>Core revenues</b>	<b>46</b>	<b>53</b>	<b>13.2</b>	<b>4.3</b>	<b>46</b>	<b>52</b>	<b>55</b>	<b>57</b>	<b>53</b>
Net trading income and exchange differences	-1	5	--	--	-1	1	2	5	5
Income from equity method and dividends	0	0	--	--	0	0	0	0	0
Other operating income/expense	-4	-4	4.9	-19.6	-4	-6	-3	-7	-4
<b>Gross operating income</b>	<b>42</b>	<b>53</b>	<b>27.3</b>	<b>19.6</b>	<b>42</b>	<b>47</b>	<b>54</b>	<b>56</b>	<b>53</b>
Operating expenses	-17	-29	67.7	54.5	-17	-19	-24	-31	-29
Amortisation & depreciation	-4	-4	0.1	-7.8	-4	-8	-1	-4	-4
Total costs	-21	-33	54.3	42.1	-21	-27	-25	-35	-33
<b>Pre-provisions income</b>	<b>21</b>	<b>20</b>	<b>-0.6</b>	<b>-4.7</b>	<b>21</b>	<b>19</b>	<b>29</b>	<b>21</b>	<b>20</b>
Total provisions & impairments	-3	-7	132.6	114.3	-3	-12	0	-4	-7
Gains on sale of assets and other results	-1	0	-100.0	-100.0	-1	0	-13	-4	0
<b>Profit before tax</b>	<b>16</b>	<b>13</b>	<b>-17.1</b>	<b>-19.6</b>	<b>16</b>	<b>7</b>	<b>16</b>	<b>13</b>	<b>13</b>
Income tax	-2	-3	53.5	41.4	-2	-1	-2	-4	-3
Minority interest	0	0	--	--	0	0	0	0	0
<b>Attributable net profit</b>	<b>14</b>	<b>11</b>	<b>-25.0</b>	<b>-26.8</b>	<b>14</b>	<b>7</b>	<b>14</b>	<b>9</b>	<b>11</b>
<b>Accumulated ratios</b>									
ROTE	8.2%	7.7%			8.2%	7.4%	7.3%	8.9%	7.7%
Efficiency	40.8%	53.8%			40.8%	41.2%	42.1%	45.7%	53.8%
Efficiency with amortisation & depreciation	50.9%	61.7%			50.9%	55.1%	51.8%	54.7%	61.7%
Stage 3 ratio	2.5%	2.8%			2.5%	3.1%	2.9%	2.4%	2.8%
Stage 3 coverage ratio with total provisions	69.7%	69.4%			69.7%	65.8%	66.0%	74.3%	69.4%

Performing loans grew by 16.1% year-on-year, impacted by currency appreciation. At constant exchange rates, this increase was 10.7%.

On-balance sheet customer funds fell by -3.6% year-on-year, supported by currency appreciation, given that at constant exchange rates they declined by -10.9%.

(€ millions)	Mar 23	Mar 24	YoY (%)	YoY (%) at constant FX	Simple evolution				
					Mar 23	Jun 23	Sep 23	Dec 23	Mar 24
<b>Total assets</b>	<b>6,411</b>	<b>7,007</b>	<b>9.3</b>	<b>2.8</b>	<b>6,411</b>	<b>6,753</b>	<b>6,997</b>	<b>6,670</b>	<b>7,007</b>
Performing gross loans	4,119	4,781	16.1	10.7	4,119	4,343	4,676	4,587	4,781
<b>Total liabilities and net equity</b>	<b>6,411</b>	<b>7,007</b>	<b>9.3</b>	<b>2.8</b>	<b>6,411</b>	<b>6,753</b>	<b>6,997</b>	<b>6,670</b>	<b>7,007</b>
On-balance sheet customer funds	3,513	3,387	-3.6	-10.9	3,513	3,681	3,601	3,205	3,387
Allocated equity	573	702	22.6	11.8	573	602	624	631	702
<b>Other data</b>									
Employees	418	458			418	418	424	435	458
Branches	15	15			15	15	15	15	15

## 4. Share price performance

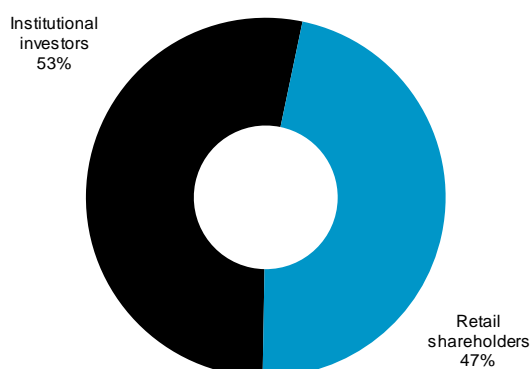
	31.03.23	31.12.23	31.03.24
<b>Shareholders and trading</b>			
Number of shareholders	222,228	213,560	205,510
Number of outstanding shares (millions) (1)	5,582	5,403	5,414
Average daily trading volume (millions shares)	45	30	25
<b>Share price (€) (2)</b>			
Opening session (of the year)	0.881	0.881	1.113
High (of the year)	1.334	1.364	1.469
Low (of the year)	0.886	0.873	1.105
Closing session	0.989	1.113	1.455
Market capitalisation (€ millions)	5,520	6,014	7,877
<b>Stock market multiples</b>			
Earnings per share (EPS) (€) (3)	0.13	0.23	0.24
Book value (€ million)	13,728	14,344	14,770
Book value per share (€)	2.46	2.65	2.73
Tangible book value (€ million)	11,264	11,861	12,281
TBV per share (€)	2.02	2.20	2.27
Price / Tangible book value (times)	0.49	0.51	0.64
Price / Earnings ratio (P/E) (times)	7.44	4.94	5.95

(1) Total number of shares minus final treasury stock position (including shares in the buyback programme, where applicable).

(2) Historical values not adjusted.

(3) Net profit adjusted by the Additional Tier 1 coupons recorded under shareholders' equity. Calculated based on the average number of shares (average number of total shares minus average treasury stock and average number of shares subject to a buyback programme, where applicable).

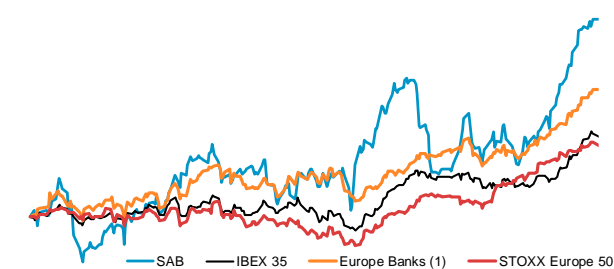
### Shareholder breakdown (%)



Source: GEM, data as at 31 March 2024

### Comparative evolution of SAB share price

Period from 31.03.2023 to 31.03.2024



(1) STOXX Europe 600 Banks

## 5. Key developments in the quarter

### **Banco Sabadell agrees to submit a proposal to the Ordinary Annual General Meeting regarding the distribution of a final dividend and a share buyback programme, both of which receive approval**

At its meeting held on 31 January 2024, in accordance with the Shareholder Remuneration Policy approved at that same meeting, Banco Sabadell's Board of Directors agreed to submit a proposal to the Annual General Meeting for the distribution of a final dividend of 3 euro cents (gross) per share, to be paid out of the earnings of 2023, in cash, foreseeably in the month following the Annual General Meeting, which was ultimately approved.

This dividend supplements the interim dividend of 3 euro cents (gross) per share, agreed by the Board of Directors on 25 October 2023, which was paid out on 29 December 2023.

In addition to the cash dividend, Banco Sabadell's Board of Directors, having obtained the requisite authorisation from the competent authority, also agreed to establish a share buyback programme, to be paid for out of 2023 earnings, through which to repurchase treasury shares for redemption under the share capital reduction resolution to be proposed at the Ordinary Annual General Meeting for a maximum of 340 million euros, whose terms, once defined by the Board of Directors, will be subject to a separate announcement prior to launch. This resolution was approved at the Annual General Meeting.

Total shareholder remuneration, which combines the cash dividend with the share buyback programme, corresponding to the financial year 2023 will therefore be equivalent to 50% of profit attributed by the Board of Directors on 25 October 2023 and which was paid on 29 December 2023.

### **S&P Global Ratings upgrades Banco Sabadell's long-term rating to BBB+ from BBB, changing outlook to stable from positive**

On 9 February 2024, S&P Global Ratings has raised Banco Sabadell's long-term rating to BBB+ from BBB, and changed the outlook to stable from positive.

The upgrade reflects Banco Sabadell's strengthened profitability, which is now commensurate with its business franchise and that of its peers. The stable outlook reflects S&P Global Ratings' view that Banco Sabadell will remain focused on leveraging its franchise and further progressing in digitalisation and efficiency, while keeping a sound financial profile.

The short-term rating was affirmed at A-2.

### **Moody's Investors Service changes long-term rating outlook to positive from stable**

On 19 March 2024, Moody's Investors Service changes the outlook on Banco Sabadell's long-term deposit and senior unsecured debt ratings to positive from stable, maintaining deposits ratings and senior unsecured debt ratings at "Baa1/Baa2", respectively.

### **Banco Sabadell hereby gives notice of the terms and starting of the treasury share buyback programme approved by the Board of Directors**

The Other Relevant Information disclosure dated 10 April 2024 (official record number 27.968) gave notice of the resolution approved by the Annual General Meeting of Shareholders to reduce the share capital by the par value of the treasury shares that may be acquired by Banco Sabadell by virtue of the share buyback programme charged to the results of the financial year 2023 for at most 340 million euros. Further to the aforesaid disclosure, Banco Sabadell hereby gives notice of the terms and starting of the treasury share buyback programme approved by the Board of Directors on 24 April 2024 (the "Buyback Programme") in accordance with that provided in Article 5 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and in the Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 (the "Commission Delegated Regulation"):

(a) Purpose: to reduce Banco Sabadell's share capital through the redemption of the treasury shares acquired pursuant to the capital reduction approved by the Annual General Meeting of Shareholders held on 10 April 2024 under item four of the agenda.

(b) Maximum pecuniary amount: the maximum pecuniary amount will be 340 million euros.

(c) Maximum number of shares: the maximum number of shares to be acquired will depend on the average price at which purchases are made, but will not exceed 544,022,144 shares, or such lower number of shares that, added to the remaining treasury shares held by Banco Sabadell from time to time, represents 10% of the share capital.

(d) Maximum price per share: Banco Sabadell shall not purchase shares at a price higher than the highest of the following: (a) the price of the last independent trade or (b) the highest independent offer at that time on the trading venue where the purchase is carried out.

Banco Sabadell plans to execute the Buyback Programme in such a way that the maximum price does not exceed 2.20 euros per share, which is the tangible book value per share as at 31 December 2023.

(e) Other conditions:

– The Buyback Programme will be executed in such a way as to ensure that the purchases do not distort the demand for or artificially influence the pricing of the shares, observing the prevailing legislation and recommendations at the time of its execution.

– Banco Sabadell shall not purchase on any trading day more than 25% of the average daily volume of the shares on the trading venue on which the purchase is carried out. The daily volume shall be based on the average daily volume traded during the twenty (20) business days preceding the date of each purchase.

– In addition, all transactions carried out with treasury shares on a regular basis by Banco Sabadell for market-making purposes will be suspended for the term of the Buyback Programme.

(f) Start date of the Buyback Programme: the Buyback Programme shall commence on 25 April 2024.

(g) End date of the Buyback Programme: the Buyback Programme shall end no later than 31 December 2024 and, in any event, once the maximum pecuniary amount has been reached or the maximum number of shares have been acquired.

Nonetheless, Banco Sabadell reserves the right to (i) interrupt the execution of the Buyback Programme, or terminate it early, if any circumstances arise that make such an action advisable or required, and to (ii) extend the duration of the Buyback Programme prior to its expiry provided that neither the maximum pecuniary amount nor the maximum number of shares to be acquired had have been reached.

(h) Execution format: the Buyback Programme shall be executed internally by the team that, pursuant to the Banco Sabadell Treasury Stock Policy, is responsible for executing treasury stock transactions, subject both to applicable legislation and to internal rules on treasury stock transactions.

(i) Trading venues where purchases can be executed: purchases under the Buyback Programme can be made both on Spain's electronic market (Mercado Continuo) and on CBOE DXE.

(j) Information to be disclosed to the regulatory authorities: the share purchases carried out under the Buyback Programme shall be disclosed to the CNMV and the competent authority of any trading venue other than Mercado Continuo on which the transactions are executed with the frequency established in the Commission Delegated Regulation (within no more than seven trading days following the date of each transaction). Similarly, the CNMV will be duly notified of the termination, of any interruption or extension, and of any other modification of the Buyback Programme.



## 6. Glossary of terms on performance measures

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

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

	Definition and calculation	Page
ROA	Consolidated income during the year (last 12 months) / ATA. The denominator considers the average of the last 12 months.	5
ROE	Profit attributed to the Group (last 12 months) / average equity. The denominator considers the average of the last 12 months.	5
RORWA	Profit attributed to the Group (last 12 months) / average risk-weighted assets (RWA). The denominator considers the average of the last 12 months.	5
ROTE	Profit attributed to the Group (last 12 months) / average equity. The denominator considers the average of the last 12 months and excludes intangible assets and the goodwill of the investees.	5
Efficiency ratio (*)	Administrative expenses / adjusted gross income. The denominator includes the linear accrual of contributions to deposit guarantee fund and resolution fund (DGF and SRF), tax on deposits of credit institutions (IDEC), and banking tax (BT), except year end.	5
Efficiency ratio with amortisation & depreciation (*)	Administrative expenses and amortisation & depreciation / adjusted gross income. The denominator includes the linear accrual of contributions to deposit guarantee fund and resolution fund (DGF and SRF), tax on deposits of credit institution (IDEC) and banking tax (BT), except year end.	5
Other operating income/expense	Includes the following accounting items: other operating income and other operating expense as well as income from assets and expenses on liabilities under insurance or reinsurance contracts.	8
Total provisions & impairments	Includes the following accounting items: (i) provisions or reversal of provisions, (ii) impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and net modification losses or gains, (iii) impairment or reversal of impairment of investments in joint ventures and associates, (iv) impairment or reversal of impairment on non-financial assets, (v) profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations (excluding gains or losses on sales of equity holdings and other items) and (vi) investment properties in the net gains or losses on derecognition of non-financial assets.	8
Gains on sale of assets and other results	Includes the following accounting items: net gains or losses on derecognition of non-financial assets, excluding investment properties, and gains or losses on sales of equity holdings and other items included in the profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations.	8
Pre-provisions income	Comprised of the following accounting items: gross income plus administration and amortisation/depreciation expenses.	8
Customer spread (**)	Difference between return and cost of assets and liabilities related to customers. The ratio has been calculated taking into account the difference between the average rate charged by the bank for customers loans and the average rate paid by the bank for the customers deposits. The average customers loans rate is the annualised ratio between the financial income from customer loans and the average daily balance of customer loans. The average rate of customers funds is the annualised ratio between the financial expenses on customers funds and the average daily balance of customers funds.	9
Credit cost of risk (bps)	Ratio between provisions for NPLs / gross loans to customers excluding repos and financial guarantees and other guarantees granted. The numerator considers the linear annualization of the provisions for NPLs. In addition, the costs associated with the stage 3 management assets are adjusted.	14
Total cost of risk (bps)	Ratio between total provisions & impairments / gross loans to customers excluding repos and financial guarantees and other guarantees granted and problematic RE Assets. The numerator considers the linear annualization of total provisions & impairments.	14
Other assets	Includes the following accounting items: derivatives - hedge accounting, fair value changes of the hedged items in portfolio hedge of interest rate risk, tax assets, other assets, assets under insurance or reinsurance contracts and non-current assets and disposal groups classified as held for sale.	15
Other liabilities	Includes the following accounting items: derivatives - hedge accounting, tax liabilities, fair value changes of the hedged items in portfolio hedge of interest rate risk, other liabilities and liabilities included in disposal groups classified as held for sale.	15
Gross loans to customers	Includes loans and advances to customers excluding impairment allowances.	16
Performing gross loans	Includes gross loans to customers excluding repos, stage 3 assets and accrual adjustments.	16
On-balance sheet customer funds	Includes customer deposits (ex repos) and other liabilities placed by the branch network (Banco Sabadell non-convertible bonds, commercial paper and others).	18
Off-balance sheet customer funds	Includes mutual funds, wealth management, pension funds and third-party insurance products.	18
On-balance sheet funds	Includes accounting sub-headings of customer deposits, debt securities issued (debt and other tradable securities and subordinated liabilities).	18
Funds under management and third-party funds	Sum of on-balance sheet and off-balance sheet customer funds.	18
Stage 3 coverage ratio with total provisions	Shows the % of stage 3 exposures covered by total provisions. Calculated using the ratio between the allowance of loans and advances to customers (including allowances for off-balance exposure) / total stage 3 exposures (including stage 3 financial guarantees and other guarantees).	19
Stage 3 coverage ratio	Shows the % of stage 3 exposures covered by stage 3 provisions. Calculated using the ratio between the stage 3 allowance of loans and advances to customers (including stage 3 allowances for off-balance exposure) / total stage 3 exposures (including stage 3 financial guarantees and other guarantees).	19
Problematic assets coverage	Ratio between provisions associated with problematic assets / total problematic assets.	19
Stage 3 ratio	commissions and others) classified in stage 3 of loans and advances that are not classified as non-current assets held for sale and ii) the financial guarantees and other guarantees classified in stage 3 granted. The denominator includes: (i) gross loans to customers excluding repos and (ii) financial guarantees and other guarantees granted.	19
Problematic assets	Sum of stage 3 exposures and problematic real estate assets. Also referred to as non-performing assets (NPAs).	21
Problematic Real Estate coverage ratio	Ratio between allowances for impairment of problematic RE assets / total problematic RE assets. Amount of problematic RE assets includes property classified in the portfolio of non-current asset and disposable groups classified as held for sale, excluding real estate investments with significant latent capital gains and rental properties, for which there is an agreement of sale that will be carried out after a reform process.	21
Stage 3 exposures	Includes: (i) stage 3 assets including other valuation adjustments (accrued interest, commissions and others) classified in stage 3 of loans and advances that are not classified as non-current assets held for sale and ii) financial guarantees and other guarantees classified in stage 3 granted.	21
Loan-to-deposit ratio	Net loans and receivables divided by retail funding. The numerator excludes mediation loans. The denominator considers real estate funding and customer funds.	22
Total capital ratio	Ratio between total capital and the risk weighted assets. Total capital includes the accounting profit assuming a pay-out of c.50%, that is different from the regulatory criteria which decreases that amount based on the obligations to fulfil for the rest of the year. The denominator has been calculated based on the Group's best estimate.	23
Market capitalisation	Share price multiplied by the number of outstanding shares (total number of shares excluding the final position of treasury shares and the buyback programme, if applicable) at the end of the period.	30
Earnings per share	Ratio between net profit attributed to the Group and the average number of outstanding shares (average number of total shares excluding the average of treasury shares and the average number of shares subject to a buyback programme, if applicable) of the period. In the numerator the profit of the last 12 months is considered and adjusted by the Additional Tier 1 coupon payment registered in equity (last 12 months).	30
Book value per share (*)	Ratio between book value / number of outstanding shares (total number of shares excluding the final position of treasury shares and the buyback programme, if applicable) at the end of the period. Book value refers to equity, adjusted by contributions to deposit guarantee and resolution funds (DGF and SRF), tax on deposits of credit institutions (IDEC) and banking tax (BT), except at year end.	30
TBV per share (*)	Ratio between tangible book value and the number of outstanding shares (total number of shares excluding the final position of treasury shares and the buyback programme, if applicable) at the end of the period. The tangible book value is calculated as the sum of equity adjusted by intangible assets and the goodwill of the investees, and by contributions to deposit guarantee and resolution funds (DGF and SRF), tax on deposits of credit institutions (IDEC), and banking tax (BT), except year end.	30
Price / Tangible book value (times)	Ratio between share price / tangible book value per share.	30
Price / Earnings ratio (P/E) (times)	Ratio between share price / earnings per share.	30

(\*) The accrual on a straight-line basis of contributions to the deposit guarantee fund and the resolution fund, the tax on deposits of credit institutions, as well as the banking tax, has been calculated based on the Group's best estimates.

(\*\*) Arithmetic mean calculated as the sum of daily balances during the reference period divided by the number of days during that period.

Alternative Performance measures	Conciliation (€millions)	1Q23	1Q24
ROA	Average total assets (last 12 months)	256,868	242,545
	Consolidated net profit (last 12 months)	848	1,437
	<b>ROA (%)</b>	<b>0.3</b>	<b>0.6</b>
ROE	Average equity (last 12 months)	13,691	14,202
	Attributable net profit (last 12 months)	850	1,435
	<b>ROE (%)</b>	<b>6.2</b>	<b>10.1</b>
RORWA	Average risk weighted assets (RWA) (last 12 months)	80,006	78,603
	Attributable net profit (last 12 months)	850	1,435
	<b>RORWA (%)</b>	<b>1.1</b>	<b>1.8</b>
ROTE	Average equity, excluding intangible assets (last 12 months)	11,179	11,743
	Attributable net profit (last 12 months)	850	1,435
	<b>ROTE (%)</b>	<b>7.6</b>	<b>12.2</b>
Efficiency ratio	Gross operating income	1311	1444
	DGF - SRF - IDEC - BT adjustment	52	135
	<b>Adjusted gross operating income</b>	<b>1,363</b>	<b>1,579</b>
	Operating expenses	-593	-627
	<b>Efficiency ratio (%)</b>	<b>43.5</b>	<b>39.7</b>
	Amortisation & depreciation	-138	-124
	<b>Efficiency ratio with amortisation &amp; depreciation (%)</b>	<b>53.6</b>	<b>47.6</b>
Other operating income/expense	Other operating income	18	18
	Other operating expenses	-190	-227
	Income from assets under insurance or reinsurance contracts	0	0
	Expenses on liabilities under insurance or reinsurance contracts	0	0
	<b>Other operating income/expense</b>	<b>-172</b>	<b>-209</b>
		Provisions or reversal of provisions	-12
Total provisions & impairments	Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and net modification losses or gains	-218	-203
	<b>Provisions for NPLs and other financial assets</b>	<b>-230</b>	<b>-199</b>
	Impairment or reversal of impairment of investments in joint ventures and associates	0	0
	Impairment or reversal of impairment on non-financial assets	-1	-3
	Profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	-6	-7
	Gains or losses on sales of equity holdings and other items	0	0
	Gains from sales of investment properties and associates	1	0
	<b>Other impairments</b>	<b>-6</b>	<b>-9</b>
	<b>Total provisions &amp; impairments</b>	<b>-236</b>	<b>-208</b>
Gains on sale of assets and other results	Gains or losses on derecognition of non-financial assets, net	-2	1
	Gains or losses on sales of equity holdings and other items	0	0
	Gains from sales of investment properties and associates	-1	0
	<b>Gains on sale of assets and other results</b>	<b>-3</b>	<b>0</b>
Pre-provisions income	Gross operating income	1311	1444
	Operating expenses	-593	-627
	Personnel expenses	-350	-373
	Other general expenses	-243	-254
	Amortisation & depreciation	-138	-124
	<b>Pre-provisions income</b>	<b>581</b>	<b>693</b>
Customer spread (*)	Loans to customers (net)		
	Avge.balance	155,284	151,377
	Results	1,258	1,628
	Rate %	3.29	4.33
	Customer deposits		
	Avge.balance	161,138	159,610
	Results	-221	-493
	Rate %	-0.56	-1.24
	<b>Customer spread</b>	<b>2.73</b>	<b>3.09</b>
Other assets	Derivatives - Hedge accounting	2,770	2,483
	Fair value changes of the hedged items in portfolio hedge of interest rate risk	-1,344	-725
	Tax assets	6,807	6,495
	Other assets	547	509
	Non-current assets and disposal groups classified as held for sale	811	949
	<b>Other assets</b>	<b>9,592</b>	<b>9,710</b>
Other liabilities	Derivatives - Hedge accounting	1,234	1,075
	Fair value changes of the hedged items in portfolio hedge of interest rate risk	-860	-532
	Tax liabilities	345	365
	Other liabilities	643	524
	Liabilities included in disposal groups classified as held for sale	28	56
	<b>Other liabilities</b>	<b>1,390</b>	<b>1,488</b>

(\*) Customer margin calculated using cumulative data.

Alternative Performance measures	Conciliation (€millions)	1Q23	1Q24
Performing gross loans	Mortgage loans & credits	88,261	86,641
	Other secured loans & credits	3,370	5,211
	Working capital	6,739	6,812
	Leasing	2,237	2,331
	Unsecured lending and others	52,029	49,801
	<b>Performing gross loans</b>	<b>152,637</b>	<b>150,796</b>
	Stage 3 assets (customer)	5,524	5,410
Gross loans to customers	Accruals	174	232
	<b>Gross loans to customers excluding repos</b>	<b>158,335</b>	<b>156,439</b>
	Reverse repos	120	6
	<b>Gross loans to customers</b>	<b>158,454</b>	<b>156,445</b>
On-balance sheet customer funds	NPL and country-risk provisions	-3,041	-3,185
	<b>Loans and advances to customers</b>	<b>155,413</b>	<b>153,259</b>
	Financial liabilities at amortised cost	229,901	216,897
	Non-retail financial liabilities	67,594	55,478
	Central banks	18,521	3,664
	Credit institutions	17,304	13,351
	Institutional issues	25,138	32,625
	Other financial liabilities	6,632	5,839
	<b>On-balance sheet customer funds</b>	<b>162,307</b>	<b>161,419</b>
	Customer deposits	161,567	168,492
On-balance sheet funds	Sight accounts	142,624	134,315
	Fixed-term deposits including available and hybrid financial liabilities	18,372	26,612
	Repos	517	7,207
	Accruals and derivative hedging adjustments	54	358
	Debt and other marketable securities	21,786	21,449
	Subordinated liabilities (*)	4,092	4,104
	<b>On-balance sheet funds</b>	<b>187,445</b>	<b>194,044</b>
	Mutual funds	22,984	25,292
	Managed accounts	3,669	3,801
	Pension funds	3,229	3,300
Third-party insurance products	9,631	9,757	
Off-balance sheet customer funds	<b>Off-balance sheet customer funds</b>	<b>39,513</b>	<b>42,150</b>
Funds under management and third-party funds	<b>Funds under management and third-party funds</b>	<b>226,957</b>	<b>236,194</b>
Stage 3 exposures	Stage 3 assets (includes valuation adjustments)	5,557	5,451
	Financial guarantees and other guarantees classified in stage 3 granted (off-balance)	334	267
	<b>Stage 3 exposures (€ millions)</b>	<b>5,891</b>	<b>5,718</b>
Stage 3 coverage ratio with total provisions (%)	Stage 3 exposures	5,891	5,718
	Total provisions	3,219	3,346
	<b>Stage 3 coverage ratio with total provisions (%)</b>	<b>54.6%</b>	<b>58.5%</b>
Stage 3 coverage ratio (%)	Stage 3 exposures	5,891	5,718
	Stage 3 provisions	2,328	2,433
	<b>Stage 3 coverage ratio (%)</b>	<b>39.5%</b>	<b>42.5%</b>
Problematic Real Estate coverage ratio (%)	Problematic RE Assets	1,117	939
	Provisions	429	370
	<b>Problematic Real Estate coverage ratio (%)</b>	<b>38.4%</b>	<b>39.4%</b>
Problematic assets	Stage 3 exposures	5,891	5,718
	Problematic RE Assets	1,117	939
	<b>Problematic assets</b>	<b>7,008</b>	<b>6,657</b>
Problematic assets coverage (%)	Provisions of problematic assets	3,648	3,715
	<b>Problematic assets coverage (%)</b>	<b>52.0%</b>	<b>55.8%</b>
	Stage 3 ratio (%)	Stage 3 exposures	5,891
Gross loans to customers excluding repos		158,335	156,439
Financial guarantees and other guarantees granted (off-balance)		8,896	8,857
<b>Stage 3 ratio (%)</b>		<b>3.52%</b>	<b>3.46%</b>
Credit cost of risk (bps)	Gross loans to customers excluding repos and financial guarantees and other guarantees granted (off-balance)	167,230	165,296
	Provisions for NPLs	-217	-194
	NPLs costs	-30	-27
	<b>Credit cost of risk (bps)</b>	<b>45</b>	<b>41</b>
Total cost of risk (bps)	Gross loans to customers excluding repos and financial guarantees and other guarantees granted (off-balance)	167,230	165,296
	Problematic RE Assets	1,117	939
	Total provisions & impairments	-236	-208
	<b>Total cost of risk (bps)</b>	<b>57</b>	<b>50</b>
Loan-to-deposit ratio (%)	Adjusted net loans and advances w/o repos by brokered loans	154,116	152,290
	On-balance sheet customer funds	162,307	161,419
	<b>Loan-to-deposit ratio (%)</b>	<b>95.0%</b>	<b>94.3%</b>
Market capitalisation (€millions)	Number of outstanding shares (millions)	5,582	5,414
	Share price (€)	0.989	1.455
	<b>Market capitalisation (€millions)</b>	<b>5,520</b>	<b>7,877</b>
Earnings per share (EPS) (€)	Net profit attributed to the Group adjusted	744	1,322
	Attributable net profit (last 12 months)	850	1,435
	Accrued AT1 (last 12 months)	-107	-113
	Average number of outstanding shares (excluding the average of treasury shares and the average number of shares subject to a buyback programme, if applicable) (€millions)	5,596	5,404
	<b>Earnings per share (EPS) (€)</b>	<b>0.13</b>	<b>0.24</b>
Book value per share (€)	Adjusted equity	13,728	14,770
	Shareholders' equity	13,657	14,633
	DGF - SRF - IDEC - BT adjustment net of tax	71	138
	Number of outstanding shares (millions)	5,582	5,414
	<b>Book value per share (€)</b>	<b>2.46</b>	<b>2.73</b>
TBV per share (€)	Intangible assets	2,464	2,489
	Tangible book value (€million)	11,264	12,281
	<b>TBV per share (€)</b>	<b>2.02</b>	<b>2.27</b>
Price / Tangible book value (times)	Share price (€)	0.989	1.455
Price / Earnings ratio (P/E) (times)	<b>Price / Tangible book value (times)</b>	<b>0.49</b>	<b>0.64</b>
	<b>Price / Earnings ratio (P/E) (times)</b>	<b>7.44</b>	<b>5.95</b>

(\*) Refers to subordinated liabilities of debt securities.

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

[www.grupbancsabadell.com/ACCIONISTAS\\_E\\_INVERSOSES/INFORMACION\\_ECONOMICO\\_FINANCIERA/MEDIDAS\\_ALTERNATIVAS\\_DEL\\_RENDIMIENTO](http://www.grupbancsabadell.com/ACCIONISTAS_E_INVERSOSES/INFORMACION_ECONOMICO_FINANCIERA/MEDIDAS_ALTERNATIVAS_DEL_RENDIMIENTO)

# Shareholder and Investor Relations

For further information, contact:



Shareholder and Investor Relations

[InvestorRelations@bancsabadell.com](mailto:InvestorRelations@bancsabadell.com)

+34 91 3217373

