



**2Q24**

**Quarterly Financial  
Report**

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## Basis of presentation

The consolidated income statement and balance sheet as at the end of June 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 interim financial statements as at 30 June 2024.

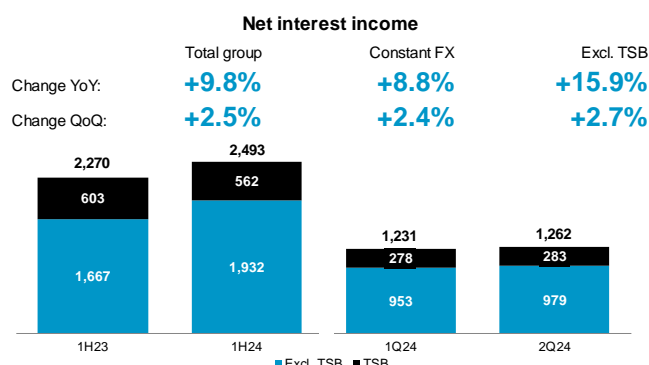
Pursuant to the Guidelines on alternative performance measures published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415), a glossary has been included with the definitions and the reconciliation with the items presented in the financial statements of certain alternative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

# 1. Summary

## Net interest income

Net interest income followed a positive trend, reaching 2,493 million euros as at the end of June 2024, representing year-on-year growth of 9.8%, mainly due to a higher credit yield and increased 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 average volumes.

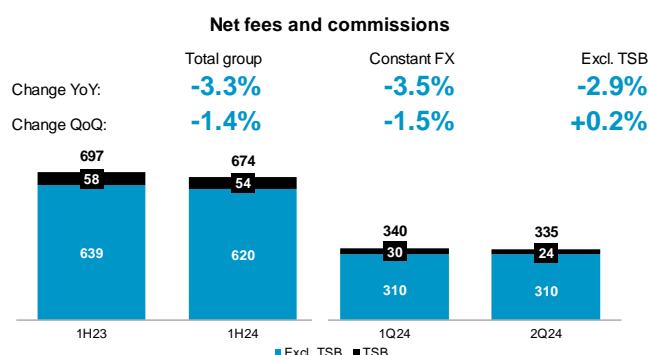
In the quarter, net interest income increased by 2.5%, driven by a higher customer margin, where credit yield growth was underpinned by portfolio repricing and larger volumes.



## Net fees and commissions

Net fees and commissions amounted to 674 million euros as at the end of June 2024, representing a year-on-year reduction of -3.3%, mainly due to reduced service fees and reduced asset management fees.

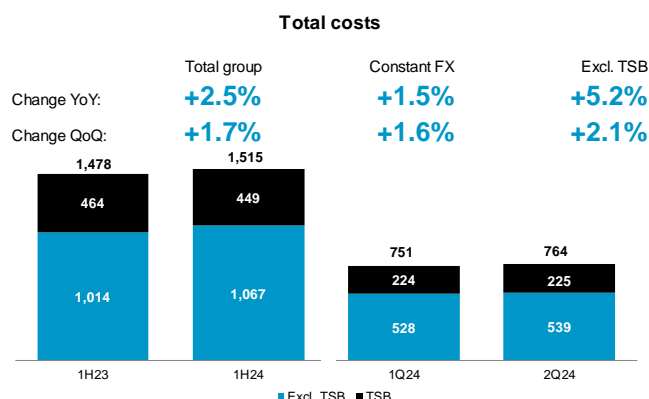
In the quarter, they declined by -1.4%, affected by reduced fee income at TSB due to higher costs associated with cards.



## Total costs

Total costs came to 1,515 million euros as at the end of June 2024, reflecting a year-on-year increase of 2.5%, due to both higher staff expenses and higher general expenses, which were partially counterbalanced by the reduction of amortisations/depreciations.

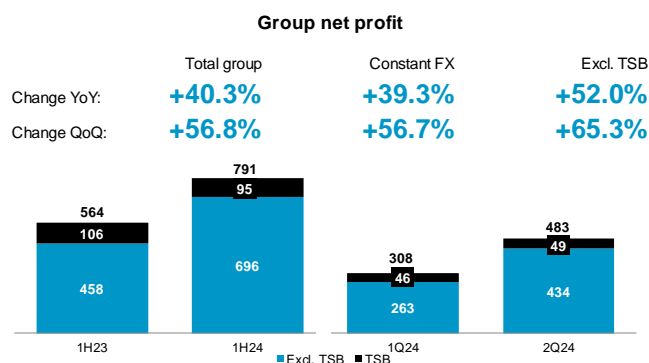
In quarterly terms, total costs rose by 1.7%, as a result of higher general expenses.



## Group net profit

As at the end of June 2024, the Group's net profit amounted to 791 million euros, representing year-on-year growth of 40.3%, with profit ex-TSB amounting to 696 million euros and profit at TSB to 95 million euros. This level of profit pushed the Group's ROTE up by 395bps year-on-year to 13.1%.

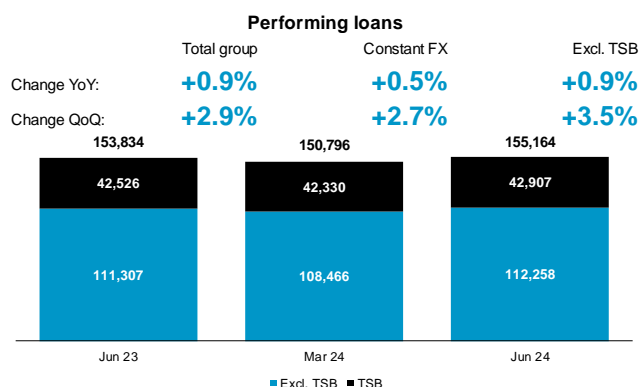
Core results (net interest income + fees and commissions – total costs) grew by 11.0% year-on-year and by 1.6% in the quarter, driven by the increase of net interest income.



## Performing loans

Performing loans grew by 0.9% year-on-year, driven by the increase recorded by businesses abroad, particularly Miami and Mexico.

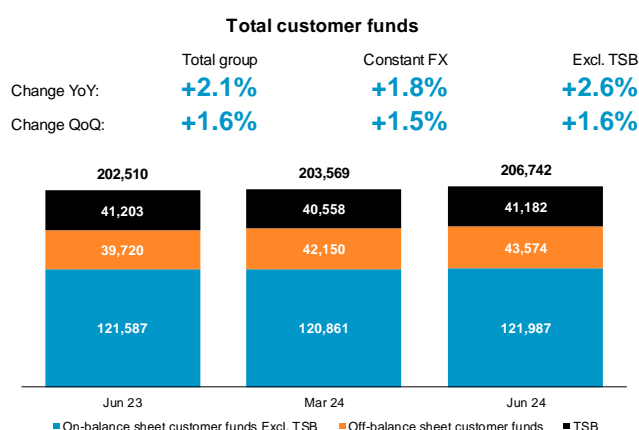
In quarter-on-quarter terms, lending volumes grew by 2.9%. It is particularly worth noting the increase in Spain, which was driven by growth across all segments, particularly SMEs & corporates and mortgages. Businesses abroad also did well in the quarter, particularly Miami and TSB, favoured in the latter case by the appreciation of the pound sterling.



## Customer funds

Customer funds recorded a year-on-year increase of 2.1%, with funds flowing through from sight accounts to term deposits and also to off-balance sheet funds, mainly mutual funds.

In the quarter, the customer funds increased by 1.6%, followed a positive trend, of both on-balance sheet and off-balance sheet customer funds, notably mutual funds, mainly due to a positive level of net subscriptions.



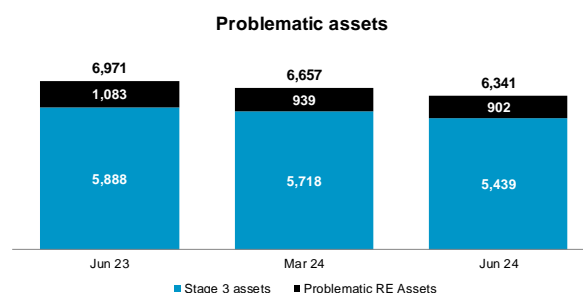
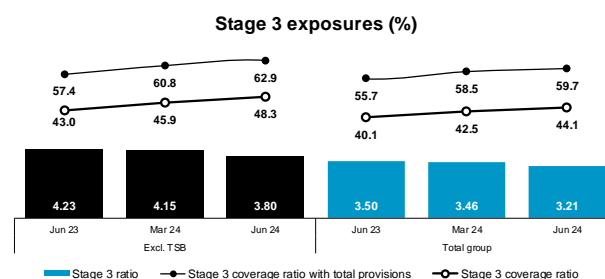
## Non-performing assets (NPAs)

The balance of NPAs has been reduced by 630 million euros over the past twelve months, the reduction in the second quarter of 2024 being 316 million euros, while the coverage ratio considering total provisions rose to 56.8%.

The Group's stage 3 ratio improved to 3.2%, while the stage 3 coverage ratio considering total provisions and the stage 3 coverage ratio increased to 59.7% and 44.1%, respectively.

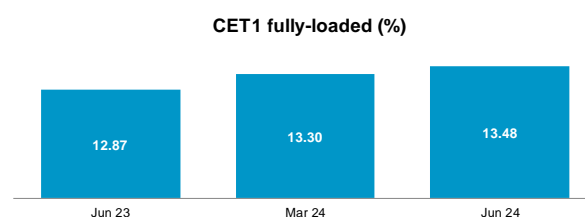
The gross NPA ratio fell to 3.7%, while the net NPA ratio dropped to 1.6% considering total provisions.

The Group's credit cost of risk dropped by 8bps in the quarter to stand at 33bps, while total cost of risk fell by 4bps to stand at 46bps as at the end of June 2024.



## Capital ratio

The fully-loaded CET1 ratio increased by 18bps in the quarter, standing at 13.48%, while the total capital ratio reached 18.54%, thus standing above requirements, with an MDA buffer of 454bps.



## 2. Key figures

	Excl. TSB			Total group		
	30.06.23	30.06.24	YoY (%) <sup>(6)</sup>	30.06.23	30.06.24	YoY (%) <sup>(6)</sup>
<b>Profit and loss account (€ millions)</b>						
Net interest income	1667	1932	15.9	2,270	2,493	9.8
Core revenues	2,306	2,552	10.7	2,967	3,168	6.8
Gross operating income	2,163	2,450	13.3	2,809	3,061	9.0
Pre-provisions income	1,149	1,384	20.5	1,331	1,546	16.1
Attributable net profit	458	696	52.0	564	791	40.3
<b>Balance sheet (€ millions)</b>						
Total assets	190,823	192,663	1.0	243,453	244,328	0.4
Performing gross loans	111,307	112,258	0.9	153,834	155,164	0.9
Gross loans to customers	116,466	116,904	0.4	159,653	160,532	0.6
On-balance sheet customer funds	121,587	121,987	0.3	162,790	163,169	0.2
Off-balance sheet customer funds	39,720	43,574	9.7	39,720	43,574	9.7
Total customer funds	161,306	165,561	2.6	202,510	206,742	2.1
Net equity	--	--	--	13,520	14,398	6.5
Shareholders' equity	--	--	--	13,990	14,820	5.9
<b>Profitability and efficiency ratios (%)</b>						
ROA	--	--	--	0.4	0.7	--
RORWA	--	--	--	1.3	2.0	--
ROE	--	--	--	7.5	10.8	--
ROTE	--	--	--	9.1	13.1	--
Efficiency	37.2	34.6	--	42.4	40.3	--
Efficiency with amortisation & depreciation	46.2	42.2	--	52.0	48.3	--
<b>Risk management</b> <sup>(1)</sup>						
Stage 3 exposures (€ millions)	5,292	4,775	-9.8	5,888	5,439	-7.6
Total problematic assets (€ millions)	6,375	5,678	-10.9	6,971	6,341	-9.0
Stage 3 ratio (%)	4.23	3.80	--	3.50	3.21	--
Stage 3 coverage ratio (%)	43.0	48.3	--	40.1	44.1	--
Stage 3 coverage ratio with total provisions (%)	57.4	62.9	--	55.7	59.7	--
Problematic assets coverage (%)	54.2	59.1	--	53.1	56.8	--
<b>Liquidity management (%)</b>						
Loan-to-deposit ratio	92.5	92.8	--	95.4	95.9	--
LCR	229	227	--	200	198	--
NSFR	-- <sup>(2)</sup>	--	--	141	146	--
<b>Capital management</b>						
Risk weighted assets (RWA) (€ millions)	--	--	--	78,537	80,071	2.0
Common Equity Tier 1 (%)	--	--	--	12.88	13.48	--
Common Equity Tier 1 fully-loaded (%)	--	--	--	12.87	13.48	--
Tier 1 (%)	--	--	--	15.11	15.67	--
Total capital ratio (%)	--	--	--	18.11	18.54	--
MREL (% RWA)	--	--	--	27.21	29.36	--
MREL (% LRE)	--	--	--	8.86	9.80	--
Leverage ratio (%)	--	--	--	4.92	5.23	--
<b>Share data (period end)</b>						
Number of shareholders	--	--	--	220,614	196,497	--
Number of outstanding shares (millions)	-- <sup>(3)</sup>	--	--	5,584	5,361	--
Share price (€)	-- <sup>(4)</sup>	--	--	1,054	1,801	--
Market capitalisation (€ millions)	--	--	--	5,886	9,653	--
Earnings per share (EPS) (€)	--	--	--	0.17	0.27	--
Book value per share (€)	--	--	--	2.51	2.78	--
TBV per share (€)	--	--	--	2.08	2.31	--
Price / Tangible book value (times)	--	--	--	0.51	0.78	--
Price / Earnings ratio (P/E) (times)	--	--	--	6.37	6.75	--
<b>Other data</b>						
Branches	1,236	1,171	--	1,447	1,382	--
Employees	13,787	14,025	--	19,405	19,015	--

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

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

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

(4) Historical values not adjusted.

(5) The cumulative EUR/GBP exchange rate as at 30.06.2024 applied throughout the report is 0.8546 in the case of the income statement and 0.8464 in the case of the balance sheet.

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

## 3. Performance review

### Macroeconomic environment

#### Global economic, political and financial context

Political events dominated headlines last quarter, with elections in the European Parliament, France, the United Kingdom and Mexico.

In the EU, far-right parties gained seats in the European Parliament and also won the biggest share of the vote in France and Italy. Although more traditional and pro-European parties continue to hold a majority of seats, the new Parliament may shift towards policies more firmly against immigration and the energy transition.

In France, the results obtained by Marine Le Pen's far-right party in the European elections prompted Macron to dissolve the National Assembly and call snap elections. The election results came as a surprise to many, as the New Popular Front (a coalition of left-wing parties) became the largest party in the National Assembly, although it fell considerably short of an absolute majority. Macron's party came second and Le Pen's party, the favourite to win according to the polls, came third. The result was a hung parliament, split across three main groups, in an unprecedented situation in France, which will make it hard to govern a country in which negotiations between major political forces are far from the norm. However, that result did avoid an absolute majority of the most radical parties with a clearly expansionary tax policy, in a context in which the European Commission has proposed launching an excessive deficit procedure against France, due to the country's high level of public deficit and the expectations of a slight increase in borrowing (relative to GDP).

In terms of geopolitics, the European Commission announced that it would impose higher tariffs on electric vehicles imported from China of up to 38%, to counteract the illegal subsidies received by the industry in that country. This provisional tariff increase will start to be applied on 4 July. A final decision on tariffs is set for November. In retaliation, China announced that it would be launching an investigation into imported pork and its by-products originating from the European Union. It also threatened to impose additional tariffs on combustion engine vehicles imported from Europe.

In terms of economic activity, the most recent data in the United States were mixed and continue to point to a slowdown of economic growth. In the Eurozone, meanwhile, confidence data suggest that the economy will continue to expand in Q2 2024, although recovery will be slow, particularly in Germany and Italy.

As for prices, inflation continued to be pushed up by the services component in both the Eurozone and the US. In any case, inflation in the Eurozone reached 2.5% in June, while core inflation in the US continued to trend downwards.

#### Economic situation in Spain

In Spain, economic indicators remained positive and growth forecasts for the full year 2024 continued to be revised upwards. During the quarter, economic sentiment indicators remained at levels clearly compatible with economic growth, while tourism showed considerable dynamism. Furthermore,

the most recent data concerning job creation showed a slowdown in June in seasonally adjusted monthly terms. Despite this, growth was in line with the average of the past twelve months and the level of job occupancy remained at an all-time high.

As for prices, inflation in June dropped by three tenths of a percentage point to 3.5%, influenced by the price of fuel and, to a lesser extent, food. On the opposite side, services related to leisure and culture were behind most of the upward pressure on the annual rate of inflation, causing core inflation to stay at 3.0% instead of continuing with its downward trend.

In terms of economic policy, the Ministry of Industry and Tourism unveiled a draft bill for the new Industry Law, whose main objectives are reindustrialisation and the consolidation of Spain's strategic autonomy. The new law, which will likely be approved this September, will replace the current act, in force since 1992. Also worth noting was the VAT cut on basic food items, which was extended to 30 September, and the approval of the income tax law reform, designed to reduce the tax on workers with lower income.

#### Economic situation in the United Kingdom

The UK economy showed signs of stabilisation in Q2 2024, after recording sharp growth in Q1 2024 (0.7% quarter-on-quarter), driven by private consumption and foreign trade. Confidence indicators relating both to the business sector and to consumers continued to point towards a positive trend, although growth is unlikely to be as intense as it was in the first quarter.

As for inflation, prices corrected substantially and headline inflation reached 2.0% in May. Even so, core inflation was even tighter and stood at 3.5% despite improvements in recent months, with considerable pressure from the services component (annual rate of 5.7%). On the other hand, the moderation of goods and energy prices was a positive factor in the disinflation process.

The job market cooled somewhat and the unemployment rate rose to 4.4% in April, while job vacancies continued to return to normal levels. As for salaries, the most recent data showed persistent moderation, although they remain at high levels in year-on-year terms.

In the real estate market, the growth of prices was similar to the previous quarter. A higher rate of mortgage approvals was recorded and the volume of approved mortgages climbed to almost the pre-pandemic average.

In the political arena, snap elections were called for 4 July, with the Labour Party emerging victorious after securing an absolute majority in the UK Parliament. The Conservatives recorded the worst election results in their history, while the Liberal Democrats saw their best-ever outcome. Keir Starmer took over as Prime Minister and Rachel Reeves was appointed Chancellor of the Exchequer.

### Economic situation in Mexico

In Mexico, the spotlight was on the elections that took place on 2 June, and in particular on the potential impacts of the election results on the parliamentary houses, where the governing coalition won more seats. The election results had a negative effect on financial markets, given the expectation that the new administration will be able to implement constitutional reforms that could deteriorate the country's institutional quality. As a result, the Mexican peso showed considerable intraday depreciation comparable to systemic events, depreciating by a total of 10% during the week following the elections. The impact on the risk premium was also negative, although less severe, while the intraday drop recorded by the Mexican stock market was similar to that recorded during Covid.

### Fixed-income markets

Last quarter, the ECB cut official interest rates by 25bps, taking the deposit rate to 3.75%. The central bank justified its rate cut, citing more moderate inflation. Subsequent to that, the ECB members left the door open to one or two additional interest rate cuts during the year, after the September meeting.

The Federal Reserve kept US rates unchanged in the range of 5.25-5.50% during the quarter. In its June meeting, it emphasised that the Fed Funds rate will remain at this level until there is sufficient confidence that inflation is dropping closer to the 2% target. Members of the Fed tightened their forecasts, predicting a single rate cut of 25bps during 2024, where previously they had estimated three cuts. Fed members also insisted in their statements that monetary policy is in restrictive territory and will remain so until the inflation target is reached, although in recent months they have started to point out that there are other risks, referring to the labour market, which could lead to changes in the monetary policy.

The BoE kept the base rate at 5.25% in its June meeting. The central bank revised its growth forecasts upwards and confirmed the improvement of prices, although it emphasised that services inflation was still very high. The central bank said that monetary policy will need to remain restrictive for sufficiently long to return inflation to the 2% target sustainably, although in its last meeting it described the decision to hold interest rates as 'finely balanced', with two members (out of nine) arguing for an interest rate cut.

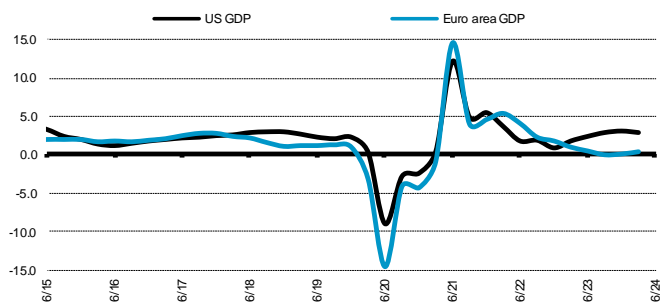
Long-term government bond yields rebounded on both sides of the Atlantic, recording two consecutive quarters of increases. Most of the increase took place in April, influenced by geopolitical tensions, with the ensuing rebound of oil prices, and by inflation and activity data in the US, which in some cases surprised to the upside. This rebound was partially reversed in May and June with the publication of macroeconomic data that came as a negative surprise to the consensus and due to the snap elections called in France.

Risk premiums in the periphery had rebounded by the end of the quarter, due to the snap elections called in France in early June, despite having fallen during April and May, when they were favoured by the disbursement of NGEU funds and purchases from the ECB's TPI programme.

### Equity markets

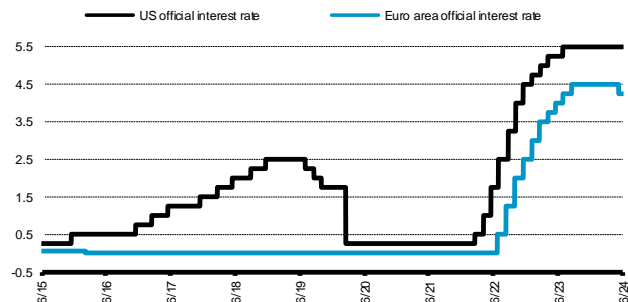
The main stock market indices in the developed economies showed disparate performance. In the United States, Standard & Poor's 500 gained 4.7% in euros (3.9% in dollars) during the quarter, driven by tech stocks. In Europe, however, the performance was negative, influenced among other aspects by the snap elections in France. The Euro Stoxx 50 dropped 3.7% in Q2 2024, particularly weighed down by France, where the CAC fell by almost 9%. The IBEX, on the other hand, dipped by 1.2%. Lastly, in the United Kingdom, stocks showed positive performance and rebounded by 3.6% in euros (2.7% in pounds).

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



Source: Bloomberg

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



**Exchange rates: Parity vs. euro**

Fx	30.06.23	30.09.23	31.12.23	31.03.24	30.06.24
USD	1.0866	1.0594	1.1050	1.0811	1.0705
GBP	0.8583	0.8646	0.8691	0.8551	0.8464
MXN	18.5614	18.5030	18.7231	17.9179	19.5654

Source: Bank of Spain



## Income statement

### Summary of results:

Banco Sabadell Group earned profit of 791 million euros as at the end of June 2024, representing year-on-year growth of 40.3%, of which 696 million euros were recorded ex-TSB and 95 million euros correspond to TSB. The Group's ROTC increased by 395bps compared to the end of the second quarter of the previous year, reaching 13.1%.

This Group profit was mainly driven by the good performance of core results (net interest income + fees and commissions – total costs), which increased by 11.0% year-on-year due to the improvement of net interest income, underpinned mainly by higher interest rates. In the quarter, this item grew by 1.6%.

It is also worth noting the good evolution of asset quality and, by extension, of credit provisions, which allowed the Group's credit cost of risk to be reduced by 8bps in the quarter to 33bps, and its total cost of risk to be reduced by 4bps to stand at 46bps as at the end of June 2024.

### Cumulative income statement

(€ millions)	Excl. TSB			Total group			
	1H23	1H24	YoY (%)	1H23	1H24	YoY (%)	YoY (%) at constant FX
<b>Net interest income</b>	<b>1,667</b>	<b>1,932</b>	<b>15.9</b>	<b>2,270</b>	<b>2,493</b>	<b>9.8</b>	<b>8.8</b>
Net fees and commissions	639	620	-2.9	697	674	-3.3	-3.5
<b>Core revenues</b>	<b>2,306</b>	<b>2,552</b>	<b>10.7</b>	<b>2,967</b>	<b>3,168</b>	<b>6.8</b>	<b>5.9</b>
Net trading income and exchange differences	26	13	-50.2	31	37	18.4	18.1
Income from equity method and dividends	72	87	20.6	72	87	20.6	20.6
Other operating income/expense	-241	-202	-16.4	-261	-230	-11.9	-12.2
<b>Gross operating income</b>	<b>2,163</b>	<b>2,450</b>	<b>13.3</b>	<b>2,809</b>	<b>3,061</b>	<b>9.0</b>	<b>8.1</b>
Operating expenses	-817	-876	7.2	-1,204	-1,266	5.2	4.1
Personnel expenses	-538	-560	4.0	-717	-744	3.8	2.9
Other general expenses	-278	-316	13.4	-487	-522	7.2	5.9
Amortisation & depreciation	-198	-191	-3.4	-274	-249	-9.0	-9.9
Total costs	-1,014	-1,067	5.2	-1,478	-1,515	2.5	1.5
<b>Pre-provisions income</b>	<b>1,149</b>	<b>1,384</b>	<b>20.5</b>	<b>1,331</b>	<b>1,546</b>	<b>16.1</b>	<b>15.5</b>
Provisions for NPLs	-401	-310	-22.6	-433	-333	-23.1	-23.4
Provisions for other financial assets	-16	-22	37.8	-7	-28	--	--
Other impairments	-29	-29	1.2	-29	-29	1.2	1.2
Gains on sale of assets and other results	-14	-3	-78.0	-13	-2	-82.5	-82.6
<b>Profit before tax</b>	<b>689</b>	<b>1,020</b>	<b>47.9</b>	<b>849</b>	<b>1,154</b>	<b>35.9</b>	<b>35.0</b>
Income tax	-230	-322	40.0	-285	-362	27.1	26.4
Minority interest	1	1	6.8	1	1	6.8	6.8
<b>Attributable net profit</b>	<b>458</b>	<b>696</b>	<b>52.0</b>	<b>564</b>	<b>791</b>	<b>40.3</b>	<b>39.3</b>
Memorandum item:							
Core results (NII + net fees and commissions - costs)	1,292	1,486	15.0	1,489	1,652	11.0	10.3

## Quarterly income statement

(€millions)	Excl. TSB						Total group							
	2 Q23	3 Q23	4 Q23	1 Q24	2 Q24	QoQ (%)	2 Q23	3 Q23	4 Q23	1 Q24	2 Q24	QoQ (%)	QoQ (%) at constant FX	
<b>Net interest income</b>	<b>870</b>	<b>944</b>	<b>938</b>	<b>953</b>	<b>979</b>	<b>2.7</b>	<b>1,170</b>	<b>1,242</b>	<b>1,211</b>	<b>1,231</b>	<b>1,262</b>	<b>2.5</b>	<b>2.4</b>	
Net fees and commissions	317	317	306	310	310	0.2	347	350	339	340	335	-1.4	-1.5	
<b>Core revenues</b>	<b>1,187</b>	<b>1,261</b>	<b>1,244</b>	<b>1,263</b>	<b>1,289</b>	<b>2.1</b>	<b>1,517</b>	<b>1,592</b>	<b>1,550</b>	<b>1,571</b>	<b>1,597</b>	<b>1.6</b>	<b>1.6</b>	
Net trading income and exchange differences	32	24	2	24	-11	--	30	32	5	35	2	-93.5	-93.7	
Income from equity method and dividends	40	23	36	48	39	-18.5	40	23	36	48	39	-18.5	-18.5	
Other operating income/expense	-80	0	-183	-199	-3	-98.5	-89	-9	-177	-209	-21	-90.0	-90.1	
<b>Gross operating income</b>	<b>1,180</b>	<b>1,309</b>	<b>1,099</b>	<b>1,136</b>	<b>1,314</b>	<b>15.7</b>	<b>1,498</b>	<b>1,638</b>	<b>1,414</b>	<b>1,444</b>	<b>1,617</b>	<b>12.0</b>	<b>11.9</b>	
Operating expenses	-412	-435	-442	-433	-443	2.2	-611	-634	-658	-627	-639	1.9	1.8	
Personnel expenses	-274	-282	-283	-282	-278	-1.1	-367	-376	-401	-373	-371	-0.7	-0.8	
Other general expenses	-138	-153	-160	-152	-164	8.4	-244	-258	-257	-254	-269	5.8	5.7	
Amortisation & depreciation	-98	-89	-93	-95	-96	1.5	-136	-119	-126	-124	-125	0.3	0.2	
Total costs	-510	-524	-535	-528	-539	2.1	-748	-753	-784	-751	-764	1.7	1.6	
Memorandum item:														
Recurrent costs	-510	-524	-535	-528	-539	2.1	-748	-753	-751	-751	-764	1.7	1.6	
Non-recurrent costs	0	0	0	0	0	--	0	0	-33	0	0	--	--	
<b>Pre-provisions income</b>	<b>670</b>	<b>785</b>	<b>564</b>	<b>608</b>	<b>776</b>	<b>27.6</b>	<b>750</b>	<b>885</b>	<b>630</b>	<b>693</b>	<b>853</b>	<b>23.1</b>	<b>23.1</b>	
Provisions for NPLs	-201	-168	-165	-176	-134	-23.6	-216	-189	-191	-194	-139	-28.5	-28.5	
Provisions for other financial assets	-4	-5	0	-3	-18	--	7	-6	-5	-5	-22	--	--	
Other impairments	-23	-19	-32	-9	-20	121.7	-23	-19	-32	-9	-20	121.7	121.7	
Gains on sale of assets and other results	-11	-17	-15	0	-3	--	-11	-17	-15	0	-2	--	--	
<b>Profit before tax</b>	<b>430</b>	<b>576</b>	<b>351</b>	<b>420</b>	<b>600</b>	<b>42.9</b>	<b>507</b>	<b>654</b>	<b>387</b>	<b>484</b>	<b>670</b>	<b>38.2</b>	<b>38.1</b>	
Income tax	-122	-167	-80	-157	-165	5.1	-148	-190	-82	-176	-186	5.4	5.3	
Minority interest	1	0	1	0	1	--	1	0	1	0	1	--	--	
<b>Attributable net profit</b>	<b>307</b>	<b>409</b>	<b>270</b>	<b>263</b>	<b>434</b>	<b>65.3</b>	<b>359</b>	<b>464</b>	<b>304</b>	<b>308</b>	<b>483</b>	<b>56.8</b>	<b>56.7</b>	
Memorandum item:														
Core results (NII+net fees and commissions - costs)	(1)	677	737	708	735	750	2.1	769	839	799	820	833	1.6	1.5

(1) Calculation taking into account recurrent costs.

### Net interest income:

Net interest income amounted to 2,493 million euros as at the end of June 2024, growing by 9.8% year-on-year and by 2.5% 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 interest rates, all of which offset the higher costs of both deposits and wholesale funding, as well as reduced average volumes. In the quarter, it was driven by a higher customer margin, where credit yield growth was underpinned by portfolio repricing and larger volumes.

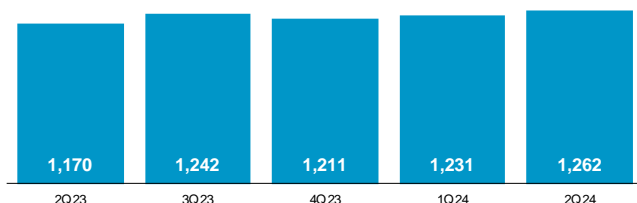
### Customer margin and net interest margin:

The customer margin improved by 29bps compared to the end of the second quarter of 2023 and by 9bps compared to the previous quarter, standing at 3.18%, driven by the increase in loan yields, which offset the higher year-on-year cost of deposits.

Similarly, the net interest margin as a percentage of average total assets rose by 22bps in the year and by 2bps in the quarter, reaching 2.10%.

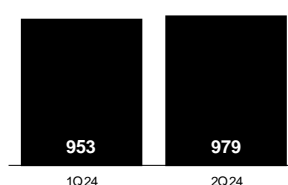
### Evolution of net interest income

Total group (€ millions)



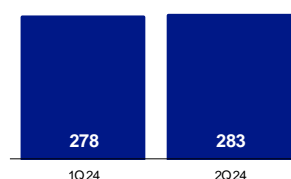
	Total group	Constant FX
Change YoY:	<b>+9.8%</b>	<b>+8.8%</b>
Change QoQ:	<b>+2.5%</b>	<b>+2.4%</b>

Sabadell ex - TSB (€ millions)



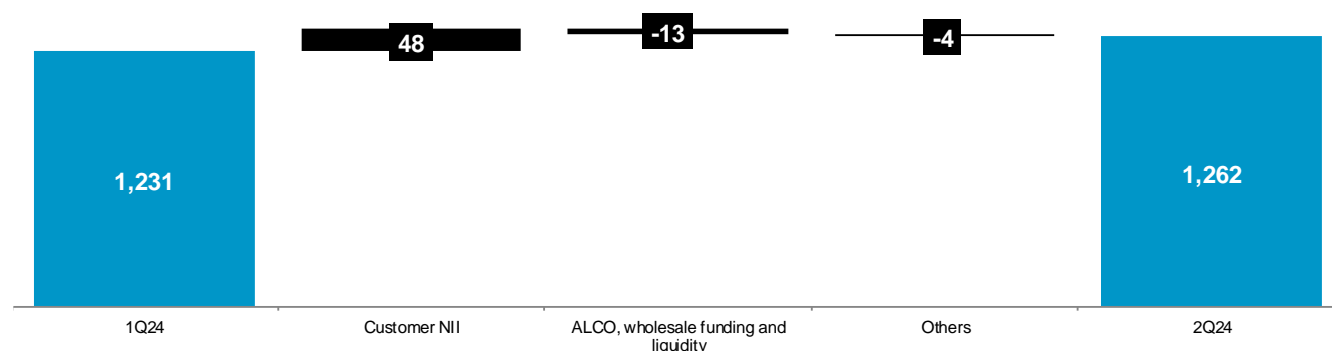
Change YoY:	<b>+15.9%</b>
Change QoQ:	<b>+2.7%</b>

TSB (€ millions)

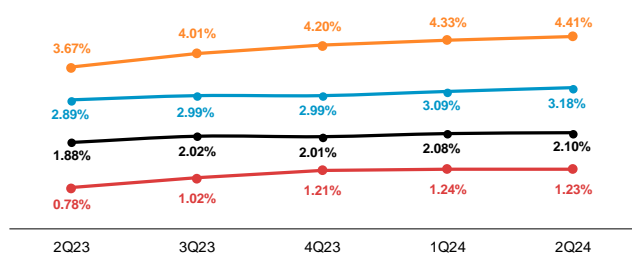


Change YoY:	<b>-6.8%</b>
Change QoQ:	<b>+1.7%</b>
Constant FX	<b>+1.3%</b>

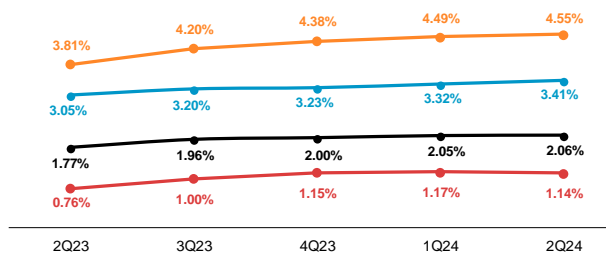
### Quarterly evolution of net interest income (€ million)



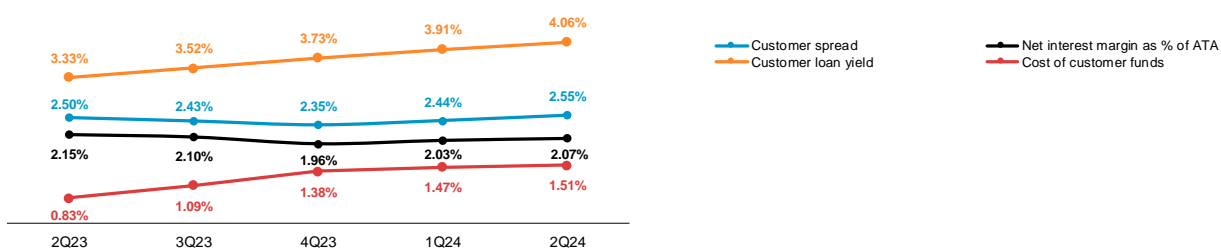
### Net interest income, Group (%)



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



### Net interest income, TSB (%)



## Gains and charges in the quarter

### Total Group

(€ millions)	2 Q23			3 Q23			4 Q23			1Q24			2 Q24		
	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)	45,491	3.44	390	39,474	3.87	386	39,240	4.05	401	37,941	4.17	393	39,009	4.06	394
Loans to customers (net)	154,297	3.67	1,413	154,449	4.01	1,561	151,914	4.20	1,607	151,377	4.33	1,628	153,042	4.41	1,680
Fixed-income securities	28,961	2.80	202	28,511	3.19	229	27,848	3.36	236	29,441	3.47	254	30,087	3.52	263
Equity securities	835	--	--	882	--	--	974	--	--	936	--	--	935	--	--
Tang. & intang. assets	4,584	--	--	4,540	--	--	4,523	--	--	4,520	--	--	4,495	--	--
Other assets	15,076	3.10	116	16,059	3.54	143	14,248	4.12	148	14,086	3.40	119	14,495	3.13	113
<b>Total assets</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>	<b>242,061</b>	<b>4.07</b>	<b>2,450</b>
Financial institutions (2)	36,073	-3.35	-301	27,663	-3.78	-264	25,579	-4.09	-264	26,425	-4.18	-275	28,336	-4.11	-289
Customer deposits	160,352	-0.78	-310	161,163	-1.02	-415	159,613	-1.21	-486	159,610	-1.24	-493	160,580	-1.23	-493
Capital markets	26,425	-3.21	-211	27,156	-3.53	-241	26,837	-3.91	-264	26,236	-4.01	-261	26,105	-4.15	-270
Other liabilities	13,377	-3.88	-130	14,630	-4.25	-157	12,780	-5.15	-166	11,962	-4.49	-134	12,778	-4.29	-136
Shareholders' equity	13,017	--	--	13,304	--	--	13,938	--	--	14,068	--	--	14,263	--	--
<b>Total funds</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>242,061</b>	<b>-1.97</b>	<b>-1,188</b>
<b>Net interest income</b>			<b>1,170</b>			<b>1,242</b>			<b>1,211</b>			<b>1,231</b>			<b>1,262</b>
<b>Customer spread</b>		<b>2.89</b>			<b>2.99</b>			<b>2.99</b>		<b>3.09</b>				<b>3.18</b>	
<b>Net interest margin as % of ATA</b>		<b>1.88</b>			<b>2.02</b>			<b>2.01</b>		<b>2.08</b>				<b>2.10</b>	

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

### Sabadell ex-TSB

(€ millions)	2 Q23			3 Q23			4 Q23			1Q24			2 Q24		
	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)	39,363	3.32	326	33,510	3.70	312	32,747	3.87	319	32,198	4.03	322	33,714	3.90	327
Loans to customers (net)	111,722	3.81	1,060	111,782	4.20	1,183	110,051	4.38	1,214	108,739	4.49	1,214	110,053	4.55	1,246
Fixed-income securities	26,615	2.73	181	26,082	3.07	202	25,583	3.25	209	27,246	3.42	231	27,923	3.47	241
Other assets	19,013	0.59	28	19,645	0.56	28	18,556	0.87	41	18,667	0.58	27	19,058	0.55	26
<b>Total assets</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>	<b>190,748</b>	<b>3.88</b>	<b>1,840</b>
Financial institutions (2)	31,270	-3.18	-248	22,977	-3.51	-203	20,941	-3.85	-203	22,209	-3.97	-219	24,827	-3.94	-243
Customer deposits	119,805	-0.76	-226	120,789	-1.00	-304	119,891	-1.15	-348	119,500	-1.17	-346	120,097	-1.14	-340
Capital markets	23,788	-3.11	-184	24,392	-3.39	-209	23,712	-3.67	-220	23,123	-3.87	-223	22,692	-4.00	-226
Other liabilities and shareholders' equity	2,1851	-1.23	-67	22,861	-1.12	-65	22,993	-1.33	-75	22,018	-0.97	-53	23,132	-0.91	-52
<b>Total funds</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>190,748</b>	<b>-1.82</b>	<b>-861</b>
<b>Net interest income</b>			<b>870</b>			<b>944</b>			<b>938</b>			<b>953</b>			<b>979</b>
<b>Customer spread</b>		<b>3.05</b>			<b>3.20</b>			<b>3.23</b>		<b>3.32</b>				<b>3.41</b>	
<b>Net interest margin as % of ATA</b>		<b>1.77</b>			<b>1.96</b>			<b>2.00</b>		<b>2.05</b>				<b>2.06</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 June 2024, this item came to a total of 37 million euros, increasing in year-on-year terms due to a larger contribution by TSB, but falling during the quarter, mainly due to reduced earnings on overall derivatives.

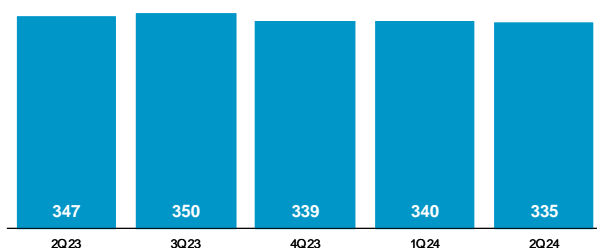
### Net fees and commissions:

Net fees and commissions amounted to 674 million euros as at the end of June 2024, representing a reduction of -3.3% year-on-year, mainly due to reduced service fees, particularly fees on payment cards and sight account, as well as reduced asset management fees, where it is worth mentioning fees on pensions funds and insurance brokerage.

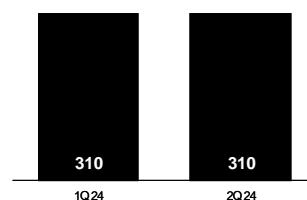
In the quarter, they declined by -1.4%, affected by reduced fee income at TSB due to higher costs associated with cards.

## Evolution of net fees and commissions

Total group (€ millions)



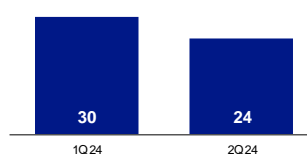
Sabadell ex - TSB (€ millions)



Change YoY:  
**-2.9%**

Change QoQ:  
**+0.2%**

TSB (€ millions)



Change YoY:  
**-7.0%**

**-9.3%** Constant FX

Change QoQ:  
**-18.2%**

**-18.6%** Constant FX

	Total group	Constant FX
Change YoY:	<b>-3.3%</b>	<b>-3.5%</b>
Change QoQ:	<b>-1.4%</b>	<b>-1.5%</b>

## Net fees and commissions

(€ millions)	Excl. TSB			Total group			Excl. TSB			Total group		
	1Q24	2Q24	QoQ (%)	1Q24	2Q24	QoQ (%)	1H23	1H24	YoY (%)	1H23	1H24	YoY (%)
Lending fees	46	45	-0.5	46	45	-0.5	91	91	0.4	91	91	0.3
Guarantees commissions	25	26	3.3	25	26	3.3	52	52	-0.7	52	52	-0.7
<b>Risk transaction fees</b>	<b>71</b>	<b>72</b>	<b>0.8</b>	<b>71</b>	<b>72</b>	<b>0.8</b>	<b>143</b>	<b>142</b>	<b>0.0</b>	<b>143</b>	<b>142</b>	<b>0.0</b>
Cards	37	37	-0.5	56	51	-9.7	83	74	-10.4	121	107	-11.3
Payment orders	19	20	5.1	20	21	5.0	41	40	-3.4	42	41	-3.5
Securities	15	18	16.0	15	18	16.0	28	33	19.4	28	33	19.4
Sight accounts	57	57	0.0	64	64	0.2	125	114	-8.7	139	128	-8.0
Foreign currency and notes exchange	20	22	7.6	26	29	8.6	46	42	-8.1	59	55	-6.4
Other transactions	17	12	-28.6	11	6	-50.1	20	29	40.2	8	17	104.6
<b>Commissions for services</b>	<b>166</b>	<b>166</b>	<b>0.0</b>	<b>193</b>	<b>188</b>	<b>-2.7</b>	<b>344</b>	<b>333</b>	<b>-3.2</b>	<b>397</b>	<b>381</b>	<b>-4.0</b>
Mutual funds	29	30	3.6	29	30	3.6	59	60	2.0	59	60	2.0
Pension funds and insurance brokerage	38	36	-4.4	41	39	-4.3	83	74	-10.9	88	80	-9.5
Managed accounts	5	6	10.9	5	6	10.9	11	11	3.6	11	11	3.6
<b>Asset Under Management commissions</b>	<b>73</b>	<b>73</b>	<b>-0.1</b>	<b>75</b>	<b>75</b>	<b>-0.2</b>	<b>153</b>	<b>145</b>	<b>-4.9</b>	<b>158</b>	<b>151</b>	<b>-4.3</b>
<b>Total commissions</b>	<b>310</b>	<b>310</b>	<b>0.2</b>	<b>340</b>	<b>335</b>	<b>-1.4</b>	<b>639</b>	<b>620</b>	<b>-2.9</b>	<b>697</b>	<b>674</b>	<b>-3.3</b>

### Equity-accounted income and dividends:

This item amounted to 87 million euros as at the end of June 2024, increasing compared to the end of June 2023, due to the increased contribution of the insurance business. In the quarter, there was a reduction due to a smaller contribution from insurance and fewer earnings in BS Capital investees.

### Other operating income and expenses:

This item amounted to -230 million euros as at the end of June 2024, compared to -261 million euros at the end of the previous June. The positive balance variation is mainly explained by the -76 million euros recognised in the previous year for the contribution to the Single Resolution Fund (SRF), which offset the negative balance variation caused by the recognition of a higher impact of the banking tax in 2024, which was -192 million euros compared to -156 million euros recognised in the previous year.

The positive quarterly balance variation is mainly explained by the recognition of the banking tax in the first quarter of the year.

### Total costs:

Total costs came to -1,515 million euros as at the end of June 2024, reflecting a year-on-year increase of 2.5%, due to both higher staff expenses and higher general expenses, which were counterbalanced by the reduction of amortisations/depreciations.

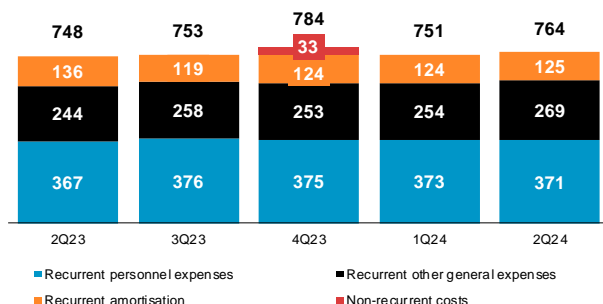
In quarterly terms, total costs rose by 1.7%, as a result of higher general expenses.

### Total costs

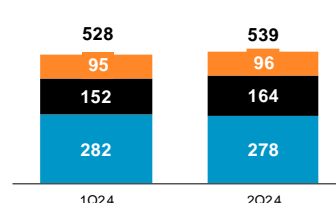
(€ millions)	Excl. TSB			Total group			Excl. TSB			Total group		
	1Q24	2Q24	QoQ (%)	1Q24	2Q24	QoQ (%)	1H23	1H24	YoY (%)	1H23	1H24	YoY (%)
<b>Personnel expenses</b>	<b>-282</b>	<b>-278</b>	<b>-1.1</b>	<b>-373</b>	<b>-371</b>	<b>-0.7</b>	<b>-538</b>	<b>-560</b>	<b>4.0</b>	<b>-717</b>	<b>-744</b>	<b>3.8</b>
IT and communications	-58	-54	-6.1	-117	-109	-6.9	-111	-112	1.1	-219	-226	2.9
Publicity	-22	-20	-11.1	-28	-27	-4.7	-23	-42	80.5	-41	-54	33.5
Property and plant	-9	-7	-18.7	-16	-15	-5.2	-17	-17	-3.7	-32	-31	-2.1
Technical reports and judicial expenses	-6	-14	150.8	-9	-18	105.9	-11	-20	82.0	-18	-26	45.2
Subcontracted administrative services	-19	-21	10.8	-36	-39	6.4	-26	-40	55.9	-64	-75	16.9
Contributions and taxes	-20	-28	40.9	-22	-30	39.5	-48	-48	0.6	-52	-52	-0.5
Others	-18	-20	10.5	-27	-32	19.5	-43	-37	-12.7	-61	-59	-4.6
<b>Other general expenses</b>	<b>-152</b>	<b>-164</b>	<b>8.4</b>	<b>-254</b>	<b>-269</b>	<b>5.8</b>	<b>-278</b>	<b>-316</b>	<b>13.4</b>	<b>-487</b>	<b>-522</b>	<b>7.2</b>
<b>Amortisation &amp; depreciation</b>	<b>-95</b>	<b>-96</b>	<b>1.5</b>	<b>-124</b>	<b>-125</b>	<b>0.3</b>	<b>-198</b>	<b>-191</b>	<b>-3.4</b>	<b>-274</b>	<b>-249</b>	<b>-9.0</b>
<b>Total costs</b>	<b>-528</b>	<b>-539</b>	<b>2.1</b>	<b>-751</b>	<b>-764</b>	<b>1.7</b>	<b>-1,014</b>	<b>-1,067</b>	<b>5.2</b>	<b>-1,478</b>	<b>-1,515</b>	<b>2.5</b>
Memo randum item:												
Efficiency ratio (%)							37.2	34.6		42.4	40.3	
Efficiency ratio with amortisation & depreciation (%)							46.2	42.2		52.0	48.3	

## Evolution of total costs

Total group (€ millions)



Sabadell ex - TSB (€ millions)



Recurrent costs

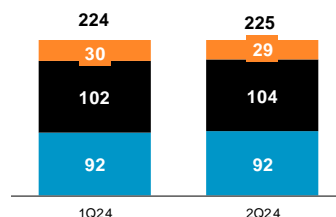
Change YoY:

**+5.2%**

Change QoQ:

**+2.1%**

TSB (€ millions)



Recurrent costs

Change YoY:

**-3.2%**

**-5.6%** Constant FX

Change QoQ:

**+0.7%**

**+0.3%** Constant FX

	Total group <sup>(1)</sup>	Constant FX <sup>(1)</sup>
Change YoY:	<b>+2.5%</b>	<b>+1.5%</b>
Change QoQ:	<b>+1.7%</b>	<b>+1.6%</b>

(1) Change over total recurrent costs.

## Core results:

Core results (net interest income + fees and commissions – total costs) followed a positive trend, standing at 1,652 million euros as at the end of June 2024, growing by 11.0%

year-on-year and by 1.6% in the quarter, as a result of the good evolution of net interest income.

(€ millions)

	Total group					
	1Q24	2Q24	QoQ (%)	1H23	1H24	YoY (%)
Net interest income	1,231	1,262	2.5	2,270	2,493	9.8
Net fees and commissions	340	335	-1.4	697	674	-3.3
Total costs	-751	-764	1.7	-1,478	-1,515	2.5
<b>Core results</b>	<b>820</b>	<b>833</b>	<b>1.6</b>	<b>1,489</b>	<b>1,652</b>	<b>11.0</b>

## Provisions for credit losses and other impairments:

This item amounted to -389 million euros as at the end of June 2024, compared to -468 million euros at the end of June 2023, representing a reduction of -16.9%, due to an improvement of credit provisions.

In the quarter, provisions were down by -13.2%, also due to fewer credit provisions, which neutralised the increase in real estate provisions (which included impairments due to branch closures) and the increase in litigation provisions.

This level of provisions reflects an improvement in the Group's credit cost of risk, which dropped by 8bps in the quarter to stand at 33bps, as well as in the total cost of risk, which fell by 4bps in the quarter to stand at 46bps as at the end of June 2024.

## Gains on sale of assets and other results:

Gains on asset sales and other results improved in year-on-year terms, as the previous year included higher levels of asset write-offs.

## Net profit:

The Group's net profit amounted to 791 million euros as at the end of June 2024, increasing by 40.3% year-on-year. In the quarter, this item grew by 56.8%.

## Balance sheet

### Highlights:

Performing loans showed a positive evolution in year-on-year terms, driven by the increase recorded by businesses abroad. In quarter-on-quarter terms, lending volumes exhibited growth, mainly in Spain, which was driven by growth across all segments, particularly SMEs & corporates and the mortgage book. Businesses abroad also did well in the quarter, particularly Miami and TSB, favoured in the latter case by the appreciation of the pound sterling.

Customer funds recorded a year-on-year increase, with funds flowing through from sight accounts to term deposits and off-balance sheet funds, mainly mutual funds. In the quarter, they followed a positive trend, recording growth of both on-balance sheet and off-balance sheet customer funds, notably mutual funds, mainly due to a positive level of net subscriptions.

The loan-to-deposit ratio was 95.9% with a balanced retail funding structure.

### Balance sheet

(€millions)	30.06.23	31.03.24	30.06.24	Change	
				YoY (%)	QoQ (%)
Cash, cash balances at central banks and other demand deposits	30,755	28,290	29,502	-4.1	4.3
Financial assets held for trading and fair value with changes in PL	4,134	3,042	3,110	-24.8	2.2
Financial assets in fair value OCI	5,612	6,591	6,528	16.3	-10
Financial assets at amortised cost	187,805	183,285	190,489	1.4	3.9
Loans and advances to customers	156,549	153,259	157,426	0.6	2.7
Loans and advances of central banks and credit institutions	9,316	7,762	10,425	119	34.3
Debt securities	21,940	22,264	22,639	3.2	1.7
Investments in subsidiaries, joint ventures and associates	450	443	462	2.6	4.2
Tangible assets	2,445	2,283	2,216	-9.4	-3.0
Intangible assets	2,444	2,489	2,494	2.1	0.2
Other assets	9,807	9,710	9,528	-2.8	-1.9
<b>Total assets</b>	<b>243,453</b>	<b>236,135</b>	<b>244,328</b>	<b>0.4</b>	<b>3.5</b>
Financial liabilities held for trading and fair value with changes in PL	3,868	3,005	2,862	-26.0	-4.8
Financial liabilities at amortised cost	223,887	216,897	225,027	0.5	3.7
Central banks	9,721	3,664	3,283	-66.2	-10.4
Credit institutions	17,813	13,351	13,807	-22.5	3.4
Customer deposits	161,626	168,492	175,548	8.6	4.2
Debt securities issued	26,299	25,552	25,396	-3.4	-0.6
Other financial liabilities	8,428	5,839	6,993	-17.0	19.8
Provisions	553	504	479	-13.4	-5.0
Other liabilities	1,624	1,488	1,562	-3.9	4.9
<b>Subtotal liabilities</b>	<b>229,932</b>	<b>221,894</b>	<b>229,930</b>	<b>0.0</b>	<b>3.6</b>
Shareholders' equity	13,990	14,633	14,820	5.9	1.3
Accumulated other comprehensive income	-504	-427	-457	-9.4	7.0
Minority interest	35	34	35	-0.3	2.1
<b>Net equity</b>	<b>13,520</b>	<b>14,240</b>	<b>14,398</b>	<b>6.5</b>	<b>1.1</b>
<b>Total liabilities and net equity</b>	<b>243,453</b>	<b>236,135</b>	<b>244,328</b>	<b>0.4</b>	<b>3.5</b>
Financial guarantees granted	2,016	1,855	1,903	-5.6	2.6
Commitments for loans granted	26,944	27,427	27,631	2.6	0.7
Other commitments granted	8,586	8,914	8,327	-3.0	-6.6

### Assets:

The Group's total assets amounted to 244,328 million euros, increasing by 0.4% year-on-year, despite the repayment in full of TLTRO III borrowing (5,000 million euros in the first quarter of 2024) and the 1,265 million pounds sterling

repayment made to the Bank of England under the TFSME (Term Funding Scheme with additional incentives for SMEs) in the first half of 2024. In quarter-on-quarter terms, total assets were up by 3.5%.



## Loans and advances to customers:

Performing gross loans ended June 2024 with a balance of 155,164 million euros, increasing by 0.9% year-on-year and growing by 2.9% in the quarter.

In Spain, performing gross loans in year-on-year terms increased by 0.6%, due to positive data recorded by foreign branches (included in this perimeter), as excluding that effect they fell by -0.4%, affected by a smaller volume of mortgages. In the quarter, lending volumes grew by 3.8%, driven by improvements across all segments, particularly SMEs & corporates and mortgages.

Performing gross loans of foreign branches (Europe and Miami), included in the Spain perimeter, amounted to 10,166 million euros, increasing by 10.8% year-on-year and by 12.1% in the quarter.

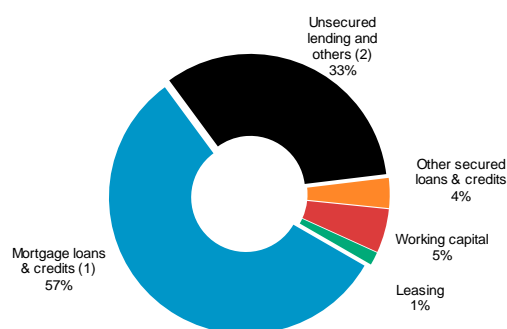
In TSB, performing gross loans increased by 0.9% year-on-year and 1.4% in the quarter, benefitting from the appreciation of the pound sterling given that, at a constant exchange rate, they actually declined by -0.5% year-on-year and increased by 0.3% in the quarter, in both cases due to variations in the volume of the mortgage book.

Mexico recorded year-on-year growth of 7.1% and a reduction during the quarter of -2.7%, affected by the depreciation of the Mexican peso, given that at constant exchange rates, this item increased by 9.1% year-on-year and by 1.1% in the quarter.

## Loans and advances to customers

(€ millions)	Excl. TSB					Total group				
	30.06.23	31.03.24	30.06.24	YoY (%)	QoQ (%)	30.06.23	31.03.24	30.06.24	YoY (%)	QoQ (%)
Mortgage loans & credits	48,525	46,916	47,567	-2.0	1.4	88,356	86,641	87,799	-0.6	1.3
Other secured loans & credits	3,211	4,879	5,184	61.5	6.2	3,589	5,211	5,492	53.0	5.4
Working capital	7,002	6,812	8,031	14.7	17.9	7,002	6,812	8,031	14.7	17.9
Leasing	2,311	2,331	2,386	3.2	2.4	2,311	2,331	2,386	3.2	2.4
Unsecured lending and others	50,259	47,528	49,090	-2.3	3.3	52,576	49,801	51,457	-2.1	3.3
<b>Performing gross loans</b>	<b>111,307</b>	<b>108,466</b>	<b>112,258</b>	<b>0.9</b>	<b>3.5</b>	<b>153,834</b>	<b>150,796</b>	<b>155,164</b>	<b>0.9</b>	<b>2.9</b>
Stage 3 assets (customer)	4,940	4,770	4,527	-8.4	-5.1	5,534	5,410	5,188	-6.3	-4.1
Accruals	89	171	119	34.1	-30.4	155	232	180	15.8	-22.7
<b>Gross loans to customers (excluding repos)</b>	<b>116,336</b>	<b>113,408</b>	<b>116,904</b>	<b>0.5</b>	<b>3.1</b>	<b>159,523</b>	<b>156,439</b>	<b>160,532</b>	<b>0.6</b>	<b>2.6</b>
Reverse repos	130	6	0	-100.0	-100.0	130	6	0	-100.0	-100.0
<b>Gross loans to customers</b>	<b>116,466</b>	<b>113,414</b>	<b>116,904</b>	<b>0.4</b>	<b>3.1</b>	<b>159,653</b>	<b>156,445</b>	<b>160,532</b>	<b>0.6</b>	<b>2.6</b>
NPLs and country-risk provisions	-2,877	-2,939	-2,871	-0.2	-2.3	-3,105	-3,185	-3,107	0.1	-2.5
<b>Loans and advances to customers</b>	<b>113,589</b>	<b>110,475</b>	<b>114,032</b>	<b>0.4</b>	<b>3.2</b>	<b>156,549</b>	<b>153,259</b>	<b>157,426</b>	<b>0.6</b>	<b>2.7</b>

## Loans and advances to customers, by product type, 30.06.2024 (%) <sup>(1)</sup>

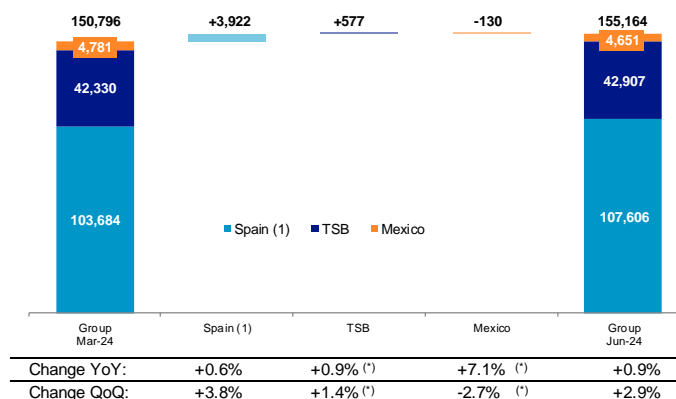


(1) Includes mortgage loans and credits both to individuals and companies.

(2) Includes IOO loans.

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

## Performing gross loans, by geography (€ million)



(\*) At a constant FX in TSB -0.5% YoY and +0.3% QoQ and in Mexico +9.1% YoY and +1.1% QoQ.

(1) Spain includes foreign branches (€10,166M in Jun 24 and €9,065M in Mar 24).

## Liabilities:

### Customer funds:

Total customer funds amounted to 206,742 million euros as at the end of June 2024, representing growth of 2.1% year-on-year and of 1.6% in the quarter.

In terms of on-balance sheet customer funds, these came to a total of 163,169 million euros, recording slight growth of 0.2%, supported by the appreciation of the pound sterling and the US dollar, as at constant exchange rates they remained practically in line with the previous year. In the quarter they grew by 1.1%, due to a larger volume of both sight accounts and term deposits.

Sight accounts balances came to 135,070 million euros, falling by -3.6% year-on-year, as funds flowed through to term deposits and off-balance sheet funds, mainly mutual funds. In the quarter, they increased by 0.6%.

Term deposits came to a total of 27,795 million euros, representing an increase of 29.4% year-on-year and of 4.4% in the quarter.

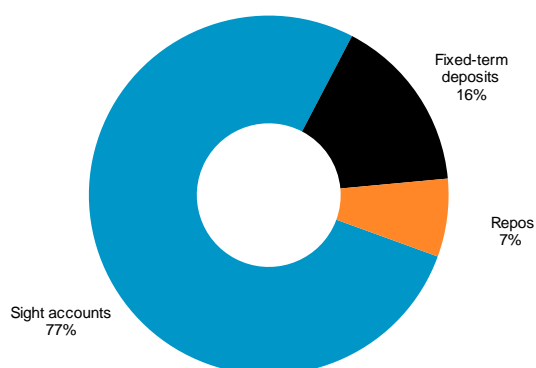
Total off-balance sheet customer funds came to 43,574 million euros as at the end of June 2024, reflecting an increase of 9.7% in year-on-year terms and of 3.4% in the quarter, where it is particularly worth noting the good evolution of mutual funds, which recorded a positive level of net subscriptions as well as higher yields.

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

This item amounted to a total of 244,518 million euros, representing a year-on-year increase of 7.4% and a quarterly increase of 3.5%, impacted by the growth of repos. Not including repos, total funds under management and third-party funds increased by 2.0% year-on-year and by 1.4% in the quarter.

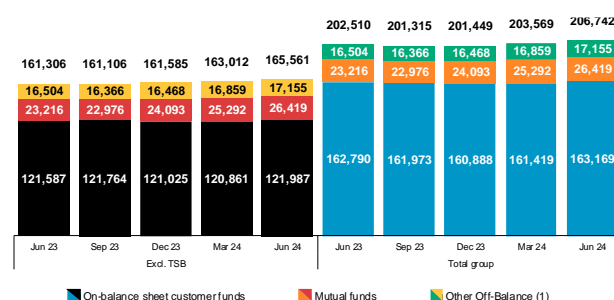
In the first quarter of 2024, the remaining 5,000 million euros of TLTRO III borrowing was repaid, meaning that all of that borrowing has now been repaid in full. The balance of the TFSME (Term Funding Scheme with additional incentives for SMEs) came to 2,735 million pounds, having repaid 1,265 million pounds during the first half of 2024 (350 million pounds in the second quarter of 2024).

### Customer deposits, 30.06.2024 (%) (\*)



(\*) Excluding accrual adjustments and hedging derivatives.

### Evolution of customer funds (€ million)



#### On-balance sheet customer funds

	Excl. TSB	Total group
Change YoY:	0.3%	0.2%
Change QoQ:	0.9%	1.1%

#### Total customer funds

	Excl. TSB	Total group
Change YoY:	2.6%	2.1%
Change QoQ:	1.6%	1.6%

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

## Customer funds

(€millions)	Excl. TSB					Total group				
	30.06.23	31.03.24	30.06.24	Change		30.06.23	31.03.24	30.06.24	Change	
				YoY (%)	QoQ (%)				YoY (%)	QoQ (%)
<b>Financial liabilities at amortised cost</b>	<b>173,293</b>	<b>167,580</b>	<b>175,443</b>	<b>1.2</b>	<b>4.7</b>	<b>223,887</b>	<b>216,897</b>	<b>225,027</b>	<b>0.5</b>	<b>3.7</b>
Non-retail financial liabilities	51,706	46,719	53,456	3.4	14.4	61,097	55,478	61,859	12	115
Central banks	5,009	0	0	-100.0	--	9,721	3,664	3,283	-66.2	-10.4
Credit institutions	17,812	13,333	13,806	-22.5	3.5	17,813	13,351	13,807	-22.5	3.4
Institutional issues	22,411	29,333	34,452	53.7	17.4	25,135	32,625	37,775	50.3	15.8
Other financial liabilities	6,475	4,052	5,197	-19.7	28.3	8,428	5,839	6,993	-17.0	19.8
<b>On-balance sheet customer funds</b>	<b>(1) 121,587</b>	<b>120,861</b>	<b>121,987</b>	<b>0.3</b>	<b>0.9</b>	<b>162,790</b>	<b>161,419</b>	<b>163,169</b>	<b>0.2</b>	<b>1.1</b>
Customer deposits	120,331	127,780	134,213	115	5.0	161,626	168,492	175,548	8.6	4.2
Sight accounts	(1) 103,687	99,836	100,565	-3.0	0.7	140,056	134,315	135,070	-3.6	0.6
Fixed-term deposits	(1) 16,650	20,533	21,118	26.8	2.8	21,484	26,612	27,795	29.4	4.4
Repos	0	7,207	12,309	--	70.8	0	7,207	12,309	--	70.8
Accruals and derivative hedging adjustments	-5	204	221	--	8.0	87	358	374	--	4.4
Debt and other marketable securities	(1) 19,588	18,311	18,143	-7.4	-0.9	22,220	21,449	21,313	-4.1	-0.6
Subordinated liabilities	(2) 4,079	4,104	4,083	0.1	-0.5	4,079	4,104	4,083	0.1	-0.5
<b>On-balance sheet funds</b>	<b>143,998</b>	<b>150,195</b>	<b>156,439</b>	<b>8.6</b>	<b>4.2</b>	<b>187,925</b>	<b>194,044</b>	<b>200,944</b>	<b>6.9</b>	<b>3.6</b>
Mutual funds	23,216	25,292	26,419	13.8	4.5	23,216	25,292	26,419	13.8	4.5
Dedicated investment companies	551	633	640	16.1	12	551	633	640	16.1	12
Third-party funds	22,664	24,659	25,778	13.7	4.5	22,664	24,659	25,778	13.7	4.5
Managed accounts	3,730	3,801	4,124	10.6	8.5	3,730	3,801	4,124	10.6	8.5
Pension funds	3,213	3,300	3,295	2.5	-0.2	3,213	3,300	3,295	2.5	-0.2
Individual	2,087	2,134	2,127	2.0	-0.3	2,087	2,134	2,127	2.0	-0.3
Company	1,122	1,162	1,163	3.6	0.1	1,122	1,162	1,163	3.6	0.1
Group	5	5	5	-2.0	-1.7	5	5	5	-2.0	-1.7
Third-party insurance products	9,560	9,757	9,736	1.8	-0.2	9,560	9,757	9,736	1.8	-0.2
<b>Off-balance sheet customer funds</b>	<b>39,720</b>	<b>42,150</b>	<b>43,574</b>	<b>9.7</b>	<b>3.4</b>	<b>39,720</b>	<b>42,150</b>	<b>43,574</b>	<b>9.7</b>	<b>3.4</b>
<b>Funds under management and third-party funds</b>	<b>183,718</b>	<b>192,345</b>	<b>200,013</b>	<b>8.9</b>	<b>4.0</b>	<b>227,645</b>	<b>236,194</b>	<b>244,518</b>	<b>7.4</b>	<b>3.5</b>

- (1) On-balance sheet customer funds at the Group level as at 30.06.2024 included 135,070 million euros of sight accounts (134,315 million euros as at 31.03.2024 and 140,056 million euros as at 30.06.2023), 27,425 million euros of term deposits excluding multi-seller covered bonds, subordinated deposits and Yankee CD (26,237 million euros as at 31.03.2024 and 21,018 million euros as at 30.06.2023) and 673 million euros of retail issuances (commercial paper), included in 'debt and other marketable securities' (867 million euros as at 31.03.2024 and 1,715 million euros as at 30.06.2023).
- (2) Subordinated liabilities of debt securities.

## Equity:

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

### Equity

(€millions)	30.06.23	31.03.24	30.06.24	Change	
				YoY	QoQ
<b>Shareholders' equity</b>	<b>13,990</b>	<b>14,633</b>	<b>14,820</b>	<b>830</b>	<b>187</b>
Issued capital	703	680	680	-23	0
Reserves	12,750	13,649	13,446	697	-203
Other equity	18	23	21	3	-1
Less: treasury shares	-46	-27	-119	-73	-92
Attributable net profit	564	308	791	227	483
Less: interim dividends	0	0	0	0	0
<b>Accumulated other comprehensive income</b>	<b>-504</b>	<b>-427</b>	<b>-457</b>	<b>47</b>	<b>-30</b>
<b>Minority interest</b>	<b>35</b>	<b>34</b>	<b>35</b>	<b>0</b>	<b>1</b>
<b>Net equity</b>	<b>13,520</b>	<b>14,240</b>	<b>14,398</b>	<b>877</b>	<b>158</b>

## Risk management

### Highlights:

Non-performing assets were reduced by -316 million euros during the quarter, with those classified as stage 3 falling by -279 million euros while problematic real estate assets did so by -36 million euros.

It is worth highlighting the higher NPA coverage ratio including total provisions, which rose to 56.8% as at the end of June 2024, from 53.1% as at the end of June 2023 and from 55.8% as at the end of March 2024. The stage 3 coverage ratio considering total provisions as at the end of June 2024 stood at 59.7%, also improving from 55.7% as at June 2023 and from 58.5% as at March 2024. The coverage of problematic real estate assets as at the end of June 2024 stood at 39.5%, improving from 38.7% as at June 2023 and from 39.4% as at March 2024.

The Group's stage 3 ratio stood at 3.21% as at the end of June 2024, falling by 28bps year-on-year and by 25bps in the quarter.

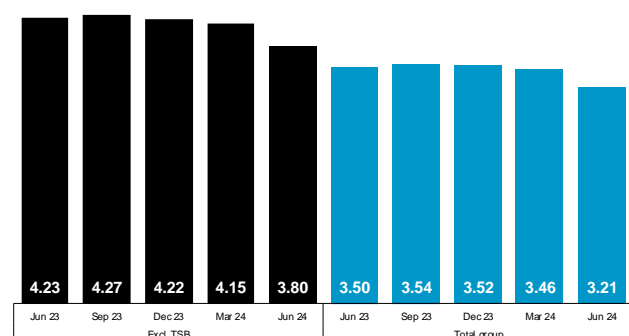
With regard to the breakdown of loans by stages, it should be noted that 89.6% are classified as stage 1 with a coverage level of 0.3%, the balance of stage 2 loans represents 7.2% of total loans with coverage of 3.8%, while the balance of stage 3 loans represents 3.2% of the total with coverage of 44.1%, reflecting an improvement compared to the end of June 2023, when it was 40.1%, and compared to the 42.5% recorded as at the end of March 2024. Excluding TSB, the stage 3 coverage ratio as at the end of June 2024 stood at 48.3%, improving from 43.0% as at the end of June 2023 and from 45.9% as at the end of March 2024.

### Risk management:

Non-performing assets showed a balance of 6,341 million euros as at the end of June 2024, of which 5,439 million euros correspond to stage 3 loans and 902 million euros correspond to problematic real estate assets.

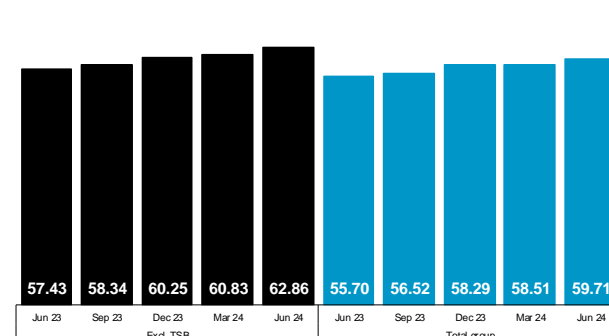
The gross NPA ratio was reduced to 3.7%, while the net NPA ratio considering total provisions stood at 1.6%.

Stage 3 ratios (%) (\*)



(\*) Calculated including contingent exposures.

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

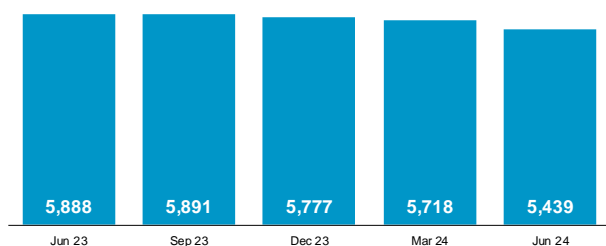


Stage 3 ratios, by segment (\*)

Total group	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24
Real estate development and/or construction purposes	7.19%	7.09%	6.44%	6.88%	6.27%
Construction purposes non-related to real estate dev.	6.80%	6.61%	5.25%	5.30%	4.51%
Large corporates	2.29%	2.52%	2.47%	2.34%	1.90%
SME and small retailers and self-employed	7.69%	8.54%	8.52%	8.97%	8.74%
Individuals with 1st mortgage guarantee assets	2.19%	2.26%	2.29%	2.10%	1.96%
<b>Stage 3 ratio</b>	<b>3.50%</b>	<b>3.54%</b>	<b>3.52%</b>	<b>3.46%</b>	<b>3.21%</b>

(\*) Calculated including contingent exposures.

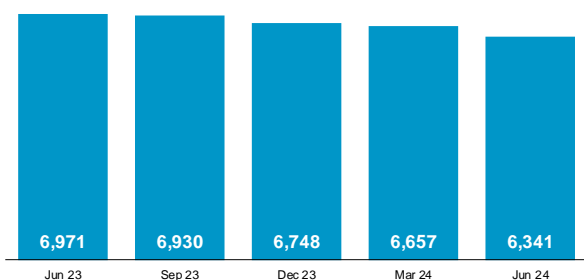
### Evolution of stage 3 loans (€ million) (\*)



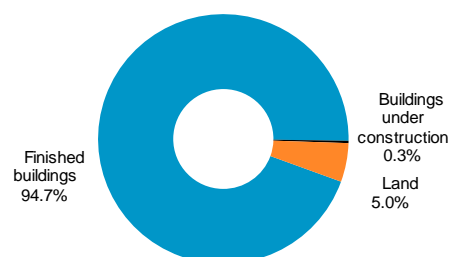
### Evolution of problematic real estate assets (€ million)(\*)



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



### Composition of problematic real estate assets (%)



(\*) Calculated including contingent exposures.

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

### Quarterly balance variation of non-performing assets

(€ millions)	2Q23	3Q23	4Q23	1Q24	2Q24
Gross entries	751	658	601	727	581
Recoveries and sales	-641	-573	-635	-687	-763
<b>Net stage 3 entries</b>	<b>111</b>	<b>85</b>	<b>-35</b>	<b>40</b>	<b>-182</b>
Gross entries	46	19	6	10	14
Sales	-79	-63	-73	-42	-50
<b>Change in problematic RE assets</b>	<b>-34</b>	<b>-44</b>	<b>-68</b>	<b>-32</b>	<b>-36</b>
<b>Net stage 3 entries + Change in problematic RE assets</b>	<b>77</b>	<b>41</b>	<b>-103</b>	<b>8</b>	<b>-219</b>
Write-offs	-114	-82	-79	-100	-97
<b>NPA's quarterly change</b>	<b>-37</b>	<b>-41</b>	<b>-182</b>	<b>-92</b>	<b>-316</b>

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

(€ millions)	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24
Stage 3 exposures	5,888	5,891	5,777	5,718	5,439
Total provisions	3,280	3,329	3,368	3,346	3,247
<b>Stage 3 coverage ratio with total provisions (%)</b>	<b>55.7%</b>	<b>56.5%</b>	<b>58.3%</b>	<b>58.5%</b>	<b>59.7%</b>
Stage 3 exposures	5,888	5,891	5,777	5,718	5,439
Stage 3 provisions	2,361	2,402	2,445	2,433	2,399
<b>Stage 3 coverage ratio (%)</b>	<b>40.1%</b>	<b>40.8%</b>	<b>42.3%</b>	<b>42.5%</b>	<b>44.1%</b>
Problematic RE Assets	1,083	1,039	971	939	902
Provisions	419	404	385	370	356
<b>Problematic Real Estate coverage ratio (%)</b>	<b>38.7%</b>	<b>38.9%</b>	<b>39.6%</b>	<b>39.4%</b>	<b>39.5%</b>
Total problematic assets	6,971	6,930	6,748	6,657	6,341
Provisions	3,699	3,733	3,752	3,715	3,604
<b>Problematic assets coverage (%)</b>	<b>53.1%</b>	<b>53.9%</b>	<b>55.6%</b>	<b>55.8%</b>	<b>56.8%</b>
Gross loans to customers excluding repos +financial guarantees and other guarantees granted + problematic RE Assets	169,497	167,348	165,309	166,235	170,198
<b>Gross NPA ratio (%)</b>	(1) <b>4.1%</b>	<b>4.1%</b>	<b>4.1%</b>	<b>4.0%</b>	<b>3.7%</b>
Net problematic assets	3,272	3,196	2,996	2,941	2,738
<b>Net NPA ratio (%)</b>	(1) <b>1.9%</b>	<b>1.9%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.6%</b>
<b>Net problematic assets as % of total assets</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.2%</b>	<b>1.1%</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 June 2024 were reduced by

-12.3% year-on-year and by -5.4% in the quarter to stand at 2,463 million euros, with coverage of 36.9%.

(€ millions)	Jun 23		Sep 23		Dec 23		Mar 24		Jun 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	7	1	7	1	6	1	16	0	12	0
Companies and self employed	3,693	1,792	3,405	1,746	3,395	1,668	3,345	1,734	3,138	1,658
Of which: Financing for construction and real estate development	245	140	234	135	239	144	236	143	194	121
Individuals	1,605	1,015	1,565	1,013	1,547	1,022	1,325	869	1,254	804
<b>Total</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>4,404</b>	<b>2,463</b>
<b>Provisions</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>981</b>	<b>910</b>
<b>Coverage ratio</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>	<b>22.3%</b>	<b>36.9%</b>

## Breakdown of loans and provisions, by stages

In terms of the breakdown of loans by stages, it is worth noting that 89.6% was classified as stage 1 with coverage of 0.3% and the balance increased by 2.7% in the quarter and by 1.8% year-on-year. Stage 2 balances accounted for 7.2% of the total credit balance, with coverage standing at 3.8%,

and representing a quarter-on-quarter balance increase of 2.6% and a year-on-year reduction of -9.8%. Lastly, stage 3 loans accounted for 3.2% of the total, with coverage of 44.1%, representing a balance reduction of -4.9% in the quarter and of -7.6% year-on-year.

(€ millions)	Stage 1	Stage 2	Stage 3
Gross loans to customers excluding repos and financial guarantees and other guarantees granted	151,724	12,133	5,439
Change QoQ	2.7%	2.6%	-4.9%
Change YoY	1.8%	-9.8%	-7.6%
Provisions	385	464	2,399
<b>% Stage / Total loans</b>	<b>89.6%</b>	<b>7.2%</b>	<b>3.2%</b>
<b>Coverage group</b>	<b>0.3%</b>	<b>3.8%</b>	<b>44.1%</b>
<b>Coverage excl. TSB</b>	<b>0.3%</b>	<b>4.7%</b>	<b>48.3%</b>

## Liquidity management

### Highlights:

The Group has a sound liquidity position, with an LCR (Liquidity Coverage Ratio) of 198% as at the end of June 2024 (227% excluding TSB and 180% at TSB) and total liquid assets of 59,244 million euros.

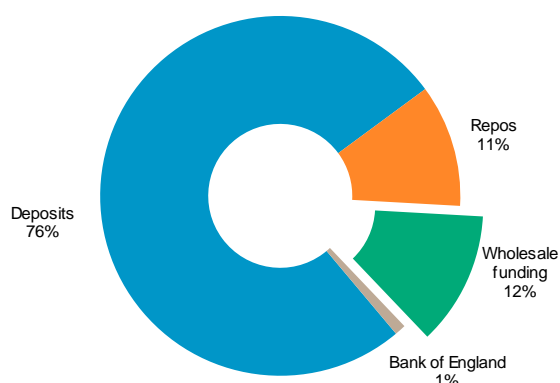
The loan-to-deposit ratio as at the end of June 2024 was 95.9%, with a balanced retail funding structure.

It is worth noting that in the first half of 2024, Banco Sabadell issued 1,000 million euros of mortgage covered bonds, 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.

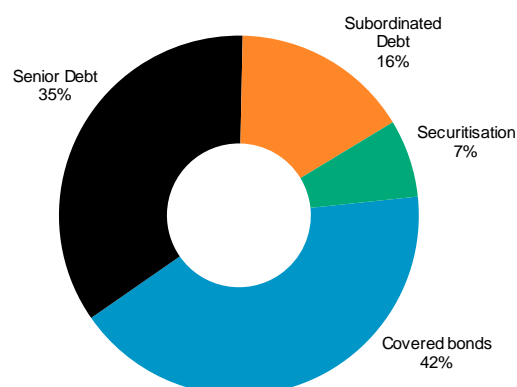
(€ millions)		30.06.23	31.03.24	30.06.24
Loans and advances to customers	(1)	156,419	153,253	157,426
Brokered loans		-1,136	-963	-977
<b>Adjusted net loans and advances</b>		<b>155,282</b>	<b>152,290</b>	<b>156,449</b>
<b>On-balance sheet customer funds</b>		<b>162,790</b>	<b>161,419</b>	<b>163,169</b>
<b>Loan-to-deposit ratio (%)</b>		<b>95.4</b>	<b>94.3</b>	<b>95.9</b>

(1) Excludes reverse repos.

### Funding structure, 30.06.2024 (%)



### Wholesale funding breakdown, 30.06.2024 (%)



### Maturities

(€ millions)	2024	2025	2026	2027	2028	2029	>2029	Outstanding balance
Covered bonds	250	835	1,390	2,282	2,462	1,450	1,700	10,368
Senior preferred	10	1,492	0	500	750	750	750	4,252
Senior non preferred	0	500	1,317	18	500	1,500	695	4,530
Subordinated Debt	0	0	500	0	0	0	1,815	2,315
<b>Total</b>	<b>260</b>	<b>2,826</b>	<b>3,207</b>	<b>2,800</b>	<b>3,712</b>	<b>3,700</b>	<b>4,960</b>	<b>21,465</b>

### New issuances in the year

(€ millions)	1Q24	2Q24
Covered bonds	500	1,000
Senior preferred	750	0
Senior non preferred	500	0
Subordinated Debt	500	0
<b>Total</b>	<b>2,250</b>	<b>1,000</b>

### Maturities in the year

(€ millions)	1Q24	2Q24	3Q24	4Q24
Covered bonds	1,134	1,050	0	250
Senior preferred	735	10	10	0
Senior non preferred	0	395	0	0
<b>Total</b>	<b>1,869</b>	<b>1,455</b>	<b>10</b>	<b>250</b>

## Capital management and credit ratings

### Highlights:

The fully-loaded and phase-in CET1 ratios stood at 13.48% as at the end of June 2024, growing by 18bps in the quarter, of which 44bps correspond to the organic generation of capital, -10bps to the payout ratio increase to 60%, -3bps to fair value reserve adjustment and -13bps 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 18.54% as at the end of June 2024, thus remaining above the requirements for 2024 with an MDA buffer of 454bps.

The leverage ratio was 5.23% in both fully-loaded and phase-in terms.

The MREL ratio as a percentage of RWAs stood at 29.36%, 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 9.80%, 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		
	30.06.23	31.03.24	30.06.24	30.06.23	31.03.24	30.06.24
Issued capital	703	680	680	703	680	680
Reserves	12,845	13,321	13,536	12,845	13,321	13,536
Deductions	(1) -3,429	-3,455	-3,419	-3,438	-3,455	-3,419
<b>Common Equity Tier 1</b>	<b>10,119</b>	<b>10,546</b>	<b>10,797</b>	<b>10,110</b>	<b>10,546</b>	<b>10,797</b>
<b>CET 1 (%)</b>	<b>12.88%</b>	<b>13.30%</b>	<b>13.48%</b>	<b>12.87%</b>	<b>13.30%</b>	<b>13.48%</b>
Preference shares and other	1,750	1,750	1,750	1,750	1,750	1,750
<b>Primary capital</b>	<b>11,869</b>	<b>12,296</b>	<b>12,547</b>	<b>11,860</b>	<b>12,296</b>	<b>12,547</b>
<b>Tier I (%)</b>	<b>15.11%</b>	<b>15.51%</b>	<b>15.67%</b>	<b>15.10%</b>	<b>15.51%</b>	<b>15.67%</b>
<b>Secondary capital</b>	<b>2,354</b>	<b>2,311</b>	<b>2,294</b>	<b>2,354</b>	<b>2,311</b>	<b>2,294</b>
<b>Tier II (%)</b>	<b>3.00%</b>	<b>2.91%</b>	<b>2.87%</b>	<b>3.00%</b>	<b>2.91%</b>	<b>2.87%</b>
<b>Total capital</b>	<b>14,223</b>	<b>14,607</b>	<b>14,842</b>	<b>14,214</b>	<b>14,607</b>	<b>14,842</b>
<b>Total capital ratio (%)</b>	<b>18.11%</b>	<b>18.42%</b>	<b>18.54%</b>	<b>18.10%</b>	<b>18.42%</b>	<b>18.54%</b>
<b>Risk weighted assets (RWA)</b>	<b>78,537</b>	<b>79,285</b>	<b>80,071</b>	<b>78,527</b>	<b>79,285</b>	<b>80,071</b>
<b>Leverage ratio (%)</b>	<b>4.92%</b>	<b>5.25%</b>	<b>5.23%</b>	<b>4.92%</b>	<b>5.25%</b>	<b>5.23%</b>
<b>CET 1 - BS (non-consolidated basis) (%)</b>	<b>13.48%</b>	<b>13.65%</b>	<b>14.04%</b>			
<b>Tier I - BS (non-consolidated basis) (%)</b>	<b>15.68%</b>	<b>15.82%</b>	<b>16.21%</b>			
<b>Tier II - BS (non-consolidated basis) (%)</b>	<b>2.88%</b>	<b>2.79%</b>	<b>2.76%</b>			
<b>Total capital ratio - BS (non-consolidated basis) (%)</b>	<b>18.55%</b>	<b>18.61%</b>	<b>18.97%</b>			
<b>ADIs</b>	(2) <b>3,223</b>	<b>3,984</b>	<b>4,180</b>			

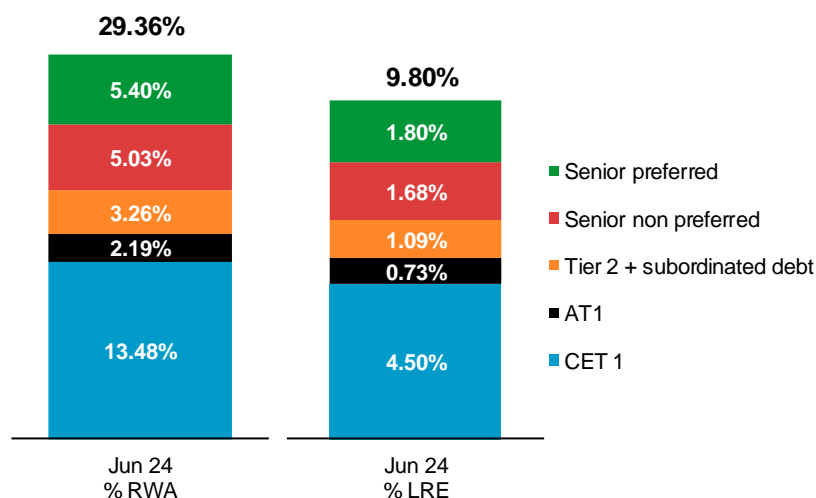
Note: CET1 ratio includes dividend accrual with a pay-out ratio of 60% on 30.06.24.

(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	07.06.2024	A (low)	R-1 (low)	Stable
S&P Global Rating <sup>(1)</sup>	29.04.2024	BBB+	A-2	Positive
Moody's	08.04.2024	Baa2	P-2	Positive
Fitch Ratings	19.06.2024	BBB	F2	Stable

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

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

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 29 May 2024, **Fitch Ratings** upgraded Banco Sabadell's long-term issuer credit rating to 'BBB' from 'BBB-', changing the outlook to stable from positive. It also upgraded the short-term rating to 'F2' from 'F3'. The upgrade reflects the Bank's structurally improved profitability and solvency, supported by business restructurings, higher interest rates, improved performance of the UK subsidiary and the expectation that credit provisions will remain contained. The full report on the revision was published on 19 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 natural persons engaging in business activities, serving all types of companies with turnover of up to 200 million euros, as well as the institutional sector. The products and services offered to companies are based on short- and long-term funding solutions, solutions to manage cash surpluses, products and services to guarantee the processing of day-to-day payments and collections through any channel and in any geographical area, as well as risk hedging and bancassurance products. Banco Sabadell has a clearly defined relationship model for each business segment, which is innovative and sets it apart from its peers and which allows it to be very close to its customers, acquiring in-depth knowledge of its customer base whilst at the

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

- **Corporate Banking:** Through its presence in Spain and in a further 12 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 1H24

(€ millions)	Banking business Spain	Banking business United Kingdom	Banking Business Mexico	Total
<b>Net interest income</b>	<b>1,826</b>	<b>562</b>	<b>106</b>	<b>2,493</b>
Net fees and commissions	610	54	10	674
<b>Core revenues</b>	<b>2,436</b>	<b>615</b>	<b>116</b>	<b>3,168</b>
Net trading income and exchange differences	8	24	5	37
Income from equity method and dividends	87	0	0	87
Other operating income/expense	-191	-29	-10	-230
<b>Gross operating income</b>	<b>2,339</b>	<b>611</b>	<b>111</b>	<b>3,061</b>
Operating expenses	-817	-391	-58	-1,266
Amortisation & depreciation	-183	-58	-8	-249
Total costs	-1,000	-449	-67	-1,515
<b>Pre-provisions income</b>	<b>1,339</b>	<b>162</b>	<b>44</b>	<b>1,546</b>
Total provisions & impairments	-348	-28	-13	-389
Gains on sale of assets and other results	0	1	-3	-2
<b>Profit before tax</b>	<b>991</b>	<b>135</b>	<b>28</b>	<b>1,154</b>
Income tax	-320	-40	-2	-362
Minority interest	1	0	0	1
<b>Attributable net profit</b>	<b>670</b>	<b>95</b>	<b>26</b>	<b>791</b>
ROTE	14.1%	9.4%	8.9%	13.1%
Efficiency	33.8%	63.9%	52.5%	40.3%
Efficiency w ith amortisation & depreciation	41.4%	73.4%	60.0%	48.3%
Stage 3 ratio	3.9%	1.5%	2.2%	3.2%
Stage 3 coverage ratio w ith total provisions	62.7%	37.1%	71.7%	59.7%

## Profit and loss 1H23

(€ millions)	Banking business Spain	Banking business United Kingdom	Banking Business Mexico	Total
<b>Net interest income</b>	<b>1,573</b>	<b>603</b>	<b>94</b>	<b>2,270</b>
Net fees and commissions	635	58	4	697
<b>Core revenues</b>	<b>2,208</b>	<b>661</b>	<b>98</b>	<b>2,967</b>
Net trading income and exchange differences	26	5	0	31
Income from equity method and dividends	72	0	0	72
Other operating income/expense	-232	-20	-10	-261
<b>Gross operating income</b>	<b>2,074</b>	<b>646</b>	<b>89</b>	<b>2,809</b>
Operating expenses	-780	-387	-37	-1,204
Amortisation & depreciation	-185	-76	-12	-274
Total costs	-965	-464	-49	-1,478
<b>Pre-provisions income</b>	<b>1,109</b>	<b>183</b>	<b>40</b>	<b>1,331</b>
Total provisions & impairments	-430	-23	-15	-468
Gains on sale of assets and other results	-12	0	-1	-13
<b>Profit before tax</b>	<b>666</b>	<b>160</b>	<b>23</b>	<b>849</b>
Income tax	-228	-55	-2	-285
Minority interest	1	0	0	1
<b>Attributable net profit</b>	<b>437</b>	<b>106</b>	<b>21</b>	<b>564</b>
ROTE	9.7%	6.7%	7.4%	9.1%
Efficiency	37.1%	59.9%	41.2%	42.4%
Efficiency w ith amortisation & depreciation	45.8%	71.7%	55.1%	52.0%
Stage 3 ratio	4.3%	1.4%	3.1%	3.5%
Stage 3 coverage ratio w ith total provisions	57.2%	40.4%	65.8%	55.7%

## Balance sheet Jun 24

(€ millions)	Banking business Spain	Banking business United Kingdom	Banking Business Mexico	Total
<b>Total assets</b>	<b>182,140</b>	<b>55,423</b>	<b>6,765</b>	<b>244,328</b>
Performing gross loans	107,606	42,907	4,651	155,164
RE exposure	546	0	0	546
<b>Total liabilities and net equity</b>	<b>182,140</b>	<b>55,423</b>	<b>6,765</b>	<b>244,328</b>
On-balance sheet customer funds	118,786	41,182	3,201	163,169
Capital markets w holesale funding	19,751	5,168	0	24,919
Allocated equity	11,587	2,539	693	14,820
Off-balance sheet customer funds	43,574	0	0	43,574

## Balance sheet Jun 23

(€ millions)	Banking business Spain	Banking business United Kingdom	Banking Business Mexico	Total
<b>Total assets</b>	<b>180,613</b>	<b>56,086</b>	<b>6,753</b>	<b>243,453</b>
Performing gross loans	106,965	42,526	4,343	153,834
RE exposure	664	0	0	664
<b>Total liabilities and net equity</b>	<b>180,613</b>	<b>56,086</b>	<b>6,753</b>	<b>243,453</b>
On-balance sheet customer funds	117,905	41,203	3,681	162,790
Capital markets w holesale funding	21,119	3,787	0	24,905
Allocated equity	11,019	2,368	602	13,990
Off-balance sheet customer funds	39,720	0	0	39,720

## Banking Business Spain

Net profit as at the end of June 2024 amounted to 670 million euros, representing a year-on-year increase of 53.3%, mainly driven by the good evolution of net interest income and reduced provisions.

Net interest income amounted to 1,826 million euros as at the end of June 2024, growing by 16.1% year-on-year as a result of a higher credit yield and increased 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 average volumes.

Net fees and commissions stood at 610 million euros, -3.9% less than at the end of June 2023, mainly due to reduced service fees, notably fees on payment cards and sight account, as well as the drop in asset management fees, particularly fees on pension funds and insurance brokerage.

Net trading income and exchange differences amounted to 8 million euros, representing a year-on-year reduction, mainly due to reduced earnings on overall derivatives.

Equity-accounted results and dividends showed year-on-year growth of 20.6%, due mainly to the increased contribution of the insurance business.

The positive balance variation in Other operating income and expenses is mainly explained by the -76 million euros recognised in the previous year for the contribution to the Single Resolution Fund (SRF), which offset the negative balance variation caused by the recognition of a larger impact of the banking tax in 2024, which was -192 million euros compared to -156 million euros recognised in the previous year.

Total costs recorded a year-on-year increase of 3.6%, due to higher staff expenses and the increase in general expenses.

Provisions and impairments amounted to -348 million euros, down by -19.1% year-on-year, due to an improvement in credit provisions.

(€ millions)	1H23	1H24	YoY (%)	Simple evolution					
				1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
<b>Net interest income</b>	<b>1,573</b>	<b>1,826</b>	<b>16.1</b>	<b>752</b>	<b>821</b>	<b>895</b>	<b>885</b>	<b>906</b>	<b>921</b>
Net fees and commissions	635	610	-3.9	321	314	311	301	305	305
<b>Core revenues</b>	<b>2,208</b>	<b>2,436</b>	<b>10.3</b>	<b>1,073</b>	<b>1,135</b>	<b>1,206</b>	<b>1,186</b>	<b>1,210</b>	<b>1,226</b>
Net trading income and exchange differences	26	8	-69.8	-6	32	22	-3	19	-11
Income from equity method and dividends	72	87	20.6	31	40	23	36	48	39
Other operating income/expense	-232	-191	-17.3	-157	-74	3	-176	-194	3
<b>Gross operating income</b>	<b>2,074</b>	<b>2,339</b>	<b>12.8</b>	<b>941</b>	<b>1,133</b>	<b>1,255</b>	<b>1,043</b>	<b>1,082</b>	<b>1,257</b>
Operating expenses	-780	-817	4.8	-388	-393	-412	-412	-404	-413
Amortisation & depreciation	-185	-183	-1.4	-95	-90	-88	-89	-90	-92
Total costs	-965	-1,000	3.6	-483	-482	-499	-501	-495	-505
<b>Pre-provisions income</b>	<b>1,109</b>	<b>1,339</b>	<b>20.8</b>	<b>458</b>	<b>651</b>	<b>756</b>	<b>542</b>	<b>588</b>	<b>752</b>
Total provisions & impairments	-430	-348	-19.1	-214	-217	-192	-194	-181	-167
Gains on sale of assets and other results	-12	0	-99.8	-1	-11	-4	-10	0	0
<b>Profit before tax</b>	<b>666</b>	<b>991</b>	<b>48.8</b>	<b>243</b>	<b>423</b>	<b>560</b>	<b>338</b>	<b>406</b>	<b>585</b>
Income tax	-228	-320	40.4	-106	-122	-164	-76	-155	-166
Minority interest	1	1	6.8	0	1	0	1	0	1
<b>Attributable net profit</b>	<b>437</b>	<b>670</b>	<b>53.3</b>	<b>137</b>	<b>300</b>	<b>395</b>	<b>261</b>	<b>252</b>	<b>418</b>
<b>Accumulated ratios</b>									
ROTE	9.7%	14.1%		8.0%	9.7%	10.9%	12.0%	13.0%	14.1%
Efficiency	37.1%	33.8%		39.0%	37.1%	36.5%	37.2%	33.2%	33.8%
Efficiency w/ amortisation & depreciation	45.8%	41.4%		48.6%	45.8%	44.8%	45.6%	40.7%	41.4%
Stage 3 ratio	4.3%	3.9%		4.3%	4.3%	4.3%	4.3%	4.2%	3.9%
Stage 3 coverage ratio w/ total provisions	57.2%	62.7%		55.8%	57.2%	58.1%	59.9%	60.6%	62.7%

Performing gross loans grew by 0.6% year-on-year, due to positive data recorded by foreign branches (included in this perimeter), as excluding that effect they fell by -0.4%, affected by a smaller volume of mortgages.

On-balance sheet customer funds increased by 0.7% year-on-year, while off-balance sheet funds grew by 9.7%, mainly due to mutual funds, as a result of a positive level of net subscriptions and higher yields.

(€ millions)	Jun 23	Jun 24	YoY (%)	Simple evolution					
				Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24
<b>Total assets</b>	<b>180,613</b>	<b>182,140</b>	<b>0.8</b>	<b>186,941</b>	<b>180,613</b>	<b>180,767</b>	<b>173,648</b>	<b>174,505</b>	<b>182,140</b>
Performing gross loans	106,965	107,606	0.6	106,524	106,965	105,159	103,830	103,684	107,606
RE exposure	664	546	-17.7	688	664	635	586	569	546
<b>Total liabilities and net equity</b>	<b>180,613</b>	<b>182,140</b>	<b>0.8</b>	<b>186,941</b>	<b>180,613</b>	<b>180,767</b>	<b>173,648</b>	<b>174,505</b>	<b>182,140</b>
On-balance sheet customer funds	117,905	118,786	0.7	118,177	117,905	118,163	117,820	117,475	118,786
Capital markets w/ wholesale funding	21,119	19,751	-6.5	20,734	21,119	21,662	19,949	20,275	19,751
Allocated equity	11,019	11,587	5.2	10,697	11,019	11,291	11,345	11,414	11,587
Off-balance sheet customer funds	39,720	43,574	9.7	39,513	39,720	39,342	40,561	42,150	43,574
<b>Other data</b>									
Employees	13,369	13,545		13,077	13,369	13,397	13,455	13,441	13,545
Branches	1,221	1,159		1,222	1,221	1,188	1,194	1,188	1,159

## Banking Business United Kingdom

Net profit amounted to 95 million euros as at the end of June 2024, representing a year-on-year reduction of -10.2% due to the decline of net interest income.

Net interest income came to a total of 562 million euros, less than in the first half of 2023, due to the higher cost of deposits and wholesale funding, and also due to reduced volumes, which offset the growth stemming from the higher credit yield. However, in quarter-on-quarter terms, net interest income reversed this trend and increased by 1.7%.

Net fees and commissions amounted to 54 million euros as at the end of June 2024, representing a year-on-year reduction of -7.0%, mainly due to lower payment card fees, which include an increase in costs.

Total costs amounted to -449 million euros, falling by -3.2% year-on-year due to the reduction of amortisations/depreciations, which offset the increase in staff expenses.

Provisions and impairments amounted to -28 million euros, representing an increase of -5 million euros, due to the recognition of more provisions for litigation.

YoY (%) at constant FX	Simple evolution									
	1H23	1H24	YoY (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	
(€ millions)										
<b>Net interest income</b>	<b>603</b>	<b>562</b>	<b>-6.8</b>	<b>303</b>	<b>300</b>	<b>298</b>	<b>273</b>	<b>278</b>	<b>283</b>	
Net fees and commissions	58	54	-7.0	28	30	33	33	30	24	
<b>Core revenues</b>	<b>661</b>	<b>615</b>	<b>-6.8</b>	<b>331</b>	<b>330</b>	<b>331</b>	<b>307</b>	<b>308</b>	<b>307</b>	
Net trading income and exchange differences	5	24	--	7	-2	8	2	11	13	
Income from equity method and dividends	0	0	--	0	0	0	0	0	0	
Other operating income/expense	-20	-29	43.4	-11	-9	-9	6	-11	-18	
<b>Gross operating income</b>	<b>646</b>	<b>611</b>	<b>-5.4</b>	<b>328</b>	<b>318</b>	<b>330</b>	<b>315</b>	<b>309</b>	<b>303</b>	
Operating expenses	-387	-391	0.8	-188	-199	-199	-216	-194	-197	
Amortisation & depreciation	-76	-58	-23.6	-38	-38	-30	-33	-30	-29	
Total costs	-464	-449	-3.2	-226	-238	-229	-249	-224	-225	
<b>Pre-provisions income</b>	<b>183</b>	<b>162</b>	<b>-11.1</b>	<b>102</b>	<b>81</b>	<b>101</b>	<b>66</b>	<b>85</b>	<b>77</b>	
Total provisions & impairments	-23	-28	24.0	-19	-4	-22	-30	-20	-8	
Gains on sale of assets and other results	0	1	--	0	0	0	-1	0	1	
<b>Profit before tax</b>	<b>160</b>	<b>135</b>	<b>-15.9</b>	<b>83</b>	<b>77</b>	<b>78</b>	<b>36</b>	<b>65</b>	<b>70</b>	
Income tax	-55	-40	-27.1	-29	-25	-23	-2	-19	-21	
Minority interest	0	0	--	0	0	0	0	0	0	
<b>Attributable net profit</b>	<b>106</b>	<b>95</b>	<b>-10.2</b>	<b>53</b>	<b>52</b>	<b>55</b>	<b>34</b>	<b>46</b>	<b>49</b>	
<b>Accumulated ratios</b>										
ROTE	6.7%	9.4%		5.9%	6.7%	7.9%	10.0%	9.6%	9.4%	
Efficiency	59.9%	63.9%		57.4%	59.9%	60.1%	62.1%	62.9%	63.9%	
Efficiency w/ith amortisation & depreciation	71.7%	73.4%		68.9%	71.7%	71.0%	72.9%	72.5%	73.4%	
Stage 3 ratio	1.4%	1.5%		1.4%	1.4%	1.4%	1.5%	1.5%	1.5%	
Stage 3 coverage ratio w/ith total provisions	40.4%	37.1%		41.3%	40.4%	40.5%	41.8%	40.2%	37.1%	

Performing gross loans increased by 0.9% year-on-year, benefitting from the appreciation of the pound sterling, as considering a constant exchange rate they fell by -0.5% 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 -1.4%, due to the reduction of sight accounts, which was partially offset by the increase of term deposits.

YoY (%) at constant FX	Simple evolution								
	Jun 23	Jun 24	YoY (%)	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24
(€ millions)									
<b>Total assets</b>	<b>56,086</b>	<b>55,423</b>	<b>-1.2</b>	<b>55,127</b>	<b>56,086</b>	<b>55,497</b>	<b>54,855</b>	<b>54,624</b>	<b>55,423</b>
Performing gross loans	42,526	42,907	0.9	41,993	42,526	41,793	41,381	42,330	42,907
<b>Total liabilities and net equity</b>	<b>56,086</b>	<b>55,423</b>	<b>-1.2</b>	<b>55,127</b>	<b>56,086</b>	<b>55,497</b>	<b>54,855</b>	<b>54,624</b>	<b>55,423</b>
On-balance sheet customer funds	41,203	41,182	-0.1	40,617	41,203	40,209	39,864	40,558	41,182
Capital markets w/holesale funding	3,787	5,168	36.5	3,697	3,787	4,337	4,545	4,534	5,168
Allocated equity	2,368	2,539	7.2	2,387	2,368	2,348	2,368	2,516	2,539
<b>Other data</b>									
Employees	5,618	4,990		5,656	5,618	5,510	5,426	5,314	4,990
Branches	211	211		220	211	211	211	211	211

## Banking Business Mexico

Net profit as at the end of June 2024 amounted to 26 million euros, representing a year-on-year increase of 25.5%, mainly due to the increase in core revenues.

Net interest income came to 106 million euros, growing by 12.4% year-on-year, underpinned by the appreciation of the Mexican peso (in terms of average exchange rate), as at a constant exchange rate it increased by 6.3%, mainly due to larger volumes and a higher credit yield.

Net fees and commissions came to 10 million euros as at the end of June 2024, increasing by 6 million euros compared to the first half of the previous year due to higher levels of commercial activity.

Total costs amounted to -67 million euros, reflecting year-on-year growth, mainly due to higher general expenses, particularly marketing costs.

Provisions and impairments amounted to -13 million euros as at the end of June 2024, representing a year-on-year reduction of -14.6% due to fewer credit provisions.

YoY (%) at constant FX	Simple evolution								
	1H23	1H24	YoY (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
(€ millions)									
<b>Net interest income</b>	<b>94</b>	<b>106</b>	<b>12.4</b>	<b>45</b>	<b>49</b>	<b>49</b>	<b>53</b>	<b>47</b>	<b>58</b>
Net fees and commissions	4	10	142.0	2	3	6	5	5	5
<b>Core revenues</b>	<b>98</b>	<b>116</b>	<b>18.0</b>	<b>46</b>	<b>52</b>	<b>55</b>	<b>57</b>	<b>53</b>	<b>63</b>
Net trading income and exchange differences	0	5	--	-1	1	2	5	5	0
Income from equity method and dividends	0	0	--	0	0	0	0	0	0
Other operating income/expense	-10	-10	4.1	-4	-6	-3	-7	-4	-6
<b>Gross operating income</b>	<b>89</b>	<b>111</b>	<b>25.2</b>	<b>42</b>	<b>47</b>	<b>54</b>	<b>56</b>	<b>53</b>	<b>57</b>
Operating expenses	-37	-58	59.6	-17	-19	-24	-31	-29	-30
Amortisation & depreciation	-12	-8	-33.0	-4	-8	-1	-4	-4	-4
Total costs	-49	-67	36.2	-21	-27	-25	-35	-33	-34
<b>Pre-provisions income</b>	<b>40</b>	<b>44</b>	<b>11.7</b>	<b>21</b>	<b>19</b>	<b>29</b>	<b>21</b>	<b>20</b>	<b>24</b>
Total provisions & impairments	-15	-13	-14.6	-3	-12	0	-4	-7	-6
Gains on sale of assets and other results	-1	-3	107.6	-1	0	-13	-4	0	-3
<b>Profit before tax</b>	<b>23</b>	<b>28</b>	<b>22.8</b>	<b>16</b>	<b>7</b>	<b>16</b>	<b>13</b>	<b>13</b>	<b>15</b>
Income tax	-2	-2	-3.3	-2	-1	-2	-4	-3	0
Minority interest	0	0	--	0	0	0	0	0	0
<b>Attributable net profit</b>	<b>21</b>	<b>26</b>	<b>25.5</b>	<b>14</b>	<b>7</b>	<b>14</b>	<b>9</b>	<b>11</b>	<b>16</b>
<b>Accumulated ratios</b>									
ROTE	7.4%	8.9%		8.2%	7.4%	7.3%	8.9%	7.7%	8.9%
Efficiency	41.2%	52.5%		40.8%	41.2%	42.1%	45.7%	53.8%	52.5%
Efficiency w/ith amortisation & depreciation	55.1%	60.0%		50.9%	55.1%	51.8%	54.7%	61.7%	60.0%
Stage 3 ratio	3.1%	2.2%		2.5%	3.1%	2.9%	2.4%	2.8%	2.2%
Stage 3 coverage ratio w/ith total provisions	65.8%	71.7%		69.7%	65.8%	66.0%	74.3%	69.4%	71.7%

Performing loans grew by 7.1% year-on-year, impacted by the depreciation of the Mexican peso. At constant exchange rates, this increase was 9.1%, due to higher levels of commercial activity.

On-balance sheet customer funds fell by -13.1% year-on-year, with the reduction assuming a constant exchange rate standing at -9.4%, due to the reduction of sight accounts and term deposits.

YoY (%) at constant FX	Simple evolution								
	Jun 23	Jun 24	YoY (%)	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24
(€ millions)									
<b>Total assets</b>	<b>6,753</b>	<b>6,765</b>	<b>0.2</b>	<b>6,411</b>	<b>6,753</b>	<b>6,997</b>	<b>6,670</b>	<b>7,007</b>	<b>6,765</b>
Performing gross loans	4,343	4,651	7.1	4,119	4,343	4,676	4,587	4,781	4,651
<b>Total liabilities and net equity</b>	<b>6,753</b>	<b>6,765</b>	<b>0.2</b>	<b>6,411</b>	<b>6,753</b>	<b>6,997</b>	<b>6,670</b>	<b>7,007</b>	<b>6,765</b>
On-balance sheet customer funds	3,681	3,201	-13.1	3,513	3,681	3,601	3,205	3,387	3,201
Allocated equity	602	693	15.1	573	602	624	631	702	693
<b>Other data</b>									
Employees	418	480		418	418	424	435	458	480
Branches	15	12		15	15	15	15	15	12

## 4. Share price performance

30.06.23                      31.03.24                      30.06.24

### Shareholders and trading

Number of shareholders		220,614	205,510	196,497
Number of outstanding shares (millions)	(1)	5,584	5,414	5,361
Average daily trading volume (millions shares)		36	25	33

### Share price (€) (2)

Opening session (of the year)		0.881	1.113	1.113
High (of the year)		1.334	1.469	1.972
Low (of the year)		0.873	1.105	1.105
Closing session		1.054	1.455	1.801
Market capitalisation (€ millions)		5,886	7,877	9,653

### Stock market multiples

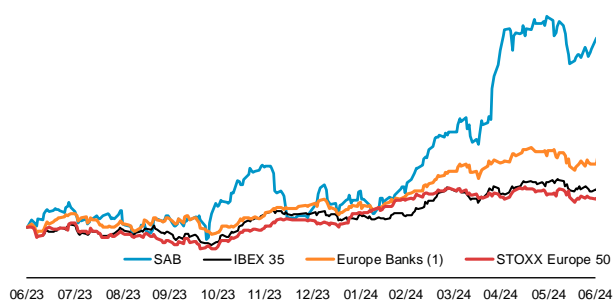
Earnings per share (EPS) (€)		0.17	0.24	0.27
Book value (€ million)		14,035	14,770	14,903
Book value per share (€)		2.51	2.73	2.78
Tangible book value (€ million)		11,591	12,281	12,409
TBV per share (€)		2.08	2.27	2.31
Price / Tangible book value (times)		0.51	0.64	0.78
Price / Earnings ratio (P/E) (times)		6.37	6.02	6.75

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

(2) Historical values not adjusted.

### Comparative evolution of SAB share price

Period from 30.06.2023 to 30.06.2024



(1) STOXX Europe 600 Banks



## 5. Key developments in the quarter

### **Banco Sabadell announces its share buyback programme in the amount of 340 million euros**

On 25 April 2024, Banco Sabadell sent the CNMV an inside information disclosure giving notice of the treasury share buyback programme (the "Buyback Programme") approved by the Board of Directors of Banco Sabadell for an amount of 340 million euros.

### **S&P Global Ratings upgrades Banco Sabadell's long-term rating outlook**

S&P Global Ratings upgraded Banco Sabadell's long-term rating outlook to positive from stable, ratifying its long-term and short-term ratings at 'BBB+ / A-2', respectively, on 29 April 2024.

The positive outlook reflects the possibility that Banco Sabadell's long-term rating might be raised over the next 18-24 months if industry risks for banks operating in Spain were to ease and, at the same time, Banco Sabadell strengthens its financial ratios further.

### **Banco Sabadell receives proposal for merger from Banco Bilbao Vizcaya Argentaria**

Banco Sabadell confirmed that it had received, at 1:43 p.m. on 30 April 2024, an indicative written proposal from Banco Bilbao Vizcaya Argentaria, S.A. (BBVA) for a merger (the "Proposal").

### **Banco Sabadell rejects unsolicited, indicative and conditional proposal from BBVA**

On 6 May 2024, further to the Inside Information disclosure of 30 April 2024 which gave notice that the Proposal had been received, a press release was submitted on the decisions taken by the Board of Directors on that date. In fulfilment of its duties and with the assistance of Goldman Sachs Bank Europe SE and Morgan Stanley & Co. International Plc. as financial advisors, and of Uría Menéndez Abogados, S.L.P. as legal advisor, the Board of Directors of Banco Sabadell had carefully considered the Proposal. The Board believed that the Proposal significantly undervalued the potential of Banco Sabadell and its standalone growth prospects. The Board is highly confident in Banco Sabadell's growth strategy and its financial targets and is of the view that Banco Sabadell's standalone strategy will create superior value for its shareholders. The significant drop and volatility of the BBVA share price in recent days also generates additional uncertainty regarding the value of the Proposal.

Based on the detailed assessment of the Proposal, the Board has concluded that it is not in the best interest of Banco Sabadell and its shareholders and therefore rejects BBVA's Proposal.

Moreover, the Board believes that this decision is aligned with the interest of Banco Sabadell's customers and employees.

As part of its strong commitment to shareholder value creation and supported by the company's business plan and solid capital generation, the Board reiterates its commitment to distribute, on an ongoing basis, any excess capital above 13% CET1 ratio pro forma Basel 4 to its shareholders. The excess capital to be generated over 2024 and 2025, together with recurrent dividends during this period according to a successful completion of the current business plan, is projected to be 2.4 billion euros (part of that potentially subject to supervisory approval).

### **BBVA discloses prior announcement of the voluntary tender offer for the acquisition of Banco de Sabadell shares**

On 9 May 2024, BBVA disclosed a prior announcement of the voluntary tender offer for the acquisition of Banco de Sabadell shares.

### **Banco Sabadell announces interim suspension of share buyback programme**

Pursuant to the request received from the CNMV on 13 May 2024, Banco Sabadell announced the interim suspension of the Buyback Programme approved by the Board of Directors of Banco Sabadell and referred to in the Inside Information disclosure dated 25 April 2024 in light of the publication of the preliminary announcement of the voluntary tender offer put forward by BBVA for the acquisition of Banco Sabadell shares representing its total share capital.

It is noted that the operation of the Buyback Programme was discontinued before the opening of the session of 9 May 2024 and that the amount paid for the shares purchased under the Buyback Programme up to (and including) 8 May 2024 amounts to 92,864,152.55 euros, representing approximately 27.31% of the maximum pecuniary amount of the Buyback Programme, and therefore approximately 72.69% of the said maximum amount remains to be executed.

### **Fitch Ratings upgrades Banco Sabadell rating**

On 29 May 2024, Fitch Ratings upgraded Banco Sabadell's long-term issuer credit rating to BBB from BBB-, changing the outlook to stable from positive. It also upgraded the short-term rating to F2 from F3.

The upgrade reflects the structurally improved profitability and solvency of Banco Sabadell, supported by business restructurings, higher interest rates, improved performance of the UK subsidiary and the expectation that credit provisions will remain contained.



**BBVA sends the CNMV an application for authorisation of its voluntary tender offer for the acquisition of Banco Sabadell shares**

On 24 May 2024, BBVA sent the CNMV an application for authorisation of its voluntary tender offer for the acquisition of Banco de Sabadell shares. The CNMV admitted the aforesaid application for processing on 11 June 2024.

**Banco Sabadell's Board of Directors has resolved the distribution of an interim cash dividend and has also agreed to set the Group Pay-Out at 60%**

In the meeting held on 22 July 2024 and complying with the shareholder remuneration policy of the Group, Banco Sabadell's Board of Directors has resolved the distribution of an interim cash dividend out of the earnings of 2024 amounting to €0.08 (gross) per share to be paid on 1 October 2024.

In addition to this cash interim dividend, Banco Sabadell's Board of Directors has also agreed to set the percentage of profits to distribute to shareholders, the Group's Pay-Out, at 60% of the Net Attributable Profit of the Group for year 2024. This Pay-Out level represents the upper range established in the shareholder's remuneration policy of the Group.

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

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

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

Alternative Performance measures	Conciliation (€millions)	1H23	FY23	1H24
ROA	Average total assets (last 12 months)	255,110	245,173	240,760
	Consolidated net profit (last 12 months)	1,027	1,334	1,561
	<b>ROA (%)</b>	<b>0.4</b>	<b>0.5</b>	<b>0.6</b>
ROE	Average equity (last 12 months)	13,799	14,042	14,410
	Attributable net profit (last 12 months)	1,030	1,332	1,560
	<b>ROE (%)</b>	<b>7.5</b>	<b>9.5</b>	<b>10.8</b>
RORWA	Average risk weighted assets (RWA) (last 12 months)	79,591	78,512	79,050
	Attributable net profit (last 12 months)	1,030	1,332	1,560
	<b>RORWA (%)</b>	<b>1.3</b>	<b>1.7</b>	<b>2.0</b>
ROTE	Average equity, excluding intangible assets (last 12 months)	11,310	11,583	11,943
	Attributable net profit (last 12 months)	1,030	1,332	1,560
	<b>ROTE (%)</b>	<b>9.1</b>	<b>11.5</b>	<b>13.1</b>
Efficiency ratio	Gross operating income	2,809	5,862	3,061
	DGF - SRF - IDEC - BT adjustment	31	0	78
	<b>Adjusted gross operating income</b>	<b>2,841</b>	<b>5,862</b>	<b>3,139</b>
	Operating expenses	-1,204	-2,496	-1,266
	<b>Efficiency ratio (%)</b>	<b>42.4</b>	<b>42.6</b>	<b>40.3</b>
	Amortisation & depreciation	-274	-519	-249
	<b>Efficiency ratio with amortisation &amp; depreciation (%)</b>	<b>52.0</b>	<b>51.4</b>	<b>48.3</b>
Other operating income/expense	Other operating income	39	91	43
	Other operating expenses	-300	-538	-273
	<b>Other operating income/expense</b>	<b>-261</b>	<b>-447</b>	<b>-230</b>
Total provisions & impairments	Provisions or reversal of provisions	-3	-6	0
	Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and net modification losses or gains	-437	-824	-361
	<b>Provisions for NPLs and other financial assets</b>	<b>-440</b>	<b>-831</b>	<b>-360</b>
	Impairment or reversal of impairment of investments in joint ventures and associates	0	0	0
	Impairment or reversal of impairment on non-financial assets	-8	-26	-6
	Profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	-24	-60	-25
	Gains or losses on sales of equity holdings and other items	0	2	1
	Gains from sales of investment properties and associates	2	4	1
	<b>Other impairments</b>	<b>-29</b>	<b>-80</b>	<b>-29</b>
	<b>Total provisions &amp; impairments</b>	<b>-468</b>	<b>-910</b>	<b>-389</b>
Gains on sale of assets and other results	Gains or losses on derecognition of non-financial assets, net	-11	-39	-1
	Gains or losses on sales of equity holdings and other items	0	-2	-1
	Gains from sales of investment properties and associates	-2	-4	-1
	<b>Gains on sale of assets and other results</b>	<b>-13</b>	<b>-46</b>	<b>-2</b>
Pre-provisions income	Gross operating income	2,809	5,862	3,061
	Operating expenses	-1,204	-2,496	-1,266
	Personnel expenses	-717	-1,495	-744
	Other general expenses	-487	-1,002	-522
	Amortisation & depreciation	-274	-519	-249
	<b>Pre-provisions income</b>	<b>1,331</b>	<b>2,847</b>	<b>1,546</b>
Customer spread (*)	Loans to customers (net)			
	Avge.balance	154,788	153,978	152,210
	Results	2,671	5,840	3,308
	Annualised average rate %	3.48	3.79	4.37
	Customer deposits			
	Avge.balance	159,857	160,564	160,095
Results	-531	-1,432	-986	
Annualised average rate %	-0.67	-0.89	-1.24	
	<b>Customer spread</b>	<b>2.81</b>	<b>2.90</b>	<b>3.13</b>
Other assets	Derivatives - Hedge accounting	3,363	2,425	2,601
	Fair value changes of the hedged items in portfolio hedge of interest rate risk	-1,672	-568	-885
	Tax assets	6,819	6,838	6,492
	Other assets	490	436	462
	Non-current assets and disposal groups classified as held for sale	807	771	858
	<b>Other assets</b>	<b>9,807</b>	<b>9,902</b>	<b>9,528</b>
Other liabilities	Derivatives - Hedge accounting	1,623	1,172	981
	Fair value changes of the hedged items in portfolio hedge of interest rate risk	-1,155	-422	-545
	Tax liabilities	399	333	389
	Other liabilities	729	723	678
	Liabilities included in disposal groups classified as held for sale	28	13	59
	<b>Other liabilities</b>	<b>1,624</b>	<b>1,818</b>	<b>1,562</b>

(\*) Customer margin calculated using cumulative data.

Alternative Performance measures	Conciliation (€millions)	1H23	FY23	1H24
Performing gross loans	Mortgage loans & credits	88,356	86,162	87,799
	Other secured loans & credits	3,589	5,064	5,492
	Working capital	7,002	7,465	8,031
	Leasing	2,311	2,236	2,386
	Unsecured lending and others	52,576	48,870	51,457
	<b>Performing gross loans</b>	<b>153,834</b>	<b>149,798</b>	<b>155,164</b>
	Stage 3 assets (customer)	5,534	5,472	5,188
Accruals	155	172	180	
	<b>Gross loans to customers excluding repos</b>	<b>159,523</b>	<b>155,442</b>	<b>160,532</b>
Gross loans to customers	Reverse repos	130	17	0
	<b>Gross loans to customers</b>	<b>159,653</b>	<b>155,459</b>	<b>160,532</b>
	NPLs and country-risk provisions	-3,105	-3,199	-3,107
	<b>Loans and advances to customers</b>	<b>156,549</b>	<b>152,260</b>	<b>157,426</b>
On-balance sheet customer funds	Financial liabilities at amortised cost	223,887	216,072	225,027
	Non-retail financial liabilities	61,097	55,184	61,859
	Central banks	9,721	9,776	3,283
	Credit institutions	17,813	13,840	13,807
	Institutional issues	25,135	25,234	37,775
	Other financial liabilities	8,428	6,333	6,993
	<b>On-balance sheet customer funds</b>	<b>162,790</b>	<b>160,888</b>	<b>163,169</b>
	Customer deposits	161,626	160,331	175,548
	Sight accounts	140,056	134,243	135,070
	Fixed-term deposits including available and hybrid financial liabilities	21,484	25,588	27,795
Repos	0	200	12,309	
Accruals and derivative hedging adjustments	87	299	374	
Debt and other marketable securities	22,220	22,198	21,313	
Subordinated liabilities (*)	4,079	3,593	4,083	
<b>On-balance sheet funds</b>	<b>187,925</b>	<b>186,122</b>	<b>200,944</b>	
On-balance sheet funds	Mutual funds	23,216	24,093	26,419
	Managed accounts	3,730	3,598	4,124
	Pension funds	3,213	3,249	3,295
	Third-party insurance products	9,560	9,621	9,736
<b>Off-balance sheet customer funds</b>	<b>39,720</b>	<b>40,561</b>	<b>43,574</b>	
<b>Funds under management and third-party funds</b>	<b>227,645</b>	<b>226,682</b>	<b>244,518</b>	
Stage 3 exposures	Stage 3 assets (includes valuation adjustments)	5,571	5,510	5,228
	Financial guarantees and other guarantees classified in stage 3 granted (off-balance)	317	268	211
	<b>Stage 3 exposures (€ millions)</b>	<b>5,888</b>	<b>5,777</b>	<b>5,439</b>
Stage 3 coverage ratio with total provisions (%)	Stage 3 exposures	5,888	5,777	5,439
	Total provisions	3,280	3,368	3,247
	<b>Stage 3 coverage ratio with total provisions (%)</b>	<b>55.7%</b>	<b>58.3%</b>	<b>59.7%</b>
Stage 3 coverage ratio (%)	Stage 3 exposures	5,888	5,777	5,439
	Stage 3 provisions	2,361	2,445	2,399
	<b>Stage 3 coverage ratio (%)</b>	<b>40.1%</b>	<b>42.3%</b>	<b>44.1%</b>
Problematic Real Estate coverage ratio (%)	Problematic RE Assets	1,083	971	902
	Provisions	419	385	356
	<b>Problematic Real Estate coverage ratio (%)</b>	<b>38.7%</b>	<b>39.6%</b>	<b>39.5%</b>
Problematic assets	Stage 3 exposures	5,888	5,777	5,439
	Problematic RE Assets	1,083	971	902
	<b>Problematic assets</b>	<b>6,971</b>	<b>6,748</b>	<b>6,341</b>
Problematic assets coverage (%)	Provisions of problematic assets	3,699	3,752	3,604
	<b>Problematic assets coverage (%)</b>	<b>53.1%</b>	<b>55.6%</b>	<b>56.8%</b>
	Stage 3 exposures	5,888	5,777	5,439
Stage 3 ratio (%)	Gross loans to customers excluding repos	159,523	155,442	160,532
	Financial guarantees and other guarantees granted (off-balance)	8,891	8,896	8,763
	<b>Stage 3 ratio (%)</b>	<b>3.50%</b>	<b>3.52%</b>	<b>3.21%</b>
Credit cost of risk (bps)	Gross loans to customers excluding repos and financial guarantees and other guarantees granted (off-balance)	168,414	164,338	169,295
	Provisions for NPLs	-433	-813	-333
	NPLs costs	-59	-106	-57
	<b>Credit cost of risk (bps)</b>	<b>45</b>	<b>43</b>	<b>33</b>
Total cost of risk (bps)	Gross loans to customers excluding repos and financial guarantees and other guarantees granted (off-balance)	168,414	164,338	169,295
	Problematic RE Assets	1,083	971	902
	Total provisions & impairments	-468	-910	-389
	<b>Total cost of risk (bps)</b>	<b>56</b>	<b>55</b>	<b>46</b>
Loan-to-deposit ratio (%)	Adjusted net loans and advances w/o repos by brokered loans	155,282	151,290	156,449
	On-balance sheet customer funds	162,790	160,888	163,169
	<b>Loan-to-deposit ratio (%)</b>	<b>95.4%</b>	<b>94.0%</b>	<b>95.9%</b>
Market capitalisation (€millions)	Number of outstanding shares (millions)	5,584	5,403	5,361
	Share price (€)	1,054	1,113	1,801
	<b>Market capitalisation (€ millions)</b>	<b>5,886</b>	<b>6,014</b>	<b>9,653</b>
Earnings per share (EPS) (€)	Net profit attributed to the Group adjusted	925	1,217	1,447
	Attributable net profit (last 12 months)	1,030	1,332	1,560
	Accrued AT1 (last 12 months)	-105	-115	-113
	Average number of outstanding shares (€millions)	5,591	5,522	5,424
	<b>Earnings per share (EPS) (€)</b>	<b>0.17</b>	<b>0.22</b>	<b>0.27</b>
Book value per share (€)	Adjusted equity	14,035	14,344	14,903
	Shareholders' equity	13,990	14,344	14,820
	DGF - SRF - IDEC - BT adjustment net of tax	45	0	83
	Number of outstanding shares (millions)	5,584	5,403	5,361
	<b>Book value per share (€)</b>	<b>2.51</b>	<b>2.65</b>	<b>2.78</b>
TBV per share (€)	Intangible assets	2,444	2,483	2,494
	Tangible book value (€million)	11,591	11,861	12,409
	<b>TBV per share (€)</b>	<b>2.08</b>	<b>2.20</b>	<b>2.31</b>
Price / Tangible book value (times)	Share price (€)	1,054	1,113	1,801
Price / Earnings ratio (P/E) (times)	<b>Price / Tangible book value (times)</b>	<b>0.51</b>	<b>0.51</b>	<b>0.78</b>
	<b>Price / Earnings ratio (P/E) (times)</b>	<b>6.37</b>	<b>5.05</b>	<b>6.75</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\\_INVERSORES/INFORMACION\\_ECONOMICO\\_FINANCIERA/MEDIDAS\\_ALTERNATIVAS\\_DEL\\_RENDIMIENTO](http://www.grupbancsabadell.com/ACCIONISTAS_E_INVERSORES/INFORMACION_ECONOMICO_FINANCIERA/MEDIDAS_ALTERNATIVAS_DEL_RENDIMIENTO)

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