

20 JULY 2023

Results Presentation 1H2023



FTSE4Good

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA



Regulatory framework

Bankinter presents its financial statements in accordance with the regulations that apply to the Group, set out in the Code of Commerce and other company regulations and in the International Financial Reporting Standards adopted by the European Union as well as prudential regulation with our best estimation of regulatory ratios.

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

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

	1H23	vs 1H22
Loan book	€75bn	+3%
Customer deposits	€78bn	+1%
Off-balance sheet managed funds	€41bn	+12%
Gross Operating Income	€1.278M	+33%
Pre-provision profit	€826M	+54%
Profit before taxes	€625M	+67%
Net income	€418M	+54%
NPL ratio	2,22%	+11bps
Coverage ratio	66%	+1,6p.p.
CET1 FL	12,3%	+40bps
LCR (12m average)	201%	-30p.p.
ROE	16%	+5,4p.p.



Results
Content

01

Results

03

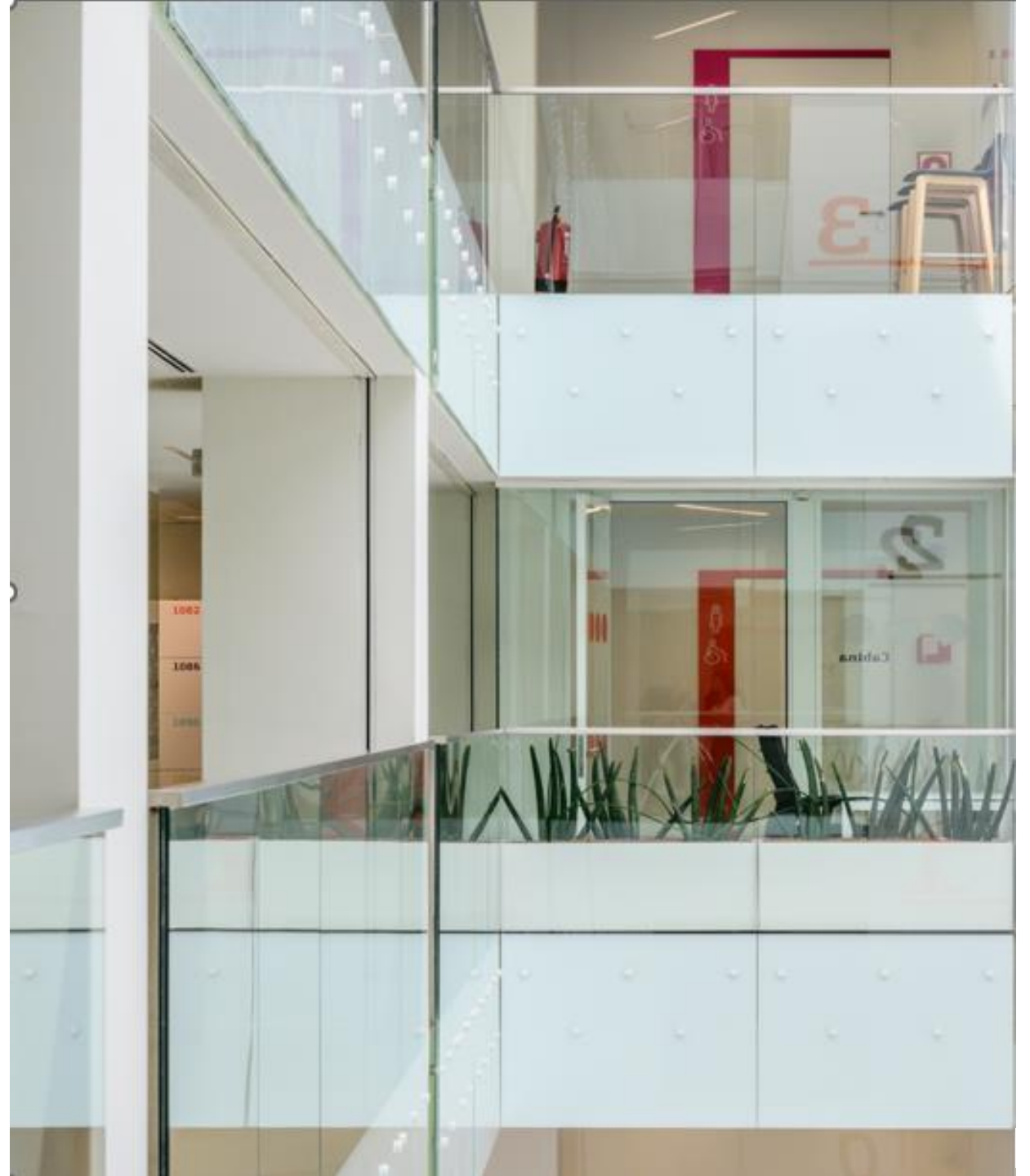
Businesses

02

**Risk
Management**

04

Summary





01

Results

1H23 Profit & Loss statement

In million of euros	Bankinter Group			
	1H23	1H22	Dif. € 23/22	Dif. % 23/22
Net Interest Income	1.068	666	403	60%
Net fees and commissions	303	303	0	0%
Other Income/Expenses	-94	-6	-88	n.a.
Gross Operating Income	1.278	963	315	33%
Operating expenses	-452	-428	-25	6%
Pre-provision profit	826	535	291	54%
Cost of risk and other provisions	-200	-161	-39	24%
Profit before taxes	625	374	251	67%
Total Group Net Income	418	271	147	54%

2Q23 Profit & Loss statement

- in million of euros -	Bankinter Group						
	2Q23	1Q23	Dif. €	Dif. %	2Q22	Dif. €	Dif. %
			2Q23/1Q23	2Q23/ 1Q23		2Q23/2Q22	2Q23/2Q22
Net Interest Income	546	522	24	5%	346	200	58%
Net fees and commissions	151	153	-2	-1%	157	-6	-4%
Other Income/Expenses	-35	-59	24	-41%	-39	4	-10%
Gross Operating Income	662	616	46	7%	463	199	43%
Operating expenses	-233	-220	-13	6%	-220	-13	6%
Pre-provision profit	429	396	33	8%	243	186	76%
Cost of risk and other provisions	-99	-102	3	-3%	-84	-15	18%
Profit before taxes	331	294	37	12%	160	171	107%
Total Group Net Income	233	185	48	26%	117	116	100%

Results Balance sheet

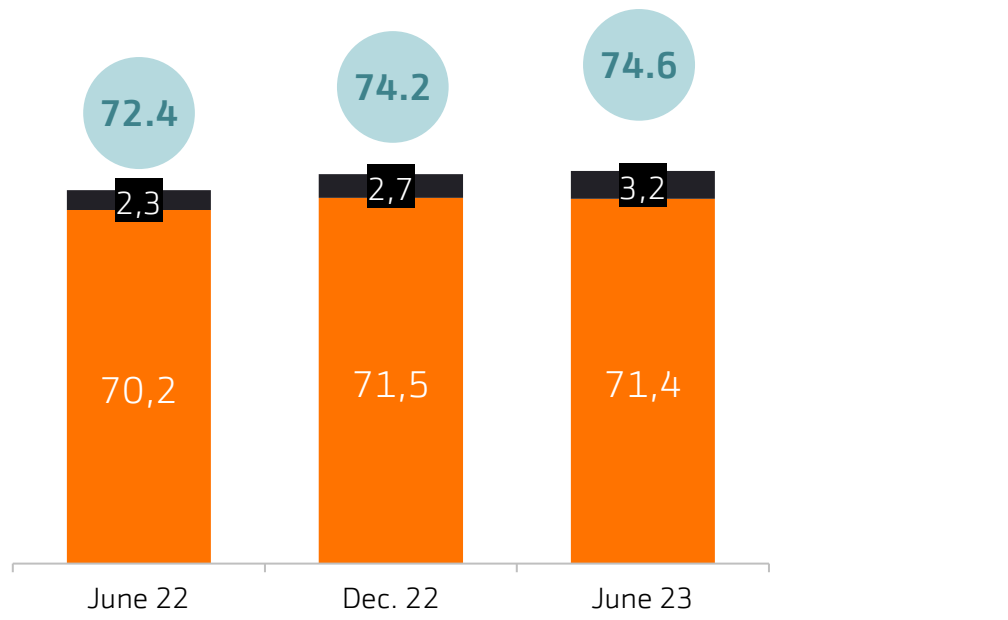
Loan book

In billion of euros



+2.2bn
YoY

+3.0%
YoY



*Data BdE May-23

Bankinter (SPA+PT+IRE)

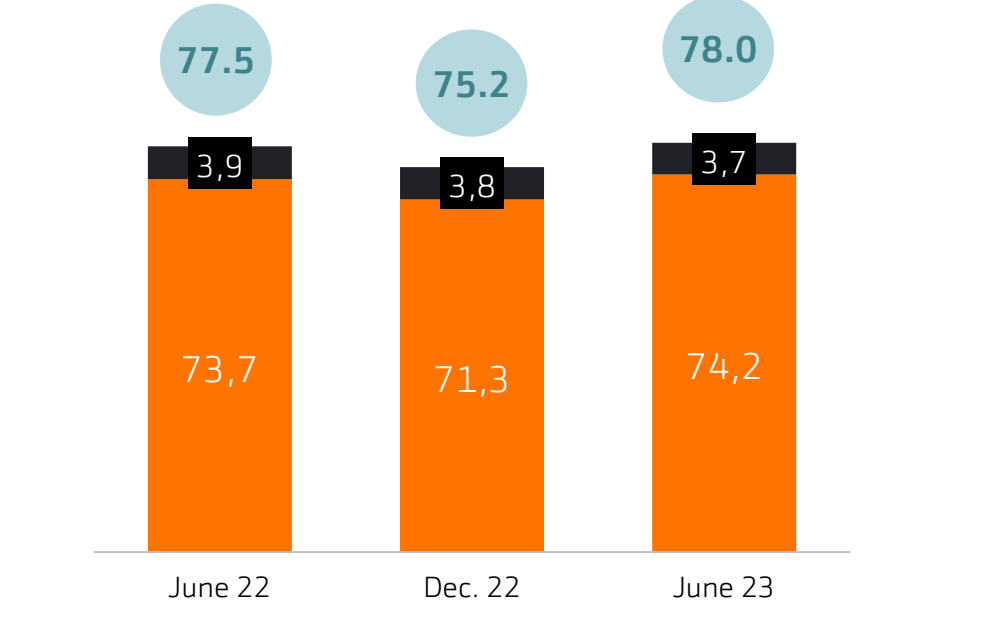
Retail Deposits

In billion of euros



+0.4bn
YoY

+0.5%
YoY

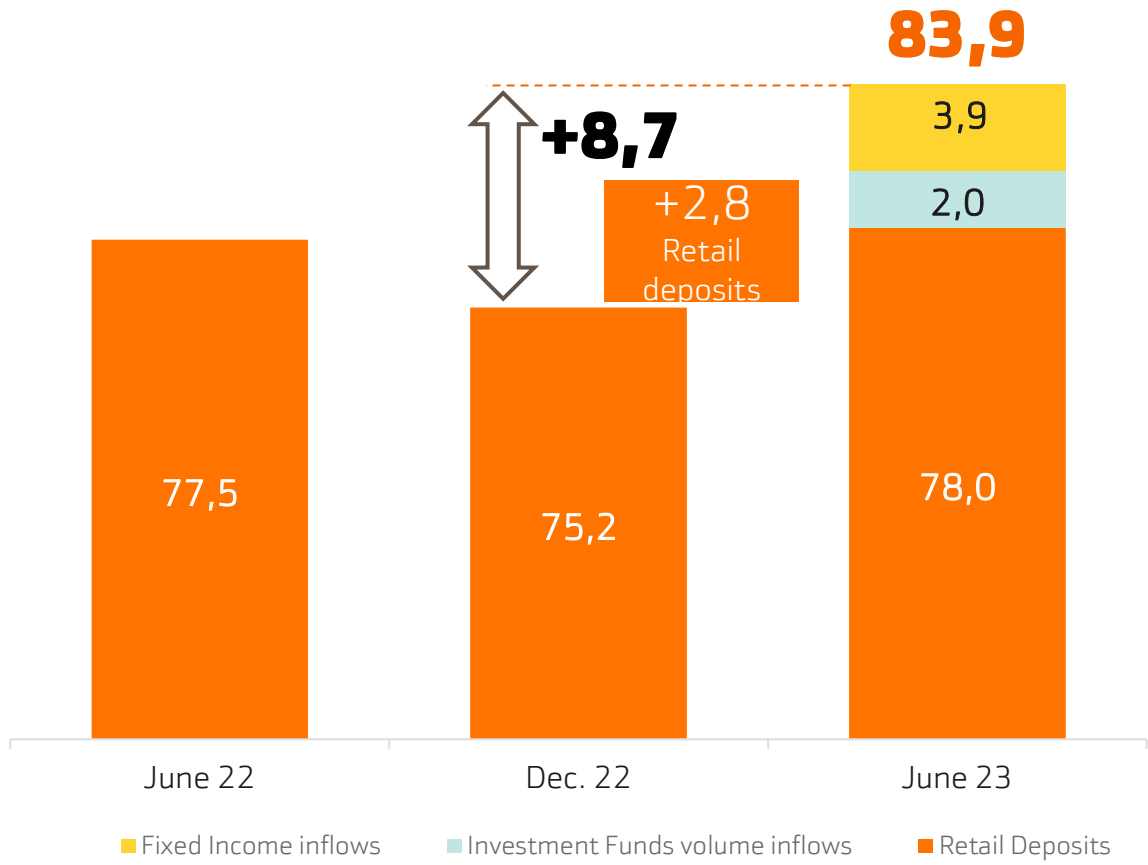


**Data BdE May-23

EVO Banco

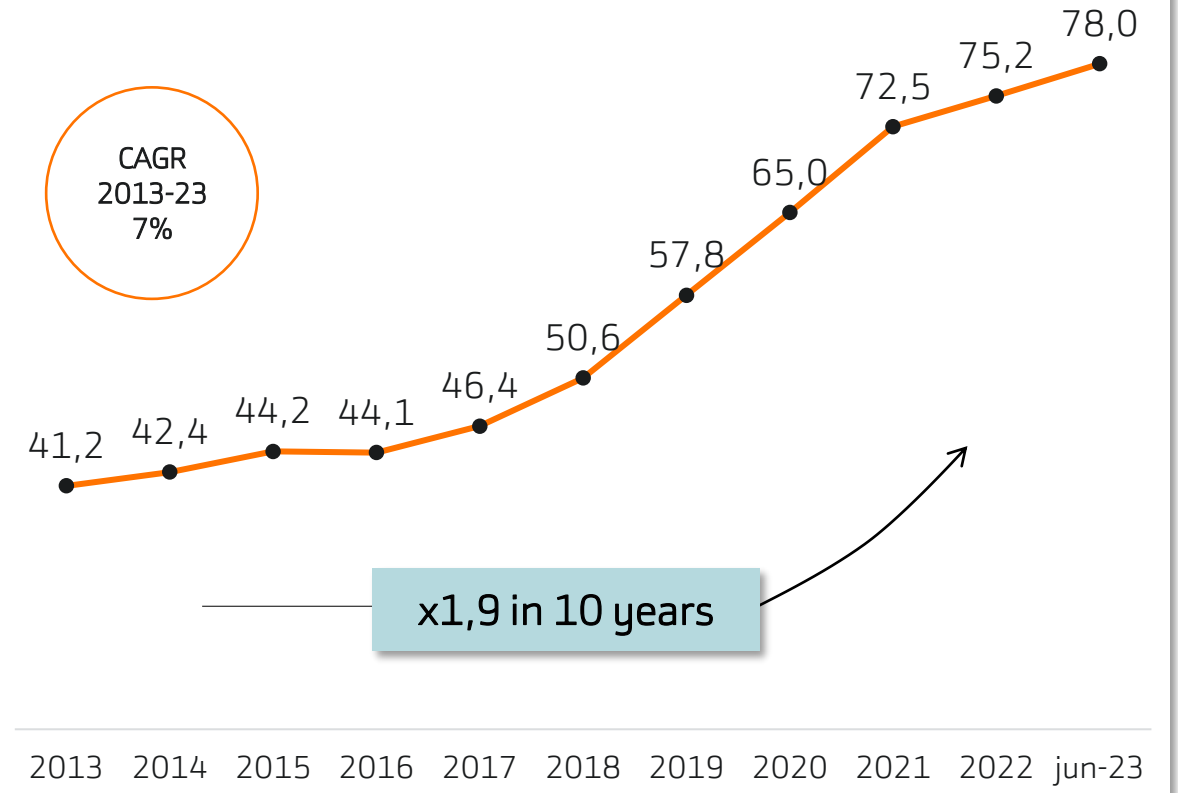
Retail Deposits

In billion of euros



Retail Deposits evolution

In billion of euros



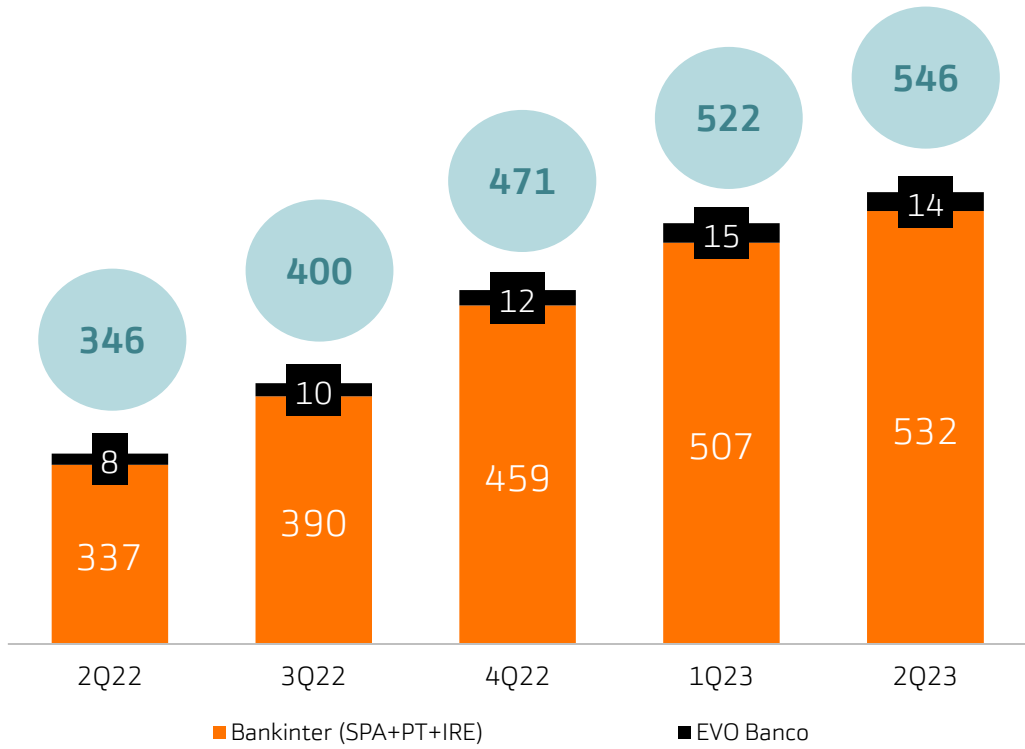
9
Results 1H23

Net Interest Income

Quarterly evolution

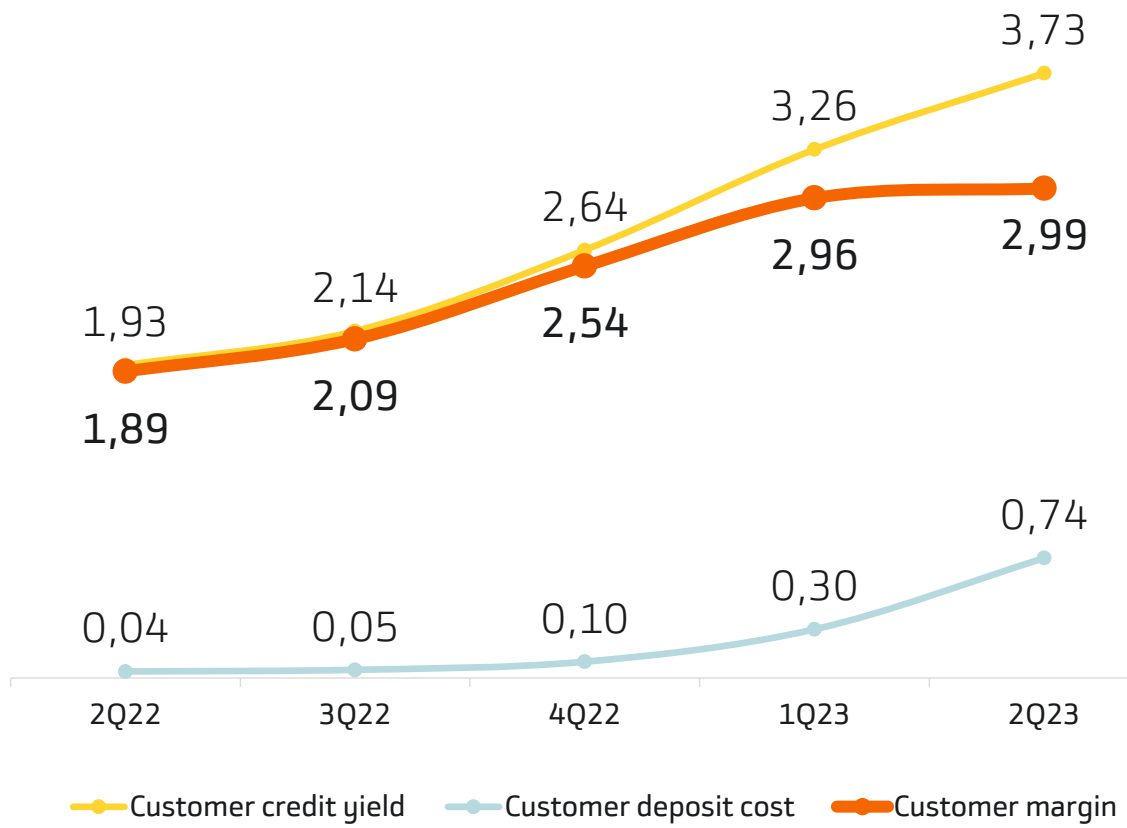
In million of euros

+58%
vs 2Q22



Customer Margin

in %



Results 1H23

ALCO Portfolio

	HTC	FV	Total	Var. vs.Dec.22
Amount (€bn)	9.2	1.9	11.1	-0.8
Duration (years)	4.7	1.5	4.2	-0.8
Avg. maturity (years)	9.2	2,2	8.0	+0.1
Yield (%)	2.0	1.8	2.0	+0.1
Unrealised Capital gains (€mn)	-708	-101	-809	-135

ALCO Portfolio / Total Assets

10.1%

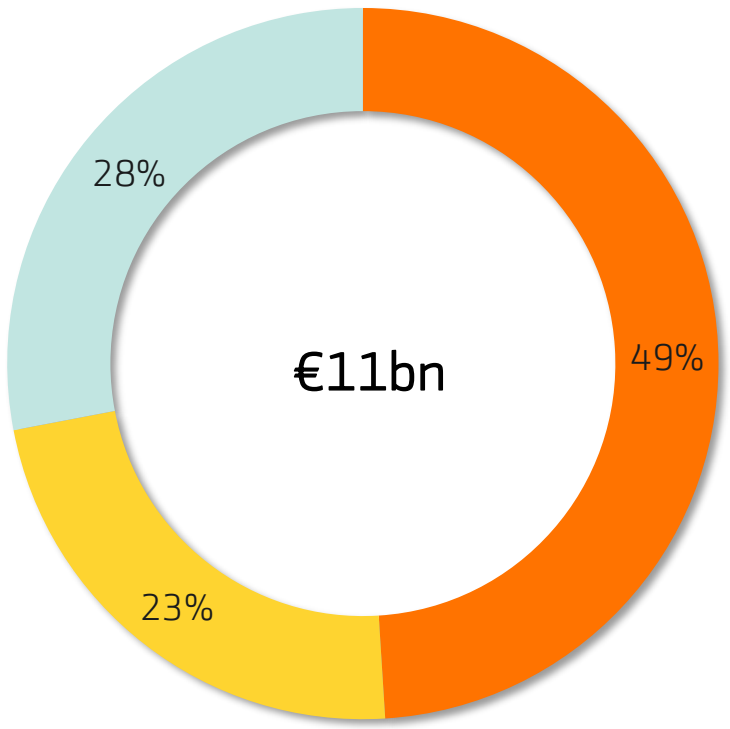
ALCO Portfolio / Total Equity

x2.2

ALCO Portfolio

ALCO Distribution

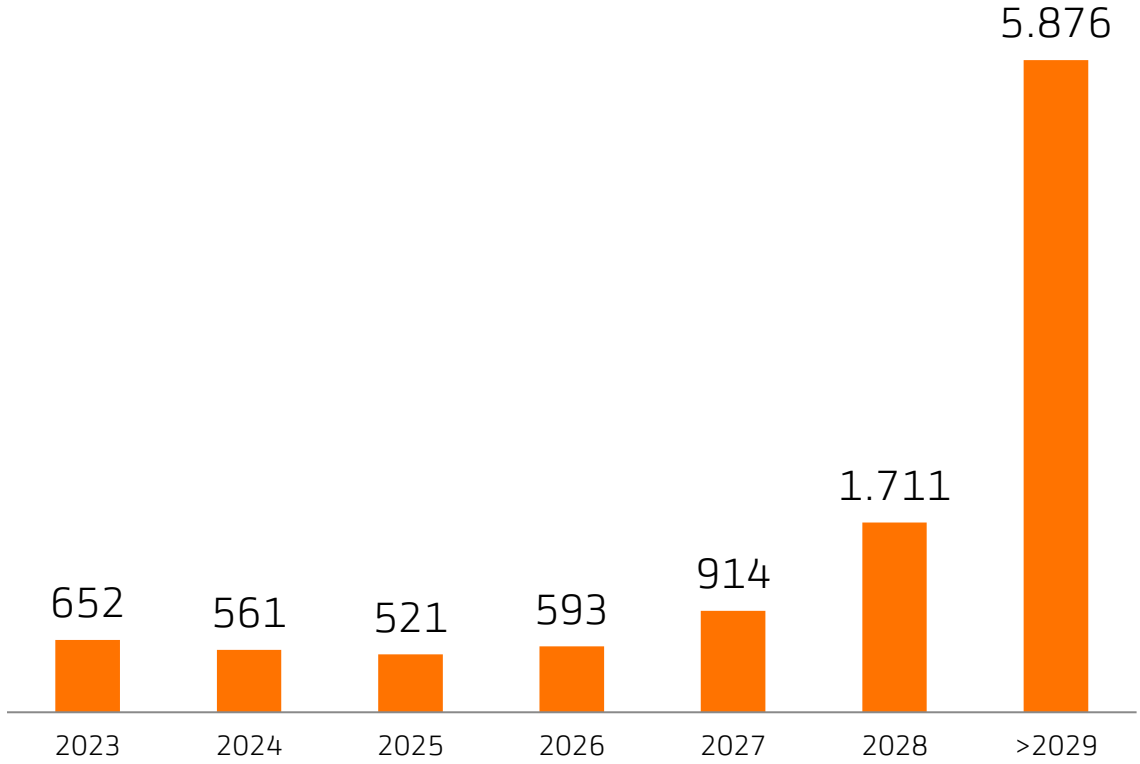
In %



Spanish Sovereign Other Sovereign Other

Maturities

In million of euros

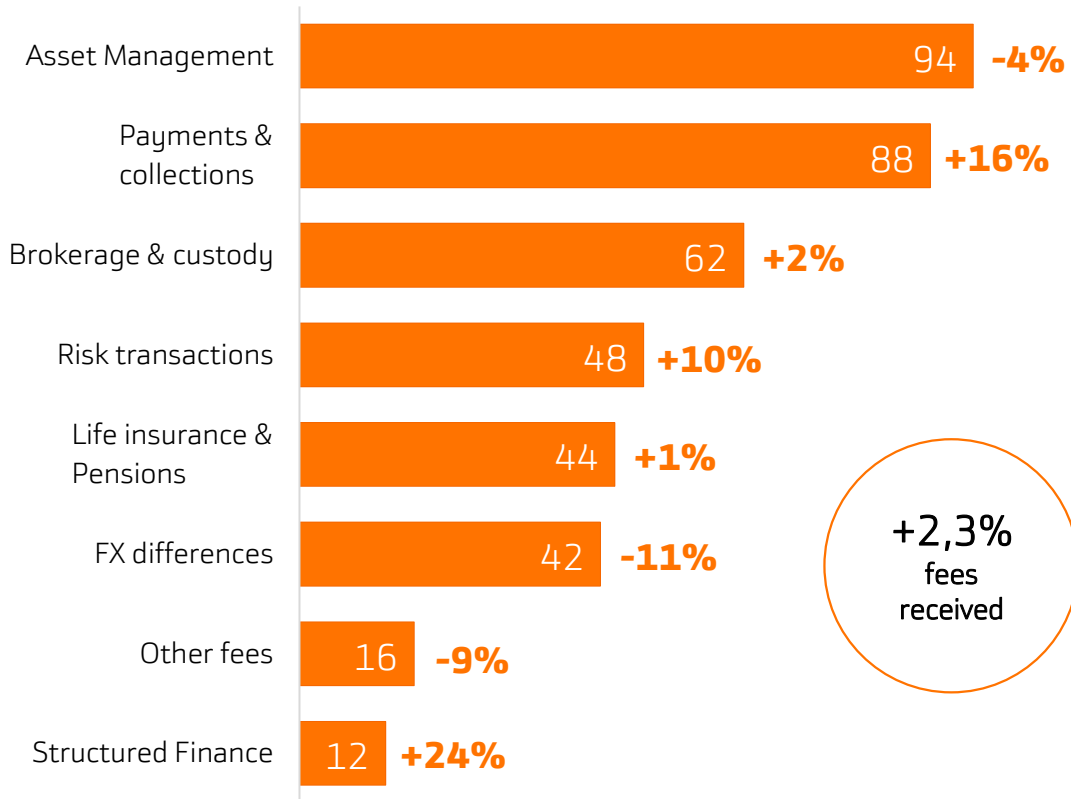


12
Results 1H23

Fee Income

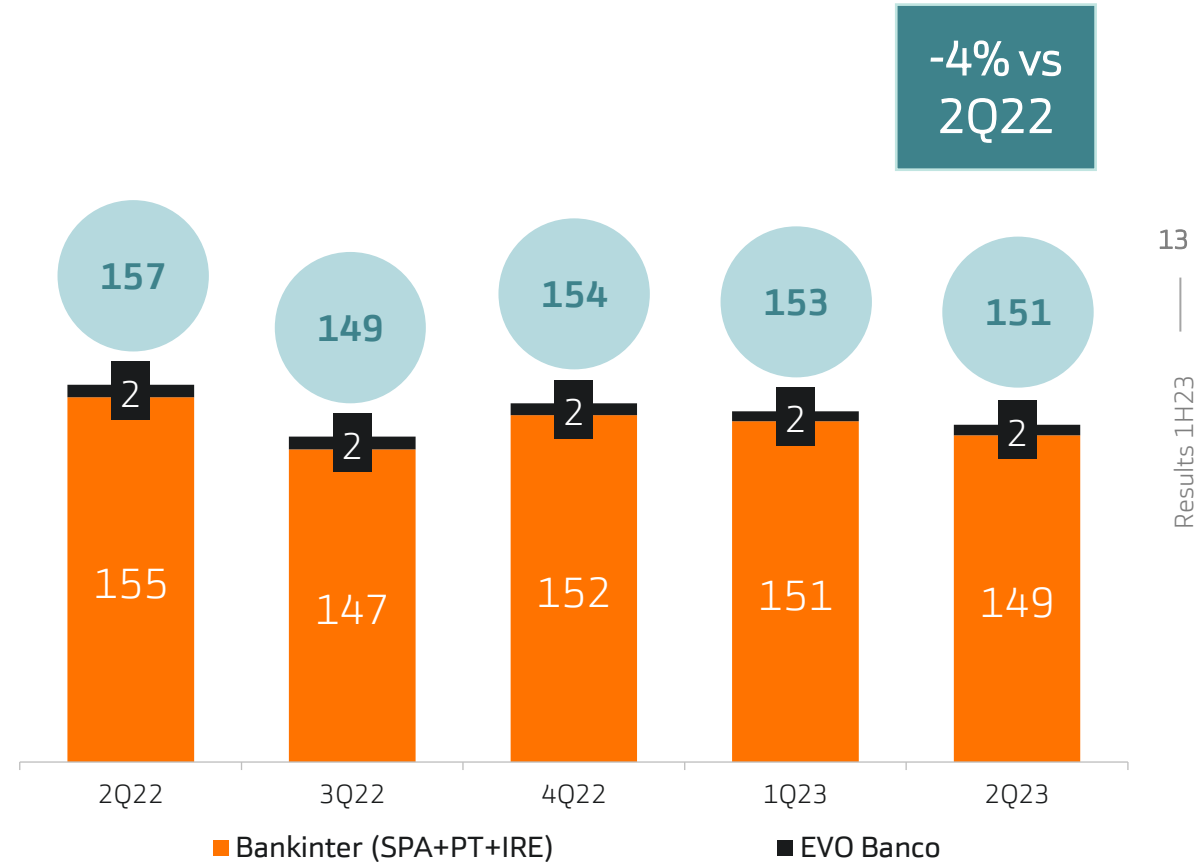
Breakdown of fees received 1H23

In million of euros



Evolution of net fees

In million of euros



Other Income / Expenses

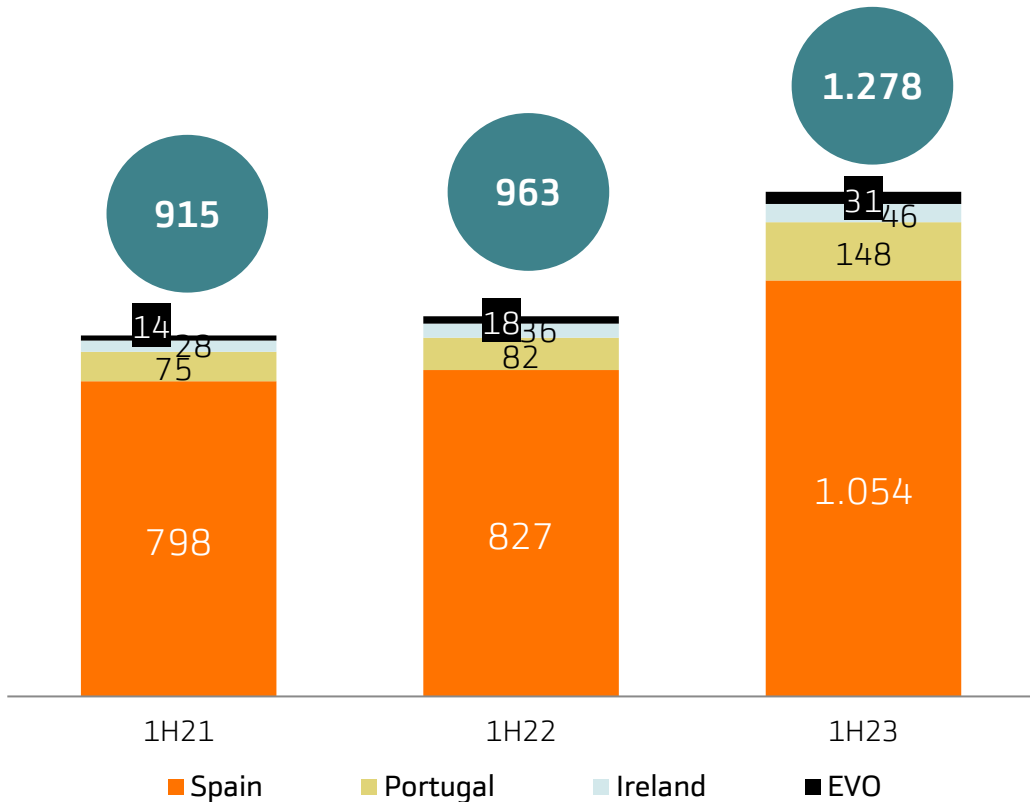
In million of euros	1H23	1H22	Dif. €	% Dif.
Equity method	16	20	-4	-18%
Trading income/losses & Dividends	48	63	-15	-23%
Regulatory charges	-138	-69	-69	99%
of which Banking Tax	-77	n.a.	n.a.	n.a.
Other operational income/expenses	-20	-19	-1	3%
Total	-94	-6	-88	n.a.

01. Results
Total Operating Income

Total Income

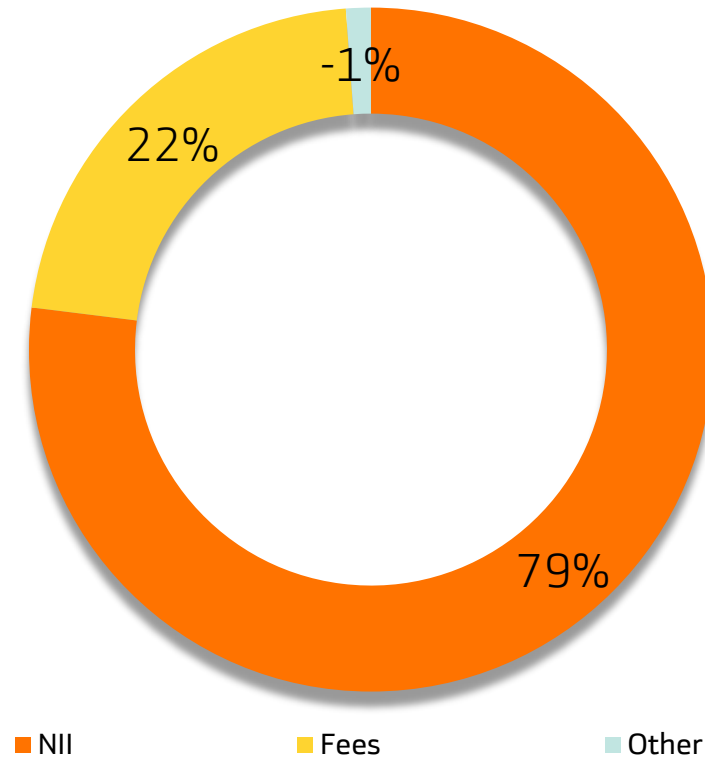
In million of euros

**+33 %
vs 1H22**



Contribution by income type

In % of total income ex-banking tax

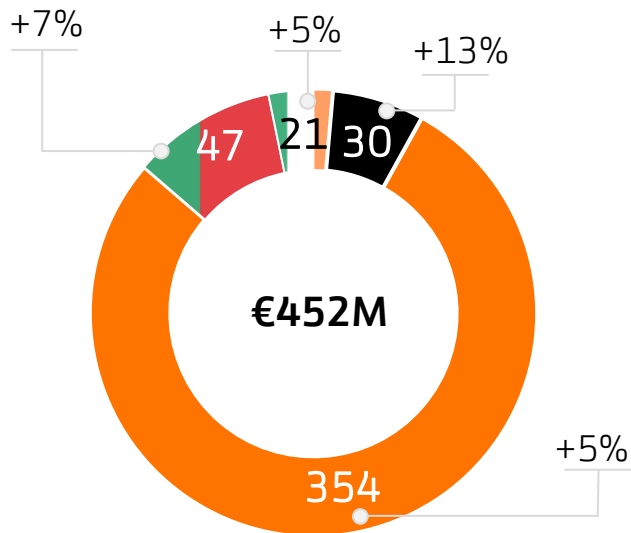


Operating expenses

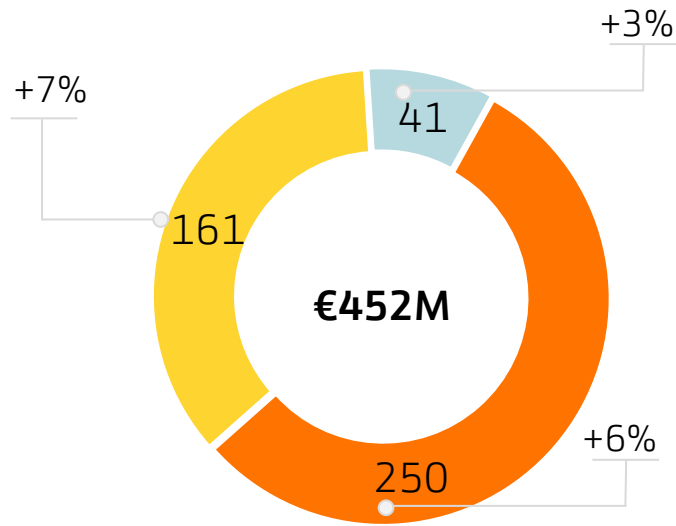
Total Expenses

In million of euros and YoY in %

+5.7%
vs 1S22



Spain Portugal Ireland EVO



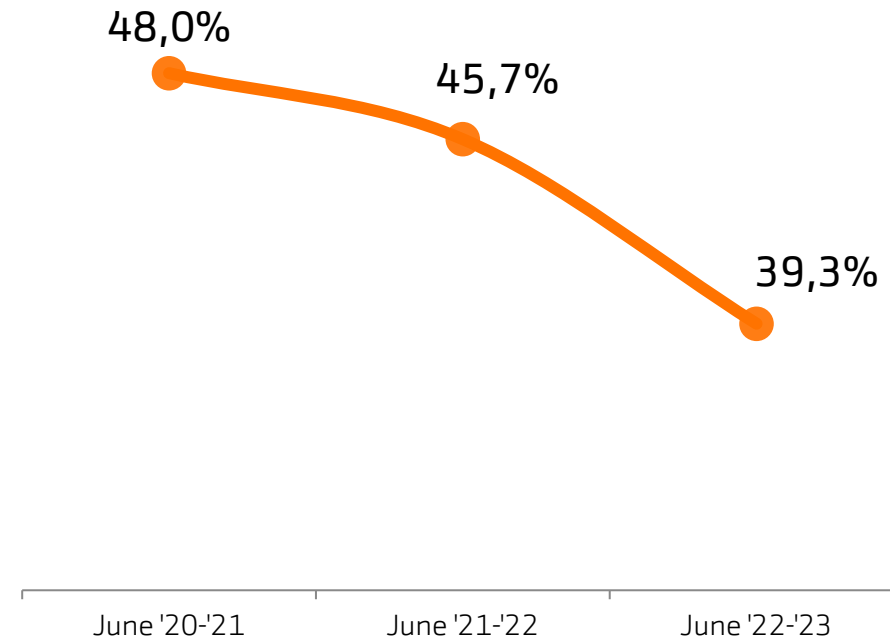
Personal expenses
General expenses
D&A

Cost-to-income ratio

Last 12 months rolling in %

C/I Bankinter
Spain 1H23

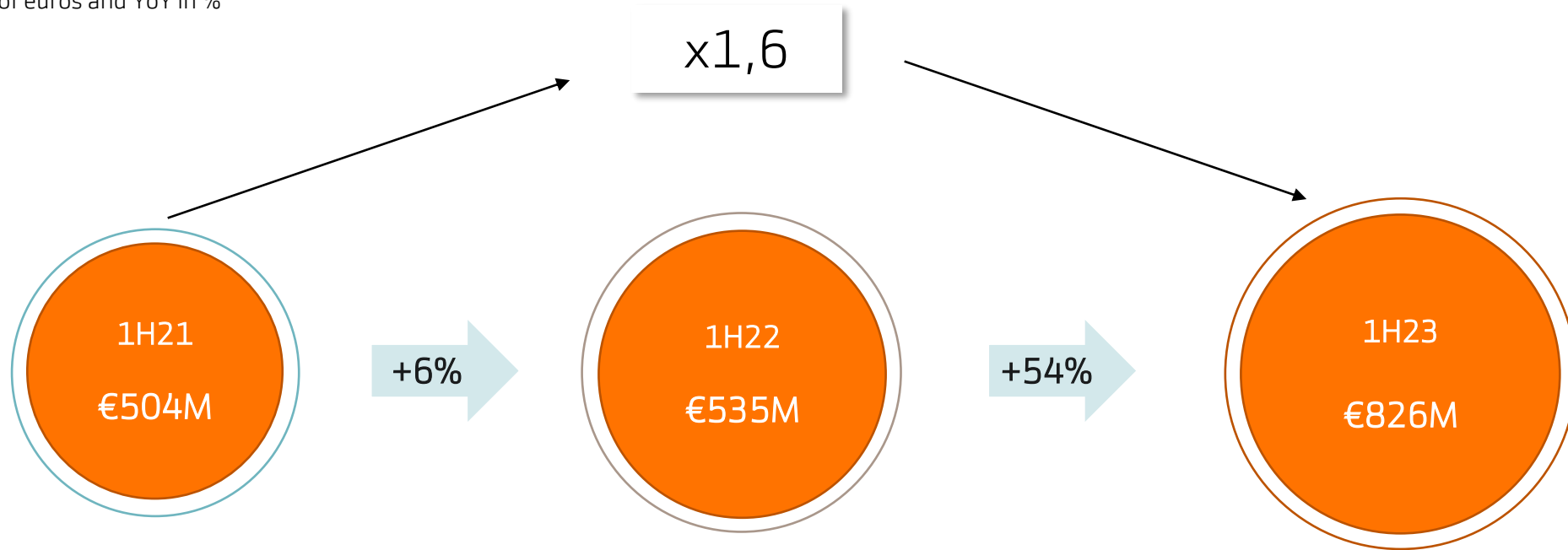
33.4%



Pre-Provision Profit

Pre-Provision Profit growth rate

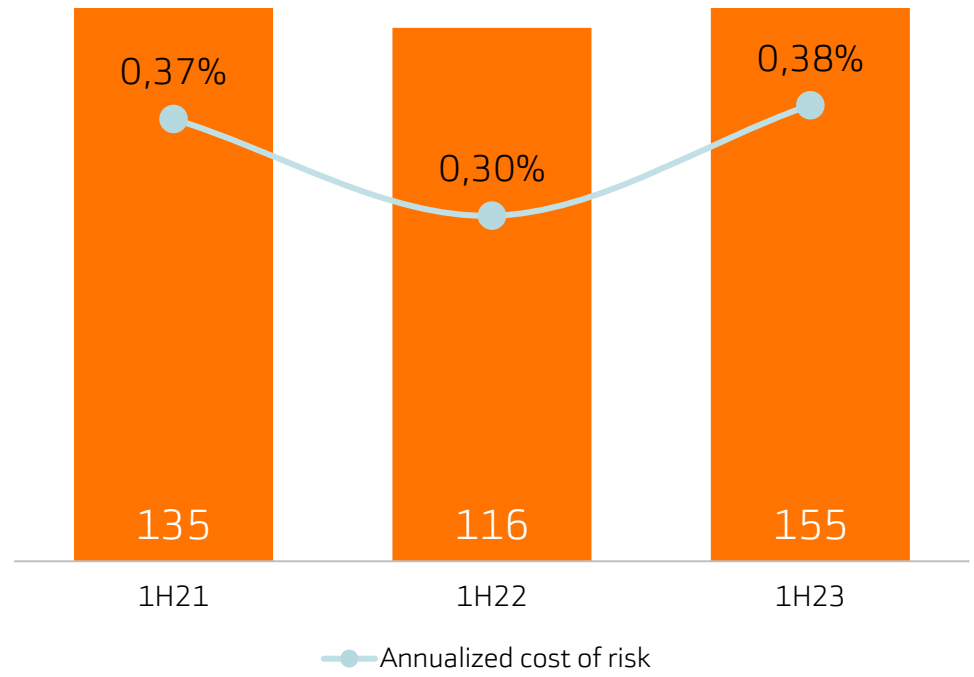
In million of euros and YoY in %



Cost of risk & other provisions

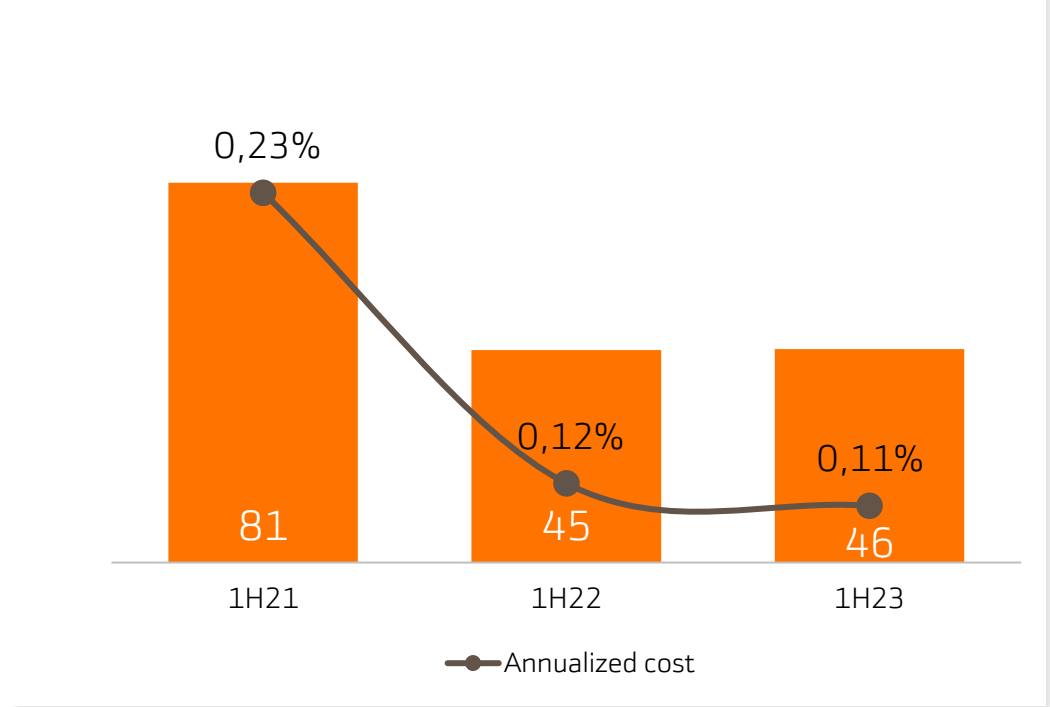
Cost of Credit Risk

In % of total risk exposure* and million of euros



Other provisions

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

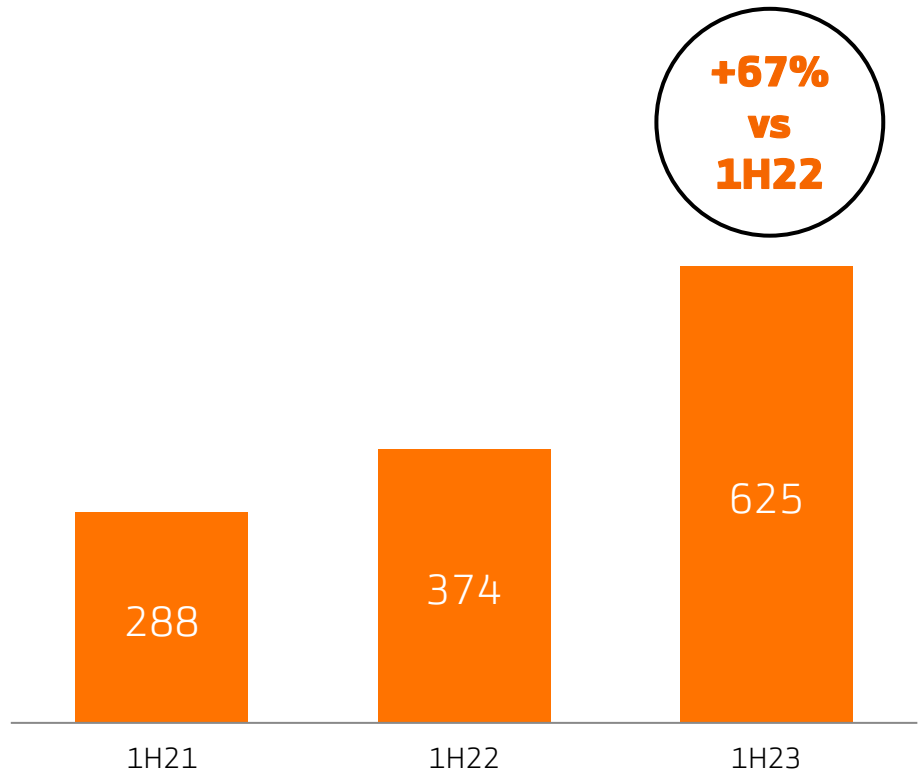


* CoR includes impairments & gains/losses on asset disposals. Extraordinaries are not included.

Net Income

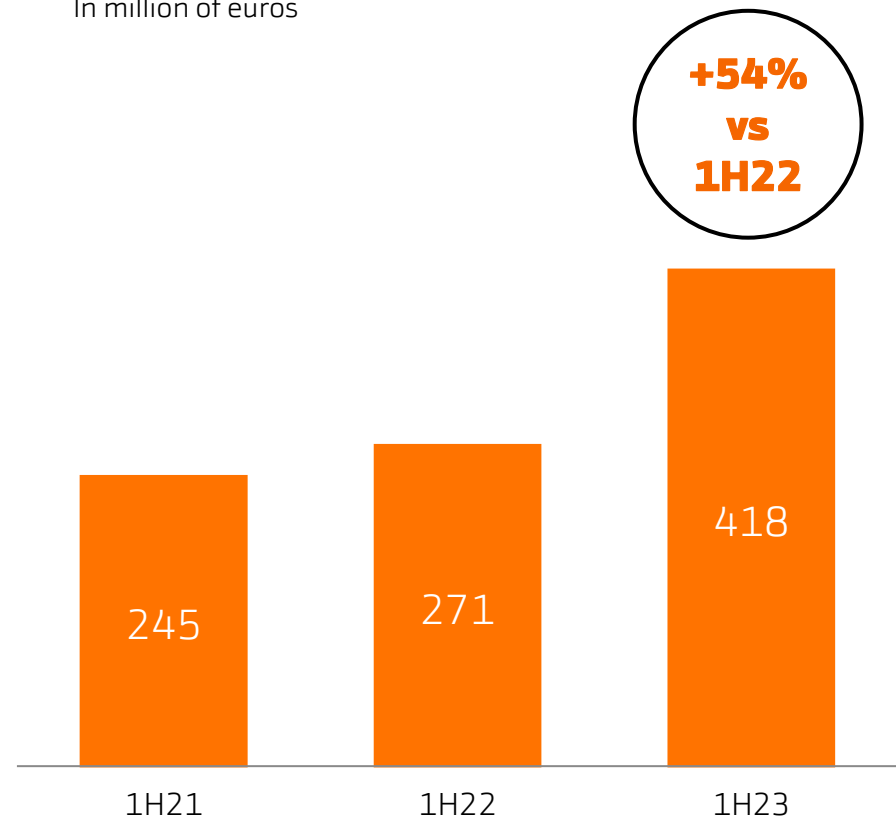
Profit before tax

In million of euros



Total Group Net Income

In million of euros

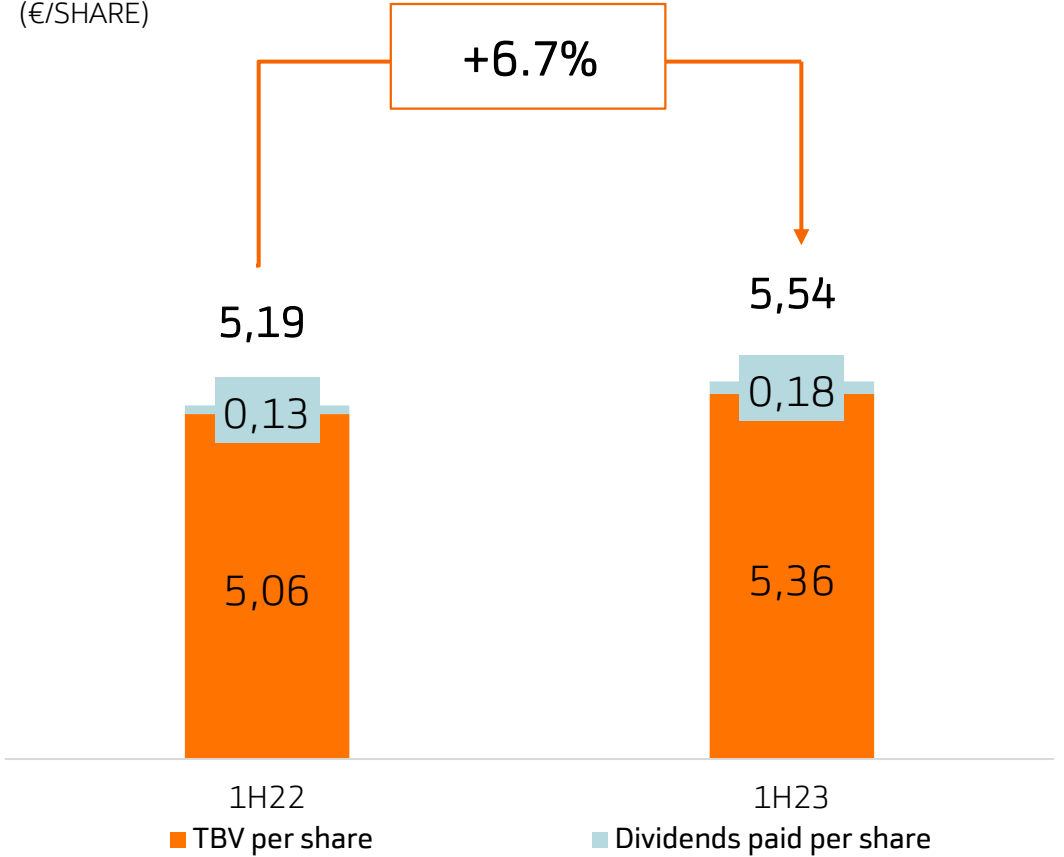


19
—
Results 1H23

Results Profitability

TBV + Dividends

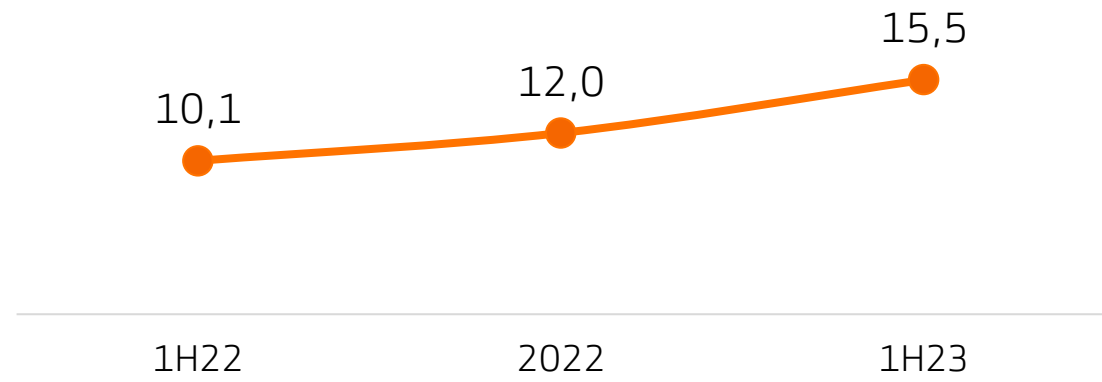
(€/SHARE)



Book Value = 5.67€ per share

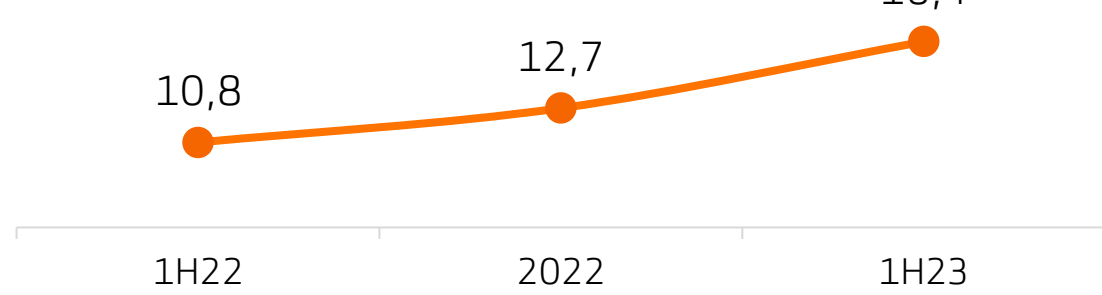
ROE

In %



ROTE

In %



20
Results 1H23

Risk Management

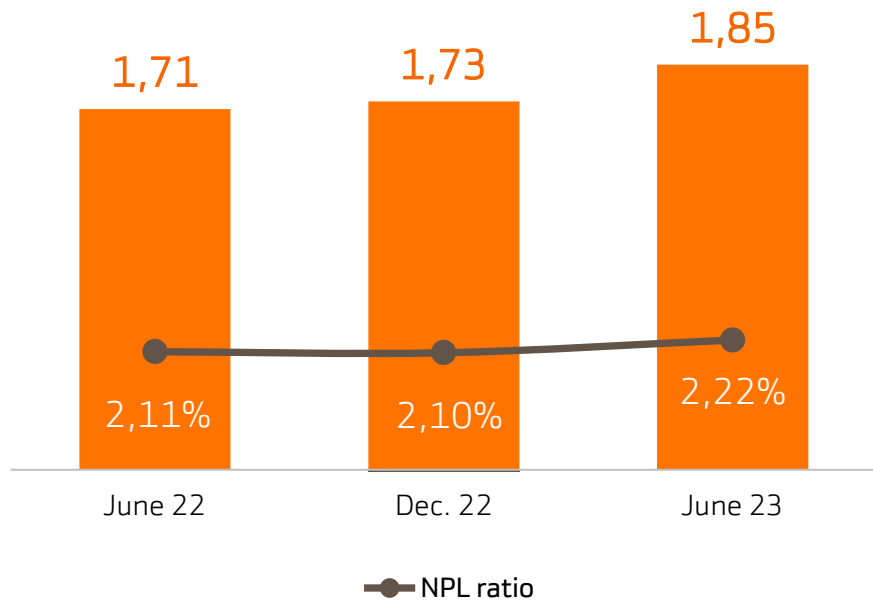
02



Non-performing loans

In billion of euros and ratio in %

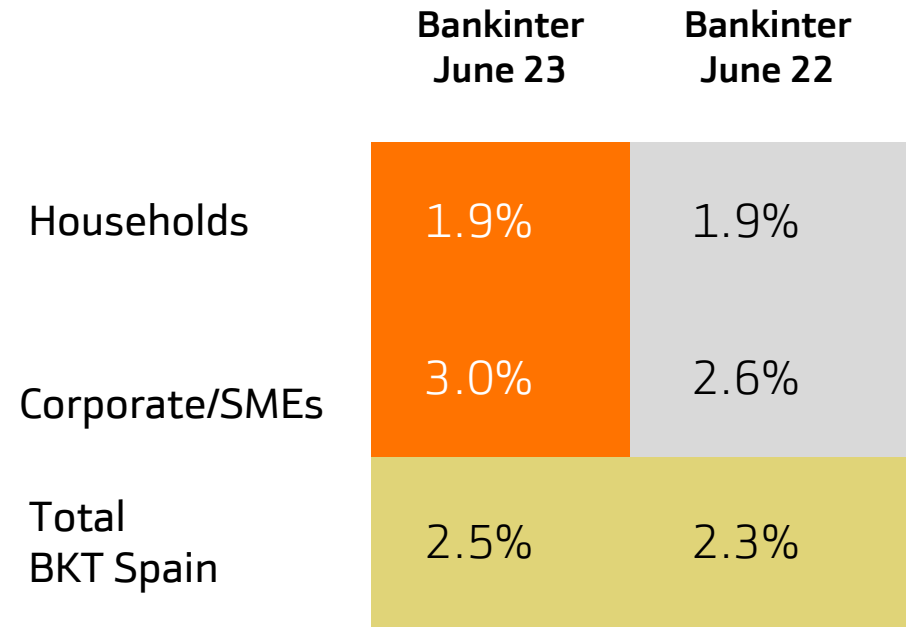
66%
Coverage ratio



NPL ratios in Spain

In %

Sector in Spain*
3.55%

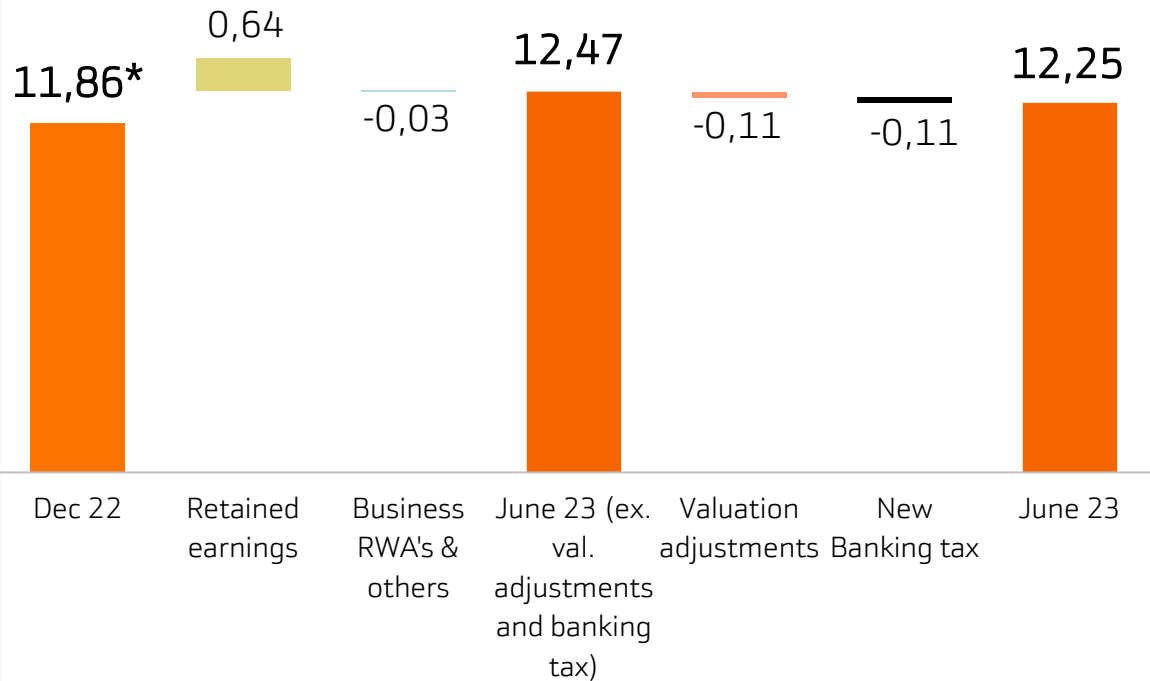


22
Results 1H23

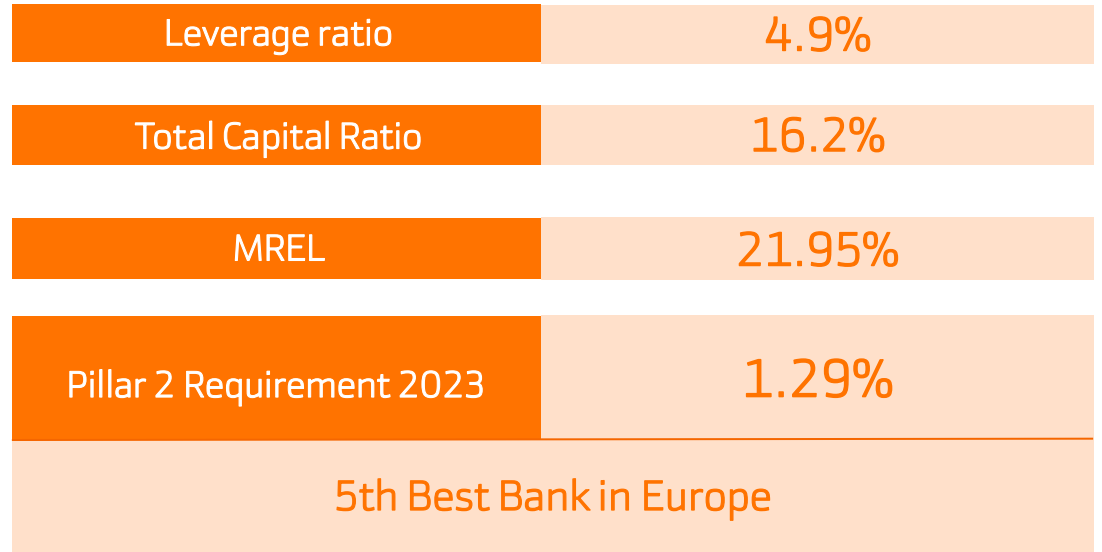
*Data BdE May-23

Ratio CET1 "fully loaded"

in %



**CET1
"fully loaded"**
12.3%
Buffer 4.5% vs. Minimum regulatory requirement of 7.726%

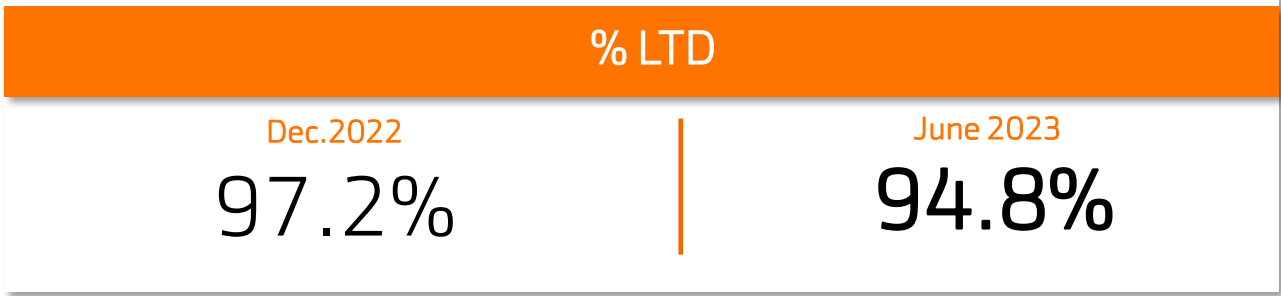
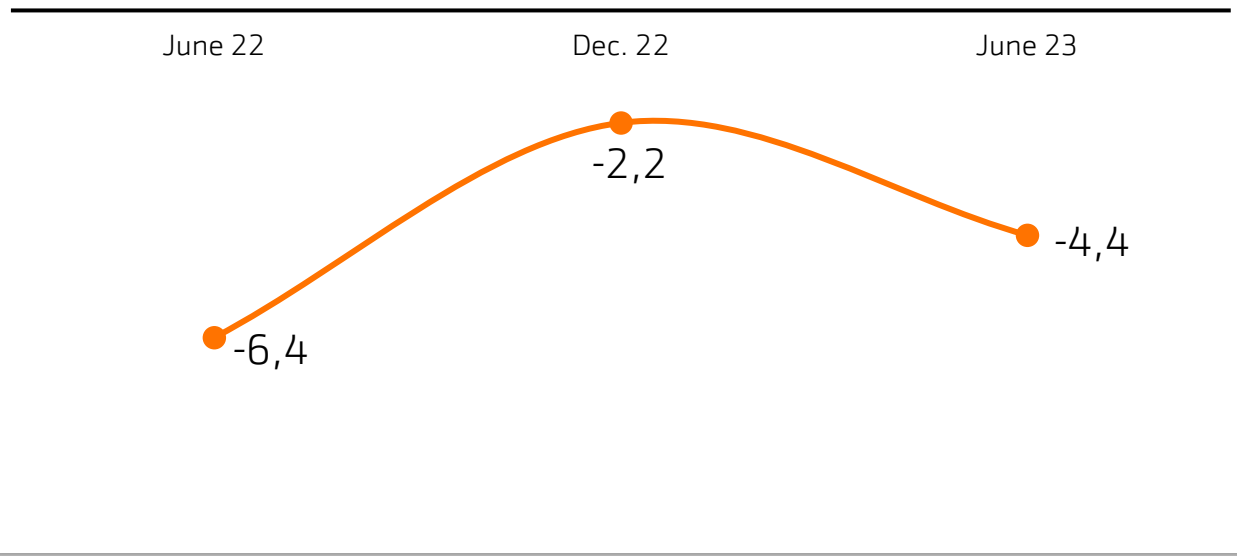


23
Results 1H23

*December 2022 ratio has been recalculated due to the adoption of a more conservative criteria in the treatment of some guarantees when calculating credit risk-weighted assets.

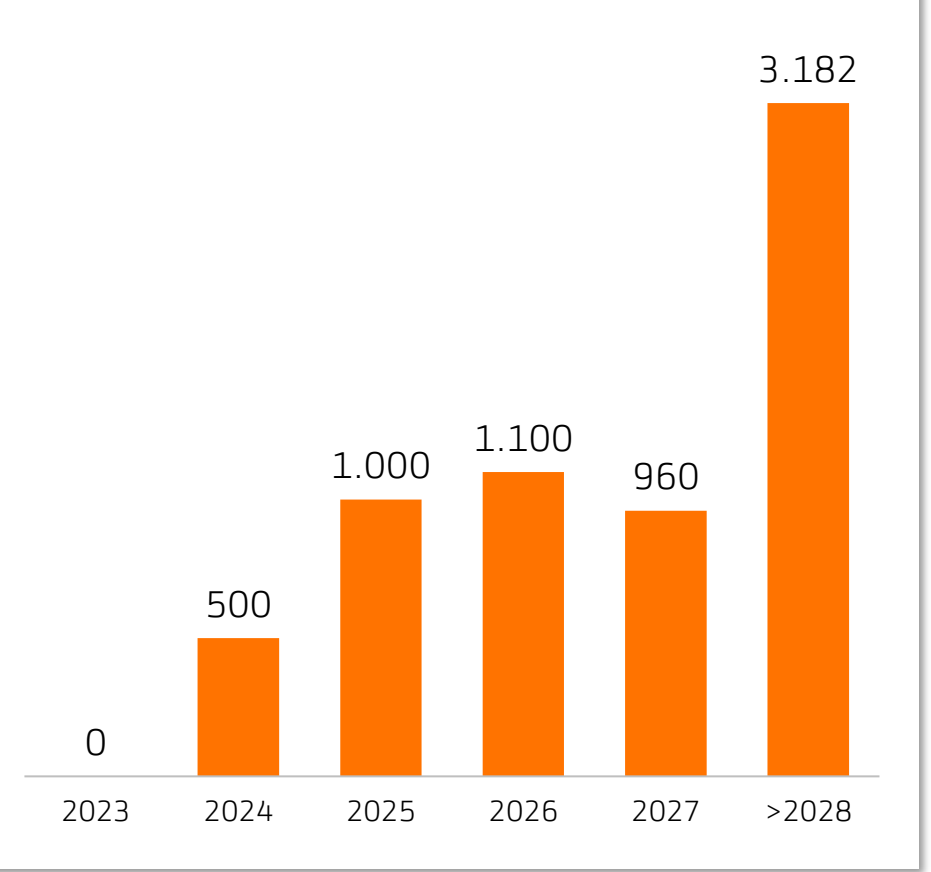
Commercial gap

In billion of euros



Wholesale funding maturities

In million of euros



HQLAs

€21.3bn

Total Liquid Assets

€25.6bn

Issuance Capacity

€4.9bn

LCR*

201%

*12 months average

TLTRO III Outstanding

Tranche	Notional (million of euros)	Settlement date	Maturity date
TLTRO III.5	2.788	30/09/2020	27/09/2023
TLTRO III.7	1.294	24/03/2021	27/03/2024

- Banking Activity
(Spain & Portugal)
- Consumer Finance
Activity (Spain, Portugal &
Ireland)
- EVO Banco

Businesses

03

2

1

Corporate and SME banking

Loan book

In billion of euros

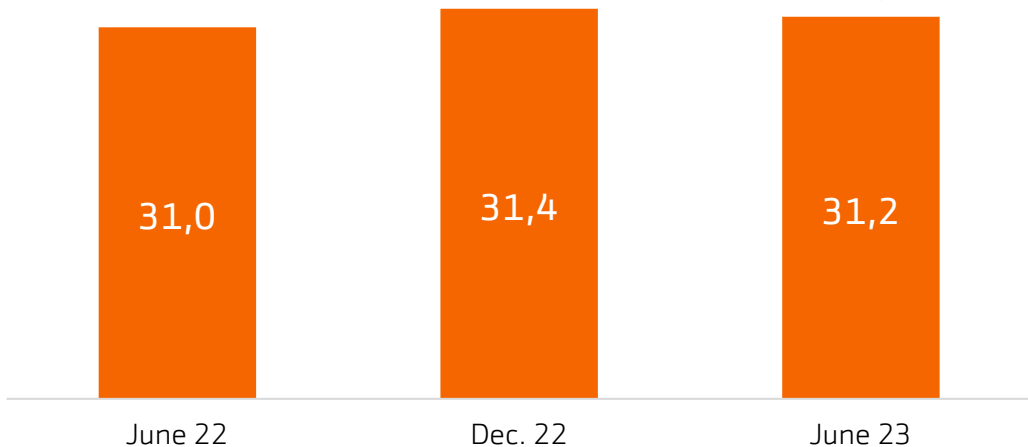
Spain

-0.5%

Sector*

-2.2%

**+0.5%
vs
1H22**



*Data BdE May-23

ICO financing

As of June-23

Drawn amount
€5.5bn

**5,0%
NPL
ratio**

Collateral business

Loan book
International
banking
€8bn
+3% vs 1H22

Supply chain
finance
€416M
x3 vs Dec.22

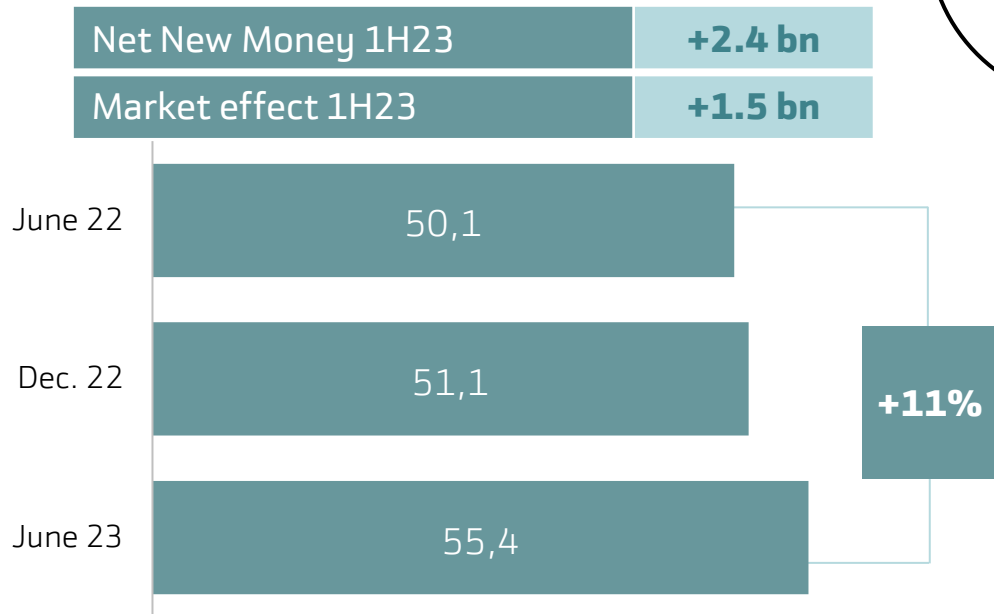
Next Gen. EU
funds
€338M
+54% vs Dec22
Pipeline
€1.2bn

03. Business
Wealth & Retail Banking

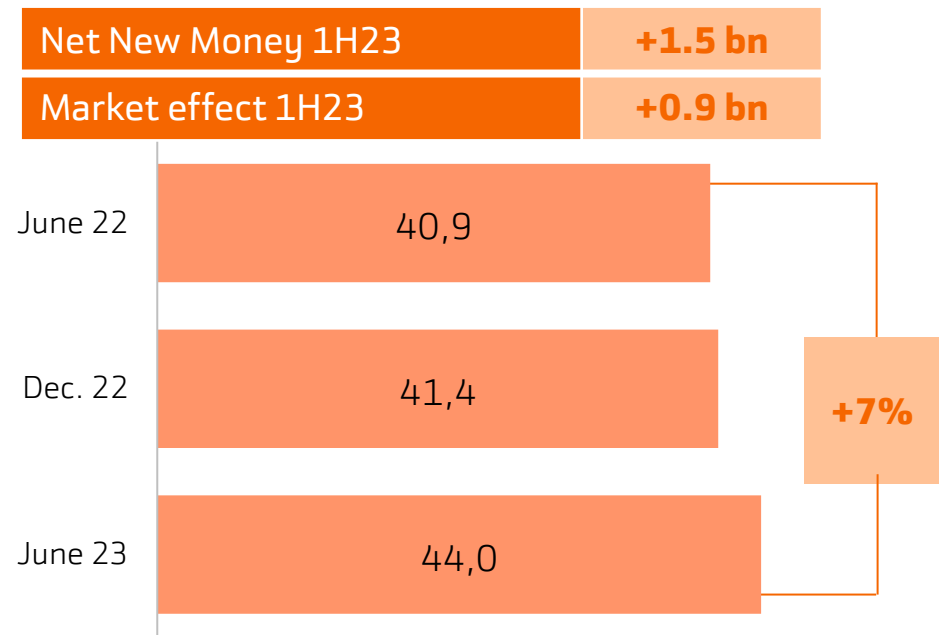
Customer assets

In billion of euros

**+€6.9bn
 vs Dec.22**



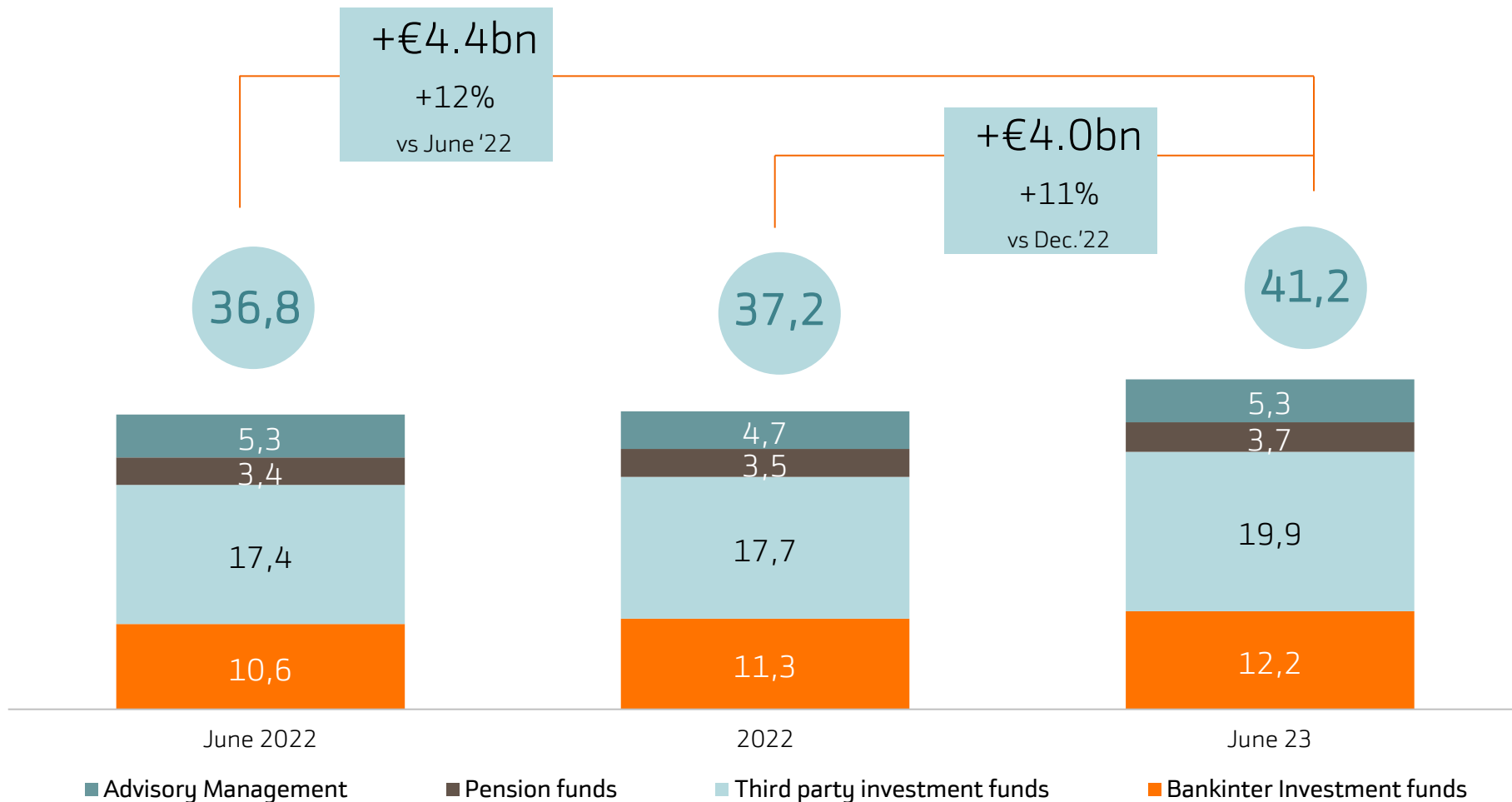
Wealth Banking



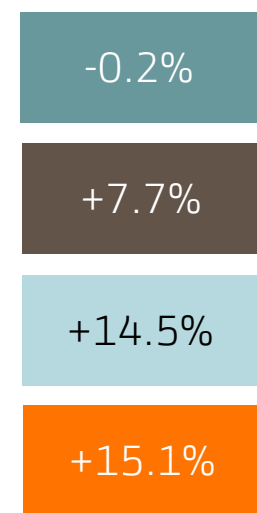
Retail Banking

Off Balance Sheet Controlled Funds

Assets managed by type in billion of euros



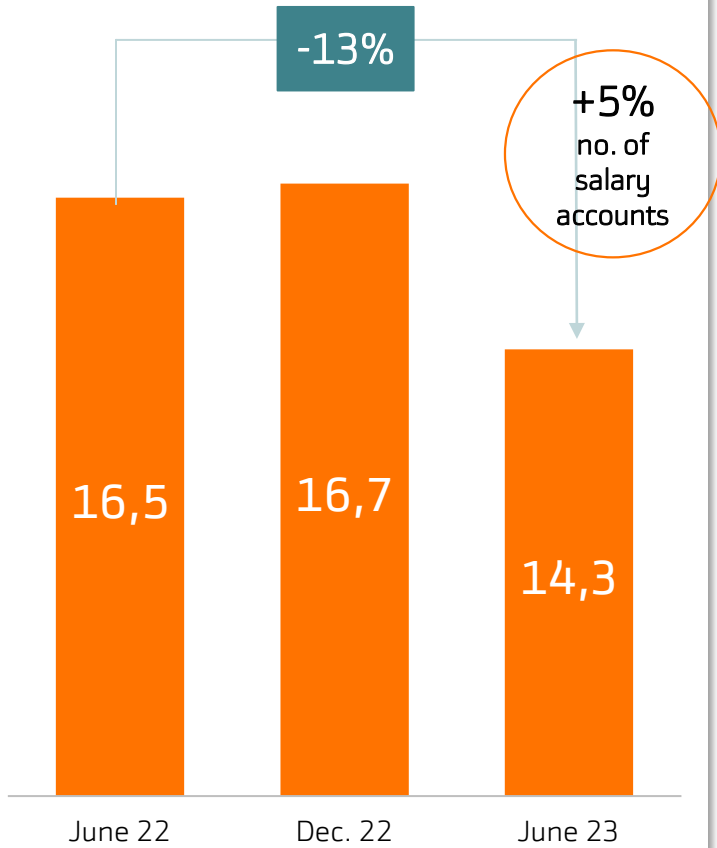
vs. June '22



Retail Banking

Salary account balances in Spain

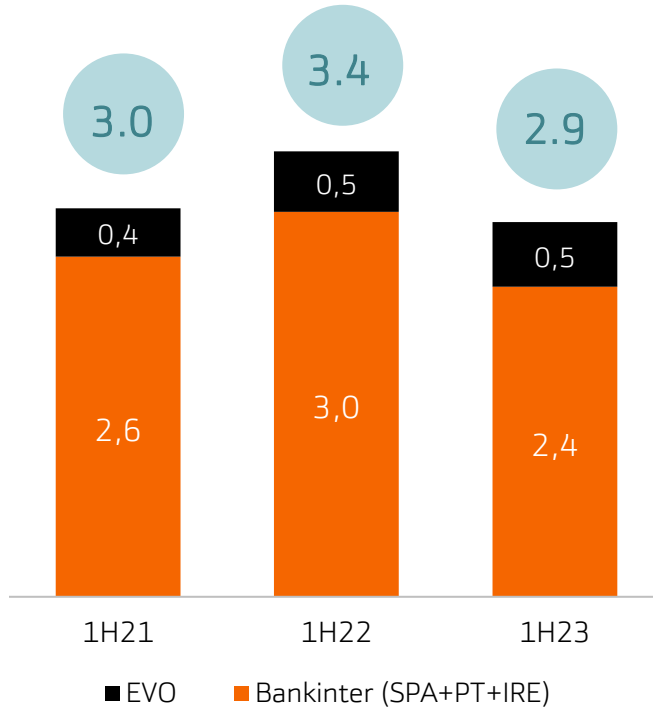
In billion of euros



New mortgage production

In billion of euros

Market share new mortgages in Spain* | 6.2%

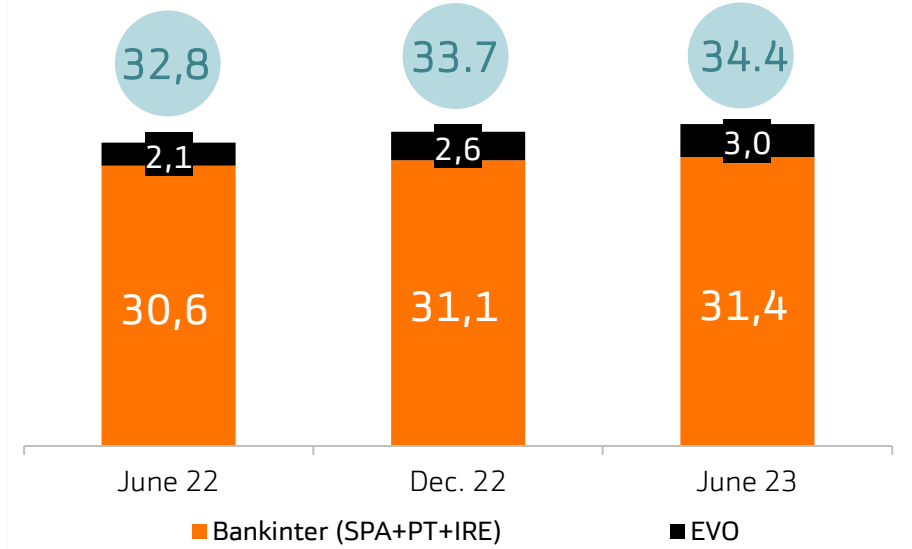


*INE April-23. Market share LTM in Spain

Mortgage back book

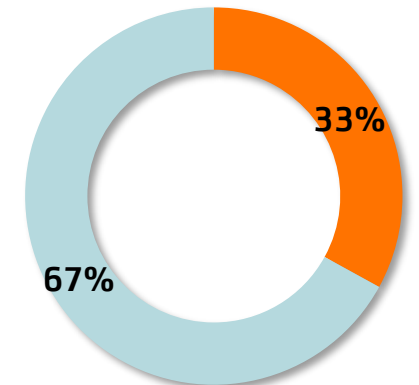
In billion of euros

Sector** -2.4%
Spain +0,4% YoY



Mortgages types

- Fixed
- Floating



**Data BdE May-23

Bankinter Portugal

Business Indicators

In billion of euros

€8.5bn

Loan book
+14% YoY

Retail banking
€5.9bn +14%

Corporate/SME banking
€2.6bn +13%

€6.9bn

Retail funds
+6% YoY

€3.9bn

Off-balance sheet funds
-0,2% YoY

P&L 1H23

In million of euros

	1H23	1H22	Dif. %
Net Interest Income	118	55	116%
Net fees and commissions	34	32	7%
Other income/expenses	-4	-5	-14%
Gross operating income	148	82	81%
Operating expenses	-47	-44	7%
Pre-provision profit	100	37	168%
LLP and other provisions	-15	-7	105%
Profit before taxes	85	30	184%

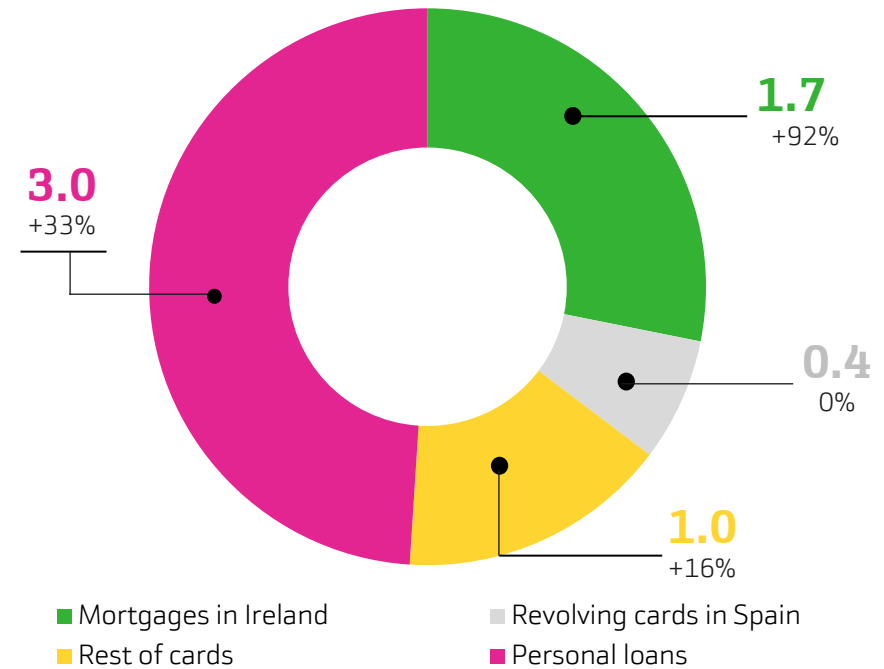
Bankinter Consumer Finance



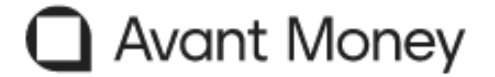
Cost of Risk 2.5%	€6.0 bn Loan book +39% YoY
Risk-adjusted return 4.3%	€4.3 bn ex-mortgages +25% YoY
NPL ratio 5.0%	
Cost-to-income 25%	New production €1.2 bn -14% vs. 1H22

Breakdown by product type as of June-23

In billion of euros and dif. YoY in %



Bankinter Ireland



Cost of risk 0.7%	€2.5bn Loan book +64% YoY
NPL ratio 0.4%	
	Mortgages: €1.7bn +92% Consumer lending: €0.8bn +23%

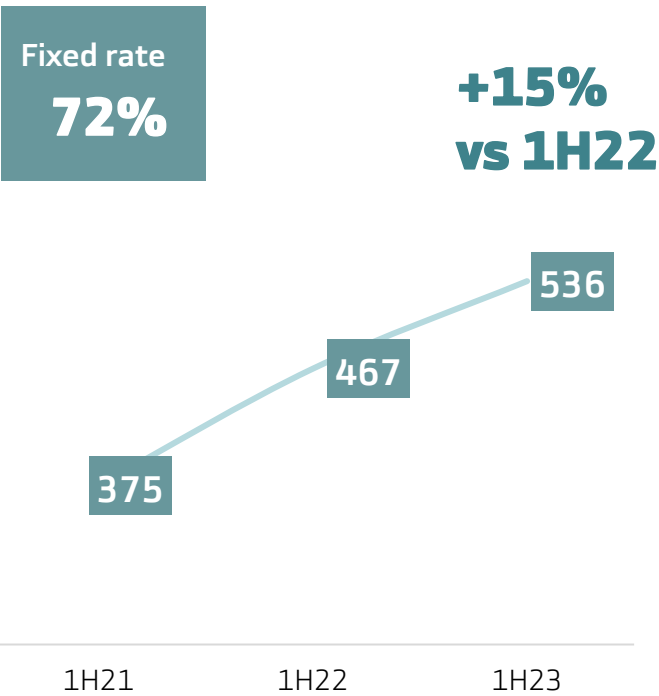
An award-winning consumer finance company

EVO Banco



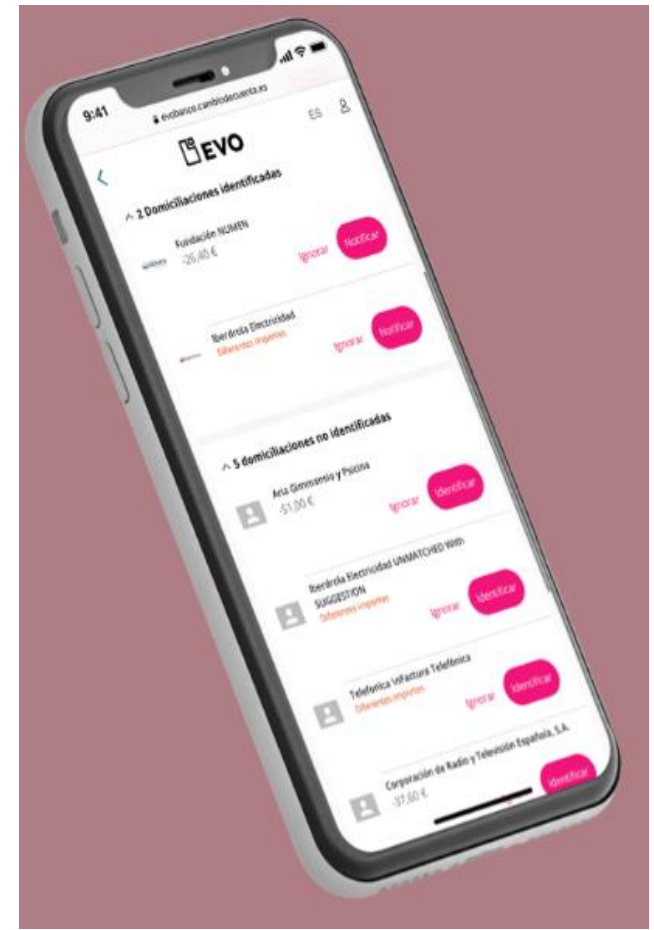
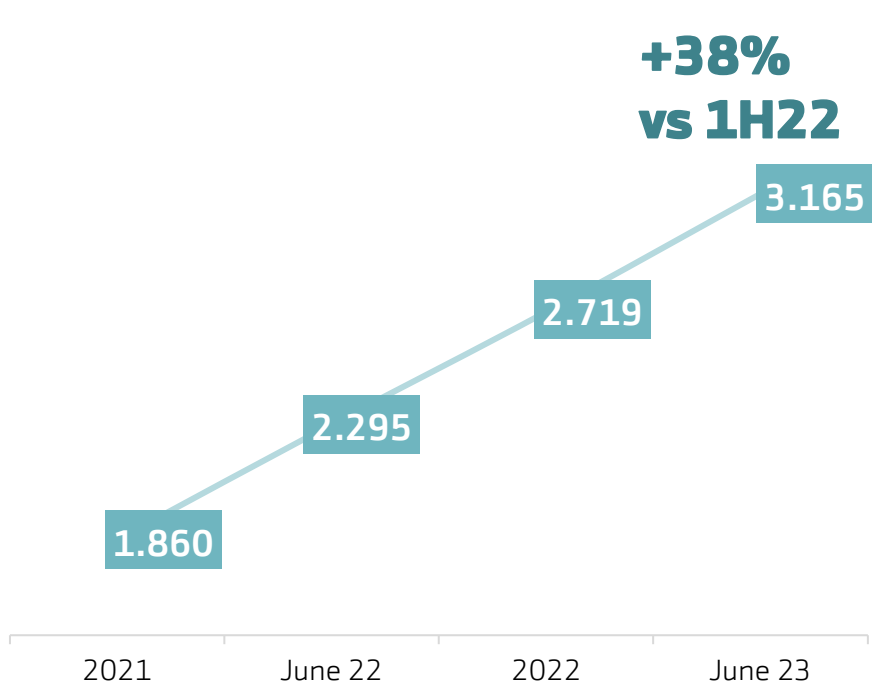
New mortgages

In million of euros



Total loan book

In million of euros





Environmental

- **Energy: 88%** of the outstanding are related to specific projects of renewable energy.
- **Green Hydrogen: 11** collaboration agreements with business associations to provide financing to renewable energy projects.

Social

- **Health and Security:** Recognition by the **National Institute of Health and Security at Work** for the internal initiative "Bankinter care" related to promote wellbeing within our workforce.
- **Accesibility** agreement with **Thyssen-Bornemisza Museum** to promote programs of accessibility of their art collection for deaf people.

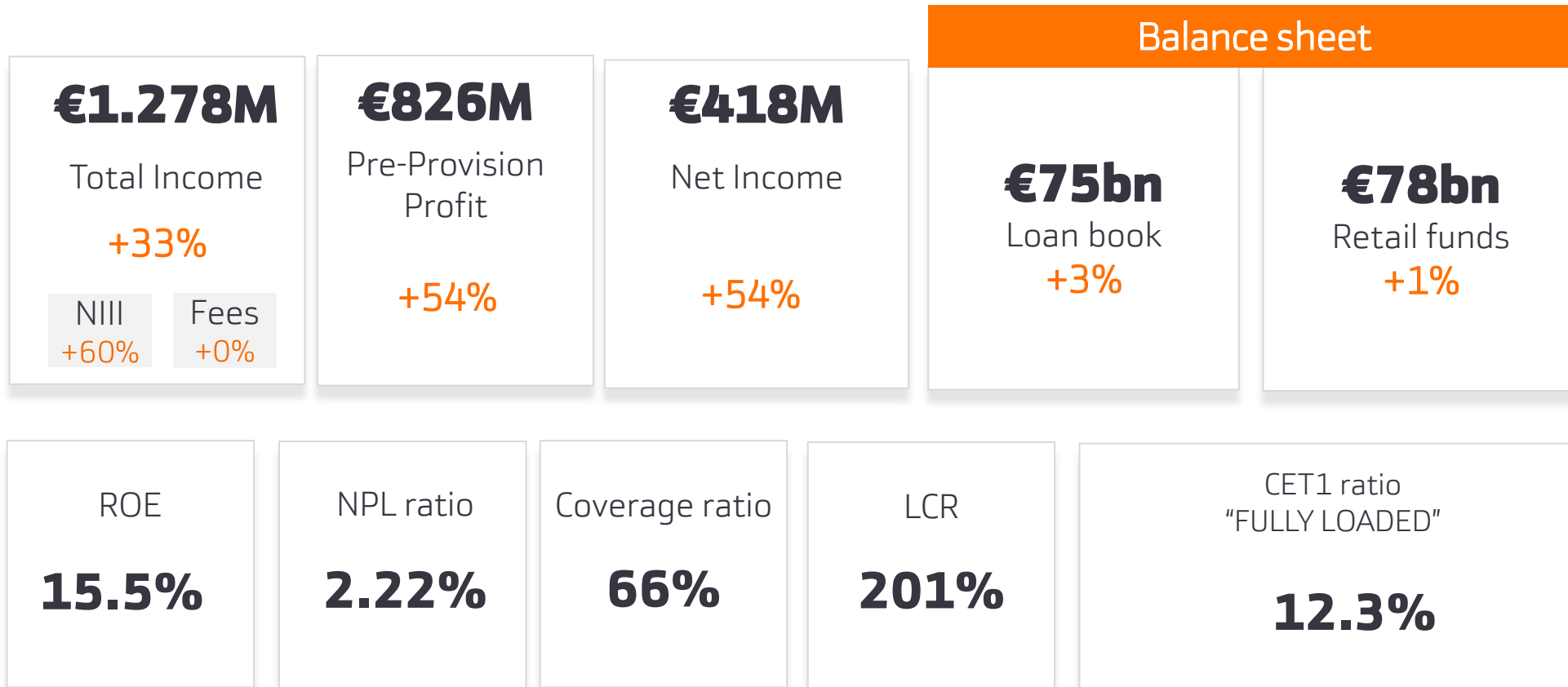
Governance

- **Indicators:** Bankinter has just renew its inclusion in the **FTSE4Good** in which it appears since its launch.
- **Learning:** new training program focused on **sustainability financing** available to all staff.

Summary

04





20 July 2023

Thank You



FTSE4Good

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA



Glossary

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

Alternative performance measure	Definition
ALCO	Asset - Liability Committee
CET1	Common Equity Tier 1
CAGR	Compound Annual Growth Rate
Cost of risk	This metric includes the total NPL cost as of the reporting date. It includes losses from impaired assets (NPL provisions) and gains and losses on asset disposals.
Cost-to-income ratio	This is the result of dividing the sum of the staff costs, other general administrative expenses and depreciation and amortisation expenses, by the gross margin.
Foreclosed assets	Available-for-sale foreclosed assets
Foreclosure coverage	Calculated as the balance of the provisions divided by the balance of foreclosed assets.
LCR	Liquidity Coverage ratio
Loan-to-deposit ratio	The loan-to-deposit ratio is the quotient of total loans divided by customer deposits.
MREL	Minimum requirement for own funds and eligible liabilities
NPL coverage	Calculated as the balance of the provisions divided by the balance of doubtful loans (with off-balance sheet exposure).
NPL ratio	Calculated as the balance of doubtful loans (with off-balance sheet exposure) divided by the balance of the total risk.
RoE (Return on equity)	This is the result of dividing attributed net profit in the last twelve months by shareholders' equity on the date (excluding the profit/loss for the year, dividends and remunerations and valuation adjustments). In the denominator, average own funds are the average of own funds for the reporting period.
ROTE (Return on Tangible Equity)	This is the result of dividing attributed net profit in the last twelve months by shareholders' tangible equity on the date (excluding the profit/loss for the year, dividends and remunerations and valuation adjustments). In the denominator, average own funds are the average of own funds for the reporting period.
RWAs	Risk-weighted assets
SREP	Supervisory Review and Evaluation Process