



3Q24

**Quarterly Financial
Report**

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Basis of presentation

The consolidated income statement and balance sheet as at the end of September 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.

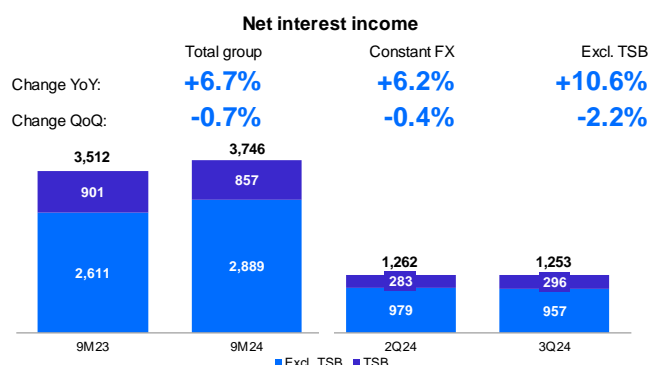
Pursuant to the Guidelines on alternative performance measures published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415), a glossary has been included with the definitions and the reconciliation with the items presented in the financial statements of certain alternative 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 3,746 million euros as at the end of September 2024, representing year-on-year growth of 6.7%, mainly due to a higher credit yield and increased revenue from the fixed-income portfolio, underpinned by interest rates, all of which served to offset higher costs of both deposits and wholesale funding as well as smaller average volumes.

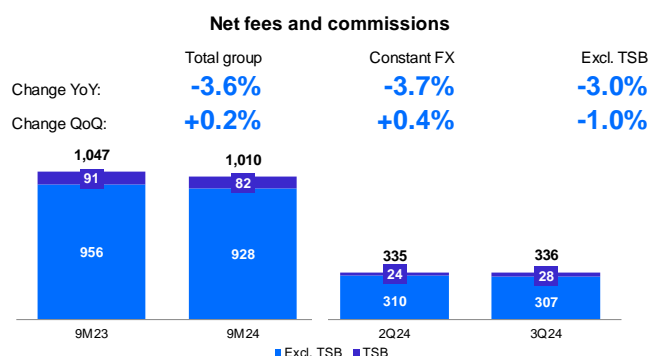
In the quarter, net interest income dropped by -0.7%, mainly due to lower credit yields following the interest rate cuts and an increased wholesale funding cost, which offset the increase produced by larger average volumes.



Net fees and commissions

Net fees and commissions amounted to 1,010 million euros as at the end of September 2024, representing a year-on-year reduction of -3.6%, mainly due to reduced service fees.

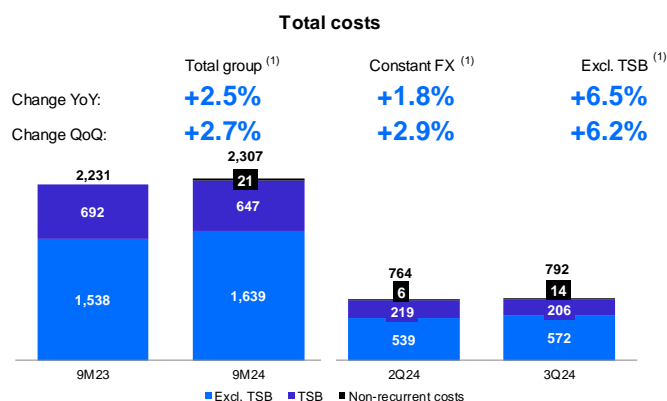
In the quarter, they grew slightly by 0.2%, despite the negative third quarter seasonality, with an increase in service fees.



Total costs

Total costs came to 2,307 million euros as at the end of September 2024, increasing by 3.4% year-on-year, with the recognition of 21 million euros of non-recurring restructuring charges at TSB. Recurring costs rose by 2.5% year-on-year, due to an increase of both personnel expenses and general expenses, which partially counterbalanced the reduction of amortisations/depreciations.

In quarterly terms, total costs rose by 3.7%, as a result of higher personnel expenses, the increase in recurring costs being 2.7%.

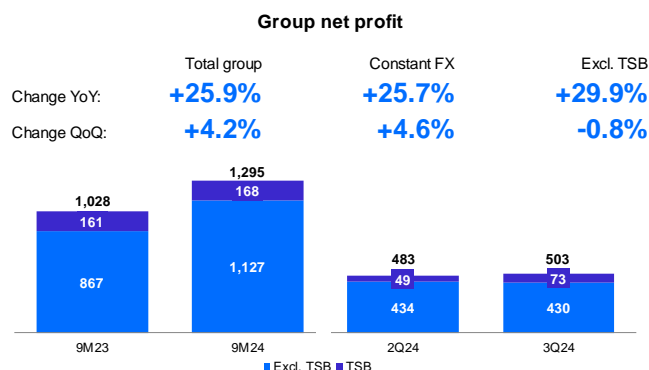


(1) Change over total recurrent costs.

Group net profit

As at the end of September 2024, the Group's net profit amounted to 1,295 million euros, representing year-on-year growth of 25.9%, with profit ex-TSB amounting to 1,127 million euros and profit at TSB to 168 million euros. This level of profit pushed the Group's ROTE up by 296bps year-on-year to 13.2%.

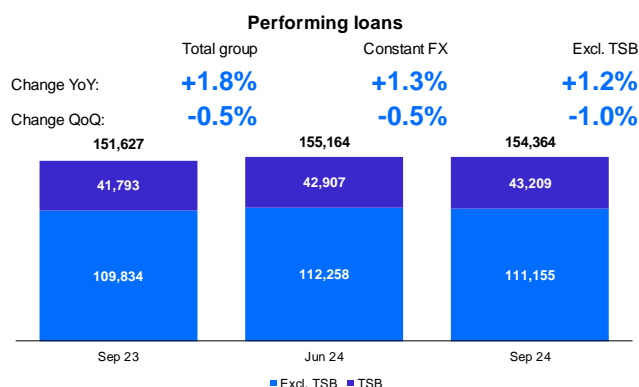
Core results (net interest income + fees and commissions - recurrent costs) grew by 6.1% year-on-year, driven by the increase of net interest income.



Performing loans

Performing loans grew by 1.8% year-on-year, driven both by good performance in Spain, where it is particularly worth noting the growth of lending to SMEs and corporates and individuals, and by the businesses abroad, particularly Miami and TSB, in the latter case positively impacted by the appreciation of the pound sterling.

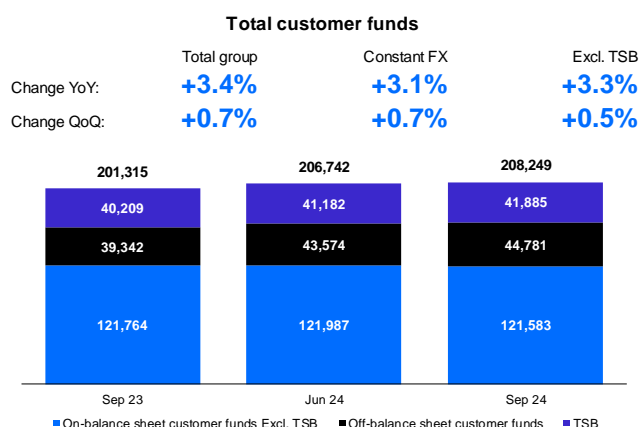
In quarter-on-quarter terms, lending volumes showed a reduction of -0.5%, with the growth of the mortgage book counterbalanced by the smaller volume of lending granted to SMEs and corporates due to the quarterly seasonality.



Customer funds

Customer funds recorded a year-on-year increase of 3.4%, with funds flowing through from sight accounts to term deposits and also to off-balance sheet funds, mainly mutual funds.

In the quarter, they posted growth of 0.7%, with a positive trend in both on-balance sheet and, mainly, off-balance sheet customer funds, where it is particularly worth mentioning the growth of mutual funds, due to both a positive level of net subscriptions and increased yields.



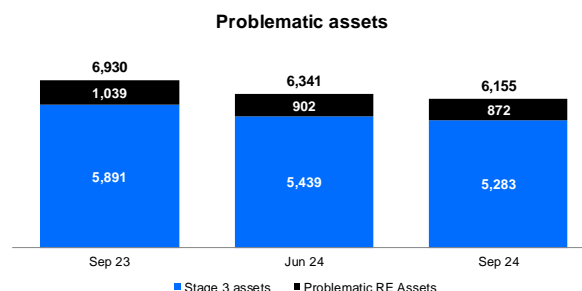
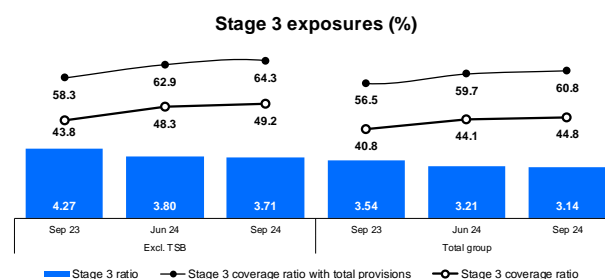
Non-performing assets (NPAs)

The balance of NPAs has been reduced by 775 million euros over the past twelve months, the reduction in the third quarter of 2024 being 186 million euros, while the coverage ratio considering total provisions rose to 57.9%.

The gross NPA ratio fell to 3.6%, while the net NPA ratio dropped to 1.5% considering total provisions.

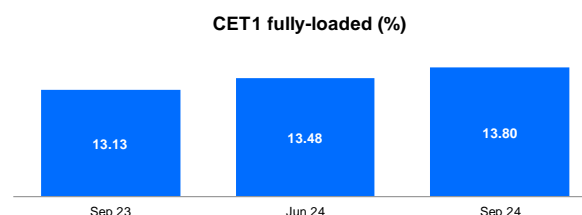
The Group's stage 3 ratio improved to 3.1%, while the stage 3 coverage ratio considering total provisions and the stage 3 coverage ratio increased to 60.8% and 44.8%, respectively.

There were improvements both in the Group's credit cost of risk, which fell by 12bps year-on-year and by 2bps in the quarter to stand at 31bps as at the end of September 2024, and in its total cost of risk, which was down by 11bps year-on-year and by 2bps in the quarter, standing at 44bps.



Capital ratio

The fully-loaded CET1 ratio increased by 32bps in the quarter, standing at 13.80%, while the total capital ratio reached 18.84%, thus standing above requirements, with an MDA buffer of 485bps.



2. Key figures

	Excl. TSB			Total group		
	30.09.23	30.09.24	YoY (%) ⁽⁶⁾	30.09.23	30.09.24	YoY (%) ⁽⁶⁾
Profit and loss account (€ millions)						
Net interest income	2,611	2,889	10.6	3,512	3,746	6.7
Core revenues	3,568	3,817	7.0	4,559	4,756	4.3
Gross operating income	3,472	3,769	8.6	4,448	4,725	6.2
Pre-provisions income	1,933	2,130	10.2	2,217	2,418	9.1
Attributable net profit	867	1,127	29.9	1,028	1,295	25.9
Balance sheet (€ millions)						
Total assets	191,188	193,358	1.1	243,261	245,514	0.9
Performing gross loans	109,834	111,155	1.2	151,627	154,364	1.8
Gross loans to customers	115,045	115,716	0.6	157,505	159,657	1.4
On-balance sheet customer funds	121,764	121,583	-0.1	161,973	163,468	0.9
Off-balance sheet customer funds	39,342	44,781	13.8	39,342	44,781	13.8
Total customer funds	161,106	166,364	3.3	201,315	208,249	3.4
Net equity	--	--	--	13,778	14,425	4.7
Shareholders' equity	--	--	--	14,263	14,868	4.2
Profitability and efficiency ratios (%)						
ROA	--	--	--	0.5	0.7	--
RORWA	--	--	--	1.5	2.0	--
ROE	--	--	--	8.5	11.0	--
ROTE	--	--	--	10.3	13.2	--
Efficiency	36.7	35.7	--	41.9	40.7	--
Efficiency with amortisation & depreciation	45.1	43.2	--	50.9	48.6	--
Risk management ⁽¹⁾						
Stage 3 exposures (€ millions)	5,287	4,612	-12.8	5,891	5,283	-10.3
Total problematic assets (€ millions)	6,326	5,484	-13.3	6,930	6,155	-11.2
Stage 3 ratio (%)	4.27	3.71	--	3.54	3.14	--
Stage 3 coverage ratio (%)	43.8	49.2	--	40.8	44.8	--
Stage 3 coverage ratio with total provisions (%)	58.3	64.3	--	56.5	60.8	--
Problematic assets coverage (%)	55.1	60.5	--	53.9	57.9	--
Liquidity management (%)						
Loan-to-deposit ratio	91.2	92.1	--	94.6	95.2	--
LCR	253	239	--	220	209	--
NSFR	-- ⁽²⁾	--	--	140	146	--
Capital management						
Risk weighted assets (RWA) (€ millions)	--	--	--	78,795	79,931	14
Common Equity Tier 1 (%)	--	--	--	13.13	13.80	--
Common Equity Tier 1 fully-loaded (%)	--	--	--	13.13	13.80	--
Tier 1 (%)	--	--	--	15.35	15.99	--
Total capital ratio (%)	--	--	--	18.35	18.84	--
MREL (% RWA)	--	--	--	28.35	29.15	--
MREL (% LRE)	--	--	--	9.25	9.69	--
Leverage ratio (%)	--	--	--	5.01	5.31	--
Share data (period end)						
Number of outstanding shares (millions)	-- ⁽³⁾	--	--	5,432	5,361	--
Share price (€)	-- ⁽⁴⁾	--	--	1,101	1,909	--
Market capitalisation (€ millions)	--	--	--	5,978	10,235	--
Earnings per share (EPS) (€)	--	--	--	0.19	0.28	--
Book value per share (€)	--	--	--	2.62	2.78	--
TBV per share (€)	--	--	--	2.17	2.31	--
Price / Tangible book value (times)	--	--	--	0.51	0.83	--
Price / Earnings ratio (P/E) (times)	--	--	--	5.75	6.92	--
Other data						
Branches	1,203	1,167	--	1,414	1,362	--
Employees	13,821	14,079	--	19,331	18,897	--

(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 total 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 30.09.2024 applied throughout the report to the income statement is 0.8513 (the one applied as at 30.09.2023 was 0.8709). In the case of the balance sheet, the exchange rate applied is 0.8354 (the one applied as at 30.09.2023 was 0.8646).

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

3. Performance review

Macroeconomic environment

Global economic, political and financial context

Economic activity data in Q3 2024 showed mixed signals in the US economy and ongoing weakness in the Eurozone, against a backdrop in which inflation continued to slow on both sides of the Atlantic. The data prompted investors to shift their risk focus, from concerns over inflation to fears of a recession.

In terms of economic activity, the most recent business confidence indicators in the Eurozone pointed towards sluggish growth of activity in the second half of 2024. The German government also sharply reduced its growth forecasts for this year, to -0.2%, in a context in which news in relation to the automotive industry has been negative. If this forecast is confirmed, it will be the first time Germany's economy has contracted for the second consecutive year since its reunification. The labour market also showed some signs of weakness, although the unemployment rate remained at an all-time low (6.4%). Certain employment expectation indicators suggested that employment could contract, particularly in Germany. In the United States, despite a difficult start to the quarter, which raised concerns about the strength of the economy after a slowdown in job creation slowed and an increase in the unemployment rate, Q3 2024 ended on a more positive note. Job creation was more moderate than in Q2 2024 and stood close to the historical average, while the unemployment rate reversed its recent increase, ending Q3 2024 at 4.1%.

As for inflation, this continued to trend downward and closed Q3 2024 with positive data on both sides of the Atlantic and at levels close to the targets of the various central banks. In the United States, annual inflation stood at 2.4%, while in the Eurozone it slowed to 1.8%, dropping below 2.0% for the first time since mid-2021. In any case, service inflation remained high on both sides of the pond.

In the political arena, Joe Biden withdrew from the presidential race in July and his place was taken by current Vice President Kamala Harris. Since then, Harris has managed to reinvigorate the Democrats' prospects for the upcoming elections. According to recent polls, both candidates now have far more even chances of winning and everything suggests that the end result will depend on a small number of swing states. Germany held elections in three federal states, with the far-right party AfD emerging victorious in one of them, with 33% of the votes, and coming in a very close second in the other two. In France, Macron named Michel Barnier, the EU's former Brexit chief negotiator, as Prime Minister. Barnier will govern in a minority, with occasional support from Le Pen's party.

In terms of geopolitics, the conflict between Israel and Hamas escalated in the region. In particular, Israel's offensive reached into southern Lebanon, targeting the pro-Iranian militant group Hezbollah, ultimately prompting a new direct attack by Iran against Israel. The spotlight shifted to how Israel would retaliate, as its actions could affect the flow of oil exported from the region through the Strait of Hormuz. Ultimately though, the impact on oil prices was limited, largely

due to the current favourable supply conditions and the expected weakness in demand.

Lastly, Mario Draghi published the competitiveness report commissioned by the European authorities and which will, together with the report published earlier in the year by Enrico Letta, form the main pillars of the new European Commission's agenda. The report cites the need for a radical change in the EU's economic policy to meet the challenges of today and identifies three main action areas: (i) close the innovation gap with the US and China, (ii) decarbonise and drive competitiveness, and (iii) increase security and reduce dependencies. These will require more common funding and more efficient governance in order to streamline decision-making.

Economic situation in Spain

In Spain, GDP in Q2 2024 continued to grow at a robust pace (0.8% quarter-on-quarter), with private consumption exhibiting particularly good momentum. This, together with the decision made by Spain's INE (Office for National Statistics) to revise forecasts upwards in previous quarters, resulted in higher GDP than previously anticipated. On the other hand, indicators relating to Q3 2024 generally continued to perform well. Business sentiment remained in expansionary territory, both in the services sector and in the manufacturing industry, which after showing certain weakness in July and August rebounded towards the end of the quarter. Other indicators, such as tourist arrivals, which posted year-on-year growth of over 11% in aggregate between July and August, as well as retail sales, also continued to do well. At the opposite end of the spectrum, it is worth mentioning job creation, which slowed during the quarter. Against this backdrop, the Bank of Spain revised its growth forecasts up to 2.8% in 2024 and to 2.2% for 2025.

As for prices, annual inflation in September was 1.7%, falling to its lowest level since June 2023, influenced by the fall of fuel prices and, to a lesser extent, the price drop of food and non-tourism services. The services most closely related to tourism are curtailing the pace of reduction of core inflation, which in September stood at 2.7% in annual terms.

On the topic of economic policy, it is worth mentioning the partial recovery, in early October, of VAT on staple foods and other food items on which VAT had previously been reduced. As for the general State budget for 2025, the government postponed the vote on budget stability targets due to a lack of parliamentary support and it also delayed the announcement of its budgets until after ERC and Junts per Catalunya hold their party conferences.

Economic situation in the United Kingdom

The UK economy showed signs of slowing in Q3 2024, after experiencing strong growth in the first half of the year. Confidence indicators relating both to the business sector and to consumers continued to follow a positive trend, although growth is unlikely to be as sharp as it was in the first half of the year. The labour market, on the other hand, continued to improve, with the unemployment rate dropping to 4.0% in August, while job vacancies continued to return to normal levels. As for salaries, the most recent data continued to show moderation, although they remain at high levels in year-on-year terms.

In terms of inflation, prices corrected substantially and headline inflation reached 2.2% in July. Even so, core inflation remained tight and, despite improvements in recent months, stood at 3.6% in August, driven upwards by services.

In the real estate market, house prices posted a pace of growth similar to the previous quarter. A higher rate of mortgage approvals was also recorded, and as a result the volume of approved mortgages is almost at the pre-pandemic average.

In the political arena, the Labour Party announced that it would need to implement a less expansionary budget than anticipated, due to the poor state of the public finances. It is expected to announce an increase in taxes in autumn.

Economic situation in Mexico

In Mexico, fears around the impact of the result of the elections held in early June resurfaced after progress was made with the legislative process of the judicial reform, which was finally approved in September after receiving support from senators from outside the coalition government. This reform was one of the more controversial proposals put forward by López Obrador. Among other aspects, it includes the election of the country's judges, including those of the Supreme Court, through a popular vote, which could increase the politicisation of the legal system. This could also be used by the United States and Canada to put pressure on Mexico when they eventually ratify the extension of the treaty between the three countries (USMCA) beyond 2036, which is expected to be agreed in 2026. The reform will therefore hinder the potential benefits of nearshoring trends in Mexico and it will also weigh on the Mexican peso. It could also trigger downgrades by credit rating agencies. However, for now, it seems premature to think that Mexico might lose its investment grade rating. To keep it, it will be vital for the new government to keep fiscal discipline over the coming years.

Against this backdrop, the Mexican peso has depreciated by as much as 15% since the June elections, falling to its lowest in almost two years. In addition the domestic political noise, the peso was affected by monetary policy in Japan and the unwinding of carry-trade positions.

Fixed-income markets

The ECB continued to cut official interest rates, placing the deposit facility rate at 3.50% in September. The central bank revealed a more pessimistic stance in terms of economic activity and reduced its economic growth forecasts slightly for the Eurozone. As for inflation, the ECB remains of the opinion that domestic inflation is still high. Following its September meeting, most ECB members left the door open to a further interest rate cut in October, amidst persistently subdued economic activity.

The Federal Reserve, for its part, reduced 50bps the target range of the Fed funds rate to 4.75-5.00%, in a context in which the central bank appeared more negative towards the labour market and more confident that inflation is nearing the 2% target. It also signalled that risks to inflation had become broadly balanced. Going forward, the central bank indicated that it will maintain a data-dependent stance.

The BoE began its cycle of interest rate cuts, lowering the base rate by 25bps to 5.00% in August, but made no further changes in September. The central bank appeared in favour of gradually reducing interest rates, with a meeting-by-meeting approach, and it reiterated its message that monetary policy will need to remain restrictive for sufficiently long to allow inflation risks to dissipate. On the topic of QT, a decision was made to reduce the BoE's bond holdings by 100 billion pounds over the coming year, in line with the two previous years.

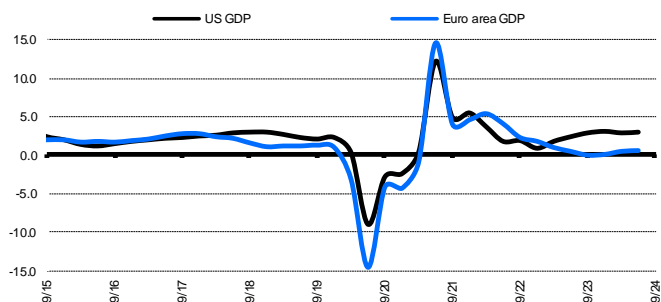
Long-term government bond yields fell on both sides of the Atlantic, after posting increases in the two previous quarters, dropping to their lowest since June 2023 in the case of Germany and since December 2023 in the case of the US. This downswing in yields was explained by weaker economic activity data and reduced concerns over inflation. This last aspect is closely linked to the drop in energy prices, particularly oil.

European government bond risk premiums broadly performed well throughout the quarter. The instability episode experienced by financial markets in early August had a limited impact, which quickly evaporated. The French risk premium stood out in a negative light, ending the quarter at c.80bps, due to the difficulties in governing the country.

Equity markets

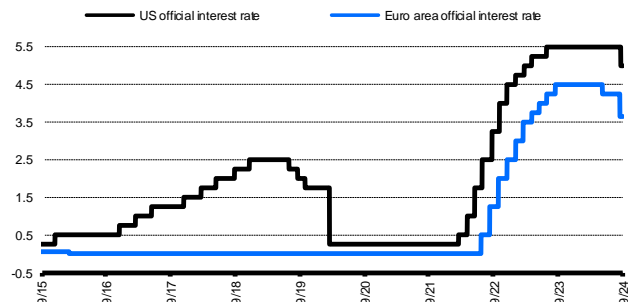
The main stock market indices of developed economies showed good performance during Q3 2024, against a backdrop of interest cuts introduced by central banks. In the United States, Standard & Poor's 500 gained 1.4% in euros (5.5% in dollars) during the quarter. In Europe, the Euro Stoxx 50 rose by 2.2% in Q3 2024, driven by Spain's IBEX (+8.5%) and the German DAX (6.0%). Other European stock markets also rebounded, including the French CAC (+2.1%) and the Italian MIB (2.9%).

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



Source: Bloomberg

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



Exchange rates: Parity vs. euro

Fx	30.09.23	31.12.23	31.03.24	30.06.24	30.09.24
USD	1.0594	1.1050	1.0811	1.0705	1.1196
GBP	0.8646	0.8691	0.8551	0.8464	0.8354
MXN	18.5030	18.7231	17.9179	19.5654	21.9842

Source: Bank of Spain

Income statement

Summary of results:

Banco Sabadell Group earned profit of 1,295 million euros as at the end of September 2024, representing year-on-year growth of 25.9%, of which 1,127 million euros were recorded ex-TSB and 168 million euros correspond to TSB. The Group's ROTE increased by 296bps compared to the end of the third quarter of the previous year, reaching 13.2%.

This Group profit was mainly driven by the good performance of core results (net interest income + fees and commissions – recurrent costs), which increased by 6.1% year-on-year due to the improvement of net interest income, mainly underpinned by interest rates.

It is also worth highlighting the good evolution of asset quality and, by extension, of credit provisions, which delivered improvements both in the Group's credit cost of risk, which fell by 12bps year-on-year and by 2bps in the quarter to stand at 31bps as at the end of September 2024, and in its total cost of risk, which was down by 11bps year-on-year and by 2bps in the quarter, standing at 44bps.

Cumulative income statement

(€ millions)	Excl. TSB			Total group				
	9M23	9M24	YoY (%)	9M23	9M24	YoY (%)	YoY (%) at constant FX	
Net interest income	2,611	2,889	10.6	3,512	3,746	6.7	6.2	
Net fees and commissions	956	928	-3.0	1,047	1,010	-3.6	-3.7	
Core revenues	3,568	3,817	7.0	4,559	4,756	4.3	3.9	
Net trading income and exchange differences	50	27	-45.0	64	56	-12.3	-12.7	
Income from equity method and dividends	95	131	37.1	95	131	37.1	37.1	
Other operating income/expense	-241	-206	-14.6	-270	-218	-19.5	-19.7	
Gross operating income	3,472	3,769	8.6	4,448	4,725	6.2	5.8	
Operating expenses	-1,252	-1,352	8.0	-1,838	-1,932	5.1	4.4	
Personnel expenses	-820	-867	5.7	-1,093	-1,150	5.2	4.7	
Other general expenses	-432	-485	12.4	-745	-782	5.0	4.1	
Amortisation & depreciation	-287	-287	0.0	-393	-375	-4.5	-5.0	
Total costs	-1,538	-1,639	6.5	-2,231	-2,307	3.4	2.8	
Memorandum item:								
Recurrent costs	-1,538	-1,639	6.5	-2,231	-2,286	2.5	1.8	
Non-recurrent costs	0	0	--	0	-21	--	--	
Pre-provisions income	1,933	2,130	10.2	2,217	2,418	9.1	8.9	
Provisions for NPLs	-569	-447	-21.5	-622	-487	-21.7	-21.8	
Provisions for other financial assets	-21	-35	71.1	-13	-37	185.3	189.2	
Other impairments	-48	-38	-21.1	-48	-38	-21.1	-21.1	
Gains on sale of assets and other results	-31	-5	-83.7	-30	-12	-61.4	-61.3	
Profit before tax	1,265	1,606	27.0	1,504	1,844	22.7	22.4	
Income tax	-397	-479	20.5	-475	-549	15.6	15.3	
Minority interest	1	1	11.8	1	1	11.8	11.8	
Attributable net profit	867	1,127	29.9	1,028	1,295	25.9	25.7	
Memorandum item:								
Core results (NII + net fees and commissions - costs)	(1)	2,029	2,178	7.3	2,328	2,470	6.1	5.9

(1) Calculation taking into account recurrent costs.

Quarterly income statement

(€millions)	Excl. TSB						Total group							
	3 Q23	4 Q23	1Q24	2Q24	3Q24	QoQ (%)	3Q23	4Q23	1Q24	2Q24	3Q24	QoQ (%)	QoQ (%) at constant FX	
Net interest income	944	938	953	979	957	-2.2	1,242	1,211	1,231	1,262	1,253	-0.7	-0.4	
Net fees and commissions	37	306	310	310	307	-10	350	339	340	335	336	0.2	0.4	
Core revenues	1,261	1,244	1,263	1,289	1,265	-1.9	1,592	1,550	1,571	1,597	1,589	-0.5	-0.2	
Net trading income and exchange differences	24	2	24	-11	15	--	32	5	35	2	18	--	--	
Income from equity method and dividends	23	36	48	39	44	13.0	23	36	48	39	44	13.0	13.0	
Other operating income/expense	0	-183	-199	-3	-4	47.6	-9	-177	-209	-21	13	--	--	
Gross operating income	1,309	1,099	1,136	1,314	1,319	0.3	1,638	1,414	1,444	1,617	1,664	2.9	3.2	
Operating expenses	-435	-442	-433	-443	-476	7.6	-634	-658	-627	-639	-666	4.2	4.4	
Personnel expenses	-282	-283	-282	-278	-307	10.3	-376	-401	-373	-371	-406	9.5	9.7	
Other general expenses	-153	-160	-152	-164	-169	3.0	-258	-257	-254	-269	-260	-3.2	-2.9	
Amortisation & depreciation	-89	-93	-95	-96	-96	-0.3	-119	-126	-124	-125	-126	1.0	1.2	
Total costs	-524	-535	-528	-539	-572	6.2	-753	-784	-751	-764	-792	3.7	3.9	
Memorandum item:														
Recurrent costs	-524	-535	-528	-539	-572	6.2	-753	-751	-750	-758	-778	2.7	2.9	
Non-recurrent costs	0	0	0	0	0	--	0	-33	-1	-6	-14	124.8	123.6	
Pre-provisions income	785	564	608	776	747	-3.7	885	630	693	853	872	2.2	2.5	
Provisions for NPLs	-168	-165	-176	-134	-136	15	-189	-191	-194	-139	-155	11.5	11.8	
Provisions for other financial assets	-5	0	-3	-18	-14	-26.1	-6	-5	-5	-22	-9	-58.7	-58.8	
Other impairments	-19	-32	-9	-20	-8	-59.1	-19	-32	-9	-20	-8	-59.1	-59.1	
Gains on sale of assets and other results	-17	-15	0	-3	-2	-33.7	-17	-15	0	-2	-9	293.1	--	
Profit before tax	576	351	420	600	587	-2.2	654	387	484	670	690	3.1	3.4	
Income tax	-167	-80	-157	-165	-156	-5.4	-190	-82	-176	-186	-187	0.6	0.6	
Minority interest	0	1	0	1	0	-100.0	0	1	0	1	0	-100.0	-100.0	
Attributable net profit	409	270	263	434	430	-0.8	464	304	308	483	503	4.2	4.6	
Memorandum item:														
Core results (NII + net fees and commissions - costs)	(1)	737	708	735	750	693	-7.7	839	799	821	839	811	-3.4	-3.0

(1) Calculation taking into account recurrent costs.

Net interest income:

Net interest income amounted to 3,746 million euros as at the end of September 2024, growing by 6.7% year-on-year and falling by -0.7% in the quarter.

The year-on-year growth was mainly driven by higher loan yields and higher earnings on the fixed-income portfolio, underpinned by interest rates, all of which offset the higher costs of both deposits and wholesale funding, as well as smaller average volumes. In the quarter, it was affected by lower credit yields following the interest rate cuts and an increased wholesale funding cost, which offset the increase produced by larger average volumes.

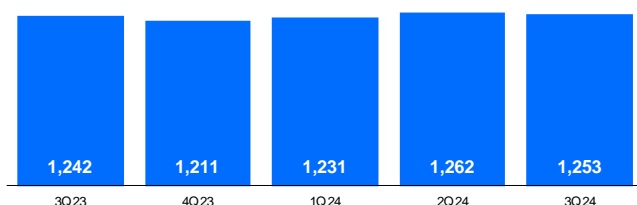
Customer margin and net interest margin:

The customer margin improved by 25bps compared to September 2023, driven by the increase in loan yields, which offset the higher cost of deposits. In the quarter, it showed a -7bps reduction, standing at 3.11%, due to reduced credit yields, in turn affected by the interest rate cuts.

Similarly, the net interest margin as a percentage of average total assets rose by 18bps year-on-year, falling by -4bps in the quarter, reaching 2.06%.

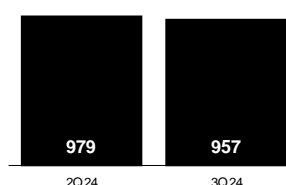
Evolution of net interest income

Total group (€ millions)



	Total group	Constant FX
Change YoY:	+6.7%	+6.2%
Change QoQ:	-0.7%	-0.4%

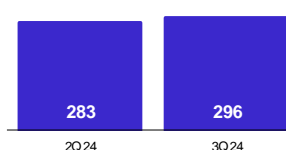
Sabadell ex - TSB (€ millions)



Change YoY:
+10.6%

Change QoQ:
-2.2%

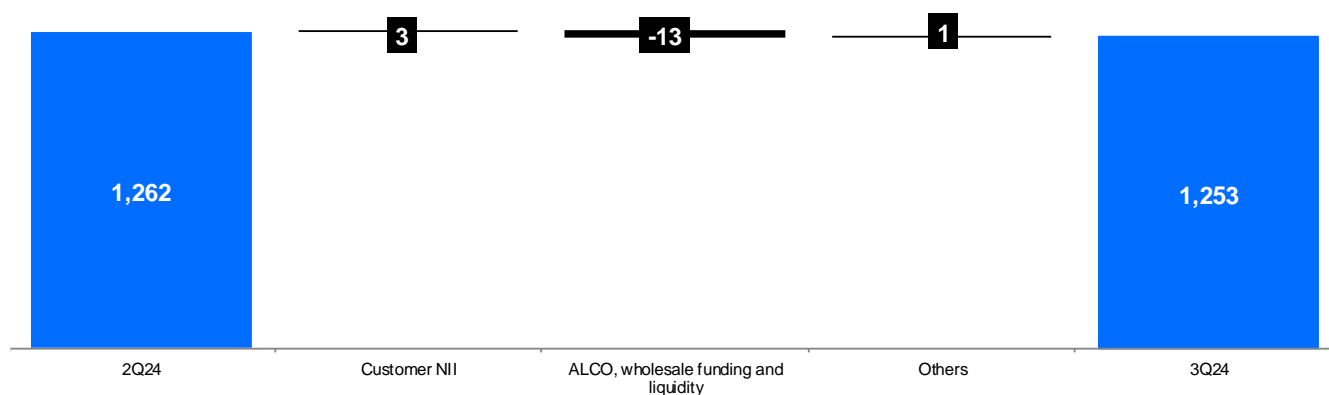
TSB (€ millions)



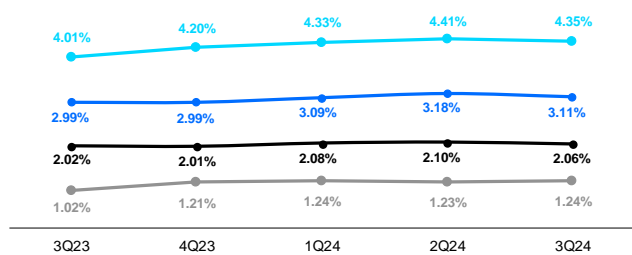
Change YoY:
-4.8%
-7.0% Constant FX

Change QoQ:
+4.4%
+3.5% Constant FX

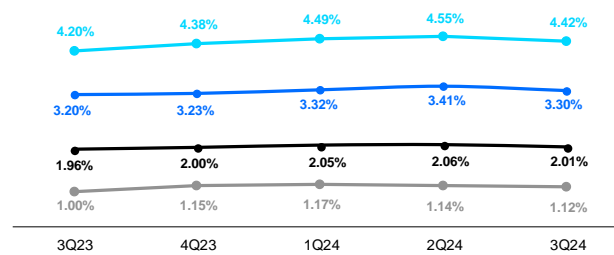
Quarterly evolution of net interest income (€ million)



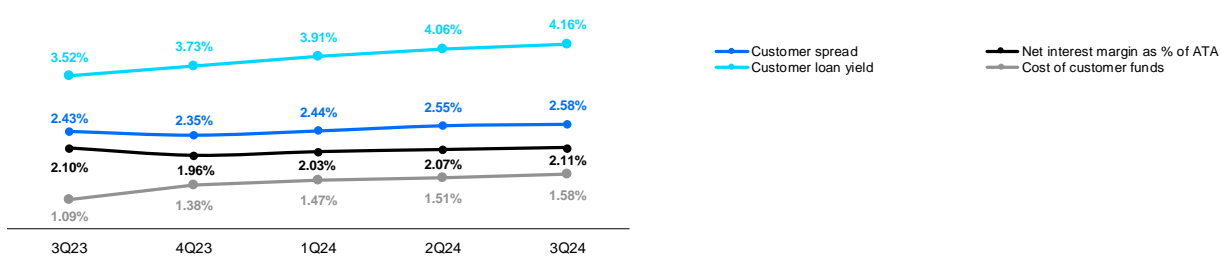
Net interest income, Group (%)



Net interest income, ex-TSB (%)



Net interest income, TSB (%)



Gains and charges in the quarter

Total Group

(€ millions)	3 Q23			4 Q23			1Q24			2 Q24			3 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)	39,474	3.87	386	39,240	4.05	401	37,941	4.17	393	39,009	4.06	394	36,808	3.91	362
Loans to customers (net)	154,449	4.01	1,561	151,914	4.20	1,607	151,377	4.33	1,628	153,042	4.41	1,680	155,571	4.35	1,700
Fixed-income securities	28,511	3.19	229	27,848	3.36	236	29,441	3.47	254	30,087	3.52	263	30,778	3.41	264
Equity securities	882	--	--	974	--	--	936	--	--	935	--	--	1,024	--	--
Tang. & intang. assets	4,540	--	--	4,523	--	--	4,520	--	--	4,495	--	--	4,478	--	--
Other assets	16,059	3.54	143	14,248	4.12	148	14,086	3.40	119	14,495	3.13	113	13,364	3.18	107
Total assets	243,916	3.77	2,319	238,748	3.97	2,392	238,301	4.04	2,394	242,061	4.07	2,450	242,023	4.00	2,432
Financial institutions (2)	27,663	-3.78	-264	25,579	-4.09	-264	26,425	-4.18	-275	28,336	-4.11	-289	26,562	-3.90	-260
Customer deposits	161,163	-1.02	-415	159,613	-1.21	-486	159,610	-1.24	-493	160,580	-1.23	-493	162,257	-1.24	-504
Capital markets	27,156	-3.53	-241	26,837	-3.91	-264	26,236	-4.01	-261	26,105	-4.15	-270	26,259	-4.23	-279
Other liabilities	14,630	-4.25	-157	12,780	-5.15	-166	11,962	-4.49	-134	12,778	-4.29	-136	12,654	-4.26	-135
Shareholders' equity	13,304	--	--	13,938	--	--	14,068	--	--	14,263	--	--	14,292	--	--
Total funds	243,916	-1.75	-1,077	238,748	-1.96	-1,180	238,301	-1.96	-1,163	242,061	-1.97	-1,188	242,023	-1.94	-1,179
Net interest income			1,242			1,211			1,231			1,262			1,253
Customer spread			2.99			2.99			3.09			3.18			3.11
Net interest margin as % of ATA			2.02			2.01			2.08			2.10			2.06

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

Sabadell ex-TSB

(€ millions)	3 Q23			4 Q23			1Q24			2 Q24			3 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)	33,510	3.70	312	32,747	3.87	319	32,198	4.03	322	33,714	3.90	327	31,267	3.73	293
Loans to customers (net)	111,782	4.20	1,183	110,051	4.38	1,214	108,739	4.49	1,214	110,053	4.55	1,246	111,957	4.42	1,243
Fixed-income securities	26,082	3.07	202	25,583	3.25	209	27,246	3.42	231	27,923	3.47	241	28,534	3.36	241
Other assets	19,645	0.56	28	18,556	0.87	41	18,667	0.58	27	19,058	0.55	26	18,298	0.58	27
Total assets	191,018	3.58	1,725	186,937	3.79	1,784	186,850	3.86	1,794	190,748	3.88	1,840	190,056	3.78	1,804
Financial institutions (2)	22,977	-3.51	-203	20,941	-3.85	-203	22,209	-3.97	-219	24,827	-3.94	-243	23,481	-3.74	-221
Customer deposits	120,789	-1.00	-304	119,891	-1.15	-348	119,500	-1.17	-346	120,097	-1.14	-340	120,967	-1.12	-340
Capital markets	24,392	-3.39	-209	23,712	-3.67	-220	23,123	-3.87	-223	22,692	-4.00	-226	22,320	-4.04	-227
Other liabilities and shareholders' equity	22,861	-1.12	-65	22,393	-1.33	-75	22,018	-0.97	-53	23,132	-0.91	-52	23,287	-1.02	-60
Total funds	191,018	-1.62	-781	186,937	-1.79	-846	186,850	-1.81	-841	190,748	-1.82	-861	190,056	-1.77	-847
Net interest income			944			938			953			979			957
Customer spread			3.20			3.23			3.32			3.41			3.30
Net interest margin as % of ATA			1.96			2.00			2.05			2.06			2.01

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

Net trading income and exchange differences:

As at the end of September 2024, this item came to a total of 56 million euros, thus falling in year-on-year terms due to reduced gains on total derivatives, a trend that is reversed in the quarter-on-quarter comparison and instead reveals growth in this heading.

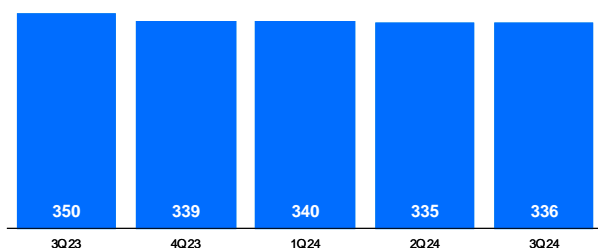
Net fees and commissions:

Net fees and commissions amounted to 1,010 million euros as at the end of September 2024, representing a year-on-year reduction of -3.6%, mainly due to reduced service fees, where it is particularly worth noting card fees and sight account fees.

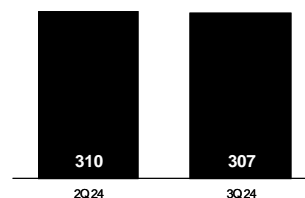
In the quarter, they grew slightly by 0.2%, despite the negative third-quarter seasonality, with an increase in service fees, with a particularly positive evolution of card fees.

Evolution of net fees and commissions

Total group (€ millions)



Sabadell ex - TSB (€ millions)



Change YoY:

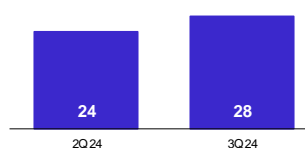
-3.0%

Change QoQ:

-1.0%

	Total group	Constant FX
Change YoY:	-3.6%	-3.7%
Change QoQ:	+0.2%	+0.4%

TSB (€ millions)



Change YoY:

-9.5%

-11.6% Constant FX

Change QoQ:

+16.2%

+15.2% Constant FX

Net fees and commissions

(€ millions)	Excl. TSB			Total group			Excl. TSB			Total group		
	2 Q24	3 Q24	QoQ (%)	2 Q24	3 Q24	QoQ (%)	9 M 23	9 M 24	YoY (%)	9 M 23	9 M 24	YoY (%)
Lending fees	45	44	-3.8	45	44	-3.8	138	134	-2.6	138	135	-2.6
Guarantees commissions	26	26	-2.4	26	26	-2.4	78	77	-0.6	78	77	-0.6
Risk transaction fees	72	69	-3.3	72	69	-3.3	216	212	-1.9	216	212	-1.9
Cards	37	42	13.8	51	58	14.9	132	117	-11.5	189	165	-12.3
Payment orders	20	20	-3.2	21	20	-3.1	61	60	-1.6	62	61	-1.6
Securities	18	14	-19.0	18	14	-19.0	43	48	11.4	43	48	11.4
Sight accounts	57	56	-3.0	64	63	-0.8	186	170	-8.5	206	191	-7.3
Foreign currency and notes exchange	22	21	-2.8	29	29	0.1	68	63	-7.5	89	84	-5.8
Other transactions	12	13	7.5	6	6	12.1	29	41	41.4	13	23	79.0
Commissions for services	166	166	-0.2	188	192	2.0	519	499	-3.9	602	573	-4.9
Mutual funds	30	30	-2.9	30	30	-2.9	89	89	1.1	89	89	1.1
Pension funds and insurance brokerage	36	37	0.7	39	39	0.3	117	111	-5.5	125	119	-4.5
Managed accounts	6	6	3.9	6	6	3.9	16	17	5.7	16	17	5.7
Asset Under Management commissions	73	72	-0.5	75	75	-0.7	222	217	-2.0	229	226	-1.6
Total commissions	310	307	-1.0	335	336	0.2	956	928	-3.0	1,047	1,010	-3.6

Equity-accounted income and dividends:

This item amounted to 131 million euros as at the end of September 2024, thus increasing compared to the same period in 2023, due to an increased contribution of the insurance business and higher earnings of BS Capital investees, with the latter being the drivers of growth during the quarter.

Other operating income and expenses:

This item amounted to -218 million euros as at the end of September 2024, compared to -270 million euros at the end of the previous September. 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 greater impact of the banking tax in 2024, which was -192 million euros compared to -156 million euros recognised in the previous year. In addition, the positive year-on-year balance variation was impacted by the 43 million euro payment collected by TSB for insurance recoveries, which counterbalanced the -13 million euro fine charged for its treatment of customers in arrears.

The positive quarter-on-quarter balance variation is mainly explained by TSB's aforementioned collection of insurance recoveries.

Total costs:

Total costs came to -2,307 million euros as at the end of September 2024, increasing by 3.4% year-on-year, with the recognition of -21 million euros of non-recurring restructuring charges at TSB, of which -14 million euros recorded in the third quarter. Recurring costs rose by 2.5% year-on-year, due to an increase of both personnel expenses and general expenses, which partially counterbalanced the reduction of amortisations/depreciations.

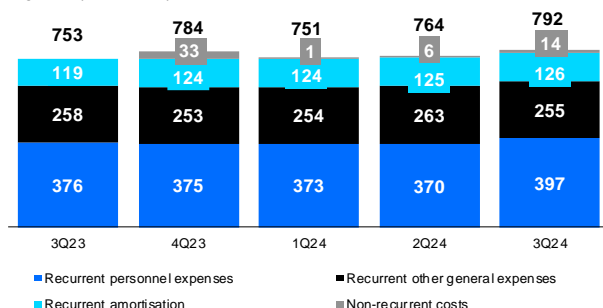
In quarterly terms, total costs rose by 3.7%, as a result of higher personnel expenses, the increase in recurring costs being 2.7%.

Total costs

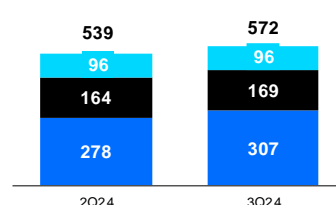
(€ millions)	Excl. TSB			Total group			Excl. TSB			Total group		
	2 Q24	3 Q24	QoQ (%)	2 Q24	3 Q24	QoQ (%)	9 M 23	9 M 24	YoY (%)	9 M 23	9 M 24	YoY (%)
Personnel expenses	-278	-307	10.3	-371	-406	9.5	-820	-867	5.7	-1,093	-1,150	5.2
IT and communications	-54	-59	8.2	-109	-118	8.3	-170	-171	0.4	-332	-343	3.3
Publicity	-20	-19	-4.9	-27	-25	-7.7	-40	-61	50.6	-65	-79	21.1
Property and plant	-7	-8	11.9	-15	-14	-6.1	-26	-25	-5.0	-47	-45	-4.4
Technical reports and judicial expenses	-14	-15	8.2	-18	-19	6.2	-17	-35	101.6	-28	-45	59.8
Subcontracted administrative services	-21	-15	-29.0	-39	-19	-51.1	-39	-55	43.8	-97	-94	-2.9
Contributions and taxes	-28	-33	17.2	-30	-35	17.6	-75	-81	7.9	-81	-87	6.7
Others	-20	-20	3.8	-32	-31	-4.0	-64	-58	-10.3	-94	-89	-5.0
Other general expenses	-164	-169	3.0	-269	-260	-3.2	-432	-485	12.4	-745	-782	5.0
Amortisation & depreciation	-96	-96	-0.3	-125	-126	1.0	-287	-287	0.0	-393	-375	-4.5
Total costs	-539	-572	6.2	-764	-792	3.7	-1,538	-1,639	6.5	-2,231	-2,307	3.4
Memoandum item:												
Recurrent costs	-539	-572	6.2	-758	-778	2.7	-1,538	-1,639	6.5	-2,231	-2,286	2.5
Non-recurrent costs	0	0	--	-6	-14	124.8	0	0	--	0	-21	--
Efficiency ratio (%)							36.7	35.7		41.9	40.7	
Efficiency ratio with amortisation & depreciation (%)							45.1	43.2		50.9	48.6	

Evolution of total costs

Total group (€ millions)



Sabadell ex - TSB (€ millions)



Recurrent costs

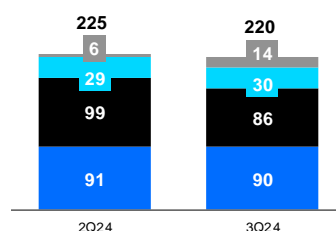
Change YoY:

+6.5%

Change QoQ:

+6.2%

TSB (€ millions)



Recurrent costs

Change YoY:

-6.5%

-8.6% Constant FX

Change QoQ:

-6.0%

-7.0% Constant FX

Total group ⁽¹⁾ Constant FX ⁽¹⁾

Change YoY: **+2.5%** **+1.8%**

Change QoQ: **+2.7%** **+2.9%**

(1) Change over total recurrent costs.

Core results:

Core results (net interest income + fees and commissions – recurrent costs) followed a positive trend, standing at 2,470 million euros as of the end of September 2024, growing by

6.1% year-on-year, as a result of the good evolution of net interest income. In the quarter, they fell by -3.4%, due to the balance variations mentioned above.

(€ millions)

	Total group					
	2 Q24	3 Q24	QoQ (%)	9 M 23	9 M 24	YoY (%)
Net interest income	1,262	1,253	-0.7	3,512	3,746	6.7
Net fees and commissions	335	336	0.2	1,047	1,010	-3.6
Recurrent costs	-758	-778	2.7	-2,231	-2,286	2.5
Core results	839	811	-3.4	2,328	2,470	6.1

Provisions for credit losses and other impairments:

This item amounted to a total of -561 million euros as at the end of September 2024, compared to -683 million euros at the end of September 2023, representing a reduction of -17.7%, due to an improvement of both credit provisions and real estate provisions.

In the quarter, provisions were down by -5.0%, underpinned by the recognition of fewer real estate provisions and fewer litigation provisions.

This level of provisions represents an improvement, both in the Group's credit cost of risk, which fell by 12bps year-on-year and by 2bps in the quarter to stand at 31bps as at the end of September 2024, and in its total cost of risk, which was down by 11bps year-on-year and by 2bps in the quarter, standing at 44bps.

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. In the quarter, it is worth mentioning the recognition of non-recurring impacts related to TSB.

Net profit:

The Group's net profit amounted to 1,295 million euros as at the end of September 2024, increasing by 25.9% year-on-year. In the quarter, net profit grew by 4.2%.

Balance sheet

Highlights:

Performing loans showed a positive evolution in year-on-year terms, driven by good performance both in Spain and in the businesses abroad, particularly Miami and TSB, in the latter case positively impacted by the appreciation of the pound sterling. In quarter-on-quarter terms, lending volumes showed a reduction, with the growth of the mortgage book counterbalanced by the smaller volume of lending granted to SMEs and corporates due to the quarterly seasonality.

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, with growth of both on-balance sheet and off-balance sheet customer funds, notably mutual funds, underpinned by both a positive level of net subscriptions and higher yields.

Balance sheet

(€millions)	30.09.23	30.06.24	30.09.24	Change	
				YoY (%)	QoQ (%)
Cash, cash balances at central banks and other demand deposits	35,270	29,502	29,914	-15.2	14
Financial assets held for trading and fair value with changes in PL	3,802	3,110	2,846	-25.1	-8.5
Financial assets in fair value OCI	5,448	6,528	6,658	22.2	2.0
Financial assets at amortised cost	183,533	190,489	191,255	4.2	0.4
Loans and advances to customers	154,348	157,426	156,580	14	-0.5
Loans and advances of central banks and credit institutions	7,582	10,425	11,097	46.4	6.4
Debt securities	21,604	22,639	23,578	9.1	4.1
Investments in subsidiaries, joint ventures and associates	499	462	528	5.7	14.3
Tangible assets	2,383	2,216	2,138	-10.3	-3.5
Intangible assets	2,426	2,494	2,516	3.7	0.9
Other assets	9,900	9,528	9,660	-2.4	14
Total assets	243,261	244,328	245,514	0.9	0.5
Financial liabilities held for trading and fair value with changes in PL	3,840	2,862	2,558	-33.4	-10.6
Financial liabilities at amortised cost	223,283	225,027	226,274	1.3	0.6
Central banks	9,743	3,283	2,719	-72.1	-17.2
Credit institutions	18,600	13,807	13,544	-27.2	-1.9
Customer deposits	160,907	175,548	175,924	9.3	0.2
Debt securities issued	27,452	25,396	26,897	-2.0	5.9
Other financial liabilities	6,581	6,993	7,190	9.3	2.8
Provisions	538	479	465	-13.6	-2.9
Other liabilities	1,822	1,562	1,792	-1.7	14.8
Subtotal liabilities	229,483	229,930	231,089	0.7	0.5
Shareholders' equity	14,263	14,820	14,868	4.2	0.3
Accumulated other comprehensive income	-519	-457	-478	-7.9	4.6
Minority interest	34	35	34	0.5	-1.8
Net equity	13,778	14,398	14,425	4.7	0.2
Total liabilities and net equity	243,261	244,328	245,514	0.9	0.5
Financial guarantees granted	2,065	1,903	1,892	-8.4	-0.6
Commitments for loans granted	27,215	27,631	27,671	1.7	0.1
Other commitments granted	8,088	8,327	8,014	-0.9	-3.8

Assets:

The Group's total assets amounted to 245,514 million euros, increasing by 0.9% year-on-year, despite the repayment in full of TLTRO III borrowing (5,000 million euros in the first quarter of 2024) and the 1,765 million pound sterling repayment made to the Bank of England under the TFSME

(Term Funding Scheme with additional incentives for SMEs) in the first nine months of 2024, of which 500 million pounds were repaid in the third quarter. In quarter-on-quarter terms, total assets were up by 0.5%.

Loans and advances to customers:

Gross performing loans ended September 2024 with a balance of 154,364 million euros, increasing by 1.8% year-on-year and dropping by -0.5% in the quarter, due to a seasonal effect.

In Spain, gross performing loans in year-on-year terms posted a 1.8% improvement, driven by the increase of lending to SMEs and corporates and individuals, as well as the good performance of foreign branches (included in this perimeter), particularly Miami. In the quarter, lending volumes fell by -0.6%, negatively affected by a seasonal effect, as the second quarter included c.700 million euros of social security advance payments. The mortgage book shows growth in the quarter, which is counterbalanced by the smaller volume of lending granted to SMEs and corporates due to the quarterly seasonality.

Gross performing loans of foreign branches (Europe and Miami), included in the Spain perimeter, amounted to

10,119 million euros, increasing by 8.5% year-on-year and falling by -0.5% in the quarter, due to the performance of Miami, which was affected by the depreciation of the US dollar. At constant exchange rates, year-on-year growth was 11.4%, while in the quarter this item posted growth of 2.2%.

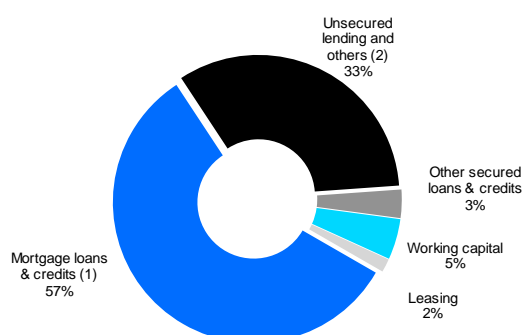
In TSB, gross performing loans increased by 3.4% year-on-year and 0.7% in the quarter, benefitting from the appreciation of the pound sterling given that, at a constant exchange rate, they actually remained broadly stable year-on-year, and dipped slightly in the quarter by -0.6%, due to the smaller volume of the mortgage book.

Mexico recorded a reduction of -11.1% year-on-year and -10.7% in the quarter, affected by the depreciation of the Mexican peso, given that at constant exchange rates they decreased by -1.2% year-on-year and by -3.4% in the quarter.

Loans and advances to customers

(€ millions)	Excl. TSB						Total group					
	30.09.23		30.06.24		30.09.24		30.09.23		30.06.24		30.09.24	
					Change						Change	
				YoY (%)	QoQ (%)					YoY (%)	QoQ (%)	
Mortgage loans & credits	47,959	47,567	48,052	0.2	1.0	87,123	87,799	88,622	1.7	0.9		
Other secured loans & credits	5,116	5,184	4,761	-6.9	-8.2	5,475	5,492	5,031	-8.1	-8.4		
Working capital	6,829	8,031	7,221	5.7	-10.1	6,829	8,031	7,221	5.7	-10.1		
Leasing	2,265	2,386	2,359	4.1	-1.1	2,265	2,386	2,359	4.1	-1.1		
Unsecured lending and others	47,665	49,090	48,762	2.3	-0.7	49,935	51,457	51,132	2.4	-0.6		
Performing gross loans	109,834	112,258	111,155	1.2	-1.0	151,627	155,164	154,364	1.8	-0.5		
Stage 3 assets (customer)	4,958	4,527	4,367	-11.9	-3.5	5,561	5,188	5,037	-9.4	-2.9		
Accruals	179	119	194	8.7	62.9	243	180	255	5.1	42.3		
Gross loans to customers (excluding repos)	114,971	116,904	115,716	0.6	-1.0	157,431	160,532	159,657	1.4	-0.5		
Reverse repos	74	0	0	-100.0	--	74	0	0	-100.0	--		
Gross loans to customers	115,045	116,904	115,716	0.6	-1.0	157,505	160,532	159,657	1.4	-0.5		
NPLs and country-risk provisions	-2,925	-2,871	-2,838	-3.0	-1.1	-3,157	-3,107	-3,077	-2.5	-1.0		
Loans and advances to customers	112,120	114,032	112,878	0.7	-1.0	154,348	157,426	156,580	1.4	-0.5		

Loans and advances to customers, by product type, 30.09.2024 (%) (*)

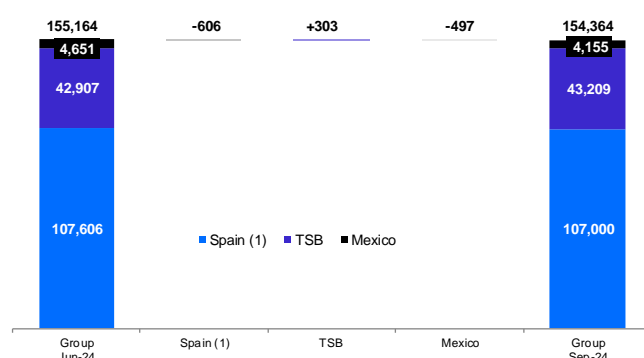


(1) Includes mortgage loans and credits both to individuals and companies.

(2) Includes ICO loans.

(*) Excluding stage 3 assets and accrual adjustments.

Gross performing loans, by geography (€ million)



	Spain (1)	TSB	Mexico	Group Sep-24
Change YoY:	+1.8%	+3.4%	-11.1%	+1.8%
Change YoY at constant FX:	-0.1%	-0.1%	-1.2%	+1.3%
Change QoQ:	-0.6%	+0.7%	-10.7%	-0.5%
Change QoQ at constant FX:	-0.6%	-0.6%	-3.4%	-0.5%

(1) Spain includes foreign branches (€10,119M in Sep 24 and €10,166M in Jun 24).

Liabilities:

Customer funds:

Total customer funds amounted to 208,249 million euros as at the end of September 2024, representing growth of 3.4% year-on-year and of 0.7% in the quarter.

On-balance sheet customer funds came to a total of 163,468 million euros, posting growth of 0.9% year-on-year and 0.2% in the quarter, due to an increase in term deposits, which offset the lower balances of sight accounts and retail issuances, particularly commercial paper.

Sight accounts balances came to 133,776 million euros, falling by -2.0% year-on-year and by -1.0% in the quarter, as funds flowed through to term deposits and off-balance sheet funds, mainly mutual funds.

Term deposits came to a total of 29,633 million euros, representing an increase of 22.5% year-on-year and of 6.6% in the quarter.

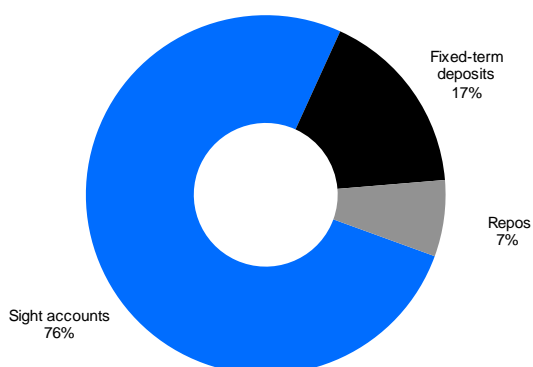
Total off-balance sheet customer funds came to 44,781 million euros as at the end of September 2024, reflecting an increase of 13.8% in year-on-year terms and of 2.8% in the quarter, where it is particularly worth noting the good evolution of mutual funds, which recorded a positive level of net subscriptions as well as higher yields.

Funds under management and third-party funds:

This item amounted to a total of 247,602 million euros, representing a year-on-year increase of 8.7%, impacted by the growth of repos. Not including repos, this item increased by 3.4% year-on-year. In the quarter, total funds under management and third-party funds increased by 1.3%.

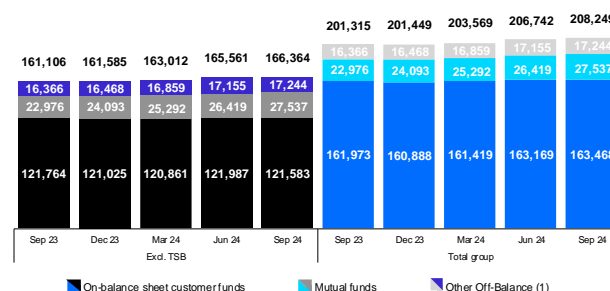
In the first quarter of 2024, the remaining 5,000 million euros of TLTRO III borrowing was repaid, meaning that all of that borrowing has now been repaid in full. The balance of the TFSME (Term Funding Scheme with additional incentives for SMEs) came to 2,235 million pounds, having repaid 1,765 million pounds during the first nine months of 2024 (500 million pounds in the third quarter of 2024).

Customer deposits, 30.09.2024 (%) (*)



(*) Excluding accrual adjustments and hedging derivatives.

Evolution of customer funds (€ million)



On-balance sheet customer funds

	Excl. TSB	Total group
Change YoY:	-0.1%	0.9%
Change QoQ:	-0.3%	0.2%

Total customer funds

	Excl. TSB	Total group
Change YoY:	3.3%	3.4%
Change QoQ:	0.5%	0.7%

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

Customer funds

(€millions)	Excl. TSB					Total group				
	30.09.23	30.06.24	30.09.24	Change YoY (%) QoQ (%)		30.09.23	30.06.24	30.09.24	Change YoY (%) QoQ (%)	
Financial liabilities at amortised cost	173,093	175,443	176,225	1.8	0.4	223,283	225,027	226,274	1.3	0.6
Non-retail financial liabilities	51,329	53,456	54,642	6.5	2.2	61,310	61,859	62,806	2.4	15
Central banks	5,056	0	0	-100.0	--	9,743	3,283	2,719	-72.1	-17.2
Credit institutions	18,599	13,806	13,544	-27.2	-19	18,600	13,807	13,544	-27.2	-19
Institutional issues	23,061	34,452	35,368	53.4	2.7	26,386	37,775	39,353	49.1	4.2
Other financial liabilities	4,613	5,197	5,731	24.2	10.3	6,581	6,993	7,190	9.3	2.8
On-balance sheet customer funds	(1) 121,764	121,987	121,583	-0.1	-0.3	161,973	163,169	163,468	0.9	0.2
Customer deposits	120,564	134,213	133,860	110	-0.3	160,907	175,548	175,924	9.3	0.2
Sight accounts	(1) 10,164	100,565	98,968	-2.6	-1.6	136,511	135,070	133,776	-2.0	-1.0
Fixed-term deposits	(1) 18,845	21,118	22,557	19.7	6.8	24,184	27,795	29,633	22.5	6.6
Repos	0	12,309	12,058	--	-2.0	0	12,309	12,058	--	-2.0
Accruals and derivative hedging adjustments	78	221	277	252.5	25.3	212	374	456	116.1	22.1
Debt and other marketable securities	(1) 20,170	18,143	19,011	-5.7	4.8	23,362	21,313	22,817	-2.3	7.1
Subordinated liabilities	(2) 4,091	4,083	4,080	-0.3	-0.1	4,091	4,083	4,080	-0.3	-0.1
On-balance sheet funds	144,825	156,439	156,951	8.4	0.3	188,359	200,944	202,821	7.7	0.9
Mutual funds	22,976	26,419	27,537	19.9	4.2	22,976	26,419	27,537	19.9	4.2
Dedicated investment companies	584	640	629	7.7	-1.8	584	640	629	7.7	-1.8
Third-party funds	22,392	25,778	26,908	20.2	4.4	22,392	25,778	26,908	20.2	4.4
Managed accounts	3,633	4,124	4,255	17.1	3.2	3,633	4,124	4,255	17.1	3.2
Pension funds	3,179	3,295	3,353	5.5	1.8	3,179	3,295	3,353	5.5	1.8
Individual	2,062	2,127	2,164	4.9	1.7	2,062	2,127	2,164	4.9	1.7
Company	1,112	1,163	1,184	6.5	1.9	1,112	1,163	1,184	6.5	1.9
Group	5	5	5	-0.1	0.5	5	5	5	-0.1	0.5
Third-party insurance products	9,554	9,736	9,636	0.9	-1.0	9,554	9,736	9,636	0.9	-1.0
Off-balance sheet customer funds	39,342	43,574	44,781	13.8	2.8	39,342	43,574	44,781	13.8	2.8
Funds under management and third-party funds	184,167	200,013	201,732	9.5	0.9	227,702	244,518	247,602	8.7	1.3

(1) On-balance sheet customer funds at the Group level as at 30.09.2024 include 133,776 million euros of sight accounts (135,070 million euros as at 30.06.2024 and 136,511 million euros as at 30.09.2023), 29,256 million euros of term deposits excluding multi-seller covered bonds, subordinated deposits and Yankee CD (27,425 million euros as at 30.06.2024 and 23,718 million euros as at 30.09.2023) and 436 million euros of retail issuances (commercial paper), included in 'Debt and other marketable securities' (673 million euros as at 30.06.2024 and 1,744 million euros as at 30.09.2023).

(2) Subordinated liabilities of debt securities.

Equity:

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

Equity

(€millions)	30.09.23	30.06.24	30.09.24	Change	
				YoY	QoQ
Shareholders' equity	14,263	14,820	14,868	606	49
Issued capital	703	680	680	-23	0
Reserves	12,723	13,446	13,419	696	-27
Other equity	20	21	23	3	2
Less: treasury shares	-212	-119	-119	92	0
Attributable net profit	1,028	791	1,295	267	503
Less: interim dividends	0	0	-429	-429	-429
Accumulated other comprehensive income	-519	-457	-478	41	-21
Minority interest	34	35	34	0	-1
Net equity	13,778	14,398	14,425	647	27

Risk management

Highlights:

Non-performing assets were reduced by -186 million euros during the quarter, with those classified as stage 3 falling by -155 million euros while problematic real estate assets did so by -31 million euros.

It is worth highlighting the higher NPA coverage ratio including total provisions, which rose to 57.9% as at the end of September 2024, from 53.9% as at the end of September 2023 and from 56.8% as at the end of June 2024. The stage 3 coverage ratio considering total provisions as at the end of September 2024 stood at 60.8%, also improving from 56.5% as at September 2023 and from 59.7% as at June 2024. The coverage of problematic real estate assets as at the end of September 2024 stood at 40.3%, improving from 38.9% as at September 2023 and from 39.5% as at June 2024.

The Group's stage 3 ratio stood at 3.14% as at the end of September 2024, falling by -40bps year-on-year and by -7bps in the quarter.

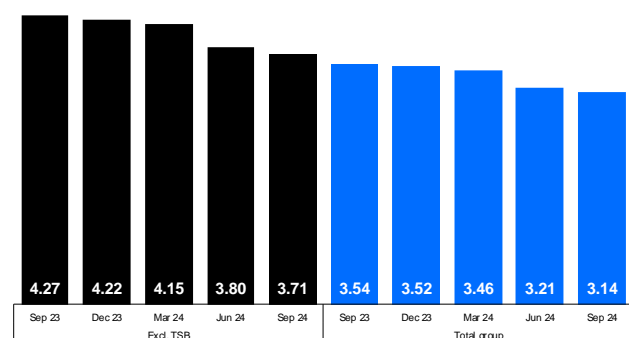
With regard to the breakdown of loans by stages, it should be noted that 89.7% are classified as stage 1 with a coverage level of 0.3%, the balance of stage 2 loans represents 7.1% of total loans with coverage of 3.8%, while the balance of stage 3 loans represents 3.1% of the total with coverage of 44.8%, reflecting an improvement compared to the end of September 2023, when it was 40.8%, and compared to the 44.1% recorded as at the end of June 2024. Excluding TSB, the stage 3 coverage ratio as at the end of September 2024 stood at 49.2%, improving from 43.8% as at the end of September 2023 and from 48.3% as at the end of June 2024.

Risk management:

Non-performing assets showed a balance of 6,155 million euros as at the end of September 2024, of which 5,283 million euros correspond to stage 3 loans and 872 million euros correspond to problematic real estate assets.

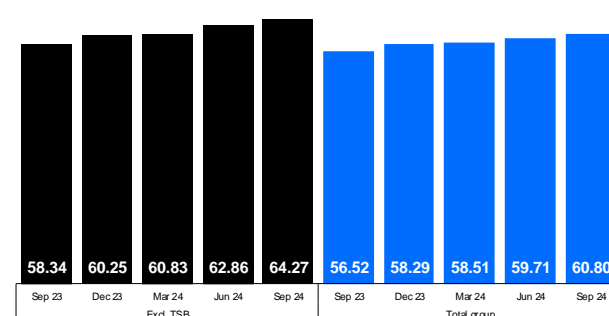
The gross NPA ratio was reduced to 3.6%, while the net NPA ratio considering total provisions stood at 1.5%.

Stage 3 ratios (%) (*)



(*) Calculated including contingent exposures.

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

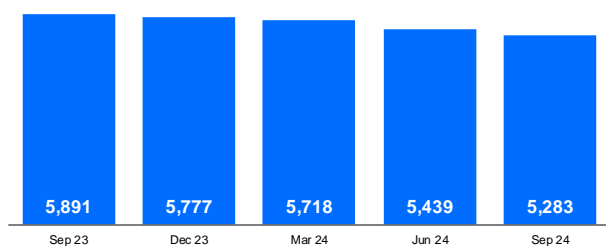


Stage 3 ratios, by segment (*)

Total group	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24
Real estate development and/or construction purposes	7.09%	6.44%	6.88%	6.27%	6.08%
Construction purposes non-related to real estate dev.	6.61%	5.25%	5.30%	4.51%	4.61%
Large corporates	2.52%	2.47%	2.34%	1.90%	1.87%
SME and small retailers and self-employed	8.54%	8.52%	8.97%	8.74%	8.19%
Individuals with 1st mortgage guarantee assets	2.26%	2.29%	2.10%	1.96%	1.92%
Stage 3 ratio	3.54%	3.52%	3.46%	3.21%	3.14%

(*) Calculated including contingent exposures.

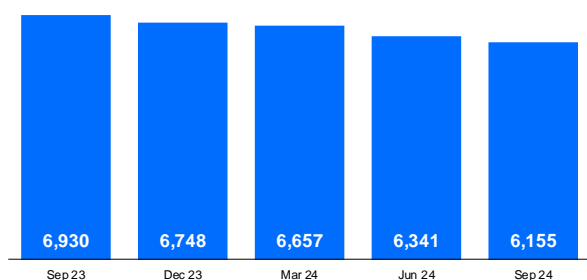
Evolution of stage 3 loans (€ million) (*)



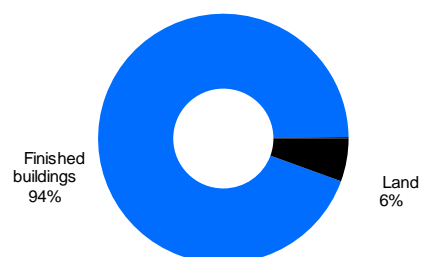
Evolution of problematic real estate assets (€ million) (*)



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)	3Q23	4Q23	1Q24	2Q24	3Q24
Gross entries	658	601	727	581	505
Recoveries and sales	-573	-635	-687	-763	-533
Net stage 3 entries	85	-35	40	-182	-27
Gross entries	19	6	10	14	7
Sales	-63	-73	-42	-50	-38
Change in problematic RE assets	-44	-68	-32	-36	-31
Net stage 3 entries + Change in problematic RE assets	41	-103	8	-219	-58
Write-offs	-82	-79	-100	-97	-128
NPA's quarterly change	-41	-182	-92	-316	-186

Evolution of Group non-performing asset coverage^(*)

(€ millions)	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24
Stage 3 exposures	5,891	5,777	5,718	5,439	5,283
Total provisions	3,329	3,368	3,346	3,247	3,213
Stage 3 coverage ratio with total provisions (%)	56.5%	58.3%	58.5%	59.7%	60.8%
Stage 3 exposures	5,891	5,777	5,718	5,439	5,283
Stage 3 provisions	2,402	2,445	2,433	2,399	2,365
Stage 3 coverage ratio (%)	40.8%	42.3%	42.5%	44.1%	44.8%
Problematic RE Assets	1,039	971	939	902	872
Provisions	404	385	370	356	352
Problematic Real Estate coverage ratio (%)	38.9%	39.6%	39.4%	39.5%	40.3%
Total problematic assets	6,930	6,748	6,657	6,341	6,155
Provisions	3,733	3,752	3,715	3,604	3,564
Problematic assets coverage (%)	53.9%	55.6%	55.8%	56.8%	57.9%
Gross loans to customers excluding repos +financial guarantees and other guarantees granted + problematic RE Assets	167,348	165,309	166,235	170,198	169,133
Gross NPA ratio (%)	(1) 4.1%	4.1%	4.0%	3.7%	3.6%
Net problematic assets	3,196	2,996	2,941	2,738	2,591
Net NPA ratio (%)	(1) 1.9%	1.8%	1.8%	1.6%	1.5%
Net problematic assets as % of total assets	1.3%	1.3%	1.2%	1.1%	1.1%

(*) 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 September 2024 were reduced

by -18.4% year-on-year and by -8.6% in the quarter to stand at 2,250 million euros, with coverage of 38.0%.

(€ millions)	Sep 23		Dec 23		Mar 24		Jun 24		Sep 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	6	1	6	0	12	0	13	0
Companies and self employed	3,405	1,746	3,395	1,668	3,345	1,734	3,138	1,658	2,943	1,487
Of which: Financing for construction and real estate development	234	135	239	144	236	143	194	121	170	101
Individuals	1,565	1,013	1,547	1,022	1,325	869	1,254	804	1,225	763
Total	4,977	2,759	4,949	2,690	4,686	2,602	4,404	2,463	4,181	2,250
Provisions	1,124	1,032	1,100	1,009	1,045	967	981	910	926	855
Coverage ratio	22.6%	37.4%	22.2%	37.5%	22.3%	37.1%	22.3%	36.9%	22.1%	38.0%

Breakdown of loans and provisions, by stages

In terms of the breakdown of loans by stages, it is worth noting that 89.7% was classified as stage 1 with coverage of 0.3% and the balance decreased by -0.5% in the quarter and grew by 2.3% year-on-year. Stage 2 balances accounted for 7.1% of the total credit balance, with

coverage of 3.8%, and representing a quarter-on-quarter balance reduction of -1.3% and a year-on-year reduction of -6.7%. Lastly, stage 3 loans accounted for 3.1% of the total, with coverage of 44.8%, representing a balance reduction of -2.9% in the quarter and of -10.3% year-on-year.

(€ millions)	Stage 1	Stage 2	Stage 3
Gross loans to customers excluding repos and financial guarantees and other guarantees granted	150,996	11,981	5,283
Change QoQ	-0.5%	-1.3%	-2.9%
Change YoY	2.3%	-6.7%	-10.3%
Provisions	387	461	2,365
% Stage / Total loans	89.7%	7.1%	3.1%
Coverage group	0.3%	3.8%	44.8%
Coverage excl. TSB	0.3%	4.8%	49.2%

Liquidity management

Highlights:

The Group has a sound liquidity position, with a Liquidity Coverage Ratio (LCR) of 209% as at the end of September 2024 (239% excluding TSB and 201% at TSB) and total liquid assets of 62,080 million euros.

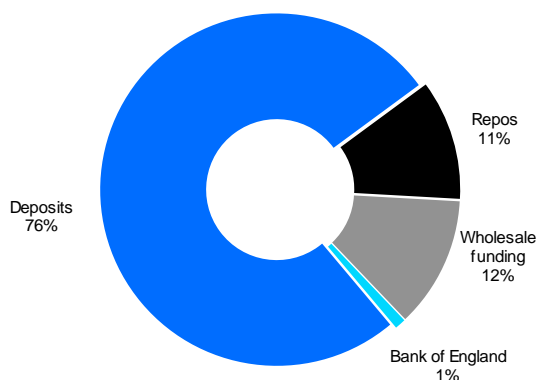
The loan-to-deposit ratio as at the end of September 2024 was 95.2%, with a balanced retail funding structure.

It is worth noting that in the first nine months of 2024, Banco Sabadell issued 1,000 million euros of mortgage covered bonds, 750 million euros and 450 million pounds sterling of senior preferred debt (issued in the third quarter), 500 million euros of senior non-preferred debt and 500 million euros of Tier 2 subordinated debt. In addition, TSB issued two mortgage covered bond deal, one amounting to 500 million euros and another amounting to 500 million pounds (issued in the third quarter).

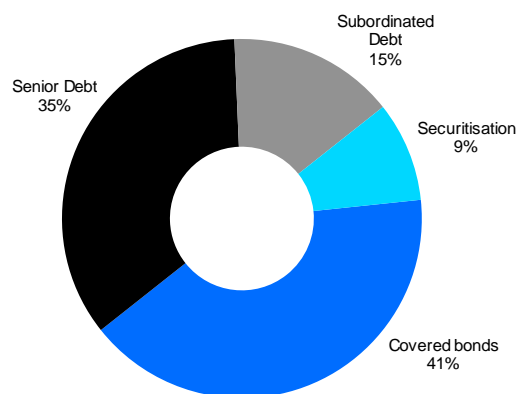
(€ millions)		30.09.23	30.06.24	30.09.24
Loans and advances to customers	(1)	154,274	157,426	156,580
Brokered loans		-1,119	-977	-999
Adjusted net loans and advances		153,155	156,449	155,581
On-balance sheet customer funds		161,973	163,169	163,468
Loan-to-deposit ratio (%)		94.6	95.9	95.2

(1) Excludes reverse repos.

Funding structure, 30.09.2024 (%)



Wholesale funding breakdown, 30.09.2024 (%)



Maturities

(€ millions)	2024	2025	2026	2027	2028	2029	>2029	Outstanding balance
Covered bonds	250	835	1,390	2,297	2,481	2,048	1,700	11,001
Senior preferred	500	989	0	500	750	1,289	750	4,778
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
Total	750	2,324	3,207	2,815	3,731	4,837	4,960	22,624

New issuances in the year

(€ millions)	1Q24	2Q24	3Q24
Covered bonds	500	1,000	598
Senior preferred	750	0	539
Senior non preferred	500	0	0
Subordinated Debt	500	0	0
Total	2,250	1,000	1,137

Maturities in the year

(€ millions)	1Q24	2Q24	3Q24	4Q24
Covered bonds	1,134	1,050	0	250
Senior preferred	735	10	13	500
Senior non preferred	0	395	0	0
Total	1,869	1,455	13	750

Capital management and credit ratings

Highlights:

The fully-loaded and phase-in CET1 ratios stood at 13.80% as at the end of September 2024, growing by 32bps in the quarter, of which 26bps correspond to the organic generation of capital, 10bps to valuation adjustments of the fair value portfolio and -4bps to risk-weighted assets. The CET1 ratio increased 67bps in the last twelve months.

The minimum prudential requirements applicable to Banco Sabadell for 2024 following the Supervisory Review and Evaluation Process (SREP) are 8.95% for CET1 and 13.44% for Total Capital.

The fully-loaded and phase-in Total Capital ratios stood at 18.84% as at the end of September 2024, thus remaining above the requirements for 2024 with an MDA buffer of 485bps.

The leverage ratio was 5.31% in both fully-loaded and phase-in terms.

The MREL ratio as a percentage of RWAs stood at 29.15%, above the requirement for the year 2024 (25.71%¹), while the MREL ratio as a percentage of the Leverage Ratio Exposure was 9.69%, also above the requirement for 2024 (6.35%).

¹ The ratio includes the combined buffer requirement, estimated at 3.19% for 2024.

Capital ratios

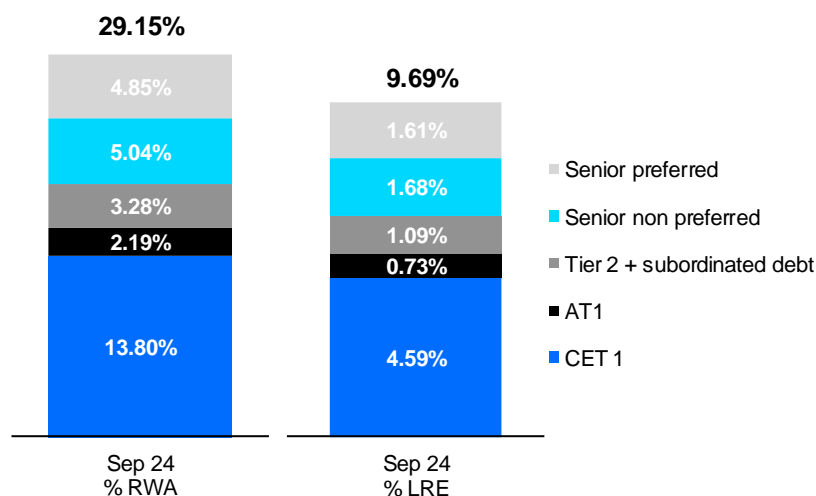
(€millions)	Phase-in			Fully-loaded		
	30.09.23	30.06.24	30.09.24	30.09.23	30.06.24	30.09.24
Issued capital	703	680	680	703	680	680
Reserves	13,213	13,536	13,712	13,213	13,536	13,712
Deductions	(1) -3,568	-3,419	-3,362	-3,568	-3,419	-3,362
Common Equity Tier 1	10,348	10,797	11,029	10,348	10,797	11,029
CET 1 (%)	13.13%	13.48%	13.80%	13.13%	13.48%	13.80%
Preference shares and other	1,750	1,750	1,750	1,750	1,750	1,750
Primary capital	12,098	12,547	12,779	12,098	12,547	12,779
Tier I (%)	15.35%	15.67%	15.99%	15.35%	15.67%	15.99%
Secondary capital	2,358	2,294	2,278	2,358	2,294	2,278
Tier II (%)	2.99%	2.87%	2.85%	2.99%	2.87%	2.85%
Total capital	14,456	14,842	15,057	14,456	14,842	15,057
Total capital ratio (%)	18.35%	18.54%	18.84%	18.35%	18.54%	18.84%
Risk weighted assets (RWA)	78,795	80,071	79,931	78,795	80,071	79,931
Leverage ratio (%)	5.01%	5.23%	5.31%	5.01%	5.23%	5.31%
CET 1 - BS (non-consolidated basis) (%)	13.54%	14.04%	14.12%			
Tier I - BS (non-consolidated basis) (%)	15.72%	16.21%	16.30%			
Tier II - BS (non-consolidated basis) (%)	2.87%	2.76%	2.74%			
Total capital ratio - BS (non-consolidated basis) (%)	18.59%	18.97%	19.04%			
ADIs	(2) 3,588	4,180	4,514			

Note: CET1 ratio includes dividend accrual with a pay-out ratio of 60% for 30.09.2024.

(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
Fitch Ratings	19.06.2024	BBB	F2	Stable
Moody's	15.10.2024	Baa2	P-2	Positive
S&P Global Rating ⁽¹⁾	29.04.2024	BBB+	A-2	Positive

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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 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.

On 8 October 2024, **Moody's Investors Service** affirmed Banco Sabadell's long-term deposit rating at 'Baa1' and its long-term senior unsecured debt rating at 'Baa2', maintaining the positive outlook for both ratings. The affirmed ratings reflect the strength of the Bank's credit profile, with stronger asset-quality metrics and improved profitability during the first half of 2024. The short-term rating remained at 'P-2'. The full report on the revision was published on 15 October.

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 maintained at 'A-2'.

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 sight accounts, 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 11 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 here below.

Profit and loss 9M24

(€ millions)	Banking business	Banking business	Banking Business	Total
	Spain	United Kingdom	Mexico	
Net interest income	2,734	857	156	3,746
Net fees and commissions	913	82	15	1,010
Core revenues	3,646	939	171	4,756
Net trading income and exchange differences	18	28	9	56
Income from equity method and dividends	131	0	0	131
Other operating income/expense	-191	-12	-15	-218
Gross operating income	3,605	956	164	4,725
Operating expenses	-1,270	-580	-82	-1,932
Amortisation & depreciation	-275	-88	-12	-375
Total costs	-1,545	-669	-94	-2,307
Memorandum item:				
Recurrent costs	-1,545	-647	-94	-2,286
Non-recurrent costs	0	-21	0	-21
Pre-provisions income	2,060	287	70	2,418
Total provisions & impairments	-496	-42	-23	-561
Gains on sale of assets and other results	-2	-7	-3	-12
Profit before tax	1,562	238	45	1,844
Income tax	-475	-70	-3	-549
Minority interest	1	0	0	1
Attributable net profit	1,086	168	41	1,295
ROTE	14.3%	9.8%	8.8%	13.2%
Efficiency	35.0%	60.7%	50.0%	40.7%
Efficiency w ith amortisation & depreciation	42.6%	69.9%	57.3%	48.6%
Stage 3 ratio	3.8%	1.5%	2.4%	3.1%
Stage 3 coverage ratio w ith total provisions	64.2%	37.0%	68.8%	60.8%

Profit and loss 9M23

(€ millions)	Banking business	Banking business	Banking Business	Total
	Spain	United Kingdom	Mexico	
Net interest income	2,468	901	143	3,512
Net fees and commissions	946	91	10	1,047
Core revenues	3,414	991	153	4,559
Net trading income and exchange differences	48	14	2	64
Income from equity method and dividends	95	0	0	95
Other operating income/expense	-228	-29	-13	-270
Gross operating income	3,329	976	142	4,448
Operating expenses	-1,192	-586	-60	-1,838
Amortisation & depreciation	-273	-106	-14	-393
Total costs	-1,465	-692	-74	-2,231
Pre-provisions income	1,864	283	69	2,217
Total provisions & impairments	-622	-45	-15	-683
Gains on sale of assets and other results	-17	0	-14	-30
Profit before tax	1,226	239	39	1,504
Income tax	-393	-78	-5	-475
Minority interest	1	0	0	1
Attributable net profit	833	161	35	1,028
ROTE	10.9%	7.9%	7.3%	10.3%
Efficiency	36.5%	60.1%	42.1%	41.9%
Efficiency w ith amortisation & depreciation	44.8%	71.0%	51.8%	50.9%
Stage 3 ratio	4.3%	1.4%	2.9%	3.5%
Stage 3 coverage ratio w ith total provisions	58.1%	40.5%	66.0%	56.5%

Balance sheet Sep 24

(€ millions)	Banking business	Banking business	Banking Business	Total
	Spain	United Kingdom	Mexico	
Total assets	183,403	55,975	6,135	245,514
Performing gross loans	107,000	43,209	4,155	154,364
RE exposure	520	0	0	520
Total liabilities and net equity	183,403	55,975	6,135	245,514
On-balance sheet customer funds	118,771	41,885	2,812	163,468
Capital markets w holesale funding	20,837	5,824	0	26,662
Allocated equity	11,667	2,520	681	14,868
Off-balance sheet customer funds	44,781	0	0	44,781

Balance sheet Sep 23

(€ millions)	Banking business	Banking business	Banking Business	Total
	Spain	United Kingdom	Mexico	
Total assets	180,767	55,497	6,997	243,261
Performing gross loans	105,159	41,793	4,676	151,627
RE exposure	635	0	0	635
Total liabilities and net equity	180,767	55,497	6,997	243,261
On-balance sheet customer funds	118,163	40,209	3,601	161,973
Capital markets w holesale funding	21,662	4,337	0	25,999
Allocated equity	11,291	2,348	624	14,263
Off-balance sheet customer funds	39,342	0	0	39,342

Banking Business Spain

Net profit as at the end of September 2024 amounted to 1,086 million euros, representing a year-on-year increase of 30.4%, mainly driven by the good evolution of net interest income and reduced provisions.

Net interest income amounted to 2,734 million euros as at the end of September 2024, growing by 10.8% year-on-year as a result of a higher credit yield and increased revenue from the fixed-income portfolio, underpinned by interest rates, all of which served to offset the higher cost of both deposits and wholesale funding and reduced average volumes.

Net fees and commissions stood at 913 million euros, -3.5% less than at the end of September 2023, mainly due to the drop in service fees, notably cards and sight account fees.

Net trading income and exchange differences amounted to 18 million euros, representing a year-on-year reduction, mainly due to reduced earnings on overall derivatives.

Equity-accounted income and dividends showed a year-on-year increase of 37.1%, mainly due to the larger contribution of the insurance business and higher earnings of BS Capital investees.

The positive balance variation in 'Other operating income/expense' 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 greater 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 5.5%, due to higher personnel expenses and the increase in general expenses.

Provisions and impairments amounted to -496 million euros, down by -20.2% year-on-year, due to an improvement in both credit provisions and real estate provisions.

(€ millions)	9M23	9M24	YoY (%)	Simple evolution						
				1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Net interest income	2,468	2,734	10.8	752	821	895	885	906	921	907
Net fees and commissions	946	913	-3.5	321	314	311	301	305	305	303
Core revenues	3,414	3,646	6.8	1,073	1,135	1,206	1,186	1,210	1,226	1,210
Net trading income and exchange differences	48	18	-62.1	-6	32	22	-3	19	-11	10
Income from equity method and dividends	95	131	37.1	31	40	23	36	48	39	44
Other operating income/expense	-228	-191	-16.5	-157	-74	3	-176	-194	3	1
Gross operating income	3,329	3,605	8.3	941	1,133	1,255	1,043	1,082	1,257	1,265
Operating expenses	-1,192	-1,270	6.5	-388	-393	-412	-412	-404	-413	-452
Amortisation & depreciation	-273	-275	0.7	-95	-90	-88	-89	-90	-92	-92
Total costs	-1,465	-1,545	5.5	-483	-482	-499	-501	-495	-505	-545
Pre-provisions income	1,864	2,060	10.5	458	651	756	542	588	752	721
Total provisions & impairments	-622	-496	-20.2	-214	-217	-192	-194	-181	-167	-148
Gains on sale of assets and other results	-17	-2	-87.3	-1	-11	-4	-10	0	0	-2
Profit before tax	1,226	1,562	27.4	243	423	560	338	406	585	570
Income tax	-393	-475	21.1	-106	-122	-164	-76	-155	-166	-155
Minority interest	1	1	11.8	0	1	0	1	0	1	0
Attributable net profit	833	1,086	30.4	137	300	395	261	252	418	416
Accumulated ratios										
ROTE	10.9%	14.3%		8.0%	9.7%	10.9%	12.0%	13.0%	14.1%	14.3%
Efficiency	36.5%	35.0%		39.0%	37.1%	36.5%	37.2%	33.2%	33.8%	35.0%
Efficiency with amortisation & depreciation	44.8%	42.6%		48.8%	45.8%	44.8%	45.6%	40.7%	41.4%	42.6%
Stage 3 ratio	4.3%	3.8%		4.3%	4.3%	4.3%	4.3%	4.2%	3.9%	3.8%
Stage 3 coverage ratio w/ total provisions	58.1%	64.2%		55.8%	57.2%	58.1%	59.9%	60.6%	62.7%	64.2%

Gross performing loans increased by 1.8% year-on-year, driven by the growth of lending to SMEs and corporates and individuals, as well as the good performance of foreign branches (included in this perimeter), particularly Miami.

On-balance sheet customer funds increased by 0.5% year-on-year, while off-balance sheet funds grew by 13.8%, mainly due to mutual funds, as a result of a positive level of net subscriptions and higher yields.

(€ millions)	Sep 23	Sep 24	YoY (%)	Simple evolution						
				Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24
Total assets	180,767	183,403	1.5	186,941	180,613	180,767	173,648	174,505	182,140	183,403
Performing gross loans	105,159	107,000	1.8	106,524	106,965	105,159	103,830	103,684	107,606	107,000
RE exposure	635	520	-18.0	688	664	635	586	569	546	520
Total liabilities and net equity	180,767	183,403	1.5	186,941	180,613	180,767	173,648	174,505	182,140	183,403
On-balance sheet customer funds	118,163	118,771	0.5	118,177	117,905	118,163	117,820	117,475	118,786	118,771
Capital markets w/ wholesale funding	21,662	20,837	-3.8	20,734	21,119	21,662	19,949	20,275	19,751	20,837
Allocated equity	11,291	11,667	3.3	10,697	11,019	11,291	11,345	11,414	11,587	11,667
Off-balance sheet customer funds	39,342	44,781	13.8	39,513	39,720	39,342	40,561	42,150	43,574	44,781
Other data										
Employees	13,397	13,575		13,077	13,369	13,397	13,455	13,441	13,545	13,575
Branches	1,188	1,155		1,222	1,221	1,188	1,194	1,188	1,159	1,155

Banking Business United Kingdom

Net profit amounted to 168 million euros as at the end of September 2024, representing year-on-year growth of 4.3%.

Net interest income came to a total of 857 million euros, less than in September 2023, due to the higher cost of deposits and wholesale funding, and also due to reduced average 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 4.4%.

Net fees and commissions amounted to 82 million euros as at the end of September 2024, representing a year-on-year reduction of -9.5%, mainly due to lower payment card fees, which include an increase in costs.

Other operating income and expenses were impacted by the 43 million euros collected as insurance recoveries, which counterbalanced the -13 million euro fine charged for the treatment of customers in arrears.

Total costs amounted to -669 million euros, falling by -3.4% year-on-year due to the reduction of amortisations/depreciations and general expenses. Total costs include -21 million euros of non-recurrent restructuring costs, and as such the reduction of recurrent costs is -6.5%.

Provisions and impairments amounted to -42 million euros, representing a year-on-year reduction of 3 million euros due to fewer credit provisions.

(€ millions)	YoY (%)				Simple evolution						
	9M23	9M24	YoY (%)	at constant FX	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Net interest income	901	857	-4.8	-7.0	303	300	298	273	278	283	296
Net fees and commissions	91	82	-9.5	-11.6	28	30	33	33	30	24	28
Core revenues	991	939	-5.3	-7.4	331	330	331	307	308	307	324
Net trading income and exchange differences	14	28	108.4	103.7	7	-2	8	2	11	13	4
Income from equity method and dividends	0	0	--	--	0	0	0	0	0	0	0
Other operating income/expense	-29	-12	-60.1	-61.0	-11	-9	-9	6	-11	-18	17
Gross operating income	976	956	-2.0	-4.2	328	318	330	315	309	303	345
Operating expenses	-586	-580	-1.1	-3.3	-188	-199	-199	-216	-194	-197	-190
Amortisation & depreciation	-106	-88	-16.6	-18.5	-38	-38	-30	-33	-33	-29	-30
Total costs	-692	-669	-3.4	-5.6	-226	-238	-229	-249	-224	-225	-220
Memorandum item											
Recurrent costs	-692	-647	-6.5	-8.6	-226	-238	-229	-216	-223	-219	-206
Non-recurrent costs	0	-21	--	--	0	0	0	-33	-1	-6	-14
Pre-provisions income	283	287	1.4	-0.9	102	81	101	66	85	77	125
Total provisions & impairments	-45	-42	-6.6	-8.7	-19	-4	-22	-30	-20	-8	-14
Gains on sale of assets and other results	0	-7	--	--	0	0	0	-1	0	1	-7
Profit before tax	239	238	-0.1	-2.3	83	77	78	36	65	70	104
Income tax	-78	-70	-9.3	-11.3	-29	-25	-23	-2	-19	-21	-31
Minority interest	0	0	--	--	0	0	0	0	0	0	0
Attributable net profit	161	168	4.3	2.0	53	52	55	34	46	49	73
Accumulated ratios											
ROTE	7.9%	9.8%			5.9%	6.7%	7.9%	10.0%	9.6%	9.4%	9.8%
Efficiency	60.1%	60.7%			57.4%	59.9%	60.1%	62.1%	62.9%	63.9%	60.7%
Efficiency w/ amortisation & depreciation	71.0%	69.9%			68.9%	71.7%	71.0%	72.9%	72.5%	73.4%	69.9%
Stage 3 ratio	1.4%	1.5%			1.4%	1.4%	1.4%	1.5%	1.5%	1.5%	1.5%
Stage 3 coverage ratio w/ total provisions	40.5%	37.0%			41.3%	40.4%	40.5%	41.8%	40.2%	37.1%	37.0%

Gross performing loans increased by 3.4% year-on-year, benefitting from the appreciation of the pound sterling, as considering a constant exchange rate they remained broadly stable.

On-balance sheet customer funds increased by 4.2% year-on-year, with the increase assuming a constant exchange rate standing at 0.7%, due to the growth of term deposits, which offset the decline of sight accounts.

(€ millions)	YoY (%)				Simple evolution						
	Sep 23	Sep 24	YoY (%)	at constant FX	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24
Total assets	55,497	55,975	0.9	-2.5	55,127	56,086	55,497	54,855	54,624	55,423	55,975
Performing gross loans	41,793	43,209	3.4	-0.1	41,993	42,526	41,793	41,381	42,330	42,907	43,209
Total liabilities and net equity	55,497	55,975	0.9	-2.5	55,127	56,086	55,497	54,855	54,624	55,423	55,975
On-balance sheet customer funds	40,209	41,885	4.2	0.7	40,617	41,203	40,209	39,864	40,558	41,182	41,885
Capital markets w/ wholesale funding	4,337	5,824	34.3	29.8	3,697	3,787	4,337	4,545	4,534	5,168	5,824
Allocated equity	2,348	2,520	7.4	3.7	2,387	2,368	2,348	2,368	2,516	2,539	2,520
Other data											
Employees	5,510	4,818			5,656	5,618	5,510	5,426	5,314	4,990	4,818
Branches	211	195			220	211	211	211	211	211	195

Banking Business Mexico

Net profit as at the end of September 2024 amounted to 41 million euros, representing a year-on-year increase of 18.8%, mainly due to the increase in core revenues.

Net interest income came to 156 million euros, growing by 8.8%, mainly due to larger average volumes and a higher credit yield.

Net fees and commissions came to 15 million euros as at the end of September 2024, increasing by 5 million euros compared to the same period in the previous year due to higher levels of commercial activity.

Total costs amounted to -94 million euros, reflecting year-on-year growth, mainly due to higher general expenses, particularly marketing costs.

Provisions and impairments amounted to -23 million euros as at the end of September 2024, representing a year-on-year increase due to the impairment of single names.

(€ millions)	9M23	9M24	YoY (%)	YoY (%) at constant FX	Simple evolution						
					1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Net interest income	143	156	8.8	9.1	45	49	49	53	47	58	50
Net fees and commissions	10	15	45.7	46.1	2	3	6	5	5	5	5
Core revenues	153	171	11.3	11.5	46	52	55	57	53	63	55
Net trading income and exchange differences	2	9	--	--	-1	1	2	5	5	0	4
Income from equity method and dividends	0	0	--	--	0	0	0	0	0	0	0
Other operating income/expense	-13	-15	17.9	-1.2	-4	-6	-3	-7	-4	-6	-5
Gross operating income	142	164	15.4	17.8	42	47	54	56	53	57	54
Operating expenses	-60	-82	37.0	37.3	-17	-19	-24	-31	-29	-30	-24
Amortisation & depreciation	-14	-12	-13.2	-13.0	-4	-8	-1	-4	-4	-4	-4
Total costs	-74	-94	27.7	28.0	-21	-27	-25	-35	-33	-34	-28
Pre-provisions income	69	70	2.3	6.6	21	19	29	21	20	24	26
Total provisions & impairments	-15	-23	51.2	51.5	-3	-12	0	-4	-7	-6	-10
Gains on sale of assets and other results	-14	-3	-79.6	-79.6	-1	0	-13	-4	0	-3	0
Profit before tax	39	45	13.4	21.6	16	7	16	13	13	15	16
Income tax	-5	-3	-26.8	-26.6	-2	-1	-2	-4	-3	0	-1
Minority interest	0	0	--	--	0	0	0	0	0	0	0
Attributable net profit	35	41	18.8	28.6	14	7	14	9	11	16	15
Accumulated ratios											
ROTE	7.3%	8.8%			8.2%	7.4%	7.3%	8.9%	7.7%	8.9%	8.8%
Efficiency	42.1%	50.0%			40.8%	41.2%	42.1%	45.7%	53.8%	52.5%	50.0%
Efficiency w/it amortisation & depreciation	51.8%	57.3%			50.9%	55.1%	51.8%	54.7%	61.7%	60.0%	57.3%
Stage 3 ratio	2.9%	2.4%			2.5%	3.1%	2.9%	2.4%	2.8%	2.2%	2.4%
Stage 3 coverage ratio w/it total provisions	66.0%	68.8%			69.7%	65.8%	66.0%	74.3%	69.4%	71.7%	68.8%

Performing loans fell by -11.1% year-on-year, impacted by the depreciation of the Mexican peso, the reduction at a constant exchange standing at -1.2%.

On-balance sheet customer funds fell by -21.9% year-on-year, with the reduction assuming a constant exchange rate standing at -9.1%, due to the reduction of sight accounts and term deposits.

(€ millions)	Sep 23	Sep 24	YoY (%)	YoY (%) at constant FX	Simple evolution						
					Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24
Total assets	6,997	6,135	-12.3	-0.8	6,411	6,753	6,997	6,670	7,007	6,765	6,135
Performing gross loans	4,676	4,155	-11.1	-1.2	4,119	4,343	4,676	4,587	4,781	4,651	4,155
Total liabilities and net equity	6,997	6,135	-12.3	-0.8	6,411	6,753	6,997	6,670	7,007	6,765	6,135
On-balance sheet customer funds	3,601	2,812	-21.9	-9.1	3,513	3,681	3,601	3,205	3,387	3,201	2,812
Allocated equity	624	681	9.1	29.7	573	602	624	631	702	693	681
Other data											
Employees	424	504			418	418	424	435	458	480	504
Branches	15	12			15	15	15	15	15	12	12

4. Share price performance

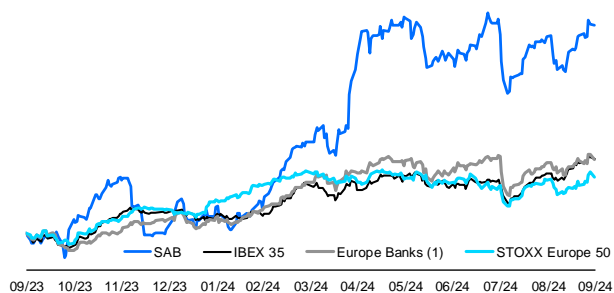
		30.09.23	30.06.24	30.09.24
Shares and trading				
Number of outstanding shares (millions)	(1)	5,432	5,361	5,361
Average daily trading volume (millions shares)		31	33	27
Share price (€)				
	(2)			
Opening session (of the year)		0.881	1.113	1.113
High (of the year)		1.334	1.972	2.050
Low (of the year)		0.873	1.105	1.105
Closing session		1.101	1.801	1.909
Market capitalisation (€ millions)		5,978	9,653	10,235
Stock market multiples				
Earnings per share (EPS) (€)		0.19	0.27	0.28
Book value (€ million)		14,231	14,903	14,898
Book value per share (€)		2.62	2.78	2.78
Tangible book value (€ million)		11,805	12,409	12,382
TBV per share (€)		2.17	2.31	2.31
Price / Tangible book value (times)		0.51	0.78	0.83
Price / Earnings ratio (P/E) (times)		5.75	6.75	6.92

(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 30.09.2023 to 30.09.2024



(1) STOXX Europe 600 Banks

5. Key developments in the quarter

Banco Sabadell's Board of Directors agreed to distribute interim cash dividend and sets pay-out ratio at 60%

At its meeting held on 22 July 2024, and complying with the Group's shareholder remuneration policy, Banco Sabadell's Board of Directors agreed to distribute an interim cash dividend out of the earnings of 2024, amounting to 0.08 euros (gross) per share, paid on 1 October 2024.

In addition to the interim cash dividend, Banco Sabadell's Board of Directors resolved to set the Group's pay-out ratio (that is, the percentage of profits to be distributed to shareholders) at 60% of net profit attributable to the Group for 2024. This pay-out level is at the top end of the range established by the Group's shareholder remuneration policy.

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 1 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)	9M 23	9M 24
ROA	Average total assets (last 12 months)	250,507	240,284
	Consolidated net profit (last 12 months)	1,175	1,600
	ROA (%)	0.5	0.7
ROE	Average equity (last 12 months)	13,925	14,554
	Attributable net profit (last 12 months)	1,177	1,599
	ROE (%)	8.5	11.0
RORWA	Average risk weighted assets (RWA) (last 12 months)	79,140	79,267
	Attributable net profit (last 12 months)	1,177	1,599
	RORWA (%)	1.5	2.0
ROTE	Average equity, excluding intangible assets (last 12 months)	11,456	12,073
	Attributable net profit (last 12 months)	1,177	1,599
	ROTE (%)	10.3	13.2
Efficiency ratio	Gross operating income	4,448	4,725
	DGF - SRF - IDEC - BT adjustment	-62	21
	Adjusted gross operating income	4,386	4,746
	Operating expenses	-1,838	-1,932
	Efficiency ratio (%)	41.9	40.7
	Amortisation & depreciation	-393	-375
	Efficiency ratio with amortisation & depreciation (%)	50.9	48.6
Other operating income/expense	Other operating income	58	106
	Other operating expenses	-328	-324
	Other operating income/expense	-270	-218
Total provisions & impairments	Provisions or reversal of provisions	-4	-4
	Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss and net modification losses or gains	-630	-520
	Provisions for NPLs and other financial assets	-635	-524
	Impairment or reversal of impairment of investments in joint ventures and associates	0	0
	Impairment or reversal of impairment on non-financial assets	-14	-6
	Profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	-37	-34
	Gains or losses on sales of equity holdings and other items	0	0
	Gains from sales of investment properties and associates	3	3
	Other impairments	-48	-38
	Total provisions & impairments	-683	-561
Gains on sale of assets and other results	Gains or losses on derecognition of non-financial assets, net	-27	-8
	Gains or losses on sales of equity holdings and other items	0	0
	Gains from sales of investment properties and associates	-3	-3
	Gains on sale of assets and other results	-30	-12
Pre-provisions income	Gross operating income	4,448	4,725
	Operating expenses	-1,838	-1,932
	Personnel expenses	-1,093	-1,150
	Other general expenses	-745	-782
	Amortisation & depreciation	-393	-375
	Pre-provisions income	2,217	2,418
Customer spread (*)	Loans to customers (net)		
	Avge.balance	154,674	153,338
	Results	4,233	5,008
	Annualised average rate %	3.66	4.36
	Customer deposits		
	Avge.balance	160,884	160,821
	Results	-946	-1,490
	Annualised average rate %	-0.79	-1.24
	Customer spread	2.87	3.12
Other assets	Derivatives - Hedge accounting	3,453	2,315
	Fair value changes of the hedged items in portfolio hedge of interest rate risk	-1,563	-312
	Tax assets	6,731	6,336
	Other assets	481	487
	Non-current assets and disposal groups classified as held for sale	797	835
	Other assets	9,900	9,660
Other liabilities	Derivatives - Hedge accounting	1,531	1,008
	Fair value changes of the hedged items in portfolio hedge of interest rate risk	-957	-197
	Tax liabilities	359	288
	Other liabilities	872	637
	Liabilities included in disposal groups classified as held for sale	17	57
	Other liabilities	1,822	1,792

(*) Customer margin calculated using cumulative data.

Alternative Performance measures	Conciliation (€millions)	9M 23	9M 24
Performing gross loans	Mortgage loans & credits	87,123	88,622
	Other secured loans & credits	5,475	5,031
	Working capital	6,829	7,221
	Leasing	2,265	2,359
	Unsecured lending and others	49,935	51,132
	Performing gross loans	151,627	154,364
	Stage 3 assets (customer)	5,561	5,037
	Accruals	243	265
	Gross loans to customers excluding repos	157,431	159,657
	Reverse repos	74	0
Gross loans to customers	Gross loans to customers	157,505	159,657
	NPLs and country-risk provisions	-3,67	-3,077
	Loans and advances to customers	154,348	156,580
On-balance sheet customer funds	Financial liabilities at amortised cost	223,283	226,274
	Non-retail financial liabilities	61310	62,806
	Central banks	9,743	2,719
	Credit institutions	18,600	13,544
	Institutional issues	26,386	39,353
	Other financial liabilities	6,581	7,190
	On-balance sheet customer funds	161,973	163,468
	Customer deposits	160,907	175,924
	Sight accounts	136,511	133,776
	Fixed-term deposits including available and hybrid financial liabilities	24,184	29,633
Repos	0	12,058	
Accruals and derivative hedging adjustments	212	456	
Debt and other marketable securities	23,362	22,817	
Subordinated liabilities (*)	4,091	4,080	
On-balance sheet funds	On-balance sheet funds	188,359	202,821
	Mutual funds	22,976	27,537
Managed accounts	3,633	4,255	
Pension funds	3,179	3,353	
Third-party insurance products	9,554	9,636	
Off-balance sheet customer funds	Off-balance sheet customer funds	39,342	44,781
Funds under management and third-party funds	Funds under management and third-party funds	227,702	247,602
Stage 3 exposures	Stage 3 assets (includes valuation adjustments)	5,598	5,079
	Financial guarantees and other guarantees classified in stage 3 granted (off-balance)	293	205
	Stage 3 exposures (€ millions)	5,891	5,283
Stage 3 coverage ratio with total provisions (%)	Stage 3 exposures	5,891	5,283
	Total provisions	3,329	3,213
	Stage 3 coverage ratio with total provisions (%)	56.5%	60.8%
Stage 3 coverage ratio (%)	Stage 3 exposures	5,891	5,283
	Stage 3 provisions	2,402	2,365
	Stage 3 coverage ratio (%)	40.8%	44.8%
Problematic Real Estate coverage ratio (%)	Problematic RE Assets	1039	872
	Provisions	404	352
	Problematic Real Estate coverage ratio (%)	38.9%	40.3%
Problematic assets	Stage 3 exposures	5,891	5,283
	Problematic RE Assets	1039	872
	Problematic assets	6,930	6,155
Problematic assets coverage (%)	Provisions of problematic assets	3,733	3,564
	Problematic assets coverage (%)	53.9%	57.9%
	Stage 3 exposures	5,891	5,283
Stage 3 ratio (%)	Gross loans to customers excluding repos	157,431	159,657
	Financial guarantees and other guarantees granted (off-balance)	8,878	8,604
	Stage 3 ratio (%)	3.54%	3.14%
Credit cost of risk (bps)	Gross loans to customers excluding repos and financial guarantees and other guarantees granted (off-balance)	166,310	168,261
	Provisions for NPLs	-622	-487
	NPLs costs	-89	-91
	Credit cost of risk (bps)	43	31
Total cost of risk (bps)	Gross loans to customers excluding repos and financial guarantees and other guarantees granted (off-balance)	166,310	168,261
	Problematic RE Assets	1039	872
	Total provisions & impairments	-683	-561
	Total cost of risk (bps)	55	44
Loan-to-deposit ratio (%)	Adjusted net loans and advances w/o repos by brokered loans	153,155	155,581
	On-balance sheet customer funds	161,973	163,468
	Loan-to-deposit ratio (%)	94.6%	95.2%
Market capitalisation (€millions)	Number of outstanding shares (millions)	5,432	5,361
	Share price (€)	1.01	1.909
	Market capitalisation (€ millions)	5,978	10,235
Earnings per share (EPS) (€)	Net profit attributed to the Group adjusted	1067	1486
	Attributable net profit (last 12 months)	1,177	1,599
	Accrued AT1 (last 12 months)	-111	-113
	Average number of outstanding shares (€millions)	5,568	5,389
	Earnings per share (EPS) (€)	0.19	0.28
Book value per share (€)	Adjusted equity	14,231	14,898
	Shareholders' equity	14,263	14,868
	DGF - SRF - IDEC - BT adjustment net of tax	-32	29
	Number of outstanding shares (millions)	5,432	5,361
	Book value per share (€)	2.62	2.78
TBV per share (€)	Intangible assets	2,426	2,516
	Tangible book value (€million)	11,805	12,382
	TBV per share (€)	2.17	2.31
Price / Tangible book value (times)	Share price (€)	1.01	1.909
Price / Earnings ratio (P/E) (times)	Price / Tangible book value (times)	0.51	0.83
	Price / Earnings ratio (P/E) (times)	5.75	6.92

(*) 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

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