Bankia

<u>The core result grows 11.5% in third quarter</u>

Bankia earns 180 million euros through September and brings capital buffer generated over last three years to over 2,500 million

- The bank's capital strength allows it to set aside 465 million euros in extraordinary provisions in nine months.

- The core result (net interest income plus fee and commission income, less operating expenses) grows 11.5% in third quarter on a year-on-year basis to reach 958 million euros.

- The CET1 capital ratio, on a fully loaded basis, after applying the 'quick-fix' flexibility measures announced by regulators, stands a 15.77%, with capital generation of 182 basis points in the quarter.

- The accumulated capital buffer reaches 2,535 million euros, meeting the target charted by Bankia in its 2018-2020 Strategic Plan one quarter ahead of time.

- Effective risk management brings non-performing assets (NPAs) down below 3%, meeting another key target of the Plan.

- Bankia chairman José Ignacio Goirigolzarri: “We are still facing a complicated quarter before yearend, because the pandemic’s effects are uncertain, but I am convinced that, with the commitment of our entire team, we will be able to close out a good year and be in the best possible position to carry through the exciting challenge posed by our integration with CaixaBank”.

- Chief executive officer José Sevilla: “We are very satisfied to announce that we have met two of the main objectives we had charted for the quality of our balance sheet: the ratio of net non-performing assets is now below 3% and we have generated 2,535 million euros of capital since 2018”.

- New mortgage lending during the first nine months reaches 2,262 million, 9.1% more than in the same period the previous year. It was the best third quarter ever by this measure, topping 800 million.

- Bankia has granted its customers 4,136 million euros in mortgage moratoria and 346 million in consumer loan solutions.

- The volume of ICO-backed financing reaches 9,000 million euros, some 21.1% of total lending to corporates and SMEs.

- NPL ratio remains in check at 4.9%, while the NPL coverage ratio has risen 4.2 percentage points since December to reach 58.2%.

- Net interest income grows 5.3% with respect to second quarter, with operating expenses declining 2.8% and net fee and commission income gaining 10.5% year-on-year, accumulated.

- The bank has more than four million digital customers, 58.8% of its total customer base, with digital sales rising to 40.5%.

Madrid, 28/10/2020. Bankia has posted a net profit of 180 million euros during the first nine months of the year, 68.8% less than one year ago, due to the decline in net trading income and to new provisioning to meet possible future contingencies arising from the situation caused by the coronavirus.

The bank has set aside an extraordinary provision of 155 million euros for the third quarter, bringing the total provisions in the year to date to 465 million. The purpose of these provisions is to further strengthen the balance sheet and ensure maximum flexibility for meeting customers' future financial needs.

Bankia chairman José Ignacio Goirigolzarri has explained that "we have recorded a good quarter in terms of our banking business" and were at the same time able to "continue supporting businesses and households at this very delicate moment, thanks to the extraordinary solvency levels achieved through the hard work and diligent approach of the bank's entire team".

Goirigolzarri also underscored that "we have met one of the core goals of our 2018-2020 Strategic Plan, namely, to generate more than 2,500 million euros in capital. And we have achieved this, three months ahead of time, despite the difficult interest rate environment".

"We are still facing a complicated quarter before yearend, because the pandemic's effects are uncertain, but I am convinced that, with the commitment of our entire team, we will be able to close out a good year and be in the best possible position to carry through the exciting challenge posed by our integration with CaixaBank", he noted.

In this connection, Bankia's chief executive officer José Sevilla has stressed that "the merger with CaixaBank that we are going to bring before the shareholders in the General Meeting called for 1 December is the best way to create value with the deep capital buffer we have generated in the last several years".

Sevilla called attention to the major effort made by the bank's professionals to meet two of the Strategic Plan's prime targets. "We are very satisfied to announce that we have met two of the main objectives we had charted for the quality of our balance sheet: the ratio of net non-performing assets is now below 3% and we have generated 2,535 million euros of capital since 2018".

"Our capital ratio at the close of the quarter thus stands at 15.77%, which continues to make us the most solvent of Spain's largest banks", the bank's chief executive noted.

Strong organic generation of capital and leader in solvency

Despite its Covid-19 provisioning, Bankia has ended yet another quarter as leader in terms of solvency among Spain's largest banks. Taking the capital easing measures adopted by the competent authorities and bodies into account, the CET1 ratio is 15.77% on a fully loaded basis, reflecting capital generation of 182 basis points in the quarter.

Without the effect of these measures, the CET1ratio, on a fully loaded basis, at the end of September is 14.79%, providing a buffer of 641 basis points above the regulatory requirements. Meanwhile, the CET1 ratio on a phase-in basis ended the quarter at 15.95%, which translates into a buffer of 757 basis points.

In all, the surplus CET1 FL capital accumulated by Bankia since 2018 (without considering unrealised capital gains on the fair value sovereign portfolio) has reached 2,535 million euros at the end of September, surpassing the 2,500 million target charted in its 2018-2020 Strategic Plan. This strong capital generation is rooted in the bank's organic activity and in the application of the internal models approved in the third quarter for calculating the credit risk in its mortgage portfolio (IRB), although this is pending approval as it relates to the mortgage book from BMN.

Bankia also has a large liquidity buffer to face the current situation and continue financing the economy, with a liquidity coverage ratio (LCR) of 191%, has drawn more than 22,900 million euros of funding from the European Central Bank (ECB) under the TLTRO III facility and holds liquid assets of 32.5 million.

Non-performing assets brought down under 3%

With a solid solvency and liquidity position, Bankia also continues to enhance its asset quality by controlling risk, keeping non-performing loans (NPLs) low and increasing coverage.

Careful management of risks has placed the NPL ratio at 4.9%, 10 basis points below the end of 2019 and 60 basis points lower than one year ago. Also, the coverage ratio rose 4.2 percentage points from the December level to reach 58.2%.

This effective risk management has allowed the bank to meet another key objective of the 2018-2020 Strategic Plan: bringing the ratio of net non-performing assets, comprising non-performing loans and foreclosed assets, to below 3%.

More lending to business

Since the outbreak of the pandemic, Bankia has focused its efforts on the financial needs of households, SMEs, independent contractors and businesses to deal with the crisis generated by Covid-19.

Since the start of the crisis, Bankia has thus granted nearly 4,136 million euros in mortgage moratoria through 40,266 transactions, 6.6% of Bankia's total performing mortgage loan portfolio. On the consumer finance side, the moratoria amount to 346 million euros and close to 49,500 transactions, 7.3% of total performing consumer loans.

At the same time, the bank has continued its active participation in the guarantee programme sponsored by the Spanish government through the Instituto de Crédito Oficial (ICO) and at the end of September has a 9.06% market share of ICO credit, having disbursed a total of 9,000 million euros. This figure represents 21.1% of Bankia's total lending to corporates and SMEs.

This surge in activity increased the stock of loans to businesses by 17.2% at the end of September compared to the year-earlier figure. Also, the share of lending to corporates and SMEs reached 8.04% in August (last available data), up from 7.54% in August 2019.

Record mortgage lending and recovery in consumer finance

Bankia's CEO pointed out that, despite the impact of Covid-19, the bank has managed to keep its loan book (110,100 million euros) healthy, close its best ever third quarter in mortgage lending and recover in consumer finance.

Net loans and advances to customers closed September at 120,739 million euros, 2.8% more than in December 2019, and retail customer funds rose 1.8%, lifted by the increase in strict deposits (+2%).

Mortgage lending totalled 2,262 million euros, 9.1% higher than in September 2019. More than 800 million euros of this increase came in the third quarter, marking Bankia's all-time high for that quarter (+16.3% over the previous quarter and 30.5% higher year-on-year). Bankia's share of new mortgage loans at the end of August (last date published) grew to 8.03%, versus 6.63% in August 2019.

Sevilla underscored that "in the third quarter, the same as we saw in the second quarter, there is a recovery in lending to retail customers, and strong gains are being seen in the bank's commercial activity and dynamism, although we must continue to stand by our customers in the difficult situation we are facing".

In consumer finance, the third quarter marked a gradual recovery. New consumer loans from July to September amounted to 235 million euros, an increase of 56.3% with respect to the second quarter of the year. In addition, the share of consumer lending (at the end of August) is 5.88%, up from the year-earlier figure.

In high-value products, mutual funds remained on an upward trend despite the difficult situation, with gains in assets under management and products sold of 3.2% over the close of the second quarter.

Bankia has recorded a net inflow of funds in the first nine months of the year of close to 900 million euros. This has boosted Bankia's market share to 56 basis points from September 2019 to reach 7.50%, amply surpassing the target charted in the 2018-2020 Strategic Plan.

In line with this recovery in retail customer business, pension plans and new insurance underwriting also gained in the quarter. The assets under management and products in the plans are up 5.4% compared to the first quarter and insurance business grew 26.8% with respect to the second quarter.

Service revenue up

Net interest income (NII) closed the first nine months of the year with a stronger performance and totals 1,411 million euros, 7.2% less than for the same period in 2019, due to the impact the interest rate curve has had on the return on the loan portfolio and reduced interest income from fixed income securities. Net interest income is nonetheless up 5.3% with respect to the second quarter of 2020, lifted by the improved customer margin.

At the end of September, operating expenses came to 1,332 million, a decline of 2.8% year-on-year.

On the income side, net fee and commission income has performed very well, with a year-on-year gain of 10.5% thanks to strong numbers from the more recurring banking business with customers.

The decrease in expenses and increase in income boosted the core result (NII and fee and commission income, less operating expenses) in the third quarter by 11.5% with respect to the third quarter of 2019. In addition, in the year to date the core result has grown 1.3% to 958 million euros.

As a result of all of the above, Bankia's net profit for the first nine months comes to 180 million euros, 68.8% below the figure for the same period of the previous year, due to extraordinary provisions and lower net trading income.

Four million digital customers

During the pandemic, Bankia has continued to strengthen all its customer channels (App, Bankia Online, 'Connect with your Expert', branches, etc.), so as to continue to provide excellent service, whether users prefer to continue to go to their local branch (90% of the branches have remained open at all times) or use remote channels.

The bank now has more than four million digital customers, 58.8% of its total customer base, compared to 51.4% in September of last year. In addition, client signups for the digital 'onboarding service' having recorded 25% growth over the previous quarter.

Digital sales are likewise gaining ground and now account for 40.5% of all customer transactions with the bank, versus 26.1% one year ago.

Main events of 2020

On 23 January, Bankia announced an agreement to sell 15% of Caser to Helvetia for an estimated 166 million euros, with an estimated positive impact of 12 basis points on Bankia's total capital ratio. The sale was completed on 25 June for nearly 182 million, with a positive impact of 13 basis points on the total capital ratio.

On 3 February, Bankia joined Bloomberg's Gender Equality Index.

On 13 February, Bankia joined the Spanish Observatory for Sustainable Financing.

On 2 March, through its original foundations, Bankia launched calls for proposals to distribute 2.15 million euros in funding for social projects.

On 4 March, Bankia AM was named 'Best National Manager' and 'Best Asset Allocation Manager' for 2019 in the 21st Expansión-Allfunds Awards.

On 15 March, Bankia reinforced its digital channels to facilitate customers' transactions during the lockdown.

On 20 March, Bankia announced the advance payment of Social Security pensions.

On 22 March, Bankia launched a broad package of measures to help its self-employed customers, SMEs and large companies deal with the difficult economic situation generated by Covid-19.

On 23 March, Bankia announced relief from fees for customers with direct income deposit who are affected by the coronavirus crisis.

On 27 March, Bankia held its Annual General Meeting, at which it approved the payment of a dividend out of profit for 2019 and announced the waiver of any extraordinary payment to shareholders this year. The bank also announced implementation of a one-year moratorium on mortgage loans and a six-month moratorium on consumer loans for customers who qualify as 'vulnerable' under Royal Decrees 8/2020 and 11/2020.

On 30 March, Bankia announced that its customers can withdraw cash free of charge at the ATMs of any financial institution in Spain and raised the limit for contactless payments without having to enter a PIN from 20 to 50 euros.

On 1 April, Bankia announced the advance payment of unemployment benefits.

On 6 April, following the signing of an agreement with ICO, Bankia launched the ICO Covid-19 Loan and Corporate Credit Account.

On 14 April, Bankia launched a free home shopping service for one million pensioners, in collaboration with Alares.

On 15 April, DBRS Ratings confirmed Bankia's long-term issuer rating at 'BBB (high)' and revised the outlook from positive to stable.

On 20 April, Bankia launched an online simulator that allows customers affected by the Covid-19 crisis to find out whether they are eligible to apply for a mortgage or consumer loan moratorium.

On 29 April, S&P Global Ratings confirmed Bankia's long-term rating at 'BBB' with a stable outlook.

On 8 May, Bankia announced that it would advance the first unemployment benefits instalment to people laid off under a temporary layoff plan (ERTE).

On 13 May, Bankia passed the one million users threshold in Bizum.

On 27 May, Bankia's Board of Directors approved the creation of the Technology and Innovation Committee.

On 29 May, Bankia reached an agreement with Cecabank for the transfer of Bankia's institutional fund depository business for 170 million euros plus variable amounts depending on targets.

On 16 June, Bankia and CREA SGR signed an agreement for a 50 million euro facility to support the creative and cultural industries throughout Spain.

On 17 June, through Bankia Commerce, Bankia launched an online sales portal for electronic products with one-click financing at 0% APR.

On 24 June, Bankia launched Agro Digital, a space on the Bankia.es website aimed at the agri-food sector that includes a digital tool to facilitate farmers' access to state.

On 10 July, Bankia was awarded the distinction of being the company with the 'Best Strategy in Customer Experience' in the Spanish market at the 7th Edition of the 'Premios DEC' awards.

On 15 July, Bankia, through 'Bankia Fintech Venture', announced the acquisition of 20% of the capital of Finweg, a *fintech* platform that develops new electronic payment systems based on 'blockchain' technology and enables management of contracts between companies.

On 3 September, Bankia reported to the CNMV that it was in talks with CaixaBank, with the knowledge and authorisation of the Board of Directors, to analyse the possibility of a merger between the two banks.

On 15 September, the ECB approved the internal models for calculating the credit risk of Bankia's retail mortgage portfolio (IRB), allowing the bank to raise its fully loaded CET 1 capital ratio and consolidate its leadership in capital amongst Spain's biggest banks.

On 16 September, Fitch confirmed Bankia's long-term rating at "BBB" and the short-term rating at "F2", taking them off its 'Rating Watch Negative'.

On 18 September, Bankia and CaixaBank announced that their respective Boards of Directors have approved the draft terms of their merger. The agreement consists of a share exchange ratio of 0.6845 new ordinary shares of CaixaBank for each share of Bankia, with a premium of 20%. The new bank will maintain the CaixaBank brand and will be led by José Ignacio Goirigolzarri as executive chairman and Gonzalo Gortázar as chief executive officer.

On 21 September, Scope Ratings placed its ratings of Bankia under review for an upgrade.

On 23 September, S&P Global Ratings placed Bankia's long-term rating on CreditWatch positive, maintaining it at "BBB".

On 24 September, the rating agency DBRS Morningstar placed its "BBB (high)" long-term ratings of Bankia on Under Review Positive.

On 29 September, Spain's National Appellate Court (Audiencia Nacional) entered a judgment acquitting the 34 defendants in the case involving Bankia's initial public offering.

On 29 September, Fitch Ratings placed its "BBB" long-term rating for Bankia and its "BBB" viability rating for Bankia on Rating Watch Positive. The short-term credit rating was confirmed at "F2".

On 23 October, the Board of Directors of Bankia resolved to call an Extraordinary General Meeting of Shareholders for this coming 1 December 2020 in Valencia to submit the draft terms of the merger with CaixaBank to approval.

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KEY DATA

	Sep20	Dec-19	Change
Balance sheet (€ million)			
Total assets	216.160	208.468	3,7%
Loans and advances to customers (net)	120.739	117.444	2,8%
Loans and advances to customers (gross)	124.201	120.623	3,0%
On-balance-sheet customer funds	145.286	143.464	1,3%
Customer deposits and clearing houses	126.721	124.785	1,6%
Borrowings, marketable securities	15.591	15.697	(0,7%)
Subordinated liabilities	2.975	2.983	(0,3%)
Total customer funds	176.375	174.267	1,2%
Equity	12.896	13.142	(1,9%)
Common Equity Tier I - BIS III Phase In	10.990	11.120	(1,2%)
Solvency (%)			
CET 1 Ratio - Fully Loaded (1)	14,79%	13,02%	+1,77 p.p.
CET 1 Ratio - Phase In (1)	15,95%	14,32%	+1,63 p.p.
Total capital Ratio - Phase In (1)	20,55%	18,09%	+2,46 p.p.
MREL Ratio - Phase In (1)	24,32%	21,92%	+2,40 p.p.
Risk management (€ million and %)			
Total risk	131.900	128.156	2,9%
Non performing loans	6.458	6.465	(0,1%)
NPL provisions	3.755	3.491	7,6%
NPL ratio	4,9%	5,0%	-0,1 p.p.
NPL coverage ratio	58,2%	54,0%	+4,2 p.p.

	Sep20	Sep-19	Change
Results (€ million)			
Net interest income	1.411	1.520	(7,2%)
Gross income	2.395	2.546	(5,9%)
"Core" result (Net interest income + Net fees and commissions - Operating Expenses)	958	946	1,3%
Pre-provision profit	1.063	1.176	(9,7%)
Profit/(loss) before tax pre COVID-19 provision	683	792	(13,8%)
COVID-19 provision	(465)	-	-
Profit/(loss) before tax post COVID-19 provision	218	792	(72,5%)
Profit/(loss) attributable to the Group	180	575	(68,8%)
Key ratios (%)(4)			
Cost to Income ratio (Operating expenses / Gross income)	55,6%	53,8%	+1,8 p.p.
R.O.A. (Profit after tax / Average total assets) (2)	0,1%	0,4%	-0,3 p.p.
RORWA (Profit after tax / RWA) (3)	0,3%	1,0%	-0,7 p.p.
ROE (Profit attributable to the group / Equity) (4)	1,9%	6,0%	-4,1 p.p.
ROTE (Profit attributable to the group / Average tangible equity) (5)	1,9%	6,2%	-4,3 p.p.
ROE (Profit attributable to the group / Equity) pre COVID-19 provision	5,2%	6,0%	-0,8 p.p.
ROTE (Profit attributable to the group / Average tangible equity) pre COVID-19 provision	5,4%	6,2%	-0,8 p.p.

	Sep20	Dec-19	Change
Bankia share			
Number of shareholders	167.868	173.949	(3,5%)
Number of shares in issue (million)	3.070	3.070	0,0%
Closing price (end of period, €)(6)	1,24	1,90	(34,7%)
Market capitalisation (€ million)	3.811	5.840	(34,7%)
Earnings per share(7) (€)	0,08	0,18	(55,6%)
Tangible book value per share(8) (€)	4,09	4,21	(2,9%)
PER (Last price (6) / Earnings per share(7))	15,87x	10,79x	47,1%
PTBV (Last price (6) / Tangible book value per share)	0,30x	0,45x	(32,8%)
Cash dividend per share (euro cents) (9)	-	11,576	-
Additional information			
Number of branches	2.127	2.275	(6,5%)
Number of employees	15.956	16.035	(0,5%)

(1) "Quick Fix" measures (IFRS 9 and adjustment of unrealised gains/losses) should have an impact of +69 basis points on CET 1, +62 basis points on Total Capital and +63 basis points on MREL.
(2) Annualised profit after tax divided by average total assets for the period.
(3) Annualised profit after tax divided by risk weighted assets at period end.
(4) Annualised attributable profit divided by the previous 12 months average equity, excluding the expected dividend payment. In Sep-20 no dividend payout against 2020 earnings is deducted.
(5) Annualise attributable profit divided by the previous 12 months average tangible equity, excluding the expected dividend payment. In Sep-20 no dividend payout against 2020 earnings is deducted.
(6) Using the last price as of 30 September 2020 and 31 December 2019.
(7) Annualised attributable profit divided by the number of shares in issue.
(8) Total Equity less intangible assets divided by the number of shares in issue.
(9) Dividend payout against the previous year result. In Sep-20 no dividend payout against 2020 earnings is considered.

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(€ million)	9M 2020	9M 2019	Change on 9M 2019 Amount	%
Net interest income	**1.411**	**1.520**	**(109)**	**(7,2%)**
Dividends	1	15	(14)	(91,9%)
Share of profit/(loss) of companies accounted for using the equity method	33	42	(9)	(21,6%)
Total net fees and commissions	880	796	84	10,5%
Gains/(losses) on financial assets and liabilities	133	236	(103)	(43,6%)
Exchange differences	11	12	(1)	(6,0%)
Other operating income/(expense)	(75)	(75)	1	(0,8%)
Gross income	**2.395**	**2.546**	**(151)**	**(5,9%)**
Administrative expenses	(1.189)	(1.222)	33	(2,7%)
Staff costs	(799)	(853)	53	(6,2%)
General expenses	(389)	(369)	(20)	5,4%
Depreciation and amortisation	(144)	(148)	5	(3,2%)
Pre-provision profit	**1.063**	**1.176**	**(114)**	**(9,7%)**
Provisions	(314)	(305)	(9)	2,9%
Provisions (net)	48	(31)	79	-
Impairment losses on financial assets (net)	(362)	(274)	(88)	32,1%
Operating profit/(loss) pre COVID-19 provision	**749**	**871**	**(122)**	**(14,0%)**
Impairment losses on non-financial assets	(10)	(14)	4	(27,4%)
Other gains and other losses	(56)	(66)	9	(14,4%)
Profit/(loss) before tax pre COVID-19 provision	**683**	**792**	**(109)**	**(13,8%)**
Non-recurring COVID-19 provision	(465)	-	(465)	-
Profit/(loss) before tax post COVID-19 provision	**218**	**792**	**(574)**	**(72,5%)**
Corporate income tax	(38)	(215)	178	(82,6%)
Profit/(loss) in the period	**180**	**576**	**(396)**	**(68,8%)**
Profit/(Loss) attributable to minority interests	0,2	0,8	(0,6)	(79,4%)
Profit/(loss) attributable to the Group	**180**	**575**	**(396)**	**(68,8%)**
Cost to Income ratio (1)	**55,6%**	**53,8%**	**+1,8 p.p.**	**1,8%**
Recurring Cost to Income ratio (2)	**59,2%**	**59,6%**	**(0,4) p.p.**	**(0,4%)**
PRO-MEMORY				
"Core" Result (3)	**958**	**946**	**12**	**1,3%**

(1) Operating expenses / Gross income.
(2) Operating expenses / Gross income (excluding gains/losses on financial assets and liabilities and exchange differences).
(3) Net interest income + total net fees and commissions - administrative expenses - depreciation and amortization.

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QUATERLY P&L

(€ million)	3Q 2020	2Q 2020	1Q 2020	4Q 2019	3Q 2019	2Q 2019	1Q 2019
Net interest income	**489**	**464**	**458**	**503**	**502**	**516**	**502**
Dividends	1	0	0	3	1	14	1
Share of profit/(loss) of companies accounted for using the equity method	9	12	12	18	13	15	14
Total net fees and commissions	296	300	284	284	263	273	260
Gains/(losses) on financial assets and liabilities	3	66	64	62	97	102	37
Exchange differences	(2)	4	9	3	5	4	3
Other operating income/(expense)	(7)	(63)	(4)	(174)	(5)	(66)	(4)
Gross income	**788**	**784**	**823**	**699**	**875**	**858**	**813**
Administrative expenses	(393)	(381)	(415)	(394)	(409)	(407)	(407)
Staff costs	(260)	(255)	(285)	(267)	(282)	(286)	(285)
General expenses	(133)	(126)	(130)	(127)	(127)	(121)	(122)
Depreciation and amortisation	(49)	(48)	(47)	(53)	(49)	(49)	(50)
Pre-provision profit	**346**	**355**	**361**	**252**	**417**	**402**	**357**
Provisions	(104)	(111)	(99)	(173)	(119)	(121)	(65)
Provisions (net)	73	(11)	(14)	17	14	(35)	(10)
Impairment losses on financial assets (net)	(176)	(100)	(85)	(189)	(132)	(86)	(55)
Operating profit/(loss) pre COVID-19 provision	**242**	**245**	**262**	**80**	**299**	**281**	**292**
Impairment losses on non-financial assets	(2)	(5)	(3)	(5)	(5)	(6)	(4)
Other gains and other losses	(37)	(7)	(12)	(110)	(42)	(4)	(19)
Profit/(loss) before tax pre COVID-19 provision	**203**	**233**	**247**	**(36)**	**252**	**271**	**269**
Non-recurring COVID-19 provision	(155)	(185)	(125)	-	-	-	-
Profit/(loss) before tax post COVID-19 provision	**48**	**48**	**122**	**(36)**	**252**	**271**	**269**
Corporate income tax	(10)	0	(27)	2	(76)	(76)	(64)
Profit/(loss) in the period	**38**	**48**	**94**	**(34)**	**176**	**196**	**205**
Profit/(Loss) attributable to minority interests	0,1	0,1	0,1	0,1	0,0	0,8	(0,0)
Profit/(loss) attributable to the Group	**37**	**48**	**94**	**(34)**	**176**	**195**	**205**
Cost to Income ratio [1]	**56,1%**	**54,7%**	**56,1%**	**63,9%**	**52,3%**	**53,2%**	**56,1%**
Recurring Cost to Income ratio [2]	**56,2%**	**60,1%**	**61,5%**	**70,4%**	**59,2%**	**60,7%**	**59,0%**
PRO-MEMORY							
"Core" Result [3]	**342**	**335**	**280**	**341**	**307**	**333**	**306**

(1) Operating expenses / Gross income.
(2) Operating expenses / Gross income (excluding gains/losses on financial assets and liabilities and exchange differences).
(3) Net interest income + total net fees and commissions - administrative expenses - depreciation and amortization.

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BALANCE SHEET

(€ million)	Sep-20	Dec-19	Change on Dec.19 Amount	%
Cash and balances at central banks	16.017	13.203	2.814	21,3%
Financial assets held for trading	7.157	6.691	466	7,0%
Trading derivatives	6.811	6.519	292	4,5%
Debt securities	345	171	174	102,1%
Equity instruments	0,8	1,4	(0,5)	(38,5%)
Financial assets designated at fair value through profit or loss	11	35	(24)	(68,9%)
Debt securities	0,2	0,2	(0,0)	(15,6%)
Loans and advances to credit institutions	-	23	(23)	(100,0%)
Loans and advances	11	11	(1)	(5,7%)
Financial assets designated at fair value through equity	8.776	11.982	(3.206)	(26,8%)
Debt securities	8.699	11.906	(3.207)	(26,9%)
Equity instruments	77	76	1	1,3%
Financial assets at amortised cost	164.589	155.968	8.621	5,5%
Debt securities	37.648	33.068	4.580	13,9%
Loans and advances to credit institutions	6.213	5.467	746	13,6%
Loans and advances to customers	120.728	117.433	3.295	2,8%
Hedging derivatives	2.455	2.499	(44)	(1,8%)
Investments in subsidaries, joint ventures and associates	459	455	4	0,8%
Tangible and intangible assets	3.018	3.019	(1)	(0,04%)
Non-current assets held for sale	1.761	2.152	(391)	(18,2%)
Other assets	11.918	12.465	(547)	(4,4%)
TOTAL ASSETS	**216.160**	**208.468**	**7.692**	**3,7%**
Financial liabilities held for trading	7.082	6.750	332	4,9%
Trading derivatives	6.756	6.479	277	4,3%
Short positions	326	271	54	20,0%
Financial liabilities at amortised cost	193.472	185.176	8.295	4,5%
Deposits from central banks	22.963	13.809	9.154	66,3%
Deposits from credit institutions	24.010	26.460	(2.451)	(9,3%)
Customer deposits and funding via clearing houses	126.721	124.785	1.936	1,6%
Debt securities in issue	18.566	18.680	(114)	(0,6%)
Other financial liabilities	1.213	1.443	(230)	(15,9%)
Hedging derivatives	128	87	41	46,9%
Provisions	1.326	1.754	(428)	(24,4%)
Other liabilitiess	1.115	1.365	(250)	(18,3%)
TOTAL LIABILITIES	**203.122**	**195.133**	**7.989**	**4,1%**
Minority interests	2	13	(11)	(81,3%)
Other accumulated results	139	180	(41)	(22,6%)
Equity	12.896	13.142	(246)	(1,9%)
TOTAL EQUITY	**13.038**	**13.335**	**(297)**	**(2,2%)**
TOTAL EQUITY AND LIABILITIES	**216.160**	**208.468**	**7.692**	**3,7%**