BUSINESS ACTIVITY AND RESULTS

REPORT

JANUARY - SEPTEMBER 2023

CaixaBank

CONTENTS

Note: The financial information contained in this document is unaudited and, accordingly, is subject to change. The consolidated income statement and the consolidated balance sheet and the corresponding breakdowns of those statements provided in this report, are presented under management criteria, but have still been prepared in accordance with International Financial Reporting Standards (IFRS-EU) as adopted by the European Union under the terms of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002, as subsequently modified.

This report has been prepared from the accounting records of CaixaBank, S.A. and the other Group companies, and includes certain adjustments and reclassifications required to apply the policies and criteria used by the Group companies on a consistent basis with those of CaixaBank. For this reason, and specifically in the case of BPI, the information contained in this document does not coincide with certain aspects presented in BPI's publication of financial information. Likewise, the financial information regarding investees has been prepared primarily on the basis of estimates made by the Group's directors.

Figures are presented in millions of euros unless the use of another monetary unit is stated explicitly, and may be expressed as either million euros or € million. Certain financial information in this report was rounded off and, specifically, the figures shown herein as totals may differ slightly from the arithmetic sum of the individual figures given before them.

In accordance with the Guidelines on Alternative Performance Measures (APMs) published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1057), the appendices hereto provide the definition of certain alternative financial measures and, where appropriate, the reconciliation with the items contained on the financial statements for the period in question.

01 KEY GROUP FIGURES

COMMERCIAL POSITIONING

Clients

20.0
million

611,398
Total assets (€ million)

Business activity

619,323
Customer funds (€ million)

355,057
Loans and advances to customers (€ million)

BALANCE SHEET INDICATORS

Risk management

2.7%
NPL ratio

76%
NPL coverage ratio

0.30%
Cost of risk (12 months)

Capital adequacy

12.3 %
CET1

17.1%
Total capital

27.1%
MREL

Liquidity

153,813
Total liquid assets (€ million)

205%
Liquidity coverage ratio (LCR)

139%
NSFR

RESULTS, COST-TO-INCOME AND PROFITABILITY

Attributed profit/(loss)

3,659
Million euros

Cost-to-income

42.6%
Cost-to-income ratio stripping out extraordinary expenses (12 months)

Profitability

11.9%
12 months ROE

KEY GROUP FIGURES

€ million / %	January - September 2023	2022	Change	3Q23	Quarter-on-quarter
PROFIT/(LOSS)[1]					
Net interest income	7,364	4,582	60.7%	2,740	12.2%
Net fee and commission income	2,741	2,896	(5.3)%	895	(1.5)%
Core income	11,128	8,289	34.3%	4,018	9.8%
Gross income	10,689	8,292	28.9%	4,016	12.4%
Recurring administrative expenses, depreciation and amortisation	(4,365)	(4,149)	5.2%	(1,471)	1.1%
Pre-impairment income	6,315	4,109	53.7%	2,541	20.2%
Pre-impairment income stripping out extraordinary expenses	6,324	4,143	52.6%	2,545	20.2%
Profit/(loss) attributable to the Group	3,659	2,469	48.2%	1,522	18.8%
MAIN RATIOS (last 12 months)					
Cost-to-Income ratio[1]	42.7%	55.5%	(12.8)	42.7%	(3.2)
Cost-to-income ratio, stripping out extraordinary expenses[1]	42.6%	54.3%	(11.8)	42.6%	(3.2)
Cost of risk (last 12 months)	0.30%	0.23%	0.07	0.30%	0.03
ROE[1]	11.9%	7.2%	4.7	11.9%	1.8
ROTE[1]	14.1%	8.4%	5.7	14.1%	2.1
ROA[1]	0.6%	0.4%	0.3	0.6%	0.1
RORWA[1]	1.9%	1.2%	0.7	1.9%	0.3

	September 2023	December 2022	Change	June 2023	Quarter-on-quarter
BALANCE SHEET					
Total Assets[1]	611,398	598,850	2.1%	625,597	(2.3)%
Equity[1]	35,332	33,708	4.8%	34,044	3.8%
BUSINESS ACTIVITY					
Customer funds[1]	619,323	611,300	1.3%	627,824	(1.4)%
Loans and advances to customers, gross	355,057	361,323	(1.7)%	363,952	(2.4)%
RISK MANAGEMENT					
Non-performing loans (NPL)	10,200	10,690	(490)	10,317	(117)
Non-performing loan ratio	2.7%	2.7%	(0.1)	2.6%	0.0
Provisions for insolvency risk	7,725	7,867	(143)	7,880	(156)
NPL coverage ratio	76%	74%	2.1	76%	(0.7)
Net foreclosed available for sale real estate assets	1,688	1,893	(205)	1,759	(71)
LIQUIDITY					
Total Liquid Assets	153,813	139,010	14,803	146,646	7,167
Liquidity Coverage Ratio	205%	194%	10	207%	(3)
Net Stable Funding Ratio (NSFR)	139%	142%	(3)	138%	1
Loan to deposits	90%	91%	(1)	91%	(1)
CAPITAL ADEQUACY					
Common Equity Tier 1 (CET1)	12.3 %	12.8%	(0.5)	12.5%	(0.3)
Tier 1	14.3%	14.8%	(0.5)	14.6%	(0.3)
Total capital	17.1%	17.3%	(0.2)	17.4%	(0.4)
MREL	27.1%	25.9%	1.2	25.6%	1.6
Risk-Weighted Assets (RWAs)	222,616	215,103	7,513	217,970	4,646
Leverage ratio	5.6%	5.6%	(0.1)	5.4%	0.1
SHARE INFORMATION					
Share price (€/share)	3.786	3.672	0.114	3.787	(0.001)
Market capitalisation	28,309	27,520	789	28,384	(75)
Book value per share[1] (€/share)	4.72	4.49	0.23	4.54	0.18
Tangible book value per share[1] (€/share)	4.00	3.77	0.23	3.82	0.18
Net attributable income per share[1] (€/share) (12 months)	0.58	0.40	0.18	0.49	0.09
PER[1] (Price/Profit; times)	6.58	9.18	(2.60)	7.76	(1.18)
PTBV[1] (Price to tangible book value)	0.95	0.97	(0.03)	0.99	(0.04)
OTHER DATA (units)					
Employees	44,771	44,625	146	44,683	88
Branches[2]	4,199	4,404	(205)	4,228	(29)
Of which: retail branches in Spain	3,622	3,818	(196)	3,649	(27)
ATMs	12,608	12,947	(339)	12,691	(83)

(1) The financial information published for 2022 has been restated in accordance with IFRS 17 / IFRS 9. The ratios (12 months) prior to 4Q22 are those reported in accordance with IFRS 4, as there is no historical data available for restatement.

(2) Does not include branches outside Spain and Portugal or representative offices.

02. KEY INFORMATION

OUR BANK

The **CaixaBank Group** serves 20 million customers through a network of 4,200 branches in Spain and Portugal and has over €610,000 million in assets.

Our **service vocation,** together with the **unique omnichannel distribution platform** with multi-product capabilities that continuously evolves to anticipate the customers' needs and preferences, helps us establish **solid market shares**[1] in Spain:

Loans to individuals and business	Consumer lending	Deposits by individuals and business	Investment funds	Pension plans	Long-term saving[2]	Card turnover
23.7%	19.8%	24.9%	23.9%	34.3%	29.5%	31.2%

BPI boasts a market share[3] in Portugal of 11.7% in lending activity and 11.1% in customer funds.

(1) Latest information available. Market shares in Spain. Source: Bank of Spain, Social Security, INVERCO, ICEA and Sistemas de tarjeta y medios de pago. Lending and deposits market share corresponding to the resident private sector.

(2) Market share aggregating investment funds, pension plans and savings insurance. The latter corresponding to sector data, estimated based on the change in total life insurance.

(3) Latest information available. Data prepared in-house. Source: BPI and Banco de Portugal.

RELEVANT ASPECTS IN 2023

IFRS 17 and IFRS 9

The Group has applied **IFRS 17: "Insurance Contracts" and IFRS 9: "Financial Instruments" to the assets and liabilities of the insurance business as of 1 January 2023**. IFRS 17 is the new accounting standard that sets out the principles for recognition, measurement and presentation of contracts that transfer significant insurance risk, whereas IFRS 9 is the accounting standard that the Group has already been applying to recognise and measure its financial assets and liabilities.

Considering that, in accordance with IFRS 17, a minimum of one year of comparative information is required, the income statement for the fiscal year 2022 and the balance sheet at 31 December 2022 have been restated for comparative purposes, also taking into account IFRS 9 requirements.

The application of IFRS 17 / IFRS 9 has had an impact of €-16 million on the income statement for 2022, €+6,616 million on total assets and €-555 million on equity as at 31 December 2022. The impact on the CET1 ratio was -20 basis points.

Further detail of the restatement of 2022 and its quarterly reporting is provided in the section 'IFRS 17 / IFRS 9 Restatement'.

Share buy-back programme

After receiving the appropriate regulatory authorisation, the Board of Directors agreed to **approve and commence a programme for the repurchase of treasury shares** with the following characteristics:

- Purpose: reduce CaixaBank's share capital by redeeming treasury shares acquired under the share buy-back programme.

- Maximum investment: **maximum monetary amount of €500 million**.

- Maximum number of shares: the maximum number of shares to be acquired during the execution of the programme will depend on the average price at which purchases take place but **will not exceed 10% of the Bank's share capital** (750,213,161 shares).

- Term of the programme: the programme will have a **maximum duration of 12 months** from the date of the announcement on 18 September 2023. Nevertheless, the Bank reserves the right to terminate the buy-back programme if the maximum monetary amount is reached earlier or if any circumstance arises which should so advise or require.

As at 30 September 2023, CaixaBank has acquired 17,847,300 shares for €65,421,937, equivalent to 13.1% of the maximum monetary amount (39,906,941 shares for €149,186,856, which represent 29.8% of the maximum amount, according to the latest information reported in the Other Relevant Information of 20 October 2023).

RESULTS AND FINANCIAL STRENGTH

Results and business activity

> **Attributable profit in the first nine months of 2023 reached €3,659 million,** versus €2,469 million recognised in 2022 (+48.2%).

> **Total loans and advances to customers, gross** stand at **€355,057 million,** down 1.7% in the year.

> **Customer funds** amount to **€619,323 million**, up 1.3% in the year.

Risk management

> The **NPL ratio** stood at **2.7%** (2.7% at 2022 year-end), following the drop of €490 million of non-performing loans in 2023 following an active management of non-performing assets.

> Robust **coverage ratio**, reaching **76%** (74% at 2022 year-end).

> The **cost of risk (last 12 months)** came to **0.30%**.

Liquidity management

> **Total liquid assets** amounted to **€153,813 million**.

> The Group's **Liquidity Coverage Ratio** (LCR) was **205%**, showing an ample liquidity position (194% at 2022 year-end).

> The **Net Stable Funding Ratio** (NSFR) stood at **139%** on 30 September 2023 (142% at 2022 year-end).

Capital management

> The **Common Equity Tier 1 (CET1) ratio stands at 12.3%** (12.2% without applying the IFRS 9 transitional adjustments).

It includes the extraordinary impact from the first application of IFRS 17 (-20 basis points), as well as the share buy-back programme (SBB) initiated in September (-23 basis points), corresponding to the total deduction of the maximum authorised amount for €500 million.

The organic change in the first nine months was +162 basis points, -112 basis points caused by the forecast of dividends charged to this year and AT1 coupon payment and -40 basis points by the performance of the markets and other factors, which includes the regulatory impacts due to the ECB reviewing the models.

> The **Tier 1** ratio reaches **14.3%**, the **Total Capital** ratio **17.1%** and the **leverage ratio 5.6%**.

> The **total MREL** ratio stood at **27.1%**.

03. MACROECONOMIC TRENDS
AND STATE OF THE FINANCIAL MARKETS

GLOBAL ECONOMIC OUTLOOK

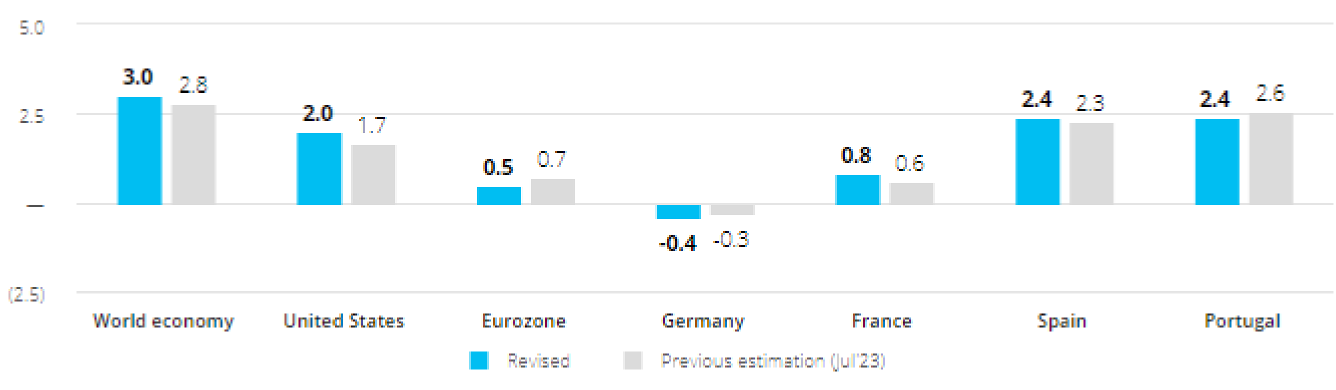
Following a better performance than expected in the first half of 2023, the world economy cooled down throughout Q3. To a large extent, global activity suffered from the slowdown in China, where the initial economic reactivation after the reopening gave way to sustainedly lower than expected indicators. Across advanced economies, the weakness that industry has been displaying since the close of 2022 has spilled over to the services sector in recent months, albeit with varying intensities across the major economies: higher resistance in the US vs a more pronounced apathy in Europe.

Indicators in the US activity indicators portrayed a mild slowdown in the economy, albeit with a robust labour market and GDP growing still at dynamic rates. With visible disinflation in most items of the consumption basket, with the exception of energy following the summer rebound in oil prices, inflation could reach the 2% target by mid-2024.

However, the outlook could be derailed in the event of an escalation of the conflict in the Middle East leading to a significant surge in energy prices and an erosion of confidence.

GDP[1], PREVISION GROWTH 2023

ANNUAL CHANGE (%)



(1) CaixaBank Research forecasts for 2023.

ECONOMIC SCENARIO - EUROPE, SPAIN AND PORTUGAL

The **eurozone** economy showed a marked sluggishness in Q3. Following a very modest GDP increase in the first half of the year (0.1% QoQ in Q1 and Q2), the evolution of the leading indicators of confidence throughout Q3 point to a further slowdown in activity given the notable deterioration of the services sector in a context in which manufacturing activity has been sinking deeper into the crisis that started after the outbreak of the war in Ukraine. The weakness anticipated for the eurozone explains the downward revisions to GDP growth made by the ECB (-0.2 pps to 0.7% in 2023; and -0.5 pps to 1.0% in 2024) and the European Commission (-0.3 pps to 0.8% in 2023; and -0.3 pps to 1.3% in 2024). In such a context of economic weakness, evidence of a very gradual disinflation continued: headline inflation stood at 4.3% in September, after reaching its maximum level at 10.6% in October 2022; core inflation (excluding energy and foods) also declined, albeit at a much slower pace, reaching 4.5%, compared to its peak at 5.7% in March 2023.

The **Spanish economy** gradually lost strength in the third quarter, affected by the sluggishness in the EMU and the impact of monetary policy tightening, after having shown considerable resilience in the first half of the year. This loss of strength was mirrored in the manufacturing and service PMIs, which in industry remains below the growth threshold (50 points) since March. The tourism sector again showed remarkable strength and the labour market continued to perform well, albeit job creation gradually lost momentum. All in all, the Spanish economy showed a better relative performance than the EMU. In spite of the weakening outlook for activity in the second half of the year, the upward revision of GDP growth data for recent quarters by the INE has meant that GDP growth forecasts for 2023 as a whole have hardly changed, which in the case of the Bank of Spain stand at 2.3% and of CaixaBank Research at 2.4%.

Inflation rose throughout the third quarter, impacted by the increase in energy prices, and reached 3.5% in September, versus 1.9% in June. Core inflation, which excludes energy and all food, increased at a more moderate pace, reaching 4.4% in September, versus 4.3% in June.

After a solid start to the year, the **Portuguese economy** started to weaken, with both weaker external demand and a certain slackening of domestic demand. GDP stagnated in 2Q, and indicators for 3Q point to a very weak tone. Headline inflation came in at 3.6% in September, compared to 3.4% in June, due to the increase in energy prices, whereas core inflation continued to dip and in September stood at 4.1%.

STATE OF THE FINANCIAL MARKETS

The main central banks continued their rate hikes throughout the third quarter but refocusing their monetary policy strategy. Following a year of sharp rate hikes, in recent months central banks have shifted towards a strategy of maintaining rates around current levels, considering them sufficiently restrictive, for a considerable period of time. Thus, in spite of not closing the door to future rate hikes if inflation requires bringing under control, the official interest rates have reached their highest peak and, according to implicit expectations in the financial markets, they will be maintained for a considerable part of 2024.

The **ECB** raised the depo and refi rates in September to 4.00% and 4.50%, respectively. In addition, it stated that if these were maintained over a sufficiently long period, they should return inflation to the 2% target. The ECB also adopted several measures to reduce the excess of liquidity (stopped reinvesting all assets of the APP (quantitative tightening) and continued to reduce the balance sheet via the repayments of TLTROs) and readjusted the remuneration of minimum reserve requirements (now at 0%, previously according to the current depo rate).

The **Federal Reserve** raised rates in July to the 5.25% - 5.50% range and maintained them in September. However, it still points to the possibility of another hike during the remainder of the year. The interest rates are expected to remain high for a lengthy period of time (implicit market expectations suggest that the Fed's official rate will be in the 4.50% - 4.75% range in December 2024), whereas the cycle of rate hikes is reaching its end in view of the moderate inflation, certain signs of weakness in economic activity and the gradual return to normality of the labour market.

In this higher for longer interest rate environment, to a larger extent than forecasted in spring, in the **financial markets** the long-term sovereign rates generally soared in the developed economies, a consistent movement in the US throughout the quarter, whereas in the eurozone it mainly concentrated in September. Besides propping up the slope, it also caused a widening of peripheral spreads in the eurozone, most noticeably the Italian. The dollar capitalised on this trend, as well as the cyclical divergence between the US and the other major economies. As a result, the US currency rose 3.2% overall in the quarter, according to the DXY, boosted by its appreciation versus the yen, pound sterling and euro. These movements, together with the doubts over economic growth in Europe or China, eroded risk assets, where the MSCI All Country World Index dropped 3.8% at the end of the quarter, as so did the Eurostoxx 50 by 5.1%, the S&P500 by 3.6% and the Hang Seng by 5.9%. In this context, geographically, the Iberian indices showed the best relative performance (Ibex35 -1.7%, PSI20 +2.9%), whereas by sector, it was the Eurostoxx Eurozone Banks (+4.2%). Lastly, in the commodities market, as for oil, the Brent barrel rallied more than 27% in the quarter driven by the production cuts carried out by Saudi Arabia and Russia.

04. INCOME STATEMENT

Year-on-year performance

Attributable profit in the first nine months of 2023 amounted to €3,659 million, versus €2,469 million at the end of September 2022 (+48.2%).

€ million	9M23	9M22[1]	Change %
Net interest income	7,364	4,582	60.7
Dividend income	145	132	10.3
Share of profit/(loss) of entities accounted for using the equity method	246	192	28.1
Net fee and commission income	2,741	2,896	(5.3)
Trading income	215	318	(32.5)
Insurance service result	798	658	21.2
Other operating income and expense	(818)	(486)	68.5
Gross income	10,689	8,292	28.9
Recurring administrative expenses, depreciation and amortisation	(4,365)	(4,149)	5.2
Extraordinary expenses	(9)	(35)	(73.8)
Pre-impairment income	6,315	4,109	53.7
Pre-impairment income stripping out extraordinary expenses	6,324	4,143	52.6
Allowances for insolvency risk	(738)	(548)	34.7
Other charges to provisions	(195)	(123)	58.1
Gains/(losses) on disposal of assets and others	(88)	(56)	58.6
Profit/(loss) before tax	5,294	3,382	56.5
Income tax expense	(1,635)	(911)	79.5
Profit/(loss) after tax	**3,659**	**2,471**	**48.1**
Profit/(loss) attributable to minority interest and others	(0)	2	
Profit/(loss) attributable to the Group	**3,659**	**2,469**	**48.2**

Core income	9M23	9M22[1]	Change %
Net interest income	**7,364**	**4,582**	**60.7**
Fee and commission income + Insurance income	**3,764**	**3,706**	**1.5**
Income from Bancassurance equity investments	226	153	47.6
Net fee and commission income	2,741	2,896	(5.3)
Insurance service result	798	658	21.2
Total core income	**11,128**	**8,289**	**34.3**

(1) Corresponds to the income statement of 2022 restated following the entry into force of IFRS 17 and IFRS 9. See section 'IFRS 17 / IFRS 9 Restatement'.

- Good performance of **Core income** (+34.3%), driven by the growth of **Net interest income** (+60.7%), **Insurance service result** (+21.2%) and **Income from Bancassurance equity investments** (+47.6%), which include one-off income. Lower **Fee and commission income** (-5.3%).
- Increase of **Dividend income** after the recognition of Telefónica's dividend in the first quarter of 2023 (in 2022 recognised in the second and fourth quarter) and higher **Share of profit/(loss) of entities accounted for using the equity method** (+28.1%). Lower generation of **Trading income** (-32.5%).
- **Other operating income and expense** is impacted by the recognition in the first quarter of 2023 of the banking tax for €-373 million.
- **Gross income grew** (+28.9%) more than **Recurring administrative expenses, depreciation and amortisation** (+5.2%), increasing **Pre-impairment income** (+53.7%).
- **Allowances for insolvency risk** grows 34.7%. **Other charges to provisions** increases 58.1%, including one-off impacts, among others, the provision recognised following the award from Mapfre's claim in the arbitration procedure initiated after ending the bancassurance partnership.

Quarterly performance

€ million	3Q23	2Q23	Change %	3Q22	Change %
Net interest income	2,740	2,442	12.2	1,603	70.9
Dividend income	0	77	(99.4)	0	56.4
Share of profit/(loss) of entities accounted for using the equity method	101	66	52.6	81	24.8
Net fee and commission income	895	909	(1.5)	968	(7.5)
Trading income	72	61	16.8	73	(2.3)
Insurance service result	297	257	15.7	236	26.0
Other operating income and expense	(88)	(239)	(63.2)	(89)	(1.0)
Gross income	4,016	3,572	12.4	2,872	39.8
Recurring administrative expenses, depreciation and amortisation	(1,471)	(1,455)	1.1	(1,375)	7.0
Extraordinary expenses	(4)	(3)	30.6	(11)	(66.6)
Pre-impairment income	2,541	2,115	20.2	1,485	71.1
Pre-impairment income stripping out extraordinary expenses	2,545	2,118	20.2	1,496	70.0
Allowances for insolvency risk	(282)	(200)	40.8	(172)	63.9
Other charges to provisions	(95)	(75)	26.0	(33)	
Gains/(losses) on disposal of assets and others	(24)	(44)	(45.2)	(20)	20.9
Profit/(loss) before tax	2,140	1,795	19.2	1,260	69.9
Income tax expense	(618)	(514)	20.2	(364)	70.0
Profit/(loss) after tax	**1,522**	**1,281**	**18.8**	**896**	**69.9**
Profit/(loss) attributable to minority interest and others	0	0		0	
Profit/(loss) attributable to the Group	**1,522**	**1,281**	**18.8**	**896**	**69.9**

Core income	3Q23	2Q23	Change %	3Q22	Change %
Net interest income	**2,740**	**2,442**	**12.2**	**1,603**	**70.9**
Fee and commission income + Insurance income	**1,278**	**1,219**	**4.9**	**1,269**	**0.7**
Income from Bancassurance equity investments	87	54	61.7	65	32.2
Net fee and commission income	895	909	(1.5)	968	(7.5)
Insurance service result	297	257	15.7	236	26.0
Total core income	**4,018**	**3,661**	**9.8**	**2,872**	**39.9**

The **change in attributable profit in the third quarter of 2023** (€1,522 million), when compared to the **previous quarter** (€1,281 million), up 18.8%, was mainly due to the following:

- **Core income** reached **€4,018 million,** showing a growth of 9.8%, supported by **Net interest income** (+12.2%) and **Insurance service result** (+15.7%). The performance of **Income from Bancassurance equity investments** (+61.7%) and of **Fee and commission income** (-1.5%) is impacted by seasonal aspects in the third quarter.
- The quarterly evolution of **Dividend income** is impacted in the previous quarter by the recognition of the dividend from BFA for €73 million.
- **Other operating income and expense** includes the recognition in the second quarter of the contribution to the Single Resolution Fund (SRF) and BPI's contribution to the Portuguese Resolution Fund of €169 million.
- **Allowances for insolvency risk** grow 40.8% and **Other charges to provisions** increase 26.0%.

The change in attributable profit in the third quarter of 2023 (€1,522 million), when compared to the **same quarter of the previous year** (€896 million), up 69.9%, was mainly due to the following:

- **Core income** stands at **€4,018 million**, showing a growth of 39.9%, supported by **Net interest income** (+70.9%), **Income from Bancassurance equity investments** (+32.2%) and **Insurance service result** (+26.0%). **Fee and commission income** decreases (-7.5%).
- **Trading income** dropped by 2.3%.
- **Recurring administrative expenses, depreciation and amortisation** increased 7.0% in an inflationary context with new projects.
- **Allowances for insolvency risk** increase 63.9%, enabling high risk coverage levels via provisions. **Other charges to provisions** include in the third quarter of 2023 one-off provisions related to the arbitral award.

RETURN ON AVERAGE TOTAL ASSETS[1]

%	3Q23	2Q23	1Q23	4Q22	3Q22
Interest income	3.17	2.83	2.37	1.67	1.23
Interest expense	(1.42)	(1.26)	(0.94)	(0.54)	(0.33)
Net interest income	1.75	1.57	1.43	1.13	0.90
Dividend income	0.00	0.05	0.04	0.02	0.00
Share of profit/(loss) of entities accounted for using the equity method	0.07	0.04	0.05	0.02	0.05
Net fee and commission income	0.57	0.59	0.62	0.55	0.54
Trading income	0.05	0.04	0.05	0.01	0.04
Insurance service result	0.19	0.17	0.16	0.16	0.13
Other operating income and expense	(0.06)	(0.15)	(0.32)	(0.28)	(0.05)
Gross income	2.57	2.30	2.04	1.62	1.61
Recurring administrative expenses, depreciation and amortisation	(0.94)	(0.94)	(0.95)	(0.80)	(0.77)
Extraordinary expenses	0.00	0.00	0.00	(0.01)	(0.01)
Pre-impairment income	1.62	1.36	1.09	0.81	0.83
Allowances for insolvency risk	(0.18)	(0.13)	(0.17)	(0.25)	(0.10)
Other charges to provisions	(0.06)	(0.05)	(0.02)	0.00	(0.02)
Gains/(losses) on disposal of assets and others	(0.02)	(0.03)	(0.01)	(0.02)	(0.01)
Profit/(loss) before tax	1.37	1.16	0.89	0.54	0.71
Income tax expense	(0.40)	(0.33)	(0.33)	(0.16)	(0.21)
Profit/(loss) after tax	**0.97**	**0.83**	**0.56**	**0.38**	**0.50**
Profit/(loss) attributable to minority interest and others	0.00	0.00	0.00	0.00	0.00
Profit/(loss) attributable to the Group	**0.97**	**0.83**	**0.56**	**0.38**	**0.50**
Average total net assets (€ million)	621,007	622,732	616,023	686,491	708,157

(1) Annualised quarterly income/cost to average total assets in the quarter.

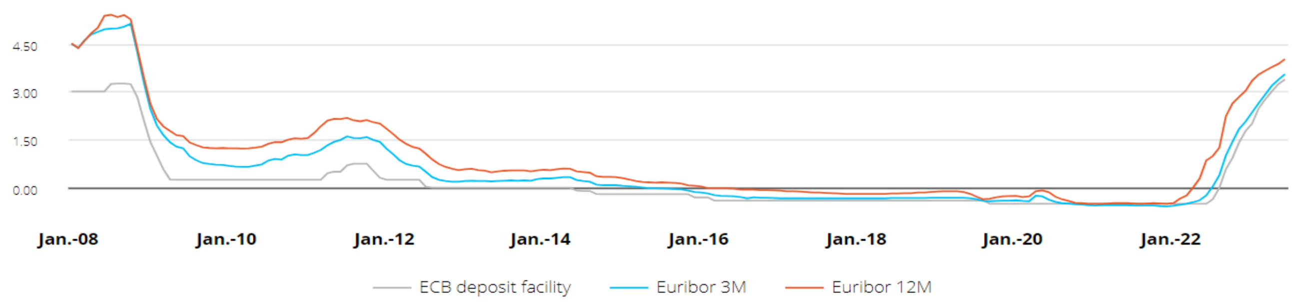
Net interest income

Net interest income totalled €7,364 million (up 60.7% with respect to the same period in 2022). This increase is due to:

> Higher income from loans mainly due to an increase in the average rate, as a result of the positive impact of market interest rates on the portfolio tied to variable rates and on the rates of the new production. In addition, but to a lesser extent, a positive impact due to a higher average volume.

> Higher contribution of the fixed-income portfolio mainly due to the rate rise.

INTEREST RATES (average rates in %)



These effects have been partially reduced by:

- Higher costs of customer deposits, which includes the effect of the conversion into floating interest by means of interest-rate hedges established for a limited amount.
- Higher cost of institutional funding, impacted by a rate increase from the repricing of issuances changed to variable rate due to the rise of the rate curve.
- Lower contribution to net interest income by financial intermediaries mainly due to the higher costs of financing taken from the ECB and the impact of a lower excess liquidity.

Net interest income totalled €2,740 million in the quarter and increases 12.2% with respect to the previous quarter due to:

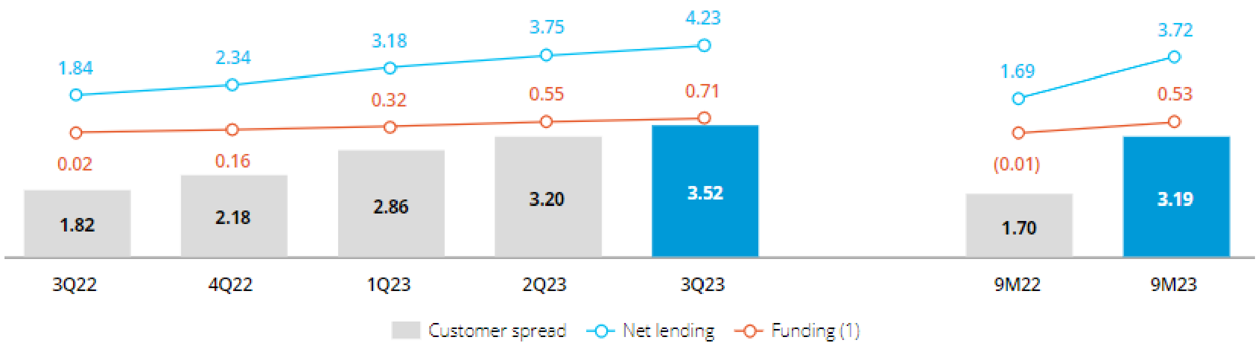
- Higher income of loans and advances, positively impacted by the interest curve.
- Higher contribution of the fixed-income portfolio due to the increase of the average rate.
- Higher contribution to net interest income by financial intermediaries mainly due to the impact of a higher excess liquidity.

These effects have been partially reduced by:

- Higher costs of customer deposits due to a higher volume and rate increase. This cost includes the effect of the conversion into floating interest by means of interest-rate hedges established for a limited amount.
- Higher cost of institutional funding, impacted by a higher volume and a rate increase from the repricing of issuances due to the rise of the rate curve.

The **customer spread** increased by 32 basis points in the quarter to 3.52%, due to the rise in the return on lending activity (48 basis points) and despite the increase of the cost of deposits (16 basis points).

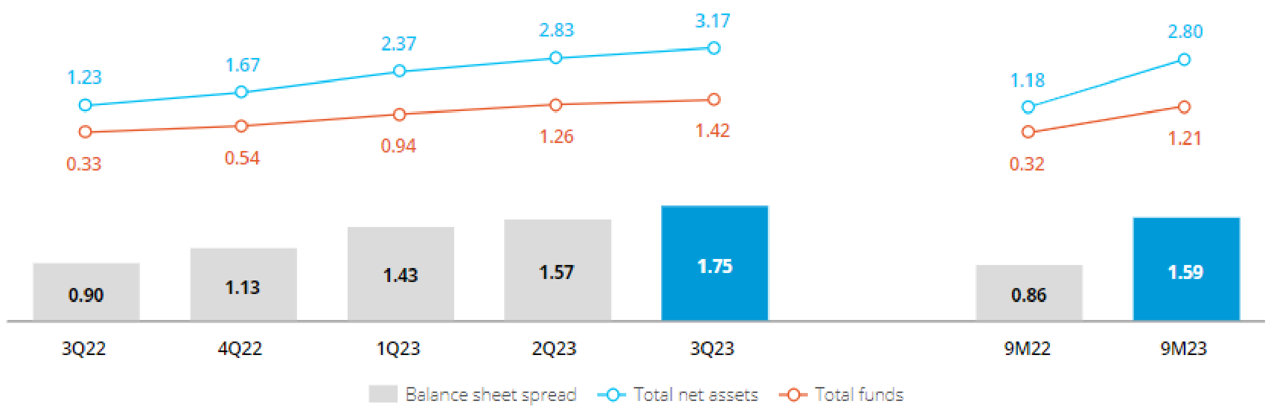
| CUSTOMER SPREAD, GROUP (%)



(1) Customer deposit costs excluding hedges and FX and international branch deposits of CaixaBank ex BPI amount to (in bps): 48 in 3Q23, 34 in 2Q23, 17 in 1Q23, 7 in 4Q22 and 1 in 3Q22.

The **balance sheet spread** rose by 18 basis points in the quarter, mainly due to higher revenue in the retail business.

| BALANCE SHEET SPREAD, GROUP (%)



QUARTERLY COST AND INCOME

€ million		3Q23 Average balance	3Q23 Income or expense	3Q23 Rate %	2Q23 Average balance	2Q23 Income or expense	2Q23 Rate %	1Q23 Average balance	1Q23 Income or expense	1Q23 Rate %
Financial Institutions		53,917	547	4.02	49,926	436	3.50	44,740	295	2.68
Loans and advances	(a)	334,372	3,565	4.23	338,029	3,163	3.75	338,447	2,650	3.18
Debt securities		88,816	320	1.43	90,248	289	1.29	90,225	220	0.99
Other assets with returns		59,538	439	2.92	59,106	429	2.91	57,929	383	2.68
Other assets		84,364	95		85,423	77		84,682	59	
Total average assets	(b)	621,007	4,966	3.17	622,732	4,394	2.83	616,023	3,607	2.37
Financial Institutions		48,858	(508)	4.12	58,762	(526)	3.59	52,166	(369)	2.87
Retail customer funds	(c)	382,179	(680)	0.71	378,501	(520)	0.55	378,532	(299)	0.32
Wholesale marketable debt securities & other		47,855	(539)	4.47	44,514	(431)	3.89	45,851	(338)	2.99
Subordinated liabilities		10,617	(82)	3.06	10,893	(73)	2.70	9,798	(53)	2.19
Other funds with cost		75,755	(400)	2.09	74,166	(390)	2.11	73,004	(355)	1.97
Other funds		55,743	(16)		55,896	(12)		56,672	(11)	
Total average funds	(d)	621,007	(2,226)	1.42	622,732	(1,952)	1.26	616,023	(1,425)	0.94
Net interest income		**2,740**			**2,442**			**2,182**		
Customer spread (%)	**(a-c)**	**3.52**			**3.20**			**2.86**		
Balance sheet spread (%)	**(b-d)**	**1.75**			**1.57**			**1.43**		

€ million		4Q22 Average balance	4Q22 Income or expense	4Q22 Rate %	3Q22 Average balance	3Q22 Income or expense	3Q22 Rate %
Financial Institutions		109,694	318	1.15	127,932	165	0.51
Loans and advances	(a)	340,765	2,013	2.34	340,968	1,577	1.84
Debt securities		92,004	179	0.77	92,295	103	0.44
Other assets with returns		56,321	345	2.43	59,131	334	2.24
Other assets		87,707	41		87,831	11	
Total average assets	(b)	686,491	2,896	1.67	708,157	2,190	1.23
Financial Institutions		116,363	(218)	0.74	128,334	(132)	0.41
Retail customer funds	(c)	384,810	(152)	0.16	392,598	(24)	0.02
Wholesale marketable debt securities & other		47,045	(191)	1.61	46,581	(86)	0.73
Subordinated liabilities		8,796	(25)	1.15	8,624	(13)	0.58
Other funds with cost		70,981	(330)	1.84	73,155	(318)	1.73
Other funds		58,496	(10)		58,865	(14)	
Total average funds	(d)	686,491	(926)	0.54	708,157	(587)	0.33
Net interest income		**1,970**			**1,603**		
Customer spread (%)	**(a-c)**	**2.18**			**1.82**		
Balance sheet spread (%)	**(b-d)**	**1.13**			**0.90**		

To help readers interpret the information contained in this report, the following aspects should be taken into account:

> According to applicable accounting standards, income resulting from the application of negative interest rates should be reported in the appropriate income classification. Financial intermediaries on the assets side includes in 2022 the negative interest on the balances of financial intermediaries held on the liabilities side, the most significant being income from ECB funding measures (TLTRO and MRO). Conversely, the heading financial intermediaries on the liabilities side shows the negative interest on the balances of financial intermediaries on the assets side. Only the net amount between income and expense for both headings has economic significance.

> "Other assets with returns" and "Other funds with cost" relate largely to the Group's life insurance activity. Net interest income mainly includes the net return on assets under the insurance business maintained to pay ordinary claims, as well as the Group's financial margin for short-term savings insurance products. It also includes the income from financial assets under the insurance business, and an expense for interest that includes the capitalisation of the new insurance liabilities is recognised at a very similar interest rate as the rate of return of asset acquisition. The difference between this income and the expense is not significant.

> The balances of all headings except "Other assets" and "Other funds" correspond to balances with returns/cost. "Other assets" and "Other funds" incorporate balance items that do not have an impact on the Net interest income and on returns and costs that are not assigned to any other item.

Fees and commissions

Fee and commission income stand at €2,741 million, down 5.3% on 2022 (-1.5% with respect to the previous quarter and -7.5% with respect to the same quarter of 2022).

> **Banking services, securities and other fees** includes income on securities transactions, transactions, risk activities, deposit management, payment methods and wholesale banking.

Recurring fees and commissions dropped 9.1% in the year and 12.1% with respect to the third quarter of the previous year, impacted, among other factors, by the elimination of corporate deposit custody fees and lower maintenance fees from current accounts. Decline of 1.2% with respect to the previous quarter due to the quarter's seasonal components.

Fees and commissions from wholesale banking show a good performance when compared to the same period of the previous year, up 5.8% (-20.2% with respect to the same quarter of the previous year, impacted by higher activity). The decline with respect to the previous quarter is due to the seasonal effect (-23.2%).

> **Fees and commissions from the sale of insurance products** stand at €294 million in the current year, down 4.0% and 1.9% when compared to the previous year and quarter, respectively, impacted by one-offs that offset the positive commercial performance.

> **Fees and commissions from assets under management** (mainly investment funds and pension plans) stand at €878 million, down 1.5% in the year (+2.2% with respect to the previous quarter and +1.7% when compared to the same quarter of 2022).

> Commissions from **mutual funds, managed accounts and SICAVs** stand at €637 million (+0.1% in the year) due to an increase of average net assets managed, compensated by lower average commissions due to the change in the product mix (greater weight of fixed-rate and monetary funds). The change with respect to the previous quarter (+2.7%) and the same quarter of 2022 (+3.7%) is due to an increase of average net assets managed.

> Commissions from **managing pension plans and other**[1] stand at €241 million (-5.5% in the year and -3.5% with respect to the same quarter of 2022) due to a reduction of average net assets managed. Stable with respect to the previous quarter.

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
Banking services, securities and other fees	1,569	1,698	(7.6)	498	516	555	571	571
Recurring	1,384	1,523	(9.1)	454	460	470	496	517
Wholesale banking	184	174	5.8	43	56	85	75	54
Sale of insurance products	294	306	(4.0)	94	96	104	94	99
Assets under management	878	891	(1.5)	303	296	279	293	298
Mutual funds, managed accounts and SICAVs	637	636	0.1	222	216	199	204	214
Pension plans and other[1]	241	255	(5.5)	81	81	79	89	84
Net fee and commission income	2,741	2,896	(5.3)	895	909	937	959	968

(1) Other mainly corresponds to fee and commission income from Unit Linked of BPI Vida e Pensões, which given their low-risk component are governed by IFRS 9 and have not been reclassified to Insurance service result (€7 million in 3Q23, €8 million in 2Q23 and €7 million in 1Q23).

Income from equity investments

> **Dividend income** includes the dividend from Telefónica for €61 million after its approval at the Annual General Meeting held on the first quarter of 2023. The recognition of dividends in 2022, which was carried out in the second quarter (€38 million) and in the fourth quarter (€30 million) of the year, must be considered in the year-on year performance.
> In addition, the second quarter of both years includes the dividend from BFA (€73 million in 2023 versus €87 million in 2022).

> **Attributable profit of entities accounted for using the equity method** stands at €246 million. Up 28.1% year-on-year due to, among others factors, the profit registered by SegurCaixa Adeslas in the first quarter of 2023, arising from the revaluation of the stake held in IMQ after the participation increase. The performance in the third quarter reflects the positive seasonal nature typically seen at SegurCaixa Adeslas, with less claims.

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
Dividend income	145	132	10.3	0	77	68	32	0
Share of profit/(loss) of entities accounted for using the equity method	246	192	28.1	101	66	79	30	81
Income from equity investments	391	323	20.8	101	143	147	62	81

Trading income

> **Trading income** stands at €215 million in 2023 versus €318 million in the previous year (-32.5%). Growth with respect to the previous quarter (+16.8%).

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
Trading income	215	318	(32.5)	72	61	82	11	73

Insurance service result

> **Insurance service result** stands at €798 million, up 21.2% (+15.7% with respect to the previous quarter and +26.0% when compared to the same quarter of 2022).
> The **risk business** grows year-on-year and with respect to the same quarter of 2022 (23.4% and 22.3%, respectively) mainly due to a better claim rate and higher volume following a solid commercial activity.
> The **savings business** also performed well (+27.1% year-on-year and +47.5% with respect to the third quarter of 2022) due to higher volumes in an environment of high interest rates, which involved a wider offer for customers.
> The quarterly performance of both businesses (+16.6% when compared to the second quarter) shows the same growth trend, in addition to the risk business registering a lower claim rate.
> The **Unit Liked business** dropped in the first nine months of the year with respect to the previous year due to the change in the product mix. Good performance in the quarter (+3.6%).

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
Risk business	512	415	23.4	191	161	160	175	156
Savings business	229	180	27.1	86	77	66	66	58
Unit Linked business	57	63	(10.3)	20	19	18	36	21
Insurance service result	798	658	21.2	297	257	244	277	236

Other operating income and expense

Other operating income and expense includes, among other items, income and expenses of non-real estate subsidiaries, income from rentals and expenses incurred in managing foreclosed properties and banking contributions, levies and taxes. With regard to the contributions and levies, its timing generates a seasonal impact on the quarterly performance under this heading:

> Recognition in the first quarter of 2023 of the banking tax for €373 million and the levies paid by BPI as contribution of the Portuguese banking sector for €22 million (€21 million in 2022). The first quarter also includes the recognition of the Spanish property tax for €22 million (stable with respect to 2022).

> BPI's contribution to the SRF and the Portuguese Resolution Fund[1] of €169 million stands out in the second quarter of 2023 (€159 million in 2022).

> Contribution to the Deposit Guarantee Fund (DGF) of €407 million in the fourth quarter of 2022.

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
Contributions and levies	(564)	(181)		0	(169)	(395)	(407)	0
Other RE operating income and expense (incl. property tax in 1Q)	(58)	(69)	(16.2)	(7)	(19)	(32)	(1)	(8)
Other	(196)	(236)	(16.9)	(81)	(52)	(63)	(70)	(81)
Other operating income and expense	(818)	(486)	68.5	(88)	(239)	(491)	(477)	(89)

(1) BPI's contribution to the Portuguese Resolution Fund totalled €5 million in 2023 (€9 million in 2022)

ADMINISTRATION EXPENSES, DEPRECIATION AND AMORTISATION

> Year-on-year growth of **Recurring administrative expenses, depreciation and amortisation** of 5.2% (+7.0% with respect to the same quarter of 2022).

Personnel expenses up 4.7% year-on-year (+7.8% with respect to the third quarter of 2022). General expenses grow 6.1% due to the impact of new transformation projects and the inflationary pressure (+5.6% with respect to the third quarter of 2022). The increase of depreciation and amortisation (+6.0%) is associated mainly with the effort to invest in projects to transform the entity (+6.2% with respect to the same quarter of the previous year).

> With respect to the previous quarter, Recurring administrative expenses, depreciation and amortisation slightly increased by 1.1%.

> The extraordinary expenses of 2023 are mainly associated with the integration of Sa Nostra.

> The cost-to-income ratio (12 months) reached 42.7% (50.3% at 2022 year-end).

> The core cost-to-income ratio (12 months) reached 40.0% (48.0% at 2022 year-end).

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
Gross income	10,689	8,292	28.9	4,016	3,572	3,101	2,801	2,872
Personnel expenses	(2,641)	(2,523)	4.7	(897)	(876)	(868)	(836)	(832)
General expenses	(1,149)	(1,083)	6.1	(380)	(384)	(386)	(352)	(360)
Depreciation and amortisation	(575)	(542)	6.0	(195)	(194)	(186)	(188)	(183)
Recurring adm. Expenses, depreciation and amortisation	(4,365)	(4,149)	5.2	(1,471)	(1,455)	(1,440)	(1,376)	(1,375)
Extraordinary expenses	(9)	(35)	(73.8)	(4)	(3)	(2)	(15)	(11)

ALLOWANCES FOR INSOLVENCY RISK AND OTHER CHARGES TO PROVISIONS

> **Allowances for insolvency risk** amounted to €-738 million, up 34.7% with respect to the same period of 2022 and 40.8% when compared to the previous quarter, enabling high risk coverage levels via provisions.

The provision models have been calibrated with forward-looking macroeconomic scenarios under the IFRS 9 accounting standard. In view of the uncertainty involved in estimating these scenarios, among which is a significant increase of inflation and interest rates, CaixaBank keeps a collective provision fund for €874 million at 30 September 2023. The aforementioned collective fund, stable in the quarter, was reduced by €264 million in the year, mainly due to the half-yearly recalibration process of models carried out in the second quarter, as a result of assigning provisions at a specific level, without therefore changing the overall coverage level (the fund's balance stood at €1,137 million at the end of 2022).

In addition, the Group has a PPA fund from Bankia's integration for €231 million at the end of the third quarter of 2023, among other collective funds of a smaller amount.

The **cost of risk (12 months)** came to 0.30% (annualised cost of risk for the first nine months at 0.25%).

> **Other charges to provisions** mainly reflects the coverage of future contingencies and impairment of other assets.

The increase to €-195 million, versus €-123 million in the previous year is impacted by one-offs and a lower use in 2023 of provisions established in 2021 to cover asset write-downs from the plan to restructure the commercial network (€20 million in 2023 versus €57 million in 2022). When the expense materialises, it is recognised mostly in Gains/(losses) on disposal of assets.

The third quarter includes, among others, the recognition of €-31 million following the award from Mapfre's claim in the arbitration procedure initiated after ending the bancassurance partnership between Mapfre and Bankia[1]. The second quarter registered provisions for contingent commitments within the framework of the half-yearly recalibration of the internal risk models.

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
Allowances for insolvency risk	(738)	(548)	34.7	(282)	(200)	(255)	(434)	(172)
Other charges to provisions	(195)	(123)	58.1	(95)	(75)	(25)	(6)	(33)
Allowances for insolvency risk and other charges to provisions	(933)	(671)	39.0	(377)	(276)	(281)	(441)	(206)

(1) Amount corresponding to the life insurance branch. The amount for non-life insurance (€-22 million) accrues in 10 years in line with the rest of the compensation already agreed with Mapfre at the end of 2021, as well as the income from the agreement with Mutua Madrileña and SegurCaixa Adeslas, established at the beginning of 2022, following the expansion of the commercial network as a result of Bankia's merger.

GAINS/(LOSSES) ON DISPOSAL OF ASSETS AND OTHERS

> **Gains/(losses) on disposal of assets and others** includes, essentially, the proceeds on asset sales and write-downs.

The real estate results in the fourth quarter of 2022 includes, among others, the materialisation of a positive result of €101 million before tax from the sale of the property located at Paseo Castellana 51 in Madrid, as well as impairments of the real estate portfolio with conservative criteria.

The item Other includes, among other aspects, the materialisation of asset write-downs within the framework of the aforementioned plan to restructure the commercial network.

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
Real estate results	3	23	(85.2)	(5)	9	(1)	31	5
Other	(92)	(79)	16.1	(19)	(53)	(20)	(63)	(24)
Gains/(losses) on disposal of assets and others	(88)	(56)	58.6	(24)	(44)	(20)	(32)	(20)

05 BUSINESS ACTIVITY

05. BUSINESS ACTIVITY

BALANCE SHEET

The **Group's total assets reached €611,398 million** on 30 September 2023, down 2.3% in the quarter and up 2.1% in the year.

€ million	30 Sep. 2023	30 Jun. 2023	Change %	31 Dec. 2022[1]	Change %
Cash and cash balances at central banks and other demand deposits	42,271	41,704	1.4	20,522	
Financial assets held for trading	7,772	8,013	(3.0)	7,382	5.3
Financial assets not designated for trading compulsorily measured at fair value through profit or loss	12,768	12,575	1.5	11,351	12.5
Equity instruments	12,762	12,569	1.5	11,295	13.0
Debt securities	6	6	4.4	6	2.5
Loans and advances	0	0	0.0	50	(99.8)
Financial assets designated at fair value through profit or loss	7,185	7,528	(4.6)	8,022	(10.4)
Financial assets at fair value with changes in other comprehensive income	63,115	66,120	(4.5)	64,532	(2.2)
Financial assets at amortised cost	440,227	451,174	(2.4)	446,168	(1.3)
Credit institutions	11,203	12,627	(11.3)	12,397	(9.6)
Customers	346,146	355,214	(2.6)	352,834	(1.9)
Debt securities	82,878	83,333	(0.5)	80,937	2.4
Derivatives – Hedge accounting	1,004	1,059	(5.2)	1,462	(31.3)
Investments in joint ventures and associates	2,052	1,969	4.2	2,054	(0.1)
Assets under reinsurance contracts	73	67	9.3	63	15.3
Tangible assets	7,305	7,420	(1.5)	7,516	(2.8)
Intangible assets	5,020	5,001	0.4	5,024	(0.1)
Non-current assets and disposal groups classified as held for sale	2,274	2,231	1.9	2,426	(6.3)
Other assets	20,334	20,736	(1.9)	22,328	(8.9)
Total assets	**611,398**	**625,597**	**(2.3)**	**598,850**	**2.1**
Liabilities	576,067	591,552	(2.6)	565,142	1.9
Financial liabilities held for trading	4,059	3,943	2.9	4,030	0.7
Financial liabilities designated at fair value through profit or loss	3,321	3,370	(1.5)	3,409	(2.6)
Financial liabilities at amortised cost	491,387	505,372	(2.8)	483,047	1.7
Deposits from central banks and credit institutions	36,335	45,838	(20.7)	28,810	26.1
Customer deposits	391,450	397,040	(1.4)	393,634	(0.6)
Debt securities issued	56,882	53,006	7.3	52,608	8.1
Other financial liabilities	6,720	9,487	(29.2)	7,995	(15.9)
Insurance contract liabilities	65,306	66,866	(2.3)	62,595	4.3
Provisions	4,690	4,896	(4.2)	5,231	(10.3)
Other liabilities	7,304	7,105	2.8	6,831	6.9
Equity	35,332	34,044	3.8	33,708	4.8
Shareholders' equity	37,549	36,168	3.8	35,908	4.6
Minority interest	33	32	1.3	32	2.1
Accumulated other comprehensive income	(2,250)	(2,156)	4.4	(2,232)	0.8
Total liabilities and equity	**611,398**	**625,597**	**(2.3)**	**598,850**	**2.1**

(1) Opening balance sheet at 1 January 2023 presented for comparative purposes following the application of IFRS 17 / IFRS 9. See section 'IFRS 17 / IFRS 9 Restatement'.

LOANS AND ADVANCES TO CUSTOMERS

Loans and advances to customers, gross stands at **€355,057 million** on 30 September 2023 (-1.7% in the year). Down 2.4% in the quarter (-1.5% when stripping out the negative seasonal impact from the advance of double payments made to pension holders in June for approximately €3.5 billion).

> **Loans for home purchases** (-3.7% in the year and -1.2% in the quarter) continue to be marked by the portfolio's repayments, as well as lower production with respect to the previous year, in a scenario of rate hikes.

> **Loans to individuals – Other** has dropped 3.2% in the year and 8.8% in the quarter, impacted by the advance of double payments made to pension holders in the second quarter (-1.4% in the quarter, stripping out this seasonal effect).

Consumer lending grows 0.9% with respect to December 2022, thanks to production levels that compensate the portfolio's maturities. Stability with respect to the previous quarter (-0.2%).

> **Loans to business** grows 1.0% in 2023, although it declines by 1.0% in the third quarter.

> Loans to the **public sector** drops 6.1% in the year and 7.7% in the quarter, marked by one-off transactions.

€ million	30 Sep. 2023	30 Jun. 2023	Change %	31 Dec. 2022	Change %
Loans to individuals	176,201	181,878	(3.1)	182,783	(3.6)
Home purchases	133,865	135,443	(1.2)	139,045	(3.7)
Other	42,336	46,435	(8.8)	43,738	(3.2)
of which: Consumer lending	19,493	19,538	(0.2)	19,312	0.9
Loans to business	159,370	160,971	(1.0)	157,780	1.0
Public sector	19,486	21,103	(7.7)	20,760	(6.1)
Loans and advances to customers, gross[1]	**355,057**	**363,952**	**(2.4)**	**361,323**	**(1.7)**
Of which:					
Performing loans	345,388	354,199	(2.5)	351,225	(1.7)
Provisions for insolvency risk	(7,238)	(7,376)	(1.9)	(7,408)	(2.3)
Loans and advances to customers, net	**347,819**	**356,576**	**(2.5)**	**353,915**	**(1.7)**
Contingent liabilities	29,371	29,631	(0.9)	29,876	(1.7)

(1) See 'Reconciliation of activity indicators using management criteria' in the 'Appendices'.

Breakdown of government guaranteed loans

Below is the detail of government guaranteed loans based on the public guarantee schemes implemented within the framework of Covid-19:

	30 Sep. 2023		30 Jun. 2023		31 Dec. 2022	
Amounts drawn, in € million	Total	Spain (ICO)	Total	Spain (ICO)	Total	Spain (ICO)
Loans to individuals	831	797	927	891	1,121	1,072
Loans to business	13,314	12,262	14,627	13,498	17,140	15,730
Public sector	5	4	5	5	7	7
Loans and advances to customers, gross[2]	**14,150**	**13,063**	**15,559**	**14,394**	**18,268**	**16,809**

50% of the total amount of loans[3] granted with government guarantee has been repaid[4]; of the remaining amount, virtually all of it is repaying principal at 3Q23. 3.8% of government guaranteed loans are classified in Stage 3[5].

(2) Refers to the amount of loans and advances disposed by clients.

(3) Loans with a regular payment schedule. Excludes products such as credit lines, revolving or reverse factoring facilities without a pre-established payment schedule (€3,100 million drawn at 30 September 2023).

(4) Includes repayments and cancellations.

(5) Stage 3 outstanding balance (includes subjective non-performing, i.e. impaired for reasons other than default > 90 days) over the total amount of loans granted and loans and advances drawn.

CUSTOMER FUNDS

Customer funds reached €619,323 million on 30 September 2023, up 1.3% in the year and down 1.4% in the quarter, impacted by the usual positive seasonal nature of demand deposits at the end of the second quarter.

- On-balance sheet funds stood at €458,664 million (up 0.2% in the year and down 1.1% in the quarter).
    - **Demand deposits** amounted to €337,524 million (-6.2% in the year and -3.4% in the quarter). This performance is mainly due to the transfer to time deposits, insurance and mutual funds, among others. In the quarter, the drop is impacted by the positive seasonal nature typical of the second quarter.
    - **Time deposits** totalled €45,707 million (+75.0% in the year and +17.7% in the quarter).
    - Growth of **liabilities under insurance contracts** to €73,128 million (+6.0% in the year and +0.5% in the quarter), due to better market conditions.

      Positive performance of Unit Linked in the year (+4.6%), albeit with a decline in the quarter (-1.5%) impacted by the performance of the markets.
- **Assets under management** stand at €155,264 million (+5.0% in the year due to the positive net inflows versus -0.5% in the quarter due to the performance of the markets).
    - The assets managed in **mutual funds, managed accounts and SICAVs** stood at €110,958 million, up 6.1% in the year and down 0.3% in the quarter.
    - **Pension plans** reached €44,306 million, up 2.3% in the year and down 1.0% in the quarter.
- **Other accounts** down 5.8% in the year and 31.0% in the quarter due to change in temporary funds associated with transfers and collections.

€ million	30 Sep. 2023	30 Jun. 2023	Change %	31 Dec. 2022	Change %
Customer deposits	383,232	388,183	(1.3)	386,017	(0.7)
Demand deposits	337,524	349,352	(3.4)	359,896	(6.2)
Term deposits[1]	45,707	38,830	17.7	26,122	75.0
Insurance contract liabilities[2]	73,128	72,748	0.5	68,986	6.0
of which: Unit-Linked and other[3]	19,150	19,433	(1.5)	18,310	4.6
Reverse repurchase agreements and other	2,305	2,959	(22.1)	2,631	(12.4)
On-balance sheet funds	458,664	463,890	(1.1)	457,634	0.2
Mutual funds, managed accounts and SICAVs[4]	110,958	111,340	(0.3)	104,626	6.1
Pension plans	44,306	44,771	(1.0)	43,312	2.3
Assets under management	155,264	156,111	(0.5)	147,938	5.0
Other accounts	5,395	7,823	(31.0)	5,728	(5.8)
Total customer funds[4]	**619,323**	**627,824**	**(1.4)**	**611,300**	**1.3**

(1) Includes retail debt securities amounting to €1,443 million at 30 September 2023 (€1,420 million at 30 June 2023 and €1,309 million at 31 December 2022).

(2) Excluding the financial component's correction as a result of updating the liabilities in accordance with IFRS 17, with the exception of Unit Linked and Flexible Investment Life Annuity products (the part managed).

(3) Includes the financial component's correction as a result of updating the liabilities in accordance with IFRS 17, corresponding to Unit Linked and Flexible Investment Life Annuity products (the part managed).

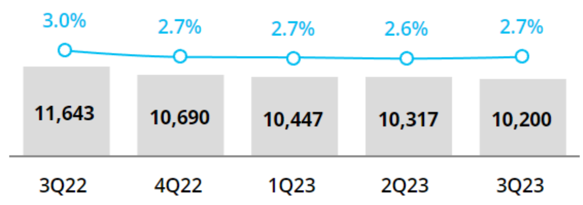
(4) See 'Reconciliation of activity indicators using management criteria' in the 'Appendices'.

06. RISK MANAGEMENT

CREDIT RISK QUALITY

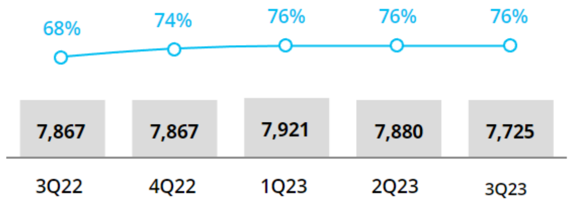
| NON-PERFORMING LOANS AND NON-PERFORMING LOAN RATIO[1]

(€ MILLION / %)



| PROVISIONS AND COVERAGE RATIO[1]

(€ MILLION / %)



Non-performing loans dropped to €10,200 million following the good performance of asset quality indicators and active management of non-performing assets**. €490 million drop in the year and €117 million decline in the quarter**.

The **NPL ratio stands at 2.7%** (2.7% at 2022 year-end and 2.6% in the previous quarter).

Provisions on insolvency risk at the end of September 2023 stood at **€7,725 million** and the **coverage ratio** increased to 76% (€7,867 million and 74% at the end of 2022, respectively).

(1) Calculations include loans and contingent liabilities.

| CHANGES IN NON-PERFORMING LOANS

€ million	3Q22	4Q22	1Q23	2Q23	3Q23
Opening balance	12,424	11,643	10,690	10,447	10,317
Exposures recognised as non-performing (NPL-inflows)	1,160	1,354	1,217	1,440	1,523
Derecognitions from non-performing exposures	(1,941)	(2,307)	(1,461)	(1,570)	(1,640)
of which: written off	(266)	(175)	(166)	(289)	(173)
Closing balance	11,643	10,690	10,447	10,317	10,200

| NPL RATIO BY SEGMENT

	31 Dec. 2022	30 Jun. 2023	30 Sep. 2023
Loans to individuals	3.0%	2.9%	3.1%
Home purchases	2.4%	2.4%	2.5%
Other	4.9%	4.4%	4.7%
of which: Consumer lending	3.5%	3.5%	3.2%
Loans to business	2.9%	2.8%	2.7%
Public sector	0.1%	0.1%	0.1%
NPL Ratio (loans and contingent liabilities)	**2.7%**	**2.6%**	**2.7%**

The NPL ratio of individuals stands at 3.1% on 30 September 2023 (2.9% in June 2023) mainly due to:

> **Home purchases:** in addition to the lower portfolio balance in 2023, a greater amount of non-performing loans have been recognised in the third quarter following subjective criteria in view of the uncertainties in the financial environment.

> **Other:** the NPL ratio dropped in the second quarter of 2023 due to including in the denominator the advance made to pension holders in June. Stripping out this effect 4.8%, improving in the third quarter.

CHANGES IN PROVISIONS FOR INSOLVENCY RISK[1]

€ million	3Q22	4Q22	1Q23	2Q23	3Q23
Opening balance	8,126	7,867	7,867	7,921	7,880
Allowances for insolvency risk	172	434	255	200	282
Amounts used	(428)	(427)	(195)	(237)	(434)
Transfers and other changes	(4)	(7)	(7)	(4)	(3)
Closing balance	7,867	7,867	7,921	7,880	7,725

(1) Including loans and contingent liabilities.

CLASSIFICATION BY STAGES OF GROSS LENDING AND PROVISIONS

The following tables show loan book exposure as well as associated provisions, segmented by credit risk stage as per the applicable IFRS 9 regulation.

30 Sep. 2023	Loan book exposure				Provisions			
€ million	Stage 1	Stage 2	Stage 3	TOTAL	Stage 1	Stage 2	Stage 3	TOTAL
Loans and advances	315,949	29,439	9,669	355,057	(1,190)	(1,283)	(4,765)	(7,238)
Contingent liabilities	26,856	1,983	532	29,371	(29)	(88)	(369)	(487)
Total loans and contingent liabilities	342,805	31,423	10,200	384,428	(1,219)	(1,371)	(5,134)	(7,725)

30 Jun. 2023	Loan book exposure				Provisions			
€ million	Stage 1	Stage 2	Stage 3	TOTAL	Stage 1	Stage 2	Stage 3	TOTAL
Loans and advances	326,012	28,187	9,754	363,952	(1,202)	(1,327)	(4,848)	(7,376)
Contingent liabilities	27,226	1,841	564	29,631	(32)	(83)	(389)	(504)
Total loans and contingent liabilities	**353,238**	**30,028**	**10,317**	**393,583**	**(1,234)**	**(1,410)**	**(5,236)**	**(7,880)**

31 Dec. 2022	Loan book exposure				Provisions			
€ million	Stage 1	Stage 2	Stage 3	TOTAL	Stage 1	Stage 2	Stage 3	TOTAL
Loans and advances	322,610	28,615	10,098	361,323	(1,346)	(1,370)	(4,692)	(7,408)
Contingent liabilities	27,283	2,001	592	29,876	(38)	(58)	(363)	(459)
Total loans and contingent liabilities	**349,893**	**30,616**	**10,690**	**391,199**	**(1,383)**	**(1,429)**	**(5,055)**	**(7,867)**

LOAN-TO-VALUE[2] BREAKDOWN OF THE GROUP'S HOME PURCHASE PORTFOLIO

Below is the breakdown of the Loan-to-value of the portfolio of home purchases with mortgage guarantee:

30 Sep. 2023

€ million	LTV ≤ 40%	40% < LTV ≤ 60%	60% < LTV ≤ 80%	LTV > 80%	TOTAL
Gross amount	42,953	42,118	33,659	14,106	132,836
of which: Non-performing	490	656	663	1,580	3,390

30 Jun. 2023

€ million	LTV ≤ 40%	40% < LTV ≤ 60%	60% < LTV ≤ 80%	LTV > 80%	TOTAL
Gross amount	43,064	42,916	34,124	14,274	134,379
of which: Non-performing	452	623	636	1,481	3,191

31 Dec. 2022

€ million	LTV ≤ 40%	40% < LTV ≤ 60%	60% < LTV ≤ 80%	LTV > 80%	TOTAL
Gross amount	42,220	44,868	35,543	15,311	137,942
of which: Non-performing	413	613	662	1,593	3,280

(2) Loan-to-value calculated on the basis of latest appraisals according to the criteria set out in Circular 4/2016.

REFINANCING OPERATIONS

€ million	31 Dec. 2022 Total	of which: NPL	30 Jun. 2023 Total	of which: NPL	30 Sep. 2023 Total	of which: NPL
Individuals	4,523	2,736	4,448	2,430	4,497	2,387
Corporates and SMEs	6,164	2,664	5,326	2,392	5,110	2,165
Public sector	160	9	110	7	127	6
Total	10,848	5,408	9,884	4,829	9,735	4,558
Provisions	2,566	2,240	2,379	2,163	2,228	2,018

Foreclosed real estate assets

- The portfolio of **Net foreclosed available for sale real estate assets**[1] in Spain amounts to €1,688 million. Down €205 million in the year (€-71 million in the quarter).

  The **coverage ratio with accounting provisions**[2] is **34%** and **including write-downs, the coverage ratio**[2] is **50%.**
- Net foreclosed assets **held for rent** in Spain stand at €1,169 million, down €116 million in the year (€-14 million in the quarter).
- **Total sales**[3] **in 2023 of properties originating from foreclosures** amounts to €491 million.

(1) Does not include real estate assets in the process of foreclosure for €117 million, net, at 30 September 2023.

(2) See definition in 'Appendices'.

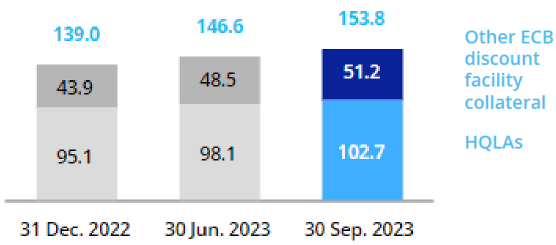
(3) At sale price.

07 LIQUIDITY AND FINANCING STRUCTURE

07. LIQUIDITY AND FINANCING STRUCTURE

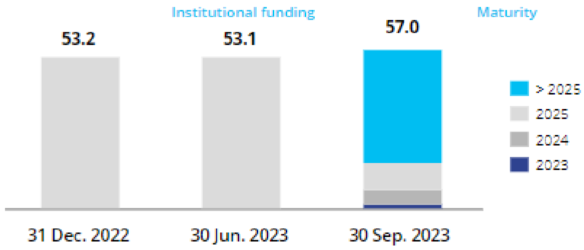
| LIQUIDITY AND BALANCE SHEET STRUCTURE METRICS AND TOTAL LIQUID ASSETS
(€ BILLION / %)

	31 Dec. 2022	30 Jun. 2023	30 Sep. 2023
LCR	194%	207%	205%
Trailing LCR (12 months)	291%	230%	210%
NSFR	142%	138%	139%
LTD	91%	91%	90%



| FINANCING STRUCTURE
(€ BILLION)

	31 Dec. 2022	30 Jun. 2023	30 Sep. 2023
Retail funding	386.0	388.2	383.2
Wholesale funding[1]	53.2	53.1	57.0
Net interbank	-1.6	7.3	-13.8
Total Funding	437.6	448.6	426.5



> **Total liquid assets amounted to €153,813 million** at 30 September 2023, up €14,803 million in the year, mainly due to balance sheet liquidity generation, the positive evolution of the commercial gap and a higher volume of new issuances than maturities.

> The **balance drawn** under the ECB facility at 30 September 2023 amounted to €8,477 million, corresponding to TLTRO III[2], maturing in March 2024.

> The Group's **Liquidity Coverage Ratio** (LCR) at 30 September 2023 was 205% (188% excluding TLTRO III), showing an ample liquidity position (210% LCR trailing 12 months) well clear of the minimum requirement of 100%.

> The **Net Stable Funding Ratio** (NSFR) stood at 139% at 30 September 2023, above the 100% regulatory minimum.

> Solid retail financing structure with a **loan-to-deposit** ratio **of 90%**.

> **Wholesale funding[3]** amounted to €57,042 million, diversified by instruments, investors, currency and maturities.

> **Available capacity to issue** mortgage and regional public sector covered bonds at CaixaBank, S.A. came to €46,481 million at 30 September 2023.

(1) Wholesale funding for the purpose of managing ALCO's bank liquidity.

(2) In 2022 a TLTRO III balance of €65,132 million was repaid, of which €51,637 million correspond to early repayments.

(3) See 'Reconciliation of activity indicators using management criteria' in the 'Appendices'.

| INFORMATION ON ISSUANCES IN 2023

€ million

Issue	Amount	Issue date	Maturity	Cost[1]	Demand
Senior non-preferred debt [2,3]	USD 1,250	18 Jan. 2023	6 years	6.208% (UST +2.50%)	USD 3,400
Subordinated debt – Tier 2 [2,4]	£500	25 Jan. 2023	10 years and 9 months	6.970% (UKT +3.70%)	£1,300
Additional Tier 1[2]	€750	13 Mar. 2023	Perpetual	8.25% (mid-swap +5.142%)	€2,500
Senior non-preferred debt[2]	€1,000	16 May 2023	4 years	4.689% (mid-swap +1.50%)	€1,750
Subordinated debt - Tier 2[2]	€1,000	30 May 2023	11 years	6.138% (mid-swap +3.00%)	€2,400
Mortgage covered bond	€100	15 Jun. 2023	3 years and 7 months	3.471% (mid-swap +0.245%)	—
Mortgage covered bond	€100	23 Jun. 2023	12 years and 9 months	3.732% (mid-swap +0.64%)	—
Mortgage covered bond - BPI	€500	4 Jul. 2023	5 years	3.749% (mid-swap +0.58%)	€700
Senior non-preferred debt[2]	€1,000	19 Jul. 2023	6 years	5.097% (mid-swap +1.65%)	€2,750
Senior non-preferred debt[2]	€500	19 Jul. 2023	11 years	5.202% (mid-swap +1.95%)	€800
Mortgage covered bond - BPI	€250	23 Aug. 2023	4 years and 10 months	3.93% (mid-swap +0.58%)	—
Senior preferred debt	€1,250	6 Sep. 2023	7 years	4.311% (mid-swap +1.20%)	€3,000
Senior non-preferred debt [2,5]	USD 1,000	13 Sep. 2023	4 years	6.684% (UST +1.95%)	USD 1,950
Senior non-preferred debt [2,5]	USD 1,000	13 Sep. 2023	11 years	6.840% (UST +2.55%)	USD 2,350

(1) Meaning the yield on the issue; (2) The issue is callable, meaning that the option to redeem them early can be executed before the maturity date; (3) Equivalent amount on the day of issuance, in euros: €1,166 million; (4) Equivalent amount on the day of issuance, in euros: €564 million; (5) Equivalent amount on the day of issuance, in euros: €931 million.

| COLLATERALISATION OF MORTGAGE COVERED BONDS OF CAIXABANK, S.A.

€ million		30 Sep. 2023
Mortgage covered bonds issued	a	60,503
Total coverage (loans + liquidity buffer)[6]	b	104,853
Collateralisation	b/a	173%
Overcollateralisation	b/a -1	73%
Mortgage covered bond issuance capacity[7]		**39,357**

(6) At 30 September 2023, liquid assets were segregated in the total coverage. The liquidity buffer stood at €689 million at the end of September.

(7) There is also the capacity to issue €7,124 million in regional public sector covered bonds. The liquidity buffer is included in the calculation of the issuance capacity; at 30 September, there was no liquidity buffer in the total coverage of regional public sector covered bonds.

08. CAPITAL MANAGEMENT

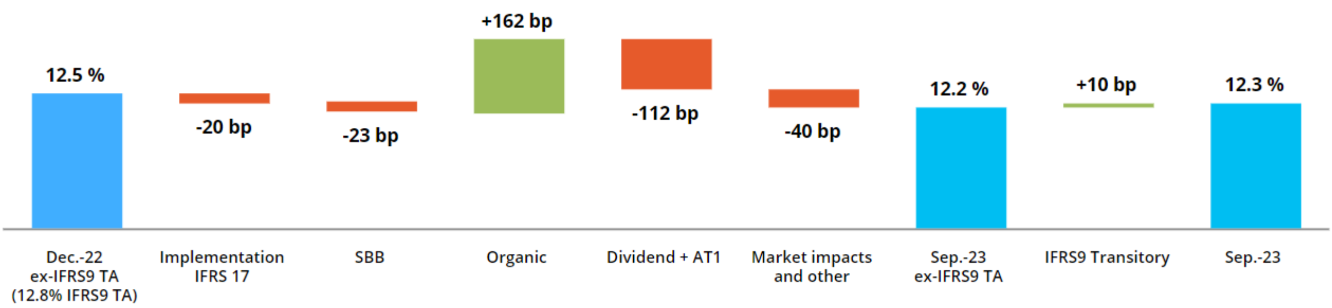
- The **Common Equity Tier 1 (CET1) ratio is 12.3%** (12.2% without applying the IFRS 9 transitional adjustments).

  It includes the extraordinary impact from the first application of IFRS 17 (-20 basis points), as well as the total deduction of the maximum authorised amount (€500 million) from the share buy-back programme (SBB) initiated in September (-23 basis points).

  The organic change in the first nine months of 2023 was +162 basis points (+70 basis points in the quarter), -112 basis points (-45 basis points in the quarter) caused by the forecast of dividends charged to this year and AT1 coupon payment and -40 basis points (-28 basis points in the quarter) by the performance of the markets and other factors, which include the regulatory impacts due to the ECB reviewing the models.

  The impact of IFRS 9 phase in was +10 basis points at 30 September.
- The internal CET1 target ratio is set between **11% and 12%** (without applying the IFRS 9 transitional adjustments), which implies a margin of between 250 and 350 basis points in relation to the SREP requirements.
- The **Tier 1** ratio reaches **14.3%** (14.2% without applying the IFRS 9 transitional adjustments).
- The **Total Capital** ratio stood at **17.1%** (17.0% without applying the IFRS 9 transitional adjustments).
- The **leverage ratio** stood at **5.6%**.
- On 30 September, the **subordinated MREL** ratio reached **23.9%** and the **total MREL** ratio **27.1%**. Two issuances of Senior non-preferred debt were carried out this quarter. The first in two tranches for a total of €1,500 million and the other, also in two tranches, for $2,000 million. Additionally, a issuance of Senior preferred debt was also carried out for €1,250 million.

CHANGE IN CET[1]



- Similarly, **CaixaBank is subject to minimum capital requirements** on a non-consolidated basis. The **CET1 ratio** under this perimeter reached **12.0%**.
- **BPI** is also compliant with its minimum capital requirements. Capital ratios at a sub-consolidated level are as follows: **CET1 of 14.5%**, Tier1 of 16.0% and Total Capital of 18.4%.
- In terms of regulatory requirements, the Group's domestic systemic risk buffer rose to 0.50% for 2023. The countercyclical buffer is estimated at 0.09% for September 2023 (+2 basis points with respect to the previous quarter), considering the buffer's update in certain countries where CaixaBank has credit exposure.
- As a result, the capital requirements for September 2023 are as follows:

	Minimum requirements 2023			
	Total	Pillar 1	Pillar 2R	Buffers
CET1	**8.52%**	4.50%	0.93%	3.09%
Tier 1	**10.33%**	6.00%	1.24%	3.09%
Total capital	**12.74%**	8.00%	1.65%	3.09%

> At 30 September, CaixaBank has a margin of 373 basis points, equating to €8,304 million, until the Group's MDA trigger.

> As for the MREL requirement, in March 2023 the Bank of Spain communicated to CaixaBank the Total and Subordinated minimum MREL requirements that it must meet at consolidated level:

	Request in % RWAs (including current RBC)		Request in % LRE	
	2022	2024	2022	2024
Total MREL	22.42%	24.30%	6.09%	6.19%
Subordinated MREL	16.59%	18.46%	6.09%	6.19%

> The Group's level of capital adequacy confirms that the applicable requirements would not lead to any automatic restrictions according to the capital adequacy regulations, regarding the distribution of dividends, variable remuneration, and the interests of holders of Additional Tier 1 capital securities.

> On 12 April 2023, the bank paid its shareholders 0.2306 euros per share, corresponding to the ordinary dividend charged to 2022 profits and following the approval at the Annual General Meeting held on 31 March 2023 (involving a reduction shareholders' equity in the first quarter of the year). This dividend distribution amounts to €1,730 million and is equivalent to 55% of the consolidated net profit of 2022.

Furthermore, the Board of Directors approved that the Dividend Policy for the 2022 fiscal year is also applicable to 2023, establishing the distribution of a cash dividend between 50% and 60% of the consolidated net profit in a single payout in April 2024, subject to final approval at the Annual General Meeting.

> After receiving the regulatory approval, the Board also agreed to approve and initiate an open-market share buy-back programme for a maximum amount of €500 million, with the aim distributing the CET1 surplus above 12%. This extraordinary payout is aligned with the objectives established in the 2022-2024 Strategic Plan. As at 30 September 2023, CaixaBank has acquired 17,847,300 shares for €65,421,937, equivalent to 13.1% of the maximum monetary amount (39,906,941 shares for €149,186,856, which represent 29.8% of the maximum amount, according to the latest information reported in the Other Relevant Information of 20 October 2023).

> The CaixaBank Group has taken part in the EU-wide stress test conducted in 2023, a process carried out by the European Banking Authority (EBA) in collaboration with the European Central Bank (ECB) and the European Systemic Risk Board (ESRB). The test relies on data taken at 31 December 2022 and runs for three years (2023-2025) under two scenarios: baseline and adverse. The test is an important source of information within the ECB's supervision process, allowing it to assess CaixaBank's stress under adverse economic scenarios and compare it to the rest of participating European banks.

With respect to the starting point in December 2022 (fully-loaded CET1 of 12.48%), the stress test forecasts at December 2025: under the baseline scenario, the fully-loaded CET1 ratio gaining 276 basis points to 15.24%, whereas under the adverse scenario the fully-loaded CET1 ratio falling 313 basis points to 9.35%. This deterioration level positions CaixaBank significantly below the European banking sector's average (average deterioration of -495 basis points) and as the third best result among the major European banks in Eurostoxx50.

PERFORMANCE AND KEY CAPITAL ADEQUACY INDICATORS

€ million	30 Sep. 2022	31 Dec. 2022	31 Mar. 2023	30 Jun. 2023	30 Sep. 2023	Quarter-on-quarter
CET1 Instruments	33,210	33,462	33,154	33,347	33,285	(62)
Shareholders' equity	36,680	36,639	34,965	36,168	37,549	1,381
Capital	8,061	7,502	7,502	7,502	7,502	0
Profit/(loss) attributable to the Group	2,457	3,145	855	2,137	3,659	1,522
Reserves and other	26,163	25,992	26,607	26,529	26,388	(141)
Other CET1 instruments[1]	(3,471)	(3,178)	(1,810)	(2,821)	(4,264)	(1,443)
Deductions from CET1	(6,537)	(5,968)	(5,966)	(6,063)	(6,009)	53
CET1	26,673	27,494	27,188	27,285	27,276	(9)
AT1 instruments	4,237	4,238	4,985	4,486	4,487	1
AT1 Deductions	0	0	0	0	0	0
TIER 1	30,910	31,732	32,173	31,771	31,763	(8)
T2 instruments	4,704	5,575	6,142	6,262	6,293	30
T2 Deductions	0	0	0	0		
TIER 2	4,704	5,575	6,142	6,262	6,293	30
TOTAL CAPITAL	35,614	37,307	38,315	38,033	38,055	22
Other computable subordinated instruments MREL	11,038	11,048	11,200	11,717	15,115	3,399
MREL, subordinated	46,652	48,355	49,515	49,750	53,171	3,421
Other computable instruments MREL	7,451	7,448	6,951	5,954	7,200	1,245
MREL	54,103	55,803	56,466	55,704	60,370	4,666

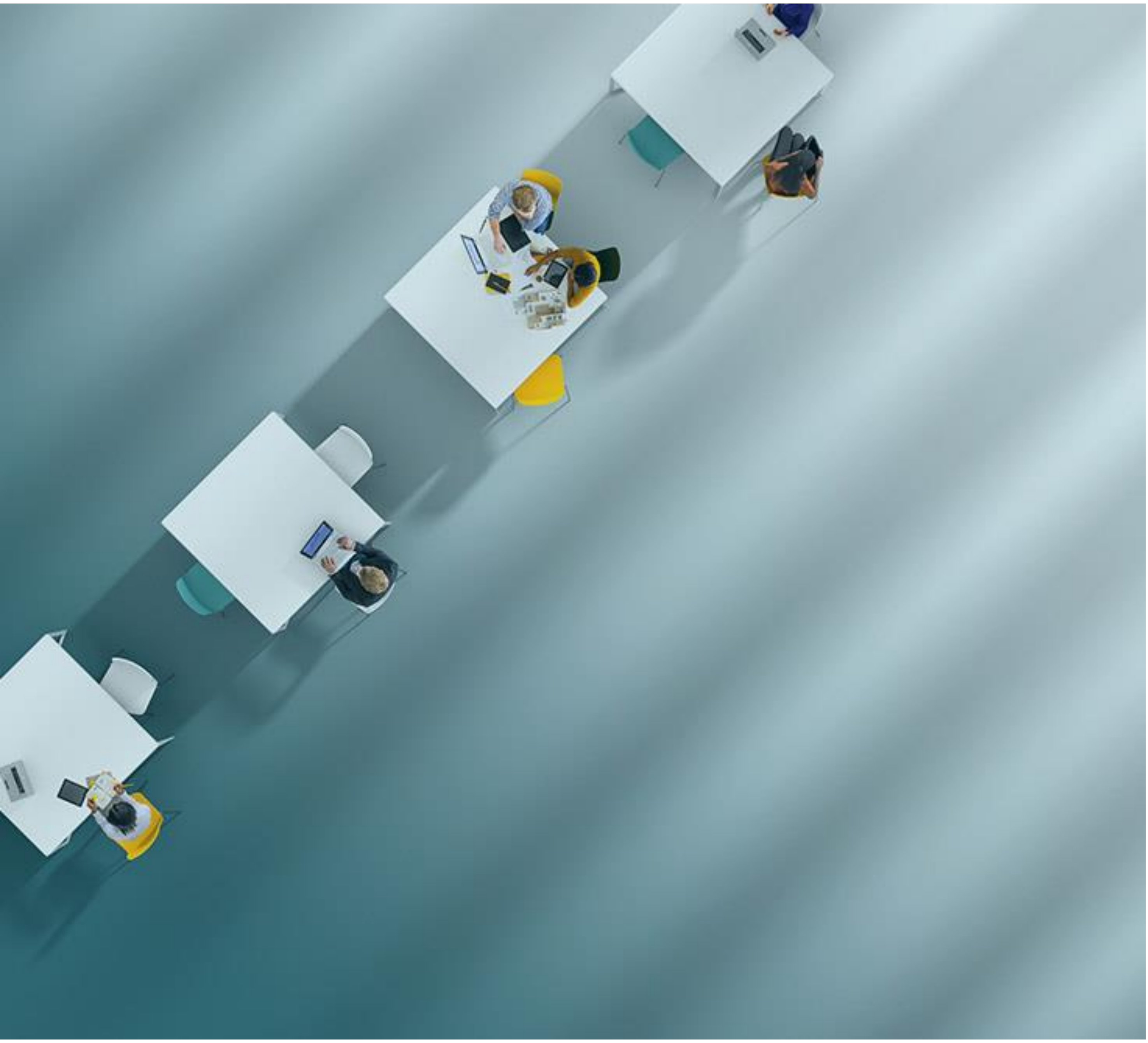
Risk-weighted assets	215,499	215,103	215,179	217,970	222,616	4,646
CET1 ratio	12.4%	12.8%	12.6%	12.5%	12.3 %	(0.3)
Tier 1 Ratio	14.3%	14.8%	15.0%	14.6%	14.3%	(0.3)
Total Capital Ratio	16.5%	17.3%	17.8%	17.4%	17.1%	(0.4)
MDA Buffer[2]	8,601	9,565	8,941	8,757	8,304	(453)
MREL Ratio, subordinated	21.6%	22.5%	23.0%	22.8%	23.9%	1.1
MREL Ratio	25.1%	25.9%	26.2%	25.6%	27.1%	1.6
Leverage ratio	4.8%	5.6%	5.6%	5.4%	5.6%	0.1
CET1 Ratio - CABK (non-consolidated basis)	12.7%	12.9%	12.8%	12.6%	12.0%	(0.5)
Tier 1 Ratio CABK (non-consolidated basis)	14.8%	15.0%	15.3%	14.8%	14.2%	(0.6)
Total Capital Ratio - CABK (non-consolidated basis)	17.2%	17.8%	18.3%	17.8%	17.2%	(0.7)
Risk-weighted assets (non-consolidated basis)	198,756	199,250	200,586	203,946	210,051	6,105
Profit/loss (non-consolidated basis)	1,982	2,413	1,077	2,334	3,498	1,164
ADIs[3]	7,581	7,621	7,019	8,197	9,282	1,085
MDA Buffer- CABK (non-consolidated basis)[2]	11,269	11,656	11,507	11,183	10,413	(771)
Leverage Ratio - CABK (non-consolidated basis)	4.8%	5.7%	5.6%	5.5%	5.6%	0.1

Data at June 2023 updated using the latest official information.

(1) Mainly includes forecast for dividends, the amount pending execution from the share buy-back programme up to the maximum amount (€500 million at 30 September 2022), IFRS 9 transitional adjustment and OCIs.

(2) MDA (Maximum Distributable Amount) Buffer: the capital threshold below which limitations exist on dividend payments, variable remuneration and interest payments to holders of Additional Tier 1 capital instruments. It is defined as Pillar 1 + Pillar 2 capital requirements + capital buffers + possible AT1 and T2 deficits. Either the non-consolidated or the consolidated, whichever is lower.

(3) Does not include the issue premium.



09 SEGMENT REPORTING

09. SEGMENT REPORTING

This section shows financial information on the different business segments of the CaixaBank Group, configured as follows:

> **Banking and Insurance:** shows earnings from the Group's banking, insurance, asset management, real estate and ALCO's activity mainly in Spain.

> **BPI:** covers the income from the BPI's domestic banking business, essentially in Portugal. The income statement shows the reversal of the fair value adjustments of the assets and liabilities resulting from the business combination.

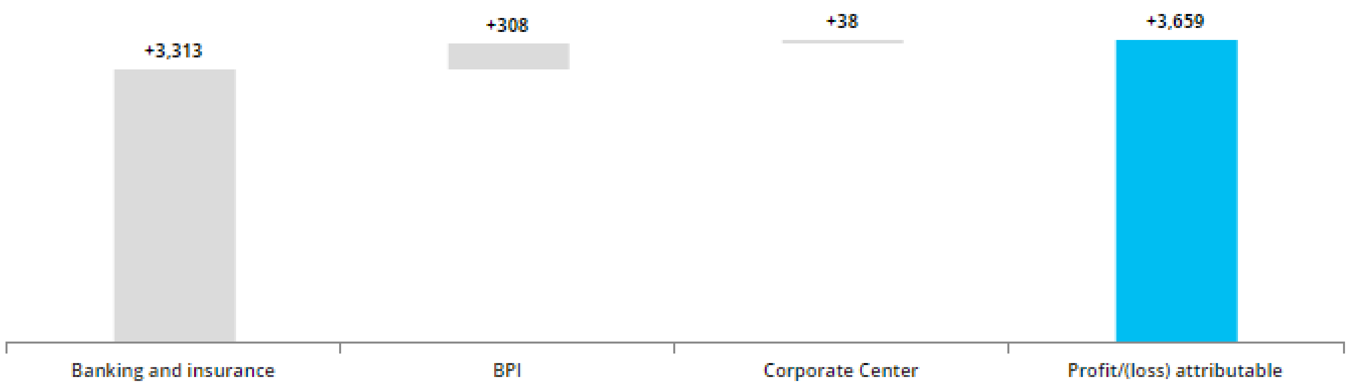
> **Corporate centre:** shows earnings, net of funding expenses, from the investees Telefónica, BFA, BCI, Coral Homes and Gramina Homes.

In addition, the Group's excess capital is allocated to the corporate centre, which is calculated as the difference between the Group's total equity and the capital assigned to the Banking and Insurance business, BPI and the investees allocated to the corporate centre. Specifically, the allocation of capital to these businesses and investees takes into account the 11.5% capital consumption for risk-weighted assets, as well as any applicable deductions. Liquidity is the counterpart of the excess capital allocated to the corporate centre.

The operating expenses of these business segments include both direct and indirect costs, which are assigned according to internal distribution methods. The corporate expenses at Group level are assigned to the corporate centre.

Results for the first nine months of 2023 arranged by business segment are as follows:

| CONTRIBUTION TO THE RESULT OF 2023 (€ MILLION)



€ million	Banking & Insurance	BPI	Corporate centre	Group
Net interest income	6,661	679	24	7,364
Dividend income and share of profit/(loss) of entities accounted for using the equity method	246	17	128	391
Net fee and commission income	2,522	218		2,741
Trading income	233	21	(40)	215
Insurance service result	798			798
Other operating income and expense	(774)	(39)	(6)	(818)
Gross income	9,686	897	107	10,689
Recurring administrative expenses, depreciation and amortisation	(3,936)	(382)	(47)	(4,365)
Extraordinary expenses	(9)			(9)
Pre-impairment income	5,741	515	60	6,315
Pre-impairment income stripping out extraordinary expenses	5,750	515	60	6,324
Allowances for insolvency risk	(693)	(45)		(738)
Other charges to provisions	(174)	(20)		(195)
Gains/(losses) on disposal of assets and others	(50)	0	(38)	(88)
Profit/(loss) before tax	4,824	448	22	5,294
Income tax expense	(1,511)	(140)	16	(1,635)
Profit/(loss) after tax	**3,313**	**308**	**38**	**3,659**
Profit/(loss) attributable to minority interest and others	(0)			(0)
Profit/(loss) attributable to the Group	**3,313**	**308**	**38**	**3,659**

Banking and insurance business

The **performance in the first nine months of 2023 amounts to €3,313 million,** up 54.0% when compared to the same period of 2022 (€2,151 million):

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
INCOME STATEMENT								
Net interest income	6,661	4,211	58.2	2,476	2,210	1,975	1,794	1,468
Dividend income and share of profit/(loss) of entities accounted for using the equity method	246	156	57.0	93	59	94	9	68
Net fee and commission income	2,522	2,677	(5.8)	823	835	864	882	893
Trading income	233	266	(12.6)	66	92	75	23	59
Insurance service result	798	658	21.2	297	257	244	277	236
Other operating income and expense	(774)	(437)	76.9	(90)	(219)	(465)	(480)	(89)
Gross income	9,686	7,531	28.6	3,665	3,234	2,787	2,505	2,636
Recurring administrative expenses, depreciation and amortisation	(3,936)	(3,762)	4.6	(1,327)	(1,312)	(1,298)	(1,248)	(1,243)
Extraordinary expenses	(9)	(35)	(73.8)	(4)	(3)	(2)	(15)	(11)
Pre-impairment income	5,741	3,734	53.7	2,334	1,919	1,487	1,242	1,381
Pre-impairment income stripping out extraordinary expenses	5,750	3,769	52.6	2,338	1,922	1,490	1,257	1,393
Allowances for insolvency risk	(693)	(570)	21.6	(274)	(186)	(233)	(406)	(166)
Other charges to provisions	(174)	(117)	48.5	(76)	(74)	(24)	19	(28)
Gains/(losses) on disposal of assets and others	(50)	(56)	(11.4)	(14)	(17)	(19)	(13)	(19)
Profit/(loss) before tax	4,824	2,991	61.3	1,970	1,642	1,211	842	1,168
Income tax expense	(1,511)	(839)	80.2	(565)	(480)	(466)	(261)	(338)
Profit/(loss) after tax	3,313	2,153	53.9	1,406	1,162	745	581	830
Profit/(loss) attributable to minority interest and others	(0)	2		(0)	0	(0)	1	0
Profit/(loss) attributable to the Group	3,313	2,151	54.0	1,406	1,162	745	580	829
INCOME STATEMENT BREAKDOWN								
Core income	10,190	7,673	32.8	3,677	3,348	3,164	2,955	2,655
Banking services, securities and other fees	1,429	1,567	(8.8)	453	469	508	524	525
Recurring	1,246	1,394	(10.6)	410	413	424	450	471
Wholesale banking	183	173	6.0	43	56	84	74	54
Sale of insurance products	257	267	(3.8)	82	84	91	81	86
Assets under management	836	843	(0.8)	289	282	265	277	282
Mutual funds, managed accounts and SICAVs	614	608	1.0	214	209	191	196	205
Pension plans and other	221	234	(5.5)	75	73	74	81	78
Net fee and commission income	2,522	2,677	(5.8)	823	835	864	882	893
Personnel expenses	(2,417)	(2,314)	4.5	(821)	(802)	(794)	(757)	(760)
General expenses	(1,001)	(962)	4.1	(330)	(334)	(337)	(322)	(319)
Depreciation and amortisation	(518)	(486)	6.5	(175)	(176)	(167)	(168)	(164)
Recurring administrative expenses, depreciation and amortisation	(3,936)	(3,762)	4.6	(1,327)	(1,312)	(1,298)	(1,248)	(1,243)
Extraordinary expenses	(9)	(35)	(73.8)	(4)	(3)	(2)	(15)	(11)
FINANCIAL INDICATORS								
ROE [1,2]	13.0%	7.5%	5.5	13.0%	11.0%	9.4%	9.0%	
ROTE [1,2]	16.0%	9.2%	6.8	16.0%	13.6%	11.6%	11.0%	
Cost-to-income ratio stripping out extraordinary expenses (12 months)[1]	42.5%	54.8%	(12.3)	42.5%	45.7%	48.5%	49.9%	
Cost of risk (12 months)	0.31%	0.25%	0.06	0.31%	0.28%	0.26%	0.27%	

(1) The financial information published in 2022 has been restated in accordance with IFRS 17 / IFRS 9. The ratios (12 months) prior to 4Q22 are those reported in accordance with IFRS 4, as there is no historical data available for restatement.
(2) Ratio (last 12 months). In 9M22, the figure excludes the extraordinary impacts associated with the integration of Bankia from 4Q21 (€+88 million).

- **Gross income** grew to €9,686 million (+28.6%):
  - **Core income** rose 32.8% with respect to the same period of 2022, impacted by the good performance of net interest income (+58.2%) and of insurance service result (+21.2%).
  - **Trading income** stands at €233 million, €266 million in the same period of 2022.
  - **Other operating income and expense** totalled €-774 million (€-437 million in the same period of the previous year) and includes the recognition of the banking tax for €-373 million and the contribution of €-154 million paid to the SRF (€-136 million in 2022).
- **Recurring administrative expenses, depreciation and amortisation** amounted to €-3,936 million, up 4.6% when compared to the same period of the previous year.
- **Pre-impairment income increased by 53.7%** on the same period of the previous year.
- **Allowances for insolvency risk** stand at €-693 million (+21.6% with respect to the first nine months of 2022).
- **Other charges to provisions** stood at €-174 million (€-117 million in 2022).

The following table shows business activity and asset quality indicators at 30 September 2023:

- **Loans and advances to customers, gross stood at €325,384 million, down 2.1% in the year.**
- **Customer funds amounted to €586,538 million, up 1.9% in the year.**
- The **NPL ratio stands at 2.7%,** and the **coverage ratio 74%.**

€ million	30 Sep. 2023	30 Jun. 2023	Change %	31 Dec. 2022	Change %
BALANCE SHEET					
Assets	566,412	581,197	(2.5)	555,088	2.0
Liabilities	537,670	552,972	(2.8)	527,435	1.9
Assigned capital	28,709	28,192	1.8	27,621	3.9
LOANS AND ADVANCES TO CUSTOMERS					
Loans to individuals	159,915	165,658	(3.5)	166,801	(4.1)
Home purchases	119,305	120,999	(1.4)	124,862	(4.5)
Other	40,610	44,659	(9.1)	41,939	(3.2)
of which: Consumer lending	18,019	18,019	0.0	17,788	1.3
Loans to business	147,873	149,377	(1.0)	146,454	1.0
Public sector	17,596	19,199	(8.3)	18,974	(7.3)
Loans and advances to customers, gross	**325,384**	**334,234**	**(2.6)**	**332,229**	**(2.1)**
of which: Performing loans	316,250	325,069	(2.7)	322,694	(2.0)
of which: Non-performing	9,135	9,165	(0.3)	9,535	(4.2)
Provisions for insolvency risk	(6,705)	(6,817)	(1.6)	(6,877)	(2.5)
Loans and advances to customers, net	**318,679**	**327,417**	**(2.7)**	**325,353**	**(2.1)**
Contingent liabilities	27,223	27,447	(0.8)	27,747	(1.9)
CUSTOMER FUNDS					
Customer funds	355,022	359,741	(1.3)	355,962	(0.3)
Demand deposits	320,182	331,175	(3.3)	338,333	(5.4)
Time deposits	34,841	28,565	22.0	17,630	97.6
Insurance contract liabilities	73,128	72,748	0.5	68,986	6.0
of which: Unit Linked and other	19,150	19,433	(1.5)	18,310	4.6
Reverse repurchase agreements and other	2,263	2,935	(22.9)	2,623	(13.7)
On-balance sheet funds	430,413	435,424	(1.2)	427,571	0.7
Mutual funds, managed accounts and SICAVs [1]	106,504	106,815	(0.3)	99,115	7.5
Pension plans	44,306	44,771	(1.0)	43,312	2.3
Assets under management	150,809	151,586	(0.5)	142,428	5.9
Other accounts	5,316	7,743	(31.3)	5,647	(5.9)
Total customer funds	**586,538**	**594,753**	**(1.4)**	**575,646**	**1.9**
ASSET QUALITY					
Non-performing loan ratio (%)	2.7%	2.7%	0.0	2.8%	(0.1)
Non-performing loan coverage ratio (%)	74%	75%	(1)	73%	2
OTHER INDICATORS					
Customers (millions)	18.17	18.21	(0.0)	18.31	(0.1)
Relational individual customers (%)	71.4%	71.0%	0.4	70.4%	1.0
Employees	40,436	40,305	131	40,221	215
Branches	3,882	3,911	(29)	4,081	(199)
of which retail	3,622	3,649	(27)	3,818	(196)
ATMs	11,345	11,412	(67)	11,608	(263)

(1) In April 2023 Banco BPI completed the sale of its stake in BPI Suisse to CaixaBank Wealth Management Luxembourg (wholly-owned subsidiary of CaixaBank, S.A.). From the perspective of the Group's business segments, this operation entails the balance as of April 2023 including an increase of €1,017 million from the BPI segment.

Insurance activity

The banking and insurance business includes the results of the activity carried out mainly by VidaCaixa de Seguros y Reaseguros, with a highly specialised range of pensions and insurance products, all of which are marketed to the Group's customer base.

The following table shows the income statement of the VidaCaixa Group[1,2]:

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
Net interest income	105	33	—	39	38	28	18	16
Dividend income and share of profit/(loss) of entities accounted for using the equity method	226	146	54.5	87	52	86	9	70
Net fee and commission income	96	100	(4.2)	32	35	30	47	33
Trading income	3	20	(85.6)	8	(11)	5	(4)	(1)
Insurance service result	789	650	21.4	294	254	241	274	232
Other operating income and expense	2	0		1	1	(0)	(1)	0
Gross income	1,220	949	28.6	461	369	390	344	350
Recurring administrative expenses, depreciation and amortisation	(108)	(95)	13.4	(38)	(37)	(33)	(16)	(30)
Extraordinary expenses	(10)	(9)	10.6	(3)	(4)	(2)	(6)	(3)
Pre-impairment income	1,103	845	30.5	420	328	354	322	317
Pre-impairment income stripping out extraordinary expenses	1,112	854	30.2	423	332	357	328	320
Allowances for insolvency risk	(0)	0		(0)	(0)		0	0
Gains/(losses) on disposal of assets and others	5	(0)		5			1	(0)
Profit/(loss) before tax	1,108	845	31.0	425	328	354	322	317
Income tax expense	(250)	(210)	18.8	(91)	(80)	(79)	(87)	(76)
Profit/(loss) after tax	**858**	**635**	**35.0**	**334**	**248**	**276**	**235**	**241**
Profit/(loss) attributable to minority interest and others								
Profit/(loss) attributable to the Group	**858**	**635**	**35.0**	**334**	**248**	**276**	**235**	**241**

(1) At VidaCaixa Group level prior to consolidation adjustments in CaixaBank. 2023 includes the results of 100% of Sa Nostra Vida integrated by global consolidation, acquired at the end of December 2022 (81.3% acquired from Caser and the remaining 18.7% corresponds to the stake held directly by CaixaBank following the merger), previously recognised in Share of profit/(loss) of entities accounted for using the equity method.

(2) In May VidaCaixa completed the purchase of Bankia Mediación, incorporating an accumulated result of €1 million in the first half of 2023.

The profit attributable to the VidaCaixa Group in the first nine months of 2023 stands at €858, up 35.0% with respect to the same period of 2022:

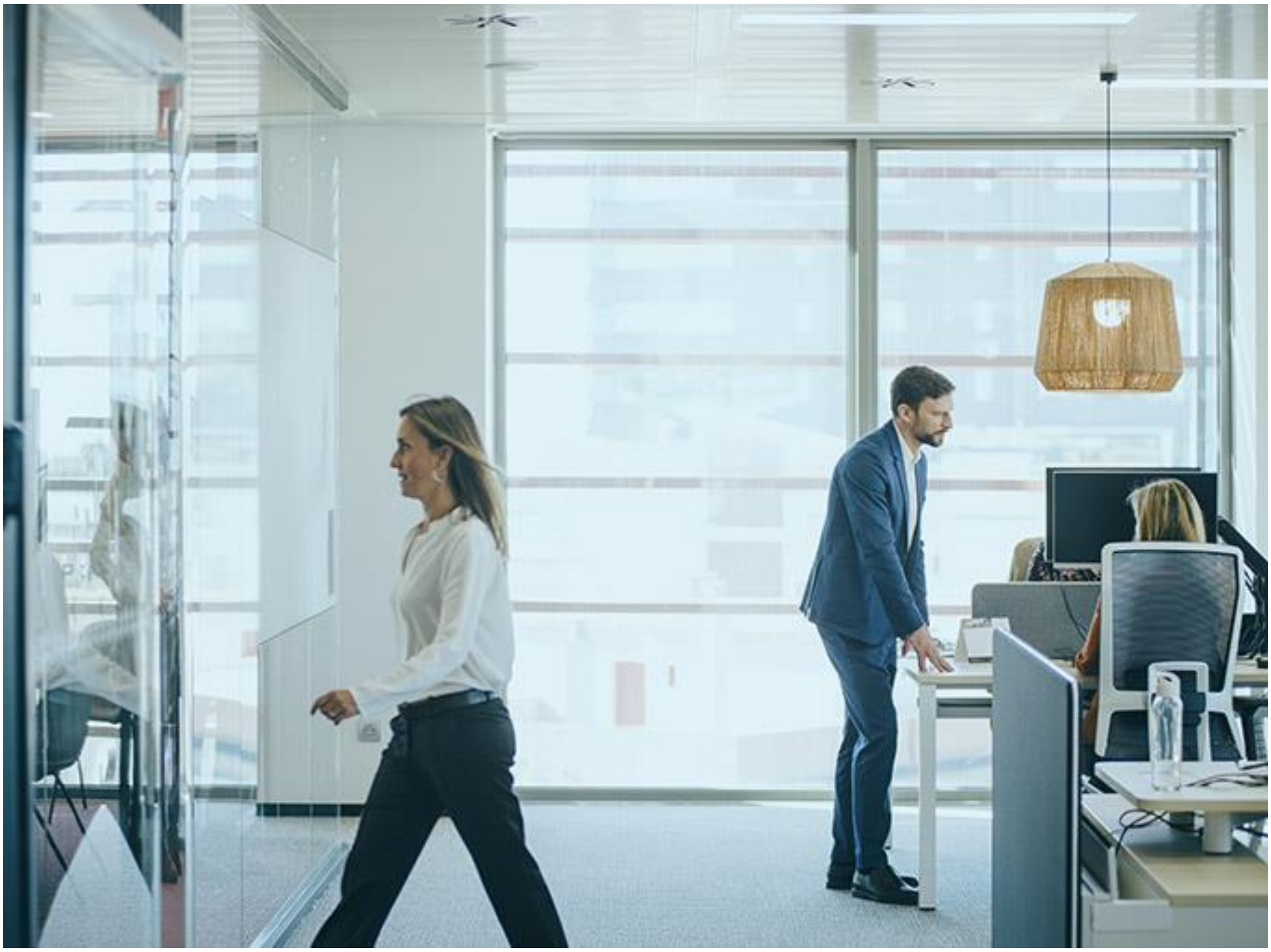
- **Net interest income** mainly includes the net return on assets under the insurance business maintained to pay ordinary claims, as well as the Group's financial margin for short-term savings insurance products.

  It also includes the income from financial assets under the insurance business, and an expense for interest that includes the capitalisation of the new insurance liabilities is recognised at a very similar interest rate as the rate of return of asset acquisition. The difference between this income and the expense is not significant.

- **Share of profit/(loss) of entities accounted for using the equity method** mainly shows the contribution made by SegurCaixa Adeslas, 49.9% of which is owned by VidaCaixa, the year-on-year performance of which is impacted by the recognition of income associated with the revaluation of the stake held in IMQ after the participation increase.

- **Net fee and commission income**[1] mainly includes fees and commissions received by VidaCaixa for managing pension plans, net of fees and commissions paid to CaixaBank, S.A. and its subsidiaries for distributing them.
- The **Insurance service result** includes the results of life-savings, life-risk and Unit Linked products, net of expenses directly attributable to the contracts.

(1) The commercial network in Spain also receives fees for distributing its insurance products through the branch network, although these fees are not included in the income statement for the insurance business, because they relate instead to the banking business ex insurance.



BPI

Profit from the banking business of BPI amounted to €308 million, up 53.4% with respect to the first nine months of 2022 (€201 million).

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
INCOME STATEMENT								
Net interest income	679	372	82.6	249	226	203	173	139
Dividend income and share of profit/(loss) of entities accounted for using the equity method	17	25	(30.0)	5	7	5	8	8
Net fee and commission income	218	219	(0.3)	71	74	73	77	75
Trading income	21	29	(26.3)	5	10	7	(2)	11
Insurance service result								
Other operating income and expense	(39)	(41)	(6.0)	2	(15)	(26)	3	(0)
Gross income	897	603	48.7	332	302	262	258	232
Recurring administrative expenses, depreciation and amortisation	(382)	(341)	12.0	(129)	(127)	(126)	(113)	(116)
Extraordinary expenses								
Pre-impairment income	515	262	96.6	204	175	136	145	117
Pre-impairment income stripping out extraordinary expenses	515	262	96.6	204	175	136	145	117
Allowances for insolvency risk	(45)	22		(9)	(14)	(22)	(28)	(6)
Other charges to provisions	(20)	(6)		(18)	(1)	(1)	(16)	(6)
Gains/(losses) on disposal of assets and others	0	0		(2)	3	(1)	(0)	(1)
Profit/(loss) before tax	448	278	61.3	175	162	111	100	104
Income tax expense	(140)	(77)	81.8	(53)	(48)	(39)	(24)	(30)
Profit/(loss) after tax	308	201	53.4	123	114	72	76	75
Profit/(loss) attributable to minority interest and others								
Profit/(loss) attributable to the Group	308	201	53.4	123	114	72	76	75
INCOME STATEMENT BREAKDOWN								
Core income	914	615	48.6	326	307	281	257	222
Banking services, securities and other fees	139	131	6.2	45	48	47	47	46
Recurring	138	130	6.5	45	47	46	47	45
Wholesale banking	1	2	(18.9)	0	0	0	1	1
Sale of insurance products	37	39	(5.4)	12	12	13	13	13
Assets under management	42	49	(13.8)	14	14	14	16	15
Mutual funds, managed accounts and SICAVs	22	28	(19.8)	7	7	8	8	9
Pension plans and other	20	21	(6.0)	7	7	6	8	7
Net fee and commission income	218	219	(0.3)	71	74	73	77	75
Personnel expenses	(187)	(174)	7.6	(63)	(62)	(62)	(68)	(59)
General expenses	(140)	(113)	24.2	(47)	(47)	(46)	(27)	(38)
Depreciation and amortisation	(55)	(54)	0.8	(19)	(18)	(18)	(19)	(19)
Recurring administrative expenses, depreciation and amortisation	(382)	(341)	12.0	(129)	(127)	(126)	(113)	(116)
Extraordinary expenses								
FINANCIAL INDICATORS								
ROE[1]	14.2%	7.8%	6.4	14.2%	11.8%	9.5%	9.3%	
ROTE[1]	15.0%	8.2%	6.8	15.0%	12.5%	10.0%	9.8%	
Cost-to-income ratio, stripping out extraordinary expenses[1]	42.9%	55.2%	(12.3)	42.9%	45.8%	49.4%	52.8%	

(1) Ratios (last 12 months). The ratios prior to 4Q22 are those reported in accordance with IFRS 4, as there is no historical data available for restatement. To calculate the ROTE and ROE, the coupon for the part of the AT1 issue assigned to this business has also been deducted.

- **Gross income** stands at €897 million, up 48.7% compared to the first nine months of 2022:
  - **Core income** up 48.6% following the 82.6% increase of Net interest income in a context of rising interest rates. Stability of Fee and commission income (-0.3%).
  - **Trading income** amounted to €21 million.
  - **Other operating income and expense** totalled €-39 million and includes the contribution paid to the SRF and BPI's contribution to the Portuguese *Fundo de Resoluçao* (€-15 million and €-23 million in the first nine months of 2023 and 2022, respectively).

    In addition, the first quarter of 2023 includes the contribution to the banking sector for €-22 million (€-21 million in the same period of the previous year) and €-4 million from the solidarity tax on the banking sector (€-4 million in the same period of 2022).
- **Recurring administrative expenses, depreciation and amortisation** stood at €-382 million (+12.0%).
- **Allowances for insolvency risk** stood at €-45 million in 2023 (€22 million in the same period of the previous year, which included one-off income). The cost of risk (last 12 months) was 0.23%.
- **Other charges to provisions** included the recognition of the costs associated with the early retirement scheme in both years.

With regard to the indicators on business activity and asset quality of BPI, the following stands out:

> **Loans and advances to customers, gross stood at €29,672 million**, up 2.0% in the year.
> **Customer funds stood at €32,785 million**, down 8.0%[1] in the year.
> BPI's **NPL ratio** fell to 1.7%, as per the CaixaBank Group's NPL classification criteria.
> The NPL **coverage ratio** increases in the year to 98%.

€ million	30 Sep. 2023	30 Jun. 2023	Change %	31 Dec. 2022	Change %
BALANCE SHEET					
Assets	39,673	39,853	(0.5)	38,804	2.2
Liabilities	37,185	37,332	(0.4)	36,349	2.3
Assigned capital	2,488	2,521	(1.3)	2,455	1.3
LOANS AND ADVANCES TO CUSTOMERS					
Loans to individuals	16,285	16,220	0.4	15,982	1.9
Home purchases	14,560	14,444	0.8	14,183	2.7
Other	1,725	1,776	(2.8)	1,799	(4.1)
of which: Consumer lending	1,474	1,520	(3.0)	1,524	(3.3)
Loans to business	11,497	11,594	(0.8)	11,326	1.5
Public sector	1,890	1,904	(0.8)	1,786	5.8
Loans and advances to customers, gross	**29,672**	**29,719**	**(0.2)**	**29,094**	**2.0**
of which: Performing loans	29,138	29,130	0.0	28,531	2.1
of which: Non-performing loans	534	589	(9.3)	563	(5.2)
Provisions for insolvency risk	(533)	(559)	(4.7)	(532)	0.2
Loans and advances to customers, net	**29,139**	**29,159**	**(0.1)**	**28,563**	**2.0**
Contingent liabilities	2,148	2,185	(1.7)	2,129	0.9
CUSTOMER FUNDS					
Customer funds	28,209	28,442	(0.8)	30,055	(6.1)
Demand deposits	17,343	18,177	(4.6)	21,563	(19.6)
Time deposits	10,866	10,265	5.9	8,492	28.0
Reverse repurchase agreements and other	42	23	79.9	8	442.6
On-balance sheet funds	28,251	28,465	(0.8)	30,063	(6.0)
Mutual funds, managed accounts and SICAVs[1]	4,454	4,525	(1.6)	5,510	(19.2)
Assets under management	4,454	4,525	(1.6)	5,510	(19.2)
Other accounts	80	80	(0.4)	81	(1.8)
Total customer funds	32,785	33,071	(0.9)	35,654	(8.0)
Memorandum items					
Insurance contracts sold[2]	4,257	4,383	(2.9)	4,313	(1.3)
ASSET QUALITY					
Non-performing loan ratio (%)	1.7%	1.9%	(2)	1.9%	(2)
Non-performing loan coverage ratio (%)	98%	94%	5	92%	7
OTHER INDICATORS					
Customers (millions)	1.87	1.88	0.00	1.86	0.01
Employees	4,335	4,378	(43)	4,404	(69)
Branches	317	317	—	323	(6)
of which retail	272	272	—	278	(6)
ATMs	1,263	1,279	(16)	1,339	(76)

(1) In April 2023 Banco BPI completed the sale of its stake in BPI Suisse to CaixaBank Wealth Management Luxembourg (wholly-owned subsidiary of CaixaBank, S.A.). From the perspective of the Group's business segments, this operation entails the balance as of April 2023 including the transfer of €1,017 million to the Banking and Insurance segment.

(2) Relate to the insurance products of BPI Vida e Pensões, for which VidaCaixa is responsible under the Group's corporate structure. While reported under the banking and insurance business, the policies are marketed by BPI.

Corporate centre

Profit in the first nine months of 2023 stands at **€38 million.**

€ million	9M23	9M22	Change %	3Q23	2Q23	1Q23	4Q22	3Q22
INCOME STATEMENT								
Net interest income	24	0		15	6	4	4	(5)
Dividend income	133	126	5.8		73	61	30	
Share of profit/(loss) of entities accounted for using the equity method	(5)	17		3	4	(12)	14	5
Net fee and commission income								
Trading income	(40)	23		1	(40)	(1)	(10)	3
Insurance service result								
Other operating income and expense	(6)	(7)	(17.1)		(6)			—
Gross income	107	158	(32.4)	19	37	52	38	3
Recurring administrative expenses, depreciation and amortisation	(47)	(45)	3.7	(16)	(16)	(15)	(15)	(16)
Extraordinary expenses								
Pre-impairment income	60	113	(47.0)	3	21	36	23	(13)
Pre-impairment income stripping out extraordinary expenses	60	113	(47.0)	3	21	36	23	(13)
Allowances for insolvency risk								
Other charges to provisions							(9)	
Gains/(losses) on disposal of assets and others	(38)			(8)	(30)		(19)	
Profit/(loss) before tax	22	113	(80.7)	(6)	(9)	36	(4)	(13)
Income tax expense	16	5		(1)	15	2	7	4
Profit/(loss) after tax	**38**	**117**	**(67.5)**	**(6)**	**6**	**38**	**3**	**(8)**
Profit/(loss) attributable to minority interest and others								
Profit/(loss) attributable to the Group	**38**	**117**	**(67.5)**	**(6)**	**6**	**38**	**3**	**(8)**

> The **Net interest income** corresponds to the net between the cost of financing the investee business and the income from the liquidity associated with the Group's excess capital. Its performance is impacted by the adaptation of the financing rates to market conditions.

> **Dividend income** amounted to €133 million and includes the dividend from Telefónica for €61 million after its approval at the Annual General Meeting held on the first quarter of 2023. The recognition of dividends in 2022, which was carried out in the second and fourth quarter, must be considered in the year-on-year performance.

In addition, the second quarter of both years includes the dividend from BFA (€73 million in 2023 versus €87 million in 2022).

> **Trading income** includes the impact of the fluctuations of the Angolan kwanza in relation to the payment of dividends from BFA.

The following balance sheet shows the corporate centre's indicators:

€ million	30 Sep. 2023	30 Jun. 2023	Change %	31 Dec. 2022	Change %
BALANCE SHEET					
Assets	5,314	4,547	16.9	4,959	7.2
Investments (Financial assets at fair value with changes in OCI and Investments in JVs and associates) and other	1,625	1,632	(0.4)	1,797	(9.6)
Cash and cash balances at central banks and other demand deposits	3,689	2,915	26.5	3,162	16.7
Liabilities	1,212	1,248	(2.9)	1,358	(10.8)
Intra-group financing and other liabilities	1,212	1,248	(2.9)	1,358	(10.8)
Assigned capital	4,102	3,299	24.3	3,600	13.9
of which: associated with investees	413	384	7.5	439	(5.8)

10. SUSTAINABILITY
AND SOCIAL COMMITMENT

Sustainability as a driver of the 2022-2024 Strategic Plan

CaixaBank takes on the responsibility of driving the well-being of people and economic and social development. With this in mind, the 2022-2024 Strategic Plan establishes three major ambitions:

> **Boost the energy transition of businesses and society as a whole.**
> **Lead the positive social impact and foster financial inclusion.**
> **Promote a responsible culture to set a benchmark in governance.**

In line with these ambitions, CaixaBank has developed a set of initiatives and action plans that are included in the Sustainability Master Plan, with the following commitments:

| COMMITMENT

Global:

- **€64,000 million made available in the sustainable finance[1]**
  At the end of 3Q23, the mobilisation of sustainable finance amounts to **€43,272 million** since launching the plan, which represents **67,6% of the target**.
- **Maintain category "A" in the synthetic sustainability indicator[2]**
  In 3Q23, the synthetic indicator has been maintained at Category "A"

Environmental:

- **Make progress in decarbonisation to reach net zero emissions by 2050**
- **Reduce the emissions financed by 2030:**
  - Electricity: -30% (KgCO_2e/MWh)
  - Oil and gas: -23% (MtCO_2e)
  - Thermal coal: exposure to zero €
  - Automotive industry: -33% (gCO_2/vkm)*
  - Iron and steel: -[10-20]% (kgCO_2e/t steel)*

**Targets approved in October 2023*

Social:

- **413,300 beneficiaries of MicroBank, the CaixaBank Group's social bank**
  At the end of 3Q23, the number of beneficiaries of microcredits granted by MicroBank is **208,949** since launching the plan.

Good governance:

- **43% of women in managerial positions[3]**
  On 30 September 2023, the % of women in managerial positions reached **42.9%**, growing at a good pace to exceed the target.

(1) The mobilisation of sustainable financing is the sum of the following items: - Sustainable mortgage financing (with energy performance certificate "A" or "B"), financing for home energy refurbishment, financing for hybrid/electric vehicles, financing for photovoltaic panels, agricultural ecofinancing and microloans granted by MicroBank; Sustainable financing to Business, Developer and CIB & IB; The sum considered for the mobilisation of sustainable financing is the limit of risk arranged in sustainable financing operations with customers, including long-term financing, working capital and off-balance sheet exposure. Novations and tacit and explicit renewals of sustainable financing are also included. - CaixaBank's share in the issuance and placement of sustainable bonds (green, social or mixed) by customers; - Net increase of Assets under management in CaixaBank Asset Management, in products classified under Article 8 and Article 9 of SFDR (includes new funds/fund mergers registered as per Article 8 and Article 9, plus net contributions and market effect); Gross increase of Assets under management in VidaCaixa, in products classified under Article 8 and Article 9 of SFDR (includes gross contributions —without considering withdrawals or the market effect— to Pension Funds, Voluntary Social Security Entities (EPSV) and Unit Linked classified under Article 8 and Article 9 of SFDR).

(2) Synthetic ESG index created by CaixaBank based on methodology developed by KPMG that provides aggregate information from the main ESG analysis institutions. The indicator objectively weights the results obtained by the company in the scores awarded by the main international ESG analysts (S&P Global, Sustainalytics, MSCI and ISS ESG).

(3) % of women in managerial positions, starting from asst. manager at large branches (A and B branches).

Key features within the scope of sustainability

> In terms of **sustainability and good governance**, CaixaBank has obtained the "T" for transparency seal granted by the Haz Foundation for its responsible taxation. The Company obtained the seal in its highest category due to publicly disclosing more than 90% of the analysed indicators. In addition, it has joined two other Spanish financial institutions to combat financial fraud via **FrauDFense**, an initiative that will gather and exchange information between companies to prevent fraud and provide further protection to customers.

CaixaBank has been subject to a solicited ESG rating by Sustainable Fitch, obtaining a rating of 2[1], becoming the first Spanish bank in publishing this type of rating to the market.

In this third quarter, Global Finance magazine has recognised CaixaBank's digital transformation and its commitment to innovation with 14 awards, a record figure for the company, which cements its position as a leader in the digital banking sector worldwide.

In line with its commitment towards cybersecurity, CaixaBank has been the only Spanish bank taking part in the **CONCORDIA** consortium, in which 60 entities from 21 countries across Europe have participated. The project, which has been allocated a budget of €16 million, has been key in creating the Pan-European Cybersecurity Centre.

In line with the portfolio decarbonisation commitments taken on as a founding member of the **Net Zero Banking Alliance**, the Company **committed in July to cease financing companies related to thermal coal**[2], thus reducing its exposure to zero until 2030. In October, CaixaBank **established decarbonisation targets in new sectors (automotive and iron and steel industries)**, which are added to those already published in 2022 (oil and gas and the electricity sector).

In July, the Company also established impact goals linked to the UN's **Collective Commitment to Financial Health**. Specifically, it has approved a specific goal by 2025 related to its microfinance activity and the creation of associated jobs.

> With regard to **sustainable financing**, CaixaBank has been recognised by Global Finance for its "**Outstanding Leadership in ESG-Related Loans in the World 2023**" and "**Outstanding Financial Leadership in Sustaining Communities in Western Europe 2023**", an acknowledgement of the Company's international leadership in financing under ESG criteria.

During this period, CaixaBank has published a "**Sustainable Financing Identification Guide**" with the aim of defining applicable criteria for deeming loans and advances to individuals and business sustainable, as well as contributing to SDGs. Furthermore, it has advised several companies, such as FCC Medio Ambiente and Sacyr, in designing their green and sustainable Financing Frameworks.

The Bank holds a series of sessions with customers within the scope of the **ESG Engagement project** to contrast the companies' actual appetite for sustainable transition and to position itself as the benchmark partner in this journey, raising their awareness through communication and advice on the benefits of the transition in a personalised way.

The European Investment Fund, CaixaBank and MicroBank will support Spanish SMEs with guarantees that will enable the mobilisation of more than €1 billion through the **InvestEU programme** in areas of innovation, digitalisation and sustainability.

Moreover, CaixaBank has launched a project to encourage the **sustainability of its card pool**, the largest in Spain, by extending the validity period of physical cards from five to seven years and strengthening the recycling circuits for expired cards.

> Within the **social scope**, CaixaBank issued in May a new **social bond for €1 billion** to fund loans to families, self-employed workers and SMEs in Spain and to provide vulnerable people with access to education and healthcare. It is the eleventh bond linked to SDGs that the company launches since 2019, cementing CaixaBank's position as a leading European bank in ESG matters.

As part of its **commitment to financial inclusion**, Correos (Spanish postal services) and CaixaBank have signed an agreement to offer home cash delivery in the whole of Spain, and it has 18 mobile branches that serve 636 municipalities.

The fourth edition of the **"No home without food"** campaign, launched by Fundación "la Caixa" and CaixaBank, has collected €1.8 million, the equivalent to 1,672 tons of basic food that will be distributed across Spain via 54 food banks.

Within the international scope, CaixaBank has activated a **donations platform** in all channels and has facilitated no cost transfers to Morocco and Libya and donations to NGOs assisting people affected by the recent natural disasters.

During the summer period, **CaixaBank Volunteers** launched over 3,200 solidarity activities across Spain for vulnerable groups, in which more than 670 volunteers and 220 local social entities have participated, benefitting over 11,000 people.

(1) Rating from 1 to 5, where 1 is the best possible rating and 5 the worst. Fitch published their rating on 23 October 2023; (2) Coal phase-out: Customers whose revenues from thermal coal mining and/or thermal coal-based electricity generation represent more than 5% of their total revenues

ESG Indices - Ratings	CaixaBank	Worst ← Rating scale → Best
Sustainable Fitch	2	ESG Entity Rating Score (solicited): 5 · 4 · 3 · **2** · 1
Member of Dow Jones Sustainability Indices. Powered by the S&P Global CSA	80	Sustainability score: 0 · **80** · 100
MSCI ESG RATINGS	A (Average)	ESG rating: CCC · B (Laggard) · BB · BBB · **A** (Average) · AA · AAA (Leader)
STOXX · SUSTAINALYTICS	Low Risk (17.5)	ESG risk rating: Severe (40+) · High (30-40) · Medium (20-30) · **Low** (10-20) · Negligible (0-10)
QUALITYSCORE, highest ranked by ISS ESG	1 | 1 | 1 E | S | G	ESG QualityScore: 10 · 9 · 8 · 7 · 6 · 5 · 4 · 3 · 2 · **1**
Corporate ESG Performance Prime, rated by ISS ESG	C Status: **Prime** Transparency: **very high** Decile rank: **#1**	ESG corporate rating: D- · D · D+ · C- · **C** · C+ · B- · B · B+ · A- · A · A+; Transparency level: Very low · Low · Medium · High · **Very high**
FTSE4Good	4.2	ESG rating: 0 · 1 · 2 · 3 · **4** · 5
CDP A LIST 2022 CLIMATE	A (Leadership)	Climate change rating: D- · D (Disclosure) · C- · C (Awareness) · B- · B (Management) · A- · **A** (Leadership)
Moody's ESG Solutions	60 (Advanced)	Sustainability index: 0 · <30 (Weak) · 30-49 (Limited) · 50-59 (Robust) · **60** · 100 (Advanced)

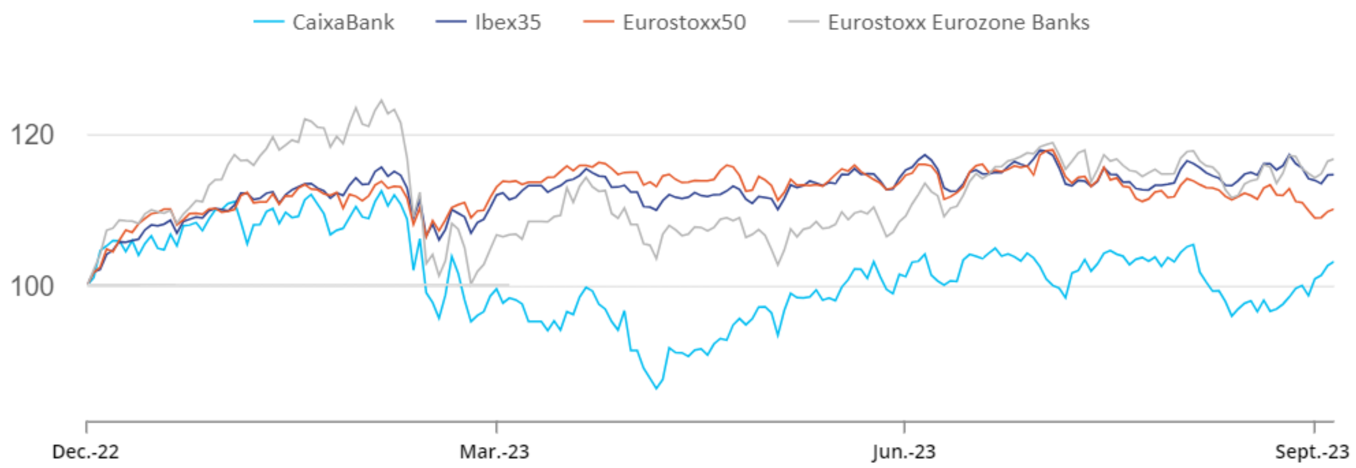
11. THE CAIXABANK SHARE

- **The CaixaBank share closed trading on 30 September 2023** at **€3.786/share**, up 3.1% in the year (stable in the quarter).
- This change in the third quarter of 2023 compares favourably to that of the general indices (-1.7% IBEX 35 and -5.1% EURO STOXX 50), while the selective bank benchmarks closed the quarter with a better performance (+6.5% IBEX 35 Banks and +4.2% EURO STOXX Banks).
- In the third quarter of 2023, the number of CaixaBank shares traded[1] decreased 13.1% with respect to the second quarter of 2023 (-8.3% in value in euros of shares traded[1]) and reached -49.7% below the trading volume of the same period of the previous year (-39.6% in euros).
- The trading volume in shares and euros in the year were 38.4% and 25.8% down, respectively, with respect to the same period of 2022.

(1) Traded in trading platforms, such as: BME, BATS Chi-X, TURQUOISE and BATS Europe, among others, while excluding over-the-counter transactions. It does not include block transactions or applications.

PERFORMANCE OF THE CAIXABANK SHARE
COMPARED TO THE MAIN SPANISH AND EUROPEAN INDICES

CaixaBank	Ibex35	Eurostoxx50	Eurostoxx Eurozone Banks
+3.1%	**+14.6%**	**+10.0%**	**+16.7%**



KEY PERFORMANCE INDICATORS FOR THE CAIXABANK SHARE

	30 Sep. 2023
Market capitalisation (€ million)[1]	28,309
Number of outstanding shares[1]	7,477,219
Share price (€/share)	
Share price at the beginning of the period (30 December 2022)	3.672
Share price at closing of the period (29 September 2023)	3.786
Maximum price[2]	4.128
Minimum price[2]	3.168
Trading volume in 2023 (number of shares, excluding special transactions, in thousands)	
Maximum daily trading volume	72,312
Minimum daily trading volume	4,956
Average daily trading volume	18,966
Stock market ratios[3]	
EPS - Net income attributable per share (€/share) (12 months)	0.58
Book value (€/share)	4.72
Tangible book value (€/share)	4.00
PER (Price / EPS; times)	6.58
P/tangible BV (Market value / tangible book value)	0.95
Dividend yield	6.09%

(1) Number of shares, in thousands, excluding treasury shares. Including treasury shares, the total number of shares would be 7,502,132 thousand, whereas the market capitalisation would reach €28,403 million.

(2) Price at close of trading.

(3) See additional information in 'Appendices – Alternative Performance Measures'.

Shareholder returns

> On 12 April 2023, the **bank paid its shareholders 0.2306 euros per share, corresponding to the ordinary dividend** charged to 2022 profits and following the approval at the Annual General Meeting held on 31 March.

> Following the payment of this dividend, the shareholder returns amounted to €1,730 million in 2022, equivalent to 55% of the consolidated net profit of 2022, in line with the dividend policy approved by the Board of Directors for the 2022 fiscal year and with the target set within the framework of the 2022-2024 Strategic Plan. In addition, a share buy-back programme was completed between May and December 2022 for an amount of €1.8 billion.

> With regard to the Dividend Policy for the 2023 fiscal year, the Board of Directors approved on 2 February 2023 a **cash distribution of between 50% and 60% of consolidated net profit**, to be paid in a single payment in April 2024, subject to final approval at the Annual General Meeting.

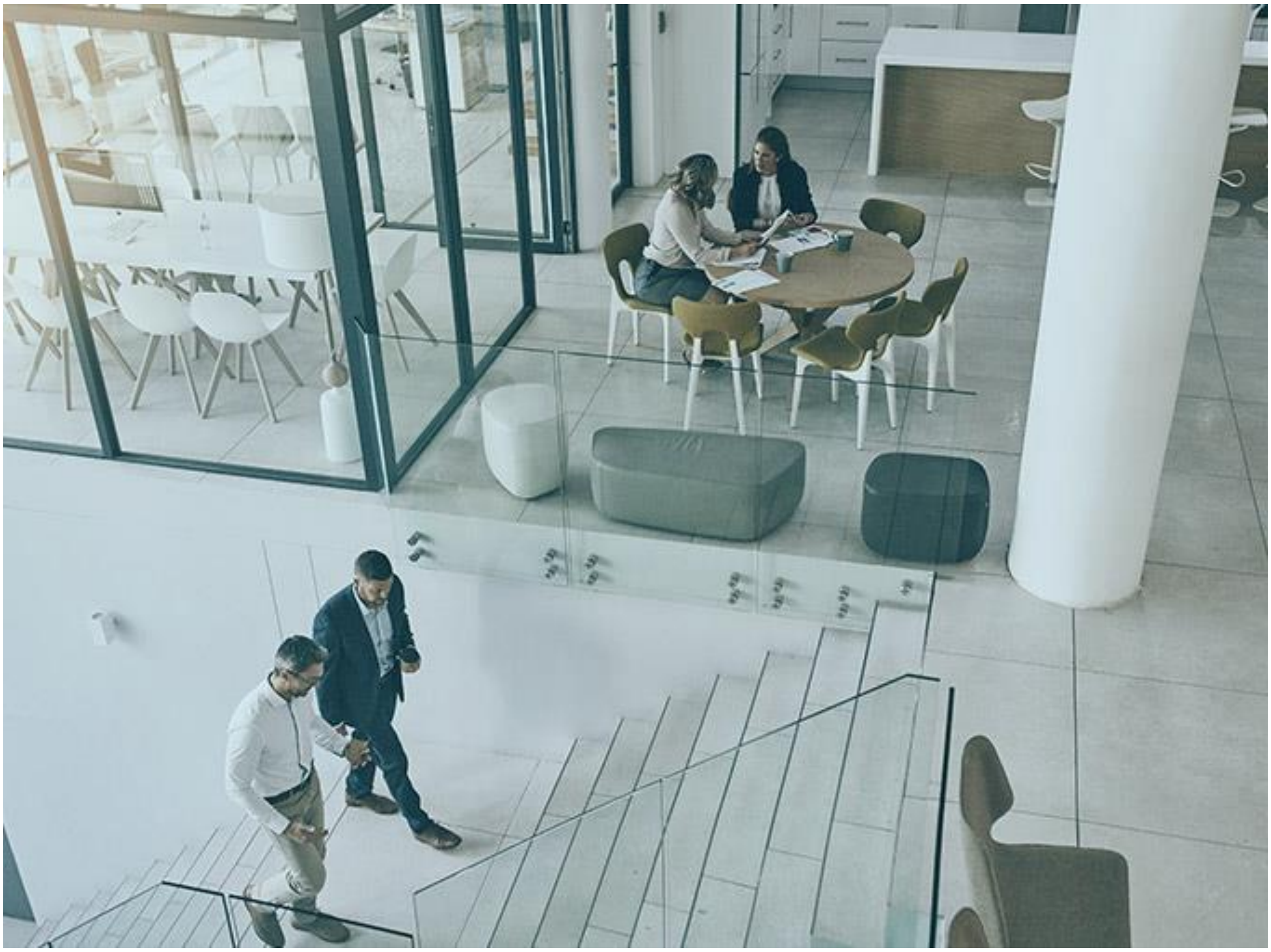
> After receiving the regulatory approval, the Board also agreed to approve and initiate an open-market **share buy-back programme** for a maximum amount of €500 million, with the aim of distributing the CET1 surplus above 12%. This extraordinary payout is aligned with the objectives established in the 2022-2024 Strategic Plan. As at 30 September 2023, CaixaBank has acquired 17,847,300 shares for €65,421,937, equivalent to 13.1% of the maximum monetary amount (39,906,941 shares for €149,186,856, which represent 29.8% of the maximum amount, according to the latest information reported in the Other Relevant Information of 20 October 2023).

12. INVESTMENT PORTFOLIO

Main investees at 30 September 2023:

	%	Business segment
SegurCaixa Adeslas	49.9%	Banking and insurance
Comercia Global Payments	20.0%	Banking and insurance
Telefónica[1]	3.5%	Corporate centre
Coral Homes	20.0%	Corporate centre
Gramina Homes	20.0%	Corporate centre
Banco de Fomento Angola (BFA)	48.1%	Corporate centre
Banco Comercial e de Investimentos (BCI)	35.7%	Corporate centre

(1) CaixaBank holds a fair value hedge for 0.96% of Telefónica's share capital.



13. RATINGS

	Issuer Rating						
Agency	Long-Term	Short-Term	Outlook	Senior Preferred Debt	Last review date	Mortgage covered bonds	Last review date mortgage covered bonds
S&P Global	A-	A-2	Stable	A-	25 Apr. 2023	AA+	26 Jan. 2023
Fitch Ratings	BBB+	F2	Stable	A-	13 Jun. 2023	-	-
Moody's	Baa1	P-2	Stable	Baa1	25 Jan. 2023	Aa1	14 Apr. 2023
DBRS	A	R-1 (low)	Stable	A	14 Mar. 2023	AAA	13 Jan. 2023

14. RESTATEMENT

OF 2022 FINANCIAL INFORMATION AFTER IMPLEMENTATION OF IFRS 17 AND IFRS 9 (IN INSURANCE BUSINESS)

The Group has applied **IFRS 17: "Insurance Contracts" and IFRS 9: "Financial Instruments"** to the assets and liabilities of the insurance business as of 1 January 2023. IFRS 17 is the new accounting standard that sets out the principles for recognition, measurement and presentation of contracts that transfer significant insurance risk, whereas IFRS 9 is the accounting standard that the Group has already been applying to recognise and measure its financial assets and liabilities in its banking business.

Considering that, in accordance with IFRS 17, a minimum of one year of comparative information is required, the income statement for the fiscal year 2022 and the balance sheet at 31 December 2022 have been restated for comparative purposes, also taking into account IFRS 9 requirements.

Income statement 2022

Below is the **income statement for 2022** reported to the market (IFRS 4), as well as after applying IFRS 17 and IFRS 9 to the insurance contracts:

€ million	2022		
	Reported IFRS 4	IFRS 17/9 adjustments	IFRS 17/9
Net interest income	6,916	(363)	6,553
Dividend income	163	—	163
Share of profit/(loss) of entities accounted for using the equity method	264	(42)	222
Net fee and commission income	4,009	(155)	3,855
Trading income	338	(10)	328
Income and expense under insurance or reinsurance contracts	866	(866)	—
Insurance service result	—	935	935
Other operating income and expense	(963)	—	(963)
Gross income	11,594	(501)	11,093
Recurring administrative expenses, depreciation and amortisation	(6,020)	495	(5,525)
Extraordinary expenses	(50)	—	(50)
Pre-impairment income	5,524	(6)	5,519
Pre-impairment income stripping out extraordinary expenses	5,574	(6)	5,568
Allowances for insolvency risk	(982)	—	(982)
Other charges to provisions	(129)	0	(130)
Gains/(losses) on disposal of assets and others	(87)	—	(87)
Profit/(loss) before tax	4,326	(6)	4,320
Income tax expense	(1,179)	(10)	(1,189)
Profit/(loss) after tax	**3,147**	**(16)**	**3,131**
Profit/(loss) attributable to minority interest and others	2	—	2
Profit/(loss) attributable to the Group	**3,145**	**(16)**	**3,129**

The total impact of the restatement on 2022 net income is not significant (€-16 million), as a result of a number of non-material adjustments of different sign. The main change is centred on the presentation of the income statement, as almost the entire insurance business is now reported under the heading 'Insurance service result', net of the expenses directly attributable to insurance contracts.

In this respect, the table above shows the differences between both standards in the "adjustments" column, which mainly corresponds to the aforementioned reclassification of the following line items in the income statement:

- **Net interest income:** in accordance with IFRS 17, it mainly includes the net return on assets under the insurance business maintained to pay ordinary claims, as well as the Group's financial margin for short-term savings insurance products. It also includes the income from financial assets under the insurance business, and an expense for interest that includes the capitalisation of the new insurance liabilities is recognised at a very similar interest rate as the rate of return of asset acquisition. The difference between this income and the expense is not significant.

  The margin on savings insurance contracts will now be recognised under the heading 'Insurance service result'.
- **Share of profit/(loss) of entities accounted for using the equity method:** this line item includes the impacts resulting from applying IFRS 17 and IFRS 9 in affiliated companies with an insurance business, and they mainly focus on valuation differences in insurance liabilities and financial assets, with a particular impact on the income statement for 2022.
- **Fee and commission income:** the fee and commission income generated by Unit Linked and other, as well as the fees and commissions paid to third-party intermediaries and agents related to the insurance business, is reported in the heading 'Insurance service result'.
- **Insurance service result:** it includes the accrual of the margin on savings insurance contracts, as well as on Unit Linked products, and the recognition of income and expenses from claims corresponding to short term risk-related insurance. For the entire insurance business, this line item is reported net of expenses directly attributable to the contracts.
- The **expenses directly attributable** to insurance contracts are reported as lower income in the heading 'Insurance service result' and were previously recognised in **Operating expenses** and **Fee and commission income**.

Quarterly income statement for 2022 restated

€ million	1Q22	2Q22	3Q22	4Q22	2022
Net interest income	1,459	1,520	1,603	1,970	6,553
Dividend income	1	130	—	32	163
Share of profit/(loss) of entities accounted for using the equity method	51	60	81	30	222
Net fee and commission income	936	992	968	959	3,855
Trading income	142	102	73	11	328
Income and expense under insurance or reinsurance contracts	—	—	—	—	—
Insurance service result	209	214	236	277	935
Other operating income and expense	(141)	(256)	(89)	(477)	(963)
Gross income	2,658	2,762	2,872	2,801	11,093
Recurring administrative expenses, depreciation and amortisation	(1,406)	(1,367)	(1,375)	(1,376)	(5,525)
Extraordinary expenses	(8)	(16)	(11)	(15)	(50)
Pre-impairment income	1,244	1,379	1,485	1,410	5,519
Pre-impairment income stripping out extraordinary expenses	1,252	1,395	1,496	1,425	5,568
Allowances for insolvency risk	(228)	(147)	(172)	(434)	(982)
Other charges to provisions	(45)	(45)	(33)	(6)	(130)
Gains/(losses) on disposal of assets and others	(9)	(26)	(20)	(32)	(87)
Profit/(loss) before tax	961	1,161	1,260	938	4,320
Income tax expense	(255)	(293)	(364)	(278)	(1,189)
Profit/(loss) after tax	**707**	**868**	**896**	**660**	**3,131**
Profit/(loss) attributable to minority interest and others	1	0	0	1	2
Profit/(loss) attributable to the Group	**706**	**867**	**896**	**659**	**3,129**

Below is a table showing the '**Insurance service result**' arranged by business and the '**Recurring administrative expenses, depreciation and amortisation**' restated by quarter:

€ million	1Q22	2Q22	3Q22	4Q22	2022
Risk business	130	129	156	175	590
Savings business	58	63	58	66	245
Unit Linked business	21	22	21	36	100
Insurance service result	209	214	236	277	935

€ million	1Q22	2Q22	3Q22	4Q22	2022
Personnel expenses	(865)	(826)	(832)	(836)	(3,360)
General expenses	(364)	(360)	(360)	(352)	(1,435)
Depreciation and amortisation	(177)	(182)	(183)	(188)	(730)
Recurring administrative expenses, depreciation and amortisation	(1,406)	(1,367)	(1,375)	(1,376)	(5,525)

Balance sheet

The following table shows the **balance sheet at 31 December 2022** reported to the market, as well as the restated balance sheet after applying IFRS 17 and IFRS 9:

€ million	31 December 2022		
	Reported IFRS 4	IFRS 17/9 adjustments	IFRS 17/9[1]
Cash and cash balances at central banks and other demand deposits	20,522	—	20,522
Financial assets held for trading	7,382	—	7,382
Financial assets not designated for trading compulsorily measured at fair value through profit or loss	183	11,168	11,351
Equity instruments	127	11,168	11,295
Debt securities	6	—	6
Loans and advances	50	—	50
Financial assets designated at fair value through profit or loss	—	8,022	8,022
Financial assets at fair value with changes in other comprehensive income	12,942	51,590	64,532
Financial assets at amortised cost	442,754	3,414	446,168
Credit institutions	12,187	210	12,397
Customers	352,834	—	352,834
Debt securities	77,733	3,204	80,937
Derivatives - Hedge accounting	649	813	1,462
Investments in joint ventures and associates	2,034	20	2,054
Assets under the insurance business	68,534	(68,534)	—
Assets under reinsurance contracts	—	63	63
Tangible assets	7,516	—	7,516
Intangible assets	5,219	(195)	5,024
Non-current assets and disposal groups classified as held for sale	2,426	—	2,426
Other assets	22,075	253	22,328
Total assets	**592,234**	**6,616**	**598,850**
Liabilities	557,972	7,170	565,142
Financial liabilities held for trading	4,030	—	4,030
Financial liabilities designated at fair value through profit or loss	—	3,409	3,409
Financial liabilities at amortised cost	482,501	546	483,047
Deposits from central banks and credit institutions	28,810	—	28,810
Customer deposits	393,060	574	393,634
Debt securities issued	52,608	—	52,608
Other financial liabilities	8,022	(27)	7,995
Derivatives - Hedge accounting	1,371	6,398	7,769
Liabilities under the insurance business	65,654	(65,654)	—
Insurance contract liabilities	—	62,595	62,595
Provisions	5,263	(32)	5,231
Other liabilities	(847)	(92)	(939)
Equity	34,263	(555)	33,708
Shareholders' equity	36,639	(731)	35,908
Minority interest	32	—	32
Accumulated other comprehensive income	(2,409)	177	(2,232)
Total liabilities and equity	**592,234**	**6,616**	**598,850**

(1) Opening balance sheet at 1 January 2023, after the unaudited restatement of IFRS 17 / IFRS 9.

The restated balance sheet includes the assets and liabilities under the insurance business in different line items in accordance with their nature. Previously, they were grouped in two specific line items.

Below is a summary of the main restatement adjustments:

- Portfolio of financial investments related to Unit Linked products and other: it is classified in its entirety in 'Financial assets designated at fair value through profit or loss', except equity instruments, which are reported in 'Financial assets not designated for trading compulsorily measured at fair value through profit or loss'.
- Rest of the portfolio of financial investments under the insurance business: they are mostly fixed-income assets that are eligible to be classified in 'Financial assets at fair value with changes in other comprehensive income'. Shares in mutual funds are compulsorily measured at fair value through profit or loss. A part of the fixed-income portfolio has been classified in 'Financial assets at amortised cost' to mitigate the volatility in other comprehensive income generated under IFRS 17.
- Derivatives used to adjust the flows of financial instruments to the claims expected to be paid to the insured: these derivatives are classified in 'Derivatives – Hedge accounting' in accordance with IFRS 9. This item explains most of the increase in the balance sheet's total under IFRS 17. Under the previous accounting standard, it was reported at fair value together with the valuation of the associated financial instrument.
- Intangible assets from business combinations carried out before the transition must be derecognised in accordance with IFRS 17, except those related to the short-term risk-related business.
- With regard to Unit Linked products and other, the valuation of insurance liabilities is reported in 'Insurance contract liabilities', except those which do not bear significant insurance risk, which are included in 'Financial liabilities designated at fair value through profit or loss' and 'Financial liabilities at amortised cost'.
- In accordance with IFRS 17, the new valuation of the rest of the insurance business is reported in 'Insurance contract liabilities', except for reinsurance contracts held which are reported separately in 'Assets under reinsurance contracts'. A component of this valuation is the specific estimate of the future profit expected and generated by each policy issued and not cancelled at year-end (known as the contractual service margin). The accrual of this margin throughout the life of the contract is included in the heading 'Insurance service result' of the income statement.
- The tax effects of the above adjustments are included in 'Other assets' and 'Other liabilities'.

Following the restatement, the Group's total assets increase by €6,616 million and liabilities by €7,170 million. The impact on equity amounts to €-555 million, of which €-731 million correspond to Shareholders' equity and €+177 million to Accumulated other comprehensive income.

Main ratios

The following table shows the impact of the restatement on the main **cost-to-income, profitability and stock market ratios after applying IFRS 17 and IFRS 9**:

	2022		
	Reported IFRS 4	**IFRS 17/9**	**Change**
Administrative expenses, depreciation and amortisation stripping out extraordinary expenses	6,020	5,525	(495)
Gross income	11,594	11,093	(501)
Recurring cost-to-income ratio (12 months)	51.9%	49.8%	(2.1)
Profit/(loss) attributable to the Group adjusted by AT1	2,884	2,868	(16)
Average shareholder equity + valuation adjustments	34,880	34,578	(302)
ROE (12 months)	8.3%	8.3%	—
Profit/(loss) attributable to the Group adjusted by AT1	2,884	2,868	(16)
Average shareholder equity + valuation adjustments excluding intangible assets	29,533	29,368	(165)
ROTE (12 months)	9.8%	9.8%	—
Net profit adjusted by AT1	2,888	2,871	(17)
Average total assets	698,644	705,478	6,834
ROA (12 months)	0.4%	0.4%	—
Equity adjusted by minority interest	34,230	33,675	(555)
Shares outstanding, net of treasury shares	7,494	7,495	1
Book value per share at 31 Dec. 2022	4.57	4.49	(0.08)
Equity adjusted by minority interest and intangible assets	28,636	28,277	(359)
Shares outstanding, net of treasury shares	7,494	7,495	1
Tangible book value per share at 31 Dec. 2022	3.82	3.77	(0.05)

Results by business segment

The table below shows the **quarterly income statement for 2022 and the main balance sheet figures by business segment** reported to the market and restated after applying IFRS 17 / IFRS 9.

The **Banking and Insurance** business, which shows earnings from the insurance firm VidaCaixa, is the business most impacted by this adjustment, as it includes most of the Group's insurance business.

In **BPI**, the adjustment is due to the restatement of Allianz Portugal's net income (BPI holds a 35% stake in the company and markets its general insurance products in Portugal, recognising its income using the equity method).

The **Corporate centre** includes the difference between the Group's equity and the capital assigned to the businesses following the restatement:

€ million	Banking and Insurance			BPI		
	2022 reported IFRS 4	IFRS 17/9 adjustments	2022 IFRS 17/9	2022 reported IFRS 4	IFRS 17/9 adjustments	2022 IFRS 17/9
Net interest income	6,366	(362)	6,004	544	—	544
Dividend income and share of profit/(loss) of entities accounted for using the equity method	212	(46)	166	29	4	33
Net fee and commission income	3,714	(155)	3,559	296	—	296
Trading income	299	(10)	289	27	—	27
Income and expense under insurance or reinsurance contracts	866	(866)	—	—	—	—
Insurance service result	—	935	935		—	
Other operating income and expense	(918)	—	(918)	(38)	—	(38)
Gross income	10,539	(504)	10,035	857	4	861
Recurring administrative expenses, depreciation and amortisation	(5,505)	495	(5,010)	(455)	—	(455)
Extraordinary expenses	(50)	—	(50)		—	
Pre-impairment income	4,984	(8)	4,976	402	4	406
Pre-impairment income stripping out extraordinary expenses	5,034	(8)	5,026	402	4	406
Allowances for insolvency risk	(976)	—	(976)	(6)	—	(6)
Other charges to provisions	(98)	(1)	(99)	(22)	—	(22)
Gains/(losses) on disposal of assets and others	(69)	—	(69)	—	—	—
Profit/(loss) before tax	3,842	(9)	3,833	374	4	378
Income tax expense	(1,089)	(11)	(1,100)	(101)	—	(101)
Profit/(loss) after tax	**2,753**	**(20)**	**2,733**	**272**	**4**	**276**
Profit/(loss) attributable to minority interest and others	2	—	2	—	—	—
Profit/(loss) attributable to the Group	**2,751**	**(20)**	**2,731**	**272**	**4**	**276**
Assets	**548,046**	**7,042**	**555,088**	**38,795**	**9**	**38,804**
Liabilities	**520,274**	**7,161**	**527,435**	**36,340**	**9**	**36,349**
Assigned capital	**27,740**	**(119)**	**27,621**	**2,455**	**—**	**2,455**

€ million	Corporate centre		
	2022 reported IFRS 4	IFRS 17/9 adjustments	2022 IFRS 17/9
Net interest income	6	(2)	4
Dividend income and share of profit/(loss) of entities accounted for using the equity method	187	—	187
Net fee and commission income	—	—	—
Trading income	12	—	12
Income and expense under insurance or reinsurance contracts	—	—	—
Insurance service result	—	—	—
Other operating income and expense	(7)	—	(7)
Gross income	198	(2)	196
Recurring administrative expenses, depreciation and amortisation	(60)	—	(60)
Extraordinary expenses	—	—	—
Pre-impairment income	138	(2)	136
Pre-impairment income stripping out extraordinary expenses	138	(2)	136
Allowances for insolvency risk	—	—	—
Other charges to provisions	(9)	—	(9)
Gains/(losses) on disposal of assets and others	(19)	—	(19)
Profit/(loss) before tax	110	(2)	108
Income tax expense	12	—	12
Profit/(loss) after tax	**122**	**(1)**	**121**
Profit/(loss) attributable to minority interest and others	—	—	—
Profit/(loss) attributable to the Group	**122**	**(1)**	**121**
Assets	**5,394**	**(435)**	**4,959**
Liabilities	**1,358**	**—**	**1,358**
Assigned capital	**4,036**	**(435)**	**3,601**

15 APPENDICES

ALTERNATIVE PERFORMANCE MEASURES

In addition to the financial information prepared in accordance with International Financial Reporting Standards (IFRSs), this document includes certain Alternative Performance Measures (APMs) as defined in the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 30 June 2015 (ESMA/2015/1057) (the "ESMA guidelines"). CaixaBank uses certain APMs, which have not been audited, for a better understanding of the Group's financial performance. These measures are considered additional disclosures and in no case replace the financial information prepared under IFRSs. Moreover, the way the Group defines and calculates these measures may differ to the way similar measures are calculated by other companies. Accordingly, they may not be comparable.

ESMA guidelines define an APM as a financial measure of historical or future performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

In accordance with these guidelines, following is a list of the APMs used, along with a reconciliation between certain management indicators and the indicators presented in the consolidated financial statements prepared under IFRS. Figures are presented in millions of euros unless the use of another unit is stated explicitly.

Alternative Performance Measures used by the Group

1. Profitability and cost-to-income

a. Customer spread:

Explanation: difference between:

> average rate of return on loans (annualised quarterly income from loans and advances to customers divided by the net average balance of loans and advances to customers for the quarter).

> average rate for retail customer funds (annualised quarterly cost of retail customer funds divided by the average balance of those same retail customer funds for the quarter, excluding subordinated liabilities that can be classified as retail).

Note: The average balances of the analysed period are calculated on the basis of the daily closing balances of said period, except in the case of some subsidiaries, for which the average balances are calculated as the arithmetic average of the closing balances of each month.

Purpose: allows the Group to track the spread between interest income and costs for customers.

		3Q22	4Q22	1Q23	2Q23	3Q23
Numerator	Annualised quarterly income from loans and advances to customers	6,257	7,986	10,747	12,687	14,136
Denominator	Net average balance of loans and advances to customers	340,968	340,765	338,447	338,029	334,372
(a)	**Average yield rate on loans (%)**	**1.84**	**2.34**	**3.18**	**3.75**	**4.23**
Numerator	Annualised quarterly cost of on-balance sheet retail customer funds	95	603	1,213	2,086	2,698
Denominator	Average balance of on-balance sheet retail customers funds	392,598	384,810	378,532	378,501	382,179
(b)	**Average cost rate of retail customer funds (%)**	**0.02**	**0.16**	**0.32**	**0.55**	**0.71**
	Customer spread (%) (a - b)	1.82	2.18	2.86	3.20	3.52

b. Balance sheet spread:

Explanation: difference between:

- average rate of return on assets (annualised interest income for the quarter divided by total average assets for the quarter).
- average cost of funds (annualised interest expenses for the quarter divided by total average funds for the quarter).

Note: The average balances of the analysed period are calculated on the basis of the daily closing balances of said period, except in the case of some subsidiaries, for which the average balances are calculated as the arithmetic average of the closing balances of each month.

Purpose: allows the Group to track the spread between interest income and cost for its on-balance sheet assets and liabilities.

		3Q22	4Q22	1Q23	2Q23	3Q23
Numerator	Annualised quarterly interest income	8,689	11,490	14,628	17,624	19,702
Denominator	Average total assets for the quarter	708,157	686,491	616,023	622,732	621,007
(a)	**Average return rate on assets (%)**	**1.23**	**1.67**	**2.37**	**2.83**	**3.17**
Numerator	Annualised quarterly interest expenses	2,329	3,674	5,779	7,829	8,831
Denominator	Average total funds for the quarter	708,157	686,491	616,023	622,732	621,007
(b)	**Average cost of fund rate (%)**	**0.33**	**0.54**	**0.94**	**1.26**	**1.42**
	Balance sheet spread (%) (a - b)	0.90	1.13	1.43	1.57	1.75

c. ROE:

Explanation: Profit/(loss) attributable to the Group (adjusted by the amount of the Additional Tier 1 coupon reported in shareholder equity) divided by average shareholder equity plus valuation adjustments for the last 12 months (calculated as the average value of the monthly average balances).

Purpose: allows the Group to monitor the return on its shareholder equity.

		IFRS 4		IFRS 17/9			
		3Q22	4Q22	4Q22	1Q23	2Q23	3Q23
(a)	Profit/(loss) attributable to the Group 12M	2,881	3,145	3,129	3,278	3,692	4,318
(b)	Additional Tier 1 coupon	(272)	(261)	(261)	(253)	(257)	(269)
Numerator	**Adjusted profit/(loss) attributable to the Group 12M (a+b)**	**2,609**	**2,884**	**2,868**	**3,025**	**3,435**	**4,049**
(c)	Average shareholder equity 12M	36,949	36,822	36,225	36,042	35,832	36,080
(d)	Average valuation adjustments 12M	(1,784)	(1,943)	(1,647)	(1,880)	(2,003)	(2,099)
Denominator	**Average shareholder equity + valuation adjustments 12M (c+d)**	**35,165**	**34,880**	**34,578**	**34,162**	**33,830**	**33,981**
	ROE (%)	7.4%	8.3%	8.3%	8.9%	10.2%	11.9%
(e)	Extraordinary income from the merger in 2021	88	-	-	-	-	-
Numerator	**Adjusted numerator 12M (a+b-e)**	**2,522**	**-**	**-**	**-**	**-**	**-**
	ROE (%) ex M&A impacts	7.2%	-	-	-	-	-

d. ROTE:

Explanation: quotient between:

- Profit/(loss) attributed to the Group (adjusted by the amount of the Additional Tier 1 coupon, registered in shareholder equity).
- 12-month average shareholder equity plus valuation adjustments (calculated as the average value of the monthly average balances) deducting intangible assets using management criteria (calculated as the value of intangible assets in the public balance sheet, plus the intangible assets and goodwill associated with investees, net of provisions, recognised in Investments in joint ventures and associates in the public balance sheet).

Purpose: metric used to measure the return on a company's tangible equity.

		IFRS 4		IFRS 17/9			
		3Q22	4Q22	4Q22	1Q23	2Q23	3Q23
(a)	Profit/(loss) attributable to the Group 12M	2,881	3,145	3,129	3,278	3,692	4,318
(b)	Additional Tier 1 coupon	(272)	(261)	(261)	(253)	(257)	(269)
Numerator	**Adjusted profit/(loss) attributable to the Group 12M (a+b)**	**2,609**	**2,884**	**2,868**	**3,025**	**3,435**	**4,049**
(c)	Average shareholder equity 12M	36,949	36,822	36,225	36,042	35,832	36,080
(d)	Average valuation adjustments 12M	(1,784)	(1,943)	(1,647)	(1,880)	(2,003)	(2,099)
(e)	Average intangible assets 12M	(5,268)	(5,347)	(5,210)	(5,269)	(5,312)	(5,355)
Denominator	**Average shareholder equity + valuation adjustments excluding intangible assets 12M (c+d+e)**	**29,897**	**29,533**	**29,368**	**28,893**	**28,517**	**28,626**
	ROTE (%)	8.7%	9.8%	9.8%	10.5%	12.0%	14.1%
(f)	Extraordinary income from the merger in 2021	88	-	-	-	-	-
Numerator	**Adjusted numerator 12M (a+b-f)**	**2,522**	**-**	**-**	**-**	**-**	**-**
	ROTE (%) ex M&A impacts	8.4%	-	-	-	-	-

e. ROA:

Explanation: net profit (adjusted by the amount of the Additional Tier 1 coupon reported in shareholder equity) divided by average total assets for the last 12 months (calculated as the average value of the daily balances of the analysed period).

Purpose: measures the level of return relative to assets.

		IFRS 4		IFRS 17/9			
		3Q22	4Q22	4Q22	1Q23	2Q23	3Q23
(a)	Profit/(loss) after tax and before minority interest 12M	2,886	3,149	3,132	3,281	3,694	4,321
(b)	Additional Tier 1 coupon	(272)	(261)	(261)	(253)	(257)	(269)
Numerator	**Adjusted net profit 12M (a+b)**	**2,614**	**2,888**	**2,871**	**3,028**	**3,438**	**4,052**
Denominator	**Average total assets 12M**	**702,550**	**698,644**	**705,478**	**681,570**	**658,680**	**636,714**
	ROA (%)	0.4%	0.4%	0.4%	0.4%	0.5%	0.6%
(c)	M&A impacts in 2021	88	-	-	-	-	-
Numerator	**Adjusted numerator 12M (a+b-c)**	**2,527**	**-**	**-**	**-**	**-**	**-**
	ROA (%) ex M&A impacts	0.4%	-	-	-	-	-

f. RORWA:

Explanation: net profit (adjusted by the amount of the Additional Tier 1 coupon reported in shareholder equity) divided by average total risk-weighted assets for the last 12 months (calculated as the average value of the quarterly average balances).

Purpose: measures the return based on risk-weighted assets.

		IFRS 4		IFRS 17/9			
		3Q22	4Q22	4Q22	1Q23	2Q23	3Q23
(a)	Profit/(loss) after tax and before minority interest 12M	2,886	3,149	3,132	3,281	3,694	4,321
(b)	Additional Tier 1 coupon	(272)	(261)	(261)	(253)	(257)	(269)
Numerator	**Adjusted net profit 12M (a+b)**	**2,614**	**2,888**	**2,871**	**3,028**	**3,438**	**4,052**
Denominator	**Risk-weighted assets (regulatory) 12M**	**215,836**	**215,077**	**215,077**	**215,207**	**215,623**	**216,837**
	RORWA (%)	1.2%	1.3%	1.3%	1.4%	1.6%	1.9%
(c)	M&A impacts in 2021	88	-	-	-	-	-
Numerator	**Adjusted numerator 12M (a+b-c)**	**2,527**	**-**	**-**	**-**	**-**	**-**
	RORWA (%) ex M&A impacts	1.2%	-	-	-	-	-

g. Cost-to-income ratio:

Explanation: operating expenses (administrative expenses, depreciation and amortisation) divided by gross income (or core income for the core efficiency ratio) for the last 12 months.

Purpose: metric widely used in the banking sector to compare the cost to income generated.

		IFRS 4		IFRS 17/9			
		3Q22	4Q22	4Q22	1Q23	2Q23	3Q23
Numerator	**Administrative expenses, depreciation and amortisation 12M**	**6,226**	**6,070**	**5,574**	**5,603**	**5,677**	**5,765**
Denominator	**Gross income 12M**	**11,210**	**11,594**	**11,093**	**11,537**	**12,346**	**13,491**
	Cost-to-income ratio	55.5%	52.4%	50.3%	48.6%	46.0%	42.7%
Numerator	**Administrative expenses, depreciation and amortisation stripping out extraordinary expenses 12M**	**6,092**	**6,020**	**5,525**	**5,558**	**5,645**	**5,741**
Denominator	**Gross income 12M**	**11,210**	**11,594**	**11,093**	**11,537**	**12,346**	**13,491**
	Cost-to-income ratio stripping out extraordinary expenses	54.3%	51.9%	49.8%	48.2%	45.7%	42.6%
Numerator	**Administrative expenses, depreciation and amortisation stripping out extraordinary expenses 12M**	**6,092**	**6,020**	**5,525**	**5,558**	**5,645**	**5,741**
Denominator	**Core income 12M**	**11,529**	**11,997**	**11,504**	**12,307**	**13,197**	**14,343**
	Core cost-to-income ratio	52.8%	50.2%	48.0%	45.2%	42.8%	40.0%

2. Risk management

a. Cost of risk:

Explanation: total allowances for insolvency risk (12 months) divided by average of gross loans to customers plus contingent liabilities, using management criteria (calculated as the average value of the monthly closing balances).

Purpose: indicator used to monitor and track the cost of allowances for insolvency risk on the loan book.

		3Q22	4Q22	1Q23	2Q23	3Q23
Numerator	**Allowances for insolvency risk 12M**	**892**	**982**	**1,009**	**1,062**	**1,172**
Denominator	**Average of gross loans + contingent liabilities 12M**	**384,113**	**386,862**	**389,593**	**390,562**	**389,044**
	Cost of risk (%)	0.23%	0.25%	0.26%	0.27%	0.30%

b. Non-performing loan ratio:

Explanation: quotient between:

> non-performing loans and advances to customers and contingent liabilities, using management criteria.

> total gross loans and advances to customers and contingent liabilities, using management criteria.

Purpose: indicator used to monitor and track the change in the quality of the loan portfolio.

		3Q22	4Q22	1Q23	2Q23	3Q23
Numerator	**Non-performing loans and contingent liabilities**	**11,643**	**10,690**	**10,447**	**10,317**	**10,200**
Denominator	**Total gross loans and contingent liabilities**	**391,522**	**391,199**	**390,190**	**393,583**	**384,428**
	Non-performing loan ratio (%)	3.0%	2.7%	2.7%	2.6%	2.7%

c. Coverage ratio:

Explanation: quotient between:

> total credit loss provisions for loans and advances to customers and contingent liabilities, using management criteria.

> non-performing loans and advances to customers and contingent liabilities, using management criteria.

Purpose: indicator used to monitor NPL coverage via provisions.

		3Q22	4Q22	1Q23	2Q23	3Q23
Numerator	**Provisions on loans and contingent liabilities**	**7,867**	**7,867**	**7,921**	**7,880**	**7,725**
Denominator	**Non-performing loans and contingent liabilities**	**11,643**	**10,690**	**10,447**	**10,317**	**10,200**
	Coverage ratio (%)	68%	74%	76%	76%	76%

d. Real estate available for sale coverage ratio:

Explanation: quotient between:

> gross debt cancelled at the foreclosure or surrender of the real estate asset less the present net book value of the real estate asset.

> gross debt cancelled at the foreclosure or surrender of the real estate asset.

Purpose: reflects the coverage level via write-downs and accounting provisions on foreclosed real estate assets available for sale.

		3Q22	4Q22	1Q23	2Q23	3Q23
(a)	Gross debt cancelled at the foreclosure	3,893	3,774	3,622	3,486	3,376
(b)	Net book value of the foreclosed assets	2,044	1,893	1,826	1,759	1,688
Numerator	**Total coverage of the foreclosed asset (a - b)**	**1,849**	**1,881**	**1,796**	**1,727**	**1,688**
Denominator	**Gross debt cancelled at the foreclosure**	**3,893**	**3,774**	**3,622**	**3,486**	**3,376**
	Real estate available for sale coverage ratio (%)	48%	50%	50%	50%	50%

e. Real estate available for sale coverage ratio with accounting provisions:

Explanation: quotient between:

> Accounting coverage: charges to provisions of foreclosed assets.

> Book value of the foreclosed asset: sum of net carrying amount and the accounting provision.

Purpose: indicator of accounting provisions covering foreclosed real estate assets available for sale.

		3Q22	4Q22	1Q23	2Q23	3Q23
Numerator	**Accounting provisions of the foreclosed assets**	**892**	**952**	**903**	**874**	**865**
(a)	Net book value of the foreclosed assets	2,044	1,893	1,826	1,759	1,688
(b)	Accounting provisions of the foreclosed assets	892	952	903	874	865
Denominator	**Gross book value of the foreclosed asset (a + b)**	**2,936**	**2,845**	**2,729**	**2,633**	**2,553**
	Real estate available for sale accounting coverage (%)	30%	33%	33%	33%	34%

3. Liquidity

a. Total Liquid Assets

Explanation: Sum of HQLAs (High Quality Liquid Assets within the meaning of Commission Delegated Regulation of 10 October 2014) plus the available balance under the facility with the European Central Bank (non-HQLA).

Purpose: shows the Bank's liquidity position.

		3Q22	4Q22	1Q23	2Q23	3Q23
(a)	**High Quality Liquid Assets (HQLAs)**	**141,124**	**95,063**	**95,798**	**98,110**	**102,659**
(b)	**Available balance under the ECB facility (non-HQLAs)**	**857**	**43,947**	**37,069**	**48,536**	**51,155**
	Total liquid assets (a + b)	141,981	139,010	132,867	146,646	153,813

b. Loan-to-deposits:

Explanation: quotient between:

> Net loans and advances to customers using management criteria excluding brokered loans (funded by public institutions).

> Customer deposits and accruals.

Purpose: metric showing the retail funding structure (enables us to measure the proportion of retail lending being funded by customer funds).

		3Q22	4Q22	1Q23	2Q23	3Q23
Numerator	**Loans and advances to customers, net (a-b-c)**	**351,410**	**350,670**	**350,504**	**353,539**	**344,655**
(a)	Loans and advances to customers, gross	362,465	361,323	361,077	363,952	355,057
(b)	Provisions for insolvency risk	7,508	7,408	7,437	7,376	7,238
(c)	Brokered loans	3,547	3,245	3,136	3,037	3,163
Denominator	**Customer deposits and accruals (d+e)**	**389,779**	**386,054**	**380,859**	**388,380**	**383,549**
(d)	Customer deposits	389,757	386,017	380,761	388,183	383,232
(e)	Accruals included in Reverse repurchase agreements and other	22	37	99	197	318
	Loan to Deposits (%)	90%	91%	92%	91%	90%

4. Stock market ratios

a. EPS (Earnings per share): Profit/(loss) attributed to the Group divided by the average number of shares outstanding.

*Note: The **average number of shares outstanding** is calculated as the average number of shares issued less the average number of treasury shares (includes the impact of the share buy-back programme for the executed volume associated with share buy-backs). The average is calculated as the average number of shares at the closing of each month of the analysed period.*

		IFRS 4		IFRS 17/9			
		3Q22	4Q22	4Q22	1Q23	2Q23	3Q23
Numerator	**Profit/(loss) attributable to the Group 12M ex M&A impacts merger**	2,794	3,145	3,129	3,278	3,692	4,318
Denominator	**Average number of shares outstanding, net of treasury shares**	7,945	7,819	7,819	7,690	7,566	7,505
	EPS (Earnings per share)	0.35	0.40	0.40	0.43	0.49	0.58
	Additional Tier 1 coupon	(272)	(261)	(261)	(253)	(257)	(269)
Numerator	**Numerator adjusted by AT1 coupon**	2,522	2,884	2,868	3,025	3,435	4,049
	EPS (Earnings per share) adjusted by AT1 coupon	0.32	0.37	0.37	0.39	0.45	0.54

b. PER *(Price-to-earnings ratio)*: share price at the closing of the analysed period divided by earnings per share (EPS).

		IFRS 4		IFRS 17/9			
		3Q22	4Q22	4Q22	1Q23	2Q23	3Q23
Numerator	**Share price at the end of the period**	3.311	3.672	3.672	3.584	3.787	3.786
Denominator	**Earnings per share (EPS)**	0.35	0.40	0.40	0.43	0.49	0.58
	PER (Price-to-earnings ratio)	9.41	9.13	9.18	8.41	7.76	6.58

c. Dividend yield: dividends paid (in shares or cash) corresponding to the last fiscal year divided by the period-end share price.

		3Q22	4Q22	1Q23	2Q23	3Q23
Numerator	**Dividends paid (in shares or cash) last year**	0.15	0.15	0.23	0.23	0.23
Denominator	**Share price at the end of the period**	3.311	3.672	3.584	3.787	3.786
	Dividend yield	4.42%	3.98%	6.43%	6.09%	6.09%

d. BVPS (Book value per share): equity less minority interests divided by the number of shares outstanding at a specific date.

*The **book value** and **tangible book value** per share include the impact of the share buy-back programme for the amount executed at the end of the quarter, in both the numerator (excluding the repurchased shares from shareholder equity, in spite of not having been redeemed yet) and the denominator (the number of shares does not include the repurchased shares).*

Outstanding shares equals shares issued (less treasury shares) at a specific date.

TBVPS (Tangible book value per share): quotient between:

- equity less minority interests and intangible assets.
- the number of outstanding shares at a specific date.

P/BV: share price at the end of the period divided by book value.

P/TBV: share price at the end of the period divided by tangible book value.

		IFRS 4		IFRS 17/9			
		3Q22	4Q22	4Q22	1Q23	2Q23	3Q23
(a)	Equity	34,274	34,263	33,708	33,034	34,044	35,332
(b)	Minority interest	(32)	(32)	(32)	(33)	(32)	(33)
Numerator	**Adjusted equity (c = a+b)**	**34,242**	**34,230**	**33,675**	**33,001**	**34,012**	**35,299**
Denominator	**Shares outstanding, net of treasury shares (d)**	**7,604**	**7,494**	**7,494**	**7,495**	**7,495**	**7,477**
e= (c/d)	Book value (€/share)	4.50	4.57	4.49	4.40	4.54	4.72
(f)	Intangible assets (reduce adjusted equity)	(5,300)	(5,594)	(5,399)	(5,371)	(5,363)	(5,382)
g=((c+f)/d)	Tangible book value (€/share)	3.81	3.82	3.77	3.69	3.82	400
(h)	Share price at the end of the period	3.311	3.672	3.672	3.584	3.787	3.786
h/e	P/BV (Share price divided by book value)	0.74	0.80	0.82	0.81	0.83	0.80
h/g	P/TBV tangible (Share price divided by tangible book value)	0.87	0.96	0.97	0.97	0.99	0.95

Adapting the public income statement to management format

Net fee and commission income. Includes the following line items:

> Fee and commission income.
> Fee and commission expenses.

Trading income. Includes the following line items:

> Gains/(losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss (net).
> Gains/(losses) on financial assets not designated for trading compulsorily measured at fair value through profit or loss (net).
> Gains/(losses) on financial assets and liabilities held for trading, net.
> Gains/(losses) from hedge accounting, net.
> Exchange differences (net).

Administrative expenses, depreciation and amortisation. Includes the following line items:

> Administrative expenses.
> Depreciation and amortisation.

Pre-impairment income.

> (+) Gross income.
> (-) Operating expenses.

Impairment losses on financial assets and other provisions. Includes the following line items:

> Impairment/(reversal) of impairment losses on financial assets not measured at fair value through profit or loss or gains/(losses) on adjustments.
> Provisions/(reversal) of provisions.

Of which: Allowances for insolvency risk.

> Impairment/(reversal) of impairment losses on financial assets not measured at fair value through profit or loss corresponding to Loans and advances to customers, using management criteria.
> Provisions/(reversal) of provisions corresponding to Provisions for contingent liabilities, using management criteria.

Of which: Other charges to provisions.

> Impairment/(reversal) of impairment losses on financial assets not measured at fair value through profit or loss, excluding balances corresponding to Loans and advances to customers, using management criteria.
> Provisions/(reversal) of provisions, excluding provisions corresponding to contingent liabilities using management criteria.

Gains/(losses) on derecognition of assets and others. Includes the following line items:

> Impairment or reversal of impairment on investments in joint ventures or associates.
> Impairment or reversal of impairment on non-financial assets.
> Gains/(losses) on derecognition of non-financial assets and investments, net.
> Profit/(loss) from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations (net).

Profit/(loss) attributable to minority interests and others. Includes the following line items:

> Profit/(loss) for the period attributable to minority interests (non-controlling interests).
> Profit/(loss) after tax from discontinued operations.

Reconciliation of activity indicators using management criteria

LOANS AND ADVANCES TO CUSTOMERS, GROSS

September 2023

€ million	
Financial assets at amortised cost - Customers (Public Balance Sheet)	**346,146**
Clearing houses and sureties provided in cash	(1,639)
Other, non-retail, financial assets	(242)
Fixed income bonds considered retail financing (Financial assets at amortised cost - Public debt securities, Balance Sheet)	**3,553**
Provisions for insolvency risk	**7,238**
Loans and advances to customers (gross) using management criteria	**355,057**

INSURANCE CONTRACT LIABILITIES

September 2023

€ million	
Insurance contract liabilities (Public Balance Sheet)	**65,306**
Financial component's correction as a result of updating the liabilities in accordance with IFRS 17 (excluding Unit Link and other)	3,811
Financial liabilities designated at fair value through profit or loss (Public Balance Sheet)	**3,321**
Other financial liabilities not considered as Insurance contract liabilities	(62)
Financial liabilities of BPI Vida registered under Financial liabilities at amortised cost - Customer deposits	**751**
Insurance contract liabilities, using management criteria	**73,128**

CUSTOMER FUNDS

September 2023

€ million	
Financial liabilities at amortised cost - Customer deposits (Public balance sheet)	**391,450**
Non-retail financial liabilities (registered under Financial liabilities at amortised cost - Customer deposits)	**(7,356)**
Multi-issuer covered bonds and subordinated deposits	(4,668)
Counterparties and other	(2,688)
Retail financial liabilities (registered under Financial liabilities at amortised cost - Debt securities)	**1,443**
Retail issues and other	1,443
Liabilities under insurance contracts, using management criteria	**73,128**
Total on-balance sheet customer funds	**458,664**
Assets under management	**155,264**
Other accounts[1]	**5,395**
Total customer funds	**619,323**

(1) It mainly includes transitional funds associated with transfers and collection activity.

INSTITUTIONAL FINANCING FOR BANKING LIQUIDITY PURPOSES

September 2023	
€ million	
Financial liabilities at amortised cost - Debt securities issued (Public Balance Sheet)	**56,882**
Institutional financing not considered for the purpose of managing bank liquidity	**(4,508)**
Securitised bonds	(968)
Value adjustments	(2,451)
Retail	(1,443)
Issues acquired by companies within the group and other	354
Customer deposits for the purpose of managing bank liquidity[1]	**4,668**
Institutional financing for the purpose of managing bank liquidity	**57,042**

(1) A total of €4,635 million in multi-issuer covered bonds (net of retained issues) and €33 million in subordinated deposits.

FORECLOSED REAL ESTATE ASSETS (AVAILABLE FOR SALE AND HELD FOR RENT)

September 2023	
€ million	
Non-current assets and disposal groups classified as held for sale (Public Balance Sheet)	**2,274**
Other non-foreclosed assets	(622)
Inventories under the heading - Other assets (Public Balance Sheet)	**35**
Foreclosed available for sale real estate assets	**1,688**
Tangible assets (Public Balance Sheet)	**7,305**
Tangible assets for own use	(5,826)
Other assets	(310)
Foreclosed rental real estate assets	**1,169**

HISTORICAL FIGURES FOR THE CABK AND BPI PERIMETERS

| A. QUARTERLY PERFORMANCE OF THE INCOME STATEMENT AND SOLVENCY RATIOS

	CABK				
€ million	3Q23	2Q23	1Q23	4Q22	3Q22
Net interest income	**2,486**	**2,212**	**1,975**	**1,795**	**1,463**
Dividend income	—	3	68	31	—
Share of profit/(loss) of entities accounted for using the equity method	88	54	63	6	66
Net fee and commission income	823	835	864	882	893
Trading income	66	92	75	23	59
Insurance service result	297	257	244	277	236
Other operating income and expense	(90)	(219)	(465)	(480)	(89)
Gross income	**3,670**	**3,233**	**2,825**	**2,534**	**2,628**
Recurring administrative expenses, depreciation and amortisation	(1,343)	(1,327)	(1,313)	(1,263)	(1,259)
Extraordinary expenses	(4)	(3)	(2)	(15)	(11)
Pre-impairment income	**2,323**	**1,903**	**1,509**	**1,256**	**1,357**
Pre-impairment income stripping out extraordinary expenses	**2,327**	**1,906**	**1,512**	**1,271**	**1,368**
Allowances for insolvency risk	(274)	(186)	(233)	(406)	(166)
Other charges to provisions	(76)	(74)	(24)	19	(28)
Gains/(losses) on disposal of assets and others	(22)	(47)	(19)	(31)	(19)
Profit/(loss) before tax	**1,951**	**1,596**	**1,233**	**838**	**1,144**
Income tax expense	(563)	(476)	(463)	(257)	(332)
Profit/(loss) after tax	**1,388**	**1,120**	**771**	**580**	**812**
Profit/(loss) attributable to minority interest and others		0		1	—
Profit/(loss) attributable to the Group	**1,388**	**1,120**	**771**	**580**	**811**
Risk-weighted assets	*204,073*	*199,543*	*197,014*	*197,823*	*196,298*
Fully-loaded Common Equity Tier 1 (CET1)	*12.0%*	*12.3 %*	*12.5%*	*12.6%*	*12.3 %*
Fully-loaded Total capital	*17.0%*	*17.4%*	*17.8%*	*17.2%*	*16.5%*

	BPI				
€ million	3Q23	2Q23	1Q23	4Q22	3Q22
Net interest income	**254**	**230**	**207**	**175**	**140**
Dividend income		75		0	
Share of profit/(loss) of entities accounted for using the equity method	13	12	16	25	15
Net fee and commission income	71	74	73	77	75
Trading income	6	(30)	6	(12)	14
Insurance service result					
Other operating income and expense	2	(21)	(26)	3	—
Gross income	**346**	**339**	**277**	**267**	**244**
Recurring administrative expenses, depreciation and amortisation	(129)	(127)	(126)	(113)	(116)
Extraordinary expenses					
Pre-impairment income	**218**	**212**	**150**	**154**	**128**
Pre-impairment income stripping out extraordinary expenses	**218**	**212**	**150**	**154**	**128**
Allowances for insolvency risk	(9)	(14)	(22)	(28)	(6)
Other charges to provisions	(18)	(1)	(1)	(25)	(6)
Gains/(losses) on disposal of assets and others	(2)	3	(1)	0	(1)
Profit/(loss) before tax	**189**	**199**	**125**	**100**	**116**
Income tax expense	(55)	(38)	(41)	(21)	(32)
Profit/(loss) after tax	**134**	**161**	**84**	**80**	**85**
Profit/(loss) attributable to minority interest and others					
Profit/(loss) attributable to the Group	**134**	**161**	**84**	**80**	**85**
Risk-weighted assets	*18,543*	*18,427*	*18,119*	*17,280*	*19,201*
Fully-loaded Common Equity Tier 1 (CET1)	*14.5%*	*14.3%*	*14.3%*	*14.8%*	*13.5%*
Fully-loaded Total capital	*18.4%*	*18.2%*	*18.3%*	*18.9%*	*17.1%*

| B. QUARTERLY COST AND INCOME AS PART OF NET INTEREST INCOME

		CAIXABANK														
		3Q23			2Q23			1Q23			4Q22			3Q22		
€ million		Average balance	Income or expense	Rate %	Average balance	Income or expense	Rate %	Average balance	Income or expense	Rate %	Average balance	Income or expense	Rate %	Average balance	Income or expense	Rate %
Financial Institutions		51,127	518	4.02	47,410	414	3.50	42,433	277	2.65	103,621	293	1.12	119,659	152	0.50
Loans and advances	(a)	309,046	3,266	4.19	312,753	2,904	3.72	313,243	2,438	3.16	315,500	1,853	2.33	315,729	1,454	1.83
Debt securities		82,027	293	1.42	83,495	266	1.28	83,698	201	0.97	85,525	168	0.78	85,801	95	0.44
Other assets with returns		59,538	437	2.91	59,106	427	2.90	57,929	381	2.67	56,321	341	2.40	59,131	329	2.21
Other assets		85,598	96		86,169	74		85,733	57		88,146	39		88,292	12	
Total average assets	**(b)**	**587,336**	**4,610**	**3.11**	**588,933**	**4,085**	**2.78**	**583,036**	**3,354**	**2.33**	**649,113**	**2,694**	**1.65**	**668,612**	**2,042**	**1.21**
Financial Institutions		46,361	(481)	4.12	55,846	(498)	3.58	49,825	(352)	2.86	110,786	(208)	0.74	120,832	(127)	0.42
Retail customer funds	(c)	353,491	(623)	0.70	349,629	(480)	0.55	349,635	(278)	0.32	354,686	(143)	0.16	362,164	(23)	0.02
Wholesale marketable debt securities & other		46,503	(521)	4.44	43,764	(420)	3.85	45,101	(331)	2.98	46,295	(184)	1.58	45,831	(85)	0.74
Subordinated liabilities		10,617	(82)	3.06	10,893	(73)	2.70	9,798	(53)	2.19	8,796	(25)	1.15	8,624	(13)	0.58
Other funds with cost		75,742	(400)	2.09	74,163	(390)	2.11	72,999	(355)	1.97	70,969	(330)	1.84	73,148	(318)	1.73
Other funds		54,622	(17)		54,638	(12)		55,678	(10)		57,581	(9)		58,013	(13)	
Total average funds	**(d)**	**587,336**	**(2,124)**	**1.43**	**588,933**	**(1,873)**	**1.28**	**583,036**	**(1,379)**	**0.96**	**649,113**	**(899)**	**0.55**	**668,612**	**(579)**	**0.34**
Net interest income		**2,486**			**2,212**			**1,975**			**1,795**			**1,463**		
Customer spread (%)	**(a-c)**	**3.49**			**3.17**			**2.84**			**2.17**			**1.81**		
Balance sheet spread (%)	**(b-d)**	**1.68**			**1.5**			**1.37**			**1.1**			**0.87**		

		BPI														
		3Q23			2Q23			1Q23			4Q22			3Q22		
€ million		Average balance	Income or expense	Rate %	Average balance	Income or expense	Rate %	Average balance	Income or expense	Rate %	Average balance	Income or expense	Rate %	Average balance	Income or expense	Rate %
Financial Institutions		3,038	29	3.76	2,798	22	3.18	2,627	18	2.78	6,421	25	1.55	8,589	13	0.59
Loans and advances	(a)	25,391	299	4.67	25,341	259	4.10	25,260	212	3.40	25,319	160	2.50	25,290	123	1.93
Debt securities		8,639	43	1.99	8,602	39	1.82	8,380	30	1.45	8,328	22	1.06	8,343	13	0.63
Other assets with returns			2			2			2	0.00		4	0.00		5	
Other assets		2,213			2,663	2		2,444	2	0.00	3,276	2	0.00	3,275		
Total average assets	**(b)**	**39,281**	**373**	**3.77**	**39,404**	**324**	**3.30**	**38,711**	**264**	**2.77**	**43,344**	**213**	**1.95**	**45,497**	**154**	**1.35**
Financial Institutions		2,802	(26)	3.74	3,337	(28)	3.35	2,380	(18)	3.03	5,932	(10)	0.67	7,761	(5)	0.25
Retail customer funds	(c)	28,571	(58)	0.80	28,674	(40)	0.55	29,096	(21)	0.29	30,093	(10)	0.13	30,507	(2)	0.02
Wholesale marketable debt securities & other		2,501	(27)	4.30	1,899	(19)	4.06	1,899	(13)	2.69	1,899	(12)	2.60	1,898	(4)	0.76
Subordinated liabilities		425	(7)	6.90	425	(7)	6.76	425	(6)	5.25	425	(5)	4.70	425	(4)	3.32
Other funds with cost										0.00			0.00			
Other funds		4,982			5,068			4,911		0.00	4,995		0.00	4,906		
Total average funds	**(d)**	**39,281**	**(119)**	**1.20**	**39,404**	**(94)**	**0.96**	**38,711**	**(57)**	**0.60**	**43,344**	**(38)**	**0.34**	**45,497**	**(14)**	**0.12**
Net interest income		**254**			**230**			**207**			**175**			**140**		
Customer spread (%)	**(a-c)**	**3.87**			**3.55**			**3.11**			**2.37**			**1.91**		
Balance sheet spread (%)	**(b-d)**	**2.57**			**2.34**			**2.17**			**1.61**			**1.23**		

| C. QUARTERLY CHANGE IN FEES AND COMMISSIONS

	CAIXABANK				
€ million	3Q23	2Q23	1Q23	4Q22	3Q22
Banking services, securities and other fees	453	469	508	524	525
Sale of insurance products	82	84	91	81	86
Mutual funds, managed accounts and SICAVs	214	209	191	196	205
Pension plans and other	75	73	74	81	78
Net fee and commission income	**823**	**835**	**864**	**882**	**893**

	BPI				
€ million	3Q23	2Q23	1Q23	4Q22	3Q22
Banking services, securities and other fees	45	48	47	47	46
Sale of insurance products	12	12	13	13	13
Mutual funds, managed accounts and SICAVs	7	7	8	8	9
Pension plans and other	7	7	6	8	7
Net fee and commission income	**71**	**74**	**73**	**77**	**75**

| D. QUARTERLY CHANGE IN ADMINISTRATIVE EXPENSES, DEPRECIATION AND AMORTISATION

	CAIXABANK				
€ million	3Q23	2Q23	1Q23	4Q22	3Q22
Gross income	**3,670**	**3,233**	**2,825**	**2,534**	**2,628**
Personnel expenses	(834)	(814)	(806)	(769)	(773)
General expenses	(333)	(337)	(340)	(325)	(322)
Depreciation and amortisation	(176)	(176)	(168)	(169)	(165)
Recurring administrative expenses, depreciation and amortisation	**(1,343)**	**(1,327)**	**(1,313)**	**(1,263)**	**(1,259)**
Extraordinary expenses	(4)	(3)	(2)	(15)	**(11)**

	BPI				
€ million	3Q23	2Q23	1Q23	4Q22	3Q22
Gross income	**346**	**339**	**277**	**267**	**244**
Personnel expenses	(63)	(62)	(62)	(68)	(59)
General expenses	(47)	(47)	(46)	(27)	(38)
Depreciation and amortisation	(19)	(18)	(18)	(19)	(19)
Recurring administrative expenses, depreciation and amortisation	**(129)**	**(127)**	**(126)**	**(113)**	**(116)**
Extraordinary expenses	—	—	—	—	—

| E. CHANGES IN THE NPL RATIO

	CAIXABANK			BPI		
	30 Sep. 2023	30 Jun. 2023	31 Dec. 2022	30 Sep. 2023	30 Jun. 2023	31 Dec. 2022
Loans to individuals	**3.2%**	**3.0%**	**3.1%**	**1.5%**	**1.8%**	**1.7%**
Home purchases	2.7%	2.5%	2.5%	1.0%	1.2%	1.2%
Other	4.6%	4.3%	4.8%	5.1%	6.6%	5.9%
Loans to business	**2.7%**	**2.8%**	**3.0%**	**2.6%**	**2.6%**	**2.6%**
Public sector	**0.1%**	**0.1%**	**0.1%**			
NPL Ratio (loans and contingent liabilities)	**2.7%**	**2.7%**	**2.8%**	**1.7%**	**1.9%**	**1.9%**

ACTIVITY INDICATORS BY REGION

This additional view of the Group's activities has been included to show **loans and funds by the region in which they originated** (for instance, loans and funds of BPI Vida, BPI Gestao de Activos, BPI Global Investment Fund and the cards business are reported in Portugal and not in Spain, to which they would otherwise relate under the Group's corporate structure).

Spain

€ million	30 Sep. 2023	30 Jun. 2023	Change %	31 Dec. 2022	Change %
LOANS AND ADVANCES TO CUSTOMERS					
Loans to individuals	**159,766**	**165,497**	**(3.5)**	**166,628**	**(4.1)**
Home purchases	119,305	120,999	(1.4)	124,862	(4.5)
Other	40,460	44,499	(9.1)	41,766	(3.1)
of which: Consumer lending	17,946	17,929	0.1	17,701	1.4
Loans to business	**147,798**	**149,305**	**(1.0)**	**146,415**	**0.9**
Public sector	**17,596**	**19,199**	**(8.3)**	**18,974**	**(7.3)**
Loans and advances to customers, gross	**325,160**	**334,001**	**(2.6)**	**332,017**	**(2.1)**
CUSTOMER FUNDS					
Customer deposits	355,022	359,741	(1.3)	355,962	(0.3)
Demand deposits	320,182	331,175	(3.3)	338,333	(5.4)
Time deposits	34,841	28,565	22.0	17,630	97.6
Insurance contract liabilities	68,871	68,365	0.7	64,673	6.5
of which: Unit Linked and other	15,877	16,080	(1.3)	14,903	6.5
Reverse repurchase agreements and other	2,263	2,935	(22.9)	2,623	(13.7)
On-balance sheet funds	**426,156**	**431,041**	**(1.1)**	**423,258**	**0.7**
Mutual funds, managed accounts and SICAVs[1]	106,504	106,815	(0.3)	99,115	7.5
Pension plans	41,307	41,656	(0.8)	40,224	2.7
Assets under management	**147,810**	**148,471**	**(0.4)**	**139,339**	**6.1**
Other accounts	**5,316**	**7,743**	**(31.3)**	**5,647**	**(5.9)**
Total customer funds	**579,282**	**587,255**	**(1.4)**	**568,245**	**1.9**

Portugal

€ million	30 Sep. 2023	30 Jun. 2023	Change %	31 Dec. 2022	Change %
LOANS AND ADVANCES TO CUSTOMERS					
Loans to individuals	**16,435**	**16,381**	**0.3**	**16,156**	**1.7**
Home purchases	14,560	14,444	0.8	14,183	2.7
Other	1,875	1,936	(3.2)	1,972	(4.9)
of which: Consumer lending	1,547	1,609	(3.8)	1,611	(4.0)
Loans to business	**11,572**	**11,666**	**(0.8)**	**11,365**	**1.8**
Public sector	**1,890**	**1,904**	**(0.8)**	**1,786**	**5.8**
Loans and advances to customers, gross	**29,897**	**29,951**	**(0.2)**	**29,307**	**2.0**
CUSTOMER FUNDS					
Customer deposits	28,209	28,442	(0.8)	30,055	(6.1)
Demand deposits	17,343	18,177	(4.6)	21,563	(19.6)
Time deposits	10,866	10,265	5.9	8,492	28.0
Insurance contract liabilities	4,257	4,383	(2.9)	4,313	(1.3)
of which: Unit Linked and other	3,273	3,353	(2.4)	3,407	(3.9)
Reverse repurchase agreements and other	42	23	79.9	8	
On-balance sheet funds	**32,508**	**32,849**	**(1.0)**	**34,376**	**(5.4)**
Mutual funds, managed accounts and SICAVs[1]	4,454	4,525	(1.6)	5,510	(19.2)
Pension plans	2,999	3,115	(3.7)	3,088	(2.9)
Assets under management	**7,453**	**7,641**	**(2.5)**	**8,598**	**(13.3)**
Other accounts	**80**	**80**	**(0.4)**	**81**	**(1.8)**
Total customer funds	**40,041**	**40,569**	**(1.3)**	**43,055**	**(7.0)**

(1) In April 2023 Banco BPI completed the sale of its stake in BPI Suisse to CaixaBank Wealth Management Luxembourg (wholly-owned subsidiary of CaixaBank, S.A.). This sale entails the balance of June 2023 including the transfer of €1,017 million from Portugal to Spain.

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This report contains a number of the Alternative Performance Measures (APMs) set out in the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415) ("the ESMA Guidelines") so as to provide a clearer picture of the company's financial performance and situation. Please be advised that these APMs have not been audited. These measures constitute additional information and should be treated accordingly. In no event are they intended to replace the financial information drawn up in accordance with International Financial Reporting Standards (IFRS). Moreover, the way the Group defines and calculates these measures may differ to the way similar measures are calculated by other companies. As such, they may not be comparable. Please consult the report's section that includes the details of the APMs used. The report also provides a reconciliation between certain management indicators and the indicators presented in the consolidated financial statements prepared under IFRS. The Group has applied IFRS 17: "Insurance Contracts" and IFRS 9: "Financial Instruments" to the assets and liabilities under the insurance business as of 1 January 2023 and hence the income statement for the fiscal year 2022 and the balance sheet at 31 December 2022 have been restated for comparative purposes. The Group has also considered the IFRS 9 requirements, an accounting standard that it had already been applying to recognise and measure its financial assets and liabilities in its banking business. The financial information published in the Business Activity and Results Report of the first quarter of 2023 has been restated in the second quarter after obtaining more detailed information (Other Relevant Information of 5 May 2023). See 'Relevant aspects in the half' and 'IFRS 17 and IFRS 9 Restatement'.

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