

Key Group figures

€ million / %	January - December		Change	4Q22	Quarter-on-quarter
	2022	2021			
PROFIT/(LOSS)					
Net interest income	6,916	5,975	15.7%	2,072	22.8%
Net fee and commission income	4,009	3,705	8.2%	1,011	0.7%
Core income	11,997	10,597	13.2%	3,356	12.2%
Gross income	11,594	10,274	12.8%	2,947	(1.5)%
Recurring administrative expenses, depreciation and amortisation	(6,020)	(5,930)	1.5%	(1,504)	0.0%
Pre-impairment income	5,524	2,225		1,428	(3.2)%
Pre-impairment income stripping out extraordinary expenses	5,574	4,344	28.3%	1,443	(3.0)%
Profit/(loss) attributable to the Group	3,145	5,226	(39.8)%	688	(22.2)%
Profit/(loss) attributable to the Group ex M&A impacts in 2021	3,145	2,359	33.3%		
MAIN RATIOS (Last 12 months)					
Cost-to-income ratio	52.4%	78.3%	(26.0)	52.4%	(3.2)
Cost-to-income ratio stripping out extraordinary expenses	51.9%	57.7%	(5.8)	51.9%	(2.4)
Cost of risk ¹ (last 12 months)	0.25%	0.23%	0.02	0.25%	0.02
ROE ¹	8.3%	6.4%	1.8	8.3%	1.1
ROTE ¹	9.8%	7.6%	2.2	9.8%	1.3
ROA ¹	0.4%	0.3%	0.1	0.4%	0.1
RORWA ¹	1.3%	1.1%	0.3	1.3%	0.1
	December 2022	December 2021	Change	September 2022	Quarter-on-quarter
BALANCE SHEET					
Total assets	592,234	680,036	(12.9)%	675,790	(12.4)%
Equity	34,263	35,425	(3.3)%	34,274	0.0%
BUSINESS ACTIVITY					
Customer funds	609,133	619,971	(1.7)%	612,504	(0.6)%
Loans and advances to customers, gross	361,323	352,951	2.4%	362,465	(0.3)%
RISK MANAGEMENT					
Non-performing loans (NPL)	10,690	13,634	(2,943)	11,643	(952)
Non-performing loan ratio	2.7%	3.6%	(0.9)	3.0%	(0.2)
Provisions for insolvency risk	7,867	8,625	(757)	7,867	1
NPL coverage ratio	74%	63%	11	68%	6
Net foreclosed available for sale real estate assets	1,893	2,279	(386)	2,044	(151)
LIQUIDITY					
Total Liquid Assets	139,010	168,349	(29,338)	141,981	(2,970)
Liquidity Coverage Ratio (last 12 months)	194%	336%	(29)	276%	(22)
Net Stable Funding Ratio (NSFR)	142%	154%	(12)	145%	(3)
Loan to deposits	91%	89%	2	90%	1
CAPITAL ADEQUACY					
Common Equity Tier 1 (CET1)	12.8%	13.1%	(0.3)	12.4%	0.4
Tier 1	14.8%	15.5%	(0.7)	14.3%	0.5
Total capital	17.4%	17.9%	(0.5)	16.5%	0.9
MREL	26.0%	25.7%	0.3	25.1%	0.9
Risk-Weighted Assets (RWAs)	214,431	215,651	(1,220)	215,499	(1,068)
Leverage ratio	5.6%	5.3%	0.3	4.8%	0.8
SHARE INFORMATION					
Share price (€/share)	3.672	2.414	1.258	3.311	0.361
Market capitalisation	25,870	19,441	6,429	25,176	694
Book value per share (€/share)	4.57	4.39	0.18	4.50	0.06
Tangible book value per share (€/share)	3.82	3.73	0.09	3.81	0.01
Net income (ex M&A impacts) attributable per share (€/share) (12 months)	0.37	0.28	0.09	0.32	0.05
PER (Price/Profit, ex M&A impacts; times)	9.95	8.65	1.30	10.43	(0.48)
Tangible PBV (Market value/ book value of tangible assets)	0.96	0.65	0.31	0.87	0.09
OTHER DATA (units)					
Employees	44,625	49,762	(5,137)	44,501	124
Branches ²	4,404	5,317	(913)	4,461	(57)
of which: retail branches in Spain	3,818	4,615	(797)	3,859	(41)
ATMs	12,947	14,426	(1,479)	13,047	(100)

(1) The 2021 ratios do not include in the numerator the results generated by Bankia before 31 March 2021, which is the recognition date of the merger for accounting purposes or, for consistency, the contribution of the incorporated RWAs or balance items in the denominator. They neither consider the extraordinary impacts associated with the merger.

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

Results

The Group's Income Statement

Year-on-year accounting performance

€ million	2022	2021	Chg. %	ex M&A	
				2021	Chg. %
Net interest income	6,916	5,975	15.7	5,975	15.7
Dividend income	163	192	(14.9)	192	(14.9)
Share of profit/(loss) of entities accounted for using the equity method	264	425	(37.8)	425	(37.8)
Net fee and commission income	4,009	3,705	8.2	3,705	8.2
Trading income	338	220	53.8	220	53.8
Income and expense under insurance or reinsurance contracts	866	651	33.1	651	33.1
Other operating income and expense	(963)	(893)	7.8	(893)	7.8
Gross income	11,594	10,274	12.8	10,274	12.8
Recurring administrative expenses, depreciation and amortisation	(6,020)	(5,930)	1.5	(5,930)	1.5
Extraordinary expenses	(50)	(2,119)	(97.7)	(1)	
Pre-impairment income	5,524	2,225		4,343	27.2
Pre-impairment income stripping out extraordinary expenses	5,574	4,344	28.3	4,344	28.3
Allowances for insolvency risk	(982)	(838)	17.3	(838)	17.3
Other charges to provisions	(129)	(478)	(73.0)	(384)	(66.4)
Gains/(losses) on disposal of assets and others	(87)	4,405		(59)	47.7
Profit/(loss) before tax	4,326	5,315	(18.6)	3,062	41.3
Income tax expense	(1,179)	(88)		(702)	67.9
Profit/(loss) after tax	3,147	5,227	(39.8)	2,360	33.3
Profit/(loss) attributable to minority interest and others	2	1	59.9	1	59.9
Profit/(loss) attributable to the Group	3,145	5,226	(39.8)	2,359	33.3

Year-on-year proforma performance

€ million	2022	2021	Change	Chg. %
Net interest income	6,916	6,422	493	7.7
Dividend income	163	192	(29)	(15.0)
Share of profit/(loss) of entities accounted for using the equity method	264	436	(172)	(39.5)
Net fee and commission income	4,009	3,987	22	0.6
Trading income	338	230	108	47.0
Income and expense under insurance or reinsurance contracts	866	651	215	33.1
Other operating income and expense	(963)	(934)	(28)	3.0
Gross income	11,594	10,985	610	5.5
Recurring administrative expenses, depreciation and amortisation	(6,020)	(6,374)	354	(5.6)
Extraordinary expenses	(50)	(1)	(49)	
Pre-impairment income	5,524	4,610	915	19.8
Pre-impairment income stripping out extraordinary expenses	5,574	4,611	963	20.9
Allowances for insolvency risk	(982)	(961)	(22)	2.3
Other charges to provisions	(129)	(407)	278	(68.3)
Gains/(losses) on disposal of assets and others	(87)	(82)	(6)	6.9
Profit/(loss) before tax	4,326	3,160	1,166	36.9
Income tax expense	(1,179)	(734)	(444)	60.5
Profit/(loss) after tax	3,147	2,426	721	29.7
Profit/(loss) attributable to minority interest and others	2	1	1	52.7
Comparative proforma Profit/(loss)	3,145	2,424	721	29.7
- Profit/(loss) Bankia pre-merger stripping out extraordinary expenses, net		(65)	65	
+ M&A impacts, net		2,867	(2,867)	
Profit/(loss) attributable to the Group (accounting profit/(loss))	3,145	5,226	(2,080)	(39.8)