Press Release
05/05/2022

1Q2022 RESULTS

IBERCAJA OBTAINS 63 MILLION EUROS OF NET INCOME, 15.2% HIGHER THAN IN THE FIRST QUARTER OF THE PREVIOUS YEAR

- **All the main P&L lines are evolving positively, and 63 million euros represents the best net income in a first quarter in the recent history of the Entity**
- **Customer funds grow by 4.3% year-on-year, up to 69,234 million euros, due to the positive dynamics in commercial activity. Compared to the end of 2021, this item registers a decline of 1.3%, entirely explained by the impact of the negative evolution of financial markets**
- **Despite the volatility seen in financial markets, net new money inflows in mutual funds show a strong resilience, with 279 million euros between January and March, which represents 10.7% of the system´s net new money inflows**
- **Loans to companies increase by 110 million euros, 1.4% higher than December 31, and the Entity continues to improve its market share in this segment, 6 basis points so far this year**
- **New mortgage production reaches maximum levels in the last five years for a first quarter, accumulating 489 million euros, a figure that multiplies by 2.5x that of the first three months of 2021**
- **New production of life risk and non-life premiums reaches 12 million euros in the first quarter of the year, 5.3% above that of the same period of the last year, driven mainly by life risk insurance, which increases by 45.6%**
- **Recurring revenues grow by 5.2% year-on-year, which is the second highest increase among the comparable entities, thanks to the increase in net fee income which offset the still negative evolution on net interest income**
- **Operating costs decrease by 4.6% due to the cost savings from the 2021-2022 redundancy plan**
- **As a result of the increase in recurring revenues and the fall in recurring expenses, recurring profit before provisions grow 25.5% more than in the same period of the previous year**
- **Doubtful loans decrease by 7.8% in the quarter and NPL ratio falls to 2.1%, and Ibercaja increases NPL coverage up to 79% from 75.3% at the end of 2021, which is the highest coverage ratio among the comparable entities**

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- **As a result of this outstanding evolution in asset quality, provisions fall by 36.4% year-on-year**
- **With a CET1 Fully Loaded ratio at 12.55%, Ibercaja maintains its solvency in line with its strategic target of 12.5%; Total Capital *Fully Loaded* ratio stands at 17.2%**
- **Digital customers grow by 4.6% year-on-year driven mainly by users of the mobile banking app which reach 623,000, 15.9% more than a year ago**
- **The aid to Ukraine, the support to companies on their way to sustainability through the initiative launched with Fundación Ibercaja and the decalogue of personalized attention to people over 65 years of age materialize the Bank´s commitment to sustainability in the first quarter of the year**

Zaragoza, 5 May 2022.- Ibercaja has obtained a net income of 63 million euros, 15.2% higher than in the same period last year. All the main items in the income statement show substantial progress and the Entity has recorded the highest net profit in a first quarter of its recent history.

In a particularly complex environment, with great uncertainty and volatility in the capital markets as a result of the war in Ukraine and the increase in prices, Ibercaja has continued to intensify its commercial activity, increasing customer funds by 4.3% year-on-year to 69,234 million euros. Compared to the end of last year, this item decreased by 1.3% due, entirely, to the impact on asset under management of the volatility in the markets. However, the Bank has not seen net outflows of funds from customers as result of this volatility. It should be noted that the weight of asset management and life insurance products on total customer funds is 46.2%.

At the same time, Ibercaja has maintained its solvency level in line with its strategic target, with the CET1 *Fully Loaded* capital ratio standing at 12.55%. In addition, the NPL ratio falls to 2.1% and the coverage ratio of non-performing loans increases to 79%, from 75.3% at the end of the year, becoming the Entity with the highest coverage among its peers.

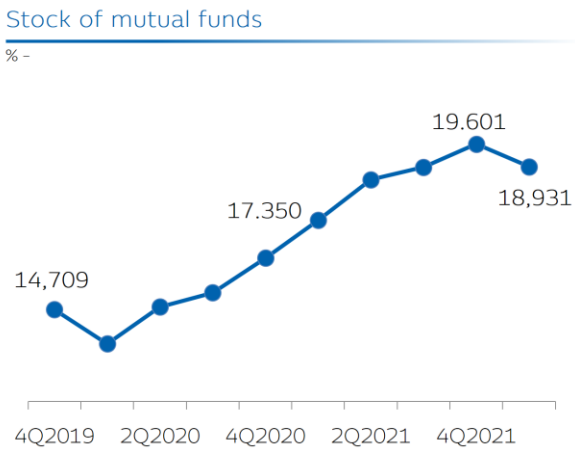
Intense commercial activity in a complex environment

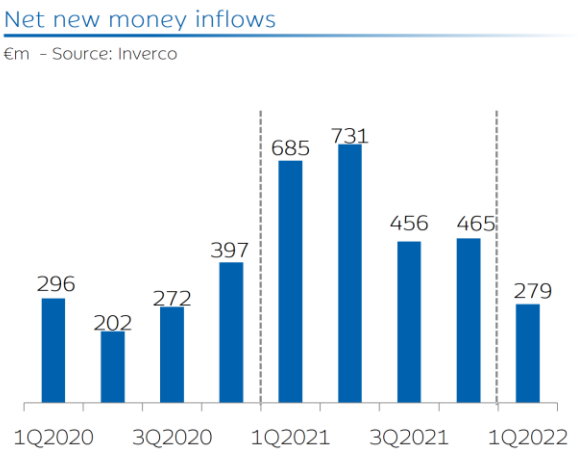
Ibercaja's advisory model is a differential strength in a very complex environment that has affected the price of most of the assets that constitute the asset management portfolios. Thus, net new money inflows to mutual funds show strong resilience, standing at 279 million euros in this first quarter of 2022, which represents 10.7% of total net new money inflows in the system. The stock of mutual funds reached 18,931 million euros at the end of March, representing an increase of 9.1% year-on-year. Meanwhile, compared to the end of last year, it represents a decline of 3.4%.

In accordance with Ibercaja's commitment to sustainability, investment in ESG products (environmental, social and governance) exceeds 2,200 million euros (compared to 1,177 million in 1Q2021), increasing the sustainable investment ratio from 4.5% in 2020 to 9.40%.

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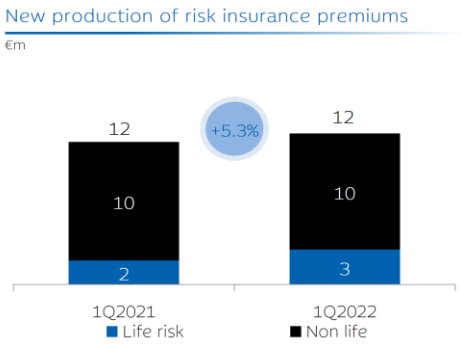
Once again, Ibercaja Gestion and Ibercaja Pensión, has been awarded by Expansion - All Funds. Ibercaja Gestion has been named as the best fixed income asset manager in Spain while Ibercaja Pensiones Bolsa USA has been awarded as best pension plan in the global equities category (quantitative awards)

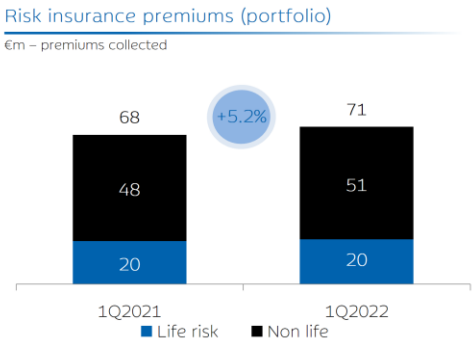


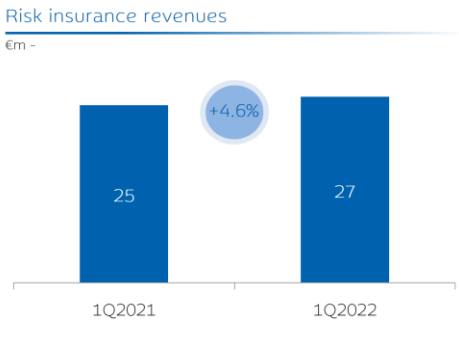


The new production of risk insurance reached 12 million euros in the first quarter of the year, 5.3% above that registered in the same period last year. This activity has been driven mainly by life risk insurance, which increases by 45.6% compared to the first quarter of the previous year.

With all this, the risk insurance premiums portfolio has increased by 5.2% to 71 million euros from March 2021 to March 2022; non-life insurance grows 6% and life insurance 3.6%. Thus, the contribution of risk insurance to the gross margin amounts to 27 million euros, 4.6% above last year levels.







Dynamism in loans to companies and mortgages

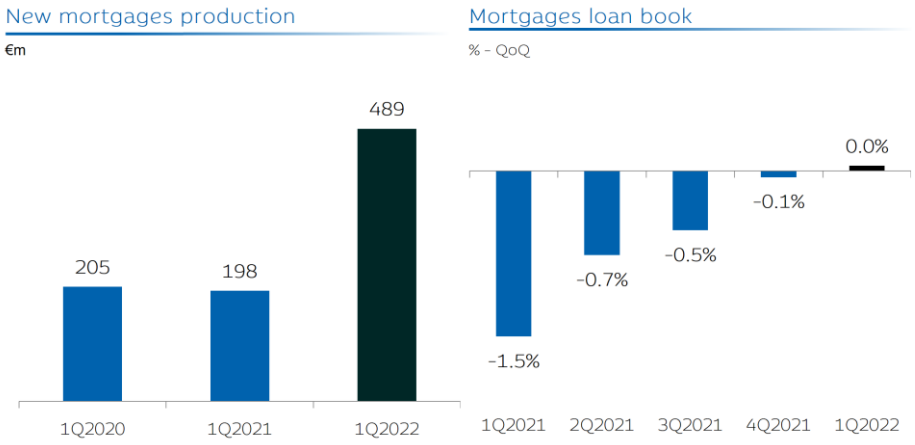
The Bank continues to reinforce its positioning in companies lending. Performing loans to companies grow 1.4% in the quarter or 110 million euros, and Ibercaja has continued to improved its market share in this segment by 6 basis points so far this year (latest data available as of March 2022).

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In this first quarter, Ibercaja signed an alliance with four leading technology companies, Microsoft Hiberus, Integra and Inycom, to offer a new digital program for small and medium-sized companies in all sectors of activity and made available to its customers a virtual assistant to provide them with information regarding European funds tenders.

All these initiatives add to the collaboration that Ibercaja has maintained since last year with the renowned specialized consultants Mazars and Silo, which offer advisory service to access the funds from the *Next Generation EU* plan.

Regarding new mortgage lending in the quarter, Ibercaja has granted 489 million euros, a figure that multiplies by 2.5 that of the first three months of 2021 and represents the maximum levels of production in a first quarter in the last five years. Thanks to this increase in new mortgage production, the Entity has stabilized the mortgage portfolio for the second consecutive quarter. The improvement of mortgage processes and the commercial campaign launched at the beginning of the year, which simplifies the access to financing, especially among youngest customers, have led to the excellent performance of this type of financing.



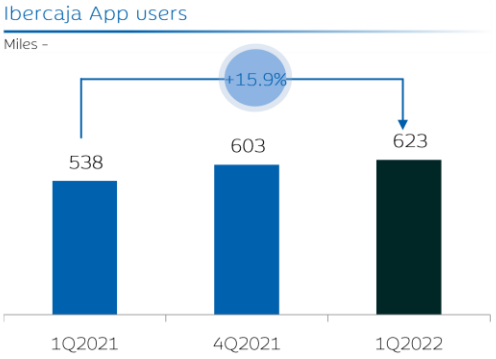
Leading mobile banking App in customer valuation

Within the framework of the Strategic Plan "Desafío 2023", Ibercaja continues with its digital transformation path in response to the acceleration of this trend seen among costumers. Ibercaja has increased its digital customers by 4.6% compared to the end of March 2021. This growth is mainly driven by the mobile app; Ibercaja App users grow by more than 15.9% year-on-year and reach 623,000 at the end of March 2022.

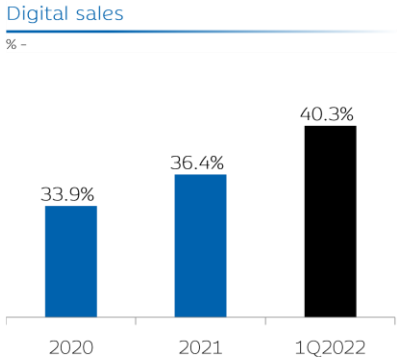
Thus, Ibercaja's digital customers already represent 58.1% of the total and digital sales already account for 40.3% in the first quarter of the year. In particular, the weight of digital channels sales grows strongly in new mortgages, exceeding 26%, compared to 13% in the fourth quarter of last year. In new risk insurance premiums, digital sales represent 8%, which also stands out if compared to 5% in the fourth quarter of 2021.

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The App maintains its leadership in user rating with a score of 4.65 out of 5 on the Apple Store and Google Play.







In addition to the innovations and improvements in digital banking that are being implemented, Ibercaja launched in 2021 the figure of digital managers, which allows to implement the proximity, personalization and specialization that characterizes Ibercaja' s commercial model into the non-face-to-face channels. In this way, Ibercaja reinforces the implementation of an omnichannel model, focused on customer experience. Ibercaja seeks to offer, through digital channels, the same level of quality of service and advice that it provides in its branches.

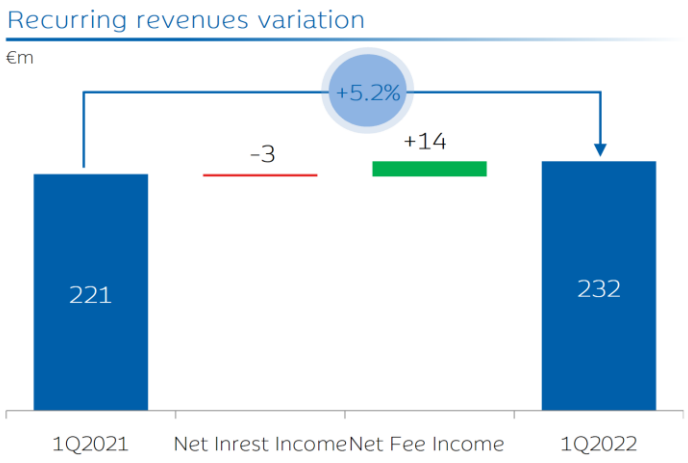
Recurring profit before provisions exceed pre pandemic levels

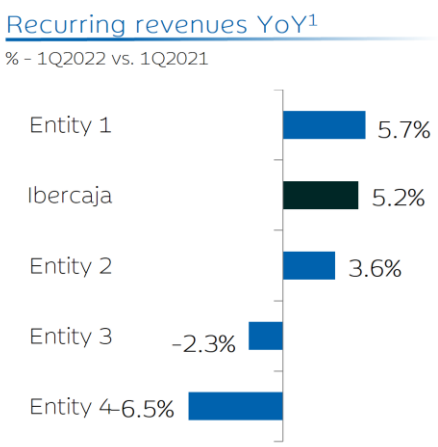
Recurring revenues grow by 5.2% in the first quarter to €232 million, thanks to an increase in banking commissions and non-banking commissions which offset the still negative evolution of net interest income. Ibercaja recorded the second largest increase in recurring revenues among comparable entities and has recovered pre-pandemic levels, thanks to the diversification of its business model.

Bank commissions increase by 7 million euros and non-banking commissions grows by 7 million euros. Compared to the first quarter of last year, these revenues have increased by 14.4%, representing 112 million euros.

Net interest income falls by 2.1% year-on-year. Ibercaja expects to improve its net interest income in coming months, both due to an increase in the volume of activity and to the positive impact that the increase of the Euribor will have in the repreciation of the loan portfolio.

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On the other hand, recurring expenses decrease by 4.6% compared to the same period of last year, based on the savings in staff costs derived from Redundancy Plan that is being carried out between the second half of 2021 and the first half of 2022. As of March 31, there had been 642 departures out of the 750 approved. With all this, the Bank has managed to improve its recurring efficiency ratio to 61%, from 67% recorded in the first quarter of last year.

The progressive recovery of revenues, together with the cost adjustment measures, have allowed Ibercaja to exceed the recurring profit before provisions that it generated before the pandemic, reaching 91 million euros in the period analyzed, 25.5% higher than in the first quarter of 2021.

Total provisions fall by 36.4% year-on-year. Cost of risk provisions decrease 46% year-on-year thanks to the excellent evolution of asset quality between January and March. The Entity maintains unused the 52 million euros of provision for Covid-19 constituted in 2020.

Finally, net attributable income is 63 million euros, 15.2% more than that obtained in the same period of the previous year.

Ibercaja continues to improve its asset quality

Doubtful loans decrease 7.8% in the quarter and the NPL ratio falls to 2.1%, increasing its coverage ratio to 70% from 75.3% at the end of 2021, being Ibercaja the Entity with the highest coverage ratio among peers.

Ibercaja also maintains the financial strength of its capital ratios with a CET1 *Fully Loaded* of 12.55%, in line with the medium-term target of 12.5%. The *Fully Loaded* Total Capital ratio amounts to 17.2% (and 17.6% in Phased-In terms). Thus, the solvency of the Entity stands 477 basis points above the 2022 SREP requirements.

Ibercaja maintains a high liquidity position and shows a solid funding structure based on the stable deposits of retail clients. Thus, loans to deposits ratio stands at 78.4%.

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Strong commitment to sustainability

Progress in ESG has continued to materialize and, in the first quarter of the year, the Bank and Fundación Ibercaja launched the Vamos Juntos hacia la Sostenibilidad project, with the aim of helping companies to incorporate the Sustainable Development Goals and the 2030 Agenda into their lines of work.

On the other hand, in response to the current social demand for financial inclusion of the elderly and within the framework of the agreement signed by AEB, CECA and UNACC, Ibercaja defined a decalogue of measures for the personalized attention of customers over 65 years of age through different channels. Currently, more than 90% of the Bank's customers over 65 years of age already use digital channels, ATMs or PoS and 62% of transfers of this group are already made through the app or Web Digital Banking.

The Bank published in the first quarter the sustainable impact of its activity in 2021, in which it highlighted its boost to ESG investment, which exceeds 2,200 million euros in mutual funds and pension plans; the creation of a new line of financing and advisory services for energy efficiency projects; and its decarbonization strategy, by which it is already carbon neutral for scopes 1 and 2, with the aim of being so for scope 3 in 2050, in accordance with its commitment in the United Nations Net Zero Banking Alliance.

Likewise, Ibercaja, through the investment funds and pension plans Sostenibles y Solidarios donated 225,000 euros to solidarity projects of non-profit associations in the first quarter of 2022, in collaboration with its shareholder foundations Caja Inmaculada, Caja Badajoz and Caja Círculo.

Fundación Ibercaja has carried out different initiatives in collaboration with the NGO Children's Villages to help the Ukrainian population, after the outbreak of the war in this country at the end of last February.

Grupo Ibercaja is a member of the *Net Zero Banking Alliance, Net Zero Asset Managers*, is a signatory of the Principles of Responsible Banking and Principles of Socially Responsible Investment of the United Nations, and belongs to the *Carbon Disclosure Project*, among others.

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1Q2022 P&L ACCOUNT

	1Q2021	1Q2022	YoY
Net Interest Income	123	120	-2.1%
Net Fee Income	98	112	14.4%
Recurring Revenues	**221**	**232**	**5.2%**
Gains/Losses on Financial Assets and Liabilities	35	5	-86.2%
Other Operating Income (Net)	8	3	-65.9%
Gross Operating Income	**263**	**240**	**-8.9%**
Operating Expenses	-148	-142	-4.6%
Pre-Provision Profit	**114**	**98**	**-14.4%**
Total Provisions	-34	-22	-36.4%
Other Gains and Losses	-1	10	n/a
Profit Before Taxes	**80**	**86**	**8,7%**
Taxes	-25	-24	-5.4%
Net Income	**55**	**63**	**15.2%**

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