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IBERCAJA BANCO

2024 FY Results

28th February 2025

EL BANCO DEL vamos



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01.

2024
Key Highlights



2024 key highlights

Solid growth in business volume, which increases by €4,882m or 4.9% YoY up to €105,000m

Customer funds: +6.0% YoY

Performing loans ex repos: +2.0% YoY

Recurring revenues increases by 3.5% YoY while credit risk provisions fall by 32.0%

Net Interest Income: +2.4% YoY

Net Fee Income: +7.1% YoY

Cost of risk: 29 bps

Profit before taxes is up 29.9% YoY. Net income reaches all-time highs

ROTE: 12.6%

Net Income: €337m

Significant increase in solvency levels thanks to strong profitability performance and a contained pay-out

CET1 FL: 13.3%

MDA Distance: 531 bps

02.

Commercial activity



Customer funds

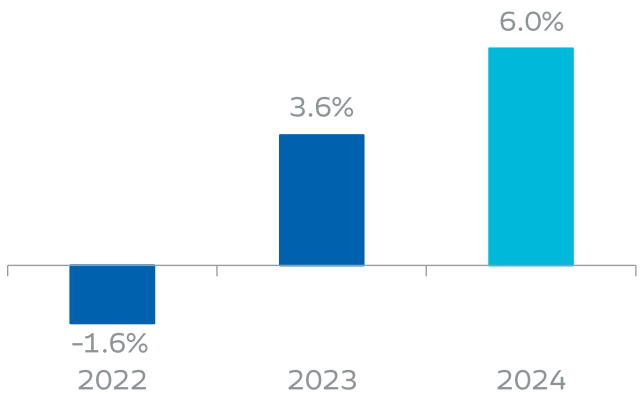
Customer funds

€m

	2024	YoY
Customer deposits	**34,627**	**2.6%**
Current accounts	28,698	-11.2%
Time deposits	5,930	n.a.
AuM & Life insurance products	**41,176**	**9.1%**
Mutual funds	26,648	12.6%
Pension funds	6,887	7.7%
Life insurance products	7,641	-0.8%
Customer funds	**75,803**	**6.0%**

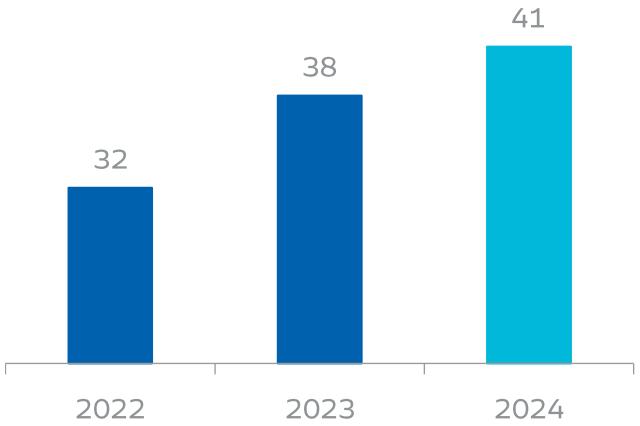
Customer funds evolution YoY

%



AuM and life insurance products

€m



Customer funds grow by 6.0% or €4,297m in the year and register a significant increase compared to previous years.

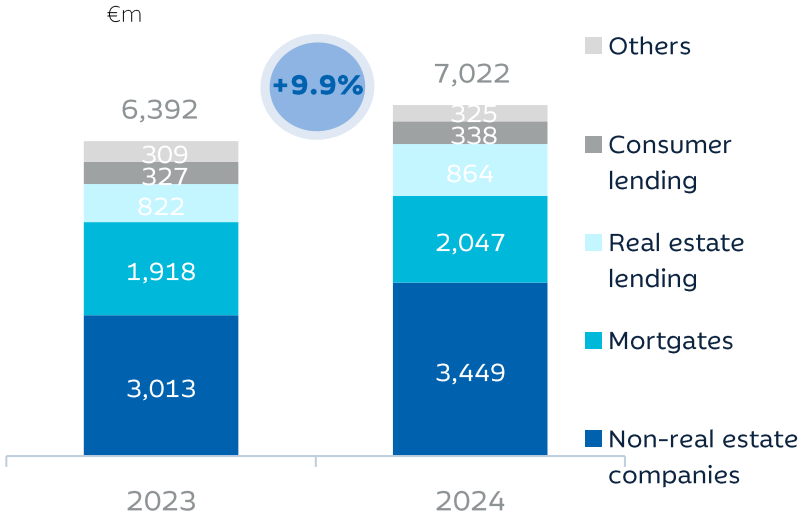
- **Time deposits** increase by **€4,509m** YoY and represent **17%** of total customer deposits. The **cost of new household time deposits** in 2024 remains contained at **1.5%.**
- The excellent performance of the **financial markets** contributes **€2,129m** in the year.

Asset management and life insurance reached all-time highs, exceeding €41,100m, +9.1% in the year.

- Asset management and life insurance products accounts for **54.3% of total customer funds**.

Customer loans

New lending

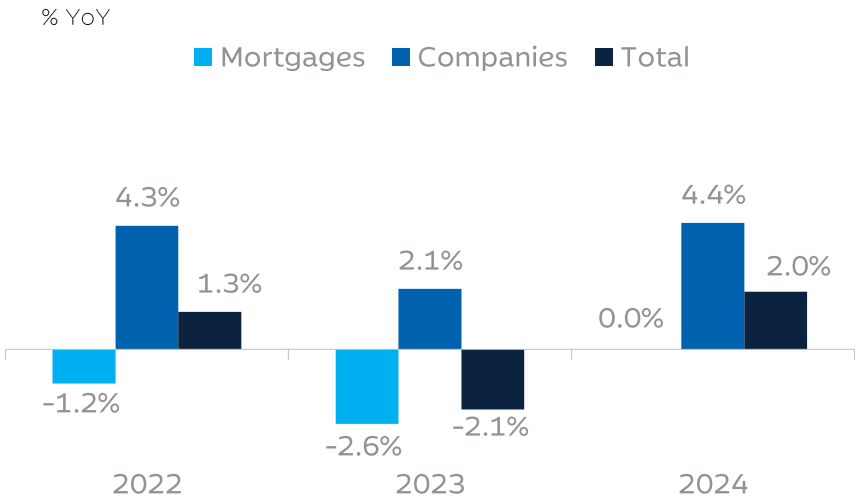


Performing loans ex repos

€m

	2024	YoY
Loans to households	**19,056**	**-0.1%**
Mortgages	17,409	0.0%
Consumer loans and others	1,647	-0.8%
Loans to companies	**8,904**	**4.4%**
Non-real estate companies	7,787	3.4%
Real estate companies	1,118	11.6%
Public sector and others	**1,236**	**22.2%**
Performing loans ex repos	**29,196**	**2.0%**

Performing loans evolution



The volume of new lending in the year improves by 9.9% to €7,022m.

- The good evolution of **new lending to non-real estate companies** stands out, increasing by **14.4% YoY** to **€3,449m.**
- Boost in **new mortgages**, which amounts to **€2,047m, 6.7%** higher than the previous year.

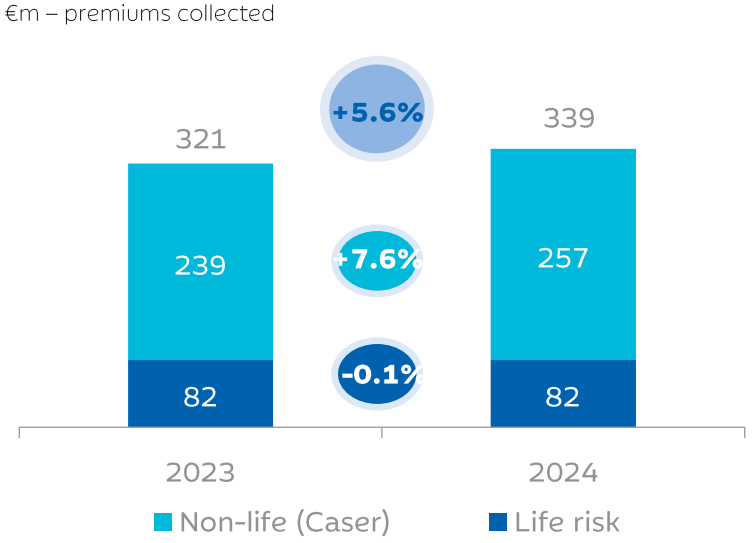
Performing loans excluding repos grow by 2.0% in the year thanks to the dynamism in companies and the change of trend in housing.

- **Loans to companies** registers an increase of **+4.4%** in the year and market share advances **+8 bps.**
- The **mortgage portfolio remains stable YoY** due to the solid performance of new lending and the decrease in early repayments.

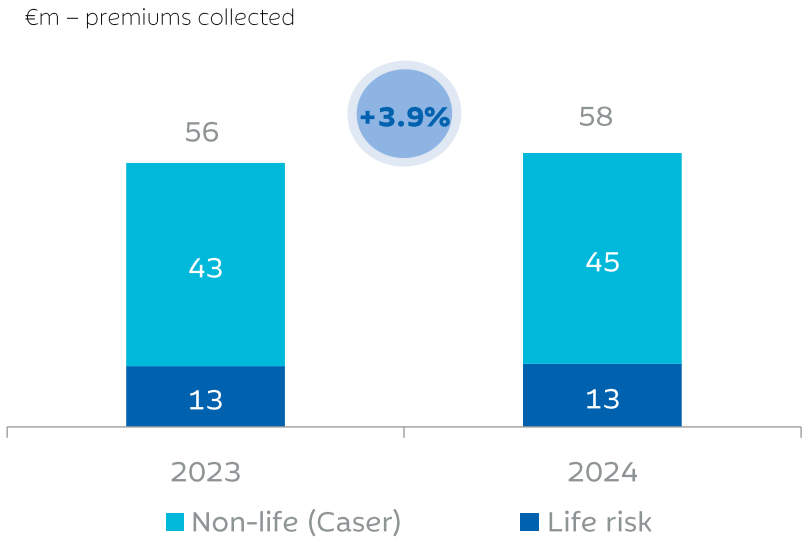
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Risk insurance

Risk insurance premiums (portfolio)



Risk insurance new production



New non-life premiums YoY evolution

%

Autos: +10.6% YoY

Companies: +9.3% YoY

Health: +9.2% YoY

The risk insurance portfolio increases by 5.6% YoY to €339m thanks to the good performance of non-life, +7.6% YoY.

New insurance production grows by 3.9% YoY.

- **Strong YoY performance** in **autos +10.6%, corporate +9.3%** and **health +9.2%.**

After achieving the objectives set for the first 5 years of the Business Plan signed with Caser, a result of €25 million has been recorded.

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03.

P&L Account



2024 Results

	2023	2024	YoY
Net Interest Income	661	677	2.4%
Net Fee Income	450	482	7.1%
Net income under insurance contracts	146	142	-2.6%
Recurring revenues	**1,257**	**1,301**	**3.5%**
Gains/Losses on Financial Assets and Liabilities	-8	-10	27.7%
Other Operating Income (Net)	-62	13	n.a
of which: temporary bank tax	-29	-54	86.8%
Gross Operating Income	**1,186**	**1,304**	**9.9%**
Operating expenses	-622	-651	4.6%
Pre-Provision Profit	**564**	**653**	**15.7%**
Total Provisions	-177	-150	-14.8%
of which: Loans and Foreclosed Assets Provisions	-130	-88	-32.0%
Other Gains and Losses	4	6	63.0%
Profit Before Taxes	**391**	**508**	**29.9%**
Taxes	-87	-172	n.a
Net Income	**304**	**337**	**10.7%**

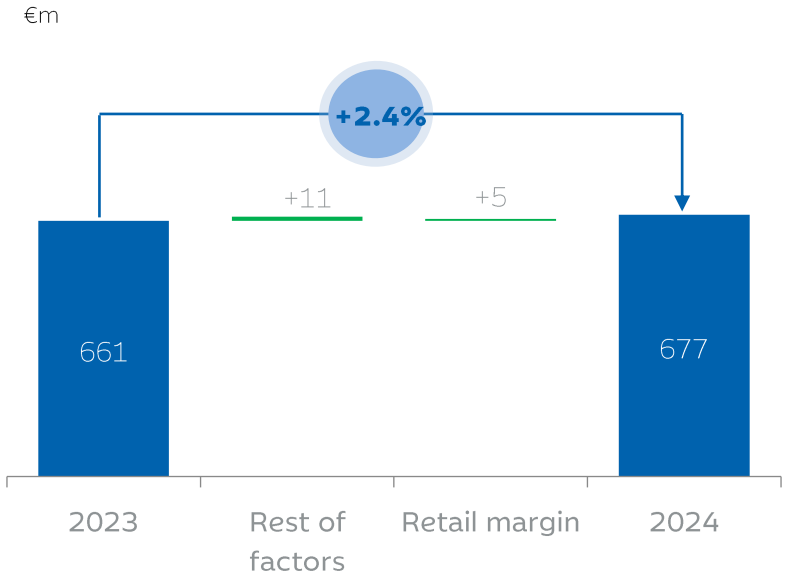
Net profit ex Cerro Murillo is up by 41.5% YoY

[1] During the first half of the 2023 financial year, the company Cerro Murillo, S.A. was put into liquidation, which led to the activation of the future associated tax loss. This transaction resulted in the recognition of €66 million under the heading of deferred tax assets in the consolidated balance sheet and under the heading of income tax on income from continuing operations in the consolidated income statement

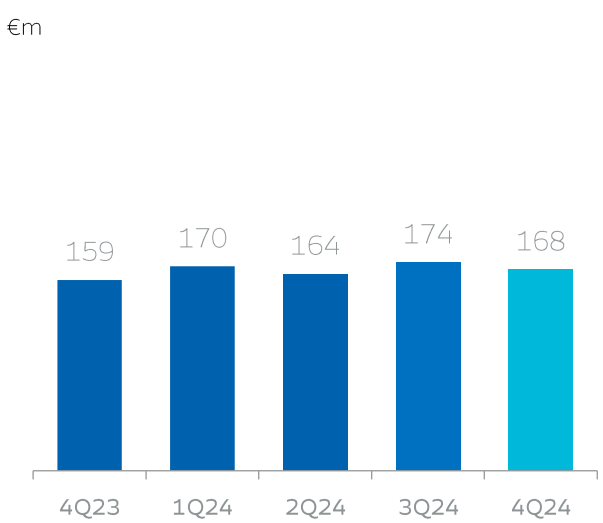
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Net Interest income

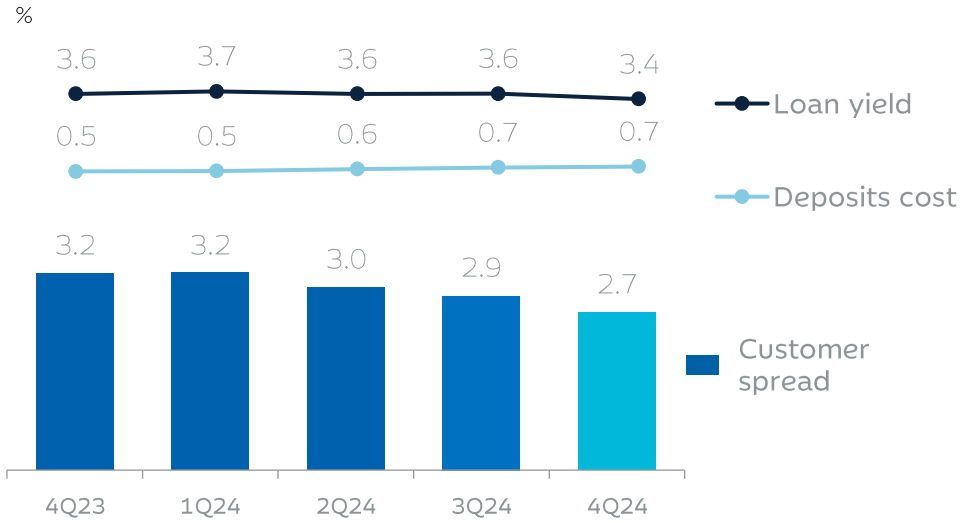
NII breakdown evolution



NII quarterly evolution



Customer spread



Net interest income reaches €677m, which means an increase of 2.4% or €16m YoY.

- This improvement is mainly due to the **improvement in customer spread**, as well as in the performance of **the fixed income portfolio**, which offsets the increase in wholesale funding costs.

Customer spread falls to 2.7% in the 4Q due to recent interest rate cuts.

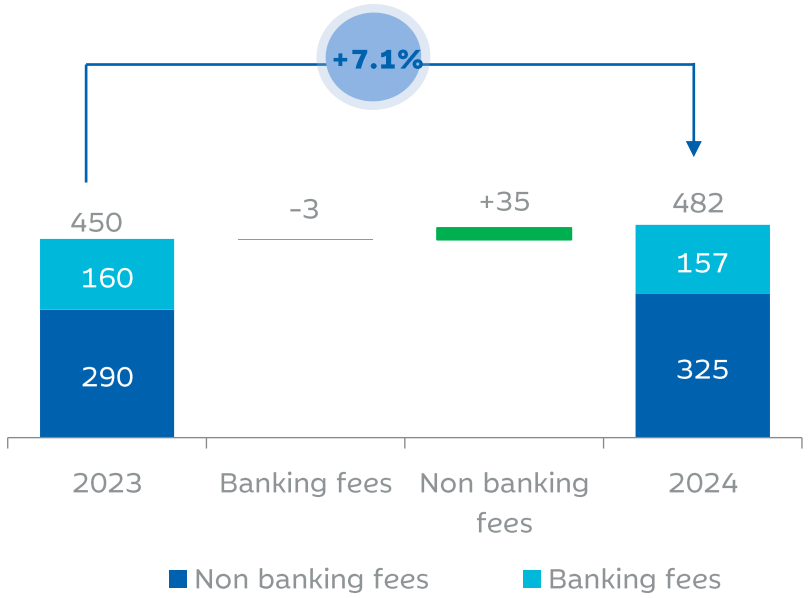
- **Loan yield** stands at **3.4%,** with the fall from the peaks still contained and much less pronounced than interest rates fall, and the **cost of deposits** remains at **0.7%.** The **deposit beta[1]** stands at **20%.**

[1] Average cost of customer deposits in 2024 vs. Average 12-month Euribor in the period (3.52%).

Net fee income

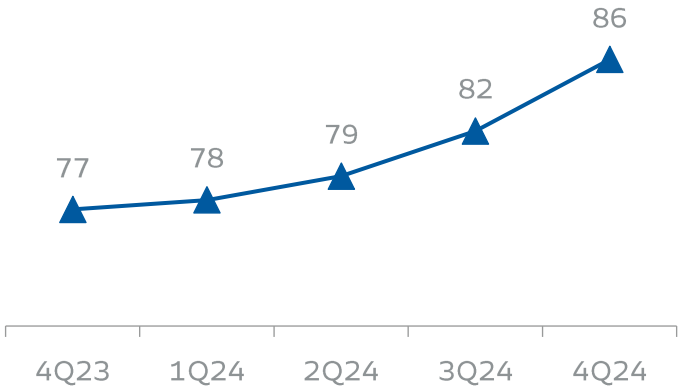
Net fee income breakdown evolution

€m



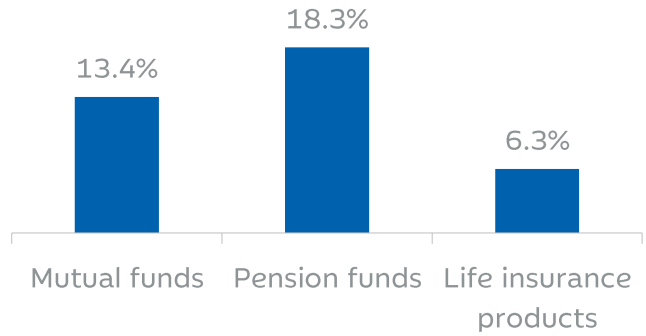
Non-banking fees

€m



YoY evolution by product

% - 2024 vs 2023



Net fee income increases by 7.1% YoY or €32m, fully explained by the good performance of non-banking fees.

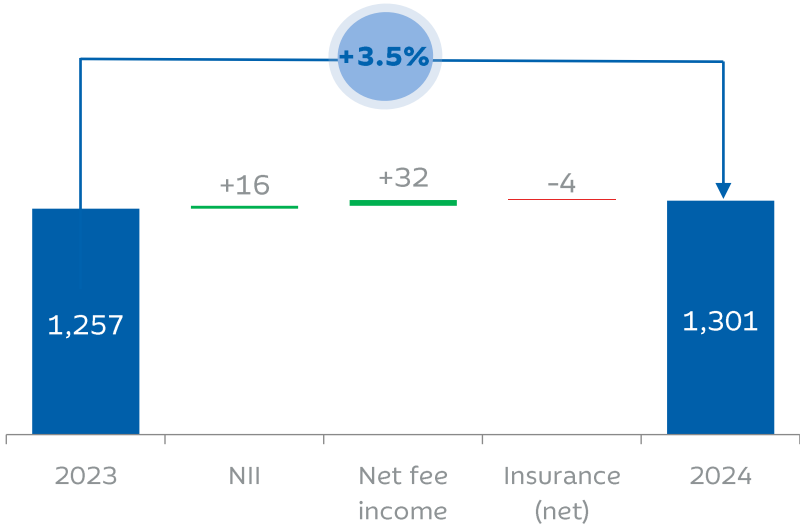
- **Non-banking fees perform exceptionally well and increase by +12.6% YoY** as a result of the increase in volumes in asset management and growth in the risk (non-life) insurance portfolio.
- **Banking fees decrease by 3.0% YoY**, mainly impacted by the fall in non-payment fees and the adjustment of rates in strategic customer segments.

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Recurring revenues & gross operating income

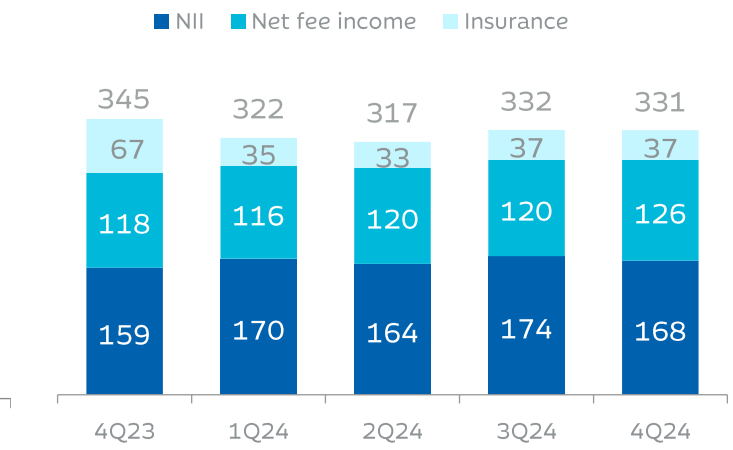
Recurring revenues evolution

€m



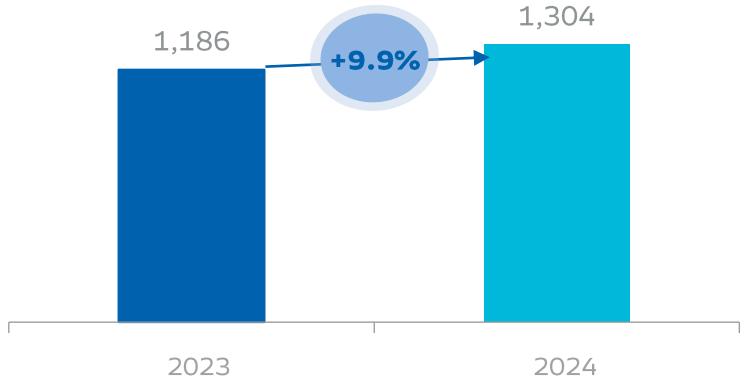
QoQ recurring revenues evolution

€m



Gross operating income evolution

€m



Recurring revenues grow by 3.5% YoY or €44m, mainly thanks to the strength of net fee income(+€32m) and, to a lesser extent, to resilient net interest income (+€16m).

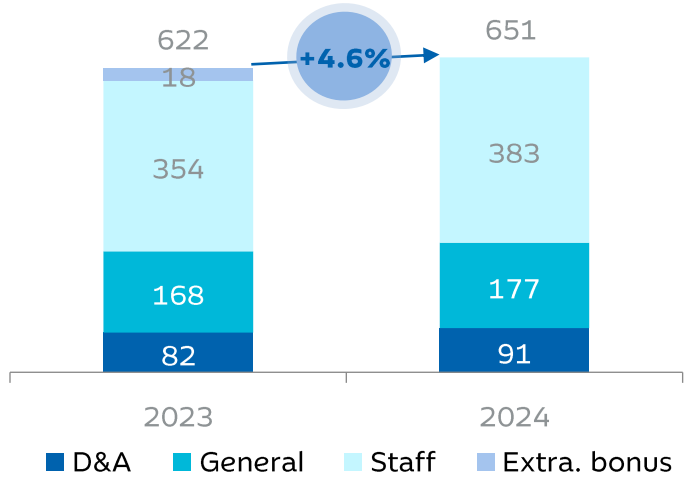
- In Q4, recurring revenues remain constant QoQ thanks to net fee income.

Gross operating income, which includes €54m due to the bank levy (vs. €29m in 2023), advances by 9.9% YoY to reach €1,304m.

Operating costs & pre-provision profit

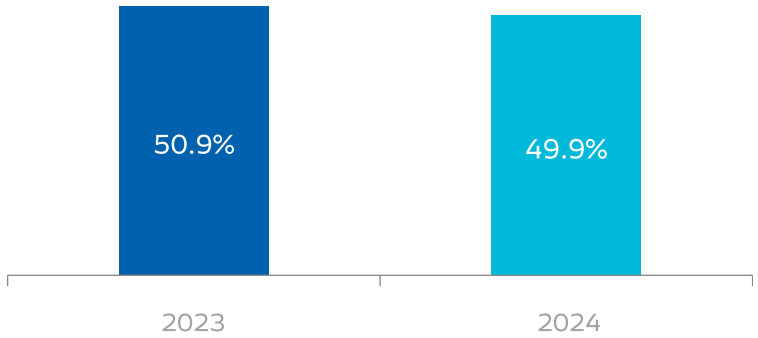
Operating costs

€m



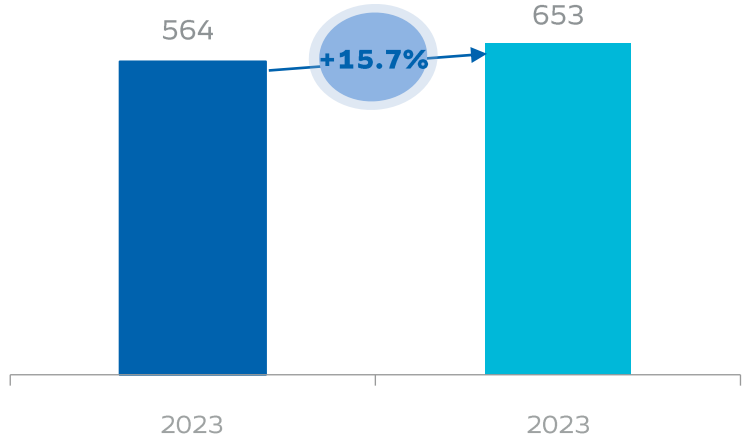
Adjusted cost to income ratio[1]

%



Pre-provision profit

€m



Operating expenses are up by 4.6% or €29m in the year.

- Excluding the **extraordinary bonus to the workforce** in 2023**,** operating expenses increase **by 7.7% YoY.**
- **Staff costs** increase by **2.9% YoY. Excluding the extraordinary bonus**, these increase by **8.1% YoY**. 60% of the increase is explained by the application of the Collective Agreement and, to a lesser extent, by the average increase in the workforce.

Cost to income ratio stands at 49.9%, improving by 1 p.p. compared to 2023, excluding the extraordinary bonus.

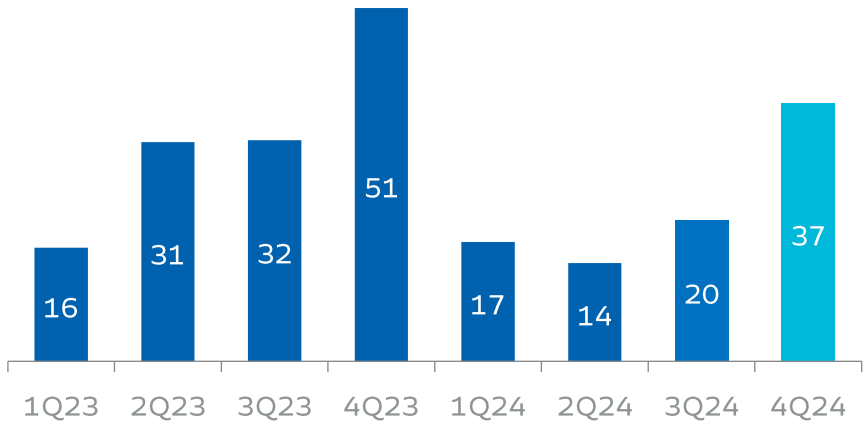
Pre-provision profit grow by 15.7% YoY to €653m.

[1] Excluding the extraordinary bonus of 2023 to the workforce.

Loans and foreclosed assets provisions

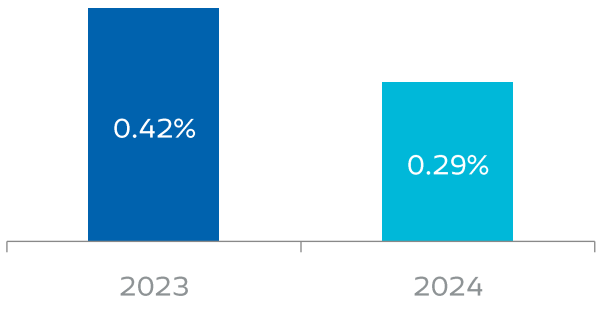
Loans and foreclosed assets provisions

€m



Cost of risk

%



Loans and foreclosed assets provisions stand at €88m in the period, 32.0% lower than in 2023.

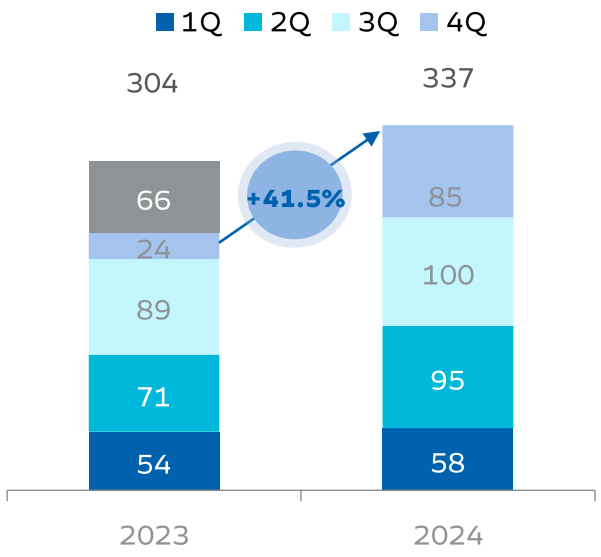
- **The cost of risk** as of December is **29 bps,** as a result of the good performance of the Bank's loan portfolio.
- The Bank **has strengthened its NPA coverage ratio in 4Q (+1.3 p.p.).**

At the end of 2024, Ibercaja maintains total provisions of €54.8 million due to the uncertainty generated by the macroeconomic outlook and existing geopolitical risks and their potential effect on the loan portfolio.

Net income

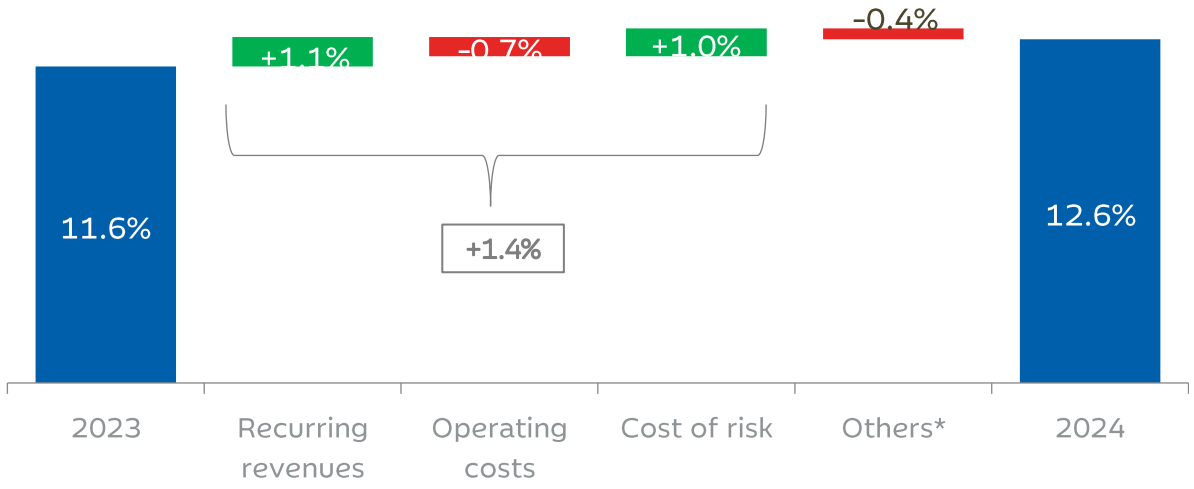
Net income

€m



ROTE breakdown evolution YoY

€m



Ibercaja achieves a net income in 2024 of €337m with a ROTE of 12.6%, improving by 1 p.p. the one reported in 2023.

- Excluding the impact of the extraordinary income of Cerro Murillo in previous year, **net income in 2024 would have increased by 41.5% YoY.**
- **Business dynamics** (revenues, expenses and cost of risk), **contributes +1.4% to ROTE in 2024.**

* Includes P&L items, variation of Equity and the extraordinary result of Cerro Murillo in 2023.

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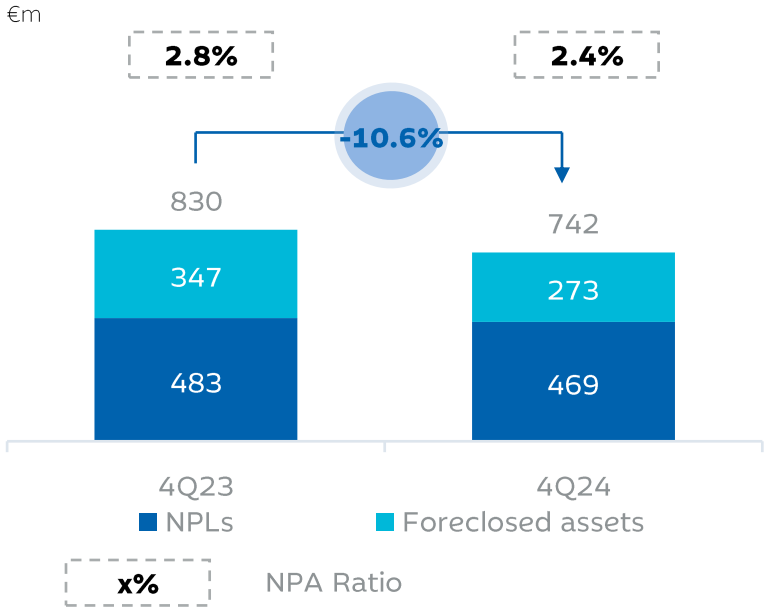
04.

Asset Quality, Liquidity and Solvency

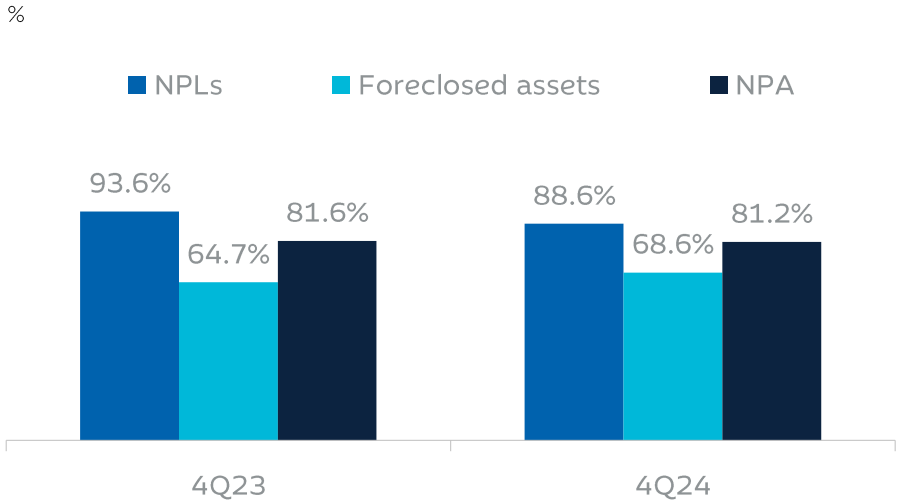


Asset quality

Gross NPA



NPA coverage ratio



Strong performance in the stock of NPAs which falls €88m or 10.6% in the year, and NPA ratio stands at 2.4%.

- **NPLs fall €14m** or **3.0%** in the year and **NPL ratio** stands at **1.6%** with a **positive gap vs. sector of 177 bps**[1]
- **Foreclosed assets fall €74m** or **21.3%** in the year thanks to asset sales.

NPA coverage ratio stands at 81.2% (88.6% for NPLs and 68.6% for foreclosed assets).

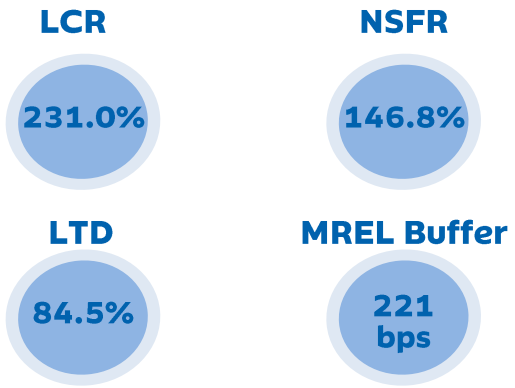
- **Net NPAs** amount to **€139m** and represent less than **0.3% of the bank's total assets**, one of the lowest in the Spanish financial system.

[1] Bank of Spain as of December 2024 (latest publicly available information)

Liquidity and ALCO portfolio

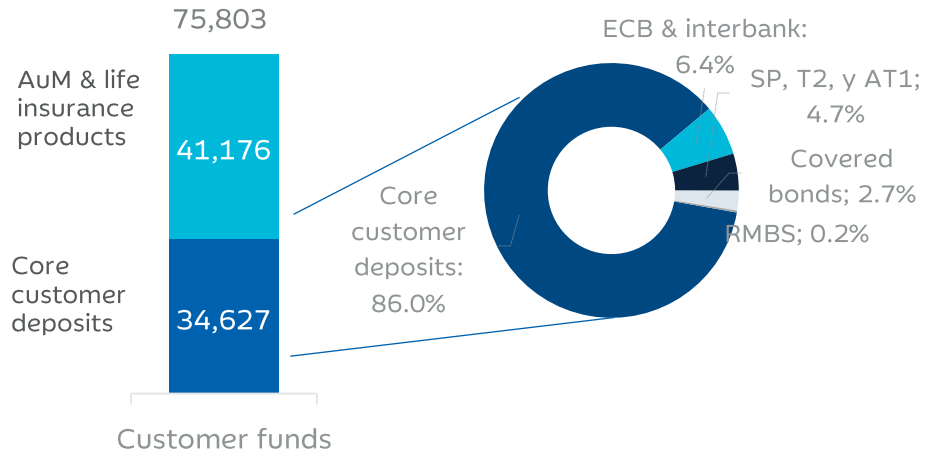
Liquidity and funding ratios

% - 2024



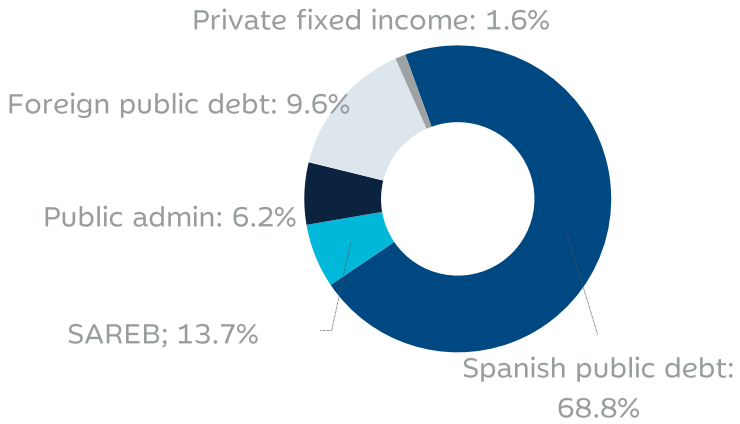
Breakdown of funding structure

% - 2024



ALCO portfolio breakdown

% - 2024



Ibercaja maintains a sound liquidity and funding position, with a highly granular deposit base.

- **LCR ratio** reaches **231.0%. Liquid assets** stand at **€12,757m, 24.0% of total assets.**
- **Customer deposits** account for **€34,627m, 86.0% of Ibercaja's external funding.**
- **LTD ratio** stands at **84.5%** and **NSFR** reaches **146.8%.**
- **MREL ratio** stands at **23.5%** and **Ibercaja maintains a buffer vs. MREL requirements of 221 bps.**

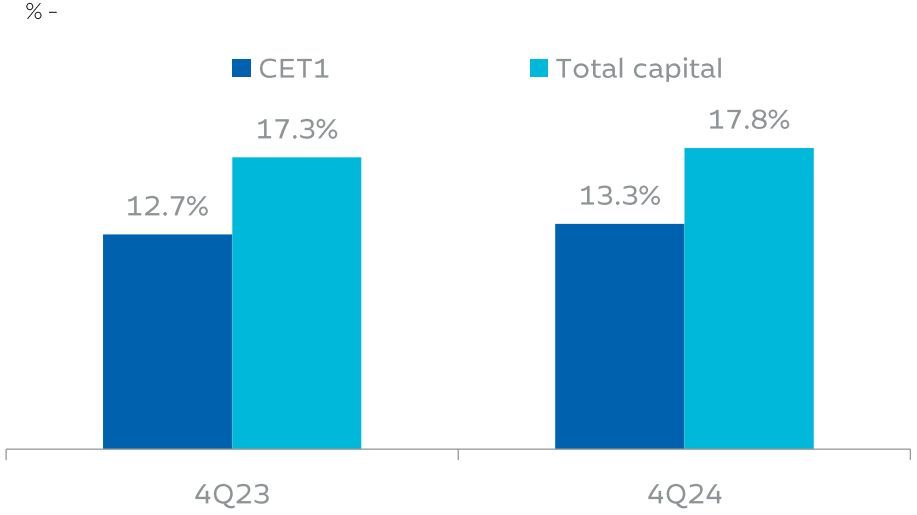
ALCO portfolio[1] decreases by 10.1% in the year to €10,128m.

- **Spanish sovereign debt accounts for 68.8% of the portfolio.** 94.7% of ALCO assets are considered as High-Quality Liquid Assets (HQLA). Duration stands at 1.7 years[2].

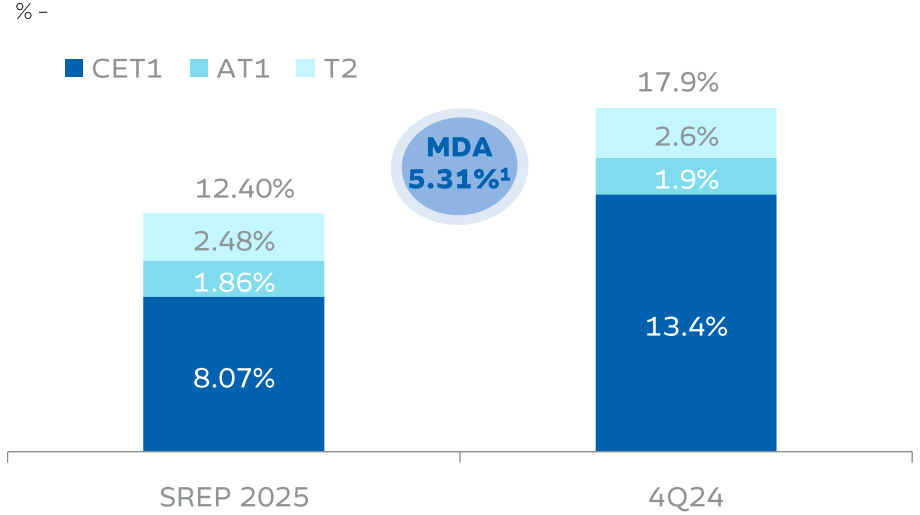
[1] Excludes insurance activity
[2] Includes Interest rate swaps

Solvency

Solvency ratios – Fully loaded



Capital Total Phased-In vs. SREP



Strong profitability levels and a payout ratio of 40% boost solvency ratios in the period.

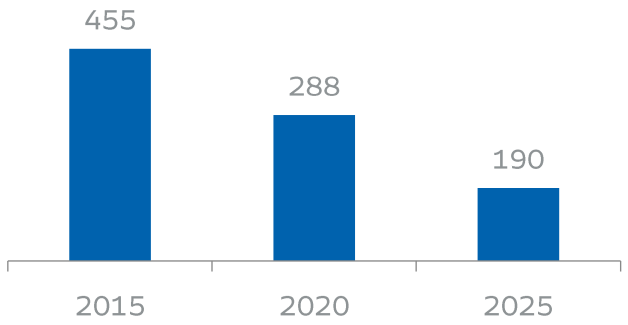
- **CET1 fully loaded ratio** reaches **13.3%** (**+64 bps YTD**).
- **Total capital fully loaded** reaches **17.8%** (17.9% phased-in).
- Ibercaja has an efficient capital structure, and its **MDA ratio stands at 531 bps.**

[1] MDA distance excludes AT1 & T2 excess vs. SREP requirement

New TIER 2 subordinated issue

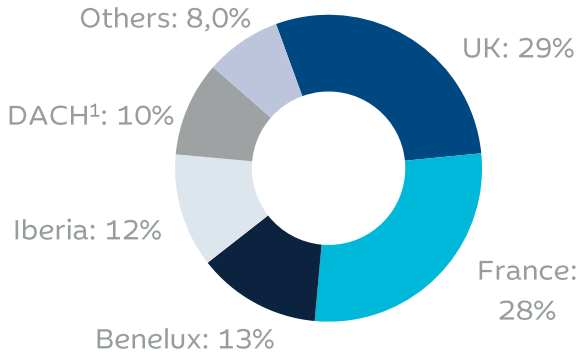
Spreads Ibercaja T2 issues

bps

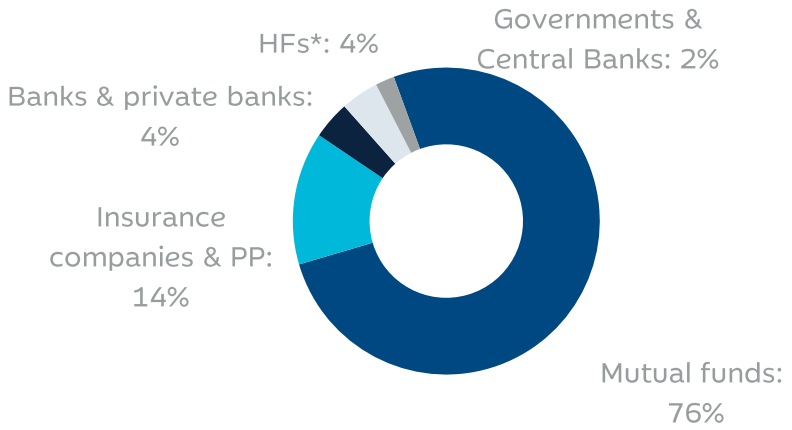


Identified investors by geography

%



Investor type



In February 2025, Ibercaja successfully completes the issuance of Tier 2 Subordinated debt for an amount of €500m.

- **Demand received was €1,600m**, exceeding the issue volume by more than three times. More than **90 investors participated** and more than **85% of the securities were placed among international investors**, mostly European.
- The **credit spread** closed at **190 bps** so Ibercaja managed to set minimums in the cost of this type of issue thanks to the evolution of the Bank's fundamentals.

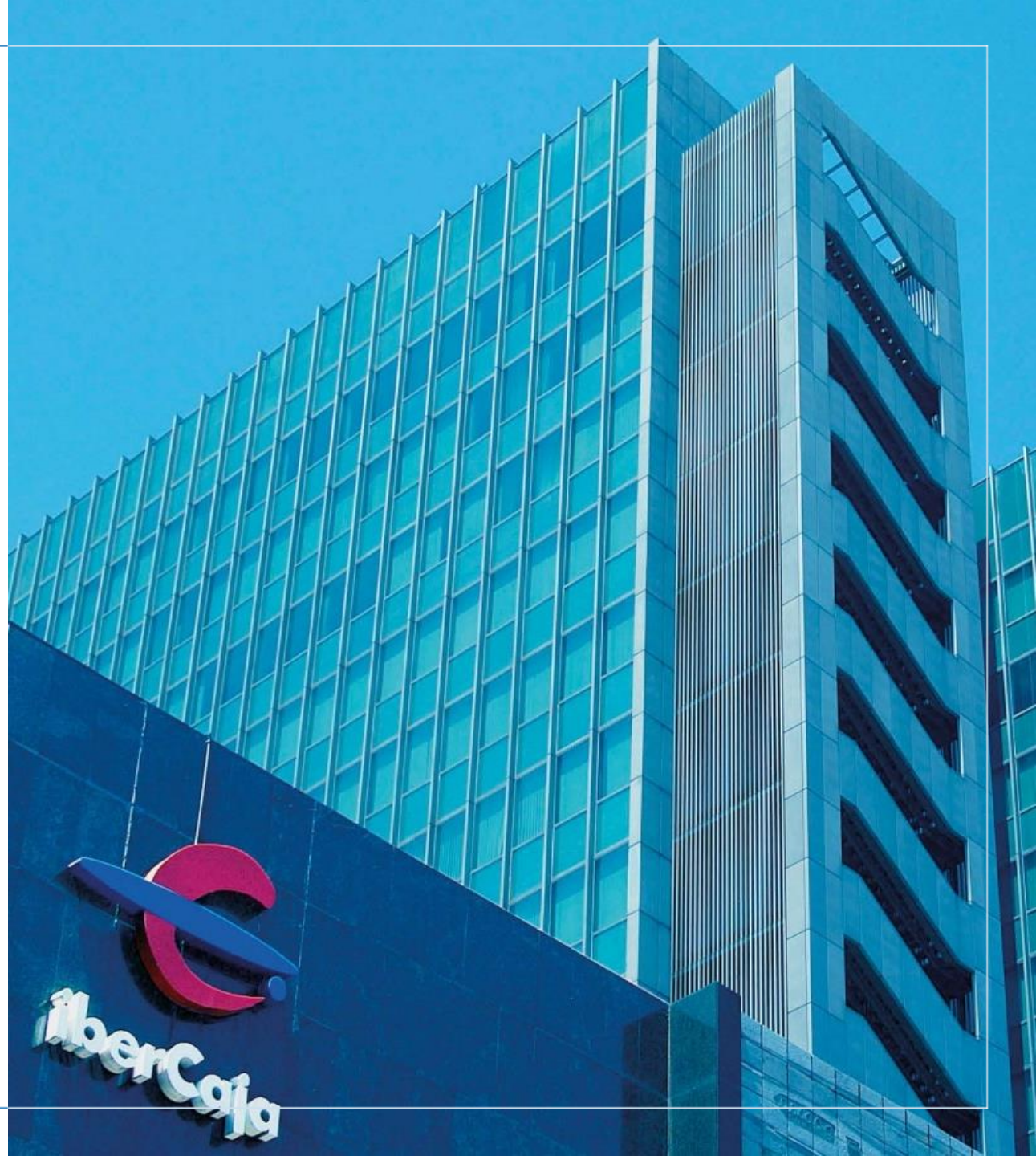
Additionally, Ibercaja launches a voluntary Tender Offer on a €500m subordinated note issued in 2020, in which €445.9m (89% of total) has been accepted for purchase.

The issuance and repurchase enable the Entity to efficiently manage its Tier 2 capital as well as its maturity profile and the cost of wholesale funding.

[1] DACH: Germany, Austria and Switzerland. *Hedge Funds.

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Annex



Sustainability: actions in 4Q2024

Environment

- The **Climate and Environmental Materiality Guide** has been developed, which includes all the exercises carried out and the conclusions on qualitative and quantitative materiality, in line with supervisory expectations.
- **Ibercaja RF Horizon 2027 fund**, with sustainable characteristics, has raised more than €500 million in its first 3 months of life. On the other hand, projects related to climate change mitigation and adaptation and financing with sustainability annexes have continued to be financed.
- For the second consecutive year, the Bank obtained the full **Miterd label (calculate, reduce, compensate)** for offsetting its emissions in CO2 projects. In particular, this year, the Bank has registered the partial offsetting of its carbon footprint by acquiring absorption rights equivalent to 325 tons of CO2 from national projects validated by the Ministry. The remainder of the scope 1 CO2 footprint has been offset through an ECODES project.

Social

- In 2024, **Fundación Ibercaja** has reaffirmed its commitment to society through the implementation of 3,130 initiatives that have benefited more than 1.3 million people. The Foundation's initiatives cover different areas, such as the promotion of employment, education, culture and the preservation of the environment.



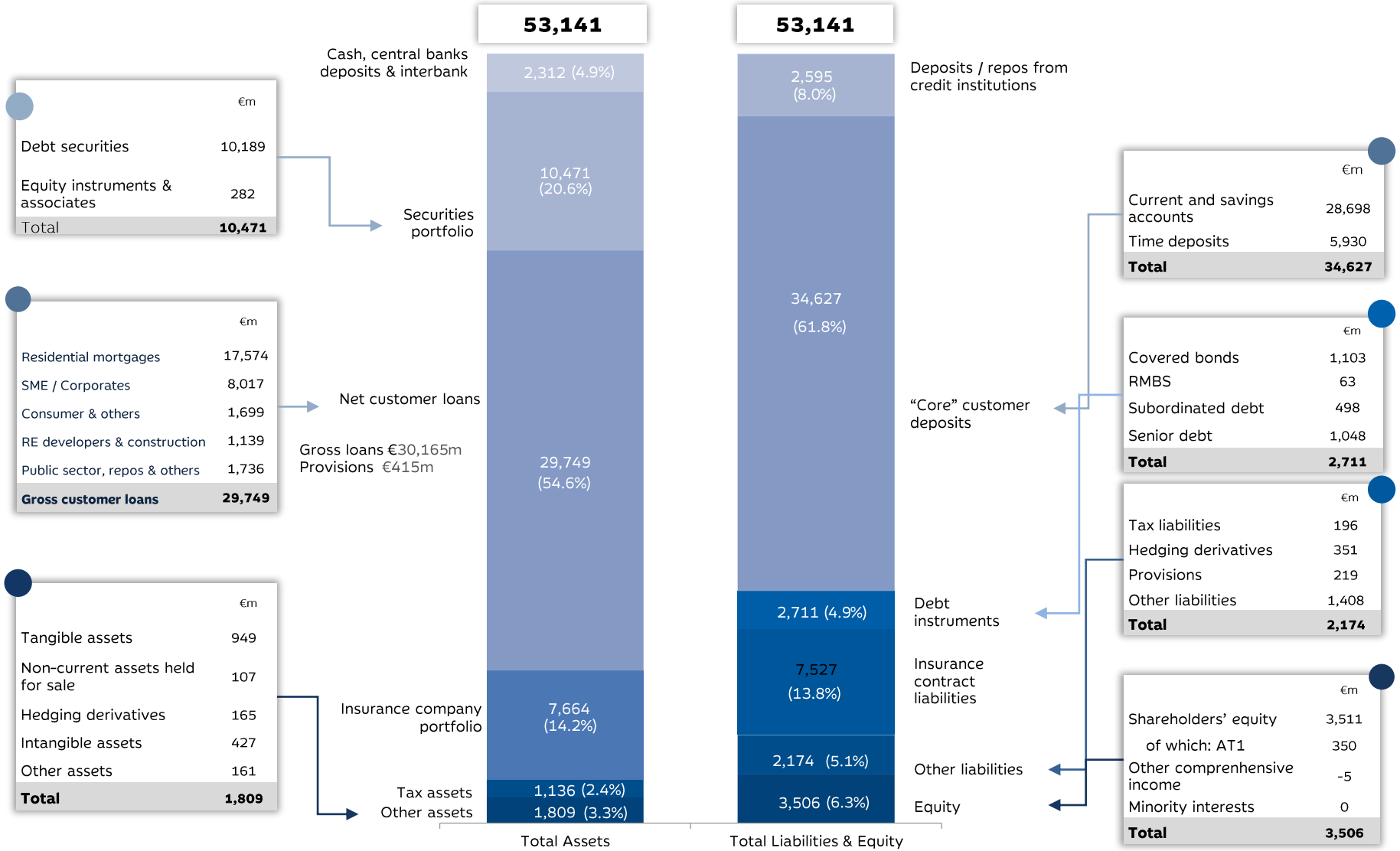
- Support has been provided to companies and businesses affected by the **DANA** in Valencia and other regions of Spain. Thus, we have facilitated loan moratoriums, offered indemnity advances at no cost, supported the processing of aid and applications before the insurance compensation consortium and have implemented the ICO Dana financing modalities.
- The **Pensumo** application, a project aimed at linking retirement savings with consumption, has been opened to all Spanish bank users.

Governance

- In 2024, Ibercaja´s subsidiaries have approved their **ESG Exclusion Procedures Manuals** in a manner consistent with the “ESG Exclusion Policy of the Ibercaja Group”.

Balance sheet

31-12-2024



Glossary

Ratio / MAR	Definición
Customer Spread	Difference between the average yield on the loan portfolio and the cost of retail deposits (ex. repos and covered bonds)
Recurring Revenues	Net interest income plus net fee and commission income plus net exchange differences plus Income and expense under insurance contracts
Recurring Costs	Personnel expenses plus other administration expenses plus amortisation and depreciation minus extraordinary expenses (redundancy plan)
Recurring Profit before Provisions	Recurring revenues minus recurring costs
NPL ratio	Doubtful balances in loans and advances to customers divided by gross loans and advances to customers
NPL coverage ratio	Loans and advances to customers impairments divided by balances in loans and advances to customers
Foreclosed Assets coverage ratio	Foreclosed assets impairment losses (since loan origination) divided by gross foreclosed assets
Non-performing Assets ("NPAs")	Sum of doubtful balances in loans and advances to customers and gross foreclosed assets
Net NPAs	Sum of doubtful balances in loans and advances to customers and net foreclosed assets
NPA ratio	Gross non-performing assets divided by gross loans and advances to customers plus gross foreclosed assets
NPA coverage ratio	Sum of foreclosed assets impairments and loans and advances to customers impairments divided by gross non-performing assets
Cost of Risk	Sum of impairments associated with credit risk and foreclosed assets divided by the average balance of the sum of gross loans and foreclosed assets
Liquid Assets % Total Assets	Total liquid assets divided by total assets. Liquid assets include unencumbered public debt + available & eligible fixed income assets (after ECB haircut applied)
Loans-to deposits ratio	Net customer loans (ex. repos) divided by customer deposits (ex. repos and covered bonds)
Net Stable Funding Ratio	Amount of available stable funding relative to the amount of required stable funding
Liquidity Coverage Ratio	High quality liquid assets divided by net outflows during the following 30 days
ALCO Portfolio	Bank's fixed-income portfolio. Excludes the fixed-income portfolio of the insurance company

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