

Quarterly Results

Second quarter, 2019



Most significant figures

(EUR Thousands)

	30/06/2019	31/12/2018	30/06/2018	y- o -y		Annual	
				Abs.	%	Abs.	%
Profit and Loss Account							
Net interest income	293,917	586,041	294,174	(257)	(0.1%)		
Gross Income	663,469	934,076	510,921	152,548	29.9%		
Recurring Gross Income	447,541	892,322	459,157	(11,616)	(2.5%)		
Net Income before provisions	375,602	367,761	216,721	158,881	73.3%		
Recurring Net Income before provisions	159,674	326,007	164,957	(5,283)	(3.2%)		
Profit before tax	72,106	69,104	54,117	17,989	33.2%		
Consolidated Net profit	47,010	82,252	45,178	1,832	4.1%		
Attributable Net profit	47,010	82,252	45,178	1,832	4.1%		
Business							
Total Assets	45,334,985	44,078,805	42,815,704	2,519,281	5.9%	1,256,180	2.8%
Equity	3,200,803	3,075,759	2,962,714	238,089	8.0%	125,044	4.1%
On-balance sheet retail funds	29,799,437	28,498,653	27,694,266	2,105,171	7.6%	1,300,784	4.6%
Off-balance sheet funds	4,537,637	4,293,159	4,428,907	108,730	2.5%	244,478	5.7%
Performing Loans	29,436,858	29,126,028	28,908,999	527,859	1.8%	310,830	1.1%
Risk management							
Gross Loans	31,643,197	31,584,989	31,646,581	(3,384)	(0.0%)	58,208	0.2%
Contingent risks	732,415	728,419	665,748	66,667	10.0%	3,996	0.5%
Non-performing loans	2,206,339	2,458,961	2,737,582	(531,243)	(19.4%)	(252,622)	(10.3%)
Non-performing contingent risks	8,324	6,257	6,028	2,296	38.1%	2,067	33.0%
NPL ratio (%)	6.84%	7.63%	8.49%	(1.65)		(0.79)	
NPL coverage ratio (%)	46.91%	43.60%	44.31%	2.60		3.31	
Liquidity							
LTD (%)	96.96%	101.65%	104.63%	(7.67)		(4.69)	
LCR (%)	217.23%	207.49%	198.64%	18.59		9.74	
NSFR (%)	126.55%	118.51%	116.50%	10.05		8.04	
Business gap	941,894	(491,371)	(1,324,330)	2,266,224	(171.1%)	1,433,265	(291.7%)
Solvency phased in							
CET1 ratio (%)	12.86%	12.51%	12.01%	0.85		0.35	
Tier 2 ratio (%)	1.68%	1.74%	1.71%	(0.03)		(0.05)	
Capital ratio (%)	14.54%	14.25%	13.71%	0.83		0.29	
Leverage ratio (%)	6.29%	6.39%	6.45%	(0.16)		(0.10)	
Solvency fully loaded							
CET1 ratio (%)	12.14%	11.54%	11.07%	1.07		0.60	
Tier 2 ratio (%)	1.69%	1.74%	1.71%	(0.02)		(0.06)	
Capital ratio (%)	13.83%	13.28%	12.78%	1.05		0.55	
Leverage ratio (%)	5.94%	5.89%	5.96%	(0.02)		0.05	
Profitability and efficiency							
ROA (%)	0.21%	0.19%	0.22%	(0.01)		0.02	
RORWA (%)	0.41%	0.35%	0.38%	0.03		0.06	
ROE (%)	3.02%	2.74%	3.06%	(0.04)		0.28	
Cost-income ratio (%)	43.39%	60.63%	57.58%	(14.19)		(17.24)	
Recurring cost-income ratio (%)	64.32%	63.47%	64.07%	0.25		0.85	
Other data							
Cooperative members	1,428,750	1,436,237	1,434,092	(5,342)	(0.4%)	(7,487)	(0.5%)
Employees	5,486	5,506	5,570	(84)	(1.5%)	(20)	(0.4%)
Branches	964	1,018	1,036	(72)	(6.9%)	(54)	(5.3%)

Balance Sheet

(EUR Thousands)

	30/06/2019	31/12/2018	30/06/2018	y- o -y		Annual	
				Abs.	%	Abs.	%
Cash, cash balances at central banks and other demand deposits	1,080,923	1,420,637	1,470,541	(389,618)	(26.5%)	(339,714)	(23.9%)
Financial assets held for trading	4,339	1,621	2,221	2,118	95.4%	2,718	167.7%
Financial assets designated at fair value through profit or loss	301,415	269,913	288,164	13,251	4.6%	31,502	11.7%
<i>Of which:</i>							
<i>Loans and advances to Customers</i>	180,751	155,920	155,148	25,603	16.5%	24,831	15.9%
Financial assets at fair value through other comprehensive income	2,673,003	606,847	741,646	1,931,357	260.4%	2,066,156	340.5%
Financial assets at amortised cost	37,233,058	37,741,263	36,178,178	1,054,880	2.9%	(508,205)	(1.3%)
<i>Of which:</i>							
<i>Loans and advances to Customers</i>	30,031,013	30,048,559	30,009,780	21,233	0.1%	(17,546)	(0.1%)
Investments in subsidiaries, joint ventures and associates	93,943	97,426	80,911	13,032	16.1%	(3,483)	(3.6%)
Tangible assets	1,041,777	999,629	1,006,585	35,192	3.5%	42,148	4.2%
Intangible assets	166,438	161,793	151,211	15,227	10.1%	4,645	2.9%
Tax assets	1,115,349	1,132,246	1,115,792	(443)	(0.0%)	(16,897)	(1.5%)
Other assets	1,249,670	1,241,317	1,322,512	(72,842)	(5.5%)	8,353	0.7%
Non-current assets and disposal groups classified as held for sale	375,071	406,113	457,942	(82,871)	(18.1%)	(31,042)	(7.6%)
TOTAL ASSETS	45,334,985	44,078,805	42,815,704	2,519,281	5.9%	1,256,180	2.8%
Financial liabilities held for trading	2,778	43	636	2,142	336.8%	2,735	6360.5%
Financial liabilities measured at amortised cost	41,294,943	40,394,174	39,122,061	2,172,882	5.6%	900,769	2.2%
<i>Of which:</i>							
<i>Central Banks deposits</i>	5,024,871	5,035,069	5,045,458	(20,587)	(0.4%)	(10,198)	(0.2%)
<i>Central counterparty deposits</i>	430,206	1,072,408	808,902	(378,696)	(46.8%)	(642,202)	(59.9%)
<i>Customer deposits</i>	29,799,437	28,498,653	27,694,266	2,105,171	7.6%	1,300,784	4.6%
<i>Debt securities issued</i>	2,406,308	2,416,041	3,170,754	(764,446)	(24.1%)	(9,733)	(0.4%)
Derivatives – Hedge accounting	108,076	123,754	145,962	(37,886)	(26.0%)	(15,678)	(12.7%)
Provisions	107,347	71,405	89,502	17,845	19.9%	35,942	50.3%
Tax liabilities	81,771	77,368	104,051	(22,280)	(21.4%)	4,403	5.7%
Other liabilities	519,364	344,865	390,302	129,062	33.1%	174,499	50.6%
<i>of which: Welfare funds</i>	6,516	4,905	6,807	(291)	(4.3%)	1,611	32.8%
TOTAL LIABILITIES	42,114,278	41,011,609	39,852,514	2,261,764	5.7%	1,102,669	2.7%
Equity	3,200,803	3,075,759	2,962,714	238,089	8.0%	125,044	4.1%
<i>Of which:</i>							
<i>Capital / Equity instruments issued other than capital / Treasury shares</i>	2,873,040	2,776,579	2,694,483	178,557	6.6%	96,461	3.5%
<i>Retained earnings / Revaluation reserves / Other reserves</i>	281,572	235,011	223,870	57,702	25.8%	46,561	19.8%
<i>Profit or loss attributable to owners of the parent</i>	47,010	82,252	45,178	1,832	4.1%	(35,242)	(42.8%)
<i>(-) Interim dividends</i>	(818)	(18,083)	(817)	(1)	0.1%	17,265	(95.5%)
Accumulated other comprehensive income	19,904	(8,563)	476	19,428	4081.5%	28,467	(332.4%)
Minority interests	-	-	-	-	100.0%	-	-
TOTAL EQUITY	3,220,707	3,067,196	2,963,190	257,517	8.7%	153,511	5.0%

Funds managed

(EUR Thousands)

	30/06/2019	31/12/2018	30/06/2018	y- o -y		Annual	
				Abs.	%	Abs.	%
Sight deposits	22,757,467	21,472,289	20,526,395	2,231,072	10.9%	1,285,178	6.0%
Term deposits	7,041,970	7,026,364	7,167,871	(125,901)	(1.8%)	15,606	0.2%
Customer deposits	29,799,437	28,498,653	27,694,266	2,105,171	7.6%	1,300,784	4.6%
On-balance sheet retail funds	29,799,437	28,498,653	27,694,266	2,105,171	7.6%	1,300,784	4.6%
Bonds and other securities *	2,891,879	2,962,547	3,425,561	(533,682)	(15.6%)	(70,668)	(2.4%)
Subordinated liabilities	404,327	412,364	405,128	(801)	(0.2%)	(8,037)	(1.9%)
Monetary market operations	2,158,001	2,567,425	1,589,398	568,603	35.8%	(409,424)	(15.9%)
Deposits from credit institutions	571,623	499,430	579,053	(7,430)	(1.3%)	72,193	14.5%
ECB	5,024,871	5,035,069	5,045,458	(20,587)	(0.4%)	(10,198)	(0.2%)
Wholesale funds	11,050,701	11,476,835	11,044,598	6,103	0.1%	(426,134)	(3.7%)
Total balance sheet funds	40,850,138	39,975,488	38,738,864	2,111,274	5.5%	874,650	2.2%
Mutual funds	2,574,904	2,391,135	2,503,931	70,973	2.8%	183,769	7.7%
Pension plans	823,656	787,634	786,184	37,472	4.8%	36,022	4.6%
Savings insurances	671,110	668,895	654,662	16,448	2.5%	2,215	0.3%
Fixed-equity income	467,968	445,495	484,130	(16,162)	(3.3%)	22,473	5.0%
Off-balance sheet funds	4,537,637	4,293,159	4,428,907	108,730	2.5%	244,478	5.7%
Customer funds under management	34,337,074	32,791,812	32,123,173	2,213,901	6.9%	1,545,262	4.7%
Funds under management	45,387,775	44,268,647	43,167,771	2,220,004	5.1%	1,119,128	2.5%

* Covered bonds, territorial bonds and securitization.

Loans and advances to Customers

(EUR Thousands)

	30/06/2019	31/12/2018	30/06/2018	y- o -y		Annual	
				Abs.	%	Abs.	%
General governments	770,175	715,007	798,629	(28,454)	(3.6%)	55,168	7.7%
Other financial corporations	1,112,813	1,137,699	893,967	218,846	24.5%	(24,886)	(2.2%)
Non-financial corporations	11,293,154	11,268,888	10,995,000	298,154	2.7%	24,266	0.2%
Households	17,865,917	18,154,917	18,482,573	(616,656)	(3.3%)	(289,000)	(1.6%)
Loans to customers (gross)	31,042,059	31,276,511	31,170,169	(128,110)	(0.4%)	(234,452)	(0.7%)
<i>Of which:</i>							
Real estate developers	990,567	1,108,232	1,270,076	(279,509)	(22.0%)	(117,665)	(10.6%)
Performing loans to customers	28,835,720	28,817,550	28,432,587	403,133	1.4%	18,170	0.1%
Non-performing loans	2,206,339	2,458,961	2,737,582	(531,243)	(19.4%)	(252,622)	(10.3%)
Other loans *	204,655	-	206,605	(1,950)	(0.9%)	204,655	100.0%
Debt securities from customers	396,483	308,478	269,807	126,676	47.0%	88,005	28.5%
Gross Loans	31,643,197	31,584,989	31,646,581	(3,384)	(0.0%)	58,208	0.2%
Performing Loans	29,436,858	29,126,028	28,908,999	527,859	1.8%	310,830	1.1%
<i>Credit losses and impairment</i>	<i>(1,034,949)</i>	<i>(1,072,032)</i>	<i>(1,211,844)</i>	<i>176,895</i>	<i>(14.6%)</i>	<i>37,083</i>	<i>(3.5%)</i>
Total lending	30,608,247	30,512,957	30,434,735	173,512	0.6%	95,290	0.3%
Off-balance sheet risks							
<i>Contingent risks</i>	<i>732,415</i>	<i>728,419</i>	<i>665,748</i>	<i>66,667</i>	<i>10.0%</i>	<i>3,996</i>	<i>0.5%</i>
<i>of which: non-performing contingent risks</i>	<i>8,324</i>	<i>6,257</i>	<i>6,028</i>	<i>2,296</i>	<i>38.1%</i>	<i>2,067</i>	<i>33.0%</i>
Total risks	32,375,612	32,313,408	32,312,329	63,283	0.2%	62,204	0.2%
Non-performing total risks	2,214,663	2,465,218	2,743,610	(528,947)	(19.3%)	(250,555)	(10.2%)

* Mainly reverse repurchase agreements

Risk management

(EUR Thousands)

	30/06/2019	31/12/2018	30/06/2018	y- o - y		Annual	
				Abs.	%	Abs.	%
Defaulting debtors							
Non-performing total risks	2,214,663	2,465,218	2,743,610	(528,947)	(19.3%)	(250,555)	(10.2%)
Total risks	32,375,612	32,313,408	32,312,329	63,283	0.2%	62,204	0.2%
NPL ratio (%)	6.84%	7.63%	8.49%	(1.65)		(0.79)	
Gross loans coverage	1,034,949	1,072,032	1,212,930	(177,981)	(14.7%)	(37,083)	(3.5%)
NPL coverage ratio (%)	46.91%	43.60%	44.31%	2.60		3.31	
Foreclosed assets							
Foreclosed assets (gross)	2,832,091	2,910,247	3,105,728	(273,637)	(8.8%)	(78,156)	(2.7%)
Foreclosed assets coverage	1,357,395	1,374,311	1,469,252	(111,857)	(7.6%)	(16,916)	(1.2%)
Foreclosed assets coverage ratio (%)	47.93%	47.22%	47.31%	0.62		0.74	
Foreclosed assets coverage ratio with debt forgiveness (%)	52.93%	52.04%	52.08%	0.85		0.89	
NPA ratio (%)	14.61%	15.57%	16.81%	(2.20)		(0.96)	
NPA coverage ratio (%)	47.48%	45.56%	45.90%	1.58		1.92	
NPA coverage ratio with debt forgiveness (%)	50.44%	48.37%	48.62%	1.82		2.07	
Loans impairment coverage breakdown							
Total coverage	1,053,568	1,088,713	1,229,668	(176,100)	(14.3%)	(35,145)	(3.2%)
Non-performing coverage	885,259	907,603	1,009,552	(124,293)	(12.3%)	(22,344)	(2.5%)
Performing coverage	168,309	181,111	220,115	(51,806)	(23.5%)	(12,802)	(7.1%)
NPL breakdown							
Past due >90 days	1,986,443	2,217,261	2,478,859	(492,416)	(19.9%)	(230,818)	(10.4%)
Doubtful non past due	219,896	241,700	258,723	(38,827)	(15.0%)	(21,804)	(9.0%)
Total	2,206,339	2,458,961	2,737,582	(531,243)	(19.4%)	(252,622)	(10.3%)
<i>Of which:</i>							
<i>Forborne loans</i>	1,398,315	1,570,691	1,832,755	(434,440)	(23.7%)	(172,376)	(11.0%)
NPL breakdown by segment							
General governments	168	40	251	(83)	(33.1%)	128	320.0%
Other financial corporations	3,191	904	907	2,284	251.8%	2,287	253.0%
Other corporations	1,082,490	1,241,435	1,420,389	(337,899)	(23.8%)	(158,945)	(12.8%)
Households	1,120,490	1,216,582	1,316,035	(195,545)	(14.9%)	(96,092)	(7.9%)
Total	2,206,339	2,458,961	2,737,582	(531,243)	(19.4%)	(252,622)	(10.3%)
<i>Of which:</i>							
<i>Real estate developers</i>	523,317	602,169	752,566	(229,249)	(30.5%)	(78,852)	(13.1%)
Forborne loans breakdown							
Non-performing	1,398,315	1,570,691	1,832,755	(434,440)	(23.7%)	(172,376)	(11.0%)
Performing	542,733	590,359	666,276	(123,543)	(18.5%)	(47,626)	(8.1%)
Total Forborne loans	1,941,048	2,161,050	2,499,031	(557,983)	(22.3%)	(220,002)	(10.2%)
REOs breakdown							
REOs (gross)	3,196,584	3,287,923	3,496,214	(299,630)	(8.6%)	(91,339)	(2.8%)
Foreclosed assets	2,832,091	2,910,247	3,105,728	(273,637)	(8.8%)	(78,156)	(2.7%)
Non-current assets held for sale	602,107	643,362	735,680	(133,573)	(18.2%)	(41,255)	(6.4%)
Inventories	2,229,984	2,266,885	2,370,049	(140,065)	(5.9%)	(36,901)	(1.6%)
RE Investments	364,493	377,676	390,486	(25,993)	(6.7%)	(13,182)	(3.5%)
REOs (coverage)	1,518,863	1,538,148	1,641,996	(123,133)	(7.5%)	(19,285)	(1.3%)
Foreclosed assets	1,357,395	1,374,311	1,469,252	(111,857)	(7.6%)	(16,916)	(1.2%)
Non-current assets held for sale	265,947	285,779	326,135	(60,188)	(18.5%)	(19,832)	(6.9%)
Inventories	1,091,448	1,088,532	1,143,117	(51,669)	(4.5%)	2,916	0.3%
RE Investments	161,468	163,837	172,744	(11,276)	(6.5%)	(2,369)	(1.4%)
REOs (% coverage)	47.52%	46.78%	46.96%	0.55		0.73	
Foreclosed assets	47.93%	47.22%	47.31%	0.62		0.71	
Non-current assets held for sale	44.17%	44.42%	44.33%	(0.16)		(0.25)	
Inventories	48.94%	48.02%	48.23%	0.71		0.93	
RE Investments	44.30%	43.38%	44.24%	0.06		0.92	

Foreclosed assets ^(*)

(EUR Thousands)

	30/06/2019	31/12/2018	30/06/2018	y-o-y		Annual	
				Abs.	%	Abs.	%
Foreclosed assets (gross)	2,832,091	2,910,247	3,105,728	(273,637)	(8.8%)	(78,156)	(2.7%)
Foreclosed assets coverage	(1,357,395)	(1,374,311)	(1,469,252)	111,857	(7.6%)	16,916	(1.2%)
Foreclosed assets (net)	1,474,696	1,535,937	1,636,476	(161,780)	(9.9%)	(61,241)	(4.0%)
Foreclosed assets coverage ratio (%)	47.93%	47.22%	47.31%	0.62		0.71	
Foreclosed assets coverage ratio with debt forgiveness (%)	52.93%	52.04%	52.08%	0.85		0.89	

According to the origin of the Loan

Foreclosed assets (gross)	2,832,091	2,910,247	3,105,728	(273,637)	(8.8%)	(78,156)	(2.7%)
Developers	1,838,601	1,883,737	1,999,307	(160,706)	(8.0%)	(45,136)	(2.4%)
Land	991,358	993,433	1,030,071	(38,713)	(3.8%)	(2,075)	(0.2%)
Finished buildings	670,880	712,933	792,004	(121,124)	(15.3%)	(42,054)	(5.9%)
Under construction	176,363	177,371	177,232	(869)	(0.5%)	(1,008)	(0.6%)
Homes	520,561	566,844	624,588	(104,027)	(16.7%)	(46,282)	(8.2%)
Other	472,929	459,666	481,833	(8,905)	(1.8%)	13,262	2.9%
Coverage	(1,357,395)	(1,374,311)	(1,469,252)	111,857	(7.6%)	16,916	(1.2%)
Developers	(957,183)	(962,124)	(1,024,435)	67,252	(6.6%)	4,941	(0.5%)
Land	(603,466)	(598,525)	(628,765)	25,300	(4.0%)	(4,940)	0.8%
Finished buildings	(258,396)	(269,886)	(297,602)	39,206	(13.2%)	11,490	(4.3%)
Under construction	(95,321)	(93,712)	(98,067)	2,746	(2.8%)	(1,609)	1.7%
Homes	(211,662)	(227,312)	(248,540)	36,879	(14.8%)	15,651	(6.9%)
Other	(188,550)	(184,875)	(196,277)	7,727	(3.9%)	(3,676)	2.0%
Foreclosed assets (net)	1,474,696	1,535,937	1,636,476	(161,780)	(9.9%)	(61,241)	(4.0%)
Developers	881,418	921,613	974,872	(93,454)	(9.6%)	(40,196)	(4.4%)
Land	387,892	394,907	401,305	(13,413)	(3.3%)	(7,015)	(1.8%)
Finished buildings	412,483	443,047	494,402	(81,919)	(16.6%)	(30,564)	(6.9%)
Under construction	81,042	83,659	79,165	1,878	2.4%	(2,617)	(3.1%)
Homes	308,900	339,531	376,048	(67,148)	(17.9%)	(30,632)	(9.0%)
Other	284,378	274,792	285,556	(1,178)	(0.4%)	9,587	3.5%
Coverage (%)	47.93%	47.22%	47.31%	0.62		0.71	
Developers	52.06%	51.08%	51.24%	0.82		0.99	
Land	60.87%	60.25%	61.04%	(0.17)		0.62	
Finished buildings	38.52%	37.86%	37.58%	0.94		0.66	
Under construction	54.05%	52.83%	55.33%	(1.28)		1.21	
Homes	40.66%	40.10%	39.79%	0.87		0.56	
Other	39.87%	40.22%	40.74%	(0.87)		(0.35)	
Coverage with debt forgiveness (%)	52.93%	52.04%	52.08%	0.85		0.89	
Developers	57.08%	55.93%	56.05%	1.03		1.14	
Land	64.64%	63.87%	64.36%	0.27		0.77	
Finished buildings	46.65%	45.53%	45.49%	1.16		1.12	
Under construction	55.80%	54.77%	57.16%	(1.36)		1.03	
Homes	45.25%	44.55%	44.09%	1.16		0.70	
Other	44.81%	44.91%	45.58%	(0.77)		(0.10)	

By asset type

Foreclosed assets (gross)	2,832,091	2,910,247	3,105,728	(273,637)	(8.8%)	(78,156)	(2.7%)
Finished houses	1,210,235	1,267,532	1,401,500	(191,265)	(13.6%)	(57,297)	(4.5%)
Lands	1,088,834	1,094,554	1,137,513	(48,680)	(4.3%)	(5,721)	(0.5%)
RED and under construction	195,570	219,675	241,992	(46,421)	(19.2%)	(24,105)	(11.0%)
Commercial	297,699	295,177	309,076	(11,377)	(3.7%)	2,522	0.9%
Other	39,753	33,308	15,647	24,106	154.1%	6,445	19.3%
Coverage	(1,357,395)	(1,374,311)	(1,469,252)	111,857	(7.6%)	16,916	(1.2%)
Finished houses	(461,669)	(479,816)	(524,292)	62,623	(11.9%)	18,147	(3.8%)
Lands	(651,441)	(646,953)	(680,989)	29,548	(4.3%)	(4,488)	0.7%
RED and under construction	(103,503)	(112,599)	(129,359)	25,856	(20.0%)	9,096	(8.1%)
Commercial	(125,785)	(122,931)	(128,130)	2,345	(1.8%)	(2,854)	2.3%
Other	(14,997)	(12,012)	(6,483)	(8,514)	131.3%	(2,985)	24.9%
Foreclosed assets (net)	1,474,696	1,535,937	1,636,476	(161,780)	(9.9%)	(61,241)	(4.0%)
Finished houses	748,566	787,716	877,208	(128,642)	(14.7%)	(39,150)	(5.0%)
Lands	437,392	447,601	456,525	(19,132)	(4.2%)	(10,208)	(2.3%)
RED and under construction	92,068	107,076	112,633	(20,566)	(18.3%)	(15,009)	(14.0%)
Commercial	171,914	172,247	180,946	(9,032)	(5.0%)	(333)	(0.2%)
Other	24,756	21,297	9,164	15,592	170.1%	3,459	16.2%
Coverage (%)	47.93%	47.22%	47.31%	0.62		0.71	
Finished houses	38.15%	37.85%	37.41%	0.74		0.29	
Lands	59.83%	59.11%	59.87%	(0.04)		0.72	
RED and under construction	52.92%	51.26%	53.46%	(0.53)		1.67	
Commercial	42.25%	41.65%	41.46%	0.80		0.61	
Other	37.73%	36.06%	41.43%	(3.70)		1.66	
Coverage with debt forgiveness (%)	52.93%	52.04%	52.08%	0.85		0.89	
Finished houses	44.93%	44.25%	43.89%	1.04		0.68	
Lands	63.66%	62.81%	63.30%	0.36		0.86	
RED and under construction	55.11%	53.54%	55.58%	(0.46)		1.57	
Commercial	47.01%	46.46%	46.48%	0.53		0.55	
Other	38.46%	36.95%	43.25%	(4.79)		1.51	

^(*) RE investments assets are not included.

Solvency

(EUR Thousands)

Phased-in	30/06/2019	31/12/2018	30/06/2018	y- o -y		Annual	
				Abs.	%	Abs.	%
Capital	2,873,040	2,776,579	2,694,484	178,556	6.6%	96,461	3.5%
Reserves and Results	484,822	475,045	447,329	37,493	8.4%	9,777	2.1%
AFS Surplus/ Others	(5,397)	(22,311)	994	(6,391)	(643.0%)	16,914	(75.8%)
Capital deductions	(385,817)	(347,264)	(330,527)	(55,290)	16.7%	(38,553)	11.1%
Ordinary Tier 1 Capital	2,966,649	2,882,049	2,812,280	154,369	5.5%	84,600	2.9%
CET1 ratio (%)	12.86%	12.51%	12.01%	0.85		0.35	
Tier2 Capital	388,000	400,000	400,000	(12,000)	(3.0%)	(12,000)	(3.0%)
Tier 2 ratio (%)	1.68%	1.74%	1.71%	(0.03)		(0.05)	
Elegible capital	3,354,649	3,282,049	3,212,280	142,369	4.4%	72,600	2.2%
Capital ratio (%)	14.54%	14.25%	13.71%	0.83		0.29	
Total risk-weighted assets	23,068,389	23,033,114	23,424,252	(355,863)	(1.5%)	35,275	0.2%
Credit risk	21,482,321	21,474,160	21,935,024	(452,703)	(2.1%)	8,161	0.0%
Operational risk	1,445,750	1,445,750	1,443,904	1,846	0.1%	-	-
Other risk	140,318	113,204	45,324	94,994	209.6%	27,114	24.0%

Fully-loaded

Capital	2,873,040	2,776,579	2,694,484	178,556	6.6%	96,461	3.5%
Reserves and Results	309,736	279,360	251,608	58,128	23.1%	30,376	10.9%
AFS Surplus/ Others	(5,397)	(22,311)	994	(6,391)	(643.0%)	16,914	(75.8%)
Capital deductions	(385,817)	(388,387)	(360,529)	(25,288)	7.0%	2,570	(0.7%)
Ordinary Tier 1 Capital	2,791,562	2,645,242	2,586,557	205,005	7.9%	146,320	5.5%
CET1 ratio (%)	12.14%	11.54%	11.07%	1.07		0.60	
Tier2 Capital	388,000	400,000	400,000	(12,000)	(3.0%)	(12,000)	(3.0%)
Tier 2 ratio (%)	1.69%	1.74%	1.71%	(0.02)		(0.06)	
Elegible capital	3,179,562	3,045,242	2,986,557	193,005	6.5%	134,320	4.4%
Capital ratio (%)	13.83%	13.28%	12.78%	1.05		0.55	
Total risk-weighted assets	22,996,628	22,924,929	23,368,202	(371,574)	(1.6%)	71,699	0.3%
Credit risk	21,410,560	21,365,974	21,878,974	(468,414)	(2.1%)	44,586	0.2%
Operational risk	1,445,750	1,445,750	1,443,904	1,846	0.1%	-	-
Other risk	140,318	113,205	45,324	94,994	209.6%	27,113	24.0%

Profit & Loss Account

(EUR Thousands)

	30/06/2019	o/ATA	30/06/2018	o/ATA	y- o -y		31/12/2018	o/ATA
					Abs.	%		
Interest income	350,557	1.59%	357,638	1.73%	(7,081)	(2.0%)	708,691	1.67%
Interest expenses	(56,640)	(0.26%)	(63,464)	(0.31%)	6,824	(10.8%)	(122,650)	(0.29%)
NET INTEREST INCOME	293,917	1.33%	294,174	1.42%	(257)	(0.1%)	586,041	1.38%
Dividend income	3,139	0.01%	2,654	0.01%	485	18.3%	6,622	0.02%
Income from equity-accounted method	17,366	0.08%	13,595	0.07%	3,771	27.7%	30,983	0.07%
Net fees and commissions	122,148	0.55%	132,531	0.64%	(10,383)	(7.8%)	261,692	0.62%
Gains (losses) on financial transactions	242,721	1.10%	86,027	0.42%	156,694	182.1%	78,983	0.19%
Exchange differences [gain or (-) loss], net	1,144	0.01%	768	-	376	49.0%	1,535	-
Other operating incomes/expenses	(16,966)	(0.08%)	(18,828)	(0.09%)	1,862	(9.9%)	(31,780)	(0.07%)
of which: Mandatory transfer to Education and Development Fund	(2,551)	(0.01%)	(2,490)	(0.01%)	(61)	2.4%	(4,043)	(0.01%)
GROSS INCOME	663,469	3.00%	510,921	2.47%	152,548	29.9%	934,076	2.20%
Administrative expenses	(258,875)	(1.17%)	(262,471)	(1.27%)	3,596	(1.4%)	(511,036)	(1.21%)
Personnel expenses	(165,472)	(0.75%)	(169,655)	(0.82%)	4,183	(2.5%)	(320,210)	(0.76%)
Other administrative expenses	(93,403)	(0.42%)	(92,816)	(0.45%)	(587)	0.6%	(190,826)	(0.45%)
Depreciation and amortisation	(28,992)	(0.13%)	(31,729)	(0.15%)	2,737	(8.6%)	(55,279)	(0.13%)
PRE-PROVISION PROFIT	375,602	1.70%	216,721	1.05%	158,881	73.3%	367,761	0.87%
Provisions or (-) reversal of provisions	(61,372)	(0.28%)	(19,731)	(0.10%)	(41,641)	211.0%	(38,555)	(0.09%)
Impairment losses on financial assets	(185,637)	(0.84%)	(32,611)	(0.16%)	(153,026)	469.2%	(144,216)	(0.34%)
OPERATING INCOME	128,593	0.58%	164,379	0.79%	(35,786)	(21.8%)	184,990	0.44%
Impairment or reversal of impairment of investments in joint ventures or associates (net)	-	-	(22)	-	22	(100.0%)	(22)	-
Impairment losses on non financial assets	(30,857)	(0.14%)	(22,270)	(0.11%)	(8,587)	38.6%	(5,956)	(0.01%)
Gains or (-) losses on derecognition of non financial assets, net	(16,676)	(0.08%)	(81,236)	(0.39%)	64,560	(79.5%)	(97,320)	(0.23%)
Profit or (-) loss from non-current assets and disposal groups classified as held for sale	(8,955)	(0.04%)	(6,737)	(0.03%)	(2,218)	32.9%	(12,588)	(0.03%)
PROFIT BEFORE TAX	72,106	0.33%	54,117	0.26%	17,989	33.2%	69,104	0.16%
Tax	(25,096)	(0.11%)	(8,938)	(0.04%)	(16,158)	180.8%	13,148	0.03%
CONSOLIDATED NET PROFIT	47,010	0.21%	45,178	0.22%	1,832	4.1%	82,252	0.19%

Quarterly Yields & Costs

(EUR Thousands and annualised rates)

	30/06/2019				30/06/2018				31/12/2018			
	Average balance	Distribution (%)	Income or expense	Average rate (%)	Average balance	Distribution (%)	Income or expense	Average rate (%)	Average balance	Distribution (%)	Income or expense	Average rate (%)
Financial system	1,465,674	3.29%	68	0.01%	1,508,446	3.62%	281	0.04%	1,523,012	3.59%	385	0.03%
Loans to customers (gross) ^(a)	31,235,201	70.05%	285,470	1.84%	31,176,029	74.71%	309,226	2.00%	31,173,720	73.53%	603,769	1.94%
Securities portfolio	8,673,619	19.45%	49,722	1.16%	5,823,979	13.96%	31,272	1.08%	6,498,413	15.33%	72,462	1.12%
Other assets	3,216,172	7.21%	15,298	0.96%	3,218,347	7.71%	16,859	1.06%	3,200,342	7.55%	32,075	1.00%
Total earning assets^(b)	44,590,666	100.00%	350,557	1.59%	41,726,800	100.00%	357,638	1.73%	42,395,487	100.00%	708,691	1.67%
Customer deposits ^(c)	29,160,640	65.40%	13,951	0.10%	26,670,335	63.92%	12,444	0.09%	27,265,247	64.31%	25,025	0.09%
<i>Sight deposits</i>	22,070,069	49.49%	9,557	0.09%	19,406,625	46.51%	8,170	0.08%	20,083,388	47.37%	16,441	0.08%
<i>Term deposits</i>	7,090,571	15.90%	4,394	0.12%	7,263,710	17.41%	4,274	0.12%	7,181,859	16.94%	8,584	0.12%
Wholesale funds	11,175,958	25.06%	39,238	0.71%	10,879,423	26.07%	48,057	0.89%	10,989,107	25.92%	90,526	0.82%
Other funds	1,110,273	2.49%	3,452	0.63%	1,197,427	2.87%	2,963	0.50%	1,137,786	2.68%	7,099	0.62%
Equity	3,143,796	7.05%	0	-	2,979,616	7.14%	0	-	3,003,347	7.08%	0	-
Total funds^(d)	44,590,666	100.00%	56,640	0.26%	41,726,800	100.00%	63,464	0.31%	42,395,487	100.00%	122,650	0.29%
Customers' spread ^{(a)-(c)}				1.75				1.91				1.85
NII o/ATA ^{(b)-(d)}			293,917	1.33			294,174	1.42			586,041	1.38