# 4Q21 Covered Bonds Investor Presentation

ABANCA

February 10, 2022

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2. Cover pool information



# Highlights

//ABANCA

Retail and SME Banking Group with a Profitable and Increasingly Diversified Business Model

Sound Financial Profile

Fully-fledged Multi-Channel and Innovative Service

Strong Corporate Governance

| BUSINESS | 4Q21 |
|---|---|
| Total Assets (€bn) | 80.5 |
| Retail business volume (€bn)/ Var. (YoY) | 108.7/ +18.8% |
| Performing credit (€bn) | 45.6 |
| Retail deposits (€bn) | 49.8 |

| ASSET QUALITY | 4Q21 |
|---|---|
| NPA ratio/NPL ratio | 3.5%/2.1% |
| NPA Coverage / NPL Coverage | 76.4% / 85.3% |
| Texas ratio | 28.7% |

| PROFITABILITY | 4Q21 |
|---|---|
| Attributable profit (€m) | 323.3 |
| Basic margin (€m) / Var. (YoY) | 931.7/+6.2% |
| ROE | 7.0% |

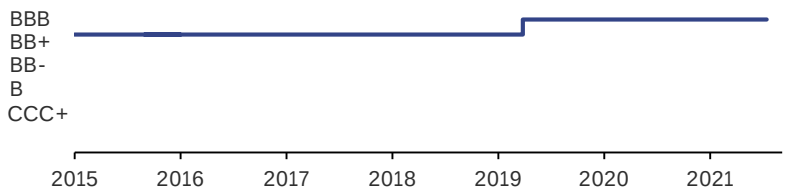
| CAPITAL | 4Q21 |
|---|---|
| CET1 ratio (phase-in) | 13.0% |
| Total capital ratio (phase-in) | 16.9% |

| LIQUIDITY | 4Q21 |
|---|---|
| Retail LTD | 92.3% |
| Liquid assets (€bn) | 16.5 |
| Total CB issuance capacity (€bn) | 6.2 |

Source: ABANCA Group information

# Ratings

**Fitch** (Long-Term Issuer Default Rating)

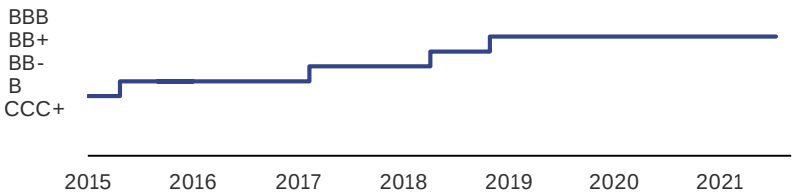



Investment grade

BBB- Stable

FitchRatings

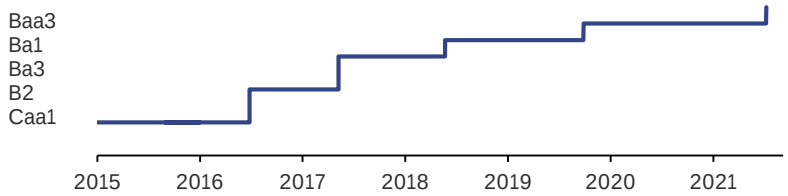
**S&P** (Long-Term Issuer Credit Rating)




BB+ Stable

STANDARD & POOR'S RATINGS SERVICES

**Moody's** (Long-Term Deposit Rating)

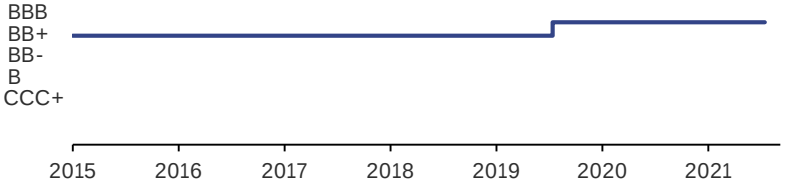



Investment grade

Baa3 Stable

Moody's

**DBRS** (Long-Term Issuer Default Rating)




Investment grade

BBB Stable

DBRS

## COVERED BONDS RATING

AA+ Negative

STANDARD & POOR'S RATINGS SERVICES

Aa1

Moody's

Maximum attainable rating for Spanish Covered Bonds

LCR elegibility of our last issuances to the market improved to HQLA Level 1

COVERED BOND LABEL

Quarterly reported Harmonised Transparency Template (HTT)

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1. ABANCA at a glance

2. Cover pool information



# Mortgage Portfolio Overview

| Mortgage Portfolio Overview | | Residential | | Commercial | |
|---|---|---|---|---|---|
| Total mortgage cover pool (€m) | 16,096.2 | Total amount (€m) | 12,981.5 | Total amount (€m) | 3,114.7 |
| Substitution assets | 0 | Number of loans | 187,920 | Number of loans | 11,051 |
| Outstanding covered bonds (€m) | 2,989.9 | Number of borrowers | 314,152 | Number of borrowers | 15,050 |
| Total OC | 438.4% | Average loan balance (€k) | 69.1 | Average loan balance (€k) | 281.8 |
| Number of loans | 198,971 | Interest only loans | 0.2% | Interest only loans | 22.2% |
| Number of borrowers | 329,202 | Weighted Average LTV (%) | 54.1% | Weighted Average LTV (%) | 52.4% |
| Average loan balance (€k) | 80.9 | Weighted Average Maturity (years) | 20.3 | Weighted Average Maturity (years) | 11.1 |
| Weighted Average LTV (%) | 53.7% | Weighted Average Rate (%) | 0.8% | Weighted Average Rate (%) | 2.1% |
| Weighted Average Seasoning (months) | 98.1 | Floating Rate loans (%) | 97.5% | Floating Rate loans (%) | 85.5% |
| Weighted Average Maturity (years) | 18.3 | Arrears ≥ 90 days (%) | 1.1% | Arrears ≥ 90 days (%) | 2.7% |
| Weighted Average Rate (%) | 1.1% | 10 largest exposures (%) | 0.3% | 10 largest exposures (%) | 12.4% |
| Arrears ≥ 90 days (%) | 1.4% | | | | |
| Floating rate loans (%) | 95.2% | | | | |
| Loans in Euros (%) | 98.0% | | | | |

Unless otherwise stated, data refers to 4Q21 from ABANCA not including Novo Banco Spain assets
In 4Q21 the assets of Bankoa, S.A. (entity already merged with ABANCA, S.A.) were included in the mortgage cover pool

# Cover pool information
## Outstanding Covered Bonds

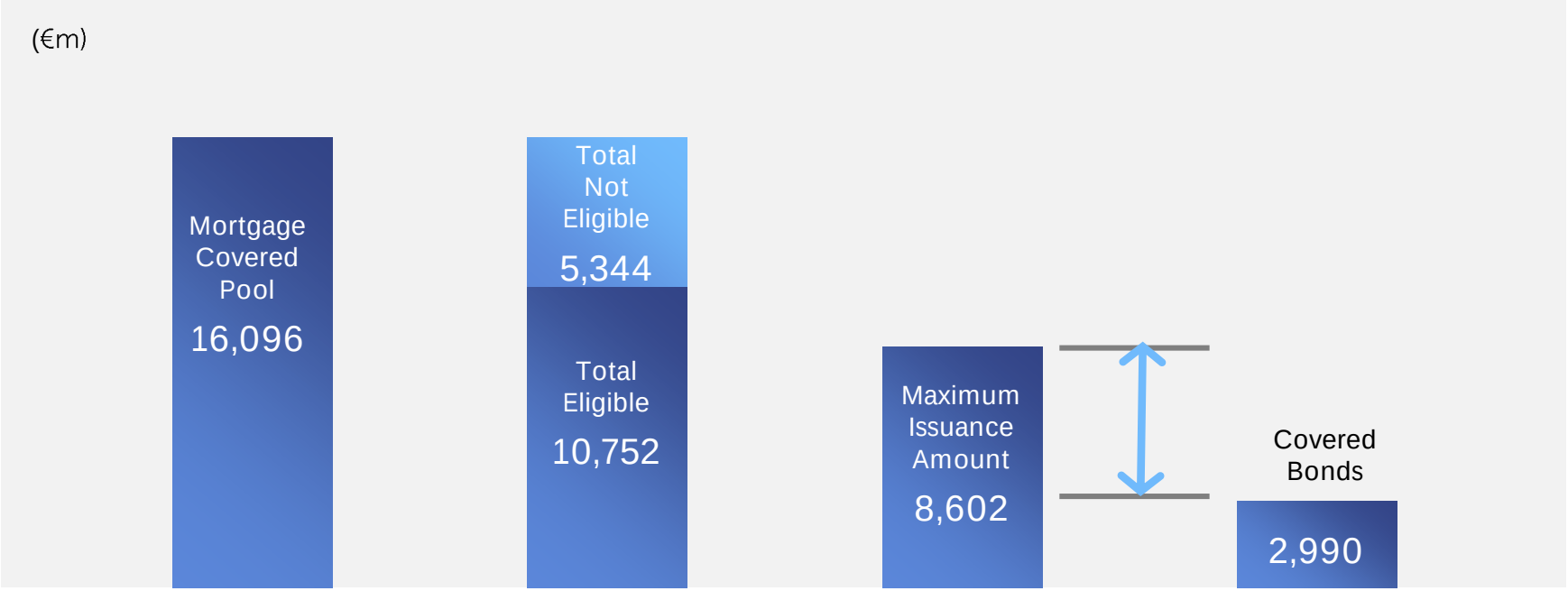
| ISIN | Issue Date | Maturity Date | Ccy | Nominal outstanding | Coupon type | Coupon | LCR status |
|---|---|---|---|---|---|---|---|
| ES0312298021 | 14-12-05 | 14-12-22 | EUR | 129,629,630 | Fixed | 3.75% | No |
| ES0312298096 | 25-10-06 | 25-10-23 | EUR | 100,000,000 | Fixed | 4.25% | No |
| ES0317046003 | 23-05-05 | 23-05-25 | EUR | 200,000,000 | Fixed | 3.88% | No |
| ES0312342019 | 30-06-05 | 30-06-25 | EUR | 410,256,410 | Fixed | 3.75% | 2A |
| ES0465936062 | 05-06-20 | 05-06-25 | EUR | 1,000,000,000 | Floating | EUR 3M + 0.15 | 1 |
| ES0312298120 | 25-05-07 | 25-05-27 | EUR | 200,000,000 | Fixed | 4.76% | No |
| ES0465936054 | 28-05-19 | 28-05-29 | EUR | 750,000,000 | Fixed | 0.75% | 1 |
| ES0371622020 | 10-04-06 | 10-04-31 | EUR | 200,000,000 | Fixed | 4.25% | No |

Unless otherwise stated, data refers to 4Q21 from ABANCA



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# Cover pool information
## Over-collateralisation



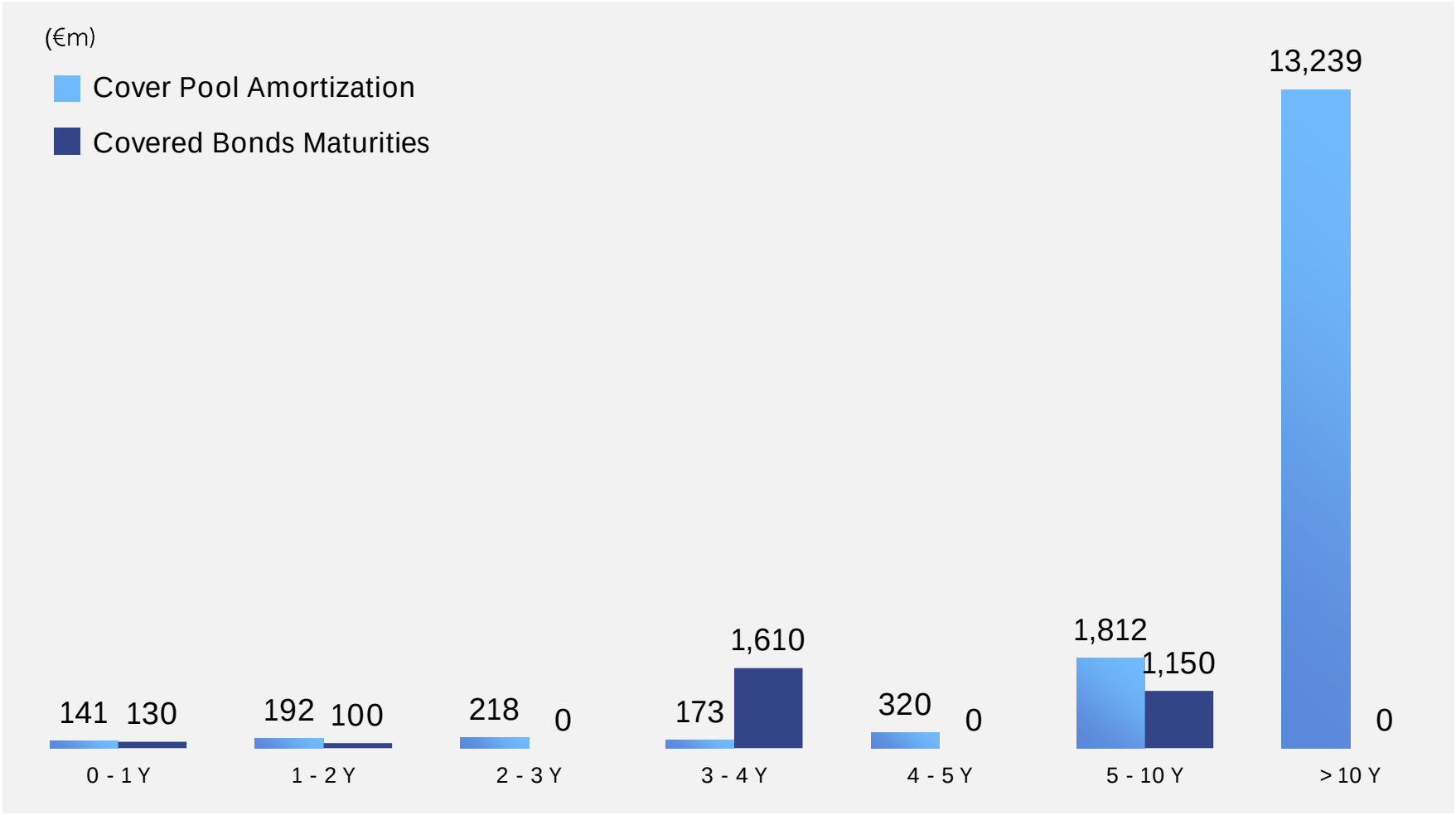

| Over-collateralisation (OC) | Legal / Regulatory | Actual |
|---|---|---|
| OC (%) | 25.0% | 438.4% |
| Eligible OC (%) | | 259.6% |

Unless otherwise stated, data refers to 4Q21 from ABANCA not including Novo Banco Spain assets



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# Cover pool information
## Amortization profile

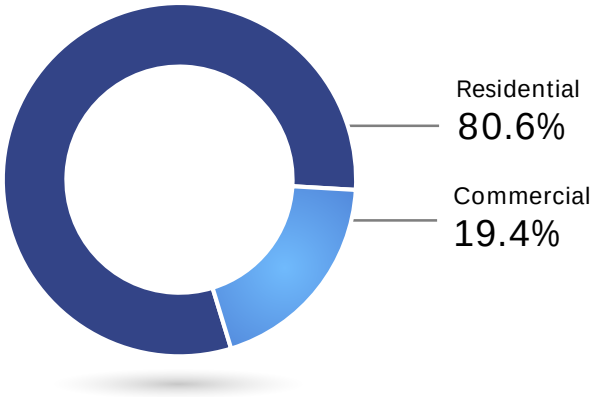




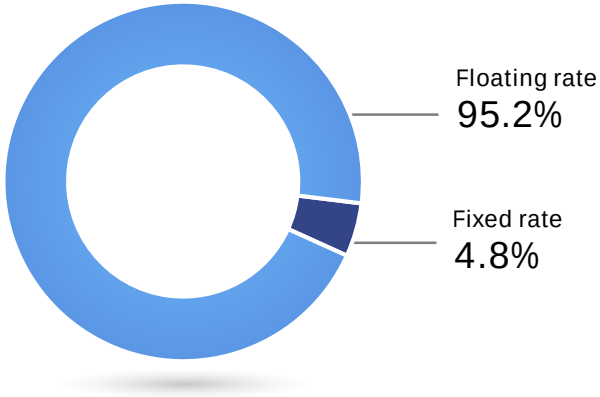

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# Cover Pool Highlights

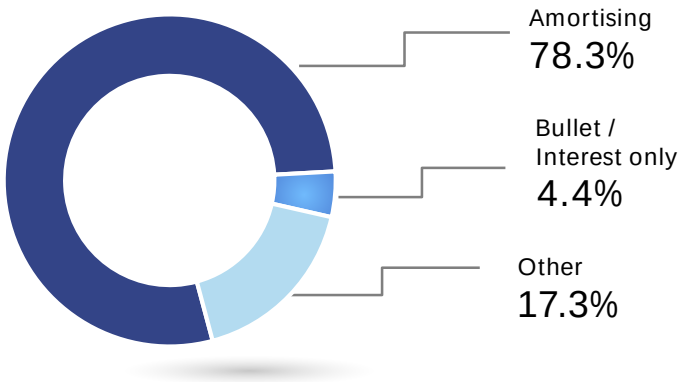
## Residential/Commercial



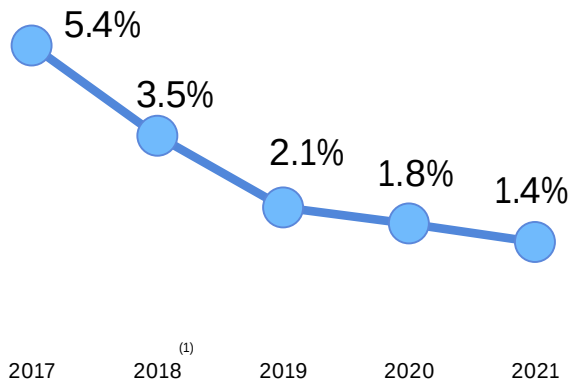

## Breakdown by interest rate




## Repayment type




## Arrears ≥ 90 days




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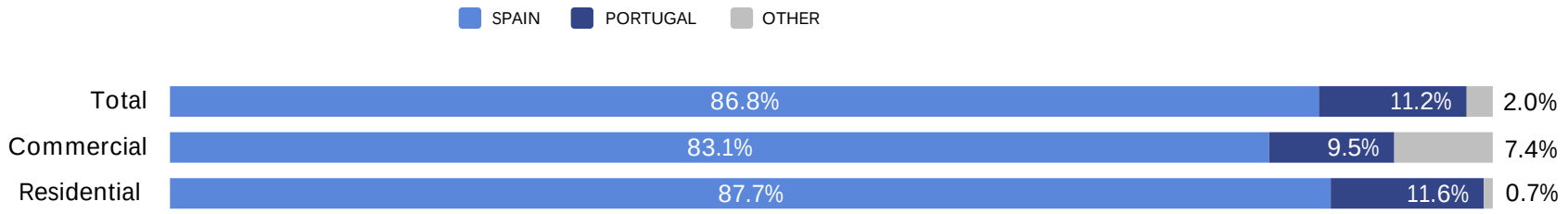
Notes: (1) 2018 adjusted to current criteria



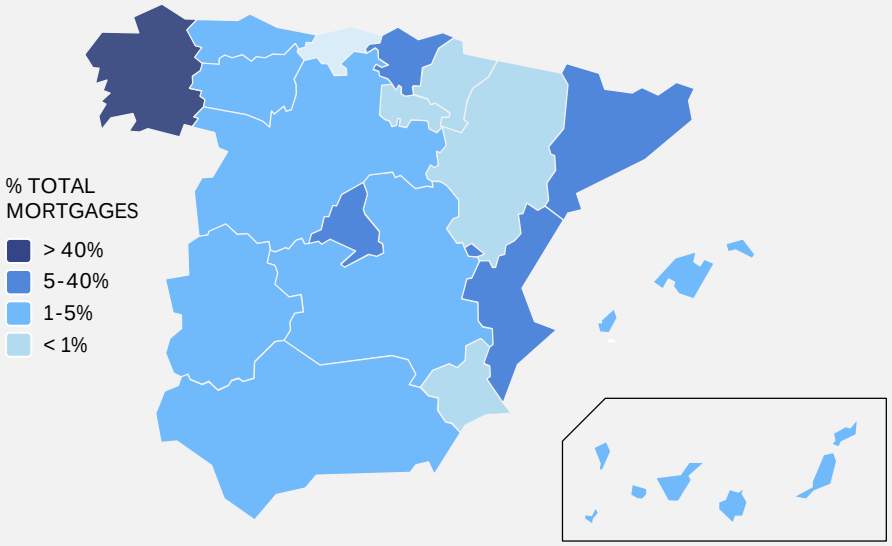
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# Cover Pool Highlights

## Geographical Distribution




## Geographical Distribution (Spain)



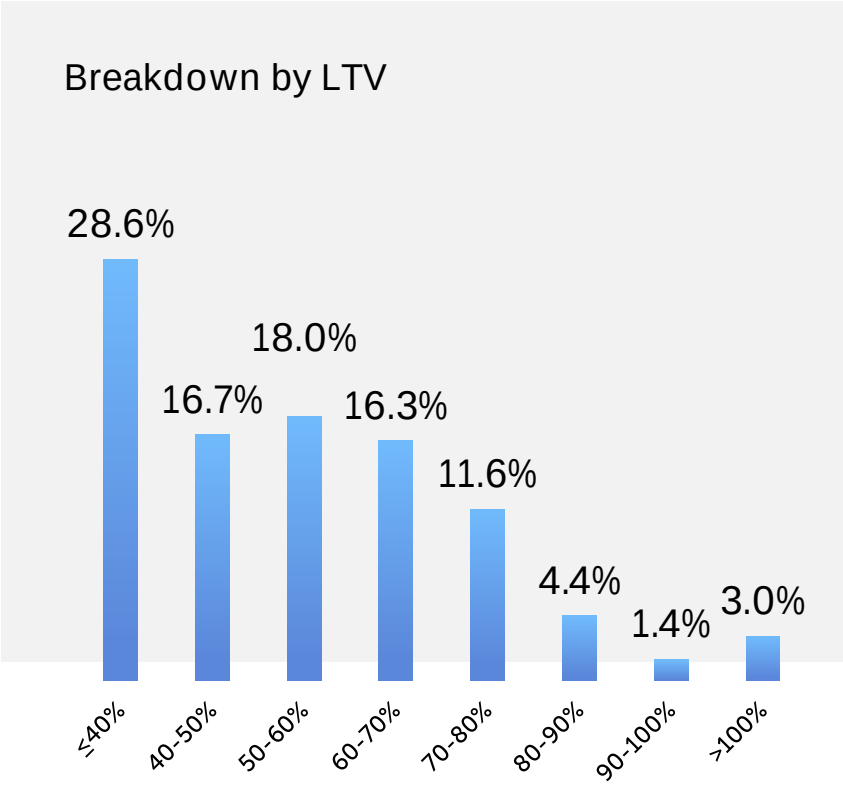

| Balance per region | % Residential Loans | % Commercial Loans | % Total Mortgages |
|---|---|---|---|
| Andalusia | 4.5% | 5.3% | 4.6% |
| Aragon | 0.8% | 1.1% | 0.9% |
| Asturias | 1.6% | 2.3% | 1.7% |
| Balearic Islands | 1.1% | 2.6% | 1.4% |
| Basque Country | 6.6% | 5.2% | 6.3% |
| Canary Islands | 2.0% | 1.9% | 2.0% |
| Cantabria | 0.5% | 0.2% | 0.5% |
| Castile La Mancha | 1.1% | 0.8% | 1.0% |
| Castile León | 4.4% | 2.9% | 4.1% |
| Catalonia | 8.7% | 4.7% | 8.0% |
| Extremadura | 1.9% | 0.9% | 1.7% |
| Galicia | 47.2% | 35.5% | 44.9% |
| La Rioja | 0.4% | 0.2% | 0.4% |
| Madrid | 12.6% | 28.2% | 15.6% |
| Murcia | 0.7% | 1.4% | 0.8% |
| Navarra | 0.4% | 0.8% | 0.5% |
| Valencia | 5.5% | 5.9% | 5.6% |

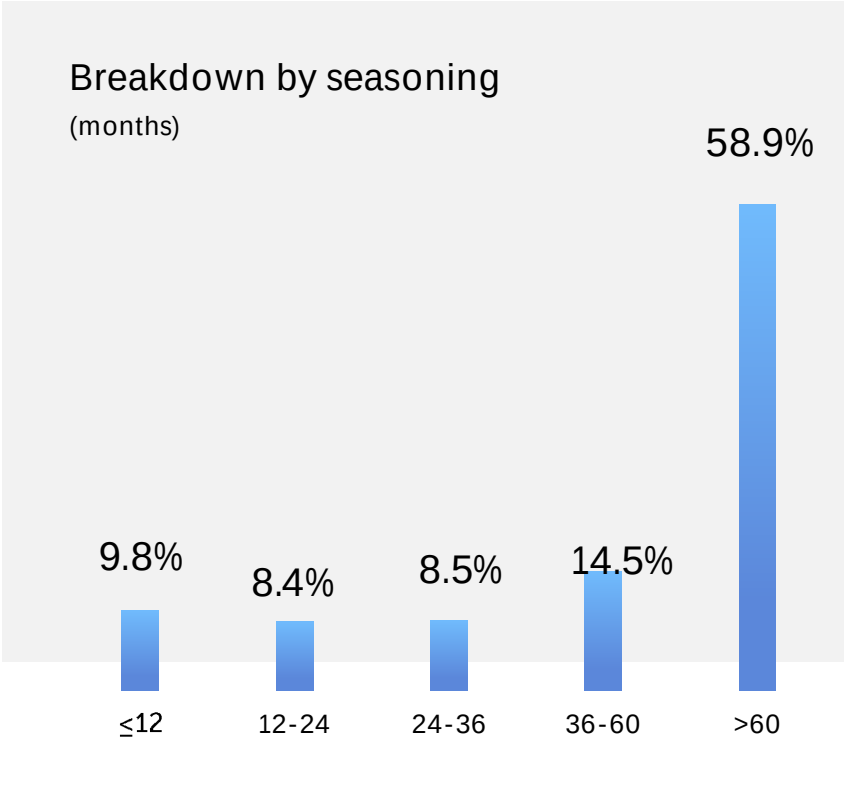
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# Cover Pool Highlights




## Weighted Average LTV: 53.7%

- 63.2% of the mortgage portfolio have LTV lower than 60%
- 91.2% of the mortgage portfolio have a LTV lower than 80%

## Weighted Average Seasoning: 98.1 months

- 73.3% of the pool has a seasoning above 3 years

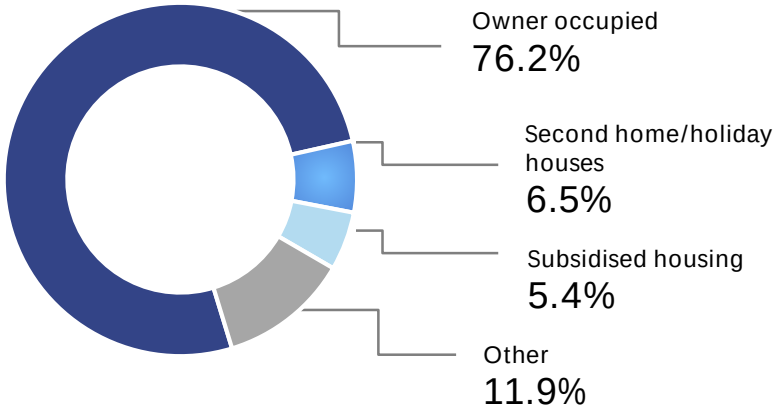
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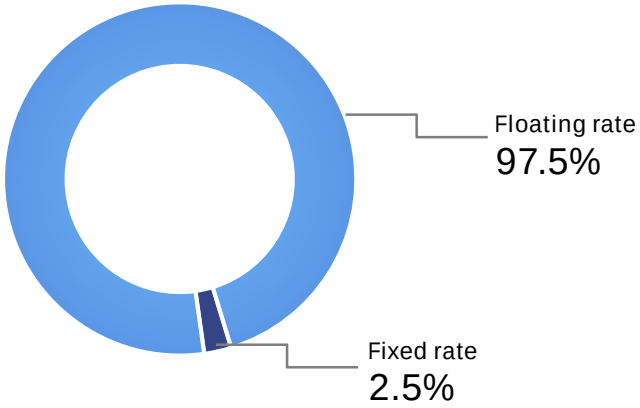
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# Residential Mortgage Portfolio

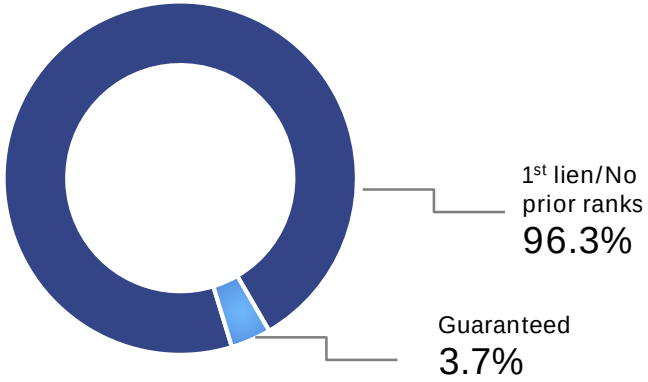
## Breakdown by type of residence



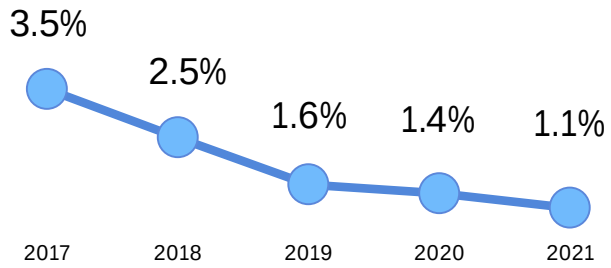

## Breakdown by interest rate




## Loan by ranking




## Arrears ≥ 90 days



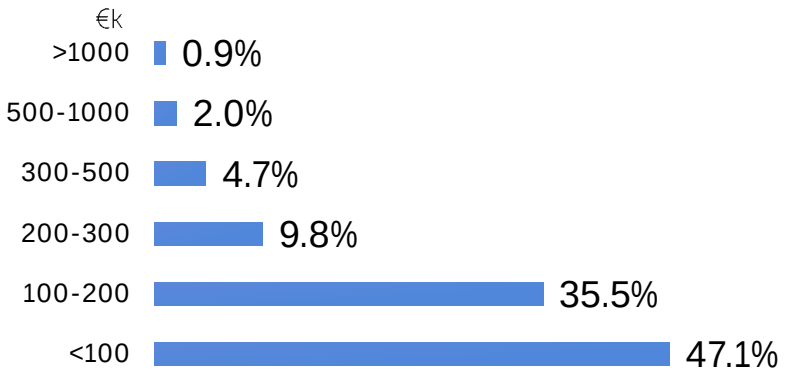

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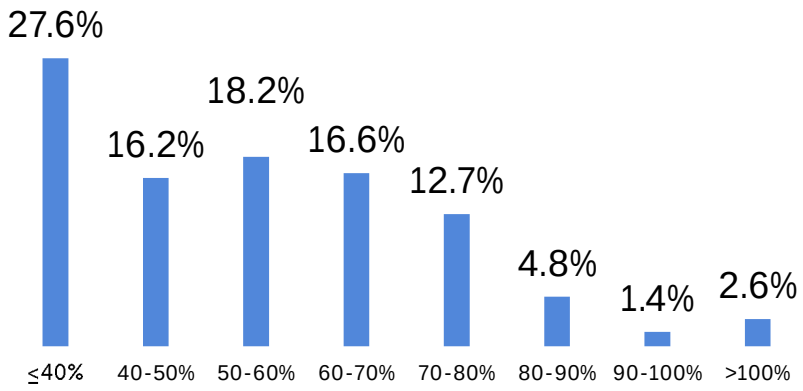
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# Residential Mortgage Portfolio

## Breakdown by loan size

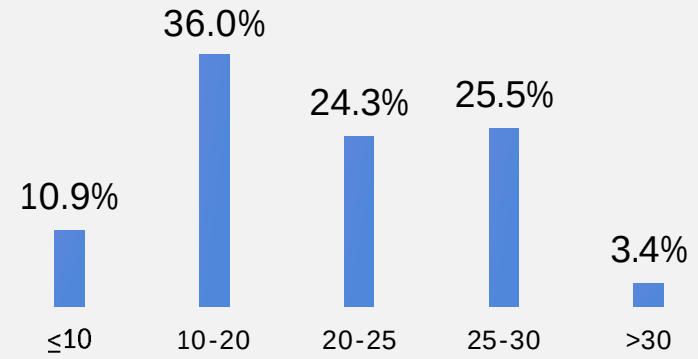



## Breakdown by LTV



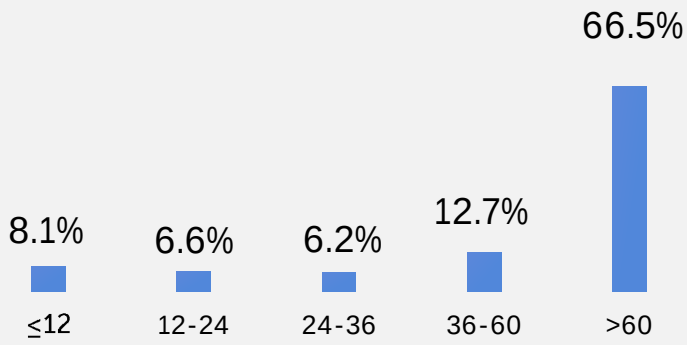

## Breakdown by Maturity

(years)




## Breakdown by Seasoning

(months)



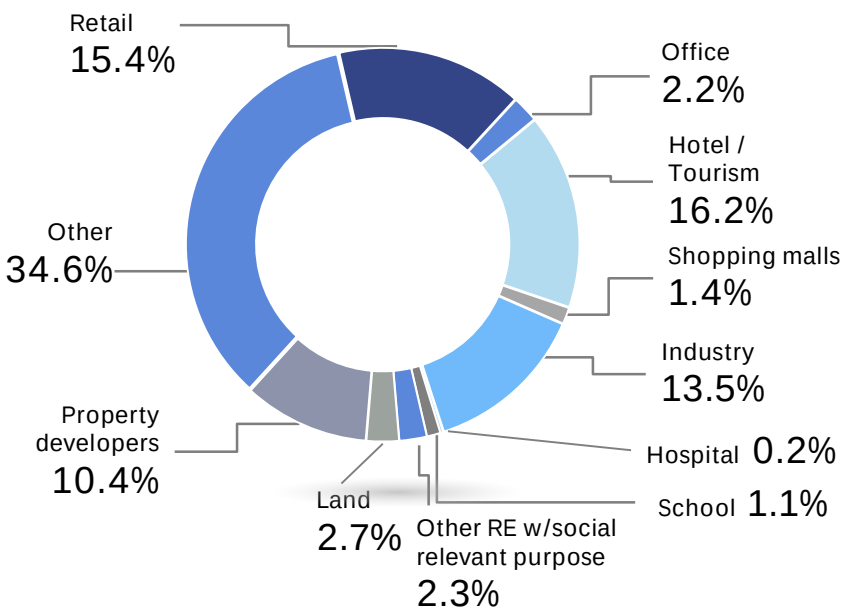

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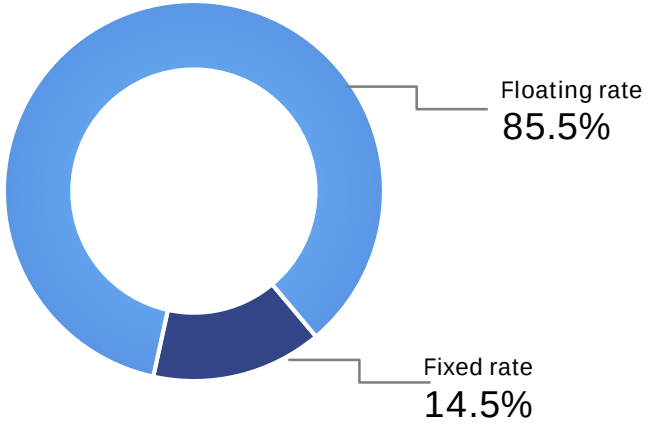
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# Commercial Mortgage Portfolio

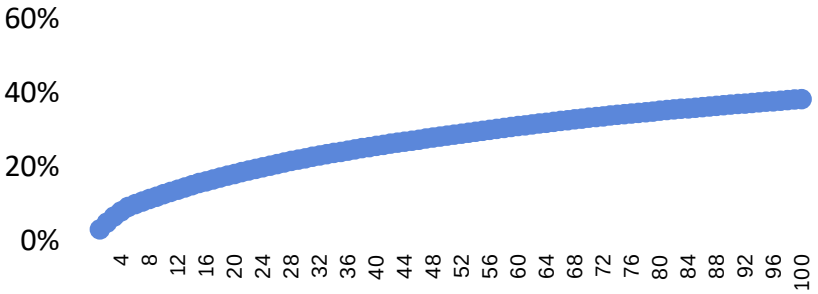
## Breakdown by type of property



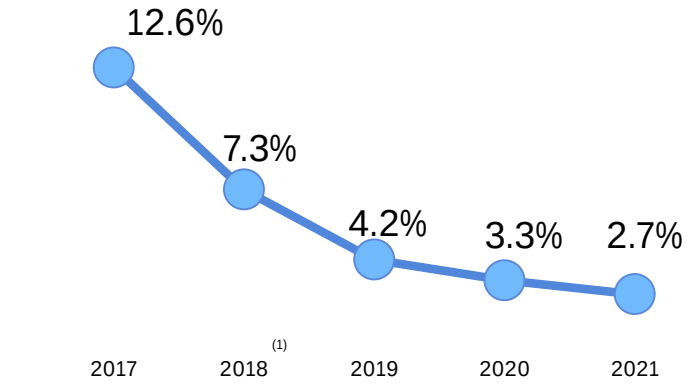

## Breakdown by interest rate




## Cumulative Top 100 Borrowers




## Arrears ≥ 90 days




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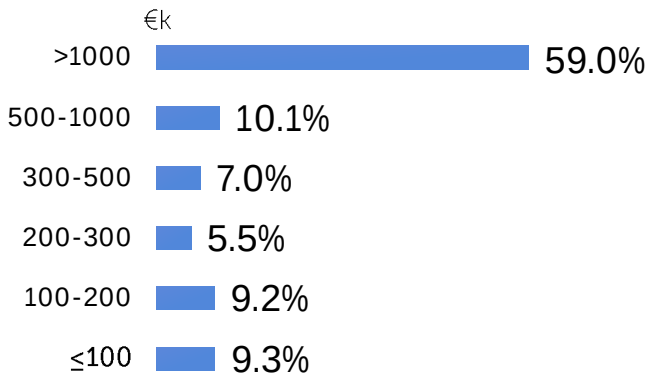
Notes: (1) 2018 adjusted to current criteria



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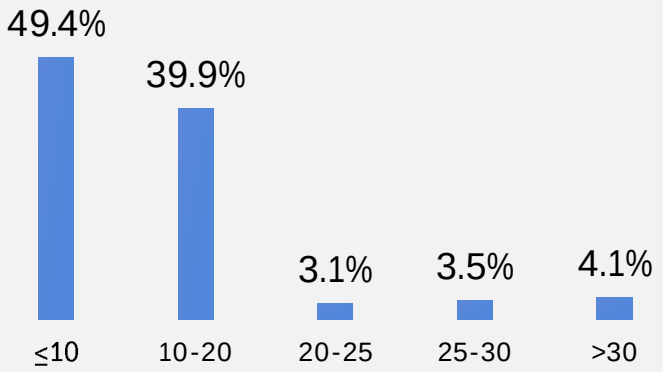
# Commercial Mortgage Portfolio

## Breakdown by loan size

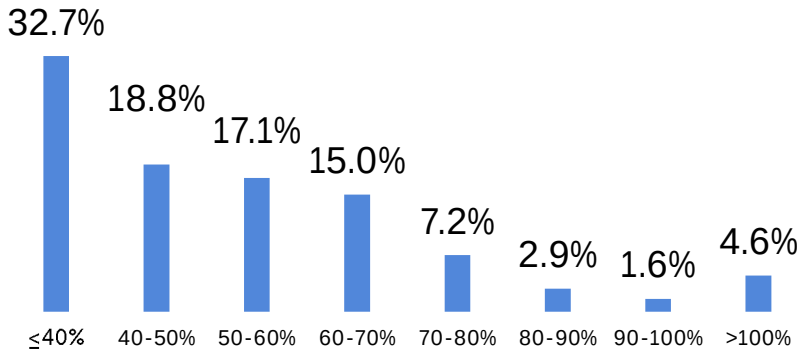



## Breakdown by Maturity

(years)

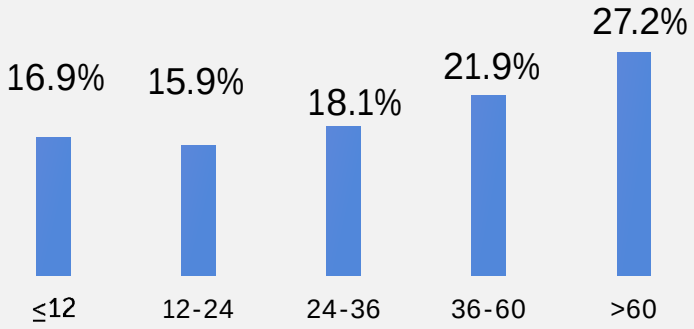



## Breakdown by LTV




## Breakdown by Seasoning

(months)




Unless otherwise stated, data refers to 4Q21 from ABANCA not including Novo Banco Spain assets



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# Glossary

- €bn: Billions of euros
- €m: Millions of euros
- €k: Thousands of euros
- ABANCA: ABANCA Corporación Bancaria, S.A
- Bp: Basis Points
- CCy: Currency
- CET1: Common Equity Tier 1
- EUR: Euros
- LCR: Liquidity Coverage Ratio
- LTD: Loan to Deposits Ratio
- LTV: Loan to Value
- NPA: Non-Performing Assets
- NPL: Non-Performing Loans
- OC: Over-collateralisation

//ABANCA

