

BANCO FINANTIA PROFIT AT €24.2 MILLION IN 2021

In 2021 Banco Finantia (www.finantia.com) posted a **€24.2 million net profit**, a 2% increase over the €23.7 million of the year before.

Banco Finantia's **financial soundness**, as measured by the Common Equity Tier 1 ratio (CET1), recorded 26.1%, one of the highest CET1 ratios amongst European banks.

The **net interest income, net of hedging**, reached €37.0 million, a 17% increase from the previous year (€31.6 million), mainly due to a decrease in the interest rate and FX hedging costs.

Financial transactions, commissions and other income stood at **€16.0 million** (€19.3 million in 2020).

Operating income rose to **€53.0 million** from the €50.9 million the prior year.

Operating expenses were €25.0 million, in line with the previous year € 24.5 million, setting the efficiency ratio, as measured by cost-to-income ratio, at 47%.

Non-performing exposures were 1.63%, an improvement over the prior year figure of 2.07%, leading to a decrease in the **Impairments and Provisions** from the prior year from €2.2 million to €1.0 million.

Total assets amounted to € 2,105 million as at 31 December 2021 and **Total shareholders' equity** reached €482 million.

In terms of business lines, the Bank will pursue its core activities, focusing more on non-capital-intensive activities, fixed-income capital market transactions, financial advisory services, and Private Banking activities, including Investment Advisory.

The merger of Banco Finantia Spain (BFS) into Banco Finantia (BFT), with the creation of a branch in Spain of BFT, has been fully executed. This merger has allowed the simplification of the Group organization and reinforced the quality of the services provided to customers both in Spain and Portugal.

Lisbon, 5 May 2022

Banco Finantia, S.A.

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CONSOLIDATED INCOME STATEMENT

€ million

	31.12.2021	31.12.2020
Net interest income	54.2	55.2
Interest rate & FX hedging	(17.2)	(23.6)
Net interest income, net of hedging	37.0	31.6
Financial transactions, commissions and other income	16.0	19.3
Operating income	53.0	50.9
Impairments and provisions	(1.0)	(2.2)
Operating expenses	(25.0)	(24.5)
Profit before tax	27.0	24.2
Net profit	24.2	23.7

CONSOLIDATED BALANCE SHEET

€ million

	31.12.2021	31.12.2020
Assets		
Cash and banks	166.9	133.6
Fixed income and loan portfolio	1,891.6	1,894.3
Other assets	46.4	77.2
Total assets	2,104.9	2,105.2
Liabilities		
Customers deposits	883.1	950.0
MM takings and Repos	675.7	593.1
<i>of which MLT</i>	143.2	103.1
Other liabilities	63.8	83.3
Total liabilities	1,622.6	1,626.3
Total shareholders' equity	482.3	478.8
Total liabilities and shareholders' equity	2,104.9	2,105.2
CET1 ratio	26.1%	27.3%
Total Capital ratio	26.1%	27.3%

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