

## Santander Portugal achieves net profit of € 547.7 million

*"The first six months of the year marked yet another chapter in Santander's trajectory as a Bank that is increasingly simpler and closer to its customers, with the ability to anticipate their needs and to keep providing decisive support to the economy and society.*

*During this period, we have come up with competitive solutions to support projects of the Portuguese people, especially when it comes to purchasing a home, reflected in the growth of mortgage credit when compared to the end of 2023. During the first five months of the year, one in every four loans was granted by Santander. In terms of resources, we have made a wide range of savings solutions available to our customers, suited to their risk profile, translated in a 1.2% growth in customer resources since the end of 2023, largely explained by applications in investment funds and financial insurance, which grew by 6.4%, while the deposit base remained stable.*

*We have been transforming the way we operate, in order to be closer to our customers' demands, who are essentially looking for a digital bank with physical branches. And the numbers speak for themselves: on our App, we have more than 1 million users per month, and about 86% of deposits are already made through the new automatic teller machines available at our branches 24/7.*

*Because we believe that the future begins now, as portrayed in the new campaign we have launched, we will keep working to be a solid, profitable bank, following a path of innovation and growth, always investing in people, on companies, and in the economy, which we all want to be the healthiest possible."*

*Pedro Castro e Almeida, CEO of Banco Santander Portugal*

Lisbon, August 01, 2024 — PRESS RELEASE

### Main Highlights

- At the end of June 2024, the **net profit** of Santander Totta, SGPS amounted to **€ 547.7 million**, compared to € 333.7 million at the end of the same period in 2023.
- The comprehensive transformation underway, aimed at improving service quality, allowed the Bank to continue to grow its base of both active and digital customers by an additional 61 thousand and 69 thousand, respectively, compared to the same period last year. As a result, customer transactions also grew, with more than 1.1 million daily purchase and payment transactions (+12.3%).
- Santander maintained an offer of diversified, innovative protection solutions suited to customer needs, of which we highlight the new partnership with CUF Saúde, with the provision of an innovative health insurance.

- **Loans to customers**<sup>1</sup>, in the amount of € 47.0 billion, grew by 12.1% year-on-year, also benefiting from greater volumes of new credit production in the first half of 2024, with mortgage credit growing by 2.8% compared to the end of 2023.
- **Customer resources amounted to € 45.1 billion** (+1.8% compared to the same period last year), as a result of the stabilization of customer deposits and of the growth in off-balance sheet resources (+9.4%).
- The **efficiency ratio stood at 23.1%** (a 7.7 p.p. decrease compared to the same period in 2023).
- The quality of the credit portfolio remained quite solid, with the NPE ratio coming down to 1.6% (-0.5 p.p.), with 85.9% coverage (and 55.5% by specific impairment coverage).
- The **fully implemented CET1 ratio** stood at 19.2% (+1.6 p.p. compared to June 2023).
- The *Euromoney* magazine distinguished Santander as the “**Best International Bank in Portugal**,” within the scope of the *Euromoney Awards for Excellence 2024*. This publication also considered Santander as the “**Best Bank in Corporate Social Responsibility**.” *Euromoney* also distinguished Santander as the “**Best International Private Banking**” in Portugal, awarding this segment for the 13<sup>th</sup> consecutive year.
- The North American magazine *Global Finance* distinguished Santander with the title “**Best Bank in Portugal**,” within the scope of “*The World’s Best Banks 2024*,” highlighting the results achieved, the variety of services offered, and the bank’s credibility before its customers. The same publication also distinguished Santander, for the 3<sup>rd</sup> consecutive year, as the “**Best SME Bank**” in Portugal, within the scope of the “*SME Bank Awards 2024*.”
- The *World Finance* magazine distinguished Santander as the “**Best Retail Bank in Portugal**,” within the scope of the *World Finance Banking Awards 2024*, recognizing the financial institutions with the best performance around the world, “as those that are in the best position to set the example and take up a leading role during this uncertain macroeconomic period.” It also recently awarded Santander the title of “**Best Private Banking**” in the country.
- For the 3<sup>rd</sup> consecutive year Santander was once again distinguished as the **No. 1 ESG Bank in Portugal**, taking the first position in the sector in the **Merco ESG 2023** ranking. In the field of Human Resources, Santander was certified for the 2<sup>nd</sup> consecutive year as **Top Employer 2024 in Portugal**, by the *Top Employers Institute*, which distinguishes companies with the best practices in this matter.
- In terms of **sustainable financing**, the Bank keeps supporting the climate transition of its private and corporate customers, with a financing volume worth € 772 million.
- Santander Portugal has the best ratings in the sector. The current long-term debt ratings of Banco Santander Totta, compared to those of Portugal as a country, are as follows: Fitch — A- (Portugal — A-); Moody’s — Baa1 (Portugal — A3); S&P — A- (Portugal — A-); and DBRS — A (Portugal — A).

---

<sup>1</sup>Total loans to customers (gross).

## Key Indicators

### Santander Totta, SGPS

<b>BALANCE SHEET AND RESULTS (million euro)</b>	<b>jun-24</b>	<b>jun-23</b>	<b>Var.</b>
Total Net Assets	55,888	54,272	+3.0%
Loans and advances to customers (gross) (1)	47,015	41,937	+12.1%
Customers' Resources	45,077	44,272	+1.8%
Net Interest Income (without dividends)	862.2	586.5	+47.0%
Net Fees	232.3	231.2	+0.5%
Net Income from Banking Activities (2)	1,112.3	830.4	+34.0%
Operating costs	-257.5	-255.4	+0.8%
Net Operating Income	854.8	575.0	+48.7%
Income before taxes and non-controlling interests	815.3	501.0	+62.7%
Consolidated net income	547.7	333.7	+64.2%

<b>RATIOS</b>	<b>jun-24</b>	<b>jun-23</b>	<b>Var.</b>
ROE	25.3%	17.6%	+7.7 p.p.
Efficiency ratio	23.1%	30.8%	-7.7 p.p.
CET I ratio (fully implemented)	19.2%	17.6%	+1.6 p.p.
Non-Performing Exposure Ratio (3)	1.6%	2.1%	-0.5 p.p.
Non-Performing Exposure coverage ratio	85.9%	88.6%	-2.7 p.p.
Non-Performing Exposure coverage ratio (by specific impairment)	55.5%	58.3%	-2.8 p.p.
Cost of credit (4)	0.09%	0.06%	+0.03 p.p.

<b>Other Data</b>	<b>jun-24</b>	<b>jun-23</b>	<b>Var.</b>
Employees in Portugal	4,566	4,666	-100
Total Branches in Portugal	329	333	-4

<b>RATING - Banco Santander Totta, SA</b>	<b>jun-24</b>
FitchRatings	A-
Moody's	Baa1
Standard & Poor's	A-
DBRS	A

(1) Total loans to customers (gross)

(2) Includes the costs with the Resolution and Deposit Guarantee Funds

(3) In accordance with to EBA criteria

(4) 12 month average

## **Business Environment**

**In the first half of 2024, the world economy continued to show signs of resilience, despite the persistence of risk factors on economic growth.** The most recent economic indicators confirm a positive trend in the external context, with the PMI indices of the main economies signalling a recovery. However, the underlying adverse factors to global growth, namely the decline in savings, the cooling of the labour market, and the moderation of nominal wage growth in advanced economies, may provide less support for the growth of disposable income; and, in China, domestic demand remains quite moderated.

**In the US, the robust economic context and persistent inflation led the Federal Reserve to postpone the first interest rate cut.** Despite the slowdown in GDP growth in the first quarter of 2024, to 0.3% quarter-on-quarter (0.5% in Q4 2023), domestic demand remains solid, more than offsetting the negative contribution from net exports. The labour market is beginning to show signs of cooling down, with a slight rise in the unemployment rate, despite the fact that it continues to operate at full employment, with net job creation in the non-agricultural sector. Consumer prices remain on a slow deceleration trend, with headline and core inflation standing at 2.9% and 3.3%, respectively.

**In the Euro Area, real GDP recorded a 0.3% growth in Q1 2024, in terms of quarterly variation, after five quarters of business stagnation,** benefiting from a positive contribution from net exports and domestic demand. Economic data for Q2 2024 point towards the trend of economic recovery being maintained. However, industrial production continues to operate below its potential, as a result of weak demand, particularly in more energy-intensive sectors, while the services sector shows signs of widespread improvement. Short-term labour market indicators continue to point to employment growth throughout 2024. Inflation slowed down slightly, to 2.5%, in June 2024, stressing the trend for stabilization of internal pressures on prices, reflecting weaker profits. At the Governing Council meeting on June 12, 2024, the ECB materialized the previously signalled cut in reference interest rates by 25 bps, with the refinancing rate standing at 4.25%, and the deposit rate at 3.75%.

**The Portuguese economy, in the first half of 2024, maintained a positive trajectory of resilience in economic activity, although some indicators are beginning to signal some moderation.** The industrial sector is starting to reflect the effects of a gradual moderation in internal and external demand (business volume dropped by 2.6% year-on-year in May), while the services sector maintained sustained growth rates, around 3% year-on-year.

**After a GDP growth of 0.8% quarter-on-quarter in Q1 2024, occasional signs of moderation in business activity in some sectors are beginning to emerge,** meaning that economic growth in Q2 slowed down abruptly quarter-on-quarter, although stabilizing at 1.5% year-on-year, due to base effects.

**The labour market continues to be characterized by sustained growth in the workforce** (1.5% year-on-year in May 2024), supported by employment growth and by the reduction in unemployment (-3.9% year-on-year, in May 2024). The unemployment rate remained stable at around 6.5% in May 2024. Wages **continued to grow above the inflation rate** (wages grew by 6.4%, and inflation by 3.1% in May 2024, year-on-year), contributing to the recovery of consumers' purchasing power and, consequently, sustaining the resilience of private consumption as the main driver of economic growth.

**Consumer confidence maintained a positive trend,** reflecting the improvement in economic agents' perspectives regarding the future deceleration in prices, as well as the future perception of their financial situation and purchasing power.

**Interest rates on sovereign debt in the Euro Area evolved in line with the reduction in reference interest rates,** with no major variations in spreads vis-a-vis the swap rate, reflecting investors' high appetite for this type of

asset. The anticipation of legislative elections in France, following the European elections on June 9, brought some volatility to the markets, including a pronounced reduction in market emissions, but which abated with the act of July 7. The German yield curve maintained an inverted profile, with the 10-year term standing at 2.34%, and the 2-year term at 2.55% (as of July 30). The Portuguese 10-year sovereign rate stood at 3.00%, with the difference against the German sovereign remaining stable at around 66 bps.

**Portugal's risk rating remains at A- (positive) by S&P, A (stable) by DBRS, A- (stable) by Fitch, and A3 (stable) by Moody's.**

## **Business Activity**

Santander Portugal continued to pursue its **strategy of growing its commercial and transactional relationships with customers**, in which the continuous transformation process that the Bank has been carrying out, aimed at improving customer experience and satisfaction, has played a key role.

In the first half of 2024, the Bank continued to strengthen its customer base, which grew by **61 thousand new active customers** (+3.4% compared to the same period last year), and, within its orientation of becoming a digital bank with branches, **digital customers increased by 69 thousand** (+6.0%) in the same period, to 1.21 million customers, corresponding to 65% of all active customers.

Customer growth continues to be concentrated around the segments with the highest relationship and value, which was reflected in the growth of commercial activity, in terms of business volumes and transactions. Compared to the end of 2023, credit to individuals has already grown by 2.7%, and balance sheet resources have grown by 4.0%.

In terms of transactions, it is worth highlighting the growth in the number of **credit and debit cards issued by the Bank**, which grew by 4.9%, compared to the same period in 2023, which were used daily to carry out **more than 1.1 million purchase and withdrawal transactions**, meaning a 12.3% growth year-on-year.

The use of the Bank's digital channels also maintained a clear growth trajectory, with more than **one million daily logins on the private website and on the App** (+12.3% compared to the same period last year). The number of Bank customers using *OneApp* reached 726 thousand (+17.1%).

The growth in **business volumes** was the result of the growth of the customer base, but above all of the continuous adaptation of the offer to customer needs, considering that one aspect of the transformation process involves the simplification of products, in addition to the continuous availability of new solutions, adapted to the economic and competitive context at each point in time.

In terms of **mortgage loans**, the Bank continued to provide a competitive offer at a mixed rate, with an initial period of fixed interest rate, which has enabled it to ensure sustained growth in new production volumes: during the first half of 2024, for every 100 euros of new mortgage loans, more than 26 euros were originated by Santander. Likewise, the Bank was also very active in consumer loans, and on credit for other purposes.

In the **corporate** segment, in addition to the usual liquidity and treasury management instruments, such as factoring and confirming, the Bank kept supporting its customers' digital and green transformation, namely by granting € 772 million in sustainable financing in the first half of the year.

Likewise, the Bank maintained a solid activity in supporting **international trade and the internationalization of Portuguese companies**, namely by strengthening its position in trade finance operations. In the first half of the year, Santander participated in several company internationalization events, namely with the Luso-American,

the Luso-British and the Luso-Mexican Chambers of Commerce, and in sectoral events, such as at Ovibeja, FNA, and in the Guimarães *Home Fashion Week*. In-person and virtual visits were also carried out with multinational companies from Spain, Poland, the United Kingdom, Brazil, and the US.

Santander Portugal remains committed to providing a comprehensive, differentiated offer of savings products, in investment funds and financial insurance, in addition to traditional deposits. These grew by 0.2% year-on-year, with the Bank favouring digital channels for their marketing, where it offers differentiated solutions in terms of liquidity and term, adjusted to the needs and preferences of our customers. The portfolio of off-balance sheet resources grew by 9.4% in the same period, reaching € 4.504 million in investment funds, and € 3.923 million in financial insurance and other resources.

In terms of **protection solutions**, both real and personal, Santander continues to provide its customers with a diversified offer aimed at promoting their peace of mind and comfort, in terms of protection insurance, with the origination of new policies growing by 22.1% compared to the same period last year.

Keeping its focus on innovation, and above all, being concerned with providing solutions guided towards our customers' needs, Santander entered into a partnership with CUF Saúde, the largest private healthcare provider in Portugal, and with Aegon Santander Portugal, namely by launching the **health insurance "CUF Santander."** This product is aimed at the Bank's customers, and it combines the benefits of a health plan with the benefits of a health insurance, namely for hospitalization and surgery risks.

Additionally, and as part of its constant effort to improve service quality and to make its offer available on digital channels, the Bank has maintained its continuous investment in processes and systems.

## Results

At the end of the first half of 2024, Santander Totta, SGPS (referred to as "Bank" or "Santander Portugal" in this Press Release) achieved a net profit of € 547.7 million, which compares to the € 333.7 million it achieved in the same period last year (+64.2%).

### Main Highlights:

Net income from banking activities<sup>1</sup> grew by 34.0% year-on-year, to € 1.112 billion, benefiting from the dynamics of net interest income (+47.0%), while net fees remained stable during the same period.

Operating costs remained stable during the first half of the year (+0.8% year-on-year), with the commercial and digital transformation enabling a reduction in customer service costs and an improved efficiency ratio to 23.1% (-7.7 p.p.). Net operating income amounted to € 854.8 million (+48.7%).

Net interest income amounted to € 862.2 million (+47.0% compared to the same period last year), still benefiting from the effects of the fast cycle of interest rate increases adopted by the European Central Bank between July 2022 and September 2023. However, considering the quarterly evolution of the margin, a reduction is already visible compared to both the peak observed in Q4 2023 and in the previous quarter, reflecting the interest rate cuts already underway, as well as the remuneration of deposits. As in previous quarters, the persistence of a competitive business environment continued to maintain the downward pressure on credit spreads.

---

<sup>1</sup> Net income from banking activities includes charges with Resolution Funds, and with the Deposit Guarantee Fund

Net fees, amounting to € 232.3 million, grew by 0.5% compared to the same period in 2023. Growth was quite widespread but was particularly leveraged by growth of the customer base in higher value segments, with the consequent increase in business volumes, in credit, and in off-balance sheet resources, as well as in transactions and insurance, which made it possible to offset the effects of legal changes that limit the fees charged by banks since the second half of 2023.

Gain/Loss on financial assets, amounting to € 12.7 million, increased by 8.1% year-on-year, reflecting the growth in business with customers. Net income from banking activities<sup>1</sup> grew by 34% in the same period, to € 1,112 billion.

During this period, the Bank continued to improve its operational efficiency, leveraging the commercial and digital transformation it has been carrying out in recent years, now with a special focus on continuous optimization of processes, and on improving customer experience. As a result, operating costs, amounting to € 257.5 million, grew by 0.8% compared to the same period in 2023, thus continuing to grow the cost base below inflation: staff costs rose by 3.7%, to € 142.1 million, while general and administrative expenses remained stable at € 142.1 million.

The efficiency ratio stood at 23.1%, a 7.7 p.p. decrease year-on-year.

A resilient macroeconomic context, with moderate business growth, but in particular the situation of full employment, allowed economic agents and, in particular, households, to accommodate the rise in interest rates, which has been reflected in the quality of the credit portfolio. Net impairment of financial assets at amortized cost amounted to € -4.4 million, which compares with -35 million in the same period last year (-87.4%). The NPE ratio dropped by 0.5 p.p., to 1.6%, compared to the end of the first half of 2023.

Net provisions and other results amounted to € -35.2 million, reflecting the costs with the extraordinary contribution to the banking sector and the solidarity tax. Income before taxes and non-controlling interests, in the amount of € 815.3 million, recorded a 62.7% increase year-on-year.

## Balance Sheet and Business

At the end of June 2024, loans to customers (gross) amounted to € 47.0 billion, a 12.1% growth compared to the same period in 2023. Since the end of the Summer 2023, the Bank has been adapting its offer to customer needs, which has allowed it to attract new credit customers and also minimize the pace of early repayments, which characterized part of the dynamics of credit volumes in the first half of 2023.

The mortgage loan portfolio grew by 1.0% year-on-year, to € 22.7 billion at the end of the semester, benefiting from the very competitive offer in the segment, in terms of mixed rate, which allowed a relevant growth in the production of new mortgages. Compared to the end of 2023, the portfolio grew by 2.8%. Consumer credit, amounting to € 1.8 billion, grew by 0.4% compared to June 2023 (+2.6% compared to the end of 2023).

LOANS (million euro)	jun-24	jun-23	Var.
Loans to individuals	24,752	24,589	+0.7%
<i>of which</i>			
Mortgage	22,653	22,436	+1.0%
Consumer	1,836	1,829	+0.4%
Loans to corporates and institucionals	22,263	17,349	+28.3%

Credit to companies and institutional amounted to € 22.3 billion, with the Bank continuing to pursue its strategy of supporting its customers' projects. In addition to liquidity and treasury management solutions, as well as the support it provides for international business, instruments to support the energy transition of national

companies have also been added. During this period, the Bank also signed several credit facilities to support the economy within the scope of InvestEU, namely with Banco Português de Fomento, with a total allocation of € 3.5 billion.

The Non-Performing Exposure (NPE) ratio, calculated according to EBA criterion (in relation to balance sheet exposures), stood at 1.6% at the end of June 2024, a reduction of 0.5 p.p. compared to the same period last year, with the respective coverage standing at 85.9% (-2.7 p.p. year-on-year). NPE coverage by specific impairment was 55.5% (-2.8 p.p.).

Customer resources, in the amount of € 45.1 billion, grew by 1.8% compared to June 2023, benefiting above all from the evolution of off-balance sheet resources, which grew by 9.4% in the same period, reflecting the strategy followed in recent quarters, with the provision of a comprehensive range of investment solutions, through its range of investment funds (which grew by 14.0%) and capitalization insurance and other resources (+4.5%). Deposits grew more moderately, by 0.2%, to € 36.7 billion.

<b>RESOURCES (million euro)</b>	<b>jun-24</b>	<b>jun-23</b>	<b>Var.</b>
<b>Customers' resources</b>	<b>45,077</b>	<b>44,272</b>	<b>+1.8%</b>
Deposits	36,650	36,568	+0.2%
Off-balance sheet resources	8,427	7,704	+9.4%
Investment funds	4,504	3,952	+14.0%
Insurance and other resources	3,923	3,752	+4.5%

## Liquidity and Solvency

Santander Portugal pursued its liquidity management strategy aimed at maximizing the liquidity buffer to face adverse events. In the first half of 2024, the liquidity reserve remained stable, ending the semester with a liquidity reserve of € 17.6 billion. Exposure to the Eurosystem stood at € -3.9 billion (surplus position).

The Bank has maintained a financing structure appropriate to the market context. Financing obtained from the European Central Bank came down to zero with the maturity of the last tranche worth € 0.7 billion, in March 2024.

Short-term financing through repurchase agreements ended the first quarter at € 3.8 billion. In terms of long-term financing, Santander Portugal ended Q2 2024 with about € 0.9 billion in securitizations, € 3.8 billion in covered bonds (new issuance in February, in the amount of € 1 billion, which replaced the issuance that matured in April), € 1.1 billion of senior non-preferred issuances, € 0.2 billion of subordinated issuances, € 0.4 billion of Credit Linked Notes, and about € 0.6 billion in financing with repurchase agreement.

The LCR (Liquidity Coverage Ratio), calculated in accordance with CRD IV rules, stood at 144.8%, thus meeting regulatory requirements on a fully-implemented basis.

The *Common Equity Tier 1* (CET1) ratio, calculated in accordance with CRR/CDR IV standards, stood at 19.2% (fully implemented), at the end of June 2024, an increase of 1.6 p.p. compared to same period in 2023.

The Bank still has very high capitalization levels, clearly above the minimum requirements set by the ECB under the SREP (for 2024, CET1 — 8.428%, Tier 1 — 10.238%, and Total — 12.5%, fully implemented).

In terms of MREL, as of the end of June, Santander Totta SGPS recorded a ratio of 32.4%, above the fully implemented requirement of 24.55% (including the 3% Combined Buffer Requirement (CBR) of TREA), required for 2024.



<b>CAPITAL (fully implemented) (million euro)</b>	<b>jun-24</b>	<b>jun-23</b>
Common Equity Tier I	3,018	2,815
Tier I Capital	3,718	3,215
Total Capital	3,986	3,489
<b>Risk Weighted Assets (RWA)</b>	<b>15,716</b>	<b>15,958</b>
CET I ratio	19.2%	17.6%
Tier I ratio	23.7%	20.1%
Total Capital Ratio	25.4%	21.9%

## External Recognition

In the first six months of the year, Santander was once again awarded for its financial performance, both globally and in various business segments.

This month, *Euromoney* distinguished Santander as the “**Best International Bank in Portugal**,” within the scope of the *Euromoney Awards for Excellence 2024*. This publication also considered Santander as the “**Best Bank in Corporate Social Responsibility**.”

These awards are added to the distinction of “**Best Bank in Portugal**” awarded by the North American magazine *Global Finance* which, through *The World's Best Banks 2024*, recognizes financial institutions for the results achieved, for the variety of services offered, and for their credibility with their customers.

In turn, *World Finance* magazine, within the scope of the *World Finance Banking Awards 2024*, distinguished Santander as the “**Best Retail Bank in Portugal**,” recognizing the financial institutions with the best performance around the world, “*as those that are in the best position to set the example and take up a leading role during this uncertain macroeconomic period.*”

In the various business areas, *Euromoney* distinguished Santander as the “**Best International Private Banking**” in Portugal, awarding this segment of the Bank for the 13<sup>th</sup> consecutive year. In this edition, the jury took into account the offer to customers, the innovation capacity, the proposal of products with an impact, and commercial success. *World Finance* also recently awarded Santander the title of “**Best Private Banking**” in the country.

*Global Finance* also awarded Santander, for the 3<sup>rd</sup> consecutive year, as the “**Best SME Bank**” in Portugal, within the scope of the “*SME Bank Awards 2024*,” which distinguishes financial institutions that best respond to the needs of SMEs in their markets, for the support they provide, and for the quality of services they offer.

For the third consecutive year, Santander was distinguished as the **No. 1 ESG Bank in Portugal**, taking the first position in the sector in the Merco ESG 2023 ranking. The study evaluated the companies that, over the last year, best complied with environmental, social, and governance factors (ESG).

In the field of Human Resources, Santander was certified for the 2<sup>nd</sup> consecutive year as **Top Employer 2024** in Portugal, by the *Top Employers Institute*, which distinguishes companies with the best practices in this matter.

In terms of Asset Management activity, *World Finance* magazine distinguished Santander as the “**Best Wealth Management Provider 2023**” in Portugal, within the scope of the “*World Finance Wealth Management Awards.*”

It is also worth highlighting the *Euronext Lisbon Awards 2024*, where Santander was distinguished, for the 5<sup>th</sup> consecutive year, in the “*Settlement & Custody*” category.

**Santander Totta, SGPS**

<b>BALANCE SHEET (million euro)</b>	<b>jun-24</b>	<b>jun-23</b>	<b>Var.</b>
<b>Cash, cash balances at central banks and other demand deposits</b>	4,771	8,054	-40.8%
Financial assets held for trading, at fair value through profit or loss, and at fair value through other comprehensive income	5,575	5,401	+3.2%
Financial assets at amortised cost	44,484	39,181	+13.5%
Investments in subsidiaries, joint ventures and associates	0	197	-100.0%
Tangible assets	392	430	-8.9%
Intangible assets	34	35	-3.6%
Tax assets	168	181	-7.2%
Non-current assets held for sale	38	46	-18.0%
Other assets	426	749	-43.0%
<b>Total Assets</b>	<b>55,888</b>	<b>54,272</b>	<b>+3.0%</b>
Financial liabilities held for trading	1,783	831	+114.6%
Financial liabilities at amortised cost	48,248	48,459	-0.4%
Resources from Central Banks and Credit Institutions	5,008	6,116	-18.1%
Customer deposits	36,650	36,728	-0.2%
Debt securities issued	6,289	5,338	+17.8%
Other financial liabilities	301	277	+8.8%
Provisions	126	149	-16.0%
Tax liabilities	593	314	+89.3%
Other liabilities	614	599	+2.5%
<b>Total Liabilities</b>	<b>51,365</b>	<b>50,353</b>	<b>+2.0%</b>
Share capital attributable to ST SGPS shareholders	4,522	3,918	+15.4%
Non controlling interests	2	1	+29.3%
<b>Total Shareholders' Equity</b>	<b>4,523</b>	<b>3,920</b>	<b>+15.4%</b>
<b>Total Shareholders' Equity and Total Liabilities</b>	<b>55,888</b>	<b>54,272</b>	<b>+3.0%</b>

Note: The 2023 BS has been restated to reflect the sale of ST Seguros

**Santander Totta, SGPS**

<b>CONSOLIDATED INCOME STATEMENTS* (million euro)</b>	<b>jun-24</b>	<b>jun-23</b>	<b>Var.</b>
<b>Net interest income</b>	<b>862.2</b>	<b>586.5</b>	<b>+47.0%</b>
Income from equity instruments	8.2	1.7	>200%
Results from associates	0.0	8.1	-100.0%
Net fees	232.3	231.2	+0.5%
Other operating results	-3.1	-19.6	-84.0%
Insurance activity	0.0	10.8	-100.0%
<b>Commercial revenue</b>	<b>1,099.6</b>	<b>818.6</b>	<b>+34.3%</b>
Gain/losses on financial assets	12.7	11.8	+8.1%
<b>Net Income from Banking Activities (1)</b>	<b>1,112.3</b>	<b>830.4</b>	<b>+34.0%</b>
Operating costs	-257.5	-255.4	+0.8%
Staff expenses	-142.1	-136.9	+3.7%
Other Administrative Expenses	-96.2	-96.3	-0.1%
Depreciation	-19.2	-22.2	-13.2%
<b>Net operating income</b>	<b>854.8</b>	<b>575.0</b>	<b>+48.7%</b>
Impairment (net) of financial assets at amortised cost	-4.4	-35.0	-87.4%
Net provisions and other results	-35.2	-38.9	-9.7%
<b>Income before taxes and non-controlling interests</b>	<b>815.3</b>	<b>501.0</b>	<b>+62.7%</b>
Taxes	-267.3	-167.2	+59.9%
Non-controlling interests	-0.2	-0.1	+70.9%
<b>Consolidated net income</b>	<b>547.7</b>	<b>333.7</b>	<b>+64.2%</b>

(1) Includes the costs with the Resolution and Deposit Guarantee Funds

(\*) Not audited

**Santander Totta, SGPS**

In accordance with the definition contained in instructions 16/2004 of the Bank of Portugal with the changes in instruction 6/2018

	<b>jun-24</b>	<b>jun-23</b>	<b>Var.</b>
<b>Profitability</b>			
Income before taxes and MI/Average net assets	2.9%	1.7%	+1.2 p.p.
Net income from banking activity/Average net assets	4.0%	2.9%	+1.1 p.p.
Income before taxes and MI/Average equity	39.4%	26.6%	+12.8 p.p.
<b>Efficiency</b>			
Operating expenses/Net income from banking activity	23.1%	30.8%	-7.7 p.p.
Staff expenses/Net income from banking activity	12.8%	16.5%	-3.7 p.p.
<b>Transformation</b>			
Credit (net)/Deposits	126.3%	112.1%	+14.2 p.p.