

2023

RESULTS
FOURTH QUARTER



renta4banco

Highlights

Net Profit of Renta 4 Banco reached 26.6 million Euros in 2023. This represents an increase of 21.9% versus the same period last year.

Net Profit during the fourth quarter of 2023 reached 7.0 million Euros versus 6.3 million Euros achieved in the same period last year.

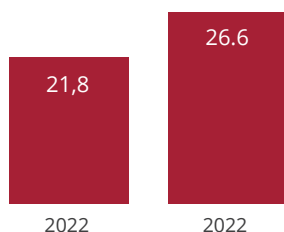
Capital ratio (CET 1 Fully loaded) stood circa **18.62%**. Well above the current regulatory requirement level.

Return on Equity (ROE) stood above the sector average, reaching **18.8%** over invested capital.

These high levels of profit, ROE and solvency ratios enable us to maintain a policy of satisfactory shareholder remuneration.

Business activity during 2023 has remained satisfactory, registering a significant increase in the number of customer and the number of assets. During this year, **net new client assets in the proprietary network amounted to 2,511 million Euros and the number of clients reached 124.995 million Euros.** Customer assets **under management** amounted **12.228 million Euros.**

NET PROFIT (2022 Vs 2023)
(million euros)



Net Profit attributed to the Group: 25.3 million euros

▲ **21,9%** in the same period last year

Net new client assets in the proprietary network

▲ **2,5Mm€** in 2023

At the close of 2023, **total client assets amounted to 30.852 million Euros, 17.0% more than a year ago, of which 19,155 million Euros were in the proprietary network and 11,697 million Euros in third party network.**

The Latin American subsidiaries continued comercial activity at a good pace. They have represented **10.2% of the Group Consolidated Results.**

Significant data

Operational Data	31/12/2023	31/12/2022	%	%
Number of Clients Of Proprietary Network	124,995	118,542	5.4%	5,4%
Total Assets (million Euros)	30,852	26,370	17.0%	17,0%
Equities	14,100	12,170	15.9%	15,9%
Investment Funds (proprietary and third party)	7,403	6,354	16.5%	16,5%
Pension Funds	3,909	3,367	16.1%	16,1%
SICAVs	916	754	21.5%	21,5%
Others	4,524	3,725	21.4%	21,4%
Assets Proprietary Network (million Euros)	19,155	16,299	17.5%	17,5%
Assets Third Party Network (million Euros)	11,697	10,071	16.1%	16,1%

Financial Indicators (thousand euros)	31/12/2023	31/12/2022	%	%
Net Commissions	96,509	98,250	-1.8%	-1,8%
Fee and commission income + Exchange differences	172,879	181,169	-4.6%	-4,6%
Fee and commission expenses	-76,370	-82,919	-7.9%	-7,9%
Financial Margin	23,194	9,094	155.0%	155,0%
Result of Financial Operations	10,997	3066	258.7%	258,7%
Cost of Operation	-94,280	-82,785	13.9%	13,9%
	36,365	29,382	23.8%	23,8%
Net Profit	26,563	21,782	21.9%	21,9%
Profit attributed to minority interests	436	242	80.2%	80,2%
Profit attributed to the parent	26,127	21,540	21.3%	21,3%
EPS	0.64	0.53	21.3%	21,3%

Significant data

Employees (period average)	31/12/2023	31/12/2022	%	%
Employees (period average)	657	633	3.8%	3,8%
Branch Network (Latam)	325(86)	312(79)	4.2%	4,2%
Central services	332	321	3.4%	3,4%
Number of Offices	67	66	1.5%	1,5%

Share	31/12/2023	31/12/2022	%	%
Ticker (Reuters/Bloomberg/Adrs)	RTA4.MA	RTA4.MA		
Share Price (€)	10.2	9.56	6.7%	6,7%
Capitalisation (€)	415,070,671	389,027,021	6.7%	6,7%
Number of Shares Issued	40,693,203	40,693,203		

Operating Data

Total assets **under administration and management** amounted to **30,852 million Euros** in 2023, which represents an increase of 17.0%. Of the total assets, **19,155 million Euros** correspond to client assets in the proprietary network. This represents **2,856 million Euros more** than in the same period last year.

Customer **assets under management** (Investments Funds, RCF, SICAV's, FIC, RCC and Pension Funds) amounted to **12,228 million Euros**, representing an increase of **1,753 million Euros** more than in the same period last year.

Asset under management in **Mutual Funds and PEF** reached **4.050 million Euros, representing an increase of 671 million Euros in the last twelve months**. Assets in SICAVs, FIC and RCC have reached 916 million Euros, 21.5% more than in the previous year. **Pension Funds have reached 3,909 million Euros**, representing an increase of 16.1% versus the same period last year.

Assets in **third party Funds** reached **3,353 million Euros, representing an increase of 12.7% over the same period last year, an increase in assets of 378 million Euros**.

Particularly noteworthy, was the high volume of **net new inflows obtained by the proprietary network**, which amounted to **2,511 million Euros. The pace of growth in the number of customers is maintained**. The total number of accounts in the proprietary network reached **124,995** versus 118,542 in the same period last year.

Income Statement 2023 (January - Decembre)

Profit and Loss	31/12/2023	31/12/2022	%
Interest and similar income	39,957	12,989	207.6%
Interest expense and similar charges	-16,763	-3,895	330.4%
Net Interest Income	23,194	9,094	155.0%
Return on equity instruments	62	17	264.7%
Profit (loss) of entities accounted for using the equity method	-86	811	-
Fee and commission income	166,078	170,684	-2.7%
Fee and commission expenses	-76,370	-82,919	-7.9%
Gains or losses on financial assets and liabilities (net)	10,935	3049	258.6%
Exchange differences (net)	6,575	9,395	-30.0%
Other operating income	312	279	11.8%
Other operating expenses	-3,872	-2,985	29.7%
Gross Margin	126,828	107,425	18.1%
Administrative expenses and depreciation:	-79,132	-69,762	13.4%
a) Personnel expenses	-52,497	-43,727	20.1%
b) Other administrative expenses	-26,635	-26,035	2.3%
Depreciation and amortisation	-11,276	-10,038	12.3%
Provision expenses (net)	-898	1,349	-
Impairment losses on financial assets (net)	843	408	106.6%
Operating Profit	36,365	29,382	23.8%
Loss by deterioration rest of assets (net)			
Gains of susp. assets not clasif. for sale	0	0	-
Profit Before tax	36,365	29,382	23.8%
Tax on profit	-9,802	-7,600	29.0%
Consolidated Profit for the year	26,563	21,782	21.9%
a) Profit attributed to the parent	26,127	21,540	21.3%
b) Profit attributed to minority interests	436	242	80.2%

Profit and main income and expenses items

Net Profit reached 26.6 million Euros, which represents an **increase of 21.9%** versus 21.8 million Euros achieved in the same period last year.

During the 2023 financial year **Gross Commissions** (Commissions received, income from equity, method companies, Exchange differences and other operating income) **decreased by 4.6%** versus the same period last year, reaching **172.9 million Euros**.

Gross brokerage commissions decreased by **10.2%**, closing 2023 financial year at **68.8 million Euros**.

Asset Management commissions amounted to **85.4 million Euros**, 0.5% higher than those recorded in the same period last year.

Commissions from Corporate Services area have increased by 5.3% versus the same period last year, with revenue standing at **20.1 million Euros**.

Net Commissions (gross commissions minus paid commissions) plus Exchange differences decreased by **1.8%** to **96.5 million Euros** versus 98.3 million Euros achieved during the 2022 financial year.

The decline in fees and **commissions** was driven by the persistently **low trading volumes** in the markets, especially in equities and the small number of corporate transactions in the period.

This decline in net fee and commission income was more than offset by the rise in net interest income due to higher interest rates, which amounted to **23.2 million Euros** compared to 9.1 million Euros in the same period of the previous year.

The result from Financial Operations reached 10.9 million Euros versus 3.1 million Euros achieved in the same period last year.

Gross Margin during 2023 financial year reached **126.8 million Euros**, **18.1%** higher than in the same period of last year.

On the cost side, **Operating Expenses** (General expenses, Personnel expenses, Other operating expenses and Depreciation and Amortization) amounted **94.3 million Euros**, representing an increase of **13.9%**.

Personnel expenses increased by 20.1% to stand at 52.5 million Euros. General Administrative expenses rose by **2.3% in comparison with the same period last year** to reach **26.6 million Euros**.

0.8 million Euros was recovered in respect of **impairment of financial assets** provided for in previous years.

Profit from operating activities amounted **36.4 million Euros** versus 29.4 million Euros achieved during the fourth quarter of last year, this represents an **increase of 23.8%**.

Fourth Quarter Income Statement 2023 (October- December)

Profit and Loss	4Q 2023	4Q 2022	%
Interest and similar income	11,631	7,259	60.2%
Interest expense and similar charges	-6,122	-491	1,146.8%
Net Interest Income	5,509	6,768	-18.6%
Return on equity instruments	5	4	25.0%
Profit (loss) of entities accounted for using the equity method	-73	53	-
Fee and commission income	46,581	44,901	3.7%
Fee and commission expenses	-19,974	-23,624	-15.5%
Gains or losses on financial assets and liabilities (net)	2,683	2,509	6.9%
Exchange differences (net)	1,501	96	1,463.5%
Other operating income	113	44	156.8%
Other operating expenses	-1,009	-971	3.9%
Gross Margin	35,336	29,780	18.7%
Administrative expenses:	-22,236	-17,883	24.3%
a) Personnel expenses	-15,734	-11,785	33.5%
b) Other administrative expenses	-6,502	-6,098	6.6%
Depreciation and amortisation	-2,922	-2,584	13.1%
Provision expenses (net)	-839	-499	68.1%
Impairment losses on financial assets (net)	330	415	-20.5%
Operating Profit	9,669	9,229	4.8%
Loss by deterioration rest of assets (net)	0	0	-
Gains of susp. assets not clasif. for sale	0	0	-
Profit Before tax	9,669	9,229	4.8%
Tax on profit	-2,627	-2,895	-9.3%
Consolidated Profit for the year	7,042	6,334	11.2%
a) Profit attributed to the parent	6,886	6,257	10.1%
b) Profit attributed to minority interests	156	77	102.6%

Fourth Quarter Income Statement 2023 (October- December)

Renta 4 Banco throughout the fourth quarter of 2023 has obtained a **Net Profit of 7.0 million Euros** which represents an increase of **11.2%** with respect to the 6.3 million Euros achieved in the same period of 2022.

Gross Commissions in the fourth quarter (Commissions received, income from equity method companies and other operating expenses) increased by 3.6%, reaching **46.6 million Euros** with respect to the 45.0 million Euros achieved in the same period last year.

Net Commissions, **26.6 million Euros** were obtained in the fourth quarter, **25.1% more** than in the same period last year.

Net interest margin, during the quarter reached **5.5 million Euros** versus 6.7 million Euros achieved in the same quarter last year.

Gross Margin increased by **18.7%**, reaching **35.3 million Euros** versus 29.8 million Euros achieved in the same quarter last year.

Operating Costs (General Expenses, Personnel Expenses, Other Operating Expenses and Depreciation and Amortization) amounted to **26.2 million Euros** an increase of 22.1% compared to those in fourth quarter of 2022.

Result from Operating Activities during the quarter reached 9.7 million Euros, representing an increase of 4.8% versus to the same period last year.

Economic and financial Outlook

The financial year 2023 has been very positive for the Group. Both from the point of view of the results achieved, and especially due to the significant increase in the number of new customer assets achieved through the Group's proprietary network.

All business lines have performed well, despite a adverse environment in market volumes and corporate operations. **Of particular note was the growth in assets under management and the number of customers**, which reflects the market's growing confidence in our entity, validating the business model based on the quality of customer service and specialisation.



This positive trend, which continues and confirms the progress made in recent years, allows us to maintain a positive outlook for the future.

Our objective for 2024 is to continue on the path of profitable growth, maintaining high levels of return on equity (ROE) and solvency ratios **that will allow us to continue with a policy of satisfactory shareholder remuneration.**

Consolidated Balance Sheets

ASSETS	31/12/2023	31/12/2022
<i>Thousand of euros</i>		
1. Cash and balances with central banks	1,093,593	771,494
2. Financial assets held for trading	49,389	56,665
3. Other financial assets at fair value through profit or loss	-	-
4. Available-for-sale financial assets	318,676	830,553
5. Debt securities	628,302	655,790
6. Held -to-maturity investments	-	-
7. Hedging derivatives	-	-
8. Non-current assets held for sale	-	-
9. Investments	4,955	578
a) Associates	4,955	578
b) Jointly controlled entities	-	-
10. Insurance contracts linked to pensions	-	-
11. Reinsurance assets	-	-
12. Property and equipment:	63,978	61,089
a) For own use	59,089	57,847
b) Investment properties	4,889	3,242
13. Intangible assets:	22,434	22,122
a) Goodwill	15,291	15,291
b) Otro intangible assets	7,143	6,831
14. Tax assets	5,769	10,111
a) Current	-	-
b) Deferred	5,769	10,111
15. Other assets	3,080	1,939
TOTAL ASSETS	2,190,176	2,410,341

Consolidated Balance Sheets

TOTAL EQUITY AND LIABILITIES	31/12/2023	31/12/2022
<i>Thousand of euros</i>		
TOTAL LIABILITIES	2,292,903	2,071,456
1. Financial liabilities held for trading	0	189
2. Other financial liabilities at fair value through profit or loss	-	-
3. Financial liabilities at amortized cost	2,026,916	2,276,545
4. Changes in the fair value of hedged items in portfolio hedges of interest rate risk	-	-
5. Hedging derivatives	-	-
6. Liabilities associated with non-current assets held for sale	-	-
7. Liabilities under insurance contracts	-	-
8. Provisions	2,406	2,379
9. Tax liabilities	8,535	6,398
a) Current	8,036	5,791
b) Deferred	499	607
10. Fondo de la obra social (sólo Cajas de Ahorro y Cooperativas de crédito)	-	-
11. Other liabilities	10,631	7,392
12. Cash	-	-
EQUITY	141,688	117,438
OWN FUNDS	153,191	140,537
1. Capital or endowment fund	18,312	18,312
a) Issued capital	18,312	18,312
b) Less: uncalled capital	-	-
2. Share premium	8,496	8,496
3. Reserves	112,464	102,830
4. Other equity instruments	-	-
5. Less: Treasury shares	-	486
6. Profit (loss) attributable to the parent	26,127	21,540
7. Less: Dividends and remuneration	-	-10,155
VALUATION ADJUSTMENTS	-13,107	-24,056
1. Available-for-sale financial assets	-10,299	-21,368
2. Cash flow hedges	-	-
3. Hedges in net investments in foreign operations	-	-
4. Exchange differences	-2,808	-2,688
5. Non-current assets held for sale	-	-
6. Companies accounted using the equity method	-	-
7. Other valuation adjustments	-	-
TOTAL EQUITY ATTRIBUTABLE TO THE PARENT	140,084	116,481
MINORITY INTERESTS	1,604	957
1. Valuation adjustments	-193	-426
2. Others	1,797	1,383
TOTAL EQUITY AND LIABILITY	2,190,176	2,410,341

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