



## 50<sup>th</sup> Anniversary of ICO: Building the future together

During 2021, ICO celebrates its 50<sup>th</sup> anniversary as a public service at the forefront of the Spanish Economy, helping to facilitate the financing of hundreds of thousands of companies and self-employed. Since its constitution, **ICO has financed more than 277 billion euros in more than 3 million transactions** in projects from companies of all sectors and sizes.

The motto of this 50<sup>th</sup> anniversary is **"Building the future together"** which reveals the work still to be carried out in the coming years. In its role of accompanying and promoting the process of modernization and transformation of the Spanish economy, ICO is also playing a relevant role in the deployment of the Recovery, Transformation and Resilience Plan and the resources from EU's MFF 2021-2027, collaborating with the business, financial and the Public sector and the EU to face some of their main challenges such as business growth and complementary financing, digitization and sustainability

## ICO launches the largest call for Fond-ICO Global to boost investment in Spain

Instituto de Crédito Oficial (ICO), through AXIS, the venture capital subsidiary of the ICO Group, has launched the largest call for Fond-ICO Global for an amount of up to 750 million euros to be invested in 15 funds in the categories of Technology Transfer and Incubation, Venture Capital and Expansion.

The 'Consolida' call is the 14<sup>th</sup> since the creation of Fond-ICO Global. In this call, the percentage of Fond-ICO Global's participation in the selected funds has been increased to 49% in all categories.

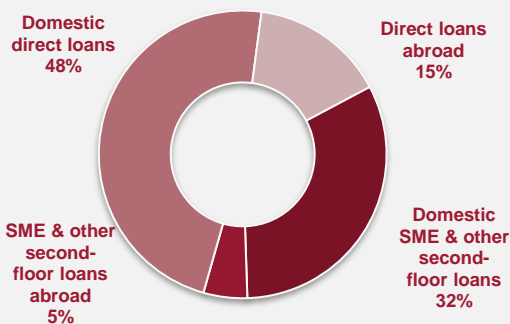
With this call, ICO, through AXIS, is taking another step forward in its strategy of promoting complementary financing channels to help consolidate the economic recovery, supporting the development of the entrepreneurial ecosystem and the growth of Spanish companies.



In the 13 Fond-ICO Global calls to date, 108 funds have been selected in which up to **2.3 billion euros** will be invested. It is estimated that the knock-on effect, along with private sector investments, will allow **8.9 billion euros to be injected into Spanish companies** and will result in a total of **27.2 billion euros in resources to be mobilised**.

## ICO in figures

### Loan Portfolio as at 30/09/2021



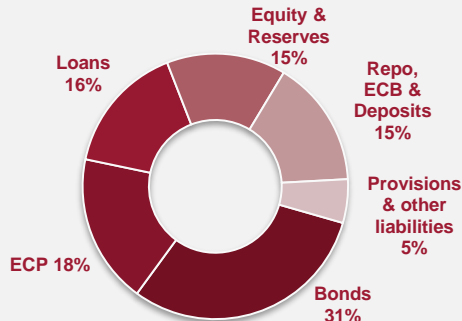
### Financial Highlights

	2017	2018	2019	2020	30/09/2021*
<b>Total assets</b> (Mill. EUR)	42,186	36,237	31,823	34,386	34,755
<b>Equity &amp; reserves<sup>1</sup></b> (Mill. EUR)	5,295	5,246	5,257	5,202	5,391
<b>Pre-tax profit</b> (Mill. EUR)	145.99	112.91	149.25	97.55	213.11
<b>Net interest income</b> (Mill. EUR)	-69.11	-96.54	-28.06	-10.63	75.01
<b>Gross revenue</b> (Mill. EUR)	15.92	55.23	90.53	70.20	132.37
<b>Profitability ROA</b>	0.32%	0.28%	0.44%	0.29%	0.83%
<b>Tier I Ratio</b>	32.86%	40.54%	41.11%	37.21%	36.37%
<b>Non-Performing Loans</b>					
Direct Loans	9.00%	6.31%	4.72%	4.16%	3.57%
Total loans incl. second floor loans	4.15%	3.19%	2.43%	2.33%	2.23%
Provision coverage ratio	121%	154%	168%	145%	144%
<b>Efficiency</b>					
Ordinary Expenditure/ATA	0.09%	0.10%	0.12%	0.12%	0.13%

(1) Eligible capital for solvency purposes.

\*2021: unaudited figures  
Source: ICO

### Liabilities breakdown as at 30/09/2021



## Funding Policy for 2021

- Expected total funding in 2021: around EUR 5.5 bn
- EUR benchmark transactions
- Promotion of the sustainability bond market: further issuance of Social and Green Bonds
- Short to medium maturities

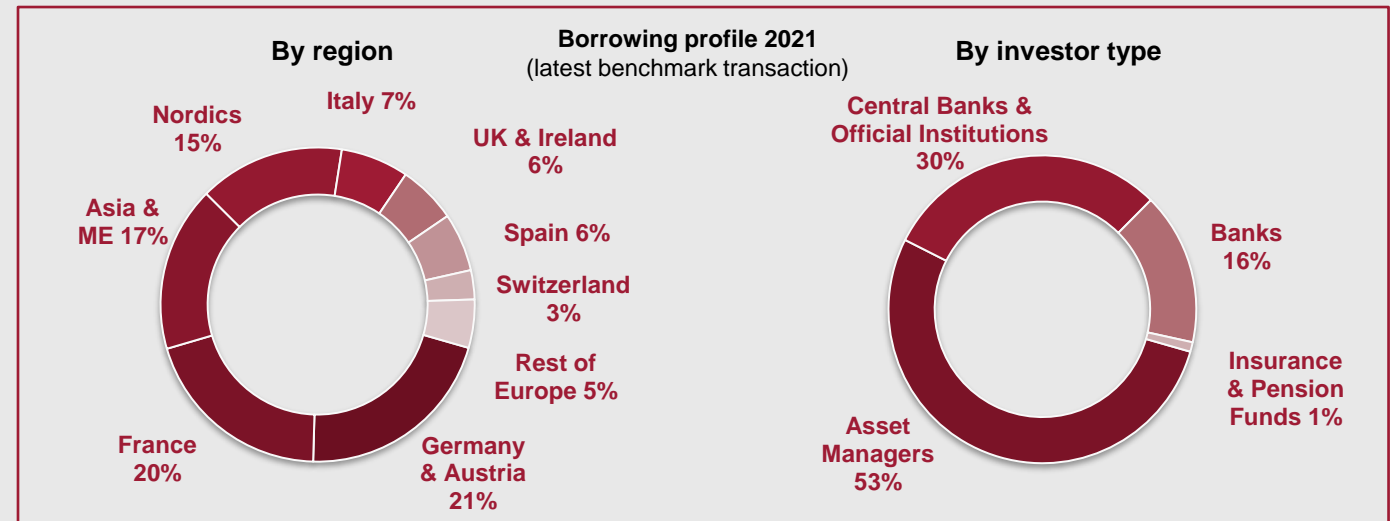
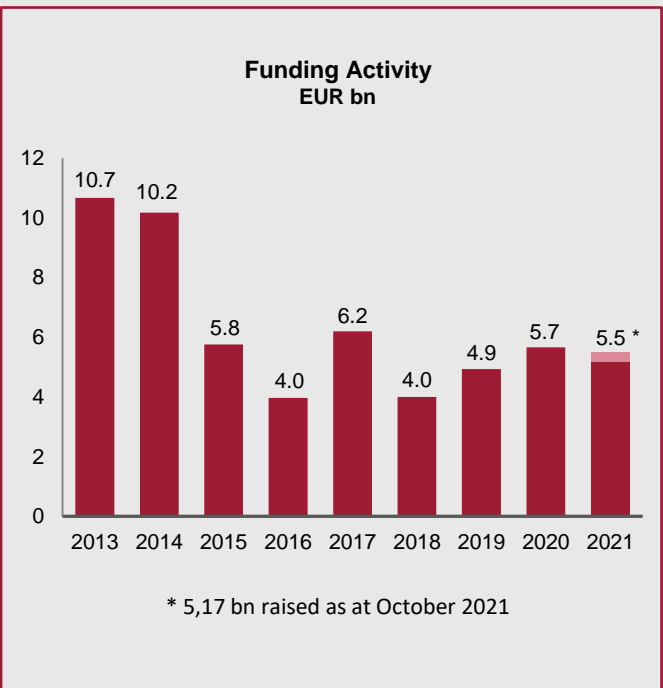
## Funding activity

ICO enjoys the **guarantee** from the Kingdom of Spain which is defined in its bylaws as:

**Explicit  
Irrevocable  
Unconditional  
Direct**

Long term ICO's ratings

DBRS	A / Stable
Fitch	A- / Stable
Moody's	Baa1 / Stable
S&P	A / Negative



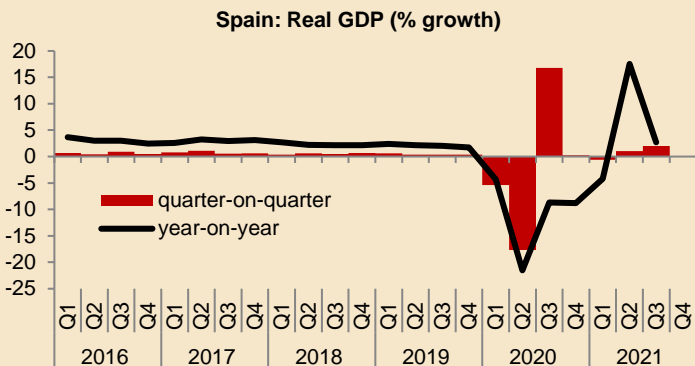
## Spanish Economy: latest figures and comments

According to the latest data published by the Spanish Statistical Office (INE), GDP grew by 2.0% qoq and 2,7% yoy in the 3rd quarter of 2021. This rate means an acceleration in growth as GDP had grown by 1.1% qoq in the 2nd quarter. Both domestic demand (1.5%) and net exports (1.2%) had a positive contribution to yoy growth. Domestic demand grew during the last quarter mainly due to investment. On the external sector, exports continued to exhibit a faster growth pace as compared to imports.

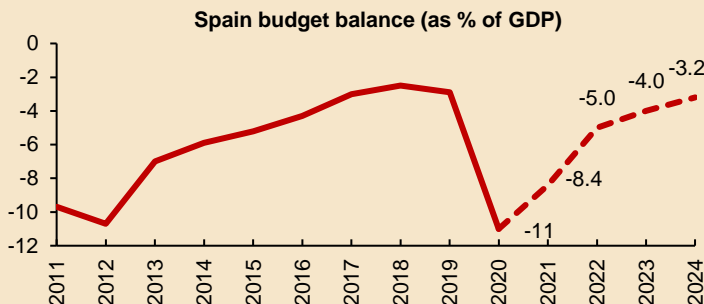
The Spanish Government has recently published its **Draft National Budget (PGE)** for 2022, which includes investments of more than 40 billion euros. It includes the funds coming from the **Recovery and Resilience Facility** (27.6 billion euros in 2022). The new budget envisages a public **deficit** reduction from 11.0% in 2020 to 8.4% in 2021 and 5.0% in 2022. This reduction will continue in the following years: 4.0% in 2023 and 3.2% in 2024. This will also be reflected in **public debt**, which will fall from 119.5% to 115.1% in 2022. **Growth forecasts** for 2021 and 2022 are 6.5% and 7.0%, respectively. These rates are among the highest for developed countries. The positive behaviour of private consumption, partly due to the use of accumulated savings, improvements in the labor market - materialized in a reduction in unemployment, and the injection of funds coming from the European Union will all contribute to growth.

The International Monetary Fund (IMF) released its **October 2021 edition of the World Economic Outlook (WEO)**. WEO foresees that the world economy will grow 5.9% in 2021 and 4.9% in 2022. Recovery will continue although the pandemic may resurge in many countries and despite supply disruptions. The Euro Area is projected to grow 5.0% in 2021 and 4.3% in 2022. The **Spanish economy will grow above the EU average**: 5.7% in 2021 and 6.4% in 2022. The unemployment rate will also have a positive behaviour in Spain and will reach 14.8% in 2022 from 15.4 in 2021. Employment data in 3Q 2021 support these predictions as 359,300 new employments were created, and overall employment reached 20 million people. The unemployment rate was 14.6% in 3Q 2021.

The **General Consumer Price Index (CPI)** has reached a rate of 5.5% yoy in October according to the first estimate (up from 4.0 in September), while core inflation stood at 1.4% in October (also up from 1.0% in September). The annual average is projected to be 2.9% in 2021 and then decrease to 2.3% in 2022.



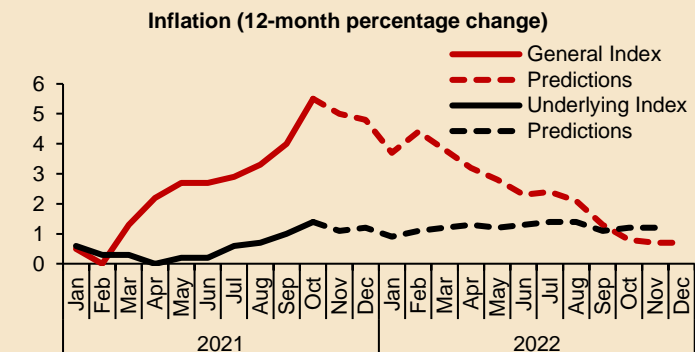
Source: INE



Source: Eurostat and Spanish Government

	Euro Area		Spain	
	2021	2022	2021	2022
<b>Real GDP</b>	5.0	4.3	5.7	6.4
<b>Unemployment rate</b>	8.0	8.1	15.4	14.8

Source: IMF WEO October 2021



Source: INE and predictions from Funcas

## Contact us

Investors can find further information at: [https://www.ico.es/web/ico\\_en/ico/investor\\_relations](https://www.ico.es/web/ico_en/ico/investor_relations)

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