

Sustaining healthy fundamentals... Profitability improvement with contribution of all P/L lines

2020 Guidance

		2020 Guidance	Guidance Drivers
Fundamentals	LDR	≤ 105%	<ul style="list-style-type: none"> Sustaining ample liquidity levels
	CAR	≥ 16%	<ul style="list-style-type: none"> Capital ratios to be supported by ongoing efforts via internal capital generation
Volumes	TL Loans	High-teens	<ul style="list-style-type: none"> Volume growth focusing on value generating segments: Loan growth in line with private banking sector driven by TL loans, with small ticket focus; slight contraction in FX loans
Revenues	NIM	≥ 3.7%	<ul style="list-style-type: none"> Widening in NIM, with ongoing repricing efforts and effective ALM, on a comperable basis
	Fees	High-single digit	<ul style="list-style-type: none"> Single digit fee growth due to already known regulation changes
Costs	Costs	Mid-teens	<ul style="list-style-type: none"> Increase in cost mainly due to regulatory costs Ongoing support from digitalization
Asset Quality	NPL ratio	~ 7%	<ul style="list-style-type: none"> Improvement in NPL inflows and collections
	Total CoR	~ 225 bps	<ul style="list-style-type: none"> Ongoing conservatism in coverages
Profitability	RoTE	Mid/Low-teens	<ul style="list-style-type: none"> Improvement in RoTE with across the board contribution

Notes:

All figures based on BRSA consolidated financials except for NIM

All the CMD targets shared on 3rd May 2018 have been replaced by the afore-mentioned guidance