



History and mission

Instituto de Crédito Oficial (ICO) is a corporate state-owned entity, attached to the Ministry of Economic Affairs and Digital Transformation, via the State Secretariat for Economy and Enterprise Support. From a legal point of view, it is a **credit institution** and is treated as a **State Finance Agency**.

ICO was created in 1971 as the institution responsible for co-ordinating the state-owned banks. After the reform of the state-owned sector in 1991, ICO took its current role as a state-owned investment bank and the State's Finance Agency.

The main purpose of ICO is to sustain and promote economic activities oriented towards the growth and improvement of the distribution of the national wealth.

Unaudited figures Million Euros	As at 31/12/2022
Total Assets	29,775
Equity & Reserves*	5,515
Pre-tax profit	178.1
Tier I Ratio	33.62%

*Eligible capital for solvency purposes. ICO's own funds are of the highest quality (equity and reserves). ICO has not issued neither subordinated debt, preferred stocks, contingent convertibles nor any other hybrid instruments

Lending activity

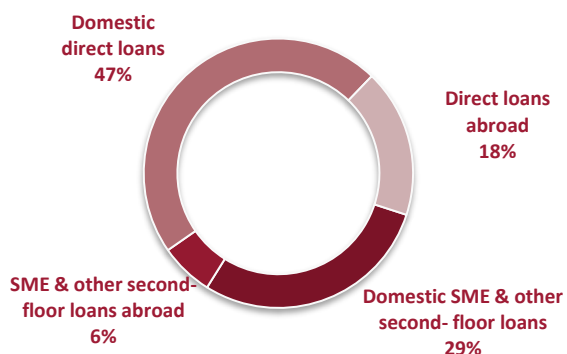
ICO's activity is subject to the **principle of financial equilibrium** and it has been profitable since its creation. ICO follows strict financial criteria when granting loans and, as a financial institution, ICO is supervised by the Central Bank of Spain, pays taxes, and manages risk.

ICO performs three main functions:

- As a **National Promotional Bank**, it provides financing to companies, with special emphasis on SMEs and self-employed:
 - Second Floor Facilities, channelling financing through financial entities
 - Direct Financing, directly requested by companies to ICO
 - Financing through venture capital funds managed by AXIs
- As an **instrument of economic policy**, it implements joint initiatives with ministries and national organisms and it channels EU resources.
- As a **State Financial Agency**, it manages public funds and instruments aimed at promoting internationalization, development cooperation, territorial financing and aid to those affected by economic crises or natural disasters.

Investment Distribution

As at 31/12/2022



Added Value

ICO promotes those economic activities that, due to their special social, cultural, innovative or ecological significance, merit priority attention. In this sense, ICO is a pioneer in the financing of sectors with restricted access to private financing. This is achieved through:

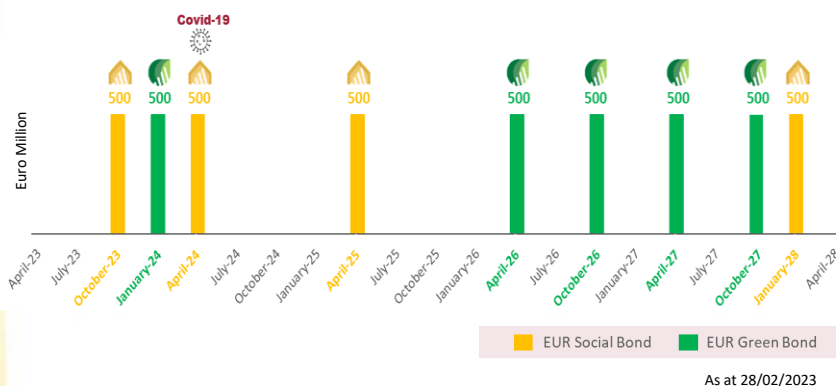
- Financing Spanish SMEs' productive investments
- Liquidity facility for SMEs
- Internationalization of Spanish SMEs
- Promotion of entrepreneurship
- Building refurbishment
- Innovation, tourism, environment, etc.

None of the information displayed constitutes an offer of securities for sale, or recommendation to purchase, to hold or sell any securities in the U.S.A. or in any other jurisdiction in which such offer or recommendation is not authorized. ICO has not registered, and does not intend to register, any of its securities (nor the guarantee thereof has been or will be registered) under the U.S. Securities Act of 1933 (the Securities Act) or any applicable US State Securities Laws or to conduct a public offering of securities in the U.S.A. ICO is complying with rules concerning the exemption from the registration of its securities under the Securities Act, by which those securities will be offered only for sale to "qualified institutional buyers" (QIBs) pursuant to rule 144A. This information is not directed at and may not be distributed to any person in any jurisdiction in which the access to this information is legally limited (v gr. USA -except QIBs- Canada, Japan, Australia).

Soundness & long experience

Every year ICO raises funds in the capital markets in order to manage its balance sheet and fund new lending. ICO also adapts its financial structure to control its liquidity and to remove any interest and exchange rate exposure.

ICO Benchmark Curve



Ratings for ICO long-term and short-term issues

Agency	LT Rating	ST Rating
S&P	A / stable	R-1 (low)
DBRS	A / stable	A-1
Fitch	A- / stable	F1
Moody's	Baa1 / stable	P-2

The whole of ICO's debt and obligation generated by its funding activities are **fully guaranteed by the State**. This guarantee, which has no time limit, is:

- Explicit
- Irrevocable
- Unconditional
- Direct

Issue volumen & breakdown

Total expected funding in 2023 is around 5-6 bn euros.

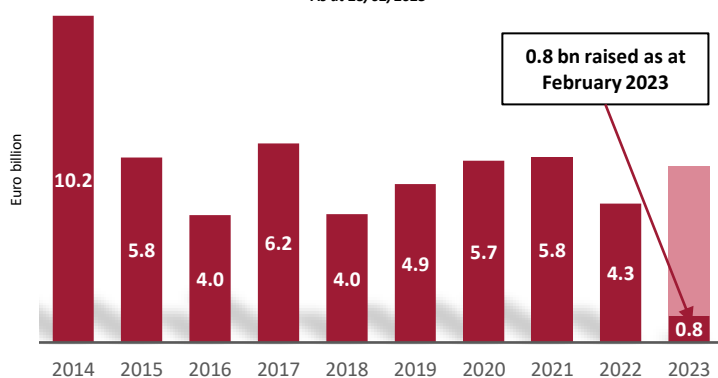
The bulk of this funds is raised through bonds, either through public issues, or via private placements (structured or otherwise), and also through loans.

Funding Policy 2023

- EUR benchmark transactions
- Promotion of the sustainability bond market: further issuance of Social and Green Bonds
- Preference for short to medium maturities
- Access to non-eur markets

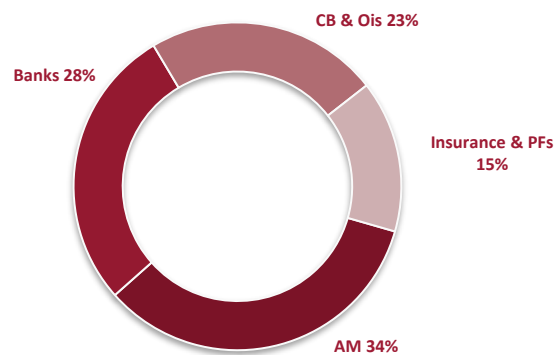
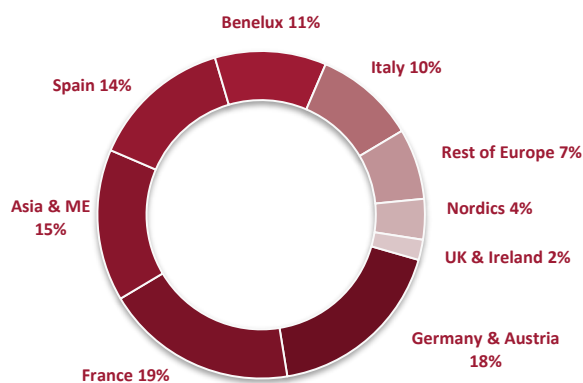
Funding Activity

As at 28/02/2023



Borrowing profile

(Benchmark transactions 2022)



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