CaixaBank

Voluntary tender Offer for Banco BPI, S.A.

Barcelona, 18 April 2016

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In so far as it relates to results from investments, this financial information from the CABK Group for FY 2015 has been prepared mainly on the basis of estimates.

The information and figures included in this presentation for a voluntary Tender Offer for BPI assume the completion of the transaction in the proposed terms and conditions.

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Executive summary

- **CABK launches a voluntary tender offer for all unowned shares in BPI at €1.113 p.s. (€1.6bn value); conditional upon removal of voting cap, reaching ownership >50% and ordinary regulatory approvals**
- **Strategically coherent transaction: in-depth knowledge of BPI and significant improvement in its solvency and profitability since 2014YE**
- **Aligns voting rights with economic rights**
- **Suspension of any sanction proceedings for excess risk concentration in Angola has been requested from ECB to allow CaixaBank to find a solution**
- **Delivers sizeable cost and revenue synergies to accelerate ongoing recovery of BPI's efficiency and profitability in Portugal**
- **ROIC of 12% on Year 1 and 14% on Year 3 and EPS accretion of c.8% on Year 1 and c. 9% on Year 3 [(1)]**
- **Estimated fully-loaded CET1 impact of c. 115bps[(2)]; CET1 target of 11-12% reiterated**
- **Closing expected for 3Q16**

(1) Pre-funding, based on Bloomberg broker consensus net income forecasts as of 15 April 2016 and assuming a 70% resulting stake in BPI. Year 1 is 2017E and Year 3 2018E with full impact of synergies, given lack of estimates for 2019E.
(2) 2015YE pro-forma sale of BEA/GFI and assuming 70% resulting stake in BPI. The range for 51%-100% is c95-c145 bps.

Transaction details

Tender offer

CABK to launch voluntary tender offer ("VTO") for all the shares in BPI that it does not own, representing 55.9% or 814.5 million of outstanding BPI shares

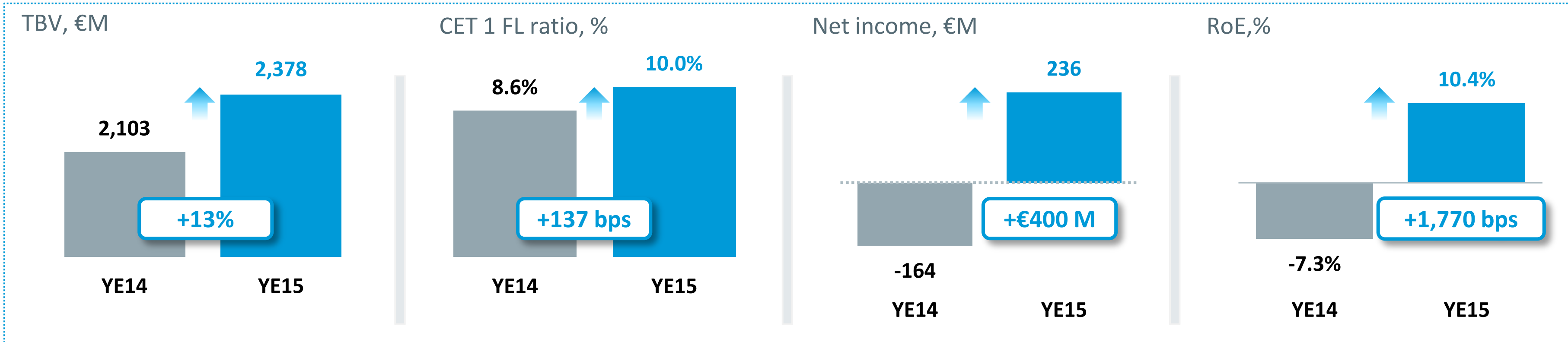
- Price of €1.113 p.s., payable in cash
- VTO price is equivalent to the volume-weighted average price of the last 6 months
- Implies P/TBV of 0.68x relative to €2.4bn TBV at 2015YE
- Further to regulatory approvals, the tender offer is conditional upon:
  - Removal of the current 20% voting cap at BPI's EGM
  - Reaching ownership >50%
- ECB has been kept fully aware of the situation and updated at all times

Price considerations

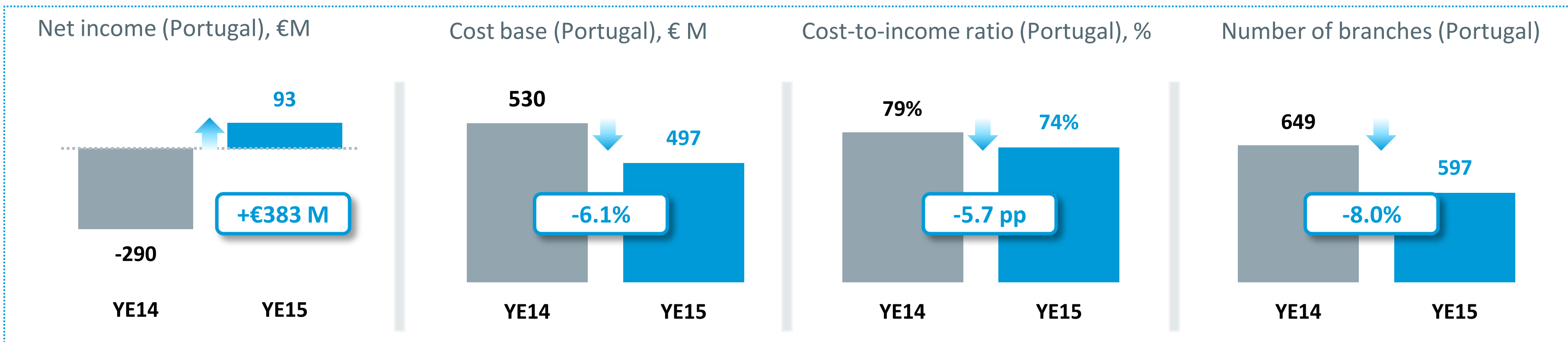
	TBV 2015YE (€M)
BPI Portugal	1,902
Angola	424
Mozambique	52
Total BPI	**2,378**
Implied P/TBV	**0.68x**

Significant improvement in BPI solvency and profitability since 2014

BPI solvency and profitability improvement



With significant progress in Portugal



- In the past year, BPI has grown its equity base, becoming more solvent and profitable
- Higher profitability: RoE from -7.3% at 14YE to 10.4% 15YE
- Stronger solvency: CET1 FL from 8.6% at 14YE to 10% 15YE

Transaction Rationale

1 BPI runs an attractive business

- Highly respected and trusted management team who has delivered in testing times
- An attractive and strong customer franchise
- Significant improvement of BPI's solvency and profitability since 2014
- Prudent risk management as evidenced by outperformance through the crisis
- Well placed to benefit from the Portuguese economic recovery

2 Investment constraints eliminated

- Voting cap removal aligns CABK's economic and political interest in BPI
- A logical step in CABK's international expansion given extensive knowledge of BPI and the Portuguese banking market, where CABK has been active since 1995
- Gaining influence over the future of BPI: CABK will continue to exercise best efforts in finding a solution to the excess risk concentration in Angola

3 Enhance value by applying proven business model

- Economic recovery in Portugal expected to foster a gradual rebalancing of BPI's earnings towards Portugal
- CABK high levels of liquidity, solvency and credit ratings will allow BPI to accelerate organic growth in Portugal
- Assisting BPI in recovering profitability in its banking business through cost savings and the application of proven CABK business model to generate revenue synergies

4 Financially attractive

- Significant cost synergy potential of ~€85 M expected by Year 3
- Revenue synergy potential of ~€35 M per annum expected based on CABK best practices
- ROIC of 12% on Year 1 and 14% on Year 3 with EPS accretion of c.8% on Year 1 and c. 9% on Year 3(1)
- CABK fully loaded CET1 to be reduced by an estimated c. 115 bps to 10.4%(2)

(1) Pre-funding, based on Bloomberg broker consensus net income forecasts as of 15 April 2016 and assuming a 70% resulting stake in BPI. Year 1 is 2017E and Year 3 2018E with full impact of synergies, given lack of estimates for 2019E.
(2) 2015YE pro-forma sale of BEA/GFI and assuming 70% resulting stake in BPI. The range for 51%-100% is c95-c145 bps.

BPI operates an attractive banking franchise

BPI: key figures

2015 (€ bn)

	Consolidated figures	BPI domestic activity	BPI Intl. activity
Assets	40.7	33.3	8.0
Net loans	24.3	22.8	1.5
Client funds	35.7	28.8	6.9
Shareholder funds	2.4	1.9	0.5
Fully loaded CET1 ratio	10.0%	10.2%	9.5%
Loan to deposits ratio	85%(1)	107%(1)	22%(1)
Recur. cost-to-income ratio	56% (2)	74%(2)	34%(2)
Cost of risk	0.48%	0.38%	1.88%
NPL ratio	4.6% (3)	4.5%(3)	5.5%(3)
NPL coverage ratio	87%(3)	85%(3)	122%(3)

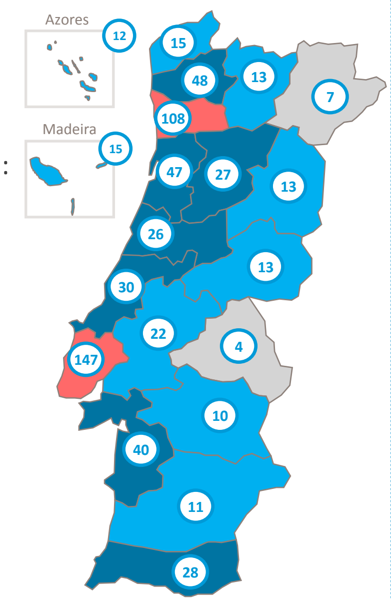
Strong market position in Portugal

2015

Domestic business (4)

597 (5) **branches**

- #5 bank by assets
- #3 bank by customer funds, with 16% market share
- Leading bank in quality of service(6): above its main peers in customer satisfaction
- Sole Portuguese bank controlling 100% of its life insurance company (BPI Vida)
- 1,366 ATMs
- 30,113 point-of-sale terminals(7)
- Clients: 1.7 M
- Employees: 5,899



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(1) "Loans / customer deposits", calculated in accordance with Bank of Portugal Instruction 23/2011
(2) Excluding non-recurrent impacts in costs and revenues and income from associates in revenues
(3) According to Instruction 32/2013 of Bank of Portugal
(4) As of December 2015 unless otherwise stated
(5) Total number of branches as of Dec. 15 inc. representative offices and international branches. Regional break-down based on Jun-2015 no. of branches (635).
(6) Based on ECSI and BASEF research
(7) As of June 2015

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A leading and profitable franchise in Angola

The Angolan reference in retail banking

2015

Solid market position

- #4 bank by assets
- 191 branches
- 375 ATMs
- 7,540 point-of-sale terminals[(1)]
- Clients: 1.4 M
- Employees: 2,610

BFA

Highly profitable and efficient bank

2015

Net income	€136M *+16% yoy*
C/I ratio	34%
NPL ratio	5.5%
Coverage ratio	122%
RoE, %	32%
CET1 FL ratio, %	24%

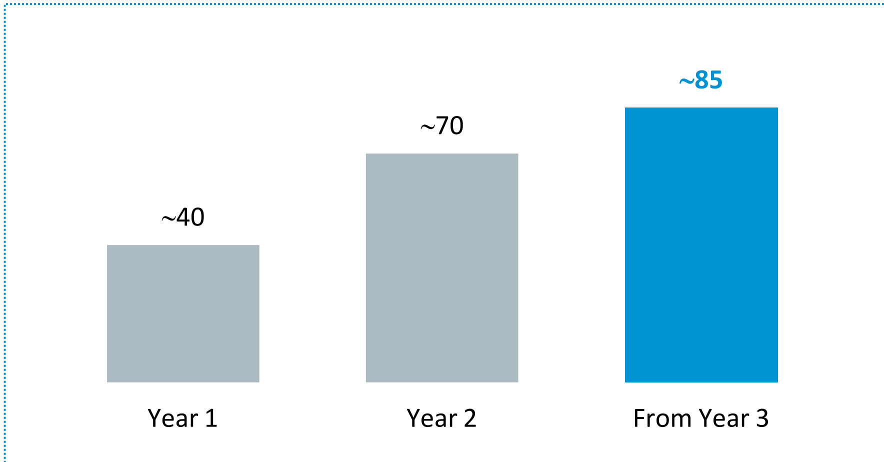
- More than 20 years of history with excellent reputation and external recognition
- A multichannel, diversified and specialised network, covering the entire country and serving 1/3 banking customers
- Solid balance sheet with a predominance of commercial loans and an ample deposit base
- The most profitable Angolan bank underpinned by strong operating efficiency and prudent risk management
- Sound capitalisation even after its recurring dividend distribution
- Excellent track-record with a consistently outstanding historical performance
- Strong management team

(1) June 2015

Estimated €85 M in annual cost synergies by Year 3

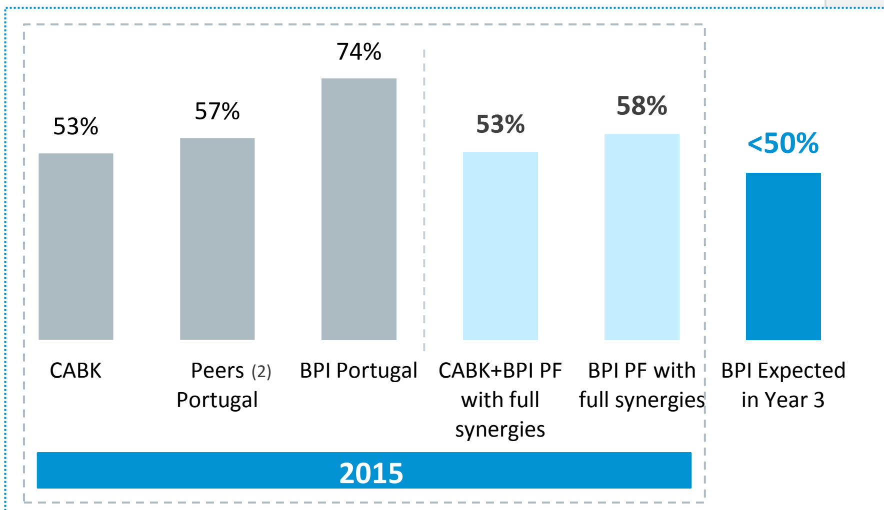
Annual pre-tax cost synergies target

€ M



Recurrent cost-to-income ratio

In %



Significant potential to generate cost synergies will lead to higher profitability

- Cost-to-income ratio of BPI Portugal expected to improve to <50% by Year 3[1]
- Restructuring costs estimated at ~€250M

Sharing of best practices to enable significant improvements in profitability over time

- Streamlining of operational processes
- IT infrastructure and architecture optimisation
- Benefits from scale such as a joint procurement and outsourcing

(1) Based on Bloomberg consensus and full achievement of synergies

(2) Peers include CGD, Totta and BCP.

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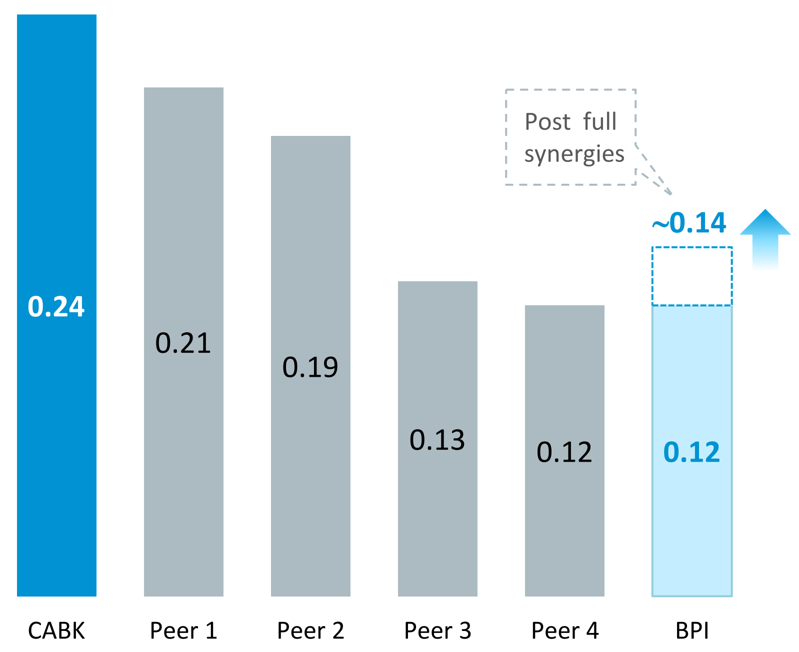
Further ~€35M in annual revenue synergies also expected by Year 3

Revenue per employee

2015(1), in €M



BPI has potential to reach comparable peer revenue per employee based on improved sales practices

Enhance businesses inspired on CABK model and best practices

- Electronic payments /card business (prepaid, issuing/ acquiring) and consumer finance
- Explore scale opportunities for the asset management business
- Upgrade functionalities related to on-line and mobile banking
- Adapt tools to boost sales and cross-selling through the retail network, with a special focus on bancassurance

Development of cross-border cooperation for specific segments and areas

- Investment Banking, Corporate Banking and Asset Mgmt
- Risk management and audit best practices

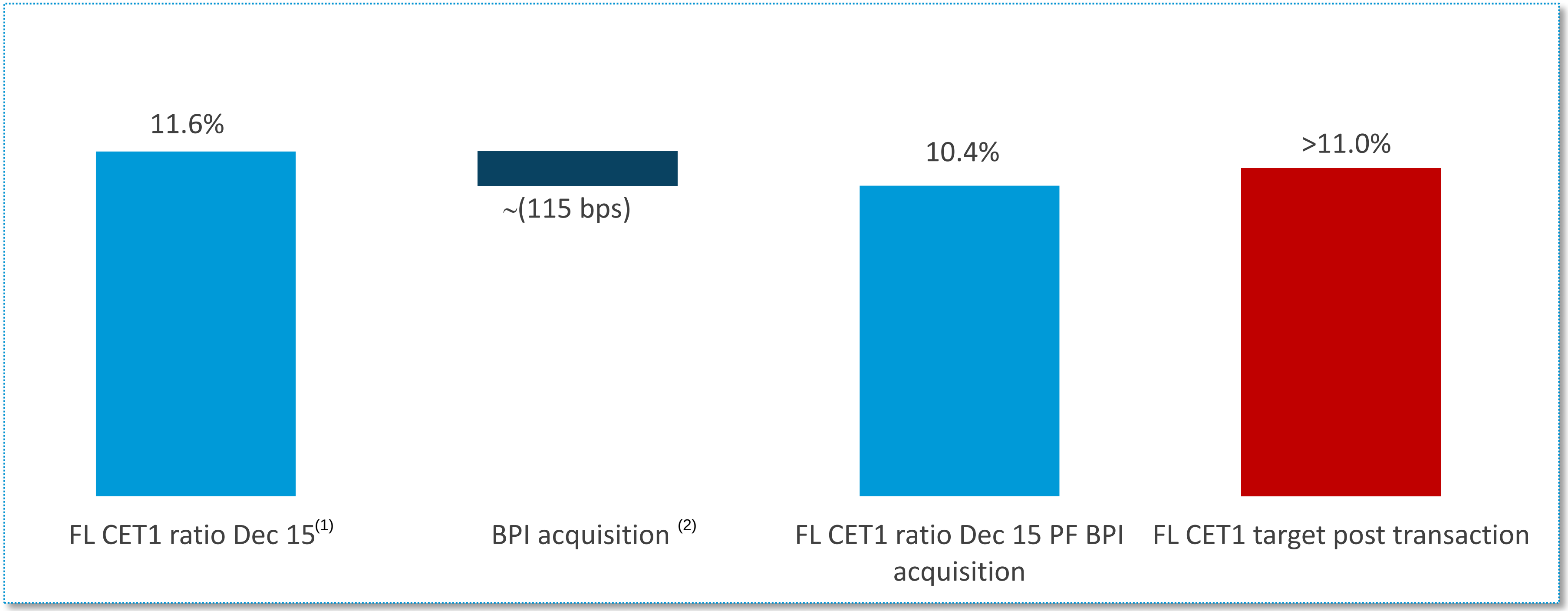
Funding benefits expected but not factored in synergies

(1) Peers include: CGD, BCP, NB, Totta

Strong balance-sheet to be maintained post deal

Estimated impact on capital

2015



- Base case impact of ~- 115 bps on the FL CET1 ratio assuming 70% post-tender shareholding
  - A 51% acceptance would have an impact of ~- 95 bps, reducing PF CET1 FL ratio to 10.6%
  - A 100% acceptance would have an impact of ~- 145 bps, reducing PF CET1 FL ratio to 10.1%
  - A potential divestment of the business in Angola could reduce this impact
- FL CET1 target of 11-12% post-transaction reiterated

(1) Impact of GFI/BEA disposal expected to be neutral

(2) Assuming base case scenario of 70% shareholding by CABK post completion of the transaction.

In summary: an attractive proposition for both BPI and CABK shareholders

BPI shareholders

- Fair price for both parties with option to exit or remain invested and capitalise synergies
- Price offered 16% below last year whereas Eurozone Banks Index (SX7E) down by 26%
- Suspension of any sanction proceedings for excess risk concentration in Angola has been requested from ECB to allow CaixaBank to find a solution
- Significant future efficiency gains as a result of both cost and revenue synergies
- Increased growth potential underpinned by superior capital base, improved funding costs and being part of a larger group
- Earnings gradually rebalancing towards Portugal after application of synergies

CABK shareholders

- Opportunity to apply the CABK proven business model to BPI thus capturing value generated by cost and revenue synergies
- Logical and well-flagged move to control of BPI after initial investment in 1995
- Aligns voting rights with share ownership in BPI
- Benefits from long-term growth potential of BPI while retaining optionality on attractive Angolan franchise
- ROIC of 12% on Year 1 and 14% on Year 3 with EPS accretion of c.8% on Year 1 and c.9% on Year 3 (1)
- Contributes to strategic target of reducing capital consumption of non-controlled stakes

(1) Pre-funding, based on Bloomberg broker consensus net income forecasts as of 15 April 2016 and assuming a 70% resulting stake in BPI

Appendix

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Calendar of related milestones

2014

16 Dec. BPI announces excess risk concentration post EC exclusion of Angola from list of regulatory-equivalent countries

2015

17 Feb. CABK announces launch of voluntary tender offer for the remaining 55.9% stake in BPI

06 Mar. Significant event filing by CABK reaffirming the tender offer price and intention to fulfil the offer(1)

17 June. BPI AGM votes against elimination of statutory voting cap

18 June. CABK announces BoD decision to withdraw the voluntary tender offer for BPI shares announced on Feb. 17th

2016

04 Feb. BPI BoD proposes to the General Shareholder Meeting the removal of the existing voting cap clause in BPI's by-laws
CABK expresses favourable opinion regarding BPI BoD recommendation to shareholders to vote for the voting cap removal

05 Feb. BPI EGM rejects BPI board proposal to resolve concentration issues in Angola through a spin-off

02 Mar. CABK announces it is in conversations with BPI and Santoro in search of a solution to the excess risk concentration

16 Mar. CABK reports that it has not reached an agreement with Santoro but that contacts continue

24 Mar. CABK reports that necessary conditions to reach an agreement with Santoro have not been met

18 Apr. CABK announces launch of voluntary tender offer for the remaining 55.9% stake in BPI

Expected calendar

Aug.-Sep. CABK to obtain relevant regulatory approvals

Sep. Registration of the tender offer

3Q16 Expected closing of the transaction

(1) in response to BPI BoD report and Santoro letter regarding the tender offer price

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