

## Significant event

With regard to the Significant Event filed today by CriteriaCaixa concerning the 2016 EU-wide banking sector stress test, coordinated by the European Banking Authority and supervised by the European Central Bank; CaixaBank, S.A., a financial institution which currently consolidates within the CriteriaCaixa Group, hereby reports that it has calculated internal estimates of its own specific results, by applying the same methodology and official scenarios used for CriteriaCaixa Group, with the aim of increasing market transparency.

Please find attached the relevant press release and results of the internal estimates for CaixaBank.

Barcelona, 29 July 2016

*According to internal estimates*

## **CaixaBank would reach a phase-in CET1 ratio of 9.8% in the adverse scenario of EBA stress test**

- **CaixaBank is part of the CriteriaCaixa Group participating in the EBA stress test.**
- **In an internal exercise, the methodology was applied to CaixaBank resulting in a CET1 ratio of 9.8% (phase-in) and 8.5% (fully loaded) in the adverse scenario in December 2018.**
- **The asset swap between CaixaBank and Criteria, completed in the first half of 2016, strengthens the CET1 ratio at the end of the adverse scenario to 10.1% (phase-in) and 9.1% (fully loaded).**

**Barcelona, 29 July 2016**

CaixaBank, as part of the CriteriaCaixa Group participating in the stress test coordinated by the European Banking Authority (EBA), would show a comfortable capital position in the two proposed scenarios.

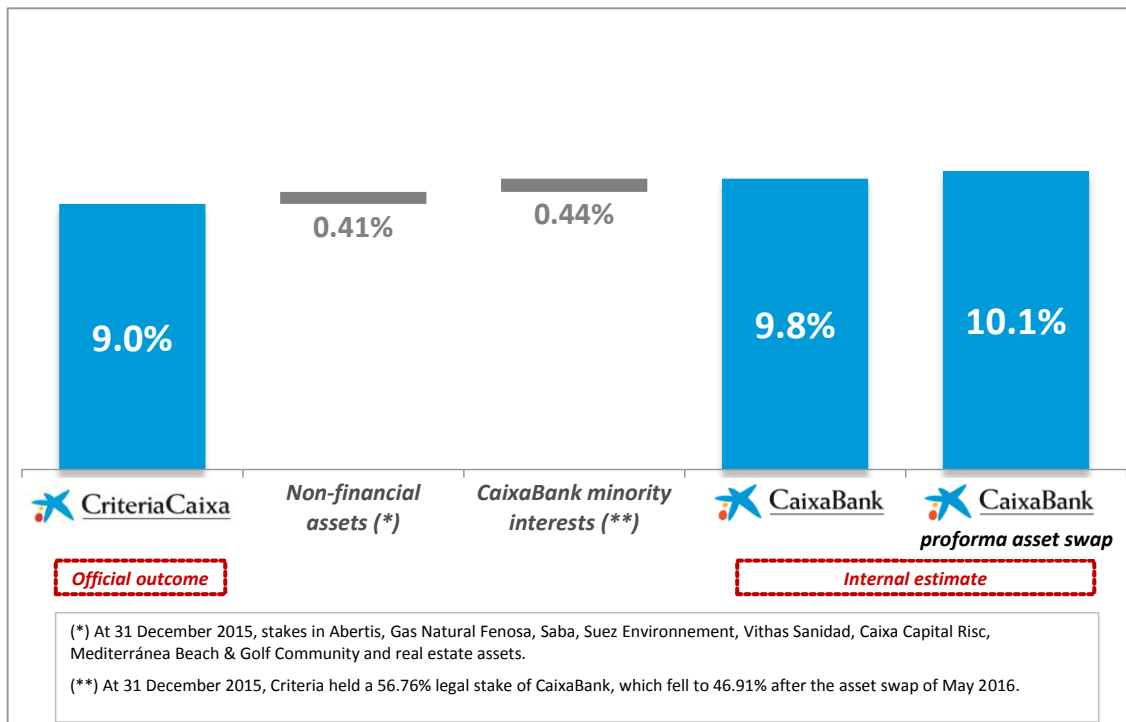
In an internal exercise, the methodology was applied in an adverse macroeconomic scenario to CaixaBank, resulting in a Common Equity Tier 1 (CET1) ratio of above 9.8% in December 2018 (phase-in) and 8.5% fully loaded, applying the capital regulations applicable from 2023.

The European authorities have taken into account the whole CriteriaCaixa Group, including, in addition to the CaixaBank Group, the industrial stakes and real estate assets of Criteria, based on the highest prudential consolidation level at 31 December 2015. Under this scope, the Criteria Group would have a phase-in CET1 ratio of 9.0% at the end of the adverse scenario (2018) and a fully loaded ratio of 7.8%.

In line with the plan announced by Criteria in the first half of the year to relinquish control of CaixaBank in order to de-consolidate both groups for prudential purposes, CaixaBank has estimated the specific impacts of this exercise on the listed bank.

CaixaBank, the leading Spanish financial institution, has higher capital ratios compared to the CriteriaCaixa Group, primarily due to the contribution from the Bank's retail shareholders and to the impact on capital of Criteria's non-financial stakes.

**CriteriaCaixa Group CET1 ratio in an adverse scenario  
At 31 December 2018 and estimates for CaixaBank**



Taking into account the swap agreement between CaixaBank and Criteria, completed in the first half of 2016, CaixaBank's CET1 ratio at the end of the adverse scenario (2018) would have strengthened to 10.1% (phase-in) and 9.1% (fully loaded) due to the release of deductions deriving from the financial investments transferred to Criteria.

This excellent result is also reflected in CaixaBank's sound solvency position at the close of the second quarter of 2016, with a CET1 capital ratio of 12.3% (phase-in) and 11.5% (fully loaded).



■ Capital figures:

(mln EUR)	CaixaBank (internal estimate)								CriteriaCaixa Group							
	Dec'15	Baseline scenario				Adverse scenario			Proforma asset swap	Dec'15	Baseline scenario			Adverse scenario		
		Dec'16	Dec'17	Dec'18	Dec'16	Dec'17	Dec'18	Dec'16			Dec'17	Dec'18	Dec'16	Dec'17	Dec'18	
Capital, reserves and minority interests	23.072	23.072	23.072	23.072	23.072	23.072	23.072	21.063	25.219	25.184	25.190	25.216	26.424	26.481	26.626	
Cumulative retained earnings	348	1.112	2.053	2.965	129	188	457	294	859	1.774	2.824	3.850	944	1.192	1.647	
Unrealised gains/losses	1.411	1.410	1.411	1.411	(959)	(959)	(959)	(1.352)	1.351	1.351	1.351	1.351	(1.306)	(1.306)	(1.306)	
Sovereign AFS	751	751	751	751	(407)	(407)	(407)	(407)	674	674	674	674	(484)	(484)	(484)	
Other AFS	148	148	148	148	(1.064)	(1.064)	(1.064)	(1.080)	344	344	344	344	(1.154)	(1.154)	(1.154)	
Exchange differences	512	512	512	512	512	512	512	136	333	333	333	333	333	333	333	
Other CET1 elements	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	
<b>Instruments CET1 fully loaded</b>	<b>24.777</b>	<b>25.541</b>	<b>26.482</b>	<b>27.394</b>	<b>22.188</b>	<b>22.247</b>	<b>22.516</b>	<b>19.952</b>	<b>27.376</b>	<b>28.255</b>	<b>29.311</b>	<b>30.363</b>	<b>26.009</b>	<b>26.314</b>	<b>26.914</b>	
Transitional adjustments	(828)	(352)	(176)		596	298			(406)	(221)	(357)	(564)	(88)	(307)	(245)	
Unrealised gains/losses sovereign AFS	(751)	(300)	(150)		163	81			(674)	(269)	(135)		194	97		
Other unrealised gains/losses AFS	(89)	(59)	(30)		425	213			(207)	(138)	(69)		462	231		
Minority interests	11	7	4		7	4			474	186	(154)	(564)	(744)	(635)	(245)	
<b>Instruments CET1 phase in</b>	<b>23.949</b>	<b>25.189</b>	<b>26.306</b>	<b>27.394</b>	<b>22.784</b>	<b>22.545</b>	<b>22.516</b>	<b>19.952</b>	<b>26.970</b>	<b>28.034</b>	<b>28.954</b>	<b>29.799</b>	<b>25.920</b>	<b>26.007</b>	<b>26.669</b>	
Intangible assets	(4.905)	(4.905)	(4.905)	(4.905)	(4.905)	(4.905)	(4.905)	(3.889)	(6.121)	(6.121)	(6.121)	(6.121)	(6.121)	(6.121)	(6.121)	
Financial investments	(961)	(898)	(907)	(919)	(1.783)	(1.826)	(1.801)	(3.889)	(812)	(818)	(818)	(819)	(1.409)	(1.429)	(1.359)	
Deferred tax assets	(2.107)	(2.107)	(2.107)	(2.107)	(2.519)	(2.824)	(3.000)	(3.000)	(2.746)	(2.738)	(2.738)	(2.738)	(3.249)	(3.657)	(3.925)	
15% threshold deduction	(115)	(65)	(10)		(431)	(476)	(479)		(139)	(87)	(25)		(359)	(393)	(380)	
Other CET1 deductions	(110)	(79)	(52)	(23)	(57)	(28)	1	(97)	(144)	(138)	(143)	(150)	(130)	(134)	(133)	
<b>Deductions CET1 fully loaded</b>	<b>(8.198)</b>	<b>(8.056)</b>	<b>(7.982)</b>	<b>(7.954)</b>	<b>(9.696)</b>	<b>(10.059)</b>	<b>(10.185)</b>	<b>(6.986)</b>	<b>(9.962)</b>	<b>(9.901)</b>	<b>(9.845)</b>	<b>(9.828)</b>	<b>(11.269)</b>	<b>(11.733)</b>	<b>(11.917)</b>	
Transitional adjustments	2.734	2.297	1.892	1.391	3.521	2.998	1.850	1.369	3.354	2.886	2.374	1.741	3.800	3.388	2.259	
<b>Deductions CET1 phase in</b>	<b>(5.464)</b>	<b>(5.758)</b>	<b>(6.090)</b>	<b>(6.563)</b>	<b>(6.175)</b>	<b>(7.061)</b>	<b>(8.335)</b>	<b>(5.617)</b>	<b>(6.608)</b>	<b>(7.015)</b>	<b>(7.471)</b>	<b>(8.087)</b>	<b>(7.469)</b>	<b>(8.346)</b>	<b>(9.659)</b>	
<b>CET1 fully loaded</b>	<b>16.580</b>	<b>17.485</b>	<b>18.500</b>	<b>19.440</b>	<b>12.492</b>	<b>12.188</b>	<b>12.331</b>	<b>12.966</b>	<b>17.414</b>	<b>18.354</b>	<b>19.466</b>	<b>20.535</b>	<b>14.740</b>	<b>14.581</b>	<b>14.997</b>	
<b>CET1 phase in</b>	<b>18.485</b>	<b>19.430</b>	<b>20.216</b>	<b>20.831</b>	<b>16.609</b>	<b>15.484</b>	<b>14.181</b>	<b>14.334</b>	<b>20.362</b>	<b>21.019</b>	<b>21.483</b>	<b>21.712</b>	<b>18.451</b>	<b>17.661</b>	<b>17.010</b>	
<b>TIER 1 fully loaded</b>	<b>16.580</b>	<b>17.485</b>	<b>18.500</b>	<b>19.440</b>	<b>12.492</b>	<b>12.188</b>	<b>12.331</b>	<b>12.966</b>	<b>17.414</b>	<b>18.354</b>	<b>19.466</b>	<b>20.535</b>	<b>14.740</b>	<b>14.581</b>	<b>14.997</b>	
<b>TIER 1 phase in</b>	<b>18.485</b>	<b>19.430</b>	<b>20.216</b>	<b>20.831</b>	<b>16.609</b>	<b>15.484</b>	<b>14.181</b>	<b>14.334</b>	<b>20.362</b>	<b>21.019</b>	<b>21.483</b>	<b>21.712</b>	<b>18.451</b>	<b>17.661</b>	<b>17.010</b>	
<b>TOTAL CAPITAL fully loaded</b>	<b>21.023</b>	<b>22.189</b>	<b>22.645</b>	<b>22.919</b>	<b>17.179</b>	<b>16.294</b>	<b>15.752</b>	<b>16.390</b>	<b>20.587</b>	<b>22.948</b>	<b>23.611</b>	<b>24.013</b>	<b>19.457</b>	<b>18.690</b>	<b>18.421</b>	
<b>TOTAL CAPITAL phase in</b>	<b>22.827</b>	<b>24.046</b>	<b>24.305</b>	<b>24.310</b>	<b>21.155</b>	<b>19.482</b>	<b>17.603</b>	<b>17.759</b>	<b>24.034</b>	<b>25.529</b>	<b>25.582</b>	<b>25.190</b>	<b>23.068</b>	<b>21.702</b>	<b>20.434</b>	
<b>RWA fully loaded</b>	<b>143.575</b>	<b>143.458</b>	<b>143.455</b>	<b>143.446</b>	<b>146.029</b>	<b>145.045</b>	<b>144.618</b>	<b>142.962</b>	<b>180.395</b>	<b>180.277</b>	<b>182.263</b>	<b>187.132</b>	<b>184.769</b>	<b>188.759</b>	<b>191.913</b>	
<b>RWA phase in</b>	<b>143.312</b>	<b>143.195</b>	<b>143.192</b>	<b>143.183</b>	<b>144.962</b>	<b>144.782</b>	<b>144.354</b>	<b>142.241</b>	<b>173.934</b>	<b>175.486</b>	<b>180.414</b>	<b>186.003</b>	<b>178.279</b>	<b>184.376</b>	<b>189.577</b>	
<i>Fully loaded CET1 Ratio</i>	11,6%	12,2%	12,9%	13,6%	8,6%	8,4%	8,5%	9,1%	9,7%	10,2%	10,7%	11,0%	8,0%	7,7%	7,8%	
<i>Fully loaded Tier 1 Ratio</i>	11,6%	12,2%	12,9%	13,6%	8,6%	8,4%	8,5%	9,1%	9,7%	10,2%	10,7%	11,0%	8,0%	7,7%	7,8%	
<i>Fully loaded Total Capital Ratio</i>	14,6%	15,5%	15,8%	16,0%	11,8%	11,2%	10,9%	11,5%	11,4%	12,7%	13,0%	12,8%	10,5%	9,9%	9,6%	
<i>Phase in CET1 Ratio</i>	12,9%	13,6%	14,1%	14,5%	11,5%	10,7%	9,8%	10,1%	11,7%	12,0%	11,9%	11,7%	10,3%	9,6%	9,0%	
<i>Phase in Tier 1 Ratio</i>	12,9%	13,6%	14,1%	14,5%	11,5%	10,7%	9,8%	10,1%	11,7%	12,0%	11,9%	11,7%	10,3%	9,6%	9,0%	
<i>Phase in Total Capital Ratio</i>	15,9%	16,8%	17,0%	17,0%	14,6%	13,5%	12,2%	12,5%	13,8%	14,5%	14,2%	13,5%	12,9%	11,8%	10,8%	

- P&L figures

(mln EUR)	CaixaBank (internal estimate)							CriteriaCaixa Group						
	Dec'15	Baseline scenario			Adverse scenario			Dec'15	Baseline scenario			Adverse scenario		
		Dec'16	Dec'17	Dec'18	Dec'16	Dec'17	Dec'18		Dec'16	Dec'17	Dec'18	Dec'16	Dec'17	Dec'18
Net interest income	4.063	4.063	4.063	4.063	3.754	4.063	3.944	3.800	3.800	3.800	3.800	3.513	3.800	3.714
Dividend income	203	203	203	203	155	155	155	226	226	226	226	155	155	155
Net fee and commission income	2.090	2.090	2.090	2.090	1.861	1.861	1.861	2.089	2.089	2.089	2.089	1.860	1.860	1.860
Gains or losses on fin. assets and liab. HFT, net	183	103	103	103	(240)	78	78	179	101	101	101	(242)	76	76
Other operating income not listed above	473	(341)	(343)	(341)	(339)	(340)	(340)	856	(364)	(364)	(364)	(364)	(364)	(364)
<b>Total operating income, net</b>	<b>7.012</b>	<b>6.118</b>	<b>6.116</b>	<b>6.118</b>	<b>5.191</b>	<b>5.817</b>	<b>5.698</b>	<b>7.150</b>	<b>5.852</b>	<b>5.852</b>	<b>5.852</b>	<b>4.923</b>	<b>5.527</b>	<b>5.441</b>
Impairment or reversal of impairment on fin. assets	(2.094)	(1.239)	(618)	(621)	(2.275)	(2.519)	(2.046)	(2.096)	(1.240)	(619)	(622)	(2.276)	(2.520)	(2.048)
Other income and expenses not listed above, net	(4.389)	(3.155)	(3.267)	(3.349)	(3.583)	(3.507)	(3.302)	(3.728)	(2.518)	(2.633)	(2.715)	(3.136)	(2.999)	(2.762)
<b>Profit or loss before tax from continuing operations</b>	<b>529</b>	<b>1.724</b>	<b>2.231</b>	<b>2.148</b>	<b>(667)</b>	<b>(209)</b>	<b>350</b>	<b>1.327</b>	<b>2.093</b>	<b>2.600</b>	<b>2.514</b>	<b>(489)</b>	<b>9</b>	<b>630</b>
Tax expenses or income	286	(197)	(349)	(324)	448	326	188	299	(96)	(248)	(222)	544	429	281
<b>Profit or loss for the year</b>	<b>815</b>	<b>1.527</b>	<b>1.882</b>	<b>1.824</b>	<b>(219)</b>	<b>117</b>	<b>538</b>	<b>1.626</b>	<b>1.997</b>	<b>2.352</b>	<b>2.292</b>	<b>54</b>	<b>437</b>	<b>911</b>
(Attributable to minority interests)	1	(0)	(0)	(0)	(0)	(0)	(0)	446	691	853	825	(67)	83	261
<b>Attributable to owners of the parent</b>	<b>814</b>	<b>1.527</b>	<b>1.882</b>	<b>1.824</b>	<b>-219</b>	<b>117</b>	<b>538</b>	<b>1.179</b>	<b>1.307</b>	<b>1.499</b>	<b>1.467</b>	<b>121</b>	<b>355</b>	<b>650</b>
Amount of dividends paid	485	764	941	912		59	269	320	392	450	440	36	106	195
<b>Attributable to owners of the parent net of dividends</b>	<b>329</b>	<b>763</b>	<b>941</b>	<b>912</b>	<b>(219)</b>	<b>58</b>	<b>269</b>	<b>859</b>	<b>915</b>	<b>1.049</b>	<b>1.027</b>	<b>85</b>	<b>248</b>	<b>455</b>

- Risk Weight Assets figures:

(mln EUR)	CaixaBank (internal estimate)								CriteriaCaixa Group						
	Dec'15	Baseline scenario			Adverse scenario			Proforma asset	Dec'15	Baseline scenario			Adverse scenario		
		Dec'16	Dec'17	Dec'18	Dec'16	Dec'17	Dec'18			Dec'16	Dec'17	Dec'18	Dec'16	Dec'17	Dec'18
Credit Risk and Equity	121.556	121.557	121.553	121.548	121.561	121.552	121.544	121.544	151.628	153.297	158.224	163.818	154.327	160.595	166.215
Market risk	11.331	11.331	11.331	11.331	11.331	11.331	11.331	11.331	5.682	5.564	5.564	5.560	7.327	7.156	6.736
Operational risk	5.178	5.060	5.061	5.057	6.824	6.653	6.233	4.120	11.117	11.117	11.117	11.117	11.117	11.117	11.117
Other	5.247	5.247	5.247	5.247	5.247	5.247	5.247	5.247	5.507	5.508	5.508	5.508	5.508	5.508	5.508
<b>RWA phase in</b>	<b>143.312</b>	<b>143.195</b>	<b>143.192</b>	<b>143.183</b>	<b>144.962</b>	<b>144.782</b>	<b>144.354</b>	<b>142.241</b>	<b>173.934</b>	<b>175.486</b>	<b>180.414</b>	<b>186.003</b>	<b>178.279</b>	<b>184.376</b>	<b>189.577</b>
<i>Transitional adjustments</i>	263	263	263	263	1.067	263	263	721	6.461	4.791	1.850	1.129	6.490	4.382	2.336
<b>RWA fully loaded</b>	<b>143.575</b>	<b>143.458</b>	<b>143.455</b>	<b>143.446</b>	<b>146.029</b>	<b>145.045</b>	<b>144.618</b>	<b>142.962</b>	<b>180.395</b>	<b>180.277</b>	<b>182.263</b>	<b>187.132</b>	<b>184.769</b>	<b>188.759</b>	<b>191.913</b>