



Acquisition of Barclays Bank, S.A.U.

1st September 2014

Important Note

The purpose of this presentation is purely for information purposes. In particular, regarding the data provided by third parties, neither CaixaBank, S.A. (“CaixaBank”) as a legal entity, nor any of its administrators, directors or employees, is obliged, either explicitly or implicitly, to vouch that these contents are exact, accurate, comprehensive or complete, nor to keep them updated, nor to correct them in the case that any deficiency, error or omission were to be detected. Moreover, in reproducing these contents in any medium, CaixaBank may introduce any changes it deems suitable, may omit partially or completely any of the elements of this document, and in the case of any deviation between such a version and this one, assumes no liability for any discrepancy.

This document has at no time been submitted to the Comisión Nacional del Mercado de Valores (CNMV – the Spanish Stock Markets regulatory body) for approval or scrutiny. In all cases its contents are regulated by the Spanish law applicable at time of writing, and it is not addressed to any person or legal entity located in any other jurisdiction. For this reason it may not necessarily comply with the prevailing norms or legal requisites as required in other jurisdictions.

This presentation on no account should be construed as a service of financial analysis or advice, nor does it aim to offer any kind of financial product or service. In particular, it is expressly remarked here that no information herein contained should be taken as a guarantee of future performance or results.

Without prejudice to legal requirements, or to any limitations imposed by CaixaBank that may be applicable, permission is hereby expressly refused for any type of use or exploitation of the contents of this presentation, and for any use of the signs, trademarks and logotypes which it contains. This prohibition extends to any kind of reproduction, distribution, transmission to third parties, public communication or conversion into any other medium, for commercial purposes, without the previous express permission of CaixaBank and/or other respective proprietary title holders. Any failure to observe this restriction may constitute a legal offence which may be sanctioned by the prevailing laws in such cases.

Key Messages



Improves competitive position in key segments and regions



Cost synergies expected at ~€150 MM pre-tax (42% of BBSAU 1H14 annualised operating expenses) with estimated NPV of €0.8 Bn



Builds shareholder value: EPS accretive from Year 1 with ROIC already above 10% by 2016



Proven integration track record minimises execution risk



Limited balance sheet impact: FL B3 of ~75 bps and manageable liquidity needs



Closing expected by December 2014 / January 2015

- **Strategic fit** **p. 3**
- Financial considerations p. 9
- Timetable p. 16
- Final remarks p. 19
- Appendix p.21

Transaction Summary

- CaixaBank (“CABK”) to acquire 100% of shares in Barclays Bank SAU (“BBSAU”) from Barclays PLC in exchange for cash consideration of €800 MM ⁽¹⁾
 - BV of BBSAU 2014E of €1.7 Bn. Implies P/BV of 0.47x
 - Fair Value adjustments estimated at approximately €0.4 Bn post-tax
 - Restructuring costs of ~€0.3 Bn post-tax
- The scope includes 100% of Barclays Bank’s Retail, Wealth and Corporate businesses in Spain, excluding the investment banking and credit cards businesses
- Comprehensive due diligence process successfully completed
- Earnings-accretive from year 1 with ROIC already above 10% in 2016
- Subject to approvals by Bank of Spain, CNMV and Spanish competition authorities
- Expected closing of the transaction in December 2014 / January 2015

(1) Final price and fair value adjustments to be determined post closing based on actual net asset value at 31/12/14.

BBSAU: the largest international bank franchise in Spain

BBSAU: key figures ⁽¹⁾

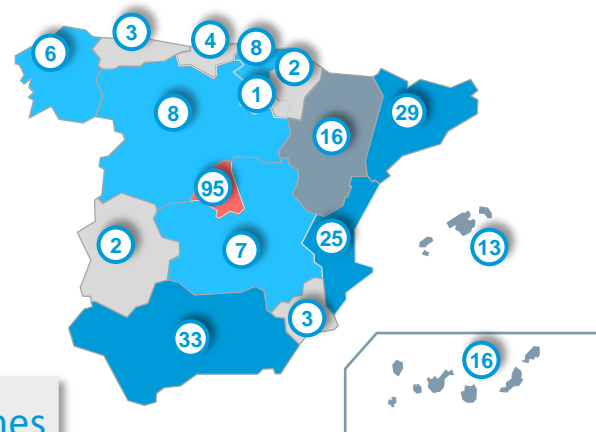
June 2014

		% of Combined
→ Assets	€21.6 Bn	6%
→ Net loans	€18.4 Bn	9%
→ Customer Deposits ⁽²⁾	€9.9 Bn	5%
→ AuMs ⁽³⁾	€4.9 Bn	8%
→ Shareholder funds	€1.7 Bn	7%
→ Total Capital	14.5%	n.a.
→ Branches ⁽¹⁾	271	5%
→ Customers ⁽⁴⁾	c. 555,000	4%
→ Employees	2,446	7%

Ranked 13th by Total Assets

Domestic Branch Network ⁽¹⁾

June 2014



271 branches

<5
 5-9
 10-24
 25-50
 >50

Serves most important economic regions, with a focus on Madrid

(1) Not adjusted for sale of 9 branches to Caja Rural Castilla La Mancha in 2014 (~€350 MM in loans and €150MM in deposits to be transferred).

(2) Includes repos

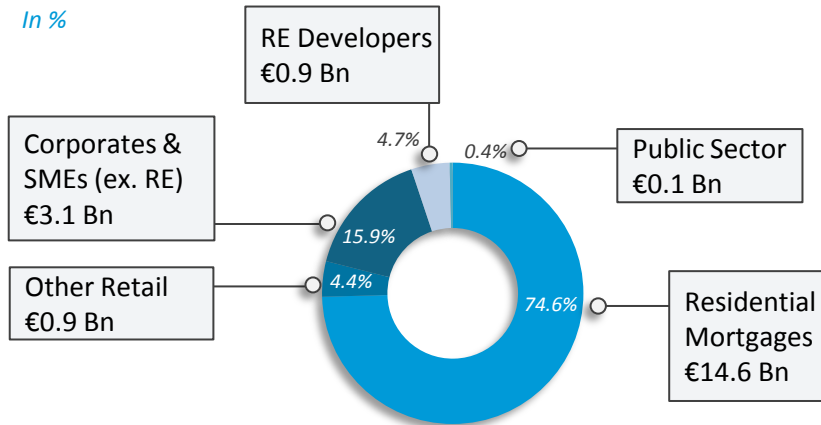
(3) Data for BBSAU includes average mutual funds and SICAVs for June 2014

(4) Includes retail banking clients only

An affluent segment oriented bank with c. 555,000 customers ⁽¹⁾

Loan book breakdown ⁽²⁾ June 2014

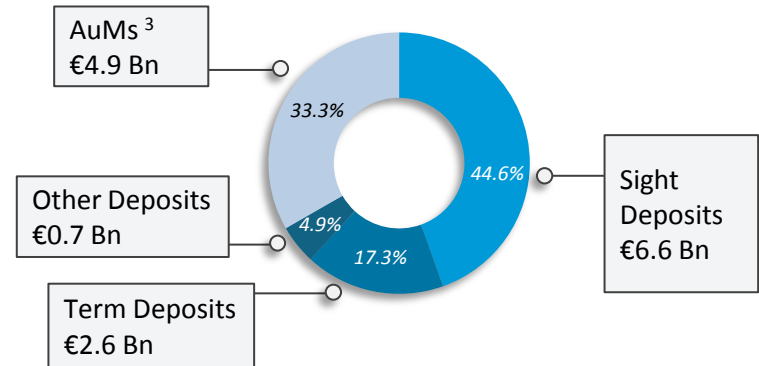
In %



Total gross loans €19.6 bn ⁽²⁾

Customer Funds breakdown ⁽²⁾ June 2014

In %



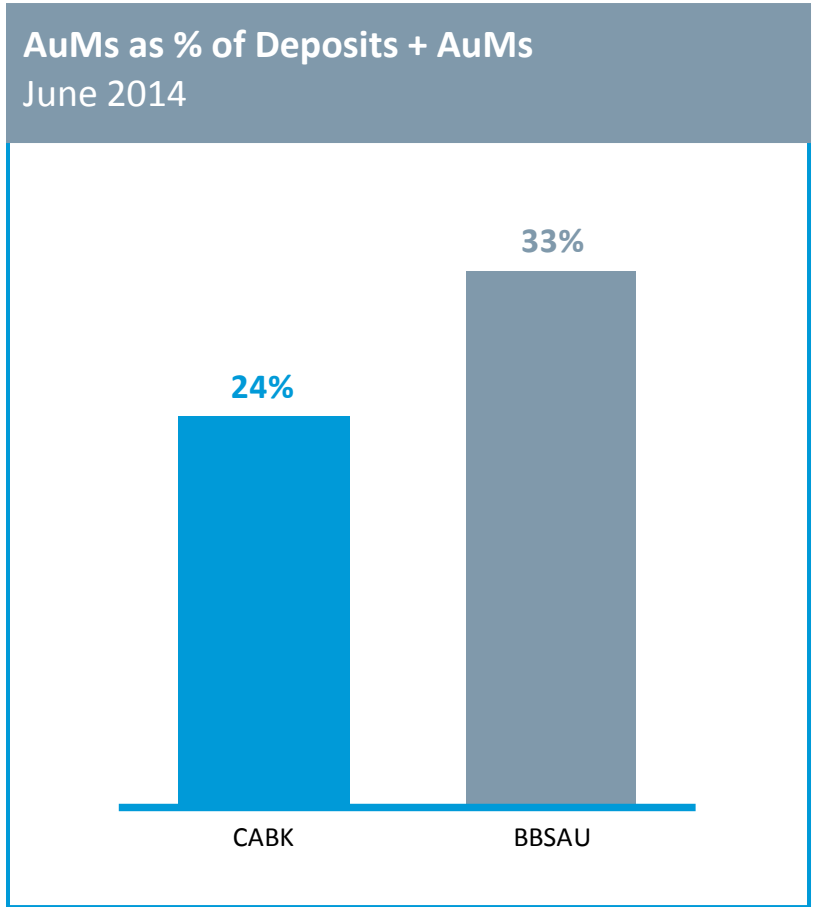
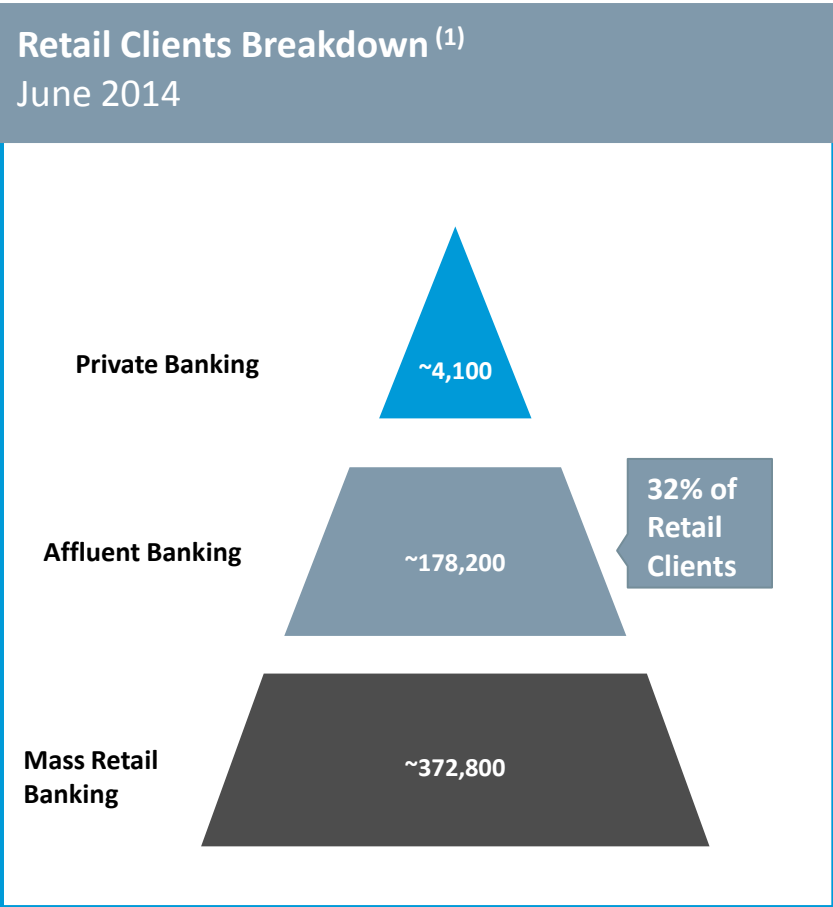
Total Customer Funds €14.8 bn ⁽²⁾

(1) Includes retail banking clients only

(2) Not adjusted for sale of 9 branches to Caja Rural Castilla La Mancha in 2014 (~€350 MM in loans and €150MM in deposits to be transferred).

(3) Includes €4.3 Bn mutual funds and €0.7 Bn SICAVs

High brand recognition and expertise in affluent banking



Latest available information

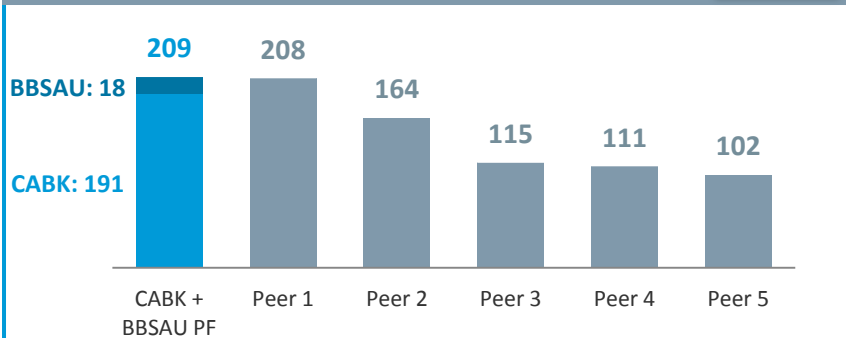
(1) In addition, there are ~4,100 corporate clients

Deal consolidates retail banking leadership in Spain

Net customer loans ⁽¹⁾ (€ Bn)

June 2014

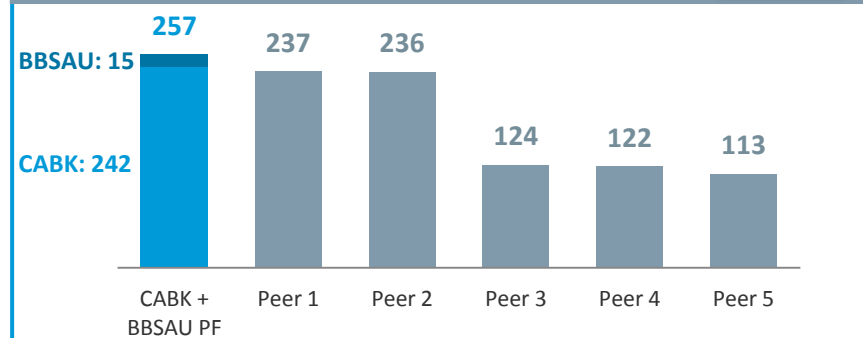
1st



Customer deposits + AuMs ⁽²⁾ (€ Bn)

June 2014

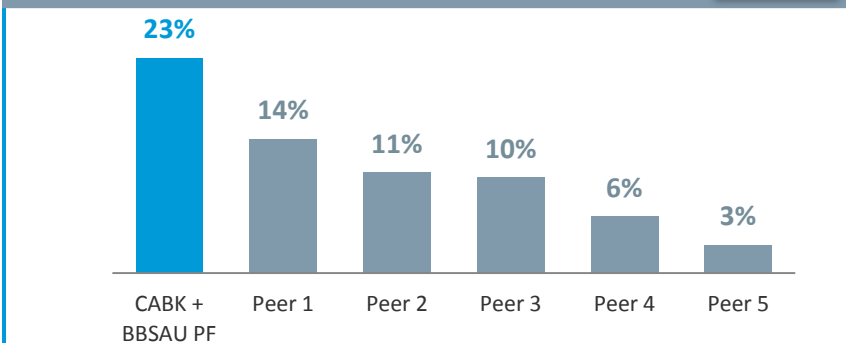
1st



Customer penetration ⁽³⁾ (%)

December 2013

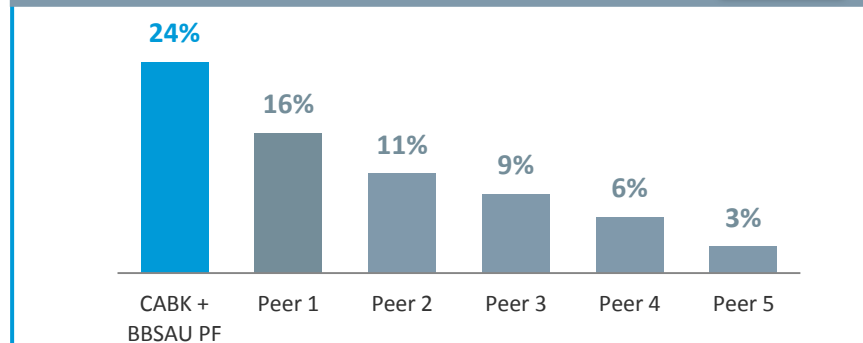
1st



Payrolls - Market share (%)

December 2013

1st



Latest available information. Peer group includes BBVA Spain (inc RE and pro forma Catalunya Banc), Santander Spain (inc RE), Bankia, Sabadell and Popular.

(1) Net loans as shown in H1 2014 interim statements and other public information

(2) Includes customer deposits as shown in H1 interim statements and AuMs. Figures for BBSAU include €9.9 Bn deposits and €4.9 Bn AuMs

(3) Customer penetration defined as primary banking relationship

Source: FRS, Company Information

- Strategic fit p. 3
- **Financial considerations** **p. 9**
- Timetable p. 16
- Final remarks p. 19
- Appendix p.21

Attractive shareholder value creation

Key Terms (In Billion Euros)

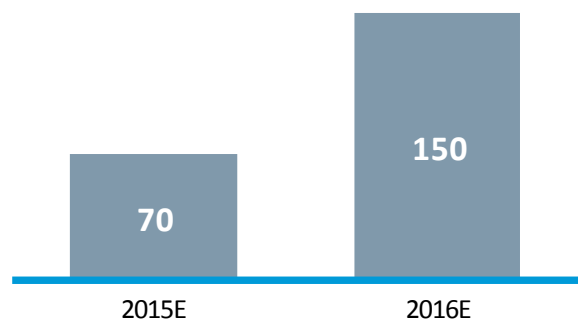
BBSAU Book value as of 31 st December 2014E	1.7
Price of the transaction ⁽¹⁾	0.8
Implied P/BV multiple 2014E	0.47x
FV Adjustments post-tax ⁽¹⁾	0.4
Restructuring costs post-tax	0.3

- Earnings accretive from Year 1 onwards
- ROIC already above 10% in 2016
- Estimated ~€80 MM of Net Income contribution in 2016
- Fair Value adjustments mostly associated to credit adjustments and partially compensated by revaluation adjustments
- Restructuring costs related to efforts to right-size the combined entity

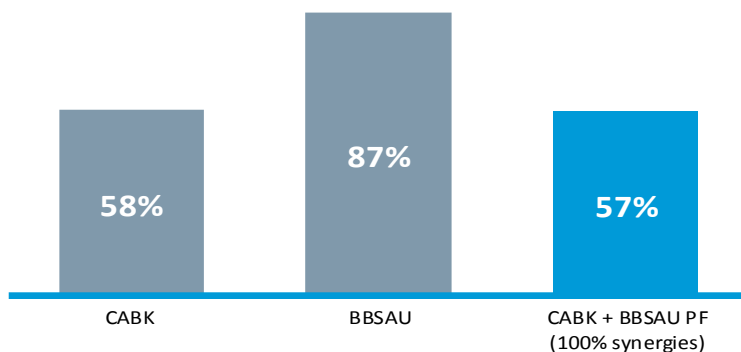
(1) Final price and FV adjustments to be determined post closing

We expect ~ €150 MM of pre-tax cost synergies by 2016 with an NPV of €0.8 Bn

Annual pre-tax cost savings target (€ MM)



Recurrent Cost-to-income ratio ⁽¹⁾ (%)



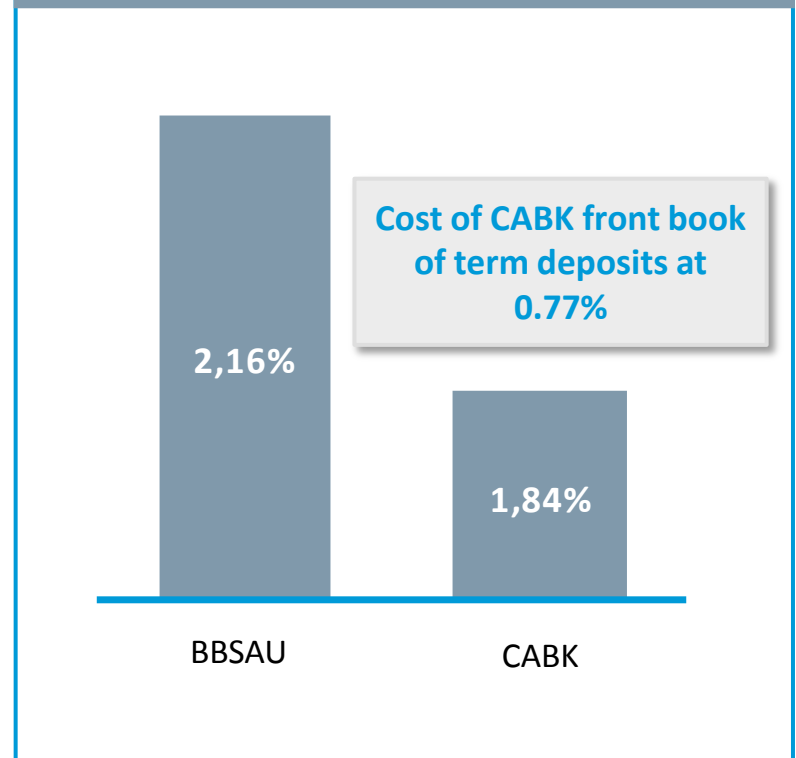
- Estimated cost synergies of 42% of BBSAU's 1H14 annualised operating expenses
- ~ €150 MM of annual pre-tax costs savings achieved by 2016
- Cost synergies NPV of €0.8 Bn (net of restructuring costs)
- Cost-to-income ratio of CABK improves 1 p.p. as a result of transaction

(1) L12M Cost to income for CABK, 1H14 annualised Cost to Income for BBSAU
Source: Company Information

Significant potential to generate income synergies

- Lower cost of customer deposits is a key driver
- Cross-selling of insurance products to promote growth in net fee income
- CABK's superior digital banking platform to drive growth in transactional banking and build client loyalty
- Access to more convenient distribution network and wider product range to increase loyalty and product penetration

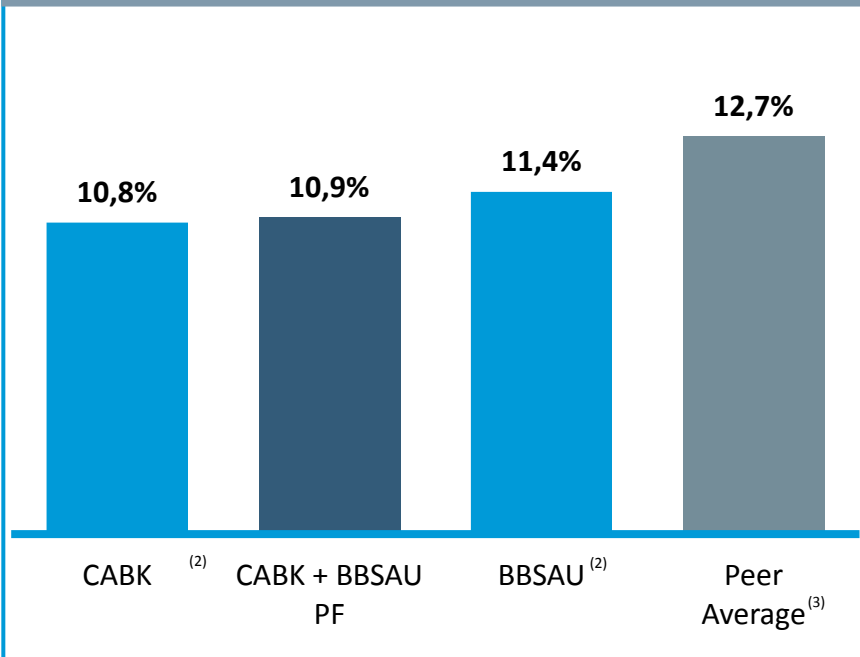
Cost of Term Deposits – Back book ¹ (%)
2Q 2014



(1) Data for BBSAU as of 1H 2014, including both front and back book of term deposits

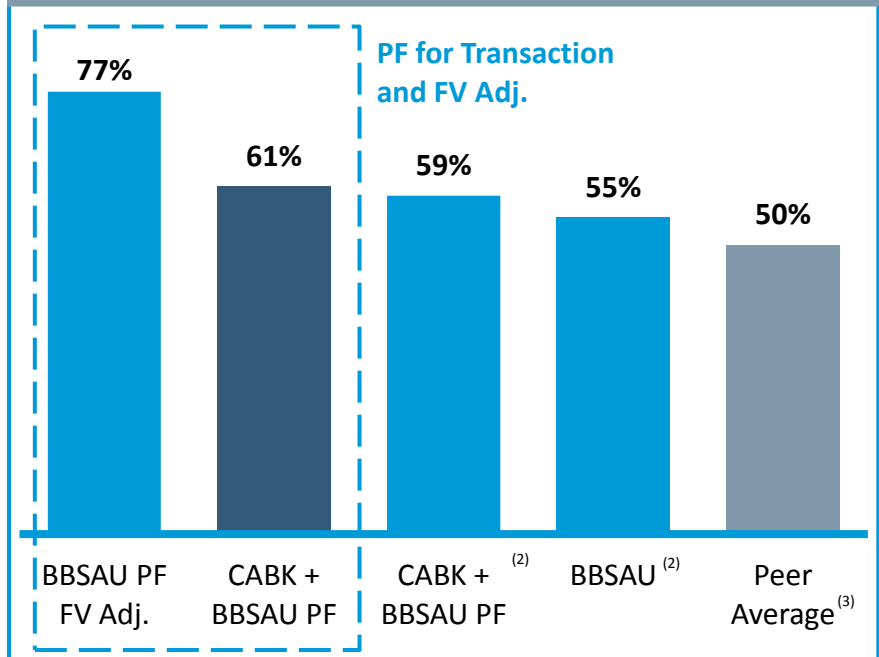
CaixaBank will maintain better asset quality than its peer group ¹

NPL ratio (%)
June 2014



NPL ratio below the peer average

NPL coverage (%)
June 2014



**NPL coverage above the peer average.
Coverage PF post FV adjustments increases**

(1) Peer group includes: BBVA Spain (inc RE but not adjusted for acquisition of Catalunya Banc), Bankia, Bankinter, Popular, Sabadell and Santander Spain (inc RE)

(2) Reported NPL and coverage ratios as of June 2014

(3) Calculated including contingent liabilities. BBVA Spain and Santander Spain figures do not include contingent liabilities

Liquidity levels to remain comfortably high after the agreed deal

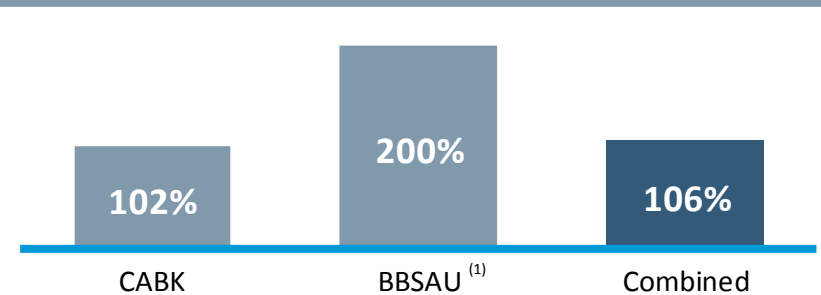
- Existing wholesale funding and EUR 5.5 Bn ECB funding can be comfortably managed with CABK's liquidity and funding position
- 94% of existing €3.0 Bn ABS issued securities will mature after 2018

Wholesale funding maturities as of June 2014

	2014	2015	2016
CABK	€1.8 Bn	€6.7 Bn	€7.3 Bn
BBSAU	-	€0.2 Bn	-

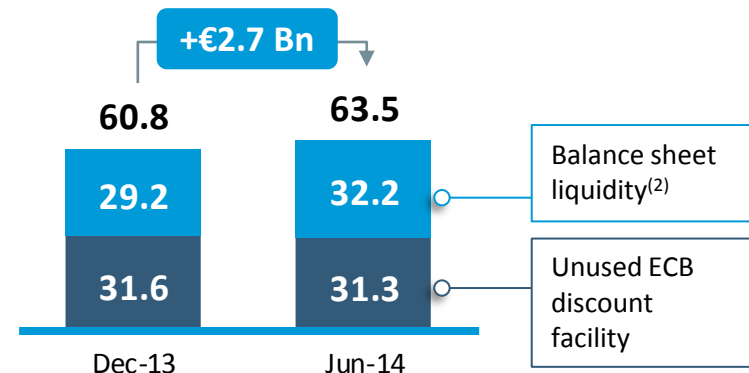
Loan to deposits ratio (ex. Repos)

June 2014



CaixaBank Total Available Liquidity

In € Bn

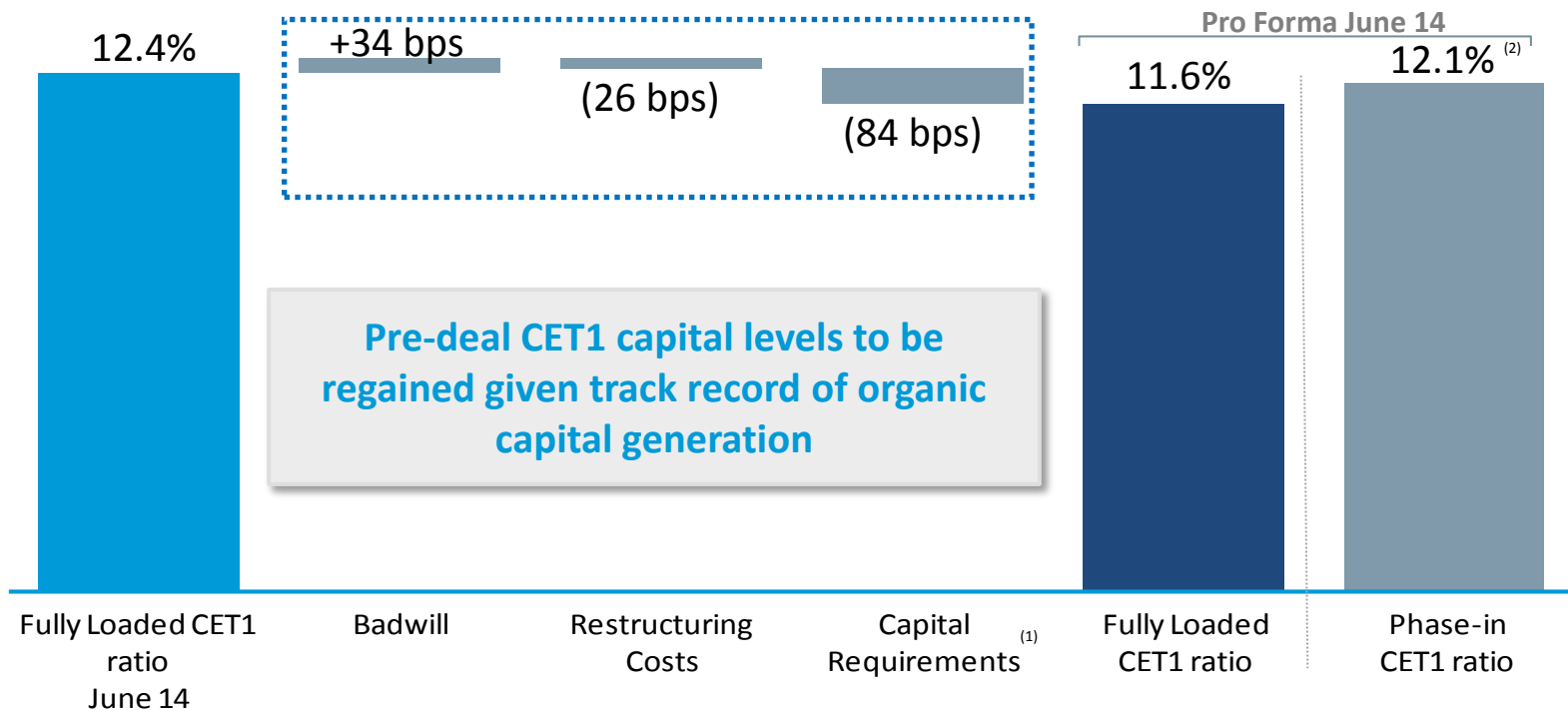


(1) Calculated as Net Loans (€18.4 Bn) divided by Core Deposits (€9.2 Bn)

(2) Banking liquidity: includes cash, interbank deposits, accounts at central banks and unencumbered sovereign debt

~75 bps expected impact on BIS 3 CET1 under both phase-in and fully-loaded criteria

Limited impact on capital

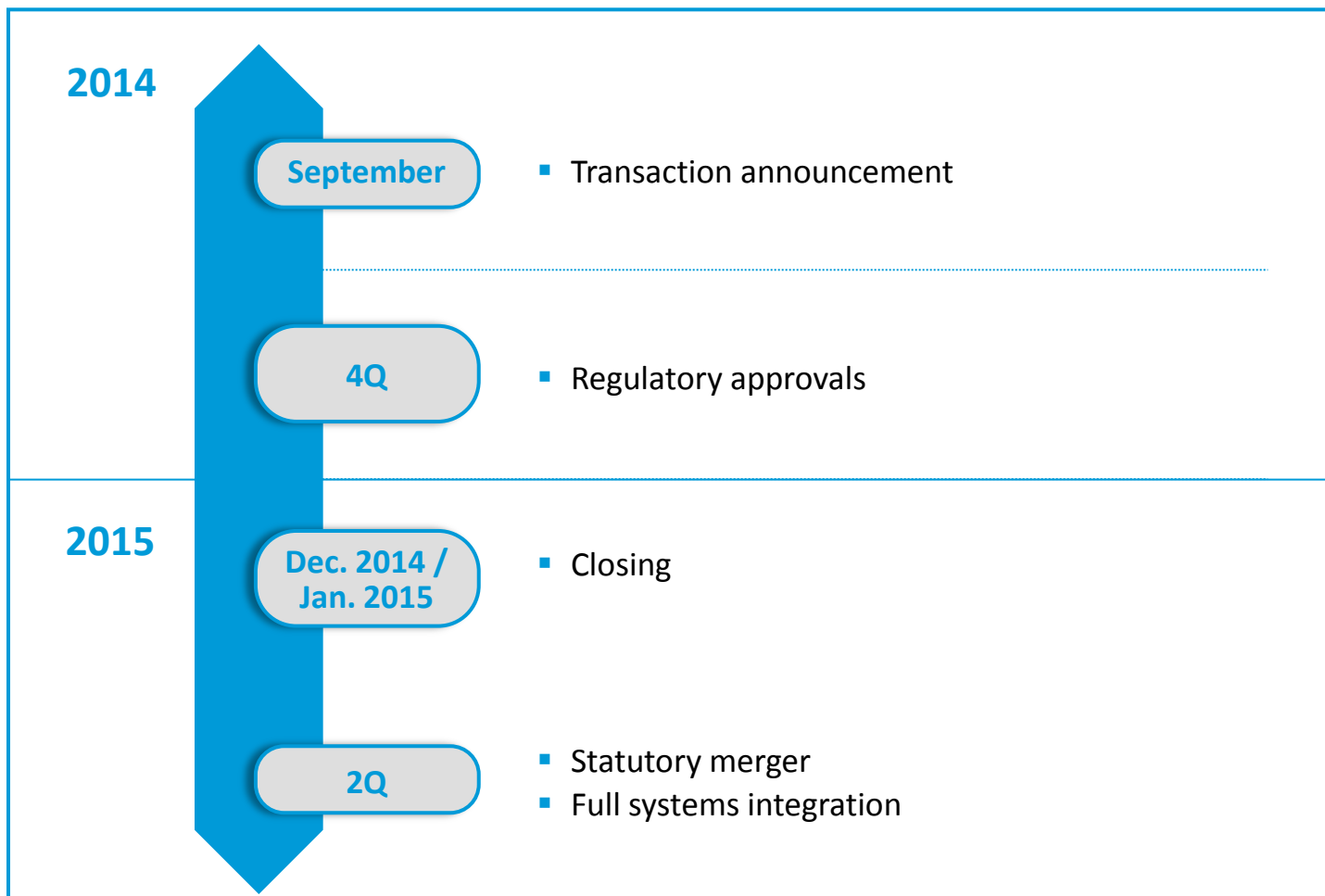


(1) Includes mainly RWAs and other deductions

(2) Ratio calculated in accordance with Bank of Spain's Circular 3/2014 dated July 30, 2014

- Strategic fit p. 3
- Financial considerations p. 9
- **Timetable** **p. 16**
- Final remarks p. 19
- Appendix p.21

Expected Timetable



Proven integration track record minimises execution risk



Acquisition of Banco de Valencia

- Announcement: November 2012
- Full IT integration : July 2013

8 months



Acquisition of Banca Cívica

- Announcement: March 2012
- Full IT integration: April 2013
 - Note 4 sequential integrations completed

12 months



Acquisition of Bankpime's business

- Announcement: September 2011
- Full IT integration: February 2012

5 months



Caixa Girona merger

- Announcement: June 2010
- Full IT integration: December 2010

6 months

- Strategic fit p. 3
- Financial considerations p. 9
- Timetable p. 16
- **Final remarks** **p. 19**
- Appendix p.21

Key Messages



Improves competitive position in key segments and regions



Cost synergies expected at ~€150 MM pre-tax (42% of BBSAU 1H14 annualised operating expenses) with estimated NPV of €0.8 Bn



Builds shareholder value: EPS accretive from Year 1 with ROIC already above 10% in 2016



Proven integration track record minimizes execution risk



Limited balance sheet impact: FL B3 of ~75 bps and manageable liquidity needs



Closing expected by December 2014 / January 2015

Appendix: H1 2014 Financial Information for BBSAU

BBSAU: Key Financial Metrics

BBSAU Balance Sheet (In € MM)	30 th June 2014	BBSAU P&L (In € MM)	1H 2014
Customer loans	18,367	Net interest income	139
Liquid assets	1,887	Net fees	67
Foreclosed assets	238	Gains on financial assets	5
Fixed assets	116	Other operating revenue & exp.	(7)
Tax assets	720	Gross Income	205
Other assets	306	Personnel expenses	(84)
Total assets	21,634	General expenses	(85)
Customer deposits	9,889	Depreciation and amortization	(10)
Wholesale funding	9,497	Pre-impairment income	26
Tax liabilities	96	Impairment losses	(20)
Other liabilities	405	Other provisions	(3)
Total liabilities	19,887	Other gains / (losses)	(1)
Equity	1,747	Pre-tax income	2
Total liabilities & equity	21,634	Taxes	(0)
		Profit for the period	1

Source: BBSAU

Institutional Investors & Analysts Contact

We are at your entire disposal for any questions or suggestions you may wish to make. To contact us, please call or write to us at the following email address and telephone number:

investors@caixabank.com

+34 93 411 75 03