



# CaixaBank - the leading force in Spanish retail banking

**Analyst presentation**

**25 February 2011**



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## “la Caixa” Group: A long-term strategy of growth

### “la Caixa” Group Strategic Plan 2007-2010

#### Banking in Spain

- Leadership in retail banking
- Development of complementary segments

#### International Banking

- Supporting international growth of customers
- Presence in attractive markets



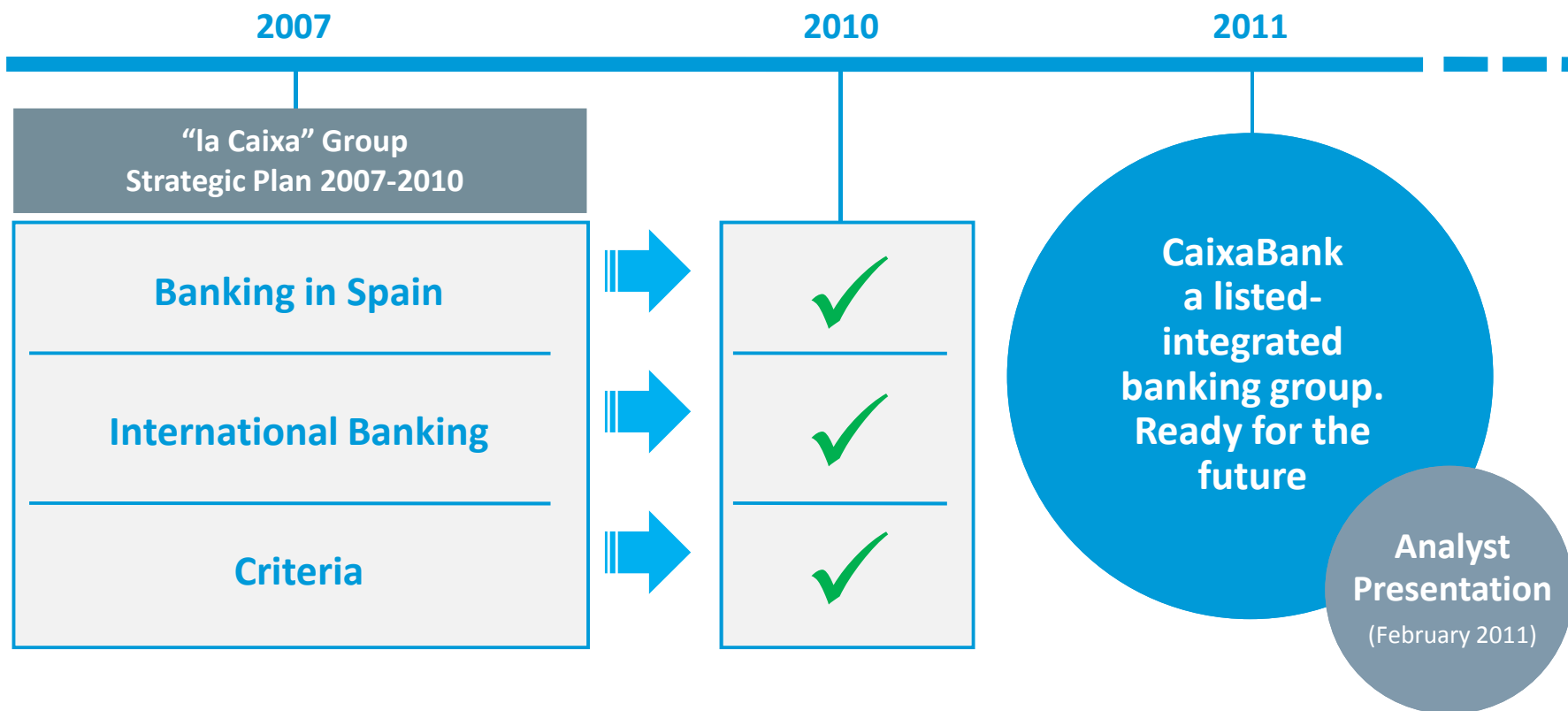
#### Criteria

- IPO (market assessment, access to capital markets)
- Increasing weight of financials
- Active portfolio management

**Analyst  
Presentation**  
(July 2007)

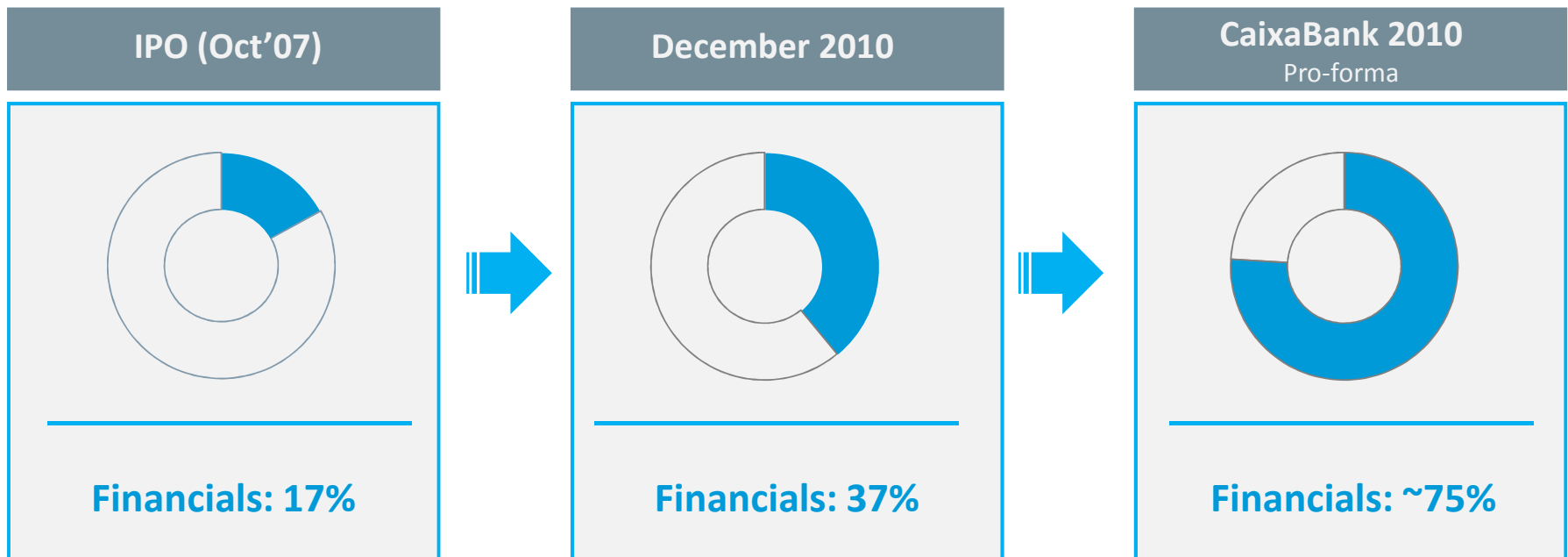


## “la Caixa” Group in 2010





## CaixaBank: A natural step in Criteria's Strategic Development



Consistent with Criteria's original equity story



## Agenda

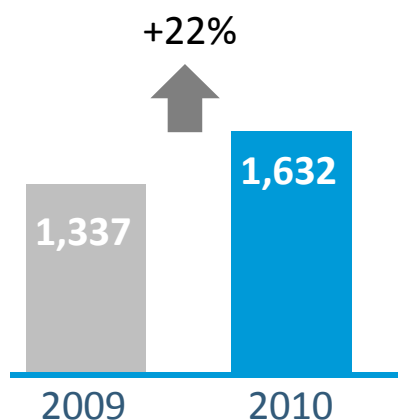
**Criteria - FY 2010 review**

**CaixaBank - the leading force in Spanish retail banking**

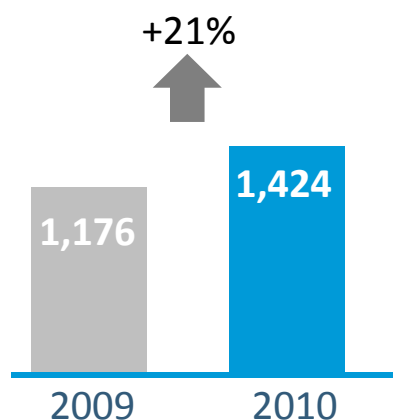


## Strong financial results

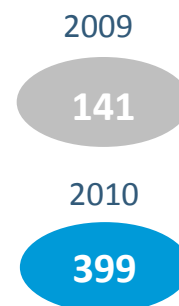
### Results from investees



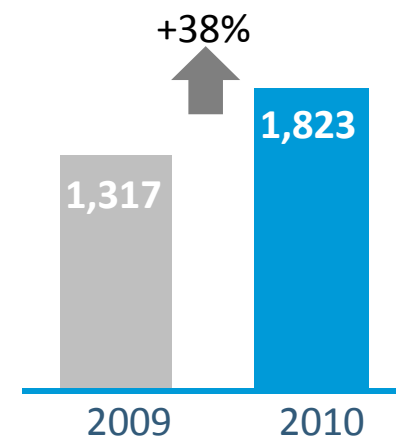
### Net recurring profit



### Non-recurring profits



### Net attributable profit



### Breakdown of Results from investees

€M	2010	2009	
Services	1,059	982	+8%
Banking	283	171	+65%
Insurance	267	213	+25%
Financial services	23	-29	-
<b>Total</b>	<b>1,632</b>	<b>1,337</b>	<b>+22%</b>

### Breakdown of non-recurring profit

€M	2010
Agbar – Adeslas	165
Tactical divestments	162
CaixaRenting	50
Others	22
<b>Total</b>	<b>399</b>



## Investment track record: a year of success

	% Var.	Period	Investment/ Initial value (€M) <sup>1</sup>	Current value <sup>2</sup> (€M)
VidaCaixa Adeslas (+JV with “Mutua”)	<b>+36%</b>	16 months <sup>3</sup>	1,628	2,215
PortAventura theme park (JV with Investindustrial)	<b>+31%</b>	17 months	95	124
Erste Bank (5% - Nov 2009 capital increase)	<b>+36%</b>	15 months	622	844
BEA (5% - January 2010 capital increase)	<b>+16%</b>	13 months	320	373
1% Telefónica (unwinding Equity Swap)	<b>+11%</b>	11 months	758	841
Repsol (1.15% acquired)	<b>+22%</b>	3 months	272	331
Gas Natural (0.95% acquired)	<b>+19%</b>	2 months	90	107

## Value Creation from Active Portfolio Management

(1) Adjusted by dividends received since the investment date.

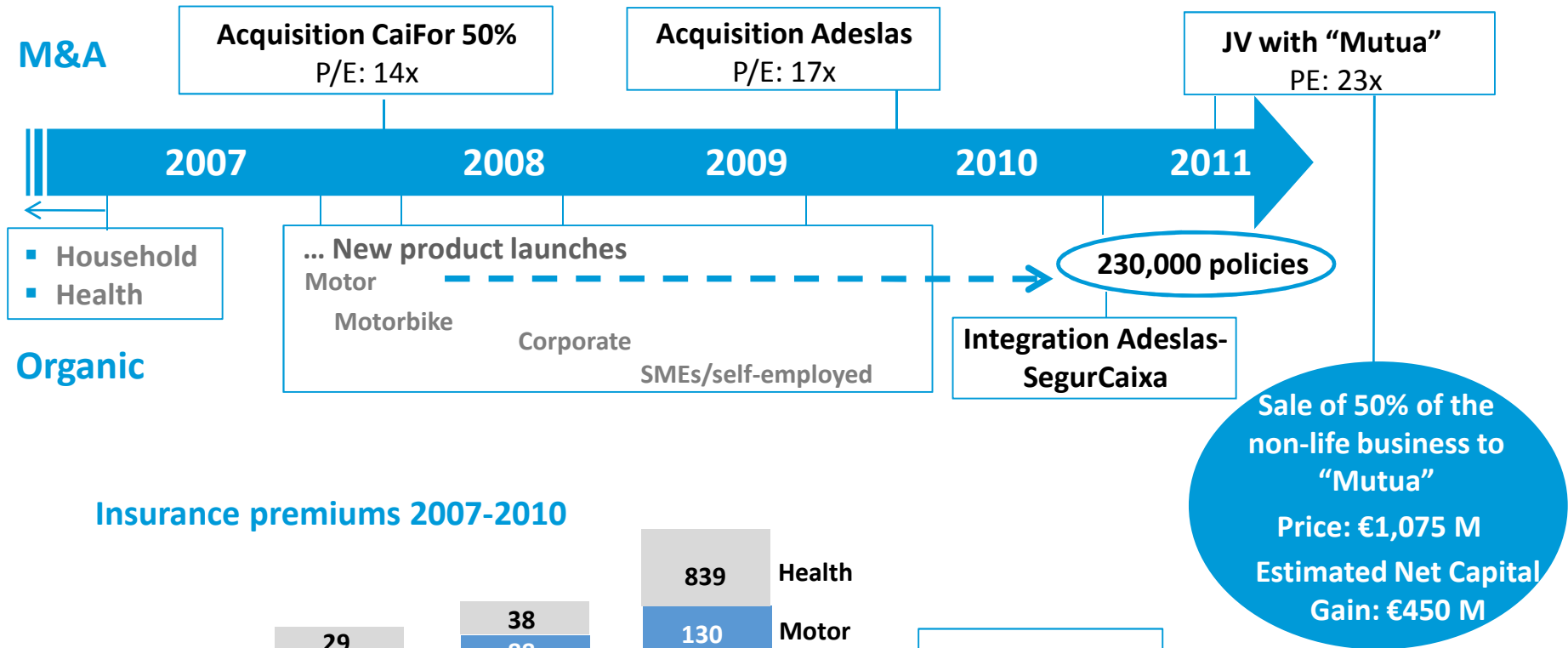
(2) Market prices as of 23rd February, 2011

(3) The agreement to acquire Adeslas was released on 22th October, 2009; remaining non-life business has a much longer investment history

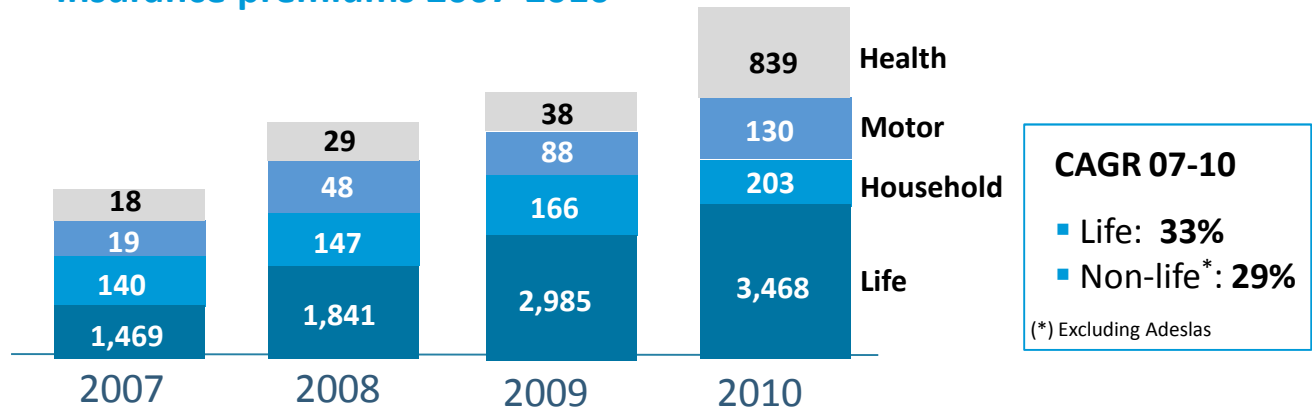




## Combining organic growth with M&A to create value



**Insurance premiums 2007-2010**





## Boards of “la Caixa” / Criteria approve final terms of the transaction

### Final terms:

- Confirmatory due-diligence completed satisfactorily
- Fairness opinions received
- Book value of “la Caixa”'s banking business: €11.9 bn (valued at 0.8x equates to €9.5 bn)
- Valuation of Criteria's exchanged assets: €7.5 bn
- Capital increase: €2.0 bn (at €5.46 per share, NAV as of 26 January 2011)
  - 374 million shares issued to “la Caixa”
  - 27% higher than unaffected price <sup>(1)</sup>
- Mandatory convertible bond: €1.5 bn

**Boards have approved final terms in line with original announcement**

**Resulting structure: “la Caixa” 81.1%, free-float 18.9%, of which employees allocation ~0.4%**

(1) Closing Price as of 26<sup>th</sup> January 2011



## Timetable update

- ✓ 27-28 January   ▪ Transaction Announcement / Webcast
- ↕
- ✓ 24 February   ▪ Work on confirmatory due diligence and fairness opinions from independent advisors
- Receipt of due-diligence report and fairness opinion
- Boards of “la Caixa” / Criteria approve final terms of the transaction
- ✓ 25 February   ▪ Criteria (New CaixaBank) – Analyst Presentation
- March           ▪ Institutional road-show
- 28 April       ▪ General Assembly of “la Caixa”
- May            ▪ Criteria’s Annual General Meeting
- May            ▪ Issuance of the Mandatory Convertible Bond
- June           ▪ Receipt of regulatory approvals <sup>1</sup>
- July            ▪ Expected closing of the transaction

(1) Includes Bank of Spain, Min. of Economy, Govern de la Generalitat

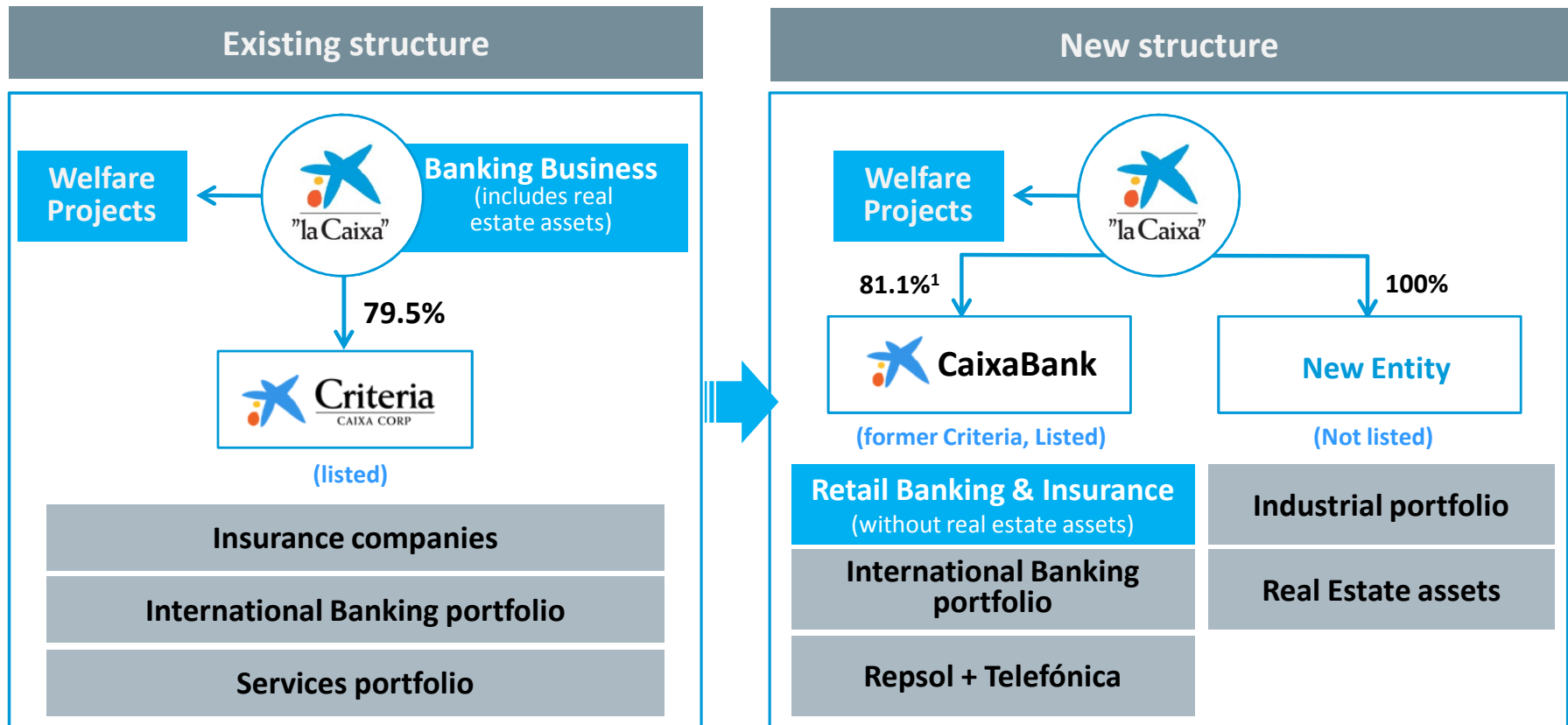


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# **CaixaBank: the leading force in Spanish retail banking**



## “la Caixa” Group Reorganisation

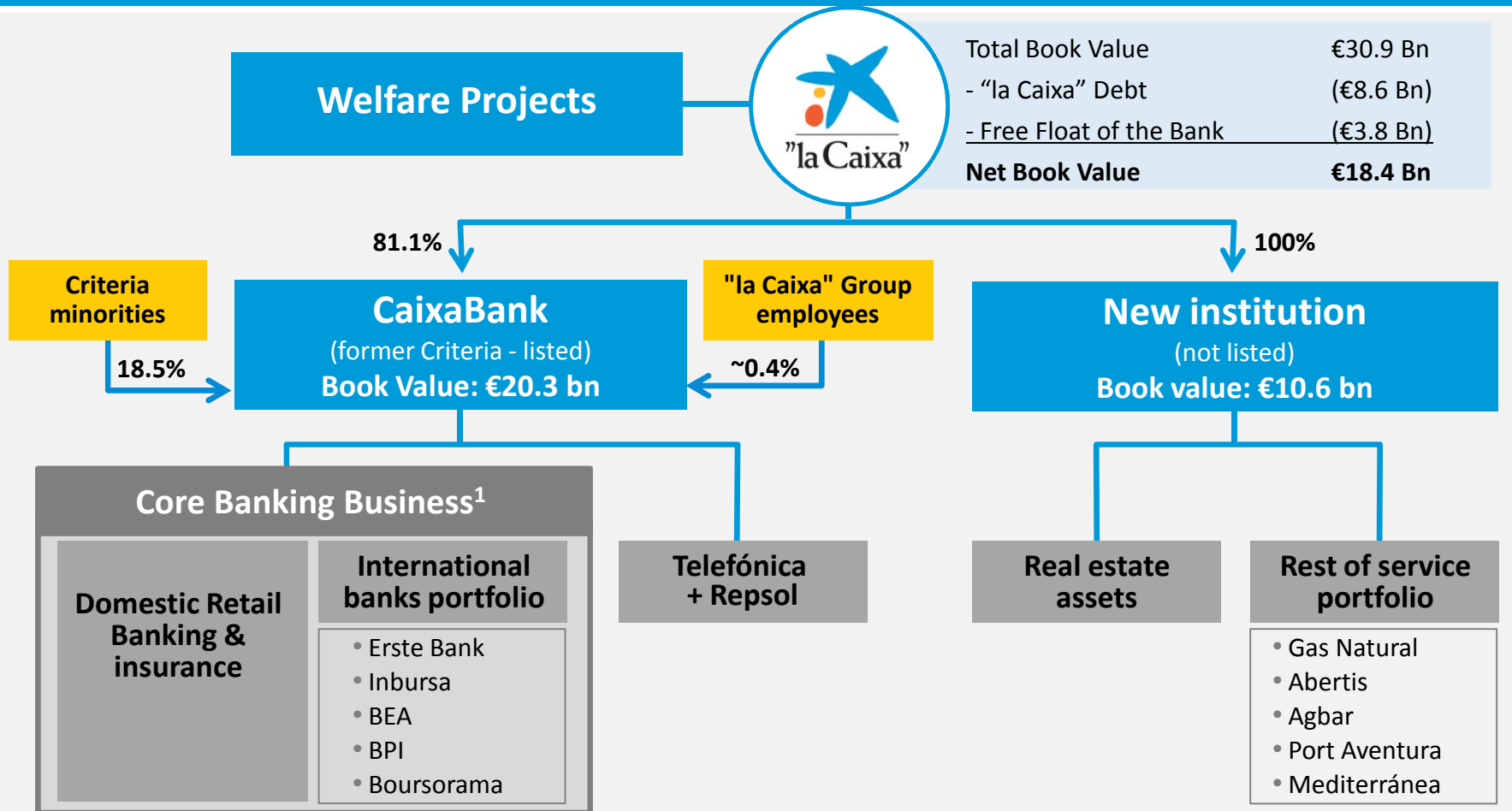


Identical core-businesses with a more efficient capital structure

(1) Does not take into account the mandatory convertible bond of €1.5 Bn



## “la Caixa” Group New Structure



The respective Boards of Criteria and “la Caixa” have approved the final terms of the transaction, a confirmatory due diligence has been carried out and the external auditor has reviewed the 2010 pro-forma information

(1) Core banking business of CaixaBank also includes financial businesses of InverCaixa, Finconsum, GestiCaixa and the 5.0% stake in BME



## “la Caixa” will remain a strong shareholder in CaixaBank

- Financial institution with more than 100 years of history
- A focus on retail banking and promoting social and welfare objectives
- A unique player in the savings banks landscape
- Privately managed and independent of any other company or institution
- Impressive track record in value creation and corporate governance
- Financial strength:



- 81% CaixaBank (€20.3 bn BV)
- 100% unlisted holding (€10.6 bn BV), of which 29% is real estate assets



Comfortable coverage of €8.6bn  
debt maturities

(mostly concentrated in 2019-20)

- **Proforma 2010 core capital 10.6%** (“la Caixa” will be subject to banking supervision)
- “la Caixa” Group is expected to report a **Basel-3 Core Capital > 7%** (look-through 2019 in 2012)



## CaixaBank

- **The leading force in Spanish retail banking**
- International banking
- Investment diversification
- Solid balance sheet
- 2010 proforma results
- Strategy & Guidance
- Final remarks





## CaixaBank at a glance<sup>1</sup>

### A flagship institution

- 3<sup>rd</sup> financial group in Spain
- Assets: € 275 bn
- Business volume: €428bn (€189bn loans + €239 bn customer funds)

### Ranked 1<sup>st</sup> in retail banking in Spain

- 10.5 million customers. Segmented business model
- Multi-channel management: branches (5,409); ATMs (8,181); online and mobile banking
- Excellence in customer service and highly-rated brand

### Diversification of markets and income

- Market diversification: focused on growth markets
- Income diversification: stakes in Repsol and Telefónica

### Sound Risk profile

- Diversified and good quality loan portfolio
- NPL Ratio: 3.66%; Coverage ratio 70% (140% with mortgage guarantees)
- Generic provision of €1,835 million, unused in 2010
- No direct exposure to real estate assets

### Robust financial metrics

- Comfortable liquidity position: €19.6 bn
- Solid base of capital: core capital of 10.9% (BIS II)

### Quality of income

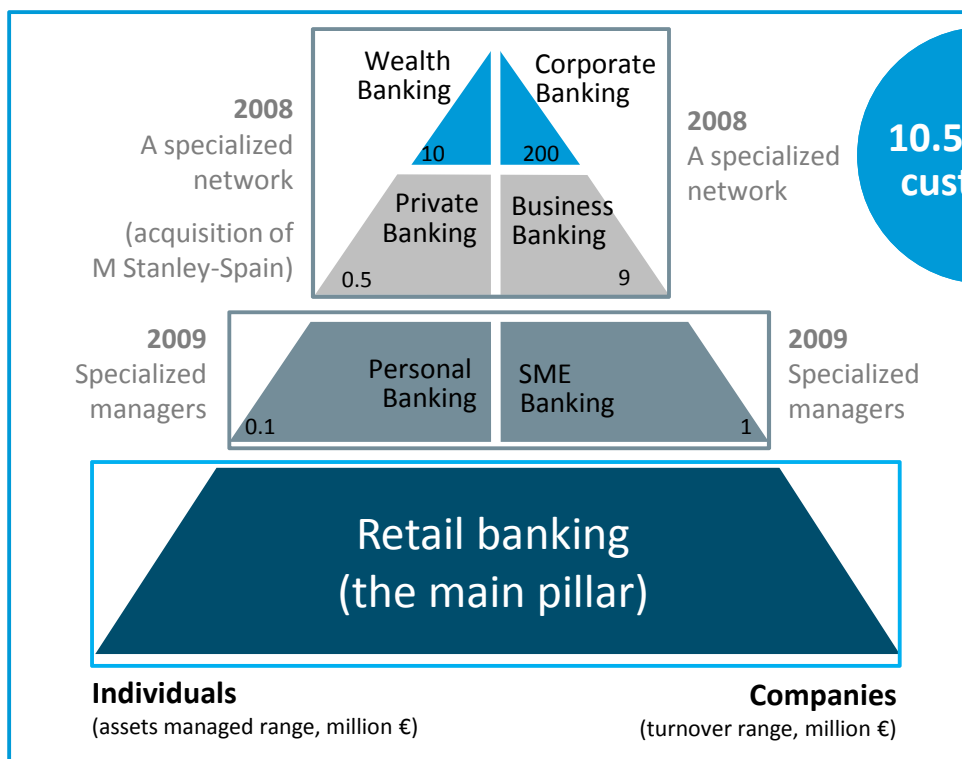
- Recurring profit: €1,524 million
- Total profit: €1,684 million
- ROE: 8.8%

(1) Figures as of December 2010 (proforma)



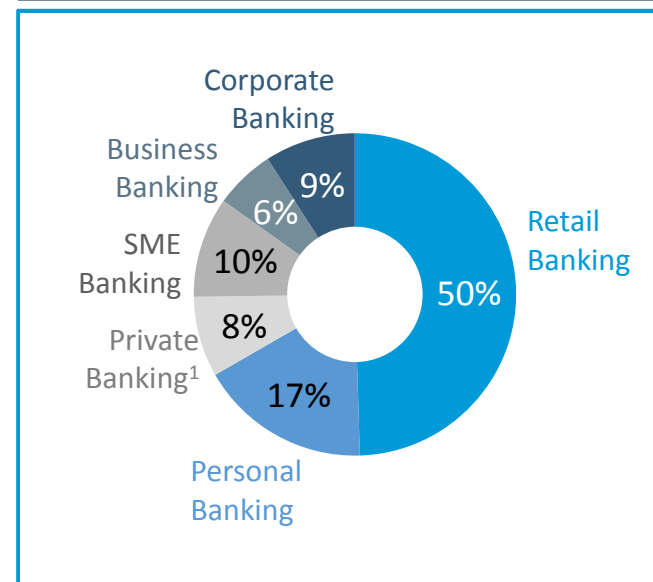
## The leading retail franchise in Spain

Segmented business model sustained by high quality growth



10.5 million customers

### Business volume breakdown



### 2007-2010: "la Caixa" Group Strategic Plan

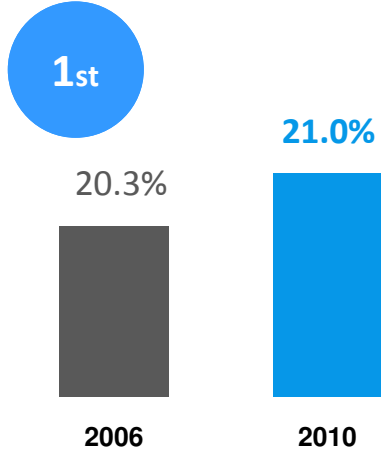
Leadership in retail banking and development of complementary strategic segments

(1) Including Wealth Banking



## Focused on success in critical retail metrics

### Customer penetration

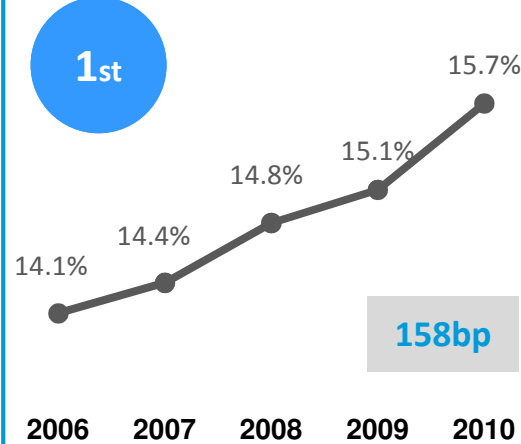


16.5% as primary banking entity

### Direct deposit of salaries

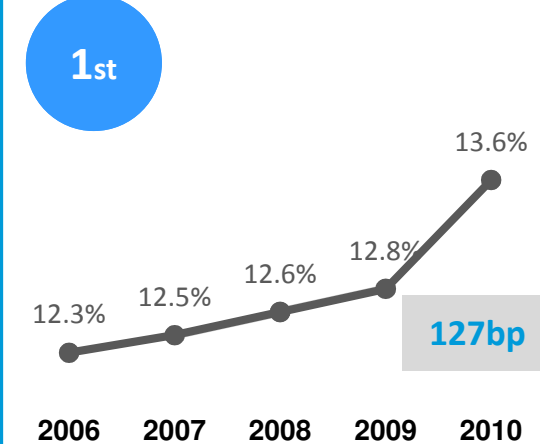
**multiEstrella**

### Direct deposit of pensions



158bp

2,084,709 Payroll deposits



127bp

1,111,069 Pension deposits

Sustained track record of reinforcing customer loyalty.  
Capturing the income flows of our customers to enhance share of wallet



## Segmentation as the key to better serving client needs

### Affluent Banking

1st<sup>1</sup>

- 1,015 specialised staff
- €56.1 bn in funds and securities
- 540,000 customers

*“A medida”*

### Private Banking

2nd<sup>2</sup>

- 32 specialised centres
- 333 specialised staff
- €35.0 bn in funds and securities
- 36,200 customers

 **“la Caixa”**  
Banca Privada

### SME banking

2nd<sup>3</sup>

- 820 specialised staff
- €36.5 bn in business volume
- 190,000 customers
- 11.4% share of ICO SMEs/investment

### Business and Corporate Banking

3rd<sup>4</sup>

- 86 specialised centres
- 921 specialist personnel
- €56.4 bn in business volume
- 33,000 customers
- 13.3% Factoring & confirming market share

**CaixaEmpresa**

(1) Source: DBK (April 2010)

(2) Position by funds under management (2009)

(3) Rank by position amongst customers (FRS)

(4) Rank by market share in factoring and confirming



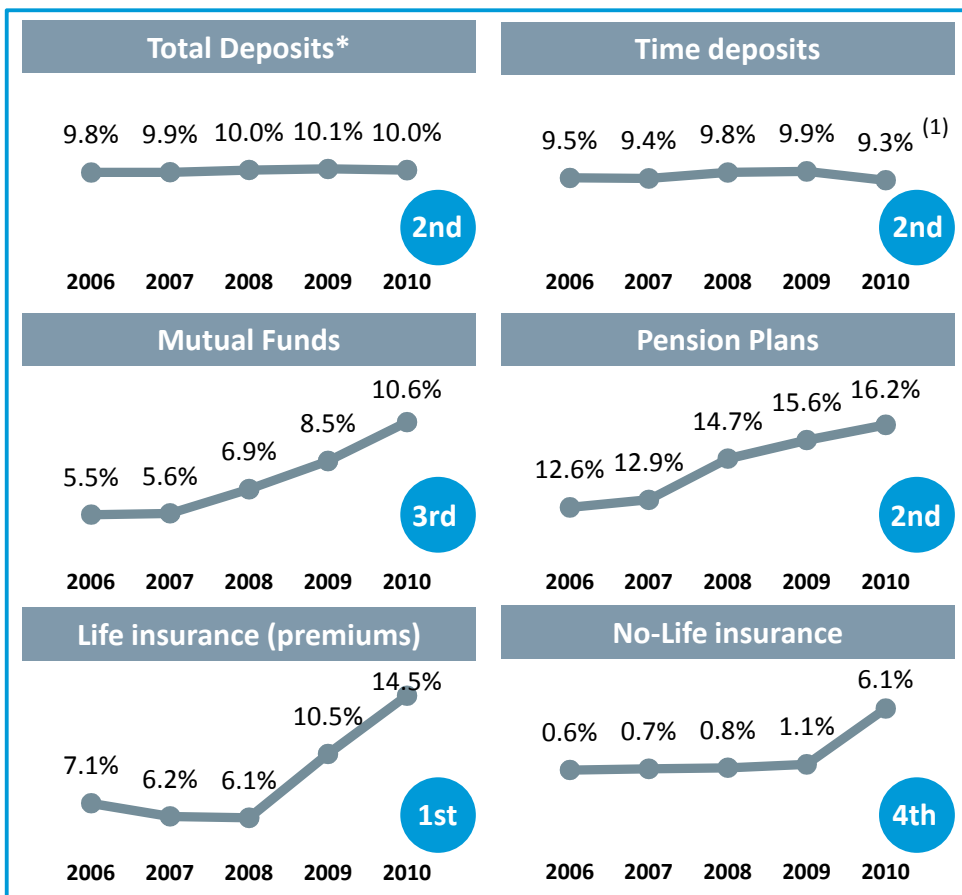
## A commercial powerhouse in customer funds

### Total customer funds breakdown

€bn, proforma	2010	Yoy %
Demand deposits	55.7	0.0
Time deposits	68.4	(7.7)
Retail issues	12.3	26.8
Institutional issues	39.7	7.3
Insurance	20.9	10.7
Other resources	4.9	19.5
<b>Customer funds on balance sheet</b>	<b>202.0</b>	<b>1.2</b>
Mutual funds	17.0	10.1
Pension plans	13.1	9.0
Other managed resources	6.5	38.3
<b>Off-balance sheet funds</b>	<b>36.6</b>	<b>13.7</b>
<b>Total customer funds</b>	<b>238.6</b>	<b>2.9</b>

**CAGR  
2006-2010  
4.4%**

### Market shares (%)



(1) Decrease in deposit market share in 2010 due to unwillingness to compete aggressively in "deposit war". "la Caixa"'s privileged liquidity position has allowed us to further develop other off-balance sheet, more profitable products



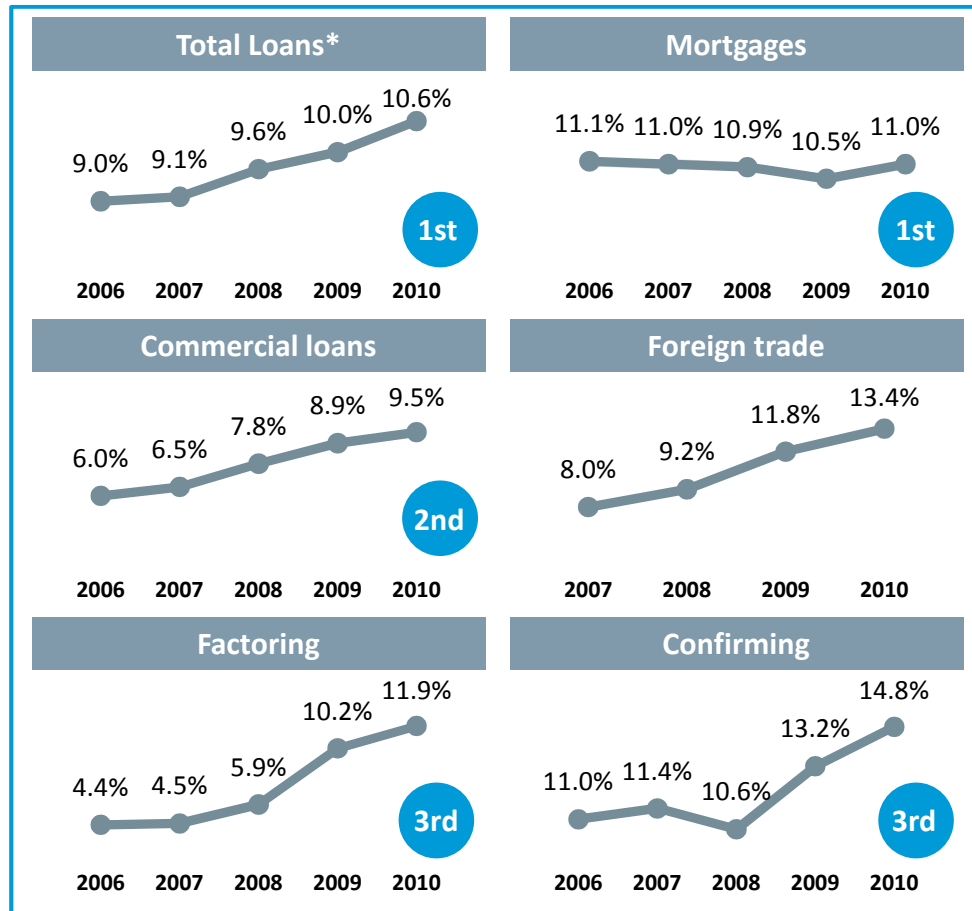
## Matched by sustained high quality growth in the loan book

### Loan book breakdown

€bn, proforma	2010	Yoy %
Public sector loans	9.3	47.2
Private sector loans	179.3	5.0
Secured	123.6	3.4
Unsecured	55.7	8.9
<b>Total customer loans, gross</b>	<b>188.5</b>	<b>6.5</b>

**CAGR  
2006-2010  
8.0%**

### Market shares (%)



\*To other resident sector

Source: SWIFT, Bank of Spain and Factoring Spanish association

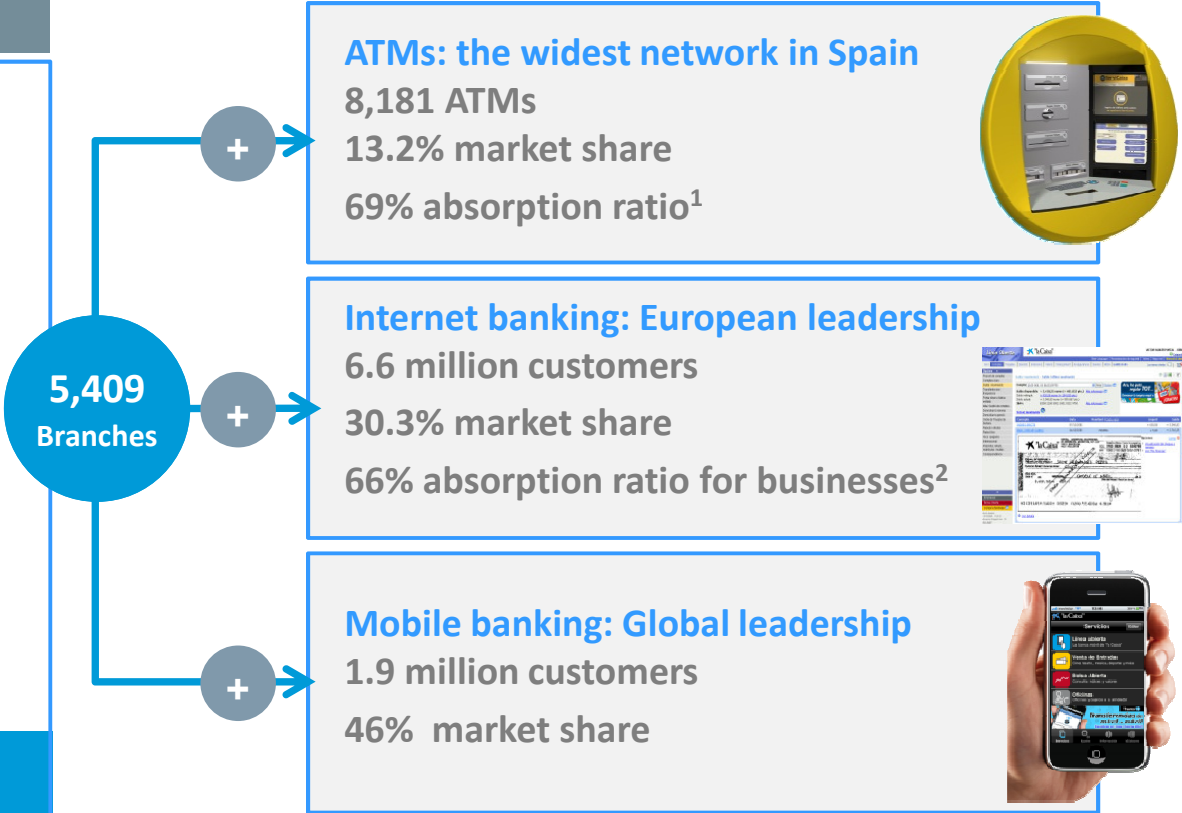


# All of this supported by a leading multi-channel distribution network

**Branches: the largest network**  
(12.5% market share)

Branches in Spain	5,396
Specialized branches	129
International branches & rep. offices	13

**Ongoing network rationalisation:**  
2007-2010: 445 branches closed



Source: Nielsen (internet and mobile banking market shares)

Notes

(1) In branch timetable. Operations considered: withdrawals, cash deposits, savings account updates, bill payments and cheque deposits

(2) Operations considered: national bank transfers, Buy/sell stocks, bank bills (bill discount and bill acceptance)



...and by technological innovation, an integral part of our culture



**1<sup>st</sup>** Private social network of a financial institution exclusive for self-employed people and SMEs

**+3,000 users**



**CaixaMóvil Store<sup>®</sup>**

**1<sup>st</sup>** Mobile payment experience in Spain

**+30% operation increase<sup>1</sup>**

**1<sup>st</sup>** Financial entity in the world with an App Store for mobiles (+36 applications)

**+1 million downloads**



**New Data Processing Center:**

- November 2011: beginning of operating activity

**€100 million investment**

Notes

(1) Increase in operations by customers who participated in the pilot





## Reinforced by a premium brand reputation

**“la Caixa”:  
the financial brand  
with the best  
reputation**

**merco**  
**MARCAS**

Monitor Español de  
Reputación Corporativa

### Quality of service – Brand reputation

- Leading institution in recommendations and customer retention for individuals and businesses (FRS Inmark 2010)

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- The first institution for 40% of business clients<sup>1</sup>

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- The most highly rated online service in all segments (individuals and businesses) (Aqmetrix)

#### Notes

(1) Survey to 1,700 companies that are customers of “la Caixa”



# The insurance business is a perfect complement to the banking business

## A top insurance group with the widest distribution network

- **6 million customers**

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- **€40.0 bn assets under management (+9.2%)**

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- **€6.2 bn premiums<sup>1</sup> in 2010 (+24%)**

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- **Diversified product offering**  
(life, pension plans, health, household, auto)

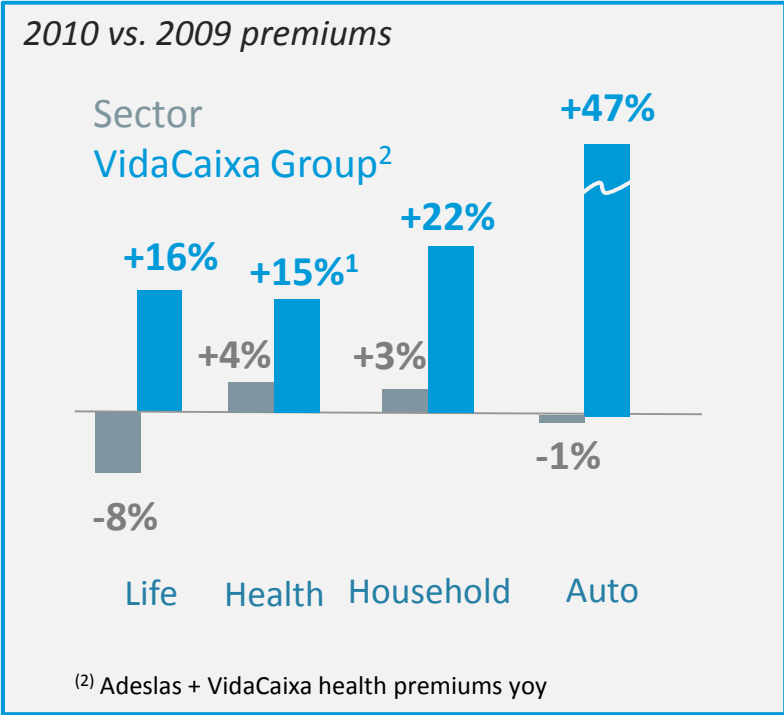
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- **Strong distribution capacity**
  - 5,409 “la Caixa” branches
  - +500 own agents
  - +500 external agents
  - 226 Adeslas offices

CAGR  
2006-2010:  
**5.8%**

CAGR  
2006-2010:  
**27.5%**

## Outperforming the insurance sector



(1) Includes premiums and contributions to pensions plans  
Source: ICEA and Inverco (Dec31st 2010)



## CaixaBank

- The leading force in Spanish retail banking
- **International banking**
- Investment diversification
- Solid balance sheet
- 2010 proforma results
- Strategy & Guidance
- Final remarks



## Our process of internationalisation

### WHY?

1. Likely slowdown of the Spanish banking sector

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2. Search for growth

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3. Risk diversification

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4. Supporting international growth of our customers

“la Caixa” Group  
Strategic Plan  
2007-2010:  
decision to grow  
internationally

### HOW?

- 1 **Organic growth**  
Representative offices  
International Branches

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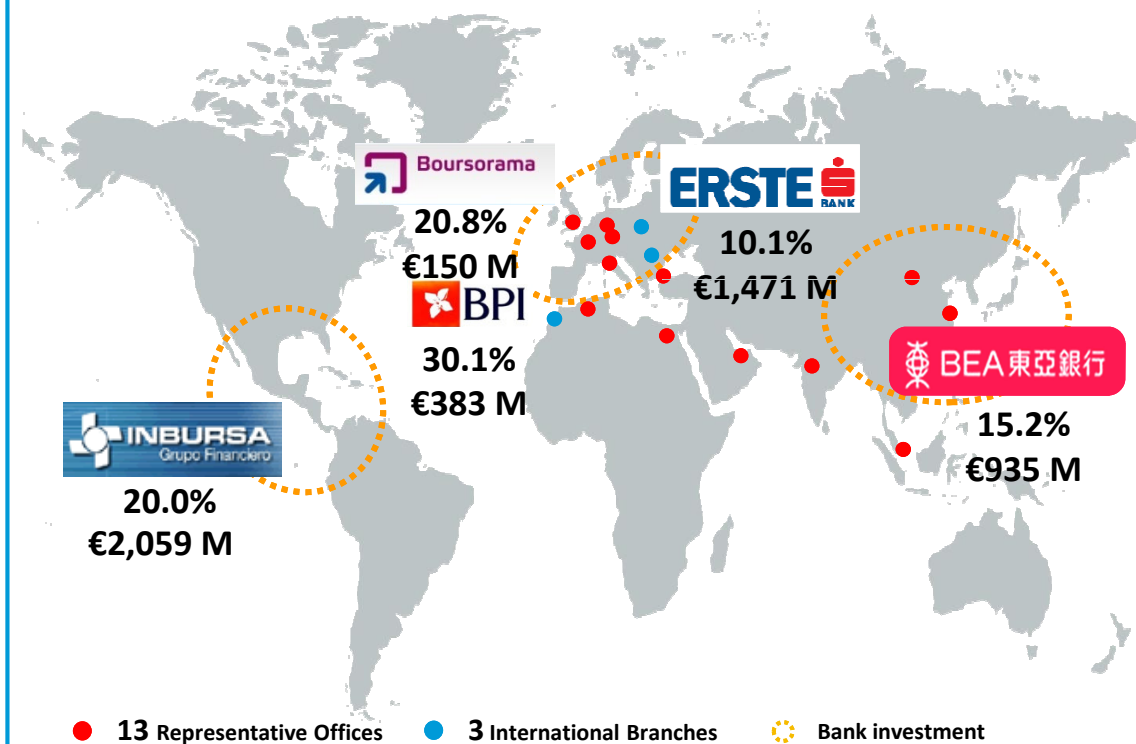
- 2 **Non-Organic growth**  
Investment in growth  
markets  
(Asia, America, Central and  
Eastern Europe)

2007: the right strategic vision at the right time



## Focused on growth markets

### International banking\*



### 13 Representative offices:

- **5 In Europe<sup>1</sup>:**  
Business Volume<sup>4</sup>: € 720MM
- **8 Other countries<sup>2</sup>:**  
Intermediated flows<sup>4</sup>: € 4.0bn

### 3 International branches<sup>3</sup>

Loan portfolio: €370MM

### Bank investments

Market value: €5.0bn

**90% of our international presence in emerging markets**

(1) Frankfurt, London, Milano, Paris, Stuttgart

(2) Beijing, Dubai, Istanbul, New Delhi and Shanghai. Algiers, Cairo and Singapore pending receipt of regulatory approval

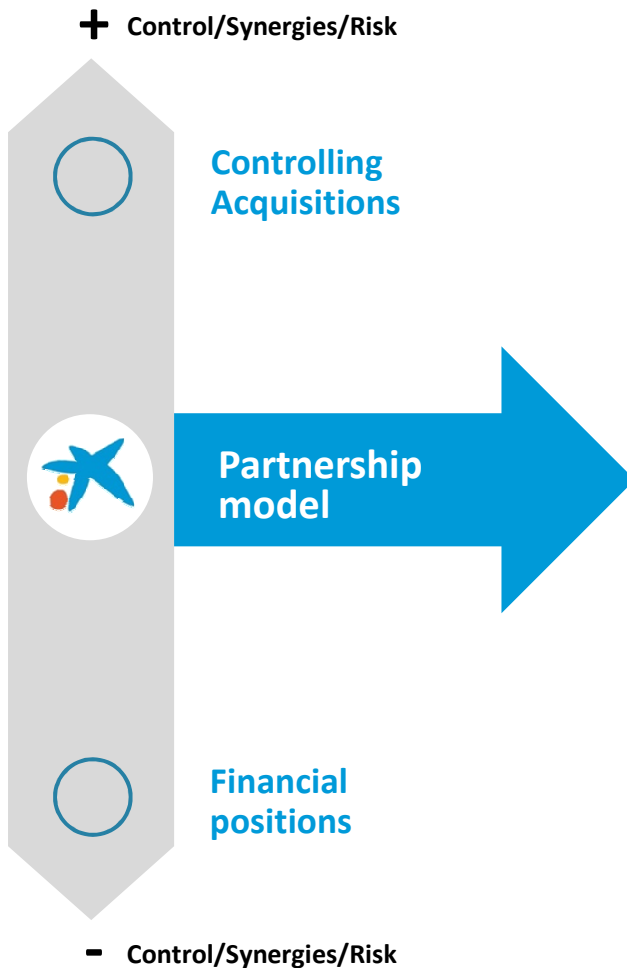
(3) Warsaw (June 2007), Bucharest (November 2007), Casablanca (July 2009)

(4) Figures as of Dec. 31st 2010: Business volume includes credit granted and funds raised. Intermediated flows include all products in which a representation office plays value-added role (e.g. export letters of credit)

\* Market value as of February 23<sup>rd</sup> 2011



## And development of a partnership model



### “Investing in winners”

- Well-managed banks with solid competitive positions
- Strong local partners with common views
- Retail focus / low reliance on wholesale funding
- High solvency levels & sound credit quality

### Investment profile

- Long term horizon
- Influential positions
- Investment at fair value - no control premium paid

### Building strong international alliances

- Long-term strategic agreements
- Sharing best practices
- Exporting know-how where appropriate
- Development of joint businesses and projects
  - Search for cost & revenue synergies



## Inbursa: successful implementation of our Partnership Model

### An increasingly successful alliance

#### Strategic alliance Oct'08

- 20% stake: 10% new shares, 10% old shares
- 3 board members + 1 executive member

#### Retail business plan

Key areas: development of a larger branch network, focused on customer service and cross-selling opportunities

#### The plan has been successfully implemented despite the crisis:

- Branches **x3** since our entry: 271 branches
- +25% new funding comes from new branches
- +23% number of customers
- Knowledge transfer in key Retail Banking areas: branch location and layout, data mining, electronic channels and IT, customer service

#### Collaboration extended to corporate banking

- Client referral
- Accumulated corporate lending granted to Spanish groups: MXN6,3 bn

#### Excellent relations further reinforced

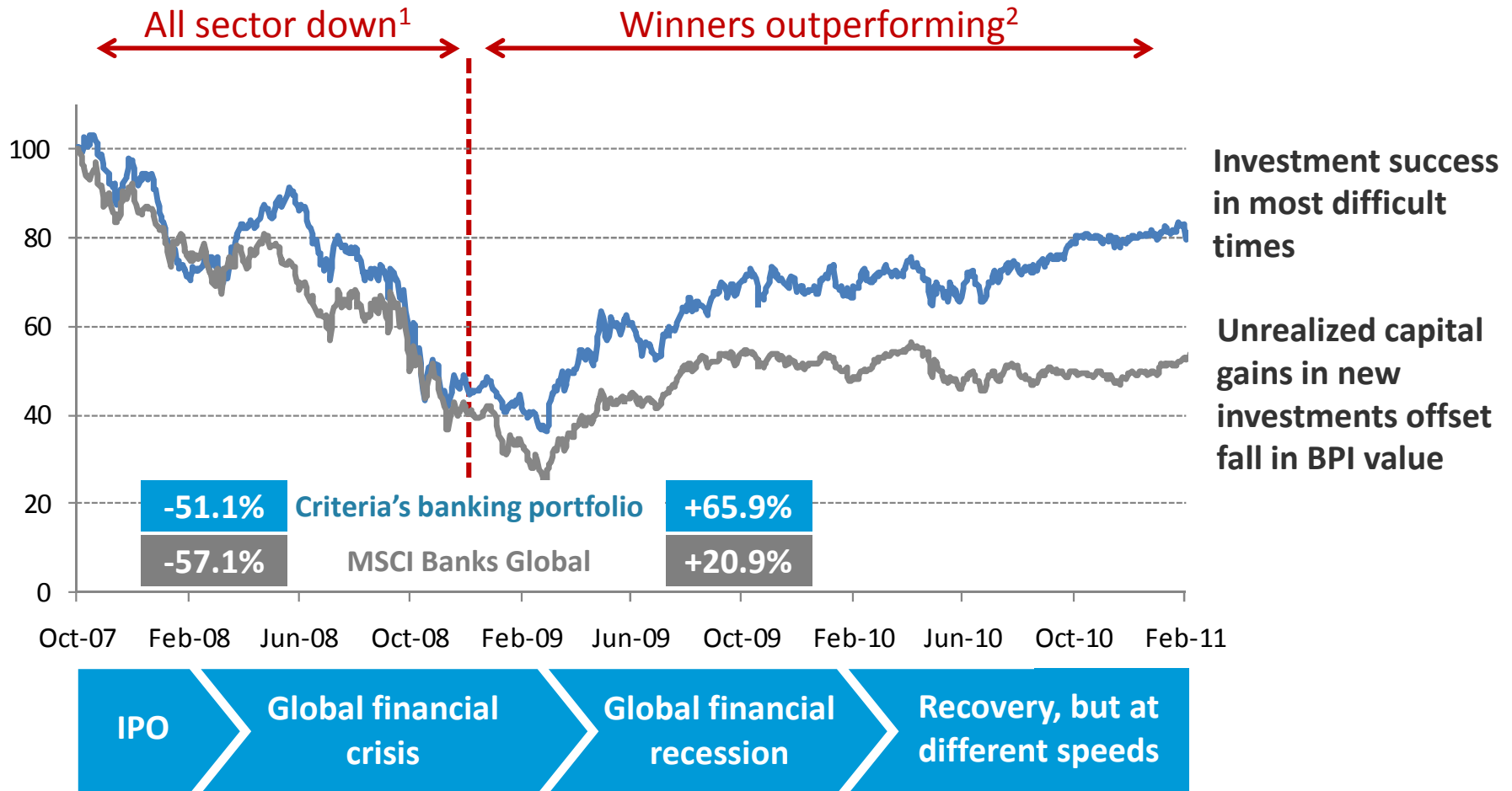
Mr. Carlos Slim appointed Criteria's Board member in May'10

#### Potential for inorganic growth: agreement for joint expansion in America

Inbursa will be the platform for potential investments in the area



## Supported by proven investment expertise in the banking sector



(1) From Oct 10th 2007 to Nov 30th 2008

(2) From Nov 30th 2008 to Feb 23rd 2011





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- International banking
- **Investment diversification**
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## REP and TEF provide valuable revenue diversification and a substantial capital cushion



Telefonica

5.0%<sup>3</sup>



13.0%<sup>2,3</sup>

- **Income diversification:** two international leaders in defensive sectors
- **Financial flexibility:** very liquid stakes
- **Capital buffer:** plus ~130 bps<sup>1</sup> of unrealized after-tax capital gains
- **Value:** solid fundamentals, excellent track record and high dividend yield
- **Profitability:** attractive return
- **Low regulatory capital consumption**
- **Tax-efficient** ( $\geq 5\%$ )
- **Geographical diversification:** ~65% generated outside Spain

Market value<sup>1</sup>: €7.9 bn

Net Capital gains<sup>1</sup>: €2.0 bn

(1) As of Feb. 23<sup>rd</sup> 2011

(2) Current stake of 13.0%. 12.7% stake as of Dec. 31st 2010

(3) 13.0% stake in Repsol: 158,367,452 shares; 5.0% stake in Telefónica; 229,351,192 shares



## CaixaBank

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## Solid Balance Sheet<sup>1</sup>



### Superior Asset quality

- **Lowest NPL ratio** (3.66%) and **the highest coverage<sup>2</sup>** (70%) among leading institutions
- **Without direct exposure to real estate assets**



### Strong liquidity position

- **€19.6 bn** liquidity
- **Sound loan-to-deposit ratio:** 130%
- **€40.6 bn** of Government guaranteed and covered bonds issuance capacity



### Robust capital base

- **Core capital (BIS II) 10.9%** (2010 proforma)
- **Full compliance with Basel-3** > 8% Core Capital look-through 2019 in 2012 (with no need for phase-in)

**A solid balance sheet will set the scene for future growth**

(1) Pro-forma figures as of December 2010  
(2) Including both specific and generic provisions



# Superior asset quality



## CaixaBank will exhibit the best level of asset quality among peers...

### Reduced level of problem assets

Proforma 2010	CaixaBank <sup>2</sup>	Sector <sup>1</sup>	
NPL loans	3.66%	5.81%	→ ✓
Substandard loans	1.46% <sup>2</sup>	3.5 - 4.0%	→ ✓
Reposessed Real Estate Assets <sup>3</sup>	0%	4.0 - 4.5%	→ ✓

### Highest coverage among peers

- **70%** of coverage, increasing over time (140% with mortgage guarantee)
- **€ 1.8bn** of generic provision (without disposal in 2010)

Track record of managing risk:  
NPL ratio below the sector average in the past 20 years

(1) Source: Bank of Spain, company reports and own estimates. NPL ratio: December. Ratios calculated as % assets / loans to other resident sectors

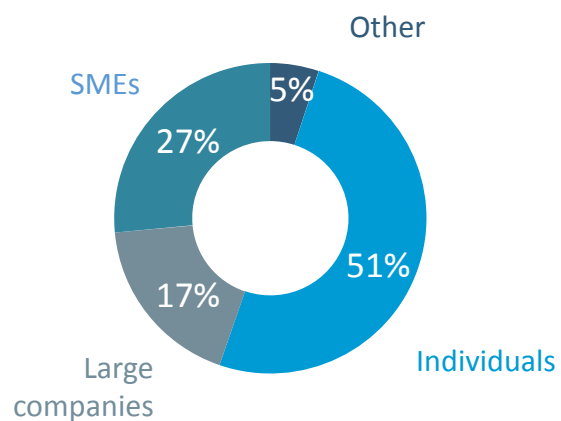
(2) Figures as of December 2010 (proforma). CaixaBank total substandard loans: €2.75 Bn / Total portfolio €188.5 Bn

(3) Real Estate Assets reposessed from March 1<sup>st</sup> 2011 will stay in CaixaBank and be managed by Servihabitat



## ...thanks to active risk management<sup>1</sup>

### Retail banking business model results in a diversified risk profile

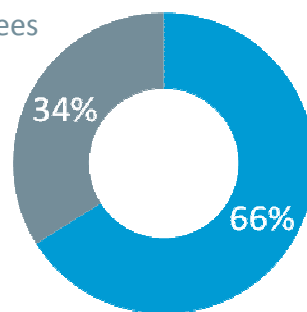


Total loan portfolio: € 188.5bn

**Loan portfolio**  
78% retail: families (51%)  
and SMEs (27%)

### Mortgage guarantee focused on financing primary residences

Unsecured and other guarantees

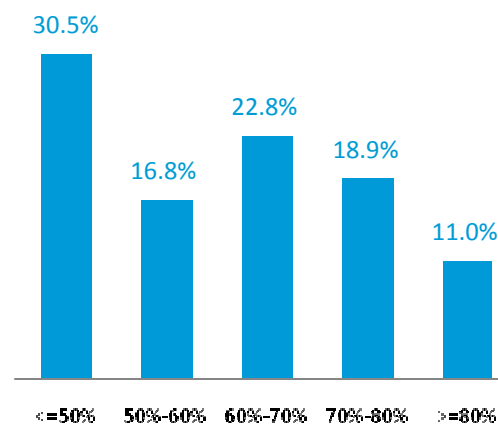


Mortgage guarantee

66% guaranteed by mortgages

### Prudent LTV policy

#### Mortgage portfolio by LTV ratio



89% with LTV <80%

(1) Figures as of December 2010 (proforma)



## Low levels of NPL to individuals and businesses and a manageable exposure to real estate developers with adequate collateral levels

Proforma as of 31.12.10	€bn	NPL Ratio
Loans to individuals	95.5	1.72%
House purchasing	70.1	1.40%
Other	25.4	2.62%
Loans to businesses	83.7	6,52%
Real estate developers	26.2	15.5%
Servihabitat	2.7	0.0%
Other sectors	54.8	2.55%
Public Sector	9.3	0.00%
<b>Total loans</b>	<b>188.5</b>	<b>3.66%</b>

- 86.7% with LTV < 80%
- Primary residence: 92.3%

- Includes €13.5 bn with mortgage guarantee

- 53% finished assets (only 18% land)
- Prudent LTV's (50-60%)
- Primary home real estate developments

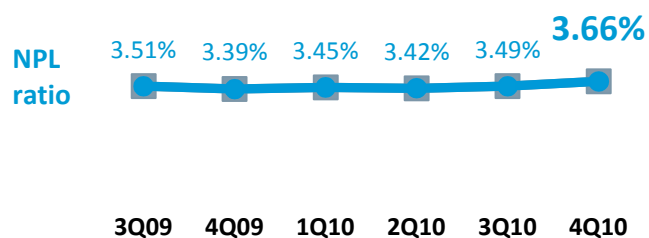
- Servihabitat: 55% Loan-to-GAV





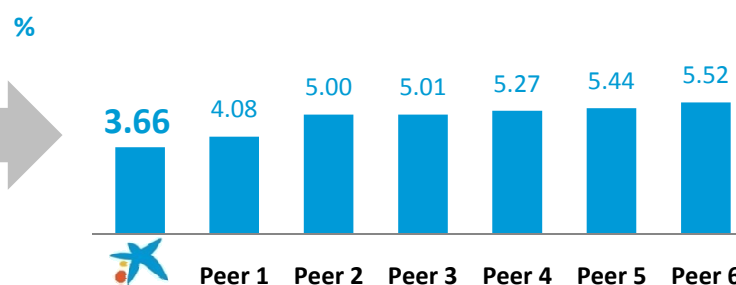
## Strict monitoring of NPLs with growing balance sheet strength

NPL ratio consistently below the sector average...

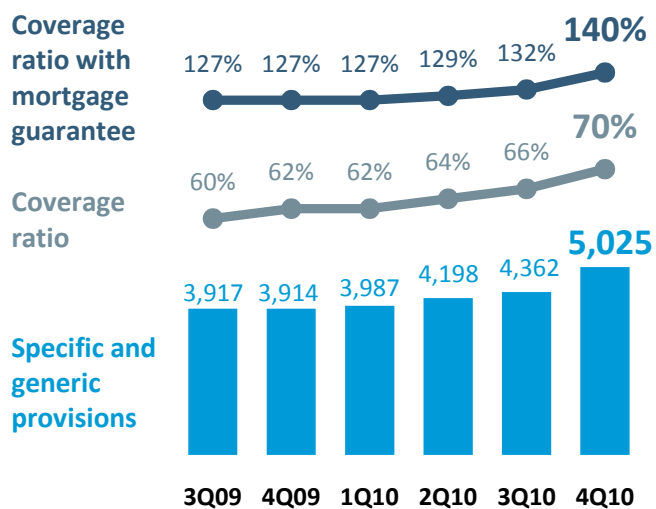


Sector average  
**5.81%**  
(Dec'10)

...with the lowest level among peers

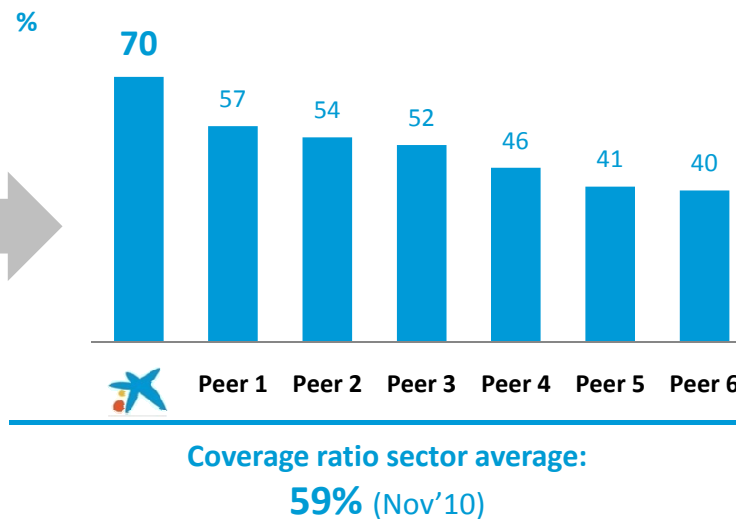


Increasing coverage with no disposal of generic provisions



Generic provisions  
**€1.835bn**

Highest coverage among peers





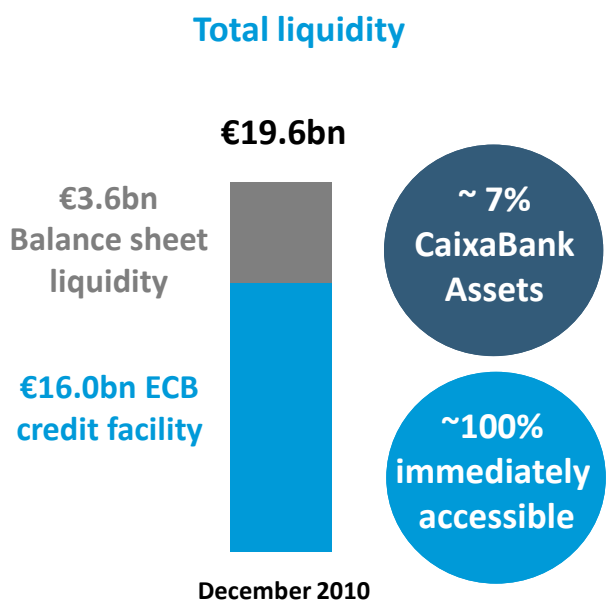
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## **Strong liquidity position**



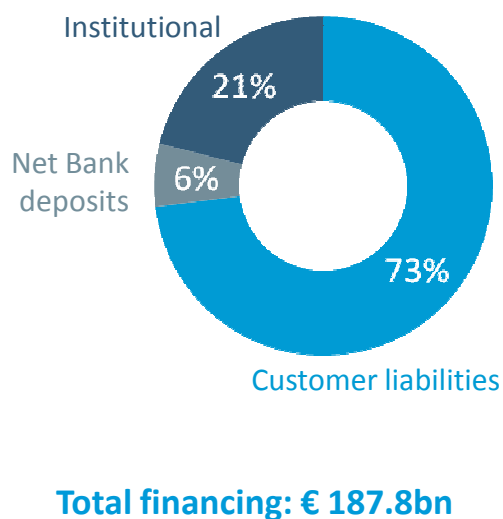
## Excellent liquidity and conservative funding profile with low dependence on wholesale markets and diversified maturity profile

### Excellent level of liquidity



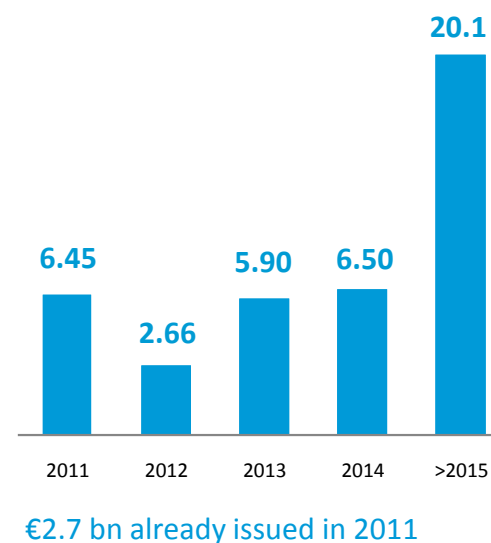
ECB credit facility: Not used as of 31/12/2010, €16bn fully available

### Good financing structure providing stability



Sound loans-to-Deposit ratio: 130% (same level of 2009)

### Institutional maturities



Financial Flexibility  
Capacity to finance<sup>1</sup>: €40.6 bn

(1) Including government guaranteed and covered bonds capacity

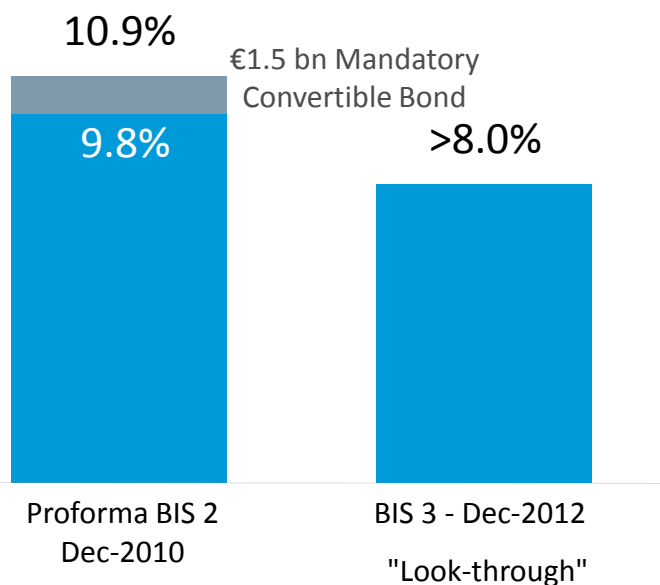


# Solvency & Capital management



## CaixaBank's Capital Position

### Core Capital



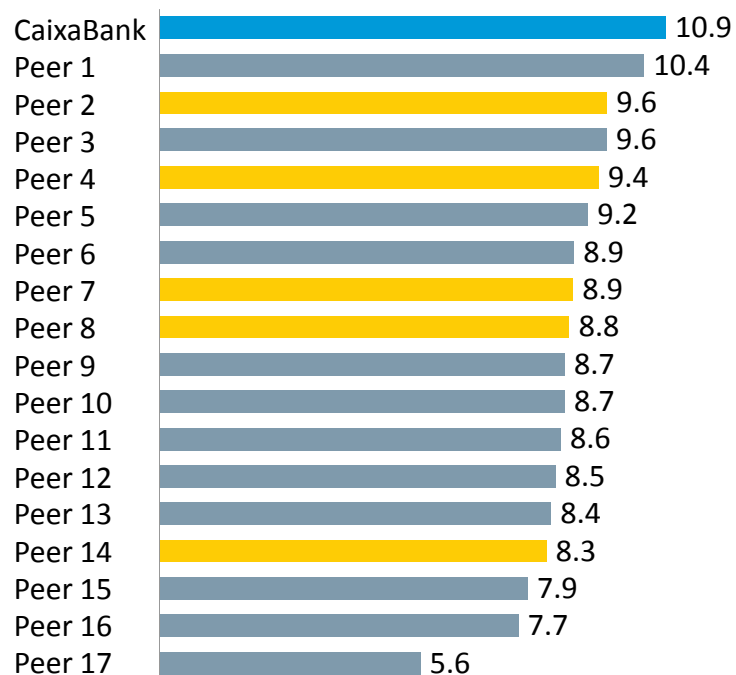
- Core capital pro-forma 2010 (Basel-2) estimated to be 10.9%
  - Additional ~130 bps of latent after-tax capital gains for Telefonica & Repsol
- New structure also improves significantly the Basel-3 impact on the "la Caixa" Group
- Main impacts of Basel-3 on CaixaBank:
  - Investments in international financial institutions (150 bps)
  - Investments in insurance subsidiaries (85 bps)
- CaixaBank to report Basel-3 core capital ratios >8% by December 2012 (look-through 2019 in 2012, with no need for phase-in)
  - Objective achievable with no need to realize extraordinary capital gains

Capital structure geared to comfortably meet Basel-2 and Basel-3 ratios



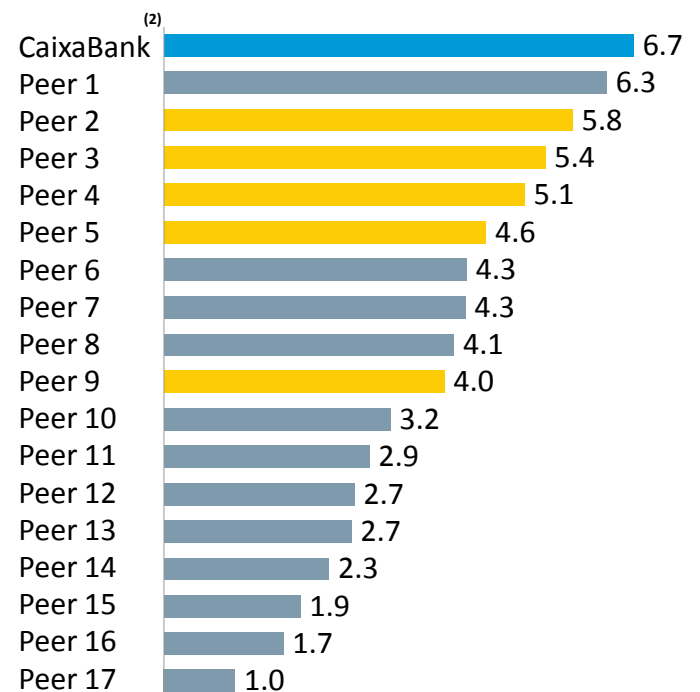
## Strong Relative Capital Position <sup>(1)</sup>

### Core Capital Ratio – Basel-2 (%)



■ Spanish Banks ■ Other Eurozone Banks

### Tangible Common Equity / Tangible Assets (%)



■ Spanish Banks ■ Other Eurozone Banks

## Best Capital Position Among Top 15 Eurozone Banks + Spanish Peers

### Notes

(1) Peers include Santander, BBVA, Banco Popular, Banesto, Sabadell, Société Générale, BNP Paribas, CASA, Natixis, UniCredit, ISP, Deutsche Bank, Commerzbank, ING, KBC, Erste and Raiffeisen. Latest information available

(2) CaixaBank TCE includes €1.5 Bn mandatory convertible bond



## CaixaBank

- The leading force in Spanish retail banking
- International banking
- Investment diversification
- Solid balance sheet
- **2010 proforma results**
- Strategy & Guidance
- Final remarks



## Strong capacity to generate recurring income despite a challenging scenario

€ million, CaixaBank proforma	2010	YoY(%)	
<b>Net interest income</b>	<b>3,457</b>	<b>(17.7)</b>	<b>NIM headwinds offset by commissions, diversification and cost containment</b> <ul style="list-style-type: none"> <li>▪ Active cost management</li> <li>▪ Cost-to-income: 44.0%</li> <li>▪ Conservative provisioning:               <ul style="list-style-type: none"> <li>○ 100 bps cost of risk</li> </ul> </li> <li>▪ Total ROE: 8.8%</li> </ul>
Net fees	1,468	9.0	
Income from investments	917	36.7	
Gains on financial assets	253	94.6	
Others operating products & expenses	349	(4.1)	
<b>Gross income</b>	<b>6,444</b>	<b>(4.0)</b>	
Total operating costs	(3,272)	(3.6)	
<b>Pre-impairment income</b>	<b>3,172</b>	<b>(4.5)</b>	
Impairment losses	(1,456)	3.9	
Profit/loss on disposal of assets and others	9	(87.0)	
<b>Pre-tax income</b>	<b>1,725</b>	<b>(13.3)</b>	
<b>Net recurring profit</b>	<b>1,524</b>	<b>(5.2)</b>	
Extraordinary income <sup>1</sup>	806		
Extraordinary write downs <sup>2</sup>	(481)		
Future business risk allowance	(165)		
<b>Profit attributable to the Group</b>	<b>1,684</b>	<b>21.2</b>	

(1) Extraordinary income: €296M extraordinary capital gains obtained by Repsol in Sinopec net of provisions; €190M Global Payments Agreement; €150M release of provisions created in previous years as a result of the adequacy test on liabilities in connection with insurance transactions; €170M capital gains of tactical divestments and CaixaRenting sale.

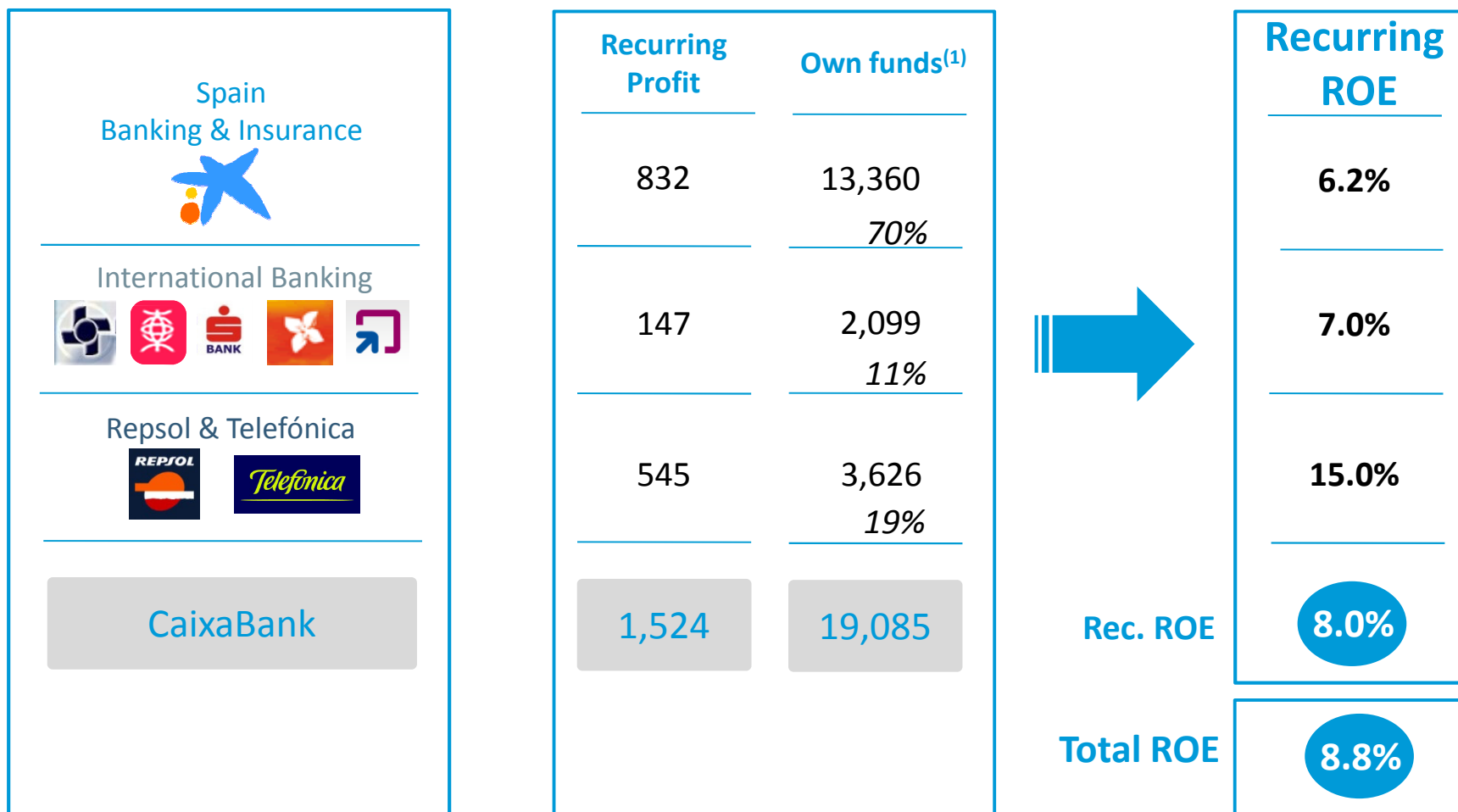
(2) Extraordinary write downs: Mainly allowances to hedge against credit defaults in addition to the allowances arising from application of the regulatory schedules.





## Profit distribution by business segments

€ million

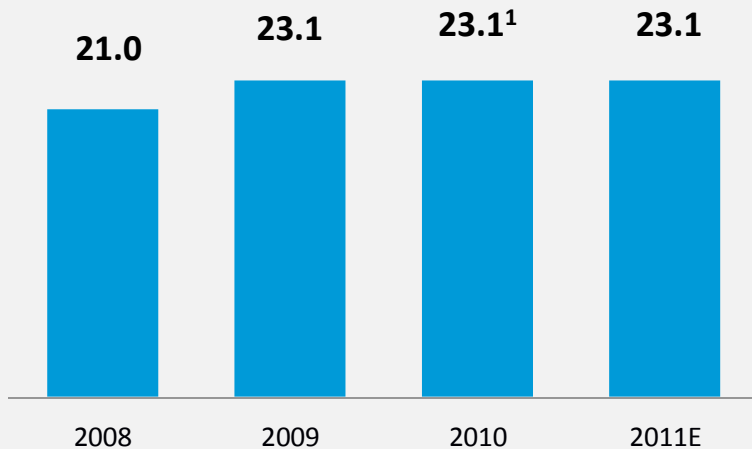


<sup>(1)</sup> Average own funds distributed to the business segments according to economic capital criteria



## Dividend policy

### Dividend per Share (€ Cents)



- Quarterly payment of dividend
- Next quarterly payment March 1st: €0.06 per share
- CaixaBank will also give the option to its shareholders to take dividend in shares for the 2010 complementary dividend (€5.1 cents)
- Expect minimum dividend for 2011 of €0.231 per share:
  - Optional scrip dividend for 2 out of the 4 dividends in 2011

### Dividend policy consistent with 8%-9% Core Capital Target (Basel-3)

(1) Excluding extraordinary dividend of 8 cents



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## CaixaBank

- The leading force in Spanish retail banking
- International banking
- Investment diversification
- Solid balance sheet
- 2010 proforma results
- **Strategy & Guidance**
- Final remarks



## Gradual macroeconomic recovery with rising interest rates

### Macroeconomic outlook-Spain

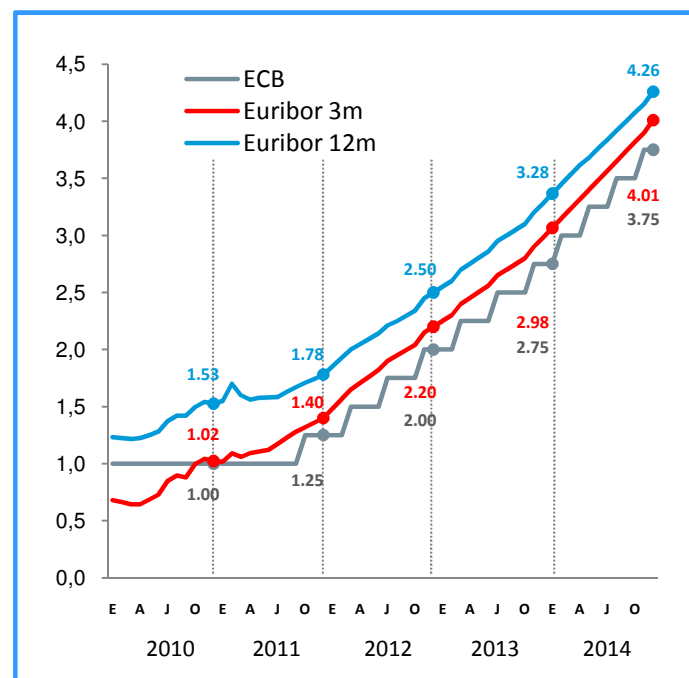
Y-o-y growth, Annual averages (%)	2010e	2011	2012	2013	2014
Real GDP growth	-0.1	0.7	1.5	2.0	2.2
Inflation (end of period)	3.0	1.6	1.7	1.8	1.9
Unemployment rate	20.1	20.2	19.3	18.1	16.9
Housing prices (nominal growth)	-3.9	-5.3	-4.5	-1.6	1.2

### Financial outlook

Deposit growth	2.2	1.9	2.7	4.8	5.5
Loan growth	0.4	-1.8	-0.3	1.8	3.5
3 month Euribor rate (%)	0.8	1.2	1.9	2.6	3.5
12 month Euribor rate (%)	1.4	1.6	2.2	2.9	3.8

### Base case

#### Interest rates





## Key strategic initiatives

1	<b>Strengthen leadership in retail banking</b>	<ul style="list-style-type: none"><li>• 15% market share in business volume</li></ul>
2	<b>Diversify operations towards business banking</b>	<ul style="list-style-type: none"><li>• 35% of loan book (excluding Real Estate developers) geared towards business banking (from 29% in 2010)</li></ul>
3	<b>Balance out geographical presence</b>	<ul style="list-style-type: none"><li>• Accelerate growth outside Catalonia and Balearic Islands (to 65% share in business volume, up from 55% in 2010)</li></ul>
4	<b>Develop international strategy</b>	<ul style="list-style-type: none"><li>• Strengthen existing alliances</li><li>• Increase business abroad with existing and new clients</li></ul>
5	<b>Maintain financial strength</b>	<ul style="list-style-type: none"><li>• Pre-emptive management of solvency, liquidity and risk.</li><li>• Core capital B3 8%-9%</li></ul>
6	<b>Improve profitability</b>	<ul style="list-style-type: none"><li>• Targeted ROE in mid-teens in the medium term</li></ul>
7	<b>Increase efficiency and structural flexibility</b>	<ul style="list-style-type: none"><li>• Structural optimisation</li><li>• Leverage new technologies</li></ul>
8	<b>Manage talent</b>	<ul style="list-style-type: none"><li>• Accredited performance</li><li>• Enhance professional growth opportunities</li></ul>
9	<b>Communicate</b>	<ul style="list-style-type: none"><li>• Internal communication</li><li>• External communication to all stakeholders</li></ul>

Consistent with “la Caixa”'s Group Strategic Plan 2011-2014



## 8 Cross-functional Strategic Projects

### Key strategic initiatives 2011-2014

To drive achievement



### 8 Cross-functional Strategic Projects

#### Active Branch management

Review of the branch network to enhance its value creation capacity

#### Focus on Service Quality

Increase client satisfaction level and external recognition

#### Activity Value Analysis (AVA)

Optimize resource utilization

#### Capital and Profitability Management

Strict capital management and risk-adjusted profitability in each business unit

#### Retail Banking

Differentiated customer service approach in the mass-market segment

#### Talent Management

Develop systematically the internal talent of the organization

#### International Expansion

Strengthen international business

#### Insurance Business

Leverage existing insurance business and increase cross-selling



## Financial targets

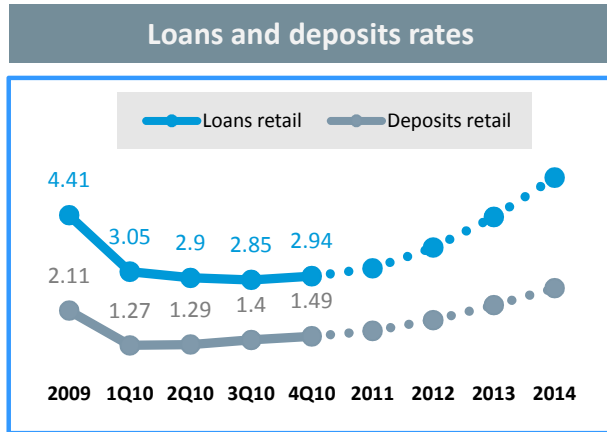
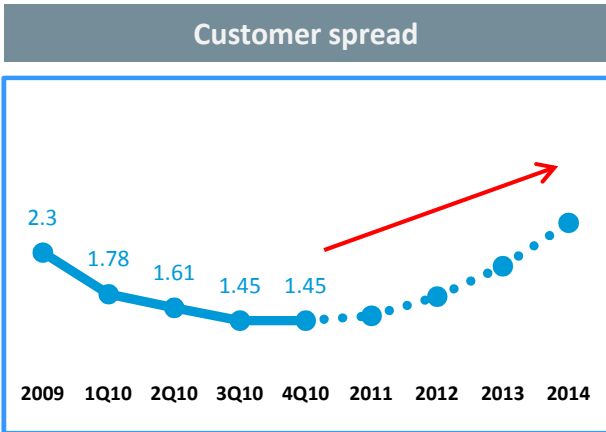
**Net Interest Income:**  
Recovery

CAGR 10A-14E  
**~10%**



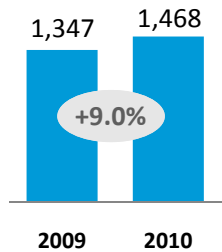
Recovery based on:

- End of the mortgage repricing effect
- Higher interest rates
- Ease of “deposit war”
- Growth of business volume



**Fees:**  
Increase of commercial activity

CAGR 10A-14E  
**5.5%-6%**



Product mix with higher fee generation:

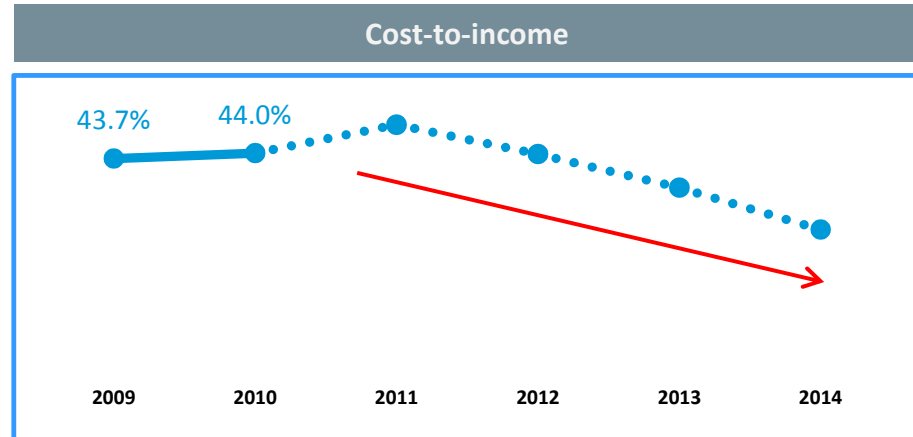
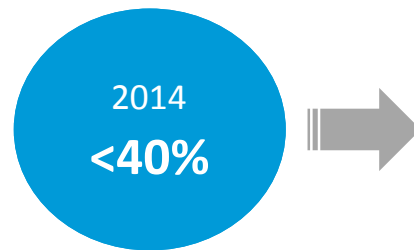
- Merchant banking
- Mutual funds & Insurance



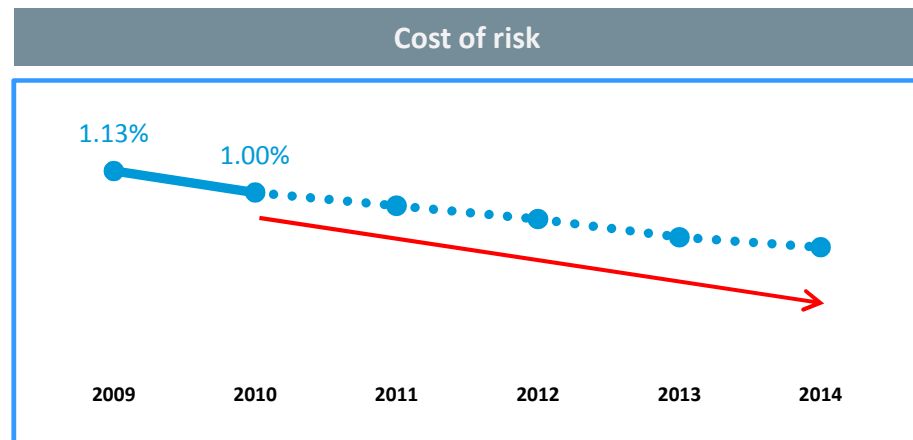
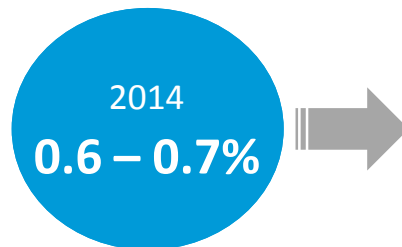
## Financial targets

**Efficiency:**  
Strict cost control  
(below inflation)

Cost-to-income



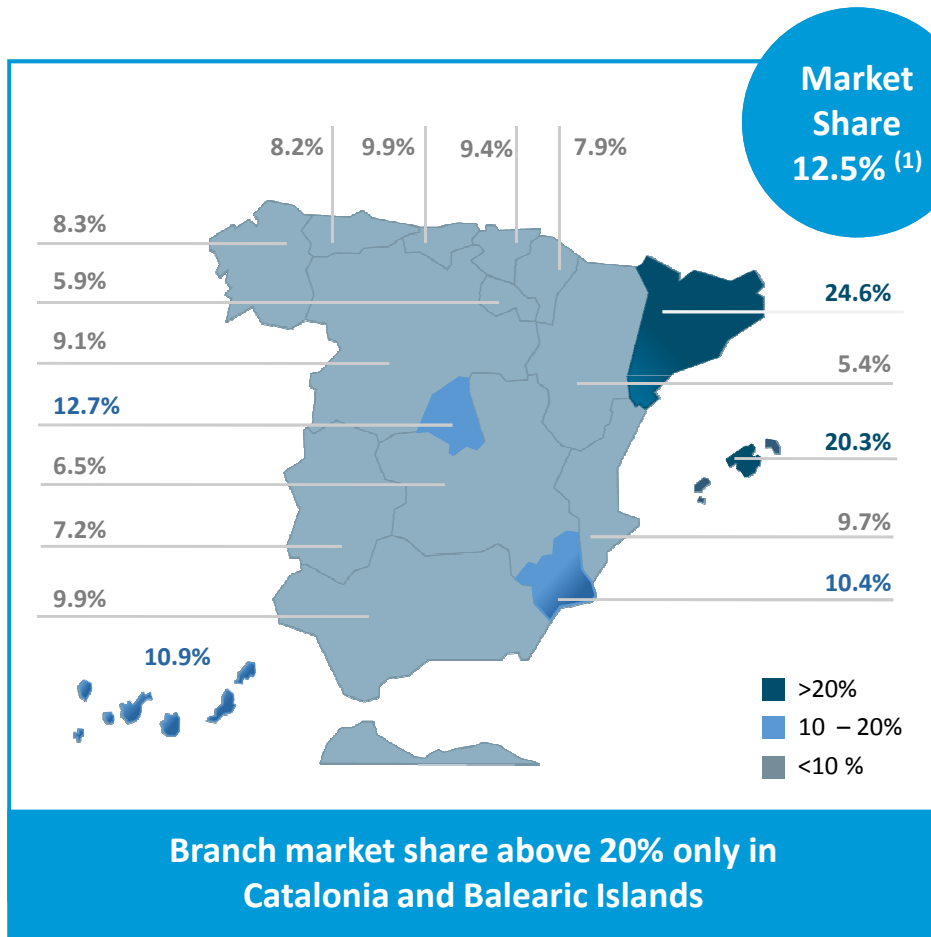
**Cost of risk:**  
Normalization  
from peak







## Still Significant Room for Growth



## Room for both organic and M&A growth

### Indicative criteria for M&A

- Leading platform: ~5,400 branches; existing scale advantage
- M&A not a “need”, but an opportunity
- As such, will only consider value-creating opportunities
- Minimum thresholds:
  - Return on investment > Cost of equity by year 3
  - EPS accretive by year 3
  - Maintain financial strength (core 8%-9% Basel-3)

**Note**

(1) CaixaBank’s market shares as of June 2010, including Caixa Girona’s branches



## CaixaBank

- The leading force in Spanish retail banking
- International banking
- Investment diversification
- Solid balance sheet
- 2010 proforma results
- Strategy & Guidance
- **Final remarks**



## Key takeaways

- CaixaBank, the listed bank of “la Caixa” Group
  - The leading retail banking player in Spain
  - Sustained market share gains across the board
  - With substantial exposure to emerging markets growth
  - And a reserve of capital and upside in Telefonica / Repsol
- Solid balance sheet
  - Lowest NPL Ratio (3.66%) of any large Spanish bank – Highest Coverage (70%)
  - Solid capital (10.9% core capital BIS II and higher than 8% core capital BIS III look-through 2019 in 2012)
  - No foreclosed or acquired real estate assets
- Substantial organic and non-organic growth opportunities in Spanish banking sector
  - Natural winner from changes in savings banks competitive environment

**CaixaBank strategic framework based on the recently approved  
“la Caixa” Group Strategic Plan for 2011-2014**



# CaixaBank Analyst presentation

## Appendices



## Appendices

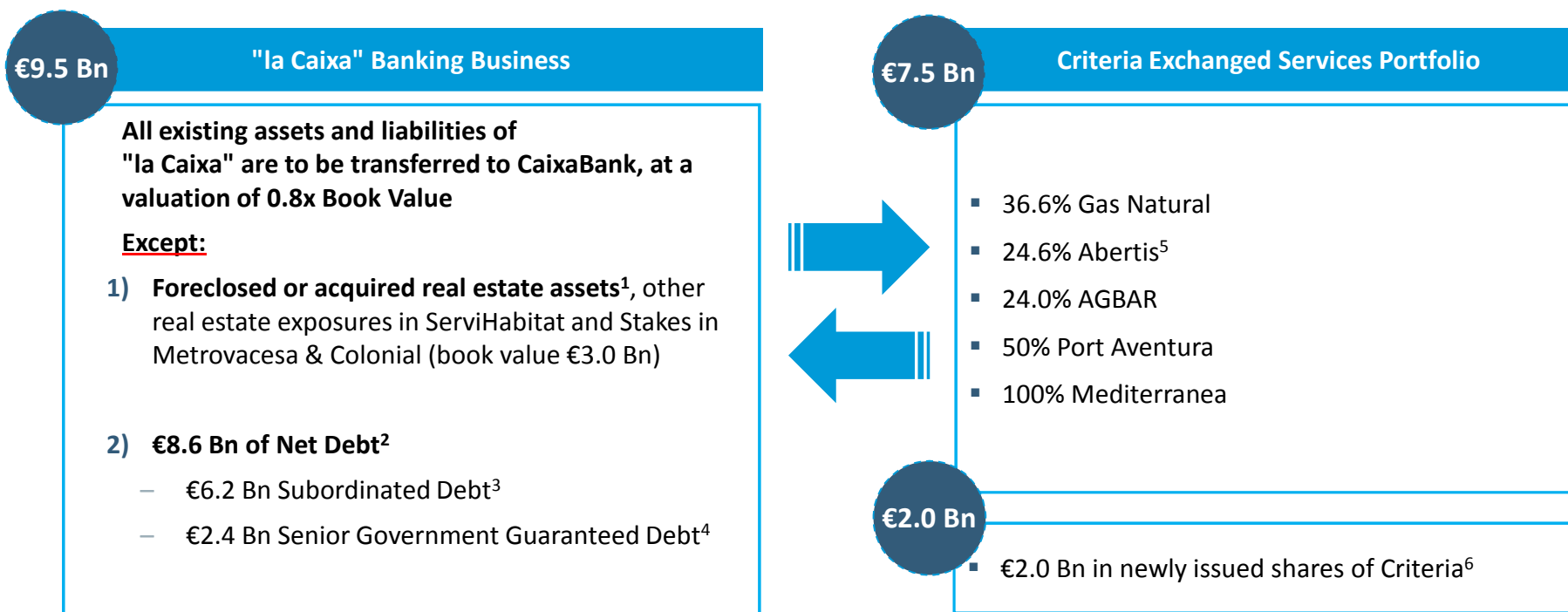
- Transaction details
- Positioning and market share
- “la Caixa” Group
- Insurance
- International banking
- Asset quality
- Financials
- Integration capabilities
- Corporate governance



# Transaction details



## Detail of exchanged assets



### Notes

- (1) Foreclosures and real estate acquisitions or repossessions until 1 month after the announcement of the transaction will also be excluded from the segregation
- (2) Exchangeable bond into Criteria shares issued by "la Caixa" with maturity in June 2011 also excluded from segregation with no impact on net debt
- (3) Maturities in 2012, 2019, 2020 and perpetual
- (4) Bondholders maintain the guarantee of the Kingdom of Spain. Maturity in 2012.
- (5) Including 3.88% held by Inversiones Autopistas
- (6) Issued at pro-forma NAV of €5.46 per share (after disposal of 50% stake in VidaCaixa Adeslas) as of 26 January 2011.

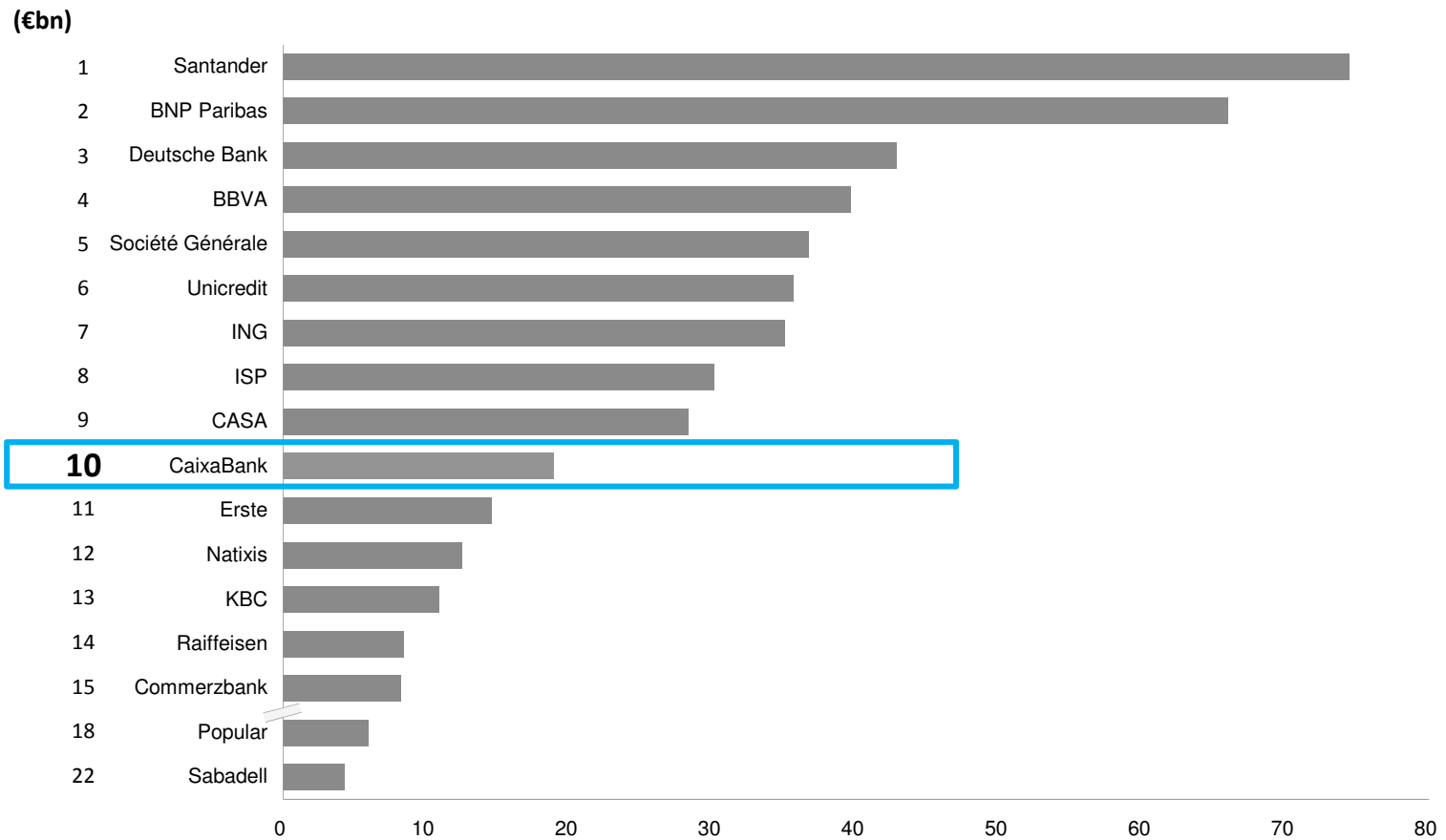


# Positioning and market shares





## CaixaBank: the 10<sup>th</sup> largest bank in the Eurozone



Source: Factset as of 23 February 2011. Using 1.0 x BV as proxy for market cap.



## CaixaBank: the benchmark for retail banking in Spain

### Market shares and ranking position 2010

1st

Payroll deposits	15.7%
Pensions	13.6%
Mortgages	11.0%
Bankcard turnover	17.4%
Merchant business (POS)	21.0%
Savings insurance	14.5%
Loans*	10.6%
Health insurance	23.9%
Clearing	12.7%
Internet Banking	30.3%
Mobile Banking	46.0%

2nd

Pension plans	16.2%
Commercial loans	9.5%
Deposits*	10.0%
Time deposits	9.3%

3rd

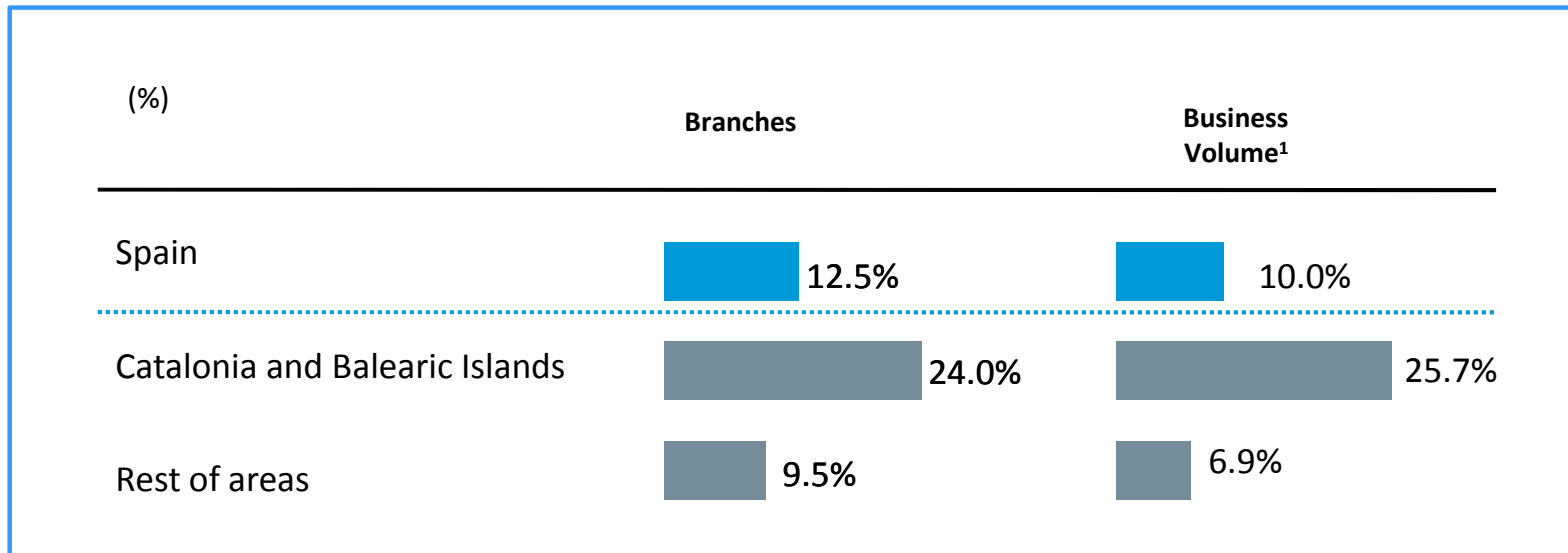
Mutual funds	10.6%
Factoring & Confirming	13.2%

The leading entity in retail banking in Spain

\* To other resident sectors



## CaixaBank market shares by geography



(1) Loans + deposits as of June 2010



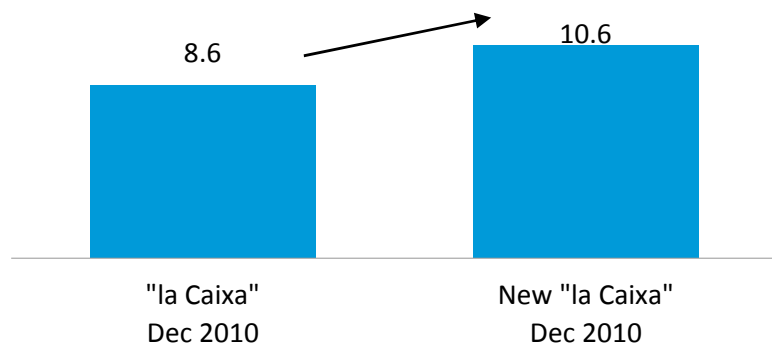
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# “la Caixa” Group

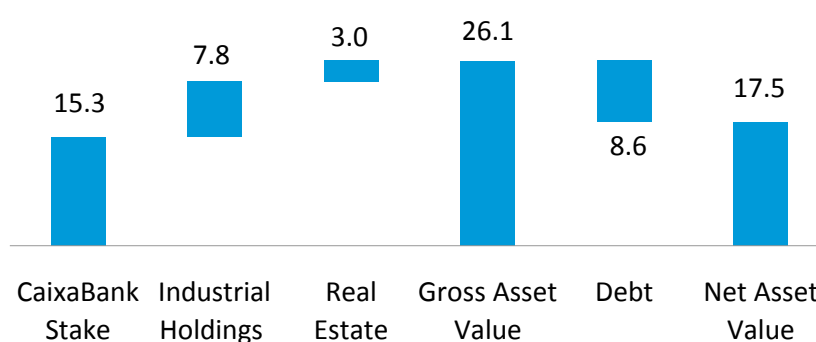


## "la Caixa" Group is also in a strong position

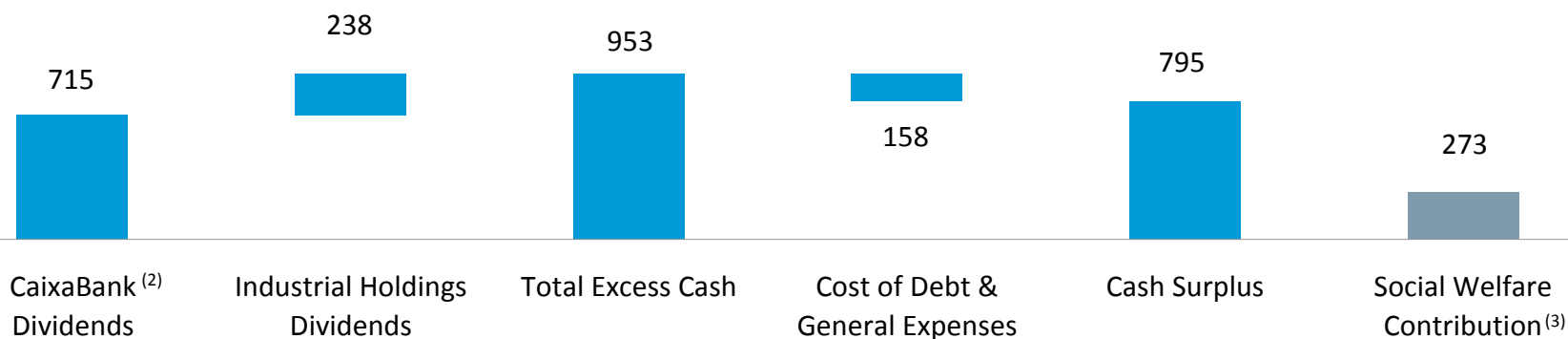
### Core Capital Ratios (%)



### NAV – "la Caixa" (€ Bn) – Dec 2010



### Strong Cash Flow Generation Capacity <sup>(1)</sup> – Pro-Forma 2010 (€ MM)



## Strong Shareholder with a Total NAV of €17.5 Bn and a Solid Cash Generation Profile

#### Note

- (1) Cash available to repay debt and social welfare
- (2) Including complementary dividend of 5.1 cts to be received in shares
- (3) Net of tax benefits for "la Caixa". Gross contribution to the social welfare of €390 MM



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# Insurance



## Insurance business - 2010 figures

### Consistent top line growth

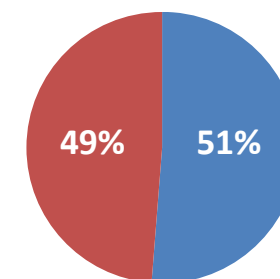
Breakdown of business volume (€M)			
Premiums	2009	2010	
Life	2,985	3,468	
Contrib. to pension plans	1,702	1,521	
Health	38	839	
Household	166	203	
Auto	88	130	
<b>TOTAL</b>	<b>4,979</b>	<b>6,161</b>	<b>+24%</b>

### Superior investment portfolio quality

Investment portfolio: €24.2 bn; 99.1% fixed income

As of Dec 31 <sup>th</sup>	€bn	Avg Rating	Inv. Grade
Financial Inst.	8.0	AA-	99.4%
Corporate	4.4	A	95.2%
Sovereign	11.8	AA-	93.7%

**95.8% Investment grade**



■ Corporate and financial ■ Sovereign



# International banking





## International banking investments since Criteria IPO: Erste Bank



### Solid operating performance

€M	Sep'10	% Change (yoy)
Gross Loans	131,514	2% <sup>1</sup>
Deposits	115,329	3% <sup>1</sup>
Total Assets	206,528	2% <sup>1</sup>
Net Interest Income	4,076	6%
Operating profit	3,028	9%
Net profit	737	2%
Cost to income ratio	49%	
NPL ratio	7.6%	
Coverage ratio	61%	
Loan to Deposit	114%	
Core Tier I	8.7%	
Employees	50,775	
Branches	3,215	

(1) YTD

### Main Agreements (Jun'09)

- **Preferred Partner Agreement:** Criteria/CaixaBank may increase its stake in Erste Group up to 20% with prior consent of Erste Foundation (main shareholder)
- **Strategic collaboration agreement:**
  - Criteria/CaixaBank: preferred co-investor partner
  - Cooperation between Erste and "la Caixa" in the development of banking services and products

### Share price performance<sup>2</sup>



(2) Share price evolution from 1st Jan'09 to 23<sup>rd</sup> Feb'11



## International banking investments since Criteria IPO: The Bank of East Asia



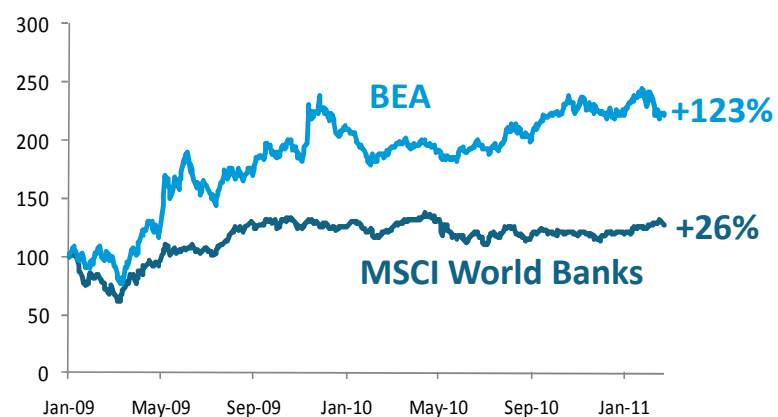
### Robust banking business

HKD M	Dec'10	% Change
Gross Loans	297,044	20%
Deposits	425,419	23%
Total Assets	534,193	23%
Net Interest Income	7,543	12%
Net operating Income	4,222	4%
Net Profit	4,224	62%
Cost to income ratio	62%	
NPL's	0.5%	
Coverage ratio	69%	
Loan to Deposit	70%	
Core Capital	9.8%	
Employees	11,412	
Branches	263	

### Main Agreements (Jun'09)

- **Strategic investment agreement:** Criteria/CaixaBank may increase its stake in BEA up to 20% with prior agreement of BEA
- **Strategic collaboration agreement:**
  - BEA: exclusive platform for potential financial investments in the Asia Pacific region
  - Cooperation between BEA and "la Caixa" in the development of banking services and products

### Share price performance<sup>1</sup>



(1) Share price evolution from 1st Jan'09 to 23rd Feb'11



## International banking investments since Criteria IPO: Grupo Financiero Inbursa



### Solid business and impressive solvency and asset quality

MXN M	Dec'10	% change
Gross Loans	176,211	10%
Total Customer Funds	389,047	10%
Total Assets	264,231	17%
Net Interest Income	9,615	2%
Net Operating income	6,316	(11%)
Net profit	7,803	(3%)
NPL's	2.0%	
Coverage ratio	523%	
Loan to Deposit	140%	
TIER 1	22.2%	
Employees	6,356	
Branches	271	

### Main Agreements (Oct'08)

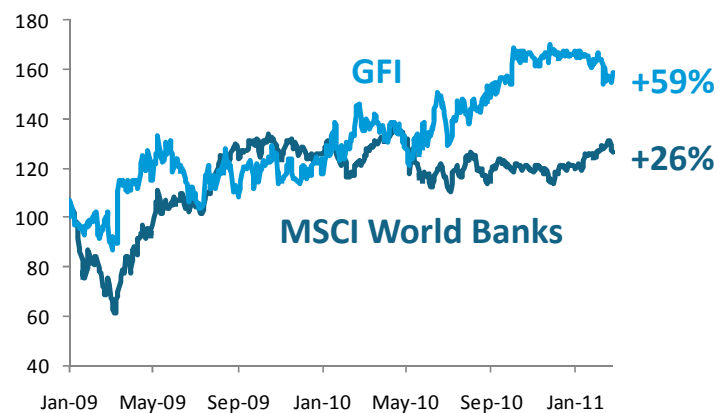
#### Shareholders' agreement:

- Exclusivity of Criteria/CaixaBank as a partner of GFI
- Minimum stake in GFI: 20% for Criteria and 31% for the Slim Family (51% combined)

### Retail Banking Business Plan in Mexico:

- Reaching 500 "light" commercial branches (5-7 employees)
- Clear customer orientation: product development to boost cross-selling

### Share price performance<sup>1</sup>



(1) Share price evolution from 1st Jan'09 to 23rd Feb'11



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# Asset quality



## Exposure to Real estate developers

- Manageable exposure with resilient collateral:
  - Prudent LTV's (50-60%)
  - 53% finished assets (only 18% land)
  - 1st home real estate developments

	Amount € Bn	% /portfolio
Real Estate developments	20.2	11%
Other loans to developers	6.0	3%
<b>Total developers</b>	<b>26.2</b>	<b>14%</b>
	Amount € Bn	% /portfolio
Total developers breakdown		
Performing	20.5	78.2%
NPL	4.1	15.5%
Substandard under surveillance	1.7	6.3%



### Collateral breakdown (%)

- With mortgage guarantee: 92%
  - Land 18%
  - In progress 21%
  - Finished 53%
- Others guarantees 8%

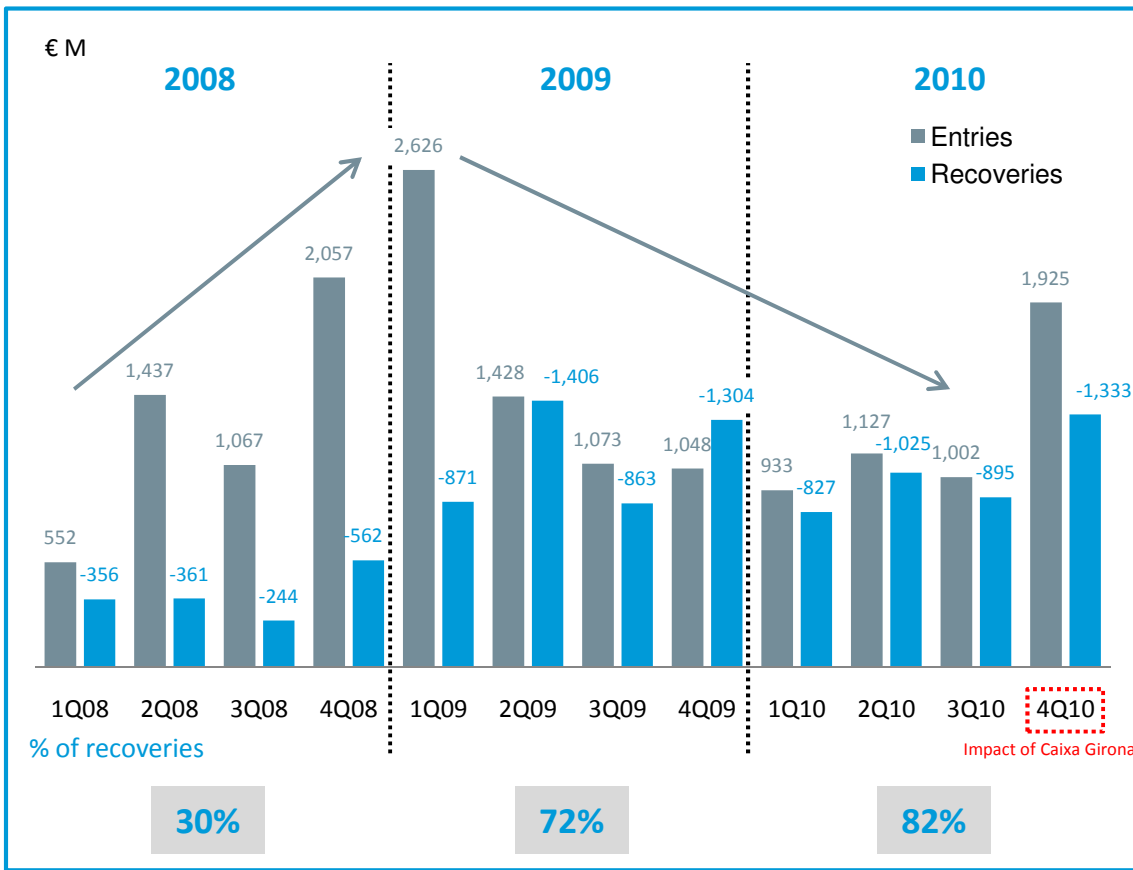
- Prudent LTV ratio: Average 50%-60%
- Concentrated in the wealthiest regions of Spain: Madrid and its area and Catalonia
- Mainly 1st home real estate developments

- Specific provisions (€ Bn) 1.7
- Additionally: total generic provisions of CaixaBank (€ Bn) 1.8

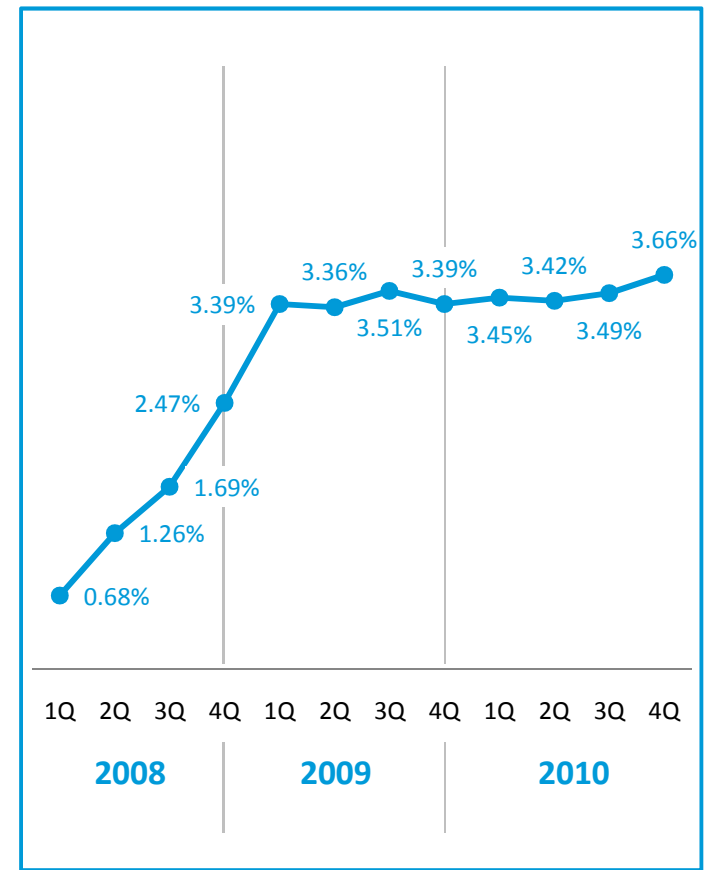


## Non-Performing Loans

### Entries and recoveries

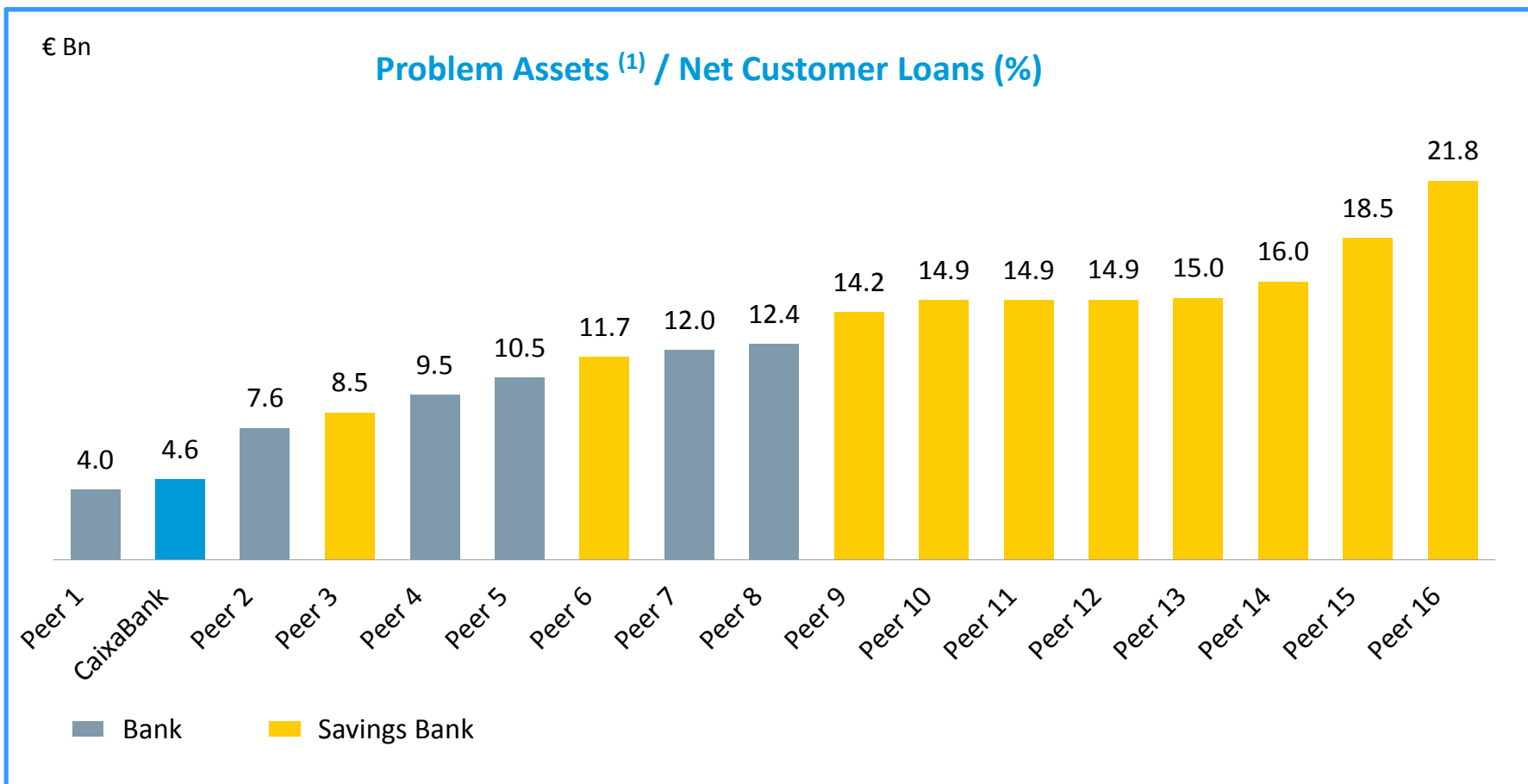


### NPL Ratio





## Superior Asset Quality



1. Problem assets defined as total NPLs plus Real Estate Substandard loans and Repossessed assets

**Note:** Peers include Santander and BBVA (Iberia only), Banco Popular, Banesto, Sabadell, Bankinter, BFA, Banco BASE, Catalunya Caixa, Novacaixagalicia, Banca Cívica, Banco Mare Nostrum, BBK – Cajasur, Caja España – Duero, Unnim and Kutxa



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# Liquidity





## Financial flexibility: capacity to finance

Programs (€bn)	Outstanding amount	Remaining capacity	Collateralization
Mortgage Covered Bonds	38.7	22.0	274%
Public Sector Covered Bonds	2.7	4.8	400%
GGB (Government-Backed)	0	13.8	n.a.
		<b>40.6</b>	



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# Financials



## ASSUMPTIONS CONCERNING PRO-FORMA FIGURES

The financial statements of the Criteria Group, “la Caixa”, Microbank and CaixaVida were combined to prepare pro-forma financial information. This process entailed a series of adjustments arising from the transactions, estimates and assumptions, and the standardization of accounting principles:

### ❑ Transactions

- Spin-off of the banking business of “la Caixa” (including the assets and liabilities of CaixaVida) to Microbank
- Contribution by “la Caixa” of its holding in Microbank to Criteria and by Criteria of holdings and treasury shares to “la Caixa”
- Merger and takeover of Microbank by Criteria
- Agreement signed by “la Caixa” and Criteria with Mutua Madrileña to establish a strategic alliance in non-life insurance.
- Issue of mandatory convertible bonds.
- Capital increase by Servihabitat

### ❑ Assumptions concerning the transactions

- The balance sheets have been combined as if the transactions had been carried out on December 31, 2010.
- The income statements have been combined as if the transactions had been carried out on January 1, 2009.
- The proceeds from the €1.3Bn capital increase for cash of Servihabitat have been used to pay down €1Bn of debt and acquire €0.3Bn of assets.
- Significant influence over Repsol
- Issue of mandatory convertible bonds for €1.5Bn. The finance charge of the issue is 7%, while the cash proceeds will be invested in fixed-income securities earning 4.5%.
- Overheads necessary to manage the business contributed by Criteria amount to €11.3Mn.

### ❑ Basis of presentation of the pro-forma financial information

- The pro-forma financial information has been prepared in accordance with the Criteria Group's accounting policies (IFRS).
- Considering that Criteria will become a credit institution, the appropriate reclassifications have been made to adapt the balance sheet and income statement formats to those established by the Bank of Spain.
- The appropriate reclassifications and necessary adjustments have been made to standardize CaixaVida's recognition and measurement policies to those applied by the Criteria Group.



## CaixaBank: Proforma Balance sheet

(Million €)	2010	(Million €)	2010
Cash and Central Banks	3,779	<b>Liabilities</b>	<b>254,177</b>
Trading portfolio	3,118	Trading portfolio	2,599
Available-for-sale financial assets	36,502	Financial liabilities at amortized cost	216,890
Loans	196,301	<i>Deposits in credit institutions</i>	18,582
<i>Deposits at credit institutions</i>	9,386	<i>Customer deposits</i>	142,722
<i>Customer loans</i>	185,126	<i>Marketable debt securities</i>	45,770
<i>Debt securities</i>	1,789	<i>Subordinated debt</i>	6,900
Investment portfolio at maturity	7,389	<i>Other financial liabilities</i>	2,916
Non-current assets held for sale	356	Insurance liabilities	19,139
Investments	9,178	Provisions	2,777
Intangible assets	1,161	Other liability accounts	12,772
Property and equipment	3,291	<b>Equity</b>	<b>20,328</b>
Other assets	13,430	Shareholders' equity	19,580
		<b>Attributable profit to the Group</b>	<b>1,684</b>
		Equity adjustments by valuation	747
<b>Total assets</b>	<b>274,505</b>	<b>Total liabilities and equity</b>	<b>274,505</b>



## CaixaBank: Proforma P&L

Million euros	January - December		
	2010	2009	Change %
Financial income	7,104	9,210	(22.9)
Financial expenses	(3,647)	(5,007)	(27.2)
<b>Net interest income</b>	<b>3,457</b>	<b>4,203</b>	<b>(17.7)</b>
Dividends	323	238	35.7
Income accounted for by the equity method	594	433	37.2
Net fees	1,468	1,347	9.0
Gains & losses on financial assets	253	130	94.6
Other operating products & expenses	349	364	(4.1)
<b>Gross Income</b>	<b>6,444</b>	<b>6,715</b>	<b>(4.0)</b>
Total operating costs	(3,272)	(3,394)	(3.6)
<b>Pre-impairment income</b>	<b>3,172</b>	<b>3,321</b>	<b>(4.5)</b>
Impairment losses	(1,456)	(1,401)	3.9
<b>Profit from operations</b>	<b>1,716</b>	<b>1,920</b>	<b>(10.6)</b>
Profit/loss on disposal of assets and others	9	69	(87.0)
<b>Pre-tax income</b>	<b>1,725</b>	<b>1,989</b>	<b>(13.3)</b>
Income tax	(200)	(381)	(47.5)
<b>Net Profit</b>	<b>1,525</b>	<b>1,608</b>	<b>(5.2)</b>
Minority interests	1		0.0
<b>Recurring profit</b>	<b>1,524</b>	<b>1,608</b>	<b>(5.2)</b>
<b>Extraordinary Income</b>	<b>806</b>	<b>265</b>	
<b>Extraordinary allowances</b>	<b>(481)</b>	<b>(284)</b>	
<b>Total Extraordinary Results</b>	<b>325</b>	<b>(19)</b>	
<b>Provision for the future management of the business</b>	<b>(165)</b>	<b>(200)</b>	
<b>Total Profit Attributable to the Group</b>	<b>1,684</b>	<b>1,389</b>	<b>21.2</b>



## CaixaBank: Proforma quarterly P&L

Million euros	4T10	3T10	2T10	1T10	4T09	3T09	2T09	1T09
<b>Net interest income</b>	<b>785</b>	<b>781</b>	<b>927</b>	<b>964</b>	<b>1.001</b>	<b>1.039</b>	<b>1.117</b>	<b>1.046</b>
Dividends	4	2	313	4	8	1	105	124
Income accounted for by the equity method	165	136	129	164	106	110	100	117
Net fees	375	388	362	343	339	341	335	332
Gains & losses on financial assets	39	82	86	46	30	39	27	34
Other operating products & expenses	76	105	78	90	93	82	96	93
<b>Gross Income</b>	<b>1.444</b>	<b>1.494</b>	<b>1.895</b>	<b>1.611</b>	<b>1.577</b>	<b>1.612</b>	<b>1.780</b>	<b>1.746</b>
Total operating costs	(801)	(810)	(831)	(830)	(862)	(847)	(845)	(840)
<b>Pre-impairment income</b>	<b>643</b>	<b>684</b>	<b>1.064</b>	<b>781</b>	<b>715</b>	<b>765</b>	<b>935</b>	<b>906</b>
Impairment losses	(232)	(356)	(495)	(373)	(365)	(290)	(462)	(284)
<b>Profit from operations</b>	<b>411</b>	<b>328</b>	<b>569</b>	<b>408</b>	<b>350</b>	<b>475</b>	<b>473</b>	<b>622</b>
Profit/loss on disposal of assets and others	11	3	(127)	122	98	(16)	(5)	(8)
<b>Pre-tax income</b>	<b>422</b>	<b>331</b>	<b>442</b>	<b>530</b>	<b>448</b>	<b>459</b>	<b>468</b>	<b>614</b>
Income tax	(82)	(19)	(1)	(98)	(90)	(101)	(78)	(112)
<b>Net Profit</b>	<b>340</b>	<b>312</b>	<b>441</b>	<b>432</b>	<b>358</b>	<b>358</b>	<b>390</b>	<b>502</b>
Minority interests	1							
<b>Recurring profit</b>	<b>339</b>	<b>312</b>	<b>441</b>	<b>432</b>	<b>358</b>	<b>358</b>	<b>390</b>	<b>502</b>
<b>Extraordinary Income</b>	<b>703</b>	<b>6</b>	<b>97</b>				<b>265</b>	
<b>Extraordinary allowances</b>	<b>(374)</b>	<b>(5)</b>	<b>(102)</b>		<b>(15)</b>		<b>(269)</b>	
<b>Total Extraordinary Results</b>	<b>329</b>	<b>1</b>	<b>(5)</b>		<b>(15)</b>		<b>(4)</b>	
<b>Provision for the future management of the business</b>	<b>(165)</b>				<b>(200)</b>			
<b>Total Profit Attributable to the Group</b>	<b>503</b>	<b>313</b>	<b>436</b>	<b>432</b>	<b>143</b>	<b>358</b>	<b>386</b>	<b>502</b>



## CaixaBank - Customer funds

(Million euros)	2006	2007	1T08	2T08	3T08	4T08	2008	1T09	2T09	3T09	4T09	2009	1T10	2T10	3T10	4T10	2010	CAGR (2006-2010)
<b>Financial liabilities</b>	<b>154,914</b>	<b>180,155</b>	<b>182,755</b>	<b>193,057</b>	<b>192,465</b>	<b>190,087</b>	<b>190,087</b>	<b>182,453</b>	<b>189,219</b>	<b>187,059</b>	<b>180,685</b>	<b>180,685</b>	<b>176,553</b>	<b>177,120</b>	<b>173,830</b>	<b>181,062</b>	<b>181,062</b>	<b>4.0%</b>
<b>Own products</b>	<b>118,789</b>	<b>137,192</b>	<b>139,691</b>	<b>148,124</b>	<b>149,609</b>	<b>147,602</b>	<b>147,602</b>	<b>142,045</b>	<b>147,128</b>	<b>145,934</b>	<b>139,560</b>	<b>139,560</b>	<b>138,590</b>	<b>136,765</b>	<b>133,634</b>	<b>136,420</b>	<b>136,420</b>	<b>3.5%</b>
Demand deposits	54,510	55,039	52,380	53,361	54,412	54,716	54,716	52,869	55,485	56,241	55,670	55,670	55,688	57,007	54,771	55,680	55,680	0.5%
Time deposits	54,499	67,832	73,293	76,927	79,652	80,018	80,018	76,077	77,697	76,548	74,161	74,161	70,397	67,159	66,697	68,463	68,463	5.9%
Retail issues	4,103	8,525	8,222	12,040	9,749	7,072	7,072	7,303	6,253	5,452	3,036	3,036	5,812	5,906	5,473	5,584	5,584	8.0%
Subordinated liabilities	5,677	5,796	5,796	5,796	5,796	5,796	5,796	5,796	7,693	7,693	6,693	6,693	6,693	6,693	6,693	6,693	6,693	4.2%
<b>Other liabilities</b>	<b>4,573</b>	<b>4,820</b>	<b>5,116</b>	<b>5,095</b>	<b>4,666</b>	<b>4,354</b>	<b>4,354</b>	<b>4,295</b>	<b>5,458</b>	<b>3,836</b>	<b>4,121</b>	<b>4,121</b>	<b>3,281</b>	<b>5,028</b>	<b>4,136</b>	<b>4,925</b>	<b>4,925</b>	<b>1.9%</b>
<b>Institutional issues</b>	<b>31,552</b>	<b>38,143</b>	<b>37,948</b>	<b>39,838</b>	<b>38,190</b>	<b>38,131</b>	<b>38,131</b>	<b>36,113</b>	<b>36,633</b>	<b>37,289</b>	<b>37,004</b>	<b>37,004</b>	<b>34,682</b>	<b>35,327</b>	<b>36,060</b>	<b>39,717</b>	<b>39,717</b>	<b>5.9%</b>
<b>Insurance Liabilities</b>	<b>18,255</b>	<b>17,492</b>	<b>18,278</b>	<b>17,323</b>	<b>17,578</b>	<b>18,256</b>	<b>18,256</b>	<b>17,950</b>	<b>18,554</b>	<b>18,422</b>	<b>18,941</b>	<b>18,941</b>	<b>19,513</b>	<b>20,189</b>	<b>20,456</b>	<b>20,974</b>	<b>20,974</b>	<b>3.5%</b>
<b>Customer funds on balance sheet</b>	<b>173,169</b>	<b>197,647</b>	<b>201,033</b>	<b>210,380</b>	<b>210,043</b>	<b>208,343</b>	<b>208,343</b>	<b>200,403</b>	<b>207,773</b>	<b>205,481</b>	<b>199,626</b>	<b>199,626</b>	<b>196,066</b>	<b>197,309</b>	<b>194,286</b>	<b>202,036</b>	<b>202,036</b>	<b>3.9%</b>
Mutual funds	13,864	13,518	18,698	16,152	14,791	12,943	12,943	12,918	13,491	14,344	15,457	15,457	16,089	16,636	17,771	17,017	17,017	5.3%
Pension funds	8,669	9,593	9,362	10,038	9,997	10,407	10,407	10,289	10,687	11,333	11,982	11,982	12,297	12,219	12,601	13,060	13,060	10.8%
Customer portfolios	1,103	1,045	597	635	519	462	462	302	317	308	516	516	767	911	952	908	908	(4.7%)
Other	3,726	3,850	4,087	5,218	4,850	4,696	4,696	4,879	5,244	4,960	4,213	4,213	4,785	5,080	4,864	5,604	5,604	10.7%
<b>Customer funds off-balance sheet funds</b>	<b>27,362</b>	<b>28,006</b>	<b>32,744</b>	<b>32,043</b>	<b>30,157</b>	<b>28,508</b>	<b>28,508</b>	<b>28,388</b>	<b>29,739</b>	<b>30,945</b>	<b>32,168</b>	<b>32,168</b>	<b>33,938</b>	<b>34,846</b>	<b>36,188</b>	<b>36,589</b>	<b>36,589</b>	<b>7.5%</b>
<b>Total customer funds</b>	<b>200,531</b>	<b>225,653</b>	<b>233,777</b>	<b>242,423</b>	<b>240,200</b>	<b>236,851</b>	<b>236,851</b>	<b>228,791</b>	<b>237,512</b>	<b>236,426</b>	<b>231,794</b>	<b>231,794</b>	<b>230,004</b>	<b>232,155</b>	<b>230,474</b>	<b>238,625</b>	<b>238,625</b>	<b>4.4%</b>



## CaixaBank - Customer loans

(million €)	2006	2007	1T08	2T08	3T08	2008	1T09	2T09	3T09	2009	1T10	2T10	3T10	2010	GAGR (2006-2010)
Public sector loans	2,353	2,516	2,989	3,392	3,605	4,616	4,918	6,949	6,417	6,273	7,041	8,941	8,976	9,243	40.8%
Private sector loans	135,890	158,205	161,531	165,200	167,194	167,314	164,569	167,055	165,405	164,527	163,471	166,340	165,485	172,177	6.1%
<i>Secured</i>	99,137	113,771	115,810	117,647	118,568	117,924	116,674	116,444	115,553	115,493	115,054	114,893	114,835	118,509	4.6%
<i>Unsecured</i>	36,753	44,434	45,721	47,553	48,626	49,390	47,895	50,611	49,852	49,034	48,417	51,447	50,650	53,668	9.9%
Doubtful loans	463	893	1,165	2,224	3,058	4,493	6,255	6,267	6,481	6,226	6,333	6,391	6,534	7,126	98.1%
<b>Total customer loans, gross</b>	<b>138,706</b>	<b>161,614</b>	<b>165,685</b>	<b>170,816</b>	<b>173,857</b>	<b>176,423</b>	<b>175,742</b>	<b>180,271</b>	<b>178,303</b>	<b>177,026</b>	<b>176,845</b>	<b>181,672</b>	<b>180,995</b>	<b>188,546</b>	<b>8.0%</b>
Specific and generic provisions (I)	(2,059)	(2,509)	(2,643)	(3,054)	(3,175)	(2,925)	(3,141)	(3,689)	(3,813)	(3,805)	(3,877)	(4,084)	(4,258)	(4,913)	24.3%
<b>Total customer loans, net</b>	<b>136,647</b>	<b>159,105</b>	<b>163,042</b>	<b>167,762</b>	<b>170,682</b>	<b>173,498</b>	<b>172,601</b>	<b>176,582</b>	<b>174,490</b>	<b>173,221</b>	<b>172,968</b>	<b>177,588</b>	<b>176,737</b>	<b>183,633</b>	<b>7.7%</b>
Doubtful contingent liabilities	24	107	31	48	37	97	90	100	96	95	94	138	102	102	
Contingent liabilities	13,665	10,033	9,377	9,426	9,110	9,270	11,227	9,103	9,054	9,207	9,273	9,148	9,119	9,164	
Specific and generic provisions contingent liabilities (II)	(108)	(113)	(102)	(109)	(105)	(101)	(99)	(101)	(104)	(109)	(110)	(114)	(104)	(112)	
<b>Total provisions (I + II)</b>	<b>(2,167)</b>	<b>(2,622)</b>	<b>(2,745)</b>	<b>(3,163)</b>	<b>(3,280)</b>	<b>(3,026)</b>	<b>(3,240)</b>	<b>(3,790)</b>	<b>(3,917)</b>	<b>(3,914)</b>	<b>(3,987)</b>	<b>(4,198)</b>	<b>(4,362)</b>	<b>(5,025)</b>	
<b>NPL ratio <math>\Sigma(1) / \Sigma(2)</math></b>	<b>0.32%</b>	<b>0.58%</b>	<b>0.68%</b>	<b>1.26%</b>	<b>1.69%</b>	<b>2.47%</b>	<b>3.39%</b>	<b>3.36%</b>	<b>3.51%</b>	<b>3.39%</b>	<b>3.45%</b>	<b>3.42%</b>	<b>3.49%</b>	<b>3.66%</b>	
<b>Coverage ratio <math>\Sigma(3) / \Sigma(1)</math></b>	<b>445%</b>	<b>262%</b>	<b>230%</b>	<b>139%</b>	<b>106%</b>	<b>66%</b>	<b>51%</b>	<b>60%</b>	<b>60%</b>	<b>62%</b>	<b>62%</b>	<b>64%</b>	<b>66%</b>	<b>70%</b>	
<b>Coverage ratio with mortgage guarantee</b>	<b>488%</b>	<b>312%</b>	<b>290%</b>	<b>187%</b>	<b>163%</b>	<b>129%</b>	<b>117%</b>	<b>127%</b>	<b>127%</b>	<b>127%</b>	<b>127%</b>	<b>129%</b>	<b>132%</b>	<b>140%</b>	
<b>Cost of risk</b>	<b>0.03%</b>	<b>0.18%</b>	<b>0.16%</b>	<b>0.50%</b>	<b>0.45%</b>	<b>0.62%</b>	<b>1.24%</b>	<b>1.10%</b>	<b>1.03%</b>	<b>1.14%</b>	<b>0.96%</b>	<b>0.96%</b>	<b>0.91%</b>	<b>1.00%</b>	
<b>Entries and recoveries doubtful loans</b>															
<b>Opening balance</b>			<b>1,000</b>	<b>1,196</b>	<b>2,272</b>	<b>3,095</b>	<b>4,590</b>	<b>6,345</b>	<b>6,367</b>	<b>6,577</b>	<b>6,321</b>	<b>6,427</b>	<b>6,529</b>	<b>6,636</b>	
Entries			552	1,437	1,067	2,057	2,626	1,428	1,073	1,048	933	1,127	1,002	1,925	
Recoveries			(356)	(361)	(244)	(562)	(871)	(1,406)	(863)	(1,304)	(827)	(1,025)	(895)	(1,333)	
<b>Final balance</b>			<b>1,196</b>	<b>2,272</b>	<b>3,095</b>	<b>4,590</b>	<b>6,345</b>	<b>6,367</b>	<b>6,577</b>	<b>6,321</b>	<b>6,427</b>	<b>6,529</b>	<b>6,636</b>	<b>7,228</b>	





## CaixaBank 2010: Business segments profit and loss account (proforma)

€ million	Banking & insurance		International Banking		Repsol & Telefónica		Caixa Bank	
	2010	Change (%)	2010	Change (%)	2010	Change (%)	2010	Change (%)
<b>I. Own funds distributed according to economic capital criteria</b>								
<b>Net interest income</b>	<b>3,668</b>	<b>(15.8)</b>	<b>(148)</b>	<b>38.2</b>	<b>(63)</b>	<b>40.0</b>	<b>3,457</b>	<b>(17.7)</b>
Net fees	1,468	9.0					1,468	9.0
Income from investments	57	50.0	263	17.9	597	45.6	917	36.7
Gains on financial assets and others	602	21.9					602	21.9
<b>Gross income</b>	<b>5,795</b>	<b>(7.0)</b>	<b>115</b>	<b>0.0</b>	<b>534</b>	<b>46.1</b>	<b>6,444</b>	<b>(4.0)</b>
Total operating costs	(3,253)	(3.6)	(7)	(8.2)	(12)	0.0	(3,272)	(3.6)
<b>Pre-impairment income</b>	<b>2,542</b>	<b>(11.2)</b>	<b>108</b>	<b>0.6</b>	<b>522</b>	<b>48.0</b>	<b>3,172</b>	<b>(4.5)</b>
Impairment losses	(1,456)	3.9					(1,456)	3.9
Profit/loss on disposal of assets and others	9	(87.0)					9	(87.0)
<b>Pre-tax income</b>	<b>1,095</b>	<b>(28.4)</b>	<b>108</b>	<b>0.6</b>	<b>522</b>	<b>48.0</b>	<b>1,725</b>	<b>(13.3)</b>
<b>Recurring profit</b>	<b>832</b>	<b>(24.1)</b>	<b>147</b>	<b>3.7</b>	<b>545</b>	<b>47.2</b>	<b>1,524</b>	<b>(5.2)</b>
Extraordinary income	374				432		806	
Extraordinary write downs	(418)		(63)				(481)	
Future business risk allowance	(165)						(165)	
<b>Total profit</b>	<b>623</b>	<b>(14.3)</b>	<b>84</b>	<b>212.6</b>	<b>977</b>	<b>53.8</b>	<b>1,684</b>	<b>21.2</b>
Own funds	13,706		2,154		3,720		19,580	
Own funds average	13,360		2,099		3,626		19,085	
<b>Recurring ROE</b>	<b>6.2%</b>		<b>7.0%</b>		<b>15.0%</b>		<b>8.0%</b>	
Total ROE	4.7%		4.0%		26.9%		8.8%	
<b>II. Own funds distributed according to regulatory capital criteria</b>								
<b>Recurring profit</b>	<b>839</b>	<b>(23.9)</b>	<b>231</b>	<b>6.0</b>	<b>454</b>	<b>58.2</b>	<b>1,524</b>	<b>(5.2)</b>
<b>Total profit</b>	<b>630</b>	<b>(14.2)</b>	<b>168</b>	<b>63.1</b>	<b>886</b>	<b>60.5</b>	<b>1,684</b>	<b>21.2</b>
Own funds average	13,550		4,390		1,145		19,085	
<b>Recurring ROE</b>	<b>6.2%</b>		<b>5.3%</b>		<b>39.6%</b>		<b>8.0%</b>	
Total ROE	4.7%		3.8%		77.3%		8.8%	



## Profitability by business segment

### Profit & Loss segregation

#### Banking & Insurance

- All income from Banking (retail, business, treasury & markets) and insurance activities.
  - ALCO and liquidity management, financing the investments of international banking, Repsol and Telefónica.
- 

#### International Banking Repsol & Telefónica

- Income from dividends or equity method, net of the funding cost <sup>(1)</sup> and operating costs.
- 

### ROE

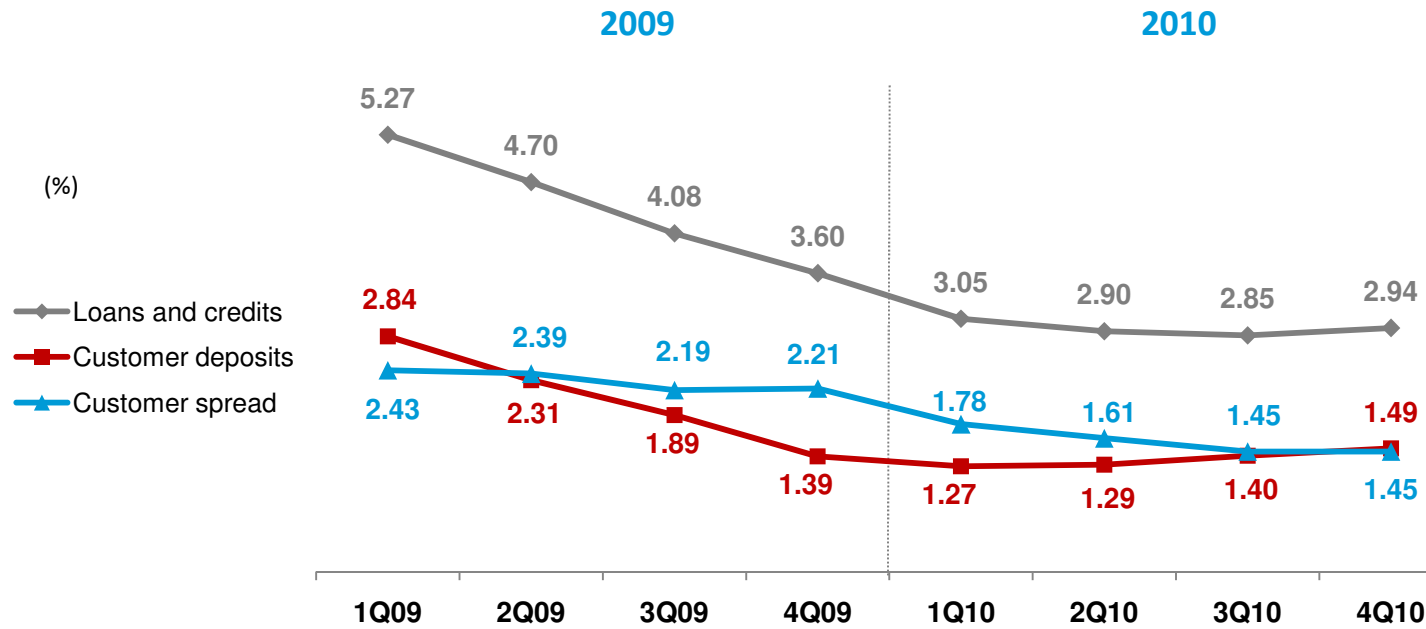
- Total Own funds allocated: CaixaBanks' Book Value.
- Own funds distributed according to two criteria: economic capital and regulatory capital.

<sup>(1)</sup> Cost of funding: Average 10Y Spanish Bund + 100 bps: 5.3% in 2010 and 5.0% in 2009



## Customer spread

Significant impact due to the repricing of the mortgage portfolio





## Net Fees breakdown

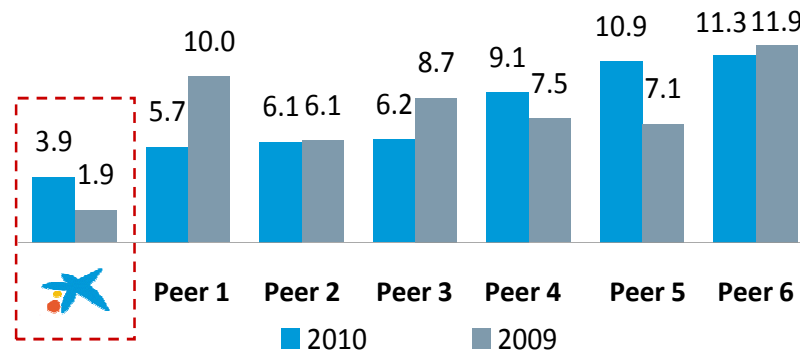
Fees (Proforma)	2009	2010	Var.
<b>Banking Services</b>	<b>963</b>	<b>1,052</b>	<b>9.3%</b>
Risk and transaction services	435	440	1.1%
Electronic Banking	339	352	3.9%
Account maintenance and management	119	138	16.0%
Investment Banking	70	122	73.3%
<b>Off-balance sheet funds</b>	<b>244</b>	<b>294</b>	<b>20.3%</b>
Investment funds	109	137	25.7%
Insurance and pension plans	135	157	15.9%
<b>Securities and others</b>	<b>140</b>	<b>122</b>	<b>-12.9%</b>
<b>Net Fees</b>	<b>1,347</b>	<b>1,468</b>	<b>9.0%</b>



## Trading Income and Other Operating Income / Expenses

the lowest reliance on trading income  
among peers

Trading Income / Gross Income (%)



Low reliance on trading income



## CaixaBank's Book Value After Capital Gains

	31-Dec-10		23-Feb-11 Pro-forma	
	(€ M)	€/share	(€ M)	€/share
<b>Book value (31.12.10)</b>	<b>20,328</b>	<b>5.44</b>	<b>20,328</b>	<b>5.44</b>
Valuation Adjustments (listed portfolio) (31.12.10)	(1,014)		(1,014)	
Net Capital Gains (listed portfolio)	1,523		2,086	
<b>Book Value After Capital Gains</b>	<b>20,837</b>	<b>5.58</b>	<b>21,400</b>	<b>5.73</b>
Intangibles (ex-listed portfolio)	(1,962)		(1,962)	
<b>Tangible Book Value After Capital Gains</b>	<b>18,875</b>	<b>5.05</b>	<b>19,438</b>	<b>5.20</b>



## CaixaBank's Intangible Assets Breakdown

	Intangibles (€ M)	Comments
Banking Business	495	Acquisition of Morgan Stanley Private Banking Business and other intangible assets
VidaCaixa Group	1,248	
- Life	570	CaiFor goodwill and other intangibles
- Non-life	678	Value achieved in transaction with Mutua Madrileña more than covers existing goodwill
Banking investments	1,613	Goodwill covered by current market values
Others	244	
<b>Total</b>	<b>3,600</b>	
<i>Of which:</i>	<i>1,638</i>	<i>Listed</i>
	<i>1,962</i>	<i>Non-listed</i>

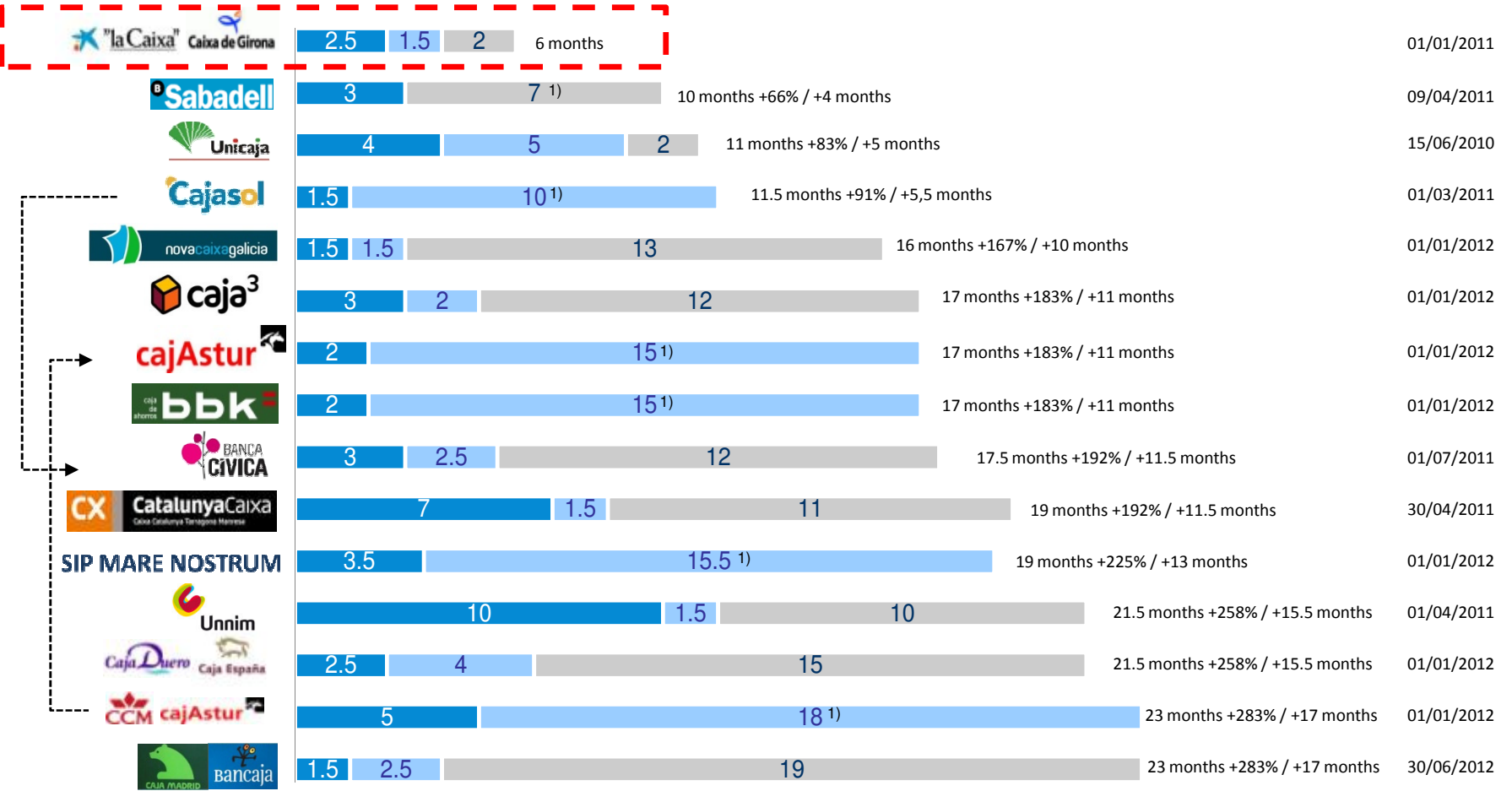


# Integration capabilities





## “la Caixa” Integration Capabilities – Integration Of Caixa Girona in <6 months



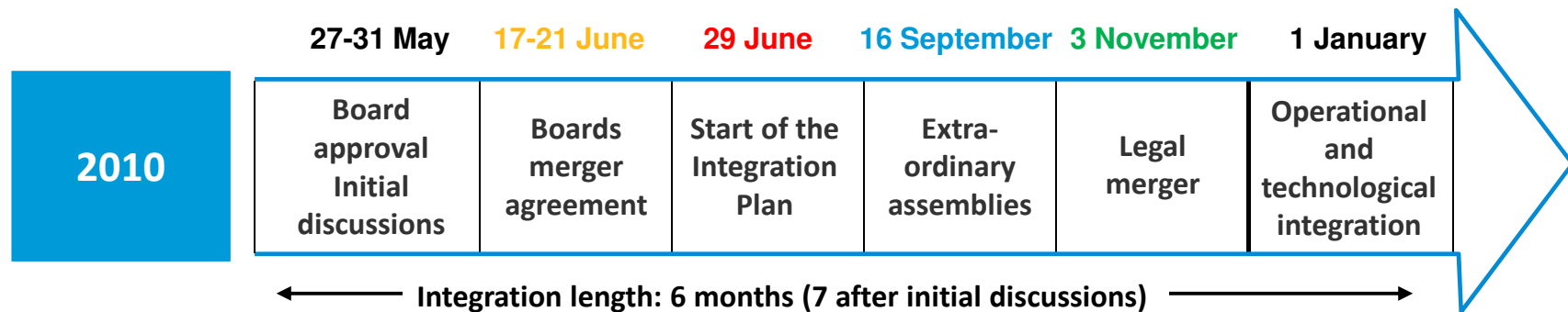
Source: EuroPraxis

1) Time from Assembly Approval until Technological Integration

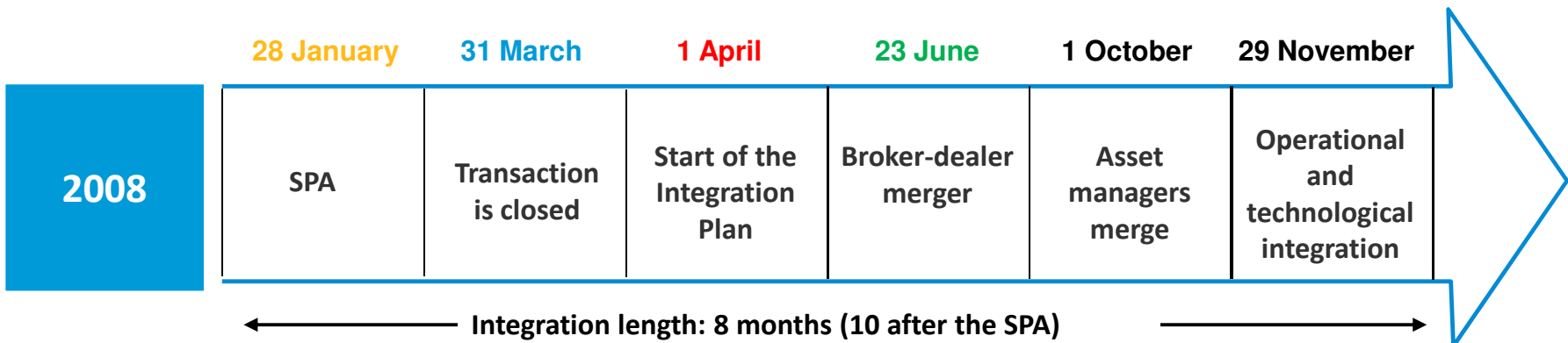


## Experience in Network Integration within a Short Period of Time

### Caixa Girona



### Morgan Stanley





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# Corporate Governance



## “la Caixa” Corporate Governance

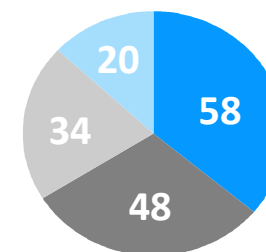
### “la Caixa”

- Financial institution that promotes social and welfare objectives, privately managed and independent of any other company or institution
  - No shareholders
  - The governing bodies represent:
    - Deposit holders
    - Founding and Community-Interest institutions
    - Local authorities (20%)
    - Employees
  - Management team exclusively made up of finance professionals
- 
- **Founding entities:** entities of an economic and/or cultural nature which took part in creating “la Caixa”: Barcelona Chamber of Commerce, Fomento del Trabajo Nacional, Instituto Agrícola Catalán de San Isidro, Asociación Económica Barcelonesa de Amigos del País and Ateneo Barcelonés
  - **Community-interest entities:** institutions with cultural, scientific, civic, charitable, economic or professional vocation

### Governing bodies

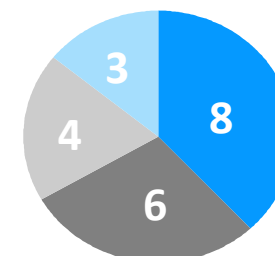
#### General Assembly:

- **160 members**



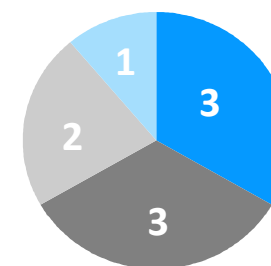
#### Board of Directors:

- **21 members**



#### Control Committee:

- **9 members**



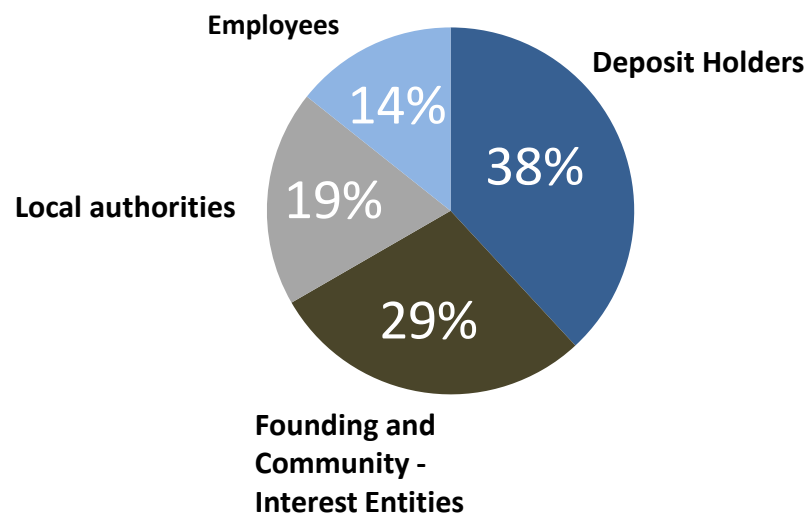
■ Deposit Holders   ■ Employees   ■ Local Authorities  
■ Founding and Community -Interest Entities



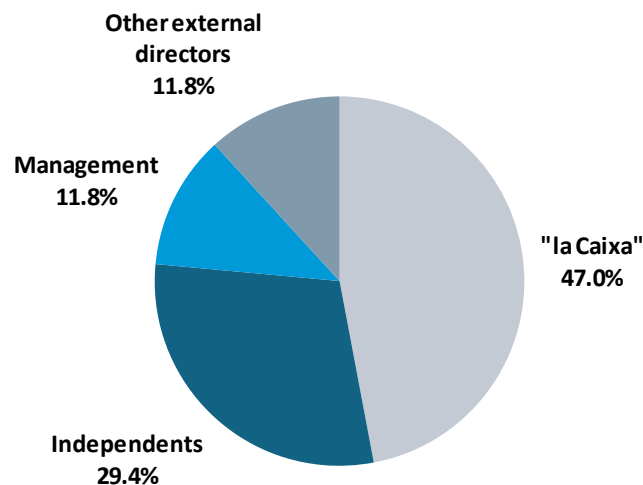
## “la Caixa” and Criteria - Corporate Governance

- The representation of each stakeholder within the General Assembly is mapped onto all “la Caixa”'s governing bodies in similar percentages.
- All these segments are also represented on Criteria CaixaCorp's BoD, in addition to management and a relevant presence of independent directors

### “la Caixa”'s Board of Directors



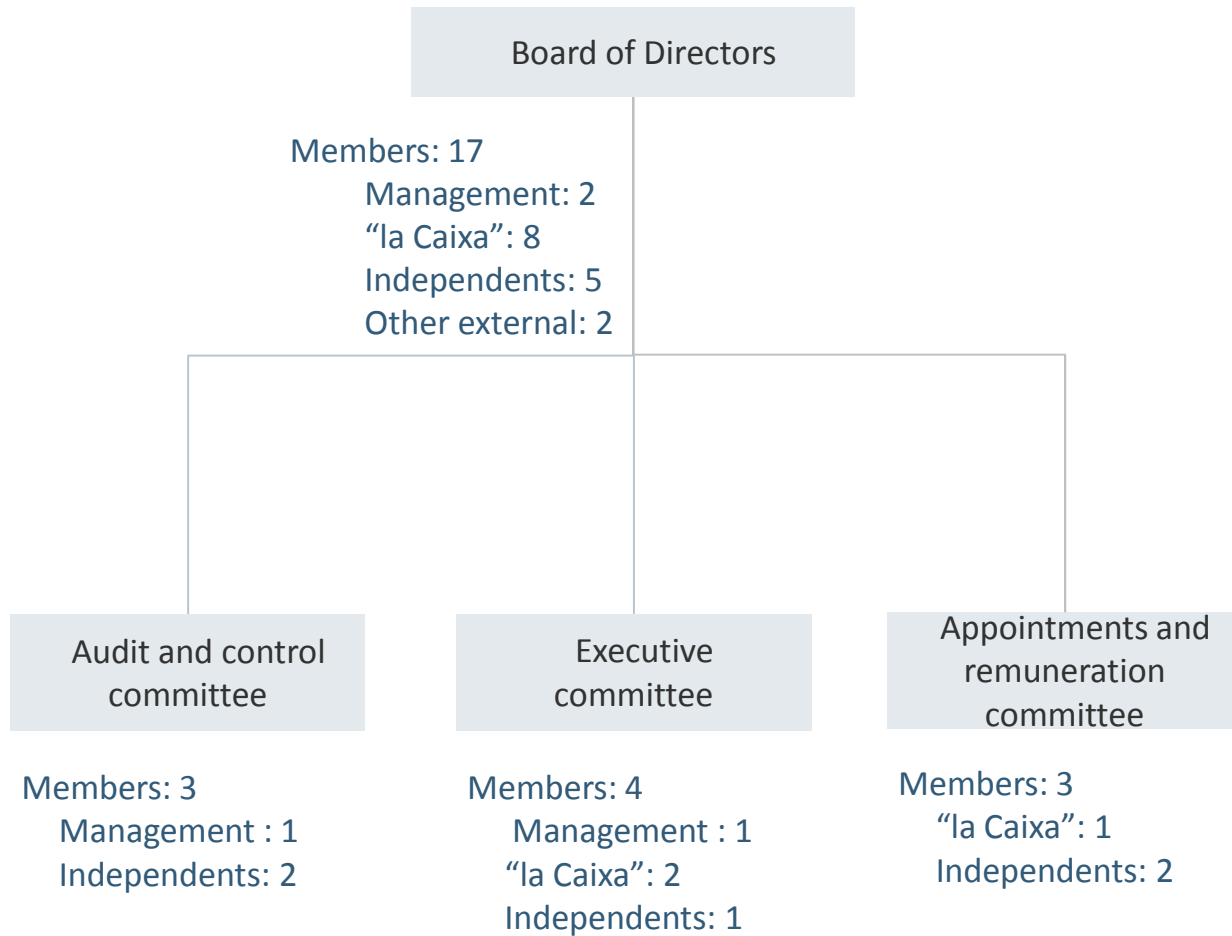
### Criteria's Board of Directors



At the next re-appointment of the governing bodies, scheduled for 2012, the representation in percentage terms of the various stakeholders will be shifted to give deposit holders a larger presence, at the expense of the various local authorities and community-interest entities.



## Criteria CaixaCorp governing bodies





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## 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:

[inversores@criteria.com](mailto:inversores@criteria.com)

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