

## Significant Event

CaixaBank, S.A. hereby reports that it has been notified of the decision of the European Central Bank (ECB) regarding minimum capital requirements for CaixaBank Group following the outcome of the Supervisory Review and Evaluation Process (SREP). In addition, the Bank of Spain has also informed CaixaBank about the capital buffer applicable to Other Systemically Important Institutions (O-SII).

Both decisions on SREP and O-SII remain unchanged with respect to the year 2018 at 1.50% and 0.25% on a *fully loaded*<sup>1</sup> basis, and require that CaixaBank Group maintains in 2019 a Common Equity Tier 1 (CET1) ratio of 8.75%<sup>2</sup>, which includes the minimum Pillar 1 requirement (4.50%), the ECB Pillar 2 requirement<sup>3</sup> (1.50%), the Capital Conservation buffer (2.5%) and the O-SII buffer (0.25%). Similarly, based on the minimum requirements of Pillar 1 applicable to Tier 1 (6%) and Total Capital (8%), the requirements would reach 10.25% fully loaded for Tier 1 and 12.25% for Total Capital.

These solvency requirements compare to the following capital position of CaixaBank Group as of 31 December 2018:

	Capital position Dec'18		Minimum requirements			
	Phase-in	Fully loaded	Phase-in and fully loaded <sup>1</sup>	of which Pillar 1	of which Pillar 2R	of which Buffers
<b>CET1</b>	<b>11.7%</b>	<b>11.5%</b>	<b>8.75%</b>	<b>4.5%</b>	<b>1.5%</b>	<b>2.75%</b>
<b>Tier 1</b>	<b>13.3%</b>	<b>13.0%</b>	<b>10.25%</b>	<b>6.0%</b>	<b>1.5%</b>	<b>2.75%</b>
<b>Total Capital</b>	<b>15.5%</b>	<b>15.2%</b>	<b>12.25%</b>	<b>8.0%</b>	<b>1.5%</b>	<b>2.75%</b>

As a result of these decisions, the CET1 threshold below which CaixaBank Group<sup>4</sup> would be forced to limit 2019 distributions in the form of dividend payments, variable remuneration and interest to holders of Additional Tier 1 instruments, commonly referred to as the activation level of the maximum distributable amount (or MDA trigger), is set at 8.75%, to which the potential capital shortfalls of Additional Tier 1 or Tier 2 should be added with respect to the minimum implicit Pillar 1 levels of 1.5% and 2%, respectively<sup>5</sup>.

Taking into account the current capital levels of CaixaBank Group, these requirements do not imply any of the aforementioned limitations.

11 February 2019

<sup>1</sup> From 1 January 2019 the phase-in and fully loaded requirements coincide after the end of the transitional period

<sup>2</sup> All percentages of this significant event refer to the total amount of risk-weighted assets

<sup>3</sup> Applies only at a consolidated level

<sup>4</sup> At an individual level, as of 31 December 2018, CaixaBank's phase-in CET1 ratio reaches 13.3%, compared to a minimum requirement of 7.25% as of January 1, 2019. Thus, capital requirements are more restrictive at a consolidated level than at individual level

<sup>5</sup> As of 31 December 2018, there is no shortfall at Additional Tier 1 and Tier 2 levels