



CaixaBank

Shareholders' Annual  
General Meeting  
2015



CaixaBank

# Shareholders' Annual General Meeting 2015

Chairman  
**Isidro Fainé**

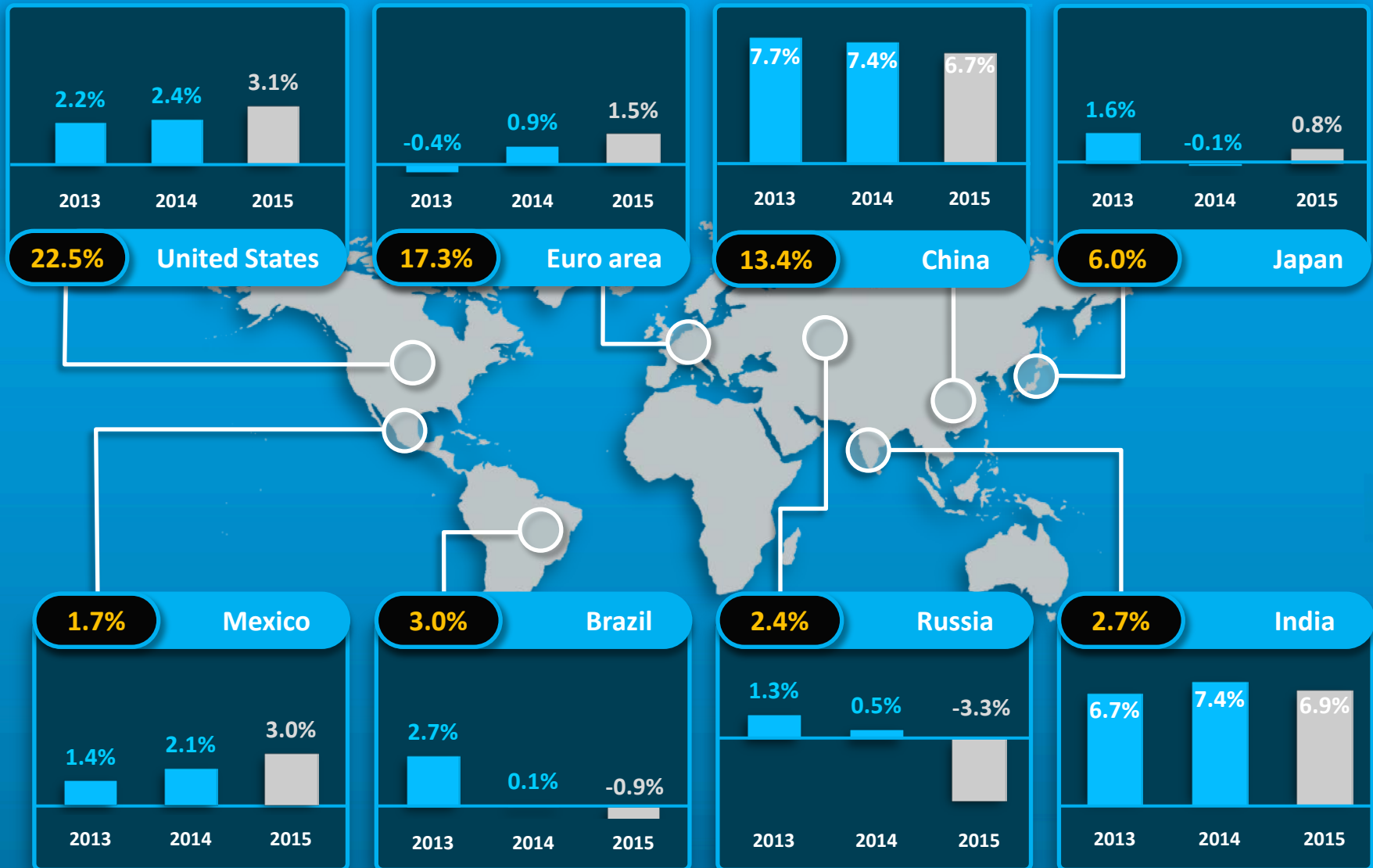
## **Economic and financial environment**

 CaixaBank's 2014 Results

 1st Quarter 2015 Results

 Strategic Plan 2015-2018

# The United States is leading an uneven recovery



## Euro area. Moderate recovery

### GDP growth (%)

	2013	2014	2015
 Euro area	-0.4	0.9	1.5
 Germany	0.2	1.6	1.8
 France	0.4	0.4	0.8
 Italy	-1.7	-0.4	0.5
 Spain	-1.2	1.4	2.5

### Support factors

	12-month Euribor	\$/€	Brent barrel (€)
Apr-14	0.60%	1.38	78
Apr-15 <sup>1</sup>	0.19%	1.08	55
	▼ 41pbs	▼ 22%	▼ 30%
	QE		

### Risks

- ▶ Excessively low inflation
- ▶ Political factors (Greece)
- ▶ Sluggish growth in France and Italy

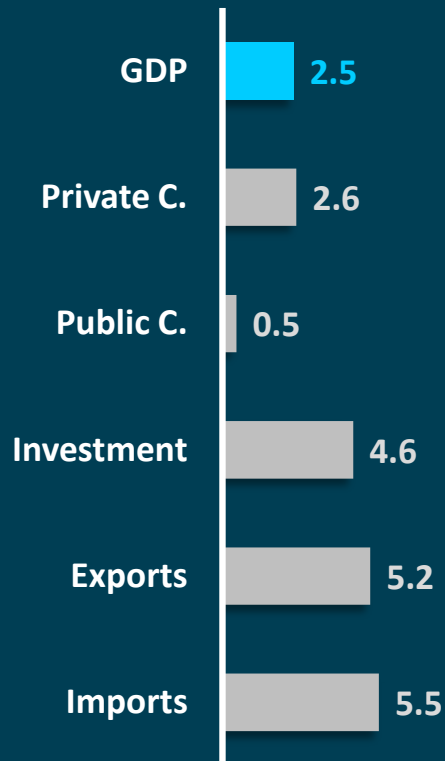
<sup>1</sup> Average up to April 21

Source: "la Caixa" Research based on Eurostat data

# Spain. Growth is strengthening

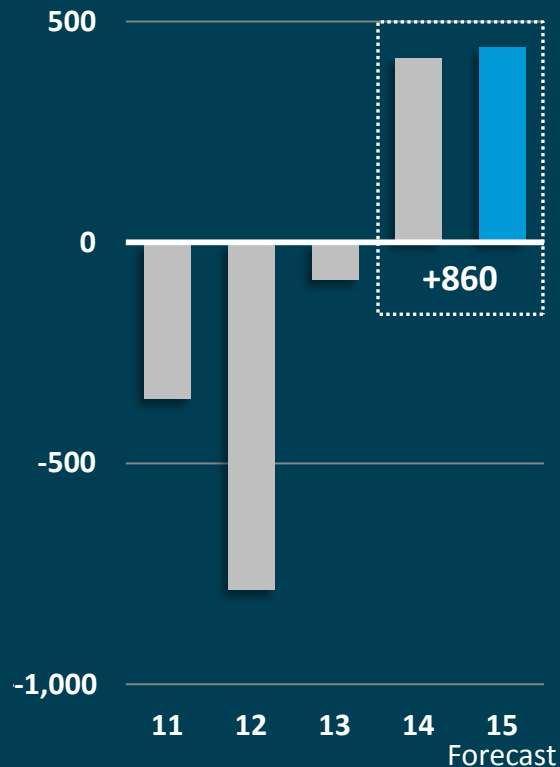
## Growth forecast 2015

% in real terms



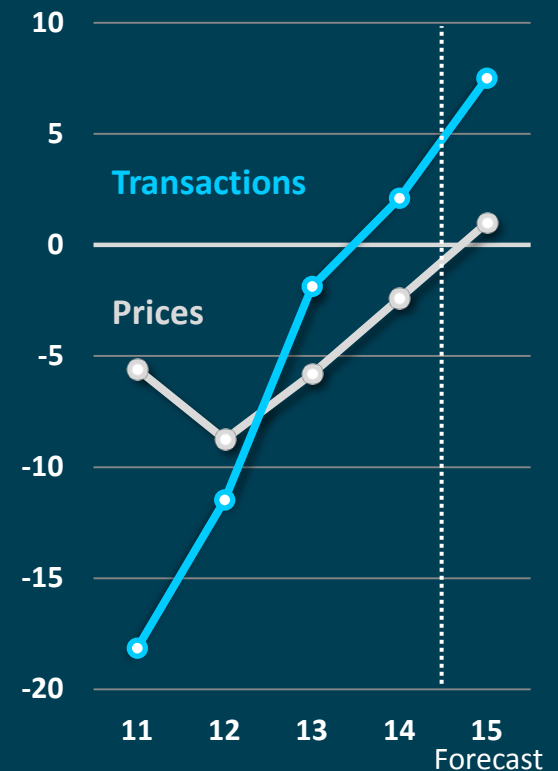
## Employment

Yearly change of payrolls<sup>1</sup> (thousands)



## Real Estate

% year-on-year change



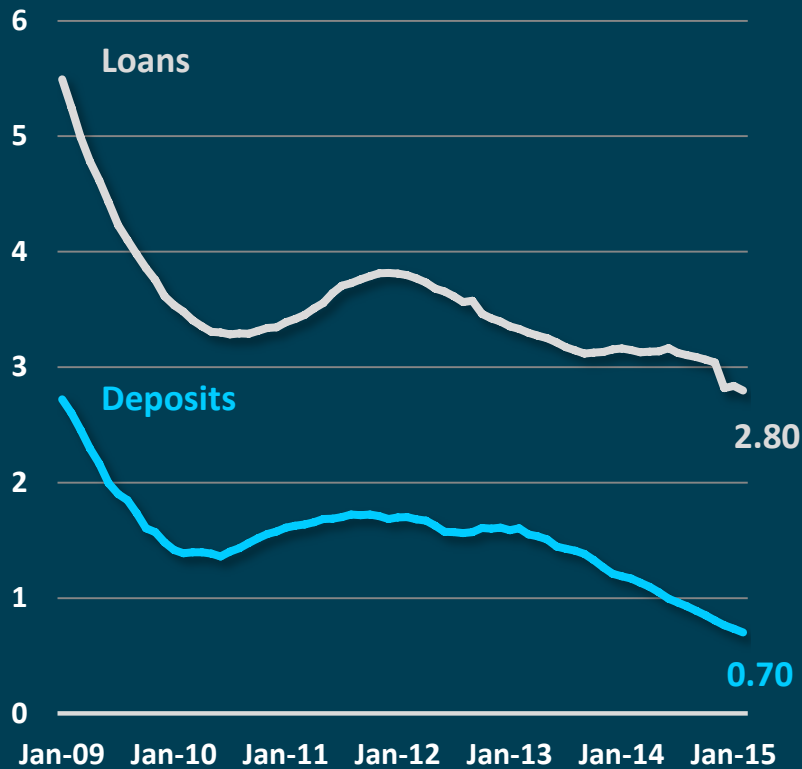
1: People registered as employed with the Social Security

Source: "la Caixa" Research

# Mild recovery of loans, at lower interest rates

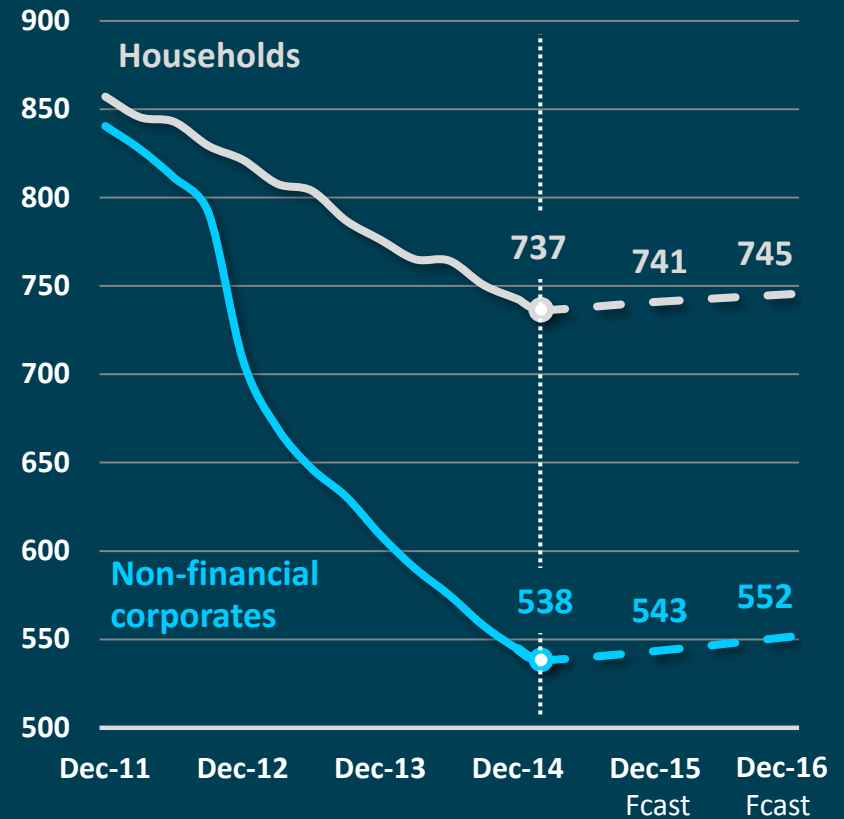
## Average interest rates on loans and deposits

%, on outstanding stock

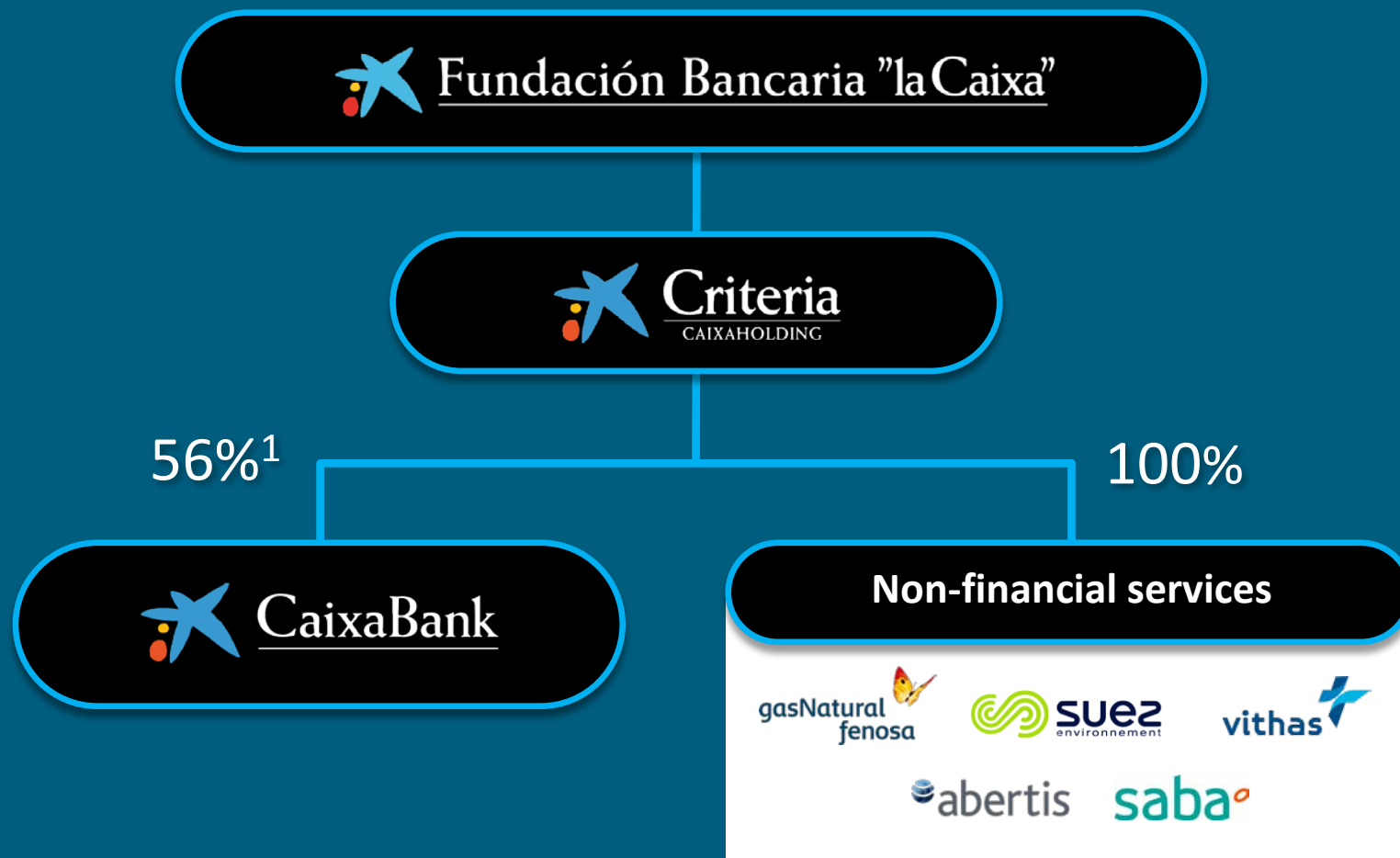


## Outstanding loans in Spain

Million euros



## “la Caixa” Group restructuring



<sup>1</sup> As of 31 December 2014. *Fully diluted* participation, considering that existing convertible bonds are executed



→ Economic and financial environment

→ **CaixaBank's 2014 Results**

→ 1st Quarter 2015 Results

→ Strategic Plan 2015-2018

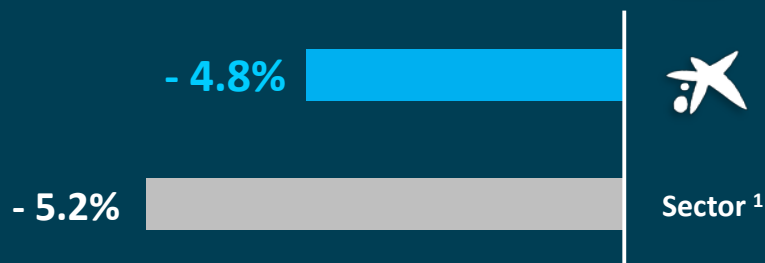
# Strong commercial activity – Increase in market shares

## Resources and loans (DEC-14)

Retail funds: € 271,758 M



Loans: € 197,185 M



Retail  
business volume

€ 468,943  
M

## Market shares

### Key products

CaixaBank (includes Barclays Spain business)

Customer penetration	28.2%	#1
Payroll deposits	24.3%	#1
Pensions deposits	20.3%	#1
Pension plans	19.9%	#1
Saving insurance	21.7%	#1
Mutual funds	17.5%	#1
Deposits	15.3%	#1
Loans	16.5%	#1

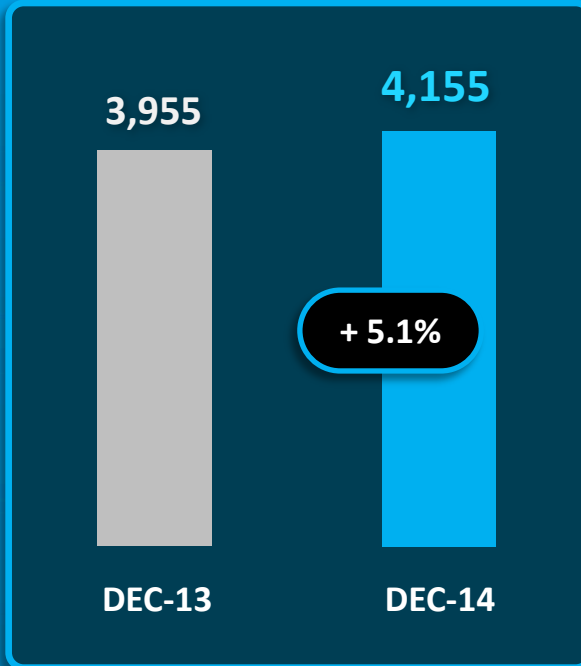
<sup>1</sup> "la Caixa" Research estimates for retail funds and Bank of Spain data for loans.

<sup>2</sup> Source: Own calculations based on available data from FRS Inmark, Bank of Spain, Inverco and ICEA

## Improvement in operating results

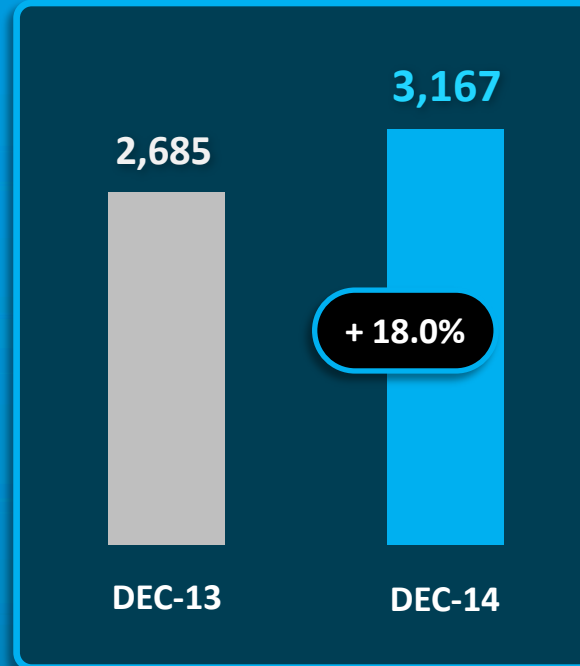
### Net interest income

Million Euros



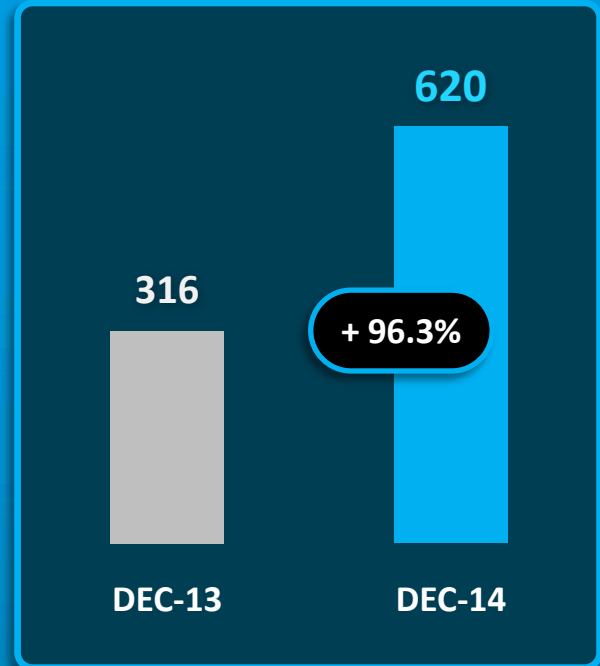
### Recurring pre-impairment income

Million Euros



### Profit attributable to the Group

Million Euros



Recurrent  
expenses

- 4.4%

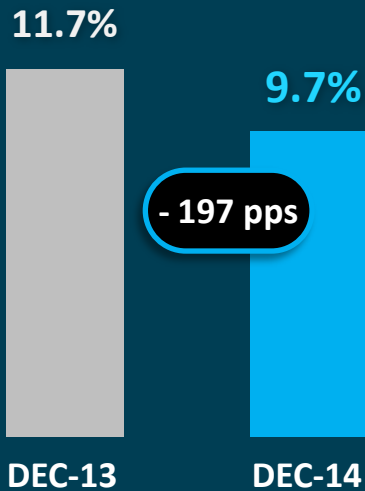
Provisions  
and write-offs

€ 2,579 M

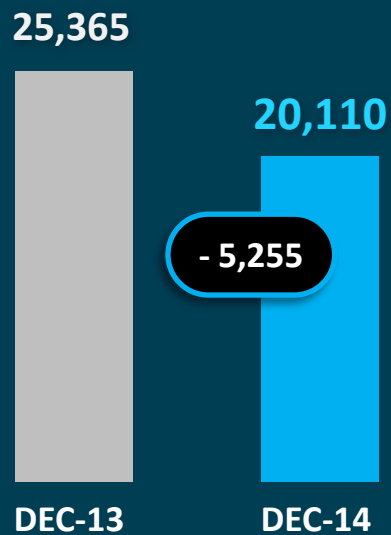
## Balance sheet strength

### Strong risk management

NPL ratio

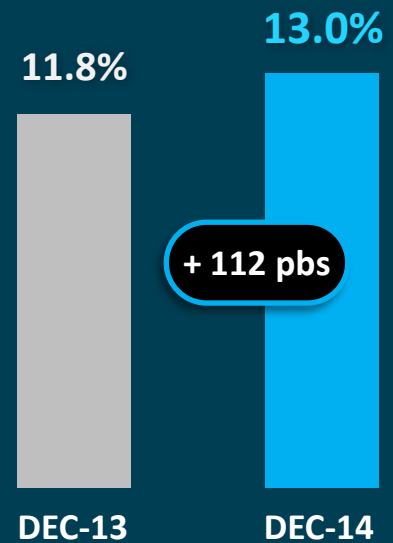


Non-performing loans  
Million Euros



### Core Capital – Basel 3

Regulatory CET1 ratio



Liquidity  
(Million Euros)

56,665

Loan-to-deposit  
ratio

104.3%

CET 1  
Fully loaded

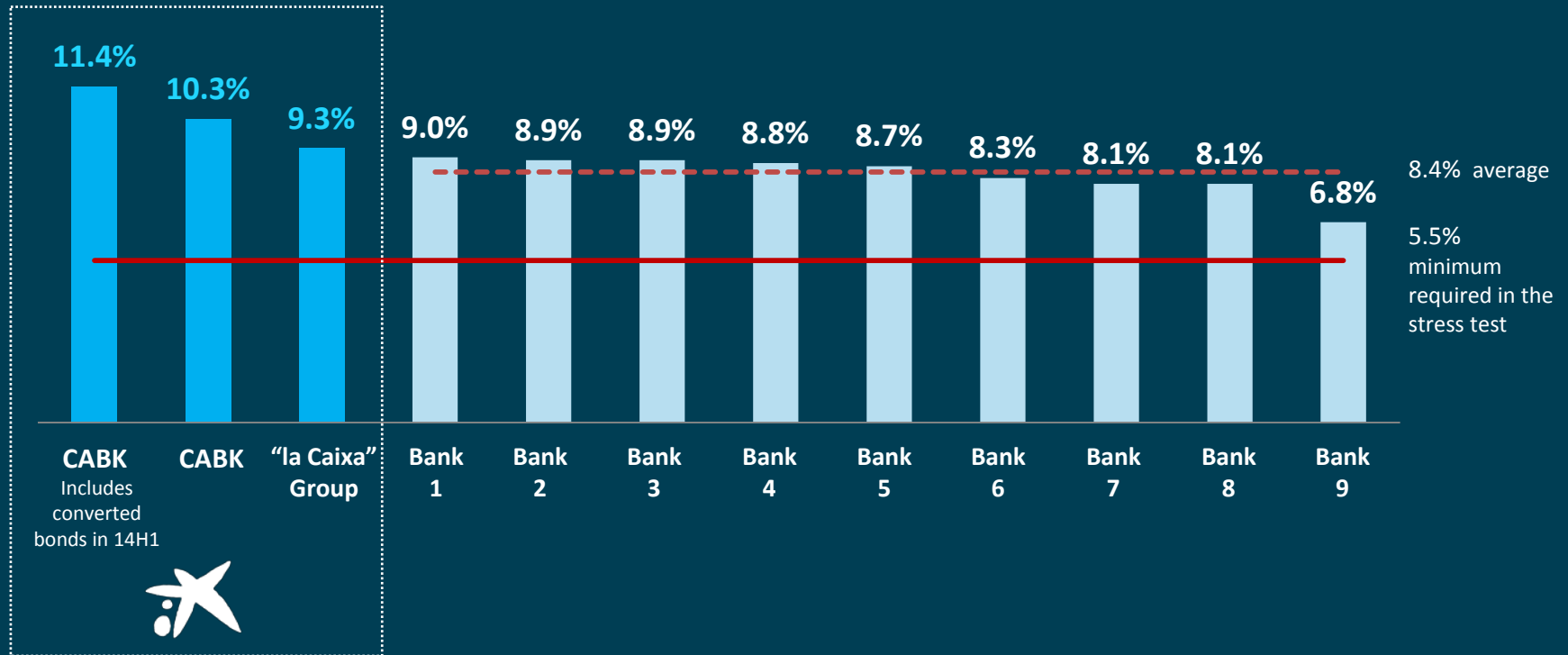
12.1%

Leverage  
ratio

5.7%

## ECB/EBA comprehensive assessment to European banks (October-2014)

### CET1 2016 in adverse scenario – 10 largest banks by market capitalization



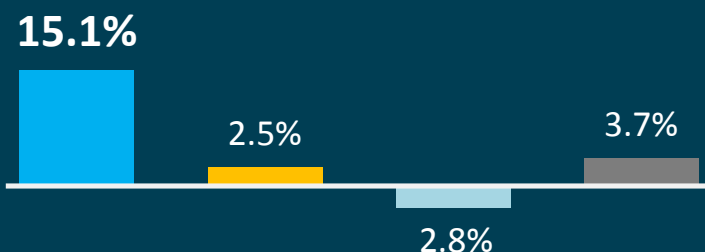
Includes BBVA, SAN, Deutsche Bank, Crédit Agricole, ING, Intesa Sanpaolo, Société Générale, BNP Paribas and UniCredit

**The bank with best results among the 10 largest European banks**

# CaixaBank's 2014 Results

## Stock price evolution

In 2014

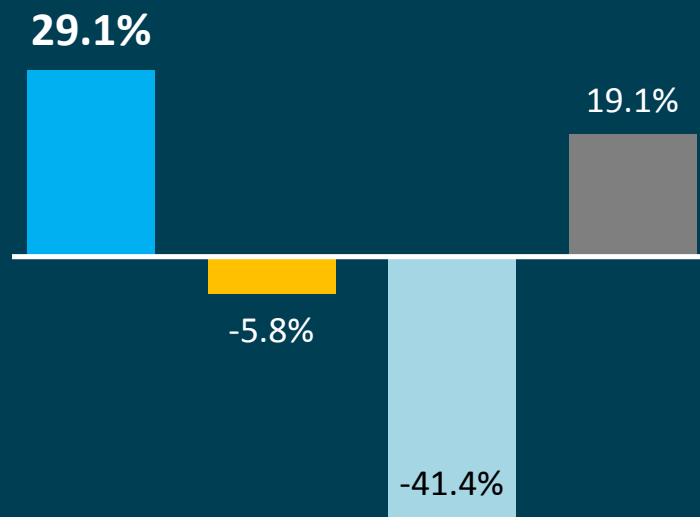


Spanish  
banks<sup>2</sup>

European  
banks<sup>3</sup>

IBEX 35

Since IPO (Oct 10, 2007)  
to Apr 22, 2015 with dividends<sup>1</sup>



Spanish  
banks<sup>2</sup>

European  
banks<sup>3</sup>

IBEX 35

Dividend yield in 2014<sup>4</sup>

4.47%

Price to Book Value  
(April 22nd)

0.93x

<sup>1</sup> Total return to shareholder considering that received dividends are reinvested in shares

<sup>2</sup> Weighted average by stock market capitalization of comparable Spanish banks

<sup>3</sup> Stoxx Europe 600-banks Index

<sup>4</sup> Over the average of the stock closing price of CABK in 2014  
Source: Bloomberg (as of April, 22nd 2015)

## Shareholders' remuneration

**2014 Remuneration:** We are moving forward the cash distribution of dividends → ~50% of cash payout

**SEP 2014**  
**€0.05** ✓  
 Dividend / Share

**DIC 2014**  
**€0,05** ✓  
 Dividend / Share

**MAR 2015**  
**€0,04** ✓  
 Dividend / Share

**JUN 2015**  
**€0.04**  
 Expected Cash

## 2015 Remuneration policy

- ▶ On a quarterly basis
- ▶ Attractive total remuneration
- ▶ Payment method

**0.16**  
 € / share

**3.7%\***  
 Current  
 yield (April, 22nd)

**+** **2** in CASH  
**2** DIVIDEND/SHARE

\* The average dividend yield expected for Spanish banks in 2015 is 2.6% (estimates as per Bloomberg data).

## Acquisition of Barclays Spain businesses

Retail banking, corporate banking and wealth management

### Key figures– June 14 (in Million Euros)

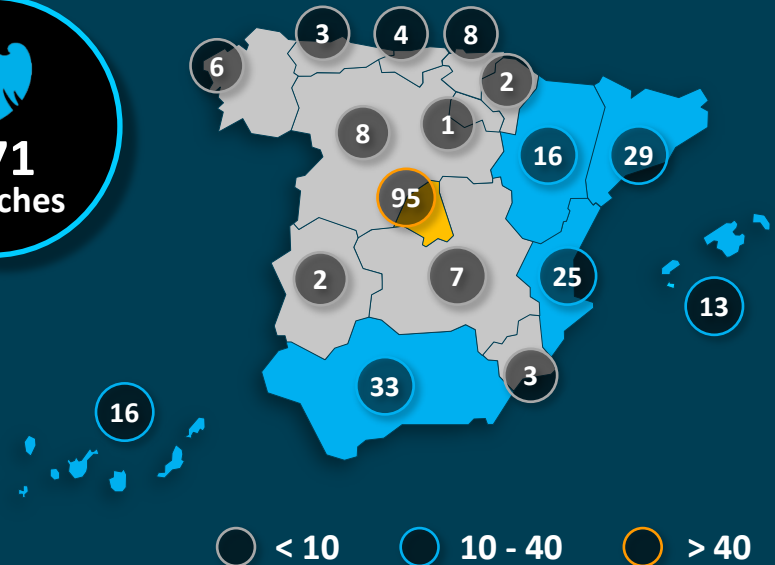
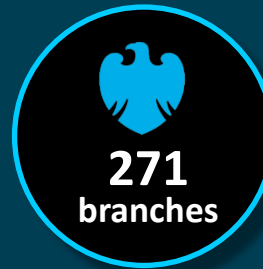
Total assets	21,600
Loans (net amount)	18,400
Deposits <sup>1</sup>	9,900
Assets under management	4,900

Equity	1,700
Total capital ratio	14.5%

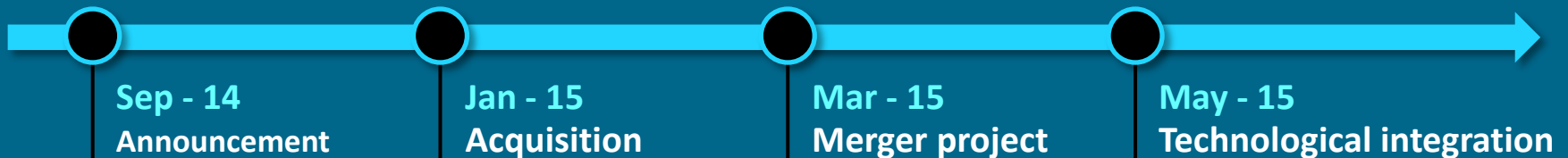
Retail customers	550,000
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Private and Personal Banking	182,000
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<sup>1</sup> Including Repos



### Calendar





→ Economic and financial environment

→ CaixaBank's 2014 Results

→ **1st Quarter 2015 Results**

→ Strategic Plan 2015-2018

# 1st Quarter 2015 Results

## 1st Quarter – Highlights

Customer funds  
€ 293,025 M

+ 7.8%

Loans  
€ 212,077 M

+ 7.6%

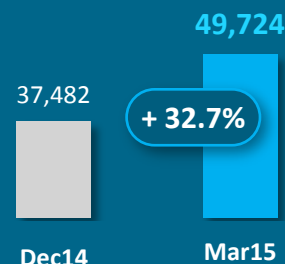
Net interest income  
€ 1,138 M

+ 14.6%

Net income  
+ 99.1 %

€ 375 M

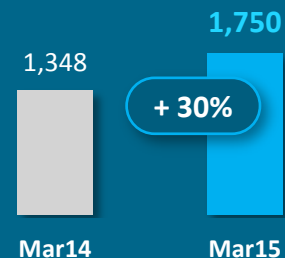
Wealth management<sup>1</sup>  
(in Million Euros)



Mutual funds

1st Managing agent

Premiums and contributions  
(in Million Euros)



Pension plans and  
life insurance

1st Insurance company <sup>2</sup>

 "la Caixa"  
Banca Privada

Best Private Banking in  
Spain 2015

Euromoney - Private Banking Survey

<sup>1</sup> Includes assets in mutual funds, managed or advised portfolios and SICAVs

<sup>2</sup> Position as per managed assets in pension plans + life insurances

- Economic and financial environment
- CaixaBank's 2014 Results
- 1st Quarter 2015 Results
- Strategic Plan 2015-2018**

## Expected business environment over the next four years



## **CaixaBank's business model**

**Leader in retail banking**

**Segmentation  
&  
specialization**

**Branch network  
capillarity &  
best-in-class  
digital banking**

**Innovation  
&  
technology**

**Wide-ranging  
product  
offering**

**Financial strength: solvency and liquidity**

**Corporate values**

“Committed to trustworthy and profitable banking”

## Vision

- ▶ The leading financial group in Spain
- ▶ With a global perspective
- ▶ Recognized by its:
  - Social responsibility
  - Quality of service
  - Financial strength
  - Innovation capacity

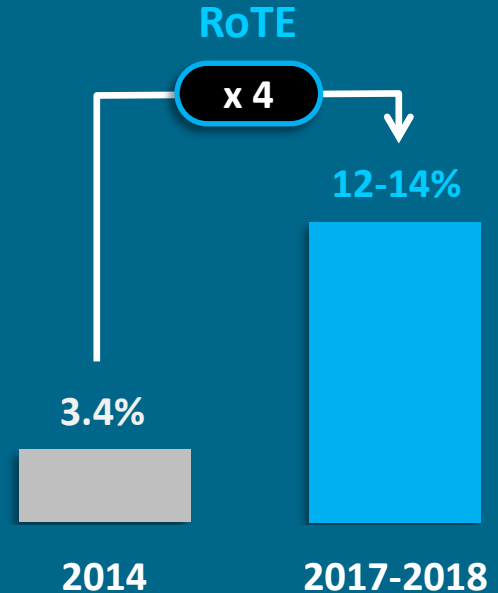


Quality, trust and social commitment

“Committed to trustworthy and profitable banking”

## 5 strategic pillars

- ▶ Customer centricity:  
best-in-class in quality and reputation
- ▶ Sustainable profitability  
above the cost of capital
- ▶ Optimisation of capital allocation
- ▶ Leading the digitalisation of banking
- ▶ Retain and attract the best talent



**Cash payout**

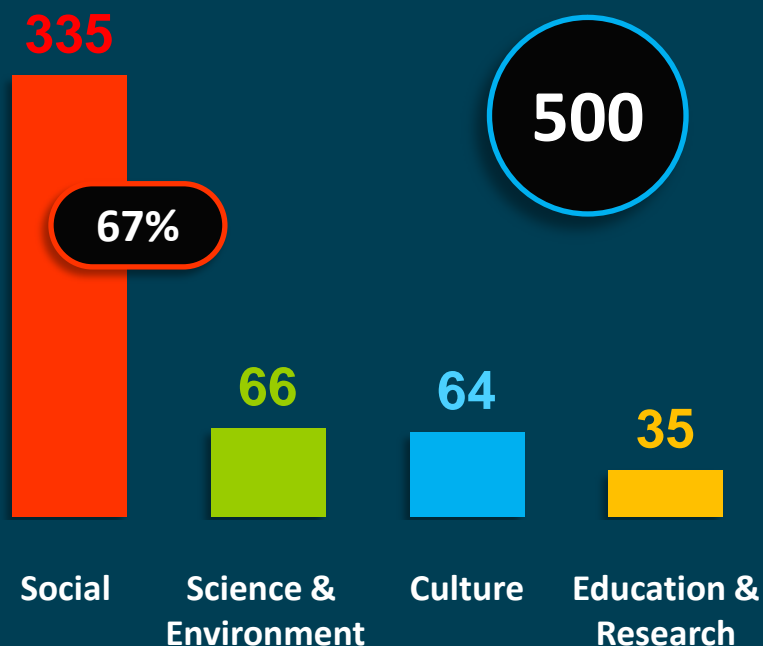
**≥ 50%**

from 2015 onwards

## 2014 and 2015 Budget

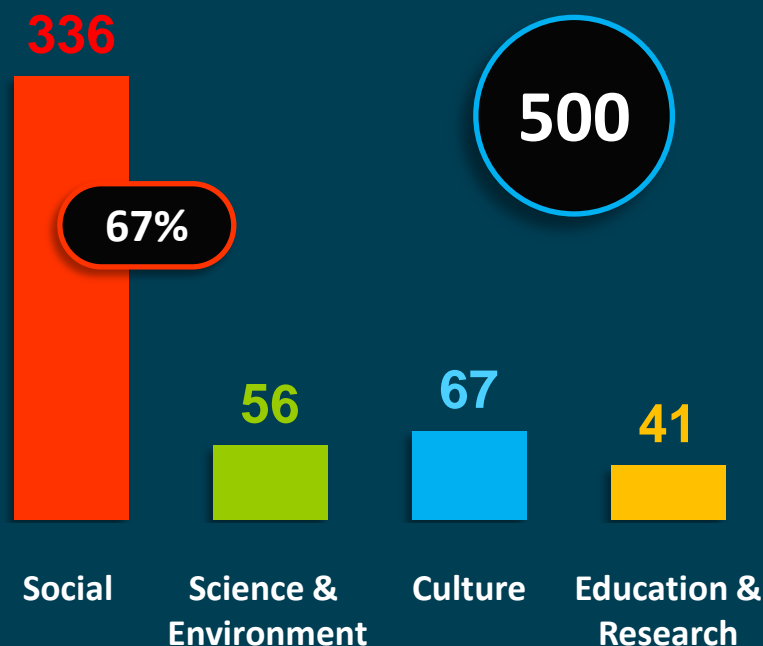
### 2014 Budget

Million euros



### 2015 Budget

Million euros



**40,150** activities (2014)

**9.5 M** beneficiaries (2014)



## Key programmes in 2014



Obra Social "la Caixa"

### CaixaProinfancia

**56,875** Children

### Comprehensive end-of-life-care

**13,956** Patients

### Social Housing

**26,300** Social housing  
stock

### Incorpora

**18,405** Job opportunities

**4,426** Companies

### Older People

**763,250** Beneficiaries  
in 2014

### Environment

**219** Projects

**987** Job opportunities

### CaixaForum

### CosmoCaixa

### Travelling exhibitions

### Palau Macaya

### Cultural activities

### EduCaixa

### Grants

**>4,7M** Visitors/year

**493** Conferences

**423** Concerts

**>2M** Students  
7,755 Schools

**197** Grants





CaixaBank

Thank you

Shareholders' Annual  
General Meeting

2015



CaixaBank

Shareholders' Annual  
General Meeting  
2015



CaixaBank

# Shareholders' Annual General Meeting 2015

Chief Executive  
**Gonzalo Gortázar**

→ **FY 2014**

→ **Strategic Plan 2015-2018**

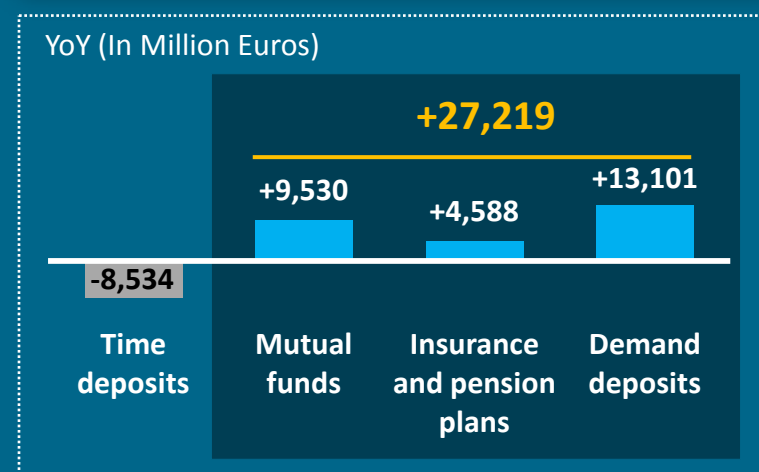
## CaixaBank: FY14 key points

- ▶ **Market share improvement**
- ▶ **Sustained growth of operating results**
- ▶ **Significant NPL reduction**
- ▶ **Ongoing comfortable liquidity and solvency position**
- ▶ **Acquisition of Barclays Spain**

## FY 2014: Commercial Activity

# Customer funds increase, specially mutual funds and pension plans

In Million Euros	2014	YoY
<b>Total customer funds</b>	<b>271,758</b>	<b>5.2%</b>
<b>Funds on balance sheet</b>	<b>207,309</b>	<b>2.5%</b>
<i>of which</i>		
Demand deposits	93,583	16.3%
Time deposits	72,682	(10.5%)
Insurance	32,275	4.7%
<b>Off-balance sheet funds</b>	<b>64,449</b>	<b>15.2%</b>
<i>of which</i>		
Mutual funds	37,482	34.1%
Pension plans	19,941	18.7%



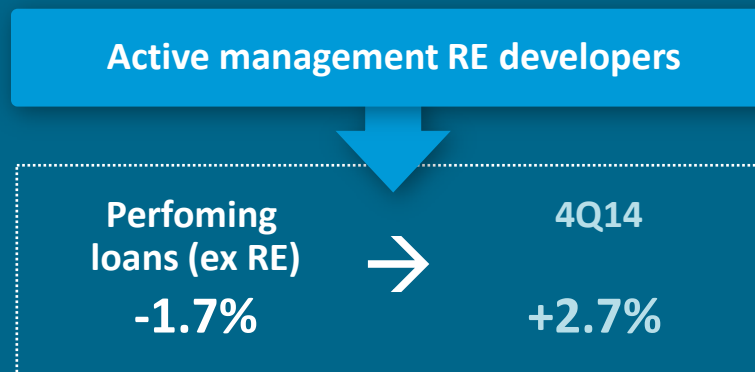
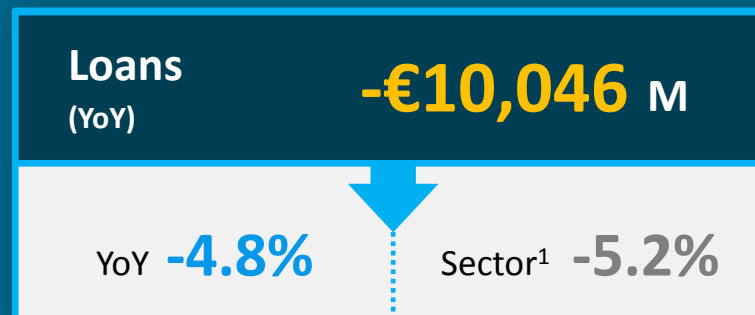
<sup>1</sup> "la Caixa" Research (YTD includes total deposits, note, mutual funds, pension planes and saving insurances)



## FY 2014: Commercial Activity

Moderating trend in deleveraging,  
with positive credit growth in 4Q

In Million Euros	2014	YoY	4Q14
<b>Total loans</b>	<b>197,185</b>	<b>(4.8%)</b>	<b>+1.4%</b>
<b>Loans to individual</b>	<b>111,350</b>	<b>(5.4%)</b>	
<i>Of which</i>			
Residential mortgages	80,421	(4.7%)	
<b>Loans to businesses</b>	<b>72,276</b>	<b>(8.9%)</b>	<b>+3.7%</b>
<i>Of which</i>			
Real Estate developers	14,069	(29.6%)	
<b>Public sector</b>	<b>13,559</b>	<b>33.4%</b>	
<b>Performing loans (ex RE)</b>	<b>171,111</b>	<b>(1.7%)</b>	<b>+2.7%</b>



<sup>1</sup> "la Caixa" Research (YTD other resident sector loans + public administration loans)

## Sustained growth of operating results

In Million Euros	2014	2013	YoY <sup>1</sup>
<b>Net interest income</b>	<b>4,155</b>	<b>3,955</b>	<b>5.1%</b>
Net fees and commissions	1,825	1,760	3.7%
Income from investments	491	446	10.2%
Gains on financial assets and exchange rate d.	640	679	(5.8%)
Other operating income & expenses	(171)	(475)	(64.0%)
<b>Gross income</b>	<b>6,940</b>	<b>6,365</b>	<b>9.0%</b>
Recurrent expenses	(3,773)	(3,947)	(4.4%)
Extraordinary expenses		(839)	
<b>Recurrent pre-impairment income<sup>2</sup></b>	<b>3,167</b>	<b>2,685</b>	<b>18.0%</b>
Impairment losses & others	(2,579)	(4,329)	(40.5%)
Gains/losses on disposal of assets and others	(386)	1,770	
<b>Pre-tax income</b>	<b>202</b>	<b>(980)</b>	
Taxes and minority interests	418	1,296	(67.8%)
<b>Profit attributable to the Group</b>	<b>620</b>	<b>316</b>	<b>96.3%</b>

### ► Upward trend of core income (NII and fees)

- Customer spread improvement
- Fees improvement due to insurance and off- balance funds

### Gross income

**+9.0%** YoY

<sup>1</sup> Restatement of FY13 P&L to reflect new accounting of DGF contributions due to the adoption of IFRIC 21 and NIC8

<sup>2</sup> In 2013, it does not include the impact of the new accounting for DGF contributions or of extraordinary operating expenses

## Sustained growth of operating results

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- **Cost discipline and contribution of synergies**
- **Cost-to-income improvement: 54.4% (-5pp YoY)**

**Recurrent pre-impairment income**  
**+18,0% YoY**

<sup>1</sup> Restatement of FY13 P&L to reflect new accounting of DGF contributions due to the adoption of IFRIC 21 and NIC8

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## Sustained growth of operating results

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► Provisions decrease significantly

Cost of Risk improvement

from  
**+1.86%**  
to  
**1.00%**  
YoY

**Continued high  
provisioning efforts**

<sup>1</sup> Restatement of FY13 P&L to reflect new accounting of DGF contributions due to the adoption of IFRIC 21 and NIC8

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## Sustained growth of operating results

In Million Euros

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### Profit attributable to the Group

**€620 M**

- ▶ Banking & insurance **€ 1,541 M**
- ▶ Real Estate **-€1,148 M**
- ▶ Equity invest. **€ 227 M**



**+96.3%**

YoY

**+23.2%**

*without 2013 DGF impact*

<sup>1</sup> Restatement of FY13 P&L to reflect new accounting of DGF contributions due to the adoption of IFRIC 21 and NIC8

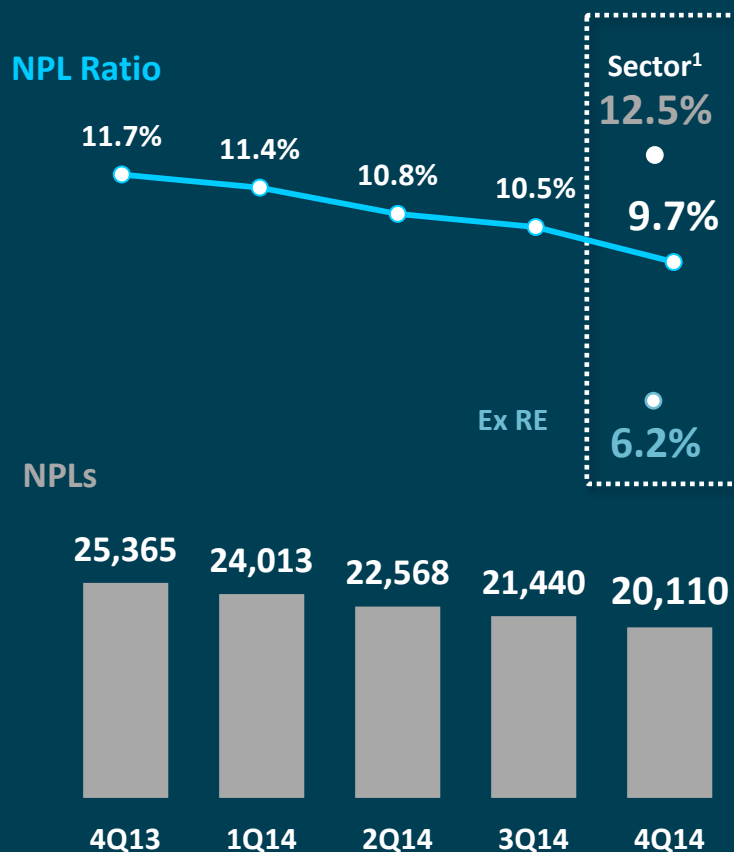
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# FY 2014: Balance sheet strength

## Good risk management

### Sharp reduction in NPL ratio

In Million Euros and %

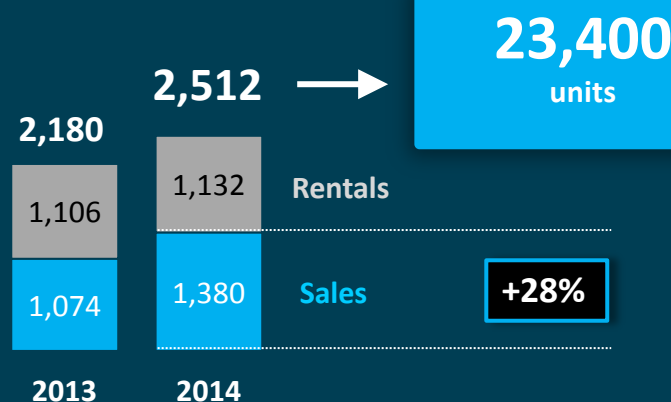


### Increased sales of foreclosed assets

Foreclosed RE assets

<b>€6,719 M</b>	<b>€2,771 M</b>	<b>55.0%</b>
Available for Sale Real Estate Assets	Rental portfolio	Coverage ratio <sup>2</sup>

Commercial activity  
In Million Euros



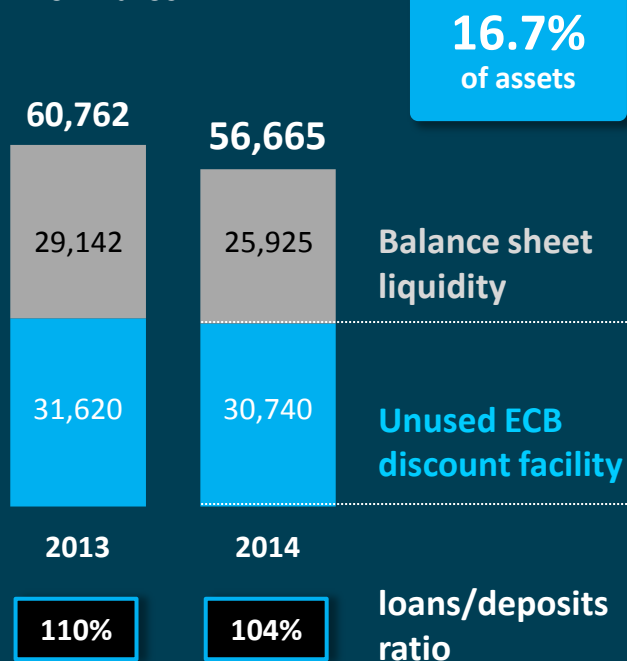
<sup>1</sup> Data as of December (exclude problematic assets transferred to Sareb)

<sup>2</sup> Coverage considers the difference between cancelled debt and net value

# Excellent liquidity and solvency position

## Liquidity Evolution

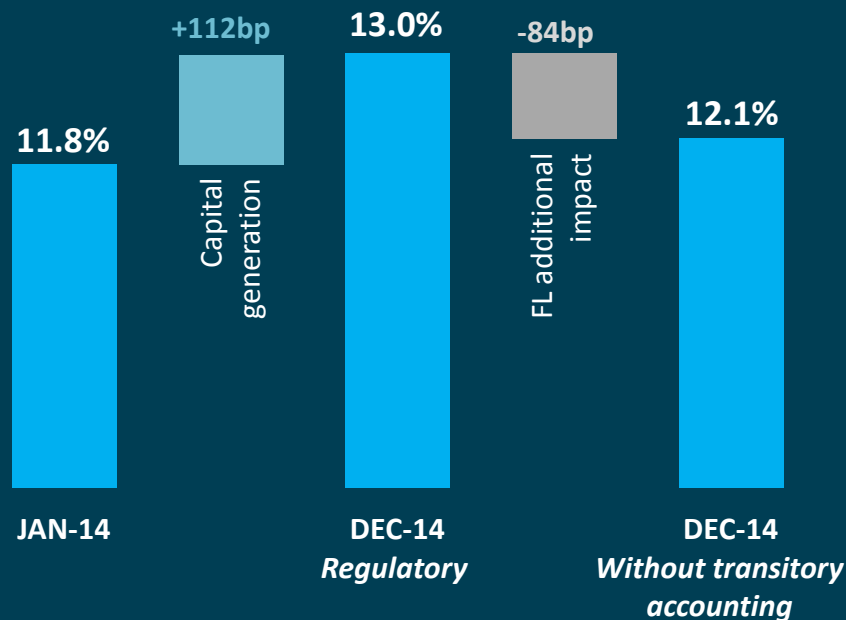
In Million Euros



**+€6,868 M (TLTRO)**  
Early full repayment LTRO (€15,480 M)

## Solvency – CET1 (BIS III) Evolution

In percentage of risk weighted assets



**Stronger capital position**  
Strong capital rise throughout 2014

**We close 2014 with a unique positioning  
to back the economic recovery and meet future challenges**

▶ **Market shares improvement**



▶ **Operating results improvement**



▶ **NPL ratio sharp reduction**



▶ **Excellent liquidity and solvency position**







FY 2014

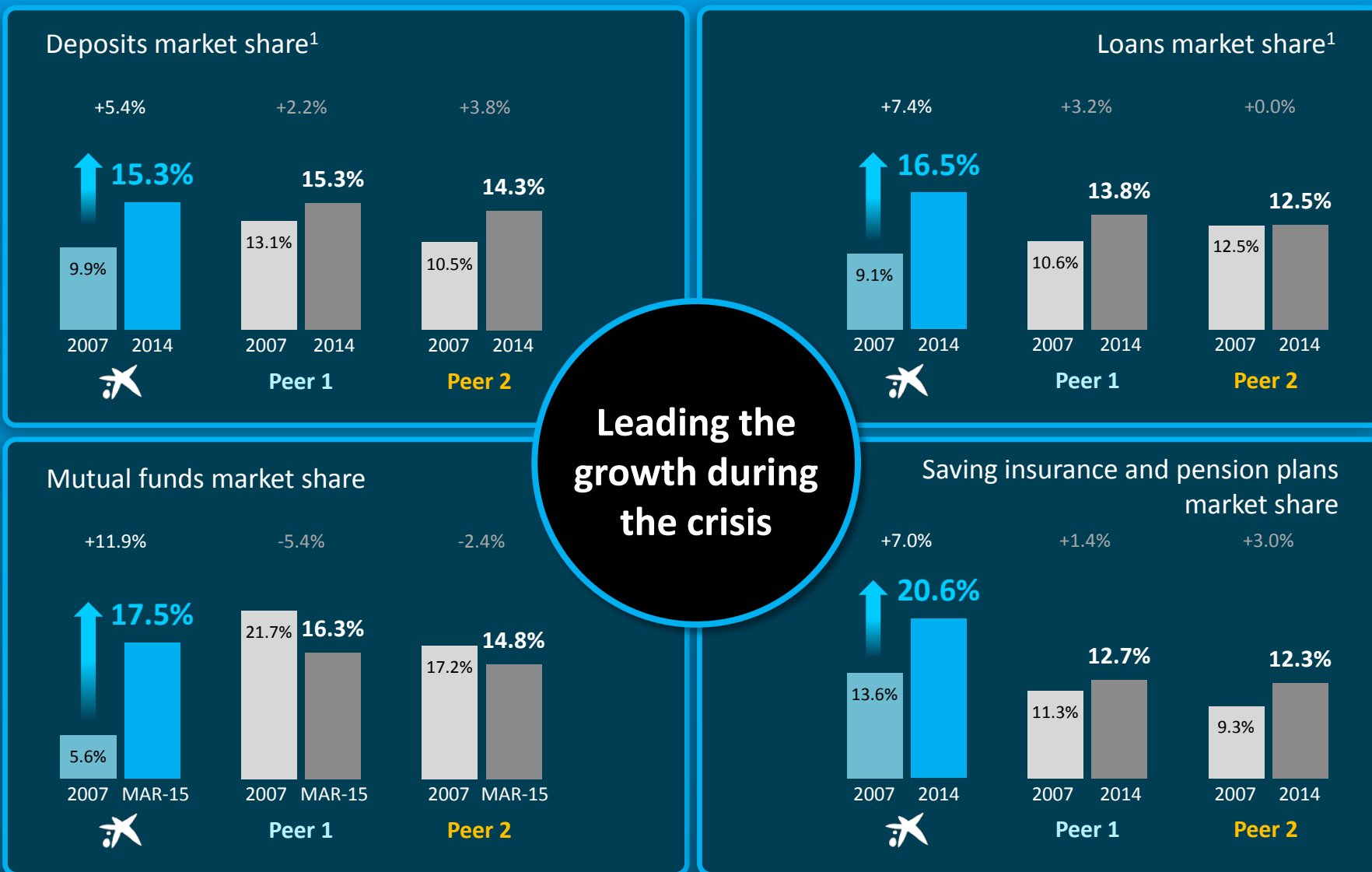


## Strategic Plan 2015-2018

Excellent starting point

Strategic priorities

# Proved growth capacity

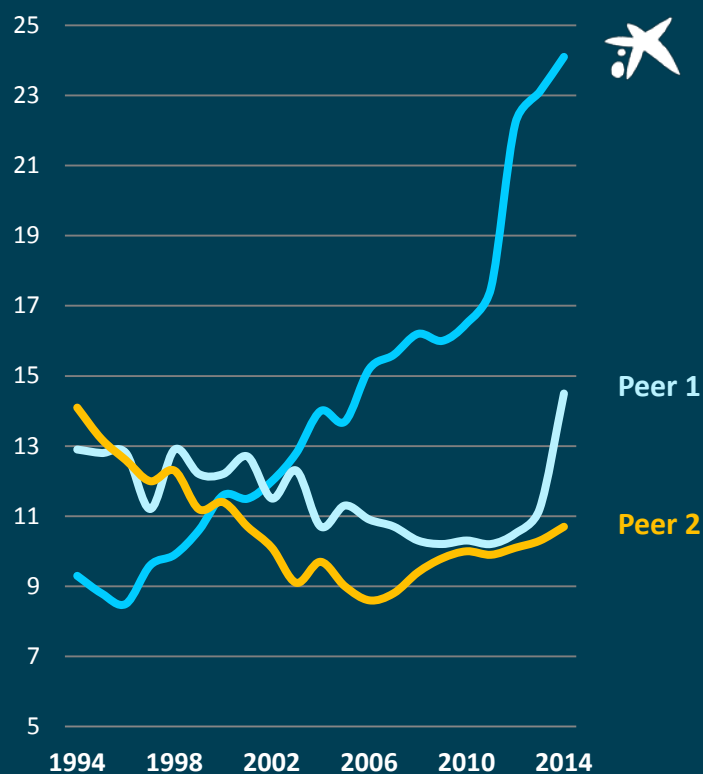


<sup>1</sup>To other resident sectors

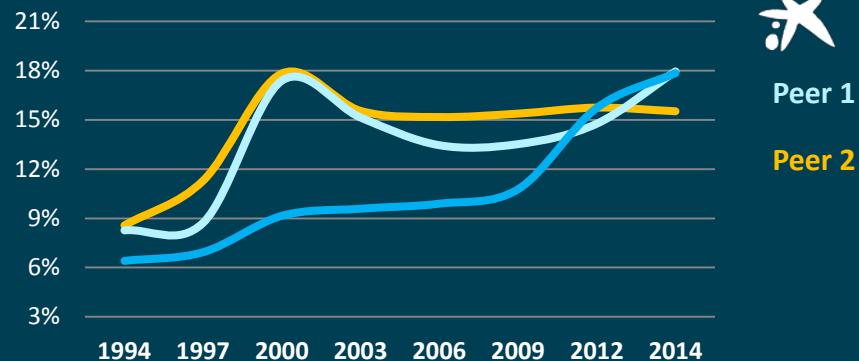
NOTE: 2014 market shares include announced mergers and acquisitions

# Strategic Plan: Excellent starting point ...also with a long run perspective

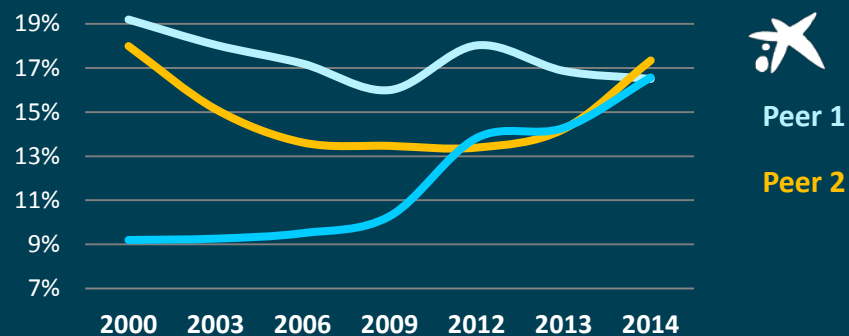
Market penetration for retail clients  
(primary bank)



Share of total loans<sup>1</sup>



Share of total deposits<sup>1</sup> + mutual funds + pension plans



<sup>1</sup>Other resident sectors + public sector+ non resident sector

NOTE: 2014 market shares include announced mergers and acquisitions. Loans and deposits market share over total banks and savings banks. Latest available figures.

## Strategic Plan: Excellent starting point

# Supported by a unique omni-channel distribution

### The largest branch network in Spain



**5,251**  
branches

- ▶ Over 9,000 advisory specialists

**17.3%**  
share<sup>1</sup>

- ▶ 5,000 employees with mobile devices  
→ >20,000 in 2016

### The largest ATM network in Spain



**9,544**  
ATMs

- ▶ >200 functionalities

**18.9%**  
share<sup>1</sup>

- ▶ **76% absorption**  
(branch opening hours)
- ▶ **98% availability**

### Leader in internet banking



**4 M**  
active  
customers<sup>2</sup>

- ▶ **32% of transactions**

**35.8%**  
customers  
penet.<sup>3</sup>

- ▶ Video-banking,  
chat, R2B

### Leadership in mobile banking



**2 M**  
active  
customers<sup>2</sup>

- ▶ **21% of transactions**

- ▶ **> 70% app with new services**

<sup>1</sup>Spanish branches

<sup>3</sup>Source: ComScore

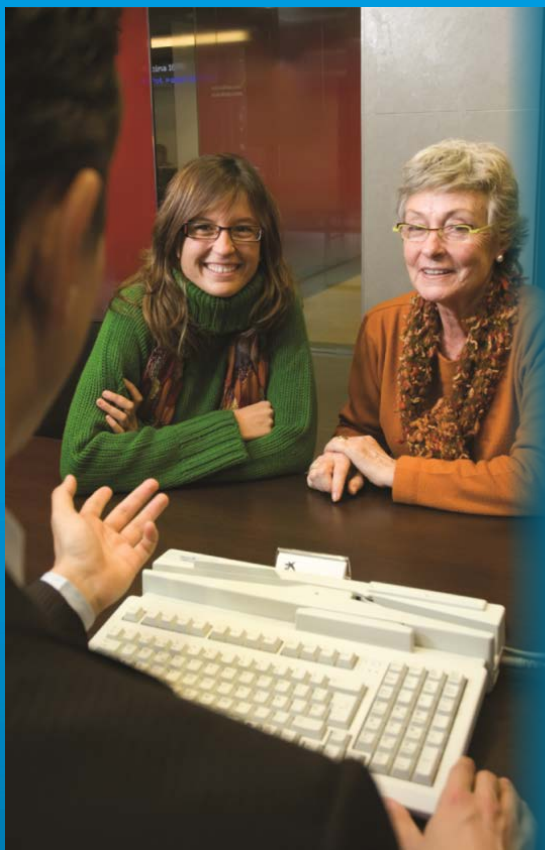
<sup>2</sup>Customers between 20 and 74 years with at least one transaction through CaixaBank's home banking in the last 2 months

NOTE: Figures as of December 2014

*“Committed to trustworthy and profitable banking”*

- 1 Customer centricity: best-in-class in quality and reputation
- 2 Sustainable profitability above the cost of capital
- 3 Optimisation of capital allocation
- 4 Leading the digitalisation of banking
- 5 Retain and attract the best talent

# 1 Customer centricity: best-in-class in quality and reputation



**+ Convenience**  
(capilarity and inclusion)

**+ Transparency**

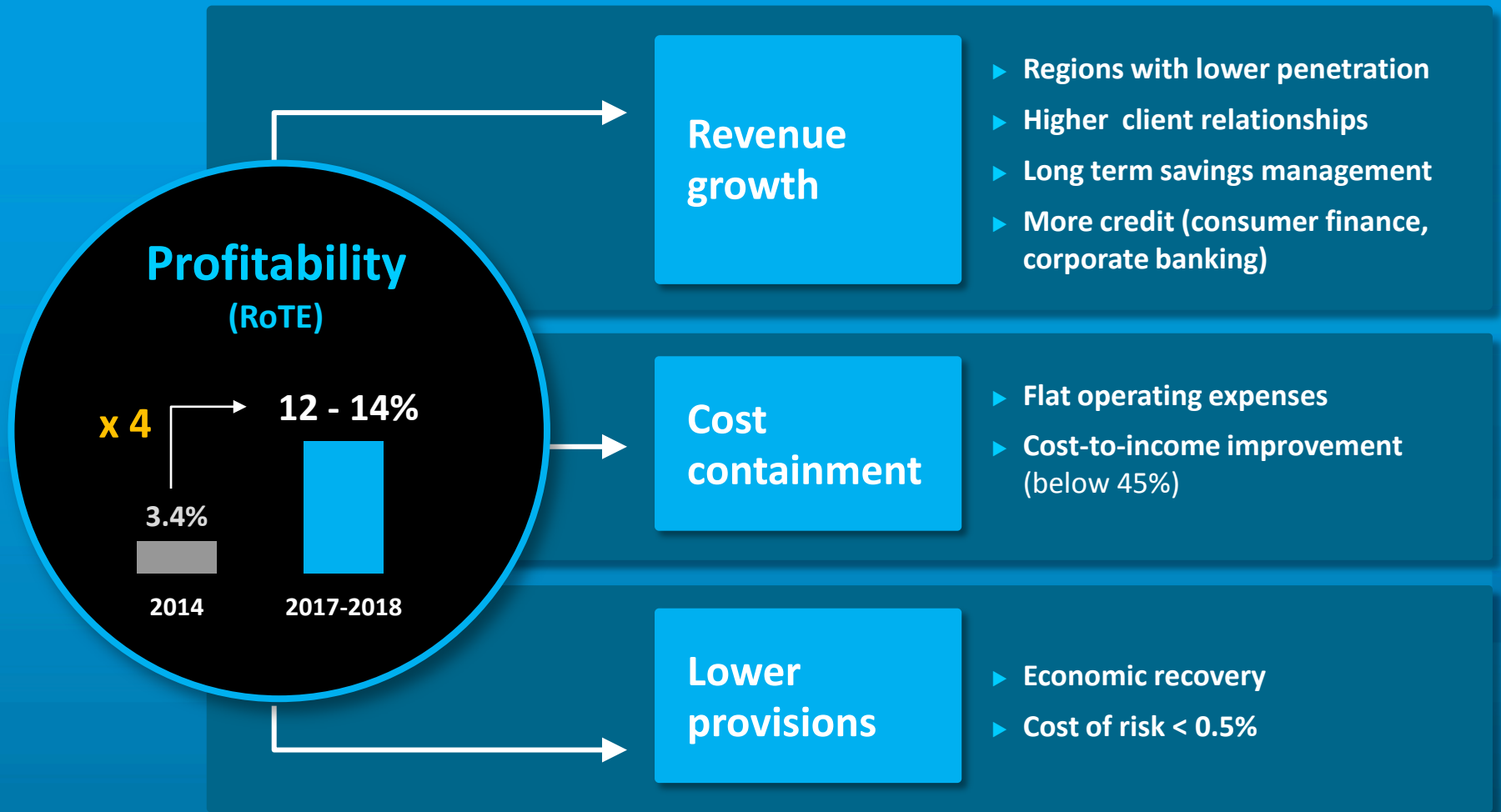
**+ Advisory focus**

**+ Commitment to society**



**Focus on the  
client**

## 2 Sustainable profitability above the cost of capital

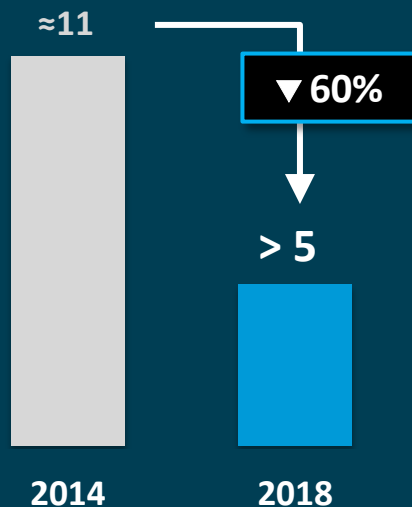


## 3 Optimisation of capital allocation

### Capital optimisation

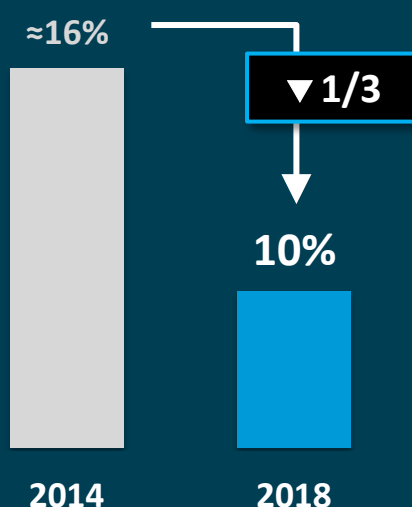
#### Decrease in problematic real estate exposure

Available for sale foreclosed assets  
+ NPL RE developers <sup>1</sup>  
(In Billion Euros)



#### Reduction of capital consumption of the equity portfolio

Capital assigned to equity  
portfolio (percentage)



Objective CET1 FL  
**11% - 12%**



Payout  
**≥ 50%**

<sup>1</sup> Net of provisions



## 4 Leading the digitalisation of banking

Technological innovation is part of our corporate culture

Widely recognized



*Best retail bank  
for IT Innovation  
2013 & 2014*



*Most innovative Bank  
in 2011 & 2013*



*Most innovative bank  
in 2013*



*#2 best bank worldwide  
in mobile banking 2014*

Enhancement of commercial effectiveness and customer experience

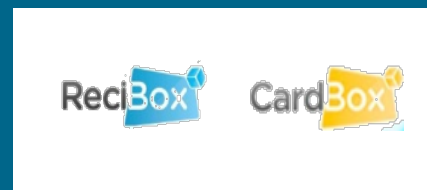
### Mobile solutions

- 20,000 employees with mobile devices in 2016
- Digital signature



### Improvement of customer experience

- ↑ digital sales
- New tools



### Big Data: from data to value

- Customization of channels and processes
- Better service



## 5 Retain and attract the best talent



**Excellent  
foundation on  
which to build**

- ▶ **Continue to invest in training**  
(best skilled professionals: quality advisory services)
- ▶ **Free of “silos” and decentralized corporate structure**
- ▶ **Empowering employees**  
(key role of the branch)
- ▶ **Fostering meritocracy and diversity**

*“Committed to trustworthy and profitable banking”*

## *CaixaBank strengths*

- Capital
- Scale
- Technology
- Human resources



**Shareholder  
base**





# Thank you

Shareholders' Annual General Meeting

## 2015