# MERGER PLAN

**between**

**CAIXABANK, S.A.**

**and**

**BANCA CÍVICA, S.A.**

**Barcelona and Sevilla, 18 April 2012**

## 1. INTRODUCTION

For the purposes of articles 30, 31 and related provisions in Law 3/2009 of 3 April on structural amendments to private companies (the "**Structural Amendments Law**"), the undersigned, as members of the Boards of Directors of CaixaBank, S.A. ( "**CaixaBank**" or the "**Absorbing Company**") and of Banca Cívica, S.A. ("**Banca Cívica**" or the "**Absorbed Company**") file this merger plan (the "**Merger Plan**" or the "**Plan**") which will be submitted to the approval of the General Meetings of Shareholders of CaixaBank and of Banca Cívica, pursuant to article 40 of the Structural Amendments Law.

The Plan results from the "Integration Agreement between CaixaBank, S.A. and Banca Cívica, S.A." adopted on the 26 March 2012 between CaixaBanc, Caja de Ahorros y Pensiones de Barcelona ("**la Caixa**"), Banca Cívica, Caja de Ahorros y Monte de Piedad de Navarra ("**Caja Navarra**"), Monte de Piedad y Caja de Ahorros San Fernando de Guadalajara, Huelva, Jerez y Sevilla ("**Cajasol**"), Caja General de Ahorros de Canarias ("**Caja Canarias**") y Caja de Ahorros Municipal de Burgos ("**Caja de Burgos**") in order to determine the essential conditions and the actions to be taken by such entities in relation to the integration of Banca Civica into CaixaBank. The integration will be implemented by means of a merger in which the latter takes over the former, with the signing of a shareholders' agreement between "la Caixa" and Caja Navarra, Cajasol, Caja Canaraias, and Caja de Burgos, in order to regulate their relations as shareholders of CaixaBank, and their collaboration with CaixaBank, for the purposes of reinforcing their actions in respect of CaixaBank and supporting their control of "la Caixa".

Caja Navarra, Cajasol, Caja Canarias, and Caja de Burgos will be referred to collectively as the "**Cajas**"

The content of the Plan is as provided below.

## 2. REASONS FOR THE MERGER

### 2.1 Introduction

There are many examples of integration of credit institutions, both at a national and international level, in their permanent search to face market conditions in the most efficient and competitive way possible.

There are several examples of integration processes in the Spanish credit institution system. We are witnessing a financial and economic environment that is characterized by an increasing demand for capital requirements -both domestically and internationally-, by increased competition in the banking sector, due to difficulties to get financing and, by tight margins.

The integration of Banca Cívica into CaixaBank will take place in this context. There will be significant benefits for the shareholders of both entities, as will be analysed in section 2.4.

### 2.2 Reference to CaixaBank

Since 1 July 2011 "la Caixa" has been carrying on its financial activity as a credit institution indirectly through CaixaBank, under the provisions of Royal Decree Law 11/2010 of 9 July 2010 amending Law 31/1985 of 2 August 1985 on the regulation of the basic rules on the governing bodies of cajas de ahorros ("**Royal Decree Law 11/2010**") and under Decree Law 5/2010 of 3 August 2010, amending Legislative Decree 1/2008 of 11 March 2008, which approved the consolidated text of the Savings Banks Law of Catalonia. "la Caixa" currently owns 81.516% of the share capital of CaixaBank.

At present, CaixaBank is one of the strongest credit institutions in the Spanish market with a core capital of 12.5%, a market share by offices of 12.7% and a cash flow on 31 December 2011 of EUR 20,948 million (7.7% of the total assets).

The recurring net profit attributable on 31 December 2011 amounted to EUR 1,185 million, with an operating margin of EUR 3,040 million (0.9% higher than in 2010).

### 2.3 Reference to Banca Cívica

Banca Cívica is currently the central company (*sociedad central*) of the Institutional Protection Scheme (*Sistema Institucional de Protección,* or "SIP"). It is the entity through

which the Cajas carry on their financial activity indirectly, under Royal Decree Law 11/2010. In particular, the Cajas own 55.32% of the share capital and voting rights of Banca Cívica (distributed in the following percentages: (i) 16.097% is held by Caja Navarra, (ii) 16.097% by Cajasol, (iii) 11.782% by Caja Canarias and (iv) 11.340% by Caja de Burgos).

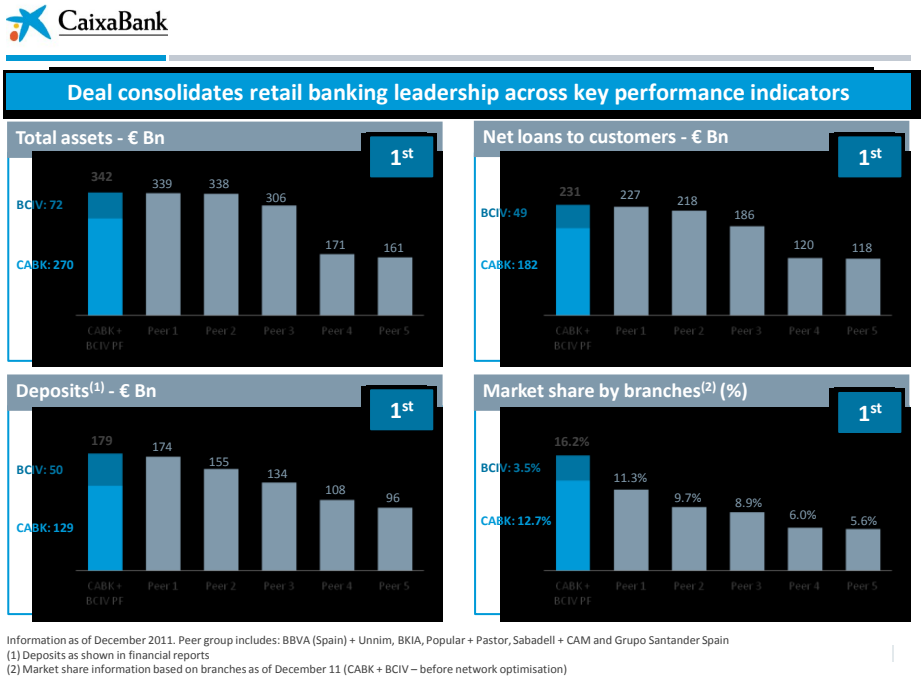
Banca Cívica is currently the tenth entity of the Spanish financial system in terms of volume of assets, with a market share by office of 3.2%.

Although its business activity is distributed throughout Spain, Banca Cívica has a privileged position in the market of the autonomous regions of Navarra, the Canary Islands, Andalusia and Castilla y León.

## 2.4 Advantages of the Merger

The Merger by absorption will have important advantages for CaixaBank and Banca Cívica. The following can be highlighted:

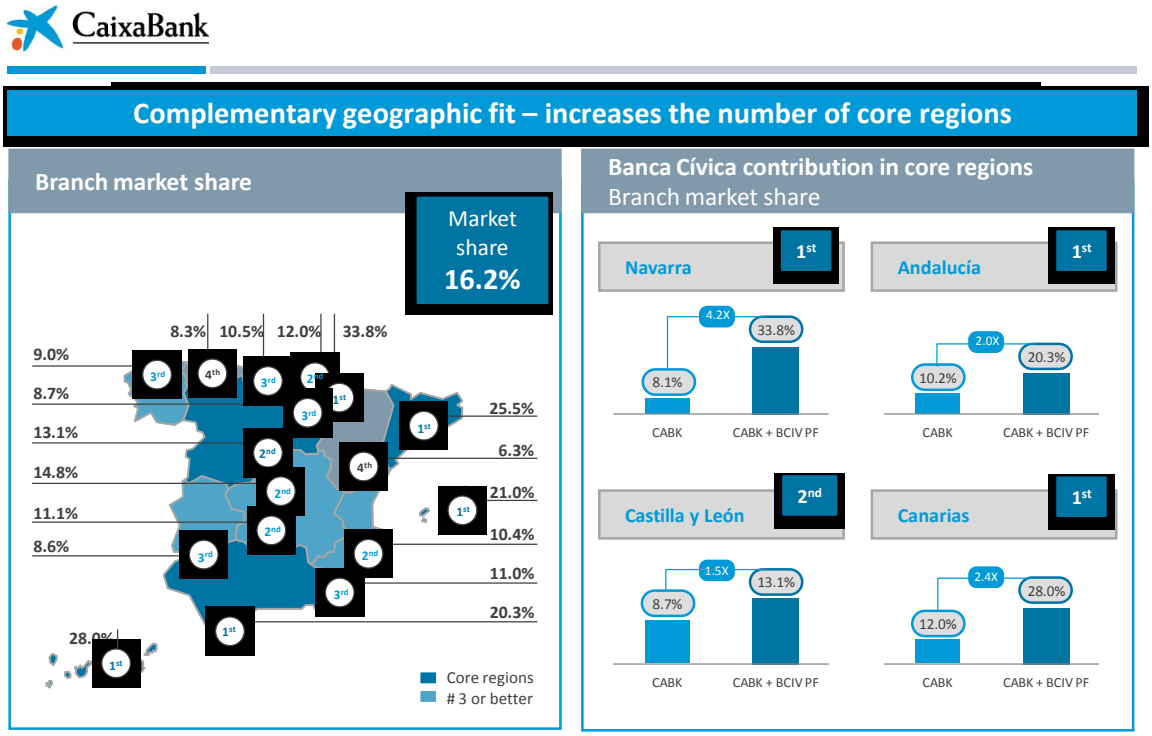
(i) Improved competitive position. CaixaBank will consolidate as a market leader in the Spanish retail banking market. The Merger will enable CaixaBank to attain 15% of the market share in the most relevant products of the retail market, and become the first institution in this market by assets, credit to customers, deposits and number of offices.




Information as of December 2011. Peer group includes: BBVA (Spain) + Unnim, BKIA, Popular + Pastor, Sabadell + CAM and Grupo Santander Spain
(1) Deposits as shown in financial reports
(2) Market share information based on branches as of December 11 (CABK + BCIV – before network optimisation)

(ii) Strengthening major territories. The complementarity of Banca Cívica and CaixaBank from a geographic perspective will allow the Cajas to provide CaixaBank its accumulated management experience in their areas of influence, where CaixBank will have a greatly enhanced presence.

Moreover, the Merger will mean an increase in the number of the autonomous regions in which CaixaBank is the most relevant credit institution, despite the strong competition from other entities.




(iii) Diversification of risk. The Merger, will involve higher risk diversification, both geographically, and as regards the industry sectors currently operating in CaixaBank and Banca Cívica.

(iv) Increase of profitability. The synergies arising from the integration will allow CaixaBank to be a more efficient and profitable entity, with a structure that is ready to meet the demands of the market in the future.

(v) Economies of scale. The integration will allow for greater exploitation of economies of scale, given the complementary nature of both entities, also leading to a clear improvement in efficiency ratios.

## 3. MERGER STRUCTURE

The legal structure chosen to carry out the integration of the participating companies is a merger, pursuant to article 22 and following of the Structural Amendments Law. The intended merger will be carried out through the absorption of Banca Cívica (absorbed company) by Caixabank (absorbing company). The absorbed company will be extinguished by dissolution without liquidation and block transfer of its total net assets to the absorbing company, which will acquire the rights and obligations of Banca Cívica through a universal succession.

CaixaBank will increase, if any, its share capital in the appropriate amount in accordance with the exchange ratio defined in Section 5 of this Plan, to allow Banca Civica's shareholders to participate in the share capital of CaixaBank social receiving a number of shares proportional to their participation in the Absorbed Company

## 4. ENTITIES PARTICIPATING IN THE MERGER

### 4.1 CAIXABANK (Absorbing Company)

CaixaBank, S.A., a Spanish credit institution with registered address at Avenida Diagonal, 621, 08028 Barcelona, holding taxpayer identification number A-08663619; registered in the Barcelona Commercial Registry in volume 10,159, folio 210, page B41.232, entry 25 and registered in the Bank of Spain's Registry of Banks and Bankers under number 2100.

The share capital of CaixaBank is three thousand eight hundred and forty million one hundred and three thousand, four hundred and seventy-five euros (EUR 3,840,103,475), divided into 3,840,103,475 shares, each with a face value of one euro (EUR 1), represented by the book-entry system, fully subscribed and paid in and listed in the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil o Mercado Continuo).*

### 4.2 BANCA CÍVICA (Absorbed Company)

Banca Cívica, S.A., a Spanish credit institution, with registered address at Plaza de San Francisco, 1, 41004 Sevilla, holding taxpayer identification number A-85973857; registered in the Commercial Registry of Sevilla, in folio 77, volume 3,357 of the companies book, page SE-89,209 and registered in the Bank of Spain's Registry of Banks and Bankers under number 0490.

The share capital of Banca Cívica is four hundred and ninety-seven million, one hundred and forty-two thousand, eight hundred euros (EUR 497,142,800), divided into 497,142,800 shares, each with a face value of one euro (EUR 1), represented by the book-entry system, fully subscribed and paid in and listed in the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil o Mercado Continuo)*.

## 5. EXCHANGE RATIO

### 5.1 Exchange ratio

The exchange ratio of the shares of the entities involved in the Merger, which has been determined on the basis of the actual value of the corporate assets of CaixaBank and Banca Cívica, shall be five CaixaBank shares of one euro par value each, for every eight shares of Banca Cívica, at par value each, without any additional cash compensation.

The exchange ratio has been agreed and calculated on the basis of the methodologies that will be explained and justified in the report that the Board of Directors of Banca Cívica and CaixaBank will prepare in accordance with the provisions of article 33 of the Structural Amendments Law.

The exchange ratio has been set by the Parties considering, *inter alia*, the following aspects:

(i) Until the formal registration of the Merger, CaixaBank will abstain from distributing interim dividends against its 2012 profits to its shareholders.

This restriction will not affect (a) such remunerations as may be payable on instruments convertible into shares that have been issued by CaixaBank nor (b) will it affect the capital increase on account of reserves and issue of new shares that

according to the Dividend/Share Program is included under Point 6.1 of the agenda for the Annual General Meeting of Shareholders of CaixaBank scheduled to be held, at first call, on 19 April 2012, with is approximately equivalent to a gross remuneration of EUR 0.051 per share (the "**Scrip Dividend**").

In turn, the capital increase on account of reserves by means of a new shares issuance included under Point 6.2 of the agenda for the Annual General Meeting of Shareholders of CaixaBank in relation to the Dividend/Share Program (equivalent to approximately EUR 0.06 -gross- per share), will be executed after the Merger has been registered with the Commercial Registry so that the shareholders from Banca Cívica will be entitled to the Dividend/Share Program.

(ii) Banca Cívica will, at its Annual General Meeting of 2012, decide to distribute dividends for the fourth quarter of 2011 in an amount which in no event may exceed fourteen million four hundred thousand euros (EUR 14,400,000), and abstain from any distribution to its shareholders of interim dividends against earnings profits obtained in 2012. This restriction will not affect such remunerations as may be payable on instruments convertible into shares that have been issued by Banca Cívica, to which reference is made below.

(iii) The future conversion into CaixaBank shares of the mandatorily convertible and exchangeable bonds series I/2011 and I/2012 issued by CaixaBank are currently in circulation.

(iv) The preferred securities currently in circulation of Banca Cívica (face value of EUR 904,031,000) will be the object, prior to the Merger, of a repurchase offer subject to the irrevocable commitment of the investors who accept the offer to reinvest the proceeds received in the offer in the subscription of mandatorily convertible bonds issued by Banca Cívica and which, in the event the Merger is executed, will be converted into shares of CaixaBank according to the following rules:

(a) The issuances to be repurchased are those set out in Annex 1 of this Plan.

(b) An offer will be made to all holders of said preferred securities whereby Banca Cívica undertakes to buy back the preferred securities at their face value (100%).

By accepting the offer, the holder of those securities will be irrevocably obliged to reinvest the full repurchase amount in the subscription of subordinated bonds necessarily convertible into newly issued shares of Banca Cívica (hereinafter, the "**Convertible Notes**").

(c) The issue of the Convertible Notes will have the following features:

- Three different series of Convertible Notes will be issued in order to adjust the terms of the offer to the different characteristics of the preferred securities issued.
- The Convertible Notes must be classified as: (i) Core capital (*recursos propios básicos*) under Spanish Law 13/1985 of 25 May 1985 and Bank of Spain Circular 3/2008; (ii) regulatory core capital (*capital principal)* under Royal Decree Law 2/2011 of 18 February 2011 (as amended by Royal Decree Law 2/2012 of 3 February 2012); and (iii) Core Tier 1 capital according to the methodology established by the European Banking Authority (recommendation EBA/REC/2011/1 and common term sheet of 8 December 2011).
- The conversion price for each series of Convertible Notes will be variable. It will depend on the weighted average of the weighted average trading prices of Banca Cívica or CaixaBank (if the Merger is executed), during the period fixed in the issue resolution prior to each conversion event. In addition, a maximum and a minimum conversion price will be fixed.

(d) Banca Cívica, with the approval of CaixaBank, will be responsible for determining the remaining conditions of the offer and of the Convertible Notes to be issued.

(e) Banca Cívica will include the resolutions and corporate authorisations needed to carry out the offer and issue the Convertible Notes in the agenda for the Annual General Meeting.

(f) The Parties will use their best efforts so that the term to accept the offer concludes before the scheduled dates of the General Meetings of Shareholders of Banca

Cívica and of Caixabank before which the Common Merger Plan are to be brought for approval.

## 5.2 Methodologies for the exchange ratio

CaixaBank will carry out the exchange of shares of Banca Cívica, with the exchange ratio established in section 5.1 of this Plan, with treasury shares, newly issued shares or a combination of both.

If CaixaBank were to carry out, all or part of, the exchange of shares, with newly issued shares, the Absorbing Company will increase its share capital in the necessary amount by means of the issue of new shares of EUR 1 par value each, of the same class and series as the current shares of CaixaBank represented by book entries. The capital increase carried out, if any, will be fully subscribed and paid in, as a consequence of the block transfer of the equity of Banca Cívica to CaixaBank, which will acquire the rights and obligations of the Absorbed Company by means of universal transfer.

CaixaBank is the holder of 1,850,043 shares of Banca Cívica, acquired by subscription in the IPO of the Absorbed Company in July 2011. It is also stated that Banca Cívica has signed a liquidity contract to operate its treasury stock (*autocartera*), which enables it to have liquidity to operate within the parameters established in said contract. This means the treasury stock (*autocartera*) situation of Banca Cívica varies based on the execution of the mentioned contract.

In accordance with article 26 of the Structural Amendments Law, both the shares in Banca Cívica owned by CaixaBank and the shares Banca Cívica has as treasury stock (*autocartera*) will not be exchanged for CaixaBank shares, as they will be redeemed.

If the mentioned capital increase takes place, the capital will be fully subscribed and paid in, as a consequence of the block transfer of the equity of Banca Cívica to CaixaBank, which will acquire all the rights and obligations of the former by universal transfer.

Pursuant to article 304.2 of the Revised Text of the Capital Companies Law, approved by the sole article of Royal Legislative Decree 1/2010 of 2 July, in the event the mentioned capital increase takes place, the current shareholders of CaixaBank will not have any preference

rights to subscribe the new shares issued by the Absorbing Company in relation with Banca Cívica's absorption.

### 5.3 Exchange procedure

Once the Merger is agreed by the general shareholders meetings of Caixabank and Banca Cívica, filed with the Spanish Securities Exchange Commission (*Comisión Nacional del Mercado de Valores* "**CNMV**") the equivalent documentation referred to in articles 26.1 d), 40.1 d) and related provisions of Royal Decree 1310/2005 of 4 November, and the Merger deed is recorded in the Registry of Barcelona, the exchange of Banca Cívica shares for Caixabank shares will be carried out.

The exchange will take place from the date specified in the announcements to be published in the Companies' Registry Gazette, in one of the largest newspapers in the provinces of Barcelona and Seville (article 43 of the Structural Amendments Law) and in the Official Gazettes of the Spanish Stock Exchanges. To this end, CaixaBank will act as agent institution, which must be indicated in the aforesaid announcements.

The exchange of the Banca Cívica shares into CaixaBank shares will be made through the institutions participating in Iberclear depositaries of CaixaBank and Banca Cívica, in accordance with the provisions of Royal Decree 116/1992 of 14 February and with the provisions of article 117 of the Companies Law, as appropriate.

The shareholders of Banca Cívica who hold a number of shares that, according to the agreed exchange ratio, do not entitle them receive a whole number of shares of CaixaBank, may purchase or transfer their shares in order to exchange them in accordance with such exchange ratio. Notwithstanding this, the companies participating in the Merger may establish mechanisms to facilitate the exchange of shares to those shareholders of Banca Cívica, by designating a Fraction Agent (*Agente de Picos*).

## 6. ANCILLARY BENEFITS, SPECIAL RIGHTS AND OTHER TITLES REPRESENTATIVE OF THE SHARE CAPITAL

For the purpose of articles 31.3 and 31.4 of the Structural Amendments Law, it is stated that there are no ancillary services, special shares or special rights in Banca Civica other than shares in CaixaBank.

The CaixaBank share delivered to the shareholders of Banca Civica by virtue of the Merger will not grant any special rights to their holders.

## 7. ADVANTAGES FOR DIRECTORS AND INDEPENDENT EXPERTS

No advantages will be granted to directors of CaixaBank and Banca Cívica, nor to the independent expert who will issue a report in connection with the Merger.

## 8. DATE ON WHICH THE NEW SHARES WILL ENTITLE HOLDERS TO PARTICIPATE IN THE PROFITS

The shares issued by CaixaBank in the context of the capital increase or delivered by CaixaBank to carry out the exchange, in the terms set out in section 5, will entitle holders from the date on which they become shareholders of CaixaBank, to participate in the profits of the Absorbing Company in the same terms as other holders of shares of CaixaBank in circulation on that date.

## 9. EFFECTIVE DATE OF THE MERGER FOR ACCOUNTING PURPOSES

In accordance with the provisions of Rule 43 of the Bank of Spain 4/2004, of 22 December on public and reserved financial information and financial statement models ("**Circular 4/2004**"), and with section 2.2. of Valuation and Registration Rule no. 19 in the General Chart of Accounts, approved by Royal Decree 1514/2007 of November 16, on the supplementary application of Circular 4/2004, according to Rule 8, the date from which transactions of Banca Civica will be deemed to have been carried out as Caixa Bank transactions on its financial statements for accounting purposes, will be the date of the General shareholders Meeting of Banca Cívica approving the Merger, provided that, at the time, all the conditions precedent contained in section 15 of this Merger have been fulfilled. If they have not, the date on which all the aforesaid conditions are fulfilled.

## 10. STATUTORY AMENDMENTS TO THE ABSORBING COMPANY

Once the Merger is complete, as Absorbing Company, CaixaBank, will continue to be governed by its current articles of association, which are available on its website, www.caixabank.com (a copy of which is attached to this Merger Plan as Annex 2 in accordance with article 31.8 of the Structural Amendments Law). In connection with the

articles of association of CaixaBank, the following is stated for the record: (i) in the Annual General Meeting of Shareholders of CaixaBank, which is scheduled to be held, at first call, on 19 April 2012, the amendment proposal for certain articles of association will be submitted to the shareholders; and (ii) as a consequence of the execution of the Scrip Dividend referred to in section 5.1, the articles of association relating to the share capital will be amended accordingly.

It is also stated that article 5 and article 6.1 of the articles of association of CaixaBank, relating to share capial, once amended after the execution of the Scrip Dividend, may be amended again in an amount resulting once CaixaBank has exchanged the shares of Banca Cívica, in accordance with the formula set out in section 5 of this Merger Plan, for treasury shares, newly issued shares or a combination of both. For this purpose, the board of directors of CaixaBank will submit, if applicable, the relevant proposal of articles of association amendment resolution to cater for the capital increase referred to in this paragraph, to the General Meeting of Shareholders of CaixaBank approving the Merger.

Meeting of Shareholders of CaixaBank will also be asked to approve the share capital increase in order to cater for the conversion of the Convertible Obligations referred to in section 5.1.(iv) into CaixaBank shares.

## 11. MERGER BALANCE SHEETS, ANNUAL ACCOUNTS AND VALUATION OF THE ASSETS AND LIABILITIES TO BE TRANSFERRED

### 11.1 Merger balance sheets

For the purposes of article 36.1 of the Structural Amendments Law, the merger balance sheets will be deemed to be the balance sheets signed by CaixaBank and Banca Cívica as at 31 December 2011.

These balance sheets were filed on 8 March 2012 by the CaixaBank Board of Directors and on 30 March 2012 by the Banca Cívica Board of Directors.

**Annex 3.(A)** contains the balance sheet of CaixaBank, and **Annex 3.(B)** the balance sheet of Banca Cívica.

The balance sheets of CaixaBank and Banca Cívica, checked by their respective external auditors, will be submitted to the approval of the Annual General Meeting of Shareholders of CaixaBank, scheduled for 19 April 2012, and the Annual General Meeting of Shareholders of Banca Cívica, scheduled for 23 May 2012.

### 11.2 Annual accounts

It is stated, pursuant to article 31.10 of the Structural Amendments Law, that to determine the conditions of the Merger, the individual and consolidated annual accounts of the merging companies for the year ending 31 December 2011 have been taken into account.

The annual accounts, the merger balance sheets mentioned in section 11.1, and the individual and consolidated annual accounts of Banca Cívica for the year ending 31 December 2009 (neither Banca Cívica nor its group existed in 2009) and of Criteria CaixaCorp, S.A., former name of CaixaBank before it became a bank through the absorption of Microbank de "la Caixa", S.A.U. by Criteria CaixaCorp, S.A., closed on 31 December 2009 and 31 December 2010 -along with the remaining documents to which article 39 of the Structural Amendments Law refers- will be made available to shareholders, bondholders, special rights holders and employee representatives of CaixaBank and Banca Cívica in the registered office, before the General Shareholders Meetings to decide on the Merger are called.

Furthermore, in order to have a wider circulation, such documentation will be included in CaixaBank's and Banca Civica's websites, available for download.

### 11.3 Valuation of the assets and liabilities of the Absorbed Company

As a consequence of the Merger, Banca Cívica will be extinguished by dissolution without liquidation, and its assets and liabilities will be block-transferred to CaixaBank's assets.

For the purposes of article 31.9 of the Structural Amendments Law, it is stated that the key figures of the assets and liabilities of Banca Cívica are those provided on the individual and consolidated annual accounts of Banca Cívica for the year ending 31 December 2011. Notwithstanding this, according to the accounting regulations on business combinations with change of control (*Norma Internacional de Información Financiera nº 3* and Rule 19 of the General Chart of Accounts, approved by Royal Decree 1514/2007 of 16 November)

CaixaBank must value the assets and liabilities of Banca Cívica that will be joined to its assets at the time of the Merger at their fair value at the time when the accounting effects of the Merger occur. As indicated in section 9 of this Plan, the accounting effects of the Merger will arise on the date of the General Meeting of Banca Cívica approving the Merger, provided that, at the time, all the conditions precedent contained in section 15 of this Merger Plan have been fulfilled, and if not, the date on which all the mentioned conditions precedent are fulfilled.

## 12. IMPACT ON EMPLOYMENT, GENDER AND CORPORATE SOCIAL RESPONSIBILITY

### 12.1 Possible consequences of the Merger on employment

Pursuant to article 44 of Royal Legislative Decree 1/1995 of March 24, approving the consolidated text of the Statute of Workers Law, regulating transfers of undertakings, CaixaBank will subrogate the employment rights and obligations of workers of Banca Cívica pertaining to the business units comprising the total net assets established in the Merger.

The institutions participating in the Merger will comply with its reporting obligations and, where appropriate, consultation obligations regarding the legal representatives of the workers in each of them, in accordance with labour law regulations. The proposed Merger will also be notified to the relevant public bodies, in particular to the Social Security Treasury Department.

There has been no decision in relation to the possible employment-related measures that may need to be taken to integrate the staff as a result of the Merger. In any event, the integration of both entities' staff will be carried out in compliance with the procedures established by law in each case. Especially, with regard to the rights of information and consultation of the employee representatives, holding meetings and conducting negotiations in order to make the integration of staff with the broadest possible agreement between the parties.

Notwithstanding the foregoing, and to the extent that CaixaBank is subrogated as a result of the Merger on the rights and obligations of Banca Cívica, CaixaBank is subrogated to the rights and guarantees recognised by Banca Cívica to the employees of the Cajas who maintain

employment relationships with the Cajas, as part of the spin-off process that the Cajas conducted in favor of Banca Cívica.

### 12.2 Gender impact on the governing bodies

The Merger is not expected to cause any change to the gender distribution in the structure of the governing bodies of the Absorbing Company.

### 12.3 Impact of the Merger on corporate social responsibility

The merger will have no impact on the corporate social responsibility policy of CaixaBank**.**

## 13. APPOINTMENT OF AN INDEPENDENT EXPERT

According to article 34.1 of the Structural Amendments Law, the boards of directors of CaixaBank and Banca Cívica agreed to request the Commercial Registry of Barcelona to appoint one independent expert to prepare a single report on this Merger Project and on the assets to be received by CaixaBank de Banca Cívica as a result of the Merger.

In order for the independent expert to be able to start his/her work as soon as possible, on 3 April 2012, the Managing Directors of CaixaBank and Banca Cívica requested the Commercial Registry of Barcelona to appoint an independent expert, and the entity PricewaterhouseCoopers Auditores, S.L. was appointed.

## 14. TAX REGIME

The Merger is subject to the tax regime established in Chapter VIII of Title VII and additional second provision of the Consolidated Text of the Companies Tax adopted under Royal Legislative Decree 4/2004 and in the provincial regulations, where appropriate.

For such purposes, pursuant to article 96 of the aforementioned Consolidated Text, the Ministry of Finance and the relevant regional and local authorities will be informed of the Merger as established in the regulations.

## 15. NECESSARY EVENTS AND CONDITIONS PRECEDENT

### 15.1 Necessary assumption for the Merger

The approval by the General Assembly of "la Caixa", by the General Assemblies of the Cajas and by the General Shareholders Meeting of CaixaBank and Banca Cívica, is a necessary event, according to the Capital Companies Law, which provides the rules on savings banks as applicable, and their respective articles of association.

### 15.2 Conditions precedent

The effectiveness of the Merger will be subject to fulfillment of the following conditions precedent:

(i) Authorisation by the Spanish Ministry of Economy and Competitiveness (*Ministerio de Economía y Competitividad*) for the merger Banca Cívica into CaixaBank.

(ii) Authorisation of the Merger, inasmuch as required, by the competent autonomous regions according to the applicable laws and regulations.

(iii) Authorisation of the Merger by the Spanish Antitrust Commission (*Comisión Nacional de la Competencia*), or equivalent supervisory body.

(iv) Attainment of the remaining the authorisations required by reason of the activity of the Cajas or of Banca Cívica from the Spanish Directorate General for Insurance and Pension Funds (*Dirección General de Seguros y Fondos de Pensiones*), from the Spanish Securities Exchange Commission (*Comisión Nacional del Mercado de Valores*) or from any other administrative body or entity.

If the Spanish Antitrust Commission (*Comisión Nacional de la Competencia*) or equivalent supervisory body informs the Parties of its decision to initiate the second phase of the administrative procedure for control of concentrations, and subsequent to that second phase the authorising resolution imposes conditions on the integration process, either of the Parties may discontinue of the Merger.

The foregoing conditions precedent will not apply in the event the competent administrative body declares an exemption from the requirement to obtain any of the above.

## 16. SATISFACTION OF PUBLICITY AND INFORMATION REQUIREMENTS BY THE BOARDS OF DIRECTORS OF CAIXABANK AND BANCA CÍVICA IN CONNECTION WITH THE MERGER PROJECT

In accordance with article 32 of the Structural Amendments Law, the Merger Plan will be registered with both the Commercial Registry of Barcelona and the Commercial Registry of Seville. Registration will be published in the Official Gazette of the Commercial Registry.

To ensure wide circulation, the Merger Plan will be included on the websites of CaixaBank and Banca Cívica, respectively.

It is expressly stated that, in accordance with article 33 of the Structural Amendments Law, the boards of directors of CaixaBank and Banca Cívica will each prepare a detailed report explaining and justifying the economic and legal aspects of the Merger Project, making special reference to the conversion of shares, potential special difficulties regarding valuations and the merger's implications for the merging entities, their creditors and employees.

The report, along with the documents referred to in article 39 of the Structural Amendments Law, will be made available to the shareholders, bondholders, titleholders of special rights, and the employee representatives of CaixaBank and Banca Cívica at the respective registered offices of the merging entities prior to the call of the general shareholders' meeting at which the Merger will be addressed.

Furthermore, to ensure wide circulation, the above documentation will be included and made available for downloading and printing from the websites of CaixaBank and Banca Cívica, respectively.

Lastly, in accordance with article 30.3 of the Structural Amendments Law, the Merger Plan will be submitted for approval at the general shareholders' meetings of CaixaBank and Banca Cívica, respectively, within six months of the date of the Merger Plan.

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Pursuant to article 30 of the Structural Amendments Law, the directors of CaixaBank and Banca Cívica, whose names are given below, subscribe and endorse with their signature this Merger Plan approved by the Boards of Directors of CaixaBank and Caixa Cívica, 18 April 2012, in duplicate copy, on the cover of 54 stamped sheets of notarial paper of class 8 paper, identical in content and presentation; the first numbered from OL0664672 to OL00664725, and the second numbered from OL00664726 to OL00664779.

**CAIXABANK BOARD OF DIRECTORS**

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|---|---|
| D. Isidro Fainé Casas | D. Juan María Nin Génova |
| D.ª María Teresa Bartolomé Gil | D.ª Isabel Estapé Tous |
| D. Salvador Gabarró Serra | D.ª Susana Gallardo Torrededia |
| D. Javier Godó Muntañola | D.ª Immaculada Juan Franch |
| D. David K.P. Li | D. Juan-José López Burniol |
| D.ª Maria Dolors Llobet Maria | D. Jordi Mercader Miró |

| | |
|---|---|
| D. Alain Minc | D. Miquel Noguer Planas |
| D. Leopoldo Rodés Castañé | D. Juan Rosell Lastortras |
| D. John S. Reed | D. Xavier Vives Torrents |

**BANCA CÍVICA BOARD OF DIRECTORS**

| | |
|---|---|
| D. Antonio Pulido Gutiérrez | D. Enrique Goñi Beltrán de Garizurieta |
| D. Álvaro Arvelo Hernández | D. José María Leal Villalba |
| D. José Antonio Asiáin Ayala | D. Marcos Contreras Manrique |
| D. Lázaro Cepas Martínez | D. Juan Dehesa Álvarez |
| D. Jesús Alberto Pascual Sanz | D. José María Achirica Martín |
| D. Amancio López Seijas | D. Rafael Cortés Elvira |
| D.ª Marta de la Cuesta González | D. Pedro Pérez Fernández |

## Annex 1. Issues of participating preference shares in Banca Cívica subject to a buyback offer

| Issuer | Series | Date | Amount | Coupon |
|---|---|---|---|---|
| El Monte Capital S.A.U. | A | 04/08/2000 | 130,000,000 | EUR 12 months + 0.40% |
| Cajasol Participaciones Preferentes S.A. | -- | 15/07/2001 | 120,000,000 | EUR 6 months + 0.25% |
| El Monte Participaciones Preferentes S.A. | B | 15/06/2006 | 37,000,000 | EUR 12 months + 0.55% |
| Caja de Ahorros General de Canarias | I | 05/08/2009 | 67,031,000 | EUR 3 months + 5.85% |
| El Monte Participaciones Preferentes S.A. | D | 02/10/2009 | 250,000,000 | EUR 3 months + 6.10% |
| Caja de Ahorros y Monte de Piedad de Navarra | 1 | 16/12/2009 | 100,000,000 | EUR 3 months + 5.00% |
| Banca Cívica, S.A. | 1 | 18/02/2011 | 200,000,000 | 8.65% until 18/02/2015, After said date, EUR 3 months + 6.74% |

**Annex 2**

**By-Laws of "CaixaBank, S.A."**

## TITLE I.- NAME, OBJECT, TERM AND REGISTERED OFFICE

### Article 1.- Company Name. Indirect Exercise

1. The company is called "CaixaBank, S.A." (hereinafter the "**Company**") and is governed by these By-laws, the provisions governing the legal system for joint stock companies and any other legal rules applicable to it.

2. The Company is the bank through which "Caja de Ahorros y Pensiones de Barcelona" ("la Caixa") carries on its business indirectly as a credit institution - with the exception of Monte de Piedad, insofar as this is reserved for Savings Banks - pursuant to the provisions of Article 5 of Royal Decree 11/2010 of July 9, and Article 3.4 of the Revised Text of the Catalan Savings Bank Law of March 11, 2008, amended by Article 1 of the Catalan Government Decree 5/2010 of August 3.

### Article 2.- Corporate Object

1. In due consideration of the contents of section 2 of Article 1, the following activities are the corporate object of the Company:

   (i) all manner of activities, operations, acts, contracts and services related to the banking sector in general or directly or indirectly related thereto, permitted by current legislation, including the provision of investment services and ancillary services and performance of the activities of an insurance agency, either exclusively or in association, without simultaneous exercise of both activities;

   (ii) receiving public funds in the form of irregular deposits or in other similar formats, for the purposes of application on its own account to active credit and microcredit operations, i.e. the granting of loans without collateral in a bid to finance small business initiatives by individuals and legal entities which, in view of their social and economic circumstances, have difficulty in gaining access to traditional finance from banks, and to other investments, with or without pledged collateral, mortgage collateral or other forms of collateral, pursuant to business laws and customs, providing customers with services including dispatch, transfer, custody, mediation and others in relation to these, in connection with business commissions; and

   (iii) acquisition, holding, enjoyment and disposal of all manner of securities and drawing up takeover bids and sales of securities, and of all manner of ownership interests in any entity or company.

3. The activities which make up the corporate object may be carried out totally or partially in an indirect fashion, in any format permitted by law, especially through the holding of shares or ownership interests in companies or other entities the object of which is identical or similar, ancillary or complementary to such activities.

**Article 3.- Term**

The Company will have an indefinite term. The Company commenced its operations on its incorporation date.

**Article 4.- Registered offices**

1. The Company's registered offices are at Avenida Diagonal, 621, Barcelona.

2. The registered offices may be moved anywhere within the same municipality through a resolution by the Board of Directors. A resolution by the General Shareholders' Meeting shall be required in order to move it to another municipality.

3. The Company's Board of Directors may decide to create, close or move offices, branches, agencies, regional offices and other departments, both within Spain and in another European Union Member State, or a third state, if it complies with the applicable requirements and guarantees, and may decide to provide the services that fall within its corporate purpose without the need for a permanent establishment.

## TITLE II.- SHARE CAPITAL AND SHARES

**Article 5.- Share Capital**

The share capital is set at the amount of THREE BILLION EIGHT HUNDRED FORTY MILLION ONE HUNDRED THREE THOUSAND FOUR HUNDRED SEVENTY-FIVE EUROS (€3,840,103,475), which has been fully subscribed and paid up.

**Article 6.- The Shares**

1. The share capital is made up of THREE BILLION EIGHT HUNDRED FORTY MILLION ONE HUNDRED THREE THOUSAND FOUR HUNDRED SEVENTY-FIVE (3,840,103,475) shares with a par value of ONE EURO (€ 1) each. They are represented by book entries and are of a single class. The shares representing the share capital are considered as securities and are governed by the provisions of the Securities Market Act and any other provisions applicable.

2. The shares, their transfer and the creation of real rights or any other encumbrances on them must be registered in the relevant book entry, pursuant to the Securities Market Act and concordant provisions.

3. However, on the basis of the principle of ownership of bank shares, the Company will keep its own register of shareholders with the effects and efficiency attributed to it by the prevailing regulations in each case. For this purpose, if the actual position of shareholders is that of persons or entities who, in accordance with their own legislation, fulfill this position as trusts, trustees or any other equivalent, the Company may require that these persons or legal entities notify it as to the actual holders of these shares, and provide the documents of transfer and encumbrance to which they refer.

**Article 7.- The Position of Shareholder**

Shares grant their lawful owners the position of shareholders, which grants them the individual, legal and statutory rights stipulated in law - in particular, the right to share in company profits and the assets remaining when the Company is liquidated; the right of pre-emptive subscription to issues of new shares or convertible bonds; the right to attend and vote at General Shareholders' Meetings; the right to challenge corporate resolutions; and information and scrutiny rights. The scope of all shareholder rights is determined by law and in these by-laws.

**Article 8.- Co-Ownership and In Rem Rights Over Shares**

1. Co-owners of shares must designate a single person to exercise shareholder rights.

2. The scheme of co-ownership, use, pledges and embargo of Company shares shall be determined by articles 126 through 133 of the Corporate Enterprises Act and other applicable legislation.

**Article 9.- Transfer of Shares**

1. The shares and economic rights that arise from them, including pre-emptive subscription rights, are freely transferable by all means permitted in law. In any case, the transfer of Company shares will be carried out in accordance with the conditions laid down in the applicable legislation in force.

2. The Company's shares will be transferred through a book transfer. The registration of the transfer in the entry in favor of the acquirer will have the same effects as the transfer of stock certificates.

3. The Company will not recognize the exercise of rights emanating from those who acquire their shares in a manner that infringes binding rules.

**Article 10.- Capital Calls and Default by Shareholders**

1. When shares are only partially paid, the shareholder must provide payment for the pending amount, whether in cash or non-cash, at a time decided by the Board of Directors, within a maximum of five years beginning from the date of the capital increase resolution. The form of said payment and other aspects of payment shall be in accordance with the terms of the capital increase resolution.

2. The demand to pay unpaid contributions will be notified to the parties concerned or be announced in the Official Companies Registry Gazette. Investors must be given a deadline of at least one month from the date of notification or publication and the date of payment.

3. Shareholders are in default when the deadline stipulated for payment of unpaid capital elapses and they have not settled such payment.

4. Shareholders in default on the payment of unpaid contributions will not be able to exercise their right to vote. The amount of their shares shall be deducted from the share capital for the purpose of computing a quorum.

## TITLE III.- INCREASE AND REDUCTION IN CAPITAL

### Article 11.- Capital Increase

When the share capital is increased by the issue of new shares, within the term set for that purpose, which may be no shorter than the minimum laid down in law, former shareholders may exercise the right to subscribe to a number of shares in the new issue in proportion to the nominal value of the shares they own, notwithstanding the provisions set forth in law concerning exclusion of preemptive subscription rights.

### Article 12.- Authorized Capital

1. The General Meeting may delegate to the Board of Directors the power to pass resolutions, on one or more occasions, to increase the share capital, up to a particular figure, at the time and in the amount it decides, within the limits set by law. This delegation may include the right to exclude pre-emptive subscription rights.

2. The General Meeting may also delegate to the Board of Directors the power to set the date on which the resolution to increase the capital that has already been passed will be carried out, and to set its conditions with regard to all aspects not stipulated by the General Meeting, within the limits set forth in law.

### Article 13.- Capital Reduction

A capital reduction may be performed by lowering the nominal value of the shares, by cancellation of shares or by combining them for exchange, and, in said cases, its purpose may be to return the value of contributions, release shareholders from their obligation to provide pending contributions, constitute or increase voluntary reserves or restore a balance between the share capital and equity of the company, in addition to any other purpose permitted by law.

## TITLE IV.- BONDS

### Article 14.- Issue of Debentures and Other Securities

1. The Company may issue debentures, promissory notes, preference shares and other securities in the terms and within the limits established in law.

2. The General Meeting may delegate the power to issue the securities referred to in the preceding paragraph to the Board of Directors. It may also authorize the Board to decide when the issue is to be carried out and establish the other conditions not laid down in the resolution by the General Meeting.

### Article 15.- Convertible and Exchangeable Bonds

1. Convertible and/or exchangeable bonds may be issued at a fixed exchange ratio (determined or determinable) or at a variable exchange ratio.

2. Shareholders' preferential subscription rights involving the issuance of convertible and/or exchangeable bonds may be withheld under the terms provided by law.

## Title V.- THE COMPANY'S GOVERNING BODIES

### Article 16.- The Company's Bodies

The Company's bodies are the General Shareholders' Meeting and the Board of Directors, which have the powers respectively assigned to them in these By-laws, which may be delegated in the manner and as broadly as determined therein.

## SECTION I.- THE GENERAL MEETING

### Article 17.- General Meeting

1. The General Meeting is governed by applicable legislation, the By-laws and the General Meeting's Regulations.

2. The shareholders called to a General Meeting may decide by a majority, except in cases where the law or these By-laws stipulate qualified majorities, on matters of their concern that legally fall within the General Meeting's competence.

3. All shareholders, including those who vote against resolutions and those who did not take part in the meeting, will be subject to the resolutions by the General Meeting, notwithstanding the rights and actions to which they are entitled by law.

### Article 18.- Types of General Meetings

1. General Shareholders' Meetings may be either Ordinary or Extraordinary.

2. The Ordinary Meeting must be held within the first six (6) months of each financial year, to approve management, to approve, where appropriate, the previous year's accounts, and to decide matters relating to the distribution of earnings.

3. Any General Meeting not encompassed by the preceding paragraph shall be deemed an Extraordinary General Meeting.

**Article 19.- Call for General Meeting**

1. The General Shareholders' Meetings, whether Ordinary or Extraordinary, will be convened by the Board of Directors by means of a notice published in the Companies' Registry Gazette and on the Company's website at least one month prior to the date of the meeting.

2. The convening notice will state the name of the Company, the date, time and location of the meeting, and will list all the items on the agenda. It may also state the adjourned date and time of the meeting (segunda convocatoria), where applicable. The date, if any, on which the Meeting will be held on second call may also be stated. At least 24 hours must elapse between scheduled first and second meetings.

3. Shareholders who represent at least 5% of share capital may request publication of supplementary information to the call to a General Shareholders' Meeting, to include one or more items on the agenda. To exercise this right, the shareholder must duly notify the Company, with said notification to be received at the Company's registered office within five (5) days following publication of the call.

4. The call supplement must be published at least fifteen (15) days prior to the date stipulated for the General Meeting. Failure to publish the call supplement within the legally stipulated term legally stipulated term will invalidate the General Meeting.

5. The Board of Directors may call an Extraordinary General Meeting of shareholders whenever it deems appropriate to do so in the Company's interests.

   It must also call this Meeting when requested to do so by shareholders who own at least 5% of the share capital. The request must state the items to be discussed at the Meeting. In this case, a call must be issued to hold the General Meeting within the period stipulated in law. The Board of Directors will draw up the agenda, which must include the items mentioned in the request.

6. Court-ordered calls to General Meetings will be as laid down in law.

7. The contents of this article are deemed as without prejudice to the provisions established by law for specific cases.

**Article 20.- Venue and Time**

1. General Meetings will be held in the place and on the date stated in the notice, within the municipality in which the Company's registered offices are located. However, the Board of Directors will be entitled to choose a meeting venue at any other location within Spain, with the location to be stipulated in the notice.

2. The Meeting may choose to postpone the event for one or more consecutive days, at the behest of the Board of Directors or of a group of shareholders representing at least 25% of the Company's share capital in attendance.

3. In exceptional circumstances, in the event of unrest that substantially hinders the proper order of the Meeting, or of any other extraordinary circumstance that temporarily impedes the normal course of the Meeting, the Chairman of the Meeting may resolve to suspend the session or move the gathering to a different venue than that stipulated in the notice, for the time period deemed necessary, for the purpose of reestablishing the conditions required to continue the Meeting. In such cases, the Chairman may take whatever measures deemed appropriate, duly notifying shareholders to ensure the safety of those in attendance and avoiding a repeat of circumstances which may newly interfere with the proper order of the meeting.

**Article 21.- Quorum for the General Meeting**

1. The General Meeting will be validly constituted at first call when shareholders in attendance or represented by proxy hold at least 25% of subscribed capital with voting rights. The second call will be validly constituted regardless of the percentage of share capital in attendance.

2. In order for the General Meeting, whether Ordinary or Extraordinary, to validly agree to issue securities, suppress or limit subscription rights, increase or reduce capital, carry out a transformation, merger, spin-off, global transfer of assets and liabilities, transfer the registered office to a foreign country or make any changes to the By-laws, shareholders at first call, whether present or proxy, representing at least 50% of subscribed capital with voting rights must be in attendance. At second call, only 25% of said capital is necessary, although when shareholders in attendance total less than 50% of subscribed capital with voting rights, the resolutions in the preceding paragraph may only be validly adopted with a favorable vote by two thirds (2/3) of the capital in attendance or represented by proxy at the Meeting.

3. Any absences occurring after the General Meeting is officially called to order will not affect the validity of the quorum.

**Article 22.- Right of Attendance**

1. All shareholders who, individually or in a group with other shareholders, own a minimum of one thousand (1,000) shares, may attend the General Meeting.

2. In order to attend the General Meeting, it will be necessary for shareholders to have registered ownership of their shares in the relevant book-entry ledger at least five (5) days in advance of the date on which the General Meeting is to be held. Shareholders entitled to attend in accordance with the above will be provided with the appropriate attendance card, which may only be replaced by a certificate of legitimacy to prove that the requirements for attendance have been met.

3. Members of the Board of Directors must attend any General Meetings, although their absence for any reason will not under any circumstances prevent the General Meeting from being validly held.

4. The Chairman may authorize persons to attend who provide services at or to the Company. The Chairman may also invite any persons he should deem appropriate, in the terms and conditions laid down in General Meeting Regulations.

**Article 23.- Representation by proxy at the General Meeting**

1. Without prejudice to attendance through appropriate means by legal entities that are shareholders, any shareholder entitled to attend may be represented at the General Meeting by another person, even if this person is not a shareholder. The proxy must be granted in writing specifically for each General Meeting.

2. The Chairman of the General Meeting is authorized to determine whether proxies have been validly conferred and whether they meet the requirements for attendance of the General Meeting, and may delegate this task to the Secretary.

3. The proxy's representational authority is understood as without prejudice to legal provisions concerning cases of family representation and the granting of general powers of attorney.

4. The appointment of proxies may always be revoked, and personal attendance of the party represented at the General Meeting will count as revocation.

**Article 24.- Appointing Proxies and Voting through Means of Remote Communication**

1. The appointment of a proxy for any kind of General Meeting, including, as the case may be, voting instructions, may be carried out by shareholders by post, e-mail or any other means of remote communication, provided the identity of the principal and the proxy is properly guaranteed.

2. Shareholders that are entitled to attend may vote on the motions concerning the items on the agenda of any General Meeting by post or by e-mail.

3. A postal vote will be cast by sending the Company a document containing the vote, with the attendance card attached.

4. Voting by sending an e-mail to the Company will only be permitted when the appropriate conditions of security and simplicity have been ensured, and the Board of Directors so decides in a resolution, subsequently notified in the call to the Meeting concerned. In this resolution, the Board of Directors will define the applicable conditions for issuing the remote vote by e-mail, necessarily including those that adequately guarantee the authenticity and identification of the voting shareholder.

5. In order to be counted as valid, a vote cast through any of the remote means referred to in the previous sections must have been received by the Company forty-eight hours before the time of commencement of the General Meeting on first call. The Board of Directors may reduce the required notice, and must notify this to the same extent as in the call announcement.

6. The Board of Directors may develop and enhance the regulations on remote voting and delegation laid down in these by/laws, establishing the instructions, means, rules and procedures it deems appropriate to implement the casting of votes and appointment of proxies through remote communication means. The procedural rules adopted by the Board of Directors by virtue of the provisions of this section will be published on the Company's website.

7. Shareholders who cast their votes remotely in accordance with the provisions of this article will be considered present for the purposes of a quorum of the General Meeting concerned. As a result, appointments of proxies carried out before each vote will be considered to be revoked, and appointments arranged subsequently will be assumed not to have been carried out.

8. A vote cast through means of remote communication will be voided by physical attendance of the meeting by the shareholder who cast it or by disposal of his shares brought to the knowledge of the Company at least five days before the envisaged date of the General Meeting on first call.

**Article 25.- Right to Information**

Shareholders will have the right to information in the terms laid down in law. In the manner and within the terms laid down in law, the Board of Directors must provide the information that the shareholders request, pursuant to the stipulations therein, except in cases where this is legally inadmissible, and in particular when, in the Chairman's opinion, making such information public would be detrimental to the interests of the Company. This exception will not apply when the request is supported by shareholders who represent at least one quarter (1/4) of the share capital.

**Article 26.- Chairman and Secretary of the General Meeting**

1. General Meetings will be chaired by the Chairman of the Board of Directors and, in the absence thereof, by the corresponding Vice-Chairman according to the order of preference. In the absence of both, the oldest director will act as Chairman.

2. The Secretary will be the Secretary of the Board of Directors and, in the absence thereof, the Vice-Secretary according to the order of preference, if any, and in the absence thereof, the youngest director.

**Article 27.- List of Those Attending**

1. Before dealing with the agenda, the Secretary of the General Meeting will draw up the list of those attending, stating who each of them are or whom they represent, and the number of their own or others' shares they hold at the General Meeting.

2. The total number of shareholders present or represented by proxy will be shown at the end of the list, together with the amount of share capital they hold or represent by proxy, and the capital belonging to shareholders with voting rights will be stated.

3. If the list of those attending is not at the beginning of the minutes of the General Meeting, it will be attached as an annex signed by the Secretary with the approval of the Chairman.

4. The list of those attending may also be drawn up in the form of a file, or placed on computer media. In these cases, the means used will be stated in the minutes, and the sealed cover of the file or media will bear the relevant identification note signed by the Secretary with the approval of the Chairman.

**Article 28.- Deliberation and Adoption of Resolutions**

1. The Chairman will submit the items on the agenda to deliberation and manage the discussions so that the meeting is held in an orderly manner.

2. While the General Meeting is being held, shareholders may request information in the terms stated in Article 25 above and in the General Meeting Regulations.

3. Each share with a right to vote, present or represented by proxy at the General Meeting, entitles the owner to one vote.

4. Resolutions by the General Meeting will be passed following a favorable vote by the majority of the share capital present or represented by proxy. Cases in which the law or these by-laws stipulate a larger majority are excluded.

**Article 29.- Minutes of the General Meeting and Certifications**

1. The minutes of the General Meeting may be approved by the General Meeting itself after it has been held, and signed by the Chairman and Secretary and, failing this, within a period of fifteen (15) days, by the Chairman and two (2) comptrollers, one representing the majority and the other representing the minority. The minutes approved in either of these formats will be enforceable from the date on which they are approved.

2. Certificates of the minutes will be issued by the Secretary or the Vice-Secretary of the Board of Directors with the approval of the Chairman or the Vice-Chairman, as the case may be, and the resolutions will be issued in a public deed by those authorized to do so.

3. The Board of Directors may request that a notary public attend to draw up the minutes of the Meeting, and must do this whenever requested to do so by shareholders representing at least 1% of share capital, five (5) days in advance of the date scheduled for the Meeting. In both cases, the notary public's attestation will be treated as the Meeting's minutes.

## SECTION II.- THE BOARD OF DIRECTORS

### Article 30.- Board of Directors

1. The Company will be managed and run by a Board of Directors.

2. The Board of Directors will be governed by the applicable legal rules and by these by-laws. The Board of Directors will develop and complete these provisions through the appropriate Board of Directors' Regulations, and will inform the General Meeting of their initial approval and any subsequent modifications thereto.

### Article 31.- Duties of the Board of Directors

1. Company representation in a court of law and outside court falls to the Board of Directors acting collectively and empowered to conduct and perform all duties envisaged within the scope of the corporate object.

2. The Board may also confer proxy powers to represent the Company on persons who are not members of said Board, by means of power of attorney, which will contain an itemized list of the powers granted.

3. Duties attributed to the Board by law will also fall within its mandate. The following are duties of the Board, including but not restricted to:

   (i) organizing, managing, governing and inspecting the performance of the Company's operations and businesses, legally representing the Company in all cases in which it is necessary or advisable;

   (ii) directing and ordering personnel policy and making decisions involving the execution of said policy;

   (iii) representing the Company before government authorities and agencies and in courts of law, of all orders, classes and levels, without exception, submitting requests, lawsuits, defenses and counterclaims, proposing exceptions and filing any necessary appeals, and empowered to settle all manner of issues whether in court or out of court;

(iv) buying, selling, reclaiming, exchanging or by any other means acquiring or disposing of directly or conditionally, at a deferred, stated or installment price, all manner of real property and other assets;

(v) in connection with Company goods, in favor of third parties or in connection with the goods of others in favor of the Company, constituting, acknowledging, accepting, executing, transferring, dividing, modifying, terminating and cancelling in part or in full pledges, rights of use and residence, easements, liens, mortgages, antichreses, censuses, surface rights, and, in general, any in rem and personal rights;

(vi) purchasing, subscribing, selling, pledging and otherwise encumbering, transferring or acquiring, for a stated or installment price and under conditions deemed appropriate, government securities, shares, bonds, securities, converting, exchanging or disbursing them, making statements and filing claims;

(vii) appointing, accepting, removing and replacing management and executive positions and representatives, in each case determining the powers and scope of said power of attorney. Entering into any public or private document necessary for the discharge of these duties;

(viii) representing the Company organically when the Company is a shareholder or partner in other companies, both Spanish and foreign, attending and voting at partner or shareholder meetings, both Ordinary and Extraordinary, including general meetings, exercising all rights and meeting all obligations inherent to the role of partner. Approving or challenging Company resolutions, where necessary. Attending and voting on Boards of Directors, Committees or any other Corporate Body of which the Company is a member, approving or challenging resolutions where appropriate;

(ix) transferring in any gratuitous fashion to the State, Autonomous Community, Province, Municipality or public legal body belonging to them, any manner of real property and other assets, government and private assets, securities, stocks and fixed income securities. Accepting any type of pure or conditional donation, including onerous ones, of any type of asset;

(x) offer or contract leases for all manner of assets;

(xi) requesting and contracting securities on the Company's behalf from government and private banks, savings banks and other lending, financial or insurance institutions. Signing contracts for loans, credit lines and financial documents, with or without warranty of certificates or invoices for work and services rendered, and any other personal or collateral guarantee with government or private banks, savings banks and other financial credit institutions, and, in general, conducting any transactions with banking institutions and financial entities to facilitate the progress and development of the activities making up the corporate object;

(xii) providing guarantees on the Company's behalf, securing and giving guarantees on behalf of others, but only as required by the nature of the corporate business, and underwriting investee companies, directly or indirectly;

(xiii) requesting notary documents of all kinds, introducing, accepting and challenging modifications and notary requirements. Formalizing notices on clarifications, rectifications or corrections of errors;

(xiv) requesting all manner of permits for building, activities, facilities or inaugurations;

(xv) endowing attorneys and lawyers with general powers of attorney for litigation or other special powers deemed appropriate, including powers to substitute or revoke said processes when considered necessary and suitable; and

(xvi) performing any incidental or complementary duties to those enumerated above.

**Article 32.- Composition of the Board of Directors**

1. The Board of Directors will be composed of a minimum of twelve (12) and a maximum of twenty-two (22) members.

2. The General Shareholders' Meeting is responsible for establishing the number of directors.

3. It is not necessary for directors to be shareholders of the Company.

**Article 33.- Term of Office**

1. Directors will remain in their posts for a term of six (6) years, and may be reelected one or more times for periods of equal length. Directors designated by co-option will hold their posts until the date of the next General Meeting or until the legal deadline for holding the General Meeting to approve the accounts for the previous financial year has elapsed.

2. Directors may resign from their posts, the posts may be revoked, and directors may be reelected one or more times for terms of equal length.

**Article 34.- Remuneration of Directors**

1. The Board of Directors will receive remuneration of 4% of consolidated profit, net of general expenses, interest, tax and other amounts allocated to writedowns and D&A, unless the Board itself decides to reduce its compensation in years in which it deems such a reduction to be appropriate. The resulting amount will be distributed among the Board of Directors and its delegate committees, and also to members who have executive duties, and will be distributed as the Board sees fit, both in terms of remuneration to members, especially the Chairman,

according to the duties and position of each member, and in terms of the form of attendance fees, remuneration stipulated in the by/laws, remuneration of executive duties etc.

2. Directors carrying out executive duties at the Company, whatever the nature of their legal relationship, will be entitled to receive remuneration for these duties, which may be either a fixed amount, a variable amount in addition to incentive schemes and benefits which may include pension plans and insurance and, where appropriate, social security payments. In the event of departure not caused by a breach of their functions, directors may be entitled to compensation.

3. The amount payable to members of the Board in accordance with the above may only be disbursed after a minimum 4% dividend has been paid out to shareholders pursuant to law.

4. Additionally, within the limits specified in the paragraphs above, directors may receive compensation in the form of company shares or shares in another publicly traded group company, options or other share-based instruments. This remuneration must be ratified by the General Shareholders' Meeting. Where appropriate, the resolution will list the number of shares to be delivered, the strike price for the options, and the price of the shares taken as reference and the term set for this type of compensation.

**Article 35.- Appointment to Posts on the Board of Directors**

1. The Board of Directors will appoint from among its number a Chairman and a Vice-Chairman to replace the Chairman in the event of incapacity or absence.

2. The Chairman represents the Company on behalf of the Board and the General Meeting, and is its highest representative for the purposes of any actions of the Company or subsidiary bodies in which it holds ownership interests.

3. The Board may also appoint additional Vice-Chairmen, in which case the duties described will fall to the First Vice-Chairman, who will be replaced in turn, if necessary, by the Second Vice-Chairman, and so on successively.

4. In the event the Chairman is absent for any reason, he will be substituted by the Vice-Chairmen in their order and, failing this, by the oldest member of the Board.

5. The Chairman will carry out the following functions, notwithstanding the powers of the Chief Executive Officer and any powers of attorney or representations by proxy that have been established:

   (i) Represent institutionally the Company and any entities dependent on the Company, without prejudice to the functions attributed in this area to the Board of Directors.

(ii) Call, at the behest of the Board of Directors, chair and direct General Shareholders' Meetings, establishing limits on remarks for and against all proposals and also establishing their duration.

(iii) Call, chair and direct meetings of the Board of Directors, with the same powers as stipulated in the preceding paragraph. He may also enact any resolutions by this body, with no need for any special delegation format.

(iv) He holds the casting vote in the event of a tie during meetings of the Board of Directors over which he presides.

(v) Act on behalf of the Company vis-à-vis corporate bodies and other bodies in the sector, pursuant to the provisions of their By-laws.

(vi) Authorize the minutes, certifications and other documents concerning resolutions by the General Meeting, the Board of Directors and, where applicable, any Committees he chairs, and act on behalf of the Company to implement such resolutions vis-à-vis regulatory bodies, notwithstanding attributions to other bodies.

(vii) Be responsible for the official signature of the Company, and thus sign on behalf of the Company, following any agreements that are necessary for legal or statutory reasons, contracts, accords or other legal instruments with public bodies and other entities.

(viii) Ensure compliance with current legal stipulations, the precepts of these By-laws and of the regulations and resolutions by the collegiate bodies over which he presides.

(ix) Official representation of the Company vis-à-vis authorities, entities and third-party Spanish or foreign bodies. He may delegate this representative function to other members of the Board, to the Chief Executive Officer, or to a member of the Company's management staff.

6. The Board will appoint a Secretary and may appoint a Vice-Secretary, who need not be directors. The Secretary will attend Board meetings with the right to speak but not to vote, unless he is a director.

7. The Vice-Secretary, if any, will replace the Secretary if the latter is not present at the meeting for any reason and, unless the Board decides otherwise, may attend meetings of the Board of Directors to assist the Secretary. The Board may also appoint more than one Vice-Secretary, in which case the duties described will fall to the First Vice-Secretary, who will be replaced in turn if necessary by the Second Vice-Secretary, and so on successively.

8. The Board of Directors, in consideration of the special relevance of its mandate, may appoint as Honorary Chairmen persons who have held the position of Chairman of the Board, and may attribute to them duties of honorific representation of the Company and for such acts as are expressly entrusted to them by the Chairman of the Board. Honorary Chairmen may exceptionally

attend Board meetings when invited to do so by the Chairman and, in addition to the duties of honorific representation, will give advice to the Board and its Chairman, and will assist in maintaining the best possible relations of shareholders with the Company's governing bodies and among the shareholders themselves. The Board of Directors will make available to Honorary Chairmen such technical, material and human resources as it deems appropriate to enable them to perform their duties in the most adequate terms, and through the most appropriate formulae.

**Article 36.- Meetings of the Board of Directors**

1. The Board of Directors will meet as often as necessary to carry out its duties effectively. The Board of Directors must also meet when requested to do so by at least two (2) of its members or one of the independent directors, in which case it will be called to a meeting by the Chairman, through any written means addressed personally to each director, to be held within fifteen (15) days following the request.

2. Meetings will be called by letter, fax, telegram or e-mail, and will be authorized by the signature of the Chairman, or that of the Secretary or Vice-Secretary by order of the Chairman. Notice will be sent with prior notice of at least forty-eight (48) hours, unless an emergency situation exists and is accepted by the Board when it meets.

3. Notwithstanding the foregoing, the meeting of the Board of Directors will be considered to be validly held without any need for a call if all its members, present or represented by proxy, unanimously agree to the meeting and to the items to be discussed on the agenda.

4. Meetings will normally take place at the Company's registered office, but may also be held at another location determined by the Chairman, who may authorize Board meetings to be held with simultaneous attendance at various locations connected by audiovisual or telephonic means, provided the recognition of those attending and real-time interactivity and intercommunication, and thus unity of action, can be guaranteed.

5. The Board of Directors may also adopt its resolutions in writing without actually holding a meeting, if no directors object to this procedure, pursuant to the legislation in force.

**Article 37.- Procedures for Meetings**

1. There will be a valid quorum at Board meetings when one half plus one of its members attend in person or represented by another director.

2. The Chairman will manage the debates, give the floor to speakers, and direct the votes.

3. Resolutions will be adopted by an absolute majority of the directors attending the meeting in person or represented by proxy, except in cases where the law or these by-laws stipulate qualified majorities.

**Article 38.- Minutes of Board Meetings and Certificates**

1. The Board's discussions and resolutions will be recorded in the minutes and written or copied into a minutes book, and will be signed by the Chairman or the Vice-Chairman, as the case may be, and by the Secretary or Vice-Secretary.

2. The minutes will be approved by the Board of Directors at the end of the meeting or immediately afterwards, unless the immediate nature of the meetings does not permit this, in which case they will be approved at a subsequent meeting. The minutes may also be approved by the Chairman, the Secretary and two (2) directors attending the Board meeting to which the minutes refer, who are designated by the Board itself at each meeting.

3. In order to facilitate the implementation of resolutions and, as the case may be, their recording in a public deed, the minutes may be partially approved, and each of the approved sections may contain one or more resolutions.

4. Certificates of the minutes will be issued by the Secretary of the Board of Directors, or by the Vice-Secretary with the approval of the Chairman or the Vice-Chairman, as the case may be.

## SECTION III.- THE BOARD'S DELEGATED BODIES

**Article 39.- Delegation of Powers**

1. The Board of Directors may appoint, from among its number, an Executive Committee and one or more Chief Executive Officers, determining the persons who should hold such posts and how they should act. It may delegate to them all its powers that are not non-delegable in law. The Board of Directors will likewise appoint from among its number an Appointments and Remuneration Committee, composed of a minimum of three and a maximum of five members, and may create other Committees composed of directors with such functions as are deemed appropriate.

2. The aforementioned Committees will be governed pursuant to the law, these by-laws and the Regulations of the Company's Board of Directors, and quorum will be valid when the majority of their members are in attendance, either in person or represented by proxy.

   The resolutions passed by these Committees will be adopted by a majority of the members in attendance, either in person or represented by proxy.

3. The Board of Directors may also appoint and revoke representatives or attorneys-in-fact.

**Article 40.- Audit and Control Committee**

1. The Board of Directors will create from among its members an Audit and Control Committee composed of a minimum of three and a maximum of seven (7) members, the majority of whom will be non-executive directors. At least one member of the Audit and Control Committee will be an independent director, and will be appointed on the basis of knowledge and experience of accounting or auditing, or both. In any case, they shall be appointed by the Board of Directors.

2. The Chairman of the Audit and Control Committee shall be appointed from among the non-executive directors and must be replaced every four (4) years. He/she may be reappointed once one year has elapsed from the time he/she ceased to be Chairman.

3. The number of members, the responsibilities and the operating rules of this Committee must encourage its independent operation. Its responsibilities will include at least the following:

   (i) Informing the General Meeting concerning the issues raised within the Committee for which it is responsible;

   (ii) Overseeing the effectiveness of the Company's internal control environment, internal audit and risk management systems, and discussing with auditors of accounts any significant weaknesses in the internal control system identified during the course of the audit.

   (iii) Overseeing the process for preparing and submitting regular financial information.

   (iv) Making proposals to the Board of Directors for submission to the General Shareholders' Meeting concerning the appointment of auditors, in accordance with legislation applicable to the Company.

   (v) Establishing appropriate relationships with auditors in order to receive information, for examination by the Audit and Control Committee, on matters which may jeopardize their independence and any other matters relating to the audit process and any other communications provided for in audit legislation and technical audit regulations.

   In any event, on an annual basis the Committee must receive from the auditors written confirmation of their independence vis-à-vis the Company or entities related to it directly or indirectly, in addition to information on additional services of any kind rendered to these entities by the aforementioned auditors or persons or entities related to them as stipulated by auditing legislation.

   (vi) Issuing annually, prior to the audit report, a report containing an opinion on the independence of the auditors. This report must address the provision of any additional services referred to in the preceding section.

4. Quorum will be valid for the Audit and Control Committee when a majority of its members attend in person or are represented by proxy.

   The resolutions passed by this Committee shall be passed by a majority of the members attending in person or represented by proxy.

## TITLE VI.- BALANCE SHEETS

### Article 41.- The Company's Financial Year

The Company's financial year will be the same as the calendar year, and will therefore commence on January 1 and end on December 31 each year.

### Article 42.- Accounting documents

1. The Company must keep orderly accounts appropriate to its business which permit chronological monitoring of transactions and the preparation of inventories and balance sheets.

2. The accounting books will be legally stamped by the Companies Registry for the location of the registered offices.

### Article 43.- Annual Accounts

1. Within a maximum period of three (3) months from the end of the financial year, the Board of Directors must draw up the Annual Accounts, the Management Report and the proposal for allocation of results, and also the Consolidated Annual Accounts and Management report, when applicable.

2. The Annual Accounts will include all the documents stipulated by legislation in force. These documents, which form a unit, must be drawn up clearly and show a true and fair view of the Company's net equity, financial situation and results in accordance with legal provisions, and must be signed by the Company's directors.

3. Once the General Meeting has been called, any shareholder may immediately obtain from the Company free of charge the documents that are to be submitted for its approval, in addition to the auditors' report.

### Article 44.- Management Report

The Management Report shall contain the statements and content required by prevailing legislation.

### Article 45.- Auditors

1. The Annual Accounts and the Management Report must be reviewed by the Auditors. Auditors will have at least one month to issue their report from the date on which the Board of Directors delivers the accounts to them.

2. The persons performing the audit of the Annual Accounts will be appointed by the General Meeting before the end of the year to be audited, for a specific term, which may not be less than three years or exceed nine years, from the date of commencement of the first year under audit. This is notwithstanding their reappointment under the terms provided for in law.

3. The General Meeting may appoint one or several individuals or legal entities which will act jointly. When the chosen parties are individuals, the General Meeting will appoint an equivalent number of substitutes for the auditors.

4. The General Meeting may not dismiss the auditors until the period for which they were appointed ends, unless it finds just cause.

**Article 46.- Approval of the Annual Accounts**

1. The Annual Accounts will be submitted to the General Shareholders' Meeting for approval.

2. When the Annual Accounts have been approved, the General Meeting will decide the allocation of results for the financial year.

3. Dividends may only be paid out against profit for the financial year or freely available reserves, if the requirements laid down in law and in the By-laws have been met and the net book value of equity is not, or as the consequence of payment of the dividends is not, lower than the share capital. If losses were made in previous years which made the Company's net equity worth less than the share capital, the profit will be used to offset the losses.

4. If the General Meeting agrees to distribute dividends, it will determine the time and method of payment. Determination of these issues may be delegated to the Board of Directors, as may any other issues that may be necessary or appropriate in order to carry out the resolution.

   The General Meeting may resolve to issue a dividend partially or wholly paid in kind, provided the securities to be distributed as dividends:

   (i) are like-for-like securities; and

   (ii) are admitted for trading on an officially recognized market, at the time the resolution takes effect.

5. The Board of Directors may agree to pay out sums on account of dividends, with the limitations of and in accordance with the requirements laid down in law.

**Article 47.- Filing the Annual Accounts**

In the month following approval of the Annual Accounts, they will be filed along with the other documentation required by law and with the appropriate certification

demonstrating such approval and allocation of profits, so that they may be filed with the Commercial Registry, in the manner determined by law.

## TITLE VII.- DISSOLUTION AND LIQUIDATION

### Article 48.- Grounds for dissolution

The Company will be dissolved:

(a) following a resolution by the General Shareholders' Meeting called expressly for this purpose, adopted in accordance with these by-laws; and

(b) in any of the other cases stipulated in law.

### Article 49.- Liquidation

1. The same General Meeting that agrees to dissolve the Company will determine the terms of liquidation, which must be conducted by an odd number of liquidators appointed for this purpose by the General Meeting.

2. From the date on which the Company declares irself in liquidation, the Board of Directors will lose its powers of representation to draw up new contracts or undertake new obligations, and these functions will be taken over by the liquidators as provided for in Articles 383 and following of the Corporate Enterprise Act.

3. The procedures for liquidation, division of assets and registry de-listing will follow stipulations in the Corporate Enterprise Act and Companies Registry Regulations.

## TITLE VIII.- DISQUALIFICATIONS

### Article 50.- Prohibitions and Disqualifications

Persons that are disqualified within the scope and under the conditions of legislation in force at any time may not occupy positions in the Company or carry out their functions, as the case may be.

* * *

## Annex 3.(A). Caixabank Merger Balance Sheet at 31 December 2011

| ASSETS (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| **Cash and deposits at central banks** | **2,711,835** | **4** |
| **Trading portfolio** | **4,183,792** | **-** |
| Debt securities | 1,841,771 | - |
| Capital instruments | 57,689 | - |
| Trading derivatives | 2,284,332 | - |
| *Pro memoria: Loaned or under guarantee* | *92,639* | - |
| **Other financial assets at fair value with changes on Profit and Loss** | **-** | **-** |
| **Financial assets available for sale** | **11,583,631** | **6,331,234** |
| Debt securities | 8,011,448 | - |
| Capital instruments | 3,572,183 | 6,331,231 |
| *Pro memoria: Loaned or under guarantee* | *584,198* | - |
| **Credit investments** | **202,892,698** | **55,492** |
| Bank deposits | 5,619,355 | 12,365 |
| Customer credit | 193,897,882 | 43,127 |
| Debt securities | 3,375,461 | - |
| *Pro memoria: Loaned or under guarantee* | *58,225,039* | - |
| **Investment portfolio at maturity** | **7,362,312** | **-** |
| *Pro memoria: Loaned or under guarantee* | *4,426,147* | - |
| **Adjustments to financial assets for macro-hedging** | **122,947** | **-** |
| **Hedging derivatives** | **15,037,599** | **-** |
| **Non-current assets for sale** | **411,506** | **-** |
| **Participating shares** | **11,530,200** | **14,947,485** |
| Associate entities | 7,595,231 | 6,360,059 |
| Multigroup entities | 104,403 | 4,041,071 |
| Group entities | 3,830,566 | 4,546,355 |
| **Pension-linked insurance contracts** | **1,836,705** | **-** |
| **Tangible assets** | **2,942,324** | **2,443** |
| Intangible fixed assets | 2,785,624 | 2,443 |

| ASSETS (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| *Own use* | *2,785,624* | *2,443* |
| Real estate investments | 156,700 | - |
| **Intangible Assets** | **553,959** | **1,149** |
| Goodwill | 389,743 | - |
| Other intangible assets | 164,216 | 1,149 |
| **Tax assets** | **2,503,584** | **606,716** |
| Current | 325,399 | - |
| Deferred | 2,178,185 | 606,716 |
| **Other assets** | **642,044** | **263,553** |
| **Total Assets** | **264,315,136** | **22,208,076** |

| Pro memoria (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| Contingent risks | 9,552,302 | - |
| Contingent undertakings | 50,413,518 | - |

| LIABILITIES AND NET WORTH (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| **LIABILITIES** | | |
| **Trading portfolio** | **4,117,233** | **1,635** |
| Trading derivatives | 2,299,671 | 1,635 |
| Short positions on securities | 1,817,562 | - |
| **Other financial liabilities at fair value with changes on Profit and Loss** | **-** | **-** |
| **Financial liabilities at amortised cost** | **221,803,651** | **7,593,899** |
| Central bank deposits | 13,579,787 | - |
| Bank deposits | 9,807,384 | 6,023,035 |
| Customer deposits | 146,107,745 | 15 |
| Debits represented by negotiable securities | 44,545,324 | 998,297 |
| Subordinated liabilities | 5,088,470 | - |
| Other financial liabilities | 2,674,941 | 572,552 |
| **Adjustments to financial liabilities for macro-hedging** | **2,643,932** | **-** |

| LIABILITIES AND NET WORTH (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| **Hedging derivatives** | **11,633,757** | **-** |
| **Liabilities associated with non-current assets for sale** | **-** | **-** |
| **Provisions** | **2,777,191** | **33,521** |
| Funds for pensions and similar obligations | 2,259,441 | - |
| Funds for taxes and other legal contingencies | 86,375 | - |
| Provisions for contingent undertakings and risks | 119,799 | - |
| Other provisions | 311,576 | 33,521 |
| **Tax liabilities** | **724,087** | **770,371** |
| Current | - | - |
| Deferred | 724,087 | 770,371 |
| **Other liabilities** | **1,304,565** | **31,846** |
| **Total liabilities** | **245,004,416** | **8,431,272** |
| **NET WORTH** | | |
| **Equity** | **18,618,148** | **12,463,645** |
| Capital or allocation fund issued | 3,840,103 | 3,362,890 |
| Issue premium | 9,381,085 | 7,711,244 |
| Reserves | 3,785,868 | 969,940 |
| Other capital instruments | 1,500,000 | - |
| Less: Own securities | -270,008 | -43,471 |
| Result for the year | 838,332 | 1,133,903 |
| Less: Dividends and remunerations | -457,232 | -670,861 |
| **Valuation adjustments** | **692,572** | **1,313,159** |
| Financial assets available for sale | 683,462 | 1,313,159 |
| Cash flow hedging | 8,874 | - |
| Exchange differences | 236 | - |
| **Total Net Worth** | **19,310,720** | **13,776,804** |
| **Total Net Worth and Liabilities** | **264,315,136** | **22,208,076** |

## Annex 3.(B). Banca Cívica Merger Balance Sheet at 31 December 2011

| ASSETS (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| **Cash and deposits at central banks** | **879,975** | **309,075** |
| **Trading portfolio** | **357,163** | **13,330** |
| Bank deposits | - | - |
| Customer credit | - | - |
| Debt securities | 245,155 | - |
| Capital instruments | 9,333 | - |
| Trading derivatives | 102,675 | 13,330 |
| *Pro memoria: Loaned or under guarantee* | - | - |
| **Other financial assets at fair value with changes on Profit and Loss** | **2,771** | **-** |
| Bank deposits | - | - |
| Customer credit | - | - |
| Debt securities | 2,771 | - |
| Capital instruments | - | - |
| *Pro memoria: Loaned or under guarantee* | - | - |
| **Financial assets available for sale** | **5,747,264** | **228,194** |
| Debt securities | 4,915,475 | 143,703 |
| Capital instruments | 831,789 | 84,491 |
| *Pro memoria: Loaned or under guarantee* | *3,208,570* | - |
| **Credit investments** | **56,976,018** | **2,658,369** |
| Bank deposits | 2,323,231 | 2,656,374 |
| Customer credit | 50,953,969 | 1,995 |
| Debt securities | 3,698,818 | - |
| *Pro memoria: Loaned or under guarantee* | *5,758,957* | - |
| **Investment portfolio at maturity** | **1,290,473** | **-** |
| *Pro memoria: Loaned or under guarantee* | *986,350* | - |
| **Adjustments to financial assets for macro-hedging** | **-** | - |
| **Hedging derivatives** | **686,063** | **-** |
| **Non-current assets for sale** | **998,748** | **-** |

| ASSETS (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| **Participating shares** | **1,333,870** | **-** |
| Associate entities | 100,011 | - |
| Multigroup entities | 201,848 | - |
| Group entities | 1,032,011 | - |
| **Pension-linked insurance contracts** | - | **-** |
| **Assets for reinsurance** | - | - |
| **Tangible assets** | **1,236,543** | **594** |
| Intangible fixed assets | 1,005,480 | 594 |
| Own use | 1,005,480 | 594 |
| Under operative lease | - | - |
| Linked to social community work | - | - |
| Real estate investments | 231,063 | - |
| *Pro memoria: Acquired under financial lease* | - | - |
| **Intangible Assets** | **25,527** | **177** |
| Goodwill | - | - |
| Other intangible assets | 25,527 | 177 |
| **Tax assets** | **1,752,627** | **6,441** |
| Current | 14,874 | 791 |
| Deferred | 1,737,753 | 5,650 |
| **Other assets** | **155,327** | **3,045** |
| **Total Assets** | **71,442,369** | **3,219,225** |

| LIABILITIES AND NET WORTH (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| **LIABILITIES** | | |
| **Trading portfolio** | **73,113** | **11,015** |
| Central bank deposits | - | - |
| Bank deposits | - | - |
| Customer deposits | - | - |
| Debits represented by negotiable securities | - | - |
| Trading derivatives | 73,113 | 11,015 |
| Short positions on securities | - | - |
| Other financial liabilities | - | - |

| LIABILITIES AND NET WORTH (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| **Other financial assets at fair value with changes on Profit and Loss** | **-** | - |
| Central bank deposits | - | - |
| Bank deposits | - | - |
| Customer deposits | - | - |
| Debits represented by negotiable securities | - | - |
| Subordinated liabilities | - | - |
| Other financial liabilities | - | - |
| **Financial liabilities at amortised cost** | **67,309,569** | **3,027,953** |
| Central bank deposits | 3,701,028 | 1,000,250 |
| Bank deposits | 5,059,027 | 1,327,536 |
| Customer deposits | 49,733,727 | - |
| Debits represented by negotiable securities | 5,404,701 | 470,355 |
| Subordinated liabilities | 3,041,136 | - |
| Other financial liabilities | 369,950 | 229,812 |
| **Adjustments to financial liabilities for macro-hedging** | - | - |
| **Hedging derivatives** | **323,771** | **-** |
| **Liabilities associated with non-current assets for sale** | - | - |
| **Liabilities for insurance contracts** | - | - |
| **Provisions** | **449,930** | **-** |
| Funds for pensions and similar obligations | 293,232 | - |
| Funds for taxes and other legal contingencies | 12,467 | - |
| Provisions for contingent undertakings and risks | 47,948 | - |
| Other provisions | 96,283 | - |
| **Tax liabilities** | **400,650** | **178** |
| Current | 7,075 | - |
| Deferred | 393,575 | 178 |
| Social community work fund | **-** | **-** |
| **Other liabilities** | **133,872** | **1,488** |
| **Capital repayable on call** | - | - |
| **Total liabilities** | **68,690,905** | **3,040,634** |
| **NET WORTH** | | |
| **Equity** | **2,910,301** | **185,772** |
| Allocation fund / capital | 497,143 | 168,030 |
| Registered | 497,143 | 168,030 |
| Less: Unrequired Capital (-) | - | - |
| Issue premium | 2,628,989 | - |

| LIABILITIES AND NET WORTH (figures in thousands of euros) | 31/12/2011 | 31/12/2010 |
|---|---|---|
| Reserves | (346,860) | - |
| Other capital instruments | - | - |
| Compound financial instruments | - | - |
| Participating shares and associate funds | - | - |
| Other capital instruments | - | - |
| Less: Own securities | (18,356) | - |
| Result for the year | 190,073 | 179,038 |
| Less: Dividends and remunerations | (40,688) | (161,296) |
| **Valuation adjustments** | **(158,837)** | **(7,181)** |
| Financial assets available for sale | (158,750) | (7,181) |
| Cash flow hedging | (60) | - |
| Hedging for net investments in businesses abroad | - | - |
| Exchange differences | (27) | - |
| Non-current assets for sale | - | - |
| Other valuation adjustments | - | - |
| **Total Net Worth** | **2,751,464** | **178,591** |
| **Total Net Worth and Liabilities** | **71,442,369** | **3,219,225** |
| **Pro memoria** | | |
| **Contingent risks** | **2,321,057** | **-** |
| **Contingent undertakings** | **4,968,582** | **-** |