

**SUPPLEMENT DATED 1 MAY 2019 TO THE INFORMATION MEMORANDUM
DATED 20 DECEMBER 2018**



CAIXABANK, S.A.

(incorporated as a limited liability company (sociedad anónima) in Spain)

€2,000,000,000

EURO-COMMERCIAL PAPER PROGRAMME

This Supplement (the "**Supplement**") is supplemental to, forms part of and must be read and construed in conjunction with, the information memorandum dated 20 December 2018 and the supplements dated 1 February 2019 and 26 February 2019 (together, the "**Information Memorandum**") prepared by CaixaBank, S.A. (the "**Issuer**") in connection with its Euro-Commercial Paper Programme (the "**Programme**") for the issuance of up to Euro 2,000,000,000 in aggregate principal amount of notes (the "**Notes**"). Terms given a defined meaning in the Information Memorandum shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the Irish Stock Exchange, trading as Euronext Dublin pursuant to the applicable listing and admission to trading rules.

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in, or incorporated by reference into, the Information Memorandum, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new fact, material mistake or inaccuracy relating to the information included in the Information Memorandum which is capable of affecting the assessment of the Notes issued under the Programme has arisen or been noted, as the case may be, since publication of the Information Memorandum.

AMENDMENTS OR ADDITIONS TO THE INFORMATION MEMORANDUM

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Information Memorandum shall be supplemented and/or amended in the manner described below:

DOCUMENTS INCORPORATED BY REFERENCE

The information set out below shall supplement the section of the Base Prospectus headed "*Documents incorporated by reference*" on page 8 of the Information Memorandum:

"an English language translation of CaixaBank's unaudited quarterly business activity and results report prepared under management criteria for the three months ended 31 March 2019 (available at:

https://www.caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/Informacion_accionistas_inversores/IPP_1T19_EN.pdf)"

RISK FACTORS

The Risk Factor "The Group is exposed to risk of loss from legal and regulatory claims" on page 27 of the Information Memorandum is deleted and replaced by the following:

"The Group is exposed to risk of loss from legal and regulatory claims

The Group is currently and in the future may be involved in various claims, disputes, legal proceedings and governmental investigations in jurisdictions where it is active.

The Group is party to certain legal proceedings arising from the normal course of its business, including claims in connection with lending activities, relationships with employees and other commercial or tax matters. The outcome of court proceedings is inherently uncertain. In view of the inherent difficulty of predicting the outcome of legal matters, particularly where the claimants seek very large or indeterminate damages, or where the cases present novel legal theories, involve a large number of parties or are in the early stages of investigation or discovery, the Group cannot state with confidence what the eventual outcome of these pending matters will be or what the eventual loss, fines or penalties related to each pending matter may be. Based on available information, the Group considers that it has reliably estimated the obligations arising from each proceeding and had recognised, where appropriate, sufficient provisions to reasonably cover the liabilities that may arise as a result of these ongoing lawsuits. The Group maintains provisions reasonably covering the obligations that may arise from ongoing lawsuits based on available information, which totalled €429 million as of 31 December 2018. Given the nature of these obligations, the expected timing of these economic outflows, if any, is uncertain.

However, the provisions made by the Group or the estimate for maximum risk could prove to be inadequate, and may have to be increased to cover the impact of the different proceedings or to cover additional liabilities, which could lead to higher costs for the Group. This could have a material adverse effect on the Group's results and financial situation.

In relation to the disbursements that could derive from the class action in which the claimants are seeking to disapply the use of floor causes (*cláusulas suelo*) in certain mortgage loans, during the years 2015 and 2016, the Group provisioned a total of €625 million under the heading "Provisions - Other provisions" to cover the reasonable estimate of such disbursements, the estimate of which took into account the status of the process and the uncertainty surrounding the matter, and was verified by an independent expert.

On 20 January 2017, the Spanish Government approved Royal Decree-law 1/2017, which encourages out-of-court settlements between financial institutions and those borrowers affected by such floor clauses, with the aim of avoiding overloading the Spanish courts with these claims.

In accordance with the provisions of Royal Decree-law 1/2017, CaixaBank implemented a code of best practices in 2017, creating a specialised department to swiftly handle claims filed in relation to this Royal Decree-law, and thereby respond to its customers within the established period. The amounts paid include, among others, €241 million of disbursements related to claims of Royal Decree-Law 1/2017 in 2017 and €107 million of the initial provision used in settlement of these claims in 2018. Claims are still being reviewed and customers are being informed of the decisions made and disbursements are made when applicable. Current provisions are in line with our estimates to reasonably cover the liabilities that may arise from pending claims based on available information.

In relation to the reference rate for mortgages in Spain, a preliminary ruling has been filed before the Court of Justice of the European Union (CJEU) which challenges the legitimacy, due to alleged lack of transparency, of mortgage loan contracts subject to the official benchmark rate denominated IRPH (*Índice de Referencia de Préstamos Hipotecarios*).

The legal matter under debate is the transparency test based on article 4.2 of Directive 93/13, when the borrower is a consumer. Since the IRPH is the price of the contract and it falls within the definition of the main subject matter of the contract, it must be drafted in plain, intelligible language, so that the consumer is in a position to evaluate, on the basis of clear, intelligible criteria, what the economic consequences derived from such contract are for him.

While the European Commission believes that transparency requires full explanation of the index features and functioning, available or official index comparisons, historical evolution and forecast of the mortgage indexes, etc., Spain, the United Kingdom and the bank which is a party to the proceedings, believe that an official index is public and transparent, monitored by the competent authorities, and that the main and compulsory legal tool for comparing prices is the APR indicator (annual percentage rate or “TAE” in Spain), which encompasses the full price and financial burden of the loan, comprised of costs, fees, index and the spread applied.

This preliminary ruling was formulated by a First Instance Court several months after the Spanish Supreme Court, on 14 December 2017, established the accordance with the Law of these contracts.

The existence of this previous decision of the Supreme Court, the fact that IRPH is an official benchmark rate, published and managed by the Bank of Spain, the existence of jurisprudence (*jurisprudencia*) of the CJEU which confirms transparency of contracts referenced to other official benchmark rates, and the existence of an APR indicator, which must be mandatorily informed to consumers, and which allows for the comprehension of the economic burden and the comparison of different mortgage offers, whatever the benchmark rate index applied is, determine that the probability of an unfavourable ruling is low.

Should the CJEU issue an unfavourable ruling, its impact is difficult to quantify in advance, as it depends on a set of factors, among which what will be the rule for substitution of such index-stands out (i.e. how must the interest of the loan be calculated), but also if it has to be applied retroactively or not, until what date (if the decision is to apply it retroactively), or what number of well-grounded claims on lack of transparency there would be. In such an adverse scenario, the impact would be material.

As of 31 March 2019, the total amount of performing mortgage loans indexed to IRPH with individuals was c.€6.7bn (most of them, but not all, with consumers).

In April 2018 the anti-corruption prosecutor (*Fiscalía Anti-Corrupción*) initiated a claim against CaixaBank, its compliance officer and 11 employees under which they are alleged to have negligently permitted customers to use CaixaBank to wire money to Hong Kong and China in breach of applicable anti-money laundering regulations. Such claim is currently in a pre-trial evidentiary phase. While CaixaBank and its legal advisors believe the claims to be groundless, CaixaBank is exposed to reputational risk if the legal proceeding continues."

LITIGATION

The section headed "Litigation" on page 100 of the Information Memorandum is deleted and replaced by the following:

"As of 31 December 2018, certain lawsuits and proceedings arising from the ordinary course of the Group's operations were ongoing. Its legal advisers and directors consider that the outcome of such lawsuits and proceedings will not have a material effect on equity in the years in which they are settled.

CaixaBank Group maintains provisions covering the obligations that may arise from such ongoing lawsuits, which totalled €429 million as of 31 December 2018, €504 million as of 31 December 2017 and €344 million as of 31 December 2016. These provisions mainly relate to different litigations which individual value is not material. However, given the nature of these obligations, the expected timing of these economic outflows, if any, is uncertain.

In relation to the disbursements that could derive from the class action in which the claimants are seeking to disapply the use of floor causes (*cláusulas suelo*) in certain mortgage loans, during the years 2015 and 2016, the Group provisioned a total of €625 million under the heading "Provisions - Other provisions" to cover the reasonable estimate of such disbursements, the estimate of which took into account the status of the process and the uncertainty surrounding the matter, and was verified by an independent expert.

On 20 January 2017, the Spanish Government approved Royal Decree-law 1/2017, which encourages out-of-court settlements between financial institutions and those borrowers affected by such floor clauses, with the aim of avoiding overloading the Spanish courts with these claims.

In accordance with the provisions of Royal Decree-law 1/2017, CaixaBank implemented a code of best practices in 2017, creating a specialised department to swiftly handle claims filed in relation to this Royal Decree-law, and thereby respond to its customers within the established period. The amounts paid include, among others, €241 million of disbursements related to claims of Royal Decree-Law 1/2017 in 2017 and €107 million of the initial provision used in settlement of these claims in 2018. Claims are still being reviewed and customers are being informed of the decisions made and disbursements are made when applicable. Current provisions are in line with

our estimates to reasonably cover the liabilities that may arise from pending claims based on available information."

GENERAL INFORMATION

The section headed "*No Significant Change*" of the "*General Information*" section on page 146 of the Information Memorandum is deleted and replaced by the following:

"No Significant Change

There has been no significant change in the financial or trading position of the Issuer or the Group since 31 March 2019."