CaixaBank: 2015-18 Strategic Plan

Morgan Stanley – European Financials Conference

Gonzalo Gortázar, CEO

London, 25 March 2015
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CaixaBank 2007-2014

- Financial targets
- From here to there: Strategic priorities
2007-2014: Emerging from the crisis as a stronger institution

- Building the leading Spanish banking franchise
- Strengthening the balance sheet
- Transforming the corporate structure
- From # 3 to # 1
  Growing organically and non-organically
- Best in class
  Maintained investment grade ratings throughout the crisis
- Proactive change
  From an unlisted savings bank to 3 institutions with different missions and governance

Unique position to benefit from recovery
CaixaBank 2007-2014

Financial targets

From here to there: Strategic priorities
## Financial Targets

### CaixaBank stand-alone targets

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>Target</th>
<th>From</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profitability</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RoTE²</td>
<td>3.4%</td>
<td>12-14%</td>
<td>2017</td>
</tr>
<tr>
<td>Cost/Income ratio</td>
<td>56.8%</td>
<td>&lt;45%</td>
<td>2018</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital allocated to stakes</td>
<td>~16%</td>
<td>&lt;10%</td>
<td>2016</td>
</tr>
<tr>
<td>CET1 FL</td>
<td>11.5%</td>
<td>11-12%</td>
<td>2015</td>
</tr>
<tr>
<td><strong>Shareholder return³</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash dividend payout ratio</td>
<td>50%</td>
<td>≥ 50%</td>
<td>2015</td>
</tr>
<tr>
<td>Special dividend and/or share buybacks</td>
<td>n/a</td>
<td>if CET1FL &gt; 12%</td>
<td>2017</td>
</tr>
</tbody>
</table>

(1) All 2014 data pro-forma the Barclays Bank Spain acquisition, except ROTE, which is stand-alone CaixaBank. Return targets also valid if BPI tender offer is successful.

(2) Tangible Equity is defined as the book value (ex. valuation adjustments) minus all intangible assets, inc. goodwill. For Dec 14, this would be €23.4bn-€5bn, or €18.4bn. For RoTE purposes, average Tangible Equity is used. Implied ROE associated with this ROTE target: 10-12%.

(3) The capital and cash dividend pay-out ratio figures include the pro-forma impact of the 16 February 2015 Board proposal to pay the final 2014 quarterly dividend in cash.

(4) Ratios apply to year-end, except CET1FL target (throughout) and payout ratio (profit for year in question).
• CaixaBank 2007-2014
• Financial targets
• From here to there: Strategic priorities
Strategic priorities

1. Best-in-class in quality of service and reputation
2. Sustainable profitability above cost of capital
3. Optimisation of capital allocation
4. Enhance our leadership in banking digitalisation
5. Retain and attract the best talent
Strategic priorities

1. Best-in-class in quality of service and reputation
2. Sustainable profitability above cost of capital
3. Optimisation of capital allocation
4. Enhance our leadership in banking digitalisation
5. Retain and attract the best talent
## Restoring our reputation to where it belongs

### Reputational issues for the sector

<table>
<thead>
<tr>
<th>Number</th>
<th>Issue Description</th>
<th>How CaixaBank differs</th>
</tr>
</thead>
</table>
| 1      | Bail-outs using taxpayer funds | - Over 3.5bn contributed to resolve the banking crisis\(^1\)  
- Assisted in restoring financial stability through the integration of 8 institutions  
- High solvency and liquidity maintained throughout the crisis |
| 2      | Mis-selling of complex products | - No losses for preferred stock or subordinated debt holders  
- Traditionally focused on simple retail products |
| 3      | Weak corporate governance combined with greed-driven culture | - No political interference (business focus only)  
- Strong culture of ethics and values  
- Balanced compensation, not oriented to short-term risk-taking |
| 4      | Banks seen as a source of instability for the real economy | - Provided credit throughout the crisis – with particular focus on entrepreneurs  
- Far-reaching distribution network encourages financial inclusion  
- Socially responsible policies for families in prolonged hardship (>20,000 social housing units)  
- €500M social welfare budget reverted annually to society through the Foundation |

(1) Contribution to DGF, FROB (Banca Cívica), Sareb
Recovering trust will be a lengthy process but we are ahead of others

- **Convenience**
  - Largest branch network
  - Largest ATM network with broadest functionalities
  - Best online and mobile banking services
  - Banking services outside branches through mobile solutions

- **Transparency**
  - Clear product descriptions
  - Product complexity adapted to customers’ profiles

- **Advisory focus**
  - Client interest comes first
  - Specialised model
  - Over 5,000 certified financial advisors

- **Capitalise on our commitment to society**
  - Foundation investment in social welfare
  - Microbank: the largest microcredit institution in Europe
  - Variable remuneration linked to quality of service since 2011

An appropriate and sustainable return on capital will not be possible unless society perceives banks to be useful servers to the community

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(1) AQ Metrix ranks CABK online and mobile banking retail banking #1 in Spain /Forrester ranks CABK #2 worldwide in mobile banking
Strategic priorities

1. Best-in-class in quality of service and reputation

2. Sustainable profitability above cost of capital

3. Optimisation of capital allocation

4. Enhance our leadership in banking digitalisation

5. Retain and attract the best talent
Cost of risk normalisation:

- **Core income**: +5.7% CAGR

**Stable cost base**:

- Operating expenses **Flat through 2015-2018**
  - Implies ~ €450M cost savings

**Cost of Risk**: from 1% to <0.5%

**RoTE**: from 3.4% to 12-14%

**How to get there?**

1. Fully integrated omni-channel platform
2. Market-leading product factories
3. Distinctive commercial strategy

**Credibility**: a long-term track record of generating growth

**Key levers**

- **Cost-to-income from 57% to <45%**

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(1) NII+ fees (2015-2018)
A long-term track record of generating growth

- Fully integrated omni-channel distribution platform
- Market-leading product factories
- Distinctive commercial strategy
Proven capabilities to increase market shares across a wide range of products

**Deposits market share**

- **Peer 1:** 15.4% in 2007 (SEP-14) with a growth of +5.6 pp from 2007 (SEP-14) to 2015 (SEP-14).
- **Peer 2:** 14.8% in 2007 (SEP-14) with a growth of +1.7 pp from 2007 (SEP-14) to 2015 (SEP-14).
- **Peer 1:** 14.3% in 2007 (SEP-14) with a growth of +2.3 pp from 2007 (SEP-14) to 2015 (SEP-14).

**Loans market share**

- **Peer 1:** 16.3% in 2007 (SEP-14) with a growth of +7.2 pp from 2007 (SEP-14) to 2015 (SEP-14).
- **Peer 2:** 13.9% in 2007 (SEP-14) with a growth of +3.3 pp from 2007 (SEP-14) to 2015 (SEP-14).
- **Peer 2:** 12.6% in 2007 (SEP-14) with a growth of +0.1 pp from 2007 (SEP-14) to 2015 (SEP-14).

**Mutual funds market share**

- **Peer 1:** 17.3% in 2007 (FEB-15) with a growth of +11.7 pp from 2007 (FEB-15) to 2014 (FEB-15).
- **Peer 2:** -5.2% in 2007 (FEB-15) with a decrease of -5.2 pp from 2007 (FEB-15) to 2014 (FEB-15).
- **Peer 2:** -2.3% in 2007 (FEB-15) with a decrease of -3.0 pp from 2007 (FEB-15) to 2014 (FEB-15).

**Saving insurance and pension plans market share**

- **Peer 1:** 20.6% in 2007 with a growth of +7.0 pp from 2007 to 2014.
- **Peer 2:** 13.6% in 2007 with a growth of +1.4 pp from 2007 to 2014.
- **Peer 2:** 12.7% in 2007 with a growth of +3.0 pp from 2007 to 2014.

**Growth during the crisis**

- **Deposits market share:**
  - Peer 1: +5.6 pp
  - Peer 2: +1.7 pp
  - Peer 2: +2.3 pp
- **Loans market share:**
  - Peer 1: +7.2 pp
  - Peer 2: +3.3 pp
  - Peer 2: +0.1 pp
- **Mutual funds market share:**
  - Peer 1: +11.7 pp
  - Peer 2: -5.2 pp
  - Peer 2: -2.3 pp
- **Saving insurance and pension plans market share:**
  - Peer 1: +7.0 pp
  - Peer 2: +1.4 pp
  - Peer 2: +3.0 pp

**Notes:**

1. To other resident sectors
2. 2014 market shares include announced transactions

Sources: Bank of Spain, INVERCO and ICEA, latest available data
Our successful track record of market share growth extends beyond the crisis

**Market penetration for retail clients (primary bank)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Peer 1</th>
<th>Peer 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>1998</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>2002</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>2006</td>
<td>13</td>
<td>11</td>
</tr>
<tr>
<td>2010</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>2014</td>
<td>19</td>
<td>15</td>
</tr>
</tbody>
</table>

**Share of total loans**

<table>
<thead>
<tr>
<th>Year</th>
<th>Peer 1</th>
<th>Peer 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>3%</td>
<td>7%</td>
</tr>
<tr>
<td>1997</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>2000</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>2003</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>2006</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>2009</td>
<td>18%</td>
<td>17%</td>
</tr>
<tr>
<td>2012</td>
<td>21%</td>
<td>19%</td>
</tr>
<tr>
<td>2014</td>
<td>23%</td>
<td>21%</td>
</tr>
</tbody>
</table>

**Share of total deposits + mutual funds + pension plans**

<table>
<thead>
<tr>
<th>Year</th>
<th>Peer 1</th>
<th>Peer 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>2003</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>2006</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>2009</td>
<td>11%</td>
<td>13%</td>
</tr>
<tr>
<td>2012</td>
<td>13%</td>
<td>15%</td>
</tr>
<tr>
<td>2013</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td>2014</td>
<td>17%</td>
<td>19%</td>
</tr>
</tbody>
</table>

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

(1) Other resident sectors + public sector + non resident sector
Source: FRS Inmark, Bank of Spain, INVERCO, ICEA and “la Caixa” Research
A long-term track record of generating growth

- Fully integrated omni-channel distribution platform
  - Market-leading product factories
  - Distinctive commercial strategy
An omni-channel distribution platform combined with multi-product capabilities

**The largest branch footprint in Spain**
- 5,251 branches
- 17.3% market share
- Over 9,000 advisory specialists
- 5,000 mobile devices enabling sales outside branches
- 20,000 estimated in 2016

**European leader in internet banking**
- 4 M active customers
- 35.8% customer penetration
- Web accounts for 32% of transactions
- Video-banking, chat and online completion of in-branch initiated operations

**The largest ATM network in Spain**
- 9,544 ATMs
- 18.9% market share
- Over 200 functionalities
- 76% of operational activity during branch opening hours
- 98% availability

**Global leadership in mobile banking**
- 2.2 M active customers
- Mobile accounts for 21% of transactions
- Over 70 apps with new services and functionalities

**Powerful IT architecture allows for total** seamlessness, flexibility, reliability and sales-force mobility
Staff time is freed-up to concentrate on building relationships and innovation

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(1) Customers between 20 and 74 years with at least one transaction through CaixaBank’s home banking in the last 2 months
(2) Sources: ComsCore (online customer penetration) and Bank of Spain
A long-term track record of generating growth

- Fully integrated omni-channel distribution platform
- Market-leading product factories
- Distinctive commercial strategy
VidaCaixa Group is the largest and fastest-growing Spanish insurance company

**VidaCaixa**

*Life insurance and pension plans*

- **INSURANCE**
  - #1 in Spain
  - 21.3% market share
  - €32bn AuMs

- **PENSION PLANS**
  - #1 in Spain
  - 19.4% market share
  - €20bn AuMs

**SegurCaixa Adeslas**

*Non-life insurance*

- #1 in health insurance
- #2 Household insurance
- #5 Multirisk insurance

- 5M customers

- **Euro 52bn AuM**
- **3 Million customers**

- **49.9%**

**Market share by premiums**

<table>
<thead>
<tr>
<th>VC + SCA</th>
<th>Insur. Group 1</th>
<th>Insur. Group 2</th>
<th>Insur. Group 3</th>
<th>Insur. Group 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.1%</td>
<td>13.1%</td>
<td>7.5%</td>
<td>5.9%</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

**2014 Growth in premiums**

<table>
<thead>
<tr>
<th>Sector</th>
<th>VidaCaixa + SCA</th>
</tr>
</thead>
<tbody>
<tr>
<td>-0.8%</td>
<td>6.4%</td>
</tr>
</tbody>
</table>

**From 13.6%2 market share in 2007 to 20.6% in 2014**

**Gaining further traction: VidaCaixa accounted for 60% of total inflows into individual pension plans in 2014**

+1.94 p.p. market share in 12 months

**The largest insurance group by premiums...and growing**

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(1) PPIs + PPAs
(2) Savings insurances and pension plans

Peers: Mapfre, Allianz, Generali and Axa
Sources: INVERCO and ICEA
InverCaixa is currently the largest asset manager by clients and AuM

- #1 in Spain
- 17.3% market share
- 1M clients

€37.5bn AuM¹

- 2014: from #3 to #2
- Jan15 – from #2 to #1
+1.92pp market share
in 12 months

Funds performance

<table>
<thead>
<tr>
<th>(Dec14)</th>
<th>1y</th>
<th>3y</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Quartile</td>
<td>44.0%</td>
<td>40.2%</td>
</tr>
<tr>
<td>2nd Quartile</td>
<td>39.6%</td>
<td>45.9%</td>
</tr>
</tbody>
</table>

SICAVS² – 5y performance (Dec14)

<table>
<thead>
<tr>
<th></th>
<th>InverCaixa</th>
<th>P1</th>
<th>P2</th>
<th>P3</th>
<th>P4</th>
<th>P5</th>
<th>P6</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.2%</td>
<td>28.1%</td>
<td>28.0%</td>
<td>24.0%</td>
<td>21.9%</td>
<td>20.4%</td>
<td>15.4%</td>
<td></td>
</tr>
</tbody>
</table>

Source: INVERCO

¹ Mutual funds, client portfolios and SICAV
² Peers: SAN, BBVA, POP, BKIA, BKT, B.March
The most extensive card business still growing faster than the market

Leading payments provider

- Growing faster than the market
  + 0.3pp market share in 12 months
- 4,2M contactless cards
  (54% market share)
  → yoy turnover: +150%

Growing the merchant acquiring business

- Continued growth in market share
  + 0.9pp market share in 12 months
- 80% of POS terminals enabled with contactless technology

Source: Servired (included Servired, 4B and E6000)
A financial supermarket providing a one-stop shop for lifetime finance and insurance needs

A key competitive advantage to lead to higher RoTE than peers

- #1 life insurance
- #1 non-life bancassurance
- #1 mutual funds
- #1 credit cards

Profitable & very large non-banking leading business

- 3-4% contribution to total RoTE
- Ownership preserved throughout the crisis
  - Integrated management of client savings and spending needs
  - Agile time-to-market
  - Flexibility in pricing, packaging and distribution
  - No conflicting views with partners

Market-leading product factories provide revenue diversification and benefits from scope
A long-term track record of generating growth

- Fully integrated omni-channel distribution platform
- Market-leading product factories

➤ Distinctive commercial strategy
## Opportunities exist in underserved segments and in deepening existing client relationships

### 1. Underpenetrated regions
- Asymmetric market share

### 2. Retention and cross-selling
- Refine offering to specific targets with potential
- Lead and capture the digital opportunity (intelligence + delivery)

### 3. Long term savings
- Qualified advisory
- Leading product offering and distribution platform

### 4. Consumer finance
- Below our natural potential
  - (i.e. 17.1% market share vs. 24.1% payrolls)
- Credit and distribution processes streamlined

### 5. Business and Corporate banking
- High penetration not yet converted to share
- Success of recent value propositions
- Core strength in transactional services

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1. Market share in business volume (credit to other resident sectors + other resident sectors’ deposits) by region, December 2014 pro forma the acquisition of Barclays Bank Spain

Source: Bank of Spain, Social Security and FRS Inmark
Returning a profit above our cost of capital

How to get there?

Revenue growth

Core income\(^1\) +5.7% CAGR

Credibility: a long-term track record of generating growth

Stable cost base

Operating expenses Flat through 2015-2018

Implies ~ €450M cost savings

Cost of risk normalisation

Cost of Risk: from 1% to <0.5%

RoTE: from 3.4% to 12-14%

Key levers
1. Fully integrated omni-channel platform
2. Market-leading product factories
3. Distinctive commercial strategy

Cost-to-income from 57% to <45%

(1) NII+ fees (2015-2018)
Our distribution network is highly efficient from an operational perspective

Scalable & very efficient sales-oriented network developed over the last 3 decades

<table>
<thead>
<tr>
<th>% Tasks undertaken by branch network</th>
<th>Task absorption (%)</th>
<th>% operations by channel</th>
<th>Customers per employee¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>75% Commercial</td>
<td>24% Branches</td>
<td>Branches 8%</td>
<td></td>
</tr>
<tr>
<td>25% Back office</td>
<td>76% ATMs</td>
<td>Internet 54%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>29% PoS and automated</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>248</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>255</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>248</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>195</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CABK</td>
<td>Peer1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer2</td>
<td>Peer3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer4</td>
<td></td>
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</tr>
</tbody>
</table>

Light-branch network that is commercially very effective in a geographically-dispersed country

<table>
<thead>
<tr>
<th>Number of employees/branch</th>
<th>Evolution of branch network size</th>
<th>Primary bank clients/clients ¹</th>
<th>Main reasons for choice of primary bank ¹ (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.7</td>
<td>5,206</td>
<td>85%</td>
<td>Proximity</td>
</tr>
<tr>
<td>European average</td>
<td>2007 Acquisitions</td>
<td>80%</td>
<td>Prescription</td>
</tr>
<tr>
<td>Average Spanish sector</td>
<td>2,099 Integrations</td>
<td>78%</td>
<td>Payroll/pension</td>
</tr>
<tr>
<td>CABK</td>
<td>2014</td>
<td>77%</td>
<td>Tradition</td>
</tr>
<tr>
<td></td>
<td></td>
<td>71%</td>
<td>Service quality</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Direct debits</td>
</tr>
<tr>
<td></td>
<td>5,251</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,054</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A high number of branches is an indication of reach and client proximity – not a cost driver

(1) Retail customers, source: FRS Inmark 2014
Peers: SAN, BBVA, SAB, POP
Economies of scale result in significant cost benefits

General expenses\(^1\) are low and falling

- **Extremely competitive general expenses per branch and per employee.**
  - General expenses have been reduced by c.6% over the last 7 years while loans + deposits have grown by 34%.

**Minimal HQ staff**

- **Process simplicity and a culture of cost efficiency contributes to a minimal HQ structure**

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(1) Including amortisations
(2) Source: own estimates as of June 2014 for CaixaBank and as of the acquisition date for the acquired entities (Banca Cívica, Banco de Valencia and Barclays)
High unit labour costs to be gradually reduced over time

Labour cost per employee 2014, € Thousand

<table>
<thead>
<tr>
<th>Peers</th>
<th>CABK</th>
</tr>
</thead>
<tbody>
<tr>
<td>66</td>
<td>83</td>
</tr>
</tbody>
</table>

+ c.1.8% per annum (without inflation)

We expect substantial increases in productivity over the life of the plan

<table>
<thead>
<tr>
<th>Business/employee</th>
<th>Core income/employee</th>
<th>Business/branch</th>
<th>Core income/branch</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.9  (23.5%)</td>
<td>0.19 (31.6%)</td>
<td>91 (+33%)</td>
<td>1.14 (+43%)</td>
</tr>
<tr>
<td>18.4  (25%)</td>
<td>0.25</td>
<td>121 (+33%)</td>
<td>1.63 (+43%)</td>
</tr>
</tbody>
</table>

(1) Weighted average \rightarrow (SAN Spain, BBVA Spain, Bankia, SAB and POP)
(2) Partially offset by new hires
(3) (Loans+ customer funds) in €M
(4) (NII +fees) in €M
1. Best-in-class in quality of service and reputation
2. Sustainable profitability above cost of capital
3. Optimisation of capital allocation
4. Enhance our leadership in banking digitalisation
5. Retain and attract the best talent
1. Reduced % capital consumption of the equity portfolio

Capital consumption as % of total consumption

- ~24%
  - Portfolio transactions
    - 2011: Erste stake
    - 2013: Inbursa stake
    - 2013: MEB Repsol
  - Growth of the banking business

- ~16%
  - 11% Banking
  - 5% Industrial

- <10%
  - Ambition 2016

2. Further optimisation with the winding down of problematic RE exposure

- ▼-60%
  - Over the life of the plan

(1) Capital allocation defined as the capital consumption of the investment portfolio over total capital consumption (at 11% target CET1 FL), which amounts to €24.5bn at YE14. All data pro-forma Barclays Bank Spain.
**CaixaBank**

**Leverage our know-how and expertise in certain segments**

- IT
- Mobile banking
- Bancassurance
- Consumer Finance / microfinance
- Credit cards (issuance & acquiring)
- Electronic payments

**Partners**

- Unique positioning within their markets
- Growth potential
- Management and execution capabilities

**Examples of our cooperation today**

- Car financing JV with BEA
- Prepaid cards JVs with Erste Bank and BPI
- Retail Banking know-how transfer with Inbursa
- Aggregated €2bn credit lending from cross opportunities
- Joint procurement initiatives
- Capturing trade flows between countries

**Specific case of Tender Offer for BPI**

- Expected synergy potential of €130 M per annum by 2017, with a NPV of €650 M

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(1) Includes Spanish desks in Vienna, Mexico and Lisbon
Maintaining a track-record of strict financial discipline for acquisitions

Effectively delivering synergies and exceeding both size and timing of targets

- Cost savings from Barclays Bank Spain confirmed post 25 Feb restructuring agreement
- 2016E ROIC > 15% (vs. 10% original target)

Recent transactions made at attractive multiples

<table>
<thead>
<tr>
<th>Year</th>
<th>Targeted</th>
<th>Achieved</th>
<th>Targeted</th>
<th>Achieved</th>
<th>Targeted</th>
<th>Achieved</th>
<th>Targeted</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>54</td>
<td>104</td>
<td>9</td>
<td>270</td>
<td>436</td>
<td>45</td>
<td>270</td>
<td>391</td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>625</td>
<td>652</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>625</td>
<td>682</td>
</tr>
<tr>
<td>2015E</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>625</td>
<td>682</td>
</tr>
</tbody>
</table>

P/BV multiples

- 0.3x
- 0.0x
- 0.5x

Synergies as % of initial cost base

- 54%
- 55%

Foregoing opportunities when not meeting our targets
Strategic priorities

1. Best-in-class in quality of service and reputation

2. Sustainable profitability above cost of capital

3. Optimisation of capital allocation

4. Enhance our leadership in banking digitalisation

5. Retain and attract the best talent
IT & Innovation: Integral to our culture and key to lead banking digitalisation

Ample recognition

- Best retail bank for IT Innovation 2013, 2014
- Most innovative bank in 2011, 2013
- Most innovative bank in 2013
- 2nd best bank worldwide in mobile banking 2014

Established track record in IT & Innovation

- Leading omni-channel platform
- Extensive process automation
- Constant innovation: products, services and processes
- Broad functionality in our online and mobile banking

The largest user base of active digital customers

<table>
<thead>
<tr>
<th></th>
<th>Web</th>
<th>Mobile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers between 20 and 74 years with at least one transaction through CaixaBank’s home banking in the last 2 months</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.0 M</td>
<td>2.2 M</td>
</tr>
</tbody>
</table>
2015-2018 focus: Commercial effectiveness and customer experience

**Improve the customer experience**

- **Adapting to changing client needs**
  - Increase digital sales: 10% in 2014
  - New channels: videoconference, chat solutions
  - Online advisory solutions
  - 70 mobile apps
  - Lead product innovation
  - Personal finance management tools: RedBox, CardBox

**Enhance banking mobility**

- **Leading adopter of mobility solutions**
  - Smart PCs: from 5,000 in 2014 to >20,000 by 2016E
  - **CaixaNegocios** 1,421 managers, 257,700 new accounts
  - Digital signatures: 181,500 in 2014
  - Ready2Buy: online completion of in-branch initiated sales

**Big data: from data to value**

- **Bespoke products & services through better client knowledge**
  - A single information repository: from >10 datamarts to 1 data pool
  - Personalisation
  - Improve risk models
  - Commercial targeting

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(1) % of sales through Linea Abierta over total sales in the last 12 months

**Not just “anytime, anyplace, anywhere” but also bespoke service**
1. Best-in-class in quality of service and reputation
2. Sustainable profitability above cost of capital
3. Optimisation of capital allocation
4. Enhance our leadership in banking digitalisation
5. Retain and attract the best talent
An excellent starting point

- Business-oriented structure
- Strong commercial, operational and technological skills
- Free of “silos” and decentralised
- Best from each culture has been reinforced in consecutive integrations

Taking a step further

- Continue to invest in training of a highly skilled workforce
- Develop top quality advisory capabilities
- Empowering employees (key role of the branch)
- Fostering meritocracy and diversity

Big but Simple

- CaixaBank has the advantage of scale
- At the same time we operate in one single big market so we have a lean, no-silos, no-complexity structure
- Decision making and execution is simple, fast and focused

Key competitive advantage
Institutional Investors & Analysts Contact

We are at your entire disposal for any questions or suggestions you may wish to make. To contact us, please call or write to us at the following email address and telephone number:

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+34 93 411 75 03