



**Committed to trustworthy and profitable banking**

**Corporate Presentation**

**June 2018**

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1.



**CAIXABANK**  
AT A GLANCE

2.



COMPETITIVE  
STANCE

3.



STRATEGIC  
PLAN

4.




INTERNATIONAL  
PRESENCE &  
INVESTMENTS

5.



ACTIVITY &  
RESULTS

## Key figures<sup>(1)</sup>

	<b>Consolidated balance sheet (€ Bn)</b>	<b>384.4</b>	<b>Leading retail franchise in Iberia</b>
	<b>Customer loans and advances (€ Bn)</b>	<b>223.2</b>	
	<b>Customer funds (€ Bn)</b>	<b>351.4</b>	
	<b>Customers (M), 26.7% as main bank<sup>(2)</sup></b>	<b>15.7</b>	
	<b>Market capitalisation(€ Bn)<sup>(3)</sup></b>	<b>23.2</b>	<b>Solid balance sheet and P&amp;L metrics</b>
	<b>1Q18 Attributable profit (€ M)</b>	<b>704</b>	
	<b>CET1/Total capital Fully Loaded ratios (%)</b>	<b>11.6%/16.1%</b>	
	<b>Long Term Ratings<sup>(4)</sup></b>	<b>Baa2/BBB+/BBB/A</b>	
	<b>Employees</b>	<b>37,107</b>	<b>Unique omni-channel distribution platform</b>
	<b>Branches (#)<sup>(5)</sup></b>	<b>5,318</b>	
	<b>ATMs (#)<sup>(6)</sup></b>	<b>9,394</b>	
	<b>Digital clients<sup>(7)</sup> as % of total clients</b>	<b>56%</b>	

(1) Figures refer to CaixaBank Group unless otherwise noted.

(2) Market penetration-primary bank among Spanish retail clients. Source: FRS Inmark 2017.

(3) Share price multiplied by the number of issued shares excluding treasury shares at closing of 31<sup>st</sup> March 2018.

(4) Moody's, Standard&Poor's, Fitch, DBRS.

(5) # of branches in Spain and Portugal, of which 4,618 are retail branches in Spain.

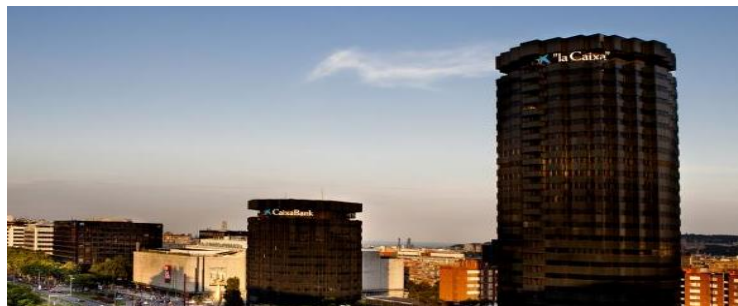
(6) # of ATMs in Spain.

(7) Customers aged 20-74 years old with at least one transaction in the last 12 months.

Note: Group data unless otherwise noticed. Hereinafter "CABK" refers to CaixaBank stand-alone while "CABK Group" or "Group" refers to CaixaBank Group

## Flagship Group in Iberian retail banking

### Leading bancassurance franchise



- ▶ **Main banking** relationship for 26.7% of Spaniards<sup>(1)</sup> and **leader in online & mobile** banking in Spain
- ▶ **15.7M clients**; 13.8M in Spain, 1.9M in Portugal
- ▶ **5,318 branches<sup>(2)</sup>; 9,394 ATMs<sup>(3)</sup>**: best-in-class omni-channel platform
- ▶ **Highly-rated brand**: based on trust and excellence in quality of service

### Robust financials



- ▶ **€23.2 bn Market capitalisation<sup>(4)</sup>**. Listed since July 1st 2011
- ▶ **Net profit 1Q18: €704M**; 9.8% RoTE trailing 12 months; 12.0% Spain Bancassurance RoTE<sup>(5)</sup>
- ▶ **Solid capital metrics**: CET1 B3 FL at 11.6%; CET1 phase-in at 11.8%
- ▶ **Outstanding NPL Coverage** ratio: 55%
- ▶ **Ample liquidity**: €73 Bn in liquid assets
- ▶ **Stable funding structure**: LTD ratio 107%

### Solid heritage & values



- ▶ Aiming at a **sustainable and socially responsible banking model**
- ▶ **Proud of our heritage: over 110-year history**, 78 acquisitions
- ▶ Included in **leading sustainability indices** (DJSI, FTSE4Good, CDP A-list, MSCI Global Sustainability, Ethibel Sustainability Index (ESI), STOXX® Global ESG Leaders)
- ▶ **Deeply rooted values**: quality, trust and social commitment

(1) Retail clients in Spain aged 18 or above.

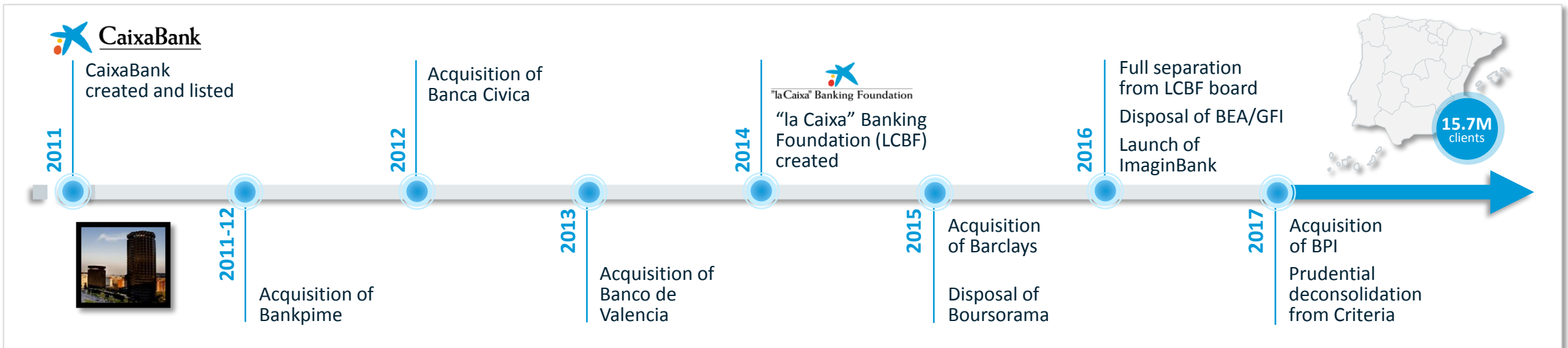
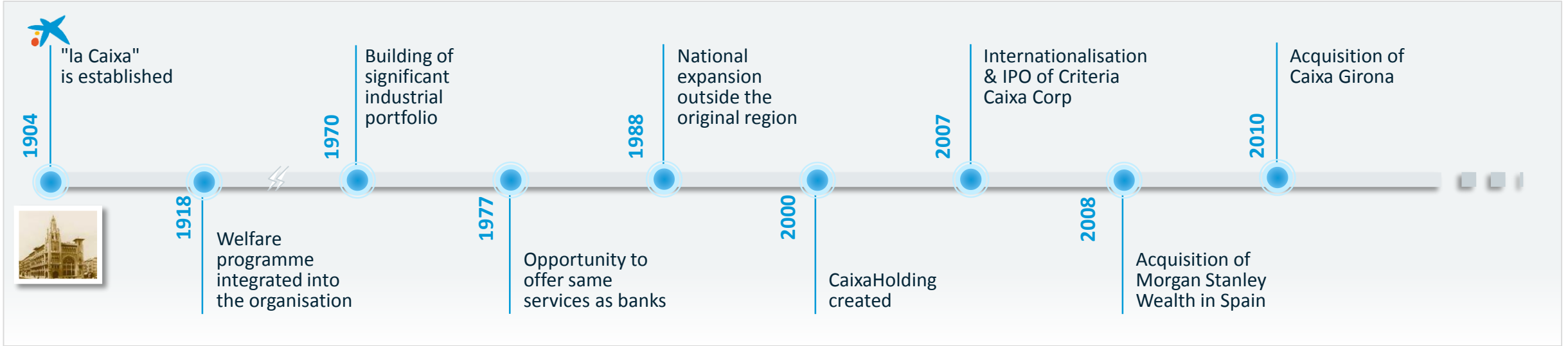
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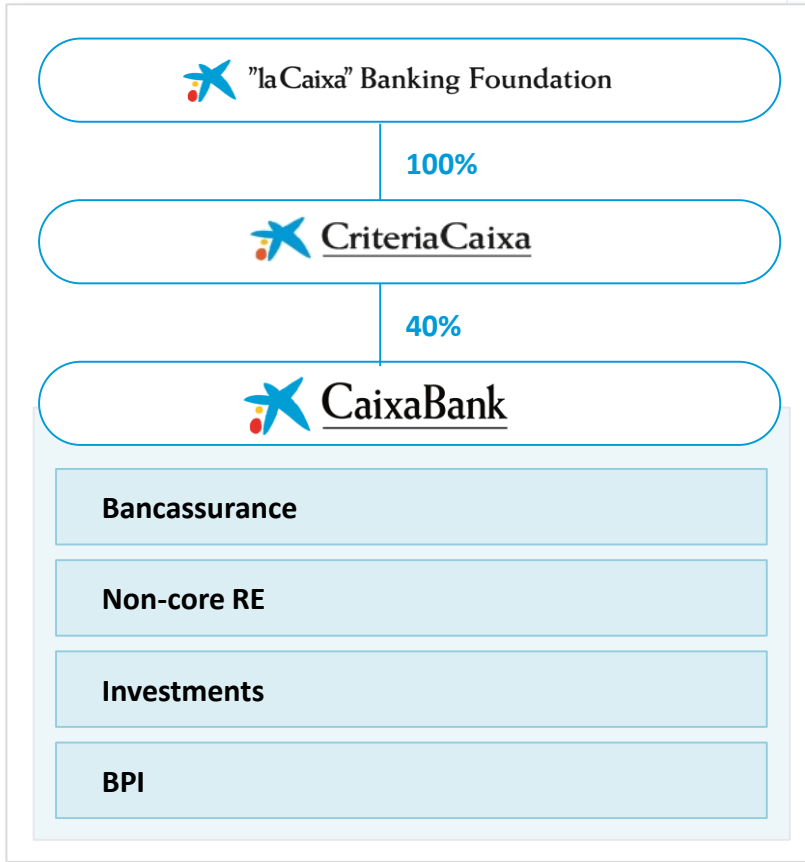
(5) RoTE exc. extraordinary items: -€212M early retirements in 2Q17 and extraordinary expenses, net of taxes. It includes the coupon of AT1 accrued in the year (-€32M post-tax, trailing 12M).

## A history that spans over 110 years



## Final restructuring of “la Caixa” Group was recently completed

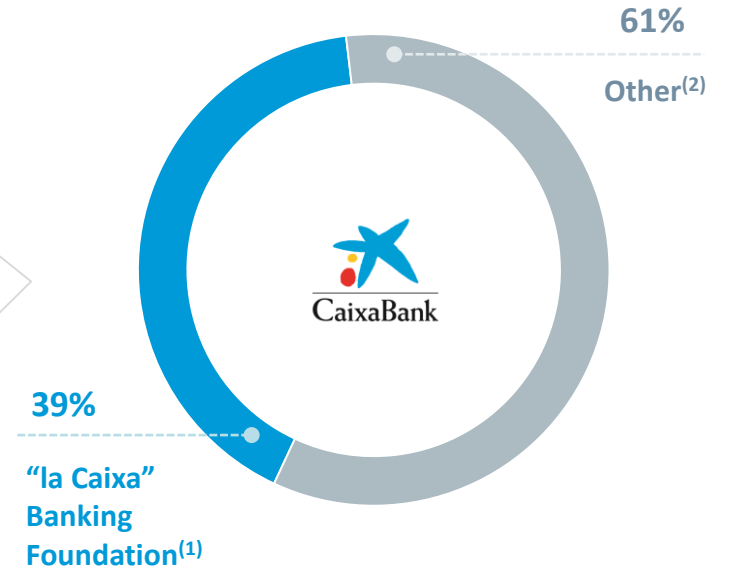
From unlisted savings-bank to 3 institutions with separate missions and governance



Prudential deconsolidation acknowledged by the ECB in September 2017

- ▶ **CRI stake reduced: 40% (vs. 81.5% Jun-2011)**
  - ▶ **Reduced lending to CRI**
  - ▶ **The Foundation no longer controls the board**
    - Lead independent director
    - Non-executive Chairman
    - Clear separation of roles
- *Best-in-class corporate governance*

CaixaBank board distribution, %



(1) Includes 6 proprietary directors representing “la Caixa” Banking Foundation and 1 board member proposed by the banking foundations formerly comprising Banca Cívica.

(2) Includes 9 independent directors, 1 proprietary director proposed by Mutua Madrileña and the CEO.



## Organic growth has been reinforced by well-timed acquisitions

### Well-timed acquisitions and proven integration track record

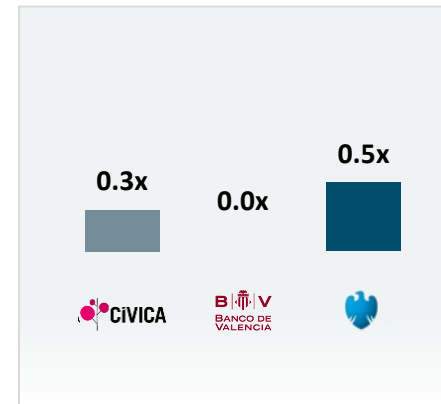


### Strict financial discipline for acquisitions

Effective delivery of synergies exceeding targets and earlier than expected. In €M

	Synergies as % of initial costs		Synergies 2016 (€M)	Timing (begin/completed)
	Initial target	Achieved		
BANCA CIVICA	59%	63%	580	2012/2015
Banco de València	52%	62%	101	2013/2015
BARCLAYS	45%	57%	189	2015/2016

Attractive P/BV multiples



2017 tender offer

P/TBV	Total synergy target
0.68x	€122 M By 2020 +

May 2018

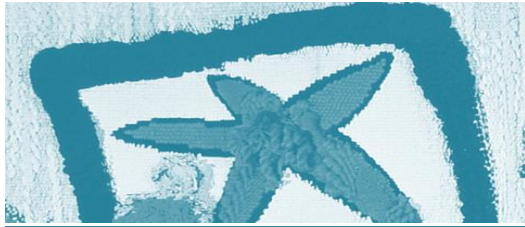
Agreement to acquire 8.425% stake from Allianz Group <sup>(3)</sup>
Price: €1.45/share

(1) Time lapsed from closing, legal merger or acquisition agreement until completion of IT integration. The integration of Banca Civica involved completing 4 sequential integrations.

(2) Post tender offer, stake increased from 45.5% to 84.5%.

(3) On the 6<sup>th</sup> of May 2018, CaixaBank announced the agreement to acquire from companies of the Allianz group shares representing 8.425% of the share capital of Banco BPI. As a result of the acquisition, CaixaBank shall own 92.935% of the share capital of BPI. CaixaBank intends to request a shareholders meeting to the Chairman of BPI General Assembly in order to approve the de-listing of Banco BPI pursuant to article 27.1.b) of the Portuguese Securities Code.

## Premium brand reputation with ample external recognition



**Premium brand reputation**



**Best Bank in Spain 2017**

*Euromoney*



**Best Private Bank in Spain 2017, 2018**

*Euromoney*



**Best Private Bank for Customer Service in Europe 2017**

*The Banker*



**European Seal of Excellence +500**



**Dow Jones Sustainability Index**  
87 pts. score, among world's top banks in CR



**Most responsible financial institution & best corporate governance**  
Merco (2017)



**Wide recognition of leading IT infrastructure**



**Technology Project Year 2017: Artificial Intelligence**

*The Banker*



**Best Bank in Spain 2017, 2018**  
**Best Consumer Digital Bank in Western Europe 2017**

*Global Finance*



**Most Innovative Financial Institution Western Europe 2018**

*Global Finance*



**Innovation of the Month Award**

*EFMA & Accenture*



**European Retail Bank of The Year 2017**

*Retail Banker*



**Model Bank of the Year 2017**

*Celent*



**Best Bank for Quality Service in Portugal 2017** *ESCI*



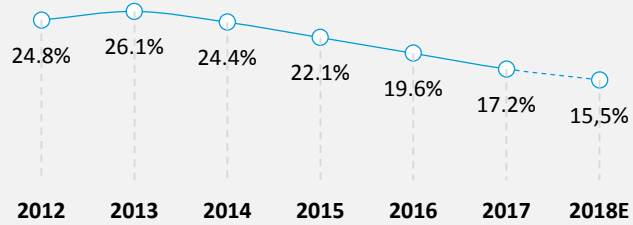
### Other recognitions in 2017:



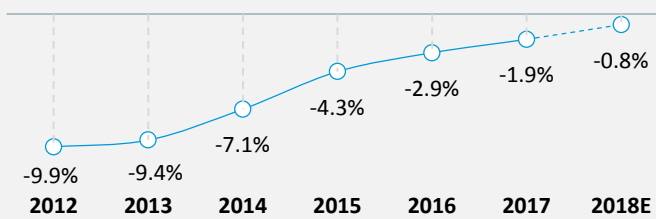
## Geared to performance of the Iberian economies

### SPAIN

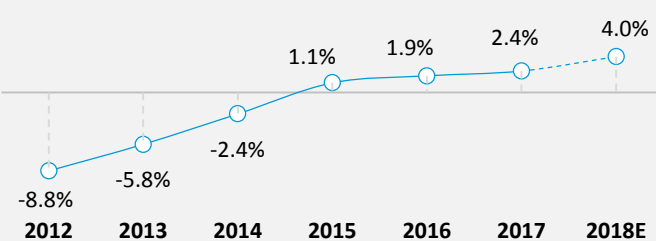
Unemployment rate, % yoy



Credit<sup>(1)</sup> (industry), % yoy

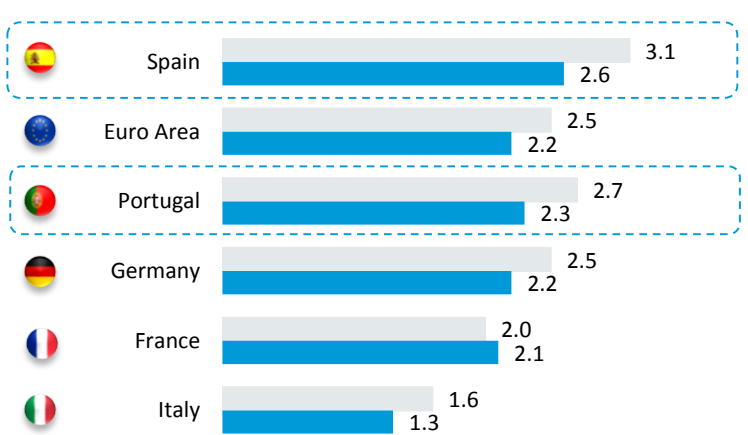


Housing prices (nominal), % yoy

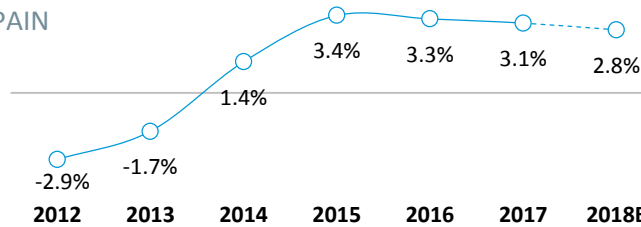


### Solid economic recovery

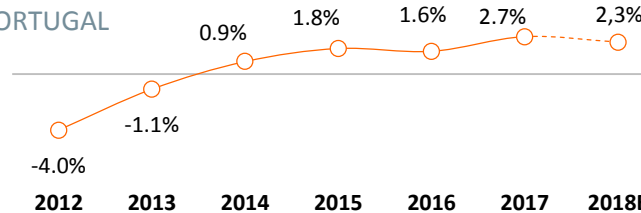
GDP growth, % yoy



#### SPAIN

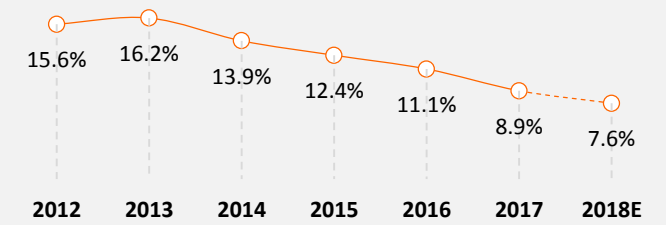


#### PORTUGAL

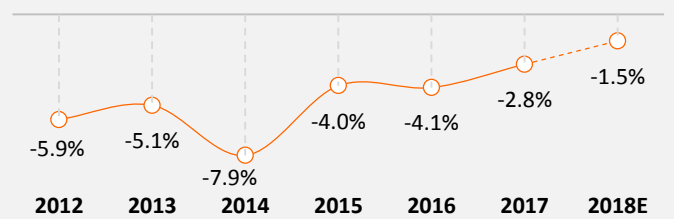


### PORTUGAL

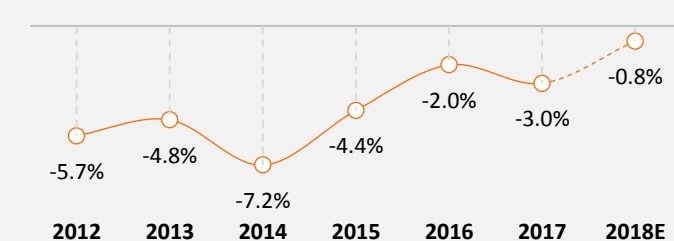
Unemployment rate, % yoy



Credit<sup>(1)</sup> (industry), % yoy



General government balance, % of GDP



(1) Loans to the "Other Resident Sectors" excluding to financial services companies (Bank of Spain and Bank of Portugal statistics).

Sources: Eurostat (GDP growth), Bank of Spain and Bank of Portugal (credit and deposits growth), INE Spain and Portugal (unemployment rate and general government balance), Spanish Ministry of Public Works. (housing prices), and CaixaBank Research (all forecasts 2018E). Forecasts as of 30<sup>th</sup> April 2018.



## A one-stop shop distribution model for lifetime finance and insurance needs



*“Much more than just a bank”*



**Scale and capillarity**

Proximity/ customer intimacy

**13.8M** clients (Spain)

**4,618** retail branches (Spain)

**9,394** ATMs (Spain)



**Comprehensive offering**

Wide and bespoke with 100% owned factories

**#1 Insurance**

Group in Spain

**#1 Asset Management**

Group in Spain

**#1 in payments**

in Spain




**IT and digitalisation**

Mobility and big data

**56%** of our clients are digital<sup>(1)</sup>

**33%** penetration in digital<sup>(2)</sup>



**Advisory**

Focus on capabilities and quality of service

**>10,800** certified advisors (Spain)

**1.6M** affluent banking clients<sup>(3)</sup>

**>100,000** private banking clients<sup>(3)</sup>

**Provides unique advantages in current operating environment**

(1) Customers aged 20-74 years old with at least one transaction in the last 12 months.

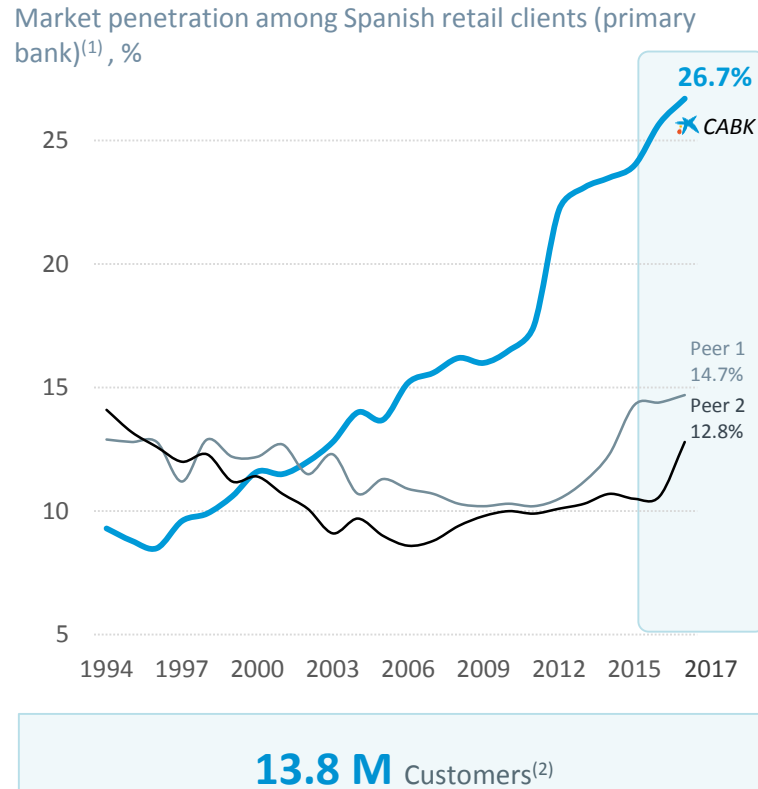
(2) 12 months average; source: Comscore, latest available data.

(3) Latest available data as of 27<sup>th</sup> April 2018, in Spain.

Sources: Bank of Spain, ICEA, Inverco, Comscore.

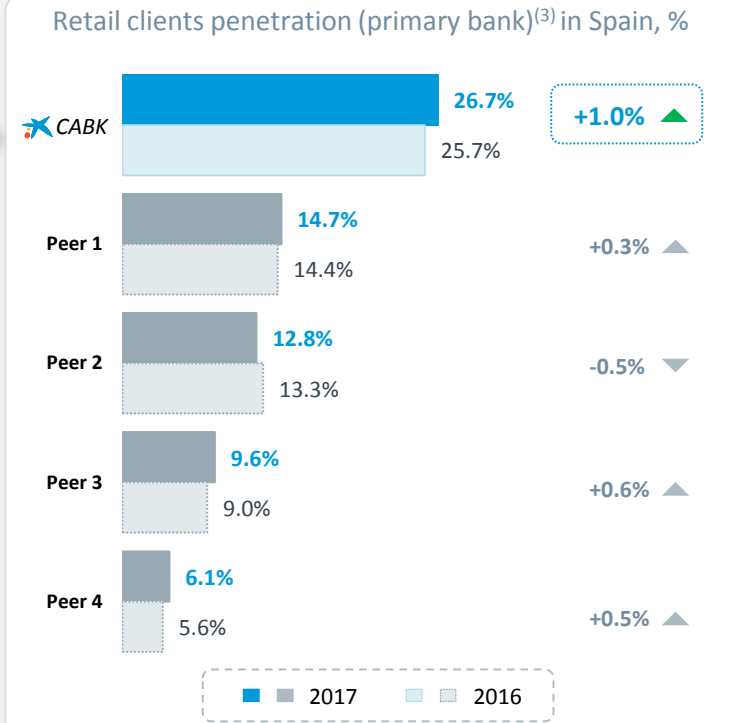
## The “bank of choice” for Spanish retail customers

Market share in line with two closest peers combined...

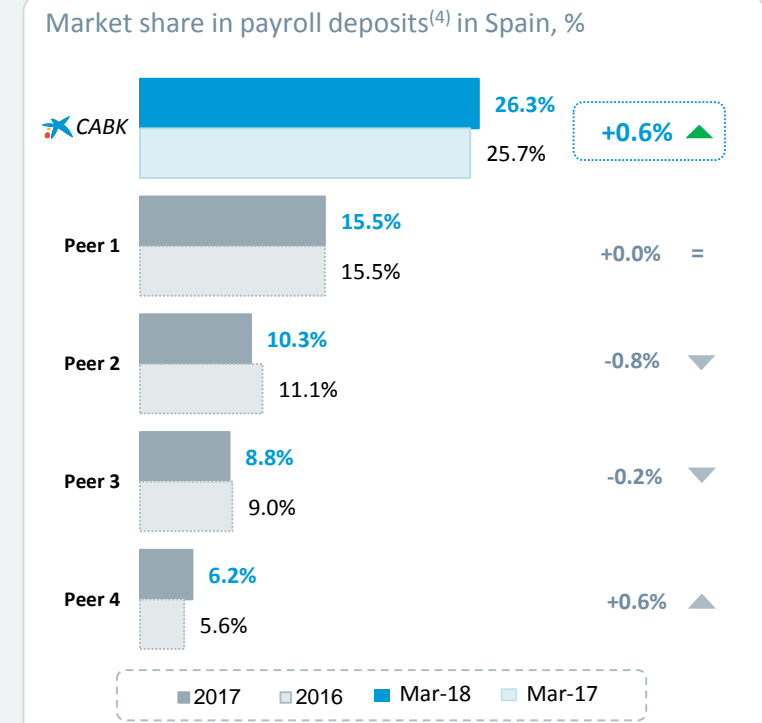


... yet still growing organically more than peers

### Organic growth reflects franchise and value proposition strengths



### Growing leadership in client income flows



Leadership in income flows is key to generate further relationship value

(1) Retail clients in Spain aged 18 or above. Peer group includes: Banco Santander (including Banco Popular), BBVA. Source: FRS Inmark 2017.

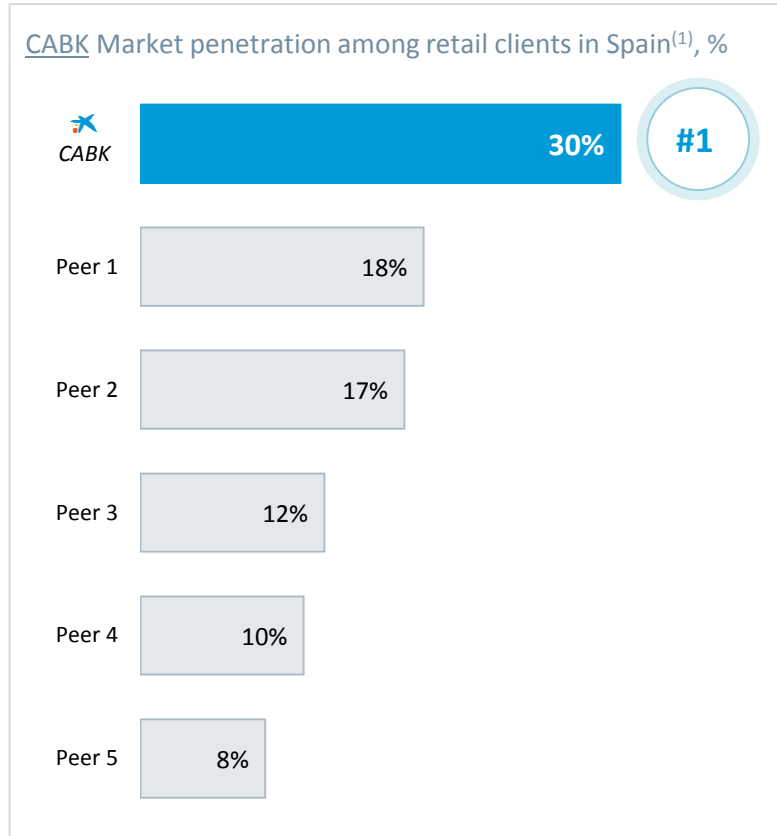
(2) In Spain.

(3) Retail clients in Spain aged 18 or above. Peers include Banco Sabadell, Banco Santander + Popular (Pro-forma in 2016), Bankia, BBVA. Source: FRS Inmark 2017 report.

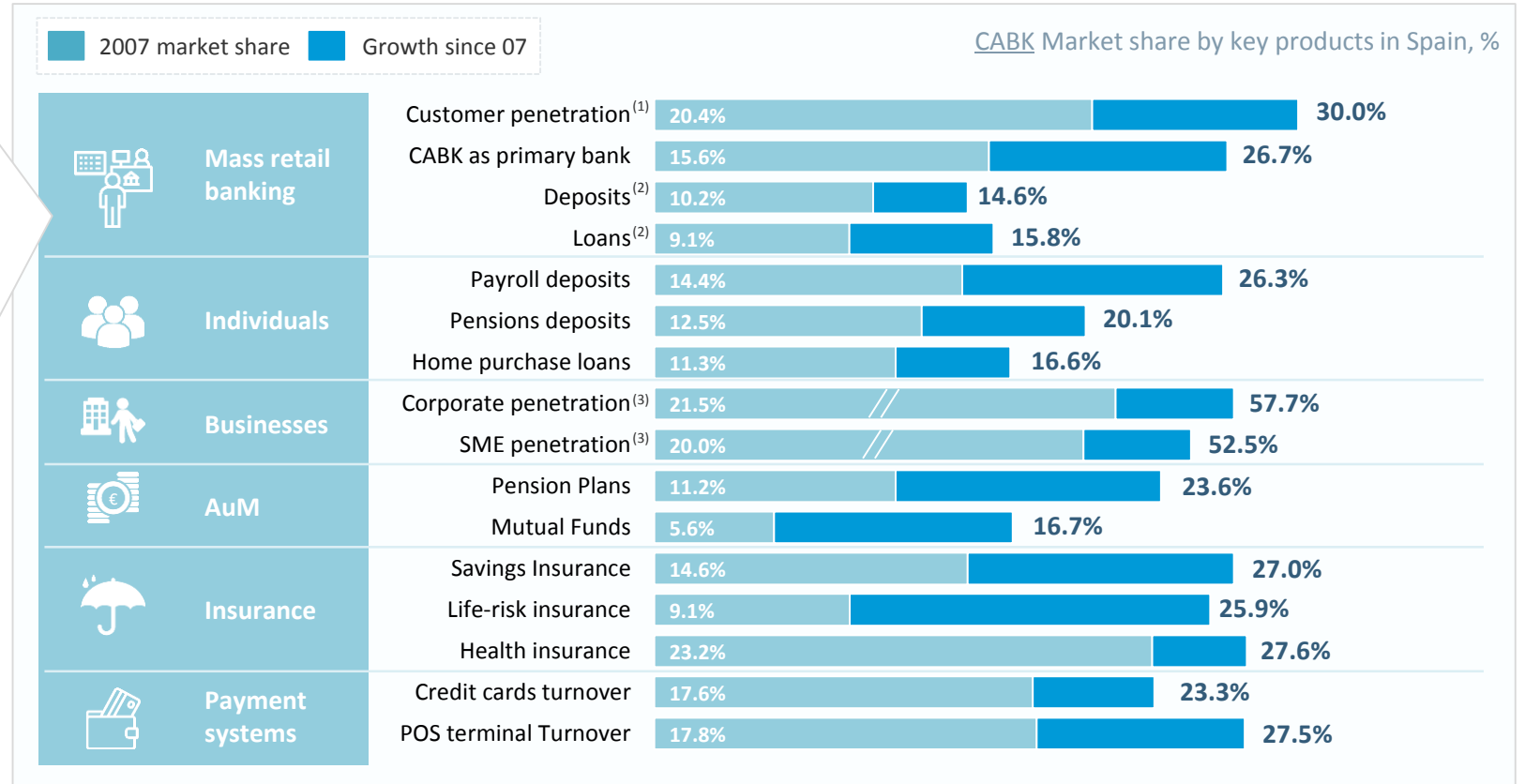
(4) Peers include Banco Sabadell, Banco Santander (ex Banco Popular), Bankia, BBVA. Sources: for CaixaBank, Social Security (April 2018); peers: FRS Inmark 2017.

# Our leading market position generates valuable network effects

## Leading franchise in Spanish retail banking



## Strong market shares across the board



(1) Spanish customers older than 18 years of age. Peers include BBVA, Bankia, Cajas Rurales, Sabadell and Santander (including Banco Popular).

(2) Deposit included demand and time deposits and loan data to the other resident sectors as per Bank of Spain data.

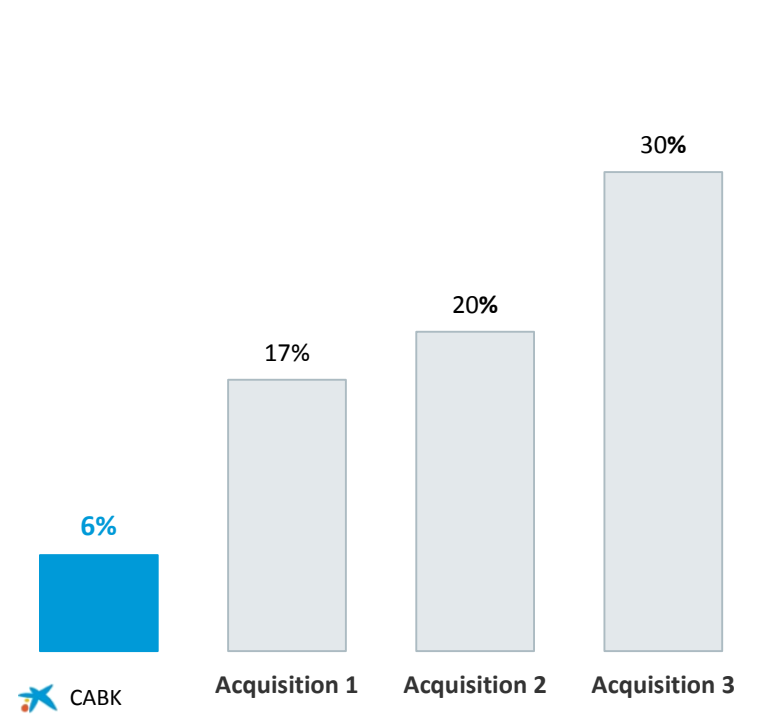
(3) SMEs: Firms with turnover <€50M. Latest data for 2016; initial data for 2008 (bi-annual survey). Corporate: firms with turnover >€50M. Latest data for 2016; initial data for 2008 (bi-annual survey). For firms with turnover €1-100M, market penetration was at 48,0% in 2016 according to FRS Inmark survey.

Latest available data as of 25<sup>th</sup> May 2018. Source: FRS Inmark 2017, Social Security, BoS, INVERCO, ICEA, AEF, Servired, 4B and Euro6000.

# Economies of scale and technology are key drivers of operational efficiency

## Minimal HQ staff

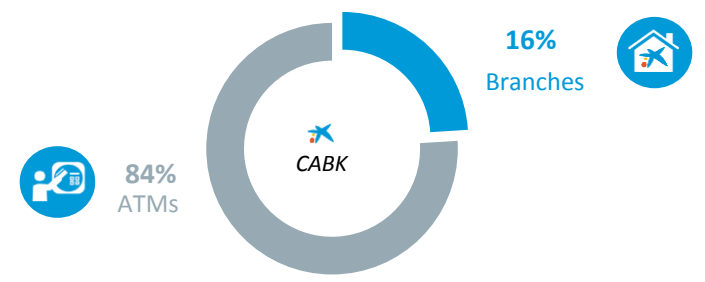
HQ staff as % of total employees<sup>(1)</sup>



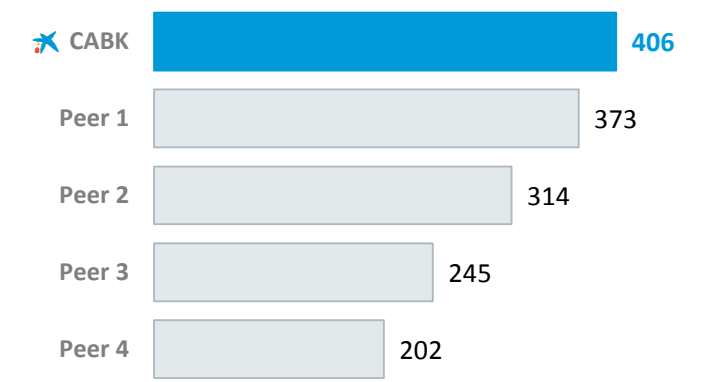
**Economies of scale**

## Scalable and efficient sales-oriented network

CABK (ex BPI) Task absorption at the branch<sup>(2)</sup> (%)



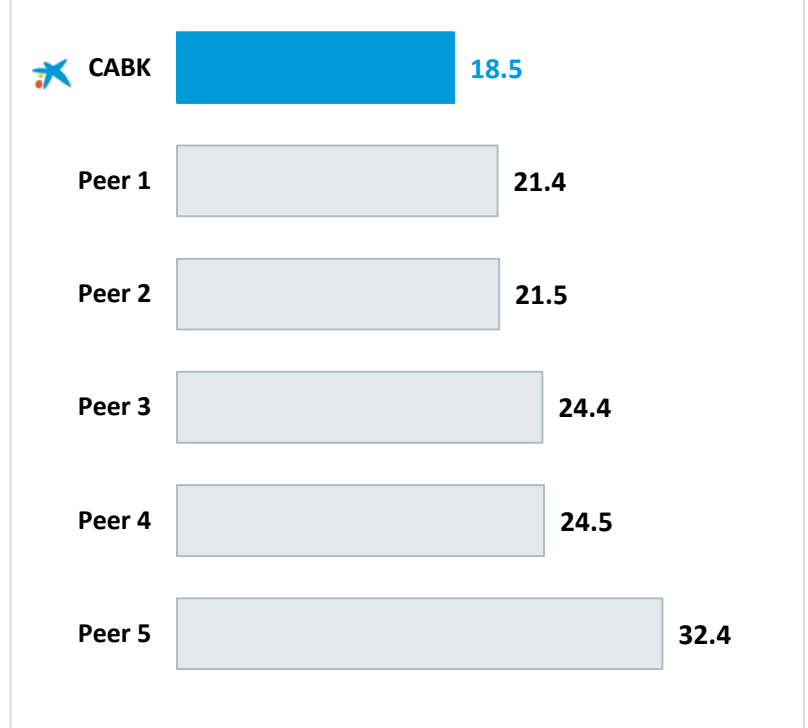
Retail customers per employee<sup>(3)</sup>



**Sales force focused on value creation**

## Scale economies result in significant cost benefits

General expenses<sup>(4)</sup>/gross income, in %



**Extremely competitive general expenses**

(1) Data as of December 2016 for CaixaBank ex BPI and own estimates as of the acquisition date for the acquired entities (Banca Cívica, Banco de Valencia and Barclays).

(2) During branch opening hours.

(3) Source: FRS Inmark 2017 Report on the financial behavior of individuals and reports from companies (Spain). Peers in Spain, including: Bankia, BBVA, SAB and SAN (including Banco Popular).

(4) General expenses and amortizations last 12 months. Recurrent expenses for CABK and SAB. 1Q18 for CaixaBank (ex BPI) and peers. Peers include: Bankia, Bankinter, BBVA Spain + RE business, Sabadell (ex TSB), SAN Spain + RE business.

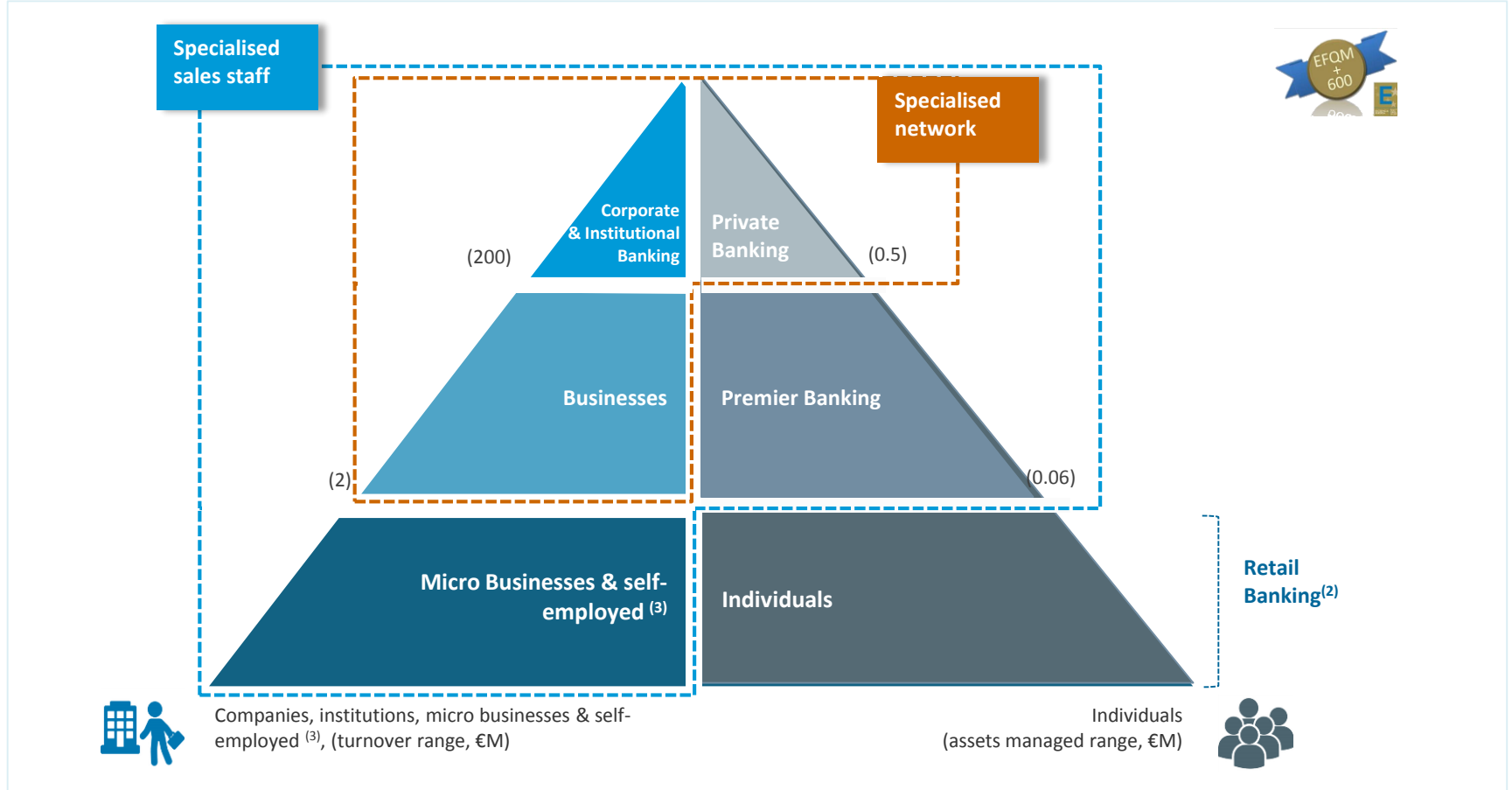


## A highly segmented business model based on specialisation and quality of service

### One of the largest customer bases



### Segmentation is key to better serving client needs



- (1) There is additional market segmentation (including, for instance, real estate developers and public sector & non-profits) not shown in the pyramid.
- (2) Retail banking includes individuals, micro businesses, self-employed, retail establishments, freelance professionals and agribusinesses.
- (3) Also including retail establishments, freelance professionals and agribusinesses.
- (4) Total customers: CaixaBank + BPI.

## Best-in-class omni-channel distribution platform with multi-product capabilities

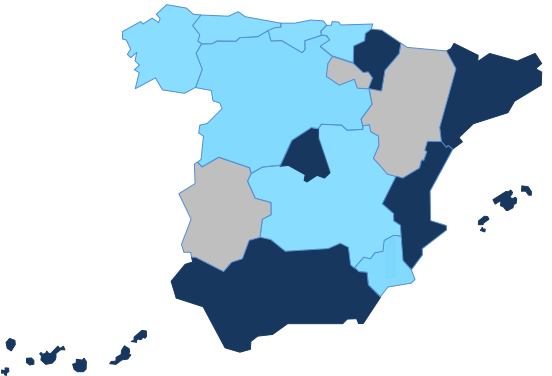
### The largest physical footprint in Spain



**4,618**  
retail branches

**18%**  
market share


CABK Branch market share by province<sup>(1)</sup>, %



**18%**  
market share

**9,394**  
ATMs

**18%**  
market share



**Employees with mobile equipment**

### Leader in digital channels in Spain



**56%**

of our clients are digital<sup>(2)</sup>



**33%**  
penetration<sup>(3)</sup>

**29%**  
of transactions





**+ 53%**  
CAGR 2012-2017<sup>(4)</sup>

**27%**  
of transactions

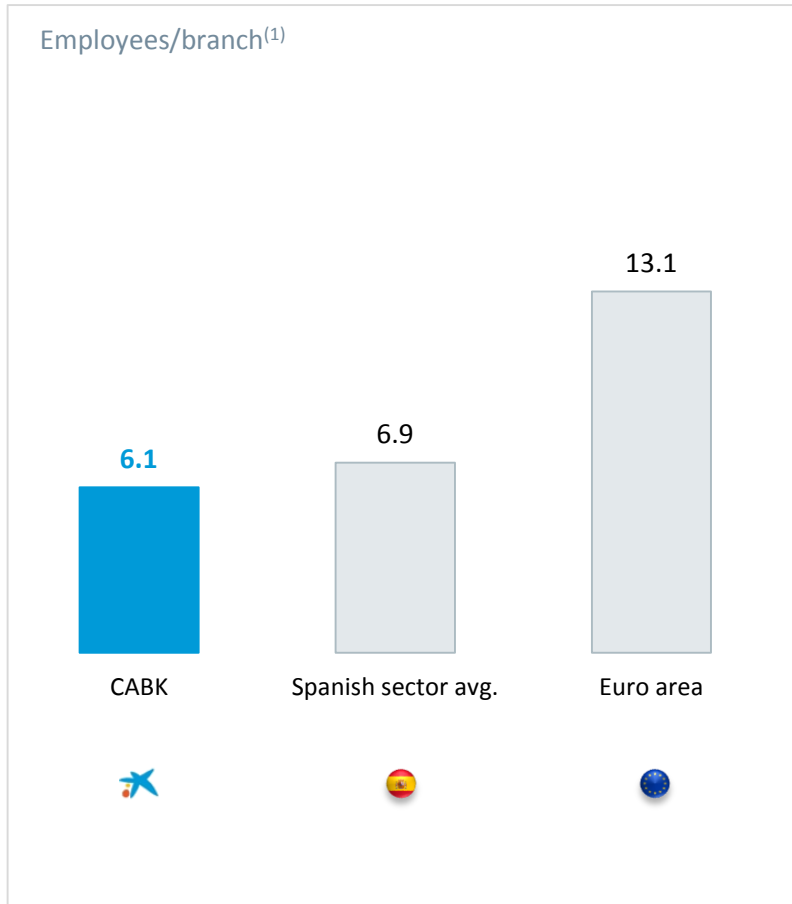


**Staff time is freed-up to concentrate on building relationships and innovation**

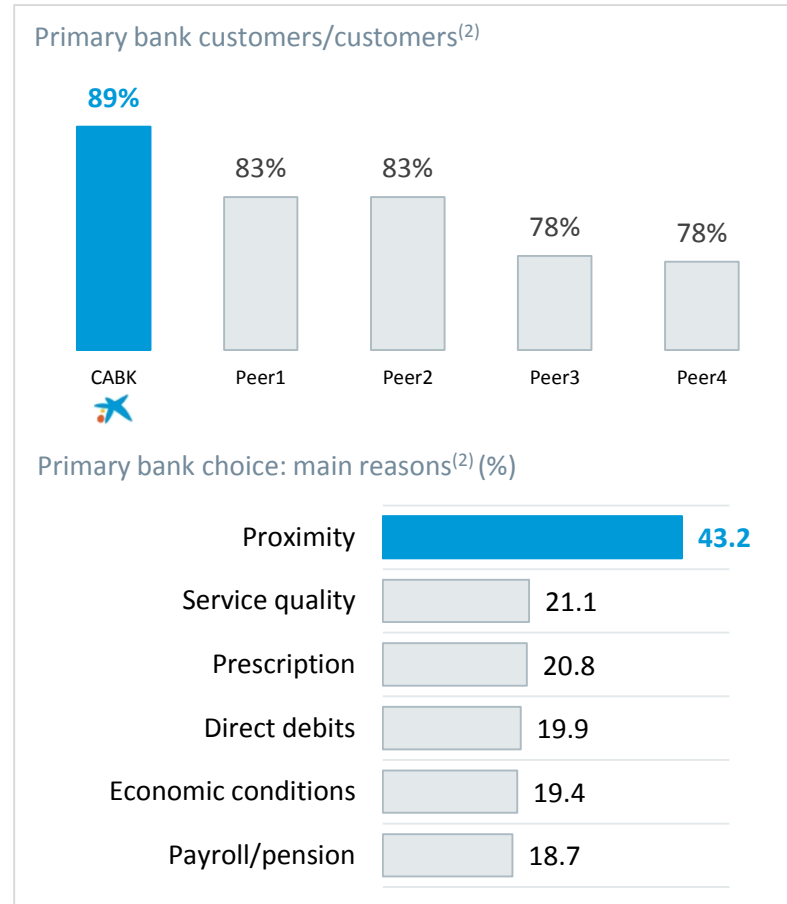
(1) As of March 2017. Source: Bank of Spain.  
 (2) Customers aged 20-74 years old with at least one transaction in the last 12 months.  
 (3) 12 month average, latest available data (December 2017). Source: ComScore.  
 (4) As of December 2017.

## An efficient and effective branch model which evolves over time

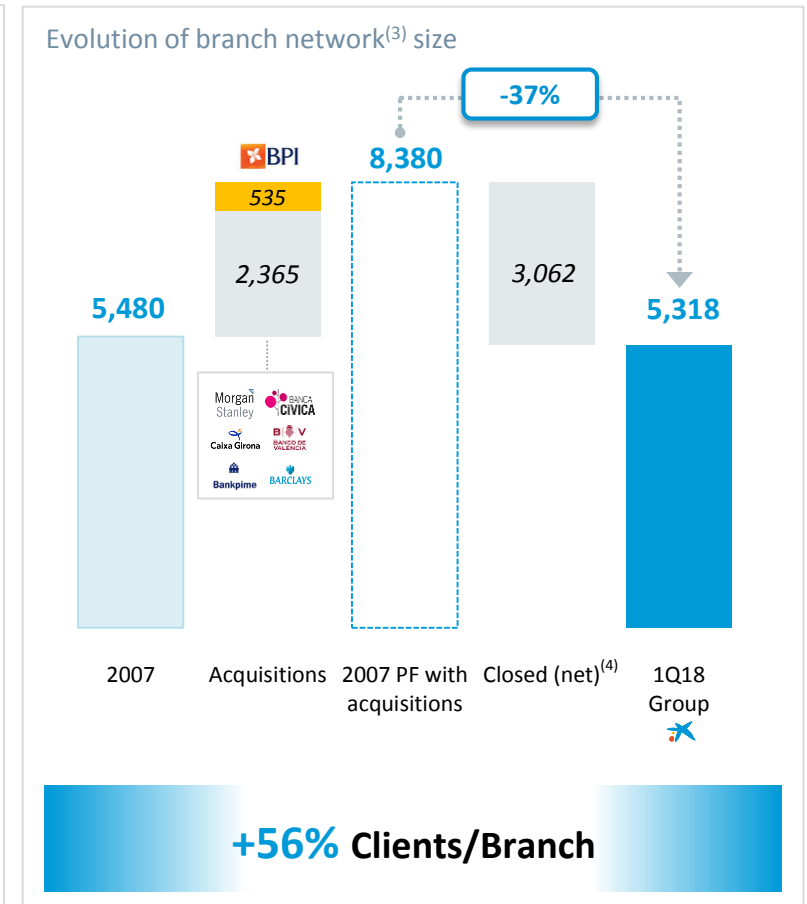
### Light branch model...



### ...very effective in a geographically-dispersed country



### A dynamic network

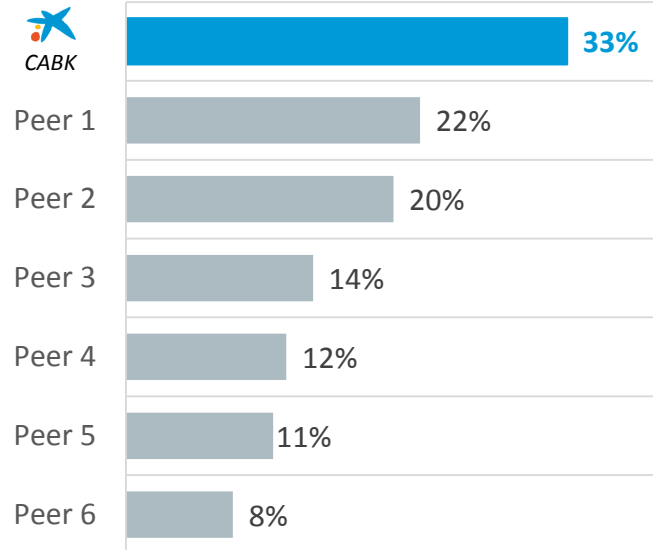


(1) As of March 2017. CaixaBank ex BPI.  
 (2) FRS Inmark 2017 (Spain). Peers: SAN (including POP), BBVA, SAB, BKIA.  
 (3) Excluding international branches and representative offices.  
 (4) Number of closed branches net of number of opened branches.

## At the forefront of digitalisation

### The highest digital penetration

Market penetration among digital clients<sup>(1)</sup> in %



**56%** of our clients are digital<sup>(2)</sup>

### Innovative products and services



>1 M clients

Mis Finanzas

3.8 M users



Available from Oct-17

### Leveraging IT for commercial effectiveness...



SMART PCs  
~100%



NEW BRANCH FORMAT (STORES)  
**179**  
With extended opening hours



DIGITAL SALES  
**28%**  
of consumer loans<sup>(3)</sup>

### ...while boosting efficiency and facilitating compliance



DIGITAL PROCESSES<sup>(4)</sup>  
~ 100%



DIGITAL SIGNATURES  
~ 90M



AUTOMATION  
**22%** administrative tasks in  
branches vs. 42% in 2006

Not just “anytime, anyplace, anywhere” but also a bespoke offering

(1) 12 month average, latest available data (December 2017). In Spain. CaixaBank ex BPI; peer group includes: Bankia, Bankinter, Banco Sabadell, Banco Santander, BBVA, ING. Source: Comscore.





(2) Customers aged 20-74 years old with at least one transaction in the last 12 months.

(3) Sales executed via electronic channels (web, mobile and ATM).

(4) Digital processes related to Smart PC implementation.

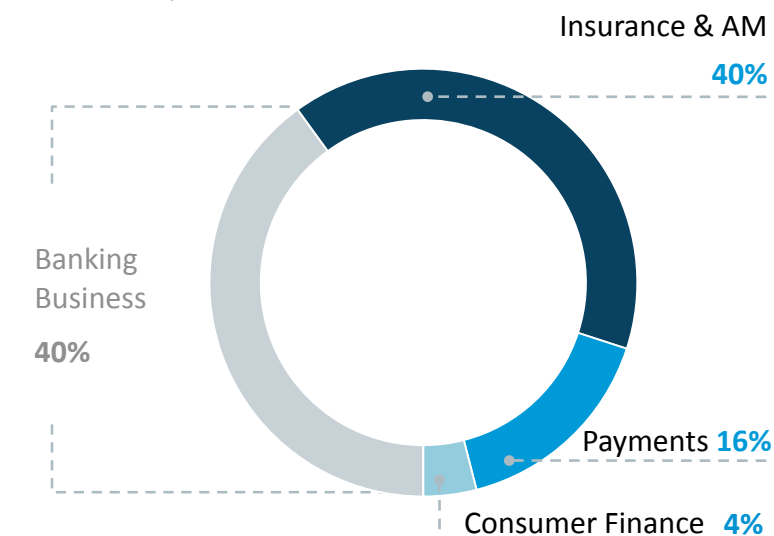
## A financial supermarket providing a one-stop shop for lifetime finance & insurance needs

### Large and profitable businesses...

Business	Company	% ownership
Life insurance 	 VidaCaixa	<b>€82bn</b> assets #1 in Spain <b>100%</b>
Non-life insurance 	 SegurCaixa Adeslas	<b>€1.0bn</b> premia #1 in Health ins. <sup>(1)</sup> <b>49.9%</b>
Asset management 	 CaixaBank ASSET MANAGEMENT	<b>€61.8bn</b> AuM #1 in Spain <b>100%</b>
Consumer Finance 	 CaixaBank CONSUMER FINANCE	<b>€1.9bn</b> new business <b>€3.1bn</b> assets <b>100%</b>
Credit cards 	 CaixaBank PAYMENTS	<b>€9.4bn</b> turnover <sup>(2)</sup> #1 in Spain <b>100%</b>
Payments at point of sale 	 Comercia Global Payments	<b>€10.7bn</b> turnover <sup>(2)</sup> <b>380,498</b> PoS <b>49%</b>
Microcredit 	 MicroBank	~ <b>70%</b> new microcredit to households (yoy) <b>100%</b>

### ...with a significant contribution to net income

Breakdown by business, in % over total



**CABK bancassurance RoTE<sup>(3)</sup>**  
→ **6.6 pp** from non-banking businesses

**12.0%**  
+3.4 pp yoy

### A resilient model for a low rate environment

(1) In Spain

(2) Turnover January-March

(3) RoTE exc. extraordinary items: -€212M early retirements in 2Q17 and extraordinary expenses, net of taxes. It includes the coupon of AT1 accrued in the year (-€32M post-tax, trailing 12M).

## A trustworthy brand

### Main corporate responsibility aims

Integrity, transparency and good governance

Promoting entrepreneurship and financial inclusion

Incorporating social and environmental criteria in risk analysis, products and services

Social commitment: corporate volunteering & financial education

#### CORPORATE VALUES



Quality



Trust



Social Commitment

#### Main highlights & COMMITMENTS

- Inclusion of CaixaBank in the **main worldwide sustainability indices (DJSI, FTSE4Good, ...)** and in the **CDP A-list 2017** of the leading companies fighting against climate change
- **MicroBank**, CaixaBank's social bank, **first European institution** by volume of **microcredit loans** granted
- **Equator Principles' signatory**: consideration of social and environmental impacts in financing large projects
- **Extension to clients of welfare programmes** of "la Caixa" Banking Foundation. Eg.: labour inclusion ("Incorpora" programme), Business Alliance for Children Vaccination
- More than **32,000 flats** in social rent, the **main private social housing stock in the country**
- **€44.4M** budget of "la Caixa" Foundation, channelled through the CaixaBank commercial branch network to cover **local social needs**
- **Corporate Volunteering** programme with more than **5,500 employees** as active participants
- **Chairing the Spanish Network of the United Nations Global Compact** since 2012

MEMBER OF  
**Dow Jones Sustainability Indices**

In Collaboration with RobecoSAM



FTSE4Good





**2007-2014: emerged from the crisis as a stronger institution**

**Building the leading Spanish banking franchise**

**From # 3 to # 1**

Growing organically and non-organically



**Strengthening the balance sheet**

**Best in class**

Only domestic bank with investment grade ratings throughout the crisis



**Transforming the corporate structure**

**Proactive change**

From an unlisted savings bank to 3 institutions with different missions and governance





## Strategic priorities 2015-2018



Strategic Plan  
**2015-2018**

“ *Committed to  
trustworthy  
and profitable banking* ”

## 5 strategic priorities 2015-2018



Client focus: Best-in-class in quality of service and reputation



Sustainable profitability above cost of capital



Optimisation of capital allocation



Enhance our leadership in banking digitalisation



Retain and attract the best talent

## Progress across all five 2015-18 Strategic Priorities

			2014	1Q18
<b>1</b>	<b>Client focus: Best-in-class in quality of service and reputation</b>			
			<b>Market share gains across the board</b> <i>Retail client penetration (preferred bank)<sup>(1)</sup></i>	23.5% → 26.7%
<b>2</b>	<b>Sustainable profitability above cost of capital</b>			
			<b>RoTE</b>	3.4% → 9.8%
<b>3</b>	<b>Optimisation of capital allocation</b>			
			<b>Capital allocated to stakes</b>	~16% → ~5%
<b>4</b>	<b>Enhance our leadership in banking digitalisation</b>			
			<b>% digital clients<sup>(2)</sup></b>	45% → 56%
			<b>% digitalised processes<sup>(3)</sup></b>	69% → 100%
<b>5</b>	<b>Retain and attract the best talent</b>			
			<b>Advanced training in advisory services</b> <i>Post-graduate degree in financial advisory</i>	  <b>&gt;10,800</b> <i>Employees</i>

Moving with confidence toward our strategic targets

(1) Source: FRS Inmark 2017.

(2) Digital clients as % of total clients. Customers aged 20-74 years old with at least one transaction in the last 12 months.

(3) Digital processes related to Smart PC implementation

## 2018 Financial Targets<sup>(1)</sup>

		Revised targets	
		2018	
Profitability	RoTE	9-11%	<p><b>Focus of the strategic update: generating a sustainable return above cost of equity</b></p> <ul style="list-style-type: none"> <li>Core revenues<sup>(3)</sup> growth to be underpinned by sustained insurance and AuM activity and consumer lending growth</li> <li>Cost-saving measures to offset wage inflation</li> <li>Improving asset quality and positive macro dynamics to support further CoR decline</li> </ul>
	Recurrent C/I ratio <sup>(2)</sup>	~55%	
	Core revenues <sup>(3)(4)</sup>	~4% CAGR <sup>(1)</sup>	
	Recurrent operating expenses <sup>(5)(6)</sup>	Flat 2014 <sup>(1)</sup>	
	Cost of risk	<40 bps <sup>(1)</sup>	
Solvency	CET1 FL	11-12%	<ul style="list-style-type: none"> <li>Maintaining solid capital metrics still a key priority</li> <li>Commitment implies a comfortable buffer above regulatory minima</li> </ul>
	Total Capital FL	>14.5%	
Dividend	Cash dividend payout ratio	≥ 50%	<ul style="list-style-type: none"> <li>Strong capital position supports payout ≥ 50%</li> <li>Transition to full cash dividend in 2017</li> </ul>
	Special dividend and/or share buybacks	If CET1 FL >12%	

(1) See p.59 (Appendix) for updated 2018 Group guidance.

(2) Cost-to-income ratio trailing 12 months stripping out extraordinary expenses.

(3) Core revenues: NII + Fees + insurance revenues from life-risk premia and equity accounted income from SegurCaixa Adeslas.

(4) 2016-18. CaixaBank standalone (ex BPI).

(5) Recurrent administrative expenses, depreciation and amortization.

(6) Pro-forma Barclays Spain. CaixaBank standalone (ex BPI).

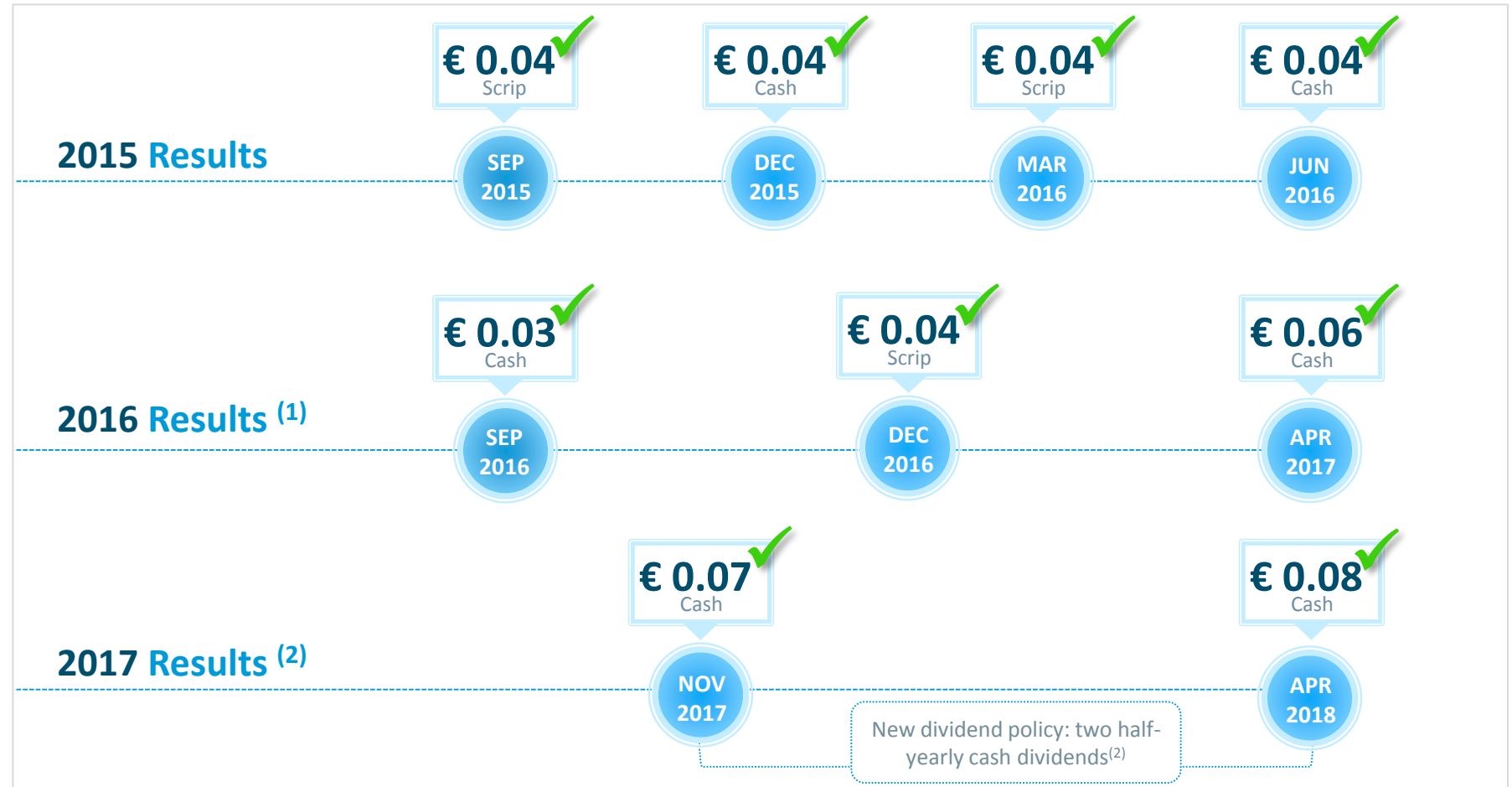
## Actively seeking to return capital to shareholders

### Shareholder Remuneration Policy



### 2015-18 Strategic Plan

- ▶ Cash dividend payout **≥ 50%** from 2015
- ▶ Transition to **full cash** dividend in 2017



(1) The total shareholder remuneration for 2016 has been EUR 0.13 per share (gross), bringing the total cash amount paid to 54% of consolidated net profit, in line with the 2015-2018 Strategic Plan.

(2) In accordance with the new dividend policy, the Board of Directors also resolved that shareholder remuneration for 2017 will be paid through two half-yearly cash dividends. The AGM approved the distribution of a final cash dividend of EUR 0.08 per share (gross) against 2017 profits paid on 13 April 2018. After payment of this dividend, the total shareholder remuneration for 2017 was EUR 0.15 per share (gross), bringing the total cash amount paid to 53% of consolidated net profit, in line with the 2015-2018 Strategic Plan.



## Supporting clients internationally and developing joint business initiatives

### Representation offices & international branches to better serve our clients<sup>(1)</sup>



17

#### Representative Offices

Paris, Milan, Beijing, Shanghai, Dubai, New Delhi, Istanbul, Singapore, Cairo, Santiago de Chile, Bogotá, New York, Johannesburg, Sao Paulo, Hong Kong, Lima, Algiers

4

#### International branches (6 offices)

Warsaw  
 Morocco with three offices:
 

- Casablanca
- Tangier
- Agadir


 London  
 Frankfurt

3

#### Spanish Desk

Lisbon  
 Mexico City  
 Vienna

### Non-controlled International Banking Stakes



9.92%

% stake

- ▶ Influential position
- ▶ Building strategic alliances
- ▶ Sharing best practices
- ▶ JVs and project development

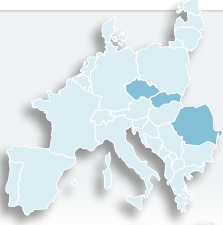
#### JV with Erste and Global Payments

Payment services

Czech Rep., Slovakia, Romania

EBG: 49%

Global Payments + CABK: 51%



(1) As of 31<sup>st</sup> May 2018.

## Solid and liquid legacy assets provide revenue and capital diversification

*Telefonica*

5.00%

One of the largest telecommunications companies in the world in terms of market cap and number of customers. Company market value<sup>(1)</sup>: €41.7 Bn



9.46%

Integrated global energy company, carrying out upstream and downstream activities. Company market value<sup>(1)</sup>: €22.4 Bn

~€4.2  
bn<sup>(1)</sup>

### Diversification

- ▶ Income diversification: sound revenue base
- ▶ Geographical diversification

### Value

- ▶ International leaders, defensive sectors
- ▶ Solid fundamentals
- ▶ Strong financials

### Profitability

- ▶ High dividend yield
- ▶ Attractive return
- ▶ Tax-efficient (≥ 5%)

### Financial flexibility

- ▶ Very liquid investments
- ▶ Limited regulatory capital consumption
- ▶ Potential capital buffer

(1) Market value of CaixaBank stakes as of 31<sup>st</sup> March 2018. Source: Bloomberg.

1.



CAIXABANK  
AT A GLANCE

2.



COMPETITIVE  
STANCE

3.



STRATEGIC  
PLAN

4.



INTERNATIONAL  
PRESENCE &  
INVESTMENTS

5.



**ACTIVITY &  
RESULTS  
1Q 2018**



## Profitability reaches 2018 targets



*Core revenues and lower impairments contribute to improve profitability*

NII	Fee + insur. rev. <sup>(1)</sup>	Core revenues	Total provisions
<b>+4.3%</b> yoy	<b>+10.2%</b> yoy	<b>+6.5%</b> yoy	<b>-69.4%</b> yoy
+0.6% qoq	+3.8% qoq	+1.8% qoq	-25.0% qoq



*Better business mix and higher margins reflect strength of franchise*

AuM & insur. funds	Consumer loans <sup>(2)</sup>	FB lending yields	Payroll deposits market share <sup>(2)</sup>
<b>+0.9%</b> ytd	<b>+5.3%</b> ytd	<b>+13 bps</b> vs. 1Q17	<b>+61 bps</b> yoy



*Continuing decline in NPAs with increased coverage*

NPLs	CoR Trailing 12M	RE sales <sup>(2)</sup>	NPL coverage
<b>-4.3%</b> ytd	<b>29 bps</b>	<b>+3.4%</b> yoy	<b>55%</b>
NPL ratio: 5.8%, -21 bps ytd	-5 bps ytd	Capital gains: 16%	+5 pp ytd



*Strong solvency and liquidity*

CET1 FL	Total capital FL	Liquid assets	LCR (12M average)
<b>11.6%</b>	<b>16.1%</b>	<b>€73 Bn</b>	<b>194%</b>

Net income up **75%** yoy to **€704 M** and Group RoTE (trailing 12M) at **9.8%**

Note: Group data unless otherwise noticed. Hereinafter "CABK" refers to CaixaBank stand-alone while "CABK Group" or "Group" refers to CaixaBank Group

(1) Insurance revenues including life-risk premia, equity accounted income from SegurCaixa Adeslas and other bancassurance stakes from BPI.

(2) In Spain.

## Customer funds grow in a quarter with adverse seasonality

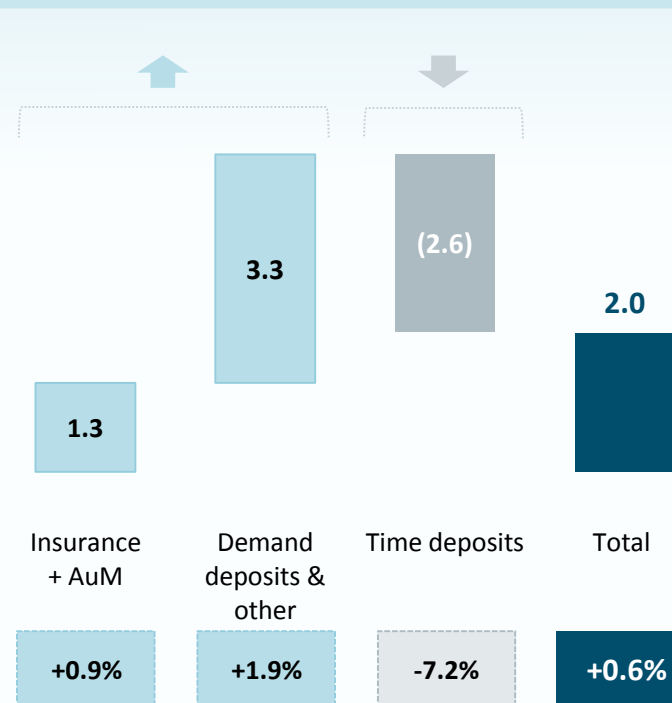
### Customer funds

Breakdown, in €Bn

	31 <sup>st</sup> March 2018	% ytd
<b>I. On balance-sheet funds</b>	<b>250.0</b>	<b>1.0</b>
Demand deposits	162.0	2.0
Time deposits <sup>(1)</sup>	33.2	(7.2)
Subordinated liabilities	2.0	0.0
Insurance	50.6	1.3
Other funds	2.1	113.9
<b>II. Assets under management</b>	<b>97.2</b>	<b>0.6</b>
Mutual funds <sup>(2)</sup>	67.6	1.0
Pension plans	29.6	(0.3)
<b>III. Other managed resources</b>	<b>4.2</b>	<b>(20.8)</b>
<b>Total customer funds</b>	<b>351.4</b>	<b>0.6</b>

### Customer funds evolution ytd

In €Bn and %



- ▶ Continued migration from time deposits to long-term saving products fuels structural growth in insurance and AuM
- ▶ On B/S funds grow in a quarter with adverse seasonality in demand deposits
- ▶ AuM also up as net inflows more than offset negative market impacts (c.€1.1Bn for CABK)
- ▶ Other managed resources reflect calendar effects

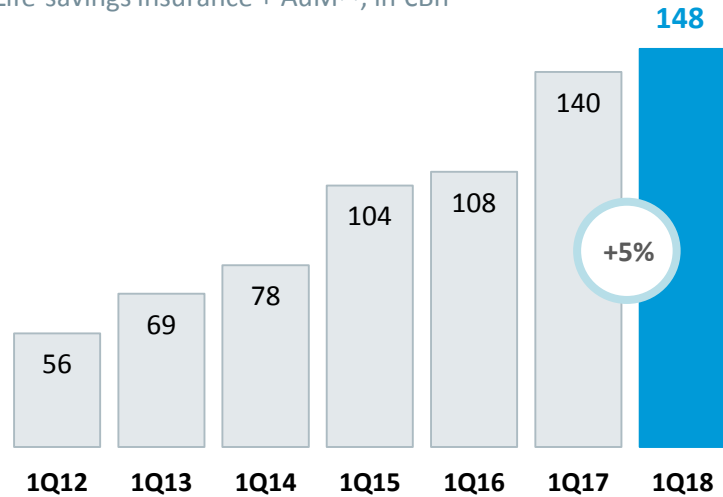
(1) Includes retail debt securities amounting to €528M (Group) and €500M (CABK) at 31<sup>st</sup> March 2018.

(2) Including SICAVs and managed portfolios.

## The long-term savings and protection business exhibits steady growth

### Long-term savings products

Life-savings insurance + AuM<sup>(1)</sup>, in €Bn



**Net inflows<sup>(2)</sup>**  
1Q18 (Spain)

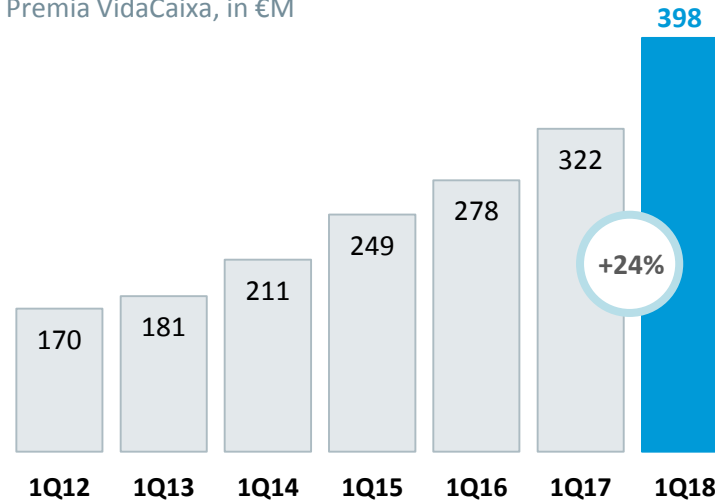
**€2.4 Bn**

**Market share**  
Long-term savings  
(Spain)<sup>(3)(4)</sup>

**21%**

### Life-risk insurance

Premia VidaCaixa, in €M



**Production**  
1Q18, yoy

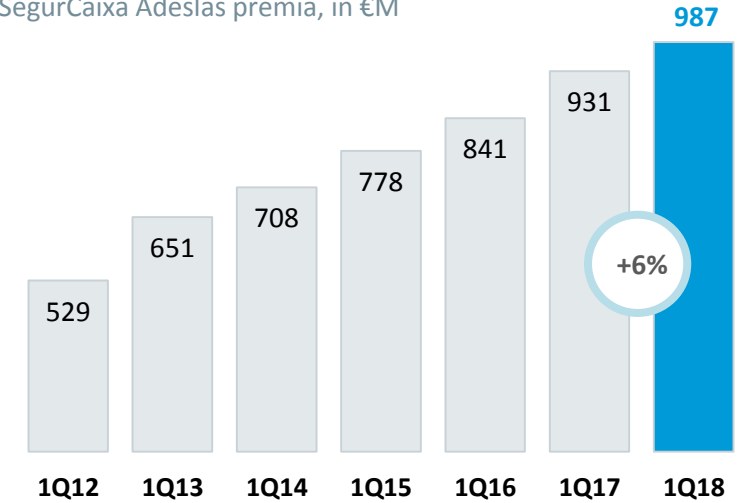
**+24%**

**Market share**  
Life-risk premia (Spain)<sup>(4)</sup>

**26%**

### Non-life insurance

SegurCaixa Adeslas premia, in €M



**Premia**  
% growth FY14-FY17

**26%**  
vs. 11% sector

**% new production**  
through bancassurance  
network, FY 2017

**70%**

(1) Includes pension plans, own and third-party mutual funds, SICAVs and managed portfolios.

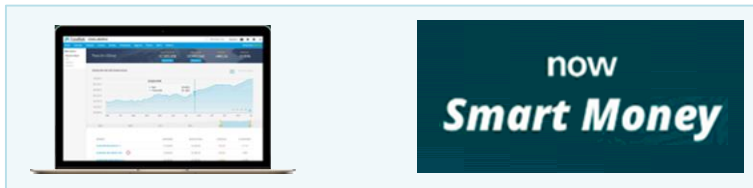
(2) Net inflows into life-saving insurance and AuM (pension plans and mutual funds, SICAVs and managed portfolios) excluding the market impact on AuM.

(3) Includes pension plans, own mutual funds and an estimate for life-saving insurance.

(4) Sources: Inverco, ICEA. Latest available data.

# Technology continues to provide us with a competitive advantage

## Innovative offerings



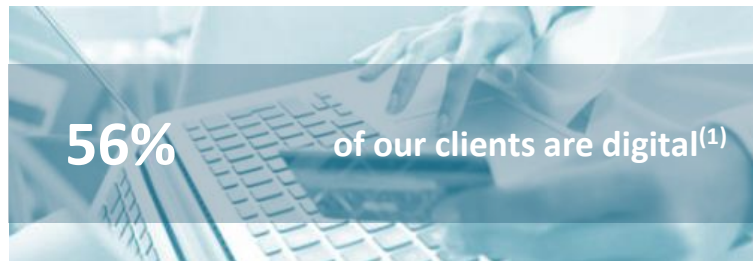
now  
**Smart Money**

### Launch of Smart Money in March 2018

Online-based advisory service in investments (Roboadvisor)

- ▶ Easy and quick process
- ▶ Only available online
- ▶ Low minimum investment of €1,000

**Other innovations:** Mis **Finanzas** Wall Ready to Buy



**56%** of our clients are digital<sup>(1)</sup>

## Adapting to changing client needs



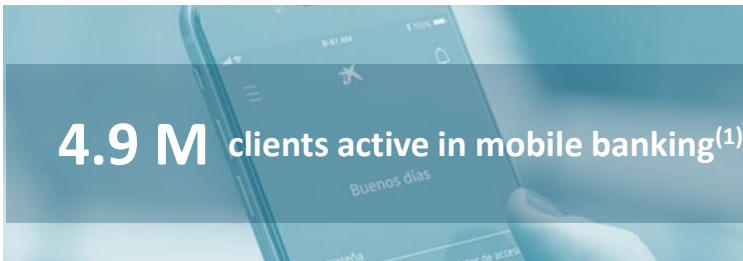
**>1M** clients

### Over 1M clients now using mobile-only imaginBank

Launched in January 2016

- ▶ 120,000 clients active/day
- ▶ Interacting with the bank every 3 days
- ▶ 20% credit cards active through mobile

### New CaixaBank app



**4.9 M** clients active in mobile banking<sup>(1)</sup>

## Boosting commercial effectiveness



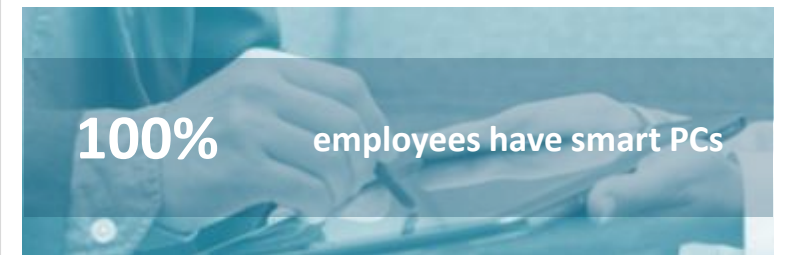
**New virtual assistant for employees**

### Implemented in 1Q 2018



- ▶ Based on artificial intelligence (Watson)
- ▶ Immediate responses to complex matters
- ▶ Solving 80% of FAQs

### Using Watson for Trade Finance advisory since 2016



**100%** employees have smart PCs

(1) Individual customers aged 20-74 years old with at least one digital transaction in the last 12 months.

## Stable performing loan-book

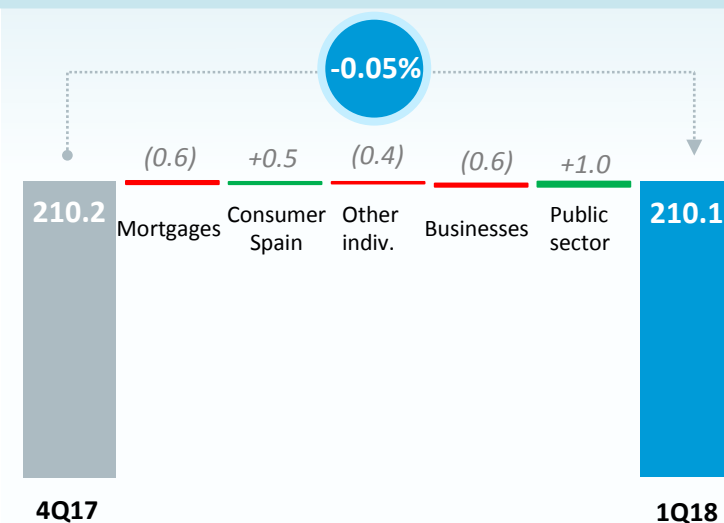
### Loan book

Breakdown, in €Bn

	31 <sup>st</sup> March 2018	% ytd
<b>I. Loans to individuals</b>	<b>128.0</b>	<b>(0.4)</b>
Residential mortgages	93.6	(0.7)
Other loans to individuals	34.4	0.4
<i>o/w: CABK consumer loans<sup>(1)</sup></i>	10.5	5.3
<b>II. Loans to businesses</b>	<b>82.3</b>	<b>(1.4)</b>
Corporates and SMEs	75.3	(1.4)
Real Estate developers	7.0	(1.7)
<b>Loans to individuals &amp; businesses</b>	<b>210.3</b>	<b>(0.8)</b>
<b>III. Public sector</b>	<b>13.0</b>	<b>8.0</b>
<b>Total loans</b>	<b>223.2</b>	<b>(0.3)</b>
<b>Performing loans</b>	<b>210.1</b>	<b>(0.0)</b>

### Performing loan book

In €Bn and % ytd



**Consumer + business lending ex RE**  
% over total performing loan book

**38%**  
(+2pp yoy)

- ▶ Continued growth in consumer lending increasing its weight in the loan book
- ▶ Lending to businesses reflects seasonality and large ticket volatility
- ▶ RE developer and mortgage deleveraging continues albeit at a slower pace
- ▶ Improved quality of the portfolio with continued decline in NPLs

(1) Unsecured loans to individuals, excluding those for home purchases. Includes personal loans from CaixaBank, MicroBank and CaixaBank Consumer Finance, as well as revolving credit cards (CaixaBank Payments) except for float.

# Positive new lending dynamics

## Consumer lending

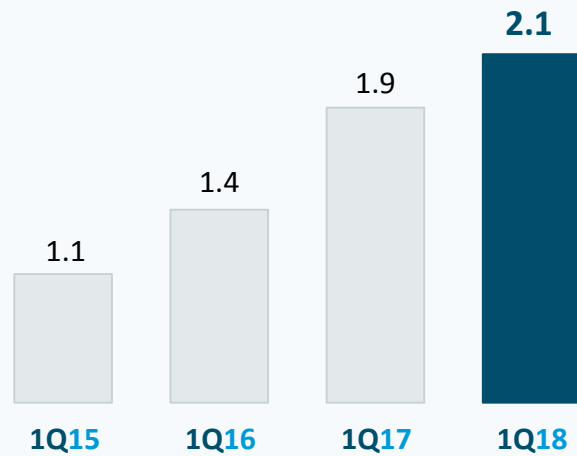


**New lending**  
1Q18, €Bn and % yoy  
CABK

€2.1 Bn

+13.3% yoy

New consumer lending (CABK), €Bn



Strategic alliances and commercial agreements at the point-of-sale, 1Q18

114,000

*Compra Estrella*

TV & cell phones at 0%

2,412

*FIAT*

Cars commercialised at the branch

81,000

Cell phones financed

*Telefonica*

fnac

*MediaMarkt*  
FinanDía

**Key assets are customer intimacy and agile solutions**

## Residential mortgages

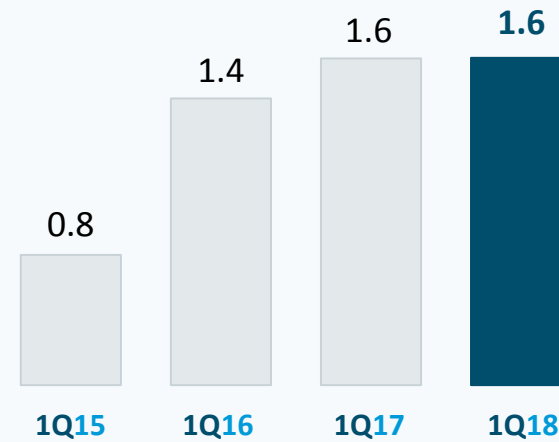


**New lending**  
1Q18, €Bn and % yoy  
CABK

€1.6 Bn

Stable yoy

New mortgage lending (CABK), €Bn



~60%

of new residential mortgages at fixed rate

**Fixed rates protect customers against eventual rate rises**

## Strong profitability improvement on higher revenues and lower impairments

### Consolidated Income Statement

In €M	Group <sup>(1)</sup>				CABK
	1Q18	1Q17	% yoy	% qoq	% yoy
<b>Net interest income</b>	<b>1,203</b>	<b>1,153</b>	<b>4.3</b>	<b>0.6</b>	<b>2.2</b>
Net fees and commissions	625	588	6.4	(0.9)	1.1
Income and exp. from insurance <sup>(2)</sup>	138	110	24.9	17.4	24.9
Other revenues	296	42			
<i>Trading</i>	136	43			55.8
<i>Dividends and equity accounted</i>	271	93			
<i>Other operating income/expenses</i>	(111)	(94)	17.1	(55.6)	13.1
<b>Gross income</b>	<b>2,262</b>	<b>1,893</b>	<b>19.5</b>	<b>30.7</b>	<b>10.0</b>
Recurring operating expenses	(1,149)	(1,091)	5.4	2.3	1.8
Extraordinary operating expenses	(3)	(10)	(73.2)		
<b>Pre-impairment income</b>	<b>1,110</b>	<b>792</b>	<b>40.1</b>	<b>83.2</b>	<b>21.6</b>
LLPs	(139)	(249)	(44.3)	(1.2)	(45.4)
Other provisions	(50)	(370)	(86.3)	(54.9)	(86.3)
Gains/losses on disposals and other	(2)	278		(99.0)	
<b>Pre-tax income</b>	<b>919</b>	<b>451</b>	<b>104.1</b>		<b>82.7</b>
Income tax, minority interest & others	(215)	(48)			
<b>Profit attributable to the Group</b>	<b>704</b>	<b>403</b>	<b>74.7</b>		<b>51.6</b>

- ▶ Sustained core revenue growth
  - NII **+2.2%** yoy CABK, **+0.6%** qoq Group
  - Fees **+1.1%** yoy CABK; **-0.9%** qoq Group reflecting adverse market impacts on CIB and AM
  - Life-risk insurance inc. **+24.9%** yoy/**+17.4%** qoq
- ▶ Non-core revenues boosted by one-offs (BFA €60M; Viacer €54M)<sup>(3)</sup> and ALCO capital gains
- ▶ Recurrent costs (**+1.8%** yoy CABK) impacted by seasonal property taxes and in line with guidance
- ▶ Steep fall in total provisions: **-69.6%** yoy CABK/**-25.0%** qoq Group
- ▶ Net income grows **75%** yoy Group (52% yoy CABK)

RoTE, (ttm)

**9.8%**

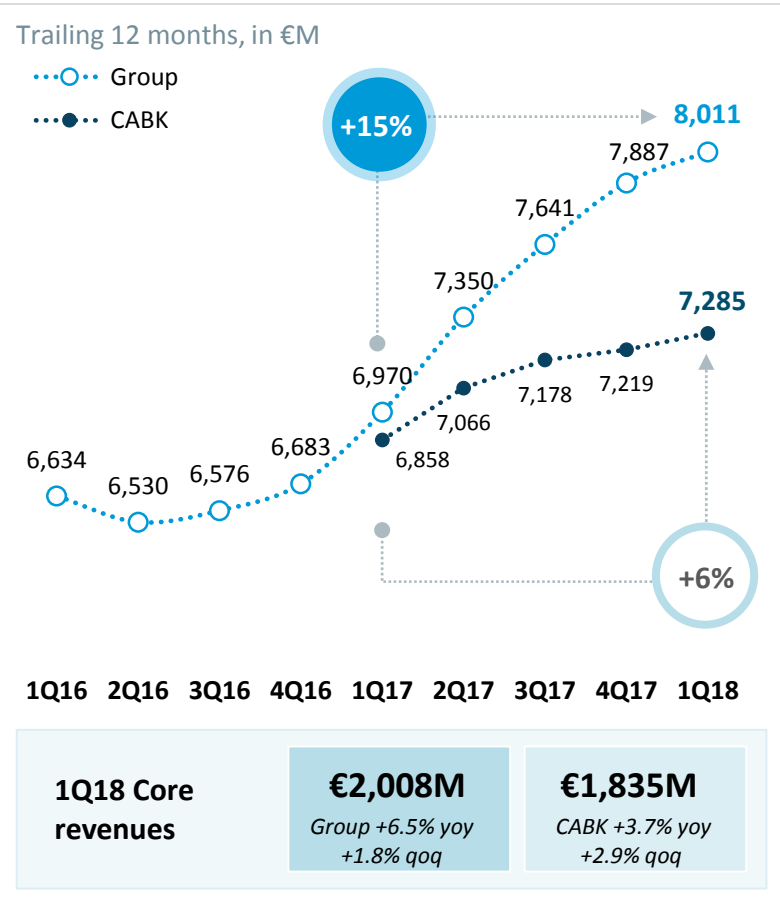
(1) 1Q17 and 1Q18 not comparable in terms of scope as BPI consolidated from 1<sup>st</sup> February 2017.

(2) Equity accounted income from SegurCaixa Adeslas and other bancassurance stakes from BPI are included in "Dividends and equity accounted".

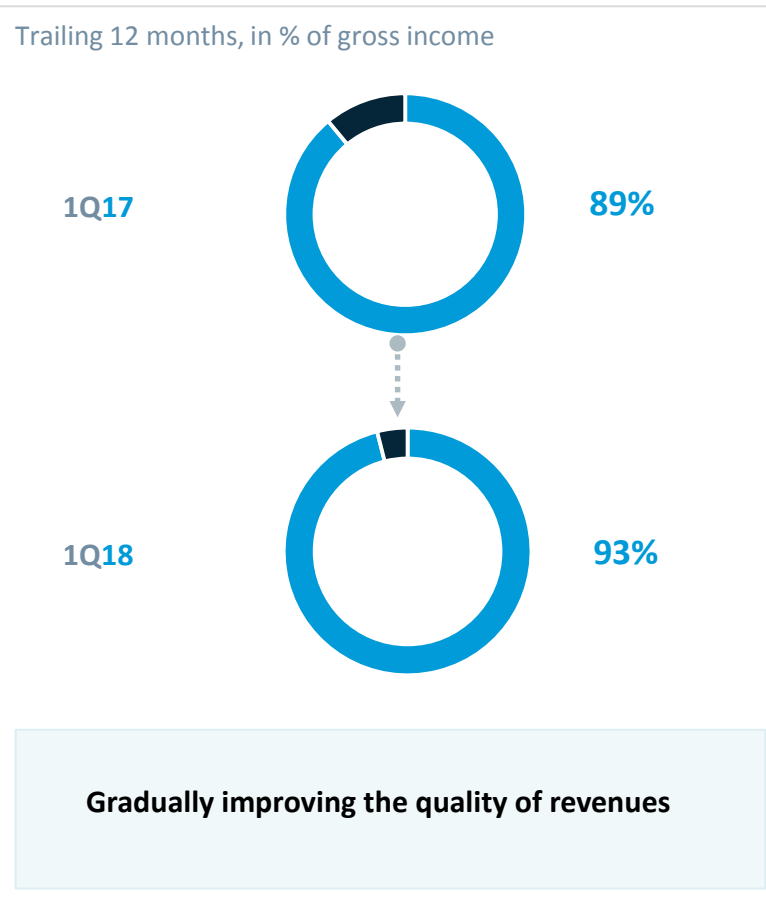
(3) Net (post minorities and taxes) attributable to the Group. BFA contributed €100M of equity accounted income in 1Q18 (€76M post minorities and taxes) of which €79M (€60M post minorities and taxes) are estimated to be non-recurrent (refer to Appendix for additional detail). The revaluation of the Viacer stake to the agreed sale price contributes €66M to trading gains (€54M post minorities and taxes).

# Core business momentum reflects the strength of our model

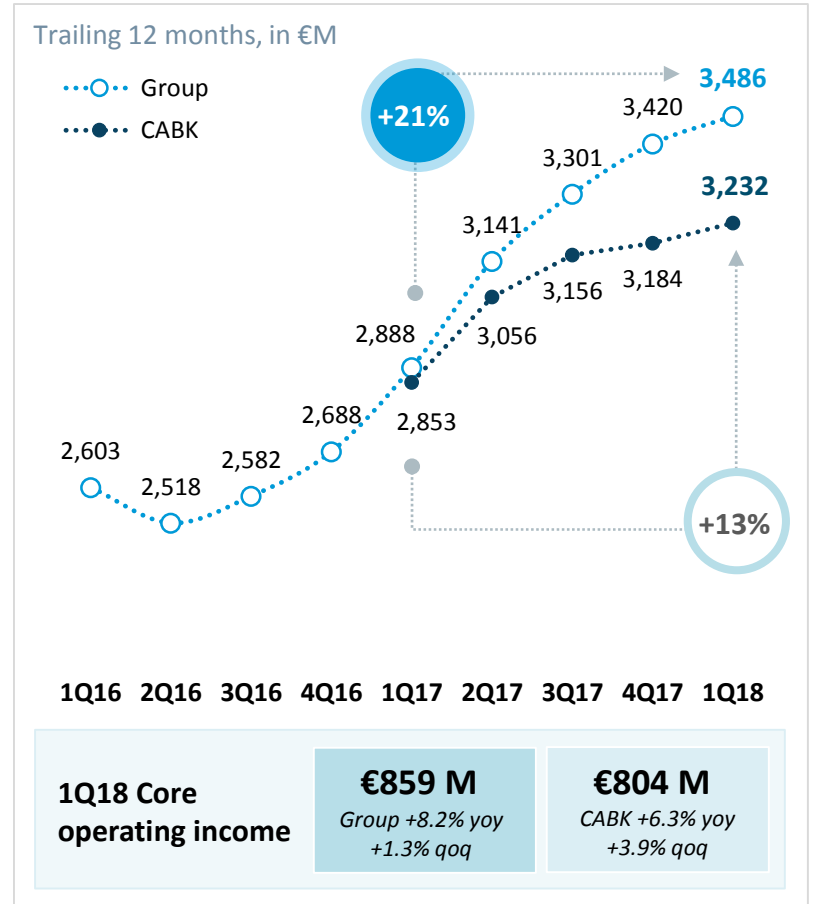
## Core revenues<sup>(1)</sup>



## Core revenue contribution to total revenues



## Core operating income<sup>(2)</sup>



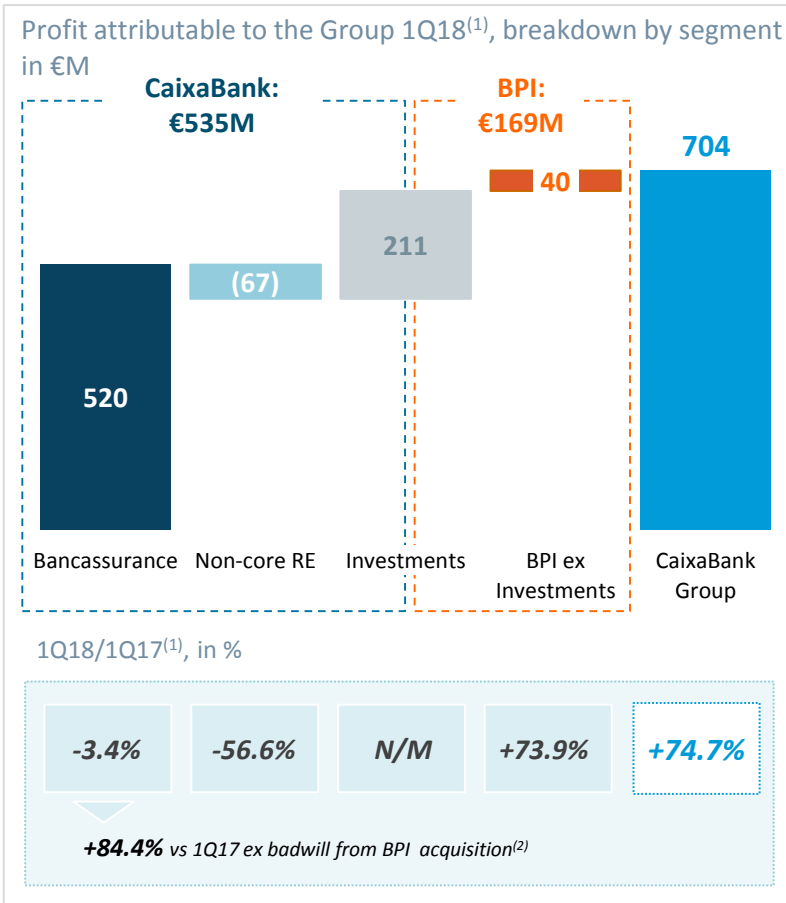
(1) Includes NII, net fees and other revenues from insurance (life-risk premia and equity accounted income from SegurCaixa Adeslas. Since 4Q17 it also includes equity accounted income from BPI insurance companies).

(2) Core revenues minus recurrent costs.

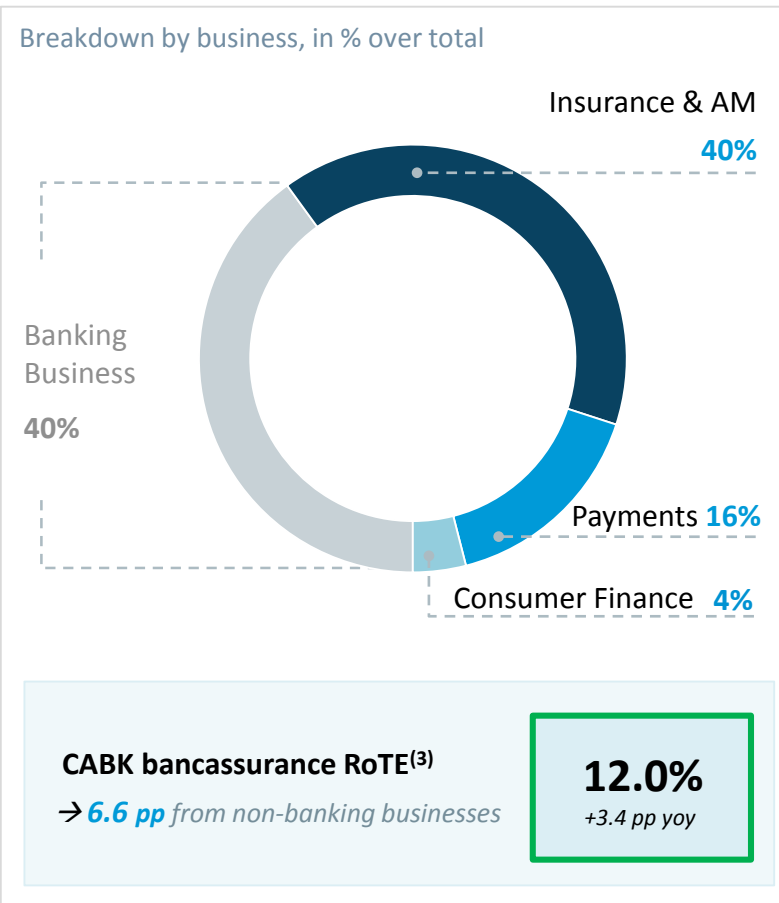


## 12% bancassurance RoTE with significant contribution from non-banking businesses

### Group P&L by segment



### Net income from CABK bancassurance segment



### Positive contributions from every segment

- ▶ BPI segment includes one additional month while BPI associates now included in “Investments”<sup>(1)</sup>
- ▶ Core revenue improvement (+1.8% qoq) and lower impairments lift bancassurance RoTE to **12.0%**
- ▶ Continued reduction of losses from non-core RE as disposal results improve
- ▶ Investments (+€215M yoy) reflect higher REP and extraordinaries:
  - €60M<sup>(4)</sup> non-recurrent impacts at BFA
  - €54M<sup>(4)</sup> from revaluation of Viacer to agreed sale price

(1) Change of scope introduced in 1Q18: BFA and BCI are now included in the “Investments” segment and not in BPI, and the analytical income at the “Bancassurance” is no longer charged to the “Non-core RE”. % change yoy are presented vs. 1Q17 pro-forma the change in perimeter.

(2) Badwill from BPI acquisition amounting to €256M in 1Q17.

(3) RoTE exc. extraordinary items: -€212M early retirements in 2Q17 and extraordinary expenses, net of taxes. It includes the coupon of AT1 accrued in the year (-€32M post-tax, trailing 12M).

(4) Post taxes and minority interests.

## Improvement in BPI contribution affected by changes in scope

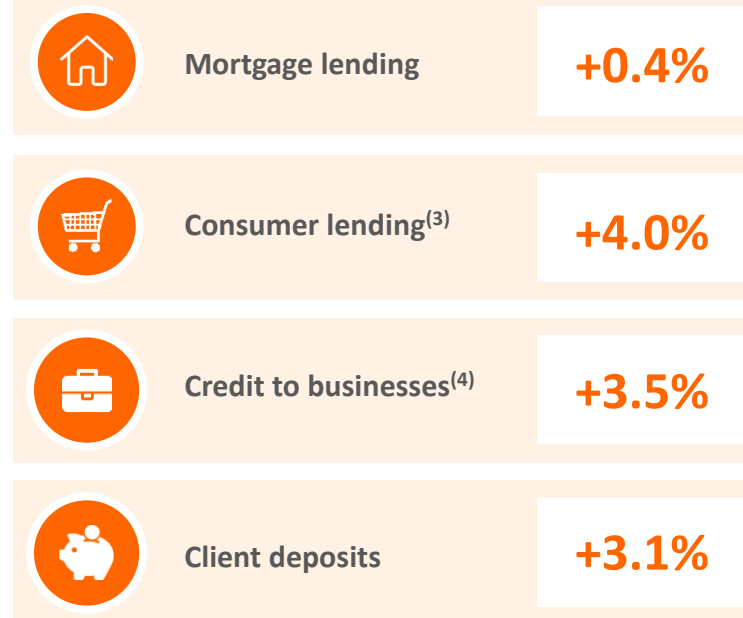
### BPI segment P&L

BPI	Segment P&L, in €M	
	1Q18 <sup>(1)</sup>	1Q17 <sup>(2)</sup>
<b>Net interest income</b>	<b>97</b>	<b>69</b>
Net fees and commissions	75	43
Other revenues	16	9
<b>Gross income</b>	<b>188</b>	<b>121</b>
Recurring operating expenses	(118)	(78)
Extraordinary operating expenses	(3)	(10)
<b>Pre-impairment income</b>	<b>67</b>	<b>33</b>
Impairment losses & other provisions	-	5
Gains/losses on disposals and other	-	-
<b>Pre-tax income</b>	<b>67</b>	<b>38</b>
Income tax, minority interest & others	(27)	(16)
<b>Net attributable profit</b>	<b>40</b>	<b>22</b>

► Contribution to the Group impacted by change in scope and accounting criteria<sup>(1)</sup> → not fully comparable to previous quarters

### Activity in Portugal

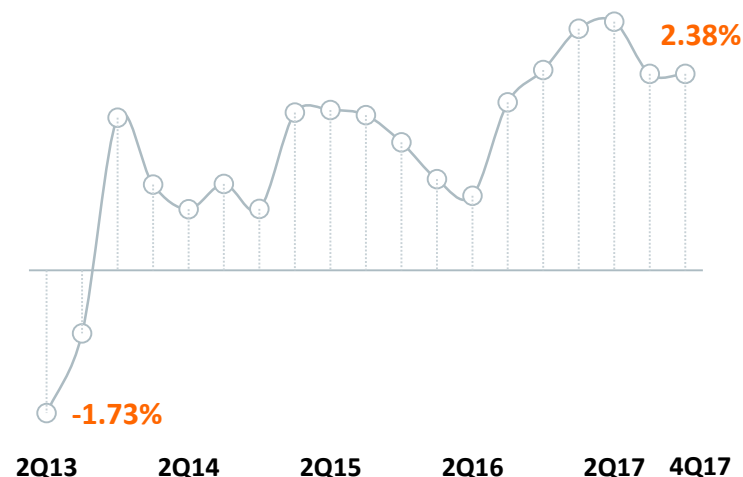
As reported by BPI, % ytd



► Positive operating trends continue in 1Q

### Portugal: Macroeconomic dynamics

GDP growth, % yoy



Unemployment rate, %



Source: INE Portugal.

► Solid macroeconomic recovery supports gradual business improvement

(1) 1Q18 data impacted by the sale of BPI Vida e Pensões to VidaCaixa (-€7M in NII vs. 4Q17) and by change in accounting criteria affecting NII (-€5M in 1Q18 that are now reported as trading gains in “other revenues”). Moreover, revenues from BPI associates are now reported within “Investments” in segment reporting, with 2017 figures being restated.

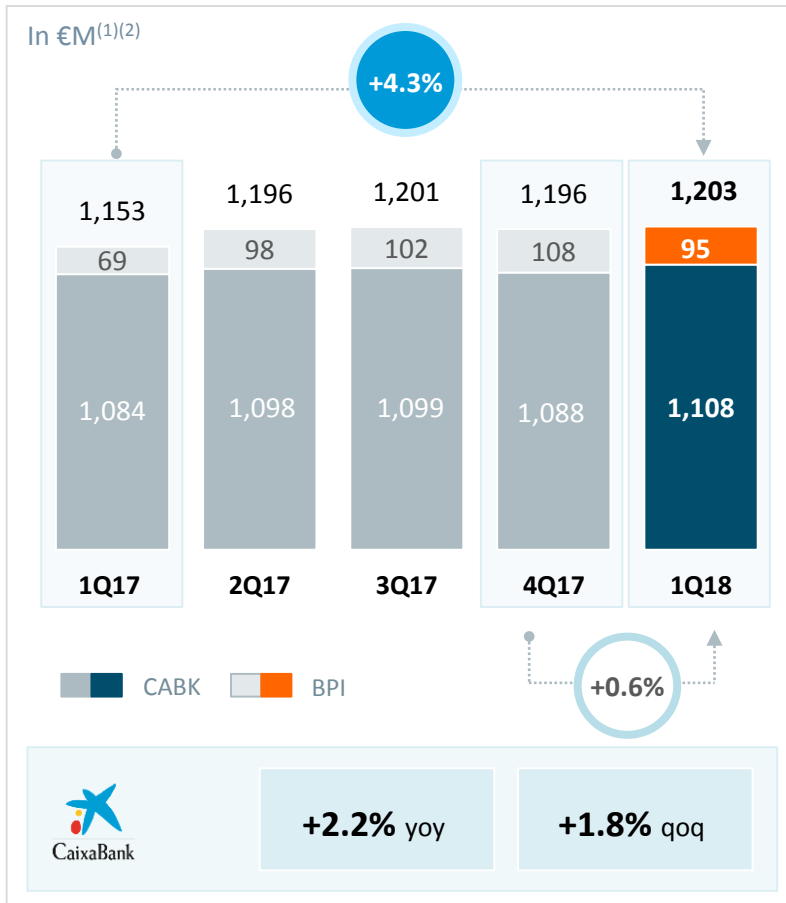
(2) BPI consolidated from 1 February 2017 so 1Q17 included only 2 months.

(3) Consumer lending and other credit to individuals.

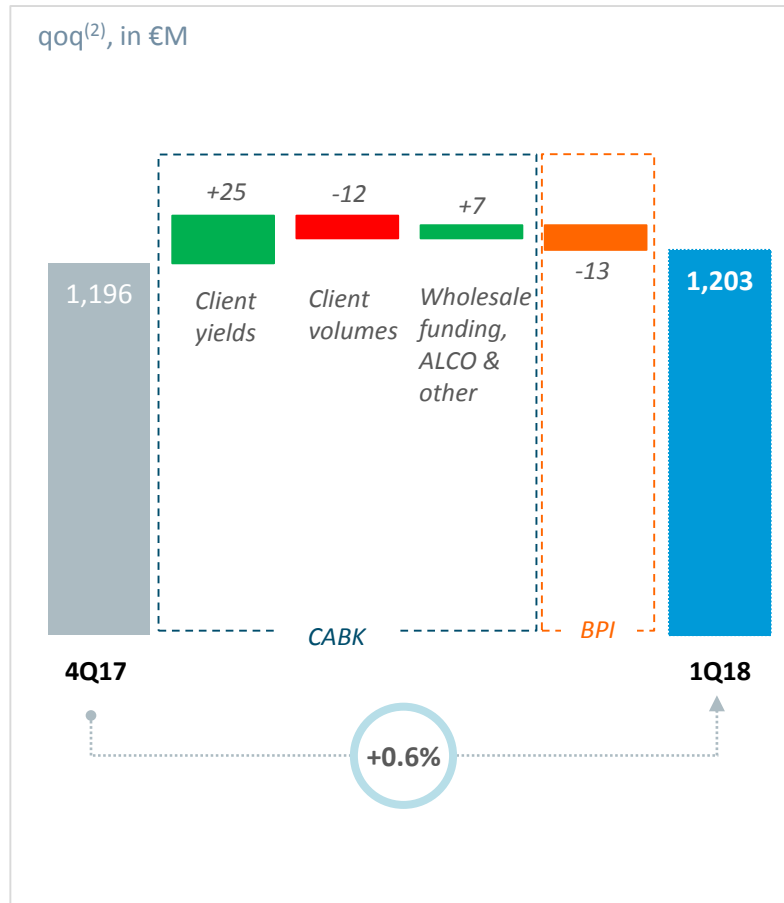
(4) Credit to businesses in Portugal.

## NII improvement underpinned by higher loan and lower wholesale funding yields

### NII evolution



### NII bridge



- ▶ Group NII grows qoq on higher yields with yoy also impacted by one more month of BPI
- ▶ CABK NII improves as:
  - Cheaper wholesale funding, higher-yield loan mix and NPL accrual<sup>(3)</sup> more than offset...
  - ...still negative Euribor resets and lower average loan/ALCO volumes
- ▶ BPI NII reflects one additional month (yoy), Q4 sale of businesses to CABK, and changes in accounting criteria<sup>(4)</sup>

(1) 1Q17 includes 2 months of BPI and impact of FV adjustments. Since 2Q17, included, BPI contributes a full quarter, also impacted by FV adjustments.

(2) The breakdown CABK-BPI reflects the acquisition of BPI Vida e Pensões by VidaCaixa (no impact at Group level).

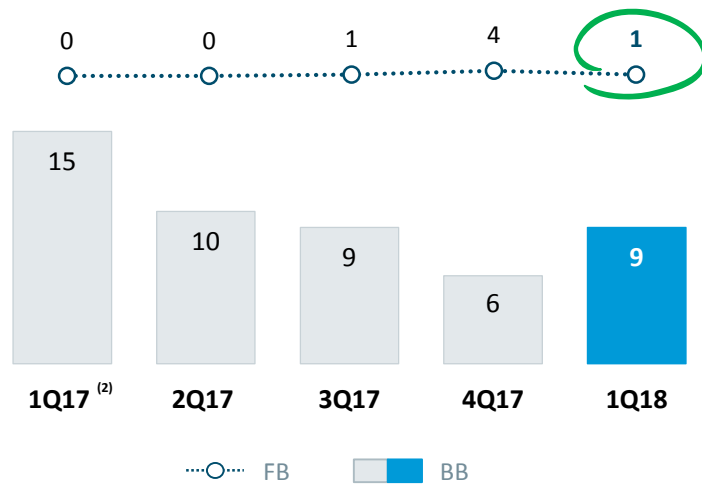
(3) After application of IFRS 9 from January 1<sup>st</sup> 2018.

(4) 1Q18 data impacted by the sale of BPI Vida e Pensões to VidaCaixa (-€7M in NII vs. 4Q17) and by change in accounting criteria affecting NII (-€5M in 1Q18 that are now reported as trading gains).

## Increased client NII as higher loan yields offset lower volumes

### Deposit repricing

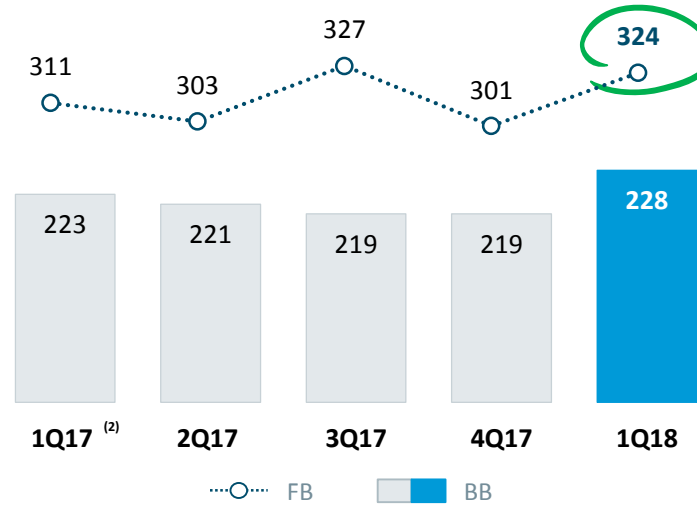
Time deposits: front book vs. back book yield<sup>(1)</sup>, in bps



- ▶ Limited potential for re-pricing as back book approaches front book
- ▶ BB uptick qoq mainly driven by F/X deposit impacts

### Loan yields

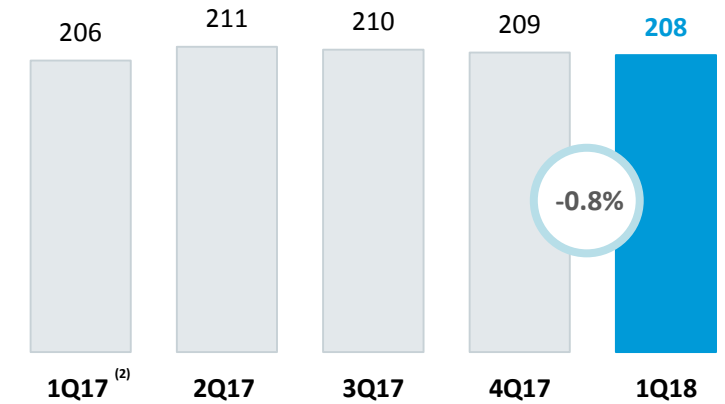
Loans: front book vs. back book yield<sup>(3)</sup>, in bps



- ▶ FB yields up on mix shift and pricing discipline
- ▶ BB yields up mainly on NPL accrual<sup>(4)</sup> and accretive FB (continued mix-shift) offsetting negative Euribor resets

### Loan volumes

Average loan balance (net), in €Bn



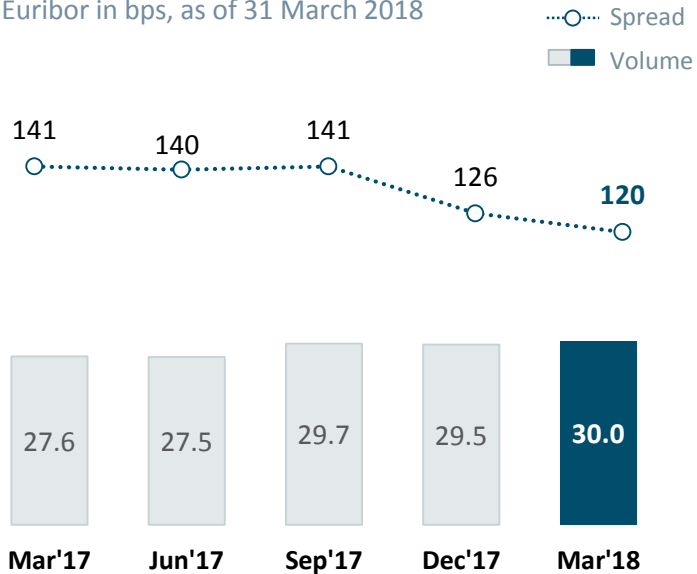
- ▶ Loan volumes reflect continued deleveraging

(1) Front book CABK including only deposits in Euros. Back book Group, including all deposits.  
 (2) 1Q Group time deposit and asset yields, as well as average balance BPI, calculated on 2 months of BPI contribution.  
 (3) Front book CABK excluding public sector. Back book Group, including all loans.  
 (4) After application of IFRS 9 from January 1<sup>st</sup> 2018.

## Cheaper wholesale funding compensates for lower ALCO contribution

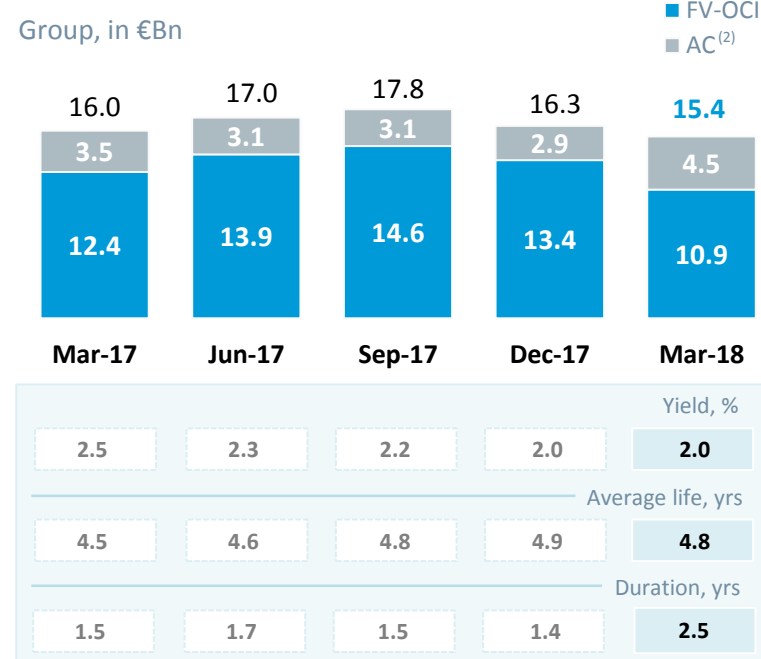
### Wholesale funding costs

CABK wholesale funding back-book<sup>(1)</sup> in €Bn and spread over 6M Euribor in bps, as of 31 March 2018



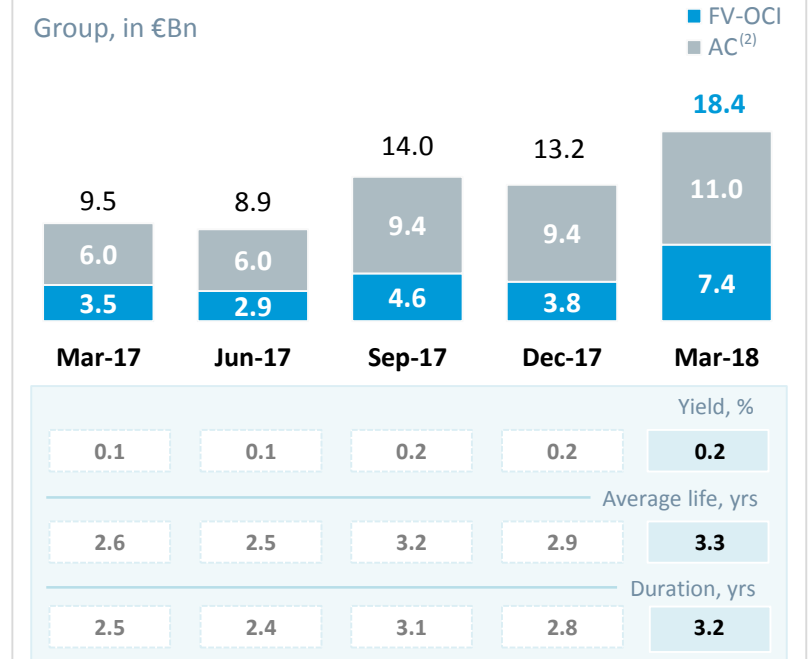
- ▶ BB **-6 bps** qoq/**-21 bps** yoy as expensive maturities more than compensate for new issuances

### Structural ALCO portfolio



- ▶ Book falls as market opportunities are seized
- ▶ Higher duration reflects disposals of previously swapped positions

### ALCO liquidity management portfolio



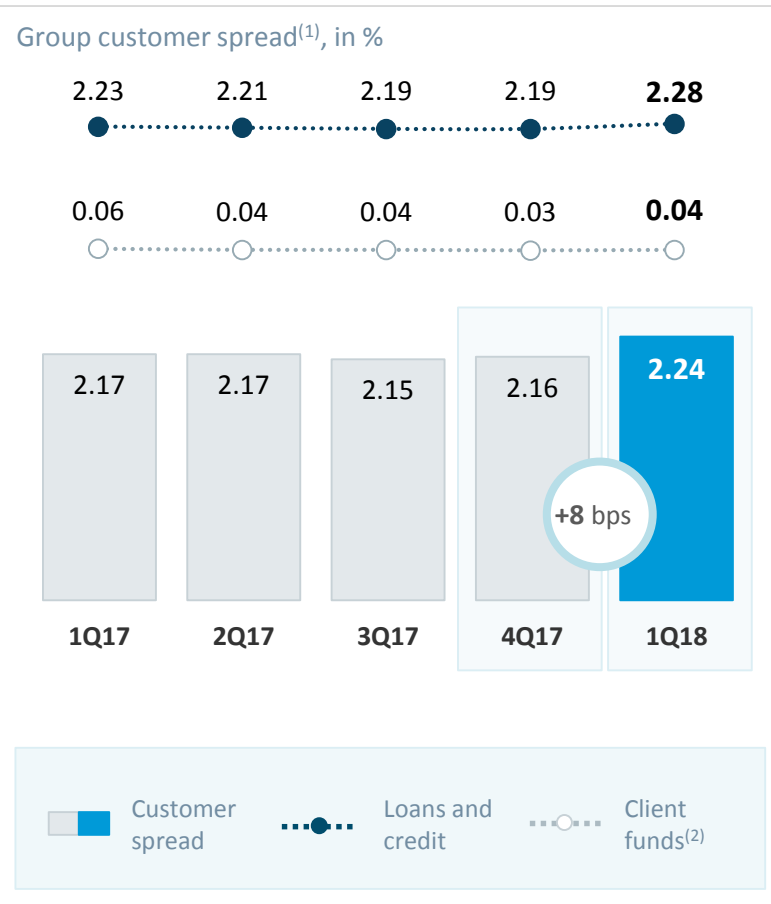
- ▶ Liquidity ALCO book increased in the quarter
- ▶ Duration around TLTRO maturity

(1) Includes securitisations placed with investors and self-retained multi-issuer covered bonds. It does not include the AT1 issued in June 2017 and in March 2018.

(2) Securities at amortised cost.

## Both customer spread and NIM improve in the quarter

### Customer spread



### NIM



- ▶ Better spreads are main contributor to NII
- ▶ Customer spread growth qoq:
  - Low and stable client fund costs
  - Higher lending yields: positives from production skewed to higher yielding segments, margin defence and NPL accrual<sup>(3)</sup> more than offset Euribor repricing
- ▶ Higher qoq NIM reflects NII improvement and lower cash balances (denominator effect)

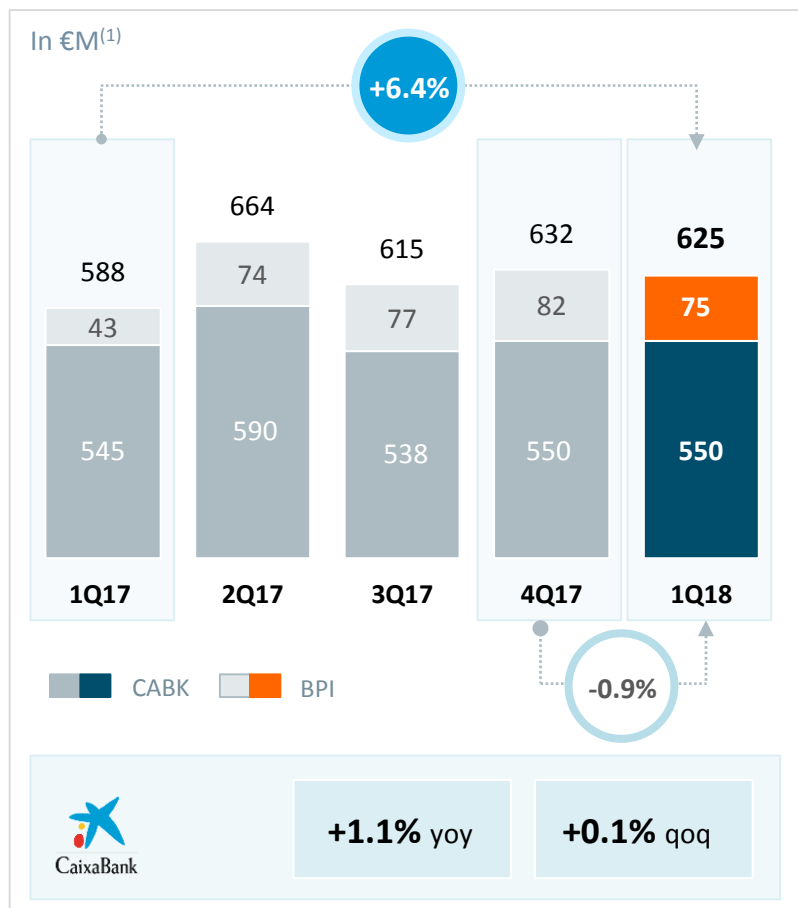
(1) 1Q17 includes 2 months of BPI and impact of FV adjustments. Since 2Q17, included, BPI contributes a full quarter, also impacted by FV adjustments.

(2) The cost of customer funds reflects the cost of both demand and time deposits, as well as repos with retail clients. Excludes the cost of institutional issuance and subordinated liabilities.

(3) After application of IFRS 9 from January 1<sup>st</sup> 2018.

# Fees show resilience to market volatility and seasonality

## Net fees



## Fee breakdown by main category

1Q18 in €M and % growth qoq<sup>(1)</sup>

Category	1Q18 in €M	% yoy	% qoq
Banking & other	353	-4.9%	-2.7%
Mutual funds	132	+20.0%	-1.3%
Insurance	83	+42.1%	+14.3%
Pension plans	57	+19.8%	-7.9%

► Group fee evolution qoq reflects:

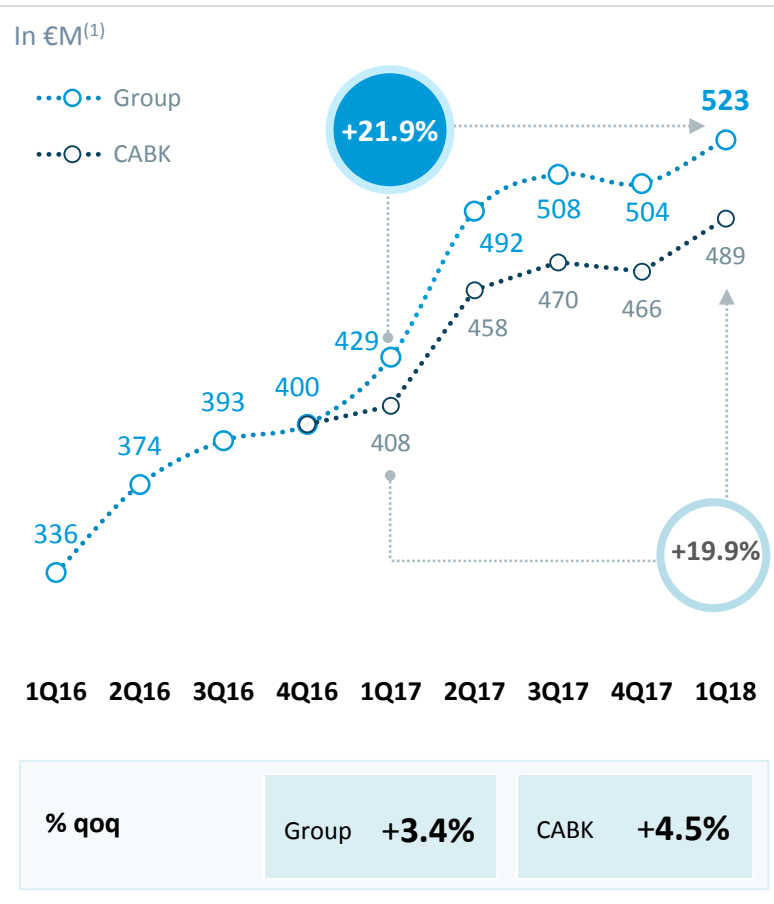
- solid insurance fee growth partly offsetting...
- ...adverse impacts from market volatility and seasonality on AM fees
- ...banking fee trend mostly driven by lower CIB activity
- ... BPI non-recurrent fees in 4Q

**Fee contribution to gross income 28%**

(1) 1Q17 includes 2 months of BPI.

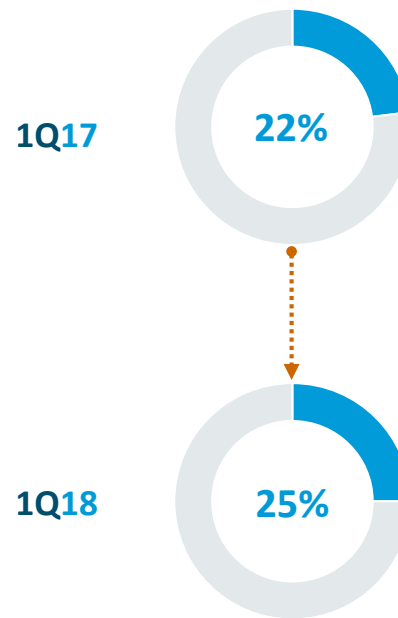
## Insurance and asset management remain key contributors to CABK bancassurance earnings

### Insurance and AM revenues



### Contribution to bancassurance revenues

Insurance + AM revenues<sup>(1)</sup>, in % of CABK bancassurance rev.



► Non-traditional banking businesses mitigate effect of low rates

### Bancassurance P&L: contribution from insurance

In €M

	Bancassur.	o/w Insurance <sup>(2)</sup>	Insur. % yoy
<b>Net interest income</b>	<b>1,147</b>	<b>72</b>	<b>4.3</b>
Net fees and commissions	551	(40)	21.2
Income and exp. insurance	138	138	25.5
Income from associates	52	41	24.2
Other revenues	38	3	
<b>Gross income</b>	<b>1,926</b>	<b>214</b>	<b>13.8</b>
Recurring operating expenses	(1,001)	(27)	(6.9)
<b>Pre-impairment income</b>	<b>925</b>	<b>187</b>	<b>17.6</b>
LLPs & other provisions	(205)		
Gains/losses on disp. & other	(4)		
<b>Pre-tax income</b>	<b>716</b>	<b>187</b>	<b>17.6</b>
Income tax	(196)	(43)	19.4
<b>Net attributed profit</b>	<b>520</b>	<b>144</b>	<b>17.1</b>

► Insurance net income grows at double digits

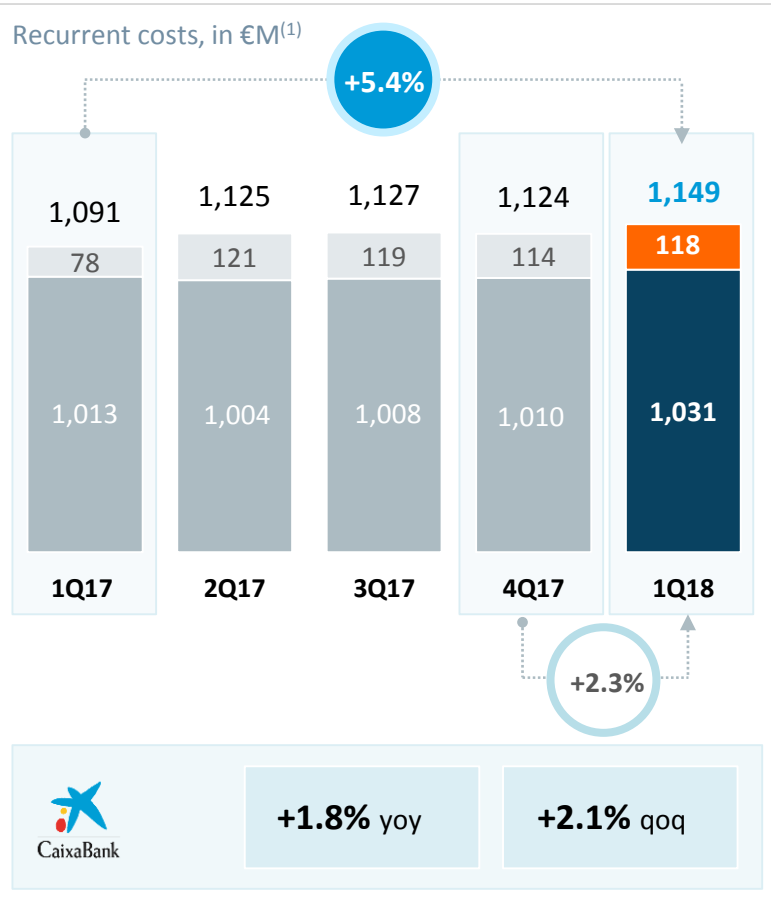
(1) Excludes trading and other operating income and expenses.

(2) Does not include the fees paid by SCA to the bancassurance business for non-life insurance distribution.

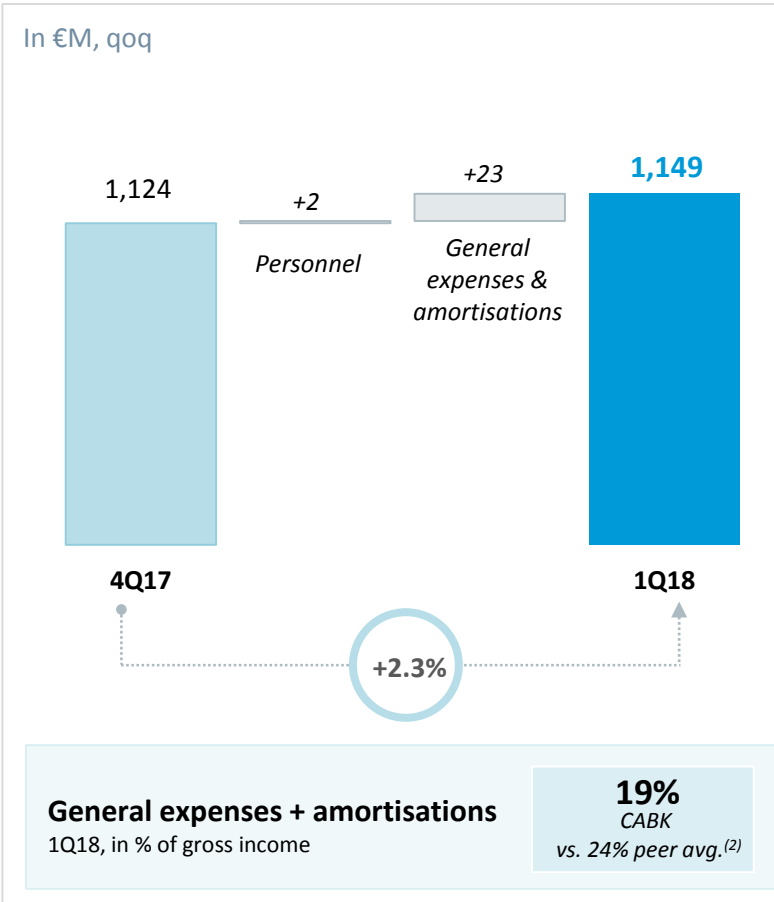


## Recurrent cost-to-income ratio continues to edge down

### Recurrent costs



### Recurrent cost bridge



- ▶ Costs increase qoq on:
  - Stable personnel costs as cost synergies offset wage inflation
  - Higher S,G&A (+5.8% qoq) reflecting seasonal property tax and spend in new revenue opportunities
  - Recurrent C/I ratio improves to **52.7%** → **-1.6 pp** qoq

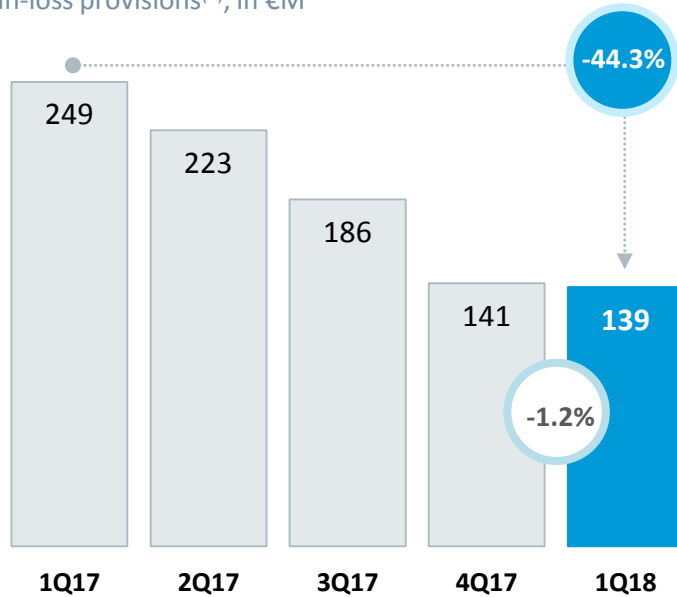
(1) 1Q17 includes 2 months of BPI.

(2) Peer group includes Bankia, Bankinter, BBVA Spain + RE business, Sabadell (ex TSB), SAN Spain + RE business. Data as of 1Q18 except BBVA and Bankia (4Q17).

## Steady decline in LLPs with CoR<sup>(1)</sup> down to 29 bps

### LLPs

Loan-loss provisions<sup>(2)</sup>, in €M

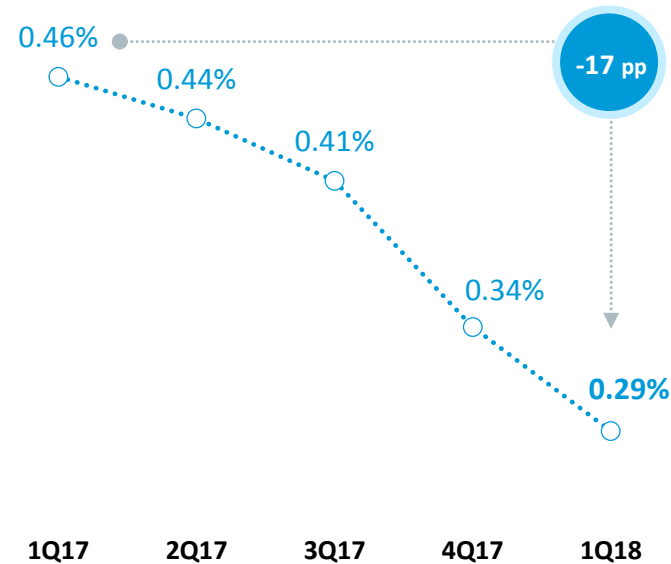


o/w CABK, in €M

255    228    200    148    139

### CoR trailing 12M

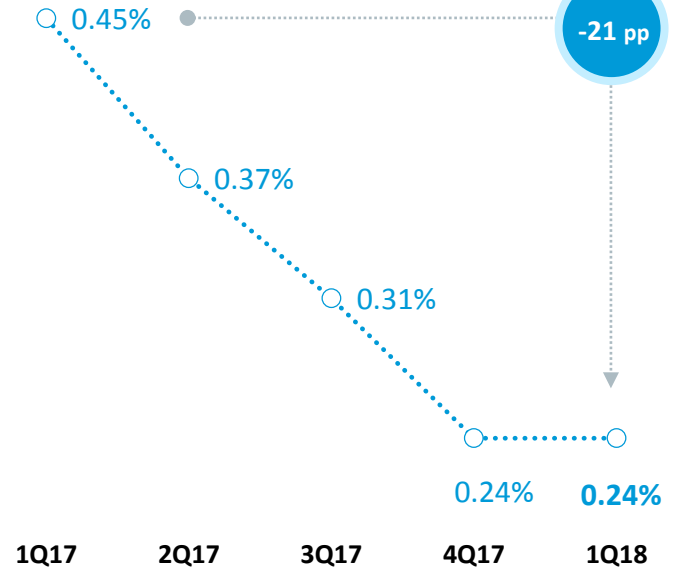
In %<sup>(2)</sup>



▶ Group CoR shows another steady improvement in 1Q

### Annualised quarterly CoR

In %<sup>(2)</sup>



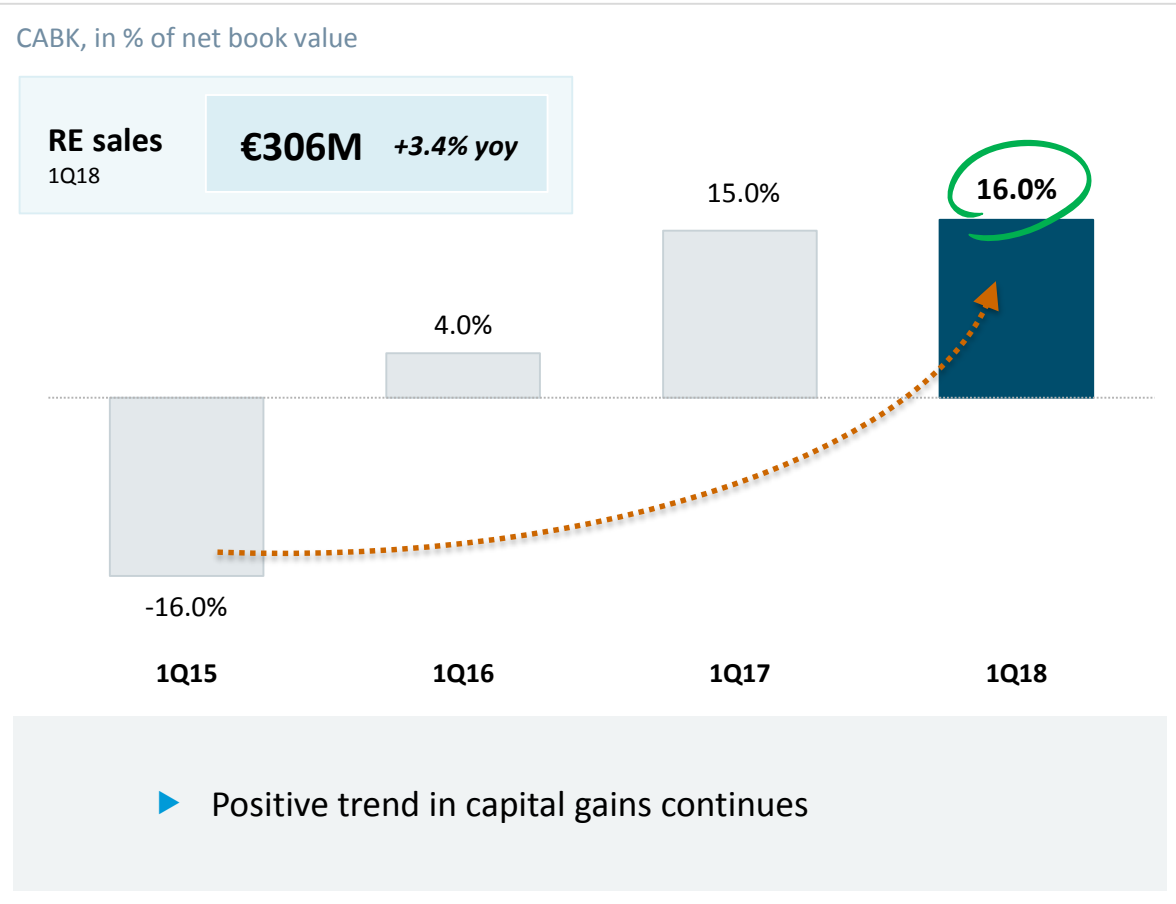
▶ Annualised quarterly CoR remains stable at very low levels

(1) Trailing 12 months.

(2) 1Q17 includes only 2 months of BPI.

## Capital gains on RE disposals continue to offset OREO provisioning

### Capital gains from RE sales



### Net RE result

Gains/losses on asset disposals (CABK), in €M

	1Q18	1Q17	4Q17
Results from RE sales	40	35	108
Other RE gains/losses	(38)	(10)	(149)
<b>Net RE result</b>	<b>2</b>	<b>25</b>	<b>(41)</b>
Other non-RE related	(4)	253	(75)
<b>Gains/losses on asset disposals and others</b>	<b>(2)</b>	<b>278</b>	<b>(116)</b>

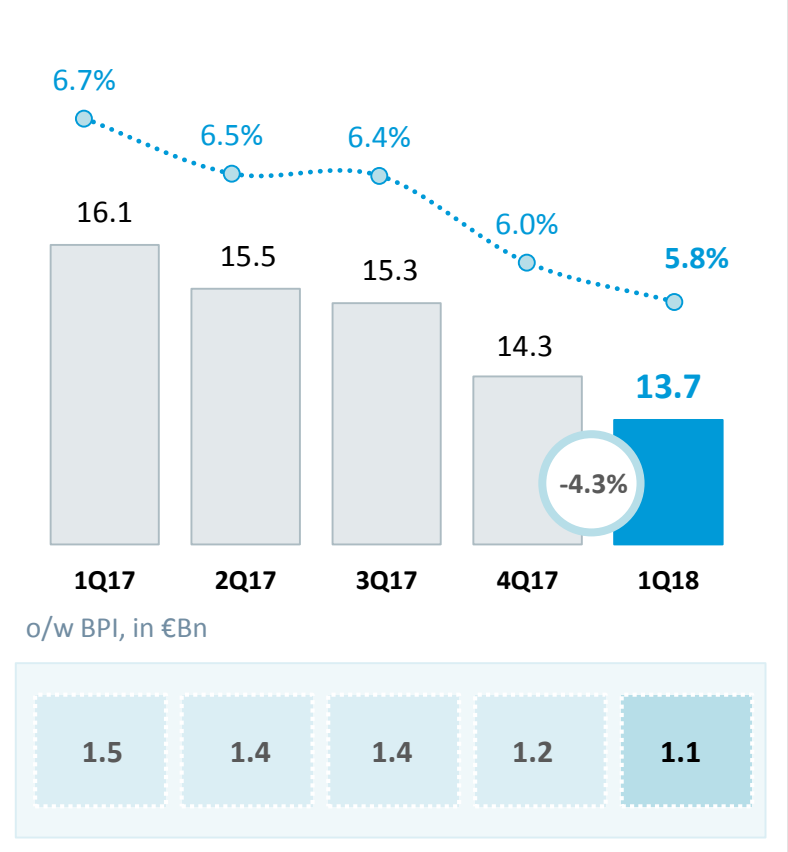
€256M from BPI business combination

- ▶ Capital gains offset impairments and produce a small profit

## NPLs continue to decline while coverage grows after IFRS 9

### NPL stock and ratio

NPL stock <sup>(1)</sup> in €Bn and NPL ratio in %

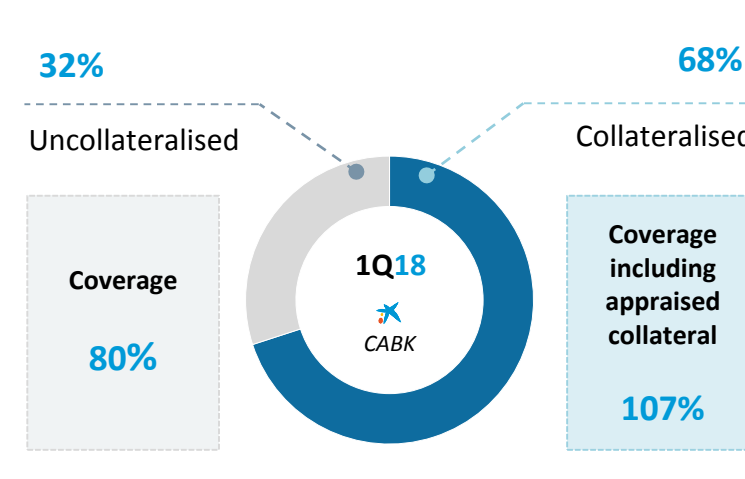


### NPL coverage

In %

	Group	CABK	BPI
1Q18	55%	52%	92%
4Q17	50%	46%	87%

CABK NPL/coverage breakdown by collateral, 31 March 2018



- ▶ NPL ratio down **90 bps** in one year
- ▶ NPL stock **-4.3%** ytd on continued asset quality improvement and portfolio sales<sup>(2)</sup>
- ▶ NPL coverage **up 5pp** ytd with initial application of IFRS 9 in January lifting stock of provision funds by **11% (€758M)**

(1) Includes non-performing contingent liabilities (€501M in 1Q18, including BPI). Calculations factoring in the credit of BPI Vida under the BPI perimeter to provide a more accurate analysis of organic performance.

(2) Portfolio sale of €104M NPLs in 1Q18.

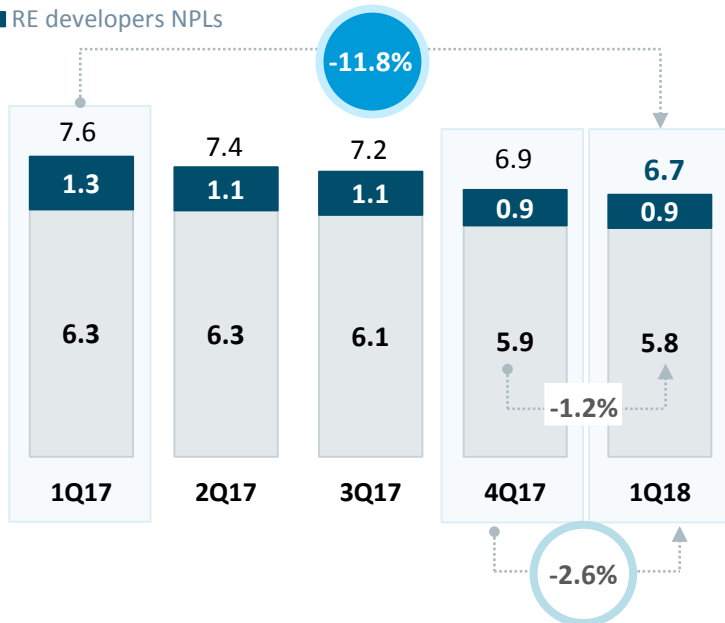
## Non-performing RE declines in a quarter with no block sales

### Non-performing RE exposure

CABK non-performing RE exposure<sup>(1)</sup>, in €Bn net of provisions

■ OREO portfolio

■ RE developers NPLs



OREO book coverage ratio

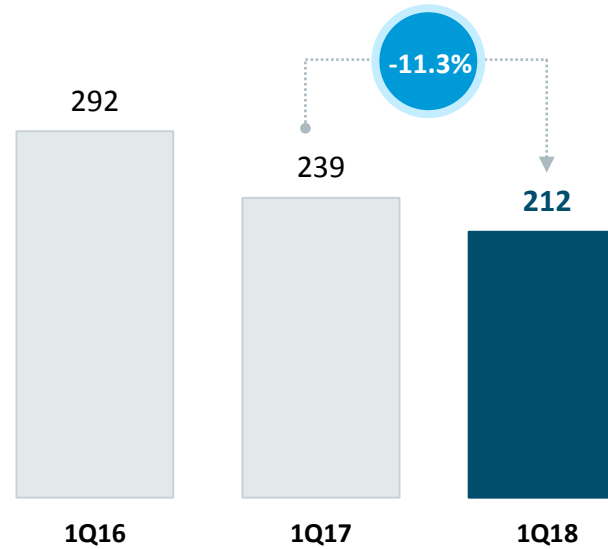
**58%**

Coverage w/accounting provisions only

**50%**

### RE inflows

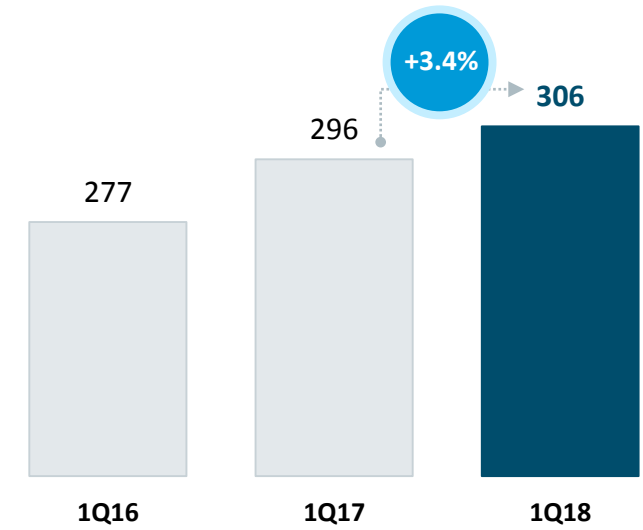
Inflows (net of provisions) to OREO portfolio, in €M (CABK)



- ▶ RE inflows down 11% yoy in a declining trend

### RE sales

OREO sales, in €M (CABK)

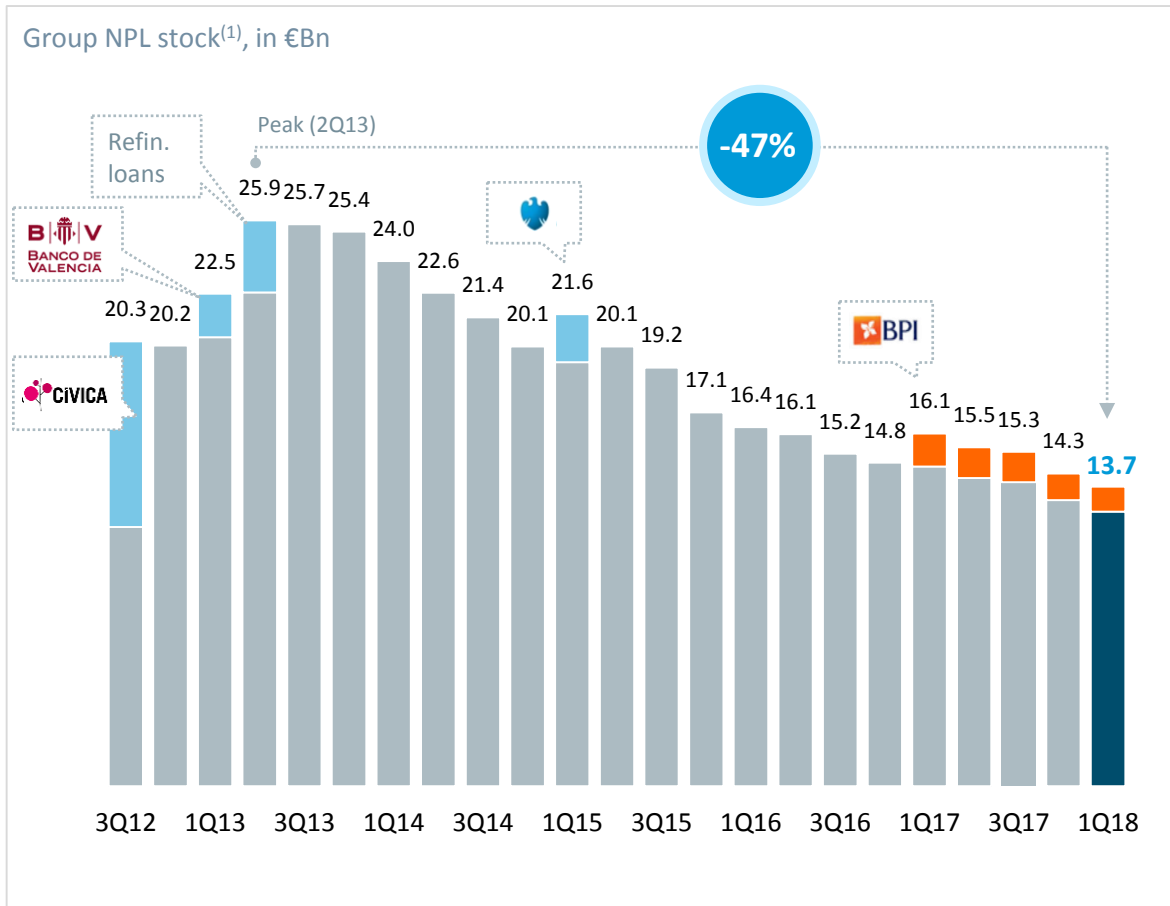


- ▶ RE sales +3.4% yoy on organic disposals
- ▶ Portfolio sale to Testa (€228M) to be executed from 2Q

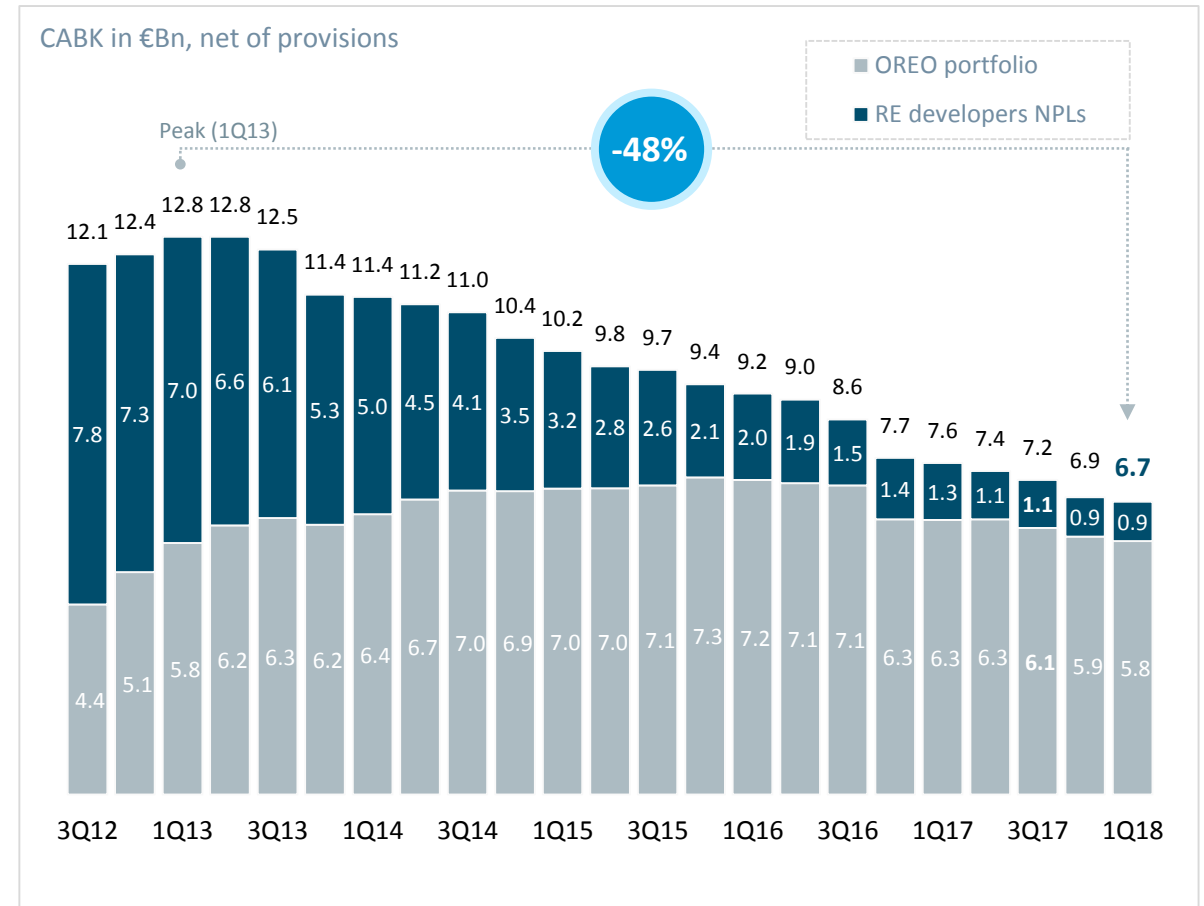
(1) CABK OREO portfolio net of provisions and non-performing RE developer loans net of specific provisions. BPI OREO portfolio net of provisions amounts to €47M as of 31<sup>st</sup> March 2018.

## Significant NPA reduction since peak in 2013

### NPL stock on a steady downward trend



### Net non-performing RE assets<sup>(2)</sup>



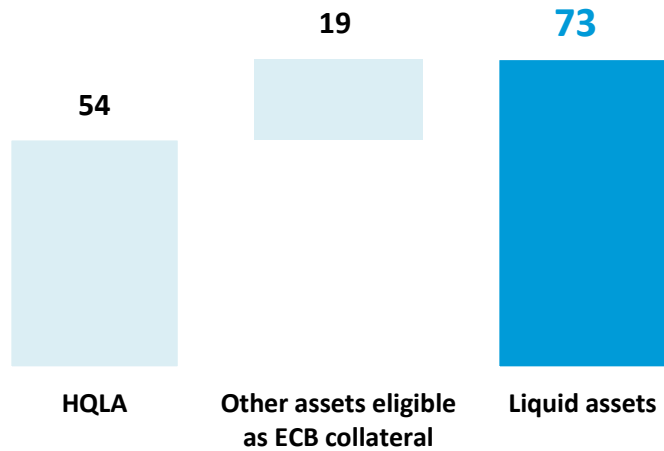
(1) Including non-performing contingent liabilities.

(2) OREO portfolio and RE developer non-performing loans, both net of provisions.

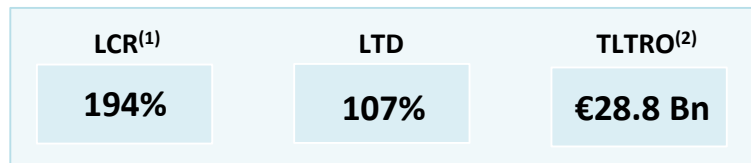
## Liquidity position remains strong with successful and continued access to the markets

### Group liquidity metrics

Total liquid assets (Group), as of 31 March 2018 in €Bn

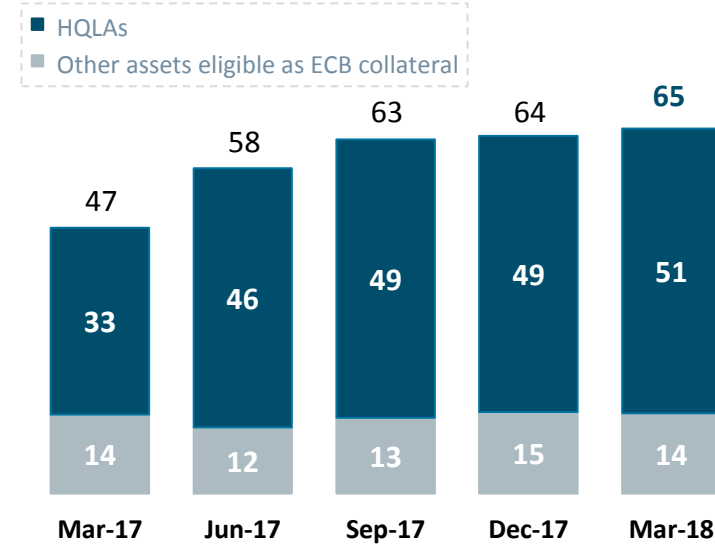


Other liquidity metrics, as of 31 March 2018



### CABK liquidity metrics

Total liquid assets (CABK), in €Bn



LCR (end of period)

158% → 206%

### Recent issuances

Wholesale funding market issuances in 1Q18

**€3.6 Bn** Issued in 1Q18

**10yr Covered Bond**

€1Bn  
@ SPGB -48 bps

**15yr Covered Bond**

€0.375Bn  
@ SPGB -48 bps

**5yr Senior Preferred**

€1Bn  
@ SPGB +37 bps

**AT1**

€1.25Bn  
@ 5.35% yield

**Intense activity in wholesale markets continues**

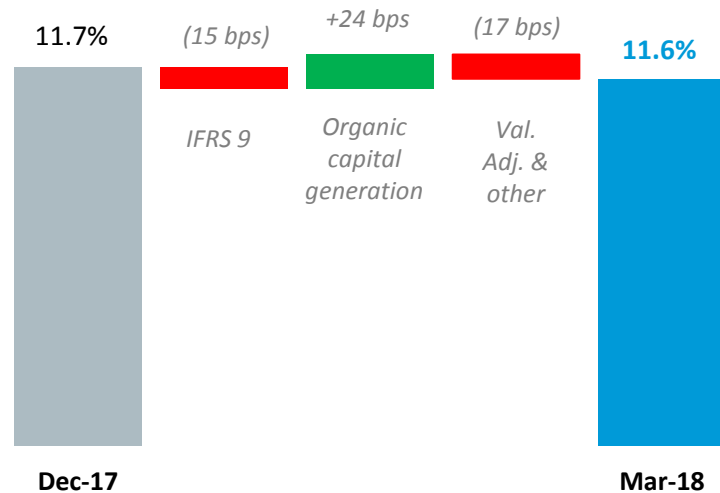
(1) Average 12 months.

(2) Including €2Bn from BPI. All TLTRO 2 except for €637 M TLTRO 1 from BPI.

## Solvency metrics reinforced after AT1 and limited IFRS9 impact

### CET1 FL ratio evolution

Group, in %, ytd



In €Bn

<b>CET1</b>	17.3	17.2
<b>RWAs</b>	148.6	148.3

### Capital ratios

Group<sup>(1)(2)</sup>, in % as of 31 March 2018

	Phase-in	Fully loaded
<b>CET1</b>	11.8%	11.6%
<b>Tier 1</b>	13.3%	13.1%
<b>Total Capital</b>	16.3%	16.1%
<b>T. Capital + SNP</b> <i>MREL-subordinated instr.</i>	17.5%	17.2%
<b>Leverage ratio</b>	5.8%	5.7%

- ▶ Strong organic capital generation...
- ▶ ... partly offsets impact from IFRS 9<sup>(3)</sup> and other valuation adjustments, including AKZ devaluation
- ▶ €1.25Bn AT1 issuance in March fills the 1.5% AT1 layer with cost-effective capital
- ▶ Improved ratings from S&P, DBRS and Moody's reflect CaixaBank's creditworthiness
- ▶ Final dividend of 0.08€ p.s. paid in April for a total payout of 53% in 2017<sup>(4)</sup>

(1) CABK CET1 phase-in ratio on a solo basis as of 31 March 2018 is 13.2%. BPI CET1 ratio as of 31 March 2018 is 11.4%, fully loaded and phase-in (11.9% on a solo basis). BPI figures exclude retained 1Q P&L.

(2) Tier 1 capital ratio includes €1.25 Bn AT1 notes issued in March 2018, pending regulatory approval for eligibility as own funds. Total Capital ratio does not include €1.0 Bn Tier 2 notes issued in April 2018.

(3) Transitional period not applied.

(4) With no impact on 1Q solvency since it was already incorporated in YE2017 capital ratios.



## Moving with confidence toward our strategic targets

<b>1</b>	<b>Higher core revenues and lower impairments contribute to improve profitability</b>	<b>Net income</b> <i>1Q18 yoy</i> <b>+74.7%</b>	<b>RoTE</b> <i>Trailing 12M</i> <b>9.8%</b>
<b>2</b>	<b>Positive jaws from efficiency improvement</b>	<b>Core operating income</b> <i>1Q18 yoy</i> <b>+8.2%</b>	<b>C/I ratio</b> <i>Recurrent Trailing 12M, ytd</i> <b>-1.6 pp</b>
<b>3</b>	<b>Better business mix and higher margins reflect franchise strength</b>	<b>Consumer lending</b> <i>CABK, ytd</i> <b>+5.3%</b>	<b>Lending FB yields</b> <i>Δ vs. 1Q17</i> <b>+13 bps</b>
<b>4</b>	<b>Steady decline in NPAs with coverage reinforced post IFRS 9</b>	<b>NPLs</b> <i>ytd</i> <b>-4.3%</b>	<b>NPL coverage</b> <i>ytd</i> <b>+5 pp</b>
<b>5</b>	<b>Strong solvency and liquidity metrics</b>	<b>CET1</b> <i>FL</i> <b>11.6%</b>	<b>LCR</b> <i>12M avg.</i> <b>194%</b>



## *Appendix*

## 2018 Guidance for CaixaBank Group

### 2018 Guidance for Group: % yoy

### Main drivers

<b>NII</b>	<b>2-3%</b>	<ul style="list-style-type: none"> <li>▶ Price discipline in both loans and deposits</li> <li>▶ Stable loan balances on higher-yielding mix</li> <li>▶ Accretive FB yield</li> <li>▶ Euribor resets expected to trough during the year</li> </ul>
<b>Fees</b>	<b>3-4%</b>	<ul style="list-style-type: none"> <li>▶ Growth in insurance and managed funds</li> <li>▶ Broadly stable core banking fees</li> </ul>
<b>Core revenues</b>	<b>~4%</b>	<ul style="list-style-type: none"> <li>▶ Growth across all core revenue lines</li> </ul>
<b>Recurrent costs</b>	<b>~3%</b>	<ul style="list-style-type: none"> <li>▶ CABK wages to grow (collective bargaining agreement<sup>(1)</sup>)</li> <li>▶ 1 additional month of BPI costs</li> <li>▶ Regulation, technology and other growth opportunities</li> </ul>
<b>Cost of Risk</b>	<b>&lt; 30 bps</b>	<ul style="list-style-type: none"> <li>▶ Better macro outlook</li> <li>▶ High level of NPL recognition and coverage</li> <li>▶ Visibility of IFRS9 impacts</li> </ul>

(1) Salary increase of 1.75%

## Reconciliation between BPI reported P&amp;L and BPI Segment contribution to the Group

P&L in €M	1Q18 reported by BPI	Consolidation adjustments	1Q18 BPI contribution to CABK Group	BPI segment	Investments segment
<b>Net interest income</b>	<b>102</b>	<b>(7)</b>	<b>95</b>	<b>97</b>	<b>(2)</b>
Dividends	0		0	0	
Income from investments & associates (equity method)	109	(1)	108	2	106
Net fees and commissions	69	6	75	75	
Trading income	67	10	77	17	60
Other operating income & expenses	(1)	(2)	(3)	(3)	
<b>Gross income</b>	<b>346</b>	<b>6</b>	<b>352</b>	<b>188</b>	<b>164</b>
Operating expenses	(111)	(7)	(118)	(118)	
Extraordinary operating expenses	(3)		(3)	(3)	
<b>Pre-impairment income</b>	<b>232</b>	<b>(1)</b>	<b>231</b>	<b>67</b>	<b>164</b>
<b>Pre-impairment income without extraordinary expenses</b>	<b>235</b>	<b>(1)</b>	<b>234</b>	<b>70</b>	<b>164</b>
Impairment losses	10	(10)			
Other provisions					
Gains/losses on asset disposals & others			0		
<b>Pre-tax income</b>	<b>242</b>	<b>(11)</b>	<b>231</b>	<b>67</b>	<b>164</b>
Income tax	(35)	6	(29)	(18)	(11)
Income from investments & associates	3	(3)	0		
<b>Profit for the period</b>	<b>210</b>	<b>(8)</b>	<b>202</b>	<b>49</b>	<b>153</b>
Minority interests & other		33	33	9	24
<b>Net income</b>	<b>210</b>	<b>(41)</b>	<b>169</b>	<b>40</b>	<b>129</b>

## Bancassurance segment

### Income Statement

In €M	1Q18	% yoy
<b>Net interest income</b>	<b>1,147</b>	<b>0.3</b>
Net fees and commissions	551	1.5
Income and exp. from insurance	138	24.9
Other revenues	90	22.1
<i>Trading</i>	59	55.9
<i>Dividends and equity accounted</i>	52	14.3
<i>Other income/expenses</i>	(21)	
<b>Gross income</b>	<b>1,926</b>	<b>2.9</b>
Recurring operating expenses	(1,001)	1.7
Extraordinary operating expenses		
<b>Pre-impairment income</b>	<b>925</b>	<b>4.6</b>
LLPs	(160)	(40.9)
Other provisions	(45)	(79.2)
Gains/losses on disp. & other	(4)	
<b>Pre-tax income</b>	<b>716</b>	<b>10.8</b>
Income tax, minority interest & others	(196)	81.5
<b>Net attributed profit</b>	<b>520</b>	<b>(3.4)</b>

### Customer funds

Breakdown, in €Bn	31 <sup>st</sup> March 2018	% ytd
<b>I. On balance-sheet funds</b>	<b>229.3</b>	<b>1.1</b>
Demand deposits	149.9	2.2
Time deposits	24.7	(9.2)
Subordinated liabilities	2.0	0.0
Insurance	50.6	1.3
Other funds	2.1	
<b>II. Assets under management</b>	<b>91.2</b>	<b>0.8</b>
Mutual funds	61.6	1.3
Pension plans	29.6	(0.3)
<b>III. Other managed resources</b>	<b>2.2</b>	<b>(30.8)</b>
<b>Total customer funds</b>	<b>322.7</b>	<b>0.7</b>

### Loan book

Breakdown, in €Bn	31 <sup>st</sup> March 2018	% ytd
<b>I. Loans to individuals</b>	<b>115.4</b>	<b>(0.5)</b>
Residential mortgages	82.4	(0.8)
Other loans to individuals	33.0	0.2
<b>II. Loans to businesses</b>	<b>72.1</b>	<b>(1.9)</b>
Corporates and SMEs	66.9	(2.1)
Real Estate developers	5.1	0.7
<b>Loans to individuals &amp; businesses</b>	<b>187.5</b>	<b>(1.1)</b>
<b>III. Public sector</b>	<b>11.5</b>	<b>9.4</b>
<b>Total loans</b>	<b>199.0</b>	<b>(0.5)</b>

## BPI segment

### Income Statement

In €M	1Q18	% qoq
<b>Net interest income</b>	<b>97</b>	<b>(11.0)</b>
Net fees and commissions	75	(8.5)
Income and exp. from insurance		
Other revenues	16	
<i>Trading</i>	17	
<i>Dividends and equity accounted</i>	2	
<i>Other income/expenses</i>	(3)	
<b>Gross income</b>	<b>188</b>	<b>(0.5)</b>
Recurring operating expenses	(118)	3.5
Extraordinary operating expenses	(3)	
<b>Pre-impairment income</b>	<b>67</b>	<b>(10.7)</b>
LLPs		
Other provisions		
Gains/losses on disp. & other		
<b>Pre-tax income</b>	<b>67</b>	<b>(16.3)</b>
Income tax, minority interest & others	(27)	
<b>Net attributed profit</b>	<b>40</b>	<b>(11.1)</b>

### Customer funds

Breakdown, in €Bn	31 <sup>st</sup> March 2018	% ytd
<b>I. On balance-sheet funds</b>	<b>20.6</b>	<b>(0.4)</b>
Demand deposits	12.0	(0.1)
Time deposits	8.5	(0.8)
Subordinated liabilities		(100.0)
Insurance		
Other funds	0.1	
<b>II. Assets under management</b>	<b>6.0</b>	<b>(1.1)</b>
Mutual funds	6.0	(1.1)
Pension plans		
<b>III. Other managed resources</b>	<b>2.0</b>	<b>(5.8)</b>
<b>Total customer funds</b>	<b>28.6</b>	<b>(1.0)</b>

### Loan book

Breakdown, in €Bn	31 <sup>st</sup> March 2018	% ytd
<b>I. Loans to individuals</b>	<b>12.6</b>	<b>0.7</b>
Residential mortgages	11.1	0.3
Other loans to individuals	1.5	4.0
<b>II. Loans to businesses</b>	<b>8.6</b>	<b>4.9</b>
Corporates and SMEs	8.4	5.0
Real Estate developers	0.3	(0.4)
<b>Loans to individuals &amp; businesses</b>	<b>21.2</b>	<b>2.3</b>
<b>III. Public sector</b>	<b>1.4</b>	<b>(1.9)</b>
<b>Total loans</b>	<b>22.7</b>	<b>2.1</b>

## P&L by perimeter<sup>(1)</sup>

### Income Statement

In €M	CaixaBank			BPI		
	1Q18	4Q17	1Q17	1Q18	4Q17	1Q17
<b>Net interest income</b>	<b>1,108</b>	<b>1,088</b>	<b>1,084</b>	<b>95</b>	<b>108</b>	<b>69</b>
Dividend income	5		8		1	
Equity accounted income	158	107	46	108	(69)	39
Net fees and commissions	550	550	545	75	82	43
Trading	59	(6)	38	77	1	5
Income and expenses from insurance	138	118	110			
Other operating income/expenses	(108)	(248)	(95)	(3)	(1)	1
<b>Gross income</b>	<b>1,910</b>	<b>1,609</b>	<b>1,736</b>	<b>352</b>	<b>122</b>	<b>157</b>
Recurring operating expenses	(1,031)	(1,010)	(1,013)	(118)	(114)	(78)
Extraordinary operating expenses		(1)		(3)		(10)
<b>Pre-impairment income</b>	<b>879</b>	<b>598</b>	<b>723</b>	<b>231</b>	<b>8</b>	<b>69</b>
LLPs	(139)	(148)	(255)		7	6
Other provisions	(50)	(111)	(369)		(1)	(1)
Gains/losses on disp. & other	(2)	(116)	278		(1)	
<b>Pre-tax income</b>	<b>688</b>	<b>223</b>	<b>377</b>	<b>231</b>	<b>13</b>	<b>74</b>
Income tax, minority interest & others	(153)	(23)	(24)	(62)	(23)	(24)
<b>Net attributed profit</b>	<b>535</b>	<b>200</b>	<b>353</b>	<b>169</b>	<b>(4)</b>	<b>50</b>

(1) P&L presented for two perimeters in accordance with 2017 financial reporting criteria, i.e. BFA, BCI and Viacer falling within the BPI perimeter.

Activity indicators by geography<sup>(1)</sup>

In €Bn	Spain		Portugal		Group	
	31 <sup>st</sup> March 2018	31 <sup>st</sup> December 2017	31 <sup>st</sup> March 2018	31 <sup>st</sup> December 2017	31 <sup>st</sup> March 2018	31 <sup>st</sup> December 2017
<b>Loan book</b>						
<b>I. Loans to individuals</b>	<b>115.4</b>	<b>116.0</b>	<b>12.6</b>	<b>12.5</b>	<b>128.0</b>	<b>128.5</b>
Residential mortgages	82.4	83.1	11.1	11.1	93.6	94.2
Other loans to individuals	33.0	32.9	1.5	1.4	34.4	34.3
<b>II. Loans to businesses</b>	<b>73.0</b>	<b>74.4</b>	<b>9.3</b>	<b>9.0</b>	<b>82.3</b>	<b>83.5</b>
Corporates and SMEs	66.2	67.6	9.1	8.8	75.3	76.4
Real Estate developers	6.7	6.8	0.3	0.3	7.0	7.1
<b>III. Public sector</b>	<b>11.5</b>	<b>10.5</b>	<b>1.4</b>	<b>1.5</b>	<b>13.0</b>	<b>12.0</b>
<b>Total loans</b>	<b>199.9</b>	<b>201.0</b>	<b>23.4</b>	<b>23.0</b>	<b>223.2</b>	<b>224.0</b>
<b>Customer funds</b>						
<b>I. On balance-sheet funds</b>	<b>225.6</b>	<b>223.3</b>	<b>24.4</b>	<b>24.3</b>	<b>250.0</b>	<b>247.5</b>
Demand deposits	150.3	147.1	11.8	11.7	162.0	158.8
Time deposits	24.8	27.3	8.5	8.5	33.2	35.8
Subordinated liabilities	2.0	2.0		0.0	2.0	2.0
Insurance	46.5	45.8	4.1	4.1	50.6	50.0
Other funds	2.1	1.0	0.0	0.0	2.1	0.1
<b>II. Assets under management</b>	<b>88.6</b>	<b>88.0</b>	<b>8.6</b>	<b>8.5</b>	<b>97.2</b>	<b>96.6</b>
Mutual funds	61.8	61.1	5.7	5.8	67.6	66.7
Pension plans	26.8	26.9	2.8	2.7	29.6	29.7
<b>III. Other managed resources</b>	<b>2.2</b>	<b>3.2</b>	<b>2.0</b>	<b>2.2</b>	<b>4.2</b>	<b>5.4</b>
<b>Total customer funds</b>	<b>316.5</b>	<b>314.5</b>	<b>35.0</b>	<b>35.0</b>	<b>351.4</b>	<b>349.5</b>

(1) Loans and funds by the region in which they originated (i.e. loans and funds of BPI Vida are reported in Portugal and not in Spain, to which they would otherwise relate under the Group's corporate structure since BPI Vida has been a subsidiary of VidaCaixa de Seguros y Reaseguros, S.A. since December 2017).



## Additional information on BFA contribution

In €M	1Q18	4Q17	3Q17	2Q17	1Q17
<b>Share of profit/(loss) of entities accounted for using the equity method</b>	<b>100</b>	<b>(68)</b>	<b>64</b>	<b>58</b>	<b>(57)</b>
Stripping out extraordinary impacts <sup>(1)</sup>	21	51	64	58	40
Extraordinary impacts <sup>(1)</sup>	79	(119)			(97)
<b>Other</b>	<b>(6)</b>				
<b>Contribution by BFA before tax and minority interest</b>	<b>94</b>	<b>(68)</b>	<b>64</b>	<b>58</b>	<b>(57)</b>
<b>Attributable net contribution after tax and minority interest</b>	<b>72</b>	<b>(52)</b>	<b>49</b>	<b>44</b>	<b>(65)</b>
<b>Other impacts after tax on the equity of the Group<sup>(2)</sup></b>	<b>(132)</b>	<b>80</b>			<b>83</b>

(1) 1Q17 includes the attributable result deriving from BPI's sale of 2% of its stake in BFA (€-97 million), largely the result of valuation adjustments due to conversion differences, previously reported in equity. 4Q17 includes, in accordance with IAS 29, an impact of €-76 million after applying the accumulative inflationary effects of the Angolan economy during the year to BFA's financial statements. In 1Q18, the inflation impact was considered part of the non-extraordinary results reported by BFA.





(2) The amount in 1Q17 derives from valuation adjustments due to conversion differences, transferred to P&L at the moment of the sale by BPI of the 2% stake in BFA. 4Q17 includes among other effects, the impact of the inflationary effects of Angola's economy (€76 million, gross). In 1Q18, the heading includes the impact of the devaluation of the Angolan currency, among other factors.

## Refinanced loans

As of 31 March, 2018 (€Bn)	Group	
	Total	O/W NPLs
Individuals <sup>(1)</sup>	6.0	3.9
Businesses (ex-RE)	4.6	2.7
RE developers	1.2	0.9
Public Sector	0.3	0.0
<b>Total</b>	<b>12.0</b>	7.6
Of which: Total Non-RE	10.8	6.7
Provisions	3.1	2.8

(1) Including self-employed.

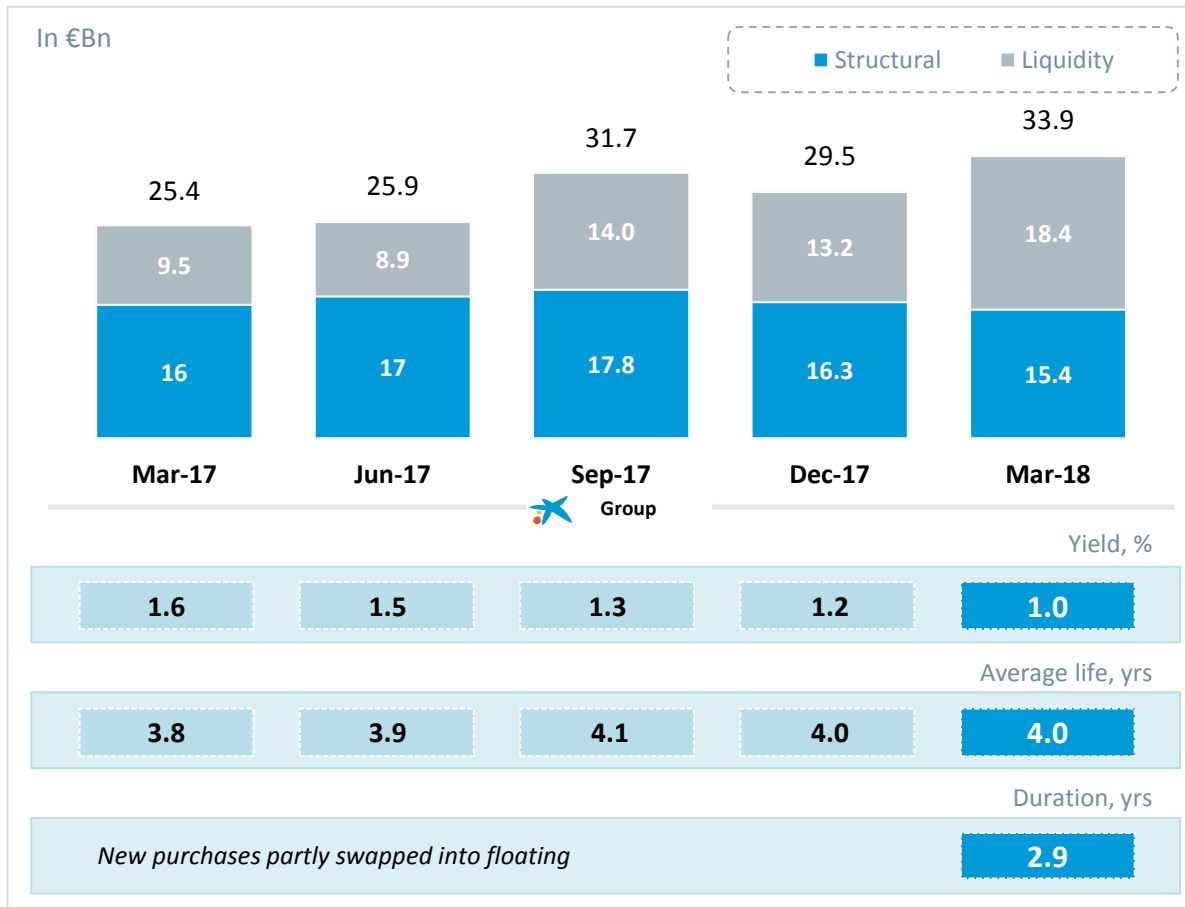
## Credit Ratings

	Long term	Short term	Outlook	Rating of covered bond program
 <span style="float: right;">(1)</span>	Baa2	P-2	positive	Aa1 <span style="float: right;">(5)</span>
 <span style="float: right;">(2)</span>	BBB+	A-2	stable	AA- <span style="float: right;">(6)</span>
 <span style="float: right;">(3)</span>	BBB	F2	positive	-
 <span style="float: right;">(4)</span>	A	R-1 (low)	stable	AAA <span style="float: right;">(7)</span>

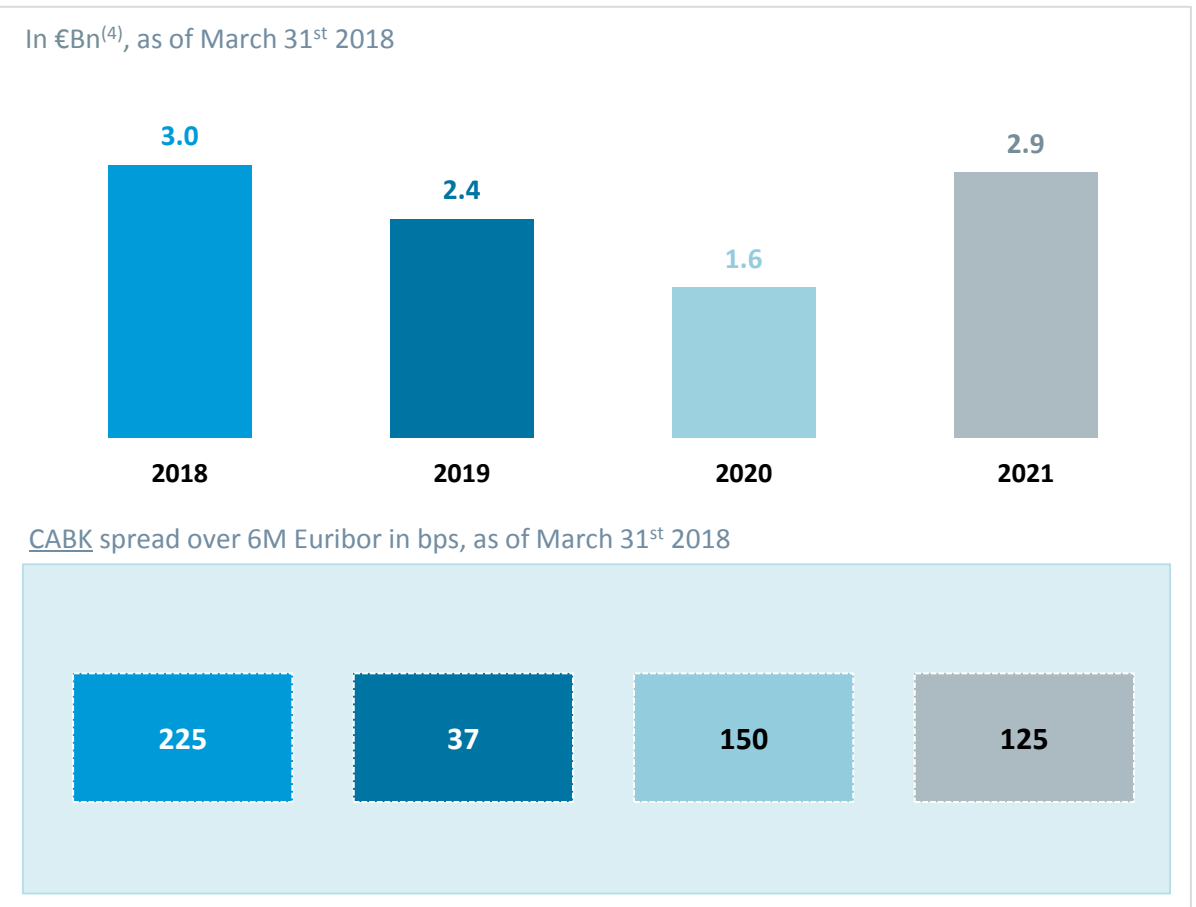
- (1) As of 17<sup>th</sup> April 2018
- (2) As of 6<sup>th</sup> April 2018
- (3) As of 6<sup>th</sup> February 2018
- (4) As of 12<sup>th</sup> April 2018
- (5) As of 17<sup>th</sup> April 2018
- (6) As of 27<sup>th</sup> March 2018
- (7) As of 16<sup>th</sup> April 2018

## ALCO book and wholesale funding maturities

### Total ALCO<sup>(1)</sup> (structural<sup>(2)</sup> + liquidity<sup>(3)</sup> portfolios)



### CABK wholesale funding maturities



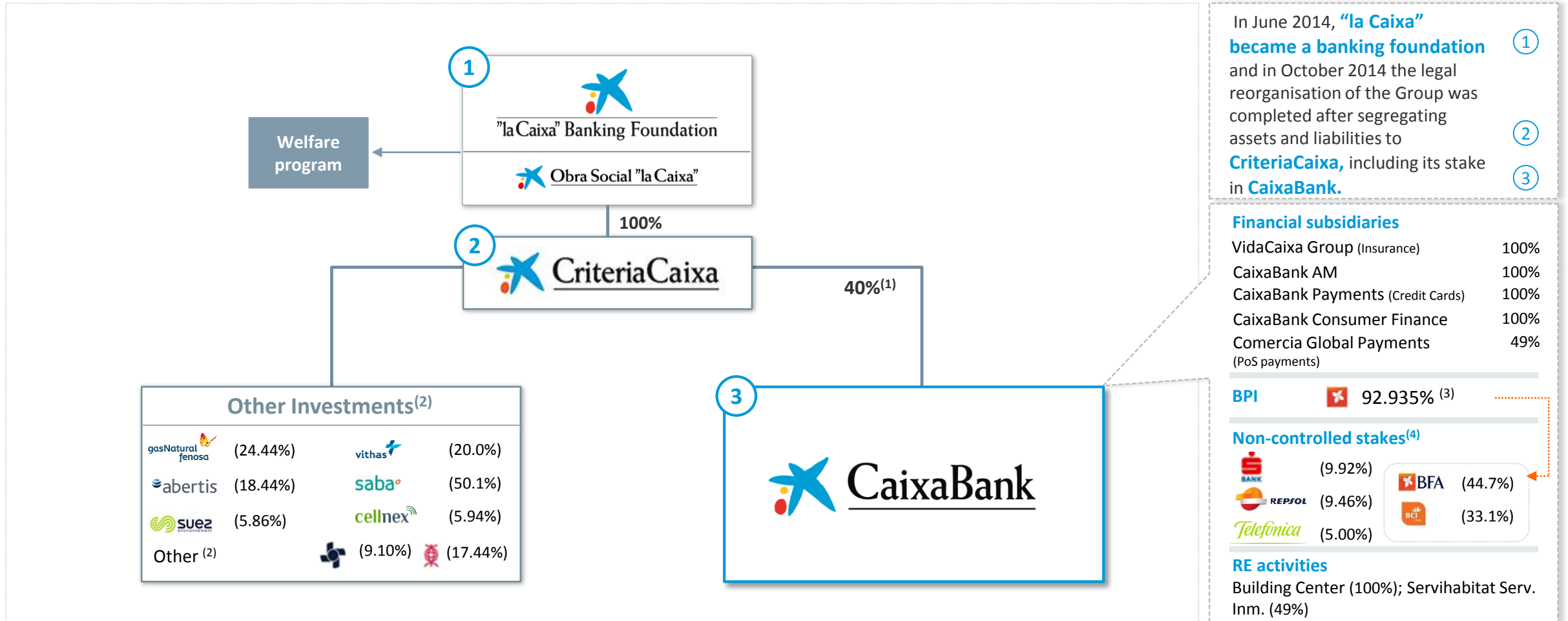
(1) Banking book fixed-income securities portfolio and liquidity management portfolio, excluding trading book assets.

(2) Banking book fixed-income securities portfolio, excluding trading book assets and liquidity management portfolio.

(3) Banking book fixed-income securities portfolio bought for liquidity reasons.

(4) Excludes self-retained bonds. Wholesale funding figures in the Quarterly Financial Report reflect the Group's funding needs and as such do not include ABS securities and self-retained multi-issuer covered bonds, unlike this Figure, which depicts the impact of wholesale issuances in funding costs.

## A streamlined organisation of “la Caixa” Group



(1) Since February 6th 2017.

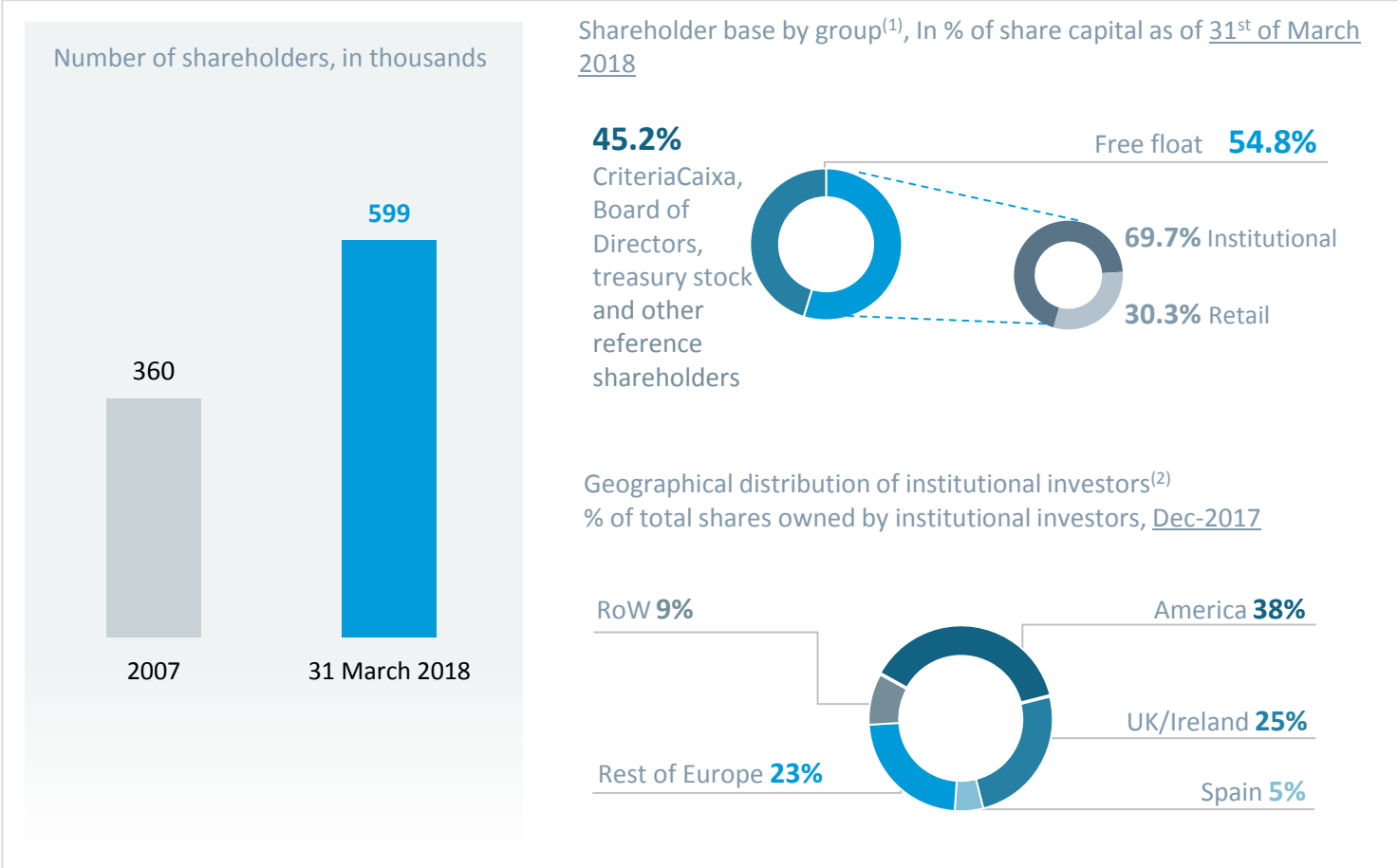
(2) Latest figures reported by CriteriasCaixa. "Other" include, among others, stakes in Aigües de Barcelona, 100% of Caixa Capital Risc and RE business.

(3) On the 6<sup>th</sup> of May 2018, CaixaBank announced the agreement to acquire from companies of the Allianz group shares representing 8.425% of the share capital of Banco BPI. As a result of the acquisition, CaixaBank shall own 92.935% of the share capital of BPI. CaixaBank intends to request a shareholders meeting to the Chairman of BPI General Assembly in order to approve the de-listing of Banco BPI pursuant to article 27.1.b) of the Portuguese Securities Code.

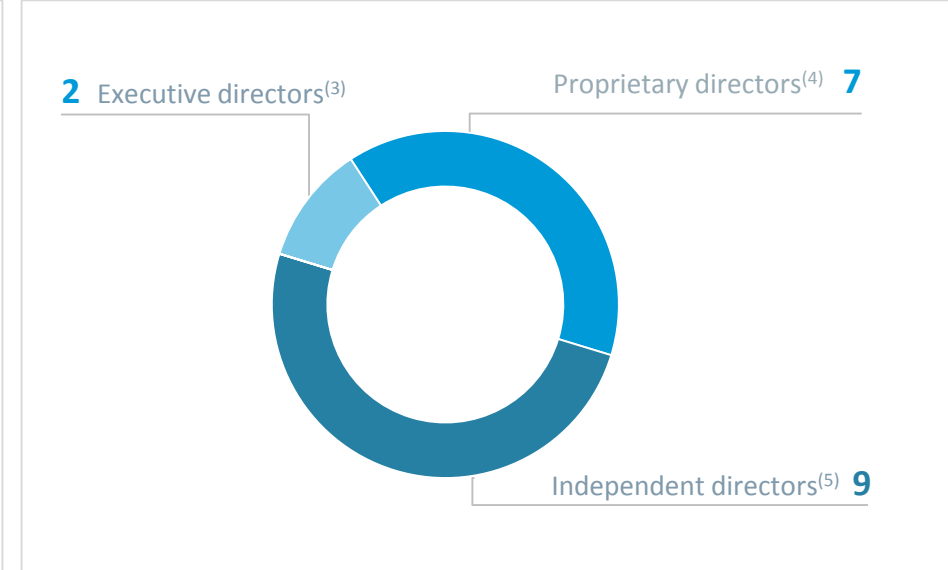
(4) Main non-controlled stakes of CaixaBank Group, including BPI's main non-control stakes at 31<sup>st</sup> March 2018: 48.10% of BFA and 35.67% of BCI; the ownership attributed to CaixaBank Group was 40.65% of BFA and 30.15% of BCI. The stake post acquisition of stake from Allianz announced in May 2018, such stakes shall stand at: 44.7% BFA, 33.1% BCI.

Transparency, independence and good governance are key priorities

Increased free float with diversified investor base



Board of Directors composition



- ▶ **Control and management of the bank** is shared by the AGM, Board of Directors and Board committees: Audit and control; Executive; Appointments; Remuneration; Risks. The majority shareholder is not overrepresented in the board
- ▶ **CABK's relationship with other Group entities is immaterial**, performed on an arm's length basis and governed by the Internal Relations Protocol

(1) The book of registered shares has an excess of approximately 67M shares which are allocated to the institutional category.  
 (2) Percentage calculated on the institutional free float identified at the Shareholder identification elaborated by CMI2i.  
 (3) One executive director is appointed by "la Caixa" Banking Foundation and, as such, is both executive and proprietary.  
 (4) Including 1 director from Banking Foundation of Caja Navarra, Banking Foundation of Cajasol, Banking Foundation of Caja Canarias and Banking Foundation of Caja de Burgos and 1 director from Mutua Madrileña. The total number of proprietary directors including the executive director appointed by "la Caixa" Banking Foundation is 8.  
 (5) On the 22nd of June 2017, the Board of Directors appointed its Lead Independent Director.

## Balance sheet and P&L

### Balance sheet

€ million	Mar 31, 2018	Jan 1, 2018	Change	Change %
- Cash and cash balances at central banks and other demand deposits	15,031	20,155	(5,124)	(25.4)
- Financial assets held for trading	10,044	9,641	403	4.2
- Financial assets not designated for trading compulsorily measured at FV through P&L	1,069	1,013	56	5.5
<i>Equity instruments</i>	327	255	72	28.2
<i>Debt securities</i>	143	148	(5)	(3.4)
<i>Loans and advances</i>	599	610	(11)	(1.8)
- Financial assets designated at fair value through other global profit or loss	20,957	19,851	1,106	5.6
- Financial assets measured at amortised cost	237,117	234,796	2,321	1.0
<i>Credit institutions</i>	6,682	7,091	(409)	(5.8)
<i>Customers</i>	214,291	214,913	(622)	(0.3)
<i>Debt securities</i>	16,144	12,792	3,352	26.2
- Derivatives - Hedge accounting	2,287	2,597	(310)	(11.9)
- Investments in joint ventures and associates	6,204	6,224	(20)	(0.3)
- Assets under the insurance business <sup>1</sup>	61,852	58,194	3,658	6.3
- Tangible assets	6,537	6,480	57	0.9
- Intangible assets	3,795	3,805	(10)	(0.3)
- Non-current assets and disposal groups classified as held for sale	5,910	6,069	(159)	(2.6)
- Other assets	13,617	13,814	(197)	(1.4)
<b>Total assets<sup>2</sup></b>	<b>384,420</b>	<b>382,639</b>	<b>1,781</b>	<b>0.5</b>
<b>Liabilities</b>	<b>359,776</b>	<b>358,517</b>	<b>1,259</b>	<b>0.4</b>
- Financial liabilities held for trading	8,431	8,605	(174)	(2.0)
- Financial liabilities designated at amortised cost	279,222	280,897	(1,675)	(0.6)
<i>Deposits from central banks and credit institutions</i>	40,869	43,196	(2,327)	(5.4)
<i>Customer deposits</i>	203,882	203,608	274	0.1
<i>Debt securities issued</i>	31,094	29,919	1,175	3.9
<i>Memorandum item: Subordinated liabilities</i>	4,983	5,054	(71)	(1.4)
<i>Other financial liabilities</i>	3,377	4,174	(797)	(19.1)
- Liabilities under the insurance business <sup>1</sup>	61,419	57,991	3,428	5.9
- Provisions	4,889	5,014	(125)	(2.5)
- Other liabilities	5,815	6,010	(195)	(3.2)
<b>Equity<sup>2</sup></b>	<b>24,644</b>	<b>24,122</b>	<b>522</b>	<b>2.2</b>
- Own funds	24,374	23,665	709	3.0
- Minority interest	454	434	20	4.6
- Accumulated other comprehensive income	(184)	23	(207)	
<b>Total liabilities and equity</b>	<b>384,420</b>	<b>382,639</b>	<b>1,781</b>	<b>0.5</b>

### P&L

€ million	1Q18	1Q17	Change	%
<b>Net interest income</b>	<b>1,203</b>	<b>1,153</b>	<b>50</b>	<b>4.3</b>
Dividend income	5	8	(3)	(39.5)
Share of profit/(loss) of entities accounted for using the equity method	266	85	181	
Net fee and commission income	625	588	37	6.4
Gains/(losses) on financial assets and liabilities and others	136	43	93	
Income and expense under insurance or reinsurance contracts	138	110	28	24.9
Other operating income and expense	(111)	(94)	(17)	17.1
<b>Gross income</b>	<b>2,262</b>	<b>1,893</b>	<b>369</b>	<b>19.5</b>
Recurring administrative expenses, depreciation and amortisation	(1,149)	(1,091)	(58)	5.4
Extraordinary expenses	(3)	(10)	7	(73.2)
<b>Pre-impairment income</b>	<b>1,110</b>	<b>792</b>	<b>318</b>	<b>40.1</b>
<b>Pre-impairment income stripping out extraordinary expenses</b>	<b>1,113</b>	<b>802</b>	<b>311</b>	<b>38.7</b>
Allowance for insolvency risk	(139)	(249)	110	(44.3)
Other charges to provisions	(50)	(370)	320	(86.3)
Gains/(losses) on disposal of assets and others	(2)	278	(280)	
<b>Profit/(loss) before tax</b>	<b>919</b>	<b>451</b>	<b>468</b>	<b>104.1</b>
Income tax expense	(182)	(36)	(146)	
<b>Profit/(loss) after tax</b>	<b>737</b>	<b>415</b>	<b>322</b>	<b>77.9</b>
Profit/(loss) attributable to minority interest and others	33	12	21	
<b>Profit/(loss) attributable to the Group</b>	<b>704</b>	<b>403</b>	<b>301</b>	<b>74.7</b>

(1) In accordance with the Amendments to IFRS 4, the Group has decided to apply temporary exemption from IFRS 9 in respect of the financial investments of the Group's insurance firms for all periods that come before 1 January 2021 as it awaits the entry into force of the new IFRS 17: Insurance Contracts, which will govern the presentation and measurement of insurance contracts (including technical provisions). Accordingly, these investments are grouped under 'Assets associated with the insurance business' on the balance sheet. To make the information more readily comparable, the Group has also reclassified the technical provisions relating to Unit Link and Flexible Investment Annuity (part under management), which are now reported under 'Liabilities associated with the insurance business'.

(2) Total assets and equity on the balance sheet at 31 December 2017 (i.e. prior to the adoption of IFRS 9) were €383,186 and €24,683million, respectively.

## Capital ratios of CaixaBank pro forma the transactions announced on 6 May 2018 concerning BPI<sup>(1)</sup>

	<b>Acquisition of 8.425% of Banco BPI (up to 92.935%)</b>	<b>Acquisition of 7.065% of Banco BPI (up to 100%)</b>
<b>CET 1 (fully loaded)</b>	11.5% (-11 bps)	11.4% (-20 bps)
<b>Tier 1 (fully loaded)</b>	13.0% (-11 bps)	12.9% (-20 bps)
<b>Total Capital (fully loaded)</b>	16.0% (-11 bps)	15.9% (-20 bps)

(1) On the 6<sup>th</sup> of May 2018, CaixaBank announced the agreement to acquire from companies of the Allianz group shares representing 8.425% of the share capital of Banco BPI. As a result of the acquisition, CaixaBank shall own 92.935% of the share capital of BPI. CaixaBank intends to request a shareholders meeting to the Chairman of BPI General Assembly in order to approve the de-listing of Banco BPI pursuant to article 27.1.b) of the Portuguese Securities Code.



## Glossary (I/V)

In addition to the financial information prepared in accordance with International Financial Reporting Standards (IFRS), this document includes certain Alternative Performance Measures (APMs) as defined in the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 30 June 2015 (ESMA/2015/1057) (the “ESMA Guidelines”). CaixaBank uses certain APMs, which have not been audited, for a better understanding of the company's financial performance. These measures are considered additional disclosures and in no case replace the financial information prepared under IFRSs. Moreover, the way the Group defines and calculates these measures may differ to the way similar measures are calculated by other companies. Accordingly, they may not be comparable. ESMA guidelines define an APM as a financial measure of historical or future performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. In accordance with these guidelines, following is a list of the APMs used, along with a reconciliation between certain management indicators and the indicators presented in the consolidated financial statements prepared under IFRS.

Term	Definition
AFS	Available for sale
ALCO	Asset – Liability Committee
ALCO liquidity portfolio	Banking book fixed-income securities portfolio bought for liquidity reasons
ALCO structural portfolio	Banking book fixed-income securities portfolio, excluding trading book assets and liquidity management portfolio
AT1	Additional Tier 1
AuM / AM	Assets under Management including mutual funds and pension plans
B/S	Balance sheet
BoS	Bank of Spain
C/I ratio	Cost-to-income ratio: administrative expenses, depreciation and amortisation divided by gross income (last 12 months)
C/I ratio (recurrent)	Cost-to-income ratio stripping out extraordinary expenses: administrative expenses, depreciation and amortisation stripping out extraordinary expenses divided by gross income (last 12 months)
CAGR	Compound Annual Growth Rate
CET1	Common Equity Tier 1
CIB	Corporate and Institutional Banking division
Consumer loans	Loans to individuals with personal guarantee, excluding those for home purchases. Includes personal loans from CaixaBank, MicroBank and CaixaBank Consumer Finance as well as credit cards (CaixaBank Payments) except for float.
CoR	Cost of risk: total allowances for insolvency risk divided by average of gross loans plus contingent liabilities, using management criteria
Core operating income	Core revenues minus recurrent costs
Core revenues	Sum of NII, Fees and other revenues from insurance (life-risk premia and equity accounted income from SegurCaixa Adeslas). Since 4Q17 it also includes equity accounted income from insurance companies of BPI

## Glossary (II/V)

Term	Definition
Customer spread	Difference between the average yield rate on loans and the average cost rate of retail deposits for the period (quarter). <ul style="list-style-type: none"> <li>• Average yield rate on loans (%): annualized quarterly income from loans and advances to customers divided by the net average balance of loans and advances to customers for the period (quarter).</li> <li>• Average cost rate of retail deposits (%): annualized quarterly cost of on-balance sheet retail customer funds divided by the average balance of on-balance sheet retail customer funds for the period (quarter), excluding subordinated liabilities.</li> </ul>
Digital clients	Customers aged 20-74 years old with at least one transaction in the last 12 months
FB / BB	Front book / back book referring to the yield on loans and the cost of retail deposits (%)
FL	Fully loaded
Gains/losses on asset disposals & others	Gains/losses on derecognition of assets and others. Includes the following line items: <ul style="list-style-type: none"> <li>• Impairment/(reversal) of impairment on investments in joint ventures or associates;</li> <li>• Impairment/(reversal) of impairment on non-financial assets;</li> <li>• Gains/(losses) on derecognition of non-financial assets and investments, net;</li> <li>• Negative goodwill recognised in profit or loss;</li> <li>• Profit/(loss) from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations.</li> </ul>
HQLA	High quality liquid assets within the meaning of Commission Delegated Regulation of 10 October 2014
HTM	Held to maturity
IAS	International Accounting Standard
IFRS	International Financial Reporting Standards
LCR	Liquidity coverage ratio: High quality liquid asset amount (HQLA) / Total net cash outflow amount
LLP / LLC	Loan-loss provisions / charges
Loan impairment losses and other provisions	Impairment losses on financial assets and other provisions. Includes the following line items: <ul style="list-style-type: none"> <li>• Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss;</li> <li>• Provisions/(reversal) of provisions - <i>Of which Allowances for insolvency risk</i>;</li> <li>• Impairment/(reversal) of impairment losses on financial assets not measured at fair value through profit or loss corresponding to Loans and receivables (to customers, using management criteria);</li> <li>• Provisions/(reversal) of provisions corresponding to Provisions for contingent liabilities, using management criteria - <i>Of which Other charges to provisions</i>;</li> <li>• Impairment/(reversal) of impairment losses on financial assets not measured at fair value through profit or loss, excluding balances corresponding to Loans and receivables (to customers, using management criteria);</li> <li>• Provisions/(reversal) of provisions, excluding provisions corresponding to contingent liabilities using management criteria.</li> </ul>
LtD	Loan to deposits: quotient between: <ul style="list-style-type: none"> <li>• Net loans and advances to customers using management criteria excluding brokered loans (funded by public institutions)</li> <li>• Customer funds on the balance sheet</li> </ul>

## Glossary (III/V)

Term	Definition
Minority interests & other	Profit/(loss) attributable to minority interests and others. Includes the following line items: <ul style="list-style-type: none"> <li>• Profit/(loss) after tax from discontinued operations;</li> <li>• Profit/(loss) for the period attributable to minority interests (non-controlling interests).</li> </ul>
MREL	Minimum Requirement for own funds and Eligible Liabilities
Mutual funds	Includes own and third-party funds, SICAVs and managed portfolios
N/M	Non meaningful.
Net fees and commissions	Net fee and commission income. Includes the following line items: <ul style="list-style-type: none"> <li>• Fee and commission income;</li> <li>• Fee and commission expenses</li> </ul>
NII	Net interest income
NIM	Net interest margin, also Balance sheet spread: difference between the average return rate on assets and the average cost of fund rate for the period (quarter). <ul style="list-style-type: none"> <li>• Average return rate on assets (%): annualized quarterly interest income divided by average total assets for the period (quarter).</li> <li>• Average cost of fund rate (%): annualized quarterly interest expenses divided by average total liabilities for the period (quarter).</li> </ul>
Non-performing RE exposure	OREO portfolio net of provisions and non-performing RE developer loans net of provisions
NPA	Non-performing assets: including non-performing loans and repossessed real estate assets available for sale (gross book value)
NPA coverage ratio	Quotient between: <ul style="list-style-type: none"> <li>• Sum of impairment allowances on loans to customers and contingent liabilities, using management criteria, plus total OREO coverage (sum of loan write-downs at the foreclosure plus accounting provisions of OREO assets)</li> <li>• Sum of total gross loans to customers and contingent liabilities, using management criteria, plus debt cancelled at the foreclosure (sum of net book value and total coverage of OREO assets )</li> </ul>
NPL coverage ratio	Quotient between: <ul style="list-style-type: none"> <li>• Impairment allowances on loans to customers and contingent liabilities, using management criteria</li> <li>• Non-performing loans and advances to customers and contingent liabilities, using management criteria</li> </ul>
NPL ratio	Non-performing loan ratio: quotient between: <ul style="list-style-type: none"> <li>• Non-performing loans and advances to customers and contingent liabilities, using management criteria</li> <li>• Total gross loans to customers and contingent liabilities, using management criteria</li> </ul>
OCI	Other comprehensive income is those revenues, expenses, gains, and losses under both Generally Accepted Accounting Principles and International Financial Reporting Standards that are excluded from net income on the income statement. Instead it is registered under the equity section of the balance sheet

## Glossary (IV/V)

Term	Definition
Operating expenses	Includes the following line items: <ul style="list-style-type: none"> <li>• Administrative expenses;</li> <li>• Depreciation and amortisation.</li> </ul>
OREO	Other Real Estate Owned: repossessed real estate assets available for sale
OREO coverage ratio	Quotient between: <ul style="list-style-type: none"> <li>• Gross cancelled debt at foreclosure minus current net book value of real estate assets</li> <li>• Gross cancelled debt at foreclosure</li> </ul>
OREO coverage ratio with accounting provisions	Quotient between: <ul style="list-style-type: none"> <li>• Accounting provision: charges to provisions of foreclosed assets</li> <li>• Book value of the foreclosed asset: sum of net carrying amount and the accounting provision</li> </ul>
P&L	Profit and Loss Account
Pre-impairment income	(+) Gross income; (-) Operating expenses
RE	Real Estate
ROTE	Return on tangible equity: profit attributable to the Group divided by average equity less, where applicable, intangible assets using management criteria (last 12 months). The value of intangible assets under management criteria is the value of Intangible assets in the public balance sheet, plus the intangible assets and goodwill associated with investees, net of impairment allowances, recognised in Investments in joint ventures and associates in the public balance sheet. Profit attributable to the Group adjusted to reflect the amount of the Additional Tier1 coupon, after tax, registered in equity.
RWAs	Risk Weighted Assets
SMEs	Small and medium enterprises
SNP	Senior non preferred debt
SPGB	Spanish Government Bonds
SREP	Supervisory Review and Evaluation Process
TLTRO	Targeted long-term refinancing operation conducted by the European Central Bank
Total liquid assets	sum of HQLAs (High Quality Liquid Assets within the meaning of Commission Delegated Regulation of 10 October 2014) plus the available balance under the facility with the Central Bank (non-HQLA).

## Glossary (V/V)

Term	Definition
Trading income	Gains/(losses) on financial assets and liabilities and others. Includes the following line items: <ul style="list-style-type: none"><li data-bbox="389 319 2491 341">• Gains/(losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net;</li><li data-bbox="389 348 2491 369">• Gains/(losses) on financial assets and liabilities held for trading, net;</li><li data-bbox="389 376 2491 398">• Gains/(losses) from hedge accounting, net;</li><li data-bbox="389 405 2491 426">• Exchange rate differences, gains/(losses), net.</li></ul>
VIF	Value-in-force reinsurance contract with Berkshire Hathaway (started in November 2012 and finalized in November 2016)

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