

CaixaBank places its second issue of preferred bonds convertible into shares, issuing 1.25 billion euros and attracting demand of more than 3.5 billion euros

- **CaixaBank returned to the Additional Tier 1 capital markets, becoming the first Spanish issuer to place a Euro issue callable after 8 years, having marked a new milestone in the Spanish market in 2017 with its inaugural 7-year issuance. This is also the longest placement from a European issuer in 2018, confirming investor confidence in CaixaBank's credit quality and strength.**
- **The issue was a demonstrable success, attracting robust demand of some 3.5 billion euros from more than 270 institutional investors, allowing CaixaBank to issue 1.25 billion euros, in excess of the 1 billion euros secured in the inaugural placement.**
- **The issue sees CaixaBank complete its Additional Tier 1 capital bucket, bolstering its already outstanding solvency ratios to 13.2% Tier 1 capital and 16.6% Total Capital in phased-in terms, and up to 13.0% Tier 1 capital and 16.4% Total Capital in fully loaded terms, while also reinforcing its solid liquidity standing.**

Barcelona, 13 March 2018

CaixaBank has launched its second issue of preferred bonds eventually convertible into shares, amounting to 1.25 billion euros, paying a coupon of 5.25%. These are perpetual preferred securities, callable after eight years.

The outstanding demand attracted by the issue allowed CaixaBank to set a final coupon rate at 5.25%, 25 basis points below the initial offer of 5.50%. CaixaBank thus became the first Spanish issuer to make a placement in euros that is callable after 8 years, compared to the standard 5 years for such issues, demonstrating the CaixaBank brand's exceptional market credibility and its recognised trajectory in recent years.

This new issue further strengthens the bank's already excellent solvency ratios, to 13.2% Tier 1 and 16.6% Total Capital in phased-in terms, and to 13.0% Tier 1 and 16.4% Total Capital in fully loaded terms, while also driving up CaixaBank's high-quality liquid assets, which as per 31 December amounted to 43,356 million euros, with a liquidity coverage ratio (LCR) standing at 207%, well above the 80% minimum requirement for 2017.

CaixaBank has thus completed its third issue of institutional debt in 2018 and the first of capital. This follows issues of 10-year and 15-year covered bonds, as well as 5-year senior ordinary debt placement, seeing the bank extend its maturities profile and take advantage of record low interest rates.

International demand

CaixaBank, presided over by Chairman Jordi Gual and CEO Gonzalo Gortázar, capitalised on positive market conditions to complete this issue, with investors demonstrating their confidence in the group's strengths and the outstanding credit quality backing such placements.

The issue secured an excellent response from 270 institutional investors. Foreign investors accounted for 95% of the placement.

Standard & Poor's allocated the issue a BB- rating. The banks underwriting the new issue were Barclays Bank of America, CaixaBank CIB, Citigroup and Goldman Sachs.