

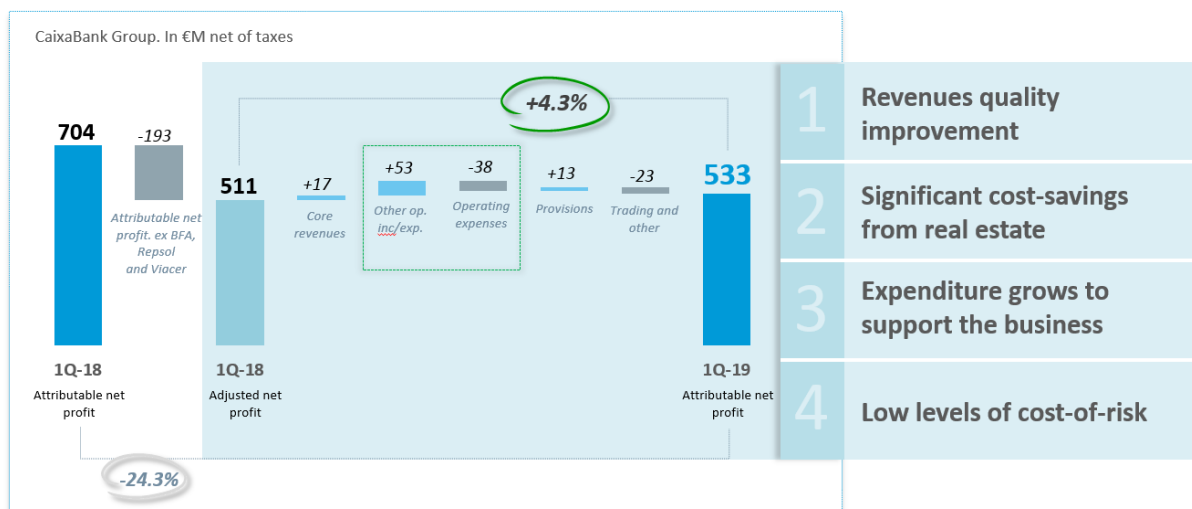
CaixaBank posts net profit of €533 million and grows customer funds by €11 billion

- **The Group's results come on the back of core banking revenues of €2.03 billion (+0.9%),** while net interest income gains 2.9% to reach €1.24 billion. The core business accounts for 96% of total revenues.
- **Group results affected by the deconsolidation of Repsol and BFA (€63 million and €76 million in 2018, respectively)** and by the revaluation of BPI's stake in Viacer in 2018 (€54 million). Stripping out these extraordinary impacts, profit for the quarter increases by 4.3%.
- **Customer funds grow to €369.5 billion (up by €10.98 billion, 3.1%, in 2019).** Assets under management gain 3.7% to reach €97.5 billion.
- **Gross loans and advances to customers stand at €226.4 billion, up 0.8% in the quarter,** including 0.9% growth in the performing portfolio, largely due to higher new origination of mortgage loans, consumer loans and loans to businesses.

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- **The banking and insurance business contributes €415 million to total earnings, with a return on tangible equity (ROTE), excluding one-off impacts, of 9.9%.** The equity investments business and the BPI business generate €60 million and €58 million, respectively.
 - **The NPL ratio falls to 4.6%** (-13 basis points in the quarter). In the last twelve months, NPLs are down €2.7 billion (-19.8%), while foreclosed real estate assets available for sale fall to €4.9 billion (-86%).
 - **The CaixaBank Group reports a Common Equity Tier 1 (CET1) ratio of 11.6%.** Excluding the extraordinary impacts of the stricter capital requirements resulting from IFRS 16 and of the financing of real estate assets (-11 basis points and -5 basis points, respectively), the ratio gained 13 basis points in the quarter from organic capital generation and a further 12 basis points from the positive performance of the market and other impacts.
 - **CaixaBank consolidates its commercial leadership in both retail banking and digital banking,** with 4 million payroll deposits (350,000 new payroll deposits in the first quarter) and 6.1 million digital customers.
 - **The Bank continues to advance its digitalisation initiatives** through a range of high value-added services, as well as its transformation activities, with the opening of 377 "Store" branches already planned and the successful deployment across the country of *inTouch*, its remote assistance service with personal manager.

Valencia, 30 April 2019. CaixaBank Group, the number one retail bank in Spain, with Jordi Gual as Chairman and Gonzalo Gortázar as CEO, reported a net attributable profit of €533 million in the first quarter of 2019, down 24.3% on the same period of 2018.

The decline in profit during the quarter was largely due to the reduction in the share of profits of entities accounted for using the equity method, due to the fact that CaixaBank no longer accounts for the earnings of Repsol following the sale of the investee (€63 million), or the earnings of BFA after restating the Bank's significant influence and reclassifying the investee accordingly (€76 million). Profit was also impacted by a reduction in extraordinary results of financial assets and liabilities and others in 2019, mainly due to the repricing of BPI's stake in Viacer in 2018 (€54 million).



Stripping out these extraordinary impacts of €193 million, profit would have risen 4.3% (adjusted net attributable profit of €511 million in the first quarter of 2018).

The banking and insurance business contributed €415 million to total earnings, with a return on tangible equity (ROTE), excluding one-off aspects, of 9.9%. The equity investments business and the BPI business generated €60 and €58 million, respectively.

Profit was also driven by growth in core business revenues, which climbed to €2.03 billion (+0.9%), supported by a 2.9% increase in net interest income to reach €1.24 billion, despite a 2.2% dip in fees and commissions to €612 million.

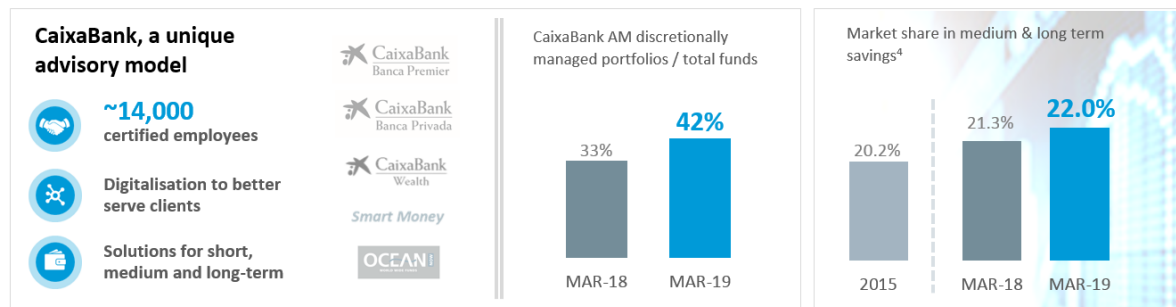
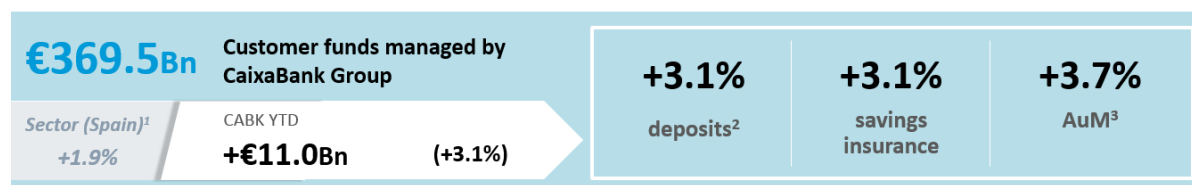
Recurring administrative expenses, depreciation and amortisation grew 4.7%, largely due to rising costs as the network transformation plan picks up pace ("Store" branches, *inTouch*), increased spending on technology and new commercial initiatives, and new regulatory requirements. One of the main differences with the previous quarter was the recognition of €7 million in property tax on buildings for own use.

Growth in customer funds (+3.1%) and performing loans (+0.9%)

Customer funds gained €10.98 billion to reach €369.5 billion, up 3.1% at the end of the first quarter, driven by healthy levels of commercial activity and the recovery of the wider market during the period.

On balance sheet funds climbed to €266.67 billion (+2.8% in 2019), revealing 3.3% growth in demand deposits to reach €180 billion. Meanwhile, term deposits gained 1.8%, mainly on the back of a retail bond issuance worth €950 million.

Assets under management climbed to €97.45 billion. The increase in this heading (+3.7% in the quarter) was largely down to more lively market performance following the slump seen at the end of the fourth quarter of 2018. Assets managed in mutual funds, managed accounts and SICAVs totalled €66.5 billion (+3%). CaixaBank leads the way in mutual funds, with a market share of 17%, and in pension plans, with a share of 24.6%.



¹ Deposits households, non-financial companies & public institution, promissory notes, mutual funds, pension plans and life-saving insurance. Source: own elaboration based on data from BdE, INVERCO and ICEA

² Demand deposits, time deposits, retail debt securities

³ Mutual funds, managed and advised portfolios and pension plans

⁴ Includes market share of mutual funds managed by CABK AM, pension plans and savings insurance. Data for saving insurance for 1Q2019 is based on internal estimate

Gross loans and advances to customers amounted to €226.4 billion at the Group (+0.8% in the quarter), with 0.9% growth in the performing portfolio to reach €1.95 billion.

The improvement in the performing portfolio during the year was largely down to an increase in consumer lending (+3.1%) and in financing to businesses, which gained 2.0%.

Gross loans for home purchases (-0.7% in the quarter) continue to feel the effects of the ongoing household deleveraging process, although indicators have been revealing growth in new mortgage loan in recent quarters. In fact, new mortgage loans were up 5% on the same period of 2018. New production of consumer loans gained 6% (€2.25 billion), while new loans to businesses climbed 46% to reach €5 billion.

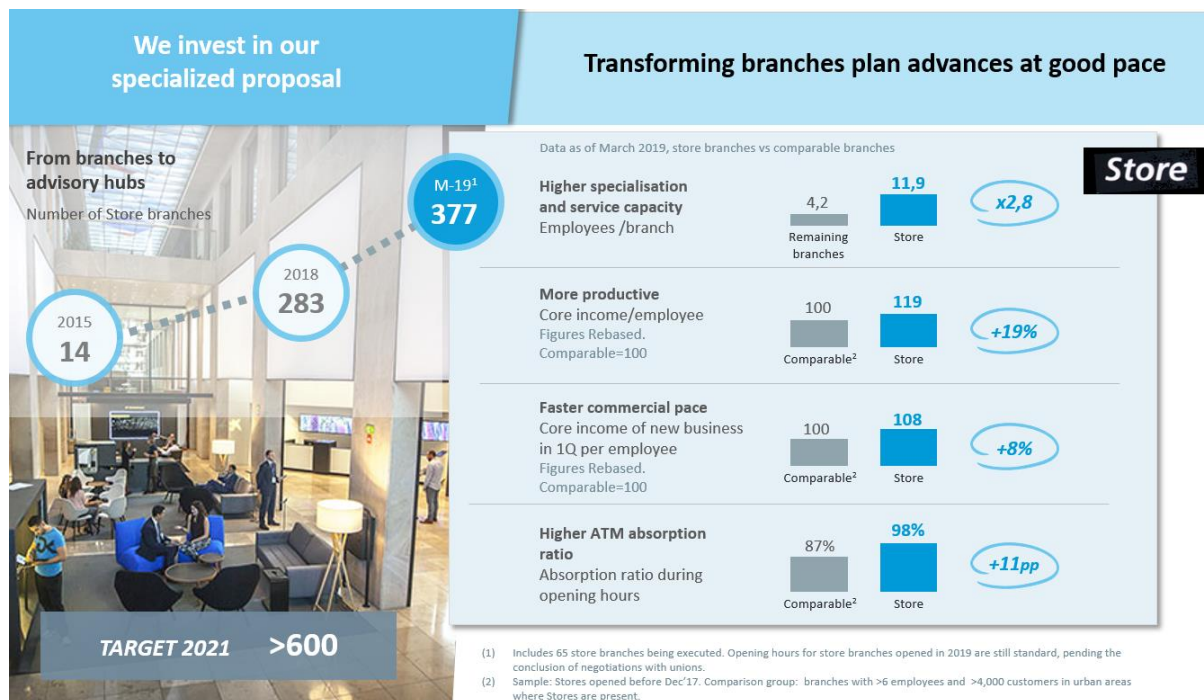
CaixaBank cements its leadership in retail banking and digital banking

The Bank has continued to consolidate its commercial leadership in both retail banking and digital banking, with a market share in Spain of 29.3% and 32%, respectively.

CaixaBank continues to enjoy a dominant market share across many key products and services, such as direct deposits of salaries and mid- and long-term savings products. By the end of the quarter, the Bank had reached 4 million direct salary deposits, having attracted some 350,000 new salaries from January through to March (+5% vs. 1Q18) to attain a market share of 26.9% (+0.6 percentage points on the first quarter of 2018).

Meanwhile, the Bank continues to strengthen its leadership of the digital banking market, where it has the largest base of digital customers in Spain: 6.1 million, of whom 5.4 million are also mobile banking customers.

It has also continued to advance its digitalisation initiatives and investments —with a range of high value-added services, such as the use of facial recognition at ATMs— and transformation activity, with 377 “Store” branches already planned by the close of the quarter and the successful deployment across the country of *inTouch*, the remote assistance service offers customers their own personal manager to increase engagement and improve levels of commercial support.



Digital service channels are becoming increasingly popular for carrying out banking transactions, allowing the Bank to focus more on providing quality advice, with 14,000 managers having now qualified as financial advisers. To give an example, roughly 70% of premier banking customers and 95% of private banking customers have already entered into an advisory contract.

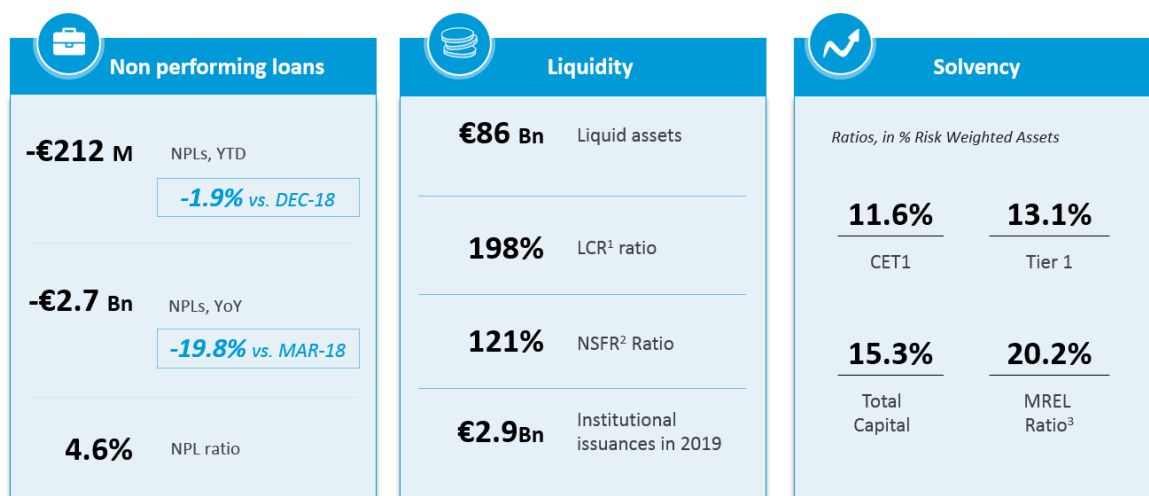
Recently, CaixaBank was named ‘Best Digital Bank in Western Europe’ by British magazine Euro-money, and it has also received awards from The Banker and Bank Administration Institute (BAI) for its mobile app *CaixaBankNow*, a testament to the Bank’s digital transformation and commitment to technological innovation.

Ongoing reduction in non-performing assets and insolvency credit provisions

The NPL ratio of the CaixaBank Group dropped to 4.6% (-13 basis points in the quarter). NPLs fell €212 million in response to active management of non-performing assets to reach €10.98 billion (€-2.7 billion in the last 12 months, which included the sale of loan portfolios as well as sound management of NPLs and the gradual normalisation of asset quality indicators). The coverage ratio remained stable in the quarter at 54%.

The sharp reduction in non-performing assets following the sale of a portfolio of foreclosed real estate assets was largely behind the heavy decline in real estate revenues and expenses, which were down 86.2% to €12 million. The portfolio of foreclosed real estate assets available for sale amounted to €813 million (€5.8 billion in March 2018; €-4.99 billion).

Credit provisions and losses on disposal of assets remained extremely low at €187 million (-1.8%).



CaixaBank Group data

(1) 12-month average
(2) End of period

(3) As of 31 March 2019, in % of RWAs. Our best estimate according to the current eligibility criteria of the SRB, on a consolidated basis.

The CaixaBank Group’s Common Equity Tier 1 (CET1) ratio was 11.6% at 31 March 2019.

Excluding the extraordinary impacts of the stricter capital requirements resulting from IFRS 16 and on financing of real estate assets (-11 basis points and -5 basis points, respectively), the ratio gained 13 basis points in the quarter from organic capital generation and a further 12 basis points from the positive performance of the market and other impacts.

Meanwhile, total liquid assets came to €86 billion at 31 March 2019, revealing growth of €6.49 billion in the year due to the positive performance of the commercial funding gap and because new issuances outpaced maturities on existing issuances.

CaixaBank, strongly committed to sustainable development


CaixaBank has embraced a socially responsible approach to banking and has pledged to analyse and report its main environmental and social challenges and thus contribute to sustainable and inclusive growth.

The Bank has recently published a study on its social and economic impact and contribution to the SDGs (Sustainable Development Goals). The report explains its valuable contribution to society in the realm of sustainability, showing that the Bank contributed a total of €9.1 billion to the Spanish economy in 2018, representing 0.76% of the country's gross domestic product (GDP).

Within the framework of its 2019-2021 Strategic Plan, CaixaBank's mission is "To contribute to the financial well-being of our customers and to wider social progress". To accomplish this goal, it is developing a plan that focuses on five priority courses of action: integrity, transparency and diversity; governance; the environment; financial inclusion; and, last but not least, social action and volunteering.

CaixaBank is a bank with a strong social calling. Remaining true to its roots, the Bank has pledged to serve society and its customers. It is therefore strongly committed to financial inclusion and is the only bank that can be found in all towns and cities with more than 10,000 inhabitants and in 94% of those with more than 5,000.

It is also the only bank to offer microcredit to people with no security or collateral, through MicroBank, thus helping them get their personal and professional projects off the ground. It remains firmly committed to financial culture through numerous initiatives, to help people to make better decisions when managing their finances. Furthermore, almost half of its employees take part in volunteering activities, whether it is during Social Welfare Week promoted by the Bank or all year round by being members of the "la Caixa" Volunteers Association.



A benchmark in responsible banking: committed to sustainable development


Our mission

Contribute to the financial wellbeing of our customers...

▪ Financial planning	- A unique advisory model
▪ Security	- Savings and personal data
▪ Tranquillity	- Life, health, home insurance ...
▪ Financing	- >€10,000 M new operations in 1Q
▪ Savings promotion	- >5MM VidaCaixa customers

... and to the progress of society

▪ Financial inclusion:	- 887,218 microloans ¹ - >90% population coverage
▪ Housing policy:	- >21,000 homes for social rent - 395,000 customers with grants - >25,600 deeds in lieu of foreclosure ²
▪ Social projects:	- Social projects in our communities - >14,500 employees take part in volunteering



Collaboration with "la Caixa" Foundation

(1) Microcredits from the beginning (2) Since 2009

Key Group figures

€ million / %	January - March		Change
	2019	2018	
INCOME STATEMENT			
Net interest income	1,237	1,203	2.9%
Net fee and commission income	612	625	(2.2%)
Gross income	2,109	2,262	(6.8%)
Recurring administrative expenses, depreciation and amortisation	(1,204)	(1,149)	4.7%
Pre-impairment income	905	1,110	(18.5%)
Profit/(loss) attributable to the Group	533	704	(24.3%)
INDICATORS OF PROFITABILITY (Last 12 months)			
Cost-to-income ratio	54.7%	53.9%	0.8
Cost-to-income ratio stripping out extraordinary expenses	54.4%	52.7%	1.7
ROE ¹	7.1%	8.1%	(1.0)
ROTE ¹	8.7%	9.8%	(1.1)
ROA	0.4%	0.5%	(0.1)
RORWA	1.2%	1.3%	(0.1)
OTHER INDICATORS			
	March 2019	December 2018	Change
BALANCE SHEET			
Total assets	404,136	386,622	4.5%
Equity	24,750	24,058	2.9%
Customer funds	369,463	358,482	3.1%
Loans and advances to customers, gross	226,432	224,693	0.8%
RISK MANAGEMENT			
Non-performing loans (NPL)	10,983	11,195	(212)
Non-performing loan ratio	4.6%	4.7%	(0.1)
Cost of risk (last 12 months)	0.03%	0.04%	(0.01)
Provisions for insolvency risk	5,908	6,014	(106)
NPL coverage ratio	54%	54%	-
Net foreclosed available for sale real estate assets ²	813	740	73
Foreclosed available for sale real estate assets coverage ratio	39%	39%	-
LIQUIDITY			
Total Liquid Assets	86,018	79,530	6,488
Liquidity Coverage Ratio (last 12 months)	198%	196%	2
Net Stable Funding Ratio (NSFR)	121%	117%	4
Loan to deposits	102%	105%	(3)
CAPITAL ADEQUACY			
Common Equity Tier 1 (CET1)	11.6%	11.5%	0.1
Tier 1	13.1%	13.0%	0.1
Total capital ³	15.3%	15.3%	-
Risk-Weighted Assets (RWAs) ³	148,777	145,942	2,835
Leverage ratio	5.5%	5.5%	-
SHARE INFORMATION			
Share price (€/share)	2.784	3.164	(0.380)
Market capitalization	16,642	18,916	(2,274)
Book value per share (€/share)	4.14	4.02	0.12
Tangible book value per share (€/share)	3.42	3.30	0.12
Net income attributable per share (€/share) (12 months)	0.29	0.32	(0.03)
PER (Price/Profit)	9.68	9.95	(0.27)
Tangible PBV (Market value/ book value of tangible assets)	0.81	0.96	(0.15)
OTHER DATA (units)			
Employees	37,503	37,440	63
Branches ⁴	5,033	5,103	(70)

(1) As of 2019, ROE and ROE calculation includes valuation adjustments in the denominator, 2018 re-expressed.

(2) Exposure in Spain.

(3) Data at December 2018 updated using the latest official information.

(4) Does not include branches outside Spain and Portugal or representative offices.

**CaixaBank Group
Net income**

€ 533M

Profitability (RoTE)

8.7%

CaixaBank Group In €M	1Q19	% yoy	
Net interest income	1,237	2.9%	+0.9% <i>Core revenues</i>
Net fees	612	(2.2%)	
Income and exp. from insurance	130	(5.8%)	
Dividends and equity acc.	117	(56.4%)	Changes in scope (REP, BFA, Viacer)
Trading	48	(65.6%)	
Other operating income/exp.	(35)	(68.6%)	Cost-savings from RE
Gross Income	2,109	(6.8%)	+3.7% <i>Adjusted for changes in scope</i>
Recurring operating expenses	(1,204)	4.7%	
Pre-impairment income	905	(18.5%)	+2.7% <i>Adjusted for changes in scope</i>
LLPs and other provisions	(171)	(9.9%)	
Gain/losses on disposals and other	(16)	-	
Pre-tax income	718	(21.9%)	
Tax, minorities & other	(185)	-	
Net income attributable to Group	533	(24.3%)	+4.3% <i>Adjusted for changes in scope</i>