ABANCA
PRESENTATION
OF RESULTS

2019

ir@abanca.com
Net profit reaches € 405 million with a 10% profitability

- **Profitability**: 405.0 M€
  - 10.0% ROE
- **Risk Quality**: 2.8%
  - NPL ratio
- **Solvency and Liquidity**: 15.8%
  - Total Capital
  - 1,267 M€ exceeding CET1 capital requirements
  - 96.3% LTD
- **Commercial Dynamism**: >85,000 M€
  - Business volume with customers
  - 2,200 M€ credit granted to SMEs & self-employed over this year

- The bank maintains its sound profitability levels (ROE 10.0%)
- Positive variation of results +6.7% year-on-year
- Recurrent revenues are still improving (+5.8% basic margin) and remain as profitability pillar
- NPL ratio stands below 3% (2.8%) thanks to the decrease in non-performing balances
- Non-performing asset coverage of 58.8% among the highest of the sector
- Capital levels far exceed regulatory requirements
- Sound financing structure based on customer deposits
- The bank increased its business volume over €85,000 million
- Business formalisations with SMEs and self-employees maintain their good trend, 6.6% more than the same period in 2018.
- General Insurance increased by 18.7% supported by the commercialization of innovative products and customer experience
- Successful incorporation of DB Portugal and BCG both from the technological and business point of view
Strong growth of digital channels within a mixed model that gives priority to the relationship with customers

Evolution of customers connected to the mobile banking (units-month taken alone)

- Dec-17: 423,000
- Dec-18: 515,718
- Dec-19: 605,195

Interaction with customers at mobile banking (thousand)

- Dec-17: 245,349
- Dec-18: 355,412
- Dec-19: 554,553

+43% contracts with digital origin (2017-19)

TOP 3* of banks with the best digital experience

/* In the ranking of traditional banks, according to the independent survey of D.Rating, a company specialised in the analysis of digital solutions
Powerful boost to the insurance business as a source of income and profitability

New company of Life Insurance & Pension Plans
- More personalised products
- More efficiency in management
- Better customer experience
- Better sales support

Agreement on general insurance
- Leading insurance bank in Europe
- Joint-venture 50%-50%
- Long term and stability
- Creation of exclusive and innovative products
- Ranging throughout Spain and Portugal

Launch of innovative products
- ON-OFF Fee applied for the use and direct control by the customer
- Dependency insurance Social sensitivity towards personal situations
Deutsche Bank PCB Portugal and Banco Caixa Geral: successful incorporations that have brought about value without affecting the current business

- 1,197 tasks
- 530 people from 5 countries involved
- 20 events with customers
- 11,000 training hours
- 130 people in the ambassador plan
- 2,500 brand mediums changed in 48hs
- 290,000 working hours

ABANCA METHODOLOGY IN INCORPORATIONS

- Creation of mixed teams with members from both entities
- Screen to screen validations and on-line tools
- Sound project governance
- Continuity of operations without impact on customer service
- Implementation of corporate culture in incorporated teams.
- Implementation of ABANCA brand name in all mediums and formats
2. Highlights

The evolution of the project proves the capability of generating value in incorporations

ABANCA PORTUGAL

+20%  
Results obtained vs expected business plan

+13.9%  
Customer funds over 2019

+6.4%  
Loans for regular activity of enterprises

+15.6%  
Increase in investment funds in 2019

BANCO CAIXA GERAL

101%  
Degree of compliance with the objectives set for the 4th quarter

x3  
Volume of new mortgages in the 4th quarter (vs 4th quarter 2018)

180M€  
New loans for SMEs in the 4th quarter

+7.1%  
Increase in investment funds in the 4th quarter
Only Spanish entity with improvements in its ratings during two consecutive years
First Spanish bank ranked by value growth in its trademark in 2019

1º 🔱
Spanish bank ranked by value growth in its trademark in 2019

55% ⭐
Increase in the brand value of ABANCA

13º 🌍
Bank ranked globally by value growth in its trademark

79
positions moved up in the world ranking

RESULTS IN THE BRAND VALUE ANALYSIS IN 2019

Brand Finance®
2. Highlights

**Responsible banking: we work for the creation of a new more sustainable economic model**

New sustainability policy already implemented

**General principles of actions:**

**Priority SGDs:**
- Life below water
- Affordable and clean energy
- Decent work and **economic growth**
- Industry, **innovation** and infrastructure

**Principles for Responsible Banking**
- Signatory Founding Member of **Principles for Responsible Banking** (130 banks)
- **Collective Commitment to Climate Action** (31 banks)

**Code of Ethics and Conduct**
- Respect for **human rights, transparency and professional ethics**

>50M€
ABANCA SOCIAL WELFARE INVESTMENT
Since 2014
3. Results

Net profit got up to 405 million based on recurrent margin soundness

<table>
<thead>
<tr>
<th>(millions)</th>
<th>2019</th>
<th>Var. 2019 / 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET INTEREST INCOME</td>
<td>574.6</td>
<td>2.4%</td>
</tr>
<tr>
<td>Net fees and commissions</td>
<td>205.5</td>
<td>16.6%</td>
</tr>
<tr>
<td>BASIC MARGIN</td>
<td>780.1</td>
<td>5.8%</td>
</tr>
<tr>
<td>Dividends and results through equity method</td>
<td>11.8</td>
<td>-45.7%</td>
</tr>
<tr>
<td>Gains/losses on financial assets and liabilities (net)</td>
<td>122.1</td>
<td>-57.7%</td>
</tr>
<tr>
<td>Others (net)</td>
<td>-3.2</td>
<td>-</td>
</tr>
<tr>
<td>GROSS MARGIN</td>
<td>910.8</td>
<td>-14.6%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>670.1</td>
<td>-0.0%</td>
</tr>
<tr>
<td>Provisions and allocations</td>
<td>92.9</td>
<td>144.3%</td>
</tr>
<tr>
<td>Ordinary loan provisions</td>
<td>88.0</td>
<td>41.4%</td>
</tr>
<tr>
<td>Other gains/losses</td>
<td>282.4</td>
<td>754.4%</td>
</tr>
<tr>
<td>PBT</td>
<td>430.2</td>
<td>9.9%</td>
</tr>
<tr>
<td>Tax</td>
<td>25.2</td>
<td>111.9%</td>
</tr>
<tr>
<td>NET PROFIT</td>
<td>405.0</td>
<td>6.7%</td>
</tr>
</tbody>
</table>

The basic margin grew by 5.8%, as a result of the good evolution of the business with customers.

Gross margin evolves positively (+3.1%) once excluded the impact of Itinere in 2018.

The contribution of the basic margin, deducting operating expenses, improves by 42.9M€.

ROE: 10.0%
Interest margin growth is led by retail activity

Evolution of net interest income
(million euros)

Causal net interest income increase
(million euros)

Dec-18 net interest income: 561.3
Retail activity: +45.3
Market activity: -22.4
Others: -9.5
Dec-19 net interest income: 574.6
3. Results

Constant growth of the commercial margin based on good price management and business dynamism

Commercial margin evolution (million euros)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q 2019</td>
<td>125.4</td>
</tr>
<tr>
<td>2Q 2019</td>
<td>129.6</td>
</tr>
<tr>
<td>3Q 2019</td>
<td>139.4</td>
</tr>
<tr>
<td>4Q 2019</td>
<td>144.8</td>
</tr>
</tbody>
</table>

Evolution of commercial margin (rates)

- Loans yield: 1.8%
- Deposit costs: 1.8%
- Customer spread: Up 1.8%

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Loans yield</th>
<th>Deposit costs</th>
<th>Customer spread</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q 2018</td>
<td>1.8%</td>
<td>0.1%</td>
<td>Up 1.7%</td>
</tr>
<tr>
<td>1Q 2019</td>
<td>1.8%</td>
<td>0.1%</td>
<td>Up 1.7%</td>
</tr>
<tr>
<td>2Q 2019</td>
<td>1.8%</td>
<td>0.1%</td>
<td>Up 1.7%</td>
</tr>
<tr>
<td>3Q 2019</td>
<td>1.8%</td>
<td>0.1%</td>
<td>Up 1.7%</td>
</tr>
<tr>
<td>4Q 2019</td>
<td>1.7%</td>
<td>0.1%</td>
<td>Up 1.6%</td>
</tr>
</tbody>
</table>

Loans- new production vs portfolio (rates)

- 4Q Back book: 1.72%
- 4Q Front book: 2.45%

Term deposits - new production vs portfolio (rates)

- 4Q Back book: 0.30%
- 4Q Front book: 0.13%

/ Source: new production: ABANCA stand alone. Loans front book excluding transactions with Public Administration
Income from services provided increased by 16.6% with strength in the lines of greatest contribution to customers.

- Income from services provided (million euros):
  - Dec-18: 176.2
  - Dec-19: 205.5
  - Increase: +16.6% year on year

- Income from off-balance sheet customer funds (million euros):
  - Dec-18: 57.8
  - Dec-19: 73.9
  - Increase: +27.9% year on year

- Income from collection and payment services (million euros):
  - Dec-18: 68.0
  - Dec-19: 75.2
  - Increase: +10.5% year on year

- Income from banking services (million euros):
  - Dec-18: 50.4
  - Dec-19: 56.3
  - Increase: +11.8% year on year
3. Results

Costs remain stable despite recent incorporations and the effort aimed at improving the technological and business capabilities

Operating expenses
(million euros)

<table>
<thead>
<tr>
<th>Category</th>
<th>Dec-18</th>
<th>CPI Update</th>
<th>Digitalisation and other projects</th>
<th>Amortisation</th>
<th>Others</th>
<th>Operating expenses Dec-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating expenses</td>
<td>594.2</td>
<td>13.0</td>
<td>30.1</td>
<td>8.1</td>
<td>2.7</td>
<td>648.1</td>
</tr>
</tbody>
</table>

91.5M€
TOTAL TECHNOLOGICAL INVESTMENT FOR PROJECTS IN 2019

/ 2018 & 2019 Operating expenses eliminating amortisation impacts of intangible assets of ABANCA Holding Financiero
3. Results

The cost of risk remains at reduced levels thanks to the prudence in granting credit

Provisions and allocations
(million euros)

<table>
<thead>
<tr>
<th></th>
<th>Total provisions and allocations</th>
<th>Other allocations</th>
<th>One-off recoveries and others</th>
<th>Credit allocations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-18</td>
<td>88.0</td>
<td>53.3</td>
<td>-48.5</td>
<td>92.9</td>
</tr>
</tbody>
</table>

It includes the necessary investments for BCG incorporation

Cost of risk evolution (%)

- Dec-18: 0.20%
- Dec-19: 0.24%

0.33% Market benchmark

// Source of Sector: Information reported by entities by Sep-19.
The business volume exceeds 85,000 million thanks to a balanced increase of credit and customer funds.

Key figures (million euros)

- Performing credit to customers: 35,963
  - +22.8% (Excl. ABANCA Portugal + BCG)
  - +4.2%

- Customer funds: 48,286
  - +23.7%
  - +6.5%

- BUSINESS VOLUME: 85,079
  - +22.9% year on year

10% 2018 data are homogeneous with those of 2019 taking into account the takeover of the holding company.
The performing credit portfolio increased 22.8%, with funding to enterprises as main dynamizer factor.

Performing credit to customers (million euros)

- ABANCA Stand alone
- ABANCA Portugal + BCG

Dec-18
- 29,294
- 727
- 28,566

Dec-19
- 35,963
- 6,190
- 29,774

Credit investment by type of customer

- Households: 50%
- Enterprises: 39%
- Public Adm.: 8%
- Real Estate: 3%

+6.6% Formalised credit to SMEs and self-employees vs. 2018

// Source new formalisations 1-2 Dec-19 Statement for new credit production of ABANCA stand alone
The bank manages more than 48,000 M€ of customer funds, with increasing weight of off-balance sheet funds.
More than 425,000 new customers joined ABANCA in 2019

Customer deposits (million euros)
- ABANCA Stand alone
- ABANCA Portugal + BCG

- Dec-18
  - 32,667
  - 184
  - 32,483

- Dec-19
  - 38,224
  - 3,935
  - 34,289

- +17.0%
- +5.6%

- Excl. ABANCA Portugal + BCG

- 225,351
  - NEW CUSTOMERS DURING 2019

- +19.3%
- CREDIT/DEBIT CARDS

- 200,000
  - NEW CUSTOMERS from DB PORTUGAL and BANCO CAIXA GERAL incorporations

- +20.5%
- POS DEVICES
ABANCA increases 57.9% off-balance sheet customer funds and 18.7% the new production of general insurance

**Off-balance sheet funds** (million euros)
- ABANCA Stand alone
- ABANCA Portugal + BCG

- Dec-18: 6,371
- Dec-19: 10,063

- 227M€
  - NET SUBSCRIPTIONS OF INVESTMENT FUNDS

- 9/10
  - INVESTMENT FUNDS PRODUCE HIGHER PROFITABILITY THAN COMPETITORS

- 6,371
  - ASSETS MANAGED

- +57.9% (Excl. ABANCA Portugal + BCG)
- +11.4% (Total)

**New general insurance production** (million euros)

- Dec-18: 30.3
- Dec-19: 35.9

- +18.7% year on year

**Source:** Mutual funds. Latest available data INVERCO (Nov’19) of ABANCA stand alone

- +19%
  - BUSINESS INSURANCE PREMIUMS

- +36%
  - HEALTH INSURANCE PREMIUMS

- +17%
  - FUNERAL INSURANCE PREMIUMS

- +53%
  - PAYMENT PROTECTION INSURANCE PREMIUMS

- +15%
  - CUSTOMERS WITH MORE THAN 5 POLICIES WITHIN THEIR FLAT RATE
ABANCA increases its market share in Spain and Portugal and stands as Iberian Bank

Market shares

<table>
<thead>
<tr>
<th>Country</th>
<th>Growth</th>
<th>Type</th>
<th>Increase vs 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GALICIA</td>
<td></td>
<td>DEPOSITS</td>
<td>+141bp</td>
</tr>
<tr>
<td></td>
<td>42.3%</td>
<td>CREDIT</td>
<td>+203bp</td>
</tr>
<tr>
<td>SPAIN</td>
<td></td>
<td>DEPOSITS</td>
<td>+19bp</td>
</tr>
<tr>
<td></td>
<td>2.9%</td>
<td>CREDIT</td>
<td>+36bp</td>
</tr>
<tr>
<td>PORTUGAL</td>
<td></td>
<td>INTERNATIONAL INVESTMENT FUNDS</td>
<td>32.9%</td>
</tr>
</tbody>
</table>

ABANCA places its NPL ratio at 2.8%, 33% below the average of the banking sector

Non-performing loans evolution (million euros)

<table>
<thead>
<tr>
<th>Month</th>
<th>ABANCA Stand alone</th>
<th>ABANCA Portugal + BCG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-18</td>
<td>1,094</td>
<td>63</td>
</tr>
<tr>
<td>Dec-19</td>
<td>1,032</td>
<td>205</td>
</tr>
</tbody>
</table>

\[-19.7\%\] Excl. ABANCA Portugal + BCG

-5.6% NPL ratio evolution (%)

<table>
<thead>
<tr>
<th>Month</th>
<th>ABANCA</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-18</td>
<td>5.2%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Mar-19</td>
<td>3.6%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Jun-19</td>
<td>2.8%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Sep-19</td>
<td>2.8%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Dec-19</td>
<td>2.8%</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

// 2018 data are homogeneous with those of 2019 taking into account the takeover of the holding company. // Sector: Estimate based on last available date according to dataBdE. Nov 19
5. Risk quality, solvency and liquidity

First entity in coverage of non-performing assets

57.5% NPL COVERAGE
58.8% TOTAL COVERAGE
60.4% FORECLOSED ASSETS COVERAGE

Non-performing asset coverage

- Bank 2: 56.6%
- Bank 3: 52.7%
- Bank 4: 51.3%
- Bank 5: 50.5%
- Bank 6: 50.1%
- Bank 7: 49.3%
- Bank 8: 48.5%
- Bank 9: 48.4%
- Bank 10: 46.2%
- Bank 11: 43.9%

/ Comparative source: Information reported by entities by Sep-19.
ABANCA's sound financial profile confirms it among the most healthy entities in the Spanish banking sector

NPA ratio
Non-performing Assets / (Gross credit + Foreclosed assets)

<table>
<thead>
<tr>
<th>Bank</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank 1</td>
<td>3.5%</td>
</tr>
<tr>
<td>Bank 2</td>
<td>4.8%</td>
</tr>
<tr>
<td>Bank 3</td>
<td>4.8%</td>
</tr>
<tr>
<td>Bank 4</td>
<td>4.9%</td>
</tr>
<tr>
<td>Bank 5</td>
<td>6.6%</td>
</tr>
<tr>
<td>Bank 6</td>
<td>6.9%</td>
</tr>
<tr>
<td>Bank 7</td>
<td>7.3%</td>
</tr>
<tr>
<td>Bank 8</td>
<td>7.4%</td>
</tr>
<tr>
<td>Bank 9</td>
<td>8.9%</td>
</tr>
<tr>
<td>Bank 10</td>
<td>9.7%</td>
</tr>
<tr>
<td>Bank 11</td>
<td>11.9%</td>
</tr>
</tbody>
</table>

Texas Ratio
Non-performing assets / (Coverage + Capital)

<table>
<thead>
<tr>
<th>Bank</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank 1</td>
<td>33.6%</td>
</tr>
<tr>
<td>Bank 2</td>
<td>36.0%</td>
</tr>
<tr>
<td>Bank 3</td>
<td>37.5%</td>
</tr>
<tr>
<td>Bank 4</td>
<td>43.5%</td>
</tr>
<tr>
<td>Bank 5</td>
<td>49.3%</td>
</tr>
<tr>
<td>Bank 6</td>
<td>53.0%</td>
</tr>
<tr>
<td>Bank 7</td>
<td>53.1%</td>
</tr>
<tr>
<td>Bank 8</td>
<td>62.6%</td>
</tr>
<tr>
<td>Bank 9</td>
<td>82.0%</td>
</tr>
<tr>
<td>Bank 10</td>
<td>93.8%</td>
</tr>
<tr>
<td>Bank 11</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

/ Source: Information reported by entries by Sep 19
Comfortable liquidity position based on retail deposits

Financing structure

96.3% LTD

- Retail deposits: 75%
- Interbank: 10%
- Central banks: 9%
- Issuances: 6%

Wholesale funding ratio (million euros)

- Liquid assets of issue maturities: 14,590
- Total maturities: 3,360

127% NSFR
217% LCR

COMPLYING WITH BASEL III
Robust capital position, with an excess of 1,000 million euros over minimum regulatory requirements

Capitalisation structure

- **CET1**: 14.6% (Dec-18 vs Dec-19)
- **AT1**: 13.7% (Dec-18 vs Dec-19)
- **TIER2**: 0.7% (Dec-18 vs Dec-19)
- **Total capital**: 15.8% (Dec-18 vs Dec-19)

**411b.p.**
EXCEEDING CET1 CAPITAL REQUIREMENTS

**353b.p.**
EXCEEDING TOTAL CAPITAL REQUIREMENTS

**1,267M€**
EXCEEDING CET1 CAPITAL REQUIREMENTS

**1,088M€**
EXCEEDING TOTAL CAPITAL REQUIREMENTS

Following the recent issuance of October 2019, ABANCA has already fulfilled the required buffer of subordinated debt classified as Tier 2 (2% o/RWA).

// The data prior to 2019 closing are homogeneous with those at 2019 closing (taking into account the effect of the reverse merger).
6. Key conclusions

Financial summary

RESULTS
1. Positive variation of results in comparable terms (+6.7%)
The bank continues to be one of the most profitable in the Spanish sector (10.0% ROE)
The basic margin improves by 5.8% reaching 780.1M€

BUSINESS
2. Performing credit to customers: 35,963 M€, +22.8% vs 4Q 2018
   Customer funds: 48,286 M€, +23.7% vs 4Q 2018
   Off-balance sheet funds: 10,063 M€
   General Insurance: +18.7% registered in new production premiums

RISK QUALITY
3. The NPL ratio stands at 2.8%, well below the banking sector average
   4.8% exposure of non-performing assets with a 58.8% coverage
   Best Texas Ratio of the sector (33.6%)

CAPITAL
4. 15.8% Total Capital maintaining the ABANCA’s sound position in terms of capital
   1,267M€ excess on CET1 capital requirements

LIQUIDITY
5. LTD: 96.3% Clearly retail liquidity profile
   x2.3 liquid assets on issuance maturities

OTHER RELEVANT INFORMATION
- Incorporation of DB Portugal and BCG España carried out properly and on time without impact on organic business
- Strategic agreements reached for the development of the insurance business
- ABANCA is the bank whose rating has improved the most in recent years and it already has the rating of investment grade in Fitch and DBRS
Appendix
### 2018 vs. 2019 homogeneous comparison after reverse merger, ABANCA Holding taken over by ABANCA Corporación

<table>
<thead>
<tr>
<th>Operational scope</th>
<th>2018</th>
<th>2019</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit (before)</td>
<td>430.4</td>
<td>437.3</td>
<td>+1.6%</td>
</tr>
<tr>
<td>Net Profit (reverse merger)</td>
<td>379.7</td>
<td>405.0</td>
<td>+6.7%</td>
</tr>
</tbody>
</table>

In homogeneous terms, **ABANCA has improved its results compared to 2018**:
- Both in the current scenario and if the reverse merger of ABANCA Holding with ABANCA Corporación had not been carried out, there would be an increase in the result compared to the previous year.

<table>
<thead>
<tr>
<th>Regulatory scope</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capital (before)</td>
<td>14.6%</td>
<td>14.9%</td>
<td>+30bp</td>
</tr>
<tr>
<td>Total Capital (reverse merger)</td>
<td>14.6%</td>
<td>15.8%</td>
<td>+116bp</td>
</tr>
</tbody>
</table>

The reverse merger allows to **improve capitalisation ratios and simplify the structure**:
- Harnessing the full potential of recent AT1 and TIER2 debt issues
- Avoid deduction due to minority interests.

**MORE SIMPLIFIED SHAREHOLDER STRUCTURE**

In line with the regulations in force and guidelines on **corporate governance**.
ABANCA will continue reinforcing its sound financial profile and capability of generating recurrent results

**Profitability**
Focusing on recurrent profitability

**Capital**
Capital levels are properly maintained

**Quality of risk**
The reduction of non-performing balances continue

**Business**
Sustained growth thanks to commercial dynamism and inorganic growth

### CET1 ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>CET1 ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>13%</td>
</tr>
<tr>
<td>2022</td>
<td>13%</td>
</tr>
</tbody>
</table>

**NPL ratio**

<table>
<thead>
<tr>
<th>Year</th>
<th>NPL ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>&lt;2%</td>
</tr>
<tr>
<td>2022</td>
<td></td>
</tr>
</tbody>
</table>

**Business volume**

<table>
<thead>
<tr>
<th>Year</th>
<th>Volume (bn euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>85.1</td>
</tr>
<tr>
<td>2022</td>
<td>~100</td>
</tr>
</tbody>
</table>

The profitability obtained will exceed to that required as return on capital (7.0%) and meet MREL requirements.

~1,100M€
Expected volume of issues to meet MREL requirements.
## 4Q19 distribution of loans and advances to customers

<table>
<thead>
<tr>
<th>(million euros)</th>
<th>Net Book Value</th>
<th>% NPL</th>
<th>% Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public administration</td>
<td>2,959</td>
<td>0.1%</td>
<td>27.4%</td>
</tr>
<tr>
<td>Other financial entities</td>
<td>983</td>
<td>0.3%</td>
<td>56.1%</td>
</tr>
<tr>
<td>Large corporations and SMEs</td>
<td>14,680</td>
<td>3.2%</td>
<td>85.3%</td>
</tr>
<tr>
<td><strong>Real Estate construction and property development</strong></td>
<td>1,142</td>
<td>2.1%</td>
<td>79.9%</td>
</tr>
<tr>
<td><strong>Other purposes</strong></td>
<td>13,201</td>
<td>3.2%</td>
<td>85.7%</td>
</tr>
<tr>
<td><strong>on which Large Corporations</strong></td>
<td>6,092</td>
<td>1.5%</td>
<td>134.6%</td>
</tr>
<tr>
<td><strong>on which SMEs and self-employees</strong></td>
<td>7,108</td>
<td>4.6%</td>
<td>72.0%</td>
</tr>
<tr>
<td><strong>Civil engineering</strong></td>
<td>337</td>
<td>4.5%</td>
<td>81.8%</td>
</tr>
<tr>
<td>Households</td>
<td>18,517</td>
<td>2.9%</td>
<td>33.5%</td>
</tr>
<tr>
<td><strong>Mortgages and other</strong></td>
<td>17,025</td>
<td>2.9%</td>
<td>29.3%</td>
</tr>
<tr>
<td><strong>Consumer</strong></td>
<td>1,493</td>
<td>3.7%</td>
<td>70.2%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>37,140</td>
<td>2.8%</td>
<td>57.5%</td>
</tr>
</tbody>
</table>
Fixed-income portfolio evolution

**Fixed income portfolio (million euros)**

<table>
<thead>
<tr>
<th></th>
<th>Dic-18</th>
<th>Dic-19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11,642</td>
<td>11,058</td>
</tr>
</tbody>
</table>

**Fixed-income portfolio structure (%)**

- 53% Debt at amortised cost
- 47% Debt at fair value
- 29% Spanish Debt
- 29% SAREB
- 8% Spanish Debt
- 16% Other EU countries
- Others 2%

**Breakdown of ALCO portfolio by rating (%)**

- 2% A+
- 42% A
- 1% A-
- 5% BBB+
- 47% BBB
- 3% BBB-
Balance sheet distribution

Debt securities  11,058
Equity instruments and associates  529
Total  11,587

Customers (net)  37,140
Households  18,517
Large corporations and SMEs  14,680
Real estate construction and property development  1,142
Civil engineering  337
Other purposes  13,201
Public administration  2,959
Other financial entities  983
Credit institutions  855
Total  37,995

Tangible assets  1,268
Non-current assets and disposal groups held for sale  379
Derivatives  171
Intangible assets  469
Other assets  369
Total  2,656

58,879

3,137
Cash, cash balances with Central Banks and other demand deposits

11,587
Securities portfolio

37,995
Loans and advances

3,505
Tax assets

2,656
Other assets

58,879

4,659
Deposits from Central Banks

3,649
Deposits from credit institutions

41,350
Deposits from customers

1,477
Debt securities issued

1,562
Liabilities under insurance or reinsurance contracts

1,528
Other liabilities

4,655
Total equity

1,528
Total

Retail deposits  38,224
Demand deposits  27,790
Term deposits  10,433
Valuation adjustments  77
Repurchase agreements  1,341
Covered bonds issued and other  1,708
Total  41,350

Covered bonds issued  800
Subordinated debt  653
Other non-convertible securities  0
Own securities  0
Valuation adjustments  23
Total  1,477

Tax liabilities  211
Derivatives  296
Provisions  390
Other liabilities  631
Total  1,528

Shareholder’s equity  4,618
Other accumulated global income  35
Minority interests  1
Total  4,655
Appendix

Track record of the generated value for the entity in acquisitions

<table>
<thead>
<tr>
<th>CONTRIBUTION TO RESULTS</th>
<th>Banco Caixa Geral</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DB PCB</strong></td>
<td></td>
</tr>
<tr>
<td>(DB Retail business in Portugal)</td>
<td></td>
</tr>
</tbody>
</table>

- Logical expansion areas for ABANCA
- Growth in high value segments
- Harnessing of best-practices
- Cross-selling potential

<table>
<thead>
<tr>
<th>CONTRIBUTION TO RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recurrent-income synergies</strong></td>
</tr>
<tr>
<td><strong>Implementation costs</strong></td>
</tr>
<tr>
<td><strong>Impact on Total Capital</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capability to assume acquisitions (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.3% (Capital Total Phase In 2017)</td>
</tr>
<tr>
<td>2.9% (Solvency strengthening)</td>
</tr>
<tr>
<td>-1.5% (Incorporation impact)</td>
</tr>
<tr>
<td>15.8% (Capital Total Phase In 2019)</td>
</tr>
</tbody>
</table>

Incorporation costs totally overcome in 2019

**RoIC 13.4%**
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