

ANNEX II

CREDIT INSTITUTIONS

2nd

HALF-YEARLY FINANCIAL REPORT FOR FINANCIAL YEAR

2017

REPORTING DATE

31/12/2017

I. IDENTIFICATION DATA

Registered Company Name: Bankia, S.A.

Registered Address: C/Pintor Sorolla, 8 - Valencia -

Tax Identification Number

A-14010342

II. SUPPLEMENT INFORMATION TO PREVIOUSLY RELEASED PERIODIC INFORMATION

Explanation of the main modifications with respect to the previously released periodic information:  
(complete only in the situations indicated in Section B) of the instructions)

(Text field)

Traslation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

**IV. SELECTED FINANCIAL INFORMATION**

**1. INDIVIDUAL BALANCE SHEET (1/3)**

**(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)**

Uds.: Thousands of euros

<b>ASSETS</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
		<b>31/12/2017</b>	<b>31/12/2016</b>
1. Cash, cash balances at central banks and other demand deposits	0040	3,755,070	2,081,771
2. Financial assets held for trading	0045	6,719,052	8,278,722
Memorandum item: loaned or advanced as collateral with right to sell or pledge	0046	-	5,004
3. Financial assets designated at fair value through profit or loss	0050	-	-
Memorandum item: loaned or advanced as collateral with right to sell or pledge	0051	-	-
4. Available-for-sale financial assets	0055	22,725,897	25,420,776
Memorandum item: loaned or advanced as collateral with right to sell or pledge	0056	9,892,613	9,860,557
5. Loans and receivables	0060	126,674,121	108,984,992
Memorandum item: loaned or advanced as collateral with right to sell or pledge	0061	69,233,531	74,855,038
6. Held-to-maturity investments	0065	32,353,367	27,695,063
Memorandum item: loaned or advanced as collateral with right to sell or pledge	0066	13,222,704	9,999,995
7. Fair value changes of the hedged items in portfolio hedge of interest rate risk	0070	3,058,341	3,620,293
8. Investments in subsidiaries, joint ventures and associates	0075	-	-
9. Investments in subsidiaries, joint ventures and associates	0080	2,840,144	2,662,372
a) Group entities	0090	2,678,645	2,536,348
b) Jointly-controlled entities	0091	31,589	-
c) Associates	0092	129,910	126,024
10. Tangible assets	0100	2,402,415	1,636,708
a) Property, Plant and Equipment	0101	1,745,382	1,381,542
For own use	0102	1,745,382	1,381,542
Leased out under an operating lease	0103	-	-
Assigned to welfare projects (saving banks and credit cooperatives)	0104	-	-
b) Investment property	0105	657,033	255,166
Of which: assigned under operating leases	0106	657,033	255,166
Memorandum item: acquired in financial leasing	0107	-	-
11. Intangible assets	0110	142,669	121,813
a) Goodwill	0111	-	-
b) Other intangible assets	0112	142,669	121,813
12. Tax assets	0120	10,345,204	7,692,782
a) Current tax assets	0121	426,958	338,400
b) Deferred tax assets	0122	9,918,246	7,354,382
13. Other assets	0130	909,821	760,501
a) Insurance contracts linked to pensions	0131	432,981	398,404
b) Inventories	0132	-	-
c) Other	0133	476,840	362,097
14. Non-current assets and disposal groups classified as held for sale	0140	3,117,805	2,051,940
<b>TOTAL ASSETS</b>	<b>0150</b>	<b>215,043,906</b>	<b>191,007,733</b>

**IV. SELECTED FINANCIAL INFORMATION**

**1. INDIVIDUAL BALANCE SHEET (2/3)**

**(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)**

Uds.: Thousands of euros

LIABILITIES		CURRENT PERIOD	PREVIOUS PERIOD
		31/12/2017	31/12/2016
1. Financial liabilities held for trading	0160	7,449,989	9,008,035
2. Financial liabilities designated at fair value through profit or loss	0170	-	-
Memorandum item: subordinated liabilities	0175	-	-
3. Financial liabilities measured at amortised cost	0180	190,916,511	166,407,360
Memorandum item: subordinated liabilities	0185	2,510,922	1,045,492
4. Derivatives – Hedge accounting	0190	377,469	723,034
5. Fair value changes of the hedged items in portfolio hedge of interest rate risk	0200	-	-
6. Provisions	0210	1,953,867	1,287,208
a) Pensions and other post employment defined benefit obligations	0211	442,407	401,664
b) Other long term employee benefits	0212	-	-
c) Pending legal issues and tax litigation	0213	352,324	395,161
d) Commitments and guarantees given	0214	380,422	398,469
e) Other provisions	0215	778,714	91,914
7. Tax liabilities	0220	686,139	642,631
a) Current tax liabilities	0221	1,368	163
b) Deferred tax liabilities	0223	684,771	642,468
8. Share capital repayable on demand	0230	-	-
9. Share capital repayable on demand	0240	867,586	912,517
Of which: Welfare Fund (only saving banks and credit cooperatives)	0241	-	-
10. Liabilities included in disposal groups classified as held for sale	0250	-	-
<b>TOTAL LIABILITIES</b>	<b>0260</b>	<b>202,251,561</b>	<b>178,980,785</b>

<b>IV. SELECTED FINANCIAL INFORMATION</b>
<b>1. INDIVIDUAL BALANCE SHEET (3/3)</b>
<b>(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)</b>

Uds.: Thousands of euros

<b>LIABILITIES (continuation)</b>		CURRENT PERIOD	PREVIOUS PERIOD
		31/12/2017	31/12/2016
<b>EQUITY</b>	0270	12,477,275	11,584,894
<b>1. Capital</b>	0280	3,084,963	9,213,863
a) Paid up capital	0281	3,084,963	9,213,863
b) Unpaid capital which has been called up	0282	-	-
Memorandum item: Uncalled capital	0283	-	-
<b>2. Share Premium</b>	0290	619,154	-
<b>3. Equity instruments issued other than capital</b>	0300	-	-
a) Equity component of compound financial instruments	0301	-	-
b) Other equity instruments issued	0302	-	-
<b>4. Other equity</b>	0310	-	-
<b>5. Retained earnings</b>	0320	-	-
<b>6. Revaluation reserves</b>	0330	-	-
<b>7. Other reserves</b>	0340	8,384,243	1,696,334
<b>8. (-) Treasury shares</b>	0350	(79,837)	(44,758)
<b>9. Profit or loss attributable to owners of the parent</b>	0360	468,752	719,455
<b>10. (-) Interim dividends</b>	0370	-	-
<b>ACCUMULATED OTHER COMPREHENSIVE INCOME</b>	0380	315,070	442,054
<b>1. Items that will not be reclassified to profit or loss</b>	0390	48,764	42,622
a) Actuarial gains or (-) losses on defined benefit pension plans	0391	48,764	42,622
b) Non-current assets and disposal groups classified as held for sale	0392	-	-
c) Rest valuation adjustment	0393	-	-
<b>2. Items that may be reclassified to profit or loss</b>	0400	266,306	399,432
a) Hedge of net investments in foreign operations [effective portion]	0401	-	-
b) Foreign currency translation	0402	(714)	511
c) Hedging derivatives. Cash flow hedges [effective portion]	0403	(10,163)	(950)
d) Available-for-sale financial assets	0404	280,438	399,874
i) Debt instruments	0405	264,648	399,349
ii) Equity instruments	0406	15,790	525
e) Non-current assets and disposal groups classified as held for sale	0407	(3,255)	(3)
<b>TOTAL EQUITY</b>	0450	12,792,345	12,026,948
<b>TOTAL EQUITY AND TOTAL LIABILITIES</b>	0460	215,043,906	191,007,733
<b>MEMORANDUM ITEM: OFF-BALANCE SHEET ITEMS</b>			
<b>1. Contingent exposures</b>	0470	8,930,154	7,683,450
<b>2. Contingent commitments</b>	0480	22,985,416	25,082,003

**IV. SELECTED FINANCIAL INFORMATION**  
**2. INDIVIDUAL PROFIT AND LOSS ACCOUNT**  
**(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)**

Uds.: Thousands of euros

		PRESENT CURRENT PERIOD (2and HALF YEAR)	PREVIOUS CURRENT PERIOD (2and HALF YEAR)	CURRENT CUMULATIVE 31/12/2017	PREVIOUS CUMULATIVE 31/12/2016	
(+)	Interest income	0501	1,172,558	1,276,796	2,315,829	2,627,261
(-)	(Interest expenses)	0502	(196,006)	(256,039)	(391,893)	(581,666)
(-)	(Expenses on share capital repayable on demand)	0503	-	-	-	-
=	<b>A) NET INTEREST INCOME</b>	0505	976,552	1,020,757	1,923,936	2,045,595
(+)	Dividend income	0506	23,654	389	61,632	29,126
(+)	Fee and commission income	0508	440,669	419,163	866,067	825,934
(+)	(Fee and commission expenses)	0509	(39,429)	(35,672)	(75,291)	(70,991)
(+/-)	Gains or (-) losses on the derecognition in financial assets and liabilities not measured at fair value through profit or loss, net	0510	92,323	109,918	309,811	253,414
(+/-)	Gains or (-) losses on financial assets and liabilities held for trading, net	0511	24,598	36,143	95,613	51,153
(+/-)	Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	0512	-	-	-	-
(+)	Gains or (-) losses from hedge accounting, net	0513	(14,131)	(24,510)	(29,627)	(53,785)
(+/-)	Exchange differences [gain or (-) loss], net	0514	5,482	(2,500)	9,740	13,612
(+)	Other operating income	0515	24,495	32,384	52,578	116,374
(-)	(Other operating expenses)	0516	(148,668)	(136,306)	(240,904)	(222,886)
=	<b>B) GROSS INCOME</b>	0520	1,385,545	1,419,766	2,973,555	2,987,546
(+)	(Administrative expenses)	0521	(1,161,862)	(667,672)	(1,833,114)	(1,366,393)
(+)	(Staff expenses)	0522	(920,690)	(434,480)	(1,373,949)	(892,079)
(+)	(Other administrative expenses)	0523	(241,172)	(233,192)	(459,165)	(474,314)
(+)	(Depreciation)	0524	(90,159)	(83,102)	(172,555)	(154,455)
(+/-)	(Provisions or (-) reversal of provisions)	0525	(61,220)	(68,223)	(93,931)	(120,116)
(+/-)	(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	0526	(117,882)	(69,583)	(267,664)	(204,618)
(+/-)	(Financial assets measured at cost)	0527	-	-	-	-
(+/-)	(Available- for-sale financial assets)	0528	76	(7,314)	2,188	(18,576)
(+/-)	(Loans and receivables)	0529	(120,133)	(59,177)	(273,581)	(198,151)
(+/-)	(Held to maturity investments)	0530	2,175	(3,092)	3,729	12,109
=	<b>C) TOTAL OPERATING INCOME, NET</b>	0540	(45,578)	531,186	606,291	1,141,964
(+/-)	(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	0541	36,485	26,172	68,129	27,509
(+/-)	(Impairment or (-) reversal of impairment on non-financial assets)	0542	(750)	4,128	(38)	1,994
(+/-)	(Tangible assets)	0543	(750)	3,851	(38)	3,651
(+/-)	(Intangible assets)	0544	-	-	-	-
(+/-)	(Other)	0545	-	277	-	(1,657)
(+/-)	Gains or (-) losses on the derecognition in nonfinancial assets accounts and investments, net	0546	8,225	1,563	9,325	904
(+)	Negative goodwill recognised in profit or loss	0547	-	-	-	-
(+/-)	Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	0548	(92,855)	(223,675)	(134,306)	(258,157)
=	<b>D) PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>	0550	(94,473)	339,374	549,401	914,214
(+/-)	(Tax expense or (-) income related to profit or loss from continuing operations)	0551	68,999	(77,239)	(80,649)	(194,759)
=	<b>E) PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS</b>	0560	(25,474)	262,135	468,752	719,455
(+/-)	Profit or (-) loss after tax from discontinued operations	0561	-	-	-	-
=	<b>F) PROFIT OR (-) LOSS FOR THE PERIOD</b>	0570	(25,474)	262,135	468,752	719,455
<b>EARNINGS PER SHARE</b>			Amount (X.XX EUROS)	Amount (X.XX EUROS)	Amount (X.XX EUROS)	Amount (X.XX EUROS)
	Basic earnings/(loss) per share (euros)	0580	-	-	-	-
	Diluted earnings/(loss) per share (euros)	0590	-	-	-	-

In the half-yearly financial report for the first half of the year, the data relating to the present period match the cumulative data, which do not therefore need to be completed

**IV. SELECTED FINANCIAL INFORMATION**  
**3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY**  
**(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)**

Uds.: Thousands of euros

		CURRENT PERIOD	PREVIOUS PERIOD
		31/12/2017	31/12/2016
A) Profit or (-) loss for the period	0600	468,752	719,455
B) Other comprehensive income	0610	(126,984)	(192,256)
1. Items that will not be reclassified to profit or loss	0620	6,142	12,361
a) Actuarial gains or (-) losses on defined benefit pension plans	0621	8,774	17,659
b) Non-current assets and disposal groups held for sale	0622	-	-
c) Other valuation adjustments	0623	-	-
d) Income tax relating to items that will not be reclassified	0624	(2,632)	(5,298)
2. Items that may be reclassified to profit or loss	0630	(133,126)	(204,617)
a) Hedge of net investments in foreign operations [effective portion]	0635	-	-
- Valuation gains or (-) losses taken to equity	0636	-	-
- Transferred to profit or loss	0637	-	-
- Other reclassifications	0638	-	-
b) Foreign currency translation	0640	(1,750)	730
- Translation gains or (-) losses taken to equity	0641	(1,750)	730
- Transferred to profit or loss	0642	-	-
- Other reclassifications	0643	-	-
c) Cash flow hedges [effective portion]	0645	(13,161)	1,233
- Valuation gains or (-) losses taken to equity	0646	(13,161)	1,233
- Transferred to profit or loss	0647	-	-
- Transferred to initial carrying amount of hedged items	0648	-	-
- Other reclassifications	0649	-	-
d) Available-for-sale financial assets	0650	(170,623)	(294,212)
- Valuation gains or (-) losses taken to equity	0651	5,923	(94,875)
- Transferred to profit or loss	0652	(176,546)	(199,337)
- Other reclassifications	0653	-	-
e) Non-current assets and disposal groups held for sale	0655	(4,646)	(60)
- Valuation gains or (-) losses taken to equity	0656	(4,646)	(60)
- Transferred to profit or loss	0657	-	-
- Other reclassifications	0658	-	-
f) Income tax relating to items that may be reclassified to profit or (-) loss	0660	57,054	87,692
C) Total comprehensive income for the period	0670	341,768	527,199

## IV. SELECTED FINANCIAL INFORMATION

4. INDIVIDUAL STATEMENT OF CHANGES IN TOTAL EQUITY  
(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS) (1/2)

Uds.: Thousands of euros

Sources of equity changes Current period		Capital	Share premium	Equity instruments issued other than Capital	Other equity	Retained earnings	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or (-) loss of the period	(-) Interim dividends	Accumulated Other Comprehensive Income	Total
<b>Opening balance 31/12/2016 [before restatement]</b>	0700	9,213,863	-	-	-	-	-	1,696,334	(44,758)	719,455	-	442,054	12,026,948
Effects of corrections of errors	0701	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	0702	-	-	-	-	-	-	-	-	-	-	-	-
<b>Opening balance [current period]</b>	0710	9,213,863	-	-	-	-	-	1,696,334	(44,758)	719,455	-	442,054	12,026,948
<b>Total comprehensive income for the period</b>	0720					-	-	-		468,752		(126,984)	341,768
<b>Other changes in equity</b>	0730	(6,128,900)	619,154	-	-	-	-	6,687,909	(35,079)	(719,455)	-	-	423,629
Issuance of ordinary shares	0731	-	-										-
Issuance of preference shares	0732	-	-										-
Issuance of other equity instruments	0733												-
Exercise or expiration of other equity instruments issued	0734												-
Conversion of debt to equity	0735	-	-										-
Capital reduction	0736	(6,334,531)	-					6,334,531	-	-			-
Dividends (or remuneration of partners)	0737	-	-					(315,957)	-				(315,957)
Purchase of treasury shares	0738							-	(132,559)				(132,559)
Sale or cancellation of treasury shares	0739							8,645	97,480				106,125
Reclassification of financial instruments from equity to liability	0740	-	-										-
Reclassification of financial instruments from liability to equity	0741	-	-										-
Transfers among components of equity	0742							719,455		(719,455)			-
Equity increase or (-) decrease resulting from business combinations	0743	205,631	619,154	-	-	-	-	-	-				824,785
Share based payments	0744	-	-										-
Other increase or (-) decrease in equity	0745							(58,765)	-	-			(58,765)
Of which: discretionary provision to welfare funds (only saving banks and credit cooperatives)	0746												-
<b>Closing balance 31/12/2017 [current period]</b>	0750	3,084,963	619,154	-	-	-	-	8,384,243	(79,837)	468,752	-	315,070	12,792,345

**4. INDIVIDUAL STATEMENT OF CHANGES IN TOTAL EQUITY**  
(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS) (2/2)

Uds.: Thousands of euros

Sources of equity changes Previous period		Capital	Share premium	Equity instruments issued other than Capital	Other equity	Retained earnings	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or (-) loss of the period	(-) Interim dividends	Accumulated Other Comprehensive Income	Total
<b>Opening balance 31/12/2015 (before restatement) [current period]</b>	0751	9,213,863	-	-	-	-	-	1,218,016	(46,473)	940,064	-	634,310	11,959,780
Effects of corrections of errors	0752	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	0753	-	-	-	-	-	-	-	-	-	-	-	-
<b>Opening balance [current period]</b>	0754	9,213,863	-	-	-	-	-	1,218,016	(46,473)	940,064	-	634,310	11,959,780
<b>Total comprehensive income for the period</b>	0755									719,455		(192,256)	527,199
<b>Other changes in equity</b>	0756							478,318	1,715	(940,064)			(460,031)
Issuance of ordinary shares	0757												
Issuance of preference shares	0758												
Issuance of other equity instruments	0759												
Exercise or expiration of other equity instruments issued	0760												
Conversion of debt to equity	0761												
Capital reduction	0762												
Dividends (or remuneration of partners)	0763							(300,717)					(300,717)
Purchase of treasury shares	0764								(96,451)				(96,451)
Sale or cancellation of treasury shares	0765							(12,073)	98,166				86,093
Reclassification of financial instruments from equity to liability	0766												
Reclassification of financial instruments from liability to equity	0767												
Transfers among components of equity	0768							940,064		(940,064)			
Equity increase or (-) decrease resulting from business combinations	0769												
Share based payments	0770												
Other increase or (-) decrease in equity	0771							(148,956)					(148,956)
Of which: discretionary provision to welfare funds (only saving banks and credit cooperatives)	0772												
<b>Closing balance 31/12/2016 [current period]</b>	0773	9,213,863	-	-	-	-	-	1,696,334	(44,758)	719,455	-	442,054	12,026,948



**IV. SELECTED FINANCIAL INFORMATION**

**5. INDIVIDUAL STATEMENT OF CASH FLOWS  
(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)**

Uds.: Thousands of euros

		CURRENT PERIOD 31/12/2017	PREVIOUS PERIOD 31/12/2016
<b>A) CASH FLOWS USED IN OPERATING ACTIVITIES (1+2+3+4+5)</b>	0800	<b>(127,857)</b>	<b>2,280,290</b>
<b>1. Profit/(loss) for the period</b>	0810	<b>468,752</b>	<b>719,455</b>
<b>2. Adjustments made to obtain the cash flows from operating activities</b>	0820	<b>797,140</b>	<b>634,672</b>
(+) Depreciation and amortisation	0821	172,555	154,455
(+/-) Other	0822	624,585	480,217
<b>3. Net increase/(decrease) in operating assets</b>	0830	<b>8,019,890</b>	<b>11,951,071</b>
(+/-) Financial assets held for trading	0831	(197)	(802)
(+/-) Other financial assets at fair value through profit or loss	0832	-	-
(+/-) Available-for-sale financial assets	0833	6,974,873	4,303,474
(+/-) Loans and receivables	0834	1,698,751	8,533,111
(+/-) Other operating assets	0835	(653,537)	(884,712)
<b>4. Net increase/(decrease) in operating liabilities</b>	0840	<b>(9,579,099)</b>	<b>(11,200,135)</b>
(+/-) Financial liabilities held for trading	0841	2,876	445,306
(+/-) Other financial liabilities at fair value through profit or loss	0842	-	-
(+/-) Financial liabilities at amortised cost	0843	(9,105,077)	(10,097,554)
(+/-) Other operating liabilities	0844	(476,898)	(1,547,887)
(+/-) Income tax receipts/(payments)	0850	165,460	175,227
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES (1+2)</b>	0860	<b>1,838,678</b>	<b>(1,351,058)</b>
<b>1. Payments</b>	0870	<b>(847,010)</b>	<b>(5,964,456)</b>
(-) Tangible assets	0871	(106,065)	(58,275)
(-) Intangible assets	0872	(103,837)	(89,106)
(-) Investments in joint ventures and associates	0873	(3,000)	(362,436)
(-) Subsidiaries and other business units	0874	-	-
(-) Non-current assets held for sale and associated liabilities	0875	(100)	(331)
(-) Held-to-maturity investments	0876	(634,008)	(5,454,308)
Other payments related to investing activities	0877	-	-
<b>2. Proceeds</b>	0880	<b>2,685,688</b>	<b>4,613,398</b>
(+) Tangible assets	0881	19,444	12,823
(+) Intangible assets	0882	-	-
(+) Investments in joint ventures and associates	0883	47,103	959,291
(+) Subsidiaries and other business units	0884	577,959	-
(+) Non-current assets held for sale and associated liabilities	0885	466,864	486,377
(+) Held-to-maturity investments	0886	1,574,318	3,154,907
(+) Other proceeds related to investing activities	0887	-	-
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES (1+2)</b>	0890	<b>(37,522)</b>	<b>(1,921,251)</b>
<b>1. Payments</b>	0900	<b>(2,734,387)</b>	<b>(5,392,844)</b>
(-) Dividends	0901	(315,957)	(300,717)
(-) Subordinated liabilities	0902	-	-
(-) Redemption of own equity instruments	0903	-	-
(-) Acquisition of own equity instruments	0904	(132,919)	(96,451)
(-) Other payments related to financing activities	0905	(2,285,511)	(4,995,676)
<b>2. Proceeds</b>	0910	<b>2,696,865</b>	<b>3,471,593</b>
(+) Subordinated liabilities	0911	1,250,000	-
(+) Issuance of own equity instruments	0912	-	-
(+) Disposal of own equity instruments	0913	106,125	86,093
(+) Other proceeds related to financing activities	0914	1,340,740	3,385,500
<b>D) EFFECT OF EXCHANGE RATE DIFFERENCES</b>	0920	-	-
<b>E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>	0930	<b>1,673,299</b>	<b>(992,019)</b>
<b>F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	0940	<b>2,081,771</b>	<b>3,073,790</b>
<b>G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (E+F)</b>	0950	<b>3,755,070</b>	<b>2,081,771</b>

COMPONENTS OF CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		CURRENT PERIOD 31/12/2017	PREVIOUS PERIOD 31/12/2016
(+) Cash	0955	878,204	760,514
(+) Cash equivalents at central banks	0960	2,614,513	1,202,912
(+) Other financial assets	0965	262,353	118,345
(-) Less: Bank overdrafts refundable on demand	0970	-	-
<b>TOTAL OF CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	0980	<b>3,755,070</b>	<b>2,081,771</b>

**IV. SELECTED FINANCIAL INFORMATION**

**6. CONSOLIDATED BALANCE SHEET (ADOPTED IFRS) (1/3)**

Uds.: Thousands of euros

<b>ASSETS</b>		CURRENT PERIOD	PREVIOUS PERIOD
		31/12/2017	31/12/2016
1. Cash, cash balances at central banks and other demand deposits	1040	4,503,911	2,853,756
2. Financial assets held for trading	1045	6,773,491	8,331,274
Memorandum item: loaned or advanced as collateral with right to sell or pledge	1046	-	5,004
3. Financial assets designated at fair value through profit or loss	1050	-	-
Memorandum item: loaned or advanced as collateral with right to sell or pledge	1051	-	-
4. Available-for-sale financial assets	1055	22,744,890	25,248,955
Memorandum item: loaned or advanced as collateral with right to sell or pledge	1056	9,892,613	9,860,557
5. Loans and receivables	1060	126,357,363	108,817,347
Memorandum item: loaned or advanced as collateral with right to sell or pledge	1061	69,233,531	74,855,038
6. Held-to-maturity investments	1065	32,353,367	27,691,243
Memorandum item: loaned or advanced as collateral with right to sell or pledge	1066	13,222,704	9,999,995
7. Derivatives – Hedge accounting	1070	3,067,035	3,631,322
8. Fair value changes of the hedged items in portfolio hedge of interest rate risk	1075	-	-
9. Investments in joint ventures and associates	1080	320,597	281,613
a) Jointly-controlled entities	1091	30,862	-
b) Associates	1092	289,735	281,613
10. Assets under insurance contracts	1095	-	-
11. Tangible assets	1100	2,423,634	1,658,108
a) Property, Plant and Equipment	1101	1,757,510	1,393,653
For own use	1102	1,757,510	1,393,653
Leased out under an operating lease	1103	-	-
Assigned to welfare projects (saving banks and credit cooperatives)	1104	-	-
b) Investment property	1105	666,124	264,455
Of which: assigned under operating leases	1106	666,124	264,455
Memorandum item: acquired in financial leasing	1107	-	-
12. Intangible assets	1110	237,499	219,815
a) Goodwill	1111	93,262	95,662
b) Other intangible assets	1112	144,237	124,153
13. Tax assets	1120	11,004,862	8,320,196
a) Current tax assets	1121	474,887	357,296
b) Deferred tax assets	1122	10,529,975	7,962,900
14. Other assets	1130	873,955	853,778
a) Insurance contracts linked to pensions	1131	432,981	398,404
b) Inventories	1132	-	20,187
c) Other	1133	440,974	435,187
15. Non-current assets and disposal groups classified as held for sale	1140	3,271,333	2,260,052
<b>TOTAL ASSETS</b>	<b>1150</b>	<b>213,931,937</b>	<b>190,167,459</b>

**IV. SELECTED FINANCIAL INFORMATION**

**6. CONSOLIDATED BALANCE SHEET (ADOPTED IFRS) (2/3)**

Uds.: Thousands of euros

<b>LIABILITIES</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
		31/12/2017	31/12/2016
1. Financial liabilities held for trading	1160	7,420,991	8,983,112
2. Financial liabilities designated at fair value through profit or loss	1170	-	-
Memorandum item: subordinated liabilities	1175	-	-
3. Financial liabilities measured at amortised cost	1180	188,897,560	164,635,609
Memorandum item: subordinated liabilities	1185	2,510,922	1,045,492
4. Derivatives – Hedge accounting	1190	378,454	724,045
5. Fair value changes of the hedged items in portfolio hedge of interest rate risk	1200	-	-
6. Liabilities under insurance contracts	1205	-	-
7. Provisions	1210	2,034,575	1,405,104
a) Pensions and other post employment defined benefit obligations	1211	442,407	401,664
b) Other long term employee benefits	1212	-	-
c) Pending legal issues and tax litigation	1213	363,803	421,071
d) Commitments and guarantees given	1214	379,484	389,690
e) Other provisions	1215	848,881	192,679
8. Tax liabilities	1220	707,072	664,809
a) Current tax liabilities	1221	1,624	166
b) Deferred tax liabilities	1223	705,448	664,643
9. Share capital repayable on demand	1230	-	-
10. Other liabilities	1240	871,394	916,312
Of which: Welfare Fund (only saving banks and credit cooperatives)	1241	-	-
11. Liabilities included in disposal groups classified as held for sale	1250	8,797	1,276
<b>TOTAL LIABILITIES</b>	<b>1260</b>	<b>200,318,843</b>	<b>177,330,267</b>

**IV. SELECTED FINANCIAL INFORMATION**

**6. CONSOLIDATED BALANCE SHEET (ADOPTED IFRS) (3/3)**

Uds.: Thousands of euros

**LIABILITIES (continuation)**

		CURRENT PERIOD	PREVIOUS PERIOD
		31/12/2017	31/12/2016
<b>EQUITY</b>	1270	13,222,423	12,302,826
<b>1. Capital</b>	1280	3,084,963	9,213,863
a) Paid up capital	1281	3,084,963	9,213,863
b) Unpaid capital which has been called up	1282	-	-
Memorandum item: Uncalled capital	1283	-	-
<b>2. Share Premium</b>	1290	619,154	-
<b>3. Equity instruments issued other than capital</b>	1300	-	-
a) Equity component of compound financial instruments	1301	-	-
b) Other equity instruments issued	1302	-	-
<b>4. Other equity</b>	1310	-	-
<b>5. Retained earnings</b>	1320	-	-
<b>6. Revaluation reserves</b>	1330	-	-
<b>7. Other reserves</b>	1340	9,093,630	2,329,558
<b>8. (-) Treasury shares</b>	1350	(79,837)	(44,758)
<b>9. Profit or loss attributable to owners of the parent</b>	1360	504,513	804,163
<b>10. (-) Interim dividends</b>	1370	-	-
<b>ACCUMULATED OTHER COMPREHENSIVE INCOME</b>	1380	365,780	489,035
<b>1. Items that will not be reclassified to profit or loss</b>	1390	48,764	42,622
a) Actuarial gains or (-) losses on defined benefit pension plans	1391	48,764	42,622
b) Non-current assets and disposal groups classified as held for sale	1392	-	-
c) Share of other recognised income and expense of investments in joint ventures and associates	1393	-	-
d) Other valuation adjustments	1394	-	-
<b>2. Items that may be reclassified to profit or loss</b>	1400	317,016	446,413
a) Hedge of net investments in foreign operations [effective portion]	1401	-	-
b) Foreign currency translation	1402	(720)	527
c) Hedging derivatives. Cash flow hedges [effective portion]	1403	(10,163)	(950)
d) Available-for-sale financial assets	1404	280,188	397,959
i) Debt instruments	1405	264,398	397,434
ii) Equity instruments	1406	15,790	525
e) Non-current assets and disposal groups classified as held for sale	1407	(1,119)	4,262
f) Share of other recognised income and expense of investments in joint ventures and associates	1408	48,830	44,615
<b>MINORITY INTERESTS [NON-CONTROLLING INTERESTS]</b>	1410	24,891	45,331
<b>1. Accumulated Other Comprehensive Income</b>	1420	989	2,401
<b>2. Other items</b>	1430	23,902	42,930
<b>TOTAL EQUITY</b>	1450	13,613,094	12,837,192
<b>TOTAL EQUITY AND TOTAL LIABILITIES</b>	1460	213,931,937	190,167,459

**MEMORANDUM ITEM: OFF-BALANCE SHEET ITEMS**

<b>1. Contingent exposures</b>	1470	8,879,292	7,304,402
<b>2. Contingent commitments</b>	1480	22,804,686	22,772,264

**IV. SELECTED FINANCIAL INFORMATION**

**7. CONSOLIDATED PROFIT AND LOSS ACCOUNTS (IFRS ADOPTED)**

Uds.: Thousands of euros

		PRESENT CURRENT PERIOD (2and HALF YEAR)	PREVIOUS CURRENT PERIOD (2and HALF YEAR)	CURRENT CUMULATIVE 31/12/2017	PREVIOUS CUMULATIVE 31/12/2016
(+) Interest income	1501	1,143,371	1,244,728	2,309,236	2,651,846
(-) (Interest expenses)	1502	(170,255)	(220,370)	(341,157)	(503,941)
(-) (Expenses on share capital repayable on demand)	1503	-	-	-	-
= A) NET INTEREST INCOME	1505	973,116	1,024,358	1,968,079	2,147,905
(+) Dividend income	1506	2,096	497	9,409	4,437
(+) Share of profit/(loss) of companies accounted for using the equity method	1507	21,399	17,735	39,778	38,312
(+) Fee and commission income	1508	480,318	455,580	943,973	900,761
(+) (Fee and commission expenses)	1509	(41,391)	(38,154)	(79,937)	(77,168)
(+/-) Gains or (-) losses on the derecognition in financial assets and liabilities not measured at fair value through profit or loss, net	1510	92,318	109,940	309,649	253,323
(+/-) Gains or (-) losses on financial assets and liabilities held for trading, net	1511	27,014	36,975	87,350	41,720
(+/-) Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	1512	-	-	-	-
(+) Gains or (-) losses from hedge accounting, net	1513	(14,131)	(24,510)	(29,627)	(53,785)
(+/-) Exchange differences [gain or (-) loss], net	1514	5,744	(2,345)	10,042	13,095
(+) Other operating income	1515	24,429	41,877	52,350	135,261
(Other operating expenses)	1516	(154,091)	(141,185)	(246,636)	(237,409)
(+) Of which: Mandatory provisions to Welfare Fund (only saving banks and credit cooperatives)	1517	-	-	-	-
(-) Expenses of insurance and reinsurance contracts	1518	-	-	-	-
= (Expenses of liabilities covered by insurance or reinsurance contracts)	1520	1,416,821	1,480,768	3,064,430	3,166,452
(+) (Administrative expenses)	1521	(1,171,338)	(676,006)	(1,851,973)	(1,386,624)
(+) (Staff expenses)	1522	(929,084)	(441,541)	(1,389,897)	(906,778)
(+) (Other administrative expenses)	1523	(242,254)	(234,465)	(462,076)	(479,846)
(+) (Depreciation) (Notes 10 and 11)	1524	(90,966)	(85,754)	(174,290)	(161,312)
(+/-) (Provisions or (-) reversal of provisions)	1525	31,721	(44,505)	34,463	(96,470)
(+/-) (Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	1526	(154,410)	(70,016)	(328,571)	(221,197)
(+/-) (Financial assets measured at cost)	1527	-	-	-	-
(+/-) (Available- for-sale financial assets)	1528	(280)	(7,019)	1,838	(18,281)
(+/-) (Loans and receivables)	1529	(156,305)	(59,905)	(334,138)	(215,025)
(+/-) (Held to maturity investments)	1530	2,175	(3,092)	3,729	12,109
= C) TOTAL OPERATING INCOME, NET	1540	31,828	604,487	744,059	1,300,849
(+/-) (Impairment or (-) reversal of impairment of investments in joint ventures and associates)	1541	-	-	(3,000)	-
(+/-) (Impairment or (-) reversal of impairment on non-financial assets)	1542	(4,034)	240	(10,504)	(8,083)
(+/-) (Tangible assets)	1543	(645)	4,157	88	3,651
(+/-) (Intangible assets)	1544	(3,389)	(3,957)	(6,389)	(6,956)
(+/-) (Other)	1545	-	40	(4,203)	(4,778)
(+/-) Gains or (-) losses on the derecognition in non-financial assets accounts and investments, net	1546	7,801	9,598	8,901	7,989
(+) Negative goodwill recognised in profit or loss	1547	-	-	-	-
(+/-) Profit or (-) loss from non-current assets and disposal groups classified as held for sale, not qualifying as discontinued operations	1548	(103,704)	(262,298)	(114,513)	(309,502)
= D) PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS	1550	(68,109)	352,027	624,943	991,253
(+/-) (Tax expense or (-) income related to profit or loss from continuing operations)	1551	47,651	(31,315)	(130,940)	(189,052)
= E) PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	1560	(20,458)	320,712	494,003	802,201
(+/-) Profit or (-) loss after tax from discontinued operations	1561	-	-	-	-
= F) PROFIT OR (-) LOSS	1570	(20,458)	320,712	494,003	802,201
Attributable to minority interest [non-controlling interests]	1571	(11,134)	(2,100)	(10,510)	(1,962)
Attributable to owners of the parent	1572	(9,324)	322,812	504,513	804,163

EARNINGS PER SHARE		Amount (X.XX EUROS)	Amount (X.XX EUROS)	Amount (X.XX EUROS)	Amount (X.XX EUROS)
Basic earnings/(loss) per share (euros)	1580	-	-	0.17	0.28
Diluted earnings/(loss) per share (euros)	1590	-	-	0.17	0.28

**IV. SELECTED FINANCIAL INFORMATION**

**8. CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES (IFRS ADOPTED)**

Uds.: Thousands of euros

		CURRENT PERIOD 31/12/2017	PREVIOUS PERIOD 31/12/2016
A) Profit or (-) loss for the period	1600	494,003	802,201
B) Other comprehensive income	1610	(124,667)	(206,417)
1. Items that will not be reclassified to profit or loss	1620	6,142	12,361
a) Actuarial gains or (-) losses on defined benefit pension plans	1621	8,774	17,659
b) Non-current assets and disposal groups held for sale	1622	-	-
c) Other valuation adjustments	1623	-	-
d) Income tax relating to items that will not be reclassified	1624	(2,632)	(5,298)
2. Items that may be reclassified to profit or loss	1630	(130,809)	(218,778)
a) Hedge of net investments in foreign operations [effective portion]	1635	-	-
- Valuation gains or (-) losses taken to equity	1636	-	-
- Transferred to profit or loss	1637	-	-
- Other reclassifications	1638	-	-
b) Foreign currency translation	1640	(1,772)	516
- Translation gains or (-) losses taken to equity	1641	(1,772)	516
- Transferred to profit or loss	1642	-	-
- Other reclassifications	1643	-	-
c) Cash flow hedges [effective portion]	1645	(13,161)	(4,251)
- Valuation gains or (-) losses taken to equity	1646	(13,161)	(4,251)
- Transferred to profit or loss	1647	-	-
- Transferred to initial carrying amount of hedged items	1648	-	-
- Other reclassifications	1649	-	-
d) Available-for-sale financial assets	1650	(168,244)	(291,431)
- Valuation gains or (-) losses taken to equity	1651	8,220	(92,186)
- Transferred to profit or loss	1652	(176,464)	(199,245)
- Other reclassifications	1653	-	-
e) Non-current assets and disposal groups held for sale	1655	(8,191)	988
- Valuation gains or (-) losses taken to equity	1656	(8,191)	988
- Transferred to profit or loss	1657	-	-
- Other reclassifications	1658	-	-
f) Share of other recognised income and expense of Investments in joint ventures and associates	1659	4,215	(13,325)
g) Income tax relating to items that may be reclassified to profit or (-) loss	1660	56,344	88,725
C) Total comprehensive income for the period	1670	369,336	595,784
Attributable to minority interest [Non-controlling interest]	1680	(11,922)	(1,539)
Attributable to owners of the parent	1690	381,258	597,323

IV. SELECTED FINANCIAL INFORMATION

9. Consolidated statement of changes in total equity (ADAPTED TO IFRS) (1/2)

Uds.: Thousands of euros

Sources of equity changes Current period		Capital	Share premium	Equity instruments issued other than Capital	Other equity	Retained earnings	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or (-) loss attributable to owners of the parent	(-) Interim dividends	Accumulated Other Comprehensive Income	Minority interests		Total
													Accumulated Other Comprehensive Income	Other items	
<b>Opening balance at 31 December 2016 [before restatement]</b>	1700	9,213,863	-	-	-	-	-	2,329,558	(44,758)	804,163	-	489,035	2,401	42,930	12,837,192
Effects of corrections of errors	1701	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	1702	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Opening balance [current period]</b>	1710	9,213,863	-	-	-	-	-	2,329,558	(44,758)	804,163	-	489,035	2,401	42,930	12,837,192
<b>Comprehensive accumulated income</b>	1720									504,513		(123,255)	(1,412)	(10,510)	369,336
<b>Other changes in equity</b>	1730	(6,128,900)	619,154	-	-	-	-	6,764,072	(35,079)	(804,163)	-	-	-	(8,518)	406,566
Issuance of ordinary shares	1731	-	-												-
Issuance of preference shares	1732	-	-												-
Issuance of other equity instruments	1733														-
Exercise or expiration of other equity instruments issued	1734														-
Conversion of debt to equity	1735	-	-												-
Capital reduction	1736	(6,334,531)	-					6,334,531	-	-					-
Dividends	1737	-	-					(315,957)	-						(315,957)
Purchase of treasury shares	1738								(132,559)						(132,559)
Sale or cancellation of treasury shares	1739							8,645	97,480						106,125
Reclassification of financial instruments from equity to liability	1740	-	-												-
Reclassification of financial instruments from liability to equity	1741	-	-												-
Transfers among components of equity	1742							804,163		(804,163)					-
Equity increase or (-) decrease resulting from business combinations	1743	205,631	619,154												824,785
Share based payments	1744	-	-												-
Other increase or (-) decrease in equity	1745							(67,310)						(8,518)	(75,828)
Of which: discretionary provision to welfare funds (only saving banks and credit cooperatives)	1746														-
<b>Closing balance at 31 December 2017 [current period]</b>	1750	3,084,963	619,154	-	-	-	-	9,093,630	(79,837)	504,513	-	365,780	989	23,902	13,613,094

## IV. SELECTED FINANCIAL INFORMATION

## 9. Consolidated statement of changes in total equity (ADAPTED TO IFRS) (2/2)

Uds.: Thousands of euros

Sources of equity changes Previous period		Capital	Share premium	Equity instruments issued other than Capital	Other equity	Retained earnings	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or (-) loss attributable to owners of the parent	(-) Interim dividends	Accumulated Other Comprehensive Income	Minority interests		Total
													Accumulated Other Comprehensive Income	Other items	
<b>Opening balance at 31 December 2015 (before restatement) [current period]</b>	1751	9,213,863	-	-	-	-	-	1,726,334	(46,473)	1,039,963	-	695,875	1,978	64,467	12,696,007
Effects of corrections of errors	1752	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	1753	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Opening balance [current period]</b>	1754	9,213,863	-	-	-	-	-	1,726,334	(46,473)	1,039,963	-	695,875	1,978	64,467	12,696,007
<b>Comprehensive accumulated income</b>	1755					-	-			804,163		(206,840)	423	(1,962)	595,784
<b>Other changes in equity</b>	1756	-	-	-	-	-	-	603,224	1,715	(1,039,963)	-	-	-	(19,575)	(454,599)
Issuance of ordinary shares	1757	-	-			-	-							-	-
Issuance of preference shares	1758	-	-			-	-							-	-
Issuance of other equity instruments	1759					-	-							-	-
Exercise or expiration of other equity instruments issued	1760					-	-							-	-
Conversion of debt to equity	1761	-	-			-	-							-	-
Capital reduction	1762	-	-			-	-							-	-
Dividends	1763	-	-			-	-	(300,717)							(300,717)
Purchase of treasury shares	1764					-	-		(96,451)						(96,451)
Sale or cancellation of treasury shares	1765					-	-	(12,073)	98,166						86,093
Reclassification of financial instruments from equity to liability	1766	-	-											0	-
Reclassification of financial instruments from liability to equity	1767	-	-											0	-
Transfers among components of equity	1768					-	-	1,039,963		(1,039,963)					-
Equity increase or (-) decrease resulting from business combinations	1769	-	-			-	-								-
Share based payments	1770	-	-			-	-								-
Other increase or (-) decrease in equity	1771					-	-	(123,949)						(19,575)	(143,524)
Of which: discretionary provision to welfare funds (only saving banks and credit cooperatives)	1772					-	-								-
<b>Closing balance at 31 December 2016 [current period]</b>	1773	9,213,863	-	-	-	-	-	2,329,558	(44,758)	804,163	-	489,035	2,401	42,930	12,837,192



**IV. SELECTED FINANCIAL INFORMATION**

**10. CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES (INDIRECT METHOD) (IFRS ADOPTED)**

Uds.: Thousands of euros

		CURRENT PERIOD 31/12/2017	PREVIOUS PERIOD 31/12/2016
<b>A) CASH FLOWS USED IN OPERATING ACTIVITIES (1+2+3+4+5)</b>	1800	903,100	4,552,142
Consolidated profit/(loss)	1810	494,003	802,201
Adjustments made to obtain the cash flows from operating activities	1820	801,882	672,897
Depreciation and amortisation	1821	174,290	161,312
Other	1822	627,592	511,585
<b>Net increase/(decrease) in operating assets</b>	1830	7,760,155	11,634,270
Financial assets held for trading	1831	(6,575)	911
Other financial assets at fair value through profit or loss	1832	-	-
Available-for-sale financial assets	1833	6,810,684	4,306,536
Loans and receivables	1834	1,669,138	8,343,934
Other operating assets	1835	(713,092)	(1,017,111)
<b>Net increase/(decrease) in operating liabilities</b>	1840	(8,318,400)	(8,732,453)
Financial liabilities held for trading	1841	(1,220)	445,306
Other financial liabilities at fair value through profit or loss	1842	-	-
Financial liabilities at amortised cost	1843	(8,016,874)	(7,726,837)
Other operating liabilities	1844	(300,306)	(1,450,922)
<b>Income tax receipts/(payments)</b>	1850	165,460	175,227
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES (1+2)</b>	1860	2,021,595	(1,348,251)
<b>Payments</b>	1870	(848,693)	(5,615,928)
Tangible assets	1871	(107,132)	(68,453)
Intangible assets	1872	(104,376)	(90,242)
Investments in joint ventures and associates	1873	(3,000)	(865)
Subsidiaries and other business units	1874	-	-
Non-current assets held for sale and associated liabilities	1875	(177)	(2,060)
Held-to-maturity investments	1876	(634,008)	(5,454,308)
Other payments related to investing activities	1877	-	-
<b>Proceeds</b>	1880	2,870,288	4,267,677
Tangible assets	1881	19,444	12,823
Intangible assets	1882	-	-
Investments in joint ventures and associates	1883	49,952	425,051
Subsidiaries and other business units	1884	633,593	-
Non-current assets held for sale and associated liabilities	1885	592,981	674,896
Held-to-maturity investments	1886	1,574,318	3,154,907
Other proceeds related to investing activities	1887	-	-
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES (1+2)</b>	1890	(1,274,540)	(4,391,719)
<b>Payments</b>	1900	(2,630,665)	(6,763,312)
Dividends	1901	(315,957)	(300,717)
Subordinated liabilities	1902	-	-
Redemption of own equity instruments	1903	-	-
Acquisition of own equity instruments	1904	(132,919)	(96,451)
Other payments related to financing activities	1905	(2,181,789)	(6,366,144)
<b>Proceeds</b>	1910	1,356,125	2,371,593
Subordinated liabilities	1911	1,250,000	-
Issuance of own equity instruments	1912	-	-
Disposal of own equity instruments	1913	106,125	86,093
Other proceeds related to financing activities	1914	-	2,285,500
<b>D) EFFECT OF EXCHANGE RATE DIFFERENCES</b>	1920	-	-
<b>E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>	1930	1,650,155	(1,187,828)
<b>F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	1940	2,853,756	4,041,584
<b>G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (E+F)</b>	1950	4,503,911	2,853,756

COMPONENTS OF CASH AND CASH EQUIVALENTS AT END OF PERIOD		CURRENT PERIOD 43100	PREVIOUS PERIOD 42735
Cash	1955	878,210	760,523
Cash equivalents at central banks	1960	2,614,513	1,202,912
Other financial assets	1965	1,011,188	890,321
Less: Bank overdrafts refundable on demand	1970	-	-
<b>Total Cash and similar at the end of period</b>	1980	4,503,911	2,853,756
<i>Of which: held by Group entities but not available by the Group</i>	1990	-	-

**IV. SELECTED FINANCIAL INFORMATION**

**12. DIVIDENS PAID**

		CURRENT PERIOD			PREVIOUS PERIOD		
		% of nominal value	Euros per share (X.XX)	Amount (thousand euros)	% of nominal value	Euros per share (X.XX)	Amount (thousand euros)
Ordinary shares	2158	3.44	0.03	315,957	3.28	0.03	300,717
Other shares (non-voting shares, redeemable shares, etc.)	2159	0	-	-	0	-	-
<b>Total dividends paid</b>	<b>2160</b>	<b>3.44</b>	<b>0.03</b>	<b>315,957</b>	<b>3.28</b>	<b>0.03</b>	<b>300,717</b>
a) Dividends charged to profit and loss	2155	3.44	0.03	315,957	3.28	0.03	300,717
b) Dividends charged to reserves or share premium	2156	-	-	-	-	-	-
c) Dividends in kind	2157	-	-	-	-	-	-

**IV. SELECTED FINANCIAL INFORMATION**

**13. BREAKDOWN OF FINANCIAL INSTRUMENTS BY NATURE AND CATEGORY (1/2)**

Uds.: Thousands of euros

FINANCIAL ASSETS: NATURE / CATEGORY		CURRENT PERIOD			
		Held for trading	Financial assets designated at fair value through profit or loss	Available-for-sale financial assets	Loans and receivables
Trading derivatives	2470	6,712,727	-	-	-
Equity instruments	2480	4,324	-	57,190	-
Debt securities	2490	2,001	-	22,668,707	444,158
Loans and advances	2500	-	-	-	126,229,963
Central banks	2501	-	-	-	-
Loans and advances to credit institutions	2502	-	-	-	3,029,283
Loans and advances to customers	2503	-	-	-	123,200,680
<b>TOTAL (INDIVIDUAL)</b>	<b>2510</b>	<b>6,719,052</b>	<b>-</b>	<b>22,725,897</b>	<b>126,674,121</b>
Trading derivatives	2520	6,697,537	-	-	-
Equity instruments	2530	73,953	-	70,929	-
Debt securities	2540	2,001	-	22,673,961	304,746
Loans and advances	2550	-	-	-	126,052,617
Central banks	2551	-	-	-	-
Loans and advances to credit institutions	2552	-	-	-	3,027,935
Loans and advances to customers	2553	-	-	-	123,024,682
<b>TOTAL (CONSOLIDATED)</b>	<b>2560</b>	<b>6,773,491</b>	<b>-</b>	<b>22,744,890</b>	<b>126,357,363</b>

FINANCIAL LIABILITIES: NATURE / CATEGORY		CURRENT PERIOD		
		Financial liabilities held for trading	Financial liabilities designated at fair value through profit or loss	Financial liabilities at amortized cost
Trading derivatives	2570	7,106,560	-	-
Short positions	2580	343,429	-	-
Deposits	2590	-	-	170,537,855
Deposits from central banks	2591	-	-	15,355,970
Deposits from credit institutions	2592	-	-	22,212,284
Customer deposits	2593	-	-	132,969,601
Marketable debt securities	2600	-	-	19,288,228
Other financial liabilities	2610	-	-	1,090,428
<b>TOTAL (INDIVIDUAL)</b>	<b>2620</b>	<b>7,449,989</b>	<b>-</b>	<b>190,916,511</b>
Trading derivatives	2630	7,077,562	-	-
Short positions	2640	343,429	-	-
Deposits	2650	-	-	168,045,365
Deposits from central banks	2651	-	-	15,355,970
Deposits from credit institutions	2652	-	-	22,293,596
Customer deposits	2653	-	-	130,395,799
Marketable debt securities	2660	-	-	19,784,810
Other financial liabilities	2670	-	-	1,067,385
<b>TOTAL (CONSOLIDATED)</b>	<b>2680</b>	<b>7,420,991</b>	<b>-</b>	<b>188,897,560</b>

**IV. SELECTED FINANCIAL INFORMATION**
**13. BREAKDOWN OF FINANCIAL INSTRUMENTS BY NATURE AND CATEGORY (2/2)**

Uds.: Thousands of euros

FINANCIAL ASSETS: NATURE / CATEGORY		PREVIOUS PERIOD			
		Held for trading	Financial assets designated at fair value through profit or loss	Available-for-sale financial assets	Loans and receivables
Trading derivatives	5470	8,266,655	-	-	-
Equity instruments	5480	7,062	-	26,107	-
Debt securities	5490	5,005	-	25,394,669	726,600
Loans and advances	5500	-	-	-	108,258,392
Central banks	5501	-	-	-	-
Loans and advances to credit institutions	5502	-	-	-	3,578,821
Loans and advances to customers	5503	-	-	-	104,679,571
<b>TOTAL (INDIVIDUAL)</b>	<b>5510</b>	<b>8,278,722</b>	<b>-</b>	<b>25,420,776</b>	<b>108,984,992</b>
Trading derivatives	5520	8,255,624	-	-	-
Equity instruments	5530	70,639	-	26,107	-
Debt securities	5540	5,011	-	25,222,848	563,151
Loans and advances	5550	-	-	-	108,254,196
Central banks	5551	-	-	-	-
Loans and advances to credit institutions	5552	-	-	-	3,577,553
Loans and advances to customers	5553	-	-	-	104,676,643
<b>TOTAL (CONSOLIDATED)</b>	<b>5560</b>	<b>8,331,274</b>	<b>-</b>	<b>25,248,955</b>	<b>108,817,347</b>

FINANCIAL LIABILITIES: NATURE / CATEGORY		PREVIOUS PERIOD		
		Financial liabilities held for trading	Financial liabilities designated at fair value through profit or loss	Financial liabilities at amortized cost
Trading derivatives	5570	8,549,198	-	-
Short positions	5580	458,837	-	-
Deposits	5590	-	-	147,470,875
Deposits from central banks	5591	-	-	14,968,759
Deposits from credit institutions	5592	-	-	23,881,424
Customer deposits	5593	-	-	108,620,692
Marketable debt securities	5600	-	-	18,195,679
Other financial liabilities	5610	-	-	740,806
<b>TOTAL (INDIVIDUAL)</b>	<b>5620</b>	<b>9,008,035</b>	<b>-</b>	<b>166,407,360</b>
Trading derivatives	5630	8,524,275	-	-
Short positions	5640	458,837	-	-
Deposits	5650	-	-	144,116,714
Deposits from central banks	5651	-	-	14,968,759
Deposits from credit institutions	5652	-	-	23,993,139
Customer deposits	5653	-	-	105,154,816
Marketable debt securities	5660	-	-	19,846,163
Other financial liabilities	5670	-	-	672,732
<b>TOTAL (CONSOLIDATED)</b>	<b>5680</b>	<b>8,983,112</b>	<b>-</b>	<b>164,635,609</b>

**IV. SELECTED FINANCIAL INFORMATION**

**14. SEGMENT REPORTING**

Uds.: Thousands of euros

Tabla 1

Geographic Area		Distribution of profit/ loss of interest by geographic areas			
		Individual		Consolidated	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Domestic market	2210	2,315,829	2,627,261	2,305,968	2,647,687
Export:	2215	-	-	3,268	4,159
European Union	2216	-	-	-	-
Rest of O.C.D.E. countries	2217	-	-	-	-
Rest of countries	2218	-	-	3,268	4,159
<b>TOTAL</b>	<b>2220</b>	<b>2,315,829</b>	<b>2,627,261</b>	<b>2,309,236</b>	<b>2,651,846</b>

**IV. SELECTED FINANCIAL INFORMATION**

**15. AVERAGE WORKFORCE AND NUMBER OF OFFICE**

		INDIVIDUAL		CONSOLIDATED	
		Current period	Previous period	Current period	Previous period
<b>AVERAGE WORKFORCE</b>	2295	13,402	13,143	13,758	13,427
Men	2296	6,116	6,004	6,279	6,136
Women	2297	7,286	7,139	7,479	7,291

		Current period	Previous period
<b>NUMBER OF OFFICE</b>	2298	2,423	1,866
Spain	2299	2,423	1,866
Abroad	2300	0	0

IV. SELECTED FINANCIAL INFORMATION

18. SOLVENCY INFORMATION

Units.: Percentage

<b>CAPITAL RATIO</b>		CURRENT PERIOD	PREVIOUS PERIOD
Eligible Common Equity Tier 1 capital (thousand euros) (a)	7010	12,173,452	11,605,956
Eligible Additional Tier 1 capital (thousand euros) (b)	7020	682,125	-
Eligible Tier 2 capital (thousand euros) (c)	7040	1,631,837	1,030,059
Risks (thousand euros) (d)	7030	86,046,106	76,959,536
Common Equity Tier 1 capital ratio (CET 1) (A)=(a)/(d)	7110	14.15%	15.08%
Additional Tier 1 capital ratio (AT 1) (B)=(b)/(d)	7120	0.79%	0.00%
Tier 1 capital ratio (Tier 1) (A)+(B)	7150	14.94%	15.08%
Tier 2 capital ratio (Tier 2) (C)=(c)/(d)	7130	1.90%	1.34%
Total capital ratio (A)+(B)+(C)	7140	16.84%	16.42%

<b>LEVERAGE RATIO</b>		CURRENT PERIOD	PREVIOUS PERIOD
Tier I capital (thousands of euros) (a)	7050	12,855,577	11,605,956
Exposure (thousands of euros) (b)	7060	213,518,208	189,491,589
Leverage ratio (a)/(b)	7070	6.02%	6.12%

## IV. SELECTED FINANCIAL INFORMATION

## 19. Credit quality of Loans and Receivables Portfolio

Uds.: Thousands of euros

<b>GROSS AMOUNT</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Normal risk	7500	120,805,891	104,018,441
<i>Of which: under special monitoring</i>	7501	-	-
Substandard risk	7502	-	-
Non-performing risk	7503	11,318,382	10,717,523
<b>Total Gross amount</b>	<b>7505</b>	<b>132,124,273</b>	<b>114,735,964</b>
<b>IMPAIRMENT LOSSES</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Normal risk	7510	(720,173)	(584,937)
<i>Of which: under special monitoring</i>	7511	-	-
Substandard risk	7512	-	-
Non-performing risk	7513	(5,046,737)	(5,333,680)
<b>Total asset impairment losses</b>	<b>7515</b>	<b>(5,766,910)</b>	<b>(5,918,617)</b>
<b>Impairment loss calculated collectively</b>	<b>7520</b>	<b>(3,503,201)</b>	<b>(3,179,987)</b>
<b>Impairment loss calculated individually</b>	<b>7530</b>	<b>(2,263,709)</b>	<b>(2,738,630)</b>
<b>CARRYING AMOUNT</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Normal risk	7540	120,085,718	103,433,504
<i>Of which: under special monitoring</i>	7541	-	-
Substandard risk	7542	-	-
Non-performing risk	7543	6,271,645	5,383,843
<b>Total carrying amount</b>	<b>7545</b>	<b>126,357,363</b>	<b>108,817,347</b>
<b>GUARANTEES RECEIVED</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Value of collateral	7550	86,764,244	75,009,547
<i>Of which: guarantees risks under special monitoring</i>	7551	-	-
<i>Of which: guarantees substandard risks</i>	7552	-	-
<i>Of which: guarantees non-performing risks</i>	7553	10,213,726	9,443,706
Value of other guarantees	7554	-	-
<i>Of which: guarantees risks under special monitoring</i>	7555	-	-
<i>Of which: guarantees substandard risks</i>	7556	-	-
<i>Of which: guarantees non-performing risks</i>	7557	-	-
<b>Total value of guarantees received</b>	<b>7558</b>	<b>86,764,244</b>	<b>75,009,547</b>
<b>FINANCIAL GUARANTEES GIVEN</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Loan commitments given	7560	18,518,902	16,859,876
<i>Of which: classified as non-performing</i>	7561	429,073	406,208
<i>Amount recognised under liabilities in Balance Sheet</i>	7562	24,863	22,489
Financial guarantees given	7563	415,095	459,863
<i>Of which: classified as non-performing</i>	7564	101,079	108,529
<i>Amount recognised under liabilities in Balance Sheet</i>	7565	28,533	25,526
Other commitments given	7566	12,749,981	12,756,927
<i>Of which: classified as non-performing</i>	7567	694,332	642,589
<i>Amount recognised under liabilities in Balance Sheet</i>	7568	326,088	341,675



IV. SELECTED FINANCIAL INFORMATION  
20. REFINANCED OR RESTRUCTURED OPERATIONS (1/2)

Uds.: Thousands of euros

**Refinancing and restructuring balances**

<b>GROSS AMOUNT</b>		CURRENT PERIOD	PREVIOUS PERIOD
Normal risk	8000	5,180,378	3,286,811
<i>Of which: under special monitoring</i>	8001	-	-
Substandard risk	8002	-	-
Non-performing risk	8003	7,398,554	7,268,053
<b>Total Gross amount</b>	<b>8005</b>	<b>12,578,932</b>	<b>10,554,864</b>

<b>IMPAIRMENT LOSSES</b>		CURRENT PERIOD	PREVIOUS PERIOD
Normal risk	8010	(127,356)	(112,668)
<i>Of which: under special monitoring</i>	8011	-	-
Substandard risk	8012	-	-
Non-performing risk	8013	(3,210,193)	(3,485,474)
<b>Total asset impairment losses</b>	<b>8015</b>	<b>(3,337,549)</b>	<b>(3,598,142)</b>
<b>Collective impairment losses</b>	<b>8020</b>	<b>(1,672,964)</b>	<b>(1,467,296)</b>
<b>Specific impairment losses</b>	<b>8030</b>	<b>(1,664,585)</b>	<b>(2,130,846)</b>

<b>CARRYING AMOUNT</b>		CURRENT PERIOD	PREVIOUS PERIOD
Normal risk	8040	5,053,022	3,174,143
<i>Of which: under special monitoring</i>	8041	-	-
Substandard risk	8042	-	-
Non-performing risk	8043	4,188,361	3,782,579
<b>Total carrying amount</b>	<b>8045</b>	<b>9,241,383</b>	<b>6,956,722</b>
<b>Total carrying amount of financing granted to customers</b>	<b>8046</b>	<b>123,024,682</b>	<b>104,676,643</b>

<b>GUARANTEES RECEIVED</b>		CURRENT PERIOD	PREVIOUS PERIOD
Value of collateral	8050	7,122,610	4,333,705
<i>Of which: guarantees risks under special monitoring</i>	8051	-	-
<i>Of which: guarantees substandard risks</i>	8052	-	-
<i>Of which: guarantees non-performing risks</i>	8053	3,583,379	2,939,673
Value of other guarantees	8054	-	-
<i>Of which: guarantees risks under special monitoring</i>	8055	-	-
<i>Of which: guarantees substandard risks</i>	8056	-	-
<i>Of which: guarantees non-performing risks</i>	8057	-	-
<b>Total guarantees received</b>	<b>8058</b>	<b>7,122,610</b>	<b>4,333,705</b>

<b>CARRYING AMOUNT</b>		CURRENT PERIOD	PREVIOUS PERIOD
Credit institutions	8060	-	-
General Governments	8061	101,245	147,697
Other financial corporations and individual entrepreneurs (financial business)	8062	286,939	111,426
Other non-financial corporations and individual entrepreneurs (non-financial business)	8063	3,606,861	3,632,175
<i>Of which: Financing for real estate construction and development (including land)</i>	8064	372,886	180,271
Other households	8065	5,246,338	3,065,424
<b>Total carrying amount</b>	<b>8066</b>	<b>9,241,383</b>	<b>6,956,722</b>

Financing classified as non-current assets and disposal groups classified as held for sale	8067	-	-
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## IV. SELECTED FINANCIAL INFORMATION

## 20. REFINANCED OR RESTRUCTURED OPERATIONS (2/2)

Uds.: Thousands of euros

## Reconciliation

## CARRYING AMOUNT

		CURRENT PERIOD	PREVIOUS PERIOD
<b>Balances at 31 December</b>	8070	6,956,722	18,784,639
(+) Refinancings and restructurings in the period	8071	1,261,322	1,620,083
<i>Token entry: impact recognised in the profit and loss account for the period</i>	8072	-	-
(-) Debt repayments	8073	(121,909)	(179,850)
(-) Foreclosures	8074	(145,369)	(166,926)
(-) Derecognition (reclassification to written-off assets)	8075	(60,984)	(47,168)
(+)(-) Other changes	8076	1,351,601	(13,054,056)
<b>Balances at 30 December (*)</b>	8080	9,241,383	6,956,722

IV. SELECTED FINANCIAL INFORMATION  
21. REAL ESTATE EXPOSURE

Uds.: Thousands of euros

**Real estate credit risk exposure - Spain**

		CURRENT PERIOD	PREVIOUS PERIOD
<b>GROSS AMOUNT</b>			
Financing for real estate construction and development (including land)	9000	1,042,727	837,126
Of which: under special monitoring	9001	-	-
Of which: substandard	9002	-	-
Of which: non-performing	9003	619,782	497,659
<b>Total Gross amount</b>	<b>9005</b>	<b>1,042,727</b>	<b>837,126</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>IMPAIRMENT LOSSES</b>			
Financing for real estate construction and development (including land)	9010	(340,255)	(312,904)
Of which: under special monitoring	9011	-	-
Of which: substandard	9012	-	-
Of which: non-performing	9013	(321,909)	(300,108)
<b>Total asset impairment losses</b>	<b>9015</b>	<b>(340,255)</b>	<b>(312,904)</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>CARRYING AMOUNT</b>			
Financing for real estate construction and development (including land)	9020	702,472	524,222
Of which: under special monitoring	9021	-	-
Of which: substandard	9022	-	-
Of which: non-performing	9023	297,873	197,551
<b>Total carrying amount</b>	<b>9025</b>	<b>702,472</b>	<b>524,222</b>
<b>Total carrying amount of financing granted to customers</b>	<b>9030</b>	<b>116,378,579</b>	<b>98,813,058</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>GUARANTEES RECEIVED</b>			
Value of collateral	9050	720,618	538,938
Of which: guarantees risks under special monitoring	9051	-	-
Of which: guarantees substandard risks	9052	-	-
Of which: guarantees non-performing risks	9053	361,004	235,228
Value of other guarantees	9054	-	-
Of which: guarantees risks under special monitoring	9055	-	-
Of which: guarantees substandard risks	9056	-	-
Of which: guarantees non-performing risks	9057	-	-
<b>Total value of guarantees received</b>	<b>9058</b>	<b>720,618</b>	<b>538,938</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>FINANCIAL GUARANTEES</b>			
Financial guarantees given relating to real estate construction and development	9060	42,539	28,574
Amount recognised under liabilities	9061	3,059	460

**Foreclosed assets and assets received as payment for debts - Spain**

		CURRENT PERIOD	PREVIOUS PERIOD
<b>TOTAL GROSS</b>			
Foreclosed property and property received as payment for debts	9070	5,115,203	3,448,878
Of which: land	9071	397,885	71,606
Investments in real estate entities	9072	-	-
<b>Total gross amount</b>	<b>9075</b>	<b>5,115,203</b>	<b>3,448,878</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>IMPAIRMENT LOSSES</b>			
Foreclosed property and property received as payment for debts	9080	(1,835,658)	(1,197,647)
Of which: land	9081	(200,716)	(35,589)
Investments in real estate entities	9082	-	-
<b>Total asset impairment losses</b>	<b>9085</b>	<b>(1,835,658)</b>	<b>(1,197,647)</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>CARRYING AMOUNT</b>			
Foreclosed property and property received as payment for debts	9090	3,279,545	2,251,231
Of which: land	9091	197,169	36,017
Investments in real estate entities	9092	-	-
<b>Total carrying amount</b>	<b>9095</b>	<b>3,279,545</b>	<b>2,251,231</b>