

Madrid, May 11th 2017

PRICE SENSITIVE INFORMATION

COMMUNICATION TO THE

COMISIÓN NACIONAL DEL MERCADO DE VALORES

Regarding the information disclosed today in a digital newspaper, Banco Popular Español, S.A. categorically denies that:

- It has mandated an urgent sale of the Bank.
- A risk of bankruptcy may exist.
- The Chairman had informed other credit entities of an urgent liquidity need due to a massive deposit withdrawal.

Thus, the article discloses false statements and information.

As disclosed last week, at the end of the first quarter the net worth of the bank amounts to €10,777M and the total regulatory capital ratio is 11.91%, above regulatory requirements.

It is also false that the Spanish Banks Association (AEB) may have information that shows that the Bank lost € 6,000M of deposits in January.

Morover it is also untrue that the Bank may have abandoned the current non-strategic asset disposal processes, which are still under way in their ordinary course.

The Bank's strategy, mentioned by the Chairman in the Shareholders' Ordinary Meeting of April 10th, remains unchanged and is being worked on. It envisages a potential capital increase or a corporate transaction.

The Bank is assisted by several specialized advisors in the execution of this strategy.

Popular

Banco Popular continues with its activities in the ordinary course of business.

The Bank reserves the right to bring any legal actions that may assist it.

Francisco Aparicio Valls
Secretary and Member of the Board of Directors

