

Significant event

CaixaBank informs that it has agreed to sell 80% of its real estate business - as defined below - to a company belonging to the funds Lone Star Fund X and Lone Star Real Estate Fund V ("**Lone Star**" and the "**Transaction**").

The real estate business ("**Real Estate Business**") to be sold to Lone Star through the Transaction comprises mainly the entire available for sale portfolio of real estate assets as of 31st October 2017 (the "**Real Estate Assets**") and 100% of the share capital of Servihabitat Servicios Inmobiliarios, S.L. ("**Servihabitat**"). The gross book value of the Real Estate Assets as of 31st October 2017 was approximately €12.8 billion (and a net book value of €6.7 billion)

After the completion of the repurchase of 51% of Servihabitat announced on 8 June 2018 (Significant Event with registry number 266612), once the authorization of the Competition National Authority has been obtained, CaixaBank will contribute to a new company (the "**Company**") the Real Estate Business and will later sell 80% of the shares of the Company to Lone Star at closing of the Transaction, retaining a 20% stake. The initial valuation attributed to 100% of the Real Estate Business in the Transaction is approximately €7.0 billion. CaixaBank will implement the Transaction through its real estate subsidiary Building Center, S.A..

The price for the sale of 80% of the Company shall be 80% of the final valuation of the Real Estate Business at closing date which will largely depend on the number of Real Estate Assets remaining at the Company at such date (that is, depending on the number of Real Estate Assets sold between 31 October 2017 until closing of the Transaction).

Closing of the Transaction is expected to occur in the fourth quarter of 2018 or first quarter of 2019, once all of the required authorizations for the Transaction, including the authorization of the EU Competition Authority and other customary conditions, have been satisfied.

As part of the Transaction, Servihabitat shall continue to service the real estate assets of CaixaBank group for a period of 5 years under a new servicing agreement which will allow CaixaBank to achieve a greater degree of flexibility and efficiency, including cost reduction and savings announced on 8 June 2018 regarding the repurchase of 51% of Servihabitat.

CaixaBank and Lone Star shall execute on closing of the Transaction a shareholders agreement to regulate their relationship as partners in the Company.

At closing, the Transaction will result in the deconsolidation of the Real Estate Business and will have, as per the current estimate, a neutral impact on P&L and a positive impact of 30 basis points on the "fully loaded" CET 1 ratio. The combined capital impact of the Transaction is estimated in +15 basis points together with the repurchase of the 51% interest in Servihabitat by CaixaBank published on 8 June of 2018.

Cost savings to be achieved as a result of the Transaction are estimated to be €550m pre-tax for the next three years (2019-2021) (including the new servicing agreement with Servihabitat).

28 June 2018