

## ANNEX II

CREDIT INSTITUTIONS

1st

HALF-YEARLY FINANCIAL REPORT FOR FINANCIAL YEAR

2018

REPORTING DATE

30/06/2018

### I. IDENTIFICATION DATA

Registered Company Name: CAIXABANK, S.A.

Registered Address: CALLE PINTOR SOROLLA, 2-4 - VALENCIA

Tax Identification Number

A-08663619

### II. SUPPLEMENTARY 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)

*Translation of half-yearly financial report originally issued and prepared in Spanish. This English version is a translation of the original in Spanish for information purposes only. In the event of a discrepancy, the original Spanish-language version prevails.*

### III. STATEMENT(S) BY THE PERSON(S) RESPONSIBLE FOR THE INFORMATION

*To the best of our knowledge, the accompanying condensed annual financial statements, which have been prepared in accordance with applicable accounting principles, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or of the undertakings included in the consolidated financial statements taken as a whole, and the interim management report includes a fair review of the information required.*

**Comments on the above statement(s):** Mrs. Maria Amparo Moraleda Martínez does not sign for not attending the meeting.

**Person(s) responsible for this information:**

Name/Company Name	Office
JORDI GUAL SOLE	PRESIDENT
TOMAS MUNIESA ARANTEGUI	VICEPRESIDENT
GONZALO GORTAZAR ROTAECHE	CEO
MARÍA TERESA BASSONS BONCOMPTE	DIRECTOR
MARÍA VERÓNICA FISAS VERGES	DIRECTOR
ALEJANDRO GARCÍA-BRAGADO DALMAU	DIRECTOR
IGNACIO GARRALDA RUÍZ DE VELASCO	DIRECTOR
JAVIER IBARZ ALEGRÍA	DIRECTOR
ALAIN MINC	DIRECTOR
MARÍA AMPARO MORALEDA MARTÍNEZ	DIRECTOR
JOHN SHEPARD REED	DIRECTOR
JUAN ROSELL LASTORTRAS	DIRECTOR
ANTONIO SÁINZ DE VICUÑA BARROSO	DIRECTOR
EDUARDO JAVIER SANCHIZ IRAZU	DIRECTOR
JOSÉ SERNA MASÍA	DIRECTOR
KORO USARRAGA UNSAIN	DIRECTOR
FRANCESC XAVIER VIVES TORRENTS	DIRECTOR
FUNDACION BANCARIA CANARIA CAJA GENERAL DE AHORROS DE CANARIAS-FUNDACION	DIRECTOR COORDINATOR

**In accordance with the power delegated by the board of directors, the board secretary certifies that the half-yearly financial report has been signed by the directors.**

**Date this half-yearly financial report was signed by the corresponding governing body: 26/07/2018**

**IV. SELECTED FINANCIAL INFORMATION**

**1. INDIVIDUAL BALANCE SHEET (1/3)(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)**

Units: Thousand euros

ASSETS		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 31/12/2017
<b>1. Cash on hand, cash balances at central banks and other demand deposits</b>	<b>0040</b>	<b>20.185.607</b>	<b>18.796.313</b>
<b>2. Financial assets held for trading</b>	<b>0045</b>	<b>16.750.495</b>	<b>16.124.866</b>
<i>Token entry: loans or provided as collateral with right of sale or pledge</i>	<b>0046</b>	<i>1.141.916</i>	<i>1.052.526</i>
<b>3. Financial assets designated at fair value through profit or loss</b>	<b>0050</b>	<b>504.176</b>	<b>116</b>
<i>Token entry: loaned or provided as collateral with right of sale or pledge</i>	<b>0051</b>		
<b>4. Available-for-sale financial assets</b>	<b>0055</b>	<b>17.760.772</b>	<b>16.192.506</b>
<i>Token entry: loaned or provided as collateral with right of sale or pledge</i>	<b>0056</b>	<i>4.554.776</i>	<i>7.333.479</i>
<b>5. Loans and receivables</b>	<b>0060</b>	<b>227.536.439</b>	<b>213.261.388</b>
<i>Token entry: loaned or provided as collateral with right of sale or pledge</i>	<b>0061</b>	<i>94.613.295</i>	<i>90.327.313</i>
<b>6. Held-to-maturity investments</b>	<b>0065</b>		<b>11.070.175</b>
<i>Token entry: loaned or provided as collateral with right of sale or pledge</i>	<b>0066</b>		<i>3.600.019</i>
<b>7. Derivatives – hedge accounting</b>	<b>0070</b>	<b>2.084.115</b>	<b>2.645.873</b>
<b>8. Fair value changes of the hedged items in portfolio hedge of interest rate risk</b>	<b>0075</b>	<b>94.267</b>	<b>-9.726</b>
<b>9. Investments in subsidiaries, joint ventures and associates</b>	<b>0080</b>	<b>13.138.936</b>	<b>13.450.504</b>
a) Group entities	<b>0090</b>	8.883.916	9.163.376
b) Jointly-controlled entities	<b>0091</b>	97.832	129.688
c) Associates	<b>0092</b>	4.157.188	4.157.440
<b>10. Tangible assets</b>	<b>0100</b>	<b>3.006.048</b>	<b>2.920.257</b>
a) Property, plant and equipment	<b>0101</b>	2.887.880	2.807.268
i) For own use	<b>0102</b>	2.887.880	2.807.268
ii) Leased out under an operating lease	<b>0103</b>		
iii) Assigned to welfare projects (savings banks and credit cooperatives)	<b>0104</b>		
b) Investment property	<b>0105</b>	118.168	112.989
<i>Of which: leased out under an operating lease</i>	<b>0106</b>		
<i>Token entry: acquired under finance lease</i>	<b>0107</b>		
<b>11. Intangible assets</b>	<b>0110</b>	<b>1.229.233</b>	<b>1.326.768</b>
a) Goodwill	<b>0111</b>	839.286	958.782
b) Other intangible assets	<b>0112</b>	389.947	367.986
<b>12. Tax assets</b>	<b>0120</b>	<b>8.706.835</b>	<b>8.622.377</b>
a) Current tax assets	<b>0121</b>	536.998	730.347
b) Deferred tax assets	<b>0122</b>	8.169.837	7.892.030
<b>13. Other assets</b>	<b>0130</b>	<b>3.660.318</b>	<b>3.141.491</b>
a) Insurance contracts linked to pensions	<b>0131</b>	2.045.501	2.117.090
b) Inventories	<b>0132</b>	7.019	6.345
c) Other assets	<b>0133</b>	1.607.798	1.018.056
<b>14. Non-current assets and disposal groups classified as held for sale</b>	<b>0140</b>	<b>671.387</b>	<b>855.649</b>
<b>TOTAL ASSETS</b>	<b>0150</b>	<b>315.328.628</b>	<b>308.398.557</b>

**IV. SELECTED FINANCIAL INFORMATION**

**1. INDIVIDUAL BALANCE SHEET (2/3) (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)**

Units: Thousand euros

EQUITY AND LIABILITIES		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 31/12/2017
<b>1. Financial liabilities held for trading</b>	<b>0160</b>	<b>16.136.151</b>	<b>15.213.577</b>
<b>2. Financial liabilities designated at fair value through profit or loss</b>	<b>0170</b>		<b>116</b>
<i>Token entry: subordinate liabilities</i>	<b>0175</b>		
<b>3. Financial liabilities measured at amortised cost</b>	<b>0180</b>	<b>269.060.308</b>	<b>261.753.290</b>
<i>Token entry: subordinate liabilities</i>	<b>0185</b>	6.183.056	5.999.252
<b>4. Derivatives - hedge accounting</b>	<b>0190</b>	<b>855.765</b>	<b>723.289</b>
<b>5. Fair value changes of the hedged items in portfolio hedge of interest rate risk</b>	<b>0200</b>	<b>1.320.306</b>	<b>1.409.748</b>
<b>6. Provisions</b>	<b>0210</b>	<b>4.609.166</b>	<b>4.704.599</b>
a) Pensions and other post-employment defined benefit obligations	<b>0211</b>	2.053.827	2.105.931
b) Other long-term employee benefits	<b>0212</b>	1.118.903	1.222.557
c) Pending legal issues and tax litigation	<b>0213</b>	661.874	727.621
d) Commitments and guarantees given	<b>0214</b>	246.049	261.948
e) Other provisions	<b>0215</b>	528.513	386.542
<b>7. Tax liabilities</b>	<b>0220</b>	<b>1.162.484</b>	<b>984.384</b>
a) Current tax liabilities	<b>0221</b>	466.330	227.681
b) Deferred tax liabilities	<b>0223</b>	696.154	756.703
<b>8. Share capital repayable on demand</b>	<b>0230</b>		
<b>9. Other liabilities</b>	<b>0240</b>	<b>1.312.959</b>	<b>1.628.408</b>
<i>Of which: fund for welfare projects (savings banks and credit cooperatives)</i>	<b>0241</b>		
<b>10. Liabilities included in disposal groups classified as held for sale</b>	<b>0250</b>		
<b>TOTAL LIABILITIES</b>	<b>0260</b>	<b>294.457.139</b>	<b>286.417.411</b>

**IV. SELECTED FINANCIAL INFORMATION**

**1. INDIVIDUAL BALANCE SHEET (3/3)(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)**

Units: Thousand euros

EQUITY AND LIABILITIES (continuation)		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 31/12/2017
<b>CAPITAL AND RESERVES</b>	<b>0270</b>	<b>21.439.066</b>	<b>21.956.181</b>
<b>1. Capital</b>	<b>0280</b>	<b>5.981.438</b>	<b>5.981.438</b>
a) Paid up capital	0281	5.981.438	5.981.438
b) Unpaid capital which has been called up	0282		
<i>Token entry: uncalled capital</i>	0283		
<b>2. Share premium</b>	<b>0290</b>	<b>12.032.802</b>	<b>12.032.802</b>
<b>3. Equity instruments issued other than capital</b>	<b>0300</b>	<b>0</b>	<b>0</b>
a) Equity component of compound financial instruments	0301		
b) Other equity instruments issued	0302		
<b>4. Other equity</b>	<b>0310</b>	<b>10.729</b>	<b>10.054</b>
<b>5. Retained earnings</b>	<b>0320</b>	<b>5.975.679</b>	<b>5.055.789</b>
<b>6. Revaluation reserves</b>	<b>0330</b>		<b>0</b>
<b>7. Other reserves</b>	<b>0340</b>	<b>(3.063.006)</b>	<b>(2.121.960)</b>
<b>8. (-) Treasury shares</b>	<b>0350</b>	<b>(9.040)</b>	<b>(11.619)</b>
<b>9. Profit or loss for the period</b>	<b>0360</b>	<b>510.464</b>	<b>1.428.131</b>
<b>10. (-) Interim dividends</b>	<b>0370</b>		<b>(418.454)</b>
<b>ACCUMULATED OTHER COMPREHENSIVE INCOME</b>	<b>0380</b>	<b>(567.577)</b>	<b>24.965</b>
<b>1. Items that will not be reclassified to profit or loss</b>	<b>0390</b>	<b>(787.355)</b>	<b>0</b>
a) Actuarial gains or (-) losses on defined benefit pension plans	0391	(79.731)	
b) Non-current assets and disposal groups classified as held for sale	0392		
d) Other valuation adjustments	0393	(707.624)	
<b>2. Items that may be reclassified to profit or loss</b>	<b>0400</b>	<b>219.778</b>	<b>24.965</b>
a) Hedge of net investments in foreign operations (effective portion)	0401		
b) Foreign currency translation	0402	(377)	(1.270)
c) Hedging derivatives. Cash flow hedges (effective portion)	0403	(91.242)	16.657
d) Available-for-sale financial assets	0404	311.397	9.578
i) Debt instruments	0405	311.397	395.604
ii) Equity instruments	0406		(386.026)
e) Non-current assets and disposal groups classified as held for sale	0407		0
<b>TOTAL EQUITY</b>	<b>0450</b>	<b>20.871.489</b>	<b>21.981.146</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>0460</b>	<b>315.328.628</b>	<b>308.398.557</b>

**TOKEN ENTRY: OFF-BALANCE-SHEET EXPOSURE**

<b>1. Guarantees given</b>	<b>0470</b>	<b>4.057.498</b>	<b>5.095.290</b>
<b>2. Contingent commitments given</b>	<b>0480</b>	<b>70.829.056</b>	<b>71.064.811</b>

#### IV. SELECTED FINANCIAL INFORMATION

#### 2. INDIVIDUAL PROFIT AND LOSS ACCOUNT (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units: Thousand euros

		PRESENT CURR. PERIOD (2nd HALF YEAR)	PREVIOUS CURR. PERIOD (2nd HALF YEAR)	CURRENT CUMULATIVE 30/06/2018	PREVIOUS CUMULATIVE 30/06/2017
(+) Interest income	0501			2.144.000	2.148.107
(-) Interest expense	0502			(399.023)	(407.453)
(-) Remuneration of capital redeemable on demand	0503				
<b>= A) NET INTEREST INCOME</b>	<b>0505</b>			<b>1.744.977</b>	<b>1.740.654</b>
(+) Dividend income	0506			776.655	597.501
(+) Fee and commission income	0508			1.124.364	1.090.559
(-) Fee and commission expenses	0509			(76.452)	(75.813)
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	0510			155.910	(1.556)
(+/-) Gains or losses on financial assets and liabilities held for trading, net	0511			(4.678)	31.183
Gains or losses on financial assets and liabilities designated at fair value through profit or loss, net	0512			8.258	
(+/-) Gains or losses from hedge accounting, net	0513			36.003	20.426
(+/-) Exchange differences, net	0514			15.240	47.793
(+) Other operating income	0515			24.002	161.781
(-) Other operating expenses	0516			(187.005)	(194.817)
<b>= B) GROSS OPERATING INCOME</b>	<b>0520</b>			<b>3.617.274</b>	<b>3.417.711</b>
(-) Administrative expenses:	0521			(1.692.101)	(1.648.732)
(-) a) Staff expenses	0522			(1.212.807)	(1.214.413)
(-) b) Other administrative expenses	0523			(479.294)	(434.319)
(-) Depreciation	0524			(228.544)	(245.068)
(+/-) Provisions or reversal of provisions	0525			(153.585)	(472.839)
Impairment or reversal of impairment on non-financial assets not measured at fair value through profit or loss	0526			(132.458)	(548.562)
(+/-) a) Financial assets measured at cost	0527				
(+/-) b) Available-for-sale financial assets	0528			(2)	(133.387)
(+/-) c) Loans and receivables	0529			(132.456)	(415.175)
(+/-) d) Held-to-maturity investments	0530				
<b>= C) NET OPERATING INCOME</b>	<b>0540</b>			<b>1.410.586</b>	<b>502.510</b>
Impairment or reversal of impairment of investments in subsidiaries, joint ventures and associates	0541			(617.703)	261.927
(+/-) Impairment or reversal of impairment on non-financial assets	0542			(6.971)	(11.008)
(+/-) a) Property, plant and equipment	0543			(7.258)	(4.439)
(+/-) b) Intangible assets	0544			(164)	(6.569)
(+/-) c) Other	0545			451	
Gains or losses on derecognition of non-financial assets and shareholdings, net	0546			6.301	4.284
(+) 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			(6.931)	(4.887)
<b>= D) PROFIT OR LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>0550</b>			<b>785.282</b>	<b>752.826</b>
(+/-) Tax expense or income related to profit or loss from continuing operations	0551			(274.818)	(32.520)
<b>= E) PROFIT OR LOSS AFTER TAX FROM CONTINUING OPERATIONS</b>	<b>0560</b>			<b>510.464</b>	<b>720.306</b>
(+/-) Profit or loss after tax from discontinued operations	0561				
<b>= PROFIT OR LOSS FOR THE PERIOD</b>	<b>0570</b>			<b>510.464</b>	<b>720.306</b>

EARNINGS PER SHARE		Amount (X.XX euros)	Amount (X.XX euros)	Amount (X.XX euros)	Amount (X.XX euros)
Basic	0580			0,08	0,12
Diluted	0590			0,08	0,12

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 RECOGNISED INCOME AND EXPENSE (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)**

Units: Thousand euros

		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 30/06/2017
<b>A) PROFIT OR LOSS FOR THE PERIOD</b>	<b>0600</b>	<b>510.464</b>	<b>720.306</b>
<b>B) OTHER COMPREHENSIVE INCOME</b>	<b>0610</b>	<b>(591.585)</b>	<b>33.075</b>
<b>1. Items that will not be reclassified to profit or loss</b>	<b>0620</b>	<b>(400.371)</b>	<b>0</b>
a) Actuarial gains or (-) losses on defined benefit pension plans	0621	(113.902)	
b) Non-current assets and disposal groups held for sale	0622		
c) Other valuation adjustments	0623	(347.516)	
d) Income tax relating to items that will not be reclassified	0624	61.047	
<b>2. Items that may be reclassified to profit or loss</b>	<b>0630</b>	<b>(191.214)</b>	<b>33.075</b>
a) Hedge of net investments in foreign operations [effective portion]	0635	0	0
- Valuation gains or losses taken to equity	0636		
- Transferred to profit or loss	0637		
- Other reclassifications	0638		
b) Foreign currency translation	0640	884	(1.211)
- Translation gains or losses taken to equity	0641	884	(1.211)
- Transferred to profit or loss	0642		
- Other reclassifications	0643		
c) Cash flow hedges [effective portion]	0645	(147.104)	3.628
- Valuation gains or losses taken to equity	0646	(125.373)	(1.594)
- Transferred to profit or loss	0647	(21.731)	5.222
- Transferred to initial carrying amount of hedged items	0648		
- Other reclassifications	0649		
d) Available-for-sale financial assets	0650	(70.057)	(68.424)
- Valuation gains or losses taken to equity	0651	47.169	(256.584)
- Transferred to profit or loss	0652	(117.226)	188.160
- Other reclassifications	0653		
e) Non-current assets and disposal groups held for sale	0655	0	0
- Valuation gains or losses taken to equity	0656		
- Transferred to profit or loss	0657		
- Other reclassifications	0658		
f) Income tax relating to items that may be reclassified to profit or loss	0660	25.063	99.082
<b>C) TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>0670</b>	<b>(81.121)</b>	<b>753.381</b>

**IV. SELECTED FINANCIAL INFORMATION**

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

Units: Thousand 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 for the period	(-) Interim dividends	Accumulated other comprehensive income	Total
<b>Opening balance [before restatement]</b>	<b>0700</b>	5.981.438	12.032.802		10.054	5.055.789		(2.121.960)	(11.619)	1.428.131	(418.454)	24.008	21.980.189
Effects of corrections of errors	0701												0
Effects of changes in accounting policies	0702					68.669		(591.599)					(522.930)
<b>Opening balance [current period]</b>	<b>0710</b>	5.981.438	12.032.802	0	10.054	5.124.458	0	(2.713.559)	(11.619)	1.428.131	(418.454)	24.008	21.457.259
<b>Total comprehensive income for the period</b>	<b>0720</b>									510.464		(591.585)	(81.121)
<b>Other changes in equity</b>	<b>0730</b>	0	0	0	675	851.221	0	(349.447)	2.579	(1.428.131)	418.454	0	(504.649)
Issuance of ordinary shares	0731												0
Issuance of preference shares	0732												0
Issuance of other equity instruments	0733												0
Exercise or expiration of other equity instruments issued	0734												0
Conversion of debt to equity	0735												0
Capital reduction	0736												0
Dividends (or remuneration to shareholders)	0737					(478.307)							(478.307)
Purchase of treasury shares	0738								(92)				(92)
Sale or cancellation of treasury shares	0739							802	2.671				3.473
Reclassification of financial instruments from equity to liability	0740												0
Reclassification of financial instruments from liability to equity	0741												0
Transfers among components of equity	0742					1.009.677				(1.428.131)	418.454		0
Equity increase or (-) decrease resulting from business combinations	0743												0
Share based payments	0744												0
Other increase or (-) decrease in equity	0745				675	319.851		(350.249)					(29.723)
<i>Of which: discretionary transfer to welfare projects and funds (savings banks and credit cooperatives)</i>	0746												0
<b>Closing balance [current period]</b>	<b>0750</b>	5.981.438	12.032.802	0	10.729	5.975.679	0	(3.063.006)	(9.040)	510.464	0	(567.577)	20.871.489



**IV. SELECTED FINANCIAL INFORMATION**

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

Units: Thousand 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 for the period	(-) Interim dividends	Accumulated other comprehensive income	Total
<b>Opening balance [before restatement] [comparative period]</b>	<b>0751</b>	5.981.438	12.032.802		7.499	4.612.500		(2.095.349)	(14.241)	1.035.077	(177.180)	160.972	21.543.518
Effects of corrections of errors	0752												0
Effects of changes in accounting policies	0753												0
<b>Opening balance [comparative period]</b>	<b>0754</b>	5.981.438	12.032.802	0	7.499	4.612.500	0	(2.095.349)	(14.241)	1.035.077	(177.180)	160.972	21.543.518
<b>Total comprehensive income for the period</b>	<b>0755</b>									720.306		33.075	753.381
<b>Other changes in equity</b>	<b>0756</b>	0	0	0	1.580	475.610	0	(2.804)	2.644	(1.035.077)	177.180	0	(380.867)
Issuance of ordinary shares	0757												0
Issuance of preference shares	0758												0
Issuance of other equity instruments	0759												0
Exercise or expiration of other equity instruments issued	0760												0
Conversion of debt to equity	0761												0
Capital reduction	0762												0
Dividends (or remuneration to shareholders)	0763					(358.675)							(358.675)
Purchase of treasury shares	0764								(18)				(18)
Sale or cancellation of treasury shares	0765							(492)	2.662				2.170
Reclassification of financial instruments from equity to liability	0766												0
Reclassification of financial instruments from liability to equity	0767												0
Transfers among components of equity	0768					857.897				(1.035.077)	177.180		0
Equity increase or (-) decrease resulting from business combinations	0769												0
Share based payments	0770												0
Other increase or (-) decrease in equity	0771				1.580	(23.612)		(2.312)					(24.344)
<i>Of which: discretionary transfer to welfare projects and funds (savings banks and credit cooperatives)</i>	0772												0
<b>Closing balance [comparative period]</b>	<b>0773</b>	5.981.438	12.032.802	0	9.079	5.088.110	0	(2.098.153)	(11.597)	720.306	0	194.047	21.916.032

**IV. SELECTED FINANCIAL INFORMATION**

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

Units: Thousand euros

		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 30/06/2017
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES (1 + 2 + 3 + 4 + 5)</b>	<b>0800</b>	<b>1.886.291</b>	<b>595.825</b>
<b>1. Profit or loss for the period</b>	<b>0810</b>	<b>510.464</b>	<b>720.306</b>
<b>2. Adjustments to obtain cash flows from operating activities</b>	<b>0820</b>	<b>1.362.823</b>	<b>1.032.608</b>
(+) Depreciation and amortisation	0821	228.544	245.068
(+/-) Other adjustments	0822	1.134.279	787.540
<b>3. Net increase/(decrease) in operating assets:</b>	<b>0830</b>	<b>(8.409.810)</b>	<b>1.741.613</b>
(+/-) Financial assets held for trading	0831	(625.628)	572.364
(+/-) Financial assets designated at fair value through profit or loss	0832	18.929	
(+/-) Available-for-sale financial assets	0833	(2.123.019)	1.133.417
(+/-) Loans and receivables	0834	(5.499.794)	31.799
(+/-) Other operating assets	0835	(180.298)	4.033
<b>4. Net increase/(decrease) in operating liabilities:</b>	<b>0840</b>	<b>8.276.533</b>	<b>(3.260.375)</b>
(+/-) Financial liabilities held for trading	0841	922.574	(1.032.307)
(+/-) Financial liabilities designated at fair value through profit or loss	0842	(116)	
(+/-) Financial liabilities at amortised cost	0843	7.411.958	(1.687.609)
(+/-) Other operating liabilities	0844	(57.883)	(540.459)
<b>5. Income tax recovered/(paid)</b>	<b>0850</b>	<b>146.281</b>	<b>361.673</b>
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES (1 + 2)</b>	<b>0860</b>	<b>123.469</b>	<b>62.942</b>
<b>1. Payments</b>	<b>0870</b>	<b>(246.644)</b>	<b>(892.626)</b>
(-) Tangible assets	0871	(186.037)	(130.312)
(-) Intangible assets	0872	(59.292)	(73.033)
(-) Investments in subsidiaries, joint ventures and associates	0873	(458)	(686.181)
(-) Other business units	0874		
(-) Non-current assets and liabilities classified as held for sale	0875	(857)	(3.100)
(-) Held-to-maturity investments	0876		
(-) Other payments related to investing activities	0877		
<b>2. Proceeds:</b>	<b>0880</b>	<b>370.113</b>	<b>955.568</b>
(+) Tangible assets	0881	50.640	21.038
(+) Intangible assets	0882	3.951	
(+) Investments in subsidiaries, joint ventures and associates	0883	39.732	901
(+) Other business units	0884		
(+) Non-current assets and liabilities classified as held for sale	0885	275.790	402.544
(+) Held-to-maturity investments	0886		531.085
(+) Other proceeds related to investing activities	0887		
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES (1 + 2)</b>	<b>0890</b>	<b>(615.851)</b>	<b>(386.031)</b>
<b>1. Payments</b>	<b>0900</b>	<b>(5.494.324)</b>	<b>(4.888.693)</b>
(-) Dividends	0901	(478.307)	(358.675)
(-) Subordinated liabilities	0902	(2.072.000)	
(-) Redemption of own equity instruments	0903		
(-) Acquisition of own equity instruments	0904	(92)	(18)
(-) Other payments related to financing activities	0905	(2.943.925)	(4.530.000)
<b>2. Proceeds:</b>	<b>0910</b>	<b>4.878.473</b>	<b>4.502.662</b>
(+) Subordinated liabilities	0911	2.250.000	
(+) Issuance of own equity instruments	0912		
(+) Disposal of own equity instruments	0913	3.473	2.662
(+) Other proceeds related to financing activities	0914	2.625.000	4.500.000
<b>D) EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>0920</b>	<b>(4.615)</b>	<b>(1.408)</b>
<b>E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)</b>	<b>0930</b>	<b>1.389.294</b>	<b>271.328</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>0940</b>	<b>18.796.313</b>	<b>12.973.689</b>
<b>G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E + F)</b>	<b>0950</b>	<b>20.185.607</b>	<b>13.245.017</b>

**COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD**

		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 30/06/2017
(+) Cash	0955	1.521.379	1.685.810
(+) Cash equivalent balances at central banks	0960	18.118.876	10.994.615
(+) Other financial assets	0965	545.352	564.592
(-) Less: Bank overdrafts repayable on demand	0970		
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>0980</b>	<b>20.185.607</b>	<b>13.245.017</b>

**IV. SELECTED FINANCIAL INFORMATION**  
**6. CONSOLIDATED BALANCE SHEET (ADOPTED IFRS) (1/3)**

Units: Thousand euros

ASSETS		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 31/12/2017
<b>1. Cash on hand, cash balances at central banks and other demand deposits</b>	<b>1040</b>	<b>22.670.323</b>	<b>20.155.318</b>
<b>2. Financial assets held for trading</b>	<b>1045</b>	<b>10.077.238</b>	<b>10.596.684</b>
<i>Token entry: loans or provided as collateral with right of sale or pledge</i>	1046	1.141.916	1.052.526
<b>3. Financial assets designated at fair value through profit or loss</b>	<b>1050</b>	<b>744.138</b>	<b>6.499.807</b>
<i>Token entry: loaned or provided as collateral with right of sale or pledge</i>	1051	0	
<b>4. Available-for-sale financial assets</b>	<b>1055</b>	<b>20.026.995</b>	<b>69.554.707</b>
<i>Token entry: loaned or provided as collateral with right of sale or pledge</i>	1056	4.554.776	9.377.156
<b>5. Loans and receivables</b>	<b>1060</b>	<b>243.491.845</b>	<b>226.272.499</b>
<i>Token entry: loaned or provided as collateral with right of sale or pledge</i>	1061	94.337.208	103.154.984
<b>6. Held-to-maturity investments</b>	<b>1065</b>	<b>0</b>	<b>11.084.829</b>
<i>Token entry: loaned or provided as collateral with right of sale or pledge</i>	1066	0	3.600.019
<b>7. Derivatives – hedge accounting</b>	<b>1070</b>	<b>2.053.380</b>	<b>2.596.939</b>
<b>8. Fair value changes of the hedged items in portfolio hedge of interest rate risk</b>	<b>1075</b>	<b>116.448</b>	<b>10.847</b>
<b>9. Investments in joint ventures and associates</b>	<b>1080</b>	<b>6.214.723</b>	<b>6.224.425</b>
a) Jointly-controlled entities	1091	160.763	187.107
b) Associates	1092	6.053.960	6.037.318
<b>10. Insurance and reinsurance assets</b>	<b>1095</b>	<b>60.905.331</b>	<b>275.495</b>
<b>11. Tangible assets</b>	<b>1100</b>	<b>6.337.604</b>	<b>6.480.434</b>
a) Property, plant and equipment	1101	3.150.096	3.076.344
i) For own use	1102	3.150.096	3.076.344
ii) Leased out under an operating lease	1103		
iii) Assigned to welfare projects (savings banks and credit cooperatives)	1104		
b) Investment property	1105	3.187.508	3.404.090
<i>Of which: leased out under an operating lease</i>	1106		
<i>Token entry: acquired under finance lease</i>	1107		
<b>12. Intangible assets</b>	<b>1110</b>	<b>3.819.017</b>	<b>3.804.983</b>
a) Goodwill	1111	3.050.845	3.050.845
b) Other intangible assets	1112	768.172	754.138
<b>13. Tax assets</b>	<b>1120</b>	<b>10.852.318</b>	<b>11.054.984</b>
a) Current tax assets	1121	579.407	800.143
b) Deferred tax assets	1122	10.272.911	10.254.841
<b>14. Other assets</b>	<b>1130</b>	<b>3.161.347</b>	<b>2.505.282</b>
a) Insurance contracts linked to pensions	1131		
b) Inventories	1132	816.993	877.586
c) Other assets	1133	2.344.354	1.627.696
<b>15. Non-current assets and disposal groups classified as held for sale</b>	<b>1140</b>	<b>5.645.841</b>	<b>6.068.930</b>
<b>TOTAL ASSETS</b>	<b>1150</b>	<b>396.116.548</b>	<b>383.186.163</b>

**IV. SELECTED FINANCIAL INFORMATION**

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

Units: Thousand euros

EQUITY AND LIABILITIES		CURRENT PERIOD 30/06/2018	CURRENT PERIOD 30/06/2017
<b>1. Financial liabilities held for trading</b>	<b>1160</b>	<b>9.328.249</b>	<b>8.604.930</b>
<b>2. Financial liabilities designated at fair value through profit or loss</b>	<b>1170</b>	<b>0</b>	<b>8.241.088</b>
<i>Token entry: subordinate liabilities</i>	1175		
<b>3. Financial liabilities measured at amortised cost</b>	<b>1180</b>	<b>291.401.584</b>	<b>280.897.381</b>
<i>Token entry: subordinate liabilities</i>	1185	6.210.919	5.053.814
<b>4. Derivatives - hedge accounting</b>	<b>1190</b>	<b>911.729</b>	<b>793.132</b>
<b>5. Fair value changes of the hedged items in portfolio hedge of interest rate risk</b>	<b>1200</b>	<b>1.321.619</b>	<b>1.409.702</b>
<b>6. Insurance and reinsurance liabilities</b>	<b>1205</b>	<b>60.437.661</b>	<b>49.750.389</b>
<b>7. Provisions</b>	<b>1210</b>	<b>4.889.195</b>	<b>5.000.941</b>
a) Pensions and other post-employment defined benefit obligations	1211	2.055.672	2.107.776
b) Other long-term employee benefits	1212	1.119.394	1.223.077
c) Pending legal issues and tax litigation	1213	735.692	802.700
d) Commitments and guarantees given	1214	345.421	356.927
e) Other provisions	1215	633.016	510.461
<b>8. Tax liabilities</b>	<b>1220</b>	<b>1.383.281</b>	<b>1.388.070</b>
a) Current tax liabilities	1221	280.613	193.944
b) Deferred tax liabilities	1223	1.102.668	1.194.126
<b>9. Share capital repayable on demand</b>	<b>1230</b>	<b>0</b>	<b>0</b>
<b>10. Other liabilities</b>	<b>1240</b>	<b>2.257.982</b>	<b>2.335.108</b>
<i>Of which: fund for welfare projects (savings banks and credit cooperatives)</i>	1241		
<b>11. Liabilities included in disposal groups classified as held for sale</b>	<b>1250</b>	<b>86.225</b>	<b>82.141</b>
<b>TOTAL LIABILITIES</b>	<b>1260</b>	<b>372.017.525</b>	<b>358.502.882</b>

**IV. SELECTED FINANCIAL INFORMATION**  
**6. CONSOLIDATED BALANCE SHEET (ADOPTED IFRS) (3/3)**

Units: Thousand euros

EQUITY AND LIABILITIES (continuation)		CURRENT PERIOD 30/06/2018	CURRENT PERIOD 30/06/2017
<b>CAPITAL AND RESERVES</b>	<b>1270</b>	<b>24.657.558</b>	<b>24.203.895</b>
<b>1. Capital</b>	<b>1280</b>	<b>5.981.438</b>	<b>5.981.438</b>
a) Paid up capital	1281	5.981.438	5.981.438
b) Unpaid capital which has been called up	1282		
<i>Token entry: uncalled capital</i>	1283		
<b>2. Share premium</b>	<b>1290</b>	<b>12.032.802</b>	<b>12.032.802</b>
<b>3. Equity instruments issued other than capital</b>	<b>1300</b>	<b>0</b>	<b>0</b>
a) Equity component of compound financial instruments	1301		
b) Other equity instruments issued	1302		
<b>4. Other equity</b>	<b>1310</b>	<b>10.729</b>	<b>10.054</b>
<b>5. Retained earnings</b>	<b>1320</b>	<b>6.329.470</b>	<b>5.553.704</b>
<b>6. Revaluation reserves</b>	<b>1330</b>		
<b>7. Other reserves</b>	<b>1340</b>	<b>(985.329)</b>	<b>(628.066)</b>
<b>8. (-) Treasury shares</b>	<b>1350</b>	<b>(9.796)</b>	<b>(11.753)</b>
<b>9. Profit or loss attributable to owners of the parent</b>	<b>1360</b>	<b>1.298.244</b>	<b>1.684.167</b>
<b>10. (-) Interim dividends</b>	<b>1370</b>	<b>0</b>	<b>(418.451)</b>
<b>ACCUMULATED OTHER COMPREHENSIVE INCOME</b>	<b>1380</b>	<b>(758.612)</b>	<b>45.366</b>
<b>1. Items that will not be reclassified to profit or loss</b>	<b>1390</b>	<b>(819.830)</b>	<b>0</b>
a) Actuarial gains or (-) losses on defined benefit pension plans	1391		
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	(57.366)	
d) Other valuation adjustments	1394	(762.464)	
<b>2. Items that may be reclassified to profit or loss</b>	<b>1400</b>	<b>61.218</b>	<b>45.366</b>
a) Hedge of net investments in foreign operations (effective portion)	1401		
b) Foreign currency translation	1402	(71.448)	74.199
c) Hedging derivatives. Cash flow hedges (effective portion)	1403	(94.888)	16.081
d) Available-for-sale financial assets	1404	261.991	(16.370)
i) Debt instruments	1405	261.991	407.959
ii) Equity instruments	1406		(424.329)
e) Non-current assets and disposal groups classified as held for sale	1407		
f) Share of other recognised income and expense of investments in joint ventures and associates	1408	(34.437)	(28.544)
<b>MINORITY INTEREST [Non-controlling interests]</b>	<b>1410</b>	<b>200.077</b>	<b>434.020</b>
<b>1. Accumulated other comprehensive income</b>	<b>1420</b>	<b>(1.571)</b>	<b>25.760</b>
<b>2. Other items</b>	<b>1430</b>	<b>201.648</b>	<b>408.260</b>
<b>TOTAL EQUITY</b>	<b>1450</b>	<b>24.099.023</b>	<b>24.683.281</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1460</b>	<b>396.116.548</b>	<b>383.186.163</b>

**TOKEN ENTRY: OFF-BALANCE-SHEET EXPOSURE**

<b>1. Guarantees given</b>	<b>1470</b>	<b>4.971.147</b>	<b>6.015.352</b>
<b>2. Contingent commitments given</b>	<b>1480</b>	<b>62.327.122</b>	<b>61.189.718</b>

#### IV. SELECTED FINANCIAL INFORMATION

#### 7. CONSOLIDATED PROFIT AND LOSS ACCOUNT (ADOPTED IFRS)

Units: Thousand euros

		PRESENT CURR. PERIOD (2nd HALF YEAR)	PREVIOUS CURR. PERIOD (2nd HALF YEAR)	CURRENT CUMULATIVE 30/06/2018	PREVIOUS CUMULATIVE 30/06/2017
(+) Interest income	1501			3.464.229	3.431.615
(-) Interest expense	1502			(1.032.060)	(1.082.527)
(-) Expenses on share capital repayable on demand	1503				
<b>= A) NET INTEREST INCOME</b>	<b>1505</b>	<b>0</b>	<b>0</b>	<b>2.432.169</b>	<b>2.349.088</b>
(+) Dividend income	1506			120.958	120.751
(+/-) Profit (loss) of equity-accounted investees	1507			502.594	267.723
(+) Fee and commission income	1508			1.446.830	1.367.385
(-) Fee and commission expense	1509			(154.108)	(115.454)
Gains or losses on derecognition of financial assets and liabilities not (+/-) measured at fair value through profit or loss, net	1510			153.116	63.921
(+/-) Gains or losses on financial assets and liabilities held for trading, net	1511			31.435	43.501
Gains or losses on financial assets and liabilities designated at fair (+/-) value through profit or loss, net	1512			73.735	
(+/-) Gains or losses from hedge accounting, net	1513			36.202	18.876
(+/-) Exchange differences, net	1514			(1.352)	51.585
(+) Other operating income	1515			269.234	379.599
(-) Other operating expenses	1516			(539.013)	(499.361)
(+) Income from insurance and reinsurance assets	1517			618.796	519.309
(-) Expenses of insurance and reinsurance liabilities	1518			(336.937)	(286.438)
<b>= B) GROSS OPERATING INCOME</b>	<b>1520</b>	<b>0</b>	<b>0</b>	<b>4.653.659</b>	<b>4.280.485</b>
(-) Administrative expenses:	1521	0	0	(2.111.059)	(2.103.006)
(-) a) Staff expenses	1522			(1.470.282)	(1.532.190)
(-) b) Other administrative expenses	1523			(640.777)	(570.816)
(-) Depreciation	1524			(200.855)	(219.964)
(+/-) Provisions or reversal of provisions	1525			(263.128)	(628.203)
Impairment or reversal of impairment of non-financial assets not (+/-) measured at fair value through profit or loss	1526	0	0	(267.192)	(606.116)
(+/-) a) Financial assets measured at cost	1527				
(+/-) b) Available-for-sale financial assets	1528			(2)	(137.634)
(+/-) c) Loans and receivables	1529			(267.190)	(468.482)
(+/-) d) Held-to-maturity investments	1530			0	
<b>= C) NET OPERATING INCOME</b>	<b>1540</b>	<b>0</b>	<b>0</b>	<b>1.811.425</b>	<b>723.196</b>
Impairment or reversal of impairment of investments in joint ventures (+/-) and associates	1541			(53.587)	(10)
(+/-) Impairment or reversal of impairment on non-financial assets	1542	0	0	(12.466)	(9.308)
(+/-) a) Property, plant and equipment	1543			(6.675)	(2.890)
(+/-) b) Intangible assets	1544			(15)	(6.418)
(+/-) c) Other	1545			(5.776)	0
Gains or losses on derecognition of non-financial assets and (+/-) shareholdings, net	1546			42.524	(172.750)
(+) Negative goodwill recognised in profit or loss	1547				441.555
Profit or loss from non-current assets and disposal groups classified as (+/-) held for sale not qualifying as discontinued operations	1548			(47.060)	22.749
<b>D) PROFIT OR LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>1550</b>	<b>0</b>	<b>0</b>	<b>1.740.836</b>	<b>1.005.432</b>
Tax expense or income related to profit or loss from continuing (+/-) operations	1551			(400.760)	(149.199)
<b>= E) PROFIT OR LOSS AFTER TAX FROM CONTINUING OPERATIONS</b>	<b>1560</b>	<b>0</b>	<b>0</b>	<b>1.340.076</b>	<b>856.233</b>
(+/-) Profit or loss after tax from discontinued operations	1561			905	(126)
<b>= PROFIT OR LOSS FOR THE PERIOD</b>	<b>1570</b>	<b>0</b>	<b>0</b>	<b>1.340.981</b>	<b>856.107</b>
Attributable to minority interest [non-controlling interests]	1571			42.737	16.617
Attributable to owners of the parent	1572			1.298.244	839.490

EARNINGS PER SHARE		Amount (X.XX euros)	Amount (X.XX euros)	Amount (X.XX euros)	Amount (X.XX euros)
Basic	1580			0,21	0,14
Diluted	1590			0,21	0,14

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**

**8. CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE (ADOPTED IFRS)**

Units: Thousand euros

		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 30/06/2017
<b>A) PROFIT OR LOSS FOR THE PERIOD</b>	<b>1600</b>	<b>1.340.981</b>	<b>856.107</b>
<b>B) OTHER COMPREHENSIVE INCOME</b>	<b>1610</b>	<b>(804.630)</b>	<b>29.501</b>
<b>1. Items that will not be reclassified to profit or loss</b>	<b>1620</b>	<b>(401.089)</b>	<b>0</b>
a) Actuarial gains or (-) losses on defined benefit pension plans	1621		
b) Non-current assets and disposal groups held for sale	1622		
c) Other valuation adjustments	1623	(428.933)	
d) Income tax relating to items that will not be reclassified	1624	27.844	
<b>2. Items that may be reclassified to profit or loss</b>	<b>1630</b>	<b>(403.541)</b>	<b>29.501</b>
a) Hedge of net investments in foreign operations [effective portion]	1635	0	0
- Valuation gains or losses taken to equity	1636		
- Transferred to profit or loss	1637		
- Other reclassifications	1638		
b) Foreign currency translation	1640	(180.184)	948
- Translation gains or losses taken to equity	1641	(180.184)	948
- Transferred to profit or loss	1642		
- Other reclassifications	1643		
c) Cash flow hedges [effective portion]	1645	(151.911)	2.927
- Valuation gains or losses taken to equity	1646	(131.230)	(3.794)
- Transferred to profit or loss	1647	(20.681)	6.721
- Transferred to initial carrying amount of hedged items	1648		
- Other reclassifications	1649		
d) Available-for-sale financial assets	1650	(160.227)	40.062
- Valuation gains or losses taken to equity	1651	(41.430)	(10.723)
- Transferred to profit or loss	1652	(118.797)	50.785
- Other reclassifications	1653		
e) Non-current assets and disposal groups held for sale	1655	0	0
- Valuation gains or losses taken to equity	1656		
- 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	19.312	(38.995)
g) Income tax relating to items that may be reclassified to profit or loss	1660	69.469	24.559
<b>C) TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>1670</b>	<b>536.351</b>	<b>885.608</b>
Attributable to minority interest [non-controlling interests]	1680	19.371	18.222
Attributable to owners of the parent	1690	516.980	867.386

**IV. SELECTED FINANCIAL INFORMATION**

**9. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ADOPTED IFRS) (1/2)**

Units: Thousand 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 for the period - Attributable to owners of the parent	(-) Interim dividends	Accumulated other comprehensive income	Non-controlling interests		Total
													Accumulated other comprehensive income	Other items	
<b>Opening balance [before restatement]</b>	<b>1700</b>	5.981.438	12.032.802		10.054	5.553.704		(628.066)	(11.753)	1.684.167	(418.451)	45.366	25.760	408.260	24.683.281
Effects of corrections of errors	1701														0
Effects of changes in accounting policies	1702							(538.438)				(22.714)	(3.965)	9.208	(555.909)
<b>Opening balance [current period]</b>	<b>1710</b>	5.981.438	12.032.802	0	10.054	5.553.704	0	(1.166.504)	(11.753)	1.684.167	(418.451)	22.652	21.795	417.468	24.127.372
<b>Total comprehensive income for the period</b>	<b>1720</b>									1.298.244		(781.264)	(23.366)	42.737	536.351
<b>Other changes in equity</b>	<b>1730</b>	0	0	0	675	775.766	0	181.175	1.957	(1.684.167)	418.451	0	0	(258.557)	(564.700)
Issuance of ordinary shares	1731														0
Issuance of preference shares	1732														0
Issuance of other equity instruments	1733														0
Exercise or expiration of other equity instruments issued	1734														0
Conversion of debt to equity	1735														0
Capital reduction	1736														0
Dividends (or remuneration to shareholders)	1737					(478.305)								(3.916)	(482.221)
Purchase of treasury shares	1738								(1.505)						(1.505)
Sale or cancellation of treasury shares	1739							802	3.462						4.264
Reclassification of financial instruments from equity to liability	1740														0
Reclassification of financial instruments from liability to equity	1741														0
Transfers among components of equity	1742					1.282.391		250.355		(1.684.167)	418.451			(267.030)	0
Equity increase or (-) decrease resulting from business combinations	1743														0
Share based payments	1744														0
Other increase or (-) decrease in equity	1745				675	(28.320)		(69.982)						12.389	(85.238)
<i>Of which: discretionary transfer to welfare projects and funds (savings banks and credit cooperatives)</i>	1746														0
<b>Closing balance [current period]</b>	<b>1750</b>	5.981.438	12.032.802	0	10.729	6.329.470	0	(985.329)	(9.796)	1.298.244	0	(758.612)	(1.571)	201.648	24.099.023



**IV. SELECTED FINANCIAL INFORMATION**

**9. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ADOPTED IFRS) (2/2)**

Units: Thousand 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 for the period - Attributable to owners of the parent	(-) Interim dividends	Accumulated other comprehensive income	Non-controlling interests		Total
													Accumulated other comprehensive income	Other items	
<b>Opening balance [before restatement] [comparative period]</b>	<b>1751</b>	<b>5.981.438</b>	<b>12.032.802</b>		<b>7.499</b>	<b>5.239.487</b>		<b>(716.893)</b>	<b>(14.339)</b>	<b>1.047.004</b>	<b>(177.179)</b>	<b>126.621</b>	<b>50</b>	<b>29.072</b>	<b>23.555.562</b>
Effects of corrections of errors	1752														0
Effects of changes in accounting policies	1753														0
<b>Opening balance [comparative period]</b>	<b>1754</b>	<b>5.981.438</b>	<b>12.032.802</b>	<b>0</b>	<b>7.499</b>	<b>5.239.487</b>	<b>0</b>	<b>(716.893)</b>	<b>(14.339)</b>	<b>1.047.004</b>	<b>(177.179)</b>	<b>126.621</b>	<b>50</b>	<b>29.072</b>	<b>23.555.562</b>
<b>Total comprehensive income for the comparative period</b>	<b>1755</b>									<b>839.490</b>		<b>27.896</b>	<b>1.605</b>	<b>16.617</b>	<b>885.608</b>
<b>Other changes in equity</b>	<b>1756</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1.580</b>	<b>284.816</b>	<b>0</b>	<b>173.091</b>	<b>1.388</b>	<b>(1.047.004)</b>	<b>177.179</b>	<b>0</b>	<b>0</b>	<b>343.012</b>	<b>(65.938)</b>
Issuance of ordinary shares	1757														0
Issuance of preference shares	1758														0
Issuance of other equity instruments	1759														0
Exercise or expiration of other equity instruments issued	1760														0
Conversion of debt to equity	1761														0
Capital reduction	1762														0
Dividends (or remuneration to shareholders)	1763					(358.675)									(358.675)
Purchase of treasury shares	1764								(1.405)						(1.405)
Sale or cancellation of treasury shares	1765								2.793						2.793
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					684.626		185.199		(1.047.004)	177.179				0
Equity increase or (-) decrease resulting from business combinations	1769														0
Share based payments	1770														0
Other increase or (-) decrease in equity	1771				1.580	(41.135)		(12.108)						343.012	291.349
<i>Of which: discretionary transfer to welfare projects and funds (savings banks and credit cooperatives)</i>	1772														0
<b>Closing balance [comparative period]</b>	<b>1773</b>	<b>5.981.438</b>	<b>12.032.802</b>	<b>0</b>	<b>9.079</b>	<b>5.524.303</b>	<b>0</b>	<b>(543.802)</b>	<b>(12.951)</b>	<b>839.490</b>	<b>0</b>	<b>154.517</b>	<b>1.655</b>	<b>388.701</b>	<b>24.375.232</b>

**IV. SELECTED FINANCIAL INFORMATION**

**10. A. CONSOLIDATED STATEMENT OF CASH FLOWS (INDIRECT METHOD) (ADOPTED IFRS)**

Units: Thousand euros

		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 30/06/2017
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES (1 + 2 + 3 + 4 + 5)</b>	<b>1800</b>	<b>2.757.264</b>	<b>349.874</b>
<b>1. Profit or loss for the period</b>	<b>1810</b>	<b>1.340.981</b>	<b>856.107</b>
<b>2. Adjustments to obtain cash flows from operating activities</b>	<b>1820</b>	<b>1.900.468</b>	<b>2.621.859</b>
(+) Depreciation and amortisation	1821	200.855	219.964
(+/-) Other adjustments	1822	1.699.613	2.401.895
<b>3. Net increase/(decrease) in operating assets:</b>	<b>1830</b>	<b>(12.672.752)</b>	<b>(1.049.712)</b>
(+/-) Financial assets held for trading	1831	(436.594)	1.910.926
(+/-) Financial assets designated at fair value through profit or loss	1832	77.466	(1.349.213)
(+/-) Available-for-sale financial assets	1833	(790.524)	(342.485)
(+/-) Loans and receivables	1834	(9.946.086)	(2.467.603)
(+/-) Other operating assets	1835	(1.577.014)	1.198.663
<b>4. Net increase/(decrease) in operating liabilities:</b>	<b>1840</b>	<b>11.993.785</b>	<b>(2.440.053)</b>
(+/-) Financial liabilities held for trading	1841	723.319	(984.052)
(+/-) Financial liabilities designated at fair value through profit or loss	1842	(116)	1.229.262
(+/-) Financial liabilities at amortised cost	1843	10.858.203	(2.018.765)
(+/-) Other operating liabilities	1844	412.379	(666.498)
<b>5. Income tax recovered/(paid)</b>	<b>1850</b>	<b>194.782</b>	<b>361.673</b>
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES (1 + 2)</b>	<b>1860</b>	<b>625.713</b>	<b>1.547.303</b>
<b>1. Payments</b>	<b>1870</b>	<b>(580.091)</b>	<b>(959.654)</b>
(-) Tangible assets	1871	(246.570)	(198.512)
(-) Intangible assets	1872	(98.119)	(98.881)
(-) Investments in joint ventures and associates	1873	(5.115)	(3.926)
(-) Other business units	1874	(204.568)	(644.523)
(-) Non-current assets and liabilities classified as held for sale	1875	(25.719)	(13.812)
(-) Held-to-maturity investments	1876		
(-) Other payments related to investing activities	1877		
<b>2. Proceeds:</b>	<b>1880</b>	<b>1.205.804</b>	<b>2.506.957</b>
(+) Tangible assets	1881	512.279	45.841
(+) Intangible assets	1882	13.012	
(+) Investments in joint ventures and associates	1883	40.057	3.233
(+) Other business units	1884		
(+) Non-current assets and liabilities classified as held for sale	1885	640.456	574.931
(+) Held-to-maturity investments	1886		532.992
(+) Other proceeds related to investing activities	1887		1.349.960
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES (1 + 2)</b>	<b>1890</b>	<b>(863.357)</b>	<b>(387.287)</b>
<b>1. Payments</b>	<b>1900</b>	<b>(5.742.622)</b>	<b>(4.890.080)</b>
(-) Dividends	1901	(482.221)	(358.675)
(-) Subordinated liabilities	1902	(2.072.000)	
(-) Redemption of own equity instruments	1903		
(-) Acquisition of own equity instruments	1904	(1.505)	(1.405)
(-) Other payments related to financing activities	1905	(3.186.896)	(4.530.000)
<b>2. Proceeds:</b>	<b>1910</b>	<b>4.879.265</b>	<b>4.502.793</b>
(+) Subordinated liabilities	1911	2.250.000	0
(+) Issuance of own equity instruments	1912	0	0
(+) Disposal of own equity instruments	1913	4.265	2.793
(+) Other proceeds related to financing activities	1914	2.625.000	4.500.000
<b>D) EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>1920</b>	<b>(4.615)</b>	<b>(1.408)</b>
<b>E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)</b>	<b>1930</b>	<b>2.515.005</b>	<b>1.508.482</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>1940</b>	<b>20.155.318</b>	<b>13.259.957</b>
<b>G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E + F)</b>	<b>1950</b>	<b>22.670.323</b>	<b>14.768.439</b>

**COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD**

		CURRENT PERIOD 30/06/2017	PREVIOUS PERIOD 30/06/2016
(+) Cash	1955	1.716.806	1.875.408
(+) Cash equivalent balances at central banks	1960	20.005.581	11.788.782
(+) Other financial assets	1965	947.936	1.104.249
(-) Less: Bank overdrafts repayable on demand	1970	0	0
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>1980</b>	<b>22.670.323</b>	<b>14.768.439</b>
<i>Of which: in power of group entities but not available for the group</i>	1990		

**IV. SELECTED FINANCIAL INFORMATION**

**10. B. CONSOLIDATED STATEMENT OF CASH FLOWS (DIRECT METHOD) (ADOPTED IFRS)**

Units: Thousand euros

		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 30/06/2017
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2000</b>		
(+/-) Proceeds/(Payments) on operating assets	<b>2001</b>		
(+/-) Proceeds/(Payments) on operating liabilities	<b>2002</b>		
(+/-) Income tax recovered/(paid)	<b>2003</b>		
(+/-) Other proceeds/(payments) from operating activities	<b>2004</b>		
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES (1 + 2)</b>	<b>2010</b>		
<b>1. Payments</b>	<b>2020</b>		
(-) Tangible assets	<b>2021</b>		
(-) Intangible assets	<b>2022</b>		
(-) Investments in joint ventures and associates	<b>2023</b>		
(-) Subsidiaries and other business units	<b>2024</b>		
(-) Non-current assets and liabilities classified as held for sale	<b>2025</b>		
(-) Held-to-maturity investments	<b>2026</b>		
(-) Other payments related to investing activities	<b>2027</b>		
<b>2. Proceeds:</b>	<b>2030</b>		
(+) Tangible assets	<b>2031</b>		
(+) Intangible assets	<b>2032</b>		
(+) Investments in joint ventures and associates	<b>2033</b>		
(+) Subsidiaries and other business units	<b>2034</b>		
(+) Non-current assets and liabilities classified as held for sale	<b>2035</b>		
(+) Held-to-maturity investments	<b>2036</b>		
(+) Other proceeds related to investing activities	<b>2037</b>		
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES (1 + 2)</b>	<b>2040</b>		
<b>1. Payments</b>	<b>2050</b>		
(-) Dividends	<b>2051</b>		
(-) Subordinated liabilities	<b>2052</b>		
(-) Redemption of own equity instruments	<b>2053</b>		
(-) Acquisition of own equity instruments	<b>2054</b>		
(-) Other payments related to financing activities	<b>2055</b>		
<b>2. Proceeds:</b>	<b>2060</b>		
(+) Subordinated liabilities	<b>2061</b>		
(+) Issuance of own equity instruments	<b>2062</b>		
(+) Disposal of own equity instruments	<b>2063</b>		
(+) Other proceeds related to financing activities	<b>2064</b>		
<b>D) EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS HELD</b>	<b>2070</b>		
<b>E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)</b>	<b>2080</b>		
<b>F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>2090</b>		
<b>G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E + F)</b>	<b>2100</b>		

**COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD**

		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 30/06/2017
(+) Cash	<b>2110</b>		
(+) Cash equivalent balances at central banks	<b>2115</b>		
(+) Other financial assets	<b>2120</b>		
(-) Less: Bank overdrafts repayable on demand	<b>2125</b>		
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>2130</b>		
<i>Of which: in power of group entities but not available for the group</i>	<b>2140</b>		



**IV. SELECTED FINANCIAL INFORMATION**

**12. DIVIDENDS 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	<b>2158</b>	8,00	0,08	478.307	6,00	0,06	358.675
Other shares (non-voting shares, redeemable shares, etc.)	<b>2159</b>						
<b>Total dividends paid</b>	<b>2160</b>	<b>8,00</b>	<b>0,08</b>	<b>478.307</b>	<b>6,00</b>	<b>0,06</b>	<b>358.675</b>

a) Dividends charged to profit and loss	<b>2155</b>	8,00	0,08	478.307	6,00	0,06	358.675
b) Dividends charged to reserves or share premium	<b>2156</b>						
c) Dividends in kind	<b>2157</b>						

**IV. SELECTED FINANCIAL INFORMATION**

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

Units: Thousand euros

FINANCIAL ASSETS: NATURE/CATEGORY		CURRENT PERIOD			
		Financial assets held for trading	Financial assets designated at fair value through profit or loss	Available-for-sale financial assets	Loans and receivables
Derivatives	2470				
Equity instruments	2480				
Debt securities	2490				
Loans and advances	2500				
Central banks	2501				
Credit institutions	2502				
Customers	2503				
<b>(INDIVIDUAL) TOTAL</b>	<b>2510</b>				
Derivatives	2520				
Equity instruments	2530				
Debt securities	2540				
Loans and advances	2550				
Central banks	2551				
Credit institutions	2552				
Customers	2553				
<b>(CONSOLIDATED) TOTAL</b>	<b>2560</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 amortised cost
Derivatives	2570			
Short positions	2580			
Deposits	2590			
Central banks	2591			
Credit institutions	2592			
Customers	2593			
Debt securities issued	2600			
Other financial liabilities	2610			
<b>(INDIVIDUAL) TOTAL</b>	<b>2620</b>			
Derivatives	2630			
Short positions	2640			
Deposits	2650			
Central banks	2651			
Credit institutions	2652			
Customers	2653			
Debt securities issued	2660			
Other financial liabilities	2670			
<b>(CONSOLIDATED) TOTAL</b>	<b>2680</b>			

**IV. SELECTED FINANCIAL INFORMATION**

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

Units: Thousand euros

FINANCIAL ASSETS: NATURE/CATEGORY		PREVIOUS PERIOD			
		Financial assets held for trading	Financial assets designated at fair value through profit or loss	Available-for-sale financial assets	Loans and receivables
Derivatives	5470				
Equity instruments	5480				
Debt securities	5490				
Loans and advances	5500				
Central banks	5501				
Credit institutions	5502				
Customers	5503				
<b>(INDIVIDUAL) TOTAL</b>	<b>5510</b>				
Derivatives	5520				
Equity instruments	5530				
Debt securities	5540				
Loans and advances	5550				
Central banks	5551				
Credit institutions	5552				
Customers	5553				
<b>(CONSOLIDATED) TOTAL</b>	<b>5560</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 amortised cost
Derivatives	5570			
Short positions	5580			
Deposits	5590			
Central banks	5591			
Credit institutions	5592			
Customers	5593			
Debt securities issued	5600			
Other financial liabilities	5610			
<b>(INDIVIDUAL) TOTAL</b>	<b>5620</b>			
Derivatives	5630			
Short positions	5640			
Deposits	5650			
Central banks	5651			
Credit institutions	5652			
Customers	5653			
Debt securities issued	5660			
Other financial liabilities	5670			
<b>(CONSOLIDATED) TOTAL</b>	<b>5680</b>			

**IV. SELECTED FINANCIAL INFORMATION**  
**14. SEGMENT INFORMATION**

Units: Thousand euros

Table 1:

GEOGRAPHIC AREA		DISTRIBUTION OF INTEREST INCOME BY GEOGRAPHIC AREA			
		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Domestic market	2210	2.134.386	2.142.929	3.231.983	3.243.105
Exports:	2215	9.614	5.178	232.246	188.510
a) European Union	2216	7.878	3.518	229.973	186.849
b) OECD countries	2217			431	
c) Other countries	2218	1.736	1.660	1.842	1.661
<b>TOTAL</b>	<b>2220</b>	<b>2.144.000</b>	<b>2.148.107</b>	<b>3.464.229</b>	<b>3.431.615</b>

Table 2:

SEGMENTS		Ordinary revenue					
		CONSOLIDATED					
		Ordinary revenue from foreign customers		Ordinary revenue between segments		Total ordinary revenue	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Banking and Insurance business	2221	5.661.672	5.490.159	120.899	160.851	5.782.571	5.651.010
Non-Core Real Estate business	2222	124.295	128.237			124.295	128.237
Investments business	2223	516.913	250.139			516.913	250.139
BPI	2224	414.249	344.145	26.606	2.556	440.855	346.701
	2225					0	0
	2226					0	0
	2227					0	0
	2228					0	0
	2229					0	0
	2230					0	0
(-) Adjustments and elimination of ordinary revenue between segments	2231			(147.505)	(163.407)	(147.505)	(163.407)
<b>TOTAL</b>	<b>2235</b>	<b>6.717.129</b>	<b>6.212.680</b>	<b>0</b>	<b>0</b>	<b>6.717.129</b>	<b>6.212.680</b>

Table 3:

SEGMENTS		CONSOLIDATED	
		Profit (loss)	
		CURRENT PERIOD	PREVIOUS PERIOD
Banking and Insurance business	2250	1.121.000	927.378
Non-Core Real Estate business	2251	(314.000)	(256.686)
Investments business	2252	415.000	91.894
BPI	2253	76.000	76.904
	2254		
	2255		
	2256		
	2257		
	2258		
	2259		
<b>Total profit (loss) of segments reported</b>	<b>2260</b>	<b>1.298.000</b>	<b>839.490</b>
(+/-) Unallocated profit (loss)	2261		
(+/-) Elimination of internal profit (loss) (between segments)	2262		
(+/-) Other profit (loss)	2263	42.737	16.617
(+/-) Income tax and/or profit (loss) from discontinued activities	2264	400.099	149.325
<b>PROFIT (LOSS) BEFORE TAX</b>	<b>2270</b>	<b>1.740.836</b>	<b>1.005.432</b>



**IV. SELECTED FINANCIAL INFORMATION**

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

		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
<b>AVERAGE WORKFORCE</b>	<b>2295</b>	<b>29.288</b>	<b>29.470</b>	<b>37.464</b>	<b>37.286</b>
Men	<b>2296</b>	13.563	13.813	17.495	17.516
Women	<b>2297</b>	15.725	15.657	19.969	19.770

		CURRENT PERIOD	PREVIOUS PERIOD
<b>NUMBER OF OFFICES</b>	<b>2298</b>	<b>5.264</b>	<b>5.404</b>
Spain	<b>2299</b>	4.743	4.875
Abroad	<b>2300</b>	521	529

**IV. SELECTED FINANCIAL INFORMATION**

**16. REMUNERATION RECEIVED BY DIRECTORS AND MANAGING DIRECTORS**

**Credit Institutions except Savings Banks**

<b>DIRECTORS:</b>		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
<b>Type of remuneration:</b>			
Fixed remuneration	<b>2310</b>	2.521	2.708
Variable remuneration	<b>2311</b>	496	492
Attendance fees	<b>2312</b>		
Directors' fees	<b>2313</b>		
Options on shares and/or other financial instruments	<b>2314</b>		
Other	<b>2315</b>	490	364
<b>Total</b>	<b>2320</b>	<b>3.507</b>	<b>3.564</b>

**Other benefits:**

Advances	<b>2326</b>		
Loans granted	<b>2327</b>	50	1.081
Pension funds and plans: Contributions	<b>2328</b>	194	178
Pension funds and plans: Contracted obligations	<b>2329</b>	20.877	16.491
Life insurance premiums	<b>2330</b>	51	91
Guarantees granted to directors	<b>2331</b>		

<b>MANAGING DIRECTORS:</b>		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Total remuneration paid to managing directors	<b>2325</b>	5.456	6.003

**Savings Banks**

<b>DIRECTORS:</b>		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Attendance fees and other remuneration	<b>2332</b>		

**CONTROL COMMITTEE:**

Attendance fees and other remuneration	<b>2333</b>		
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<b>KEY MANAGING DIRECTORS AND MEMBERS OF THE BOARD OF DIRECTORS IN THEIR CAPACITY AS MANAGING DIRECTORS</b>		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Salaries and other remuneration	<b>2334</b>		
Obligations relating to pensions or payment of life insurance premiums	<b>2335</b>		

**IV. SELECTED FINANCIAL INFORMATION**  
**17. RELATED-PARTY TRANSACTIONS (1/2)**

Units: Thousand euros

RELATED-PARTY TRANSACTIONS		CURRENT PERIOD				
		Significant shareholders	Directors and managing directors	Group employees, companies and entities	Other related parties	Total
<b>EXPENSES AND REVENUE</b>						
1) Finance costs	2340					
2) Management and cooperation contracts	2341					
3) R&D transfers and licence agreements	2342					
4) Leases	2343					
5) Receipt of services	2344					
6) Purchase of goods (finished or in progress)	2345					
7) Allowance for bad and doubtful debts	2346					
8) Losses on retirement or disposal of assets	2347					
9) Other expenses	2348					
<b>EXPENSES (1 + 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)</b>	<b>2350</b>					
10) Finance income	2351					
11) Management and cooperation contracts	2352					
12) R&D transfers and licence agreements	2353					
13) Dividends received	2354					
14) Leases	2355					
15) Provision of services	2356					
16) Sale of goods (finished or in progress)	2357					
17) Gains on retirement or disposal of assets	2358					
18) Other revenue	2359					
<b>REVENUE (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18)</b>	<b>2360</b>					

		CURRENT PERIOD				
		Significant shareholders	Directors and managing directors	Group employees, companies and entities	Other related parties	Total
<b>OTHER TRANSACTIONS:</b>						
Purchase of property, plant and equipment, intangible assets and other assets	2371					
Financing agreements: loans and capital contributions (lender)	2372					
Finance lease arrangements (lessor)	2373					
Repayment or cancellation of loans and lease arrangements (lessor)	2377					
Sale of property, plant and equipment, intangible assets and other assets	2374					
Financing agreements: loans and capital contributions (borrower)	2375					
Finance lease arrangements (lessee)	2376					
Repayment or cancellation of loans and lease arrangements (lessee)	2378					
Collateral and guarantees given	2381					
Collateral and guarantees received	2382					
Commitments assumed	2383					
Commitment/Guarantees cancelled	2384					
Dividends and other earnings distributed	2386					
Other transactions	2385					

**IV. SELECTED FINANCIAL INFORMATION**  
**17. RELATED-PARTY TRANSACTIONS (2/2)**

Units: Thousand euros

RELATED-PARTY TRANSACTIONS		PREVIOUS PERIOD				
		Significant shareholders	Directors and managing directors	Group employees, companies and entities	Other related parties	Total
<b>EXPENSES AND REVENUE</b>						
1) Finance costs	2340					
2) Management and cooperation contracts	2341					
3) R&D transfers and licence agreements	2342					
4) Leases	2343					
5) Receipt of services	2344					
6) Purchase of goods (finished or in progress)	2345					
7) Allowance for bad and doubtful debts	2346					
8) Losses on retirement or disposal of assets	2347					
9) Other expenses	2348					
<b>EXPENSES (1 + 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)</b>	<b>2350</b>					
10) Finance income	2351					
11) Management and cooperation contracts	2352					
12) R&D transfers and licence agreements	2353					
13) Dividends received	2354					
14) Leases	2355					
15) Provision of services	2356					
16) Sale of goods (finished or in progress)	2357					
17) Gains on retirement or disposal of assets	2358					
18) Other revenue	2359					
<b>REVENUE (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18)</b>	<b>2360</b>					

		PREVIOUS PERIOD				
		Significant shareholders	Directors and managing directors	Group employees, companies and entities	Other related parties	Total
<b>OTHER TRANSACTIONS:</b>						
Purchase of property, plant and equipment, intangible assets and other assets	2371					
Financing agreements: loans and capital contributions (lender)	2372					
Finance lease arrangements (lessor)	2373					
Repayment or cancellation of loans and lease arrangements (lessor)	2377					
Sale of property, plant and equipment, intangible assets and other assets	2374					
Financing agreements: loans and capital contributions (borrower)	2375					
Finance lease arrangements (lessee)	2376					
Repayment or cancellation of loans and lease arrangements (lessee)	2378					
Collateral and guarantees given	2381					
Collateral and guarantees received	2382					
Commitments assumed	2383					
Commitment/Guarantees cancelled	2384					
Dividends and other earnings distributed	2386					
Other transactions	2385					

**IV. SELECTED FINANCIAL INFORMATION**

**18. SOLVENCY INFORMATION**

Units: Percentage

<b>CAPITAL RATIOS</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Eligible Common Equity Tier 1 capital (thousand euros) (a)	<b>7010</b>	17.200.539	18.966.488
Eligible Additional Tier 1 capital (thousand euros) (b)	<b>7020</b>	2.232.276	107.700
Eligible Tier 2 capital (thousand euros) (c)	<b>7040</b>	4.153.252	4.973.026
Risks (thousand euros) (d)	<b>7030</b>	147.897.893	148.940.259
Common Equity Tier 1 capital ratio (CET 1) (A)=a)/(d)	<b>7110</b>	11,63%	12,73%
Additional Tier 1 capital ratio (AT 1) (B)=b)/(d)	<b>7120</b>	1,51%	0,08%
Tier 1 capital ratio (Tier 1) (A)+(B)	<b>7140</b>	13,14%	12,81%
Tier 2 capital ratio (Tier 2) (C)=c)/(d)	<b>7130</b>	2,81%	3,34%
<b>Total capital ratio (A)+(B)+(C)</b>	<b>7140</b>	<b>15,95%</b>	<b>16,15%</b>

<b>LEVERAGE</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Tier 1 capital (thousand euros) (a)	<b>7050</b>	19.432.815	19.074.188
Exposure (thousand euros) (b)	<b>7060</b>	352.884.536	344.281.393
<b>Leverage ratio (a)/(b)</b>	<b>7070</b>	<b>5,51%</b>	<b>5,54%</b>

#### IV. SELECTED FINANCIAL INFORMATION

##### 19. CREDIT QUALITY OF THE PORTFOLIO OF LOANS AND RECEIVABLES

Units: Thousand euros

		CURRENT PERIOD	PREVIOUS PERIOD
<b>GROSS AMOUNT</b>			
Normal risk	7500	219.653.270	218.985.027
<i>Of which: under special monitoring</i>	7501		
Substandard risk	7502		
Non-performing risk	7503	12.210.647	13.796.675
<b>Total gross amount</b>	<b>7505</b>	<b>231.863.917</b>	<b>232.781.702</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>IMPAIRMENT LOSSES</b>			
Normal risk	7510	(1.787.702)	(1.752.723)
<i>Of which: under special monitoring</i>	7511		
Substandard risk	7512		
Non-performing risk	7513	(5.074.097)	(5.116.133)
<b>Total asset impairment losses</b>	<b>7515</b>	<b>(6.861.799)</b>	<b>(6.868.856)</b>
<b>Impairment loss calculated collectively</b>	<b>7520</b>	<b>(4.509.939)</b>	<b>(4.537.720)</b>
<b>Impairment loss calculated individually</b>	<b>7530</b>	<b>(2.351.860)</b>	<b>(2.331.136)</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>CARRYING AMOUNT</b>			
Normal risk	7540	217.865.568	217.232.304
<i>Of which: under special monitoring</i>	7541	0	0
Substandard risk	7542	0	0
Non-performing risk	7543	7.136.550	8.680.542
<b>Total carrying amount</b>	<b>7545</b>	<b>225.002.118</b>	<b>225.912.846</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>GUARANTEES RECEIVED</b>			
Value of collateral	7550	355.997.764	361.574.675
<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	17.768.603	20.144.026
Value of other guarantees	7554	6.287.350	5.775.682
<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	387.110	181.121
<b>Total value of guarantees received</b>	<b>7558</b>	<b>362.285.114</b>	<b>367.350.357</b>

		CURRENT PERIOD	PREVIOUS PERIOD
<b>FINANCIAL GUARANTEES GIVEN</b>			
Loan commitments given	7560	62.327.122	61.189.718
<i>Of which: classified as non-performing</i>	7561	338.320	375.009
Amount recognised under liabilities in Balance Sheet	7562	136.122	54.430
Financial guarantees given	7563	4.971.147	6.015.352
<i>Of which: classified as non-performing</i>	7564	98.119	151.361
Amount recognised under liabilities in Balance Sheet	7565	51.028	107.750
Other commitments given	7566	19.903.238	19.461.033
<i>Of which: classified as non-performing</i>	7567	393.367	273.569
Amount recognised under liabilities in Balance Sheet	7568	158.271	194.747

#### IV. SELECTED FINANCIAL INFORMATION

#### 20. REFINANCING OR RESTRUCTURING OPERATIONS (1/2)

Units: Thousand euros

##### Refinancing and restructuring balances

GROSS AMOUNT		CURRENT PERIOD	PREVIOUS PERIOD
Normal risk	8000	4.137.858	4.511.596
<i>Of which: under special monitoring</i>	8001		
Substandard risk	8002		
Non-performing risk	8003	7.002.000	7.859.029
<b>Total gross amount</b>	<b>8005</b>	<b>11.139.858</b>	<b>12.370.625</b>

IMPAIRMENT LOSSES		CURRENT PERIOD	PREVIOUS PERIOD
Normal risk	8010	(205.168)	(119.705)
<i>Of which: under special monitoring</i>	8011		
Substandard risk	8012		
Non-performing risk	8013	(2.451.911)	(2.524.034)
<b>Total asset impairment losses</b>	<b>8015</b>	<b>(2.657.079)</b>	<b>(2.643.739)</b>
<b>Collective impairment losses</b>	<b>8020</b>	<b>(1.596.022)</b>	<b>(1.588.009)</b>
<b>Specific impairment losses</b>	<b>8030</b>	<b>(1.061.057)</b>	<b>(1.055.730)</b>

CARRYING AMOUNT		CURRENT PERIOD	PREVIOUS PERIOD
Normal risk	8040	3.932.690	4.391.891
<i>Of which: under special monitoring</i>	8041		
Substandard risk	8042		
Non-performing risk	8043	4.550.089	5.334.995
<b>Total carrying amount</b>	<b>8045</b>	<b>8.482.779</b>	<b>9.726.886</b>
<b>Total carrying amount of financing granted to customers</b>	<b>8046</b>	<b>195.386.461</b>	<b>185.256.929</b>

GUARANTEES RECEIVED		CURRENT PERIOD	PREVIOUS PERIOD
Value of collateral	8050	14.937.033	15.869.084
Of which: guarantees risks under special monitoring	8051		
Of which: guarantees substandard risks	8052		
Of which: guarantees non-performing risks	8053	9.453.472	10.120.880
Value of other guarantees	8054	306.401	218.222
Of which: guarantees risks under special monitoring	8055		
Of which: guarantees substandard risks	8056		
Of which: guarantees non-performing risks	8057	261.896	25.276
<b>Total value of guarantees received</b>	<b>8058</b>	<b>15.243.434</b>	<b>16.087.306</b>

##### Distribution by segment

CARRYING AMOUNT		CURRENT PERIOD	PREVIOUS PERIOD
Credit institutions	8060		
General Governments	8061	227.324	251.603
Other financial corporations and individual entrepreneurs (financial business)	8062	11.298	12.152
Other non-financial corporations and individual entrepreneurs (non-financial business)	8063	3.580.486	4.423.888
Of which: Financing for real estate construction and development (including land)	8064	782.619	914.725
Other households	8065	4.663.671	5.039.243
<b>Total carrying amount</b>	<b>8066</b>	<b>8.482.779</b>	<b>9.726.886</b>
Financing classified as non-current assets and disposal groups classified as held for sale	8067	0	0

**IV. SELECTED FINANCIAL INFORMATION**

**20. REFINANCING OR RESTRUCTURING OPERATIONS (2/2)**

Units: Thousand euros

Reconciliation

CARRYING AMOUNT		CURRENT PERIOD		PREVIOUS PERIOD
Opening balance	8070	9.726.886		9.163.771
(+) Refinancings and restructurings in the period	8071	845.897		826.730
Token entry: impact recognised in the profit and loss account for the period	8072	(45.120)		(111.533)
(-) Debt repayments	8073	(1.119.900)		(1.085.923)
(-) Foreclosures	8074	(131.215)		(155.401)
(-) Derecognition (reclassification to written-off assets)	8075	(478.404)		(148.442)
(+)/(-) Other changes	8076	(360.485)		1.316.424
<b>Closing balance</b>	<b>8080</b>	<b>8.482.779</b>		<b>9.917.159</b>

**IV. SELECTED FINANCIAL INFORMATION**  
**21. REAL ESTATE EXPOSURE**

Units: Thousand euros

**Real estate credit risk exposure - Spain**

<b>GROSS AMOUNT</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Financing for real estate construction and development (including land)	9000	6.712.967	6.829.524
Of which: under special monitoring	9001		
Of which: substandard	9002		
Of which: non-performing	9003	1.168.005	1.480.517
<b>Total gross amount</b>	<b>9005</b>	<b>6.712.967</b>	<b>6.829.524</b>

<b>IMPAIRMENT LOSSES</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Financing for real estate construction and development (including land)	9010	(575.432)	(636.609)
Of which: under special monitoring	9011		
Of which: substandard	9012		
Of which: non-performing	9013	(478.557)	(549.323)
<b>Total asset impairment losses</b>	<b>9015</b>	<b>(575.432)</b>	<b>(636.609)</b>

<b>CARRYING AMOUNT</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Financing for real estate construction and development (including land)	9020	6.137.535	6.192.915
Of which: under special monitoring	9021		
Of which: substandard	9022		
Of which: non-performing	9023	689.448	931.194
<b>Total carrying amount</b>	<b>9025</b>	<b>6.137.535</b>	<b>6.192.915</b>
<b>Total carrying amount of financing granted to customers</b>	<b>9030</b>	<b>195.386.461</b>	<b>185.256.929</b>

<b>GUARANTEES RECEIVED</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Value of collateral	9050	14.454.651	14.883.082
Of which: guarantees risks under special monitoring	9051		
Of which: guarantees substandard risks	9052		
Of which: guarantees non-performing risks	9053	1.964.778	2.519.777
Value of other guarantees	9054	107.049	116.137
Of which: guarantees risks under special monitoring	9055		
Of which: guarantees substandard risks	9056		
Of which: guarantees non-performing risks	9057	1.958	11.710
<b>Total value of guarantees received</b>	<b>9058</b>	<b>14.561.700</b>	<b>14.999.219</b>

<b>FINANCIAL GUARANTEES</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Financial guarantees given relating to real estate construction and development	9060	168.220	175.478
Amount recognised under liabilities	9061	53.982	54.910

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

<b>GROSS AMOUNT</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Foreclosed property and property received as payment for debts	9070	15.270.709	16.297.814
Of which: land	9071	3.483.780	3.779.221
Investments in real estate entities	9072		
<b>Total gross amount</b>	<b>9075</b>	<b>15.270.709</b>	<b>16.297.814</b>

<b>IMPAIRMENT LOSSES</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Foreclosed property and property received as payment for debts	9080	(6.599.916)	(6.916.191)
Of which: land	9081	(2.265.329)	(2.392.982)
Investments, real estate entities	9082		
<b>Total asset impairment losses</b>	<b>9085</b>	<b>(6.599.916)</b>	<b>(6.916.191)</b>

<b>CARRYING AMOUNT</b>		<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
Foreclosed property and property received as payment for debts	9090	8.670.793	9.381.623
Of which: land	9091	1.218.451	1.386.239
Investments, real estate entities	9092		
<b>Total carrying amount</b>	<b>9095</b>	<b>8.670.793</b>	<b>9.381.623</b>



## V. EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS/CONDENSED ANNUAL FINANCIAL STATEMENTS FOR THE INTERIM PERIOD



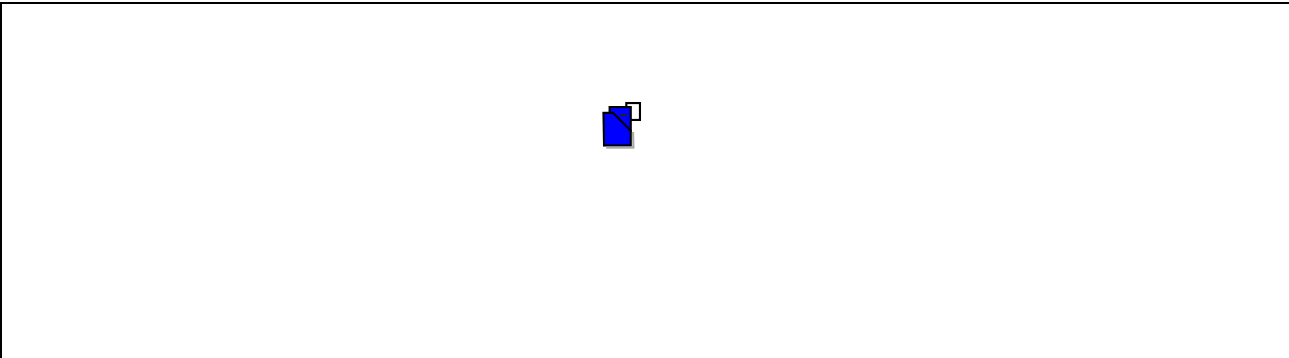
**(1) Explanatory notes to the financial statements:** *Explanatory notes to the interim financial statements* and other Selected financial information required in Chapter IV of this template should be attached here, and shall contain at least the minimum disclosures required in the instructions for the preparation of the half-yearly financial report.

**(2) Condensed annual financial statements:**

**(2.1) Issuers that prepare consolidated condensed annual financial statements:** If the consolidated financial statement templates of Sections 6, 7, 8, 9 and 10.A or 10.B of Chapter IV of the Selected financial information do not meet the requirements established in the adopted international accounting standard applicable to interim financial information, or if the issuer voluntarily chooses to prepare condensed consolidated annual financial statements for the interim period including its own condensed financial statement templates, it shall attach in this section the condensed consolidated annual financial statements for the interim period, which shall contain, at least, all the minimum disclosures required under the adopted international accounting standard applicable to interim financial information, without prejudice to the obligation to additionally complete the financial information contained in Chapter IV on Selected financial information.

**(2.2) Issuers that do not prepare condensed consolidated annual financial statements:** In the exceptional case that the individual financial statement templates of Sections 1, 2, 3, 4 and 5.A or 5.B of Chapter IV on Selected financial information do not comply with the requirements established by Article 13 of Royal Decree 1362/2007; or if the issuer voluntarily draws up condensed individual annual financial statements for the interim period including its own condensed financial statement templates, it shall attach in this section the *condensed individual annual financial statements for the interim period*, which shall contain, at least, all the minimum disclosures required under the adopted international accounting standard applicable to interim financial information, without prejudice to the obligation to additionally complete the financial information contained in Chapter IV on Selected financial information.

**VI. INTERIM MANAGEMENT REPORT**



## VII. AUDIT REPORT

