

MATERIAL DISCLOSURE

Pursuant to article 228 of the consolidated text of the Securities Market Act, approved by Legislative Royal Decree 4/2015 of 23 October, Bankia, S.A. hereby reports that today it has executed the sale of a portion of its direct stake in Bankia, S.A. ("Bankia"), consisting of 201,553,250 shares, representing 7.0% of the share capital of Bankia. The transaction has been carried out through an accelerated book-building process among qualified investors.

The size of the placement amounts to 818.3 million euros, which represents a sale price of 4.06 euros per share, with a positive impact on the BFA CET1 Fully Loaded of 75 bps vs September 2017, on a consolidated basis.

As a result of this placement, BFA continues to hold a stake of 1,745,745,307 shares in Bankia, representing 60.63% of its share capital. In this regard, BFA has assumed a 60-day lock-up period during which BFA has committed not to undertake any transmission of such shares, in line with the market practice for this type of transactions.

The above is notified as a material disclosure for all pertinent purposes.

Madrid, 12 December 2017

BFA, TENEDORA DE ACCIONES, S.A.U.