



bankinter.

Opere desde aqui
en bolsa con el
Servicio Broker
de Bankinter.

KBW
European Financials Conference
2009

Wednesday, September 16th 2009

bankinter.

•Bankinter presents its financial statements following format and criteria stated by Circular of Banco de España 4/04.

•Bankinter cautions that this presentation contains forward looking statements. Such forward looking statements are found in various places throughout this document and include, without limitation, statements concerning our future business development and economic performance. While these forward looking statements represent our judgment and future expectations regarding the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to (1) general market , macro-economic, governmental and new regulations, (2) variation in local and international securities markets, currency exchange rates and interest rates as well as change to market and operational risk, (3) competitive pressures, (4) technological developments, (5) changes in the financial position or credit worthiness of our customers, obligors and counterparties.

[A unique business model]

[What figures tell...]

[What's next?]

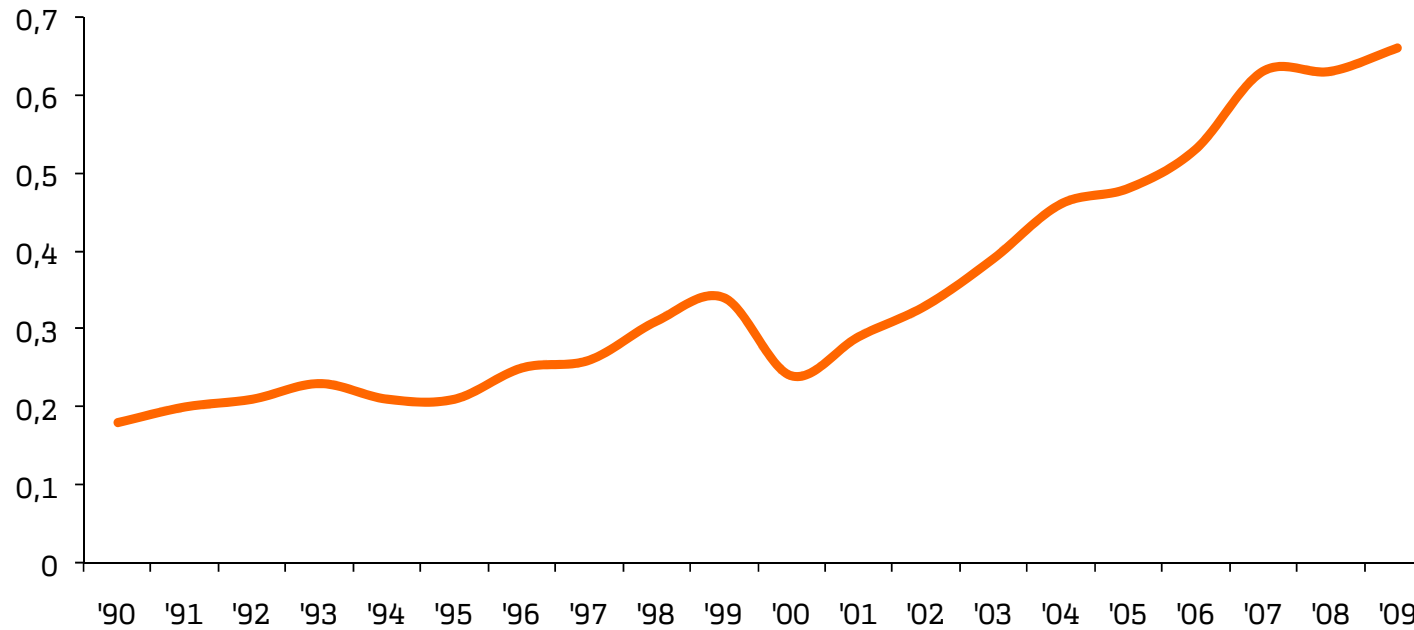


A unique business model

bankinter.

Bankinter: a story of consistent delivery over time

EPS evolution



+12%

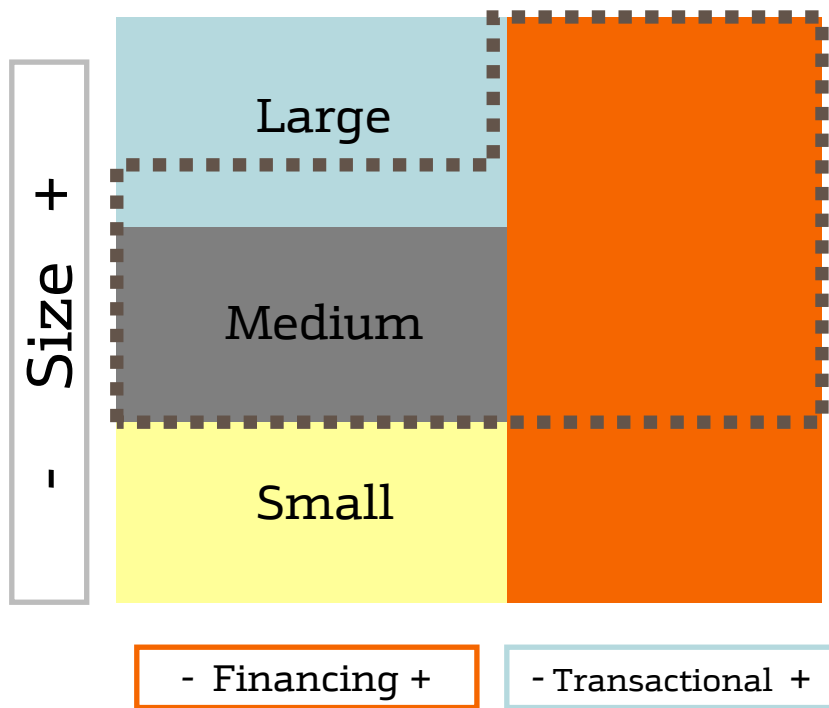
CAGR
2000

2007 : ex one offs

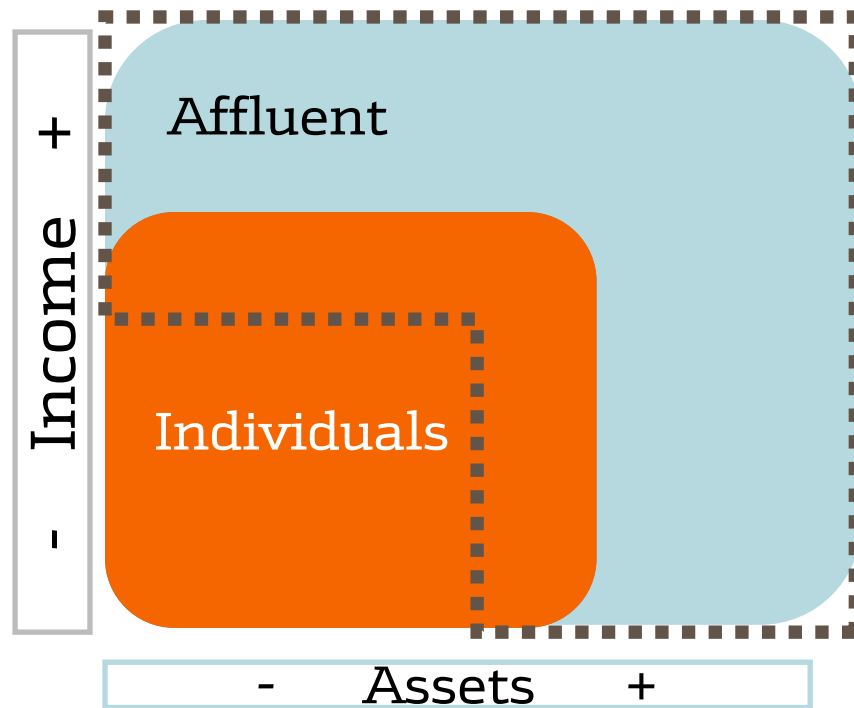
2009: Annualized 2T09 EPS

A unique business model with segment adapted **business strategies**

Enterprises



Individuals



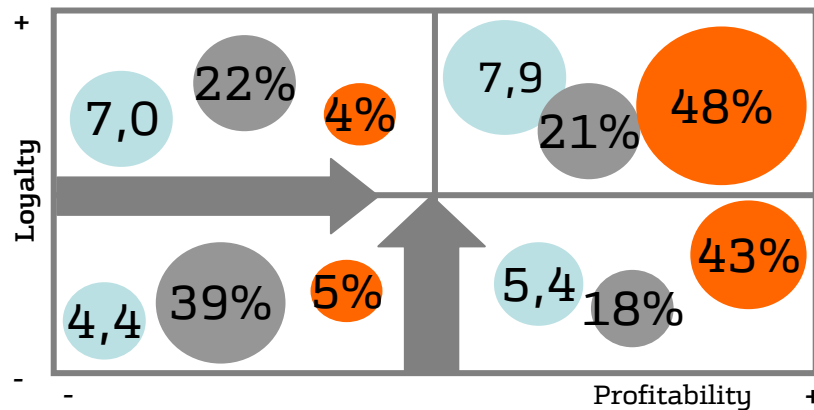
..... Target clients

Leveraged on strong **client knowledge** that allows to maximize **client potential** through cross selling

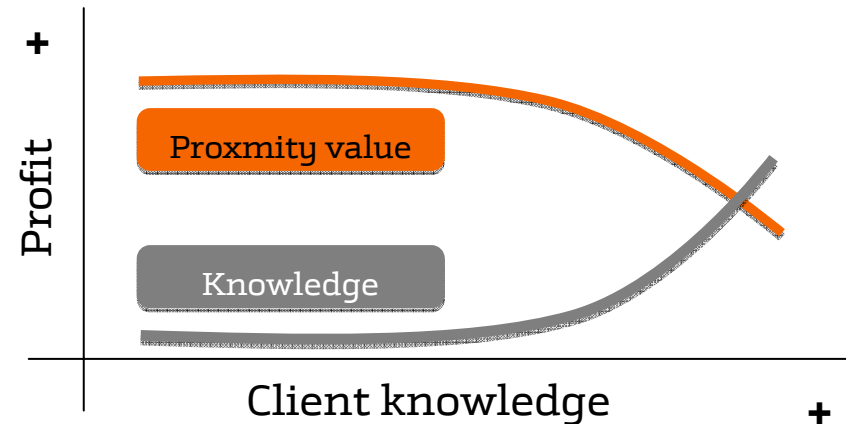


ACCIONES CRM			
Nº Acciones realizadas en esta semana: 0			
Usuario: S11122			
NO PLANIFICADO CLIENTES			
Número de Acciones: 453			
Operador	Cliente	Acciones	Atendidos
Privada	BLANCA RIQUEL BEAZ	413 387821	AUTONOMO ALTO VALDES
Privada	JOSE JUAN SANJES - COBROCA	91 827814	EMPRESARIO CON EMPRESA + 8 LINEA
Privada	ALVARO DE SAN INOUE	99999999	CONSEJERO EMPRESA + 4 LINEA
Privada	JOSE ABONETI CHEVALERIE JAMES	844 247925	CON ALTO PATRIMONIO AUTONOMO
Privada	LUIS MIGUEL REAL ROSA		CON ALTO PATRIMONIO AUTONOMO
Privada	ANTONIO BUCOSI SEAO	91 229127	NOTARIO COMUNIDAD MADRID
Privada	ALONSO SAN JUAN GILLO	99999999	AUTONOMO ALTO VALDES
Privada	SOMIA DEL CUETO CARRASCO	844 247925	CORRIJANOS BARCELONA
Privada	ANTONIO FIGUEROA SERRATEZ		CONSEJERO EMPRESA + 8 LINEA
Privada	LEONOR RUIZ ALVAREZ	91 229127	NOTARIO COMUNIDAD MADRID

Individuals: relationship matrix as of Jun 2009

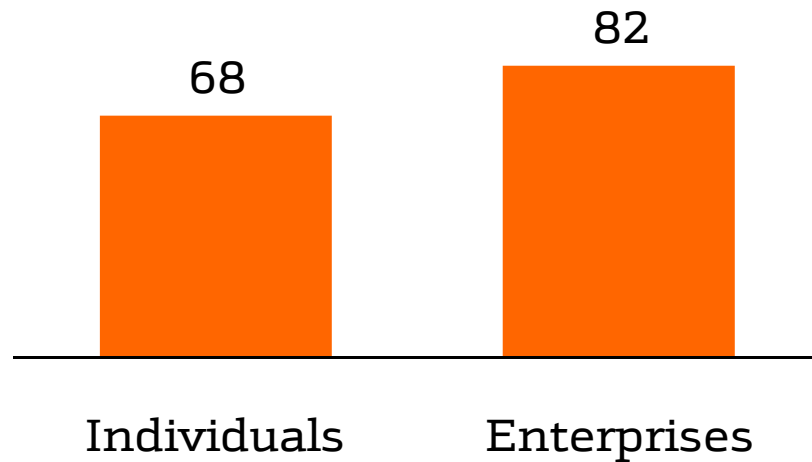


● Products per client ● % clients ● % revenues

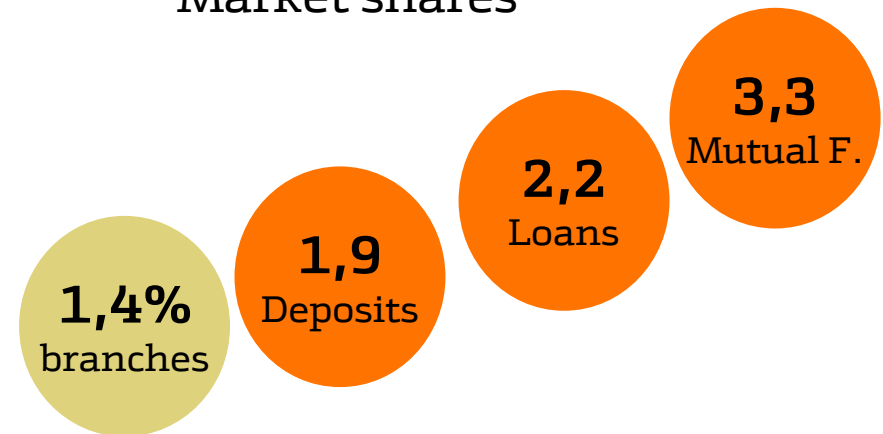


... and leads to a highly productive franchise

Remote transactions per segment
(in %)



Market shares



Strategy is supported by a segment adapted **distribution channel**

Network	Jun09	Variation
Traditional branches	372	+8
Commercial centers	252	-11
• Corporate centers	47	-4
• Sme centers	143	-19
• Affluents	62	+12
Corporate Partnerships	403	-162
Agent network	800	-211

1,4%
Mkt
share

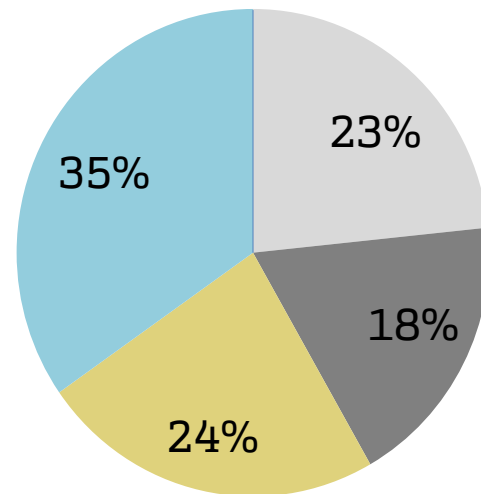
- Greater flexibility
- Lower Costs

What figures
tell...

bankinter.

Strong and efficient retail franchise

Ordinary Margin by business segments (in %)



■ Sme's ■ Corporate ■ Individuals ■ Affluents

781K
Active Clients

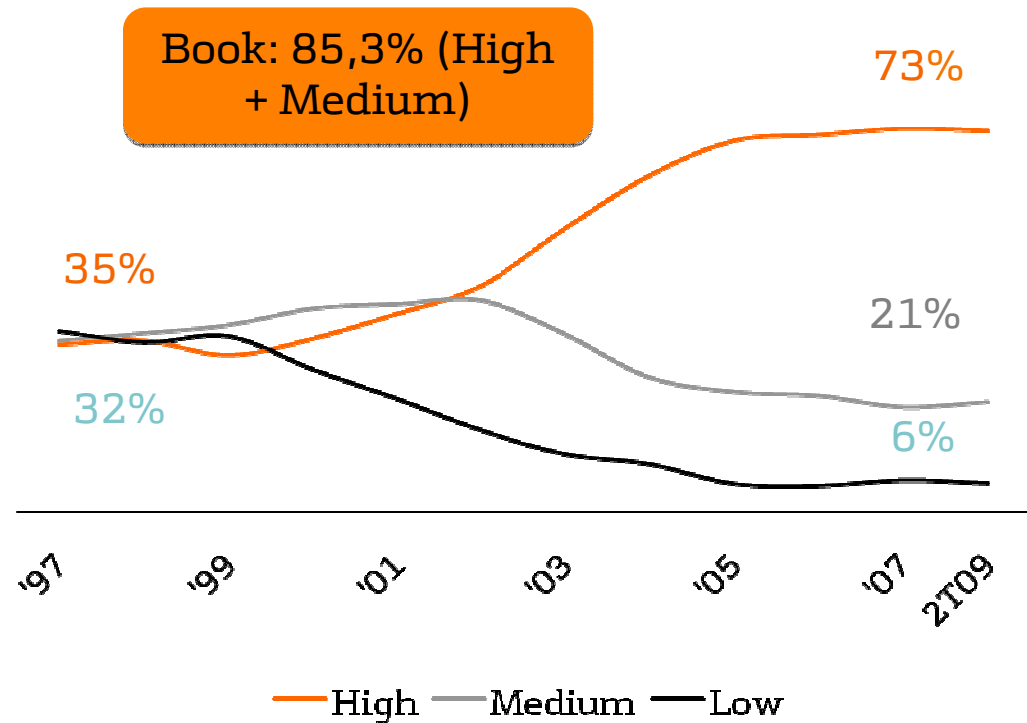
Over one third of **retail clients** enjoy above average income levels

Client distribution by Income

Net Income	Spain	BK
< 21 K€	53%	24%
21/42 K€	39%	38%
42/70 K€	6%	23%
>70 K€	1%	15%
Total	100%	100%

38%
Clients in higher income levels

Evolution of client profiles in new mortgage production



Great capabilities in the **Affluent segment**

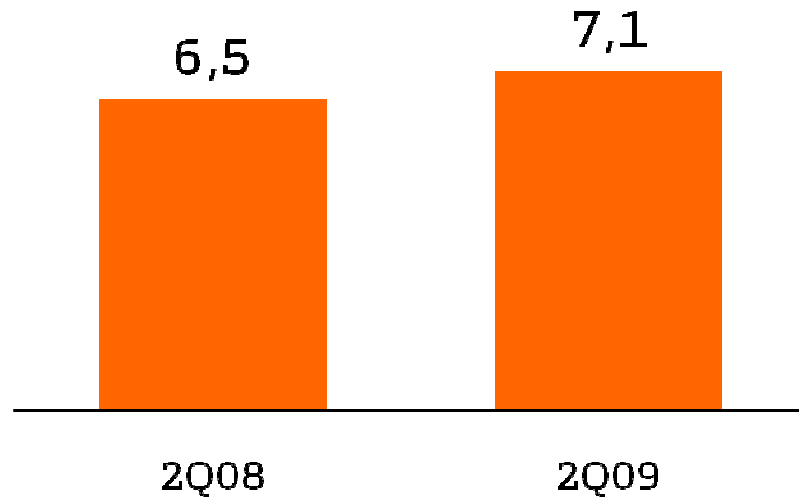
66K
Clients

6,7
Avg Products

1.116€
Avg basic margin

5,3bn€
AUM

Market share – Number of SICAVS
(in %)

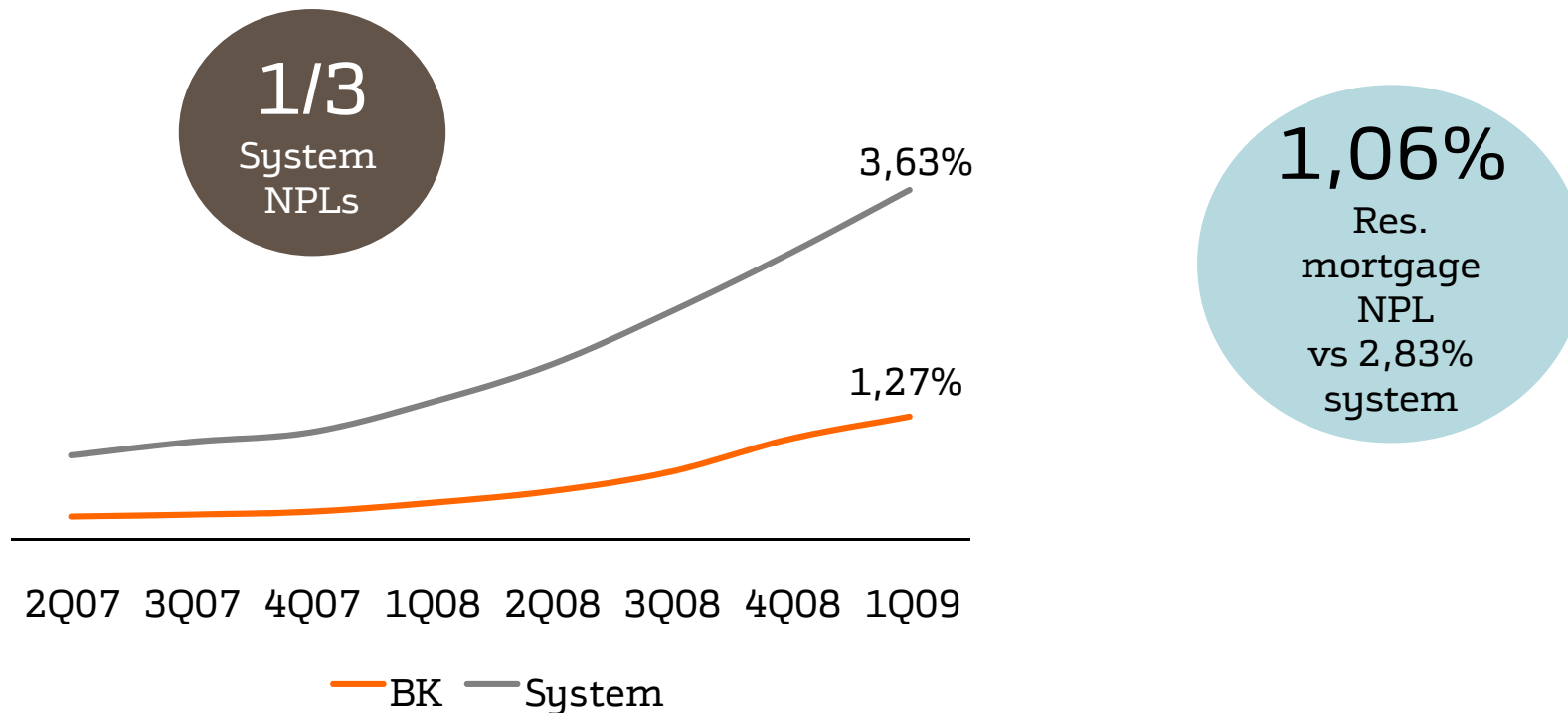


Leader
Retail brokerage

Ranked 3^o
In number of SICAVs

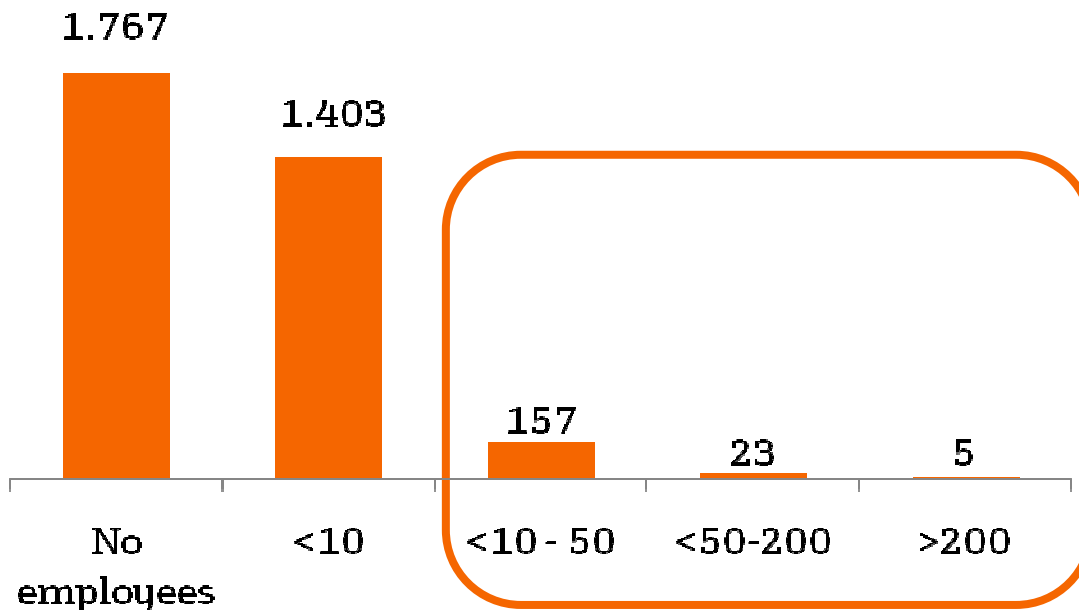
A more defensive client base that reflects in **asset quality** and results

NPL ratio individuals



A solid franchise also in **enterprises**

Number of enterprises in Spain by size (in thousands)



81k

Active sme clients

11k

Active corporate clients

28%

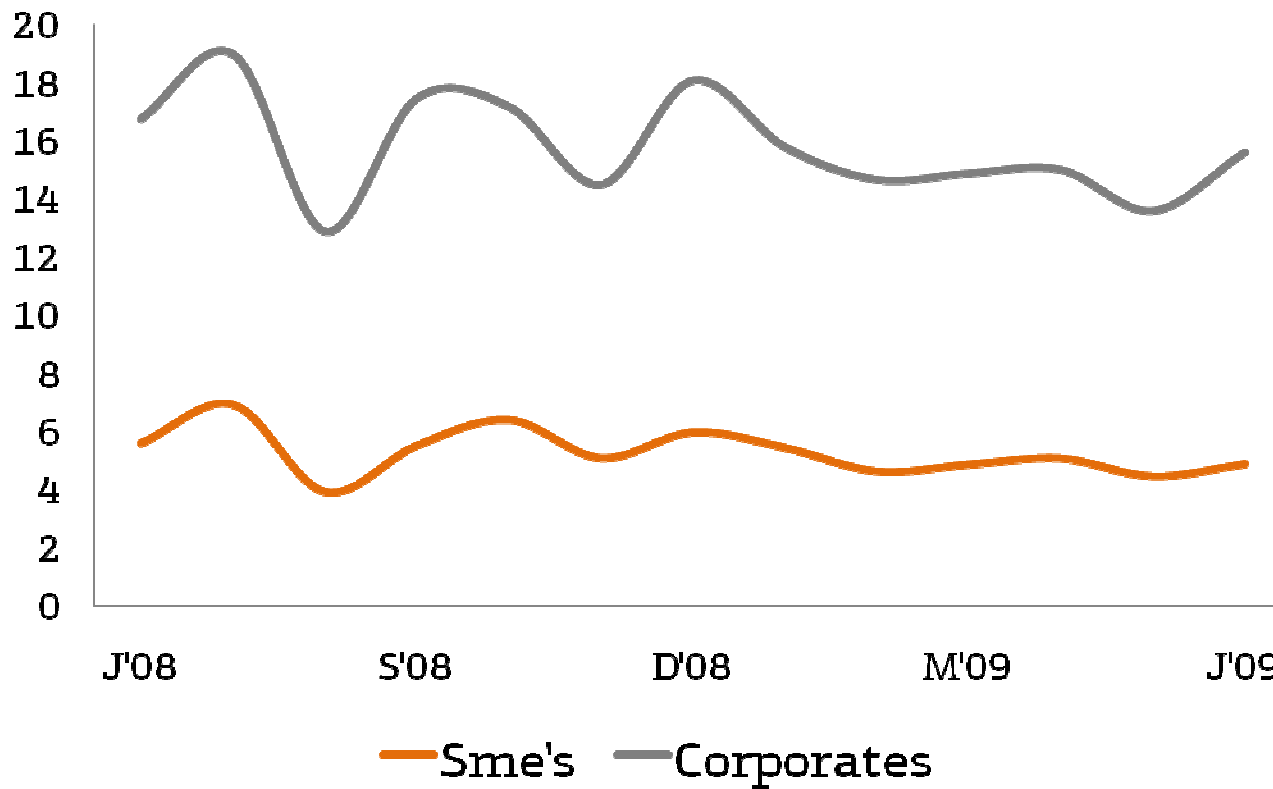
Mkt share

1,6%

Mkt share
lending

Where relationship is founded in strong **operational business**

Transactional business volumes (in bn€)



800M€
Float

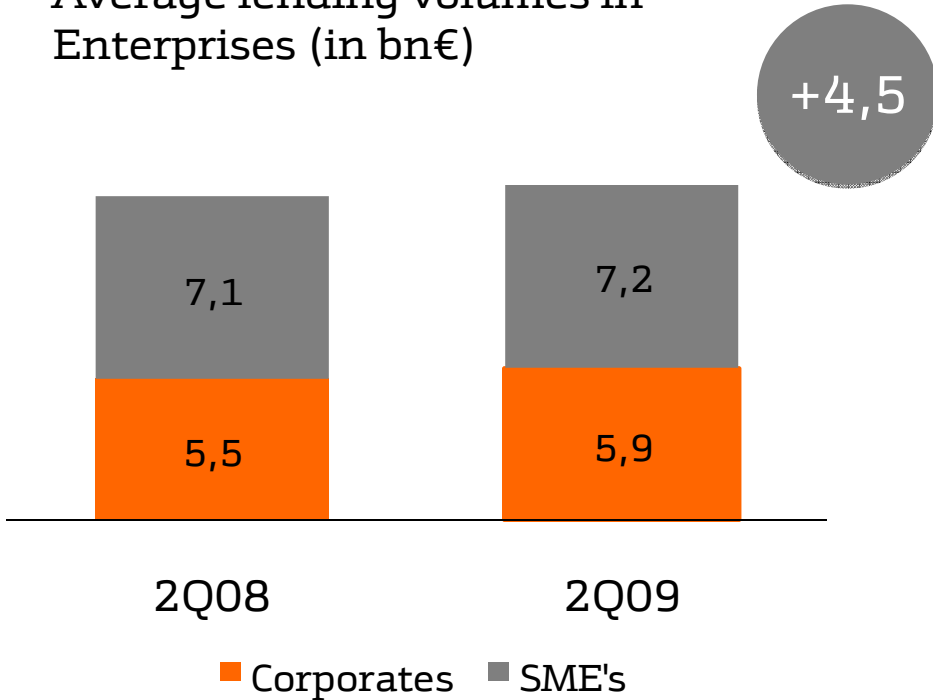
+6,5%
Fees from Sme's
+ Corporates

bankinter.

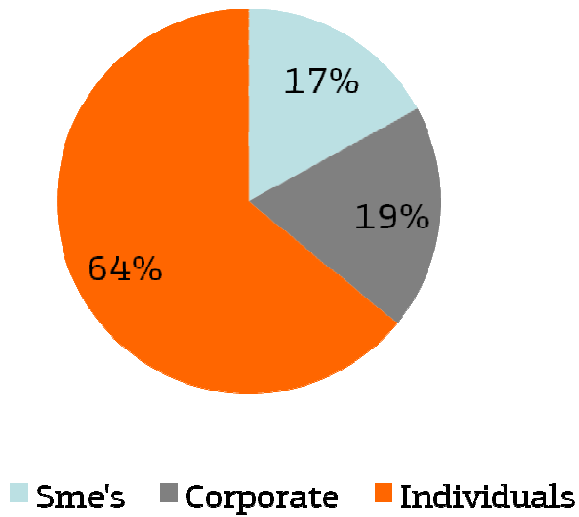


While following a conservative lending strategy in selected clients and sectors

Average lending volumes in Enterprises (in bn€)



Credit risk exposure by business segment

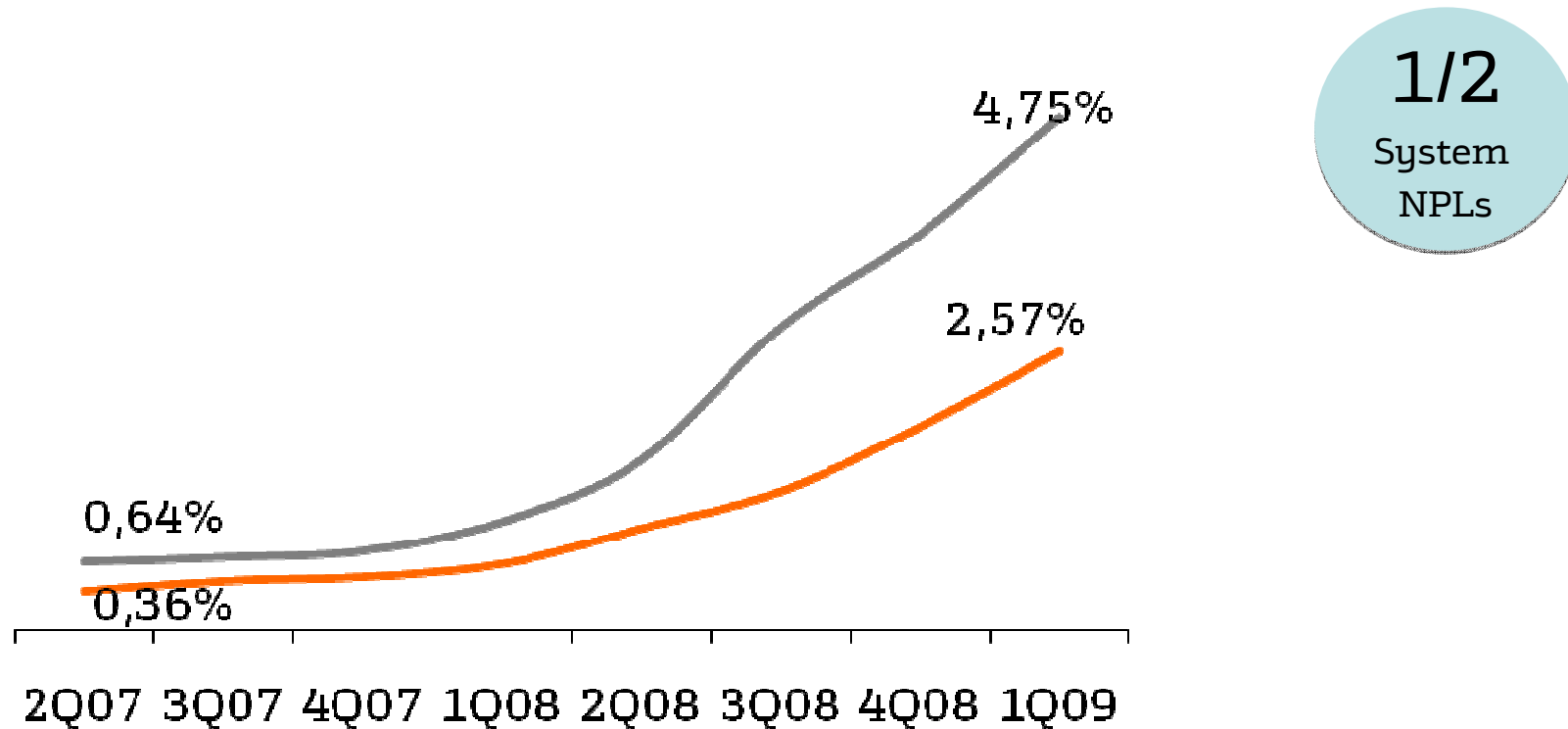


50%
Sme lending mortgage backed

2,4%
Exposure to developers

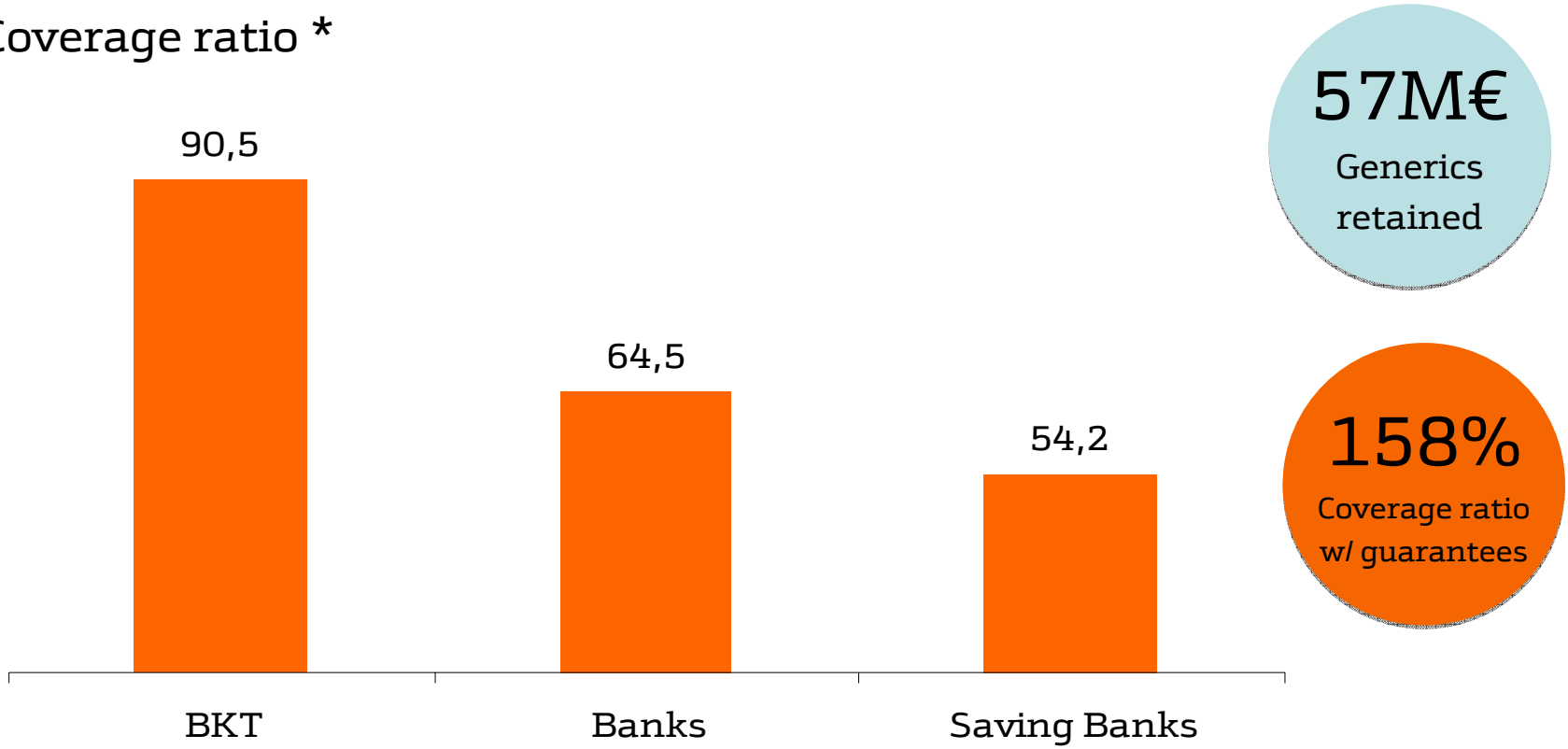
That helps increase the **NPL gap** with the system also in this segment

NPL ratio Enterprises (Sme's + Corporates)



A strong business position capable of absorbing credit costs in the lower part of the cycle

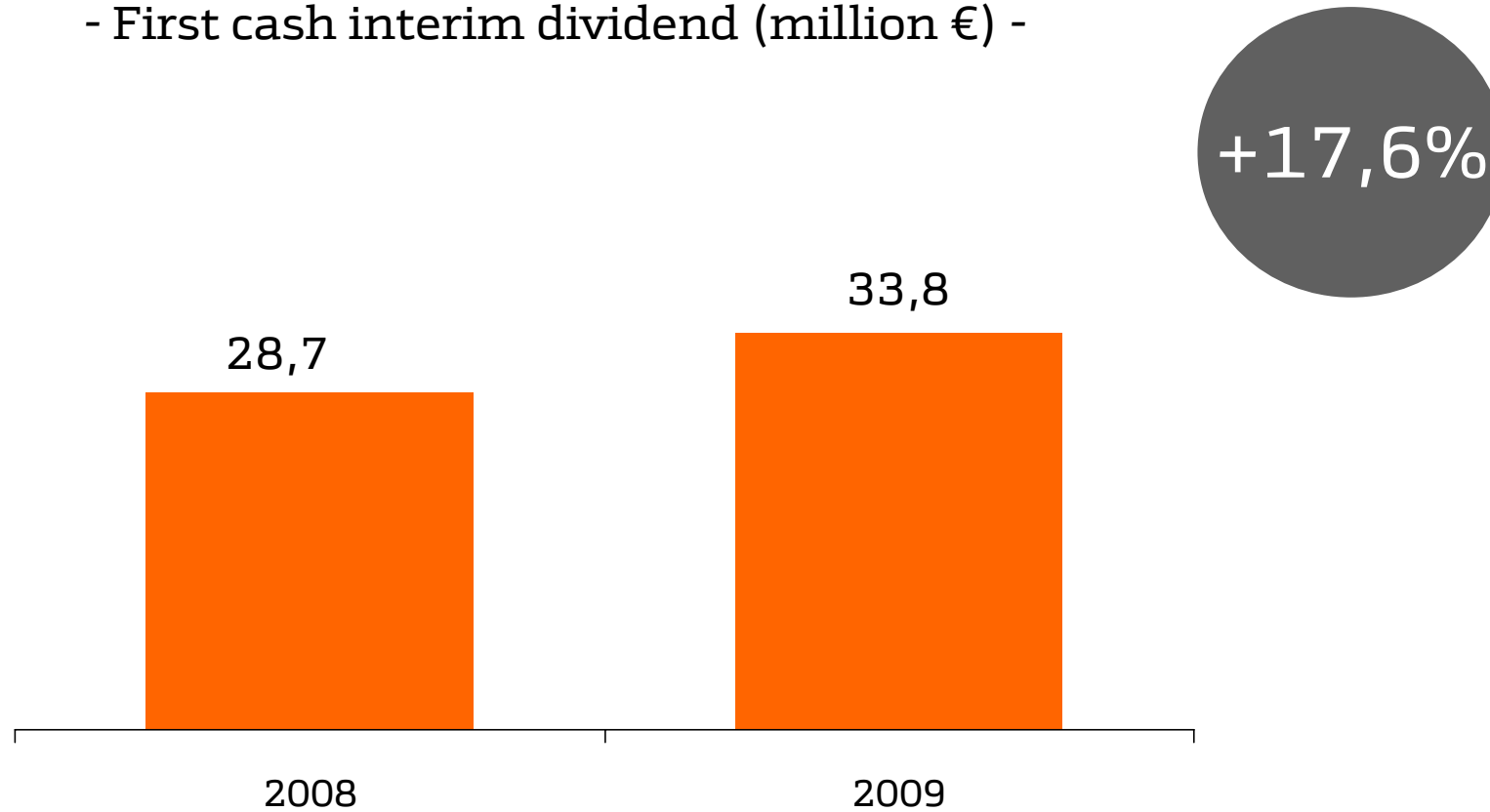
Coverage ratio *



*Source Bank of Spain data as at Jun 2009

While maintaining **shareholder value creation**

- First cash interim dividend (million €) -



bankinter.



What's next?

bankinter.

The **future** brings **threats** but also opportunities

 Economic Deleveraging

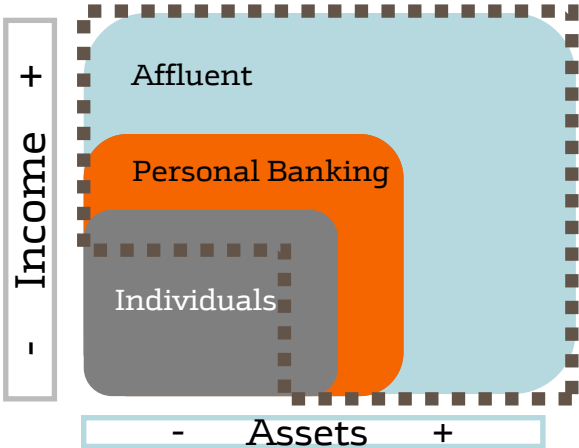
 Lower economic activity

 Asset quality

 System overcapacity

Confirm objective clients, rethink commercial strategy

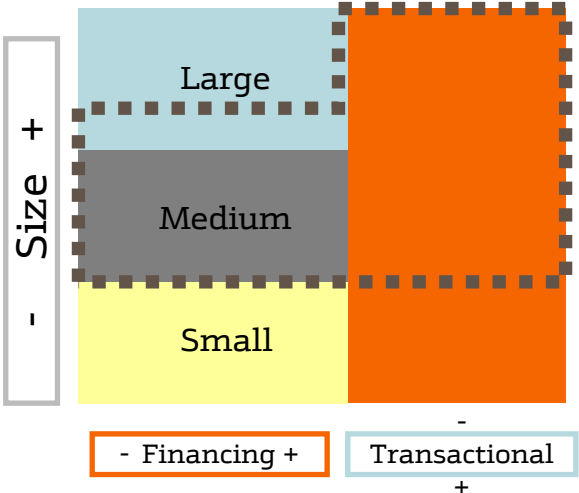
Individuals



Affluent + Personal banking
GROWTH

Individuals
MANAGEMENT

Enterprises

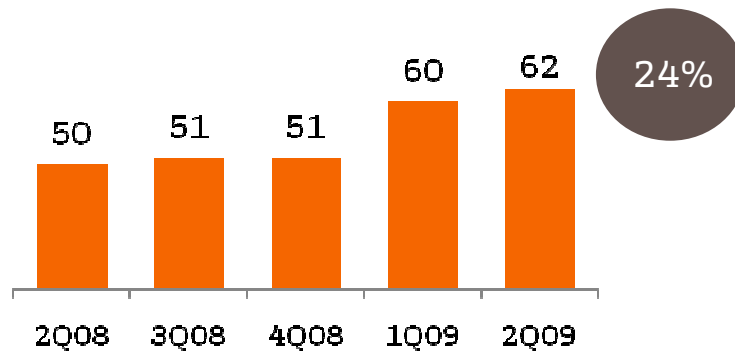


Transactional
GROWTH

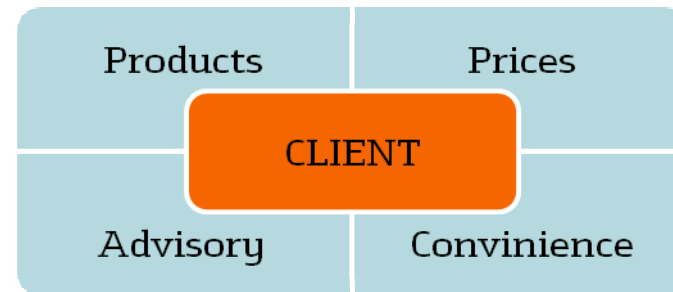
Lending
MANAGEMENT

Improve the strong competitive position in **Affluents**

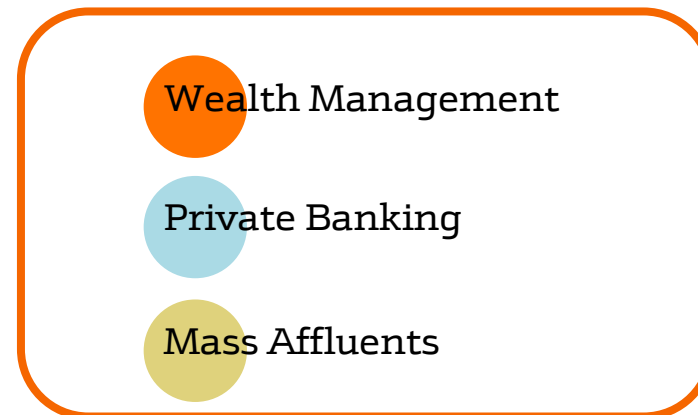
Increasing proximity



Personalized client management

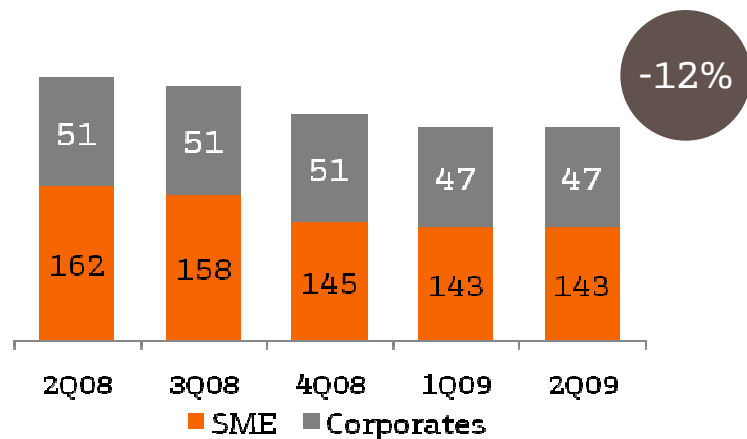


Subsegmentation

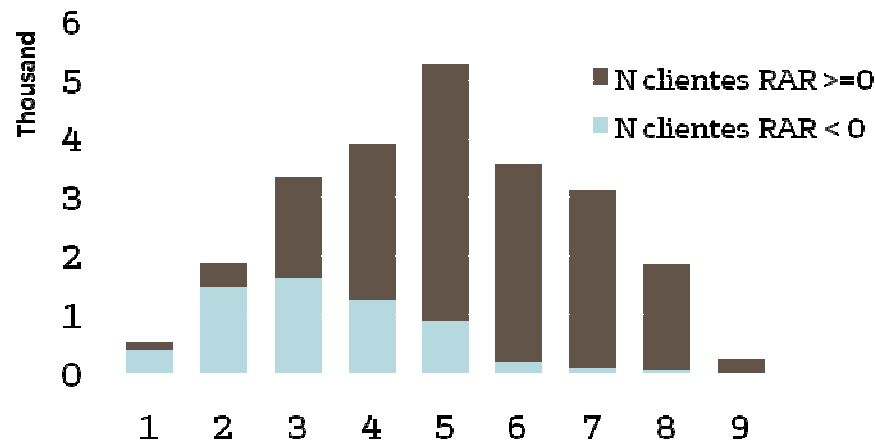


Enterprises core target clients: Manage the existing franchise

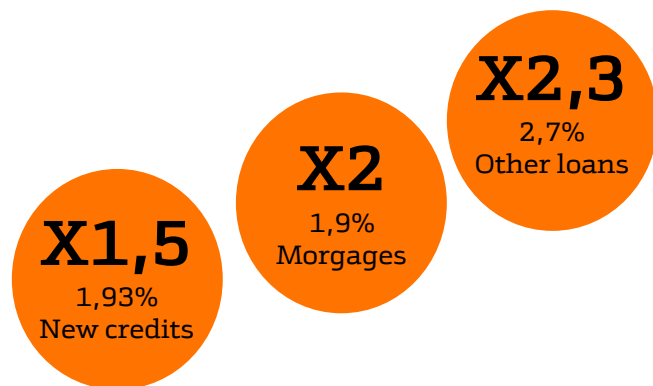
Greater commercial efficiency (N° of specialized centers)



Improve credit risk pricing (RAROC)



Revise spreads upwards (sme avg spreads at june 09)

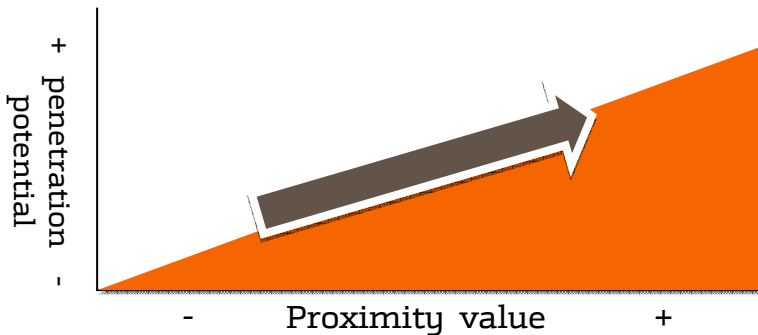


Grow in transactional business and client relationship (products per client)

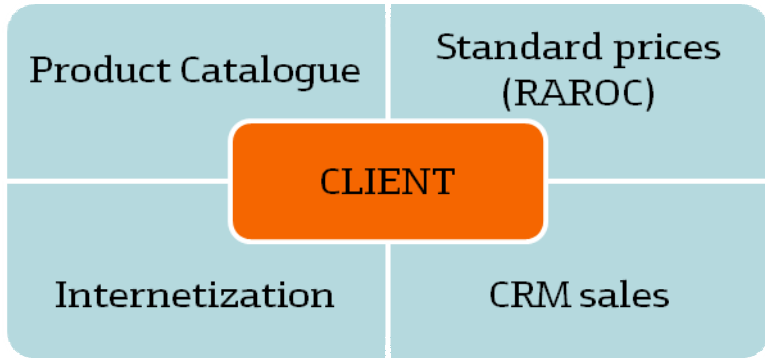


Non core target clients: Middle- lower end individuals + small enterprises

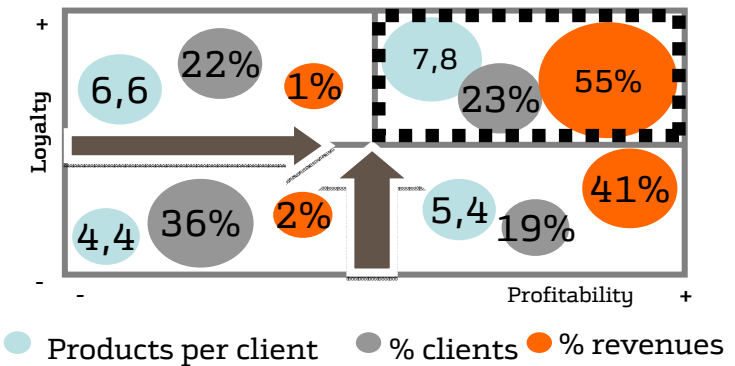
A segment where proximity has lower value



Improve commercial efficiency



Improve client profitability, through centralized commercial actions



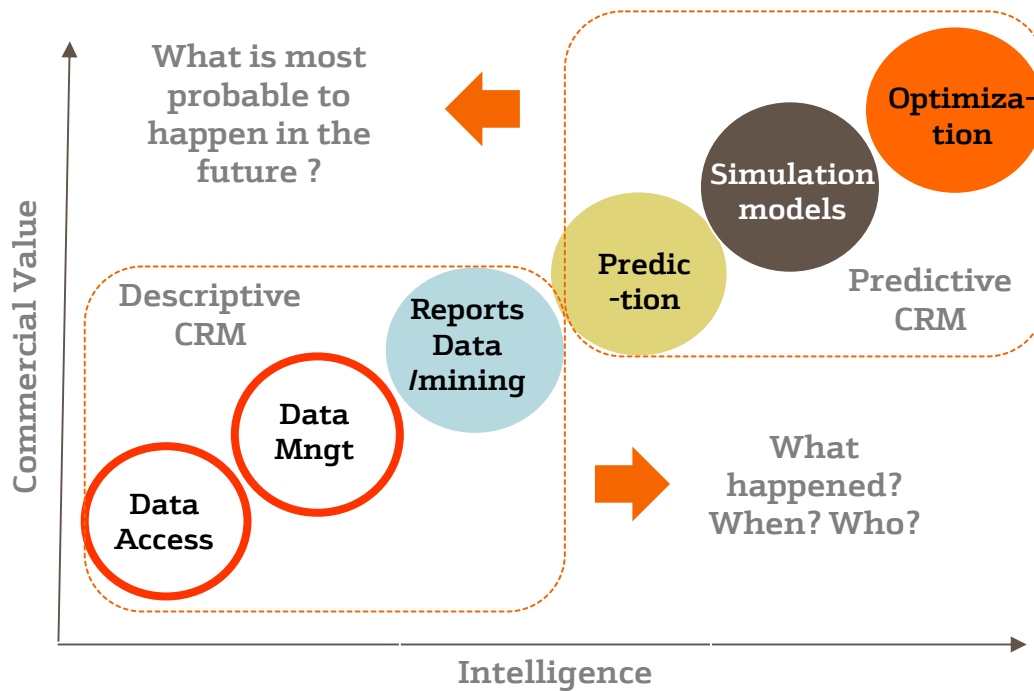
Client and cost synergies



linea directa



Improve **commercial process efficiency** leveraging on technology



Next Step : Influence behavior



NBS (Next Best Sell)

Churn Models



X3 Success Rates

Current CRM success rates

3%
CRM Remote

7%
Avg CRM

14%
Tutor CRM

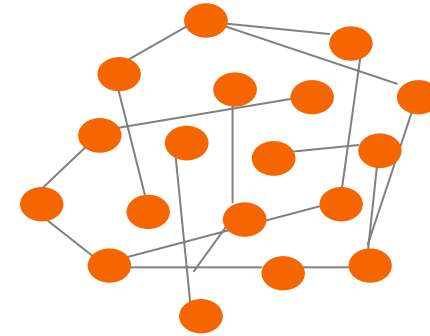
Reengineer **operative processes** in search of efficiency and productivity

Transform service delivery

Redesign processes end to end

Be easy to deal with!

Focus on driving productivity eliminating duplications

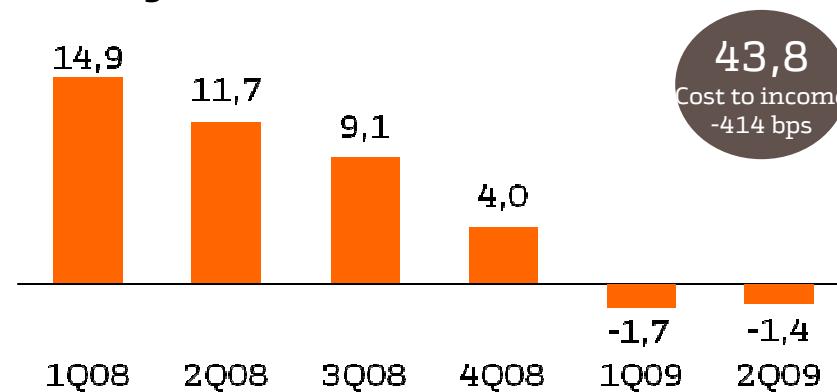


Concentrate + specialise operations

Reduce NAV processes

Use of remote channels

Costs growth rate (%)



bankinter.





The challenge
continues ...
Thank you