



Spain Investor Days

November 2010

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.

The peer group to which we refer along the presentation is: Banco Santander, BBVA, Banco Popular, Banesto, Banco Sabadell, Banco Pastor and Banco Valencia

Back to basics in business management

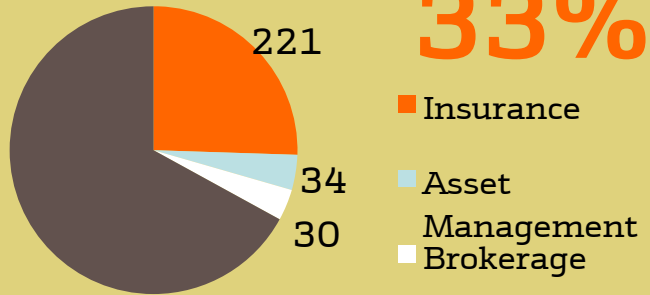


Business transformation

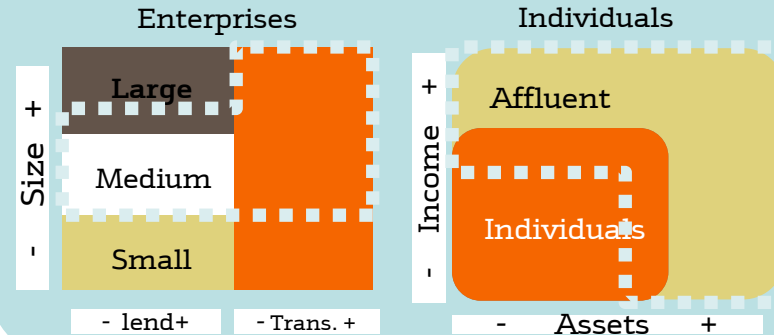
Diversifying sources of **income**

Business diversification

Gross operating income breakdown June'10
(million €)



Focus on liquidity rich fee income generation segments



Develop value added services and potentiate transactional business

Broker plus

Si quiere, puedo ayudarle a ampliar su visión como inversor en Bolsa.



330bn€

Transaction volumes per year

1bn€

Average float balances

Focus on size and share of wallet

+17,9K

Affluent clients

+ 6,5

products per client

bankinter.



Working on **client profitability**

Client RAROC and RAROA management

Increase spreads

X2

Boost fee
income

16%

Of legal limit

Increase float
days

0,8

Days on average

Reduce delivery
costs

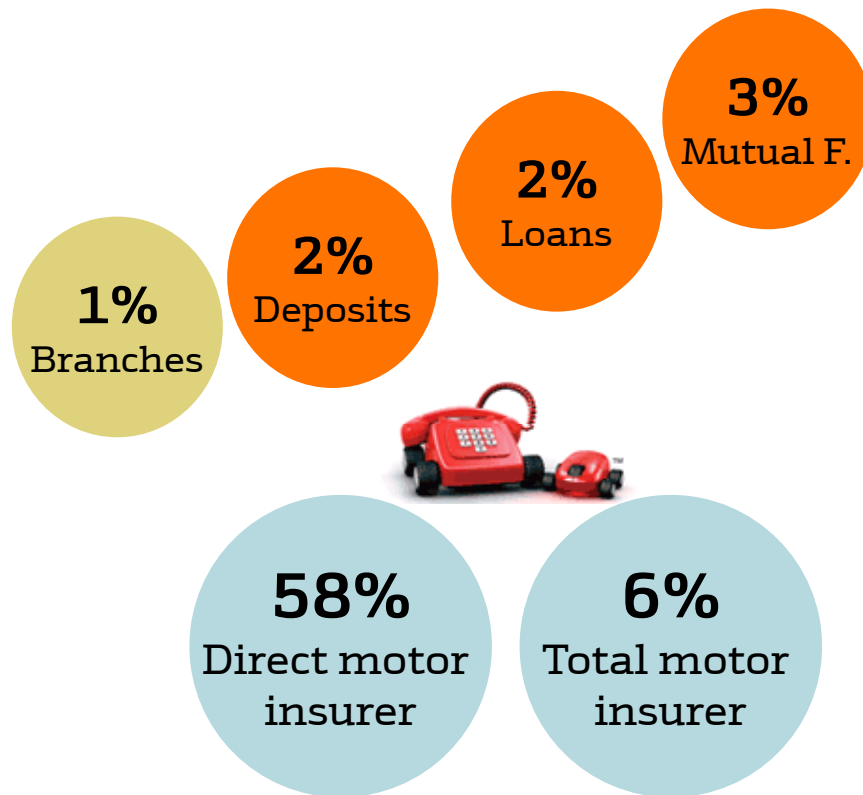
62%

Remote
transactions

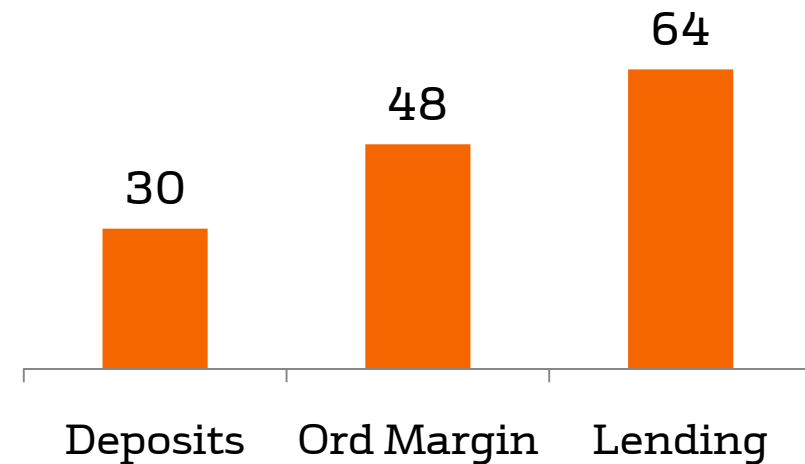
Cost control

A very efficient and **productive** franchise

Market shares

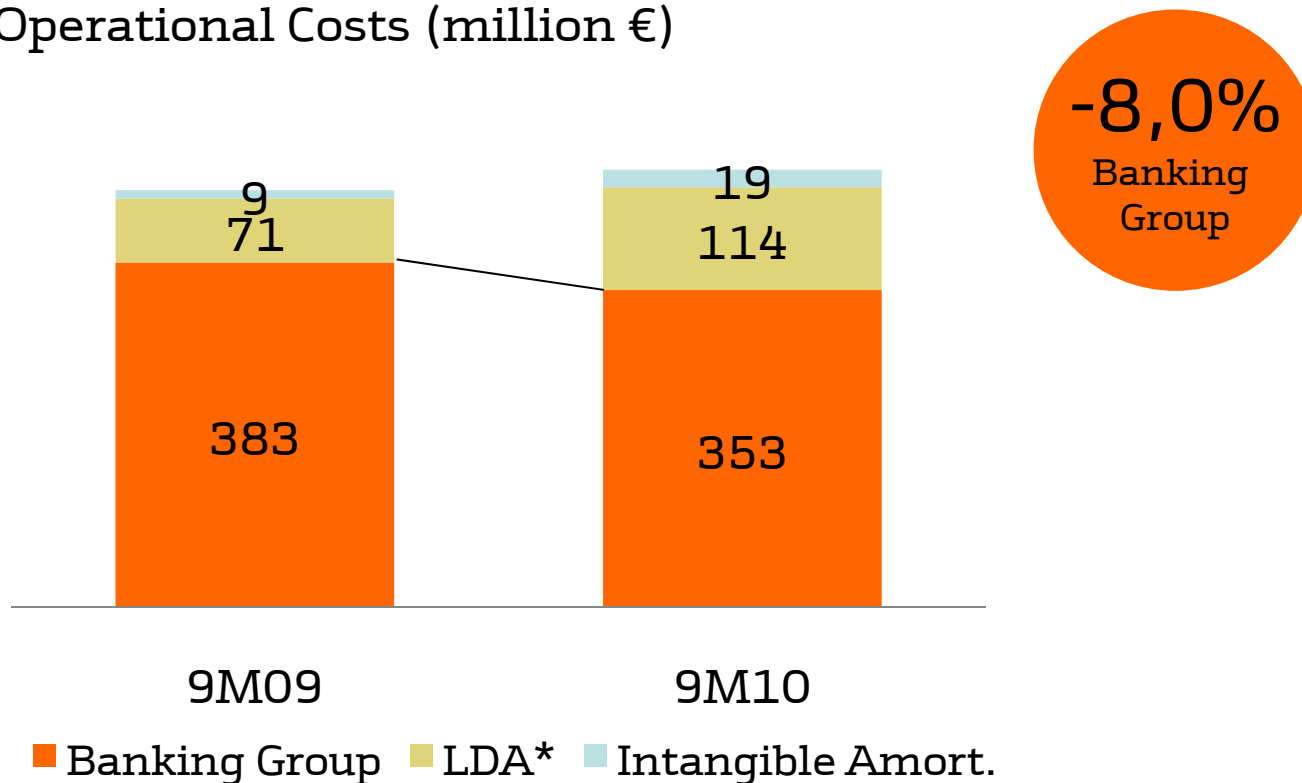


Branch productivity differential with peers (in %)



Management focus in efficiency and cost control shows in cost evolution

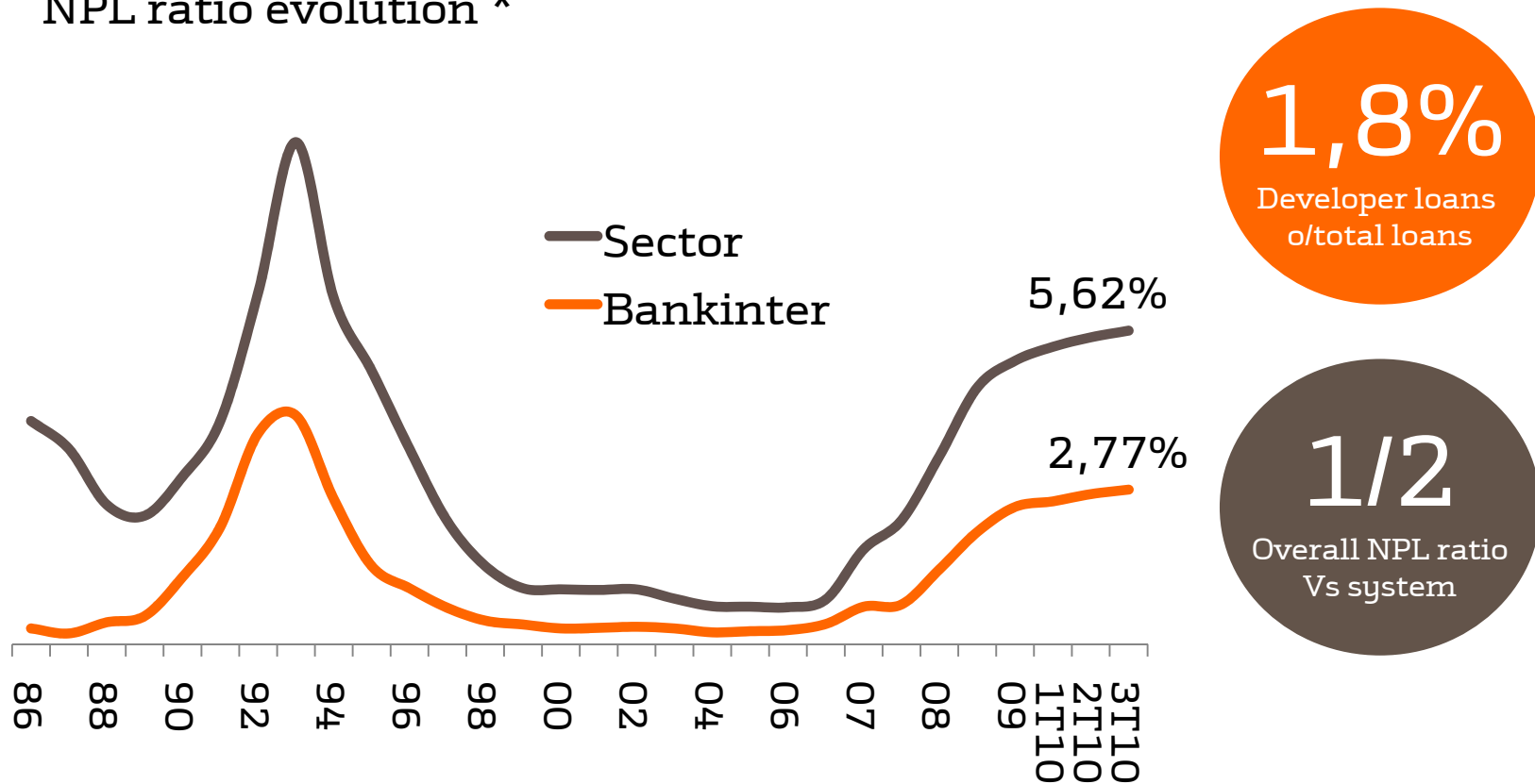
Operational Costs (million €)



Risk management

Outperforming the system in NPLs over the cycle

NPL ratio evolution *



* Sector data : August 2010

bankinter.

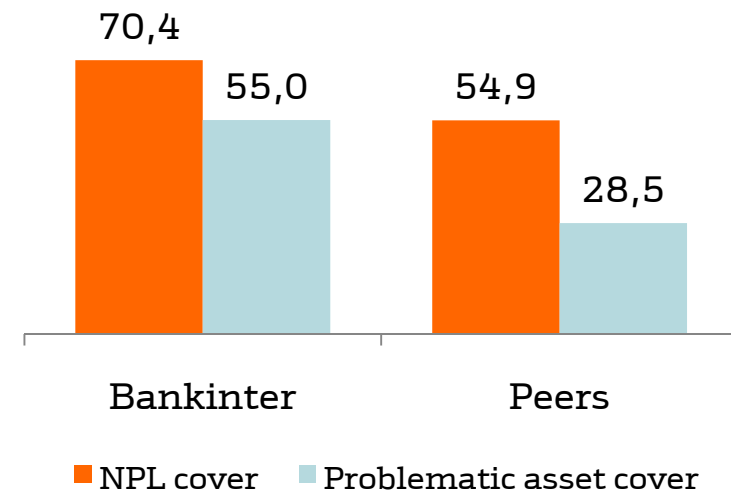


An outstanding asset quality further reinforced when adding up other problematic assets

- "Problematic assets" (in mill €)-

	Bankinter	Peers*
NPL	1.283	13.962
Substandard	172	9.050
Foreclosures**	365	14.027
TOTAL	1.816	37.039
Adjusted ratio	3,9%	11,5%

- Coverage ratios (in %)-



1/3
Problematic assets

X2
cover

Highest **coverage ratios** in all asset classes

70%

NPL coverage
Vs 55% Peers
163% w/
guarantees

25,2%

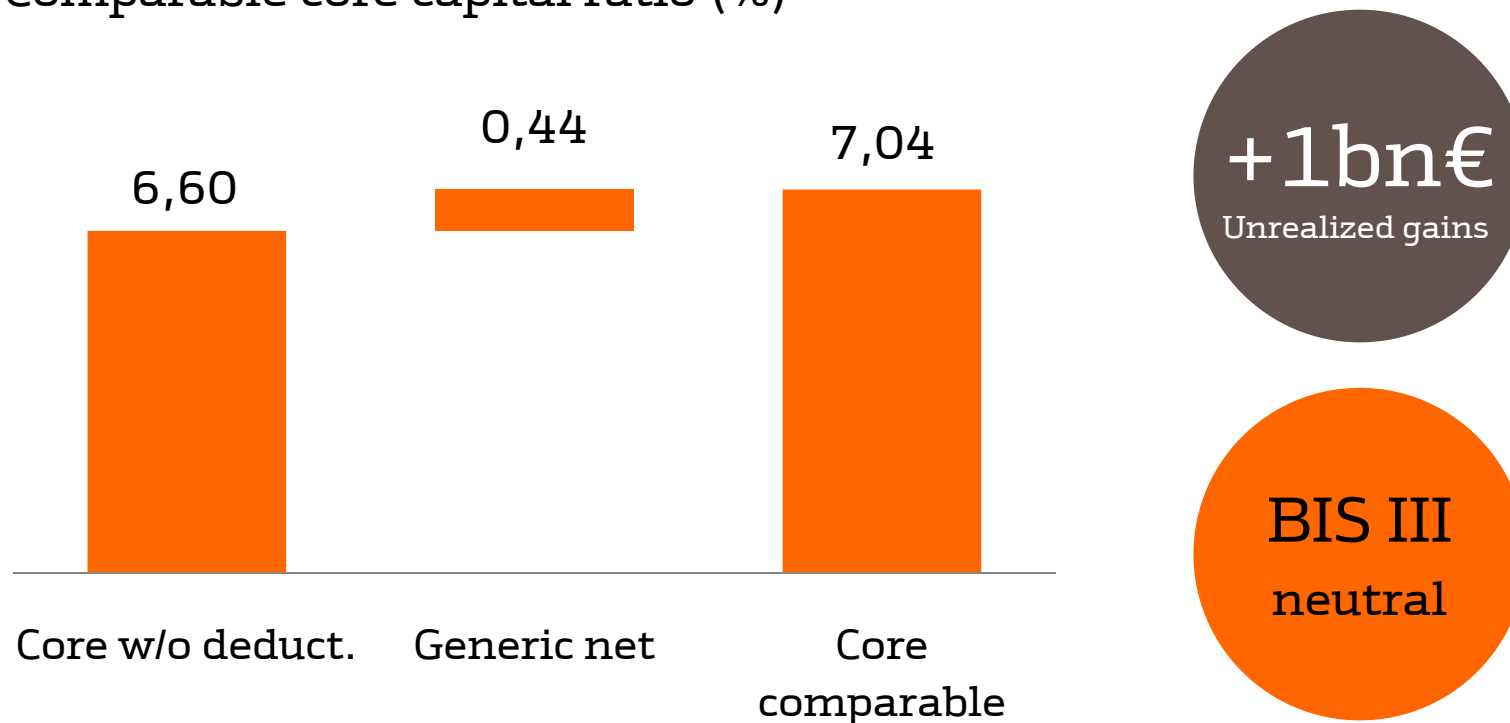
Real estate
assets cover
vs 18,2% Peers

55%

Problematic
assets cover vs
28,5% Peers

An adequate capital level given the risk profile that is boosted by significant unrealized gains on B/S

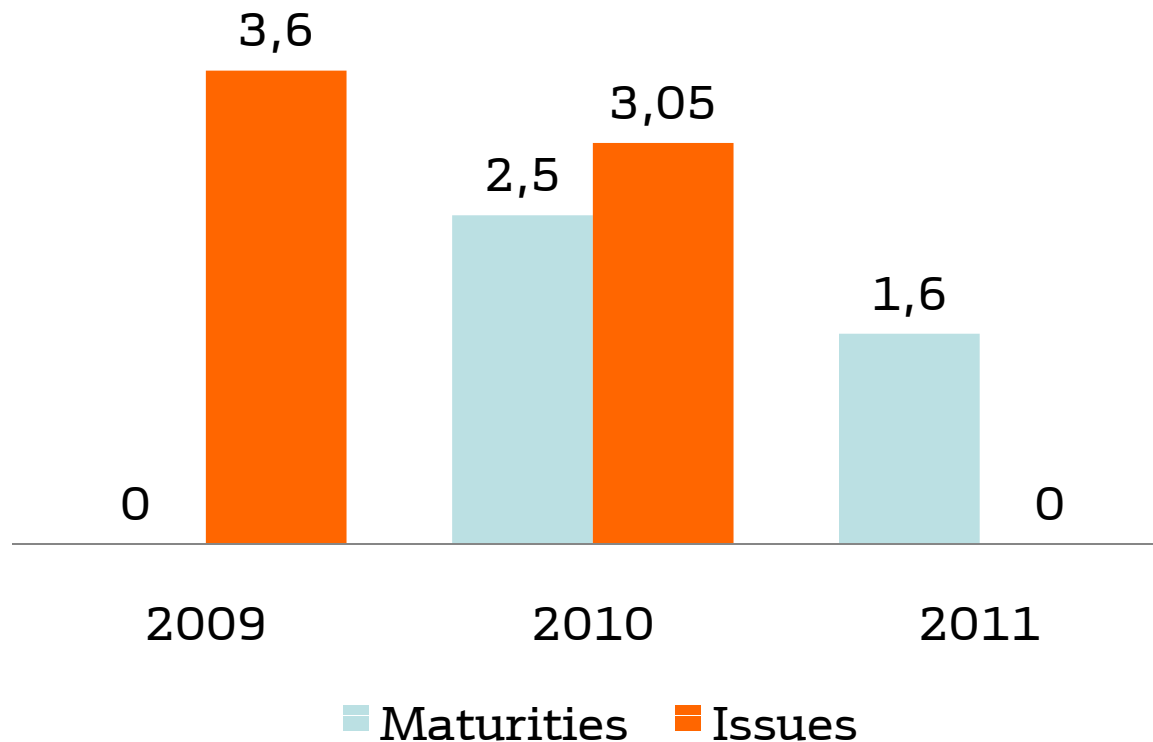
Comparable core capital ratio (%)



Liquidity and funding

2010 maturities **fully financed** and working ahead 2011

Annual wholesale maturities vs issues (in bn€)

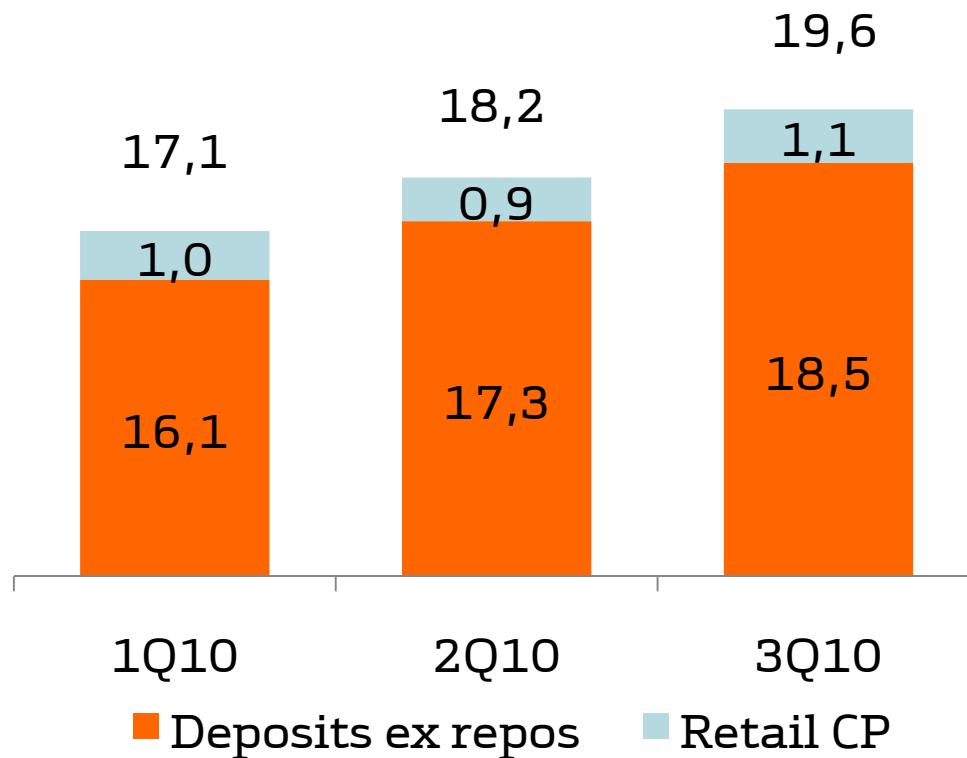


1/3
2011 maturities
financed

10bn€
Liquid assets

During 2010 there has been an important increase of **retail funding**

- Retail funding evolution (in bn€) -



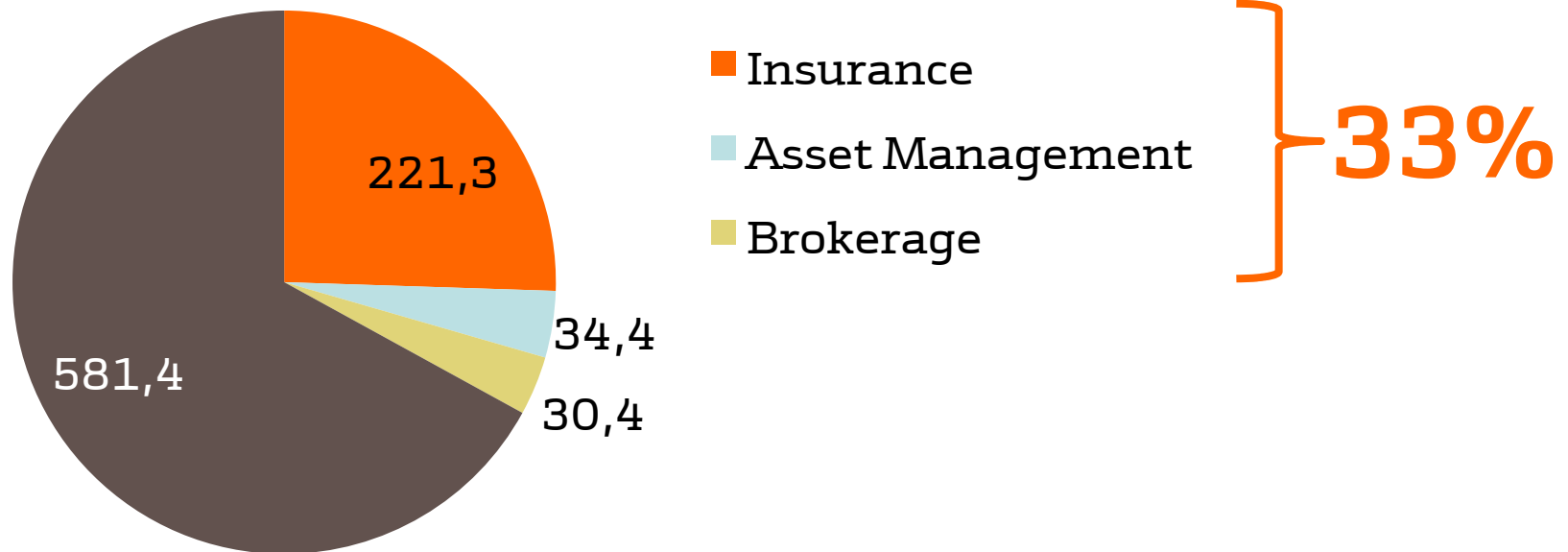
+1,6bn€
Since Dec'09

+23bps
Market share since
Dec '09
1,7%

In figures

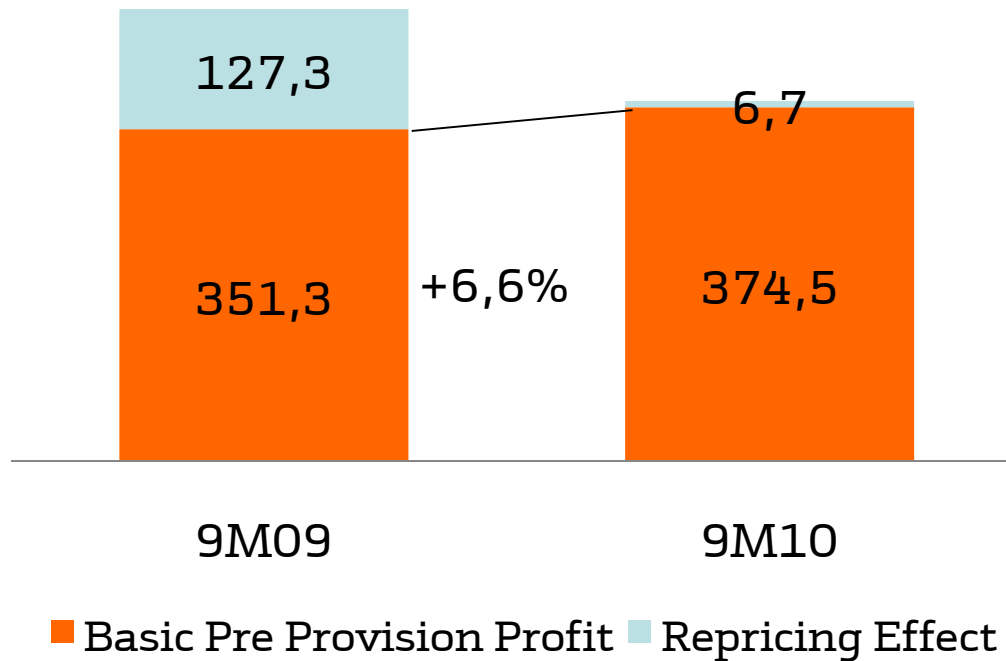
Gross operating income shows greater diversification

Gross operating income breakdown (million €)



9M10 **pre provision profit** absorbs '09 repricing effect

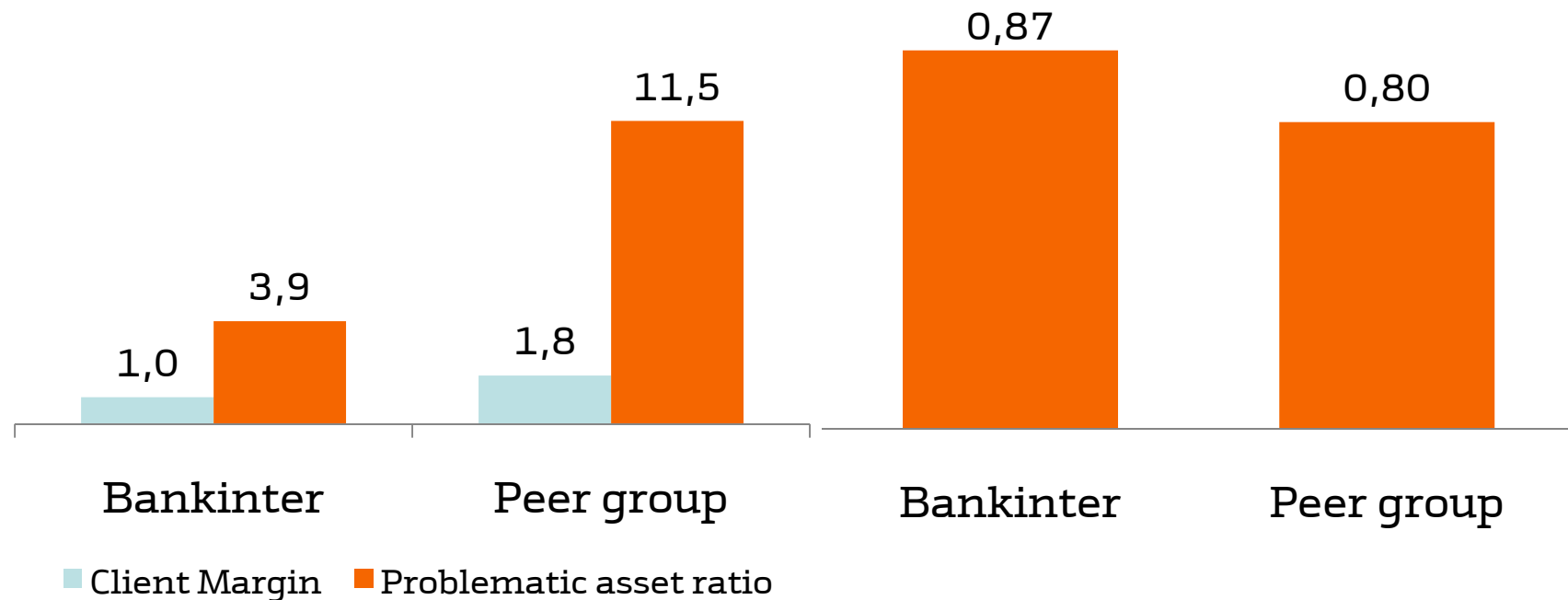
Pre provisioning profit (million €)



We continue **working on margins** to absorb both cost of risk and liquidity

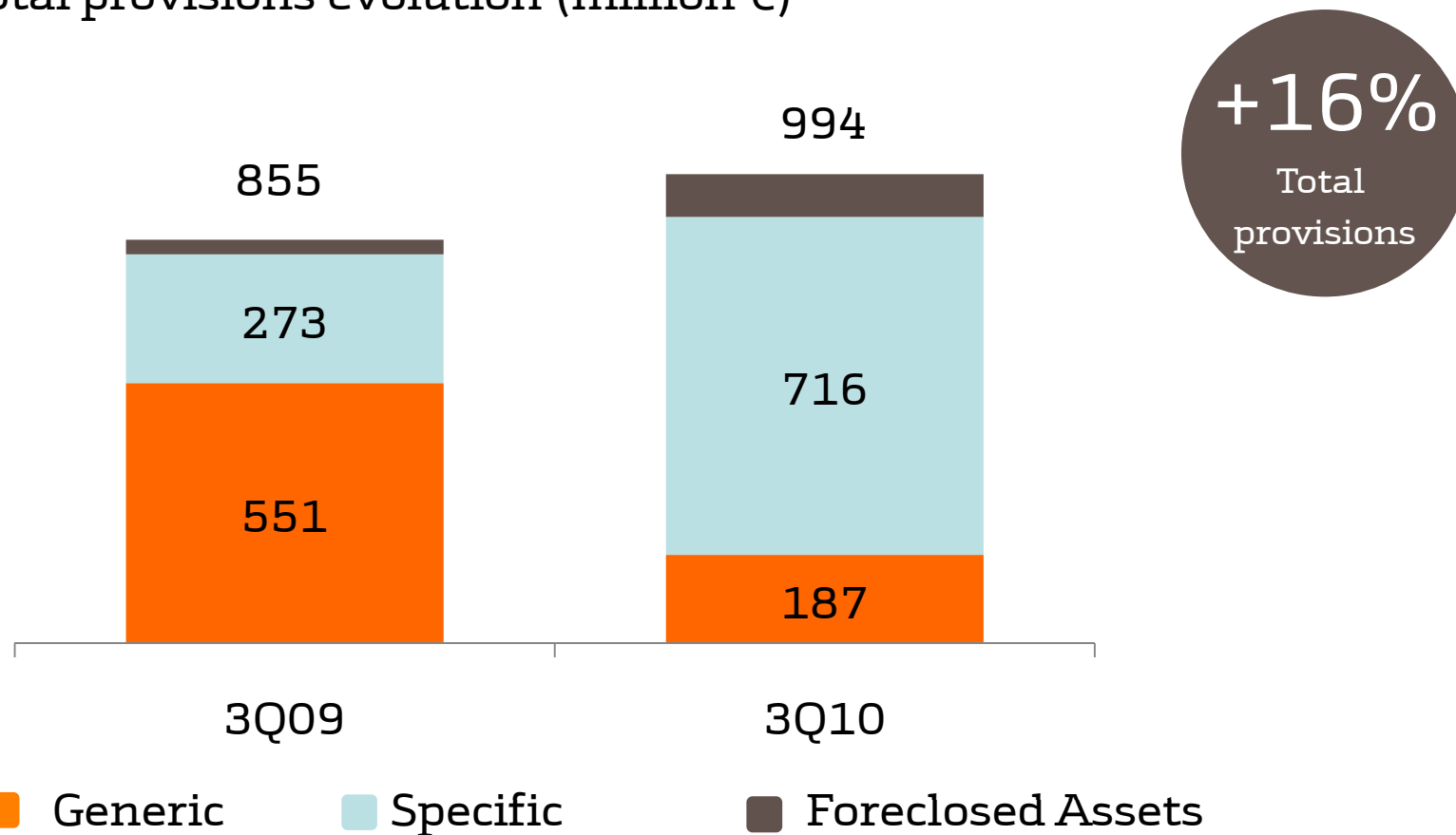
-Client margin vs NPL ratio in %-

-NIM risk adjusted over ATM's (in %)-



A strong business position capable of absorbing credit costs with recurrent income

Total provisions evolution (million €)



In summary

1.- Working on client profitability

2.- Enhancing the quality and diversification of income sources

3.- Cost contention, efficiency and productivity gains

4.- Improved risk coverage and limited use of the generic provision

5.- Unrealized gains on Balance Sheet untouched

A different
kind of bank,
stubbornly
different.