



NATIONAL SECURITIES MARKET COMMISSION

Pursuant to article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and article 228 of the restated text of the Securities Market Law approved by the Royal Legislative Decree 4/2015, of 23 October (*texto refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*), Banco de Sabadell, S.A. (Banco Sabadell), informs the National Securities Market Commission (*Comisión Nacional del Mercado de Valores –CNMV–*) of the following

RELEVANT FACT

Banco Sabadell has been notified today about the decision of the European Central Bank (ECB) regarding minimum prudential capital requirements in 2018 following the outcome of the Supervisory Review and Evaluation Process (SREP). As a result, Banco Sabadell exceeds the required limits and has no restriction to the distribution of dividends, variable remunerations or coupon payments to the holders of Additional Tier 1 (AT1) instruments.

The requirement for Banco Sabadell is to maintain a Common Equity Tier 1 ratio (CET1 phase-in) of 8.3125% and a Total Capital ratio phase-in of 11.8125% on a consolidated basis. These ratios include the minimum Pillar 1 requirement (4.50%), the ECB Pillar 2 requirement (1.75%), the Capital Conservation buffer (1.875%) and the O-SII buffer (0.1875%).

As of September 2017, Banco Sabadell's CET1 phase-in ratio stood at 13.22% and the Total Capital phase-in ratio at 15.46% (15.95% including the 400 million euro AT1 issuance in November 2017).



Summary table with the minimum prudential capital requirements for 2018:

Phase –in	CET1	AT1	Tier2	Total Capital	Fully-loaded	CET1	AT1	Tier2	Total Capital
Pillar 1	4,50%	1,50%	2,00%	8,00%	Pillar 1	4,50%	1,50%	2,00%	8,00%
Pillar 2	1,75%	-	-	1,75%	Pillar 2	1,75%			1,75%
Buffers	2,06%			2,06%	Buffers	2,75%			2,75%
Total Capital	8,31%	1,50%	2,00%	11,81%	Total capital	9,00%	1,50%	2,00%	12,50%
Ratio as of 30th Sep. 2017	13,22%	0,43%	1,81%	15,46%	Ratio as of 30th Sep. 2017	12,70%	0,93%	1,82%	15,44%

María José García Beato
Deputy Secretary of the Board of Directors

Alicante, 14 December 2017