Annual Earnings Report

December 2014

28th February 2015

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CONTENTS

Accumulated attributable profit up 58.0% on 2013

- In 2014 the Bankia Group obtains an attributable profit of €966 million, 58.0% more than in 2013 on a pro forma basis (1). At year end, an extraordinary gross provision of €312 million has been made in relation to the contingency arising from claims related to Bankia's IPO. After taking the provision into account, the attributable profit is €747 million.
- The Group proposes a cash dividend of 1.75 cents per share (a total of €202 million) against 2014 earnings.
- Net interest income increases 14% during 2014 and the core banking business (net interest income plus fee and commission income) grows 10.7% during the same period. Furthermore, the latter continues to grow in 4Q 2014, rising 4.3% quarter-on-quarter.
- Operating expenses in the year are down 8.5%, compared to 2013.
- Stable core banking income and steady cost containment leads to further improvement in the efficiency ratio, which for the full year 2014 stands at 43.5%.

Significant boost to the commercial activity with growth in the supply of credit to businesses and individuals, an increase in retail customer funds, and further divestments in non-strategic assets.

- New lending grows 10.1% in 2014 (+31.9% in businesses and +7.6% in individuals), rising from €11,997 million at year-end 2013 to €13,211 million at year-end 2014. The number of new loans is up 48.2%.
- The Bankia Group draw €2,777 million under the ECB's TLTRO facility, the full amount of which is being dedicated to finance SMEs, businesses, self-employeed and professionals in the form of new loans. Specifically, in September a new loan facility called "Préstamo Dinamización" was launched, under which loans totalling €1,391 million have been granted to date.
- Strict customer deposits are up €4,891 million in 2014, while off-balance-sheet customer funds are up €2,334 million in the same period.
- The Bankia Group has completed 174 disposals of non-strategic assets in 2014, generating cash proceeds of €1,212 million.
- Sales of non-performing loan portfolios total €1,607 million in the year, of which €842 million were executed in 4Q 2014. Additionally in 2014 the Bank has sold write-offs in the amount of €379 million and foreclosed assets in the amount of €359 million.

Stronger balance sheet, as credit quality, liquidity and solvency indicators improve further

- Reduction of non-performing loans by €3,475 million in 2014 (€1,120 million in 4Q 2014), with the NPL ratio falling to 12.9%, compared to 14.7% in December 2013.
- The cost of credit risk improves in 2014, to reach 60 bps, 14 bps less than in 2013.
- Improvement of the commercial gap by €11,414 million in the year, up 45.5%, with the LTD ratio marking a new low of 105.5%.
- CET 1 BIS III phase-in ratio stands at 12.28% (capital generation of +159 bps in 2014) and CET 1 BIS III fully loaded at 10.60% (capital generation of +200 bps in 2014).

(1) Excludes the cost of the subordinated loan from BFA and the restatement of the 2013 accounts based on Regulation (EU) 634/2014 and the letter of 23 December 2014 from Bank of Spain.

1. RELEVANT DATA

	Dec-14	Dec-13	Change
Balance sheet (€ million)			
Total assets	233,649	251,472	(7.1%)
Loans and advances to customers (net)	112,691	119,118	(5.4%)
Loans and advances to customers (gross)	121,769	129,818	(6.2%)
Loans and advances to the resident private sector (gross)	96,550	100,833	(4.2%)
Secured loans and advances (gross)	74,075	78,330	(5.4%)
On-balance-sheet customer funds	131,200	136,682	(4.0%)
Customer deposits	106,807	108,543	(1.6%)
Marketable securities	23,350	28,139	(17.0%)
Subordinated liabilities	1,043	-	n.a.
Total managed customer funds	152,242	157,513	(3.3%)
Equity	11,331	10,883	4.1%
Common Equity Tier I - BIS III Phase In (1)	10,874	10,509	3.5%
Capital adequacy (%)			
Common Equity Tier I - BIS III Phase In (1)	12.28%	10.69%	1,6 p.p.
Total capital ratio - BIS III Phase In (1)	13.82%	11.06%	2,8 p.p.
CET 1 Fully Loaded	10.60%	8.60%	2,0 p.p.
Risk management (€ million and %)			
Total risk	128,584	136,660	(5.9%)
Non performing loans	16,547	20,022	(17.4%)
NPL provisions	9,527	11,312	(15.8%)
NPL ratio	12.9%	14.7%	(1.8) p.p.
NPL coverage ratio	57.6%	56.5%	+1.1 p.p.

	Dec-14	Dec-13 (2)	Change
Results (€ million)			
Net interest income	2,927	2,567	14.0%
Gross income	4,009	3,772	6.3%
Operating income before provisions	2,267	1,867	21.4%
Profit/(loss) attributable to the Group	747	611	22.3%
Profit/(loss) attributable to the Group ex IPO contingency provision	966	611	58.0%
Key ratios (%)			
Cost to Income ratio (3)	43.5%	50.5%	(7.0) p.p.
R.O.A. (Profit after tax / Average total assets) (4)	0.3%	0.2%	+0.1 p.p.
R.O.E. (Profit attributable to the group / Equity) (5)	6.6%	5.6%	+1.0 p.p.
R.O.E. (Profit attributable to the group / Equity) (5) ex IPO contingency provision	8.6%	5.6%	+3.0 p.p.

	Dec-14	Dec-13	Change
Bankia share			
Number of shareholders	457,377	477,683	(4.3%)
Number of shares in issue (million)	11,517	11,517	0.0%
Closing price (end of period)	1.24	1.23	0.3%
Market capitalisation (€ million)	14,258	14,212	0.3%
Earnings per share (euros) (6)	0.06	0.07	(7.3%)
Additional information			
Number of branches	1,978	2,009	(1.5%)
Number of employees (7)	14,382	15,392	(6.6%)

NOTE: 2013 does not include the changes resulting from the early adoption of IFRIC 21.
(1) For comparison purposes, in December 2013 the ratio is calculated based on phase in 2014.
(2) December 2013 figures calculated excluding the financial cost attributable to the subordinated loan granted by BFA to Bankia (€ 142 million) cancelled on 23th May 2013.
(3) Cost to Income ratio accumulated for the 12 months period.
(4) Profit after tax divided by the average total assets.
(5) Profit attributable to the Group divided by the average equity of the period. In 2013 it is calculated using pro forma profit attributable to the Group (i.e. excluding the financial cost of the subordinated loan granted by BFA to Bankia cancelled in May 2013 and reclasifying Aseval as results from continued operations), which is divided by the equity at the end of the period.
(6) Proffit attributable to the Group divided by the weighted average number of shares of the period. In 2013 a weighted average number of shares of 7.054 million is used, which takes into account the contrasplit of May 2013.
(7) Number of employees involved in financial activities in Spain and abroad.

2. ECONOMIC AND FINANCIAL ENVIRONMENT

In general 2014 has been somewhat disappointing for the world economy, especially in the euro area and Japan. The United States stands out positively, quickly recovering strong rates of growth. The situation in Europe remained fragile and very uneven: some peripheral countries achieved relatively sound rates of growth, while France ended another year of almost zero growth and Italy had its third consecutive year of contraction, and inflation stands at negative growth rates. Meanwhile emerging economies, in general, have experienced a slowdown, due to the accumulation of specific weaknesses and adverse external factors, including expectations of interest rate rises in the U.S. in 2015, the strengthening of the USD dollar and the sharp fall in commodity prices (especially crude oil).

In this context, the main central banks have maintained divergent trends in their monetary policies, though always within prudent limits. The ECB, for instance, strengthened its expansionary measures, lowering its policy rate by 20 bp to 0.05% and setting a negative rate on its deposit facilities. It also implemented a series of operations aimed at supplying additional liquidity conditional upon an increase in lending, and a programme of outright purchases of assets (public debt will be included starting May 2015), with the intention of expanding its balance sheet by around one trillion euros over a two-year horizon. The Bank of Japan also increased stimuli, setting a target of expanding the monetary base by 80 trillion yen per year. In contrast, the United States Federal Reserve reduced the volume of its asset purchases, finally bringing them to an end in October, and is expected to raise interest rates in 2015. This environment of abnormally low interest rates and very muted expectations is having a positive impact on government debt. In the specific case of Spanish Government debt, the yield on the 10-year bond ended 2014 close to 1.5% and the risk premium came close to 1.0%.

In Spain, the road to economic recovery has consolidated during 2014. GDP growth for the full year was 1.4%, the first positive figure since 2008 (-1.2% the previous year). Employment was created for the first time in seven years (increase of 417,574 in number of registered employees). The upswing in economic activity was supported by domestic demand, both household consumption and business investment, driven by the improved outlook, higher earnings and credit available. However, the reactivation of domestic spending corresponds to a downward adjustment in private savings and a deterioration of the current account surplus.

The recovery of the Spanish economy has influenced the situation of the banking system, with a gradual improvement in fundamental aspects of the business over the year. On the asset side, despite continuing with the necessary deleveraging process, the rate of decline in lending has slowed, thanks to the reactivation in new lending to households and SMEs. For the first time since the start of the crisis the deterioration of credit quality has started to slow, with a decline in the stock of non-performing loans. On the liabilities side, the weight of retail customer funds has increased, despite the outflow into mutual and pension funds. These trends, together with the ongoing concentration and resizing process for the sector, are reflected in the income statement in the form of a decrease in operating expenses and the cost of risk. However, looking ahead there are major challenges for banks, most notably the downward pressure on profitability in a low interest rate environment, faced with still modest growth prospects and increasing regulatory requirements.

3. HIGHLIGHTS OF THE YEAR

In 2014 the Bankia Group continued to focus on the factors considered to be a priority in the short and medium term, by boosting new lending to SMEs and corporates, increasing profitability and solvency levels, improving liquidity indicators and improving its risk management.

3.1 Good earnings performance and further improvements in efficiency and cost of risk

(Note: to make the information more homogeneous, the cumulative results for 2014 and 2013 are compared on a like-for-like basis, i.e., increasing net interest income for 2013 by excluding the financial cost of the subordinated loan granted by BFA to Bankia, which was repaid in May 2013, and reclassifying the results of Aseval as a continuing operation in both years. The Group's income statement before these adjustments is included in the Annexes.

The financial sector has anticipated the adoption of IFRIC 21, as advised by the Banco de España in the letter sent on 23 December 2014. Thus, as established in Rule Eight of Banco de España Circular 4/2004, the figures for year-end 2013 have been restated. The changes affect the ordinary contributions to the Deposit Guarantee Fund (DGF) and the extraordinary contributions. The amendments made in the comparative figures for 2013 are explained in Note 1.5 of the annual consolidated financial statements.

In order to make the financial information contained in this report more comparable with that contained in the 2013 report, this annual earnings report does not include the changes resulting from the early adoption of IFRIC 21, so no change expressed in this report includes the restatement of the aforementioned accounts.)

On July 4th 2012, the court admitted the complaint by UPyD against Bankia, BFA, and the former members of their respective Board of Directors, which led to opening preliminary proceedings Nº59/2012 that are currently being followed by the National High Court.

The proceedings are currently under preliminary investigation phase and following specific procedures which have included imposing a joint and several surety to Bankia, BFA and four former Bankia's Board members for an amount of €600 million, plus a third of this amount. In any case, the preliminary investigation is still at an early stage therefore, at this point, it is not possible to know how it will evolve and the final result.

In parallel to the aforementioned, as of December 31st 2014, the Group has received a number of civil claims from retail investors as well as extrajudicial claims which the Bank has estimated that potentially could end up raising to € 780 million, including settlements, legal costs and, if applicable, arrear interest. On January 27, 2015, BFA and Bankia have entered into an agreement whereby Bankia assumes a first tranch loss of 40% of the estimated above mentioned cost and consequently BFA assumes the remaining 60%.

In this manner, the Group has charged against 2014 profit and loss account "Provisions" chapter, a provision for an amount of € 312 million, in order to cover the potential cost according to above mentioned agreement and the calculated total amount.

have led the Bankia Group to make, based on the information available to date, a provision for an amount of €312 million.

The provision made by the Group as of December 31st 2014 takes into consideration that the verdicts dictated to date against Bankia, are without predjudice to the uncertainty that exists regarding who will ultimately be responsible for bearing the final costs of the aforementioned, present and future verdicts.

The previous assumptions will be revised, updated and validated regularly.

- In 2014 the Bankia Group has obtained an **attributable profit** of €966 million, which represents a **58.0% increase** compared with 2013. This increase is founded on customer recurrent business (net interest income and fee and commission income), a reduction in operating expenses and a lower volume of provisions and write-downs as a result of the steady improvement in the quality of the Group's assets. At year end, an extraordinary gross provision of €312 million has been made for a legal contingency related to Bankia's IPO. As a result, the attributable profit is €747 million.

- The Group proposes a cash dividend of 1.75 cents per share (a total of €202 million) against 2014 earnings, resulting in a pay-out ratio of 27.0%.

- **Net interest income** at year-end 2014 stands at €2,927 million, 14% higher than in December 2013. Net interest income for 4Q 2014 totals €765 million, up 4% on 3Q 2014, marking seven consecutive quarters of growth in this item. As in previous quarters, the main factors behind this positive trend are the increase in new lending and the decline in the cost of deposits, which allowed to offset the impact of factors such as the current low interest rate environment and the sales of loan portfolios.

  In 4Q 2014 the bank continued lowering the cost of term deposits, with new deposits being remunerated at an average rate of 0.64%, 21 basis points less than in 3Q 2014. Meanwhile, in 4Q 2014 the back book of customer deposits stands at an average rate of 1.58%. As a result, the return on average total assets in 4Q 2014 was 1.3%, compared to 1.2% the previous quarter.

- **Net fee and commission income** at year-end 2014 stands at €948 million, 1.3% above the previous year. The figure for 4Q 2014 stands at €246 million, 5.0% more than in 3Q 2014. Consequently, after overcoming the seasonality of the third quarter (in which this item remained relatively stable compared to 2Q), fee and commission income has returned to the path of growth seen in previous quarters. Growth is particularly significant in fee and commission income from off-balance-sheet customer funds, which was up 27.4% at year-end 2014 compared to December 2013.

- **Net trading income (NTI)** stands at €218 million at year-end 2014 and €68 million for 4Q 2014. This result is attributable mainly to the gains made through portfolio rotation, combined with customer derivatives activity and hedge valuation. On the other hand, the income statement for the year includes **positive exchange gains** totalling €8 million (€6 million in 4Q 2014).

- As a result of all the above, **gross income** for 2014 totals €4,009 million, up 6.3% compared with 2013. Gross income for 4Q 2014 totals €1,072 million, an increase of 6.7% compared to 3Q 2014. The main component of gross income is core banking business revenues from customers (net interest income and commissions), which together account for just over 97% of total income, which compares with a 93% in 2013.

- **Operating expenses** are down 8.5%, at the end of December 2014 compared to December 2013. Personnel expenses continue to show the reducing trend seen in previous quarters, and in 4Q 2014 were down 0.9% compared to the previous quarter. This results in another quarterly improvement in the **cost-to-income ratio**, which stands at 40.7% in 4Q 2014, down 9.6 percentage points year-on-year and 2.1 percentage points quarter-on-quarter. In annual terms, the cost-to-income ratio for 2014 as a whole stands at 43.5%, 7.0 percentage points less that at year-end 2013.

- As a result of the good revenue and expense performance, **pre-provision profit** is up 21.4% in 2014 compared to 2013, with an increase of 10.7% in the fourth quarter compared to the previous quarter.

- **Recurring pre-provision profit** (pre-provision profit ex NTI and exchange differences) is up 42.5% in 2014 compared to 2013 and up 8.4% in 4Q 2014 compared to 3Q 2014.

- At year-end 2014 the total volume of **provisions and write-downs**, which include impairment losses on financial assets, non-financial assets and foreclosed assets and other net provisions, stands at €1,108 million. This represents a year-on-year decline of 36.1%, which is the result of the positive performance in asset quality and the extreme prudence the Bank continues to exercise in covering its credit and real estate risk. At year end, an extraordinary provision of €312 million has been made for a legal contingency related to Bankia's IPO. After taking this into account the total volume of provisions and write-downs is €1,420 million.

- 4Q 2014 sees an **improvement in the cost of credit risk**, which stands at 0.50%, down 21 basis points on 4Q 2013.

- The **sales of portfolios** have contributed to the decrease in the Group's non-performing loans. Sales of non-performing loans in 2014 total €1,607 million (of which €842 million in 4Q 2014), sales of write-offs total €379 million and sales of foreclosed assets total €359 million.

3.2 Growth in lending offered to households and businesses, increased deposit growth and divestments

- **New lending** is up 10.1% in 2014 (+31.9% for businesses and +7.6% for individuals), rising from €11,997 million at year-end 2013 to €13,211 million at year-end 2014. The number of new loans increases by 48.2%.

- At year-end 2014 **gross loans and advances to customers** stands at €121,769 million, down €8,050 million from December 2013 (-6.2%). This reduction, of which €1,607 million relate to sales of portfolios of non-performing loans, is mainly explained by the reduction in the outstanding amount of home mortgage loans (€-4,283 million).

  This decrease reflects the Bank's strategy, aimed at reducing the NPL ratio and shifting the mix of its portfolios towards a greater proportion of loans to corporates and SMEs. In fact in 4Q, credit to businesses stabilises and consumer lending increases.

- **Bankia drew €2,777 million under the ECB's TLTRO facility. The full amount is being dedicated to finance SME's, corporates, self-employed and professionals in the form of new credit**. For this purpose it has launched a new line of loans ("Préstamo Dinamización") for self-employed and professionals, SMEs and corporates, which passes on to customers all of the saving resulting from the cheaper financing obtained from the ECB, resulting in a 30% average reduction in the applicable interest rate from that applied on the rest of the loans offered by Bankia. As of the date of this report, a total of €1,391 million of new loans have been granted under this new line of loans, a majority of which, are long term.

- As regards **retail funds** in 2014, strict customer deposits are up €4,891 million, while funds managed off-balance-sheet are up €2,334 million.

- The growth is particularly strong in sight accounts (+15%) and assets managed in mutual funds (26.5%).

- With respect to the **non-strategic asset disposal plan**, over the year the Bankia Group completed a total of 174 sales of equity investments and other assets, generating liquidity for €1,212 million, of which €670 million correspond to the fourth quarter. At the BFA Group level the total amount of sales is 192, contributing €3.121 million in liquidity.

3.3 Further improvement in credit quality, liquidity and solvency indicators

- The Bankia Group continues to improve the quality of its assets quarter by quarter, with **non-performing loans** standing at €16,547 million at year-end, down €3,475 million over the year (of which €1,120 million in the fourth quarter). This improvement is attributable to a decrease in the volume of loans entering non-performing status, the reinforcement of recovery activity and sales of non-performing loans portfolios, which totalled €1,607 million for the full year.

  All this, combined with the current levels of investment, translates into a **decrease in the NPL ratio**, which is down 178 basis points over the year (77 basis points in the last three months), standing at 12.9% at the end of December 2014.

The **NPL coverage ratio**, meanwhile, is 57.6%, 108 basis points higher than in December 2013, due to the decrease in NPLs and the Group's prudent provisioning policy.

- The Group posts yet another improvement in **liquidity**, driven by the reduction of the commercial gap, which is down €11,414 million in the year, a 45.5%. The loan-to-deposit (LTD) ratio stands at 105.5%. The Group's LTD ratio has now improved for six quarters in a row, with a total improvement of 9.9 percentage points compared to 2013.

- In terms of **solvency**, the Group has reached a CET 1 BIS III phase-in ratio of 12.28% at year-end 2014. This ratio demonstrates the strength of the Group's solvency as it includes the possible payment of a cash dividend for an amount of €202 million (-23 bps) and incorporates the impact of the provision of €312 million for a legal contingency related to Bankia's IPO (-27 bps). The CET 1 BIS III fully loaded ratio increases to 10.60% at year-end 2014.

- In 4Q 2014 the Group has generated organically +59 basis points of CET 1 BIS III phase-in, thanks to organic capital generation and the variation in RWAs due to sales of non-strategic assets and the improvement in loan book quality, in line with previous quarters. This recurrent capital generation has been reduced by -52 bps due to two extraordinary effects: the provision made for the legal contingency related to Bankia's IPO (-27 bps) and the impact of anticipating Regulation (EU) 634/2014 regarding contributions to the Deposit Guarantee Fund (-25 bps). Additionally the possible payment of a cash dividend for an amount of €202 million, implies a capital deduction of -23 bps.

4. INCOME STATEMENT

PRO FORMA ACCUMULATED INCOME STATEMENT

(€ million)	12M 2014 [1]	12M 2013 [2]	Change Amount	Change %
Net interest income	**2,927**	**2,567**	**361**	**14.0%**
Dividends	5	9	(4)	(42.1%)
Share of profit/(loss) of companies accounted for using the equity method	32	29	3	10.0%
Total net fee and commission	948	935	13	1.3%
Gains/(losses) on financial assets and liabilities	218	415	(198)	(47.6%)
Exchange differences	8	20	(12)	(60.5%)
Other operating income/(expense)	(129)	(202)	74	(36.4%)
Gross income	**4,009**	**3,772**	**236**	**6.3%**
Administrative expenses	(1,586)	(1,729)	143	(8.3%)
Staff costs	(987)	(1,117)	129	(11.6%)
General expenses	(599)	(613)	14	(2.3%)
Depreciation and amortisation charge	(156)	(175)	19	(10.9%)
Operating income before provisions	**2,267**	**1,867**	**399**	**21.4%**
Provisions	(846)	(1,429)	583	(40.8%)
Provisions (net)	104	(180)	284	-
Impairment losses on financial assets (net)	(950)	(1,249)	299	(24.0%)
Operating profit/(loss)	**1,420**	**438**	**982**	**224.2%**
Impairment losses on non-financial assets	(6)	(18)	12	(65.4%)
Other gains and other losses	(104)	160	(264)	-
Profit/(loss) before tax	**1,310**	**580**	**730**	**125.8%**
Corporate income tax	(320)	28	(348)	-
Profit/(loss) after tax	**990**	**608**	**382**	**62.8%**
Profit/(loss) attributable to minority interests	24	(3)	27	-
Profit/(loss) attributable to the Group	**966**	**611**	**355**	**58.1%**
Net impact of IPO contingency provision	(218)			
Reported Profit/(loss) attributable to the Group	**747**	**611**	**136**	**22.2%**
Cost to Income ratio [3]	**43.5%**	**50.5%**	**(7.0) p.p.**	**(13.9%)**
Recurring Cost to Income ratio [3] [4]	**46.0%**	**57.1%**	**(11.1) p.p.**	**(19.3%)**

(1) Reclassifying results of Aseval as continuing operations.

(2) Excluding the financial cost attributable to the subordinated loan granted by BFA in 1Q13 (€89mn) and 2Q13 (€53mn) and reclassifying results of Aseval as continuing operations since 2Q13. Does not include the changes resulting from the early adoption of IFRIC 21.

(3) Cost to Income ratio for the 12 months accumulated period.

(4) Operating expenses / Gross income (excluding gains/losses on financial assets and liabilities and exchange differences).

CONSOLIDATED QUARTERLY PRO FORMA RESULTS

(€ million)	4Q 14 (1)	3Q 14 (1)	2Q 14 (1)	1Q 14 (1)	4Q 13 (2)	3Q 13 (2)	2Q 13 (2)	1Q 13 (2)
Net interest income	**765**	**735**	**730**	**698**	**690**	**643**	**633**	**601**
Dividends	1	2	2	1	2	1	5	1
Share of profit/(loss) of companies accounted for using the equity method	4	11	11	7	9	7	(2)	15
Total net fee and commission	246	234	237	231	249	237	225	225
Gains/(losses) on financial assets and liabilities	68	75	53	21	34	84	132	166
Exchange differences	6	(19)	6	14	4	6	15	(5)
Other operating income/(expense)	(17)	(33)	(36)	(42)	(77)	(31)	(49)	(45)
Gross income	**1,072**	**1,005**	**1,002**	**930**	**912**	**945**	**958**	**957**
Administrative expenses	(402)	(389)	(392)	(403)	(418)	(423)	(442)	(446)
Staff costs	(240)	(242)	(250)	(256)	(253)	(268)	(288)	(308)
General expenses	(163)	(147)	(143)	(146)	(166)	(155)	(154)	(139)
Depreciation and amortisation charge	(34)	(42)	(42)	(39)	(41)	(41)	(46)	(48)
Operating income before provisions	**636**	**574**	**567**	**489**	**453**	**481**	**470**	**463**
Provisions	(189)	(202)	(226)	(229)	(462)	(253)	(497)	(217)
Provisions (net)	(7)	46	17	49	(227)	17	12	18
Impairment losses on financial assets (net)	(182)	(248)	(243)	(277)	(235)	(269)	(509)	(235)
Operating profit/(loss)	**447**	**372**	**341**	**260**	**(9)**	**228**	**(27)**	**246**
Impairment losses on non-financial assets	(3)	(3)	2	(3)	(7)	2	(10)	(3)
Other gains and other losses	(95)	(2)	(18)	11	(37)	(1)	250	(51)
Profit/(loss) before tax	**348**	**367**	**326**	**268**	**(52)**	**229**	**213**	**191**
Corporate income tax	(55)	(102)	(81)	(82)	208	(68)	(56)	(57)
Profit/(loss) after tax	**294**	**265**	**245**	**186**	**156**	**161**	**157**	**134**
Profit/(loss) attributable to minority interests	26	(0)	0	(1)	6	0	(6)	(2)
Profit/(loss) attributable to the Group	**268**	**266**	**245**	**187**	**150**	**161**	**163**	**136**
Cost to Income ratio	**40.7%**	**42.8%**	**43.4%**	**47.4%**	**50.3%**	**49.1%**	**50.9%**	**51.6%**
Recurring Cost to Income ratio (3)	**43.7%**	**45.4%**	**46.1%**	**49.3%**	**52.6%**	**54.2%**	**60.1%**	**62.1%**

(1) Reclassifying results of Aseval as continuing operations.

(2) Excluding the financial cost attributable to the subordinated loan granted by BFA in 1Q13 (€89mn) and 2Q13 (€53mn) and reclassifying results of Aseval as continuing operations since 2Q13. Does not include the changes resulting from the early adoption of IFRIC 21.

(3) Operating expenses / Gross income (excluding gains/losses on financial assets and liabilities and exchange differences).

Bankia

REVENUES AND EXPENSES

(€ million & %)	4 Q 2014 Average Amount	Weight (%)	Revenues /Expenses	Yield	3 Q 2014 Average Amount	Weight (%)	Revenues /Expenses	Yield
Loans and advances to credit institutions [1]	14,999	6.4%	3	0.07%	18,581	7.6%	5	0.12%
Net Loans and advances to customers (a)	113,359	48.1%	676	2.36%	114,815	46.9%	676	2.34%
Debt securities	66,855	28.4%	412	2.44%	68,323	27.9%	439	2.55%
Other interest earning assets [2]	202	0.1%	1	2.33%	174	0.1%	1	2.71%
Other non-interest earning assets	40,337	17.1%	-	-	42,786	17.5%	-	-
Total Assets (b)	**235,752**	**100.0%**	**1,091**	**1.84%**	**244,679**	**100.0%**	**1,122**	**1.82%**
Deposits from central banks and credit institutions	66,721	28.3%	37	0.22%	71,149	29.1%	54	0.30%
Customer deposits (c)	105,608	44.8%	253	0.95%	105,752	43.2%	287	1.08%
Strict Customer Deposits	*93,769*	39.8%	*226*	*0.96%*	*94,548*	38.6%	*259*	*1.09%*
Repos	*3,882*	1.6%	*1.1*	*0.11%*	*2,949*	1.2%	*0.4*	*0.06%*
Single-certificate covered bonds	*7,956*	3.4%	*26*	*1.28%*	*8,255*	3.4%	*28*	*1.34%*
Marketable securities	24,424	10.4%	56	0.91%	26,455	10.8%	62	0.92%
Subordinated liabilities	1,036	0.4%	7	2.81%	1,018	0.4%	10	3.71%
Other interest earning liabilities [2]	1,211	0.5%	3	0.84%	1,309	0.5%	3	0.86%
Other liabilities with no cost	24,022	10.2%	-	-	26,374	10.8%	-	-
Equity	12,730	5.4%	-	-	12,622	5.2%	-	-
TOTAL EQUITY AND LIABILITIES (d)	**235,752**	**100.0%**	**357**	**0.60%**	**244,679**	**100.0%**	**416**	**0.67%**
Customer margin (a-c)			**423**	**1.41%**			**389**	**1.26%**
Net interest margin (b-d)			**735**	**1.24%**			**706**	**1.15%**
City National Bank Contribution [3]	***4,211***		***30***		***3,963***		***29***	
Consolidated Net interest margin	**239,963**		**765**	**1.26%**	**248,642**		**735**	**1.17%**

(1) Includes repo transaction with BFA since March 2014
(2) Includes insurance contracts related to pensions, liabilities under insurance contracts and other financial liabilities
(3) The average amount of City National Bank includes interest and non-interest earning assets and liabilities

(€ million & %)	2 Q 2014 Average Amount	Weight (%)	Revenues /Expenses	Yield	1 Q 2014 Average Amount	Weight (%)	Revenues /Expenses	Yield
Loans and advances to credit institutions [1]	20,421	8.1%	15	0.29%	13,439	5.4%	7	0.21%
Net Loans and advances to customers (a)	116,938	46.5%	713	2.45%	119,796	47.9%	722	2.44%
Debt securities	69,924	27.8%	448	2.57%	70,136	28.0%	448	2.59%
Other interest earning assets [2]	187	0.1%	1	2.54%	197	0.1%	1	2.44%
Other non-interest earning assets	43,938	17.5%	-	-	46,629	18.6%	-	-
Total Assets (b)	**251,409**	**100.0%**	**1,177**	**1.88%**	**250,196**	**100.0%**	**1,178**	**1.91%**
Deposits from central banks and credit institutions	77,879	32.1%	76	0.39%	69,260	28.7%	73	0.43%
Customer deposits (c)	106,774	42.5%	327	1.23%	110,796	44.3%	363	1.33%
Strict Customer Deposits	*90,898*	36.2%	*293*	*1.29%*	*90,702*	36.3%	*328*	*1.47%*
Repos	*7,220*	2.9%	*5*	*0.28%*	*10,904*	4.4%	*7*	*0.26%*
Single-certificate covered bonds	*8,656*	3.4%	*29*	*1.34%*	*9,190*	3.7%	*28*	*1.25%*
Marketable securities	26,190	10.4%	63	0.97%	28,050	11.2%	68	0.98%
Subordinated liabilities	502	0.2%	4	3.58%	-	-	-	-
Other interest earning liabilities [2]	1,568	0.6%	3	0.73%	1,736	0.7%	3	0.69%
Other liabilities with no cost	26,521	10.5%	-	-	28,769	11.5%	-	-
Equity	11,977	4.8%	-	-	11,586	4.6%	-	-
TOTAL EQUITY AND LIABILITIES (d)	**251,409**	**100.0%**	**474**	**0.76%**	**250,196**	**100.0%**	**507**	**0.82%**
Customer margin (a-c)				**1.22%**				**1.12%**
Net interest margin (b-d)			**703**	**1.12%**			**670**	**1.09%**
City National Bank Contribution	***3,222***		***28***		***3,159***		***28***	
Consolidated Net interest margin	**254,631**		**730**	**1.15%**	**253,355**		**698**	**1.12%**

(1) Includes repo transaction with BFA since March 2014
(2) Includes insurance contracts related to pensions, liabilities under insurance contracts and other financial liabilities

NET FEE AND COMMISSION INCOME

(€ milllon)	12M 2014	12M 2013	Change Amount	Change %
Contingent liabilities and commitments	105	114	(9)	(7.7%)
Collection and payment services	408	452	(43)	(9.6%)
Cheques and Bills	50	67	(16)	(24.4%)
Cards	216	237	(22)	(9.2%)
Payment services	40	51	(11)	(21.7%)
Others	102	97	6	5.9%
Securities services	52	52	1	1.5%
Non-banking financial product sales	259	203	56	27.4%
Mutual funds	93	82	11	13.1%
Pension funds	77	45	32	70.0%
Insurances and others	89	76	13	17.5%
Other fee and commission	211	250	(39)	(15.7%)
Fee and commission income	**1,036**	**1,071**	**(35)**	**(3.3%)**
Fee and commission expenses	**88**	**136**	**(48)**	**(35.0%)**
Total net fee and commission	**948**	**935**	**13**	**1.3%**
(*) City National Bank of Florida contribution	**8**	**8**	**-**	**-**

(€ milllon)	4Q 2014	3Q 2014	2Q 2014	1Q 2014	4Q 2013	3Q 2013	2Q 2013	1Q 2013
Contingent liabilities and commitments	26	25	28	27	26	30	29	28
Collection and payment services	97	97	107	107	129	111	108	105
Cheques and Bills	12	12	13	14	16	17	17	17
Cards	52	52	57	54	68	55	59	55
Payment services	9	9	11	11	15	12	12	12
Others	24	25	26	28	30	26	21	20
Securities services	11	10	18	13	13	13	14	11
Non-banking financial product sales	71	58	71	58	49	52	52	51
Mutual funds	24	24	23	22	22	23	19	18
Pension funds	15	16	30	16	12	11	11	11
Insurances and others	32	18	18	20	14	18	23	21
Other fee and commission	61	52	42	56	61	66	56	66
Fee and commission income	**266**	**243**	**266**	**260**	**279**	**272**	**260**	**260**
Fee and commission expenses	**20**	**9**	**29**	**30**	**29**	**36**	**35**	**36**
Total net fee and commission	**246**	**234**	**237**	**231**	**249**	**237**	**225**	**225**
(*) City National Bank of Florida contribution	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**3**

ADMINISTRATIVE EXPENSES

(€ million)	12M 2014	12M 2013	Change	
			Amount	%
Staff cost	**987**	**1,117**	**(129)**	**(11.6%)**
Wages and salaries	746	859	(113)	(13.1%)
Social security costs	179	211	(32)	(15.1%)
Pension plans	28	3	25	780.2%
Others	34	43	(10)	(22.7%)
General expenses	**599**	**613**	**(14)**	**(2.3%)**
From property, fixtures and supplies	140	170	(31)	(18.1%)
IT and communications	174	179	(4)	(2.5%)
Advertising and publicity	63	44	19	42.3%
Technical reports	55	62	(8)	(12.2%)
Surveillance and security courier services	16	22	(6)	(25.2%)
Levies and taxes	60	54	6	11.1%
Insurance and self-insurance premiums	6	4	2	37.7%
Other expenses	84	77	8	10.3%
TOTAL ADMINISTRATIVE EXPENSES	**1,586**	**1,729**	**(143)**	**(8.3%)**
(*) of which: City National Bank of Florida	**60**	**56**	**4**	**6.5%**

(€ million)	4Q 2014	3Q 2014	2Q 2014	1Q 2014	4Q 2013	3Q 2013	2Q 2013	1Q 2013
Staff cost	**240**	**242**	**250**	**256**	**253**	**268**	**288**	**308**
Wages and salaries	184	182	189	192	193	208	222	237
Social security costs	43	45	45	46	47	52	54	58
Pension plans	7	7	7	7	1	0	1	1
Others	5	8	10	11	12	8	11	13
General expenses	**163**	**147**	**143**	**146**	**166**	**155**	**154**	**139**
From property, fixtures and supplies	37	34	34	35	46	40	40	44
IT and communications	43	43	46	42	42	43	48	45
Advertising and publicity	19	17	12	14	10	10	12	13
Technical reports	20	16	10	9	30	13	12	7
Surveillance and security courier servic	4	4	4	4	5	6	6	5
Levies and taxes	14	10	17	18	7	18	21	7
Insurance and self-insurance premiums	2	3	1	1	1	1	1	1
Other expenses	24	20	18	22	23	24	14	15
TOTAL ADMINISTRATIVE EXPENSES	**402**	**389**	**392**	**403**	**418**	**423**	**442**	**446**
(*) of which: City National Bank of Florida	**16**	**15**	**13**	**15**	**14**	**14**	**14**	**14**

PROVISIONS

(€ million)	12M 2014	12M 2013	Change Amount	Change %
Provisions (net)	104	(180)	284	n.a.
Impairment losses on financial assets (net)	(950)	(1,249)	299	(23.9%)
Impairment losses on non-financial assets	(6)	(18)	12	(66.7%)
Foreclosed assets	(256)	(285)	29	(10.2%)
TOTAL PROVISIONS	**(1,108)**	**(1,733)**	**625**	**(36.1%)**
IPO contingency provision	(312)			
TOTAL PROVISIONS INCLUDING IPO CONTINGENCY PROVIS	**(1,420)**	**(1,733)**	**313**	**(18.1%)**

(€ million)	4Q 2014	3Q 2014	2Q 2014	1Q 2014	4Q 2013	3Q 2013	2Q 2013	1Q 2013
Provisions (net)	(7)	46	17	49	(227)	17	12	18
Impairment losses on financial assets (net)	(182)	(248)	(243)	(277)	(235)	(269)	(509)	(236)
Impairment losses on non-financial assets	(3)	(3)	2	(3)	(7)	2	(10)	(3)
Foreclosed assets	(99)	(48)	(38)	(71)	(114)	(43)	(78)	(50)
TOTAL PROVISIONS	**(291)**	**(253)**	**(262)**	**(303)**	**(583)**	**(294)**	**(585)**	**(271)**
IPO contingency provision	(312)							
TOTAL PROVISIONS INCLUDING IPO CONTINGENCY	**(603)**	**(253)**	**(262)**	**(303)**	**(583)**	**(294)**	**(585)**	**(271)**

5. BALANCE SHEET

(€ million)	Dec-14	Dec-13 [1]	Change Amount	Change %
Cash and balances with central banks	2,927	3,449	(522)	(15.1%)
Financial assets held for trading	18,606	22,244	(3,638)	(16.4%)
Of which: loans and advances to customers	-	3	(3)	(100.0%)
Available-for-sale financial assets	34,772	40,704	(5,933)	(14.6%)
Debt securities	34,772	40,704	(5,933)	(14.6%)
Equity instruments	-	-	-	-
Loans and receivables	125,227	129,918	(4,691)	(3.6%)
Loans and advances to credit institutions	10,967	9,219	1,748	19.0%
Loans and advances to customers	112,691	119,116	(6,424)	(5.4%)
Rest	1,569	1,584	(15)	(1.0%)
Held-to-maturity investments	26,661	26,980	(318)	(1.2%)
Hedging derivatives	5,539	4,260	1,279	30.0%
Non-current assets held for sale	7,563	12,000	(4,437)	(37.0%)
Equity investments	298	150	148	98.6%
Tangible and intangible assets	2,058	2,006	52	2.6%
Other assets, prepayments and accrued income, and tax as	9,997	9,761	236	2.4%
TOTAL ASSETS	**233,649**	**251,472**	**(17,823)**	**(7.1%)**
Financial liabilities held for trading	18,124	20,218	(2,094)	(10.4%)
Financial liabilities at amortised cost	193,082	207,877	(14,795)	(7.1%)
Deposits from central banks	36,500	43,406	(6,906)	(15.9%)
Deposits from credit institutions	23,965	26,218	(2,253)	(8.6%)
Customer deposits	106,807	108,543	(1,737)	(1.6%)
Marketable debt securities	23,350	28,139	(4,789)	(17.0%)
Subordinated liabilities	1,043	-	1,043	-
Other financial liabilities	1,417	1,571	(154)	(9.8%)
Hedging derivatives	2,490	1,897	593	31.3%
Liabilities under insurance contracts	-	238	(238)	(100.0%)
Provisions	1,706	1,706	(0)	(0.0%)
Other liabilities, accruals and deferred income, and tax liat	5,714	7,951	(2,237)	(28.1%)
TOTAL LIABILITIES	**221,115**	**239,887**	**(18,772)**	**(7.8%)**
Minority interests	(13)	(40)	26	(66.2%)
Valuation adjustments	1,216	742	474	63.9%
Equity	11,331	10,883	448	4.1%
TOTAL EQUITY	**12,533**	**11,585**	**948**	**8.2%**
TOTAL EQUITY AND LIABILITIES	**233,649**	**251,472**	**(17,823)**	**(7.1%)**

(1) Does not include the restatement from the early adoption of IFRIC 21.

CUSTOMER LOANS

(€ million)	Dec-14(*)	Dec-13(*)	Change Amount	Change %
Spanish public sector	5,786	5,400	387	7.2%
Other resident sectors	96,550	100,833	(4,283)	(4.2%)
Secured loans and advances	74,075	78,330	(4,255)	(5.4%)
Personal guarantee loans	14,277	13,445	832	6.2%
Business loans and other credit facilities	8,198	9,058	(860)	(9.5%)
Non-residents	3,254	3,993	(740)	(18.5%)
Repo transactions	27	26	1	3.9%
Other financial assets	469	577	(109)	(18.8%)
Other valuation adjustments	(13)	(6)	(7)	116.1%
Non-performing loans(**)	15,696	18,995	(3,299)	(17.4%)
GROSS LOANS AND ADVANCES TO CUSTOMERS	**121,769**	**129,818**	**(8,050)**	**(6.2%)**
Loan loss reserve	(9,077)	(10,700)	1,623	(15.2%)
NET LOANS AND ADVANCES TO CUSTOMERS*	**112,691**	**119,118**	**(6,427)**	**(5.4%)**

*Net Loans include credit of financial assets held for trading

(**) The figure does not include the non performing contingent liabilities

COMPOSITION OF FIXED-INCOME PORTFOLIOS

(€ million)	Dec-14(*)	Dec-13(*)	Change Amount	Change %
ALCO Portfolio	29,745	29,003	740	2.6%
NO ALCO Portfolio	8,235	9,908	(1,672)	(16.9%)
SAREB Bonds	18,057	18,585	(528)	(2.8%)
ESM Bonds	3,398	9,665	(6,267)	(64.8%)
Total Fixed Income Portfolio	**59,435**	**67,161**	**(7,727)**	**(11.5%)**

(*) Nominal values of the "available for sale" and "held to maturity" portfolios

CUSTOMER FUNDS

(€ million)	Dec-14	Dec-13	Change Amount	Change %
Spanish public sector	6,299	4,305	1,994	46.3%
Repo transactions	2,003	1,617	385	23.8%
Other resident sectors	97,965	101,561	(3,596)	(3.5%)
Current accounts	13,276	11,541	1,735	15.0%
Savings accounts	24,178	23,646	532	2.2%
Term deposits and other	60,511	66,374	(5,862)	(8.8%)
Repo transactions	868	6,225	(5,357)	(86.1%)
Singular mortgage securities	7,736	9,190	(1,454)	(15.8%)
Rest	51,908	50,959	948	1.9%
Non-residents	2,543	2,677	(134)	(5.0%)
Repo transactions	1,275	1,477	(202)	(13.7%)
Customer deposits	**106,807**	**108,543**	**(1,737)**	**(1.6%)**
Debentures and other marketable securities	23,350	28,139	(4,789)	(17.0%)
Subordinated loans	1,043	-	1,043	-
TOTAL ON-BALANCE-SHEET CUSTOMER FUNDS	**131,200**	**136,682**	**(5,482)**	**(4.0%)**
Mutual funds	10,392	8,216	2,176	26.5%
Pension funds	6,581	6,269	311	5.0%
Insurance	4,069	6,346	(2,277)	(35.9%)
Off-balance-sheet customer funds	**21,042**	**20,831**	**211**	**1.0%**
TOTAL CUSTOMER FUNDS	**152,242**	**157,513**	**(5,271)**	**(3.3%)**

STRICT CUSTOMER DEPOSITS

(€ million)	Dec-14	Sep-14	Jun-14	Mar-14	Dec-13	Change % Dec-14 / Dec-13
Spanish public sector	**4,297**	**5,232**	**3,931**	**2,800**	**2,688**	**59.8%**
Other resident sectors	**89,361**	**87,975**	**87,151**	**86,798**	**86,147**	**3.7%**
Current accounts	13,276	12,655	12,104	11,881	11,541	15.0%
Savings accounts	24,178	23,602	23,993	23,037	23,646	2.2%
Term deposits	51,908	51,718	51,055	51,880	50,959	1.9%
Retail commercial paper	-	-	-	-	-	
Non-residents	**1,268**	**1,224**	**1,173**	**1,154**	**1,200**	**5.7%**
Strict Customer Deposits	**94,925**	**94,432**	**92,255**	**90,752**	**90,034**	**5.4%**

6. RISK MANAGEMENT

GROSS EXPOSURE BY SECTOR AND COVERAGE RATIOS

						Dec-14 / Dec-13	
(€ million and %)	Dec-14	Sep-14	Jun-14	Mar-14	Dec-13	Amount	%
Gross exposure							
Individuals	77,583	78,884	80,775	81,055	82,223	(4,639)	(5.6%)
Businesses	35,176	35,070	35,848	36,784	37,815	(2,639)	(7.0%)
Developers	2,956	3,309	3,331	3,508	3,858	(902)	(23.4%)
Public sector & others	6,053	5,603	5,644	6,275	5,923	130	2.2%
Gross Credit	**121,769**	**122,866**	**125,598**	**127,621**	**129,818**	**(8,050)**	**(6.2%)**
Gross credit ex developers	118,813	119,557	122,267	124,113	125,961	(7,148)	(5.7%)
Impairments							
Individuals	2,693	2,733	2,849	2,852	2,907	(214)	(7.4%)
Businesses	4,939	5,578	6,064	6,030	6,144	(1,205)	(19.6%)
Developers	1,445	1,563	1,508	1,569	1,648	(204)	(12.4%)
Total Impairments	**9,078**	**9,874**	**10,421**	**10,452**	**10,699**	**(1,622)**	**(15.2%)**
Coverage ex developers	7,633	8,311	8,913	8,882	9,051	(1,418)	(15.7%)
Coverage (%)							
Individuals	3.5%	3.5%	3.5%	3.5%	3.5%		-
Businesses	14.0%	15.9%	16.9%	16.4%	16.2%		(220) b.p.
Developers	48.9%	47.2%	45.3%	44.7%	42.7%		+620 b.p.
Total coverage	**7.5%**	**8.0%**	**8.3%**	**8.2%**	**8.2%**		**(70) b.p.**
Coverage ex developers	6.4%	7.0%	7.3%	7.2%	7.2%		(80) b.p.

NPL RATIO AND NPL COVERAGE RATIO

						Dec-14 / Dec-13	
(€ million and %)	Dec-14	Sep-14	Jun-14	Mar-14	Dec-13	Amount	%
Non-performing loans	16,547	17,666	18,576	19,180	20,022	(3,475)	(17.4%)
Total risk-bearing assets	128,584	129,580	132,347	134,000	136,660	(8,076)	(5.9%)
Total NPL ratio (*)	**12.9%**	**13.6%**	**14.0%**	**14.3%**	**14.7%**		**(1.8) p.p.**
Total provisions	9,527	10,352	10,946	11,012	11,312	(1,784)	(15.8%)
Generic	153	153	153	153	153	-	-
Specific	9,356	10,175	10,768	10,834	11,135	(1,780)	(16.0%)
Country risk	19	25	25	25	24	(5)	(21.4%)
NPL coverage ratio	**57.6%**	**58.6%**	**58.9%**	**57.4%**	**56.5%**		**+1.1 p.p.**

(*) NPL ratio: non-performing loans and advances to customers and contingent liabilities/ loans, advances and contigent risks

CHANGE IN NPLs

(€ million)	Dec-14 / Dec-13	Dec-14 / Sep-14	Sep-14 / Jun-14	Jun-14 /Mar-14	Mar-14 /Dec-13
Non-performing loans at the begin	**20,022**	**17,666**	**18,576**	**19,180**	**20,022**
+ Gross entries	4,040	1,297	921	901	922
- Recoveries	(5,673)	(1,524)	(1,320)	(1,432)	(1,398)
= Net entries	(1,633)	(227)	(399)	(531)	(476)
- Write offs	(235)	(50)	(50)	(73)	(63)
- Sales (*)	(1,607)	(842)	(462)	0	(303)
Non-performing loans at the end of the period	**16,547**	**16,547**	**17,666**	**18,576**	**19,180**

(*) Book-value of NPLs disposals. This figure does not include any additional rights related to the portfolio sold.

BREAKDOWN OF FORECLOSED ASSETS

	Gross value				
(€ million)	Dec-14	Sep-14	Jun-14	Mar-14	Dec-13
Property assets from financing intended for construction and property development	550	584	590	650	649
Finished buildings	326	333	339	341	334
Buildings under construction	44	44	44	105	105
Land	180	207	206	204	209
Property acquired related to mortgage loans to homebuyers	3,114	3,156	3,150	3,091	3,018
Other foreclosed assets	561	518	500	464	432
Total	**4,225**	**4,258**	**4,240**	**4,206**	**4,098**

	Impairments				
(€ million)	Dec-14	Sep-14	Jun-14	Mar-14	Dec-13
Property assets from financing intended for construction and property development	235	251	252	287	288
Finished buildings	84	83	84	84	81
Buildings under construction	20	20	20	55	55
Land	130	147	148	148	152
Property acquired related to mortgage loans to homebuyers	960	1,028	1,033	1,036	1,019
Other foreclosed assets	154	148	145	141	136
Total	**1,348**	**1,427**	**1,431**	**1,464**	**1,442**

	Net value				
(€ million)	Dec-14	Sep-14	Jun-14	Mar-14	Dec-13
Property assets from financing intended for construction and property development	316	333	337	364	361
Finished buildings	242	249	256	257	253
Buildings under construction	24	24	24	51	51
Land	50	59	58	56	57
Property acquired related to mortgage loans to homebuyers	2,154	2,127	2,117	2,055	1,999
Other foreclosed assets	407	370	355	323	296
Total	**2,877**	**2,830**	**2,809**	**2,742**	**2,656**

7. FUNDING STRUCTURE AND LIQUIDITY

COMMERCIAL GAP

			Change	
(€ million)	Dec-14	Dec-13	Amount	%
Net Loans and advances to customers	**112,691**	**119,118**	**(6,427)**	**(5.4%)**
Repo transactions SPR	27	26	1	3.9%
Repo transactions NRE	-	-	-	-
Strict Net Loans and advances to customers	**112,664**	**119,092**	**(6,428)**	**(5.4%)**
(-) Strict customer deposits and retail commercial paper	94,925	90,034	4,891	5.4%
(-) ICO/EIB deposits	4,083	3,988	95	2.4%
Strict Comercial GAP	**13,656**	**25,070**	**(11,414)**	**(45.5%)**

LTD RATIO

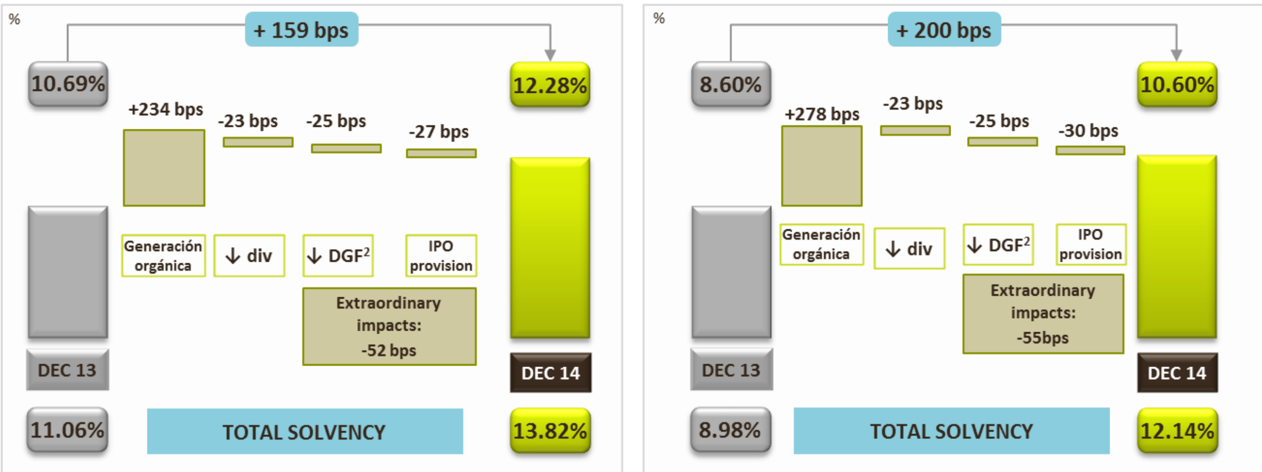
			Change	
(€ million)	Dec-14	Dec-13	Amount	%
Net Loans and advances to customers	**112,691**	**119,118**	**(6,427)**	**(5.4%)**
Repo transactions SPR	27	26	1	3.9%
Repo transactions NRE	-	-	-	-
a. Strict Net Loans and advances to customers	**112,664**	**119,092**	**(6,428)**	**(5.4%)**
Strict customer deposits and retail commercial paper	94,925	90,034	4,891	5.4%
Single-certificate covered bonds	7,736	9,190	(1,454)	(15.8%)
ICO/EIB deposits	4,083	3,988	95	2.4%
b. Total Deposits	**106,744**	**103,211**	**3,532**	**3.4%**
LTD ratio (a/b)	**105.5%**	**115.4%**		**(9,8) p.p.**

8. SOLVENCY

BASEL III PHASE-IN SOLVENCY DATA

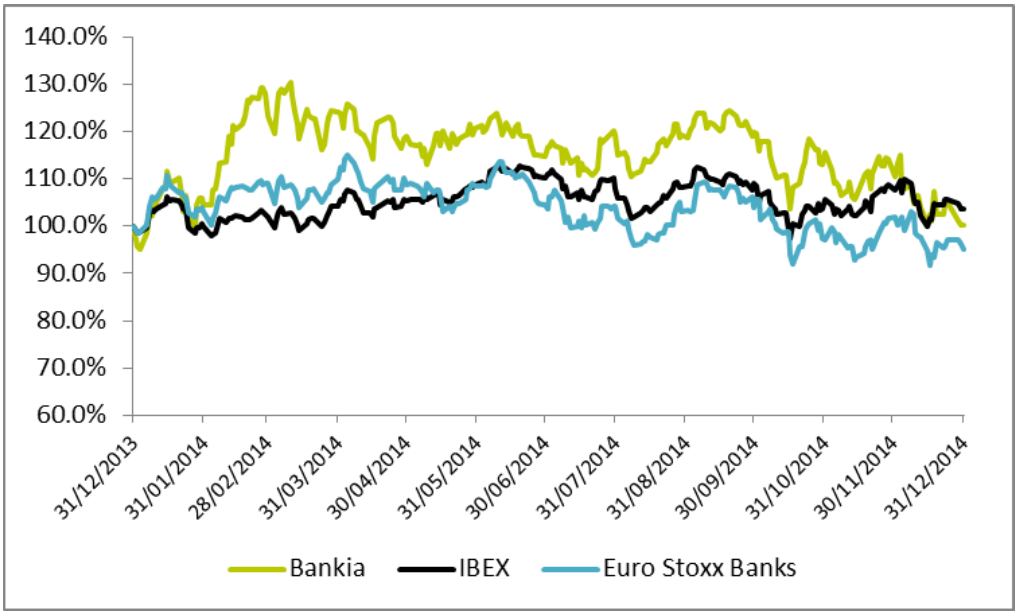
(€ million and %)	Dec-14 BIS III	Dec-13 pro forma BIS III
Eligible capital	12,237	10,875
Common equity Tier I (CET 1)	10,874	10,509
Tier I capital	10,874	10,509
Tier II capital	1,363	366
Risk-weighted assets	88,565	98,352
Minimum requirements	7,085	7,868
Surplus capital	5,152	3,007
Common equity Tier I (CET 1) (%)	**12.28%**	**10.69%**
Tier I	12.28%	10.69%
Tier II	1.54%	0.37%
Solvency ratio - Total capital ratio (%)	**13.82%**	**11.06%**
CET 1 Fully Loaded (%)	**10.60%**	**8.60%**

PHASE-IN & FULLY LOADED CET1 RATIO

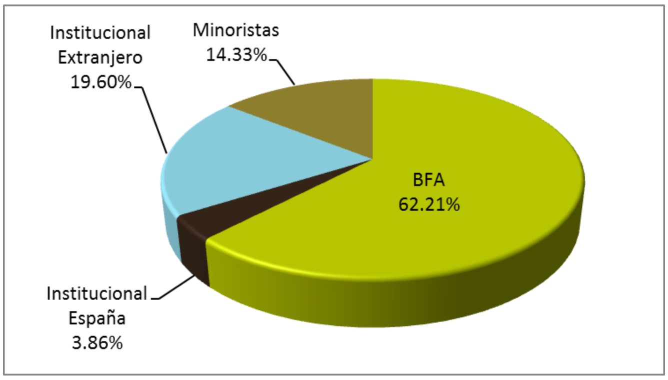


9. SHARE PERFORMANCE AND SHAREHOLDER STRUCTURE

SHARE PERFORMANCE



MAJOR SHAREHOLDERS AND STOCK MARKET DATA



BANKIA (stock data)	FY 2014
Number of shareholders	457,377
Daily average volume (num. shares)	44,352,722
Daily average turnover (euros)	63,475,893
Maximum closing price (€/share)	1.607 (10-Mar)
Minimum closing price (€/share)	1.173 (3-Jan)
Closing price (€/share)	1.238

10. RATING

Issuer Ratings	Standard & Poor's	Fitch Ratings
Long-term	BB	BBB-
Short-term	B	F3
Perspective	Negative	Negative
Date	27-Nov-14	15-Apr-14

Mortgage Covered Bonds Ratings	Standard & Poor's	Fitch Ratings	DBRS
Rating	A	BBB+	A (high)
Perspective	Negative	Stable	---
Date	5-Feb-15	25-Sep-14	17-Dec-14

11. ANNEXES

ACCUMULATED PUBLIC INCOME STATEMENT

(€ million)	12M 2014	12M 2013 Restated	12M 2013 Reported	Change on 12M 2013 Restated Amount	Change on 12M 2013 Restated %
Net interest income	**2,927**	**2,425**	**2,425**	**503**	**20.7%**
Dividends	5	9	9	(4)	(42.1%)
Share of profit/(loss) of companies accounted for using the equity method	32	29	29	3	10.0%
Total net fee and commission	948	935	935	13	1.3%
Gains/(losses) on financial assets and liabilities	218	415	415	(198)	(47.6%)
Exchange differences	8	20	20	(12)	(60.5%)
Other operating income/(expense)	(129)	*(351)*	(202)	222	(63.3%)
Gross income	**4,009**	***3,482***	**3,630**	**527**	**15.1%**
Administrative expenses	(1,586)	(1,729)	(1,729)	143	(8.3%)
Staff costs	(987)	(1,117)	(1,117)	129	(11.6%)
General expenses	(599)	(613)	(613)	14	(2.3%)
Depreciation and amortisation charge	(156)	(175)	(175)	19	(10.9%)
Operating income before provisions	**2,267**	***1,577***	**1,725**	**690**	**43.8%**
Provisions	(1,158)	(1,429)	(1,429)	271	(19.0%)
Provisions (net)	(208)	(180)	(180)	(28)	15.8%
Impairment losses on financial assets (net)	(950)	(1,249)	(1,249)	299	(24.0%)
Operating profit/(loss)	**1,108**	***147***	**296**	**961**	**651.7%**
Impairment losses on non-financial assets	(6)	(18)	(18)	12	(65.4%)
Other gains and other losses	(190)	2	2	(192)	-
Profit/(loss) before tax	**912**	***131***	**280**	**781**	**594.0%**
Corporate income tax	(226)	*157*	112	(383)	-
Profit/(loss) from continuing operations	**686**	***288***	**392**	**398**	**138.0%**
Profit/(loss) from discontinued operations (net)	85	117	117	(31)	(26.8%)
Profit/(loss) after tax	**771**	***405***	**509**	**366**	**90.5%**
Profit/(Loss) attributable to minority interests	24	(3)	(3)	27	-
Profit/(loss) attributable to the Group	**747**	***408***	**512**	**340**	**83.3%**
Cost to Income ratio [1]	**43.5%**	***54.7%***	**52.5%**	**(11.3) p.p.**	**(20.6%)**
Recurring Cost to Income ratio [1] [2]	**46.0%**	***62.5%***	**59.6%**	**(16.5) p.p.**	**(26.4%)**

(1) Cost to Income ratio accumulated for the twelve months period

(2) Operating expenses / Gross income (excluding gains/losses on financial assets and liabilities and exchange differences)

NOTE: In Restated 12M 2013, figures in italics and different color are impacted because of the early adoption of the IFRIC 21.

Impact on P&L

- Adjustments on 2013 P&L
  - Reduction on Gross Income of €148mn
  - Reduction on Profit/(loss) after tax of €104mn

Concept	Amount
Exctraordinary contribution	-155,835
Ordinary contribution 2012 (paid on 2013)	173,209
Ordinary contribution 2013 (paid on 2014)	-166,067
Impact on other operating income/(expense)	**-148,693**
Corporate income tax	44,608
Impact on Profit/(loss) after tax	**-104,085**

Impact on Balance Sheet

- Adjustments on 2013 Balance Sheet
  - Increase on Assets by €97mn
  - Reduction on Equity of €226mn

Ordinary contribution 2012 (paid on 2013)	-173,209
Tax impact	51,962
Impact on reserves 2013	**-121,247**
Impact on Total Equity	**-225,332**

RESTATED BALANCE SHEET

(€ million)	Dec-14	Restated Dec-13	Change Amount	Change %
Cash and balances with central banks	2,927	3,449	(522)	(15.1%)
Financial assets held for trading	18,606	22,244	(3,638)	(16.4%)
Of which: loans and advances to customers	-	3	(3)	(100.0%)
Available-for-sale financial assets	34,772	40,704	(5,933)	(14.6%)
Debt securities	34,772	40,704	(5,933)	(14.6%)
Equity instruments	-	-	-	-
Loans and receivables	125,227	129,918	(4,691)	(3.6%)
Loans and advances to credit institutions	10,967	9,219	1,748	19.0%
Loans and advances to customers	112,691	119,116	(6,424)	(5.4%)
Rest	1,569	1,584	(15)	(1.0%)
Held-to-maturity investments	26,661	26,980	(318)	(1.2%)
Hedging derivatives	5,539	4,260	1,279	30.0%
Non-current assets held for sale	7,563	12,000	(4,437)	(37.0%)
Equity investments	298	150	148	98.6%
Tangible and intangible assets	2,058	2,006	52	2.6%
Other assets, prepayments and accrued income, and tax as	9,997	9,858	140	1.4%
TOTAL ASSETS	**233,649**	**251,569**	**(17,920)**	**(7.1%)**
Financial liabilities held for trading	18,124	20,218	(2,094)	(10.4%)
Financial liabilities at amortised cost	193,082	208,033	(14,951)	(7.2%)
Deposits from central banks	36,500	43,406	(6,906)	(15.9%)
Deposits from credit institutions	23,965	26,218	(2,253)	(8.6%)
Customer deposits	106,807	108,543	(1,737)	(1.6%)
Marketable debt securities	23,350	28,139	(4,789)	(17.0%)
Subordinated liabilities	1,043	-	1,043	-
Other financial liabilities	1,417	1,727	(310)	(18.0%)
Hedging derivatives	2,490	1,897	593	31.3%
Liabilities under insurance contracts	-	238	(238)	(100.0%)
Provisions	1,706	1,706	(0)	(0.0%)
Other liabilities, accruals and deferred income, and tax lial	5,714	8,117	(2,403)	(29.6%)
TOTAL LIABILITIES	**221,115**	**240,209**	**(19,094)**	**(7.9%)**
Minority interests	(13)	(40)	26	(66.2%)
Valuation adjustments	1,216	742	474	63.9%
Equity	11,331	10,657	674	6.3%
TOTAL EQUITY	**12,533**	**11,360**	**1,174**	**10.3%**
TOTAL EQUITY AND LIABILITIES	**233,649**	**251,569**	**(17,920)**	**(7.1%)**