



Fixed Income Presentation

2019 H1

September 2019

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- 1 Overview & Facts**
- 2 Financial performance**
- 3 Capital & Funding plans**

Appendix



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1 **Overview & Facts**

2 **Financial performance**

3 **Capital & Funding plans**

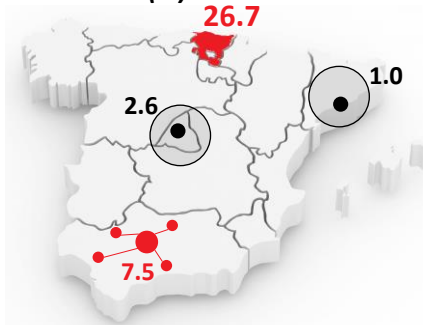
Appendix

Kutxabank at a glance

Kutxabank (“Kb”) is a **retail-focused bank**, with c. **€60.8bn¹ of assets**, concentrating most of its activity in the **wealthy region of the Basque Country** and with **selected presence in the rest of the Spanish market**, especially in Madrid and Catalonia.

Kb is owned by three **Banking Foundations** – bbk, Kutxa and Vital – promoting a **sustainable approach to banking**.

Branch share (%)²



**Strong
solvency**

**Business
stability**

**Sound
liquidity
position**

**Low risk
profile**

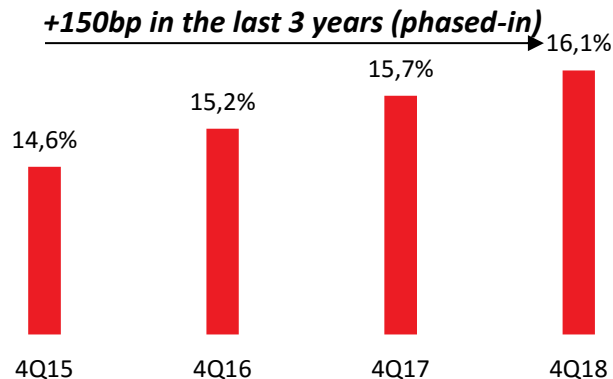
¹ As of 30 Jun 2019.

² Source: Statistical Journal of Bank of Spain as at 31 March 2019.

Strong *solvency*

Kutxabank consistently presents ample capital buffers

FL CET1 ratio & FL Leverage ratio
16.4%¹ & 8.0%¹



Standard Risk-Weighting Approach

Conservative risk metrics fully based on *standard approach* (Asset density: 50.2%¹)

CET1 to OCR
493bp^{1,2}

MDA

Buffer to payment restrictions
First-in-class capital buffers to avoid potential payment restrictions only with CET1.

CET1 o/TLOF
8.5%¹

MREL

Strong protection to SNP holders
 Kb's 100% CET1 capital position offers the highest level of protection for bailinable debt investors (c.€4.9bn³).

Resilient and **low-risk profile** business evidenced by **the lowest P2R** of the Spanish sector (1.20%)

¹ As at 30 Jun 2019.

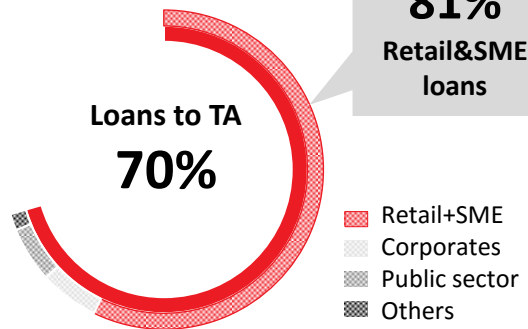
² Calculated as the difference between phased-in total capital ratio (16.6%) and overall capital requirement for 2019 (11.7%).

³ Fully-loaded subordinated capital as at 30 Jun 2019.

Business stability

Retail-focused business combined with a local-customers proximity-oriented model and well diversified sources of income

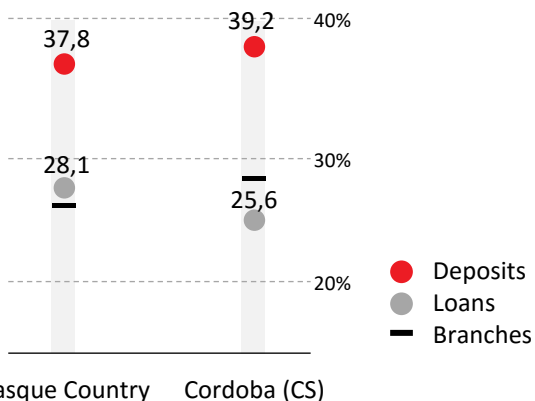
Assets breakdown¹



Focused on lending to Retail customers

Kb structurally relies on secured lending mainly to households, which show a more resilient trends vs other segments.

Market Presence²



Dominant franchises

Kb operates through local franchises with remarkably high market shares.

Kb has consistently preserved and developed strong franchises in its home regions.

Complementary businesses

Kb Group has significant specialised units that complement the banking business and provide the bank with a meaningful income diversification profile.

AuM company



5th AuM³
in the domestic sector
vs 7th by bank assets

Insurance company



Ins to Total banking business
13.8%¹
+118bp YoY

¹ As at 30 June 2019.

² Source: Statistical Journal of Bank of Spain as at 31 March 2019.

³ Source: Inverco, by customer funds managed as at 30 June 2019.

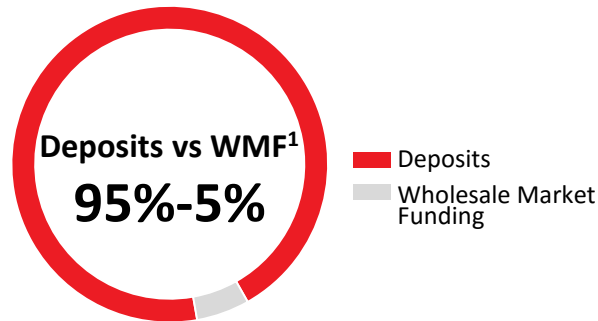
Sound *liquidity* position

Solid liquidity position with a low dependence on capital markets

Funding sources

Mainly retail-wide and stable deposit base

Kb's lending activity is well balanced with a very granular deposit base.



Liquidity regulatory ratios

LCR
254.5%
2Q19

222.1%
Last 12m av.²

NSFR
128.7%
2Q19

126.4%
Last 12m av.²

LtD
96.9%
2Q19

Deposits to TA
72.3%
2Q19

Excess cash³
€1.3bn
2Q19

¹ As at 30 June 2019.

² From June 2018 to June 2019 (both included).

³ Cash less ECB funding.

Low risk profile

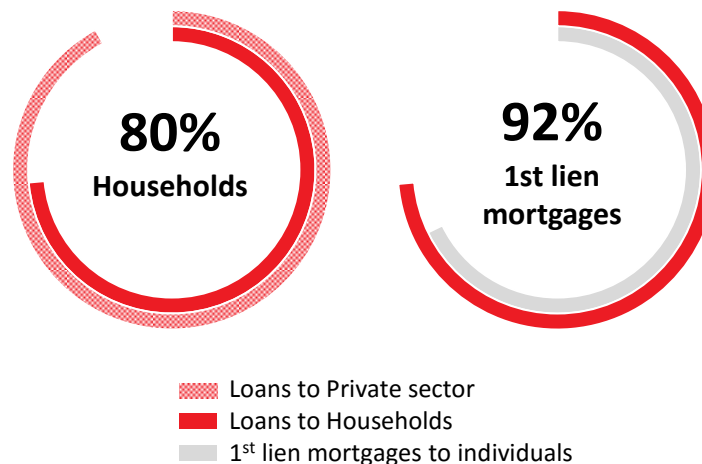
A business model mainly based on secured lending combined with highly-conservative risk standards

Core business

Healthy and deeply granular credit exposure to individuals.

Out of loans granted to Households, 92% are secured by 1st lien mortgages.

Group loans¹



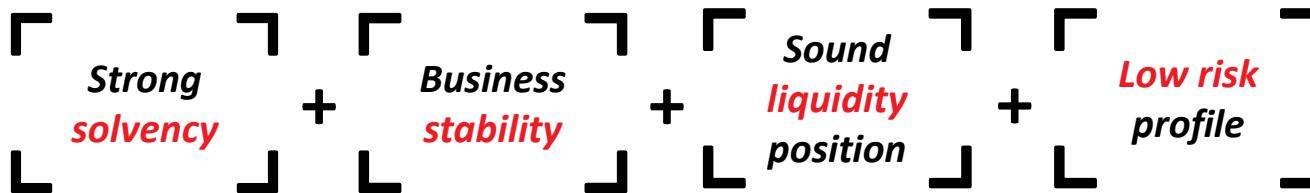
Highly-conservative risk standards

Invariably prudent lending policy even during the previous expansionary phase of the economic cycle.

Lower than the average RE exposure.

Very cautious provisioning policy since the beginning of the crisis.

¹ As at 30 June 2019.



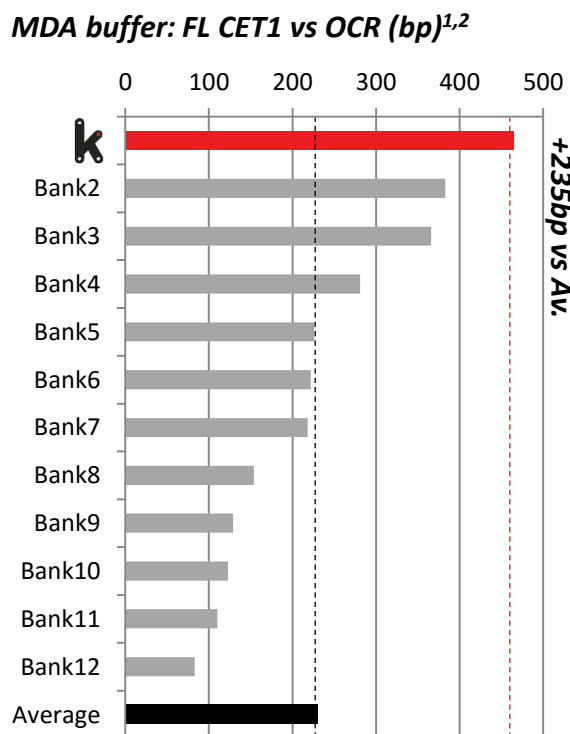
Resulting in a resilient business model, even in a stressed scenario

Capital Requirements/Positioning

Kb's financial strength has a long-standing history

Kb has the highest MDA buffer in the domestic sector despite its AT1&T2 buckets remaining at 0%.

Lowest P2 requirement (1.2%) among Spanish banks.



2018 EBA/ECB Stress Test³

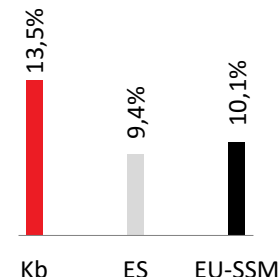
Resilience of the business model

Kb's capital depletion in the adverse scenario was the lowest among the released 33 European-SSM entities.

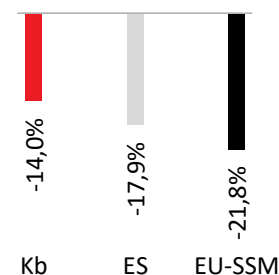
In the domestic sector, Kb experienced the lowest NPL inflation and cumulative cost of risk in the 3-year horizon.

Adverse scenario (2017-2020)

Phased-in CET1 landing point



Capital depletion as % o/starting point



¹ Calculated as the difference between FL CET1 ratio and 2019 Total Capital Requirements including AT1/T2 shortfalls.

² Sample: 12 Spanish banks under direct supervision of the SSM. Data as of 2Q19.

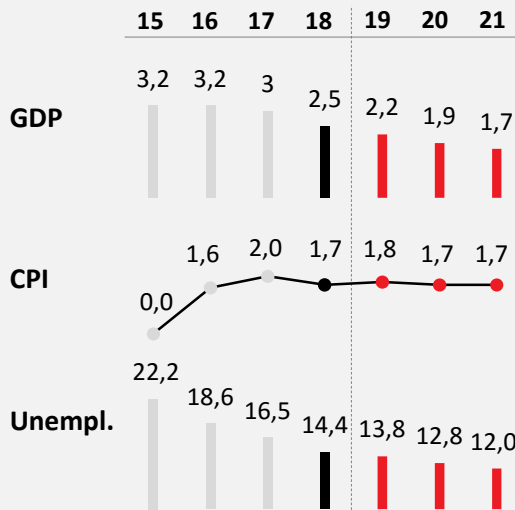
³ Source: EBA.

2019-21 Strategic plan

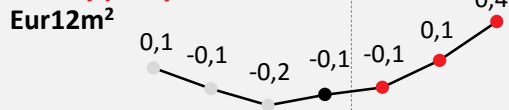
The New Plan

Context (%)¹

Economic backdrop



Monetary policy



Increasing sectorial competitiveness

Regulation/Supervision

Geopolitical risks

Strategic Keys

Growth and profitability

Transformation of the distribution model

Digital competitiveness

Corporate social responsibility

Solvency management

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Same business
model
Same risk
profile

Main targets 2019-21

New mortgages	New Consumer loans	SME's lending (performing)	AuM growth
+33.8%	+33.1%	+15.1%	+16.5%
NPL stock reduction	Individualised service ³	Digital customers	
-33.9%	+60k	>60%	
NPL target	Cov. levels		
2.5%	~68%		

¹ Source: National Institute of Statistics (INE); forecast base on Kb projections.

² Market curve after Draghi's speech in February 2019.

³ Number of new customers classified for individualised service.



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Solid performance achieved in 2018

Net income (Amounts in million of Euros)	332.3 FY18	302.0 FY17	+10.0% YoY
Basic Margin/Op. Exp.	146% FY18	138% FY17	+7.9 bp

ROA
0.57%¹
+4bp YoY

Outperforming Spanish sector av.

Kb's ROA ranks at the top of the table in the domestic sector²

ROE
6.37%¹
+33bp YoY

Good performance

ROE stands in line with sector² average despite Kb's large capitalisation

ROTE
6.84%¹
+35bp YoY

RORWA
1.12%¹
+13bp YoY

¹ As at 31 Dec 2018.

² Sector average comprises the 12 Spanish banks under direct supervision of the SSM. Public information as at Dec 2018. Only business in Spain for BBVA, Santander and B. Sabadell.

Solid performance achieved in 2018

Consolidation of improved commercial trends in a still challenging environment

Strong commercial activity in all segments and products

Performing retail lending
+0.3%
YoY¹

Investment funds takings
+2.7%
YoY¹

Strong Banking business performance

Flat NII
Increase in Commissions
Further advances in cost savings

NII+Fees+Ins.
+1.9%
YoY¹

Operating expenses
-4.6%
YoY¹

Asset quality improvement continues

through all business areas

NPLs reduction
€491Mn
in 2018

NPL ratio
-104bp
YoY¹

¹ YoY variations are Dec 2018 vs Dec 2017.

P&L summary¹

In line with internal targets

Robust performance of the pure banking business, supported by income diversification and growing contribution from Fees and Insurance activities.

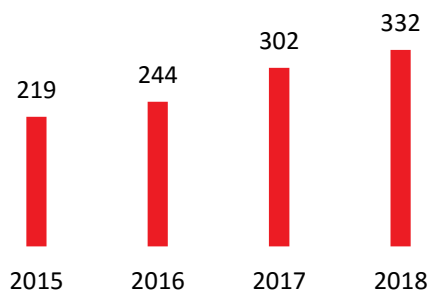
Same dynamics lead to a 5.0% YoY increase of the Net income in 1H19.

Solid profitability

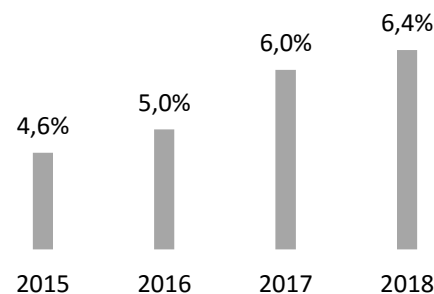
Steady earning growth thanks to a well diversified source of income.

Million of Euros	FY18	FY18vsFY17	1H19	1H19vs1H18
Net interest income	561.4	0.5%	282.1	2.0%
Net commissions	385.5	1.6%	193.3	-0.1%
Basic margin	946.9	0.9%	475.4	1.2%
Income from equity instr.&equity method	74.8	11.2%	33.0	-20.3%
Trading income	7.0	-56.2%	6.1	3.4%
Other operating income (OOI)	60.1	20.2%	45.7	-15.9%
Gross income	1,088.7	1.6%	560.3	-2.0%
Operating expenditures	-650.4	-4.6%	-326.8	ns
Pre-provisioning profit	438.3	12.4%	233.5	-4.7%
Provisions	-185.1	-57.4%	-132.2	17.0%
Other income	153.3	-53.0%	106.5	9.2%
Tax and others	-74.2	ns	-19.6	-60.4%
Net income	332.3	10.0%	197.3	5.0%

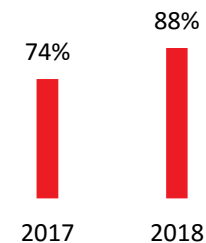
Net income evolution (million euros)



ROE evolution



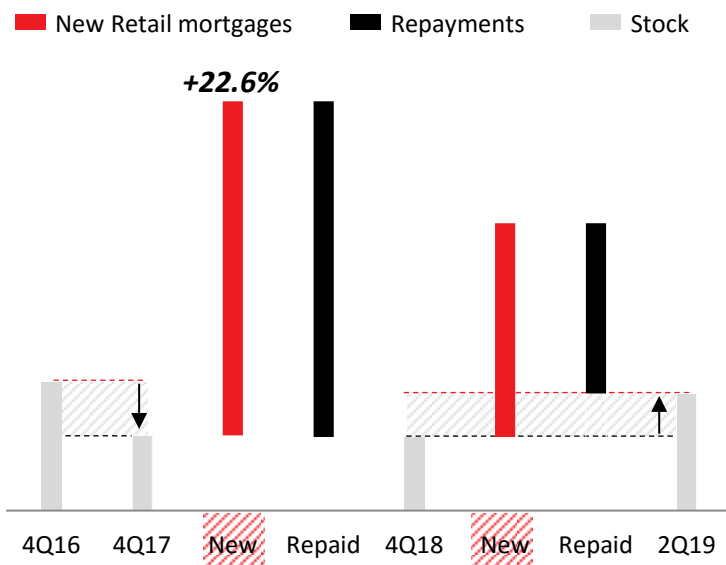
Banking business² o/Gross income



¹ Incl. reclassifications for comparability purposes re impairments on the SAREB forced stake and some equity stake disposals moving them into Provisions and Other income respectively.

² Banking business comprises NII+Fees+Insurance via OOI.

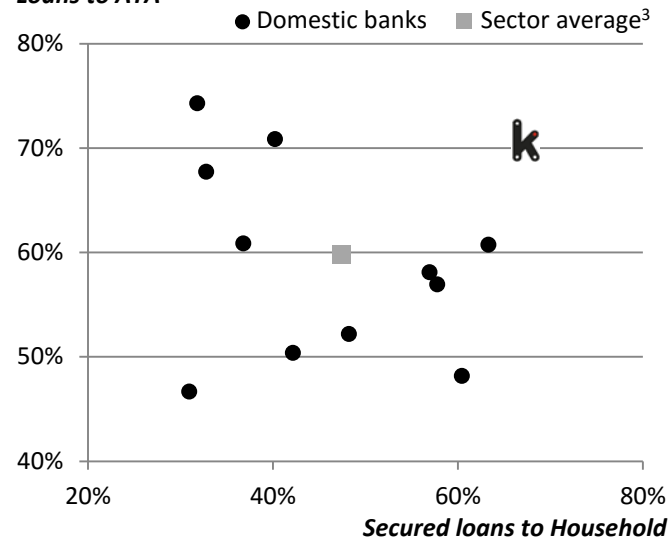
Positive evolution of the Retail loan book



A successful core business

Kb has been able to improve further its market share in household financing needs. New production in retail mortgages amounted to €2.6bn during 2018, offsetting the repayments in the back book.

Loans to ATA



New mortgages €1,659Mn in 1H19 +24.8% YoY	Market share performance¹ in new mortgages		
	Basque Country 39.0% +293bp YoY	Andalusia ² 9.8% +174bp YoY	All across Spain 6.0% vs 3.4% in branches

New consumer loans €475Mn in 2018 +19.8% YoY	SME's Loan book +3.9% YoY
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¹ Source: INE and own elaboration. Data as of June 2019.
² Market share of new mortgages in Cordoba (CS's home region) amounts to 37.8%.
³ Sample: 12 Spanish banks under direct supervision of the SSM.

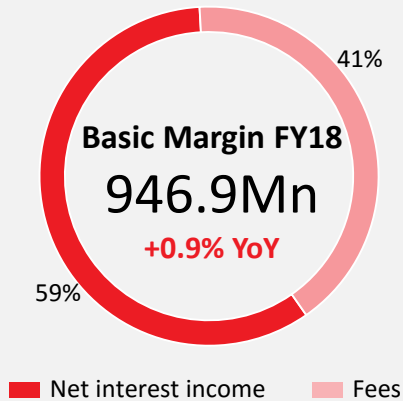
Top line performance

Basic margin (NII+Fees)

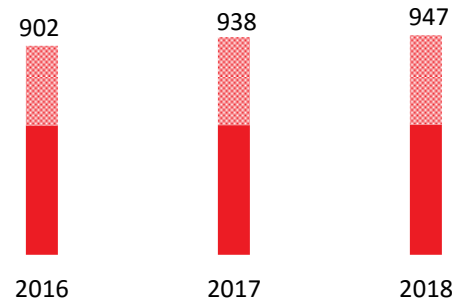
Excellent Group's business composition to benefit from a future interest rates normalisation

Banking business income diversification structure provides Kb with a great competitive advantage to deal with current interest rate environment.

In 1H19 Basic Margin growth accelerates up to 1.2% YoY.



Annual Basic margin (million of Euros)

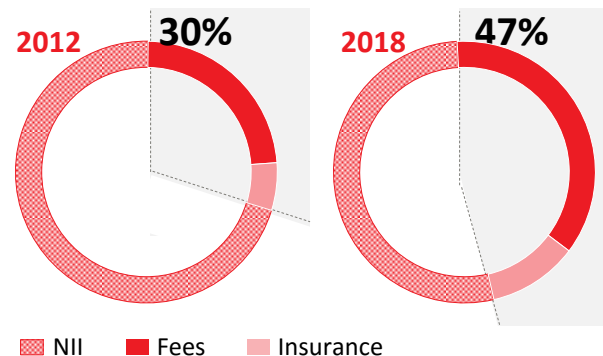


Net commissions to TA

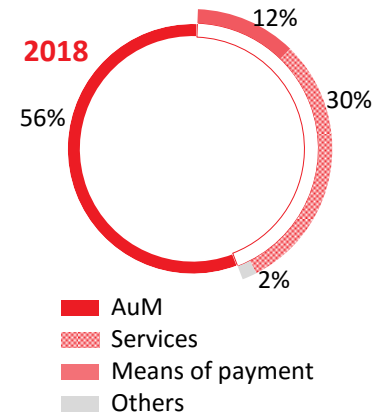
0.66%

vs 0.55% sector av.¹

Progress on income² source diversification



Fees breakdown



¹ Sector average comprises the 12 Spanish banks under direct supervision of the SSM. Latest available public information. Only business in Spain for BBVA, Sabadell and Santander.

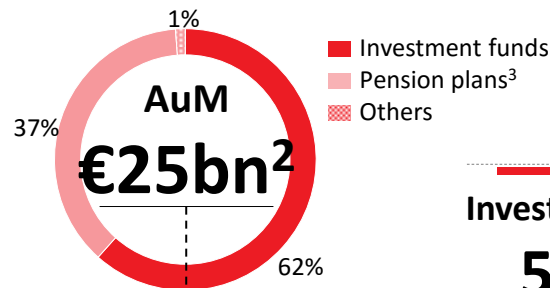
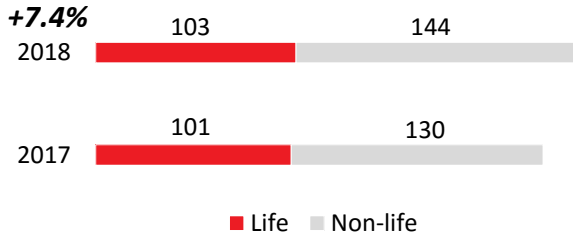
² Banking business comprises NII+Fees+Insurance via OOI.

Diversity of the Fee base



P&L contribution
€136Mn¹
+9.8% YoY

Insurance premiums



1st AuM⁴
by investment funds taking in June 2019

Market share²

Investment funds	Pension plans
5.7%⁴ All across Spain	46.4%⁵ In the Basque Country

Fineco
 Banca Privada Kutxabank

Kb's private banking specialised unit

AuM
€3.5bn²
+10.6% YoY

¹ FY2018 contribution.

² As at 30 June 2019.

³ Pension plan includes c.€8bn of a specific pension product under Basque law.

⁴ Source: Inverco.

⁵ Source: Basque Federation of Voluntary Social Welfare Entities.

Operating costs and cost of risk

Operating expenses

Strict cost containing policy fully operational

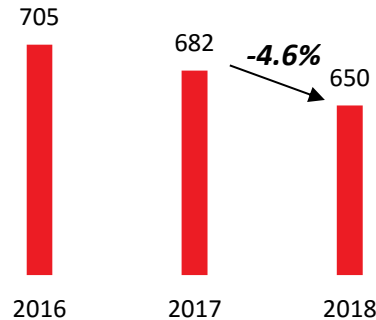
One of the main levers to offset the historically low rates.

Kb has consistently demonstrated its ability to adapt to the new context of banking.

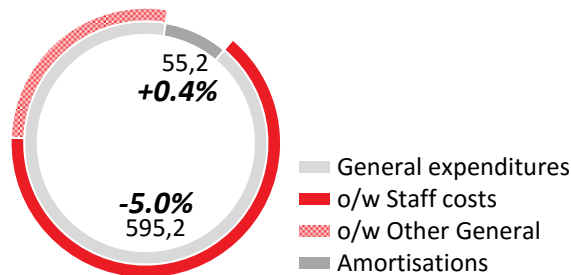
Costs maintain stable in 1H19 vs 1H18 after years of a strict cost containment policy.

Savings¹
4.5%
 6yr CAGR

Operating expenses YoY evolution
 (million of Euros)

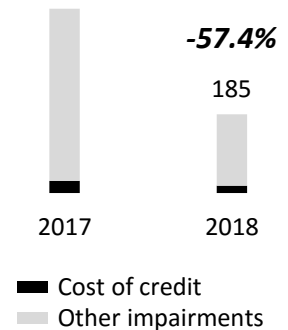


Operating expenses breakdown



Burden of provisions continues to shrink

Majority of impairments goes to prudential provisioning for residual non-current assets.



Cost of credit risk
7bp²

¹ Constant Average Growth Rate of General expenditures in the last 6 years.

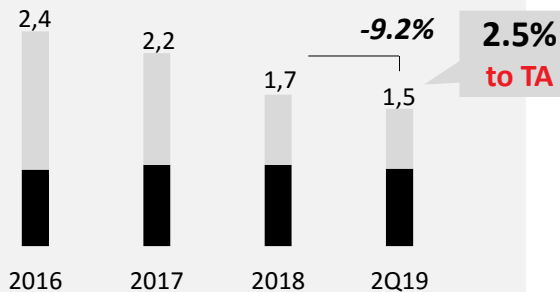
² As at 30 June 2019.

NPA in detail

NPA Summary

Beating internal target

NPLs continue to fall, having reduced by c.€500 million the stock during 2018.

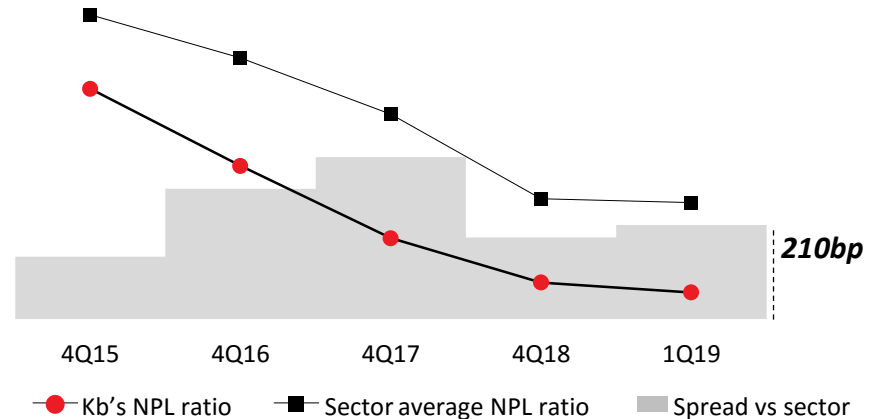


■ NPL stock (net; €bn)¹
 ■ Acquired/Reposessed asset NAV¹

NPL
3.38%²

Total doubtful loans (net) ²	+	Acquired/Reposessed assets NAV ²	=	Total Non-Performing (net) ²
€0.67bn		€0.87bn		€1.55bn
Cov.: 57%		Cov.: 45%		-28.8% vs 4Q17

NPL evolution vs sector³



¹ Including RE and non-RE.

² As at 30 June 2019.

³ Source: Bank of Spain. Data as at 1Q19 (latest available data).

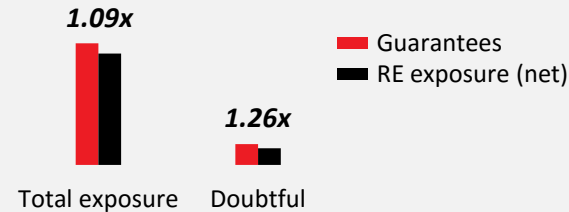
Real Estate exposure in detail

RE credit exposure

Residual exposure

RED credit exposure amounts to only €0.7bn (1.1% to TA), while coverage levels remain adequate.

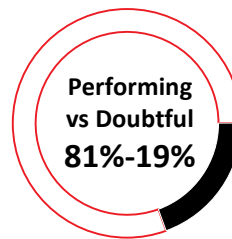
Guarantees vs exposure



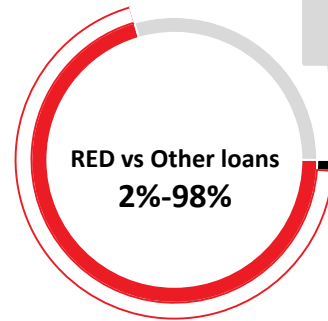
Acquired/Reposessed assets

Million of Euros	NAV	Cov (%)
Developers	587	52%
o/w Finished properties	149	43%
o/w Ongoing	43	64%
o/w Land	395	53%
Residential	173	24%
Others	114	23%
TOTAL	873	45%

Risk status

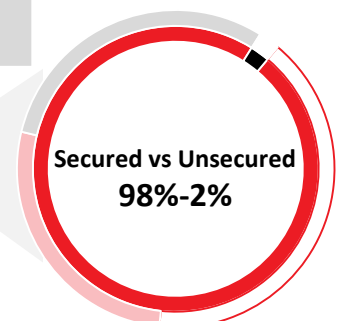


Breakdown



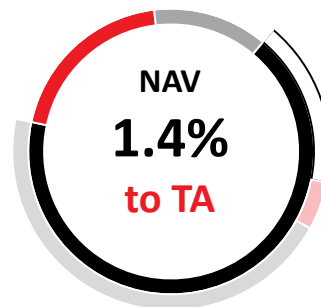
- Customer loans
- Rest of assets
- Non-RE loans
- RE net credit exposure

€0.7bn
1.1%
to TA



- Secured RE loans (98.2%)
- Unsecured RE loans (1.8%)
- Finished properties
- Ongoing developments
- Land

Breakdown



- Residential
- Developers
- Others
- Dev-Finished properties
- Dev-Ongoing developments
- Dev-Land



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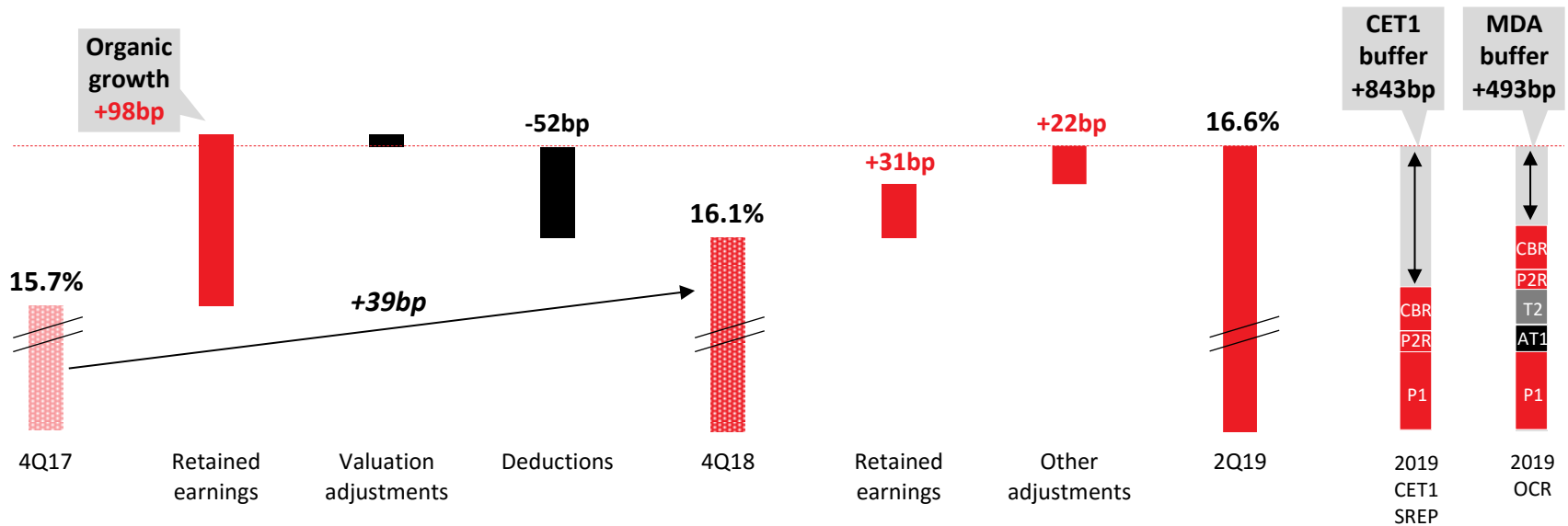
3 **Capital & Funding plans**

Appendix

Solvency

CET1 evolution, a further step forward

Retained earnings stand out as main driver of the CET1 increase, while deduction -mainly DTAs- have come to an end



Pay-out
50.0%

FL CET1 ratio^{1,2}
16.4%

RWA density²
50.2%
+9.0% vs Spanish listed banks³

4Q18 figure includes a c.€0.8bn impact from a regulatory change in accounting criteria involving credit exposure with specific purpose. All banks must implement this change by 2Q19. Pro-forma 4Q18 CET1 before the impact: 16.6%.

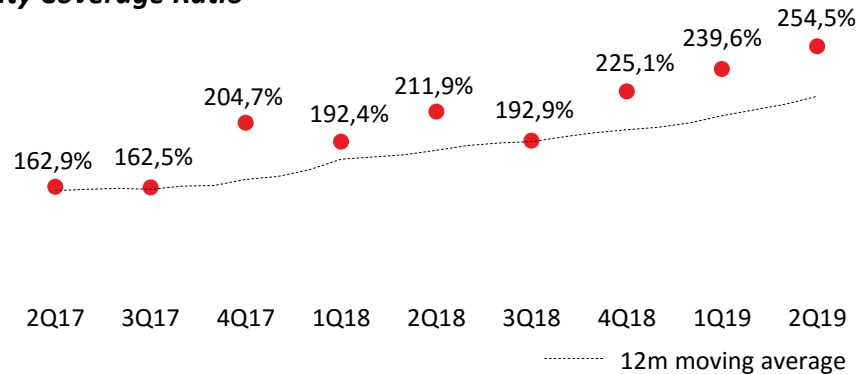
¹ IFRS 9 impact of -23bps on FL CET1 ratio | ² As at 30 June 2019.

³ Santander, BBVA, Caixabank, Sabadell, Bankia, Bankinter, Unicaja and Liberbank.

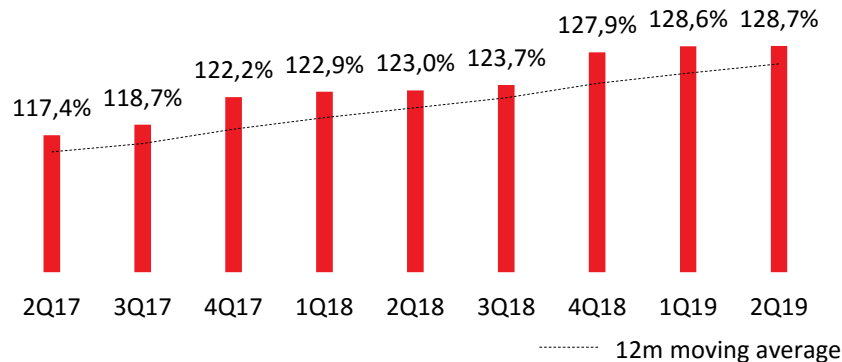
Current Liquidity & Funding position

Liquidity risk regulatory indicators

Liquidity Coverage Ratio



Net Stable Funding Ratio



Strong liquidity ratios

Kb has a solid liquidity position thanks to large-high quality liquid asset buffer and a well diversified funding structure supported by a broad and stable retail deposit base.

HQLA buffer¹

€8.3bn

2.5x

12m maturities

TLTRO2

€4.0bn

vs
Cash²

€5.3bn

¹ As at 30 June 2019.

² Cash balances less Reserve requirement and other demand deposits.

Current Liquidity & Funding position

Funding maturities

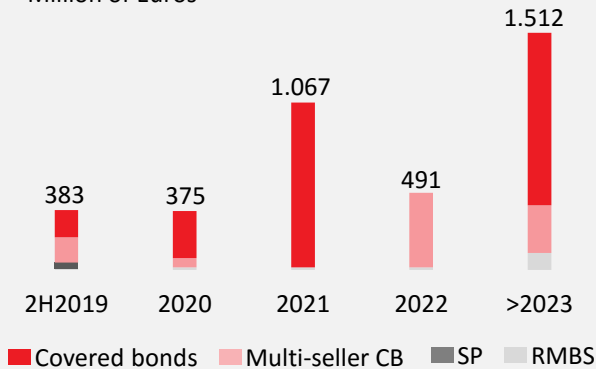
Comfortable maturity profile

Not significant maturities in the coming years.

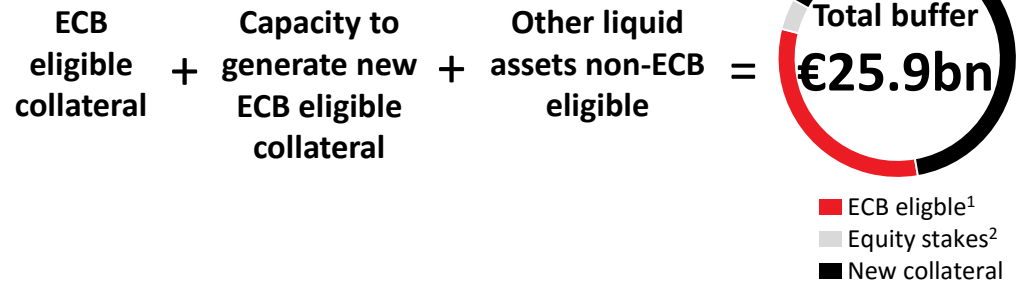
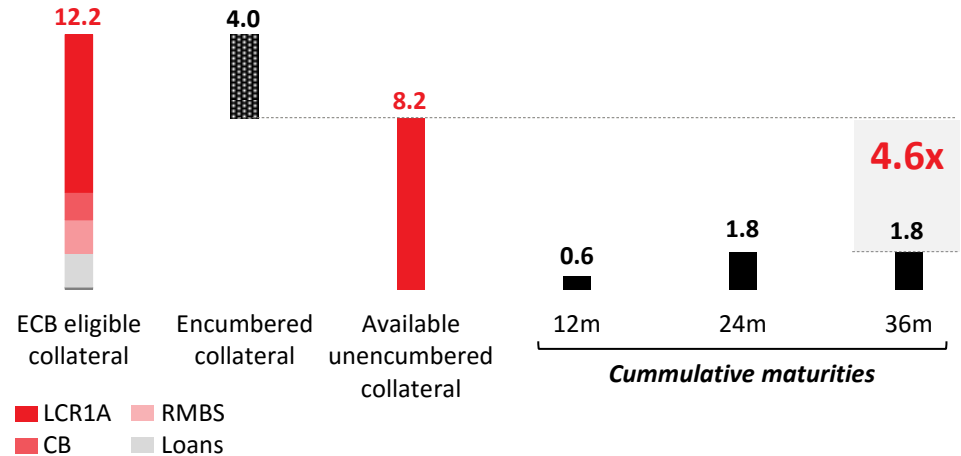
Large ECB eligible liquidity cushion to bear potential capital market shutdowns.

Additionally, the Group has a substantial spare capacity to generate new collateral.

Million of Euros



Liquid asset buffer vs maturities (billion of Euros)



As at 30 June 2019.

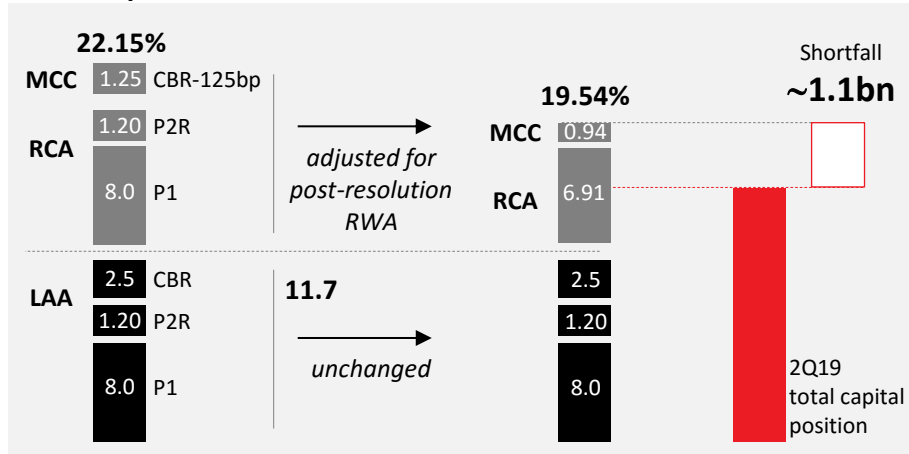
¹ ECB eligible collateral value is haircut deducted.

² Only listed equity stakes.

Funding plans

No funding needs in the coming years except for **MREL** compliance

MREL requirements



Timing

Kb is required to hold a 19.54% MREL position by 1st July 2021.

Considering the current gap and the intention to preserve a sufficient MREL management buffer, 2 to 3 MREL-eligible issuances may be expected.

Expected Full IG Senior Non Preferred Ratings¹

	Moody's	S&P	Fitch
CBs	Aa1	AA	-
Senior	Baa2	BBB	BBB+
SNP	Baa3	BBB-	BBB+
T2	Baa3	-	-
Outlook	Stable	Positive	Stable
Last rating action	04/17/2018	09/26/2017	04/07/2017

¹ Expected rating based on Rating Agencies criteria. A rating is not a recommendation to buy, sell or hold securities.



kutxabank
AGENDA

- 1 Overview & Facts**
- 2 Financial performance**
- 3 Capital & Funding plans**

Appendix

Kutxabank Group's Legal structure

A singular case in the Spanish Financial System

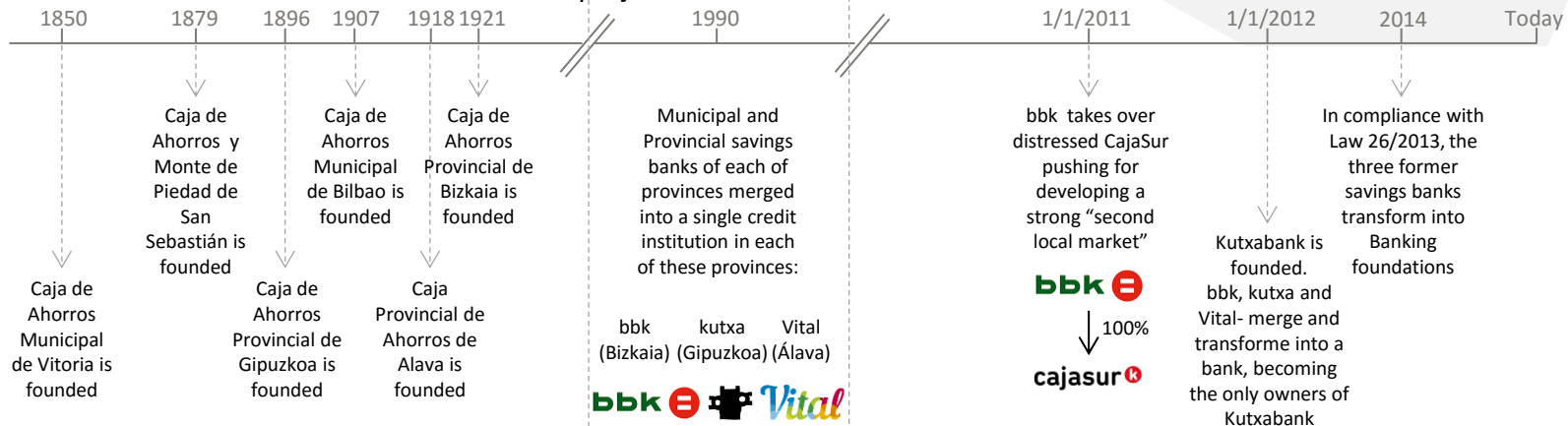
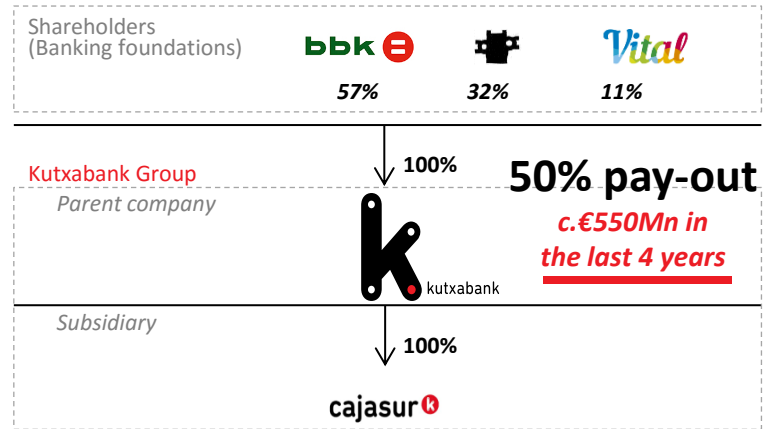
In 2011, bbk, kutxa and Vital agreed to combine their financial activities into a consolidate group of credit entities headed by a new bank: Kutxabank.

Integration of three entities with sound solvency and common view in cultural and strategic approach. No overlapping in the existing network.

The merger was vocational, not a necessity.

Sustainable Banking promoted by the banking foundations

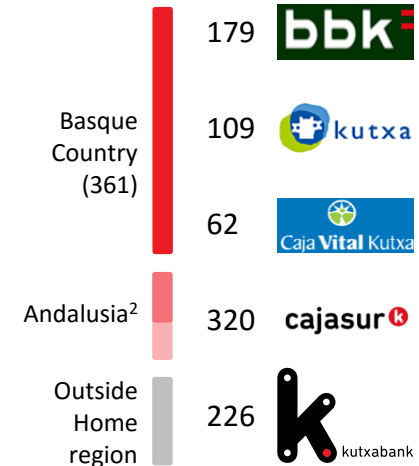
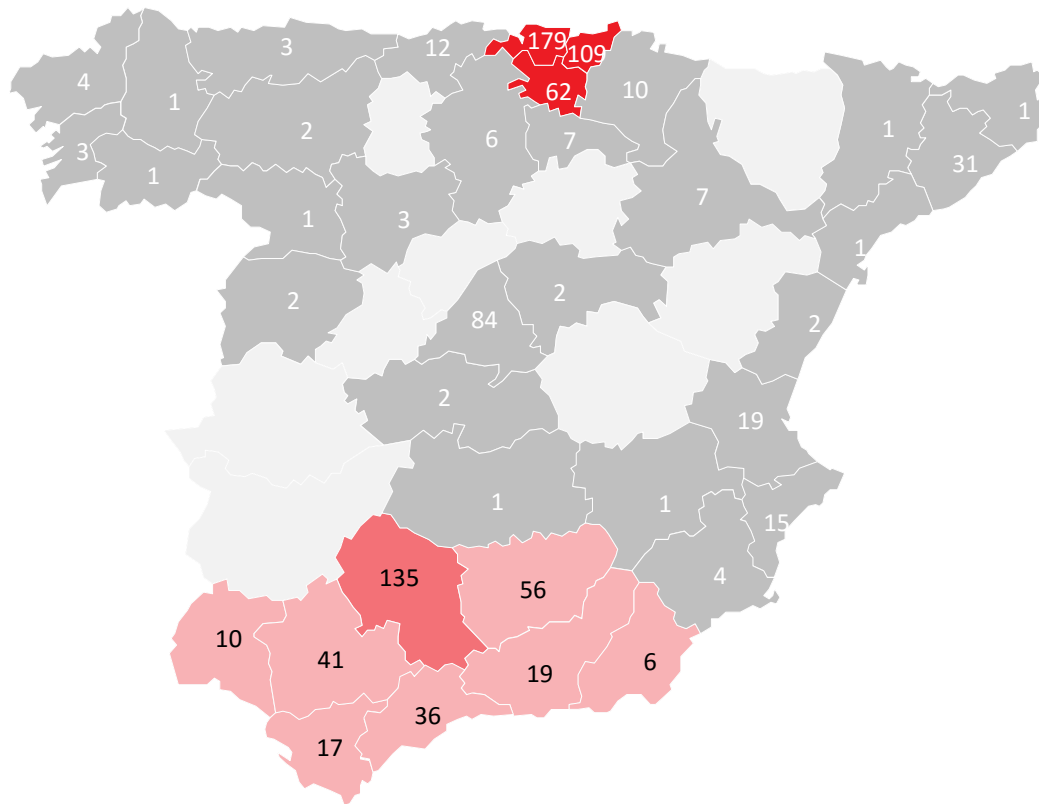
Proceeds from Kb's profitability serve the long-term viability of the business strengthening the bank's solvency and boosting socially cohesive and economically efficient projects.



Kutxabank Group's commercial network¹

A multibrand strategy

Different strong brands in each home region



branches

896

Employees

5,476

¹ As at June 2019.

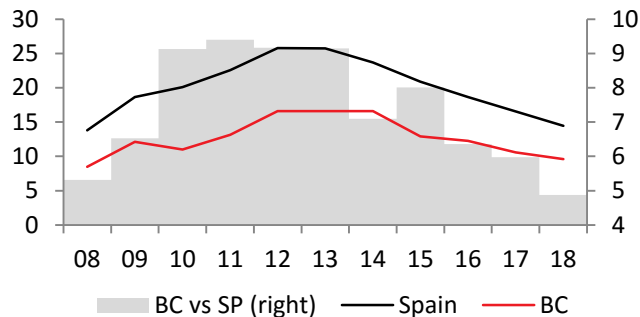
² Cordoba (135 branches) is the Home region of CajaSur.

Basque Country economic indicators

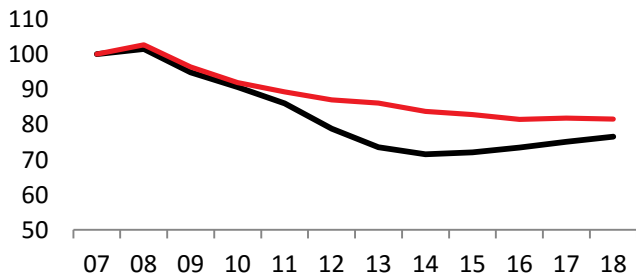
Basque economy

The Basque Country has shown an excellent financial strength, particularly during the recent crisis.

Unemployment rate evolution (%)



Housing market price (2007=100)¹



Credit rating
A3/A+/A-
(M/S&P/F)

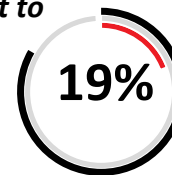
Industrial sector contribution



Exports to GDP

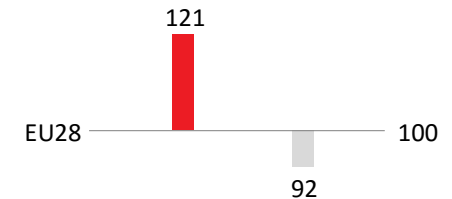


Public debt to GDP

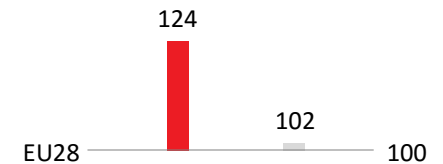


— Basque Country
— Spain
— EU28

GDP per capita



Productivity



Source: National Institute of Statistics (INE) for the data related to the Spanish economy, Basque Institute of Statistics (Eustat) for the data related to the Basque economy and Eurostat for data related to the European economy.
¹ Source: The Spanish Ministry of Development.

Reaping benefits from digitalisation process



Business digitalisation continues on the right path. Benefits from it begin to be substantial.

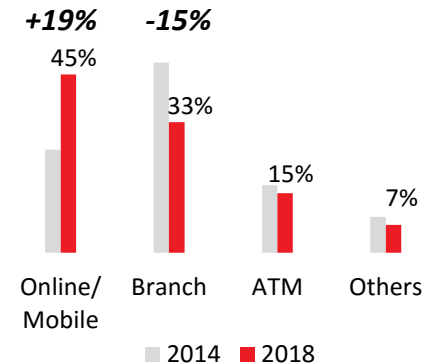
Digital customers contribute 57% of Gross income.

Digital customers
38.1%¹
+16% 2014-18

Active in mobile banking
25.2%¹
x3 2014-18

Consumer loans through digital channels
17.6%¹
x18 2014-18

Transactions per channel



¹ As at 31 December 2018.

Balance sheet: Assets

Million of Euros

	2Q19	2Q18	Var.	1Q19	Var.
Cash and balances at central banks	5,969.4	4,063.3	46.9%	6,674.5	-10.6%
Financial assets held for trading	81.4	90.7	-10.3%	84.7	-4.0%
<i>Trading derivatives</i>	<i>81.4</i>	<i>90.7</i>	<i>-10.3%</i>	<i>84.7</i>	<i>-4.0%</i>
<i>Equity instruments</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>	<i>0.0</i>	<i>-</i>
<i>Debt securities</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>	<i>0.0</i>	<i>-</i>
Other financial assets at fair value through p&l	84.3	298.8	-71.8%	89.0	-5.3%
<i>Equity instruments</i>	<i>52.3</i>	<i>260.8</i>	<i>-79.9%</i>	<i>51.6</i>	<i>1.4%</i>
<i>Debt securities</i>	<i>31.9</i>	<i>38.1</i>	<i>-16.1%</i>	<i>37.4</i>	<i>-14.6%</i>
Available-for-sale financial assets	5,607.1	5,009.9	11.9%	5,456.9	2.8%
<i>Equity instruments</i>	<i>1,706.0</i>	<i>1,183.7</i>	<i>44.1%</i>	<i>1,633.0</i>	<i>4.5%</i>
<i>Debt securities</i>	<i>3,901.1</i>	<i>3,826.2</i>	<i>2.0%</i>	<i>3,823.9</i>	<i>2.0%</i>
Loans and receivables	43,489.4	43,459.8	0.1%	42,223.1	3.0%
<i>Central banks</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>	<i>0.0</i>	<i>-</i>
<i>Bank deposits</i>	<i>614.1</i>	<i>564.0</i>	<i>8.9%</i>	<i>583.0</i>	<i>5.3%</i>
<i>Customer loans and advances</i>	<i>42,875.4</i>	<i>42,895.8</i>	<i>0.0%</i>	<i>41,640.1</i>	<i>3.0%</i>
Held-to-maturity investments	942.6	660.0	42.8%	733.1	28.6%
Non-current assets held for sale	830.0	913.6	-9.2%	846.9	-2.0%
Hedging derivatives	128.1	155.1	-17.4%	127.0	0.9%
Equity investments	196.3	508.1	-61.4%	206.8	-5.1%
Reinsurance assets	47.8	52.8	-9.5%	49.7	-3.9%
Tangible assets	968.1	998.3	-3.0%	975.3	-0.7%
Intangible assets	358.1	361.0	-0.8%	357.8	0.1%
Tax assets	1,886.2	1,958.9	-3.7%	1,926.2	-2.1%
Other assets	234.4	225.1	4.1%	212.2	10.4%
TOTAL ASSETS	60,823.2	58,755.5	3.5%	59,963.2	1.4%

Balance sheet: Liabilities and Own funds

Million of Euros

	2Q19	2Q18	Var.	1Q19	Var.
Financial liabilities held for trading	83.3	89.9	-7.3%	87.3	-4.5%
Financial liabilities at amortised cost	52,969.9	51,307.2	3.2%	52,342.6	1.2%
<i>Deposits from central banks</i>	<i>3,955.9</i>	<i>3,972.1</i>	<i>-0.4%</i>	<i>3,959.9</i>	<i>-0.1%</i>
<i>Deposits from credit institutions</i>	<i>387.0</i>	<i>580.5</i>	<i>-33.3%</i>	<i>387.0</i>	<i>0.0%</i>
<i>Customer deposits</i>	<i>45,117.9</i>	<i>42,959.8</i>	<i>5.0%</i>	<i>44,468.5</i>	<i>1.5%</i>
<i>Debt securities in issue</i>	<i>2,878.1</i>	<i>3,081.6</i>	<i>-6.6%</i>	<i>2,882.7</i>	<i>-0.2%</i>
<i>Other financial liabilities</i>	<i>631.0</i>	<i>713.3</i>	<i>-11.5%</i>	<i>644.5</i>	<i>-2.1%</i>
Hedging derivatives	201.9	159.8	26.4%	154.3	30.9%
Reinsurance liabilities	609.0	609.3	-0.1%	601.3	1.3%
Provisions	490.5	542.2	-9.5%	499.9	-1.9%
Tax liabilities	331.9	287.6	15.4%	314.0	5.7%
Other liabilities	221.5	194.3	14.0%	166.8	32.8%
Total liabilities	54,908.0	53,190.3	3.2%	54,166.1	1.4%
Equity	5,415.9	5,235.6	3.4%	5,363.7	1.0%
Accumulated other comprehensive income	489.5	321.0	52.5%	423.0	15.7%
Minority interests	9.8	8.6	13.9%	10.4	-5.6%
Total equity	5,915.2	5,565.2	6.3%	5,797.1	2.0%
TOTAL EQUITY AND LIABILITIES	60,823.2	58,755.5	3.5%	59,963.2	1.4%

Balance sheet: Solvency

Million of Euros

	2Q19 ¹	2Q18 ¹	Var.
<i>Capital</i>	2,060.0	2,060.0	0.0%
<i>Reserves</i>	3,220.5	3,057.4	5.3%
<i>Retained earnings</i>	98.6	93.9	5.0%
<i>Minority interests</i>	3.2	2.4	35.0%
<i>Valuation adjustments</i>	494.8	330.2	49.9%
<i>Intangible assets</i>	-342.2	-342.6	-0.1%
<i>Deductions</i>	-519.5	-458.0	13.4%
CET I capital	5,015.5	4,743.3	5.7%
Tier I capital	5,015.5	4,743.3	5.7%
Total capital	5,015.5	4,743.3	5.7%
RWA	30,163.6	29,404.3	2.6%
CET I ratio	16.63%	16.13%	50 bp
Tier I ratio	16.63%	16.13%	50 bp
Total Capital ratio	16.63%	16.13%	50 bp
Leverage ratio	8.15%	8.00%	15 bp
<i>Pro-forma:</i>			
CET I ratio fully loaded	16.35%	15.60%	76 bp
<i>Total Capital fully loaded ratio</i>	16.35%	15.60%	76 bp
<i>Leverage fully loaded ratio</i>	8.04%	7.75%	29 bp

¹ Capital ratios include the 50% of the cumulative Net income and provisions allocated to date.

Acronyms

AT1: Additional Tier 1

ATA: Average Total Assets

AuM: Asset under Management

bn: billion

BC: Basque Country

bp: basis points

CET1: Common Equity Tier 1

CPI: Consumer Price Index

DTA: Deferred Tax Assets

ECB: European Central Bank

GDP: Gross Domestic Product

HQLA: High-Quality Liquid Assets

LAA: Loss Absorbing Amount

LCR: Liquidity Coverage Ratio

LtD: Loan to Deposit

MCC: Market Confidence Charge

MDA: Minimum Distributable Amount

Mn: million

MREL: Minimum Requirement for own funds & Eligible Liabilities

NAV: Net Asset Value

NII: Net Interest Income

NSFR: Net Stable Funding Ratio

OCR: Overall Capital Requirement

P1: Pillar 1

P2R: Pillar 2 Requirement

pp: percentage point

RE: Real Estate

RCA: Recapitalisation Amount

RED: Real Estate and Developers

ROA: Return on Assets

ROE: Return on Equity

RORWA: Return on Risk Weighted Assets

ROTE: Return on Tangible Equity

RWA: Risk Weighted Assets

SME: Small and Medium Enterprise

SNP: Senior Non Preferred

SREP: Supervisory Review and Evaluation Process

SSM: Single Supervisory Mechanism

T2: Tier 2

TA: Total Assets

TLOF: Total Liabilities and Own Funds

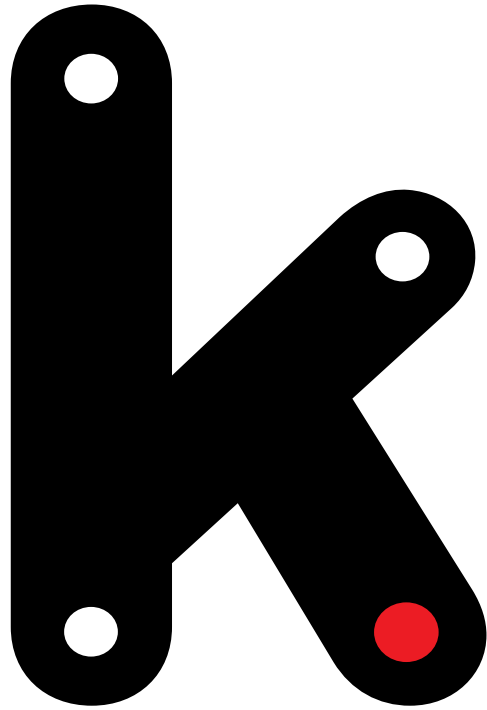
TLTRO: Targeted Longer-Term Refinancing Operations

WMF: Wholesale Markets Funding

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