iberCaja

PROJECT FLETA

JULY 7TH 2017

DISCLAIMER

This presentation on no account should be considered as a (i) service of financial analysis, (ii) investment recommendation (iii) or advice of any type, (iv) nor does it aim to offer any kind of financial product or service. The information contained in this presentation is general and does not reveal all the risks or other material factors. Before entering into any transaction, potential investors must ensure that they fully understand the terms of the securities/transactions and the risks inherent in them, considering (i) the information submitted to the Comisión Nacional del Mercado de Valores www.cnmv.es (not the information contained in this presentation) and (ii) having taken appropriate professional or other advice.

Ibercaja Banco cautions that this presentation might contain forward-looking statements. While these statements represent our judgement and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results that differ materially from our expectations. It is expressly remarked here that no information herein contained should be taken as a guarantee of future performance or results.

The content in this presentation is regulated by the Spanish law applicable at time of writing, and it is not addressed to any person or legal entity located in any other jurisdiction (particularly USA or UK). For this reason it may not necessarily comply with the prevailing rules or legal requirements as required in other jurisdictions.

Neither Ibercaja nor other persons shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way from the information contained in this communication.

Any price(s) or value(s) are provided as of the date or time indicated and no representation is made that any trade can be executed at these prices or values. In addition, Ibercaja has no obligation to update any information contained herein.

This marketing communication is not intended for distribution to any kind of investors in the U.S.A., nor retail clients in the UK under any circumstances. Information set out on the presentation has come from a variety of sources, which Ibercaja considers to be reliable and have been chosen by Ibercaja with due diligence and reasonable care. Ibercaja does not provide any guarantee or warranty in respect of the accuracy, completeness, up-to-datedness', or quality as well as the availability at any time of the data and other information provided on the presentation. Any views, statements or representations provided for on this presentation do not necessarily reflect the opinion of Ibercaja.

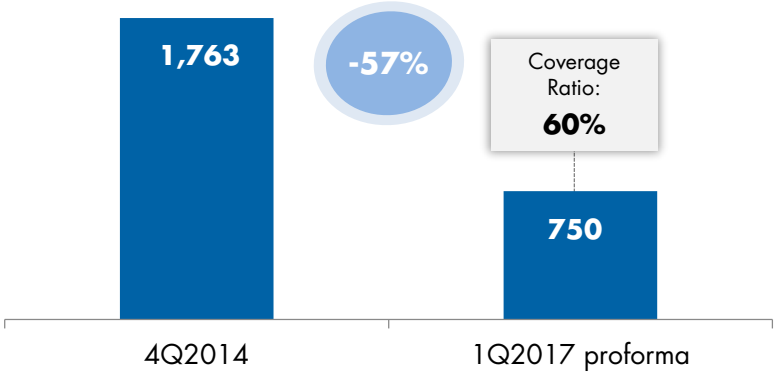
Under no circumstances, including negligence, shall Ibercaja be liable for any DIRECT, INDIRECT, INCIDENTAL, SPECIAL or CONSEQUENTIAL DAMAGES, or LOST PROFITS that result from the reliance by a recipient on any information obtained from this presentation.

PROJECT FLETA

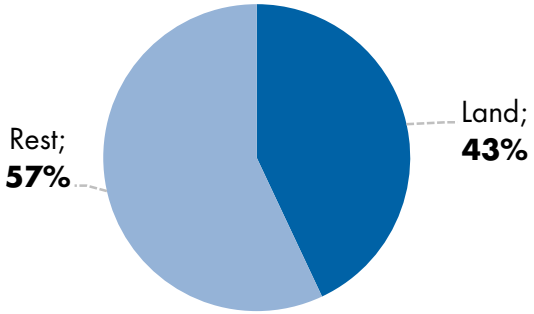
Ibercaja Banco has signed an agreement to sell **a €489mm portfolio of real estate loans.** The portfolio comprises **505 loans to real estate developers, mostly classified as doubtful**.

- The transaction represents a **36% reduction in the stock of non-performing real estate loans** as of March 2017. Since the launch of the Strategic Plan, **the stock of non-performing loans to the real estate sector has fallen 57%** or more than €1,000mm. These loans represent now less than 1% of net loans.
- The **loans granted to finance land** included in the transaction represent **43% of the portfolio**. This % is the highest of any other transaction of this type carried out in Spain. As a result, **Ibercaja Banco's stock of doubtful loans to finance land will be reduced by more than 33%.**
- With this transaction, **the NPL ratio will fall below 8%.** This sale **will not have a relevant impact in 2017 net profit** thanks to the provisions that the Bank had already built as of 1H2017. The sale will be accounted for in the **3Q2017 results.**

Real Estate Sector NPL – €mm gross

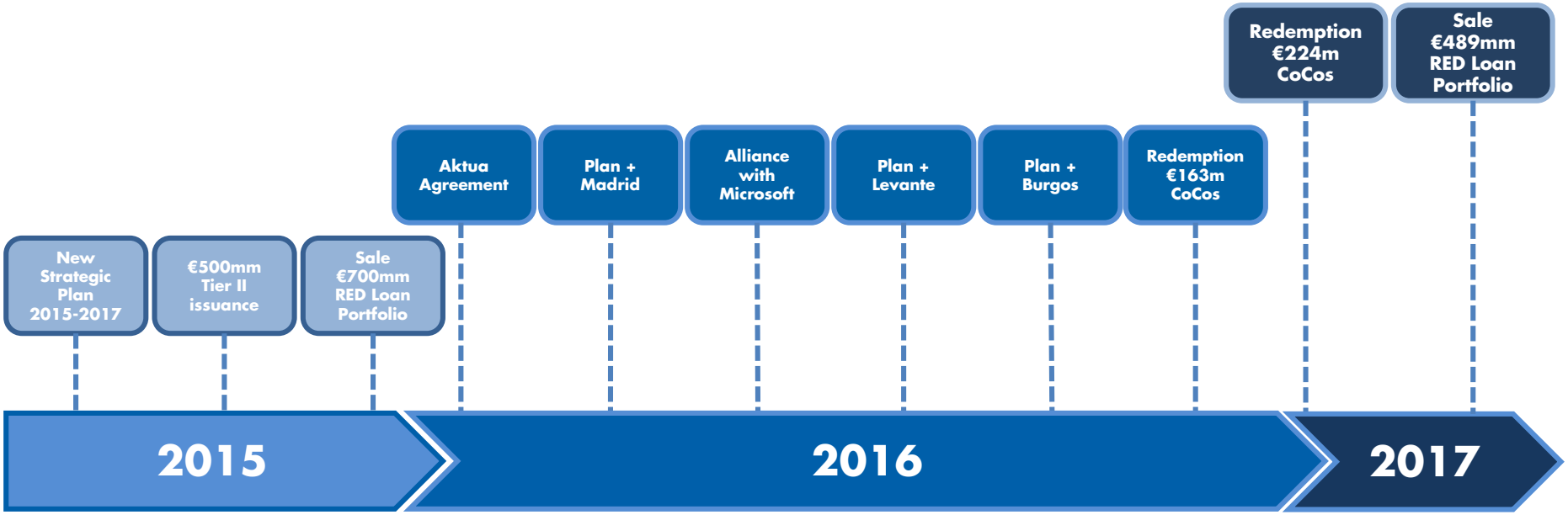


Project Fleta Breakdown - % gross loans



2015-2017 STRATEGIC PLAN MILESTONES

Project Fleta is another significant step in Ibercaja's 2015-2017 Strategic Plan.



iberCaja

NEW BUSINESS: STRONG AND HEALTHY RECOVERY OF THE REAL ESTATE ACTIVITY

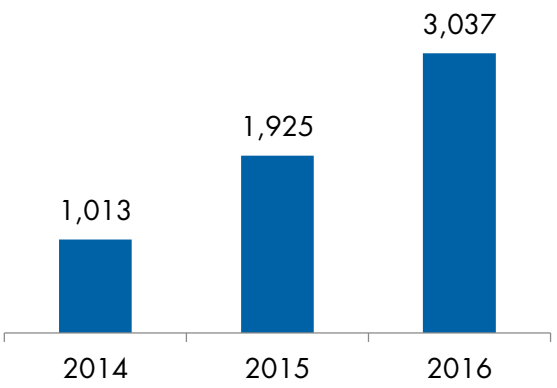
Ibercaja Banco maintains a strong commercial momentum in the real estate sector:

- **Since 2014 Ibercaja Banco has financed close to 150 new projects.** The performance on these projects in terms of finalisation rates and units sold is outstanding, supported by highly liquid land plots and the increase in demand. Most of these projects are located in Madrid, Barcelona and Zaragoza. Out of the 1,250 units already finished, only 5% remain to be sold.
- In 2016, **Ibercaja Banco granted more than €500mm to the real estate sector**.

	2014			2015			2016		
	Nº of Projects	Nº of Units	o.w. Pending Sales	Nº of Projects	Nº of Units	o.w. Pending Sales	Nº of Projects	Nº of Units	o.w. Pending Sales
Construction Pending	0	0	0	2	117	23	33	1,139	414
Under Construction	5	203	22	32	1,368	209	39	1,727	501
Finished	21	810	52	15	440	14	0	0	0
For Rent	0	0	0	0	0	0	1	171	0
Total	**26**	**1,013**	**74**	**49**	**1,925**	**246**	**73**	**3,037**	**915**

Status of the projects as of December 2016

Number of Residential Units Financed



iberCaja

CONTACT
investors@ibercaja.es

For more information, VISIT OUR WEBSITE:
http://www.ibercaja.com/