PROJECT CIERZO

December 22nd, 2018

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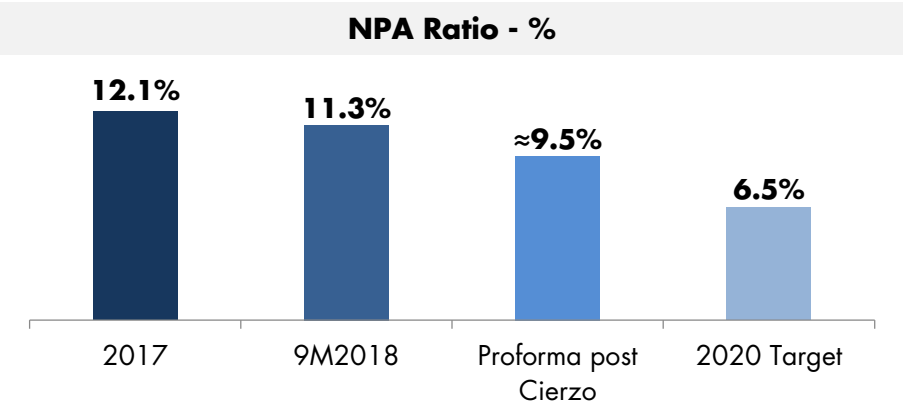
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Ibercaja Banco has signed an agreement to sell a portfolio of foreclosed assets amounting to €652mm to Intrum.

- The transaction represents a **≈45% reduction in the stock of foreclosed assets** as of September 2018. After this transaction, Ibercaja's **net exposure to foreclosed assets** will amount to **≈€300mm** or less than 1% of total assets.
- **Foreclosed land** included in the transaction represent **≈25% of the sold portfolio**.
- The transaction will have a **slightly positive impact in capital and operating costs** (€30mm over 2 years). The transaction will have a gross impact in our P&L amounting approximately to -€31mm.
- Ibercaja will retain **20% stake** in the new company owner of the portfolio.

Proforma of this transaction, Ibercaja will have reduced its stock of gross NPA by €950mm YTD. Ibercaja has already reached 50% of its gross NPA reduction target (€1,850mm) set for the period 2018-2020. Gross NPA ratio will fall to ≈9.5% (-260 b.p. YTD).





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