EL BANCO DEL Vamos

Press Release
July 26th, 2019

1H2019 RESULTS

IBERCAJA OBTAINS A NET PROFIT OF 75.9 MILLION EUROS AND GENERATES 69 BASIS POINTS OF CET1 CAPITAL DURING THE FIRST HALF OF 2019

- *Ibercaja 1H2019 net profit is almost double the result reached in 1H2018, when it amounted to 39 million euros.*
- *CET1 Fully Loaded ratio improves 69 basis points YTD and reaches 11.2%; In phased in terms, CET1 and Total Capital ratios stand at 12.1% and 16.1%, respectively; Ibercaja solvency levels exceed SREP requirements for 2019 in more than 300 basis points.*
- *Non-performing assets – doubtful exposures and foreclosed assets – decrease 40.5% year-on-year or 1,587 million euros; NPA coverage ratio stand at 50.5%*
- *As a result of Ordesa portfolio sale, gross NPA ratio falls 434 basis points during the year and reaches 6.9%.*
- *NPL ratio falls 234 basis points and stands at 4.98%, 67 basis points below sector average.*
- *Customer funds grow 2.8% year-on-year and reach 58,526 million euros, driven mainly by asset management and life insurance products which grow 4.2% year-on-year and account for 45.3% of total customer funds.*
- *New lending reaches 2,568 million euros, of which 64% have been granted to companies; As a result, the stock of performing loans to companies grows 3% year-on-year in line with the diversification objectives set out in the 2018-2020 Strategic Plan*
- *Recurring revenues grow 1.1% year-on-year thanks to the strength of Ibercaja positioning in asset management and bancassurance businesses; Ibercaja's recurring revenues have been growing for the last 3 years.*
- *Recurring costs fall 4% year-on-year allowing an 11.0% increase in recurring profit before provisions.*
- *Ibercaja continues improving its digital assets, one of the key initiatives of the current Strategic Plan; Ibercaja's digital customers amount to 735,000 vs. 630,000 at the beginning of the Strategic Plan*

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Zaragoza, July 26th, 2019.- Ibercaja's net profit in the first half of 2019 amounts to 75.9 million euros as a result of the strong commercial activity and the reduction in non-performing assets.

The net profit represents 1.9x the amount achieved during the first half of 2018 when it stood at 39.3 million euros. The improvement in recurring profitability is one of the main ambitions in Ibercaja's 2018-2020 Strategic Plan.

Ibercaja has continued transforming its business model over the last 6 months while maintaining a strong commercial dynamism, especially in terms of customer funds (+2.8% year-on-year) and their diversification (45.3% of the total amount are mutual funds, pension funds and life insurance products).

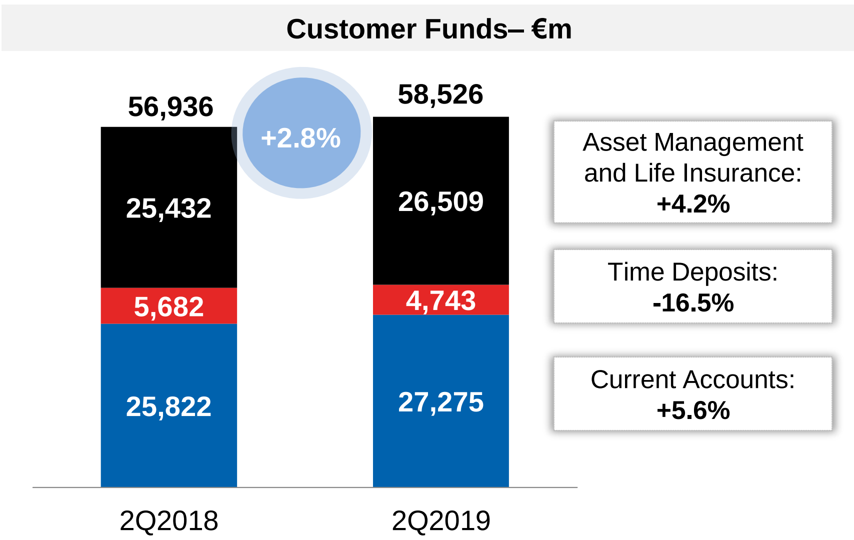
Recurring revenues stand at 469.5 million euros, representing an increase of 1.1%, primarily driven by the increase in revenues linked to asset management and bancassurance businesses. Ibercaja's recurring revenues grow for a third year in a row.

Recurring costs fall 4% year-on-year resulting in a 11.0% year-on-year increase in the recurring profit before provisions.

Additionally, Ibercaja has reduced the stock of non-performing assets by 40.5% year-on-year and generated 69 basis points of capital during the semester.

Asset management business drives customer funds growth

As of June 2019, total customer funds managed by Ibercaja stood at 58,526 million euros, 1,590 million euros more than a year ago, representing a year-on-year growth of 2.8%. In November 2018, Ibercaja launched "Cuenta Vamos" a new payroll account with the aim of increasing the number of customers. Ibercaja has signed 35,000 new accounts in the first half of the year with a total balance of 220 million euros.



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Ibercaja has continued increasing its assets under management and life insurance products. The evolution in mutual funds has been outstanding as Ibercaja Gestión has been the fourth asset management company in terms of net inflows into mutual funds in 1H2019. As a result, the company has been able to increase its market share by 28 basis points in one year and reaches 4.9%. Moreover, Ibercaja Gestion has reorganized its investment team and created a new analysis department in order to support the growth that the companied has achieved over the last 5 years.

All in all, these products have grown 4.2% year-on-year (1,077 million euros) and amount to 26,509 million euros. The weight of these products in total customer funds stands at 45.3%, and is the highest weighting among Spanish retail banks.

The Bank's recognized advisory capabilities, together with the products and quality in the management of the Financial Group's companies, constitutes a relevant competitive advantage in the current scenario of negative interest rates and the potential development of long-term financial savings in Spain over the next few years, taken into account demographic forecasts.

Loans to companies accounted for 64% of the new lending operations

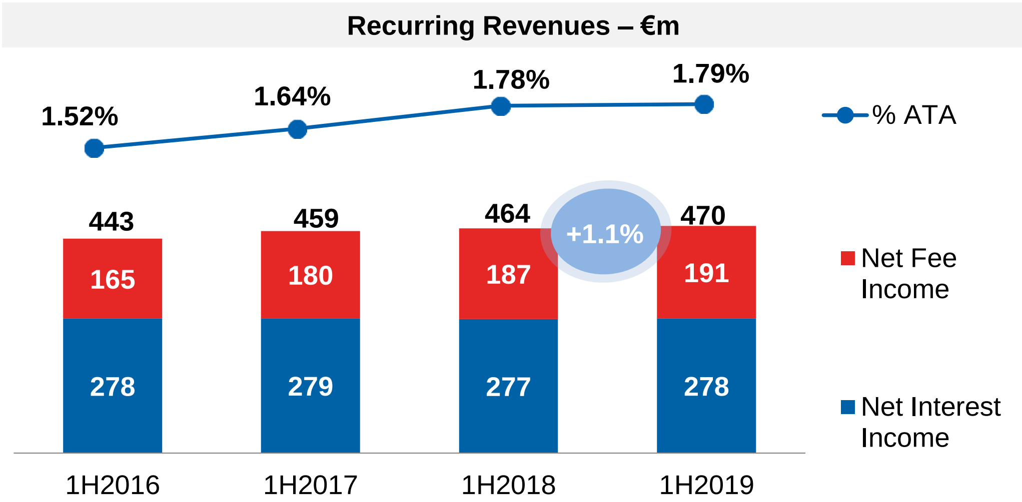
Ibercaja has granted 2,568 million euros in new loans during the first half of 2019. Companies account for 64% of new lending, being a key segment in the 2018-2020 Strategic Plan. The average volume of new loans to companies stand at 86,000 euros, which reveals Ibercaja's focus in SME lending. Furthermore, accumulated working capital financing in the semester has grown by 11.5% year-on-year, to 3,719 million euros. As a result of this strategy the stock of performing loans to companies grows 3% year-on-year.

Geographically, Madrid & Mediterranean Basin account for 49% of the new loan production; this level stands in line with the growth strategy that the Company is pursuing in these markets, which are the most dynamics in the Spanish economy.

Recurring revenues grow for a third year in a row

Net interest margin reaches 278.1 million euros, a 0.4% year-on-year increase. Additionally, net fee income rises 2.2% year-on-year to 191.4 million euros driven by commissions related to asset management and bancassurance businesses (+7.8% year-on-year). This source of revenues represents 60% of total net fee income.

As a result, recurring revenues (net interest margin + net fee income) reaches 469.5 million euros, a 1.1% increase vs. the first half of 2018. Ibercaja has been able to increase its recurring revenues for a third year in a row.



Total operating costs fall 18.8% year-on-year after the non-recurring costs of the first quarter of 2018. In that quarter, the Bank registered a 55.5 million euros expense related to the redundancy plan agreed with the majority of worker representatives in 2017. Excluding the costs related to the redundancy plan, recurring cost decrease 4% year-on-year.

As a result, Ibercaja has improved its result before provisions by 38.5% in the first half 2019, reaching 195 million euros.

Ibercaja's recurring profit before provisions (net interest margin + net fee income - recurring operating expenses) grows 11% year-on-year to 176.1 million euros. Recurring earnings before provisions as a percentage of average total assets improves by 6 basis points year-on year-to 0.67%.

The improvement in the economic situation, the active management of the non-performing assets carried out by the Bank and the levels of coverage achieved, thanks to the provisioning effort made in previous years, allow the cost of risk to stand at 38 basis points.

The ongoing dynamism of activity with customers, the lack of extraordinary expenses and the non-performing assets reduction allow Ibercaja to post a net profit of 75.9 million euros for the first half of 2019. The net profit of the semester represents 1.9x the amount achieved in the first half of 2018.

NPL ratio stands 67 basis points below sector average

Non-performing assets (doubtful + foreclosed assets) decrease 40.5% year-on-year (1,587 million euros). As of June 2019, the stock of non-performing assets stands at 2,337 million euros.

The balance of doubtful loans falls 32.7% year-on-year (795 million euros) as a result of Ordesa transaction. This portfolio sale (which included loans to companies, mostly classified as doubtful, with a gross value of €534m) has had a

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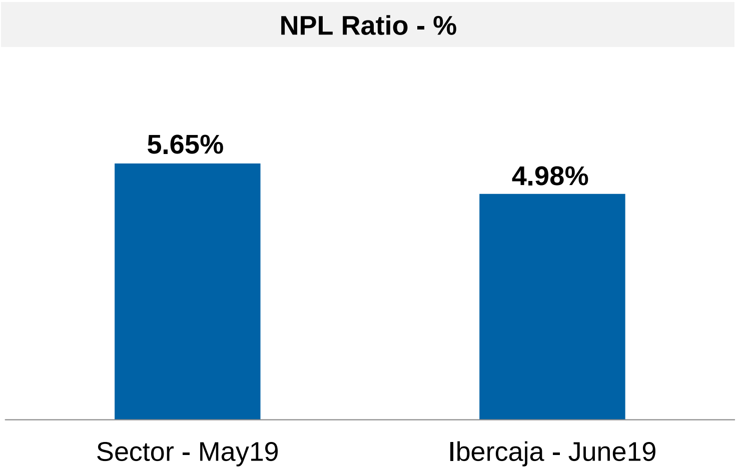
negative impact of €27m. This transaction has been accounted under financial operations result in 2Q P&L account.

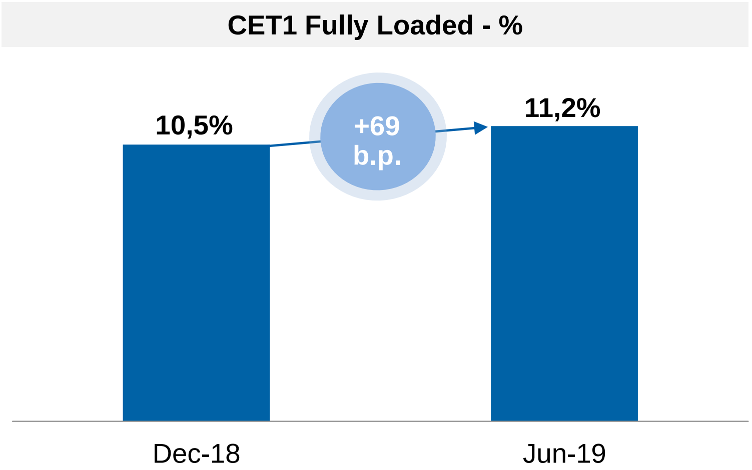
NPL ratio falls 234 basis points year-on-year and stands at 4.98%, 67 basis points below sector average.



Ibercaja's NPA coverage ratio stands at 50.5%.

Continuous improvement in solvency levels

Ibercaja reports a strong capital generation during the first half of 2019; CET1 Fully Loaded ratio stands at 11.2%, 69 basis points above the level of December 2018. Total Capital Fully Loaded reaches 15.2%.



In Phased In terms, CET1 and Total Capital ratios stand at 12.1% and 16.1% respectively, more than 300 basis points above SREP requirements for 2019 in both cases (9% and 12.5%, respectively).

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Moreover, available liquid assets represent 21% of total assets giving Ibercaja a strong liquidity position. Additionally, Ibercaja shows a prudent funding profile with customer deposits accounting for 79% of gross external funding.

Strong progress in the transformation process with 735,000 digital customers

Ibercaja business model transformation is one of the main initiatives on its 2018-2020 Strategic Plan. The main drivers for this transformation process are the digitalization of the internal processes and the relationship with the customer. The long term partnership established with Microsoft, initiated in May 2016, acted as catalyst for this initiative.

During the first semester of 2019, among other actions, Ibercaja has put in place the digital onboarding system for new clients and it now permits mobile payments for customers through Google, Apple and Samsung payment platforms.

As a result of this strategy, the number of digital customers of the entity, those that have used the digital banking solution or the app in the last month, reaches 735,000 individuals, comparing with 630,000 at the end of 2017.

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1H2019 Main Figures

P&L Account

€mm	1H2018	1H2019	YoY.
Net Interest Income	277,0	278,1	0,4%
Net Fee Income	187,2	191,4	2,2%
Recurring Revenues	**464,2**	**469,5**	**1,1%**
Trading Income	35,5	12,3	-65,3%
Other Operating Inc. / Exp. (Net)	2,2	6,6	196,4%
Gross Operating Income	**502,0**	**488,4**	**-2,7%**
Operating Costs	-361,1	-293,4	-18,8%
of which: Recurring Costs	-305,6	-293,4	-4,0%
of which: Redundancy Plan	-55,5	0,0	n/a
Pre-Provision Profit	**140,8**	**195,0**	**38,5%**
Total Provisions	-67,0	-84,1	25,6%
Other Gains and Losses	-9,7	-0,5	-95,2%
Profit before Taxes	**64,2**	**110,5**	**72,1%**
Taxes & Minorities	-24,9	-34,6	38,5%
Net Profit Attributable to Shareholders	**39,3**	**75,9**	**93,4%**

Commercial Activity & Balance Sheet

€mm	1H2018	1H2019	YoY.
Customer Funds	**56.936**	**58.526**	**2,8%**
of which "Core" deposits	31.504	32.018	1,6%
of which Asset Management & Life Insurance	25.432	26.509	4,2%
Gross Lending	**33.273**	**32.926**	**-1,0%**
of which performing loans ex REPO	29.872	29.684	-0,6%
of which doubtful loans	2.434	1.639	-32,7%
Total Assets	**52.591**	**53.132**	**1,0%**

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