

BASIC FIGURES

May 2021 data



Spanish Executive Resolution Authority

FROB IN THE RESTRUCTURING OF THE SPANISH BANKING SECTOR

TOTAL GRANTED

Contributions to capital, preferred shares, CoCos

€56,545m



FROB I (Convertible preferred shares) €977m

FROB II (capital) €13,498m

FROB III

Capital - €37,943m

Contingent Convertible Instruments - €1,135m

Equity units on Spanish savings banks, *cuotas participativas* - €800m

Sareb - €2,192m



Total amount recovered

€5,918m

Processes in which it has been involved

15

Plans reviewed

24



Capital injections

13 injections for an accumulated total of €48,941m (of which cost fully covered by the Deposit Guarantee Fund: €5,817m)

Subscription of CoCos

10 subscriptions for an accumulated total of €11,609m (of which cost fully covered by the Deposit Guarantee Fund: €380m)



Divestment processes

11

Auction sale

9
Banco de Valencia, NCG, B. Gallego, CX, CAM, UNNIM, CajaSur, Popular, Mota del Cuervo

Divestment transactions in the market

2
BFA-Bankia

Entities in which it had a majority stake



8
BFA-Bankia, Banco de Valencia, NCG, B. Gallego, CX, BMN, CAM, UNNIM






Total administrators / FROB representatives in Boards

27

Total accumulated assets of entities

€1,026,482m

<p>BFA</p>	<p>FROB, as sole shareholder of BFA, holds an indirect 16,1% stake in CaixaBank as a result of its merger with Bankia</p>
<p>Basic figures</p> 	<p>Merger through absorption of Bankia by CaixaBank</p> <ul style="list-style-type: none"> ▶ Combined entity is the leading entity in retail banking in Spain in terms of market share in key products, such as deposits and loans <p>Exchange ratio</p> <ul style="list-style-type: none"> ▶ 0.6845 new ordinary CaixaBank shares for each Bankia share ▶ 20% premium on the exchange ratio at the close of trading on 03/09/2020 <p>BFA</p> <ul style="list-style-type: none"> ▶ Net equity of €4.029m (31/12/2020) ▶ Value of indirect stake in CaixaBank: €2.750m (31/12/2020)
<p> Merger calendar</p> <p>Divestment deadline</p>	<p>Registered - March 26th, 2021</p> <p>Exchange of shares completed. Technological integration foreseen 4Q 2021</p> <p>December 2023 (Agreement by the Council of Ministers, February 2021)</p>

<p>Sareb</p>	<p>Creation in 2012 of an Asset Management Company.</p>
<p>Transfer price</p> 	<p>€50,800m</p>
<p> Original portfolio</p>	<p>80% financial assets, 20% real estate assets</p>
<p> Average haircut over their book values</p>	<p>53% (63.1% for real estate assets and 45.6% for financial assets).</p>
<p> Financing</p>	<p>Sareb financed the transfer of assets with bonds issued with a guarantee from the central government, for an amount of €50,800m.</p>
<p> FROB's participation</p>	<p>Sareb issued capital and subordinated debt to an amount of €4,800m. FROB subscribed 45.9% of the capital and the subordinated debt.</p>



Guarantees

FROB has granted guarantees in 6 divestment or integration processes.

Estimated cost

€2,326m

Paid

€1,870m

Funding



FROB has financed its activity with a total of €55,600m:

- ▶ **€2,250m** from the Deposit Guarantee Fund
- ▶ **€12,750m** public resources from the General State Budget
- ▶ **€11,500m** debt issuances with State guarantee (currently all redeemed)
- ▶ **€41,333m** State's Treasury loan (of which €707m have been repaid)

Previous shareholders



Mostly saving banks. As a result of the loss of their shareholdings in the entities or their dilution because of the injection of public aid, they lost their own funds for an **amount exceeding €30,000m**, contributing in the first instance to the restructuring of entities.

Subordinated Liabilities Exercises for hybrid instruments and subordinated debt



2013, within the MOU framework.

On issues of preferred shares (40% of the total) and subordinated debt (60%) for an outstanding amount of **€ 14,200m** (30% of which were wholesale investors)

It generated capital (and reduced the use of public resources) to total some **€13,500m**

	Intervention	FROB I	FROB II	FROB III	Divestment	Integration
BFA-Bankia		●		●	●	●
Banco de Valencia	●		●	●	●	
NCG		●	●	●	●	
B. Gallego				●	●	
CX		●	●	●	●	
BMN		●		●		●
CEISS		●		●		●
Caja3				●		●
Liberbank				●		
CAM	●		●		●	
UNNIM		●	●		●	
CajaSur	●				●	

FROB IN THE BANKING UNION

Spanish Executive Resolution Authority

Law 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment firms.

FROB's Governance



FROB's Governing Committee – 11 members

- ▶ Chair of FROB
- ▶ Four appointed by the Bank of Spain
- ▶ Three representatives of the Ministry of Economic Affairs and Digital Transformation
- ▶ Deputy Chair of the Spanish National Securities Market Commission (CNMV)
- ▶ Two representatives of the Ministry of Finance



Coordination of the participation in the SRB

FROB represents Spain in the Single Resolution Board and coordinates participation.

Bank of Spain assists as observer, with the right to speak but not vote.



Entities under each mandate

A total of **12 entities** are under the SRB's responsibility (aprox 90% of assets in the Spanish financial sector)

FROB is responsible for **55 credit institutions and 29 groups or individual IFs.**



Funding

Act 11/2015 introduces the so-called "fee for activities performed by FROB in its capacity as a resolution authority". This fee is intended to cover the entity's operating costs and is charged to the entities required to contribute to either the SRF or the NRF.

European Stability Mechanism Loan



FROB III injections were financed by a loan from the Spanish Treasury to channel the funds from the ESM loan, for a total of **€41,333m.**

After different repayments and partial capitalizations of the loan, the outstanding balance currently amounts to **€7,456m.**

Single Resolution Fund



FROB collects the contributions from Spanish credit institutions to the SRF. It is managed by the SRB.

Current volume is around **42 billion euros.**

The **96** Spanish credit institutions affected have contributed for an accumulated total of **€4,400m**

National Resolution Fund



FROB manages the National Resolution Fund. It is financed by contributions from the investment funds that do not already contribute to the SRB, as well as the branches in Spain of credit institutions and investment firms established in third countries. Current accumulated volume is over **€5.6m**