

BCC Grupo Cajamar

4Q19 CREDIT UPDATE

6 February 2020

✉: ir@bcc.es

www.bcc.es/en/informacion-para-inversores

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2019: Relevant improvement in asset quality, business, solvency and recurring margins y-o-y



Most significant figures (I)

(EUR Thousands)

	31/12/2019	30/09/2019	31/12/2018	y-o-y		q-o-q	
				Abs.	%	Abs.	%
Profit and Loss Account							
Net interest income	589,796	437,102	586,041	3,755	0.6%		
Gross Income	1,147,654	921,394	934,076	213,578	22.9%		
Recurring Gross Income	935,222	708,343	892,322	42,901	4.8%		
Net Income before provisions	573,542	491,086	367,761	205,781	56.0%		
Recurring Net Income before provisions	361,109	278,035	326,007	35,103	10.8%		
Profit before tax	113,412	111,918	69,104	44,308	64.1%		
Consolidated Net profit	92,495	82,056	82,252	10,243	12.5%		
Attributable Net profit	92,495	82,056	82,252	10,243	12.5%		
Business							
Total Assets	47,406,455	45,620,963	44,078,805	3,327,650	7.5%	1,785,492	3.91%
Equity	3,304,672	3,237,432	3,075,759	228,913	7.4%	67,240	2.08%
On-balance sheet retail funds	30,561,447	30,238,231	28,498,653	2,062,794	7.2%	323,216	1.07%
Off-balance sheet funds	4,850,569	4,648,220	4,293,159	557,410	13.0%	202,349	4.35%
Performing Loans	29,574,566	29,123,307	29,126,028	448,538	1.5%	451,259	1.55%
Risk management							
Non-performing assets	4,657,612	4,913,766	5,369,208	(711,596)	(13.3%)	(256,154)	(5.2%)
Non-performing assets (net)	2,408,222	2,567,577	2,922,865	(514,643)	(17.6%)	(159,355)	(6.2%)
NPA coverage (%)	48.29%	47.75%	45.56%	2.73		0.54	
Non-performing loans	1,948,076	2,111,093	2,458,961	(510,885)	(20.8%)	(163,017)	(7.7%)
NPL ratio (%)	6.07%	6.63%	7.63%	(1.56)		(0.56)	
NPL coverage ratio (%)	49.10%	47.55%	43.60%	5.50		1.55	
Foreclosed assets (gross)	2,709,536	2,802,673	2,910,247	(200,711)	(6.9%)	(93,137)	(3.3%)
Foreclosed assets (net)	1,416,670	1,460,205	1,535,937	(119,267)	(7.8%)	(43,535)	(3.0%)
Foreclosed assets Coverage ratio (%)	47.72%	47.90%	47.22%	0.49		(0.18)	
Texas ratio	86.71%	91.02%	101.16%	(14.45)		(4.31)	
Cost of risk	1.03%	1.08%	0.58%	0.45		(0.05)	

Most significant figures (II)

(EUR Thousands)	31/12/2019	30/09/2019	31/12/2018	y-o-y		q-o-q	
				Abs.	%	Abs.	%
Liquidity							
LTD (%)	95.05%	95.03%	101.65%	(6.60)		0.02	
LCR (%)	212.33%	219.85%	207.49%	4.84		(7.52)	
NSFR (%)	124.03%	127.6%	118.51%	5.52		(3.57)	
Solvency phased in							
CET1 ratio (%)	13.03%	13.14%	12.51%	0.52		(0.11)	
Tier 2 ratio (%)	1.66%	1.70%	1.74%	(0.08)		(0.03)	
Capital ratio (%)	14.69%	14.83%	14.25%	0.44		(0.14)	
Leverage ratio (%)	6.25%	6.48%	6.39%	(0.14)		(0.23)	
Solvency fully loaded							
CET1 ratio (%)	12.32%	12.41%	11.54%	0.78		(0.10)	
Tier 2 ratio (%)	1.67%	1.70%	1.74%	(0.08)		(0.03)	
Capital ratio (%)	13.98%	14.11%	13.28%	0.70		(0.13)	
Leverage ratio (%)	5.91%	6.13%	5.89%	0.02		(0.22)	
Profitability and efficiency							
ROA (%)	0.20%	0.24%	0.19%	0.01		(0.04)	
RORWA (%)	0.40%	0.48%	0.35%	0.05		(0.08)	
ROE (%)	2.89%	3.46%	2.74%	0.15		(0.57)	
Cost-income ratio (%)	50.02%	46.70%	60.63%	(10.61)		3.32	
Recurring cost-income ratio (%)	61.39%	60.75%	63.47%	(2.08)		0.64	
Other data							
Cooperative members	1,430,086	1,428,500	1,436,237	(6,151)	(0.4%)	1,586	0.11%
Employees	5,483	5,486	5,506	(23)	(0.4%)	(3)	(0.1%)
Branches	956	962	1,018	(62)	(6.1%)	(6)	(0.6%)

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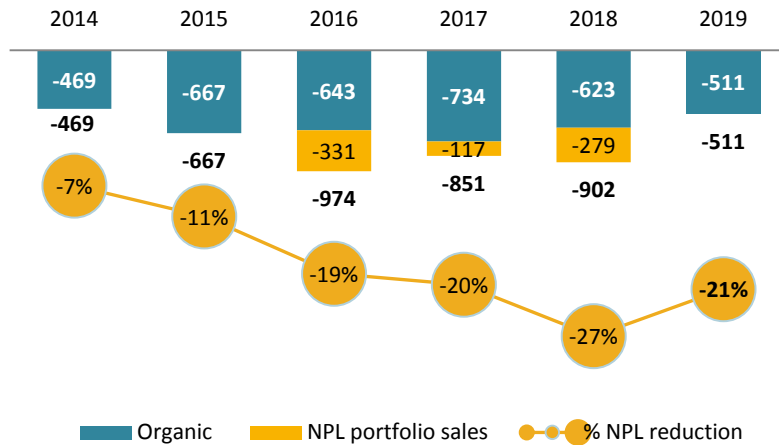
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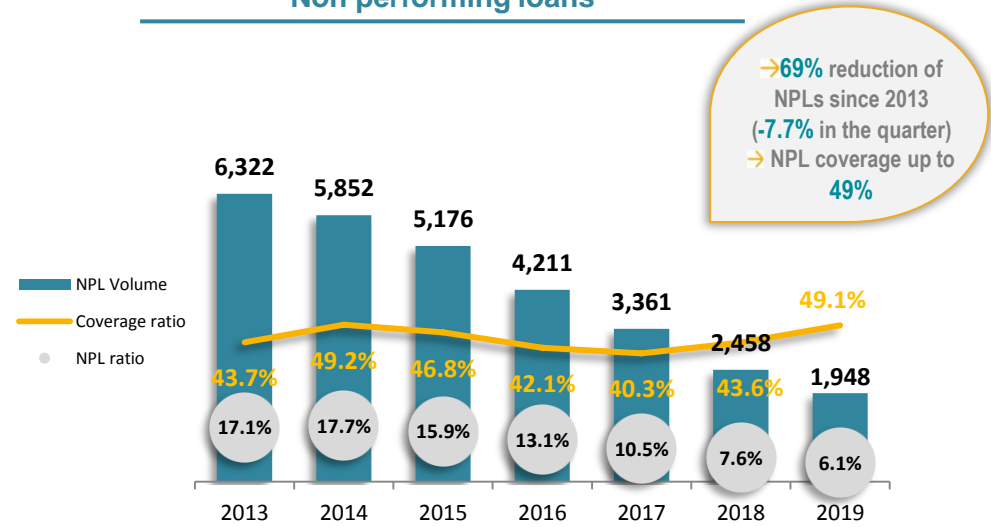
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Asset Quality: Proven track record on reducing NPLs

Our track - record



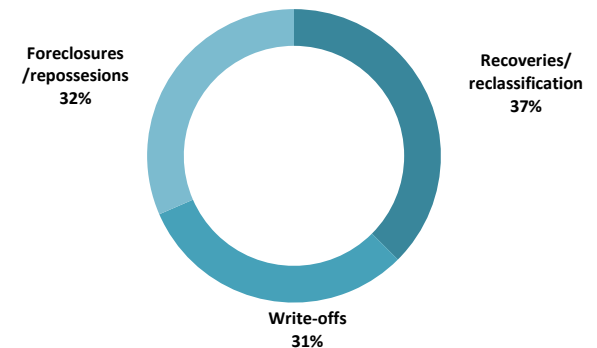
Non performing loans



NPL variation q-o-q

NPL evolution	4Q18	1Q19	2Q19	3Q19	4Q19	Last 4 quarters
NPL inflow	99	101	87	93	100	382
NPL outflow	-272	-195	-246	-189	-263	-892
Variation	-173	-94	-159	-95	-163	-511

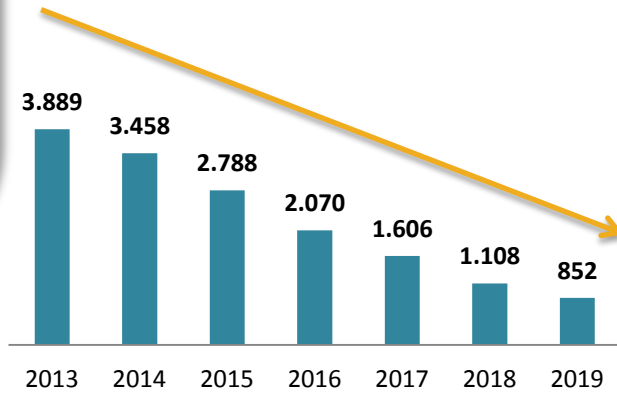
Average NPL outflow (last 12 months)



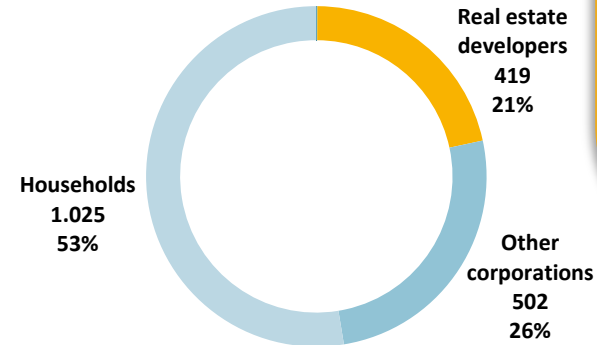
Conservative approach

Loans to real estate developers

- RED loans account for only 2.7% of gross loans (sector average¹: 8%)
- RED exposure is 852M (c.23% less than 4Q18)



NPL breakdown by segment



- NPL ratio exRED: 4.9% (sector average¹: 5.0%)
- 21% of all NPLs are loans to real estate developers

Forborne loans

- 69% already in the NPL Figure



Breakdown of ratios by segment

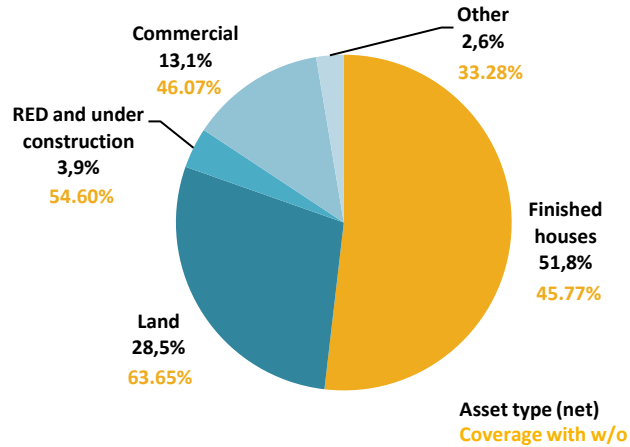
	Gross loans to customers	% of loans	NPL Ratio	Coverage Ratio
Public admin.	469	2%	0%	-
Other fin. corporations	1.157	4%	0%	-
Corporations	10.986	35%	5%	59%
Households +other retail	17.657	57%	6%	45%
Real estate developers	852	3%	49%	49%
Total	31.122	100%	6%	49%

- Adequate coverage by portfolio

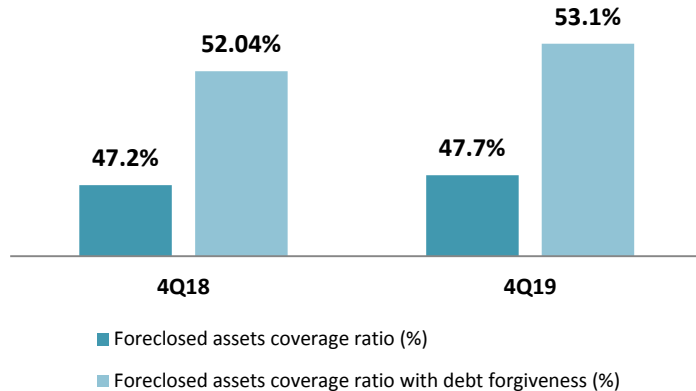
Figures in EUR million
¹ Figures as of 3Q19. Source: Bank of Spain

Foreclosed assets: Favorable stock evolution

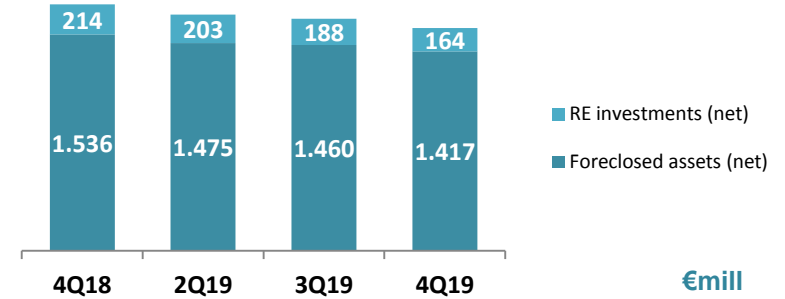
Foreclosed assets by asset type & coverage



Foreclosed assets Coverage

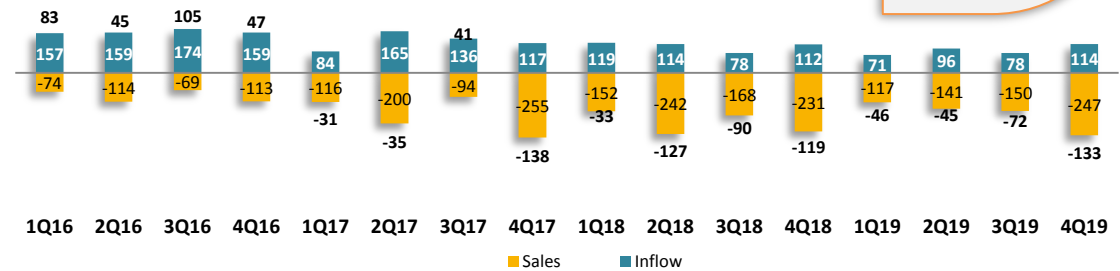


Net REOs



	4Q18	2Q19	3Q19	4Q19
Foreclosed assets (net)	1,536	1,475	1,460	1,417
RE investments (net)	214	203	188	164
REOs (net)	1,750	1,678	1,649	1,581

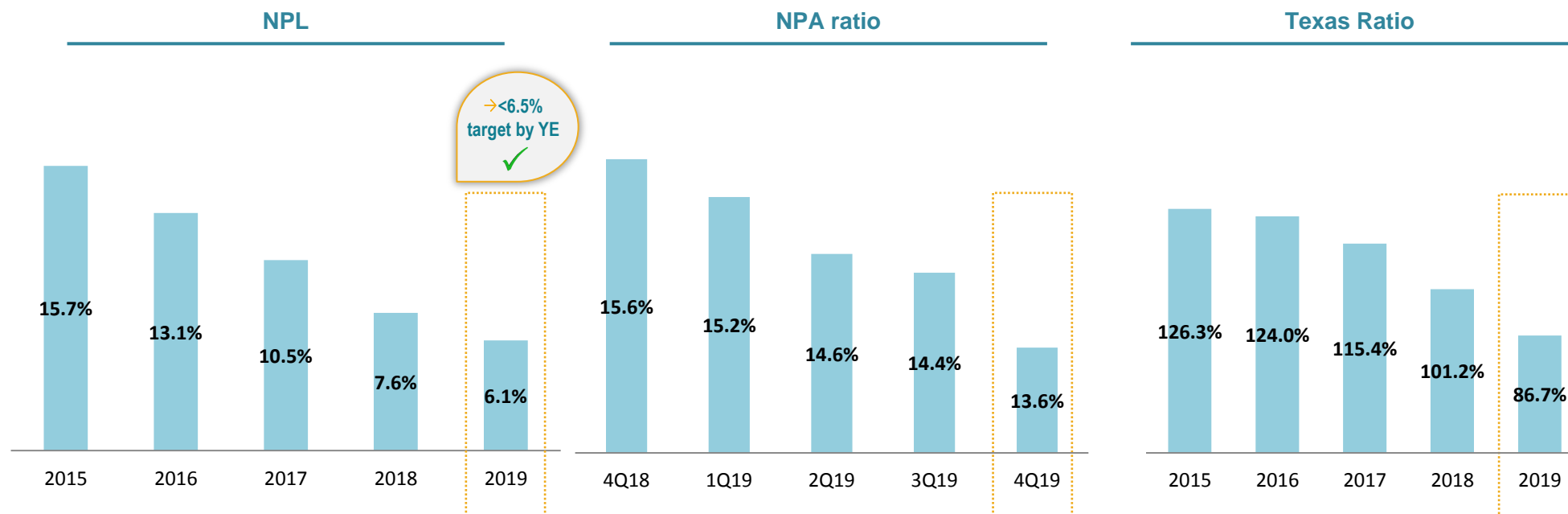
Quarterly evolution of REOs (gross)



Acumulated Inflows have reduced 15% compared to the same period 2018

Strong track-record in improvement of asset quality

- A proven track-record in NPL reduction to converge to the average of the sector
- BCC has beaten its NPL target for the year



(1) NPA ratio is calculated with gross foreclosed assets.

(2) Texas ratio = (Non performing total risks + gross REOs) / (Gross loans coverage + REOs coverage + Total equity)

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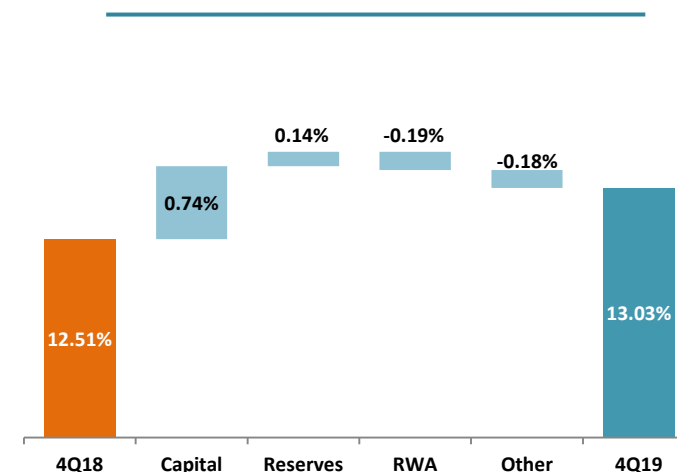
70 basis points of capital (fully loaded) generated in the last 12 months

- Solvency improves by 70 bps y-o-y in fully loaded terms
- Distance to 13% SREP total capital requirement is 169 bps

PHASED IN	31/12/2018	30/09/2019	31/12/2019	y-o-y	q-o-q
CET1	12.51%	13.14%	13.03%	52 pb	-11 pb
T2	1.74%	1.69%	1.66%	-8 pb	-3pb
Total Capital	14.25%	14.83%	14.69%	44 pb	-14 pb

FULLY LOADED	31/12/2018	30/09/2019	31/12/2019	y-o-y	q-o-q
CET1	11.54%	12.41%	12.32%	78 pb	-10 pb
T2	1.74%	1.70%	1.67%	-8 pb	-3 pb
Total Capital	13.28%	14.11%	13.98%	70 pb	-13 pb

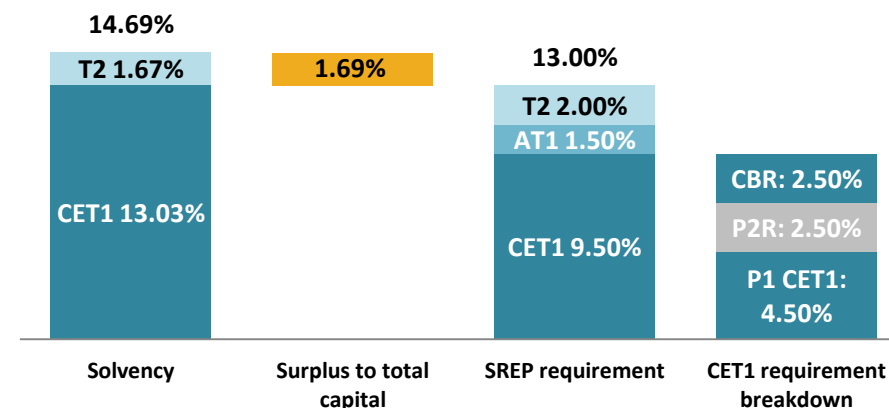
Breakdown of CET1 variation



→ Capital ratios well above requirements. BCC received its 2020 SREP capital requirements in December: **9.50% of CET1 and 13% of total capital.**

→ P2R for 2020 remains unchanged at **2.50%**

→ No plans for T2 or SNP issuances in 2020 unless very supportive market conditions. MREL requirement of **21.68% of RWAs** ⁽¹⁾ to be complied with by January 2023.



⁽¹⁾ Requirement communicated in 2019

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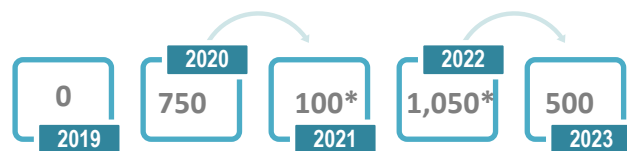
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Liquidity

- Remaining TLTRO II will be replaced by TLTRO III during 2020. €1.8 bn have already being disposed in December 2019
- Manageable upcoming debt maturities

Upcoming debt maturities (EUR mill)

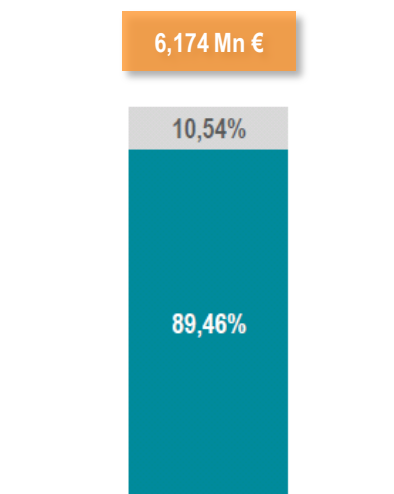


Remaining €3bn TLTRO II to be replaced by TLTRO III in 2020

Funding cost (EUR mill)

	Amount	Cost	%
TLTRO II	3,254	-0.40%	27.4%
TLTRO III	1,833	-0.50%	15.4%
Repo & Interbank deposits	3,595	-0.36%	30.3%
Capital markets	3,200	1.87%	26.9%
TOTAL	11,882	0.207%	100%

Available liquidity



Available liquid assets

■ Non HQLA ■ HQLA

(*) High quality liquid assets.

LTD

95.05%

▽ 6.6 p.p.

LCR

212.33%

+ 4.8 p.p.

NSFR

124.03%

+5.5 p.p.

Covered bonds / Eligible mortgage portfolio

48.36%

Covered bond issuance capacity

3,434 Mn€

(*) Variations y-o-y

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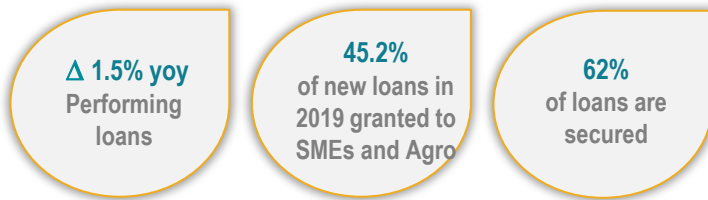
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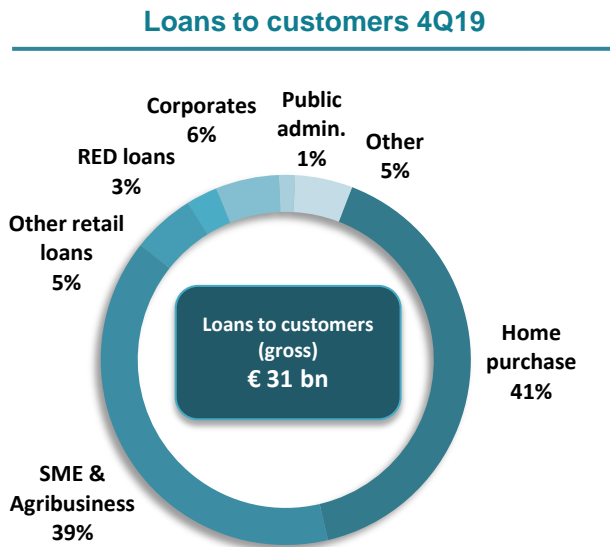
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Business position: loan book

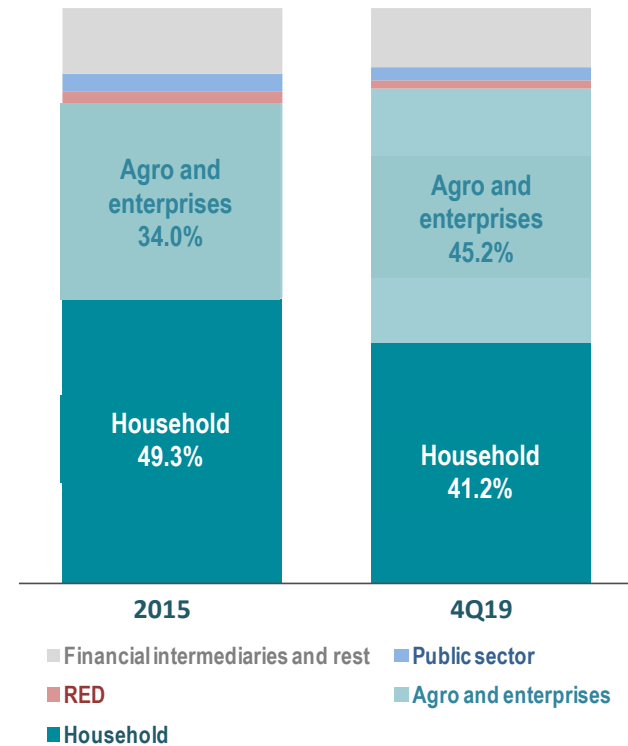
→ Growth in performing loans focused on Enterprises and Agro while decreasing RED exposure (2.7% Grupo Cajamar vs. 8% sector¹)



▽23% Reduction of RED loans



Breakdown of performing loans to customers

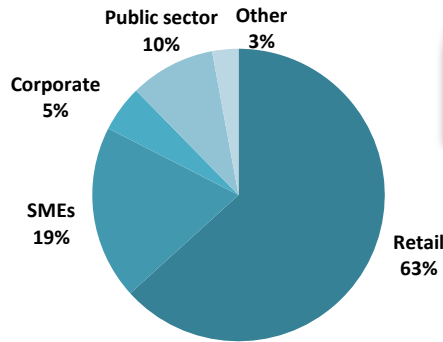


¹ Figures as of 3Q19. Source: Bank of Spain

Business position: customer resources

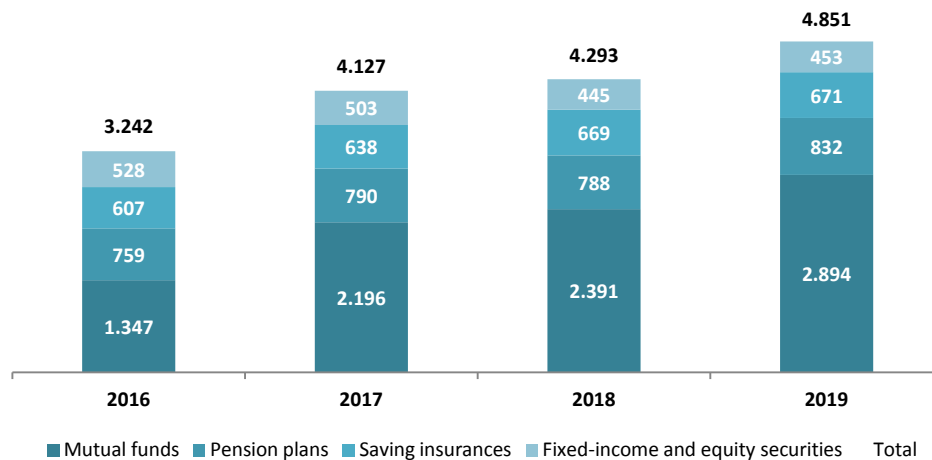
- Growth in deposits from customers and AuM which means an increase in business gap. This leads to an improvement of liquidity ratios.

Deposits by segment

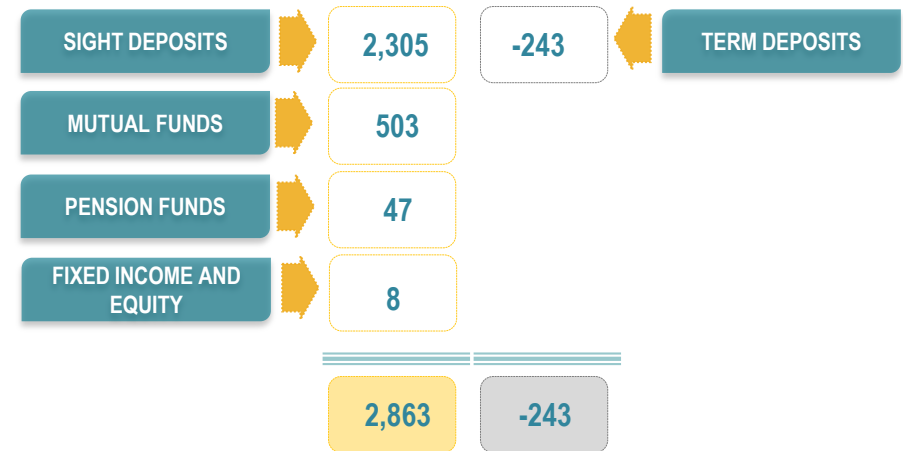


Δ 7.2%
Increase in deposits
(€+2,063 m yoy)

Funds under management



Change of customer funds (y-o-y)



- Off balance sheet AuM increase by +13% y-o-y
- Mutual funds increase by +21% y-o-y, while sector increases by +7.6%¹

Figures in EUR million
¹Source: Inverco at 4Q19

Strategic alliances

→ Impulse of income from strategic partnerships



INSURANCE & PENSION PLANS



**Cajamar Seguros Generales –
General insurance**
Δ 27.9% y-o-y in general assurance premiums

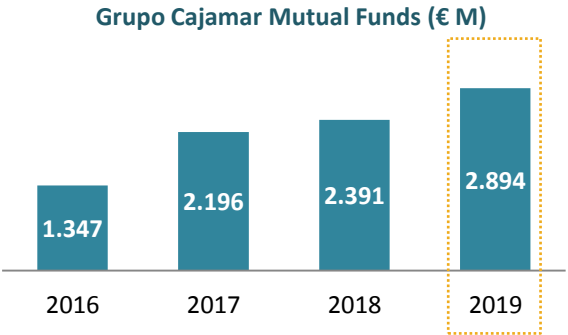
Cajamar Vida – Life insurance
Δ 15.5% y-o-y in life assurance premiums



MUTUAL FUNDS



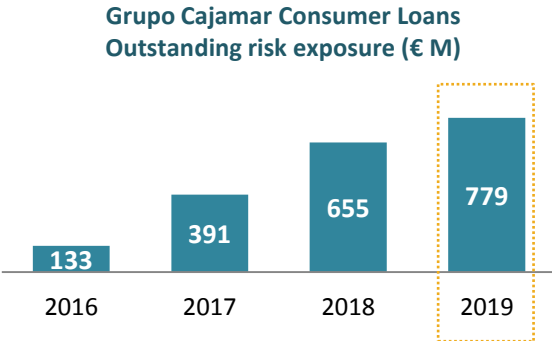
Δ 6.3% y-o-y in mgment and commercialization comissions
Δ 21% y-o-y in Mutual Funds



CONSUMER

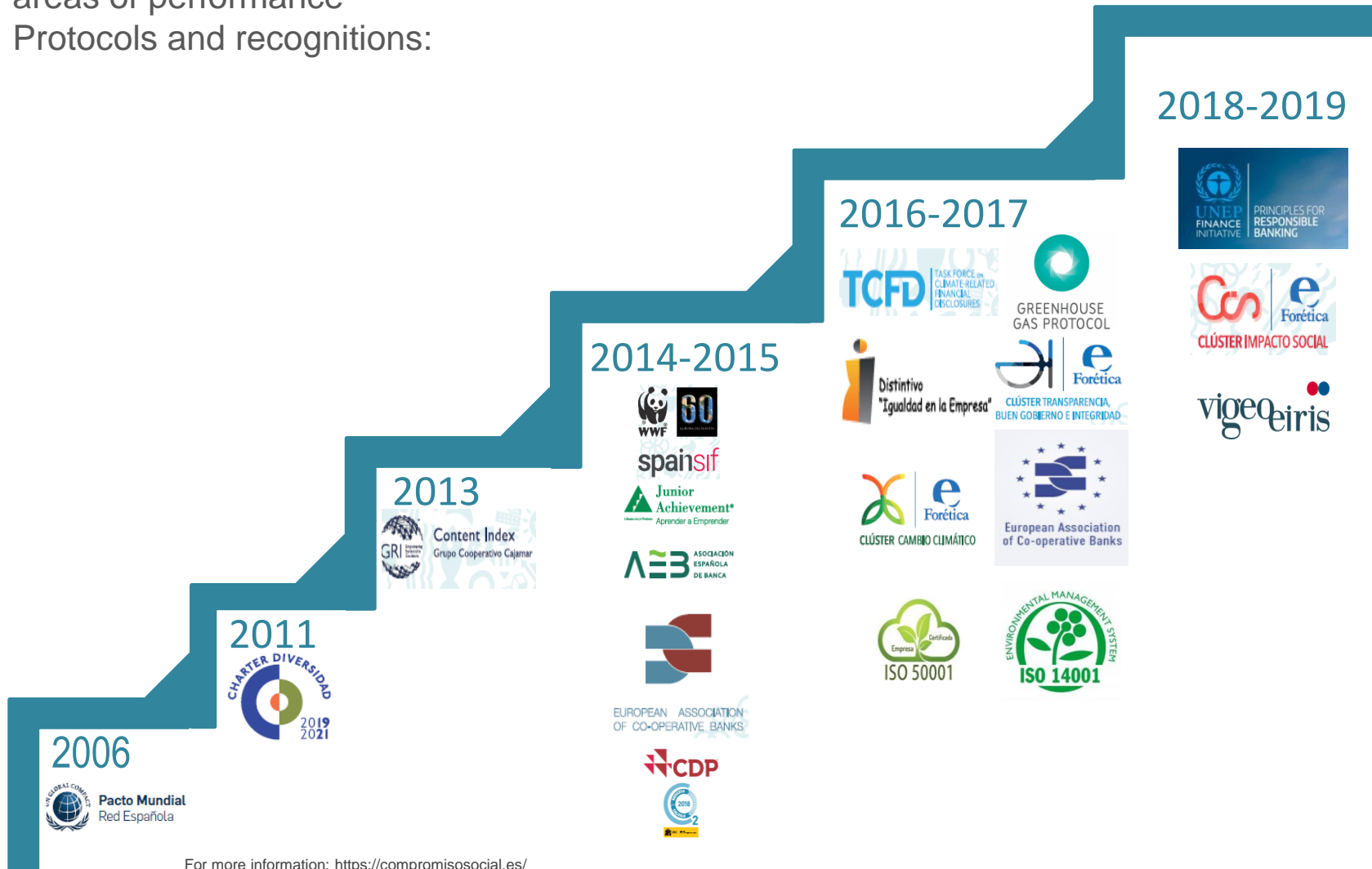


Δ 779 M of total outstanding risk
Δ 19.0% Outstanding risk



A deeply-ingrained commitment with sustainability

- The concept of sustainability as a key element of our activity is crucial in our decision-making in all areas of performance
- Protocols and recognitions:



For more information: <https://compromisosocial.es/>

Clear roadmap for a digital transformation

→ Providing excellent service levels and solutions to the digital world

Choose your mobile banking APP for tablets

Access all online banking services with the comfort and ease of viewing offered by a tablet.



Digital customers
819 k

Δ 12.1% y-o-y

Grupo Cooperativo Cajamar with Apple Pay.



Online banking customers
541 k

Δ 34.2% y-o-y

Everything you can do at our ATMs

Withdrawing cash or checking your account movements are the most regular operations at ATMs, but you can also carry out other operations 24 hours a day:



Pay in money and cash drops



Transfers



Top-ups: Prepaid cards and mobiles



Pension advance



Credit card operations
Check next card payment.
Manage credit. Spread payment



Other transactions
NFC. Without bank books.
Accessible Menu

ATM
1,562

37.8% of the branches have more than one ATM

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Conclusions

The past... 2014	The present... 4Q19	The future... 2022
<i>WHERE WE WERE</i>	<i>WHERE WE ARE</i>	<i>WHERE WE WANT TO BE</i>
NPLs €5,852m	NPLs 1,948€m	NPLs < €1,000m
NPL Ratio 17.7%	NPL Ratio 6.1%	NPL Ratio < 3%
Texas Ratio 128%	Texas ratio 87%	Texas ratio <65%

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Balance sheet (I)

(EUR Thousands)	31/12/2019	30/09/2019	31/12/2018	y-o-y		q-o-q	
				Abs.	%	Abs.	%
Cash, cash balances at central banks and other demand deposits	1,930,275	491,207	1,420,637	509,638	35.9%	1,439,068	293.0%
Financial assets held for trading	3,944	5,978	1,621	2,323	143.3%	(2,034)	(34.0%)
Financial assets designated at fair value through profit or loss	358,490	356,283	269,913	88,577	32.8%	2,207	0.6%
<i>Of which:</i>						-	
<i>Loans and advances to Customers</i>	236,070	235,552	155,920	80,150	51.4%	518	0.2%
Financial assets at fair value through other comprehensive income	2,550,967	2,536,185	606,847	1,944,120	320.4%	14,782	0.6%
Financial assets at amortised cost	38,573,884	38,228,688	37,741,263	832,621	2.2%	345,196	0.9%
<i>Of which:</i>						-	
<i>Loans and advances to Customers</i>	29,929,506	29,607,031	30,048,559	(119,053)	(0.4%)	322,475	1.1%
Investments in subsidiaries, joint ventures and associates	118,938	101,591	97,426	21,512	22.1%	17,347	17.1%
Tangible assets	1,034,456	1,025,252	999,629	34,827	3.5%	9,204	0.9%
Intangible assets	179,440	171,252	161,793	17,647	10.9%	8,188	4.8%
Tax assets	1,133,590	1,127,192	1,132,246	1,344	0.1%	6,398	0.6%
Other assets	1,173,172	1,207,857	1,241,317	(68,146)	(5.5%)	(34,686)	(2.9%)
Non-current assets and disposal groups classified as held for sale	349,301	369,479	406,113	(56,812)	(14.0%)	(20,178)	(5.5%)
TOTAL ASSETS	47,406,455	45,620,963	44,078,805	3,327,650	7.5%	1,785,492	3.9%

Balance sheet (II)

(EUR Thousands)	31/12/2019	30/09/2019	31/12/2018	y-o-y		q-o-q	
				Abs.	%	Abs.	%
Financial liabilities held for trading	2,440	3,469	43	2,398	5628.6%	(1,029)	(29.7%)
Financial liabilities measured at amortised cost	43,579,880	41,767,600	40,394,174	3,185,706	7.9%	1,812,280	4.3%
<i>Of which:</i>						-	
<i>Central Banks deposits</i>	5,040,280	5,019,695	5,035,069	5,211	0.1%	20,585	0.4%
<i>Central counterparty deposits</i>	812,793	334,279	1,072,408	(259,615)	(24.2%)	478,514	143.1%
<i>Customer deposits</i>	30,561,447	30,238,231	28,498,653	2,062,794	7.2%	323,216	1.1%
<i>Debt securities issued</i>	2,409,330	2,414,801	2,416,041	(6,711)	(0.3%)	(5,471)	(0.2%)
Derivatives – Hedge accounting	112,743	107,247	123,754	(11,011)	(8.9%)	5,496	5.1%
Provisions	74,916	97,941	71,405	3,511	4.9%	(23,025)	(23.5%)
Tax liabilities	79,576	73,067	77,368	2,208	2.9%	5,353	8.9%
Other liabilities	230,729	307,334	344,865	(114,136)	(33.1%)	(76,605)	(24.9%)
<i>of which: Welfare funds</i>	4,800	5,706	4,905	(105)	(2.1%)	(906)	(15.9%)
TOTAL LIABILITIES	44,080,285	42,356,658	41,011,609	3,068,676	7.5%	1,722,471	4.1%
Equity	3,304,672	3,237,432	3,075,759	228,913	7.4%	67,240	2.1%
<i>Of which:</i>						-	
<i>Capital / Equity instruments issued other than capital / Treasury shares</i>	2,947,594	2,893,310	2,776,579	171,015	6.2%	54,284	1.9%
<i>Retained earnings / Revaluation reserves / Other reserves</i>	284,231	280,897	235,011	49,220	20.9%	3,334	1.2%
<i>Profit or loss attributable to owners of the parent</i>	92,495	82,056	82,252	10,243	12.5%	10,439	12.7%
<i>(-) Interim dividends</i>	(19,648)	(18,831)	(18,083)	(1,565)	8.7%	(817)	4.3%
Accumulated other comprehensive income	21,499	26,874	(8,563)	30,062	(351.1%)	(5,375)	(20.0%)
Minority interests	-	-	-	-	-	-	-
TOTAL EQUITY	3,326,171	3,264,305	3,067,196	258,975	8.4%	61,866	1.9%

Consolidated P&L

(EUR Thousands)

	31/12/2019		31/12/2018		y-o-y	
		%ATM		%ATM	Abs.	%
Interest income	704,293	1.55%	708,691	1.67%	(4,398)	(0.6%)
Interest expenses	(114,497)	(0.25%)	(122,650)	(0.29%)	8,153	(6.6%)
NET INTEREST INCOME	589,796	1.30%	586,041	1.38%	3,755	0.6%
Dividend income	8,705	0.02%	6,622	0.02%	2,083	31.5%
Income from equity-accounted method	38,435	0.08%	30,983	0.07%	7,452	24.1%
Net fees and commissions	245,260	0.54%	261,692	0.62%	(16,432)	(6.3%)
Gains (losses) on financial transactions	295,677	0.65%	78,983	0.19%	216,694	274.4%
Exchange differences [gain or (-) loss], net	3,160	0.01%	1,535	-	1,625	105.9%
Other operating incomes/expenses	(33,379)	(0.07%)	(31,780)	(0.07%)	(1,599)	5.0%
of which: Mandatory transfer to Education and Development Fund	(3,803)	(0.01%)	(4,043)	(0.01%)	240	(5.9%)
GROSS INCOME	1,147,654	2.53%	934,076	2.20%	213,578	22.9%
Administrative expenses	(517,272)	(1.14%)	(511,036)	(1.21%)	(6,236)	1.2%
Personnel expenses	(331,707)	(0.73%)	(320,210)	(0.76%)	(11,497)	3.6%
Other administrative expenses	(185,566)	(0.41%)	(190,826)	(0.45%)	5,260	(2.8%)
Depreciation and amortisation	(56,840)	(0.13%)	(55,279)	(0.13%)	(1,561)	2.8%
NET INCOME BEFORE PROVISIONS	573,542	1.26%	367,761	0.87%	205,781	56.0%
Provisions or (-) reversal of provisions	(53,362)	(0.12%)	(38,555)	(0.09%)	(14,807)	38.4%
Impairment losses on financial assets	(333,633)	(0.74%)	(144,216)	(0.34%)	(189,417)	131.3%
OPERATING INCOME	186,547	0.41%	184,990	0.44%	1,557	0.8%
Impairment or reversal of impairment of investments in joint ventures or associates (net)	-	-	(22)	-	22	(100.0%)
Impairment losses on non financial assets	(32,948)	(0.07%)	(5,956)	(0.01%)	(26,992)	453.2%
Gains or (-) losses on derecognition of non financial assets, net	(27,338)	(0.06%)	(97,320)	(0.23%)	69,982	(71.9%)
Profit or (-) loss from non-current assets and disposal groups classified as held for sale	(12,850)	(0.03%)	(12,588)	(0.03%)	(262)	2.1%
PROFIT BEFORE TAX	113,412	0.25%	69,104	0.16%	44,308	64.1%
Tax	(20,917)	(0.05%)	13,148	0.03%	(34,065)	(259.1%)
CONSOLIDATED NET PROFIT	92,495	0.20%	82,252	0.19%	10,243	12.5%

Quarterly P&L

(EUR Thousands)	4Q18	1Q19	2Q19	3Q19	4Q19	q-o-q	
						Abs.	%
Interest income	178,433	176,289	174,268	172,134	181,602	9,468	5.2%
Interest expenses	(23,736)	(28,171)	(28,469)	(28,949)	(28,908)	41	(0.1%)
NET INTEREST INCOME	154,697	148,118	145,799	143,185	152,694	9,509	6.2%
Dividend income	1,230	500	2,639	2,958	2,608	(350)	(13.4%)
Income from equity-accounted method	9,513	8,804	8,562	6,556	14,513	7,957	54.8%
Net fees and commissions	65,625	61,051	61,097	60,876	62,236	1,360	2.2%
Gains (losses) on financial transactions	(6,908)	26,712	216,009	53,541	(585)	(54,126)	9,252.3%
Exchange differences [gain or (-) loss], net	233	959	185	654	1,362	708	52.0%
Other operating incomes/expenses	(4,667)	(9,250)	(7,716)	(9,845)	(6,568)	3,277	(49.9%)
of which: Mandatory transfer to Education and Development Fund	(104)	(1,363)	(1,188)	(1,263)	11	1,274	11,581.8%
GROSS INCOME	219,724	236,894	426,575	257,925	226,260	(31,665)	(14.0%)
Administrative expenses	(132,514)	(127,572)	(131,303)	(129,261)	(129,136)	125	(0.1%)
Personnel expenses	(84,386)	(81,046)	(84,426)	(83,230)	(83,005)	225	(0.3%)
Other administrative expenses	(48,128)	(46,526)	(46,877)	(46,031)	(46,132)	(101)	0.2%
Depreciation and amortisation	(12,394)	(14,755)	(14,237)	(13,180)	(14,668)	(1,488)	10.1%
NET INCOME BEFORE PROVISIONS	74,816	94,567	281,035	115,484	82,456	(33,028)	(40.1%)
Provisions or (-) reversal of provisions	(17,257)	(6,174)	(55,198)	329	7,681	7,352	95.7%
Impairment losses on financial assets	(55,561)	(54,224)	(131,413)	(69,436)	(78,560)	(9,124)	11.6%
OPERATING INCOME	1,997	34,169	94,424	46,377	11,577	(34,800)	(300.6%)
Impairment /reversal of impairment of investments in joint ventures or associates (net)	-	-	-	-	-	-	-
Impairment losses on non financial assets	1,223	(3,997)	(26,860)	649	(2,740)	(3,389)	123.7%
Gains or (-) losses on derecognition of non financial assets, net	(7,827)	(4,461)	(12,215)	(6,390)	(4,272)	2,118	(49.6%)
Profit or (-) loss of non-current assets and disposal groups classified as held for sale	(6,282)	(2,431)	(6,524)	(824)	(3,071)	(2,247)	73.2%
PROFIT BEFORE TAX	(10,889)	23,279	48,827	39,812	1,494	(38,318)	(2,564.8%)
Tax	23,124	1,353	(26,449)	(4,766)	8,945	13,711	153.3%
CONSOLIDATED NET PROFIT	12,235	24,632	22,378	35,046	10,439	(24,607)	(235.7%)

Asset quality

(EUR Thousands)	31/12/2019	30/09/2019	31/12/2018	y-o-y		q-o-q	
				Abs.	%	Abs.	%
Non-performing total risks	1,955,938	2,119,104	2,465,218	(509,280)	(20.7%)	(163,166)	(7.7%)
Total risks	32,228,997	31,954,744	32,313,408	(84,411)	(0.3%)	274,253	0.9%
NPL ratio (%)	6.07%	6.63%	7.63%	(1.56)		(0.56)	
Gross loans coverage	956,524	1,003,721	1,072,032	(115,508)	(10.8%)	(47,197)	(4.7%)
NPL coverage ratio (%)	49.10%	47.55%	43.60%	5.50		1.55	
Foreclosed Assets (gross)	2,709,536	2,802,673	2,910,247	(200,711)	(6.9%)	(93,137)	(3.3%)
Foreclosed Assets Coverage	1,292,866	1,342,468	1,374,311	(81,445)	(5.9%)	(49,602)	(3.7%)
Foreclosed assets coverage ratio (%)	47.72%	47.90%	47.22%	0.49		(0.18)	
Foreclosed assets coverage ratio with debt forgiveness (%)	53.08%	53.04%	52.04%	1.04		0.04	
NPA ratio (%)	13.61%	14.44%	15.57%	(1.96)		(0.83)	
NPA coverage (%)	48.29%	47.75%	45.56%	2.73		0.54	
NPA coverage with debt forgiveness (%)	51.52%	50.82%	48.37%	3.15		0.70	
Coverage breakdown (loan impairments breakdown)							
Total coverage	969,103	1,020,632	1,088,713	(119,610)	(11.0%)	(51,529)	(5.0%)
Non-performing coverage	761,643	844,031	907,603	(145,960)	(16.1%)	(82,388)	(9.8%)
Performing coverage	207,461	176,602	181,111	26,350	14.5%	30,859	17.5%
NPL breakdown							
Past due >90 days	1,760,555	1,889,847	2,217,261	(456,706)	(20.6%)	(129,292)	(6.8%)
Doubtful non past due	187,521	221,246	241,700	(54,179)	(22.4%)	(33,725)	(15.2%)
Total	1,948,076	2,111,093	2,458,961	(510,885)	(20.8%)	(163,017)	(7.7%)
<i>Of which:</i>							
Forborne loans	1,194,303	1,313,940	1,570,691	(376,388)	(24.0%)	(119,637)	(9.1%)
NPL breakdown by segment							
General governments	5	168	40	(35)	(87.0%)	(163)	(96.9%)
Other financial corporations	1,817	1,821	904	913	101.0%	(4)	(0.2%)
Other corporations	921,573	1,023,205	1,241,435	(319,862)	(25.8%)	(101,632)	(9.9%)
Households	1,024,682	1,085,899	1,216,582	(191,901)	(15.8%)	(61,218)	(5.6%)
Total	1,948,076	2,111,093	2,458,961	(510,885)	(20.8%)	(163,017)	(7.7%)
<i>Of which:</i>							
Real estate developers	419,233	487,073	602,169	(182,936)	(30.4%)	(67,840)	(13.9%)
Forborne loans							
Non-performing	1,194,303	1,313,940	1,570,691	(376,388)	(24.0%)	(119,637)	(9.1%)
Performing	547,843	520,243	590,359	(42,516)	(7.2%)	27,600	5.3%
Total Forborne loans	1,742,146	1,834,183	2,161,050	(418,904)	(19.4%)	(92,037)	(5.0%)
REOs breakdown							
REOs (gross)	2,991,714	3,124,756	3,287,923	(296,209)	(9.0%)	(133,042)	(4.3%)
Foreclosed assets	2,709,536	2,802,673	2,910,247	(200,711)	(6.9%)	(93,137)	(3.3%)
Non-current assets held for sale	549,671	586,193	643,362	(93,691)	(14.6%)	(36,522)	(6.2%)
Inventories	2,159,865	2,216,480	2,266,885	(107,020)	(4.7%)	(56,615)	(2.6%)
RE Investments	282,178	322,083	377,676	(95,497)	(25.3%)	(39,905)	(12.4%)

Foreclosed assets

Foreclosed assets (*)

(EUR Thousands)

	31/12/2019	30/09/2019	31/12/2018	y-o-y		q-o-q	
				Abs.	%	Abs.	%
Foreclosed assets (gross)	2,709,536	2,802,673	2,910,247	(200,711)	(6.9%)	(93,137)	(3.3%)
Foreclosed assets coverage	(1,292,866)	(1,342,468)	(1,374,311)	81,445	(5.9%)	49,602	(3.7%)
Foreclosed assets (net)	1,416,670	1,460,205	1,535,937	(119,266)	(7.8%)	(43,535)	(3.0%)
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Foreclosed assets coverage ratio (%)	47.72%	47.90%	47.22%	0.49		(0.18)	
Foreclosed assets coverage ratio with write-offs(%)	53.08%	53.04%	52.04%	1.04		0.04	
According to the origin of the Loan							
Foreclosed assets (gross)	2,709,536	2,802,673	2,910,247	(200,711)	(6.9%)	(93,137)	(3.3%)
Developers	1,762,540	1,820,461	1,883,737	(121,197)	(6.4%)	(57,920)	(3.2%)
Land	976,636	995,282	993,433	(16,796)	(1.7%)	(18,646)	(1.9%)
Finished buildings	572,610	650,644	712,933	(140,323)	(19.7%)	(78,034)	(12.0%)
Under construction	213,294	174,534	177,371	35,922	20.3%	38,759	22.2%
Homes	466,175	503,669	566,844	(100,669)	(17.8%)	(37,494)	(7.4%)
Other	480,821	478,544	459,666	21,155	4.6%	2,277	0.5%
Foreclosed assets (net)	1,416,670	1,460,205	1,535,937	(119,266)	(7.8%)	(43,535)	(3.0%)
Developers	842,649	873,965	921,613	(78,965)	(8.6%)	(31,316)	(3.6%)
Land	381,674	389,390	394,907	(13,233)	(3.4%)	(7,716)	(2.0%)
Finished buildings	356,508	403,685	443,047	(86,539)	(19.5%)	(47,177)	(11.7%)
Under construction	104,467	80,890	83,659	20,808	24.9%	23,576	29.1%
Homes	277,679	301,426	339,531	(61,852)	(18.2%)	(23,747)	(7.9%)
Other	296,342	284,814	274,792	21,550	7.8%	11,527	4.0%
Coverage (%)	47.72%	47.90%	47.22%	0.49		(0.18)	
Developers	52.19%	51.99%	51.08%	1.12		0.20	
Land	60.92%	60.88%	60.25%	0.67		0.04	
Finished buildings	37.74%	37.96%	37.86%	(0.12)		(0.22)	
Under construction	51.02%	53.65%	52.83%	(1.81)		(2.63)	
Homes	40.43%	40.15%	40.10%	0.33		0.28	
Other	38.37%	40.48%	40.22%	(1.85)		(2.12)	
Coverage with write-offs(%)	53.08%	53.04%	52.04%	1.04		0.04	
Developers	57.47%	57.08%	55.93%	1.54		0.39	
Land	64.82%	64.67%	63.87%	0.95		0.16	
Finished buildings	46.32%	46.24%	45.53%	0.78		0.08	
Under construction	55.03%	55.93%	54.77%	0.27		(0.89)	
Homes	45.22%	44.89%	44.55%	0.67		0.33	
Other	44.20%	45.84%	44.91%	(0.70)		(1.64)	

Solvency

EUR Thousands	31/12/2019	30/09/2019	31/12/2018	y-o-y		q-o-q	
				Abs.	%	Abs.	%
Phased in							
Capital	2,947,594	2,893,310	2,776,579	171,015	6.2%	54,284	1.9%
Reserves	508,320	509,671	475,045	33,275	7.0%	(1,351)	(0.3%)
AFS Surplus	3,382	3,597	(22,311)	25,693	(115.2%)	(215)	(6.0%)
Capital deductions	(415,135)	(398,705)	(347,264)	(67,871)	19.5%	(16,430)	4.1%
Ordinary Tier 1 Capital	3,044,161	3,007,873	2,882,049	162,112	5.6%	36,288	1.2%
CET1 ratio (%)	13.03%	13.14%	12.51%	0.52		(0.11)	
Tier2 Capital	388,000	388,000	400,000	(12,000)	(3.0%)	-	-
Tier 2 ratio (%)	1.66%	1.70%	1.74%	(0.08)		(0.03)	
Eligible capital	3,432,161	3,395,873	3,282,049	150,112	4.6%	36,288	1.1%
Capital ratio (%)	14.69%	14.83%	14.25%	0.44		(0.14)	
Total risk-weighted assets	23,357,888	22,891,111	23,033,114	324,774	1.4%	466,777	2.0%
Credit risk	21,693,601	21,323,145	21,474,160	219,441	1.0%	370,456	1.7%
Operational risk	1,522,646	1,445,750	1,445,750	76,896	5.3%	76,896	5.3%
Other risk	141,641	122,216	113,204	28,437	25.1%	19,425	15.9%
Fully-loaded							
Capital	2,947,594	2,893,310	2,776,579	171,015	6.2%	54,284	2%
Reserves	333,234	334,585	279,360	53,874	19.3%	(1,351)	(0%)
AFS Surplus	3,382	3,597	(22,311)	25,693	(115.2%)	(215)	(6%)
Capital deductions	(415,135)	(398,705)	(388,387)	(26,748)	6.9%	(16,430)	4%
Ordinary Tier 1 Capital	2,869,075	2,832,787	2,645,242	223,833	8.5%	36,288	1%
CET1 ratio (%)	12.32%	12.41%	11.54%	0.78		(0.10)	
Tier2 Capital	388,000	388,000	400,000	(12,000)	(3.0%)	-	-
Tier 2 ratio (%)	1.67%	1.70%	1.74%	(0.08)		(0.03)	
Eligible capital	3,257,075	3,220,787	3,045,242	211,833	7.0%	36,288	1%
Capital ratio (%)	13.98%	14.11%	13.28%	0.70		(0.13)	
Total risk-weighted assets	23,291,332	22,820,209	22,924,929	366,403	1.6%	471,123	2.1%
Credit risk	21,627,044	21,252,242	21,365,974	261,070	1.2%	374,802	1.8%
Operational risk	1,522,646	1,445,750	1,445,750	76,896	5.3%	76,896	5.3%
Other risk	141,642	122,217	113,205	28,437	25.1%	19,425	15.9%

Loans and advances to customers

(EUR Thousands)	31/12/2019	30/09/2019	31/12/2018	y-o-y		q-o-q	
				Abs.	%	Abs.	%
General governments	469,030	705,182	715,007	(245,977)	(34.4%)	(236,152)	(33.5%)
Other financial corporations	1,157,366	1,115,125	1,137,699	19,667	1.7%	42,241	3.8%
Non-financial corporations	11,838,270	11,359,543	11,268,888	569,382	5.1%	478,727	4.2%
Households	17,657,434	17,666,455	18,154,917	(497,483)	(2.7%)	(9,021)	(0.1%)
Loans to customers (gross)	31,122,100	30,846,305	31,276,511	(154,411)	(0.5%)	275,795	0.9%
<i>Of which:</i>						-	
<i>Real estate developers</i>	852,469	923,343	1,108,232	(255,763)	(23.1%)	(70,874)	(7.7%)
<i>Performing loans to customers</i>	29,174,024	28,735,212	28,817,550	356,474	1.2%	438,812	1.5%
<i>Non-performing loans</i>	1,948,076	2,111,093	2,458,961	(510,885)	(20.8%)	(163,017)	(7.7%)
Other loans *	-	-	-	-	-	-	
Debt securities from customers	400,542	388,095	308,478	92,064	29.8%	12,447	3.2%
Gross Loans	31,522,642	31,234,400	31,584,989	(62,347)	(0.2%)	288,242	0.9%
Performing Loans	29,574,566	29,123,307	29,126,028	448,538	1.5%	451,259	1.5%
<i>Credit losses and impairment</i>	(956,524)	(1,003,721)	(1,072,032)	115,508	(10.8%)	47,197	(4.7%)
Total lending	30,566,117	30,230,678	30,512,957	53,160	0.2%	335,439	1.1%
Off-balance sheet risks							
<i>Contingent risks</i>	706,355	720,344	728,419	(22,064)	(3.0%)	(13,989)	(1.9%)
<i>of which: non-performing contingent risks</i>	7,862	8,011	6,257	1,605	25.7%	(149)	(1.9%)
Total risks	32,228,997	31,954,744	32,313,408	(84,411)	(0.3%)	274,253	0.9%
Non-performing total risks	1,955,938	2,119,104	2,465,218	(509,280)	(20.7%)	(163,166)	(7.7%)

* Mainly reverse repurchase agreements

Funds under management

	31/12/2019	30/09/2019	31/12/2018	y-o-y		q-o-q	
				Abs.	%	Abs.	%
Sight deposits	23,777,663	23,413,488	21,472,289	2,305,374	10.7%	364,175	1.6%
Term deposits	6,783,784	6,824,743	7,026,364	(242,580)	(3.5%)	(40,959)	(0.6%)
Customer deposits	30,561,447	30,238,231	28,498,653	2,062,794	7.2%	323,216	1.1%
On-balance sheet retail funds	30,561,447	30,238,231	28,498,653	2,062,794	7.2%	323,216	1.1%
Bonds and other securities *	2,800,004	2,854,286	2,962,547	(162,543)	(5.5%)	(54,282)	(1.9%)
Subordinated liabilities	402,547	406,671	412,364	(9,817)	(2.4%)	(4,124)	(1.0%)
Central counterparty deposits	3,714,853	2,154,098	2,567,425	1,147,428	44.7%	1,560,755	72.5%
Financial institutions	631,400	612,724	499,430	131,970	26.4%	18,676	3.0%
ECB	5,040,280	5,019,695	5,035,069	5,211	0.1%	20,585	0.4%
Wholesale funds	12,589,084	11,047,474	11,476,835	1,112,249	9.7%	1,541,610	14.0%
Total balance sheet funds	43,150,531	41,285,705	39,975,488	3,175,043	7.9%	1,864,826	4.5%
Mutual funds	2,893,771	2,694,782	2,391,135	502,636	21.0%	198,989	7.4%
Pension plans	832,230	827,300	787,634	44,596	5.7%	4,930	0.6%
Savings insurances	671,219	661,056	668,895	2,324	0.3%	10,163	1.5%
Fixed-equity income	453,348	465,083	445,495	7,853	1.8%	(11,735)	(2.5%)
Off-balance sheet funds	4,850,569	4,648,220	4,293,159	557,410	13.0%	202,349	4.4%
Customer funds under mgment	35,412,016	34,886,451	32,791,812	2,620,204	8.0%	525,565	1.5%
Funds under management	48,001,100	45,933,925	44,268,647	3,732,453	8.4%	2,067,175	4.5%

* Covered bonds, territorial bonds and securitization

Quarterly Yields and Costs

	31/12/2019				30/09/2019				31/12/2018			
	Average balance	Distribution (%)	Income or expense	Average rate (%)	Average balance	Distribution (%)	Income or expense	Average rate (%)	Average balance	Distribution (%)	Income or expense	Average rate (%)
Financial system	1,458,071	3.21%	138	0.01%	1,281,904	2.86%	107	0.01%	1,523,012	3.59%	385	0.03%
Loans to customers (gross) ^(a)	31,134,801	68.64%	569,725	1.83%	31,137,977	69.43%	423,541	1.82%	31,173,720	73.53%	603,769	1.94%
Securities portfolio	9,514,791	20.98%	101,431	1.07%	9,196,011	20.50%	75,276	1.09%	6,498,413	15.33%	72,462	1.12%
Other assets	3,252,221	7.17%	2,685	0.08%	3,232,348	7.21%	23,767	0.98%	3,200,342	7.55%	2,752	0.09%
Total earning assets ^(b)	45,359,883	100.00%	673,980	1.49%	44,848,241	100.00%	522,691	1.56%	42,395,487	100.00%	679,368	1.60%
Customer deposits ^(c)	29,656,319	65.38%	29,047	0.10%	29,430,038	65.62%	21,045	0.10%	27,265,247	64.31%	24,993	0.09%
<i>Sight deposits</i>	22,680,272	50.00%	20,798	0.09%	22,405,924	49.96%	14,571	0.09%	20,083,388	47.37%	16,441	0.08%
<i>Term deposits</i>	6,976,048	15.38%	8,248	0.12%	7,024,114	15.66%	6,474	0.12%	7,181,859	16.94%	8,552	0.12%
Wholesale funds	11,432,886	25.20%	46,621	0.41%	11,143,837	24.85%	58,290	0.70%	10,989,107	25.92%	61,234	0.56%
Other funds	1,066,305	2.35%	8,516	0.80%	1,100,443	2.45%	6,254	0.76%	1,137,786	2.68%	7,099	0.62%
Equity	3,204,373	7.06%	-	-	3,173,923	7.08%	0	-	3,003,347	7.08%	-	-
Total funds ^(d)	45,359,883	100.00%	84,184	0.19%	44,848,241	100.00%	85,589	0.26%	42,395,487	100.00%	93,326	0.22%
Customers' spread ^{(a)-(c)}				1.73				1.72				1.85
NII o/ATA ^{(b)-(d)}			589,796	1.30			437,102	1.30			586,041	1.38

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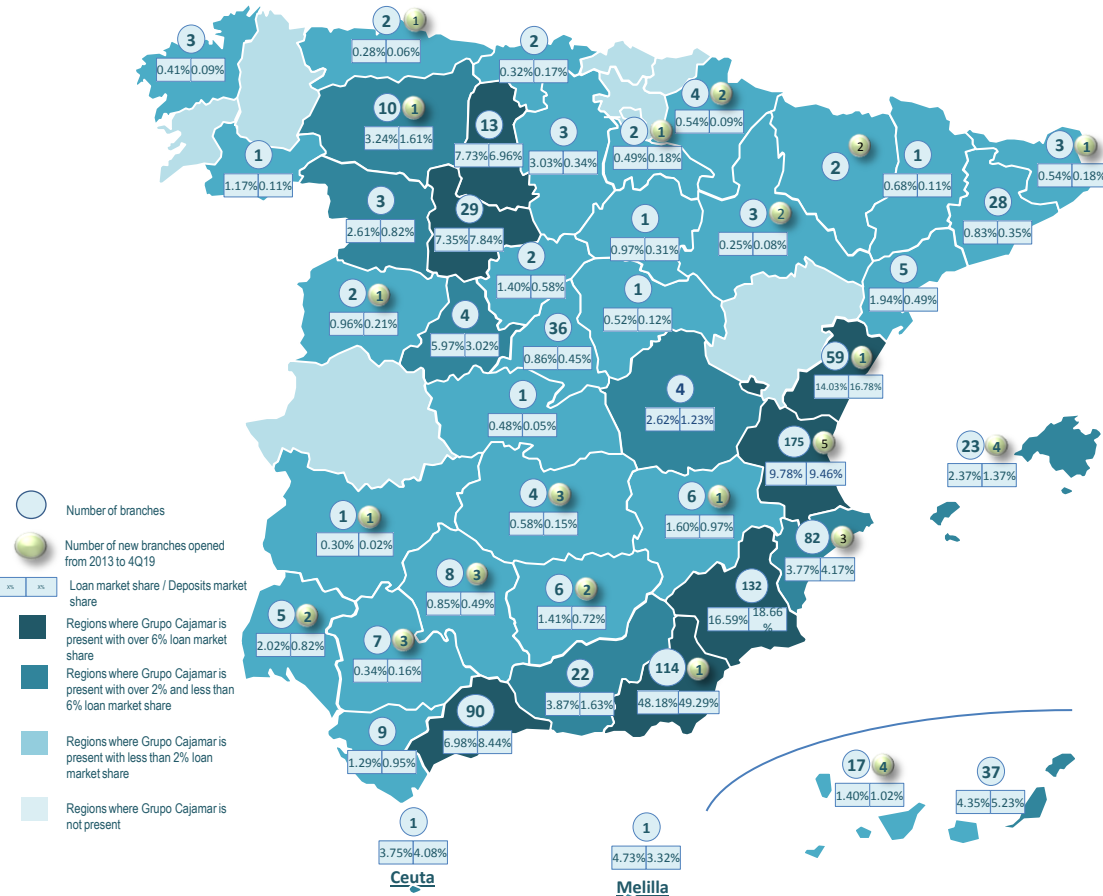
7. Annex:

i. Financials

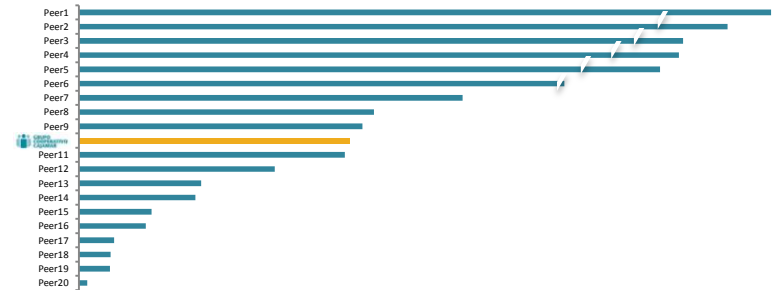
ii. Grupo Cajamar Corporate Overview

Grupo Cooperativo Cajamar: A cooperative Group with nationwide presence

→ Grupo Cooperativo Cajamar ranks #11 by loans in Spain, and #11 by asset size (€47bn). It has 2.9% of the loan market share, and 14.54% of the agribusiness market share

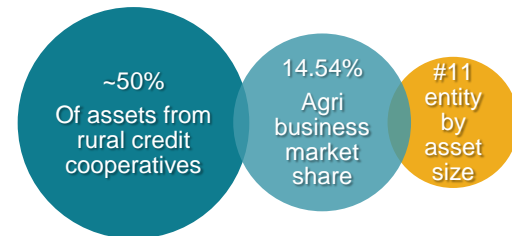


Gross loans in Spain



→ **Strong presence along mediterranean coast and also some areas in Castilla-León and the Islands...**

As a result of a number of mergers of credit cooperatives over the last years



956 branches (+7 openings, -69 closures* during 2019)

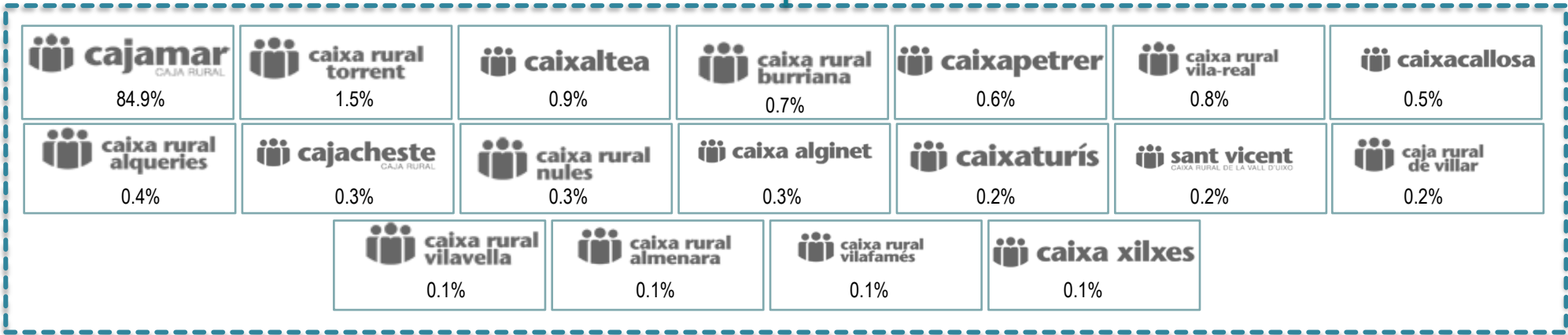
Grupo Cajamar Corporate Structure

- 1 bank + 18 credit cooperatives, being BCC the parent company of the Group. Supervised by ECB as a Group, through BCC.
- Operating as an Institutional Protection Scheme with full P&L pooling and balance sheet consolidation, where control and management are sited at BCC, operating as one entity in terms strategy, solvency, risk mgmt., liquidity and profits.
- BCC will be the issuer of senior debt and hybrid capital. Covered bonds and ABS to be issued by Cajamar, where the collateral is booked

BCC is owned 92% by credit coops of Grupo Cajamar and 8% by external shareholders



% of shareholding in BCC as of 4Q19: 92.3%



Caixa Albalat merged into Cajamar in 2018

Full institutional presentation at www.bcc.es/en

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