

ALTERNATIVE PERFORMANCE MEASURES GLOSSARY

The Cooperative Group Cajamar (GCC) uses in the presentations of quarterly results that it publishes in its Web, issue prospectus, presentations to investors and internally in its reports for monitoring its business magnitudes according to the countable regulation (NIIF), though it uses also additional other measures used habitually in the bank sector, not audited (APMs or Alternative Performance Measures), as indicators about the business and the economic - financial situation of GCC, which allows the comparability with other entities.

These measures (APMs) are calculated in accordance with the European Securities and Markets Authority Guidelines (ESMA/2015/1415es october 5th, 2015), with the purpose To facilitate the transparency of the information for the protection to the investors in the European Union. The measures used by GCC and their definition are given below:

(IN ALPHABETICAL ORDER)

Measure	Definition and calculation
1 Average Total Assets (ATA)	Average of the end-of-quarter figures since the previous December, inclusive
2 Branches	Total branches reported to Bank of Spain (includes part-time branches, or “ventanillas”, and excludes financial agencies)
3 Cooperative members	Owners of at least one contribution to the equity capital of the credit cooperatives (both companies and individuals)
4 Cost of Risk (%)	Annualised total impairment losses/ Average Gross Loans and Gross foreclosure assets.
5 Cost-income ratio (%)	(Administrative expenses + Depreciation and amortisation) / Gross income
6 Customer funds under management	Customers’ retail funds + Off-balance sheet funds
7 Customers’ deposits	Sight deposits + Term deposits
8 Customers’ retail funds	Sight deposits + Term deposits + Other funds (repurchase agreements)
9 Customers’ spread (%)	Calculated as the difference between the Average revenue of loans to customers gross and the Average cost of customer deposits (sight deposits and term deposits)
10 Debt securities from customers	Portfolio of Senior debt securities of big enterprises.
11 Employees	SIP’s total employees, excluding temporary and pre-retired employees
12 Foreclosed assets (gross)	Amount of the loans that gave rise to the foreclosed asset.

(IN ALPHABETICAL ORDER)

Measure	Definition and calculation
13 Foreclosed assets (net)	Foreclosed assets (gross) – Total foreclosed assets coverage
14 Foreclosed assets coverage ratio (%)	Total foreclosed assets coverage / Foreclosed assets (gross)
15 Foreclosed assets coverage ratio with debt forgiveness (%)	Total foreclosed assets coverage (including debt forgiveness in the foreclosure procedure)/ Foreclosed assets (gross) (including debt forgiveness in the foreclosure procedure)
16 Funds under management	Total on-balance-sheet funds + Off-balance-sheet funds
17 Gross Loans	Loans to customers (gross) + Other loans (reverse repurchase agreements) + Debt securities from customers
18 Impairment losses	Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss + Impairment or (-) reversal of impairment on non-financial assets
19 Loan to deposits ratio (%)	Net loans to customers / (Customer's deposits + Net issued securitisations + Brokered loans)
20 Net Interest Income o/ATA (%)	Net interest income / Average total assets
21 Non-performing assets (NPA)	Non-performing loans + Foreclosed assets (net)
22 Non-performing Total risks	Non-performing loans + non-performing contingent risks
23 NPA coverage ratio (%)	(Gross loans coverage + Foreclosed assets coverage) / (Non-performing loans + Foreclosed assets (gross))
24 NPA coverage with debt forgiveness (%)	(Gross loans coverage + Foreclosed assets coverage + debt forgiveness) / (Non-performing loans + Foreclosed assets (gross) + debt forgiveness)
25 NPA ratio (%)	(Non-performing loans + Foreclosed assets (net)) / (Gross loans+ Foreclosed assets (net))
26 NPL coverage ratio (%)	Gross loans coverage / Non-performing loans
27 NPL ratio (%)	(Non-performing loans +non-performing contingent risks) / (Gross loans + contingent risks)
28 Off-balance sheet funds	Mutual funds + Pension plans + Saving insurance + Fixed-income and equity
29 Performing Loans	Gross loans – Non-performing loans
30 Performing Loans to customers	Loans to customers (gross) – Non-performing loans

(IN ALPHABETICAL ORDER)

Measure	Definition and calculation
31 Recurring cost-income ratio (%)	$(\text{Administrative expenses} + \text{Depreciation and amortisation}) / \text{Recurring gross income}$
32 Recurring Gross Income	Gross income without extraordinary results included in Gains (losses) on financial transactions and without mandatory transfers to the Education and Development Fund included in Other operating income/expenses
33 Recurring Net Income before provisions	Recurring gross income – Total expenses
34 RED Loans	Real estate development loans
35 ROA (%)	Annualisation of the following quotient: Consolidated net profit / Average total assets (average of the end-of-quarter figures since the previous December, inclusive)
36 ROE (%)	Annualisation of the following quotient: Consolidated net profit / Average total equity (average of the end-of-quarter figures since the previous December, inclusive)
37 RORWA (%)	Annualisation of the following quotient: Consolidated net profit / Average risk-weighted assets (average of the end-of-quarter figures since the previous December, inclusive)
38 Texas ratio (%)	$(\text{Gross non-performing assets} + \text{Doubtful contingent liabilities}) / (\text{NPA coverage} + \text{Total capital})$
39 Total balance sheet funds	Customers' retail funds + Wholesale funding
40 Total expenses	Personnel expenses + Other administrative expenses + Depreciation and amortisation
41 Total lending	Loans to customers (gross) - gross loans coverage
42 Total risks	Gross loans + Contingent risks
43 Wholesale funds	Bonds and other securities + Subordinated liabilities + Central counterparty deposits + ECB