

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:

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(IN ALPHABETIC ORDER)

Measure	Definition and calculation
1 Foreclosed assets (gross)	Amount of the loans that is the origin of the foreclosed asset + Financing to entities holding real estate assets that have been foreclosed or received as payment in lieu of debts.
2 Foreclosed assets (net)	Foreclosed assets (gross) – Total coverage of foreclosed assets.
3 Average Total Assets (ATA)	Average of the last quarters Total Assets from the previous december (included).
4 Branches	Total branches communicated to Bank of Spain (it includes windows and excludes financial agencies).
5 Cost-income ratio (%)	(Administrative expenses+Depreciation and amortisation)/Gross Income.
6 Cost of Risk (%)	(Impairment losses on Loans and advances to Customers + impairment losses on non-financial assets accumulated in the last 4 quarters -excluded goodwill impairment-)/ Average of Gross Loans and Net foreclosed assets of the last 4 quarters
7 Coverage ratio (%)	Gross loans coverage/Non-performing Loans.
8 Customer resources under management	Customers' retail resources + Off-balance sheet resources.
9 Customers' spread (%)	Calculated by difference between the average revenue of Performing Loans to Customers and the average cost of Customer deposits (sight deposits and term deposits).
10 Customers' deposits	Sight deposits + Term deposits.
11 Customers' retail resources	Sight deposits + Term deposits + Other resources (repurchase agreements).
12 Employees	SIP's total employees, excluded temporary and early retired.
13 Foreclosed assets coverage (%)	
14 Gross Loans	Loans to customers (gross) + Other loans (reverse repurchase agreements).
15 Impairment losses	Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss + Impairment or (-) reversal impairment on non-financial assets
16 Loans to customers (gross)	General governments + other financial corporations + non-financial corporations + households.
17 Net Interest Income o/ATA (%)	Net Interest Income over Average Total Assets.

Measure	Definition and calculation
18 NPA Coverage (%)	Performing coverage + Non-performing coverage (in both included credit risk + contingent risks provisions + credit institutions and values representing debt coverage) + Total coverage of foreclosed assets.
19 NPA Ratio (%)	$(\text{Non-performing loans} + \text{Net Accounting Foreclosed Assets}) / (\text{Gross Loans} + \text{Net Accounting Foreclosed Assets})$.
20 NPL Ratio (%)	Non-performing loans/Gross Loans.
21 Off-balance sheet resources	Mutual funds + Pension funds + Saving insurances + Fixed-equity income.
22 Other non-performing assets	Non-performing credit institutions + non-performing values representing debt.
23 Performing Loans	Gross Loans – non-performing Loans.
24 Performing Loans to customers	Loans to customers (gross) – non-performing Loans.
25 Recurring cost-income ratio (%)	$(\text{Administrative expenses} + \text{Depreciation and amortisation}) / \text{Recurrent Gross Income}$.
26 Recurring Gross Income	Gross income without the extraordinary results, included in the epigraph <i>Gains (losses) on financial transactions</i> , and without mandatory transfer to Education and Development Fund, included in the epigraph <i>Other operating incomes/expenses</i> .
27 Recurring Net Income before provisions	Recurring Gross Income - Total Expenses.
28 RED Loans	Real Estate Development's Loans.
29 Resources under management	Total balance sheet resources + Off-balance sheet resources.
30 ROA (%)	Annualisation of the following quotient: Consolidated Net Profit/ Average Total Assets (average of the last quarters from the previous december - included-).
31 ROE (%)	Annualisation of the following quotient: Consolidated Net Profit/ Average total equity (average of the last quarters from the previous december - included-).
32 RORWA (%)	Annualisation of the following quotient: Consolidated Net Profit/ Average Risk-Weighted Assets (average of the last quarters from the previous december - included-).
33 Total balance sheet resources	Customers' retail resources + Wholesale funding.
34 Total coverage	Performing coverage + Non-performing coverage (in both included credit risk + contingent risks provisions + credit institutions and values representing debt coverage).
35 Total expenses	Personnel expenses + Other administrative expenses + depreciation and amortization.
36 Total Loans and advances to customers	Loans to customers (gross) excluded gross loans coverage.
37 Total risks	Gross Loans + Credit institutions + Values representing debt.
38 Wholesale resources	Bonds and other securities + Subordinated liabilities + Central counterparty deposits + ECB.