

## 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   |
|--|--|
| <b>Average Total Assets (ATA)</b>            | Average of the last quarters Total Assets from the previous december (included).   |
| <b>Branches</b>                              | Total branches communicated to Bank of Spain (it includes windows and excludes financial agencies).  |
| <b>Cost-income ratio (%)</b>                 | (Administrative expenses+Depreciation and amortisation)/Gross Income.  |
| <b>Cost of Risk (four last quarter) %</b>    | (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 foreclosed assets of the last 4 quarters   |
| <b>Cost of Risk (quarterly annualized) %</b> | Annualisation of the following quotient: (Impairment losses on Loans and advances to Customers + impairment losses on non-financial assets of the last quarter -excluded goodwill impairment-)/ Average of Gross Loans and foreclosed assets |
| <b>Coverage ratio (%)</b>                    | Gross loans coverage/Activos dudosos de la Inversión crediticia.   |
| <b>Customer resources under management</b>   | Customers' retail resources + Off-balance sheet resources.   |
| <b>Customers' spread (%)</b>                 | Calculated by difference between the average revenue of Performing Loans to Customers and the average cost of Customer deposits (sight deposits and term deposits).  |
| <b>Customers' deposits</b>                   | Sight deposits + Term deposits.  |
| <b>Customers' retail resources</b>           | Sight deposits + Term deposits + Other resources (repurchase agreements).  |
| <b>Doubtful assets</b>                       | Non-performing loans + non-performing credit institutions  |
| <b>Doubtful total risk</b>                   | Non-performing Loans + non-performin credit institutions + non-performing values representing debt + non-performing contingent risks   |
| <b>Employees</b>                             | SIP's total employees, excluded temporary and early retired.   |
| <b>Global coverage ratio (%)</b>             | Total coverage/ Doubtful total risk.   |
| <b>Global NPL Ratio (%)</b>                  | Doubtful assets/Total risks.   |
| <b>Gross Loans</b>                           | Loans to customers (gross) + Other loans (reverse repurchase agreements).  |
| <b>Impairment losses</b>                     | 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   |

| Measure                                | Definition and calculation  |
|--|---|
| Loans to customers (gross)             | General governments + other financial corporations + non-financial corporations + households.   |
| Net Interest Income ex carry trade     | Net Interest Income excluded the revenues of carry trade portfolio.   |
| Net Interest Income o/ATA (%)          | Net Interest Income over Average Total Assets.  |
| NPA Ratio (%)                          | $(\text{Non-performing loans} + \text{Foreclosed Assets}) / (\text{Gross Loans} + \text{Foreclosed Assets})$ .  |
| NPL Ratio (%)                          | Non-performing loans/Gross Loans.   |
| Off-balance sheet resources            | Investment funds + Pension funds + Saving insurances + Fixed-equity income.   |
| Performing Loans                       | Gross Loans – non-performing Loans.   |
| Performing Loans to customers          | Loans to customers (gross) – non-performing Loans.  |
| Recurring cost-income ratio (%)        | $(\text{Administrative expenses} + \text{Depreciation and amortisation}) / \text{Recurrent Gross Income}$ .   |
| 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> . |
| Recurring Net Income before provisions | Recurring Gross Income - Total Expenses.  |
| RED Loans                              | Real Estate Development's Loans.  |
| Resources under management             | Total balance sheet resources + Off-balance sheet resources.  |
| ROA (%)                                | Annualisation of the following quotient: Consolidated Net Profit/Average Total Assets (average of the last quarters from the previous december - included-).  |
| ROE (%)                                | Annualisation of the following quotient: Consolidated Net Profit/Average total equity (average of the last quarters from the previous december - included-).  |
| RORWA (%)                              | Annualisation of the following quotient: Consolidated Net Profit/Average Risk-Weighted Assets (average of the last quarters from the previous december - included-).  |
| Total balance sheet resources          | Customers' retail resources + Wholesale funding.  |
| Total coverage                         | Gross loans coverage + credit institutions coverage + values representing debt coverage + contingent risks provisions (in all cases, included specific and general/collective).   |
| Total expenses                         | Personnel expenses + Other administrative expenses + depreciation and amortization.   |
| Total Loans and advances to customers  | Loans to customers (gross) excluded gross loans coverage.   |
| Total risks                            | Gross Loans + Credit institutions + Values representing debt.   |
| Wholesale funding                      | Securitisations + Bonds + Subordinated liabilities + Central counterparty deposits + ECB + Retail commercial paper.   |