Glossary of Alternative Performance Measures

Grupo Cooperativo Cajamar uses in its quarterly results presentations published on its website, issue prospectuses, presentations to investors and internally in its business monitoring reports, business indicators as per the applicable accounting standards (IFRS), although it also uses additional, unaudited measures commonly used in the banking sector (Alternative Performance Measures or APMs), as indicators about the business and the economic-financial position of Grupo Cooperativo Cajamar, which allows for comparison with other entities.

These measures (APMs) are calculated in accordance with the European Securities and Markets Authority Guidelines (ESMA/2015/1415es, of 5 October 2015), to facilitate the reporting transparency for the protection of investors in the European Union. The measures used by Grupo Cooperativo Cajamar, and their definitions are given below:

	Measure	Definition and calculation
1	Average Total Assets (ATAs)	Average of the end-of quarter figures since the previous December (inclusive).
2	Business gap	Difference between the denominator and numerator of the Loan to deposits ratio.
3	Business under Management	Gross Loans + Funds under management
4	Cooperative members	Owners (companies or individuals) of at least one contribution to the equity capital of the credit cooperatives belonging to Grupo Cooperativo Cajamar.
5	Cost of Credit Risk (%)	Total impairment losses annualized for loans and advances / Average Gross Loans.
6	Cost of Risk (%)	Total impairment losses annualized / Average Gross Loans and Foreclosed assets (gross).
7	Cost-income ratio (%)	(Administrative expenses + Amortization and depreciation) / Gross income.
8	Customer funds under management	Customers' deposits + Off-balance sheet funds.
9	Customers' deposits	Sight deposits + Term deposits.
10	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).
11	Corporate Portfolio	Portfolio of corporate fixed-income securities.
12	Employees	SIP's total employees, excluding temporary and pre-retired employees.
13	Foreclosed assets (gross)	Real Estate Owned (REOs) excluding quality assets (gross book value).
14	Foreclosed assets (net)	Foreclosed assets (gross) – Total foreclosed assets coverage.
15	Foreclosed assets coverage ratio (%)	Foreclosed assets coverage / Foreclosed assets (gross).
16	Foreclosed assets ratio (%)	Foreclosed assets net / (Foreclosed assets net + Gross Loans).
17	Funds under management	Total balance-sheet funds + Off-balance-sheet funds.
18	Gain (losses) on financial transactions	Gain or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net + Gain or losses on financial assets and liabilities held for trading, net + Gain or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net + Gain or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net + Gain or losses from hedge accounting, net.
19	Gross Loans	Loans to customers (gross) + Corporate portfolio.
20	Impairment losses	Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss and net gains or (-) losses on changes + Impairment or (-) reversal of impairment on non-financial assets + Impairment or (-) reversal of impairment of investments in joint ventures or associates (net).
21	Loan coverage	Impairment allowances of loans and advances + Impairment allowances of other financial assets related to loans and advances financial assets + Impairment allowances of assets in the corporate portfolio (debt securities).
22	Loan to deposits ratio (%)	Loans to customers (net) / (customer deposits + net issued securitisations + mediation loans + other retail balance sheet resources).
23	Loans to customers (gross)	Loans and advances to customers on the balance sheet - other loans (monetary market transactions through counterparties) - Impairment allowances on loans and customer prepayments - Impairment allowances on other financial assets.
24	MREL ratio (%)	Own funds and eligible liabilities / Risk Weighted Assets.
25	Net non-performing loans (NPL)	Non-performing loans – Gross Loans Coverage.

26	Net NPA ratio (%)	(Non-performing loans - Gross Loans Coverage + Foreclosed assets net) / (Gross loans – Gross Loans Coverage + Foreclosed assets net).
27	Net NPL ratio (%)	(Non-performing loans - Gross Loans Coverage + Non-performing contingent risks- – Coverage of contingent risks)/ (Gross loans - Gross Loans Coverage + Contingent risks – Coverage of contingent risks).
28	Non-performing assets (NPA)	Non-performing loans + Foreclosed assets (gross).
29	Non-performing loans	Non-performing loans and advances to customers and other non-performing financial assets related to loans and advances to customers + Non-performing assets in the corporate portfolio (debt securities).
30	Non-performing total risks	Non-performing loans + non-performing contingent risks.
31	NPA coverage ratio (%)	(Gross loans coverage + Foreclosed assets coverage) / (Non-performing loans + Foreclosed assets (gross)).
32	NPA ratio (gross) (%)	(Non-performing loans + Foreclosed assets gross) / (Gross loans + Foreclosed assets gross).
33	NPL coverage ratio (%)	Gross loans coverage / Non-performing loans.
34	NPL ratio (%)	(Non-performing loans + non-performing contingent risks) / (Gross loans + contingent risks).
35	Off-balance sheet funds	Investment funds + pension plans + savings insurance + fixed-income and equity securities held by customers.
36	On-balance sheet funds	Sight deposits + Term deposits+ Other funds.
37	Performing Loans	Gross loans – Non-performing loans.
38	ROA (%)	Annualization of the following quotient: Consolidated net profit / Average total assets (average of the end-of-quarter figures since the previous December, inclusive).
39	ROE (%)	Annualization of the following quotient: Consolidated net profit / Average total equity (average of the end-of-quarter figures since the previous December, inclusive).
40	RORWA (%)	Annualization of the following quotient: Consolidated net profit / Average risk-weighted assets (average of the end-of-quarter figures since the previous December, inclusive).
41	Sales points	Total branches reported to Bank of Spain (includes part-time branches, or “ventanillas” and excludes financial agencies).
42	Texas ratio (%)	(Non-performing total risks (including non-performing loans from credit institutions) + foreclosed assets(gross)) / (Total risks coverage + foreclosed assets coverage + Total Equity).
43	Total balance sheet funds	On-balance sheet funds + Wholesale funding.
44	Total impairment losses annualized	Annualization of: (The part of Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss and net gains or (-) losses on changes + Impairment or (-) reversal of impairment on non-financial assets (excluded the impairment of goodwill) + Impairment losses on non-current assets held for sale).
45	Total risks	Gross loans + Contingent risks.
46	Wholesale funds	Bonds and other securities + Subordinated liabilities + Senior debt + Monetary market operations + Deposits from credit institutions + deposits from ECB.