

CaixaBank obtains attributable net profits of 230 million euros and makes provisioning charges and write-downs for a total of 10,299 million euros

- **CaixaBank consolidated its position as Spain's leading financial institution, with 13 million customers following the incorporation of Banca Cívica's customer base, total customer funds of 288,568 million euros (+19.6%) and a loans portfolio of 223,449 million euros (+20.1%).**
- **In a complex and demanding environment, the robust nature of CaixaBank's business has allowed it to obtain income totalling 6,737 million euros, with net operating income at 3,171 million.**
- **Total write-downs and provisioning charges amounted to 10,299 million**, including 5,749 million in allowance coverage and 4,550 million in valuation adjustments against equity relating to Banca Cívica's portfolio of loans and handed over property. As a result of this significant effort, CaixaBank has covered 87% of the amounts required under Royal Decrees 2/2012 and 18/2012.
- **Excellent liquidity**. CaixaBank's liquidity rose to 53,092 million euros, practically all of it immediately accessible, accounting for 15.2% of total assets. This figure rose by 32,144 million during the course of the financial year, due to active management to increase and optimise the assets that serve as a guarantee under ECB policy, along with the incorporation of Banca Cívica during the second half of the year. During January, CaixaBank has used 9,000 of its surplus liquidity to reduce its dependence on the ECB.
- **A Core Capital of 11%**. The results of stress tests on the Spanish banking system, overseen by the Spanish authorities and the main European institutions and aimed at strengthening the robustness of the system, indicated that "la Caixa" Group would have surplus capital of 5,720 million in 2014 in the most adverse environment.
- **Rigorous management and quality assets**. The non-performing loans ratio stands at 8.62%, further improving on the average rate of 11.38% for the sector as a whole in November. Allowance coverage stands at 60% (142% if mortgage guarantees are taken into account).
- **Swift and effective integration process**. The commercial and technical process to integrate Banca Cívica continues at a rapid pace, allowing for the early realisation of synergies (104 million euros obtained as opposed to the expected 54 million for the whole of 2012), a figure that is expected to rise to 540 million euros per year by 2014.

Barcelona, 1 February 2013. CaixaBank obtained attributable net profits of 230 million euros during 2012, down 78.2% on the previous year, as a consequence of the large write-downs made by the institution. In total, CaixaBank recorded provisioning charges and write-downs of 10,299 million euros, as compared with 2,557 million during the previous year.

During 2012, against the background of the restructuring of the sector, CaixaBank completed the merger by takeover of Banca Cívica, as well as signing an agreement to acquire Banco de Valencia. The integration of Banca Cívica, combined with the commercial capacity of the CaixaBank network, mark important stages in the early achievement of the objectives set out in the "la Caixa" Group's 2011-2014 Strategic Plan.

CaixaBank, with Isidro Fainé as Chairman and Juan María Nin as Deputy Chairman and CEO, has further consolidated its leading position in the retail banking sector, thanks to its high levels of banking business, its advanced and adequate management of risk and its continued efforts to encourage innovation.

CaixaBank consolidates its position as Spanish market leader

CaixaBank has consolidated its leading position in the Spanish financial sector, following the completion of Banca Cívica's integration during the 3rd quarter, with assets worth 348,294 million euros and a market penetration of 26.1% in the personal banking segment (22.2% penetration as primary institution). Business volumes totalled 512,017 million euros (+19.8%), of which 288,568 million euros correspond to customer funds (+19.6%) and 223,449 million euros to gross customer loans (+20.1%).

The Group's great commercial strength, with 32,625 employees, 13 million customers, 6,342 branches (the largest network in the Spanish financial system), 9,696 ATMs and a leading position in on-line banking through *Línea Abierta* (with 8.5 million customers) and electronic banking (12.5 million cards in circulation), means that CaixaBank is showing balanced and high-quality growth.

Provisioning charges and write-downs totalling 10,299 million as compared with 2,557 million in 2011

During 2012 the Spanish banking sector experienced a year marked by profound structural changes. The aims pursued were the strengthening of balance sheets, the underpinning of capital and a drive for greater efficiency.

In this complex economic environment, marked by a deterioration in market confidence towards Spain and its financial system, CaixaBank has demonstrated its capacity to generate income, with net operating income levels remaining stable at 3,171 million euros, up by 0.1%, a figure that rises to 11.3% if one removes the effects of extraordinary insurance from the year-on-year comparison. The efficiency ratio stands at 52.9%.

This sustained capacity to generate income meant that CaixaBank was able to set aside significant levels of allowance coverage totalling 5,749 million euros during 2012 (3,636 million to cover the requirements of the Royal Decrees and 2,113 in ordinary allowance coverage). This amount, combined with the 4,550 million euros obtained from the value adjustments against equity made to position Banca Cívica's portfolio of loans and property at a reasonable value, brought total write-downs to 10,299 million euros, well above the previous year's figure of 2,557 million.

Part of this write-down amount served to cover the requirements imposed under RLD 2/2012 and RLD 18/2012. In total, CaixaBank has already covered 87% of the allowance coverage required under February's RLD 2/2012 (2,436 million euros at CaixaBank and 934 million at Banca Cívica) and RLD 18/2012 (1,200 million of the estimated 2,012 million euros to be set aside by CaixaBank before June 2013, and a further 1,287 million at Banca Cívica).

To cover the requirements for Banca Cívica, write-downs were made against equity, with valuation adjustments totalling 3,668 million in the loans portfolio and 822 million for real estate, a total of 4,550 million euros.

The following are some of the more important highlights from 2012:

- **CaixaBank income** rose to a gross margin figure of 6,737 million euros, up by 3.5%, a figure that further rises to 8.8% if extraordinary insurance income from 2011 is not taken into account. This favourable development reflects the institution's robust retail business, the incorporation of Banca Cívica, the capacity to generate net interest income, the growth in fees and income from investments.
- **Net interest income** totalled 3,872 million euros, an increase of 22.2% on 2011. The evolution in net interest income is explained by the integration of Banca Cívica, the efficient way that margins are managed in asset and liability operations, and the favourable evolution shown by the interest rate curve during the first half of 2012.
- **Net fees** rose by 8.9% to 1,701 million euros over the year, due to the increase in banking business and specialisation by segment.
- **Income from investments** (dividends and income accounted for by the equity method) rose by 22.8% as a result of the positive evolution of business in comparison with 2011.
- **Income from financial operations** totalled 455 million euros, basically due to the active management of the Group's fixed-income portfolio, income from exchange rate differences and the results of cover taken out.
- The evolution of **other products and operational charges** has been affected by the exit from the consolidated group of SegurCaixa Adeslas since 2011, the increase in allocations to the Deposit Guarantee Fund from 1 to 2 per thousand and the extraordinary availability of funds for insurance operations.
- **Operating costs** fell by 0.1% on a like-for-like basis with regard to Banca Cívica, setting aside the extraordinary impact of the reorganisation and changes of scope that occurred in 2011. The increase of 6.7% in total operating costs results from the larger structure following the integration of Banca Cívica, offset in part by the realisation of 104 million euros in synergies.
- The entry for profits/losses from the disposal of assets and others in 2012 includes, among other items, the **capital gains from one-off operations** carried out during the year (sale and lease back of bank branches, reinsurance agreement on VidaCaixa's portfolio of individual life-risk policies on 31 December 2012 and the sale of the pension funds depository business).

CaixaBank liquidity totals 53,092 million euros

The management of liquidity continued to be a key element in CaixaBank's strategy. The liquidity figure stands at 53,092 million euros, practically all of it immediately accessible, amounting to 15.2% of total assets. This figure increased by 4,337 million euros during the fourth quarter and by a total of 32,144 million during the whole of 2012. The increase was due, in the main, to the integration of Banca Cívica and active management, which is aimed at increasing and optimising the liquid assets on the balance sheet that serve as a guarantee for the ECB policy.

By the end of January 2013, CaixaBank had used 9,000 million euros of its surplus liquidity, part of it to repay 4,500 million of the total amount that it had applied for under the long-term liquidity auctions, and the remainder to provide financing of 4,500 million to Banco de Valencia to allow it to reduce its application to the ECB in the same amount. As a result, the amount drawn down by CaixaBank and Banco de Valencia has been reduced by more than 25%, to 24,780 million euros.

As regards amounts pending maturity in 2013, these total 7,334 million euros. CaixaBank's strong liquidity position means that it can cover the amounts maturing on the wholesale markets without any problem, a fact that not only offers it great stability but also demonstrates the Group's capacity for advance management.

A Core Capital figure of 11%, with a surplus of 5,745 million euros in attributable funds

CaixaBank has maintained a high level of solvency, with a Core Capital figure of 11% following the integration of Banca Cívica. Organic capital generation amounted to 168 base points, and the integration of Banca Cívica meant a fall of 252 base points in the Core Capital ratio, basically as a result of the incorporation of assets originating from Banca Cívica, which led to an increase in risk-weighted assets of approximately 37,000 million euros.

Nevertheless, CaixaBank's attributable own funds amounted to 18,641 million euros, 1,060 million more than in December 2011 (+6.0%), despite the setting aside of all the allowance coverage required under Royal Decree 2/2012 and the partial coverage required under Royal Decree 18/2012. Surplus attributable own funds amount to 5,745 million euros.

The non-performing loans ratio (8.62%) remains below the sector average (11.38%)

Developments in the non-performing loans ratio for the year were driven by a deteriorating Spanish economy, with high levels of unemployment and a fall in GDP, and the integration of the Banca Cívica portfolio during the third quarter of 2012. As of 31 December 2012, the ratio stood at 8.62%, further widening the difference with the average for the sector in November 2012 (11.38%).

The prudent policies applied to the award of loans and the advanced management of risk by the Group, combined with the valuation adjustments made to the Banca Cívica loan portfolio, have led to the maintenance of high levels of loan coverage, with an allowance coverage ratio of 60%, 142% if mortgage guarantees are taken into account.

Management of real estate assets: commercial activities doubled

Commercial activities by Building Center and Servihabitat, the “la Caixa” Group’s real estate subsidiaries, doubled over the course of the year, with the value of sales and rentals rising from 796 million euros to 1,582 million during 2012. The total number of buildings marketed reached 11,830 units. If commercial activities are assessed at their original investment value, the total rises to 3,113 million euros, with 20,291 buildings sold, including developers.

As regards CaixaBank’s exposure in the property development sector, on 31 December 2012 this stood at a figure of 26,992 million euros. In 2012, setting aside the effect of the incorporation to Banca Cívica (9,760 million euros as of 30 June 2012) this figure had fallen by 5,026 million euros (-23.2%). The high proportion of financing for finished developments, 58.6%, demonstrates the robustness of the guarantees in the property developer portfolio.

With the significant levels of allowance coverage now made, coverage for problematic assets relating to the financing of the real estate development sector stands at 38.2%, 127% if mortgage guarantees are taken into account (25.5% on 31 December 2011, 114% with mortgage guarantees).

The portfolio of net assets handed over to CaixaBank was worth a net total of 5.088 million euros on 31 December 2012, with coverage of 45.5%. Of the total property handed over, 25% relates to land, with allowance coverage of 61%. The incorporation of Banca Cívica included the handover of 1,713 million euros of net assets.

Intense commercial activity and specialised management by business sector

CaixaBank retains its goal of consolidating its leading position in the Spanish individual banking sector with the implementation of a specialised model for personal banking, private banking and business banking that offers services to all of its 13 million customers.

- ✓ **Market leader in the management of salaries and pensions** with respective shares of 20% and 19.9%. The number of people arranging to have their salaries paid directly into CaixaBank accounts rose by the highest amount in 5 years (+0.54% organic share).
- ✓ Record year **for the sale of insurance policies**, with 1.1 million sold and a growth in new premiums of more than 43%.
- ✓ **Market leader in complementary provision (individual pension and savings plans)** with a share of 16.4%. Premiums and contributions in 2012 amounted to 1,449 million euros, an increase of 27%.
- ✓ Leading growth in the financing of operational capital, with **market share of factoring operations rising to 17.1% and confirming operations** rising to 19.0%.

As a consequence of these intense levels of commercial activity and the incorporation of the Banca Cívica business, the “la Caixa” Group has considerably enhanced its leading position in the Spanish market, with a market share of 20.0% in managed salaries, 19.9% in pension funds, 14.4% in mortgages, 15.3% in consumer loans, 14.4% in deposits, 14% in investment funds and 16.4% in pension plans.

Highlights during 2012:

The integration of Banca Cívica into CaixaBank

CaixaBank is making strenuous efforts to ensure the rapid and effective commercial, technological and organisational integration of Banca Cívica. The business has already been brought under the commercial management of CaixaBank, following a territorial reorganisation process, the standardisation of products and services and assiduous customer management

Technological integration has seen rapid advances, with integration of the Caja Navarra and CajaSol platforms (80% of assets integrated) during the six months following formalisation of the merger. The technological integration of the two remaining entities is scheduled for completion during the first four months of 2013.

The synergies obtained in 2012 amounted to a value of 104 million euros, 191% of the figure initially expected (54 million euros). The actions taken during 2012 will ensure the achievement of 40% of the synergies scheduled for 2014.

Offer to acquire Banco de Valencia

On November 27, 2012 CaixaBank signed a share purchase agreement to acquire the shares of Banco de Valencia held by the Governing Committee of Spain's Fund for Orderly Banking Reconstruction (FROB).

Pursuant to the terms of this agreement, the purchase of Banco de Valencia's shares will take place following the payment by the FROB of €4,500 million in a capital increase in December 2012. After the transaction, CaixaBank will own approximately 99% and at least 90% of BDV's stock.

Completion of the acquisition, planned for the first quarter of 2013, is subject to grant of the relevant administrative licences and approvals from the authorities in both Spain and the EU.

On 21 December 2012, assets were transferred to *Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria* (Sareb), the Spanish government's repository for problematic assets, in an estimated amount of 1,894 million euros.

Spanish banking sector stress tests: the "la Caixa" does not require additional capital

The results of the stress tests carried out on the Spanish banking system, with supervision from the Spanish authorities and leading European institutions, confirmed the Group's robustness, naming CaixaBank as one of the institutions with the highest solvency levels.

According to the results of these tests, the "la Caixa" Group's Core Tier 1 solvency ratio would stand at 9.5% at the end of 2014 in an adverse environment, with a capital surplus of 5,720 million euros.

Social Projects: Making a difference and more necessary than ever

The commitment made by “la Caixa” to the personal welfare and the needs of the society in which it engages in its business, one of the institution’s most recognisable and differentiating features, has taken on even greater importance in the current circumstances.

Despite the difficult climate, the institution will maintain its **Social Projects budget** for 2013 at **500 million euros**, the amount set aside for these projects in each of the last 5 years. This makes the “la Caixa” Social Projects the leading private foundation in Spain and one of the most important in the world.

Once again, **priority** will be given this year to attending to the main **concerns and problems experienced by ordinary people**. Thus, **66.8% of the budget (334 million euros)** will be allocated to the development of **social and welfare programmes**. The **Science, Research and Environment programmes** will account for **13.4%** (67.1 million), with a further **12.9%** of investment (64.3 million) going to cultural activities and **6.9%** (34.6 million) spent on **education and training**.

The creation of job opportunities for vulnerable groups, the fight to combat marginalisation and social exclusion (especially child poverty), access to proper housing for individuals and families with difficulties and active and healthy ageing remain some of the most strategic lines of action for the Social Projects programme. Help for people in the advanced stages of illness and support for education and research are other areas in which even greater efforts will be made.

These priorities are evident from the work carried out by the Social Projects in 2012, some of which are detailed below.

In the area of job creation, the **Incorpora programme** led to **10,504 people finding jobs** (600 more than in 2011) bringing the total to **53,133 job opportunities** created by the Social Projects programme in around 22,000 ordinary businesses since the project was started in 2006. This successful model has now been exported to countries like Morocco and Poland.

CaixaProinfancia, the programme that offers assistance to children in circumstances of poverty and social exclusion, was allocated an investment of **46 million euros** in 2012. Since 2007, the Social Projects programme has been working to break the circle of hereditary poverty in Spain in a project to which it has now devoted almost **295 million euros** and which has already benefited **204,000 children and their families** in Spain’s ten largest cities and their metropolitan suburbs. In qualitative terms, 2012 saw “la Caixa” launch an alliance that has helped the most important City Councils around Spain work together on this initiative.

With the aim of guaranteeing access to housing by disadvantaged people, the Social Projects launched its “Accessible Housing” programme in 2004, and it now has some 4,000 properties available for families, young people and the elderly, with rents that are even lower than those charged by the government’s public housing programme. In addition, a further 4,000 flats have been made available by “la Caixa” as part of its “**Supportive Rentals**” programme, with properties offered at between 85 and 150 euros per month to people with annual earnings of less than 18,600 euros.

Support for **active ageing** and the **full integration of the elderly** in society (through the new *Gente 3.0* project), help for people with terminal illnesses and their families (37,967 patients and 58,102 family members have benefited from this project since its introduction), the social and professional reinsertion of prisoners in the final stages of their sentences, support and encouragement for voluntary work and the promotion of social cohesion through the Intercultural Community Intervention programme have also formed the focus of the Social Projects' efforts during 2012.

Under the **Call for Assistance for Social Projects**, the Social Projects' own programmes have been complemented with support from 963 different initiatives promoted by not-for-profit organisations working with vulnerable groups across the whole of Spain. A further 20,000 actions are supported by the "la Caixa" branch network to attend to the most immediate needs of people in their own areas through the decentralised Social Projects programme.

Outside Spain, "la Caixa" continued to devote its efforts to **child vaccination** in developing countries (2 million children immunised since the programme began), sustainable economic development (with 71 projects currently under way in 26 countries) and, in particular, **emergency aid** for events such as the famine in the Sahel region of Africa.

The signing of two new strategic alliances, one with the **Inter-American Development Bank (IDB)** to promote sustainable projects in Latin America and the other with the **FAO** to help alleviate hunger around the world further demonstrated the commitment of "la Caixa" to such projects during 2012.

In the educational arena, eduCaixa demonstrated the institution's steadfast support for learning among 3 to 18-year-olds and the work done by teachers and parent and student associations. More than **1 million students** took part in the educational initiatives supported by the Social Projects last year in 3,985 schools across the whole of Spain. Support for entrepreneurship in schools has been one of the main themes of this commitment during 2012.

The offer of **grants** to take up post-graduate courses in universities in Spain (100 grants awarded) and abroad (122), along with Doctorates in Biomedicine at four centres of research excellence in Spain (the Centre for Genomic Regulation and the Institute for Biomedical Research in Barcelona, and the Carlos II National Centre for Oncological Research and the National Biotechnological Centre in Madrid) are further proof of this commitment. From 2013, the Social Projects programme will channel its support for research through these four distinguished institutions, all of which have gained the Severo Ochoa seal of excellence.

In the area of academic research, during 2012 the Social Projects presented three new volumes in its **Social Studies Collection**. The first, "**Disabilities and Social Inclusion**", offers an up-to-date overview of the disabled community in Spain. The report "**The Transition from Young Person to Adult**" examines the extent to which social policies aimed at young people are effective, while "**Recession and Social Breakdown in Europe**" argues that Europe has been facing an intense, prolonged and systematic crisis since 2007 which has resulted in a profound structural transformation.

As far as **environmental** issues are concerned, the Social Projects programme has intensified its work on the conservation and improvement of natural spaces throughout Spain. 2012 saw the promotion of **271 projects** which also prioritised the employment of people at risk of exclusion to work on conservation programmes. **1,600 beneficiaries** found work on these programmes during 2012 (9,761 in total since 2005).

In the area of **research**, the Social Projects programme continued its support for the enhancement of learning in university institutions (the RecerCaixa programme) and for work relating to AIDS (irsiCaixa), Cancer (the “la Caixa” Molecular Therapy Unit at Vall d’Hebron Hospital), digestive endoscopic surgery (the Wider Centre), neurodegenerative diseases (in collaboration with CSIC as part of the BarcelonaBeta Project) and cardiovascular disorders (CNIC), among other projects.

The promotion of **culture as a tool for personal development** is another of the key aims of the Social Projects Programme. In line with this objective and its policy to create grand alliances with some of the world’s finest institutions, “la Caixa” renewed its agreement with the Louvre Museum in 2012 and signed a new strategic alliance with the Joan Miró Foundation, to add to the ones already signed with the Prado Museum and the MACBA. CaixaForum Barcelona, which celebrated its tenth anniversary, saw a record number of visitors (971,000) and offered exhibitions that included *Goya. Light and Shade* and *Delacroix*. Other events that were organised by the Social Projects programme and enjoyed huge public support in 2012 included exhibitions devoted to *William Blake*, *The Art of Piranesi* and *Diaghilev’s Russian Ballets*.

The participative **concert performances** of *The Messiah* and *Grand Opera Choruses*, the **conferences and humanities** programme (with the involvement of distinguished guests such as Joseph Stiglitz, Peter Higgs and Jane Goodall), support for the Classic Library Collection (published by the Spanish Royal Academy) and assistance for cultural projects with a social impact further underlined the commitment of the Social Projects in this area.

A total of **3.5 million** visitors enjoyed the programmes and events organised at the CaixaForum venues and the CosmoCaixa Science Museums, all of which were aimed at educating people of all ages and all academic levels.

The inauguration of the new **EspacioCaixa Macaya Palace** in Barcelona was another important event in 2012. This new venue, housed in the distinctive modernist building designed by Puig i Cadafalch in Paseo Sant Joan, represents a further step forward in the institution’s commitment to dialogue, a pluralistic interchange of ideas and intellectual reflection. It has been conceived as the institution’s flagship space for the discussion of **financial, social and environmental sustainability**.

February saw a very special appointment, as the Prince of Asturias Award-winning captain of Barcelona Football Club and the Spanish national team, **Xavi Hernández**, was named Ambassador for the “la Caixa” Social Projects programme.

In short, 2012 was an intense and demanding year in which the “la Caixa” Social Projects programme continuously sought to achieve optimum efficiency in order to further underpin the **institution’s raison d’être**: a **commitment to people** and to **the advancement of society**.

CaixaBank Group - Key indicators

€ million	January - December		Change
	2012	2011	
Income statement headings			
Net interest income	3,872	3,170	22.2%
Gross income	6,737	6,511	3.5%
Pre-impairment income	3,171	3,169	0.1%
Net Income	230	1,053	(78.2%)
Efficiency and Profitability			
Cost-to-income ratio (total operating expenses / gross income)	52.9%	51.3%	1.6
ROE (attributable profit / average equity)	1.0%	5.2%	(4.2)
ROA (profit / average total assets)	0.1%	0.4%	(0.3)
RORWA (profit / risk-weighted assets)	0.2%	0.9%	(0.7)
ROTE (attributable profit / average tangible equity)	1.3%	6.2%	(4.9)
	December-12	December-11	Change
Balance sheet headings			
Total assets	348,294	270,425	28.8%
Book value	22,793	20,751	9.8%
Total banking business volume	512,017	427,252	19.8%
<i>Total customer funds</i>	288,568	241,203	19.6%
<i>Customer loans and advances, gross</i>	223,449	186,049	20.1%
Risk management			
Non-performing loan (NPL) ratio	8.62%	4.90%	3.72
Allowances for non-performing loans	12,071	5,745	6,326
NPL coverage ratio	60%	60%	0
NPL coverage ratio including collateral	142%	137%	5
Foreclosed real-estate assets coverage ratio	45.5%	36.0%	9.5
<i>of which: land coverage</i>	61%	62%	(1)
Liquidity			
Loan to deposits ¹	53,092	20,948	32,144
	127%	133%	(6)
Solvency			
Core Capital - BIS II	11.0%	12.5%	(1.5)
Tier 1	11.0%	12.8%	(1.8)
Tier Total	11.6%	12.8%	(1.2)
Eligible equity	18,641	17,581	1,060
Risk Weighted Assets (RWA)	161,200	137,355	23,845
Surplus capital	5,745	6,592	(847)
Core Tier 1 EBA	10.4%	10.9%	(0.5)
Share information			
Share price (€/share)	2.637	3.795	(1.158)
Market capitalization	11,839	14,573	(2,734)
Number of shares outstanding (thousands) ²	4,450,743	3,778,652	672,091
Book value per share - fully diluted (€/share)	4.53	5.11	(0.58)
Number of shares outstanding - fully diluted (thousands)	5,164,642	4,064,203	1,100,439
Net income attributable per share (EPS) (€ per share) (12 months)	0.05	0.27	(0.22)
Average number of shares outstanding - fully diluted (thousands)	4,711,294	3,964,337	746,957
PER	54.02	14.06	39.96
Banking business and resources (units)			
Customers (millions)	12.9	10.4	2.5
Employees CaixaBank Group	32,625	26,993	5,632
Branches	6,342	5,196	1,146
ATMs	9,696	8,011	1,685
Cards issued (millions)	12.5	10.5	2.0

⁽¹⁾ Net lending as a % of on-balance sheet retail customer funds

⁽²⁾ Excludes treasury shares

Consolidated Profit & Loss Account CaixaBank Group

€ million	January - December		Change %
	2012	2011	
Financial income	9,178	7,734	18.7
Financial expenses	(5,306)	(4,564)	16.2
Net interest income	3,872	3,170	22.2
Dividends and income accounted for using the equity method	809	659	22.8
Net fees	1,701	1,562	8.9
Gains on financial assets	455	343	32.4
Other operating income and expenses	(100)	777	(112.8)
Gross income	6,737	6,511	3.5
Total operating expenses	(3,566)	(3,342)	6.7
Pre-impairment income	3,171	3,169	0.1
Impairment losses	(3,942)	(2,557)	54.2
Gains/(losses) on disposal of assets and others	709	547	29.7
Pre-tax income	(62)	1,159	(105.4)
Income tax	291	(106)	
Profit for the period	229	1,053	(78.3)
Minority interest	(1)		
Profit attributable to the Group	230	1,053	(78.2)