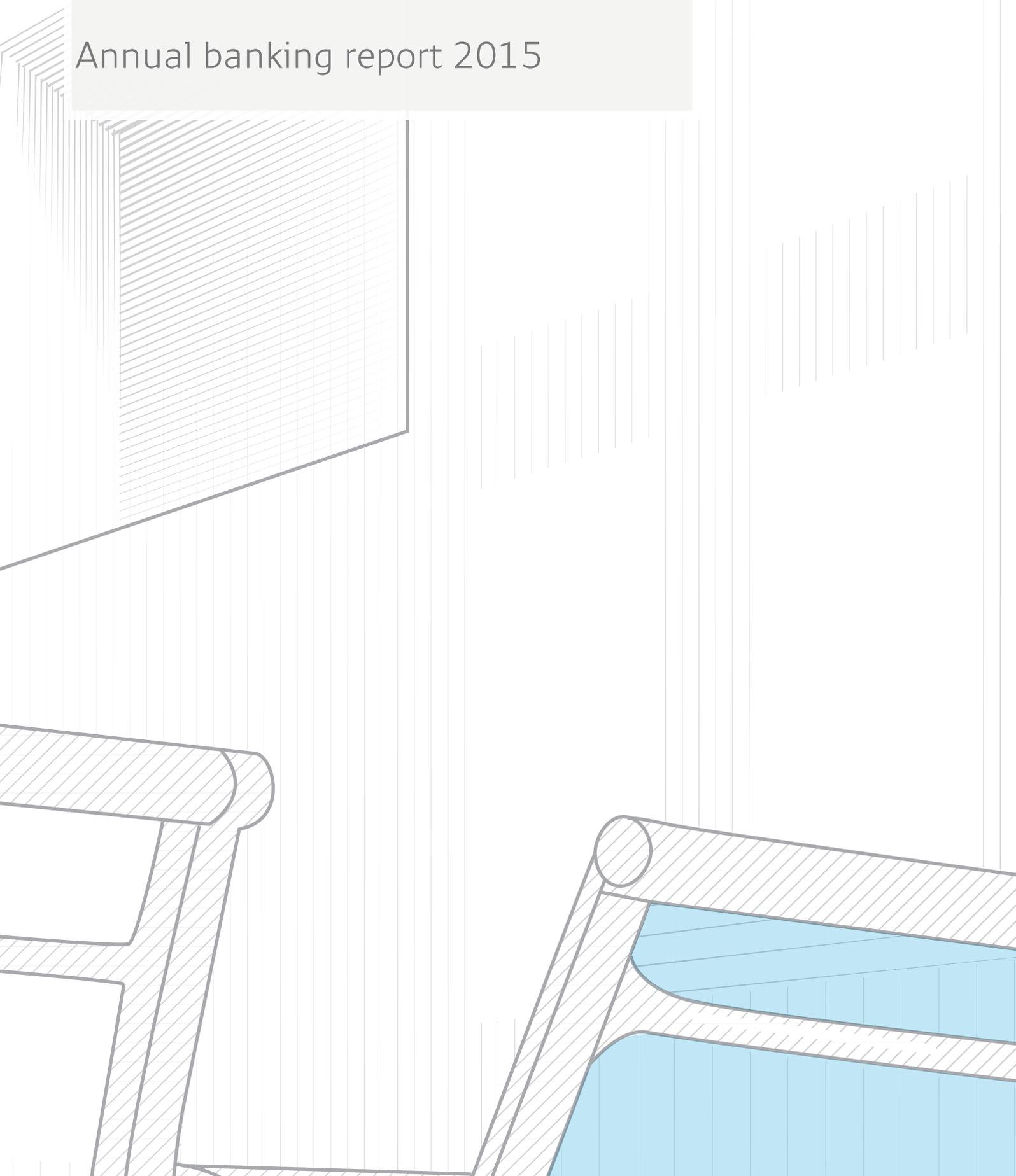


04

Financial Statements 2015

Annual banking report 2015



Appendix IV

Information for compliance with Article 87 of Law 10/2014, of 26 June, on the regulation, supervision and capital adequacy of credit institutions.

Annual Banking Report

This information is published in compliance with the provisions of Article 87 of Law 10/2014, of 26 June, on the regulation, supervision and capital adequacy of credit institutions which, in turn, transposes Article 89 of Directive 2013/36/EU of the European Parliament and of the Council, of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

Pursuant to the aforementioned legislation, credit institutions will be obliged to publish the following information on a consolidated basis relating to the end of the latest reporting period:

- a) **Name(s), nature of activities and geographical location:** Cecabank, S.A. ("the Bank" or "the Entity") is a bank that was incorporated by public deed executed in Madrid on 17 October 2012. The Entity has been registered at the Mercantile Registry since 12 November 2012 and in the Bank of Spain's Register of Credit Institutions under code 2000. Cecabank, S.A. forms part of the Cecabank Group. Its registered office is at calle Alcalá no. 27, Madrid. The Bank's company object is:
- The performance of all manner of activities, operations and services inherent to the banking business in general or directly or indirectly related thereto which it is authorised to carry on by current legislation, including the provision of investment and ancillary services and the performance of insurance brokerage activities.
 - b) The provision of technological, administrative and advisory services to public authorities, as well as to any other public or private-sector entity; and
 - c) The acquisition, holding, use and disposal of all types of marketable securities.

The Cecabank Group carries on its activity in Spain. However, it has a branch in London (United Kingdom) and representative offices in Paris (France) and Frankfurt (Germany) and two

subsidiaries abroad, one in Hong Kong and another in Belgium.

The Cecabank Group is composed of the following entities, in addition to the Parent, Cecabank, S.A. as Subsidiaries: Cea Trade Services Limited, incorporated in 2004 in order to foster the provision of foreign trade services to savings banks, and Servipagos, S.A.U., incorporated in 2014, whose company object is the provision of technical payment services and Trionis S.C.R.L., incorporated in 1990, set in Brussels (Belgium) whose company object is the development and maintenance of the international payment services operative.

- b) **Turnover:** Turnover at the Cecabank Group is defined as gross income, which amounted to EUR 281,733 thousand in 2015 and EUR 240,275 thousand in 2014.
- c) **Number of employees on a full time equivalent basis:** At 31 December 2015, the Cecabank Group had 497 full-time employees (a further seven had reduced working hours and four worked part-time). At 31 December 2014, the Group had 511 full-time employees (a further seven had reduced working hours and five worked part-time).
- d) **Gross profit or loss before tax:** The Cecabank Group's gross profit before tax at 2015 year-end amounted EUR 104,104 thousand (2014: EUR 76,124 thousand).
- e) **Tax on profit or loss:** Tax on the profit for the year ended 31 December 2015 amounted to EUR 28,298 thousand (2014: EUR 20,699 thousand).
- f) **Public subsidies received:** The subsidies received amounted to EUR 75 thousand at 31 December 2015 (2014: EU 63 thousand).
- g) In order to comply with Article 87.3 of the aforementioned Law, it is stated that the return on the Group's assets, calculated as the result of dividing the Group's consolidated profit for 2015 by the total balance sheet, was 0.63% at 31 December 2015 (31 December 2014: 0.51%).