

Barcelona, Thursday 10 April 2014

"la Caixa" to hold Annual General Assembly on May 22

"la Caixa" to propose at Annual General Assembly its conversion into a banking foundation and transfer of its stake in CaixaBank to Criteria CaixaHolding

- The new Caixa d'Estalvis i Pensions de Barcelona, "la Caixa", banking foundation will directly manage all the Welfare Projects, and will group under Criteria CaixaHolding all its existing investments, including CaixaBank (55.9%), as well as "la Caixa" debt issues.
- The General Assembly must also approve the By-laws of the "la Caixa" Banking Foundation and the Board of Trustees, its most senior representative and governing body.
- The Chairman of the "la Caixa" Group, Isidro Fainé, considers that this new restructuring will enable the institution "to maintain, strengthen and develop our three core areas of activity: financial, business and social; our *raison d'être*."

The Board of Directors of la Caixa d'Estalvis i Pensions de Barcelona, "la Caixa", resolved at a meeting held this afternoon to convene the Annual General Assembly of the institution on May 22, in order to vote on converting "la Caixa" into a banking foundation, pursuant to the Law governing Savings Banks and Banking Foundations of December 27, 2013.

The conversion of "la Caixa" into a Banking Foundation will be completed on approval by the General Assembly as part of the restructuring of the "la Caixa" Group, involving: the dissolution and liquidation of the current "la Caixa" Foundation; and transfer of the shareholding interest in CaixaBank held by "la Caixa" to Criteria CaixaHolding (a wholly owned subsidiary of "la Caixa") – whereby the Banking Foundation will hold an interest in CaixaBank through Criteria, along with the debt instruments issued to date by "la Caixa". The Chairman of the "la Caixa" Group, Isidro Fainé, considers that this new restructuring will enable the institution "to maintain, strengthen and develop our three core areas of activity: financial, business and, especially, social; our *raison d'être*."

Isidro Fainé also emphasized that adapting to the requirement set forth in the Law governing Savings Banks and Banking Foundations, "reaffirms our attitude, our values and our approach to tackling the challenges ahead to be able to move forward resolutely with our mission to support society, which was the inspiration behind the founding of "la Caixa" in 1904."

Restructuring of the "la Caixa" Group

The new "la Caixa" Banking Foundation will perform the following main activities: management of all the Welfare Projects, of the financial activities through its interest in CaixaBank, of the debt instruments issued to date by "la Caixa" and of the Group's investments in non-financial sectors.

In order to separate functions when managing each of these activities, it is planned that the Banking Foundation into which "la Caixa" will be converted will – on approval by the Annual General Assembly – directly manage the Welfare Projects which "la Caixa" has been renowned for over time, and will manage the other activities through a single company, Criteria CaixaHolding. This entity will be the holding company not only of the "la Caixa" Group's investments in non-financial sectors, as in the past, but also the current shareholding interest held by "la Caixa" in CaixaBank and the debt instruments issued to date by "la Caixa".

The debt instruments that "la Caixa" plans to spin off to Criteria at March 31, 2014 have a nominal value of €7,805 million, €7,005 million of which are subordinated bonds. All the hedging derivatives arranged by "la Caixa" and the valuation adjustments associated with these debt instruments are also earmarked for spin-off to Criteria.

It is planned that once the pertinent resolutions have been passed by the Banking Foundation and Criteria, the spin-off will be completed in the last quarter of 2014.

The conversion of "la Caixa" into a Banking Foundation means that it will cease to be a credit institution (savings bank). However, the Banking Foundation will be supervised by the Bank of Spain with regard to its shareholding interest in CaixaBank as set forth in the Law on Savings Banks and Banking Foundation.

Dissolution and liquidation of the "la Caixa" Foundation

Once "la Caixa" is converted into a Banking Foundation and therefore loses its status as a savings bank, the "la Caixa" Foundation becomes meaningless as an instrumental foundation through which part of the Welfare Projects are managed. Consequently, "la Caixa" will take over management of all the Welfare Projects, resulting in the disappearance of the "la Caixa" Foundation as the body set up to manage part of the Welfare Projects.

The "la Caixa" Foundation will be liquidated through a global transfer of its assets and liabilities to "la Caixa", which will continue to devote them to Welfare Projects. In order for these assets and liabilities to be transferred, the "la Caixa" General Assembly on May 22, 2014 must ratify the resolution on dissolution and liquidation adopted by the Board of Trustees of the "la Caixa" Foundation, and the relevant administrative authorizations must be obtained.

Proposal of the Board of Trustees of the "la Caixa" Banking Foundation

As well as approving the conversion of Caixa d'Estalvis i Pensions de Barcelona into a Banking Foundation, the proposed resolutions of the "la Caixa" General Assembly also include determining the budget of the "la Caixa" Banking Foundation, signing off its By-laws, and approving the "la Caixa" Banking Foundation Board of Trustees.

The Board of Trustees is the "la Caixa" Banking Foundation's most senior representative and governing body, and will consist of 15 members, appointed in accordance with the Law governing Savings Banks and Banking Foundations of December 27, 2013.

Details of the **proposed appointments of the "la Caixa" Banking Foundation's trustees**, to be put before the general Assembly by the Board of Directors, as per the groups established in the Law governing Savings Banks and Banking Foundations, are provided below.

- **One of the members** of the Board of Trustees must be appointed directly by one of the **founding entities** of "la Caixa" in order of longevity and on a revolving basis (every two years): the Ateneo Barcelonés, the Instituto Agrícola Catalán de San Isidro, the Sociedad Económica Barcelonesa de Amigos del País, the Barcelona Chamber of Commerce and the Fomento del Trabajo Nacional.

In this instance, and pursuant to the By-laws of the Banking Foundation, Sociedad Económica Barcelonesa de Amigos del País is responsible for appointing one of the members of the Board of Trustees.

- **Two members from entities representing collective interests** within the scope of the "la Caixa" Banking Foundation's work or which are well established in its area of activity. The trustees from this group are appointed directly by the entities representing collective interests. The proposed entities are **Cáritas Diocesana de Barcelona** and **Spanish Red Cross**.

- **Three members** from the **group of independent individuals of professional renown in the areas related with the social objectives** of the "la Caixa" Banking Foundation or in the non-financial sectors in which the "la Caixa" Banking Foundation has significant investments. The proposed trustees from this group are:

Javier Solana Madariaga

Jaime Lanaspa Gatnau

Salvador Alemany Mas

- **Nine members** from the group of **individuals with specific knowledge and experience in financial matters**. The proposed trustees from this group are:

Isidro Fainé Casas

Josefina Castellví Piulachs

Francesc Homs

César Alierta Izuel

Carlos Slim Helú

María Teresa Bassons Boncompte

Javier Godó Muntañola

Juan José López Burniol

Alejandro García-Bragado Dalmau