THREE-YEAR PROFIT
€4.081 BN

5 POINT GROWTH IN ROE SINCE 2013

12.1 POINT IMPROVEMENT IN EFFICIENCY RATIO

7.03 POINT RISE IN GROUP'S SOLVENCY RATIO

3.8 POINT FALL IN NPL RATIO SINCE 2013

€95.488 BN REDUCTION IN BALANCE SHEET

STRATEGIC PLAN 2012-2015

The BFA-Bankia Group has complied with the 2012-2015 Strategic Plan announced on 28 November 2012.

In little more than three years, the bank has dramatically improved key aspects of its activity both quantitatively and qualitatively, such as: solvency, profitability and efficiency, customer satisfaction, and market shares. This general progress was achieved despite a difficult economic and financial environment (interest rates at all-time lows, intense competition, growing regulatory pressures, etc.). The bank also had to respond to the unforeseen impact of various contingencies arising from its past management, in particular the management of hybrid instruments and the consequences of the IPO.

Despite these difficulties, between 2012 and 2015 Bankia became the most solvent, efficient and profitable of Spain's big banks, guaranteeing its future. A summary of the extent to which the plan was fulfilled is shown in the chart below.

FULFILLING 2012-2015 STRATEGIC PLAN OBJECTIVES

			2015	2015 TARGET
1 DRIVE UP OUR **PROFITABILITY**		STRENGTHEN OUR COMPETITIVE POSITION	MARKET SHARE GROWTH	
		OPTIMISE THE ASSET MIX	-€61 BN	-€50 BN
		DRIVE UP EFFICIENCY	43.6%	<45%
		CUT THE BANK'S RISK PREMIUM	43 BP	50 BP
2 CONTINUE IMPROVING OUR **FUNDAMENTALS**	LIQUIDITY	LOAN-TO-DEPOSIT RATIO (%)	101.9%	<110%
		LIQUIDITY GENERATED	€44.6 BN	€28.8 BN
	SOLVENCY	CAPITAL GENERATED	€6.8 BN	€5.4 BN
		RANKING	#1	AMONG OF HIGHEST
3 COMPETITIVE **ROE** OF APPROX. 10%		ROE	**10.6 %**	**10%**
		RANKING	#1	AMONG OF HIGHEST

WINNING MARKET SHARE

Bankia's goal in the recently completed Strategic Plan as regards competitive positioning was to grow in high-value products in which the Bank's presence was low. Since 2012, it made gains vis-à-vis the following products:

- Market share in investment funds rose from 4.39% to 5.44%, i.e. an improvement of 24%. Over the same period, it brought in 411 million euros of net contributions to pension funds.
- On the funding side, market share in credit cards went from 5.25% to 6.57% – an increase of more than 25%. In 2015, consumer finance reached a total of more than 1.13 billion euros, compared to 305 million euros in 2012.
- Turning to lending to businesses, the share of trade finance went from 2.67% in 2012 to 7.6% in 2015; and in receivables discounting, from 6.15% to 7.47%.

The improvement in customer service quality drove up the bank's competitive position, as demonstrated in the results of the surveys conducted. In 2012, Bankia just scraped a pass for service quality (measured through mystery shopper surveys) with a score of 5.55 out of 10; below the average for the banking industry as a whole. In 2015, however, it achieved a good score of 7.28, beating the sector average. The customer satisfaction index has also taken a leap from 77.3% to 82.4%. As a result of all this, the bank's sales capacity has grown from 22.7 to 34.6 products sold per employee per month.

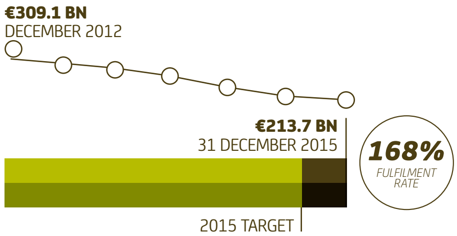
DIVESTMENT AND EFFICIENCY

From a balance sheet management perspective, one of the challenges facing the BFA-Bankia Group has been to reduce its volume of non-performing assets (NPAs). The target set in this regard was a reduction of 50 billion euros to 40 billion euros, which was easily reached. Non-core assets fell by 61.4 billion euros, with the portfolio standing at 28.6 billion euros.

Another key factor for the sustainability of the project is efficiency. Bankia's efficiency ratio (percentage of revenue spent) in 2012 was 55.7%. Its goal was to reduce that figure below 45% (the lower, the more efficient the bank) and last year it hit 43.6%.

BALANCE SHEET

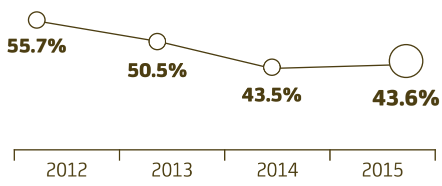
BFA data



2015 TARGET
TOTAL ASSETS
€252.2 BN

EFFICIENCY RATIO

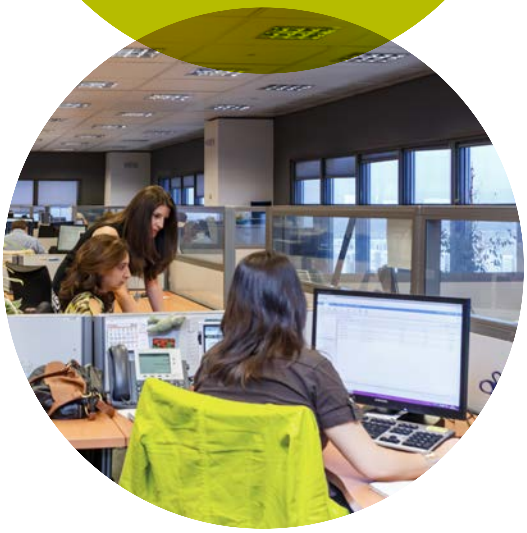
Bankia data



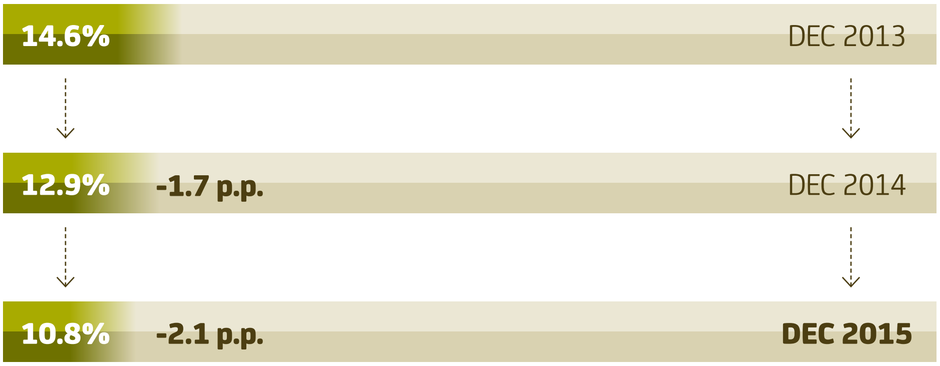
In 2012, Bankia faced a drastic balance sheet clean-up. Accordingly, it mapped out a return to balance sheet normality, where provisions would be no more than 0.5% of the loan portfolio. In 2015 this goal was met, with a risk premium of 0.43%.

Despite the provisions taken in 2012, the Bank's provisioning effort continued throughout these three years, with a further 3.3 billion euros of provisions being recognised in order to strengthen the balance sheet As a result, Bankia has succeeded in maintaining its coverage ratios despite reducing the balance of doubtful loans by 7 billion euros from its peak.

THE BANK'S SALES CAPACITY HAS GROWN FROM 22.7 TO 34.6 PRODUCTS SOLD PER EMPLOYEE PER MONTH



LOW NPL RATIO

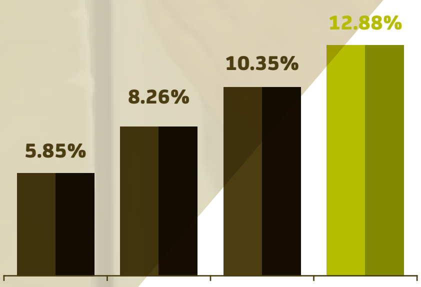


BOLSTERING SOLVENCY

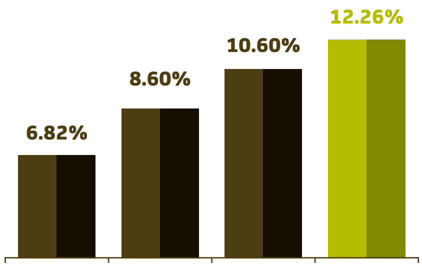
One of the key aims of the Strategic Plan was to position the bank among the most solvent banks in the sector. It was an ambitious commitment, given that following the injection of state aid, the BFA-Bankia Group had a fully-loaded Basel III CET1 ratio of 5.85%. This ratio covered the regulatory minimum at that time, but today would be clearly insufficient, as capital requirements have been toughened for the whole of the industry.

Even so, strong organic capital generation over these three years, through profits and reduction of risk-bearing assets, has driven the fully-loaded Basel III CET1 ratio up to 12.88% – more than double that in 2012 and one of the highest of the big banks.

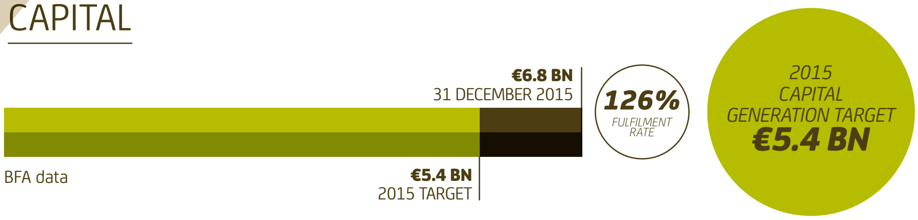
CHANGE IN FULLY-LOADED BASEL III CET1 RATIO, BFA GROUP



CHANGE IN FULLY-LOADED BASEL III CET1 RATIO, BANKIA GROUP



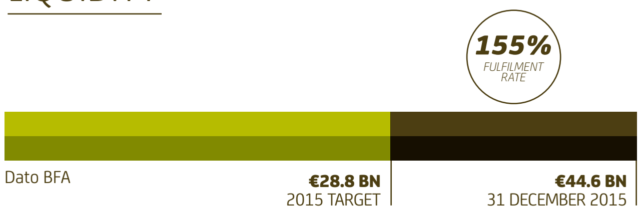
CAPITAL



BFA data

The results achieved with respect to liquidity were also higher than those envisaged in the plan. The BFA-Bankia Group generated 44.6 billion euros of liquidity over the three years, compared to its initial target of 28.8 billion euros. As a result, drawdowns on the European Central bank's facility, which were slated to decrease from 71.5 billion euros to 51.9 billion euros, fell to only 19.5 billion euros, which even takes into account recourse to the targeted longer-term refinancing operations (TLTRO).

LIQUIDITY



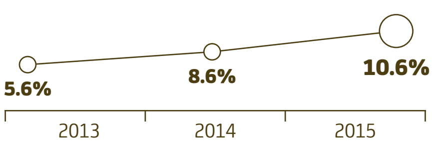
2015
LIQUIDITY
GENERATION TARGET
€28.8 BN

IN SHORT: GREATER PROFITABILITY AND RECOGNITION

Bankia topped off the successful completion of the Strategic Plan by driving up its return on equity from 5.9% in 2013 to 8.6% in 2014 and 10.6% in 2015; outstripping the 10% target and the highest of the bank's peers. These figures do not take into account the impact of the provisions recognised in 2014 and 2015 to cover the litigation in connection with the IPO; a contingency not anticipated when the bank's Strategic Plan was drafted. If the provisions are included, the ROE stands at 9%, which is also the highest of the big banks.

ROE*

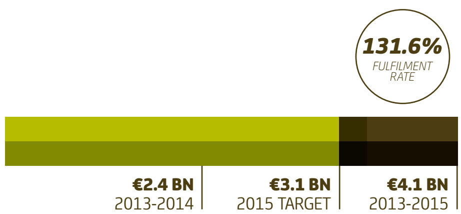
Bankia data



Excluding IPO provisions.

Additionally, the BFA-Bankia Group's accumulated net profit over the period was 4.08 billion euros, well above the 3.1 billion euros estimated in the Strategic Plan.

PROFIT*



2015
NET PROFIT
TARGET
€3.1 BN

* Net profit of BFA Group no including effect of exchange of hybrids or tax effects.

Thanks to all these strengths, Bankia has earned recognition from the markets, having raised 5.8 billion euros during these three years through debt issues (senior, subordinate and covered bonds) and the sale of 7.5% of its capital to institutional investors.

The Bank's achievements are also reflected in its outstanding share performance compared to the group of banking peers. Taking as a reference the value of the six largest banks between May 2013, when the new Bankia shares started trading, and 2015 year-end, Bankia beats the industry average by 73.2%.