ROE
10.6%

EFFICIENCY RATIO
43.6%

ASSETS
€213.7 BN

CUSTOMER FUNDS
€119.8 BN

MARKET CAPITALISATION
€12.37 BN

PUBLIC AID REPAID
€1.63 BN

ACCOMPLISHING OUR PLANS

Bankia has successfully completed its 2012-2015 Strategic Plan and become the most solvent, profitable and efficient of the large Spanish banks.

GDP
3.2%

INFLATION
0%

HOUSE PRICES
+1.8%

MORTGAGES ARRANGED
+19.8%

NEW CREDIT
€467.93 BN

JOB CREATION (EPA)
525,100

ECONOMIC, FINANCIAL AND REGULATORY ENVIRONMENT

The economic context in 2015 was dominated by the intense decline in commodity prices, fears of a hard landing in China and outflows of capital from emerging economies. There was also a change of cycle in US monetary policy in December and the Federal Reserve raised interest rates for the first time in almost 10 years.

In this context, the performance of the main economies and regions was unevenly distributed. On the one hand, net commodity-exporting economies, mostly in emerging economies in Latin America and Asia, suffered inflationary pressures, resulting from a substantial depreciation of their currencies, a tightening of financial conditions and a notable weakening of economic activity (as was the case in Brazil, for example). On the other hand, the rest of the economies, in general, registered very low inflation rates. A number found some traction, as is the case of the main developed economies. Other economies, most net commodity-importing emerging economies, including China, maintained fairly robust growth.

On balance, the world economy once again experienced a somewhat disappointing performance in 2015. Global growth was just 2.6%, slipping from the 2.7% reached in 2014, and well below the rates above 4% posted prior to the financial crisis.

The highlight regarding the main central banks was the confirmation of the diverging trends of their monetary policies. The European Central Bank (ECB) expanded the asset purchase programme it started in the last quarter of 2014 to include debt from sovereigns, agencies and local and regional governments, extending its target volume to 60 billion euros per month until March 2017. It also increased the cost to banks of holding their surplus liquidity at the ECB by dropping the deposit facility rate from -0.20% to -0.30%, pushing rates along the whole Euribor curve into negative territory, with the exception of the 12-month rate, which moved close to zero.

Meanwhile, the Fed initiated the cycle of interest rate hikes by increasing its target range to 0.25%-0.50%. In any case, thanks to the central banks' cautious attitude and the sharp fall in the oil price, which has reduced inflation, the year-end level of government debt was better than expected at the start of the year, with generally very modest increases in yield.

Spain's risk premium reached a high of 160 bp in the summer, due to the Greek crisis (there were even fears Greece might leave the euro). It then fell to levels at the start of the year (around 100 bp) before rising once more to 120 bp at year-end due to uncertainties about the outcome of the general elections.

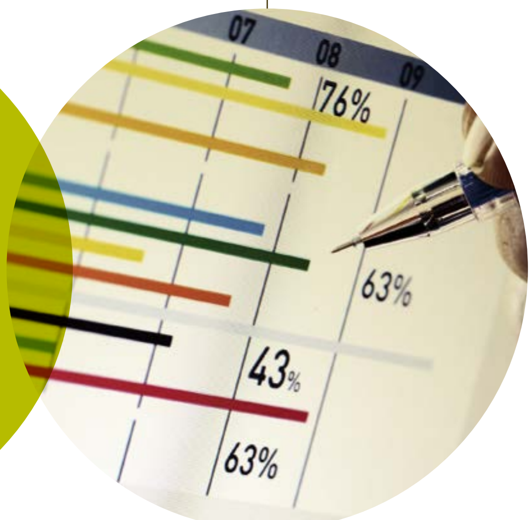
Forecasts for 2016 are relatively optimistic, although the macroeconomic situation is set to remain flat rather than improve. World economic growth is only expected to rise slightly year on year with the expected quickening of growth in Europe and Japan being offset by lower growth in the US. Excessively low inflation will persist in the leading developed economies. The divergence between the monetary policies of the Federal Reserve and the ECB will remain in 2016 and will be one of the most influential factors shaping the financial markets. The Fed will continue to normalise its interest rates throughout 2016: we expect that it will raise rates by 0.25% at alternate meetings to between 1.25% and 1.50% at year end. The ECB, meanwhile, will continue to expand its balance sheet and it cannot be ruled out that it will not cut its deposit rate still further, although this is not the most likely scenario.

SPANISH ECONOMY

In 2015 the Spanish economy continued the recovery, registering the fastest GDP growth in eight years (+3.2% vs +1.4% the previous year), putting it in the spotlight as one of the fastest growing economies in the eurozone.

The drivers of this growth included both internal and external expansionary stimuli. On the one hand, cheaper oil, depreciation of the euro, reactivation of the European economies, and the ECB's QE programme had a positive impact on the incomes and expectations of households and businesses. In Spain, the intensity of fiscal consolidation

IN 2015 THE SPANISH ECONOMY CONTINUED THE RECOVERY, PUTTING IT IN THE SPOTLIGHT AS ONE OF THE FASTEST GROWING ECONOMIES IN THE EUROZONE



HOUSING MARKET TRANSACTIONS

350,000

dropped somewhat, personal income tax was cut, the focus of manufacturing shifted towards exports, and the reforms and progress made in redressing the internal imbalances and boosting competitiveness created the right conditions for a faster recovery.

That said, the progressive decline in global growth forecasts, primarily in emerging economies, and a certain dampening of some cyclical drivers caused the quarterly GDP growth rate to wane over the course of the year from an extraordinary 1% on average during the first six months to 0.8% at the back end of the year.

Domestic demand not only continued to be the driving force of the economy but also gained importance during the year, making the greatest contribution to GDP growth since 2007 thanks to buoyant investments and above all household spending.

In line with the upswing in demand, better credit terms and the need to renew the capital stock used in production, investment in capital goods rose sharply. The dramatic slump in construction during the crisis also came to an end with the sector posting its first positive figure in eight years. Household spending was fuelled by an uptick in disposable income as many jobs were created, taxes were cut and inflation fell to extreme lows. External demand continued to drag down GDP growth because of the sharp increase in imports due to the high levels of domestic expenditure. This was partially offset by exports, driven by the upturn in European economies and improved competitiveness.

The housing market continued to build on the positive figures posted in 2014. House sales (rising to 350,000), mortgages, prices and even new housing permits rose sharply from all-time lows. The widespread increase in economic activity, job creation and more relaxed borrowing conditions underpinned a gradual recovery in domestic demand, which added to the uptick in external demand.

The upswing in domestic saving – reaching the highest level since 2007, made the dynamism of investments compatible with a significant increase in financing capacity in the economy.

Inflation remained in negative territory for much of the year, and after the knock-on effect of the intense slump in oil prices at the end of 2014, inflation closed the year positive, albeit very low. This rise in inflation also sparked domestic demand and euro depreciation.

The outlook for 2016 is that the expansionary phase will continue, although at a somewhat more sedate pace. We therefore forecast that GDP will grow by around 2.8%. In any event, one cannot rule out the risks and uncertainties fuelling a downturn such as the performance of some emerging economies and of the commodities and financial asset markets. High levels of debt continue to make the Spanish economy more vulnerable and highly dependent on foreign finance.

BANKING BUSINESS AND REGULATIONS

The growth of the national economy has continued to drive the recovery of the banking sector. The increased financing needs of Spanish businesses and households have been met by a boost in new lending by banks under very favourable conditions, allowing the total volume of private sector lending to continue to recover and probably rise next year for the first time since 2009. A contributing factor has been the improvement in asset quality, as reflected in the fall in the NPL ratio, bringing the cost of risk back towards normal levels.

Even so, the pressure on profits has become more severe. On the one hand, the very low interest rate environment has pushed the interest rate spread down to record low levels, eroding the basic margins of the banking business. On the other hand, 2015 was marked by various regulatory and supervisory milestones that have significantly affected banks' strategy and performance.

In the eurozone, 2015 was a key year in the constitution of the Banking Union: the European initiative designed to protect the euro's integrity, breaking the vicious circle between banking risk and sovereign risk, enhancing prevention and management of banking crises and spurring market integration. 2015 was the first full year of the Single Supervisory Mechanism: the first pillar of the Banking Union which puts direct supervision for more than 80% of the sector's assets in the hands of the European Central Bank.

With regard to crisis management, the Single Resolution Mechanism (the second pillar of the project) also became operational in 2015, except for the bail-in functions, which come into force in January 2016 along with the gradual introduction of the Single Resolution Fund. The new bail-in instruments will extend banks' capacity to absorb losses to all unsecured debt. A new requirement for own funds and debt has been introduced to ensure this is effective. Known as the Minimum Requirement for Own Funds and Eligible Liabilities (MREL), this is applicable on an individual basis and will gradually be imposed on all European credit institutions as from 2016.

The single deposit guarantee fund (the third and last pillar of the Banking Union) is taking longer to set up. At the end of 2015, the European Commission approved a preliminary proposal, which it is expected will continue to be hotly debated.

At a world level, work on crisis management for systemic banks has progressed. In November, the Financial Stability Board approved the final version of the TLAC (Total Loss-Absorbing Capacity) ratio which is in line with the MREL. It will be a standard ratio applicable to globally systemic important banks only as from 2019.

Work continued in Spain last year to adapt legislation to European regulations. In June, the Bank Recovery and Resolution Directive was transposed in Spanish law, although some doubts remain as to the bail-in hierarchy. Moreover, to ensure the treatment of banks' deferred tax assets is compatible with European rules on state aid, the Spanish government approved an amendment to the Corporations Act with the consent of the European Union and the ECB. This adjustment guarantees the stability of the calculation of regulatory capital for Spanish banks.

All these rules are a step towards a banking system that is better prepared to deal with the new challenges ahead and more resilient to future crises. The positive results of the European Banking Authority's last transparency exercise published in November are proof of this, showing that the banking system is more robust and underpinned by a greater capital cushion.

GDP GROWTH FORECAST FOR 2016

2.8%

2015 WAS A CRUCIAL MILESTONE IN THE CONSTRUCTION OF THE BANKING UNION: THE EUROPEAN PROJECT DESIGNED TO SECURE THE EURO'S FUTURE

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.

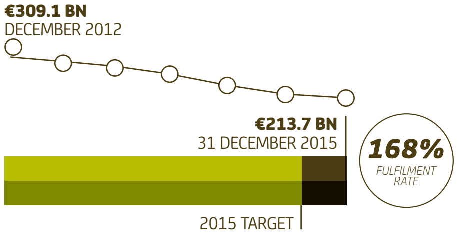
DIVESTMENT AND EFFICIENCY

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

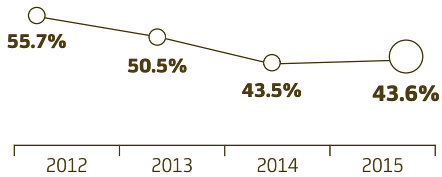
BFA data



2015 TARGET TOTAL ASSETS
€252.2 BN

EFFICIENCY RATIO

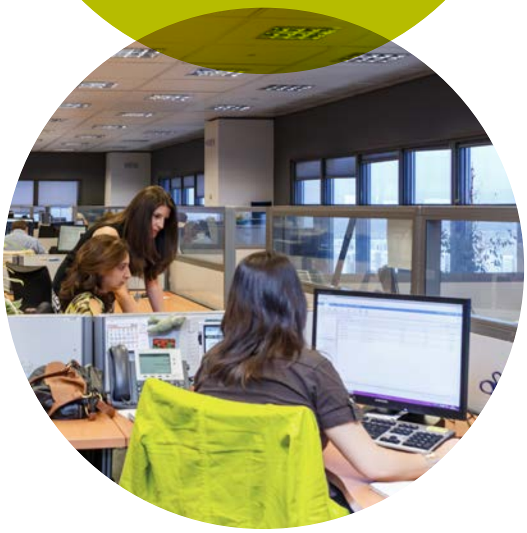
Bankia data



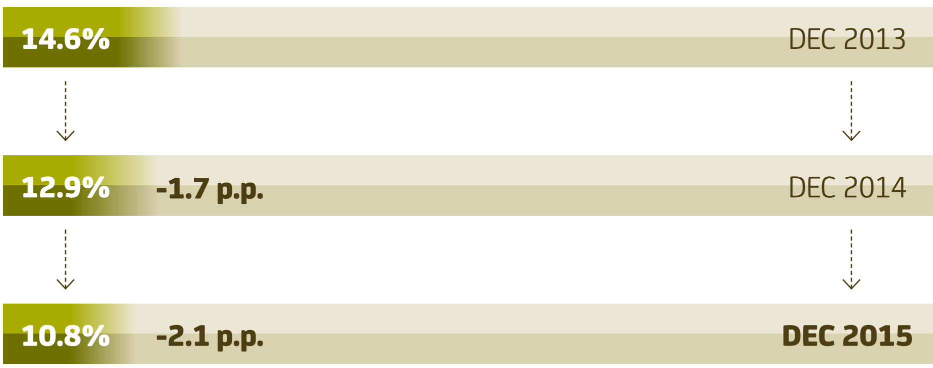
In 2012, Bankia faced a drastic balance sheet clean-up. Accordingly, it mapped out a return to balance sheet normality, where provisions would be no more than 0.5% of the loan portfolio. In 2015 this goal was met, with a risk premium of 0.43%.

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

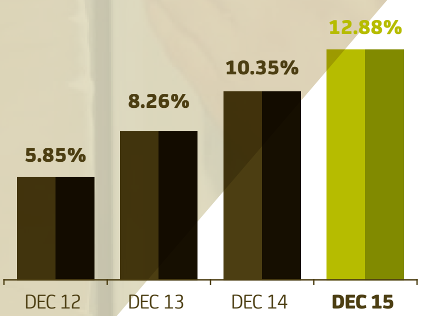


BOLSTERING SOLVENCY

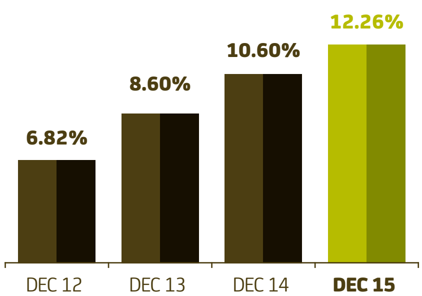
One of the key aims of the Strategic Plan was to position the bank among the most solvent banks in the sector. It was an ambitious commitment, given that following the injection of state aid, the BFA-Bankia Group had a fully-loaded Basel III CET1 ratio of 5.85%. This ratio covered the regulatory minimum 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.

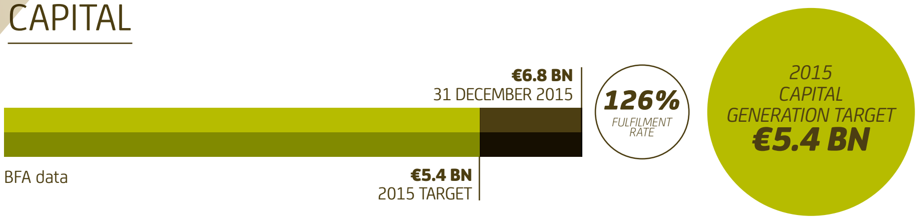
CHANGE IN FULLY-LOADED BASEL III CET1 RATIO, BFA GROUP



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

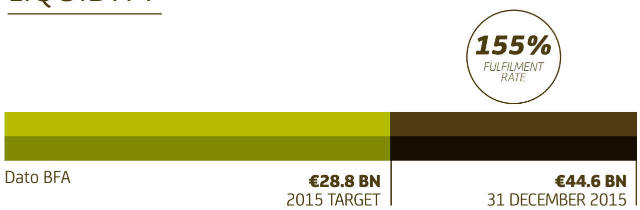


CAPITAL



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



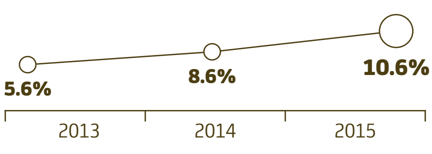
2015
LIQUIDITY
GENERATION TARGET
€28.8 BN

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*

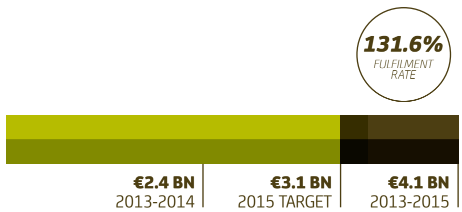
Bankia data



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%.

ATTRIBUTABLE PROFIT
+39.2%

OPERATING EXPENSES
-4.8%

OPERATING PROFIT
+12.5%

CUSTOMER FUNDS
+€3.795 BN

CONSUMER AND BUSINESS LOAN BOOK
+3.5%

FULLY-LOADED CAPITAL RATIO
+166 BP

KEY INDICATORS AND FINANCIAL INFORMATION FOR 2015

Bankia hit its targets in 2015, ending the year as the most profitable, robust and solvent bank. Off the back of this progress, it proposed increasing the dividend by 50%, thereby taking a further step to repaying the aid received from taxpayers.

RESULTS

Bankia's strength in 2015 enabled it to confidently face the challenge it has set itself of becoming the best commercial bank in Spain.

Two key achievements stand out: the increase in customer funds and the excellent performance of lending to the bank's core segments such as consumer loans and finance for SMEs and independent contractors. The NPL book was also slashed by over 3.5 billion euros, and Bankia attained the highest level of solvency of all Spain's large banks.

PROFITABILITY: IMPROVEMENTS ACROSS THE BOARD

Attributable profit reached 1.04 billion euros, having risen by 39.2%, while the return on equity climbed from 8.6% in 2014 to 10.6% in 2015; outstripping the target set in the Strategic Plan. These figures do not take into account the provisions recognised in the last two years to cover the litigation in connection with the IPO. Had they been includes, ROE would have been 6.6% in 2014 and 9% in 2015.

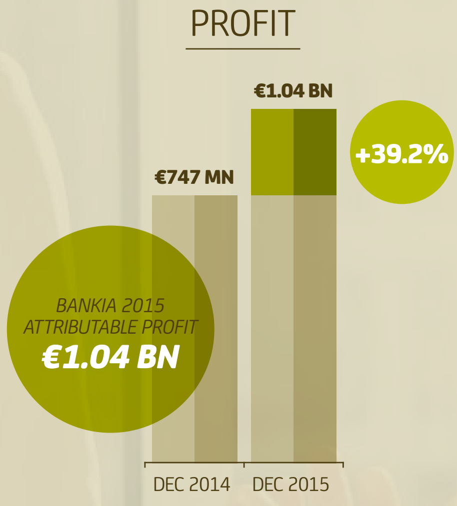
Net interest income totalled 2.74 billion euros, registering a decrease of 6.4% as a result of the downward pricing of the SAREB bonds. Stripping out this effect, net interest income would have risen 1.7%, despite the highly competitive environment, drop in interest rates to zero, and Bankia's decision to withdrawn floor clauses. New lending and lower funding costs contributed to this increase.

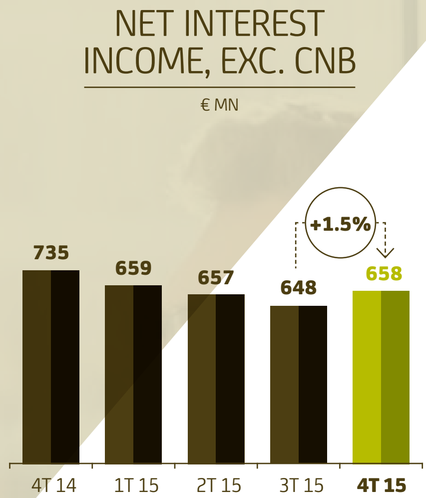
Fee and commission income basically remained stable (-1%) at 938 million euros. In contrast, gains on financial assets and liabilities (281 million euros) were up 29.2%, mainly from the rotation of the ALCO (fixed-income) portfolio.

Operating expenses fell 4.8% to 1.66 billion euros, helping offset the squeeze on income and maintain the efficiency ratio at 43.6% over the whole year (43.5% in 2014).

Although the balance of non-performing loans and foreclosed assets shrank, it was necessary to set aside provisions of 724 million euros; however, this was 34.6% less than in 2014. The cost of risk (volume of provisions as a percentage of loans) dropped from 0.60% to 0.43%.

As a result of all of the above, operating profit amounted to 1.6 billion euros (+12.5%) and profit before tax, 1.64 billion euros (+33.6%). After tax, profit attributable to non-controlling interests and the effect of the provisions for the IPO litigation, reported profit attributable to the group totalled 1.04 billion euros.

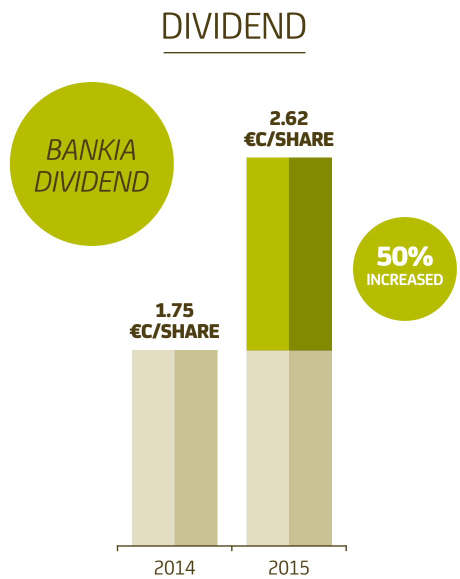




DIVIDEND: 50% HIGHER

Given these results, the Board of Directors resolved to propose to the General Meeting the distribution of a dividend of 2.625 euros per share with a charge to 2015 profit, compared to 1.75 euros in 2014. The pay-out (percentage of profit distributed as dividends) stands at close to 30%.

In absolute terms, Bankia will return to its shareholders 302 million euros, 194 million euros of which will got to the State, through the parent BFA which controls 64.2% of the bank and is solely owned by the FROB. A total of 1.63 billion euros of public aid will have been refunded (after the dividend pay-out).

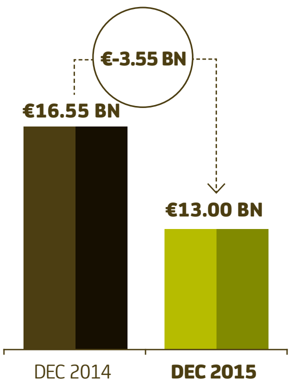


CLEAN-UP: A MORE ROBUST BALANCE SHEET

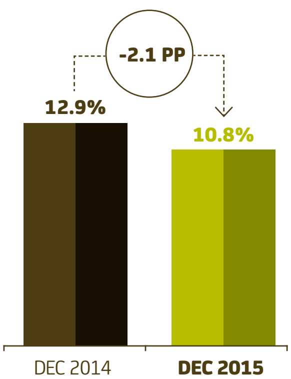
Bankia is consistently paring down the balance of non-performing loans each quarter, both organically and by selling off loan books. Last year, the NPL portfolio was reduced by 3.55 billion euros to just under 13 billion euros. The NPL ratio (10.8%) was cut by more than two points, while the coverage ratio for NPLs on the balance sheet rose from 57.6% to 60%.

As well as reducing the NPL ratio, Bankia also managed to offload 9,190 foreclosed assets (52% more year on year), whereby the net on-balance sheet value of these assets fell from 2.88 billion euros at year-end 2014 to 2.69 billion euros at December 2015.

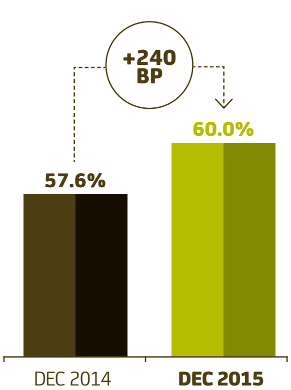
NPL BOOK



NPL RATIO



NPL COVERAGE RATIO



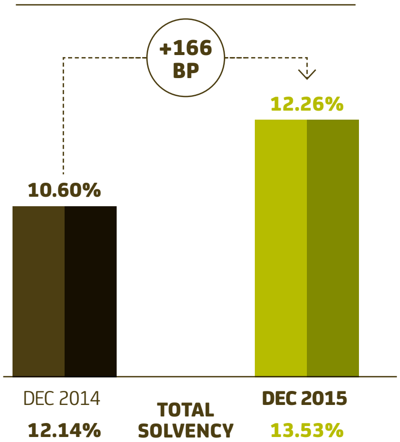
SOLVENCY: EARLY FULFILMENT OF BASEL III REQUIREMENTS

Bankia ended the year with a fully-loaded Basel III common equity (CET1) ratio of 12.26%; complying ahead of schedule with the requirements that will come into force in 2019. In 2015, the bank bolstered its solvency by 166 basis points, while the fully-loaded total capital ratio climbed from 12.14% to 13.53%. The phase-in CET1 ratio – applicable under prevailing regulations – stood at 13.89% at 31 December and the phase-in total capital ratio at 15.16%. These figures are well above the minimum requirement set by the European Central Bank and the Bank of Spain for 2016: phase-in CET1 ratio of 10.31%.

The increase in solvency would have been higher still without the IPO provision.

In terms of liquidity, the customer funding gap continues to narrow, falling from 13.66 billion euros to 8.45 billion euros year on year (-38.1%). The LTD ratio shrank from 105.5% to 101.9%, which ultimately shows that practically all loans are financed using customer deposits.

BANKIA FL CET1 RATIO



BUOYANT SALES

Bankia's commercial network continued to perform strongly last year. Customer funds rose by 3.3% or 3.8 billion euros. The volume of deposits rose 2.2%, while the volume of insurance, pension plans and investment funds climbed by 8.2%.

The volume of new loans went up consistently, especially consumer loans (+38%) and loans to SMEs and the self-employed (+16%). This resulted in the balance of loans to both segments, including repayments, going up by 3.5% to 46.8 billion euros.

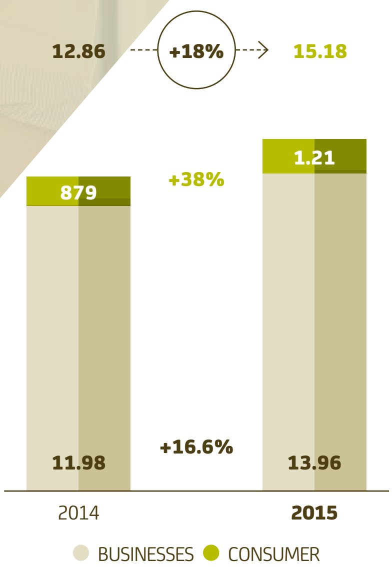
GROWTH AT BFA

Bankia's parent, BFA, posted a pre-tax profit of 1.6 billion euros, practically four times higher than in the previous year, including the IPO provisions (780 million euros in 2014 and 1.06 billion euros in 2015).

Looking at the BFA Group's solvency, its fully-loaded CET1 ratio was 12.88% at year-end, having risen by 253 basis points over the year. The phase-in CET1 ratio increased from 13.28% to 14.58%.

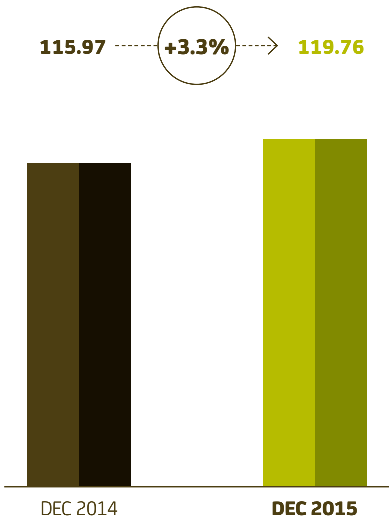
NEW LOANS GRANTED

€ BN



CUSTOMER FUNDS

€ BN



SHARE PRICE PERFORMANCE

The financial markets picked up somewhat in 2015 in the advanced economies, although there was a slowdown in the emerging economies. The US also hiked interest rates for the first time since June 2006, oil prices slumped, and stock markets fluctuations became gradually more pronounced.

In this climate, the IBEX lost 7.15%, with the financial sector clearly losing ground. Bankia's share closed the year at 1.074 euros, 13.25% down year on year, although it still outperformed the shares of the six big listed Spanish banks. The average volume of Bankia shares traded stood at 34.3 million shares, equivalent to an average cash amount of 41.3 million euros per session.

NUMBER OF SHARES IN ISSUE

11,517,328,544

AVERAGE DAILY TRADING VOLUME

34,339,691 NO. OF SHARES
€41,302,153

HIGH

€1.360

LOW

€1.011

SHARE PRICE AT 31/12/2015

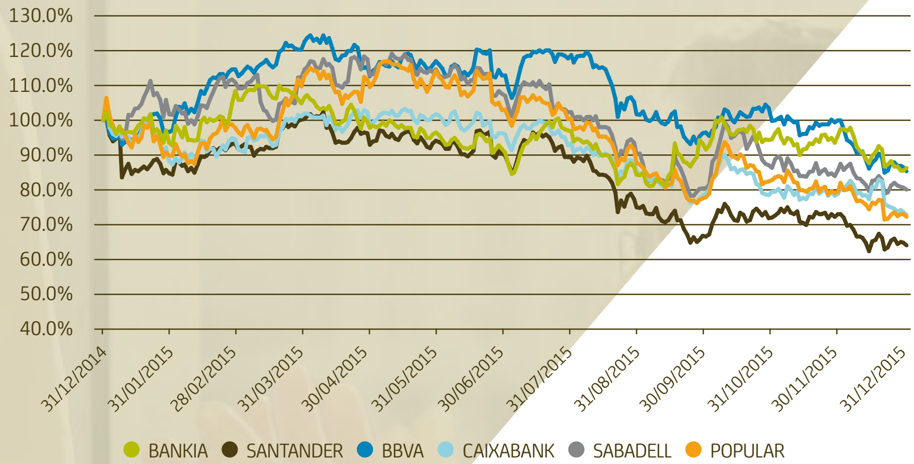
€1.074

MARKET CAPITALISATION AT YEAR-END 2015

€12.37 BN

BANKIA SHARE OUTPERFORMED SHARES OF SIX BIG LISTED SPANISH BANKS IN 2015

SHARE PRICE OF SPAIN'S BIG BANKS



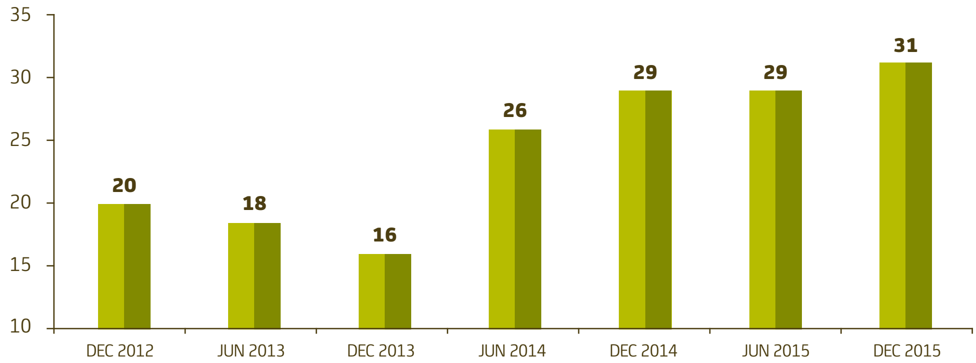
ANALYSTS' CONSENSUS

At 31 December, 31 stock analysts actively tracked and published target prices for the Bankia share – two more than in 2014. The consensus target share price was 1.23 euros at that time.

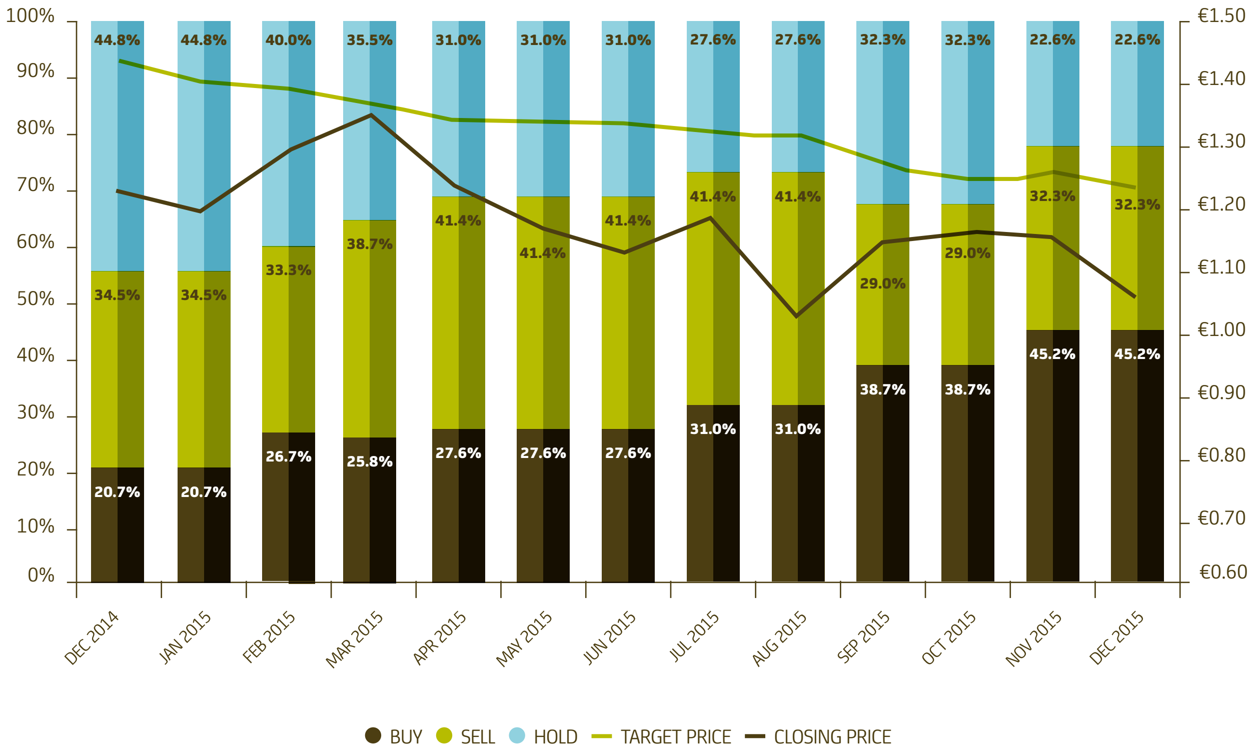
Most analysts issued Buy recommendations (45.16% compared to 20.7% a year earlier), while 22.58% recommended holding and 32.26% selling.

CONSENSUS TARGET SHARE PRICE WAS 1.23 EUROS PER SHARE, SUGGESTING A REVALUATION OF 15% VERSUS THE MARKET PRICE

NUMBER OF ANALYSTS TRACKING SHARE



VARIATION IN RECOMMENDATIONS, TARGET PRICE AND CLOSING PRICE



RATING

The ratings of European banks were affected in 2015 by the entry into force of Directive 2014/59/EU. Ratings agencies responded to this new directive by adapting their methodologies to reflect the decreased inclination of Member States to bail out banks. As a result, the long-term, ratings fell to converge with banks' viability ratings.

STANDARD & POOR'S

On 3 December, this agency ratified Bankia's BB/B rating, upgrading the outlook from Stable to Positive. The withdrawal of a notch for sovereign support was offset by an improvement in the risk profile of the bank, the stand-alone credit profile (SACP) of which rose from bb- to bb. In doing so, the agency recognised Bankia's success in strengthening risk management and the swift clean-up of its NPL book.

Previously, on 22 April Standard & Poor's also confirmed the long-term BB rating, upgrading the outlook from Negative to Stable due to the progress made in reducing exposure to problem assets and the potential benefits from an improvement in asset quality off the back of transforming the risk management model.

The rating of Bankia's mortgage covered bonds was upgraded from A/Negative to A+/Stable over the course of 2015.

FITCH

On 1 April, the agency upgraded Bankia's viability rating two notches from bb- to bb+. At the same time, it ratified the long-term BBB-/Negative rating, due to the downward pressure on the rating as a result of removing the sovereign support rating, having adapted and implemented the new methodology.

On 19 March, after the widespread withdrawal of the sovereign support rating for banks, Fitch downgraded Bankia's long-term rating a notch from BBB- to BB+, which therefore converged with the bb+ viability rating. The outlook was upgraded from Negative to Positive, reflecting the potential upside in the short to midterm if Bankia continued to reduce its stock of problem assets and bolster capital.

The rating for mortgage covered bonds was upgraded on 6 April from BBB+/Stable to A-/Stable, while the outlook was upgraded to Positive on 16 September.

DBRS

On 19 October, this agency upgraded the rating for mortgage covered bonds by two notches from A (high) to AA. Previously and after a full review of Bankia's bonds, the agency had ratified the A (high) rating on 24 September.

MOODY'S

In October 2013, Bankia announced that it had decided to end its contractual relationship with Moody's. The ratings Moody's continues to publish for Bankia are therefore classified as Unsolicited and Non-participating. While the agency has been asked on several occasions to stop publishing ratings for Bankia, it is Moody's unilateral decision when to stop doing so.

BANKIA RATINGS

	S&P		FITCH	
	DEC. 14	DEC. 15	DEC. 14	DEC. 15
LONG-TERM	BB	BB	BBB-	BB+
OUTLOOK	NEGATIVE	POSITIVE	NEGATIVE	POSITIVE
VIABILITY RATING	bb-	+1 bb	bb-	+1 bb+
SHORT-TERM	B	B	F3	B

MORTGAGE COVERED BOND RATING

	S&P		FITCH		DBRS	
	DEC. 14	DEC. 15	DEC. 14	DEC. 15	DEC. 14	DEC. 15
LONG-TERM	A	+1 A+	BBB+	+1 A-	A (high)	+2 AA
OUTLOOK	NEGATIVE	STABLE	STABLE	POSITIVE	–	–

"THE 2016-2018 STRATEGIC PLAN IS CUSTOMER-CENTRIC. BANKIA'S AIM IS TO BE USEFUL TO CUSTOMERS. THIS IS THE ONLY WAY TO ACHIEVE OUR GOAL: TO BE THE BEST COMMERCIAL BANK IN SPAIN".

JOSÉ IGNACIO GOIRIGOLZARRI

2016-2018 STRATEGIC PLAN

Having completed the 2012-2015 Strategic Plan, the objectives of which were met satisfactorily in a highly complex environment, Bankia is drawing up its 2016-2018 Strategic Plan, which aims to focus more heavily on the fundamental aspects of the bank's activity.

This new strategic phase begins in far more favourable circumstances, albeit not without challenges. Bankia moves forward with a robust level of solvency (with one of the highest CET1 levels in the sector). It has a good efficiency ratio and is also a bank with a notable capacity to generate profits.

Its strategy is founded on these three pillars (solvency, efficiency and profitability) with a view to overcoming current headwinds in the financial sector: erosion of margins as a result of low interest rates, growing supervisory and regulatory requirements, the digital revolution, changes in customer habits, intense competition, etc. These are major challenges that the new Strategic Plan aims to transform into great opportunities for Bankia to become the best commercial bank in Spain.

THE STRATEGIC PLAN WILL RUN FOR THREE YEARS AND WILL BE CUSTOMER FOCUSED

CUSTOMER FOCUS

The new 2016-2018 Strategic Plan will have the customer at its heart. 'Bankia's priority is to find out what customers want and appropriately meet their needs, which change rapidly and vary from one group of customers to another. The goal is to take a qualitative leap in dealings with them to ensure that bank is useful to them and makes their lives easier. This is the shortest road to gaining their faith and loyalty. Bankia obviously wants to attract new customers, but building on the care given to existing customers and their trust.

These concepts form the framework of the ideas underlying the bank's strategy, but specific measures and decisions are necessary to develop them. Some of these have already started to be put into practice:

- The policy on ATM fees. The bank reached an agreement with Euro 6000 and Banco Sabadell to provide customers access to a network of 17,800 ATMs across Spain, which

FOCUSING ON FULFILMENT OF CUSTOMERS' NEEDS INVOLVES

CONTINUOUSLY LISTENING TO THEM	***SERVICE EXCELLENCE***	***A SIMPLE, CLOSE AND TRANSPARENT RELATIONSHIP***
HEARING WHAT CUSTOMERS WANT AND NOT WHAT THE BANK WANTS TO HEAR IS PARAMOUNT.	A FINANCIAL PRODUCT CAN BE REPLICATED; A SERVICE FOUNDED ON ALIGNING THE 'BANK'S GOALS WITH THOSE OF THE CUSTOMER IS MORE DIFFICULT. EXCELLENCE ALSO REQUIRES A HIGH LEVEL OF STAFF TRAINING AND SPECIALISATION.	THE PRODUCT OFFERING MUST BE SIMPLE, WITH NO SMALL PRINT OR COMPLEX CLAUSES, AND STAFF MUST PROACTIVELY OFFER ADVICE.

they can use to withdraw cash for free or for a maximum fee of 65 euro cents. Users therefore avail of the largest network in the country under beneficial conditions. After the new law came into force, a fee of 98 euro cents was also established for users who are not customers of Bankia or members of the alliance. As a result, Bankia charges the lowest fee among operators of the largest ATM networks in Spain.

- The "Por ser tú" [For being you] programme launched in early 2016 builds upon, simplifies and perfects the aforesaid proposal of establishing a link between customer loyalty and zero-fee transactions. Bankia listened to its customers using a raft of surveys and other tools for gauging their opinion (starting with the Chairman inviting them to email him) and concluded that the offering described beforehand is not well understood. It therefore decided to clarify it and extend the fee waiver to customers who arrange for funds of at least 450 euros (salaries) or 200 euros (pensions) to be paid into their accounts each month. This benefits 2.4 million customers and saves the 40 million euros per annum.

Over the next three years, the bank will regularly launch new initiatives, always with the aim of meeting customers' needs and providing them with an excellent service, combining quality with reasonable pricing. The first steps taken have been made possible by the bank's efficiency and therefore, the new plan will continue to focus on positioning the bank as the most efficient in Spain. The group will also pursue its policy of having a very robust balance sheet with strong provisions, and will remain staunchly committed to posting a ROE that is above average for the industry.

PEOPLE BENEFITTING FROM THE "FOR BEING YOU" PROGRAMME

2.4 MN

THE NEW PLAN WILL CONTINUE TO FOCUS ON POSITIONING THE BANK AS THE MOST EFFICIENT IN SPAIN, WITH A HEALTHY BALANCE SHEET AND ROBUST PROVISIONS, ALONG WITH A ROE THAT IS ABOVE AVERAGE FOR THE INDUSTRY