

DRAWDOWN PROSPECTUS



CAIXABANK, S.A.

(incorporated as a limited liability company (sociedad anónima) in Spain)

**Issue of €1,250,000,000 1.125 per cent. Senior Non-Preferred Notes due 12 January 2023
(the "Notes")**

Series No: 5

Tranche No: 1

Issue Price: 99.852 per cent.

**Issued under the Euro 10,000,000,000 Euro Medium Term Note Programme
(the "Programme")**

This drawdown prospectus (the "**Drawdown Prospectus**") comprises (i) this document and (ii) the documents and information specified in the section headed "*Documents Incorporated by Reference*" below.

This Drawdown Prospectus has been prepared in connection with the issue of €1,250,000,000 aggregate principal amount of 1.125 per cent. senior non-preferred notes due 12 January 2023 (the "**Notes**") by CaixaBank, S.A. (the "**Issuer**" or "**CaixaBank**" who with its subsidiaries composes the "**Group**").

The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer. The Notes constitute non-preferred ordinary claims (*créditos ordinarios no preferentes*) under Additional Provision 14.2° of Law 11/2015 (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*"). It is expressly stated for the purposes of Additional Provision 14.2° of Law 11/2015 that upon the insolvency of the Issuer, the Notes will rank below any other ordinary claims (*créditos ordinarios*) of the Issuer and accordingly, claims in respect of the Notes shall be paid after payment of any such other ordinary claims (*créditos ordinarios*) of the Issuer. Therefore, in accordance with the Insolvency Law (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*") and Additional Provision 14.2° of Law 11/2015 (but subject to any other ranking that may apply as a result of any other mandatory provision of law (or otherwise)), upon the insolvency of the Issuer the payment obligations of the Issuer under the Notes in respect of principal (unless they qualify as subordinated claims pursuant to Articles 92.1° or 92.4° to 92.7° of the Insolvency Law) will rank (a) senior to any claims against the Issuer qualifying as subordinated claims (*créditos subordinados*) under Article 92 of the Insolvency Law (or equivalent legal provision which replaces it in the future); (b) *pari passu* among themselves and with any claims under any other Senior Non-Preferred Obligations (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*"); and (c) junior to any claims under any Senior Preferred Obligations (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*").

The Notes will be issued on 12 September 2017 (the "**Issue Date**") and will bear interest at a rate of 1.125 per cent. *per annum* from (and including) the Issue Date, payable annually in arrear on 12 January of each year, with the first Interest Payment Date falling on 12 January 2018 in respect of the period from (and including) the Issue Date to (but excluding) such interest payment date (short first coupon), as further described in Condition 3 (*Interest*).

The Notes will be in bearer form and in the denomination of €100,000 each. The Notes will initially be in the form of a temporary global note (the "**Temporary Global Note**"), without interest coupons, which will be deposited on or around 12 September 2017 (the "**Closing Date**") with a common safekeeper for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"). The Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "**Permanent Global Note**"), without interest coupons, not earlier than 40 days after the Closing Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. The Permanent

Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Notes in definitive form in the denomination of €100,000 each and with interest coupons attached.

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at par on 12 January 2023 (the "**Maturity Date**"). The Issuer may, at its option (subject to the prior permission of the Regulator and/or the Relevant Spanish Resolution Authority, if required), redeem all, but not some only, of the Notes at their outstanding principal amount plus accrued interest (if any) thereon upon the occurrence of a Tax Event or a MREL Disqualification Event (each as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*"). In the event that a Tax Event, a MREL Disqualification Event or an Alignment Event (each as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*") occurs and is continuing, the Issuer may (subject to the prior permission of the Regulator and/or the Relevant Spanish Resolution Authority, if required) also substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Notes (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*").

This document has been approved as a prospectus by the Central Bank of Ireland (the "**CBI**") in its capacity as competent authority under Directive 2003/71/EC, as amended, including by Directive 2010/73/EU (the "**Prospectus Directive**"). The CBI only approves this Drawdown Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for Notes to be admitted to its official list (the "**Official List**") and trading on the regulated market of the Irish Stock Exchange plc (the "**Main Securities Market**"). References in the Drawdown Prospectus to the Notes being "**listed**" (and all related references) shall mean that such Notes have been admitted to listing on the Official List of the Irish Stock Exchange plc and admitted to trading on the Main Securities Market. The Main Securities Market of the Irish Stock Exchange is a regulated market for the purposes of Directive 2004/39/EC, as amended.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state in the United States and are subject to United States tax law requirements. The Notes will be offered only outside the United States to U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act

The Notes are expected to be rated BBB-, BBB, Ba2 and BBBH, respectively by Standard & Poor's Credit Market Services Europe Limited, Fitch Ratings España, S.A.U., Moody's Investors Service España, S.A. and DBRS Ratings Limited, each of which are established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended (the "**CRA Regulation**"). **A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

Investing in the Notes involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under "*Risk Factors*" below.

Lead Managers

CaixaBank

Citigroup

HSBC

Nomura

Société Générale
Corporate &
Investment
Banking

The date of this Drawdown Prospectus is 5 September 2017.

IMPORTANT INFORMATION

This Drawdown Prospectus comprises a prospectus for the purposes of the Prospectus Directive and any relevant implementing measure in a relevant Member State of the European Economic Area.

The Issuer accepts responsibility for the information contained in this Drawdown Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Drawdown Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Drawdown Prospectus must be read and construed with any information incorporated by reference herein (see "*Documents Incorporated by Reference*" below).

The Lead Managers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Lead Managers as to the accuracy or completeness of the information contained or incorporated in this Drawdown Prospectus. No Lead Manager accepts any liability in relation to the information contained or incorporated by reference in this Drawdown Prospectus.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Drawdown Prospectus or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Lead Managers.

Neither this Drawdown Prospectus nor any other information supplied in connection with the Notes (a) is intended to provide the basis of any credit or other evaluation; or (b) should be considered as a recommendation by the Issuer or any of the Lead Managers that any recipient of this Drawdown Prospectus or any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Drawdown Prospectus nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Lead Managers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Drawdown Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Lead Managers expressly do not undertake to advise any investor in the Notes of any information coming to their attention.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS DRAWDOWN PROSPECTUS AND OFFERS OF NOTES GENERALLY

This Drawdown Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Drawdown Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Lead Managers do not represent that this Drawdown Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Lead Managers which is intended to permit a public offering of any Notes or distribution of this Drawdown Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Drawdown Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Drawdown Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Drawdown Prospectus and the offering and sale of Notes. In particular,

there are restrictions on the distribution of this Drawdown Prospectus and the offer or sale of Notes in the United States, the United Kingdom, Spain, Republic of Italy, France and Japan, see "*Subscription and Sale*".

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Drawdown Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state in the United States and are subject to U.S. tax law requirements. The TEFRA D rules apply. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) (see "*Subscription and Sale*").

PRESENTATION OF INFORMATION

In this Drawdown Prospectus, all references to "**euro**" and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

The language of the prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

STABILISATION

In connection with the issue of the Notes, Nomura International plc (the "**Stabilisation Manager**") (or persons acting on behalf of the Stabilisation Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation

Manager (or persons acting on behalf of the Stabilisation Manager) in accordance with all applicable laws and rules.

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RISK FACTORS

Prior to making an investment decision, prospective investors should consider carefully all of the information set out and incorporated by reference in this Drawdown Prospectus, including in particular the risk factors set forth below.

This section is not intended to be exhaustive and, in particular, the following does not describe all the risks of an investment in the Notes. Prospective investors should make their own independent evaluations of all risk factors, read the detailed information set out elsewhere and incorporated by reference in this Drawdown Prospectus, and consult their own financial and legal advisers about risks associated with investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances.

Risks Relating to the Issuer and the Group

The risks factors relating to the Issuer and the Group are set out under the heading "*Risk Factors - Factors that may affect the Issuer's ability to fulfil its obligations under the Notes issued under the Programme*" on pages 14-38 in the Core Base Prospectus (as defined below) as supplemented, and shall be deemed to be incorporated into and form part of this Drawdown Prospectus, as set out below.

Risks relating to the Notes

Certain risk factors relating to the Notes are discussed under "*Risk Factors - Factors Which Are Material for the Purpose of Assessing the Market Risks Associated With Notes Issued under the Programme –Risks related to the structure of a particular issue of Notes - If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*" on page 38-39 of the Core Base Prospectus and under "*Risk Factors - Factors which are Material for the Purpose of Assessing the Market Risks Associated with Notes Issued under the Programme - Risks related to Early Intervention and Resolution*" on page 42-45 of the Core Base Prospectus and under "*Risk Factors - Factors which are Material for the Purpose of Assessing the Market Risks Associated with Notes Issued under the Programme - Risks Relating to the Insolvency Law*" on page 47-48 of the Core Base Prospectus and under "*Risk Factors – Factors which are Material for the Purpose of Assessing the Market Risks Associated with Notes Issued under the Programme - Risks Related to the Notes generally*" on pages 48-51 of the Core Base Prospectus and under "*Risk Factors – Factors which are Material for the Purpose of Assessing the Market Risks Associated with Notes Issued under the Programme - Risks Related to the market generally*" on pages 52-53 of the Core Base Prospectus and shall be deemed to be incorporated into and form part of this Drawdown Prospectus as set out below.

Prospective investors should also consider the following risk factors prior to making any investment decision:

Claims of Holders under the Notes are effectively junior to those of certain other creditors

The payment obligations of the Issuer under the Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. The Notes constitute non-preferred ordinary claims (*créditos ordinarios no preferentes*) under Additional Provision 14.2° of Law 11/2015 (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*").

Therefore, in accordance with the Insolvency Law and Additional Provision 14.2° of Law 11/2015 (but subject to any other ranking that may apply as a result of any other mandatory provision of law (or otherwise)), upon the insolvency of the Issuer the payment obligations of the Issuer under the Notes in respect of principal (unless they qualify as subordinated claims pursuant to Articles 92.1° or 92.4° to 92.7° of the Insolvency Law) will rank:

- a) **senior** to any claims against the Issuer qualifying as subordinated claims (*créditos subordinados*) under Article 92 of the Insolvency Law (or equivalent legal provision which replaces it in the future);
- b) **pari passu** among themselves and with any claims under any other Senior Non-Preferred Obligations (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*"); and

- c) **junior** to any claims under any Senior Preferred Obligations (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*").

Therefore, the Notes will be effectively subordinated to claims against the insolvency estate (*créditos contra la masa*), claims with privilege (*créditos privilegiados*) and any other ordinary claims (*créditos ordinarios*) against the Issuer, including without limitation, the Issuer's Senior Preferred Obligations. Senior Preferred Obligations of the Issuer would include, among other obligations, its deposit obligations (other than the deposits obligations qualifying as claims with privilege (*créditos privilegiados*) under Additional Provision 14.1° of Law 11/2015), its obligations in respect of derivatives and its unsubordinated and unsecured debt securities other than Senior Non-Preferred Obligations.

The Notes are also structurally subordinated to all indebtedness of subsidiaries of the Issuer insofar as any right of the Issuer to receive any assets of such companies upon their winding-up will be effectively subordinated to the claims of the creditors of those companies in the winding-up.

Moreover, the BRRD (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*"), Law 11/2015, RD 1012/2015 and the SRM Regulation contemplate that Notes may be subject to the exercise of certain Bail-in Powers (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*") by the Relevant Spanish Resolution Authority. Condition 16 (*Bail-in*) provides for the contractual recognition of Noteholders of such Bail-in Power (see "*Risk Factors – Risks Related to Early Intervention and Resolution – The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. Other powers contained in Law 11/2015 could materially affect the rights of the Noteholders under, and the value of, any Notes*" of the Core Base Prospectus).

The qualification of the Notes as MREL-Eligible Senior Non-Preferred Instruments is subject to uncertainty

The Notes are intended to be MREL-Eligible Senior Non-Preferred Instruments (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*") under the Applicable MREL Regulations (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*"). However, there is uncertainty regarding the final substance of the Applicable MREL Regulations and how those regulations, once enacted, are to be interpreted and applied and the Issuer cannot provide any assurance that the Notes will be (or thereafter remain) MREL-Eligible Senior Non-Preferred Instruments.

The European Commission has recently proposed directives and regulations (such as the Draft EC Proposals (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*") intended to modify the requirements for MREL eligibility. While the Terms and Conditions of the Notes may be consistent with the Draft EC Proposals, these Proposals have not yet been interpreted and, when finally adopted, the final Applicable MREL Regulations may be different from those set forth in these proposals or, if finally adopted in a form consistent with the proposals, may subsequently be amended, supplemented or replaced.

Because of the uncertainty surrounding the substance of the final Applicable MREL Regulations and their interpretation and application and any potential change to them, the Issuer cannot provide any assurance that the Notes will ultimately be (or thereafter remain) MREL-Eligible Senior Non-Preferred Instruments. If there is a change in, or amendment to, the Applicable MREL Regulations, or any change in the application or interpretation thereof, as a result of which all or part of the outstanding principal amount of the Notes will not at any time prior to the Maturity Date fully qualify as MREL-Eligible Senior Non-Preferred Instruments of the Issuer and/or the Group, then a MREL Disqualification Event (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*") may occur, with the consequences indicated below. See "*—The Notes may be redeemed prior to maturity upon the occurrence of a Tax Event or a MREL Disqualification Event*".

The Notes may be redeemed prior to maturity upon the occurrence of a Tax Event or a MREL Disqualification Event

The Issuer may, at its option, redeem all, but not some only, of the Notes at any time at their outstanding principal amount, together with accrued but unpaid interest up to (but excluding) the date of redemption, upon

or following the occurrence of a Tax Event (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*") or a MREL Disqualification Event.

The early redemption of the Notes that qualify as eligible liabilities may be made if so permitted by Applicable MREL Regulations then in force and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority (if such permission is required). The Draft EC Proposals provides that the redemption of eligible liabilities prior to the date of their contractual maturity is subject to the prior permission of the competent authority. According to these Proposals, such permission will be given only if either of the following conditions are met:

- (i) on or before such redemption, the institution replaces the instruments with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or
- (ii) the institution has demonstrated to the satisfaction of the competent authority that the own funds and eligible liabilities of the institution would, following such redemption, exceed the requirements laid down in the CRR (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*"), the CRD IV (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*") and the BRRD by a margin that the competent authority considers necessary.

It is not possible to predict whether or not any change in the laws or regulations of Spain, Applicable MREL Regulations or the application or official interpretation thereof, will occur and so lead to the circumstances in which the Issuer is able to elect to redeem the Notes, and if so whether or not the Issuer will elect to exercise such option to redeem the Notes or if any prior permission of the competent authority, if required, will be given. The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Early redemption features are also likely to limit the market value of the Notes. During any period when the Issuer can redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period if the market believes that the Notes may become eligible for redemption in the near term.

The Notes may be subject to substitution and/or variation without Noteholder consent

Subject as provided in the Terms and Conditions of the Notes, in particular to the provisions of Condition 6 (*Substitution and Variation*), if a Tax Event, a MREL Disqualification Event or an Alignment Event occurs, the Issuer may, at its option, and without the consent or approval of the Noteholders, elect either (i) to substitute all (but not some only) of the Notes or (ii) to vary the terms of all (but not some only) of the Notes, in each case so that they are substituted for, or varied to, become or remain Qualifying Notes. While Qualifying Notes generally must contain terms that are materially no less favourable to Noteholders as the original terms of the Notes, there can be no assurance that the terms of any Qualifying Notes will be viewed by the market as equally or more favourable, or that the Qualifying Notes will trade at prices that are equal to or higher than the prices at which the Notes would have traded on the basis of their original terms.

Further, prior to the making of any such substitution or variation, the Issuer, shall not be obliged to have regard to the tax position of individual Noteholders or to the tax consequences of any such substitution or variation for individual Noteholders. No Noteholder shall be entitled to claim, whether from the Agent, the Issuer, or any other person, any indemnification or payment in respect of any tax consequence of any such substitution or variation upon individual holders of Notes.

The Notes provide for limited events of default

The Terms and Conditions of the Notes do not provide for any events of default, except if an order is made by any competent court commencing insolvency proceedings against the Issuer or for its winding up or

dissolution. Accordingly, in the event that any payment on the Notes is not made when due, each Noteholder will have a claim only for amounts then due and payable on their Notes but will have no right to accelerate such Notes unless proceedings for the winding up or dissolution of the Issuer have been instigated (other than in the context of a Permitted Reorganisation (as defined in the "*Terms and Conditions of the Notes — Condition 18 (Definitions)*").

Change of law

The Terms and Conditions of the Notes are subject to English law, except for Condition 2 (*Status of the Notes*) which is subject to Spanish law, as in effect as at the date of this Drawdown Prospectus. Changes in European, English or Spanish laws or their official interpretation by regulatory authorities after the date hereof may affect the rights and effective remedies of Noteholders as well as the market value of the Notes. Such changes in law or official interpretation of such laws may include changes in statutory, tax and regulatory regimes during the life of the Notes, which may have an adverse effect on an investment in the Notes. No assurance can be given as to the impact of any possible judicial decision or change to such laws or official interpretation of such laws or administrative practices after the date of this Drawdown Prospectus.

In particular, on 23 November 2016, the European Commission published the Draft EC Proposals which, among others, aim at implementing the MREL Requirements. Among others, the European Commission proposes to amend Article 108 of the BRRD in order to facilitate the creation of a new class of "non-preferred" senior debt which will be eligible to count as MREL. Royal Decree-Law 11/2017, of 23 June, approving urgent measures on financial matter (*Real Decreto-Ley 11/2017, de 23 de junio, de medidas urgentes en materia financiera*) ("**RDL 11/2017**"), entered into force on 25 June 2017 and amended Additional Provision 14.2° of Law 11/2015 to include non-preferred ordinary claims (*créditos ordinarios no preferentes*) in Spain. However, it cannot be ruled out that the current legal regime of this new category of claims will be amended or derogated including as a result of the implementation of the proposal for an European Directive amending Article 108 of BRRD.

Furthermore, any change in the laws or regulations of Spain, Applicable MREL Regulations or the application or interpretation thereof may in certain circumstances result in the Issuer having the option to redeem, substitute or vary the terms of the Notes (see "*— The Notes may be redeemed prior to maturity upon the occurrence of a Tax Event or a MREL Disqualification Event*" and "*—The Notes may be subject to substitution and/or variation without Noteholder consent*"), each of which actions could materially and adversely affect investors and frustrate investment strategies and goals.

Such legislative and regulatory uncertainty could affect an investor's ability to value the Notes accurately and therefore affect the market price of the Notes given the extent and impact on the Notes of one or more regulatory or legislative changes.

Senior non-preferred securities are new types of instruments for which there is very limited trading history

On 25 June 2017, RDL 11/2017 entered into force. RDL 11/2017 amended Additional Provision 14.2° of Law 11/2015, which provides for the legal recognition of non-preferred ordinary claims (*créditos ordinarios no preferentes*) in Spain. Although certain Spanish financial institutions have issued senior non-preferred securities or securities with similar features in the past, there is little trading history for securities of financial institutions with this ranking. Markets participants, including credit rating agencies, are in the initial stages of evaluating the risks associated with senior non-preferred securities. The credit ratings assigned to senior non-preferred securities such as the Notes may change as the rating agencies refine their approaches, and the value of such securities may be particularly volatile as the market becomes more familiar with them. It is possible that, over time, the credit ratings and value of senior non-preferred securities such as the Notes will be lower than those expected by investors at the time of issuance of the Notes. If so, Noteholders may incur losses in respect of their investments in the Notes.

Interest rate risks

Investment in fixed rate notes involves the risk that subsequent changes in market interest may adversely affect the value of such fixed rate notes.

DOCUMENTS INCORPORATED BY REFERENCE

This Drawdown Prospectus should be read and construed in conjunction with the following documents which have previously been published or are published simultaneously with this Drawdown Prospectus and have been filed with the CBI shall be incorporated in, and form part of, this Drawdown Prospectus:

- (a) the information set out below under "*Core Base Prospectus Information*" contained in the base prospectus dated 20 June 2017 relating to the Euro 10,000,000,000 Euro Medium Term Note Programme (the "**Core Base Prospectus**") (available at https://www.caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/Informacion_accionistas_inversores/Informacion_General/OfertasPublicas/CaixaBank_EMTN_2017_Base_Prospectus_Final.pdf).

To the extent that the Core Base Prospectus itself incorporates documents by reference, such documents shall not be deemed to be incorporated by reference herein;

- (b) the supplement dated 31 July 2017 to the Core Base Prospectus (the "**Supplement**") (available at https://www.caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/CABK_EMTN_2017_Suppl_3_10717.pdf);
- (c) an English language translation of CaixaBank's audited consolidated financial statements prepared in accordance with the International Financial Reporting Standards as adopted by the EU (**IFRS–EU**) (including the auditor's report thereon) for the financial year ended 31 December 2015 together with CaixaBank's management report in respect of the 2015 Consolidated Annual Financial Statements (available at https://www.caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/Informacion_accionistas_inversores/MEMGRUPCAIXABANKWEBING.pdf);
- (d) an English language translation of CaixaBank's audited consolidated financial statements prepared in accordance with the IFRS–EU (including the auditor's report thereon) for the financial year ended 31 December 2016 together with CaixaBank's management report in respect of the 2016 Consolidated Annual Financial Statements (available at https://www.caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/Informacion_accionistas_inversores/MEMGRUPCAIXABANK2016WEBING.pdf); and
- (e) an English language translation of CaixaBank's interim condensed consolidated financial statements and interim management report, together with the auditors' limited review report, all for the six month period ending 30 June 2017 (available at https://www.caixabank.com/deployedfiles/caixabank/Estaticos/Imagenes/Informacion_economica_financiera/MEM_GRUPCAIXABANK_30062017-WEB-ING.pdf).

Core Base Prospectus Information

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Copies of documents incorporated by reference in this Drawdown Prospectus can be obtained, free of charge, from the registered office of the Issuer and from the specified office of the Issuing and Principal Paying Agent for the time being in Luxembourg.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Drawdown Prospectus shall not form part of this Drawdown Prospectus.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Drawdown Prospectus.

Any statement contained in the Documents Incorporated by Reference listed above shall be modified or superseded for the purpose of this Drawdown Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Drawdown Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Drawdown Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Drawdown Prospectus or publish a new Drawdown Prospectus for use in connection with any subsequent issue of Notes.

FORM OF NOTES

The Notes will be represented initially by a single temporary global Note in bearer form, without interest coupons (the "**Temporary Global Note**"). The Temporary Global Note will be deposited with a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") on or about the Issue Date. The Temporary Global Note will be exchangeable on or after 22 October 2017 for a permanent global Note in bearer form, without interest coupons, (the "**Permanent Global Note**" and, together with the Temporary Global Note, the "**Global Notes**") upon certification as to non-U.S. beneficial ownership. The Global Notes will be exchangeable for definitive Notes with Coupons attached only in the limited circumstances specified therein (the "**Definitive Notes**").

Notes and Coupons will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code."

Each person (other than a relevant Clearing System) who is for the time being shown in the records of the relevant Clearing System as the holder of a particular principal amount of such Notes (each an "**Accountholder**") must look solely to the relevant Clearing System (as defined below) (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note and in relation to certain other rights arising under the Global Notes, subject to and in accordance with the respective rules and procedures of the relevant Clearing System. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note and such obligations of the Issuer will be discharged by payment to or to the order of the bearer of such Global Note in respect of each amount so paid.

The Global Notes contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this Drawdown Prospectus. The following is a summary of certain of those provisions.

1. Principal Amount and Exchange

The principal amount of the Notes shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (each a "**relevant Clearing System**"). The records of each relevant Clearing System shall be conclusive evidence of the principal amount of Notes represented by the Global Notes and a statement issued by any relevant Clearing System at any time shall, save in the case of manifest error, be conclusive evidence of the records of that relevant Clearing System at that time.

Interests recorded in the records of the relevant Clearing System in the Temporary Global Note are exchangeable in whole or in part for interests recorded in the records of the relevant Clearing System in the Permanent Global Note on or after a date which is expected to be 22 October 2017 upon certification as to non-U.S. beneficial ownership.

The Permanent Global Note will be exchangeable in whole but not in part (free of charge to the holder) for Definitive Notes only if:

- (a) an Event of Default (as set out in Condition 9 (*Events of Default*)) has occurred; or
- (b) the Issuer has been notified that both the relevant Clearing Systems have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available; or
- (c) the Notes are required to be removed from both Euroclear and Clearstream, Luxembourg and no alternative clearing system is available.

Thereupon the holder of an interest in the Permanent Global Note may give notice to the Agent of its intention to exchange the Permanent Global Note for Definitive Notes.

In exchange for the Permanent Global Note the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of Definitive Notes (having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Note), security printed in accordance with any applicable legal and stock exchange requirements. On exchange of the Permanent Global Note, the Issuer will procure that it is cancelled.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in minimum denominations of €100,000.

In the event that (a) a Global Note (or any part of it) has become due and repayable in accordance with the Terms and Conditions of the Notes or that the maturity date of the Notes has occurred and, in either case, payment in full of the amount due has not been made to the bearer in accordance with the provisions set out in such Global Note, or (b) following the date specified for exchange of the Permanent Global Note for Definitive Notes, as may be applicable, the Permanent Global Note is not duly exchanged for Definitive Notes by such date, then from 8.00 p.m. (London time) on such day each Accountholder will become entitled to proceed directly against the Issuer on, and subject to, the terms of the Deed of Covenant executed by the Issuer on 20 June 2017 (the "**Deed of Covenant**") in respect of the Notes and the bearer will have no further rights under the Permanent Global Note (but without prejudice to the rights which any person may have under the Deed of Covenant).

2. Payments

On and after 22 October 2017, no payment will be made on the Temporary Global Note unless exchange for an interest in the Permanent Global Note is improperly withheld or refused. Payments of principal and interest in respect of Notes represented by a Global Note will be made to its holder. The Issuer shall procure that details of each such payment shall be entered pro rata in the records of the relevant Clearing System, and, in the case of payments of principal, the principal amount of the Notes will be reduced accordingly. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing System shall not affect such discharge.

Payments of interest on the Temporary Global Note (if permitted by the first sentence of this paragraph) will be made only upon certification as to non-U.S. beneficial ownership unless such certification has already been made.

3. Notices

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held in a relevant Clearing System, notices to Noteholders may be given by delivery of the relevant notice to that relevant Clearing System for communication to the relative Accountholders rather than by publication as required by Condition 13 (*Notices*) provided that, so long as the Notes are listed on any stock exchange, notices shall also be published in accordance with the rules of such stock exchange. Any such notice shall be deemed to have been given to the Noteholders on the second day after the date on which such notice is delivered to the relevant Clearing System as aforesaid.

4. Prescription

Claims against the Issuer for payment in respect of principal and interest on the Notes represented by a Global Note will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date (as defined in Condition 18).

5. Cancellation

On cancellation of any Note represented by a Global Note and required by the Conditions of the Notes to be cancelled following its redemption or purchase, the Issuer shall procure that details of such cancellation shall be entered in the records of the relevant Clearing System and, upon such entry being made, the principal amount of the applicable Global Note recorded in the records of the relevant Clearing System shall be reduced by the aggregate principal amount of the Notes so cancelled.

6. Authentication and Effectuation

The Temporary Global Note and the Permanent Global Note shall not become valid or enforceable for any purpose unless and until it has been authenticated by or on behalf of the Paying Agent and effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

The Notes are intended to be held in a manner which would allow eurosystem eligibility and as such the Temporary Global Note and Permanent Global Note are intended upon issue to be deposited with the Common Safekeeper. This does not necessarily mean that the Notes represented by the Global Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life, such recognition depending upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

7. Euroclear and Clearstream, Luxembourg

Notes represented by a Global Note are transferable in accordance with the rules and procedures for the time being of the relevant Clearing System.

TERMS AND CONDITIONS OF THE NOTES

*The following are the terms and conditions of the Notes (the "**Conditions**") and shall supersede and replace in their entirety (for the purposes of the Notes only) the "Terms and Conditions of the Notes" set out in Schedule 2 of the Agency Agreement (as defined below). The Conditions shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Notes (as defined in the Agency Agreement) representing the Notes, except where any provisions are expressed to apply to Notes while in global form. These Conditions will be attached to or incorporated by reference into each Global Note and will be endorsed on each definitive Note. In the event of an inconsistency between the Agency Agreement, the supplemental agency agreement to be dated on or before 12 September 2017 (the "**Supplemental Agency Agreement**") and the Conditions, the Conditions will prevail.*

The €1,250,000,000 1.125 per cent. senior non-preferred notes due 12 January 2023 (the "**Notes**", which expression includes any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series therewith) of CaixaBank, S.A. (the "**Issuer**") are the subject of the amended and restated agency agreement dated 20 June 2017 as supplemented by a supplemental agency agreement to be dated on or before 12 September 2017 (such agency agreement and supplement as the same may be as further amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") and made between the Issuer, BNP Paribas Securities Services, Luxembourg Branch as issuing and principal paying agent and agent bank (the "**Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Any reference to "**Noteholders**" or "**holders**" in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of interest bearing coupons (the "**Coupons**").

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant (such Deed of Covenant as modified and/or supplemented and/or restated from time to time, the "**Deed of Covenant**") dated 20 June 2017 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear and Clearstream, Luxembourg.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Paying Agents.

The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the Deed of Covenant which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated, and provided that, in the event of inconsistency between the Agency Agreement and these Conditions, these Conditions will prevail.

1. **FORM, DENOMINATION AND TITLE**

The Notes are in bearer form, serially numbered, in the denomination of €100,000 each with Coupons attached at the time of issue.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer and the Paying Agents will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes and shall

not be required to obtain any proof thereof or as to the identity of such bearer but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

2. STATUS OF THE NOTES

The payment obligations of the Issuer under the Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. The Notes constitute non-preferred ordinary claims (*créditos ordinarios no preferentes*) under Additional Provision 14.2° of Law 11/2015. It is expressly stated for the purposes of Additional Provision 14.2° of Law 11/2015 that upon the insolvency of the Issuer, the Notes will rank below any other ordinary claims (*créditos ordinarios*) of the Issuer and accordingly, claims in respect of the Notes shall be paid after payment of any such other ordinary (*créditos ordinarios*) claims of the Issuer.

Therefore, in accordance with the Insolvency Law and Additional Provision 14.2° of Law 11/2015 (but subject to any other ranking that may apply as a result of any other mandatory provision of law (or otherwise)), upon the insolvency of the Issuer the payment obligations of the Issuer under the Notes in respect of principal (unless they qualify as subordinated claims pursuant to Articles 92.1° or 92.4° to 92.7° of the Insolvency Law) will rank:

- (a) **senior** to any claims against the Issuer qualifying as subordinated claims (*créditos subordinados*) under Article 92 of the Insolvency Law (or equivalent legal provision which replaces it in the future);
- (b) *pari passu* among themselves and with any claims under any other Senior Non-Preferred Obligations; and
- (c) **junior** to any claims under any Senior Preferred Obligations.

Accrued and unpaid interest due in respect of the Notes at the commencement of an insolvency proceeding (concurso) of the Issuer will qualify as subordinated claims in accordance with the provisions of Article 92.3° of the Insolvency Law and no further interest shall accrue from the date of the declaration of insolvency of the Issuer.

3. INTEREST

The Notes bear interest from 12 September 2017 (the "**Issue Date**") at the rate of 1.125 per cent. per annum, (the "**Rate of Interest**") payable in arrear on 12 January in each year (each, an "**Interest Payment Date**"), with the first Interest Payment Date falling on 12 January 2018 in respect of the

period from (and including) the Issue Date to (but excluding) such Interest Payment Date (short first coupon), all subject as provided in Condition 4 (*Payments*).

Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and (b) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

The amount of interest payable on the first Interest Payment Date shall be €376.02 in respect of each Note of €100,000 denomination. The amount of interest payable on each subsequent Interest Payment Date shall be €1,125 in respect of each Note of €100,000 denomination. If interest is required to be paid in respect of a Note on any other date, it shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards) and multiplying such rounded figure by a fraction equal to the denomination of such Note divided by the Calculation Amount.

4. PAYMENTS

4.1 Method of payment

Subject as provided below, payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*); and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an intergovernmental approach thereto.

4.2 Presentation of definitive Notes and Coupons

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 4.1 (*Payments — Method of Payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Notes, save as provided in Condition 4.4 (*Payments — General provisions applicable to payments*), should be presented for payment together with all unmatured Coupons appertaining thereto, failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment.

4.3 Payments in respect of Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes or

otherwise in the manner specified in the relevant Global Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

4.4 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

4.5 Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place unless it would thereby fall into the next calendar month, in which event it shall be brought forward to the immediately preceding Payment Day and shall not be entitled to further interest or other payment in respect of such delay or less interest in respect of such advance payment.

For these purposes, "**Payment Day**" means any day which (subject to Condition 8 (*Prescription*)) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in, in the case of Notes in definitive form only, the relevant place of presentation; and
- (b) a day on which the TARGET2 System is open.

4.6 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 7 (*Taxation*); and
- (b) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 (*Taxation*).

5. REDEMPTION AND PURCHASE

5.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, the Notes will be redeemed by the Issuer at their principal amount on the Maturity Date.

5.2 Redemption due to a Tax Event

The Notes may be redeemed at the option of the Issuer in whole, but not in part, if so permitted by Applicable MREL Regulations then in force and subject to the previous permission of the Regulator and/or the Relevant Resolution Authority (if such permission is required), at any time and having given not less than the 30 days and not more than 60 days' notice to the Agent (a "**Tax Call Notice**") and, in accordance with Condition 12 (*Notices*), the Noteholders (which notice shall be irrevocable), at their principal amount together with interest accrued to the date fixed for redemption, if a Tax Event has occurred, provided that no Tax Call Notice shall be given earlier than 90 days prior to the earliest date on which the relevant Tax Event would occur were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall (i) deliver to the Agent to make available at its specified office to the Noteholders a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) use its best efforts to deliver to the Agent to make available at its specified office to the Noteholders an opinion addressed to the Issuer of independent legal advisers of recognised standing in such matters in the relevant Tax Jurisdiction to the effect that the relevant requirement or circumstance referred to in the definition of Tax Event prevails.

In these Conditions, a "**Tax Event**" shall be deemed to have occurred if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) in each case as a result of any change in, or amendment to, the laws or regulations of any Tax Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; or
- (b) the Issuer would not be entitled to claim a deduction in computing taxation liabilities in any Tax Jurisdiction in respect of any payment of interest to be made on the Notes on the occasion of the next payment date due under the Notes or the value of such deduction to the Issuer would be materially reduced, in each case as a result of any change in, or amendment to, the laws or regulations of any Tax Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and

in the case of (a) and (b) above, provide that such obligation or loss or reduction of deduction cannot be avoided by the Issuer taking reasonable measures available to it.

5.3 Redemption due to a MREL Disqualification Event

The Notes may be redeemed at the option of the Issuer in whole, but not in part, if so permitted by Applicable MREL Regulations then in force and subject to the previous permission of the Regulator and/or the Relevant Resolution Authority (if such permission is required), at any time, on giving not less than the 30 days and not more than 60 days' notice to the Agent and, in accordance with Condition 12 (*Notices*), the Noteholders (which notice shall be irrevocable), at their principal amount together with interest accrued to the date fixed for redemption, if a MREL Disqualification Event has occurred and is continuing.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent to make available at its specified office to the Noteholders a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

A "**MREL Disqualification Event**" shall be deemed to have occurred if there is a change in, or amendment to, the Applicable MREL Regulations, or any change in the application or interpretation thereof, as a result of which all or part of the outstanding principal amount of the Notes will not at any time prior to the Maturity Date fully qualify as MREL-Eligible Senior Non-Preferred Instruments of the Issuer and/or the Group, except:

- (a) where such change in, or amendment to, the Applicable MREL Regulations was reasonably foreseeable at the Issue Date.

For the purpose of paragraph (a) above, the circumstances where any non-qualification of the Notes as MREL-Eligible Senior Non-Preferred Instruments shall not be "reasonably foreseeable" shall, without limitation, be deemed to include where such non-qualification arises as a result of (i) any legislation which gives effect to the EC Proposals in Spain differing in any respect from the form of the Draft EC Proposals (including if the EC Proposals are not implemented in Spain); or (ii) the official interpretation or application of the Draft EC Proposals or the EC Proposals as implemented in Spain (including any interpretation or pronouncement by any relevant court, tribunal or authority) differing in any respect from the manner in which the Draft EC Proposals have been reflected in these Conditions;

- (b) where the non-qualification as MREL-Eligible Senior Non-Preferred Instruments is due solely to the remaining maturity of such Notes being less than any period prescribed by the Applicable MREL Regulations as at the Issue Date; or
- (c) where the non-qualification as MREL-Eligible Senior Non-Preferred Instruments is a result of the relevant Notes being bought back by on or behalf of the Issuer.

5.4 Purchases

The Issuer or any of its subsidiaries may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer or any of its subsidiaries, surrendered to any Paying Agent for cancellation.

Any purchases under this Condition 5.4 will be made in compliance with the Applicable MREL Regulations in force at the time of such a purchase and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if required.

5.5 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 5.4 (*Redemption and Purchase — Purchases*) above (together with all unmatured Coupons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

6. SUBSTITUTION AND VARIATION

If a Tax Event, a MREL Disqualification Event or an Alignment Event occurs and is continuing and subject to the previous permission of the Regulator and/or the Relevant Resolution Authority (if such permission is required), the Issuer may substitute or vary the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to, become or remain Qualifying Notes, subject to having given not less than the 30 days and not more than 60 days' notice to the Agent and, in accordance with Condition 12 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date for substitution or, as applicable, variation).

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions. Such substitution and variation will be effected without any cost or charge to the Noteholders.

Noteholders shall, by virtue of subscribing and/or purchasing any Notes, be deemed to accept the substitution and variation of the terms and conditions of the Notes and to grant the Issuer full power and authority to take any action and/or execute and deliver any document in the name and/or on behalf of the Noteholders which is necessary or convenient to complete the substitution or variation of the terms and conditions of the Notes, as applicable.

An "**Alignment Event**" is deemed to have occurred if there is a change in, or amendment to, the Applicable MREL Regulations, or any change in the application or interpretation thereof, that results in the requirements for the Notes to qualify as MREL-Eligible Senior Non-Preferred Instruments being different in any respect from the Conditions, provided that if an event or circumstance which would otherwise constitute an Alignment Event also constitutes a MREL Disqualification Event, it will be treated as a MREL Disqualification Event and will not constitute an Alignment Event.

7. TAXATION

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) presented for payment in Spain; or
- (b) to, or to a third party on behalf of, a holder who is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day; or
- (d) to, or to a third party on behalf of, a Spanish-resident legal entity subject to Spanish Corporation Income Tax if the Spanish Tax Authorities determine that the Notes do not comply with applicable exemption requirements including those specified in the Reply to a Non-Binding Consultation of the Directorate General for Taxation (*Dirección General de Tributos*) dated 27 July 2004 and require a withholding to be made; or
- (e) to, or to a third party on behalf of, a holder in respect of whom the Issuer does not receive such information concerning such Noteholder's identity and tax residence as may be required in order to comply with the procedures that may be implemented to comply with the interpretation of Royal Decree 1065/2007 eventually made by the Spanish Tax Authorities.

8. PRESCRIPTION

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

9. EVENTS OF DEFAULT

If any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer (except in any such case for the purpose of a Permitted Reorganisation) (an "**Event of Default**") then any Noteholder may, by written notice to the Issuer, declare that such Notes or Note (as the case may be) and all interest then accrued but unpaid on such Notes or Note (as the case may be) shall be forthwith due and payable, whereupon the relevant Notes shall, when permitted by applicable Spanish law, become immediately due and payable at their outstanding nominal amount, together with all accrued interest thereon without presentment, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Notes to the contrary.

Neither a cancellation of the Notes, a reduction, in part or in full, of the principal amount of the Notes or any accrued and unpaid interest on the Notes, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in Power by the Relevant Resolution Authority, nor the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Notes, will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholders to any remedies (including equitable remedies), which are expressly waived.

10. WAIVER OF SET-OFF

No Noteholder may at any time exercise or claim any Waived Set-Off Rights against any right, claim or liability that the Issuer has or may have acquired against such Holder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort, whether or not relating to such Note) and each Holder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer and accordingly any such discharge shall be deemed not to have taken place.

For the avoidance of doubt, nothing in this Condition is intended to provide, or shall be construed as acknowledging, any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is, or would be, available to any Noteholder of any Note but for this Condition.

11. REPLACEMENT OF NOTES AND COUPONS

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

12. NOTICES

All notices regarding the Notes will be deemed to be validly given if published (a) if the rules of the exchange on which the Notes are listed so require, in a leading English language daily newspaper of general circulation in London (which is expected to be the *Financial Times*); or (b) if and for so long as the Notes are admitted to trading on, and listed on the Official List of the Irish Stock Exchange, on the Irish Stock Exchange's website, www.ise.ie. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading, including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such website or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the Noteholders and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the Noteholders on the second day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

13. MEETINGS OF NOTEHOLDERS AND MODIFICATION

13.1 Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of any of these Conditions or any of the provisions of the Agency Agreement. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons present whatever the nominal amount of the Notes held or represented by him or them, except that at any meeting the business of which includes any matter defined in the Agency Agreement as a Basic Terms Modification, including the modification of certain of these Conditions (including the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the nominal amount or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes), the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, of the nominal amount of the Notes for the time being outstanding. The Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than three-fourths of the votes cast on such resolution; (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding; or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Agent) by or on behalf of the holders of not less than three-

fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution, and on all Couponholders.

13.2 Modification

Without prejudice to Condition 6 (*Substitution and Variation*), the Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification of, the Notes, the Coupons or any of the provisions of the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law, or
- (b) any modification (except a Basic Terms Modification (being a matter in respect of which an increased quorum is required as mentioned above)) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders.

Any modification shall be binding on the Noteholders and the Couponholders and, unless the Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12 (*Notices*).

14. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

15. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

16. BAIL-IN

16.1 Acknowledgment

Notwithstanding any other term of the Notes or any other agreements, arrangements, or understandings between the Issuer and any Noteholder, by its acquisition, subscription and/or purchase of any Notes, each Noteholder (which, for the purposes of this Condition, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents to and agrees:

- (a) to be bound by the effect of an exercise of the Bail-in Power by the Relevant Resolution Authority, which exercise may include and result in any of the following, or some combination thereof:
 - (i) the reduction of all, or a portion, of the Amounts Due on a permanent basis;
 - (ii) the conversion of all, or a portion, of the Amounts Due into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which

case the Noteholder agrees to accept *in lieu* of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

- (iii) the cancellation of the Notes or Amounts Due;
 - (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and
- (b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in Power by the Relevant Resolution Authority.

16.2 Payment of Amounts Due

No repayment or payment of Amounts Due on the Notes will become due and payable or be paid after the exercise of any Bail-in Power by the Relevant Resolution Authority if and to the extent such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

16.3 Notice to the Noteholders

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will make available a written notice to the Noteholders as soon as practicable regarding such exercise of the Bail-in Power. The Issuer will also deliver a copy of such notice to the Paying Agent for informational purposes.

16.4 Duties of the Paying Agent

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority, (i) the Paying Agent shall not be required to take any directions from Noteholders, and (ii) the Agency Agreement shall impose no duties upon any of the Paying Agent whatsoever, in each case with respect to the exercise of any Bail-in Power by the Relevant Resolution Authority.

16.5 Proration

If the Relevant Resolution Authority exercises the Bail-in Power with respect to less than the total Amounts Due, unless the Paying Agent is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Bail-in Power will be made on a pro-rata basis.

16.6 Conditions Exhaustive

The matters set forth in this Condition 16 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any Noteholder.

17. GOVERNING LAW AND SUBMISSION TO JURISDICTION

17.1 Governing law

The status of the Notes, the capacity of the Issuer and the relevant corporate resolutions will be governed by Spanish law. The Agency Agreement, the Deed of Covenant, the Notes (save as provided above), the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Notes and the Coupons are governed by, and construed in accordance with, English law. The Notes are issued in accordance with the formalities prescribed by Spanish company law.

17.2 Submission to jurisdiction

- (a) Subject to Condition 17.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a "**Dispute**") and accordingly each of the Issuer and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition 17.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

17.3 Appointment of Process Agent

The Issuer appoints CaixaBank London at 8th floor, 63 St Mary Axe, EC3A 8AA, London as its agent for service of process in any proceedings before the English courts in relation to any Dispute, and agrees that, in the event of CaixaBank London being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

18. DEFINITIONS

In these Conditions:

"**Agent**" has the meaning set out in the introductory paragraphs.

"**Agency Agreement**" has the meaning set out in the introductory paragraphs.

"**Alignment Event**" has the meaning set out in Condition 6 (*Substitution and Variation*).

"**Amounts Due**" means the principal, together with any accrued and unpaid interest, and additional amounts as provided or referred to in Condition 7 (*Taxation*), if any, on the Notes. References to such amounts will include amounts to have become due and payable, but which have not been paid, prior to the exercise of the Bail-in Power by the Relevant Resolution Authority.

"**Applicable MREL Regulations**" means at any time the laws, regulations, requirements, guidelines and policies giving effect to the MREL including, without limitation to the generality of the foregoing, CRD IV, the BRRD and those laws, regulations, requirements, guidelines and policies giving effect to the MREL, in each case to the extent then in effect in Spain (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group) (in all cases, as amended from time to time).

"**Authorised Signatory**" means any director of the Issuer (or any signatory authorised to act on its behalf).

"**Bail-in Power**" means any power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Spain, relating to (i) the transposition of the BRRD (including but not limited to, Law 11/2015, RD 1012/2015 and any other implementing

regulations) as amended or superseded from time to time, (ii) the SRM Regulation and (iii) the instruments, rules and standards created thereunder, pursuant to which, among others, any obligation of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced, cancelled, suspended, modified, or converted into shares, other securities, or other obligations of such Regulated Entity (or affiliate of such Regulated Entity).

"**BRRD**" means Directive 2014/59/EU of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms or such other directive as may come into effect in place thereof, as implemented into Spanish law by Law 11/2015 and RD 1012/2015, as amended or replaced from time to time and including any other relevant implementing regulatory provisions (in all cases, as amended from time to time).

"**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Agent.

"**Calculation Amount**" means €100,000.

"**Clearstream, Luxembourg**" means Clearstream Banking, S.A..

"**Code**" has the meaning set out in Condition 4.1 (*Payments — Method of Payment*).

"**Couponholders**" has the meaning set out in the introductory paragraphs.

"**Coupons**" has the meaning set out in the introductory paragraphs.

"**CRD IV**" means any or any combination of the CRD IV Directive, the CRR, and any CRD IV Implementing Measures.

"**CRD IV Directive**" means 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 or such other directive as may come into effect in place thereof.

"**CRD IV Implementing Measures**" means any regulatory capital rules implementing the CRD IV Directive or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Regulator, the European Banking Authority or any other relevant authority, which are applicable to the Issuer (on a stand-alone basis) or the Group (on a consolidated basis) and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital of the Issuer (on a stand-alone basis) or the Group (on a consolidated basis) including, without limitation, Law 10/2014, as amended from time to time, RD 84/2015, as amended from time to time, and any other regulation, circular or guidelines implementing CRD IV (in all cases, as amended from time to time).

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on the prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012 or such other regulation as may come into effect in place thereof, as amended from time to time.

"**Day Count Fraction**" means, in respect of any period, the number of days in the relevant period, from (and including) the first day in such period to (but excluding) the last day in such period, divided by the number of days in the Regular Period in which the relevant period falls.

"**Deed of Covenant**" has the meaning set out in the introductory paragraphs.

"**Dispute**" has the meaning set out in Condition 17.2 (*Governing Law and Submission to Jurisdiction — Submission to Jurisdiction*).

"**Draft EC Proposals**" means the EC Proposals as published by the European Commission on 23 November 2016.

"**EC Proposals**" means the European Commission's proposals to amend and supplement certain provisions of the CRD IV Directive, the CRR, the SRM Regulation and the BRRD.

"**Euroclear**" means of Euroclear Bank S.A./N.V.

"**Event of Default**" has the meaning set out in Condition 9 (*Events of Default*).

"**Group**" means the Issuer and its consolidated subsidiaries.

" **Holders**" has the meaning set out in the introductory paragraphs.

"**Insolvency Law**" means Law 22/2003 of 9 July, 2003 (*Ley Concursal*), as amended from time to time.

"**Interest Payment Date**" has the meaning set out in Condition 3 (*Interest*).

"**Issue Date**" has the meaning set out in Condition 3 (*Interest*).

"**Issuer**" has the meaning set out in the introductory paragraphs.

"**Law 10/2014**" means Law 10/2014, of 26 June, on the organisation, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*), as amended from time to time.

"**Law 11/2015**" means Law 11/2015, of 18 June, on the Recovery and Resolution of Credit Institutions and Investment Firms (*Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión*), as amended from time to time.

"**Maturity Date**" means 12 January 2023.

"**MREL**" means the "minimum requirement for own funds and eligible liabilities" for credit institutions under the BRRD, set in accordance with Article 45 of the BRRD (as transposed in Spain), Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016, supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities, or any successor requirement under EU legislation and relevant implementing legislation and regulation in Spain.

"**MREL-Eligible Senior Non-Preferred Instrument**" means an instrument included in the eligible liabilities which are available to meet the MREL Requirements for the purposes of the Applicable MREL Regulations except where such instrument is included in the limited aggregate amount of eligible liabilities constituted by liabilities ranking *pari passu* with the lowest ranking excluded liabilities under the Applicable MREL Regulations.

"**MREL Disqualification Event**" has the meaning set out in Condition 5.3 (*Redemption and Purchase — Redemption due to a MREL Disqualification Event*).

"**MREL Requirements**" means the minimum requirement for own funds and eligible liabilities applicable to the Issuer and/or the Group under the Applicable MREL Regulations.

"**Noteholders**" has the meaning set out in the introductory paragraphs.

"**Notes**" has the meaning set out in the introductory paragraphs.

"**ordinary claims**" means any of the unsubordinated and unsecured claims (*créditos ordinarios*) referred to in article 89.3 of the Insolvency Law.

"**Paying Agents**" has the meaning set out in the introductory paragraphs.

"**Payment Day**" has the meaning set out in Condition 4.5 (*Payments — Payment Day*).

"**Permitted Reorganisation**" means a reconstruction, merger or amalgamation (i) which has been approved by an Extraordinary Resolution (as defined in the Agency Agreement) at a meeting of Noteholders; or (ii) where the entity resulting from any such reconstruction, merger or amalgamation is (A) a financial institution (*entidad de crédito*) under Article 1 of Law 10/2014 (or any other law or regulation which may replace it in the future), as amended and restated; and (B) has a rating for long-term senior debt assigned by Standard & Poor's Credit Market Services Europe Limited, Moody's Investors Service España, S.A., Fitch Ratings España, S.A.U. or DBRS Ratings Limited equivalent to or higher than the rating for long-term senior debt of the Issuer immediately prior to such reconstruction, merger or amalgamation.

"**Qualifying Notes**" means, at any time, any securities denominated in euros and issued directly by the Issuer that have terms not otherwise materially less favourable to the Noteholders than the terms of the Notes (other than, for the avoidance of doubt, as may be necessary in order to comply with paragraph (e) below), provided that the Issuer shall deliver a certificate signed by two Authorised Signatories to that effect to the Agent not less than five Business Days prior to (i) in the case of substitution of the Notes, the issue date of the relevant securities; or (ii) in the case of variation of the Notes, the date such variation becomes effective, provided that such securities shall:

- (a) contain terms that comply with the then current requirements for MREL-Eligible Senior Non-Preferred Instruments as embodied in the Applicable MREL Regulations; and
- (b) carry the same rate of interest as the Notes prior to the relevant substitution or variation; and
- (c) have the same denomination and aggregate outstanding principal amount as the Notes prior to the relevant substitution or variation; and
- (d) have the same maturity date and the same dates for payment of interest as the Notes prior to the relevant substitution or variation; and
- (e) have the same ranking as the Notes;
- (f) not, immediately following such substitution or variation, be subject to a Tax Event or a MREL Disqualification Event; and
- (g) be listed or admitted to trading on any stock exchange as selected by the Issuer, if the Notes were listed or admitted to trading on a stock exchange immediately prior to the relevant substitution or variation.

"**Rate of Interest**" has the meaning set out in Condition 3 (*Interest*).

"**RD 1012/2015**" means Royal Decree 1012/2015 of 6 November 2015, implementing Law 11/2015 (*Real Decreto 1012/2015, de 6 de noviembre, por el que se desarrolla la Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión, y por el*

que se modifica el Real Decreto 2606/1996, de 20 de diciembre, sobre fondos de garantía de depósitos de entidades de crédito), as amended from time to time.

"**RD 84/2015**" means Royal Decree 84/2015, of 13 February, implementing Law 10/2014 (*Real Decreto 84/2015, de 13 de febrero, por el que se desarrolla la Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*), as amended from time to time.

"**Regular Period**" means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date.

"**Regulated Entity**" means any entity to which BRRD, as implemented in Spain (including but not limited to, Law 11/2015, RD 1012/2015 and any other implementing regulations) and as amended or superseded from time to time, or any other Spanish piece of legislation relating to the Bail-in Power, applies, which includes, certain credit institutions, investment firms, and certain of their parent or holding companies.

"**Regulator**" means the European Central Bank or such other or successor authority exercising primary bank supervisory authority, or any other entity or institution carrying out such duties on its/their behalf (including the Bank of Spain), in each case with respect to prudential matters in relation to the Issuer and/or the Group.

"**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 12 (*Notices*).

"**Relevant Resolution Authority**" means the *Fondo de Resolución Ordenada Bancaria* (FROB), the Single Resolution Board (SRB) established pursuant to the SRM Regulation and/or any other authority entitled to exercise or participate in the exercise of any Bail-in Power from time to time.

"**Senior Preferred Obligations**" means any obligations of the Issuer with respect to any ordinary claims (*créditos ordinarios*) of the Issuer other than Senior Non-Preferred Obligations.

"**Senior Non-Preferred Obligations**" means any obligations of the Issuer with respect to any non-preferred ordinary claims (*créditos ordinarios no preferentes*) of the Issuer referred to under Additional Provision 14.2^o of Law 11/2015 and any other obligations which, by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu*, with the Senior Non-Preferred Obligations.

"**SRM Regulation**" means the Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010 (as amended or superseded from time to time).

"**TARGET2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"**Tax Call Notice**" has the meaning set out in Condition 5.2 (*Redemption and Purchase — Redemption due a Tax Event*).

"**Tax Event**" has the meaning set out in Condition 5.2 (*Redemption and Purchase — Redemption due a Tax Event*).

"Tax Jurisdiction" means Spain or any political subdivision or any authority thereof or therein having power to tax.

"Waived Set-Off Rights" means any and all rights or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under, or in connection with, any Note.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement dated 20 June 2017 (such programme agreement as modified and/or supplemented and/or restated from time to time, the "**Programme Agreement**"), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes.

Pursuant to a Subscription Agreement dated 5 September 2017 (the "**Subscription Agreement**") supplementing the provisions of the Programme Agreement and entered into between the Issuer, CaixaBank, S.A., Citigroup Global Markets Limited, HSBC Bank plc, Nomura International plc and Société Générale (the "**Lead Managers**"), the Lead Managers have agreed with the Issuer, subject to the satisfaction of certain conditions, to procure subscription and payment for the Notes at an issue price equal to 99.852 per cent. of the principal amount less the commission agreed between the Issuer and the Lead Managers. The Issuer has agreed to indemnify the Lead Managers against certain liabilities in connection with the offer and sale of the Notes.

Please refer to the section entitled "*Subscription and Sale*" set out on pages 154-156 of the Core Base Prospectus which is incorporated by reference herein, providing that references in such sections to the "relevant Final Terms" and the "Dealers" shall be deemed to refer to the "Drawdown Prospectus" and to the "Lead Managers" respectively.

GENERAL INFORMATION

Authorisation

The issue of the Notes was duly authorised by a resolution of the Board of Directors of the Issuer dated 27 July 2017.

Listing of Notes

This Drawdown Prospectus has been approved by the CBI as competent authority under the Prospectus Directive. The CBI only approves this Drawdown Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

Application has been made to the Irish Stock Exchange for the Notes to be admitted to trading on the Main Securities Market and to be listed on the Official List. The Main Securities Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC) as amended.

Documents Available

In addition to the documents identified under "*General Information – Documents Available*" of the Core Base Prospectus, for so long as any of the Notes are outstanding, copies of the following documents will, when published, be available, free of charge, in hard copies for inspection from the registered office of the Issuer and from the specified offices of the Paying Agent(s) for the time being in Luxembourg:

- (a) the consolidated audited financial statements of the Issuer in respect of the financial years ended 31 December 2015 and 31 December 2016 (with an accurately reproduced English translation thereof), in each case together with the audit reports prepared in connection therewith. The Issuer currently prepares audited consolidated accounts on an annual basis;
- (b) CaixaBank's interim condensed consolidated financial statements and interim management report, together with the auditors' limited review report, all for the six month period ending 30 June 2017 (with an accurately reproduced English translation thereof);
- (c) the Agency Agreement, the Supplemental Agency Agreement, the Deed of Covenant and the forms of the Global Notes, the Notes in definitive form, the Coupons;
- (d) a copy of the Core Base Prospectus together with a copy of the Supplement; and
- (e) a copy of this Drawdown Prospectus.

Clearing Systems

The Notes have been accepted for clearance through the Clearstream, Luxembourg and Euroclear systems (which are entities in charge of keeping the records). The Common Code and International Securities Identification Number for the Notes are 167915809 and XS1679158094 respectively.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42, Avenue J.F. Kennedy, L-1855 Luxembourg.

Significant or Material Change

There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2016.

There has been no significant change in the financial or trading position of the Group since 30 June 2017.

Auditors

The auditors of the Issuer are Deloitte, S.L. (registered as auditors on the *Registro Oficial de Auditores de cuentas*) who have audited the Issuer's accounts, without qualification, in accordance with generally accepted

auditing standards in Spain for each of the two financial years ended on 31 December 2015 and 31 December 2016.

Yield

The yield of the Notes is 1.154 per cent. *per annum*, as calculated at the Issue Date on the basis of the issue price of the Notes. It is not an indication of future yield.

Estimated Expenses in connection with the Admission to trading

The total expenses related to the admission to trading of the Notes are estimated to be €3,290.

Lead Managers transacting with the Issuer

Each Lead Managers and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and/or its affiliates in the ordinary course of business. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, each Lead Managers and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Lead Managers or their affiliates which have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Lead Manager and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes. Each Lead Manager and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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