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Financial information

➤ Profit & loss

Income statement for the business years ended 31 December 2014 and 2013 (thousands of euros)

Income / (Expenses)	2014	2013 (*)
1. Interest and similar income (Note 28)	93,951	129,577
2. Interest expense and similar charges (Note 29)	(21,492)	(36,171)
3. Remuneration of capital having the nature of a financial liability	-	-
A. Net interest income	72,459	93,406
4. Income from equity instruments (Note 30)	29,717	6,062
5. Share of results of entities accounted for using the equity method (Note 31)	108,351	104,876
6. Fee and commission income (Note 32)	(18,666)	(24,107)
8. Gains/losses on financial assets and liabilities (net) (Note 33)	(34,149)	20,939
8.1. Held for trading	(50,233)	7,151
8.2. Other financial instruments at fair value through profit or loss	(63)	(374)
8.3. Financial instruments not measured at fair value through profit or loss	16,250	14,083
8.4. Other	(103)	79
9. Exchange differences (net)	36,500	33,285
10. Other operating income (Note 34)	45,803	52,667
11. Other operating expenses (Note 37)	(711)	(560)
B. Gross income	239,304	286,568
12. Administrative expenses	(119,921)	(131,120)
12.1. Staff costs (Note 35)	(54,760)	(63,477)
12.2. Other general administrative expenses (Note 36)	(65,161)	(67,643)
13. Depreciation and amortisation (Note 39)	(39,696)	(32,745)
14 Provisions (net) (Note 16)	(19,291)	21,926
15. Impairment losses on financial assets (net) (Notes 22 and 38)	14,765	(54,333)
15.1. Loans and receivables	18,867	(21,150)
15.2 Other financial instruments not measured at fair value through profit or loss	(4,102)	(33,183)
C. Profit/(loss) from operations	75,161	90,296
16. Impairment losses on other assets (net)	-	-
16.1. Goodwill and other intangible assets	-	-
16.2. Other assets	-	-
17. Gains (losses) on disposal of assets not classified as non-current assets held for sale	(1)	99
18. Negative goodwill on business combinations	-	-
19. Gains (losses) on non-current assets held for sale not classified as discontinued operations (Note 10)	-	(17,022)
D. Profit before tax	75,160	73,373
20. Income tax (Note 20)	(20,675)	(20,954)
21. Mandatory transfer to welfare projects and funds	-	-
E. PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	54,485	52,419
22. Profit/Loss from discontinued operations (net)	-	-
E. PROFIT FOR THE YEAR	54,485	52,419

(*) Presented for comparative purposes only.

Notes 1 to 41 and Annexes I, II, III and IV, included in the accompanying annual report form an integral part of the 2014 financial year's profit and loss statement.

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Activity

At the end of 2014 Cecabank had 10,862 million in assets, profit from the year of 54,4 million euros and a CET1 ratio of 26.5 percent.

Balance Sheet as at 31 December 2014 and 2013

Assets	2014	2013 (*)
1. Cash and balances with central banks (Note 5)	196,387	393,402
2. Financial assets held for trading (Note 6.1)	2,832,794	4,444,621
2.1. Loans and advances to credit institutions	-	-
2.2. Loans and advances to customers	-	-
2.3. Debt instruments	1,046,083	923,365
2.4. Equity instruments	67,867	54,481
2.5. Trading derivatives	1,718,844	3,466,775
Memorandum item: Loaned or advanced as collateral	219,885	234,978
3. Other financial assets at fair value through profit or loss (Note 6.2)	3,624,938	2,341,993
3.1. Loans and advances to credit institutions	2,748,641	1,218,542
3.2. Loans and advances to customers	876,297	1,123,451
3.3. Debt instruments	-	-
3.4. Equity instruments	-	-
Memorandum item: Loaned or advanced as collateral	833,752	890,168
4. Available-for-sale financial assets (Note 7)	2,585,344	3,653,801
4.1. Debt instruments	2,523,149	3,610,111
4.2. Equity instruments	62,195	43,690
Memorandum entry: Lent or used as collateral	296,605	527,250
5. Loans and receivables (Note 8)	1,355,848	958,634
5.1 Deposits with credit institutions	923,917	572,341
5.2. Loans and advances to customers	389,102	308,867
5.3. Debt instruments	42,829	77,426
Memorandum item: Loaned or advanced as collateral	-	2,591
6. Held-to-maturity investments	-	-
Memorandum item: Loaned or advanced as collateral	-	-
7. Changes in the fair value of hedged items in portfolio hedges of interest rate risk	-	-
8. Hedging derivatives (Note 9)	19	242
9. Non-current assets held for sale (Note 10)	18,504	18,504
10. Investments (Note 11)	867	455
10.1. Associates	312	-
10.2. Jointly controlled entities	451	451
10.3. Subsidiaries	104	4
11. Insurance contracts linked to pensions	-	-
13. Tangible assets (Note 12)	53,232	54,809
13.1. Property plant and equipment	52,208	53,749
13.1.1. For own use	52,208	53,749
13.1.2. Leased out under an operating lease	-	-
13.1.3. Assigned to welfare projects	-	-
13.2. Investment property	1,024	1,060

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Assets	2014	2013 (*)
<i>Memorandum item: Acquired under a finance lease</i>	-	-
14. Intangible asset	39,264	55,854
14.1. Goodwill	-	-
14.2. Other intangible assets (Note 13)	39,264	55,854
15. Tax assets	124,116	119,807
15.1. Current	226	498
15.2. Deferred (Note 20)	123,890	119,309
16. Other assets (Note 14)	31,685	18,984
TOTAL ASSETS	10,862,998	12,061,106

Memorandum entry	2014	2013 (*)
1. Contingent exposures (Note 27.1)	72,750	58,202
2. Contingent commitments (Note 27.3)	724,862	623,477

Liabilities and Equity	2014	2013 (*)
LIABILITIES		
1. Trading book (Note 6.1)	2,267,416	3,963,813
1.1. Deposits from central banks	-	-
1.2. Deposits from credit institutions	-	-
1.3. Customer deposits	-	-
1.4. Marketable debt securities	-	-
1.5. Trading derivatives	1,661,534	3,412,526
1.6. Short positions	605,882	551,287
1.7. Other financial liabilities	-	-
2. Other financial liabilities at fair value through profit and loss (Note 6.2)	1,365,643	1,657,148
2.1. Deposits from central banks	-	-
2.2. Deposits from credit institutions	692,386	1,005,963
2.3. Customer deposits	673,257	651,185
2.4. Marketable debt securities	-	-
2.5. Subordinated liabilities	-	-
2.6. Other financial liabilities	-	-
3. Financial liabilities at amortised cost (Note 15)	5,941,940	5,161,572
3.1. Deposits from central banks	-	1,319,356
3.2. Deposits from credit institutions	1,532,528	1,206,249
3.3. Customer deposits	3,922,701	2,363,082
3.4. Marketable debt securities	-	-
3.5. Subordinated liabilities	-	-
3.6. Other financial liabilities	486,711	272,885
4. Value adjustments to macro-hedged financial liabilities	-	-
5. Hedging derivatives (Note 9)	6,073	9,364
6. Liabilities associated with non-current assets held for sale	-	-

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Liabilities	2014	2013 (*)
8. Provisions	196,268	197,219
8.1. Funds for pensions and similar obligations (Note 35)	84,498	99,090
8.2. Provisions for taxes and other legal contingencies	-	-
8.3. Provisions for contingent exposures and commitments (Note 16)	16	16
8.4. Other provisions (Note 16)	111,754	98,113
9. Tax liabilities (Note 20)	52,938	42,344
9.1. Current	3,077	5,214
9.2. Deferred	49,861	37,130
11. Other liabilities (Note 14)	101,007	174,156
12. Capital refundable on demand	-	-
TOTAL LIABILITIES	9,931,285	11,205,616

Equity	2014	2013 (*)
1. Shareholder's equity	837,894	796,513
1.1. Capital	112,257	112,257
1.1.1. Issued (Note 18)	112,257	112,257
1.1.2. Less: Uncalled capital	-	-
1.2. Share premium (Note 18)	615,493	615,493
1.3. Reserves (Note 19)	55,659	16,344
1.4. Other equity instruments	-	-
1.4.1. Of compound financial instruments	-	-
1.4.2. Non-voting equity units and associated funds	-	-
1.4.3. Other equity instruments	-	-
1.5. Less: Treasury shares	-	-
1.6. Profit / (loss) for the year	54,485	52,419
1.7. Less: Dividends and remuneration	-	-
2. Valuation adjustments	93,819	58,977
2.1. Available-for-sale financial assets (Note 17)	87,779	55,301
2.2. Cash flow hedges (Note 17)	-	(1,086)
2.3. Hedges of net investments in foreign operations	-	-
2.4. Exchange differences	-	-
2.5. Non-current assets held for sale	-	-
2.7. Other valuation adjustments (Note 17)	6,040	4,762
TOTAL EQUITY	931,713	855,490

Equity and liabilities	2014	2013 (*)
Total liabilities	9,931,285	11,205,616
Total shareholders' equity	931,713	855,490
TOTAL EQUITY AND LIABILITIES	10,862,998	12,061,106

(*) Presented for comparative purposes only.

Notes 1 to 41 and Annexes I, II, III and IV, included in the accompanying annual report form an integral part of the balance sheet as at 31 December 2014.

[>More information on this chapter in the Individual Financial Statement and Management Report/Consolidated Financial Statement and Management Report](#)

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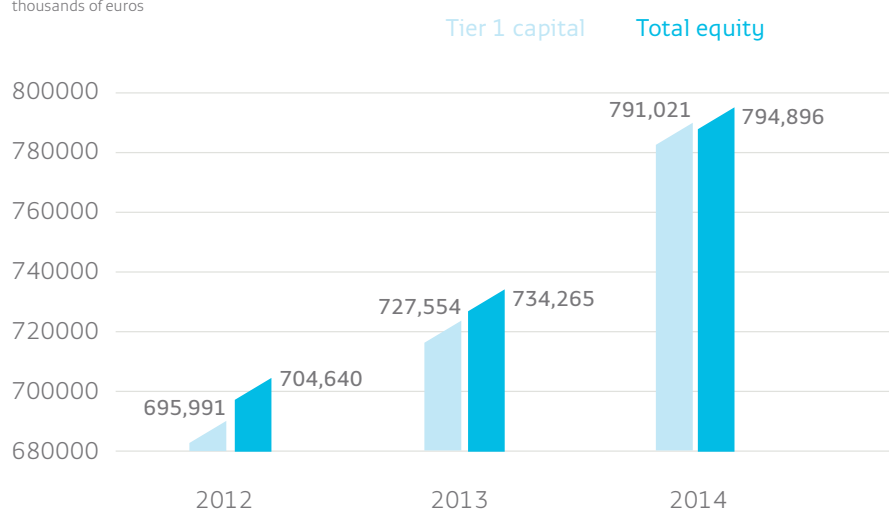
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Capital base

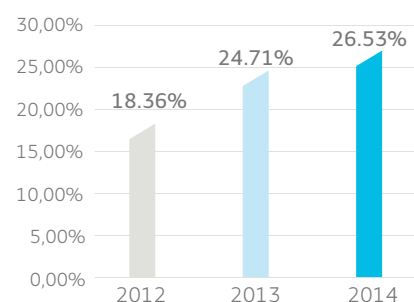
Cecabank has been strengthening its capital base in recent years, which in conjunction with low levels of risk, has enabled its capital ratios to increase steadily over time.

TIER 1 CAPITAL

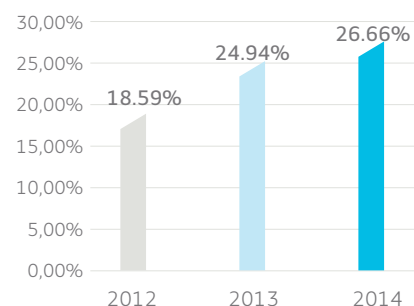
thousands of euros



CET 1 RATIO



SOLVENCY RATIO



Ratings

Ratings awarded to Cecabank as at 31 December 2014 by the international agencies Fitch Ratings, Moody's and Standard & Poor's, are:

Agency	Short-term	Long-term	Outlook	Date
Moody's	NP	Ba3	Negative	20/11/2014
Fitch	F3	BBB-	Negative	21/11/2014
S&P	A-2	BBB	Stable	27/11/2014