

Barcelona, Thursday 28 April 2011

The General Assembly of "la Caixa" approves the restructuring of "la Caixa" Group

- The Chairman of "la Caixa", Isidro Fainé, and CEO, Juan María Nin, submitted to the General Assembly the institution's 2010 financial statements, its welfare projects budget and the restructuring of "la Caixa" Group.

- Isidro Fainé pointed out that this was a "historic milestone" that would allow the institution to preserve its legal status and the values of its savings bank model, as well as giving it a stronger basis from which to face the future and optimise its welfare work.

The "la Caixa" Ordinary General Assembly was held this afternoon, at which members approved the restructuring of "la Caixa" Group, which will see financial operations carried out indirectly via a bank. Thus, "la Caixa" will transfer its banking business to CaixaCorp, which will become a banking group called CaixaBank, while Criteria will transfer part of its industrial holdings to a new entity controlled by "la Caixa".

In his speech to the Assembly, the "la Caixa" Chairman, Isidro Fainé, said "today is a particularly significant day. I honestly do not believe I exaggerate when I say that this General Assembly, which I have the honour of chairing, represents a milestone in the history of "la Caixa".

A high point comparable, said Fainé, "with the founding assembly held more than 100 years ago, or the assembly that approved the merger with Caixa de Barcelona more than 20 years ago, marking the final step on our road to becoming the leading savings operator in Spain."

Isidro Fainé added that "this restructuring sees "la Caixa" safeguard its model, the model that marks us out from the rest; a model based on a transparent and efficient structure for our corporate governance, financial activity, business operations and welfare work."

Regarding the newly created CaixaBank, Isidro Fainé explained that this new bank would share the same values as "la Caixa"; "it allows us to maintain our brand and dedication to customer service, while providing opportunities for our employees, giving us access to the market to generate appropriate capitalisation levels and to optimise our welfare work." He also recalled the five pillars that underpin the "la Caixa" model: the group's core values, a sense of foresight, social capitalism, teamwork and enthusiasm."

Finally, the "la Caixa" Chairman, Isidro Fainé, concluded his speech with a reflection on the past, present and future: "We do not wish to be prisoners of circumstance or to be dragged along by events. We have chosen a path of creative risk; of making decisions that will strengthen our institution, preserve our independence and reinforce our fundamental values."

Commitment to Welfare Work with a 2011 budget of €500 million

The Assembly also approved 2010 Annual Accounts and Management Reports, both individual and consolidated, as well as the Board of Directors' Management Report and allocation of earnings. Likewise, the Assembly approved the Welfare Projects Report and Financial Statements for 2010, as well as a 2011 budget of 500 million euros, despite the difficult economic climate.

Welfare Work in 2010 was largely targeted at the issues of greatest concern to the public: the struggle against social exclusion, tackling child poverty, generating employment for disadvantaged groups, comprehensive care for persons with advanced illnesses and the social integration and participation of the elderly and promoting active ageing.

Leadership in retail banking in Spain, with growing market shares

The CEO of "la Caixa", Juan María Nin, told the Assembly that the institution "has performed well despite the adverse economic climate, and strengthened its leading position with growth in its key market shares, thanks to intense commercial activity from "la Caixa"'s network of branches and staff, consolidating its financial strengths." In his speech, Juan María Nin also emphasised that "CaixaBank will further strengthen these commercial operations" and insisted that the new entity will start life "with excellent levels of solvency, liquidity and asset quality."

Regarding the new "la Caixa" 2011-014 Strategic Plan, Nin said, "this reaffirms the institution's commitment to growth, leadership and social responsibility" and establishes targets such as "fortifying the leading position of "la Caixa" in retail banking in Spain, diversifying its businesses, driving forward international growth, maintaining its commitment to the business sector and reaffirming its social commitment." Furthermore, "la Caixa" will continue to actively and pre-emptively manage capital and liquidity levels to ensure optimal financial strength.