

Following ratification by the shareholders

Banco Sabadell commences rights issue

27 February 2012. The Board of Directors of Banco Sabadell today set the conditions for the capital increase approved last Thursday by the Shareholders' Meeting. It is a rights issue addressed to existing shareholders.

The bank plans to issue 691,812,205 new ordinary shares, at a ratio of three new shares for every seven outstanding shares.

The issue price of the new shares is 1.32 euro, i.e. a discount of 36.7% on the theoretical price ex-warrant based on last Friday's share price; accordingly, the capital increase will amount to approximately 913 million euro.

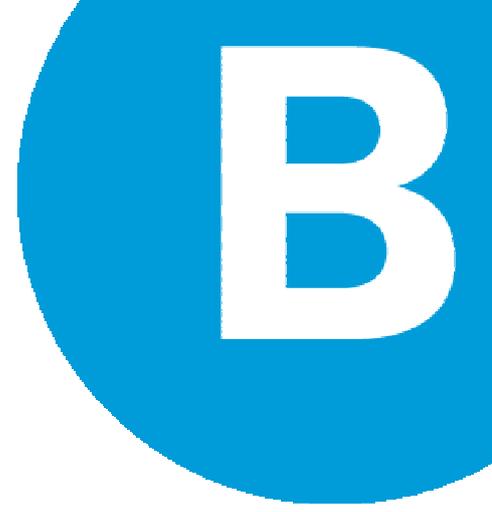
The purpose of the transaction is principally to increase Banco Sabadell's core capital ratio and strengthen its capital structure with own funds of the highest quality.

Josep Oliu, Chairman of Banco Sabadell: "This transaction will strengthen the bank's capital going forward and give it greater own funds of the highest quality, placing it among the most strongly capitalised banks in Spain".

"The rights issue represents an investment opportunity for our shareholders, who can subscribe for shares at a price of 1.32 euro while lending support to the bank. Investors who are not currently shareholders of Banco Sabadell can purchase warrants for the new shares on the market."

The members of the Board of Directors and some significant shareholders have informed Banco Sabadell that they intend to participate in the rights issue.

The issue is addressed to existing shareholders of Banco Sabadell and to investors who purchase warrants during the subscription period, which will last for 15 days from the date of the announcement in the Official Bulletin of the Mercantile Register.



The issue is being underwritten by a syndicate of Spanish and international financial institutions. Deutsche Bank and Nomura are acting as Joint Global Co-ordinators and Joint Bookrunners, while Citi, Credit Suisse and JP Morgan are Joint Bookrunners. Banco Bilbao Vizcaya Argentaria SA is acting as Co-Lead Manager and JB Capital Markets SV SA and Keefe, Bruyette & Woods, Ltd as Co-Managers.

IMPORTANT NOTICE

This announcement is not a prospectus. Investors should subscribe for shares of Banco Sabadell or acquire the warrants referred to in this announcement only on the basis of the information contained in the issue prospectus, which is currently being vetted by the National Securities Market Commission. Once the prospectus has been vetted, it will be made available to investors at the registered offices of Banco Sabadell and on the websites of the Banco Sabadell Group (www.grupobancosabadell.com) and of the National Securities Market Commission (www.cnmv.es).
