

Extraordinary General Meeting of Shareholders

Banco de Sabadell shareholders agree to increase capital by up to 43% through the issuance of 691.8 million new shares

- ***This increase responds primarily to the new core capital requirements established by the European Council and the European Banking Authority (EBA)***
- ***Josep Oliu, Chairman of Banco Sabadell: “While this rights issue is not a prerequisite for completing the CAM transaction, a sound capital base will enable us to top up Banco CAM's capital, if required, after the necessary provisions and writedowns”***

23 February 2012. The shareholders of Banco Sabadell, which held an extraordinary meeting this afternoon at Fira Sabadell (Sabadell), attended by 74% of capital stock, in person and by proxy, approved the motion to increase the bank's capital.

The rights issue will amount to 86.4 million euro and will be performed by issuing and distributing at most 691.8 million new ordinary shares, with a par value of 0.125 euro each.

Banco de Sabadell's capital stock is currently represented by 1.614 billion shares, with the result that the capital increase approved today would increase it by 42.8%.

This increase, which may be executed in at most one year, aims primarily to respond to the new regulatory core capital requirements for banks established by the European Council and the European Banking Authority (EBA) to restore confidence in Europe's financial markets and banking sector.

Speaking to the shareholders, Josep Oliu, Chairman of Banco Sabadell, discussed the current economic situation and, in particular, the process of restructuring the Spanish financial system and the recent decisions adopted in Europe with respect to minimum capital requirements for financial institutions classified as systemic.



He said that, following full integration of Banco CAM, Banco Sabadell will be a systemic bank and, consequently, will be required to have a commensurate level of capital. That, coupled with the new requirements of the financial restructuring process being promoted by the Spanish government and possible additional capital requirements deriving from the integration of CAM, were what **“motivated the Board of Directors to seize the most appropriate opportunity to propose a rights issue such as the one being submitted for approval.”**

Josep Oliu described the features of the Banco CAM acquisition, which, he said **“is a game-changing move for Banco Sabadell, which is making a quantum leap to become one of Spain's six largest financial groups, with the prospect of becoming a key player in the Spanish financial system.”**

Regarding the approved capital increase and its connection with the CAM transaction, the Chairman noted that, although it was not a pre-requisite for completing the acquisition, a sound capital base **“will enable us to top up Banco CAM's capital, if required, after the necessary provisions and writedowns.”**

The shareholders also granted the Board powers to further increase capital in order to be able to respond quickly and appropriately to any needs that might arise, given current market circumstances. The Chairman added that **“we will foreseeably use the power this year to exchange shares of our bank for shares of Banco CAM.”**