

# Share performance and the shareholders

During the year 2016 worries over weakening global growth, political risks and their potential impact on the economy, plus central banks' monetary policy decisions, were key areas occupying the attention of the markets.\*

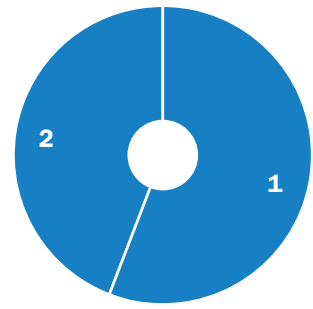
Share performance during the year was split into two phases separated by the results of the UK referendum held in late June to decide whether the country should remain in the European Union.

In the first half of the year, despite pressure on the banking industry from a negative interest rate environment, improving macroeconomic indicators and the stimulus measures announced by the European Central Bank, plus the positive reaction to the results unveiled by the Bank, combined to send our share price up to a position among those of the top-performing European banks. In fact, the share price reached its highest level of the year on the day on which the Bank presented its first quarter results.

In the second half of the year, the share price was adversely affected by uncertainty over the political and economic fall-out from the results of the UK referendum, as well as by investors' concerns surrounding credit quality in the banking sector (G21).

As 2016 came to an end, close to 80% of analysts covering Banco Sabadell were recommending overweight or market-weight positions in the stock.

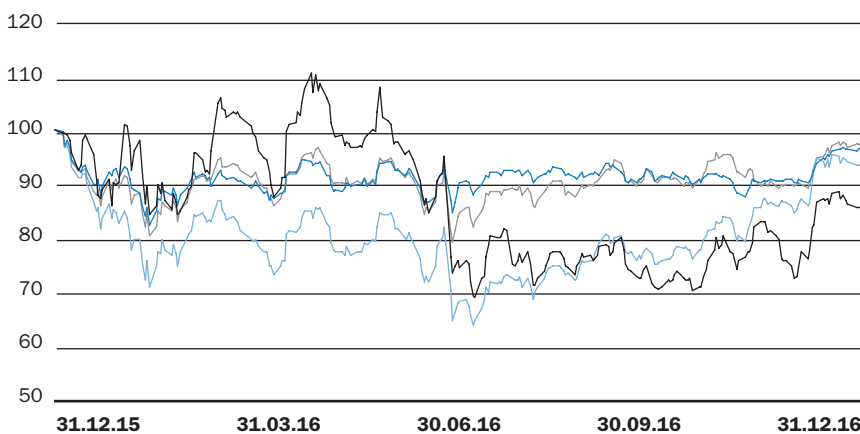
One of Banco Sabadell's goals is to reward the trust placed in us by our shareholders by assuring them of an appropriate return, a balanced and transparent governance system, and careful management of the risks associated with our activity.



## G22

### Ownership structure 31.12.2016 (%)

1	Retail investors	56.1
2	Institutional investors	43.9



**G21** Performance compared with SAB share price

- EuroStoxx 50
- SAB
- IBEX 35
- EuroStoxx 600 Banks

\* For further information see the "Macroeconomic environment" chapter

**T2** Analysis of shareholdings at 31 December 2016

Number of shares	Shareholders	Shares in tranche	% of capital
1 to 12,000	210,724	637,613,634	11.35%
12,001 to 120,000	47,192	1,434,418,837	25.54%
120,001 to 240,000	1,815	298,083,930	5.31%
240,001 to 1,200,000	1,016	447,346,950	7.97%
1,200,001 to 15,000,000	165	465,697,498	8.29%
More than 15,000,000	36	2,332,990,347	41.54%
<b>TOTAL</b>	<b>260,948</b>	<b>5,616,151,196</b>	<b>100.00%</b>

**T3** Analysis of shareholdings at 31 December 2015

Number of shares	Shareholders	Shares in tranche	% of capital
1 to 12,000	216,514	635,297,645	11.68%
12,001 to 120,000	46,515	1,392,570,665	25.60%
120,001 to 240,000	1,746	281,819,626	5.18%
240,001 to 1,200,000	984	437,297,970	8.04%
1,200,001 to 15,000,000	146	498,572,762	9.17%
More than 15,000,000	28	2,193,686,324	40.33%
<b>TOTAL</b>	<b>265,935</b>	<b>5,439,244,992</b>	<b>100.00%</b>

**T4** Earnings and book value per share 2014-2016

	Million	€ million	€	€ million	€
	Number of shares	Attributed income	Attributed income per share	Own funds	Book value per share
2014	4,024	372	0.092	10,224	2.54
2014 (*)	4,290	372	0.087	10,224	2.38
2015	5,439	708	0.130	12,275	2.26
2015 (**)	5,472	708	0.129	12,275	2.24
2016	5,616	710	0.126	12,926	2.30
2016 (***)	5,624	710	0.126	12,926	2.30

(\*) Including 265.27 million share dilution effect of convertible bonds.

(\*\*) Including 33.01 million share dilution effect of convertible bonds.

(\*\*\*) Including 7.52 million share dilution effect of convertible bonds.

In the course of the year, individual investors increased their share of Banco Sabadell's equity capital from 54.7% in December 2015 to 56.1% in December 2016 (G22, T2 and T3).\*

As part of the efforts made by the Bank in recent years to ensure a degree of transparency and communication appropriate to the increased scale of the Group, Banco Sabadell management continued to maintain a high level of interaction with institutional investors. In 2016, this intensified activity saw Bank representatives attending 19 international conferences and holding meetings with some 500 investors in more than 12 countries.

Moreover, the Bank moved to step up communication and enhance transparency even further by steadily improving the information it releases to investors at regular intervals.

At the end of the year Banco Sabadell's market capitalisation stood at €7,430 million, with a price-to-book ratio of 0.57.

The Board of Directors will recommend that the Annual General Meeting approve the distribution of a gross dividend for the year 2016 of €0.05 per share in cash.

On 27 October 2016, the Board of Directors declared an interim dividend of €111,281 thousand on account of earnings for 2016 (€0.02 gross per share), to be paid on 30 December 2016.

\* The Bank's policy on communication with investors may be consulted on the Bank's website.