

Banking since 1881.

Founded 137 years ago, Banco Sabadell is a member of the IBEX 35 index and an international banking group with a network of 2,457 branches and about 12 million customers. Banco Sabadell is one of Spain's leading banks and occupies a pre-eminent position in personal and business banking.

With a young, highly qualified workforce equipped with IT and sales resources to meet the needs of today's market, Banco Sabadell's business model is geared to being its customers' main bank through long-term relationships based on quality and commitment.

By building lasting, profitable relationships, Banco Sabadell works with its customers throughout their financial life cycle, offering solutions and channels to meet their needs and a comprehensive range of products and services that favour long-term relationships based on the principles of professionalism, ethics and transparency.

Banco Sabadell has also proven to be an agile, customer-centric institution that adapts its business model to different market needs through a range of brands and business lines that represent distinctive value propositions.

Banco Sabadell's strategic aims have traditionally been set out in three-year business plans.

In 2018, Banco Sabadell presented a new Business Plan in which it laid the strategic groundwork for the next economic cycle. The plan's ambitions are coherent with the values and objectives that have characterised the Bank since its foundation.

The Business Plan announced in February 2018 pursues profitability, sustainability and value creation.

Profitability means continuing to expand in the main markets where Banco Sabadell operates, improving efficiency and accelerating balance sheet normalisation.

Sustainability means continuing to develop the technological capabilities that are required to offer a value proposition, as well as attracting versatile talent to undertake the commercial and digital transformation of the institution and adapt it to the current changing environment.

Ultimately, the Banco Sabadell Business Plan is rooted in value creation for all its stakeholders, while offering a wide range of products and quality of service to its customers.

All this while maintaining Banco Sabadell's commitment to a society and the environment in all the territories where it operates, through ethical and responsible development of its business.

The year 2018 was characterised by two major events. Firstly, the Bank culminated the process of removing real

estate assets from its balance sheet. It Bank announced an agreement to sell practically all of its real estate exposure for €9,100 million gross, and other agreements to sell €3,161 million gross of non-performing loans. With this reduction, non-performing assets represent just 1.8% of the balance sheet (considering 100% of the exposure to the non-performing assets covered by the APS). Secondly, it completed TSB's systems migration. There were a number of incidents affecting customers when the new platform went live, and extraordinary expenses were incurred to resolve them; nevertheless, the new platform provides TSB with vital operational independence, which will lend it greater agility and efficiency and will enable it to expand into new lines of business. Both milestones were very significant because of their strategic implications and their contribution to enhancing the Bank's profitability in the future, although they had an impact on the bottom line in the short term.

The Group achieved excellent commercial performance in 2018, having expanded loans and advances and increased ordinary banking revenues by 2.9% in the year. At the same time, Banco Sabadell has a solid capital position, with a pro-forma fully-loaded CET1 ratio of 11.3% at year-end. The Bank also continued to advance steadily in the process of digital and commercial transformation by virtue of its strong commitment to the new demands of the digital era, which include process digitalisation and the evolution of the organisation's culture. As a result, the Bank is in the process of seizing the opportunities offered by new technological capacities.

To conclude, 2018 was a key year for the future of Banco Sabadell since, in addition to culminating the disposal of real estate assets and completing the TSB migration, it achieved excellent commercial performance and continued to advance with digitalisation in order to offer its customers better products and services.

History and acquisitions

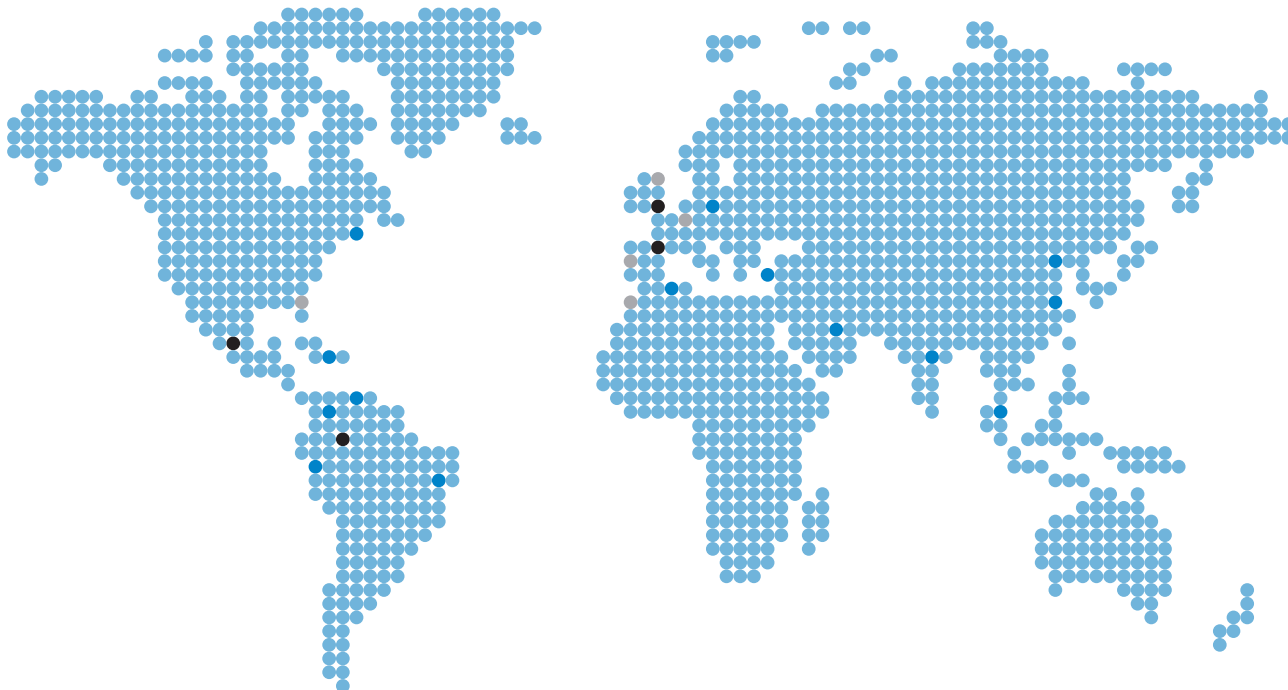
In 2018, Banco Sabadell concluded the normalisation of its balance sheet and the TSB systems migration.

G1 Banco Sabadell landmark developments

A group of 127 businesspeople and merchants in Sabadell founded the Bank, with the goal of financing local industry.	Acquisition of NatWest Spain Group and Banco de Asturias.	Successful bid for Banco Atlántico.	Acquisition of Banco Urquijo.	Acquisition of BBVA's private banking business in Miami (USA). Sale of 50% of the insurance business.	Takeover bid for 100% of Banco Guipuzcoano.	Acquisition of Banco CAM.	Started operations in Mexico	Sale of Sabadell United Bank (USA).
1881	1996	2003	2006	2008	2010	2012	2014	2017
1965	2001	2004	2007	2009	2011	2013	2015	
Expansion into nearby towns.	Banco Sabadell is floated. Acquisition of Banco Herrero.	Capital increase and entry in the IBEX-35. Banco Atlántico integrated in technological and operating terms.	Acquisition of TransAtlantic Bank (Miami).	Acquisition of Mellon United National Bank.	Acquisition of the assets and liabilities of Lydian Private Bank (Miami) and announcement of the adjudication of Banco CAM.	Acquisition of the Caixa Penedès network, Banco Gallego and the Spanish business of Lloyds Banking Group.	TSB acquisition. Bank licence in Mexico.	

Banco Sabadell operates in 20 countries through branches, representative offices, subsidiaries and investees; 31% of its loan book is located outside Spain (G2).

G2 Banco Sabadell - foreign market presence



- **Subsidiaries and affiliates**
- Andorra
- Bogota (Colombia)
- Mexico City (Mexico)
- London (United Kingdom)

- **Branches**
- Miami (USA)
- Paris (France)
- Casablanca (Morocco)
- Lisbon (Portugal)
- London (United Kingdom)

- **Representative offices**
- Algers (Algeria)
- Sao Paulo (Brazil)
- Beijing (China)

- Shanghai (China)
- Bogota (Colombia)
- Dubai (UAE)
- New York (USA)
- New Delhi (India)

- Warsaw (Poland)
- Lima (Peru)
- Santo Domingo (DR)
- Singapore (Singapore)
- Istanbul (Turkey)
- Caracas (Venezuela)