



In the event of a discrepancy, the Spanish-language version prevails

TO THE NATIONAL STOCK EXCHANGE COMMISSION (CNMV)

Bilbao, 24th December 2015

Dear Sir / Madam,

Pursuant to the provisions of article 228 of the revised text of Securities Market Act, approved by Royal Decree legislative 4/2015, of 23rd October KUTXABANK, S.A. (henceforth, “**Kutxabank**”), hereby announces the following:

SIGNIFICANT EVENT

Kutxabank has received a decision from the European Central Bank regarding the new capital requirements for KUTXABANK GROUP, following the results of the Supervisory Review and Evaluation Process (SREP) that has been carried out throughout 2015.

The decision states that Kutxabank should maintain, at all times, on a consolidated basis, a Common Equity Tier 1 capital ratio (CET1) of, at least, 9.05%. This threshold includes a Pillar 1 requirement (4.50%) and a Pillar 2 requirement, including the capital conservation buffer, (4.55%).

Currently, Kutxabank is not subject to any other types of capital-adequacy requirements linked to the combined buffers (systemic or counter-cyclical). Therefore, the total Common Equity Tier 1 capital ratio (CET1) applicable to Kutxabank has been established at 9.05%.

As of 30 September 2015, the KUTXABANK GROUP showed a Common Equity Tier 1 capital ratio (CET1) of 14.13% (on its phased-in version). Hence, no limitations provided for in the Regulation (EU) No. 575/2013, in connection with its distribution of dividends or variable remuneration policies, apply to Kutxabank.