Bankia closes 2016 with a net profit of € 804m and a further 5% dividend

Bankia **posted a net attributable profit of 804 million euros in 2016, down 22.7% from the previous year (the decrease would be 8.4% without the contribution of the** City National Bank of Florida **last year, which was 164 million).**

> Despite the fall in profit, the comfortable solvency position allows proposing a 5% increase in the dividend to be paid to shareholders, which will reach 317 million euros

This payment will lead to the dividend accumulated in the last three fiscal years reaching 820 million euros, of which more than 530 million will have gone to the State, thus advancing in the process of repayment of aid by the entity. In this period the percentage of the result that is destined to remunerate the shareholders went from 26.9% to 39.5%.

The evolution of the results is affected by three main issues: *the negative interest rate environment recorded during the whole of the year, the sale of CNB and the provisions made to deal with*

possible contingencies arising from loans with a floor clause, which Bankia, with criteria of prudence, has decided to cover, having retired in September 2015.

The Bankia president, José Ignacio Goirigolzarri, said that "the entity has been able to face a very complex environment for the financial sector, maintain high levels of profitability and solvency, and thus be able to increase again the dividend to pay our shareholders, which, in short, allows us to continue making progress in the return of the taxpayers' aid. "

> Goirigolzarri: One year we improved the quality of our balance sheet, with a decrease in delinquent loans, a reduction in the balance of assets awarded and an increase in our solvency and liquidity levels

"We have seen the good results of our new commercial positioning. *The decision to withdraw commissions, with a limited impact in terms of results, has had an even better effect than expected. Last year we captured more than 172,000 new payrolls and increased market share in cards, investment funds and credit items that we set as a priority: consumption and companies*, "said the president of Bankia. As Goirigolzarri pointed out, "we have more customers, are more satisfied and recommend us more. That translates into higher business fees and encourages us to continue taking initiatives along the same lines to be perceived as a near, simple and transparent bank. "

Similarly, Bankia's increased customer satisfaction translates into the commercialization of new credit and debit cards, which reached 522,570 in 2016, boosting retail sales by 10.4%. Also, in the analysis of the service provided through pseudocompras, Bankia obtained a grade of 7.64 compared to 7.04 of the sectorial average.

> Last year, the percentage of satisfied customers rose from 82.4% to 87.3%, reaching the highest level in the last five years

In the words of the president of Bankia, "one year we improved the quality of our balance sheet, with a decrease in delinquent loans, a reduction in the balance of assets awarded and an increase in our solvency and liquidity levels".

More customers online

> Last year also saw a significant increase in the number of Bankia's multi-channel customers, which already represent 37.6% of the total, with an increase of nearly 20% in the year

Transactions with the bank through mobile devices went from 25.2% to 30.2%. Bankia closed the

year with 300,000 customers served through its digital banking service with a personal manager, almost three times as much as a year earlier, with a turnover of more than 11,000 million euros.

Source: Bankia