

Under the provisions of article 82 of Law 24/1988, of 28 July 1988, on the Securities Market, the FROB (Fund for the Orderly Restructuring of the Banking Sector) informs the CNMV (National Securities Market Commission) of the following

SIGNIFICANT EVENT

In light of the news in the media regarding the institutions in which the FROB has a stake and the recent movements in the share prices of Bankia and Banco de Valencia, the FROB wishes to issue a reminder that the BFA/Bankia group and Banco de Valencia are part of Group 1 of the classification established in the [Memorandum of Understanding](#)¹ agreed between the Spanish institutions, the EFSF and the Community authorities on 20 July 2012. Under this memorandum, these institutions are currently subject to a rigorous accounting review, the re-evaluation of their financial position and the restructuring of their capital bases and their business activity. As the memorandum indicates, the shareholders will have to participate in covering the cost of the clean-up processes at the institutions that need public assistance under the terms set in the restructuring plan to be approved by the Banco de España and the European Commission.

Madrid, 9 August 2012

¹ http://www.bde.es/webbde/en/secciones/prensa/info_interes/mou_en.pdf