



Madrid, 30 November 2012

COMISIÓN NACIONAL DEL MERCADO DE VALORES SIGNIFICANT EVENT

Pursuant to article 82 of the Securities Market Act 24/1988 of 28 July 1988, we hereby notify the market of the announcement filed by Banco Popular Español, S.A. ("**Banco Popular**") and Popular Capital, S.A. ("**Popular Capital**") (both a "**Bidder**" and, together, the "**Bidders**") of a share purchase and repurchase offer (the "**Offers**") aimed at holders (the "**Holders**") of the securities comprising the issues detailed in the Appendix to this notification (the "**Securities**").

This transaction forms part of the additional measures presented by Banco Popular to optimise capital generation as detailed in its "2012-2014 Revised Business Plan" dated 1 October 2012, and to provide liquidity to participating security holders.

Capitalised terms used in this announcement but not defined have the meaning given to them in the Tender Offer Memorandum dated 30 November 2012.

Attached, and to all appropriate effects, is a note with additional details on the Offer.

Yours faithfully,

Francisco Aparicio Valls
Secretary to the Board of Directors

APPENDIX 1

ISSUE DETAILS

Securitised bonds

IM GBP Empresas 1 Fondo de Titulización de Activos	ISIN	Current market value	Issue date	Purchase price	Acceptance amount
Series A2 €1,135,800,000 Securities bonds	ES0347843015	€184,189,733	21/09/2006	€5,000 per €100,000 of the nominal amount	N/A
Series B €28,800,000 Securitized bonds	ES0347843023	€28,800,000	21/09/2006	€75,000 per €100,000 of the nominal amount	N/A
Series D €54,900,000 Securitized Bonds.....	ES0347843049	€54,900,000	21/09/2006	€55,000 per €100,000 of the nominal amount	€3,200,000
IM GBP FTPYME I Fondo de Titulización de Activos	ISIN	Current market value	Issue date	Purchase price	Acceptance amount
Series A5(G) €155,400,000 Spanish State-backed Securitized Bonds	ES0347844047	€155,400,000	05/12/2006	€90,000 per €100,000 of the nominal amount	€15,000,000
Series B €30,000,000 Securitized bonds	ES0347844054	€30,000,000	05/12/2006	€75,000 per €100,000 of the nominal amount	N/A
Series D €60,000,000 Securitized Bonds.....	ES0347844070	€60,000,000	05/12/2006	€50,000 per €100,000 of the nominal amount	N/A
IM GBP FTPYME II Fondo de Titulización de Activos	ISIN	Current market value	Issue date	Purchase price	Acceptance amount
Series B €47,000,000 Securitized bonds	ES0347786032	€47,000,000	06/07/2007	€75,000 per €100,000 of the nominal amount	€10,000,000
Series C €23,000,000 Securitized Bonds	ES0347786040	€23,000,000	06/07/2007	€64,000 per €100,000 of the nominal amount	N/A
Series D €45,000,000 Securitized Bonds.....	ES0347786057	€45,000,000	06/07/2007	€7,000 per €100,000 of the nominal amount	N/A
IM BP FTPYME 1 Fondo de Titulización de Activos	ISIN	Current market value	Issue date	Purchase price	Acceptance amount
Series A(G) €18,800,000 Spanish State-backed Securitized Bonds	ES0347847016	€102,364,562	27/12/2004	€5,000 per €100,000 of the nominal amount	€1,000,000

Subordinated debt

Issuer	ISIN	Current market value	Issue date	Purchase price	Acceptance amount
BPE Financiaciones, S.A.	XS0550098569	€200,000,000	22/10/2010	€41,000 per €50,000 of the nominal amount	N/A
Banco Popular Español S.A.	ES0213790001	€181,000,000	22/12/2009	€41,000 per €50,000 of the nominal amount	N/A
BPE Financiaciones, S.A.	ES0257080004	€78,953,000	30/06/2004	€800 per €100,000 of the nominal amount	N/A
BPE Financiaciones, S.A.	ES0257080012	€84,400,000	23/12/2005	€78,000 per €100,000 of the nominal amount	N/A

Preference Instruments

Issuer	ISIN	Current market value	Issue date	Purchase price	Acceptance amount
Popular Capital, S.A.	DE0009190702	€93,852,000	20/10/2003	€600 per €100,000 of the nominal amount	N/A
Popular Capital, S.A.	DE000A0BDW10	€46,218,000	30/06/2004	€500 per €100,000 of the nominal amount	N/A
Popular Capital, S.A.	XS0288613119	€18,250,000	06/03/2007	€27,500 per €50,000 of the nominal amount	N/A



APPENDIX 2

TIMETABLE OF THE OFFERS

The expected timeline is as follows:

Announcement of Commencement of the Offers	30 November 2012	<p>The Offers are announced.</p> <p>The announcement of the Offers are sent to the securities registration, clearing and settlement systems. The Tender Offer Memorandum will be available from the Tender Agent, Lucid Issuer Services Limited, and the Joint Dealer Managers.</p>
	As early as possible on 30 November 2012	<p>Notification of the Offers to the Luxembourg stock exchange, Euronext Amsterdam, the Frankfurt Stock Exchange, the London Stock Exchange, the Irish Stock Exchange and AIAF, and filing of a significant event notice with the CNMV.</p>
Offer deadline	17:00 (CET), 11 December 2012	<p>Offer Deadline.</p> <p>Deadline for receipt by the Tender Agent of all valid Tender Instructions for participation in the Offers.</p> <p>The Offers shall expire unless extended, reopened, amended and/or terminated at the sole discretion of the Offerors.</p>
Announcement of the Results of the Offers	As soon as possible on the first business day after the Offer Deadline.	<p>Date of announcement of results.</p> <p>The Offers shall announce whether they accept valid tenders of Securities for purchase pursuant to the Offers and, if so, the total amount of securities tendered for purchase or repurchase, the pro-rata allocation of each</p>



Settlement

14 December 2012

series of relevant securities.

Expected settlement date, including payment of the Total Consideration to Holders of securities validly tendered for purchase or repurchase and accepted by the Offerors, as delivery of the securities purchased or repurchased to the Offerors.

Disclaimer: Neither the Invitations nor the Tender Offer Memorandum constitute a securities offer or an offer of securities or an offer to purchase securities pursuant to the Securities Exchange Act, Royal Decree 1310/2005, of 4 November, and Royal Decree 1066/2007 of 27 July. Therefore, they are not subject to filing with the Spanish National Securities Commission (*Comisión Nacional del Mercado de Valores*). The Offers are not implemented in any jurisdiction in which it is unlawful to make such offer and, in particular, do not constitute an offer to purchase securities or a request to invitation to submit offers from any US Person, person that is in or resides in the United States of America, its territories and possessions (including Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Wake Island and the North Mariana Islands) (the “**United States**”), any of the states in the United States or the District of Columbia, nor does it constitute an offer or invitation addressed to any address in the United States. The Invitations are subject to other restrictions applicable to it, which are given in detail in the Tender Offer Memorandum.

The terms and conditions of Tender Offers, which shall be governed by English law, are provided in the Tender Offer Memorandum, available to Holders of the Securities on request. Holders of Securities are advised to read the Tender Offer Memorandum carefully once it is available.