

5. Net gains / (losses) on financial operations

The amount of this account is comprised of:

	(Thousands of euros)	
	2018	2017
Net gains / (losses) from financial operations at fair value through profit or loss		
Net gains / (losses) from financial assets held for trading	(95,407)	97,402
Net gains / (losses) from financial assets not held for trading mandatorily at fair value through profit or loss	(12,626)	n.a.
Net gains / (losses) from financial assets and liabilities designated at fair value through profit or loss	108,671	(83,438)
	638	13,964
Net gains / (losses) from foreign exchange	75,355	72,460
Net gains / (losses) from hedge accounting	2,552	(32,753)
Net gains / (losses) from derecognition of financial assets and liabilities at amortised cost	(49,432)	(8,325)
Net gains / (losses) from derecognition of financial assets at fair value through other comprehensive income	49,435	n.a.
Net gains / (losses) from financial assets available for sale	n.a.	103,030
	78,548	148,376

The balances Net gains / (losses) from financial operations at fair value through profit or loss is comprised of:

	(Thousands of euros)	
	2018	2017
Net gains / (losses) from financial assets held for trading		
<i>Gains</i>		
Debt securities portfolio	15,604	8,625
Equity instruments	1,068	982
Derivative financial instruments	222,165	408,284
Other operations	1,522	4,183
	240,359	422,074
<i>Losses</i>		
Debt securities portfolio	(8,963)	(4,541)
Equity instruments	(3,428)	(881)
Derivative financial instruments	(321,453)	(317,544)
Other operations	(1,922)	(1,706)
	(335,766)	(324,672)
	(95,407)	97,402
Net gains / (losses) from financial assets not held for trading mandatorily at fair value through profit or loss		
<i>Gains</i>		
Loans and advances to customers	28,096	n.a.
Debt securities portfolio	78,185	n.a.
	106,281	n.a.
<i>Losses</i>		
Loans and advances to customers	(32,771)	n.a.
Debt securities portfolio	(86,136)	n.a.
	(118,907)	n.a.
	(12,626)	n.a.

(continuation)

(continues)

(Thousands of euros)

	2018	2017
Net gains / (losses) from financial assets and liabilities designated at fair value through profit or loss		
<i>Gains</i>		
Resources from customers	5,324	61
Debt securities issued		
Certificates and structured securities issued	127,029	51,114
Other debt securities issued	23,725	3,989
	<u>156,078</u>	<u>55,164</u>
<i>Losses</i>		
Debt securities portfolio	(6,404)	(4,329)
Resources from customers	-	(7,758)
Debt securities issued		
Certificates and structured securities issued	(40,265)	(124,426)
Other debt securities issued	(738)	(2,089)
	<u>(47,407)</u>	<u>(138,602)</u>
	<u>108,671</u>	<u>(83,438)</u>

The balances Net gains / (losses) from foreign exchange, Net gains / (losses) from hedge accounting and Net gains / (losses) from derecognition of financial assets and liabilities at amortised cost, are presented as follows:

(Thousands of euros)

	2018	2017
Net gains / (losses) from foreign exchange		
Gains	1,181,449	1,627,679
Losses	(1,106,094)	(1,555,219)
	<u>75,355</u>	<u>72,460</u>
Net gains / (losses) from hedge accounting		
<i>Gains</i>		
Hedging derivatives	83,612	113,120
Hedged items	41,454	8,168
	<u>125,066</u>	<u>121,288</u>
<i>Losses</i>		
Hedging derivatives	(117,208)	(118,042)
Hedged items	(5,306)	(35,999)
	<u>(122,514)</u>	<u>(154,041)</u>
	<u>2,552</u>	<u>(32,753)</u>
Net gains / (losses) from derecognition of financial assets and liabilities at amortised cost		
<i>Gains</i>		
Credit sales	6,544	14,167
Debt securities issued	1,991	1,252
	<u>8,535</u>	<u>15,419</u>
<i>Losses</i>		
Credit sales	(55,955)	(23,396)
Debt securities issued	(2,012)	(348)
	<u>(57,967)</u>	<u>(23,744)</u>
	<u>(49,432)</u>	<u>(8,325)</u>

The balances Net gains / (losses) from derecognition of financial assets at fair value through other comprehensive income and Net gains / (losses) from financial assets available for sale is comprised of:

	(Thousands of euros)	
	2018	2017
Net gains / (losses) from derecognition of financial assets at fair value through other comprehensive income		
<i>Gains</i>		
Debt securities portfolio	59,818	n.a.
<i>Losses</i>		
Debt securities portfolio	(10,383)	n.a.
	49,435	n.a.
Net gains / (losses) from financial assets available for sale		
<i>Gains</i>		
Debt securities portfolio	n.a.	86,701
Equity instruments	n.a.	18,624
	n.a.	105,325
<i>Losses</i>		
Debt securities portfolio	n.a.	(2,179)
Equity instruments	n.a.	(118)
	n.a.	(2,297)
	n.a.	103,028

In 2018, the balance Net gains / (losses) arising from financial assets at fair value through other comprehensive income - Gains - Debt securities portfolio includes the amount of Euros 17,905,000 related to gains resulting from the sale of Portuguese Treasury bonds. In 2017, the balance Net gains / (losses) from financial assets available for sale - Gains - Debt securities portfolio included the gains resulting from the sale of Portuguese Treasury bonds in the amount of Euros 57,268,000.

In 2018, the balance Net gains / (losses) from hedge accounting includes a net gain of Euros 8,212,000 as a result of the sale of financial assets at fair value through other comprehensive income subject to hedge accounting, which are offset in the balance Net gains / (losses) from derecognition of financial assets at fair value through other comprehensive income (2017: Euros 868,000 registered in Net gains / (losses) from financial assets available for sale).

6. Other operating income / (losses)

The amount of this account is comprised of:

	(Thousands of euros)	
	2018	2017
Operating income		
Gains on leasing operations	3,488	6,379
Income from services	24,486	25,614
Rents	5,031	2,363
Sales of cheques and others	11,840	12,497
Other operating income	11,351	19,164
	56,196	66,017
Operating costs		
Donations and contributions	(3,604)	(3,633)
Contribution over the banking sector	(33,066)	(31,037)
Resolution Funds Contributions	(20,271)	(19,413)
Contribution for the Single Resolution Fund	(21,185)	(18,246)
Contributions to Deposit Guarantee Fund	(16,855)	(12,628)
Tax for the Polish banking sector	(46,553)	(44,297)
Taxes	(22,822)	(26,735)
Losses on financial leasing operations	-	(994)
Other operating costs	(27,718)	(19,640)
	(192,074)	(176,623)
	(135,878)	(110,606)