



**Quarterly Report**  
**December 2008**

# Quarterly Report > December 2008

<b>Caixa Tarragona Financial Highlights*</b>				
<b>Business Figures</b>	<b>31/12/2008</b>	<b>31/12/2007</b>	<b>Variance</b>	
			<b>Absolute</b>	<b>%</b>
Total assets managed	11,542,549	9,107,824	2,434,725	26.73
Total assets in balance	11,370,981	8,908,081	2,462,900	27.65
ATA (average total assets)	9,748,591	7,885,551	1,863,040	23.63
Risk weighted assets (BIS criteria)	5,635,750	6,083,683	(447,933)	(7.36)
Client Loans and Advanced Managed	7,110,711	6,827,655	283,056	4.15
Client Loans and Advances on the balance sheet	6,939,143	6,627,912	311,231	4.70
Contingent Risks	150,446	163,401	(12,955)	(7.93)
Client Resources Managed	7,864,505	7,778,369	86,136	1.11
In balance	6,979,676	6,585,683	393,993	5.98
Off balance	884,829	1,192,686	(307,857)	(25.81)
<b>Results</b>				
Net Interest Income	189,690	166,581	23,109	13.87
Net Commission Income	226,642	208,042	18,600	8.94
Gross Income	264,084	227,823	36,261	15.92
Net Operating Income	145,724	114,442	31,282	27.33
Profit Before Tax	43,531	64,079	(20,548)	(32.07)
Net Income Attributed to the Group	36,511	51,611	(15,100)	(29.26)
<b>Solvency **</b>				
Ratio BIS	11.12%	11.07%		
Tier I (100% Core Capital)	7.59%	6.73%		
Tier II	3.54%	4.34%		
<b>Profitability and Efficiency</b>				
ROE	8.29%	12.97%		
ROA	0.37%	0.65%		
RORWA	0.59%	0.91%		
Efficiency	41.68%	46.23%		
Operating Costs/ ATA	1.13%	1.34%		
<b>Asset Quality</b>				
Accumulated funds for coverage	195,067	138,519	56,548	40.82
NPL ratio	4.17%	1.46%		
NPL Coverage Ratio	39.51%	100.08%		
Insolvency Ratio	0.498%	0.112%		
<b>Additional info</b>				
Number of branches	314	322	(8)	(2.48)
Number of employees	1,478	1,504	(26)	(1.73)

\* Thousands of euros

\*\*BIS II in 2008.

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<b>Balance Sheet*</b>				
<b>Assets</b>	<b>31/12/2008</b>	<b>31/12/2007</b>	<b>Variance</b>	
			<b>Absolute</b>	<b>%</b>
Cash and equivalents with central banks	132,682	112,517	20,165	17.92
Financial assets held for trading	209,678	512,366	(302,688)	(59.08)
Financial assets available for sale	3,482,818	960,148	2,522,670	>
Loans and Receivables	7,100,386	7,036,447	63,939	0.91
Hedging Derivatives	46,577	48,962	(2,385)	(4.87)
Non-current assets available for sale	153,000	8,714	144,286	>
Investments	7,648	16,425	(8,777)	(53.44)
Insurance contracts linked to pensions	-	12,581	(12,581)	<
Reinsurance assets	740	271	469	>
Tangible Assets	152,602	151,133	1,469	0.97
Intangible Assets	4,390	3,631	759	20.90
Tax Assets	74,537	40,251	34,286	85.18
Prepayments and other accrued Income	5,353	3,503	1,850	52.81
Other assets	570	1,132	(562)	(49.65)
<b>Total Assets</b>	<b>11,370,981</b>	<b>8,908,081</b>	<b>2,462,900</b>	<b>27.65</b>
<b>Liabilities</b>				
Financial Liabilities held for trading	30,957	326	30,631	>
Financial Liabilities at an amortised cost	10,722,516	8,219,572	2,502,944	30.45
Hedging Derivatives	36,943	41,621	(4,678)	(11.24)
Insurance liabilities	952	729	223	30.59
Provisions	34,919	40,589	(5,670)	(13.97)
Tax liabilities	25,895	41,707	(15,812)	(37.91)
Payables and accrued liabilities	18,375	33,763	(15,388)	(45.58)
Other liabilities	12,976	12,108	868	7.17
<b>Total liabilities</b>	<b>10,883,533</b>	<b>8,390,415</b>	<b>2,493,118</b>	<b>29.71</b>
<b>Equity</b>				
Valuation Adjustments	10,928	68,058	(57,130)	(83.94)
Net Equity attributable to the group	476,520	449,608	26,912	5.99
<b>Total Equity</b>	<b>487,448</b>	<b>517,666</b>	<b>(30,218)</b>	<b>(5.84)</b>
<b>Total Equity and Liabilities</b>	<b>11,370,981</b>	<b>8,908,081</b>	<b>2,462,900</b>	<b>27.65</b>
Pro-memoria:				
Contingent Risks	150,446	163,401	(12,955)	(7.93)
Contingent Commitments	1,033,399	1,425,301	(391,902)	(27.50)

\*Thousands of euros

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Client Loans & Advances*	31/12/2008	31/12/2007	Variance	
			Absolute	%
<b>Loans and Advances to Public Administrations</b>	<b>89,166</b>	<b>81,839</b>	<b>7,327</b>	<b>8.95</b>
Performing Loans	89,176	81,870	7,306	8.92
Non-Performing Loans	-	-	-	-
Valuation Adjustments (+/-)	(10)	(31)	21	(67.74)
<b>Loans and Advances to Private Sector</b>	<b>6,849,977</b>	<b>6,546,073</b>	<b>303,904</b>	<b>4.64</b>
Commercial Loans	163,228	232,760	(69,532)	(29.87)
Secured Loans	5,409,048	5,375,936	33,112	0.62
Other Term Loans	758,231	767,203	(8,972)	(1.17)
Leasing	31,438	31,768	(330)	(1.04)
On call loans	180,615	150,366	30,249	20.12
Non-Performing Loans	488,725	137,609	351,116	>
Valuation Adjustments (+/-)	(181,308)	(149,569)	(31,739)	21.22
<b>Total Client Loans and Advances (a)</b>	<b>6,939,143</b>	<b>6,627,912</b>	<b>311,231</b>	<b>4.70</b>
<b>Loans and Advances Off-Balance Sheet (b)</b>	<b>171,568</b>	<b>199,743</b>	<b>(28,175)</b>	<b>(14.11)</b>
<b>Total (a+b)</b>	<b>7,110,711</b>	<b>6,827,655</b>	<b>283,056</b>	<b>4.15</b>

\*Thousands of euros

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Client Funds Managed*	31/12/2008	31/12/2007	Variance	
			Absolute	%
<b>Client Deposits</b>	<b>6,302,171</b>	<b>5,121,109</b>	<b>1,181,062</b>	<b>23.06</b>
Public Administration Deposits	190,927	222,619	(31,692)	(14.24)
Private Sector Deposits	6,111,244	4,898,490	1,212,754	24.76
Demand Deposits	1,268,877	1,453,209	(184,332)	(12.68)
Term Deposits	4,733,575	3,294,944	1,438,631	43.66
Asset Repossession	59,210	103,189	(43,979)	(42.62)
Valuation Adjustments (+/-)	49,582	47,148	2,434	5.16
<b>Debt and other Marketable Securities</b>	<b>560,348</b>	<b>1,347,426</b>	<b>(787,078)</b>	<b>(58.41)</b>
Promissory Notes	128,531	911,742	(783,211)	(85.90)
Hybrid Debt	25,000	25,000	-	-
Non-convertible Debt	399,436	399,436	-	-
Valuation Adjustments (+/-)	7,381	11,248	(3,867)	(34.38)
<b>Subordinated Liabilities</b>	<b>117,157</b>	<b>117,148</b>	<b>9</b>	<b>0.01</b>
Subordinated Debt	117,079	117,079	-	-
Valuation Adjustments (+/-)	78	69	9	13.04
<b>Total Client Funds (a)</b>	<b>6,979,676</b>	<b>6,585,683</b>	<b>393,993</b>	<b>5.98</b>
Investment Funds	141,761	253,007	(111,246)	(43.97)
Insurance and Pension Funds	308,474	351,495	(43,021)	(12.24)
Products Held but not managed	62,146	87,029	(24,883)	(28.59)
Client Securities	372,448	501,155	(128,707)	(25.68)
<b>Total Off Balance Sheet Assets (b)</b>	<b>884,829</b>	<b>1,192,686</b>	<b>(307,857)</b>	<b>(25.81)</b>
<b>Total (a+b)</b>	<b>7,864,505</b>	<b>7,778,369</b>	<b>86,136</b>	<b>1.11</b>

\*Thousands of euros

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Risk Management*	31/12/2008	31/12/2007	Variance	
			Absolute	%
Total Risks in Balance	10,569,516	7,779,550	2,789,966	35.86
Total Risks off Balance	1,276,092	1,697,432	(421,340)	( 24.82)
<b>Total Risks</b>	<b>11,845,608</b>	<b>9,476,982</b>	<b>2,368,626</b>	<b>24.99</b>
<b>Non-Performing Customer Loans / Total Customer Loans</b>	<b>6.86%</b>	<b>2.03%</b>		
Non-Performing Other Loans / Total Other Loans	0.00%	0.00%		
<b>Non-Performing Loans Ratio(B/S)</b>	<b>4.62%</b>	<b>1.77%</b>		
Non-Performing Contingent Risks/ Total Contingent Risks	3.10%	0.48%		
Non-Performing Contingent Commitments / Total Contingent Commitments	0.03%	0.00%		
<b>Non-Performing Loans Ratio (Off B/S)</b>	<b>0.39%</b>	<b>0.05%</b>		
<b>Total Non-Performing Loans</b>	<b>4.17%</b>	<b>1.46%</b>		
Coverage Ratio(B/S)	39.05%	98.39%		
Coverage Ratio(Off B/S)	84.87%	391.35%		
<b>Total Coverage Ratio</b>	<b>39.51%</b>	<b>100.08%</b>		

\* Thousands of euros

Solvency*	31/12/2008 (**)	31/12/2007	Variance	
			Absolute	%
Total Core Capital	427,578	409,668	17,910	4.37
<b>Ratio Core Capital (%)</b>	<b>7.59%</b>	<b>6.73%</b>		
Total Tier II Capital	199,397	263,848	(64,451)	(24.43)
<b>Tier II Ratio (%)</b>	<b>3.54%</b>	<b>4.34%</b>		
Computable Capital BIS	626,974	673,515	(46,541)	(6.91)
Surplus Capital	176,114	203,833	(27,719)	(13.60)
<b>BIS Ratio (%)</b>	<b>11.12%</b>	<b>11.07%</b>		
Pro-memoria				
Risk Weighted Assets (BIS Criteria)	5,635,750	6,083,683	(447,933)	(7.36)

\* Thousands of euros

\*\* BIS II in 2008.

Rating					
	Latest Revision	Individual	Short-Term	Long-Term	Outlook
<b>Fitch Ratings</b>	<b>November 2008</b>	<b>C</b>	<b>F2</b>	<b>BBB+</b>	<b>Negative</b>

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Income Statement*	31/12/2008		31/12/2007		Variance	
		% ATA		% ATA	Absolute	%
Interest and similar income	509,958		367,904		142,054	38.61
Interest and similar income	(346,437)		(222,162)		(124,275)	55.94
Return on equity instruments	26,169		20,839		5,330	25.58
<b>Net Interest Income</b>	<b>189,690</b>	<b>1.95</b>	<b>166,581</b>	<b>2.11</b>	<b>23,109</b>	<b>13.87</b>
Share of results of entities accounted for using the equity method	(2,381)		864		(3,245)	<
Fee and commission income	42,132		44,359		(2,227)	(5.02)
Fee and commission expense	(4,097)		(4,242)		145	(3.42)
Insurance Income	1,298		480		818	>
<b>Net Commission Income</b>	<b>226,642</b>	<b>2.32</b>	<b>208,042</b>	<b>2.64</b>	<b>18,600</b>	<b>8.94</b>
Gains/(Losses) on financial assets and liabilities (net)	38,236		19,457		18,779	96.52
Exchange differences (net)	(794)		324		(1,118)	<
<b>Gross Income</b>	<b>264,084</b>	<b>2.71</b>	<b>227,823</b>	<b>2.89</b>	<b>36,261</b>	<b>15.92</b>
Other operating income	2,464		4,337		(1,873)	(43.19)
Personnel expenses	(77,515)		(75,511)		(2,004)	2.65
Other general administrative expenses	(32,924)		(32,445)		(479)	1.48
Depreciation and amortization charge	(8,279)		(8,051)		(228)	2.83
Other operating expenses	(2,106)		(1,711)		(395)	23.07
<b>Net Operating Income</b>	<b>145,724</b>	<b>1.49</b>	<b>114,442</b>	<b>1.45</b>	<b>31,282</b>	<b>27.33</b>
Impairment losses (net)	(84,187)		(51,885)		(32,302)	62.26
Provisions (net)	(2,468)		(2,127)		(341)	16.03
Other gains	6,812		4,141		2,671	64.50
Other losses	(22,350)		(492)		(21,858)	>
<b>Profit before tax</b>	<b>43,531</b>	<b>0.45</b>	<b>64,079</b>	<b>0.81</b>	<b>(20,548)</b>	<b>(32.07)</b>
Income Tax	(7,020)		(12,468)		5,448	(43.70)
<b>Net Income Attributed to the Group</b>	<b>36,511</b>	<b>0.37</b>	<b>51,611</b>	<b>0.65</b>	<b>(15,100)</b>	<b>(29.26)</b>

\*Thousands of euros

Profitability & Efficiency*	31/12/2008	31/12/2007
ROE	8.29%	12.97%
ROA	0.37%	0.65%
RORWA	0.59%	0.91%
Operating Efficiency	41.68%	46.23%
Operating Costs / ATA	1.13%	1.34%

## DISCLAIMER

The consolidated financial statements of the group for the period ending December 31st, 2008 that appear in this report have not been audited or approved by the General Assembly of the entity but have been made following the same criteria during the process in 2007, conforming with current legislation. The interpretations that are contained about the causes or factors indicated in the financial statements are purely subjective and verified in good faith. In any manner, the information cannot be considered wholly or partially, neither an offer nor invitation to initiate any type of legal or business action. Neither can it serve as a base with which to make any type of economic decision and that it can and should be used as a tool along with other information as other factors, circumstances and/or analysis that has not been included in this report.