



**QUARTERLY REPORT**  
**June 2009**

# Quarterly report > June 2009

## Caixa Tarragona Financial Highlights

(in thousands of euros)

Business Figures	30/06/2009	30/06/2008	Net change	
			Eur	%
Total assets managed	11,044,868	9,998,664	1,046,204	10.46
Total assets in balance	10,897,201	9,815,598	1,081,603	11.02
ATA (average total assets)	10,842,101	8,791,148	2,050,953	23.33
Risk weighted assets	5,139,275	6,388,211	(1,248,936)	(19.55)
Client Loans and Advanced Managed	6,793,579	7,257,622	(464,043)	(6.39)
Client Loans and Advances on the balance sheet	6,645,912	7,074,556	(428,644)	(6.06)
Contingent Risks	134,354	151,479	(17,125)	(11.31)
Client Resources Managed	8,320,142	7,873,256	446,886	5.68
In balance	7,474,410	6,838,592	635,818	9.30
Off balance	845,732	1,034,664	(188,932)	(18.26)
<b>Results</b>				
Net Interest Income	111,092	73,310	37,782	51.54
Gross Income	131,489	135,147	(3,658)	(2.71)
Net operating income	76,958	75,184	1,774	2.36
Profit from operations	50,156	32,714	17,442	53.32
Profit before tax	18,631	32,920	(14,289)	(43.41)
Profit from continuing operations	15,253	27,596	(12,343)	(44.73)
Consolidated profit	15,253	27,596	(12,343)	(44.73)
<b>Solvency*</b>				
Ratio BIS	12.42%	10.63%		
Tier I (100% Core Capital)	8.73%	6.82%		
Tier II	3.69%	3.81%		
<b>Profitability and Efficiency**</b>				
ROE	5.29%	12.35%		
ROA	0.22%	0.59%		
RORWA	0.42%	0.84%		
Efficiency	38.22%	41.26%		
Operating costs / ATA	1.04%	1.35%		
<b>Asset Quality</b>				
Accumulated funds for coverage	187,588	172,454	15,134	8.78
NPL ratio	4.52%	2.90%		
NPL Coverage Ratio	36.53%	57.82%		
Insolvency Ratio	1.09%	0.17%		
<b>Additional info</b>				
Number of employees	1,440	1,519	(79)	(5.20)
Number of branches	302	319	(17)	(5.33)
Number of ATMs	345	361	(16)	(4.43)

\* BIS II since 31 December 2008

## Relevant Facts

Caixa Tarragona Group has obtained a net profit of 15,25 million euros in the first half of 2009, increasing its net interest income by 51.54% over the same time last year, and its net operating income by 2.36% in the last 12 months.

These increases, joined to a good cost management, have allowed to improve considerably the group's efficiency ratio, which on 30 June 2009 stood at 38.22%, representing a significant improvement over the previous year.

Regarding the non performing loans ratio, its growth has been reduced over the second quarter thanks to the slowdown in the inflows and on 30 June 2009 is at 4.52%. At the same date, the coverage ratio stood at 3653% (98.79% if mortgage guarantees are taken into account).

The growth in net interest margin and the net operating income allowed to continue making allowances to face possible insolvencies of customers.

Moreover, Caixa Tarragona Group has consolidated its good level of solvency during the second quarter of 2009 and on 30 June has a Core Capital of 8.73%, showing an excellent level of solvency. The BIS II solvency ratio is at 12.42%.

Computable capital of the Group amounted to EUR 638.3 million, representing a surplus of 227.2 million euros on the minimum requirements set by the Bank of Spain.

Regarding the balance sheet, at 30 June 2009 is important to note that the total assets of the Group are located at 10,897.2 million euros at 30 June 2009, representing a growth of 11.02%.

Additionally, and regarding the liabilities of the Group, the balance sheet policy carried out has paid off in a short period of time reaching a good balance. Thus, the client resources managed at 30 June 2009 total 8,320.14 million, and within these, the in balance client resources grow at an interannual rate of 9.30%. Moreover, the growth of 13.98% of client deposits is significant, reflecting the confidence of customers.

Finally, as regards productivity, it is notable that the ratio which measures the business managed per employee has increased by 8.53% on June 30, 2009.

# Quarterly report > June 2009

## Balance Sheet

(in thousands of euros)

A S S E T S	30/06/2009	31/12/2008	30/06/2008	Variance		Variance interannual	
				Absoluta	%	Absoluta	%
Cash and cash balances with central banks	78,157	132,682	88,977	(54,525)	(41.09)	(10,820)	(12.16)
Financial assets held for trading	4,508	209,678	382,329	(205,170)	(97.85)	(377,821)	(98.82)
Available for sale financial assets	1,919,404	3,482,818	1,503,816	(1,563,414)	(44.89)	415,588	27.64
Loans and receivables	6,796,311	7,100,386	7,556,222	(304,075)	(4.28)	(759,911)	(10.06)
Held to maturity investments	1,427,052	0	0	1,427,052	0.00	1,427,052	0.00
Hedging derivatives	65,546	46,577	32,815	18,969	40.73	32,731	99.74
Non-current assets held for sale	375,112	153,000	16,373	222,112	145.17	358,739	2,191.04
Investments	5,869	7,648	7,165	(1,779)	(23.26)	(1,296)	(18.09)
Insurance contracts linked to pensions	0	0	13,319	0	0.00	(13,319)	(100.00)
Reinsurance assets	812	740	518	72	9.73	294	56.76
Tangible assets	143,807	152,602	151,492	(8,795)	(5.76)	(7,685)	(5.07)
Intangible assets	3,948	4,390	4,043	(442)	(10.07)	(95)	(2.35)
Tax assets	65,949	74,537	46,879	(8,588)	(11.52)	19,070	40.68
Other assets	10,726	5,923	11,650	4,803	81.09	(924)	(7.93)
<b>TOTAL ASSETS</b>	<b>10,897,201</b>	<b>11,370,981</b>	<b>9,815,598</b>	<b>(473,780)</b>	<b>(4.17)</b>	<b>1,081,603</b>	<b>11.02</b>
<b>L I A B I L I T I E S</b>							
Financial liabilities held for trading	28,084	30,957	855	(2,873)	(9.28)	27,229	3,184.68
Financial liabilities at amortised cost	10,221,965	10,722,516	9,149,818	(500,551)	(4.67)	1,072,147	11.72
Hedging derivatives	52,999	36,943	35,978	16,056	43.46	17,021	47.31
Liabilities under insurance contracts	1,800	952	1,076	848	89.08	724	67.29
Provisions	33,965	34,919	42,468	(954)	(2.73)	(8,503)	(20.02)
Tax liabilities	27,480	25,895	36,573	1,585	6.12	(9,093)	(24.86)
Welfare fund	13,699	12,957	16,914	742	5.73	(3,215)	(19.01)
Other liabilities	15,777	18,394	33,545	(2,617)	(14.23)	(17,768)	(52.97)
<b>TOTAL LIABILITIES</b>	<b>10,395,769</b>	<b>10,883,533</b>	<b>9,317,227</b>	<b>(487,764)</b>	<b>(4.48)</b>	<b>1,078,542</b>	<b>11.58</b>
<b>E Q U I T Y</b>							
Own funds	486,110	476,520	467,605	9,590	2.01	18,505	3.96
Valuation adjustments	15,322	10,928	30,766	4,394	40.21	(15,444)	(50.20)
<b>TOTAL EQUITY</b>	<b>501,432</b>	<b>487,448</b>	<b>498,371</b>	<b>13,984</b>	<b>2.87</b>	<b>3,061</b>	<b>0.61</b>
<b>TOAL LIABILITIES AND EQUITY</b>	<b>10,897,201</b>	<b>11,370,981</b>	<b>9,815,598</b>	<b>(473,780)</b>	<b>(4.17)</b>	<b>1,081,603</b>	<b>11.02</b>
<b>MEMORANDUM ITEMS</b>							
Contingent liabilities	134,354	150,446	151,479	(16,092)	(10.70)	(17,125)	(11.31)
Contingent commitments	906,242	1,033,399	1,267,598	(127,157)	(12.30)	(361,356)	(28.51)

# Quarterly report > June 2009

## Loans & Advances to customers

(in thousands of euros)	30/06/2009	31/12/2008	30/06/2008	Variance YTD		Variance Interannual	
				Absolute	%	Absolute	%
Loans and Advances to Public Administrations	100,924	89,166	89,480	11,758	13.19	11,444	12.79
Performing loans	100,957	89,176	89,471	11,781	13.21	11,486	12.84
Valuation adjustments (+/-)	(33)	(10)	9	(23)	230.00	(42)	(466.67)
Loans and Advances to Private Sector	6,544,988	6,849,977	6,985,076	(304,989)	(4.45)	(440,088)	(6.30)
Commercial loans	98,367	163,228	202,351	(64,861)	(39.74)	(103,984)	(51.39)
Secured loans	5,226,691	5,409,048	5,633,409	(182,357)	(3.37)	(406,718)	(7.22)
Other term loans	682,208	758,231	785,537	(76,023)	(10.03)	(103,329)	(13.15)
Leasing	25,935	31,438	35,800	(5,503)	(17.50)	(9,865)	(27.56)
On call loans	175,688	180,615	218,651	(4,927)	(2.73)	(42,963)	(19.65)
Non performing loans	509,462	488,725	297,376	20,737	4.24	212,086	71.32
Valuation adjustments (+/-)	(173,363)	(181,308)	(188,048)	7,945	(4.38)	14,685	(7.81)
<b>Total Loans and Advances to customers (a)</b>	<b>6,645,912</b>	<b>6,939,143</b>	<b>7,074,556</b>	<b>(293,231)</b>	<b>(4.23)</b>	<b>(428,644)</b>	<b>(6.06)</b>
<b>Loans and Advances Off-Balance Sheet (b)</b>	<b>147,667</b>	<b>171,568</b>	<b>183,066</b>	<b>(23,901)</b>	<b>(13.93)</b>	<b>(35,399)</b>	<b>(19.34)</b>
<b>Total (a + b)</b>	<b>6,793,579</b>	<b>7,110,711</b>	<b>7,257,622</b>	<b>(317,132)</b>	<b>(4.46)</b>	<b>(464,043)</b>	<b>(6.39)</b>

## Clients Funds Managed

(in thousands of euros)	30/06/2009	31/12/2008	30/06/2008	Variance YTD		Variance interannual	
				Absolute	%	Absolute	%
Client Deposits	6,507,182	6,302,171	5,708,899	205,011	3.25	798,283	13.98
Public Administration Deposits	239,389	190,927	203,513	48,462	25.38	35,876	17.63
Private Sector Deposits	6,267,793	6,111,244	5,505,386	156,549	2.56	762,407	13.85
Demand deposits	1,365,659	1,268,877	1,421,022	96,782	7.63	(55,363)	(3.90)
Term deposits	4,780,200	4,733,575	4,003,241	46,625	0.98	776,959	19.41
Asset repossession	63,911	59,210	45,384	4,701	7.94	18,527	40.82
Valuation adjustments (+/-)	58,023	49,582	35,739	8,441	17.02	22,284	62.35
Debt and other Marketable Securities	850,098	560,348	1,012,556	289,750	51.71	(162,458)	(16.04)
Promissory notes	44,174	128,531	577,568	(84,357)	(65.63)	(533,394)	(92.35)
Hybrid debt	25,000	25,000	25,000	0	0.00	0	0.00
Non-convertible debt	784,155	399,436	399,436	384,719	96.32	384,719	96.32
Valuation adjustments (+/-)	(3,231)	7,381	10,552	(10,612)	(143.77)	(13,783)	(130.62)
Subordinated Liabilities	117,130	117,157	117,137	(27)	(0.02)	(7)	(0.01)
Subordinated debt	117,079	117,079	117,079	0	0.00	0	0.00
Valuation adjustments (+/-)	51	78	58	(27)	(34.62)	(7)	(12.07)
<b>Total Client Funds (a)</b>	<b>7,474,410</b>	<b>6,979,676</b>	<b>6,838,592</b>	<b>494,734</b>	<b>7.09</b>	<b>635,818</b>	<b>9.30</b>
Investment funds	97,403	141,761	208,422	(44,358)	(31.29)	(111,019)	(53.27)
Insurance and pension funds	306,662	308,474	319,521	(1,812)	(0.59)	(12,859)	(4.02)
Products held but not managed	59,002	62,146	73,853	(3,144)	(5.06)	(14,851)	(20.11)
Client securities	382,665	372,448	432,868	10,217	2.74	(50,203)	(11.60)
<b>Total Off Balance Sheet Assets (b)</b>	<b>845,732</b>	<b>884,829</b>	<b>1,034,664</b>	<b>(39,097)</b>	<b>(34.19)</b>	<b>(188,932)</b>	<b>(18.26)</b>
<b>Total (a + b)</b>	<b>8,320,142</b>	<b>7,864,505</b>	<b>7,873,256</b>	<b>455,637</b>	<b>(27.11)</b>	<b>446,886</b>	<b>5.68</b>

# Quarterly report > June 2009

## Risk management

(in thousands of euros)

	30/06/2009	30/06/2008	Variance	
			Absoluta	%
Total Risks in Balance	10,234,854	8,750,339	1,484,515	16.97
Total Risks off Balance	1,125,007	1,518,688	(393,681)	(26)
<b>Total Risks</b>	<b>11,359,861</b>	<b>10,269,027</b>	<b>1,090,834</b>	<b>10.62</b>
<b>Non-Performing Customer Loans / Total Customer Loans</b>	<b>7.47%</b>	<b>4.09%</b>		
Non-performing Other Loans / Total Other Loans	0.00%	0.00%		
<b>Non-Performing Loans Ratio(B/S)</b>	<b>4.98%</b>	<b>3.40%</b>		
Non-Performing Contingent Risks / Total Contingent Risks	2.97%	0.52%		
Non-Performing Contingent Commitments / Total Contingent Commitments	0.00%	0.01%		
<b>Non-Performing Loans Ratio (Off B/S)</b>	<b>0.36%</b>	<b>0.06%</b>		
<b>Total Non-Performing Loans</b>	<b>4.52%</b>	<b>2.90%</b>		
Coverage Ratio(B/S)	36.21%	56.81%		
Coverage Ratio(Off B/S)	77.25%	399.77%		
<b>Total Coverage Ratio</b>	<b>36.53%</b>	<b>57.82%</b>		

Solvency (in thousands of euros)	30/06/2009	30/06/2008	Variance	
			Absolute	%
Total Core Capital	448,483	435,400	13,083	3.00
<b>Ratio Core Capital (%)</b>	<b>8.73%</b>	<b>6.82%</b>		
Total Tier II Capital	189,814	243,534	- 53,720	(22.06)
<b>Tier II Ratio (%)</b>	<b>3.69%</b>	<b>3.81%</b>		
Computable Capital BIS	638,297	678,934	(40,637)	(5.99)
Surplus Capital	227,155	167,877	59,278	35.31
<b>BIS Ratio (%)</b>	<b>12.42%</b>	<b>10.63%</b>		
Pro-memoria				
Risk Weighted Assets (BIS Criteria)	5,139,275	6,388,211	(1,248,936)	(19.55)

\*BIS II since 31 December 2008.

## Rating

	Latest revision	Individual	Short - term	Long - term	Outlook
<b>Fitch Ratings</b>	April 2009	C/D	F3	BBB	Negative

# Quarterly report > June 2009

## Income Statement

(in thousands of euros)	30/06/2009		30/06/2008		Variance interannual	
		% ATA*		% ATA*	Absolute	%
Interest and similar income	256,778		232,496		24,282	10.44
Interest expense and similar charges	145,686		159,186		(13,500)	(8.48)
<b>Net interest income</b>	<b>111,092</b>	<b>1.95</b>	<b>73,310</b>	<b>1.59</b>	<b>37,782</b>	<b>51.54</b>
Income from equity instruments	2,294		18,987		(16,693)	(87.92)
Share of results of entities accounted for using the equity method	111		1,065		(954)	(89.58)
Fee and commission income	19,002		21,533		(2,531)	(11.75)
Fee and commission expense	1,797		2,073		(276)	(13.31)
Gains / Losses on financial assets and liabilities	649		21,790		(21,141)	(97.02)
Exchange differences (net)	193		146		47	32.19
Other operating income	4,115		5,455		(1,340)	(24.56)
Other operating expenses	4,170		5,066		(896)	(17.69)
<b>Gross income</b>	<b>131,489</b>	<b>2.31</b>	<b>135,147</b>	<b>2.93</b>	<b>(3,658)</b>	<b>(2.71)</b>
Staff costs	33,839		39,399		(5,560)	(14.11)
Other general administrative expenses	16,413		16,367		46	0.28
Depreciation and amortisation expenses	4,279		4,197		82	1.95
<b>Net operating income</b>	<b>76,958</b>	<b>1.35</b>	<b>75,184</b>	<b>1.32</b>	<b>1,774</b>	<b>2.36</b>
Provisions (net)	(2,082)		578		(2,660)	(460.21)
Impairment losses on financial assets (net)	28,884		41,892		(13,008)	(31.05)
<b>Profit from operations</b>	<b>50,156</b>	<b>0.88</b>	<b>32,714</b>	<b>0.71</b>	<b>17,442</b>	<b>53.32</b>
Impairment losses on other assets (net)	1,933		2		1,931	96,550.00
Gains / Losses on disposal of assets not classified as non current held for sale	-		(37)		37	(100.00)
Gains / Losses on non current assets held for sale not classified as discontinued operations	(29,592)		245		(29,837)	(12,178.37)
<b>Profit before tax</b>	<b>18,631</b>	<b>0.33</b>	<b>32,920</b>	<b>0.71</b>	<b>(14,289)</b>	<b>(43.41)</b>
Income tax	3,378		5,324		(1,946)	(36.55)
<b>Profit for the year from continuing operations</b>	<b>15,253</b>	<b>0.27</b>	<b>27,596</b>	<b>0.60</b>	<b>(12,343)</b>	<b>(44.73)</b>
Profit from discontinued operations (net)	-		-		-	-
<b>Profit attributed to the group</b>	<b>15,253</b>	<b>0.27</b>	<b>27,596</b>	<b>0.60</b>	<b>(12,343)</b>	<b>(44.73)</b>

\* year to year

Profitability & Efficiency*	30/06/2009	30/06/2008
ROE	5.29%	12.35%
ROA	0.22%	0.59%
RORWA	0.42%	0.84%
Operating Efficiency	38.22%	41.26%
Operating Costs / ATA	0.97%	1.24%

\* Year / Year

## DISCLAIMER

The consolidated financial statements of the group for the period ending June 30th, 2009 that appear in this report have been audited and made 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.