



FIRST HALF 2007

PORTFOLIO AT 30-06-2007

Listed holdings	% Stake	Book value
		Million €
Acerinox	23.0	861.6
ACS	22.1	1,603.5
Antevenio	20.5	0.8
Clínica Baviera	5.0	18.0
Prosegur	8.6	113.2
Total book value		2,597.1
Total market value (30-06-07)		4,955.9
Unrealised capital gains		2,358.8

Unlisted holdings	% Stake	Book value
		Million €
March Unipsa Correduría de Seguros	35.0	3.1
March Gestión de Fondos	35.0	1.7
March Gestión de Pensiones	35.0	1.0

Total book value **5.8**
Real estate **273.0**

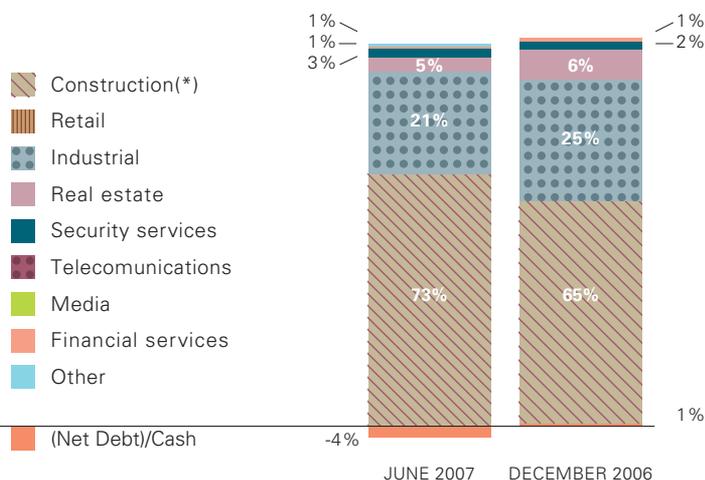
All these interests are consolidated by the equity method except for the stake in Clínica Baviera that will start to be consolidated on the 1st July 2007. The stake in Islalink, acquired in February 2007, does not appear in this table as it was consolidated using the full consolidation method.

NET ASSET VALUE

The key figure for gauging the value of a company such as Alba is its net asset value. Calculated according to internal methods consistent with those normally used by equity analysts, on the 30th of June 2007 Alba's net asset value was estimated at 5,048 M€ or 78.83€ per share, after deducting own shares held as Treasury Stock.

	Million euros
Listed holdings	4,955.9
Unlisted holdings and real estate	329.5
Other assets and debt	(237.2)
Net asset value	5,048.3
Million shares (minus Treasury Stock)	64.04
Net asset value/share	78.83 €

BREAKDOWN OF NET ASSET VALUE BY SECTOR



(*) The 73% represented by the Construction sector reflects the investment in ACS. Given ACS's broad diversification, in order to provide a clearer picture of the distribution of Alba's portfolio by sector, this 73% has been broken down between the following sectors (1):

Construction	22%
Industrial Services	19%
Electricity	17%
Urban Services	11%
Concessions	4%
Total	73%

(1) Breakdown reflects each sector's contribution to the net profit of ACS for 2007.



FIRST HALF TRANSACTIONS



In the first six months of 2007, Alba invested 383.4 M€, of which 316.4 M€ was allocated to increasing its share participation in the companies where it already had a presence - Acerinox, ACS and Prosegur- 33.1 M€ was allocated to the purchase of shares in new companies - Clínica Baviera and IslaLink - and 33.9 M€ to the purchase of its own shares held by the company itself.

The largest investment in these first six months was the purchase of an additional 1.0% in ACS for a total of 149.8M€, at an average price of 42.82 € per share. On 30 June 2007, the market value of the 22.1% share in ACS was 3,694.9 M€, representing an increase of more than 160 M€ during the quarter and more than 500 M€ since the beginning of the year.

Alba also increased its share in Acerinox by 2.2% a year, with a total investment of 104.1 M€, at an average price of 18.22 € per share. At the end of June, the market value of 23.0% of Acerinox was 1,082.7 M€.

Alba acquired a further 3.6% of Prosegur during the six month period for 62.5 M€, at an average price of 27.99 € per share. This investment has meant that they have been able to increase their share in the company to 8.6%, which has been consolidated by the equity method in Alba's accounts from the beginning of the year.

On 4 July, Alba announced that they had acquired a 5.0% share in Clínica Baviera. This led to a total investment of 18.0 M€ in the quarter, at an average price of 22.06 € per share.



STOCK MARKET PERFORMANCE

- Corporación Financiera Alba is listed on the Spanish Stock Exchange, and during the first half of 2007 had an average daily trading volume of 7.78 M€.

- During the first half of 2007, the value of Alba shares rose by 0.8%, reaching €57.00 from €56.55 per share.





At the time of this investment, Alba made a favourable assessment with positive expectations for the company's growth, the quality of its management, its leading position and the recognition of the brand on the Spanish market.

On the other hand, as already mentioned in the report on the results in the first quarter and according to the corresponding relevant facts, in February Alba acquired 75% of the share capital of IslaLink for 15.1 M€.

In the first months of the financial year, Alba purchased 605,029 own shares for a total of 33.9 M€, at an average price of 55.99 € per share. Considering these purchases and the redemption of 1,000,000 of their own shares agreed at the General Shareholders Meeting held last 30 May, the balance of its own shares,

held by the company itself on 30 June, was 61,715 shares, representing 0.1% of the share capital. After the capital decrease from the above mentioned redemption of shares, the share capital will be 64,100,000 €.

In addition to the redemption of their own shares, the General Shareholders' Meeting approved amongst other matters, the distribution of a supplementary dividend relating to 2006 profits of 0.06 € per share (on top of a total dividend of 0.12 € per share), which was made to the shareholders on 12 June.

In the second quarter, Alba had completed the CNMV authorisation process of Deyá Capital, SCR. The company had planned to invest 500 M€ in the purchase of minority interests in unlisted, average-sized Spanish companies, with good management teams, with a view to supporting their growth.

IslaLink

ALBA ON INTERNET



The Alba internet website

(www.corporacionalba.es) contains

complete, updated information about the growth of the company, and a reference to the most relevant news about the companies making up its portfolio, and offers the possibility of direct access to its respective web pages.



RESULTS

Alba's consolidated **Net profit** for the first half of the year was 270.8 M€, compared with 600.8 M€ for the same period the previous year. This drop was due to a less amount of extraordinaries (disinvestments) during this period. The earnings per share in this period were €4.21.

Rental Income includes the IslaLink submarine cable exploitation of 1.8 M€.

Net profits from affiliates, which comprises a proportion of the profits of affiliate companies based on Alba's holdings, increased considerably from 84.2 M€ to 235.6 M€, mainly due to the strong performance of the investee companies, Alba's larger stakes in ACS and Acerinox and the addition to the scope of consolidation of Prosegur in 1 January 2007. This item contains the main source of recurrent income for Alba in the long term, apart from any one-off disinvestments that may be carried out.

Income from shares, an item which mainly comprises capital gains generated from disinvestments during the financial year, stood at 38.2 M€, compared with 511.9 M€ the previous year (which largely consisted of capital gains obtained from the sale of the stake in Carrefour). The irregular nature of this item should be highlighted, as it includes capital gains derived from portfolio management.

The increase in **Financial Expenses**, which rose from 0.3 M€ to 9.0 M€ is due to the bigger debt because of the investments made in the period.

	Million euros	
	30-06-07	30-06-06
Net profits from associates consolidated by equity method	235.6	84.2
Rental income	9.4	8.1
Results from current assets	38.2	511.9
Financial Income	9.4	8.7
	292.6	612.9
Overheads	(11.8)	(11.4)
Financial expenses	(9.0)	(0.3)
Depreciation	(1.2)	(0.5)
Corporate income tax	0.0	0.0
Minority shareholdings	0.2	0.0
	(21.8)	(12.2)
Net profit	270.8	600.8
EPS (€)	4.21	9.19

CONSOLIDATED BALANCE SHEET

Consolidation of the recently acquired Islalink by the full consolidation method explains the appearance in the first half 2007 accounts of Income and Expenses to be Distributed and Minority Shareholders as well as the majority of the increase in Fixed Assets.

Assets	Million euros	
	30-06-07	31-12-06
Real Estate Investments	261.6	276.8
Other fixed assets	35.5	12.5
Tangible fixed assets	297.1	289.3
Investments in Associates	2,602.8	1,947.9
Available for sale securities I.t.	0.0	76.7
Other financial investments	3.8	1.9
Financial investments	2,606.6	2,026.5
Expenses to be distributed	19.1	-
Available for sale securities s.t.	1.1	16.7
Financial investments	282.5	261.5
Debtors and other assets	9.4	1.9
Total assets	3,215.8	2,595.9

Liabilities	Million euros	
	30-06-07	31-12-06
Share capital (2)	65.1	65.1
Reserves	2,320.5	1,398.2
Profits for the year	270.8	918.3
Minority interests	5.0	-
Shareholders equity	2,661.4	2,381.6
Income to be distributed	26.5	-
Provisions	38.9	41.0
Long-term creditors	2.1	2.1
Financial debt	455.5	148.2
Current liabilities	31.4	23.0
Total liabilities and shareholders equity	3,215.8	2,595.9

(1) Year 2007 unaudited.

(2) The share capital at 30/06/07 is composed of 65,100,000 shares with a nominal value of 1 € each, this amount will become 64,100,000 after the registration of the retirements approved on the AGM.