



## **ALBA: PORTFOLIO AND THIRD QUARTER 2008 RESULTS**

- Consolidated net profit after tax reached 429.9 M€ in the first nine months of 2008, 3.1% higher than the result of the same period of the previous year.
- Income from affiliated companies rose 11.7%, to 439.4 M€
- Earnings per share, or EPS, stood at €6.94, showing an increase of 5.3%.

### **I. THIRD QUARTER TRANSACTIONS**

In July 2008, Alba sold its 74.7% interest in IslaLink, the independent submarine cable operator, to another shareholder in the company for 15.7 M€. Alba made a 1.6 M€ capital gain in this transaction.

Also in July, Deyá Capital - the growth capital subsidiary of Alba - sold its 26.1% stake in Isofotón to the majority shareholder Bergé y Cía for 150 M€. This sum will be paid mainly in instalments, with interests.

Also during this period, the incorporation of Deyá Capital II S.C.R. and Deyá Capital III F.C.R. was completed. Jointly, these entities have funds of 100 M€, committed by clients of Wealth Management and Private Banking of Banca March. Deyá Capital S.C.R. has 300 M€ fully committed by Alba. The three entities are managed by Artá Capital S.G.E.C.R., whose majority shareholder is Alba, and they will invest in the same participated companies proportionately to the funds committed in each of them.

Therefore, Deyá Capital transferred in this period a 5.6% stake in Ros Roca to Deyá Capital II and Deyá Capital III for 16.5 M€. A similar process will soon be completed with the holding in OCIBAR, once the required approvals have been obtained from the financing banks and shareholders.

## II. PORTFOLIO

Alba's portfolio on the 30<sup>th</sup> of September, 2008 was as follows:

	%	Book value
<u>Listed holdings</u>	<u>Stake</u>	<u>Million €</u>
Acerinox	23.8	804.6
ACS	23.3	1,683.3
Antevenio	20.5	2.8
Clínica Baviera	16.0	59.3
Prosegur	10.0	144.4
<b>Total book value</b>		<b>2,694.4</b>
<b>Total market value (30-09-08)</b>		<b>3,156.4</b>
<b>Unrealised capital gains</b>		<b>462.0</b>

	%	Book value
<u>Unlisted holdings</u>	<u>Stake</u>	<u>Million €</u>
Ocibar (1)	28.9	9.9
Ros Roca (1)	16.8	47.7
Otros		0.4
<b>Total book value</b>		<b>58.0</b>
<b>Real estate</b>		<b>294.0</b>

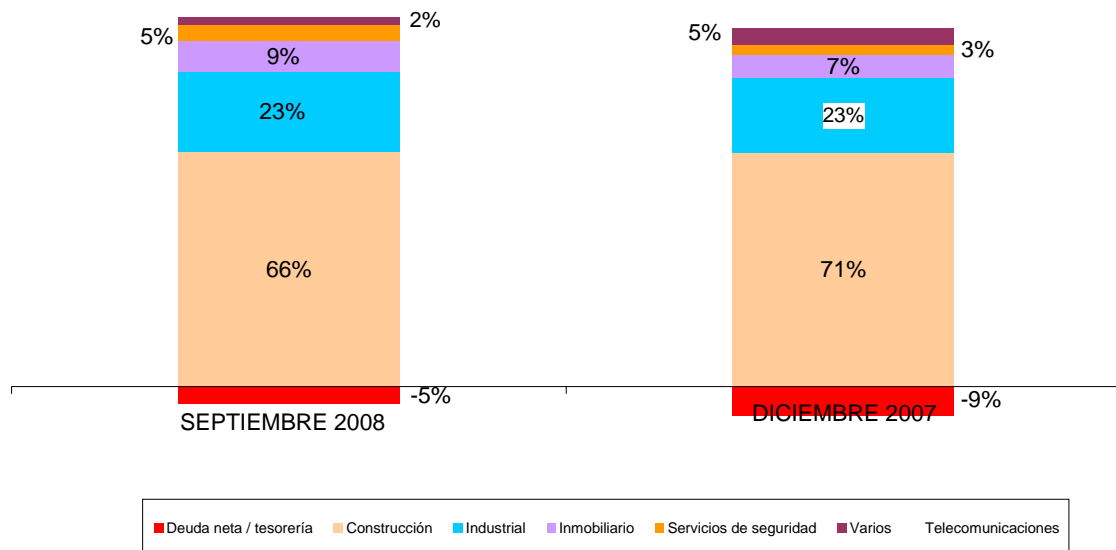
Note (1): Through Deyá Capital S.C.R.

### III. 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 30<sup>th</sup> of September 2008 Alba's Net Asset Value was estimated at 3,343 M€ or 53.95 € per share, after deducting own shares held as Treasury Stock.

	<i>Millones de Euros</i>
Valores cotizados	3.156,4
Valores no cotizados e inmuebles	353,1
Otros activos y deudas a corto y largo plazo	(167,0)
<b>Valor neto de los activos (NAV)</b>	<b>3.342,5</b>
Millones de acciones (deducida autocartera)	61,96
<b>NAV / acción</b>	<b>53,95 €</b>

### IV. BREAKDOWN OF NET ASSET VALUE BY SECTOR



The 66% 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 68% has been broken down between the following sectors<sup>1</sup>:

Construction	19%
Industrial Services	18%
Electricity	14%
Urban Services	8%
Concessions	7%
	<b>66%</b>

<sup>1</sup> Breakdown reflects each sector's contribution to the net profit of ACS for 2008 according to Alba's internal forecast.

## V. RESULTS

Alba's consolidated net profit for the first nine months of the year was 429.9 M€ compared with 416.9 M€ for the same period the previous year; this 3.1% increase is mainly due to higher profits from associated companies that absorbed the lower income from the sale of assets. Earnings per share stood at €6.94, a 5.3% increase.

*Net profits from affiliates* increased from 393.5 M€ to 439.4 M€ due to the strong performance of the investee companies, Alba's larger stakes in ACS, Acerinox and Prosegur and the addition of Clínica Baviera to the consolidation scope on 1 July 2007. This item contains the main long-term source of recurrent income for Alba, excluding the one-off disinvestments that may eventually take place.

*Income from shares*, an item which is largely made up of capital gains generated from disinvestments during the financial year, recorded a loss of 5.0 M€ compared with the 22.4 M€ profit the previous year. This loss is largely due to the fall in the market value of *Financial assets for trading*. In the same period in 2007, this item included 23.6 M€ worth of income from the sale of real estate.

Revenue from the rental of buildings rose 8.5% over the same period last year to 12.4 M€. The occupancy rate was 95.8%.

Other relevant items on the income statement include the recovery of 9.0 M€ of *Provisions* that had exceeded the final risk and 3.3 M€ from a *Corporate Income tax* refund for past over-payments, which was largely absorbed by the Corporate Income tax expense accrued in the period.

One significant change on the balance sheet is the sale of the stake in IslaLink, which was consolidated using the global consolidation method. This sale explains the changes in the *Tangible fixed assets* and *Expenses and Income to be distributed over several years* items, among others.

## RESULTS

	Million euros	
	30/09/2008	30/09/07
Net profits from associates consolidated by the equity method	439.4	393.5
Rental income	12.4	11.5
Results from current assets	(5.0)	22.4
Commissions and Financial Income	2.8	13.6
<b>Sum</b>	<b>449.6</b>	<b>441.0</b>
Overheads	(12.1)	(9.5)
Financial expenses	(15.2)	(13.5)
Depreciation	(0.7)	(0.5)
Provisions for contingencies and expenses	9.0	0.0
Corporate income tax	0.3	0.0
Minority shareholders	(2.6)	0.2
<b>Sum</b>	<b>(21.3)</b>	<b>(23.3)</b>
Results of discontinued activities	1.6	(0.8)
<b>Net profit</b>	<b>429.9</b>	<b>416.9</b>
<b>EPS (€)</b>	<b>6.94</b>	<b>6.59</b>

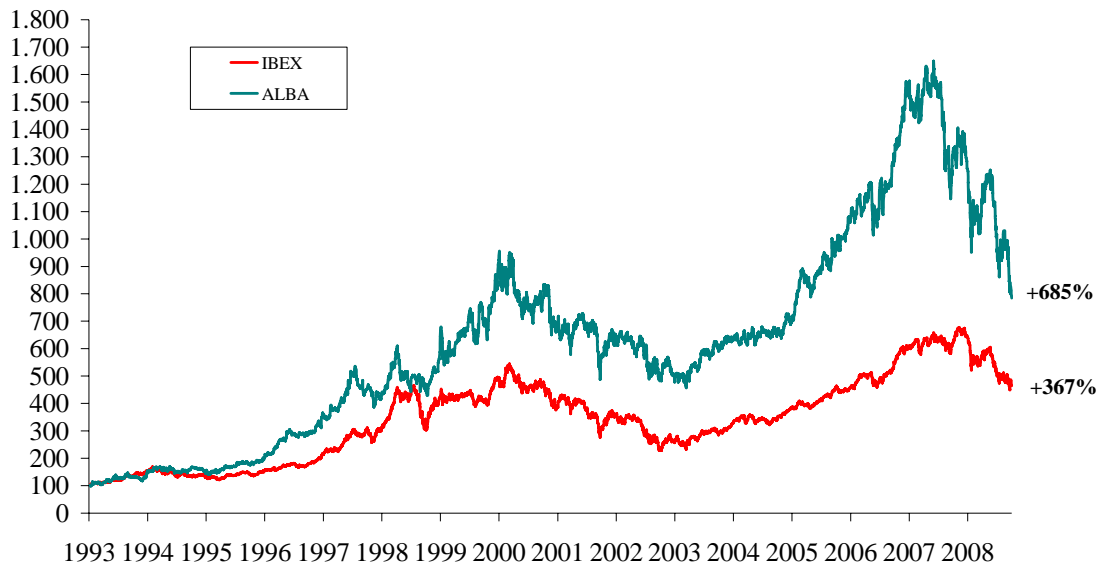
## CONSOLIDATED BALANCE SHEETS <sup>(1)</sup>

<u>Assets</u>	Million euros		<u>Liabilities</u>	Million euros	
	30/09/08	31/12/07		30/09/08	31/12/07
<i>Real Estate Investments</i>	275.9	275.3	<i>Share capital (2)</i>	62.4	64.1
<i>Fixed assets</i>	11.2	34.7	<i>Reserves</i>	2,381.2	2,230.9
<i>Investments in Associates</i>	2,694.4	2,782.5	<i>Profits for the year</i>	429.9	525.3
<i>Available for sale securities I.t.</i>	58.0	150.0	<i>Minority interests</i>	1.3	4.8
<i>Other financial investments</i>	136.7	3.8	<b>Shareholders equity</b>	<b>2,874.8</b>	<b>2,825.1</b>
Non-current assets	2,889.1	2,936.3	Income to be distributed	0.0	23.8
Expenses to be distributed	0.0	16.9	Provisions	12.3	24.3
Available for sale securities s.t.	0.0	1.1	Long-term creditors	2.0	2.0
Financial investments	9.4	49.2	Financial debt	291.5	407.2
Debtors and other assets	16.3	7.2	Current liabilities	21.3	38.3
<b>Total assets</b>	<b>3,201.9</b>	<b>3,320.7</b>	<b>Total liabilities and shareholders equity</b>	<b>3,201.9</b>	<b>3,320.7</b>

(1) Year 2008 unaudited

(2) The share capital at 30/09/08 is composed of 62,390,000 shares with a nominal value of 1 €each

## VII. STOCK MARKET PERFORMANCE



- Corporación Financiera Alba is listed on the Spanish Stock Exchange, and during the first nine months of 2008 had an average daily trading volume of 7.64 M€
- During the first three quarters of 2008, the value of Alba shares declined by 37.6%, from €46.29 to €28.87 per share.

## VIII. DIVIDEND

On the 10<sup>th</sup> of November Alba will pay an interim dividend of 0.06 € per share, equivalent to 6% of the nominal value of the shares.

(3 of November 2008)