



ALBA: PORTFOLIO AND RESULTS **FOR THE THIRD QUARTER**

I. THIRD QUARTER HIGHLIGHTS

In the third quarter, Alba's acquisition of 7% of its own shares and the sale of 72,048,000 Vodafone shares to Alba shareholders were both completed.

The acquisition (by OPA) of Alba shares was accepted by shareholders who owned 63.9 million shares. A total of 5,080,219 shares were bought on a pro rata basis at 24.47 € per share, at a cost of 124.3 M€. After cancelling the newly acquired shares, the company's share capital is made up of 67,519,781 shares of one euro nominal value.

Regarding the Vodafone share sale, all the shares offered were sold, at 1£ per share, thus reducing Alba's holding to 0.12% of the share capital. The sale revenue came to 102.4 M€, with pre-tax capital gains of 84 M€.

In the third quarter of 2003 Alba also purchased a 4.58% stake in Xfera from Vivendi, for a total of 1€. After the reorganisation of the Xfera share capital, Alba will have a direct holding of 11.01%.

In addition, Alba has slightly increased its holding in Carrefour and Prosegur. In the light of the imminent merger of ACS with Dragados, Alba has acquired 0.42% of Dragados share capital, investing 12.8 M€. A total of 13.37% of the post-merger share capital of Spain's leading construction company is held by Alba.

II. PORTFOLIO

Alba's portfolio at September 30, 2003, is as follows:

	%	Book value
	<u>Stake</u>	<u>Million €</u>
<u>Listed holdings</u>		
Acerinox (*)	6.33%	105.8
ACS (*)	24.18%	262.7
Carrefour (*)	3.35%	265.4
Dragados	0.42%	12.8
Havas (*)	4.86%	43.7
Prosegur (*)	5.37%	12.8
Spirent	0.67%	4.7
Vodafone	0.12%	20.2
Total book value		728.1
Goodwill		140.5
Total market value (30-9-03)		2,017.1
Unrealised capital gains		1,148.5

	%	Book value
	<u>Stake</u>	<u>Million €</u>
<u>Unlisted holdings</u>		
Banco Urquijo	10.0%	23.7
MSI (Mobile Systems International)	2.7%	16.3
Palio	17.0%	3.5
Princes Gate	n.a.	6.4
Quavitae (*)	20.0%	3.2
Unipsa (*)	82.6%	2.9
Xfera	11.7%	31.7
Other	n.a.	4.5
Total book value		92.2
Real estate under lease		149.5

* Investments consolidated by the Equity method.

III. NET ASSET VALUE

The most representative figure for a holding company like Alba is its net asset value. Calculated using standard methods of analysis, Alba's net asset value at September 30 2003 is 2,126.8 M€, that is, 31.86 euros per share, after deducting own shares held as treasury stock.

	<i>Million euros</i>
Listed holdings	2,017.1
Unlisted holdings and real estate	324.9
Other assets and debt	(215.2)
Net asset value	2,126.8
Million shares (minus Treasury Stock)	66.76
Net asset value / share	31.86 €

Net asset value by sector is as follows:

	September-02	September-03
Retail	48%	49%
Construction	20%	26%
Real Estate	11%	11%
Telecommunications	11%	8%
Industrial	7%	7%
Media	3%	3%
Financial Services	3%	3%
Security Services	2%	2%
Other	1%	1%
Cash (Net Debt)	(6%)	(10%)
	<hr/> 100,0%	<hr/> 100%

IV. RESULTS TO SEPTEMBER 30

The main items in the consolidated P&L account for the first nine months of the year are the following:

	30-9-02	30-9-03
Net profits from affiliates consolidated by the equity method	78.7	77.7
Income from securities portfolio	92.8	84.4
Rental income	9.1	8.6
Profits from disposals of Real Estate Assets	1.2	2.5
Net profit	163.5	131.5
Earnings per share (€) (after deducting own shares)	2.23	1.97

Over the first nine months of the year Alba's net income came to 131.5 M€, which is down 19.6% on the previous year's 163.5 M€. Earnings per share (after treasury stock deduction) has only decreased by 11.7%, due to the company's share capital reductions.

The fall in net income is mainly due to the Income from securities portfolio, which varies from one period to another according to the company's disinvestments. Income from these transactions up to September 30 came to 84.4 M€, consisting mainly of capital gains from the sale of Vodafone shares to Alba shareholders.

Net profits from affiliates recorded by the equity method came to 77.7 M€, a similar figure to that of the previous year. Rental income dropped slightly from 9.1 to 8.6 M€, due to the sale of a hotel in Mallorca and other more minor disinvestments.

V. DIVIDEND

On November 10 Alba will pay the preliminary dividend for the current year, which amounts to 0.06 € per share, equivalent to a 6% of the nominal value of the shares.

(November 7, 2003)