

3

Evolution of Group companies



3. Evolution of Group companies

Evolution of the Group

Through its two companies, VidaCaixa and SegurCaixa, the SegurCaixa Holding Group obtained a consolidated net profit of 191.9 million Euros in 2008, 20% more than in 2007. The number of individual customers is now more than 3.2 million, meaning a 5% increase on the previous year, while the number of corporate customers currently stands at 37,000, which is 42% more than the previous year.

This excellent level of activity is further confirmed by overall growth of 15% in the volume of premiums and contributions for SegurCaixa Holding. By the end of the 2008 financial year the figure had exceeded the 3,200 million Euro mark, confirming the commercial dynamism of products in the individual business range as well as in that of groups and companies.

However, in the current climate of recession, the fact that VidaCaixa managed to increase its market share in

pension plans by 1.9%, with a volume of contributions and opening transfers of more than 1,300 million Euros, is remarkable. The overall volume of resources managed exceeds 28,000 million Euros making the SegurCaixa Holding Group the top ranking company on the Spanish market for Supplementary Employee Pension Schemes in Spain.

VidaCaixa Previsión Social, the division of VidaCaixa operating in the group and company sector closed the year with a volume of premiums and contributions in the region of 900 million Euros, an increase of 19% on the figure for 2007. The company's corporate customer base increased by more than 11,000, and currently stands at 37,000, among which there are 20 Ibex 35 listed companies, 400 multinationals, 250 government bodies and 33,000 SMEs. This division has shown very positive development in risk business, with premiums growing at a rate of 14%, but also in savings and pension plans, which have increased by 21%.

In 2008, the number of individual customers was over 3.2 million, an increase of 5% on the previous financial year, while the number of corporate customers reached the 37,000 mark and represented a 42% increase

SegurCaixa Holding Group: Main Figures

In millions of Euros	2007	2008	Var. 08/07
Premiums and contributions			
Life and accident insurance	378.2	397.1	5%
Home	140.5	147.5	5%
Health	18.3	29.0	58%
Autos	18.8	48.3	158%
Risk subtotal (Individual & company)	555.8	621.9	12%
Life-savings insurance	1,057.6	1,263.4	20%
Pension plans	1,171.6	1,317.9	13%
Savings subtotal (Individual & company)	2,229.2	2,581.3	16%
Total risk and savings (Ind. & company)	2,785.0	3,203.2	15%
Resources managed			
Life insurance policies	16,204.6	16,156.6	-0.3%
Other insurance policies	161.4	188.4	17%
Pension plans and EPSV	11,307.2	11,860.5	5%
Total customer funds managed (Ind. & Comp.)	27,673.2	28,205.5	2%
Number of customers			
Individual customers	3,093,030	3,257,653	5%
Corporate customers	26,000	37,000	42%
Consolidated Net Profit SegurCaixa Holding	160.4	191.9	20%

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In terms of analysis per business line, one of the highlights of the year was the positive development of the risk insurance segment. Overall, in 2008 SegurCaixa Holding marketed risk premiums for a total value of 622 million Euros, a 12% increase as a result of the strong growth in health insurance and automobile insurance products.

In line with positive developments registered in 2007, health insurance, which includes products for individual customers as well as for the self-employed and corporate customers, registered a total volume of premiums of 29 million Euros, in other words a 58% hike compared to 2007. Products designed for SMEs and the self-employed performed excellently, and given the strategic position of this segment, the company went to great lengths to provide premium cover offering health care insurance and temporary disability leave insurance. Last year, SegurCaixa Holding received more than 25,000 new insurance customers in this segment, surpassing the 80,000 mark with 22 million Euros in premiums, which is an increase of 76% on 2007. In addition, and in response to customers' needs, in 2008 the Organisation launched a new health care product also aimed at large companies and corporations. Individual health cover insurance continued its strong growth rate as was the case in previous years, with 7 million Euros in premiums, a 19% increase on the previous year.

In other areas, automobile insurance contributed 48 million Euros in premiums, representing a 158% growth, in line with the Group's forecast when the SegurCaixa Auto product was launched in April 2007, despite the complicated economic outlook that caused the Spanish automobile insurance sector to shrink 2%. Due to the launch of the new SegurCaixa Moto, our customer base grew by 50,000 reaching a total of 95,000 vehicles insured.

Life risk and accident insurance showed similarly positive development and was yet another of the success stories from last year. Globally, these accumulated

a total premium volume of 397 million Euros, an increase of 5% on the previous year; 240 million Euros of this correspond to individual insurance and 157 million Euros in group insurance.

In terms of accident insurance, it is worth noting our insurance products designed for immigrant customers, a segment the Group continues to support and foster year after year. SegurIngreso, with 1.4 million Euros in premiums and SegurCaixa Repatriación, with 5 million Euros, both performed well and grew by 17% and 11% respectively. 9 million Euros in SegurCaixa Protección, the Group's traditional accident insurance product must be added to the preceding figures. By the end of 2008, individual accident insurance accounted for a volume of premiums of 16 million Euros, up 8% on the previous year.

Finally, home insurance made great progress and the volume of premiums stood at 148 million Euros, 5% more than in 2007, providing cover for over 730,000 homes in Spain.

Automobile insurance contributed 48 million Euros in premiums, representing a 158% growth, in line with the Group's forecast

6% ARP*
Deposit at 6 months

la Caixa

With SegurCaixa Auto you will gain an interesting deposit

SegurCaixa Auto

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Our savings business grew in a positive sense along similar lines in 2008, with growth in premiums and contributions of 16% compared to the previous year, the volume of which surpassed the 2,580 million Euro mark. The most significant performance to report was in the area of pension plans, VidaCaixa being the only organisation from the top 5 on the market whose managed assets grew in 2008. Specifically, the volume of assets managed was above 11,540 million Euros increasing its market share across the board by 1.9%, to reach 14.7%.

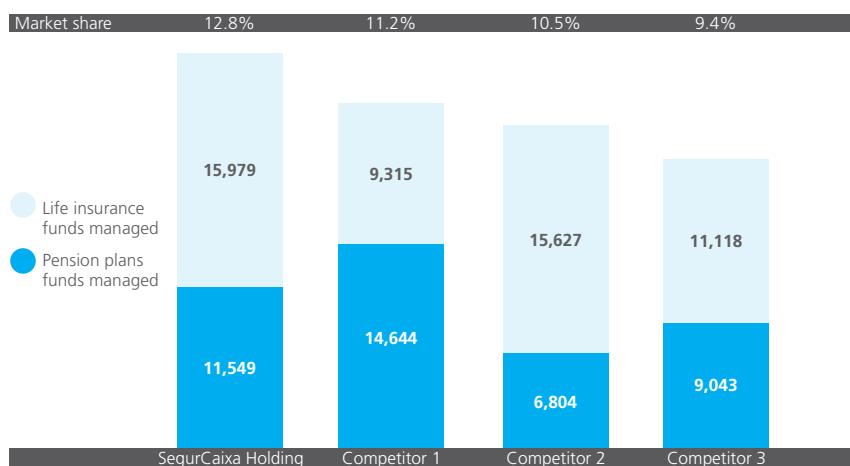
Overall, the volume of assets managed between life insurance, pension plans and EPSV grew 2% last year to reach more than 28,000 million Euros.

In 2008, SegurCaixa Holding consolidated its position as a benchmark institution in employee pension schemes in Spain due to its complete range of products designed specifically to meet the insurance and pension plan needs of its more than 3 million customers.



Despite the recession in the sector, the company increased its market share by 2.7% in individual pension plans

SegurCaixa Holding: Market leader in Spain in Supplementary Employee Pension Schemes



Source: ICEA and INVERCO and prepared in-house. Not including EPSV, provisions from other insurance products nor provisions from contributions.

With 13% market share, VidaCaixa was consolidated as a benchmark institution in the Spanish Supplementary Employee Pension Schemes sector

VidaCaixa

VidaCaixa is the company of the SegurCaixa Group dedicated to the sale and management of life insurance, health insurance and pension plans for individual and group and company customers. The company is currently the market leader in the life insurance sector in terms of savings managed with a market share of 11.7%, and second ranking in pension plans with a share of 14.7%. Consequently, VidaCaixa is a benchmark institution and market leader in Spain for Supplementary Employee Pension Schemes, with 27,528 million Euros

managed and a market share of 13%. In terms of life insurance, VidaCaixa manages an overall volume of more than 16,100 million Euros of which more than 7,500 million Euros stems from individual life insurance customers, while the remaining 8,600 million Euros corresponds to group life insurance policies. Moreover, the pension plan sector and EPSV witnessed spectacular development in 2008, generating a total volume of funds managed of 11,800 million Euros and a 5% increase on the previous year.

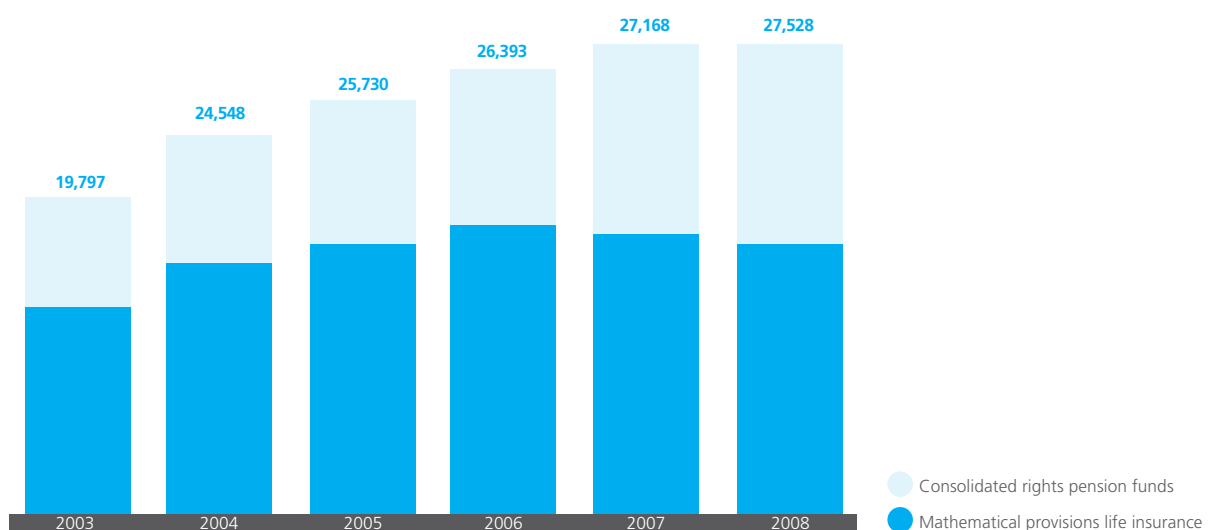
The company is ranked first in the life insurance sector, with an 11.7% market share, and second in the pension plan sector with a market share of 14.7%

VidaCaixa: evolution of the Profit and Loss account

In millions of Euros	2007	2008
Net financial income	830	781
Technical – financial margin	282	319
Income from managed pension funds	89	101
Marketing expenses	-112	-127
Administration expenses	-48	-50
Extraordinary provision for mortality tables	-16	-18
Pre-tax profit	195	225
Net profit	131	158

Not including IFRS.

Evolution of the funds managed by VidaCaixa



Source: ICEA and INVERCO.

Note: Data do not include IFRS nor EPSV adjustments, provision for contributions or non-life insurance.

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61% of the capital managed corresponded to individual pension plans, while the remaining 39% was channelled through employment and associated pension plans.

VidaCaixa also markets life risk insurance, accident insurance and health insurance for individual customers and groups. In 2008 the total amount marketed in these products was 409 million Euros, which was an increase of 8% on 2007. The health insurance line witnessed strong development in 2008 and grew by 58%, driven by the products designed specifically for SMEs and self-employed workers.

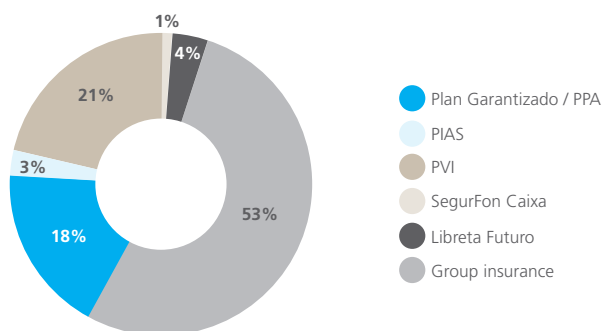
VidaCaixa also operates in the group insurance sector through its specialist division VidaCaixa Previsión Social. After integrating the business from the acquisition of Swiss Life (España) and SCH Previsión in 2003 and 2004, respectively, the company ranks number one in market share for Supplementary Employee Pension Schemes, with 19% of the market and a volume of over 13,000 million Euros in funds managed. There are currently 860,000 insured customers in our group business.

VidaCaixa obtained a net result of 158 million Euros, in other words an increase of 21% compared to the previous year, which was a good reflection of the company's excellent development in 2008.



Mathematical provisions

In thousand of millions of Euros



An excellent year for individual pension plans

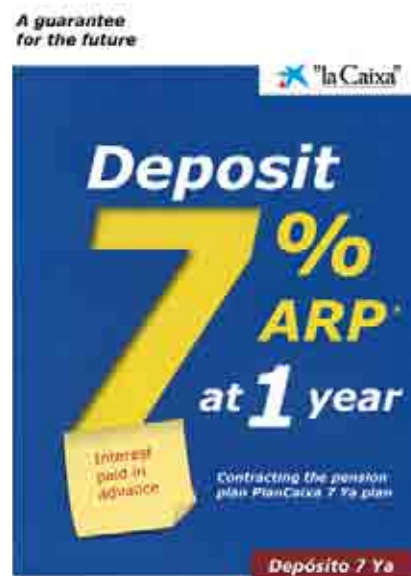
One of the most notable developments in 2008 was the excellent performance of the individual pension plans and EPSV business with an overall volume of 7,252 million Euros in managed funds, a growth rate of 14% over the figure in 2007. The volume of contributions and transfers in this business line was more than 1,000 million Euros, which is an increase of 12% on last year and an especially relevant figure if we bear in mind the general context of recession in the Spanish pension plan sector that by year-end had fallen 18% in the volume of contributions.

Consequently, VidaCaixa gained 2.7% market share and was the only company in the top five in the marketplace to have reported an increase in financial resources. This was made possible by the ample cover and excellent acceptance of the wide range of products on offer, not to mention excellent commercial capacity of the branch network of "la Caixa". Among the new plans launched in 2008, the *PlanCaixa 7 Ya* was the flagship product of the traditional year-end campaign. When customers subscribed to this product they could choose between a 7% APR interest rate on their contribution which went directly into their current account, or a fixed-term deposit

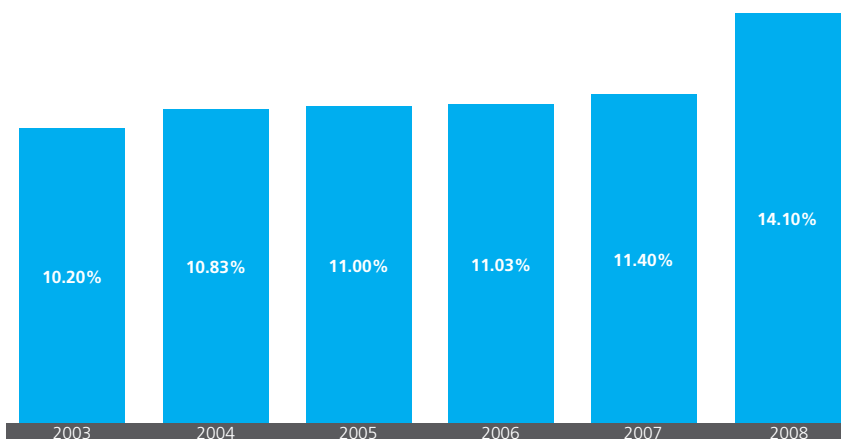
for one year in the *Depósito 7 Ya* of "la Caixa", offering a 7% APR interest rate. The product was very well received and over 450 million Euros was sold.

Other events that boosted activity in this segment in 2008 were the campaigns designed to capture external transfers originating from other managing companies, where the organisation awarded customers who made external transfers to one of the plans, as part of the campaign's commercial incentive, - 2% or 3% absolute calculated on the amount transferred-, and which was lodged directly into the customer's current account.

By the end of 2008, almost 80% of total financial resources managed in individual pension plans of the Group were situated between the first and second profitability ranking quartile



Evolution of VidaCaixa's market share in Individual pension plans



Source: INVERCO

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In 2008, the integration process was completed for the 68 pension plans incorporated after the acquisition of *Morgan Stanley Pensiones*. The experience gained over the years by the VidaCaixa management team in this type of operations, together with the willingness shown by the professionals at Morgan Stanley, made it possible to perform a successful integration process in a very short space of time.

It is similarly notable that excellent investment management strategy of the team of expert professionals at VidaCaixa meant that by the end of the year, almost 80% of the total financial assets managed in individual pension

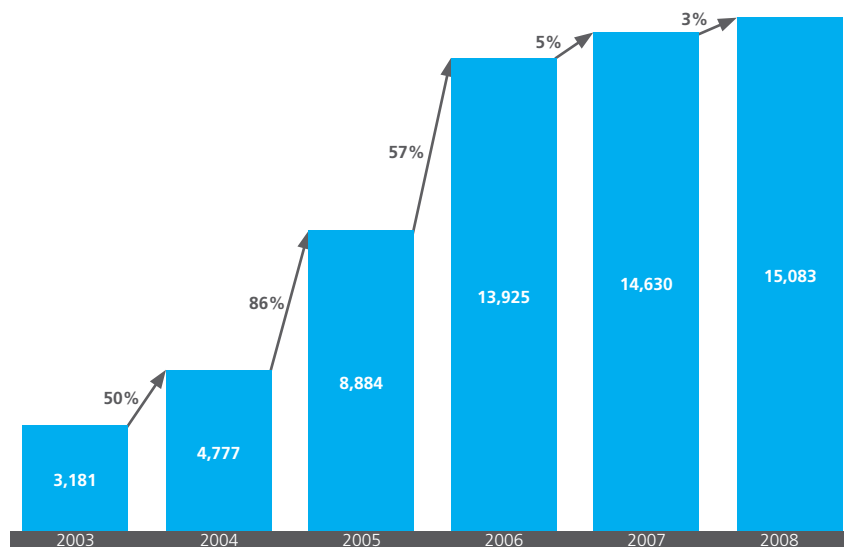
plans of the Group were situated between the first and second profitability ranking quartile, according to data from INVERCO.

One final noteworthy development in 2008 was the volume of on-line contributions and transfers to pension plans, which accounted for a total of 23 million Euros. The final contribution was made on December 31 at 11:53 PM for an amount of 100 Euros.

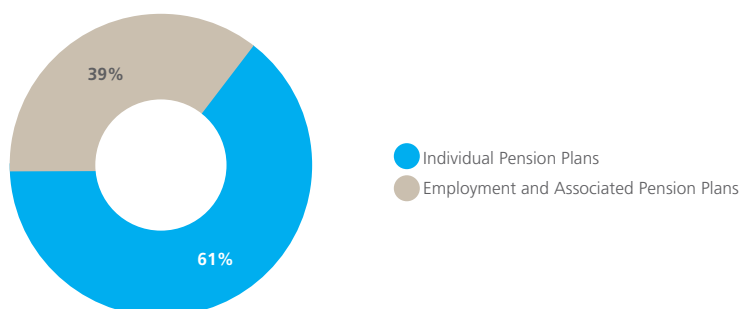
In total, 889,470 persons were subscribed to one or another of the VidaCaixa individual pension plans or EPSV, and this is an increase of more than 49,000 persons.



Evolution of the number of individual pension plan operations carried out on the Internet



Managed Funds Pension Plans



Individual Life-savings Insurance

During 2008, VidaCaixa marketed a total volume of premiums in individual life-savings insurance of 798 million Euros, with a significant growth rate of 18% on 2007. The total volume of managed funds remained stable at 7,552 million Euros.

The new PIAS life-savings insurance products became one of the benchmark segments within the individual life-savings insurance product portfolio. A recent addition to the market, they came into force in 2007 with the latest tax reform. VidaCaixa became the first institution to market the product and it is currently available in two different varieties: The *Plan de Ahorro Asegurado* - PIAS, which invests in fixed income assets, and the *Plan de Ahorro Inversión* - PIAS, which includes variable income assets. Overall, the PIAS products account for a total volume of 462 million Euros with almost 80,000 customers.

However, the *Libreta Futuro* is the savings insurance product with the largest customer base, with 205,000 insured customers in 2008. As VidaCaixa's traditional insurance product, it allows for savings on behalf of a minor to cover future projects such as buying a car, paying university expenses, etc., and accounted for 640 million Euros in managed funds.

The *Pensión Vitalicia Inmediata (PVI)* was the product with the greatest volume of mathematical reserves with 76,500 customers and more than 3,260 million Euros. It is worthy of note that sales of this product were given a boost by the entry into force of the tax reform introduced in 2007 and which enhanced its already attractive financial and fiscal benefits, making the product a benchmark as the ideal complement to a state pension.

Finally, it should be mentioned here that VidaCaixa also marketed the PPA (*Plan de Ahorro Asegurado* or Guaranteed

Savings Plans), a life insurance product that enjoys the same excellent tax conditions as a pension plan and with which the customer can obtain guaranteed profitability regardless of the investment term chosen (between 1 and 30 years). In 2008, this product showed excellent evolution and by year-end had accumulated almost 200 million Euros with 17,000 policyholders insured, 14,000 of whom were new customers that subscribed to the product in 2008.

The savings insurance with the largest customer base, with 205,000 persons insured, is the *Libreta Futuro*

Prepare them to achieve whatever they set out to do



The *Pensión Vitalicia Inmediata (PVI)*, is the savings product with the greatest mathematical reserves having more than 3,260 million Euros

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Individual Life-Risk and Health Insurance

In life-risk insurance policies for individual customers, VidaCaixa offers life-risk insurance that may or may not be linked to loans, as well as health insurance.

The company's range of individual health insurance products is made up of *VidaCaixa Salud*, the healthcare insurance policy available in several different types of policy depending on the copayment system chosen. By year-end 2008 there were 23,000 policyholders insured under this product. The other product in this range is the *VidaCaixa Salud Seguro Dental*, which provides cover to 11,600 policyholders. Both products are marketed in a coinsurance system together with Adeslas.

The product that demonstrated most promise in 2008 was the recently launched *VidaCaixa Salud*, with refunded fees but not copayment and that combines access to all services within the extensive range of medical services on offer with the freedom to choose any clinic or medical professional in Spain or abroad. In the event that the policyholder chooses a service that is not listed among the medical insurance pool, the company refunds 80% of the costs to the insured party. If however the service is included in the insurance pool, then the

policyholder will not incur any copayment expenses whatsoever. The total number of policyholders in the individual health insurance range of VidaCaixa increased by 7,000 in 2008, totalling 34,800.

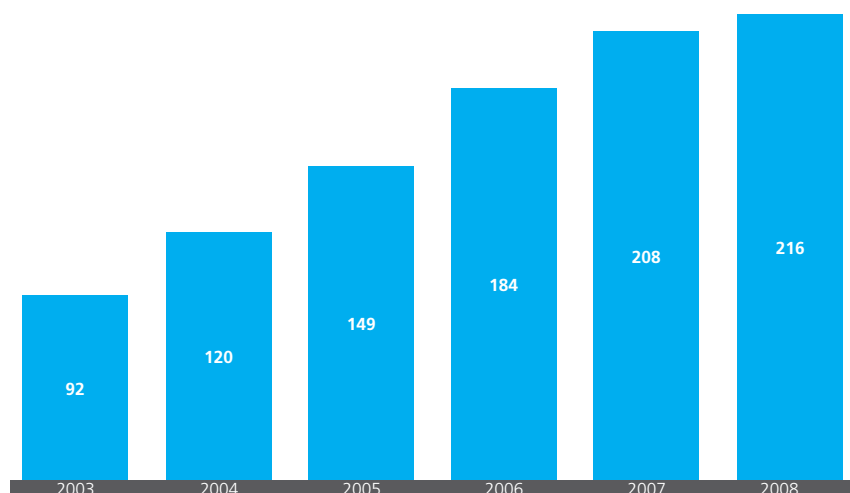
VidaCaixa's individual life-risk product range of insurances is composed of *Seviam* and *Vida Familiar*. Together they registered excellent sales growth rates in 2008 with a total of 216 million Euros in marketed premiums. On the one hand, *Seviam*, is a life-risk insurance linked to either personal loans or mortgages. Coverage consists of assuming the cost of the loan in the event of the death of the policyholder. *Vida Familiar*, on the other hand is especially designed for those with family responsibilities specifically aimed at adults with children, who in the event of death want to ensure their beneficiaries are in a better financial position to face the future. All together, both products currently have almost 1.4 million customers.



VidaCaixa Salud
Seguro Dental



VidaCaixa: premiums in individual life-risk insurance



In millions of Euros

VidaCaixa Previsión Social

VidaCaixa Previsión Social is the division of VidaCaixa in charge of the group and company insurance market. 2008 was an excellent year for this division. The volume of premiums sold increased by 19% and our customer base grew by 42%. Its already extensive customer portfolio, with more than 37,000 companies subscribed, is divided into two separate business lines; one line dealing with large companies and institutions and the other in charge of business for SMEs and self-employed workers.

VidaCaixa Previsión Social distributes its products through an extensive network of consultants and external mediators, which include the most prestigious companies in the Supplementary Employee Pension Schemes market, as well as through its ample internal team comprising 130 experts integrated in the company's workforce. In addition, the network of "la Caixa" branches also play an important role in marketing the VidaCaixa Previsión Social products and with a particular impact in the area of SMEs and self-employed workers. At an organizational level, VidaCaixa Previsión

Social is divided into five business units whose main objectives are to meet the customers' requirements in terms of pension systems regardless of where they are located in the country.

The division offers excellent quality solutions tailored to each organisation that needs to provide cover for employee pension commitments or that simply wish to provide complementary retribution systems for its employees.

VidaCaixa Previsión Social continued to maintain excellent growth rates in 2008, conserving its position as market leader for another year on the Spanish corporate complementary pension systems market with a market share of 19% and a volume of pension savings managed of 13,212 million Euros between life insurance policies and pension plans. Its leadership position is further confirmed by the stability of its customer portfolio, which includes 400 multinational companies, 250 government bodies, 20 Ibex 35 listed companies and more than 33,000 small and medium-sized enterprises, a fact that makes the organisation a benchmark within the insurance sector.

In 2008, VidaCaixa Previsión Social increased its volume of premiums for group and company customers by 19% and its customer base by 42%

VidaCaixa Previsión Social: main figures of corporate pensions

In millions of Euros	2007	2008	Var. 08/07
Risk premiums	157	179	14%
Premiums and contributions to savings	596	720	21%
Total premiums and contributions	753	899	19%
Group life insurance	8,662	8,604	-1%
Employee and associated pension plans	4,892	4,608	-6%
Total funds managed	13,554	13,212	-3%



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VidaCaixa Previsión Social marketed premiums for a value of almost 900 million Euros, with an excellent growth rate of 19% compared to the previous financial year. Life risk, accident and health insurance accounted for 179 million Euros, a growth of 14%, while life-savings insurance and contributions to group pension plans were 720 million Euros, with a growth rate of 21% compared to 2007. In terms of savings managed, life insurance accounted for a total of 8,604 million Euros in funds managed, while employee and associated pension plans managed a total of 4,608 million Euros.

Commitment to SMEs and the self-employed

An especially outstanding event last year was the commitment made in developing the line of activity for SMEs and self-employed workers. The trust placed in the Institution by more than 33,000 SMEs was due to developing such a comprehensive range of products, comprised of life and accident insurance, joint pension plans and health insurance products, for health care provision as well as for covering temporary inability to work. These products were extremely well received and immensely popular among SMEs and self-employed workers.

To be more exact, developments in 2008 confirmed that the introduction in 2007 of the *VidaCaixa Salud Pymes*, the healthcare insurance product designed especially for this sector, meant that significant progress was made in this area of the market. As a result of this new product, 57,000 insured individuals are currently able to access a medical insurance pool consisting of more than 33,000 medical professionals from more than 300 approved centres without any copayments involved and that provide dental care at very competitive rates.

Another class of insurance that registered excellent growth in 2008 was the *VidaCaixa Previsión Profesional*. With this insurance product, self-employed workers receive daily compensation payments agreed to at the moment the customer subscribes to the product, in the event

of medical leave for illness or accidents. The tailored features of the product have made it a highly attractive choice among self-employed workers, and in 2008, was providing cover to 31,800 policyholders.

Also in the SME sector, just over two years after its launch, *VidaCaixa Convenios* showed itself as an innovative product with exponential growth expanding its customer base by 80% and boasting more than 8,000 policyholders. This insurance product enables enterprises and entrepreneurs with employees subject to obligations associated with collective bargaining agreements to meet these obligations in an efficient and simple manner. Finally, also within the SME and self-employed worker sector, one of the highlights during the year was the development in joint pension plans that already have 11,700 policyholders, not to mention life and accident insurance providing cover for more than 80,000 people.

Your health is the most important



Your health is your best incentive



SegurCaixa

SegurCaixa is the company specialising in the non-life insurance business of the SegurCaixa Holding Group and is responsible for marketing home, accident and, since 2007, automobile insurance.

After the successful launch of *SegurCaixa Auto* in April 2007, this new and significant line of activity defined its development consolidation in 2008 with help from the recent launch of the new *SegurCaixa Moto*. The new product is available in three separate models: third-party, third-party fire and theft and comprehensive with excess, of which the last two are exclusively available for new motorbikes.

The entire range of activities of SegurCaixa registered significant development in 2008, with an increase in total volume of premiums of 19% and 220 million Euros. On analysis of the different lines, what really stands apart is the progress made by automobile insurance. In its second year of business it grew 158%, in line with provisions made by the company at the time of its launch. Home insurance development was also excellent and accounted for 66% of the total premiums of SegurCaixa with a volume of 147 million Euros. In 2008, SegurCaixa obtained a net income of 28 million Euros or, in other words an 8% increase on 2007.

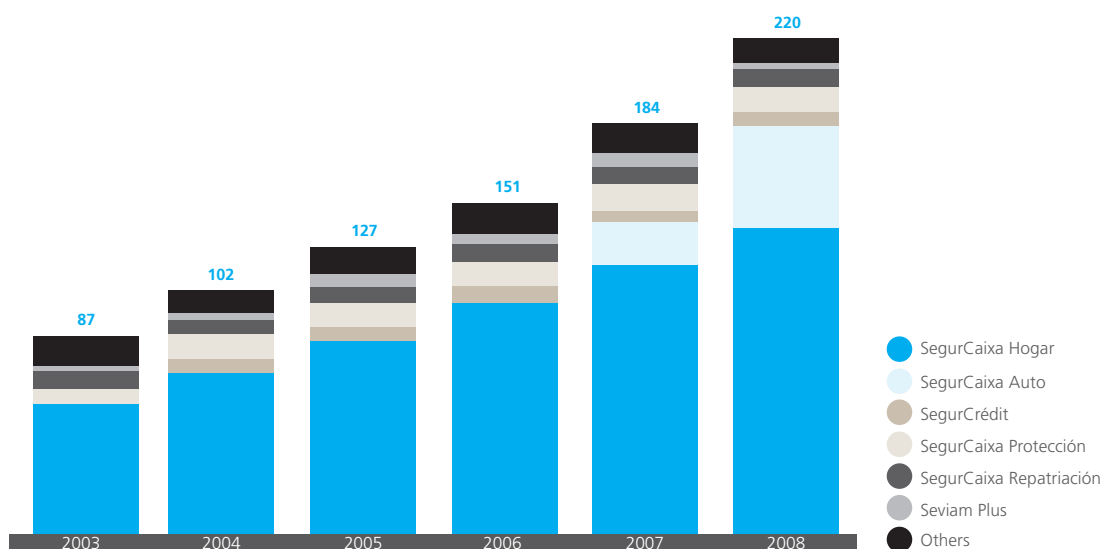
The entire range of activities of SegurCaixa registered significant development in 2008, with an increase in total volume of premiums of 19% and 220 million Euros

SegurCaixa: evolution of the Profit and Loss account

In thousands of Euros	2007	2008
Financial revenues for activity and equity	6,598	8,175
Technical-financial margin	81,523	91,125
Selling expenses	-25,447	-30,071
Administration expenses	-18,091	-21,303
Pre-tax earnings	38,586	39,866
Net income	25,745	27,775

Note: Data does not include IFRS adjustment.

SegurCaixa: premiums by product



In millions of Euros

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SegurCaixa Auto

Since its launch in April 2007, the automobile insurance product of SegurCaixa has shown excellent acceptance. If the Group closed its first nine months of operation with more than 30,000 vehicles insured and a volume of business of 19 million Euros, 2008 closed with a growth rate of 158% and a business volume of 48 million Euros, while the customer base was over 95,000.

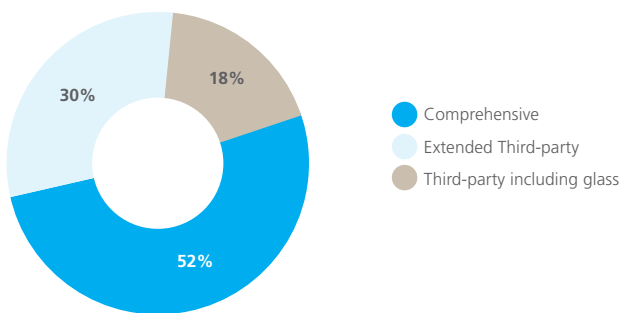
The key to the success of the product—wide ranging cover, outstanding comfort and service quality and competitive rates—enabled *SegurCaixa Auto* to increase its customer base by more than 60,000 new customers and provided more than 23,000 services required by customers for travel cover, sanction administration or mechanical, legal or medical assistance. The product is commercialized through the network of “la Caixa” branches, the *Línea Abierta* service and through our Call Centre and the effort and dedication on the part of the sales network was vital in gaining customer trust.

In fact, the defining cornerstone for every administrative procedure involved in this insurance product was the quality of service of the three different products available in this line: third-party including glass, extended third-party and comprehensive with or without excess. All three options provide policyholders with a choice of additional services to choose from, entitlement to a replacement vehicle in the event of accident or theft, as well as the option to increase accident sum insured for up to 60,000 Euros. SegurCaixa also provides an easy and comfortable premium payment option enabling customers to fraction the payment thereby making the cost easier to manage.

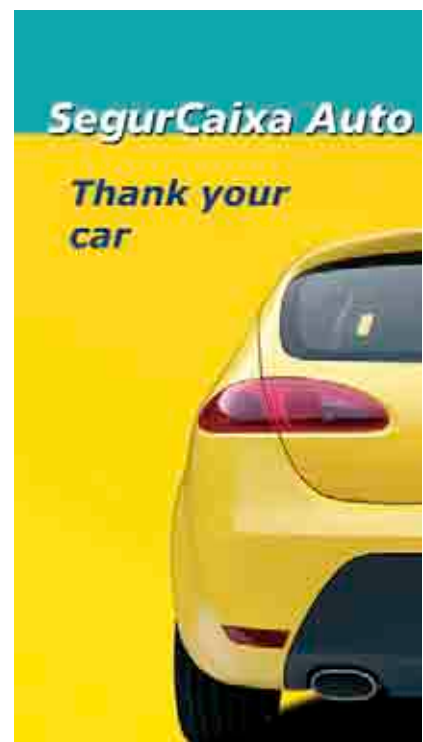
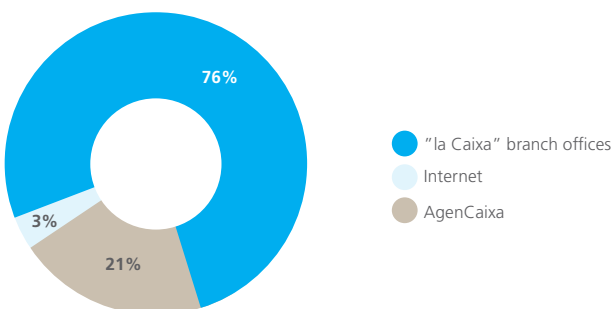
SegurCaixa Auto represents a significant strategic step when it comes to positioning the SegurCaixa Holding Group as a benchmark institution in comprehensive cover in every area of family insurance cover, which was even further strengthened last year by the introduction of *SegurCaixa Moto*.

In 2008, SegurCaixa Auto provided more than 23,000 services to customers that needed travel assistance, help with traffic fines or mechanical, legal or medical advice

SegurCaixa Auto: Risks Insured



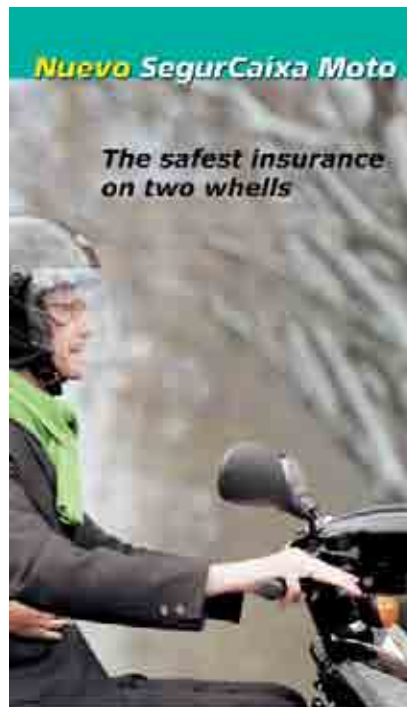
SegurCaixa Auto: Distribution channels



SegurCaixa Moto

One of the most significant product launches in 2008 was that of the SegurCaixa motorcycle insurance which completed the range of vehicle insurance products available to individual customers. With this event, SegurCaixa Holding became the leading bankassurance organisation on the Spanish market by marketing its own automobile and motorcycle insurance product.

SegurCaixa Moto is available in three different forms: third-party, third-party fire and theft and comprehensive insurance with excess (of which the last two are exclusively available for new motorbikes). Similar to conditions available with the rest of the SegurCaixa products, *SegurCaixa Moto* is characterized by the simplicity and efficiency of administrative procedures and by the prioritisation of service excellence.



With the launch of the new *SegurCaixa Moto*, SegurCaixa Holding became the leading bankassurance organisation on the Spanish market by marketing its own automobile and motorcycle insurance product

SegurCaixa Hogar

The multi-risk home insurance product available from SegurCaixa closed 2008 with more than 730,000 homes receiving coverage. Together with its flagship product, *SegurCaixa Hogar*, the range of home insurance products provided by SegurCaixa Holding also includes the *SegurCrédit*, providing insurance coverage exclusively for the premises insured, as well as other property insurance products, construction insurance and ten-year insurance policies.

In terms of claims management, SegurCaixa increased activity in this field by 8% in 2008 processing a total of 151,000 claims.

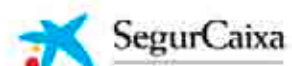
The quality and efficiency of the service, which is a requirement in every area of the Group's activity was demonstrated in the Comprehensive Claims Customers Report issued by ICEA (Spanish Association for

Insurance and Assurance Companies) in 2008. The report shows that, with a 96% satisfaction level, *SegurCaixa Hogar* rates well above market standards of 87% and also above the overall figure for bankassurance institutions, which is 85%.

In order to carry out ongoing improvements for future customer provision and to identify changing needs of customers, SegurCaixa consistently analyses and studies data collected from service assistance provided



SegurCaixa Hogar



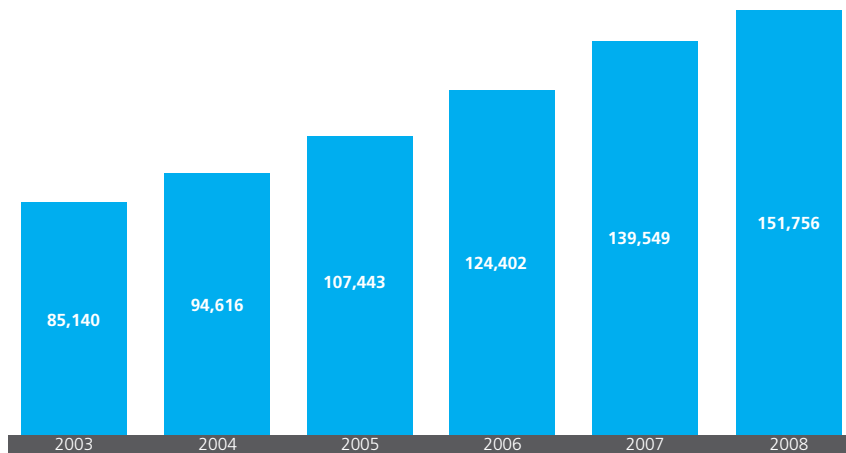
3. Evolution of Group companies

The most common claims requiring assistance and repair work are as a result of water damage, window breakages and electrical damage. *SegurCaixa Hogar* also guarantees assistance within 24 hours for all claims even if these are at weekends and on holidays. In the case of an urgent claim this response time is reduced to three hours, as in the event of a power cut or if the property is at risk due to being left unprotected. All response actions are carried out in adherence to the most rigorous customer care parameters, in line with the excellence in quality standards the organisation requires of all its actions. In order to carry out ongoing improvements for future customer provision and to identify

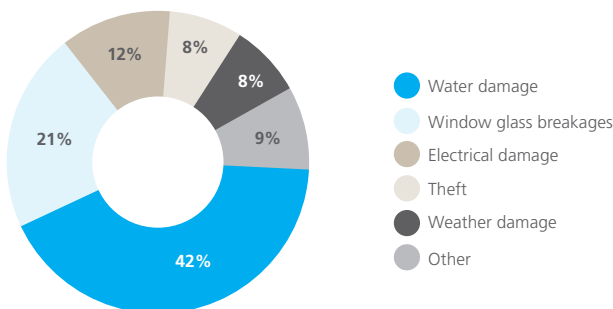
changing needs of customers, *SegurCaixa* consistently analyses and studies data collected from each service assistance incident.



SegurCaixa Hogar: claims managed



SegurCaixa Hogar: principal motives of claims



Accident Insurance

With a total volume of premiums of 16 million Euros in 2008, an increase of 8% on the previous year, SegurCaixa's range of accident insurance products is fast becoming one of the Group's most promising lines of business activity.

SegurCaixa Protección, previously known as *SegurCaixa Personal*, is the flagship insurance product in the accident insurance range. The attraction of this production is its flexibility and user friendliness given that, it is not necessary to undergo prior medical examination in order to subscribe to this product and it provides a principal in the event of the insured party's death or complete permanent disability resulting from an accident. Accessibility and the service features of the product have already earned the trust of 60,000 policyholders with 9 million Euros in premiums.

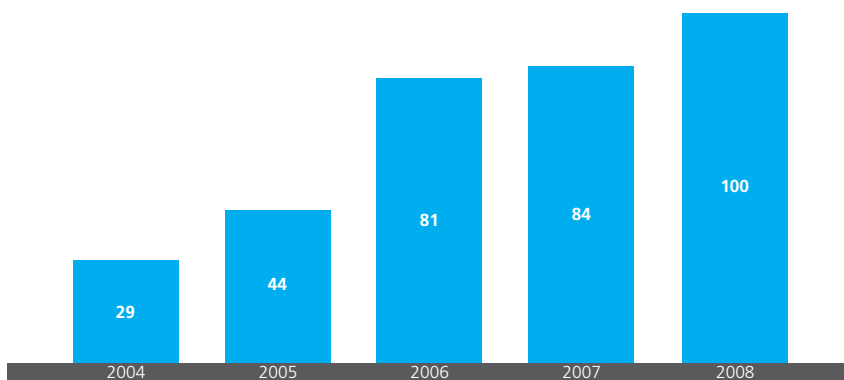
A large part of the Group's energies are focused on providing a service for new residents in order to design and streamline products to meet the needs of this particular sector of the population. Consequently, the Group provides the *SegurCaixa Repatriación*

and *SegurIngreso* products that were tailored for this purpose. The former was specifically designed to provide cover for new residents in search of a guarantee of repatriation to their countries of origin in the event of their deaths in any member country of the European Union, with coverage for travel expenses for an accompanying family member or friend. In 2008, the number of individuals insured with this product reached 66,000, with 5 million Euros in premiums.

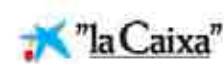
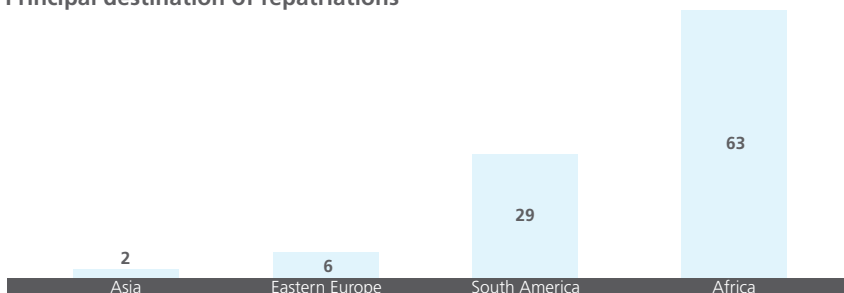
The range of accident insurance products available and designed for new residents is completed with *SegurIngreso*, launched in 2005 and by the end of the financial year provided cover for 14,000 customers. This insurance policy, which can be subscribed to from as little as 7 euros per month and does not require prior medical check-up of any kind, has shown consistent growth year-after-year since it was launched. Through *SegurIngreso*, in the event of death, beneficiaries of the policy receive a payment of 6,000 Euros and a regular monthly income for five years, the principal of which depends on the premium paid and can vary between 600, 1,000 or 2,000 Euros. In 2008, the volume of premiums sold amounted to 1 million Euros.

SegurCaixa Protección, previously known as *SegurCaixa Personal*, is the traditional insurance product in the accident line and is characterised by its flexibility and user-friendliness

SegurCaixa Repatriación: number of repatriations managed



Principal destination of repatriations



3. Evolution of Group companies

AgenCaixa

Customer care is a key feature in marketing the insurance products and pension plans offered by SegurCaixa Holding. In order to streamline insurance selling and to provide expertise in customer care, SegurCaixa Holding avails of AgenCaixa, the company that integrates the network of expert consultants. With the incorporation of a further 118 new professional staff members, the AgenCaixa workforce is currently made up of 396 consultants and 21 sales delegates distributed throughout Spain.

Pinpointing the specific needs of customers, the team of professionals bring technical know-how to the table to provide consultancy and manage the needs of customers in the branch network of "la Caixa". As a key element in the commercial strategy of the company, the AgenCaixa brokers also provide feedback and information regarding opinions and appraisal from

company customers as well as from customers in the branch offices of "la Caixa" in relation to products and services available from the Group.

The information they handle is essential in developing new ways of improving products, detecting new requirements for coverage and adapting existing products and services to customer and branch expectations and preferences. Moreover, brokers also act as coordinators between branch offices of "la Caixa" and the Headquarters of SegurCaixa Holding, participating in specific required training as a result of changes in legislation, testing new products or developing new sales campaigns. In recognition of the training programmes attended by every AgenCaixa broker, the Training Plan launched in 2003, received the official diploma by the UOC (Open University of Catalonia) as a "Commercial Technical Insurance Training Plan", with the level of a postgraduate qualification.

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AgenCaixa: sales distribution by product type

