Caja Granada International Finance B.V.
Amsterdam

Annual accounts 2006

October 28, 2009

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Annual accounts 2006

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Directors' report

The Managing Directors of Caja Granada International Finance B.V. (hereinafter "the Company") herewith submit the annual report and the financial statements of the Company for the year ended December 31, 2006.

General

On October 20, 2003, the Company was incorporated by the present shareholder, Caja General de Ahorros de Granada (hereinafter "the parent company"), a company established in Granada, Spain.

Principal activities and business review

Activities

The principal activities of the Company consist of financing of group entities. During the period under review, the Company did pursue this activity.

Financing

The Company has entered into a programme for the issuance of Euro Medium Term Notes ("Notes") up to EUR 6 billion. Under this programme the Company may issue Notes from time to time. All amounts payable in respect of these Notes are irrevocably guaranteed by Caja General de Ahorros de Granada.

Results

During the period under review, the Company recorded a profit of EUR 43.210 (2005: EUR 50.846).

Financial instruments

In the normal course of business, the Company uses financial instruments. Financial instruments are merely used for hedging related transactions. The policy is focused on reducing the effects of fluctuations in interest.

Personnel

The Company does not employ any staff other than the Directors and hence incurred no further salary and related social security expenses or pension costs in 2006.

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Management Board

At the incorporation, Mr. M.E. López Robles and Mr. J.A. Martinez Garrido were appointed as Managing Director A. At the same time, ABN AMRO Trust Company (Nederland) B.V. and Manacor (Nederland) B.V. were appointed as Managing Director B.

As at July 1, 2005, ABN AMRO Trust Company (Nederland) B.V. changed its name into EQ Management Services B.V.

Due to a legal merger, taking effect on June 22, 2006, between EQ Management Services B.V., as the amalgamated company, and Equity Trust Co N.V., as the surviving company, the latter assumed under general title all the rights and obligations of EQ Management Services B.V.

Future developments

Management will make use of the programme if and when funding levels are attractive.
As per January 29, 2009, the Notes were redeemed and the time deposits placed with the parent company were repaid. As a result, management has the intention to liquidate the Company during 2009.

Amsterdam, October 28, 2009

Management Board:

Mr. M.E. López Robles

Mr. J.A. Martinez Garrido

Equity Trust Co N.V.

Manacor (Nederland) B.V.

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Financial statements

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Balance sheet as at December 31, 2006

(Before appropriation of result)

	Note		12.31.2006		12.31.2005
			EUR		EUR
Assets					
Fixed assets					
Financial fixed assets:					
Time deposits with parent	1	149.778.500		149.778.500	
Expenses of issuing notes	2	109.555	149.888.055	164.006	149.942.506
Current assets					
Interest receivable and prepayments	3	2.813.241		2.422.104	
Cash and cash equivalents	4	1.637.670	4.450.911	1.567.038	3.989.142
			154.338.966		153.931.648

	Note		12.31.2006		12.31.2005
			EUR		EUR
Shareholder's equity and liabilities					
Shareholder's equity	5				
Issued share capital		18.000		18.000	
Share premium		1.482.000		1.482.000	
Accumulated results		66.958		16.112	
Result for the year		43.210	1.610.168	50.846	1.566.958
Long-term liabilities					
Marketable debt securities	6		150.000.000		150.000.000
Current liabilities and accruals	7		2.728.798		2.364.690
			154.338.966		153.931.648

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Profit and loss account 2006

	Note		2006		2005
			EUR		EUR
Financial income	9		6.838.397		5.659.654
Financial expense	10		(6.714.468)		(5.534.767)
Gross margin			123.929		124.887
Amortisation of intangible assets	1	(54.451)		(54.450)	
Other operating expenses	11	(26.268)		(19.591)	
Total operating expenses			(80.719)		(74.041)
Result on ordinary activities before taxation			43.210		50.846
Taxation			0		0
Result on ordinary activities after taxation			43.210		50.846

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Cash flow statement 2006

		2006		2005
		EUR		EUR
Profit for the year	43.210		50.846	
Amortisation of expenses of issuing notes	54.451		54.450	
Increase in interest receivable	(376.532)		(56.181)	
Increase in other debtors	(14.605)		(19.327)	
Increase/(decrease) in other liabilities	364.108		(27.077)	
Cash flow from operating activities		70.632		2.711
Net increase in cash		70.632		2.711
Cash at the beginning of the year		1.567.038		1.564.327
Cash at the end of the year		1.637.670		1.567.038

Notes to the financial statements

General

Activities

Caja Granada International Finance B.V. ("the Company") is a wholly-owned subsidiary of Caja General de Ahorros de Granada ("the parent company"), having its registered office at Avenida Fernando de los Rios, 6 18006 Granada, Spain. The Company was incorporated on October 20, 2003 for an unlimited duration as an exempted limited liability company under the laws of the Netherlands. The Company is registered at the Chamber of Commerce in the Netherlands with number 34197036.

The corporate purpose of the Company's business is mainly the issuance of Senior Notes under the "Euro Medium Term Note Programme". As part of the offering circulare of the Euro Medium Term Notes the parent company guarantees the payment of interest and amounts due on the Notes.

Group structure

The Company does not have subsidiaries up to December 31, 2006. The registered office of the Company is at Strawinskylaan 3105, 7th Floor, 1077 ZX Amsterdam, the Netherlands.

Accounting principles for the preparation of the financial statements

General

The financial statements have been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Valuation of assets and liabilities and determination of the result take place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Income and expenses are accounted for on an accrual basis. Profit is only included when realised on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Financial instruments

Financial instruments can be both primary financial instruments, such as receivables and payables, and financial derivatives. For the principles of primary financial instruments, reference is made to the treatment per balance sheet item.

The Company applies cost price hedge accounting in order to simultaneously recognise both the results from changes in the value of the interest rate contracts and the hedged receivable or payable in the profit and loss account. The interest receivable on the deposits and the interest payable are perfectly hedged through the Swap Agreement.

The Swap Agreement is carried at accrued value at balance sheet date. The accrued value is calculated as being the accrued receivable and payable position at balance sheet date.

Principles of valuation of assets and liabilities

Financial fixed assets

Other investments with a long-term nature are presented at acquisition cost or at lower market value and, if applicable, net of impairments.

Upon initial recognition the receivables on and loans to participations and other receivables are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions.

Receivables

Upon initial recognition the receivables are included at fair value and then valued at amortised cost, which equals the face value, less any provisions for doubtful accounts. These provisions are determined by individual assessment of the receivables.

Long-term liabilities

Recorded interest-bearing loans and liabilities are valued at amortised cost.

Current liabilities

Liabilities with a remaining period of less than one year are presented under current liabilities.

Principles for the determination of the result

Net turnover

Income and expenses are accounted for on an accrual basis. Profit is only included when realised on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements. Revenues from services are recognised in proportion to the services rendered. The cost price of these services is allocated to the same period.

Costs

Costs are recognised based on the historical cost convention and are allocated to the reporting year to which they relate.

Taxation

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. Deferred tax assets (if applicable) are only valued insofar as their realisation is likely.

The Company is subject to an advance pricing agreement with the Dutch tax authorities. Corporate income tax is calculated based on this advance pricing agreement and recorded in the period in which it originates. The advance price agreement is applicable as from March 25, 2004 until December 31, 2007.

Principles for preparation of the cash flow statement

The cash flow statement is prepared according to the indirect method.

The funds in the cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered as highly liquid investments.

Corporate income taxes, issuance of share capital, interest received and dividends received are presented under the cash flow from operating activities. Interest paid and dividends paid are presented under the cash flow from financing activities.

Notes to the specific items of the balance sheet

1. Time deposits with parent

A summary of the movements is given below:

	2006	2005
	EUR	EUR
Tranche A	99.857.000	99.857.000
Tranche B	49.921.500	49.921.500
Book value as at January 1	149.778.500	149.778.500
Movements:		
Loans, deposit granted:		
- Tranche A	0	0
- Tranche B	0	0
Book value as at December 31	149.778.500	149.778.500

The following table provides additional breakdowns by issuance currency for the time deposits with the parent company:

Issuance	Date of issuance	Maturity date	Intrest rate (%) + spread	Currency	Amount
Time deposits:					
Tranche A	01.29.2004	01.29.2009	Euribor 3m + floating	Euro	99.857.000
Tranche B	01.29.2004	01.29.2009	Euribor 3m + floating	Euro	49.921.500
					149.778.500

The spreads used in the interest rates for the deposits of the parent company are not constant. They are adjusted each quarter on the estimated annual general expenses of the Company.

2. Expenses of issuing notes

A summary of the movements is given below:

	2006 EUR	2005 EUR
Book value as at January 1	164.006	218.456
Acquisitions	0	0
	164.006	218.456
Amortisation	(54.451)	(54.450)
Book value as at December 31	109.555	164.006
Accumulated amortisation as at December 31	(162.698)	(108.247)
Amortisation percentage	20%	20%

3. Interest receivable and prepayments

A summary of the interest receivable and prepayments is given below:

	12.31.2006 EUR	12.31.2005 EUR
Tranche A interest receivable	700.627	449.332
Tranche B interest receivable	352.505	226.875
Swap interest receivable	1.726.027	1.726.420
Debtors and prepaid expenses	0	13.321
Corporate income tax	34.082	6.156
	2.813.241	2.422.104

4. Cash and cash equivalents

Cash as at December 31, 2006 relates to cash at the parent company amounting to EUR 1.628.156 (2005: EUR 1.564.741) and to short-term deposits with ABN-Amro Bank amounting to EUR 1.871 (2005: EUR 2.297) and current accounts with ABN-Amro Bank amounting to EUR 7.643 (2005: EUR 18.077). No other restrictions on usage of cash exist.

	12.31.2006	12.31.2005
	EUR	EUR
Cash at parent company	1.628.156	1.546.664
Cash at ABN-Amro Bank	9.514	20.374
	1.637.670	1.567.038

5. Shareholder's equity

The authorised share capital as at December 31, 2006 is represented by 900 shares with a nominal value of EUR 100 each, whilst the issued share capital as at December 31, 2006 is represented by 180 shares fully paid up. All the shares have the same financial rights and are held by the parent company.

The movements in capital and reserves during the year ended December 31, 2006 are as follows:

	Issued share capital	Share premium	Accu-mulated results	Result for the year	Total
	EUR	EUR	EUR	EUR	EUR
Balance as at January 1, 2006	18.000	1.482.000	16.112	50.846	1.566.958
Distribution of the 2005 result	0	0	50.846	(50.846)	0
Result 2006	0	0	0	43.210	43.210
Balance as at December 31, 2006	18.000	1.482.000	66.958	43.210	1.610.168

The additional paid-in capital comprises the proceeds from issue of shares insofar as these exceed the nominal amount of shares. The share premium can be treated as a free reserve.

6. Marketable debt securities

Issuance	Amount as at 12.31.2006	12.31.2005	Interest rate + spread	Date of issuance	Maturity date	Currency
	EUR	EUR				
EMTN Notes:						-
- Tranche A	100.000.000	100.000.000	Euribor 3m + 0,25%	01.29.2004	01.29.2009	EUR
- Tranche B	50.000.000	50.000.000	Fixed 3,75%	01.29.2004	01.29.2009	EUR
	150.000.000	150.000.000				

On July 16, 2004, the Company, together with other finance entities, entered into the "Euro 6,000,000,000 Cajas Españolas de Ahorros Multi-Caja Euro Medium Term Note Programme", under which programme the Company may from time to time issue Notes and whereby the parent company will guarantee the Notes. The payment of all amounts payable in respect of the Notes will be unconditionally and irrevocably guaranteed by the parent company. The Notes have been issued at the Luxembourg Stock Exchange, which is considered to be a regulated market within the European Union.

On January 22, 2004, the Board of Managing Directors of the Company, in connection with the programme, approved the issue of Senior Notes to the principal amount of EUR 150.000.000 to be issued in January 2004 in two tranches. The issuance price will be 99,857% of Tranche A and 99,843% of Tranche B. The Tranche A, for an amount of EUR 100.000.000, was issued on January 29, 2004 with a floating interest rate of Euribor 3 months + 0,25% and its maturity date is January 29, 2009. The Tranche B, for an amount of EUR 50.000.000, was issued on January 29, 2004 with a fixed interest rate of 3,75% and its maturity date is January 29, 2009.

7. Current liabilities and accruals

A summary of the current liabilities and accruals is given below:

	12.31.2006	12.31.2005
	EUR	EUR
Tranche A interest payable	664.651	421.918
Tranche B interest payable	1.726.027	1.726.027
Swap interest payable	334.512	213.076
Other creditors	3.608	3.669
	2.728.798	2.364.690

8. Financial instruments

For the notes to financial instruments reference is made to the specific item by item note. The financial derivatives of the Company are disclosed below.

As at December 31, 2006, the Company owns an interest swap (January 2004 up to January 2009) with a fair value of EUR (645.298) (2005: EUR 504.631).

Contingent assets and liabilities

As part of the offering circulare of the Euro Medium Term Notes the parent company guarantees the payment of interest and amounts due on the Notes.

Notes to the specific items of the profit and loss account

9. Financial income

A summary of the financial income is given below:

	2006	2005
	EUR	EUR
Interest income - Tranche A	3.300.383	2.495.443
Interest income - Tranche B	1.662.940	1.259.495
Interest income - Swap	1.875.000	1.870.256
Other interest income from Caja General de Ahorros de Granada	0	32.208
Other interest income from ABN-Amro Bank	74	359
Transference from CECA	0	1.500
Other income	0	393
	6.838.397	5.659.654

10. Financial expense

A summary of the financial expense is given below:

	2006	2005
	EUR	EUR
Interest expense - Tranche A	3.213.772	2.434.239
Interest expense - Tranche B	1.880.137	1.870.256
Interest expense - Swap	1.620.559	1.230.272
	6.714.468	5.534.767

11. Other operating expenses

A summary of the other operating expenses is given below:

	2006	2005
	EUR	EUR
Director fees	13.232	13.700
Professional fees	12.679	5.618
General expenses	357	273
	26.268	19.591

Other notes

Company's Directors

Name	Group	Date of election
Manuel Enrique López Robles	Managing Director A	October 21, 2003
José Antonio Martinez Garrido	Managing Director A	October 21, 2003
Equity Trust Co N.V.	Managing Director B	June 22, 2006
Manacor (Nederland) B.V.	Managing Director B	October 21, 2003

The Board of Directors includes two corporate directors (group B), whose remuneration is disclosed in the financial statements under note 11. The directors from group A are located in Spain and are employed by the parent company. The Company does not have a Supervisory Board.

Employees and remuneration Directors

The Company does not employ any staff other than the Directors and hence incurred no further salary and related social security expenses or pension costs in 2006. The remuneration of the Board of Directors is disclosed in note 11.

Caja Granada International Finance B.V.
Amsterdam

Signing of the financial statements

Amsterdam, October 28, 2009

Management Board:

Mr. M.E. López Robles

Mr. J.A. Martinez Garrido

Equity Trust Co N.V.

Manacor (Nederland) B.V.

Caja Granada International Finance B.V.
Amsterdam

Other information

Auditor's report

Reference is made to the auditor's report as included hereinafter.

Statutory provisions concerning the appropriation of results

In accordance with article 19 of the Articles of Association the result for the year is at the disposal of the General Meeting of Shareholders.

Appropriation of the result for the financial year 2005

Upon management's proposal, the net result for the year ended December 31, 2005 of EUR 50.846 has been added to the accumulated results of the Company.

Proposed appropriation of the result for the financial year 2006

The Management Board proposes to transfer the profit for the year ended December 31, 2006 in the amount of EUR 43.210 to the accumulated results and proposes that consequently no dividend will be declared and paid.

Post balance sheet events

Per January 29, 2009, the Notes were redeemed and the time deposits with the parent company were repaid at the same date. As a result, management has the intention to liquidate the Company during 2009.

No other events have occurred since December 31, 2006 that would make the present financial position substantially different from that shown in the balance sheet at the balance sheet date, or which would require an adjustment to or disclosure in the annual accounts.

Deloitte

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To the shareholder of
Caja Granada International Finance B.V.
Amsterdam

Date	Reference
October 28, 2009	J.G.C.M. Buné

Auditor's report

Report on the financial statements

We have audited the accompanying financial statements 2006 of Caja Granada International Finance B.V., Amsterdam, which comprise the balance sheet as at December 31, 2006, the profit and loss account for the year then ended and the notes.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the Directors' report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

Deloitte.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Caja Granada International Finance B.V. as at December 31, 2006, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the Directors' report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Deloitte Accountants B.V.

J.G.C.M. Buné