

Results 1Q08

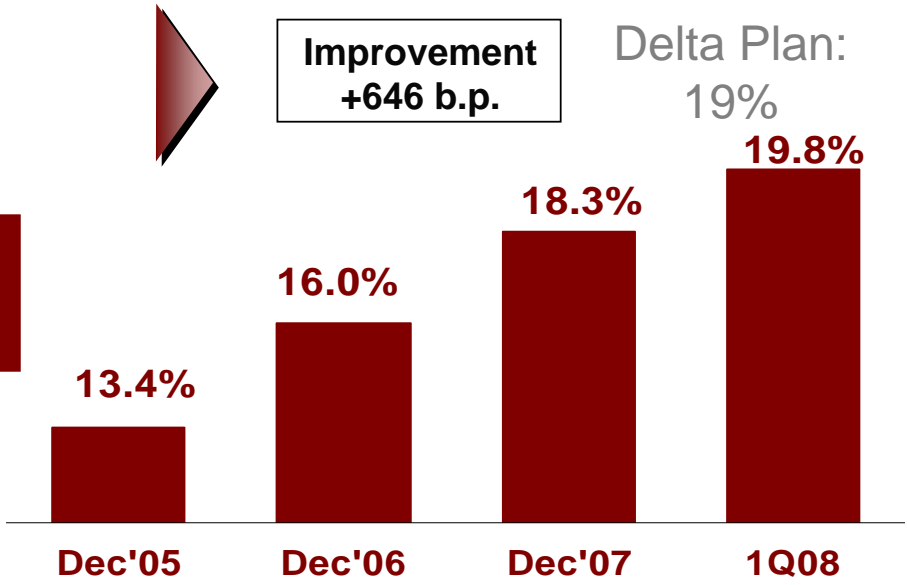
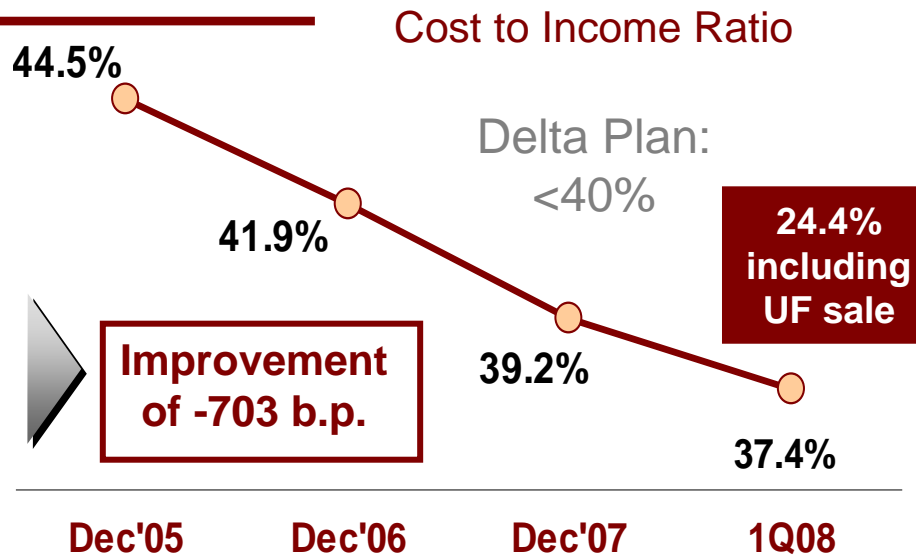


A Coruña, April 30th 2008

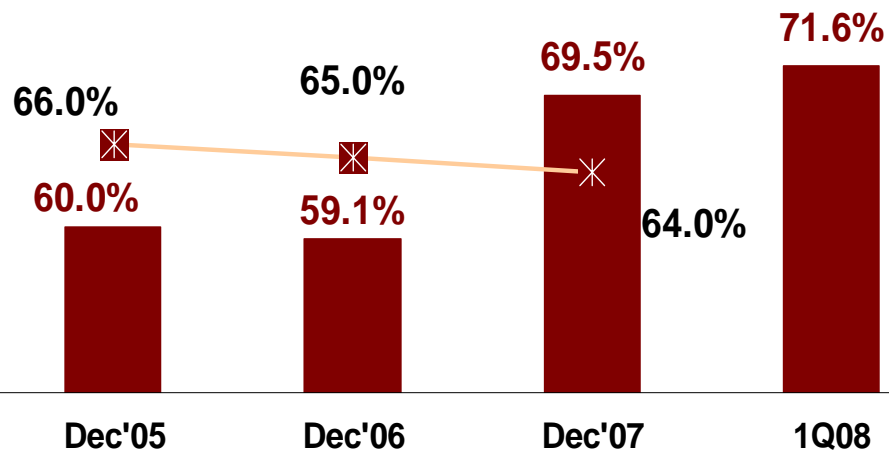
Highlights

- ▣ Achieving 2 main targets ROE & efficiency well ahead of schedule
- ▣ Solid set of results
 - Best improving spread in the sector
 - Second best spread in the industry
- ▣ High double digit growth in recurrent margins, not seen in the sector
- ▣ Outstanding liquidity position, strengthened by deposits doubling the yoy growth of the sector:
 - A truly balanced volume growth
- ▣ Solid and reinforced capital base
- ▣ #1 among Galician financial institutions

Very sound fundamentals!

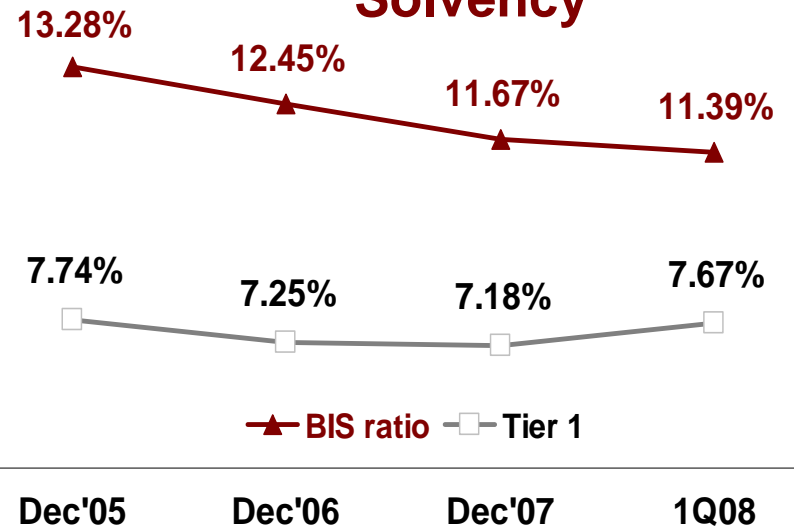


Liquidity Ratio



 Liquidity Ratio  Delta Plan Liquidity Ratio

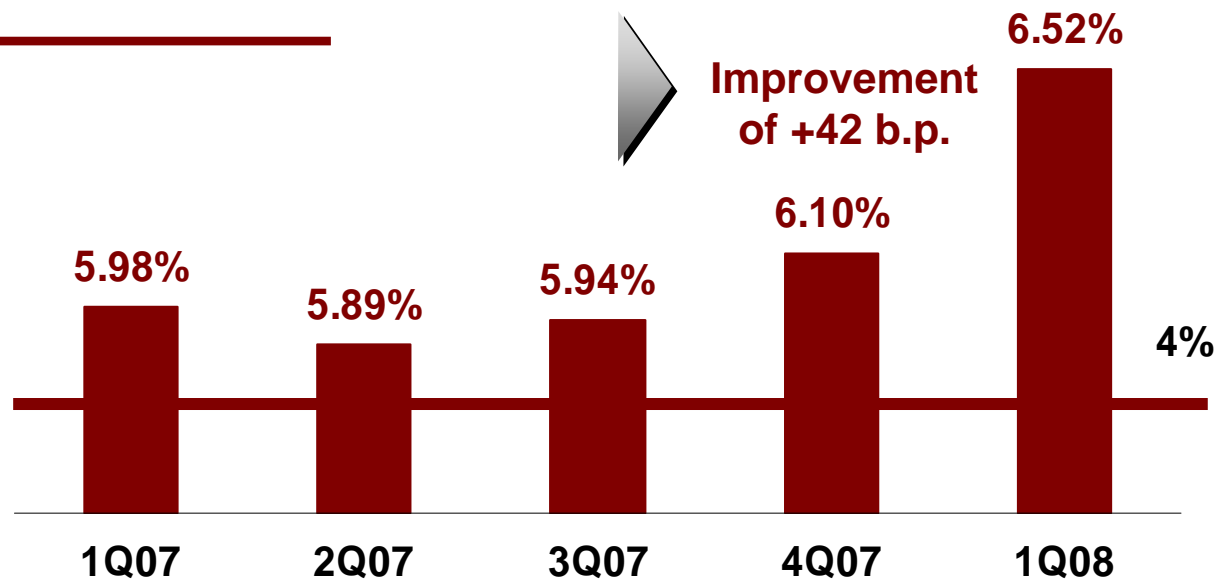
Solvency




 BIS ratio  Tier 1

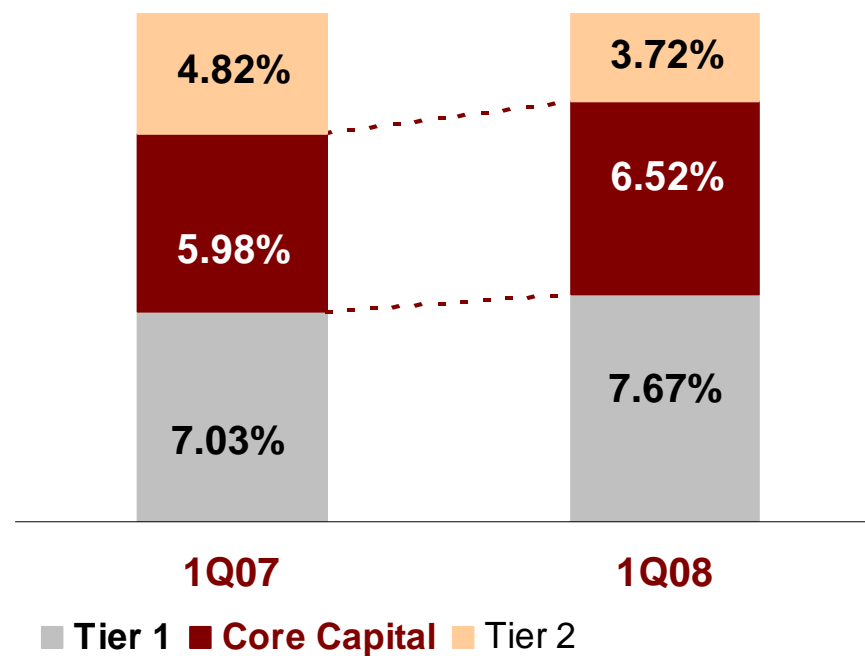
Banco Pastor in the pole position

Best in class capital base



 On January 18th, BP sold a 1.14% of its stake in Unión Fenosa

A leading position in capital



■ Tier 1 ■ Core Capital ■ Tier 2

The year of the 3 R's

Recurrent earning power

- ▣ Spread
- ▣ Commercial activity:
 - ❖ Clients and cross-selling



Risk management

Resources



Loans



The year of the 3R's

Great visibility in the bottom line ...

141mm

+167.3%

14

Quarters in
a row

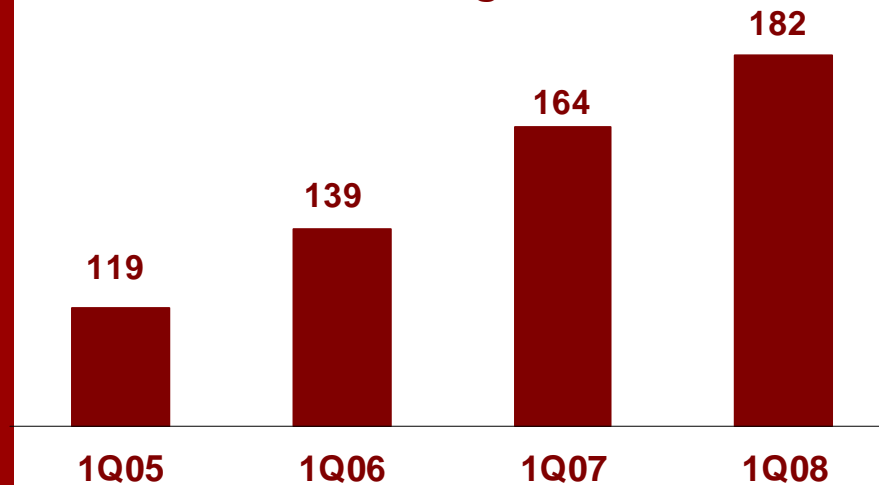
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+25%

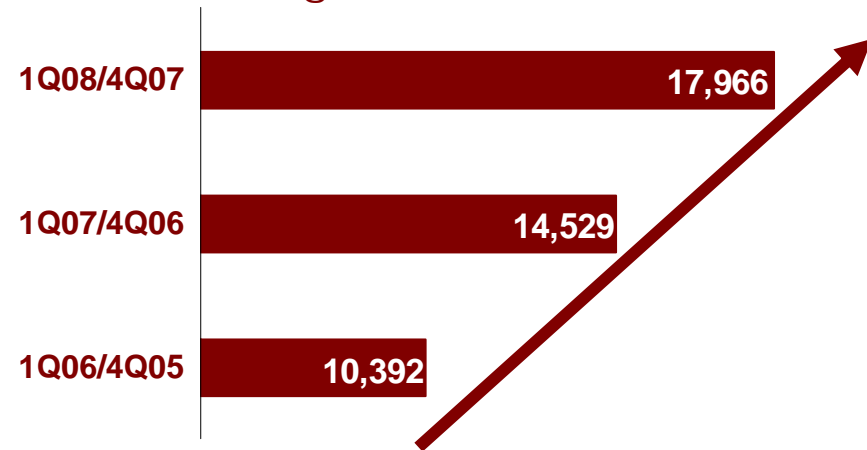
Pastor's anatomy ...

Sound foundations to maintain sustained growth in the medium term

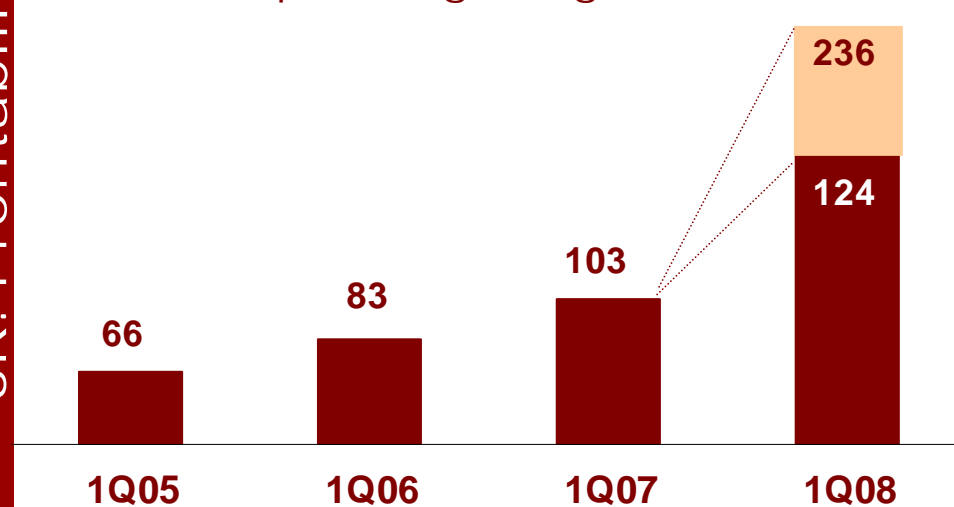
Quarter Basic Margin *€Mn*



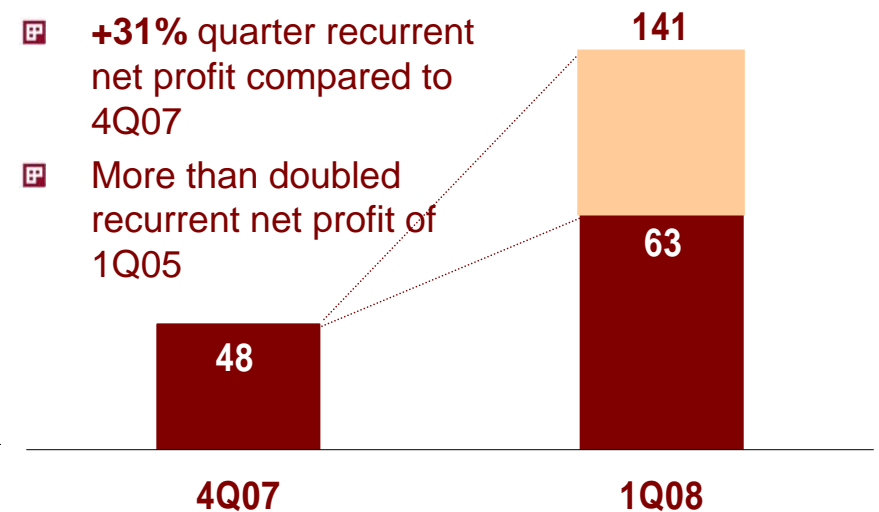
Recurrent Ordinary Margin: standalone growth 1Q vs 4Q *€K*



Quarter Operating Margin *€Mn*



Quarter Net Attributed Profit *€Mn*



3R: Profitability

Drives double digit growth despite a decelerating macro environment

Like for like

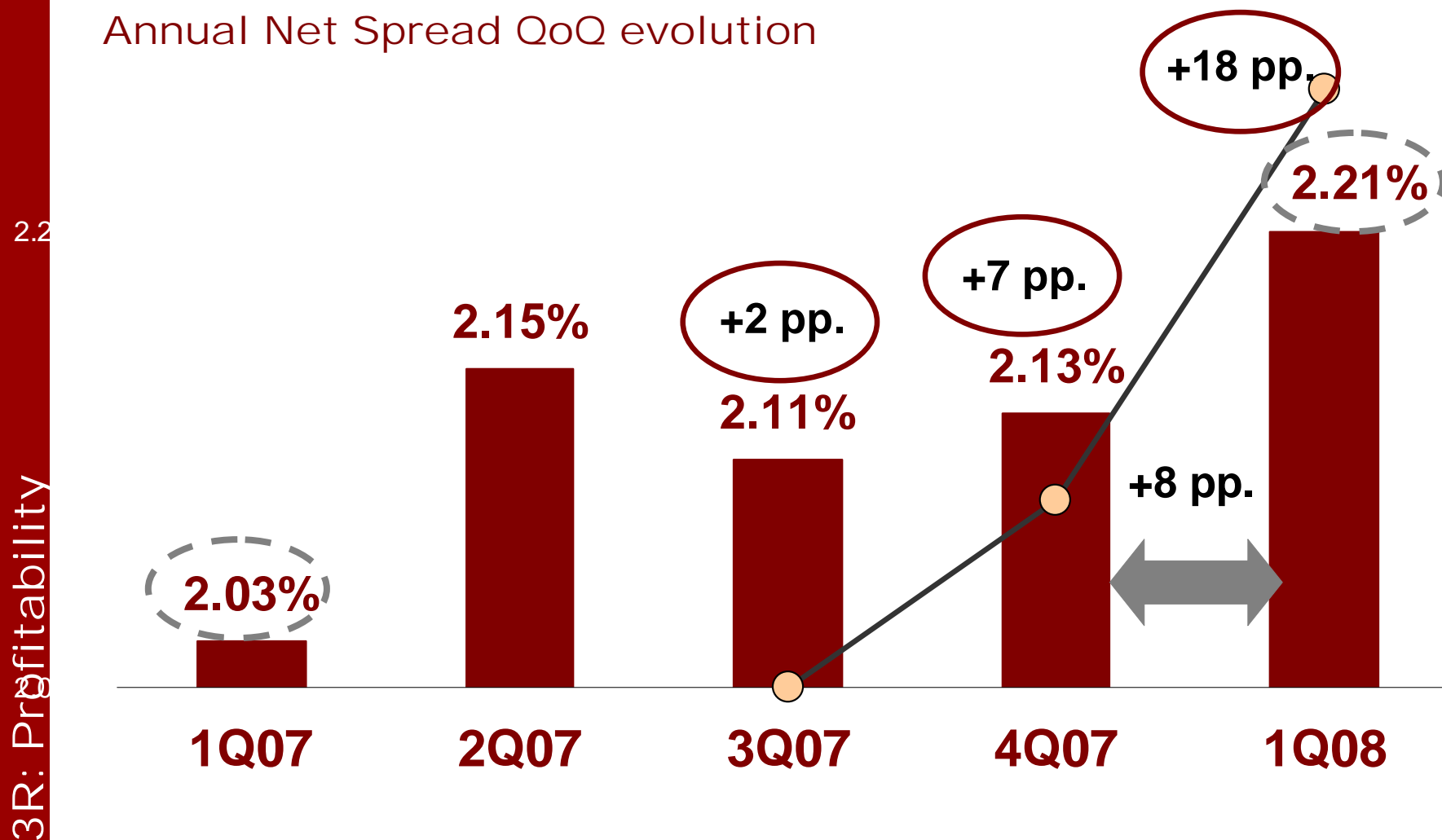
+13.0%	Net Interest Income	
+10.9%	Basic Margin	
+79.2%	Ordinary Revenue	+16.5%
+129.3%	Operating Revenue	+20.7%
+157.7%	Income Before Taxes	+11.3%
+167.3%	Income Attributed to the Group	+19.0%

3R: Profitability

Still outperforming!

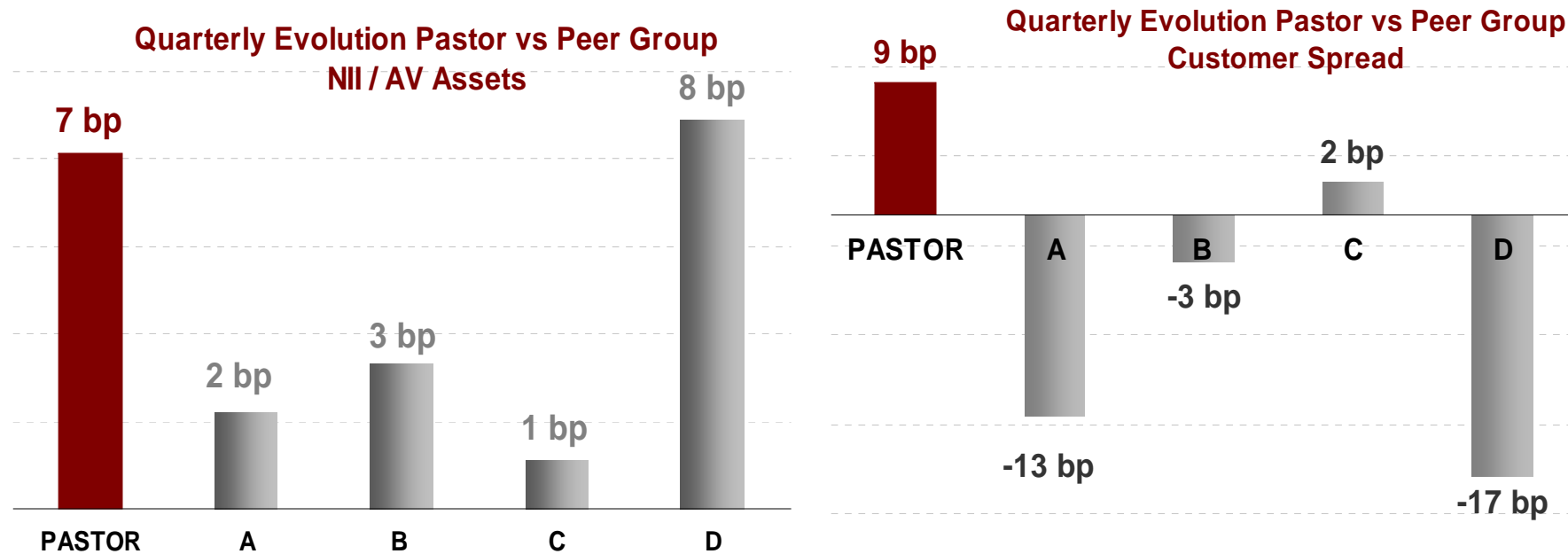
Profitability well understood starts at the top line ...

Annual Net Spread QoQ evolution



Managing the spread in turbulent times

Simply the best!

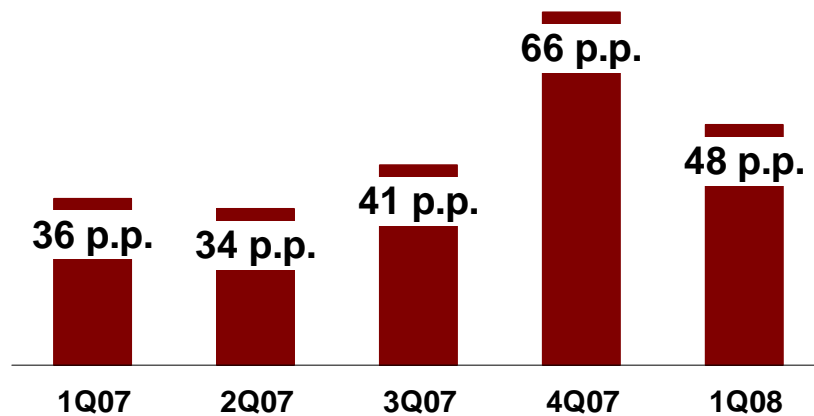


3R: Profitability

A solid quarterly improvement both in the customer and the net spread

Anticipation and agility: 2 distinctive traits....

Spread in excess of new production
Banco Pastor versus Sector
 (Banco Pastor yield-Sector yield on new production)



Source: Bank of Spain.

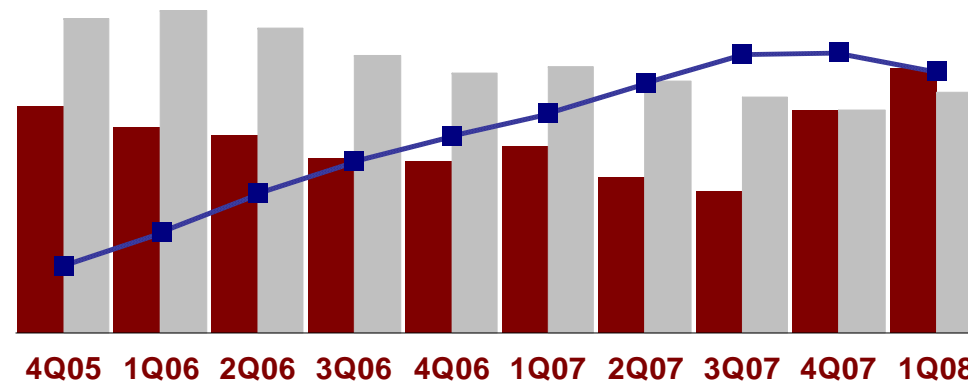
Quick reaction in a changing environment, pushing up spreads well ahead of the sector...

3R: Profitability

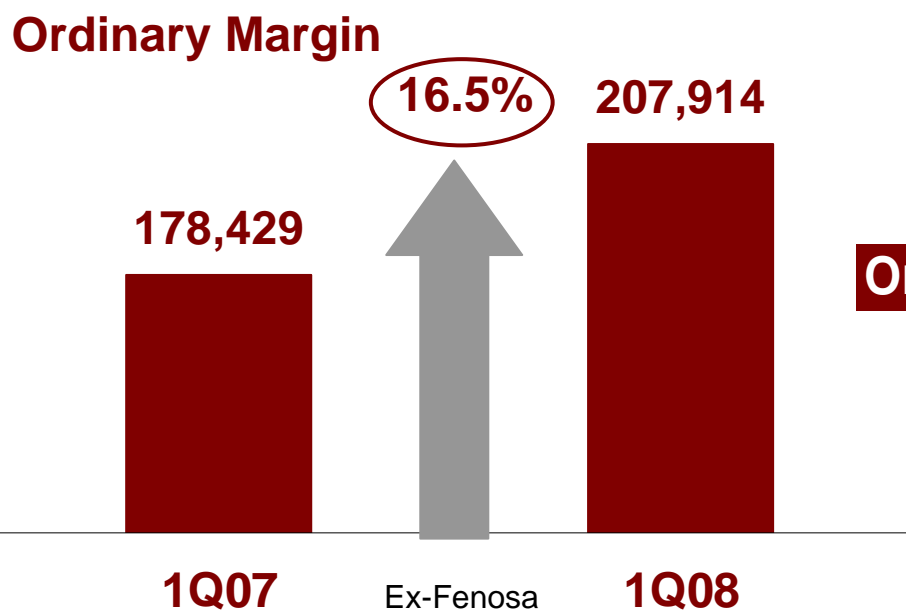
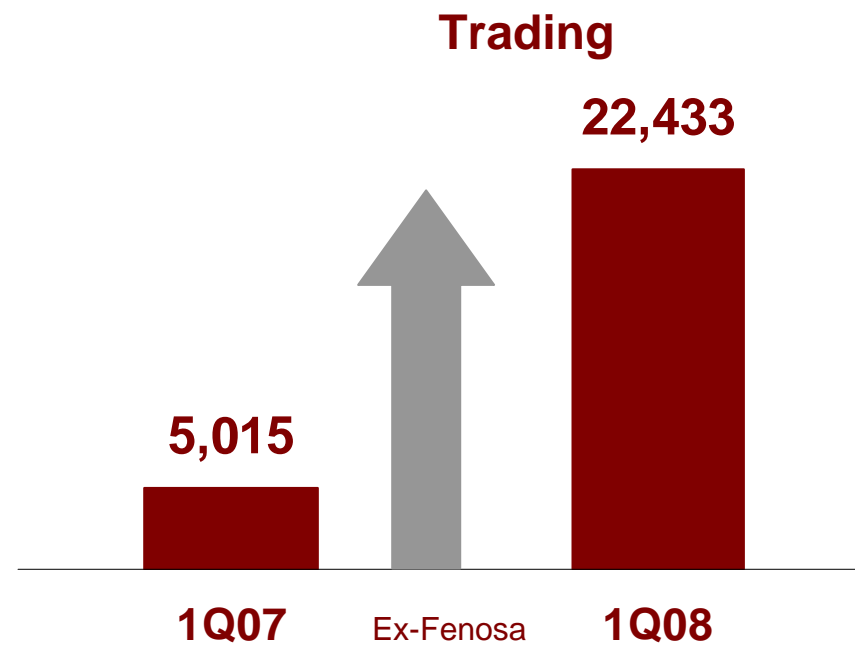
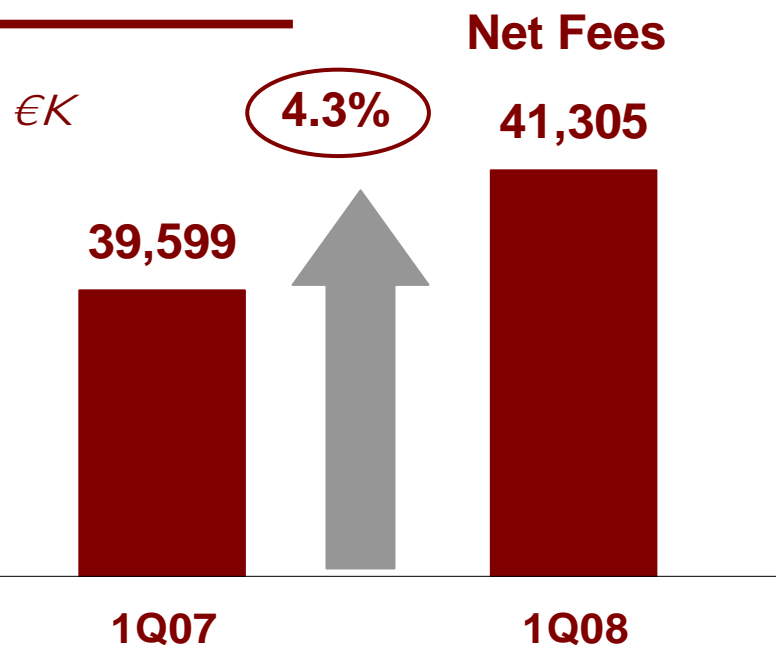
■ Entries
 ■ New Production
 ■ Euribor

New Production Adding Value

For the first time since 2003, the spread of the new production beats the stock's



Excellent performance in underlying margins



Annual QoQ Growth

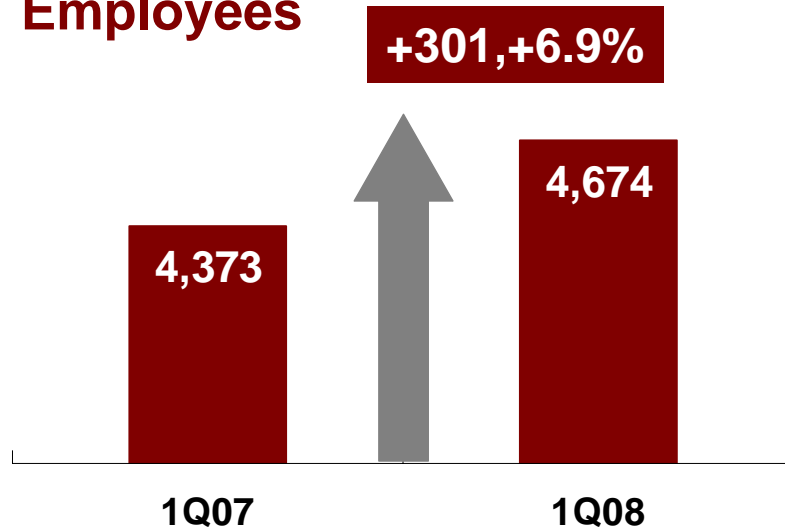
	2006	2007
Ordinary margin	16.5%	15.9%

Earnings power from our core business activities is strong and growing

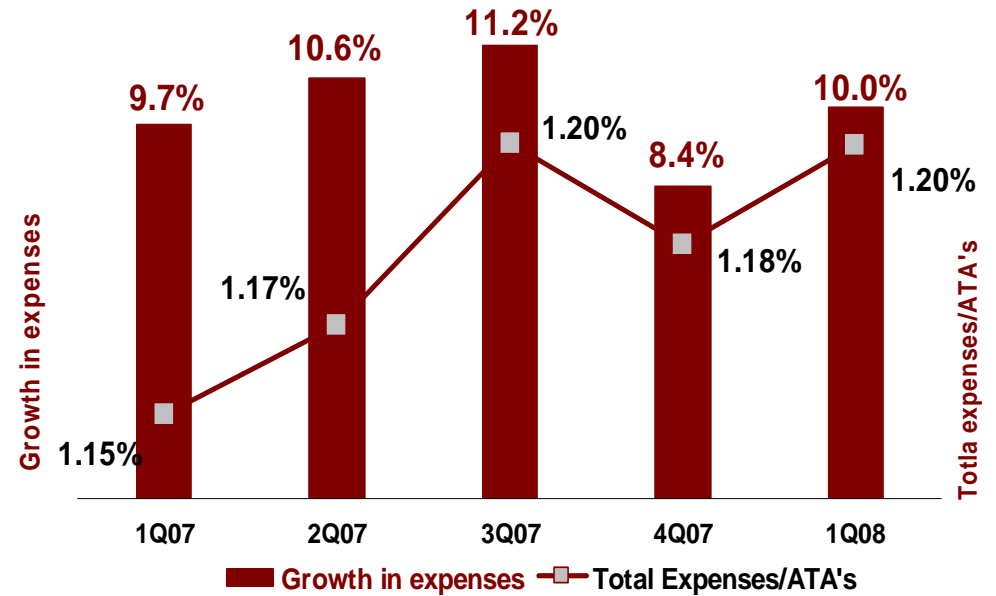
3R: Profitability

Efficiency improvement: our permanent task

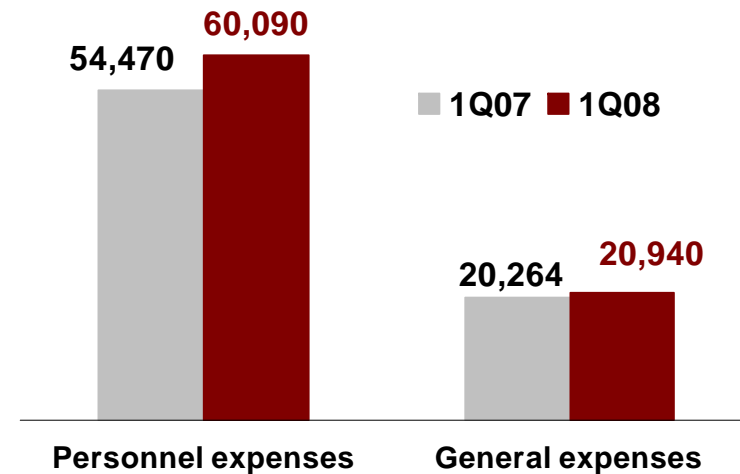
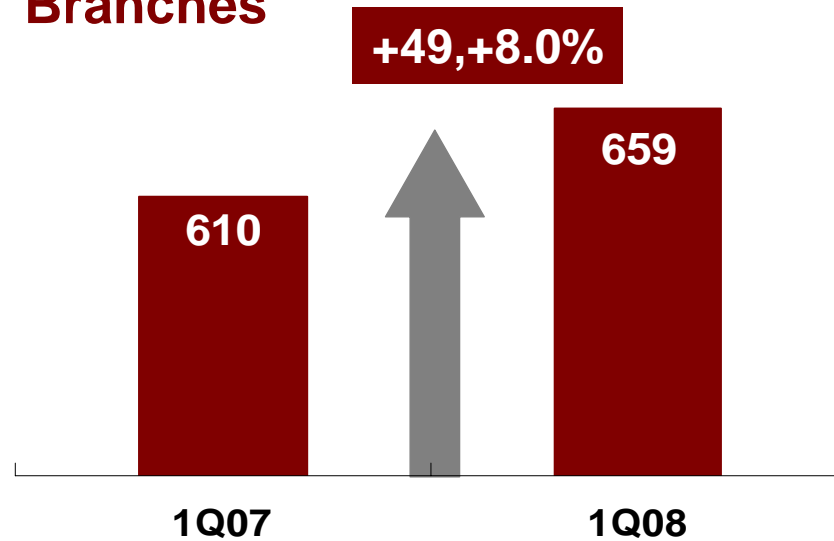
Employees



Total Expenses/ATAs vs Annual Growth

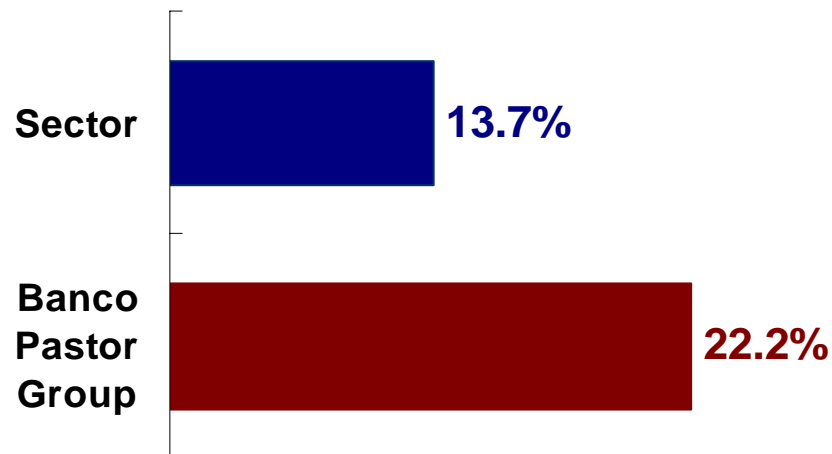


Branches

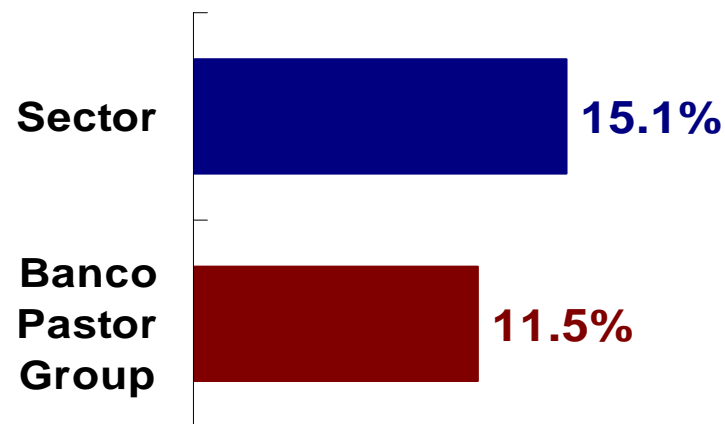


Long term focus on profitable and balanced growth

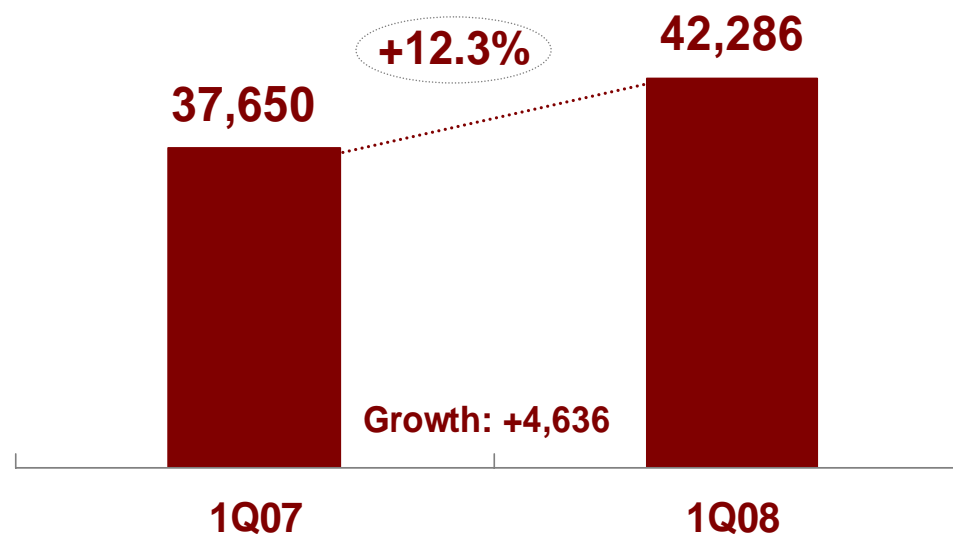
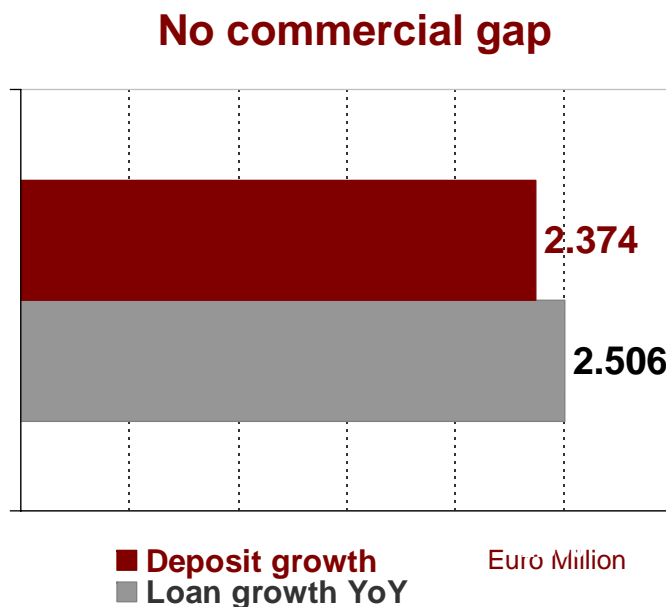
Deposits Yoy growth rates



Loans Yoy growth rates



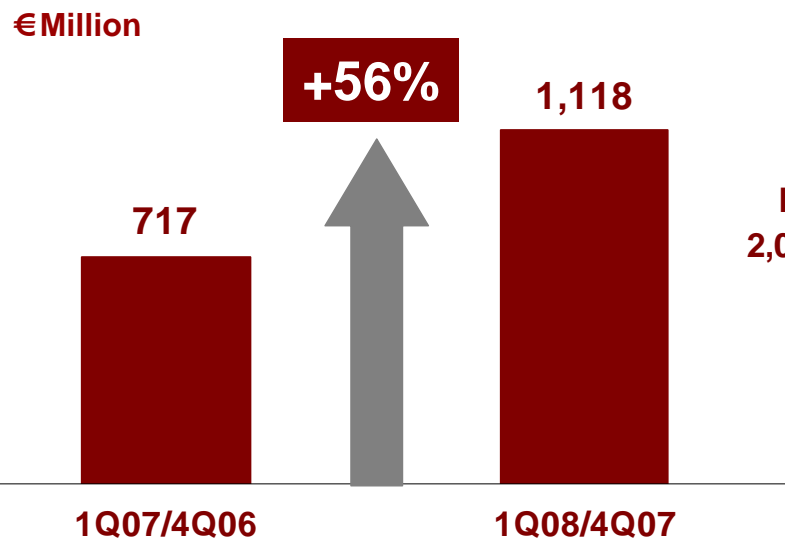
Commercial business volume



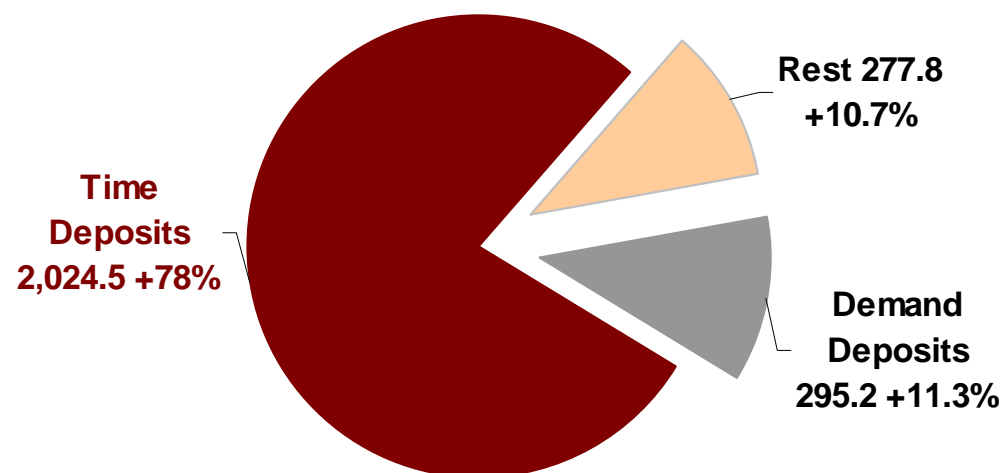
Source: BoS Resident sector Feb08.

Once again, deposits on the rise!

Quarterly Customer Deposits growth



Drivers of growth Total Deposits

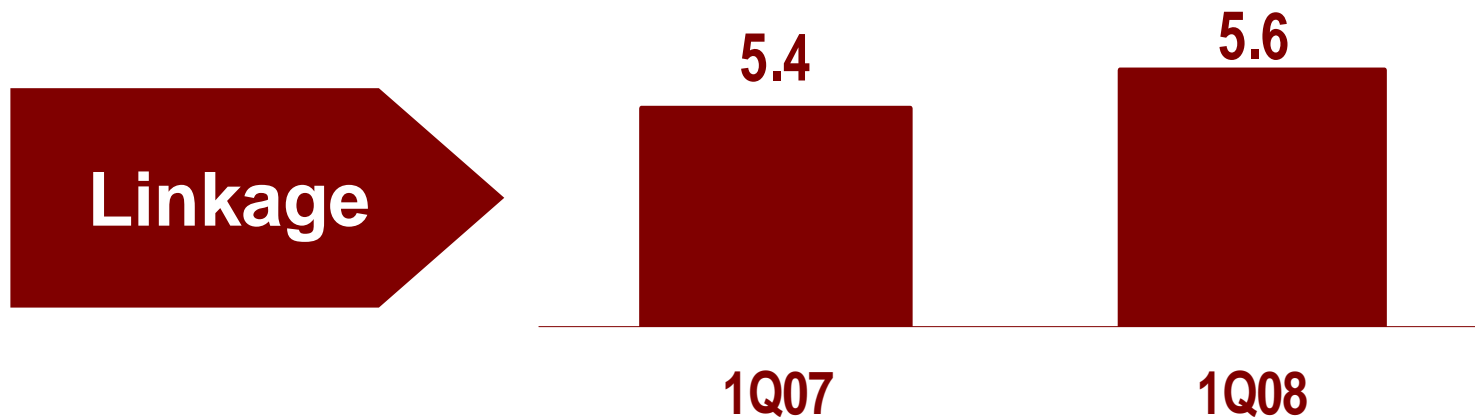
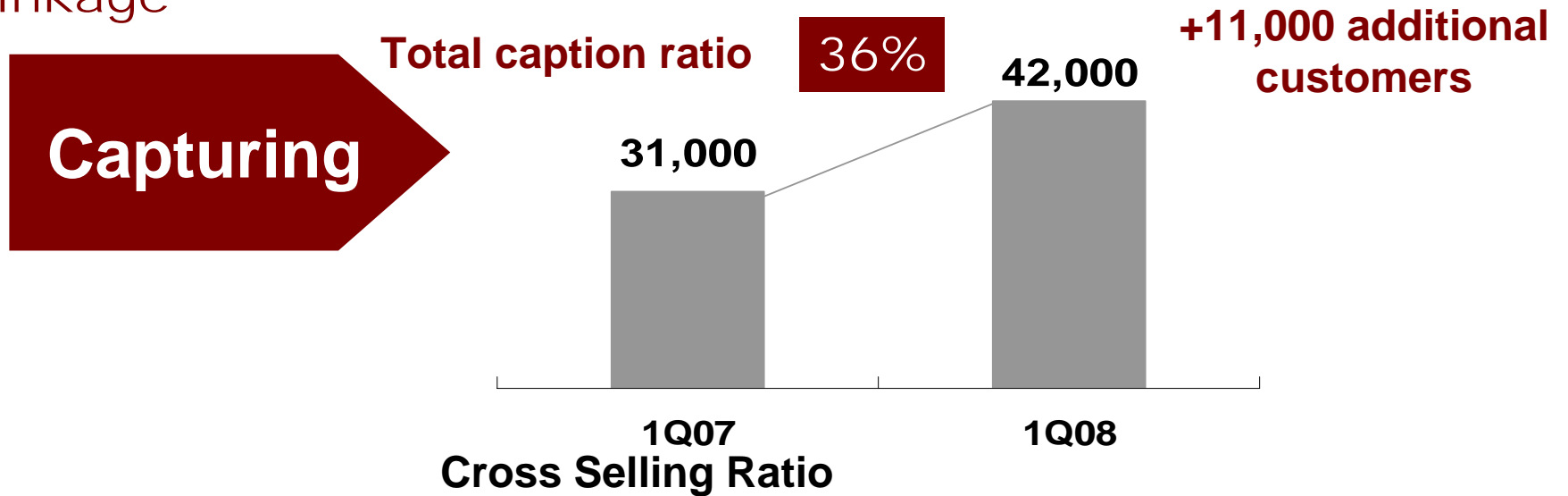


€K	1Q08	Abs.Var.	YoY %
From Public Authorities	836,587	-7,396	-0.9%
Resident Sector	11,967,440	2,596,190	27.7%
Non Resident Sector (*)	1,476,491	8,773	0.6%
<i>Foreign Currency (*)</i>	661,517	61,201	10.1%
Total Deposits	14,280,518	2,597,567	22.2%
Customer Funds	15,123,051	2,374,345	18.6%

(*) Excluding the dollar depreciation.

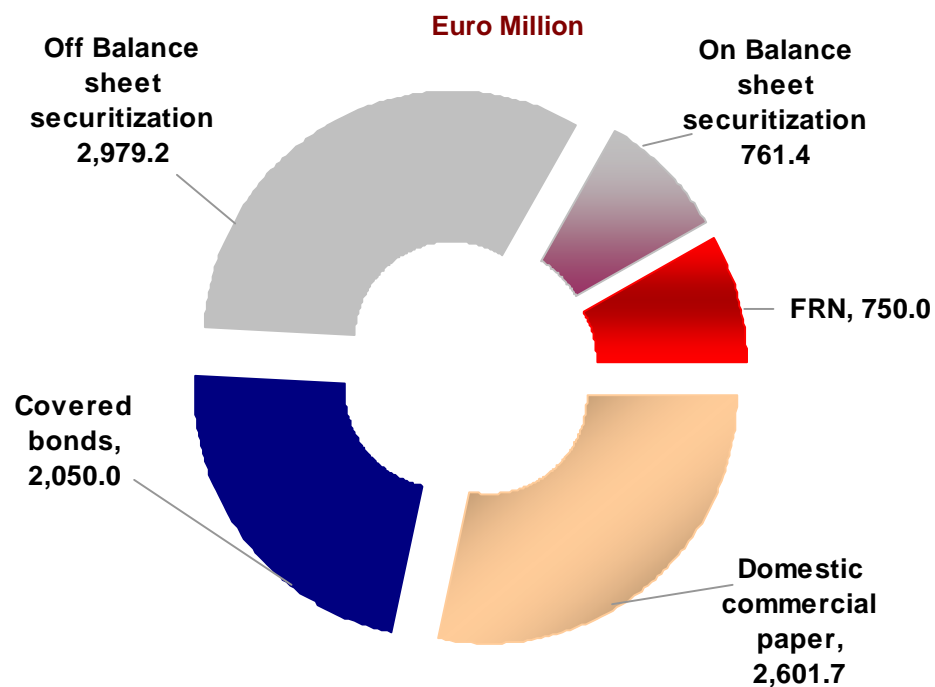
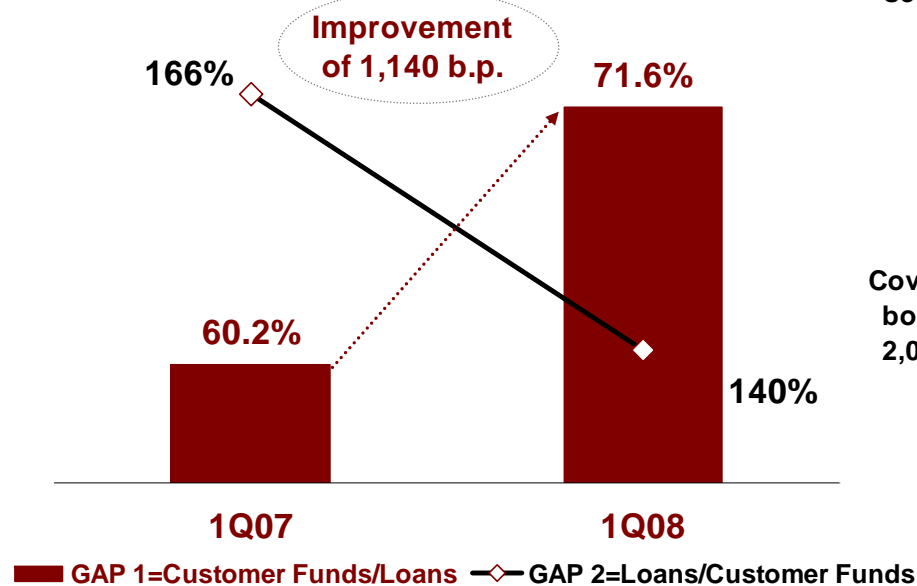
Growth has never been disconnected from clients


Commercial Activity=Profitability=Client acquisition +
Linkage

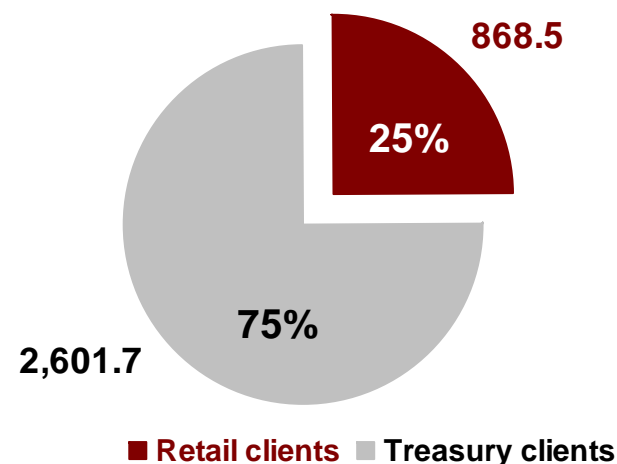


And all roads lead to Rome: A very healthy liquidity position

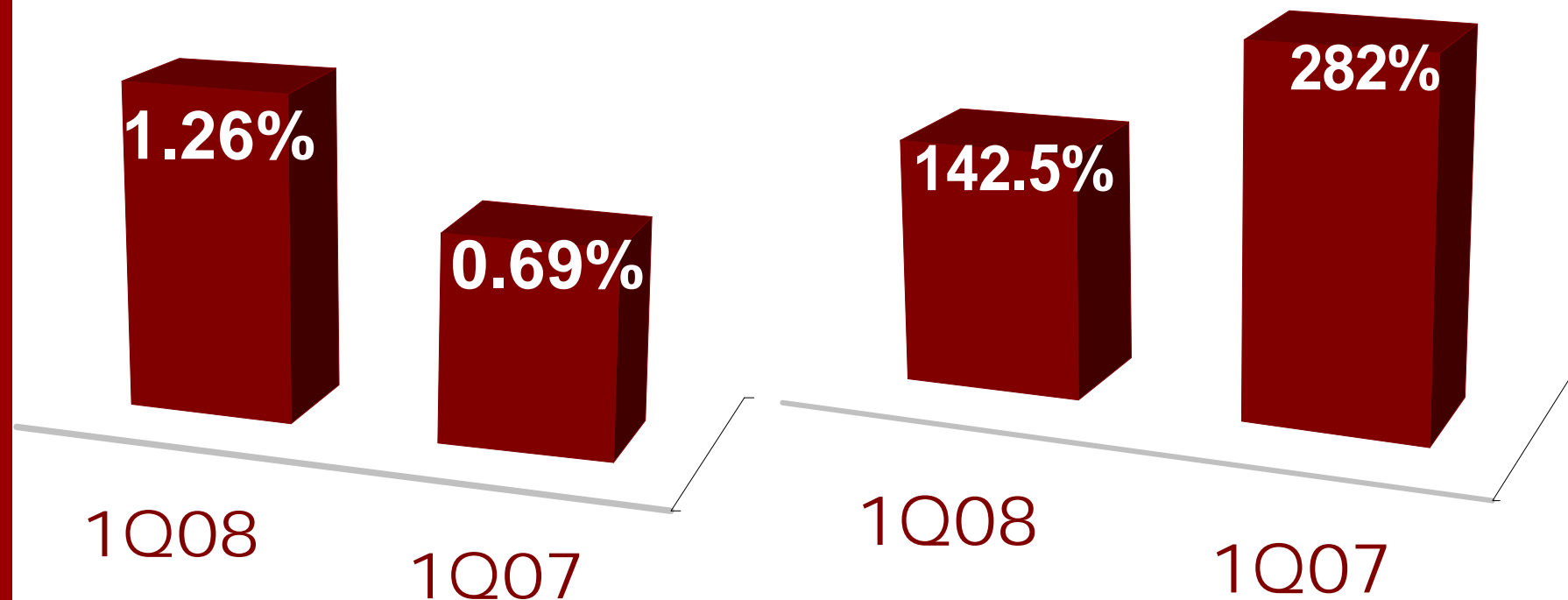
LIQUIDITY GAP



 In the next 2 years only €274 Million will be due, which means less than 7.5% of the long term wholesale funding.



Asset quality and coverage



3R: Risk management

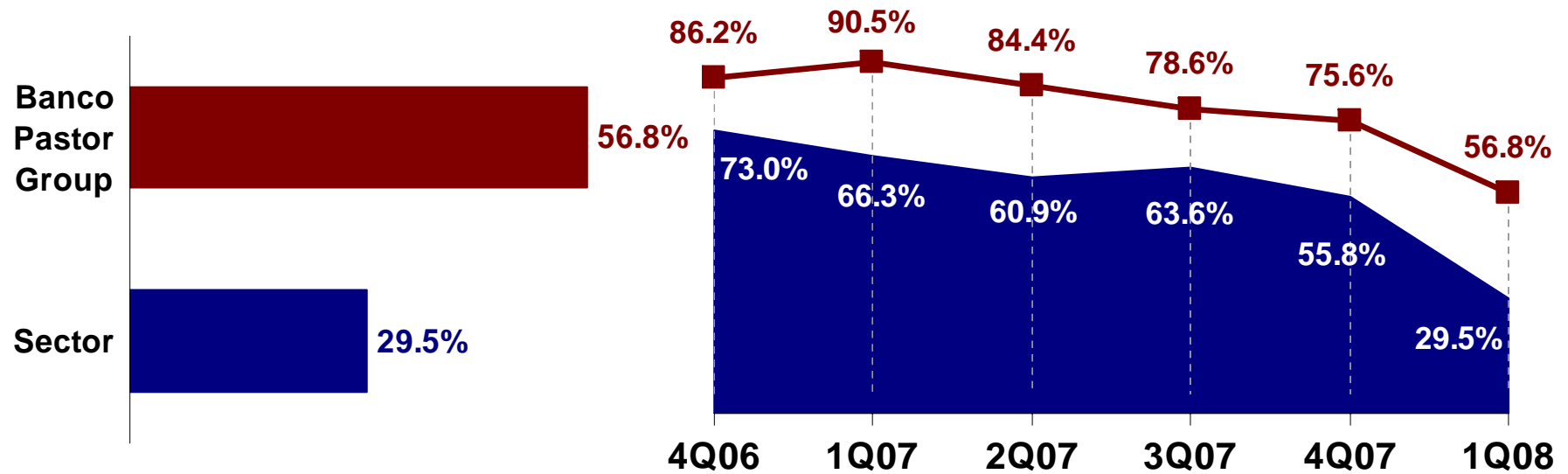
Generic Provisions

379mm

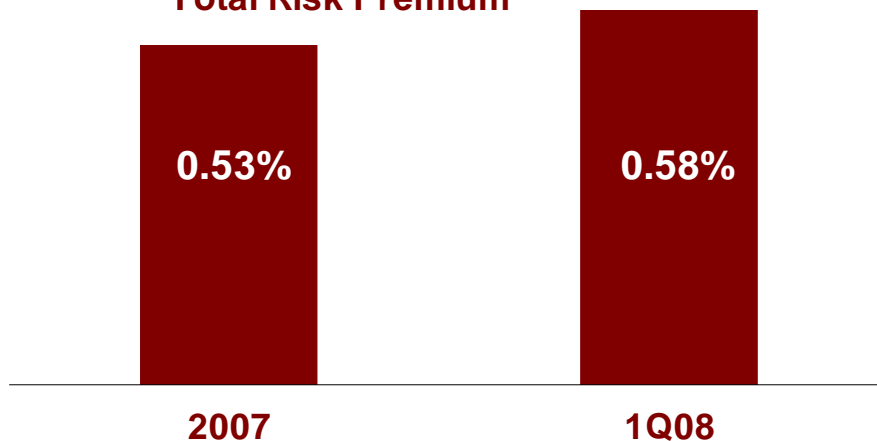
27.3% of Core Tier 1

... strengthened by a recovery capacity above the average of the sector

NPL's Recoveries/Entries Pastor vs Average Sector



Total Risk Premium



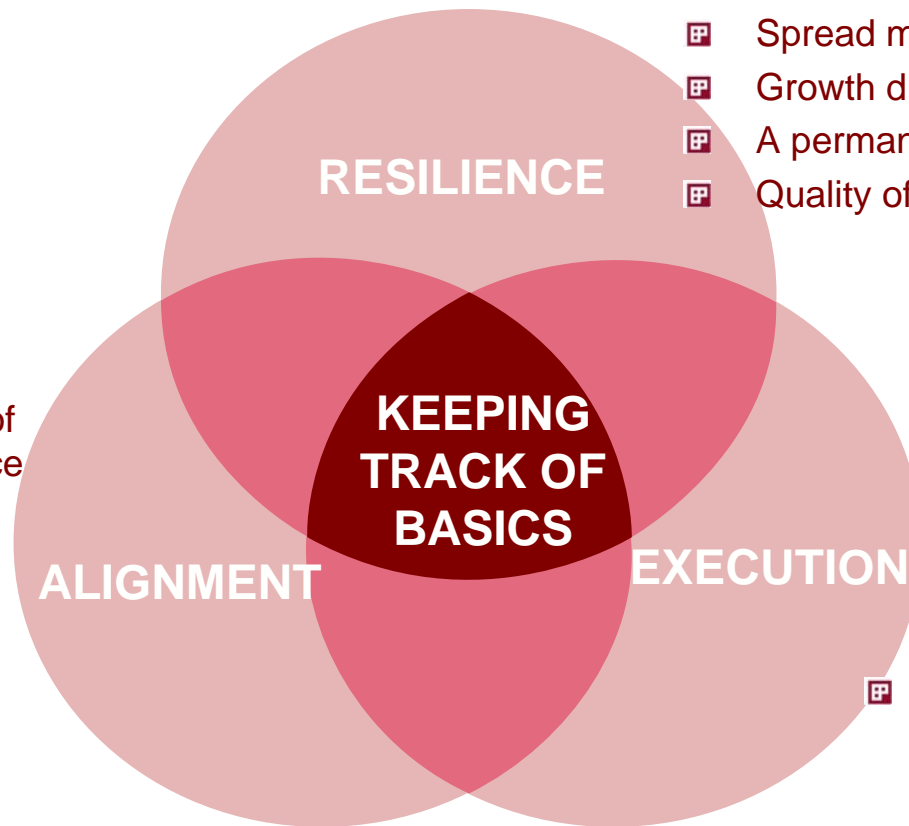
Solid track record
of recovery
outperformance !

What makes strong performance endure?

Pastor's long standing and guiding management principles

- ▣ Retail banking clearly focused towards balanced and profitable growth
- ▣ With a strong framework of risk management
- ▣ Preserving sound capital ratios
- ▣ Business model evolution
- ▣ Spread management
- ▣ Growth drivers embedded
- ▣ A permanent focus on efficiency
- ▣ Quality of service

- ▣ Two different organizational traits of paramount importance nowadays:
 - ☞ Flexibility and agility
 - ☞ Coherence



- ▣ Good track record

ALL INTERCONNECTED

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