



BancoSabadell

Growth and consolidation

30th January 2004

DISCLAIMER



This presentation has been prepared by Banco de Sabadell, S.A. (or “Banco Sabadell Group”, or “BSG” or “Sabadell”) solely for use at this analyst presentation. The information contained in this presentation has not been independently verified and is, in any case, subject to negotiation, changes and modifications.

None of Sabadell or its affiliates or advisors shall be liable for the accuracy or completeness of the information or statements included in this presentation, and in no event may its content be construed as any type of explicit or implicit representation or warranty made by Sabadell. Likewise, none of Sabadell or any of their respective affiliates or advisors shall be liable in any respect whatsoever (whether in negligence or otherwise) for any loss or damage that may arise from the use of this presentation or of any content therein or otherwise arising in connection with the information contained in this presentation. You may not copy or distribute this presentation to any person.

Sabadell does not (nor does any other person connected with the proposed rights issue and share offering of Sabadell) undertake to publish any possible modifications or revisions of the information, data or statements contained herein should there be any change in the strategy or intentions of Sabadell, or occurrence of unforeseeable facts or events that affect Sabadell’s strategy or intentions.

Any decision related to the proposed rights issue and share offering of Sabadell should be made solely on the basis of the information to be contained in the *Folletos* and the Offering Memorandum to be published in due course.

These materials are not an offer of securities for sale in the United States. The securities discussed herein have not been and will not be registered under the United States Securities Act (the “Securities Act”) and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the Securities Act. There will be no public offering of the securities in the United States.

- ⇒ Capital increase of a total 102.0 million shares through two separate but simultaneously executed transactions
 - Capital increase directed to existing shareholders (“rights issue”) of 51.0 million shares
 - Capital increase directed to institutional shareholders (“bookbuild offering”) of up to 51.0 million shares (incl. greenshoe)
- ⇒ +50% of Sabadell’s outstanding shares
- ⇒ EGM approved the capital increase on 29 January
- ⇒ Following the completion of the capital increase, Sabadell will have total shares outstanding of approximately 306 million (incl. greenshoe)

- 1. Investment highlights**
2. Overview of the new Banco Sabadell Group
3. Banco Sabadell Group: A profitable growth story
4. Acquisition of Banco Atlántico
5. Facing the future

- ✓ 4th largest Spanish banking group. Pure domestic retail bank
- ✓ A history of solid organic growth and successful consolidation of 2 significant acquisitions
- ✓ A universal banking model: medium/long term growth based on **client relationship**
- ✓ Multibrand and multichannel, aiming for excellence in both quality and service
- ✓ State-of-the-art IT platform
- ✓ Solid and stable core business profitability
- ✓ Very strong capital structure with an extremely low NPL ratio
- ✓ Highly experienced and recognised management team

1. Investment highlights
- 2. Overview of the new Banco Sabadell Group**
3. Banco Sabadell Group: A profitable growth story
4. Acquisition of Banco Atlántico
5. Facing the future

SNAPSHOT OF THE NEW BANCO SABADELL GROUP



4th largest Spanish banking group



Sabadell has consolidated its position as the 4th largest bank in Spain through the recently announced acquisition of Banco Atlántico

Increasing geographical balance



Despite its nation-wide presence pre-acquisition, Sabadell has increased its geographical balance in terms of business and distribution network through the acquisition of Banco Atlántico

Increasing market share of target customer base



Banco Atlántico's target customer segments of SMEs and personal banking complement Sabadell's leading position in these profitable and low risk niches

Low risk domestic retail and SME banking profile



Sabadell has mainly a domestic retail banking profile with reduced presence in large corporate lending and investment banking. Furthermore, its trading and derivatives operations are mainly for coverage purposes

Platform for further growth



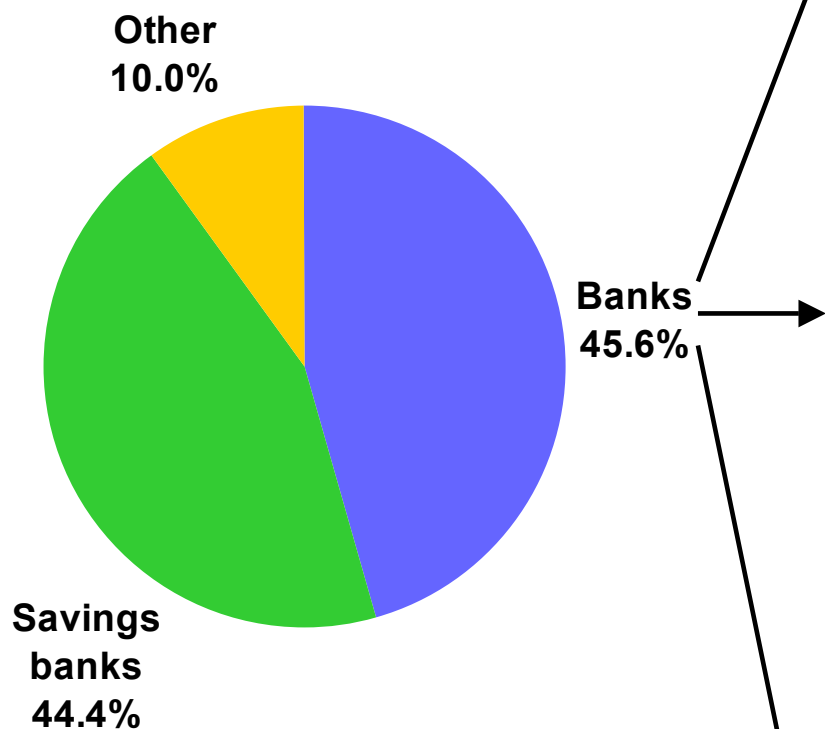
The new Banco Sabadell Group's strengthened position throughout its target customer segments provides a solid platform for further growth

FOURTH LARGEST SPANISH BANKING GROUP (I)



30/09/03

Spanish financial sector (1)



<u>Large and international banking groups</u>	<u>All</u>	<u>Banks</u>
BBVA	12.6%	27.6%
Santander Central Hispano	12.5%	27.4%
<i>of which</i> Banesto (2)	3.7%	8.3%
<u>Domestic banking groups</u>		
BANCO POPULAR ESPAÑOL	4.8%	10.5%
BancoSabadell (3)	3.5%	7.7%
BANKINTER	2.0%	4.4%
<u>Small banking groups</u>	10.1%	22.2%

(1) Domestic customer loans to private sector
 (2) Fully consolidated subsidiary of Santander Central Hispano
 (3) Sabadell including Banco Atlántico
 Source: Bank of Spain, interim reports

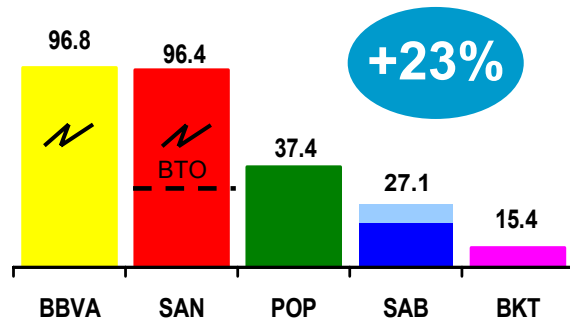
FOURTH LARGEST SPANISH BANKING GROUP (II)



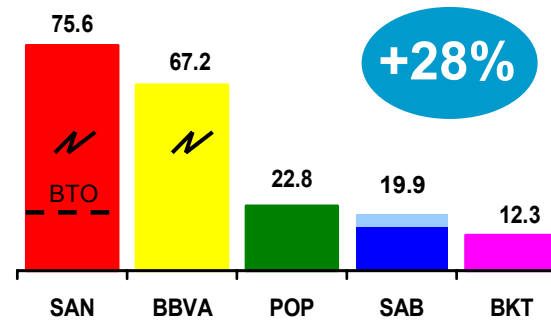
30/09/03

€ bn

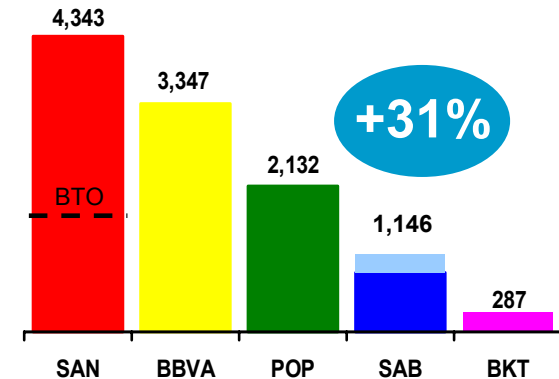
Domestic customer loans



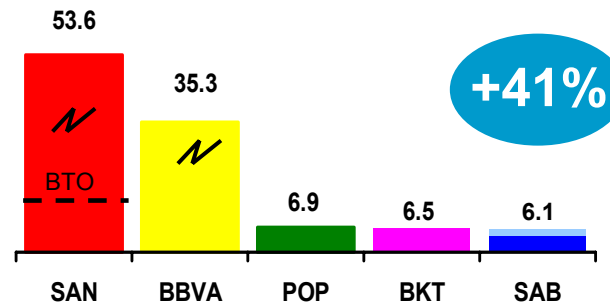
Domestic customer deposits



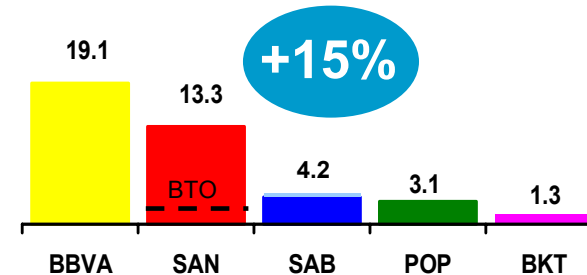
Domestic branches (1)



Domestic mutual funds



Domestic bancassurance (tech. reserves)



Note: Data of Spanish activities only; Banesto ("BTO") data for domestic customer loans (€ 28.9 bn), domestic customer deposits (€ 20.9 bn), domestic branches (1,683), domestic mutual funds (€ 10.0 bn) and domestic bancassurance (€ 1.9 bn)

(1) Branches of Sabadell and Banco Atlántico as of 31/12/03. Includes approx. 70 branches targeted to be closed (see page 58 for details)

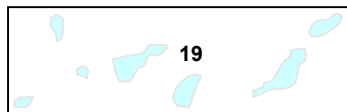
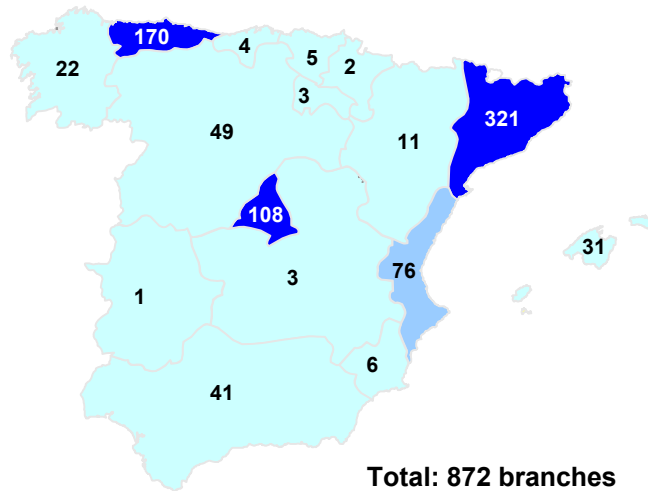
Source: Sabadell, interim reports, Inverco, Icea

INCREASING GEOGRAPHICAL BALANCE (I)



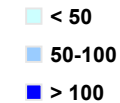
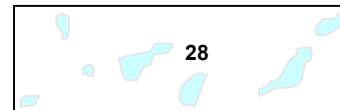
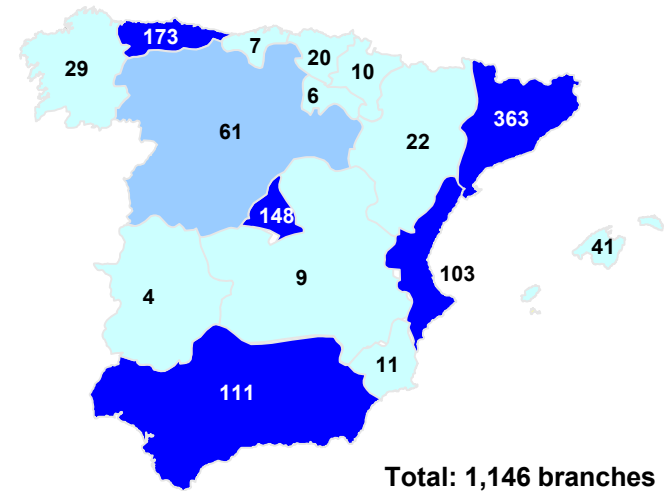
31/12/03

Sabadell



31/12/03

New Sabadell (1)



(1) Including Banco Atlántico's branches. Includes approx. 70 branches targeted to be closed (see page 58 for details)

⇒ **The acquisition of Banco Atlántico has rebalanced Sabadell's geographical presence in Spain in terms of its distribution network...**

INCREASING GEOGRAPHICAL BALANCE (II)



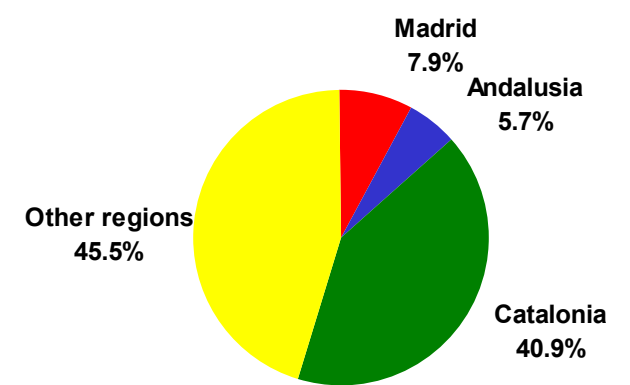
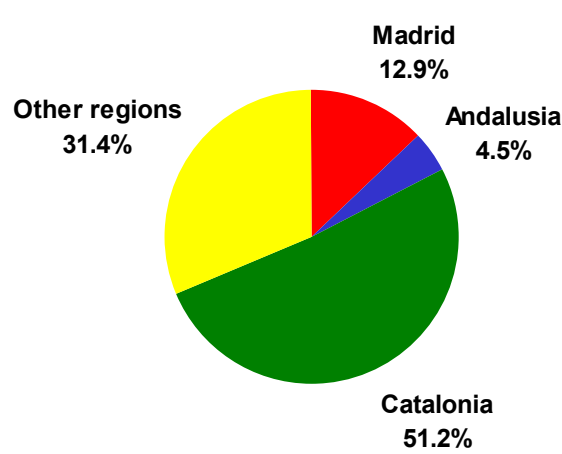
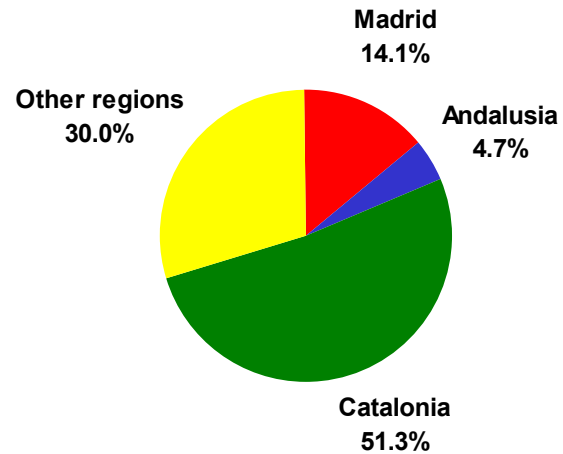
31/12/03

Loans

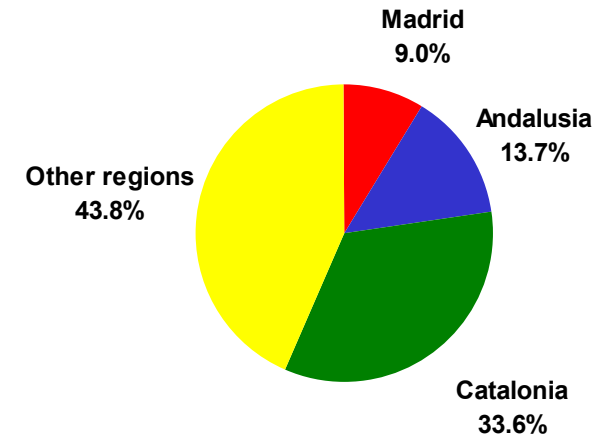
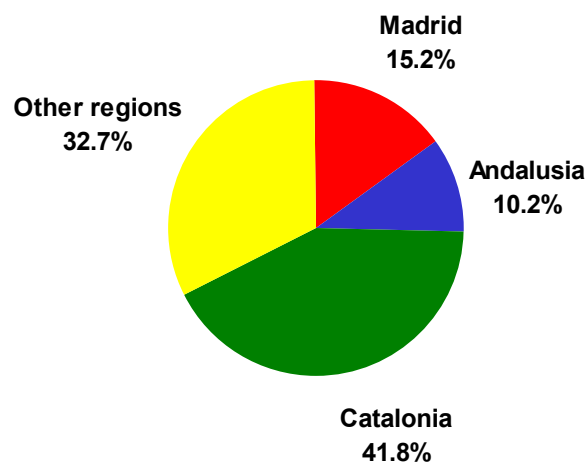
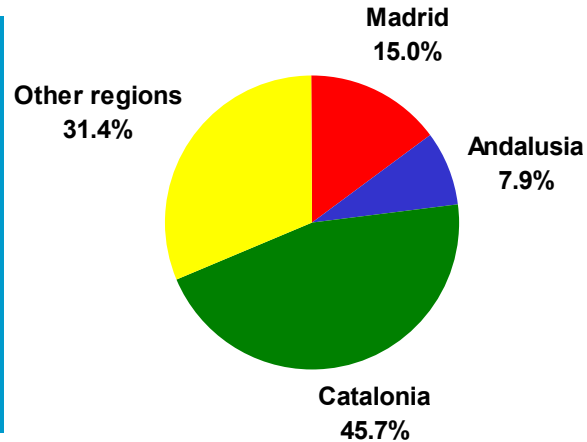
Customer funds

Clients (1)

Sabadell



New Sabadell (2)



(1) Not adjusted for any client overlap

(2) Including Banco Atlántico; Banco Atlántico data based on preliminary and unaudited data

⇒ ...and in terms of its core business

INCREASING MARKET SHARE OF TARGET CUSTOMER BASE



MARKET SHARES (as of 31/12/03)

	All financial sector			Banks		
	Sabadell	New Sabadell ⁽¹⁾	Increase	Sabadell	New Sabadell ⁽¹⁾	Increase
Domestic customer deposits	2.46%	3.14%	+0.68%	6.35%	8.06%	+1.71%
of which retail banking	1.80%	N/A		3.62%	N/A	
of which SME banking	0.67%	N/A		2.73%	N/A	
Domestic customer loans	2.88%	3.50%	+0.62%	6.33%	7.73%	+1.40%
of which retail banking	1.64%	N/A		4.62%	N/A	
of which SME banking	1.24%	N/A		1.71%	N/A	
Private banking (SIMCAVS) ⁽²⁾	2.39%	2.44%	+0.05%			
Asset management	2.28%	3.20%	+0.92%			
Bancassurance ⁽²⁾	1.94%	2.15%	+0.21%			
Pension funds ⁽²⁾	3.04%	3.64%	+0.60%			

(1) Including Banco Atlántico; Banco Atlántico data based on preliminary and unaudited data

(2) Market shares as of 30/09/03

Source: Sabadell

⇒ The acquisition of Banco Atlántico has significantly contributed to increase the number of customers and strengthen Sabadell's franchise in its target segments:

- Affluent and Private Banking
- SMEs
- Solbank

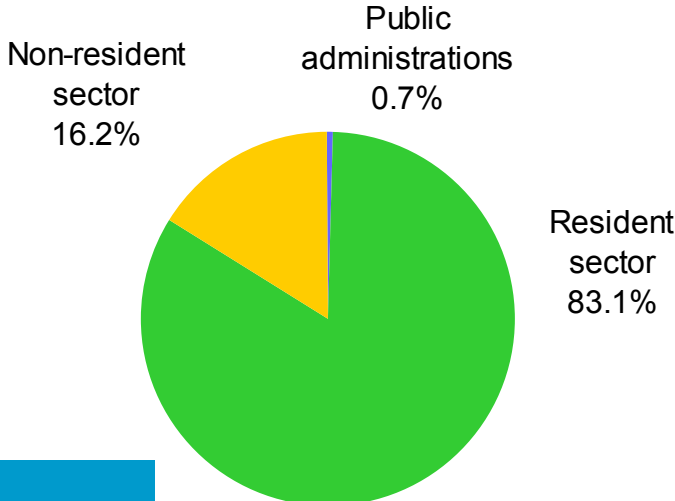
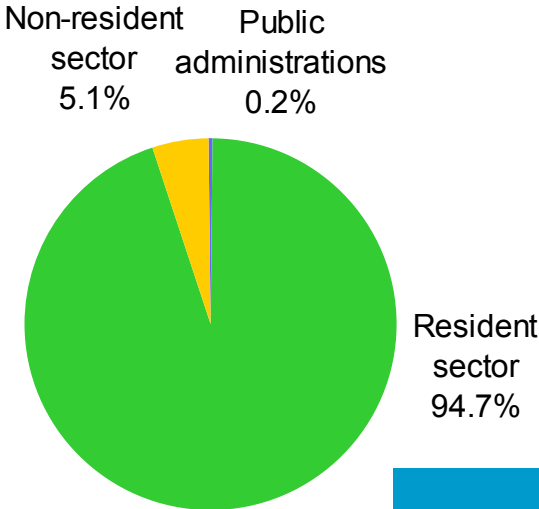
LOW RISK DOMESTIC RETAIL AND SME BANKING PROFILE: CUSTOMER LOANS BREAKDOWN



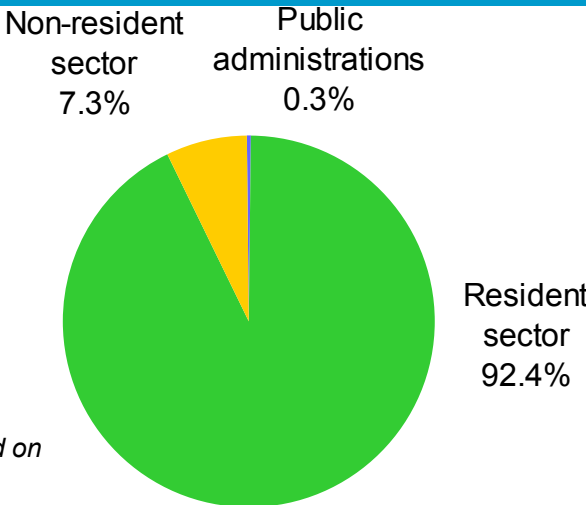
Sabadell

31/12/03

Banco Atlántico (1)



New Sabadell (2)

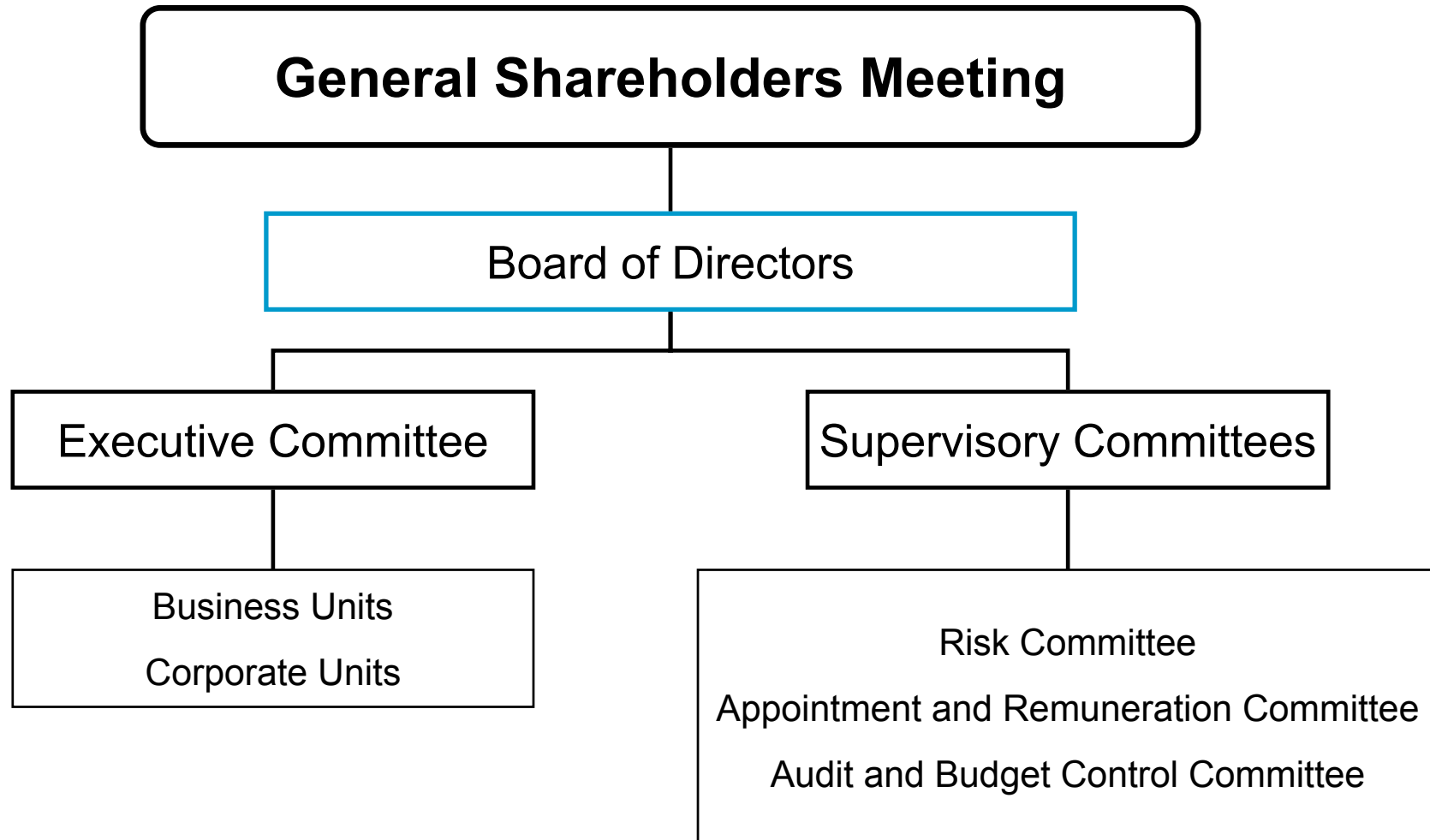


(1) Based on preliminary and unaudited data
 (2) Including Banco Atlántico; Banco Atlántico data based on preliminary and unaudited data
 Note: Consolidated customer loans as of 31/12/03

⇒ **The new Sabadell's strengthened presence throughout its core activities provides a solid platform for further growth based on:**

- A more balanced nation-wide business as well as distribution network
- A wide and highly competitive product offering
- A targeted and consolidated corporate structure
- Superior risk management practice
- Sound financial fundamentals
- State-of-the-art IT platform
- Young and skilled employee base

FUTURE GROWTH SUPPORTED BY A DEFINED AND TRANSPARENT CORPORATE GOVERNANCE...(I)



CORPORATE GOVERNANCE RULES

- ⇒ **Defined:** Corporate Governance report includes Sabadell's by-laws, a specific Board code (registered in the Company Registrar) and an internal code of conduct (deposited with the CNMV)
- ⇒ **Transparent:** The Corporate Governance report is available on the bank's web site. Any relevant information is immediately communicated to the CNMV through an *Hecho Relevante*
- ⇒ **Compliant:** Sabadell has fully incorporated the recommendations of the Olivencia and Aldama reports
- ⇒ **Independent:** The majority of Board members (10 out of 13) are non-executive Directors and amongst them there are 2 independent Directors

...AND HIGHLY EXPERIENCED AND RECOGNISED
MANAGEMENT TEAM



Mr. José Oliu
Chairman & CEO

Audit
Communication
Finance / MIS
Legal

BUSINESS

CORPORATE CENTER

Mr. Juan M^a Nin
General Manager and Board Member

Mr. José Permanyer
General Manager and Board Member

Commercial banking
SME and corporate banking
Private banking
Bancassurance
Asset management
Treasury and capital markets
International
Brokerage
Subsidiaries

Organization & resources
IT systems
Risks and recoveries

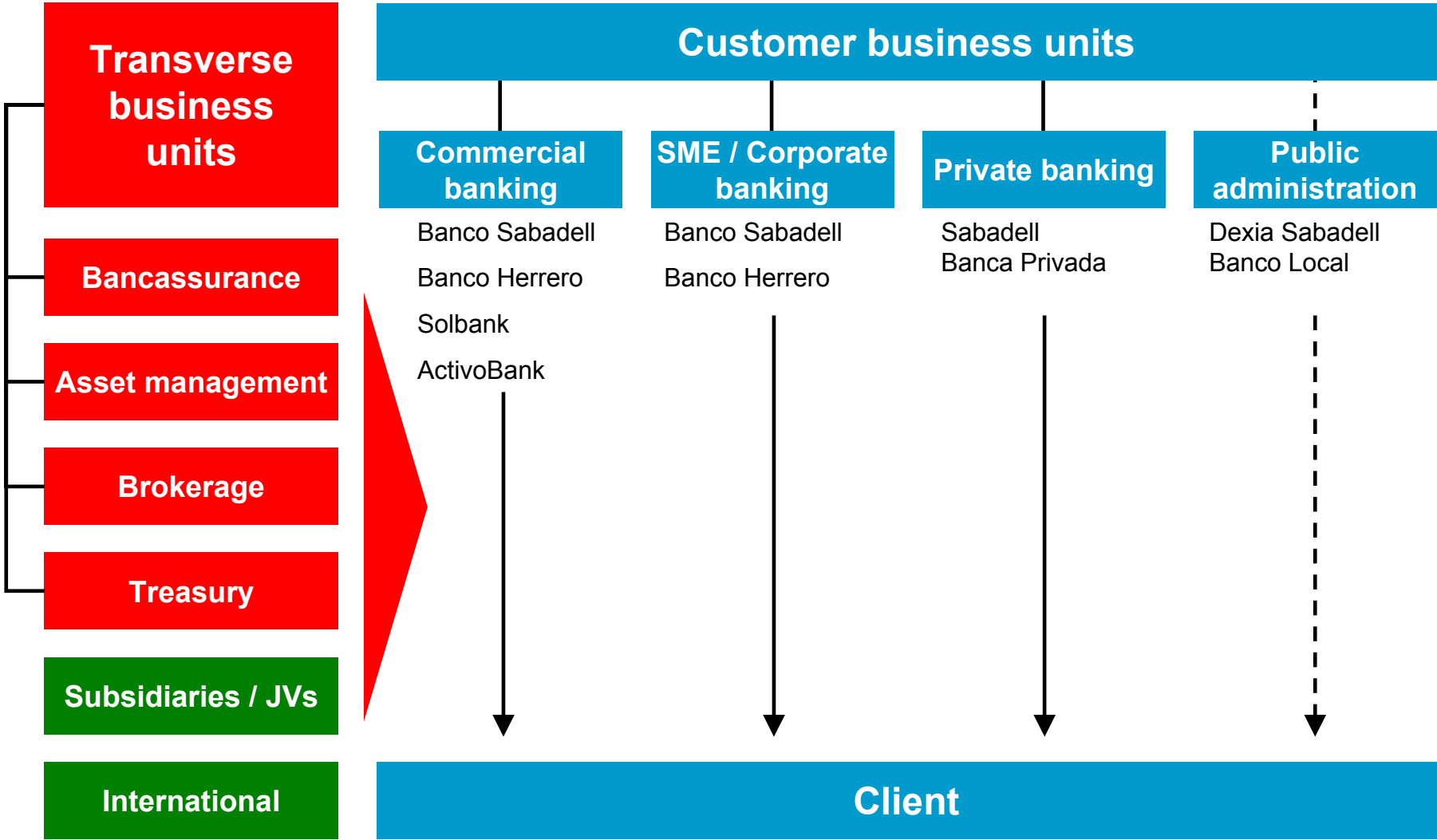
1. Investment highlights
2. Overview of the new Banco Sabadell Group
3. **Banco Sabadell Group: A profitable growth story**
4. Acquisition of Banco Atlántico
5. Facing the future

BANCO SABADELL GROUP: A PROFITABLE GROWTH STORY



- ✓ A consolidated and customer oriented business model
- ✓ Based on a successful multibrand-strategy
- ✓ And supported by an efficient corporate structure
- ✓ Achieved leading market position in the profitable SME and personal banking segment
- ✓ Sound financial fundamentals and capitalisation
- ✓ Strong acquisition integration track-record

CONSOLIDATED AND CUSTOMER-ORIENTED BUSINESS MODEL (I)



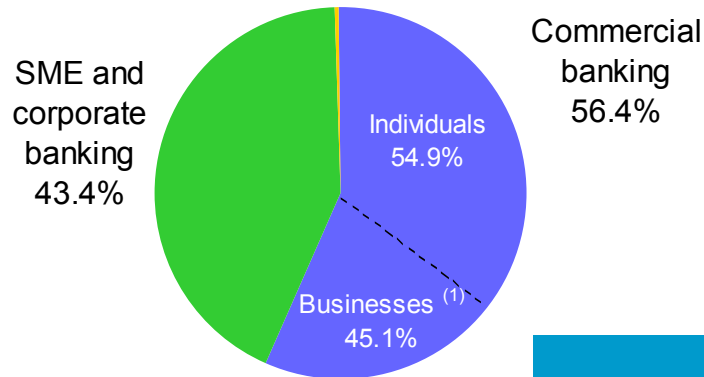
RELATIVE WEIGHT BY CUSTOMER BUSINESS UNIT



Customer loans

31/12/03

Private banking
0.2%

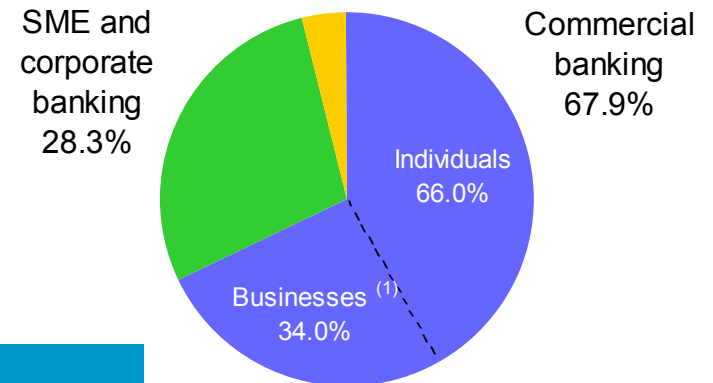


Note: Accumulated average balance
(1) Companies with turnover < € 6 mm

Customer deposits

31/12/03

Private banking
3.8%

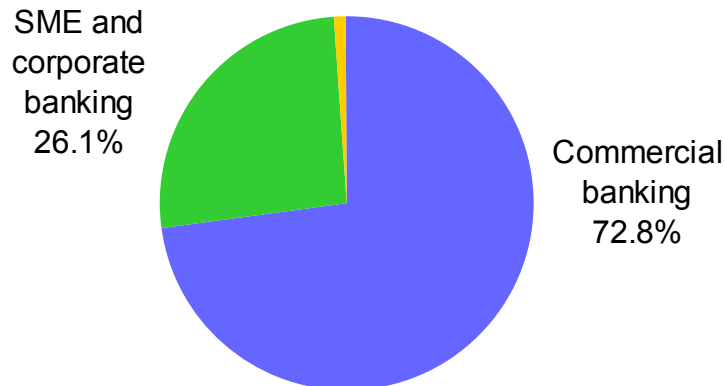


Note: Accumulated average balance
(1) Companies with turnover < € 6 mm

Basic margin (1)

31/12/03

Private banking
1.1%

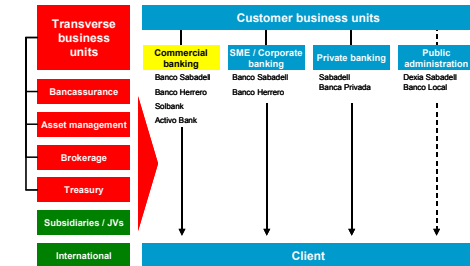


(1) Net interest income, commissions and intra-business allocated fees

CUSTOMER BUSINESS UNITS: COMMERCIAL BANKING



- ⇒ **Target market:** Companies with turnover < € 6 mm ⁽¹⁾ and individuals
- ⇒ **Multi-brand approach**
- ⇒ **Supported by a tailor-made product offering for:**
 - **Small businesses**
 - **Personal banking**
 - **Retail (mass market)**
 - **Professional Associations**
- ⇒ **Small businesses and personal banking** products and services offered complemented through **specialists located throughout Sabadell's branch network**



Highlights (31/12/03):

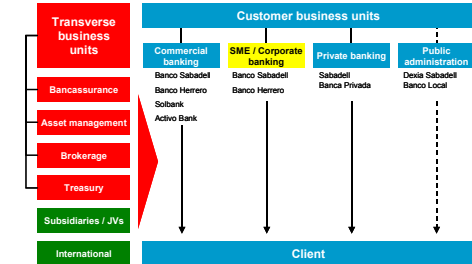
- 1.2 mm individuals**
- >135,000 companies and institutions**
- 855 branches**
- 5,103 employees**
- € 12,442 mm customer loans**
- € 10,088 mm customer deposits**
- Relative weight of total basic margin: 72.8%**

(1) Companies with turnover > € 6 million in selected regional areas with no coverage by SME and corporate banking unit are serviced by commercial banking unit

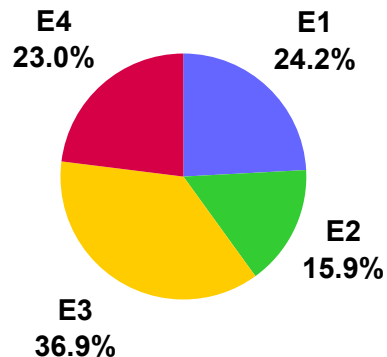
CUSTOMER BUSINESS UNITS: SME AND CORPORATE BANKING



- ⇒ **Target market:** Companies with turnover > € 6 mm
- ⇒ **360° client management** through specialised SMEs and corporates relationship team and specialised branches
- ⇒ **Multi-brand approach**
- ⇒ **Activity supported by:**
 - BS Wealth Management
 - Specialised financing activities
 - BS Real Estate
 - BS International



Split of SMEs and corporates by loans volume ⁽¹⁾



(1) E1, companies with turnover < € 0.9 mm, E2 < € 3.0 mm, E3 < € 30.0 mm, E4 > € 30.0 mm

Highlights (31/12/03):

22,314 customers

9 specialised branches in Spain

548 employees

€ 9,578 mm in customer loans

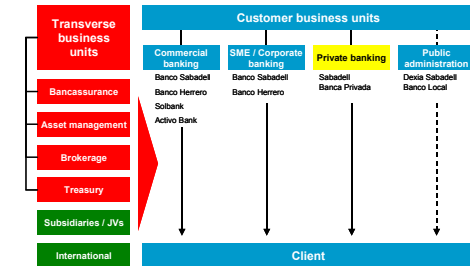
€ 4,201 mm in customer deposits

Relative weight of total basic margin: 26.1%

CUSTOMER BUSINESS UNITS: PRIVATE BANKING



- ⇒ Wealth management products and services offered through **Sabadell Banca Privada**, a 100% owned subsidiary of Sabadell
- ⇒ **Target market:** Individuals, corporations and institutions with a minimum of € 500,000 in financial assets
- ⇒ **Totally independent commercial structure from Banco Sabadell Group**
- ⇒ **Commercial structure:** Relationship managers supported by customer portfolio managers, legal and tax advisors and administrative assistants based in 6 independent branches



Highlights (31/12/03):

1,900 customers
(clients and family groups)

6 branches

63 employees

€1,933 mm AuM

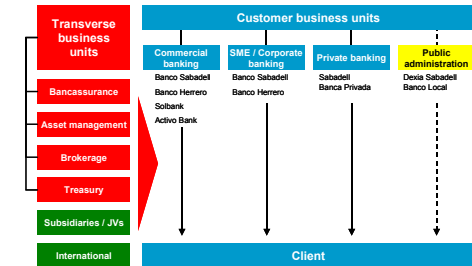
Market share (over total SIMCAV AuM): 2.4% (As of 3Q 2003)

Relative weight of total basic margin: 1.1%

CUSTOMER BUSINESS UNITS: PUBLIC ADMINISTRATION



- ⇒ **Public sector finance and services** offered through **Dexia Sabadell Banco Local**
- ⇒ Dexia Sabadell Banco Local is a **JV with Dexia** (60% owned by Dexia, 40% owned by Sabadell)
- ⇒ **Keys of success:**
 - Dexia’s know-how in a highly specialised market
 - Dexia’s superior funding capabilities
 - Sabadell’s local knowledge



Highlights (31/12/03):

137 customers (public administrations)

1 branch

29 employees

€ 2,901 mm customer loans

TRANSVERSE BUSINESS UNITS: BANCASSURANCE

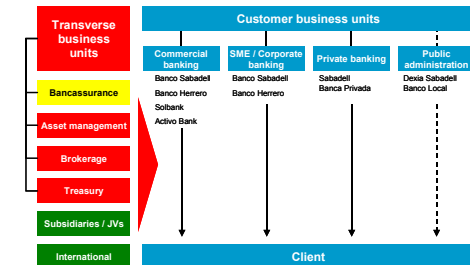


⇒ Transverse business unit offering **insurance and pension products** and specialised support to Sabadell's customer business units

⇒ **Formed by 3 entities:**

- **Life insurance** subsidiary offering risk and saving products to Sabadell
- **Pension fund management** subsidiary (investment management integrated in Asset Management business unit)
- **Insurance broker:** Non-life products

⇒ In addition, there is an **independent team specialised in SMEs and corporates (Previsión Empresarial)**, coordinated with the SMEs banking unit



Highlights (31/12/03):

€2,143 mm
technical reserves

1.94% technical
reserves market share
(As of 3Q 2003)

€24.5 mm life risk
insurance premiums
(10.6% penetration)
(As of 3Q 2003)

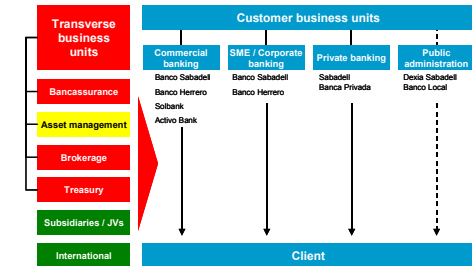
€1,697 mm pension
funds AuM

3.04% pension funds
market share
(As of 3Q 2003)

TRANSVERSE BUSINESS UNITS: ASSET MANAGEMENT



- ⇒ Transverse business unit dedicated to fulfill the **asset management needs of the customers of Banco Sabadell Group**
- ⇒ **All investment functions and investment advice services of the Group are centralised in this business unit**
- ⇒ Provides a large product range with a fundamental and active investment philosophy and disciplined risk control and assessment of success
- ⇒ Repeatedly granted with distinguished and recognised awards of the Spanish asset management sector (Inverco, Lipper, Expansión)



Highlights (31/12/03):

74 employees

€ 9,006 mm off-balance sheet funds:

- € 5,166 mm mutual funds; 2.3% mkt. share

- € 2,143 mm insurance

- € 1,697 mm pension funds

AuM and SIMCAV's:

€ 5,027 mm

TRANSVERSE BUSINESS UNITS: BROKERAGE AND TREASURY CUSTOMER SERVICES



BROKERAGE

⇒ **Transverse business unit that offers brokerage services** to Sabadell's customer units and outside clients

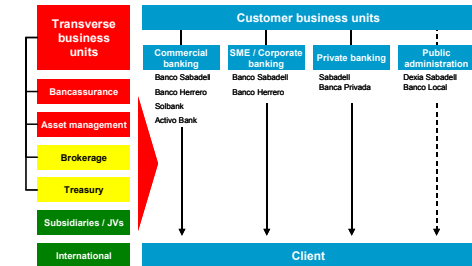
⇒ **Target market:** Domestic and international institutional customers and individuals

⇒ **Ibersecurities offers:**

- Domestic brokerage with European vision (stocks, derivatives and warrants)
- Analysis of domestic and Eurostoxx 50 stocks
- Specialised and differentiated service

TREASURY CUSTOMER SERVICES

⇒ **Transverse business unit that offers treasury products and services** to Sabadell's customer base



Highlights (31/12/03): (Ibersecurities)

52 employees

#13 in domestic stocks trading (2.5% market share)

€ 7.9 mm revenues in 2003

€ 2.2 mm net income in 2003

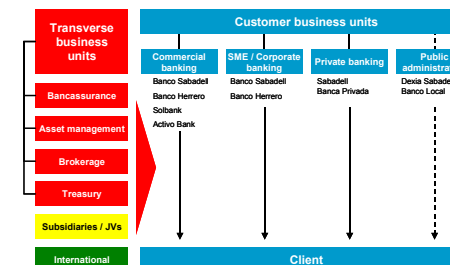
OTHER BUSINESSES: SUBSIDIARIES



⇒ **Real estate activities (Landscape):** Real estate development, promotion and land management activities which leverage Sabadell's mortgage products

⇒ **Development capital activities:** SME related development capital activities channelled through:

- BIDSА
- Sinia XXI (100% subsidiary of BIDSА solely focused on investments in renewal energy)
- Aurica XXI (50/50 JV with Banco Pastor)



Highlights (31/12/03):

Net income

Landscape: € 11.7 mm

BIDSА: € 3.1 mm

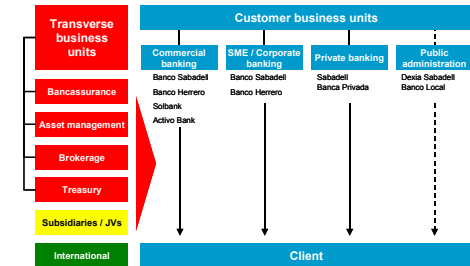
Aurica XXI: € 0.4 mm

OTHER BUSINESSES: JOINT VENTURES



⇒ **BancSabadell d'Andorra** (51% owned by Sabadell and 49% held by private Andorran investors):
Universal bank in Andorra

⇒ **BS FinCom, JV with GE Capital** (50 owned by Sabadell and 50% owned by GE Capital). **Start-up focused on consumer finance**



Highlights (31/12/03):

BancSabadell d'Andorra:

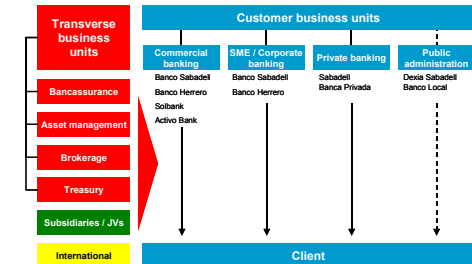
€ 130 mm customer loans

€ 616 mm customer funds

OTHER BUSINESSES: INTERNATIONAL



- ⇒ **Full branch in London, Paris and Miami** (first Spanish bank with Licence A)
- ⇒ **Representative offices in Latin America** (Mexico, Guatemala and Venezuela) **and China**
- ⇒ **Equity holdings:**
 - 3.1% in BCP (Portugal)
 - 10.0% in Banco del Bajío (Mexico)
 - 20.0% in BHD (Dominican Republic)
 - 50.0% in Financiera Iberoamericana (Cuba)



BANCO SABADELL GROUP: A PROFITABLE GROWTH STORY



- ✓ A consolidated and customer oriented business model
- ✓ **Based on a successful multibrand-strategy**
- ✓ And supported by an efficient corporate structure
- ✓ Achieved leading market position in the profitable SME and personal banking segment
- ✓ Sound financial fundamentals and capitalisation
- ✓ Strong acquisition integration track-record

SUCCESSFUL MULTIBRAND STRATEGY



- 
Banco Sabadell


Nation-wide universal banking, excluding Asturias, León and coastal regions, and focused on SME and personal banking
- 
Banco Herrero


Universal and SME banking in Asturias and León region
- 
Banco Sabadell
Solbank


Foreigners residents in Spain and SMEs related to this segment
- 
Sabadell BancaPrivada


Private banking

ActivoBank
Online bank, based on high quality products

Dexia Sabadell
Banco Local
Public sector finance and services

BANCO SABADELL GROUP: A PROFITABLE GROWTH STORY



- ✓ A consolidated and customer oriented business model
- ✓ Based on a successful multibrand-strategy
- ✓ And supported by an efficient corporate structure
- ✓ Achieved leading market position in the profitable SME and personal banking segment
- ✓ Sound financial fundamentals and capitalisation
- ✓ Strong acquisition integration track-record

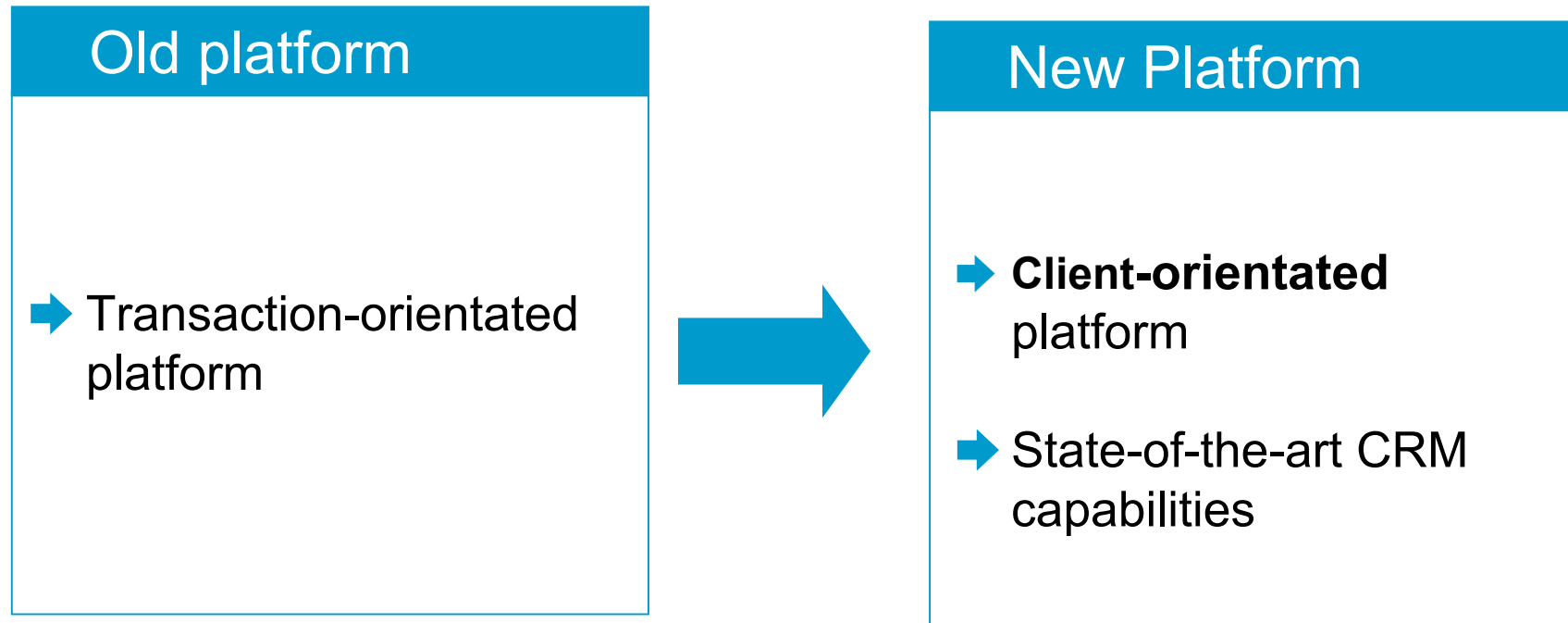
EFFICIENT CORPORATE STRUCTURE: SABADELL'S MANAGEMENT TEAM AND EMPLOYEES



Employees data	December 2003
Total employees	7,545
Average age	40 years
Average length of employment with Sabadell <i>of which Sabadell's senior management team</i>	15 years 19 years
Percentage male / female employees	59% / 41%
Percentage of employees with University education	46%
Hours of training courses per year per employee	60 hours

⇒ **Highly experienced and recognised management team supported by a young and skilled employee base**

EFFICIENT CORPORATE STRUCTURE: NEW IT PLATFORM (I)

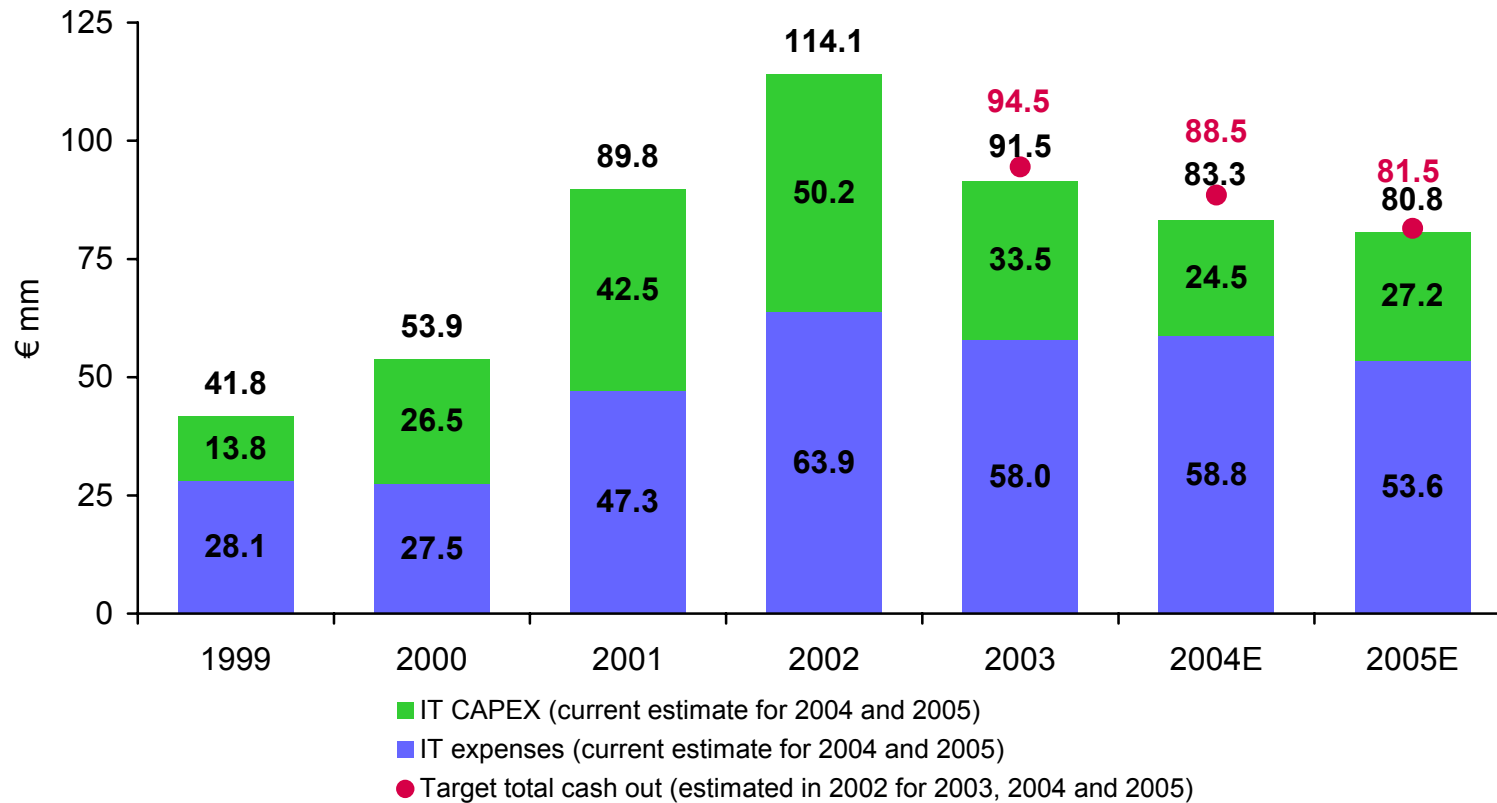


- ⇒ **Sabadell has devoted € 96 million to develop the totally new IT platform**
- ⇒ **At 2003 year-end about 90% of the project has been executed**

EFFICIENT CORPORATE STRUCTURE: NEW IT PLATFORM (II)



CASH FLOW ANALYSIS OF NEW IT PLATFORM



Note: IT expenses do not include IT capex depreciation

EFFICIENT CORPORATE STRUCTURE: SUPERIOR RISK MANAGEMENT PRACTICE (I)



CREDIT RISK MANAGEMENT

Internal rating for SMEs

- ✓ Decision support tool, non an automatic mechanism
- ✓ Lending portfolio to corporates fully rated since December 2000
- ✓ Rating model submitted to the BoS
- ✓ Future ability to substitute statistical provision by IRB ⁽¹⁾
- ✓ Back testing: Consistent results

Scoring for individuals

Type of scorings:

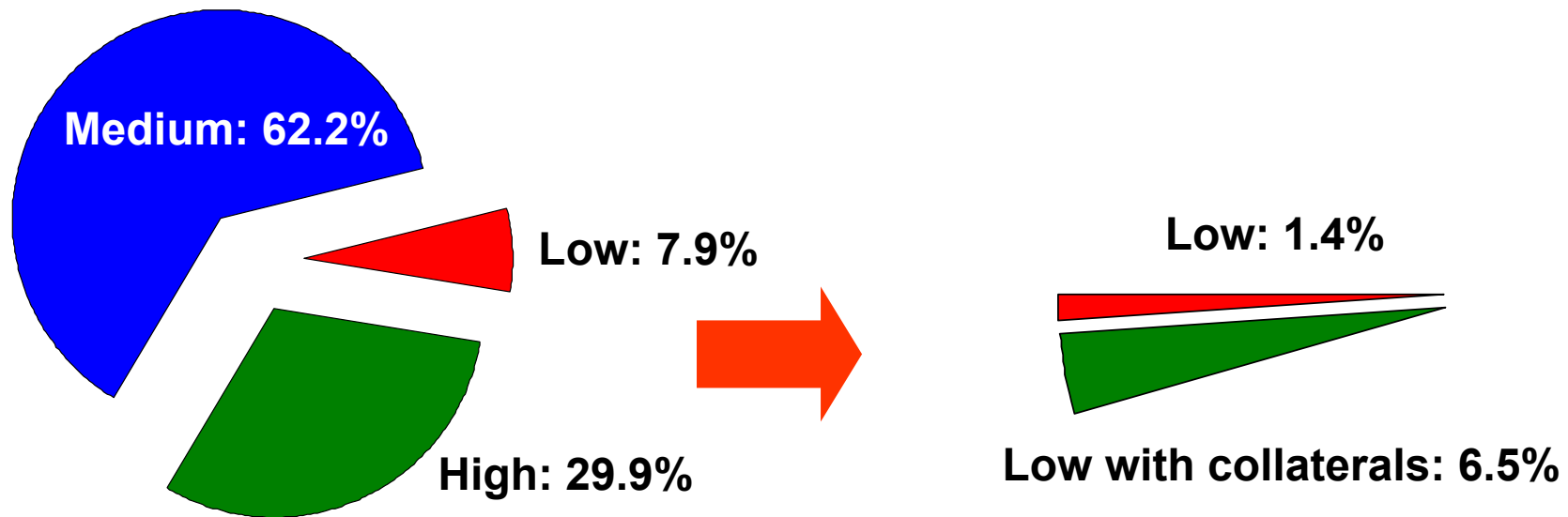
- ✓ Reactive scorings (clients/not clients). Used to grant a loan:
 - Customer loan (since 1992) (upgraded 2002)
 - Mortgage (since 1995) (upgraded 2002)
 - Credit cards (since 1996) (upgraded 2002)
 - Lines of credit (since 1996) (to be upgraded 4Q04)
- ✓ Behavioural scorings (since 1996) (to be upgraded 4Q04)
 - Used to determine client category
 - Used to commercial campaigns (pre-granted loans)

EFFICIENT CORPORATE STRUCTURE: SUPERIOR RISK MANAGEMENT PRACTICE (II)



31/12/03

Portfolio breakdown by ratings



S&P equivalents:

High: AAA - BBB
Medium: BBB - BB
Low: BB - CCC

Rating



P. D.
Probability of default



Determination of
decision levels

EFFICIENT CORPORATE STRUCTURE: SUPERIOR RISK MANAGEMENT PRACTICE (III)



ALM

- ✓ Risks related to the ordinary commercial activity and aimed at stabilising Sabadell's margins and maintaining sound liquidity and solvency positions
- ✓ Risk management of interest rates, liquidity risks and exchange rate

MARKET RISK MANAGEMENT

- ✓ VaR methodology used to measure financial markets risk such as variations in share prices, interest rates or exchange rates
- ✓ Average 2003 VaR (for a 10-day period) of € 4.98 million (minimum of € 3.27 million and maximum of € 9.61 million). 90% of VaR corresponds to equity risks

OPERATIONAL RISK MANAGEMENT

- ✓ Sabadell's operational risk management is based on:
 - Anticipated detection using factual or management indicators
 - Quantitative analysis of real losses to measure operational risks by business units

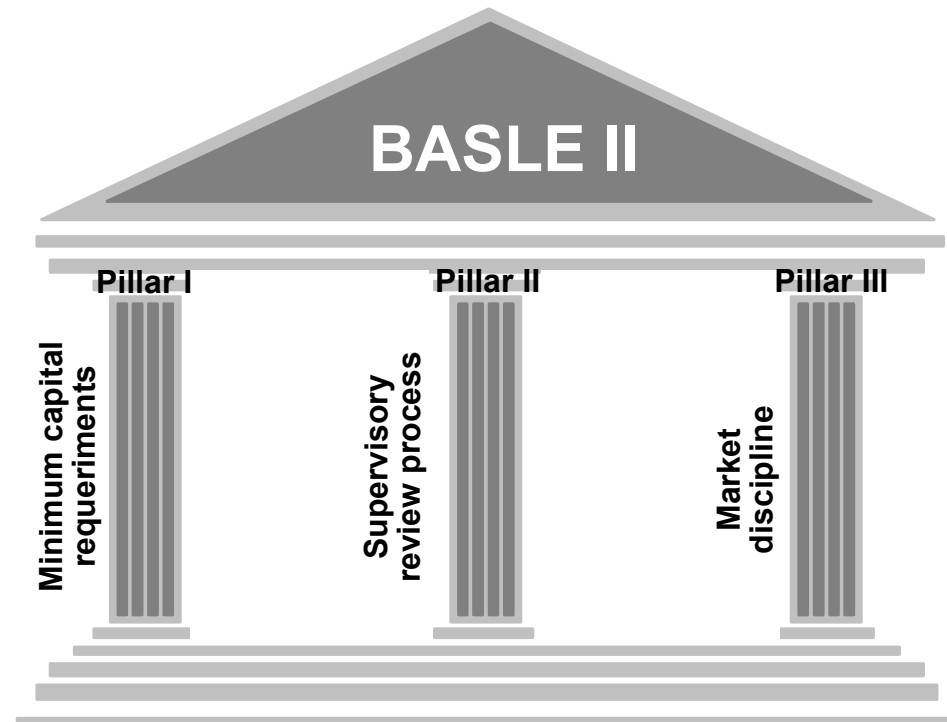
EFFICIENT CORPORATE STRUCTURE: SUPERIOR RISK MANAGEMENT PRACTICE (IV)



Excellent risk profile:

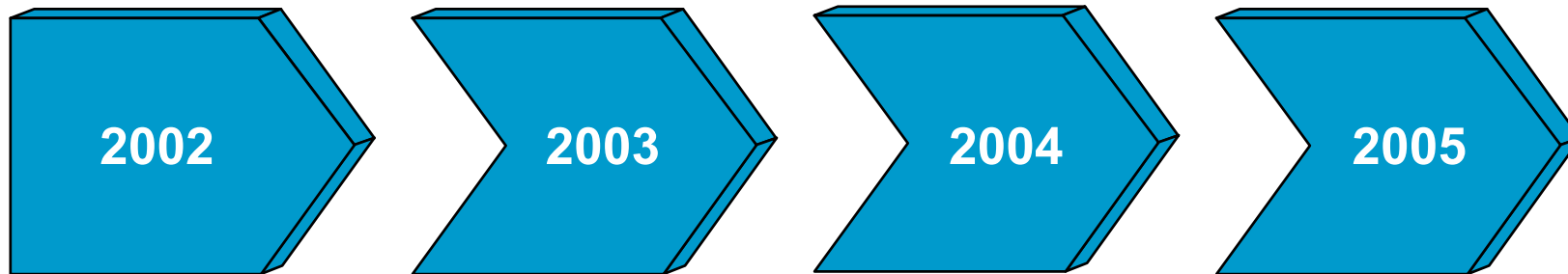
IRB ADVANCED (*Internal ratings based advanced approach*)

- ✓ Third quantitative impact study (QIS3) participant: 1 out of only 4 in the whole Spanish banking system
- ✓ Future ability to opt for the most advanced methodology: the advanced Internal Ratings Base approach



⇒ **Target:** To operate with and extra edge advantage in the market arena and to comply with the most stringent regulatory requirements that should permit us to streamline our usage of capital in the key banking environment

IMPROVING QUALITY SERVICE



FIRST STEPS ...
Own quality model development

⇒ Certificate ISO 9001 already obtained for:

- BS Leasing
- Customer advice service

... FINAL TARGET
Complete implementation of
the quality management model

⇒ Obtaining the ISO 9001 certificate
for the whole BSG

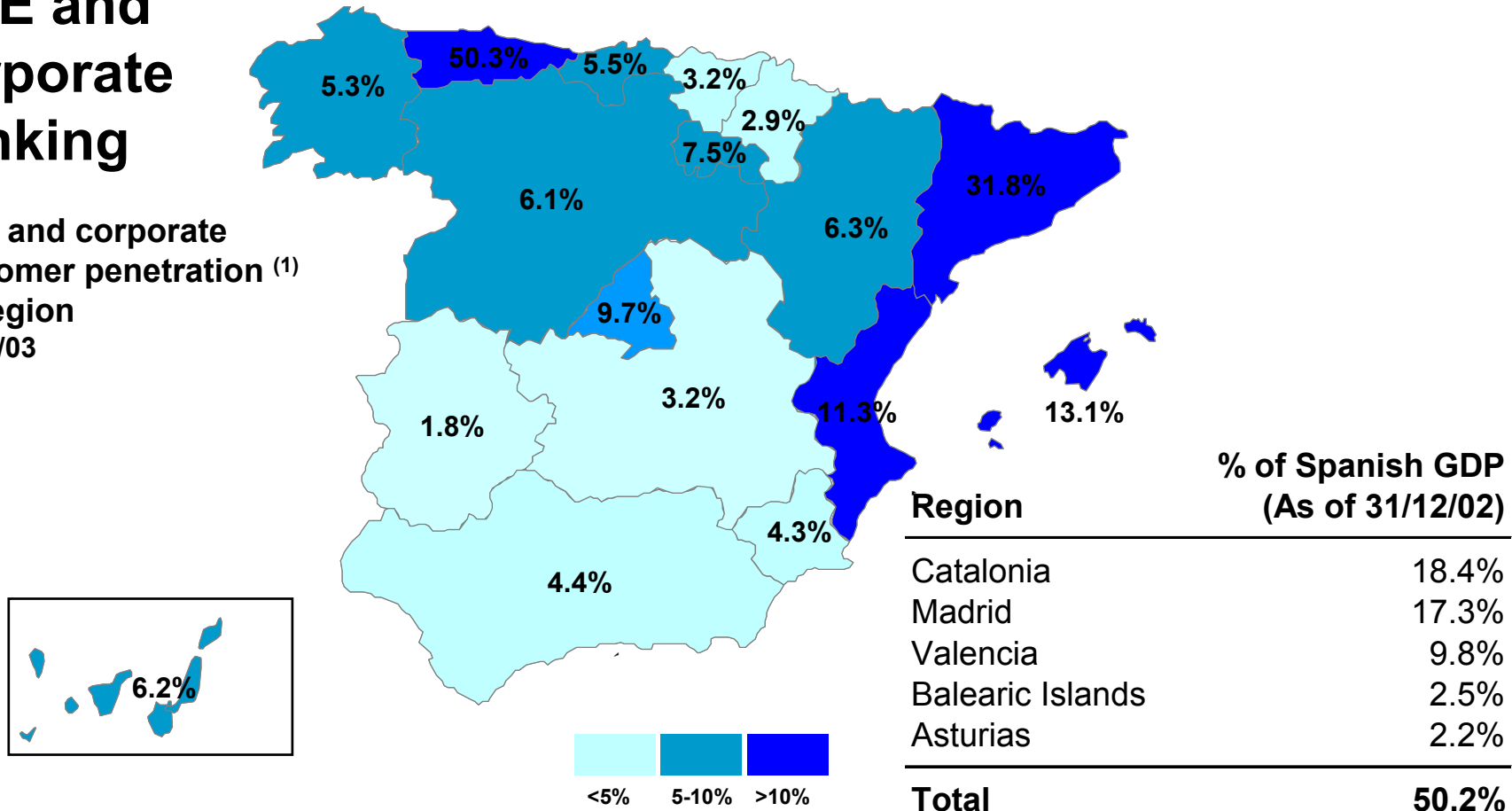
BANCO SABADELL GROUP: A PROFITABLE GROWTH STORY



- ✓ A consolidated and customer oriented business model
- ✓ Based on a successful multibrand-strategy
- ✓ And supported by an efficient corporate structure
- ✓ **Achieved leading market position in the profitable SME and personal banking segment**
- ✓ Sound financial fundamentals and capitalisation
- ✓ Strong acquisition integration track-record

SME and corporate banking

SME and corporate customer penetration ⁽¹⁾ by region
31/12/03



⇒ Strong SME and corporate penetration in Asturias and Catalonia and significant presence in Valencia, Madrid and Balearic Islands

(1) Customers of Sabadell that may also be customers of other financial institutions
Source: Sabadell, Instituto Nacional de Estadística

SME and corporate customer penetration in Spain ⁽¹⁾

31/12/03

SMEs and corporates	16.0%
Very small (<€ 0.9 mm)	14.5%
Small-medium (€ 0.9 - 6.0 mm)	17.7%
Medium (€ 6.0 - 30 mm)	29.6%
Large (€ 30 - 100 mm)	37.3%
Corporate (>€ 100 mm)	35.1%

Source: Sabadell

Market share in specialised financing

	2002	2003
Leasing	8.2%	8.3%
Factoring	6.1%	6.2%
Confirming	5.5%	6.4%

Source: Sabadell, Asociación Española de Leasing and AE Factoring (Dec. 2002, Sep. 2003)

(1) Customers of Sabadell that may also be customers of other financial institutions

Personal banking



22% of personal clients encompass 71% of operational income

CLIENTS	CLIENTS	MARGIN
High value	5.1% (29,493)	21.7%
Highly profitable deposit business	2.1% (12,090)	15.1%
Businesses related, high personal income	8.2% (46,567)	12.4%
With high operational margin	6.1% (35,350)	22.1%
TOTAL PERSONAL BANKING	21.5% (123,500)	71.3%

Source: Sabadell

Personal banking manages 123,500 clients and involves 628 relationship managers within the whole spectrum of commercial banking. 92 of them on an exclusive basis

Sabadell retail customer penetration in Spain

31/12/03

Individuals	3.7%
Low income	3.1%
Medium income	3.3%
Medium-high income	8.9%
High income	7.4%

Source: Sabadell

Sabadell retail customer penetration by regions

31/12/03

Region	
Asturias	34.0%
Catalonia	8.5%
Balearic Islands	2.7%
Valencia	2.4%
Madrid	1.8%
Andalusia	1.1%

Source: Sabadell

BANCO SABADELL GROUP: A PROFITABLE GROWTH STORY



- ✓ A consolidated and customer oriented business model
- ✓ Based on a successful multibrand-strategy
- ✓ And supported by an efficient corporate structure
- ✓ Achieved leading market position in the profitable SME and personal banking segment
- ✓ **Sound financial fundamentals and capitalisation**
- ✓ Strong acquisition integration track-record

SOUND FINANCIAL FUNDAMENTALS



€ in millions

	2002	2003	2003 / 2002
Total assets	27,224.2	30,511.6	12.1%
Gross loans to customers	21,382.7	24,935.8	16.6%
On-balance sheet customer funds	20,954.7	24,423.7	16.6%
AUM (off balance sheet) ⁽¹⁾	6,092.4	6,863.3	12.7%
<hr/>			
Net interest income	714.4	759.9	6.4%
Gross operating income	1,008.1	1,103.0	9.4%
Net operating income	292.0	468.1	60.3%
Income before taxes	260.3	370.6	42.4%
Net attributable income	220.4	234.9	6.6%
<hr/>			
Net interest margin	2.67%	2.60%	
Cost / income ⁽²⁾	66.2%	52.9%	
ROE	10.0%	11.7%	
ROA ⁽³⁾	0.86%	0.84%	
NPL ratio	0.47%	0.40%	
NPL coverage	351.1%	475.0%	
Tier 1 ratio	8.16%	7.57%	
BIS ratio	11.85%	10.85%	
<hr/>			
Domestic branches	908	872	(4.0%)
Employees	7,755	7,545	(2.7%)

(1) Mutual funds and pension funds

(2) Excluding depreciation

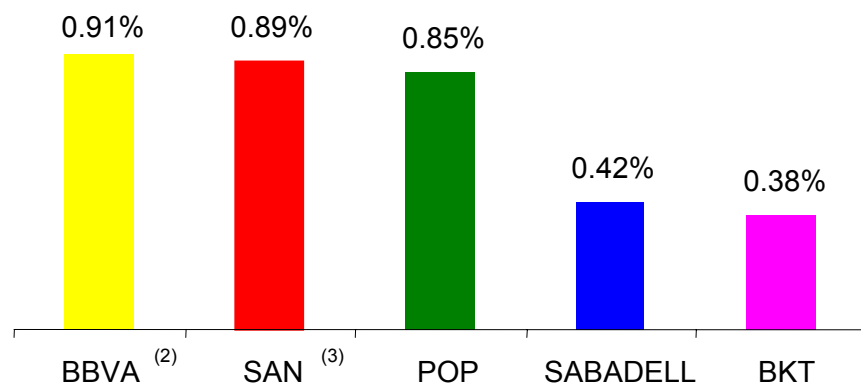
(3) Net profit before minority interests / Average total assets

KEY COMPARATIVE RATIOS

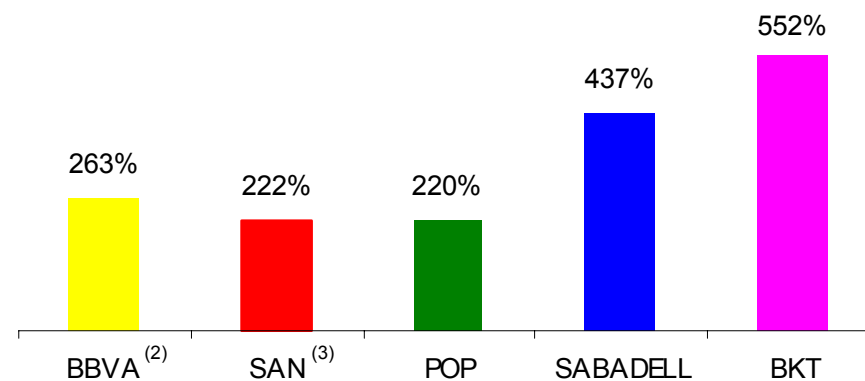


30/09/03

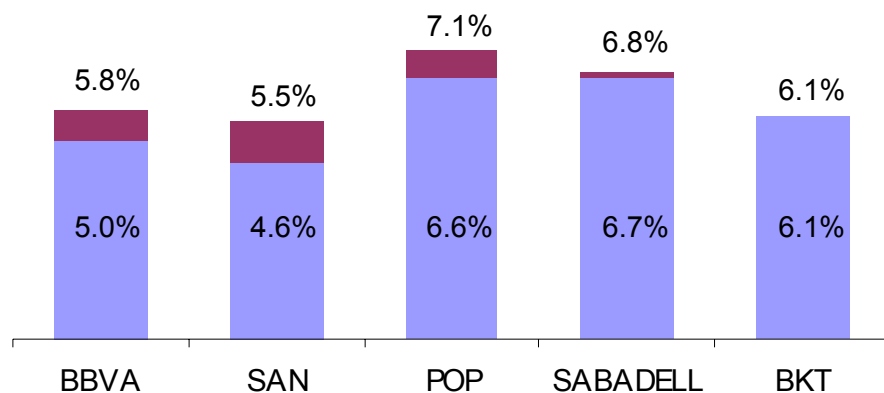
NPL ratio (1)



Coverage ratio



Core capital (4)



- ✓ Lowest NPL ratio with a comparable portfolio mix
- ✓ 4x covered
- ✓ The best strict core capital ratio of its peers

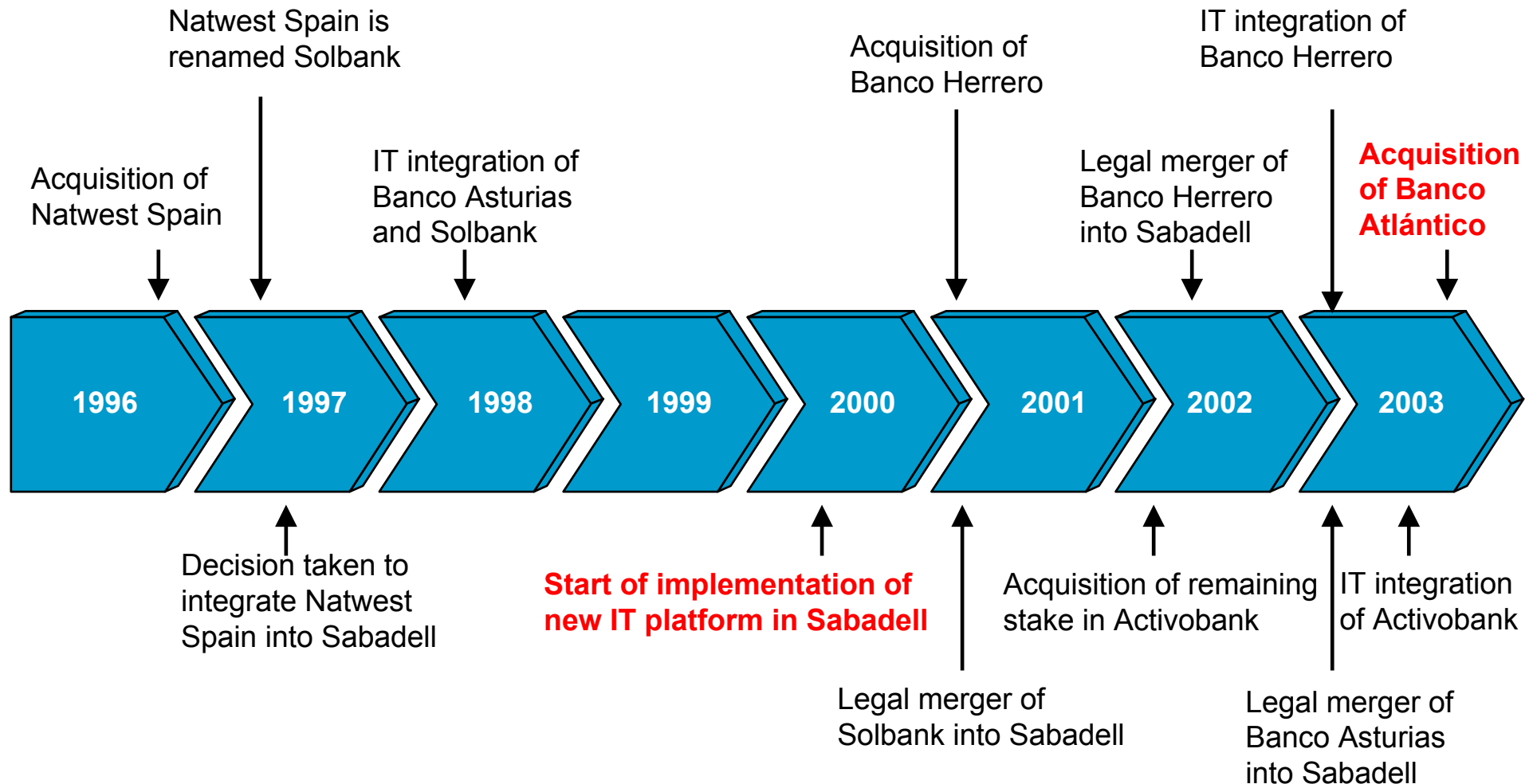
(1) On and off balance sheet (2) Spain and Portugal (3) Spain
 (4) Core capital and strict core capital (excluding minority interests)
 Source: Interim reports, Sabadell

BANCO SABADELL GROUP: A PROFITABLE GROWTH STORY



- ✓ A consolidated and customer oriented business model
- ✓ Based on a successful multibrand-strategy
- ✓ And supported by an efficient corporate structure
- ✓ Achieved leading market position in the profitable SME and personal banking segment
- ✓ Sound financial fundamentals and capitalisation
- ✓ Strong acquisition integration track-record

STRONG ACQUISITION INTEGRATION TRACK-RECORD (I)



⇒ **Sabadell has a strong track record in successfully integrating its acquisitions. The new IT platform significantly strengthens this capacity**

STRONG ACQUISITION INTEGRATION TRACK-RECORD (II)



	Key financial highlights at acquisition	Integration milestones ⁽²⁾
Natwest Spain ⁽¹⁾ (1996)	<ul style="list-style-type: none"> • Consideration: € 150 mm • Contribution to BSG: Aprox. 20% • Cost / income ratio: 73.2% • NPL ratio: 1.47% 	<ul style="list-style-type: none"> • Rebranding of Natwest Spain into Solbank to target growing and profitable segment of foreigners residents in Spain • Closure of 55 branches as a result of reorganisation of branch networks
Banco Herrero (2001)	<ul style="list-style-type: none"> • Consideration: € 673 mm • Contribution to BSG: Aprox. 20% • Cost / income ratio: 62.4% • NPL ratio: 0.79% 	<ul style="list-style-type: none"> • Integration of Banco Herrero into Sabadell delayed due to group-wide implementation of new IT platform • Integration of Banco Asturias into Banco Herrero as leading brand in Asturias region • Reorganisation of Banco Herrero's branch network with the closure of 55 branches
Banco Atlántico (2003)	<ul style="list-style-type: none"> • Consideration: € 1,500 mm • Contribution to BSG: Aprox. 30% • Cost / income ratio: 63.7% • NPL ratio: 1.25% 	<ul style="list-style-type: none"> • Strong business complementarity • Projected total pre-tax 2006 synergies of € 114 million p.a. • Estimated net closure of 70 branches and utilisation of 61 branches to carry forward Sabadell's forecasted nation-wide expansion plan

⇒ **Despite poor profitability and loan portfolio quality of its acquisition targets, Sabadell has achieved strong ratios in 2003: 52.9% cost / income and NPL ratio of 0.40%**

(1) Includes Banco Asturias

(2) Between 2000 and 2003, Sabadell undertook a restructuring process which included the reduction of 918 employees

Source: Sabadell

1. Investment highlights
2. Overview of the new Banco Sabadell Group
3. Banco Sabadell Group: A profitable growth story
- 4. Acquisition of Banco Atlántico**
5. Facing the future

- ✓ **Reinforces Sabadell's position in Spain**, achieving additional critical mass and incorporating a solid franchise
- ✓ **Significant move towards geographic business**, distribution network and customers **equilibrium**
- ✓ **Platform for additional growth** of combined entity **and efficiency improvement**
- ✓ Significant **increase of Sabadell's target customer base** in Affluent and SME banking
- ✓ Strong scope to **increase profitability and cross-selling** to a loyal and underexploited customer base
- ✓ **Reduced integration risk** due to similarity of business models, commercial strategy and customer profile
- ✓ **Value enhancing acquisition** with targeted annual pre-tax synergies of € 114 million and more than € 200 million of estimated unrealised capital gains in real estate and other non-core assets

OVERVIEW OF BANCO ATLÁNTICO



- ⇒ Founded in 1901 in Barcelona
- ⇒ Mid-sized bank ranking eighth among Spanish banking groups
- ⇒ Strong franchise and brand recognition
- ⇒ Nation-wide branch network with a strong presence in wealthy regions of Spain
- ⇒ Wide range of banking products offered to its loyal and underexploited customer base
- ⇒ Slow historical growth due to capital constraints of its former controlling shareholder
- ⇒ Core customer segments (Private, Affluent and SMEs) account for as much as 68.0% of total customer funds and 22.3% of total customers
- ⇒ Consolidated international operations initiated as a result of increasing internationalisation of the bank's historic customer base, and supplemented by retail banking in Panamá and private banking operations

BENCHMARKING BANCO ATLÁNTICO VS. SABADELL



€ mm

31/12/03	Sabadell	B. Atlántico ⁽¹⁾	Atlántico / Sabadell (in %)
Customer loans (net)	23,757	5,911	24.9%
Customer funds ⁽²⁾	24,424	6,371	26.1%
Net interest income	760	205	26.9%
Gross operating income	468	95	20.3%
Net attributable income	235	42	17.7%
Cost / income ⁽³⁾	52.9%	65.6%	
Loans / deposits	138.2%	98.8%	
NPL ratio	0.40%	1.09%	
Core Tier 1 ratio	6.7%	9.6%	
Domestic branches	872	274	31.4%
Employees	7,545	2,698	35.8%

(1) Based on preliminary and unaudited data

(2) On-balance sheet customer funds

(3) Operating costs (excl. depreciation) / gross operating income

BANCO ATLÁNTICO'S INTEGRATION PILLARS



Domestic business

- ⇒ Targeted net closure of 70 branches and utilisation of 61 branches to carry forward Sabadell's targeted nation-wide expansion plan (i.e. savings of already targeted expansion plan costs)
- ⇒ Integration of selected specialised subsidiaries
- ⇒ Integration of selected back-office and head office functions to reduce combined cost base

Risk management

- ⇒ Roll-out of Sabadell's risk management and control / compliance practices throughout Banco Atlántico. Creation of supervisory body for pre-OPA interim period

IT platform

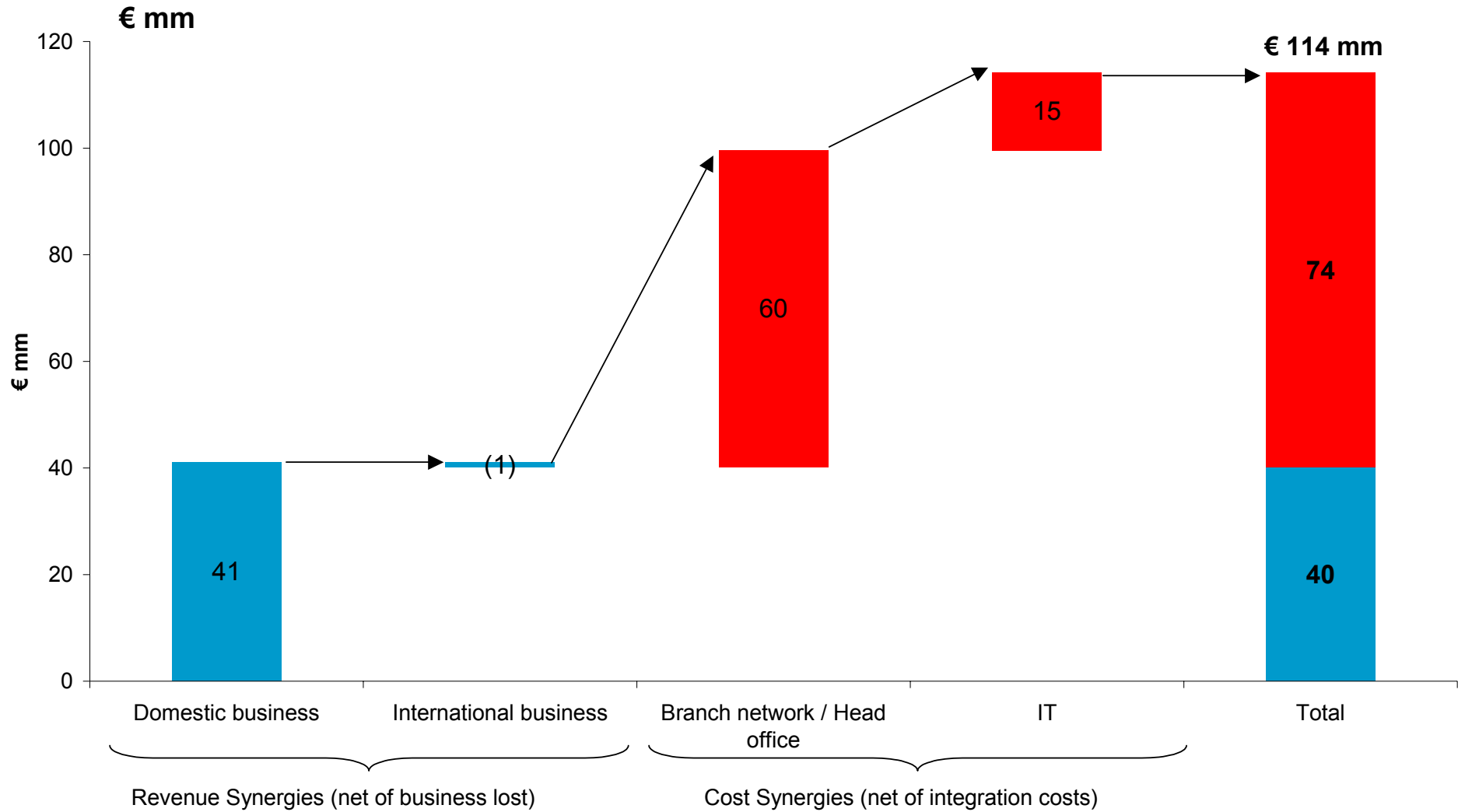
- ⇒ Scope to leverage Sabadell's newly developed state-of-the-art IT platform and expertise from successful integrations of Banco Herrero and Solbank

International business

- ⇒ Reinforcement of international business through Sabadell's expertise

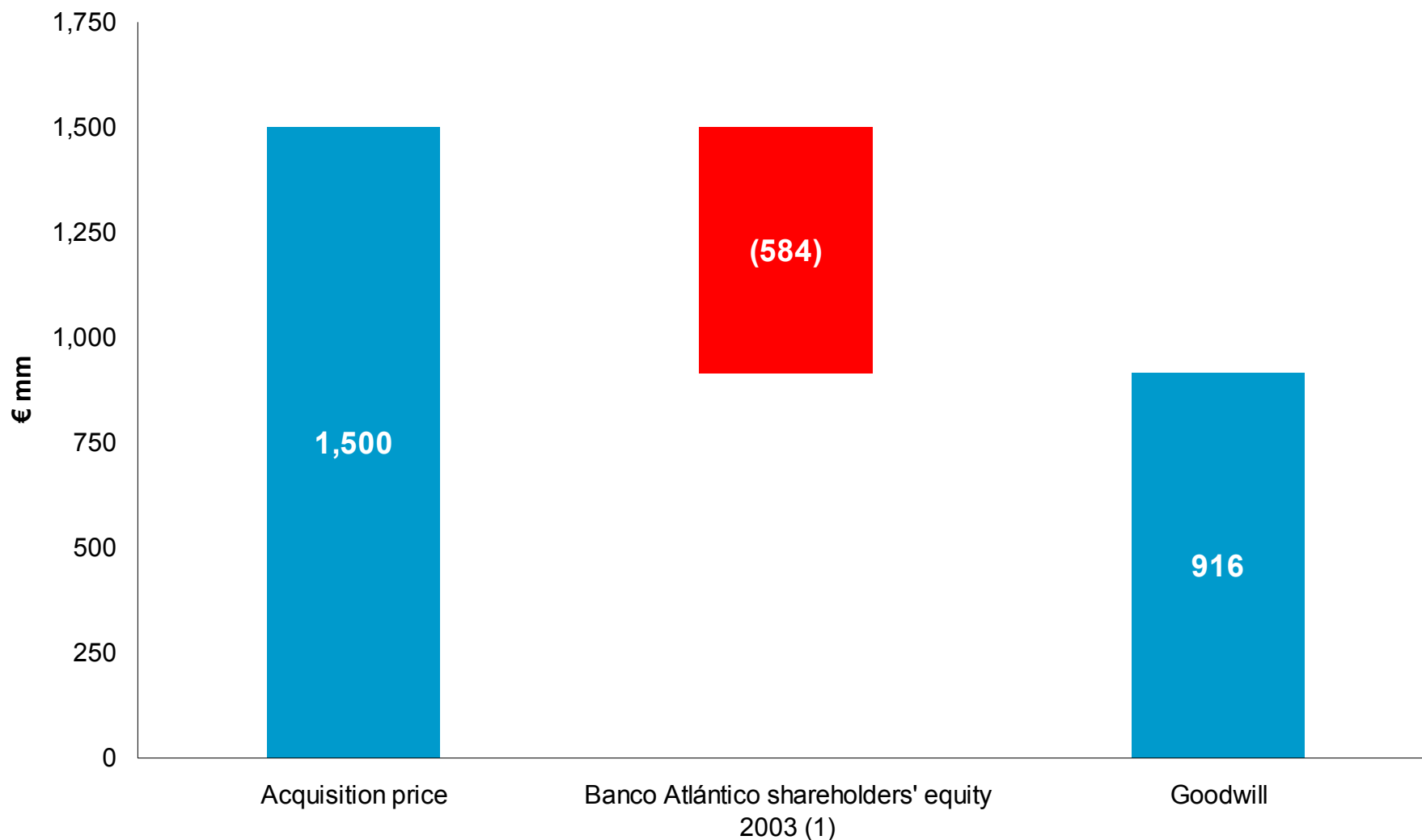
TARGETED SYNERGIES BREAKDOWN

Targeted annual pre-tax synergies 2006E ⁽¹⁾



(1) Targeted to be fully realised by 2006
Source: Sabadell

ESTIMATED IMPACT ON GOODWILL



(1) Based on preliminary and unaudited data

Note: Goodwill does not consider potential capital gains / losses arising from Banco Atlántico's integration into Sabadell since these are currently being discussed with Bank of Spain. Considering estimated real estate capital gains (€ 160 million), goodwill would amount to approx. € 756 million

SUMMARY FINANCIAL OVERVIEW OF ATLÁNTICO (I)



€ in millions

	2002	2003 ⁽¹⁾	2003 / 2002
Total assets	9,723.3	9,634.6	(0.9%)
Net loans to customers	5,609.4	5,910.7	5.4%
On-balance sheet customer funds	7,171.6	6,370.7	(11.2%)
AUM (off balance sheet) ⁽²⁾	2,523.5	3,168.7	25.6%
Net interest income	215.2	204.6	(4.9%)
Gross operating income	317.5	329.6	3.8%
Net operating income	89.8	94.8	5.6%
Income before taxes	76.9	56.3	(26.8%)
Net attributable income	52.4	41.6	(20.6%)
Net interest margin	2.26%	2.19%	
Cost / income ⁽³⁾	66.2%	65.6%	
ROE	10.44%	7.97%	
ROA ⁽⁴⁾	0.55%	0.45%	
NPL ratio	1.30%	1.09%	
NPL coverage	148.5%	189.9%	
Tier 1 ratio	8.41%	9.64%	
BIS ratio	11.41%	12.52%	
Domestic branches	273	274	0.4%
Employees	2,649	2,698	1.8%

(1) Based on preliminary and unaudited data

(2) Includes mutual funds, pension funds and mathematical provisions

(3) Excluding depreciation

(4) Net income before minority interests / Average total assets

SUMMARY FINANCIAL OVERVIEW OF ATLÁNTICO (II)



€ in millions

Consolidated Income Statement	2003	Non-recurrent items	Recurrent 2003
Net interest income	204.6		204.6
Net commissions	96.3		96.3
Profit on financial operations	28.8		28.8
Operating income	329.6		329.6
Staff and admin costs	(216.3)	2.4	(213.9)
Depreciation	(16.0)		(16.0)
Other operating income (net)	(2.5)		(2.5)
Operating profit	94.8	2.4	97.2
Net profit by equity method	2.4		2.4
Profit on group transactions (net)	0.3		0.3
Net loan loss provisions	(30.7)		(30.7)
Extraordinaries (net)	(10.6)	16.3	5.6
Income before taxes	56.3	18.7	74.9
Provision for income tax	(14.5)	(9.1)	(23.6)
Net income	41.7	9.6	51.3
Minorities	0.2		0.2
Net attributable income	41.6	9.6	51.2

Note: Based on preliminary and unaudited data

ACQUISITION OF BANCO ATLÁNTICO: RATINGS CONFIRMED



Fitch affirmed the A+/F1 ratings of Sabadell in December 2003

“Sabadell has a proven ability to integrate banks as demonstrated in that of Banco Herrero, and management’s good track record. This should help Sabadell recover its strong performance with relative ease.”

Outlook: Stable



S&P affirmed the A/A1 ratings of Sabadell in December 2003

“The acquisition [of Banco Atlántico] fits well with Sabadell’s decade-long growth strategy, which has historically been managed conservatively.”

Outlook: Stable



Moody's Investors Service

In December 2003, Moody’s affirmed the A1/P1 ratings

“The acquisition of Banco Atlántico is consistent with Sabadell’s growth strategy and follows a series of acquisitions targeted to increase the banks nationwide coverage.”

Outlook: Stable

1. Investment highlights
2. Overview of the new Banco Sabadell Group
3. Banco Sabadell Group: A profitable growth story
4. Acquisition of Banco Atlántico
5. Facing the future

- ✓ Complete the acquisition of Banco Atlántico and integrate its operations into our own
- ✓ Strengthen presence in Spanish regions where Sabadell currently has limited operations
- ✓ Reinforce our profile and customer base in the personal and SME banking areas
- ✓ Maintain focus on conservative financial management
- ✓ Explore other opportunities for growth in the medium or long term

APPENDIX

1. FY 2003 financial highlights of selected subsidiaries of Sabadell

2. Atlántico's FY 2003 results

3. Sabadell's credit ratings

4. Sabadell's current share ownership structure

FY 2003 FINANCIAL HIGHLIGHTS OF SELECTED SUBSIDIARIES OF SABADELL



31/12/03

€ mm

Subsidiary	Shareholders' equity ⁽¹⁾	Net Income
BanSabadell Vida	85.0	13.0
BanSabadell Pensiones	24.1	4.7
BanSabadell Correduría	2.5	3.5
BS Inversión	30.7	5.7
Ibersecurities	10.1	2.2
Landscape	87.6	11.7
BIDSA	18.6	3.1
Aurica XXI	32.9	0.4

(1) Before distribution of dividends

1. FY 2003 financial highlights of selected subsidiaries of Sabadell

2. Atlántico's FY 2003 results

3. Sabadell's credit ratings

4. Sabadell's current share ownership structure

BANCO ATLÁNTICO'S FY 2003 RESULTS (I)



€ in millions

Consolidated Income Statement	2001	2002	2003 ⁽¹⁾	02/01(%)	03/02(%)
Net interest income	205.8	215.2	204.6	4.6	(4.9)
Net commissions	93.6	95.1	96.3	1.6	1.2
Profit on financial operations	20.8	7.2	28.8	(65.2)	297.1
Operating income	320.2	317.5	329.6	(0.8)	3.8
Staff and admin costs	(211.1)	(210.2)	(216.3)	(0.4)	2.9
Depreciation	(14.5)	(14.9)	(16.0)	3.4	7.3
Other operating income (net)	(3.8)	(2.6)	(2.5)	(31.7)	(4.7)
Operating profit	90.8	89.8	94.8	(1.1)	5.6
Net profit by equity method	0.7	1.5	2.4	127.1	61.8
Profit on group transactions (net)	0.9	5.0	0.3	457.6	(94.2)
Net loan loss provisions	(31.2)	(30.5)	(30.7)	(2.4)	0.6
Write-downs of long-term financ. invest. (net)	0.8	0.7	0.0	(14.4)	(100.0)
Extraordinaries (net)	6.8	10.4	(10.6)	51.8	(202.3)
Income before taxes	68.8	76.9	56.3	11.7	(26.8)
Provision for income tax	(18.2)	(24.3)	(14.5)	33.3	(40.3)
Net income	50.6	52.6	41.7	4.0	(20.6)
Minorities	0.1	0.2	0.2	28.6	(6.2)
Net attributable income	50.4	52.4	41.6	3.9	(20.6)

(1) Based on preliminary and unaudited data

BANCO ATLÁNTICO'S FY 2003 RESULTS (II)



€ in millions

Consolidated Balance Sheet	2001	2002	2003 ⁽¹⁾	02/01(%)	03/02(%)
Cash and deposits with Central Banks	151.3	195.4	213.8	29.1	9.5
Government securities	480.3	659.6	1,077.3	37.3	63.3
Financial institutions	2,540.8	2,769.9	1,953.9	9.0	(29.5)
Total net loans and advances to customers	5,381.8	5,609.4	5,910.7	4.2	5.4
Bonds and other fixed-income securities	16.2	29.1	38.4	80.2	31.9
Shares and equity investments	57.2	67.0	69.8	17.1	4.3
Goodwill on consolidation	11.4	12.3	13.9	7.1	13.8
Tangible assets	157.0	156.9	152.8	(0.0)	(2.6)
Losses on Group companies	2.1	3.2	6.4	51.7	97.4
Accrued income and other assets	351.3	220.6	197.4	(37.2)	(10.5)
TOTAL ASSETS	9,149.3	9,723.3	9,634.6	6.3	(0.9)
Financial institutions	1,146.2	1,624.3	2,277.1	41.7	40.2
Deposits and temporary asset sales	6,652.9	6,829.9	5,980.6	2.7	(12.4)
Liabilities on negotiable securities	178.8	221.8	240.1	24.0	8.3
Accrued expenses and other liabilities	378.2	338.4	354.7	(10.5)	4.8
General reserves and other provisions	154.5	19.5	38.8	(87.4)	99.2
Subordinated liabilities	90.0	120.0	150.0	33.3	25.0
Shareholders' equity	495.6	514.5	548.8	3.8	6.7
Minority interests	2.4	2.5	2.7	4.7	6.0
Consolidated profits for the year	50.6	52.6	41.7	4.0	(20.6)
TOTAL LIABILITIES	9,149.3	9,723.3	9,634.6	6.3	(0.9)

(1) Based on preliminary and unaudited data

1. FY 2003 financial highlights of selected subsidiaries of Sabadell

2. Atlántico's FY 2003 results

3. Sabadell's credit ratings

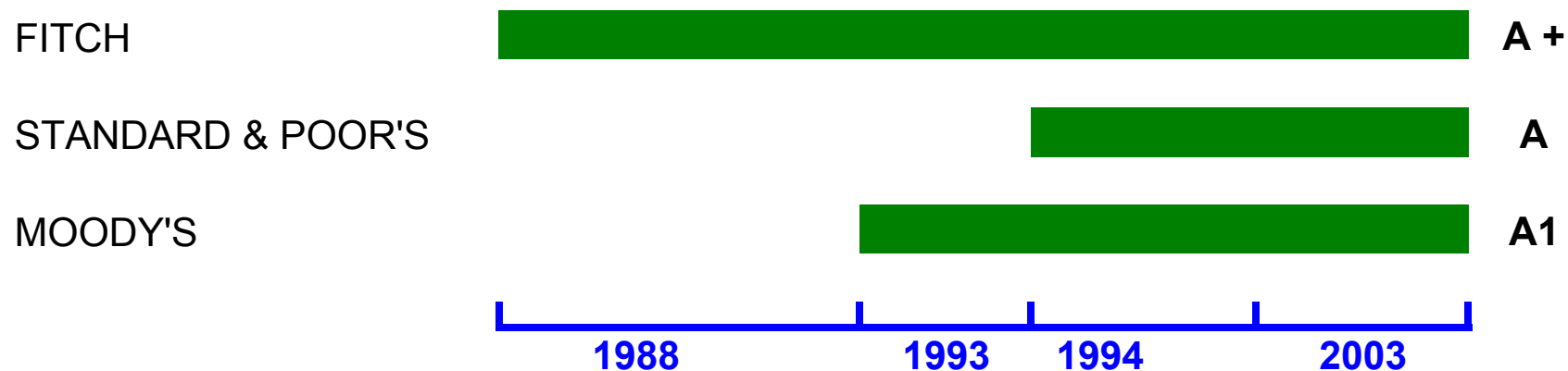
4. Sabadell's current share ownership structure

BANCO SABADELL GROUP RATINGS



	LONG TERM	SHORT TERM	OUTLOOK
FITCH	A +	F1	STABLE
STANDARD & POOR'S	A	A1	STABLE
MOODY'S ¹	A1	P1	STABLE

¹ Financial strength: B-



1. FY 2003 financial highlights of selected subsidiaries of Sabadell

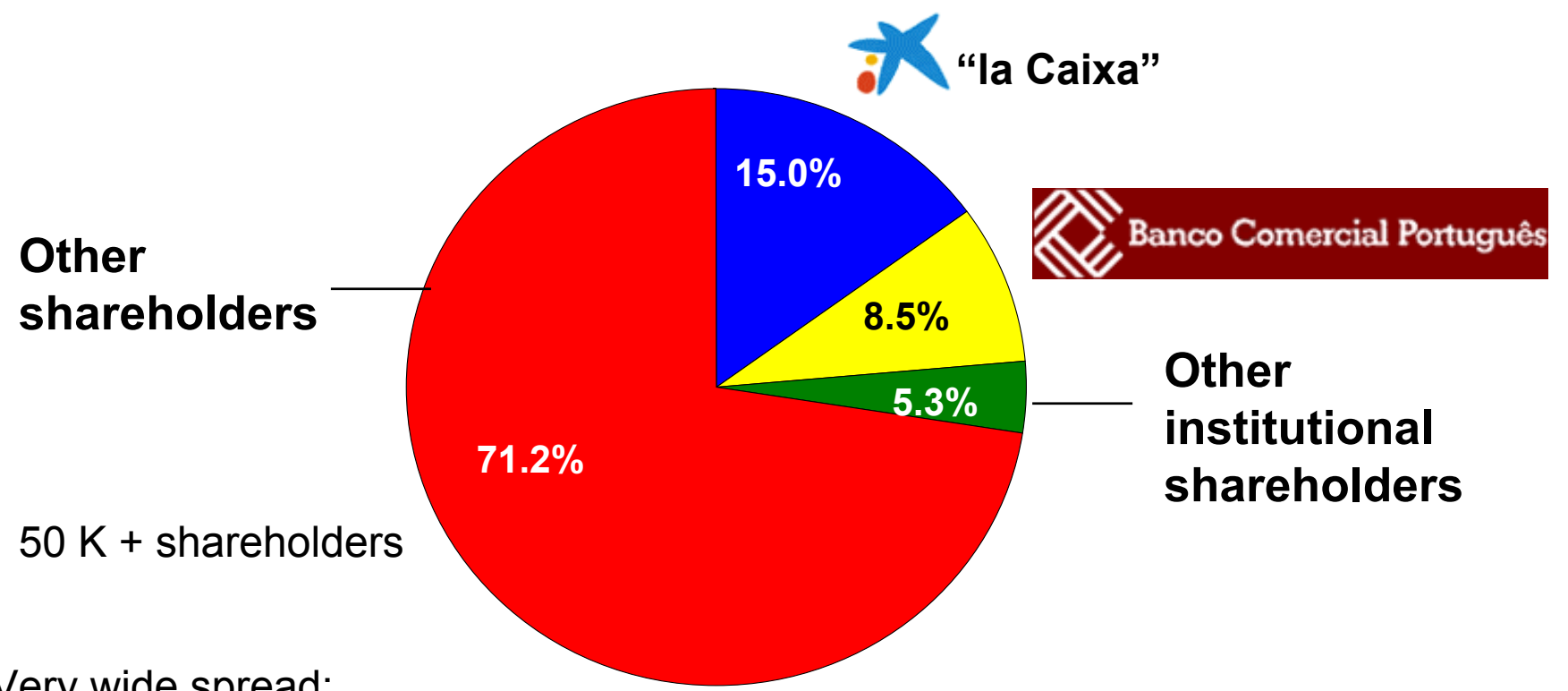
2. Atlántico's FY 2003 results

3. Sabadell's credit ratings

4. Sabadell's current share ownership structure

SABADELL'S CURRENT SHARE OWNERSHIP STRUCTURE

31/12/03



Very wide spread:
No individual shareholder
holds more than 0.6%

A large graphic of the letters 'B' and 'S'. The 'B' is white and centered within a blue circle. The 'S' is a solid, dark blue, bold letter.