

**SABADELL INTERNATIONAL EQUITY LTD.**

**30 de junio de 2008**

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<b>IV. INFORMACIÓN FINANCIERA SELECCIONAA</b>
<b>1. BALANCE INDIVIDUAL (ELABORADO UTILIZANDO LA NORMATIVA CONTABLE EN VIGOR DE CARÁCTER NACIONAL)</b>

Uds.: Miles de euros

<b>ACTIVO</b>	<b>P. Actual 30/06/2008</b>	<b>P. Anterior 30/06/2007</b>
<b>A) ACTIVO NO CORRIENTE</b>	<b>250.000</b>	<b>250.000</b>
4. Inversiones en empresas del grupo y asociadas a largo plazo.	250.000	250.000
<b>B) ACTIVO NO CORRIENTE</b>	<b>106</b>	<b>107</b>
6. Periodificaciones a corto plazo	32	30
7. Efectivo y otros activos líquidos equivalentes	74	77
<b>TOTAL ACTIVO (A+B)</b>	<b>250.106</b>	<b>250.107</b>

<b>PASIVO Y PATRIMONIO NETO</b>	<b>P. Actual 30/06/2008</b>	<b>P. Anterior 30/06/2007</b>
<b>A) PATRIMONIO NETO (A.1 + A.2+ A.3)</b>	<b>54</b>	<b>55</b>
<b>A.1) FONDOS PROPIOS</b>	<b>54</b>	<b>55</b>
1. Capital:	1	1
a) Capital escriturado	1	1
3. Reservas	54	57
7. Resultado del ejercicio	-1	-3
<b>A.2) AJUSTES POR CAMBIO DE VALOR</b>		
<b>A.3) SUBVENCIONES, DONACIONES Y LEGADOS RECIBIDOS</b>		
<b>B) PASIVO NO CORRIENTE</b>	<b>250.000</b>	<b>250.000</b>
2. Deudas a largo plazo:	250.000	250.000
a) Deudas con entidades de crédito y obligaciones u otros valores negociables	250.000	250.000
<b>C) PASIVO CORRIENTE</b>	<b>52</b>	<b>52</b>
6. Otros pasivos corrientes	20	22
7. Periodificaciones a corto plazo	32	30
<b>TOTAL PATRIMONIO NETO Y PASIVO (A+B+C)</b>	<b>250.106</b>	<b>250.107</b>

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<b>IV. INFORMACIÓN FINANCIERA SELECCIONAA</b>
<b>2. CUENTA DE PÉRDIDAS Y GANANCIAS INDIVIDUAL</b>
<b>(ELABORADA UTILIZANDO LA NORMATIVA CONTABLE EN VIGOR DE CARÁCTER NACIONAL)</b>

Uds.: Miles de euros

	P. Actual 30/06/2008	P. Anterior 30/06/2007
(-) Otros gastos de explotación	-11	-21
<b>= RESULTADO DE EXPLOTACIÓN</b>	<b>-11</b>	<b>-21</b>
(+) Ingresos financieros	5.668	4.737
(-) Gastos financieros	5.658	4.735
<b>= RESULTADO FINANCIERO</b>	<b>10</b>	<b>2</b>
<b>= RESULTADO ANTES DE IMPUESTOS</b>	<b>-1</b>	<b>-19</b>
<b>= RESULTADO DEL EJERCICIO PROCEDENTE DE OPERACIONES CONTIN</b>	<b>-1</b>	<b>-19</b>
<b>= RESULTADO DEL EJERCICIO</b>	<b>-1</b>	<b>-19</b>

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<b>IV. INFORMACIÓN FINANCIERA SELECCIONAA</b>
<b>3. ESTADO DE CAMBIOS EN EL PATRIMONIO NETO INDIVIDUAL</b>
<b>ESTADO DE INGRESOS Y GASTOS RECONOCIDOS INDIVIDUAL</b>
<b>LABORADO UTILIZANDO LA NORMATIVA CONTABLE EN VIGOR DE CARÁCTER NACIONAL</b>

Uds.: Miles de euros

	<b>P. Actual 30/06/2008</b>	<b>P. Anterior 30/06/2007</b>
<b>A) RESULTADO DEL EJERCICIO (de la cuenta de pérdidas y ganancias)</b>	-1	-19
<b>B) INGRESOS Y GASTOS IMPUTADOS DIRECTAMENTE AL PATRIMONIO</b>		
1. Por valoración de instrumentos financieros		
2. Por coberturas de flujos de efectivo		
3. Subvenciones, donaciones, y legados recibidos		
4. Por ganancias y pérdidas actuariales y otros ajustes		
5. Resto de ingresos y gastos imputados directamente al patrimonio neto		
6. Efecto impositivo		
<b>C) TRANSFERENCIAS A LA CUENTA DE PÉRDIDAS Y GANANCIAS</b>		
1. Por valoración de instrumentos financieros		
2. Por coberturas de flujos de efectivo		
3. Subvenciones, donaciones, y legados recibidos		
4. Resto de ingresos y gastos imputados directamente al patrimonio neto		
5. Efecto impositivo		
<b>TOTAL INGRESOS (GASTOS) RECONOCIDOS (A+B+C)</b>	-1	-19

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<b>IV. INFORMACION FINANCIERA SELECCIONADA</b>
<b>3. ESTADO DE CAMBIOS EN EL PATRIMONIO NETO INDIVIDUAL</b>
<b>ESTADO DE INGRESOS Y GASTOS RECONOCIDOS INDIVIDUAL</b>
<b>(ELABORADO UTILIZANDO LA NORMATIVA CONTABLE EN VIGOR DE CARÁCTER NACIONAL)</b>

Uds.: Miles de euros

PERIODO ACTUAL	Fondos propios			Total Patrimonio neto
	Capital	Prima de emisión y Reservas	Resultado del ejercicio	
<b>Saldo inicial al 01/01/2008</b>	1	54		55
Ajustes por cambios de criterio contable ajuste por errores				
<b>Saldo inicial ajustado</b>	1	54		55
I. Total ingresos/ (gastos) reconocidos			-1	-1
II. Operaciones con socios o propietarios				
III. Otras variaciones de patrimonio neto				
<b>Saldo final al 30/06/2008</b>	1	54	-1	54

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<b>IV. INFORMACIÓN FINANCIERA SELECCIONADA</b>
<b>5. ESTADOS DE FLUJOS DE EFECTIVO INDIVIDUAL</b>
<b>(ELABORADO UTILIZANDO LA NORMATIVA CONTABLE EN VIGOR DE CARÁCTER NACIONAL)</b>

Uds.: Miles de euros

	P. Actual 30/06/2008	P. Anterior 30/06/2007
<b>A) FLUJOS DE EFECTIVO DE LAS ACTIVIDADES DE EXPLOTACIÓN (1+2+3+4)</b>	-3	-19
<b>1. Resultado antes de impuestos</b>	-1	-19
<b>2. Ajustes de resultado:</b>		-2
(+) Amortización del inmovilizado		
(+/-) Otros ajustes del resultado (netos)		-2
<b>3. Cambios en el capital corriente</b>		
<b>4. Otros flujos de efectivo de las actividades de explotación:</b>	-2	2
(-) Pagos de intereses	-5.656	-4.735
(+) Cobros de dividendos		
(+) Cobros de intereses	5.666	4.737
(+/-) Cobros/(pagos) por impuesto sobre beneficios		
(+/-) Otros cobros/(pagos) de actividades de explotación	-12	
<b>B) FLUJOS DE EFECTIVO DE LAS ACTIVIDADES DE INVERSIÓN (1+2)</b>		
<b>1. Pagos de inversiones:</b>		
(-) Empresas del Grupo, asociadas y unidades de negocio		
(-) Inmovilizado material, intangible e inversiones inmobiliarias		
(-) Otros activos financieros		
(-) Otros activos		
<b>2. Cobros por desinversiones:</b>		
(-) Empresas del Grupo, asociadas y unidades de negocio		
(-) Inmovilizado material, intangible e inversiones inmobiliarias		
(-) Otros activos financieros		
(-) Otros activos		
<b>C) FLUJOS DE EFECTIVO DE LAS ACTIVIDADES DE FINANCIACIÓN (1+2+3)</b>		
<b>1. Cobros y (pagos) por instrumentos de patrimonio:</b>		
(+) Emisión		
(-) Amortización		
(-) Adquisición		
(+) Enajenación		
(+) Subvenciones, donaciones y legados recibidos		
<b>2. Cobros y (pagos) por instrumentos de pasivo financiero:</b>		
(+)		
(-)		
<b>3. Pagos por dividendos y remuneraciones de otros instrumentos de patrimonio</b>		
<b>D) EFECTO DE LAS VARIACIONES DE LOS TIPOS DE CAMBIO</b>		
<b>E) AUMENTO/(DISMINUCIÓN) NETO DE EFECTIVO Y EQUIVALENTES (A+B+C+D)</b>	-3	-19
<b>F) EFECTIVO Y EQUIVALENTES AL INICIO DEL PERÍODO</b>	77	73
<b>G) EFECTIVO Y EQUIVALENTES AL FINAL DEL PERÍODO (E+F)</b>	74	54

	P. Actual 30/06/2008	P. Anterior 30/06/2007
<b>COMPONENTES DEL EFECTIVO Y EQUIVALENTES AL FINAL DEL PERÍODO</b>		
(+) Caja y bancos	74	54
(+) Otros activos financieros		
(-) Menos: Descubiertos bancarios reintegrables a la vista		
<b>TOTAL EFECTIVO Y EQUIVALENTES AL FINAL DEL PERÍODO</b>	74	54

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# Sabadell International Equity, Ltd.

## **INFORME DE GESTIÓN INTERMEDIO DEL PRIMER SEMESTRE DEL EJERCICIO 2008**

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Durante el primer semestre del ejercicio 2008 la Sociedad Sabadell International Equity, Ltd. no ha realizado ninguna emisión de Participaciones Preferentes.

La única emisión vigente que ha realizado la Sociedad está garantizada por su accionista único, BANCO DE SABADELL, S.A..

### **Evolución de los negocios y situación de la Sociedad**

En el ejercicio 2008 se prevé una evolución de las actividades de la Sociedad de forma similar a la desarrollada en el ejercicio 2007.

### **Acciones propias**

La Sociedad no ha realizado durante el primer semestre del ejercicio 2008 adquisiciones ni enajenaciones de sus propias acciones o de la sociedad dominante, Banco de Sabadell, S.A..

### **Informes sobre la gestión de riesgos**

Los factores de riesgo quedan circunscritos a la propia entidad garante, Banco de Sabadell, S.A..

### **Investigación y desarrollo**

Durante el presente ejercicio, la Sociedad no ha incurrido en ningún gasto por investigación y desarrollo.

### **Hechos significativos**

Desde el 30 de junio de 2008 hasta la fecha de formulación de esta información financiera semestral, no han sucedido hechos significativos que afecten a la imagen fiel de la Sociedad.

En el ejercicio 2008 la Sociedad mantendrá su objeto social y se prevé una evolución de las actividades de la Sociedad de forma similar a la desarrollada en el ejercicio 2007.

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**SABADELL INTERNATIONAL EQUITY LTD.**

**NOTES TO BI-ANNUAL FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**1. Incorporation and activity**

Sabadell International Equity Ltd. (the "Company") was incorporated as an exempted company under the laws of the Cayman Islands on May 26, 1998. The registered office of the Company is P.O. Box 309, Ugland House, George Town, Grand Cayman. The Company, a wholly owned subsidiary of Banco de Sabadell, S.A. a financial institution incorporated in Spain (the "Parent"), was established to issue Preference Shares, the proceeds of which would be placed with the Parent and used for general funding purposes. The Company has no employees.

**2. Significant accounting policies**

***Use of estimates***

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). IFRS requires management to make estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

***Basis of accounting***

The measurement currency of the bi-annual financial statements is the Euros and not the local currency of the Cayman Islands reflecting the fact that the majority of the Preference shares are issued and redeemed in Euros and distributions to investors are also made in Euros.

The bi-annual financial statements are prepared on a fair value basis for financial assets and liabilities at fair value through profit or loss and derivative financial instruments. Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised cost or redemption amount which is considered to approximate fair value due to the short-term nature of these assets and liabilities.

***Foreign currency transactions***

As a wholly owned subsidiary of the parent the bi-annual financial statements of the Company have been presented in Euros. Consequently, Euro is the Company's presentational and functional currency. The majority of the Company's transactions are denominated in Euros. Transactions denominated in a foreign currency are translated at rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rates of exchange prevailing at the balance sheet date. Any resulting exchange gain or loss is recorded in the Statement of Income.

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**SABADELL INTERNATIONAL EQUITY LTD.**

**NOTES TO BI-ANNUAL FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**2. Significant accounting policies (continued)**

***Financial instruments***

***Classification***

The category of financial assets and financial liabilities at fair value through profit or loss comprises financial instruments held-to-maturity. These include amounts due under credit facility agreements and forward contracts.

Financial assets that are classified as loans and receivables include cash and cash equivalents, interest receivable and amounts due from Banco de Sabadell S.A..

Financial liabilities that are not at fair value through profit or loss include performance fee payable, investment management fee payable, administration fee payable and other accounts payable and accrued expenses.

***Measurement***

Financial instruments are measured at fair value (transaction price) plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the income statement.

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate.

***Cash and cash equivalents***

Cash and cash equivalents consist of cash balances on deposit with international financial institutions with maturities of three months or less (see note 6).

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**SABADELL INTERNATIONAL EQUITY LTD.**

**NOTES TO BI-ANNUAL FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**2. Significant accounting policies (continued)**

***Financial instruments (continued)***

***Certificates of deposit***

Certificates of deposit represent term cash deposits held with the Parent. These instruments are classified as held-to-maturity and are stated at amortized cost; any difference between the original proceeds and the redemption value is recognized in the statement of income using the effective interest rate method.

***Expenses***

All expenses are recognised in the Income Statement on the accrual basis except for transaction costs incurred on the acquisition of an investment, which are included within the cost of that investment. Transaction costs incurred on the disposal of investments are deducted from the proceeds on sale. Issue expenses are deferred and amortised, using the effective interest rate method.

***Preference shares***

Preference shares, which carry a non-discretionary mandatory coupon, are classified as financial liabilities. The dividends on the shares are recognized in the income statement as an expense using the effective interest rate method.

***Taxation***

The Cayman Islands does not currently levy taxes on income, profit, capital or capital gains and the Company has been granted an exemption until July 7, 2018 on any such taxes which might be introduced. The Company intends to conduct its affairs so as not to be liable to taxation in any other jurisdiction. Accordingly, no provision for taxes has been made in the bi-annual financial statements. Depending upon the tax status of the Company's shareholder, the tax effect of the Company's activities may accrue to the shareholder.

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**SABADELL INTERNATIONAL EQUITY LTD.**

**NOTES TO BI-ANNUAL FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**3. Preference shares**

On March 30, 1999, the Company issued 500,000, Series A Non-Cumulative Guaranteed Non Voting Euro Preference Shares ("Series A Euro Preference Shares"), with a nominal value of €500 per share, in accordance with the terms and conditions set out in the Articles of Association of the Company and the Prospectus related to the issue of the Series A Euro Preference Shares.

The dividend payment dates are set at March 31, June 30, September 30 and December 31 in each year or the next Business Day (as defined in the Articles of Association of the Company) should any such date not fall on a Business Day.

The dividend rate is set at European Inter-bank Offering Rate (EURIBOR) plus 0.20 percent per annum. The dividend rate fluctuated between 3.283% and 4.293% p.a. between January 1, 2007 and December 31, 2007 (2006: between 2.53% and 3.283% p.a.)

The payment of accrued but unpaid dividends (whether or not declared) and payments on liquidation of the Company or redemption of the Series A Euro Preference Shares are guaranteed by the Parent subject to certain terms and conditions set out in the guarantee executed by the Parent and in the offering particulars.

The Series A Euro Preference Shares will be redeemable in whole or in part at the option of the Company subject to prior consent of the Bank of Spain at any moment after 5 years from the Issue Date upon not less than 30 nor more than 60 days notice to the holders thereof (which notice shall be irrevocable). Holders of Series A Euro Preference Shares have no rights of redemption.

**4. Related party transactions and significant agreements and transactions with affiliates**

Cash accounts and certificates of deposit are held with the Parent. The cash accounts are held on normal commercial terms and conditions. The subordinated certificates of deposit are equivalent to the fully paid value of the Series A Euro Preference Shares and are due to mature on March 31, 2008 (2007: March 31, 2007). Interest is to be paid at 4.753% p.a. for the period March 31, 2008 to March 31, 2009 (2007: period ended March 31, 2007 to March 31, 2008 p.a.: 4.313%). Payment dates are in line with the dividend payment dates of the Series A Euro Preference Shares. The certificates of deposit are subordinated liabilities of the Parent subject to the terms and conditions of the amended deposit agreement between the Company and Banco de Sabadell S.A.

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**SABADELL INTERNATIONAL EQUITY LTD.**

**NOTES TO BI-ANNUAL FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**5. Share capital**

The Company's authorised capital consists of 50,000 ordinary shares of US\$1 each, of which 1,000 ordinary shares have been issued, fully paid and outstanding at June 30, 2008 (2007: 1,000 shares). The Company's authorised capital also consists of 500,000, Series A Non-Cumulative Guaranteed Non Voting Euro Preference Shares ("Series A Euro Preference Shares"), with a nominal value of €500 per share. The preference shares have been presented as financial liabilities on the balance sheet.

**FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS**

The nature and extent of the financial instruments outstanding at the balance sheet date and the risk management policies employed by the certificates of deposit are discussed below:

**Market risk**

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices

**Credit risk**

Financial assets which potentially expose the Company to a concentration of credit risk consist of cash accounts, certificates of deposit and interest receivable. The Company places all funds with the Parent company (refer to Note 4).

**Liquidity risk**

Liquidity risk is the risk that the Company will be unable to meet its payment obligations when they fall due under normal circumstances. The Company seeks to minimize risk and expect low volatility by investing mainly in fixed income and money market securities using the passive strategy of buying a certificates of deposit and holding it until maturity. The intention is not active trading for better returns, but to look for deposit with maturities or durations that match the Company's liabilities

**Interest rate risk**

The Company is not exposed to significant interest rate risk as its certificates of deposit attract rates determined by reference to the dividend rates on the Series A Euro Preference Shares (refer to Note 3 and Note 4).

**Fair values**

At June 30, 2008, the carrying amounts of the Company's financial assets and liabilities approximated their fair value.

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**SABADELL INTERNATIONAL EQUITY LTD.**

**NOTES TO BI-ANNUAL FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**Subsequent Events**

There are no subsequent events to report.

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