

**A Coruña,
February 12th 2010**

2009 Annual Results Presentation



Banco Pastor

2009: the year of MANAGEMENT



- ▣ A complex macro environment with GDP dropping in developed countries
- ▣ Falling interest rates

•Strengthen balance sheet to cope with the crisis

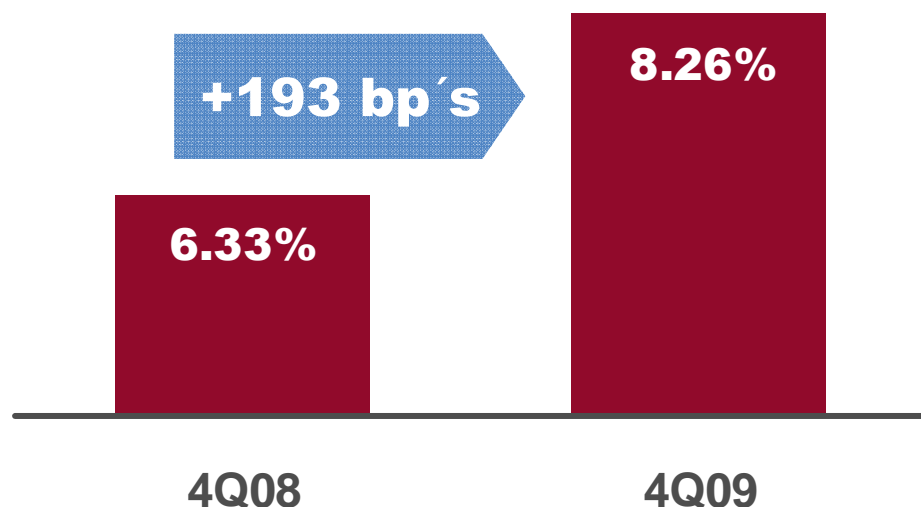
•RECURRING earning power to deal with the new financial map

• Internal transformation looking ahead to the future

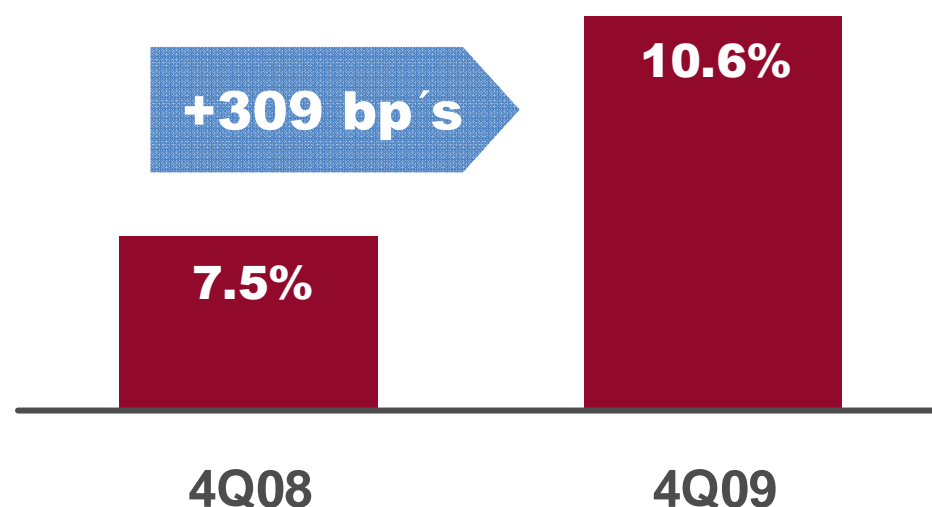
Capital Base

A strong capital base...

Core Capital



Tier 1



Actively managing capital

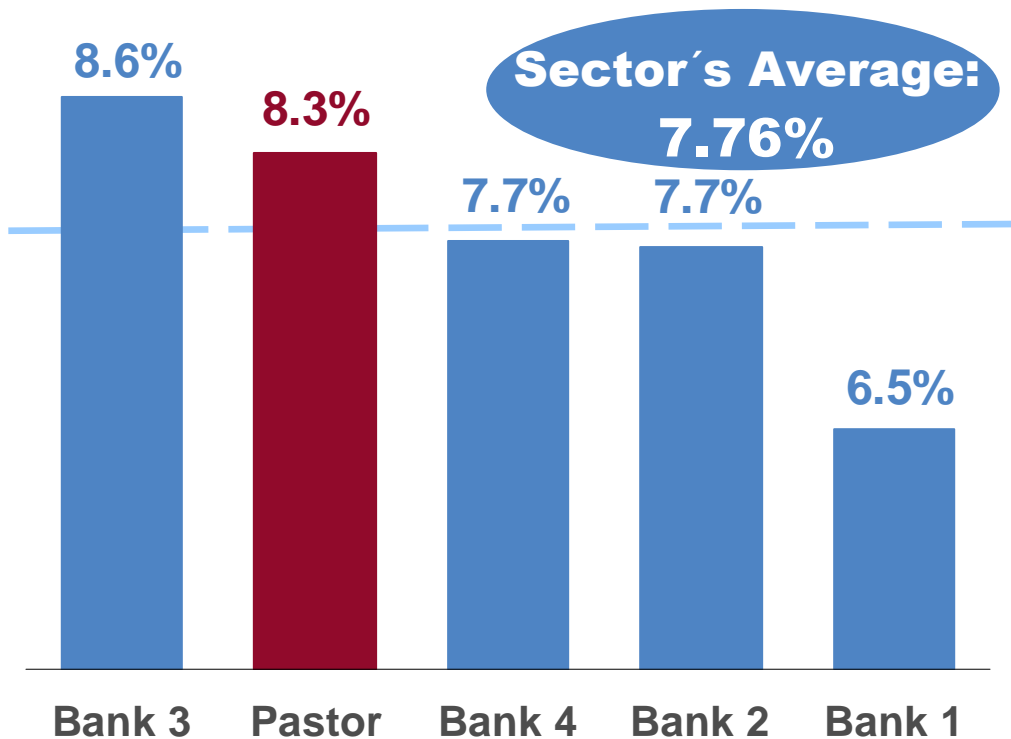
- ▣ One of the highest Core Capital ratios in the Spanish banking sector
- ▣ The greatest yoy improvement organically generated
- ▣ Tier 1 reaches 10.6%, strengthened with the issue of €250 Mn of preferred stock in April
- ▣ No need of right issues or public support

Internal generation of almost 200 bp's during the year

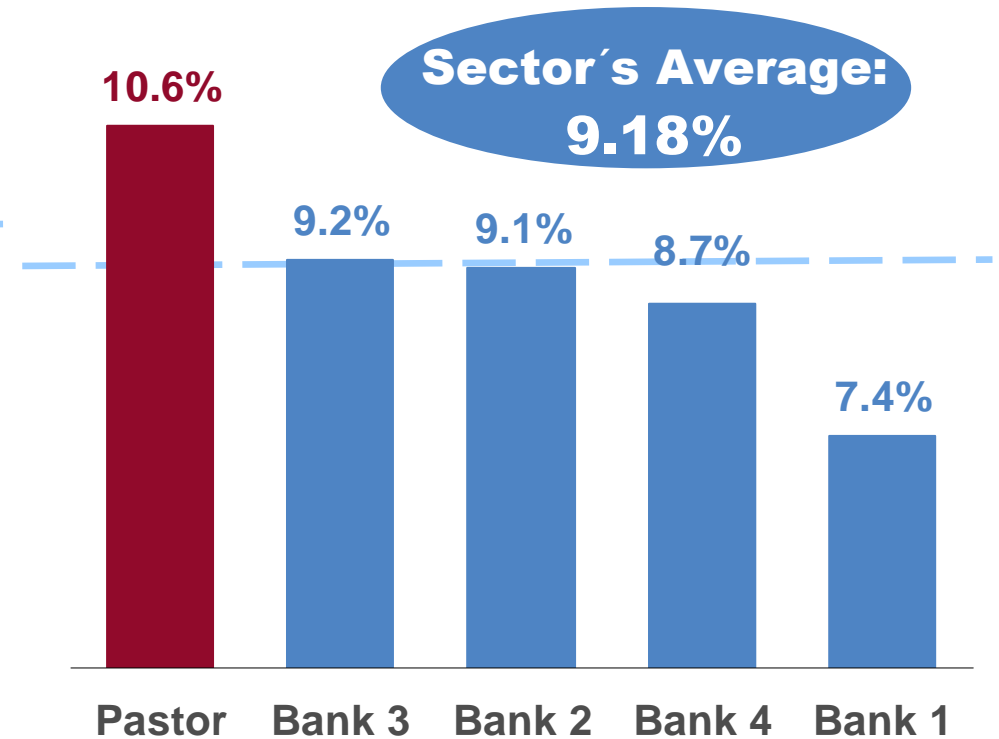
Capital Base

... which places us in a leading position

Core Capital vs. peer group



Tier 1 vs. peer group



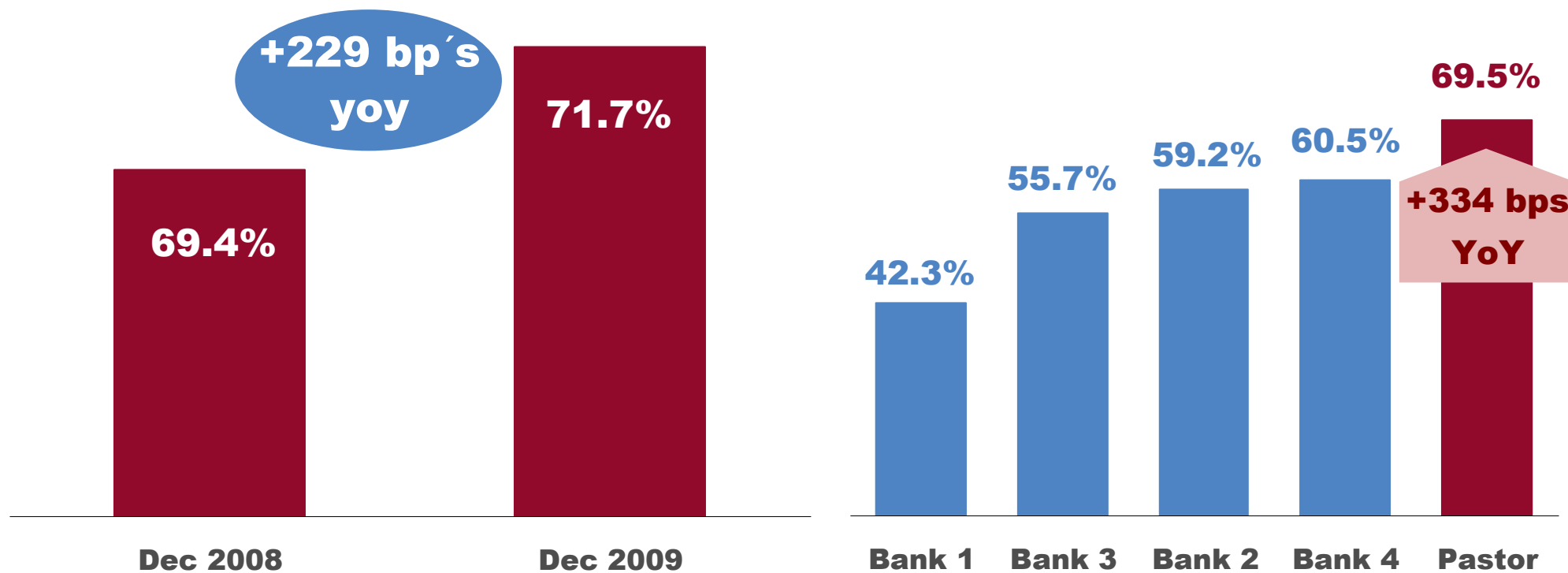
One of the most solid capital structures in the sector

Liquidity

Reinforcing the best commercial gap in the sector

Deposit to Loan ratio

Benchmark Ex-repo



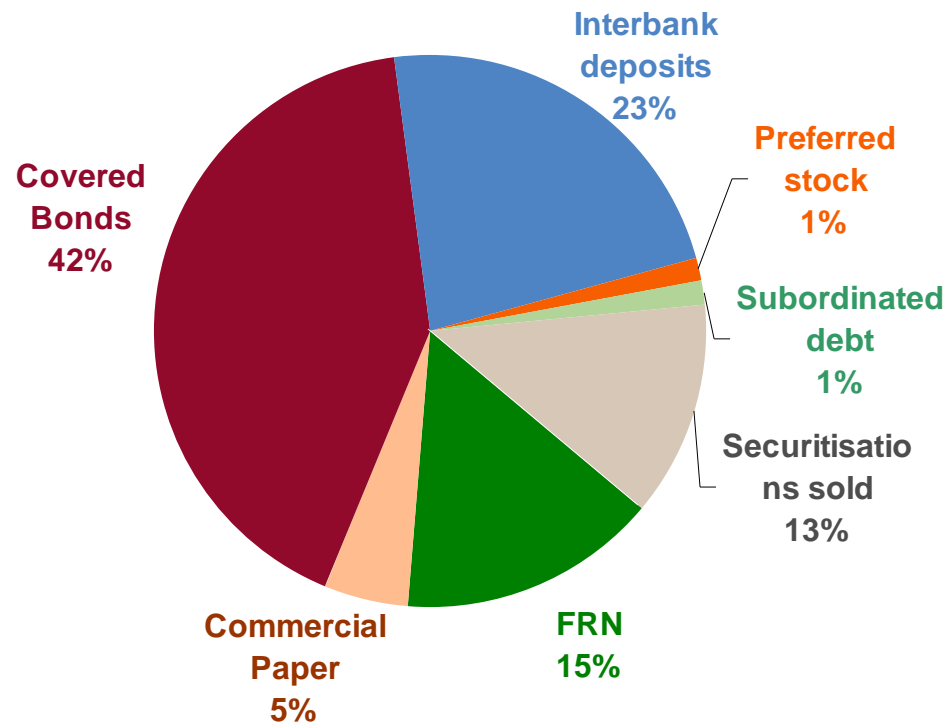
(*) Ex repos

Deposits already cover 72% of the loan book

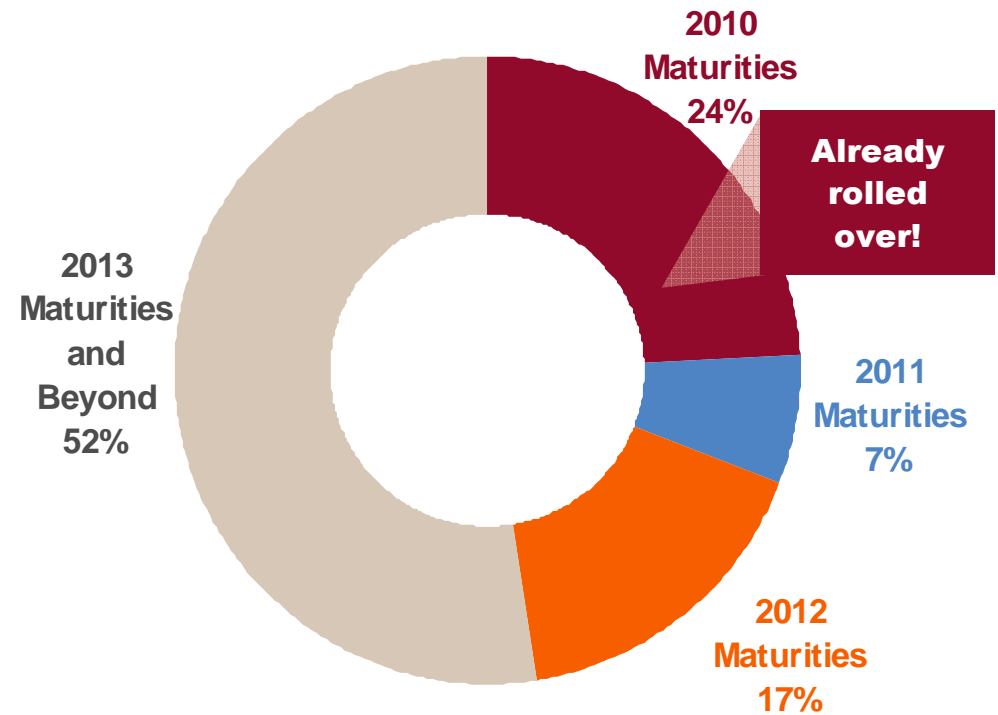
Liquidity

A well diversified financial structure, with no relevant maturities until 2012

Institutional funding structure



Maturity structure breakdown



Spanish financial institutions maturities for 2010/11

€413 Bn

Source: AFI

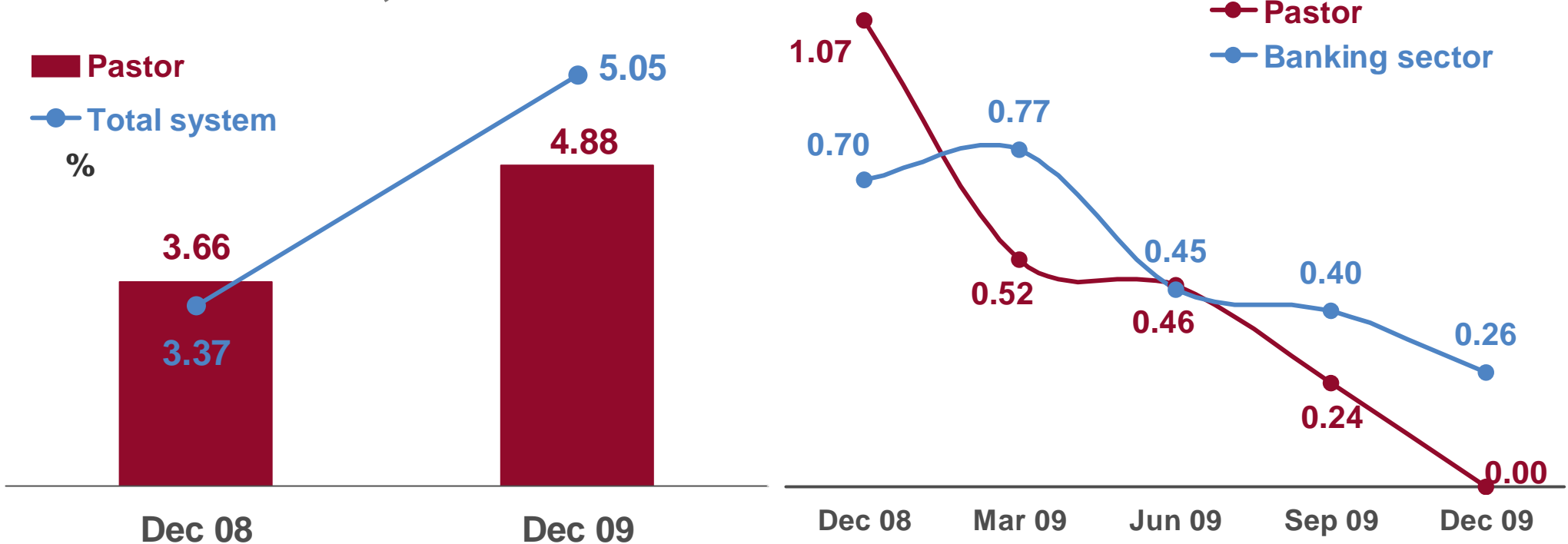
Risk Management

An NPL Ratio below sector's average

NPL ratio Pastor vs Sector

NPL ratio evolution

NPL's: 1,512 €Mn



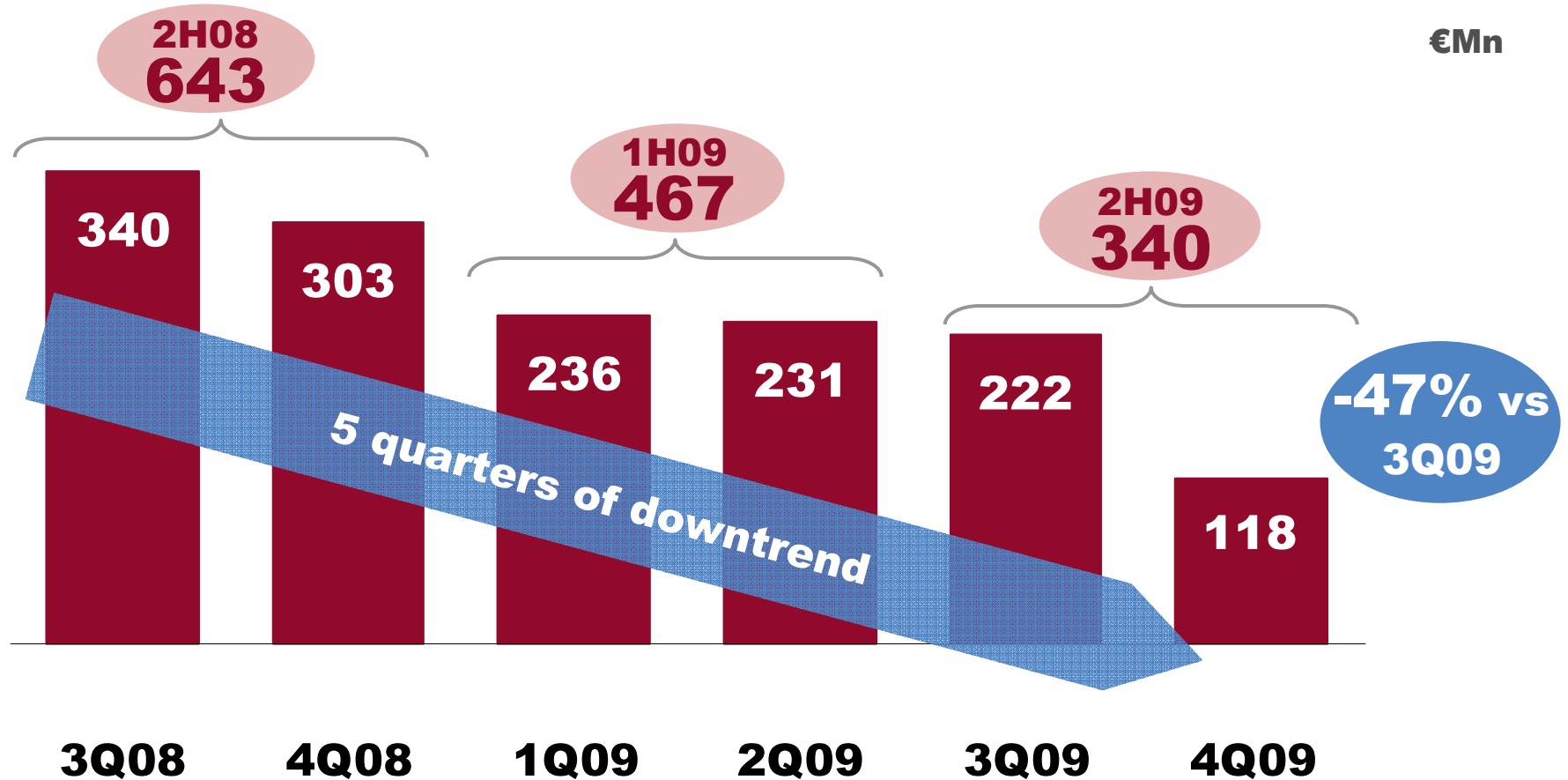
Source: Bank of Spain, available data for the banking sector as of November 2009

Two quarters in a row with an NPL ratio decelerating more than the banking sector's

Risk Management

The result of negative net entries in the quarter...

Quarterly NPL net entries



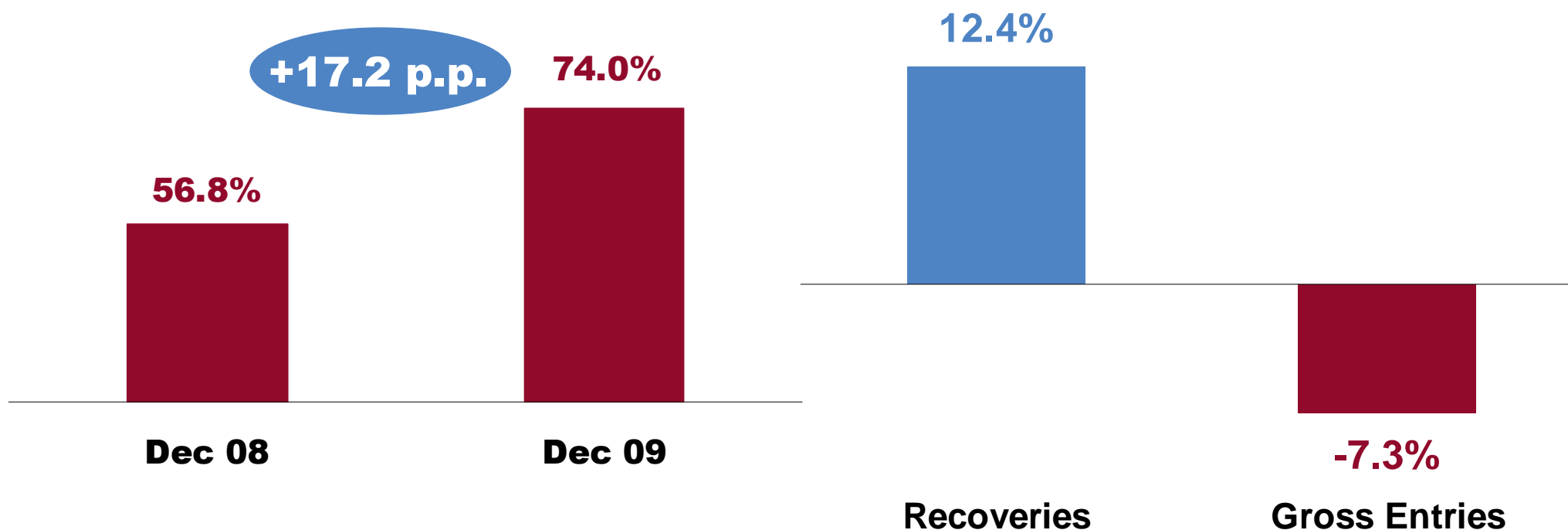
Net entries drop by 27% in the second half of the year

Risk Management

... and progressive acceleration in recoveries

Recoveries/ Entries Ratio

4Q09 Gross entries vs. recoveries



Recoveries are higher than entries in more than half of the branch network

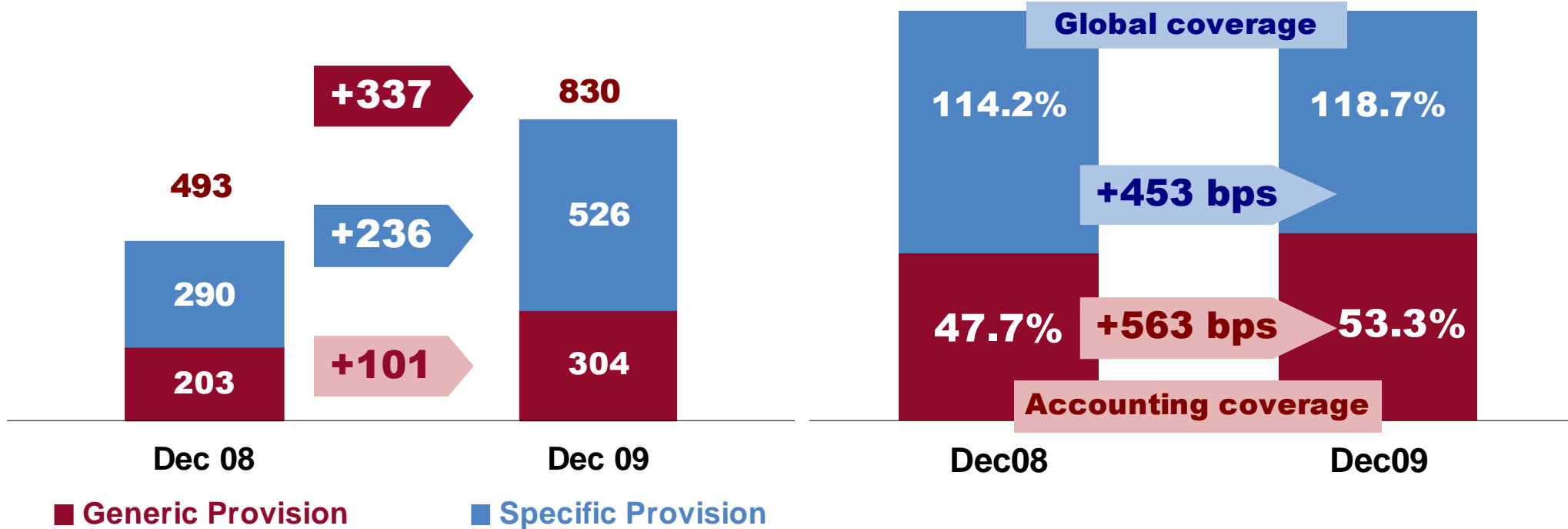
Risk Management

Besides, provisions reach in 2009 the highest level ever

Loan loss reserves evolution

Coverage ratio

€Mn



Almost 70% of NPL's are asset backed

Commercial Dynamism

A double-speed year

**Value added
customers
x1.8 times**



**Value added
companies
x2.1 times**



**Payroll
accounts
x4.7 times**



**Mortgages
x1.9 times**



**Insurance
x1.5 times**



**Foreign Trade
customers
x1.7 times**



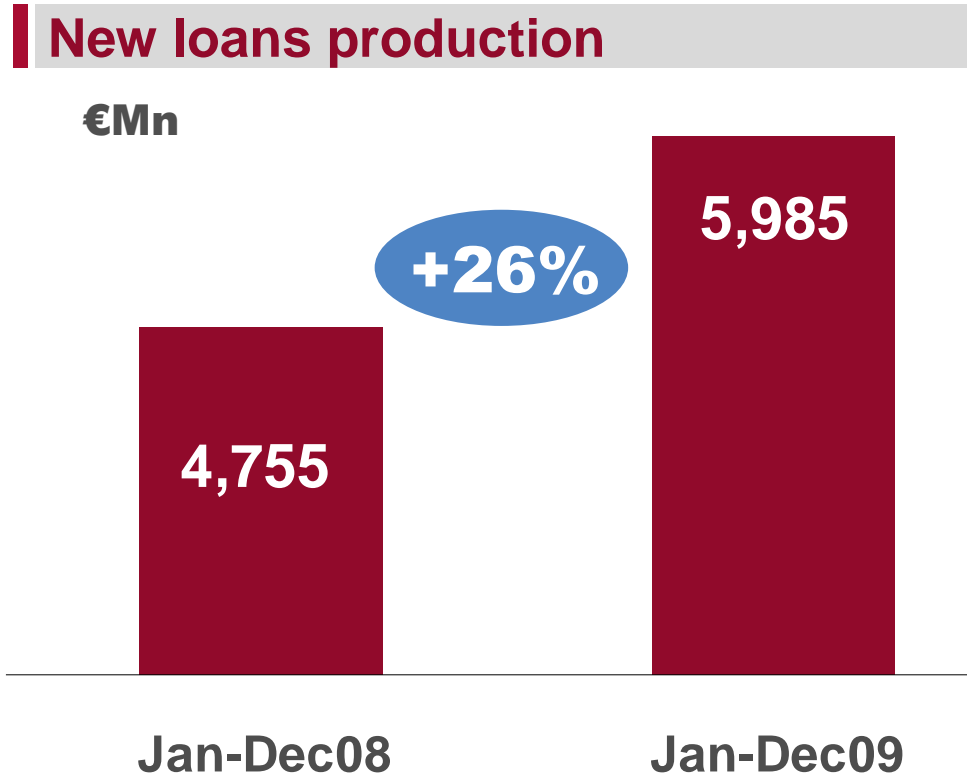
Comparison between two periods: January-August 2009 vs. September-December 2009

New business origination gathers momentum during the last four months

Commercial Dynamism

A return to growth

Loans and Advances to Customers Dec-09 **€21,180 Mn** **-0.4% yoy**

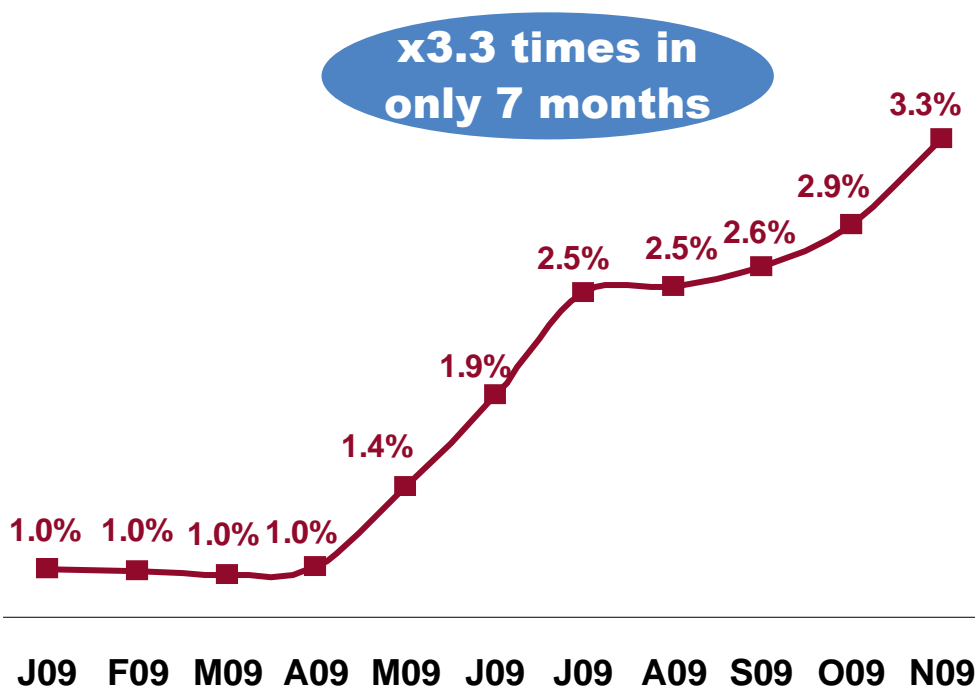


Focusing in balanced growth

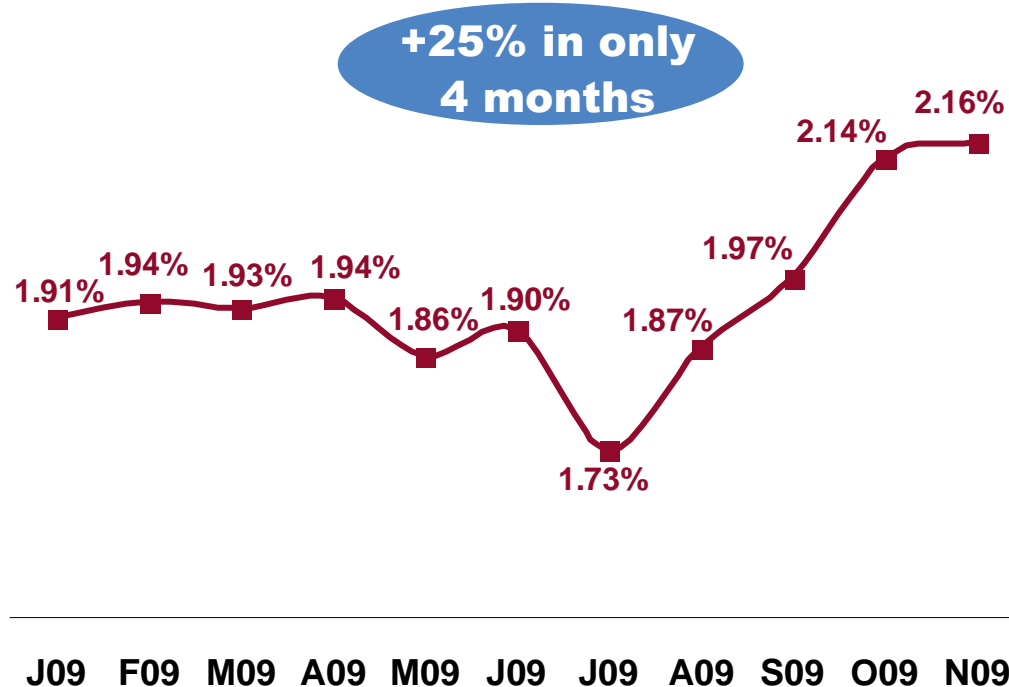
Commercial Dynamism

Gaining market share with profitable and secure growth

Market share in mortgage granting



Market share in loans to companies <€1M



Tripling our market share in mortgage granting and advancing in SME's

Commercial Dynamism

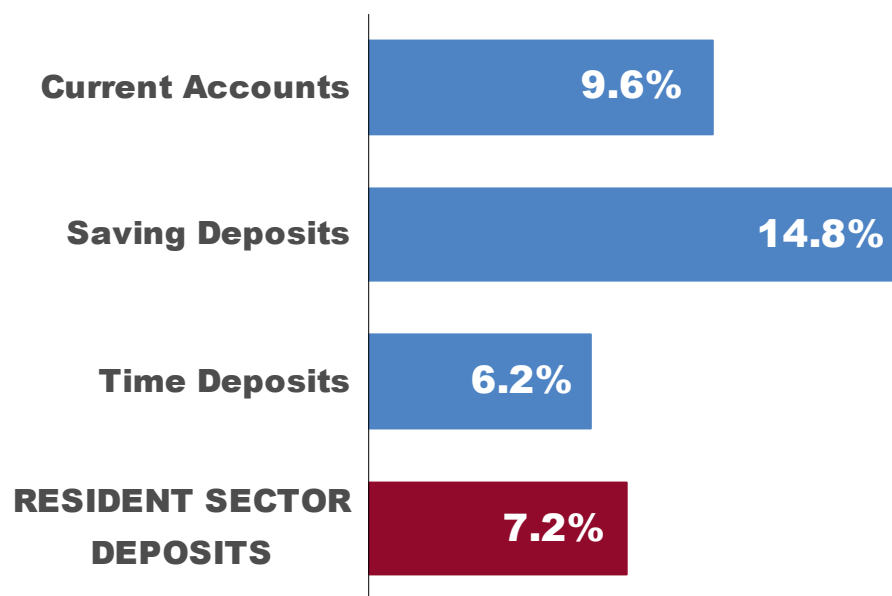
Focusing in households and SME deposits

Resident Sector Deposits Dec-09

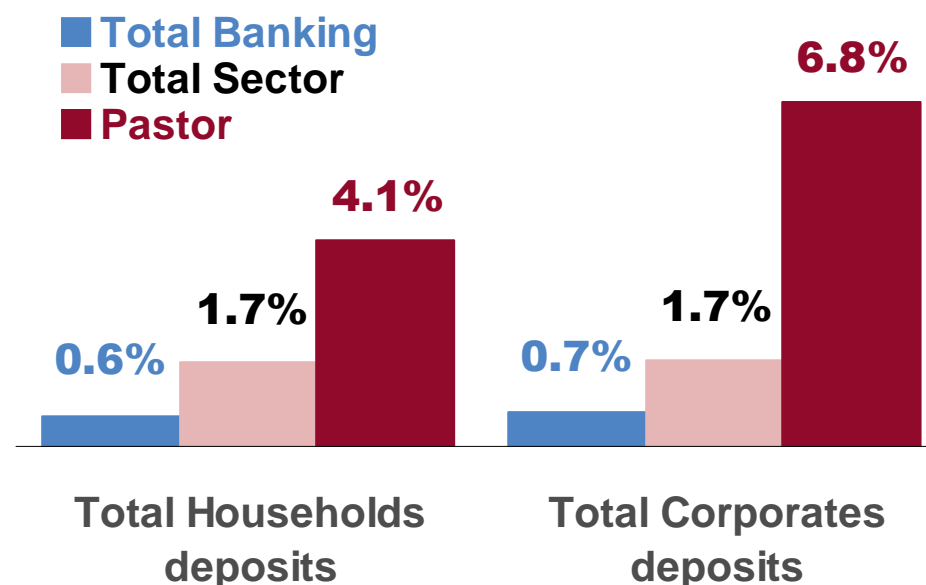
€12,443 Mn

2009 growth
€663.6 Mn

Yoy Deposit Growth



Standalone 4Q09 Deposit growth



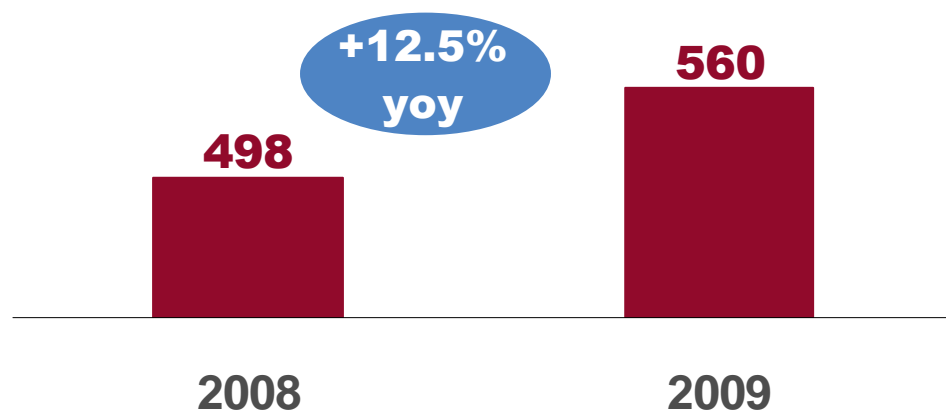
Sector data source: Bank of Spain

Growing in deposits above the sector's average

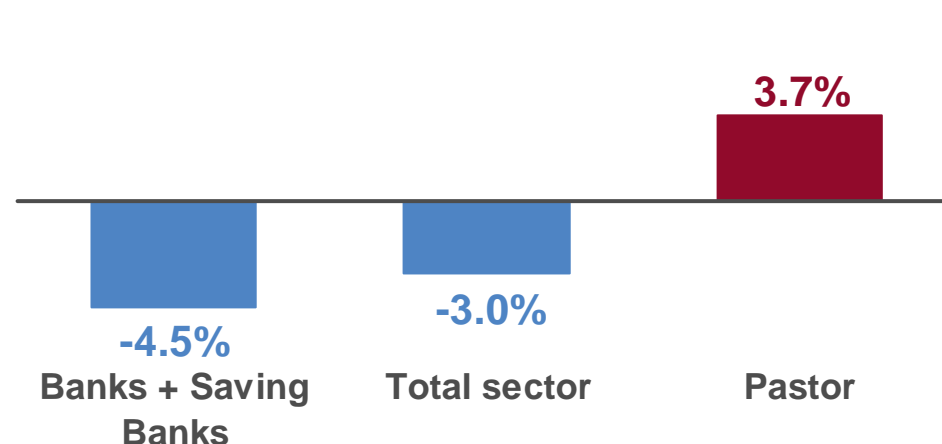
Commercial Dynamism

Actively managing off-balance sheet funds

Yoy Pension funds growth



Yoy Mutual funds growth vs. Sector



Fonpastor 70

“Lipper Fund Award 2010”

Best among Mixed Asset Euro Balance Funds- 10 years



Gespastor

“Ranking of Spanish Fund Managers 1994-2009”

Ninth in profitability among 88 managers

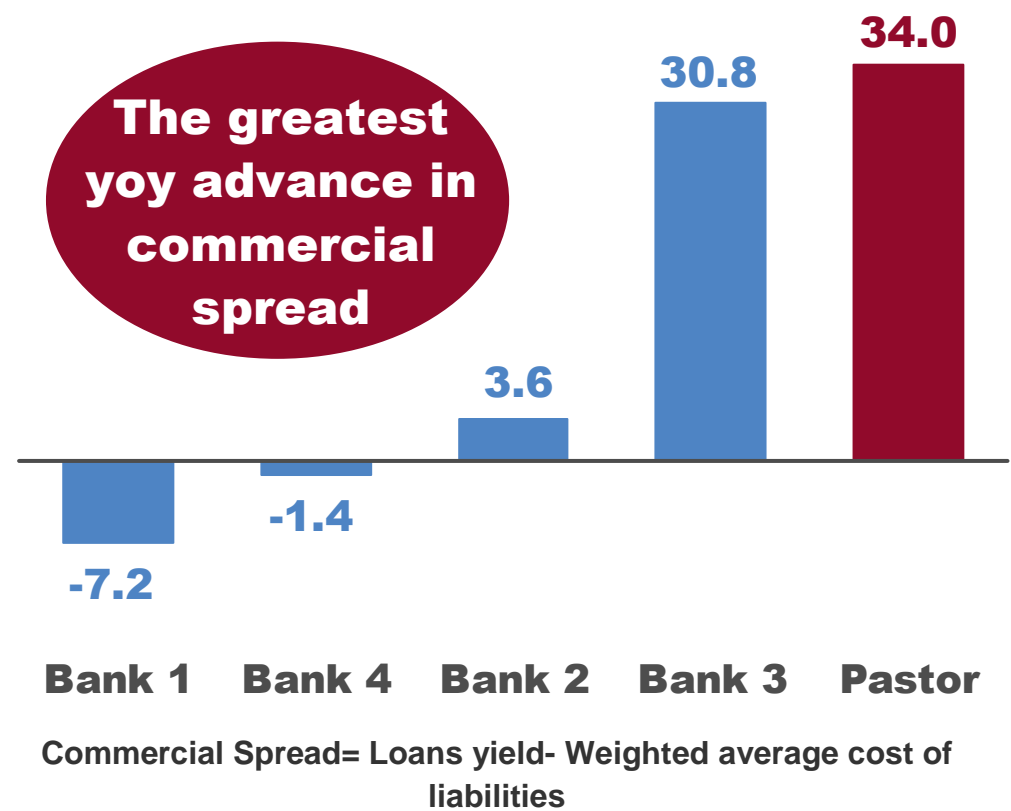
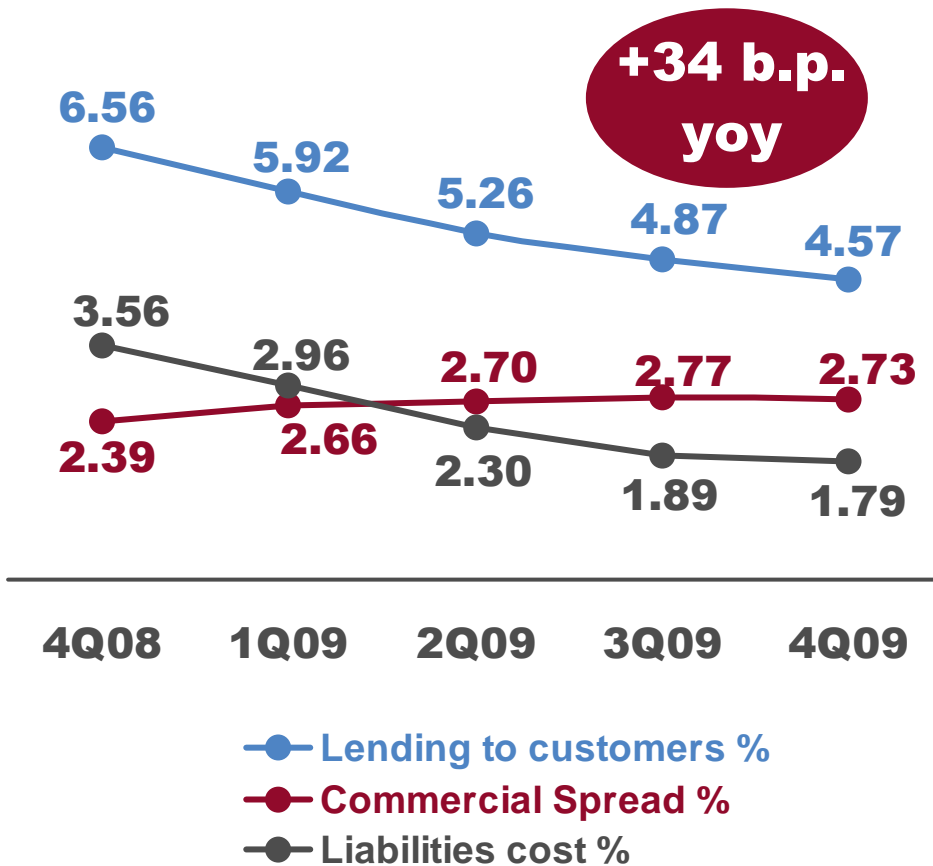
Source: “Return of Mutual Funds in Spain 1991-2009”, by Pablo Fernández (IESE), released on January 28th 2010

Profitability

Spread management, our trademark

Commercial Spread

Commercial spread evolution vs. sector

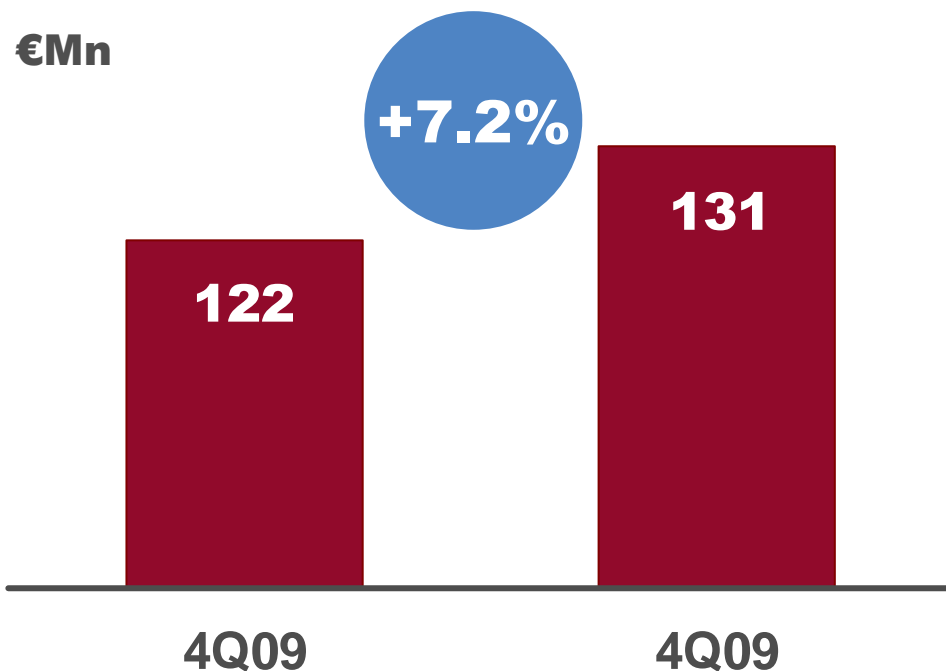


Active management of the repricing in a lower rates scenario

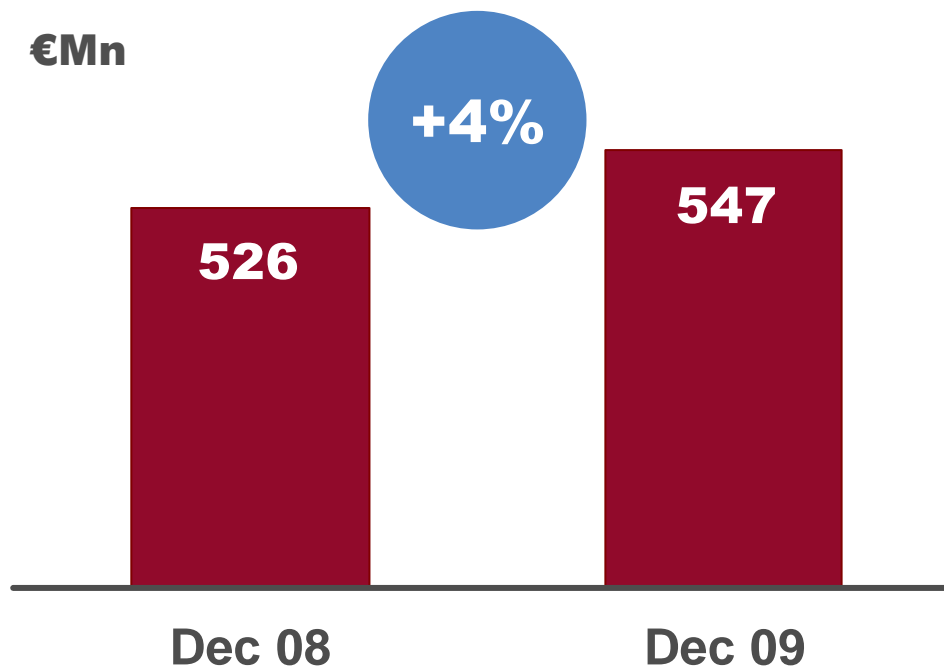
Profitability

The highest NII in history

NII quarterly evolution



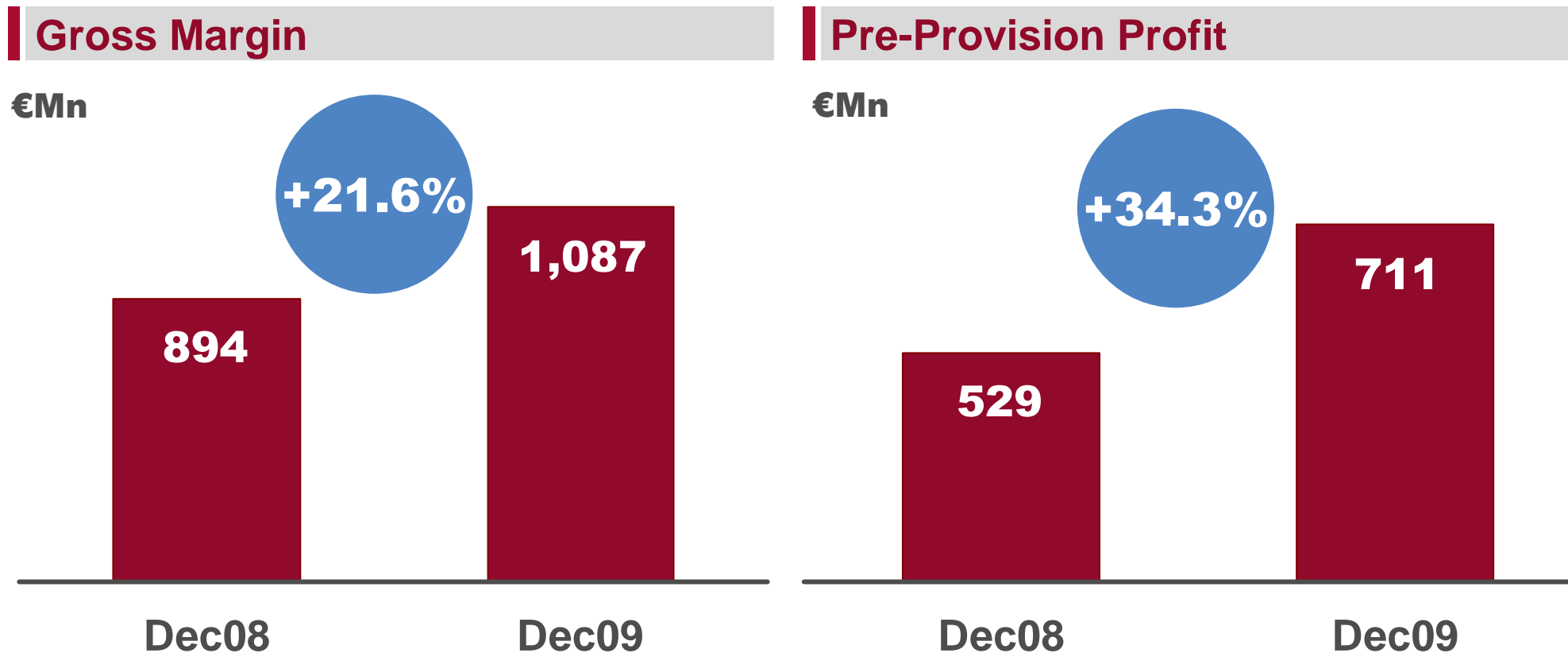
Yoy Net Interest Income



Best combination of volumes and pricing that keeps adding value

Profitability

Solid and sustainable margin growth

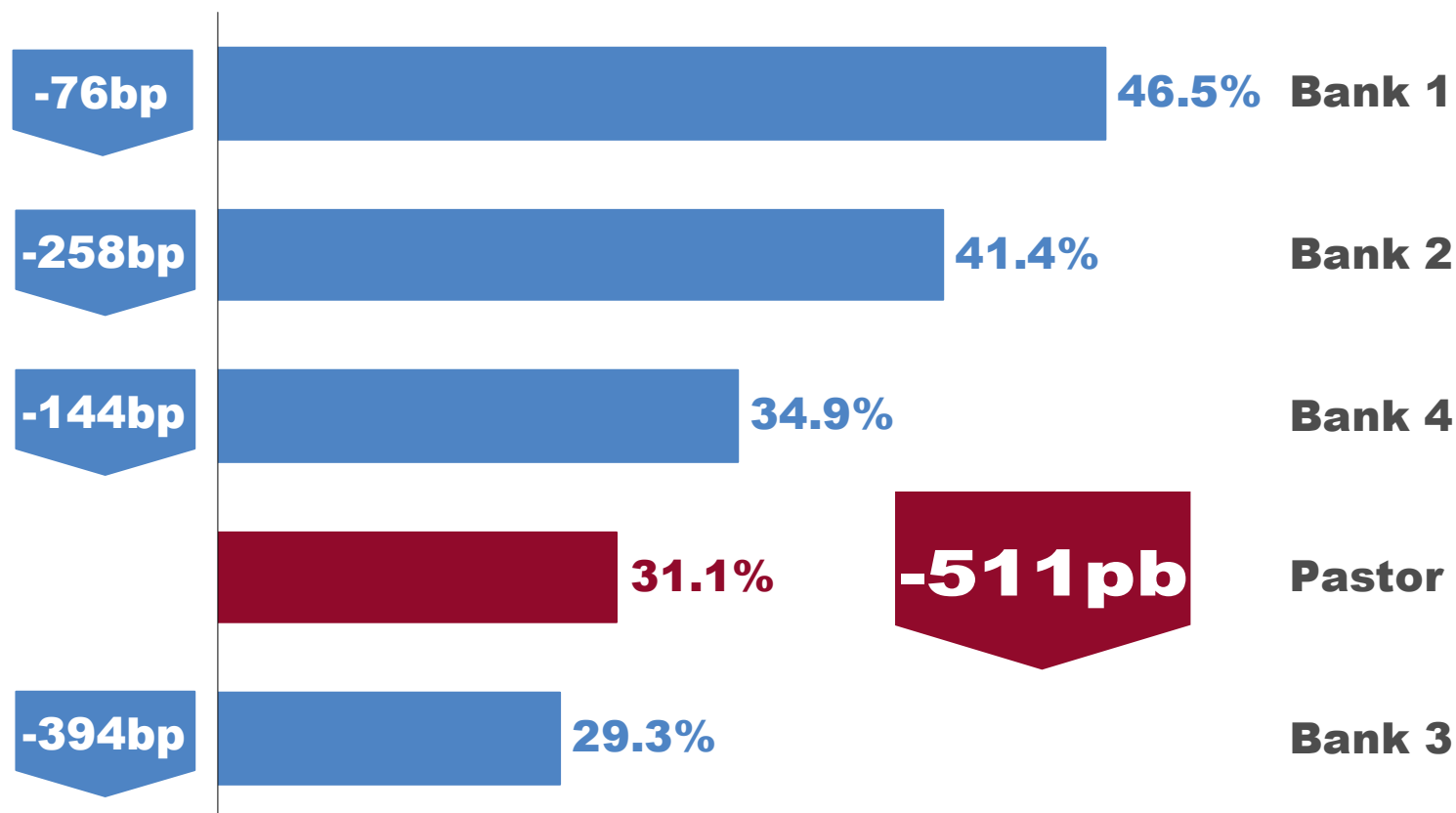


Growth rates well above 20%

Profitability

Leading the sector in efficiency improvement

Efficiency ratio



Sector's average stood at 36.7%, after a -135 b.p. yoy decrease

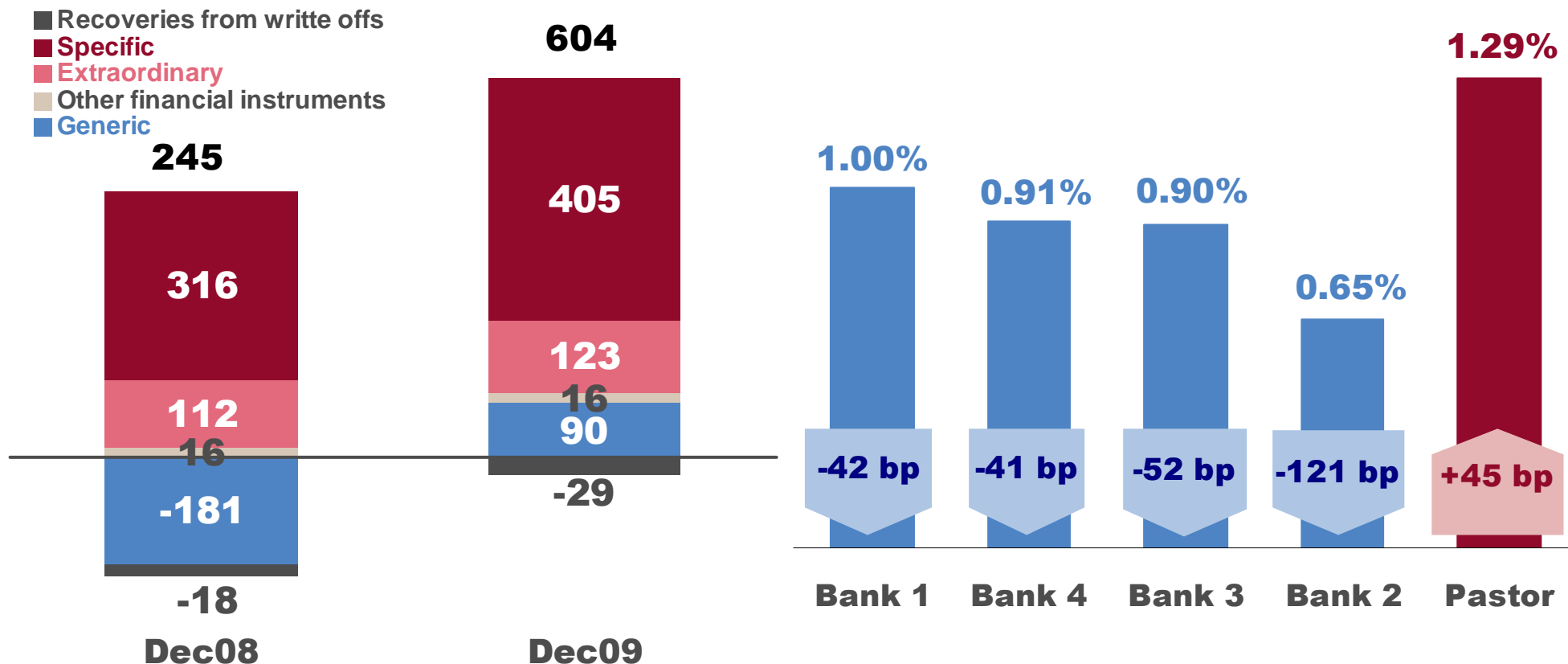
Profitability

The effort in provisioning expands the generic fund

Loan loss reserves

Generic Fund / Loans to Customers

- Recovers from write offs
- Specific
- Extraordinary
- Other financial instruments
- Generic



The largest generic fund among its peers

Profitability

At the end of the day... A strong and visible bottom line

Net Income attributed to the group

PBT €131Mn

Net Income €103Mn

Leading to internal generation of capital

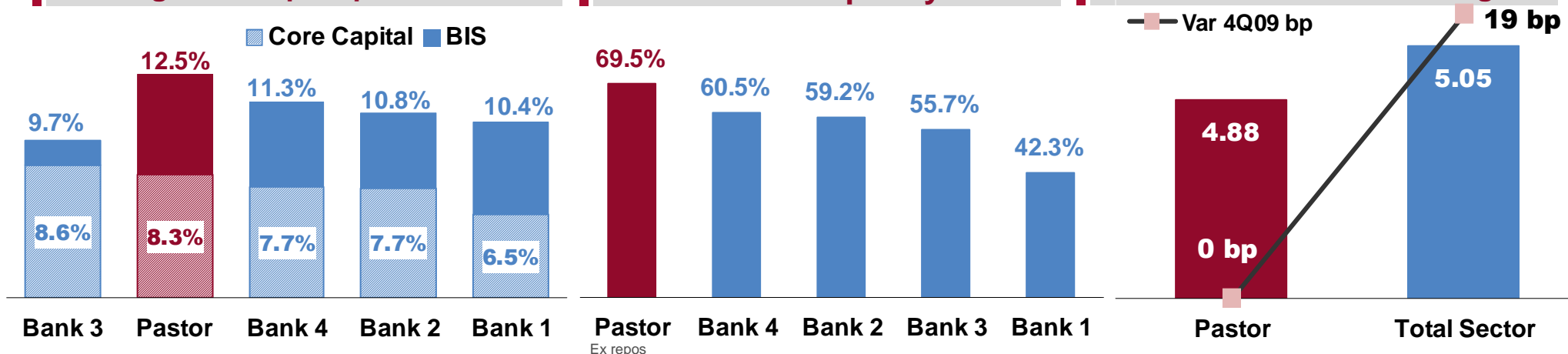
The big picture

Well positioned...

Leading Core Capital position

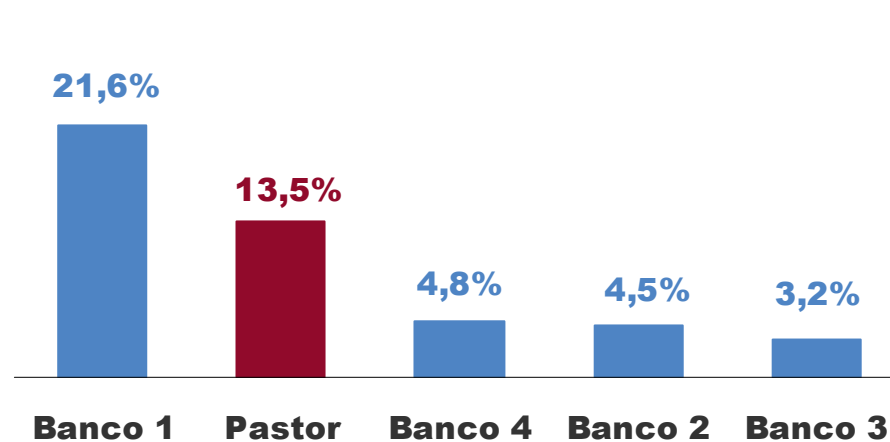
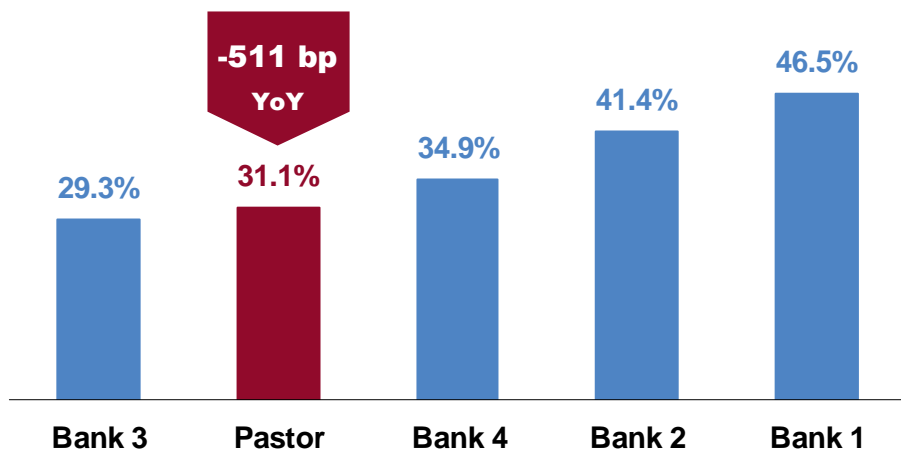
Best in class liquidity

NPL's below sector's average



Efficiency in the pole position

Sound recurrent operating revenue



... to deal with industry challenges and address opportunities

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