

**BALANCE SHEETS AS OF DECEMBER 31, 2004 AND 2003**

(Thousands of Euros)

ASSETS	DIC.04	DIC.03	LIABILITIES AND EQUITY	DIC.04	DIC.03
CASH ON HAND AND ON DEPOSIT AT CENTRAL BANKS:			DUE TO CREDIT ENTITIES		
Cash on hand	95.980	82.303	Demand deposits	27.302	16.117
Cash at Bank of Spain	143.596	159.789	Time or notification deposits	1.186.078	1.029.098
	239.576	242.092		1.213.380	1.045.215
GOVERNMENT DEBT SECURITIES	2.238.468	2.055.022	CUSTOMER DEPOSITS		
DUE FROM CREDIT ENTITIES			Savings deposits-		
Demand deposits	17.376	69.801	Demand	4.705.342	4.376.476
Other	1.634.705	1.713.130	Time	4.508.511	3.970.345
	1.652.081	1.782.931	Other deposits-		
LOANS AND CREDITS	9.346.316	7.731.602	Demand		
DEBENTURES AND OTHER FIXED-INCOME SECURITIES			Time	2.207.458	1.818.521
Issued by the public sector	46.416	54.132		11.421.311	10.165.342
Other	324.683	443.045	MARKETABLE DEBT SECURITIES		
	371.099	497.177	Bonds and debentures outstanding	479.476	493.188
COMMON STOCKS AND OTHER EQUITY SECURITIES	246.160	192.134		479.476	493.188
SHAREHOLDINGS IN NON-GROUP COMPANIES			OTHER LIABILITIES	249.238	209.952
Credit entities	45.266	32.391	ACCRUAL ACCOUNTS	96.591	89.688
Other shareholdings	104.751	115.814	PROVISIONS FOR CONTINGENCIES AND EXPENSES		
	150.017	148.205	Pension allowance	108.416	36.297
SHAREHOLDINGS IN GROUP COMPANIES			Taxes provisions	837	778
Credit entities	-	-	Other provisions	104.015	142.282
Other	472	373		213.268	179.357
	472	373	GENERAL RISK ALLOWANCE	-	-
INTANGIBLE ASSETS	10.350	9.874	NEGATIVE DIFFERENCE IN CONSOLIDATION	1.052	1.052
GOODWILL IN CONSOLIDATION	29.740	40.967	CONSOLIDATED SURPLUS FOR THE YEAR:		
PROPERTY AND EQUIPMENT			Group	70.692	58.894
Land and buildings for own use	152.475	158.755	Minority interests	7.195	7.699
Other property	64.499	73.486		77.887	66.593
Furniture, installations and other	39.914	47.512	SUBORDINATED DEBT	256.583	256.583
	256.888	279.753	MINORITY INTERESTS	211.795	161.074
OTHER ASSETS	278.953	254.677	ENDOWMENT FUND	9	9
ACCRUAL ACCOUNTS	84.695	73.500	RESERVES	585.034	580.791
PRIOR YEARS' LOSSES AT CONSOLIDATED COMPANIES	1.635	3.822	REVALUATION RESERVES	27.650	27.650
CONSOLIDATED DEFICIT FOR THE YEAR	-	-	RESERVES AT CONSOLIDATED COMPANIES	73.176	35.635
			PRIOR YEARS' INCOME	-	-
<b>TOTAL ASSETS</b>	<b>14.906.450</b>	<b>13.312.129</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>14.906.450</b>	<b>13.312.129</b>

**CONSOLIDATED STATEMENTS OF INCOME AND EXPENSES**

**DECEMBER 31, 2004 AND 2003**

(Thousands of Euros)

	(Debit)/Credit	
	DIC.04	DIC.03
INTEREST AND SIMILAR REVENUES	481.616	485.024
<i>Of which: Fixed-income securities</i>	120.430	123.500
INTEREST AND SIMILAR EXPENSES	(192.495)	(202.863)
INCOME FROM EQUITY SECURITIES:	15.606	10.907
<i>Common stocks and other equity securities</i>	10.031	5.397
<i>Shareholdings in non-Group companies</i>	5.542	5.449
<i>Holdings in Group companies</i>	33	61
<b>NET INTEREST REVENUE</b>	<b>304.727</b>	<b>293.068</b>
FEES COLLECTED	81.717	72.553
FEES PAID	(7.452)	(7.790)
GAINS (LOSSES) ON FINANCIAL TRANSACTIONS	16.976	36.501
<b>NET ORDINARY REVENUE</b>	<b>395.968</b>	<b>394.332</b>
OTHER OPERATING REVENUES	3.013	1.391
GENERAL ADMINISTRATIVE EXPENSES:	(229.346)	(226.382)
Personnel expenses	(160.660)	(158.940)
<i>Of which:</i>		
<i>Wages and salaries</i>	(118.503)	(117.176)
<i>Employee welfare expenses</i>	(38.697)	(37.798)
<i>Of which: pensions</i>	(11.195)	(11.590)
Other administrative expenses	(68.686)	(67.442)
DEPRECIATION, AMORTIZATION AND WRITEDOWN OF PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS	(24.500)	(25.125)
OTHER OPERATING EXPENSES	(3.382)	(3.211)
<b>NET OPERATING REVENUE</b>	<b>141.753</b>	<b>141.005</b>
NET INCOME (LOSS) FROM COMPANIES CARRIED BY THE EQUITY METHOD:	10.019	4.284
Share in income of companies carried by the equity method	16.157	19.455
Share in losses of companies carried by the equity method	(563)	(9.661)
Value adjustments due to collection of dividends	(5.575)	(5.510)
AMORTIZATION OF GOODWILL IN CONSOLIDATION	(7.303)	(34.330)
GAINS ON GROUP TRANSACTIONS)	21.982	0
LOSSES ON GROUP TRANSACTIONS	0	
WRITEOFFS AND CREDIT LOSS PROVISIONS (Net)	(47.000)	(39.579)
WRITEDOWN OF LONG-TERM FINANCIAL INVESTMENTS (Net)	1.046	829
PROVISION TO GENERAL RISK ALLOWANCE	-	-
EXTRAORDINARY INCOME	91.530	31.441
EXTRAORDINARY LOSS	(96.558)	(19.376)
<b>SURPLUS BEFORE TAXES</b>	<b>115.469</b>	<b>84.274</b>
CORPORATE INCOME TAX	(37.582)	(17.681)
OTHER TAXES		
<b>CONSOLIDATED SURPLUS FOR THE YEAR</b>	<b>77.887</b>	<b>66.593</b>
Surplus attributed to minority interests	7.195	7.699
Surplus attributed to the Group	70.692	58.894