



# ***The Annual Report***

2009

**30<sup>th</sup> edition**

**2009 Audience Award · 2009 Critics' Award**

*More than 62,000 million euros in purchases*

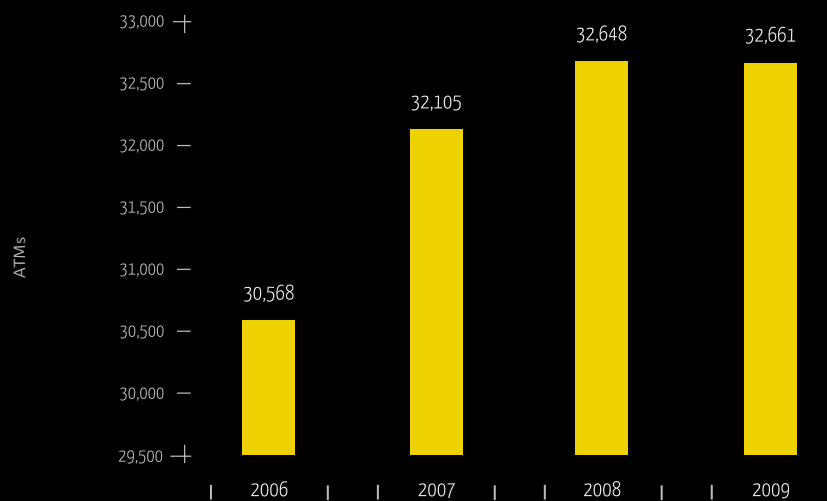
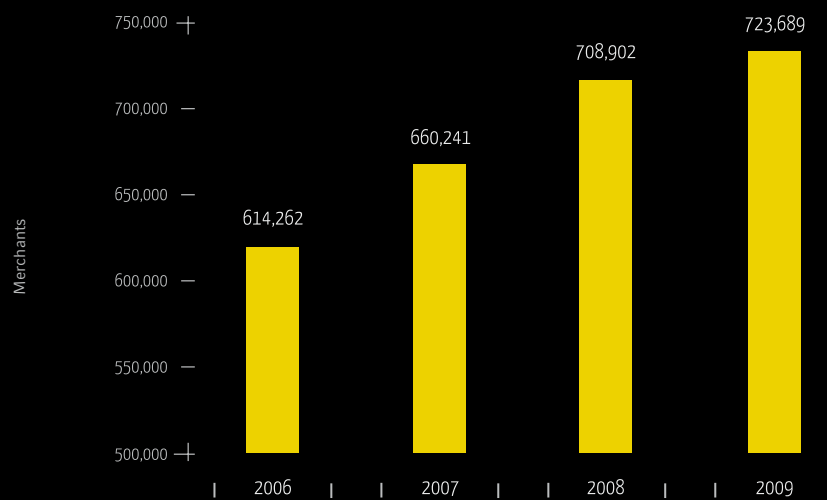
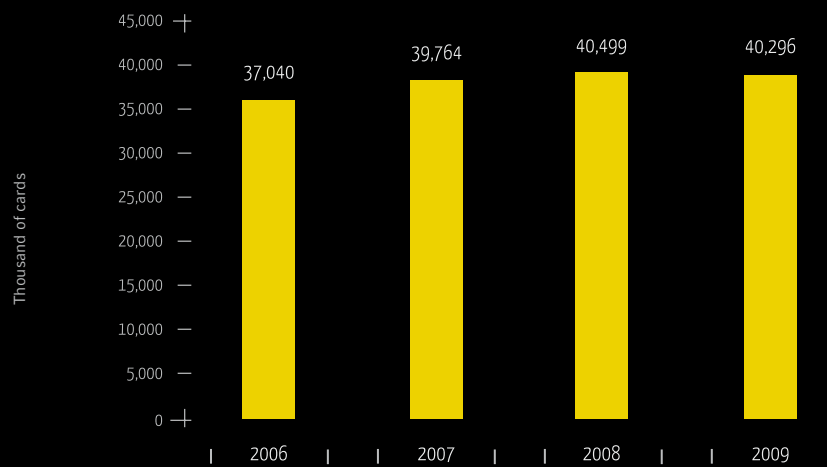
"In face of the new scenario of pressure on interchange rates, it is necessary to lower the cost components of our industry, including those of processing."

*José Manuel Gabeiras Vázquez, Chairman of ServiRed*





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## **Cards**

*The 40 million cards issued by ServiRed institutions were used in 2009 to make 1,269 million purchases worth 62,366 million euros.*

## **Merchants**

*More than 723,000 merchants have ServiRed payments terminals.*

## **ATMs**

*The ServiRed network has more than 32,600 ATMs.*

## Introduction

ServiRed, Sociedad Española de Medios de Pago, S.A. is Spain's leading card payments scheme, with 40.3 million cards issued (21.0 million credit and 19.3 million debit), 724,000 merchants, and more than 32,600 ATMs. Its equity is owned by 102 Spanish financial institutions (banks, savings banks and credit cooperatives).

ServiRed's chief mission is to assist its financial institution members in the substitution of the use of cash with innovative and efficient electronic payments systems, in order to reduce the high cost of using cash that is borne by society at large.

The ServiRed scheme provides international interoperability through co-branding with Visa and MasterCard, for which it is licensed as a Group Member of Visa Europe and as a Principal Member of MasterCard International, which empowers its member institutions to issue Visa and MasterCard products and to acquire transactions made with them.

ServiRed's business is focused on the Spanish market. However, the advent of the Single Euro Payments Area (SEPA) affords a great opportunity to begin to provide services in other European markets.

ServiRed's service rests on three main pillars:

- the brand
- the operating rules and procedures and
- the interchange system.

The most important activities carried out by ServiRed in its mission of replacing cash in payments are as follows:

1. Guaranteeing comprehensive interoperability of card transactions in the domestic sphere by working closely and constantly with the two other domestic schemes.
2. Guaranteeing international access to holders of ServiRed cards, via direct connection with the international schemes (Visa, MasterCard, American Express, Diners Club, JCB, Citicorp, etc.).
3. Guaranteeing the acceptance of foreign cards used to make purchases at the ServiRed merchants.
4. Ensuring the correct use of the ServiRed brand, card designs, and the features of the products issued by ServiRed's member institutions.
5. Ensuring the proper labelling and operation of the POS (point of sale) terminals and ATMs.
6. Carrying out the processes of authorisation, clearing, and settlement of interchange transactions amongst the systems member financial institutions and between them and other payments networks, cleanly, quickly, and without incidents.
7. Certifying the solutions proposed by manufacturers of terminals used by ServiRed member financial institutions, in order to ensure their proper functioning when they are connected to the central interchange system.
8. To arbitrate and resolve any incidents that may arise from the use of the shared payments network by member institutions.
9. To prevent, detect, and prosecute fraud.

All these activities take place against a backdrop of continuous commercial and technological innovation, which ensures that holders of ServiRed cards can make payments at millions of merchants in Spain and all over the world, quickly, easily, and safely.

In addition to the many advantages for cardholders, the use of ServiRed cards facilitates management of business expenses by the merchants which accept them, and provides greater security by eliminating the negative aspects of using cash, such as theft and loss.

*ServiRed enables domestic interoperability  
and direct connection with international  
payments schemes*









## Mission

*To promote the proper transition from cash to other, more efficient and secure means of payment, for the benefit of member financial institutions and society at large (merchants and cardholders)*

## Objectives

*To promote the use of electronic payments.*

*To represent member financial institutions before regulatory bodies, associations, institutions and domestic and international payments schemes.*

*To manage the brand, set and maintain the standards of the domestic payments scheme, guaranteeing interoperability, strengthening its position in the domestic and international market.*





Mr Sebastián Ruiz Gallardo  
Bancaja



Mr Juan Luis Coghen Alberdingk-Thijm  
Banco Cooperativo Español



Mr Miquel Montes i Güell  
Banco Sabadell



Mr Juan de Lapuerta Montoya  
BBVA



Mr Juan Antonio Merino Cantos  
BBVA



Mr Xavier Boldú Selles  
Caixa Catalunya



Mr Juan Manuel Sinde Oyarzabal  
Caja Laboral Popular



Mr Ignacio Ruiz de Assín  
Caja Madrid



Mr Javier Celaya Mingot  
Participaciones y Cartera de Inversión S.L.  
Grupo Caja Madrid



Mr Joan Morlá Tomás  
"la Caixa"



Mr José Antonio Sacristán Fuster  
"la Caixa"

## ServiRed Board



Ms Nicola Margaret Roomans  
Bankinter



Mr Rubén Salazar Genovez  
Barclays Bank S.A.



Mr Francisco Castells Delgado  
BBVA



Mr Josep María Reverté i Velasco  
Caixa Penedès



Mr Emili Pané de Pi  
Caixa Sabadell



Mr Francisco José García Paramio  
Caja España



Mr Juan Carlos Hurtado Vázquez  
Cajamar



Mr Francisco Calzado Aranda  
Deutsche Bank S.A.E.



Ms María Victoria Matía Agell  
"la Caixa"



Mr Rafael Martín-Peña García  
Board Secretary (Non-member)



Mr José Manuel Gabeiras Vázquez  
**Chairman**

## Letter from the Chairman

José Manuel Gabeiras Vázquez

The economic crisis that our country suffered throughout 2009, as evidenced chiefly by the 3.8% decline in our GDP and destruction of jobs at a rate not witnessed in 30 years, may or may not remain in the collective memory as a landmark of widespread disaster. But there is no doubt that the Spanish card payments industry will remember it for a long time. I recall that about a year ago, when the Bank of Spain forecast a 3.0% drop in GDP, in a moment of unwonted pessimism, I predicted it would reach 4.0%. Today my position is considerably less pessimistic, as I will now explain.

As we all know, the main component of GDP on the demand side is private consumption. Leaving technical discussions aside, in our economy this demand accounts for more than 60% of total GDP. Our business furnishes an excellent vantage point for tracking this indicator, and ServiRed's position is particularly privileged since it represents a substantial part of the issue of our financial system. Which takes me to my point: in the fourth quarter of 2009, our business resumed growth, after declining relentlessly for many consecutive quarters in 2008-2009. By March of 2010, ServiRed's issue in euros showed a year-on-year increase of 8%, in a dramatic contrast with the situation in the first quarter of 2009, when we were declining at a rate of 7%. In keeping with tradition, I daresay that, as is often the case under such circumstances, current economic performance is being underestimated, and sooner or later the forecasts of -0.5 GDP shrinkage 2010, will undergo an upside correction, perhaps to as much as 0.5%. Next year we shall know.

Meanwhile, life goes on, and ServiRed, along with its Sermepa subsidiary, is in the throes of change. On the one hand, our CEO, Luis Furnells left us

to take a new path –let me speak for all of us in wishing him every success. On the other hand, at this writing, the merger arrangements between Sermepa and Redy –its transaction-processing counterpart at Sistema 4B– are proceeding apace in both legal and operational terms, and in all probability we shall see the company processing 3,500 million transactions a year, starting next September. It will be an enormous challenge for us all, but one which we will surely meet with distinction.

The merger movement in Spain is the last, but not the least, of a series of decisions taken in the various domestic markets of Europe. I strongly suspect that we are all thinking along the same lines about extending our dimensions, multiplying our economies of scale, and lowering prices charged to customers –something we can hardly fail to do, given the European Commission's decision with regard to interchange rates: issuers' revenues per purchase transaction are falling rapidly, and we are obliged to diminish costs in our business wherever possible, including processing.

But the movements leading to mergers in the European scenario of our industry have other, longer-term objectives. Countries are taking strategic positions to gain advantages in the future Single Euro Payments Area, in strict compliance with the new rules, and with a debt product designed for SEPA and governed by single market partners under the supervision of the European Commission and the European Central Bank. In this regard we should not ignore the sweeping changes made recently to France's payments markets, in which –in a repeat of what they did with MasterCard– French banks have sold their Carte

**José Manuel Gabeiras Vázquez**  
Chairman, ServiRed S.A.

Bleue to Visa Europe, and in a market restructuring with more to it than meets the eye, they have relinquished their status as Group Members of Visa Europe. This frees France's banks to take individual decisions for the sake of their own P&L accounts at a time when giant European banks are under construction.

Meanwhile, Visa Europe is conducting a serious strategic analysis to determine its role within SEPA territory. Last year in these pages I forecast that it would take Visa Europe a couple of years to find its new strategic directions. One year has gone by, and I now expect a resolution before the next is over. In the next few months we shall see Visa Europe completely transformed into a powerful and indisputably European company, capable of meeting the challenges the huge single market will pose for it. Meanwhile, Visa Europe has had no choice but to bow to the wishes of the EC's DG for Competition and set the debit interchange rate at 0.2%, much as MasterCard decided to do more than two years ago. But, without going into the details, it did so in a way whereby it retained the right to raise the rate if and when the cost of cash justifies it. This means that Visa Europe may appeal to the European Court of Justice if the Commission should oppose such a measure. At the same time, Visa Europe has managed to keep the credit interchange rate untouched while negotiations with competition authorities proceed. There is a good chance that in the last quarter of this year or the first quarter of next the Commission will formally notify Visa Europe of its position.

What will the immediate future bring? There are certainly more than mere hints that it will be something totally different from what we enjoyed



in years past. With the double-digit growth of the past an increasingly distant memory, we will count ourselves lucky if we manage to achieve growth between 5% and 9%. Where we once operated in a totally deregulated market, we now face oppressive and unjust regulations. The reasonable margins we earned in the past will become negative ones on the acquisition side and barely positive on the issue side. Yet the industry will continue to advance, its enthusiasm undimmed.



ServiRed Network





Special establishments and hypermarkets

30,461 ATMs

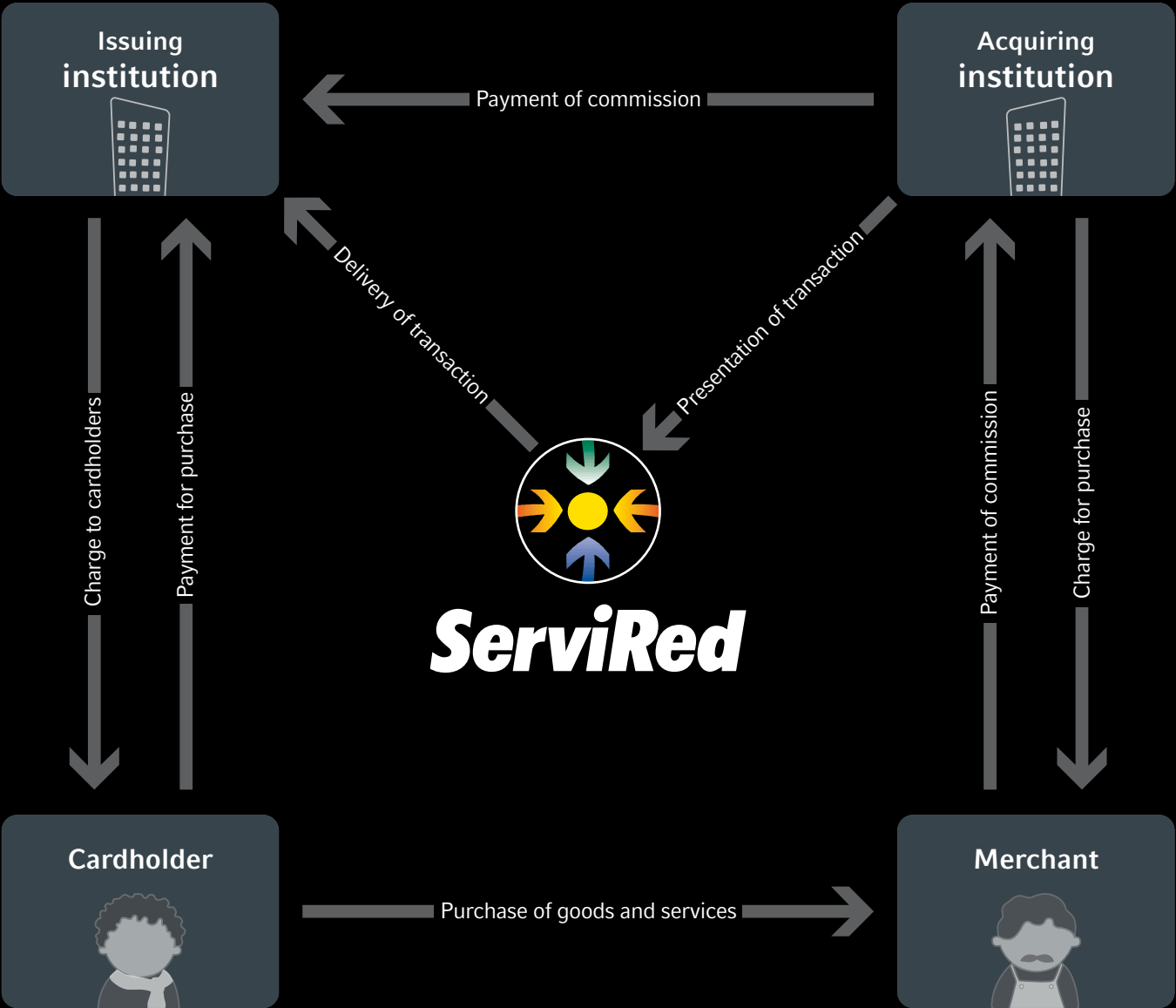
Requesting and resolving institutions

2,200 ATMs

125,047 POS terminals

561,000 POS terminals

Card Payment Circuit







*In 2009 1,269 million purchase transactions were made with ServiRed cards.*

## Promotion of Electronic Payments



*The Visa campaign showed how the  
ServiRed/Visa card is good for all  
purchases, even the smallest.*





## Marketing Activities

### ServiRed - Visa

In the course of 2009 ServiRed engaged in various marketing activities aimed at fostering card payments at merchants'.

ServiRed helped plan and implement a Visa campaign after a competition amongst reputed advertising agencies and the choice of the idea best suited to the needs of the Spanish market. The campaign showed how cards can be used for all types of purchases, including the smallest.

The media plan called for its airing for six weeks on television, with radio and internet support. Our member institutions reinforced the promotion via direct marketing.

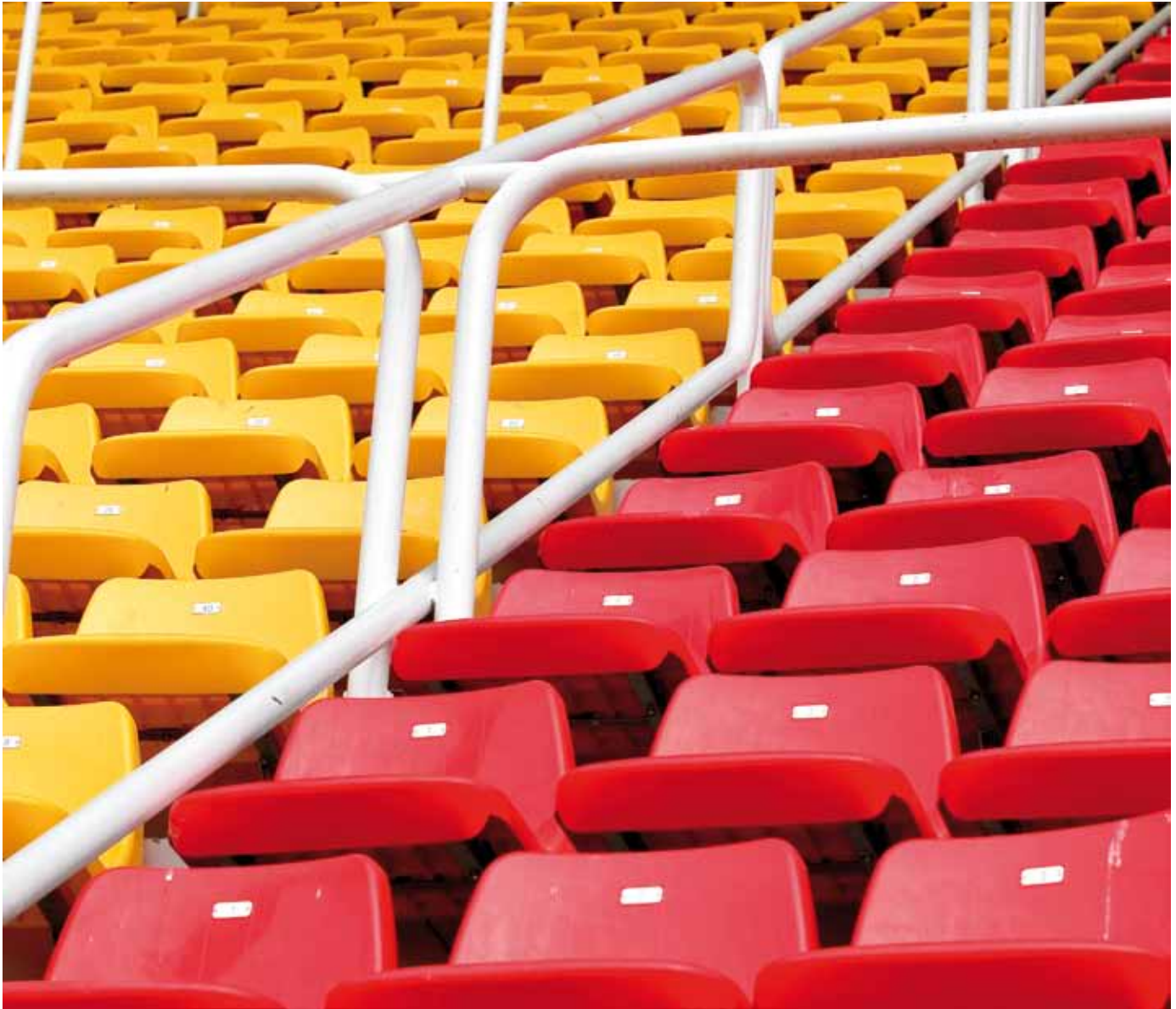
The initial phase of the campaign centred on the brand, and this was followed by a second, of a promotional nature. In the latter the use of Visa cards was encouraged by means of a promotion based on a simple device: each transaction represented a chance in a daily drawing for 1,000 euros. A total of 123 prizes were awarded to ServiRed/Visa cardholders.



#### ServiRed - MasterCard

MasterCard launched a radio and internet campaign focusing on company credit cards, and a television campaign that sought to increase the use of the card for purchases, by showing the understanding between a father and son in different everyday situations, and called for responsible consumption. The third campaigns carried out in 2009 used exterior advertising to improve the awareness of MasterCard amongst existing cardholders.





*The ServiRed System's member financial institutions gave a major boost to migration to EMV chip cards*



## Advancing with the chip

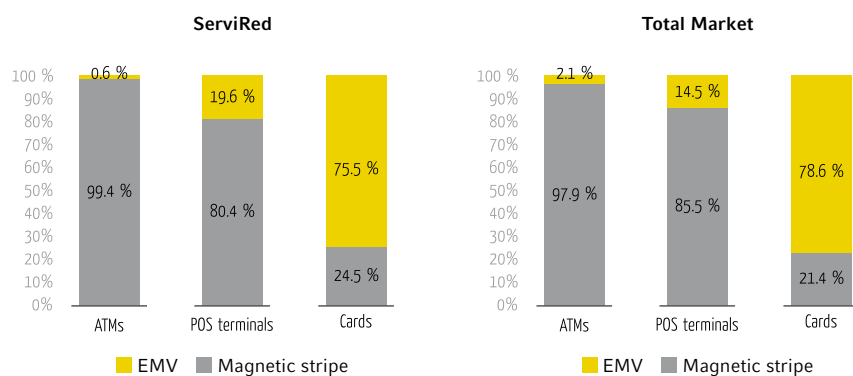
EMV is the globally-agreed standard that guarantees the interoperability of transactions made with chip cards. The SEPA Cards Framework also designated EMV as the standard for ensuring interoperability within the Single Euro Payments Area.

One of the major advantages of EMV is its protection against fraud, although in the Spanish market, where almost all traffic generated with magnetic stripe cards are authorised on-line, means that in recent years Spain's card issuers have endured rates of fraud that are lower than the European average.

Accordingly, and due to the liability shift by the international card brands in January, 2005, in Spain the migration to EMV began on the acquisition side (ATMs and POS terminals), and this is now virtually complete.

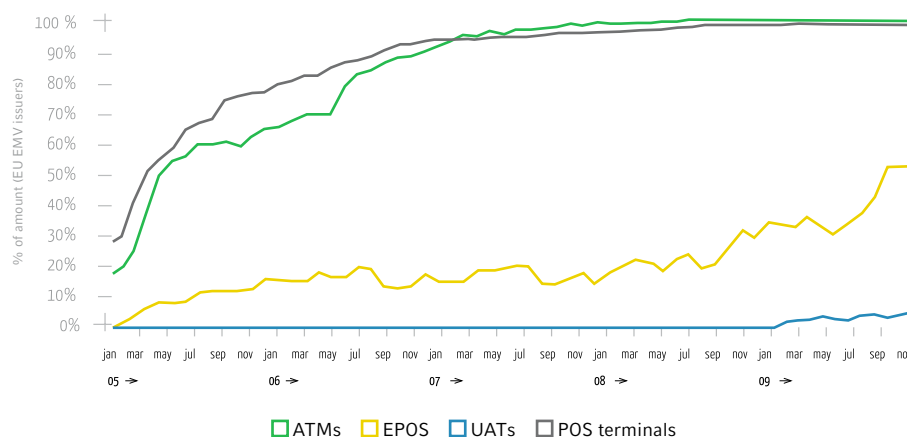
ServiRed System financial institutions members gave a major boost to this migration, and at the end of 2009 nearly 10 million EMV cards had been issued.

### States of Migration to EMV in Spain



The high level of migration on the acquisition side (with the sole exception of merchant-owned terminals) has gone a long way towards covering the impact of the liability shift on a European level, in force since 1st January 2005. In 2009, the greater part of traffic in Spain originating from the European EMV issue was captured by EMV terminals and ATMs.

### Coverage of EU EMV Issue for Acquisition Environment



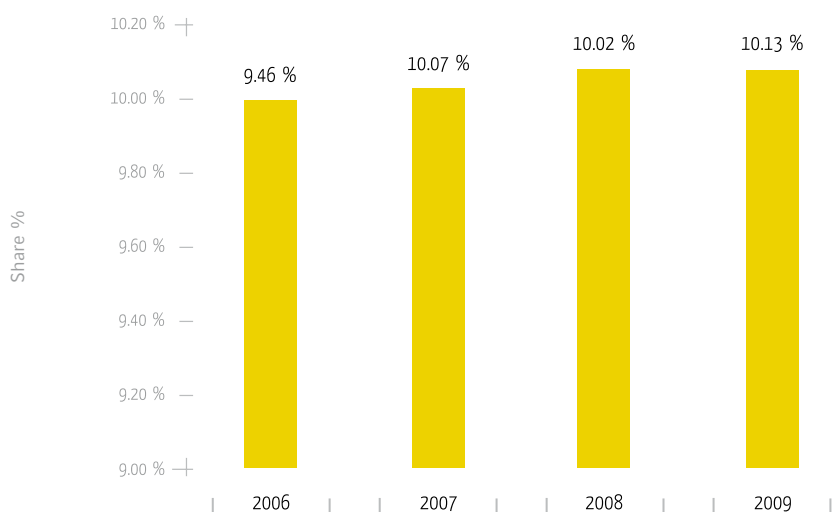
## Presence at Merchants

ServiRed cards were used in 2009 for purchases worth 62,366 million euros and cash withdrawals worth 62,144 million euros.

In the course of the year the number of merchants served by ServiRed member institutions increased by nearly 15,000 (2.1%). Total card purchases in these establishments came to 60,389 million euros, and ServiRed cards were used for 68% of this amount.

ServiRed card purchases climbed by 11 basis points in the year to account for 10.13% of total private consumption. But the 16.65% of private consumption represented by all card purchases continued to lag far behind the 30% levels posted in neighbouring countries, so considerable room for growth still remains.

### Card purchases share of final spending by households and NISH\*

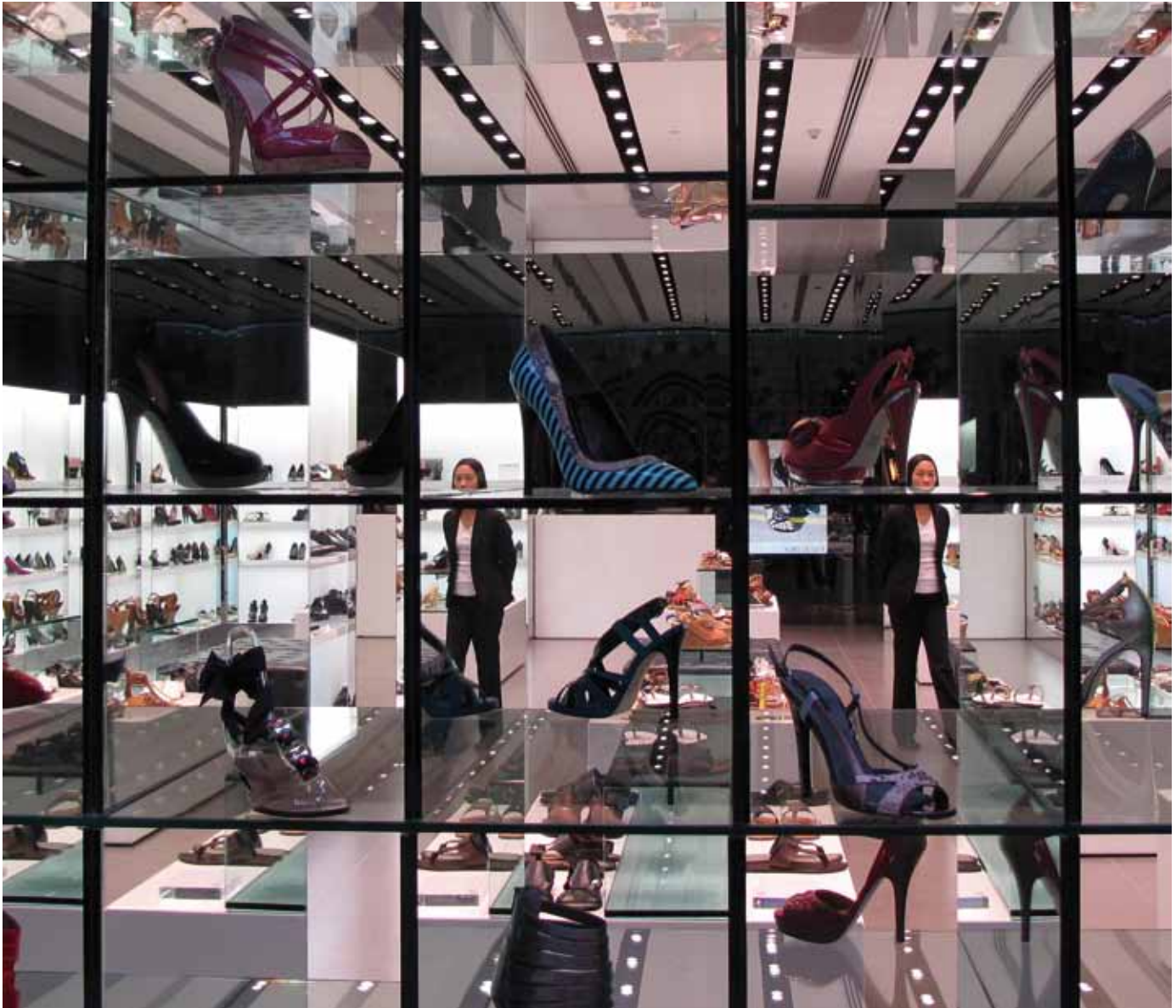


(\*) NISH: Non-profit institutions serving households

The decline in GDP, and particularly private consumption, had a direct impact on the payments market, and payments made with ServiRed card's fell by 5.4% in 2009.



*Purchases with ServiRed cards accounted for  
one-tenth of all private consumption*





*ServiRed's fraud-prevention mechanisms help  
keeps the incidence of fraud amongst the  
lowest in Europe*



## **Prevention of Fraud**

Thanks to development and ongoing optimisation of fraud prevention tools, ServiRed's efforts in this area were substantially more effective, as reflected in the reports of our member financial institutions.

Prevention tools aimed at issue fraud detect it by calculating transaction risk and forwarding the information to card issuers. The system "learns" and can predict fraud with up to 77% accuracy in some areas, allowing targeted action to combat it.

Efforts to prevent acquisition fraud included the analysis of more than 12,000 instances of irregular behaviour, which led member financial institutions to cancel its cooperation agreements with 891 merchants and to apply ongoing monitoring mechanisms to another 565. The largest incidence of such fraud was found in transactions with foreign cards at on-line merchants.

The leading cause of the increase in fraud in 2009 was compromised data. The rapid identification of this type of attack carried out by well-organised and technically sophisticated gangs was a priority concern. In these cases, speed of detection and notification of the institutions affected and the implementing of preventive actions are essential. ServiRed supplied its members with action protocols that allow them to lessen the fraud committed via such attacks.

Once fraud has been perpetrated, its identification, analysis, and study can help us develop and perfect preventive measures to block similar incidents in the future, and to help apprehend the perpetrators, in cooperation with law enforcement agencies.

Such cooperating led to the opening of legal proceedings in 993 cases affecting more than 19,700 cards in 2009, and to some 500 arrests. Police confiscated equipment used for fraudulent purposes. ServiRed testified in 36 cases involving the copying of cards at merchants, and the use of counterfeit foreign cards in Spain.

## Prevention of fraud

In terms of issue fraud, ServiRed continues to post a lower incidence than the industry average in Europe. According to Visa Europe's annual report for 2009, fraud was the equivalent of 0.060% of total sales in the year, which was about double ServiRed's figure of 0.031%.

	% Fraud/ Total sales vol.		% Fraud/ Purchases only	
	2008	2009	2008	2009
ServiRed Issue/Total Acquisition	0.025%	0.031%	0.044%	0.055%
ServiRed Issue/Domestic acquisition	0.011%	0.012%	0.018%	0.021%
ServiRed Issue / International acquisition	0.337%	0.428%	0.360%	0.465%

In 2009 fraud confirmed by ServiRed member institutions in the domestic environment was little changed from the previous year. But cross-border transactions told a different story.

The key data were the following:

- Total fraud total as a percentage of sales was higher, rising from 0.0252% in 2008 to 0.0306% in 2009, mainly due to cross-border transactions. However, it remained well below the European average of 0.060%.
- Purchase fraud accounted for 91% of the total (while ATM transactions represented 9% and those at tellers' windows 0.2%).
- Of total purchase fraud, the 35% took place in Spain and 65% abroad.
- Domestic fraud at ATMs declined by 8% in the year, and accounted to 15% of the total within Spain.
- The most common type of fraud was that involving stolen cards, and in volume terms this accounted for 33% of fraud in Spain, but it was down by 13% from the previous year.
- The fastest-growing type of fraud in cross-border transactions involved counterfeit cards, which accounted for 48% of fraud in international purchases.

Fraud at on-line merchants remained at 0.4% of purchases from domestic merchants, while for merchants abroad the rate was 0.34%.

*ServiRed has contributed substantially to  
bringing down the levels of fraud reported by  
member institutions*



*The discount rate applied to merchants was slashed in keeping with the 2005 Framework Agreement*



*ServiRed System remains firmly committed to migration to SEPA*

## **Representing Member Financial Institutions**

ServiRed represents its member institutions before regulatory bodies, sundry associations, government agencies, and other domestic and international payments schemes.

In the domestic sphere a very important forum is the Card Payments Observatory, under the aegis of the Ministry of Industry, Tourism and Trade, created both to encourage the use of cards in purchases and to measure the effectiveness of the Framework Agreement regulating the setting of interchange rates. Aside from ministry officials, participants include merchants and consumers associations, as well as banks and financial companies. ServiRed represents those of its member banks and financial institutions which lack their own representatives in the Observatory, and it speaks for all its members on the follow-up committee.

This Framework Agreement has two fundamental objectives: the progressive reduction of interchange rates and the progressive increase in the number and value in euros of card transactions, so that the latter may offset the former.

Since the Agreement took effect in January, 2006, and until December, 2009, the average discount rate was reduced by nearly 70%. But this was not matched by a corresponding growth in card use in Spain. Indeed, card purchases have plunged, and for the first time in history year-on-year declines have been posted. Naturally this situation was aggravated by the country's economic woes. But it is also true that much remains to be done to achieve the cultural migration from cash to cards.

ServiRed also represents its member financial institutions before the Bank of Spain, especially in the following areas:

- Certification of card payment data to enable the monitoring of compliance with the commitment undertaken in the Framework Agreement;
- Monitoring migration to the SEPA in the Follow-up Committee and the Observatory established with this purpose by the Bank of Spain.

## **Brand Management and Interoperability Guarantee**

ServiRed is a licensed “Group Member” of Visa Europe and “Principal Member” of MasterCard International. This means that ServiRed member institutions are empowered to issue and acquire Visa and MasterCard brand products. Accordingly, one of ServiRed’s most important duties is to represent member institutions before the two brands and to guarantee the international interoperability of ServiRed cards, merchant terminals, and ATMs.

### *The ServiRed brand stands for interoperability in card payments*

The ServiRed brand appears on all cards issued by our member institutions, at all merchants working with them, and on all ATMs in our extensive network.

The proper reproduction of the ServiRed brand logo is ensured by pre-standardisation of the new card designs. In 2009 a total of more than 300 designs were checked, most of them for ServiRed/Visa cards.

The identification of ServiRed ATMs with pennants or signs is essential to lend visibility to the brand and to guide users. Accordingly, in 2009, as in previous years, several studies were conducted on the status of the networks’ brand image. Findings were shared with member institutions to encourage them to cooperate in maintaining a properly signed and easily recognisable network.

ServiRed also oversees that the proper displays are used by merchants for both domestic and foreign cardholders to identify the card brands they accept for purchases. The most common display is a multi-brand adhesive on or near the main door of the establishment.



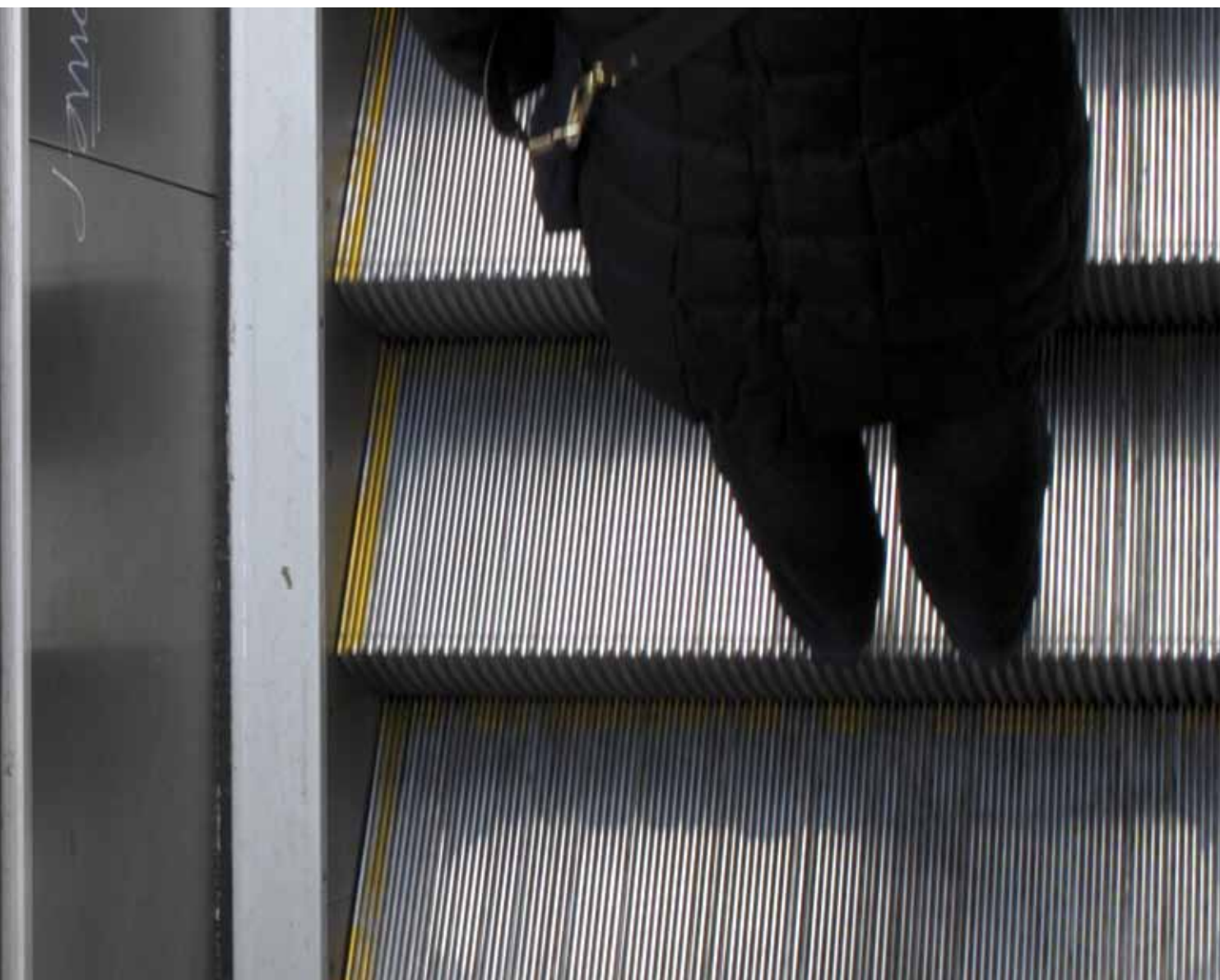
*ServiRed defends the interests of its member institutions before Visa Europe and MasterCard International*



*The ServiRed brand is displayed on more than 40.3 million cards, at 723,700 merchants and on 32,660 ATMs*



## Summary of Activity





*Purchases made with ServiRed cards were  
worth more than 62,000 million euros*



*In 2009 ServiRed cards were used for 1,269  
million purchase transactions and 530 million  
cash withdrawals*

## Summary of Activity

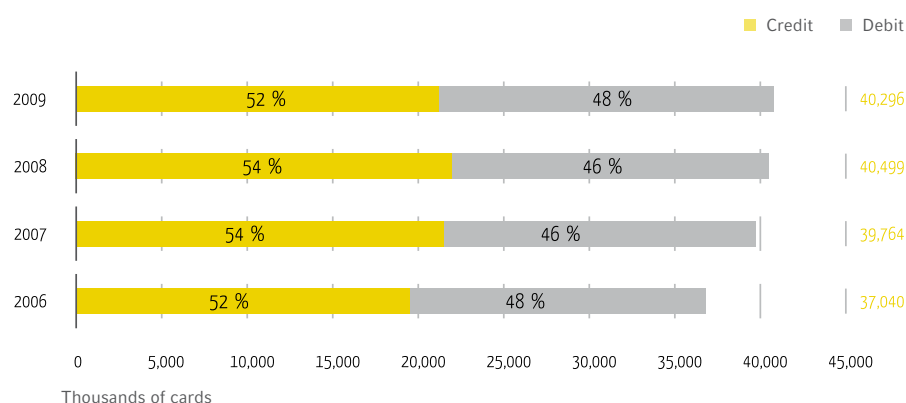
The fall in domestic demand took a heavy toll on ServiRed's business. The economic slump caused a 5.4% decline in the value of purchases made with ServiRed cards in the year.

The 40.3 million ServiRed cards were used to make 1,269 million purchase transactions worth a total of 66.366 million euros. As in the previous year, this amount outstripped that of total cash withdrawals, which reached 62,144 million euros in the year.

Cards issued by our member institutions accounted for 60.9% of the total amount of card purchases in Spain and for 62.3% of the number of purchase transactions. ServiRed cards also led in cash withdrawals, with a market share of 56.0% of the total amount and of 56.0% of total transactions.

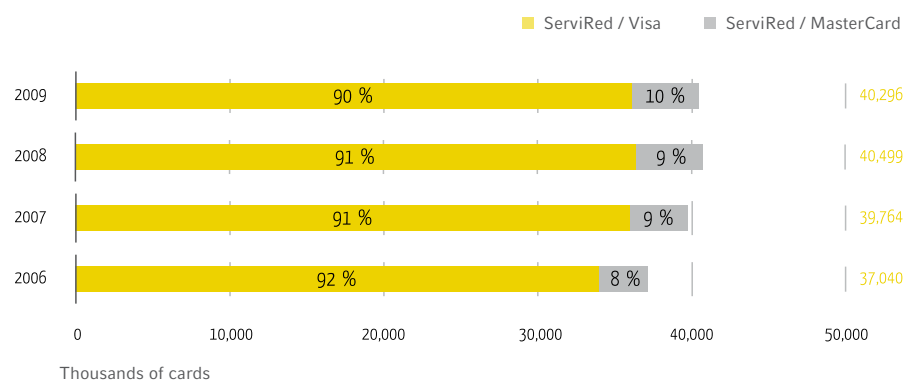
On the acquisition side, the market share of purchases came to 60.3% in amounts and 61.0% in transactions. In cash withdrawals the shares were, respectively, 55.4% and 54.3%.

### Credit and Debit cards



Credit cards were used for most transactions in 2009. However, ServiRed debit cards increased their market share against credit cards in the year, to represent 60.5% of total purchases, up sharply from the 54.0% posted in 2008. The proportion of debit cards issued in the year also increased.

### Visa/MasterCard



## Summary of Activity

### ServiRed/Visa Cards

ServiRed/Visa cards represented 90.0% of all cards issued by ServiRed members, and were used for purchases worth 59,017 million euros, which accounted for 94.6% of total ServiRed purchases (5.8% less than the previous year).

The ServiRed/Visa Classic was the leader both in the number of cards issued and in purchase volume. At the end of 2009 15.6 million such cards had been issued, and they had been used for purchases worth 25,275 million euros.

The migration of ServiRed/Visa Electron cards to other debit products, mainly ServiRed/Visa Classic Debit, gave rise to a 16.4% increase in the total amount of purchases made with debit cards, and to an even higher 21.5% rise in the number of purchase transactions.

### ServiRed cards / MasterCard

The more than 4 million ServiRed/MasterCard cards issued in the year were used to make purchases worth 3,350 million euros, a 3.5% gain from the previous year. Purchases accounted for 52.4% of the monetary value of transactions made with these cards, while cash withdrawals represented 47.6%.

The changeover from ServiRed/Maestro cards to ServiRed/MasterCard Debit card signified a 17.3% decrease in the former and to a 42.8%.increase in the latter.

## Purchases and Withdrawals

Amounts in thousands of euros

TRANSACTIONS	Purchases	Incr.	as % of total	Withdrawals	Incr.	as % of total	Sales volume	Incr.	as % of total
Credit cards	665.354.183	0,2%	52,4%	189.141.401	-0,5%	35,7%	854.495.584	0,1%	47,5%
Debit cards	603.708.234	1,7%	47,6%	340.772.801	-4,3%	64,3%	944.481.036	-0,6%	52,5%
Total cards	1.269.062.417	0,9%	100,0%	529.914.202	-3,0%	100,0%	1.798.976.619	-0,3%	100,0%

AMOUNTS	Purchases	Incr.	as % of total	Withdrawals	Incr.	as % of total	Sales volume	Incr.	as % of total
Credit cards	36.917.907	-7,4%	59,2%	26.281.122	-2,7%	42,3%	63.199.029	-5,5%	50,8%
Debit cards	25.448.421	-2,3%	40,8%	35.862.937	-4,2%	57,7%	61.311.358	-3,4%	49,2%
Total cards	62.366.328	-5,4%	100,0%	62.144.059	-3,5%	100,0%	124.510.387	-4,5%	100,0%



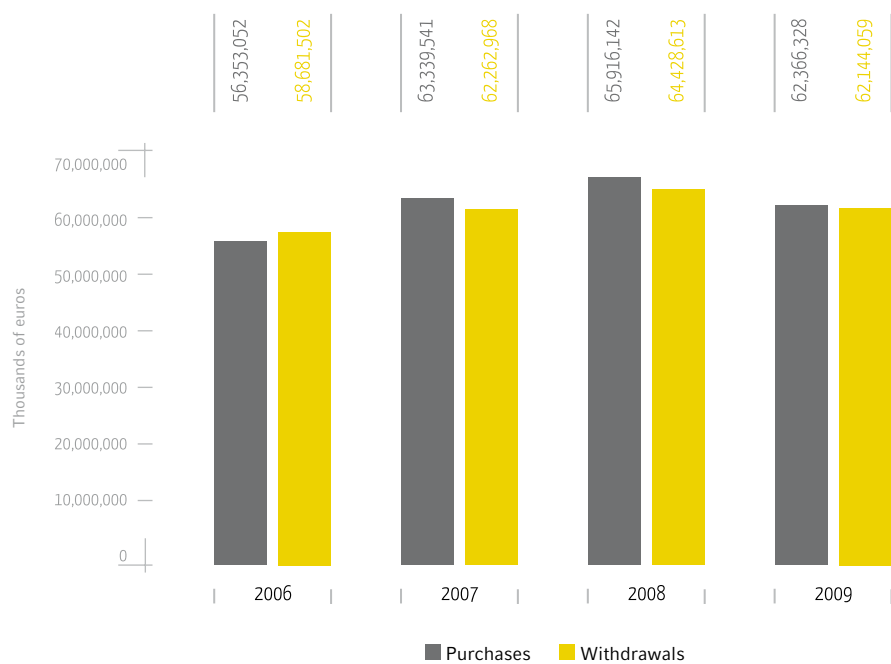
*Debit cards accounted for 41% of total  
ServiRed purchase volume*



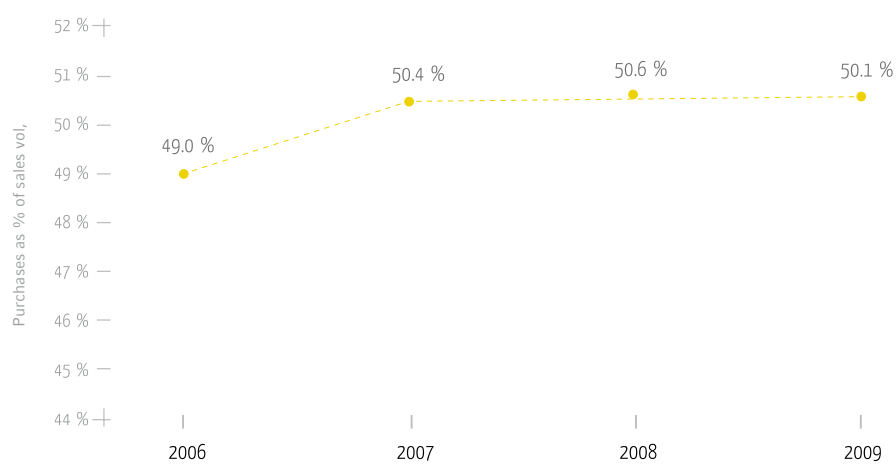
*Total ServiRed card purchases outstripped  
cash withdrawals*



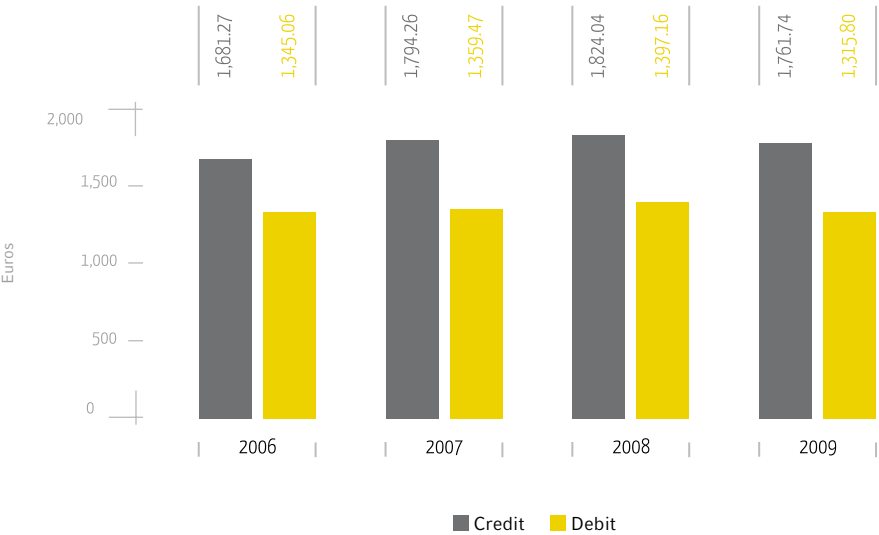
## Purchases and Withdrawals



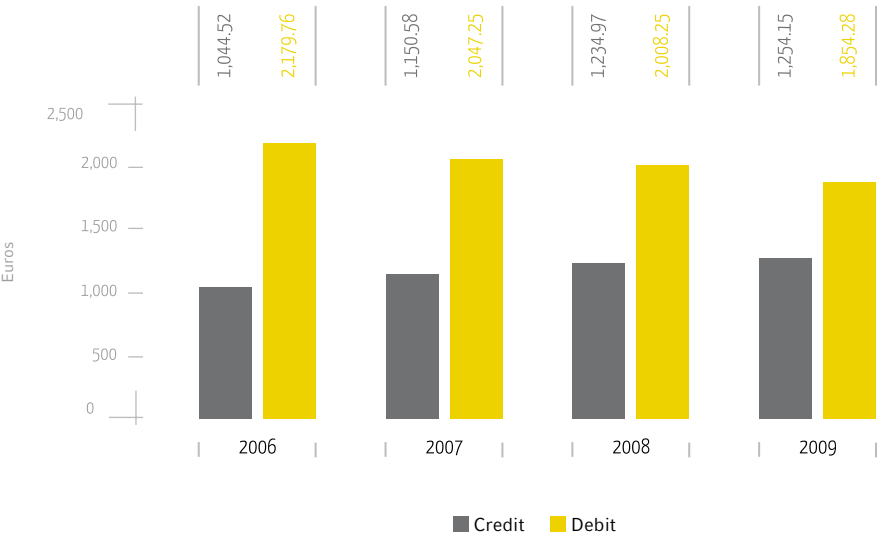
## Purchases (as % of sales volume)



Spending per card on purchases



Spending per card on cash withdrawals



*In 2009 each ServiRed card was used for an average of 31 purchase transactions, worth an average of 1,550 euros*





*ServiRed cardholders made 60 million  
purchase transactions abroad worth 4,900  
million euros*



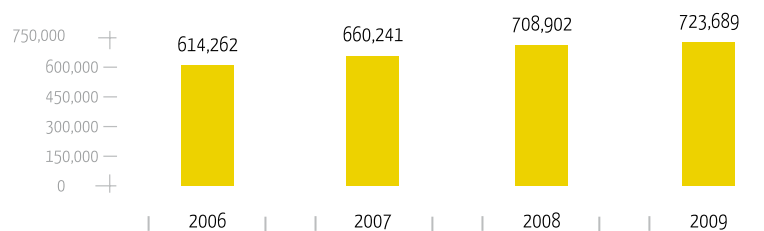


## International Activity

	Purchases	% of total	Withdrawals	% of total	Sales vol.	% of total
United Kingdom	1,157,277	23.8%	60,169	8.1%	1,217,446	21.8%
France	713,150	14.7%	66,940	9.0%	780,090	13.9%
Ireland	347,214	7.2%	8,107	1.1%	355,321	6.4%
Italy	275,796	5.7%	45,797	6.2%	321,593	5.7%
Germany	267,054	5.5%	38,645	5.2%	305,699	5.5%
Portugal	150,458	3.1%	50,311	6.8%	200,769	3.6%
Rest of European Union	457,279	9.4%	119,417	16.1%	576,696	10.3%
<b>Total European Union</b>	<b>3,368,228</b>	<b>69.4%</b>	<b>389,385</b>	<b>52.6%</b>	<b>3,757,614</b>	<b>67.2%</b>
United States	487,068	10.0%	30,500	4.1%	517,567	9.3%
Latin America	251,983	5.2%	161,483	21.8%	413,466	7.4%
Rest of countries	745,224	15.4%	159,393	21.5%	904,617	16.2%
<b>Total International</b>	<b>4,852,503</b>	<b>100.0%</b>	<b>740,761</b>	<b>100.0%</b>	<b>5,593,264</b>	<b>100.0%</b>

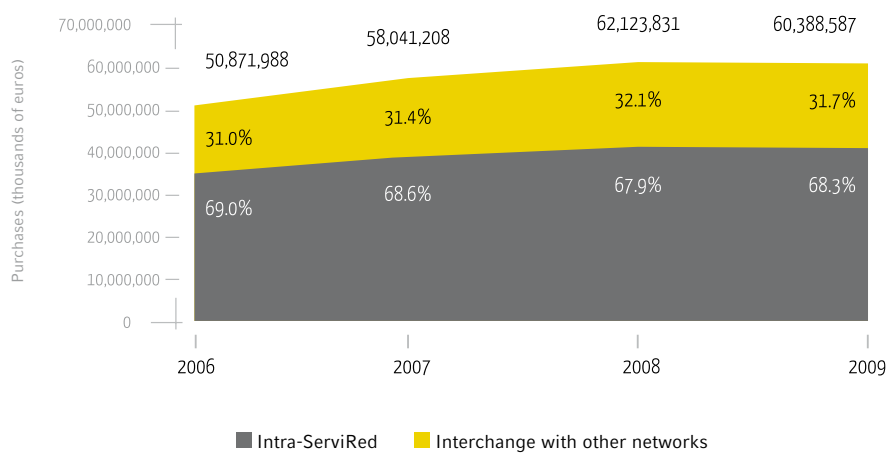
\* Purchases and cash withdrawals made with ServiRed cards abroad.  
Amounts in thousands of euros

### Growth in number of Merchants\*



(\*) Merchants served by ServiRed System financial institution members.

### Purchases at ServiRed Merchants\*



(\*) Intra-ServiRed: purchases made at ServiRed merchants with ServiRed cards.  
Interchange with other networks: purchases made at ServiRed merchants with non-ServiRed cards.

*Foreign cards were used at ServiRed  
merchants to make 74 million purchases  
worth 5,900 million euros*



*At all 723,689 ServiRed merchants a total of  
1,233 million purchases were made worth  
60,389 million euros*

*Barcelona is the province with the largest  
number of card payments*



## Purchases at ServiRed merchants by province

	Amounts (€)	Transactions	% of total	Avg. amount
Alava	373,490,375	6,679,356	0.6%	55.92
Albacete	263,144,111	5,106,426	0.4%	51.53
Alicante	1,596,363,896	26,469,898	2.7%	60.31
Almería	496,181,777	8,671,520	0.8%	57.22
Asturias	922,393,460	14,862,220	1.5%	62.06
Avila	80,734,027	1,547,012	0.1%	52.19
Badajoz	352,406,389	6,554,733	0.6%	53.76
Balearics	1,962,756,654	28,221,710	3.3%	69.55
Barcelona	14,267,315,566	269,994,960	23.9%	52.84
Burgos	257,796,272	4,834,381	0.4%	53.33
Caceres	170,652,031	3,200,055	0.3%	53.33
Cádiz	914,432,668	15,940,804	1.5%	57.36
Cantabria	408,220,713	6,540,733	0.7%	62.41
Castellon	803,681,776	15,988,421	1.3%	50.27
Ceuta	78,895,472	1,262,060	0.1%	62.51
Ciudad Real	359,070,031	6,650,778	0.6%	53.99
Cordova	303,820,510	5,665,186	0.5%	53.63
Corunna	532,367,740	9,104,500	0.9%	58.47
Cuenca	107,386,719	2,040,187	0.2%	52.64
Gerona	2,000,902,521	33,468,968	3.3%	59.78
Granada	631,941,642	10,434,488	1.1%	60.56
Guadalajara	177,819,190	3,778,066	0.3%	47.07
Guipuzcoa	888,527,297	13,821,890	1.5%	64.28
Huelva	319,722,964	5,916,815	0.5%	54.04
Huesca	209,633,916	3,643,152	0.4%	57.54
Jaen	215,485,800	3,830,390	0.4%	56.26
Leon	436,029,836	8,010,820	0.7%	54.43
Lerida	857,554,478	15,435,803	1.4%	55.56
Lugo	126,760,411	2,269,329	0.2%	55.86
Madrid	13,174,533,117	250,575,248	22.0%	52.58
Malaga	1,774,921,233	27,185,274	3.0%	65.29
Melilla	38,122,795	542,729	0.1%	70.24
Murcia	941,025,745	15,719,817	1.6%	59.86
Navarra	680,502,679	12,126,149	1.1%	56.12
Orense	83,360,283	1,504,900	0.1%	55.39
Palencia	121,950,193	2,252,327	0.2%	54.14
Palmas, Las	1,055,051,419	18,321,218	1.8%	57.59
Pontevedra	359,606,781	6,350,207	0.6%	56.63
Rioja, La	284,086,267	5,019,522	0.5%	56.60
Salamanca	256,806,184	4,653,575	0.4%	55.18
Saragossa	788,696,415	13,938,587	1.3%	56.58
Segovia	113,549,271	2,127,619	0.2%	53.37
Seville	1,398,926,373	26,155,578	2.3%	53.48
Soria	75,503,896	1,290,112	0.1%	58.53
Tarragona	1,657,577,717	31,168,476	2.8%	53.18
Tenerife	943,344,893	15,802,357	1.6%	59.70
Teruel	75,859,940	1,300,686	0.1%	58.32
Toledo	476,749,352	8,998,569	0.8%	52.98
Valencia	3,233,186,945	65,136,729	5.4%	49.64
Valladolid	557,727,502	9,635,810	0.9%	57.88
Vizcaya	1,441,822,918	23,023,014	2.4%	62.63
Zamora	143,657,284	2,669,033	0.2%	53.82
<b>TOTAL</b>	<b>59,792,057,442</b>	<b>1,085,442,195</b>	<b>100.0%</b>	<b>55.09</b>

Transactions authorised on line were distributed by sectors as indicated in the table.

## Purchases at ServiRed Merchants by Category

Retail Categories	Amounts (€)	Transactions	as % of total	Average amount
Car rentals	446,897,676	2,269,400	0.7%	196.92
Casinos	162,025,852	431,737	0.3%	375.29
Charities	6,724,732	228,583	0.0%	29.42
Chemists	728,648,354	25,639,996	1.2%	28.42
Hotels	2,493,808,400	14,483,955	4.2%	172.18
Household supplies	417,601,058	8,764,149	0.7%	47.65
Jewellers	543,467,359	5,537,892	0.9%	98.14
Large food outlets	13,789,140,136	314,837,542	23.1%	43.80
Leisure, entertainment	671,714,230	11,545,906	1.1%	58.18
Mail order/telephone sales	1,458,324,266	17,696,091	2.4%	82.41
Massage parlours, saunas, and discothèques	217,366,946	3,562,595	0.4%	61.01
Other	3,895,444,217	42,463,736	6.5%	91.74
Other large retail outlets	7,223,015,794	101,193,040	12.1%	71.38
Passenger transport	936,169,648	12,366,791	1.6%	75.70
Petrol stations	3,645,279,081	100,742,581	6.1%	36.18
Restaurants	4,019,302,987	84,347,046	6.7%	47.65
Retail merchants	14,899,890,123	255,618,300	24.9%	58.29
Small-amount categories	416,953,996	23,829,265	0.7%	17.50
Supermarkets	1,634,899,598	41,420,081	2.7%	39.47
Toll motorways	41,071,929	10,147,458	0.1%	4.05
Travel agencies	2,144,311,061	8,316,051	3.6%	257.85
<b>TOTAL</b>	<b>59,792,057,442</b>	<b>1,085,442,195</b>	<b>100.0%</b>	<b>55.09</b>

Transactions authorised on line were distributed as shown in the table.



*Retail merchants accounted for the largest  
volume of card purchases*

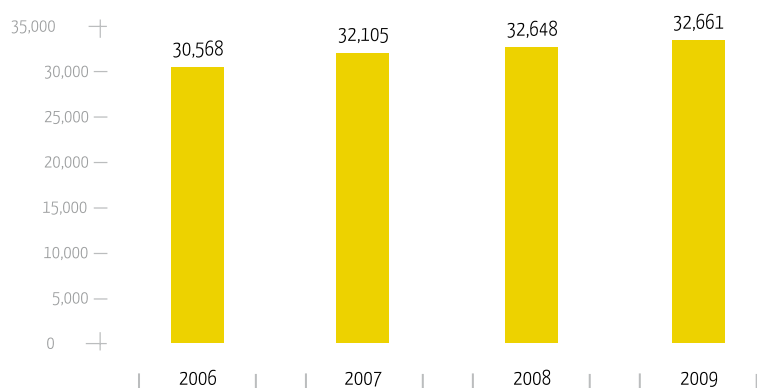


*More than half of all Spain's ATMs belong  
to the ServiRed network*

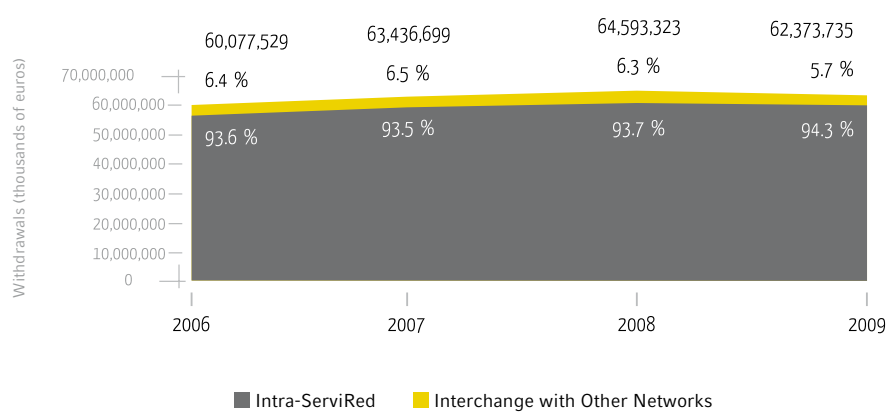


*The ServiRed ATM network distributed more  
than 62,000 million euros*

### Growth in number of ATMs



### Cash withdrawals from ServiRed ATMs



## Cash Withdrawals by Province

	Transactions	ATMs	Transactions per ATM	Population per ATM
Alava	3,147,052	196	16,035	1,599
Albacete	3,160,224	195	16,186	2,053
Alicante	14,312,825	1,062	13,474	1,805
Almería	8,471,812	349	24,273	1,961
Asturias	9,500,541	629	15,098	1,725
Avila	940,084	66	14,296	2,611
Badajoz	4,348,930	403	10,801	1,711
Balearics	10,905,106	680	16,041	1,611
Barcelona	117,569,872	6,595	17,827	832
Burgos	2,008,324	155	12,975	2,426
Caceres	1,593,744	133	12,026	3,121
Cadiz	8,798,779	489	18,007	2,518
Cantabria	3,791,103	212	17,845	2,774
Castellon	8,997,648	587	15,335	1,026
Ceuta	1,204,698	45	27,064	1,767
Ciudad Real	4,046,014	305	13,287	1,732
Cordova	3,563,612	317	11,254	2,539
Corunna	5,848,561	311	18,831	3,688
Cuenca	1,344,279	180	7,465	1,207
Gerona	13,651,254	911	14,977	820
Granada	7,706,493	490	15,739	1,853
Guadalajara	1,266,843	81	15,653	3,041
Guipuzcoa	7,934,060	383	20,693	1,841
Huelva	4,029,573	255	15,806	2,014
Huesca	1,581,344	146	10,855	1,568
Jaen	3,228,720	315	10,262	2,129
Leon	6,857,182	410	16,736	1,221
Lerida	6,414,311	504	12,732	866
Lugo	1,399,075	109	12,805	3,251
Madrid	113,531,939	6,000	18,922	1,064
Malaga	12,137,051	794	15,283	2,006
Melilla	798,232	24	32,877	3,026
Murcia	10,560,093	647	16,310	2,234
Navarra	6,367,482	421	15,130	1,498
Orense	1,157,109	82	14,121	4,096
Palencia	1,881,620	129	14,531	1,338
Palmas, Las	9,475,613	500	18,961	2,168
Pontevedra	4,613,799	266	17,341	3,607
Rioja, La	2,056,179	170	12,098	1,893
Salamanca	2,340,993	163	14,373	2,177
Saragossa	5,966,732	550	10,842	1,763
Segovia	960,691	65	14,838	2,546
Seville	12,582,024	822	15,298	2,310
Soria	863,934	58	14,982	1,649
Tarragona	13,711,443	931	14,732	863
Tenerife	7,861,577	445	17,662	2,293
Teruel	666,821	68	9,838	2,165
Toledo	4,176,271	326	12,820	2,117
Valencia	36,241,760	2,378	15,238	1,083
Valladolid	6,640,341	412	16,128	1,293
Vizcaya	12,030,703	761	15,814	1,515
Zamora	2,033,250	139	14,670	1,412
<b>TOTAL</b>	<b>536,277,721</b>	<b>32,661</b>	<b>16,420</b>	<b>1,431</b>

This breakdown of cash withdrawals includes all those made in ServiRed ATMs, with both domestic and foreign cards. Thus it includes those in which the card and the ATM belong to the same financial institution.



*Barcelona is the province with the most  
ServiRed ATMs*



*Some 27.5% of ServiRed ATMs are in towns  
with fewer than 20,000 people*



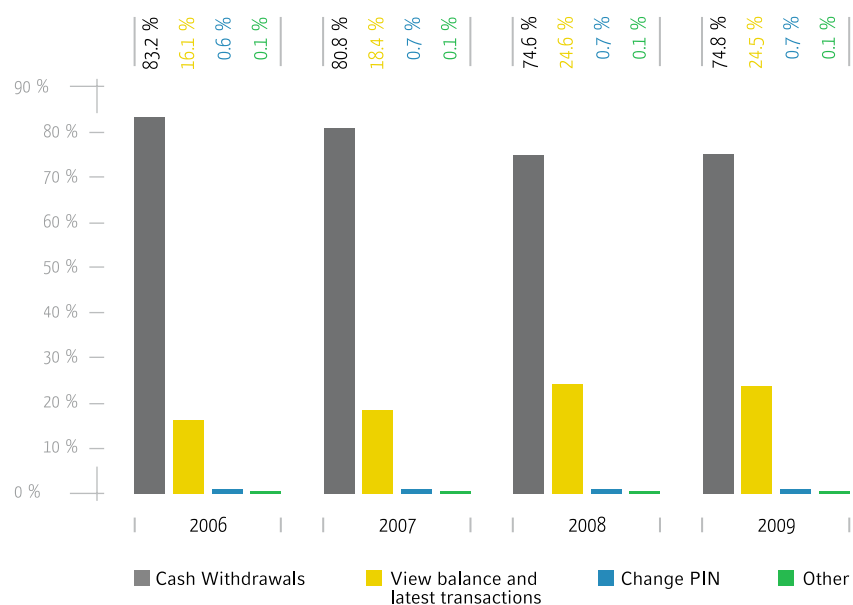
*Some 6% of the ATMs are not located in banks*



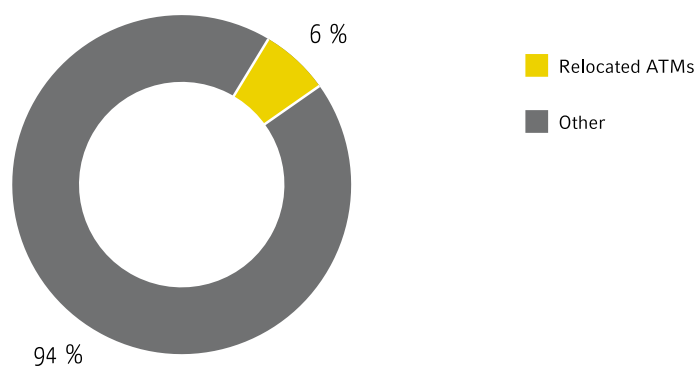
## Geographical Distribution of ATMs

Population	ATMs	ATMs as % of total	Inhabitants as % of total
>500.000	8.365	25.6%	16.3%
>100,001<500,000	7,824	24.0%	27.9%
>50,001<100,000	3,407	10.4%	14.3%
>20,001<50,000	4,092	12.5%	16.7%
<=20,000	8,972	27.5%	24.8%
<b>TOTAL</b>	<b>32,661</b>	<b>100.0%</b>	<b>100.0%</b>

## Type of ATM transaction



## Relocated ATMs as % of total





## Members of the ServiRed System



## Shareholder Members of the ServiRed System

### NRBE

(Bank of Spain Registry Number)

0009	Finanzia, Banco de Crédito
0019	Deutsche Bank, S.A.E.
0031	Banco Etcheverría
0057	Banco Depositario BBVA
0063	Banco de Servicios Financieros Caja Madrid - Mapfre
0065	Barclays Bank
0078	Banca Pueyo
0081	Banco de Sabadell
0099	Altae Banco
0106	Lloyds TSB Bank PLC, Sucursal en España
0121	Banco Occidental
0122	Citibank España
0125	Bancofar
0128	Bankinter
0129	BBVA Banco de Financiación
0130	Banco Caixa Geral
0131	Banco Espirito Santo, Sucursal en España
0133	Microbank de la Caixa
0138	Bankoa
0142	Banco de la Pequeña y Mediana Empresa
0152	Barclays Bank PLC
0182	Banco Bilbao Vizcaya Argentaria
0186	Banco de Finanzas e Inversiones
0188	Banco Alcalá
0198	Banco Cooperativo Español
0217	Banco Halifax Hispania
0220	Banco Finantia Sofinloc
0227	Uno-e Bank
0234	Banco Caminos
1469	Banco Sygma Hispania, Sucursal en España
1484	MBNA Europe Bank Limited, Sucursal en España
1490	Self Trade Bank, S.A
2013	Caixa d'Estalvis de Catalunya
2030	Caixa d'Estalvis de Girona
2038	Caja de Ahorros y Monte de Piedad de Madrid
2040	Caixa d'Estalvis Comarcal de Manlleu
2041	Caixa d'Estalvis de Manresa
2059	Caixa d'Estalvis de Sabadell
2073	Caixa d'Estalvis de Tarragona
2074	Caixa d'Estalvis de Terrassa
2077	Caja de Ahorros de Valencia, Castellón y Alicante, Bancaja
2081	Caixa d'Estalvis del Penedès
2096	Caja España de Inversiones, Caja de Ahorros y Monte de Piedad
2100	Caixa d'Estalvis i Pensions de Barcelona
3001	Caja Rural de Almendralejo
3005	Caja Rural Central
3007	Caja Rural de Gijón
3008	Caja Rural de Navarra
3009	Caja Rural de Extremadura
3016	Caja Rural de Salamanca
3017	Caja Rural de Soria
3020	Caja Rural de Utrera
3021	Caja Rural de Aragón
3022	Caja Rural de Fuentepeelayo

## NRBE

(Bank of Spain Registry Number)

3023	Caja Rural de Granada
3025	Caixa de Credit dels Enginyers - Caja de Crédito de los Ingenieros
3029	Caja de Crédito de Petrel, Caja Rural
3035	Caja Laboral Euskadiko Kutxa
3045	Caixa Rural Altea
3056	Caja Rural de Albacete
3058	Cajamar Caja Rural
3059	Caja Rural de Asturias
3060	Caja Rural de Burgos
3062	Caja Rural de Ciudad Real
3063	Caja Rural de Córdoba
3064	Caja Rural de Cuenca
3067	Caja Rural de Jaén
3070	Caixa Rural Galega
3076	Cajasiete, Caja Rural, Sociedad Cooperativa de Crédito
3078	Caja Rural de Segovia
3080	Caja Rural de Teruel
3081	Caja Rural de Toledo
3082	Caja Rural del Mediterráneo, Ruralcaja
3084	Ipar Kutxa Rural
3085	Caja Rural de Zamora
3094	Caja Campo, Caja Rural
3096	Caixa Rural de l'Alcudia
3098	Caja Rural Nuestra Señora del Rosario
3102	Caixa Rural Sant Vicent Ferrer de la Vall d'Uixo
3105	Caixa Rural de Callosa d'En Sarria
3111	Caixa Rural la Vall "San Isidro"
3114	Caja Rural Castellón - S. Isidro
3117	Caja Rural d'Algemesí
3118	Caja Rural de Torrent
3121	Caja Rural de Cheste
3127	Caja Rural de Casas Ibáñez
3128	Caja Rural de la Roda
3130	Caja Rural San José de Almassora
3137	Caja Rural de Casinos S.C.C.V.
3140	Caja Rural de Guissona
3146	Caja de Crédito Cooperativo
3147	Caixa Rural de Balears
3159	Caixa Popular
3171	Caixa dels Advocats, Caja de los Abogados
3177	Caja Rural de Canarias
3179	Caja Rural de Alginet
3183	Caja de Arquitectos, Sociedad Cooperativa de Crédito
3186	Caixa Rural Albalat dels Sorells, Cooperativa de Credit Valenciana
3187	Caja Rural del Sur
3188	Credit Valencia, Caja Rural Cooperativa de Crédito Valenciana
3189	Caja Rural Aragonesa y de los Pirineos
8321	Iberdrola Servicios Financieros
8776	Finconsum
8816	Sociedad Conjunta para la Emisión y Gestión de Medios de Pago

## Change of name

3076	Caja Rural de Tenerife, Sociedad Cooperativa de Crédito is now called Cajasiete, Caja Rural, Sociedad Cooperativa de Crédito
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#### Non-shareholding Members of the ServiRed System

##### NRBE

(Bank of Spain Registry Number)

1490	Self Trade Bank, S.A.
3137	Caja Rural de Casinos S.C.C.V.
3186	Caixa Rural Albalat dels Sorells, Cooperativa de Credit Valenciana





## Balance Sheet

Audited by PricewaterhouseCoopers Auditores, S.L.



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28046 Madrid  
Tel. +34 902 021 111  
Fax +34 913 083 566

### INFORME DE AUDITORÍA DE CUENTAS ANUALES

A los Accionistas de ServiRed, Sociedad Española de Medios de Pago, S.A. por encargo de los Administradores

1. Hemos auditado las cuentas anuales de ServiRed, Sociedad Española de Medios de Pago, S.A. que comprenden el balance de situación al 31 de diciembre de 2009, la cuenta de pérdidas y ganancias, el estado de cambios en el patrimonio neto, el estado de flujos de efectivo y la memoria correspondientes al ejercicio anual terminado en dicha fecha, cuya formulación es responsabilidad de los Administradores de la Sociedad. Nuestra responsabilidad es expresar una opinión sobre las citadas cuentas anuales en su conjunto, basada en el trabajo realizado de acuerdo con las normas de auditoría generalmente aceptadas, que requieren el examen, mediante la realización de pruebas selectivas, de la evidencia justificativa de las cuentas anuales y la evaluación de su presentación, de los principios contables aplicados y de las estimaciones realizadas.
2. De acuerdo con la legislación mercantil, los Administradores presentan, a efectos comparativos, con cada una de las partidas del balance, de la cuenta de pérdidas y ganancias, del estado de cambios en el patrimonio neto, del estado de flujos de efectivo y de la memoria, además de las cifras del ejercicio 2009, las correspondientes al ejercicio anterior. Nuestra opinión se refiere exclusivamente a las cuentas anuales del ejercicio 2009. Con fecha 2 de abril de 2009 emitimos nuestro informe de auditoría acerca de las cuentas anuales del ejercicio 2008 en el que expresamos una opinión favorable.
3. Tal y como se indica en la Nota 1 de la memoria de las cuentas anuales adjunta, con fecha 7 de octubre de 2009 el Consejo de Administración de ServiRed, Sociedad Española de Medios de Pago, S.A. acordó realizar la fusión por absorción de Sociedad de Inversiones en Medios de Pago, S.L.U. (SIMP) y de Sociedad Española de Medios de Pago, S.L.U. (SEMP). Al 31 de diciembre de 2009 dicha fusión aún no se había hecho efectiva al no haberse realizado la inscripción en el Registro Mercantil. Tal y como se indica en la Nota 25 de la memoria de las cuentas anuales adjunta, con fecha 17 de febrero de 2010 ha quedado inscrita en el Registro Mercantil de Madrid la Escritura Pública de fusión por absorción de Sociedad de Inversiones en Medios de Pago, S.L.U. (SIMP) y de Sociedad Española de Medios de Pago, S.L.U. (SEMP) con ServiRed, Sociedad Española de Medios de Pago, S.A. Al 31 de diciembre de 2009, los activos totales de Sociedad de Inversiones en Medios de Pago, S.L.U. (SIMP) y de Sociedad Española de Medios de Pago, S.L.U. (SEMP) ascendían a 14.187 miles de euros y 6.219 miles de euros, respectivamente y los resultados después de impuestos correspondientes al ejercicio 2009 de dichas sociedades ascendieron a 768 miles de euros y 40 miles de euros, respectivamente.



4. En nuestra opinión, las cuentas anuales del ejercicio 2009 adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera de ServiRed, Sociedad Española de Medios de Pago, S.A. al 31 de diciembre de 2009, y de los resultados de sus operaciones, de los cambios en el patrimonio neto y de los flujos de efectivo correspondientes al ejercicio anual terminado en dicha fecha y contienen la información necesaria y suficiente para su interpretación y comprensión adecuada, de conformidad con los principios y normas contables generalmente aceptados en la normativa española que resultan de aplicación y que guardan uniformidad con los aplicados en el ejercicio anterior.
5. El informe de gestión adjunto del ejercicio 2009 contiene las explicaciones que los Administradores consideran oportunas sobre la situación de la Sociedad, la evolución de sus negocios y sobre otros asuntos y no forma parte integrante de las cuentas anuales. Hemos verificado que la información contable que contiene el citado informe de gestión concuerda con la de las cuentas anuales del ejercicio 2009. Nuestro trabajo como auditores se limita a la verificación del informe de gestión con el alcance mencionado en este mismo párrafo y no incluye la revisión de información distinta de la obtenida a partir de los registros contables de la Sociedad.

PricewaterhouseCoopers Auditores, S.L.

A handwritten signature in blue ink, consisting of a large, stylized 'J' followed by several vertical strokes and a horizontal line.

José María Sanz Olmeda  
Socio - Auditor de Cuentas

25 de marzo de 2010







## Balance Sheet



## Balance Sheet

Audited by PricewaterhouseCoopers Auditores, S.L.

ASSETS	2009	2008
<b>NON-CURRENT ASSETS</b>	<b>102,246,175.10 €</b>	<b>88,120,191.53 €</b>
<b>Long-term Group and associated company investments</b>	<b>46,180,500.67 €</b>	<b>46,066,354.14 €</b>
Capital instruments	46,180,500.67 €	46,066,354.14 €
<b>Long-term financial investments</b>	<b>55,652,620.50 €</b>	<b>41,325,417.19 €</b>
Capital instruments	55,612,470.41 €	41,165,482.32 €
Loans to employees	40,150.09 €	55,975.97 €
Other financial assets	0.00 €	103,958.90 €
<b>Deferred tax assets</b>	<b>413,053.93 €</b>	<b>728,420.20 €</b>
Deferred tax assets	413,053.93 €	728,420.20 €
<b>CURRENT ASSETS</b>	<b>25,024,294.51 €</b>	<b>71,137,013.13 €</b>
<b>Inventories</b>	<b>114,242.03 €</b>	<b>106,830.35 €</b>
Trade inventories	114,242.03 €	106,830.35 €
<b>Trade debt and other receivables</b>	<b>12,018,638.43 €</b>	<b>10,950,591.13 €</b>
Customer sales and services receivables	935,898.50 €	132,859.09 €
Customers, group and associated companies receivables	184,358.75 €	238,295.29 €
Sundry debtors	184,498.75 €	966,450.41 €
Personnel	9,642.96 €	13,874.41 €
Current tax assets	9,262,188.40 €	8,877,548.01 €
Other receivables, from public authorities	1,437,951.07 €	716,863.92 €
Advances to suppliers	4,100.00 €	4,700.00 €
<b>Group and associated company investments CP</b>	<b>0.00 €</b>	<b>138.54 €</b>
Other financial assets	0.00 €	138.54 €
<b>Short-term investments</b>	<b>4,515,031.40 €</b>	<b>50,445,383.70 €</b>
Capital instruments	1,401,247.34 €	1,362,579.41 €
Other credits	1,058.72 €	10,174.16 €
Debt securities	3,616.44 €	0.00 €
Other financial assets	3,109,108.90 €	49,072,630.13 €
<b>Short-term accruals and prepayments</b>	<b>594.15 €</b>	<b>594.15 €</b>
Short-term accruals and prepayments	594.15 €	594.15 €
<b>Cash and banks</b>	<b>8,375,788.50 €</b>	<b>9,633,475.26 €</b>
Cash and banks	8,375,788.50 €	9,633,475.26 €
<b>TOTAL ASSETS</b>	<b>127,270,469.61 €</b>	<b>159,257,204.66 €</b>

<b>NET ASSETS AND LIABILITIES</b>	<b>2009</b>	<b>2008</b>
<b>NET ASSETS</b>	<b>116,100,722.27 €</b>	<b>151,590,755.88 €</b>
<b>Capital and reserves</b>	<b>90,135,558.87 €</b>	<b>152,434,968.21 €</b>
<b>Capital</b>	<b>20,780,236.10 €</b>	<b>20,780,236.10 €</b>
Subscribed capital	20,780,236.10 €	20,780,236.10 €
<b>Issue Premium</b>	<b>25,945,118.93 €</b>	<b>25,945,118.93 €</b>
Issue Premium	25,945,118.93 €	25,945,118.93 €
<b>Reserves</b>	<b>39,434,613.17 €</b>	<b>2,900,600.28 €</b>
Legal and statutory reserves	4,472,116.53 €	655,193.98 €
Other reserves	34,962,496.64 €	2,245,406.30 €
<b>Earnings</b>	<b>3,975,590.67 €</b>	<b>102,809,012.90 €</b>
Market value adjustments	3,975,590.67 €	102,809,012.90 €
<b>Financial assets held for sale</b>	<b>25,965,163.40 €</b>	<b>(844,212.33)€</b>
<b>Financial assets held for sale</b>	<b>25,965,163.40 €</b>	<b>(844,212.33)€</b>
Financial assets held for sale	25,965,163.40 €	(844,212.33)€
<b>NON-CURRENT LIABILITIES</b>	<b>3,788,616.41 €</b>	<b>1,616,754.00 €</b>
<b>Long-term provisions</b>	<b>3,445,564.77 €</b>	<b>1,372,715.70 €</b>
Provision for pensions and similar	545,564.77 €	572,715.70 €
Other provisions	2,900,000.00 €	800,000.00 €
<b>Long-term debt</b>	<b>283,577.14 €</b>	<b>196,164.18 €</b>
Other financial liabilities	283,577.14 €	196,164.18 €
<b>Deferred tax liabilities</b>	<b>59,474.50 €</b>	<b>47,874.12 €</b>
Deferred tax liabilities	59,474.50 €	47,874.12 €
<b>CURRENT LIABILITIES</b>	<b>7,381,130.93 €</b>	<b>6,049,694.78 €</b>
<b>Short-term debt</b>	<b>338,605.89 €</b>	<b>149,226.80 €</b>
Other financial liabilities	338,605.89 €	149,226.80 €
<b>Short-term debt with group and associated companies</b>	<b>79,948.18 €</b>	<b>0.00 €</b>
Trade creditors and other payables	79,948.18 €	0.00 €
<b>Suppliers</b>	<b>6,962,576.86 €</b>	<b>5,900,467.98 €</b>
Suppliers, group and associated companies	5,150,913.88 €	3,906,488.49 €
Sundry creditors	0.00 €	8,124.28 €
Personnel (payments pending)	411,950.21 €	1,398,048.63 €
Liabilities for current tax	115,284.06 €	339,648.16 €
Customer advances	1,284,426.62 €	248,158.42 €
Anticipos de clientes	2.09 €	0.00 €
<b>TOTAL NET ASSETS AND LIABILITIES</b>	<b>127,270,469.61 €</b>	<b>159,257,204.66 €</b>



## Profit and Loss Account





## Profit and Loss Account

Audited por PricewaterhouseCoopers Auditores. S.L.

	2009	2008
<b>ONGOING OPERATIONS</b>		
NET TURNOVER	3,640,045.81 €	1,664,962.41 €
Sales	35,101.55 €	56,347.74 €
Provision of services	3,604,944.26 €	1,608,614.67 €
SUPPLIES	26,810.11 €	43,549.86 €
Consumption of merchandise	34,468.34 €	34,795.56 €
Consumption of raw materials and other consumables	(7,658.23)€	8,754.30 €
OTHER OPERATING INCOME	3,533,540.50 €	648,715.92 €
Ancillary and other management income	3,533,540.50 €	648,715.92 €
PERSONNEL COSTS	2,373,284.90 €	1,540,424.59 €
Wages and salaries	2,338,961.25 €	1,499,788.02 €
Personnel benefits	34,323.65 €	40,636.57 €
OTHER OPERATING EXPENSES	9,925,324.41 €	8,734,624.89 €
External services	8,091,488.83 €	8,321,113.93 €
Taxes	1,833,835.58 €	413,510.96 €
<b>OPERATING RESULTS</b>	<b>(5,151,833.11)€</b>	<b>(8,004,921.01)€</b>
FINANCIAL INCOME	1,261,138.69 €	127,542,848.88 €
Participation in capital instruments	524,339.53 €	126,654,956.43 €
From negotiable securities and other financial instruments	736,799.16 €	887,892.45 €
FINANCIAL EXPENSES	12,214.57 €	11,738.99 €
Arising from debt with group and associated companies	5,688.70 €	796.05 €
Debt with third parties	6,525.87 €	10,942.94 €
EXCHANGE RATE DIFFERENCES	(105.28)€	(567.89)€
IMPAIRMENT AND INCOME FROM DISPOSAL OF FINANCIAL INSTRUMENTS	7,784,292.23 €	0.00 €
Earnings from disposals and others	7,784,292.23 €	0.00 €
<b>FINANCIAL RESULT</b>	<b>9,033,111.07 €</b>	<b>127,530,542.00 €</b>
<b>PROFIT BEFORE TAXES</b>	<b>3,881,277.96 €</b>	<b>119,525,620.99 €</b>
CORPORATE INCOME TAX	(94,312.71)€	16,716,608.09 €
<b>YEAR'S EARNINGS FROM ONGOING OPERATIONS</b>	<b>3,975,590.67 €</b>	<b>102,809,012.90 €</b>
<b>DISCONTINUED</b>		
<b>PROFIT FOR THE YEAR</b>	<b>3,975,590.67 €</b>	<b>102,809,012.90 €</b>



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