



SECOND QUARTER RESULTS APRIL-JUNE 2008

Highlights

- In the first half of 2008, Renta 4's net money inflows were €257 million, totalling €4,016 million of **total client assets under management** at 30 June 2008. This inflow of new funds partially offset the negative market impact caused by stock market declines.
- **Total revenue** rose by 2.6% from January to June amounting €37.7 million.
- **Consolidated profit** in the first half of 2008 dropped 23.4% to €6.1 million, against €8 million from the same period of last year. In the second quarter was €3.2 million, only 7.8% less than the €3.5 million reached last year. For comparative purposes, in 2008 second quarter was better than the first one, showing an increase of 9.1% for the period in terms of consolidated profit.
- **Total number of accounts** was 108,144 at 30 June 2008, 10% more than at the end of last year, while the **total number of executed orders** rose 4.6% in the first half of the year.

Main figures

€ Thousand	January - June			Accumulated		
	Q2 08	Q2 07	%	2008	2007	%
* Total Assets Under Management (€ Mill.)				4,016	3,669	9.4%
Total Revenues	17,980	17,992	-0.1%	37,872	36,923	2.6%
Net Operating Income	4,390	4,768	-7.9%	8,688	11,239	-23.3%
Consolidated Profit	3,201	3,473	-7.8%	6,136	8,006	-23.4%
Number of Accounts				108,144	87,509	23.5%
Average Number of Shares (Mill.)				40.693	32.496	

Consolidated Statement of Income

	Q2 08	Q2 07	%	Ac. 08	Ac. 07	%
Revenues	17,980	17,992	-0.1%	37,872	36,923	2.6%
Fee and commission income	10,347	12,555	-17.6%	23,391	26,856	-12.9%
Interest and similar income	5,399	4,335	24.5%	10,975	8,010	37.0%
Return on equity instruments	2,234	1,102	102.7%	3,506	2,057	70.4%
Expenses	-6,415	-6,047	6.1%	-13,652	-12,434	9.8%
Fee and commission expenses	-2,524	-2,806	-10.0%	-5,760	-6,562	-12.2%
Interest and similar expenses	-3,891	-3,241	20.1%	-7,892	-5,872	34.4%
Net trading income & AFSA (*)	719	121	494.2%	508	1,450	-65.0%
Personnel	-3,969	-4,176	-5.0%	-8,087	-7,538	7.3%
Other general administrative expenses	-3,357	-3,041	10.4%	-6,810	-6,141	10.9%
Depreciation and amortization	-568	-481	18.1%	-1,143	-931	22.8%
NET OPERATING INCOME	4,390	4,768	-7.9%	8,688	11,329	-23.3%
Other income and expenses	-416	-38	994.7%	-873	151	n.s
PROFIT BEFORE TAX	3,974	4,806	-17.3%	7,815	11,480	-31.9%
Income tax expenses	-773	-1,333	-42.0%	-1,679	-3,474	-51.7%
CONSOLIDATED PROFIT	3,201	3,473	-7.8%	6,136	8,006	-23.4%

AFSFA: Available-for-sale-financial assets

Operating data

At 30 June 2008, Renta 4's **client assets under management** totalled €4,016 million, 5.4% lower than at the end of December 2007. This decrease was caused by negative market effect valuation, which was €484 million in the period. However, net money inflow of €257 million offset more than half of this decline.

Investment funds amounted €666.7 million, which was 10.3% lower than the €742.9 million recorded at December 2007. Despite this decline, the relative Renta 4's performance was positive compared with the overall Spanish market, which decreased by 16.1% in this first half of the year.

As well, it is important to highlight the increase in number of **SICAVs** from January to June, growing from 51 at year-end 2007 to 55 and amounted a total assets under management of €520 million.

Pension funds grew by 12% compared to December 2007 until €108 million. Net money inflows at June 2008 was nearly of 80% of the total figure reached in full year 2007.

The **total number of accounts**, in the first half of the year, went up by 10% to 108,144 , maintaining the positive trend showed in the first quarter.

Total number of executed orders from January to June rose 4.6%, from 1.16 million last year to 1.21 million in 2008.

The **on-line channel** maintained its growing weight in the retail business segment, totalled 64.4% of revenues (+7.6pp) and 81% of orders (+4.0pp).

Revenues

- **Second quarter 2008 (April- June)**

Total revenue was in line with last year figure, amounted €18 million.

“Fee and commission income” fell 17,6% to €10.4 million. In line with the first quarter performance, the increase in commissions from some products as derivatives (+91.2%), fixed income markets (+155.9%) and the CFDs launched in April, partially offset the decline suffered in other, as stock markets.

Fee and commission income from **“Asset Management”** dropped by 20,3%, due to lower revenues generated by performance-fee charges.

“Interest and similar income” rose 24.5% year-on-year to €5.4 million, driven by higher interest rates compared to last year.

“Net trading income & AFSFA”, went up by 38% against last year to €0,7 million, giving a positive result despite negative market conditions.

- **First half 2008 (January-June)**

Total revenue was €37.9 million, 2.6% more than last year.

“Fee and commission income” was €23.4 million, which is 12.9% less than €26.9 million reached last year. Net commissions, calculated as difference between commissions received and paid, amounted €17.6 million. This decline of 13,1% was mainly caused by lower brokerage commissions (-15.9%), that was partially offset by the positive evolution of corporate services (+22.5%).

Revenue from **“Interest and similar income”** improved 37.0% in the half year to €11 million. Net interest, calculated as difference between interest received and paid, was €3.1 million, up 44.2% on the same period in 2007.

“Return on equity instruments” (dividends) in the half year was €3.5 million, mainly due to the two dividends received from the Renta 4’s stake in Bolsas y Mercados (BME), which totalled €1.58547 per share.

Lastly, it is important to note that **“Net trading income & AFSFA”** showed a positive result of €0.5 million against €1.5million from last year due to the beginning of deterioration in the financials markets in 2007 that become to get worse specially last summer.

Costs

- **Second quarter 2008 (April-June)**

Operating costs in the quarter, including depreciation and amortization, was €7.9 million, only 2.5% higher than the same period last year.

“**Personnel expenses**” dropped 5.0%, to €4 million in the quarter, mainly due to the effect caused by lower payments in variable cost linked to the Company results.

In line with the Company’s forecast “**Other general administrative expenses**” went up 10.4%, reaching €3.4 million. This growth was partially caused by the increased in the number of branches in the period.

The growth of 18% in “**depreciation and amortization**” was caused by higher investment in equipment and technology.

- **First half 2008 (January-June)**

“**Personnel expenses**” amounted €8.1 million, which represents a 7.3% increase against 2007, due to the 12.4% rise in the average number of employees, from 275 to 309.

“**Other general administrative expenses**” rose 10.9% in the first six months of the year, to €6.8 million. The items which rose most were rentals and computer hardware, for the reasons mentioned above. For this reason the trend is going to be levering off in coming quarters.

Renta 4 **maintains its target about cost control policy for the second half of the year.**

Other income and expenses

The trend in the first quarter continued throughout the second, giving a negative result of €0.9 million in the first half, compared to €0.2 million of income in the same period last year.

Net operating income

Net operating income for the quarter was €4.4 million, down 7.9% against the €4.8 million reached last year. For the first half 2008 totalled €8.7 million, down 23.3% year-on-year.

For comparative purposes, in 2008 second quarter was better than the first one, showing and increase of 9.1% for the period in terms of consolidated profit.

Market situation and outlook

Financial markets condition remained broadly unchanged, been **extremely unstable** in second quarter of the year. In this situation, **Renta 4's business model** showed a **strong stability** thanks its **sources of revenues'** diversity and the **commercial activity developed through the branch network**.

The Company expects **improving its market share** in pension funds, investment funds and SICAVs, achieving again **new net money inflows** in the second half of 2008.

Also, Renta 4 will continue adopting **cost control policies** tending to the improvement of our operative profitability and business activity.

Renta 4 expects to maintain or improve in the second half of 2008 the levels of activity and profitability achieved in the first half of the year, based in a progressive markets normalization.

Consolidated Balance Sheet

	Jun. 2008	Dec. 2007
Intangible assets	10,614	10,735
Property and equipment	30,912	30,435
Available-for-sale-financial-assets	69,134	107,921
Deferred tax assets	1,762	1,680
Loans and receivables	2,361	2,216
Other assets	0	0
NON-CURRENT ASSETS	114,783	152,987
Other assets	1,958	2,266
Current tax assets	3,800	3,758
Loans and receivables	322,966	360,248
Financial assets held for trading	5,488	6,937
Cash and cash equivalents	158,504	191,786
CURRENT ASSETS	492,716	564,995
TOTAL ASSETS	607,499	717,982

	Jun. 2008	Dec. 2007
Minority interest	1,101	1,099
Valuation adjustments	5,343	40,545
Equity	120,153	122,851
EQUITY	126,597	164,495
Financial liabilities	64,165	77,144
Deferred tax liabilities	3,388	19,078
NON-CURRENT LIABILITIES	67,553	96,222
Financial liabilities held for trading	423	486
Financial liabilities	407,127	452,082
Provisions	120	120
Current tax liabilities	5,086	3,446
Accrued expenses and deferred income	593	1,131
CURRENT LIABILITIES	413,349	457,265
TOTAL EQUITY AND LIABILITIES	607,499	717,982

The main differences in the balance sheet appear under "Available-for-sale financial assets" that includes the valuation of Renta 4's stake in Bolsas y Mercados (BME), which was trading at €46.60 per share in December 2007 compared to €23.65 at 30 June 2008.

This interim Report is published in Spanish and English. In the event of any difference between English version and the Spanish original, the Spanish version shall govern