



## FIRST QUARTER RESULTS JANUARY-MARCH 2008

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### Highlights

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- During first quarter Renta 4's net money inflows were €266 million totalled €4,213 million of **client assets under management** at 31 March 2008. In this regard, it is worth noting this inflow of funds nearly fully offset the negative market impact arising from the financial turbulence in the period.
- **Total revenue** amounted to €19.7 million, an improvement of 4.5% compared to last year.
- **Fee and commission income** was €12.8 million, 9.7% less than same period of last year (noted that Q1 2008 had less trading sessions because Easter was in April in 2007 and this year was placed in March).
- **Net Operating Income** totalled €4.3 million, against €6.5 million from last year. This fall was mainly due to the result of net trading income, caused by the decrease of valuation of financial assets held for trading.
- **Consolidated profit** reached €2.9 million, compared to €4.5 million from last year, mainly caused, as we said before, for the decrease of financial assets held for trading valuation.
- A **gross interim dividend** of €0.15 per share was paid on 11 February 2008, which, along with the additional €0.05 final dividend approved at the last General Shareholders' Meeting, brings the total payout for 2007 to 53%.
- On 1 April 2008, Renta 4 joined the Madrid Stock Exchange's **Ibex Small Cap Index**.

## Main figures

€ Thousand	1 <sup>st</sup> Quarter 2008		
	Q1 08	Q1 07	%
<b>*Total Assets Under Management (€ Mill.)</b>	<b>4,213</b>	<b>4,243</b>	<b>-0.7%</b>
Total Revenues	19,673	18,825	4.5%
<b>Net Operating Income</b>	<b>4,290</b>	<b>6,561</b>	<b>-34.6%</b>
<b>Attributable to Equity Holders of the Parent</b>	<b>2,935</b>	<b>4,533</b>	<b>-35.3%</b>
Equity	137,170	164,495	-16.6%
Number of shares	40,693,203	32,496,090	

(\*) Compared with Dec. 07

## Consolidated Statement of Income

	Q1 08	Q1 07	%
<b>Revenues</b>	<b>19,673</b>	<b>18,825</b>	<b>4.5%</b>
Fee and commission income	12,825	14,195	-9.7%
Interest and similar income	5,576	3,675	51.7%
Return on equity instruments	1,272	955	33.2%
<b>Expenses</b>	<b>-7,237</b>	<b>-6,387</b>	<b>13.3%</b>
Interest and similar expenses	-4,001	-2,631	52.1%
Fee and commission expenses	-3,236	-3,756	-13.8%
<b>Net trading income</b>	<b>-219</b>	<b>929</b>	<b>-123.6%</b>
<b>Net foreign current translation differences</b>	<b>219</b>	<b>106</b>	<b>106.6%</b>
Personnel	-4,118	-3,362	22.5%
Other general administrative expenses	-3,453	-3,100	11.4%
Depreciation and amortization	-575	-450	27.8%
<b>NET OPERATING INCOME</b>	<b>4,290</b>	<b>6,561</b>	<b>-34.6%</b>
Other income and expenses	-449	113	n.s
<b>PROFIT BEFORE TAX</b>	<b>3,841</b>	<b>6,674</b>	<b>-42.4%</b>
Income tax expenses	-906	-2,141	-57.7%
<b>CONSOLIDATED PROFIT</b>	<b>2,935</b>	<b>4,533</b>	<b>-35.3%</b>
Net profit for the Group	2,922	4,490	-34.9%
Minority interest	13	43	-69.7%

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## Operating data

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At 31 March 2008 Renta 4's **client assets under management** totalled €4,213 million, practically the same as at 31 December 2007. This is explained by a net money inflow of €266 million, which nearly fully offset the negative impact caused for the markets environment, which was reflected in a 12.6% decline in the Ibex 35 index in the quarter.

Assets in **investment funds** amounted to €710 million against €742.9 million from December 2007. Despite this 4.5% decline, the relative Renta 4's performance was positive compared with the overall Spanish market, which decreased by 8.5%

Meanwhile, the total **number of accounts**, proprietary and customer, grew by 7.1% from December 2007 to 105,321.

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## Revenue

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Renta 4 achieved total revenues of €19.7 million in first quarter, an increase of 4.5% from a year earlier.

**Fees and commission income** amounted to €12.8 million, 9.7% less than previous quarter. There are some reasons in order to explain this quarterly evolution.

- The comparison with the first quarter of 2007, when the Company had the biggest volume in brokerage services, higher than the rest of the year.
- A calendar effect, because in 2007 Easter was in April, while in 2008 fell in March, reducing the number of trading sessions in the period.
- The average daily brokerage fees and commissions in first quarter 2008 went up 1% against the average figure for the full year 2007.
- The wide range of Renta 4's products allowed that decrease in fee and commission income in some markets, as stock markets, was offset with the growth in others, as derivatives.
- Corporate Services amounted €1.4 million, compared with €0.7 million from the same period of last year, which represents an increase of 83.4%

Revenues from **"Interest and similar income"** improved 51.7% compared to 2007. The net result between interest income and expense improved 50.9%, from €1.0 million in 2007 to €1.6 million in 2008. This trend is likely to continue in the coming quarters.

Finally, it is worth noting that **"Net trading income"** posted a loss of €0.2 million. This figure, which represents a decline of more than €1.1 million compared to the same quarter a year earlier, explains half of the decrease in the net operating income compared to 2007.

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## Costs

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Operating costs in the quarter were €8.1 million, rose by 17.9% from a year earlier.

**"Personnel expenses"** went up by 22.5%, due to the increase in the average number of employees, 13.2% more than year earlier, which rose from 272 to 308 people. The Company expects to moderate the quarterly year on year comparison in coming quarters leveraging of this figure to finish 2008 with a growth around 10%.

**"Other general administration expenses"** grew by 11.4%, due mainly to higher cost spending on advertising and public relations (up 35.7%), which some of them still come from the IPO process.

For the rest of the year, Renta 4 will implement a cost control policy, forecasting a total growth at 10% maximum in operating cost for 2008 respect to €30.1 million figure published in 2007.

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## Net Operating Income

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**Net Operating Income** in the quarter amounted to €4.3 million compared to €6.5 million a year earlier. Excluding "Net trading income", which includes the result from the trading portfolio Renta 4 holds in some listed stocks, Net Operating Income would have been €4.5 million compared to €5.6 million in the same period of 2007.

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## Other Income and Expenses

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Amounted a net loss of €0.4 million against a net profit of €0.1 million in the same quarter of last year, due to impairment losses.

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## Market situation and outlook

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**Renta 4** expects a progressive normalization in markets during this year, that will allow maintain our growth and expansion targets for 2008.

**In the medium term, Renta 4 maintains unchanged the targets set out in its 2008-2009 Strategic Plan**, based on expanding business at our branches, a solid technological platform and the introduction of a wider range of financial products that satisfy the needs of our customers regardless of market conditions.

## Consolidated Balance Sheet

	Mar. 2008	Dec. 2007
Intangible assets	10,672	10,735
Property and equipment	30,863	30,435
Available-for-sale-financial-assets	81,003	107,921
Deferred tax assets	1,830	1,680
Loans and receivables	2,417	2,216
Other assets	1	0
<b>NON-CURRENT ASSETS</b>	<b>126,786</b>	<b>152,987</b>
Other assets	2,300	2,921
Current tax assets	4,256	3,758
Loans and receivables	398,018	359,593
Financial assets held for trading	5,620	6,937
Cash and cash equivalents	166,868	191,786
<b>ACTIVOS CORRIENTES</b>	<b>577,062</b>	<b>564,995</b>
<b>TOTAL ASSETS</b>	<b>703,848</b>	<b>717,982</b>

	Mar. 2008	Dec. 2007
Minority interest	1,111	1,099
Valuation adjustments	16,465	40,545
Equity	119,594	122,851
<b>EQUITY</b>	<b>137,170</b>	<b>164,495</b>
Financial liabilities	70,172	77,144
Deferred tax liabilities	8,779	19,078
<b>NON-CURRENT LIABILITIES</b>	<b>78,951</b>	<b>96,222</b>
Financial liabilities held for trading	1,325	486
Financial liabilities	480,027	452,082
Provisions	120	120
Current tax liabilities	5,532	3,446
Accrued expenses and deferred income	723	1,131
<b>CURRENT LIABILITIES</b>	<b>487,727</b>	<b>457,265</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>703,848</b>	<b>717,982</b>

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 €30.94 per share at 31 March 2008 compared to €46.60 per share in December 2007.