



CAIXA GERAL DE DEPÓSITOS CONSOLIDATED OPERATIONS

30 JUNE 2009

(1st Half)

1 – HIGHLIGHTS

CAIXA GERAL DE DEPÓSITOS - 30 JUNE 2009

BANKING

- Caixa Geral de Depósitos Group's **net income** from banking operations, penalised by the slowdown in international economic activity, was down 3.9% over first half 2008 to **EUR 305.8 million**.
- **Domestic operations** contributed **EUR 257.6 million**. Particular reference should be made to the performance of commercial and investment banking with EUR 228.8 million and EUR 20.8 million respectively up 14.3% and 36.8% over the same period, last year respectively.
- **International operations** totalled **EUR 48.2 million**.
- **Net operating income from banking operations** was up 11.3% to EUR 1 391 million, translating an excellent level of performance in terms of domestic commercial banking.
- There was a 3 pp improvement in **cost-to-income** to 48.4% against the 51.5% recorded in 2008.
- **Loans and advances to customers** (gross) were up 9% to EUR 79 billion. Loans and advances to the corporate and institutional sector, in Portugal, were up 13.8% and mortgage loans up 3.8%, translating **CGD's endeavours to finance companies and households** without fully implementing the increase in **spreads**.
- The **credit overdue for more than 90 days** ratio was 2.23%, and non-performing credit of 2.67%, calculated under Bank of Portugal rules. The **level of cover** for credit overdue for more than 90 days was 128.3%.

Retail resources in the balance sheet, influenced by the 8% increase in the evolution of customer deposits, based on the 12.4% growth of term deposits and savings accounts, were up 10.4% to EUR 69.7 billion.

- The **deposits-to-loans conversion rate** was 123.8%, against the preceding year's 125.5%, translating CGD's highly satisfactory liquidity level.

INSURANCE OPERATIONS

- Caixa Seguros e Saúde reinforced its **leading position in the domestic insurance market**, in first half 2009, with a total life and non-life insurance market share of 28.7% against a year 2008 figure of 24.3%, with an 11% increase in sales.
- The level of operating performance was unable to prevent net losses of EUR 78.3 million in comparison to net income of EUR 36 million in 2008. This was the result of a major **depreciation in the value of securities and financial investments portfolios** affecting Caixa Seguros e Saúde (EUR 89.6 million) in addition to the results of its hospital operations, including the impact of disinvestment in USP Hospitales Group.
- Caixa Seguros e Saúde achieved EUR 1 949 million in **direct insurance premiums** sales, in Portugal, at the end of 1st half 2009.
- Notwithstanding the international crisis, Caixa Seguros e Saúde continues to enjoy comfortable **solvency levels**, having achieved a cover rate of 151.6% on the respective margin.

CONSOLIDATED OPERATIONS

- **Net income** from Caixa Geral de Depósitos Group's consolidated operations was down 35.8% over the same period last year to EUR 227.4 million. This was mainly due to the evolution of results in the insurance and healthcare areas and slowdown in banking activity in international markets.
- The 9.2% reduction in **net interest income** to EUR 1 040.7 million, was particularly due to the major reductions in interest rates, starting 4th quarter 2008, which affected returns, owing to the large proportion of mortgage loans (around 50% of domestic credit) in terms of portfolio composition.
- **Provisions** for impairment on credit and other assets were up EUR 97 million to EUR 410 million over the same period last year.
- **Return on equity (ROE)** was 10.9%.
- The group's **net assets** were up 9.2% over June 2008 to EUR 118.2 billion.
- **Total resources taken** by the group (excluding the Interbank money market) were up 9.3% over the preceding year to EUR 104.8 billion. The balance on resources taken from institutional investors in the form of own issues was up EUR 3.3 billion or 15.5%.
- The **consolidated solvency ratio** for June, considering retained earnings for the half year, was 12.75%, with TIER 1 of 8.34% and Core TIER 1 of 8.15%.

2- MAIN INDICATORS

CAIXA GERAL DE DEPÓSITOS

Consolidated Operations at 30 June 2009

Summary of Main Indicators

(EUR million)

	Jun/08	Dec/08	Jun/09	Change	
				Jun/09 - Jun/08	Jun/09 - Dec/08
Results (*) :					
Net interest income	1 037.5	1 040.6	937.1	-9.7%	-9.9%
Net interest income, including income from equity instruments	1 146.6	1 100.7	1 040.7	-9.2%	-5.4%
Commissions (net)	199.9	209.4	224.9	12.5%	7.4%
Net operating income from commercial banking	1 237.4	1 250.0	1 162.0	-6.1%	-7.0%
Non-interest income	159.6	422.4	389.1	143.8%	-7.9%
Technical margin on insurance operations	271.3	257.5	198.1	-27.0%	-23.0%
Net operating income from banking and insurance	1 577.5	1 780.6	1 628.0	3.2%	-8.6%
Gross operating income	713.3	861.2	708.1	-0.7%	-17.8%
Income before tax and minority shareholders' interests	422.3	330.9	298.6	-29.3%	-9.8%
Net income for period	354.2	229.5	227.4	-35.8%	-0.9%
Balance Sheet:					
Net assets	108 263	111 060	118 181	9.2%	6.4%
Cash and cash equivalents and loans and advanc. to credit inst.	9 274	8 067	11 630	25.4%	44.2%
Securities investments	22 263	21 339	23 866	7.2%	11.8%
Loans and advances to customers (net)	70 753	75 311	76 788	8.5%	2.0%
Loans and advances to customers (gross)	72 524	77 432	79 050	9.0%	2.1%
Central banks' and credit institutions' resources	6 924	6 952	6 402	-7.5%	-7.9%
Customer resources	56 359	60 128	62 047	10.1%	3.2%
Debt securities	20 200	19 929	24 062	19.1%	20.7%
Technical provisions for insurance operations	7 481	7 192	6 971	-6.8%	-3.1%
Shareholders' equity	4 806	5 484	6 529	35.8%	19.0%
Resources Taken	95 851	98 310	104 784	9.3%	6.6%
Profit and Efficiency Ratios:					
Gross return on equity - ROE (1) (2)	16.4%	12.6%	10.9%		
Net return on equity - ROE (1)	14.6%	9.6%	9.1%		
Gross return on assets - ROA (1) (2)	0.82%	0.61%	0.54%		
Net return on assets - ROA (1)	0.74%	0.47%	0.44%		
Cost-to-Income (2)	54.0%	51.2%	56.5%		
Cost-to-Income Banking (2)	51.5%	46.1%	48.4%		
Employee costs / Net operating income (2)	30.7%	27.9%	32.3%		
Net operating income / Average net assets (2)	3.19%	3.34%	2.92%		
Credit Quality and Cover Levels:					
Overdue credit / Total credit	2.16%	2.38%	2.71%		
Credit more than 90 days overdue / Total credit	1.86%	2.00%	2.23%		
Non-performing credit / Total credit (2)	2.18%	2.33%	2.67%		
Non-performing credit (net) / Total credit (net) (2)	-0.27%	-0.42%	-0.20%		
Overdue credit (net) / Total credit (net)	-0.29%	-0.37%	-0.16%		
Overdue credit cover	112.9%	115.1%	105.7%		
Credit more than 90 days overdue cover	131.6%	137.3%	128.3%		
Structure Ratio:					
Loans and advances to customers / Net assets	65.4%	67.8%	65.0%		
Loans and advances to customers / Customer resources	125.5%	125.3%	123.8%		
Solvency Ratio					
Solvency	8.99%	10.74%	12.75%		
Tier 1	5.71%	6.98%	8.34%		
Core Tier 1	5.30%	6.76%	8.15%		

(1) Considering average shareholders' equity and net assets values.

(2) Ratios defined by the Bank of Portugal.

(*) Amounts relating to December 2008 refer to the average for the year.

3 – FINANCIAL INFORMATION

3.1 – Consolidated Operations

Results

Caixa Geral de Depósitos Group's **consolidated net income**, for 1st half 2009, totalled EUR 227.4 million, based on the highly positive 2.7% increase of EUR 257.6 million in the contribution made by domestic banking operations.

This represented a 35.8% reduction in net income over the same period 2008, in comparison to a reduction of no more than 0.9% when average half year net income for 2008 is taken into account and which provides a more adequate translation of the growing impact of the financial crisis felt over the course of 2008.

CGD's (Portugal) contribution to the group's net income was up 14.3% to EUR 228.8 million.

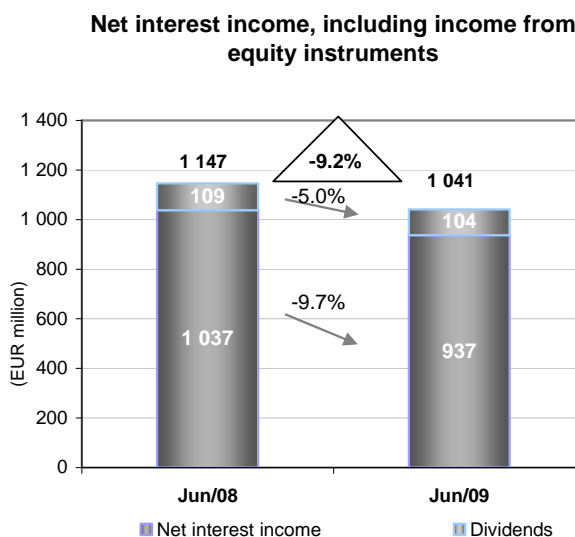
RESULTS FROM THE GROUP'S MAIN BUSINESS AREAS

	(EUR million)			
	Jun/08	Jun/09	Change	
			Total	%
Banking	318	306	-12	-3.9%
Domestic	251	258	7	2.7%
International area	67	48	-19	-28.5%
Insurance and healthcare	36	-78	-114	-
TOTAL	354	227	-127	-35.8%

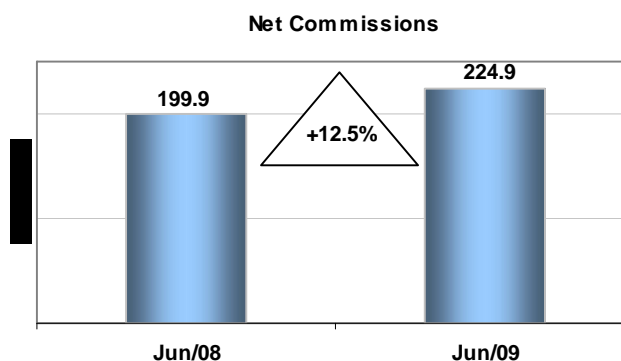
Caixa Seguros e Saúde's losses of EUR 78 million in terms of CGD's net income were mainly due to the recognition of EUR 89.6 million in losses on securities and financial investments portfolios and the impact of EUR 23 million of losses in the healthcare area with the disinvestment in the USP Hospitales Group. These losses were not sufficiently offset by operating activity results, owing to the decrease in non-life insurance premiums, reflecting the economic slowdown and across-the-board price falls in the most significant insurance areas.

The international area's contribution to group results was down 28.5% over 1st half 2008 to EUR 48 million.

Net interest income, including income from equity instruments, at EUR 1 040.7 million, was down 9.2% over the same half last year, split up between net interest income, with EUR 937.1 million (down 9.7%) and income from equity instruments (dividends), with EUR 103.6 million (down 5%). The negative evolution of net interest income particularly derives from major reductions in interest rates starting 4th quarter 2008 and CGD's decision not to include the full amount of the additional costs in its loans and advances to customers.



Net commissions were up 12.5% to EUR 224.9 million. Special reference should be made, in terms of Portuguese operations, to commissions on payments media and credit operations.



Income from financial operations in 1st half, at EUR 89 million, was

substantially up over the same period last year. The increase essentially derives from the gains on interest rate derivatives. CGD adopted a policy of hedging a part of its balance sheet, in 2008, as part of its strategy of protecting net interest income from a foreseeable fall in interest rates, allowing it to make significant gains this half year. Trading activities were also responsible for higher gains than in the same period 2008.

Greater optimism in financial markets, progressively witnessed over the first half of this year and translating into a narrowing of spreads on lending, also helped to improve the level of income from securities portfolio management.

The technical margin on insurance operations' contribution of EUR 198.1 million to the group's net operating income was down 27% by EUR 73.1 million over the preceding year.

Earned premiums, net of reinsurance, at EUR 949 million, were up 2.2% over the same period 2008. There was also a 9.7% increase of EUR 70.7 million in claims costs, net of reinsurance to EUR 801.3 million.

The tighter margin is particularly explained by the reduction in **investment income and gains allocated to insurance contracts** (down EUR 21.5 million or 16% respectively), affected by negative financial market performance and **commissions and other associated income and costs** (down EUR 1.3 million).

Net operating income from banking and insurance operations was up 3.2% over the same period last year to EUR 1 628 million.

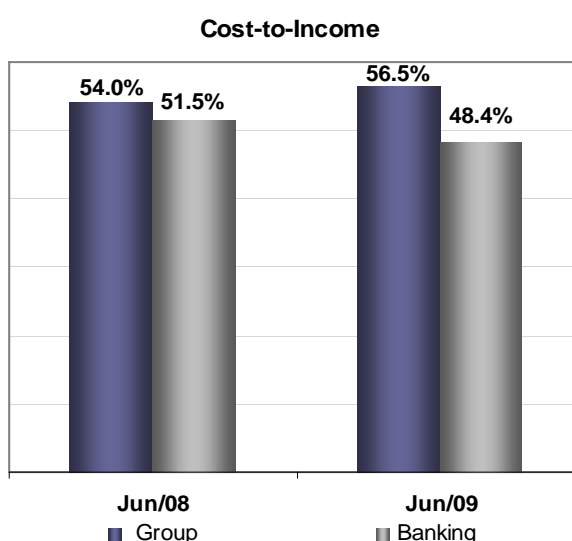
The 6.4% increase of EUR 55.7 million in operating costs to EUR 919.8 million derived from the 7.1% increase in employee costs, 3.8% increase in other administrative expenditure and 12.9% increase in depreciation and amortisation. It should, however, be noted that the changes in employee costs and other administrative expenditure, incurred on banking operations in Portugal, were up by no more than 2.2% and down by 4.1%, respectively.

The most significant cost increases occurred in terms of international operations and the insurance sector, the latter of which associated with the two new hospitals opened by HPP in 2008 and early retirements under the terms of the current implementation of the new organisational and rationalisation structure for insurance companies.

The group's cost-to-income ratio was 56.5%. Cost-to-income on banking operations was more than 3 pp down from 51.5% to 48.4%.

EFFICIENCY RATIOS

	Jun/08	Jun/09
Cost-to-income (banking)	51.5%	48.4%
Cost-to-income (banking and insurance)	54.0%	56.5%
Employee costs / Net operating income	30.7%	32.3%
External supplies and services / Net operating income	18.9%	19.2%
Net operating income / Average net assets	3.19%	2.92%



Based on the amounts of net operating income and operating costs, **gross operating income** was down 0.7% over the preceding year to EUR 708.2 million.

Gross operating income for banking operations only, totalled EUR 702.9 million, comprising a highly positive increase of 20.2% over the preceding year.

Credit impairment, net of reversals, in CGD Group was EUR 246.3 million for the half, reflecting deteriorating macroeconomic conditions. **Impairment on other assets** was up EUR 26.1 million over the same period last year to EUR 176.1 million, principally for the cover of potential losses on Caixa Seguros e Saúde's (EUR 89.6 million) and CGD's (EUR 35.1 million) securities and financial investments portfolios.

Return on equity (**ROE**) was 9.1% (10.9% before tax). Return on assets (**ROA**) was 0.44% (0.54% before tax).

PROFIT RATIOS

	Jun/08	Jun/09
Gross return on shareholders' equity	16.4%	10.9%
Net return on shareholders' equity	14.6%	9.1%
Gross return on assets	0.82%	0.54%
Net return on assets	0.73%	0.44%

Considering average shareholders' equity and net assets values.

Balance Sheet

There was a 9.2% increase of EUR 9.9 billion in CGD Group's **net assets** to EUR 118.2 billion, at the end of June 2009, in comparison to the same date last year, largely based on the evolution of loans and advances to customers and securities investments.

There was also a 9% increase of EUR 6.5 billion in **loans and advances to customers** (gross) to EUR 79 billion. Loans and advances to companies and institutions, in Portugal, rose by 13.8% and mortgage loans by 3.8%.

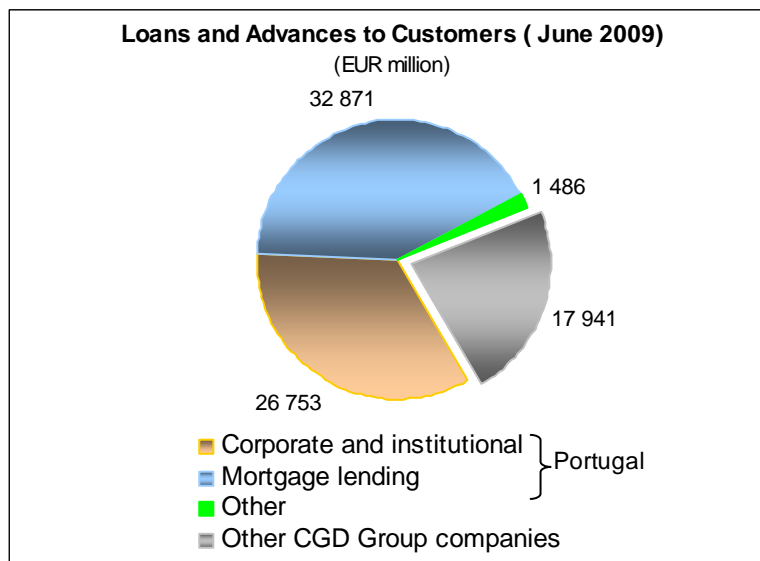
LOANS AND ADVANCES TO CUSTOMERS (a)

(EUR million)

	Jun/08	Jun/09	Change
CGD operations in Portugal			
Corporate and institutional	23 511	26 753	13.8%
Individual customers	33 073	34 357	3.9%
Mortgage loans (b)	31 653	32 871	3.8%
Other	1 420	1 486	4.6%
SUB-TOTAL	56 584	61 110	8.0%
Other CGD Group companies	15 940	17 941	12.5%
TOTAL	72 524	79 050	9.0%

(a) Before impairment

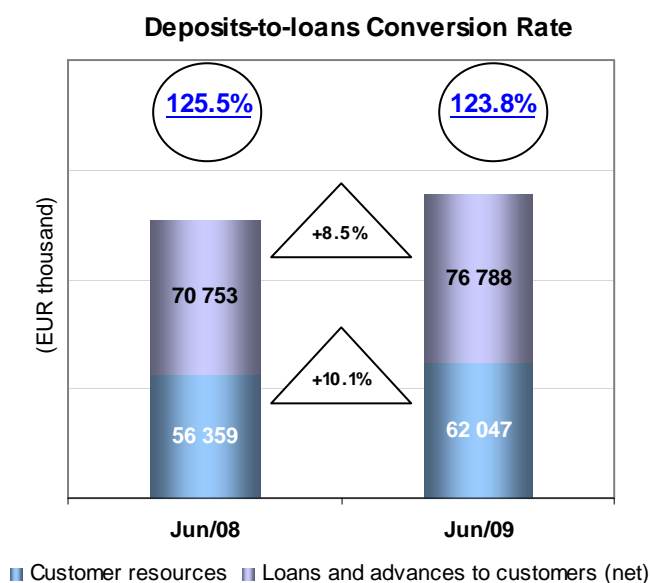
(b) Includes securitised loans.



Around 77% of the loans and advances to customers total refers to CGD operations, in Portugal. In the case of other group companies, reference should be made to the increases of EUR 102 million (up 2.2%) achieved by Banco Caixa Geral (Spain), and EUR 516 million (up 18.7%) by Caixa Leasing e Factoring.

New mortgage loans on Portuguese territory, accompanying the falling property market, totalled EUR 1 731 million in 1st half 2009 and were down 15.2% over the same period last year.

The **deposits-to-loans conversion rate** of 123.8% in comparison to the preceding year's 125.5%, translates CGD's good liquidity levels.



Asset quality measured by the **non-performing credit rate**, calculated under Bank of Portugal rules, was 2.67% as opposed to a total overdue credit rate of 2.71%. The **credit overdue more than 90 days rate** was 2.23% against 1.86% in June 2008 and 2% at the end of the same year.

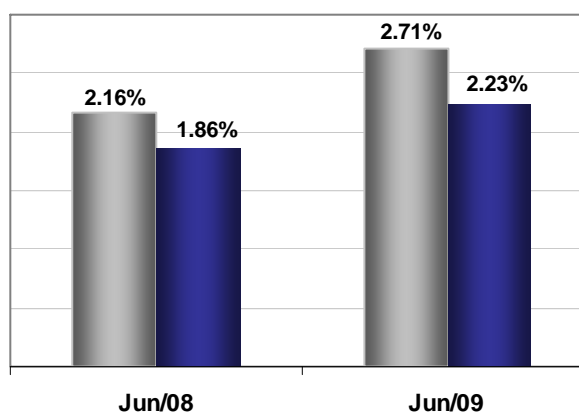
Accumulated impairment on loans and advances to customers (normal and overdue) totalled EUR 2 262.3 million at end June, giving a **credit overdue more than 90 days cover level** of 128.3% against the preceding year's 131.6%.

ASSET QUALITY

	Jun/08	Jun/09
Non-performing credit / Total credit (a)	2.18%	2.67%
Overdue credit / Total credit	2.16%	2.71%
Credit overdue >90 days / Total credit	1.86%	2.23%
Non-performing credit cover	111.9%	107.4%
Overdue credit cover	112.9%	105.7%
Overdue credit > 90 days cover	131.6%	128.3%

(a) Bank of Portugal method.

Overdue Credit Ratios



■ Total overdue credit ratio ■ Credit overdue more than 90 days ratio

Securities investments, including CGD Group insurance companies' investment operations, were up 7.2% over June last year to EUR 23.9 billion, as follows:

SECURITIES INVESTMENTS (a)

(EUR million)

	Jun/08 (b)	Jun/09	Change
Banking	11 922	13 433	12.7%
Insurance	10 342	10 434	0.9%
TOTAL	22 263	23 866	7.2%

(a) After impairment.

(b) Considering, for comparison purposes, the amount transferred from the securities portfolio to credit.

Cash and cash equivalents and loans and advances to credit institutions were 25.4% up over June last year to EUR 11.6 billion. Resources taken from the same entities were down 7.5% over June 2008 to EUR 6.4 billion.

Total resources taken by the group (excluding the interbank money market) were up 9.3% over the preceding year to EUR 104.8 billion, split up into balance sheet resources of EUR 94.5 billion (up 11.7%) and off-balance sheet resources of EUR 10 billion (down 8.4%).

RESOURCES TAKEN BY GROUP

Balances at 30 June

(EUR million)

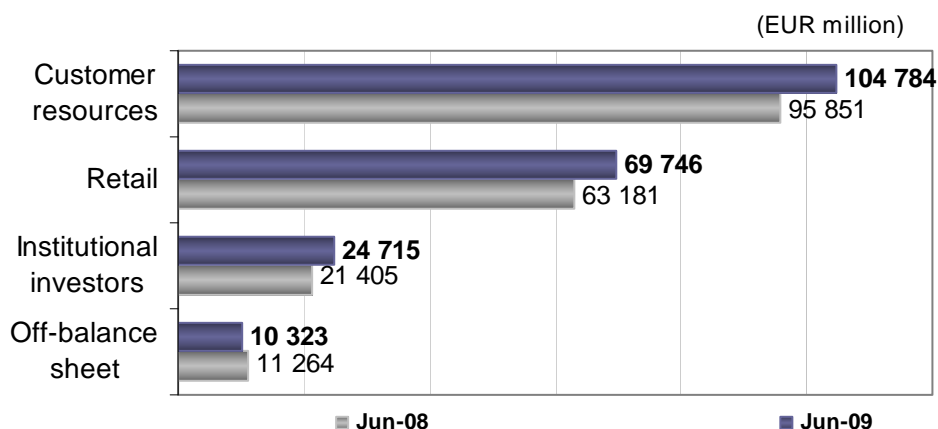
	Jun/08	Jun/09	Change	
			Total	%
Balance sheet:	84 587	94 461	9 875	11.7%
Retail	63 181	69 746	6 565	10.4%
• Customer deposits	52 364	56 542	4 178	8.0%
• Capitalisation insurance (1)	8 972	9 890	918	10.2%
• Other customer resources	1 845	3 314	1 470	79.7%
Institutional Investors	21 405	24 715	3 310	15.5%
• EMTN	8 396	9 984	1 588	18.9%
• ECP and USCP	6 498	6 913	415	6.4%
• Nostrum Mortgage and Nostrum Consumer	772	639	-133	-17.2%
• Covered bonds	5 740	5 908	169	2.9%
• Other bonds		1 271	1 271	
Off-balance sheet:	11 264	10 323	-941	-8.4%
Investment units in unit trust funds	6 144	4 866	-1 278	-20.8%
• Caixagest	4 787	3 462	-1 325	-27.7%
• Fundimo	1 357	1 404	47	3.5%
Pension Fund	1 559	1 918	359	23.0%
Wealth Management (2)	3 561	3 539	-22	-0.6%
TOTAL	95 851	104 784	8 933	9.3%

(1) Includes fixed-rate insurance and unit linked products.

(2) Does not include CGD Group insurance companies' portfolios.

Retail resources in the balance sheet were up 10.4% to EUR 69.7 billion, influenced by the 8% expansion of **customer deposits**.

Total Customer Resources



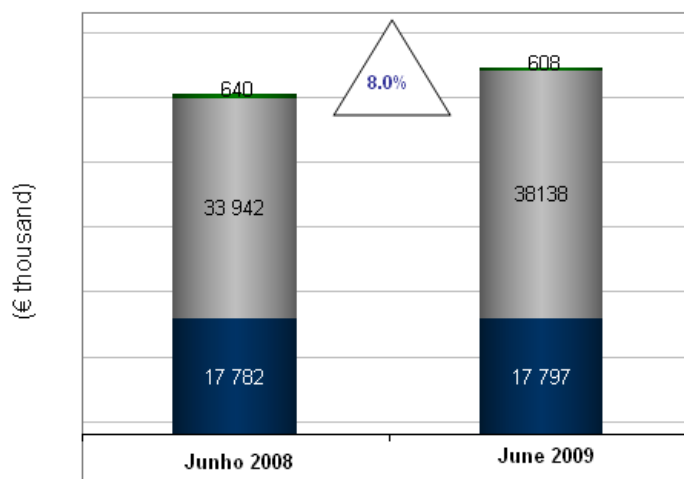
A more dynamic approach to deposit-taking was supported by the 12.4% growth of EUR 4.2 billion in term deposits and savings accounts to 67.5% of the total, against the preceding year's 64.8%.

There was a 15% growth of EUR 3.2 billion in the balance on resources taken from **institutional investors** in the form of own issues. Particular

reference should be made, in this area, to bonds issued under the Euro Medium Term Notes (EMTN) programme (EUR 10 billion, up 19%), covered bonds (EUR 5.9 billion, up 2.9%), in addition to securities issued under the commercial paper programme (EUR 6.9 billion, up 6.4%), in this latter case riding a wave of dynamism in the segment and taking advantage of better terms on financing opportunities.

There were significant improvements in different primary debt market segments during the course of the 1st half. The market which, initially, was only open to state-backed issues, progressively welcomed other segments, namely the senior bank debt market and, latterly, higher risk issuers.

Evolution of Customer Deposits



After its launch of a EUR 1 250 million, 5 year, bond issue, in February, CGD was once again active in the market at the end of April. Taking into consideration the profile of debt issue maturities, Caixa opted to launch a 4 year bond issue of EUR 1 billion, at a final rate of 200 bp over the reference coupon rate. This issue was warmly welcomed by the market and attracted a large number of investors permitting a broad level of placement in terms of geography and investors.

The improvement in debt markets was accompanied by greater interest in private placements. 26 issues for a total amount EUR 1 220 million were traded in the senior debt segment under the EMTN programme.

A subordinated Lower Tier II issue for the amount of EUR 538.5 million was also issued in the retail market, under the EMTN Programme, in April.

There was a significant level of improvement in the covered bonds market after the European Central Bank's announcement of the EUR 60 billion covered bonds repurchase programme. There was a progressive increase in the number of issues distributed in public placements, which had not enjoyed access to the market since September 2008. This was accompanied by a marked narrowing of secondary market spreads.

Caixa Geral de Depósitos set up a bond programme on the public sector in February, since when it has been awaiting an opportunity to launch the first issue. With the opening of the market following the referred to ECB announcement, Caixa launched its first bond issue with a maturity of 5 years on the public sector, for an amount of EUR 1 billion at the 5 year mid-swaps rate + 85 bp, in July.

Caixa continued to be a regular user of the ECP market over the short term, taking advantage of the favourable conditions occurring in the segment. The outstanding balance at the end of the half year was around EUR 6.5 billion.

Caixa also took part in the European Central Bank auction for maturities of 1 year, in June, in an endeavour to exploit the exceptionally low financing costs of 1%, in its sole use of ECB finance over the half year.

There was an 8.4% reduction of EUR 941 million in **“off-balance sheet”** resources, deriving from the 27.7% decrease in Caixa- managed unit trust funds, which were

also affected by the financial crisis. Property fund balances were practically identical to those of the preceding year.

The group's **shareholder's equity**, at EUR 6.5 billion, was up EUR 1.7 billion or 35.8% over June 2008. Contributory factors were share capital increases of EUR 400 million in August 2008 and EUR 1 billion in June 2009.

The latter reinforcement increased CGD's share capital to EUR 4.5 billion and in addition to guaranteeing greater solidity was mainly designed to strengthen the equity instruments required to allow CGD to continue to help boost the domestic economy in the form of household and corporate finance.

The **fair value reserve** was down EUR 206 million, owing to the international financial crisis, causing potential capital losses on diverse financial assets affecting shareholder's equity, notwithstanding the first signs of recovery noted in the equities market translating into the maintenance of account headings values since the end of 2008.

SHAREHOLDER'S EQUITY

(EUR million)

	Jun/08	Dec/08	Jun/09
Share capital	3 100	3 500	4 500
Fair value reserves	-675	-873	-881
Other reserves	1 575	1 464	1 690
Retained earnings	-254	-222	-184
Minority shareholders' interests	706	1 157	1 177
Income for period	354	459	227
TOTAL	4 806	5 484	6 529

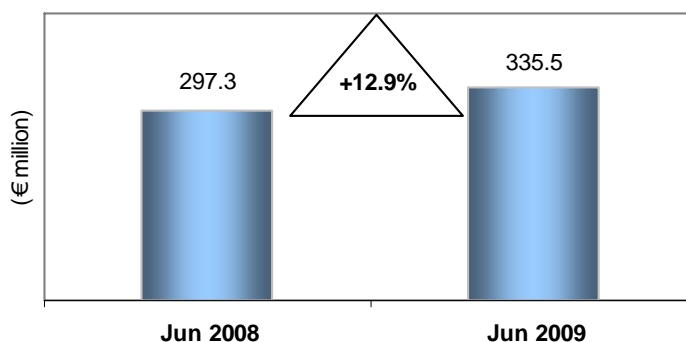
3.2 CGD's Global Operations (*)

Results

Net income from CGD's banking operations in 1st half 2009, was up 12.9% to EUR 335.5 million against EUR 297.3 million for the same period last year.

	Jun/08	Jun/09	(EUR million)	
			Total	Percent
Net interest income, including income from equity instruments (1)	1 010	913	-97	-9.6%
Non-interest income (2)	115	305	191	166.5%
Net operating income (3) = (1) + (2)	1 125	1 218	94	8.3%
Operating costs and depreciation and amortisation (4)	551	556	5	0.9%
Gross operating income (5) = (3) - (4)	574	663	89	15.4%
Provisions and impairment (6)	259	280	21	8.3%
Income before tax (7)=(5)-(6)	315	383	67	21.3%
Tax (8)	18	47	29	159.6%
Net income for the period (9)=(7)-(8)	297	335	38	12.9%

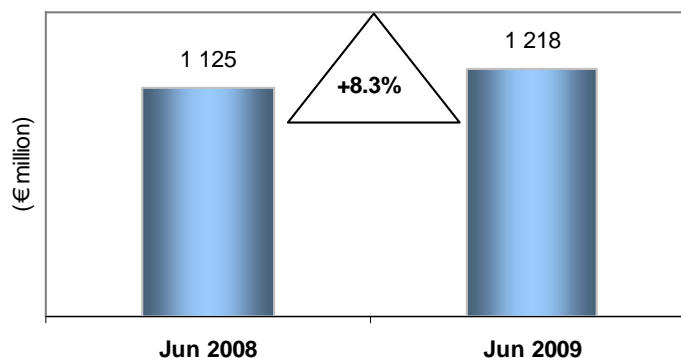
Net Income for the period (Separate)



This income benefited from a highly positive contribution comprising the 8.3% increase of EUR 93.7 million in **net operating income**.

(*) Including domestic retail operations and operations of branch offices in France, London, Spain Luxembourg, New York, Grand Cayman, Madeira Offshore, Timor and Zhuhai.

Net Operating Income (Separate)



Net interest income, including income from equity instruments, as the principal component part of net operating income was down 9.6% to EUR 912.9 million, split up into net interest income of EUR 714.4 million (down 11.1%) and income from equity instruments (dividends), of EUR 198.5 million (down 3.8%).

NET INTEREST INCOME, INCLUDING INCOME FROM EQUITY INSTRUMENTS	(EUR million)			
	Jun/08	Jun/09	Change	
			Total	Percent
Interest and similar income	3 851	3 165	-686	-17.8%
Interest and similar costs	-3 047	-2 451	596	-19.6%
Net interest income	804	714	-89	-11.1%
Income from equity instruments	206	199	-8	-3.8%
Total	1 010	913	-97	-9.6%

The highly favourable performance of **other operating income**, benefiting from the favourable evolution of income from financial operations and commissions made it possible to offset the referred to evolution of net interest income, including income from equity instruments.

NON-INTEREST INCOME	(EUR million)			
	Jun/08	Jun/09	Change	
			Total	Percent
Commissions (net)	156 597	177 642	21 046	13.4%
Income from financial operations	-93 411	76 997	170 408	-
Other net operating income	51 375	50 718	-657	-1.3%
Total	114 561	305 358	190 797	166.5%

Net commissions were up 13.4% to EUR 177.6 million over the same period 2008.

The evolution of **income from financial operations**, as referred to in the chapter on the financial analysis of consolidated operations, was highly favourable owing to gains on interest rate derivatives.

The EUR 662.5 million in **gross operating income**, after the deduction of EUR 555.8 million (up 0.9%) in **operating costs and amortisation**, was a significant 15.4% up over the same period last year.

Provisions and impairment for the year were up EUR 21.3 million, to EUR 279.9 million. The tax bill was EUR 55.2 million.

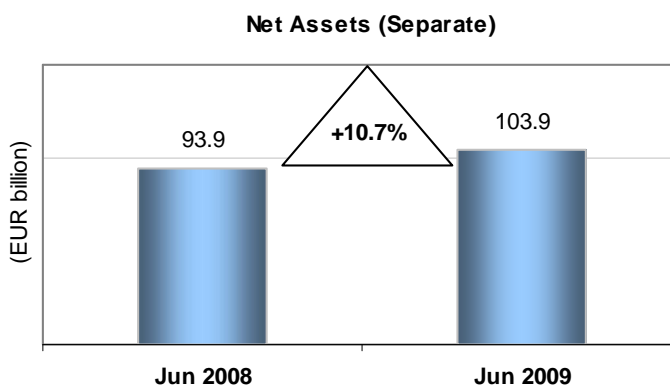
Balance Sheet

Net assets from Caixa Geral de Depósitos's separate operations were EUR 10 billion or up 10.7% over 1st half 2009 to EUR 103.9 billion.

Net assets growth is largely due to the 8.4% increase of EUR 5.1 billion in **loans and advances to customers**.

Cash and cash equivalents and loans and advances to credit institutions were up 18.7% as a whole to EUR 18.9 billion as opposed to no more than EUR 9.8 billion in resources taken from the same entities. This signified a net balance of EUR 9.1 billion against EUR 5.1 billion at the end of the 1st half of the preceding year.

On the liabilities side, reference should be made to the balances of EUR 52.3 billion in **customer resources** and EUR 24.7 billion in **debt securities** and their respective increases of 11.2% and 19.9%.



CAIXA GERAL DE DEPÓSITOS

Balance Sheet (Separate) at 30 June 2009

(EUR million)

ASSETS	Jun/08	Dec/08	Jun/09	Δ Jun/09 - Jun/08		Δ Jun/09 - Dec/08	
				Total	Percent	Total	Percent
Cash and cash equivalents at central banks	1 812	1 502	1 667	-145	-8.0%	165	11.0%
Loans and advances to credit institutions	14 168	13 813	17 284	3 117	22.0%	3 471	25.1%
Loans and advances to customers	60 486	64 007	65 576	5 090	8.4%	1 569	2.5%
Securities investments	11 418	10 444	12 728	1 310	11.5%	2 283	21.9%
Investments in subsidiaries and associates	2 551	2 761	3 047	496	19.4%	286	10.4%
Intangible and tangible assets	841	782	771	-70	-8.3%	-10	-1.3%
Deferred tax assets	515	720	759	244	47.4%	40	5.5%
Other assets	2 110	2 621	2 100	-11	-0.5%	-522	-19.9%
TOTAL	93 902	96 651	103 933	10 030	10.7%	7 282	7.5%

LIABILITIES	Jun/08	Dec/08	Jun/09	Δ Jun/09 - Jun/08		Δ Jun/09 - Dec/08	
				Total	Percent	Total	Percent
Central banks' and credit institutions' resources	10 825	10 533	9 808	-1 017	-9.4%	-725	-6.9%
Customer resources	47 067	50 551	52 329	5 262	11.2%	1 778	3.5%
Financial liabilities	2 575	2 570	2 823	248	9.6%	253	9.8%
Debt securities	20 587	20 387	24 690	4 104	19.9%	4 303	21.1%
Provisions	1 240	1 297	1 276	35	2.9%	-22	-1.7%
Subordinated liabilities	3 074	3 423	3 990	915	29.8%	566	16.5%
Other liabilities	4 179	3 299	3 444	-735	-17.6%	145	4.4%
SUB-TOTAL	89 547	92 060	98 359	8 812	9.8%	6 299	6.8%
SHAREHOLDER'S EQUITY	4 355	4 590	5 573	1 218	28.0%	983	21.4%
TOTAL	93 902	96 651	103 933	10 030	10.7%	7 282	7.5%

Shareholder's equity was EUR 5.6 billion i.e. EUR 983 million or up 21.4% over 2008. Contributory factors were the EUR 400 million increase in share capital in August 2008 and EUR 1 billion increase in June 2009.

Shareholder's Equity (Separate)

	Jun/08	Dec/08	Jun 09	Δ Jun/09 - Jun/08		Δ Jun/09 - Dec/08	
				Total	Percent	Total	Percent
Share capital	3 100	3 500	4 500	1 400	45.2%	1 000	28.6%
Revaluation reserves	-48	-416	-456	-408	854.3%	-40	9.6%
Other reserves and retained earnings	1 006	1 022	1 194	188	18.7%	172	16.8%
Net income for period	297	484	335	38	12.9%	-149	-30.7%
Total	4 355	4 590	5 573	1 218	28.0%	983	21.4%

3.3. Solvency Ratio

The consolidated solvency ratio, in June 2009, assessed under the Basel II regulatory framework, was 12.75%. Reference should also be made to Core Tier I and Tier I ratios of 8.15% and 8.34%, respectively. The ratios include retained earnings.

3.4. Rating

Caixa Geral de Depósitos maintained the highest ratings on Portuguese financial groups awarded by the three main international rating agencies – STANDARD & POOR'S, MOODY'S and FITCHRATINGS – on its short and long term financial liabilities.

In January 2009, following the downgrading of the rating on the Portuguese Republic, STANDARD & POOR'S revised its ratings on CGD, changing its Long Term rating to A+ and Short Term rating to A-1. Outlook remained stable.

STANDARD & POOR'S rated CGD's "outlook" as negative in July 2009. This action derived from the agency's revision of its methodology and rating assumptions on GREs – Government-Related Entities and reflects the existing pressure on CGD's standalone credit profile, resulting from deteriorating economic and financial markets, concentration of credit exposure and the potentially negative impact of the bank's financial investments portfolio over coming quarters.

Information on CGD's current ratings is set out below:

	Short Term	Long Term	Outlook	
STANDARD & POOR'S	A-1	A+	Negative	July 2009
MOODY'S	Prime –1	Aa1	Stable	July 2008
FITCHRATINGS	F1+	AA-	Stable	October 2008

4 – ANALYSIS OF BUSINESS AREAS

4.1. Retail Banking Branch Offices in Portugal

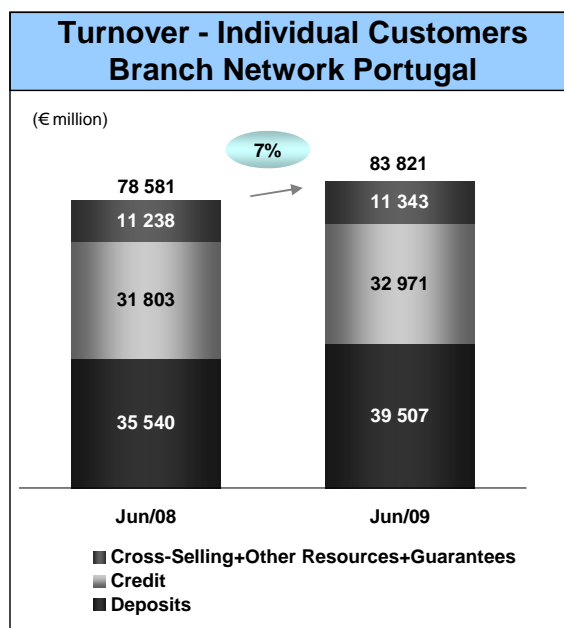
The branch network in Portugal had 796 branches and 39 Caixa corporate offices, at the end of the 1st half, reflecting the opening of a further 8 branches in the period. The opening of these new spaces, catering for urban expansion in major centres, was accompanied by the implementation of a new customer service model. This is already available in 207 spaces of which 97 were based on interventions occurring this year. This customer service model is characterised by a fresh approach to organising the space inside the branch and employees' activities, improving the quality of service and bringing it into line with market needs.

There was a 10% increase in turnover at the end of the 1st half in the branch office network in Portugal (comprising new resources taken, credit and guarantees) over the same period last year. Annual turnover was up by around 3% and reflects a more dynamic approach in comparison to the same period last year.

Individual Customers

Turnover in the individual customers segment was up 6.6% over the same period last year, particularly fuelled by an 8.7% increase in resources taken. Credit however, was also considerably up by 3.7%, taking into account the less favourable macroeconomic context in the half year.

Notwithstanding the above context, the portfolio value of **mortgage loans** was up by 3.8% over June 2008. The change this year is already more intense than in 2nd half last year.



CGD's property financing activities, in 2009, have allowed it to achieve sustained growth and maintain its lead position as the benchmark operator for mortgage loans in Portugal, increasingly allaying greater experience, proximity, flexibility and innovation in its relationship with customers.

In light of the current macroeconomic context and its impact on the property market, CGD has endeavoured to leverage the competitiveness of its offer and services with innovative solutions capable of adequately providing for its customers' new needs.

CGD has, accordingly, launched a campaign to extend maturities on its operations, with a new maximum period of 50 years and maximum age of 80 for borrowers.

Owing to the significant increase, in 2008, in the size of mortgage payments resulting from the change in interest rates over the last few years and the fact that the majority of mortgage loans are indexed to Euribor, forcing households to make growing financial commitments in terms of housing, Caixa has also reacted by permanently monitoring its customers' financial situations, studying and proposing a set of support measures designed to mitigate the risks of over indebtedness, i.e. grace periods or deferrals, linkage between grace periods and capital deferrals and increasing the age limit of customers on the loan's maturity.

CGD also launched two new interest rate solutions – *Taxa Protegida* and *Taxa Z* – which, *vis-à-vis* current interest rate levels and the effect of an eventual across-the-board increase in interest rates over the medium term, provide protection from increases and decreases in Euribor.

Taking the current economic environment and its respective reflection on the labour market into account, measures designed to assist customers who have been made redundant have also been taken, in articulation with the Portuguese state, with the aim of preserving home ownership.

The extraordinary, transitional measure provided for by Decree Law 103/2009 has therefore been applied to CGD mortgage loans. Under this measure, current borrowers, provided that they have been unemployed for at least three months are given a payment holiday on their home loans (when used as permanent places of

residence) on 50% of their monthly mortgage repayment for a maximum period of 24 months.

For subsidised mortgage customers, CGD has implemented the measures set out in Ministerial Order 384/2009, providing various benefits designed to reduce the amount of the mortgage payment.

To help ease the burden on household costs and boost the rental sector, CGD has pioneered the creation of an “FIIAH” (Real-estate Investment Fund for the Home Rentals Market) called “Caixa Arrendamento”. This fund is an important credit recovery solution and also has a social component in permitting CGD customers in difficult economic circumstances to continue to live in their own home, by paying a rent, with the right to exercise a repurchase option under specific conditions.

In its constant quest for new solutions for families wishing to purchase their first permanent home an agreement was also entered into between CGD and the Regional Government of the Azores to implement support measures for customers living in the referred to Autonomous Region, particularly including payment of a part share of 60% of the spread on the part of the loan which exceeds 30% of the household’s debt-to-income ratio.

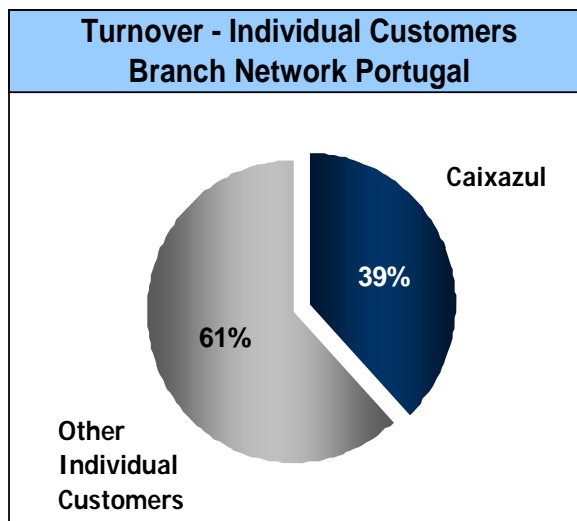
In 2009, Caixa also defined the leveraging of CGD Group’s distribution channels as a strategic vector, particularly Assurfinance, by reformulating and incrementing the capacity to conduct bank-related business on Fidelidade-Mundial’s and Império-Bonança’s mediators’ channel network. Under this arrangement, the said network benefits from a broader offer of CGD Group products and services, in terms of their mediation activities, reinforcing customer satisfaction and loyalty.

CGD has also committed to creating financial solutions to reduce energy costs and encourage the use of environmental-friendly technologies on the basis of its creation of a line of finance for the acquisition, installation and maintenance of solar panels for the purchase or building of new houses, providing customers with a significant number of benefits, notably preferential interest rates, a highly flexible finance period and access to financial incentives provided by the state in the form of non-repayable grants, in addition to their corresponding economic and fiscal benefits, under the Thermal Solar 2009 Programme.

Regarding **individual customers' deposits** and capitalising upon its image of strength and dependability in the eyes of the public, CGD has reinforced its supply of savings products, reflected in a more than 11% year-on-year growth in term deposits and savings accounts to EUR 39 507 thousand. Similarly and benefiting from customers' greater appetite for products with longer maturities and less risk, there has also been a marked 10.9% year-on-year growth in **financial insurance**.

This was accompanied by an increased offer of resource taking products targeted at specific subsectors such as working women and young people.

In the individual customers segment, special reference should be made to the consolidation of the **Caixazul Service**, as a prime customers business model which already represents around 39% of turnover in the segment with more than 310 thousand customers. There are Caixazul spaces housed in 516 branches.



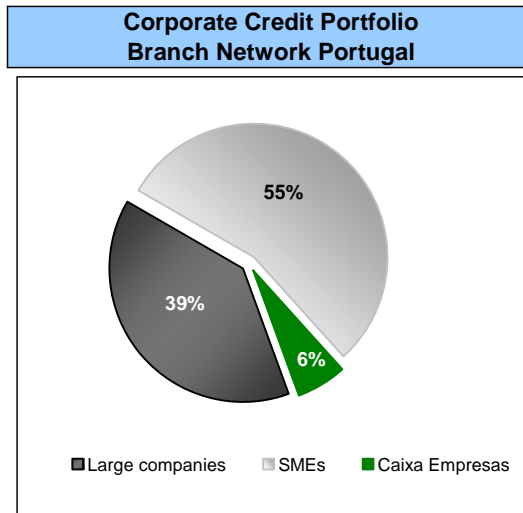
To reinforce and strengthen the relationship with mass market customers, work began on a new customer service model targeted specifically at this sub segment. This initiative, which is currently at its pilot stage, involves 12 branches and around 15 thousand customers.

Corporate

Year-on-year turnover in the **corporate** segment was 13%, owing to an expansion of 9.7% in credit and 20.2% in resources taking.

In the **SME** sub segment, reference should be made to the good, year-on-year, performance in terms of deposits (up 33.3%) and credit (up 13.1%). Reference should also be made to the good results achieved from CGD's participation in *PME Investe* lines of credit with an 18% share and the good position achieved in terms of leading SMEs with a

share of around 27% and high levels of return both in terms of Caixa as other bank customers.



The **Caixa Empresas** service model was reinforced as a follow up to the strategic guidelines of reinforcing the growth of CGD's market share in this segment. The model is geared to micro-enterprises through the launch of the Multibranch Manager concept, reflected in an additional 64 managers looking after the interests of 4,768 new customers. This service model was already responsible for around 21% of corporate segment turnover on the branch network at the end of the first half.

This strategy of reinforcing Caixa's position in the corporate segment is also reflected in its offer of products and services. First half witnessed a significant reinforcement of launches and/or promotions of specific commercial solutions for companies, particularly initiatives associated with products such as Caixaworks (as an instrument designed to facilitate corporate treasury management), *Net Caixa* automatic payment terminals, the *Solução Caixa Auto* or *Office Box PME*. More effort was also placed on a series of lines of credit – *Caixa QREN Empresas*, *EIB*, *Mutual Guarantee* – as investment support for the competitiveness and modernisation of the Portuguese business environment.

We also expanded the level of our international offer, particularly for the Iberian market. These guidelines derive from the need to take advantage of business

opportunities deriving from the progressive integration of the Portuguese and Spanish economies, positioning CGD Group as a benchmark financial partner in the Iberian Peninsula. Caixa has been reinforcing operating efficiency mechanisms in terms of its relationship with Banco Caixa Geral with the aim of gearing group offer to bilateral trade.

In terms of communications-related initiatives designed to encourage closer links with companies and the business community, Caixa led (Caixa Forums) and was actively involved in a series of conference cycles and seminars on issues of the greatest interest in corporate terms, reinforcing its image as a corporate bank and partner of choice.

4.2. – Insurance and Healthcare Area

The domestic insurance sector recorded a decrease in its level of activity in Portugal, in June 2009, with direct insurance premiums (including resources taken under investment contracts) of around EUR 6.8 billion, equivalent to a reduction of 5.8%.

Life insurance, with premium income of EUR 4.6 billion, was down 6.2% over the same period last year, particularly deriving from the significant downturn in unit linked products.

Non-life insurance, with sales of EUR 2.2 billion, was down 5.1%, owing to the continuously deteriorating price situation, particularly in terms of motor and workman's compensation insurance which also reflected the unfavourable macroeconomic climate.

Caixa Seguros e Saúde continues to lead the sector with a global market share of 28.7% at the end of 1st half 2009. It leads the life and non-life insurance branches with 28.6% and 28.8%, respectively.

Reference should be made to the fact that, in 1st half 2009, Caixa Seguros e Saúde, SGPS achieved full control of HPP – Hospitais Privados de Portugal, SGPS, in June, following its acquisition of 25% of the company's share capital from the USP Hospitales Group. This operation was accompanied by Caixa Seguros e Saúde's

disposal of 10% of the share capital of USP Hospitales, in whose group it no longer has any investment. The operation translated into losses of EUR 23 million, a large proportion of which deriving from the impact of the financial restructuring of USP Hospitales.

Caixa Seguros e Saúde, SGPS, SA's insurance area comprises the Fidelidade Mundial, Império Bonança, Via Directa, Multicare and Cares insurance companies.

Caixa Seguros e Saúde, SGPS, SA's insurance area, at end of 1st half 2009, achieved EUR 1 949 million in direct insurance premiums, in Portugal, consolidating its domestic market lead and its position in the Portuguese and Spanish markets as a whole.

CAIXA SEGUROS E SAÚDE, SGPS, SA'S INSURANCE AREA

(EUR million)

	Jun/08	Jun/09
Operations in Portugal		
Market Share	24.3%	28.7%
<i>Life insurance</i>	21.6%	28.6%
<i>Non-life insurance</i>	30.2%	28.8%
Direct Insurance Premiums	1.754	1.949
<i>Life insurance</i>	1.067	1.327
<i>Non-life insurance</i>	687	622
Combined ratio net of reinsurance (non-life)	98.0%	113.1%
<i>Loss ratio net of reinsurance (non-life)</i>	64.6%	76.6%
<i>Expense ratio net of reinsurance (non-life)</i>	33.4%	36.5%
Insurance Activities Abroad		
Direct Insurance Premiums	54	37
<i>Life insurance</i>	37	22
<i>Non-life insurance</i>	17	15
In Iberia		
Total Market Share	4.7%	5.2%

Global market share for operations in Portugal increased to 28.7%, against 24.3% for the same period 2008, with increased sales of 11.1%. A decisive contribution was made by the life insurance segment, particularly the LEVE product (retirement savings products) which materialises CGD Group's strategic position in this domain.

Non-life insurance premium sales were down 9.4%, essentially deriving from motor and workman's compensation insurance, owing to the poor economic climate and across-the-board fall in prices.

Operating income in the life insurance area reflected the recognition of impairment on securities portfolios, owing to the effect of continued instability in international financial markets in the first few months of the year.

The reduction of non-life insurance portfolio premium sales, largely and to a certain extent keeping pace with price reductions deriving from the abnormal increase in competition in the sector, led to an increase in the loss ratio net of reinsurance to 76.6%, in addition to the expense ratio net of reinsurance to 36.5%, with a corresponding reduction in operating income.

Owing to the above referred to evolution, particularly in financial markets, Caixa Seguros e Saúde, SGPS, S.A.'s insurance area had net losses of EUR 47 million, against the preceding year's net income of EUR 37.6 million.

Notwithstanding the international crisis, Caixa Seguros e Saúde, SGPS, SA continues to enjoy comfortable solvency levels, retaining its full capacity to perform operations, with a respective margin cover rate of 151.6%, translating into a high safety margin for all insured and economic agents associated with group companies.

4.3. – International

CGD's international area contributed EUR 48.2 million to CGD's consolidated net income in 1st half 2009.

In operational terms, the international area contributed EUR 138 million to gross operating income, comprising a year-on-year increase of 15.5%. The slowdown in the

evolution of structural costs, with growth of around 10.3%, made it possible to improve cost-to-income in the international area to 51% against the June 2008 figure of 52.1%.

Loans and advances to customers (net) were up 10.3% over June 2008 to EUR 13 083 million. Customer deposits were up 10.8% in year-on-year terms to EUR 10 112 million. The deposits-to-loans conversion rate was down from 130% in June 2008 to 129.4% in June 2009.

The international area's relative proportion of loans and advances to customers (net) to the consolidated group total remained at 17% as opposed to its proportion of customer deposits which was slightly up to 18% of the group's total customer deposits against the June 2008 figure of 17.5%.

There were several new developments in terms of the expansion strategy for CGD Group's international operations in 1st half 2009, including:

- Banco Caixa Geral Brasil, which essentially operates in the corporate banking and investment areas, which opened in February;
- An agreement between CGD and Sonangol to set up a development bank, for major investments in Angola, entered into in March;
- Banco Comercial do Atlântico which also increased its share capital, in March, to CVE 1 324.8 million. The operation was oversubscribed by a factor of two in the Cape Verdean market;
- The entering into a partnership agreement between Banco Santander Totta, Caixa Geral de Depósitos and Angolan investors, in July, with the bank taking on the new name of Banco Caixa Geral Totta de Angola (BCGTA).

4.4. – Investment Banking

CaixaBI developed its investment banking operations, in 1st half 2009, in the corporate debt finance, equity capital markets, financial advisory, project finance, structured finance, financial intermediary, corporate risk advisory and management and venture capital business areas.

Project Finance

Transactions involving a total CGD commitment of EUR 1 337 million, were structured. Special reference should be made to the following on account of their importance, dimension or characteristics:

- **Baixo Tejo subconcession:** a greenfield road toll project in Portugal with availability payments, led by Brisa, with a concession period of 30 years;
- **Baixo Alentejo subconcession:** a greenfield road toll project in Portugal with availability payments, led by Dragados/Iridium Group, with a concession period of 30 years;
- **Litoral Oeste subconcession:** a greenfield road toll project in Portugal with availability payments, led by Brisa, with a concession period of 30 years;
- **Algarve Litoral subconcession:** a greenfield road toll project in Portugal with availability payments, led by Dragados/Iridium Group, with a concession period of 30 years;
- **Braga Hospital:** construction and clinical management project of the new Braga hospital, led by Somague, José de Melo and Edifer Groups with a concession period of 30 years;
- **Martel Wind:** refinancing of Magnum Capital's wind portfolio.

Structured Finance

CaixaBI continues to consolidate its presence as mandated lead arranger for several operations, particularly:

- Acquisition finance for Farma APS (Generis Group) in a consortium led by Magnum Capital for the amount of EUR 80 million, plus EUR 7 million to support the current operations of Target, comprising a total CGD Group involvement of EUR 17.4 million;
- A back-up line to the ratings in force on EDP- Energias de Portugal, SA ("EDP") and EDP Finance BV ("EDP Finance") totalling EUR 1 600 million, with a CGD Group involvement of EUR 100 million;

- Long term finance of USD 114 million, to EFACEC for the construction of an electrical transformer manufacturing plant in Georgia (US) with a CGD Group involvement of USD 57 million.

Corporate Debt Finance

CaixaBI's debt area consolidated its lead position as the prime bookrunner for bonds issued by national entities (Bloomberg ranking) in the 1st half.

In addition to its organisation and lead of 12 new commercial paper programmes, involving an overall amount of EUR 3 460 million, CaixaBI was joint bookrunner and joint lead manager in the following bond issues:

- Treasury bonds 2014 – EUR 3 250 million
- CGD 2014 and CGD 2013 – EUR 2 250 million
- PT 2013 – EUR 1 billion
- Santander 2012 – 1 billion
- EDP 2016 – 1 billion
- Parública 2013 – 800 million
- Galp 2013 – 700 million
- Metro Lisboa 2019 – 400 million
- REN 2013 – 300 million
- Refer 2019 – 500 million

Equity Capital Markets

CaixaBI was involved in the development of all equity capital market operations, in Portugal, in 1st half 2009 except for one offer in the financial sector.

Financial Advisory

CaixaBI fulfilled several financial advisory mandates in the 1st half. This is an area in which an upturn in world M&A activity is expected.

Venture Capital

Six projects were approved in 1st half 2009, one of which entailing an investment of EUR 19.7 million.

Projects which have been approved but which have not proceeded involve potential CGD Group investment of EUR 62.2 million in the venture capital area.

Two new venture capital funds were formed in the half year in line with the strategy drawn up for Caixa Geral de Depósitos Group's venture capital area: *FCR Caixa Empreender Mais – Caixa Capital* and *FCR Caixa Mezzanine – Caixa Capital*, for investment opportunities based on entrepreneurialism, innovation and sustainability and affirmation of its lead in terms of venture capital operations.

Reference should also be made to the following international distinctions awarded to CaixaBI in 1st half:

- *Best Investment Bank in Portugal 2009 (Global Finance)*
- *Best Equity House in Portugal 2009 (Euromoney)*
- *Project Finance Highly Commended Deal of the Year in Europe 2009 (The Banker)*, for the Marão Tunnel project
- *European Infrastructure Deal of the Year 2008 (Euromoney-pf)*, for the Marão Tunnel project
- *European Power Deal of the Year 2008 (Euromoney-pf)*, for the Tuin Zonne project
- *Project Finance Deal of the Year 2009 (The Banker)*, for the Tuin Zonne project
- *North American Transport Deal of the Year 2008 (Euromoney-pf)*, for the SH-130 project
- 1st place in the Iberian Peninsula and 3rd place in Europe as mandated lead arranger for project finance in 1st half 2009 (*Dealogic*)
- 2nd place worldwide as mandated lead arranger for *Project Finance business*, in the PPP (Public Private Partnerships) category, in 1st half 2009 (*Dealogic*).

CAIXA GERAL DE DEPÓSITOS, SA

03 August 2009

5 – CONSOLIDATED BALANCE SHEET

CAIXA GERAL DE DEPÓSITOS

Consolidated Balance Sheet at 30 June 2009

(EUR million)

ASSETS

	30.06.2008	31.12.2008	30.06.2009	Δ Jun/09 - Jun/08		Δ Jun/09 - Dec/08	
				Total	Percent	Total	Percent
Cash and cash equivalents at central banks	2 085	1 898	2 099	14	0.7%	202	10.6%
Loans and advances to credit institutions	7 188	6 170	9 530	2 342	32.6%	3 361	54.5%
Loans and advances to customers	70 753	75 311	76 788	6 035	8.5%	1 477	2.0%
Securities investments	22 263	21 339	23 866	1 603	7.2%	2 527	11.8%
Investment properties	417	321	304	-113	-27.1%	-17	-5.4%
Investments in subsidiaries and associates	317	87	85	-232	-73.2%	-2	-2.0%
Intangible and tangible assets	1 371	1 438	1 473	102	7.4%	36	2.5%
Current tax assets	10	41	56	46	444.0%	15	36.5%
Deferred tax assets	893	1 067	1 115	223	25.0%	48	4.5%
Technical provisions for outwards reinsurance	257	240	295	38	14.9%	55	22.8%
Other assets	2 709	3 148	2 569	-141	-5.2%	-579	-18.4%
TOTAL	108 263	111 060	118 181	9 918	9.2%	7 121	6.4%

LIABILITIES

	30.06.2008	31.12.2008	30.06.2009	Δ Jun/09 - Jun/08		Δ Jun/09 - Dec/08	
				Total	Percent	Total	Percent
Central banks' and credit institutions' resources	6 924	6 952	6 402	-522	-7.5%	-550	-7.9%
Customer resources	56 359	60 128	62 047	5 688	10.1%	1 919	3.2%
Financial liabilities	2 052	2 214	2 405	353	17.2%	191	8.6%
Debt securities	20 200	19 929	24 062	3 862	19.1%	4 133	20.7%
Provisions	976	742	777	-200	-20.4%	35	4.7%
Technical provisions for insurance operations	7 481	7 192	6 971	-510	-6.8%	-221	-3.1%
Subordinated liabilities	2 790	3 145	3 722	932	33.4%	577	18.4%
Other liabilities	6 674	5 274	5 267	-1 407	-21.1%	-7	-0.1%
SUB-TOTAL	103 457	105 576	111 653	8 196	7.9%	6 077	5.8%
SHAREHOLDERS' EQUITY	4 806	5 484	6 529	1 722	35.8%	1 044	19.0%
TOTAL	108 263	111 060	118 181	9 918	9.2%	7 121	6.4%

6- CONSOLIDATED INCOME STATEMENT (*)

CAIXA GERAL DE DEPÓSITOS

Consolidated Income Statement at 30 June 2009

(EUR thousand)

	30.06.2008	30.06.2009	Change		Average / 2008	Change over average for 2008	
			Total	Percent		Total	Percent
Interest and similar income	3 562 211	3 077 764	-484 447	-13.6%	3 662 769	-585 006	-16.0%
Interest and similar cost	2 524 749	2 140 638	-384 111	-15.2%	2 622 190	-481 553	-18.4%
Net interest income	1 037 462	937 126	-100 336	-9.7%	1 040 579	-103 453	-9.9%
Income from equity instruments	109 109	103 619	-5 490	-5.0%	60 126	43 493	72.3%
Net interest income, including income from equity instruments	1 146 572	1 040 745	-105 826	-9.2%	1 100 705	-59 960	-5.4%
Income from services and commissions	257 945	310 225	52 280	20.3%	266 345	43 880	16.5%
Costs of services and commissions	58 028	85 317	27 289	47.0%	56 955	28 362	49.8%
Commissions (net)	199 918	224 908	24 990	12.5%	209 390	15 518	7.4%
Income from financial operations	-93 868	88 992	182 861	194.8%	123 279	-34 287	-27.8%
Other net operating income	53 581	75 209	21 628	40.4%	89 732	-14 523	-16.2%
Non-interest income	159 631	389 110	229 479	143.8%	422 402	-33 292	-7.9%
Premiums net of reinsurance	929 023	949 389	20 366	2.2%	1 106 852	-157 463	-14.2%
Investment income allocated to insurance contracts	134 569	113 085	-21 485	-16.0%	113 546	-461	-0.4%
Claims costs (net of reinsurance)	730 523	801 263	70 740	9.7%	902 791	-101 528	-11.2%
Commissions and other associated income and costs	-61 809	-63 074	-1 265	2.0%	-60 129	-2 944	4.9%
Technical margin on insurance operations	271 260	198 137	-73 123	-27.0%	257 478	-59 341	-23.0%
Nat operating income from banking and insurance operations	1 577 463	1 627 992	50 529	3.2%	1 780 585	-152 593	-8.6%
Employee costs	491 105	526 212	35 107	7.1%	501 905	24 307	4.8%
Other administrative expenses	302 039	313 474	11 435	3.8%	337 945	-24 470	-7.2%
Depreciation and amortisation	70 971	80 156	9 185	12.9%	79 486	669	0.8%
Operating costs and depreciation	864 115	919 842	55 727	6.4%	919 336	506	0.1%
Gross operating income	713 347	708 150	-5 198	-0.7%	861 248	-153 099	-17.8%
Provisions net of cancellations	60 401	-12 347	-72 748	-120.4%	-65 314	52 967	-81.1%
Credit impairment net of reversals	102 665	246 310	143 645	139.9%	223 778	22 532	10.1%
Impairment of other assets (net)	149 969	176 075	26 106	-17.4%	387 047	-210 971	-54.5%
Provisions and impairment	313 035	410 038	97 003	31.0%	545 511	-135 473	-24.8%
Income from associated companies	21 980	532	-21 449	-97.6%	15 192	-14 660	-96.5%
Income before tax and minority shareholders' interests	422 293	298 644	-123 649	-29.3%	330 930	-32 287	-9.8%
Tax							
Current	86 634	6 701	-79 933	-92.3%	161 440	-154 739	-95.8%
Deferred	-41 979	44 554	86 533	-206.1%	-83 093	127 647	-153.6%
Consolidated net income for the period							
<i>of which:</i>							
Minority shareholders' interests	23 465	19 965	-3 499	-14.9%	23 072	-3 107	-13.5%
NET INCOME ATTRIBUTABLE TO CGD SHAREHOLDER	354 173	227 423	-126 749	-35.8%	229 512	-2 088	-0.9%

(*) non-audited results