

***Fondo de Titulización de Activos, Programa Independiente de
Titulización de Cédulas Hipotecarias***
**(Asset-Backed Fund, Independent Mortgage Covered Bonds
Programme)**

Base prospectus

€50,000,000,000

(maximum outstanding volume of asset-backed securities issued by the fund)

ASSIGNOR OF THE MORTGAGE COVERED BONDS

SANTANDER INVESTMENT BOLSA, S.V., S.A.

ISSUERS OF THE MORTGAGE COVERED BONDS

**BANCO GUIPUZCOANO, S.A.
BANCA MARCH, S.A.
BANCO SANTANDER CENTRAL HISPANO, S.A
BILBAO BIZKAIA KUTXA, AURREZKI KUTXA ETA BAHITETXEA
CAIXA D'ESTALVIS DE GIRONA
CAIXA D'ESTALVIS DEL PENEDEÈS
CAIXA D'ESTALVIS DE TARRAGONA
CAIXA D'ESTALVIS LAIETANA
CAJA CAMINOS, SOCIEDAD COOPERATIVA DE CRÉDITO
CAJA DE AHORROS DE ASTURIAS
CAJA DE AHORROS DE LA RIOJA
CAJA DE AHORROS DE SALAMANCA Y SORIA
CAJA DE AHORROS DE SANTANDER Y CANTABRIA
CAJA DE AHORROS DE VALENCIA, CASTELLON Y ALICANTE, BANCAJA
CAJA DE AHORROS Y MONTE DE PIEDAD DE CÓRDOBA
CAJA ESPAÑA DE INVERSIONES, CAJA DE AHORROS Y MONTE DE PIEDAD
CAJA LABORAL POPULAR COOPERATIVA DE CRÉDITO - LAN KIDE AURREZKIA
MONTES DE PIEDAD Y CAJA DE AHORROS DE RONDA, CÁDIZ, ALMERÍA, MÁLAGA
Y ANTEQUERA (UNICAJA)
SANTANDER CONSUMER FINANCE, S.A.
UNIÓN DE CRÉDITOS INMOBILIARIOS, E.F.C., S.A.**

Sponsored and managed by:

**SANTANDER DE TITULIZACIÓN,
S.G.F.T., S.A.**

Prospectus registered with the CNMV on July 10, 2007

TABLE OF CONTENTS

| | |
|--|-----------|
| RISK FACTORS..... | 8 |
| 1. SPECIFIC ISSUER RISK AND BUSINESS ACTIVITY RISK | 8 |
| 2. UNDERLYING ASSET RISK | 9 |
| 3. SECURITIES RISK | 10 |
| REGISTRATION DOCUMENT | 13 |
| 1. PERSONS RESPONSIBLE..... | 13 |
| 1.1 Persons responsible for the information contained in the Registration Document | 13 |
| 1.2 Declaration..... | 13 |
| 2. AUDITORS..... | 13 |
| 2.1 Fund Auditors | 13 |
| 2.2 Accounting criteria used by the Fund..... | 14 |
| 3. RISK FACTORS | 14 |
| 4. INFORMATION ABOUT THE ISSUER | 14 |
| 4.1 Declaration that the issuer has been incorporated as a securitization fund | 14 |
| 4.2 Legal and professional name of the issuer | 14 |
| 4.3 Place or registration of the issuer and registration number..... | 14 |
| 4.4 Date of incorporation and duration of the Fund | 15 |
| 4.5 Registered office, legal personality, and legislation applicable to the issuer | 19 |
| 4.6 Authorized capital issued by the issuer | 21 |
| 5. DESCRIPTION OF THE ENTERPRISE | 21 |
| 5.1 Brief description of the main activities of the issuer | 21 |
| 5.2 General description of the parties of the securitization Programme | 22 |
| 6. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES..... | 27 |
| 6.1 Incorporation and registration in the Registrar of Companies..... | 27 |
| 6.2 Audit of accounts | 28 |
| 6.3 Main activities | 28 |

| | | |
|------------|--|-----------|
| 6.4 | Share capital and equity | 32 |
| 6.5 | Interests in other companies..... | 32 |
| 6.6 | Administrative, management, and supervisory bodies..... | 32 |
| 6.7 | Main fund-related activities of the persons mentioned in section 6.6 above performed outside SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A..... | 33 |
| 6.8 | Lenders holding more than 10% of the Trustee's debt | 35 |
| 6.9 | Litigation involving the Trustee..... | 35 |
| 6.10 | Financial information about the Trustee | 35 |
| 7. | SIGNIFICANT SHAREHOLDERS..... | 38 |
| 8. | FINANCIAL INFORMATION IN RESPECT OF ASSETS AND RESPONSIBILITIES OF THE ISSUER, FINANCIAL SITUATION, AND PROFITS AND LOSSES | 38 |
| 8.1 | Audited historical financial information for the last two years | 38 |
| 8.2 | Historical financial information once an issuer has begun to operate and financial statements have been made | 39 |
| 8.3 | Legal and arbitration proceedings | 39 |
| 8.4 | Material adverse change in the issuer's financial situation | 39 |
| 9. | THIRD PARTY INFORMATION, EXPERT STATEMENTS, AND DECLARATIONS OF INTEREST..... | 39 |
| 9.1 | Statement or report attributed to a person as an expert..... | 39 |
| 9.2 | Information from third parties | 39 |
| 10. | DOCUMENTS ON DISPLAY | 39 |
| | SECURITIES NOTE | 40 |
| 1. | PERSONS RESPONSIBLE..... | 40 |
| 1.1 | Persons responsible for the information in the Securities Note and in the Additional Building Block to the Securities Note | 40 |
| 1.2 | Declaration by the persons responsible for the Securities Note..... | 41 |
| 2. | RISK FACTORS OF THE OFFERED SECURITIES..... | 41 |
| 3. | FUNDAMENTAL INFORMATION | 41 |
| 3.1 | Interest of the natural and legal persons participating in the offering..... | 41 |
| 4. | INFORMATION ON THE SECURITIES TO BE OFFERED AND ADMITTED TO TRADING | 42 |

| | | |
|-----------|--|-----------|
| 4.1 | Total amount of the securities..... | 43 |
| 4.2 | Description of the type and class of the securities | 44 |
| 4.3 | Legislation applicable to the securities..... | 44 |
| 4.4 | Indication as to whether the securities are registered or bearer and whether the securities are held in certificate or book-entry form | 45 |
| 4.5 | Currency of the issuance | 45 |
| 4.6 | Ranking of securities according to subordination | 45 |
| 4.7 | Description of the rights attached to the securities | 45 |
| 4.8 | Nominal interest rate and provisions in respect of the payment of interest | 46 |
| 4.9 | Maturity date and redemption of the securities | 51 |
| 4.10 | Indication of yield | 55 |
| 4.11 | Representation of security holders | 57 |
| 4.12 | Statement of resolutions, authorizations, and approvals for the issuance of the securities | 57 |
| 4.13 | Issuance date of the securities | 58 |
| 4.14 | Restrictions on the free transferability of the securities | 59 |
| 5. | ADMISSION TO LISTING AND TRADING ARRANGEMENTS | 59 |
| 5.1 | Market in which the securities are to be traded | 59 |
| 5.2 | Paying agents and depositories..... | 62 |
| 6. | EXPENSES OF THE OFFERING | 64 |
| 7. | FURTHER INFORMATION..... | 64 |
| 7.1 | Statement of the capacity in which the advisors related with the issuance mentioned in the Securities Note have acted | 64 |
| 7.2 | Other information of the Securities Note which has been audited or reviewed by auditors..... | 64 |
| 7.3 | Statement or report attributed to a person as an expert..... | 64 |
| 7.4 | Third-party information | 65 |
| 7.5 | Ratings or ratings assigned to the securities by rating agencies | 65 |
| | ADDITIONAL BUILDING BLOCK | 68 |
| 1. | SECURITIES | 68 |

| | | |
|-----------|---|------------|
| 1.1 | Amount of the Fund. | 68 |
| 1.2 | Confirmation that the information in respect of an company or obligor not participating in the issuance is accurate. | 68 |
| 2. | UNDERLYING ASSETS | 68 |
| 2.1 | Confirmation of the capacity of the securitized assets to produce the Funds payable on the securities. | 68 |
| 2.2 | Assets backing the issuance..... | 69 |
| 2.3 | Actively managed assets backing the issuance | 118 |
| 2.4 | Representation if the issuer proposes to issue new securities backed by the same assets and description how the holders of that class shall be notified | 118 |
| 3. | STRUCTURE AND CASH FLOW | 118 |
| 3.1 | Description of the structure of the transaction, including, if necessary, a diagram | 118 |
| 3.2 | Description of the entities participating in the issuance and description of the functions they should perform | 119 |
| 3.3 | Description of the method and the date of the sale, transfer, novation, or assignment of the assets, or of any right and/or obligation in the assets to the issuer..... | 120 |
| 3.4 | Explanation of the flow of Funds | 121 |
| 3.5 | Name, address and significant economic activities of the originator of the securitized assets..... | 131 |
| 3.6 | Yield and/or repayment of securities linked to others which are not assets of the issuer..... | 135 |
| 3.7 | Administrator, calculation agent or equivalent..... | 136 |
| 3.8 | Name and address and a brief description of any swap, liquidity, credit or account transaction counterparties | 141 |
| 4. | POST ISSUANCE INFORMATION..... | 141 |
| 4.1 | Duties and schedule for the preparation, verification, and approval of the Fund's financial statements and management report..... | 141 |
| 4.2 | Duties and schedule for the announcement to the public and reporting to the CNMV and the Rating Agencies of regular information concerning the Fund's performance | 142 |
| 4.3 | Reporting to the CNMV and Rating Agencies..... | 143 |
| | GLOSSARY OF DEFINITIONS | 145 |
| | APPENDIX. CLOSING CONDITIONS MODEL | 151 |

This document is a prospectus (the “**Prospectus**”) registered with the CNMV in accordance with the provisions of Commission Regulation (EC) no. 809/1004 of April 29, 2004 (“**Regulation 809/2004**”). It consists of:

- (i) A description of the main Risk Factors linked to the Issuer, to the securities, and to the assets backing the issue (the “**Risk Factors**”)
- (ii) A Registration Document for asset-backed securities, drawn up in accordance with Appendix VII of Regulation 809/2004 (the “**Registration Document**”)
- (iii) A note on securities, drawn up in accordance with Appendix XIII of Regulation 809/2004 (the “**Securities Note**”)
- (iv) An Additional Building Block to the Securities Note, drawn up in accordance with the module in Appendix VIII of Regulation 809/2004 (the “**Additional Building Block**”)
- (v) A glossary of definitions
- (vi) An Appendix with the information model relating to the Closing Conditions of each Series of securities (the “**Closing Conditions**”).

RISK FACTORS

1. SPECIFIC ISSUER RISK AND BUSINESS ACTIVITY RISK

(i) Fund default risk

In the event of a payment default indicative of a serious and permanent imbalance in relation to any of the Bonds, or if any such default is expected to occur, the provisions of article 11 of Royal Decree 926/1998 shall apply. That is, the Trustee, after informing the CNMV, shall effect the orderly liquidation of the Fund, in accordance with the appropriate guidelines set out in this Prospectus, without prejudice to the possibility of liquidating one or several Series in accordance with section 4.4.3.1 of the Registration Document.

The Fund shall only be liable for its obligations up to the amount of its assets.

(ii) Legal nature of the fund and lack of legal status

In accordance with Royal Decree 926/1998, the Fund has no legal status. Therefore in the event of any non-performance of administrative, ministerial, and other obligations in respect of the Fund, the Trustee is liable to the bondholders and to the rest of the unsecured creditors of the Fund to the limit of the assets of the fund.

The Fund is set up as an open-ended vehicle to allow successive sets of assets (always Mortgage Covered Bonds) to be included and to allow the issuance of successive Bond Series under the Programme, linked to each set of Mortgage Covered Bonds. The various Series are independent, so each Series shall be exclusively backed by a set of Mortgage Covered Bonds held in the Fund for the purposes of that particular issuance. The amounts received corresponding to a particular Mortgage Covered Bond, any arrears in payment or definitive non-payment of amounts due in respect of a particular Mortgage Covered Bond, any amounts corresponding to its normal or early redemption, or any other circumstance affecting a particular Mortgage Covered Bond, shall only affect the Bond Series linked to it.

(iii) Mandatory substitution of the Trustee:

In accordance with article 19 of Royal Decree 926/1998, the Trustee must be replaced in the event of being the subject of insolvency proceedings. If this occurs, and provided that four (4) months have elapsed since the event that triggered the substitution and that no other fund management company has been found willing to take over the management of the fund, the Fund shall be wound up in accordance with the provisions of the Articles of Incorporation and this Prospectus, in section 4.4.3.2 of the Registration Document.

(iv) Limitation of actions against the Trustee and the Issuers

The bondholders and other unsecured creditors of the Fund may not take direct action against an Issuer who has defaulted on its payment obligations. As the custodian of the Fund it falls to the Trustee to take such action.

The bondholders and other unsecured creditors of the Fund have no recourse against the Trustee, unless it is for breach of its legal obligations and functions or for breach of the provisions of the Articles of Incorporation, of this Prospectus, or of applicable prevailing legislation. Any such suit shall be pursued in an ordinary civil action.

(v) Insolvency of the Assignor, of any of the Issuers, or of the Financial Agent of any of the Series

In accordance with the Fifth Additional Provision of Law 3/1994, of April 14, adapting Spanish legislation on credit institutions to the Second Directive on Banking Coordination, and introducing other modifications relating to the financial system (“**Law 3/1994**”), in the event of the insolvency of the Assignor, title to the assets transferred to the Fund may only be challenged in the event of fraud, since the Fund benefits from right of separation. The Fifth Additional Provision of Law 3/1994 is still applicable after the entry into force of Law 22/2003 of July 9, on Insolvency (“**Insolvency Law**”), by virtue of the provisions of the Second Additional Provision of that Law, as amended by the Second Final Provision of Law 25/2005 of November 24, regulating capital-risk entities and their management companies.

In the event of the insolvency of any of the Issuers, the Fund, as the holder of the Mortgage Covered Bonds, will enjoy the special privilege established in article 90.1.1º of the Insolvency Law regarding amounts due and unpaid in respect of principal and interest on those Mortgage Covered Bonds, without prejudice to which, during the insolvency proceedings, the above mentioned amounts shall be claimed against the insolvency estate, against and up to the sum of the amounts paid in by the insolvent Issuer for the set of mortgages registered in its name during that time.

In accordance with article 80.1 of the Insolvency Law, in the event of the insolvency of the Financial Agent of any of the Series, the securities representing the Mortgage Covered Bonds linked to the Series owned by the Fund which are in the hands of the Financial Agent in its capacity as depositary, as established in section 3.7.2 of the Additional Building Block, and over which the corresponding Financial Agent has no right of use, guarantee, or retention, shall be handed over to the Fund by the official receivers at the request of the Trustee.

(vi) Third part relations

Within the framework of each Issuance, the Fund, represented by the Trustee, shall enter into agreements with third parties for the provision of certain services and financial transactions with regard to the Assets and the Bonds.

Bondholders may be adversely affected if any of the counterparties of the Fund involved in any of the above mentioned agreements fail to meet their obligations under those agreements.

2. UNDERLYING ASSET RISK

(i) Default risk of the Mortgage Covered Bonds

The bondholders of each Series issued under the Programme shall bear the default risk of the Mortgage Covered Bonds backing each Series. The open-ended nature of the Fund allows for the inclusion of new Mortgage Covered Bonds to back the Issuance of new Series under the Programme or the Extension of existing Series. This means that the bondholders of each Series shall bear the default risk of the corresponding Mortgage Covered Bonds, thereby avoiding the possibility of interconnection risk between the various Series.

In accordance with article 348 of the Spanish Code of Commerce, the Assignor's sole responsibility towards the Fund is to ensure the existence and legitimacy of the Assets and the legal capacity under which those Assets are transferred. The Assignor also assumes certain conditions and the quality of those Assets, but is not responsible for the creditworthiness of the Issuers or for any representations made by the Issuers, and is thus free from any liability for any default on the part of the Issuers, whether in respect of the principal, the interest, or any other amount arising for the Mortgage Covered Bonds. Neither shall the Assignor be held responsible in any way for guaranteeing directly or indirectly the success of the operation, nor shall it grant any guarantees or securities, nor enter into any repurchase agreements on the Mortgage Covered Bonds, all without prejudice to the responsibilities of the Assignor arising from its representations in section 2.2.8 of the Additional Building Block.

(ii) Prepayment Risk of Mortgage Covered Bonds

Mortgage Covered Bonds held in the Fund may be subject to prepayment. Consequently there can be no absolute certainty as to the final date of payments corresponding to the Bonds of the Series.

3. SECURITIES RISK

(i) Liquidity Risk

There is no assurance that the Bonds of each Series will be traded in the market at a minimum frequency or volume other than the liquidity commitment pursuant to the Underwriting Agreement corresponding to each Series for the Counterparties of those Series, as set out in section 5.1.(ii) of the Securities Note.

Also, under no circumstances shall the Fund be able to repurchase the Bonds from the bondholders, although they can be prepaid in their entirety in the event of the early liquidation of the Fund or of the corresponding Series, under the terms set out in section 4.4.3 of the Registration Document.

(ii) Limited Protection

The principal and interest on the Mortgage Covered Bonds are especially secured, without the need for registration, by mortgage on any Mortgage Covered Bonds that are registered with the Issuers at any time (without prejudice to the Issuers' civil liability). There are also credit enhancement mechanisms in respect of the Bonds of each Series. Also, as holder of the Mortgage Covered Bonds, the Fund's payment right against the Issuers entitles it to claim payment from the Issuers.

Notwithstanding the above, protection is limited and the bondholders shall ultimately bear the credit risk and other risks associated with their investment in each Series of the Fund.

(iii) Yield, duration and average life

The calculation of yield to maturity (internal rate of return) of the Bonds of the Series issued at a Variable Nominal Interest Rate, included in the corresponding Closing Conditions, is dependent on future market interest rates. Also, the calculation of the average life and duration of the Bonds is dependent, among other things, on the effective redemption of the Assets on the scheduled dates.

(iv) Arrears interest

Under no circumstances shall arrears in the payment of interest or in the repayment of principal to the bondholders give rise to the accrual of arrears interest.

(v) Rating of the Bonds

The ratings assigned by the Rating Agencies to each Series issued under the Programme may be reviewed, suspended, or withdrawn at any time by these agencies in the light of any information that comes to their knowledge.

Their ratings do not, nor can they ever, be construed as an invitation, recommendation, or solicitation to investors to enter into any transactions involving the Bonds nor, in particular, to buy, hold, pledge, or sell these Bonds.

REGISTRATION DOCUMENT

This Registration Document was drawn up in accordance with Appendix VII of Regulation 809/2004 and was approved by the CNMV on July 10, 2007.

1. **PERSONS RESPONSIBLE**

1.1 **Persons responsible for the information contained in the Registration Document**

Mr. IGNACIO ORTEGA GAVARA, acting in his capacity as Managing Director of SANTANDER DE TITULIZACIÓN, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A., with registered offices in Ciudad Grupo Santander, Avda. de Cantabria s/n. 28660, Boadilla del Monte (Madrid) (the “**Trustee**”), assumes responsibility for the content of this Registration Document.

Mr. IGNACIO ORTEGA GAVARA acts under powers vested in him by the Board of Directors of the **Trustee**, in their meeting of May 14, 2007, some resolutions of which were subsequently amended in the Board of Directors meeting of June 1, 2007.

The Trustee is the sponsor of the Securitization Fund, hereinafter referred to as the Asset-Backed Fund, Independent Mortgage Covered Bonds Programme (or the “**Fund**”), and shall be responsible for the management and legal representation of the Fund.

1.2 **Declaration**

Mr. IGNACIO ORTEGA GAVARA, in the name and on behalf of the Trustee, having exercised due diligence, declares that the information contained in the Registration Document is, to his knowledge, true and does not omit any fact that may compromise the veracity of the document.

2. **AUDITORS**

2.1 **Fund Auditors**

In accordance with the provisions of section 4.4.2 of this Registration Document, the Fund has no historical financial information.

Nevertheless, during the life of the Fund, its annual accounts shall be audited annually by qualified auditors.

The Trustee shall submit to the “**CNMV**” the annual accounts of the Fund, together with the audit report on those accounts, within four (4) months following the close of the accounting year (that is, before April 30 of each year). The annual accounts of the Fund and the corresponding audit report shall be registered with the *Registro Mercantil* (hereinafter Registrar of Companies) if such registration is a legal requirement.

In their meeting of May 14 2007, as amended in the meeting of June 1, 2007, the Board of Directors of the Trustee appointed the auditing firm Deloitte, S.L. as auditors of the Fund. Details of the firm are set out in section 5.2. of this Registration Document. The

Trustee shall notify the CNMV, the Rating Agencies, and the bondholders of any future change in the appointment of auditors to the Fund.

2.2 Accounting criteria used by the Fund

The accounting year of the Fund shall coincide with the calendar year. However, and exceptionally, the first accounting year shall start on the date of incorporation of the Fund and shall end on December 31, 2007, and the last accounting year shall end on the day that the Fund matures.

The accounting information of the Fund is prepared in accordance with the accrual principle; that is, revenues and expenses will be recorded when the actual flow of goods and services that they represent occurs, regardless of when the resulting monetary or financial flow occurs.

The net income of each accounting year should be zero.

3. RISK FACTORS

The Risk Factors specific to the Fund are described in section 1 of the document at the beginning of this Prospectus entitled "RISK FACTORS".

4. INFORMATION ABOUT THE ISSUER

4.1 Declaration that the issuer has been incorporated as a securitization fund

The Issuer (the Fund) has the legal status of an Asset-Backed Fund; that is, it is bankruptcy remote, with no legal personality, and is open-ended, in accordance with article 4.1.c) of Royal Decree 926/1998 of May 14, regulating asset-backed funds and securitization fund management companies (the "**Royal Decree 926/1998**").

4.2 Legal and professional name of the issuer

The Fund is called *Fondo de Titulización de Activos, Programa Independiente de Titulización de Cédulas Hipotecarias* (Asset-Backed Fund, Independent Mortgage Covered Bonds Programme). The successive Series issued under the issuance Programme of asset-backed securities (the "**Programme**" and the "**Bonds**", respectively) shall be called PITCH-Series 1, PITCH-Series 2, PITCH-Series 3, PITCH-Series 4, and so on. The Series may be denominated in the market likewise, with the following mention; PITCH x% MM, YYYY, where "x" is the nominal interest rate and "MM, YYYY" is the Expected Maturity Date (month and year) of the corresponding Series. This alternative denomination shall be included in the Closing Conditions of the corresponding Series and shall always be used jointly in all documentation submitted to the CNMV.

4.3 Place of registration of the issuer and registration number

The Fund is registered in Spain, with the CNMV.

A prerequisite for the incorporation of the Fund and the issuance of the Bonds is that the Fund be registered in the Official Register of the CNMV in Spain. This Prospectus was filed with the CNMV on July 10, 2007.

Notice is hereby given that neither the incorporation of the Fund nor the Bonds of the successive Series issued against the Fund shall be subject to registration in the Registrar of Companies, in accordance with the exemption permitted under article 5.4 of Royal Decree 926/1998.

4.4 Date of incorporation and duration of the Fund

4.4.1. Date of incorporation of the Fund

Once this Prospectus has been filed with the CNMV, the Trustee and SANTANDER INVESTMENT BOLSA, SOCIEDAD DE VALORES, S.A. (the “**Assignor**”), shall execute the Articles of Incorporation of the Fund, of creation of the issuance Programme, of issuance of First Series Bonds under the Programme, and of assignment to the Fund of the Mortgage Covered Bonds financed by those First Series Bonds (the “**Articles of Incorporation**”) and shall sign the other agreements stipulated in this Prospectus. The Trustee shall send a copy of the Articles of Incorporation to the CNMV to be filed in the public register prior to the beginning of the Subscription Period of the Bonds of the first Series.

Only in exceptional cases may the Articles of Incorporation be altered, and only provided that it is allowed under prevailing legislation and that all legal conditions are met. Any such alterations shall require prior notification from the Trustee to the CNMV or competent administrative agency, or prior authorization if necessary, and notification to the Rating Agencies, and always provided that such actions do not have an adverse effect on the rating assigned to the Bonds by the Rating Agencies or go against the bondholders’ interests. The Deed may also be subject to correction at the request of the CNMV.

The Trustee declares that the content of the Articles of Incorporation is substantially the same as the draft Articles of Incorporation submitted to the CNMV, and that in no way do the terms of the Articles of Incorporation contradict, amend, alter, or invalidate the content of this Prospectus.

The Issuances and Extensions of the successive Series and the transfer to the Fund of the Mortgage Covered Bonds financed by those Series shall be executed by articles supplementary to the Articles of Incorporation (the “**Supplementary Articles**”) which will be executed by the Trustee, in the name and on behalf of the Fund, and by the Assignor, and which shall not modify the Articles of Incorporation. The Supplementary Articles shall act as supplementary certifications similar to those provided for by article 6 of Royal Decree 116/1992 de February 14, on securities represented by book-entry and the clearing and settlement of stock exchange transactions (the “**Royal Decree 116/1992**”) pursuant to article 6.3 of Royal Decree 926/1998. The Supplementary Articles corresponding to the successive Series shall be filed with the CNMV prior to the Subscription Period of the Bonds of the corresponding Series.

In accordance with the provisions of article 6 of Royal Decree 116/1992, the denomination, number of units, nominal value, and other characteristics and conditions of the issuance of Bonds represented by book-entry shall be included in the Articles of Incorporation and in the Supplementary Articles.

4.4.2. Duration of the Fund

The Fund shall commence its activity on the day the Articles of Incorporation are executed.

The duration of the Fund shall be until the date on which fifty (50) years have elapsed since the date of incorporation of the Fund, unless the fund has been wound up prior to that day in accordance with section 4.4.3 below. Issuances may be made under the Programme until the date on which twenty (20) years have elapsed since the date of incorporation of the Fund or until some other date on which, by agreement of the Assignor and the Trustee, it is decided that no more Issuances may be made against the Fund (the “**Offering Period**”), provided that the maximum amount specified in section 4.1.a) of the Securities Note and section 1.1 of the Additional Building Block has not been exceeded, and provided that there is a current Prospectus filed with the CNMV.

4.4.3. Liquidation and Termination of the Fund. Termination of the Fund Incorporation due to the failure to confirm the provisional rating assigned to the Bonds

4.4.3.1. Liquidation of one or several Series

The Trustee shall liquidate one or several Series when any of the following situations arise:

- (i) When all the Assets and/or when all the Bonds of that Series have been fully redeemed
- (ii) When, in the opinion of the Trustee, there are exceptional circumstances which would make it impossible, or extremely difficult, to maintain the financial equilibrium of that or those Series (such circumstances include the existence of a change in legal or regulatory requirements – whether of a fiscal or any other nature –, the establishment of withholding obligations, or other situations that may permanently affect the financial equilibrium of the Fund), but do not affect the overall financial equilibrium of the Fund
- (iii) When there is a default indicating a serious and permanent imbalance in respect of the securities issued, or when it is foreseeable that such a default will occur in respect of that or those Series, but does not affect the Fund as a whole.

In the event that any of the situations described in sections (ii) and (iii) above should occur, the Trustee shall notify the CNMV and initiate the necessary procedures, described below, to liquidate the Series affected.

Also, in the event that any of the Rating Agencies fails to confirm as definitive the rating assigned provisionally to a Series prior to the start of the Subscription Period of that Series, the Issuance or Extension shall be wound up (in the case of an Extension being wound up, this would not mean the liquidation of the rest of the Bonds of the Series in question), as shall all agreements entered into by the Trustee, in the name and on behalf of the Fund, on the occasion of that Issuance or Extension.

In order to liquidate the Series or those Series affected, the Trustee shall dispose of the Assets corresponding to the affected Series under the most favourable conditions possible (making its best effort to sell the Assets at least at the same price as the value of the unredeemed principal, plus interest accrued but unpaid). The Trustee must propose the sale of the Assets to five (5) institutions active in the trading of Assets (other than the Issuers), and may not sell the Assets at a price lower than the best offer received.

Prior to the liquidation of the affected Series notice must be given to the CNMV, the *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores*, S.A.. (“**IBERCLEAR**”), the AIAF Fixed Income Market (“**AIAF**”) and the Rating Agencies, and an announcement must also be placed in a daily newspaper, either a financial publication or a general interest newspaper, with a wide circulation in Spain.

The liquidation of the affected Series shall be carried out by means of the immediate application of proceeds from the disposal of the Assets of that Series, in accordance with the procedure described above, together with the remaining Available Funds of that Series in accordance with the Payment Priority Order set out in section 3.4.6 of the corresponding Additional Building Block (the “**Payment Priority Order**”), after retaining the amount necessary to meet the cost of winding up the Series in question.

4.4.3.2. Liquidation of the Fund

The Trustee shall liquidate the Fund when any of the following situations arise:

- (i) When all the Assets and/or when all the Bonds of all the Series have been fully redeemed (once the Offering Period is over)
- (ii) When, in the opinion of the Trustee, there are exceptional circumstances which would make it impossible, or extremely difficult, to maintain the financial equilibrium of that or those Series (such circumstances include the existence of a change in legal or regulatory requirements – whether of a fiscal or any other nature -, the establishment of withholding obligations, or other situations that may permanently affect the financial equilibrium of the Fund), but do not affect the overall financial equilibrium of the Fund
- (iii) When there is a default indicating a serious and permanent imbalance in respect of the securities issued affecting the Fund as a whole, or when it is foreseeable that such a default will occur
- (iv) In the circumstance provided for in article 19 of Royal Decree 926/1998, which establishes the obligation to liquidate the Fund early if four (4) months have elapsed since an event triggering the enforced substitution of the Trustee, due to insolvency proceedings or revocation of authorization, without a new management company having been found willing to take over the management of the Fund and appointed in accordance with the provisions of section 3.7.1.c) of the Additional Building Block
- (v) When thirty (30) months have elapsed since the Expected Maturity Date of the Series with the latest Expected Maturity Date of all the Series issued against the Fund (once the Offering Period is over)

In the event that any of the situations described in sections (ii) to (iv) above should occur, the Trustee shall notify the CNMV and initiate the necessary procedures, described below, to liquidate the Fund.

Also, if any of the Rating Agencies fails to confirm as definitive the rating assigned provisionally to the first Series issued under the Programme, prior to the start of the Subscription Period of that Series, the Issuance shall be wound up, as shall the Fund, and all agreements entered into by the Trustee, in the name and on behalf of the Fund, on the occasion of the constitution of that Issuance or Extension.

In order to liquidate the Fund, the Trustee shall dispose of the assets corresponding to the Fund's Assets under the most favourable conditions possible (making its best effort to sell the Assets at least at the same price as the value of the unredeemed principal, plus interest accrued but unpaid). The Trustee must propose the sale of the Assets to five (5) institutions active in the trading of Assets (other than the Issuers), and may not sell the Assets at a price lower than the best offer received

Prior to the liquidation of the Fund, notice should be given to the CNMV, IBERCLEAR, the AIAF, and the Rating Agencies and an announcement must also be placed in a daily newspaper, either a financial publication or a general interest newspaper, with a wide circulation in Spain.

The liquidation of the affected Series shall be carried out by means of the immediate application of proceeds from the disposal of the Assets of each Series, in accordance with the procedure described above, together with the remaining Available Funds of that Series in accordance with the Payment Priority Order of each Series, after retaining the amount necessary to meet the cost of winding up the Fund. These costs shall be distributed among the various Series on a pro rata basis according to the nominal volume of each Series outstanding at the time of the liquidation, and the resulting amounts shall be deposited in the Cash Collateral Accounts of each Series.

4.4.3.3. Termination of the Fund

The Fund shall be terminated for the reasons provided for in Royal Decree 926/1998 and Law 19/1992, and in particular:

- (i) In any event, on the Legal Maturity Date of the Fund; that is, after thirty (30) months have elapsed since the Expected Maturity Date of the Series with the latest Expected Maturity Date of all the Series issued against the Fund (once the Offering Period is over)
- (ii) Once the Fund has been liquidated or wound up in accordance with the provisions of section 4.4.3.2 above.

If any of the situations described in either of the sections above should occur, the Trustee shall notify the CNMV and initiate the necessary procedures, described below, to liquidate the Fund.

Six (6) months after the liquidation of the Assets and any other remaining assets of the Fund, and after the distribution of the Available Funds of all the Series, the Trustee shall execute a deed stating (a) that the Fund is terminated, giving the causes for the

termination as provided for in the Registration Document, (b) the procedures used for notifying the bondholders and the CNMV, and (c) the distribution of the Available Funds of all the Series in accordance with the Payment Priority Order, and shall carry out any other administrative duties as may be appropriate. This deed shall be sent by the Trustee to the CNMV.

Exceptionally, in the event of the termination of the Fund Incorporation, the Bond offering, and any agreements that may have been entered into by the Trustee, acting in the name and on behalf of the Fund, one month (1) after such a termination, the Trustee shall execute a deed to be sent to the CNMV and to the Rating Agencies, declaring the termination of the Fund and the cause for such a termination.

4.5 Registered office, legal personality, and legislation applicable to the issuer

a) Registered office of the Fund

The Fund has no registered office as it has no legal personality. To all intents and purposes the registered office of the Fund may be considered to be that of the Trustee, that is:

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.
Ciudad Grupo Santander
Avenida de Cantabria, s/n
28660 Boadilla del Monte (Madrid)
Telephone: 91.289.32.97

b) Legal personality of the Fund

The Fund is bankruptcy remote, has no legal personality, and is open-ended.

c) Legislation under which it operates and country of incorporation

The incorporation of the Fund and the issuance of Bonds against it shall take place in accordance with the provisions of this Prospectus and its corresponding Closing Conditions, and of the Articles of Incorporation of the Fund and its corresponding Supplementary Articles, all under the provisions of Spanish legislation and, in particular, (i) Royal Decree 926/1998 and implementing provisions, (ii) Law 19/1992, of July 7, on the Regulation of Real Estate Investment Companies and Funds and on Mortgage-Backed Funds, in aspects not covered by Royal Decree 926/1998 and therefore applicable (“**Law 19/1992**”), (iii) Law 3/1994, (iv) Law 24/1988, of July 28, on the Securities Market, in its current wording (“**Law 24/1988**”), in respect of the Fund’s oversight, inspection, and sanction, and any other applicable aspect, (v) Royal Decree 1310/2005, of November 4, partially implementing Law 24/1988, of July 28, on the Securities Market, in respect of the listing of securities in official secondary markets, public sale or subscription offerings, and the corresponding mandatory Prospectus (“**Royal Decree 1310/2005**”), (vi) Order EHA/3537/2005, of November 10, implementing article 27.4 of Law 24/1988, of July 28, on the Securities Market, and (vii) all other prevailing legal and regulatory provisions that may be applicable at any given time.

The Prospectus has been drawn up as per the models provided in Regulation 809/2004.

4.5.1. Tax treatment of the Fund

In accordance with the provisions of article 1.2 of Royal Decree 926/1998; article 5.10 of Law 19/1992; article 7.1.h) of the Consolidated Text of the Law on Corporate Income Tax, approved by Royal Legislative Decree 4/2004, of March 5; article 20.Uno.18º of Law 37/1992, of December 28, on Value Added Tax; article 59.k) of the Regulation of Corporate Income Tax, approved by Royal Decree 1777/2004, of July 30; article 45.I.B).15 of the Consolidated Text of the Law on Capital Transfers and Documented Legal Acts, approved by Royal Decree 1/1993, of September 24, and the Fifth Additional Provision of Law 3/1994, the prevailing tax treatment of the Fund may be characterized as the following:

- (i) Article 5.10 of Law 19/1992 establishes that the incorporation of Mortgage-Backed Funds are exempt from the concept of “company transactions” in respect of Tax on Capital Transfers and Documented Legal Acts.

Article 16 of Royal Decree-Law 3/1993, on urgent measures on budgetary, taxation, financial, and employment issues, empowered the government to “extend the tax treatment of mortgage participations (...) to the securitization of other loans and receivables”. This empowerment was endorsed and extended by the fifth additional provision of Law 3/1994.

Royal Decree 926/1998 provides that asset-backed funds, in respect of matters not specifically covered by that regulation, shall be subject to the regulations set out in Law 19/1992 for Mortgage-Backed Funds whenever applicable, due to their special nature.

Therefore, although Royal Decree 926/1998 does not specifically refer to the tax treatment applicable to asset-backed funds, it may be understood that the aforementioned exemption from the concept of “company transactions” is also applicable to the incorporation of the asset-backed funds, such as the Fund.

- (ii) The issuance, subscription, transfer, and redemption of the Bonds shall be exempt from Value Added Tax (hereinafter, “VAT”) (article 20.Uno.18º of the Law on VAT) and from the Tax on Capital Transfers and Documented Legal Acts (article 45.I.B) number 15 of the consolidated text of the aforementioned tax).
- (iii) The Fund is subject to Corporate Income Tax. The taxable income is determined according to the provisions of Title IV of the consolidated Law on Corporate Income Tax, the applicable tax rate being the prevailing general rate, which at the moment is 32.5% since January 1, 2007, and which will fall to 30% as of January 1, 2008.
- (iv) With regard to the yield from Mortgage Covered Bonds which is reinvested into the Fund, there shall be no obligation to either make withholdings or payments on account in respect of Corporate Income Tax, in accordance with article 59. k) of its implementing regulation.

- (v) Management and custody services provided for the Fund by the Trustee shall be VAT exempt in accordance with the provisions of article 20.Uno.18°. n) of the Law on VAT.
- (vi) The transfer of Mortgage Covered Bonds to the Fund is subject to and exempt from VAT.
- (vii) The Fund shall be subject to the reporting obligations set out in the Second Additional provision of Law 13/1985, of May 25, on investment ratios, own funds, and information obligations of financial intermediaries, in accordance with the amendment introduced by Law 19/2003, of July 4, on the legal regime applicable to movements of capital and foreign economic transactions and on certain measures to prevent money laundering, and Law 23/2005, of November 18, on tax reforms to promote productivity.

The procedures for meeting the above mentioned reporting obligations are set out in Royal Decree 2281/1998, of October 23, implementing provisions applicable to certain reporting obligations to the tax authorities, in accordance with the amendment introduced Royal Decree 1778/2004, of July 31, establishing reporting obligations in respect of the preferred shares and other debt instruments and certain income obtained by natural persons resident in the European Union.

4.6 **Authorized capital issued by the issuer**

Not applicable.

5. **DESCRIPTION OF THE ENTERPRISE**

5.1 **Brief description of the main activities of the issuer**

This Prospectus refers to the incorporation of the Asset-Backed Fund, Independent Mortgage Covered Bonds Programme, an open-ended Asset-Backed Fund, and the creation of the Programme related to the Bonds to be issued against the Fund's assets.

Under the Programme successive Bond Issues (the “**Issuances**”) shall be made, each issuance comprises one Series (a “**Series**”).

Each successive Series issued shall be backed by Mortgage Covered Bonds (the “**Mortgage Covered Bonds**” or the “**Assets**”) issued by one or several of the twenty (20) entities listed in section 5.2. of this Registration Document or other entities eligible for the issuance of Mortgage Covered Bonds that may join the Programme as Issuers in accordance with section 2.2 of the Additional Building Block (the “**Issuers**”). The aforementioned Bonds shall be subscribed and subsequently transferred by the Assignor to the Trustee, in the name and on behalf of the Fund.

Each Series issued under the Programme shall be backed by a pool of specific Assets that shall be acquired by the Fund for the purpose of that Issuance. Revenue flows and payments of each Series shall be totally separate, with no type of subordination between the various Series.

The various Series may be extended by the issuance of new Bonds with the same characteristics as those of the corresponding Series and shall be fungible with those bonds, under the terms set out in the Securities Note (an “**Extension**”). The Extension shall be charged against new Assets acquired by the Fund and which shall back the Bonds of the Series, together with the rest of the Assets linked to that Series.

5.2 General description of the parties of the securitization Programme

The following parties shall participate in the securitization Programme:

- a) SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. acts as Trustee of the Fund.
Registered in the Special Register of the CNMV under number 1
Registered office: Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte (Madrid)
C.I.F.: A-80481419
C.N.A.E.: 8199
- b) SANTANDER INVESTMENT BOLSA, SOCIEDAD DE VALORES, S.A. acts as Assignor.
Registered in the Special Register of the CNMV under number 31
Registered office: Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte (Madrid)
C.I.F.: A79204319
- c) The potential Issuers of the Assets to be assigned to the Fund by the Assignor are as set out below. Other entities eligible for the issuance of Mortgage Covered Bonds in accordance with article 2.1 of Law 2/1981, of March 25, regulating the mortgage market (“**Law 2/1981**”) may join the Programme as potential Issuers, provided that details for each of the Issuers are included in a supplement to this Prospectus, as set out in section 2.2.2 of the Additional Building Block.

BANCO GUIPUZCOANO, S.A.

Registered in the Special Bank Register of the Bank of Spain under number 0042

Registered office: Avda. de la Libertad 21, San Sebastián.

C.I.F.: A-20000733

C.N.A.E.: 65122

Credit rating: Long-term: A (Fitch); Short-term: F2 (Fitch)

BANCA MARCH, S.A.

Registered in the Special Bank Register of the Bank of Spain under number 0061

Registered office: Avda. Alejandro Rosselló 8, Palma de Mallorca.

C.I.F.: A-07004021

C.N.A.E.: 65122

Credit rating: Long-term: A2 (Moody’s); Short-term: P-1 (Moody’s)

BANCO SANTANDER CENTRAL HISPANO, S.A.

Registered in the Special Bank Register of the Bank of Spain under number 0049

Registered office: Paseo de Pereda 9-12, 39004 (Santander)

C.I.F.: A-39000013

C.N.A.E.: 65122

Credit rating: Long-term: AA (Fitch), AA (Standard & Poor's), Aa1 (Moody's);
Short-term: F1+ (Fitch), A-1+ (Standard & Poor's), P-1 (Moody's)

BILBAO BIZKAIA KUTXA, AURREZKI KUTXA ETA BAHITETXEA

Registered in the Special Savings Bank Register of the Bank of Spain under
number 2095

Registered office: Gran Vía D. Diego López De Haro 30-32, Bilbao.

C.I.F.: G-48412720

C.N.A.E.: 65122

Credit rating: Long-term: A+ (Fitch), A1 (Moody's); Short-term: F1 (Fitch), P-1
(Moody's)

CAIXA D'ESTALVIS DE GIRONA

Registered in the Special Savings Bank Register of the Bank of Spain under
number 2030

Registered office: C/ Creu 31 - 17002 Girona

C.I.F.: G-17008079

C.N.A.E.: 65122

Credit rating: Long-term: A- (Fitch); Short-term: F2 (Fitch)

CAIXA D'ESTALVIS DEL PENEDE'S

Registered in the Special Savings Bank Register of the Bank of Spain under
number 2081

Registered office: Rambla de Nostra Senyora, 2-4 - 08720 Vilafranca del Penedès
(Barcelona)

C.I.F.: G-08169807

C.N.A.E.: 65122

Credit rating: Long-term: A (Fitch); Short-term: F1 (Fitch)

CAIXA D'ESTALVIS DE TARRAGONA

Registered in the Special Savings Bank Register of the Bank of Spain under
number 2073

Registered office: Plaza Imperial Tarraco, 6 - 43005 Tarragona

C.I.F.: G-43003938

C.N.A.E.: 65122

Credit rating: Long-term: A2 (Moody's), A- (Fitch); Short-term: P-1 (Moody's), F2
(Fitch)

CAIXA D'ESTALVIS LAIETANA

Registered in the Special Savings Bank Register of the Bank of Spain under
number 2042

Registered office: C/ Palau, 18 - 08302 – 08301 Mataró (Barcelona)

C.I.F.: G-08169823

C.N.A.E.: 65122

Credit rating: Long-term: A- (Fitch); Short-term: F2 (Fitch)

CAJA CAMINOS, SOCIEDAD COOPERATIVA DE CRÉDITO

Registered in the Special Credit Cooperative Register of the Bank of Spain under number 3172

Registered office: C/ Almagro 42 - 28010 Madrid

C.I.F.: F-28520666

C.N.A.E.: 65122

Credit rating: None.

CAJA DE AHORROS DE ASTURIAS

Registered in the Special Savings Bank Register of the Bank of Spain under number 2048

Registered office: Plaza Escandalaria, 2 - 33003 Oviedo (Asturias)

C.I.F.: G-33001884

C.N.A.E.: 65122

Credit rating: Long-term: A (Fitch); Short-term: F1 (Fitch)

CAJA DE AHORROS DE LA RIOJA

Registered in the Special Savings Bank Register of the Bank of Spain under number 2037

Registered office: Calle Miguel Villanueva, 9, La Rioja.

C.I.F.: G-26003038

C.N.A.E.: 65122

Credit rating: Long-term: A2 (Moody's); Short-term: P-1 (Moody's)

CAJA DE AHORROS DE SALAMANCA Y SORIA

Registered in the Special Savings Bank Register of the Bank of Spain under number 2104

Registered office: Plaza de Los Bandos, 15-17, Salamanca.

C.I.F.: G-37244191PZ

C.N.A.E.: 65122

Credit rating: Long-term: A2 (Moody's); Short-term: P-1 (Moody's)

CAJA DE AHORROS DE SANTANDER Y CANTABRIA

Registered in the Special Savings Bank Register of the Bank of Spain under number 2066

Registered office: Plaza de Velarde, 3 - 39001 Santander (Cantabria)

C.I.F.: G-39003785

C.N.A.E.: 65122

Credit rating: Long-term: A2 (Moody's); Short-term: P-1 (Moody's)

CAJA DE AHORROS DE VALENCIA, CASTELLON Y ALICANTE, BANCAJA

Registered in the Special Savings Bank Register of the Bank of Spain under number 2077

Registered office: Calle Caballeros 2, Castellón de la Plana.

C.I.F.: G-46002804

C.N.A.E.: 65122

Credit rating: Long-term: A+ (Fitch), A1 (Moody's), A+ (Standard & Poor's); Short-term: F1 (Fitch), P-1 (Moody's), A-1 (Standard & Poor's)

CAJA DE AHORROS Y MONTE DE PIEDAD DE CÓRDOBA

Registered in the Special Savings Bank Register of the Bank of Spain under number 2024

Registered office: Ronda de los Tejares, 18-24, Córdoba.

C.I.F.: G-14004485

C.N.A.E.: 65122

Credit rating: Long-term: A- (Fitch); Short-term: F1 (Fitch)

CAJA ESPAÑA DE INVERSIONES, CAJA DE AHORROS Y MONTE DE PIEDAD

Registered in the Special Savings Bank Register of the Bank of Spain under number 2096

Registered office: Edificio Botines de Gaudí, Plaza San Marcelo, 5 – 24002 León

C.I.F.: G-24219891

C.N.A.E.: 65122

Credit rating: Long-term: A2 (Moody's), A- (Fitch); Short-term: P-1 (Moody's), F1 (Fitch)

CAJA LABORAL POPULAR COOPERATIVA DE CRÉDITO - LAN KIDE AURREZKIA

Registered in the Special Credit Cooperative Register of the Bank of Spain under number 3035

Registered office: Paseo Jose Maria Arizmendiarieta, S/N 20500 Mondragón (Guipúzcoa)

C.I.F.: F-20022109

C.N.A.E.: 65122

Credit rating: Long-term: A+ (Fitch), A1 (Moody's); Short-term: F1 (Fitch), P-1 (Moody's)

MONTES DE PIEDAD Y CAJA DE AHORROS DE RONDA, CÁDIZ, ALMERÍA, MÁLAGA Y ANTEQUERA (UNICAJA)

Registered in the Special Savings Bank Register of the Bank of Spain under number 2103

Registered office: Avenida Andalucía, 10-12 - 29007 Málaga

C.I.F.: G-29498086

C.N.A.E.: 65122

Credit rating: Long-term: Aa3 (Moody's), A+ (Fitch); Short-term: P-1 (Moody's), F1 (Fitch)

SANTANDER CONSUMER FINANCE, S.A.

Registered in the Special Bank Register of the Bank of Spain under number 0224

Registered office: Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte (Madrid)

C.I.F.: A-28122570

C.N.A.E.: 65122

Credit rating: Long-term: AA (Fitch), AA (Standard & Poor's), A1 (Moody's); Short-term: F1+ (Fitch), A-1+ (Standard & Poor's), P-1 (Moody's)

UNIÓN DE CRÉDITOS INMOBILIARIOS, E.F.C., S.A.

Registered in the Special Financial Credit Institution Register of the Bank of Spain under number 8512

Registered office: C/ Retama 3, 28045 (Madrid)

C.I.F.: A39025515

C.N.A.E.: 65122

Credit rating: None

- d) URÍA MENÉNDEZ Y CÍA, ABOGADOS, S.C. acted in the incorporation of the Fund as independent legal advisor.
Registered office: Calle Príncipe de Vergara, 187 - 28002 Madrid
C.I.F.: C-28563963

- e) The Rating Agencies responsible for the credit rating of the Bonds of the various Series may be:

MOODY'S INVESTORS SERVICE ESPAÑA, S.A.

Registered office: Bárbara de Braganza, 2 - 3ºB – 28004 Madrid

C.I.F.: A-80448475

STANDARD & POOR'S ESPAÑA, S.A.

Registered office: Marqués de Villamejor, 5 - 28006 Madrid

C.I.F.: A-80310824

- f) Details of the Placement Agents and Underwriters, the Counterparties, the Lender(s), and the Financial Agent of each Series shall be included in the corresponding Closing Conditions to each Series.

With regard to the parties involved in the securitization transaction, notice is hereby given that:

- Pursuant to article 4 of Law 24/1988, SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., BANCO SANTANDER CENTRAL HISPANO, S.A., SANTANDER INVESTMENT BOLSA, SOCIEDAD DE VALORES, S.A. and SANTANDER CONSUMER FINANCE, S.A., form part of the GRUPO SANTANDER, of which SANTANDER CENTRAL HISPANO, S.A. is the parent company.
- BANCO SANTANDER CENTRAL HISPANO, S.A. holds a 50% interest in the share capital of UCI, S.A., which in turn is the parent company of its 100% owned subsidiary, UNIÓN DE CRÉDITOS INMOBILIARIOS EFC, S.A.
- There is no other type of relationship (voting rights, employment or family relationship, etc.) or economic interest between the Trustee and/or the Assignor and the experts, advisors and/or other entities that have taken part in the design of or advised in the incorporation of the Fund, or the compilation of any significant information in the Prospectus, other than that of a strictly professional nature.

6. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES

In accordance with Royal Decree 926/1998, the asset-backed funds have no legal personality of their own. Their incorporation, administration, and legal representation is the responsibility of the Securitization Fund managers (the Trustees), as is the representation and defence of the interests of the holders of the securities issued against the Funds they manage and of the other unsecured creditors of those Funds.

Pursuant to the above, this section sets out the details of SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. as Fund Trustee responsible for constituting, managing, and representing the Asset-Backed Fund, Independent Mortgage Covered Bonds Programme.

6.1 Incorporation and registration in the Registrar of Companies

a) Registered name and registered office.

- Registered name: SANTANDER DE TITULIZACIÓN, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A.
- Registered office: Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte (Madrid).
- C.I.F.: A-80481419
- C.N.A.E.: 8199

b) Incorporation and registration in the Registrar of Companies, and information concerning administrative authorizations and registration with the CNMV.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., was incorporated by public deed executed on December 21, 1992, before the Madrid Notary, Mr. Francisco Mata Pallarés, with protocol number 1,310, and with the prior authorization of the Ministry of Economy granted on December 1, 1992. It is registered in the Registrar of Companies of Madrid, Volume 4,789, Folio 75, Sheet M-78658, 1st Entry. It is also registered in the special register of the CNMV, under number 1.

The Board of Directors of the Fund Management Company (the **Trustee**) modified its Bylaws in a resolution adopted on June 15, 1998, notarized by Madrid Notary, Mr. Roberto Parejo Gamir, protocol number 3,070, on July 20, 1998, in order to bring them in line with requirements established for Securitization Fund Management Companies by Royal Decree 926/1998. This modification was authorized by the Ministry of Economy on July 16, 1998, in accordance with the provisions of the Single Transitory Provision of the aforementioned Royal Decree 926/1998.

The duration of the Fund Management Company is indefinite, unless dissolved due to causes set out in applicable legal and statutory provisions.

6.2 Audit of accounts

The annual financial statements of the Trustee corresponding to years ended December 31, 2004, 2005 and 2006 have been audited by the firm Deloitte, S.L., whose registered office is at Plaza Pablo Ruiz Picasso 1, Torre Picasso, 28020 Madrid, and is registered in the ROAC (Official Register of Auditors) under number S-0692 and whose tax ID number is C.I.F. B-79104469. These annual financial statements have been filed with the Registrar of Companies.

The audit reports for the annual financial statements for the years 2004, 2005 and 2006 are unqualified.

6.3 Main activities

In accordance with legal requirements, the second article of the Trustee's Bylaws states that: "the company's sole purpose is the incorporation, administration, and legal representation of Mortgage-Backed Funds under the terms set out in article six of Law 19/1992, of July 7, on the Regulation of Real Estate Investment Companies and Funds and on Mortgage-Backed Funds and Asset-Backed Funds, in accordance with the provisions of article 12, point 1, of Royal Decree 926/1998, of May 14, regulating Asset-Backed Funds and the Securitization Fund Management Companies. As third-party business manager the Trustee is responsible for the representation and defence of the interests of the holders of the securities issued against the Funds it manages and of the other unsecured creditors of those Funds, together with the performance of other functions attributed to Securitization Fund Management Companies by prevailing legislation".

At June 26, 2007 the Trustee manages 42 securitization funds of which 12 are mortgage-backed funds and 30 are asset-backed funds.

The table below lists the 42 Securitization Funds currently being managed and their date of incorporation indicating, for each Series, the outstanding balance of the principal and the nominal interest rate, and the rating agencies that rated each Fund.

| FONDOS DE TITULIZACION DE ACTIVOS | | | | | | |
|-----------------------------------|-------------|----------------------|---------------------|-----------------------------|--------------------|-----------------------|
| FONDOS | SERIES | SALDO VIVO POR SERIE | TIPO POR SERIES | AGENCIA DE CALIFICACION | FECHA CONSTITUCION | SALDO INICIAL ACTIVOS |
| FTA UCI 9 | Serie A | 379.041.339,47 | Euribor 3M + 0.265% | S&P España / Moody's España | 16/06/2003 | 1.250.000.000,00 € |
| | Serie B | 28.107.753,25 | Euribor 3M + 0.65 % | | | |
| | Serie C | 6.200.240,00 | Euribor 3M + 1.20 % | | | |
| | Total | 413.349.332,72 € | | | | |
| FTA FTPYME SANTANDER 1 | Serie A | 357.946.368,57 | Euribor 3M + 0.25% | Fitch / Moody's España | 24/09/2003 | 1.800.000.000,00 € |
| | Serie B1(G) | 537.100.000,00 | Euribor 3M + 0.00% | | | |
| | Serie B2 | 134.300.000,00 | Euribor 3M + 0.40% | | | |
| | Serie C | 27.000.000,00 | Euribor 3M + 0.90% | | | |
| | Serie D | 87.300.000,00 | Euribor 3M + 1.80% | | | |
| | Total | 1.143.646.368,57 € | | | | |
| FTA SANTANDER HIPOTECARIO 1 | Serie A | 989.355.396,48 | Euribor 3M + 0.18% | S&P España / Moody's España | 11/06/2004 | 1.875.000.000,00 € |
| | Serie B | 53.400.000,00 | Euribor 3M + 0.30% | | | |
| | Serie C | 46.900.000,00 | Euribor 3M + 0.50% | | | |
| | Serie D | 56.300.000,00 | Euribor 3M + 0.95% | | | |
| | Total | 1.145.955.396,48 € | | | | |
| FTA FTPYME SANTANDER 2 | Serie A | 603.770.772,15 | Euribor 3M + 0.20% | S&P España | 21/10/2004 | 1.850.000.000,00 € |
| | Serie B | 183.564.007,65 | Euribor 3M + 0.00% | | | |
| | Serie C | 81.000.000,00 | Euribor 3M + 0.30% | | | |
| | Serie D | 58.500.000,00 | Euribor 3M + 0.70% | | | |
| | Serie E | 58.500.000,00 | Euribor 3M + 1.50% | | | |
| | Total | 985.334.779,80 € | | | | |
| FTA UCI 11 | Serie A | 383.221.657,14 | Euribor 3M + 0.14% | S&P España | 17/11/2004 | 850.000.000,00 € |
| | Serie B | 6.000.000,00 | Euribor 3M + 0.33% | | | |
| | Serie C | 22.900.000,00 | Euribor 3M + 0.75% | | | |
| | Total | 412.121.657,14 € | | | | |
| FTA SANTANDER PUBLICO 1 | Serie A | 1.158.363.954,30 | Euribor 3M+ 0.039% | Fitch / Moody's España | 17/12/2004 | 1.850.000.000,00 € |
| | Serie B | 37.000.000,00 | Euribor 3M+ 0.30% | | | |
| | Total | 1.195.363.954,30 € | | | | |
| FTA SANTANDER AUTO 1 | Serie Unica | 868.484.875,20 | Euribor 3M + 0.059% | S&P España | 07/04/2005 | 1.598.000.000,00 € |
| | Total | 868.484.875,20 € | | | | |

| FONDOS DE TITULIZACION DE ACTIVOS | | | | | | |
|---|-------------|----------------------|---------------------|------------------------------|--------------------|-----------------------|
| FONDOS | SERIES | SALDO VIVO POR SERIE | TIPO POR SERIES | AGENCIA DE CALIFICACION | FECHA CONSTITUCION | SALDO INICIAL ACTIVOS |
| FTA SANTANDER 1 | Pag.Intern | 5.016.419.496,88 | | S&P España / Moody's España | 26/11/1998 | 1.202.024.208,77 € |
| | Pag. Nac. | 0,00 | | | | |
| | Total | 5.016.419.496,88 € | | | | |
| FTA UCI 6 | Serie A | 93.495.252,46 | Euribor 3M + 0.295% | Moody's España | 19/06/2000 | 457.000.000,00 € |
| | Serie B | 8.227.582,32 | Euribor 3M + 0.775% | | | |
| | Total | 101.722.834,78 € | | | | |
| FTA UCI 7 | Serie A | 111.018.782,88 | Euribor 3M + 0.250% | S&P España / Moody's España | 25/10/2001 | 455.000.000,00 € |
| | Serie B | 7.771.313,84 | Euribor 3M + 0.700% | | | |
| | Total | 118.790.096,72 € | | | | |
| FTA HIPOTEBANSA X | Serie A | 305.531.668,09 | Euribor 3M + 0.21% | S&P España / Moody's España | 04/03/2002 | 917.000.000,00 € |
| | Serie B | 18.300.000,00 | Euribor 3M + 0.55% | | | |
| | Total | 323.831.668,09 € | | | | |
| FTA FTPYME BANESTO 1 | SERIE A1(G) | 0,00 € | Euribor 3M + 0.01% | Fitch IBCA / Moody's España | 11/06/2002 | 500.000.000,00 € |
| | SERIE A1 | 0,00 € | Euribor 3M + 0.35% | | | |
| | SERIE A2(G) | 0,00 € | Euribor 3M + 0.04% | | | |
| | SERIE A2 | 0,00 € | Euribor 3M + 0.38% | | | |
| | SERIE A3(G) | 166.700.000,00 | Euribor 3M + 0.07% | | | |
| | SERIE A3 | 41.700.000,00 | Euribor 3M + 0.48% | | | |
| | SERIE B(G) | 984.102,75 | Euribor 3M + 0.20% | | | |
| | SERIE B | 984.102,75 | Euribor 3M + 0.90% | | | |
| | SERIE C | 1.722.180,00 | Euribor 3M + 1.80% | | | |
| | Total | 212.090.385,50 € | | | | |
| FTA UCI 8 | Serie A | 143.221.093,56 | Euribor 3M + 0.220% | S&P España / Moody's España | 24/06/2002 | 600.000.000,00 € |
| | Serie B | 9.452.591,28 | Euribor 3M + 0.600% | | | |
| | Total | 152.673.684,84 € | | | | |
| FTA HIPOTEBANSA 11 | Serie A | 464.383.311,36 | Euribor 3M + 0.24% | S&P España / Moody's España | 26/11/2002 | 1.062.000.000,00 € |
| | Serie B | 21.200.000,00 | Euribor 3M + 0.45% | | | |
| | Total | 485.583.311,36 € | | | | |
| SANTANDER CONSUMER FINANCE SPAIN 02-1 FTA | Serie A | 148.873.946,15 | Euribor 3M + 0.30% | Fitch / Moody's España / S&P | 09/12/2002 | 850.000.000,00 € |
| | Serie B | 9.502.592,85 | Euribor 3M + 0.60% | | | |
| | Total | 158.376.539,00 € | | | | |
| FTA CONSUMO SANTANDER 1 | Serie A | 82.003.557,60 | Euribor 3M + 0.25% | S&P España / Moody's España | 04/03/2003 | 1.080.000.000,00 € |
| | Serie B | 37.800.000,00 | Euribor 3M + 0.43% | | | |
| | Serie C | 35.100.000,00 | Euribor 3M + 0.73% | | | |
| | Serie D | 35.100.000,00 | Euribor 3M + 1.40% | | | |
| | Total | 190.003.557,60 € | | | | |

| FONDOS DE TITULIZACION DE ACTIVOS | | | | | | |
|--------------------------------------|----------|----------------------|--------------------|---|--------------------|-----------------------|
| FONDOS | SERIES | SALDO VIVO POR SERIE | TIPO POR SERIES | AGENCIA DE CALIFICACION | FECHA CONSTITUCION | SALDO INICIAL ACTIVOS |
| FTA SANTANDER EMPRESAS 1 | Serie A1 | 223.775.796,48 | Euribor 3M + 0.02% | S&P España / Fitch España | 27/10/2005 | 3.100.000.000,00 € |
| | Serie A2 | 1.240.000.000,00 | Euribor 3M + 0.12% | | | |
| | Serie B | 80.600.000,00 | Euribor 3M + 0.21% | | | |
| | Serie C | 96.100.000,00 | Euribor 3M + 0.29% | | | |
| | Serie D | 170.500.000,00 | Euribor 3M + 0.59% | | | |
| Total | | 1.810.975.796,48 € | | | | |
| FTA UCI 14 | Serie A | 935.815.094,00 | Euribor 3M + 0.15% | S&P España / Fitch España | 30/11/2005 | 1.350.000.000,00 € |
| | Serie B | 34.100.000,00 | Euribor 3M + 0.29% | | | |
| | Serie C | 38.400.000,00 | Euribor 3M + 0.58% | | | |
| Total | | 1.008.315.094,00 € | | | | |
| FTA UCI 15 | Serie A | 1.053.560.916,56 | Euribor 3M + 0.14% | S&P España / Fitch España | 28/04/2006 | 1.430.000.010,22 € |
| | Serie B | 32.900.000,00 | Euribor 3M + 0.27% | | | |
| | Serie C | 56.500.000,00 | Euribor 3M + 0.53% | | | |
| | Serie D | 21.600.000,00 | Euribor 3M + 0.58% | | | |
| Total | | 1.164.560.916,56 € | | | | |
| FTA SANTANDER HIPOTECARIO 2 | Serie A | 1.604.832.586,95 | Euribor 3M + 0.15% | S&P España / Moody's España | 30/06/2006 | 1.758.332.586,95 € |
| | Serie B | 51.800.000,00 | Euribor 3M + 0.20% | | | |
| | Serie C | 32.300.000,00 | Euribor 3M + 0.30% | | | |
| | Serie D | 49.800.000,00 | Euribor 3M + 0.55% | | | |
| | Serie E | 19.600.000,00 | Euribor 3M + 2.10% | | | |
| | Serie F | 17.600.000,00 | Euribor 3M + 1.00% | | | |
| Total | | 1.775.932.586,95 € | | | | |
| FTA SANTANDER CONSUMER SPAIN AUTO 06 | Serie A1 | 1.282.500.000,00 | Euribor 3M + 0.15% | S&P España / Fitch España | 10/10/2006 | 1.350.000.000,00 € |
| | Serie A2 | 22.300.000,00 | Euribor 3M + 0.20% | | | |
| | Serie B | 22.300.000,00 | Euribor 3M + 0.30% | | | |
| | Serie C | 22.900.000,00 | Euribor 3M + 0.55% | | | |
| | Serie D | 10.200.000,00 | Euribor 3M + 2.10% | | | |
| Total | | 1.360.200.000,00 € | | | | |
| FTA UCI 16 | Serie A1 | 249.770.875,00 | Euribor 3M + 0.06% | S&P España / Fitch España | 18/10/2006 | 1.800.000.000,00 € |
| | Serie A2 | 1.247.600.000,00 | Euribor 3M + 0.15% | | | |
| | Serie B | 72.000.000,00 | Euribor 3M + 0.30% | | | |
| | Serie C | 41.400.000,00 | Euribor 3M + 0.55% | | | |
| | Serie D | 9.000.000,00 | Euribor 3M + 2.25% | | | |
| | Serie E | 19.800.000,00 | Euribor 3M + 2.30% | | | |
| Total | | 1.639.570.875,00 € | | | | |
| FTA PYMES BANESTO 2 | Serie A1 | 400.000.000,00 € | Euribor 3M + 0.13% | S&P España / Moody's España Fitch España | 17/11/2006 | 1.000.000.000,00 € |
| | Serie A2 | 541.700.000,00 € | Euribor 3M + 0.16% | | | |
| | Serie B | 24.300.000,00 € | Euribor 3M + 0.27% | | | |
| | Serie C | 34.000.000,00 € | Euribor 3M + 0.54% | | | |
| Total | | 1.000.000.000,00 € | | | | |
| FTA FINANCIACION 1 | Serie A | 1.738.500.000,00 | Euribor 3M + 0.15% | S&P España / Moody's España | 14/12/2006 | 1.900.000.000,00 € |
| | Serie B | 25.700.000,00 | Euribor 3M + 0.20% | | | |
| | Serie C | 61.700.000,00 | Euribor 3M + 0.30% | | | |
| | Serie D | 47.500.000,00 | Euribor 3M + 0.55% | | | |
| | Serie E | 26.600.000,00 | Euribor 3M + 2.10% | | | |
| | Serie F | 14.300.000,00 | Euribor 3M + 1.00% | | | |
| Total | | 1.914.300.000,00 € | | | | |

| | | | | | | |
|-------------------------|----------|---------------------|--------------------|------------------------------|------------|---------------------|
| FTA | Serie A1 | 934.102.088,48 | Euribor 3M + 0.05% | Fitch España/ Moody's España | 14/12/2006 | 2.534.002.088,48 € |
| SANTANDER EMPRESAS 2 | Serie A2 | 1.365.000.000,00 | Euribor 3M + 0.16% | | | |
| | Serie B | 84.100.000,00 | Euribor 3M + 0.22% | | | |
| | Serie C | 62.300.000,00 | Euribor 3M + 0.32% | | | |
| | Serie D | 59.500.000,00 | Euribor 3M + 0.55% | | | |
| | Serie E | 29.000.000,00 | Euribor 3M + 2.10% | | | |
| | Serie F | 53.700.000,00 | Euribor 3M + 0.50% | | | |
| | Total | 2.587.702.088,48 € | | | | |
| FTA | Serie A1 | 613.300.000,00 | Euribor 3M + 0.06% | Fitch España/ Moody's España | 04/04/2007 | 2.800.000.000,00 € |
| SANTANDER HIPOTECARIO 3 | Serie A2 | 1.540.000.000,00 | Euribor 3M + 0.14% | | | |
| | Serie A3 | 420.000.000,00 | Euribor 3M + 0.20% | | | |
| | Serie B | 79.200.000,00 | Euribor 3M + 0.22% | | | |
| | Serie C | 47.500.000,00 | Euribor 3M + 0.30% | | | |
| | Serie D | 72.000.000,00 | Euribor 3M + 0.55% | | | |
| | Serie E | 28.000.000,00 | Euribor 3M + 2.10% | | | |
| | Serie F | 22.400.000,00 | Euribor 3M + 0.50% | | | |
| | Total | 2.822.400.000,00 € | | | | |
| FTA UCI 17 | Serie A1 | 325.000.000,00 | Euribor 3M + 0.10% | S&P España / Fitch España | 07/05/2007 | 1.415.400.000,00 € |
| | Serie A2 | 974.200.000,00 | Euribor 3M + 0.18% | | | |
| | Serie B | 72.800.000,00 | Euribor 3M + 0.35% | | | |
| | Serie C | 28.000.000,00 | Euribor 3M + 0.60% | | | |
| | Serie D | 15.400.000,00 | Euribor 3M + 2.25% | | | |
| | Total | 1.415.400.000,00 € | | | | |
| FTA | Serie A | 1.902.000.000,00 | Euribor 3M + 0.15% | S&P España / Fitch España | 21/05/2007 | 2.000.000.000,00 € |
| SANTANDER CONSUMER | Serie B | 78.000.000,00 | Euribor 3M + 0.28% | | | |
| SPAIN AUTO 07-01 | Serie C | 20.000.000,00 | Euribor 3M + 0.60% | | | |
| | Serie D | 40.000.000,00 | Euribor 3M + 3.50% | | | |
| | Total | 2.040.000.000,00 € | | | | |
| FTA | Serie A1 | 800.000.000,00 | Euribor 3M + 0.00% | S&P España / Moody's España | 28/05/2007 | 3.500.000.000,00 € |
| SANTANDER EMPRESAS 3 | Serie A2 | 1.800.000.000,00 | Euribor 3M + 0.17% | Fitch España | | |
| | Serie A3 | 627.500.000,00 | Euribor 3M + 0.25% | | | |
| | Serie B | 39.700.000,00 | Euribor 3M + 0.28% | | | |
| | Serie C | 117.300.000,00 | Euribor 3M + 0.32% | | | |
| | Serie D | 70.000.000,00 | Euribor 3M + 0.65% | | | |
| | Serie E | 45.500.000,00 | Euribor 3M + 2.30% | | | |
| | Serie F | 45.500.000,00 | Euribor 3M + 0.50% | | | |
| | Total | 3.545.500.000,00 € | | | | |
| FINANCIACIÓN BANESTO 1 | Serie A | 760.000.000,00 € | Euribor 3M + 0.00% | S&P España / Moody's España | 25/06/2007 | 800.000.000,00 € |
| FTA | Serie B | 24.000.000,00 € | Euribor 3M + 0.00% | | | |
| | Serie C | 16.000.000,00 € | Euribor 3M + 0.00% | | | |
| | Total | 800.000.000,00 € | | | | |
| TOTAL FTA | | 37.808.605.296,45 € | | | | 44.933.758.894,42 € |
| TOTAL (FTH+FTA) | | 40.249.216.112,04 € | | | | 51.925.844.442,24 € |

6.4 Share capital and equity

a) Amount subscribed and paid in:

The share capital of the Trustee amounts to nine hundred and one thousand, six hundred and fifty (901.650) euros, represented by fifteen thousand (15,000) registered shares with a par value of sixty point eleven (60.11) euros each, numbered consecutively from one (1) to fifteen thousand (15,000), both inclusive, all fully subscribed and paid in.

b) Classes of shares:

All shares are of the same class and have the same economic and voting rights.

6.5 Interests in other companies

The Trustee has no interests in other companies.

6.6 Administrative, management, and supervisory bodies

Under the Bylaws of the company, the governance and administration of the Trustee is the responsibility of the General Meeting of Shareholders and the Board of Directors. Their duties and powers are those corresponding to such bodies in accordance with the provisions of the Law of Joint Stock Companies, as set out in Law 19/1992 and in Royal Decree 926/1998, in respect of corporate purpose.

a) Administrators

The composition of the Board of Directors is as follows:

Chairman: Mr. José Antonio Álvarez Álvarez

Members: Ms. Ana Bolado Valle

Mr. Emilio Osuna Heredia

Mr. Santos González Sánchez

Mr. Ignacio Ortega Gavara

Mr. Marcelo Alejandro Castro

Mr. Eduardo García Arroyo

Mr. Francisco Pérez Mansilla

Mr. Fermín Colomés Graell

Mr. José Antonio Soler Ramos

Non-member secretary: Ms. María José Olmedilla González

b) Managing Director

The Managing Director is Mr. Ignacio Ortega Gava.

6.7 Main fund-related activities of the persons mentioned in section 6.6 above performed outside SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A

The main fund-related activities performed outside SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A by the people mentioned in this section are set out in the table below:

| Name | Position in Banco Santander Central Hispano | Company in which (s)he performs the fund-related activity | Positions or functions in that Company |
|-------------------------------------|--|--|--|
| Emilio Osuna Heredia | Director of Coordination, SGC (Santander Global Connect) | AIAF, Mercado de Renta Fija | Board member |
| | | Asociación de Intermediarios de Activos Financieros | Chair |
| Fermín Colomés Graell | Director of Operations and Services, SCH | Open Bank, S.A. | Board member |
| | | Geoban S.A. | Chair |
| | | Sercoban S.L. | Chair |
| Ana Bolado Valle | Director Human Resources, SCH | ----- | ----- |
| Santos González Sánchez | Director of Mortgage Business, SCH | Hipotebansa, EFC | Board member and Managing Director |
| Francisco Pérez Mansilla | Director of Corporations and SMEs, SCH | Santander Central Hispano Lease, SA, EFC | Board member |
| | | Santander Central Hispano Multileasing, S.A., EFC | Board member |
| | | Santander Central Hispano, Factoring y Confirming, S.A., EFC | Board member |
| Eduardo García Arroyo | Assistant Managing Director, SCH | Ingeniería de Software bancario, S.L. (ISBAN) | Board member |
| | | Santander Consumer Finance | Director of technology and operations |
| Marcelo Alejandro Castro | European Treasurer, SCH | MEFF, Mercados Españoles Futuros Financieros | Board member |
| | | Holding Mercados S.A. | Board member |
| José Antonio Álvarez Álvarez | General Financial Director, SCH | Santander Consumer Finance | Board member |
| José Antonio Soler Ramos | Director of Financial Management, SCH | Santander Commercial Paper SAU | Chair |
| | | Santander Perpetual SAU | Chair |
| | | Santander US Debt SAU | Chair |
| | | Santander Finance Preferred SAU | Board member and Chair |
| | | Santander Issuances SAU | Board member and Chair |
| | | Santander International Debt SAU | Board member and Chair |
| | | Santander Finance Capital SAU | Board member and Chair |

The people mentioned in this section are not holders, either directly or indirectly, of any share, convertible bond, or any other security that gives the holder a right to acquire shares of the Fund Management Company.

The professional address of all the people mentioned in this section is:

Santander de Titulización, S.G.F.T., S.A.
Ciudad Grupo Santander
Avda. de Cantabria s/n
28660 Boadilla del Monte (Madrid)

6.8 **Lenders holding more than 10% of the Trustee's debt**

The Trustee has received no loan or credit from any person or entity. Long and a short-term debts appearing on the accompanying Balance Sheet correspond to debts with BANCO SANTANDER CENTRAL HISPANO, S.A. due to the Trustee forming part of the parent company's consolidated tax group.

6.9 **Litigation involving the Trustee**

At the date of verification of this Prospectus, the Trustee is not involved in any insolvency proceedings nor is it involved in any significant litigation that might affect its financial situation or, at a future date, affect its capacity to provide management and administrative services for the Fund as set out in this Prospectus.

6.10 **Financial information about the Trustee**

The Trustee maintains its accounting in accordance with the Spanish General Chart of Accounts approved by Royal Decree 1643/1990, of December 20.

We go on to present the balance sheet and the income statement of the Trustee for the years 2005 and 2006, and a balance sheet and income statement for the first quarter of 2007. The annual financial statements for 2006 have been filed with the CNMV and the Registrar of Companies.

Balance sheet at December 31, 2005, 2006 and Q1 2007 (in thousands of euros)

| ASSETS | 2005 | 2006 | First Quarter 2007 |
|---------------------------|------------|------------|--------------------------|
| FIXED ASSETS | | | |
| Intangible assets | 6 | 7 | 6 |
| Tangible assets | 107 | 165 | 140 |
| Total fixed assets | 113 | 172 | 146 |
| | | | |

| | | | |
|-----------------------------|---------------|---------------|---------------|
| CURRENT ASSETS: | | | |
| Receivables | 178 | 209 | 157 |
| Loans to employees | 89 | 130 | 108 |
| Other receivables | 89 | 79 | 49 |
| Short-term investments | - | - | |
| Cash | 10,307 | 11,623 | 13,120 |
| Accrual accounts | 821 | 967 | 925 |
| Total current assets | 11,306 | 12,590 | 14,045 |
| TOTAL ASSETS | 11,419 | 12,971 | 14,348 |

| LIABILITIES | 2005 | 2006 | First Quarter 2007 |
|-----------------------------------|---------------|---------------|--------------------------|
| EQUITY | | | |
| Subscribed capital | 902 | 902 | 902 |
| Reserves | 1,160 | 182 | 182 |
| Income for the year | 3,298 | 3,768 | 964 |
| Interim dividend | - | - | 3,768 |
| Total Capital and reserves | 5,360 | 4,852 | 5,815 |
| LONG-TERM PAYABLES: | | | |
| Debt to Group companies | 4,068 | 5,858 | 5,858 |
| | 4,068 | 5,858 | 5,858 |
| SHORT-TERM PAYABLES: | | | |
| Tax authorities | 41 | 40 | 50 |
| Other payables | 14 | 27 | 11 |
| Debt to Group companies | 1,782 | 2,035 | 2,556 |
| Accrual accounts | 154 | 158 | 57 |
| Total short-term payables | 1,991 | 2,261 | 2,674 |
| TOTAL LIABILITIES | 11,419 | 12,971 | 14,348 |

Income statements at December 31, 2005, 2006 and Q1 2007 (in thousands of euros)

| DEBIT | 2005 | 2006 | First Quarter 2007 |
|--|--------------|--------------|---------------------------|
| EXPENSES: | | | |
| Personnel expenses | | | |
| Wages, salaries, and similar | 880 | 867 | 213 |
| Employee welfare expenses | 137 | 137 | 32 |
| Other personnel expenses | 21 | 27 | 5 |
| | 1,038 | 1,031 | 250 |
| Depreciation and amortization expense | 145 | 82 | 25 |
| Other operating expenses- | | | |
| External services | 84 | 119 | 10 |
| Taxes other than income tax | 2 | 9 | 0 |
| Other operating expenses | 147 | 149 | 32 |
| | 233 | 277 | 42 |
| Operating income | 5,002 | 5,597 | 1,394 |
| Financial and similar expenses | - | - | - |
| Financial income | 83 | 215 | 90 |
| Income from continuing operations | 5,085 | 5,812 | 1,484 |
| Extraordinary expenses | 10 | - | - |
| Extraordinary income | - | - | - |
| Income before tax | 5,080 | 5,803 | 1,484 |
| Corporate income tax | 1,782 | 2,035 | 521 |
| Income for the year | 3,298 | 3,768 | 964 |

| CREDIT | 2005 | 2006 | First Quarter 2007 |
|-----------------------------------|-------------|-------------|---------------------------|
| INCOME: | | | |
| Net turnover | | | |
| Provision of services | 6,418 | 6,986 | 1,712 |
| Other interest and similar income | 83 | 215 | 90 |

| | | | |
|---------------------------|----------|----------|----------|
| Extraordinary revenues | 5 | - | - |
| Extraordinary loss | 5 | - | - |

7. **SIGNIFICANT SHAREHOLDERS**

a) **Shareholders of the Trustee**

The shares of the Trustee are distributed among the companies listed in the table below. The percentage interest in the share capital of the Trustee is shown in the right hand column:

| Name of shareholder | Interest % |
|---------------------------------------|-----------------------|
| Santander Investment, S.A. | 19 |
| Banco Santander Central Hispano, S.A. | 81 |
| Total | 100 |

b) **Description of the nature of the controlling interest and the measures taken to ensure that there is no abuse of that controlling interest**

Pursuant to article 4 of Law 24/1988, SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. form part of GRUPO SANTANDER.

In order to ensure that there is no abuse of Banco Santander Central Hispano, S.A.'s controlling interest over the Trustee, the Trustee approved a set of Internal Rules of Conduct in accordance with the provisions of Chapter II of Royal Decree 629/1993, of May 3, on Rules of Conduct in Securities Markets and Mandatory Registers, which was duly reported to the CNMV.

8. **FINANCIAL INFORMATION IN RESPECT OF ASSETS AND RESPONSIBILITIES OF THE ISSUER, FINANCIAL SITUATION, AND PROFITS AND LOSSES**

8.1 **Audited historical financial information for the last two years**

The Trustee declares that, at the date of verification of this Registration Document, the Fund has not yet been incorporated and, therefore, has neither begun to operate nor have any financial statements been issued in respect of the Fund.

Audited historical financial information for the last two years will be published in this section of future annual editions of this Prospectus.

8.2 Historical financial information once an issuer has begun to operate and financial statements have been made

Not applicable.

8.2 bis Historical financial information for issuances of securities with an individual denomination of 50,000 euros or over

Not applicable.

8.3 Legal and arbitration proceedings

Not applicable.

8.4 Material adverse change in the issuer's financial situation

Not applicable.

9. THIRD PARTY INFORMATION, EXPERT STATEMENTS, AND DECLARATIONS OF INTEREST

9.1 Statement or report attributed to a person as an expert

No statement or report from any expert is included.

9.2 Information from third parties

No third party information is included.

10. DOCUMENTS ON DISPLAY

If necessary, the following documents or a copy of those documents may be consulted during the life of this Registration Document:

- (i) The Bylaws and Articles of Incorporation of the Trustee.
- (ii) This Prospectus.
- (iii) The Closing Conditions of the successive Series on the occasion of the various Issuances and Extensions.
- (iv) The Articles of Incorporation of the Fund and the Supplementary Articles corresponding to each Series.
- (v) The agreements entered into by the Trustee in the name and on behalf of the Fund, on the date of incorporation of the Fund and on the occasion of the various Issuances and Extensions.
- (vi) The certifications of corporate resolutions of the Trustee, the Assignor and the Issuers in respect of the incorporation of the Fund and of the Issuance or Extension of the Series.

- (vii) The letters from the Rating Agencies advising of the definitive rating given to each Series.
- (viii) Reports from the Trustee on the Assets assigned to the Fund in respect of each Issuance.
- (ix) The certificates issued by each Issuer regarding the characteristics of the Assets issued by them and assigned to Fund on the occasion of each Issuance.
- (x) The annual financial statements of the Trustee and the corresponding audit reports.

A copy of all the above documents is available at the registered office of the Trustee.

A copy of all the above mentioned documents except for those referred to in points (i), (v) and (x) may be consulted at the CNMV at Paseo de la Castellana 19, Madrid.

The Prospectus is also available on the website of the CNMV (www.cnmv.es), on the website of the AIAF (www.aiaf.es), and shall be made available to investors interested in the offering at the registered offices of the Placement Agents and Underwriters.

The Articles of Incorporation of the Fund may be consulted in print form at the IBERCLEAR Register in Madrid, at Plaza de la Lealtad, 1.

SECURITIES NOTE

This Securities Note has been prepared in accordance with Appendix XIII of Regulation 809/2004 and was approved by the CNMV on July 10, 2007.

1. PERSONS RESPONSIBLE

1.1 Persons responsible for the information in the Securities Note and in the Additional Building Block to the Securities Note

Mr. IGNACIO ORTEGA GAVARA, acting in his capacity as Managing Director of SANTANDER DE TITULIZACIÓN, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A., with registered office at Ciudad Grupo Santander, Avda. de Cantabria s/n. 28660, Boadilla del Monte (Madrid), is responsible for the information contained in this Securities Note and in the Additional Building Block to the Securities Note.

Mr. IGNACIO ORTEGA GAVARA exercises the powers expressly granted to him by the Board of Directors of the Trustee in their meeting of May 14, 2007, some of the resolutions adopted therein being modified in their meeting of June 1, 2007.

The Trustee is the sponsor of the Securitization Fund to be known as the *Fondo de Titulización de Activos, Programa Independiente de Titulización de Cédulas Hipotecarias* (Asset-Backed Fund, Independent Mortgage Covered Bonds Programme), and shall be responsible for its management and legal representation.

1.2 Declaration by the persons responsible for the Securities Note

Mr. IGNACIO ORTEGA GAVARA, in the name and on behalf of the Trustee, and after exercising due diligence, declares that the information contained in the Securities Note and in the Additional Building Block to the Securities Note is, to his knowledge, consistent with the facts and contains no omissions that might affect its content.

2. RISK FACTORS OF THE OFFERED SECURITIES

The specific Risk Factors of the Assets and the issued securities charged against them are described in sections 2 and 3 of the part of the Prospectus entitled "RISK FACTORS".

3. FUNDAMENTAL INFORMATION

3.1 Interest of the natural and legal persons participating in the offering

The natural and legal persons participating in the issuance are:

- a) The design of the financial aspects of the Fund and of the issuance of the Bonds was performed by BANCO SANTANDER CENTRAL HISPANO, S.A.
- b) The design of the legal aspects of the Fund and of the issuance of the Bonds was performed by URÍA MENÉNDEZ Y CÍA, ABOGADOS, S.C., as independent legal advisor.
- c) SANTANDER INVESTMENT BOLSA, SOCIEDAD DE VALORES, S.A. shall act as the Assignor.
- d) SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. shall act as Trustee of the Fund.
- e) The Issuers of the Assets may be the following (without prejudice to the possible addition to the Programme of other Issuers, in accordance with section 2.2 of the Additional Building Block), insofar as they meet the requirements therein:

BANCO GUIPUZCOANO, S.A.
BANCA MARCH, S.A.
BANCO SANTANDER CENTRAL HISPANO, S.A
BILBAO BIZKAIA KUTXA, AURREZKI KUTXA ETA BAHITETXEA
CAIXA D'ESTALVIS DE GIRONA
CAIXA D'ESTALVIS DEL PENEDEÈS
CAIXA D'ESTALVIS DE TARRAGONA
CAIXA D'ESTALVIS LAIETANA
CAJA CAMINOS, SOCIEDAD COOPERATIVA DE CRÉDITO
CAJA DE AHORROS DE ASTURIAS
CAJA DE AHORROS DE LA RIOJA
CAJA DE AHORROS DE SALAMANCA Y SORIA
CAJA DE AHORROS DE SANTANDER Y CANTABRIA
CAJA DE AHORROS DE VALENCIA, CASTELLON Y ALICANTE,
BANCAJA
CAJA DE AHORROS Y MONTE DE PIEDAD DE CÓRDOBA
CAJA ESPAÑA DE INVERSIONES, CAJA DE AHORROS Y MONTE DE PIEDAD

CAJA LABORAL POPULAR COOPERATIVA DE CRÉDITO - LAN KIDE
AURREZKIA
MONTES DE PIEDAD Y CAJA DE AHORROS DE RONDA, CÁDIZ,
ALMERÍA, MÁLAGA Y ANTEQUERA (UNICAJA)
SANTANDER CONSUMER FINANCE, S.A.
UNIÓN DE CRÉDITOS INMOBILIARIOS, E.F.C., S.A.

The above persons have no material interest in respect of the issuance, other than those set out specifically in section 5.2 of the Registration Document.

4. INFORMATION ON THE SECURITIES TO BE OFFERED AND ADMITTED TO TRADING

a) Issuances

This Prospectus concerns the incorporation of an open-ended Asset-Backed Fund, in accordance with article 4.1.c) of Royal Decree 926/1998, under which a Bond Issue Programme is to be carried out up to an amount to be specified later.

Each Issuance against the Fund shall be formalized by means of a prior filing of the Closing Conditions of each Issuance with the CNMV. In this respect, once it has been agreed to make an Issuance under the Programme, the terms and specific conditions of the Issuance shall be set out in the corresponding Closing Conditions which shall be sent to the CNMV together with the draft Supplementary Articles of Incorporation corresponding to that Series before the Subscription Period of the Bonds comprising that Issuance begins. The Closing Conditions shall be substantially as per the model attached as an Appendix to this Prospectus.

All Issuances made under Programme shall conform to the provisions of this Prospectus and the specific conditions of each Issuance reflected in the Closing Conditions drawn up for each Issuance.

The conditions of the first Series to be issued on the date of incorporation of the Fund shall be set out in the Closing Conditions filed with CNMV when the Prospectus is registered. Definitive information concerning the first Series shall be included as additional information.

The Trustee, in the name and on behalf of the Fund, may make Bond Issues under the Fund during the Offering Period, with a maximum maturity of sixty (60) years from the date of incorporation of the Fund, provided that they meet the subjective, objective, and formal requirements established in Royal Decree 926/1998.

Up to twelve (12) Issuances may be made the first three (3) years and up to (6) Issuances during each of the remaining years' life of the Programme until the twentieth (20th) year, with a maximum of sixty (60) Series active at any time, regardless of the number of Extensions made under the provisions set out below, provided that the maximum amount referred to in sections 4.1.a) of the Securities Note and 1.1 of the Additional Building Block are not exceeded.

The Bonds issued in each of the successive Issuances under the Programme shall form part, respectively, PITCH-Series 1, PITCH-Series 2, PITCH-Series 3, and so on (thus the Bonds issued as part of each Issuance made under the Fund shall be called "Bonds of PITCH-Series 1", "Bonds of PITCH-Series 2" and so on). The Series may be denominated in the market likewise, with the following mention; PITCH x% MM,

YYYY, where “x” is the nominal interest rate and “MM, YYYY” is the Expected Maturity Date (month and year) of the corresponding Series. This alternative denomination shall be included in the Closing Conditions of the corresponding Series and shall always be used jointly in all documentation submitted to the CNMV.

The subscription or holding of Bonds of one Series does not imply the subscription or holding of Bonds of other Series.

Each Series of Bonds issued shall be backed by Assets incorporated into the Fund on the occasion of the corresponding Issuance; such Assets shall be the sole source of payment of the Bonds of that Series. Payments to be made in respect of each Series shall be made solely with the Available Funds corresponding to the Assets of that Series, and under no circumstances shall there be subordination or interconnection between the various Series of Bonds.

b) Extensions

The various Series of Bonds may be extended. The Fund issues Bonds with the same Expected Maturity Date, the same nominal value as the other Bonds in the Series at the time of the Extension, the same Payment Dates, and which bear interest at the same nominal interest rate as the Bonds of that Series issued previously. The Bonds in the Extension shall be fungible with the original Bonds and shall be incorporated into the Series rather than constituting a new Series. The amount of the Series in question shall thus be increased by the formalization of the corresponding Closing Conditions of the Extension, without affecting the credit rating of the Bonds of that Series. The issuance price of the Bonds of an Extension may be different from the issuance price of the Bonds of the Series that they extend, and may be higher or lower than their nominal value.

The Extension of an Issuance shall be charged against new Mortgage Covered Bonds to be acquired by the Fund with the same characteristics (save for the acquisition price) as the Mortgage Covered Bonds linked to the Series that it extends. The Extension's aggregate nominal amount shall be the same amount as that of the Bonds corresponding to that Extension.

The procedure for extending Series shall be as per the provisions set out in this Prospectus for Issuances in general, except when a different procedure is expressly indicated in this Prospectus or in the Articles of Incorporation. Extensions of Series shall be implemented in Supplementary Articles of Incorporation.

4.1 Total amount of the securities

a) Total amount of the issuance

The nominal amount and number of Bonds of the Issuances and Extensions made under the Programme shall be in accordance with the general terms and conditions set out below.

The maximum outstanding volume of the Bonds of the various Series issued under the Programme shall be FIFTY THOUSAND MILLION EUROS (€50,000,000,000).

The nominal unit value of the Bonds of each Series shall be as indicated in the corresponding Closing Conditions, and shall always be equal to or over FIFTY THOUSAND EUROS (€50,000).

The number of Bonds to be issued under the Programme is not pre-established and shall depend on the total nominal amount of each of the Issuances and Extensions made during the life of the Fund.

b) Underwriting of the placement of the Bonds Issuances

For each successive Issuance and Extension (except in the case of the Private Placements mentioned in section 5.1.(iii) of the Securities Note), the Trustee, in the name and on behalf of the Fund, shall enter into an Underwriting Agreement for the placement of the Bond Issues with the Placement Agents and Underwriters of each Series (the “**Underwriting Agreement**”), whereby the Placement Agents and Underwriters shall freely allocate the total Issuance or Extension of the Bonds of that Series and, once the Subscription Period is closed, by virtue of their underwriting commitment, shall subscribe in their own name however many Bonds remain unsubscribed until the whole Issuance or Extension is subscribed.

The Placement Agents and Underwriters (which may be more than one for each Series, or for each Issuance and subsequent Extensions) shall independently and severally assume the obligations contained in the corresponding Underwriting Agreement.

In consideration of the commitment assumed severally by them, the Placement Agents and Underwriters of the successive Series shall be paid an underwriting fee (the “**Underwriting Fee**”) as indicated in the corresponding Closing Conditions. The Placement Agents and Underwriters shall deduct the Underwriting Fee from the amounts they send to the Fund in fulfilment of their respective underwriting commitments.

4.2 Description of the type and class of the securities

The Bonds are marketable fixed income securities, with an explicit yield which represents a debt for its issuer, bear interest, and are redeemable under the terms set out in this Securities Note.

The issuance price of the Bonds of each Series shall be determined by agreement between the Assignor and the Placement Agents and Underwriters of the corresponding Series and shall be stated in the corresponding Closing Conditions, and may be at par, above par, or below par, free of taxes and subscription expenses for the subscriber.

4.3 Legislation applicable to the securities

The Bonds are issued in accordance with Spanish legislation and, in particular, in accordance with the legal provisions of (i) Royal Decree 926/1998 and implementing provisions, (ii) Law 19/1992, in respect of what is not regulated by Royal Decree 926/1998 and insofar as it is applicable, (iii) Royal Decree 1310/2005, (iv) Law 24/1988, in its current wording, in respect of oversight, inspection, and sanction, (v) Order EHA/3537/2005, of November 10, implementing article 27.4 of Law 24/1988, of July 28, on the Securities Market and (vi) other prevailing legal and regulatory provisions applicable at any given moment.

This Securities Note has been drawn up as per the models provided in Appendix XIII of Regulation 809/2004.

4.4 Indication as to whether the securities are registered or bearer and whether the securities are held in certificate or book-entry form

Except in the case of Private Placements referred to in point (iii) of section 5 of the Securities Note, the Bonds of all the Series shall be represented solely by book-entry and shall be constituted as such by virtue of their registration in the corresponding accounting record. The Articles of Incorporation and Supplementary Articles thereof shall serve the purposes set out in article 6 de Law 24/1988.

The bondholders shall be identified as such (on their own behalf or on behalf of third parties) as per the accounting records maintained by the entities participating in IBERCLEAR, whose Registered office is at Plaza de la Lealtad, 1 (Madrid), which shall be designated in the corresponding Articles of Incorporation and Supplementary Articles thereof as the entity responsible for maintaining accounting records of the Bonds.

In accordance with the provisions of point (iii) of section 5 of the Securities Note, if it is decided that an Issuance is to be privately placed, the Bonds of that Series may be represented by physical registered certificates or by book-entry, in accordance with Royal Decree 116/1992, and the form of representation shall be indicated in the Closing Conditions of that Series. If they are represented by book-entry, the entity responsible for maintaining accounting records of the Bonds of that Series shall be indicated in the corresponding Articles of Incorporation and Supplementary Articles thereof.

4.5 Currency of the issuance

The Bonds may be denominated in Euros or in other currencies. The currency in which the Bonds are issued shall be indicated in the Closing Conditions of the corresponding Series. The Bonds of each Series shall be backed by Assets denominated in the same currency as the Bonds.

4.6 Ranking of securities according to subordination

There is no type of subordination between the Bonds of the various Series. The payment of interest accrued by the Bonds issued against the Fund ranks second (2nd) in the Payment Priority Order of the corresponding Series, in accordance with section 3.4.6 of the Additional Building Block. Payment corresponding to the redemption of the principal of the Bonds issued under the Programme ranks fifth (5th) in the Payment Priority Order corresponding to the Series, in accordance with section 3.4.6 of the Additional Building Block.

4.7 Description of the rights attached to the securities

According to prevailing legislation, the Bonds described in this Securities Note and in the corresponding Closing Conditions do not provide the investor acquiring them with any voting rights, present or future, in respect of the Fund.

The economic rights of the investor derived from the acquisition and holding of the Bonds shall be those resulting from the terms and conditions of interest rate and yield and the manner of redemption under which they are issued and which are set out in sections 4.8 and 4.9 of the Securities Note and in the Closing Conditions of the corresponding Series.

Bondholders may not take direct action either against Issuers who have defaulted on their payment obligations or against the Assignor. As the representative of the Fund and

the associated Mortgage Covered Bonds, it falls to the Trustee to take such action, in accordance with the provisions of article 12 of Royal Decree 926/1998.

The bondholders and other creditors of the Fund have no recourse against the Trustee, unless it is for breach of its legal obligations. They do not, therefore, have recourse against the Trustee as a result of default or Prepayment of the assets pooled in the Fund, or the failure of the counterparties to honour the transactions contracted in the name and on behalf of the Fund, or due to the inadequacy of credit protection transactions to meet the Bonds' financial servicing requirements.

The Fund, through its Trustee, may initiate summary proceedings pursuant to articles 517 and following of the Law of Civil Judgement against Issuers who default on their payment obligations in respect of the Mortgage Covered Bonds.

Without prejudice to the above, the Fund, through its Trustee, may bring a declaratory action against Issuers who default on their payment obligations in respect of the Mortgage Covered Bonds. The exact nature of the declaratory proceedings shall depend on the amount involved.

Any discrepancy or dispute related to the Fund or the Bonds issued against the Fund that may arise during its life or its liquidation, whether between bondholders or between bondholders and the Trustee, shall be settled in the courts and tribunals of the city of Madrid, waiving any other jurisdiction that may be available to them.

The financial servicing of each Series shall be the responsibility of the Financial Agent of each Series. The bondholders of each Series shall be advised of the payment of interest and the redemption amount of the Bonds in the manner described in section 4 of the Additional Building Block. Payment of interest and of the redemption amount of the Bonds shall be performed through the Financial Agent of each Series based on the data contained in the accounting records of the entities participating in IBERCLEAR, which shall be designated as the entity responsible for keeping accounting records of the Bonds, except in the case of Private Placements, in accordance with the provisions of section 5.1. (iii) of the Securities Note.

4.8 Nominal interest rate and provisions in respect of the payment of interest

4.8.1. Nominal interest rate of the Bonds

From the Disbursement Date, the nominal unredeemed value of the Bonds of the various Series issued under the Programme shall bear interest calculated either (i) at a fixed annual nominal interest rate, payable annually on the nominal value of the Bonds of the corresponding Series (the “**Fixed Nominal Interest Rate**”) or (ii) at a variable annual interest rate, payable quarterly on the nominal value of the Bonds of the corresponding Series (the “**Variable Nominal Interest Rate**”), according to the rules set out below.

Any withholdings, deductions, or taxes levied now or in the future on the principal, interest, or yield of the Bonds shall be the sole responsibility of the bondholders and the corresponding amount shall be deducted, as and when appropriate, by the Trustee, in the name and on behalf of the Fund, through the Financial Agent, in the legally established manner.

The duration of each Issuance shall be divided into successive interest accrual periods (each an “**Interest Accrual Period for the Bonds**”) comprising the actual days elapsed

between each Payment Date indicated in section 4.8.2 of the Securities Note. Each Interest Accrual Period for the Bonds includes the initial Payment Date but excludes the final Payment Date, except in the event of the Bond Prepayment, as set out in section 4.9 of the Securities Note, in which case the Interest Accrual Period for the Bonds shall end on the date when the Bonds are prepaid. When determining the Interest Accrual Periods of the Bonds, whether or not the initial or final Payment Date is a Business Day is not taken into account.

In the event of default, amounts due to but not collected by bondholders, in respect of both interest and principal, shall not bear arrears interest.

For the purposes of this Prospectus, “**Business Day**” shall be understood to be any day that is (i) Saturday, (ii) Sunday, (iii) a bank holiday according to the TARGET calendar, or (iv) a holiday in Madrid.

The Closing Conditions of each Series shall specify the dates of the first Interest Accrual Period for the Bonds corresponding to that Series.

a) Fixed Nominal Interest Rate

When the Mortgage Covered Bonds backing a Bond Series assigned to the Fund bear interest at a fixed rate, the Bonds of that Series shall also bear interest at a Fixed Nominal Interest Rate.

The Fixed Nominal Interest Rate of the Bonds of each fixed rate Series bearing interest at a shall be set by agreement between the Placement Agents and Underwriters of the corresponding Series for each Issuance prior to the Assignment Date.

The Fixed Nominal Interest Rate of the Bonds shall be calculated using as a reference the Fixed Internal Rate of Return (r), which shall be deemed to be the sum of: (i) the mid-swap interest rate in the IRS (Interest Rate Swap) market at the same term as the Maturity of the Mortgage Covered Bonds whose acquisition is financed with the Issuance of that series (the “**Maturity**”) which appears on REUTERS “ICAPEURO” screen (or any other screen that may replace this service) for a date prior to that of the Assignment Date of the corresponding Series, and (ii) a spread (which may be negative), converting the resulting figure into a nominal rate on a 365 basis.

The Fixed Nominal Interest Rate shall be the Fixed Internal Rate of Return (r), rounded down to the nearest eighth of a point (4.000%, 4.125%, 4.250%, etc.).

If it is not possible to calculate the Fixed Internal Rate of Return (r) using as a reference the mid-swap interest rate in the IRS (Interest Rate Swap) market at the same Maturity, due to it not being available on REUTERS’ “ICAPEURO” screen (or any other screen that may replace this service), the Placement Agents and Underwriters shall select at least 3 (three) and no more than 5 (five) IRS (Interest Rate Swap) providers of quotations for the IRS (Interest Rate Swap) market at the same Maturity whose arithmetic mean can substitute that of REUTERS’ “ICAPEURO” screen.

The resulting Fixed Nominal Interest Rate shall be included in the Closing Conditions of the corresponding Series or (in the case of the first Series) as additional information to those Closing Conditions.

Interest to be paid at each Annual Payment Date for each Interest Accrual Period for the Bonds shall be calculated according to the following formula:

$$I = P \times R$$

Where:

I = Interest to be paid on a particular Annual Payment Date.

P = Nominal price of the Bonds on the second (2nd) Business Day prior to each Annual Payment Date.

R = Fixed Nominal Interest Rate of the corresponding Series expressed as an annual percentage.

When calculating the interest rate of Bonds corresponding to a Fixed Rate Series, the actual days existing in each Interest Accrual Period for the Bonds (Actual/Actual) shall always be taken as a basis.

b) Variable Nominal Interest Rate

When the Mortgage Covered Bonds backing a Bond Series assigned to the Fund bear interest at a variable rate, the Bonds of that Series shall also bear interest at a Variable Nominal Interest Rate.

The Variable Nominal Interest Rate of the Bonds of each variable rate Series shall be set by calculating the sum of (i) the three (3) month Euribor reference rate published on the second (2nd) Business Day prior to the date on which the corresponding Interest Accrual Period for the Bonds begins or, if this is not available, the substitute reference rate indicated below, plus (ii) a spread (the “**Spread**”) to be agreed between the Placement Agents and Underwriters for each Issuance prior to the Assignment Date of the corresponding Series and indicated in the corresponding Closing Conditions.

“Three (3) month Euribor” is understood to be the reference rate of the money market for the Euro for deposits at that term shown on the REUTERS “EURIBOR01” screen (or any other screen that may replace this service) at the 11.00 hours (CET) on the second (2nd) Business Day prior to the date on which the corresponding Interest Accrual Period for the Bonds begins.

If the rates mentioned in section (i) are not available, “three (3) month Euribor” shall be substituted by the interest rate calculated by taking the simple mathematical mean of the interbank interest rates offered for deposit transactions in Euros (EURIBOR) at three months, as soon as possible after 11.00 hours (CET) on the second (2nd) Business Day prior to the date on which the corresponding Interest Accrual Period for the Bonds begins, as quoted by the entities listed below (the “**Reference Entities**”):

- Banco Santander Central Hispano, London Branch
- Bank of America N.T.&S.A., London Branch
- J.P. Morgan Securities Limited

rounded off to the nearest thousandth of a percentage point (if the round off margin is the same in both directions, the higher of the two figures shall be taken).

If the above substitute reference rate is not available, due to one of the Reference Entities failing to provide continuous quotations, the interest rate to be applied shall be

calculated by taking the simple mathematical mean of the rates quoted by the other two (2) Reference Entities.

If one of the two (2) remaining Reference Entities should stop providing continuous quotations, the applicable rate shall be the last Variable Nominal Interest Rate applied to the last Interest Accrual Period of the Bonds. This method shall be used for successive Interest Accrual Periods for as long as this situation lasts.

If at least two (2) of the Reference Entities were to start providing quotations again, the substitute reference rate to the “three (3) month Euribor” would again apply, as per the rules described above.

The Trustee shall keep copies of the content of the REUTERS screens or, where appropriate, the quotations by the aforementioned Reference Entities, as documentary support of the corresponding Variable Nominal Interest Rate.

The liquidation interest payable on each Quarterly Payment Date for each Interest Accrual Period for the Bonds shall be calculated using the following formula:

$$I = P \cdot R \cdot d / 360$$

I = Interest to be paid on a given Quarterly Payment Date.

P= Nominal price of the Bonds of the Bonds on the second (2nd) Business Day prior to each Annual Payment Date.

R = Variable Nominal Interest Rate corresponding to that Interest Accrual Period.

d = Actual number of days corresponding to the Interest Accrual Period.

The calculation of the interest on the Bonds corresponding to a variable rate Series shall always be based on the actual days elapsed in each Interest Accrual Period for those Bonds, calculated on the basis of a three hundred and sixty (360) day year.

4.8.2. Date, place, entities, and procedure for the payment of interest

Interest on the Bonds corresponding to fixed rate Series shall be paid at the end of each 12 month period, on the anniversary of each Disbursement Date of the Bonds of that Series (each date being an “**Annual Payment Date**”), until the total redemption of the Bonds, except if the Bonds are prepaid, as set out in section 4.9 of the Securities Note, in which case it shall be paid on the date of Prepayment of the Bonds.

Interest on the Bonds corresponding to a variable rate Series shall be paid at the end of each quarter, starting from the date on which three (3) months have elapsed from the Disbursement Date of the Bonds of each Series (each date being a “**Quarterly Payment Date**”), until the total redemption of the Bonds, except if the Bonds are prepaid, as set out in section 4.9 of the Securities Note, in which case it shall be paid on the date of Prepayment of the Bonds.

Hereinafter, both Quarterly Payment Dates and Annual Payment Dates will be referred to as “**Payment Dates**”.

In the event that any of the dates stipulated in the paragraph(s) above is not a Business Day, payment shall be made on the Business Day immediately following, without this affecting the calculation of interest.

4.8.3. Time limit on the validity of claims to interest and redemption of the principal

In the event that on a Payment Date the Fund is not able to pay either fully or partially the interest accrued by the Bonds of any of the Series in accordance with the Payment Priority Order of each Series, any amounts not received by the bondholders shall be paid on the following Payment Date for that Series. Until the Expected Maturity Date of the Series (the “**Expected Maturity Date**”), the amounts of deferred interest shall accrue interest in favour of the bondholders at a rate equal to that applied to the Bonds of that Series during successive Interest Accrual Period(s) until the Payment Date on which the deferred interest is paid, without this implying capitalization of the debt.

The Fund, through its Trustee, may not defer the payment of interest on the Bonds of any of the Series beyond the date on which thirty (30) months have elapsed since the Expected Maturity Date of the Series whose Expected Maturity Date is the latest of those issued under the Programme after the Offering Period or, if this is not a Business Day, the following Business Day (the “**Legal Maturity Date**”), without prejudice to the payment of the amounts collected between the Expected Maturity Date of the corresponding Series and the Legal Maturity Date in execution of the Mortgage Covered Bonds of each Series, after deducting Execution Expenses, in accordance with the Payment Priority Order of that Series as soon as the Funds corresponding to the execution of each unpaid Mortgage Covered Bond have been deposited in the Cash Collateral Account of that Series and the Trustee can dispose of them. Therefore, if on the Legal Maturity Date the Fund does not have Available Funds to pay the interest due on the Bonds of any Series in accordance with the Payment Priority Order, the obligation to pay deferred interest on the Bonds of that series shall be extinguished on the Legal Maturity Date.

The Fund, through its Trustee, may not defer the payment of the amount corresponding to the redemption of the principal of the Bonds of any of the Series beyond the Legal Maturity Date. Therefore, if on the Legal Maturity Date the Fund does not have Available Funds to fully repay the principal of the Bonds of any Series in accordance with the Payment Priority Order of that Series, the obligation to redeem the outstanding principal of the Bonds of that Series shall be extinguished on the Legal Maturity Date.

Any amounts of the principal that have not been redeemed by the Expected Maturity Date of the corresponding Series shall accrue interest in favour of the bondholders of that Series until the date on which those amounts are totally redeemed, up until the Legal Maturity Date, at the ordinary interest corresponding to that Series, without capitalization of the debt. Such amounts shall be settled whenever Funds are deposited in the Cash Collateral Account due to the execution of unpaid Mortgage Covered Bond(s), and when the Trustee can dispose of them. Therefore, subsequent to the Expected Maturity Date of each Series, the interest accrual periods and the dates on which payments are made shall not necessarily be either quarterly for variable rate Bonds nor annual for fixed rate Bonds.

4.8.4. When the rate is not fixed, description of the underlying on which it is based and the method used relate the two

Not applicable.

4.8.5. A description of any market disruption or settlement events that affect the underlying

Not applicable.

4.8.6. Name of the calculation agent

In accordance with the provisions of section 3.7.1 of the Additional Building Block, the Trustee shall be responsible for the calculation of the Variable Nominal Interest Rate, as and when appropriate.

4.9 Maturity date and redemption of the securities

4.9.1. Redemption price

The redemption price of Bonds of each Series shall be equivalent to 100% of their nominal value, free of expenses for the bondholder, and payable in a single instalment on the Expected Maturity Date of that Series.

All the Bonds of each Series shall similarly be fully redeemed on the Expected Maturity Date of that Series.

Exceptionally, in the event of a partial prepayment of any Series, the redemption price of the Bonds on the Expected Maturity Date of the Series shall be the same as its nominal value after the reduction of the nominal value as a result of the partial Prepayment of the Issuance.

4.9.2. Date and redemption methods

(i) Ordinary redemption

The Bonds of each Series shall be redeemed in a single payment on their respective Expected Maturity Date.

The Expected Maturity Date of the Bonds of the successive Series issued under the Programme shall be as per the corresponding Closing Conditions, without prejudice to the cases of Prepayment set out in the provisions of section (ii) following.

The redemption of the principal of the Bonds of each Series shall be satisfied with funds from the Assets whose acquisition was financed with the issuance of the Bonds of that Series.

(ii) Prepayment

Without prejudice to the obligation of the Fund, through the Trustee, to redeem the Bonds of each Series on the Expected Maturity Date of each Series, the Trustee, with prior notice to the CNMV, shall make a partial or total prepayment of the Bonds of any Series under the following circumstances (each a case of “**Prepayment**”):

(i) Compulsory Prepayment

If any of the Issuers default on their payment obligations in respect of a Mortgage Covered Bond issued and assigned to the Fund by them, whether in respect of principal or interest, the Trustee shall effect the Prepayment of that Mortgage Covered Bond and, consequently, the partial Prepayment of the Bonds of the

Series to which that Mortgage Covered Bond is linked, through a pro rata reduction of their nominal value equivalent to the nominal value of that redeemed Mortgage Covered Bond, and the payment of the corresponding accrued interest, by applying the proceeds of the redeemed Mortgage Covered Bond in accordance with the Payment Priority Order of that Series. The above mentioned amounts shall be payable to the bondholders of that Series once the Trustee has received (in the Cash Collateral Account of the corresponding Series) and can dispose of the amount – whether in respect of principal or interest – corresponding to the execution of the defaulted and prepaid Mortgage Covered Bond. The payments referred to in this section do not have to be made on a Payment Date.

If the amounts recovered are insufficient to pay the bondholders in full, the outstanding amounts to be paid to the bondholders shall be recorded on the liabilities side of the Fund's balance sheet under payables.

In order to pay the amounts referred to above, the Trustee may only use amounts recovered from the defaulted Mortgage Covered Bond or from voluntary payments made by the Issuer in accordance with the Payment Priority Order.

(ii) Voluntary Prepayment

- (a) In accordance with and with Royal Decree 685/1982, of March 17, implementing some aspects of that Law (“**Royal Decree 685/1982**”), if any of the Issuers, at any time during the life of the Assets issued by those issuers, exceeds the issuance cap on Mortgage Covered Bonds established by applicable provisions, the Issuer in question shall re-establish the equilibrium in one of the following ways:
- a) By depositing cash or sovereign bonds in the Bank of Spain
 - b) By acquiring Mortgage Covered Bonds in the market
 - c) By executing new mortgage loans or by acquiring mortgage participations that qualify as backing for the Mortgage Covered Bonds
 - d) By redeeming Mortgage Covered Bonds in the amount required to re-establish the equilibrium. If necessary such redemptions may be made as prepayments and by lottery.

In accordance with the provisions of the Internal Management Agreement in respect of the corresponding Series, set out in section 3.4.6.b) of the Additional Building Block, the Issuers shall promise to try to re-establish the equilibrium either by depositing cash or sovereign bonds in the Bank of Spain, or by executing new mortgage loans or by acquiring mortgage participations and/or other assets suitable for that purpose.

When the equilibrium cannot be re-established by either of the measures described in the preceding paragraph, the Issuers shall acquire their own Mortgage Covered Bonds in the market. If the bond to be acquired is a Mortgage Covered Bond issued by the Issuer and incorporated in the Fund, the Issuer in question shall make a firm offer to repurchase that Mortgage Covered Bond from the Fund. The acquisition shall be made under the conditions set out below.

The Trustee, in the name and on behalf of the Fund, shall decide within two (2) Business Days from the receipt of notification whether to accept the repurchase offer made by the Issuer.

If the Trustee accepts the Issuer's repurchase offer, in the corresponding notification of acceptance the Trustee shall indicate the date on which the repurchase should take place, which under no circumstances may be later than the fifth (5th) Business Day subsequent to that notification.

The repurchase price of the Mortgage Covered Bond proposed by the Issuer shall be the higher of:

1. The nominal redemption price of the Mortgage Covered Bond
2. The market price of the Mortgage Covered Bond. For the purpose of this document, the "market price" of a Mortgage Covered Bond is understood to be the result of multiplying the nominal value of the Mortgage Covered Bond in question by the result of dividing (a) the arithmetic mean of the quotations provided by the Counterparties for the Bonds of the Series to which that Mortgage Covered Bond is linked by (b) the nominal value of those Bonds. The calculation of the above mentioned arithmetic mean of the quotations is based on the quotation prices of the Bonds in question, expressed in Euros, provided by each of the Counterparties at 11.00 hours of the Business Day prior to the date on which the Issuer in question notified the Trustee of its offer to repurchase the Mortgage Covered Bond previously issued by that same Issuer. If any of the Counterparties fails to provide a quotation for the Bonds, the calculation shall be based on the prices quoted by the remaining Counterparty/Counterparties.

The foregoing is without prejudice to the interest accrued on the Mortgage Covered Bonds until their repurchase date, which must be paid on that repurchase date.

Once the corresponding amounts have been received on the repurchase date, the Trustee, in the name and on behalf of the Fund, shall take the appropriate steps to make the partial Prepayment of the Bonds of the Series to which the Mortgage Covered Bond in question was linked by making a pro rata reduction of its nominal value in proportion to the nominal value of the redeemed Mortgage Covered Bond, and shall also pay the corresponding interest by applying the proceeds from the repurchase of the Covered Bond, in accordance with the Payment Priority Order of that Series. The foregoing amounts shall be payable to the bondholders of the Series in question once the Trustee has received (in the Cash Collateral Account of the corresponding Series) and can dispose of the amount corresponding to the repurchase price of the Mortgage Covered Bond and to the corresponding accrued interest. The payments referred to in this section do not have to be made on a Payment Date.

If the amounts recovered are insufficient to pay the bondholders in full, the outstanding amounts to be paid to the bondholders shall be recorded on the liabilities side of the Fund's balance sheet under payables.

In order to pay the amounts referred to above, the Trustee may only use amounts recovered from the sale of the Mortgage Covered Bond.

- (b) If, in spite of the above, the Trustee (acting in the name and on behalf of the Fund) decides not to sell the Mortgage Covered Bond to the Issuer under the aforementioned terms and consequently the Issuer is obliged to redeem Mortgage Covered Bonds, and if the Bond to be redeemed is a Mortgage Covered Bond incorporated in the Fund, reasonable notice of the terms under which the Mortgage Covered Bond is to be redeemed must be given to the Trustee, in the name and on behalf of the Fund, to allow the latter to take the appropriate steps to partially redeem the Bonds of the Series to which that Mortgage Covered Bond is linked by making a pro rata reduction of its nominal value in proportion to the nominal value of the redeemed Mortgage Covered Bond, and paying the corresponding interest.

The redemption of the Mortgage Covered Bond as described in the foregoing paragraph shall be made for the total nominal amount, with no possibility of partial redemption.

The minimum advance notice to be given to the Trustee of the Prepayment of the Mortgage Covered Bond shall be five (5) days prior to the redemption date of that bond.

The aforementioned partial prepayment of Bonds and the payment of the corresponding interest shall be carried out once the amount corresponding to the redemption of the nominal value of the Mortgage Covered Bond plus the interest accrued until its redemption date, by applying the proceeds from the redemption of the Covered Bond, in accordance with the Payment Priority Order of that Series. The foregoing amounts shall be payable to the bondholders of the Series in question once the Trustee has received (in the Cash Collateral Account of the corresponding Series) and can dispose of the amount – whether in respect of principal or interest - corresponding to the redemption of the Mortgage Covered Bond in question. The payments referred to in this section do not have to be made on a Payment Date.

If the amounts recovered are insufficient to pay the bondholders in full, the outstanding amounts to be paid to the bondholders shall be recorded on the liabilities side of the Fund's balance sheet under payables.

In order to pay the amounts referred to above, the Trustee may only use amounts recovered from the redemption of the Mortgage Covered Bond in question in accordance with the Payment Priority Order.

(iii) Prepayment in the event of hidden defects of the Assets

If, on the effective date of the assignment to the Fund of Mortgage Covered Bonds and of the issuance by the Fund of the Bonds corresponding to a certain Issuance or Extension (the “**Assignment Date**”), any of the Assets do not meet the conditions set out in section 2.2.8 of the Additional Building Block or suffer from hidden defects, this could give rise to the Prepayment of the Assets in accordance with the provisions of section 2.2.9 of the Additional Building Block.

The Trustee, on behalf of the Fund, shall make a partial prepayment of the Bonds of the Series to which the redeemed Mortgage Covered Bond is linked by making

a pro rata reduction of its nominal value in proportion to the nominal value of the redeemed Mortgage Covered Bond, and shall also pay the corresponding interest by applying the proceeds from the repurchase of the Covered Bond, in accordance with the Payment Priority Order of that Series. The foregoing amounts shall be payable to the bondholders of the Series in question once the Trustee has received (in the Cash Collateral Account of the corresponding Series) and can dispose of the amount – whether in respect of principal or interest - corresponding to the redemption of the Mortgage Covered Bond in question. The payments referred to in this section do not have to be made on a Payment Date.

If the amounts recovered are insufficient to pay the bondholders in full, the outstanding amounts to be paid to the bondholders shall be recorded on the liabilities side of the Fund's balance sheet under payables.

In order to pay the amounts referred to above, the Trustee may only use amounts recovered from the redemption of the Mortgage Covered Bond in question in accordance with the Payment Priority Order.

Any amounts in respect of principal that may be received by the Trustee, in the name of the Fund, as a result of the redemption (or the repurchase by an Issuer) of a Mortgage Covered Bond under any of the circumstances described in sections (i), (ii) and (iii) above which exceed the amounts to be satisfied by the Trustee (in the name of the Fund), by virtue of the partial prepayment of the Bonds of the Series to which the Mortgage Covered Bond is linked, shall be distributed among the bondholders on a pro rata basis in proportion to the number of Bonds each one holds and the nominal amount of those Bonds. Under no circumstances may this prompt another partial prepayment of the Bonds. The distribution of any surplus under the aforementioned terms shall therefore represent an exception to the Payment Priority Order of the corresponding Series.

(iv) Prepayment in the event of liquidation

Similarly, the Bonds of all Series to be fully prepaid as a result of the liquidation of the Fund under the circumstances and terms set out in section 4.4.3 of the Registration Document.

Any Prepayment of the issuance under the terms described in this section shall be reported immediately to the CNMV, while bondholders shall be notified by the placement of an announcement in daily newspaper with a wide circulation in Spain, in accordance with the provisions of section 4.2.3 of the Additional Building Block on extraordinary notifications.

4.10 Indication of yield

The effective interest expected to be paid to a subscriber acquiring the Bonds of each Series at the time of its Issuance and until its maturity shall be indicated in the corresponding Closing Conditions of that Series.

The internal rate of return for the subscriber shall be calculated using the following formula:

$$PE = \sum_{i=1}^N Ai (1+r)^{-(nd / 360)}$$

Where:

PE = Issuance price of the Bonds.

r = Internal rate of return expressed as an annual rate, as a decimal fraction.

A_i = Total redemption amounts at maturity and interest received by investors on each Payment Date.

(A₁A_N)

nd = Number of days between the Disbursement Date, inclusive, and the Payment Date of the Bonds of each Series, not inclusive.

The average life and the duration of the Bonds of each Series shall be indicated in the Closing Conditions corresponding to that Series.

The average life of the Bonds shall be calculated using the following formula:

$$V = \frac{\sum (P \times d)}{T} \times \frac{1}{360}$$

Where:

V = Average life of the Bonds issued expressed in years.

P = Principal to be redeemed on each Payment Date.

d = Number of days elapsed from the Disbursement Date (inclusive) until the Payment Date in question (not inclusive).

T = Total nominal amount of the issuance in Euros.

The duration of the Bonds shall be calculated in accordance with the following formula (adjusted Macaulay formula):

$$D = \frac{\sum (a \times VA)}{PE} \times \frac{1}{(1 + i)}$$

Where:

D = Duration of the Bonds expressed in years.

a = Time elapsed (in years) between the Disbursement Date and each of the Payment Dates in question.

VA = Present value of each of the amounts comprising gross interest to be paid on the respective Payment Dates and principal at the Expected Maturity Date discounted at the effective interest rate (IRR).

PE = Issuance price of the Bonds.

i = Effective interest rate of the Bonds, expressed as a decimal fraction.

4.11 Representation of security holders

No bondholder syndicate shall be set up for these Bonds.

In accordance with article 12 of Royal Decree 926/1998, the Trustee, in its capacity as third-party business manager, is responsible for the representation and defence of the interests of the holders of the securities issued against the Funds they manage and of the other unsecured creditors of those Funds. Consequently, the Trustee shall at all times subordinate its actions to the defence of the interest of the creditors, in accordance with the provisions established for that purpose.

4.12 Statement of resolutions, authorizations, and approvals for the issuance of the securities

(i) Corporate resolutions

Asset assignment

The Board of Directors of the Assignor, in its meeting on June 18, 2007 agreed to subscribe the Mortgage Covered Bonds to be incorporated into the assets of the Fund, and to transfer them to the Fund.

Constitution of the fund

The Board of Directors of the Trustee, in its meeting on May 14, 2007 (some of the resolutions of which were subsequently modified by a meeting in June 2007), agreed on the incorporation of the Fund, in accordance with the regime provided for by Royal Decree 926/1998, and the issuance of successive Series of Bonds by the Fund issued against pools of Assets acquired from the Assignor.

Issuance of the Assets

The Issuers' organs of governance shall agree to the issuance of the corresponding assets under the terms set out in the corresponding Closing Conditions.

(ii) Registration by the CNMV

This Prospectus was filed with CNMV on July 10, 2007.

This Prospectus shall be valid for a period of one year from the date of its publication in the Official Register of the CNMV and shall be renewed annually in accordance with the provisions of prevailing regulations.

(iii) Execution of the Fund's articles of incorporation

Once this Prospectus has been filed with the CNMV, the Trustee and the Assignor shall execute the Articles of Incorporation of the Fund and the other agreements provided for in this Prospectus and in the Closing Conditions in respect of the first Series to be issued against the Fund shall also be executed.

The Trustee, in the name of the Fund, declares that the content of the Articles of Incorporation is substantially the same as the draft Articles of Incorporation submitted to the CNMV, and that in no way do the terms of the Articles of Incorporation contradict, amend, alter, or invalidate the content of this Prospectus.

The Trustee shall send a copy of the Articles of Incorporation to the CNMV to be filed in the public register prior to the beginning of the Subscription Period of the Bonds of the first Series.

(iv) Supplementary Articles

The Issuances and Extensions of the successive Series made under the Programme shall be executed by Supplementary Articles to be filed with the CNMV prior to the beginning of the Subscription Period of the corresponding Series.

4.13 Issuance date of the securities

The issuance date of the Bonds of each Series shall be as indicated in the corresponding Closing Conditions, and shall coincide with the Assignment Date of the Assets backing each particular Issuance or Extension, which in turn shall coincide with the date of execution of the Articles of Incorporation for the first Series and with the date of execution of the corresponding Complementary Articles for successive Issuances or Extensions.

4.13.1. Pool of potential investors

The issuance is aimed at qualified investors, as defined in article 39 of Royal Decree 1310/2005, without prejudice to the acquisition of the securities by any other investors in the secondary market in which they are traded (except in the case of Private Placements as described in section 5.1.(iii) of the Securities Note).

4.13.2. Date or Subscription Period or acquisition

The Subscription Period (the “**Subscription Period**”) in respect of the various Issuances or Extensions shall be as indicated in the corresponding Closing Conditions.

4.13.3. Where and with whom can the securities be subscribed or acquired

Bond subscription orders shall be submitted during the Subscription Period at the offices of the entities responsible for their placement indicated in the corresponding Closing Conditions (the “**Placement Agents and Underwriters**” of each Series). To be accepted, the subscription orders may be submitted by any legally permissible method.

4.13.4. How and when may the disbursement be made

Bond subscribers must pay the issuance price corresponding to each Bond to the Placement Agent and Underwriter through which they made the subscription on a date subsequent to the close of the Subscription Period (the “**Disbursement Date**”), with same-day value.

The total amount underwritten by the Placement Agents and Underwriters shall be paid to the Fund on the Disbursement Date (and once the Bonds have been in registered with IBERCLEAR, where appropriate), with same-day value, by transfer to the Cash Collateral Account opened with the Financial Agent of the Series in question.

The Closing Conditions of each Series shall specify the Disbursement Date and the deadline for the Bond subscribers and the Placement Agents and Underwriters to satisfy the obligations set out in the foregoing paragraphs.

4.13.5. Placement and allocation of the securities

The Placement Agents and Underwriters shall freely accept or reject the subscription orders received, always taking care that there is no discrimination between similar orders. Nevertheless, the Underwriters may give priority to orders from clients that they deem to be more appropriate or suitable.

4.14 Restrictions on the free transferability of the securities

Except in the case of the Private Placements described in section 5.1.(iii), there are no restrictions to the free transferability of the Bonds, which may be freely transferred by any legally permissible method compliant with the rules of the AIAF or any other markets where they may be admitted to trading. The transmission of ownership of each Bond shall be effected by book-transfer. The registration of the transfer in favour of the acquirer will produce the same effect as the delivery of the securities, and from that moment the transmission shall be opposable to third parties.

If it is decided to place a Series privately in accordance with the provisions of section 5.1.(iii) of the Securities Note, the Bonds of that Series may only be transferred to investors considered to be qualified in accordance with the article 39 of Royal Decree 1310/2005.

5. ADMISSION TO LISTING AND TRADING ARRANGEMENTS

5.1 Market in which the securities are to be traded

(i) Application for admission to AIAF

Without prejudice to the provisions of section (iii) below in respect of Private Placements, the Trustee shall apply for admission to official listing of each Bond Issue (or Extension of a Series of Bonds) in the AIAF, so that they may be trading within a period of no more than thirty (30) days from the Disbursement Date of each Issuance or Extension.

If the Issuance is not listed within this period, the Trustee shall give notice of the reasons for this failure to the CNMV and to the general public by means of an announcement placed in a daily newspaper with a wide circulation in Spain or in the *Boletín Diario de Operaciones de AIAF Mercado de Renta Fija* (Daily Bulletin of the AIAF

Fixed Income Market), without prejudice to any liabilities incurred by this event, if such an event were to be imputable to the Trustee.

The Trustee declares that it is aware of the requirements and conditions for listing and delisting of the Bonds in the AIAF in accordance with prevailing legislation, and the requirements of its Governing Bodies, and agrees to uphold them.

(ii) Entities undertaking to participate in secondary trading, providing liquidity by acting as counterparties

For the purposes of this section, Placement Agents and Underwriters of each Series that provide liquidity to the Bonds of each Series shall be referred to as “**Counterparties**”. Not all the Underwriters shall be obliged to act as Counterparties.

When a Series of Bonds is admitted to listing in the AIAF, the Counterparties shall take part in the secondary trading and shall provide liquidity under the terms set out in the Underwriting Agreement of the corresponding Series. The Counterparties shall provide liquidity to the Bonds of the corresponding Series during securities trading days in the AIAF market.

Each Counterparty shall quote buy and sell prices for the Bonds of the corresponding Series that shall be valid daily for nominal amounts of up to FIFTEEN MILLION EUROS (€15,000,000).

The prices quoted by Counterparties shall at all times reflect the state of market liquidity.

Sale price quotations shall be subject to the availability of securities in the market. The Counterparties shall not guarantee that they are able to find securities to meet the demand, whether in its own portfolio or in third party portfolios. However, each Counterparty shall undertake to make its best effort to act with reasonable diligence in the markets in this respect.

Prices shall be understood to be firm quotes and shall be set in accordance with the state of the market, although each Counterparty may set their quoted buy and sell prices and change either whenever they see fit. These prices shall represent the yields that each Counterparty considers prudent to establish according to their perception of the state of asset-backed securities market and of fixed income markets in general, as well as other financial markets.

The difference between the bid and ask prices quoted by each Counterparty shall be capped at the spread indicated in the corresponding Closing Conditions of the successive Series.

Each Counterparty shall also be obliged to quote and announce its prices on a daily basis by at least one of the following media (and also by phone if deemed appropriate):

- On their Reuters screen
- On their Bloomberg screen
- Via the Eurocredit MTS system.

Each Counterparty is also obliged to disclose as often as the traded volumes require, and at least once a month, the relevant trading volumes, average prices, and maturities

either through the AIAF, through IBERCLEAR, by a press announcement, or in the manner described in the previous paragraph.

The Counterparties shall be released from their responsibilities in respect of liquidity in the event of changes having a significant impact on the current legal framework underlying the trading of securities by part Counterparties or their normal activities as financial institutions. This release shall be of a temporary nature and shall end as soon as those changes, conditions, or disturbances, or any subsequent ones, cease to have any effect on the Counterparties' activity.

Another cause for a release from responsibilities shall be when, due to changes in the legal or financial circumstances of the Fund to which the Series is linked, a significant alteration is appreciated in the solvency or ability to pay the obligations of the Fund in respect of that Series. Such a release shall also be of a temporary nature and shall end as soon as those changes cease to have any effect on the Counterparties' activity.

Each Counterparty may be excused from meeting its obligations to provide liquidity if it holds Bonds of the corresponding Series issued by the Fund, held individually and acquired directly from the market in discharge of its duty as a Counterparty, representing more than twenty percent (20%) of the outstanding volume of the Bonds of the corresponding Series.

The undertaking to provide liquidity shall remain in force throughout the life of the Bonds of the corresponding Series, as from the date of admission to trading in the AIAF Fixed Income Market. However, the undertaking may be cancelled with thirty (30) days' prior notice, in which case the Trustee shall seek another other entity to act as counterparty.

If the agreement is cancelled at the initiative of the Counterparty, regardless of the aforementioned period of prior notice, the Counterparty shall not be released from its obligations to provide liquidity until the Trustee has found another entity (whether a credit institution or a duly authorized investment services company) to replace it and perform its functions effectively. The Trustee shall make its best effort to find, within a period of thirty (30) days, an entity willing to perform the service formerly provided by the outgoing Counterparty, as provided for in this Prospectus. At the end of this period, if the Trustee has not found a replacement Counterparty, the latter may propose to the Trustee an entity to replace it under the same terms and conditions of the liquidity commitment. In such a case, the Trustee may not reject the replacement proposed by the Counterparty unless the replacement lacks the necessary capacity to meet its commitments under the agreement.

The Trustee, acting in the name and on behalf of the Fund and in the best interest of the Fund and of the bondholders of each of its Series, may terminate the liquidity commitment with any Counterparty prior to its expiration date if the Counterparty has failed to meet the commitments under the agreement or whenever the Trustee deems it appropriate, provided that at least thirty (30) days notice is given to the Counterparty. However, in this case the Trustee may not make use of its power of termination unless it already has a credit institution or duly authorized investment services company to replace the outgoing Counterparty.

The termination of the liquidity commitment and the replacement of the Counterparty shall be notified to the bondholders of the Series affected by placing an announcement in a daily newspaper with a wide circulation. Termination shall also be reported to the CNMV.

In consideration of the joint commitment made by the Counterparties of the successive Series, the Counterparties shall receive a liquidity fee (the “**Liquidity Fee**”) as stipulated in the corresponding Closing Conditions and in the Underwriting Agreement, which may be zero. The Counterparties shall deduct the Liquidity Fee from the amounts they send to the Fund in respect of their respective underwriting commitments.

If a Counterparty is replaced in accordance with the provisions of the preceding paragraphs, the outgoing Counterparty shall transfer to the incoming Counterparty the proportional amount of the Liquidity Fee received corresponding to remaining life of the Series.

(iii) Private placements

Sections (i) and (ii) above notwithstanding, admission to trading of Bonds in the AIAF or any other official secondary securities market; instead they shall be placed privately among qualified investors (in a “**Private Placement**”). Closing Conditions need not be filed in respect of this type of Issuances.

The Supplementary Articles corresponding to these Series shall indicate that no request for admission to official secondary markets shall be made in respect of these Bonds and that they may only be placed among persons considered as qualified investors.

If an Issuance is to be privately placed, the Bonds of that Series may be represented by physical registered certificates or book-entry, in accordance with Royal Decree 116/1992. The form of representation shall be indicated in the corresponding Supplementary Article. If they are represented by book-entry, the entity responsible for keeping accounting records of the Bonds of that Series shall be indicated in the corresponding Supplementary Article.

(iv) Request for admission to trading in other markets

Without prejudice to the provisions of section 5.1.(i) of the Securities Note, once admission to trading in the AIAF has been requested for the Bonds of Series, the Trustee may also request admission to trading in other markets, as it may deem appropriate.

5.2 Paying agents and depositories

The Trustee, in the name and on behalf of the Fund, shall enter into an agreement with a credit institution in respect of each Series (the “**Financial Agent**” of that Series) to be responsible for the financial servicing of each Bond issue against the Fund (the “**Financial Servicing Agreement**”). The name and address of each Financial Agent shall be included in the Closing Conditions of the corresponding Series.

Pursuant to the Financial Servicing Agreement of each Series, the Fund shall open a Cash Collateral Account for that Series with the Financial Agent.

Pursuant to the Financial Servicing Agreement and in respect of obligations assumed by the paying agent, on each Payment Date of each Series, the Financial Agent of that Series shall pay interest on the Bonds and shall make any other payments due against the Fund in accordance with the provisions of the Prospectus, as instructed by the Trustee.

If, at any time of the life of the issuance of the Bonds, the short-term unsecured and unsubordinated debt rating of a Financial Agent of a Series should fall below Moody’s P-1, the Trustee shall have a maximum of thirty (30) Business Days from the moment

that rating is assigned to take, in the name and on behalf of the Fund and following notification to that Rating Agency, either of the courses of action set out below to ensure an appropriate level of assurance in respect of the Financial Agent's obligations arising from the Financial Servicing Agreement, and to ensure that the rating assigned to the Bonds by the Rating Agencies do not suffer as a result:

- (i) Obtain similar assurances and undertakings from a credit institution or institutions with a short-term unsecured and unsubordinated debt rating of P-1 or better (Moody's), to guarantee the commitments of the Financial Agent. Any costs or expenses arising from such assurances or undertakings shall be borne by the Financial Agent.
- (ii) Replace the Financial Agent in question by an entity with a short-term unsecured and unsubordinated debt rating of P-1 or better (Moody's) to act as the paying agent of the corresponding Series under the same conditions. Any costs and expenses arising from the replacement of the Financial Agent shall be borne by the outgoing Financial Agent.

If, at any time of the life of the issuance of the Bonds, the short-term unsecured and unsubordinated debt rating of a Financial Agent of a Series should fall below Standard & Poor's A-1, the Trustee shall have a maximum of sixty (60) Business Days from the moment that rating is assigned to take one of the courses of action set out below to ensure an appropriate level of assurance in respect of the Financial Agent's obligations arising from the Financial Servicing Agreement:

- a) To obtain from an entity with a short-term unsecured and unsubordinated debt rating of A-1 or better (Standard & Poor's), and without prejudice to the rating assigned to the Bonds by the Rating Agencies, an on-demand guarantee securing, on demand of the Trustee, the timely payment to the Fund by the Financial Agent of the amounts deposited in the Cash Collateral Account, during the time that the Financial Agent is without its A-1 rating
- b) To transfer the Cash Collateral Account of the Fund to an entity whose short-term unsecured and unsubordinated debt rating is A-1 or better, and contract the highest possible return on the funds in that account
- c) If neither of the above options a) or b) are possible, to obtain from the Financial Agent or from a third party a pledge on financial assets in favour of the Fund with a credit rating not lower than that assigned to Spanish Government Bonds, in sufficient amount to guarantee the commitments established in the corresponding Financial Servicing Agreement and ensure that the rating assigned to the Bonds do not suffer as a result.
- d) If none of the above options are possible, the Trustee may invest the balance, at most until the following Payment Date, in Euro-denominated short-term fixed income instruments issued by entities that have a rating of A-1 or better, for periods of less than sixty (60) days (provided that they mature before the following Payment Date of the Bonds). The remuneration of these assets may not be less than the remuneration of the Cash Collateral Account.

Pursuant to the Financial Servicing Agreement, the Financial Agent of each Series shall act as a depositary of the physical certificates representing the Mortgage Covered Bonds linked to that Series, waiving the privileges afforded by the law and, in particular, those provided by articles 1730 and 1780 of the Civil Code (retention of pledged articles) and

article 276 of the Spanish Code of Commerce (guarantee akin to the retention of pledged articles).

The Trustee, in representation of the Fund, may examine, and the Financial Agent, under the Financial Servicing Agreement, shall provide the original certificates of the Mortgage Covered Bonds that the former holds in deposit, whenever the Trustee deems it necessary, and may also ask for copies of those certificates to be delivered.

In consideration of the services performed by the Financial Agent, the Fund shall pay a fee, payable either on the Disbursement Date of each Series on a one-time basis during the life of the Fund, or by instalments on each Payment Date. The fee and payment method shall be stipulated in the corresponding Closing Conditions. In the event of the abandonment, revocation, or replacement of the Financial Agent, and if that agent was paid on a one-time annual basis on the Disbursement Date, the outgoing Financial Agent shall transfer to the new Financial Agent the amount of fees that would have been due from the moment that the outgoing Financial Agent ceased to perform its duties until the Expected Maturity Date of the corresponding Series. If the fees were paid to the Financial Agent in instalments, the abandonment, revocation, or replacement of the Financial Agent must necessarily take place on a Payment Date.

In consideration of the services to be provided by the Financial Agent of each Series in respect of short-term reinvestment transactions of Cash Collateral Account balances that the Trustee may carry out according to the provisions of section 3.4.4.1 of the Additional Building Block, the Financial Agent may charge a fee, to be specified in the corresponding Closing Conditions. Fees collected by the Financial Agent in respect of reinvestment transactions may not result in a reduction in the yield of the Cash Collateral Account below the yield that would have been obtained if it were not for the aforementioned transactions.

6. EXPENSES OF THE OFFERING

Expected expenses from the incorporation of the Fund, and expenses from the issuance and admission to listing of the Bonds of the various Series shall be set out in the corresponding Closing Conditions.

7. FURTHER INFORMATION

7.1 Statement of the capacity in which the advisors related with the issuance mentioned in the Securities Note have acted

URÍA, MENÉNDEZ Y CÍA, ABOGADOS, S.C. acts as transaction structure legal advisor, as an independent third-party advisor.

7.2 Other information of the Securities Note which has been audited or reviewed by auditors

Not applicable.

7.3 Statement or report attributed to a person as an expert

Not applicable.

7.4 Third-party information

As part of its work verifying the information contained in this Prospectus, the Trustee has received confirmation from the Issuers and the Assignor on the veracity of the information concerning the Issuers in section 2.2.2 of the Additional Building Block, on the veracity of the information concerning the Assignor, the Issuers and the Assets, set out in section 2.2.8 of the Additional Building Block, and the veracity of the rest of the information on the Assignor, the Issuers, and the Assets contained in this Prospectus.

The Trustee confirms that the information reproduced by the Issuers and the Assignor on the Assets has been accurately represented and that, to the Trustee's knowledge and insofar as the Trustee can determine on the basis of the information provided by those entities, nothing has been omitted that would render the information contained in the Prospectus inaccurate or misleading, neither does this Prospectus omit material facts or data that might be important to the investor.

7.5 Ratings or ratings assigned to the securities by rating agencies

The Trustee has arranged for the credit rating of the first Series to be issued pursuant to the incorporation of the Fund to be performed by the rating agencies MOODY'S INVESTORS SERVICE ESPAÑA, S.A. ("**Moody's**") and STANDARD & POOR'S ESPAÑA, S.A. ("**Standard & Poor's**" and, jointly with Moody's, the "**Rating Agencies**"), rating agencies recognized by the CNMV pursuant to article 2º.3.b) of Royal Decree 926/1998.

Rating assigned to the Bonds of the first Series

Prior to the filing of this Prospectus, the two Rating Agencies have assigned the first Series to be issued on the date of incorporation of the Fund the provisional ratings shown below.

| Moody's | Standard & Poor's |
|---------|-------------------|
| Aaa | AAA |

If either of the above provisional ratings are not confirmed as definitive prior to the start of the Subscription Period of the first Series, this shall be reported immediately to the CNMV and shall be made public in the manner described in section 4 of the Additional Building Block, and the incorporation of the Fund, the transfer of the Mortgage Covered Bonds comprising the initial Assets, and the issuance of the Bonds of the first Series shall all be cancelled.

Rating assigned to the Bonds of successive Series

Prior to filing the Closing Conditions, at least one of the two Rating Agencies shall assign to each Series (except in the case of Private Placement, when it shall be optional) the respective provisional ratings shown below:

| Moody's | Standard & Poor's |
|----------------|------------------------------|
| Aaa | AAA |

Prior to the start of the Subscription Period of each Series to be issued under the Programme, the Rating Agencies that have assigned the provisional ratings shall confirm them as definitive.

In the event of an Extension, the Rating Agencies that have rated the Bonds of the Series to be extended shall also provide the rating for the Bonds of the Extension.

For both provisional and definitive ratings, on the occasion of each Issuance, Extension or Liquidation of the successive Series under the Programme, the Rating Agencies shall ratify that that Issuance, Extension or Liquidation does not imply any alteration of the ratings assigned to Bonds of the Series issued previously already rated by them.

The rating assigned to the Bonds of each of the successive Series, and the ratification that the Issuance does not imply any alteration of the ratings assigned to Bonds of the Series issued previously, shall be included in the corresponding Closing Conditions to each Series.

Considerations on the rating

Standard & Poor's ratings for the asset-backed securities in question represent an opinion in respect of punctual payment of interest during the life of the transaction as described in the documentation, and the payment of principal before the Fund's Legal Maturity Date.

Moody's rating for this transaction measures the expected loss before the Fund's Legal Maturity Date. The structure provides for punctual payment of the interest during the life of the transaction and the payment of the principal on the Expected Maturity Date, and definitely before the Fund's Legal Maturity Date.

The ratings assigned, together with their revision or suspension: (i) are formulated by the Rating Agencies on the basis of the wealth of information they receive, the accuracy or completeness of which they cannot guarantee, therefore they cannot in any way be held responsible for that information; and (ii) they do not constitute and can in no way be construed as an invitation, recommendation, or solicitation for investors to enter into any form of transaction in respect of the Bonds and, in particular, to buy, hold, pledge, or sell the Bonds.

The ratings may be revised, suspended, or withdrawn at any time by the Rating Agencies on the basis of any information that may come to their knowledge. Any such circumstances, that shall not be cause for the early liquidation of the Fund, shall be reported immediately to the CNMV and announced to the bondholders, in accordance with the provisions of section 4 of the Additional Building Block.

To perform the task of rating and monitoring the Bonds, the Rating Agencies rely on the accuracy and completeness of the information provided by the Trustee, the auditors, the legal advisors, and other experts.

The Trustee shall provide the Rating Agencies, on a monthly basis, with the outstanding balance of the Mortgage Covered Bonds issued by each Issuer, the outstanding balance of the mortgage loans and credits of each Issuer (indicating what percentage are at a fixed rate of interest and which at a variable rate), and the outstanding balance of the mortgage loans and credits of each Issuer that meet the requirements set out in Law 2/1981 and are eligible for backing the issuance of Mortgage Covered Bonds (indicating what percentage are at a fixed rate of interest and which at a variable rate).

The Trustee shall also provide the Rating Agencies, on a quarterly basis, with information about the state of the Fund and the Mortgage Covered Bonds, the content and format of which to be agreed upon between the Trustee and the Rating Agencies, in order to provide the greatest possible transparency to the operation of the Fund. The Trustee shall also provide such information when reasonably required to do so and whenever there is a change in the conditions of the Fund, a change in the agreements entered into by the Fund through the Trustee, or a change in the interested parties.

The Trustee shall also provide all the Rating Agencies with all relevant information regarding each Issuance or Extension under the Programme (regardless of whether they took part in the rating of the Bonds of the Issuance or Extension in question), so that the Rating Agencies have the necessary means to be able to ratify that the Issuance or Extension does not imply any alteration of the ratings assigned to Bonds of the Series issued previously already rated by them.

The Trustee shall make its best effort to maintain the rating of the Bonds at their initial level and, if the rating should fall, to return to the initial rating as soon as possible.

ADDITIONAL BUILDING BLOCK

This Additional Building Block to the Securities Note has been produced in accordance with Appendix VIII of Regulation 809/2004 and was approved by the CNMV on July 10, 2007.

1. SECURITIES

1.1 Amount of the Fund.

Pursuant to the Articles of Incorporation, the Fund shall acquire the initial Assets backing the issuance of the Bonds of the first Series.

The maximum outstanding volume of the Mortgage Covered Bonds assigned to the fund shall be FIFTY THOUSAND MILLION EUROS (€50,000,000,000).

1.2 Confirmation that the information in respect of a company or obligor not participating in the issuance is accurate.

The Trustee declares that the information in respect of the Issuers contained in this document is identical to that sent by the Issuers themselves to the Trustee, and that to the knowledge of the Trustee, no fact has been omitted that would render the reproduced inaccurate or misleading.

2. UNDERLYING ASSETS

2.1 Confirmation of the capacity of the securitized assets to produce the Funds payable on the securities.

Based on statements to be made by the Issuers and the Assignor to the Trustee in respect of themselves and the Assets eligible for assignment to the Fund, reproduced in section 2.2.8 below, and all the information to be provided by the Issuers to the Trustee, and on the opinions expressed in the provisional credit ratings, the Trustee confirms that, under the prevailing contractual conditions, cash flows generated by the principal, interest, and any other amounts generated by the Assets, are sufficient to meet payments due and payable in respect of the Bonds of the Series in question.

However, to cover any possible payment default by the Issuers, a number of credit enhancement transactions have been set up to mitigate default risk, both in respect of the principal and interest on the Bonds of each Series, as described in section 3.4.2 of this Additional Building Block to the Securities Note. Under exceptional circumstances these enhancement transactions may be insufficient.

Each Series issued under the Programme shall be backed by a pool of specific Assets to be acquired by the Fund on the occasion of that Issuance. Revenue flows and payments of each Series shall be totally separate, with no type of subordination between the various Series. Payments to bondholders and other creditors of each Series may only be made against the Available Funds corresponding to each Series, that is, the flows generated by the Mortgage Covered Bonds linked to that Series. Under no circumstances may Available Funds belonging to one Series be used to make payments for another Series.

When, in the opinion of the Trustee, a change in prevailing legislation or the existence of exceptional circumstances causes a substantial alteration to or permanently upsets the

financial equilibrium of the Fund, or when a default indicative of a serious and permanent imbalance occurs in respect of one or several Bonds, or there is cause to expect such an event, the Trustee may effect the early liquidation of the Fund and the consequent Prepayment of the Bond Issue under the terms provided for in section 4.4.3 of the Registration Document. If the circumstances only affect one or several Series of Bonds and not the Fund as a whole, the Trustee shall only liquidate the affected Series.

2.2 Assets backing the issuance

The assets backing the Fund shall be Mortgage Covered Bonds issued by the Issuers that prior to assignment to the Fund shall be stated on the balance sheet of the Assignor (the “**Mortgage Covered Bonds**” or the Assets).

Other entities eligible for the issuance of Mortgage Covered Bonds in accordance with article 2.1 de Law 2/1981 may join the programme as potential Issuers, provided that the information in respect of each Issuer as per section 2.2.2 of the Additional Building Block is included in a supplement to this Prospectus. The Assets issued by the Issuers may be assigned to the Fund on the condition that the Issuers have their financial statements for the last three years audited (provided that, on the Assignment Date in question, they were obliged by prevailing legislation to have their financial statements for the last year audited and approved), and the financial statements corresponding to the last year are filed with the CNMV and in the Registrar of Companies, in accordance with prevailing legislation, and the audit report for the last year did not contain qualifications that put into question their solvency or creditworthiness. Any such information shall be included in the corresponding Closing Conditions to each Series.

The Trustee, in the name and on behalf of the Fund, may acquire Mortgage Covered Bonds to back Issuances and Extensions during the Offering Period. Such Mortgage Covered Bonds shall have a maximum maturity of sixty (60) years from the date of incorporation of the Fund. Mortgage Covered Bonds may be acquired to back up to twelve (12) Issuances the first three (3) years and up to six (6) Issuances during the remaining life of the Programme until the twentieth (20th) year, with a maximum of sixty (60) Series active at any moment, regardless of the number of acquisitions of Mortgage Covered Bonds made to back any Extensions, provided that the maximum amount stipulated in sections 4.1.a) of the Securities Note and 1.1 of the Additional Building Block is not exceeded.

The Assets may be denominated in Euros or in other currencies. The Assets shall be denominated in the same currency as the Bonds of the Series whose Issuance is backed by those Assets.

The Trustee shall issue a report in respect of the existence, ownership, and conditions of the Assets assigned to Fund on the occasion of each of the Issuances and Extensions made under the Programme.

2.2.1. Legal jurisdiction governing the pool of assets

Securitized Assets are governed by Spanish law and, in particular, by Law 2/1981 and Royal Decree 685/1982.

2.2.2. General description of each obligor

Set out below are the individual balance sheet, the individual income statement, and a table showing the equity of each of the Issuers.

The balance sheet and income statement figures are presented in accordance with Bank of Spain Circular 4/2004, and those related to the equity of the Issuers are presented in accordance with Bank of Spain Circular 3/2005. Information as at December 31, of 2005 and 2006 is audited.

The Closing Conditions of each Series shall contain information in respect of the total mortgage portfolio, eligible mortgage portfolio, outstanding Mortgage Covered Bonds issued, credit risk, default risk, coverage, default rate, mortgage default rate, and default coverage ratio of the Issuers of the Mortgage Covered Bonds of the corresponding Series, plus some other information about the Issuers.

BANCO GUIPUZCOANO, S.A.

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|------------------|------------------|------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 171.407 | 92.990 | 129.617 |
| 2. Cartera de negociación | 153.450 | 456.484 | 46.416 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 528.058 | 513.251 | 605.062 |
| 5. Inversiones crediticias | 7.789.279 | 6.628.288 | 6.079.230 |
| 6. Cartera de inversión a vencimiento | 75.730 | 82.605 | 88.312 |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 3.659 | 988 | 7.475 |
| 11. Activos no corrientes en venta | 1.618 | 1.376 | 2.127 |
| 12. Participaciones | 142.446 | 131.207 | 125.098 |
| 13. Contratos de seguros vinculados a pensiones | | | |
| 15. Activo material | 89.068 | 88.568 | 84.497 |
| 16. Activo intangible | | | |
| 17. Activos fiscales | 27.108 | 37.205 | 25.497 |
| 18. Periodificaciones | 5.501 | 3.204 | 5.416 |
| 19. Otros activos | 27.948 | 16.800 | 9.540 |
| TOTAL ACTIVO | 9.015.272 | 8.052.966 | 7.208.287 |

PASIVO Y PATRIMONIO NETO

| | | | |
|---|------------------|------------------|------------------|
| PASIVO | | | |
| 1. Cartera de negociación | 22.459 | 36.984 | 18.701 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 8.272.427 | 7.370.803 | |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | 6.500.942 |
| 11. Derivados de cobertura | 77.528 | 64.662 | |
| 12. Pasivos asociados con activos no corrientes en venta | | | 112.480 |
| 14. Provisiones | 88.105 | 79.937 | |
| 15. Pasivos fiscales | 46.505 | 43.232 | 79.949 |
| 16. Periodificaciones | 44.673 | 35.304 | 40.120 |
| 17. Otros pasivos | 2.070 | 894 | 34.360 |
| 18. Capital con naturaleza de pasivo financiero | | | 1.080 |
| TOTAL PASIVO | 8.553.767 | 7.631.816 | 6.787.632 |

| | | | |
|---|------------------|------------------|------------------|
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 34.436 | 15.264 | 21.278 |
| 3. Fondos propios | 427.069 | 405.886 | 399.377 |
| TOTAL PATRIMONIO NETO | 461.505 | 421.150 | 420.655 |
| TOTAL PATRIMONIO NETO Y PASIVO | 9.015.272 | 8.052.966 | 7.208.287 |

| | | | |
|-----------------------------------|-----------|-----------|-----------|
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 867.486 | 825.134 | 688.775 |
| 2. Compromisos contingentes | 1.588.176 | 1.593.327 | 1.146.042 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 304.589 | 134.887 | 225.405 |
| 2. Intereses y cargas asimiladas | 173.898 | 72.653 | 108.241 |
| 3. Rendimiento de instrumentos de capital | 13.007 | 3.776 | 9.709 |
| A) MARGEN DE INTERMEDIACIÓN | 143.698 | 66.010 | 126.873 |
| 5. Comisiones percibidas | 56.177 | 26.387 | 51.429 |
| 6. Comisiones pagadas | 3.723 | 1.763 | 3.171 |
| 8. Resultados de operaciones financieras (neto) | 15.685 | 14.103 | 5.396 |
| 9. Diferencias de cambio (neto) | 377 | -152 | 636 |
| B) MARGEN ORDINARIO | 212.214 | 104.585 | 181.163 |
| 12. Otros productos de explotación | 5.192 | 2.599 | 5.033 |
| 13. Gastos de personal | 71.597 | 35.768 | 64.887 |
| 14. Otros gastos generales de administración | 37.568 | 18.272 | 36.391 |
| 15. Amortización | 11.148 | 5.425 | 10.800 |
| 16. Otras cargas de explotación | 1.829 | 957 | 1.781 |
| C) MARGEN DE EXPLOTACIÓN | 95.264 | 46.762 | 72.337 |
| 17. Pérdidas por deterioro de activos (neto) | 27.978 | 13.854 | 21.611 |
| 18. Dotaciones a provisiones (neto) | 17.531 | 9.675 | 12.159 |
| 21. Otras ganancias | 8.203 | 5.046 | 18.352 |
| 22. Otras pérdidas | 285 | 123 | 1.744 |
| D) RESULTADO ANTES DE IMPUESTOS | 57.673 | 28.156 | 55.175 |
| 23. Impuesto sobre beneficios | 7.309 | 7.219 | 10.874 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 50.364 | 20.937 | 44.301 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 50.364 | 20.937 | 44.301 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 456.074 | 426.036 | 423.330 |
| Recursos propios de segunda categoría | 355.501 | 326.318 | 162.301 |
| Otras deducciones de recursos propios | -10.279 | -25.292 | -1.299 |
| Recursos propios totales | 801.296 | 727.062 | 584.332 |
| Coeficiente solvencia (agregado) | 11,09% | 11,34% | 10,64% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,68% | 0,62% | 0,68% |
| ROE (después de impuestos) | 13,56% | 11,86% | 13,2% |
| Nº OFICINAS | 256 | 252 | 248 |
| Nº EMPLEADOS | 1.228 | 1.204 | 1.183 |

BANCA MARCH, S.A.

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|------------------|------------------|------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 140.470 | 155.601 | 184.647 |
| 2. Cartera de negociación | 10.986 | 9.388 | 6.971 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 167.023 | 407.903 | 450.159 |
| 5. Inversiones crediticias | 7.487.986 | 6.800.045 | 6.031.173 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 32.533 | 9.816 | 36.428 |
| 11. Activos no corrientes en venta | 788 | 655 | 662 |
| 12. Participaciones | 168.412 | 159.070 | 122.965 |
| 13. Contratos de seguros vinculados a pensiones | 1.669 | 1.638 | 1.529 |
| 15. Activo material | 111.558 | 107.163 | 105.273 |
| 16. Activo intangible | 801 | 739 | 742 |
| 17. Activos fiscales | 55.934 | 64.767 | 63.140 |
| 18. Periodificaciones | 7.124 | 8.539 | 5.668 |
| 19. Otros activos | 5.892 | 1.689 | 1.571 |
| TOTAL ACTIVO | 8.191.176 | 7.727.013 | 7.010.927 |

PASIVO Y PATRIMONIO NETO

PASIVO

| | | | |
|--|------------------|------------------|------------------|
| 1. Cartera de negociación | 2.264 | 2.949 | 1.316 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 7.436.668 | 6.943.201 | 6.319.533 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 42.173 | 71.117 | 9.491 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 57.607 | 56.315 | 59.543 |
| 15. Pasivos fiscales | 24.878 | 30.204 | 30.037 |
| 16. Periodificaciones | 27.087 | 36.639 | 24.047 |
| 17. Otros pasivos | 4.508 | 7.071 | 6.690 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 7.595.185 | 7.147.496 | 6.450.658 |

PATRIMONIO NETO

| | | | |
|---|------------------|------------------|------------------|
| 2. Ajustes por valoración | 1.966 | 1.268 | 958 |
| 3. Fondos propios | 594.023 | 578.249 | 559.311 |
| TOTAL PATRIMONIO NETO | 595.989 | 579.517 | 560.269 |
| TOTAL PATRIMONIO NETO Y PASIVO | 8.191.176 | 7.727.013 | 7.010.927 |

PRO-MEMORIA

| | | | |
|-----------------------------------|-----------|-----------|-----------|
| 1. Riesgos contingentes | 623.365 | 583.604 | 575.850 |
| 2. Compromisos contingentes | 1.750.823 | 1.796.547 | 1.245.687 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 285.709 | 128.741 | 213.697 |
| 2. Intereses y cargas asimiladas | 156.313 | 66.061 | 96.945 |
| 3. Rendimiento de instrumentos de capital | 8.310 | 3.231 | 3.679 |
| A) MARGEN DE INTERMEDIACIÓN | 137.706 | 65.911 | 120.431 |
| 5. Comisiones percibidas | 59.603 | 27.538 | 53.861 |
| 6. Comisiones pagadas | 9.584 | 4.572 | 10.951 |
| 8. Resultados de operaciones financieras (neto) | 3.127 | 876 | 3.784 |
| 9. Diferencias de cambio (neto) | 11.131 | 4.651 | 8.862 |
| B) MARGEN ORDINARIO | 201.983 | 94.404 | 175.988 |
| 12. Otros productos de explotación | 4.355 | 2.301 | 3.979 |
| 13. Gastos de personal | 78.411 | 38.750 | 72.330 |
| 14. Otros gastos generales de administración | 37.677 | 18.401 | 34.680 |
| 15. Amortización | 6.293 | 3.068 | 6.091 |
| 16. Otras cargas de explotación | 1.861 | 924 | 1.794 |
| C) MARGEN DE EXPLOTACIÓN | 82.096 | 35.562 | 65.073 |
| 17. Pérdidas por deterioro de activos (neto) | 24.142 | 11.446 | 17.059 |
| 18. Dotaciones a provisiones (neto) | 2.615 | -1.378 | 1.743 |
| 21. Otras ganancias | 2.922 | 3.868 | 5.830 |
| 22. Otras pérdidas | 1.611 | 2.293 | 2.085 |
| D) RESULTADO ANTES DE IMPUESTOS | 56.650 | 27.069 | 50.016 |
| 23. Impuesto sobre beneficios | 21.938 | 8.131 | 15.517 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 34.712 | 18.938 | 34.498 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 34.712 | 18.938 | 34.498 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|------------|-----------|-----------|
| Recursos propios básicos | 2.427.538 | 1.646.907 | 1.687.443 |
| Recursos propios de segunda categoría | 233.993 | 229.421 | 133.333 |
| Otras deducciones de recursos propios | -1.056.516 | -890.568 | -422.537 |
| Recursos propios totales | 1.605.015 | 985.760 | 1.398.239 |
| Coeficiente solvencia (agregado) | 18,50% | 12,54% | 20,00% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,45% | 0,54% | 0,55% |
| ROE (después de impuestos) | 6,01% | 6,77% | 6,37% |
| Nº OFICINAS | 278 | 259 | 250 |
| Nº EMPLEADOS | 1.502 | 1.462 | 1.380 |

BANCO SANTANDER CENTRAL HISPANO, S.A.

BALANCE PÚBLICO

(Miles de euros redondeados)

| ENTIDAD: | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|--------------------|--------------------|--------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 2.281.878 | 2.223.638 | 2.657.154 |
| 2. Cartera de negociación | 35.657.947 | 33.349.731 | 24.060.091 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 10.149.175 | 7.264.275 | 49.942.815 |
| 5. Inversiones crediticias | 188.049.688 | 169.177.548 | 160.325.955 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 1.114.747 | 1.021.289 | 1.671.474 |
| 11. Activos no corrientes en venta | 33.482 | 33.398 | 44.367 |
| 12. Participaciones | 39.339.174 | 36.965.030 | 34.682.611 |
| 13. Contratos de seguros vinculados a pensiones | 3.049.487 | 2.961.640 | 2.983.762 |
| 15. Activo material | 1.503.788 | 1.513.426 | 1.551.161 |
| 16. Activo intangible | 438 | 450 | 473 |
| 17. Activos fiscales | 3.012.956 | 2.965.167 | 2.946.984 |
| 18. Periodificaciones | 267.045 | 572.536 | 262.645 |
| 19. Otros activos | 216.206 | 1.075.217 | 571.818 |
| TOTAL ACTIVO | 284.676.011 | 259.123.345 | 281.701.308 |
| PASIVO Y PATRIMONIO NETO | | | |
| PASIVO | | | |
| 1. Cartera de negociación | 22.713.594 | 20.448.611 | 17.174.201 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | 273.080 | 246.099 | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 219.423.019 | 198.253.689 | 225.048.783 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 1.465.645 | 1.378.981 | 811.263 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 8.423.027 | 8.030.955 | 8.292.410 |
| 15. Pasivos fiscales | 167.477 | 193.011 | 193.011 |
| 16. Periodificaciones | 879.670 | 925.256 | 629.017 |
| 17. Otros pasivos | 960.924 | 513.199 | 531.153 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 254.306.436 | 229.989.801 | 252.679.838 |
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 160.053 | 130.865 | -32.543 |
| 3. Fondos propios | 30.209.522 | 29.002.679 | 29.054.012 |
| TOTAL PATRIMONIO NETO | 30.369.575 | 29.133.544 | 29.021.469 |
| TOTAL PATRIMONIO NETO Y PASIVO | 284.676.011 | 259.123.345 | 281.701.308 |
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 79.189.810 | 74.917.002 | 59.565.609 |
| 2. Compromisos contingentes | 48.611.654 | 50.232.529 | 46.066.091 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| ENTIDAD: | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 8.215.665 | 3.846.101 | 8.046.872 |
| 2. Intereses y cargas asimiladas | 6.877.205 | 3.200.703 | 6.852.627 |
| 3. Rendimiento de instrumentos de capital | 3.795.611 | 1.318.613 | 2.035.468 |
| A) MARGEN DE INTERMEDIACIÓN | 5.134.071 | 1.964.011 | 3.229.713 |
| 5. Comisiones percibidas | 1.821.397 | 863.352 | 1.735.586 |
| 6. Comisiones pagadas | 201.020 | 94.770 | 191.664 |
| 8. Resultados de operaciones financieras (neto) | 73.027 | 18.506 | 617.920 |
| 9. Diferencias de cambio (neto) | 263.196 | 175.230 | -159.840 |
| B) MARGEN ORDINARIO | 7.090.671 | 2.926.329 | 5.231.715 |
| 12. Otros productos de explotación | 68.221 | 34.286 | 58.681 |
| 13. Gastos de personal | 1.507.349 | 744.686 | 1.478.458 |
| 14. Otros gastos generales de administración | 943.450 | 463.759 | 827.368 |
| 15. Amortización | 140.200 | 69.805 | 158.654 |
| 16. Otras cargas de explotación | 92.821 | 41.051 | 82.810 |
| C) MARGEN DE EXPLOTACIÓN | 4.475.072 | 1.641.314 | 2.743.106 |
| 17. Pérdidas por deterioro de activos (neto) | 577.567 | 129.048 | 147.535 |
| 18. Dotaciones a provisiones (neto) | 722.170 | 42.564 | 561.883 |
| 21. Otras ganancias | 99.607 | 19.324 | 602.564 |
| 22. Otras pérdidas | 16.211 | 4.139 | 30.621 |
| D) RESULTADO ANTES DE IMPUESTOS | 3.258.731 | 1.484.887 | 2.605.631 |
| 23. Impuesto sobre beneficios | 2.540 | 1.758 | 622 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 3.256.191 | 1.483.129 | 2.605.009 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 3.256.191 | 1.483.129 | 2.605.009 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|------------|------------|------------|
| Recursos propios básicos | 30.273.615 | 27.339.458 | 29.476.655 |
| Recursos propios de segunda categoría | 21.878.830 | 22.620.355 | 19.767.586 |
| Otras deducciones de recursos propios | 2.457.570 | 7.097.624 | 6.026.737 |
| Recursos propios totales | 49.694.875 | 42.862.189 | 43.217.504 |
| Coefficiente solvencia (agregado) | 10,32% | 9,68% | 10,53% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,88% | 0,86% | 0,78% |
| ROE (después de impuestos) | 18,54% | 18,23% | 19,86% |
| Nº OFICINAS | 10.852 | 10.439 | 10.201 |
| Nº EMPLEADOS | 129.749 | 130.788 | 129.196 |

BILBAO BIZKAIA KUTXA, AURREZKI KUTXA ETA BAHITETXEA

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|-------------------|-------------------|-------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 174.659 | 116.563 | 474.533 |
| 2. Cartera de negociación | 51.563 | 60.174 | 72.394 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 5.290.396 | 4.859.548 | 4.129.869 |
| 5. Inversiones crediticias | 18.416.951 | 16.229.188 | 14.398.858 |
| 6. Cartera de inversión a vencimiento | 22.862 | 23.456 | 38.130 |
| 9. Ajustes a activos financieros por macrocoberturas | | | 40.261 |
| 10. Derivados de cobertura | 7.760 | 1.175 | 857 |
| 11. Activos no corrientes en venta | 932 | 848 | 258.716 |
| 12. Participaciones | 265.720 | 265.884 | 3.197 |
| 13. Contratos de seguros vinculados a pensiones | 4.640 | 3.250 | 446.752 |
| 15. Activo material | 474.578 | 453.543 | 1.544 |
| 16. Activo intangible | 3.649 | 2.240 | 129.680 |
| 17. Activos fiscales | 135.368 | 130.686 | 13.584 |
| 18. Periodificaciones | 13.316 | 15.938 | 17.750 |
| 19. Otros activos | 5.874 | 17.716 | |
| TOTAL ACTIVO | 24.868.268 | 22.180.209 | 20.026.125 |

PASIVO Y PATRIMONIO NETO

PASIVO

| | | | |
|--|-------------------|-------------------|-------------------|
| 1. Cartera de negociación | 15.604 | 9.526 | 4.563 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 20.371.957 | 18.175.632 | 16.376.482 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 22.221 | 23.497 | 857 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 164.160 | 200.547 | 179.280 |
| 15. Pasivos fiscales | 593.590 | 449.708 | 377.491 |
| 16. Periodificaciones | 40.097 | 39.881 | 37.912 |
| 17. Otros pasivos | 108.720 | 138.542 | 111.257 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 21.316.349 | 19.037.333 | 17.087.842 |

PATRIMONIO NETO

| | | | |
|---|-------------------|-------------------|-------------------|
| 2. Ajustes por valoración | 1.145.876 | 846.586 | 698.073 |
| 3. Fondos propios | 2.406.043 | 2.296.290 | 2.240.210 |
| TOTAL PATRIMONIO NETO | 3.551.919 | 3.142.876 | 2.938.283 |
| TOTAL PATRIMONIO NETO Y PASIVO | 24.868.268 | 22.180.209 | 20.026.125 |

PRO-MEMORIA

| | | | |
|-----------------------------------|-----------|-----------|-----------|
| 1. Riesgos contingentes | 2.040.353 | 1.391.623 | 1.023.242 |
| 2. Compromisos contingentes | 3.844.928 | 3.867.896 | 3.236.439 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 651.867 | 293.485 | 508.026 |
| 2. Intereses y cargas asimiladas | 376.247 | 165.213 | 256.636 |
| 3. Rendimiento de instrumentos de capital | 145.896 | 84.620 | 135.003 |
| A) MARGEN DE INTERMEDIACIÓN | 421.516 | 212.892 | 386.393 |
| 5. Comisiones percibidas | 120.205 | 58.742 | 107.100 |
| 6. Comisiones pagadas | 14.852 | 7.184 | 13.826 |
| 8. Resultados de operaciones financieras (neto) | 17.919 | 20.247 | -34.388 |
| 9. Diferencias de cambio (neto) | 864 | 546 | 1.734 |
| B) MARGEN ORDINARIO | 545.652 | 285.243 | 447.013 |
| 12. Otros productos de explotación | 14.078 | 7.015 | 11.827 |
| 13. Gastos de personal | 173.358 | 86.806 | 163.765 |
| 14. Otros gastos generales de administración | 87.278 | 42.251 | 82.791 |
| 15. Amortización | 23.257 | 11.432 | 22.634 |
| 16. Otras cargas de explotación | 3.861 | 1.916 | 3.840 |
| C) MARGEN DE EXPLOTACIÓN | 271.976 | 149.853 | 185.810 |
| 17. Pérdidas por deterioro de activos (neto) | 57.867 | 13.959 | 52.249 |
| 18. Dotaciones a provisiones (neto) | 9.297 | 27.731 | 7.691 |
| 21. Otras ganancias | 11.968 | 9.565 | 34.497 |
| 22. Otras pérdidas | 1.662 | 720 | 1.868 |
| D) RESULTADO ANTES DE IMPUESTOS | 215.118 | 117.008 | 158.499 |
| 23. Impuesto sobre beneficios | -5.793 | 5.850 | -8.333 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 220.911 | 111.158 | 166.832 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 220.911 | 111.158 | 166.832 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 2.293.834 | 2.140.517 | 2.106.441 |
| Recursos propios de segunda categoría | 1.547.485 | 1.474.401 | 655.969 |
| Otras deducciones de recursos propios | -194.524 | -229.290 | -326.922 |
| Recursos propios totales | 3.646.795 | 3.385.628 | 2.435.488 |
| Coeficiente solvencia (agregado) | 20,33% | 21,20% | 18,21% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 1,00% | 1,07% | 0,90% |
| ROE (después de impuestos) | 9,77% | 10,17% | 7,84% |
| Nº OFICINAS | 385 | 365 | 354 |
| Nº EMPLEADOS | 2.354 | 2.339 | 2.442 |

CAIXA D'ESTALVIS DE GIRONA

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|------------------|------------------|------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 82.659 | 84.279 | 55.526 |
| 2. Cartera de negociación | 15.518 | 6.872 | 7.424 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | 9.045 | 6.029 | 2.965 |
| 4. Activos financieros disponibles para la venta | 802.628 | 809.512 | 879.830 |
| 5. Inversiones crediticias | 5.390.247 | 4.577.556 | 3.829.296 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 6.755 | 5.086 | 26.873 |
| 11. Activos no corrientes en venta | 816 | 763 | 763 |
| 12. Participaciones | 21.141 | 20.959 | 20.357 |
| 13. Contratos de seguros vinculados a pensiones | 413 | 405 | 405 |
| 15. Activo material | 87.563 | 81.661 | 80.772 |
| 16. Activo intangible | 2.773 | 1.989 | 1.320 |
| 17. Activos fiscales | 27.740 | 30.057 | 25.572 |
| 18. Periodificaciones | 4.622 | 7.846 | 3.885 |
| 19. Otros activos | 22.861 | 14.774 | 14.903 |
| TOTAL ACTIVO | 6.474.781 | 5.647.788 | 4.949.892 |

PASIVO Y PATRIMONIO NETO

PASIVO

| | | | |
|--|------------------|------------------|------------------|
| 1. Cartera de negociación | 1.334 | 407 | 102 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 5.926.780 | 5.135.623 | 4.452.811 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 29.177 | 39.653 | 10.827 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 15.263 | 14.644 | 14.991 |
| 15. Pasivos fiscales | 43.932 | 46.519 | 56.182 |
| 16. Periodificaciones | 9.311 | 11.241 | 7.436 |
| 17. Otros pasivos | 34.399 | 18.281 | 22.550 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 6.060.196 | 5.266.368 | 4.564.898 |

PATRIMONIO NETO

| | | | |
|---|------------------|------------------|------------------|
| 2. Ajustes por valoración | 73.194 | 60.961 | 71.477 |
| 3. Fondos propios | 341.391 | 320.459 | 313.518 |
| TOTAL PATRIMONIO NETO | 414.585 | 381.420 | 384.995 |
| TOTAL PATRIMONIO NETO Y PASIVO | 6.474.781 | 5.647.788 | 4.949.892 |

PRO-MEMORIA

| | | | |
|-----------------------------------|-----------|-----------|-----------|
| 1. Riesgos contingentes | 192.687 | 104.212 | 92.662 |
| 2. Compromisos contingentes | 1.358.127 | 1.141.106 | 1.014.393 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 206.469 | 91.109 | 155.699 |
| 2. Intereses y cargas asimiladas | 106.426 | 43.998 | 65.605 |
| 3. Rendimiento de instrumentos de capital | 7.389 | 4.577 | 3.906 |
| A) MARGEN DE INTERMEDIACIÓN | 107.432 | 51.688 | 94.000 |
| 5. Comisiones percibidas | 27.171 | 12.810 | 22.403 |
| 6. Comisiones pagadas | 3.778 | 1.853 | 4.707 |
| 8. Resultados de operaciones financieras (neto) | 11.875 | 1.067 | -70 |
| 9. Diferencias de cambio (neto) | 11 | 47 | 65 |
| B) MARGEN ORDINARIO | 142.711 | 63.759 | 111.692 |
| 12. Otros productos de explotación | 4.359 | 2.151 | 3.374 |
| 13. Gastos de personal | 47.999 | 22.175 | 44.798 |
| 14. Otros gastos generales de administración | 19.876 | 10.815 | 20.801 |
| 15. Amortización | 5.737 | 2.713 | 5.247 |
| 16. Otras cargas de explotación | 1.338 | 590 | 1.130 |
| C) MARGEN DE EXPLOTACIÓN | 72.120 | 29.617 | 43.090 |
| 17. Pérdidas por deterioro de activos (neto) | 27.855 | 10.483 | 7.430 |
| 18. Dotaciones a provisiones (neto) | 1.412 | 202 | 126 |
| 21. Otras ganancias | 4.946 | 1.297 | 3.685 |
| 22. Otras pérdidas | 967 | 447 | 111 |
| D) RESULTADO ANTES DE IMPUESTOS | 46.832 | 19.782 | 39.109 |
| 23. Impuesto sobre beneficios | 9.959 | 3.841 | 4.489 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 36.873 | 15.941 | 34.620 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 36.873 | 15.941 | 34.620 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 335.426 | 306.949 | 307.996 |
| Recursos propios de segunda categoría | 308.245 | 133.385 | 27.876 |
| Otras deducciones de recursos propios | 16.425 | 7.120 | 7.120 |
| Recursos propios totales | 627.246 | 433.214 | 328.752 |
| Coefficiente solvencia (agregado) | 12,10% | 10,15% | 9,26% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,65% | 0,60% | 0,77% |
| ROE (después de impuestos) | 11,30% | 9,90% | 11,89% |
| Nº OFICINAS | 220 | 210 | 210 |
| Nº EMPLEADOS | 1.041 | 1.029 | 1.000 |

CAIXA D'ESTALVIS DEL PENEDÈS

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-------------------|-------------------|-------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 216.649 | 241.724 | 171.613 |
| 2. Cartera de negociación | 196.773 | 89.717 | 15.520 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 2.976.722 | 2.915.155 | 2.958.326 |
| 5. Inversiones crediticias | 15.083.781 | 13.256.896 | 11.575.960 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 81.321 | 47.380 | 120.719 |
| 11. Activos no corrientes en venta | 3.864 | 3.735 | 2.820 |
| 12. Participaciones | 32.740 | 32.740 | 32.627 |
| 13. Contratos de seguros vinculados a pensiones | 10.203 | 10.217 | 10.217 |
| 15. Activo material | 416.737 | 397.230 | 384.532 |
| 16. Activo intangible | 11.196 | 10.960 | 8.604 |
| 17. Activos fiscales | 70.515 | 77.768 | 66.834 |
| 18. Periodificaciones | 1.307 | 4.373 | 1.693 |
| 19. Otros activos | 58.703 | 38.779 | 24.060 |
| TOTAL ACTIVO | 19.160.511 | 17.126.674 | 15.373.525 |
| PASIVO Y PATRIMONIO NETO | | | |
| PASIVO | | | |
| 1. Cartera de negociación | 155.784 | 93.748 | 8.075 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 17.948.912 | 16.038.614 | 14.339.250 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 51.028 | 60.397 | 11.755 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 25.130 | 21.631 | 23.491 |
| 15. Pasivos fiscales | 60.107 | 50.374 | 94.163 |
| 16. Periodificaciones | 32.950 | 46.073 | 31.977 |
| 17. Otros pasivos | 38.392 | 39.973 | 29.668 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 18.312.303 | 16.350.810 | 14.538.379 |
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 53.822 | 24.009 | 105.331 |
| 3. Fondos propios | 794.386 | 751.855 | 729.815 |
| TOTAL PATRIMONIO NETO | 848.208 | 775.864 | 835.146 |
| TOTAL PATRIMONIO NETO Y PASIVO | 19.160.511 | 17.126.674 | 15.373.525 |
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 625.016 | 581.426 | 512.190 |
| 2. Compromisos contingentes | 2.454.802 | 2.326.654 | 2.447.642 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 642.693 | 288.425 | 490.531 |
| 2. Intereses y cargas asimiladas | 399.088 | 170.791 | 271.748 |
| 3. Rendimiento de instrumentos de capital | 19.097 | 4.713 | 12.245 |
| A) MARGEN DE INTERMEDIACIÓN | 262.702 | 122.347 | 231.028 |
| 5. Comisiones percibidas | 83.625 | 40.359 | 65.459 |
| 6. Comisiones pagadas | 6.501 | 2.598 | 7.454 |
| 8. Resultados de operaciones financieras (neto) | 17.643 | 6.334 | 3.965 |
| 9. Diferencias de cambio (neto) | 1.129 | -82 | 788 |
| B) MARGEN ORDINARIO | 358.598 | 166.360 | 293.786 |
| 12. Otros productos de explotación | 12.239 | 6.342 | 11.742 |
| 13. Gastos de personal | 132.029 | 65.135 | 117.336 |
| 14. Otros gastos generales de administración | 50.039 | 25.462 | 47.316 |
| 15. Amortización | 23.001 | 11.013 | 21.538 |
| 16. Otras cargas de explotación | 2.859 | 1.420 | 2.809 |
| C) MARGEN DE EXPLOTACIÓN | 162.909 | 69.672 | 116.529 |
| 17. Pérdidas por deterioro de activos (neto) | 55.256 | 24.773 | 51.965 |
| 18. Dotaciones a provisiones (neto) | 3.749 | 232 | -4.418 |
| 21. Otras ganancias | 3.322 | 1.002 | 5.729 |
| 22. Otras pérdidas | 749 | 453 | 942 |
| D) RESULTADO ANTES DE IMPUESTOS | 106.477 | 45.216 | 73.769 |
| 23. Impuesto sobre beneficios | 30.406 | 11.676 | 17.616 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 76.071 | 33.540 | 56.153 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 76.071 | 33.540 | 56.153 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 915.943 | 934.079 | 813.224 |
| Recursos propios de segunda categoría | 723.368 | 487.982 | 289.700 |
| Otras deducciones de recursos propios | | | |
| Recursos propios totales | 1.639.311 | 1.422.061 | 1.102.924 |
| Coefficiente solvencia (agregado) | 11,52% | 11,26% | 9,59% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,44% | 0,42% | 0,41% |
| ROE (después de impuestos) | 8,85% | 8,65% | 6,72% |
| Nº OFICINAS | 622 | 604 | 602 |
| Nº EMPLEADOS | 2.652 | 2.576 | 2.513 |

CAIXA D'ESTALVIS DE TARRAGONA

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|------------------|------------------|------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 89.247 | 90.259 | 56.019 |
| 2. Cartera de negociación | 392.240 | 324.880 | |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 268.229 | 510.670 | 197.199 |
| 5. Inversiones crediticias | 6.103.367 | 5.390.312 | 4.782.777 |
| 6. Cartera de inversión a vencimiento | | | 347.237 |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 43.086 | 27.739 | 38.950 |
| 11. Activos no corrientes en venta | 2.897 | 1.945 | 1.059 |
| 12. Participaciones | 38.645 | 38.645 | 33.535 |
| 13. Contratos de seguros vinculados a pensiones | 12.688 | 12.788 | 12.664 |
| 15. Activo material | 143.432 | 137.045 | 130.562 |
| 16. Activo intangible | 3.557 | 3.262 | 2.174 |
| 17. Activos fiscales | 28.670 | 41.268 | 35.021 |
| 18. Periodificaciones | 5.874 | 5.658 | 6.176 |
| 19. Otros activos | 597 | 1.018 | 1.474 |
| TOTAL ACTIVO | 7.132.529 | 6.585.489 | 5.644.847 |

PASIVO Y PATRIMONIO NETO

PASIVO

| | | | |
|---|------------------|------------------|------------------|
| 1. Cartera de negociación | 13 | 3 | |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 6.541.602 | 6.013.019 | 5.097.732 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 16.299 | 9.478 | 1.995 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 96.368 | 50.175 | 47.419 |
| 15. Pasivos fiscales | 21.880 | 49.470 | 42.269 |
| 16. Periodificaciones | 27.740 | 24.641 | 25.479 |
| 17. Otros pasivos | 11.039 | 13.859 | 9.814 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 6.714.941 | 6.160.645 | 5.224.708 |

PATRIMONIO NETO

| | | | |
|---|------------------|------------------|------------------|
| 2. Ajustes por valoración | 22.955 | 49.322 | 54.738 |
| 3. Fondos propios | 394.633 | 375.522 | 365.401 |
| TOTAL PATRIMONIO NETO | 417.588 | 424.844 | 420.139 |
| TOTAL PATRIMONIO NETO Y PASIVO | 7.132.529 | 6.585.489 | 5.644.847 |

PRO-MEMORIA

| | | | |
|-----------------------------------|-----------|-----------|-----------|
| 1. Riesgos contingentes | 150.707 | 141.555 | 127.350 |
| 2. Compromisos contingentes | 1.428.952 | 1.407.740 | 1.199.445 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 252.257 | 113.923 | 194.413 |
| 2. Intereses y cargas asimiladas | 128.027 | 53.626 | 84.440 |
| 3. Rendimiento de instrumentos de capital | 9.456 | 4.204 | 2.732 |
| A) MARGEN DE INTERMEDIACIÓN | 133.686 | 64.501 | 112.705 |
| 5. Comisiones percibidas | 39.218 | 20.247 | 40.067 |
| 6. Comisiones pagadas | 3.778 | 1.793 | 4.605 |
| 8. Resultados de operaciones financieras (neto) | 49.841 | 872 | 10.842 |
| 9. Diferencias de cambio (neto) | 321 | 141 | 327 |
| B) MARGEN ORDINARIO | 219.288 | 83.968 | 159.336 |
| 12. Otros productos de explotación | 6.833 | 4.170 | 7.950 |
| 13. Gastos de personal | 68.389 | 33.448 | 62.263 |
| 14. Otros gastos generales de administración | 30.522 | 16.462 | 30.767 |
| 15. Amortización | 7.661 | 3.657 | 7.029 |
| 16. Otras cargas de explotación | 1.582 | 755 | 1.411 |
| C) MARGEN DE EXPLOTACIÓN | 117.967 | 33.816 | 65.816 |
| 17. Pérdidas por deterioro de activos (neto) | 18.421 | 8.592 | 15.800 |
| 18. Dotaciones a provisiones (neto) | 49.420 | 2.452 | 5.618 |
| 21. Otras ganancias | 2.883 | 888 | 3.626 |
| 22. Otras pérdidas | 564 | 369 | 312 |
| D) RESULTADO ANTES DE IMPUESTOS | 52.445 | 23.291 | 47.712 |
| 23. Impuesto sobre beneficios | 16.703 | 6.660 | 13.632 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 35.742 | 16.631 | 34.080 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 35.742 | 16.631 | 34.080 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 359.313 | 335.251 | 326.834 |
| Recursos propios de segunda categoría | 258.220 | 250.866 | 155.650 |
| Otras deducciones de recursos propios | -15.310 | -15.479 | -10.172 |
| Recursos propios totales | 565.904 | 555.939 | 444.194 |
| Coeficiente solvencia (agregado) | 11,08% | 11,44% | 10,29% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,56% | 0,28% | 0,64% |
| ROE (después de impuestos) | 9,95% | 10,67% | 10,18% |
| Nº OFICINAS | 317 | 301 | 297 |
| Nº EMPLEADOS | 1.422 | 1.372 | 1.343 |

CAIXA D'ESTALVIS LAIETANA

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|------------------|------------------|------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 86.501 | 68.575 | 65.214 |
| 2. Cartera de negociación | 15.782 | 12.293 | 13.850 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 533.479 | 546.189 | 590.559 |
| 5. Inversiones crediticias | 6.483.692 | 5.782.816 | 4.980.200 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 20.955 | 12.438 | 78.379 |
| 11. Activos no corrientes en venta | 3.001 | 3.926 | 2.313 |
| 12. Participaciones | 44.747 | 44.747 | 36.750 |
| 13. Contratos de seguros vinculados a pensiones | | | |
| 15. Activo material | 351.266 | 337.503 | 326.525 |
| 16. Activo intangible | 919 | 892 | 946 |
| 17. Activos fiscales | 39.901 | 41.228 | 36.101 |
| 18. Periodificaciones | 320 | 1.847 | 351 |
| 19. Otros activos | 22.123 | 17.451 | 26.454 |
| TOTAL ACTIVO | 7.602.686 | 6.869.905 | 6.157.642 |
| PASIVO Y PATRIMONIO NETO | | | |
| PASIVO | | | |
| 1. Cartera de negociación | 5 | 539 | 44 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 6.968.674 | 6.242.408 | 5.591.696 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 40.915 | 70.049 | 889 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 42.007 | 38.437 | 40.110 |
| 15. Pasivos fiscales | 77.717 | 83.756 | 88.628 |
| 16. Periodificaciones | 4.685 | 5.914 | 4.501 |
| 17. Otros pasivos | 20.153 | 14.049 | 6.853 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 7.154.156 | 6.455.152 | 5.732.721 |
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 78.326 | 61.391 | 78.772 |
| 3. Fondos propios | 370.204 | 353.362 | 346.149 |
| TOTAL PATRIMONIO NETO | 448.530 | 414.753 | 424.921 |
| TOTAL PATRIMONIO NETO Y PASIVO | 7.602.686 | 6.869.905 | 6.157.642 |
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 245.357 | 189.743 | 182.270 |
| 2. Compromisos contingentes | 1.079.041 | 1.038.317 | 893.435 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 267.382 | 123.210 | 209.206 |
| 2. Intereses y cargas asimiladas | 169.566 | 73.433 | 117.136 |
| 3. Rendimiento de instrumentos de capital | 7.262 | 5.101 | 7.053 |
| A) MARGEN DE INTERMEDIACIÓN | 105.078 | 54.878 | 99.123 |
| 5. Comisiones percibidas | 38.999 | 19.751 | 36.563 |
| 6. Comisiones pagadas | 9.137 | 4.502 | 9.898 |
| 8. Resultados de operaciones financieras (neto) | 2.766 | 1.403 | 3.788 |
| 9. Diferencias de cambio (neto) | 162 | 73 | 145 |
| B) MARGEN ORDINARIO | 137.868 | 71.603 | 129.721 |
| 12. Otros productos de explotación | 6.165 | 3.630 | 4.924 |
| 13. Gastos de personal | 49.298 | 25.765 | 45.464 |
| 14. Otros gastos generales de administración | 23.598 | 12.498 | 21.638 |
| 15. Amortización | 9.972 | 4.953 | 9.300 |
| 16. Otras cargas de explotación | 1.837 | 917 | 1.401 |
| C) MARGEN DE EXPLOTACIÓN | 59.328 | 31.100 | 56.842 |
| 17. Pérdidas por deterioro de activos (neto) | 27.828 | 18.531 | 28.933 |
| 18. Dotaciones a provisiones (neto) | 1.476 | -1.452 | 5.728 |
| 21. Otras ganancias | 9.272 | 1.452 | 3.595 |
| 22. Otras pérdidas | 1.701 | 410 | 812 |
| D) RESULTADO ANTES DE IMPUESTOS | 37.595 | 15.063 | 24.964 |
| 23. Impuesto sobre beneficios | 9.194 | 3.500 | 5.528 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 28.401 | 11.563 | 19.436 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 28.401 | 11.563 | 19.436 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 348.608 | 333.951 | 319.771 |
| Recursos propios de segunda categoría | 323.211 | 306.407 | 304.043 |
| Otras deducciones de recursos propios | -9.696 | -9.696 | -9.020 |
| Recursos propios totales | 662.123 | 630.662 | 614.794 |
| Coeficiente solvencia (agregado) | 10,17% | 10,40% | 11,60% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,42% | 0,36% | 0,35% |
| ROE (después de impuestos) | 8,01% | 6,64% | 5,76% |
| Nº OFICINAS | 267 | 259 | 258 |
| Nº EMPLEADOS | 1.068 | 1.121 | 1.029 |

CAJA CAMINOS, SOCIEDAD COOPERATIVA DE CRÉDITO

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|----------------|----------------|----------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 5.903 | 565 | 17.738 |
| 2. Cartera de negociación | 1.473 | 3.045 | 2.200 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | 6.769 | 3.345 | 6.148 |
| 4. Activos financieros disponibles para la venta | 40.440 | 52.741 | 42.548 |
| 5. Inversiones crediticias | 641.367 | 559.782 | 518.615 |
| 6. Cartera de inversión a vencimiento | 11.480 | 11.525 | 11.107 |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 75 | 80 | 502 |
| 11. Activos no corrientes en venta | | | 4 |
| 12. Participaciones | 9.736 | 9.736 | 9.736 |
| 13. Contratos de seguros vinculados a pensiones | | 65 | 65 |
| 15. Activo material | 1.877 | 1.805 | 1.850 |
| 16. Activo intangible | | | |
| 17. Activos fiscales | 2.330 | 1.782 | 1.624 |
| 18. Periodificaciones | 381 | 454 | 288 |
| 19. Otros activos | | | |
| TOTAL ACTIVO | 721.829 | 644.924 | 612.426 |

PASIVO Y PATRIMONIO NETO

| | | | |
|---|----------------|----------------|----------------|
| PASIVO | | | |
| 1. Cartera de negociación | | 6.999 | |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | 27.183 |
| 4. Pasivos financieros a coste amortizado | 667.729 | 585.695 | 536.866 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | | | |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 1.315 | 1.323 | 1.284 |
| 15. Pasivos fiscales | 1.707 | 1.789 | 1.356 |
| 16. Periodificaciones | 3.105 | 4.604 | 2.296 |
| 17. Otros pasivos | 435 | 160 | 249 |
| 18. Capital con naturaleza de pasivo financiero | 12.654 | | |
| TOTAL PASIVO | 686.945 | 600.570 | 569.234 |

| | | | |
|---|----------------|----------------|----------------|
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 1.643 | 1.083 | 1.377 |
| 3. Fondos propios | 33.241 | 43.271 | 41.816 |
| TOTAL PATRIMONIO NETO | 34.884 | 44.354 | 43.193 |
| TOTAL PATRIMONIO NETO Y PASIVO | 721.829 | 644.924 | 612.426 |

| | | | |
|-----------------------------------|--------|---------|---------|
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 51.724 | 47.571 | 44.641 |
| 2. Compromisos contingentes | 90.650 | 148.567 | 114.850 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 22.478 | 10.015 | 17.209 |
| 2. Intereses y cargas asimiladas | 11.499 | 4.967 | 8.893 |
| 3. Rendimiento de instrumentos de capital | 9 | 9 | 11 |
| A) MARGEN DE INTERMEDIACIÓN | 10.988 | 5.057 | 8.326 |
| 5. Comisiones percibidas | 4.424 | 2.187 | 3.920 |
| 6. Comisiones pagadas | 8.619 | 6.678 | 6.556 |
| 8. Resultados de operaciones financieras (neto) | 10.496 | 7.167 | 9.059 |
| 9. Diferencias de cambio (neto) | - 25 | - 11 | 30 |
| B) MARGEN ORDINARIO | 17.264 | 7.722 | 14.779 |
| 12. Otros productos de explotación | 178 | 79 | 225 |
| 13. Gastos de personal | 2.452 | 1.478 | 2.244 |
| 14. Otros gastos generales de administración | 7.222 | 3.798 | 6.348 |
| 15. Amortización | 310 | 118 | 229 |
| 16. Otras cargas de explotación | 423 | 203 | 336 |
| C) MARGEN DE EXPLOTACIÓN | 7.035 | 2.205 | 5.847 |
| 17. Pérdidas por deterioro de activos (neto) | 1.507 | 105 | 2.523 |
| 18. Dotaciones a provisiones (neto) | 96 | 39 | - 39 |
| 21. Otras ganancias | 99 | 76 | 48 |
| 22. Otras pérdidas | 67 | 11 | 36 |
| D) RESULTADO ANTES DE IMPUESTOS | 5.465 | 2.126 | 3.375 |
| 23. Impuesto sobre beneficios | 990 | 532 | 883 |
| 24. Dotación obligatoria a obras y fondos sociales | 435 | 160 | 249 |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 4.040 | 1.434 | 2.243 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 4.040 | 1.434 | 2.243 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 47.375 | 47.481 | 43.372 |
| Recursos propios de segunda categoría | 6.805 | 8.351 | |
| Otras deducciones de recursos propios | | | |
| Recursos propios totales | 54.180 | 55.832 | 43.372 |
| Coeficiente solvencia (agregado) | 10,95% | 12,11% | 10,57% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,37% | 0,22% | 0,56% |
| ROE (después de impuestos) | 5,35% | 3,31% | 8,80% |
| Nº OFICINAS | 1 | 1 | 1 |
| Nº EMPLEADOS | 42 | 43 | 41 |

CAJA DE AHORROS DE ASTURIAS

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-------------------|------------------|------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 179.311 | 172.463 | 128.214 |
| 2. Cartera de negociación | 100.354 | 125.197 | 143.564 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | 54.582 | 49.269 | 76.402 |
| 4. Activos financieros disponibles para la venta | 858.411 | 843.098 | 726.037 |
| 5. Inversiones crediticias | 8.253.208 | 7.142.891 | 6.245.315 |
| 6. Cartera de inversión a vencimiento | 765.842 | 770.959 | 699.011 |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 11.073 | 21 | 23 |
| 11. Activos no corrientes en venta | 520 | 630 | 596 |
| 12. Participaciones | 499.916 | 443.950 | 445.649 |
| 13. Contratos de seguros vinculados a pensiones | | | |
| 15. Activo material | 232.129 | 213.818 | 179.766 |
| 16. Activo intangible | 5.457 | 4.404 | 3.481 |
| 17. Activos fiscales | 43.220 | 60.976 | 47.887 |
| 18. Periodificaciones | 3.857 | 4.684 | 24.509 |
| 19. Otros activos | 30.077 | 28.047 | 29.642 |
| TOTAL ACTIVO | 11.037.957 | 9.860.407 | 8.750.096 |
| PASIVO Y PATRIMONIO NETO | | | |
| PASIVO | | | |
| 1. Cartera de negociación | 4.720 | 4.059 | 29.801 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 9.586.063 | 8.528.082 | 7.507.496 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 9.657 | 9.978 | 396 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 22.563 | 18.453 | 17.185 |
| 15. Pasivos fiscales | 120.055 | 115.268 | 101.071 |
| 16. Periodificaciones | 41.020 | 49.771 | 30.284 |
| 17. Otros pasivos | 23.212 | 32.936 | 15.292 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 9.807.290 | 8.758.547 | 7.701.525 |
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 207.162 | 144.080 | 117.448 |
| 3. Fondos propios | 1.023.505 | 957.780 | 931.123 |
| TOTAL PATRIMONIO NETO | 1.230.667 | 1.101.860 | 1.048.571 |
| TOTAL PATRIMONIO NETO Y PASIVO | 11.037.957 | 9.860.407 | 8.750.096 |
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 740.328 | 561.375 | 440.092 |
| 2. Compromisos contingentes | 2.620.035 | 2.347.259 | 1.935.529 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 331.604 | 147.533 | 248.155 |
| 2. Intereses y cargas asimiladas | 140.094 | 57.217 | 75.710 |
| 3. Rendimiento de instrumentos de capital | 52.767 | 27.154 | 39.317 |
| A) MARGEN DE INTERMEDIACIÓN | 244.277 | 117.470 | 211.762 |
| 5. Comisiones percibidas | 44.665 | 21.739 | 42.042 |
| 6. Comisiones pagadas | 3.692 | 2.065 | 3.423 |
| 8. Resultados de operaciones financieras (neto) | 11.705 | 5.852 | 3.301 |
| 9. Diferencias de cambio (neto) | 398 | 154 | 665 |
| B) MARGEN ORDINARIO | 297.353 | 143.150 | 254.347 |
| 12. Otros productos de explotación | 10.434 | 4.247 | 6.259 |
| 13. Gastos de personal | 106.045 | 50.209 | 96.804 |
| 14. Otros gastos generales de administración | 46.212 | 23.072 | 40.724 |
| 15. Amortización | 9.635 | 4.613 | 8122 |
| 16. Otras cargas de explotación | 2.981 | 1.503 | 3.010 |
| C) MARGEN DE EXPLOTACIÓN | 142.914 | 68.000 | 111.946 |
| 17. Pérdidas por deterioro de activos (neto) | -5.807 | -1.060 | -3.100 |
| 18. Dotaciones a provisiones (neto) | 6.101 | 1.648 | -7.131 |
| 21. Otras ganancias | 1.131 | 1.402 | 3.574 |
| 22. Otras pérdidas | 464 | 186 | 408 |
| D) RESULTADO ANTES DE IMPUESTOS | 143.287 | 68.628 | 125.343 |
| 23. Impuesto sobre beneficios | 21.905 | 12.971 | 18.326 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 121.382 | 55.657 | 107.017 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 121.382 | 55.657 | 107.017 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 952.363 | 858.523 | 859.558 |
| Recursos propios de segunda categoría | 698.177 | 562.200 | 510.219 |
| Otras deducciones de recursos propios | 264.999 | 219.307 | 168.236 |
| Recursos propios totales | 1.385.541 | 1.201.416 | 1.201.540 |
| Coeficiente solvencia (agregado) | 0,1501% | 0,1549% | 0,1616% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 1,45% | 1,47% | 1,58% |
| ROE (después de impuestos) | 13,04% | 12,68% | 12,77% |
| Nº OFICINAS | 299 | 276 | 250 |
| Nº EMPLEADOS | 1.647 | 1.550 | 1.480 |

CAJA DE AHORROS DE LA RIOJA

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|------------------|------------------|------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 56.943 | 32.339 | 49.113 |
| 2. Cartera de negociación | 142 | 194 | 1.842 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 302.449 | 295.261 | 271.573 |
| 5. Inversiones crediticias | 2.423.787 | 2.385.749 | 2.174.649 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 9.079 | 8.856 | 19.581 |
| 11. Activos no corrientes en venta | 310 | 437 | 628 |
| 12. Participaciones | 17.219 | 18.185 | 18.085 |
| 13. Contratos de seguros vinculados a pensiones | | | |
| 15. Activo material | 67.948 | 66.819 | 67.421 |
| 16. Activo intangible | 2.032 | 1.680 | 1.714 |
| 17. Activos fiscales | 17.843 | 21.879 | 19.325 |
| 18. Periodificaciones | 1.434 | 2.807 | 2.041 |
| 19. Otros activos | 2.379 | 2.722 | 3.110 |
| TOTAL ACTIVO | 2.901.565 | 2.836.928 | 2.629.082 |
| PASIVO Y PATRIMONIO NETO | | | |
| PASIVO | | | |
| 1. Cartera de negociación | 119 | 200 | 817 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 2.639.599 | 2.576.727 | 2.373.956 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 2.821 | 2.049 | 1.271 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 18.092 | 23.314 | 21.973 |
| 15. Pasivos fiscales | 11.834 | 14.389 | 13.837 |
| 16. Periodificaciones | 3.727 | 5.105 | 4.126 |
| 17. Otros pasivos | 15.522 | 19.970 | 15.371 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 2.691.714 | 2.641.754 | 2.431.351 |
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 6.318 | 757 | 4.596 |
| 3. Fondos propios | 203.533 | 194.417 | 193.135 |
| TOTAL PATRIMONIO NETO | 209.851 | 195.174 | 197.731 |
| TOTAL PATRIMONIO NETO Y PASIVO | 2.901.565 | 2.836.928 | 2.629.082 |
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 227.736 | 218.788 | 203.361 |
| 2. Compromisos contingentes | 839.128 | 882.907 | 839.504 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 96.770 | 44.021 | 79.339 |
| 2. Intereses y cargas asimiladas | 50.331 | 21.779 | 36.294 |
| 3. Rendimiento de instrumentos de capital | 2.414 | 1.198 | 2.154 |
| A) MARGEN DE INTERMEDIACIÓN | 48.853 | 23.440 | 45.199 |
| 5. Comisiones percibidas | 12.432 | 6.118 | 11.773 |
| 6. Comisiones pagadas | 1.169 | 578 | 1.425 |
| 8. Resultados de operaciones financieras (neto) | 3.769 | 1.757 | 2.854 |
| 9. Diferencias de cambio (neto) | 43 | 10 | 70 |
| B) MARGEN ORDINARIO | 63.928 | 30.747 | 58.471 |
| 12. Otros productos de explotación | 1.147 | 508 | 988 |
| 13. Gastos de personal | 24.618 | 13.216 | 24.462 |
| 14. Otros gastos generales de administración | 10.051 | 5.287 | 10.357 |
| 15. Amortización | 3.415 | 1.744 | 3.403 |
| 16. Otras cargas de explotación | 757 | 330 | 641 |
| C) MARGEN DE EXPLOTACIÓN | 26.234 | 10.678 | 20.596 |
| 17. Pérdidas por deterioro de activos (neto) | 4.875 | 2.554 | 3.487 |
| 18. Dotaciones a provisiones (neto) | 1.116 | 312 | -1.917 |
| 21. Otras ganancias | 1.667 | 1.264 | 594 |
| 22. Otras pérdidas | 170 | 2 | 40 |
| D) RESULTADO ANTES DE IMPUESTOS | 21.740 | 9.074 | 19.580 |
| 23. Impuesto sobre beneficios | 5.842 | 2.292 | 4.211 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 15.898 | 6.782 | 15.369 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 15.898 | 6.782 | 15.369 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 197.759 | 202.100 | 187.151 |
| Recursos propios de segunda categoría | 101.465 | 100.961 | 79.727 |
| Otras deducciones de recursos propios | -856 | -808 | -974 |
| Recursos propios totales | 298.368 | 302.253 | 265.904 |
| Coefficiente solvencia (agregado) | 11,44% | 11,80% | 11,45% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,57% | 0,51% | 0,61% |
| ROE (después de impuestos) | 8,47% | 7,23% | 8,65% |
| Nº OFICINAS | 117 | 117 | 117 |
| Nº EMPLEADOS | 491 | 484 | 470 |

CAJA DE AHORROS DE SALAMANCA Y SORIA

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|-------------------|-------------------|-------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 238.194 | 245.028 | 162.325 |
| 2. Cartera de negociación | 35.528 | 15.354 | 1.875.897 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | 91.802 |
| 4. Activos financieros disponibles para la venta | 2.812.695 | 2.615.345 | 566.720 |
| 5. Inversiones crediticias | 12.351.584 | 12.085.500 | 11.543.231 |
| 6. Cartera de inversión a vencimiento | | | 100.454 |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 41.687 | 21.645 | 41.979 |
| 11. Activos no corrientes en venta | 3.642 | 3.528 | 2.151 |
| 12. Participaciones | 296.438 | 195.809 | 148.051 |
| 13. Contratos de seguros vinculados a pensiones | 9.086 | 8.447 | 8.447 |
| 15. Activo material | 399.401 | 398.512 | 398.490 |
| 16. Activo intangible | 178 | 229 | 275 |
| 17. Activos fiscales | 118.337 | 130.691 | 87.643 |
| 18. Periodificaciones | 8.188 | 6.777 | 8.041 |
| 19. Otros activos | 3.848 | 4.754 | 3.557 |
| TOTAL ACTIVO | 16.318.806 | 15.731.619 | 15.039.063 |

PASIVO Y PATRIMONIO NETO

| | | | |
|---|-------------------|-------------------|-------------------|
| PASIVO | | | |
| 1. Cartera de negociación | 14.279 | 5.131 | 2.566 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | 19.849 | 19.849 | 26.848 |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 14.738.169 | 14.368.149 | 13.747.268 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 36.769 | 37.503 | 7.588 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 171.141 | 96.613 | 101.028 |
| 15. Pasivos fiscales | 146.190 | 130.050 | 106.713 |
| 16. Periodificaciones | 24.617 | 35.911 | 24.930 |
| 17. Otros pasivos | 28.432 | 41.633 | 31.121 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 15.179.446 | 14.734.839 | 14.048.062 |

| | | | |
|---|-------------------|-------------------|-------------------|
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 141.006 | 46.040 | 61.245 |
| 3. Fondos propios | 998.354 | 950.740 | 929.754 |
| TOTAL PATRIMONIO NETO | 1.139.360 | 996.780 | 990.999 |
| TOTAL PATRIMONIO NETO Y PASIVO | 16.318.806 | 15.731.619 | 15.039.061 |

| | | | |
|-----------------------------------|-----------|-----------|-----------|
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 1.124.818 | 1.042.248 | 1.058.044 |
| 2. Compromisos contingentes | 3.224.986 | 3.637.596 | 3.897.459 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 558.348 | 258.966 | 449.295 |
| 2. Intereses y cargas asimiladas | 298.552 | 133.462 | 215.482 |
| 3. Rendimiento de instrumentos de capital | 30.246 | 26.276 | 20.297 |
| A) MARGEN DE INTERMEDIACIÓN | 290.042 | 151.780 | 254.110 |
| 5. Comisiones percibidas | 67.151 | 33.107 | 65.221 |
| 6. Comisiones pagadas | 6.063 | 3.237 | 7.969 |
| 8. Resultados de operaciones financieras (neto) | 91.281 | -4.414 | 54.975 |
| 9. Diferencias de cambio (neto) | -722 | -321 | 170 |
| B) MARGEN ORDINARIO | 441.689 | 176.915 | 366.507 |
| 12. Otros productos de explotación | 9.204 | 4.669 | 10.361 |
| 13. Gastos de personal | 147.319 | 73.859 | 138.508 |
| 14. Otros gastos generales de administración | 71.843 | 36.338 | 70.135 |
| 15. Amortización | 12.334 | 7.692 | 13.161 |
| 16. Otras cargas de explotación | 3.308 | 1.580 | 3.478 |
| C) MARGEN DE EXPLOTACIÓN | 216.089 | 62.115 | 151.586 |
| 17. Pérdidas por deterioro de activos (neto) | 18.247 | 7.704 | 59.336 |
| 18. Dotaciones a provisiones (neto) | 86.261 | -1.795 | 17.537 |
| 21. Otras ganancias | 8.171 | 3.512 | 10.955 |
| 22. Otras pérdidas | 4.247 | 3.541 | 3.921 |
| D) RESULTADO ANTES DE IMPUESTOS | 115.505 | 56.177 | 81.747 |
| 23. Impuesto sobre beneficios | 19.904 | 8.191 | 11.126 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 95.601 | 47.986 | 70.621 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 95.601 | 47.986 | 70.621 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 846.033 | 833.993 | 878.152 |
| Recursos propios de segunda categoría | 731.556 | 670.874 | 456.676 |
| Otras deducciones de recursos propios | 84.741 | 71.751 | 82.762 |
| Recursos propios totales | 1.492.848 | 1.433.116 | 1.252.066 |
| Coeficiente solvencia (agregado) | 11,09% | 11,10% | 9,75% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,61% | 0,62% | 0,50% |
| ROE (después de impuestos) | 6,86% | 7,29% | 6,04% |
| Nº OFICINAS | 582 | 583 | 601 |
| Nº EMPLEADOS | 2.679 | 2.625 | 2.608 |

CAJA DE AHORROS DE SANTANDER Y CANTABRIA

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|------------------|------------------|------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 150.115 | 50.458 | 131.145 |
| 2. Cartera de negociación | 455 | 411 | 1.530 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 266.245 | 252.535 | 267.785 |
| 5. Inversiones crediticias | 7.563.888 | 6.944.386 | 6.199.261 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 21.627 | 12.865 | 90.357 |
| 11. Activos no corrientes en venta | 554 | 1.428 | 1.646 |
| 12. Participaciones | 57.450 | 52.759 | 52.258 |
| 13. Contratos de seguros vinculados a pensiones | | | |
| 15. Activo material | 130.422 | 128.206 | 127.609 |
| 16. Activo intangible | 1.248 | 1.116 | 1.293 |
| 17. Activos fiscales | 43.935 | 53.654 | 49.813 |
| 18. Periodificaciones | 2.178 | 16.987 | 9.886 |
| 19. Otros activos | 12.435 | 13.529 | 12.794 |
| TOTAL ACTIVO | 8.250.552 | 7.528.334 | 6.945.377 |

PASIVO Y PATRIMONIO NETO

PASIVO

| | | | |
|---|------------------|------------------|------------------|
| 1. Cartera de negociación | 154 | 179 | 157 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 7.708.878 | 6.945.110 | 6.472.781 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 37.535 | 52.519 | 21.014 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 36.617 | 37.204 | 41.745 |
| 15. Pasivos fiscales | 34.568 | 25.085 | 25.709 |
| 16. Periodificaciones | 14.420 | 28.254 | 14.646 |
| 17. Otros pasivos | 28.068 | 86.798 | 35.789 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 7.860.240 | 7.175.149 | 6.611.841 |

PATRIMONIO NETO

| | | | |
|---|------------------|------------------|------------------|
| 2. Ajustes por valoración | 23.827 | 1.257 | 3.344 |
| 3. Fondos propios | 366.485 | 351.928 | 330.192 |
| TOTAL PATRIMONIO NETO | 390.312 | 353.185 | 333.536 |
| TOTAL PATRIMONIO NETO Y PASIVO | 8.250.552 | 7.528.334 | 6.945.377 |

PRO-MEMORIA

| | | | |
|-----------------------------------|-----------|-----------|-----------|
| 1. Riesgos contingentes | 493.646 | 394.106 | 422.945 |
| 2. Compromisos contingentes | 1.689.536 | 1.481.474 | 1.277.397 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 255.067 | 113.388 | 191.825 |
| 2. Intereses y cargas asimiladas | 131.477 | 55.967 | 82.841 |
| 3. Rendimiento de instrumentos de capital | 12.289 | 8.675 | 12.498 |
| A) MARGEN DE INTERMEDIACIÓN | 135.879 | 66.096 | 121.482 |
| 5. Comisiones percibidas | 34.287 | 16.459 | 31.935 |
| 6. Comisiones pagadas | 5.939 | 2.759 | 5.268 |
| 8. Resultados de operaciones financieras (neto) | 4.379 | 764 | 485 |
| 9. Diferencias de cambio (neto) | 1.044 | 792 | -194 |
| B) MARGEN ORDINARIO | 169.650 | 81.352 | 148.440 |
| 12. Otros productos de explotación | 5.032 | 2.774 | 4.797 |
| 13. Gastos de personal | 66.284 | 33.975 | 63.322 |
| 14. Otros gastos generales de administración | 25.578 | 12.754 | 23.924 |
| 15. Amortización | 7.155 | 3.485 | 7.382 |
| 16. Otras cargas de explotación | 1.983 | 949 | 1.636 |
| C) MARGEN DE EXPLOTACIÓN | 73.682 | 32.963 | 56.973 |
| 17. Pérdidas por deterioro de activos (neto) | 9.343 | -3.642 | 10.191 |
| 18. Dotaciones a provisiones (neto) | 573 | -936 | 4.215 |
| 21. Otras ganancias | 3.383 | 1.693 | 6.487 |
| 22. Otras pérdidas | 603 | 230 | 674 |
| D) RESULTADO ANTES DE IMPUESTOS | 66.546 | 39.004 | 48.380 |
| 23. Impuesto sobre beneficios | 22.153 | 9.166 | 11.016 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 44.393 | 29.838 | 37.364 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 44.393 | 29.838 | 37.364 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 448.157 | 411.180 | 352.280 |
| Recursos propios de segunda categoría | 306.808 | 285.319 | 304.875 |
| Otras deducciones de recursos propios | 0 | 0 | -25.860 |
| Recursos propios totales | 754.965 | 696.499 | 631.295 |
| Coefficiente solvencia (agregado) | 10,04% | 10,60% | 10,23% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,88% | 0,64% | 0,75% |
| ROE (después de impuestos) | 10,1% | 19,41% | 15,35% |
| Nº OFICINAS | 168 | 166 | 162 |
| Nº EMPLEADOS | 989 | 1.006 | 932 |

CAJA DE AHORROS DE VALENCIA, CASTELLON Y ALICANTE, BANCAJA

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-------------------|-------------------|-------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 758.103 | 635.887 | 1.366.479 |
| 2. Cartera de negociación | 336.944 | 450.720 | 287.184 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 1.233.548 | 1.530.970 | 1.151.370 |
| 5. Inversiones crediticias | 54.428.876 | 48.837.016 | 40.542.400 |
| 6. Cartera de inversión a vencimiento | 3.741.049 | 3.888.208 | 3.516.282 |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 144.892 | 104.575 | 259.180 |
| 11. Activos no corrientes en venta | 3.762 | 3.055 | 3.494 |
| 12. Participaciones | 420.953 | 421.172 | 406.676 |
| 13. Contratos de seguros vinculados a pensiones | 105.761 | 105.760 | |
| 15. Activo material | 543.206 | 463.590 | 470.001 |
| 16. Activo intangible | 6.504 | 4.889 | 4.314 |
| 17. Activos fiscales | 355.544 | 378.466 | 340.466 |
| 18. Periodificaciones | 44.862 | 62.874 | 40.398 |
| 19. Otros activos | 4.638 | 9.262 | 2.666 |
| TOTAL ACTIVO | 62.128.642 | 56.896.444 | 48.390.910 |
| PASIVO Y PATRIMONIO NETO | | | |
| PASIVO | | | |
| 1. Cartera de negociación | 190.114 | 160.940 | 188.413 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 57.893.731 | 53.158.876 | 45.034.438 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 223.556 | 141.273 | 174.663 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 338.796 | 356.502 | 230.306 |
| 15. Pasivos fiscales | 313.467 | 286.804 | 203.340 |
| 16. Periodificaciones | 213.094 | 229.453 | 207.872 |
| 17. Otros pasivos | 48.086 | 76.790 | 40.677 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 59.220.844 | 54.410.638 | 46.079.709 |
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 258.020 | 371.525 | 281.424 |
| 3. Fondos propios | 2.649.778 | 2.114.281 | 2.029.777 |
| TOTAL PATRIMONIO NETO | 2.907.798 | 2.485.806 | 2.311.201 |
| TOTAL PATRIMONIO NETO Y PASIVO | 62.128.642 | 56.896.444 | 48.390.910 |
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 9.791.649 | 6.684.824 | 6.698.059 |
| 2. Compromisos contingentes | 11.326.676 | 10.184.117 | 10.352.786 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 2.214.808 | 983.705 | 1.483.712 |
| 2. Intereses y cargas asimiladas | 1.348.954 | 568.946 | 787.299 |
| 3. Rendimiento de instrumentos de capital | 67.507 | 32.501 | 67.854 |
| A) MARGEN DE INTERMEDIACIÓN | 933.361 | 447.260 | 764.267 |
| 5. Comisiones percibidas | 261.144 | 124.839 | 249.216 |
| 6. Comisiones pagadas | 59.323 | 21.002 | 52.937 |
| 8. Resultados de operaciones financieras (neto) | 562.831 | 4.230 | 47.361 |
| 9. Diferencias de cambio (neto) | 1.492 | 933 | 4.596 |
| B) MARGEN ORDINARIO | 1.699.505 | 556.260 | 1.012.503 |
| 12. Otros productos de explotación | 54.860 | 27.193 | 45.862 |
| 13. Gastos de personal | 324.566 | 160.968 | 305.469 |
| 14. Otros gastos generales de administración | 166.168 | 81.620 | 152.353 |
| 15. Amortización | 35.124 | 18.825 | 35.937 |
| 16. Otras cargas de explotación | 6.031 | 3.638 | 6.015 |
| C) MARGEN DE EXPLOTACIÓN | 1.222.476 | 318.402 | 558.591 |
| 17. Pérdidas por deterioro de activos (neto) | 255.929 | 129.422 | 214.819 |
| 18. Dotaciones a provisiones (neto) | 29.058 | 32.388 | 30.712 |
| 21. Otras ganancias | 35.177 | 31.165 | 21.481 |
| 22. Otras pérdidas | 6.428 | 2.295 | 8.418 |
| D) RESULTADO ANTES DE IMPUESTOS | 966.238 | 185.462 | 326.123 |
| 23. Impuesto sobre beneficios | 290.467 | 43.171 | 71.964 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 675.771 | 142.291 | 254.159 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 675.771 | 142.291 | 254.159 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 4.343.645 | 3.554.397 | 3.390.222 |
| Recursos propios de segunda categoría | 3.411.065 | 3.276.715 | 2.737.126 |
| Otras deducciones de recursos propios | -88.050 | -78.463 | -67.045 |
| Recursos propios totales | 7.666.660 | 6.752.649 | 6.060.303 |
| Coefficiente solvencia (agregado) | 13,07% | 12,86% | 13,42% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06* | 30-jun-06 | 31-dic-05 |
|----------------------------|------------|-----------|-----------|
| ROA (después de impuestos) | 1,19% | 0,27% | 0,58% |
| ROE (después de impuestos) | 31,38% | 6,98% | 13,26% |
| Nº OFICINAS | 1.055 | 1.045 | 1.032 |
| Nº EMPLEADOS | 5.535 | 5.511 | 5.404 |

* Sin tener en cuenta ingresos atípicos, el ROA sería de 0,54% y el ROE DE 14,24%.

CAJA DE AHORROS Y MONTE DE PIEDAD DE CÓRDOBA

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|-------------------|-------------------|-------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 249.795 | 217.949 | 235.953 |
| 2. Cartera de negociación | 6.393 | 7.377 | 751 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | 34.011 | 33.942 | 34.489 |
| 4. Activos financieros disponibles para la venta | 972.777 | 687.265 | 524.878 |
| 5. Inversiones crediticias | 13.574.727 | 12.418.216 | 11.719.988 |
| 6. Cartera de inversión a vencimiento | 116.524 | 119.042 | 116.157 |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 50.958 | 28.746 | 83.324 |
| 11. Activos no corrientes en venta | 1.892 | 5.792 | 7.705 |
| 12. Participaciones | 335.923 | 281.655 | 271.074 |
| 13. Contratos de seguros vinculados a pensiones | 102.279 | 103.720 | 103.720 |
| 15. Activo material | 296.410 | 299.466 | 305.404 |
| 16. Activo intangible | 3.242 | 2.950 | 3.764 |
| 17. Activos fiscales | 137.129 | 125.147 | 143.894 |
| 18. Periodificaciones | 1.353 | 11.669 | 8.399 |
| 19. Otros activos | 2.264 | 3.388 | 50 |
| TOTAL ACTIVO | 15.885.677 | 14.346.324 | 13.559.550 |

PASIVO Y PATRIMONIO NETO

PASIVO

| | | | |
|--|-------------------|-------------------|-------------------|
| 1. Cartera de negociación | 768 | 328 | 140 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 14.755.977 | 13.275.458 | 12.615.712 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 71.590 | 84.076 | |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 215.647 | 196.989 | 194.008 |
| 15. Pasivos fiscales | 77.474 | 52.381 | 40.097 |
| 16. Periodificaciones | 20.161 | 31.673 | 21.368 |
| 17. Otros pasivos | 21.129 | 30.893 | 19.828 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 15.162.746 | 13.671.798 | 12.891.153 |

PATRIMONIO NETO

| | | | |
|---|-------------------|-------------------|-------------------|
| 2. Ajustes por valoración | 5.734 | 640 | 8.141 |
| 3. Fondos propios | 717.197 | 673.886 | 660.256 |
| TOTAL PATRIMONIO NETO | 722.931 | 674.526 | 668.397 |
| TOTAL PATRIMONIO NETO Y PASIVO | 15.885.677 | 14.346.324 | 13.559.550 |

PRO-MEMORIA

| | | | |
|-----------------------------------|-----------|-----------|-----------|
| 1. Riesgos contingentes | 684.101 | 607.453 | 678.594 |
| 2. Compromisos contingentes | 2.610.449 | 1.943.492 | 1.723.650 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 590.320 | 270.632 | 488.601 |
| 2. Intereses y cargas asimiladas | 267.192 | 114.959 | 193.174 |
| 3. Rendimiento de instrumentos de capital | 30.690 | 13.257 | 23.424 |
| A) MARGEN DE INTERMEDIACIÓN | 353.818 | 168.930 | 318.851 |
| 5. Comisiones percibidas | 65.950 | 30.927 | 67.194 |
| 6. Comisiones pagadas | 7.481 | 3.887 | 9.523 |
| 8. Resultados de operaciones financieras (neto) | 2.350 | -2.201 | 226 |
| 9. Diferencias de cambio (neto) | 490 | 210 | 683 |
| B) MARGEN ORDINARIO | 415.127 | 193.979 | 377.431 |
| 12. Otros productos de explotación | 11.901 | 5.716 | 10.568 |
| 13. Gastos de personal | 143.016 | 75.250 | 134.796 |
| 14. Otros gastos generales de administración | 64.796 | 35.797 | 67.868 |
| 15. Amortización | 15.038 | 7.502 | 13.090 |
| 16. Otras cargas de explotación | 2.796 | 1.398 | 2.721 |
| C) MARGEN DE EXPLOTACIÓN | 201.382 | 79.748 | 169.525 |
| 17. Pérdidas por deterioro de activos (neto) | 74.966 | 33.944 | 83.256 |
| 18. Dotaciones a provisiones (neto) | 24.181 | 3.885 | 9.498 |
| 21. Otras ganancias | 9.319 | 4.718 | 7.217 |
| 22. Otras pérdidas | 1.949 | 915 | 3.454 |
| D) RESULTADO ANTES DE IMPUESTOS | 109.605 | 45.722 | 80.533 |
| 23. Impuesto sobre beneficios | 30.107 | 10.290 | 18.128 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 79.498 | 35.432 | 62.406 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 79.498 | 35.432 | 62.406 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 832.011 | 783.843 | 780.861 |
| Recursos propios de segunda categoría | 578.743 | 548.884 | 363.360 |
| Otras deducciones de recursos propios | 13.397 | 16.026 | 18.885 |
| Recursos propios totales | 1.397.357 | 1.316.701 | 1.125.336 |
| Coeficiente solvencia (agregado) | 11,54% | 12,46% | 10,83% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,56% | 0,52% | 0,50% |
| ROE (después de impuestos) | 11,60% | 10,51% | 9,97% |
| Nº OFICINAS | 473 | 476 | 473 |
| Nº EMPLEADOS | 2.838 | 2.919 | 2.700 |

CAJA ESPAÑA DE INVERSIONES, CAJA DE AHORROS Y MONTE DE PIEDAD

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|-------------------|-------------------|-------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 310.682 | 193.837 | 209.621 |
| 2. Cartera de negociación | 11.894 | 7.474 | 1.124 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | 20.154 | 24.868 | 25.070 |
| 4. Activos financieros disponibles para la venta | 1.447.027 | 1.335.216 | 1.352.967 |
| 5. Inversiones crediticias | 16.302.816 | 14.746.898 | 13.675.688 |
| 6. Cartera de inversión a vencimiento | 1.754.264 | 1.798.619 | 1.778.851 |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 62.723 | 51.035 | 138.235 |
| 11. Activos no corrientes en venta | 4.343 | 5.293 | 5.586 |
| 12. Participaciones | 188.869 | 188.869 | 188.869 |
| 13. Contratos de seguros vinculados a pensiones | | | |
| 15. Activo material | 291.022 | 288.821 | 288.919 |
| 16. Activo intangible | 11.581 | 10.394 | 6.354 |
| 17. Activos fiscales | 118.691 | 140.323 | 132.297 |
| 18. Periodificaciones | 2.387 | 5.175 | 2.019 |
| 19. Otros activos | 22.725 | 37.112 | 29.140 |
| TOTAL ACTIVO | 20.549.178 | 18.833.934 | 17.834.740 |

PASIVO Y PATRIMONIO NETO

PASIVO

| | | | |
|---|-------------------|-------------------|-------------------|
| 1. Cartera de negociación | 245 | 418 | 1.623 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 19.229.077 | 17.561.119 | 16.621.087 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 56.917 | 51.050 | 7.363 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 119.074 | 122.583 | 137.928 |
| 15. Pasivos fiscales | 50.819 | 41.355 | 47.343 |
| 16. Periodificaciones | 54.440 | 66.655 | 48.313 |
| 17. Otros pasivos | 118.568 | 125.844 | 108.045 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 19.629.140 | 17.969.024 | 16.971.702 |

PATRIMONIO NETO

| | | | |
|---|-------------------|-------------------|-------------------|
| 2. Ajustes por valoración | 44.778 | 34.401 | |
| 3. Fondos propios | 875.260 | 830.509 | |
| TOTAL PATRIMONIO NETO | 920.038 | 864.910 | 0 |
| TOTAL PATRIMONIO NETO Y PASIVO | 20.549.178 | 18.833.934 | 16.971.702 |

PRO-MEMORIA

| | | | |
|-----------------------------------|-----------|-----------|--|
| 1. Riesgos contingentes | 898.222 | 716.382 | |
| 2. Compromisos contingentes | 3.096.869 | 2.956.734 | |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 690.562 | 311.771 | 543.458 |
| 2. Intereses y cargas asimiladas | 358.631 | 152.606 | 234.321 |
| 3. Rendimiento de instrumentos de capital | 10.086 | 5.993 | 26.181 |
| A) MARGEN DE INTERMEDIACIÓN | 342.017 | 165.158 | 335.318 |
| 5. Comisiones percibidas | 93.947 | 45.929 | 88.654 |
| 6. Comisiones pagadas | 7.484 | 3.714 | 7.794 |
| 8. Resultados de operaciones financieras (neto) | 32.764 | 8.348 | 5.664 |
| 9. Diferencias de cambio (neto) | 981 | 373 | -1.547 |
| B) MARGEN ORDINARIO | 462.225 | 216.094 | 420.295 |
| 12. Otros productos de explotación | 8.258 | 3.740 | 7.663 |
| 13. Gastos de personal | 170.650 | 85.403 | 161.359 |
| 14. Otros gastos generales de administración | 76.088 | 36.003 | 71.968 |
| 15. Amortización | 20.008 | 9.854 | 22.272 |
| 16. Otras cargas de explotación | 3.412 | 1.710 | 3.152 |
| C) MARGEN DE EXPLOTACIÓN | 200.325 | 86.864 | 169.207 |
| 17. Pérdidas por deterioro de activos (neto) | 67.494 | 35.718 | 56.952 |
| 18. Dotaciones a provisiones (neto) | 4.783 | -3.588 | 22.007 |
| 21. Otras ganancias | 6.791 | 3.400 | 9.436 |
| 22. Otras pérdidas | 2.032 | 913 | 3.721 |
| D) RESULTADO ANTES DE IMPUESTOS | 132.807 | 57.221 | 95.963 |
| 23. Impuesto sobre beneficios | 45.400 | 14.565 | 13.486 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 87.407 | 42.656 | 82.477 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 87.407 | 42.656 | 82.477 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 1.052.764 | 1.077.624 | 1.047.230 |
| Recursos propios de segunda categoría | 682.078 | 706.814 | 364.963 |
| Otras deducciones de recursos propios | -29.074 | -21.318 | -25.404 |
| Recursos propios totales | 1.705.768 | 1.763.120 | 1.386.789 |
| Coeficiente solvencia (agregado) | 11,65% | 13,23% | 11,74% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,47% | 0,48% | 0,51% |
| ROE (después de impuestos) | 10,77% | 11,09% | 10,27 |
| Nº OFICINAS | 577 | 559 | 550 |
| Nº EMPLEADOS | 3.004 | 2.906 | 2.901 |

**CAJA LABORAL POPULAR COOPERATIVA DE CRÉDITO - LAN KIDE
AURREZKIA**

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|-------------------|-------------------|-------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 205.875 | 145.931 | 136.413 |
| 2. Cartera de negociación | 70.951 | 29.577 | 42.512 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 1.614.649 | 1.574.387 | 1.370.237 |
| 5. Inversiones crediticias | 14.837.450 | 12.837.297 | 11.612.517 |
| 6. Cartera de inversión a vencimiento | 952 | 922 | 958 |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 40.803 | 35.849 | 136.641 |
| 11. Activos no corrientes en venta | 1.747 | 1.227 | 2.143 |
| 12. Participaciones | 40.422 | 38.537 | 34.519 |
| 13. Contratos de seguros vinculados a pensiones | | | |
| 15. Activo material | 333.525 | 326.673 | 325.138 |
| 16. Activo intangible | 317 | 439 | 580 |
| 17. Activos fiscales | 17.189 | 15.467 | 10.631 |
| 18. Periodificaciones | 26.869 | 20.580 | 26.244 |
| 19. Otros activos | 871 | 7.619 | 1.207 |
| TOTAL ACTIVO | 17.191.620 | 15.034.505 | 13.699.740 |

PASIVO Y PATRIMONIO NETO

PASIVO

| | | | |
|---|-------------------|-------------------|-------------------|
| 1. Cartera de negociación | 42.694 | 18.139 | 17.302 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 15.464.552 | 13.363.410 | 12.191.825 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 107.917 | 137.733 | 25.619 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 13.246 | 20.876 | 10.097 |
| 15. Pasivos fiscales | 76.421 | 71.496 | 67.600 |
| 16. Periodificaciones | 26.438 | 26.268 | 21.419 |
| 17. Otros pasivos | 13.721 | 13.076 | 11.961 |
| 18. Capital con naturaleza de pasivo financiero | 3.042 | 3.318 | |
| TOTAL PASIVO | 15.748.031 | 13.654.316 | 12.345.823 |

PATRIMONIO NETO

| | | | |
|---|-------------------|-------------------|-------------------|
| 2. Ajustes por valoración | 42.933 | 38.006 | 55.619 |
| 3. Fondos propios | 1.400.656 | 1.342.183 | 1.298.298 |
| TOTAL PATRIMONIO NETO | 1.443.589 | 1.380.189 | 1.353.917 |
| TOTAL PATRIMONIO NETO Y PASIVO | 17.191.620 | 15.034.505 | 13.699.740 |

PRO-MEMORIA

| | | | |
|-----------------------------------|-----------|-----------|-----------|
| 1. Riesgos contingentes | 651.692 | 590.614 | 509.209 |
| 2. Compromisos contingentes | 1.597.088 | 1.599.561 | 1.421.642 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 504.221 | 220.814 | 389.336 |
| 2. Intereses y cargas asimiladas | 275.349 | 114.826 | 170.701 |
| 3. Rendimiento de instrumentos de capital | 12.714 | 9.749 | 13.292 |
| A) MARGEN DE INTERMEDIACIÓN | 241.586 | 115.737 | 231.927 |
| 5. Comisiones percibidas | 103.674 | 53.822 | 89.518 |
| 6. Comisiones pagadas | 12.612 | 5.578 | 12.832 |
| 8. Resultados de operaciones financieras (neto) | 42.848 | 20.899 | 18.709 |
| 9. Diferencias de cambio (neto) | 849 | 736 | 718 |
| B) MARGEN ORDINARIO | 376.345 | 185.616 | 328.040 |
| 12. Otros productos de explotación | 14.903 | 7.391 | 13.923 |
| 13. Gastos de personal | 99.404 | 48.341 | 90.798 |
| 14. Otros gastos generales de administración | 49.510 | 24.696 | 45.453 |
| 15. Amortización | 20.202 | 9.900 | 18.935 |
| 16. Otras cargas de explotación | 8.420 | 4.273 | 8.096 |
| C) MARGEN DE EXPLOTACIÓN | 213.712 | 105.797 | 178.681 |
| 17. Pérdidas por deterioro de activos (neto) | 42.775 | 20.897 | 32.578 |
| 18. Dotaciones a provisiones (neto) | 3.251 | 3.120 | 1.173 |
| 21. Otras ganancias | 9.860 | 5.720 | 7.662 |
| 22. Otras pérdidas | 1.543 | 730 | 2.281 |
| D) RESULTADO ANTES DE IMPUESTOS | 176.003 | 86.770 | 150.311 |
| 23. Impuesto sobre beneficios | 21.639 | 9.291 | 16.113 |
| 24. Dotación obligatoria a obras y fondos sociales | 12.581 | 5.860 | 10.779 |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 141.783 | 71.619 | 123.419 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 141.783 | 71.619 | 123.419 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 1.328.943 | 1.225.542 | 1.225.893 |
| Recursos propios de segunda categoría | 238.940 | 235.095 | 79.772 |
| Otras deducciones de recursos propios | 65.005 | 61.782 | 69.193 |
| Recursos propios totales | 1.502.878 | 1.398.855 | 1.236.472 |
| Coefficiente solvencia (agregado) | 12,49% | 12,40% | 12,40% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,90% | 1,03% | 0,98% |
| ROE (después de impuestos) | 11,99% | 12,09% | 11,17% |
| Nº OFICINAS | 372 | 362 | 355 |
| Nº EMPLEADOS | 2.188 | 2.234 | 2.124 |

MONTES DE PIEDAD Y CAJA DE AHORROS DE RONDA, CÁDIZ, ALMERÍA,
MÁLAGA Y ANTEQUERA (UNICAJA)

BALANCE PÚBLICO

(Miles de euros redondeados)

| ENTIDAD: | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|-------------------|-------------------|-------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 387.718 | 306.024 | 445.856 |
| 2. Cartera de negociación | 173.319 | 35.474 | 51.080 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 2.650.738 | 2.382.749 | 2.570.621 |
| 5. Inversiones crediticias | 22.752.749 | 20.230.729 | 17.860.649 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 13.265 | 19.330 | 103.272 |
| 11. Activos no corrientes en venta | 655 | 532 | 515 |
| 12. Participaciones | 624.464 | 607.335 | 402.346 |
| 13. Contratos de seguros vinculados a pensiones | 109.647 | 114.438 | 111.879 |
| 15. Activo material | 667.799 | 661.057 | 686.105 |
| 16. Activo intangible | 341 | 373 | 2.538 |
| 17. Activos fiscales | 261.194 | 310.817 | 294.431 |
| 18. Periodificaciones | 14.868 | 23.745 | 13.152 |
| 19. Otros activos | 17.845 | 49.732 | 16.819 |
| TOTAL ACTIVO | 27.674.602 | 24.742.335 | 22.559.262 |
| PASIVO Y PATRIMONIO NETO | | | |
| PASIVO | | | |
| 1. Cartera de negociación | 12.092 | 20.682 | 11.944 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 24.031.610 | 21.331.628 | 19.463.466 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | 101.725 | 145.162 | 2.731 |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 426.506 | 406.625 | 448.734 |
| 15. Pasivos fiscales | 328.811 | 383.159 | 348.902 |
| 16. Periodificaciones | 80.153 | 81.944 | 71.721 |
| 17. Otros pasivos | 271.043 | 215.463 | 162.496 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 25.251.940 | 22.584.663 | 20.509.994 |
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | 407.911 | 265.298 | 263.379 |
| 3. Fondos propios | 2.014.751 | 1.892.374 | 1.785.890 |
| TOTAL PATRIMONIO NETO | 2.422.662 | 2.157.672 | 2.049.268 |
| TOTAL PATRIMONIO NETO Y PASIVO | 27.674.602 | 24.742.335 | 22.559.262 |
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 1.340.232 | 1.126.697 | 973.904 |
| 2. Compromisos contingentes | 4.382.549 | 4.348.003 | 3.530.181 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 942.420 | 425.696 | 745.819 |
| 2. Intereses y cargas asimiladas | 415.992 | 172.470 | 250.247 |
| 3. Rendimiento de instrumentos de capital | 80.961 | 45.000 | 55.126 |
| A) MARGEN DE INTERMEDIACIÓN | 607.389 | 298.226 | 550.698 |
| 5. Comisiones percibidas | 140.450 | 68.184 | 128.748 |
| 6. Comisiones pagadas | 26.410 | 13.201 | 27.921 |
| 8. Resultados de operaciones financieras (neto) | 67.579 | 40.319 | 26.204 |
| 9. Diferencias de cambio (neto) | -348 | -905 | 2.217 |
| B) MARGEN ORDINARIO | 788.660 | 392.623 | 679.946 |
| 12. Otros productos de explotación | 16.018 | 8.357 | 14.729 |
| 13. Gastos de personal | 234.029 | 116.817 | 218.200 |
| 14. Otros gastos generales de administración | 99.789 | 49.874 | 95.880 |
| 15. Amortización | 36.376 | 18.112 | 36.323 |
| 16. Otras cargas de explotación | 4.557 | 2.271 | 4.112 |
| C) MARGEN DE EXPLOTACIÓN | 429.927 | 213.906 | 340.160 |
| 17. Pérdidas por deterioro de activos (neto) | 95.303 | 37.569 | 110.357 |
| 18. Dotaciones a provisiones (neto) | 17.811 | 7.097 | 9.618 |
| 21. Otras ganancias | 51.291 | 26.579 | 80.950 |
| 22. Otras pérdidas | 7.033 | 4.292 | 7.162 |
| D) RESULTADO ANTES DE IMPUESTOS | 361.071 | 191.527 | 293.973 |
| 23. Impuesto sobre beneficios | 90.177 | 42.039 | 64.668 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 270.894 | 149.488 | 229.304 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 270.894 | 149.488 | 229.304 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 1.786.580 | 1.575.963 | 1.551.460 |
| Recursos propios de segunda categoría | 1.109.805 | 1.006.312 | 992.059 |
| Otras deducciones de recursos propios | -59.228 | -58.519 | -53.517 |
| Recursos propios totales | 2.837.157 | 2.523.756 | 2.490.002 |
| Coefficiente solvencia (agregado) | 13,03% | 12,46% | 13,59% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 1,10% | 0,64% | 1,10% |
| ROE (después de impuestos) | 9,55% | 5,67% | 9,20% |
| Nº OFICINAS | 869 | 870 | 854 |
| Nº EMPLEADOS | 4.648 | 4.644 | 4.632 |

SANTANDER CONSUMER FINANCE, S.A.

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|-------------------|-------------------|-------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 87.694 | 99.120 | 70.818 |
| 2. Cartera de negociación | 58.781 | 19.111 | 35.461 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | 58.876 | 231 | 117 |
| 5. Inversiones crediticias | 15.266.702 | 14.147.733 | 12.797.896 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | 69.418 | 23.444 | 18.418 |
| 11. Activos no corrientes en venta | 1.936 | 1.660 | 1.291 |
| 12. Participaciones | 3.086.440 | 2.932.789 | 2.564.072 |
| 13. Contratos de seguros vinculados a pensiones | 30.108 | 30.415 | 31.407 |
| 15. Activo material | 1.160 | 13.486 | 14.390 |
| 16. Activo intangible | 15.830 | 3.433 | 1.783 |
| 17. Activos fiscales | 46.094 | 43.331 | 33.955 |
| 18. Periodificaciones | 4.152 | 6.502 | 14.528 |
| 19. Otros activos | 555 | 7.374 | 8.123 |
| TOTAL ACTIVO | 18.727.746 | 17.328.629 | 15.592.259 |
| PASIVO Y PATRIMONIO NETO | | | |
| PASIVO | | | |
| 1. Cartera de negociación | 38.701 | 9.523 | 7.260 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 14.558.814 | | 11.885.627 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | 13.403.910 | |
| 11. Derivados de cobertura | 55.254 | | 22.704 |
| 12. Pasivos asociados con activos no corrientes en venta | | 48.214 | |
| 14. Provisiones | 66.703 | | 70.622 |
| 15. Pasivos fiscales | 65.455 | 67.625 | 9.083 |
| 16. Periodificaciones | 19.683 | 6.197 | 11.076 |
| 17. Otros pasivos | 28.180 | 15.110 | 25.900 |
| 18. Capital con naturaleza de pasivo financiero | | 27.550 | |
| TOTAL PASIVO | 14.832.790 | 13.578.129 | 12.032.272 |
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | -6.541 | -18.015 | 4.208 |
| 3. Fondos propios | 3.901.497 | 3.768.515 | 3.555.779 |
| TOTAL PATRIMONIO NETO | 3.894.956 | 3.750.500 | 3.559.987 |
| TOTAL PATRIMONIO NETO Y PASIVO | 18.727.746 | 17.328.629 | 15.592.259 |
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | 1.277.030 | 810.057 | 824.864 |
| 2. Compromisos contingentes | 21.966.908 | 18.228.524 | 11.494.301 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 499.296 | 221.785 | 368.350 |
| 2. Intereses y cargas asimiladas | 370.400 | 158.929 | 272.951 |
| 3. Rendimiento de instrumentos de capital | 409.908 | 170.305 | 263.890 |
| A) MARGEN DE INTERMEDIACIÓN | 538.804 | 233.161 | 359.289 |
| 5. Comisiones percibidas | 49.189 | 23.436 | 38.759 |
| 6. Comisiones pagadas | 35.898 | 16.496 | 31.460 |
| 8. Resultados de operaciones financieras (neto) | -3.289 | -3.188 | 20.843 |
| 9. Diferencias de cambio (neto) | 34 | 48 | 94 |
| B) MARGEN ORDINARIO | 548.840 | 236.961 | 387.525 |
| 12. Otros productos de explotación | 2.421 | 2.221 | 80 |
| 13. Gastos de personal | 1.067 | 749 | 1.376 |
| 14. Otros gastos generales de administración | 12.492 | 4.877 | 9.387 |
| 15. Amortización | 4.826 | 2.311 | 1.302 |
| 16. Otras cargas de explotación | 581 | 280 | 456 |
| C) MARGEN DE EXPLOTACIÓN | 532.295 | 230.965 | 375.084 |
| 17. Pérdidas por deterioro de activos (neto) | 59.249 | 14.236 | 17.474 |
| 18. Dotaciones a provisiones (neto) | 2.876 | 1.168 | 1.440 |
| 21. Otras ganancias | 344.262 | 2.385 | 3.433 |
| 22. Otras pérdidas | 1.293 | 1.141 | 534 |
| D) RESULTADO ANTES DE IMPUESTOS | 813.139 | 216.805 | 359.069 |
| 23. Impuesto sobre beneficios | 51.576 | 4 | 8.394 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 761.563 | 216.801 | 350.675 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 761.563 | 216.801 | 350.675 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADO | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 1.667.624 | 1.316.966 | 1.130.564 |
| Recursos propios de segunda categoría | 1.146.404 | 638.217 | 287.901 |
| Otras deducciones de recursos propios | | | |
| Recursos propios totales | 2.814.028 | 1.955.183 | 1.418.465 |
| Coefficiente solvencia (agregado) | 8,63% | 5,82% | 4,61% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 4,06% | 1,25% | 2,25% |
| ROE (después de impuestos) | 19,43% | 5,78% | 9,86% |
| Nº OFICINAS | 2 | 2 | 2 |
| Nº EMPLEADOS | 16 | 17 | 17 |

UNIÓN DE CRÉDITOS INMOBILIARIOS, E.F.C., S.A.

BALANCE PÚBLICO

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|------------------|------------------|------------------|
| ACTIVO | | | |
| 1. Caja y depósitos en bancos centrales | 245 | 236 | 250 |
| 2. Cartera de negociación | 131.171 | 107.060 | 206.852 |
| 3. Otros activos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 4. Activos financieros disponibles para la venta | | | |
| 5. Inversiones crediticias | 3.768.622 | 3.963.173 | 3.743.139 |
| 6. Cartera de inversión a vencimiento | | | |
| 9. Ajustes a activos financieros por macrocoberturas | | | |
| 10. Derivados de cobertura | | | |
| 11. Activos no corrientes en venta | 8.712 | 8.397 | 6.952 |
| 12. Participaciones | | | |
| 13. Contratos de seguros vinculados a pensiones | | | |
| 15. Activo material | 3.508 | 3.243 | 2.638 |
| 16. Activo intangible | 187 | 277 | 212 |
| 17. Activos fiscales | 539 | 661 | 1.508 |
| 18. Periodificaciones | 109 | 84 | 468 |
| 19. Otros activos | 5.041 | 5.890 | 2.956 |
| TOTAL ACTIVO | 3.918.134 | 4.089.021 | 3.964.975 |
| PASIVO Y PATRIMONIO NETO | | | |
| PASIVO | | | |
| 1. Cartera de negociación | 72.491 | 79.401 | 206.966 |
| 2. Otros pasivos financieros a valor razonable con cambios en pérdidas y ganancias | | | |
| 3. Pasivos financieros a valor razonable con cambios en patrimonio neto | | | |
| 4. Pasivos financieros a coste amortizado | 3.554.430 | 3.731.109 | 3.515.465 |
| 10. Ajustes a pasivos financieros por macrocoberturas | | | |
| 11. Derivados de cobertura | | | |
| 12. Pasivos asociados con activos no corrientes en venta | | | |
| 14. Provisiones | 480 | 558 | 586 |
| 15. Pasivos fiscales | 806 | 43.619 | 2.589 |
| 16. Periodificaciones | 43.832 | 43.749 | 47.914 |
| 17. Otros pasivos | 59.627 | 28.553 | 52.993 |
| 18. Capital con naturaleza de pasivo financiero | | | |
| TOTAL PASIVO | 3.731.666 | 3.926.989 | 3.826.513 |
| PATRIMONIO NETO | | | |
| 2. Ajustes por valoración | | | |
| 3. Fondos propios | 186.468 | 162.032 | 138.462 |
| TOTAL PATRIMONIO NETO | 186.468 | 162.032 | 138.462 |
| TOTAL PATRIMONIO NETO Y PASIVO | 3.918.134 | 4.089.021 | 3.964.975 |
| PRO-MEMORIA | | | |
| 1. Riesgos contingentes | | | |
| 2. Compromisos contingentes | 165.024 | 170.753 | 175.741 |

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

(Miles de euros redondeados)

| | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|--|-----------|-----------|-----------|
| 1. Intereses y rendimientos asimilados | 266.923 | 128.820 | 207.931 |
| 2. Intereses y cargas asimiladas | 115.819 | 52.562 | 92.583 |
| 3. Rendimiento de instrumentos de capital | | | |
| A) MARGEN DE INTERMEDIACIÓN | 151.103 | 76.259 | 115.348 |
| 5. Comisiones percibidas | 73.137 | 38.504 | 65.712 |
| 6. Comisiones pagadas | 36.973 | 18.280 | 34.203 |
| 8. Resultados de operaciones financieras (neto) | 1.566 | 3.049 | 9.667 |
| 9. Diferencias de cambio (neto) | | | |
| B) MARGEN ORDINARIO | 188.833 | 99.532 | 156.524 |
| 12. Otros productos de explotación | | | |
| 13. Gastos de personal | 36.658 | 17.247 | 34.725 |
| 14. Otros gastos generales de administración | 30.653 | 15.414 | 30.609 |
| 15. Amortización | 1.631 | 857 | 1.436 |
| 16. Otras cargas de explotación | | | |
| C) MARGEN DE EXPLOTACIÓN | 119.891 | 66.015 | 89.754 |
| 17. Pérdidas por deterioro de activos (neto) | 39.658 | 25.065 | 20.860 |
| 18. Dotaciones a provisiones (neto) | -78 | | 143 |
| 21. Otras ganancias | 4.034 | 1.882 | 2.144 |
| 22. Otras pérdidas | 587 | 259 | |
| D) RESULTADO ANTES DE IMPUESTOS | 83.758 | 42.573 | 70.895 |
| 23. Impuesto sobre beneficios | 35.751 | 19.004 | 31.505 |
| 24. Dotación obligatoria a obras y fondos sociales | | | |
| E) RESULTADO DE LA ACTIVIDAD ORDINARIA | 48.006 | 23.570 | 39.390 |
| 25. Resultado de operaciones interrumpidas (neto) | | | |
| F) RESULTADO DEL EJERCICIO | 48.006 | 23.570 | 39.390 |

RECURSOS PROPIOS COMPUTABLES

(Miles de euros redondeados)

| DATOS A NIVEL CONSOLIDADOS | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---------------------------------------|-----------|-----------|-----------|
| Recursos propios básicos | 235.415 | 211.202 | 161.908 |
| Recursos propios de segunda categoría | 119.609 | 128.782 | 72.000 |
| Otras deducciones de recursos propios | | | |
| Recursos propios totales | 355.024 | 339.984 | 233.908 |
| Coeficiente solvencia (agregado) | 12% | 10,85% | 9,75% |

OTRA INFORMACIÓN

| DATOS A NIVEL INDIVIDUAL | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|----------------------------|-----------|-----------|-----------|
| ROA (después de impuestos) | 0,64% | 0,69% | 0,66% |
| ROE (después de impuestos) | 38,9% | 38,9% | 43,3% |
| Nº OFICINAS | 63 | 59 | 52 |
| Nº EMPLEADOS | 834 | 796 | 689 |

2.2.3. Legal nature of the assets

The Mortgage Covered Bonds comprising the assets of the Fund shall be documented by registered, individually issued certificates in accordance with the provisions of Law 2/1981 and Royal Decree 685/1982, and shall be initially subscribed by the Assignor prior to being assigned to the Fund. The nominal value, redemption date, ordinary interest, arrears interest rate, and interest payment date of these Mortgage Covered Bonds shall be indicated in the Closing Conditions of the Bond Issue backed by the acquisition of the Mortgage Covered Bonds, without prejudice to the provisions of section 2.2.13 below.

In accordance with article 12 of Law 2/1981, the collection of both principal and interest on each Mortgage Covered Bond shall be especially secured, without need for registration, by any mortgages registered in the name of the corresponding Issuer, without prejudice to the Issuer's personal unlimited liability.

In addition to the Fund's right to payment as holder of the Mortgage Covered Bonds against the Issuers, as guaranteed in the manner described in the foregoing paragraph, the Fund also has an enforceable right to claim payment from the Issuers, by virtue of the fact that the Fund, as holder of the Mortgage Covered Bonds, is a preferred creditor, under point 3 of article 1923 of the Civil Code, against any other creditors in respect of all the mortgage loans registered in favour of the Issuers.

In accordance with article 14 de Law 2/1981, as amended by the Nineteenth Final Provision of the Insolvency Law, in the event of the insolvency of any of the Issuers, the Fund, as holder of the Mortgage Covered Bond(s) issued by that Issuer, shall enjoy the special privilege established in article 90.1.1° of the Insolvency Law, without prejudice to which payments in respect of the redemption of capital and interest on the Mortgage Covered Bond(s) in question shall, during the insolvency proceedings, be claimed against the insolvency estate, up to the amount of the income received by the Issuer from the mortgage loans backing the Mortgage Covered Bond(s).

2.2.4. Expiration or maturity date(s) of the assets

The maturity date of the Assets incorporated in the Fund on the occasion of the various Issuances or Extensions shall be included in the corresponding Closing Conditions. The Assets incorporated into the Fund on the occasion of the Issuance or Extension of each Series shall have the same Maturity as the Bonds corresponding to that Series, and therefore can under no circumstances have a maturity of more than sixty (60) years from the incorporation date of the Fund.

2.2.5. Amount of the assets

The maximum outstanding volume of the Mortgage Covered Bonds assigned to the Fund shall be FIFTY THOUSAND MILLION EUROS (€50,000,000,000). The Closing Conditions for each Issuance or Extension shall specify the amount of Assets assigned to the Fund on the occasion of that Issuance or Extension.

2.2.6. Ratio of outstanding principal to appraisal value or overcollateralization level

The capital and interest on the Mortgage Covered Bonds shall be especially secured by any mortgages registered in the name of the corresponding Issuers, without prejudice to the personal unlimited liability of the Issuers. Notwithstanding the above, of the total portfolio of mortgage loans of the Issuers (Total Mortgage Portfolio), only those mortgage loans that meet the relevant requirements established by Law 2/1981 and Royal Decree 685/1982 are appropriate for the purpose of defining the limits of the Mortgage Covered Bonds issuance (Eligible Portfolio) of the Issuer in question. The Eligible Portfolio only includes certain loans of the Total Mortgage Portfolio. The Issuers may not have Mortgage Covered Bonds issued and outstanding in an amount greater than 90% of its Eligible Portfolio.

Information in respect of Total Mortgage Portfolio and Eligible Portfolio of each Issuer of the Mortgage Covered Bonds of each Series shall be included in the Closing Conditions of each Series, in accordance with section 2.2.2 above.

2.2.7. Method of origination of the assets

The Mortgage Covered Bonds shall be issued by the Issuers in accordance with Spanish legislation and in particular Law 2/1981 and Royal Decree 685/1982.

In accordance with specific Spanish legislation, the assignment of Mortgage Covered Bonds to the Fund by the Assignor shall only require a written statement on the registered certificate itself or the drawing up of a document of assignment (the Articles of Incorporation or the Supplementary Articles thereof, as appropriate) to be valid. It is not necessary to notify the obligors (the Issuers of the Mortgage Covered Bonds), as they shall be deemed notified on signature of the corresponding Internal Management Agreement.

2.2.8. Indication of representations and collaterals given to the Fund in relation to the assets

The Trustee reproduces below the representations and collaterals that the Assignor and the Issuers shall make in respect of themselves and of the Mortgage Covered Bonds acquired on the occasion of each successive Issuance or Extension under the Programme.

(1) Representations and collaterals of the Assignor

The Assignor, as owner of the Assets until their assignment to the Fund, shall guarantee to the Trustee, in representation of the Fund:

- a) That it is a properly incorporated securities company in accordance with prevailing legislation and is registered in the Registrar of Companies
- b) That at no time since its incorporation has it been in a state of insolvency, suspension of payments, bankruptcy, or insolvency proceedings

- c) That its organs of corporate governance have validly adopted all the resolutions required to transfer the Mortgage Covered Bonds to the Fund, in accordance with its bylaws and relevant prevailing legislation, to make these representations, and to execute the Articles of Incorporation and undertake all the obligations and commitments derived therefrom, and from any other complementary agreements and commitments regarding with the Fund
- d) That the Mortgage Covered Bonds exist and, prior to the assignment to the Fund, that the Assignor has full ownership of the Mortgage Covered Bonds, that they are freely transferable in accordance with all applicable laws and regulations, and that there is no let or hindrance to the transfer of the Fund
- e) That the Mortgage Covered Bonds have been duly issued by the Issuers and duly subscribed by the Assignor
- f) That the assignment of the Mortgage Covered Bonds to the Fund does not contravene any prevailing legislation
- g) That the Assignor is not aware that any Issuer of the Mortgage Covered Bonds is the subject of insolvency proceedings
- h) That it has audited accounts for the last three years, with an unqualified opinion of the auditors in, at least, the audit report for the last year, and that it has filed those audited financial statements with the CNMV and with the Registrar of Companies, in accordance with the prevailing legislation.

The above representations made by the Assignor on the date of incorporation of the Fund, in respect of initial Assets and initial Issuers, and on each successive date of incorporation of new Assets to the Fund, in respect of those Assets and their Issuers. References to Articles of Incorporation should be taken to mean Supplementary Articles to the Articles of Incorporation when the context so requires.

(2) Representations and collaterals of the Issuers

The Issuers shall guarantee in respect of themselves and of the Assets issued by them and incorporated in the Fund on the occasion of each Issuance or Extension:

- a) That it is a properly incorporated securities company in accordance with prevailing legislation and is registered in the Registrar of Companies and is authorized to participate in the Mortgage Market
- b) That at no time since its incorporation has it been in a state of insolvency, suspension of payments, bankruptcy, or insolvency proceedings
- c) That it meets the requirements established in Law 13/1992, of June 1, on capital and reserves and supervision on a consolidated basis of financial institutions, Bank of Spain Circular 5/1993, of March 26, on determining and controlling minimum equity requirements for credit institutions, as modified by, inter alia, Bank of Spain Circular 3/2005, of June 30, and other applicable legislation

- d) That its organs of corporate governance have validly adopted all the resolutions required for the issuance of each Mortgage Covered Bond in the Fund in accordance with its bylaws and relevant prevailing legislation, to make these representations, and to undertake all the obligations and commitments arising from the documents and agreements signed within the framework of the corresponding Issuance or Extension
- e) That each Mortgage Covered Bond has been validly issued in accordance with Law 2/1981, Royal Decree 685/1982 and other applicable legislation, and meets all the requirements established therein
- f) That no Mortgage Covered Bond is under any kind of burden or encumbrance and each is freely transferable in accordance with applicable legislation, without there being any impediment whatsoever to its assignment to the Fund
- g) That the information in respect of each Mortgage Covered Bond contained in this Prospectus and in the corresponding Closing Conditions is correct and complete
- h) That each Mortgage Covered Bond is represented by a single physical registered certificate
- i) That no person has preferential payment rights for amounts due from the Mortgage Covered Bond over the legitimate owner of the payment rights attached to that Bond
- j) That the Mortgage Covered Bond is a valid and binding payment obligation for each Issuer, enforceable and executable on its own terms (unless affected by an insolvency procedure)
- k) That the Issuer has no knowledge of the existence of litigation of any kind nor of any other circumstance in respect of the Mortgage Covered Bonds that may impair its validity or enforceability, neither is there, to the Issuer's knowledge or understanding, any exception that may prevent payment of the Mortgage Covered
- l) That the Issuer has no knowledge of the existence of any circumstance that might prevent the execution of each Mortgage Covered Bond in accordance with prevailing legislation
- m) That the Issuer has financial statements for the last three years audited (provided that, on the Assignment Date in question, they were obliged by prevailing legislation to have their financial statements for the last year audited and approved), and the financial statements corresponding to the last year are filed with the CNMV and in the Registrar of Companies, in accordance with prevailing legislation, and the audit report for the last year did not contain qualifications that put into question their solvency or creditworthiness.

2.2.9. Substitution of the securitized assets

In the exceptional event that, after the corresponding assignment Date and notwithstanding the representations made by the Issuers in section 2.2.8 above, one or of the Assets were, on the Assignment Date, found not to conform to those representations or to contain hidden defects, the Trustee shall advise the Assignor and the Issuer of the corresponding Mortgage Covered Bond to allow the Issuer to rectify the situation, if possible, even by substituting the non-compliant Mortgage Covered Bond with another one of similar financial characteristics, within ten (10) Business Days after notification. If the Bond is substituted, the Issuer shall provide evidence to the Trustee that the new Mortgage Covered Bond conforms to the representations contained in section 2.2.8 of this Additional Building Block, and shall provide all the information on the new Mortgage Covered Bond that the Trustee deems necessary. The Trustee shall then notify the CNMV and the bondholders of the corresponding Series of the substitution.

If the above circumstance cannot be rectified within the stated time limit or is impossible to put right, the Issuer must effect the early redemption of that Mortgage Covered Bond under the terms and conditions set out in the corresponding Internal Management Agreement, which are summarized below.

The Issuer in question shall effect the early redemption of the Mortgage Covered Bond in question, and return to the Fund whichever is the greater of the following amounts:

1. The nominal redemption price of the Mortgage Covered Bond
2. The market price of the Mortgage Covered Bond. For the purpose of this document, the “market price” of a Mortgage Covered Bond is understood to be the result of multiplying the nominal value of the Mortgage Covered Bond in question by the result of dividing (a) the arithmetic mean of the quotations provided by the Counterparties for the Bonds of the Series to which that Mortgage Covered Bond is linked, in accordance with the terms of the corresponding Underwriting Agreement, by (b) the nominal value of those Bonds. The calculation of the above mentioned arithmetic mean of the quotations is based on the quotation prices of the Bonds in question, expressed in Euros, provided by each of the Counterparties at 11.00 hours of the Business Day prior to the date on which the Trustee notified the Issuer of the existence of the hidden defect or the incorrectness of the representation in question. If one or more of the Counterparties does not provide a quotation for the Bonds, the price shall be set on the basis of the quotations provided by the other Counterparty/Counterparties. Redemption must be effected within ten (10) Business Days subsequent to the end of the aforementioned period of ten (10) Business Days granted to attempt to rectify the situation.

The above should be understood without prejudice to the interest accrued on the Mortgage Covered Bonds until their redemption date, when it is to be paid.

The Trustee, on behalf of the Fund, shall cause the partial prepayment of the Bonds of the Series to which the redeemed Mortgage Covered Bond is linked, by the pro rata reduction of its nominal value in proportion to the nominal value of the redeemed

Mortgage Covered Bond, and shall also pay the corresponding interest, in accordance with the provisions of section 4.9.2 of the Securities Note.

2.2.10. Relevant insurance policies relating to the securitized assets

Not applicable.

2.2.11. Information about the obligors in the event of assets comprising obligations of 5 or fewer obligors which are legal persons, or where an obligor accounts for 20% or more of the assets, or where an obligor accounts for a material portion of the assets

If fewer than five (5) Issuers are involved in the issuance of a given Series, or if the Assets issued by a given Issuer and incorporated in any of the Series represent 20% or more of the Assets of that Series, the Closing Conditions for that Series shall include information as if the Issuer were preparing a Registration Document for derivative securities with an individual denomination per unit of at least 50,000 euros, unless the Issuer already has securities admitted to trading in a regulated or equivalent market, in which case it is enough to indicate the name, the address, the country of incorporation, the nature of the business activity engaged in, and the name of the market in which its securities are admitted to trading.

2.2.12. Information about the relationship, if it is material to the issuance, between the issuer, the guarantor, and the obligor

There are no relationships material to the issuance of Bonds between the Fund, the Assignor, the Trustee, the Issuers and other persons involved in the transaction other than those stated in section 5.2 of the Registration Document and 3.2 of the Additional Building Block to the Securities Note.

2.2.13. If the assets comprise fixed income securities, description of the principal terms and conditions

The nominal value, redemption date, ordinary interest, arrears interest rate, interest payment date, and other financial conditions of these Mortgage Covered Bonds shall be indicated in the Closing Conditions of the Bond Issue financing its acquisition by the Fund.

The unredeemed nominal value of the Mortgage Covered Bonds shall accrue interest at a fixed or variable rate from its Disbursement Date. This rate shall be calculated by adding a spread to the Fixed Nominal Interest Rate or the Variable Nominal Interest Rate, as the case may be, of the Bonds of the Series whose issuance is financing the acquisition by the Fund of those Mortgage Covered Bonds, and shall be subject to prepayment in the circumstances described in section 4.9.2 of the Securities Note.

For the purpose of the accrual of ordinary interest, the issuance of each Mortgage Covered Bond shall be understood to be split into interest accrual periods (each one and “**Interest Accrual Period of the Mortgage Covered Bonds**”). Each period shall comprise the actual days elapsed between each Payment Date indicated in section 4.8.2 of the Securities Note, the initial Payment Date inclusive and the final Payment Date

exclusive, except in the case of Prepayment (therefore each Interest Accrual Period of the Mortgage Covered Bonds shall comprise the same days as the corresponding Interest Accrual Period of the Bonds). When determining the Interest Accrual Periods of the Bonds, whether or not the initial or final Payment Date is a Business Day is not taken into account.

The Issuers shall pay the amounts due (in respect of interest or principal) pursuant to the Mortgage Covered Bonds two (2) Business Days ahead of the corresponding Payment Date (each one a “**Collection Date**”).

If any Issuer fails to meet ordinary interest payments on its Mortgage Covered Bonds, and without prejudice to the fact that such a failure may trigger the Prepayment of the Mortgage Covered Bond, the aforementioned Issuer shall advise the Trustee of the date on which it is going to make the interest payment at least two (2) Business Days ahead of the date of the corresponding deposit.

Unpaid amounts in respect of principal or ordinary interest on the Mortgage Covered Bonds shall, from the date the payment was due, accrue arrears interest at the rate specified in the corresponding Closing Conditions. Such arrears interest on the Mortgage Covered Bonds shall be calculated on the basis of the actual days elapsed between the date the payment was due and the date on which the principal or ordinary interest are actually deposited in the Cash Collateral Account, when the corresponding payment of arrears interest must be made.

Any payments made by the Issuers in respect of amounts owed by the Mortgage Covered Bonds shall be understood to made, firstly, in respect of arrears interest, secondly, in respect of ordinary interest accrued, and thirdly, in respect of redemption of principal of the Mortgage Covered Bonds.

2.2.14. If the assets comprise equity securities, description of the principal terms and conditions

Not applicable.

2.2.15. If the assets comprise equity securities that are not traded on a regulated or equivalent market, or if they account for more than ten (10) percent of the securitized assets, description of the principal conditions

Not applicable.

2.2.16. Valuation reports of ownership and cash/income streams when a material portion of the assets are backed by real estate

Collection of the principal and interest on the Mortgage Covered Bonds is not backed by any specific properties but, in accordance with article 12 of Law 2/1981, the Bonds are especially secured, without the need for registration, by mortgage on any Mortgage Covered Bonds that are registered with the Issuers at any time.

Appraisal values of the properties securing the mortgage loans that held in the Issuer's portfolio at any time correspond to appraisals made by qualified appraisers for the purpose of arranging the aforementioned mortgage loans.

2.3 Actively managed assets backing the issuance

Not applicable.

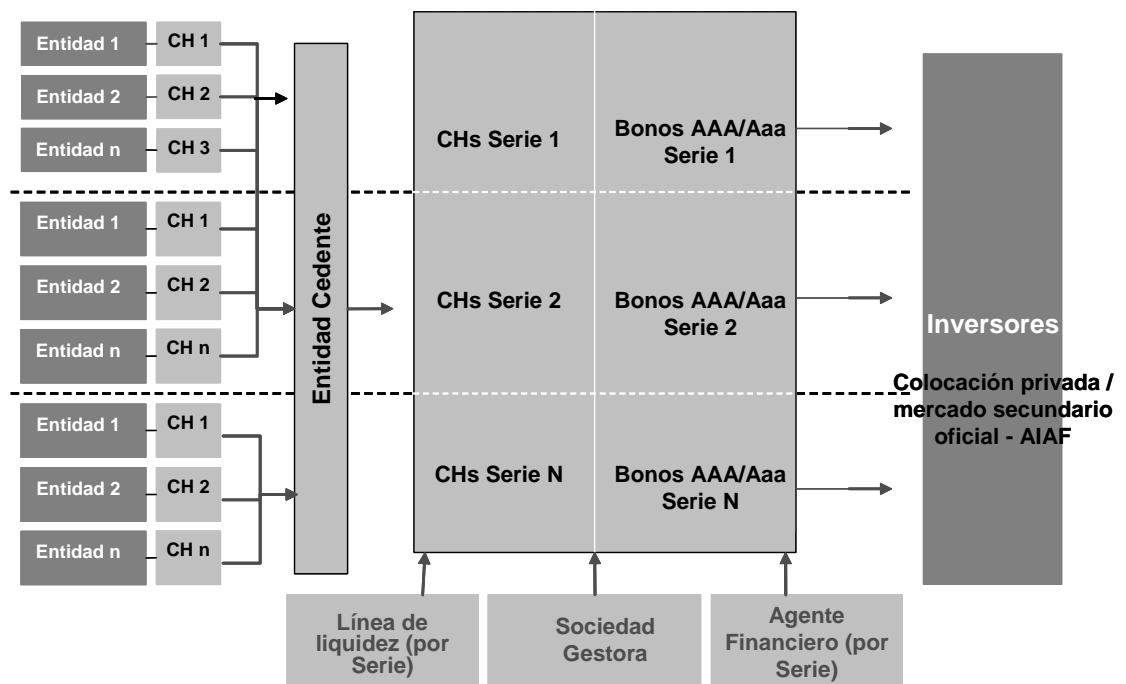
2.4 Representation if the issuer proposes to issue new securities backed by the same assets and description how the holders of that class shall be notified

The various Series of Bonds may extended as set out in section 4.b) of the Securities Note.

The Extension of an Issuance shall always be effected against new Assets acquired by the Fund with the same characteristics as the Assets corresponding to the initial Series (except in terms of their acquisition price, which may be different), and the same nominal Value.

3. STRUCTURE AND CASH FLOW

3.1 Description of the structure of the transaction, including, if necessary, a diagram



(i) Diagram of the structure of the transaction

| | | | |
|--------------------------------------|-------------------------------------|--------------------------------------|--|
| Key to diagram | | | |
| Spanish | English | Spanish | English |
| Entidad | Entity | CH | Mortgage Covered Bond |
| Inversores | Investors | Línea de liquidez (por serie) | Liquidity Facility (per series) |
| Bonos | Bonds | Colocación privada | Private placement |
| Mercado secundario oficial | Official secondary market | Sociedad Gestora | Trustee |
| Agente Financiero (por serie) | Financial Agent (per series) | | |
| | | | |

(ii) Assets and liabilities throughout the life of the Fund

During the life of the Fund and throughout its operation, the assets of the Fund shall comprise:

- (a) Mortgage Covered Bonds of all the Series incorporated in the Fund, assigned by the Assignor
- (b) The current balance of the Cash Collateral Account opened in the name of the Fund in respect of each Bond Series issued
- (c) The interest accrued but not paid on the Mortgage Covered Bonds comprising the assets of the Fund.

During the life of the Fund and throughout its operation, the liabilities of the Fund shall comprise:

- (a) The Bonds of all the Series issued against the Fund's assets
- (b) The interest accrued but not paid on the Bonds and the interest corresponding to the Liquidity facilities
- (c) The amounts drawn down from the Liquidity facilities
- (d) Provisions for Issuers' Extraordinary Expenses or Execution Expenses, as and when appropriate.

3.2 Description of the entities participating in the issuance and description of the functions they should perform

The description of the parties participating in the operation, and the functions they are to perform is set out in section 5.2 of the Registration Document.

The Trustee declares that the summary descriptions of the agreements to be entered into pursuant to each Issuance or Extension contained in the Securities Note and in the

Additional Building Block, contain the most substantial and material information of each agreement, faithfully reflect their content, and omit no information that might affect the content of this Prospectus.

3.3 Description of the method and the date of the sale, transfer, novation, or assignment of the assets, or of any right and/or obligation in the assets to the issuer

a) Assignment of the Assets

On the date de execution of the Articles of Incorporation or the Supplementary Articles thereof, as the case may be, the Issuers shall issue the Assets to be subscribed by the Assignor.

The Assignor shall assign the Assets (of which it shall be the legitimate owner with good title prior to the assignment) to the Fund, for good and valuable consideration, pursuant to the Articles of Incorporation or of the Supplementary Articles thereof, as the case may be.

b) Terms and conditions of the assignment of the Assets

The assignation of the Mortgage Covered Bonds, pursuant to the Articles of Incorporation or of the Supplementary Articles thereof, as the case may be, shall be full and unconditional for all the remaining term until their maturity, including all rights, proceeds, and recourse that the Assignor may have in respect of the Issuers and/or third parties, whether principal, accessory or security (collateralized or personal) rights, including rights of management and legal defence, whether legitimizing claims in respect of the principal, interest, expenses, costs, sanctions, or any other item. The Assignor assumes no obligation to repurchase the Assets.

The Assignment Date of the Mortgage Covered Bonds comprising the Assets corresponding to the first Series shall necessarily coincide with the date of the execution of the Articles of Incorporation, that is, with the date of incorporation of the Fund. The Assignment Date for successive Assets to be incorporated in the Fund shall coincide with the date on which the Series that financed its acquisition was issued, which shall be the Execution Date of the corresponding Supplementary Article.

In accordance with article 348 of the Spanish Code of Commerce, the Assignor's sole responsibility towards the Fund is to ensure the existence and legitimacy of the Assets and the legal capacity under which those Assets are transferred. The Assignor also assumes certain conditions and quality of those Assets, but is not responsible for the creditworthiness of the Issuers or for any claims made by the Issuers, and is thus free from any liability for any default on the part of the Issuers, whether in respect of the principal, the interest, or any other amount arising for the Mortgage Covered Bonds. Neither shall the Assignor be held responsible in any way for guaranteeing directly or indirectly the success of the transaction, nor shall it grant any guarantees or avals, nor enter into any repurchase agreements on the Mortgage Covered Bonds.

c) Price and Payment

The assignment price of the Mortgage Covered Bonds may be at par, above par, or below par, and shall be indicated in the corresponding Closing Conditions to each of the Issuances or Extensions. The assignment price of the Mortgage Covered Bonds shall always be lower than the issuance price of the Bonds issued against them, and the margin is to be used to pay the Ordinary Expenses incurred by the Trustee, in the name and on behalf of the Fund, on occasion of the Issuance or the Extension of the Bonds.

The price of the Mortgage Covered Bonds shall be paid on the Disbursement Date of the Bonds of the corresponding Series against the net issuance amount of those Bonds.

The Assignor shall pay the Issuers the subscription price of the Mortgage Covered Bonds on the corresponding Disbursement Date of the Issuance, with the proceeds of the assignment price. The price paid by the Assignor for the subscription of the Mortgage Covered Bonds of a Series shall be the same as the assignment price of those Mortgage Covered Bonds to the Fund.

d) Transfer of title and ownership of the Assets

The Assets shall be issued as registered bonds in favour of the Assignor, on the same date as the incorporation of the Fund or the execution of the corresponding Supplementary Articles. The Assignor shall subscribe the Assets and receive from the Issuers the physical certificates representing those assets, which the Issuers shall deliver prior to the execution of the Articles of Incorporation or the Supplementary Articles thereof.

Similarly, the Assets shall be assigned to the Fund by the Assignor, on the same date as the incorporation of the Fund or the execution of the corresponding Supplementary Articles. The Fund shall acquire the Assets and shall receive from the Assignor the physical certificates representing those assets, which the Assignor shall deliver on occasion of the execution of the Articles of Incorporation or the Supplementary Articles thereof.

The Trustee, acting in the name and on behalf of the Fund, shall deliver the physical certificates representing those assets to the Financial Agent of the corresponding Series at the same time as the signature of the Financial Servicing Agreement (to take place on the Assignment Date), on the terms and for the purpose described therein.

3.4 Explanation of the flow of Funds

3.4.1. How asset flows are to meet the Issuer's obligations in respect of the holders of the securities

In accordance with the provisions of section 2.2.13 of the Additional Building Block, the Payment Dates for the principal and interest on the Mortgage Covered Bonds shall be at least two (2) Business Days prior to the Payment Dates of the Bonds of the corresponding Series.

On each Payment Date of each Series, the Fund shall effect all payments corresponding to that Series in accordance with the corresponding Payment Priority Order.

3.4.2. Information on credit enhancement

(i) Liquidity Facility

The Trustee, in the name and on behalf of the Fund, shall enter into a liquidity facility for each Series of Bonds to be issued against the Fund in order to enable the Fund to meet its payment obligations to the bondholders and to other creditors with claims on the corresponding Series (jointly, the “**Liquidity Facilities**”, and each one a “**Liquidity Facility**”).

The main characteristics of the Liquidity facilities are set out in the following paragraphs:

1. Use

Each Liquidity Facility may be used exclusively for the payment of interest on the Bonds of the Series covered by the facility and not for the payment of interest on Bonds of other Series, subject to the limits of, and in accordance with the terms and conditions established in, the corresponding Liquidity Facility.

Each Liquidity Facility may also be used to pay the Execution Expenses of the Series covered by the corresponding Liquidity Facility and/or for the Provision for Extraordinary Expenses if on the Expected Maturity Date of the Series covered by the corresponding Liquidity Facility there are any unpaid Mortgage Covered Bonds, all subject to the limits of, and in accordance with the terms and conditions established in, the corresponding Liquidity Facility.

2. Amount

A Maximum Available Amount (the “**Maximum Available Amount**”) shall be calculated for each Liquidity Facility, and shall be indicated in the Closing Conditions of the corresponding Series.

In the event of the partial prepayment of Bonds of a given Series, the Maximum Available Amount of the corresponding Liquidity Facility to that Series shall be reduced proportionally to the prepaid amount of the Bonds.

In the event of the Extension of a Series of Bonds, as provided for in this Prospectus, the Maximum Available Amount shall be updated in accordance with the provisions of section 8 below.

The available balance of the Liquidity Facility at any time shall be equal to the positive difference between the Maximum Available Amount and the amount drawn down.

Notwithstanding the above, any amounts drawn down and repaid to the Lenders in accordance with section 7 following shall once again form part of the available balance of the Liquidity Facility up to the Maximum Available Amount at the time that the repayment was made.

3. Lenders

Each Liquidity Facility shall be provided jointly by one or several credit institutions (the “**Lender**” or the “**Lenders**”). The Lenders shall have a minimum short-term credit rating of P-1 (Moody’s) and better than A-2 (Standard & Poor’s). If the credit rating of any of the Lenders were to fall below the aforementioned levels, the Trustee and that Lender shall make their best effort to find a replacement for the Lender with an appropriate credit rating under the best financial conditions possible, during a maximum period of thirty (30) days, starting from the moment when the Lender’s rating fell. The cost of replacing a Lender shall be borne by the outgoing Lender. No substitution may be made that would have a negative impact on the credit rating of the Bonds.

If in the maximum period of thirty (30) days since the drop in the Lender’s credit rating, no appropriate replacement can be found for the Lender in question, there shall be an automatic drawdown (on the expiry date of that thirty day period, or if it is not a Business Day, on the following Business Day) of the entire percentage interest corresponding to that Lender up to the available amount of the Liquidity Facility in question. This amount shall be deposited in the Cash Collateral Account of the corresponding Series for use by the Trustee, in the name and on behalf of the Fund, for the purposes provided for in section 1 and shall be remunerated in accordance with the provisions of section 6. This deposit shall be held in the corresponding Cash Collateral Account during the entire life of the corresponding Liquidity Facility as per section 4 below, unless the Lender were to regain the necessary credit rating, in which case the Liquidity Facility shall be restored as it was prior to the fall in credit rating.

4. Term

The expiry date of the Liquidity Facilities shall coincide with the Legal Maturity Date of the Fund.

5. Drawdowns

The Trustee, in the name and on behalf of the Fund, may draw down from each Liquidity Facility, by written notification to the corresponding Lenders, subject to the conditions established in the corresponding Liquidity Facility, until the day before the Expected Maturity Date of the Series covered by the Liquidity Facility, when the drawdown is used for the payment of interest on the Bonds of that Series, and until the day before the Legal Maturity Date of the Fund, for all other purposes.

The drawdown request shall indicate the amount to draw down, the drawdown date, and its purpose (that shall be one the possible uses indicated in section 1 above). The disposal shall be made by the Lenders in accordance with the percentage interest that they hold in the corresponding Liquidity Facility.

The funds drawn down of the Liquidity Facility shall be deposited by the Lenders in the Cash Collateral Account of the corresponding Series.

6. Remuneration

The amounts drawn down from each Liquidity Facility shall accrue interest in favour of the Lenders, from the drawdown date until the reimbursement date, at an interest rate that is specified in the Closing Conditions of the corresponding Series, but shall never

be higher than the arrears interest rate on the Mortgage Covered Bonds corresponding to that Series. However, in the event of the mandatory drawdown of all or part of the available amount of the Liquidity Facility in question as a result a fall in a Lender's credit rating, as provided for in section 3, interest on that drawdown shall be accrued at the same rate as that at which the corresponding Financial Agent remunerates the Cash Collateral Account of that series at any given time, unless the drawdown is used for the purposes set out in section 1 above, in which case the amounts shall accrue interest at the rate specified in the Closing Conditions of the corresponding Series. Interest on each Liquidity Facility shall be settled and paid on the Payment Date corresponding to the Series covered by the Liquidity Facility immediately following the drawdown date, or on any other date on which proceeds from the Mortgage Covered Bond of the Series that gave rise to the drawdown are paid, or payment is made for Execution Expenses due, provided that there are Available Funds corresponding to that Series in accordance with the Payment Priority Order. Amounts not paid to the Lenders by virtue of the provisions contained in this section shall not accrue arrears interest in their favour.

On the occasion of each Issuance or Extension, the Fund may pay the Lenders, via a single initial payment, a facility fee and an opening fee on the corresponding Disbursement Date, calculated as set out in the corresponding Closing Conditions, and in the amount indicated therein.

7. Repayment of amounts drawn down

The amounts drawn down from each Liquidity Facility shall be reimbursed to the Lenders on the Payment Date corresponding to the Series covered by the Liquidity Facility immediately following the drawdown date, or on any other date on which proceeds from the Mortgage Covered Bond of the Series that gave rise to the drawdown are paid, or payment is made for Execution Expenses due, provided that there are Available Funds corresponding to that Series in accordance with the Payment Priority Order, until the Legal Maturity Date.

As from the Expected Maturity Date of each Series (inclusive), the Trustee, in the name and on behalf of the Fund, shall repay the amounts drawn down from the corresponding Liquidity Facility, using the Available Funds (in accordance with the Payment Priority Order, and including for that purpose the amounts drawn down from the Liquidity Facility and deposited in the Cash Collateral Account in accordance with the provisions of section 3 above).

8. Extensions

In the event of an Extension of a Series of Bonds as provided for in this Prospectus, the Liquidity Facility covering that Series shall be novated so as to update the Maximum Available Amount and any other conditions that may be necessary to obtain an optimal rating for the new Bonds of the corresponding Series from the Rating Agencies. For this purpose, new Lenders may be brought in (even replacing the initial Lender) provided that they meet the requirements set out in section 3 above.

If, after an Extension, more than one Lender is servicing the same Liquidity Facility, it may be agreed that one entity or the other funds the drawdowns against the Liquidity Facility depending on the application of that drawdown.

The Fund may not Extend a Series if the Liquidity Facility covering the Series of Bonds to be extended cannot be novated as described above.

9. Information

The Trustee shall provide the Lenders with copies of the audited financial statements of the Fund, and all the notifications made by the Trustee to the bondholders and creditors of the Fund in accordance with the provisions of section 4 of the Additional Building Block. The Trustee shall also provide the Lenders access to any information that the Trustee may receive concerning payment rights pursuant to the Mortgage Covered Bonds, together with any information concerning Fund, whether of a financial or other nature, that the Rating Agencies may reasonably request.

10. Repayment of amounts subject to withholding, payment on account, deduction, deposit, or reserve

An obligation may be established whereby if any payment to be made by the Fund to the Lender pursuant to the Liquidity Facility became subject to any withholding, payment on account, deduction, deposit, or reserve due to a legislative change, the Fund would reimburse the Lender in the amount of those withholdings, payments on account, deductions, deposits, or reserves made and not returned, the payment of which would be the responsibility of the Issuers in accordance with the provisions of the corresponding Internal Management Agreement. This arrangement shall be on the understanding that neither the Fund nor the Trustee shall be obliged to make these payments to the Lender if the Fund has not received the corresponding amounts from the Issuers, which amounts may not be used for any purpose other than for reimbursing the Lender, and therefore the Payment Priority Order established in section 3.4.6 of the Additional Building Block shall not apply in this case. All the above is subject to the terms and conditions established in the corresponding Liquidity Facility.

(ii) Provision for Extraordinary Expenses

If any Mortgage Covered Bonds are in default on the Expected Maturity Date of any of the Series, on that date an amount to meet the Execution Expenses of the unpaid Mortgage Covered Bond(s) of the corresponding Series shall be set aside in the Cash Collateral Account for that Series, in accordance with the Payment Priority Order, equivalent to the higher of the following two amounts: (i) 600,000 euros or (ii) 0.6% of the nominal value of the defaulted Mortgage Covered Bond(s), up to a limit set by that part of the Maximum Available Amount of the Liquidity Facility that may be used for the payment of Execution Expenses in accordance with section (i) above (the “**Provision for Extraordinary Expenses**”).

The Provision for Extraordinary Expenses shall be used to meet Execution Expenses after the Expected Maturity Date of the corresponding Series. On the Legal Maturity Date or, if before, on the early liquidation date of the Fund, if there are unused surpluses in the Provision for Extraordinary Expenses, these surpluses may be used to make any payment of that Series in accordance with the Payment Priority Order.

3.4.3. Details of any subordinated financing

None.

3.4.4. Parameters for the investment of temporary liquidity surpluses and the parties responsible for such investment

3.4.4.1. Short-term reinvestment transactions

The Financial Servicing Agreement of each Series may permit the Trustee to make short-term investments of the balance of the Cash Collateral Account corresponding to each Series, taking into account the state of the financial markets and with a view to improving the Fund's performance, provided that least three months (3) notice is given to the Financial Agent. Such investments shall be made in fixed income assets, denominated in Euros, for a maximum amount equivalent to 20% of the unredeemed principal of the Bonds of the corresponding Series, for a term shorter than that remaining until the Payment Date immediately following the date on which the investment is made, up to a maximum of ninety (90) days, and issued by issuers that have a rating of at least P-1 (Moody's), or A-1 (Standard & Poor's) (in the case of assets maturing in less than thirty (30) days) or A-1+ (in the case of assets maturing in between thirty (30) and ninety (90) days) with a weighting of up to 10% for the purposes of calculating capital adequacy. This means that, in this case, the yield obtained is different from the one initially agreed upon in the Financial Servicing Agreement. If the assets in which the aforementioned short-term investment is made are repos, the counterparty of the repos transaction must have a credit rating of at least P-1 (Moody's) or A-1 (Standard & Poor's).

3.4.4.2. Cash Collateral Account

The Trustee shall open, in the name and on behalf of the Fund, a cash collateral account (the "**Cash Collateral Account**") for each Series with the Financial Agent of each Series.

The Cash Collateral Account of each Series shall be managed in accordance with the provisions of the corresponding Financial Servicing Agreement. Amounts received by the Trustee from the following sources are deposited in the Cash Collateral Account of each Series:

- (i) The interest payments on the Mortgage Covered Bonds linked to that Series. These payments shall be received at least two (2) Business Days ahead of the Payment Date of the Bonds of that Series, in accordance with section 2.2.13 of the Additional Building Block
- (ii) The amounts corresponding to the principal of the Mortgage Covered Bonds linked to that Series. These payments shall be received at least two (2) Business Days ahead of the Payment Date of the Bonds of that Series, in accordance with section 2.2.13 of the Additional Building Block
- (iii) Any other amounts collected by the Fund pursuant to the Assets linked to that Series

- (iv) The mandatory drawdown of all or part of the available amount of the Liquidity Facility of the corresponding Series, in accordance with the provisions of section 3.4.2.(i).3 of the Additional Building Block
- (v) Drawdowns from the corresponding Liquidity Facility
- (vi) Proceeds from the balance of the Cash Collateral Account
- (vii) All proceeds from the issuance of the Bonds on the Disbursement Date
- (viii) The Provision for Extraordinary Expenses, as from the Expected Maturity Date of the corresponding Series.

Exceptionally, amounts corresponding to tax withholdings made on payments in accordance with prevailing legislation shall be deposited in the Cash Collateral Account. These amounts shall remain in the Cash Collateral Account until the date it is sent to the tax authorities or until it is returned to the bondholders, as the case may be.

Payments shall be made from the Cash Collateral Account on each Payment Date of the Bonds of a Series, in accordance with the Payment Priority Order of that Series.

Balances of the corresponding Cash Collateral Account shall be remunerated in the manner indicated in the corresponding Closing Conditions.

3.4.5. How payments are collected in respect of the Assets

In accordance with the provisions of section 2.2.13 of the Additional Building Block, if the Payment Date for the interest or, where appropriate, for the principal of the Mortgage Covered Bonds is not a Business Day, the corresponding payment shall be made on the Business Day immediately preceding.

3.4.6. Priority Order for payments made by the issuer

1. Source: Available Funds to meet for payment or withholding obligations listed below in respect of each Series (the “**Available Funds**” of that Series) shall be as follows:
 - (a) Amounts received for ordinary and arrears interest in respect of Mortgage Covered Bonds linked to that Series and, where appropriate, the redemption of the principal of the Mortgage Covered Bonds, deposited in the corresponding Cash Collateral Account.
 - (b) Any amounts received in respect of the execution of the Mortgage Covered Bonds linked to that Series, and the payment of Execution Expenses of a Mortgage Covered Bond unpaid by the corresponding Issuer (although in this latter case, the corresponding amounts shall be used firstly to pay Execution Expenses or to return amounts drawn down from the Liquidity Facility as per section 3.4.2.(i).7 above. The remaining balance, if any, may be used for other purposes in accordance with the Payment Priority Order).

- (c) Drawdowns from the corresponding Liquidity Facility (although these amounts may only be used for the purposes defined in section 3.4.2.(i).1 above).
- (d) The return obtained from the reinvestment of amounts deposited in the Cash Collateral Account of the corresponding Series.
- (e) The Issuers' provision for Execution Expenses or for Extraordinary Expenses, although it may only be used for one purpose or the other, as the case may be.

The amount deposited in the Cash Collateral Account corresponding to the mandatory drawdown of all or part of the available amount of the Liquidity Facility of the corresponding Series shall not, under any circumstances, form part of the Available Funds, in accordance with the provisions of section 3.4.2.(i).3 of the Additional Building Block.

2. Application: the Available Funds of each Series, on each Payment Date for that Series, shall be applied to the performance of the Fund's payment or withholding obligations according to the following Payment Priority Order, on a pro rata basis when two or more amounts due rank equally in the priority order:
 - 1) Payment of the Ordinary Expenses (including the Servicing Fee of the Trustee described in section 3.7.1.d) of the Additional Building Block) and of the Execution Expenses of the corresponding Series and, where appropriate, allocation of the Provision for Extraordinary Expenses on the Expected Maturity Date of the Series.
 - 2) Payment of accrued interest on the Bonds of that Series. If the Available Funds of the Series are insufficient, the available amount shall be distributed among all the Bonds on a pro rata basis proportionately to the amounts due.
 - 3) Payment of accrued interest on amounts drawn down from the corresponding Liquidity Facility.
 - 4) Reimbursement of amounts drawn down from the corresponding Liquidity Facility.
 - 5) Payment of the Redemption of the Bonds of that Series. This includes the payment of any amounts owing to the bondholders as a result of the partial prepayment of the issuance, which can only be satisfied against amounts recovered from the redeemed Mortgage Covered Bond(s). If the Available Funds of the Series were to prove insufficient, the available amount shall be distributed among all the Bonds on a pro rata basis proportionately to the amounts due.
 - 6) When appropriate, return to the Issuers of amounts corresponding to Extraordinary Expenses and Execution Expenses (in this latter case, on the

Expected Maturity Date of the Series in question) that the Issuers had advanced to the Fund in respect of the Bonds of that Series.

7) Payment to the Issuers of the Distributable Surplus for that Series.

The Payment Priority Order of each Series described above should be understood without prejudice to any exceptions that may arise in accordance with the provisions of section 4.9.2 of the Securities Note.

Within each of the above points of the Payment Priority Order of each Series, first ranked are amounts due but not paid on dates prior to the Payment Date for that Series, and then amounts due on that Payment Date.

On each Payment Date, the remaining balances of the Cash Collateral Account shall coincide with the “**Distributable Surplus**” (ranked 7th in the Payment Priority Order) and shall be transferred to the Issuers of the Mortgage Covered Bonds linked to that Series.

a) Expenses of the Fund

The Trustee, in the name and on behalf of the Fund, shall pay the ordinary expenses or taxes of the Fund (the “**Ordinary Expenses**”) against:

- (i) In respect of the Ordinary Expenses that the Trustee, in the name and on behalf of the Fund, must pay in respect of Issuances and Extensions made against the Fund, the difference in favour of the Fund between the price to be paid by the Assignor for the assignment of the Mortgage Covered Bonds and the redemption price of the Bonds that it receives
- (ii) In respect of the Ordinary Expenses that the Trustee, in the name and on behalf of the Fund, must pay on each Payment Date, the difference in favour of the Fund between the interest that it has to pay to the bondholders on each Payment Date, and the interest that it receives from the Mortgage Covered Bonds linked to the corresponding Series.

For merely informative purposes, Ordinary Expenses are:

- the Servicing Fee of the Trustee described in section 3.7.1.d) of the Additional Building Block
- Professional expenses, rates and fees in respect of the incorporation of the Fund, the registration of the Fund in the official registers of the CNMV, issuance of the Bonds, and their admission to trading in the AIAF, where appropriate.
- Adverts and announcements
- Fees of the professional consultants who took part in the design and incorporation of the Fund
- Audit expenses of the Fund

- Expenses in respect of the credit rating of the Bonds and the maintenance of those ratings by the Rating Agencies
- Fees and expenses in respect of financial service agreements and transactions in which the Fund entered into (such as facility fees and opening fees of the Liquidity Facilities, the Underwriting Fee, the Financial Agent's fee, and the Liquidity Fee).

The Trustee shall charge Ordinary Expenses to the Series or various Series that incurred them. If it is not possible to determine the amount of Ordinary Expenses chargeable against each of various Series involved, the total amount of the Ordinary Expenses shall be distributed among them all on a pro rata basis proportionately to the nominal outstanding balance at the time the Ordinary Expense falls due.

Similarly, if a given Ordinary Expense is not chargeable to one or several specific Series but to the Fund or all the Series in general, the amount of that Ordinary Expense shall be distributed among all the Series on a pro rata basis proportionately to the nominal outstanding balance at the time the Ordinary Expense falls due.

If the Funds referred to in sections (i) and (ii) above are insufficient to cover the Ordinary Expenses, the uncovered amount shall be considered as an Extraordinary Expense for the purpose of provisions of the following paragraphs.

The Extraordinary Expenses in respect of the execution of the Mortgage Covered Bonds (the **"Execution Expenses"**), without prejudice to the assumption by the Issuers whose Mortgage Covered Bonds are in default of the obligation to pay these expenses, they shall be satisfied by the Trustee, in the name and on behalf of the Fund, where appropriate, against (i) the corresponding Liquidity Facility subject to the limits and in accordance with the terms and conditions established in the Liquidity Facility agreement or, where appropriate, against (ii) the Provision for Extraordinary Expenses and if that is insufficient, against an extraordinary provision to be made by the Issuers of the corresponding Series, with the exception of the Issuer who issued the Mortgage Covered Bond being executed (on a pro rata basis according to the amount of the Mortgage Covered Bond issued by each Issuer), and all the above without prejudice to the right of those Issuers to recover the above amounts on the Expected Maturity Date of the corresponding Series, in accordance with the provisions of the Payment Priority Order contained in the Prospectus.

The Trustee shall advise the Issuers of the existence of Extraordinary Expenses other than those in respect of the execution of the Mortgage Covered Bonds (the **"Extraordinary Expenses"**) that shall be paid by the Issuers (on a pro rata basis according to the amount of the Mortgage Covered Bond issued by each Issuer) into the Fund's Cash Collateral Account for the corresponding Series. The Extraordinary Expenses of each Series that have been charged against provisions made by the Issuers for that purpose shall be repaid to the Issuers on the following Payment Date of the corresponding Series, in accordance with the Payment Priority Order of that Series.

b) Internal Management Agreement

The Trustee, in the name and on behalf of the Fund, together with the Assignor and the Issuers of the Mortgage Covered Bonds of each Series of Bonds, shall enter into an agreement (the “**Internal Management Agreement**”), and shall make the calculations necessary for the proper distribution of the Distributable Surplus among the Issuers.

The Distributable Surplus shall be payable to the Issuers on each Payment Date. The distribution of the Distributable Surplus among the Issuers shall be performed by the Trustee in proportion to (i) the nominal value that the Mortgage Covered Bond issued by each Issuer represents in respect of all the Assets linked to the corresponding Series and (ii) the time that the Mortgage Covered Bond issued by each Issuer has formed part of the assets of the Fund, all the above in accordance with the provisions of the Internal Management Agreement corresponding.

The Internal Management Agreement governs other issues, such as partial Prepayments of the Mortgage Covered Bonds, the assumption by the Issuers of the obligation to pay the Execution Expenses of the Mortgage Covered Bonds that are unpaid, the provisions to be made by the Issuers to cover Extraordinary Expenses and Execution Expenses, all in accordance with section a) above, or the information rights of the holders of the Mortgage Covered Bonds.

In accordance with the Internal Management Agreement, each Issuer undertakes to place at the disposal of the legitimate owner of the Mortgage Covered Bond issued by each of them, any information about themselves as Issuer, and about the Mortgage Covered Bond that that bondholder may reasonably request.

The Internal Management Agreement also states that, in the event of any direct or indirect tax, levy, or withholding being introduced in the future on payments due to the Fund in respect of Mortgage Covered Bonds, the Issuers would be liable for those amounts (on the understanding that the Fund shall receive the amount that they would have received if no such direct or indirect tax, levy, or withholding had existed), and that such amounts shall be returned to the Issuers if the Fund should subsequently recover them.

3.4.7. Other arrangements upon which payments of interest and principal to investors are dependent

Not applicable.

3.5 Name, address and significant economic activities of the originator of the securitized assets

The Assignor of the Assets is SANTANDER INVESTMENT BOLSA, SOCIEDAD

CUENTA DE PÉRDIDAS Y GANANCIAS PÚBLICA

ENTIDAD: SANTANDER INVESTMENT BOLSA, S.V., S.A.
miles de €

31-dic-06 30-jun-06 31-dic-05

DEBE

Importe Importe Importe

| | | | |
|--|----------------|----------------|----------------|
| 1. Intereses de los pasivos | 328 | 151 | 138 |
| 2. Pérdidas en cartera de negociación y productos derivados | 149.616 | 80.432 | 98.128 |
| 2.1. Por ventas y amortizaciones | 19.350 | 11.152 | 21.308 |
| 2.2. Provisiones por minusvalías | 15.222 | 13.573 | 0 |
| 2.3. En operaciones de futuros financieros y opciones | 115.044 | 54.940 | 76.820 |
| 2.4. Otras | 0 | 767 | 0 |
| 3. Corretajes y comisiones satisfechos | 16.923 | 8.194 | 11.549 |
| 4. Gastos de explotación | 30.012 | 13.676 | 26.543 |
| 4.1. De personal | 16.803 | 7.658 | 14.757 |
| 4.2. Generales, contribuciones e impuestos y amortizaciones del inmovilizado | 13.209 | 6.018 | 11.786 |
| 5. Otras dotaciones | -676 | -128 | 2.710 |
| 6. Otras pérdidas | 521 | 56 | 5.751 |
| 7. Impuesto sobre beneficios | 29.275 | 0 | 21.357 |
| 8. Saldo acreedor o beneficio neto | 62.930 | 30.164 | 46.616 |
| TOTAL DEBE | 288.929 | 132.545 | 212.792 |

HABER

| | | | |
|---|----------------|----------------|----------------|
| 1. Intereses y dividendos de inversiones | 15.726 | 5.489 | 11.852 |
| 2. Beneficios en cartera de negociación y productos derivados | 147.443 | 77.266 | 98.250 |
| 2.1. Por ventas y amortizaciones | 49.882 | 18.213 | 37.752 |
| 2.2. Recuperación y aplicación de provisiones | 15.126 | 12.559 | 243 |
| 2.3. En operaciones de futuros financieros y opciones | 82.435 | 46.494 | 60.248 |
| 2.4. Otros | 0 | 0 | 7 |
| 3. Comisiones percibidas | 124.911 | 49.620 | 101.923 |
| 3.1. Tramitación y ejecución de órdenes | 95.489 | 43.055 | 64.161 |
| 3.2. Aseguramiento y colocación de emisiones | 28.787 | 6.230 | 33.806 |
| 3.3. Gestión de carteras | 0 | 0 | 0 |
| 3.4. Otras | 635 | 335 | 3.956 |
| 4. Otras ganancias | 849 | 170 | 767 |
| 5. Saldo deudor o quebranto neto | 0 | 0 | 0 |
| TOTAL HABER | 288.929 | 132.545 | 212.792 |

DE VALORES, S.A., with registered office in Boadilla del Monte (Madrid).

The financial information shown below corresponds with the information contained in the financial statements required under CNMV regulations. The information at December 31, 2005 and 2006 has been audited.

BALANCE PÚBLICO

ENTIDAD: SANTANDER INVESTMENT BOLSA, S.V., S.A.
miles de €

31-dic-06 30-jun-06 31-dic-05

ACTIVO

| | Importe | Importe | Importe |
|--|---------|---------|---------|
| 1. Inmovilizado | 104 | 157 | 234 |
| 1.1. Inmovilizado material | 96 | 147 | 217 |
| 1.2. Activos inmateriales y ficticios | 8 | 10 | 17 |
| 2. Cartera de acciones permanente | 6.243 | 6.243 | 6.218 |
| 2.1. Cartera de acciones permanente | 6.243 | 6.243 | 6.218 |
| 2.2. Menos provisiones por valoración | 0 | 0 | 0 |
| 3. Inversiones dudosas, morosas o en litigio | 3 | 3 | 0 |
| 3.1. Inversiones dudosas, morosas o en litigio | 4 | 3 | 0 |
| 3.2. Menos provisiones por insolvencias | -1 | 0 | 0 |
| 4. Inversiones vencidas pendientes de cobro | 0 | 0 | 0 |
| 5. Cuentas diversas | 12.521 | 11.954 | 7.439 |
| 5.1. Cuentas de periodificación y compensadoras de pasivos | 5.196 | 6.970 | 2.722 |
| 5.2. Otras cuentas | 7.325 | 4.984 | 4.717 |
| 6. Crédito a particulares | 914 | 1.183 | 2.271 |
| 7. Cartera de negociación | 289.044 | 285.589 | 211.787 |
| 7.1. Acciones y participaciones | 157.677 | 160.011 | 82.536 |
| 7.2. Otros | 131.483 | 126.612 | 129.271 |
| 7.3. Menos provisiones por valoración | -116 | -1.034 | -20 |
| 8. Intermediarios financieros. Inversiones directas | 38.490 | 38.729 | 46.408 |
| 9. Tesorería | 0 | 0 | 0 |
| | 347.319 | 343.858 | 274.357 |

PASIVO

| | | | |
|--|---------|---------|---------|
| 1. Fondos propios | 55.594 | 95.094 | 64.977 |
| 1.1. Capital social | 24.882 | 24.882 | 24.882 |
| 1.2. Reservas acumuladas | 30.712 | 70.212 | 40.095 |
| 1.3. Acciones propias | 0 | 0 | 0 |
| 1.4. Accionistas | 0 | 0 | 0 |
| 2. Resultados del ejercicio | 62.930 | 30.164 | 46.616 |
| 3. Financiación subordinada | 0 | 0 | 0 |
| 4. Otros empréstitos | 0 | 0 | 0 |
| 5. Financiación directa de intermediarios financieros | 32.301 | 29.180 | 12.945 |
| 6. Financiaciones de la clientela | 61 | 33.555 | 0 |
| 7. Cuentas diversas | 196.433 | 155.865 | 149.819 |
| 7.1. Fondos especiales | 11.165 | 11.905 | 12.374 |
| 7.2. Cuentas de periodificación y compensadoras de activos | 14.680 | 7.434 | 9.229 |
| 7.3. Otras cuentas | 170.588 | 136.526 | 128.216 |
| TOTAL PASIVO | 347.319 | 343.858 | 274.357 |

CUENTAS DE RIESGO Y COMPROMISO

| | | | |
|---|---------|---------|---------|
| 1. Avals y garantías concedidas | 13.721 | 12.981 | 12.910 |
| 2. Valores propios cedidos en préstamo | 1.620 | 1.281 | 1.770 |
| 3. Compromisos de compra-venta de valores a plazo | 0 | 0 | 0 |
| 4. Compromisos por asegamiento de emisiones | 0 | 0 | 0 |
| 5. Otras cuentas de riesgo y compromiso | 242.261 | 374.714 | 151.263 |
| TOTAL CUENTAS DE RIESGO Y COMPROMISO | 257.602 | 388.976 | 165.943 |

OTRAS CUENTAS DE ORDEN

| | | | |
|--|---------|---------|---------|
| 1. Depósitos de títulos | 217.733 | 0 | 0 |
| 2. Carteras gestionadas | 0 | 0 | 0 |
| 3. Plusvalías de cartera no materializadas | 256 | 2.348 | 144 |
| 4. Otras cuentas de orden | 281.700 | 173.371 | 120.542 |
| TOTAL OTRAS CUENTAS DE ORDEN | 499.689 | 175.719 | 120.686 |

RECURSOS PROPIOS COMPUTABLES

| ENTIDAD: SANTANDER INVESTMENT BOLSA, S.V., S.A. miles de € | 31-dic-06 | 30-jun-06 | 31-dic-05 |
|---|----------------|----------------|----------------|
| | Importe | Importe | Importe |
| RECURSOS PROPIOS BÁSICOS: | | | |
| Capital social excluidas acciones sin voto | 24.882 | 24.882 | 24.882 |
| Reservas efectivas y espesas y remanentes | 86.712 | 86.712 | 73.095 |
| Resultados del ejercicio corriente y precedentes aplicables | 0 | 0 | 0 |
| Fondos afectos al conjunto de riesgos de la entidad | 1.050 | 1.050 | 1.050 |
| Resultados negativos de ejercicios anteriores | 0 | 0 | 0 |
| Resultados negativos del ejercicio corriente | 0 | 0 | 0 |
| Activos inmateriales y ficticios | 8 | 10 | 17 |
| Valores computables como recursos propios en poder de la entidad | 0 | 0 | 0 |
| Valores de la sociedad poseídos por sociedades no consolidables | 0 | 0 | 0 |
| Financiaciones a terceros para la compra de acciones de la propia sociedad | 0 | 0 | 0 |
| TOTAL RECURSOS PROPIOS | 112.636 | 112.634 | 99.010 |
| RECURSOS PROPIOS DE SEGUNDA CATEGORÍA: | | | |
| Reserva de regularización, revalorización o actuación | 0 | 0 | 0 |
| Acciones sin voto | 0 | 0 | 0 |
| Financiaciones subordinadas (requisitos del art. 22.3 del Real Decreto 1343/1992) | 0 | 0 | 0 |
| Financiaciones de duración indeterminada | 0 | 0 | 0 |
| TOTAL RECURSOS PROPIOS DE SEGUNDA CATEGORÍA | 0 | 0 | 0 |
| RECURSOS PROPIOS DE TERCERA CATEGORÍA: | | | |
| Financiaciones subordinadas (def. alternativa art. 41.2 del Real Decreto 1343/1992) | 0 | 0 | 0 |
| Activos ilíquidos (Norma 3.2 Circular 6/1992) | 0 | 0 | 0 |
| TOTAL RECURSOS PROPIOS DE TERCERA CATEGORÍA | 0 | 0 | 0 |
| OTRAS DEDUCCIONES DE RECURSOS PROPIOS: | | | |
| Participaciones en entidades financieras no grupo > 10% capital de la participada | 0 | 0 | 0 |
| Valores computables emitidos por participadas y adquiridos por la sociedad | 0 | 0 | 0 |
| Partic. y financ. subordinadas en financieras (no grupo) que sumadas > 10% R.P. | 0 | 0 | 0 |
| Déficit en provisiones o fondos específicos de dotación obligatoria | 0 | 0 | 0 |
| Exceso de participaciones en entidades de carácter no financiero | 0 | 0 | 0 |
| TOTAL RECURSOS PROPIOS COMPUTABLES (A) | 112.636 | 112.634 | 99.010 |
| RECURSOS PROPIOS EXIGIBLES (El mayor entre C, G H y I =B) | | | |
| Dos tercerc partes del capital social mínimo (C) | 7.545 | | |
| Nivel de riesgos asumidos (D + E + F = G) | 1.333 | 6.667 | 6.820 |
| Cartera de valores de negociación (D) | 4.246 | 1.333 | 1.333 |
| Crédito (E) | 3.196 | 5.556 | 3.549 |
| Tipo de cambio (F) | 1.050 | 4.518 | 2.298 |
| Exigencias de base (25% gastos de estructura) (H) | 0 | 1.038 | 1.251 |
| Carteras gestionadas (5% volumen carteras gestionadas) (I) | 7.545 | 0 | 0 |
| SUPERÁVIT O DÉFICIT DE RECURSOS PROPIOS (A-B) | 105.091 | 105.967 | 92.190 |
| PROMEMORIA | | | |
| A) ACTIVOS ILÍQUIDOS: | | | |
| 1. CARTERA DE ACCIONES PERMANENTES Y PARTICIPACIONES EN ENTIDADES FINANCIERAS .. | 6.243 | 6.243 | 6.218 |
| 2. INMOVILIZADO MATERIAL | 96 | 147 | 217 |
| 3. INVERSIONES DUDOSAS, MOROSAS O EN LITIGIO | 4 | 3 | 0 |
| 4. CUENTAS COMPENSADAS DE PASIVOS | 0 | 58 | 387 |
| 5. RESTO DE ACTIVOS NO REEMBOLSABLES EN UN PERIODO INFERIOR A 90 DÍAS | 0 | 0 | 0 |
| TOTAL ACTIVOS ILÍQUIDOS | 6.343 | 6.451 | 6.822 |
| B) TOTAL CARTERA DE NEGOCIACIÓN EN VALOR ABSOLUTO | 615.063 | 577.879 | 431.175 |

3.6 Yield and/or repayment of securities linked to others which are not assets of the issuer

Not applicable.

3.7 Administrator, calculation agent or equivalent

3.7.1. Management, administration, and representation of the Fund and of holders of the securities

a) General duties of the Trustee

The administration and legal representation of the Fund is the responsibility of the Trustee, whose name, address, and significant activities are listed in the Registration Document under the terms of Royal Decree 926/1998 and other applicable legislation.

It is also the responsibility of the Trustee, in its capacity as third-party business manager, to represent and defend the interests of the bondholders and of the other unsecured creditors of the Fund. Consequently, the Trustee shall at all times protect the interests of the bondholders, subordinating its actions to their defence and complying with any provisions to that effect.

In performance of its administrative duties and in its capacity as legal representative of the Fund, the Trustee shall carry out the following functions. The information below is provided for merely informative purposes and without prejudice to other functions described in the Articles of Incorporation and this Prospectus:

- (i) To open, in the name of the Fund, the Cash Collateral Account for each Series with the Financial Agent of each Series, and to proceed in the manner set out in this Prospectus in the event of the Financial Agent of any Series being assigned at any time a credit rating lower than P-1 (Moody's) or A-1 (Standard & Poor's)
- (ii) To exercise the rights inherent to the ownership of the Assets of the Fund and, in general, to perform all the administrative and dispositive actions necessary for the proper performance of the administration and the legal representation of the Fund
- (iii) To be responsible for the financial administration of the Assets with care and rigor, to the benefit of the bondholders
- (iv) To check that the amount of revenue that the Fund actually receives corresponds with the amounts that the Fund should yield given the characteristics of the Assets and the various agreements entered into
- (v) To enable the Fund to operate under the terms and conditions set out in the Prospectus and in prevailing legislation. To this end the Trustee shall enter into whatever agreements are necessary, shall extend or modify agreements already entered into in the name of the Fund, shall replace any service providers to the Fund pursuant to those agreements and may even, if necessary, enter into additional agreements all the above subject to prevailing legislation, prior authorization, if necessary, from the CNMV or from a competent administrative body, and notification to the Rating Agencies, always with the proviso that such actions do not cause a drop in credit rating or harm the interests of the bondholders of any Series

- (vi) To appoint and replace, when necessary, the auditor responsible for auditing the Fund's financial statements
- (vii) To keep the Fund's accounts with due separation between the Fund's accounts and the Trustee's own accounts, to render the accounts, and to meet tax obligations or comply with any other legal order against the Fund (through, where appropriate, the Financial Agent of each Series)
- (viii) To provide the bondholders of all the Series issued against the Fund, the CNMV, and the Rating Agencies, whatever information and notifications that prevailing legislation requires them to provide and, in particular, those provided for in this Prospectus
- (ix) To take the appropriate decisions in respect of the liquidation of the Fund or any of its Series, in accordance with the provisions of this Prospectus
- (x) Not to perform any acts that might downgrade the Bonds' credit rating and to strive to take any measures reasonably within its power to ensure that the Bonds' rating is not impacted negatively at any moment
- (xi) To manage the Fund such that its net asset values is always nil
- (xii) To take the appropriate decisions to ensure that the amounts received from the Issuers in respect of interest, principal and from any other source relating to the Mortgage Covered Bonds linked to that Series are deposited in the Cash Collateral Account. In accordance with section 2.2.13 of the Additional Building Block such payments shall be received at least two (2) Business Days ahead of each Payment Date of the Series in question
- (xiii) To request drawdowns from the Liquidity Facility and, where appropriate, deposit the amounts in the corresponding Cash Collateral Account
- (xiv) To take care that the amounts deposited in the Cash Collateral Account of each Series generate the yield established in the corresponding Financial Servicing Agreement. Notwithstanding the above, taking into account the state of the financial markets and in order to enhance the Fund's performance, the Trustee may make use the balances of the Cash Collateral Account of any Series to make short-term investments, as provided for in section 3.4.4.1 of the Additional Building Block
- (xv) To apply the Available Funds of each Series to the performance of payment obligations of the Fund, under the terms provided for in this Prospectus and in the Payment Priority Order of that Series
- (xvi) To calculate the Variable Nominal Interest Rate applicable to variable rate Series on each relevant date.

The Trustee shall perform its duties with the due diligence required by Royal Decree 926/1998. It shall represent the Fund and defend the interests of the bondholders and of the other creditors of the Fund as if they were its own, with the utmost degree of

care, information, and defence of the interests of the bondholders and avoiding situations leading to conflicts of interest, giving priority to the interests of the bondholders and the other creditors of the Fund over its own interests. The Trustee shall be responsible to the bondholders and other creditors of the Fund for any damage down to them as a result of the non-performance of its duties. The Trustee may also be liable for disciplinary proceedings under the provisions of Law 19/1992.

The Trustee has the necessary resources, including appropriate IT system, to perform its administrative duties in respect of the Fund as provided for in Royal Decree 926/1998.

The Trustee has set up a set of Internal Rules of Conduct in accordance with the provisions of Chapter II of Royal Decree 629/1993, of May 3, on Rules of Conduct in Securities Markets and Mandatory Registers, which was duly reported to the CNMV.

The Trustee may act as Trustee of the Fund and of any other Securitization fund without the simultaneous management of more than one fund constituting in any way a breach of its duty of diligence as Trustee of the Fund or other Securitization funds.

b) Subcontracting

The Trustee shall be authorized to subcontract or delegate to third parties of proven solvency and capacity the provision of any services of an administrative nature falling within the Trustee's scope of duties as administrator and legal representative of the Fund, in accordance with the provisions of this Prospectus and the Articles of Incorporation of the Fund, provided that the subcontractor or delegate has waived the right to file suit against the Fund. The subcontracting or delegation of any service (i) may not mean any additional cost or expense for the Fund, (ii) must be legally viable, (iii) shall not downgrade the credit ratings assigned to the Bonds, and (iv) shall be reported to the CNMV, and if necessary, shall be duly authorized previously. The subcontracting or delegation of tasks does not release the Trustee of any of the responsibilities assumed in this Prospectus or that may be recognizable and/or enforceable under the law.

c) Resignation and substitution of the Trustee

The Trustee shall be substituted as the administrator and representative of the Fund in accordance with provisions to that effect. Thus, in accordance with the provisions of articles 18 and 19 of Royal Decree 926/1998, the substitution of the Trustee shall follow the procedure set out below:

- (i) The Trustee may resign its duties whenever it sees fit and may voluntarily request its substitution, in a written notification to the CNMV which shall also include the appointment of a new replacement Trustee. This notification shall be accompanied by a submission from the new Trustee, duly authorized and registered as such in the special registers of the CNMV, in which the new Trustee shall declare its willingness to accept the position and request the corresponding authorization. The resignation of the Trustee and the appointment of a new company as Trustee of the Fund must be approved by the CNMV. Under no circumstances must the Trustee resign the performance of its duties until all the requirements and procedures necessary for the new Trustee to assume its

responsibilities towards the Fund have been completed. Neither may the Trustee resign its duties if, as a result of the ensuing substitution, the credit rating assigned to the Series of Bonds issued against the Fund were to be downgraded. All expenses generated by the substitution process shall be borne by the Trustee and under no circumstances may be passed on to the Fund.

- (ii) If the Trustee incurs in any of the causes for dissolution set out in number 1 of article 260 of the Law of Joint Stock Companies, the Trustee shall be replaced. The existence of such causes shall be reported by the Trustee to the CNMV. In this case, the Trustee shall be obliged to meet the provisions of section (i) above prior to its dissolution.
- (iii) If the Trustee were to be declared bankrupt, or its authorization were revoked, it shall initiate proceedings to appoint a new Trustee to replace it. The substitution must be completed within four (4) months of the date when the event triggering the substitution occurred. If after four (4) months of the date when the event triggering the substitution occurred the Trustee has not appointed a new Trustee, the Fund shall be liquidated early and the Bonds shall be prepaid, in accordance with the provisions of section 4.4.3.2 of the Registration Document.
- (iv) The substitution of the Trustee and the appointment of the new company, approved by the CNMV in accordance with the provisions of the preceding paragraphs, shall be reported to the Rating Agencies and shall be announced, within fifteen (15) days of the event, by placing an announcement in two daily newspapers with a wide circulation and in the AIAF bulletin.

The Trustee is obliged to execute whatever public or private documents that may be necessary to facilitate its substitution by another fund management company, in accordance with the provisions of the preceding paragraphs in this section. The replacement Trustee shall assume the rights and obligations of the Trustee as set out in the Additional Building Block to the Securities Note. The outgoing Trustee shall also hand over to the new Trustee all documents, accounting records, and computerized files relating to the Fund in its possession.

d) Remuneration

In consideration of these duties, the Fund shall pay the Trustee on each Date Payment, in relation to each Series, a Servicing Fee (the “**Servicing fee**”), equivalent to 0.5 basis points (0.005%) of the amount of unredeemed principal of the Mortgage Covered Bonds linked to the Series in question on that Payment Date.

If SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is replaced by another securitization fund manager as Trustee of the Fund between two Payment Dates, SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. shall receive from the incoming Trustee, on the corresponding Payment Date of the Fund, the proportional amount of the Servicing Fee corresponding to SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.

3.7.2. Administration and custody of the securitized assets

The Trustee shall administrate and manage the collection of the Assets assigned to the Fund, and shall also be responsible for the financial management of the Fund (“**Management Services**”) with the same diligence as if the assets were its own. The Trustee shall be responsible to the Fund and shall compensate the Fund for any damage, loss, or expense that it may cause by the non-performance of the aforementioned Management Services or by the wrongful or negligent performance of those duties by the Trustee. However, the Trustee is not in any way responsible, directly or indirectly, for the success of the operation.

The Fund shall receive whatever amounts are satisfied by the Issuers in respect of the Mortgage Covered Bonds, whether in respect of principal, interest, or any other source, and shall take the measures that it deems appropriate to deposit those amounts in the Cash Collateral Account of the corresponding Series.

The Trustee shall not, under any circumstances, advance any amount that it has not previously received from the Issuers in respect of principal, interest, prepayment, or other amounts, derived from the Assets.

The fee received by the Trustee for Management Services is included in the Servicing Fee it receives in accordance with the provisions of section 3.7.1.d) of the Additional Building Block.

The Trustee shall be authorized to delegate the performance of some or all of the Management Services of an administrative nature (although under no circumstances may it delegate the performance of core Management Services), subject to the conditions and for the purposes set out in section 3.7.1.b) above.

The Trustee shall perform Management Services until (i) all the Mortgage Covered Bonds have been redeemed, (ii) all obligations in respect of the Mortgage Covered Bonds have been extinguished, and (iii) until the liquidation of the Fund has been completed, once the Fund is extinguished.

Pursuant to the Financial Servicing Agreement, the Financial Agent of each Series shall act as the depository of the physical certificates representing the Mortgage Covered Bonds linked to that Series in accordance with the provisions of section 5.2 of the Securities Note.

3.7.3. Recourse in the event of default of the Mortgage Covered Bonds

a) Recourse of the Fund

The Fund, through the Trustee, shall have recourse to summary proceedings against Issuers that default on their payment obligations in respect of the Mortgage Covered Bonds that they themselves have issued. Such action should take the form of summary proceedings pursuant to articles 517 and following of the Law of Civil Judgement.

Without prejudice of the above, the Fund, through its Trustee, may bring a declaratory action against Issuers that default on their payment obligations in respect of the

Mortgage Covered Bond. The exact nature of the declaratory proceedings shall depend on the amount involved.

The Fund may also file suit against Issuers and the Assignor for damages arising from incorrect or inaccurate representations made pursuant to section 2.2.8 of the Additional Building Block.

b) Recourse of the Assignor

The Assignor may file suit against the Issuers of the Mortgage Covered Bonds subscribed by them and assigned to the Fund for damages arising from the non-performance of their payment obligations in respect of the Mortgage Covered Bonds, or if the Mortgage Covered Bonds suffer from hidden defects, or if the representations made pursuant to section 2.2.8 of the Additional Building Block were incorrect or inaccurate, and the defect in question was not rectified under the terms provided for in section 2.2.9 of the Additional Building Block, and also for any cause imputable to the Issuers or the Mortgage Covered Bonds that the Issuers subscribed and the Assignor assigned.

c) Recourse of bondholders and other creditors

The bondholders and other unsecured creditors of the Fund may not take direct action against an Issuer who has defaulted on its payment obligations, or against the Assignor. As the custodian of the Fund it falls to the Trustee to take such action

The bondholders and other unsecured creditors of the Fund have no recourse against the Trustee, unless it is for breach of its legal obligations and functions or for breach of the provisions of the Articles of Incorporation or the Supplementary Articles thereof, of this Prospectus, or of applicable prevailing legislation. Any such suit shall be pursued in an ordinary civil action

3.8 Name and address and a brief description of any swap, liquidity, credit or account transaction counterparties

The name and address of the Lenders participating in each Liquidity Facility in respect of successive Issuances shall be listed in the Closing Conditions of the corresponding Series.

The name and address of the Financial Agent of each Series maintaining a Financial Servicing Agreement with the Trustee, in the name and on behalf of the Fund, as set out in section 5.2 of the Securities Note, shall be listed in the Closing Conditions of the corresponding Series.

4. POST ISSUANCE INFORMATION

4.1 Duties and schedule for the preparation, verification, and approval of the Fund's financial statements and management report

The Trustee shall submit to the CNMV the annual financial statements of the Fund together with the corresponding audit report, within four (4) months following the close

of the Fund's accounting year, coinciding with the end of the calendar year (i.e. before April 30 of each year).

4.2 Duties and schedule for the announcement to the public and reporting to the CNMV and the Rating Agencies of regular information concerning the Fund's performance

For the exact performance of the conditions of the issuance, the Trustee undertakes to make the following notifications, respecting the schedule for each one.

4.2.1. Regular ordinary notifications

The Trustee shall make all required documentation and information available to the public in accordance with the Articles of Incorporation and this Prospectus.

1. At last one (1) calendar day prior to each Payment Date of each Series, the Trustee shall advise the bondholders of that Series of the Variable Nominal Interest Rate applicable (where appropriate), the resulting interest on the Bonds, and the amounts of interest accrued but not paid due to insufficient Available Funds, in accordance with the Payment Priority Order for that Series.

The above information shall be reported to IBERCLEAR, to the AIAF, to the Financial Agent, and to the Assignor at least one (1) calendar day before each Payment Date of each Series.

2. The Trustee shall issue an annual report containing:
 - a) An inventory of the portfolio of Mortgage Covered Bonds of each Series
 - b) The balance of the Cash Collateral Account of each Series
 - c) The nominal and the percentage of the Bonds of each Series not yet due
 - d) Where appropriate, amounts of interest corresponding to the Bonds of each Series accrued but not paid
 - e) Where appropriate, unpaid amounts of the Mortgage Covered Bonds of each Series
 - f) The amount drawn down from the Liquidity Facilities
 - g) A detailed analysis of the income from the Fund and of the application of that income to the payment obligations of the Fund
 - h) Any other issue materially affecting the issuance of the Bonds of that Series.

This information shall conform to the requirements established by the CNMV for that purpose. The report shall be sent to the CNMV. Similarly, the Rating Agencies shall be provided with the information they require on a regular basis, in the manner described in section 7.5 of the Securities Note.

4.2.2. Extraordinary notifications

The Fund, through its Trustee, shall inform the bondholders of any significant event that may occur in relation to the Assets, the Bonds, the Fund, and the Trustee itself, that might have a material impact on the trading of the Bonds and, in general, shall report any significant change in the assets or liabilities of the Fund, and of any decision to effect the prepayment or early liquidation of any Series of Bonds, or of all the Series, due to any of the causes set out in the Prospectus.

4.2.3. Procedure

The notifications to bondholders pursuant to the above that the Fund is obliged to make through its Trustee shall be made in the following manner:

1. The ordinary regular notifications referred to in section 4.2.1. above, by publication either in the AIAF's daily bulletin, or any other that may replace it in the future, or others of a similar nature, or by placing an announcement in a daily newspaper with a wide circulation in Spain.
2. The extraordinary notifications referred to in section 4.2.2. above, by placing an announcement in a daily newspaper with a wide circulation in Spain.

Additionally the notifications referred to above may be delivered by means of announcements in other widely disseminated media.

3. These notifications are deemed made on their date of publication. Any day is considered suitable for publication, whether a Business or non-Business Day (for the purposes of this Prospectus).

4.3 Reporting to the CNMV and Rating Agencies

The Trustee shall advise the CNMV and the Rating Agencies of any announcements of a routine or extraordinary nature that it makes in accordance with the schedule described above, as well as any information that, regardless of the above, may be required by the above entities.

In particular, this Prospectus shall be updated on a yearly basis, before the first year of publication has elapsed. On the occasion of the Issuance of each Series the corresponding Closing Conditions shall be filed with the CNMV, together with the draft Supplementary Articles. Once the Issuance has been made, a copy of the Supplementary Articles of the corresponding Series shall be filed with the CNMV.

Ignacio Ortega Gavara, in the name and on behalf of SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. and in his capacity as Managing Director, signs this Prospectus in Madrid on July 10, 2007

GLOSSARY OF DEFINITIONS

“**Additional Building Block**” means the Additional Building Block to the Securities Note included in this Prospectus, drawn up in accordance with the module provided in Appendix VIII of Regulation 809/2004.

“**AIAF**” means the AIAF Fixed Income Market.

“**Annual Payment Date**” means the Payment Date of the Bonds at a Fixed Nominal Interest Rate to take place on each anniversary of the Disbursement Date for the Bonds of each Series or, in the event that any of these dates is not a Business Day, the Business Day immediately following, until the total redemption of the Bonds.

“**Articles of Incorporation**” means the Articles of Incorporation of the Fund, of creation of the issuance Programme, of issuance of First Series Bonds under the Programme, and of assignment to the Fund of the Mortgage Covered Bonds financed by those First Series Bonds.

“**Assets**” means the individual mortgage covered bonds issued by the Issuers which shall form part of the Fund.

“**Assignment Date**” means the effective date of the assignment to the Fund of the Mortgage Covered Bonds and of the issuance by the Fund of the Bonds corresponding to each Issuance or Extension.

“**Assignor**” means SANTANDER INVESTMENT BOLSA, SOCIEDAD DE VALORES, S.A.

“**Available Funds**” means, in respect of each Series, the Available Funds to meet payment or withholding obligations, in accordance with the provisions of section 3.4.6 of the Additional Building Block.

“**Bonds**” means asset-backed securities of the various Series issued against the fund, under the Programme.

“**Business Day**” means any day that is not (i) Saturday, (ii) Sunday, (iii) a bank holiday according to the TARGET calendar, or (iv) a holiday in Madrid.

“**Cash Collateral Account**” means the account for each Series to be opened by the Trustee, in the name and on behalf of the Fund, with the Financial Agent of each Series.

“**Closing Conditions**” means the specific conditions of each Issuance, which are substantially as per the Appendix of this Prospectus, to be sent to the CNMV before the commencement of the Subscription Period for the bonds in each Issuance.

“**CNMV**” stands for Spanish National Securities Market Commission.

“**Collection Date**” means the date on which the Issuers shall pay the amounts (either interest or principal) due in respect of the Mortgage Covered Bonds, two (2) Business Days prior to the corresponding Payment Date or, in the event that any of these dates is not a Business Day, the Business Day immediately prior to that date.

“Counterparties” means the entities participating in the secondary trading providing liquidity to the Bonds of each Series by a counterparty offering in accordance with the provisions of section 5.1.(ii) of the Securities Note and the corresponding Underwriting Agreement.

“Disbursement Date” means the date on which the subscribers of the Bonds must pay the issuance price corresponding to each Bond assigned to the Placement Agent and Underwriter through which the subscription was carried out.

“Distributable Surplus” means the remaining balance of the Cash Collateral Account of each Series after payment of all other obligations in accordance with the Payment Priority Order. This surplus shall be transferred to the Issuers of the Mortgage Covered Bonds of each Series at each Payment Date.

“Execution Expenses” means the Extraordinary Expenses of the Fund arising from the execution of Mortgage Covered Bonds as set out in section 3.4.6.a) of the Additional Building Block.

“Expected Maturity Date” means, in respect of each Series, the date on which the bondholders of each Series shall be paid the reimbursement price, as indicated in the corresponding Closing Conditions.

“Extension” means the issuance by the Fund of bonds with the same expected maturity date, the same nominal value, the same payment dates, and which bear interest at the same nominal interest rate as the Bonds of that same Series issued previously, which shall be fungible with these bonds and shall form part of that same Series rather than constituting a new Series.

“Extraordinary Expenses” means the Extraordinary Expenses of the Fund other than those arising from the execution of Mortgage Covered Bonds as set out in section 3.4.6.a) of the Additional Building Block.

“Financial Agent” means the credit institution with which the Trustee, in the name and on behalf of the Fund, has entered into a Financial Services Agreement in respect of each Series

“Financial Services Agreement” means the agreement entered into by the Trustee, in the name and on behalf of the Fund, with the Financial Agent of each Series to perform financial services related to the issuance of Bonds issued against the Fund.

“Financial Servicing Fee” means the fee for incorporation, administration, and management that the Fund shall pay to the Trustee in consideration of their services at each Payment Date, in respect of each Series.

“Fixed Nominal Interest Rate” means the nominal interest rate of the Bonds of the Series issued at a fixed nominal interest rate as set out in the Closing Conditions of the corresponding Series in accordance with the provisions of the Securities Note.

“Fund” means Asset-Backed Fund, Independent Mortgage Covered Bonds Programme.

“IBERCLEAR” means *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (Spanish Central Securities Depository)

“Insolvency Law” means Law 22/2003, of July 9, on Insolvency.

“Interest Accrual Period for the Bonds” means the interest accrual period corresponding to each Series between each Payment Date, inclusive of the initial Payment Date and exclusive of the final Payment Date, except in the case of Prepayment of the Bonds, as per section 4.9 of the Securities Note, in which case the Interest Accrual Period for the Bonds shall end on the date on which the Prepayment of the Bonds occurred, all the above without prejudice to the provisions of section 4.8.3 of the Securities Note on interest payments subsequent to the Expected Maturity Date.

“Interest Accrual Period of Mortgage Covered Bonds” means the interest accrual period corresponding to each Mortgage Covered Bond between each Payment Date, inclusive of the initial Payment Date and exclusive of the final Payment Date, except in the case of Prepayment.

“Internal Management Agreement” means the agreement that the Trustee shall enter into, in the name and on behalf of the Fund, with the Assignor and the Issuers of the Mortgage Covered Bonds linked to each bond Series. This agreement shall oversee the calculations required for the correct distribution of the Distributable Surplus among those Issuers, and regulate other relevant issues.

“Issuance” means each issuance of asset-backed bonds which the Fund may make under the Programme under the conditions described in the Securities Note contained in this Prospectus.

“Issuers” means the twenty (20) entities listed in section 5.2 of the Registration Document eligible to issue Mortgage Covered Bonds in connection with the Fund.

“Law 19/1992” means Law 19/1992, of July 7, on the Regulation of Real Estate Investment Companies and Funds and on Mortgage-Backed Funds

“Law 2/1981” means Law 2/1981, of March 25, on the regulation of the mortgage market.

“Law 24/1988” means the current wording of Law 24/1988, of July 28, on the Securities Market.

“Law 3/1994” means Law 3/1994, of April 14, adapting Spanish legislation on credit institutions to the Second Directive on Banking Coordination, and introducing other modifications relating to the financial system.

“Legal Maturity Date” means the date (30) months after the Expected Maturity Date of the Series whose Expected Maturity Date is the latest of all the Series issued under the Programme during the Offering Period or, in the event that any of these dates is not a Business Day, the Business Day immediately following.

“Lenders” means the entities that extend Liquidity Facilities to the Fund in accordance with the provisions of section 3.4.2 of the Additional Building Block.

“Liquidity facilities” means, collectively, each of the liquidity facilities contracted by the Trustee, in the name and on behalf of the Fund, for each Series of Bonds issued against the Fund in order to enable the Fund to perform its payment obligations to the bondholders and to other creditors whose credit is attributable to the corresponding Series.

“**Liquidity Fee**” means the fees to be paid to the Counterparties or successive Series in consideration of their services. These fees shall be as set out in the Closing Conditions and in the Underwriting Agreement corresponding to each Series.

“**Management Services**” means the services to be performed by the Trustee in respect of the administration and management of the collection of the Assets assigned to the Fund, and in order to carry out the financial administration of the Fund.

“**Maturity**” means, in respect of each Series, the Maturity of the Mortgage Covered Bonds the acquisition of which is financed by the Issuance of that Series.

“**Maximum Available Amount**” has the meaning set out in section 3.4.2.(i).2 of the Additional Building Block.

“**Moody’s**” means MOODY’S INVESTORS SERVICE ESPAÑA, S.A.

“**Mortgage Covered Bonds**” means the individual Mortgage Covered Bonds issued by the Issuers which shall form part of the Fund.

“**Offering Period**” means the period in which Issuances may be made under the Programme. This period extends from the incorporation of the Fund to the date (20) years after the date of the incorporation of the Fund, or until any other date on which it is decided by agreement between the Assignor and the Trustee that there can be no more Issuances under the Fund.

“**Ordinary Expenses**” means the ordinary expenses and taxes attributable to the Fund as set out in section 3.4.6.a) of the Additional Building Block.

“**Payment Date**” refers to either a Quarterly Payment Date or an Annual Payment Date.

“**Payment Priority Order**” means the Payment Priority Order set out in section 3.4.6 of the Additional Building Block for each Series of Bonds issued under the Programme.

“**Placement Agents and Underwriters**” means the entities that shall underwrite the placement of the Bonds of each Series, as indicated in the corresponding Closing Conditions.

“**Prepayment**” means any instance of total or partial early redemption of Bonds as described in section 4.9.2 of the Securities Note.

“**Private Placement**” means that the various Series of Bond Issues made under the Programme shall not be placed on the AIAF or on any other official secondary securities market but shall be placed privately to qualified investors in accordance with the provisions of section 5.1.(iii) of the Securities Note.

“**Programme**” means the issuance Programme of Asset-Backed Securities as set out in the Securities Note of this Prospectus.

“**Prospectus**” means this information Prospectus.

“**Provision for Extraordinary Expenses**” means the amount to be deposited in the Cash Collateral Account of a Series, in accordance with the Payment Priority Order, to cover

Extraordinary Expenses arising from the execution of unpaid Mortgage Covered Bond(s) of the corresponding Series, if any.

“Quarterly Payment Date” means the Payment Date of the Bonds at a Fixed Nominal Interest Rate to take place on every date falling three (3) months after the Disbursement Date for the Bonds of each Series or, in the event that any of these dates is not a Business Day, the Business Day immediately following, until the total redemption of the Bonds.

“Rating Agencies” means Moody’s and Standard & Poor’s.

“Reference Entities” means Banco Santander Central Hispano, London Branch; Bank of America N.T.&S.A., London Branch; and J.P. Morgan Securities Limited.

“Registration Document” means the Registration Document of asset-backed securities included in this Prospectus, drawn up in accordance with Appendix VII of Regulation 809/2004.

“Regulation 809/2004” means Commission Regulation (EC) no. 809/1004, of April 29, 2004.

“Risk Factors” means the section of this Prospectus describing the main Risk Factors linked to the issuer, the securities, and the assets backing the issuance.

“Royal Decree 116/1992” means Royal Decree 116/1992, of February 14, on securities represented by book-entry and the clearing and settlement of stock exchange transactions.

“Royal Decree 1310/2005” means Royal Decree 1310/2005, of November 4, partially implementing Law 24/1988, of July 28, on the Securities Market, with regard to the listing of securities in official secondary markets of public sale or subscription offerings and the mandatory Prospectus corresponding to such offerings.

“Royal Decree 685/1982” means Royal Decree 685/1982, of March 17, implementing certain aspects of Law 2/1981 of March 25 on the regulation of the mortgage market.

“Royal Decree 926/1998” means Royal Decree 926/1998, of May 14, regulating asset-backed funds and securitization fund management companies.

“Securities Note” means the note on securities included in this Prospectus, drawn up as per Appendix XIII of the Regulation 809/2004.

“Series” means the Series of Bonds corresponding to each Issuance made under the Programme.

“Spread” means the spread to be added to the reference rate in order to calculate the Variable Nominal Interest Rate of the Bonds, in accordance with the provisions of the Securities Note, as indicated in the corresponding Closing Conditions.

“Standard & Poor’s” means STANDARD & POOR’S ESPAÑA, S.A.

“Subscription Period” means the period in which the Bonds of each Series may be subscribed, as indicated in the corresponding Closing Conditions.

“Supplementary Articles” means the deeds complementary to the Articles of Incorporation providing for the Issuances of the successive Series under the Programme, and of the assignment to the Fund of the Mortgage Covered Bonds financed by those First Series Bonds.

“Trustee” means SANTANDER DE TITULIZACIÓN, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A., whose registered offices are at Ciudad Grupo Santander, Avda. de Cantabria s/n. 28660, Boadilla del Monte (Madrid).

“Underwriting Agreement” means the Underwriting Agreement for the placement of the Bond Issue that the Trustee, in the name and on behalf of the Fund, shall enter into with the Placement Agents and Underwriters of each Series. Under this agreement the Placement Agents and Underwriters shall freely assign the entire Bond Issue of that Series and, once the subscription period has closed, subscribe in their own name however many Bonds remain unsubscribed, by virtue of their underwriting commitment.

“Underwriting Fee” means the fee paid to the Placement Agents and Underwriters of each successive Series in consideration of their services. These fees shall be set out in the Closing Conditions and in the Underwriting Agreement corresponding to each Series.

“Variable Nominal Interest Rate” means the nominal interest rate of the Bonds of the Series issued at a variable interest rate as set out in the Closing Conditions of the corresponding Series in accordance with the provisions of the Securities Note.

APPENDIX. CLOSING CONDITIONS MODEL

CLOSING CONDITIONS¹

***Fondo de Titulización de Activos, Programa Independiente de
Titulización de Cédulas Hipotecarias***

**(ASSET-BACKED FUND, INDEPENDENT MORTGAGE COVERED
BONDS PROGRAMME)**

**PITCH-SERIES [●]
PITCH [X]%, MM,YYY**

FOR AN AMOUNT OF: [●]

**CREDIT RATING
[●]**

These Closing Conditions were filed with the CNMV on [●] [●], [●] as Closing Conditions of the Prospectus for the *Fondo de Titulización de Activos, Programa Independiente de Titulización de Cédulas Hipotecarias* (Asset-Backed Fund, Independent Mortgage Covered Bonds Programme), filed with the CNMV on July 10, 2007.

¹ For the purposes of greater simplicity and ease of understanding, in this model we have assumed that the [Issuance / Extension] is of a single Series. In the case of [Issuances / Extensions] of more than one Series covered by a single set of Closing Conditions, this model shall be altered appropriately.

INTRODUCTION

The purpose of these Closing Conditions is to describe of the specific nature of the securities issued through the [Bond Issue of PITCH-Series [●] (the “**Issuance**”) / Extension of PITCH-Series [●] (the “**Extension**”). In order to have a proper understanding of the specific characteristics of the securities to be issued, it is necessary to be aware of the information set out in the Prospectus of the *Fondo de Titulización de Activos, Programa Independiente de Titulización de Cédulas Hipotecarias* (Asset-Backed Fund, Independent Mortgage Covered Bonds Programme - the “**Fund**”), filed with the CNMV (the “**CNMV**”) on July 10, 2007 (the “**Prospectus**”), which sets out the general terms and conditions of the securities to be issued under the Issuance Programme of asset-backed securities (the “**Programme**”) and other information concerning the Fund and SANTANDER DE TITULIZACIÓN, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A. (the “**Trustee**”).

The Prospectus is at the disposal of the general public, free of charge, at the registered office of the Trustee. It may also be consulted at the CNMV, in Madrid, Paseo de la Castellana, 19, and at the CNMV web site (www.cnmv.es) and the web site of the *ALAF Mercado de Renta Fija* (AIAF Fixed Income Market “**AIAF**”) (www.aiaf.es), and at the registered offices of the Placement Agents and Underwriters.

The terms that appear in these Closing Conditions with an upper case initial all have the meaning indicated in the Prospectus, unless these Closing Conditions state otherwise.

PERSONS RESPONSIBLE

Persons responsible for the information set out in the Closing Conditions

[●], acting in its capacity as [●] Trustee, sponsor of the Fund, assumes responsibility for the content of these Closing Conditions.

[●], acting in exercise of the powers expressly conferred upon it by the Board of Directors of the Trustee, in its meeting of [●] [●], [●].

Statement of the persons responsible for the content of the Registration Document

[●], in the name and on behalf of the Trustee, declares that, having exercised due diligence, declares that the information contained in these Closing Conditions is, to his knowledge, true and does not omit any fact that may have a material effect on its content.

CORPORATE RESOLUTIONS

Asset assignment agreement

The Board of Directors of SANTANDER INVESTMENT BOLSA, SOCIEDAD DE VALORES, S.A. (the “**Assignor**”), in its meeting of [●] [●], [●], agreed to subscribe Mortgage Covered Bonds, issued by eligible entities, to be incorporated into the assets of the Fund, and approved the assignment of the Bonds to the Fund.

Fund incorporation agreement

The Board of Directors of the Trustee, in its meeting of May 14, 2007, whose resolutions were modified by those adopted on June 1, 2007, approved the incorporation of the Fund, in accordance with the regime provided for in Royal Decree 926/1998, and approved the acquisition of Assets from the Assignor.

Asset issuance agreement

The Issuers' organs of governance have agreed to issue the Assets on the dates set out below:

[●]

REQUEST FOR ADMISSION TO AIAF

In accordance with the provisions of section 5.1.(i) of the Securities Note, the Trustee, in the name and on behalf of the Fund, shall request the admission of the Bonds of PITCH-Series [●] to the AIAF.

[ISSUANCE / EXTENSION] RISK

Risks in respect of this [Issuance / Extension] are as described in the chapter in the Prospectus entitled Risk Factors.

NATURE OF ASSETS ASSIGNED TO THE FUND

The assets to be assigned to the Fund by the Assignor are [●] registered Mortgage Covered Bonds maturing on [●] [●], [●] (the “**Mortgage Covered Bonds corresponding to PITCH-Series [●]**” and the “**Expected Maturity Date of PITCH-Series [●]**”, respectively), issued individually by each Issuer as indicated below (the “**Issuers corresponding to PITCH-Series [●]**”), for the nominal values indicated below, in accordance with the aforementioned agreements entered into by their respective organs of governance.

| Issuer corresponding to PITCH-Series [●] | Nominal value ([currency]) |
|---|---------------------------------------|
| [●] | [●] |
| [●] | [●] |
| [●] | [●] |
| TOTAL | [●] |

The Issuers corresponding to PITCH-Series [●] can provide audited financial statements for the last three years, with an unqualified audit opinion in the report for the last year audited at least. Those audited financial statements have been with the CNMV and the Registrar of Companies in accordance with prevailing legislation. None of the Issuers corresponding to PITCH-Series [●] may issue Mortgage Covered Bonds for an overall amount higher than is authorized in accordance with resolutions adopted by their respective organs of governance.

1. Date of [Issuance / Extension]

The Issuance date of the Mortgage Covered Bonds corresponding to PITCH-Series [●] shall be [●] [●], [●].

2. Subscription and Assignment Price

The subscription price of all the Mortgage Covered Bonds of PITCH-Series [●] shall be [●] euros, equivalent to [●]% of their nominal value.

The amount corresponding to the subscription of the Mortgage Covered Bonds of PITCH-Series [●] shall be paid by the Assignor to the Issuers of PITCH-Series [●] on [●] [●], [●] (the **“Disbursement Date corresponding to PITCH-Series [●]”**).

In accordance with section 3.3. of the Additional Building Block of the Prospectus, the acquisition price paid by the Fund for all the Mortgage Covered Bonds corresponding to PITCH-Series [●] shall be the same as the subscription price paid by the Assignor.

The total assignment price of the Mortgage Covered Bonds corresponding to PITCH-Series [●] shall be paid by the Trustee, in the name and on behalf of the Fund, to the Assignor, on the Disbursement Date corresponding to PITCH-Series [●], as soon as the Fund has received the subscription price of the Bonds of PITCH-Series [●].

3. Prepayment of the Mortgage Covered Bonds corresponding to PITCH-Series [●]

The Mortgage Covered Bonds corresponding to PITCH-Series [●] may be prepaid under the circumstances described in section 4.9.2. of the Securities Note (the **“Prepayment of the Mortgage Covered Bonds corresponding to PITCH-Series [●]”**).

4. Ordinary interest

The fixed nominal interest rate of the Mortgage Covered Bonds corresponding to PITCH-Series [●] shall be calculated by adding a spread of [●]% to the [Fixed/Variable] Nominal Interest Rate of the Bonds of PITCH-Series [●].

5. Arrears interest rate

The arrears interest rate on the Mortgage Covered Bonds corresponding to PITCH-Series [●] shall be [●].

6. Interest accrual period

For the purpose of the accrual of ordinary interest, the issuance of the Mortgage Covered Bonds corresponding to PITCH-Series [●] shall be understood to be split into interest accrual periods, the duration of which [shall run from [●] of each year (inclusive) until [●] of the year following (exclusive) / shall be three (3) months, starting from the Disbursement Date of PITCH-Series [●], and so on], except in the case of the Prepayment of the Mortgage Covered Bonds corresponding to PITCH-Series [●], in which case the current Interest Accrual Period of the Mortgage Covered Bond corresponding to PITCH-Series [●] in question shall run from the last [●] (inclusive) until the date on which the Mortgage Covered Bond corresponding to PITCH-Series [●] (exclusive) is prepaid (the **“Interest Accrual Periods of the Mortgage Covered Bonds corresponding to PITCH-Series [●]”**), from which date (inclusive), the nominal unredeemed value of the Mortgage Covered Bond corresponding to the PITCH-Series [●] in

question shall accrue ordinary interest on a daily basis until the total redemption of its nominal value. When determining the Interest Accrual Periods of the Mortgage Covered Bonds corresponding to PITCH-Series [●] it is not important whether or not [[●] of each year / the initial and final day of the quarterly period] is a Business Day.

7. Payment of ordinary interest

Ordinary interest on the Mortgage Covered Bonds corresponding to PITCH-Series [●] accrued during each Interest Accrual Period of the Mortgage Covered Bonds corresponding to PITCH-Series [●] shall be paid [the [●] of each year / at the end of each quarter, starting from [●]], or, if either of those dates were not a Business Day, the Business Day immediately preceding (each one a “**Collection Date of PITCH-Series [●]**”), and on the date on which the Prepayment of the Mortgage Covered Bonds corresponding to PITCH-Series [●] takes place, as the case may be.

8. Information about the Issuers’ loan portfolio

The table below provides information about the Issuers’ loan portfolio corresponding to PITCH-Series [●]:

| INVERSIÓN CREDITICIA INDIVIDUAL | | | |
|--|--|--|--|
| (Miles de euros redondeados) | | | |
| DATOS A NIVEL INDIVIDUAL | | | |
| Cartera Hipotecaria Total | | | |
| Cartera Hipotecaria Elegible | | | |
| Elegible sobre Total Cartera | | | |
| Importe de Cédulas Hipotecarias en vigor | | | |
| MOROSIDAD Y COBERTURA INDIVIDUAL | | | |
| (Miles de euros redondeados) | | | |
| DATOS A NIVEL INDIVIDUAL | | | |
| Riesgo crediticio computable | | | |
| Riesgo en mora | | | |
| Con garantía real | | | |
| Resto | | | |
| Cobertura constituida Total (I) | | | |
| Ratios | | | |
| Morosidad | | | |
| Morosidad Hipotecaria | | | |
| Cobertura simple de la morosidad* | | | |
| Cobertura incluyendo garantías reales** | | | |

* Cobertura Constituida Total (I) / Riesgo en Mora

** Cobertura Constituida Total (I) + Riesgo en mora con garantía real / Riesgo en Mora

9. Specific information on Issuers corresponding to PITCH-Series [●]

[●]²

TERMS AND CONDITIONS SPECIFIC TO THE [ISSUANCE / EXTENSION]

1. Nature and denomination of the securities

[The securities corresponding to this Issuance are asset-backed securities (the “**Bonds of PITCH-Series [●]**”). Legally the Bonds of PITCH-Series [●] are marketable fixed income securities with an explicit yield. PITCH-Series [●] shall also be denominated [PITCH [Fixed Nominal Interest Rate]% XX, MMMM]. This alternative denomination shall always be used conjointly in all the documentation submitted to the CNMV. The Bonds of PITCH-Series [●] are denominated in [currency].

/

The purpose of this Bond Issue is the Extension of the Bond Issue of PITCH-Series [●], issued by the Fund in accordance with the Prospectus and the Closing Conditions dated [●], on the same terms included therein [excepting the issuance price of the Bonds that is indicated in the sections below].

2. Date of [Issuance / Extension] of the Bonds of PITCH-Series [●]

The Issuance date of the Bonds of PITCH-Series [●] shall be [●] [●], [●].

3. Nominal amount of the [Issuance / Extension] and number of securities issued

[●] ([●]) Bonds of PITCH-Series [●] shall be issued, each with a nominal value of [●] ([●]), for a total nominal value amount of [●] ([●]).

4. Representation of the Bonds of PITCH-Series [●]

The Bonds of PITCH-Series [●] shall be represented by book-entry and shall be constituted as such by virtue of their registration in the corresponding accounting record. The entity responsible for maintaining accounting records of the Bonds of PITCH-Series [●] shall be the *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (IBERCLEAR).

5. Issuance price

The subscription price of the Bonds of PITCH-Series [●] shall be [●] euros, equivalent to [●]% of their nominal value.

The subscription price of the Bonds of PITCH-Series [●] shall be paid to the Fund before [●] on the Disbursement Date corresponding to PITCH-Series [●] by the Placement Agents and Underwriters of PITCH-Series [●]. The subscribers of the Bonds of PITCH-Series [●] shall pay the Placement Agent and Underwriter of PITCH-Series [●] through which the subscription has

² Information to be included in the event of there being fewer than five (5) Issuers or if the Assets issued by an Issuer represent more than 20% of the Assets of the Series, in accordance with section 2.2.11. of the Additional Building Block.

been made on the Disbursement Date corresponding to PITCH-Series [●], before [●], same-day value, the corresponding issuance price for each Bond of PITCH-Series [●] allocated.

6. Redemption of the principal

The ordinary redemption of the Bonds of PITCH-Series [●] shall be performed via a single payment on the Expected Maturity Date of PITCH-Series [●], without prejudice to the fact that Bonds of PITCH-Series [●] may be prepaid in the event of any of the circumstances provided for in section 4.9.2. of the Securities Note.

The Payment Priority Order applicable to the Bonds of PITCH-Series [●] is set out in section 3.4.6 of the Additional Building Block.

7. Prepayment of the Bonds of PITCH-Series [●]

The Bonds of PITCH-Series [●] may be prepaid under the circumstances described in section 4.9.2. of the Securities Note (the “**Prepayment of the Bonds of PITCH-Series [●]**”).

8. Redemption price

The redemption price of the Bonds of PITCH-Series [●] on the Expected Maturity Date of PITCH-Series [●] shall be [●] ([●]) per Bond of PITCH-Series [●], free of taxes and expenses for the subscriber. Exceptionally, and in the event of the partial Prepayment of the Bonds of PITCH-Series [●], the redemption price of the Bonds of PITCH-Series [●] on the Expected Maturity Date of PITCH-Series [●] shall be the same as the nominal value once that value has been reduced pursuant to the partial Prepayment of the Bonds of PITCH-Series [●].

9. Interest

From the Disbursement Date corresponding to PITCH-Series [●], the Bonds of PITCH-Series [●] shall accrue interest at a [Fixed / Variable] rate (the “[**Fixed / Variable**] **Nominal Interest Rate of PITCH-Series [●]**”) on the nominal outstanding balance of the Bonds of PITCH-Series [●] (that is, on the amount of unredeemed principal each Bond of PITCH-Series [●]). In the event of default to the bondholders of PITCH-Series [●], the amounts due that the bondholders have not received, both in respect of interest and principal, shall not accrue interest on arrears.

[The Fixed Nominal Interest Rate of the Bonds of PITCH-Series [●] shall be [●]%.

/

The Variable Nominal Interest Rate of the Bonds of PITCH-Series [●] shall be calculated by adding (i) the three (3) month Euribor reference rate published on the second (2nd) Business Day preceding the date on which the corresponding Interest Accrual Period for the Bonds starts, or if that rate is not available, the substitute reference rate provided for in the Prospectus, plus (ii) a spread of [●].]

The issuance of the Bonds of PITCH-Series [●] shall be understood to be split into interest accrual periods, the duration of which [shall run from [●] of each year (inclusive) until [●] of the

year following (exclusive) / shall be de three (3) months, starting from the Disbursement Date of PITCH-Series [●], and so on], except in the case of the Prepayment of the Bonds of PITCH-Series 1, in which case the current Interest Accrual Period of the Bonds of PITCH-Series 1, corresponding to the [annual / quarterly] period in which the partial Prepayment of the Bonds of PITCH-Series 1 took place, shall be split into two, with a first Interest Accrual Period of the Bonds up until the date on which the Bonds of PITCH-Series 1 were prepaid (exclusive) and a second Interest Accrual Period of the Bonds of PITCH-Series 1 from that date (inclusive) up until the date marking the end of the current [annual / quarterly] period (exclusive). If there is more than one partial Prepayment of the Bonds of PITCH-Series 1 in the same [annual / quarterly] period, the number of interest accrual periods on the Bonds of PITCH-Series 1 shall match the number of Prepayments of the Bonds of PITCH-Series 1 that took place (each one an “**Interest Accrual Period of the Bonds of PITCH-Series [●]**”). When determining the Interest Accrual Periods of the Mortgage Covered Bonds corresponding to PITCH-Series [●] it is not important whether or not [●] is a Business Day.

10. Payment of interest

Interest accrued during each Interest Accrual Period of the Bonds of PITCH-Series [●] shall be paid on [[●] of each year / shall be made at the end of each quarter, starting from [●]], (except in the event of Prepayment of the Bonds of PITCH-Series [●], in which case interest shall be paid on the date on which the Prepayment of the Bonds of PITCH-Series [●] took place or, if not a Business Day, the Business Day following (each one an “**[Annual / quarterly] Payment Date of PITCH-Series [●]**”). The first [Annual / quarterly] Payment Date of PITCH-Series [●] shall take place on [●] [●], [●].

11. Expenses of the [Issuance / Extension] of PITCH-Series [●]

Expected expenses in respect of the [Issuance / Extension] of PITCH-Series [●] that are not to be met by the subscribers of the Bonds of PITCH-Series [●] are as follows:

[●]

12. Subscription and Disbursement Period

The period de subscription of the Bonds of PITCH-Series [●] shall start on [●] [●], [●] at [●] hours (CET), and shall end the same day at [●] hours (CET)] (the “**Subscription Period corresponding to PITCH-Series [●]**”).

The disbursement of the Bonds of PITCH-Series [●] shall take place on the Disbursement Date corresponding to PITCH-Series [●], that is, the [●] [●], [●].

13. Indication of the yield, average life, and duration

A subscriber acquiring the Bonds of PITCH-Series [●] at the moment of [Issuance / Extension] and holding them to maturity can expect to receive interest at [●] %.

The average life of the Bonds of PITCH-Series [●] shall be [●] years, assuming there is no Prepayment of the Bonds.

The duration of the Bonds of PITCH-Series [●] shall be [●] years, assuming there is no Prepayment of the Bonds.

14. Credit rating

The following Rating agencies have assigned the Bonds of PITCH-Series [●] the ratings indicated below, all of a provisional nature:

[Rating Agency]: [Credit rating]

If any of the provisional ratings are not confirmed as definitive before the start of the Subscription Period corresponding to PITCH-Series [●], this must be reported immediately to the CNMV and shall be announced in the manner described in section 4 of the Additional Building Block. The [Issuance / Extension], the assignment of the Mortgage Covered Bonds corresponding to PITCH-Series [●], and the issuance of the Bonds of PITCH-Series [●] shall all be wound up.

[The Rating Agencies have provisionally ratified that this [Issuance / Extension] does not imply any change to the ratings assigned by them to the Bonds of the Series issued previously.]

15. Financial Servicing Agreement of PITCH-Series [●]

The Financial Agent of PITCH-Series [●] shall be [●], with registered office at [●] with whom the Trustee shall enter into a Financial Servicing Agreement for PITCH-Series [●], in accordance with the provisions of the Prospectus and in the [Articles of Incorporation / Supplementary Articles].

The Financial Agent of PITCH-Series [●] shall receive from the Fund a Servicing Fee amounting to [[●] to be paid as a single payment on the Disbursement Date corresponding to PITCH-Series [●] / [●], payable on each Payment Date of the PITCH-Series [●]] by the Financial Servicing Agreement of PITCH-Series [●].

[In consideration of the services provided by the Financial Agent of PITCH-Series [●] in respect of short-term reinvestment transactions of the balances of the Cash Collateral Account arranged by the Trustee, the Financial Agent of PITCH-Series [●] shall also be paid a fee [●]].

Remuneration from the Cash Collateral Account of PITCH-Series [●] shall be [●].

16. Underwriting Agreement of PITCH-Series [●]

The placement and underwriting of the Bonds of PITCH-Series [●] shall be performed by [●], with registered office at [●] and tax ID number [●]; by [●], with registered office at [●] and tax ID number [●]; (...) and by [●], with registered office at [●] and tax ID number [●] (the “**Placement Agents and Underwriters of PITCH-Series [●]**”), in accordance with the table shown below.

| Placement Agent and Underwriter of PITCH-Series [●] | No. of Bonds of PITCH-Series [●] underwritten | Nominal value ([currency]) |
|---|---|----------------------------|
| [●] | [●] | [●] |
| [●] | [●] | [●] |

| | | |
|--------------|------------|------------|
| [●] | [●] | [●] |
| TOTAL | [●] | [●] |

Each Placement Agent and Underwriter shall receive an Underwriting Fee on the Disbursement Date corresponding to PITCH-Series [●], equivalent to [●].

Pursuant to the Underwriting Agreement of PITCH- Series [●], liquidity in the secondary market of the Bonds of PITCH- Series [●] shall be provided by [●], [●], [●]; (...) and by [●] (the “**Counterparties of the PITCH- Series [●]**”).

The main terms and conditions of the liquidity commitment governing the Underwriting Agreement of PITCH- Series [●] set out in section 5.1.(ii) of the Securities Note. The maximum difference between the bid and ask prices by the Counterparties of PITCH- Series [●] shall be [●] basis points in terms de price.

[The Liquidity Fee for each Counterparty of PITCH-Series [●] shall be [●].]

17. Liquidity Facility Agreement for PITCH-Series [●]

The liquidity facility of PITCH-Series [●] shall be provided by [●], with Registered office in [●] (the “**Lender of PITCH-Series [●]**”)³, pursuant to the liquidity facility agreement entered into by the Lender of PITCH-Series [●] and the Trustee, in the name and on behalf of the Fund (the “**Liquidity Facility Agreement for PITCH-Series [●]**” and the “**Liquidity Facility for PITCH-Series [●]**”, respectively) in accordance with the following terms and conditions:

(i) *Maximum Available Amount of the Liquidity Facility for PITCH-Series [●]:*

The Lender of PITCH-Series [●] shall extend a Liquidity Facility to the Fund for PITCH-Series [●] for a Maximum Available Amount of [●] (€ [●])

Notwithstanding the above, from the Expected Maturity Date of PITCH-Series [●] until the Legal Maturity Date of the Fund, the maximum amount of the Liquidity Facility of PITCH-Series [●] that may be drawn down shall be that corresponding to the maximum amount for Extraordinary Expenses arising from the execution of the Mortgage Covered Bonds of PITCH-Series [●] (the “**Execution Expenses**”), in accordance with point (ii) following.

(ii) Use

- Payment of Execution Expenses of Mortgage Covered Bonds corresponding to PITCH-Series [●] up to a maximum of [●] (€ [●]), without exceeding the limit of the Maximum Available Amount of PITCH-Series [●] and without prejudice to the assumption of the payment obligation of those Execution Expenses by the Issuers corresponding to PITCH-Series [●] whose Mortgage Covered Bond corresponding to PITCH-Series [●] is in default

³ If there are two or more Lenders, the model shall be adapted appropriately.

- Payment of the interest corresponding to the bondholders of PITCH-Series [●] when there are insufficient Available Funds on a given Payment Date for PITCH-Series [●], due to the default of the Issuers corresponding to PITCH-Series [●] on the interest on the Mortgage Covered Bonds corresponding to PITCH-Series [●] on the Collection Date of PITCH-Series [●] immediately before
- Provision for Extraordinary Expenses corresponding to PITCH-Series [●].

(iii) Remuneration

- The amounts drawn down against the Liquidity Facility of PITCH-Series [●] and outstanding shall accrue interest in favour of the Lender of PITCH-Series [●] at a daily variable rate [the same as the arrears rate of the Mortgage Covered Bonds corresponding to PITCH-Series [●] / [●]⁴].
- On the Disbursement Date corresponding to PITCH-Series [●], the Fund shall make a single initial payment to the Lender of PITCH-Series [●] corresponding to a facility fee [●] (€ [●]) and an opening fee [●] (€ [●]).

[(iv) Reimbursement of amounts subject to withholding, payment on account, deduction, deposit or reserve

The clause referred to in point 10 of section 3.4.2.(i) of the Prospectus shall be included in the Liquidity Facility Agreement for PITCH-Series [●].]

18. Liquidation and causes thereof

The procedure for and causes of liquidation of PITCH-Series [●] and of the Fund are included in section 4.4.3 of the Registration Document.

Signed Mr. [●]
 [POSITION]
 SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.

⁴ The interest rate of the Liquidity Facility may never be higher than the arrears interest rate on the Mortgage Covered Bonds corresponding to the Series covered by the Liquidity Facility.

