Criteria CaixaCorp, SA and Subsidiaries

Condensed consolidated financial statements and consolidated interim directors' report for the six-month period ended 30 June 2009 (prepared in accordance with International Financial Reporting Standards)

Translation of condensed consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 1 and 14). In the event of a discrepancy, the Spanish-language version prevails.

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Translation of a report originally issued in Spanish.
In the event of a discrepancy, the Spanish-language version prevails.

REPORT ON LIMITED REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of
Criteria CaixaCorp, S.A., at the request of the Board of Directors of the Company:

1. We have performed a limited review of the accompanying condensed interim consolidated financial statements (the "interim consolidated financial statements") of Criteria CaixaCorp, S.A. (the "Parent Company") and Subsidiaries ("the Group") comprising the balance sheet at 30 June 2009 and income statement, statements of comprehensive income, statement of changes in equity and cash flow statement, selected condensed explanatory notes, all together condensed and consolidated for the six-month period then ended. The directors of the Parent Company are responsible for the preparation of the interim consolidated financial statements in accordance with the requirements established in International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of condensed interim financial information and pursuant to Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our limited review.

2. Our review was performed in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial information involves making enquiries, mainly to the personnel in charge of financial and accounting matters, and performing certain analytical and other review procedures. The scope of a limited review is substantially less extensive than that of an audit and, accordingly, we cannot provide assurance that all the significant matters that might be identified in an audit will come to our attention. Accordingly, we do not express an audit opinion on the accompanying interim consolidated financial statements.

3. As indicated in the accompanying Note 1, the interim consolidated financial statements referred to above do not include all the information that would be required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and, therefore, the accompanying interim consolidated financial statements should be read together with the consolidated financial statements of the Group for the year ended 31 December 2008.

4. Our limited review, which under no circumstances may be considered to be an audit of financial statements, did not bring anything to our attention that would lead us to conclude that the accompanying interim consolidated financial statements for the six months period ended 30 June 2009 were not prepared, in all material respects, in accordance with the requirements established in International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, pursuant to Article 12 of Royal Decree 1362/2007, for the preparation of condensed interim financial information.

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Member of
Deloitte Touche Tohmatsu

5. The accompanying interim consolidated directors' report for the six-month period ended 30 June 2009 contains the explanations which the directors consider appropriate about the significant events arising during the period and their effect on the interim financial statements presented, of which it is not an integral part, and the information required under Article 15 of Royal Decree 1362/2007. We have checked that the accounting information in the directors' report is consistent with the accompanying interim consolidated financial statements. Our work as auditors was confined to checking the directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the Group's accounting records.

6. This report was prepared at the request of the Board of Directors of Criteria CaixaCorp in relation to the publication of the half-yearly financial report required under Article 35 of Securities Market Law 24/1988, of 28 July, implemented by Royal Decree 1362/2007, of 19 October.

DELOITTE, S.L.

Miguel Antonio Pérez

31 July 2009

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The condensed consolidated **interim financial reporting** of Criteria CaixaCorp, SA and Subsidiaries composing the Criteria CaixaCorp Group includes the following consolidated information:

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Translation of condensed consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 1 and 14). In the event of a discrepancy, the Spanish-language version prevails.

CRITERIA CAIXACORP, SA AND SUBSIDIARIES

CONDENSED BALANCE SHEETS
(Note 1)

ASSETS	Notes	Thousands of euros 30/06/09	31/12/08 (*)
NON-CURRENT ASSETS			
Goodwill and other intangible assets	(Note 2)	**891,573**	**911,979**
Property, plant and equipment		**1,337,890**	**1,332,896**
Investment property		**15,069**	**16,055**
Investments accounted for using the equity method	(Note 3)	**9,667,499**	**8,519,350**
Financial assets	(Note 4)	**25,926,745**	**25,308,069**
Deferred tax assets		**474,843**	**446,340**
Reinsurance assets		**45,638**	**35,922**
Total non-current assets		**38,359,257**	**36,570,611**
CURRENT ASSETS			
Inventories		**10,409**	**8,324**
Current financial assets	(Note 4)	**4,266,964**	**4,562,735**
Non-current assets held for sale		**49,459**	**40,640**
Other current assets		**640,800**	**776,286**
Cash and cash equivalents		**428,947**	**1,542,895**
Total current assets		**5,396,579**	**6,930,880**
TOTAL ASSETS		**43,755,836**	**43,501,491**
EQUITY			
Share capital, reserves and results		**12,474,395**	**11,756,305**
Valuation adjustments		**270,257**	**498,148**
Minority interests		**162,873**	**158,815**
Total equity	(Note 5)	**12,907,525**	**12,413,268**
NON-CURRENT LIABILITIES			
Provisions for insurance contracts and other items	(Note 6)	**16,659,253**	**16,445,055**
Long-term payables	(Note 4)	**8,430,951**	**7,871,039**
Deferred tax liabilities		**793,794**	**900,722**
Total non-current liabilities		**25,883,998**	**25,216,816**
CURRENT LIABILITIES			
Provisions for insurance contracts	(Note 6)	**461,757**	**418,278**
Financial liabilities at amortised cost	(Note 4)	**4,249,437**	**5,209,567**
Derivatives	(Note 4)	**72,006**	**81**
Tax liabilities		**43,960**	**82,824**
Deferred income		**87,663**	**105,031**
Other current liabilities		**49,490**	**55,626**
Total current liabilities		**4,964,313**	**5,871,407**
TOTAL EQUITY AND LIABILITIES		**43,755,836**	**43,501,491**

The accompanying Notes 1 to 14 are an integral part of this condensed balance sheet at 30 June 2009.
(*) The figures relating to 31 December 2008 are presented for comparison purposes only.

Translation of condensed consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 1 and 14). In the event of a discrepancy, the Spanish-language version prevails.

CRITERIA CAIXACORP, SA AND SUBSIDIARIES

CONDENSED INCOME STATEMENTS FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2009 AND 2008

(Note 1)

		Thousands of euros	
		2009	**2008(*)**
Revenue	(Note 8.1)	2,453,211	1,829,802
Operating expenses	(Note 8.2)	(2,069,594)	(1,474,351)
Income from equity instruments	(Note 8.4)	308,638	187,185
GROSS PROFIT		**692,255**	**542,636**
Result of companies accounted for using the equity method		411,095	363,484
Staff costs		(69,738)	(69,578)
Depreciation and amortisation		(86,870)	(78,712)
Gains (losses) on impairment of assets (net)	(Note 8.5)	(172,793)	(16,742)
Other operating expenses		(84,231)	(90,105)
Finance income		5,230	38,510
Finance costs		(100,318)	(92,839)
Exchange differences (net)		(2,687)	(82)
Gains (losses) on financial assets and liabilities	(Note 8.6)	360,761	(9,108)
Provisions (net)		(13,741)	(49,253)
Other gains		4,131	10,343
Other losses		(11,430)	(5,045)
PROFIT BEFORE TAX		**931,664**	**543,509**
Income tax	(Note 7)	(55,601)	119,080
CONSOLIDATED PROFIT FOR THE PERIOD		**876,063**	**662,589**
Profit attributable to minority interests	(Note 5.4)	(12,484)	(12,298)
PROFIT ATTRIBUTABLE TO THE GROUP		**863,579**	**650,291**
Basic and diluted earnings per share (in euros):	(Note 5.5)	**0.26**	**0.19**

The accompanying Notes 1 to 14 are an integral part of the condensed income statement for the six-month period ended 30 June 2009.

(*) The figures for the six-month period ended 30 June 2008 are presented for comparison purposes only.

Translation of condensed consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 1 and 14). In the event of a discrepancy, the Spanish-language version prevails.

CRITERIA CAIXACORP, SA AND SUBSIDIARIES

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2009 AND 2008

(Note 1)

		Thousands of euros	
		2009	**2008(*)**
Consolidated profit for the period (per the income statement)		**876,063**	**662,589**
Income and expenses recognised directly in equity		**83,167**	**(1,044,630)**
Measurement of financial instruments	(Note 5.2)	247,644	(1,347,279)
Cash flow hedges	(Note 5.2)	(28,935)	(16,125)
Translation differences	(Note 5.2)	39,674	(21,901)
Companies accounted for using the equity method	(Note 5.2)	(87,877)	(64,685)
Tax effect	(Note 5.2)	(87,339)	405,360
Transfers to the income statement		**(323,021)**	**(36,105)**
Measurement of financial instruments	(Note 5.2)	(431,876)	-
Cash flow hedges	(Note 5.2)	16,136	(1,073)
Companies accounted for using the equity method	(Note 5.2)	(37,790)	(35,280)
Tax effect	(Note 5.2)	130,509	248
Comprehensive income (loss) for the period		**636,209**	**(418,146)**
Comprehensive income attributable to minority interests		(521)	(12,298)
COMPREHENSIVE INCOME ATTRIBUTABLE TO THE GROUP		**635,688**	**(430,444)**

The accompanying Notes 1 to 14 are an integral part of the statement of comprehensive income for the six-month period ended at 30 June 2009.

(*) The figures for the six-month period ended 30 June 2008 are presented for comparison purposes only.

Translation of condensed consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 1 and 14). In the event of a discrepancy, the Spanish-language version prevails.

CRITERIA CAIXACORP, SA AND SUBSIDIARIES

CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2009 AND 2008 AND 31 DECEMBER 2008

(Note 1)

	Thousands of euros			
	Share capital, reserves and results	**Valuation adjustments**	**Minority interests**	**Total equity**
Balance at 31 December 2007	**11,353,238**	**3,500,578**	**159,775**	**15,013,591**
Income tax	119,080	-	-	119,080
Profit before tax for the period	531,211	-	12,298	543,509
Other comprehensive income from associates and jointly controlled entities	-	75,946	-	75,946
Net income recognised directly in equity	-	(1,156,681)	-	(1,156,681)
Total income and expenses for the period attributable to the Group	650,291	(1,080,735)	12,298	(418,146)
Final dividend for 2007	(67,258)	-	-	(67,258)
Interim dividend for the current period	(168,145)	-	-	(168,145)
Other changes in reserves	(19,825)	-	(8,812)	(28,637)
Balance at 30 June 2008 (*)	**11,748,301**	**2,419,843**	**163,261**	**14,331,405**
Income tax	67,790	-	-	67,790
Profit before tax for the period	340,536	-	12,580	353,116
Other comprehensive income from associates and jointly controlled entities	-	(119,056)	-	(119,056)
Net income recognised directly in equity	-	(1,802,639)	-	(1,802,639)
Total income and expenses for the period attributable to the Group	408,326	(1,921,695)	12,580	(1,500,789)
Interim dividend for the current period	(335,635)	-	-	(335,635)
Treasury shares	(18,545)	-	-	(18,545)
Other changes in reserves	(46,142)	-	(17,026)	(63,168)
Balance at 31 December 2008	**11,756,305**	**498,148**	**158,815**	**12,413,268**
Income tax	(55,601)	-	-	(55,601)
Profit before tax for the period	919,180	-	12,484	931,664
Other comprehensive income from associates and jointly controlled entities	-	(125,667)	(11,963)	(137,630)
Net income recognised directly in equity	-	(102,224)	-	(102,224)
Total income and expenses for the period attributable to the Group	863,579	(227,891)	521	636,209
Final dividend for 2008	(201,052)	-	-	(201,052)
Treasury shares	(11,506)	-	-	(11,506)
Other changes in reserves	67,069	-	3,537	70,606
Balance at 30 June 2009	**12,474,395**	**270,257**	**162,873**	**12,907,525**

The accompanying Notes 1 to 14 are an integral part of the condensed statement of changes in equity for the six-month period ended 30 June 2009.

(*) The figures for the six-month periods ended 30 June 2008 and 31 December 2008 are presented for comparison purposes only.

Translation of condensed consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 1 and 14). In the event of a discrepancy, the Spanish-language version prevails.

CRITERIA CAIXACORP, SA AND SUBSIDIARIES

CONDENSED CASH FLOW STATEMENTS FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2009 AND 2008

(Note 1)

		Thousands of euros	
	Notes	**2009**	**2008 (*)**
1. Cash flows from operating activities		**686,863**	**26,358**
Profit before tax		931,664	543,509
Adjustments to profit	(Note 9)	(16,472)	(237,079)
Changes in working capital	(Note 9)	(40,661)	202,280
Other operating assets and liabilities		(83,026)	(158,836)
Interest paid		(101,085)	(80,666)
Taxes paid/received		(3,557)	(242,850)
2. Cash flows used in investing activities		**(1,189,486)**	**(3,335,247)**
Interest receivable		2,289	34,391
Income from equity instruments		218,435	186,499
Dividends received from associates		336,170	129,368
Investments (-)		**(8,107,359)**	**(8,961,360)**
- Subsidiaries, joint ventures and associates	(Note 9)	(1,322,961)	(1,694,636)
- Property, plant and equipment, investment property and other intangible assets		(168,442)	(184,653)
- Available-for-sale financial assets	(Note 9)	(5,685,027)	(5,489,715)
- Non-current assets held for sale		(64,788)	-
- Loans granted		(866,141)	(1,592,356)
Disposals (+)		**6,460,979**	**5,275,855**
- Subsidiaries, joint ventures and associates		-	234
- Property, plant and equipment, investment property and other intangible assets		98,497	42,126
- Available-for-sale financial assets	(Note 9)	5,333,833	4,395,363
- Non-current assets held for sale		44,352	-
- Repayment of loans granted		984,297	519,983
- Other assets		-	318,149
3. Cash flows used in financing activities		**(711,325)**	**3,365,000**
Dividends paid	(Note 5.3)	(201,052)	(168,145)
Treasury shares	(Note 9)	(12,540)	-
Loans obtained	(Note 9)	684,914	3,533,145
Repayment of loans obtained	(Note 9)	(1,182,647)	-
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		**(1,113,948)**	**56,111**
Cash at beginning of period		1,542,895	1,185,352
Cash at end of period		428,947	1,241,463
Cash generated (used) in the period		**(1,113,948)**	**56,111**

The accompanying Notes 1 to 14 are an integral part of this condensed cash flow statement for the six-month period ended 30 June 2009.

(*) The figures for the six-month period ended 30 June 2008 are presented for comparison purposes only.

Translation of condensed consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 1 and 14). In the event of a discrepancy, the Spanish-language version prevails.

CRITERIA CAIXACORP, SA AND SUBSIDIARIES

Selected notes from the condensed interim financial statements for the six-month period ended 30 June 2009

1. General disclosures and accounting policies

1.1. General disclosures

Criteria CaixaCorp, SA ("Criteria CaixaCorp" or "the Parent") and its subsidiaries compose the Criteria CaixaCorp Group ("the Group"). Criteria CaixaCorp is the platform for the international expansion of "la Caixa", the majority shareholder with an ownership interest of 79.45% at 30 June 2009.

The activity of Criteria CaixaCorp, the Group's holding company, is focused on the management of its share portfolio, investing in leading companies with a significant presence in their respective markets and with a capacity to generate recurring value and profitability. The main industries in which the Group carries on its activity are the financial, insurance and services industries.

The most significant events during the six-month period ended 30 June 2009, which are described in detail in Notes 1 to 13, are as follows:

- The dividends paid in May to the shareholders of Criteria CaixaCorp amounted to EUR 201 million and correspond to the final dividend for 2008.
- The Group's equity investments during the period were as follows:
  - Subscription of the capital increase at Gas Natural, SDG in the context of its takeover bid for Unión Fenosa, amounting to EUR 1,313 million.
  - The investments in equity instruments classified as available for sale involved a payment of EUR 703 million and included most notably the acquisition of a 1% ownership interest in Telefónica, SA, and the investment was associated with a price risk hedging instrument.
- The main divestments in the period were as follows:
  - Sale of 1% of the ownership interest in Teléfonica, SA, subject to market risk, giving rise in the consolidated income statement to a net consolidated gain of EUR 265 million.

Standard & Poor's (S&P) has assigned Criteria CaixaCorp a long-term credit rating of A, stable outlook, and a short-term rating of A-1. The rating agency cited Criteria's conservative and stable capital structure, healthy financial flexibility and the composition and quality of its portfolio.

This rating reinforces Criteria's financial health and paves the way for tapping the capital markets

1.2. Bases of preparation and presentation

The accompanying condensed consolidated interim financial statements of Criteria CaixaCorp and subsidiaries for the six-month period ended 30 June 2009 were prepared in accordance with International Financial Reporting Standards (IFRSs) and contain all of the minimum information required by IAS 34 Interim Financial Reporting and the Spanish National Securities Market Commission (CNMV) Circular 1/2008, of 30 January. Consequently, they do not include all of the disclosures and details required in the annual financial statements and should be read in conjunction with the consolidated financial statements of Criteria CaixaCorp and subsidiaries for the year ended 31 December 2008. In accordance with IAS 34, the interim financial report is intended to provide an update on the latest complete set of annual financial statements authorised for issue. Accordingly, it focuses on new activities, events and circumstances and does not duplicate information previously reported.

In the condensed interim financial statements for the six-month period ended 30 June 2009, the Group followed the same accounting policies and methods as those used in the consolidated financial statements for 2008.

The consolidated financial statements of Criteria CaixaCorp for the year ended 31 December 2008 were formally prepared by the Board of Directors on 26 February 2009 and were approved at the Annual General Meeting held on 7 May 2009. These financial statements were prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The condensed interim financial statements were prepared on the basis of the accounting records kept by Criteria CaixaCorp and by the other Group companies. However, since some of the accounting policies and measurement bases used in preparing the Group's financial statements for the six-month period ended 30 June 2009 (IFRSs) may differ from those used by the Group companies, the required adjustments and reclassifications were made on consolidation to unify these policies and methods and to adapt them to International Financial Reporting Standards as adopted by the European Union.

At 30 June 2009, the functional currency of the Group -both the Parent and the subsidiaries- was the euro. Therefore, all balances and transactions denominated in currencies other than the euro are deemed to be in foreign currency. The figures are presented in thousands of euros unless the use of another monetary unit is explicitly indicated. Certain financial information in these interim financial statements was rounded off and, therefore, the figures shown as totals in this document might vary slightly with respect to the exact arithmetical result of the operation using the figures that precede them.

1.2.1. Measurement bases and accounting policies

The main measurement bases and accounting policies used in the preparation of the interim financial information for the period ended 30 June 2009 are consistent with those used in preparing the Group’s 2008 financial statements and are explained in Note 3 hereto.

The following standards came into force and were adopted in the period:

- IFRS 8 Operating Segments (applicable to periods beginning on or after 1 January 2009). The application of this standard involves identifying segments based on the management organisation used by management, rather than on determining differentiated risks and returns.

- Amendments to IFRS 2 Conclusions regarding vesting conditions and cancellations (applicable to periods beginning on or after 1 January 2009).

- IFRIC 13 Customer Loyalty Programmes (applicable to periods beginning on or after 1 January 2009).

- IFRIC 14 IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (applicable to periods beginning on or after 1 January 2009).

- Revision of IAS 23 (applicable to periods beginning on or after 1 January 2009).

- Revision of IAS 1 (applicable to periods beginning on or after 1 January 2009).

- IFRIC 16 Hedges of a Net Investment in a Foreign Operation.

- IFRIC 12 Service Concession Arrangements and concomitant amendments to IFRS 1, IFRIC 14 and SIC 29.

- Amendments to IAS 27 and IFRS 1 Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate.

- Amendments to IAS 1 and IAS 32 Puttable Financial Instruments and Obligations Arising on Liquidation.

Of the aforementioned amendments, the most significant in relation to the Group's financial reporting are the adoption of IFRS 8 and the amendments referring to the presentation of interim financial statements due to the revision of IAS 1. Following is a brief description of the effects of the introduction of these standards on the Group's financial information:

- IFRS 8. The application of this standard entails the identification of segments based on the information that management uses to make decisions about operating matters, as opposed to the identification of segments on the basis of determining differentiated risks and rewards. The adoption of these new criteria did not give rise to any significant difference in relation to the segments to be reported with respect to those reported pursuant to the standard previously applied (IAS 14). However, the detail of the information broken down for each segment or group of components was adapted to the requirements of IFRS 8 and to the data and information used by Group management to make decisions.

- The revision of IAS 1 has amended, among other things, the structure of the financial information to be presented, the accounting statements composing the financial information and the minimum requirements for the content of the financial statements. The most significant change relates to the inclusion of a new statement called "Statement of comprehensive income" which reflects the consolidated profit or loss for the period and the unrealised losses and gains arising from the revaluation of financial instruments, cash flow hedges and translation differences, displaying separately those generated by companies accounted for using the equity method from those generated by fully consolidated companies. On the basis of the options afforded by IAS 1, the Group opted to present an income statement for the period (as it had been doing in prior years) separately from the statement of comprehensive income.

  The Group's financial reporting observes all the requirements of IAS 1, although in the interim financial information the Group maintained the definitions of the financial statements as presented in the annual financial statements for 2008 as regards the balance sheet (statement of financial position).

Application of the following standards is not obligatory in 2009. Had they been applied early, management considers that they would not have had a material effect on the interim financial statements for this year.

- Amendments to IAS 27 Consolidated and Separate Financial Statements (applicable to periods beginning on or after 1 July 2009).

- Revision of IFRS 3 Business Combinations (applicable to periods beginning on or after 1 July 2009).

The standards and interpretations issued by the IASB but not yet adopted by the European Union are as follows:

- IFRIC 15 Agreements for the Construction of Real Estate.
- IFRIC 17 Distribution of Non-cash Assets to Owners.
- IFRIC 18 Transfers of Assets from Customers.
- Revision of IFRS 1 First-time Adoption of International Financial Reporting Standards.
- Amendments to IAS 39 Financial Instruments: Recognition and Measurement: Designation of hedging instruments.
- Amendments to IAS 39 Reclassification of financial instruments: Effective date and transition.
- Amendments to IFRS 7 Improving Disclosures about Financial Instruments.
- Amendments to IFRIC 9 and IAS 39 Embedded Derivatives.
- Improvements to IFRSs.

1.2.2. Use of judgments and estimates

The measurement bases used in the interim financial reporting, which are the same as those used in the 2008 financial statements, were designed to guarantee the reliability of the resulting financial information, and so that all significant financial information which may be required to understand the Group's financial situation and performance is appropriately disclosed. In preparing the half-yearly financial information, the use of estimates made by Group management and its investees in quantifying certain of the assets, liabilities, income, expenses, cash flows and obligations reported herein was greater than in the financial statements. The main estimates, made using the best available information, are as follows:

- Useful life of intangible assets and property, plant and equipment
- Impairment losses on assets
- Provisions
- Income tax

During the six-month period ended 30 June 2009, no significant changes were made to the judgments or estimates made with respect to those corresponding to 31 December 2008, other than those mentioned in these half-yearly financial statements.

1.2.3. Comparative information

International Financial Reporting Standards require that the information presented in interim financial information be consistent with that presented in the consolidated financial statements for the immediately preceding year.

As regards the bases of presentation, the revision of IAS 1 and the adoption of IFRS 8 led to a change in the comparative information relating to the new structure of the financial statements and segment reporting. These changes were made in the comparative information.

Also, Gas Natural became a jointly controlled entity in the interim financial information when it had previously been considered to be an associate. This change, which is discussed in detail in Note 3 (Acquisitions and capital increases), did not give rise to any change in the recognition, measurement or presentation bases in the financial statements for comparison purposes, since the Group accounts for both jointly controlled entities and associates using the equity method.

1.2.4. Scope of consolidation

The main changes in ownership interests in subsidiaries, jointly controlled entities or associates in the period ended 30 June 2009 with respect to 31 December 2008 are as follows:

	Consolidation method and percentage of ownership at period-end			
Company	**2009**	**30/06/09**	**2008**	**31/12/08**
Banco BPI, SA	Equity	30.10%	Equity	29.38%
Boursorama, SA	Equity	20.93%	Equity	20.95%

In the first half of 2009 Criteria CaixaCorp formalised the merger by absorption of the investees Crisegen Inversiones, SLU and Caixa Capital Desarrollo SCR de Régimen Simplificado, SAU. Effective for accounting purposes from 1 April 2009, the assets, liabilities and legal and contractual obligations and rights of these two companies were transferred to the absorbing company. These corporate restructuring transactions did not have any effect on the financial position or results of the Group as they were wholly-owned investees of the Parent at 31 December 2008 and at the date of the merger.

1.2.5. Seasonality of the Group's activities

Certain of the Group's economic activities are seasonal. These include the operation of the Port Aventura park and the hotel activity associated with the park. Also, certain activities of associates have a seasonal component, in both the energy industry and road transport industry. However, the impact of these seasonal effects is expected to be significantly offset, and, consequently, the condensed interim financial statements for the period ended 30 June 2009 do not show, overall, a significant seasonal component with respect to the annual figures.

1.2.6. Distribution of the Parent's individual profit

On 7 May 2009, Criteria CaixaCorp's Annual General Meeting approved the proposal for the distribution of the Parent's individual profit for 2008, detailed below:

	Thousands of euros
	2008
Basis of distribution:	
Profit for the year	**803,349**
Distribution: (*)	
Dividends	704,832
Voluntary reserves	98,517
	803,349

(*) Distribution taking into account the number of treasury shares held by the Group when the dividend was paid.

1.2.7. Assets managed by third parties

The detail of the assets of the collective investment undertakings (investment funds and open-end investment companies) and pension funds managed by the Group companies is as follows:

	Thousands of euros	
Type of asset	**30/06/09**	**31/12/08**
Collective investment undertakings		
Investment funds	12,107,656	11,586,842
Open-end investment companies	923,332	965,189
	13,030,988	12,552,031
Pension funds	12,251,041	11,860,462
Total assets managed	**25,282,029**	**24,415,493**

2. Goodwill and other intangible assets

The changes in the period in *Goodwill and other intangible assets* were as follows:

	Thousands of euros				
	31/12/08	Additions	(Disposals)	(Charge for the year)	**30/06/09**
Goodwill: CGU (Company)	**513,496**	**-**	**-**	**-**	**513,496**
Life insurance (VidaCaixa)	330,929	-	-	-	330,929
Non-life insurance (SegurCaixa)	132,486	-	-	-	132,486
Asset management (InverCaixa CGU)	46,674	-	-	-	46,674
Other	3,407	-	-	-	3,407
Intangible assets	**398,483**	**4,450**	**(2,023)**	**(22,833)**	**378,077**
Insurance business life and non-life portfolio	366,632	-	-	(18,880)	347,752
Other customer portfolios	18,888	-	-	(870)	18,018
Other intangible assets	12,963	4,450	(2,023)	(3,083)	12,307
Total goodwill and other intangible assets	**911,979**	**4,450**	**(2,023)**	**(22,833)**	**891,573**

Impairment

Goodwill must be tested for impairment annually, or more frequently if there are indications that it might have become impaired. At 2008 year-end the Group performed and documented an impairment test based on a cash flow discount model the main assumptions of which were described in the financial statements for 2008. These estimated flows are discounted to present value using a discount rate and are compared with the carrying amount of the related cash-generating unit (CGU) in order to determine whether an impairment loss has to be recognised in the income statement. The principal assumptions used in determining the value in use of the various CGUs are described in the financial statements for 2008.

Management assessed the impact that the current economic circumstances would have on the assumptions used at the end of 2008 in order to calculate the cash flows expected from the various CGUs. In addition, it analysed whether these new economic circumstances were taken into account in the sensitivity analyses performed, determining the extent to which they might have a significant effect on the value in use and reduce it to below the carrying amount of each CGU.

The conclusions of this work indicate that the carrying amount of the Life and Non-life insurances CGUs and Asset management CGU is not expected to become impaired.

3. Investments in companies accounted for using the equity method

Investments in companies accounted for using the equity method in the accompanying balance sheet include equity investments in jointly controlled entities and associates in which joint management exists with another company or significant influence is exercised in the management thereof. These investments are accounted for using the equity method on the basis of the best available estimate of the results and other components of equity at the time of their preparation.

	Thousands of euros	
	30/06/09	31/12/08
Listed		
Underlying carrying amount (1)	7,044,116	5,768,846
Goodwill (2)	2,774,496	2,750,505
Unlisted	256	256
Subtotal	**9,818,868**	**8,519,607**
Less:		
Impairment allowance	(151,369)	(257)
Total	**9,667,499**	**8,519,350**

(1) Includes the goodwill assigned on acquisition of the ownership interest.

(2) Corresponds to the difference between the acquisition price and the underlying carrying amount attributable to the investee at the acquisition date. At 31 December 2008 and 30 June 2009 includes the portion of the acquisition of GF Inbursa which was not assigned to the underlying carrying amount, as the definitive allocation was not made in accordance with the fair values at the acquisition date.

The main changes in the six-month period ended 30 June 2009 in *"Investments Accounted for Using the Equity Method"* were as follows:

	Thousands of euros			
	Underlying carrying amount (1)	**Goodwill (2)**	**Impairment allowance**	**TOTAL**
Balance at 31/12/08	**5,769,102**	**2,750,505**	**(257)**	**8,519,350**
Acquisitions and capital increases	1,326,856	(3,895)	-	**1,322,961**
Profit for the period	411,095	-	-	**411,095**
Dividends declared	(421,162)	-	-	**(421,162)**
Translation differences	23,137	28,460	-	**51,597**
Addings to impairment allowance	-	-	(151,112)	**(151,112)**
Other (3)	(64,656)	(574)	-	**(65,230)**
	-			
Balance at 30/06/09	**7,044,372**	**2,774,496**	**(151,369)**	**9,667,499**

(1) Includes the allocation of the price paid upon acquisition to the carrying amount of the investee's assets.

(2) Difference between the acquisition cost and the underlying carrying amount.

(3) Includes the valuation adjustments of jointly controlled entities and associates.

Purchases and capital increases

The most significant changes in the six-month period ended 30 June 2009 in investments in jointly controlled entities and associates are as follows:

Gas Natural, SDG, SA

The Board of Directors Meeting of Criteria CaixaCorp, held on 30 July 2008, resolved to back the acquisition of 45.306% of Unión Fenosa and the concomitant takeover bid for the remaining share capital by Gas Natural. Criteria CaixaCorp resolved to contribute to Gas Natural's equity in order to maintain a stable rating subsequent to the settlement of the takeover bid.

On 28 March 2009 the Criteria CaixaCorp subscribed the capital increase at Gas Natural SDG, SA for EUR 1,313 million in proportion to its ownership interest which was 37.49%. The capital increase, totalling EUR 3,502 million, formed part of the process of merging Unión Fenosa, SA into Gas Natural SDG, SA and was used to finance in part the takeover bid presented by Gas Natural SDG, SA which was successfully completed in April. The Criteria Group, as majority shareholder of Gas Natural SDG, SA, has supported the acquisition transaction performed by its investee at all times. At 30 June 2009, according to the contents of the Unión Fenosa, SA takeover bid prospectus which was filed at the Spanish National Securities Market Commission (CNMV) the Group's ownership interest in Gas Natural SDG, SA was recognised for accounting purposes as a jointly controlled entity, whereas in 2008 it was recognised as an associate. This accounting treatment did not entail any changes to the Group's balance sheet or income statement since in general jointly controlled entities and investments in associates are accounted for using the equity method (see Note 2.4 to the consolidated financial statements for 2008). On 24 April the Board of Directors of Gas Natural SDG, SA approved the plan for the merger by absorption of Unión Fenosa, SA and Unión Fenosa Generación, SA by Gas Natural SDG, SA, an event that was communicated on that date to the CNMV.

At the end of the six-month period, Gas Natural agreed to sell its 5% ownership interest in Enagás to Oman Oil Holding Spain SLU, as set forth in the Action Plan agreed upon with the Spanish Competition Commission in relation to the process to acquire Unión Fenosa. The sale amounted to EUR 155 million and a gain on the transaction of approximately EUR 38 million was recognised in the Group's income statement. According to this Action Plan further asset disposals will be made in the coming months.

At 30 June 2009, Criteria CaixaCorp's ownership interest in the share capital of Gas natural amounted to 37.49%.

Banco BPI, SA

In the first half of 2009, the Group increased its ownership interest in the share capital of Banco BPI, SA by 0.72% through an investment of EUR 10 million. At 30 June 2009, as a result of these transactions, the Group's total ownership interest in Banco BPI, SA was 30.10%.

The detail of the main listed companies included under this heading, showing the related percentage of ownership and market value, is as follows:

	30/06/09		31/12/08	
		Thousands of euros		Thousands of euros
Company	% of ownership	Market value	% of ownership	Market value
Gas Natural, SDG, SA	37.49%	4,355,148	37.49%	3,238,658
Abertis Infraestructuras, SA	25.04%	2,362,870	25.04%	2,115,214
Grupo Financiero Inbursa (1)	20.00%	1,255,523	20.00%	1,121,380
Sociedad General de Aguas de Barcelona, SA	44.10%	1,066,431	44.10%	963,483
Banco BPI, SA	30.10%	493,038	29.38%	462,721
Boursorama, SA	20.93%	121,994	20.95%	83,757
Market value		**9,655,004**		**7,985,213**
Acquisition cost (2)		**9,898,870**		**8,680,690**
Gross gain (loss)		**(243.866)**		**(695,477)**

(1) Investment denominated in Mexican pesos. The exchange rate prevailing at the end of the six-month period ended 30 June 2009 was used.

(2) The underlying carrying amount was deemed to be the acquisition cost plus goodwill less the change in value of the available-for-sale financial assets, future cash flow hedges and exchange differences included in the equity of the investee.

The detail of the implicit goodwill included under *"Investments Accounted for Using the Equity Method"* is as follows:

	Thousands of euros	
Company	30/06/09	31/12/08
Gas Natural, SDG, SA	586,940	586,940
Banco BPI, SA	350,199	354,791
Abertis Infraestructuras, SA	690,607	690,607
Boursorama, SA	66,306	66,311
Sociedad General de Aguas de Barcelona, SA	274,397	274,397
Grupo Financiero Inbursa (1)	806,047	777,460
Total	**2,774,496**	**2,750,506**

(1) Amount calculated on a provisional basis and subject to exchange rate fluctuations.

<u>Investment impairment losses</u>

In accordance with Group policy, in the six-month period ended 30 June 2009 the value of the investments in jointly controlled entities and associates was reviewed in order to determine whether or not an impairment loss should be recognised in this connection.

The scope of this review consisted, on the one hand, of a general review of indicators and, on the other, an update of the assumptions used in the impairment tests performed in 2008 on the basis of the best information then available, which are discussed in Note 6 to the consolidated financial statements. At the interim reporting date, since the actual data for the first few months of 2009 were available, the Group updated, principally, the assumptions relating to the basic economic conditions that were used to estimate the future cash flows.

As a result of the work performed, in which sensitivity analyses were used in relation to the businesses of the investees, an adverse macroeconomic outlook over the coming years was envisaged. Based on the results of the analyses performed, it was determined that it was necessary to recognise an impairment loss of EUR 151 million in relation to the investments in entities in the banking sector. This loss was recognised through a charge of EUR 70 million to the income statement and the allocation of a provision included under “Provisions for Contingencies and Charges” amounting to EUR 81 million.

4. Financial instruments

The detail of the financial instruments, by nature and category, is as follows:

	Thousands of euros			
	30/06/09		31/12/08	
	Non-current	Current	Non-current	Current
Financial assets				
Held-for-trading financial assets	-	1,325	-	1,325
Available-for-sale financial assets	23,909,800	-	23,471,540	-
Equity instruments	7,080,697	-	*6,690,350*	-
Debt instruments	*16,829,103*	-	*16,781,190*	-
Loans and receivables	*1,848,095*	4,265,235	1,668,476	4,561,409
Other assets at fair value through profit or loss	168,850	-	167,883	-
Derivatives	-	404	170	1
Total	**25,926,745**	**4,266,964**	**25,308,069**	**4,562,735**
Financial liabilities				
Financial liabilities at amortised cost	8,202,623	4,249,437	7,646,561	5,209,567
Bank borrowings	*7,911,314*	*3,850,097*	*7,350,561*	*4,910,543*
Subordinated liabilities	*291,309*	-	*296,000*	-
Other financial liabilities	-	*399,340*	-	*299,024*
Other financial liabilities at fair value through profit or loss	180,735	-	183,964	-
Derivatives	47,593	72,006	40,514	81
Total	**8,430,951**	**4,321,443**	**7,871,039**	**5,209,648**

The main financial instrument headings and the most significant changes therein are as follows:

4.1. Equity instruments classified as available for sale

The most significant changes in the six-month period ended 30 June 2009 in “*Other Equity Instruments*” were as follows:

	Thousands of euros
Balance at 31/12/08	**6,690,350**
Acquisitions and capital increases	703,049
Sales	(349,920)
Transfer of income from sales	(401,664)
Valuation adjustments and exchange differences	441,726
Impairment losses	(2,844)
Balance at 30/06/09	**7,080,697**

<u>Acquisitions and capital increases</u>

The main transactions involving available-for-sale equity instruments in the six-month period ended 30 June 2009 were as follows:

Telefónica, SA

In the first half of 2009, the Group acquired 1% of the share capital of Telefónica, SA (47,050,000 shares) for EUR 689 million. Also, a derivative contract was arranged over 1% of the ownership interest, in order to establish a hedging relationship over the changes in fair value of this investment and the derivative financial instrument. This derivative expires in April 2010 and may be renewed at the request of Criteria CaixaCorp. The instrument establishes the exchange of dividend rights arising from the hedged shares for the risk of changes in the value and interest on the investment in the hedged item at Euribor. The voting rights associated with the shares were maintained in full. The hedged portfolio and the derivative instrument were recognised at fair value under "Gains/(Losses) from Financial Assets and Liabilities" in the consolidated income statement (see section on Derivative Financial Instruments).

Also, during the second trimester the Group sold 1% of its ownership interest in Telefónica, SA for EUR 737 million and obtained a net gain of EUR 265 million.

At 30 June 2009, the Group's total ownership interest in the share capital of Telefónica, SA was 5.01%.

Erste Group Bank AG

In the first half of 2009, the Group increased its ownership interest in the share capital of Erste Group Bank AG by 0.19% through an investment of EUR 14 million. At 30 June 2009, following these transactions, the Group's total ownership interest in Erste Group Bank was 5.09%.

Other investments

During the period other less significant investments were disposed of for a joint amount of EUR 15 million and the impact on the income statement was scantly material.

Valuation adjustments and exchange differences

At 30 June 2009, the Group maintained gross unrealised gains of EUR 1,181 million as shown in the accompanying table which provides a detail of the percentage of ownership and the market value of the main listed companies, classified as available-for-sale financial assets:

	30/06/09		31/12/08	
		Thousands of euros		Thousands of euros
Company	% of ownership	Market value	% of ownership	Market value
Telefónica, SA (1)	5.01%	3,799,814	5.01%	3,736,170
Repsol YPF, SA	12.68%	2,467,134	12.68%	2,337,122
Erste Group Bank AG	5.09%	310,904	4.90%	251,636
The Bank of East Asia Limited	9.85%	391,695	9.86%	247,719
Bolsas y Mercados Españoles	5.01%	88,307	5.01%	77,038
Banco Comercial Portugués	0.67%	22,627	0.79%	30,321
Other		-	-	10,125
Market value		**7,080,481**		**6,690,131**
Acquisition cost		**5,899,321**		**5,549,033**
Gross gain		**1,181,160**		**1,141,098**

(1) At 30 June 2009, an asset of EUR 689 million was hedged through the arrangement of a derivative contract and, therefore, any changes in value are not subject to market risk. This change in the value of the asset (+EUR 70 million) has a balancing entry on the liability side of the balance sheet since the hedging derivative is recognised at its value. The two changes are recognised in profit or loss, although the offset effect was scantly material.

The net gain at 30 June 2009, calculated as the difference between the gross gain and the related tax effect, totalled EUR 663 million (31 December 2008: EUR 692 million) and was recognised under "*Equity - Valuation Adjustments*" in the accompanying balance sheets.

Impairment of equity instruments

In the six-month period ended 30 June 2009 Criteria CaixaCorp assessed whether there was evidence of impairment of all its investments in equity instruments carried at fair value. The analysis of the indications of impairment included a review of the duration and relative importance on the investments whose fair value was below cost. Based on the analysis performed and applying criteria that were consistent with those used in 2008, the directors consider that there was no objective or quantifiable evidence of impairment at 30 June 2009 or, therefore, of the need to take the impairment loss recognised in the Group's equity to profit or loss for the period in relation to the most significant assets, except for the recognition of an impairment loss on a non-controlling interest amounting to EUR 3 million.

4.2. Debt instruments classified as available for sale

There was a slight increase of EUR 48 million in the value of debt instruments classified as available for sale, deriving almost entirely from the insurance segment. This change was due to the net investments in debt instruments amounting to EUR 456 million (see the Note on information on the statement of cash flows), and to a lower market valuation which was recognised with a balancing entry under mathematical provisions in accordance with the industry practice known as "shadow accounting" amounting to EUR 408 million (see the Note on information on the statement of cash flows).

4.3. Loans and receivables

The most significant balance included under "*Non-Current Loans and Receivables*" corresponds to "*Loans and Advances to Customers*", the detail of which at 30 June 2009 and 31 December 2008 is as follows:

	Thousands of euros	
Loans and advances to customers	30/06/09	31/12/08
Loans and advances to customers– gross	1,935,947	1,675,831
Impairment losses	(177,983)	(94,151)
Accrued fees and commission on loans and receivables	(9,843)	(10,436)
Balance at period end	**1,748,121**	**1,571,244**

The changes in the impairment losses relating to "*Loans and Advances to Customers*" in the six-month periods ended 30 June 2009 and 2008 were as follows:

	Thousands of euros	
Changes in impairment losses	2009	2008
Balance at beginning of period	**94,151**	**52,495**
Plus		
Charge for the period	104,151	22,523
Less:		
Impairment losses reverted with a credit to income	(4,921)	(6,232)
Amounts used	(15,536)	(9,438)
Changes in the scope of consolidation and other	138	(358)
Balance at end of period	**177,983**	**58,990**

The first six months of 2009 witnessed a slowdown in economic activity and an increase in unemployment which had a particularly significant effect on consumer finance entities. In this context and as part of the process of analysing its loan portfolio, the Group identified a group of assets affected by the increase in nonperforming loans. Based on historical experience and the application thereof to the current economic climate, the Group made its best estimate in order to update and quantify the fair value of the loans and advances to customers in the balance sheet at 30 June 2009. Therefore, the impairment losses recognised in the interim reporting period were increased by EUR 82 million with respect to the same period in the preceding year.

The detail of the balance of "*Loans and Advances to Customers - Gross*", by the type and status of the loan granted, is as follows:

	Thousands of euros	
By loan type and status	30/06/09	31/12/08
Other secured loans	115,596	133,833
Unsecured loans	621,413	666,721
Other loans and credits	142,646	156,748
Finance leases	351,733	319,514
Insurance agents and policyholders	453,809	167,488
Public sector	27,658	33,497
Other accounts receivable	73,650	77,310
Doubtful loans	149,442	120,720
	1,935,947	**1,675,831**

"Current Loans and Receivables" correspond to repurchase agreements entered into with "la Caixa" through the insurance companies.

4.4. Derivative financial instruments

The detail of the derivative financial instruments, by category, is as follows:

	Thousands of euros			
	30/06/09		31/12/08	
	Asset	Liability	Asset	Liability
Hedging derivative financial instruments				
Cash flow hedges				
- Interest rate (non-organised markets)	-	47,593	170	40,514
Total non-current	**-**	**47,593**	**170**	**40,514**
Hedging derivative financial instruments				
Cash flow hedges				
- Interest rate (non-organised markets)	-	2,382	1	81
- Exchange differences	404	-	-	-
Fair value hedges				
- Equity swaps (non-organised markets)	-	69,624	-	-
Total current	**404**	**72,006**	**1**	**81**

Interest rate and cash flow hedges

The notional amount of the agreements relating to swaps and similar transactions entered into by the Group at 30 June 2009 was EUR 1,211 million (EUR 1,435 million at 31 December 2008, with a net fair value of EUR 49.6 million, as shown in the table above.

Exchange differences and cash flow hedges

Within the framework of the financial risk management policy, during the first half of the year the Group arranged derivative instruments to hedge the changes in the exchange rate on the dividends to be received during the period from the investments in Mexico (GF Inbursa), which expired the second trimester of 2009, and in Hong Kong (the Bank of East Asia), denominated in Mexican pesos and Hong Kong dollars, respectively.

Fair value hedges related to shares

In the first half of 2009 a hedging derivative was arranged with a financial institution on 1% of the shares of Telefónica, SA (47,050,000 shares valued at EUR 689 million at that date) expiring in April 2010 in order to hedge the difference in the fair value of the aforementioned portfolio and the derivative instrument. The fair value of the hedging instrument at 30 June 2009 amounted to EUR 70 million and was recognised under "*Current Liabilities - Hedging Derivatives*" in the accompanying balance sheet. Also, the fair value of the hedging instrument item was recognised under "*Available-For-Sale Financial Assets"* under the asset which reflects a gain of the same amount. The net effect on the income statement for the period is not material.

4.5. Bank borrowings classified as financial liabilities at amortised cost

At 30 June 2009, the detail of bank borrowings was mainly as follows:

- A credit facility awarded to the Parent by "la Caixa" the maturity of which was extended in 2009 to 31 July 2011. The limit of the aforementioned facility is EUR 6,500 million and it bears interest of Euribor plus 100 basis points. The balance drawn down at 30 June 2009 was EUR 5,808 million (31 December 2008: EUR 5,189 million),

- In current liabilities, assets of the insurance companies sold under repurchase agreements amounting to EUR 3,693 million (31 December 2008: EUR 4,793 million) and,

- Other financing amounting to EUR 1,804 million (2008: EUR 1,867 million) by the financial institutions (mainly Finconsum EFC, SA and CaixaRenting, SA) of the Group from "la Caixa". This financing bears interest ranging from Euribor plus 0.25% to Euribor plus 0.50%.

5. Equity

The detail of the changes in the Group's equity at 30 June 2009 and 30 June 2008 is as follows:

	Thousands of euros							
	Share capital	**Share premium and reserves**	**Profit for the period attributable to the Parent**	**Treasury shares**	**Total share capital, reserves and profit**	**Valuation adjustments**	**Minority interests**	**Total equity**
Balance at 01/01/09	**3,362,890**	**7,353,343**	**1,058,617**	**(18,545)**	**11,756,305**	**498,148**	**158,815**	**12,413,268**
Recognised income and expenses	-	-	863,579	-	863,579	(227,891)	521	636,209
Final dividend for 2008	-	-	(201,052)	-	(201,052)	-	-	(201,052)
Transfers between equity items	-	857,565	(857,565)	-	-	-	-	-
Treasury share transactions	-	-	-	(11,506)	(11,506)	-	-	(11,506)
Other changes	-	67,069	-	-	67,069	-	3,537	70,606
Balance at 30/06/09	**3,362,890**	**8,277,977**	**863,579**	**(30,051)**	**12,474,395**	**270,257**	**162,873**	**12,907,525**

	Thousands of euros						
	Share capital	**Share premium and reserves**	**Profit for the period attributable to the Parent**	**Total share capital, reserves and profit**	**Valuation adjustments**	**Minority interests**	**Total equity**
Balance at 1/1/08	**3,362,890**	**6,264,486**	**1,725,862**	**11,353,238**	**3,500,578**	**159,775**	**15,013,591**
Recognised income and expenses	-	-	650,291	650,291	(1,080,735)	12,298	(418,146)
Final dividend for 2007	-	-	(67,258)	(67,258)	-	-	(67,258)
Interim dividend for the current period	-	(168,145)	-	(168,145)	-	-	(168,145)
Other transactions with shareholders	-	(14,954)	-	(14,954)	-	(5,016)	(19,970)
Transfers between equity Items	-	1,658,604	(1,658,604)	-	-	-	-
Other changes	-	(4,871)	-	(4,871)	-	(3,796)	(8,667)
Balance at 30/06/08	**3,362,890**	**7,735,120**	**650,291**	**11,748,301**	**2,419,843**	**163,261**	**14,331,405**

5.1. Treasury shares

The shareholders at the Annual General Meeting held on 7 May 2009 authorised the Board of Directors to acquire derivatively treasury shares, provided that the total of the treasury shares held by the Parent did not exceed 5% of the share capital. This authorisation, subsequently ratified by the Board of Directors on that same date, is valid for 18 months.

The changes recognised in treasury shares in the first half of 2009 were as follows:

	Number	Cost of acquisition/sale (thousands of euros)
At 1 January 2009	6,534,397	18,545
Acquisitions	5,493,424	12,540
Disposals	(400,000)	(1,034)
At 30 June 2009	11,627,821	30,051

The weighted number of shares outstanding in the first half of 2009 was 3,353,391,740 shares (2008: 3,361,456,732 shares).

5.2. Valuation adjustments

The changes in the balances of *"Valuation Adjustments"* during the six-month period ended 30 June 2009 were as follows:

	Thousands of euros					
		Amounts transferred to profit or loss				
	Balance at 31/12/08	Before tax	Taxes	Valuation gains and losses before tax	Deferred tax liabilities	Balance at 30/06/09
Available-for-sale financial assets (1)	818,7	(431,876)	135,350	254,917	(98,190)	678,963
Cash flow hedges	(28,3	16,136	(4,841)	(25,060)	7,518	(34,592)
Exchange differences	(249,1	-	-	40,489	3,333	(205,336)
Companies accounted for using the equity method	(43,111)	(37,790)	-	(87,877)	-	(168,778)
Total	**498,148**	**(453,530)**	**130,509**	**182,469**	**(87,339)**	**270,257**

(1) Include gains arising from equity instruments and debt instruments measured at market value.

5.3. Dividends paid in the period

The shareholders at the Annual General Meeting held on 7 May 2009 resolved to distribute a final dividend for 2008 of EUR 0.06 per share which represented the payment to its shareholders of EUR 201,052 thousand, which was made on 27 May 2009.

5.4. Minority interests

This heading relates to the share of minority interests of the equity and profit for the period of the Group companies. The changes during the six-month period ended 30 June 2009 in the condensed consolidated balance sheet were as follows:

	Thousands of euros					
Company	Balance at 31/12/08	Profit (loss) for the period	Reclassifications and other	Interim dividends	Valuation adjustments	Balance at 30/06/09
Inversiones Autopistas, SL	80,484	(4)	-	7,770	-	88,250
Hotel Caribe Resort, SL	7,240	(247)	-	-	(13)	6,980
Other	71,091	12,735	(4,233)	-	(11,950)	67,643
Total	**158,815**	**12,484**	**(4,233)**	**7,770**	**(11,963)**	**162,873**

5.5. Earnings per share

Basic earnings per share were calculated by dividing the net profit for the period attributable to the shareholders of Criteria CaixaCorp by the weighted average number of shares outstanding during the period, excluding the average number of treasury shares held by the Group.

	Thousands of euros	
	30/06/09	30/06/08
Net profit attributable to the shareholders	863,579	650,291
Weighted average number of ordinary shares outstanding (thousands)	3,353,391	3,362,890
Basic and diluted earnings per share (euros/share)	**0.26**	**0.19**

The weighted average number of ordinary shares outstanding includes the average number of treasury shares. During the period, Criteria CaixaCorp did not perform any transactions causing the basic earnings per share to differ from the diluted earnings per share.

6. Provisions for insurance contracts and other provisions

The detail of the Group's provisions at 30 June 2009 and 31 December 2008 is as follows:

	Thousands of euros	
Provisions for insurance contracts	Direct insurance	
	30/06/09	31/12/08
Non-current	**16,596,900**	**16,307,800**
Mathematical provisions	16,525,186	16,245,580
Policyholder dividends and return premiums	71,714	62,220
Current	**461,757**	**418,278**
Unearned premiums	163,953	124,076
Claims	297,804	294,202
Total	**17,058,657**	**16,726,078**

The changes in mathematical provisions during the six-month period ended 30 June 2009 were as follows:

	Thousands of euros
	2009
At beginning of period	**16,245,580**
Premiums	1,299,246
Technical interest rate	324,572
Insurance claims paid/collected	(936,387)
Adjustments relating to shadow accounting	(407,825)
At end of period	**16,525,186**

The adjustments relating to shadow accounting correspond to the change in the value of the debt instruments classified as available for sale which were assigned to mathematical provisions by virtue of the accounting practice indicated in IFRS 4. This practice is described in measurement bases in the 2008 financial statements (Note 3.12).

7. Tax matters and income tax

The table below shows the reconciliation of the profit before tax for the six-month periods ended 30 June 2009 and 30 June 2008 to the corresponding income tax expense and the average effective rate.

	Thousands of euros	
	2009	2008
Profit before tax (1)	**931,664**	**543,509**
Adjustments for:		
Dividends	*(298,217)*	*(168,112)*
Profit of companies accounted for using the equity method (*)	*(411,095)*	*(363,484)*
Losses not recognised for tax purposes	*1,211*	*1,657*
Other non-deductible profit	*18,604*	*15,001*
Taxed profit	**242,167**	**28,571**
Tax rate (30%)	**(72,650)**	**(8,571)**
Adjustments to the tax charge:	*17,049*	*108,672*
Domestic double taxation relief on capital gains (art. 30.5 TRLIS)	*18,715*	-
Tax credit for reinvestment of gains (disposal of investments)	-	*108,510*
Withholding of foreign dividends and other	*(1,666)*	*162*
Income tax	**(55,601)**	**100,101**
- *Income tax for the period (2)*	*(55,601)*	*100,101*
Effective rate	5.97%	*(18.42%)*
- *Adjustment to 2007 income tax (3) (**)*	-	*18,979*
Profit after tax (1) + (2) + (3)	**876,063**	**662,589**

(*) The profit relating to associates accounted for using the equity method is included, net of tax, under *"Results of Entities Accounted for Using the Equity Method"* in the consolidated income statement.

(**) Relates to the regularisation of 2007 income tax which gave rise to a tax credit for reinvestment of gains in the tax return filed than that estimated at 2007 year-end.

At 30 June 2009, the tax group to which Criteria CaixaCorp and most of its subsidiaries belong was being audited by the tax authorities for 2004, 2005 and 2006 in relation to the main taxes applicable to it. The tax assessments that might be issued against the tax group companies are not expected to be for material amounts.

8. Income and expenses

The detail of the main consolidated income statement headings is as follows:

8.1. Revenue

The detail, by type of business, of *"Revenue"* in the accompanying consolidated income statement for the six-month periods ended 30 June 2009 and 2008, is as follows:

	Thousands of euros	
Revenue	2009	2008
Insurance activity income	2,203,019	1,576,660
Financial activity income	123,377	120,860
Other income	126,815	132,282
Total	**2,453,211**	**1,829,802**

"Other Income" includes operating lease income (financial segment) amounting to EUR 70 million (2008: EUR 67 million), services to third parties provided by Port Aventura, SA amounting to EUR 55 million (2008: EUR 63 million) and the income from the real estate business.

8.2. Operating expenses

The detail, by type of business, of "Operating Expenses" in the accompanying consolidated income statement for the six-month periods ended 30 June 2009 and 2008, is as follows:

	Thousands of euros	
Operating expenses	2009	2008
Insurance activity expenses	(2,004,863)	(1,394,848)
Financial activity expenses	(57,538)	(70,161)
Procurements	(7,193)	(9,342)
Total	**(2,069,594)**	**(1,474,351)**

8.3. Results by activity

8.3.1. Insurance activity

The detail of this heading in the accompanying condensed income statements for the six-month periods ended 30 June 2009 and 30 June 2008 is as follows:

	Thousands of euros	
Insurance activity	2009	2008
Income	***2,203,019***	***1,576,660***
Insurance and reinsurance premiums collected	1,724,255	1,022,452
Asset management fees received	54,548	53,735
Finance income from the insurance activity	424,216	500,473
Expenses	***(2,004,863)***	***(1,394,848)***
Reinsurance premiums paid	(11,739)	(12,401)
Claims paid and other insurance-related expenses	(1,125,848)	(1,193,094)
Net provisions for insurance contract liabilities	(764,680)	(63,702)
Asset management fees paid and other related items	(68,777)	(67,091)
Finance costs of the insurance activity	(33,819)	(58,560)
Total	**198,156**	**181,812**

The growth in the insurance activity compared to the same period of the previous year is due basically to the increase in the volume of premiums issued.

The contribution of the insurance segment to the Group's profit after tax and its finance income rose from EUR 76 million in 2008 to EUR 87 million in 2009 (six-month period ended 30 June).

8.3.2. Financial activity

The detail of this heading in the accompanying condensed income statements for the six-month periods ended 30 June 2009 and 30 June 2008 is as follows:

	Thousands of euros	
	2009	2008
Income	***123,377***	***120,860***
Finance income from loans secured by other collateral	1,295	1,291
Finance income from unsecured loans	32,652	32,332
Income from finance leases	10,779	9,917
Asset management fees received	67,014	67,298
Other income	11,637	10,022
Expenses	***(57,538)***	***(70,161)***
Asset management fees paid and other related items	(42,278)	(45,530)
Finance costs	(15,260)	(24,631)
Total	**65,839**	**50,699**

Earnings from the financial segment decreased from a profit of EUR 3 million in 2008 to a loss of (EUR 72) million in 2009 due mainly to the increase in the non-performing loans ratio in customer lending (see Section 4.3).

With regard to financial *segment reporting,* it should be noted that at 30 June 2009 and 30 June 2008, EUR 70 million and EUR 67 million, respectively, were classified as "*Other Income"* in the condensed income statement, deriving from companies included in the financial segment and due to income relating to the Group's operating leases.

8.4. Income from equity instruments

The breakdown of the balance of this heading in the accompanying condensed income statements for the six-month periods ended 30 June 2009 and 30 June 2008 is as follows:

	Thousands of euros	
Company	2009	2008
Telefónica, SA	212,195	87,198
Repsol YPF, SA	81,258	77,388
The Bank of East Asia, Ltd	325	13,943
Bolsas y Mercados Españoles, SA	4,131	6,008
Erste Group Bank AG	10,097	2,127
Other	632	521
Total	**308,638**	**187,185**

A portion of the dividend accrued in the period amounting to EUR 94 million from Telefónica, SA had not yet been collected at 30 June 2009. This company has announced that it be paid on 11 November 2009.

8.5. Gains (losses) on impairment of assets (net)

The balances of this heading in the income statement for the first half of 2009 and 2008 are as follows:

	Thousands of euros					
	2009			2008		
	Gains	Losses	**Net**	Gains	Losses	**Net**
Available-for-sale financial assets	-	(2,844)	**(2,844)**	-	-	-
Loans and receivables	5,825	(105,774)	**(99,949)**	7,016	(23,672)	**(16,656)**
Investments accounted for using equity method	-	(70,000)	**(70,000)**	-	-	-
Other	-	-	-	-	(86)	**(86)**
Total	5,825	(178,618)	**(172,793)**	7,016	(23,758)	**(16,742)**

8.6. Gains (losses) on financial assets and liabilities

The results for the six-month period ended 30 June 2009 include the sale of 47,050,000 shares of Telefónica discussed in Note 4 on financial instruments.

8.7. Average headcount

The detail of the average headcount corresponding to fully consolidated Group companies in the six-month periods ended 30 June 2009 and 30 June 2008 is as follows:

	2009			2008		
	Men	Women	Total	Men	Women	Total
Senior and middle management	199	110	309	144	69	213
Clerical staff	789	1,475	2,264	754	1,281	2,035
Assistants	247	657	904	419	1,083	1,502
Temporary employees	24	53	77	12	24	36
Total	**1,259**	**2,295**	**3,554**	**1,329**	**2,457**	**3,786**

9. Information on the statement of cash flows

Cash and cash equivalents at 30 June 2009 decreased by EUR 1,114 million with respect to 31 December 2008. This change was due mainly to the investments made in the six-month period which amounted to EUR 1,646 million in net terms (investments less divestments).

<u>Cash flows from operating activities</u>

The most significant disclosures on operating activities are as follows:

	Thousands of euros	
Adjustments to profit	**2009**	**2008**
Depreciation and amortisation	86,870	78,712
Impairment losses recognised (+)/recovered (-)	172,793	16,742
Change in provisions (+/-)	13,741	49,253
Net provisions for insurance contract liabilities (+)	696,925	106,775
Gains/losses on disposal of property, plant and equipment (+/-)	(1,394)	(1,411)
Net gains/losses on financial assets and liabilities (+/-)	(360,761)	9,108
Result of companies accounted for using the equity method	(411,095)	(363,484)
Income from equity instruments (-)	(308,639)	(187,185)
Finance income (-)	(5,230)	(38,510)
Finance costs (+)	100,318	92,921
Total	**(16,472)**	**(237,079)**

Changes in working capital	Thousands of euros 2009	2008
Tax receivables and tax payables	(36,666)	56,822
Other current assets	22,640	2,007
Other current liabilities	(24,550)	142,490
Financial assets	-	4,297
Inventories	(2,085)	(3,336)
Total	**(40,661)**	**202,280**

The cash flows recognised under "*Other Operating Assets and Liabilities"* in the accompanying statement of cash flows relate mainly to deposits associated with derivative contracts amounting to EUR 72 million.

Cash flows used in investing activities

The investments made in "*Group Companies, Jointly Controlled Entities and Associates"* amounting to EUR 1,323 million, relate mainly to the capital increase at Gas Natural subscribed by Criteria CaixaCorp for EUR 1,313 million.

The investments in "*Available-for-Sale Financial Assets"* relate to the amounts used to pay for the investments in listed shares (Telefónica and Erste Group Bank AG) and to investments in fixed-income securities deriving from insurance companies (net investments amounting to a net amount of EUR 351 million). The detail is as follows:

Investments	Note	Thousands of euros
Equity instruments	*4.1*	*703,049*
Investments in debt instruments	*4.2*	*4,981,978*
Investments in available-for-sale financial instruments		**5,685,027**

Disposals	Note	Thousands of euros
Equity instruments	*4.1*	(751,584)
Investments in debt instruments	*4.2*	(4,582,249)
Disposals of available-for-sale financial instruments		**(5,333,833)**

All the investments and disposals in the period were settled in cash.

Cash flows used in financing activities

Most of the financing was obtained through a credit line provided by "la Caixa" against which EUR 619 million was drawn down. Also, EUR 1,100 million was repaid relating to the sale of fixed-income securities under repurchase agreements.

10. Risk management policy

The principal risks to which the Group is exposed are extensively discussed in Note 22 to the financial statements for 2008 and in the annual corporate governance report published at www.criteria.com. Following is a list of those risks that might affect the economic profitability of its activities, its financial solvency, compliance with the various applicable laws and its corporate reputation.

- Market risk. This includes the value of the ownership interests in other companies, classified as available-for-sale financial assets, and changes in interest rates and foreign exchange rates.

- Liquidity risk. This relates mainly to the lack of liquidity of certain of its investments or needs arising from their commitments or investment plans.

- Credit risk. Arising when counterparties fail to meet their payment obligations and the possible losses as a result of changes in their credit status. Conceptually, this type of risk includes investments in the portfolio of jointly controlled entities and associates.

- Operational risk. Relating to errors in the implementation and execution of operations.

- Insurance business risks. Relating to the mathematical or the underwriting risk. Exhaustive control is exercised over technical-actuarial risks.

- Country risk which consists of the possibility of assets becoming impaired or of a decrease in funds generated or transferred to the Parent as a result of political, economic and social instability in the countries in which investments are held.

In this connection, the Board of Directors carries out supervisory functions in relation to the performance of the investees and the control systems in place, both directly and through its committees (the Audit and Control Committee).

The aspects to be considered in relation to the risks to which the Group is exposed in the second half of the fiscal year are discussed below.

Market risk

The main risk is the decrease in the share price of the investments in equity instruments measured at market value. As detailed in Note 4, the fair value of these financial assets amounted to EUR 7,080 million at 30 June 2009 (31 December 2008: EUR 6,690 million).

The change with respect to the acquisition cost is reflected individually in the Group's equity either as an unrealised gain or a loss. To the extent that after an individual analysis in certain investments the unrealised loss is estimated to be prolonged or significant as a result of an event or events with an effect on the expected cash flows from the asset, the portion previously recognised in equity must be transferred to profit or loss.

At 2008 year-end there was net unrealised gains and losses of EUR 1,411 million and EUR 824 million, respectively. After an individual analysis it was estimated that the decline in value of certain investments was sufficiently prolonged or significant and the portion of the result of these investments previously recognised in reserves amounting to EUR 124 million was allocated to profit or loss.

In the first half of 2009 there was a substantial recovery in the share prices of these investments which at 30 June 2009 entailed that the net unrealised gain amounted to EUR 1,172 million and that the net unrealised loss stood at EUR 499 million. Of the latter amount, EUR 2 million was transferred to the income statement.

In spite of these positive indicators, in the event that there were a fall in or a sustained lowering of the share prices of certain of these assets in the second half of 2009 after analysing the circumstances and magnitude thereof, the consolidated income statement could reflect, for accounting purposes, the loss previously included in the Group's equity.

Likewise, as it is mentioned in note 4, a derivative known as an equity linked swap was arranged on 1% of the shares of Telefónica, SA in order to hedge the difference in the fair value of the aforementioned portfolio and the derivative instrument.

Credit risk

In the context of an international crisis, the Spanish economy is submerged in a process in which the main macroeconomic variables are worsening. Consequently, the matters which might have a particular effect are as follows:

- High volatility and instability of capital markets.

- Liquidity crisis and interest rates at all-time lows.

- Slowdown in consumption triggered by the loss of consumer confidence. The slump in the sales of durable goods is particularly noteworthy, especially cars.

- Increase in non-performing loans against a backdrop of rising unemployment.

The main business activity of the Group affected by this situation lies in the specialised financing segment, in relation to the loans granted to customers, as a result of the decrease in the volume of business, the slowdown in consumption and the increase in the costs associated with the rise in non-performing loans. It is possible that in the second half of 2009 there will be an upturn in the non-performing loan ratio that cannot be accurately quantified and which would affect the results of the Group's financial companies.

The value of the investments in jointly controlled entities and associates, which at 30 June 2009 amounted to EUR 9,667 million is in principle not subject to the risk of a change in the price of the shares, since their market price does not affect the figures in the consolidated balance sheet or consolidated income statement because of the way investments of this nature are accounted for. The risk for the Group in investments of this nature is associated with the performance of the business of the investee, and the possible bankruptcy thereof, since the market price of the shares is a mere indicator. In general, this risk can be classified as a credit risk. The tools used to measure these risks are models based on the PD/LGD (Probability of Default and Loss Given Default) approach, also as provided for in the New Basel Capital Accord (NBCA).

Interest rate risk

There have not been relevant changes related to interest rate risks during the period.

Liquidity risk

As discussed in Section 4.5 the drawdowns against the Parent's credit facility granted by "la Caixa" increased by EUR 619 million from EUR 5,189 million at 31 December 2008 to EUR 5,808 million at 30 June 2009. The drawable limit amounts to EUR 6,500 million and matures in July 2011. The decrease in cash at the Group, which fell from EUR 1,543 million at 31 December 2008 to EUR 429 million at 30 June 2009 is due to using cash to make investments and to the increase in the insurance companies' debt instruments in order to profit more efficiently from their liquidity. The other matters relating to the Group's liquidity did not undergo any significant changes in the six-month period ended 30 June 2009.

Foreign currency risk

The level of exposure to foreign currency risk is the same as at the end of 2008, at which time it related mainly to the investment in GF Inbursa (exposure to the Mexican peso) and The Bank of East Asia (exposure to the Hong Kong dollar). The foreign currency effects of these investments had a positive effect of EUR 43 million on the Group's equity and a negative effect before taxes of EUR 3 million, recognised on the consolidated income statement. There were no material effects on the income statement in the period in relation to these assets subject to changes in value with an effect on equity and no material effects are expected in the second half of the year.

Insurance business risks

During the period there were no significant changes in the risks relating to the insurance business activity. It should be noted that during the period the group strengthened the capitalisation of both SegurCaixa Holding, the head of the insurance group, and VidaCaixa, in order to cater for the growth of the life insurance business and especially in the life insurance-savings business.

11. Segment reporting

General disclosures

The Group presents its segment information in accordance with the IAS 8 in order to disclose the information that facilitates the evaluation of the nature and the financial effects of the business activities that it carries on and the economic environments in which it operates.

The application of this standard entails the identification of segments based on the information that management uses to make decisions about operating matters. To this end, the components that share the nature of the products and services offered, and the nature of the regulatory environments to which they are subject were grouped together. This identification coincides, in general terms, with the internal organisation and information habitually used by management to manage the Group.

Accordingly, the operating segments defined by the Group are as follows:

- **Insurance segment**, which includes the activity engaged in by the SegurCaixa Holding Group, comprising three operating companies: VidaCaixa (life insurance), SegurCaixa (non-life insurance) and AgenCaixa, SA. This segment also includes the 67% ownership interest in GDS-Correduría, SL, which acts as an insurance broker. These companies are deemed to be components of the insurance segment. The segment operates in the following lines of insurance through its insurance companies: accident insurance, health insurance, life insurance, travel insurance, funeral insurance, defence costs insurance, fire and environmental insurance, goods in transit insurance, insurance against other loss or damage, sundry loss of profit insurance, third party motor insurance, non-rail land vehicle insurance, car insurance and pension fund management.

- The **banking segment** includes mainly the activity of the investments GF Inbursa, Banco BPI, SA, Boursorama, SA, The Bank of East Asia, Ltd. and Erste Group Bank AG.

- The **specialised financial services segment** encompasses the activities carried on by the investees Finconsum, EFC, SA (consumer credit and other financial services), CaixaRenting, SA (capital good and vehicle operating and finance lease services), InverCaixa Gestión SGIIC, SAU (collective investment institution manager) and GestiCaixa SGFT, SA (“la Caixa” securitisation fund manager).

- The **listed utilities segment** encompasses the ownership interests in listed companies, including activities in the energy industry (Gas Natural, Repsol-YPF), Infrastructure (Abertis) and other utilities (Agbar, Telefónica and Bolsa y Mercados Españoles).

- The **other unlisted companies segment** includes basically the activities carried on by PortAventura SA and Hotel Caribe Resort, SL, and the real estate business carried on by Holret, SA.

The disclosures included in the column **other non-assignable companies** in the accompanying segment reporting includes the revenue, expenses, assets and liabilities not assignable to any of the previous segments and which make it possible to reconcile the them with the data presented in the financial statements. The finance costs included in this category relate substantially in full to the Parent’s finance costs.

Information about the profit or loss, assets and liabilities of the operating segments

The procedure used to obtain the revenue, expenses and assets by segment was to breakdown the contribution of the companies assigned to the related segment after having made the consolidation eliminations and adjustments. Also, the amounts from the holding companies and the Parent were allocated to the segments which were reasonably allocable thereto.

The goodwill and other intangible assets arising on business combinations were allocated to the corresponding segment. Also, the gains arising from the application of market value to available-for-sale financial assets were allocated to the corresponding segment.

During the first half of 2009, there were no significant transactions among the Group's various segments and nor were there any inter-segment balances at 30 June 2009 of a material amount, except for the income and balances from dividends that were eliminated on consolidation.

For the purpose of being able to compare the segment information from the six-month period ended 30 June 2009, the segment information for the six-month period ended 30 June 2008 was restated, although for the purposes of classifying components within segments there are no changes. There were though changes in the detail of the information presented in order to adapt it to the data and information used by management in managing the Group.

The detail of the segment information of the condensed income statement for the six-month periods ended 30 June 2009 and 30 June 2008 is as follows:

Six-month period ended 30 June 2009	Thousands of euros						
	Financial			Services			
	Insurance	Financial services	Banking	Listed utilities	Other Unlisted companies	Other non-assignable companies	Group total
Revenue	2,199,830	197,474	-	-	55,898	9	2,453,211
Income from equity instruments	-	-	11,054	297,584	-	-	308,638
Result of companies accounted for using the equity method	-	-	55,863	355,232	-	-	411,095
Depreciation and amortisation charge	(19,871)	(54,370)	-	-	(12,015)	(614)	(86,870)
Other non-monetary items	-	(113,622)	(72,844)	-	(68)	-)	(186,534)
Gains (Losses) on financial assets and liabilities	-	-	85	360,676	-	-	360,761
Finance costs	(728)	(23,381)	-	-	(8,893)	(67,316)	(100,318)
Finance income	392	255	117	1,362	3,049	55	5,230
Income tax	(37,872)	30,668	21,137	(95,263)	4,181	21,548	(55,601)
Consolidated profit for the year	86,890	(71,959)	15,386	907,230	(11,115)	(62,853)	863,579
Investments in associates and jointly controlled entities	-	-	10,037	1,312,924	-	-	1,322,961
Deferred tax assets	46,884	76,331	237,185	21,402	32,488	60,553	474,843
Total assets	23,077,921	2,101,307	3,299,093	14,119,372	923,519	234,624	43,755,836

Six-month period ended 30 June 2008	Thousands of euros						
	Financial			Services			
	Insurance	Financial services	Banking	Listed utilities	Other Unlisted companies	Other Non-assignable companies	Group total
Revenue	1,573,361	191,575	-	-	64,855	11	1,829,802
Income from equity instruments	-	-	16,591	170,594	-	-	187,185
Result of companies accounted for using the equity method	-	-	6,034	357,450	-	-	363,484
Depreciation and amortisation charge	(14,459)	(52,057)	-	-	(11,918)	(278)	(78,712)
Other non-monetary items	-	(16,927)	-	-	(68)	(49,000)	(65,995)
Gains (Losses) on financial assets and liabilities	-	-	(4,421)	(4,687)	-	-	(9,108)
Finance costs	-	(13,390)	-	(3,856)	(9,062)	(66,531)	(92,839)
Finance income	721	977	794	21,073	14,740	205	38,510
Income tax	(38,758)	347	(3,469)	(5)	2,734	158,231	119,080
Consolidated profit for the year	76,184	2,939	15,330	528,050	269	27,519	650,291
Investments in associates and jointly controlled entities	-	-	162,339	1,386,793	-	-	1,549,132
Deferred tax assets	49,631	41,637	248,947	-	21,256	84,869	446,340
Total assets	23,735,152	2,274,021	3,299,767	12,529,684	1,388,300	274,567	43,501,491

12. Information on related parties

The transactions between Criteria CaixaCorp and its Subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this Note. The detail of the transactions with the significant shareholders, jointly controlled entities and associates, members of the Board of Directors and management are provided below.

12.1. Significant shareholders

Significant shareholders are deemed to be those shareholders with the right to appoint a director or which have an ownership interest in the Parent of more than 3%.

Since its stock market flotation on 10 October 2007, and based on available information, “la Caixa” has been the only significant shareholder. At 30 June 2009, the ownership interest of “la Caixa” in Criteria CaixaCorp was 79.45%.

12.1.1. Description of the relationship with “la Caixa”

Given the nature of the activity carried on by the Parent's main shareholder, and the fact that the Parent belongs to the group of companies controlled by “la Caixa” and the similarity between the business activities carried on by the Criteria CaixaCorp Group and the “la Caixa” Group (e.g. in the area of bankassurance), a large number of transactions were performed with related parties in the period covered by the historical financial information and it is foreseeable that they will continue to be performed in the future.

In any case, all transactions with related parties, pursuant to the definition provided in Ministry of Economy and Finance Order EHA/3050/2004, of 15 September, performed in the first half of 2009 and in 2008, are common to the Group's ordinary activities and were performed on an arm's length basis. Furthermore, with the objective of enhancing the Group's transparency, autonomy and good governance and reducing and regulating conflicts of interest, Criteria CaixaCorp and “la Caixa” entered into an internal relationship agreement (“the Agreement”) on 19 September 2007, whereby any new intragroup service or transaction will always be on a contractual basis and shall comply will the general principles established therein. The functions of the Audit and Control Committee will include, inter alia, overseeing compliance with the aforementioned Agreement.

12.1.2. Detail of balances and transactions with “la Caixa”

During the first half of 2009, the same type of transactions -transactions involving derivatives- were performed as those discussed in the financial statements for 2008. All the transactions performed with “la Caixa” are part of its ordinary activities and are carried out on an arm’s length basis.

The detail of the most significant balances held by the Group with “la Caixa” at 30 June 2009 as a related party and of the effect on the consolidated income statement of the transactions carried out with it during the six-month period ended 30 June 2009 is as follows:

Balances held and transactions performed with "la Caixa" by Criteria CaixaCorp and Subsidiaries	Thousands euros Balances held at 31/12/08	Net change	Balances held at 30/06/09
ASSETS			
Loans and receivables	4,417,287	(143,268)	4,274,019
Available-for-sale financial assets	440,372	105,897	546,269
Cash and cash equivalents	1,329,447	(957,461)	371,986
Other assets	17,720	(12,709)	5,011
Total	**6,204,826**	**(1,007,541)**	**5,197,285**
LIABILITIES			
Bank borrowings	12,233,017	(490,675)	11,742,342
Other liabilities	122,913	(26,472)	96,441
Total	**12,355,930**	**(517,147)**	**11,838,783**

The detail of the income and expenses arising from transactions carried out in the period from 1 January 2009 to 30 June 2009 is as follows:

Arising from balances and transactions with "la Caixa"	Thousands of euros By Criteria CaixaCorp and Subsidiaries
INCOME	
Finance income	62,091
Income from sales and services	871
Income from property sales and rental	5
Other income	93
Total	**63,060**
EXPENSES	
Finance costs	(142,329)
Fee and commission expense	(100,103)
Operating expenses	(3,301)
Other losses	(477)
Total	**(246,210)**

(*) Reflected in the income statements of the respective companies.

During the period, the Parent arranged various put options on listed equity instruments with "la Caixa", in connection with which a premium was paid of EUR 10 million which matured on 30 June 2009.

During the period, the majority shareholder was paid a final dividend of EUR 160,302 thousand out of 2008 profit.

According to the information available at the parent, all the transactions among jointly controlled entities, associates and the majority shareholder of "la Caixa" were performed on an arm's length basis, are common to the Group's ordinary activities and were of scantly material amounts for the comprehension of the Group's financial information.

12.2. Details of balances and transactions between the Group and jointly controlled entities and associates

All the transactions were performed on an arm's length basis.

The detail of the most significant balances held by the Group and its jointly controlled entities and associates at 30 June 2009 is as follows:

	Thousands of euros		
	31/12/08		30/06/09
Balances and transactions with jointly controlled entities and associates	The Group with associates and jointly controlled entities	Net change	The Group with associates and jointly controlled entities
ASSETS			
Loans and receivables	16,356	(49)	16,307
Cash and cash equivalents	191,648	(137,687)	53,961
Other assets	83,914	83,983	167,897
Total	**291,918**	**(53,753)**	**238,165**

The cash and cash equivalents relate mainly to current accounts and other deposits held by the Group in Boursorama and Banco BPI.

"Other Asset" includes the dividends not yet collected from associates and jointly controlled entities at 30 June 2009.

Additionally, the transactions between the Group and jointly controlled entities and associates which were not eliminated on consolidation were as follows:

	Thousands of euros
Arising from transactions between the Group and its jointly controlled entities and associates	The Group with associates and jointly controlled entities
INCOME	
Finance income	324
Other income	9
Total	**333**
EXPENSES	
Operating expenses	(61)
Total	**(61)**

12.3. Remuneration of directors

The detail of the remuneration received by the members of Criteria CaixaCorp's Board of Directors in the form of fees for attending the meetings of the governing bodies and other remuneration, and the remuneration received in connection with their duties as representatives of the Parent on the Boards of Directors of listed companies and other companies in which the Company has a significant presence or representation during the first half of 2009 and the first half of 2008, is as follows:

First half of 2009

	Attendence at Criteria's Board Meetings and Committees	Attendence at other Board Meetings of Group companies and Other companies	Total
Executive directors	545	530	1,075
Proprietary directors	625	3,166	3,791
Independent directors	294	27	321
Non-executive directors	232	-	232
Total	**1,696**	**3,723**	**5,419**

First half of 2008

	Attendence at Criteria's Board Meetings and Committees	Attendence at other Board Meetings of Group companies and Other companies	Total
Executive directors	568	500	1,068
Proprietary directors	435	917	1,352
Independent directors	240	8	248
Non-executive directors	45	-	45
Total	**1,288**	**1,425**	**2,712**

Regarding the remuneration disclosed on the first half of 2008, it is important to highlight that certain Criteria CaixaCorp's investees used different criteria (accrue and payment) when calculating the amount communicated to the Group. Therefore, it is not completely comparable with figures of June 2009. The consolidated financial statements for 2008 did include remuneration to directors using homogeneous criteria.

The expense assumed by the Group in respect of the third-party liability insurance for directors amounted to EUR 170 thousand for all the members of the Board of Directors (30 June 2008: EUR 155 thousand).

Criteria CaixaCorp has no pension commitments to former and current members of the Board of Directors in their capacity as such and has no commitments to them other than those disclosed above.

In the first half of 2009 the Parent's directors did not perform any transactions outside its normal activities or any transactions which were not carried out on an arm's length basis with the Group. None of these transactions were of a sufficient amount to affect the appropriate interpretation of the Group's consolidated financial statements.

12.4. Remuneration of senior executives

In the first half of 2009 the ten senior executives earned EUR 1,329 thousand, which were recognised under *"Staff Costs"* in the accompanying consolidated income statement (30 June 2008: EUR 1,518 thousand).

The remuneration received in the first half of 2009 by the senior executives of Criteria CaixaCorp in connection with their duties as representatives of the Company on the Boards of Directors of listed companies and other companies in which the Company has a significant presence or representation, amounted to EUR 372 thousand (30 June 2008: EUR 237 thousand) and this amount is recognised in the income statements of those companies. Benefit agreements arising from the unilateral termination by the Parent of the members of the governing bodies and the senior executives of Criteria CaixaCorp amount to a maximum of EUR 2 million.

Criteria CaixaCorp has not made any share-based payments to senior executives.

12.5. Other disclosures concerning the Board of Directors

At 30 June 2009, the direct and indirect ownership interests of the members of the Board of Directors in the share capital of the Company were as follows:

	Thousands of euros	
	No. of shares	%
Isidre Fainé Casas	270,005	0.008%
Joan Maria Nin Génova	234,491	0.007%
Isabel Estapé Tous	130,962	0.004%
Salvador Gabarró Serra	7,003	0.000%
Susana Gallardo Torrededia	58,700	0.002%
Javier Godó Muntañola	1,230,000	0.037%
Gonzalo Gortázar Rotaeche	100	0.000%
Immaculada Juan Franch	3,836	0.000%
David K.P. Li	-	-
Maria Dolors Llobet Maria	2,100	0.000%
Jordi Mercader Miró	1,496	0.000%
Alain Minc	10,000	0.000%
Miquel Noguer Planas	3,561	0.000%
Rodrigo de Rato Figaredo	-	-
Manuel Raventós Negra	17,330	0.001%
Juan Rosell Lastortras	32,382	0.001%
Xavier Vives Torrents	-	-
Total	**2,001,966**	**0.060%**

13. Events after 30 June 2009

Between 1 July 2009 and the date of formal preparation of these interim financial statements, no events took place having a material effect on the interim financial statements.

14. Explanation added for translation to English

These condensed consolidated financial statements are presented on the basis of IFRSs as adopted by the European Union. Certain accounting practices applied by the Group that conform with IFRSs may not conform with other generally accepted accounting principles.

Translation of a report originally issued in Spanish.
In the event of a discrepancy, the Spanish-language version prevails.

CRITERIA CAIXACORP, SA AND SUBSIDIARIES

INTERIM DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 JUNE 2009

PERFORMANCE OF THE GROUP DURING THE PERIOD

General comments

The economic figures for the first quarter of 2009 evidenced that most world economies are suffering the most acute recession in recent decades. However, certain indicators, particularly business confidence, have been published in the last few months that suggest that the worst of the crisis is behind us. These first indications of recovery have emerged in the US, Europe and, especially, in Asia. The appearance of these brighter prospects has prompted the stock markets to recover from their minimum levels in March, and certain indexes have even shown gains in the year to date.

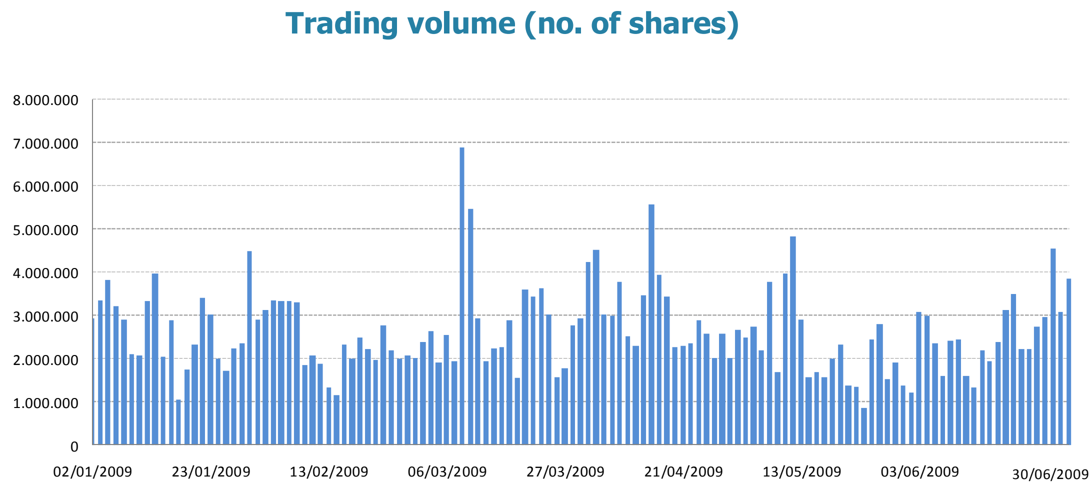
In this context, it is important to mention the degree to which the targets set by Criteria CaixaCorp have been met, particularly the commitment to the active management of the share portfolio in order to create greater value for the shareholder, increase the dividends received from investees and redress the balance between the financial asset portfolio and the industrial asset portfolio. All of this took place within the scope of a growth-based business project generating adequate profitability and a top-quality asset portfolio which guarantees the Company's solvency.

Share information

Set forth below are a number of indicators of interest regarding Criteria CaixaCorp's share performance in the first half of 2009:

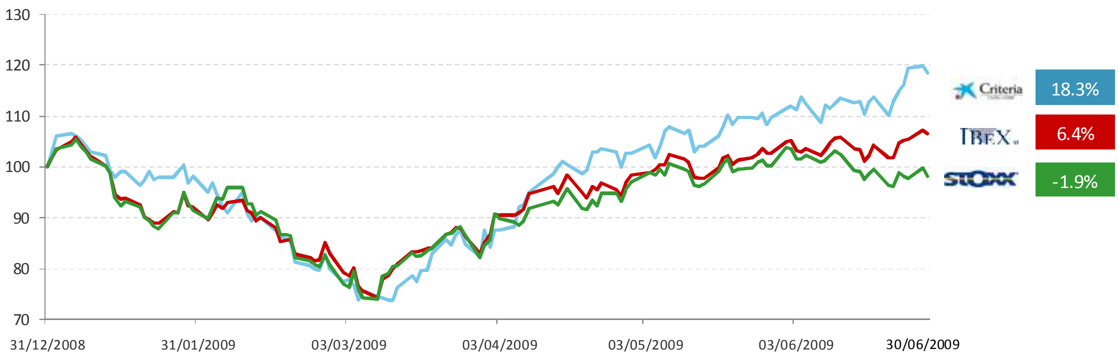
Market capitalisation at the end of the six-month period	EUR 11,064 million
Maximum share price (29/06/09)[1]	EUR 3.33
Minimum share price (12/03/09) [1]	EUR 2.05
Share price at the end of the six-month period (30/06/09) [1]	EUR 3.29
Share price at the beginning of the six-month period (31/12/08) [1]	EUR 2.78
Maximum daily trading volume (shares) (10/03/09)	6,880,821
Minimum daily trading volume (shares) (25/05/09)	870,309
Average daily trading volume (shares)	2,643,426

[1] Share price at the close of trading.



The share performance during the first half of 2009 was analysed from two different viewpoints: on one hand, a comparison between the performance of the share price and the main reference indexes and, on the other, an analysis of the performance of the implicit discount compared to the value of the assets.

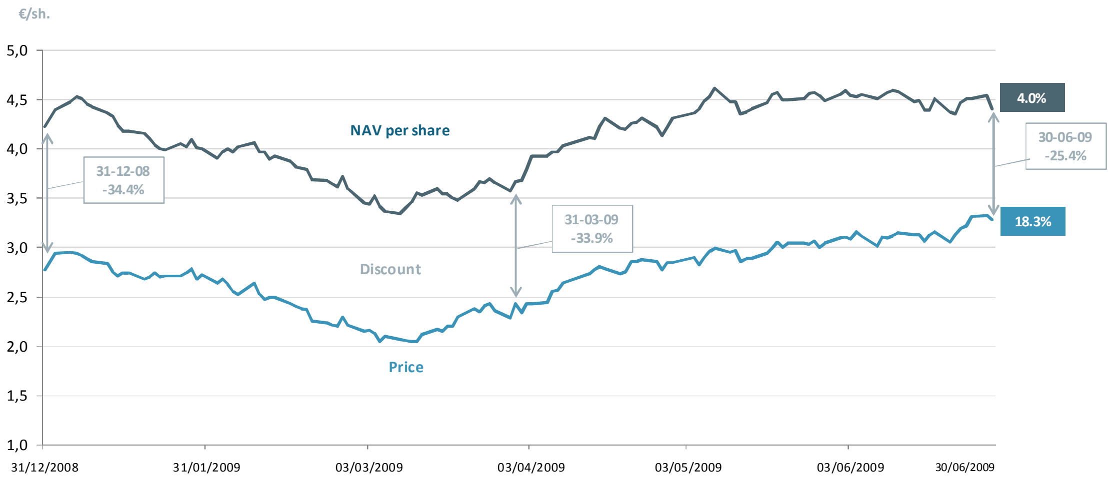
1. Criteria CaixaCorp's share price performance compared to the main reference indexes:



The comparative graph above shows that the first half of the year closed with an increase of 18.3% in the share price, having closed at EUR 3.29/share. The performance during the period is better than that of the indexes if we make a comparison with the Ibex35 and the Eurostoxx50 indexes, which rose by 6.4% and dropped by 1.9%, respectively.

2. Discount performance:

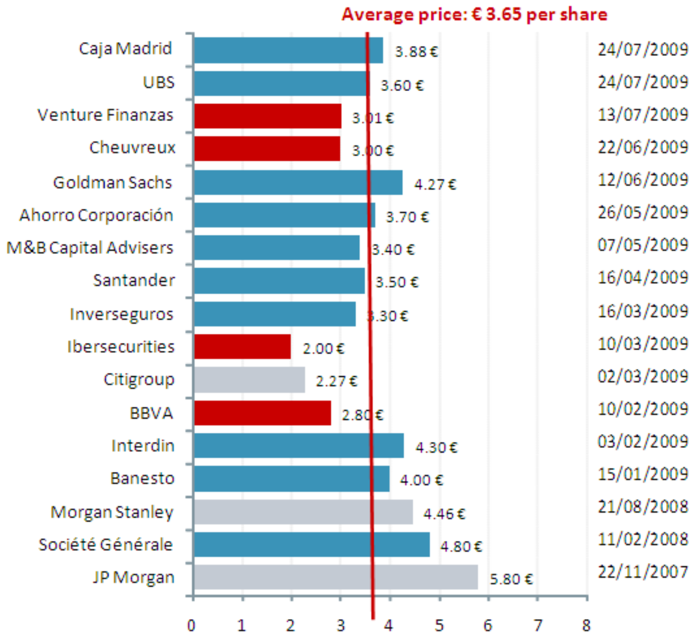
EUR/share

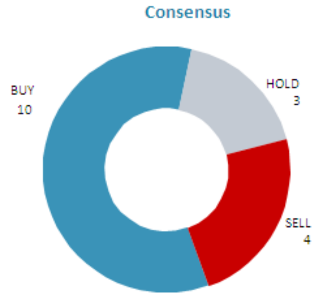


By understanding the discount as the difference between the net value of Criteria CaixaCorp's assets and the Company's market capitalisation at year-end, it can be seen that during the first half of 2009 there was a considerable decrease in the discount from 34.4% at the beginning of the year to 25.4% at the end of the first half of 2009. The discount indicates that the assets have a higher market value than the overall price per share, which points towards a potential increase in the share price, provided that the difference between both variables decreases.

The analysts' opinion on Criteria CaixaCorp, as well as their majority recommendation to buy, support this potential increase.

The accompanying graph shows the target prices and the recommendation of the analysts with respect to Criteria CaixaCorp's shares:





Changes in net asset value

The **Net Asset Value** of Criteria CaixaCorp at 2008 year-end and at the end of the first quarter and first half of 2009 is as follows:

Millions of euros	31/12/08	31/03/09	30/06/09
GAV (Gross Asset Value) [1]	18,196	17,219	19,978
Pro forma net debt position [2]	(3,944)	(4,862)	(5,155)
NAV (Net Asset Value)	14,252	12,357	14,823
Net debt as a % of GAV	22%	28%	26%
Millions of shares	3,363	3,363	3,363
NAV/share (euros)	4.24	3.67	4.41

Note:

(1) Listed investees were valued by multiplying the number of shares by the closing price at the date considered. Non-listed investees were appraised using the valuations at December 31, 2008, except for (i) Port Aventura whose value was reassessed by independent experts at June 30, 2009 and (ii) the consumer credit segment where the valuation takes into account a new appraisal dated June 30, 2009 and a capital increase underway.

(2) Pro-forma figures are based on the aggregate long-term net debt/cash position reflected in the non-consolidated financial statements of Criteria CaixaCorp and holding companies and transactions in progress.

The following table shows the changes in GAV from the end of 2008 to 30 June 2009.

Millions of euros	Market value 31/12/08	Investments/ Divestments	Change in value	Market value 30/06/09
Treasury shares	18	11	9	38
Gas Natural	3,239	1,313	(197)	4,355
Repsol-YPF	2,337	-	130	2,467
Abertis	2,115	-	248	2,363
Agbar	964	-	102	1,066
Telefónica	3,736	(48)	42	3,730
BME	77	-	11	88
Banco BPI	463	10	20	493
Boursorama	84	-	38	122
The Bank of East Asia	248	-	144	392
GF Inbursa	1,121	-	135	1,256
Erste Group Bank	252	14	45	311
Other listed ownership interests	40	(15)	(2)	23
Total listed	**14,694**	**1,285**	**725**	**16,704**
Total unlisted	**3,502**	**210**[1]	**(438)**[2]	**3,274**
TOTAL GAV	**18,196**	**1,495**	**287**	**19,978**

(1) Corresponds to capital calls at VidaCaixa and subscription to the capital increases carried out by SegurCaixa Holding, VidaCaixa and Finconsum, the last one pending payment.

(2) Corresponds to changes in the values of the companies in the consumer credit segment and in Port Aventura.

The position of the investee portfolio at 30 June 2009 was as follows:

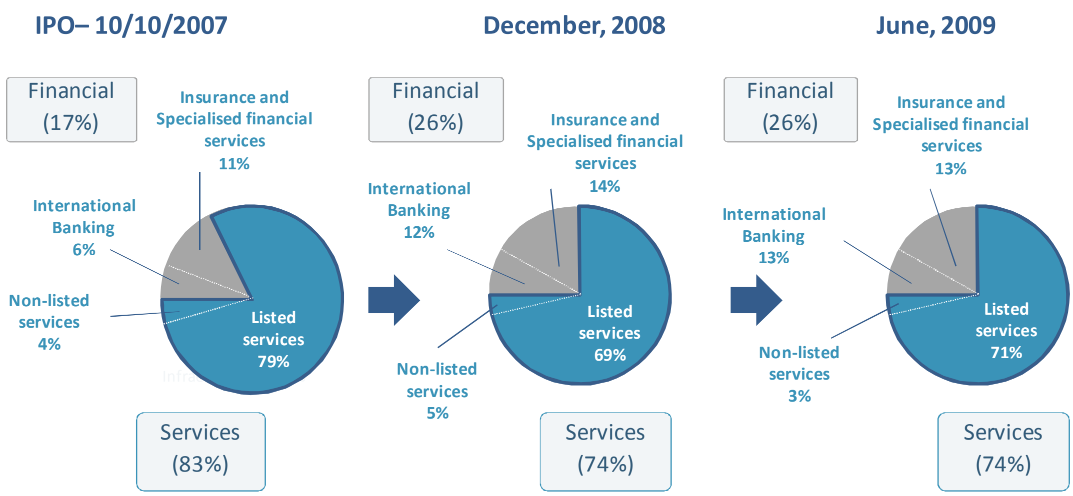
Services	Total ownership interest	Seat(s) on the Board of Directors	Market value (EUR million)
Listed			**14,069**
Energy			
Gas Natural	37.49%	5 of 17	4,355
Repsol YPF	12.68%	2 of 16	2,467
Infrastructure			
Abertis	25.04%	7 of 21	2,363
Services/other			
Agbar	44.10%	5 of 13	1,066
Telefónica [1]	5.01%	2 of 17	3,730

BME	5.01%	1 of 15	88
Unlisted			**571**
Port Aventura Group	100.00%	8 of 10	505
Property portfolio	100.00%	5 of 5	66
Financial and insurance business			
Listed			**2,597**
International banking			**2,597**
Banco BPI	30.10%	4 of 25	493
Boursorama	20.93%	2 of 10	122
The Bank of East Asia	9.85%	1 of 18	392
GF Inbursa	20.00%	3 of 17	1,256
Erste Group Bank	5.09%	1 of 18	311
Other			23
Unlisted			**2,703**
Insurance			**2,351**
SegurCaixa Holding Group	100.00%	9 of 10	2,326
GDS-Correduría de Seguros	67.00%	1 of 1	25
Specialised financial services			**352**
InverCaixa Gestión	100.00%	7 of 7	147
CaixaRenting	100.00%	5 of 5	60
Finconsum	100.00%	8 of 8	123
GestiCaixa	100.00%	7 of 7	22
Treasury shares			**38**
TOTAL GAV			**19,978**

(1) Includes the 1% subject to derivative contracts

Note: The value of the unlisted investments is stated at year-end 2008, except for Port Aventura and Finconsum which have been re-estimated at June 30, 2009.

The GAV distribution of the current portfolio is as follows:



The services sector currently accounts for 74% of the GAV, with the financial sector represents 26%. At 30 June 2009, the weight of the financial sector had increased by 9 percentage points with respect to the date of the admission to listing. Therefore, Criteria CaixaCorp is continuing with its strategy of achieving a more even balance in the composition of the assets, lending greater weight to financial assets, but without neglecting investments in services of particular interest. Criteria CaixaCorp's strategic objective is to change this portfolio mix in the medium to long term, increasing the proportion of financial assets to between 40% and 60%.

Investments

The investments made in the first half of 2009 totalled EUR 1,495 million.

Millions of euros	Total 1st quarter 2009	
	% acquired	Cash (EUR million)
Treasury shares	0.16%	11
Gas Natural (capital increase)	-	1,313
Erste Group Bank	0.19%	14
Banco BPI	0.72%	10
Telefónica	-	(48)
Other	-	(15)
Total listed		**1,285**
Total non-listed [(1)]		**210**
Total investments		**1,495**

Notes:

(1) Corresponds to capital calls in VidaCaixa and the subscription of the share capital increases carried out in SegurCaixa Holding, VidaCaixa and Finconsum, the latter still in progress

The main investments and agreements materialised in the first half of 2009 were as follows:

Strategic agreement with Erste Bank

On 4 June Criteria CaixaCorp entered into a preferential cooperation agreement with the majority shareholder of Erste Group Bank, the Erste Foundation, in order to regulate their relations as shareholders. The agreement also formalises the friendly nature and strategic and long-term orientation of this investment. In addition, "la Caixa" and Criteria CaixaCorp entered into an agreement with Erste Group Bank to establish certain areas of business and commercial cooperation. Under the terms of this agreement, Criteria may raise its shareholding to 10% with no restrictions and subsequently increase it to 20% subject to agreement with the Erste Foundation. Also, a cooperation agreement is expected to be entered into shortly by the "la Caixa" Foundation and the Erste Foundation in order to cooperate in the welfare projects carried out by the two entities. For Criteria CaixaCorp this represents an opportunity to operate in a region with high growth potential such as Central and Eastern Europe, alongside a banking franchise that is already the established leader in the region.

In parallel, in the first half of 2009 Criteria increased its ownership interest in Erste Group Bank from 4.90% to 5.10%. Also, Juan María Nin, Deputy Chairman of Criteria and CEO of "la Caixa", was appointed to the Erste Group's Supervisory Board.

Strategic agreement with The Bank of East Asia

On 22 June Criteria CaixaCorp and BEA entered into a strategic investment agreement in order to establish the terms and conditions pertaining to Criteria CaixaCorp's ownership interest in BEA. The agreement also formalises the friendly nature and strategic and long-term orientation of Criteria CaixaCorp's investment in BEA. Under the agreement, Criteria CaixaCorp may increase its current ownership interest of 9.85% to 12.5% and, subject to BEA's prior consent, from 12.5% to 20%. In addition, since 1 June Isidre Fainé, Chairman of Criteria and "la Caixa", has joined the Board of Directors of BEA as a non-executive member.

Similarly, Criteria CaixaCorp, "la Caixa" and BEA entered into a strategic cooperation agreement in order to maximise their respective commercial and business opportunities. Under the agreement, BEA will be the exclusive vehicle for Criteria CaixaCorp's investments in banks and financial institutions in the Asia-Pacific region and, at the same time, BEA will gain access to Criteria CaixaCorp's extensive platform in Spain, Europe and Latin America. Furthermore, BEA and "la Caixa" have agreed to cooperate and assist one another in the development of banking services and products to their mutual benefit. The agreement envisages the creation of a monitoring committee that will oversee the strategic cooperation among the three parties.

Lastly, the "la Caixa" Foundation and The Bank of East Asia Charitable Foundation Limited entered into a memorandum of understanding to carry out and implement initiatives in the corporate social responsibility area and to contribute to the development of the individuals and communities in the regions in which the two entities operate.

This investment gives Criteria CaixaCorp access to the growth opportunities currently existing in Asia and, more specifically, China.

Higher stake in Banco BPI

Criteria CaixaCorp continued to increase its ownership interest in Banco BPI in the context of support for the bank and as part of the Company's strategy to increase the relative importance of the financial sector in the asset portfolio.

In this regard, Criteria CaixaCorp acquired an additional holding of 0.72%, giving Criteria CaixaCorp an ownership interest of 30.1% in Banco BPI at 30 June 2009.

Also, at the latest General Meeting of BPI it was resolved to increase the Company's voting rights from 17.5% to 20% and to give it an additional seat on the Board of Directors.

Backing for the deal between Gas Natural and Unión Fenosa

In connection with the acquisition of Unión Fenosa by Gas Natural, on 28 March the capital increase of EUR 3,502 million at Gas Natural was completed successfully. Criteria CaixaCorp disbursed EUR 1,313 million in proportion to its ownership interest in the share capital.

Also, on 14 April the period for the acceptance of the takeover bid launched by Gas Natural for Unión Fenosa ended, with the acceptance of shareholders owning 69.5% of the share capital at which the bid had been targeted. As a result, once the financial instruments, purchase agreements and takeover bid had been settled, Gas Natural had a 95.2% ownership interest in Unión Fenosa.

In that same month, the Boards of Directors of Gas Natural and Unión Fenosa signed the merger plan, with a share exchange ratio of 3 Gas Natural shares for every 5 Unión Fenosa shares. In June this plan was approved by the shareholders at the Annual General Meetings of the two companies and the merger is expected to be completed in September.

Telefónica transaction

Criteria CaixaCorp, in the first half of 2009, has acquired 47 million shares in Telefónica (equivalent to 1.0% of its capital), subject to derivative contracts, for a total investment of EUR 689 million, without market risk. Criteria also sold 47 million shares (1.0% of capital) for a net individual gain of EUR 215 million (EUR 265 million, consolidated). At June 30, 2009, Criteria's stake in Telefónica, S.A. therefore stood at 5.01%, of which 1.0% is subject to derivative contracts.

Other relevant matters during the period

- In the first half of the year the following organisational changes took place in relation to the Board of Directors and management of Criteria CaixaCorp:

    - At the Board of Directors Meeting of Criteria held on 7 May, following the Company's Annual General Meeting, Ricardo Fornesa resigned from his post as Chairman of Criteria and was named as the Company's Honorary Chairman. At that same meeting, Isidro Fainé was appointed as the new Chairman of Criteria and Juan Mª Nin was appointed as the new Deputy Chairman.

    - In addition, the appointment by co-optation of Inmaculada Juan and Dolores Llobet as nominee directors to replace Mª Amparo Camarasa and Manuel García Biel, respectively, was approved.

    - Also, an Executive Committee was set up consisting of the following directors: Isidro Fainé, Juan Mª Nin, Rodrigo Rato, Isabel Estapé and Mª Dolores Llobet.

    - The Board of Directors meeting of Criteria held on 26 May 2009 appointed Gonzalo Gortázar as the new Director and General Manager Gonzalo Gortázar Rotaeche replaced in this position Francisco Reynés, who was named as the Director and General Manager of Abertis. At this same meeting, Alejandro García-Bragado was appointed as Non-Director Secretary of the Board and Adolfo Feijóo was appointed as the Deputy Non-Director Secretary.

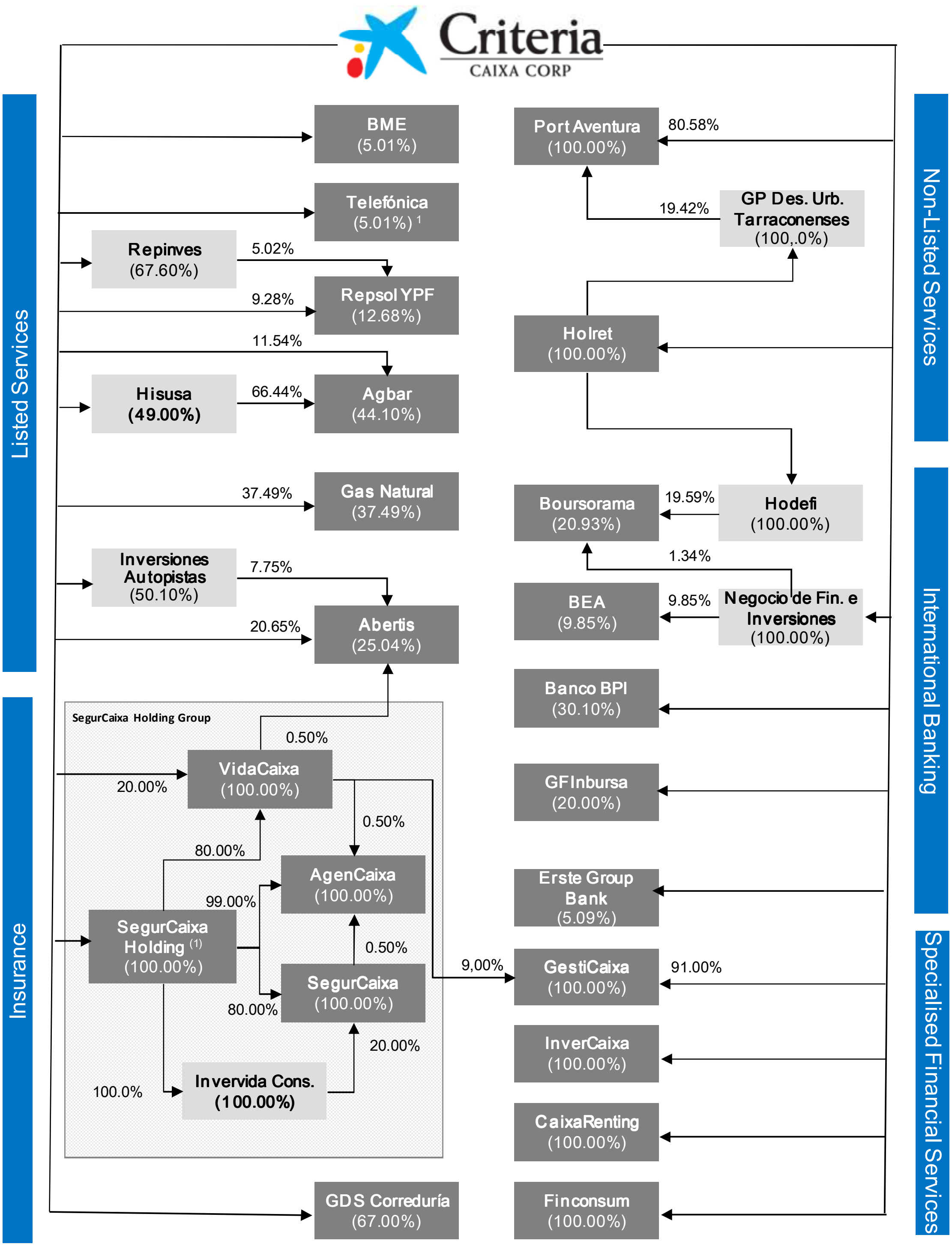
- As announced previously, Criteria CaixaCorp is implementing the innovative "Criteria with its Shareholders" programme, the objective of which is to bring the Company closer to its shareholders and ensure the utmost degree of transparency in its relations therewith. In this regard, a series of corporate presentations are being given by the executives consisting of meetings to present the Company to its shareholders. In the first half of 2009 three such events were held in Madrid, Valencia and Barcelona.

- On 7 May 2009, the shareholders at the Annual General Meeting resolved to pay a final dividend out of the profit for 2008 of EUR 0.06/share which, together with the interim dividends already paid last year by the Company out of its profit for 2008 give a total dividend out of the profit for 2008 of EUR 0.21/share.

- Another noteworthy event was the inclusion of Criteria CaixaCorp, on 15 January 2009, in the BCN Top Euro index, the basket of securities designed each year by the Barcelona Stock Exchange, which includes the Ibex 35 securities that form part of the European Eurostoxx 50 or FTSEEurofirst 300 indexes.

- The Company acquired treasury shares and at 30 June 2009 held shares representing 0.35% of its share capital.

The Group's corporate structure at 30 June 2009 was as follows:



[1] 1% of this investment is owned pursuant to derivative contracts

Comments on the individual income statement for the period

Millions of euros	January - June 2009	2008	% change
Recurring dividends	684	474	44%
Recurring expenses	(14)	(14)	-
Recurring EBIT	**670**	**460**	**46%**
Net financial loss	(67)	(39)	72%
Recurring profit	**603**	**421**	**43%**
Income tax	21	14	50%
Recurring net profit	**624**	**435**	**43%**
Non-recurring profit	**220**	**90**	**144%**
Net profit for the period	**844**	**525**	**61%**

Note: The information presented is prepared using the accounting principles and measurement bases in the New Spanish National Chart of Accounts in force. However, for the purpose of explaining the main aggregates, it is presented in accordance with the model used for Company management. Unaudited information.

The detail of the main highlights is as follows:

- Growth of 43% in **recurring net profit** due basically to the increase in the recurring dividends of the investees, up 44% on the first six months of the previous year.

  Considering the investments and divestments performed, like-for-like recurring dividends (in terms of the scope of consolidation) rose by 13% with respect to the same period of 2008.

Millions of euros	January-June 2009	2008	
Gas Natural	161	105	
Telefónica	109	87	
Repsol YPF / Repinvés	81	78	
Abertis / Inversiones Autopistas	41	37	
Hisusa	18	17	
BPI/Cat. Valores	14	35	
Agbar	7	7	
BME	4	6	
Erste Bank	2	2	
Other	1	14	
Recurring dividends homogeneous scope	**438**	**388**	**13%**
Recurring dividends with changes in scope [(1)]	**246**	**86**	
Total	**684**	**474**	**44%**

(1) **Primarily dividends accrued on a non-like-for-like basis (investments/disposals) and/or accrued in different periods**

- The **non-recurring profit** at 30 June 2009 includes:

  - EUR 105 million relating to non-recurring dividends as a result of the extraordinary dividends paid by Aguas de Barcelona.

  - EUR 215 million relating to the net gain on the sale of 1% of the ownership interest in Telefónica.

- EUR 100 million net of taxes relating to impairment losses recognised as a result of the impairment tests performed on the portfolio of investments in Group companies and associates.

Comments on the consolidated income statement for the period

	January-June		
Millions of euros	2009	2008	% change
Net income from equity instruments (available for sale)	305	181	69%
Net profit of companies accounted for using the equity method	399	351	14%
Net profit of fully consolidated companies	53	72	(26%)
Net operating expenses	(58)	(43)	35%
Recurring net profit	**699**	**561**	25%
Net profit from the sale of equity interests and other non-recurring profits	165	89	85%
Net profit attributable to the Parent	**864**	**650**	33%

The consolidated income statement is prepared in accordance with International Financial Reporting Standards, although it is presented in accordance with the model used for Group management.

Net income from equity instruments in the first half of 2009 rose by EUR 124 million (69%) with respect to 2008, due mainly to an increase in the dividends contributed by Telefónica, SA, which brought forward the payment of the interim dividend (EUR 125 million) for the year to the first half of 2009.

The net profit of the companies accounted for using the equity method increased by EUR 48 million (14%) due to the net effect of:

- The improved earnings of, and an increase in the percentage of ownership with respect to the same period of the preceding year in, Gas Natural and BPI, which increased the profit contributed by EUR 61 million.

- The inclusion in the first half of 2009 of the profit (EUR 24 million) of GF Inbursa, the investment in which was acquired in the third quarter of 2008.

- The drop of EUR 37 million in the profit contributed by Agbar, since the profit contributed at 30 June 2008 included EUR 35 million relating to the gain at Agbar on the sale of shares of Suez.

The net profit of the fully consolidated companies decreased by EUR 19 million, due mainly to:

- An increase of EUR 12 million in the contribution of the insurance business, largely as a result of the excellent performance of the savings business.

- A fall of EUR 26 million in the earnings of the financial business as a result of the reduced economic activity, weaker consumption and an increase in nonperforming loans.

The EUR 15 million increase in net operating expenses attributable to Criteria CaixaCorp was due mainly to the increase in Criteria CaixaCorp's financial debt.

The net profit from the sale of equity interests and other non-recurring profits in the first half of 2009 amounted to EUR 165 million, relating to the gain on the sale of the 1% investment in Telefónica (EUR 265 million), reduced by the impairment losses recognised (EUR 100 million) on the value of associates and the recognition of loan-loss provisions by the consumer financing entities.

The detail of revenue, which is included in the line item relating to the results of fully or proportionately consolidated companies, is as follows:

	January-June		
Millions of euros	2009	2008	% change
Insurance activity income	2,203	1,577	40%
Financial activity income	123	121	2%
Other income	127	132	(4%)
Revenue	**2,453**	**1,830**	**34%**

Income from the insurance business grew by EUR 626 million (40%) as a result of the improvement in the business of the various branches of insurance in which the Group operates, due basically to the increase in the volume of premiums in the health and savings branches. As a result of the crisis, there is a shift towards increased savings, particularly at the most solvent companies, such as VidaCaixa, and new opportunities have arisen in the group and company branches of insurance.

Financial activity income and other income remained almost unchanged with respect to the preceding year.

Net gains on the sale of investments and other non-recurring profit in 1H09 amounted to EUR 165 million, corresponding to the profit generated by the sale of 1% of Telefónica (EUR 265 million), net of impairment charges recognized (EUR 100 million) on the value of associates and the recognition of loan-loss provisions by the consumer financing entities.

RISKS AND UNCERTAINTIES FOR THE NEXT SIX-MONTH PERIOD

The climate of uncertainty enshrouding the international economy is unusually negative. Based on the slight upturn business confidence indicators in the second quarter, the worst of the economic and financial crisis could have passed, although the recovery will foreseeably be a drawn out and delicate process. The deleveraging of the players in the economy will continue to hold back growth, while political measures to stimulate the economy will become less effective as time passes. In fact, the principal international organisations are predicting negative or very low growth rates for the developed economies in the second half of the year and even in 2010. The turnaround will be particularly slow in the eurozone, where economic policy measures have been less aggressive. The recovery could be more rapid in the emerging economies, especially in Asia, where the significant measures introduced by the Chinese government to stimulate economic growth are most likely the cause of the strong growth in lending and commerce in this region in recent months.

Downside risks have receded significantly since the beginning of the year as a result of the notable progress made in the stabilisation of the financial markets. As indicated by the IMF, financing conditions have improved since March and, therefore, the risk of a systematic collapse of the markets has abated, although it has not been completely averted. At medium term risk will be concentrated in the process of withdrawing the economic stimulation measures introduced by governments and central banks. The high volume of government debt also poses a threat to long-term private sector financing.

As regards inflation, the dramatic fall in raw materials prices over the last year has led the developed economies to temporarily experience negative price growth rates. Based on the expectations of an economic recovery, a prolonged period of deflation would appear unlikely, although the possibility cannot be ruled out completely. In fact, inflation could rise in the medium term as a by-product of the expansive economic policies implemented.

Against this backdrop the Spanish economy will suffer negative growth over the coming quarters and its recovery will be particularly slow as a result of the high level of household debt and the need to resize the real estate and banking sectors. Moreover, job destruction will continue to restrain consumption and, in particular, will trigger further bank lending defaults as the periods in which borrowers are entitled to welfare benefits come to an end.

Consequently, Criteria CaixaCorp will be carefully examining the following situations:

- The slumps and high volatility of the equities market and the financial sector in particular make it necessary to implement an ongoing process of reviewing and monitoring the Company's ownership interests. Although in the second quarter there was an upturn in the equities markets, Criteria updated the impairment tests performed on its investments at 30 June, recognising additional impairment losses of EUR 143 million with respect to those already recognised in December 2008, and will be watchful in this regard in the second half of the year. At 30 June 2008, the gross unrealised consolidated gains on the listed portfolio amounted to EUR 876 million. All the indicators will be reviewed and the impairment tests updated at 31 December 2009.

- The possible decrease in corporate profits could mean lower dividend income for Criteria CaixaCorp or a lower contribution from the results of companies accounted for using the equity method. Despite the economic climate, at 30 June 2009 the contribution to results from investments in associates and jointly controlled entities was up 14% compared to the same period in the previous year. Also, the dividends from companies classified as available for sale increased significantly, especially in the case of Telefónica and Repsol. These results are not expected to drop significantly in the second half of 2009.

- The evolution of exchange rates which could affect the value of investments made in currencies other than the euro. Criteria CaixaCorp monitors the evolution of currencies and in each case evaluates the need for arranging hedging instruments. Particular attention is paid to the performance of the Mexican peso and the Hong Kong dollar.

- Interest rates. Reference interest rates are expected to remain at their current low levels in the second half of the year. Criteria CaixaCorp's current credit facility from "la Caixa" matures in July 2011 and, therefore, interest rate changes are not expected to have a significant adverse effect on profit or loss.

- Weaker consumption and the increase in non-performing loans might affect the Group's financial business.