



FIRST-HALF RESULTS JANUARY-JUNE 2009

Highlights

- **Renta 4 Servicios de Inversión reported consolidated profit of €3.5 million to 30 June 2009.** The 42.8% year-on-year decline was entirely due to the dividend paid in the first half of 2008 relating to the 2.5% stake held by Renta 4 in Bolsas y Mercados Españoles (BME) which was distributed to shareholders in December 2008. **Excluding this effect, being June 2009 the last quarter affected by it, net profit for the period was 1.4% higher than last year.**
- **Operating performance has been positive in the first half of the year. Fee and commission income, exchange commissions included, totalled €24.6 million, a year-on-year increase of 5.2%.** This figure accounts for 87.4% of total group revenue in the period.
- **Net interest income** was €0.8 million, impacted by the scenario of interest rates at historic lows.
- **Net trading income** stood at €0.2 million in the first half.
- In line with the cost savings programme initiated last year, the Group reported **operating expenses**, including depreciation and amortisation, of €13.8 million, 13.8% lower than last year.
- **Net money inflows were €81 million in the first half of 2009.** This puts the net cumulative balance since January 2008, when the financial market turbulences started, at €390 million.
- The **total number of accounts** at 30 June stood at 127,054, a rise of 17.9% compared to the same period in 2008. Additionally, 1.5 million **orders** were **executed** in the 6-month period, 27.7% more than in the previous year.
- Lastly, in line with the strategy of broadening its range of products for customers, **Renta 4 launched** a new mutual fund that invests in US equities (**Renta 4 USA**) and a **volatility index (VIX) future**, among others.

Main Figures

Operating Data	30 jun. 09	30. jun. 08	%
Customers	127,054	108,144	17.5%
<i>Proprietary</i>	43,502	42,779	1.7%
<i>Third party</i>	83,552	65,365	27.8%
Executed orders	1,543,518	1,208,668	27.7%
Total assets under custody (€ mill.)	3,664	4,016	-8.8%
<i>Stocks</i>	2,138	2,406	-11.1%
<i>Funds (mutual, pension and third party)</i>	752	870	-13.6%
<i>SICAVs</i>	486	521	-6.7%
<i>Others</i>	288	219	31.5%
Operating Ratios			
Orders per customer	12.1	11.2	8.7%
Order volume per executed order (euros)	32,695	46,293	-29.4%
Fee per order (euros)	13.5	14.2	-4.8%
Online Channel (retail)			
% Revenues	76.0%	63.0%	13.0 p.p
% Orders	83.0%	80.0%	3.0 p.p
% International markets	50.2%	39.7%	10.5 p.p
Earnings Data (€ thousand)			
Commission income	24,605	23,391	5.2%
Net interest income	781	3,083	-74.7%
Net financial operations (dividend included)	221	4,014	-94.5%
Operating costs	13,825	16,040	-13.8%
Net operating income	4,604	8,688	-47.0%
Net profit	3,512	6,136	-42.8%
EPS (€ cents)	0.09	0.15	-42.8%
Earnings Ratios			
% Commissions / Total income	87.4%	60.9%	26.5 p.p
% Financ. operations / Total income	0.8%	10.5%	-9.7 p.p
% Net profit / Total income	12.5%	16.0%	-3.5 p.p
Cost/income ratio	69.1	62.1	7.0 p.p
Employees			
Staff at 30.06.09	275	308	-10.7%
<i>Commercial network</i>	156	168	-7.1%
<i>Headquarters</i>	119	140	-15.0%
Number of branches	57	57	0.0%
Share			
Price at 30.06.09 (euros)	5.00	7.50	-33.3%
Market Capitalization at 30.06.09 (euros)	203,466,015	305,199,023	-33.3%
Number of shares issued	40,693,203	40,693,203	

Consolidated Statement of Income

	Q2 09	Q2 08	%	Ac. 09	Ac. 08	%
<i>€ thousand</i>						
Total Revenues	13,737	18,699	-26.5%	28,188	38,380	-26.6%
Fee and commission income	12,516	10,347	21.0%	24,605	23,391	5.2%
Fee and commission expenses	-3,999	-2,524	58.4%	-7,178	-5,760	24.6%
Net fee and commissions income	8,517	7,823	8.9%	17,427	17,631	-1.2%
Interest and similar income	1,308	5,399	-75.8%	3,362	10,975	-69.4%
Interest and similar expenses	-1,088	-3,891	-72.0%	-2,581	-7,892	-67.3%
Net interest income	220	1,508	-85.4%	781	3,083	-74.7%
Return on equity instruments (dividends)	175	2,234	-92.2%	178	3,506	-69.4%
Results financial operations & AFSFA	-262	719	n.s	43	508	-91.5%
Net financial operations	-87	2,953	n.s	221	4,014	-94.5%
Net Income	8,650	12,284	-29.6%	18,429	24,728	-25.5%
Operating Expenses	-6,771	-7,894	-14.2%	-13,825	-16,040	-13.8%
Personnel	-3,421	-3,969	-13.8%	-6,989	-8,087	-13.6%
Other general administrative expenses	-2,777	-3,357	-17.3%	-5,709	-6,810	-16.2%
Depreciation and amortization	-573	-568	0.9%	-1,127	-1,143	-1.4%
NET OPERATING INCOME	1,879	4,390	-57.2%	4,604	8,688	-47.0%
Other income and expenses	153	-416	-136.8%	93	-873	n.s
PROFIT BEFORE TAX	2,032	3,974	-48.9%	4,697	7,815	-39.9%
Income tax expenses	-566	-773	-26.8%	-1,186	-1,679	-29.4%
NET PROFIT	1,466	3,201	-54.2%	3,512	6,136	-42.8%

(*)AFSFA: Available-for-sale-financial assets

Operating data

At 30 June 2009, Renta 4 had total **client assets under custody** of €3,664 million, an increase of 7.7% compared to year-end 2008. Net money inflows stood at €81 million in the first half, with a positive valuation effect of €181 million, after several negative quarters.

Mutual fund assets, managed by Renta 4 A.M, totalled €508.9 million, a rise of 3.2% on December 2008. This figure contrasts with the 4% drop witnessed by the Spanish market as a whole.

The number of **SICAVs** increased from 57 at the end of last year, to 58, with total assets of €490.7 million. These figures give Renta 4 a market share of 1.89% in this segment, compared to 1.73% at year-end 2008.

Pension funds grew 19% on the year-end 2008 figure, to €157 million. New funds added to 30 June accounted for virtually 40% of total funds added in 2008.

In relation to the **total number of accounts**, at 30 June 7,350 new accounts had been opened compared to year-end 2008, the equivalent to 40 new accounts daily (including weekends and holidays).

The **number of orders executed** rose by 27.7% in the first half from 1.2 million in the first six months of 2008 to 1.5 million in 2009. An increase was seen across the entire product range but was especially significant in the fixed income segment, where executed orders surged by 70%, partly offsetting the decline in **cash trades** (9.8% to 30 June).

The weight of the **on-line channel** in the retail business segment grew further, accounting for 76% of revenue (+13.0 pp) and 83% of orders (+3.0 pp).

Revenues

- **Second Quarter (April-June)**

"Fee and Commission income" rose 21% to €12.5 million. The market recovery observed since mid-March triggered a 29.1% increase in **"Brokerage fees"**. Fees generated in stocks market showed the best performance (growing by over 35%), followed by derivatives and fixed income.

The decline in revenue from **"Asset management"** slowed in comparison with the last few quarters, dropping a slight 1.2%.

Net fee and commission income, excluding third party fees and commissions, totalled €8.5 million, which compared to €7.8 million achieved in the same quarter last year, represented an increase of 8.9%.

"Interest and similar income" fell 75.8% to €1.3 million. In net interest income, excluding interest and similar expenses, stood at €0.2 million compared to €1.5 million last year. The current scenario of interest rates at historic lows was the reason for this decline, and as the year progresses comparisons should become more favourable.

"Net financial operations" was practically flat against the €3 million figure reported last year. We would point out that, as in the first quarter of this year, this was due mainly to the dividend paid in May last year by Bolsas y Mercados Españoles (BME), in which Renta 4 held a stake of 2.5% that it distributed to shareholders in December.

- **Accumulated 2009 (January-June)**

"Fee and Commission income" rose 5.2% to €24.6 million from €23.4 million totalled in the same period last year.

By business line, **"Brokerage fees"** rose 8.9% year-on-year and represented slightly more than two-thirds of total fee and commission income. All markets achieved increases, which were especially relevant in fixed income, with a jump of more than 60% in the period. Meanwhile, brokerage fees on the spot market for equities through to 30 June rose 3.2% after falling 20% in the year's first quarter.

Particularly noteworthy was the increase in the weight of fees and commissions generated in the international markets on the total, to 43.9% in the first half of 2009 from 35.9% in the same period last year.

Revenue from “Asset management” through to the end of June was down 7.6% year-on-year, to an accumulate revenues of €5 million.

Lastly, fees from “Corporate Services” fell 23.3%, mostly on the back of lower revenues from the corporate finance business.

“Interest and similar income” declined by 69.4% in the first six months of the year, owing to the lower interest rate environment explained above. Net interest income in the first half stood at €0.8 million, down 74.7% year-on-year.

“Net financial operations” totalled €0.2 million, compared to €4 million in the first half last year, which included the payment of two dividends from Bolsas y Mercados (BME) in January and May 2008 of €1.58547 per share for the 2.2 million shares held by Renta 4.

Operating expenses

- Second Quarter 2009 (April-June)

“Operating expenses”, including depreciation and amortisation, totalled €6.8 million in the second quarter of 2009, **14.2% less than in the same period last year**.

“Personnel costs” fell 13.8%, in line with the first quarter, to €3.4 million.

Meanwhile, “General administrative expenses” were 17.3% lower, at €2.8 million. The largest savings were in spending on external advisory services and public relations.

“Depreciation and amortisation” rose less than 1% to €0.6 million.

- Accumulated 2009 (January-June)

“Operating expenses” in the first half totalled €13.8 million, **a reduction of 13.8%** on the €16 million reported in the same period last year.

“Personnel costs” to June 2009 totalled €7 million, a 13.6% reduction on the same period last year. The average number of employees began levelling off compared to the first quarter, at 277, 10.4% fewer than the average of 309 at 30 June 2008.

Meanwhile, “General administrative expenses” were 16.2% lower at €5.7 million. By item, the greatest savings were in advertising spend (over 50%) and external advisory services (over 20%).

Lastly, “Depreciation and amortisation” was broadly in line with last’s year figure, showing a slight 1.4% decline to €1.1 million.

Other income and expenses

To June 2009, this line item showed a slight gain of €0.1 million, compared to a loss of €0.9 million last year.

Net operating income

Net operating income in the second quarter totalled €1.9 million, 57.2% lower than the €4.4 million of the same quarter in 2008, mainly due to the abovementioned impact of the dividend paid by BME in May last year.

The trend in the **first half** was similar, with net operating income totalling €4.6 million, compared to €8.7 million in the first half of last year. For comparative purposes, **excluding the two dividends paid by BME** in January and May of **last year** amounting to €1.58547 euros per share, net operating income would have decreased by 17.6%, while **net profit would have been 1.4% higher than last year**.

Market situation and outlook

Market conditions have been extremely volatile so far this year, especially in the first quarter. Renta 4 expects the **situation to remain difficult** in coming quarters.

In this scenario, the cost-control measures adopted are beginning to feed through positively. **The company expects operating expenses for the full year 2009 to come in at around €28 million, compared to €30.6 million in 2008.**

In the wake of the solid performance of fee and commission income and net money inflows in the second quarter, **Renta 4's target is to repeat, if not improve on, last year's net operating income. As well Renta 4 expects to maintain its growing trend in assets under management, number of clients and commissions revenues for the second half of the year.**

Consolidated Balance Sheet

<i>€ Thousand</i>	Jun. 2009	Dec. 2008
Intangible assets	9,824	9,994
Property and equipment	30,088	30,804
Available-for-sale-financial-assets	31,541	30,570
Deferred tax assets	876	987
Loans and receivables	2,229	2,402
Other assets	0	0
NON-CURRENT ASSETS	74,558	74,757
Other assets	2,000	1,666
Current tax assets	1,863	4,509
Loans and receivables	312,497	322,913
Financial assets held for trading	1,022	3,329
Cash and cash equivalents	177,522	132,658
CURRENT ASSETS	494,904	465,075
TOTAL ASSETS	569,462	539,832

<i>€ Thousand</i>	Jun. 2009	Dec. 2008
Minority interest	1,097	1,126
Valuation adjustments	-2,045	-2,295
Equity	82,114	79,335
EQUITY	81,166	78,166
Financial liabilities	32,994	36,115
Deferred tax liabilities	1,020	1,021
NON-CURRENT LIABILITIES	34,014	37,136
Financial liabilities held for trading	807	860
Financial liabilities	451,282	421,944
Provisions	266	266
Current tax liabilities	1,794	1,173
Accrued expenses and deferred income	133	287
CURRENT LIABILITIES	454,282	424,530
TOTAL EQUITY AND LIABILITIES	569,462	539,832

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

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