

## PRESS RELEASE

### **Crédit Andorrà's volume of business grows 4.9% and comes to 12,285 million euros**

- **The entity's profits came to 76.65 million, which is 9.8% less than the previous fiscal year**
- **The sum total of resources managed came to 9,254 million euros, in other words 5% more than the previous year**
- **The solvency (23.45%) and liquidity (71.06%) ratios are on the rise compared to 2009 and are still far above the legal limits**
- **Global investment in social activity has accounted for 1.51 million euros**

*Andorra La Vella, 30<sup>th</sup> April 2010.* The Crédit Andorrà Group, Andorra's top financial group and one which is becoming widely international, finished the 2009 fiscal year with a business volume of 12,285 million euros, 4.9% more than the previous year, with a sum total of clients' resources managed that came to 9,254 million euros. The latter amount means a 5% rise compared to 2008. Crédit Andorrà has had significant growth – more than the sector in general. This has enabled it to increase its market share, which has come to 36.4% of the sector.

Crédit Andorrà has continued conceding credit to its clients in spite of the fact that granting of mortgage and consumer credit has slowed up due to lower demand for consumer credit and a conservative risk evaluation policy. Credit investment increased in 2009 by 4.38%, reaching 3,030 million euros. This is proof of the entity's commitment and trust for the country and its economy.

The group's ordinary margin came to 164.44 million euros. It is worth noting that significant rationalization and contention has been made as regards expenditure, which has enabled an excellent efficiency ratio of 31.36% to be maintained.

The solvency ratio came to 23.45% and the liquidity ratio to 71.06%. These percentages are still way above the legal limits, which are 10% and 40% respectively.

Crédit Andorrà Group finished the 2009 tax year with a net consolidated profit of 76.65 million euros, 9.8% less than the previous fiscal year. The entity has made a positive assessment of these results, taking into account the international context and highlighting the fact that it has continued to apply a prudent, conservative policy of allocations to provisions.

The Crèdit Andorrà Group's own resources come to 721 million euros. This enables it to continue to have a high level of its own resources that ensures its sustained growth.

In the complex context of the international economic situation, confirmation of the Crèdit Andorrà Group's good financial management is given by the qualification issued by Fitch Ratings. It has maintained a long term rating of A, a short term one of F1, an individual one of B and a support rating of 4, with a stable outlook. According to Fitch, these ratings "*reflect the leading position of the entity on the Andorran market, with conservative financial management and solid profitability*" and they confirm "*the bank's healthy state of assets, its significant liquidity and strong capitalization.*" The reaffirmation of the ratings is very significant when one takes into account the international financial context and how bank ratings have been moving in recent years.

In 2009, Crèdit Andorrà continued working to ensure the bank's growth and future competitiveness continuously and sustainably by means of an international expansion and business diversification plan, bringing the activity into line with the best international practices.

In this vein, Crèdit Andorrà is working along the lines of voluntarily adopting the principles set down in the EU's MiFID directives, which increase clients' levels of information and protection in negotiation and contracting procedures. These principles are already being followed by Crèdit Andorrà Asset Management. In Spain in 2009, the Valira Capital Asset Management company, whose main stakeholder is Crèdit Andorrà, obtained the ISO 9001 quality certificate. This joins the ISO 9001 certificates that have also been renewed by the bank's Treasury and Capitals Market Department and its Administration of Markets and Control Department, as well as by Crèdit Andorrà Asset Management, the Group's investment funds management company,

### **Crèdit Andorrà Group's international presence**

In 2009 Crèdit Andorrà continued in full expansion, mainly to Latin America and Europe, materializing projects that create value for the Group. Crèdit Andorrà Panamá Securities was created. This is a securities company that operates out of Panama to provide mediation services in financial markets and consultancy. In Spain, Valira Capital Asset Management has received authorization from the Spanish financial securities markets' regulatory body, the CNMV, to expand its activity with traditional funds and ICVCs, and to carry out activities of safeguarding and administering investment funds. In the insurance sphere, the Group has opened new delegations in Tarragona, Palma de Majorca and Seville through the holding company ERM.

The Crèdit Andorrà Group is currently present in:

- Spain, through the insurance holding company ERM and the management of funds and asset assessment carried out by Valira Capital Asset Management;
- Switzerland, through Private Investment Management, an asset management company;
- Luxembourg, through the collective investment companies of Crediinvest Sicav and Investcredit Sicav;

- Panama, through Banco Crèdit Andorrà (Panama), which provides financial services and global assessment, and Crèdit Andorrà Panamá Securities, which is dedicated to acting as an intermediary on financial markets and to financial consultancy; and
- Uruguay, through a representation office for the Southern Cone area.

### **Commitment to sustainability and the community**

Crèdit Andorrà Group's overall investment in social activity came to 1,510,000 euros, which means 1.97% of its profits. This investment is a response to Crèdit Andorrà's shareholders' express desire to contribute continuously to improving the well-being of our society and its development. There is currently no legal obligation nor tax breaks in Andorra in this respect.

Investment in social activity has mainly been handled through the Crèdit Andorrà Foundation and has been divided up as follows: 37% to culture, 24% to education, 20% to social programs, 14% to environmental projects, and 5% to economic development activities.

Sustainability and a firm commitment to the community are key principles in Crèdit Andorrà's management model, which is based on professional ethics as well as business, social and environmental responsibility.

Crèdit Andorrà's commitment to the country's progress and a better society appeared in 2009 in the form of different social, educational, and cultural programs carried out by the Crèdit Andorrà Foundation, as well as all of the social, economic and environmental initiatives the bank itself carries out. This clear inclination towards service as a strategic value has been seen in the bank's own initiatives and collaboration with a significant number of entities, which has been carried out to provide something valuable for the clients themselves as well as for society and the internal team. The Group's philosophy is to provide the best service, professionalism, quality and transparency in handling the information of each and every project that is carried out.