

BANCO POPULAR GROUP AND CRÉDIT MUTUEL – CIC SIGN THE SPA OF BANCO POPULAR FRANCE

On April 1st 2008, Banco Popular Español and the French Banking Group Crédit Mutuel – CIC announced the start of exclusive negotiations aiming at the sale of the French subsidiary of Grupo Banco Popular.

One month later the parties have reached an agreement for the sale of 100% of the share capital of Banco Popular France and have entered in a contract in relation thereto today.

The closing of the sale is only conditional upon the obtention of the authorisations from the relevant banking authorities.

The agreed sale price is 85 million euros which shall be paid in cash at closing.

The agreement, as already announced in early April, includes the undertaking to enter into a commercial collaboration agreement that will be further negotiated in the coming months and which will allow Banco Popular to continue to provide services to its customers in France. Reciprocally, Crédit Mutuel – CIC's customers will be able to access banking services in the Branch network of Grupo Banco Popular in Spain and Portugal.

CM-CIC Group is the second retail banking group in France, with a total of 3,389 outlets. Its network comprises the branches of Credit Mutuel and all its subsidiaries, including CIC.

As of 31 December 2007, CM-CIC Group had around 364,800 million euros in deposits, 182,200 million € in credits and obtained a net result of 2,161 million €.