



FIRST HALF 2006

- In the first half of the 2006 financial year, Alba increased its investments in ACS and Acerinox and completed its disinvestment in Carrefour. It also sold its stake in Xfera and 40.3% of its stake in Unipsa.
- The company recorded a Net Profit of 600.8 M€, 200% more than for the same period the previous year, thanks to the strong growth of the companies in which it has holdings and the disinvestments performed.
- In the first half of the financial year, the price of Alba shares rose 10.3% compared with a 7.6% increase recorded by the Spanish stock index, IBEX.

PORTFOLIO AT 30-6-2006

Listed holdings	% Stake	Million €
Acerinox (*)	17.6	538.1
ACS (*)	20.7	1,099.4
Prosegur	5.2	63.0
Spirent	0.6	3.0
Total book value		1,703.5
Total market value (30-06-06)		3,070.2
Unrealised capital gains		1,366.7

Unlisted holdings	% Stake	Million €
Celtel	0.5	11.8
Palio	17.0	0.7
Unipsa(*)	42.2	3.6
Other	n.a.	3.4
Total book value		19.5
Real estate		265.8

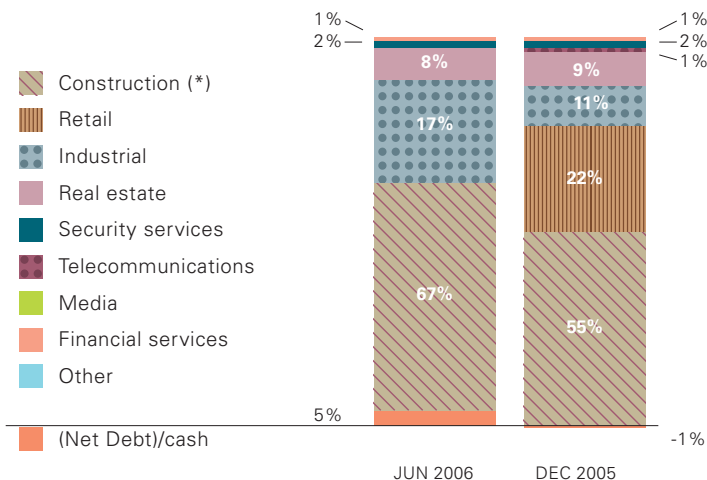
(*) Investments consolidated by the Equity method.

NET ASSET VALUE

The key figure for gauging the value of a company such as Alba is its Net Asset Value. Calculated according to internal methods consistent with those normally used by equity analysts, on the 30th of June 2006 Alba's net asset value was estimated at 3,555 M€ or 54.91 € per share, after deducting own shares held as Treasury Stock.

	Million €
Listed holdings	3,070.2
Unlisted holdings (market value) and real estate	308.3
Other assets and debt	176.9
Net asset value	3,555.4
Million shares (minus Treasury Stock)	64.75
Net asset value/share	54.91 €

BREAKDOWN OF NET ASSET VALUE BY SECTOR



(*) The 67% represented by the Construction sector reflects the investment in ACS. Given ACS's broad diversification, in order to provide a clearer picture of the distribution of Alba's portfolio by sector, this 67% has been broken down between the following sectors (1):

Construction	23%
Industrial Services	18%
Urban Services	11%
Electricity	7%
Concessions	5%
Real Estate	3%

67%

(1) Breakdown reflects each sector's contribution to the net profit of ACS for 2006 according to Alba's internal forecast.



MOST SIGNIFICANT TRANSACTIONS



In the first six months of the year, Alba enlarged its stake in ACS and Acerinox and completed its disinvestment in Carrefour. It also sold its holding in Xfera and 40.3% of its stake in Unipsa.

through, will result in the creation of the world's leading motorway management group. The merger agreement was approved by Abertis' and Autostrade Extraordinary General Meetings of 30 June 2006.

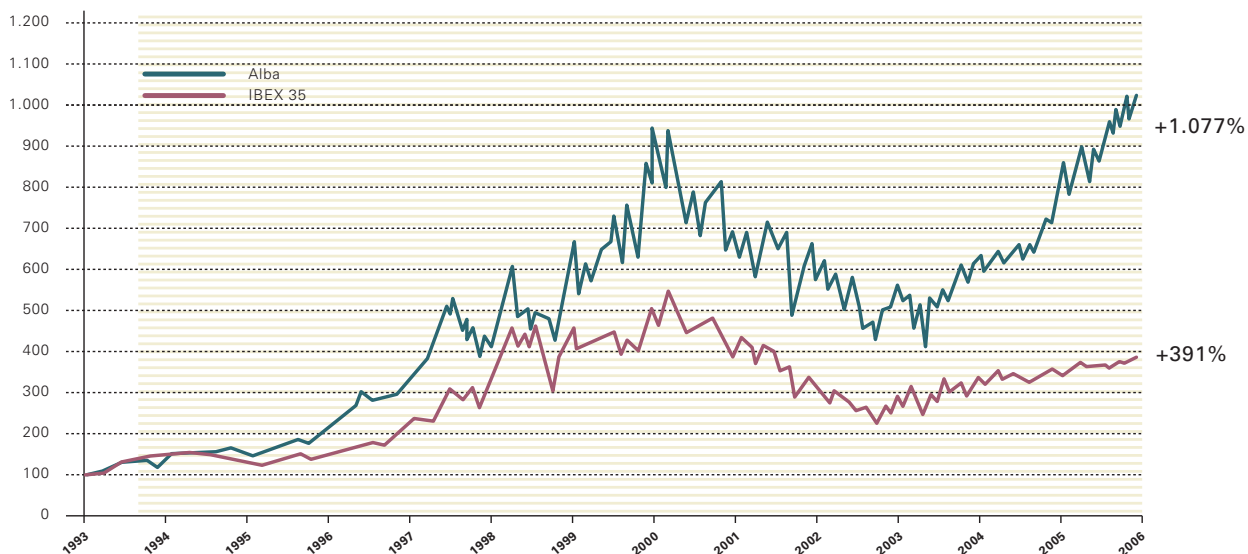


Alba has now acquired a further 2.81% of ACS, with a total investment of 278.2 M€. This investment has increased its holding in Spain's leading construction and services group to 20.7%. During this period, Abertis, which is 24.8% owned by ACS, reached a merger agreement with Autostrade which, if seen

It has also increased its interest in Acerinox to 17.6% of the share capital, with the purchase of an additional 6.38% for 215.3 M€. With this investment, Alba secures its position as the largest shareholder in the company. Acerinox plans to expand the production capacity of NAS, its US subsidiary, by 40% investing 270 M\$. This



STOCK MARKET EVOLUTION



- Corporación Financiera Alba is listed on the Spanish Stock Exchanges, and during the first half of 2006 had an average daily trading volume of 3.49 M€.

- During the first half of 2006, the value of Alba shares rose by 10.3%, from €39.25 to €43.31 per share.



will boost NAS's steel-production capacity from 1 million to 1.415 million tonnes.

over 17 years, on its investment in Carrefour.



Alba has pursued its policy of acquiring own shares, in light of their heavily discounted quoted price. During this half-year, 850,970 own shares have been acquired for a value of 35.1 M€. 500,000 of those shares were redeemed in July 2006, in line with the decision of the General Meeting of 31 May 2006.

In May, Alba sold 40.3% of its stake in Unipsa Correduría de Seguros to Banca March for 24.2 M€, reducing its holding to 42.2%. The capital gain obtained was 20.5 M€, achieving an IRR of 23.7% in 11 years. For this transaction, Unipsa was valued at 60 M€ - a 2005 P/E ratio of 13.6.



In the area of disinvestments, Alba has sold the rest of its holding in Carrefour, completing the process that began in the last quarter of 2005. With the sale of the remaining 2.5% for 678.7 M€, Alba obtained an IRR of 16.9%,

In June, Alba sold its entire direct holding in Xfera to TeliaSonera, which had been provisioned for. In the transaction, Alba has freed guarantees for a total amount of 28.3 million euros, so Alba's current risk due to Xfera guarantees amounts to 14.7 million euros, which have also been provisioned for.

ALBA ON INTERNET



The Alba internet website

(www.corporacionalba.es) contains complete, updated information about the growth of the company, and a reference to the most relevant news about the companies making up its portfolio, and offers the possibility of direct access to its respective web pages.



CONSOLIDATED RESULTS

(2006 Preliminary figures)

Alba's consolidated net profit for this first half-year was 600.8 M€, compared with 200.6 M€ for the same period the previous year. The earnings per share increased by 3.02, rising from €3.04 in the first half of 2005 to €9.19 in the same period of 2006.

Net profits from affiliates, which comprises a proportion of the profits of affiliate companies based on Alba's holding, increased by 65.6 M€ to 84.2 M€, mainly due to the larger interests in ACS and Acerinox and the strong performances of these companies, and to a lesser extent, the holding in Unipsa which, after the sale of 40.3%, is now recorded according to the equity method.

Income from shares, an item which is largely made up of capital gains generated from disinvestments during the financial year, totalled 511.9 M€, compared with 143.1 M€ in 2005. These capital gains are primarily the result of the sale of the Carrefour holding. The irregular nature of this item should be highlighted, as it includes capital gains derived from portfolio management.

The decrease in **Financial Income**, which dropped from 27.9 M€ to 8.7 M€, is mainly due to the dividends which the company has ceased to receive following the sale of its Carrefour holding. Likewise, the reduction in **Financial Expenses** is due to the company's liquidity following the sale of the Carrefour stock.

	Million euros	
	30-06-06	30-06-05(*)
Net profits from associates consolidated by the equity method	84.2	65.6
Rental income	8.1	7.4
Income from services	0.0	4.2
Results from the sale of assets	511.9	143.1
Financial income	8.7	27.9
	612.9	248.2
Overheads	(11.3)	(14.1)
Financial expenses	(0.3)	(4.1)
Depreciation	(0.5)	(0.6)
Corporate income tax	(0.0)	(28.6)
Minority shareholders	(0.0)	(0.2)
	(12.1)	(47.6)
Net profit	600.8	200.6
EPS (€)	9.19	3.04

(*) The information for the first half of 2005, which is included for comparative purposes, differs slightly from that published last year as the Carrefour holding, sold between Q4 2005 and Q1 2006, had been reclassified as an affiliate company available for sale in 1 January 2005. The effects of this change on the results of the first half of 2005 are: a decrease in Net profits from affiliates of 29.6 M€ and an increase in Financial income (dividends) of 22.5 M€

CONSOLIDATED BALANCE SHEETS

(2006 Preliminary figures)

Assets	Million euros	
	30-06-06	31-12-05
Real Estate Investments	253.3	252.8
Other fixed assets	12.5	21.3
Tangible fixed assets	265.8	274.1
Investments in Associates	1,644.1	1,082.7
Available for sale securities	78.9	788.8
Other financial investments	1.9	1.9
Financial Investments	1,724.9	1,873.4
Financial Investments	267.4	69.9
Debtors and other assets	2.9	11.8
Total assets	2,261.0	2,229.2

Liabilities	Million euros	
	30-06-06	31-12-05
Share capital (1)	65.6	66.5
Reserves	1,499.3	1,612.7
Profits for the year	600.8	444.3
Minority interests	0.0	2.1
Shareholders equity	2,165.7	2,125.6
Provisions	25.5	21.3
Long-term creditors	2.1	2.6
Financial debt	57.9	54.3
Current liabilities	9.8	25.4
Total liabilities and shareholders equity	2,261.0	2,229.2

(1) The share capital is composed of 65,600,000 shares with a nominal of 1 € each.