

Press Conference of the presentation of the Campus Nike, with Mr. Manel Cerqueda, Andbanc Chairman, Fernando Torres, the Rt. Hon. Mr. Pere Cervós & Carles Puyol.



Press Conference presenting the book *Una història d'Andorra, temàtica (A History of Andorra, Themes)*, with Mr. Oriol Ribas, Andbanc Vice-Chairman, and Mr. Antoni Pol, President of the SAC.



- > Andbanc has just completed a financial year that was distinguished mainly by its satisfaction with a job well done and by good results, in an environment in which the financial markets have left unstable times behind and are showing clear signs of recovery. The most significant events that affected our bank during the course of 2003 are listed below.

The Pla Compromís – A model of good customer relations

One of our projects, and undoubtedly a brilliant success, has been the implementation of the Pla Compromís, specially designed to strengthen relations with our customers and to inspire confidence by providing them with our expertise in private banking in Andorra, as well as getting them to appreciate the advantages that differentiate us from our competitors – the Andbanc brand, our service and our staff.

Specialization in Commercial Banking

In the field of Commercial Banking, one of the most remarkable accomplishments has been the specialization into well-differentiated divisions, with the aim of offering optimum solutions to clients' specific needs.

On the product front, Andbanc has been particularly proactive in launching new financial products with considerable added value, which have generally been extremely well received. Of special note are the hipotecavant mortgage (designed for those wishing to benefit from the best market conditions, the most competitive interest rates and a high level of flexibility), Visa Somnis (the first revolving credit card in Andorra) and the new security protocol Verified by Visa/MasterCard Securecode (which guarantees card users and users of virtual TPV point of sale that their online operations are completely secure).

In 2003 Commercial Banking also transformed itself in terms of physical space devoted to customer attention. Through innovation and modernization Andbanc has revolutionized the concept of the traditional office. The Pas de la Casa and Escaldes-Engordany branches were the first to attain the kind of avant-garde and functional standards that are beginning to be associated with the Andbanc brand name.

Commitment to new channels

A commitment to new strategies (by definition ever more global in scope) for improving relations with customers all round the world has led the bank to optimize technical solutions in its principal

areas of activity. In March, for example, the new telephone banking service *dial:andbanc* was launched, offering a wide range of services including consultations and operations.

The bank's websites have also undergone radical change so as to implement our portal policy, which incorporates greater functionality. For example, the new call back service enables customers to request a call from the bank whenever and wherever they wish.

Fitch Ibcra confirms Andbanc's Individual Rating B

The prestigious international ratings agency Fitch Ibcra has confirmed Andbanc Grup Agrícola Reig's Individual Rating as B and its Support Rating as 3.

Andbanc's ratings reflect the successful culmination of the merger of Banc Agrícola and Banca Reig. These indicators reflect the strength of the bank's franchise, its good overall performance, together with its high level of liquidity, capital adequacy and reliable management.

In its report Fitch Ibcra states that Andbanc's product offering is competitive and is backed up by considerable expertise and experience in private banking.

Commitment to Andorran society

Throughout its long history, our bank has been characterized by its constant support of social development in Andorra. In this regard, a spirit of commitment to Andorran society has always influenced our policy because, at Andbanc, we understand that our involvement with the country and those who live here affects us directly.

Andbanc wants to make this close and special bond quite explicit and, year after year, this has translated into the organizing and sponsoring of prestigious social, cultural and sporting events that give Andorra a good name around the world.

For the last five years the bank has staged the most thrilling and exciting chess tournaments ever to be contested in this country. In 1999 the Valls d'Andorra Chess Federation launched an initiative, which has been going from strength to strength each year since then, by inviting top-class players such as Alexei Shirov, Paco Vallejo and Judith Polgar. In March last year Ruslan Ponomarev, the young Ukrainian world champion, demonstrated his technique and strategy in a face-off against International Master Òscar de la Riva.

Aware of the growing popularity of golf in our country, Andbanc was the promoter of the Andbanc Golf Circuit for the third year in a row. There were a substantial number of innovations in 2003 (the competition was also played on the Costa Brava and was increased to six stages) and more than 1000 players were brought together for the occasion. Six intense and fiercely

Mr. Iñaki Urdangarín, on the day he gave his Master class, next to Mr. Jaume Sabater, Andbanc General Manager.



The Ukrainian Ruslan Ponomariov presenting his technique and strategy in front of the International Master Óscar de la Riva.



contested days, on several courses in Spain and France, set the scene for the third series, which concluded with a gathering of all the winners and Andorran golfers at the prestigious Valderrama Golf Club in Cadiz.

The last week of June has become firmly established as a special date for fans of good tennis. This year again, from June 21st to June 28th, the Prat del Roure courts (in Escaldes-Engordany) were the scene of the Andbanc International Tennis Open. The most admired player was undoubtedly Jan Vacek, who was front-page news in the media in Andorra, even though he did not reach the finals. 2003 was also a special year for the Open, celebrating its tenth anniversary. The occasion provided a very positive comparison with previous series, enhancing its reputation and increasing participation in the competition.

Another sporting date that awakens the interest of children and teenagers, not just in the Principality but also in Spain, is the Nike Campus, which includes both football and basketball. Carles Puyol, the Barcelona defender, was again in charge of the football, while Pau Gasol, the NBA star, took care of the basketball. For two weeks, the youngsters who had enrolled could watch their idols close-up, not wanting to miss a single detail. This Nike Campus series even included rhythmic gymnastics as well as the more popular sports. This initiative was headed up by the five-times Spanish female champion, Almudena Cid, who aroused the interest of a large group of young Andorran gymnasts.

Another sporting event of considerable importance was the European Synchronized Swimming Junior Championship, which took place in August at the Olympic pool at Serradells. The favourites (Russia, Ukraine and Italy) were invincible and asserted themselves with authority. The tournament, apart from attracting the attention of synchronized swimming fans, saw Andorra hosting a European competition at this level for the first time.

Turning to social activities, in May Andbanc and the Information Society and Strategic Projects Department of the Government of Andorra together presented the fourth edition of the Entrepreneurs' Workshop, which brought together ten young people with the common denominator of ambition to make their dreams and projects come true. Many tutors from Esade collaborated on the project, and one of the high notes was the visit of a very special guest lecturer, Mr. Iñaki Urdangarín, who gave a class on managing top-performing teams.

The commitment to youth activities is one of the aims of Andbanc's sponsorship policy, which was also evident in the sponsorship of other activities such as the Young Theatre Festival (www.teatrejove.com). The cultural enthusiasm of the 400 students who took part gave us even more encouragement to go on supporting this kind of artistic endeavour.

In mid-July, for the first time ever, Andbanc sponsored the International Accordion Competition, which brought together accordion players of various nationalities. Participating in

the event were the prestigious performers Vladimir Zubistky and Natalia Zubistska, who played in the closing concert.

With regard to its social obligations, Andbanc demonstrated its sensitivity to projects aimed at helping the most deserving. To this end, last October the bank signed a two-year collaboration agreement with the Red Cross, as well as donating an all-terrain vehicle. The purpose of Andbanc's contribution to this charitable organization is to support the campaign to attract volunteers, increase the vehicle park and improve equipment.

Finally, one of the most important documents signed by Andbanc last year was, without doubt, the agreement with the Andorran Olympic Committee to sponsor its activities until 2007, as well as officially sponsoring the 2005 Small Nation Games, which are to be held in Andorra. This sponsorship represents the culmination of the continuous commitment to sport in Andorra, which began in 1989 when, for the first time and with the slogan 'Sport 89', a private entity made a special commitment to the world of sport in Andorra.

Other events

At the beginning of last year, the bank took an important step in its international expansion with the establishment of its Swiss branch in Geneva, which began to operate as an Asset Management company, having been admitted to the Swiss Association of Asset Management.

In addition, Andbanc strengthened its position in the American market, where it already had a presence in the Bahamas, by opening an office in Panama.

Some weeks later Andbanc made news once again when it won two prestigious prizes that give recognition to the bank's corporate identity. In the renowned international Design Week Awards, from among 1400 entries, Andbanc's was the outright winner for excellence and innovation in the corporate identity and promotional brochures categories.