



**2010**

**Annual report**

# Principal data for VidaCaixa Grupo in 2010

|   | 2009      | 2010      | %     |
|---|-----------|-----------|-------|
| Total assets  | 25,419    | 28,807    | 13%   |
| Total managed funds (not including IFRS adjustment) | 31,051    | 33,917    | 9%    |
| Premiums and contributions direct and accepted      | 4,951     | 6,138     | 24%   |
| Life and Pension schemes                            | 4,619     | 4,925     | 6%    |
| Non-life  | 332       | 1,213     | 280%  |
| Net Consolidated Profit for VidaCaixa Grupo         | 208       | 249       | 19%   |
| <b>In figures</b>                                   |           |           |       |
| Private customers                                   | 3,407,035 | 5,857,125 | 72%   |
| Corporate customers                                 | 45,687    | 47,150    | 3%    |
| Employees   | 911       | 2,634     | 189%  |
| <b>Market share</b>                                 |           |           |       |
| Life Insurance (Managed savings)                    | 13.4%     | 14.5%     | 1.1%  |
| Private pension funds (consolidated rights)         | 15.6%     | 16.2%     | 0.6%  |
| Health  | 0.6%      | 23.9%     | 23.3% |

In millions of euros

# 2010

## Annual report

### Index

|  |    |
|--|----|
| Letter from the Chairman of VidaCaixa Grupo                                      | 5  |
| 1. Introduction to VidaCaixa Grupo   | 6  |
| 2. Developments in the environment and the sector                                | 15 |
| 3. Developments in Group Companies   | 25 |
| 4. Key issues and projects in 2010   | 55 |
| 5. The shareholders of VidaCaixa Grupo   | 63 |
| 6. Future projects   | 72 |
| 7. Corporate Governance and Internal Control Report                              | 75 |
| 8. Consolidated Annual Accounts and Management Report of VidaCaixa Grupo, S.A.U. | 99 |



**Ricardo Fornesa Ribó**

Chairman of the Board of VidaCaixa Grupo

# Letter from the Chairman of VidaCaixa Grupo

In 2010 VidaCaixa Grupo consolidated itself as the leader in complementary social welfare and, after the integration of Adeslas, also took over the leading position in healthcare, thereby becoming the second largest insurance group in Spain.

With premiums and contributions of 6,138 million euros and 34,000 millions in managed funds, VidaCaixa Grupo reached a net profit of 249 million euros, a growth of 19.5% over that in 2009. These excellent results, the largest in the Group's history, are a direct result of the good behaviour of all our business lines –life and pensions, healthcare, home, automobiles and accidents- in spite of the unfavourable economic situation and the sluggishness in growth the whole insurance sector underwent.

In the commercial area, our savings business experienced a rise of 6.9% with an outstanding growth in annuities and guaranteed pension plans. Our risk business soared by 126% where healthcare stood out by achieving a full 76% of the market growth in 2010.

The quality of VidaCaixa Grupo's products and services, together with the commitment and excellence of the 2,634 professionals that make up the Group led to almost 6 million customers placing their trust in us in 2010.

The attainment of those objectives would not have been possible without the alignment of the strategy and the organisation with the values of VidaCaixa Grupo -Trust, Quality, Dynamism and Proximity- and our commitment to our stakeholders.

Here it is worth pointing out that VidaCaixa Grupo continued making inroads in effecting their corporate responsibility. Among the principal acts undertaken, the following are noteworthy: the advancement in the United Nations Principles for Responsible Investment (PRI), the innovation of new insurance and social welfare products, the extension of the 9001 quality certification to dental clinics, the development of

events that contribute to the improvement in the workplace of our professionals, the involvement of our employees in social and environmental acts and the implementation of measures to mitigate the impact on the environment.

The brilliant results obtained in this exercise are expected to continue over time through the implementation of the new 2010-2015 Strategic Plan, the great project of the Company. The lines to guarantee our future growth are: strengthening our main business, identifying and pinpointing new opportunities in the growth of high potential businesses in which VidaCaixa Grupo have still not reached a dominant position, and finally, optimising sales oriented synergies derived from the integration of Adeslas.

The enormous capacity of VidaCaixa Grupo to take on new challenges is clearly shown by the agreement with Mutua Madrileña. This will come into effect in the third quarter of 2011 and in it the Madrid-based company will acquire 50% of SegurCaixa Adeslas and will exclusively and indefinitely sell healthcare, home, automobile and the other non-life insurances through the more than 5,400 branches of "la Caixa" as well as the other channels of the Company. The agreement involves the handing over of Aresa, a Mutua Madrileña company selling health and death insurance with approximately 3% of the health insurance market.

VidaCaixa Grupo maintains its firm commitment to the non-life segment and the operation with Mutua Madrileña will intensify the development of the business enabling a greater and faster growth in this area.

Summing up, thanks to the implication, effort and commitment of all the professionals that form VidaCaixa Grupo, we were able to attain the excellent results we publish in this Annual Report, which I invite you to read. These results are sustained in our values, which have prevailed since our beginning and will continue to be the foundation to achieve our future successes.