

## ORDINARY GENERAL MEETING OF SHAREHOLDERS

The Ordinary General Meeting of Shareholders was held at Plaça Catalunya, 1, in Sabadell at midday on 30 June, 2004, at the second call, as there was no possibility of holding the meeting at the first call due to the failure to achieve the required quorum to legally constitute the Meeting. The General Shareholders Meeting was convened fulfilling all the legal requirements. The Shareholders General Meeting was announced in the Official Journal of the Companies Register (Boletín Oficial del Registro Mercantil) (Issue 100) on 26 May, 2004 and notices of the General Shareholders Meeting were also published in each of the following newspapers, the “La Vanguardia”, “El País” and the “Diari de Sabadell”, all on 26 May, 2004.

**The Chairman and the Secretary.-** The General Shareholders Meeting was chaired by the Chairman of the Board of Directors, José Oliu Creus, who acted as Chairman of the Shareholders General Meeting by virtue of his post as Board Chairman in accordance with Article 48 of the Articles of Association and with Article 11 of the Regulations of the Shareholders Meeting and pursuant to the agreement of the Board of Directors dated 22 April, 2004, along with the remaining Board Members whose names are listed below. Miquel Roca y Junyent, by virtue of his position as Secretary to the Board of Directors, acted Secretary in accordance with Article 48 of the Articles of Association.

Chairman	D. José Oliu Creus
1st Deputy Chairman	D. Buenaventura Garriga Brutau
2nd Deputy Chairman	D. Joan Llonch Andreu
Directors:	D. Miguel Bósser Rovira D. Juan Manuel Desvalls Maristany D. Francesc Casas Selvas D. Joaquín Folch-Rusiñol Corachán D. Jorge Manuel Jardim Gonçalves D. Héctor María Colonques Moreno D. José Permanyer Cunillera D. Juan M <sup>a</sup> Nin Genova D. José Manuel Lara Bosch
Secretary	D. Miquel Roca y Junyent

### **Constitution of the General Shareholders Meeting.-**

The Secretary announced the drawing up of the Temporary List, showing the details of the persons present in person or by proxy and the percentages of the share capital represented by the shares held, which gave a sufficient quorum with which to constitute the Annual General Meeting.

The Chairman declared that the Shareholders General Meeting was legally constituted.

Previous to announcing the Agreement Proposals , the Secretary informed those present of the final number of shareholders present in person or by proxy at the General Shareholders Meeting. At the final count, the number of those participating, either present in person or by proxy was 35,210 shareholders, with a holding 164,921,204 shares, which means 53.90 of the share capital. Of these, the holders of 49.66% of the share capital exercised their right by delegating their votes to other shareholders and the remaining 4.23% of the capital was actually present at the General Shareholders Meeting. Thus there were 355 shareholders present and 34,855 shareholders represented.

Next, the Secretary announced the voting system to those present. (the reading of the agreement proposals, the offer of time for clarifications, or further information, the counting of negative votes, abstentions and the understanding that those not expressly stating their opinion were giving their assent and agreement to the proposal), bearing in mind that the vote of a shareholder or his/her group of companies is limited in accordance with the Articles of Association of the Bank, to 10% of the votes referring to the total share capital. The Secretary also announced that the voting decision announced by the shareholders who had delegated their voting rights by proxy to the Board of Directors or any one of its members was to be respected.

The Secretary reminded those present that, once the voting for the different agreement proposals had been completed, shareholders would be given time to intervene with petitions or questions, which could be used to put forward other issues, unrelated to the clarifications and extra information which may be requested.

In his speech Mr. Roca reminded those present that they could follow the contents of the agreement proposals by referring to the documents provided. They could also have found out about the literal contents of the agreement proposals previous to the Meeting by accessing the Corporate Website of Banco Sabadell.

**Agreements.** The following proposals were put to the vote:

***First agreement proposal:***

To approve the Annual Accounts -Balance Sheet, Profit and Loss Account and the Annual Report- as well as the Management Report of Banco Sabadell, S.A. and its Consolidated Group all corresponding to the financial year ending at 31 December 2002. To seek approval for management of Banco de Sabadell, S.A. by the Directors during the financial year started on 1 January, 2003 and closed on 13 December of the same year and for the application proposal of the results of the same year consisting of the distribution of the 2003 earnings in the following manner:

To reserves for investment in the Canary Islands	700,391.33 euros
To voluntary reserves	79,450,206.39 euros
To dividend distribution	102,001,368.00 euros

The distribution of dividends was carried out through the payment of 0.24 euros on 3 November, 2003, and the payment of a second interim dividend of 0.26 euros made on 6 February, 2004

#### *Interventions*

The Secretary offered time to speak to shareholders for clarifications or requests for further information but no shareholder intervened.

#### *Voting*

On being put to the vote, the proposal was carried with a majority vote, with four hundred abstentions registered and bearing in mind that the maximum number of votes that an individual shareholder (or his/her group) can cast is 10% of the share capital, the result was 824,043 votes in favour.

### ***Second agreement proposal:***

To approve the Merger Proposal subscribed by the Directors of the companies Banco Sabadell, S.A. and Banco Atlántico, S.A., filed with Barcelona Registry of Companies (Registro Mercantil de Barcelona) on 14 April, 2004 and, accordingly, to approve the merger through absorption of Banco Atlántico, S.A. by Banco Sabadell, S.A., with the dissolution but not the liquidation of that undertaking, and the transfer of the entire assets to Banco de Sabadell, S.A., by universal succession, with Banco Sabadell, S.A., succeeding to all rights and obligations of Banco Atlántico without any reservation or limitation whatsoever.

The present agreement of merger through absorption, had been approved, subject to the appropriate authorisations as dictated by circumstances indicated below, and in accordance with Article 228 of the Company Register regulations.

*a. Names and registered offices of the companies involved in the merger and the identifying details for their entry in the Registry of Companies*

*a.1. Absorbing Company*

BANCO DE SABADELL, S.A. was set up for an indefinite period of time, by means of a public deed signed before the Sabadell Notary, Antonio Capdevila Gomá, on 31 December 1881, Number 620 in his notarial archive, after having adapted its Articles of Association to the Companies Act (Ley de Sociedades Anónimas) in force, in a public deed authorised by the Sabadell Notary, Máximo Catalán Pardo, on 26 April 1990, under Number 903 in his notarial archive (hereafter known as, “BANCO SABADELL”). It is registered with the Barcelona Registry of Companies at Volume 20.093, Folio 1, Page B-1561. In accordance with its Articles of Association, its current registered office is Plaza Cataluña, 1 (08201 Sabadell (Barcelona)). Its Fiscal Identification Number is A-08000143.

#### *a.2. Absorbed Company*

BANCO ATLÁNTICO, S.A. was set up for an unlimited period of time under its former name, Banca Novell, S.A., through conversion from the partnership, the Nonell Brothers, by means of a public deed signed before the Notary, Manuel Borrás de Palau, on 22 September, 1927.

Its Articles of Association were adapted to the Companies Act (Ley de Sociedades Anónimas) in force, by virtue of a public deed authorised by the Madrid Notary, José Maria de Prada González, on 12 June, 1992, Number 1395 in his notarial archive (hereafter known as, “BANCO ATLÁNTICO”). It is registered with the Barcelona Registry of Companies at Volume 33.481, Folio 73, Section 8, Page B-44600. In accordance with its Articles of Association, its current registered office is at Avenida Diagonal, 407 bis, Barcelona. Its Fiscal Identification Number is A-08017337.

#### *b. Annual Report*

As part of its policy to restructure the Banco Sabadell Group and following the policy initiated by BANCO SABADELL, itself, to integrate the different banking concerns that belong to its generalist bank, which started with the merger with the bank Solbank SBD, S.A., signed on 21 May, 2001, the subsequent merger with Banco Herrero, S.A. signed on 18 September, 2002, and finally ended with the merger with Banco de Asturias, S.A. subscribed on 1 July 2003, it was considered expedient to carry out the merger of BANCO ATLÁNTICO and BANCO SABADELL, with BANCO SABADELL taking a 99,92% shareholding in BANCO ATLÁNTICO by means of a takeover. Previous to the merger between the two banks, BANCO ATLÁNTICO had taken 100% control of its subsidiary company, Atlántico Servicios Financieros E.F.C., S.A. by means of a take over of the latter company by the former.

Through this, it is hoped to achieve a more rational organisation of the management of the Bank and also an improvement in the productive structure with important reductions in all aspects.

#### *c. Share exchange ratio*

In accordance with the share exchange ratio, calculated on the basis of the real value of the assets of both companies participating in the merger, the shares will be exchanged in a ratio of nine BANCO SABADELL shares with a nominal value of 0.50 Euros each, for every 2 shares of BANCO ATLÁNTICO, with a nominal value of 6.01 euros each.

The 20,893,159 shares of BANCO ATLÁNTICO, which represent 100% of its share capital, with a nominal value of 6.01 Euros each, are fully subscribed for and paid up, and accounted for by the book entry method.

The BANCO SABADELL shares to be delivered have a nominal value of 0.50 euros (fifty cents of a euro) each, accounted for by the book entry method and proceeding from its own shareholdings.

Bearing in mind that BANCO SABADELL is the direct holder of 20,613,412 shares and the indirect holder of 262,787 BANCO ATLÁNTICO shares, in accordance with Article 249 of the current Companies Act (Ley de Sociedades Anónimas), these shares cannot be exchanged for shares of BANCO SABADELL and will be amortized in due course.

*d. Procedure for exchanging the shares*

The shareholders of BANCO ATLÁNTICO holding shares representing the share capital of this company, will have the right to exchange their shares for BANCO SABADELL shares as a consequence of the merger operation.

The exchange of shares will take effect from the date of the entry of the merger in the competent Company Registries and once the period for objections to the merger is completed in accordance with Article 243 of the current Companies Act (Ley de Sociedades Anónimas).

The BANCO ATLÁNTICO shares will be exchanged for BANCO SABADELL shares within a fixed term of one (1) month, starting from the date on which the corresponding announcement is published in the Official Journal of the Companies Register (Boletín Oficial del Registro Mercantil) and in one of the newspapers with the widest circulation in the provinces where both companies participating in the merger have their registered offices. This will be done once the merger process is completed.

The exchange of the BANCO ATLÁNTICO shares for BANCO SABADELL shares will be carried out in accordance with the procedures laid down for the book entry system through custodian banks, which will carry out the exchange according to the instructions received from the institution entrusted with making the account entries in the accounting records.

Those shareholders of BANCO ATLÁNTICO holding an insufficient number of shares of the share capital in order to be able to obtain nine (9) BANCO SABADELL, shares will be able to group together with other shareholders of the company.

Otherwise, and in order to liquidate fractions that result from the exchange process according to the exchange ratio established, BANCO SABADELL will purchase the remaining BANCO ATLÁNTICO shares from its the shareholders at 71.79 euros per share.

As a consequence of the merger, the shares of the Company taken over will be annulled.

*e. Procedures by which the merger will be carried out.*

The merger will be carried out, if the merger proposal is accordingly approved by both respective General Shareholders Meetings by means of the merger through absorption method. In consequence, the company BANCO ATLÁNTICO will merge into BANCO SABADELL and be dissolved with its entire assets being transferred en bloc to BANCO SABADELL by universal succession. BANCO SABADELL will thus succeed universally all the rights and obligations of BANCO ATLÁNTICO without any reservation or limitation whatsoever.

The Merger Balance Sheets of the companies involved will be considered closed at 31 December 2003, having been audited by the Company Auditors and approved by the respective General Shareholders Meetings at the same time as the approval of the merger was given.

*f. Share rights*

The shares issued by BANCO SABADELL, will have full rights and will entitle holders to participate in the company profits without date restrictions.

*g. Date of changeover of operations for accounting purposes*

As from 18 March, 2004, all BANCO ATLÁNTICO operations will have to be treated for accounting purposes as being operations of BANCO SABADELL.

*h. Special shares and rights*

It is hereby expressly stated that in accordance with Paragraph e) of Article 235 of the Companies Act (LSA), there exist no holders of shares of special classes or with special rights different from the BANCO ATLÁNTICO shares, and thus, this matter need not be considered in the merger operation.

*i. Conferring advantages*

As a consequence of the Merger Operation which is the object of the present Project, no type of advantage will be given to the independent experts, to the Directors of the companies involved in the merger or the Directors of the Company BANCO SABADELL after the take over who, when applicable, may be appointed as such once the merger process of the two Companies has been completed.

*j. Appointment of an independent expert*

The Directors of the companies participating in the merger will apply to the Barcelona Company Registrar, Barcelona, corresponding to the registered office of BANCO SABADELL, for the appointment of a single Expert to draw up a single Report on the Merger Project and on the assets contributed by the company which will be taken over as a result of the merger, pursuant to Article 236.2 of the current Companies Act (Ley de Sociedades Anónimas) and to Article 349.2 of the current regulations of the Registry of Companies.

*k. Tax system*

In accordance with the contents of Article 110 of Law 43/1995, dated 28 December, on Corporation Tax, it is agreed to apply to the present planned merger operation the special tax system designed for mergers in Chapter VIII of Title Deed VIII of Law 43/1995 of 27 December, on Corporation Tax, -now known as Title VII, Chapter VIII of the Royal Legislative Decree 4/2004 of 5 March -, which is an essential condition of the operation and consequently it is agreed to carry out all the communications and proceedings that may be necessary and/or appropriate for this purpose.

*l. Special authorisations*

Furthermore the necessary authorisations will be requested from the competent authorities and the merger agreements to be adopted by the companies involved will be bound by the only condition precedent of the concession the required authorisations.

To approve as the Merger Balance Sheet, in accordance with Article 239 of the current Companies Act ( Ley de Sociedades Anónimas), the Balance Sheet of Banco de Sabadell, S.A. closed at 31 December, 2003 and audited by the Auditors of the company.

In accordance with the last paragraph of Article 238 of the current Companies Act (Ley de Sociedades Anónimas), it is hereby stated that no relevant alteration has been made in the Assets or the Liabilities of the companies involved in the merger subsequent to the date of drawing up the Merger Project.

The Articles of Association of Banco de Sabadell, S.A. will be subject to no alteration in being drawn up as a consequence of the merger with Banco Atlántico, S.A. as the shares of Banco de Sabadell, S.A. which will be handed over in exchange to the shareholders of Banco Atlántico, S.A. will proceed from its own shareholding without requiring to resort to a share capital increase to this end.

It is equally approved to submit the present merger operation to the fiscal neutrality system as established in Chapter VIII of Title Deed VII of the Royal Legislative Decree 4/2004 of 5 March, by which the Rewritten Text of the Corporation Tax Law is approved. Accordingly a perceptive communication of the merger operation will be made to the competent organisation in the Ministry of Finance in the manner and within the time legally established.

*Explanation previous to the voting given by the Secretary*

The Secretary indicated the shares of Banco Atlántico which had been purchased at different points of time until 25 March 2004 and in the period from 26 March to 29 June, 2004.

*Interventions*

The Secretary offered time to speak to shareholders for clarifications or requests for further information but no shareholder intervened.

*Voting*

On being put to the vote, the proposal was carried with a majority vote, with four hundred and one abstentions registered and bearing in mind that the maximum number of votes that an individual shareholder (or his/her group) can cast is 10% of the share capital, the result was 824,043 votes in favour.

***Third agreement proposal:***

Leaving without effect the agreement adopted at the Shareholders General Meeting of 24 April, 2003, in whatever had not been enforced, it was proposed to authorise the Company to make an acquisition of Banco de Sabadell S.A. shares, either directly or through Group companies, whenever and how many times it deems necessary over a maximum period of eighteen months, starting from the date of the present Shareholders General Meeting. This can be carried out by whatever means permitted by the Law and can even be charged to the annual profits and/or available reserves which can also be subsequently disposed of or amortised in accordance with Article 75 of the Companies Act (Ley de Sociedades Anónimas).

To approve the limits and requirements of these acquisitions which are listed below:

- That the nominal value of the acquired shares, when added to those already held by the Bank and its subsidiary companies, should not exceed at any moment the five per cent of the share capital of Banco de Sabadell, S.A. Under all circumstances, the limits laid down by the regulatory authorities of the stock markets where the shares of Banco de Sabadell, S.A. are listed, should be respected.
- That an available reserve equivalent to the amount of shares calculated in the Assets can be allotted to the Liabilities in the Company balance sheet. This reserve must be maintained for as long as the shares.
- That the acquired shares are fully paid up.
- The acquisition price should not be lower than the nominal value or 20 per cent higher than the share price or any other rate at which the shares are being valued on the date of their acquisition. The acquisition operations must be adjusted to the regulations and practice of the securities markets.

Reduce the share capital with a view to amortising the Bank's own shares which the Bank can maintain on its balance sheet, from the profits or available reserves and at an amount that is appropriate or necessary at any given moment up to the maximum of its own shares existing at each moment

To authorise the Board of Directors to execute the preceding Capital Reduction Agreement, empowering the Board to carry this out on one or several occasions and within a maximum period of eighteen months following the date on which this Agreement is adopted and to carry out as many formalities, procedures and authorisations as required by the Companies Act (Ley de Sociedades Anónimas) and other applicable regulations. In particular, to authorise the Board, within the period and limits indicated for its execution, to fix the date/dates for the actual capital reduction/s, the advisability and necessity for the reductions; to settle on the amount of the reduction; to determine the use to be made of the reduction, and when applicable, the guarantees, fulfilling the legal requirements; to change in Article 7<sup>o</sup> of the Articles of Association the new total for the share capital; to apply for exclusion from trading of the amortised securities and in general to adopt whatever agreements may be necessary for the purpose of this amortisation and subsequent reduction in capital; to appoint those persons who can supervise the completion of the formalities.

### *Interventions*

The Secretary offered time to speak to shareholders for clarifications or requests for further information but no shareholder intervened.

### *Voting*

On being put to the vote, the proposal was carried with a majority vote, with fifty nine abstentions and one hundred and fourteen votes against registered. Bearing in mind that the maximum number of votes that an individual shareholder (or his/her group) can cast is 10% of the share capital, the result was 824,270 votes in favour.

### ***Fourth agreement proposal:***

To confer on the Board of Directors for a period of three years from the date, the powers to issue on one or several occasions, subordinated or not, non-convertible securities, in this denomination, preferential shares, cash warrants or other similar securities.

Furthermore to expressly authorise the Board of Directors to develop a programme of promissory notes issued in this denomination or other similar or equivalent denominations on one or several occasions during the period of three years from the date.

The Board will be able to freely fix the total amount for each issue or programme, the maturity dates, the interest rates and the other conditions applicable to each one, but at no moment will the bonds or promissory notes in circulation be permitted to exceed the limits fixed by the Law..

Also to confer on the Board express powers to delegate and substitute these powers according to what is laid down in the Companies Act (Ley de Sociedades Anónimas).

### *Interventions*

The Secretary offered time to speak to shareholders for clarifications or requests for further information. One gentleman who did not give his name intervened to ask about the interest rate or price of the issues. The Chairman replied that this involved a generic authorisation depending on the issue and interest rates operating at each moment in the economic world.

### *Voting*

On being put to the vote, the proposal was carried with a majority vote, with four hundred and ten abstentions and sixty four votes against registered. Bearing in mind that the maximum number of votes that an individual shareholder (or his/her group) can cast is 10% of the share capital, the result was 823,969 votes in favour.

### ***Fifth agreement proposal:***

1. To inform the General Shareholders Meeting, in accordance with current legislation, that Banco de Sabadell, S.A. now has a set of Regulations the Board of Directors, approved at a meeting held on 31 May 2000, which contains specific measures aimed at guaranteeing the best administration possible of the company. This set of Regulations has been subject to a series of successive modifications in order to adjust it to the principles of transparency and regulatory compliance of listed companies, it has been registered with the Barcelona Companies Registry, filed with the Securities and Investment Board (Comisión Nacional del Mercado de Valores) and has been made available to all shareholders on the Bank's website.
2. Fix the number of members of the Board of Directors as eleven.

### Interventions

The Secretary offered time to speak to shareholders for clarifications or requests for further information but no shareholder intervened.

### *Voting*

On being put to the vote, the proposal was carried with a majority vote, with sixty three abstentions registered and bearing in mind that the maximum number of votes that an individual shareholder (or his/her group) can cast is 10% of the share capital, the result was 824,381 votes in favour.

### ***Sixth agreement proposal:***

5. In accordance with Article 204 of the Companies Act (Ley de Sociedades Anónimas) and after a previous proposal to the Board of Directors put forward by the Audit and Control Committee, the proposal was made to reappoint the company, PricewaterhouseCoopers Auditores, S.L., with Fiscal Identification Number (NIF) B-79031290 as Auditors of the Company and

of the Consolidated Annual Accounts of the Group for a further period of one year.

#### *Interventions*

The Secretary offered time to speak to shareholders for clarifications or requests for further information but no shareholder intervened.

#### *Voting*

*On being put to the vote, the proposal was carried with a majority vote, with one hundred and six abstentions registered and bearing in mind that the maximum number of votes that an individual shareholder (or his/her group) can cast is 10% of the share capital, the result was 824,336 votes in favour.*

#### ***Seventh agreement proposal:***

To expressly authorise the Chairman of the Board of Directors, José Oliu Creus, and the Secretary of the Board, Miquel Roca y Junyent, or any person who substitutes them, when applicable, in their respective positions as Chairman and Secretary to be able, on behalf of the Bank,:

To appear before the Notary in order to convert the adopted agreements into public deeds and to carry out whatever actions or formalities are appropriate or necessary in order to completely fulfil all the requirements for the correct execution and registration, when applicable, in the corresponding public registries and in particular in the Companies Registry of the Province; these powers are extended to rectify, clarify, interpret, specify, and draw up the appendices of the deeds related to the assets and liabilities of the company and to complement, when applicable, the agreements adopted in all the deeds or documents authorised by a notary and, in particular, any defects, omissions or errors, in form or in content, that may prevent access of the adopted agreements and of their consequences in the Companies Registry of the Province, and even to incorporate, on their own authority the alterations required to this end incorporating the alterations which may be necessary or made evident in the written or oral qualification of the Companies Registrar or required by the competent authorities, without the need to consult the General Shareholders Meeting.

To carry out on behalf of the Bank all the legal acts which may be necessary in order to execute the previous agreements and bring them to a successful conclusion”.

### *Interventions*

The Secretary offered time to speak to shareholders for clarifications or requests for further information but no shareholder intervened.

### *Voting*

On being put to the vote, the proposal was carried with a majority vote, with fifty abstentions and one hundred and fourteen votes against registered. Bearing in mind that the maximum number of votes that an individual shareholder (or his/her group) can cast is 10% of the share capital, the result was 824,395 votes in favour.

Next, Mr. Oliu offered an extra opportunity to shareholders to intervene and the shareholder, Miguel Bellido took this opportunity and read out a written statement in which he repeated the declarations he had made in a previous General Shareholders Meeting referring to the wisdom of the Board in purchasing Banco Atlántico, S.A., and offering his full support.

Finally the Chairman, Mr. Oliu, declared the General Shareholders meeting closed, with no further business to attend to.