



AUDIT REPORT ON THE
CAIXA GALICIA GROUP

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A free translation of the report on the consolidated annual accounts originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Spanish-language version prevails.

AUDIT REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

To the General Assembly of Caja de Ahorros de Galicia

1. We have audited the consolidated annual accounts of Caja de Ahorros de Galicia and subsidiaries which form the Caja de Ahorros de Galicia Group, consisting of the consolidated balance sheet as at December 31, 2004, the consolidated statement of income and expenses and the related notes to the consolidated annual accounts for the year then ended, the preparation of which is the responsibility of the Directors of the Caja. Our responsibility is to express an opinion on the consolidated annual accounts taken as a whole, based on the work carried out in accordance with auditing standards generally accepted in Spain which require the examination, on a test basis, of evidence supporting the consolidated annual accounts and an evaluation of their overall presentation, the accounting principles applied and the estimates made.
2. In accordance with Spanish commercial legislation, the Caja's Directors have presented, for comparative purposes only, for each item of the consolidated balance sheet, the consolidated statement of income and expenses and the consolidated statement of source and application of funds, the corresponding amounts for the previous year as well as the amounts for 2004. Our opinion refers solely to the consolidated annual accounts for 2004. On March 29, 2004 we issued our audit report on the 2003 consolidated annual accounts in which we expressed a qualified opinion.
3. As is described in Note 17 to the accompanying notes to the consolidated annual accounts, in 2001 the Caja de Ahorros de Galicia Group recorded an extraordinary gain of 139,555 thousand euros before taxes from the sale of 50% of one of its subsidiaries. Additionally, the Caja de Ahorros de Galicia Group set up a provision in the amount of 132,223 thousand euros before taxes charged to Extraordinary losses on the consolidated statement of income and expenses for 2001. This provision has been utilised in full as at December 31, 2004, having been applied by 23,369, 61,069 and 47,785 thousand euros during 2002, 2003 and 2004, respectively, before taxes, credited to Extraordinary income on the consolidated statement of income and expenses.

4. In our opinion, the accompanying consolidated annual accounts for the year 2004 present fairly, in all material respects, the consolidated net worth and financial position of Caja de Ahorros de Galicia and subsidiaries, which form the Caja de Ahorros de Galicia Group, as at December 31, 2004 and the consolidated results of its operations and its consolidated source and application of funds for the year then ended, and contain all the information necessary for their interpretation and comprehension in accordance with accounting principles generally accepted in Spain, applied on a basis consistent with the preceding year.

5. The accompanying consolidated Directors' Report for 2004 contains the information that the Caja's Directors consider relevant to the Group's position, the development of its business and other matters and does not form an integral part of the consolidated annual accounts. We have verified that the accounting information contained in the aforementioned consolidated Directors' Report coincides with that of the consolidated annual accounts for 2004. Our work as auditors is limited to checking the consolidated Directors' Report within the scope already mentioned in this paragraph and it does not include a review of information other than that obtained from the consolidated companies' accounting records.

PricewaterhouseCoopers Auditores, S.L.

José Wahnón Levy
Partner

April 25, 2005

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