UNION FENOSA FINANCIAL SERVICES USA, LLC

Interim Financial Statements

June 30th 2009 and 2008

UNIÓN FENOSA FINANCIAL SERVICES USA, L.L.C.

Balance Sheets

(In euros)

Assets		**30-jun-09**	**31-dic-08**
Assets:			
Cash and cash equivalents	€	103.433	38.115
Loan receivable from affiliate		609.244.650	609.244.650
Deferred loan fees		(19.107.050)	(21.717.077)
Loan receivable from affiliate, net		590.137.600	587.527.573
Accrued interest receivable from affiliate		3.030.789	3.105.717
Prepaid fees		124.388	124.387
Other assets		—	64.610
Total assets	€	593.396.210	590.860.402
Liabilities and Securityholders' Equity			
Liabilities:			
Accounts payable and accrued expenses	€	72.835	26.734
Common securities dividends payable		—	—
Total liabilities		72.835	26.734
Securityholders' equity:			
Preferred capital securities; noncumulative, 24,369,786 securities issued and outstanding; authorized liquidation preference of €25per share, with an aggregate liquidation preference of up to € 750million		609.244.650	609.244.650
Issuance costs – preferred capital securities		(49.259.455)	(49.259.455)
Preferred capital securities, net of issuance costs		559.985.195	559.985.195
Common capital securities; 10 securities issued and outstanding		79	79
Retained earnings		33.338.101	30.848.394
Total securityholders' equity		593.323.375	590.833.668
Total liabilities and securityholders' equity	€	593.396.210	590.860.402

See accompanying notes to financial statements.

UNIÓN FENOSA FINANCIAL SERVICES USA, L.L.C.

Statements of Operations

(In euros)

		30-jun-09	30-jun-08
Revenue:			
Interest income	€	16.174.564	17.604.515
		16.174.564	17.604.515
Expenses:			
Commissions and fees		456.933	456.934
Other		68.239	29.001
		525.172	485.935
Net income	€	15.649.392	17.118.580

See accompanying notes to financial statements.

UNIÓN FENOSA FINANCIAL SERVICES USA, L.L.C.

Statements of Changes in Securityholders' Equity

Periods ended June 30, 2009 and December 31, 2008, 2007 and 2006

(In euros)

		Preferred capital securities	Common capital securities	Retained earnings	Total securityholders' equity
Balance, December 31, 2007		559.985.195	79	26.165.791	586.151.065
Dividends declared		—	—	(30.218.535)	(30.218.535)
Net income		—	—	34.901.138	34.901.138
Balance, December 31, 2008	€	559.985.195	79	30.848.394	590.833.668
Dividends declared		—	—	(13.159.685)	(13.159.685)
Net income		—	—	15.649.392	15.649.392
Balance, June 30, 2009	€	559.985.195	79	33.338.101	593.323.375

See accompanying notes to financial statements.

UNIÓN FENOSA FINANCIAL SERVICES USA, L.L.C.

Statements of Cash Flows

(In euros)

		30-jun-09	30-jun-08
Cash flows from operating activities:			
Net income	€	15.649.392	17.118.581
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization of deferred loan fees		(2.610.027)	(2.477.232)
Changes in operating assets and liabilities:			
Accrued interest receivable from affiliate		74.928	(186.157)
Prepaid fees		(1)	—
Other assets		64.610	—
current acount with group companies		70.000	
Accounts payable and accrued expenses		(23.899)	(18.359)
Net cash provided by operating activities		13.225.003	14.436.833
Cash flows from financing activities:			
Dividends paid		(13.159.685)	(14.498.174)
Net cash used in financing activities		(13.159.685)	(14.498.174)
Net decrease in cash and cash equivalents		65.318	(61.341)
Cash and cash equivalents, beginning of period		38.115	141.100
Cash and cash equivalents, end of period	€	103.433	79.759

See accompanying notes to financial statements.

UNIÓN FENOSA FINANCIAL SERVICES USA, L.L.C.
Notes to Financial Statements
June 30, 2009 and 2008

(1) Description of Business

Union Fenosa Financial Services USA, L.L.C. (the Company) was formed under the Laws of the state of Delaware on February 3, 2003. The Company was established as a special-purpose entity for the purpose of issuing Preferred Capital Securities. The Proceeds from the sale of these securities were used to enter into loan agreement with Union Fenosa, S.A, an affiliated entity.

Union Fenosa, S.A. owns all common Capital Securities issued and outstanding.

(2) Summary of significant Accounting Policies and Practices

(a) Basis of Presentation

The Company's financial statements are presented in accordance with U.S. generally accepted accounting principles. The Company's functional currency and reporting currency is the Euro.

(b) Loan Receivable and Recognition of the Interest Income

Loan receivable is stated at the amount of unpaid principal, reduced by deferred loan fees, net of costs. Loan fees, net of costs, are recognized in income using the interest method over the contractual life of the loan, adjusted for actual prepayments. Amortization of deferred fees is discontinued when loans are placed on nonaccrual status.

Interest income is recorded on the accrual basis. Loan origination fees, net of related direct costs, are deferred and amortized as an adjustment to interest income on a method that approximates the level-yield basis over the estimated life of the loan.

Accrual of interest is discontinued on a loan when principal or interest is delinquent for more than 90 days, or when management believes that the borrower's financial conditions is such that collection of interest is unlikely. Collection of interest while the loan is on nonaccrual status is generally recognized on a cash basis, unless collection or principal is doubtful; in which case, cash collectors are applied to unpaid principal.

The allowance for loan losses is established through provisions charged to expense, Loans are charged off against the allowance for the loan losses when management believes that the collectibility of the principal is unlikely. There is no allowance for loan losses at June 30, 2009 and December 31, 2008.

(c) Income Taxes

No provision has been made for income taxes in the accompanying financial statements, since the Company is not directly subject to income taxes in the United States of America and the results of operations are includable in the tax return of the securityholders.

(d) **Use of Estimates**

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management of the Company to make a number of estimates and assumptions relating to the reported amount of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

(e) **Cash Equivalents**

The Company considers all amounts held in highly liquid instruments with an original purchased maturity of three months or less to be cash equivalents.

(f) **Recently Adopted Accounting Pronouncements**

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement No. 157, Fair Value Measurements (Statement 157). Statement 157 defines fair value, establishes a framework for the measurement of fair value, and enhances disclosures about fair value measurements. The statement does not require any new fair value measures. The statement is effective for fair value measures already required or permitted by other standards for fiscal years beginning on January 1, 2008. In November 2007, the FASB proposed an one-year deferral on Statement 157's fair value measurement requirements for nonfinancial assets and liabilities that are not required or permitted to be measured at fair value on a recurring basis. Statement 157 did no have a significant impact on the Company's results of operations or financial position.

In February 2007, the FASB issued Statement No. 159, The Fair Value Option for Financial Assets and Financial Liabilities-including an amendment of FASB Statement No.115 (Statement 159). Statement 159 gives the Company the irrevocable option to carry most financial assets and liabilities at fair value that are not currently required to be measured at fair value. If the fair value option is elected, changes in fair value would be recorded in earnings at each subsequent reporting date. Statement 159 became effective for the Company's 2008 fiscal year. Statement 159 did not have a significant impact on the Company's financial condition, result of operations, and cash flows.

(3) **Loan Receivable, Net**

On May 20, 2003, the Company entered into a promissory note agreement by which the Company advanced € 609,244,650 to Union Fenosa Finance B.V., an affiliated entity. The loan bears interest at rate equal to the three-month Euribor rate plus 0.25% plus a margin of 0.184% per annum, provided, however, that the three-month Euribor rate plus 0.25% shall in no event be less than 4.184% or more than 6.823%. The loan requires quarterly interest payments on February 20, May 20, August 20 and November 20 and matures on May 20, 2013. At June 30, 2009 and 2008, the loan bears interest at 4.368% and 5.293%.The promissory note agreement requires the principal to be paid at maturity.

In connection with the issuance of the loan in 2003, the Company collected a loan fee amounting to € 49,544,650. The loan fee has been deferred and is being amortized as an adjustment to interest income on a method that approximates the level-yield basis over the estimated life of the loan.

On November 20, 2004, Union Fenosa, S.A., the Common Capital securityholder, assumed all rights and obligations under the promissory note agreement. Effective March 23, 2007, Union Fenosa Finance B.V. assumed all rights and obligations under the promissory note agreement.

(4) Common Capital Securities

The Company has issued 10 Common Capital Securities to Union Fenosa, S.A. The profits and losses of the Company for any fiscal year (or portion thereof) are allocated as follows:

(a) All gains and losses resulting from any disposition of assets (in the event such occurs) by the Company shall be allocated 100% to the Common Capital securityholders.

(b) Net profit of the Company is allocated (i) pro rata to the Preferred Capital securityholders until the amount so allocated to each Preferred Capital Securityholder equals the amount of the dividends declared for such fiscal year (or portion thereof) with respect to the Preferred Capital Securities held by such securityholder and (ii) thereafter to the Common Capital securityholders.

(c) Net loss of the Company (determined without regard to the amount of any gains and losses described in subparagraph (a) above) is allocated 100% to the Common Capital securityholder

(5) Preferred Capital Securities

The Company is authorized to issue and sell Preferred Capital Securities having an aggregate initial liquidation preference of € 500 million, which may be increased to up to €750 million. This amount may be amended or restated by resolution of the board of directors. The initial liquidation preference per Preferred Capital Security is €25. Holders of Preferred Capital Securities are entitled to receive, when, as and if declared by the board of directors out of the Company's net profits, cash dividends that will be paid at the three-month Euribor rate plus an effective annual rate of 0.25%. The dividend rate shall in no event be less than an effective annual rate of 4.25% or more than an effective annual rate of 7.00% during the 10 years following the initial issuance (May 20, 2003). Dividends on the Preferred Capital Securities are noncumulative. Union Fenosa, S.A. is the guarantor of these securities for payments of any amounts due by the Company.

Preferred Capital Securities have no voting rights. However, in the event that the Company fails to pay dividends in full on the Preferred Capital Securities (and the guarantor fails to make a corresponding payment under the guarantee) for five consecutive dividend periods, then the holders of the Preferred Capital Securities have the right to alter the composition of the board of directors as prescribed in the Amend and Restated Limited Liability Company Agreement of Union Fenosa Financial Services USA, L.L.C (the Agreement).

The Preferred Capital Securities are not redeemable prior to May 20, 2013. On or after such date, the Company may redeem at its option the Preferred Capital Securities at any time, in whole or from time to time in part, at a redemption price equal to 100% of the liquidation preference plus an amount equal to the then-current dividend accrued and unpaid to the date fixed for redemption.

Preferred Capital Securities may not be sold or otherwise transferred to a person in the United States of America, except pursuant to sales or other transfers that satisfy the requirements of Regulation S under the Securities Act of 1933 (the Securities Act) or that are otherwise exempt from the registration requirements of the Securities Act.

In the event of any voluntary or involuntary liquidation of the Company, the holders of the Preferred Capital Securities will be entitled to receive out of the assets of the Company available for distribution to security holders an amount equal to the liquidation preference per Preferred Capital Security plus accrued and unpaid dividends thereon for the then-current dividend period, if any, to the date of liquidation. This distribution will occur before any distribution of assets is made to holders of Common Capital Securities or any other class of securities ranking junior to the Preferred Capital Securities.

In connection with the issuance of the Preferred Capital Securities, the Company has agreed to pay the underwriter a quarterly liquidity fee equal to 0.15% of the initial issuance of € 609,244,650. The fee is payable on February 20, May 20, August 20, and November 20.

(6) **Related-Party Transaction**

Pursuant to the Agreement, Union Fenosa, S.A. is responsible for, and will pay, substantially all expenses of the Company to the extent such expenses are not paid by the Company. The expenses covered by the Agreement include administrative and organizational costs, as well as any costs resulting from any litigation against the Company. No expenses were paid on behalf of the Company in 2008 and 2007.

(7) **Fair Value of Financial Instruments**

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments at June 30, 2009 and December 31, 2008. The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties.

	June 30, 2009		December 31, 2008	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets:				
Cash and cash equivalents	103.433	103.433	38.115	38.115
Loan receivable from affiliate, net	590.137.600	590.137.600	587.527.573	587.527.573
Accrued interest receivable from affiliates	3.030.789	3.030.789	3.105.717	3.105.717
Financial liabilities:				
Accounts payable and accrued expenses	72.835	72.835	26.734	26.734
Common Securities dividends				

The carrying amounts shown in the table are included in the balance sheets under the indicated captions

The following methods and assumptions were used to estimate the fair value of each class of financial instrument.

Cash and cash equivalents, interest receivable from affiliate, and accounts payable and accrued expenses: The carrying amounts approximate fair value because of the short maturity of these instruments.

Loan receivable from affiliate, net: The carrying amount for variable rate loans approximate fair value due to the repricing frequency.