

Madrid, October 2008



# Comparative Analysis of Salaries in Investment Banking in Spain

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- 1 Executive Summary
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- 4 The Firm

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## 1 Executive Summary

### OBJECTIVE (I):

As in previous editions, this document intends to show the actual situation of Investment Banking in Spain by analyzing the salary ranges of various executive positions and make comparisons with the same data collected in 2007.

To complete the study, the largest international banks, Spanish banks, and boutiques of M&A were analyzed.

The collected data corresponds to the salaries of Managing Directors, Directors, Vice Presidents and Associates of these entities. We analyzed the fixed and variable salaries as well as the fringe benefits for each of these executive positions.

## 1 Executive Summary

### OBJECTIVE (II):

Our study once again collects not only the comparative results of the monetary retribution, but also includes intangible elements of the non-monetary retribution such as:

- Restaurant Tickets
- Car Financing
- Other (i.e. monthly gym membership, parking, social clubs, etc.)
- Pension Plans
- Stock Options
- Health Insurance
- Life Insurance

# 1 Executive Summary

## OBJECTIVE (III):

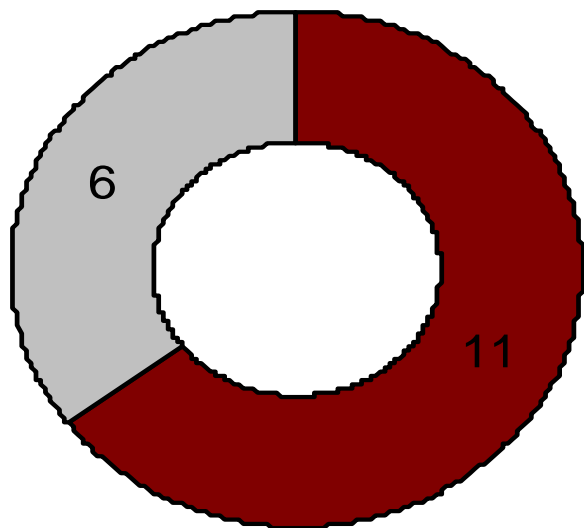
National and International Institutions based in Madrid.

Leveraged & Acquisition Finance  
(17 institutions)

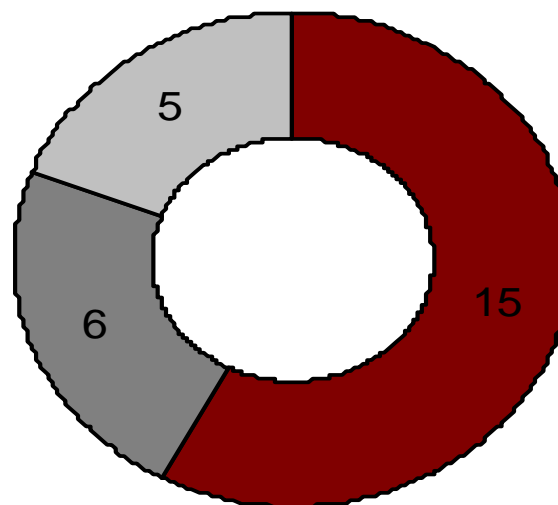
Mergers & Acquisitions  
(26 institutions)

Approx. 6 professionals per  
professional category and per Institution

Approx. 10 professionals, per  
professional category and per Institution



Foreign Banks Spanish Banks



Foreign Banks Spanish Banks Boutiques

# 1 Executive Summary

## PROFESSIONAL CATEGORIES

Leveraged Finance/ M & A

### Market category

Managing Director

Executive Director  
Director

Vice President  
Associate Director  
Sub-director

Associate  
Analyst



### Study category

Managing Director

Director

Vice President

Associate

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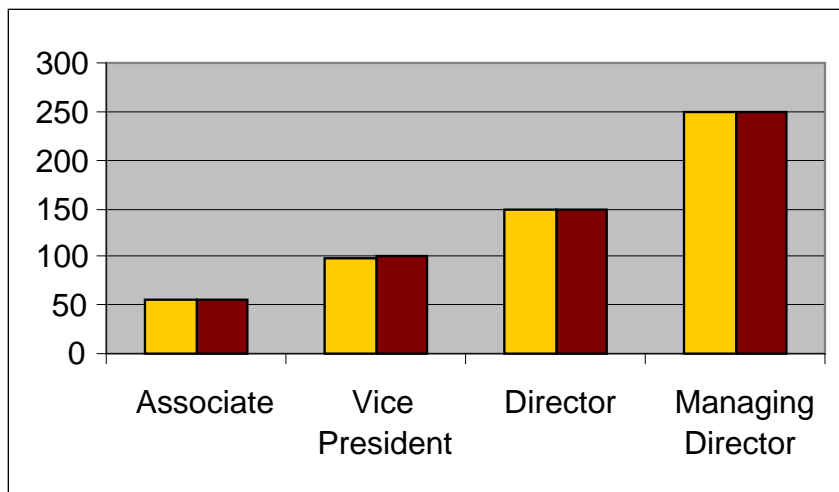
## 2 Study Results

### Salary Structure in Leveraged & Acquisition Finance

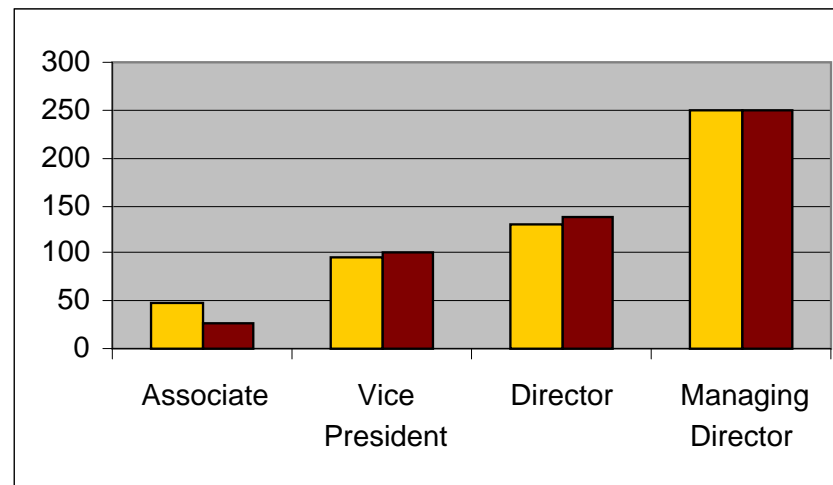
Level	Fixed			Variable			Total
	Minimum	Average	Maximum	Minimum	Average	Maximum	TOTAL AVERAGE
<b>In thousands</b>							
Associate	€52	€57	€65	€16	€27	€41	<b>€84</b>
Vice President	€75	€102	€145	€50	€100	€160	<b>€202</b>
Director	€100	€150	€185	€60	€139	€207	<b>€289</b>
Managing Director	€170	€250	€+ 300	€185	+ 100 %	+ 2,5 times	<b>+ €500</b>

## 2 Study Results: Comparison to LF

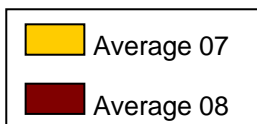
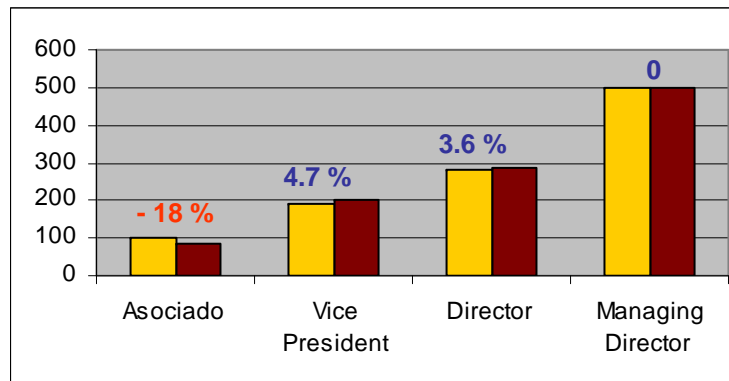
### Fixed Salary Growth



### Variable Salary Growth



### Total Growth (Fixed + Variable)



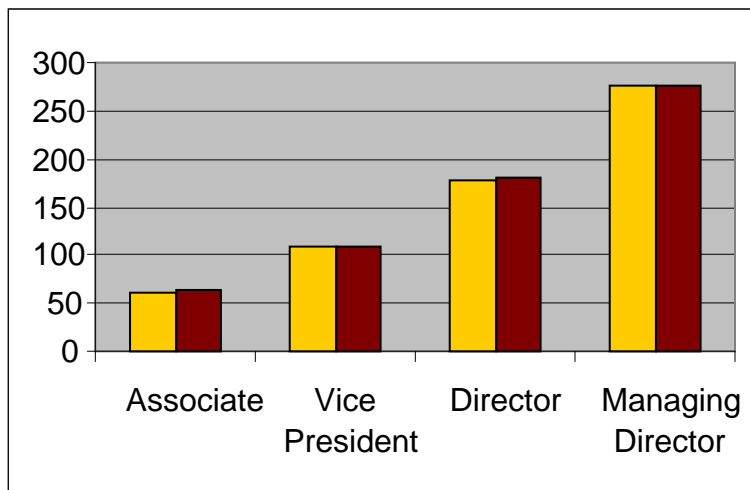
## 2 Study Results

### Salary Structure in M & A

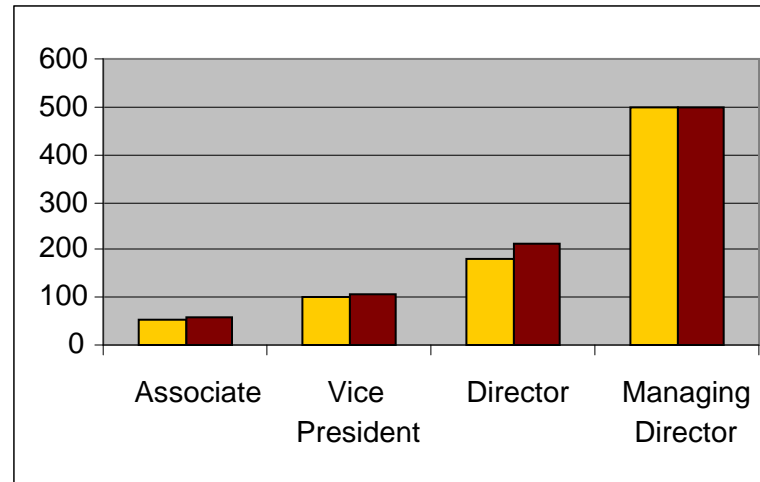
Level	Fixed			Variable			Total
	Minimum	Average	Maximum	Minimum	Average	Maximum	TOTAL AVERAGE
In thousands							
Associate	€ 50	€ 64	€ 85	€ 23	€ 59	€ 78	€ 123
Vice President	€ 60	€ 108	€ 200	€ 48	€ 107	€ 150	€ 215
Director	€ 125	€ 180	€ 250	€ 112	€ 210	€ 255	€ 390
Managing Director	€ 190	€ 275	€ + 380	€ 250	+ 2 veces	+ 3 veces	€ 825

## 2 Study Results: Comparison in M&A

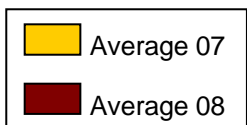
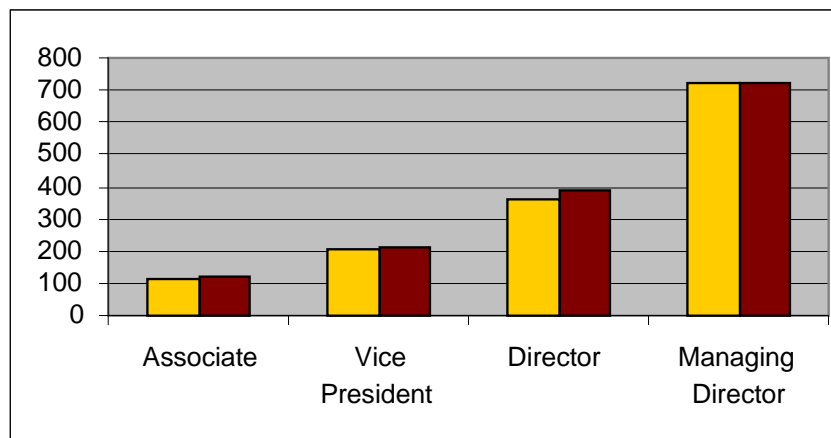
### Fixed Salary Growth



### Variable Salary Growth



### Total Growth (Fixed + Variable)



## 2 Study Results

Other characteristics in the remuneration policy...

95 % of the companies that were analyzed use social benefits as a means of compensation.

	LIFE INSURANCE	MEDICAL INSURANCE	RESTAURANT TICKETS	COMPANY CAR	PENSION PLAN	OTHERS (Cell, Garage)
Managing Director	95%	98%	8%	75%	70%	100%
Director	80%	80%	12%	26%	17%	95%
Vice President	70%	74%	15%	6%	8%	85%
Associate	35%	85%	27%	0%	0%	55%

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### 3 Conclusions

- Investment Banking, as we have know it, has disappeared and incorporated into the “financial conglomerates”. This is a transformation period.
- This new situation has led to the appearance of banking professionals looking for new projects outside of their traditional sector. This is a great opportunity for Corporate Banking to attract professionals from the Investment Banking sector.
- At the same time, national banks, boutiques and the Big Four, are faced with an opportunity to reinforce their corporate structures with professionals from the Investment Banking sector.
- As is the case with any period of uncertainty, the current economic climate is one in which attractive investment opportunities will arise.
- In 2006 analysts were the group to see their remuneration rise considerably, while in 2007 the bonuses of this category were penalized significantly in the L&AF sector (-42%).

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### Análisis comparativo de las retribuciones en la Banca de Inversión en España

- 1 Resumen ejecutivo
- 2 Resultados del estudio
- 3 Conclusiones
- 4 La Firma



## 4 The Firm

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