



Annual
Corporate
Governance
Report



1

ANNUAL CORPORATE GOVERNANCE REPORT

LISTED PUBLIC LIMITED COMPANIES (SOCIEDADES ANÓNIMAS)

ISSUER'S IDENTIFICATION DETAILS

FINANCIAL YEAR 2005

Tax Identification Code (NIF): A-62385729

Corporate Name:

RENTA CORPORACION REAL ESTATE S.A.

Registered Office:

**AVENIDA DIAGONAL, 449-2º
BARCELONA
08036
SPAIN**

As at 31 December 2005, Renta Corporación Real Estate, S.A. is not a listed company. Notwithstanding the above, it has been deemed appropriate to prepare this Report in view of the possible listing of its shares in Barcelona and Madrid Stock Exchanges, which is forecast to take place in the first half of 2006.

A. OWNERSHIP STRUCTURE

A.1. Please give details of the company's share capital in the following table:

Date last modified	Share capital (euros)	Number of shares
22-04-2005	21,949,301	21,949,301

If there are different share classes, please indicate this in the following table:

Class	Number of shares	Number of shares

A.2. Please give details of the direct and indirect holders of significant holdings in your company at the close of the financial year, excluding directors:

NIF/CIF	Shareholder's Name or Corporate Name:	Number of Direct Shares	Number of Indirect Shares (*)	Total % of Share Capital
G62091061	FUNDACIÓN PRIVADA RENTA CORPORACION	1,438,811	847,902	10.419
1142830	3i GROUP Plc	1,222,463	950,807	9.901

(*) Through:

NIF/CIF	Name or Corporate Name of the Direct Shareholder	Number of direct shares	Total % of Share Capital
LP 9318	3i SPAIN PRIVATE EQUITY 2004-2006 LP950.807	950,807	4.332
	Total:	950,807	4.332

Please indicate the most significant changes to the share structure which have taken place during the year:

NIF/CIF	Shareholder's Name or Corporate Name:	Date of operation	Description of the operation

A.3. Please give details in the following tables of any members of the Company's Board of Directors who own shares in the company:

NIF/CIF	Director's Name or Corporate Name:	Date of original appointment	Most recent appointment date	No. of direct shares	No. of indirect shares (*)	Total % of Share Capital
46121585-F	LUIS HERNÁNDEZ DE CABANYES	19-12-2000	16-07-2001	1,000,450	8,205,505	41.942
40274183-X	ANNA M. BIRULÉS BERTRAN	08-09-2004	08-09-2004	343,222	--	1.564
46228767-D	JOSEP-MARIA FARRÉ VIADER	19-12-2000	10-09-2003	25,135	1,684,287	7.789
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	19-12-2000	16-07-2001	1,100	1,155,803	5.271
46131826-J	ELENA HERNÁNDEZ DE CABANYES	19-12-2000	16-07-2001	732,336	--	3.336
37642140-H	CARLOS TUSQUETS TRIAS DE BES	27-12-2004	27-12-2004	--	325,985	1.485
37663313-P	CÉSAR A. GIBERNAU AUSIÓ	17-11-2003	03-03-2005	221,320	--	1.008

(*) Through:

NIF/CIF	Name or Corporate Name of the Direct Holder of the Holding	Number of Direct Shares
B62399233	DINOMEN, S.L.	2,710,290
B62577598	FINANTING 2001, S.L.	1,482,910
B62713144	SDEEGTUTERS, S.L.	1,446,885
B62792163	AURODOC 75, S.L.	1,165,142
B62792155	TOGA 20, S.L.	1,400,278
B83842054	SHONAN INVESTMENTS S.L.	1,684,287
B63732135	ANPOL CAPITAL, S.L.	1,155,803
556677-9913	AMIFEM AB	325,985
	Total:	11,371,580
Total shareholding in the control of the Board of Directors (%)		62.395

Please give details in the following tables of any members of the Company's Board of Directors who possess any rights over shares in the company:

NIF/CIF	Director's Name or Corporate Name:	Number of direct option rights	Number of indirect option rights	Number of equivalent shares	Total % of Share Capital

A.4. Please provide details, if applicable, of any family, commercial, contractual or corporate relationships existing between significant shareholders to the extent known to the Company, unless they are of little relevance or derive from ordinary commercial business and transactions:

NIF/CIF	Related names or corporate names:	Relationship:	Brief description

A.5. Please provide details, if applicable, of any commercial, contractual or corporate relationships existing between significant shareholders and the Company, unless they are of little relevance or derive from ordinary commercial business and transactions:

NIF/CIF	Related names or corporate names:	Relationship:	Brief description

A.6. Please provide details of any shareholders' agreements of which the Company has been informed:

NIF/CIF	Parties to the Shareholders' Agreement	% of share capital affected	Brief Description of the Agreement
1142830	3i GROUP Plc	80.089	IN THE CONTEXT OF THE ACQUISITION BY 3i GROUP Plc, 3i SPAIN PRIVATE EQUITY 2004-2006 LP AND D. CARLOS TUSQUETS TRIAS DE BES (THE "INVESTORS") OF SOME OF THE SHARE CAPITAL, THE INVESTORS, RENTA CORPORACION AND CERTAIN REFERENCE SHAREHOLDERS OF RENTA CORPORACION EXECUTED A SHAREHOLDERS' INVESTMENT CONTRACT ON 09-12-2004, ESTABLISHING THE MECHANISMS AND ACTIONS TO BE CARRIED OUT FOR THE INVESTORS' EFFECTIVE ENTRY INTO, AND ACQUISITION OF INTERESTS IN, RENTA CORPORACION'S CAPITAL, AND THE RELATIONSHIPS WITHIN THE COMPANY,

NIF/CIF	Parties to the Shareholders' Agreement	% of share capital affected	Brief Description of the Agreement
			<p>THE REFERENCE SHAREHOLDERS AND THE INVESTORS FOLLOWING THE SAID ACQUISITION OF CAPITAL.</p> <p>THE SAID CONTRACT STIPULATES THAT IT WILL TERMINATE ON APPLICATION FOR ADMISSION TO LISTING OF THE SHARES IN A SECONDARY MARKET. IN SUCH A CASE, A TAG-ALONG RIGHT IN FAVOUR OF INVESTORS TO SELL TO RENTA CORPORACIÓN'S REFERENCE SHAREHOLDERS AT THE TIME OF THE APPLICATION IS HEREBY ESTABLISHED.</p> <p>BOTH THE CONTRACT AND THE PLEDGE OVER CERTAIN RENTA CORPORACION SHARES ENVISAGED THEREIN WOULD BE RENDERED WITHOUT EFFECT, AS AGREED, ON THE DATE OF THE APPLICATION.</p>
46121585-F	LUIS HERNÁNDEZ DE CABANYES	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
35117497-Q	CRISTINA ORPINELL KRISTJANSDOTTIR	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
46131826-J	ELENA HERNÁNDEZ DE CABANYES	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
46338104-G	DAVID VILA BALTA	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
B60796604	VILLA BORGUESE, S.L.	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
275864-W	GUDRUN KRISTJANSDOTTIR	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
36291436-N	ANTONIO ORPINELL ENRECH	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
G62091061	FUNDACIÓN PRIVADA RENTA CORPORACIÓN	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
B62399233	DINOMEN, S.L.	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
38502393-W	PERE ARIMÓN VILAGELIU	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
46228767-D	JOSEP-MARIA FARRÉ VIADER	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
X1894980X (N.I.E. number)	IKUKO KAGÁ	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
B83842054	SHONAN INVESTMENTS, S.L.	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
40274183-X	ANNA M. BIRULÉS BERTRAN	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
37663313-P	CÉSAR A. GIBERNAU AUSIÓ	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
B62792155	TOGA 20, S.L.	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
B-58462839	DETRES INVERSIONES E INMUEBLES, S.L.	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
B62577598	FINANTING 2001, S.L.	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
B62713144	SDEEGTUTERS, S.L.	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
B62792163	AURODOC 75, S.L.	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.

NIF/CIF	Parties to the Shareholders' Agreement	% of share capital affected	Brief Description of the Agreement
B58462839	DETRES INVERSIONES E INMUEBLES, S.L.	0.919	<p>LUIS RODOLFO HERNÁNDEZ DE CABANYES, JOSEP-MARIA FARRÉ VIADER, ESTHER GIMÉNEZ ARRIBAS, ÁNGEL SOLER SOLSONA, PERE ARIMÓN VILAGELIU, ELENA HERNÁNDEZ DE CABANYES, DAVID VILA BALTA AND ANTONIO ORPINELL ENRECH TRANSFERRED SHARES IN THE COMPANY REPRESENTING (AS AT THE CLOSE OF 2005) 0.919% OF THE COMPANY'S SHARE CAPITAL TO THE COMPANY DETRES INVERSIONES E INMUEBLES, S.L. UNDER THE DEED OF SALE AND PURCHASE, IT WAS AGREED THAT DETRES INVERSIONES E INMUEBLES, S.L. WOULD BE GRANTED A TAG-ALONG OR CO-SALE RIGHT IN THE SAME PROPORTION AS THE PROPORTION OF SHARES IN THE COMPANY SOLD TO THIRD PARTIES BY THE ABOVE MENTIONED SHAREHOLDERS.</p>
	FUNDACIÓN RENTA CORPORACIÓN	3.864	<p>UNDER A DEED OF GIFT AND ENJOYMENT DATED 15 JANUARY 2003, FUNDACIÓN RENTA CORPORACIÓN (PREVIOUSLY FUNDACIÓN PRIVADA RENTA ANTIGUA) DONATED THE BARE OWNERSHIP OF 423,951 SHARES IN THE COMPANY TO UNICEF-COMITÉ ESPAÑOL (UCE), AND THE BARE OWNERSHIP OF 423,951 SHARES IN THE COMPANY TO FUNDACIÓN INTERMÓN-OXFAM, WITH FUNDACION RENTA CORPORACIÓN RETAINING THE BENEFICIAL OWNERSHIP OF ALL SUCH SHARES. UNDER THE ABOVE MENTIONED DEED OF ENJOYMENT, BOTH UNICEF-COMITÉ ESPAÑOL (UCE) AND FUNDACIÓN INTERMÓN--OXFAM WAIVED ANY FINANCIAL AND POLITICAL RIGHTS THEY MIGHT RESPECTIVELY BE ENTITLED TO AS BARE OWNERS OF THE ABOVE MENTIONED SHARES, IN FAVOUR OF FUNDACION RENTA CORPORACIÓN, WITHOUT PREJUDICE TO THE LATTER'S ABILITY TO USE THE DIVIDENDS OF ITS BARE OWNERSHIP FOR UNICEF-COMITÉ ESPAÑOL'S (UCE) AND FUNDACIÓN INTERMÓN-OXFAM'S SOCIAL PROJECTS.</p> <p>IN ADDITION, THE ABOVE MENTIONED DEED OF GIFT AND ENJOYMENT ESTABLISHED A PROHIBITION ON THE TRANSFER OF SHARES, UNDER WHICH UNICEF-COMITÉ ESPAÑOL (UCE) AND FUNDACIÓN INTERMÓN-OXFAM AGREED TO:</p> <p>(I) REFRAIN FROM TRANSFERRING 50% OF THEIR SHARES IN THE COMPANY EITHER UNTIL THE COMPANY'S SHARES ARE ADMITTED TO LISTING OR AFTER FOUR (4) YEARS FROM THE DATE OF EXECUTION OF THE SAID DEED (I.E. 15 JANUARY 2007);</p> <p>(II) REFRAIN FROM TRANSFERRING THE FOLLOWING 25% OF THEIR SHARES IN THE COMPANY UNTIL TWO (2) YEARS AFTER THE EVENT ENVISAGED IN PARAGRAPH (I) ABOVE, AND</p> <p>(III) REFRAIN FROM TRANSFERRING THE REMAINING 25% OF THEIR SHARES IN THE COMPANY UNTIL FOUR (4) YEARS AFTER THE EVENT ENVISAGED IN PARAGRAPH (I) ABOVE. THUS, IN ACCORDANCE WITH THE ABOVE MENTIONED DEED, UNICEF-COMITÉ ESPAÑOL (UCE) AND FUNDACIÓN INTERMÓN-OXFAM</p>

NIF/CIF	Parties to the Shareholders' Agreement	% of share capital affected	Brief Description of the Agreement
			SHALL BE ENTITLED TO TRANSFER UP TO 50% OF THEIR HOLDING IN THE COMPANY IN THE IPO AND MAY NOT DISPOSE OF THE REMAINING 50% UNTIL AFTER THE ABOVE TIME PERIODS, UNLESS OTHERWISE AGREED.
G28382406	UNICEF COMITÉ ESPAÑOL (UCE)	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.
G58236803	FUNDACIÓN INTERMON-OXFAM	SEE THE PERCENTAGE DESCRIBED IN THE FIRST SECTION	SEE THE COMMENTS ON THE CONTRACT DESCRIBED IN THE FIRST SECTION.

Please provide details of any concerted action between the Company's shareholders known to the company:

NIF/CIF	Parties to concerted action	% of share capital affected	Brief description of the concerted action

If there have been any amendments to, or breaches of, such covenants, agreements or concerted action, please indicate it expressly.

A.7. Please indicate whether there is any legal or natural person who may exercise control over the Company in accordance with Article 4 of the Spanish Securities Market Law (Ley del Mercado de Valores):

NIF/CIF	Name or corporate name

Comments

A.8. Please give details of the Company's treasury shares in the following tables:

As at the close of the financial year:

Number of Direct Shares	Number of Indirect Shares (*)	Total % of Share Capital
28,970	--	0.132

(*) Through:

NIF/CIF	Name or Corporate Name of Direct Shareholder	Number of Direct Shares
	Total:	

Please provide details of any significant variations effected during the year in accordance with the provisions of Spanish Royal Decree 377/1991 during the year:

Date	Number of Direct Shares	Number of Indirect Shares	Total % of Share Capital
21-01-2005	1,926 Acquisition of shares (pre-split)	--	0.100
28-07-2005	4,390 Assignment to employees	--	0.020
28-07-2005	2,195 Assignment to employees	--	0.010
28-07-2005	2,195 Assignment to employees	--	0.010
28-07-2005	2,195 Assignment to employees	--	0.010
28-07-2005	2,195 Assignment to employees	--	0.010
28-07-2005	4,390 Assignment to employees	--	0.020

Profit and loss in the year due to treasury share transactions (in thousands of euros)	N.A.
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A.9. Please provide details of the terms and/or duration of the authorisations given by the Shareholders' Meeting to the Board of Directors for carrying out the acquisitions or transfers of Company shares described in Section A.8.

As at the date of issue of this Report, the authorisation granted by the General Meeting of Shareholders of the Company on 30 November 2004 authorising the Board of Directors to acquire shares in the Company is valid. The third resolution adopted at the above mentioned General Meeting is reproduced verbatim below:

"To also authorise the Board of Directors, in accordance with the provisions of Article 75 et seq. of the Spanish Law on Public Limited Companies (Ley de Sociedades Anónimas), to buy back shares in the Company either directly or through any subsidiary companies of which the Company is the controlling company, in accordance with the legal requirements and limits and under the following conditions:

- a) *Forms of acquisition: the acquisition shall be effected by means of a sale and purchase, swap or accord and satisfaction.*
- b) *Maximum number of shares to be acquired: shares with a par value not exceeding 10% of the share capital when added to those shares already directly or indirectly held by the Company.*
- c) *Maximum and minimum prices: the minimum acquisition price for the shares shall be their par value, and the maximum price shall be one hundred and ten euros (€110.00).*
- d) *Duration of the authorisation: eighteen (18) months from the date hereof.*

For the purposes of the last paragraph of Article 75.1 of the Law on Public Limited Companies, it is specified that shares acquired pursuant to the authorisations resolved at this Meeting may be allocated by the Company, as applicable, to the Company's employees or directors, either directly or following the exercise of any option rights held by them."

A.10. Indicate any legal restrictions or restrictions in the Articles of Association on voting rights, as well as any legal restrictions on acquiring or transferring shareholdings.

There are no legal restrictions or restrictions in the Articles of Association on voting rights in Renta Corporación Real Estate, S.A. (hereafter, “**Renta Corporación**” or “**the Company**”).

Article 15 of the current Articles of Association (hereinafter, the “**2005 Articles of Association**”), which reads as follows, contain a series of restrictions on the free transfer of Company shares. This is the case because, as at 31 December 2005, Renta Corporación is not a listed company and is therefore not subject to the prohibition on imposing restrictions on the free transfer of Company shares. The shareholders’ agreements referred to in Section A.6 above should also be noted.

“ARTICLE 15. TRANSFER OF SHARES

The transfer of Company shares and any other securities or rights conferring the ability to subscribe for such shares shall be governed by the following terms and conditions:

1. *Free Transfers.* The following shall be considered free transfers: transfers *inter vivos* or on death (i) in favour of another shareholder of the Company; (ii) in favour of Company employees; (iii) of shares representing less than 1% of the Company’s share capital each calendar year, up to an accumulated maximum of 3%; (iv) in favour of non-profit Non-Governmental Organisations or Foundations; (v) in favour of spouses, siblings, ancestors or direct descendants of the transferor; (vi) in favour of companies in which the transferor, who must be a natural person, or his or her spouse, siblings, ancestors or direct descendants, has a holding of more than fifty percent (50%); or (vii) if the transferor is a legal person and the transfers are in favour of companies belonging to the transferor’s corporate group (as defined in Article 4 of the Securities Market Law). With regard to the cases referred to in Paragraphs (vi) and (vii) above, in the event that the transferor, who must be a natural person, or his or her spouse, siblings, ancestors or direct descendants, ceases to hold at least fifty percent (50%) of the company to which the Company shares were transferred, or in the event that the company to which the transferor, which must be a legal person, transferred its shares in the Company ceases to belong to the original transferor’s corporate group, the companies to which the transfers were made must, as applicable, assign the Company shares either to the natural person who transferred the shares or to another company within the corporate group to which the legal person which transferred the shares belongs.

For the purposes of this Article, the 3i Group shall include: the company “3i Group plc” and all companies directly or indirectly controlled by “3i Group plc”, a British company registered in the Companies Registry of England and Wales under number 1142830; “3i Spain Private Equity 2004-2006 LP”, a Limited Partnership founded under English Law and registered in the Limited Partnership Register of England and Wales under number LP 9318, including all its participants; and all funds, Partnerships or similar entities managed by the above entities, also including all their participants.

2. *Restrictions on the free transfer of shares.* All other transfers are subject to the following rules:

Inter Vivos Transfers

Right of First Refusal.

The Company’s Management Body must be given reliable notice at the Company’s registered office of the purpose of any *inter vivos* transfer of shares representing the Company’s share capital, or of any other rights entitling the holder to subscribe for shares in the Company, in favour of any person other than those specified above. The notice must identify and specify the number of shares being offered. In the case of transfers for consideration,

the sale value per share, the payment terms and other terms of any purchase offer alleged to have been received from a third party by the offering shareholder, as well as the said party's personal details, must also be included. In the case of a transfer for profit, the required information shall be limited to the grantor's personal details.

Firstly, the Company may choose, within a maximum of one (1) month to be counted from receipt of the above mentioned notice by the Management Body, to either acquire the shares for itself in the manner permitted by the law within one month following the end of the last period indicated, or offer the shareholders the opportunity to acquire the company shares on sale.

If the Company chooses not to acquire the shares for itself, the Management Body may in turn, within the one (1) month period referred to in the preceding paragraph, inform all shareholders of the fact, so that they can, within a new one (1) month period to be calculated from the day immediately following the end of the previous period, notify the Company's Management Body of their wish to acquire the company shares on sale.

In the event that this right of first refusal is exercised by several shareholders, the shares on sale shall be distributed by the Management Body between such shareholders, prorated to their holdings in the share capital. If any shares remain unallocated due to the impossibility of dividing them, such shares shall be distributed between the shareholders who have applied for them prorated to their holdings in the Company's share capital.

The Management Body shall notify the shareholder wishing to transfer the shares, within fifteen (15) days to be counted from the day immediately following the end of the one (1) month period granted to shareholders for the exercise of their right of first refusal, of the names of the shareholders wishing to acquire the shares.

If no shareholder has exercised his, her or its right of first refusal after the end of the last period, the Management Body shall authorise the shareholder to transfer the shares within two (2) months under the same terms offered to the other shareholders. If the transfer has not been effected by the end of this period, the shareholder must again communicate his, her or its wish to transfer the shares inter vivos in the manner stipulated in this article.

The acquisition price and conditions of transfer shall be no less favourable than those of the offer received. In the event of a transfer for profit, the acquisition price shall be set by mutual agreement of the parties. In the absence of agreement, the price shall be the reasonable value of the shares on the day of communication of the intention to transfer them, determined by an auditor appointed by mutual agreement of the parties. In the absence of such an agreement, this shall be determined by an auditor other than the Company auditor appointed by the Commercial Registrar with jurisdiction over the Company's registered office, at the request of any of the interested parties.

In addition, the following shall apply to share transfers carried out in accordance with the preceding paragraphs:

Tag along. If the potential purchaser commits to directly or indirectly acquiring Company shares in one or successive transactions enabling him, her or it to attain a holding of 50% or more of the share capital, all shareholders shall be entitled to offer to sell their shares under the same terms, and the purchaser shall be under an obligation to buy all shares thus offered in one block. For that purpose, when the shareholders receive the appropriate notification to exercise their right of first refusal from the Management Body, they shall have one (1) month, as established above, to communicate their wish to purchase the shares on sale or to sell their own shares to the purchaser. It is understood that this section shall not apply to free transfers permitted under Section 1 above, or to the exercise of the Company's right of first refusal permitted under Section 2 above.

Transfers on death or by court order

Save for in the case of free transfers, in accordance with this Article, in the events of acquisition on death by inheritance or legacy, or as a result of legal or administrative enforcement proceedings, unless otherwise provided by a compulsory provision, the Company or, if it does not wish to exercise that right, its other shareholders, shall also have a right of first refusal over the shares in question, with the following specific conditions..

In such cases, the person who must notify the Management Body in order to comply with the procedure relating to the right of first refusal shall be the heir or legatee, or the awardee under the court or administrative order, and such a person must provide information of the transfer and its circumstances as well as of his or her personal details. The acquisition price shall be set by mutual agreement of the parties. In the absence of agreement, the price shall be the reasonable value of the shares, determined by an auditor appointed by mutual agreement of the parties. In the absence of such an agreement, this shall be determined by an auditor other than the Company auditor appointed by the Commercial Registrar with jurisdiction over the Company's registered office, at the request of any of the interested parties.

If two (2) months following submittal of the application for registration of the transfer in the Share Register lapse without any shareholders having exercised their right of first refusal, the transfer must be registered at that point.

Transfer of Pre-emptive Subscription Rights

Pre-emptive Subscription Rights shall be transferable under the same terms as the shares to which they relate. The same procedure shall therefore be followed as for share transfers, with the same right of first refusal for the remaining shareholders..

The acquisition price shall be the reasonable value of the pre-emptive subscription rights, determined by an auditor appointed by mutual agreement of the parties. In the absence of such an agreement, this shall be determined by an auditor other than the Company auditor appointed by the Commercial Registrar with jurisdiction over the Company's registered office, at the request of any of the interested parties..

Transfers made in breach of the provisions of this Article shall not be valid vis-à-vis the Company, which shall refuse to register them in the Share Register."

Notwithstanding the above, it is hereby expressly stated for the record that, in view of the possible admission to Stock Exchange listing of Renta Corporación's shares, a new restated text of the Company's Articles of Association (hereinafter, the "**New Articles of Association**") was approved at a General Meeting of Shareholders held on 9 February 2006. The new text is conditional on successful listing and, among other things, amends the above Article of the 2005 Articles of Association, removing all restrictions to the free transfer of shares.

B. COMPANY MANAGEMENT STRUCTURE

B.1 Board of Directors

B.1.1. Please give details of the maximum and minimum number of directors permitted under the Company's Articles of Association:

Maximum Number of Directors	12
Minimum Number of Directors	3

B.1.2. Please give details of the members of the Board of Directors in the following table:

NIF/CIF	Director's Name or Corporate Name:	Representative	Position on the Board	Date of original appointment	Most recent appointment date	Election Procedure
46121585-F	LUIS HERNÁNDEZ DE CABANYES	--	CHAIRMAN AND MANAGING DIRECTOR	19-12-2000	16-07-2001	GENERAL MEETING
40274183-X	ANNA M. BIRULÉS BERTRAN	--	VICE-CHAIRMAN	08-09-2004	08-09-2004	GENERAL MEETING
46228767-D	JOSEP-MARIA FARRÉ VIADER	--	MANAGING DIRECTOR	19-12-2000	10-09-2003	GENERAL MEETING
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	--	DIRECTOR	19-12-2000	16-07-2001	GENERAL MEETING
46131826-J	ELENA HERNÁNDEZ DE CABANYES	--	DIRECTOR	19-12-2000	16-07-2001	GENERAL MEETING
37642140-H	CARLOS TUSQUETS TRIAS DE BES	--	DIRECTOR	27-12-2004	27-12-2004	GENERAL MEETING
37663313-P	CÉSAR A. GIBERNAU AUSIÓ	--	SECRETARY MEMBER	17-11-2003	03-03-2005	GENERAL MEETING
Total number of directors						8

Please indicate any directors who have ceased to be Board members during the period:

NIF/CIF	Director's Name or Corporate Name:	Date of leaving

B.1.3. Please give details of the members of the Board of Directors, and their different positions, in the following tables:

EXECUTIVE DIRECTORS

NIF/CIF	Director's Name or Corporate Name:	Nominating committee	Position in the Company's Organisation
46121585-F	LUIS HERNÁNDEZ DE CABANYES	NOT APPLICABLE	CHAIRMAN AND MANAGING DIRECTOR
40274183-X	ANNA M. BIRULÉS BERTRAN	NOT APPLICABLE	VICE-CHAIRMAN
46228767-D	JOSEP-MARIA FARRÉ VIADER	NOT APPLICABLE	MANAGING DIRECTOR
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	NOT APPLICABLE	DIRECTOR

EXTERNAL DIRECTORS REPRESENTING SUBSTANTIAL SHAREHOLDERS

NIF/CIF	Director's Name or Corporate Name:	Nominating committee	Name or Corporate Name of the Nominating or Represented Significant Shareholder:	Background
37642140-H	CARLOS TUSQUETS TRIAS DE BES	NOT APPLICABLE	3i GROUP Plc	1142830

INDEPENDENT EXTERNAL DIRECTORS

NIF/CIF	Director's Name or Corporate Name:	Nominating committee	Background
37607785-W	PEDRO NUENO INIESTA	NOT APPLICABLE	HOLDS THE FUNDACIÓN BERTRÁN DE INICIATIVA EMPRESARIAL CHAIR AT IESE BUSINESS SCHOOL. VICE-CHANCELLOR OF THE INTERNATIONAL ACADEMY OF MANAGEMENT, EXECUTIVE CHAIRMAN OF CEIBS (CHINA EUROPE INTERNATIONAL BUSINESS SCHOOL) IN SHANGHAI, AND FOUNDER AND CHAIRMAN OF FINAVES, A VENTURE CAPITAL COMPANY WHICH SUPPORTS INNOVATIVE COMPANIES. HE HAS WRITTEN MANY ARTICLES AND PUBLISHED TEN BOOKS. HE HAS A DOCTORATE IN BUSINESS ADMINISTRATION FROM HARVARD UNIVERSITY AND A DEGREE IN INDUSTRIAL ENGINEERING FROM BARCELONA POLYTECHNIC UNIVERSITY.
37663313-P	CÉSAR A. GIBERNAU AUSIÓ (His category was changed to "other external directors" pursuant to a resolution dated 9 February 2006)	NOT APPLICABLE	JOINED THE BOARD OF DIRECTORS OF RENTA CORPORACIÓN AS NON-BOARD MEMBER SECRETARY IN 2003. HE HAS BEEN FOUNDED PARTNER OF THE CONSULTING AND ADVISING FIRM GIBERNAU PLANA Y ASOCIADOS SINCE 1980. HE HAS ALSO TAUGHT DIRECT TAX AT CATALONIA POLYTECHNIC UNIVERSITY. HE HAS PUBLISHED SEVERAL ARTICLES IN PROFESSIONAL MAGAZINES. HE HAS A DEGREE IN ECONOMICS AND BUSINESS STUDIES FROM BARCELONA UNIVERSITY AND HOLDS AN ACTUARY'S QUALIFICATION FROM THE SAME UNIVERSITY. HE IS ALSO AN AUDITOR AND CERTIFIED PUBLIC ACCOUNTANT, A QUALIFICATION GRANTED BY THE SPANISH INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, AND HAS A DIPLOMA IN SENIOR MANAGEMENT (PADE) FROM IESE BUSINESS SCHOOL.

OTHER EXTERNAL DIRECTORS

NIF/CIF	Director's Name or Corporate Name:	Nominating committee
46131826-J	ELENA HERNÁNDEZ DE CABANYES	NOT APPLICABLE

Please give details of the reasons why they cannot be considered dependent directors or directors representing substantial shareholdings ("dominical"):

Elena Hernández de Cabanyes' holding in the share capital is not sufficiently relevant to be classed as a director representing a substantial shareholding. On the other hand, the family relationship between her and Luis R. Hernández de Cabanyes, added to the relationship between the Company and the company Second House, S.L., make it advisable not to class her as an independent external director.

Please indicate any changes to the position of each director which have taken place during the period:

NIF/CIF	Director's Name or Corporate Name:	Date of change	Previous condition	Current condition

B.1.4. Please indicate whether the classification of the directors made in the preceding Section corresponds to the distribution envisaged in the Board Regulations.

Since it is an unlisted company, Renta Corporación's 2005 Articles of Association do not provide for different types of director.

Notwithstanding the above, and in view of the possible admission to listing of the Company's shares, the Regulations of the Board of Directors of Renta Corporación (the "**Board Regulations**") were approved on 27 December 2005.

In this regard, the directors' classification detailed in Section B.1.3 above corresponds to the distribution envisaged in the Board Regulations. Under Article 6 of the said Regulations, it shall be ensured that, to the extent possible, the Board is formed by a majority of external or non-executive directors in relation to the number of executive directors.

Under the Board Regulations, executive directors are those directors who in any way carry out management duties within the Company. All non-executive directors shall therefore be considered external directors.

In addition, the Board shall seek to ensure that the majority group of external directors includes the holders (or their representatives) of stable significant holdings in the Company's share capital (directors representing a substantial shareholding) and professionals of reputable status with no connection to the executive team or the significant shareholders (independent directors). The Board shall also seek to ensure, to the extent possible, that there is a reasonable balance between the directors representing a substantial shareholding and the independent directors, i.e. taking into account the relationship between floating capital (held by ordinary investors) and stable capital (held by significant shareholders) among the Company's shareholders.

B.1.5. Please specify the powers, if any, delegated on the managing director(s):

NIF/CIF	Director's Name or Corporate Name:	Brief description
46121585-F	LUIS HERNÁNDEZ DE CABANYES	HE HAS ALL THE POWERS AND FACULTIES WHICH MAY BE DELEGATED IN ACCORDANCE WITH THE LAW, BY VIRTUE OF HIS CAPACITY AS CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY. HE WAS APPOINTED TO THESE OFFICES BY A RESOLUTION OF THE BOARD OF DIRECTORS ADOPTED ON 16TH JULY 2001.
46228767-D	JOSEP-MARIA FARRÉ VIADER	HE HAS ALL THE POWERS AND FACULTIES WHICH MAY BE DELEGATED APPEARING IN THE DEED EXECUTED ON 25 SEPTEMBER 2003. THESE POWERS HAVE BEEN EXTENDED PURSUANT TO A RESOLUTION OF THE BOARD OF DIRECTORS ADOPTED ON 27-12-2005.

B.1.6. Please identify any members of the Board of Directors who hold management or executive offices in other companies within the company's corporate group:

Director's Tax Identification Code (NIF or CIF)	Director's Name or Corporate Name:	Name of the group company	NIF/CIF of the group company	Position
46121585-F	LUIS HERNÁNDEZ DE CABANYES	RENTA CORPORACION REAL ESTATE GO, S.L.	B62622691	NATURAL PERSON REPRESENTING THE SOLE DIRECTOR RENTA CORPORACION
46121585-F	LUIS HERNÁNDEZ DE CABANYES	RENTA CORPORACION REAL ESTATE ON, S.A.	A62206313	NATURAL PERSON REPRESENTING THE SOLE DIRECTOR RENTA CORPORACION
46121585-F	LUIS HERNÁNDEZ DE CABANYES	RENTA CORPORACION REAL ESTATE FINANCE, S.L.	B62727037	NATURAL PERSON REPRESENTING THE SOLE DIRECTOR RENTA CORPORACION
46121585-F	LUIS HERNÁNDEZ DE CABANYES	RENTA CORPORACION REAL ESTATE RA, S.A.	A61441176	NATURAL PERSON REPRESENTING THE SOLE DIRECTOR RENTA CORPORACION
46121585-F	LUIS HERNÁNDEZ DE CABANYES	RC REAL ESTATE DEUTSCHLAND GMBH	37/125/20966	JOINT DIRECTOR
46121585-F	LUIS HERNÁNDEZ DE CABANYES	GROUPE IMMOBILIER RENTA CORPORACION, S.A.S.	441465085	CHAIRMAN AND MANAGING DIRECTOR
46121585-F	LUIS HERNÁNDEZ DE CABANYES	MIXTA ÁFRICA, S.A.	A63831390	NATURAL PERSON REPRESENTING THE SOLE DIRECTOR FUNDACIÓN PRIVADA RENTA CORPORACION
46121585-F	LUIS HERNÁNDEZ DE CABANYES	MASELLA OESTE, S.L.	B62387980	DIRECTOR
46228767-D	JOSEP-MARIA FARRÉ VIADER	RC REAL ESTATE DEUTSCHLAND GMBH	37/125/20966	JOINT DIRECTOR
46228767-D	JOSEP-MARIA FARRÉ VIADER	GROUPE IMMOBILIER RENTA CORPORACION, S.A.S.	441465085	GENERAL MANAGER
46228767-D	JOSEP-MARIA FARRÉ VIADER	RENTA PROPERTIES (UK) LIMITED	5307937	JOINT DIRECTOR
46228767-D	JOSEP-MARIA FARRÉ VIADER	ONE VINCENT SQUARE LIMITED	05481678	DIRECTOR
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	RC REAL ESTATE DEUTSCHLAND GMBH	37/125/20966	JOINT DIRECTOR
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	RC FUNDACIÓN MARRUECOS-TÁNGER, S.A.R.L.	04907740	MANAGER

B.1.7. Please give details of any Company directors who are members of the Boards of Directors of other companies, which are not within the Company's corporate group, listed on official securities markets in Spain, of which the Company has been notified:

NIF/CIF	Director's Name or Corporate Name:	Listed entity	Position

B.1.8. Please give details of the directors' aggregate remuneration accrued during the year in the following tables:

a) In the company forming the subject matter of this report:

Type of Remuneration	Figures in € thousands
Fixed remuneration	958
Variable remuneration	958
Allowance for expenses	142
Remuneration pursuant to the Articles of Association	--
Share options and/or options on other financial instruments	--
Miscellaneous	--
TOTAL	2,058

Other benefits	Figures in € thousands
Advances	40
Loans granted	79
Pension Plans and Funds: contributions	--
Pension Plans and Funds: debts acquired	--
Life insurance premiums	1
Guarantees created by the company in favour of the directors	--

b) By reason of the Company directors belonging to other boards of directors and/or being involved in the senior management of companies within the corporate group:

Type of Remuneration	Figures in € thousands
Fixed remuneration	
Variable remuneration	
Allowance for expenses	
Remuneration pursuant to the Articles of Association	
Share options and/or options on other financial instruments	
Miscellaneous	
TOTAL	

Other benefits	Figures in € thousands
Advances	
Loans granted	
Pension Plans and Funds: contributions	
Pension Plans and Funds: debts acquired	
Life insurance premiums	
Guarantees created by the company in favour of the directors	

c) Total remuneration by type of director:

Types of Director	By company	By group
Executive directors	1,987	--
External directors representing a substantial shareholding	18	--
Independent directors	35	--
Other external directors	18	--
Total	2,058	--

d) In relation to the income attributed to the controlling company:

Total remuneration of directors (in thousands of euros)	2,058
Total remuneration of directors/income attributed to the controlling company (expressed as a %)	6%

B.1.9. Please identify any members of senior management who are not also executive directors, indicating the total remuneration accrued in their favour during the year:

NIF/CIF	Name or corporate name	Position
37282505-B	ENRIC VENANCIO FILLAT	MANAGING DIRECTOR
38502393-W	PERE ARIMÓN VILAGELIU	COMERCIAL DIRECTOR (RR)
46126071-P	MERITXELL CARRERAS MOLINS	PLANNING AND ANALYSIS DIRECTOR
46345678-B	TANIA CONCEJO BONTEMPS	DIRECTOR OF THE PARIS OFFICE
46131233-H	TOMÁS DURÁN WEITKAMP	TECHNICAL DIRECTOR
46134556-Y	CHRISTINA NUENO PLANA	BUILDING TRANSFORMATION DIRECTOR (BT)
094449264 (U.K. passport)	DAVID PILLINGER	DIRECTOR OF THE LONDON OFFICE
18956871-H	MARÍA DOLORES SÁNCHEZ JULIÁN	FINANCE AND ADMINISTRATION DIRECTOR
43496772-T	MARÍA JOSÉ SENDRA CUESTA	RESIDENTIAL REFURBISHMENT DIRECTOR
46129858-T	MIREIA SERRANO-CODINA I TRISTANY	TAX AND FINANCE DIRECTOR
40285053-R	FRANCESC XAVIER VENTURA I TEIXIDOR	LAND TRANSFORMATION DIRECTOR
46338104-G	DAVID VILA BALTA	ACQUISITIONS DIRECTOR
Total remuneration of senior management (in thousands of euros)		1,918

B.1.10. Please indicate briefly whether there are any guarantees or protective clauses for cases of dismissal or changes in control in favour of members of senior management, including executive directors, of the Company or its corporate group. Please indicate whether these contracts have to be notified and/or approved by the management bodies of the company or its corporate group:

Number of beneficiaries	1
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	Board of Directors	General Meeting of Shareholders
Body which authorises the clauses	X	

	YES	NO
Is the Shareholders' Meeting informed of the clauses?		X

B.1.11. Please indicate the process for setting the remuneration of Board members and the relevant applicable Articles in the Articles of Association:

In accordance with Article 35 of the 2005 Articles of Association:

- Members of the Board of Directors shall receive an allowance for expenses as approved by the General Meeting of Shareholders for each year.
- In addition, the Board of Directors shall receive a fixed amount for distribution between the directors, to be determined by the General Meeting of Shareholders for each year.
- The Board shall establish the specific amount to be received each year by each director, scaling the amount to be received by each of them on the basis of whether or not

they belong to bodies authorised by the Board of Directors, the offices held therein and, generally, their dedication to managing or serving the Company.

- d) The remuneration of the office of Managing Director is understood to be without prejudice to any additional amounts which may be received by way of fees or as salaries for rendering professional services or under an employment relationship, as applicable.

Notwithstanding the above, and in view of the possible admission to listing of the Company's shares, the said article was amended in the New Articles of Association at a General Meeting of Shareholders held on 9 February 2006.

Article 25 of the Board Regulations, approved on 27 December 2005, in turn stipulates that:

- 1.** *"The directors and members of the Audit Committee and the Appointments and Remuneration Committee shall be entitled to receive the remuneration established in accordance with the Articles of Association. In particular, the members of the Board of Directors shall receive a fixed amount each year which shall be determined by the Shareholders' Meeting and shall be between a minimum of zero point five percent (0.5%) and a maximum of five percent (5%) of the Company's net profit in the immediately preceding year.*

Unless amended by the Shareholders' Meeting, the above amount established by it shall increase annually on the basis of the Consumer Price Index.

- 2.** *The Board of Directors shall establish the specific amount to be received each year by each of its members, and shall be able to scale the amount to be received by each of them on the basis of whether or not they belong to bodies authorised by the Board of Directors, the offices held therein and, generally, their dedication to managing or serving the Company.*
- 3.** *The Board of Directors shall seek to ensure that the remuneration is moderate on the basis of the requirements of the market.*
- 4.** *In particular, the Board of Directors shall adopt all measures available to it to ensure that the remuneration paid to external directors, including any received in connection with their membership of committees, complies with the following guidelines:*
- a) *The remuneration paid to the external director must be based on his or her effective dedication.*
- b) *The external director must be excluded from the provision systems funded by the Company for the events of dismissal, death or any others.*
- c) *The remuneration paid to the external director must be calculated in such a way that it provides incentives for dedication while not hindering the director's independence.*
- 5.** *The remuneration of the office of Director is understood to be without prejudice to any additional amounts which may be received by way of fees or as salaries for rendering professional services or under an employment relationship, as applicable.*
- 6.** *In addition, Directors may be paid with shares in the Company or in any other listed company within its corporate group, or with options on such shares, or with instruments linked to their price. When the said remuneration relates to shares in the Company or instruments linked to their price, it must be agreed by the Shareholders' Meeting. The agreement shall express, as applicable, the number of shares to be given, the price for exercising the option, the reference share price and the duration of this form of remuneration.*

7. The Company is authorised to take out civil liability insurance for its directors.
8. The remuneration paid to external and executive directors, in the latter case in the proportion which corresponds to their position as directors not in connection with their executive function, shall be included in the report as separate items for each director. The part of the remuneration paid to executive directors in connection with their executive function shall be stated as one item, broken down into the different remuneration headings or items."

B.1.12. Please indicate the identities of any members of the Board of Directors who are also board members or executives of other companies which have significant holdings in the Company and/or companies in its corporate group:

Director's Tax Identification Code (NIF or CIF)	Director's Name or Corporate Name:	Tax Identification Number (CIF) of the significant shareholder	Corporate name of the significant shareholder	Position
46121585-F	LUIS HERNÁNDEZ DE CABANYES	B-62399233	DINOMEN, S.L.	SOLE ADMINISTRATOR
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	B-63732135	ANPOL CAPITAL, S.L.	JOINT DIRECTOR
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	B-62792155	TOGA 20, S.L.	SOLE ADMINISTRATOR
46228767-D	JOSEP-MARIA FARRÉ VIADER	B-83842054	SHONAN INVESTMENTS S.L.	EMPOWERED
46121585-F	LUIS HERNÁNDEZ DE CABANYES	G-62091061	FUNDACIÓN PRIVADA RENTA CORPORACIÓN	CHAIRMAN OF THE BOARD OF TRUSTEES
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	G-62091061	FUNDACIÓN PRIVADA RENTA CORPORACIÓN	SECRETARY AND TREASURER OF THE BOARD OF TRUSTEES
46131826-J	ELENA HERNÁNDEZ DE CABANYES	G-62091061	FUNDACIÓN PRIVADA RENTA CORPORACIÓN	MEMBER OF THE BOARD OF TRUSTEES

Please give details of any relevant relationships, other than those envisaged in the preceding paragraph, between the Board members and any significant shareholders and/or shareholders in companies within the Company's corporate group:

Director's Tax Identification Code (NIF or CIF)	Director's Name or Corporate Name:	Tax Identification Number (CIF/NIF) of the significant shareholder	Shareholder's Name or Corporate Name:	Description relationship

B.1.13. Please indicate any amendments to the Board Regulations made during the year:

As explained above, the Regulations of the Board of Directors of Renta Corporación were approved on 27 December 2005 in advance of the potential admission to listing of the Company's shares.

B.1.14. Please indicate the procedures for appointing, re-electing, assessing and removing directors. Give details of the competent bodies, the steps to be carried out and the criteria to be used for each procedure:

The appointment and removal of Renta Corporación directors are governed by Articles 17 to 22 of the Board Regulations.

Appointment of Directors

Directors shall be appointed by the Shareholders' Meeting or the Board of Directors in accordance with the provisions of the Law on Public Limited Companies, following a report from the Appointments and Remuneration Committee.

Appointment of External Directors

The Board of Directors shall seek to ensure that candidates are elected from among persons of recognised status, skill and experience, and shall be particularly strict in relation to any person called to be one of the independent directors envisaged in Article 6 of the Board Regulations.

The Board of Directors may not nominate for, or appoint to, the office of independent director any persons who hold an executive position in the Company or who have a family relationship with the executive directors or other senior executives of the Company.

Re-election of Directors

Before proposing a re-election of directors to the Shareholders' Meeting, the Board of Directors shall assess, without the participation of the subjects affected and in accordance with Article 21.1 of the Board Regulations, the proposed directors' dedication to the office and the quality of their work during the previous term.

Term of Office

Directors shall hold office for the time established by the Shareholders' Meeting for that purpose. This must be the same for all directors and may not exceed six years. At the end of this time, they may be re-elected one or more times for terms of the same maximum duration.

The directors' appointment shall expire when, following the end of the term, either the next General Meeting has been held or the legal deadline for holding the Meeting to approve the preceding year's accounts has passed.

Directors appointed by co-option must have their position ratified on the date of the first General Meeting.

Any director who completes his or her term or who for any other reason ceases to hold his or her position may not be a director of, or hold any executive positions in any other company whose corporate object is similar to the Company's, for two years.

The Board of Directors may, if it deems fit, exempt the outgoing director from this obligation or reduce its duration.

Vacation of Office

Directors shall cease to hold office on expiry of the term for which they were appointed and when so decided by the Shareholders' Meeting pursuant to the powers conferred on it by the law or the Articles of Association.

Independently of the above, directors must tender their resignation to the Board of Directors in the cases specified in Section B.1.15 below.

Objectivity and Secrecy of Ballots

Under Article 22 of the Board Regulations, directors affected by appointment, re-election or removal proposals shall abstain from taking part in any related deliberations and votes.

All votes of the Board of Directors relating to the appointment, re-election or removal of directors shall be secret.

B.1.15. Please list those events in which directors are under an obligation to resign.

Directors must tender their resignation to the Board of Directors and, if deemed fit by the said Board, resign, in the following cases: (i) on ceasing to hold the executive positions associated with their appointment as directors; (ii) on application of one of the events of conflict of interest or prohibition envisaged by the law; (iii) if seriously reprimanded by the Board of Directors for breaching their duties as directors; and (iv) if remaining in the Board could jeopardise the Company's interests or if the reasons for which they were appointed no longer apply (e.g. if a director representing a substantial shareholder disposes of his holding in the company).

In addition, under Article 39 of Renta Corporación's New Articles of Association, any director who completes his or her term or who for any other reason ceases to hold his or her position may not be a director of, or hold any executive positions in, any other company whose corporate object is similar to the Company's, for two years. The Board of Directors may, if it deems fit, exempt the outgoing director from this obligation or reduce its duration.

B.1.16. Please explain whether the Chairman of the Board is also the Chief Executive of the Company. Please give details of any measures taken to limit the risk of accumulation of powers in a single person:

YES NO

Measures taken to limit risk
There is no risk of concentration of powers. The list of powers pertaining to the Board of Directors, the Audit Committee and the Appointments and Remuneration Committee constitutes adequate measures for limiting the risk of accumulation of powers in a single person. In addition, the Chairman and Chief Executive carries out his duties with the assistance of the Company's top executive tier, in particular the Vice-Chairwoman, the Managing Director, the General Manager and the General Secretary (a position which was institutionalised in February 2006), thus avoiding the risk of accumulation of powers in that person.

B.1.17. Are any reinforced majorities, other than as specified by law, required for any type of decision?

YES NO

Renta Corporación's New Articles of Association do not require any reinforced majorities for passing resolutions other than as required by law.

Please explain how resolutions of the Board of Directors are passed, indicating at least the attendance quorum and the different majorities required for passing resolutions.

Adoption of Resolutions		
Description of agreement	Quorum	Type of majority
Any type of resolution	A Board Meeting shall be validly constituted when attended by at least half plus one of its members present or represented.	Unless other voting quorums are expressly stipulated by the Law or the Articles of Association, resolutions shall be passed by a majority of the attendants at the meeting. In the event of a tie, the Chairman shall have the casting vote

B.1.18. Please explain whether there are any specific requirements, other than those relating to directors, for being appointed Chairman:

YES NO

Description of Requirements

B.1.19. Please indicate whether the Chairman has a casting vote:

YES NO

Matters to which a casting vote may apply
The Chairman shall have a casting vote in the event of a tie in any vote.

B.1.20. Please indicate whether there are any limits to the directors' ages under the Articles of Association or the Board Regulations:

YES NO

Age limit for Managing Directors
Age limit for directors

B.1.21. Please indicate whether there are any limits on the length of term of independent directors under the Articles of Association or the Board Regulations.

YES NO

Maximum number of years of term

B.1.22. Please indicate whether there are any formal procedures for delegating votes in the Board of Directors. If so, please provide brief details.

As at 31 December 2005, there are no formal procedures for delegating votes in the Board of Directors. Such procedures must comply with the current legislation.

However, under Article 16 of the Company's Board Regulations, directors shall do everything in their power to attend Board Meetings and, if unable to attend in person, shall seek to grant powers of representation to another Board Member, providing any relevant instructions and informing the Chairman of the Board.

B.1.23. Please indicate the number of meetings held by the Board of Directors during the year. Specify also, if applicable, the number of such meetings held without the Chairman's attendance:

Number of Board Meetings	6
Number of Board Meetings not attended by the Chairman	0

Please indicate the number of meetings held by the various Board committees during the year:

Number of meetings of the Executive or Delegated Committee	Not applicable
Number of meetings of the Audit Committee	3
Number of meetings of the Appointments and Remuneration Committee	3
Number of meetings of the Strategy or Investment Committee	Not applicable

B.1.24. Please indicate whether the individual and consolidated annual accounts being submitted to the Board of Directors for approval have been certified in advance:

YES NO

Please identify the persons, if any, who have certified the Company's individual and consolidated annual accounts for preparation by the Board of Directors:

NIF	Name	Position
37282505-B	ENRIC VENANCIO FILLAT	MANAGING DIRECTOR
18956871-H	MARÍA DOLORES SÁNCHEZ JULIÁN	FINANCE AND ADMINISTRATION DIRECTOR

B.1.25. Please explain the mechanisms, if any, established by the Board of Directors to prevent the individual and consolidated annual accounts prepared by it from being submitted to the Shareholders' Meeting with reservations in the audit report.

Article 39.3 of the Board Regulations stipulates that the Board of Directors shall seek to prepare a final version of the accounts such that no reservations are made by the auditor. It also provides that, if the Board of Directors considers that it must maintain its decision, it shall publicly explain the nature and extent of the discrepancy.

However, the same Article also stipulates that, in order to prevent the accounts from being submitted with reservations to the Shareholders' Meeting, the Audit Committee must, prior to their preparation:

- (a) Be familiar with the Company's financial information process and internal control systems, verify that they are adequate and complete, and review the appointment or substitution of the people in charge of them.
- (b) Supervise the internal audit systems.
- (c) Review the Company's annual accounts and periodic financial information, ensuring compliance with legal requirements and the proper application of the generally accepted accounting principles, with the external and internal auditors' direct collaboration.
- (d) Maintain relations with the external auditors in order to receive information regarding issues relating to the accounts audit preparation process and any other communications envisaged in the accounts audit legislation and the technical audit standards.

In addition, the Audit Committee ordinarily meets on a quarterly basis, for the purpose of reviewing the periodic financial information to be sent to the Stock Exchange authorities and the information to be approved and included by the Board of Directors within its annual public documentation.

It is hereby stated for the record that the audit reports relating to Renta Corporación's individual and consolidated annual accounts have not contained any reservations to date.

B.1.26. Please give details of the measures adopted to ensure that the information disclosed to the securities market is transmitted in an equitable and symmetrical manner:

Since as at 31 December 2005 the Company's shares have not been admitted for listing on the Stock Exchange, the 2005 Articles of Association do not provide for any measures relating to the disclosure of information to securities markets. However, Article 38 of the Board Regulations, which governs relationships with the markets, stipulates that the Board of Directors shall immediately inform the public, by means of the communications of relevant facts to the Spanish Securities and Investment Board (Comisión Nacional del Mercado de Valores) and through the corporate website, of all relevant information in accordance with the Securities Market Law and its developing legislation.

It also stipulates that the Board of Directors shall adopt all necessary measures to ensure that the semi-annual, quarterly and any other financial information which caution requires to be made available to the markets is drafted in accordance with the same professional practices, principles and criteria with which the annual accounts are prepared, and that it will be as reliable as them. In accordance with that Article, it shall also include information regarding the Company's governance rules and the degree to which they are complied with in its annual public documentation.

In this regard, in the event that the Company's shares are admitted for listing on the Stock Exchange, the most significant facts relating to the Company and all relevant information (with a potential impact on Stock Exchange listing) released by it will be notified to the Spanish Securities and Investment Board first as a relevant fact. Once the information has been sent to the Spanish Securities and Investment Board through the appropriate channel, it will be transmitted to the main media, information agencies and analysts, and published on Renta Corporación's website (www.rentacorporacion.com). All information disclosed to the media, agencies, analysts and investors will thus be disseminated at the same time.

Renta Corporación's Internal Code of Conduct relating to the Securities Market, which was approved on 27 December 2005 and will come into force on the date on which the Company's shares are admitted to listing, governs in detail the following aspects, among others: (i) the way in which persons who are subject to this Code must treat any privileged information to which they have access; (ii) the operation and communication of operations with Renta Corporación securities and financial instruments that the persons to whom the Code applies wish to carry out; (iii) the measures to be adopted by Renta Corporación at the study or negotiation stages of any legal or financial operation capable of influencing the price of the securities and financial instruments of any class issued by the Company to an appreciable extent; (iv) the obligations of the persons to whom the Code applies, and the way in which they must treat any type of confidential information affecting the Company which they may have; (v) the communication of relevant facts to the Spanish Securities and Investment Board; and (vi) the prohibition on manipulating the prices of Renta Corporación securities and financial instruments.

B.1.27. Is the Secretary of the Board of Directors also a director?

YES

NO

B.1.28. Please give details of any mechanisms established by the Company for preserving the independence of the auditor, the financial analysts, the investment banks and the credit rating agencies.

Article 39 of the Board Regulations stipulates that the Audit Committee shall refrain from proposing to the Board of Directors, which shall in turn abstain from submitting to the General Meeting, the appointment as the Company's accounts auditor of an auditing firm with a conflict of interest in accordance with the accounts audit legislation, as well as the appointment of any firm whose fees envisaged to be paid by the Company under all headings exceed five percent of its total income in the preceding year. Thus, although as at 31 December 2005 Renta Corporación's 2005 Articles of Association did not provide for any mechanism for preserving the independence of the auditor, the financial analysts, the investment banks and the credit rating agencies, all appropriate mechanisms relating to this are now in place.

The Board of Directors shall publicly announce the total fees paid by the Company to the auditing firm for both auditing and other services.

The Audit Committee is thus in charge of relations with the Company's external auditors, receiving information regarding issues which may jeopardise their independence, and any other relating to the accounts audit preparation process, as well as any other communications envisaged in the accounts audit legislation and the technical audit standards (Article 13 of the Board Regulations).

On the other hand, Article 38 of the Board Regulations governs the Company's relations with markets in general, and therefore with financial analysts and investment banks, among others, and the relationship between them and Renta Corporación is based on principles of transparency and non-discrimination. The Company coordinates dealings with them, managing requests for information both from them and from institutional or private investors. With regard to credit rating agencies, the Company does not have a credit rating.

B.1.29. Please indicate whether the auditing firm carries out any other work for the Company and/or its corporate group in addition to audit work. If so, please specify the fees received for such work and the percentage of total fees charged to the Company which they represented.

YES NO

	Company	Group	Total
Amount invoiced for work other than audit work (in thousands of euros)			
Amount invoiced for work other than audit work/ Total amount invoiced by the audit firm (%)			

B.1.30. Please indicate the number of consecutive years the auditing firm has been auditing the Company's and/or its corporate group's annual accounts. Please also indicate the percentage represented by the number of years audited by the current auditing firm out of the total number of years for which the annual accounts have been audited.

	Company	Group
Number of consecutive years	3	6

	Company	Group
Number of years audited by the current auditing firm / Number of years for which the company has been audited (as a %)	100	100

B.1.31. Please give details of Board members' holdings in the capital of companies carrying out the same, a similar or a complementary type of business to that forming the corporate object of the Company or its corporate group, of which the company has been informed. Please indicate the positions or functions held or carried out at these companies:

Director's Tax Identification Code (NIF or CIF)	Director's Name or Corporate Name:	CIF of the company in question	Name of the company in question	shareholding (%)	Position or duties
46121585-F	LUIS HERNÁNDEZ DE CABANYES	B60616836	SECOND HOUSE, S.L.	47.30%	--
46121585-F	LUIS HERNÁNDEZ DE CABANYES	B59918540	LUECO, S.A.	40.00%	SOLE ADMINISTRATOR
46121585-F	LUIS HERNÁNDEZ DE CABANYES	B62716279	ALDERAMIN STAR, S.L.	100% owned by DINOMEN, S.L.	SOLE ADMINISTRATOR
40274183-X	ANNA M. BIRULÉS BERTRAN	B60616836	SECOND HOUSE, S.L.	1.50%	--
46228767-D	JOSEP-MARIA FARRÉ VIADER	B60616836	SECOND HOUSE, S.L.	5.68%	--
46228767-D	JOSEP-MARIA FARRÉ VIADER	B59918540	LUECO, S.A.	7.00%	--
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	B60616836	SECOND HOUSE, S.L.	4.13%	--
36891039-Y	ESTHER GIMÉNEZ ARRIBAS	B59918540	LUECO, S.A.	5.00%	--
46131826-J	ELENA HERNÁNDEZ DE CABANYES	B60616836	SECOND HOUSE, S.L.	3.66%	SOLE ADMINISTRATOR AND GENERAL MANAGER
46131826-J	ELENA HERNÁNDEZ DE CABANYES	B59918540	LUECO, S.A.	4.00%	--
46131826-J	ELENA HERNÁNDEZ DE CABANYES	A08467540	PROMOTORA DE INDUSTRIAS GRÁFICAS, S.A.	2.00%	--
37642140-H	CARLOS TUSQUETS TRIAS DE BES	B63769426	LIFE MARINA IBIZA, S.L.	6.54%	--
37663313-P	CÉSAR A. GIBERNAU AUSIÓ	B60616836	SECOND HOUSE, S.L.	1.05%	--
37663313-P	CÉSAR A. GIBERNAU AUSIÓ	B61886404	CHARCEBOY, S.L.	10.91%	--
37663313-P	CÉSAR A. GIBERNAU AUSIÓ	B60031515	GP CONSULTING	20.00% (indirect)	EMPOWERED

B.1.32. Please indicate, including details if applicable, whether there is a procedure for directors to obtain external advice.

YES NO

Details of the Procedure
<p>Chapter VII of the Board Regulations (Articles 23 and 24) governs Directors' information. Under the above mentioned Article 23, directors may request information regarding any aspect of the Company and examine its books, archives, documents and other documentation. The right to information extends to partly-owned companies whenever possible. Requests for information must be addressed to the Secretary of the Board, who will send it to the relevant and proper representative in the Company.</p> <p>The Secretary shall warn the director of the confidential nature of the information requested and received, and of his or her duty of confidentiality in accordance with the Regulations.</p> <p>The Chairman may refuse to provide the information if he is of the opinion that: (i) it is not necessary for the proper performance of the duties with which the director has been entrusted, or (ii) the cost involved is unreasonable in view of the seriousness of the problem and of the company's assets and income.</p> <p>In addition, Article 24 of the Regulations stipulates that, in order to assist them in the exercise of their duties, external directors may request that legal, accounting, financial or other expert advisors be contracted at the Company's expense. The assignment must necessarily relate to specific problems of certain significance and complexity arising in the performance of their position.</p> <p>The Company Chairman must be informed of the decision to contract someone, which may be vetoed by the Board of Directors if it can prove that:</p> <p>a) it is not necessary for the proper performance of the duties with which the external directors have been entrusted;</p> <p>b) the cost involved is unreasonable in view of the seriousness of the problem and of the company's assets and income; or</p> <p>c) the technical assistance requested may be adequately provided by experts and technicians within the Company.</p>

B.1.33. Please indicate, including details if applicable, whether there is a procedure for directors to obtain the necessary information for preparing the management bodies' meetings sufficiently in advance.

YES NO

Details of the Procedure
<p>Article 15 of the Board Regulations stipulates that Board meetings shall be called at least three days in advance, shall always include the agenda for the meeting, and shall attach all relevant information, duly summarised and prepared.</p>

B.1.34. Please indicate whether there is liability insurance for the Company directors.

YES NO

B.2 Board Committees

B.2.1. Please list the management bodies:

Name of the body	Number of members	Duties
BOARD OF DIRECTORS	8	THE BOARD OF DIRECTORS IS RESPONSIBLE FOR THE REPRESENTATION AND SUPREME DIRECTION AND MANAGEMENT OF THE COMPANY BOTH IN AND OUT OF COURT, IN RELATION TO ALL ACTS INCLUDED IN THE CORPORATE OBJECT DEFINED IN ITS ARTICLES OF ASSOCIATION AND ALL ACTIONS REQUIRED BY THE LAW AND THE ARTICLES OF ASSOCIATION. THIS IS WITHOUT PREJUDICE TO THE ACTS EXPRESSLY RESERVED BY THEM FOR THE GENERAL MEETING OF SHAREHOLDERS.
AUDIT COMMITTEE	3	SEE SECTIONS B.2.3 AND B.2.4 BELOW.
APPOINTMENTS AND REMUNERATION COMMITTEE	3	SEE SECTIONS B.2.3 AND B.2.4 BELOW.

B.2.2. Please give details of all Board committees and their members:

EXECUTIVE OR DELEGATED COMMITTEE

NIF/CIF	Name	Position

AUDIT COMMITTEE

NIF/CIF	Name	Position
37663313-P	CÉSAR A. GIBERNAU AUSIÓ	CHAIRMAN
40274183-X	ANNA M. BIRULÉS BERTRAN	MEMBER
37642140-H	CARLOS TUSQUETS TRIAS DE BES	SECRETARY

APPOINTMENTS AND REMUNERATION COMMITTEE

NIF/CIF	Name	Position
37663313-P	CÉSAR A. GIBERNAU AUSIÓ	CHAIRMAN
40274183-X	ANNA M. BIRULÉS BERTRAN	MEMBER
37642140-H	CARLOS TUSQUETS TRIAS DE BES	SECRETARY

STRATEGY AND INVESTMENT COMMITTEE

NIF/CIF	Name	Position

B.2.3. Please describe the organisation and regulations as well as the responsibilities of each committee of the Board of Directors:

Audit Committee

The Audit Committee's organisation and regulations are as detailed below, pursuant to Article 48 of the New Articles of Association in accordance with the drafting proposed to the Shareholders' Meeting on 9 February 2006, and to Article 13 of the Board Regulations.

i.- Composition.

The Audit Committee shall be comprised of three directors, a majority of whom shall be non-executive, appointed by the Board of Directors. For these purposes, executive directors shall be understood to be those directors who in any way carry out management duties within the Company or companies in its corporate group.

The Chairman of the Audit Committee shall be elected from among the said non-executive directors, must be replaced every four years and may be re-elected no earlier than one year following the date on which he or she vacated office.

The Secretary shall be the person appointed as such by the members of the Committee.

ii.- Duties

Without prejudice to any other assignments it may receive from the Board of Directors from time to time, the Audit Committee shall carry out the following basic duties:

- To provide information at the General Meeting of Shareholders regarding any questions raised in them by shareholders relating to matters within its responsibility.
- Recommend appointment of external auditors to the Board for submission to the AGM, under the terms of section 204 of the Spanish Companies Act, including any terms of business, scope of professional mandate and, as appropriate, renewal or not of their appointment.
- Supervise internal auditing practices.

- Review Company accounts, monitor compliance with statutory requirements and proper use of generally accepted accounting principles, whereby the Committee is to receive full cooperation from external and internal auditors.
- Be aware of the financial reporting process, internal control systems, verify their suitability and accuracy and review designation or replacement of parties responsible for them.
- Handle dealings with external auditors to gather information on issues which might undermine their independence and any others on development of the audit process, as well as other communications specified under audit legislation and technical regulations.
- Oversee audit contract compliance, ensuring that the opinion on annual accounts and main contents of the audit report are clearly and accurately written, and assess the outcome of every audit.
- Review regular financial information to be reported by the Board to the markets and their supervisory bodies.
- To examine compliance with the Internal Code of Conduct, the Board Regulations and the Company's governance rules in general, and to make any necessary proposals for their improvement.
- To receive information and, where applicable, issue reports regarding the disciplinary measures intended for members of the Company's senior management team.

iii.- Working and Operation

The Audit Committee shall ordinarily meet on a quarterly basis, for the purpose of reviewing the periodic financial information to be sent to the Stock Exchange authorities and the information to be approved and included by the Board of Directors within its annual public documentation. It shall also meet at the request of any of its members and whenever called by its Chairman, who must do so whenever the Board of Directors or its Chairman request that a report be issued or proposals be adopted, and in any event whenever it is appropriate for the proper performance of its duties.

The Audit Committee shall prepare an annual report regarding its operation, highlighting the main incidents which have arisen, if any, in relation to the duties pertaining to it. In addition, the Audit Committee shall include in the above report, whenever it deems fit, proposals for improving the Company's governance rules. The Audit Committee's Report shall be attached to the Company's annual corporate governance report and shall be available to shareholders and investors on the website.

The members of the Company's staff or management team shall be under an obligation to attend the Audit Committee's meetings and to collaborate with it and give it access to any information they may have whenever so requested by the Committee. The Committee may also require the accounts auditors to attend the meetings.

The Audit Committee may, for the better performance of its duties, obtain advice from external experts whenever it deems necessary for the proper performance of its duties.

Appointments and Remuneration Committee

In accordance with Article 14 of the Board Regulations, there shall be an Appointments and Remuneration Committee within the Board of Directors. The Committee shall be governed by the following rules:

i. Composition

The Appointments and Remuneration Committee shall be comprised of three directors, most of whom shall be non-executive, appointed by the Board of Directors. For these purposes, executive directors shall be understood to be those directors who in any way carry out management duties within the Company.

The Chairman of the Appointments and Remuneration Committee shall be elected from among the said non-executive directors, must be replaced every four years and may be re-elected at the end of one year following the date on which he or she vacated office.

The non-Committee Secretary shall be the person appointed as such by the members of the Committee.

ii. Duties

Without prejudice to any other duties which may be assigned to it by the Board of Directors, the Appointments and Remuneration Committee has the following basic responsibilities:

- To formulate and review the criteria to be followed for the composition of the company's and its subsidiaries' management teams and the selection of candidates.
- To raise all proposals for the appointment of executives to the Board of Directors, so that it can make the appointments.
- To analyse, formulate and periodically review the hiring and loyalty policies for new executives.
- To analyse, formulate and periodically review executive remuneration policies, assessing their appropriateness and performance.
- To ensure transparency in remuneration.
- To inform of any transactions which involve, or may give rise to, conflicts of interest.

iii. Working and Operation

The Appointments and Remuneration Committee shall ordinarily meet on a quarterly basis. It shall also meet whenever called by its Chairman, who must do so whenever the Board of Directors or its Chairman request that a report be issued or proposals be adopted, and in any event whenever this is convenient for the proper performance of its duties.

B.2.4. Please indicate, where applicable, each committee's powers of advice, consultation and any delegated powers:

Committee name	Brief Description
AUDIT COMMITTEE	UNDER ARTICLE 13 OF THE BOARD REGULATIONS, THE AUDIT COMMITTEE HAS THE DUTIES DETAILED IN SECTION B.2.3. ABOVE.
APPOINTMENTS AND REMUNERATION COMMITTEE	UNDER ARTICLE 14 OF THE BOARD REGULATIONS, THE APPOINTMENTS AND REMUNERATION COMMITTEE HAS THE DUTIES DETAILED IN SECTION B.2.3. ABOVE.

B.2.5. Please indicate whether there are any regulations governing the committees of the Board of Directors and, if so, the place where they are available for consulting and any amendments made during the year. Please also specify whether any voluntary annual reports regarding each committee's activities have been prepared.

The Audit and Appointments and Remuneration Committees' organisation and regulations can be found in the Board Regulations. In view of the possible admission to listing of the Company shares, this will be made available for consulting on the Company website

(www.rentacorporacion.com). No specific Regulations for the Audit Committee or the Appointments and Remuneration Committee have been approved to date.

The Audit Committee prepares an annual report (which will be attached to this Report and will be made available to shareholders on the Company website) highlighting the main activities and incidents which have arisen, if any, in relation to its duties. In addition, the Audit Committee shall include in the above report, whenever it deems fit, proposals for improving the Company's governance rules.

B.2.6. If there is an Executive Committee, please explain the degree of delegation and autonomy it has for the adoption of resolutions regarding the company's management and administration in the exercise of its duties:

Not applicable.

B.2.7. Please indicate whether the composition of the Executive Committee reflects the various directors' participation in the Board of Directors on the basis of their status:

Not applicable.

B.2.8. If there is an Appointments and Remuneration Committee, please indicate whether all its members are external directors:

YES NO

Notwithstanding the above, it should be noted that most Appointments and Remuneration Committee members are external directors.

C. RELATED TRANSACTIONS

C.1 Please give details of any relevant operations involving a transfer of resources or obligations between the Company or companies within its corporate group and significant shareholders of the Company.

Tax Identification Number (CIF/NIF) of the significant shareholder	Shareholder's Name or Corporate Name:	Tax Identification Code or Number (NIF or CIF) of the Company or Entity Within its Corporate Group	Name or Corporate Name of the Company or Entity Within its Corporate Group	Nature of the Relationship	Type of Relationship	Figures (€ thousands)
G62091061	FUNDACION PRIVADA RENTA CORPORACION	A61441176	RENDA CORPORACION REAL ESTATE RA, S.A.	CONTRACTUAL	COLLABORATION IN SOCIAL AND HUMANITARIAN PROJECTS CARRIED OUT BY FUNDACION PRIVADA RENTA CORPORACION	288.5

C.2 Please give details of any relevant operations involving a transfer of resources or obligations between the Company or companies within its corporate group and the Company's directors or executives.

Tax Identification Code or Number (NIF or CIF) of the Director or Executive	Name or Corporate Name of the Director or Executive	Tax Identification Code or Number (NIF or CIF) of the Company or Entity Within its Corporate Group	Name or Corporate Name of the Company or Entity Within its Corporate Group	Nature of the Relationship	Type of Relationship	Figures (€ thousands)
46121585-F	LUIS HERNÁNDEZ DE CABANYES VIA ALDERAMIN	A61441176	RENTA CORPORACION REAL ESTATE RA, S.A.	CONTRACTUAL	PROVISION OF SERVICES BY THE COMPANY TO ALDERAMIN	255.5
40274183-X	ANNA M. BIRULÉS BERTRAN VIA ABS, S.L., OF WHICH SHE IS THE SOLE PARTNER AND ADMINISTRATOR	A61441176	RENTA CORPORACION REAL ESTATE RA, S.A.	CONTRACTUAL	ACQUISITION OF PROPERTY	278.1
46228767-D	JOSEP-MARIA FARRÉ VIADER	A61441176	RENTA CORPORACION REAL ESTATE RA, S.A.	CONTRACTUAL	LOAN FROM RENTA CORPORACIÓN REAL ESTATE RA, S.A. TO JOSEP MARIA FARRÉ VIADER	79.0
46228767-D	JOSEP-MARIA FARRÉ VIADER	A62206313	RENTA CORPORACION REAL ESTATE ON, S.A.	CONTRACTUAL	LOAN FROM JOSEP-MARIA FARRÉ VIADER TO RENTA CORPORACIÓN REAL ESTATE RA, S.A. (paid off in January 2006)	700.0
B83842054	SHONAN INVESTMENTS, S.L.	A61441176	RENTA CORPORACION REAL ESTATE RA, S.A.	CONTRACTUAL	LOAN FROM RENTA CORPORACIÓN REAL ESTATE RA, S.A. TO SHONAN INVESTMENTS, S.L. (paid off in January 2006)	700.0
46228767-D	JOSEP-MARIA FARRÉ VIADER VIA SHONAN INVESTMENTS, S.L.	A61441176	RENTA CORPORACION REAL ESTATE RA, S.A.	CONTRACTUAL	PROVISION OF AN OCCASIONAL AD HOC SERVICE	410.0
37663313-P	CÉSAR A. GIBERNAU AUSIÓ VIA GIBERNAU, PLANA Y ASOCIADOS, S.L., OF WHICH HE IS A FOUNDING PARTNER	A62385729	RENTA CORPORACION REAL ESTATE, S.A.	CONTRACTUAL	PROVISION OF ACCOUNTING AND TAX CONSULTANCY SERVICES	140.2
37667785-W	PEDRO NUENO INIESTA VIA INSTITUTO INTERNACIONAL DE FINANZAS, S.L., OF WHICH HE IS THE MANAGING DIRECTOR	A62385729	RENTA CORPORACION REAL ESTATE, S.A.	CONTRACTUAL	PROVISION OF GENERAL CONSULTANCY SERVICES	96.0
18956871-H	MARÍA DOLORES SÁNCHEZ JULIÁN	A61441176	RENTA CORPORACION REAL ESTATE RA, S.A.	CONTRACTUAL	ACQUISITION OF PROPERTY	1,060.3

C.3 Please give details of any relevant operations carried out between the Company and other companies belonging to the same group, provided they are not eliminated in the consolidated financial statement preparation process and they are not part of the company's usual business in terms of their object and conditions.

CIF	Name of the group company	Brief description of the operation	Figures (€ thousands)
A63831390	MIXTA ÁFRICA, S.A.	THE COMPANY HAS GRANTED IT A SHORT TERM LOAN	1,790.3
A63831390	MIXTA ÁFRICA, S.A.	EXPENSES INCURRED IN CONNECTION WITH REAL PROPERTY PROJECTS PASSED ON BY THE COMPANY TO MIXTA ÁFRICA	433.7

C.4 Please identify any conflict of interest concerning the Company directors in accordance with Article 127 of the Law on Public Limited Companies.

According to the information available to the Company, none of the directors is affected by a conflict of interest between his or her duties to the Company and his or her personal interests of any other type, or is engaged, either on his or her own account or that of a third party, in the same or a similar or complementary business to the Company's corporate object. This is without prejudice to Section B.1.31 above.

C.5 Please give details of the mechanisms in place for detecting, determining and resolving possible conflicts of interest between the company and/or its corporate group, and its directors, executives or significant shareholders.

Although Renta Corporación's 2005 Articles of Association do not, as at 31 December 2005, make provision for any mechanism for determining and resolving any possible conflicts of interest which may arise, all possible conflict of interest situations which may have arisen to date have been resolved by Renta Corporación's Board of Directors. In addition, the Board Regulations and the Internal Code of Conduct (which will come into force on the date on which the Company's shares are admitted to listing) governs the mechanisms in place for detecting and regulating possible conflicts of interest.

With regard to directors, the mechanisms in place for detecting possible conflicts of interest are governed by the Board Regulations. Under Article 29 of the Board Regulations, the Director in question must inform the Board of Directors of the existence of a conflict of interest and abstain from attending and taking part in deliberations affecting matters in which he or she has a personal interest. A director shall be deemed to be under a conflict of interest if the matter concerns a member of his or her family or partners, companies or entities on which a member of his or her family is able to exert significant influence.

Article 32 of the Board Regulations also provides that a Director may not take advantage, for his or her benefit or that of a party related to him or her as provided in Article 29 above, of a business opportunity pertaining to the Company unless the opportunity was first offered to the Company and the latter declined to exploit it. For the purposes of the above, a business opportunity is any chance to conduct an investment or commercial operation which has arisen or been discovered in connection with the Director's exercise of his or her role, or by using the Company's means and information, or under circumstances which make it reasonable to conclude that the third party's offer was actually addressed to the Company.

In addition, the Director must inform the Company of any positions held in the Boards of Directors of other listed companies, and generally of any facts, circumstances or situations which may be relevant to his or her performance as director of the Company in accordance with the Board Regulations.

The body which regulates and resolves directors' conflicts of interest is the Audit Committee.

With regard to senior executives, the mechanisms in place for detecting and regulating possible conflicts of interest are governed by the Internal Code of Conduct, which also applies to directors. Under Article 10 of the Internal Code of Conduct, the persons to whom it applies must at all times exercise their free judgement, be faithful to the Company and its shareholders and act without regard to their own or third parties' interests. They shall therefore refrain from giving priority to their own interests at the expense of the Company's, or to the interests of some investors at the expense of others, and from taking part in, or influencing, decisions which may affect persons or entities with which there is a conflict, and from accessing the confidential information affecting such a conflict. In addition, all affected persons must inform the General Secretary of any possible conflict of interest they may be under by reason of their activities outside the Company, their family relationships, their personal affairs, or any other reason, with the Company or any of the companies

within its Group, with significant customers or suppliers of the Company or of companies within its Group, and entities carrying out the same type of business or competing with the Company or any of the companies within its Group. Any queries relating to the possibility of a conflict of interest must be discussed with the General Secretary, and the Audit Committee shall have the last say.

D. RISK CONTROL SYSTEMS

D.1. Please give a general description of the Company's and/or its group's risk policy, including details and an assessment of the risks addressed by the system, together with evidence of the systems' appropriateness to the profile of each risk:

The Audit Committee is the body in charge of establishing and supervising the control mechanisms. It must supervise the Company's internal control systems and verify that they are adequate and complete. In this regard, each business area within the Company exercises its own risk assessment and control policy. The Company lays down the maximum risks which can be assumed by each business and coordinates them to ensure consistency and homogeneity with Renta Corporación's global risk policy.

The risk control systems are deemed sufficient in relation to the business conducted by the Company.

D.2. Please indicate the control systems in place for assessing, mitigating or reducing the main risks affecting the company and its corporate group:

The Company's group has developed a method included in its internal management information system known internally as TMS (Transaction Management System). Thanks to this system, it is possible to quickly assess investment opportunities on the basis of a large number of key variables covering various aspects of a specific property, such as its physical condition, legal and market situation, acquisition cost, possible future transformation and sale strategy, and lease and town planning situation, among others. As a result, the property's appeal can be assessed and a potential purchase offer can be made very quickly. The TMS is constantly updated with market information from a large number of analysed properties. The TMS in turn makes it possible to evaluate a large number of operations per year without having to resort to staff increases or other resources which would be necessary if the TMS were not available.

In addition, the Company's business model, which is based on high asset turnover with investment maturity period targets of less than a year, minimises market risk exposure. In addition, its presence in high volume liquid markets helps reduce this risk even further.

D.3. If some of the risks affecting the Company and/or its corporate group have already materialised, please specify the circumstances which gave rise to them and indicate whether the control systems in place have worked:

None of the risks affecting the Company have materialised. The control systems and mechanisms have worked correctly.

D.4. Please indicate whether there is any committee or other management body in charge of establishing and supervising these control mechanisms, and give details of their duties:

The Audit Committee is the body in charge of establishing and supervising the control mechanisms. It must supervise the Company's internal control systems and verify that they are adequate and complete. Their duties are detailed in Section B.2.3 above.

D.5. Please identify and describe the procedures for complying with the various regulations which apply to your company and/or corporate group:

With regard to compliance with the various regulations which apply to Renta Corporación and its corporate group, it should be noted that they comply with the specific regulations applicable to it by reason of its line of business under the Law on Public Limited Companies and other related applicable legislation.

In addition, in view of the possible admission to listing of its shares, the Company will comply with the specific regulations applicable to it, and shall submit to the provisions of the Spanish Securities Market Law (Ley del Mercado de Valores) and other related applicable legislation in connection therewith.

This means that, when it becomes a listed company, it will comply with its obligation to send the Company's and its corporate group's financial information on a quarterly, semi-annual and annual basis, and to inform the Spanish Securities and Investment Board of relevant facts and other information requested by it. In addition, all corporate governance contents and other relevant information relating to the Company will be available to shareholders, who will be able to consult it on the website and thus be able to exercise their rights in accordance with the applicable legislation.

With regard to the regulations specifically relating to the Company's business and activities, the procedures implemented in the various business and support areas also comply with the various specific regulations applicable to the Company's and its Corporate Group's line of business.

E. GENERAL MEETINGS

E.1. Please indicate the quorums required to constitute a General Meeting according to the Articles of Association. Please describe how they differ from the minimum numbers envisaged in the Spanish Law on Public Limited Companies (Ley de Sociedades Anónimas):

Under Article 20 of Renta Corporación's 2005 Articles of Association, an Ordinary or Extraordinary General Meeting shall be validly constituted on first call if the shareholders present or represented hold at least 25% of the subscribed voting capital, and shall be validly constituted on second call regardless of the attending capital. However, in order for an Ordinary or Extraordinary General Meeting to validly resolve a bond issue, a capital increase or decrease, the transformation, merger or demerger of the Company, or any amendment to the Articles of Association generally, the attendance of shareholders present or represented holding at least 50% of the subscribed voting capital shall be required on first call. On second call, 25% of the said capital shall suffice.

Article 28 of the amendment to the New Articles of Association approved at the General Meeting of 9 February 2006 addresses this issue. However, the only difference between the drafting of this new article and the previous one is the addition of a provision stipulating that shareholders with a right to attend who vote remotely as provided in the Articles of Association shall be deemed to be present for quorum purposes, and absences occurring after the General Meeting has been declared open shall not affect the validity of the Meeting.

In accordance with the above, and also in view of the possible admission to listing of the Company's shares, the Rules of the General Meeting were approved at the General Meeting of 9 February 2006. Their coming into force is subject to the Company's shares being admitted to listing. Under Article 15 of the said Regulations, a General Meeting shall be validly constituted on first call if the shareholders present or represented hold at least 25% of the subscribed voting capital. On second call, the Meeting shall be validly constituted regardless of the attending capital.

In order for an Ordinary or Extraordinary General Meeting to validly resolve a bond issue, a capital increase or decrease, the merger, demerger, winding up or liquidation of the Company, or generally any amendment to the Articles of Association, the attendance of shareholders present or representing holding at least 50% of the subscribed voting capital shall be required on first call. On second call, the attendance of 25% of the said capital shall be enough. However, when attended by shareholders representing less than 50% of the subscribed voting capital, the resolutions referred to in this paragraph may only be validly passed by two thirds of the capital present or represented at the Meeting. Absences occurring after the General Meeting has been declared open shall not affect the validity of the Meeting.

The quorums established for the valid constitution of General Meetings are therefore no different from those envisaged in the Law on Public Limited Companies.

E.2. Please explain the system for passing resolutions. Describe how this differs from the regime envisaged in the Law on Public Limited Companies.

Under Article 25 of Renta Corporación's 2005 Articles of Association, General Meeting resolutions shall be adopted by an affirmative vote of the majority of the capital present or represented. However, if the meeting is attended by shareholders representing less than 50% of the subscribed voting capital, resolutions relating to the matters referred to in Article 103 of the Law on Public Limited Companies shall only be valid if passed by two thirds of the share capital present or represented at the Meeting.

With regard to the amendment proposal for the New Articles of Association, the new Article 35 stipulates that General Meeting resolutions shall be adopted by the majority of the capital present or represented. This does not apply to those cases for which a greater majority is required by the Law or the Articles of Association. In particular, if the meeting is attended by shareholders representing less than 50% of the subscribed voting capital, resolutions relating to the matters referred to in Article 103 of the Law on Public Limited Companies shall only be valid if passed by the affirmative vote of two thirds of the share capital present or represented at the Meeting.

With regard to the Rules of the General Meeting, Article 26 stipulates that resolutions shall be adopted when the votes in favour of the proposal exceed half the number of votes belonging to the shares present or represented. This shall not apply to those cases for which a greater majority is required by the Law or the Articles of Association. In the case of resolutions relating to matters which were not included in the agenda, shares which are not deemed present or represented shall not be counted towards the base for calculating the above mentioned majority.

The quorum required for the valid adoption of resolutions at Renta Corporación is therefore no different from the regime established in the Law on Public Limited Companies.

E.3. Please list any shareholder rights relating to General Meetings which differ from those established in the Law on Public Limited Companies.

The rights of shareholders in relation to General Meetings are as established in the Law on Public Limited Companies, and are currently set out in Articles 21, 22 and 23 of the 2005 Articles of Association. These rights are also explained in more detail in the Rules of the General Meeting approved at the General Meeting of 9 February 2006. The full text of the Rules will be made available to the public on the Company website from the date on which the Company's shares are admitted to listing, if applicable.

In particular, the Rules of the General Meeting provide for the following shareholder rights:

Right to Information

Under Article 9, shareholders may ask the Board of Directors, from the date of publication of the General Meeting call, to and including the seventh day before the date for which the Meeting is scheduled, to provide any information or clarification they deem necessary, or address to it in writing any questions they deem fit, in relation to the matters included in the agenda.

In addition, shareholders may also request, within the same time frame and in the same manner, information or clarification, or address questions in writing in relation to any information available to the public which may have been supplied by the Company to the Spanish Securities and Investment Board since the date of the last General Meeting. The Board of Directors shall be obliged to provide the information requested in writing up to the day of the General Meeting.

Requests for information may be delivered to the registered office or sent to the Company by post or other means of electronic distance communication sent to the address specified in the relevant notice of a meeting. If no such address has been specified, they can be sent to the Shareholders' Office. If the electronic document by means of which the information is being requested includes the legally acknowledged electronic signature used by the person making the request, this shall be admitted as a request. Following a prior agreement adopted to that end, electronic documents sent with mechanisms deemed by the Board of Directors to provide adequate guarantees of authenticity and identification of the shareholder exercising his or her right to information shall also be deemed accepted.

Regardless of the means employed for issuing requests for information, the shareholder's request must include his or her full name together with legal evidence of the shares held, so that this information can be checked against the list of shareholders and number of shares held by each shareholder provided by the Spanish Central Securities Deposit (Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A, "Sociedad de Sistemas" or "Iberclear") for the Shareholders' Meeting in question. The shareholder shall be responsible for providing proof that the request was sent to the Company in due time and form. The Company's website shall include relevant explanations regarding the exercise of shareholders' right to information in accordance with the applicable legislation.

Requests for information governed by this Article shall be answered prior to the General Meeting, after the requesting shareholder's identity and shareholder status have been verified.

The directors are obliged to provide the information requested in writing up to the day of the General Meeting, save for in the following cases:

- (i) if disclosing the information requested may, in the Chairman's opinion, damage the company's interests;

- (ii) if the request for information or clarification does not relate to matters included in the agenda or to any information available to the public and supplied by the Company to the Spanish Securities and Investment Board since the date of the last General Meeting;
- (iii) if the information or clarification requested is deemed to be abusive; or
- (iv) if so stipulated by the legislation, the Articles of Association, or court rulings.

However, the exception mentioned in paragraph (i) above shall not apply to requests supported by shareholders representing at least 25% of the share capital.

The Board of Directors may authorise any of its members, the Chairmen of its committees or the Secretary to answer shareholders' requests for information for and on behalf of the Board of Directors.

The means for providing the information requested by a shareholder shall be the same as the means used by the shareholder to send the request which gave rise to it, unless the shareholder specifies a different way from among those declared to be appropriate in this article. The directors may in any event send the information in question by registered post with acknowledgement of receipt or bureaufax.

The Company may include on its website information relating to the answers given to shareholders in reply to questions asked by them in the exercise of their right to information governed herein.

Right to Representation

Under Article 12, any shareholder with the right to attend may be represented by another person at General Meetings even if that other person is not a shareholder. The power of representation must be granted in writing or by any means of communication expressly allowed by the management body in the meeting notice, and provided the requirements envisaged in the said notice have been met and the representative's and representee's identities are duly guaranteed. The rules for assessing the validity of a power of representation granted by distance communication means are governed by the same provision.

Right to Remote Voting

Article 24 regulates the right to remote voting in writing sent by post or other means of electronic distance communication. It authorises the Board of Directors to develop the provisions of that Article and lay down the rules, means and procedures appropriate to the state of technology for casting votes and delegating representation by electronic means, complying with any legislation developing this system and the provisions of the Articles of Association and the Rules of the General Meeting.

E.4. Please specify any measures adopted to encourage shareholder participation in General Meetings.

Renta Corporación's 2005 Articles of Association envisage no measures aimed at encouraging shareholder participation in General Meetings. In any event, Article 36 of the Board Regulations provides that the Board of Directors shall promote informed shareholder participation in General Meetings and shall adopt all appropriate measures to contribute to the effective exercise by the Shareholders' Meeting of the duties pertaining to it in accordance with the Law and the Articles of Association. In particular, the Board of Directors shall adopt the following measures: (i) it shall endeavour to make all legally required information, as well as all other information which may be of interest and may be reasonably supplied, available to shareholders prior to the relevant General Meeting; (ii) it shall attend all requests for information filed by shareholders before the General Meeting with the utmost diligence; (iii) it shall attend all questions asked by shareholders in connection with the holding of the Meeting with the same degree of diligence.

In view of the above, all documentation necessary to discuss the items in the agenda for each General Meeting is available to shareholders sufficiently in advance. Such documents shall be published on the Company's and the Spanish Securities and Investment Board's websites. Shareholders who are unable to attend General Meetings in person may likewise delegate their representation and vote on another person, who need not be a shareholder.

E.5. Please specify whether the Chairman of the Shareholders' Meeting is the same person as the Chairman of the Board of Directors. Please give details of any measures adopted to ensure the independence and proper operation of the Shareholders' Meeting:

YES NO

Please describe these measures
<p>Under Article 16 of the Rules of the General Meeting, General Meetings shall be chaired by the Chairman of the Board of Directors or, in his or her absence, by the Vice-Chairman. In the absence of both the Chairman and the Vice-Chairman, they shall be chaired by a member of the Board of Directors appointed by the General Meeting itself.</p> <p>The Article also provides that the Chairman may, even if he or she is present at the meeting, delegate the leadership of the discussion on the Secretary or any member of the management body which he or she deems fit. The Chairman may also, if he or she wishes, obtain the assistance of any expert he or she deems fit.</p> <p>Without prejudice to the provisions of the Articles of Association, the Chairman is in charge of declaring the Meeting validly constituted, leading and establishing the order of deliberations and interventions and setting the time allocated to each in accordance with the provisions of these Rules, ending discussions when he or she deems the matter in question to have been sufficiently discussed, and ordering voting, resolving any queries which may arise regarding the agenda and the list of attendees, pronouncing any resolutions which have been passed, ending or adjourning the meeting where applicable, and generally exercising all powers, including in relation to order and discipline, which may be necessary for keeping order as appropriate during the meeting, even including ordering the expulsion of any person disturbing the normal conduct of the meeting, and including interpreting the Rules.</p> <p>The Rules of the General Meeting also contain, among others, provisions relating to drawing up the list of attendees, the progress of the Meetings and votes on proposals for resolutions to ensure the proper operation of General Meetings.</p> <p>The management body may request the presence of a Notary Public to take the minutes of the General Meeting, and shall be under an obligation to do so whenever so requested by shareholders representing at least 1% of the share capital five days prior to the date for which the General Meeting is scheduled.</p> <p>The minutes taken by the Notary shall be deemed to constitute the minutes of the General Meeting and shall not require the latter's approval.</p> <p>Without prejudice to the registration of resolutions liable to registration at the Companies Registry or to any legal provisions governing the publication of company resolutions which may apply, the Company shall inform the Spanish Securities and Investment Board of the resolutions passed, either verbatim or by means of a summary thereof, by means of the appropriate notification of a relevant fact. The text of the resolutions passed at the Meetings held during the current and the previous year shall also be available on the Company website. In addition, the Secretary shall issue a certificate of the resolutions, or of the minutes taken by the Notary if applicable, if requested by any shareholder or his or her representative at the General Meeting.</p>

E.6. Please indicate any amendments made to the Rules of the General Meeting during the year:

Since Renta Corporación is not a listed company, no Regulations for the General Meeting were approved during 2005, there being no legal obligation to do so. Notwithstanding the above, and in view of the possible admission to listing of the Company's shares, the Company approved a set of such Regulations, whose provisions have been described in the preceding paragraphs, at the General Meeting of 9 February 2006.

E.7. Please include General Meeting attendance details for the year to which this report relates:

Date of General Meeting of Shareholders	Contact details for assistance			Total
	% personal attendance	% by representation	% absentee votes	
03-03-05	71.29%	3.42%	--	74.71%
22-04-05	97.31%	0.57%	--	97.88%

E.8. Please briefly indicate the resolutions adopted at the General Meetings held in the year to which this report relates, and the percentage of votes with which each resolution was adopted:

Extraordinary General Meeting of 3 March 2005

All proposals submitted by the Board of Directors to the Shareholders' Meeting for approval were unanimously approved:

First Resolution: To appoint César A. Gibernau Ausió new independent external director of the Company for a five-year term, maintaining the office of Secretary to the Board.

Second Resolution: To ratify and approve an extraordinary dividend distribution, charged to the voluntary reserves from undistributed profits, of €2,986,741.50 resolved by the Board of Directors in its meeting of 4 February 2005. The dividend resolved was paid in cash to the Company's lawful shareholders from 15 February 2005, at a rate of €1.50 per share.

Third Resolution: To delegate powers to notarise the resolutions and register them in the Companies' Registry.

Ordinary General Meeting of 22 April 2005

All proposals submitted by the Board of Directors to the Shareholders' Meeting for approval were unanimously approved:

First Resolution: To approve the Company's abbreviated annual accounts for the year ending 31 December 2004. The said annual accounts of the Company show an after-tax profit of €1,106,644.59, and it is resolved that this shall be distributed as follows: €58,236.36 for the legal reserve, and €1,048,408.23 for the voluntary reserve.

Second Resolution: To approve the consolidated annual accounts and Management Report for the year ending 31 December 2004. The said annual accounts show an after-tax profit of €22,395,583.

Third Resolution: In view of the Management Report submitted by the Board of Directors and the consolidated Management Report, to approve without any kind of reservations the management carried out by the management body during 2004.

Fourth Resolution: To ratify and approve the management body's appointment of the firm PriceWaterhouseCoopers Auditores, S.L. as Voluntary Accounts Auditor for the Company for a one-year term to be counted from the beginning of this financial year.

Fifth Resolution: To approve an extension to the firm PriceWaterhouseCoopers Auditores, S.L.'s term as the Group's consolidated accounts auditor for a further one-year term to be counted from the beginning of this financial year.

Sixth Resolution: To fully and unreservedly approve the balance sheet ending 1st January 2005, which is the basis for the capital increase operation charged to reserves agreed below. It is hereby recorded for all relevant purposes that the said balance sheet was audited by the firm PriceWaterhouseCoopers Auditores, S.L. in accordance with a report dated 23 March 2005.

Seventh Resolution: To increase the Company's share capital, which is currently €8,380,642.20, to €21,949,301, i.e. to increase it by €13,568,658.80 by raising the par value of 1,995,391 shares to €11, i.e. by increasing the par value of each share by €6.80 charged to reserves.

Eighth Resolution: To amend Article 5 of the Articles of Association as a result of the above.

Ninth Resolution: To reduce the par value of the Company's shares from the current value of €11 per share to €1 per share, and to simultaneously increase the number of shares from the current 1,995,391 shares to 21,949,301 shares, by dividing the value of each share with a par value of €11 into 11 shares with a par value of €1, without modifying the share capital.

Tenth Resolution: To make a further amendment to Article 5 of the Articles of Association.

Eleventh Resolution: To renumber the 21,949,301 shares comprising the Company's share capital following the agreed change to their par value, so that they are numbered consecutively.

Twelfth Resolution: To delegate powers to notarise the resolutions and register them in the Companies' Registry.

E.9. Please specify, if applicable, the number of shares required to attend General Meetings, and whether the Articles of Association contain any restrictions in this regard.

The 2005 Articles of Association contain no restrictions to the right to attend General Meetings of the Company, and no minimum number of shares is required to attend such Meetings.

Neither do the New Articles of Association approved at the General Meeting of 9 February 2006 envisage any restrictions to the right to attend General Meetings of the Company, or require a minimum number of shares to attend such Meetings.

Under the new Articles of Association, shareholders shall be entitled to attend regardless of the number of shares held, provided the entitlement of the shareholder in question is recorded prior to the Meeting. This shall be proven by means of the corresponding personal attendance card or other document providing evidence of shareholder status in accordance with the law. The said card or document must indicate the number, class and series of the shares held, as well as the number of votes which may be issued by the bearer.

This regulation is completed by the Rules of the General Meeting, which stipulate that shareholders are entitled to attend General Meetings regardless of the number of shares

held, provided the shares in question are registered in their name in the corresponding Register at least five days prior to the date for which the Meeting is scheduled. In addition, in order to attend a General Meeting, a shareholder must obtain the relevant attendance card, the certificate issued by the Spanish Central Securities Deposit (Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores) as may be required in each case, or a document providing evidence of shareholder status in accordance with the law.

E.10. Please indicate and justify the Company's policies regarding the delegation of votes at General Meetings.

Article 22 of Renta Corporación's 2005 Articles of Association governs representation for attending General Meetings of the Company. According to this Article, any shareholder entitled to attend may appoint another shareholder to represent him or her at a Meeting. The power of representation must be granted in writing specifically for each Meeting, in the terms and with the scope provided in the Law on Public Limited Companies (Ley de Sociedades Anónimas). The Article also mentions that the restrictions on representation shall not apply if the representative is the principal's spouse, ancestor or descendant, or if the representative has a general power of attorney granted under a public deed with the power to administer all assets held by the principal within the national territory. Finally it provides for a power of representation to be revoked at any time and for the principal's personal attendance at the Meeting to revoke such representation.

Article 31 of Renta Corporación's New Articles of Association, approved at the Company's General Meeting of 9 February 2006, provides that, without prejudice to shareholding legal entities attending through the person with power to represent them, all shareholders entitled to attend General Meetings may be represented at General Meetings by another person, who must also be a shareholder. The power of representation must be granted in writing or by the means of distance communication determined by the management body, which must duly guarantee the representative's and principal's identities. A specific power of representation must be granted for each Meeting, in the terms and with the scope provided in the Law on Public Limited Companies and the Regulations of the General Meeting.

It also adds that the Chairman, the Secretary of the Shareholders' Meeting or the persons appointed in agreement with him or her shall be deemed to be authorised to determine the validity of the powers of representation granted and whether the requirements for attending the Meeting have been complied with.

Article 12 of the Rules of the General Meeting completes this rule by establishing that representation may be revoked at any time. As a general rule, and provided the certainty of the date can be proved, the last act carried out by the shareholder prior to the Meeting shall be deemed valid. If there is no such certainty, the shareholder's vote shall prevail over the delegation. In any event, personal attendance by the principal at the General Meeting shall revoke the power of representation.

Without prejudice to Article 108 of the Law on Public Limited Companies, the power of representation, which must be specially granted for each Meeting, must be granted in writing. Powers of representation granted by means of distance communication shall only be deemed valid if made:

- (i) By post, by sending the Company the attendance card issued by the entity or entities in charge of keeping the Registry, duly signed and filled in by the shareholder, or by any other written means which, in the opinion of the Board of Directors pursuant to a resolution passed in advance to that end, enables the identities of the shareholder granting representation and the appointed delegate to be duly verified.
- (ii) By a means of electronic distance communication which duly guarantees the power of representation claimed and the principal's identity. A power of representation granted by these means shall be accepted if the electronic document granting it includes the legally acknowledged electronic signature used by the principal, or any other type of signature which is deemed by the Board of Directors, pursuant to a prior resolution passed for that purpose, to provide adequate guarantees of authenticity and identification of the shareholder granting the power of representation.

In order to be valid, a power of representation granted by any of the distance communication means mentioned in this Section 2 must be received by the Company no later than 24 hours before the day immediately preceding the day scheduled for holding the General Meeting on first call. The Board of Directors may establish a shorter period in accordance with the provisions of the Articles of Association.

E.11. Please indicate whether the Company is aware of the institutional investors' policy of taking part or not taking part in the company's decisions.

YES NO

Please describe the Policy

E.12. Please indicate the address of your website and how its corporate governance content can be accessed.

The Company's website address is www.rentacorporacion.com. Since it is not a listed company, Renta Corporación Real Estate, S.A. is under no obligation to make its corporate governance content available on its website. Notwithstanding the above, and in view of the possible listing of its shares, the Company intends to make the said content available to the public on its website. In order to access this, you must click on the "Shareholder and Investor Information" tab, followed by the "Corporate Governance" tab.

F. EXTENT OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Please indicate the extent to which the Company follows existing corporate governance recommendations, or whether it does not follow such recommendations.

If it does not follow one or more of them, please explain which recommendations, rules, practices or criteria are applied by the Company.

Until the single document referred to in ORDER ECO/3722/2003 of 26 December 2003 is ready, the recommendations contained in the Olivencia and Aldama Reports must be used by way of reference, to the extent that they apply to your entity, in order to complete this section.

As at 31 December 2005, Renta Corporación's shares are not admitted to listing. However, the Company has been complying with most of the good corporate governance recommendations for listed companies contained in the Olivencia Code and the Aldama Reports of its own accord.

In view of this, the company's degree of compliance with the corporate governance recommendations is set out below, using the Olivencia Code's recommendations as the basis and Renta Corporación has thus tried to rework the recommendations of both Reports in order to make the information provided regarding compliance therewith as accurate as possible.

Recommendation 1. The Duties of the Board of Directors

"The Board of Directors should expressly assume a general supervision function as the core of its duties, exercise the responsibilities involved without the ability to delegate them, and lay down a formal list of the matters reserved exclusively to its knowledge." (Olivencia Code)

Continues.

Renta Corporación's 2005 Articles of Association already provided that the Board of Directors is responsible for the Company's representation and supreme direction and management of all acts comprised in the corporate object and required by the Law and the Articles of Association.

In addition, in accordance with Article 5 of Renta Corporación's Board Regulations approved on 27 December 2005, the Board of Directors is the Company's highest decision-making body and is responsible for general supervision and for adopting the most important decisions regarding the management of the Company. The Regulations also stipulate that none of the powers reserved by the law or by institutions for direct knowledge by the Board, or any other powers necessary for the responsible exercise of the general supervision function, may be delegated. The above mentioned Article 5 of the Board Regulations also includes a list of the matters reserved to the Board.

Recommendation 2. The Independence of the Board of Directors

"The Board of Directors should include a reasonable number of independent directors, who should be persons of professional prestige unrelated to the executive team and the significant shareholders." (Olivencia Code)

Continues.

Although Renta Corporación was not a listed company as at 31 December 2005, its Board of Directors already included among its eight members two independent directors at that time. In addition, at the General Meeting of Shareholders of 9 February 2006, the Company resolved to appoint Carlos Solchaga Catalán and Juan Gallostra Isern independent external directors of the Company, and to replace César Gibernau-Ausió's position as independent external director with that of another external director. There are therefore currently three independent directors among the Company's ten Board members.

Recommendation 3. Composition of the Board of Directors

"In the composition of the Board of Directors, external directors (directors representing a substantial shareholding and independent directors) should constitute a majority over executive directors, and the proportion of directors representing significant shareholders and independent directors should be established taking into account the existing relationship between the share capital represented by significant shareholdings and the rest". (Olivencia Code)

Continues.

In spite of not being a listed company, as at 31 December 2005, four of the eight members of Renta Corporación's Board of Directors were non-executive directors. In addition, following a proposal of the Appointments and Remuneration Committee, two new independent directors were appointed at the Company's General Meeting of 9 February 2006. The Company's external directors are therefore now a majority over the executive directors.

Article 6 of the Board Regulations already provides that the Board of Directors shall ensure, to the extent possible, that external directors are a majority over executive directors in the composition of the Board.

Recommendation 4. Size of the Board of Directors

"The Board of Directors should adjust its size to achieve a more efficient and participatory operation. An adequate size could in principle be between five and fifteen members". (Olivencia Code)

"The Board of Directors should have a reasonable number of members to ensure its operability and the work of each director, and to have the necessary means for the best and most efficient exercise of its duties, including communication with the managers of the various business and service areas, and assistance from external experts and professionals if applicable." (Aldama Report)

Continues.

As at 31 December 2005, the Company's Board of Directors is comprised of eight members. This is within the number recommended by the Good Corporate Governance rules, and provides for efficient and participatory operation.

According to Article 29 of the New Articles of Association and Article 7 of the Board Regulations, the Board of Directors shall have between three and twelve members.

Recommendation 5. No Concentration of Power

"In the event that the Board of Directors chooses to appoint its Chairman to the position of Chief Executive of the Company, it should adopt the necessary precautionary measures to reduce the risks arising from the concentration of power in a single individual." (Olivencia Code)

Continues.

Although the Chairman of Renta Corporación currently holds the position of Chief Executive of the Company, the Company already has a series of mechanisms in place to limit the risks arising from the concentration of power in a single individual, as indicated in Section B.1.16 of this Report. In particular, persons actively taking part in the ordinary management and most important decisions affecting the Company include, in addition to the Chairman, the other Managing Director, the Vice-Chairwoman and the General Manager.

Recommendation 6. Regulatory Guarantee

"The position of Secretary of the Board should be given greater relevance, reinforcing the Secretary's independence and stability and emphasising his or her function of ensuring that the Board's actions are in accordance with the law in form and in substance." (Olivencia Code)

Continues.

The Secretary of the Board of Renta Corporación enjoys independence in the carrying out of the duties with which he has been entrusted. This is without prejudice to his accountability to the Chairman of the Board. As at 31 December 2005, the Secretary of the Board of Directors of Renta Corporación is also a director of the Company.

Pursuant to Article 10 of the Board Regulations, the Secretary shall ensure that the Board's actions are in accordance with the law in form and in substance, shall verify that such actions comply with the Company's Articles of Association and with the provisions issued by the regulatory bodies, and shall ensure that the Company's corporate governance criteria and the Board Regulations are adhered to.

Recommendation 7. Composition of the Executive Committee

"The composition of the Executive Committee, if there is one, should reflect the same balance as the Board of Directors with regard to the different types of director, and the relationship between the two bodies should be based on the principle of transparency, so that the Board has full knowledge of the matters dealt with and decisions adopted by the Committee." (Olivencia Code)

"The Board of Directors shall determine the composition of this committee, with the recommendation that, if the Executive Committee assumes the powers of the Board either fully or to a significant extent, its composition regarding the different types of director should be similar to that of the Board itself." (Aldama Report)

This is not applicable, since Renta Corporación does not have an Executive Committee.

Recommendation 8. The Committees of the Board of Directors

"The Board of Directors should create delegate committees for control from among its members. These should be comprised exclusively of external directors and relate to matters relating to accounting control and information (Audit), selection of directors and senior executives (Appointments), determination and review of the remuneration policy (Remuneration), and assessment of the corporate governance system (Compliance)." (Olivencia Code)

Continues.

Although, as an unlisted company, Renta Corporación is currently not obliged to create an Audit Committee, the Company created an Audit Committee and an Appointments and Remuneration Committee in December 2004. Their composition, duties and operation are governed by Articles 13 and 14 of the Board Regulations respectively.

Recommendation 9. Directors' Information

"The necessary measures should be adopted to ensure that directors have sufficient information, specially drafted and aimed at preparing the sessions of the Board, sufficiently in advance. No information, regardless of its importance or reserved nature, may be exempted from this requirement save for in exceptional circumstances." (Olivencia Code)

Continues.

Although Renta Corporación's 2005 Articles of Association do not regulate the provision of information to directors, Article 15 of the Board Regulations stipulates that Board meetings shall be called at least three days in advance, shall always include the agenda for the meeting, and shall attach all relevant information, duly summarised and prepared.

Recommendation 10. Frequency of Board Meetings

“The proper operation of the Board requires meetings to be held with the frequency necessary for the performance of its duties; the Chairman must encourage the participation and free opinion of all directors; the minutes must be drafted with special care, and the quality and efficiency of the Board’s work should be evaluated at least once a year.” (Olivencia Code)

Continues.

In 2005, the Board of Directors of Renta Corporación met sufficiently frequently to enable it to comply with the duties entrusted to it. In addition, the Chairman encourages and seeks to ensure the participation of all directors in deliberations, with the attendance of senior executives where applicable, if the Chairman deems this to be necessary or convenient for reporting on specific matters.

Under Article 15 of the Board Regulations, the Board shall ordinarily meet at least six times a year, and on the Chairman’s initiative as often as deemed appropriate by the Chairman for the good operation of the Company. The Board of Directors must also meet whenever requested by at least two of its members. In such a case, a meeting shall be called by the Chairman to be held within fifteen days immediately following the request.

The Article also provides that the Chairman of the Board may call extraordinary Board meetings whenever he or she deems this to be justified by the prevailing circumstances. The Chairman shall organise the debate, encouraging and seeking to ensure that all directors participate in the deliberations. One of the Secretary’s duties is to assist the Chairman in his or her work and to provide for the proper operation of the Board, with special emphasis on providing directors with all necessary advice and information, keeping the company’s documents, duly reflecting the course of meetings in the minute books, and certifying any resolutions passed by the Board.

Finally, the Board of Directors has implemented the practice of drafting an annual schedule of its ordinary meetings.

Recommendation 11. Appointments Policy

“The intervention of the Board of Directors in the selection and re-election of its members should follow a formal and transparent procedure, based on a reasoned proposal from the Appointments Committee.” (Olivencia Code)

Continues.

Although Renta Corporación’s 2005 Articles of Association do not lay down the procedure to be followed for selecting and re-electing Board members, Article 17 of the Board Regulations stipulates that directors shall be appointed by the Shareholders’ Meeting or the Board of Directors, following a report of the Appointments and Remuneration Committee, in accordance with the provisions of the Law on Public Limited Companies.

Recommendation 12. Irremovability of external directors

“After the External Independent Directors or Directors Representing Substantial Shareholders have been elected by the Shareholders’ Meeting, the Board of Directors should not propose their removal before the end of the term for which they were appointed under the Articles of Association, save for on exceptional justified grounds approved by the Board of Directors following a report of the Appointments and Remuneration Committee.” (Aldama Report)

Continues.

It must be noted that the removal of the two independent Directors currently forming part of Renta Corporación's Board of Directors has not been proposed since their appointment.

In accordance with the Board Regulations, Directors shall hold office for a maximum term of six years, after which they may be re-elected for equal or shorter terms, and shall be removed from office either on expiry of the term for which they were appointed or when so decided by the Shareholders' Meeting pursuant to the powers conferred on it by the law or the Articles of Association. In addition, Directors must tender their resignation to the Board of Directors and, if applicable, resign if deemed fit by the Board following a serious reprimand by the latter for breach of their obligations as Directors and following a report of the Audit Committee.

Recommendation 13. Resignation of Directors

"Companies' regulations should include an obligation on directors to resign in those cases in which the operation of the Board or the Company's credit and reputation may be detrimentally affected". (Olivencia Code)

Continues.

Although Renta Corporación's 2005 Articles of Association make no provision in this regard, Article 21 of the Board Regulations envisages cases in which the Directors of Renta Corporación must tender their resignation to the Board and accept any decision made by it regarding their continuity in office.

Recommendation 14. Age of Directors

"An age limit should be established for the office of Director. This could be between sixty-five and seventy for executive directors and the Chairman, and a more flexible option for other Board members." (Olivencia Code)

"Companies which adopt an age limit policy for directors must set it out clearly within their internal regulations." (Aldama Report)

Does not continue.

It has not been deemed necessary to establish any age limit for the office of director, since the average ages of the Chairman and the Company's other executive directors are particularly low.

Recommendation 15. Adequate Information and Advice

"The right of all directors to request and obtain the information and advice necessary to perform their supervisory duties should be formally recognised, and the suitable channels for exercising that right, including access to external experts under special circumstances, should be established." (Olivencia Code)

Continues.

Although Renta Corporación's 2005 Articles of Association do not provide for the possibility of any director of the Company requesting external advice, Article 24 of the Board Regulations stipulates that, in order to assist them in the exercise of their duties, external directors may request that legal, accounting, financial or other expert advisors be contracted at the Company's expense. The assignment must necessarily relate to specific problems of certain significance and complexity arising in the performance of their position.

In addition, Article 13 of the Regulations provides that the Audit Committee may obtain advice from external experts whenever it deems necessary for the proper performance of its duties.

Recommendation 16. Remuneration of Directors

"The remuneration policy for directors, which should be proposed, assessed and reviewed by the Remuneration Committee, should comply with criteria of moderation, connection with the Company's profits, and detailed, individual information." (Olivencia Code)

Continues.

To date, the remuneration of Renta Corporación's Board Members has adhered to moderation criteria in accordance with market requirements.

The 2005 Articles of Association do not set any minimum or maximum limits to the directors' remuneration, in the form of either amounts or percentages. They only specify that the amount to be distributed each year among the directors shall be determined by the General Shareholders' Meeting, and that the amount to be received by each director shall be decided by the Board, which may scale the amount to be received by each of them on the basis of whether or not they belong to bodies authorised by the Board of Directors, the offices held therein and, generally, their dedication to managing or serving the Company.

Pursuant to the New Articles of Association and Article 25 of the Board Regulations, the members of the Board of Directors shall receive a fixed amount each year, which shall be determined by the Shareholders' Meeting and which must be between a minimum of zero point five percent (0.5%) and a maximum of five percent (5%) of the Company's net profit in the immediately preceding year. Unless amended by the Shareholders' Meeting, the above amount established by it shall increase annually on the basis of the Consumer Price Index. It is also provided that the Board is to set the specific amount to be received each year by each of its members.

Recommendation 17. Loyalty of Directors

"The company's internal regulations should describe in detail the obligations arising from directors' general duties of diligence and loyalty, and should particularly contemplate situations of conflict of interest, the duty of confidentiality, the exploitation of business opportunities and the use of company assets." (Olivencia Code)

Continues.

According to Article 34 of Renta Corporación's 2005 Articles of Association, Board members must exercise their functions with the diligence of a prudent businessman and faithful agent, and must maintain all confidential information secret, even after ceasing to hold office.

In accordance with Article 26 of the Board Regulations, any member of Renta Corporación's Board of Directors is obliged, in the exercise of his or her functions, to:

- a) Adequately enquire about, and prepare for, Board meetings and any delegated bodies to which he or she may belong;
- b) Attend Board Meetings and actively participate in deliberations, so that his or her opinion is effectively taken into account for making decisions.
- c) Provide his or her strategic vision, concepts, criteria and innovative measures for the optimum development and evolution of the Company's business.
- d) Carry out any specific assignment entrusted to him or her by the Board of Directors and reasonably included within his or her pledge of dedication.
- e) Investigate any irregularity in the Company's management which may have come to his or her attention, and monitor any risk situation.

- f) Urge those persons with the ability to call meetings to call an extraordinary Board Meeting or include any items he or she deems fit in the agenda for the next scheduled meeting.

In addition to the above general obligations, Renta Corporación's Board Regulations impose on directors: (i) a duty of confidentiality, applicable even after ceasing to hold office, with the obligation to maintain the secrecy of all information, data, reports or background information of which they have become aware as a result of the exercise of their functions. Such information may not be disclosed to third parties or disseminated if it may have a detrimental effect on the company's interests. This does not apply to certain exceptions specified by the legislation; (ii) a non-competition obligation; and (iii) duties of information. The Board Regulations also regulate, throughout their Articles, the conflicts of interest which must be disclosed by Directors, the use of company assets by Directors of the Company, the application of codes of conduct regarding the treatment of non-public information, business opportunities, indirect operations and transactions with significant shareholders.

In particular, with regard to conflicts of interest, Article 29 of the Regulations details the various situations which may give rise to such a conflict with the Company.

Recommendation 18. Extension of the Loyalty Obligations to Significant Shareholders and Senior Management

"The Board of Directors should encourage the adoption of appropriate measures to extend loyalty obligations to significant shareholders, particularly by establishing precautionary measures for transactions entered into between such shareholders and the company." (Olivencia Code)

Continues.

Although the 2005 Articles of Association contain no provisions regarding the loyalty obligations of significant shareholders of Renta Corporación, operations with significant shareholders of the Company are governed by Article 35 of the Board Regulations, which stipulates that the Board of Directors formally reserves information regarding any relevant transaction between the Company and a significant shareholder. In addition, before authorising the Company to carry out transactions of that nature, the Board shall assess the operation from the points of view of equal treatment of shareholders and market conditions.

Recommendation 19. General Meeting of Shareholders

"The Company should, in connection with the holding of a General Meeting of Shareholders, and from the moment of the call, provide the full contents of all proposals for resolutions to be submitted to the General Meeting on the Company website. This is regardless of any other procedure available to the Company either voluntarily or pursuant to legal requirements." (Aldama Report)

Continues.

Shareholders' right to information is governed by Article 23 of the 2005 Articles of Association, which stipulates that shareholders may request in writing prior to the Meeting, or verbally during the Meeting, any reports or clarification they deem fit regarding the matters included in the Agenda, and that the Board of Directors is obliged to furnish them unless, in the Chairman's opinion, disclosing the requested information would be detrimental to the company's interests. This exception shall not apply to requests supported by shareholders representing at least 25% of the share capital.

Furthermore, Article 36 of the Board Regulations provides that the Board of Directors shall promote informed shareholder participation in General Meetings and shall adopt all ap-

appropriate measures to contribute to the Shareholders' Meeting's effective exercise of the duties pertaining to it in accordance with the Law and the Articles of Association.

In particular, the Board of Directors shall adopt the following measures:

- a) It shall endeavour to make all legally required information, as well as all other information which may be of interest and may be reasonably supplied, available to shareholders prior to the General Meeting.
- b) It shall attend all requests for information made by shareholders before the General Meeting with the utmost diligence.
- c) It shall attend all questions asked by shareholders in connection with the holding of the Meeting with the same degree of diligence.

Recommendation 20. Rules of the General Meeting and Board Regulations

"All Companies should have a set of Corporate Governance rules or criteria, including at least the Regulations of the General Meeting of Shareholders and the Board Regulations."
(Aldama Report)

Continues.

On 27 December 2005, the Board of Directors approved the Board Regulations, which lay down the basic rules governing the Board of Directors' structure and operation and the code of conduct to be followed by its members.

On that same date, the Board also approved the Rules of the General Meeting, whose entry into force was made subject to the condition precedent of the Company's shares being admitted to listing.

Recommendation 21. Transparency of Information

"Measures aimed at making the vote delegation mechanism more transparent and boosting communication between the company and its shareholders, particularly institutional investors, should be adopted." (Olivencia Code)

Continues.

In its capacity as a bridge between the ownership and the management, the Board of Directors has created appropriate channels to obtain knowledge of any proposals which may be made by shareholders in relation to the management of Renta Corporación.

It is also provided that the Board, through some of its directors and with the collaboration of any members of senior management it deems fit, may organise information meetings regarding the progress of the Company and its Corporate Group for shareholders residing in the most important financial markets in Spain and other countries.

On the other hand, it is also provided that public requests for vote delegations made by the Board of Directors or any of its members must indicate which way the representative will vote in the event that no instructions are given by the shareholder.

Recommendation 22. Transparency with the Markets

"The Board of Directors should assume responsibility for furnishing the markets with prompt, accurate and reliable information beyond the requirements imposed by the current legislation, particularly with reference to the shareholding structure, substantial amendments to the rules of governance, related transactions of particular significance and treasury shares." (Olivencia Code)

Continues.

In accordance with Article 38 of the Board Regulations, and subject to confirmation of the shares' admission to listing on the Stock Exchange, the Company shall immediately inform the public, by means of the communication of relevant facts to the Spanish Securities and Investment Board and through the corporate website, of all relevant information in accordance with the provisions of the Securities Market Law and its developing legislation.

Recommendation 23. Information regarding Corporate Governance

"The information obligations regarding each company's governance practices and structures should be extended, and measures should generally be adopted to ensure better quality of information, restated in a single text published for the general knowledge of shareholders and investors." (Aldama Report)

Continues.

This Corporate Governance Report provides evidence of Renta Corporación's compliance with the majority of recommendations included in the Code for Good Corporate Governance drafted by the Special Committee for the Encouragement of Transparency and Security in Markets and Listed Companies (Comisión Especial para el Fomento de la Transparencia y Seguridad en los Mercados y en las Sociedades Cotizadas) in relation to the publicity and assessment of the rules of Corporate Governance.

Recommendation 24. Periodic Financial Information

"All periodic financial information offered to the markets in addition to the annual financial information should be prepared in accordance with the same professional principles and practices as the annual accounts, and should be checked by the Audit Committee prior to its dissemination." (Olivencia Code)

Continued.

The Board Regulations stipulate that the Board of Directors must adopt all necessary measures to ensure that the semi-annual, quarterly and any other financial information which caution requires to be made available to the markets is drafted in accordance with the same professional practices, principles and criteria with which the annual accounts are prepared, and that it must be as reliable as them.

The Board of Directors, for its part, has an Audit Committee to both supervise the financial statements and exercise a monitoring function. One of its functions is to be familiar with the financial information process and the Company's internal control systems, to verify that they are adequate and complete, and to review the periodic financial information to be provided by the Board to the markets and its supervisory bodies.

Recommendation 25. Information on the Internet

“To have a website through which shareholders, investors and the market in general can be provided with financial information and any other significant information relating to the Company, such as helping shareholders exercise their right to information and any other corporate rights which may apply.” (Aldama Report)

Does not continue.

Since, as at 31 December 2005 the Company’s shares have not been admitted to listing, the 2005 Articles of Association do not provide for any measures relating to the disclosure of information to securities markets. In any event, Article 38 of the Board Regulations, which governs relationships with the markets, stipulates that, in the event that the Company eventually completes the Stock Exchange listing process, the Board of Directors shall immediately inform the public, by means of the communication of relevant facts to the Spanish Securities and Investment Board (Comisión Nacional del Mercado de Valores) and through the corporate website, of all relevant information in accordance with the Securities Market Law and its developing legislation.

It also stipulates that the Board of Directors shall adopt all necessary measures to ensure that the semi-annual, quarterly and any other financial information which caution requires to be made available to the markets is drafted in accordance with the same professional practices, principles and criteria with which the annual accounts are prepared, and that it will be as reliable as them. In accordance with that Article, it shall also include information regarding the Company’s governance rules and the degree to which they are complied with in its annual public documentation.

In this regard, in the event that Renta Corporación’s shares are eventually admitted to listing on the Stock Exchange, the most significant facts relating to the Company and all relevant information (with a potential impact on Stock Exchange listing) released by it will be notified to the Spanish Securities and Investment Board first as a relevant fact. Once the information has been sent to the Spanish Securities and Investment Board through the appropriate channel, it will be transmitted to the main media, information agencies and analysts, and published on Renta Corporación’s website (www.rentacorporacion.com). All information disclosed to the media, agencies, analysts and investors will thus be disseminated at the same time. Renta Corporación has already taken the first steps towards making all the above mentioned documentation available as soon as the Company’s shares are admitted to listing.

Recommendation 26. The Independence of the External Auditor

“The Board of Directors and the Audit Committee should monitor all situations which may jeopardise the independence of the external company auditors, and should specifically verify the percentage represented by the fees paid under all items in relation to the total amount paid to the audit firm. In addition, all fees relating to professional services other than audit services should be made public.” (Olivencia Code)

Continues.

Pursuant to Article 13 of the Board Regulations, the Audit Committee is the body in charge of ensuring the external auditors’ independence. Section B.1.28 of this Report contains a reference to the mechanisms established by the company to preserve the external auditor’s independence.

Recommendation 27. Regarding Reservations in the Audit Report

“The Board of Directors should seek to ensure that the annual accounts drafted by it are submitted to the Shareholders’ Meeting without any reservations or qualifications in the au-

dit report and, whenever this is not possible, both the Board and the auditors should clearly explain the nature and scope of any discrepancies to the shareholders and the markets.”
(Olivencia Code)

Continues.

Article 39 of the Board Regulations stipulates that the Board of Directors shall seek to prepare a final version of the accounts such that no reservations are made by the auditor. However, if the Board of Directors considers that it must maintain its decision, it shall publicly explain the nature and extent of the discrepancy. Section B.1.25 contains a more detailed explanation of the mechanisms for preventing accounts from being submitted with reservations in the audit report.

Recommendation 28. Continuity

“The Board of Directors should include in its annual public report information regarding its rules of governance, including the reasoning behind any rules which do not conform to the recommendations contained in this Code.” (Olivencia Code)]

Continues.

Since Renta Corporación is not a listed company, it is under no obligation to prepare an annual Corporate Governance Report. Notwithstanding the above, Renta Corporación has decided to draft this Report as an indication of its high degree of compliance with the recommendations for good corporate governance, including information on which rules it complies with and providing an explanation regarding those recommendations it does not follow.

In addition, under Article 38 of the Company’s Board Regulations, the Board of Directors shall include in its annual public documentation information regarding the company’s rules of governance and the extent of its compliance therewith.

G. OTHER INFORMATION OF INTEREST

If you believe there are any relevant aspects or principles relating to the corporate governance practices applied by your company which have not been covered in this Report, please indicate this below and explain the nature of such aspects or principles.

This section may include any information, clarification or detail relating to the preceding sections of this report, to the extent that it is relevant and not a repetition.

Specifically, please indicate whether the company is subject to any corporate governance legislation other than the Spanish legislation and, if so, include any information requested in this report which it is under an obligation to supply.

Not applicable.

This annual corporate governance report was approved by the Company's Board of Directors or Management Body at a meeting held on 13 February 2006.

Please provide details of any directors or members of the Management Body who voted against or who abstained in relation to the approval of this report.

All directors voted in favour of approving this report.

