

22 February 2007

Renta Corporación reaches a Net Profit of €47.5 million, exceeding its forecasts

- Strong growth in profits, revenues and investments.
- Net Profit was up by 46%.
- €600 million in revenue.
- Strong profit visibility for the next few years: €1,100 million in inventory and investment rights.
- Internationally, investment in acquired assets doubled compared with 2005.
- Profit per share was up 28%.

For the company, these results compare the significant growth record based on the success of its highly specific business model, as well as proving, following its flotation, the recognition of the market and the strength of its business venture not only in Spain but also internationally.

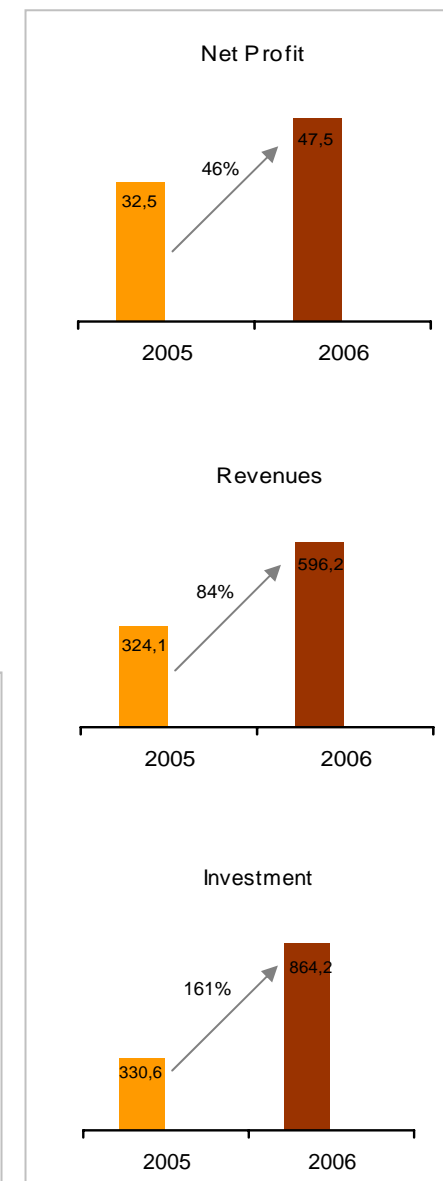
Salient Points

Renta Corporación sets a new record, exceeding even its own revised forecasts:

- Net Profit was up 46% on 2005.
- Net Profit was 8% higher than forecast at the time of flotation.

Outlook for the business:

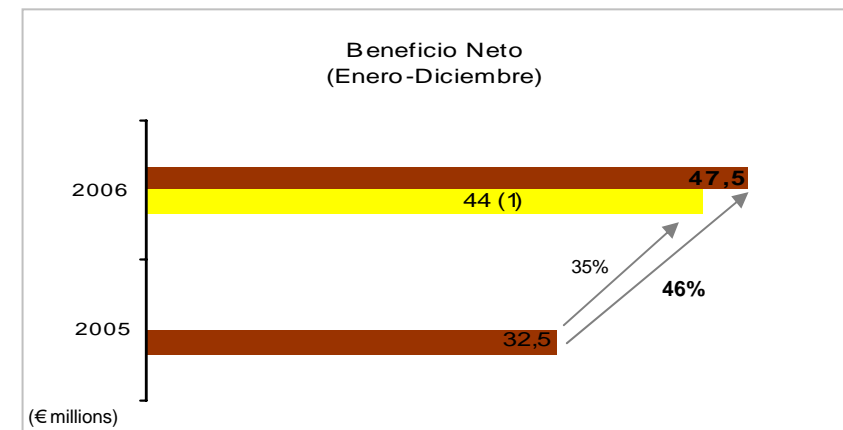
- Renta Corporación, focused on growth and profit-centred, expects to exceed Net Profit of €75 million in 2008.
- The Company has set itself a goal of 30% annual net profit growth for the next few years.
- A normalised annual investment volume of €750 million has been established.



Renta Corporación exceeds profit forecasts

- Significant increase in Net Profit, which reached €47.5 million:** In 2006, Renta Corporación reached a new Net Profit milestone with €47.5 million, compared with €32.5 million in 2005. This figure represents a **46% increase** over the previous year.
- 28% increase in profit per share:** As a result of the Net Profit figure, profit per share was up by €0.42 at year end, at **€1.90 per share**, as compared with €1.48 per share in 2005. This **increase is particularly significant** in view of the increase in the number of shares – from 21,949,301 to 25,029,301 (post *green-shoe*).
- Revenue milestone:** The company's revenue came to **€596.2 million**, up from the €324.1 million obtained in the same period of 2005 (+ €272.1 million, an increase of 84%).
- Profit within the target range:** Margin on cost of sales was **26%**, within the target range set by Renta Corporación. In addition, asset turnover remains **within the 12-month limit** set by the company.
- High investment rate, consistent with the strategic plan:** During 2006, and in accordance with its strategic growth plan, the company made a remarkable investment effort, with a figure of **€364.2 million** (+€533.6 million), **almost three times the figure recorded in FY2005** (€330.6 million).
- EBITDA was €77.4 million** (+€23.4 million), **an increase of 43%** on FY2005.

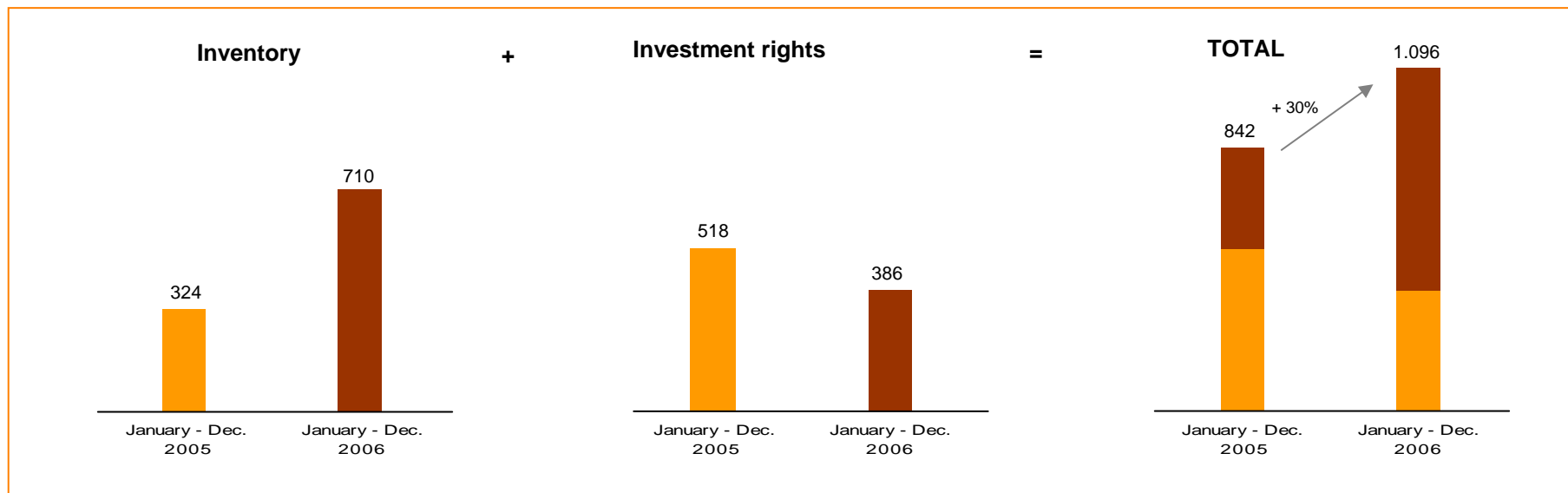
Figures in €millions	January-December		% incr.
	2006	2005	
Consolidated Profit and Loss Summary			
Total revenues	596.2	324.1	84%
EBITDA	77.4	54.0	43%
Net Profit	47.5	32.5	46%
Figures in €millions			Var.
	2006	2005	
Consolidated Balance Sheet			
Total Assets	889.3	394.3	495.0
Net Equity	203.9	85.0	118.9
Financial debt	507.3	216.1	291.2



(1) 2006 Forecasts at Flotation

Inventory and investment rights reached €1,100 million.

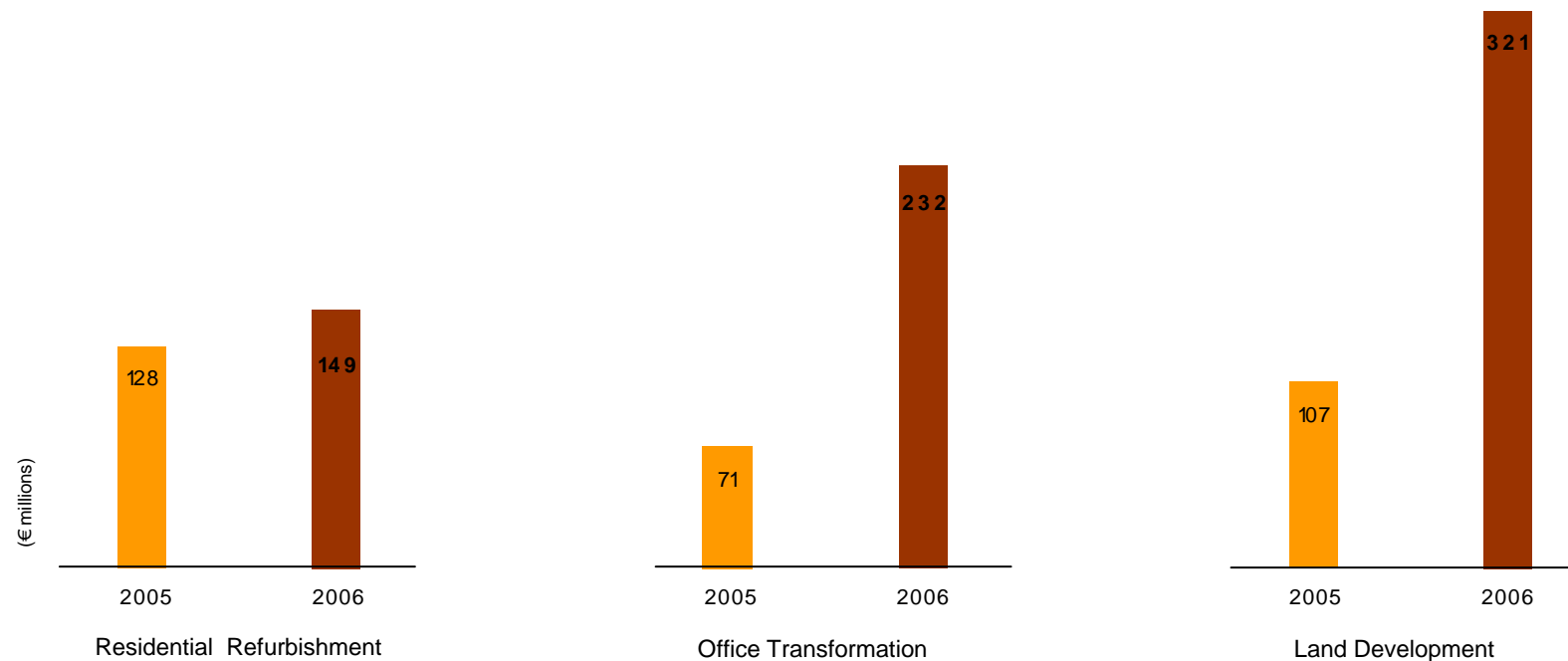
- One of the most relevant figures in Renta Corporación's business, based on its high asset turnover, is its **inventory level and investment rights (pipeline)**, since these raise the company's future profit-generating profile for subsequent periods (2007-2009). In this regard, it is worth noting that, at the end of 2006, inventories and investment rights as a whole reached **€1,096 million, up by 30% from 2005**.
 - At the end of **2005**, this figure (inventories + investment rights) stood at **€842 million**.
 - The high quality of inventory and investment rights support the forecasts of the Strategic Plan, which expects to general **net profits exceeding 75 million euros by 2008**
- Distribution of the €1,096 million in inventory and investment rights
 - **€110 million** of inventory, with a significant increase in the position of Madrid, which accounts for 31% of the total, in contrast to the 2005 figure of just 8%.
 - **€86 million in investment rights** held by the company on property assets; mostly consisting of short term rights which give rise to medium term results.



(figures in €millions)

Inventory by business unit

- At €149 million (up by €1 million from 2005), the Residential Refurbishment unit accounts for 21% of the company's inventory. This is a high turnover business, which means its inventory level will be lower than its overall sales contribution.
- A third of the inventory, 33%, relates to the Office Transformation unit, with a volume of €232 million (up €161 million on 2005). This reflects a greater focus on operations in this market segment, as Renta Corporación adapts to market demand.
- Land Transformation reached a total of €321 million in investment (up €214 million on the previous year), accounting for 46% of the total. This increase supports the forecast strong growth to overall sales from this business.

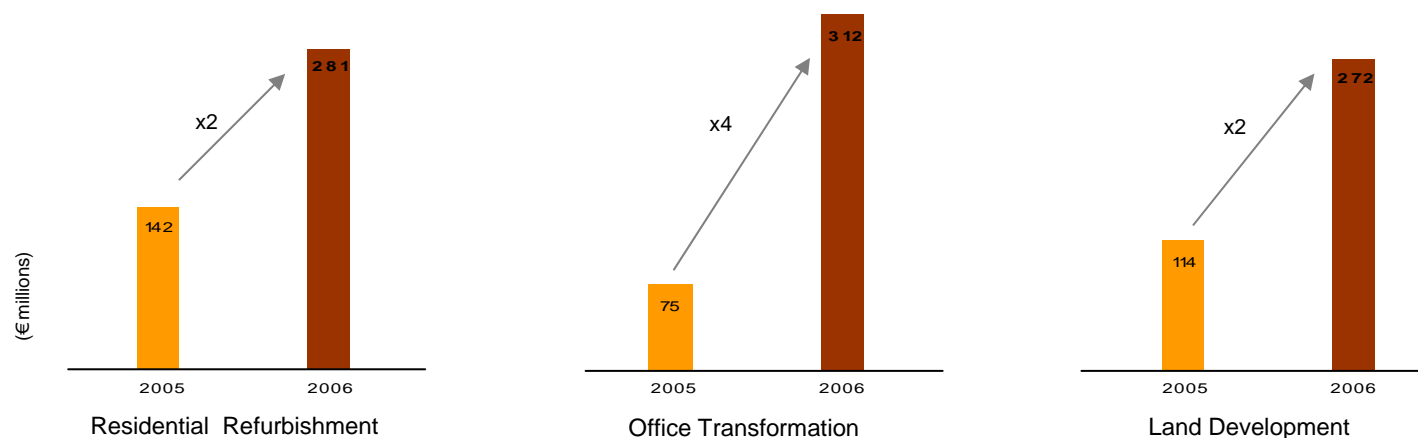


Renta Corporación triples its investment rate

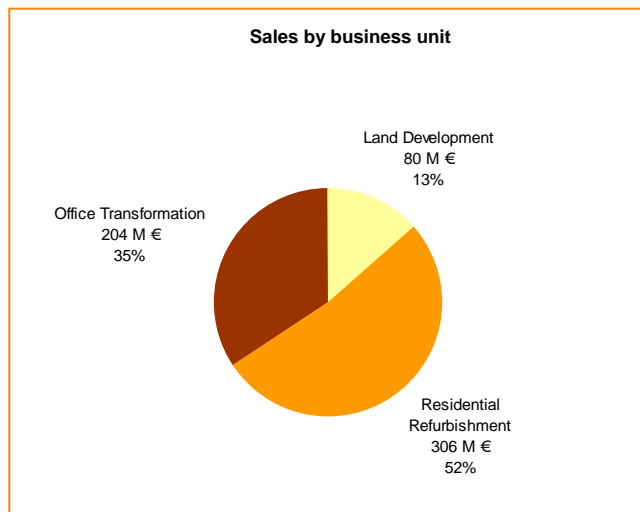
- The 2006 investment rate was almost three times as high as the 2005 figure, reaching €64 million (up by €34 million in 2005).
 - Of the total investment figure, €769 million is from acquisitions, 80% in Spain and the remaining 20% in the international market.
 - **International investment from acquisitions doubled:** Renta Corporación's greater presence in the international market, where it invested €155 million in 2006 (as compared with €79 million in 2005) is particularly noteworthy.
 - **Increase in large scale operations:** Significant increase in medium and large scale operations, with 15 in 2006 worth more than 20 million euros, four of which exceed 50 million euros. The corresponding 2005 figures were 7 and zero, respectively. Medium scale operations increased too, going from 13 to 17 million euros. Renta Corporación carried out a total of 46 operations in 2006.

Investment by business unit

- In 2006, Residential Refurbishment investments amounted to €281 million (32% of the total), doubling the 2005 investment figure (€142 million) in this area.
- Investment in Office Transformation was €312 million (making up 37% of the total), up from the previous year's €75 million.
- 272 million euros were invested in Land Development, making up 31% of the total. This figure is more than twice that of the 2005 investment rate (114 million euros).



Revenue stood at €596.2 million, almost twice the 2005 figure.



- Revenue increased by €272.1 million to €596.2 million, €590 million of which was due to sales. All business units doubled their 2005 figures.

Revenue by business unit:

- In total sales, the Residential Refurbishment accounted for half the business (52%), generating €306 million in sales as compared with the 2005 figure of €171 million.
- 35%, or a third of its sales revenue, came from the Office Transformation unit, which brought in €204 million (compared with €103 million in 2005).
- Land Development accounted for 13% of sales revenue, with a volume of €80 million (€47 million in 2005).

Sales by market:

- In 2006, Barcelona and Paris accounted for around 86% of all sales.
- Madrid had 7% of total sales in 2006, but accumulated 31% of the company's inventory for subsequent years.
- Paris consolidated its position as a key international market. The company multiplied its sales there by a factor of eight to €181 million.
- Berlin joined Renta Corporación's international activities and accounted for 5% of international sales (€10 million) in its first year of operation.
- The €212 million generated by the three international markets (Paris, London and Berlin) accounted for 36% of total sales.

