

IGNACIO J. LOPEZ DEL HIERRO, NEW BOARD MEMBER AT RENTA CORPORACION

- *At yesterday's board meeting the Board of Directors at Renta Corporación approved the proposal put forward by the Appointments and Remuneration Committee to appoint Ignacio J. López del Hierro as an independent board member. His wide experience and recognised abilities within the sector will make him an asset to the company. This appointment brings to four the number of independent board members at Renta Corporación, in line with the recommendations of the Spanish Stock Market Advisory Body (CNMV).*
- *Although the economic situation has yet to indicate a clear way forward, it is important to highlight the generation of positive margin, in real terms, in the sales that have been completed in 2010. These recent operations have proved that the company is capable of achieving a profit margin in the region of 16%.*
- *The results of Renta Corporación year-on-year have seen an increase of 7.1 million euros, with a net negative figure of 11.2 millions as opposed to the –18.3 million reported for the same period last year.*
- *Over the period from January-September of this year, income reached 38.8 million euros. Of this, 37 million euros came from sales and the remaining 1.8 million mainly from rents. The type of client and what they buy, end-users and investors buying individual flats rather than whole buildings, still seem to indicate the tactics for investors' risk avoidance, with a high number of smaller volume, more diversified transactions especially in city-centre locations.*
- *With the aim of sustaining the company's position and visibility in the medium term, Renta Corporación has continued to focus on new operations, maintaining a dynamic rhythm. In this respect the period from January-September has seen 27 new operations, which were centred primarily in the Spanish residential market.*
- *As a final point, the tight control over the groups structural expenses has been maintained throughout 2010. Overheads have been reduced by 26% (a drop from 4.3 million euros from January to October of 2009 to 3.2 million euros for the same period this year) while personnel costs have dropped by 21%, following a salary reduction policy that was agreed with the staff at the time.*

Barcelona, 28 October 2010 – The European economy still shows no clear signs of recovery, casting a shadow over the property market. As a consequence, the continuing credit squeeze and lack of consumer confidence has affected liquidity and the number of transactions. From within this panorama Renta Corporación has still managed to demonstrate the success of its business plan and its ability to generate positive margin. Achieving this margin has only been possible thanks to a combination of different factors: exclusive focus on high turnover products (smaller, city-centre residential units), a tight grip on overheads and staff costs without compromising quality, a heightened ability to identify opportunity in high turnover, profitable sales and an efficient use of available resources. All this has allowed the company once again to generate positive profit margins. "Of course the

results do not reach our optimal expectations, but we must remember that the company is closing deals with a positive margin profit” states the CEO for Renta Corporación, Juan Velayos.

For more information:

www.rentacorporacion.com

Teresa Lloret. Tel. (34) 600 501 732.

comunicacion@rentacorporacion.com
