

Renta Corporación expects to double its annual net profit in the next four years in order to reach 20 million euros

- The company earns 4.5 million euros in the first half
- Renta Corporación considers that the Spanish property market will continue offering business opportunities during the next 5-6 years
- Its share price reached 1.74 euros the first semester, which means a 50% increase relative to year-end 2014

Barcelona, July 23th 2015. Renta Corporación has approved a new strategic plan for the years 2016-2020, based on a future strategy aimed at consolidating its market position and strengthen its growth. The board of the company considered the current viability plan to be outpaced by the present reality of the market and the evolution of the company, and it plans to double its annual net profit in the next four years, up to 20 million euros.

Renta Corporación expects the recovery of the Spanish economy to continue, and specifically in the real-estate market, in which the company believes there will be good business opportunities during the next 5-6 years.

The new strategic plan projects a growth in the operating margin as a result of the increase both in the number of transactions and on their size. Furthermore, the new strategy will encourage asset management with third parties and especially with real estate investment funds, in line with the alliance Rent Corporation and Kennedy Wilson signed in December 2014, through which three transactions have already been arranged.

4.5 million profit

Renta Corporación ended the first half of 2015 with a net profit of 4.5 million euros compared to 8.5 million in the same period last year, which included special items amounting to 6.9 million. The company has closed future sales 34 million euros worth, and investment rights on a future business portfolio equivalent to 250 million euros.

During the first six months of the year, Renta Corporación has closed operations among which are the awarding of the properties located in Urgell 60, in Barcelona, and Puerta del Sol 9, Madrid, and the purchase of a building in Postigo de San Martin. These two last operations were carried together with Kennedy Wilson investment fund, within the framework of the partnership signed in late 2014, by which the two partners agreed to invest in the purchase and conversion of residential buildings in Madrid and Barcelona, for a value above 10 million euros.

The improvement in the real estate market activity along with the favourable evolution of the company are reflected in the behavior of the share of Renta Corporación. The shares have closed the first half of the year with a value of 1.74 euros per share, 50% above the 1.16 euros which ended the year 2014. This positive trend has continued in subsequent weeks, so that to yesterday's close, shares of the company stood at 1.76 euros per share.

About Renta Corporación

Renta Corporación is a listed real estate company with a differentiated business model based on creating value through the acquisition of real estate assets to transform and adapt them to the market needs, and then resale them to third parties. Renta Corporation focuses its business on the Madrid and Barcelona markets, the two most liquid and busiest locations in Spain.

More information

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