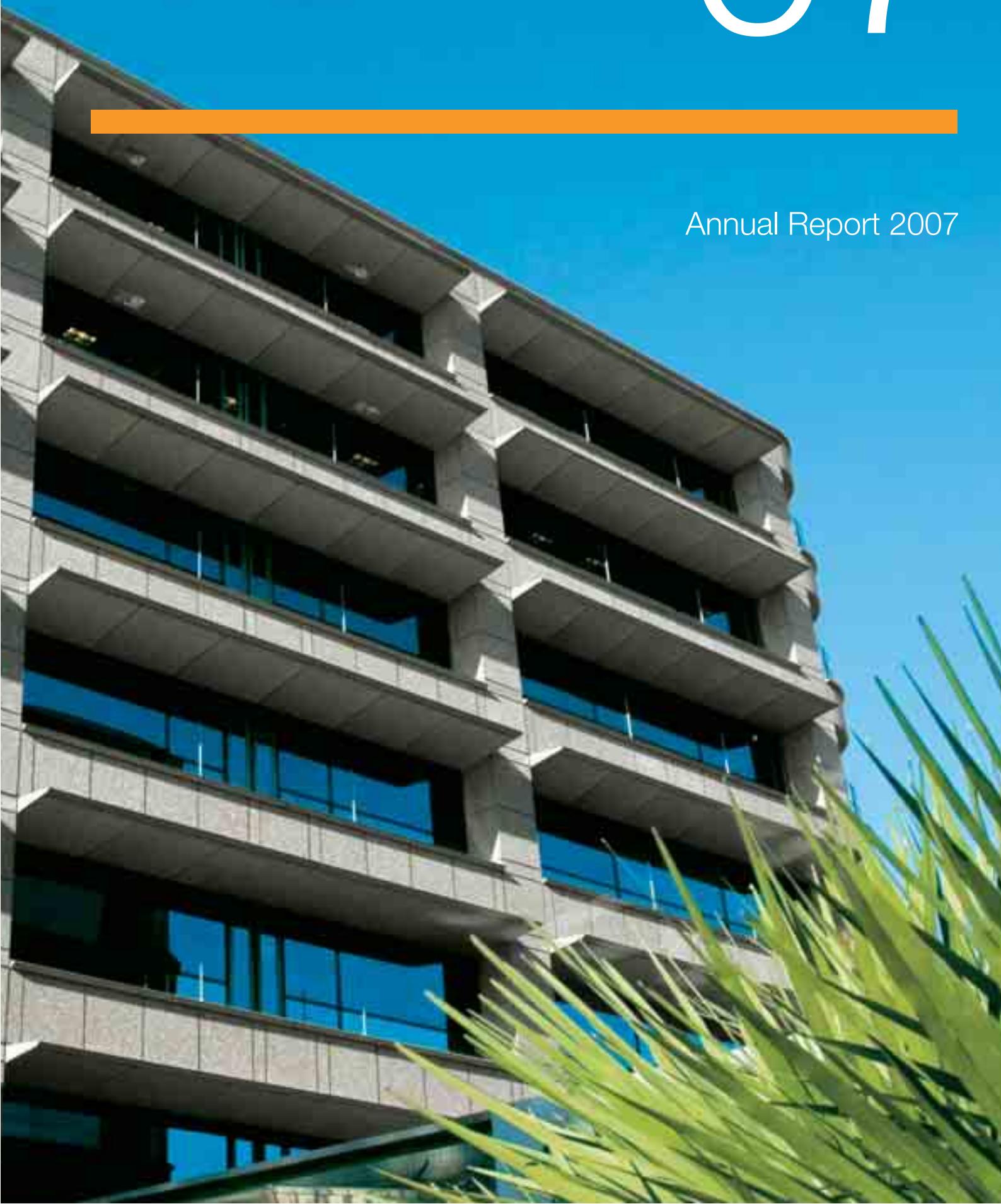


07

Annual Report 2007



Significant Charts

Relevant charts of Renta Corporación evolution
(€ million)

2007

Investment
570

Revenues
545

Gross sales
margin
96

EBITDA
57

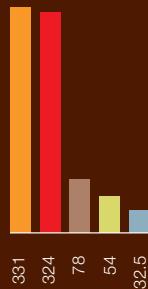
Net Profit
35.4



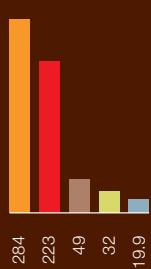
2006



2005



2004



Salient figures

Salient financial and operating figures
(€ thousand)

| Statement of Income | 2004 | 2005 | 2006 | 2007 |
|--|--------------------|-------------|--------------------|------------------|
| Sales | 218,513 | 320,843 | 590,035 | 529,107 |
| Other revenues | 4,239 | 3,258 | 6,172 | 15,765 |
| Total revenues | 222,752 | 324,101 | 596,207 | 544,872 |
| Gross sales margin ⁽¹⁾ | 48,844 | 78,151 | 121,360 | 96,475 |
| % growth | 41% | 60% | 55% | -21% |
| Operating Cash flow (EBITDA) | 31,703 | 53,979 | 77,350 | 57,294 |
| Operating income (EBIT) | 31,409 | 53,689 | 77,014 | 55,958 |
| Consolidated income before tax (EBT) | 25,698 | 48,741 | 70,918 | 49,455 |
| Consolidated income | 20,398 | 32,636 | 47,501 | 35,352 |
| Distributable income | 19,949 | 32,502 | 47,501 | 35,352 |
| % growth | 45% | 63% | 46% | -26% |
| Total dividend | 2,987 | 10,086 | 14,250 | 10,606 |
| Payout | 15% | 31% | 30% | 30% |
| (EPS) – Earnings per share ⁽²⁾ (in euros) | 0.91 | 1.48 | 1.90 | 1.41 |
| Gains per share ⁽²⁾⁽³⁾ (in euros) | 0.96 | 1.48 | 1.97 | 1.42 |
| Dividend paid per share (in euros) | 1.50 | 0.46 | 0.57 | 0.42 |
| Adjusted dividend paid per share ⁽²⁾ (in euros) | 0.14 | 0.46 | 0.57 | 0.43 |
| Balance Sheet | | | | |
| Total assets | 271,502 | 394,290 | 889,300 | 1,077,969 |
| Current assets | 266,736 | 392,055 | 881,076 | 995,439 |
| Equity | 55,285 | 84,994 | 203,899 | 220,614 |
| Ratios (%) | | | | |
| EBITDA / Total revenues | 14% | 17% | 13% | 11% |
| Consolidated attributable income / Total revenues | 9% | 10% | 8% | 6% |
| Equity / Total assets | 20% | 22% | 23% | 20% |
| ROE | 60% ⁽⁴⁾ | 47% | 31% ⁽⁵⁾ | 17% |
| Operating data | | | | |
| Number of employees at 31 December | 78 | 95 | 115 | 139 |
| Total investment | 283,823 | 330,577 | 864,232 | 569,580 |
| Number of projects/buildings acquired during the year ⁽⁶⁾ | 40 | 26 | 46 | 27 |

(1) Excludes other revenues.

(2) Adjusted for the share split in 2005.

(3) Average weighted number of shares excluding treasury stock

(4) Excludes capital increase of 27-12-04

(5) Since 2006, ROE calculated as net income/monthly average shareholders' funds. In previous years, ROE calculated as net income/average shareholders' funds at start and end of year.

(6) Projects can include more than one building

Highlights

| | |
|---|--|
| Income | Renta Corporación closed 2007 with consolidated revenues of €545 million, operating income of €56 million and distributable income of €35.4 million. The company invested €560 million in 27 acquisitions and their transformation on the Spanish and foreign markets. |
| International expansion | Renta Corporación continued its expansion in 2007, adding New York to Paris (2002), London (2005) and Berlin (2006). In October 2007, following through with its internationalisation process, Renta Corporación started operating in Manhattan (New York). Given its size and liquidity, this city fits perfectly into Renta Corporación's business model. |
| Organisational structure | Renta Corporación strengthened its corporate structure in 2007 by hiring 24 additional people. César Bardají signing on as Chief Executive Officer is worth highlighting. The Renta Corporación team - distinguished by its experience, stability and gender diversity - is the company's greatest asset, its main value and the key to achieve business excellence. |
| New head office | Renta Corporación moved its head office to Via Augusta 252 -260, staying in Barcelona. The new building was acquired in 2007, and the Company moved in November after renovating the building to suit Renta Corporación Group's current and future requirements. The building has all the computer infrastructure and systems needed for Renta Corporación's development and future growth. Sustainability principles were applied throughout the building's transformation. The Company occupies three floors, while the rest of the building (three floors and a shopping area) has been leased out. |
| Corporate Governance and Corporate Social Responsibility | The Annual General Meeting of Shareholders of 29 March 2007 approved amendments to the By-laws and internal regulations to bring the Group's corporate governance into line with the recommendations of the Unified Good Corporate Governance Code. Furthermore, significant progress has been made in managing and implementing Corporate Social Responsibility (CSR) policies, moving forward in complying with GRI standards. |
| Financing | In 2007, the Company arranged its first structured finance operation through a syndicated loan of €500 million, with the involvement of 21 banks. The operation strengthens the Company's growth potential and brings additional stability to the business plan. |
| Stock Market | While the Company started the year with share prices at an all-time high, the performance of its shares was hit, as were other real estate companies, by a fall in certain securities and by the subprime crisis in the US and the ensuing credit crisis, intensifying the perception of risk with regard to the real estate industry in Spain and Europe. |
| Dividends | Under the policy approved by Renta Corporación Group and endorsed in the new 2008-2010 Strategic Plan, the Board agreed on 20 February 2008 to submit a resolution for approval at the next Annual General Meeting of Shareholders for a dividend pay-out of €10,605,640.75 gross, equivalent to 30% of net consolidated income for 2007 profit, in the amount of €0.42 gross per share. Payment is planned for the first fortnight in May. |

Important transactions



| Paris | Madrid | London | Barcelona | New York |
|---|--|---|--|---|
| Tour La Villette Acquisition of a landmark office building 125 metres high, located in a business district in north-eastern Paris. With net space of 40,000 m ² on 36 floors and two underground floors for 600 parking spaces, this skyscraper can accommodate 3,900 people. The building's transformation includes: improvements to internal and external security and safety, to common areas, with a substantial increase in the building's occupancy level. | Plaza España Acquisition of a complex comprising three office buildings with a total surface area of over 16,000 m ² gross in downtown Madrid. The Company submitted several options for transformation to a residential or hotel development, and sold it on to a Spanish developer group. | Old Street Acquisition of a six-storey building with a surface area of 3,783 m ² and six parking spaces in the north of the City. Renta Corporación has developed plans for several transformation options without changing the current use as an office building and is also making arrangements related to the rental situation. | Agricultura Acquisition of a plot measuring approximately 12,000 m ² reserved for public use with sports facilities. Renta Corporación has carried out the planning procedures for zoning the plot for 20,000 m ² residence halls on plan and for a 9,870 m ² biomedical research centre, with subsequent sale to an international investment fund. | Warren Street Acquisition of a 2,560 m ² office building in the heart of Tribeca, one of Manhattan's fastest-growing areas. The transformation plan calls for development of exclusive luxury dwellings with private terrace, shared garden, fitness centre and private wine cellar. |
|  |  |  |  |  |



Dear Shareholders,

There can be no doubt that 2007 was a difficult year for the real estate industry and also for Renta Corporación, in spite of the strengths of our business model. The downturn in the real estate market cycle, which we were anticipating, and, most importantly, the deep international credit crisis prevented the Company from achieving the ambitious financial objectives originally set for 2007. The reasons are well known and described in detail in this Annual Report and they were communicated to the market with the greatest possible speed and transparency.

Nevertheless, in spite of the current market situation, Renta Corporación attained net income of €35.4 million and sales revenues of €529.1 million in 2007, and as of 31 December it also had an inventory portfolio estimated at €858.9 million in addition to investment rights valued at €506.7 million. Those results are clearly positive under current conditions and allowed payment of a gross dividend of €0.42 per share.

The Company also made substantial progress in 2007. New measures were taken to address the new market scenario from the strongest possible position and I am proud of the efforts and results obtained by the Renta Corporación team during the period. I am also convinced that our endeavours will assure a bright future for the Company in the medium to long term.

Business model

The acquisition of the best real estate assets in the cities with high liquidity where we operate, their subsequent value-added transformation and, ultimately, the sale of properties adapted to meet demand generates, even in the current real estate cycle, a sufficient margin to meet our ambitious Strategic Plan. The rotation that defines our business model minimises market risks, which is particularly significant in the current environment. There is no doubt therefore that our business model works in times of real estate slowdown, and it works well.

Team

The Renta Corporación team has always been and will continue to be the Company's main asset. Great efforts have been made during FY07 to bolster the team even further, with new additions that are essential for the Company at all levels and in all positions, especially internationally. The talent, capacity, commitment and enthusiasm of Renta Corporación's current team of professionals is undoubtedly a distinguishing factor and a competitive advantage when it comes to facing the coming years with the highest guarantee of success.

International perspective

The shift in the Spanish market cycle, especially in the residential market, did not catch Renta Corporación off guard, as it focused more on its international business. The Company now has well-established offices in Paris (2002), London (2005) and Berlin (2006) and it has successfully launched its business in New York (2007), a market that fits perfectly with the Company's business model.

As we have stated, strengthening our international business is one of the core policies in the Company's Strategic Plan for upcoming years.

Financial stability

In February 2007, we arranged a syndicated loan with 21 banks for €500 million, which has put the Company on firm financial ground to handle operations without having to negotiate financing for each individual asset. This

Letter from the Chairman

structured financing gives us more flexibility in dealing with the international credit crisis, which is still a major factor, with greater peace of mind.

Corporate Governance and Corporate Social Responsibility

The 2007 General Meeting of Shareholders resolved to amend our By-laws and Regulations to reflect the Unified Code of Good Corporate Governance, incorporating most of its recommendations. This has placed the Company at the forefront in terms of corporate governance.

Along these lines, we made considerable progress in Corporate Social Responsibility, adapting GRI standards with the goal of ensuring the satisfaction of all our stakeholders while backing Fundación Renta at all times.

New Head Office

The Company's move to the new offices in Barcelona marked a significant milestone in its history. The building is representative and meets the needs of our increasingly multinational Company, allowing for future expansion as the group grows in coming years.

Outlook

In January 2008, Renta Corporación's Board of Directors approved a new Strategic Plan that should lead us to attain net income of €80 million by the end of 2010.

Toward that end, we will focus on:

- Further strengthening our business model. We will leverage our experience and know-how in sourcing and transforming real estate assets, selecting properties on the basis of criteria of maximum liquidity. Accordingly, we will maintain a high rate of rotation to limit exposure to risk.
- Accessing market liquidity. We are broadening our customer base, contacting investors and buyers with the appropriate financial capacity around the world.
- Accelerating the Company's international expansion, with greater emphasis on international markets in future.
- Maintaining a strong financial footing with high liquidity and balanced debt levels.

I trust that these considerations serve to communicate to our shareholders the unwavering commitment, enthusiasm and confidence that I share with the entire Renta Corporación team with regard to the Company and its future and I should like to take this opportunity to express my appreciation and gratitude to our shareholders, investors, clients, suppliers, financial institutions, partners, and especially the entire Renta Corporación team, for their trust.

Yours sincerely,



Luis Hernández de Cabanyes
Executive Chairman

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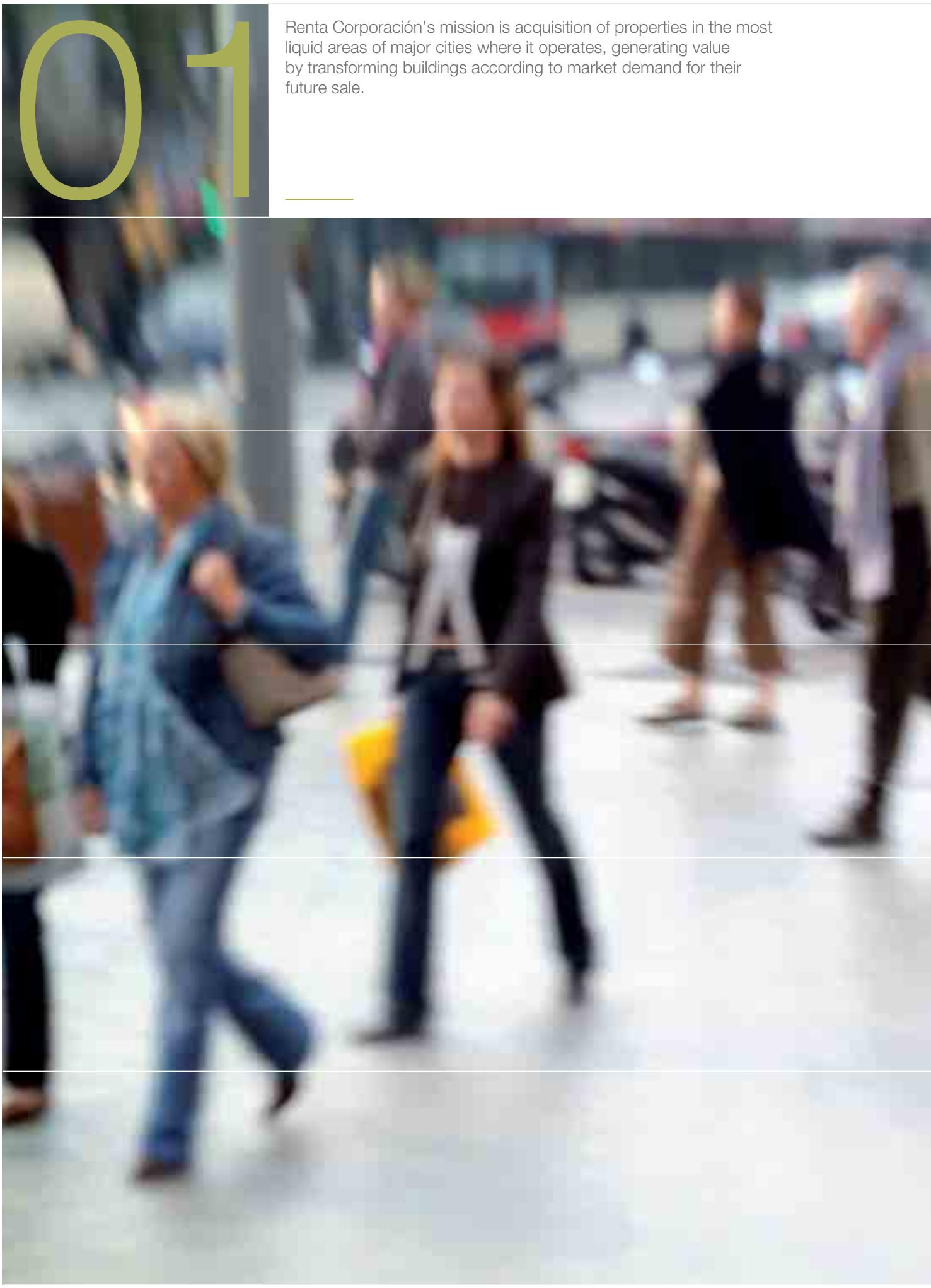
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01



Renta Corporación's mission is acquisition of properties in the most liquid areas of major cities where it operates, generating value by transforming buildings according to market demand for their future sale.

01

The Company



01 a.

Organisation Profile

Company Description

Renta Corporación specialises in the acquisition, transformation and sale of properties in prime locations in the major cities where it does business: Barcelona, Madrid, Paris, London, Berlin and New York.

The Company has an established presence on those markets, with its own offices and staff. The parent company, Renta Corporación Real Estate, S.A., has its headquarters in Barcelona, Spain (Vía Augusta, 252-260, 6^a planta).

In 2007, the Company was structured into three business units:

- 1. Residential.** Acquisition of residential buildings for transformation and sale. That transformation involves physical refurbishment of buildings as well as technical and/or statutory transformations.
- 2. Offices.** Acquisition of urban buildings for transformation and sale. That transformation involves change of use, physical improvements to buildings and/or repositioning on the market.
- 3. Land.** Acquisition of brownfield sites for transformation and sale, mainly in Barcelona, Madrid and

their surrounding areas. Transformation involves the planning and development control needed to adapt the project to market demand and city requirements. Renta Corporación markets land ready for construction projects.

Origins and Evolution of Renta Corporación

Renta Corporación was created in 1991, when a group of professionals set up a company in Barcelona specialising in the purchase and sale of parking spaces. Through its investment strategy, the Company has since achieved significant and sustained growth, increasing and diversifying the types of buildings acquired and consolidating its current business model, focused on buying, transforming and selling buildings. Furthermore, its internationalisation strategy has led the Company to expand geographically. In addition to Barcelona and Madrid, it operates in major cities such as Paris (2002), London (2005), Berlin (2006) and New York (2007).

Renta Corporación has been listed on the Spanish stock market (Madrid and Barcelona) since April 2006. In 2007, the Company moved its head office in Barcelona to Vía Augusta 252-260. The Madrid office has also relocated to Serrano 26.

01 b.

Mission, Vision and Values

Mission

Renta Corporación's mission is acquisition of properties in the most liquid areas of major cities where it operates, generating value by transforming buildings according to market demand for their future sale.

Vision

The Renta Corporación Group vision is to consolidate itself as a high-profile, reputable and prestigious company in the cities where it operates, leveraging the unique features of its business model to satisfy its stakeholders (shareholders, employees, buyers, suppliers, real estate agents, tenants, governments), society at large and cities in particular.

Values

- **Ethics and environment:** The Company observes the strictest ethical values and respect for the environment.
- **Professionalism:** Company employees work with utmost professionalism to generate confidence in Renta Corporación and its business model through the efficacy and quality of their work.
- **Agility, flexibility and efficiency:** Agile decision making and quick response to customer interests and market demands are key to managing the business with maximum efficiency.

01 c.

Business principles

Renta Corporación is constantly developing its business based on its core values. Accordingly, in 2006 the Group developed a Code of Conduct to steer its employees' professional practices with the Company's stakeholder groups.

The Code of Conduct deals with the following areas:

a) Employees

Renta Corporación sees its people as its main asset. Accordingly, it provides a working environment where all employees are offered the opportunity to develop their professional potential to the fullest as they contribute to the Company's growth and success.

b) Shareholders and Investor Community

Renta Corporación pursues transparency in communications with shareholders and investors, providing them with full financial and corporate details.

c) Customers, Suppliers and Partners

Renta Corporación deals with all customers, suppliers and partners objectively, honouring commitments while working at all times to very high standards of professional responsibility and in compliance with statutory requirements.

d) Competitors

The Company treats its local and international competitors with respect. Renta Corporación competes honestly and avoids unfair or misleading practices.

e) Tenants

Honesty, respect, professional integrity and transparency are the core values at the basis of Renta Corporación's relationship with its tenants. Respect for them and their families, and their freedom of choice, prevails over all other considerations. Agreements signed by the Company with tenants are genuine and transparent.

f) Governments

The Company's relations with governments are guided by respect for institutions, compliance with their decisions and mutual cooperation for urban development.

g) Media and Advertising

The Company's relations with the media are based on transparency of information, truthfulness, respect and non-discrimination. Published information is accurate and the Company's advertising and promotion campaigns respect society's ethical values.

h) NGOs

In 1999, the Company created Fundación Renta to promote better quality of life for society. The Foundation seeks to help solve problems faced by the more disadvantaged members of society.

In 2006, the Company approved its **Internal Code of Conduct for Stock Market Trading**, which sets the criteria governing the Company's behaviour and practices in stock market transactions and the handling, use and dissemination of material events in order to promote Group transparency and provide suitable information and protection to investors.

01 d. Group Strategy

The Renta Corporación Group strategy for the next few years is based on adapting to a changing market environment in the industry where it operates, according to market demand. Its experience and know-how in sourcing and transforming property assets allow it to diversify its operations and steer its business towards international development of the Group.

The following is an overview of the Group's strategy for 2008-2010:

a) Internationalisation: The Group is moving to develop its international business, giving priority to growth in the major cities where it currently operates with the necessary infrastructure and established teams.

b) Acquisition, transformation and sale of buildings:

Investment will focus mainly on buying buildings (residential or office), for subsequent transformation and sale in the short term. The land business will be restricted to specific opportunities and treated by applying the same guidelines as for building transformation in terms of margin, rotation and use of financial resources, with priority for liquidity over margin.

c) Growth: Once repositioned in the new market situation, Renta Corporación's aim is to return to its traditional growth path. That growth is conditioned by a changing market and accordingly the Group will take the necessary steps to ensure the success of its business.

01 e.

Corporate Governance

As a listed company, Renta Corporación has internal instruments and mechanisms to ensure efficient and transparent performance of its corporate governance.

Good governance

Internal regulations and adaptation to the Unified Good Governance Code

Renta Corporación has developed Internal Regulations that establish its practices in detail, as well as the organisation and proper operation of its governing and management bodies.

- By-laws
- Regulations of the General Meeting of Shareholders
- Regulations for the Board of Directors
- Internal Code of Conduct for Stock Market Trading
- Code of Conduct

Furthermore, Renta Corporación has adapted its By-laws and Internal Regulations to recommendations set out in the Unified Code of Good Corporate Governance. In that respect, in 2007 the Company amended articles of its By-laws relating to Board membership and meetings, remuneration of members, and the website; furthermore, it also amended the Regulations of the General Meeting of Shareholders and Regulations for the Board of Directors.

Renta Corporación has published its Corporate Governance Report and annual accounts in its Annual Report (which includes a chapter on Social Responsibility) since 2005. In line with its transparency policy, Renta Corporación makes those reports and Internal Regulations available on its website (www.rentacorporacion.com).

Prevention of money laundering

There were no breaches of internal regulations in the last year. In that respect, and given the nature of the business, Renta Corporación has a money laundering prevention system comprising: customer identification, establishment of risk profile, and analysis of operations to ascertain whether they are suspicious. If they are, they are referred to the Company Secretary's Office for review, and if still considered suspicious, they are reported to the relevant government agency. If operations are not suspicious, upon completion of the sale, documents are checked and filed.

Internal oversight policy and risk management system

The Audit Committee approves the Company's internal oversight policy and risk map, a tool used to support decision making that allows the Company to anticipate potentially adverse situations. A risk map provides a competitive edge that contributes substantially to the strategic goals pursued by Renta Corporación.

The risk map is the result of joint efforts by management and heads of certain departments considered particularly sensitive to risks, who have assisted in producing the map. Its purpose is to check and diagnose the existing internal safeguards to identify the main risks to which the business is exposed, verify existing safeguards and suggest opportunities for improvement in the management process to counter identified risks.

The Company has developed a methodology integrated into its internal management system that addresses a variety of risks with four aims:

1. Strategic aim: ensure growth in Spain and abroad consistent with the Company's mission.
2. Operating aims: operations must be dynamic, effective and efficient.
3. Information aims: information systems must be suitable, sufficient and reliable.
4. Compliance aims: general, industry and internal statutory regulations must be met.

The methodology used to produce the risk map is as follows:

1. Setting Company goals.
2. Identifying potential risk factors.
3. Assessing inherent risk by significance and likelihood.
4. Identifying existing safeguards.
5. Ascertaining and assessing residual risk.

The Audit Committee is responsible for overseeing the Company's internal oversight policy, verifying its suitability and integrity and supervising the appointment or replacement of those responsible for it.

In addition, the Committee examines compliance with the **Internal Code of Conduct** and the Company's governance rules in general, making suggestions for improvement where necessary. The Audit Committee is charged with collecting information and, as appropriate, issuing reports on disciplinary measures for implementation.

Governing bodies

The top decision-making and governing bodies that steer the Company's strategy are the General Meeting of Shareholders and Board of Directors. The two ensure proper operation of the Company, and jointly with the management and supervisory bodies (Appointments and Remuneration Committee and Audit Committee) they oversee compliance with good governance standards and the attainment of objectives.

Management bodies

Board of Directors

In 2007, the Board had 11 members, including the Chairman and Vice-Chairwoman (both executive), CEO, eight non-executive Directors and one non-director Secretary. Of the 11 members - 8 men and 3 women - 7 are external (including 3 independent) and 4 executive.

The Board meets at least six times a year, and when necessary on the initiative of the Chairman or two of its members.

In addition to the regular duties of the Board, Renta Corporación follows the Recommendations of the

Unified Good Governance Code strictly and submits the following, among other matters, to the Board:

1. Policy on remuneration of directors (set in 2007 at no more than 2% of net profit), which is published in the annual corporate governance report and the report on remuneration policy, first approved at the Board meeting of 15 January 2008;
2. Assessment of performance by the Board and the Audit Committee and Appointments and Remuneration Committee;
3. Policy on oversight and risk management;
4. Establishment and oversight of the policy on related party transactions;
5. The Company's investment and finance policy; and
6. Definition of group structure.

Under the Regulations for the Board of Directors and Internal Code of Conduct, any conflict of interest must be duly reported to the Board. Directors are obliged to refrain from taking part and attending to matters in which they are personally or legally involved. In addition, the Company Secretary's Office has supervisory powers to detect potential conflicts of interest.

Finally, it should be noted that employees, aside from open and direct communication with senior management, can communicate via the Employee Mailbox (approved by the Board on 15 January 2008), all under the terms of the Recommendations of the Unified Good Governance Code.

Board of Directors

| Name | Office | Nature of Office |
|-------------------------------------|------------------------|-------------------------------|
| Luis Hernández de Cabanyes | Chairman | Executive |
| Anna M. Birulés Bertran | Vice-Chairwoman | Executive |
| César Bardají Vivancos | CEO | Executive |
| Enric Venancio Fillat | Director | Executive |
| Carlos Solchaga Catalán | Director | External independent director |
| Juan Gallostra Isern | Director | External independent director |
| Carlos Tusquets Trías de Bes | Director | External independent director |
| Esther Giménez Arribas | Director | Other external director |
| César A. Gibernau Ausió | Director | Other external director |
| Pedro Nueno Iniesta | Director | Other external director |
| Elena Hernández de Cabanyes | Director | Other external director |
| Juan Velayos Lluís | Non-director Secretary | - |

Renta Corporación Directors' Backgrounds

Luis Hernández de Cabanyes

Chairman

Founder and Chairman of the Board of Directors of Renta Corporación. He has devoted his professional life to business, beginning his career at PricewaterhouseCoopers and going on to create and manage the consolidation of various companies, including Second House and Mixta África. He was President of Mixta África until late 2007, and he is currently member of its Board of Directors. He holds a degree in Economics and Business Studies from the Universitat Autónoma de Barcelona and has completed the Senior Management Program (PADE) at IESE Business School. He is also a member of the Executive Committee of IESE's Alumni Association.

Anna M. Birulés Bertran

Vice-Chairwoman

Vice-Chairwoman of the Renta Corporación Board since 2004. From 1986 to 1990 Vice-Chairwoman and General Manager of the Centre for Innovation and Business Development (CIDEM), General Manager of Commercial Promotion, Chairwoman of the Consortium for Commercial Promotion of Catalonia (COPCA), Chairwoman of the S.C. of Capital Risc, S.A. and other companies with links to industry and technology, consistent with her duties at the Department of Industry and Energy (DIE) of the Regional Government of Catalonia (Generalitat). Joined Banco Sabadell from 1990 to 1997, and was Company Secretary and Director of several companies in the financial sector from 1995 onwards. From 1997 to 2000, she was a driving force in the creation of an alternative telecom operator as CEO of Retevisión and Director of Amena, Hispasat and Quiero TV, as well as Chairwoman of EresMás. From April 2000 to July 2002, she was Minister for Science and Technology. She has been a member of the Board of Governors of several universities and Chairwoman of the Catalonia Open University (UOC) Business Advisory Board. Currently a member of ESADE and UIC advisory boards. In addition, she is a lecturer in Economic Analysis (on sabbatical), has a PhD in Economics from the University of Barcelona and has also completed the University of California, Berkeley, PhD programme.

César Bardají Vivancos

CEO

Worked for Winterthur Group from 2000 to 2007, where he was Chairman from 2003 and Group Chief Executive in Spain. He was also Chairman and Chief Executive of Winterthur Insurance in Spain and Portugal. Until late 2006, he was a member of the UNESPA (Spanish Association of Insurers) Executive Committee, member of the UCEAC (Union of Insurance and Reinsurance Companies and Agencies) Management Board, member of the ICEA (insurance research group) Governing Board and member of the CEOE (the Spanish Companies Association). In 1984 he joined PepsiCo, where from 1998 to 2000 he was Snack Ventures Marketing Vice President for Southern Europe. From 1991 to 1998 he was Chairman and CEO of Matutano in Portugal, and sat on several Boards. Worked at Procter & Gamble from 1982 to February 1984. Currently is also independent director of Leche Pascual Group and sits on the boards of several industrial family-run companies. Holds a degree in Industrial Engineering from the Technical University of Barcelona and has completed the IESE Business School MBA.

Enric Venancio Fillat

Executive Director-Chief Operating Officer

General Manager of Renta Corporación since October 2005. Worked at Caixa d'Estalvis i Pensions de Barcelona (La Caixa) from 1981 to 1992, where from 1985, he held various senior positions with responsibility for Foreign Business in Organisation, Systems, Administration and Training Departments. Joined Abertis Infraestructuras (previously ACESA) in 1992 as Head of Finance, to become Financial Director in 1999, Director of Studies and Corporate Communication in 2003 and Chief Financial Officer in 2005, when he joined Renta Corporación. He has completed the Catalonian Financial Studies Institute Financial Management programme and the IESE (Barcelona Business School) Management Development Program.

Carlos Solchaga Catalán

Independent Director

Renta Corporación Director since February 2006. International Consultant with Solchaga & Recio Asociados since 1995. Currently he is Chairman of Fundación Euroamericana (Euro-American Foundation) and Vice-Chairman of Real Patronato del Museo Nacional Centro de Arte Reina Sofía (Royal Board of the Queen Sofía Art Centre National Museum). Manager of the Banco de Vizcaya Economic Studies service from 1976 to 1979. Minister for Trade of the Basque General Council from 1979 to 1980. Member of the Spanish Parliament 1980-1994 and chaired of the Socialist Parliamentary Group from 1993 to 1994. Minister for Industry and Energy from 1982 to 1985 and Finance Minister from 1985 to 1993. Was also Chairman of the IMF Interim Committee from 1991 to 1993. Currently a member of several advisory and corporate boards. Holds a degree in Economics and Business Studies from the Madrid University of Alcalá de Henares and a postgraduate qualification from the Alfred P. Sloan School of the Massachusetts Institute of Technology (MIT).

Juan Gallostra Isern

Independent Director

Renta Corporación Director since February 2006. CEO and General Manager of JG Ingenieros Consultores de Proyectos, S.A. Group from 2001, where previously he was General Manager from 1995 to 2000. Currently a director of the British company, First Q Ltd. Was a member of the R&D Department with the British company Over Arum & Partners from 1988 to 1989. Founded TEST, S.A. in 1999, where he was General Manager until 1995. Director of Hospitecnia, S.L. Associate Professor in the Construction Engineering Department of the Technical University of Catalonia from 1997 to 2005. He is also a member of the Executive Committee of the UPC-JG Group Business Chair for sustainability in construction engineering. The chair is sponsored by JG Group. Lecturer and professor at seminars and courses on construction engineering, with several articles published in trade magazines. Member of the Board of Trustees of the Official Catalonian Society of Industrial Engineers and Chairman of the Professional Committee. Holds a Degree in Industrial Engineering from the Technical University of Catalonia and a PDG from IESE Business School.

Carlos Tusquets Trías de Bes

Independent Director

Renta Corporación Director since 2004. Currently Chairman of FIBANC/Mediolanum Group and Director of Banca Mediolanum (Italy). Chairman of Inverco Catalunya and Vice-Chairman of Inverco Nacional. Chairman of the Organising Committee of the BORSADINER Cash, Stock Market and other Financial Markets Show (Salón del Dinero, la Bolsa y otros Mercados Financieros). Chairman of EFPA España (European Financial Planner Association). He joined the Wealth Management Company of Banca Catalana Group in 1971, where he was Deputy General Manager. Joined BANKUNION in 1977, where he developed the Money Market Department. In 1983, he was the driving force behind setting up the FIBANC Group, of which he is Chairman. Furthermore, he is a director of 3i Advisory Board (one of Europe's largest Private Equity firms). Holds a PhD in Economics from the University of Barcelona.

Esther Giménez Arribas

External Director

Founder of Renta Corporación and Fundación Renta. She was Head of the Company's Legal and HR Department until 2006, when she was appointed Company Secretary. Joined Fundación Renta in 2007, where she was already a governor, as General Manager. Has been the driving force behind several business and social initiatives. She holds a degree in Law from the University of Barcelona and has completed the IESE Business School Senior Business Management Program.

César A. Gibernau Ausió

External Director

Joined the Renta Corporación Board as Non-Director Secretary in 2003. Appointed Director in 2005. Founding Partner since 1980 of Gibernau y Asociados advisory and consultancy firm. Has been a lecturer in Direct Taxation at the Technical University of Catalonia. Has published several articles in trade magazines. Holds a degree in Economics and Business Studies from the University of Barcelona and is a qualified actuary, having earned his qualifications from the same learning institution. Also Auditor and Chartered Accountant, qualified by the Spanish Institute of Chartered Accountants, and has completed the IESE Business School Business Management Program.

Pedro Nueno Iniesta

External Director

Renta Corporación Director since 2004. Currently IESE Bertrán Foundation Business Initiative Chair. Vice-Chancellor of the International Academy of Management and Executive President of the China Europe International Business School (CEIBS) in Shanghai; he is also Founder and Chairman of FINAVES, a venture capital company that backs innovative businesses. In addition, he has authored numerous articles and books. Holds a PhD in Business Administration from Harvard University and a degree in Industrial Engineering from the Technical University of Barcelona.

**Elena
Hernández
de Cabanyes**

External Director

Member of Renta Corporación's Board since 2000. Founder and current General Manager of Second House. Holds a degree in Economics and Business Studies from the University of Barcelona and has completed the IESE Business School General Management Program (PDG).

**Juan
Velayos Lluis**

Non-director Secretary

Joined Renta Corporación as Company Secretary and Non-director Secretary in June 2007. Joined law firm Uriá y Menéndez in 1996, where he practised law in Madrid (1997-2000), Mexico (2000-2003) and Barcelona (2003-2007), where he was Partner and Joint Head of the Barcelona Corporate Department until he joined Renta Corporación. His law practice has focused on corporate law, mergers and acquisitions, stock markets and banking. He has taken part in numerous seminars and conferences, and has taught several academic courses. Holds a degree in Law from Abat Oliba University.

General Meeting
of Shareholders
2007



General Meeting of Shareholders

Along with the Board, the General Meeting of Shareholders is the top decision-making body in matters for which it is responsible. It represents all shareholders and holds ordinary meetings once a year.

The Meeting makes decisions on matters that involve any structure change to the Company's actual business endeavours. Its role includes the following: approval of Company management, appointment and dismissal of Board members, establishment of remuneration for directors, appointment and dismissal of auditors and, as appropriate, approval of the annual accounts.

The General Meeting of Shareholders was held on 29 March 2007 at Palacio de Congresos de Catalunya (Barcelona) at first call, with 73.77% of Company shares represented as follows:

- Percentage of personal attendance: 62.275%
- Percentage of shares represented by proxy: 11.085%
- Electronic voting: 0.001%
- Treasury stock: 0.409%

The Meeting resolved as follows:

One. Examination and approval, if appropriate, of the individual and consolidated Company accounts for the year ending 31 December 2006.

Two. Examination and approval, if appropriate, of individual Company and consolidated Company and subsidiary management reports for the year ending 31 December 2006, and corporate management in the same period.

Three. Application of income for the year ending 31 December 2006.

Four. Amendment of Article 38 of the Company's By-laws to adapt it to the Unified Good Governance Code

Five. Amendment to Article 43 of the Company Articles of Association to adapt it to the Unified Good Governance Code.

Six. Amendment of Article 50 of the Company's By-laws to adapt it to the Unified Good Governance Code.

Seven. Amendment to Article 46 of the Company's By-laws to enhance compatibility between performing executive duties and Company Board membership.

Eight. Approval of new wording of the By-laws due to amendments to Articles of the By-laws proposed under General Meeting Agenda items four to seven.

Nine. Amendment of Articles 5, 8, 25 and 26 of the Regulations for the General Meeting of Shareholders of the Company to adapt them to the Unified Good Governance Code and approval of new wording of the Regulations following proposed amendments to articles.

Ten. Consideration of amendments to the Regulations for the Board of Directors of the Company to adapt them to the Unified Good Governance Code.

Eleven. Approval of 2006 and 2007 incentive schemes for directors, managers and employees, and approval of allocation of shares in the Company to directors and managers under such incentive schemes, by virtue of section 130 and Additional Provision Four of the Companies Act as amended.

Twelve. Appointment of Mr. César Bardají Vivancos as member of the Company Board of Directors with the office of Executive Director.

Thirteen. Appointment of Mr. Enric Venancio Fillat as member of the Company Board of Directors with the office of Executive Director.

Fourteen. Approval of the maximum annual sum payable to Board members under Article 46 of the By-laws.

Fifteen. Reappointment of the auditors for the Company and its consolidated group.

Sixteen. Authorisation of the Board of Directors for derivative acquisition of treasury stock by the Company and/or its subsidiaries under the terms allowed by law, nullifying the authority granted by the General Meeting of Shareholders on 9 February 2006 in the unused amount.

Seventeen. Authorisation of the Board of Directors, under the terms of section 153.1.b) of the Companies Act, to increase share capital, within the next five years, if it deems it expedient, once or several times and at the time and in the amounts it considers appropriate, with express power to exclude preferential subscription rights, amending Article 5 of the By-laws and nullifying the authority granted at the General Meeting of Shareholders of 9 February 2006.

Eighteen. Delegation of authority to the Board of Directors to issue bonds, debentures and other fixed income securities, whether simple, exchangeable and/or convertible into shares, warrants, promissory notes and preferential interests, with the power to exclude pre-emptive subscription rights and authority for the Company to guarantee issues of fixed-yield securities by Company subsidiaries.

Nineteen. Authorisation of the Board of Directors to apply for listing and delisting on organised Spanish or foreign secondary markets of any issued shares, debentures or other stocks, and to pass resolutions as required to maintain listing of Company shares, debentures or other securities in circulation.

Twenty. Authorisation of the Board of Directors, in the broadest possible terms, to implement and accomplish the above resolutions fully, specifically including the exercise of powers to construe, rectify and complete them and place them on public record, to achieve any required registrations, and to substitute powers granted by the Meeting.

All items on the Agenda were approved by overall majority.

Management and supervisory bodies

Appointments and Remuneration Committee

This Committee comprises three directors appointed by the Board of Directors. The Committee meets at least quarterly and whenever called by the Chair.

Among other Committee responsibilities, the most notable are:

1. Appointment and dismissal of directors (executive, representing substantial shareholders and independent), assessing their skill, experience and professional worth and their compliance with Good Governance recommendations;
2. Appointment and dismissal of Company and subsidiary executives, assessing their know-how, experience and potential contribution to Renta Corporación Group; and
3. Setting Board and senior management remuneration policy.

The Appointments and Remuneration Committee is made up of the following Directors:

César A. Gibernau Ausió. Chairman
Anna M. Birulés Bertran. Member
Carlos Tusquets Trías de Bes. Secretary

Audit Committee

The Audit Committee also comprises three directors (the majority non-executive) appointed by the Board of Directors. It meets at least quarterly to review the information to be reported to the stock market authorities or the Board, at the instance of the Chair or any of its members.

The Committee is responsible for several tasks linked to the Company's financial performance:

1. Submit regular financial information to the Board, which is subsequently reported to the Spanish Securities and Investment Board;
2. Advise the General Meeting of Shareholders of any recommendations and issues raised by shareholders;

3. Oversee the system and assess the results of internal and external audits, and compliance with tax law;
4. Review Company accounts; and
5. Propose appointment, mandate and engagement terms of external auditors to the Board.

The Committee also performs tasks linked to Renta Corporación's internal safeguards and risk management policy (see internal safeguard policy and risk management system), overseeing and supervising related party transactions and compliance with the **Internal Code of Conduct**.

The Audit Committee is made up of the following Directors:

César A. Gibernau Ausió. Chairman
Anna M. Birulés Bertran. Member
Carlos Tusquets Trías de Bes. Secretary

Likewise, Ms. Margarita Cardona Tur was the Internal Auditor in 2007 and therefore a member of senior management for the purposes of the Unified Good Governance Code.



01 f.

Management Team

Renta Corporación's management team comprises professionals with proven experience, meeting the different profiles required to respond to market conditions and environment in the Company's sphere of business. Almost half (46%) of the members of the Management Committee are women.



Hernández de Cabanyes, Luis
Chairman



Birulés Bertran, Anna M.
Vice-Chairwoman



Bardají Vivancos, César
Chief Executive Officer



Carrasco Brugada, Javier
Chief Financial Officer



Alvarez Hernández, Margarita
Marketing Director



Arimon Vilageliu, Pere
Residential Transformation and Sales Director



Durán Weitkamp, Tomás
Technical Department Director



García Garriga, Marta
Human Resources Director



Guarner Aguilar, Antonio
Berlin Managing Director



Pillinger, David
London Managing Director



Rabassa Artigas, Eduardo
USA Managing Director



Sáenz de Cabezón Escoruela, Fernanda
Controller

Management Team



Venancio Fillat, Enric
Chief Operating Officer



Velayos Lluís, Juan
Company Secretary



Vila Balta, David
Chief Investment Officer



Carreras Molins, Meritxell
Planning and Investor Relations Director



Concejo Bontemps, Tania
Paris Managing Director



Damià López, Jordi
Technology, Systems and Organisation Director



Lacarta Antiga, Alicia
Legal Department Director



Nasarre Goicoechea, Fernando
Madrid Managing Director



Nueno Plana, Christina
Land Transformation and Sales Director



Sánchez Julián, Lola
Financing and Tax Director



Sendra Cuesta, María José
Office Transformation and Sales Director



Serrano-Codina i Tristany, Mireia
Treasury Director

Organisation of the management team is based on the following factors:

- Proximity of operations to the territory. Renta Corporación has an office in each of the markets where it operates.
- Teams of product-dedicated specialists at the head office: Residential Transformation and Sales, Office Transformation and Sales and Land Transformation and Sales.

- The Company has specific transformation units: it has its own Legal Department, a Town Planning Department and a Technical Department.
- For operational management and support, it has teams specialising in acquisitions and operations.
- Finally, the Company has the following departments to support the business: Financial, HR, Marketing and Technology, Systems and Organisation.

Management team members *

Luis Hernández de Cabanyes

Chairman

Anna M. Birulés Bertran

Vice-Chairwoman

César Bardají Vivancos

Chief Executive Officer

Enric Venancio Fillat

Chief Operating Officer

Juan Velayos Lluís

Company Secretary

David Vila Balta

Chief Investment Officer

Joined Renta Corporación in 2000. Director of Mixta África. From 1994 to 1997 he worked as Rochelis Factory Manager. From 1997 to 1998 he was Deputy Purchasing Manager with Outokumpu Rawmet and from 1998 to 2000 National Sales Director with LOCSA. He holds a degree in Industrial Engineering from the Barcelona School of Engineering and has a PDG from IESE Business School.

Javier Carrasco Brugada

Chief Financial Officer

Joined Renta Corporación in May 2007. From 1990 to 1996 worked for Banco Sabadell as Technical Director in the Corporate Banking division. From 1996 to 1998 he was Director of Corporate Banking for Catalonia with HSBC Midland Bank plc. From 1998 to 2001 he was Deputy CFO with Gas Natural SDG, S.A. In 2001 he joined Uniland Group as Group CFO, until he was appointed Corporate CFO of Vueling Airlines. He was Investment Banking lecturer at ESADE from 1999 to 2003. He holds a degree in Business Studies, an MBA from ESADE and a degree in Law from UNED (Spanish Open University).

Margarita Alvarez Hernández

Marketing Director

Joined Renta Corporación in February 2006. From 1993 to 2000 she worked for Arbora & Ausonia S.L., where she was appointed Brand Manager for Dodot, Evax and Ausonia brands in subsequent stages. From 2000 to 2002, she was Head of the New Projects Department with Gruppo Angelini, a financial holding company with a stake in Arbora & Ausonia. From 2003 to 2006 she was Marketing Manager for several brands in the same group's pharma company. She is a Senior Industrial Engineer, specialising in Industrial organisation, with a degree from the Georgia Institute of Technology, Atlanta (US) and an MBA from ESADE.

Pere Arimon Vilageliu

Residential Transformation and Sales Director

Founder of Renta Corporación and Commercial Director since 1991. Has been involved in setting up several business initiatives. Holds a three-year degree in Business Administration from the University of Barcelona.

* The profile for all other directors, who are members of the Board of Directors, can be found on page 13.

| | | |
|--|---|---|
| | <p>Meritxell Carreras Molins</p> <p>Planning and Investor Relations Director</p> | <p>Joined Renta Corporación in 2002. Started her professional career in 1989 at Snack Ventures Europe (PepsiCo), rising from Cost Accounting Supervisor to Planning Manager. Holds a degree in Economics and Business Studies from the Autonomous University of Barcelona and has completed the IESE Business School General Management Program (PDG).</p> |
| | <p>Tania Concejo Bontemps</p> <p>Paris Managing Director</p> | <p>Joined Renta Corporación in 2003 as head of group operations in Paris. Served as Marketing Consultant at Bull Worldwide Information Systems and Marketing & Business Development Manager at Senko Advanced Components (Boston, US) from 1998 to 2001. Holds a degree in Economics and Business Administration from the University of Giessen, Germany.</p> |
| | <p>Jordi Damià López</p> <p>Technology, Systems and Organisation Director</p> | <p>Joined Renta Corporación in April 2007. Appointed Head of Projects with Philips Informática y Telecomunicaciones in 1989. From 1991 to 1996 filled several posts at Snack Ventures Europe (PepsiCo Foods International). From 1996 to 2000, he was Information Organisation and Systems Director with trade show organiser, Fira Barcelona. Joined Winterthur in 2000, where he was later appointed IT Architecture Director for AXA-Winterthur Mediterranean Region. He is a Senior Telecommunications Engineer, with a degree from the Technical University of Barcelona.</p> |
| | <p>Tomás Durán Weitkamp</p> <p>Technical Department Director</p> | <p>Joined the Renta Corporación team in 2004. Joined FCC as Works Manager in 1995, where in 1997 he was appointed Commercial Construction Planning Technical Manager for the Catalonia and Andorra Office. That year he joined the Hines Group as Construction Manager for the Diagonal Mar Project. Holds a degree in Civil Engineering from the University of Kaiserslautern and has European qualifications in Senior Engineering from FEANI. Also holds an International Executive MBA from the University of Chicago and a Diploma in Advanced Studies under the Madrid European University Economics and Business Administration PhD programme.</p> |
| | <p>Marta García Garriga</p> <p>Human Resources Director</p> | <p>Joined Renta Corporación in March 2007. Until then she had worked for Winterthur Group, mainly in the HR department, where she was personnel administration manager, compensation and benefits technician, assistant to HR director, head of HR information and reporting systems and HR manager for various company departments. Holds Executive Secretarial qualifications from ICADE – Universidad Pontificia de Comillas, Advanced Human Resources Management from ESADE and Coaching certification from the European School of Coaching and Leadership Skills.</p> |
| | <p>Antonio Guarner Aguilar</p> <p>Berlin Managing Director</p> | <p>Joined Renta Corporación in 2006. From 1990 to 1998 he worked for AEG, Fábrica de Motores Eléctricos, where he was Logistics Director. He is a Senior Industrial Engineer specialising in Industrial Organisation, with qualification from the Technical University of Catalonia and holds a postgraduate qualification in Economics and Business Management from IESE Business School.</p> |
| | <p>Alicia Lacarta Antiga</p> <p>Legal Department Director</p> | <p>Joined Renta Corporación as Legal Department Lawyer in September 2003. Appointed Department Director in April 2006. From 1990 to 1992 she started working with internships at various levels of civil law at the Barcelona Courts, and later in the notary sector. From 1992 until her appointment at Renta Corporación she served as a Lawyer with Norberto & Vallcorba Abogados y Economistas Asociados, working in various fields of law. She holds a degree in Law from the University of Barcelona and has a Masters in Law and Taxation from the Technical University of Catalonia.</p> |

**Fernando
Nasarre
y de Goicoechea**

Madrid Managing Director

Joined Renta Corporación in May 2005. He has been a State Appointed Architect since he took the civil service exam in 1973. He was Deputy Planning Director of the Spanish Ministry of Public Works and Planning from 1981 to 1983, and from 1987 to 1996 served as editor of *Urbanismo*, the magazine published by the Madrid College of Architects. From 1992 to 1995 he was Technical Director of the Municipal Office for Review of the Madrid General Development Plan with the Madrid City Council, which he headed from 1995 to 1996. From May 1996 to April 2004, he was Director General of Housing, Architecture and Planning with the Ministry of Development. From October 1996 to April 2004, he was Chairman of SEPES (Entidad Pública Empresarial del Suelo), a government agency that handles zoning and land usage. Was also Chief Executive of Madrid's Empresa Municipal de la Vivienda (EMV) from 2004 to 2005, where he also served as Manager in 2005. He is a qualified architect holding a degree from the Madrid University School of Architecture.

**Christina
Nuño Plana**

Land Transformation
and Sales Director

Member of Renta Corporación since 2002. Worked for Continente Group from 1996 to 1999 as Shopping Centre Deputy Manager and Product Manager for Own Brands and Primer Precio Brand. General Manager of APEX, S.A. (Borges Group) from 1999 to 2001. Holds a degree in Business Administration and Management from the University of Barcelona and an MBA from IESE Business School.

**David
Pillinger**

London Managing
Director

Joined Renta Corporación in 2004. Worked at KPMG's London head office from 1983 to 1994 as auditor and as financial analysis and due diligence expert. From 1994 to 2000 worked for PepsiCo, based in the UK and France, in several financial management posts worldwide. From 2000 to 2003, International Financial Director of Sapient Corporation Inc, a US technology company with operations in Europe and India. From 2003 to the time he joined Renta Corporación, he was European Financial Director of Thomson Corporation, based in Paris. Holds a degree in Economics and Econometrics from the University of Manchester.

**Eduardo
Rabassa Artigas**

USA Managing Director

Joined Renta Corporación in September 2007. From 1990 to 1992 was Merchandising and Sales Promotion Manager of Panasonic Sales Spain. From 1992 to 1996 worked as Marketing Director for Grundig España, Southern Europe Region. From 1996 to 2004 was Business Development Director and SVP Latin America with Joyco Inversiones S.A. In March 2004, and until he joined Renta Corporación, was General Manager of CIRSA International Business Corp's Casinos Division. Holds a degree in Information Science, Specialising in Marketing and Advertising from the Autonomous University of Barcelona and has an MBA from Instituto de Empresa.

**Fernanda
Saénz de Cabezón
Escoruela**

Controller

Joined Renta Corporación in May 2005 as Group Controller. Senior Auditor at KPMG Peat Marwick from 1992 to 1995. Head of Administration of Spanish offices of the Grifols Group from 1995 to 1998. Joined Caixaholding in 1998 as Head of Control, Management and Acquisitions in the Ocio Group. Moved to Germany in 2003 to work as Global Division Controller of chemical company BASF until 2004. Associate lecturer in economics and finance at the IQS School of Economics from 1998 to 2002. Holds a degree in Business Administration, an MBA from ESADE and a PDG from IESE Business School.



Lola Sánchez Julián

Financing and Tax Director

Has been with Renta Corporación since 2001. Started out in 1990 with PricewaterhouseCoopers where she worked as a senior auditor. Joined Chupa Chups Group in 1995 as Deputy Financial Manager, subsequently appointed Marketing Controller. Holds a degree in Economics and Business Studies from the Autonomous University of Valencia and has completed the IESE Business School General Management Program (PDG).

Mª José Sendra Cuesta

Office Transformation and Sales Director

Joined the Renta Corporación team in 2001. Worked as an auditor both at Cortés i Cia Auditors and at Bové Montero from 1980 to 1987. Joined the Catalonia General Hospital in 1987 as Controller, where in 1989 she started working as Head of Management Control and General Services Director. Holds a degree in Economics from the Autonomous University of Barcelona and a Master's Degree in Financial Management from the ESADE Business School.

Mireia Serrano-Codina Tristany

Treasury Director

Renta Corporación member since 1999. Joined MIMICH, S.A. in 1992, where she was in charge of managing sales and inventory control. Joined Banco de Comercio in 1996. In 1999 she was appointed Head of Accounts at Keller, SCCL. She is an economist with postgraduate qualifications in Accounts Management, Management Control and Financial Management from Pompeu Fabra University, Barcelona and a PDG from IESE Business School.

02



Profits were affected by the credit crisis and its impact on the real estate industry. We made significant progress in our product and market diversification strategy. Our portfolio of inventory and investment rights exceeds €1 billion, with no need to increase annual investment.



02

Business Report

02 a.

Financial Year Summary

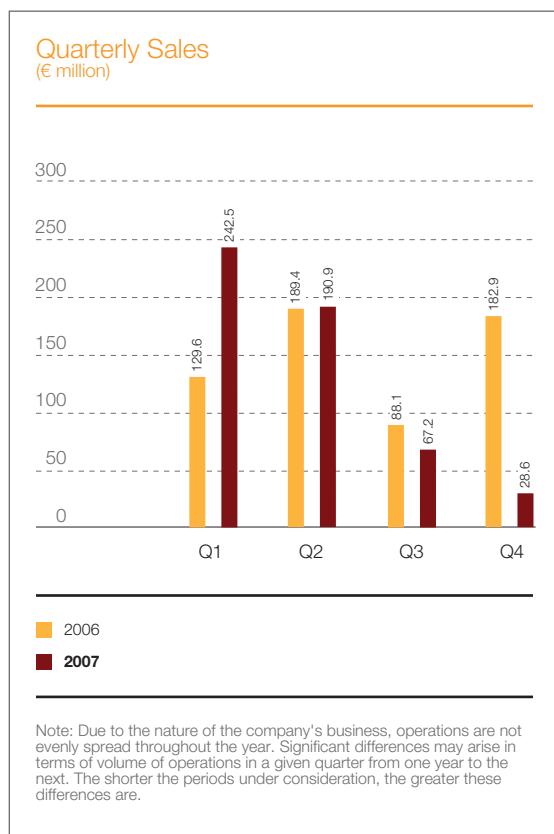
A major unforeseen liquidity crisis in the financial system had very substantial repercussions in 2007 and made it extremely difficult throughout the second half of the year to do business as usual in the real estate industry, as well as other industries.

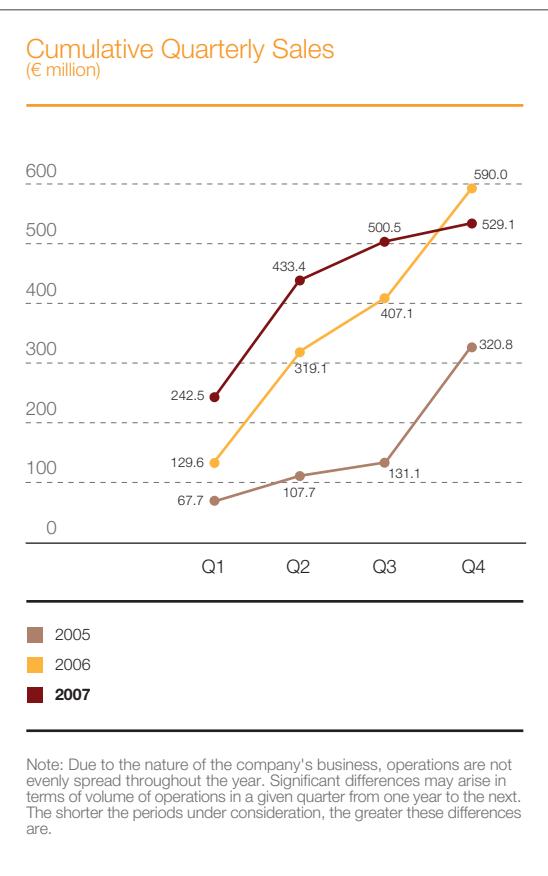
Forecasts for the year were already signalling a tougher market due to a slowdown in the Spanish residential market and expected interest rate hikes in Europe, resulting in tighter lending in the Eurozone.

In this context, it was crucial for the company's business plan for the year to bolster Renta Corporación's business model of property acquisition, transformation and sale by strongly focusing on internationalisation and diversification of its various real estate products, and so reduce its exposure to the residential business in Spain.

Activities throughout the first half of the year pursued those aims and served to validate the company's ability to adapt to such circumstances.

Nevertheless, when the credit crisis hit the financial market during the summer, the initial knock-on effects on the real estate industry's liquidity situation became apparent. Q3 saw a slowdown in the business, though it remains moderate and, in any event, subject to the distorted interpretation mainly due to the seasonal variation that typically occurs during the period, particularly in Spain. Eventually, the drop in financial liquidity has made it rather more difficult for our customers to secure financing, which was noticeably felt towards the end of the year.





In Q1 and Q2, sales stood at €242.5 million and €190.9 million, both those figures higher than the 2006 figures for the same quarters.

While sales historically are not evenly spread between quarters, sales in Q1 were particularly significant, 87% up on 2006. Q2 was more in line with the previous year, with a cumulative figure of €433.4 million, 36% up on 2006, following the company's basic trend and growth forecasts.

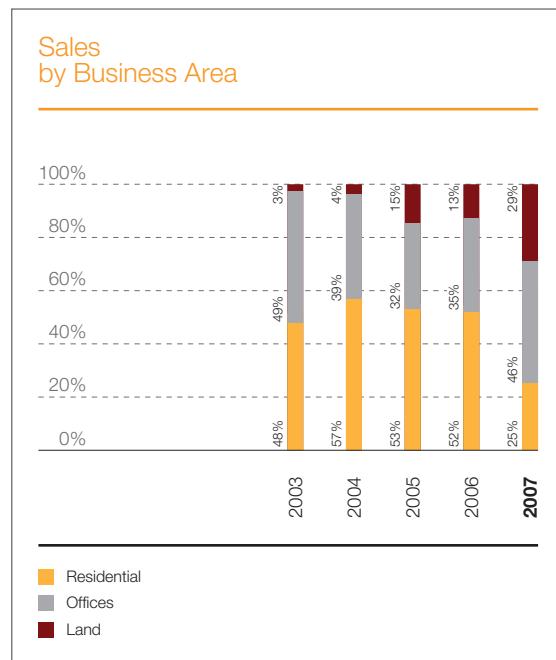
Growth slowed in Q3 2007, as a result of the initial effects of the tightened finance market. At the time there was still a sense of relative confidence that the problems in the credit industry would be resolved quickly, allowing growth to recover to forecast levels towards the end of the year.

A scenario of substantial concentration of operations in Q4, and particularly towards the end of the quarter, has come to be expected in the company's business as seen in 2005 and 2006, due to the fact that customer investment decisions tend to accumulate in this period as they are linked to meeting annual investment and/or reinvestment plans.

However, problems in the financing market in Q4 worsened, in some cases stopping and in others holding up investment decisions and completion of transactions that initially were expected to be closed during the period. This led to a year-end with sales down 10% from 2006, standing at €529.1 million, and a 26% drop in net income, at €35.4 million.

The company's efforts to diversify its product range and markets produced some encouraging results in 2007.

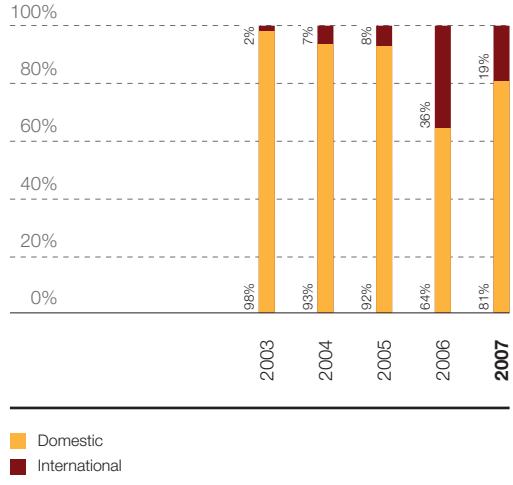
The office business was the leading player, accounting for nearly half of sales, taking over the lead from residential, now more or less on par with land transformation, which in turn doubled its 2006 contribution.



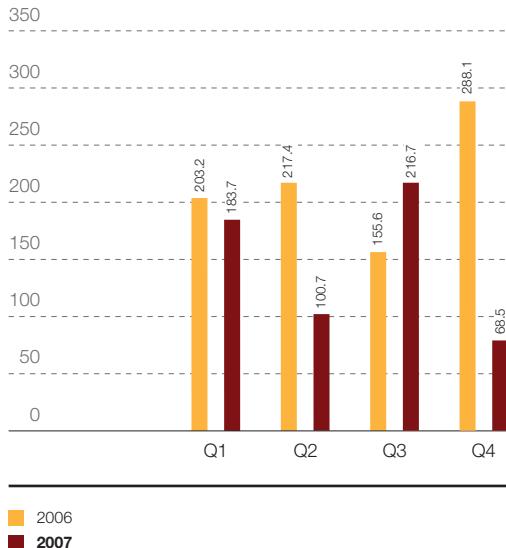
Looking at **operations by markets**, Spain accounts for 81% of sales and 84% of the Group's overall gross margin.

Sales of buildings outside Spain topped the €100 million mark, accounting for 19% of consolidated sales. This figure was lower than the 2006 figure because some transactions initially planned for 2007 in these markets were postponed to 2008.

Sales by Region



Quarterly Investment (€ million)

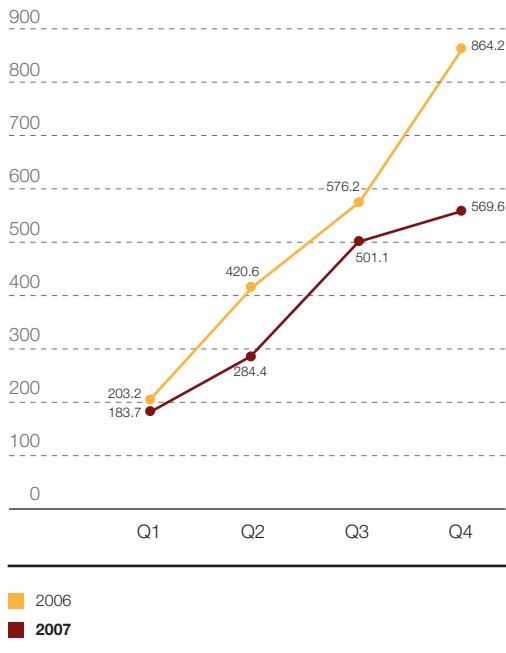


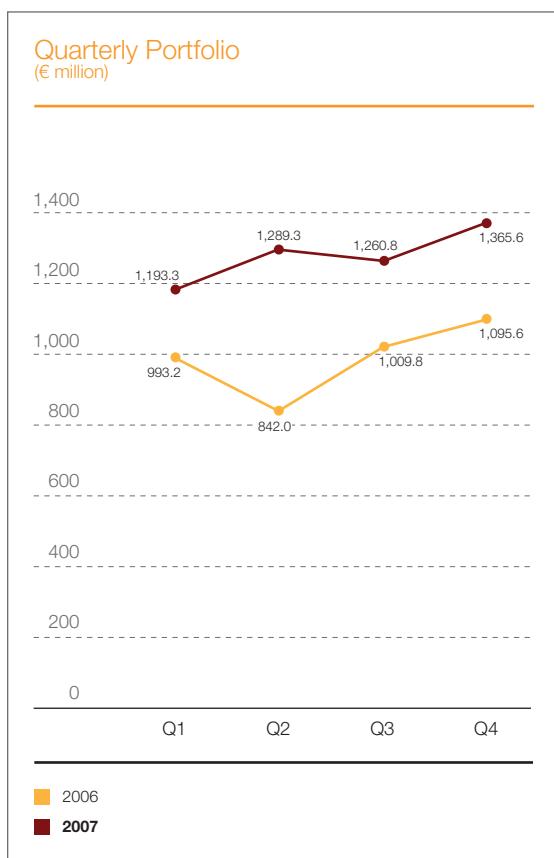
As for investment, weakening market conditions and tighter access to finance, with the ensuing slowdown in demand, have triggered a major difference in sale-to-purchase ratios, moving from a seller's market to a buyer's market.

Thanks to its business model involving constant buying and selling, Renta Corporación, quickly recognises these changes in the market and adjusts its practices to situations as they develop.

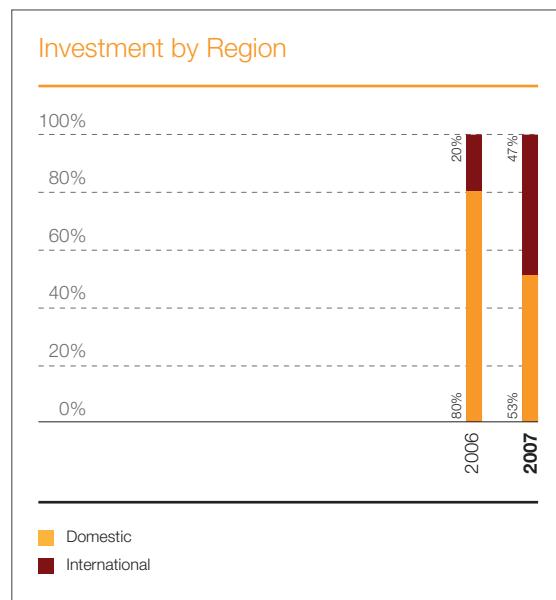
Investment in acquisition and transformation of assets stood at €569.6 million in 2007, 34% below 2006. However, this did not involve a reduction in total portfolio assets. The Group portfolio is configured as inventory plus investment rights held under current purchase options. This totals €1,365.6 million, making the portfolio, together with asset rotation, large enough to support the generation of the company's income.

Cumulative Quarterly Investment (€ million)





Consistent with the Group's internationalisation strategy, investment outside Spain was stepped up significantly and increased by more than 50% over 2006, standing at €266.4 million and accounting for more than 45% of the year's investment.



02 b. Market Situation

Outlook for economic growth in 2007 in countries where the company does business was initially favourable, and GDP growth figures available so far confirm that Europe's leading economies will continue on the road to recovery that started in 2006.

Once again, Spain was ahead of its European partners, matching its 2006 growth. Germany, France and the UK are consolidating their 2006 growth rate, while only the UK is expected to have ended 2007 with a higher GDP growth than the previous year. The outlook for the US is slowdown with growth lower than in the four preceding years.

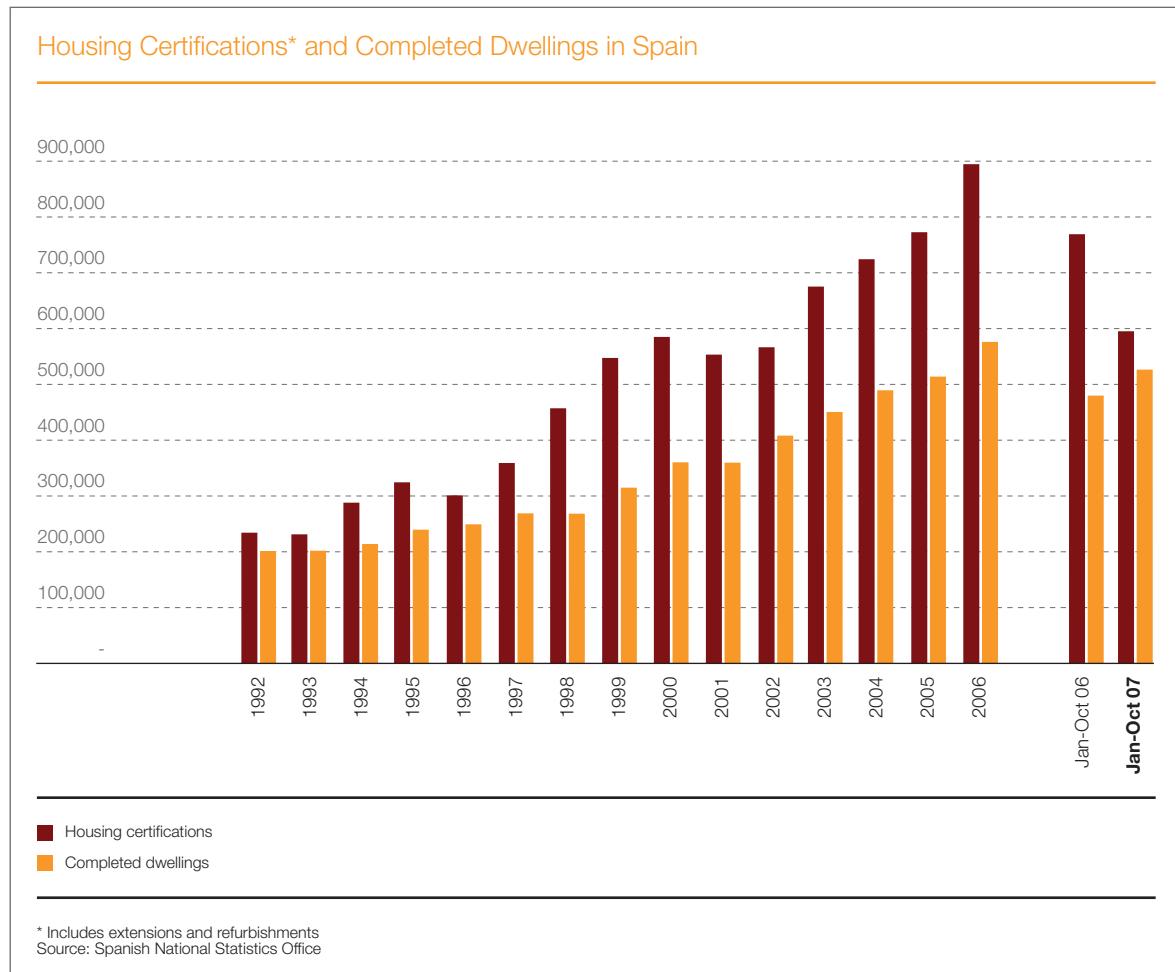
GDP Growth (annual growth rates in real terms, %)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|---------|------|------|------|------|------|------|
| Spain | 2.7 | 3.1 | 3.3 | 3.6 | 3.9 | 3.8* |
| Germany | 0.0 | -0.2 | 1.1 | 0.8 | 2.9 | 2.5* |
| France | 1.0 | 1.1 | 2.5 | 1.7 | 2.0 | 1.9* |
| UK | 2.1 | 2.8 | 3.3 | 1.8 | 2.9 | 3.1* |
| US | 1.6 | 2.5 | 3.6 | 3.1 | 2.9 | 2.1* |
| Euro 15 | 1.1 | 1.2 | 2.3 | 1.6 | 2.8 | 2.7* |

* Forecast
Source: Eurostat 28/01/08

The outlook for the real estate industry in Spain in 2007 suggested tapering of price rises and slowdown in residential business following several extraordinarily dynamic years, as well as continued growth in the office business as a result of positive economic activity and employment.

Available data for 2007, even though they are the latest forecasts, confirm initial housing certification estimates (though not yet for finished dwellings, due to the momentum of the construction process) and a lower number of home transactions than in 2006. Prices are rising more slowly or not at all following a period of strong growth.



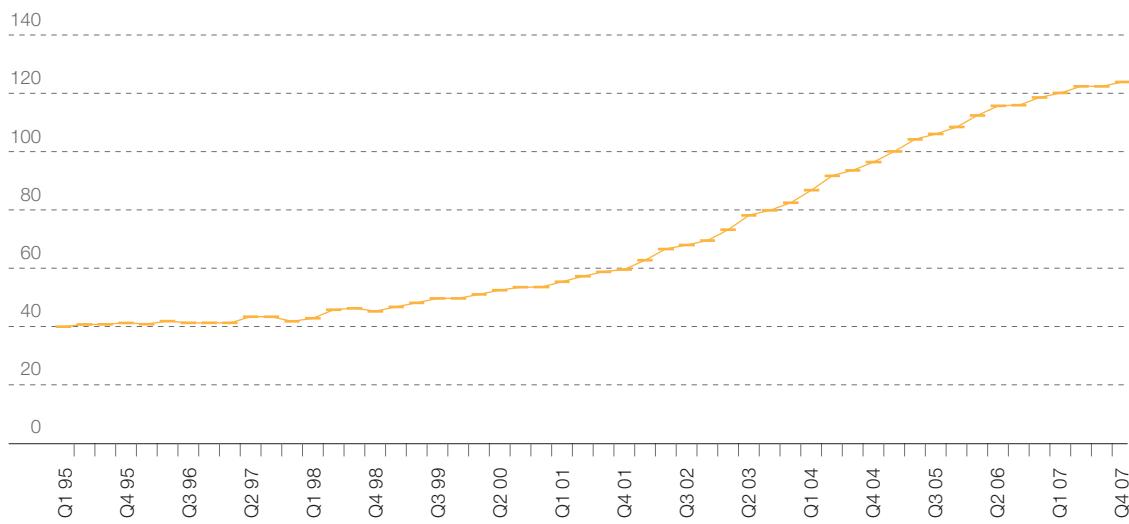
Residential Property Transactions in Spain (Units)

| | 2004 | | | | 2005 | | | | 2006 | | | | 2007 | | |
|---------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|
| | Quarter | | | | Quarter | | | | Quarter | | | | Quarter | | |
| | 1° | 2° | 3° | 4° | 1° | 2° | 3° | 4° | 1° | 2° | 3° | 4° | 1° | * 2° | |
| New dwellings | 65,304 | 77,011 | 72,376 | 80,551 | 66,723 | 88,134 | 90,590 | 91,031 | 93,860 | 102,587 | 101,417 | 112,328 | 102,637 | 96,923 | |
| Second-hand housing | 125,138 | 146,884 | 128,713 | 152,413 | 129,715 | 153,264 | 125,743 | 156,374 | 139,809 | 149,062 | 120,193 | 135,930 | 128,118 | 114,531 | |
| Total transactions | 190,442 | 223,895 | 201,089 | 232,964 | 196,438 | 241,398 | 216,333 | 247,405 | 233,669 | 251,649 | 221,610 | 248,258 | 230,755 | 211,454 | |

Source: Ministry of Housing
* Provisional data

Residential Property Prices in Spain

Units: Index (Baseline Q1 2005)



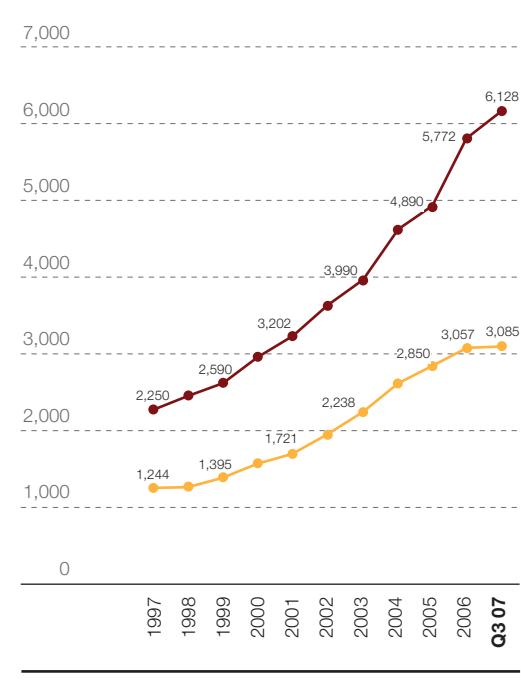
Source: Monthly Statistics Bulletin, Spanish National Statistics Office

In the international arena, the forecast slowdown in price growth also applied to the French residential market. Data for 2007, however, show a very different situation in Paris, the only French market where Renta Corporación does business, with significant growth compared to the rest of the country.

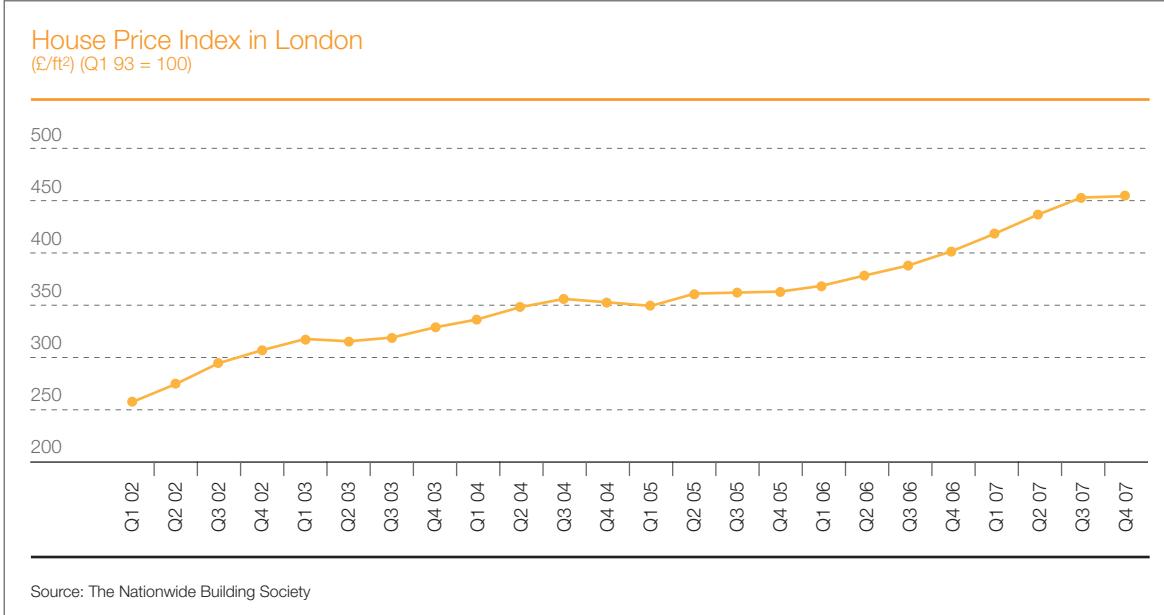
The outlook for Berlin was that prices would remain stable or rise slightly. In London, the 2006 spiralling prices continued in 2007 during the first nine months, only to slow significantly towards the end of the year.

House Price Index in France and Paris

(€/m²)

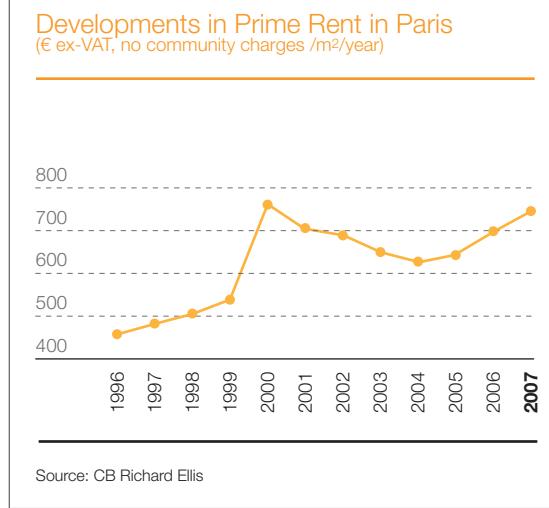


Source: FNAIM (France), Chambre des Notaires (París)

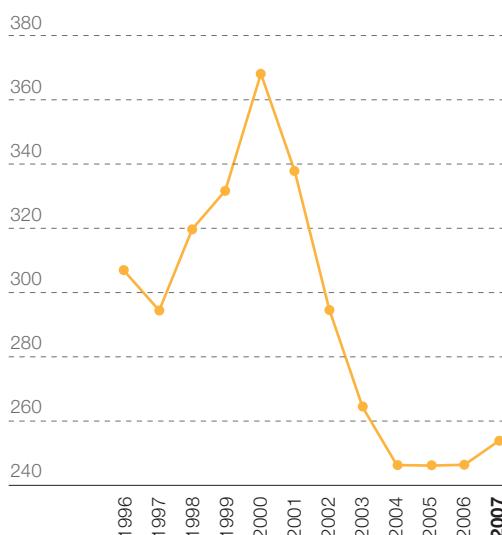


As for offices, healthier economic growth was a key driver in generating the expectation that 2007 would be a year of positive demand for this product. Rent was on the rise and there was a widespread increase in occupancy rates, while compression of profitability rates seemed to be running out of steam after repeated cutbacks and the likelihood of interest rate hikes.

Finally, even though rent has improved, driven by shortage of supply, prices have tightened up due to an increase in required profitability rates, particularly towards the end of the period and specifically in the London market, in a natural widespread reaction to the increasing difficulty of obtaining financing.



Developments in Prime Rent in Berlin (€/m²/year)



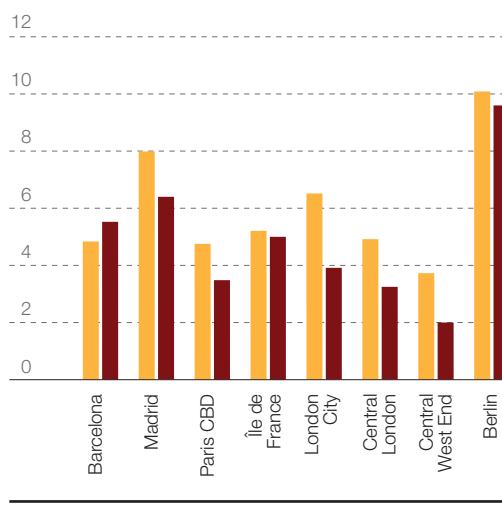
Source: Property Management Association

Developments in Prime Rent in London (£/ft²/year)



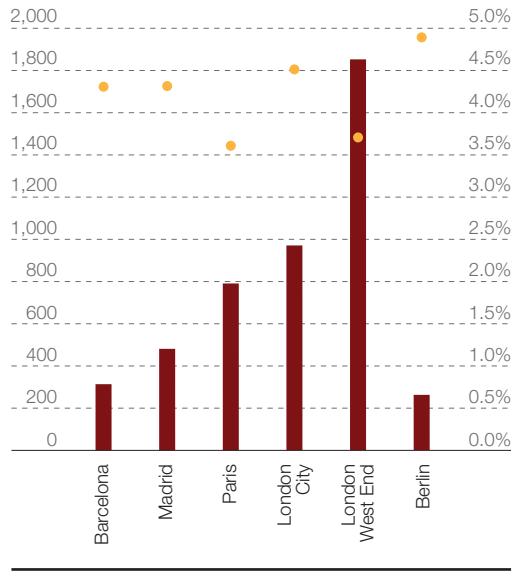
Source: Knight Frank 2008

Office Availability Rate (%)



Source: CB Richard Ellis

Offices – Prime Rent and Yield (€/ft²/year)



Source: CB Richard Ellis

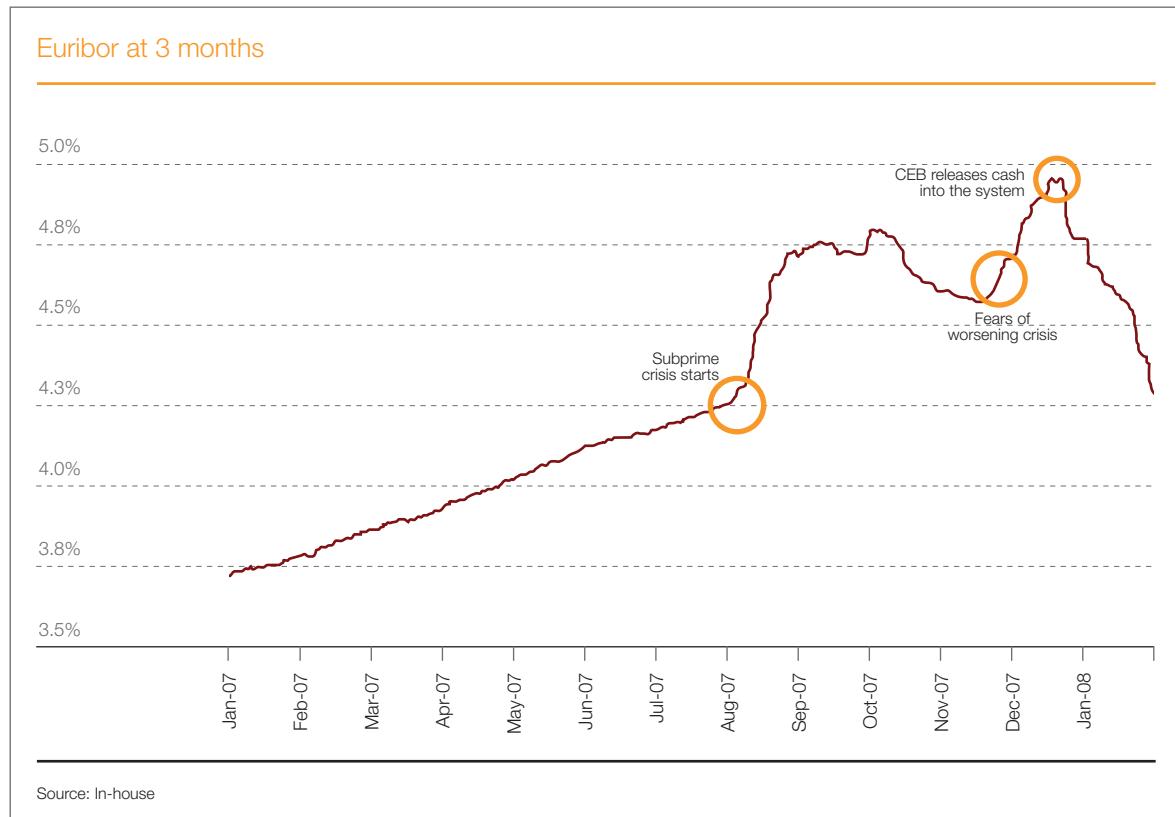
The exceptional tension that arose in the credit market in August was a key factor in the declining performance by the real estate industry on these markets during the second half of 2007.

Liquidity problems in the financial system persisted over the following months, affecting the entire system in spite of separate and collective efforts by various central banks.

The consequences of that tension have clearly been different for each bank and customer, but overall it has affected the entire real estate market significantly, not to mention our customers who need financing to carry out their transactions. They have had to face:

- Lengthy approval times
- Higher costs
- Tougher guarantee requirements
- In many cases denial of access to financing

In this situation, liquidity in the real estate market has been hit very hard. There is widespread doubt about the actual possibility of securing financing which, coupled with higher costs, has caused people to defer investment decisions. In addition, the lack of a quick solution has contributed to greater uncertainty due to the potential longer-term effects of this delay on asset values and the likely implications for assets related to the need for some industry operators to regain their financial footing.



This anomalous situation in the financial arena, of international magnitude and with global repercussions, is compounding the specific situation of each property market segment, by product as well as location.

It is worth highlighting here that there is a great diversity of assets that fall under the umbrella term "real estate market". While it is extremely difficult to gather quality data for the various segments, it must be remembered that different dynamics do co-exist in the same market, with various products being affected by specific changes in legislation (such as, recently, the Spanish Land Act

and the Technical Building Code, Aurillac Act in France, etc.), by major differences in supply and demand trends (offices, primary residence, second home, commercial, etc.) and by different evolution based on location (prime, outlying areas of major capital cities, other cities, etc.).

Renta Corporación's core focus is on major capital cities and assets that combine the potential of enhancing value through transformation and the highest possible liquidity. These aspects are still considered key to success in operating on such a complex market.

02 C.

Business in Spain

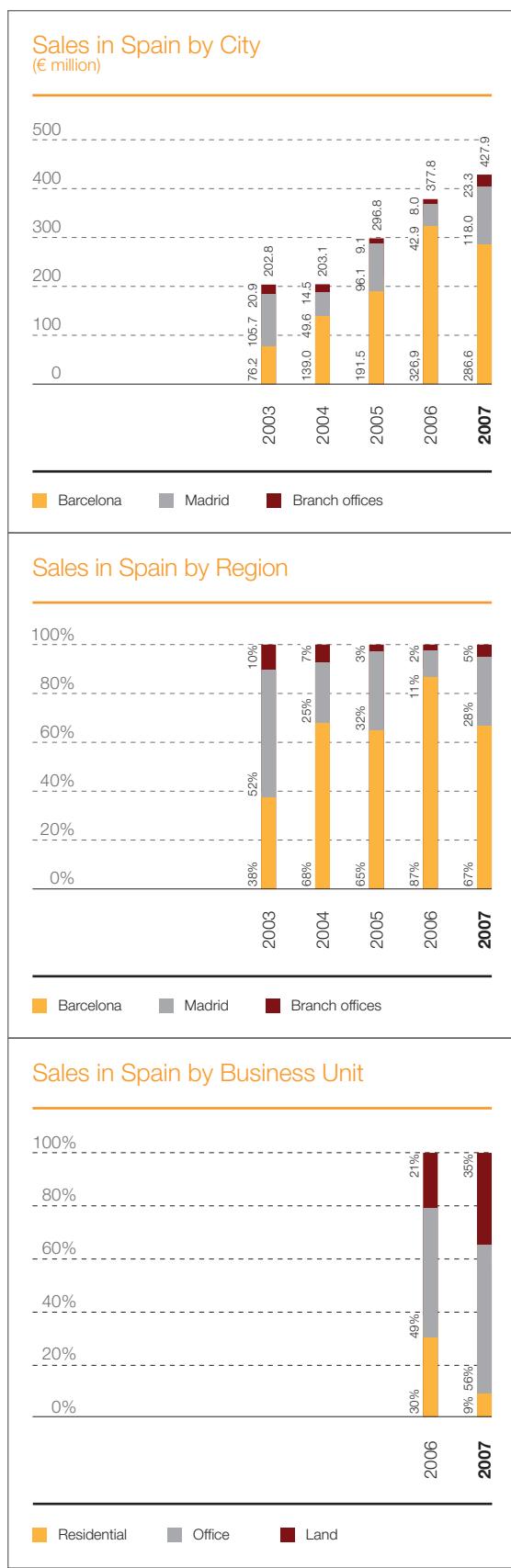
Group sales in Spain in 2007 stood at €427.9 million, up 13% on the previous year and twice the figure for just three years ago.

As in recent years, Barcelona generated the lion's share of consolidated sales, with 67% of sales in Spain.

Madrid's contribution was up again, standing at 28% of domestic sales. This is more consistent with 2004-2005 levels, given that, due to market conditions in 2006, operations in Madrid focused on the transformation stage.

The breakdown of operations by business unit shows gains in Offices and Land. Together they accounted for 91% of sales, while Residential lost ground from the previous year.

Investment in Spain was €303.2 million, concentrated mainly in Barcelona, which accounted for 88% of the domestic market. By business units, Residential accounts for 44% of investment, Offices for 37% and Land for the remaining 19%.



02 d.

International Business

Growth in international business is one of the key elements in the Group's strategy. As with Spain, the sales spread for the year is by no means consistent, so postponement of some operations to 2008 resulted in a significant decline in sales in comparison with 2006, although the figure of €101.2 million in 2007 is four times the turnover for 2005, just two years ago.

Significant progress was also made over the year in consolidating Renta Corporación's international presence. An operations office opened in Berlin, and in the second half of the year another one opened in New York that by year-end had transactions at different stages of acquisition, transformation and sale. It is the Group's fourth international office, in one of the largest and most liquid property markets in the world.

London and, to a lesser extent, Berlin joined the Group's international activity in sales in 2006, which until then was restricted to Paris. Particularly significant in 2007 was the increase of sales in Berlin, a market with substantially lower prices per square metre than the others.

Development of the business continued in Paris and London although, for the reasons set out above, sales in 2007 were lower than in 2006.

International sales in 2007 continued, as in 2006, to be driven by Residential, although in all three cities contributing sales (Paris, London, Berlin) and most recently New York, there are major projects at the transformation stage in the Office segment.

The substantial growth of yearly investment on the international market to €266.4 million is a reflection of the growing importance of the Group's international business as well as the addition of a new city, New York, in the second half of 2007.



The lion's share of investment was in Paris, with €181.2 million, followed by London, with €63.9 million, representing 68% and 24% respectively of the international total. The balance of investment was carried by Berlin and New York, with €7.8 million and €13.5 million, respectively.

By business units, Residential accounts for 27% of investment in these markets and Offices for 73%.

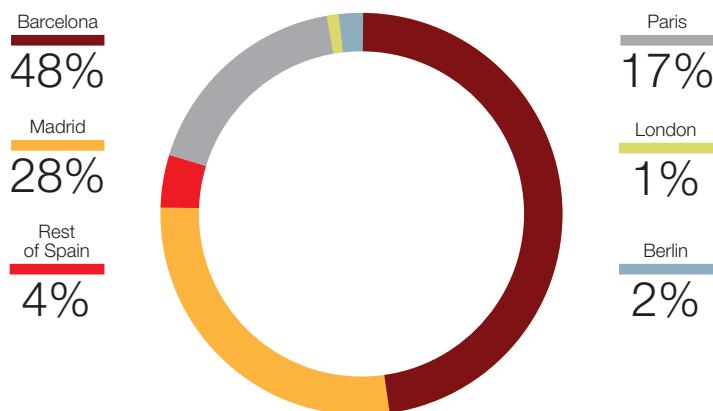
02 e. Property Portfolio

During the year a total of €468.2 million were invested in the acquisition of assets in 27 transactions. Of this total, 47% was for assets in Barcelona, 34% in Paris, 11% in London, and the remainder in all other cities where the Group operates.

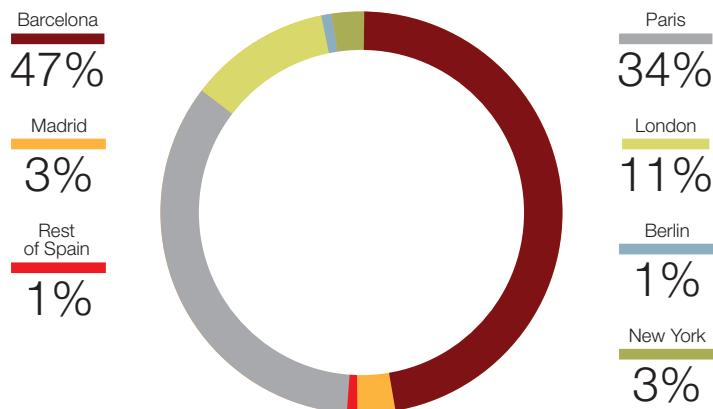
By business units, the largest acquisitions were for Offices, with 53% in 10 transactions.

Acquisitions by Region

2006

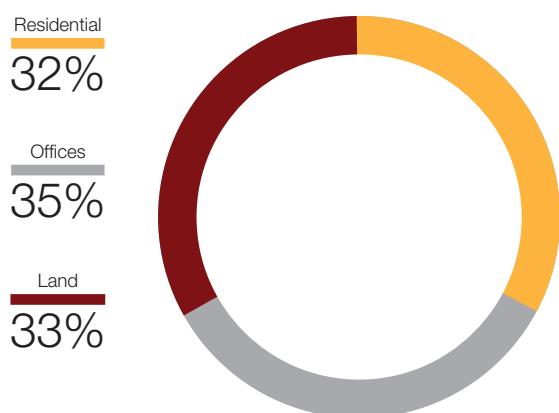


2007

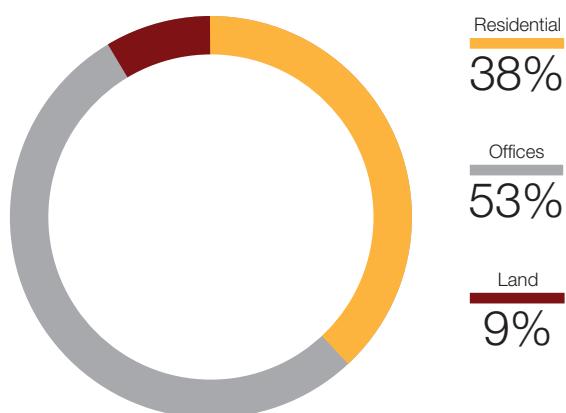


Acquisitions by Business Unit

2006



2007



Main Acquisitions 2007

| Property | Office | Month |
|----------------------------------|-----------|-------------|
| 1. Diagonal I | Barcelona | February |
| 2. Diagonal II | Barcelona | February |
| 3. Madrazo | Barcelona | May-October |
| 4. Balmes | Barcelona | June |
| 5. Roig-Picalquers | Barcelona | July |
| 6. València | Barcelona | July |
| 7. Lleida | Barcelona | July |
| 8. Modesto Lafuente | Madrid | June |
| 9. Tour Villette | Paris | March |
| 10. Mirabeau | Paris | May |
| 11. Bvd. Haussmann | Paris | September |
| 12. Rue de la Faisanderie | Paris | September |
| 13. Rue Faubourg Poissonnière | Paris | September |
| 14. Eaton Place | London | March |
| 15. Robert Adam Street | London | May |
| 16. Palmerston House, Old Street | London | September |
| 17. Compton Street | London | October |
| 18. Rosebery Street | London | October |
| 19. Rhinstrasse | Berlin | April |
| 20. Warren Street | New York | October |

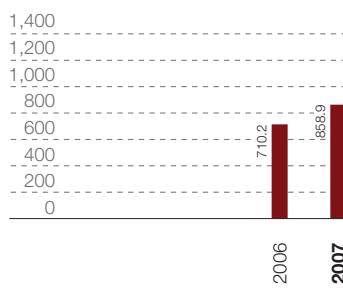
At year-end, the portfolio held inventory of €858.9 million and investment rights of €506.7 million, totalling €1,365.6 million, up 25% over 2006.

By cities, Barcelona leads with €571.0 million. Cities in other countries, however, are closing the gap, climbing from €178.2 million in 2006 to €484.1 million in 2007. This group is led by Paris with €173.9 million and New York with €171.6 million.

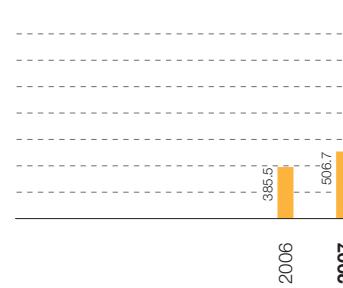
By business unit, Offices accounts for the largest part of business activity with 44%, or €596.4 million. Of these, €335.3 million are inventory (already acquired), while €261.2 million are investment rights subject to exercise of purchase options.

Portfolio by inventory and investment rights (€ million)

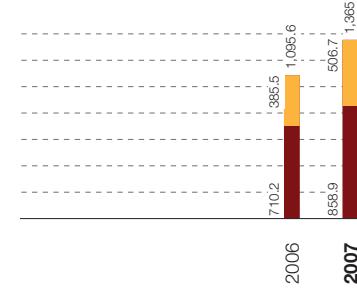
Inventory



Investment rights

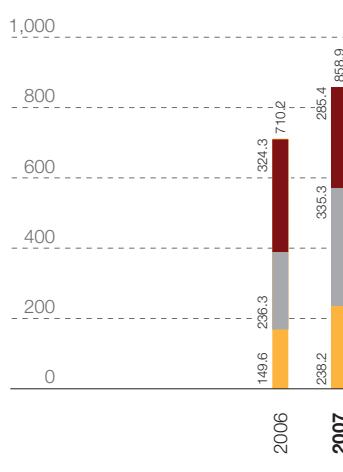


Portfolio

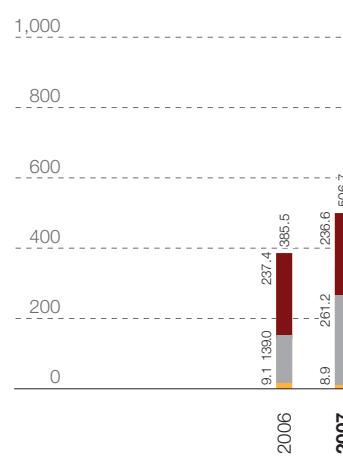


Portfolio by business unit (€ million)

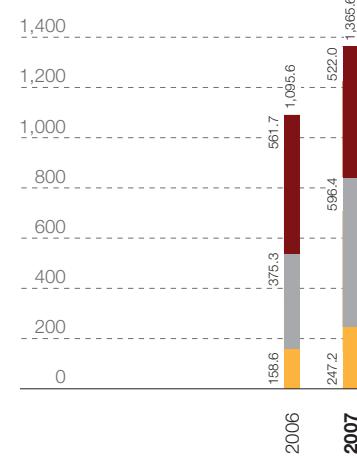
Inventory



Investment rights

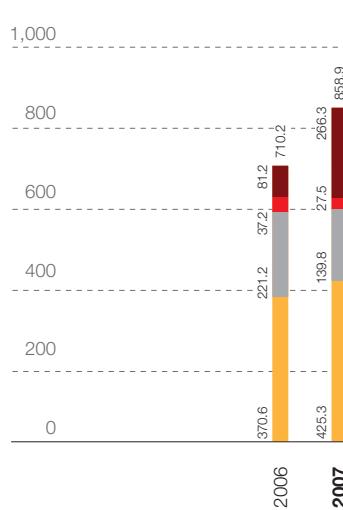


Portfolio

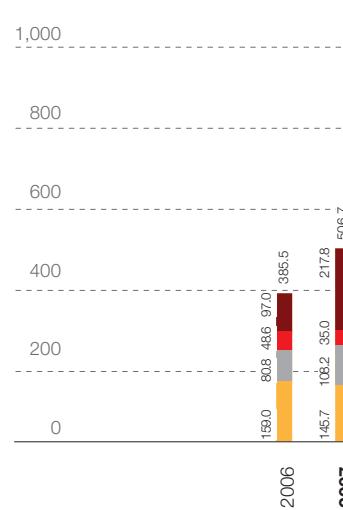


Portfolio spread by city (€ million)

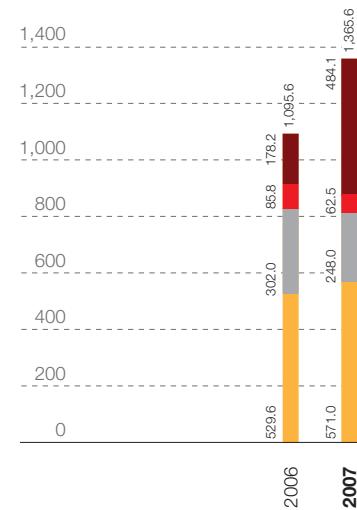
Inventory



Investment rights



Portfolio



■ Barcelona ■ Madrid ■ Rest of Spain

■ International

Examples of operations

01

Haussmann.
Paris



ACQUISITION

02

Robert Adam.
London



03

Old Street.
London



07

Tour la Villette.
Paris



08

Faisanderie.
Paris



09

Rhinstrasse.
Berlin



TRANSFORMATION

13

Mirabeau.
Paris



14

Bundesallee.
Berlin



15

Diagonal I.
Barcelona



SALE

04

47 th Street.
New York



05

Madrazo.
Barcelona



06

Modesto Lafuente.
Madrid



ACQUISITION

10

Warren Street.
New York



11

Balmes I.
Barcelona



12

Pere IV.
Barcelona



TRANSFORMATION

16

Diagonal II.
Barcelona



17

Balmes II.
Barcelona



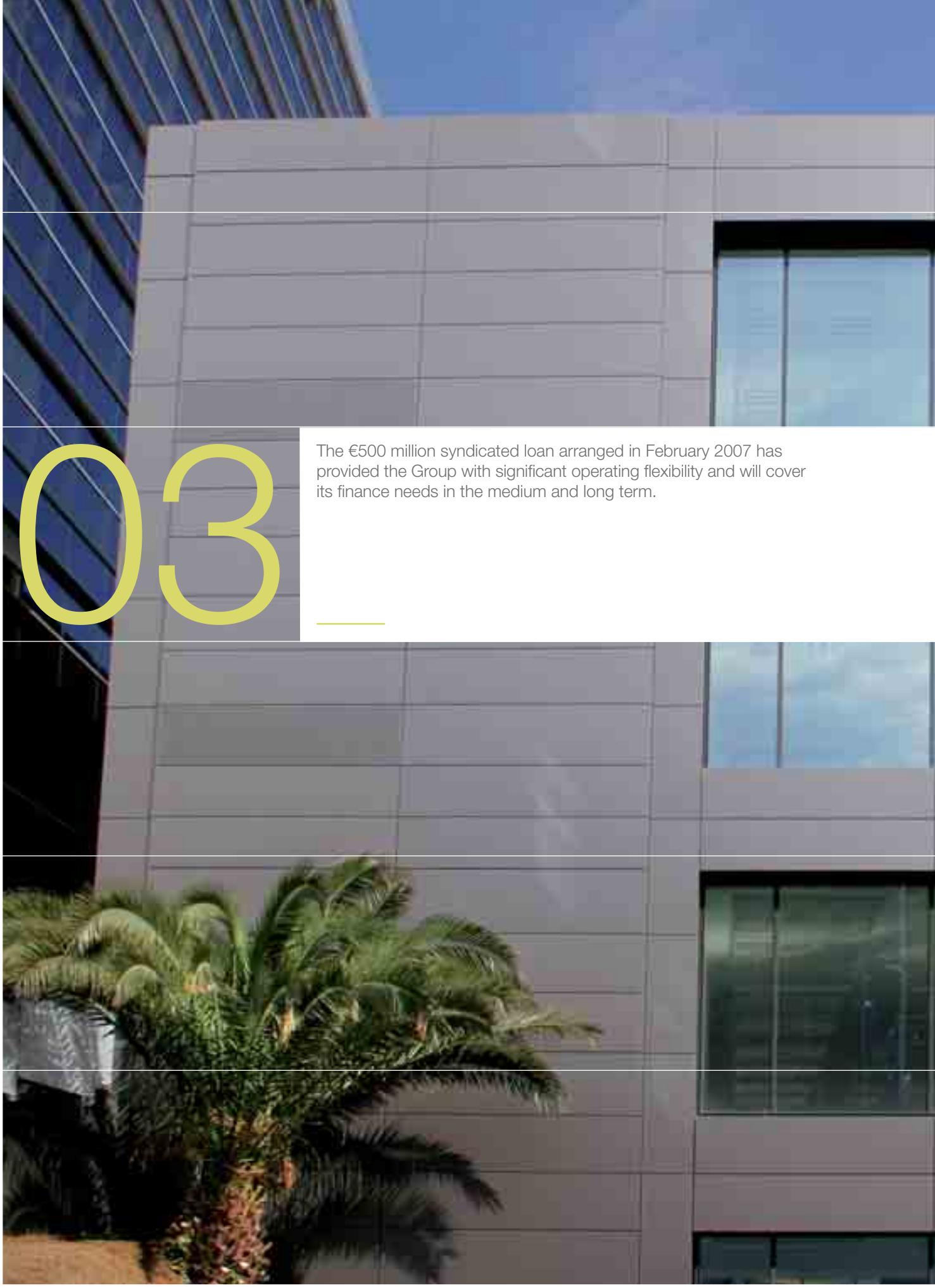
18

Agricultura.
Barcelona



SALE

03



The €500 million syndicated loan arranged in February 2007 has provided the Group with significant operating flexibility and will cover its finance needs in the medium and long term.

The background image shows a modern building's exterior. It features a grid of large, dark-framed windows. The building is made of light-colored, rectangular panels. The sky above is clear and blue.

03

Financial Management

03 a.

Financing

The Group's net financial debt at 31 December 2007 was €736.3 million. Over the year, the Company geared its investment policy to business development. In Q3, and particularly in Q4, there was a significant drop in forecast sales, with deferral of completion of certain operations to 2008. Financially, it translates into circum-

stantially higher average debt levels than initially expected, **with 77% leverage at year-end**.

The following table shows evolution by headings in 2007:

| (€ million) | Dec-07 | Dec-06 | Difference |
|------------------------------------|--------------|--------------|--------------|
| Syndicated Loan | 496.0 | 0.0 | 496.0 |
| Mortgage-backed transactions | 97.7 | 316.7 | -219.0 |
| Head Office mortgage | 53.4 | 0.0 | 53.4 |
| Loan agreements and miscellaneous | 94.3 | 190.6 | -96.3 |
| Cash and short-term deposits | -5.2 | -8.1 | 2.9 |
| Total Net Debt | 736.2 | 499.2 | 237.0 |
| Net Debt / (Net debt + Net equity) | 77% | 71% | 6pp |

In February 2007, the Company arranged a **€500 million syndicated loan**. The operation was led by Santander, Eurohyp and Fortis as underwriters, who also acted as lead arrangers jointly with BBVA. A total of 21 Spanish and international banks are syndicate members. That financing, which matures in February 2012, is split into two tranches:

- Tranche A for a maximum total of €200 million, repayable in five consecutive half-yearly increasing payments from February 2010.
- Tranche B for €300 million under a five-year revolving credit facility.

The syndicated loan provides the Company with a finance structure that is better suited to its needs, replacing a significant portion of mortgage debt and the balance

drawn down under short-term loan agreements with long-term debt.

With that transaction, the Company has essentially achieved the following:

- **Greater operating flexibility** and simplicity in day-to-day financial management to ensure speedier investment-related decisions.
- **Cost savings**, given that the type of mortgage-based financing used previously by the Group as its main source of financing, carries a high cost in Spain.
- **Coverage of the Group's finance requirements** in the medium term.
- Presence on the **structured finance** market.
- Ability to arrange **interest rate hedging**.

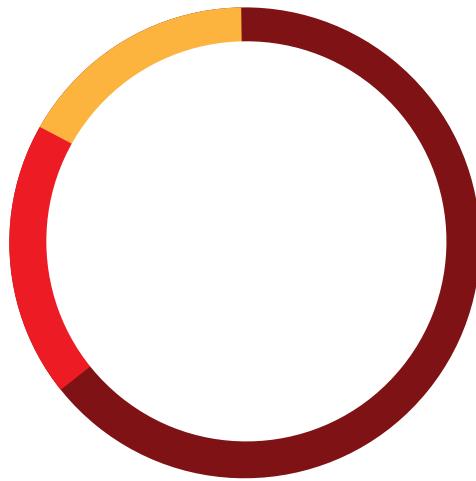
Average term of arranged debt at 31 December 2007 is 3.4 years. While the syndicated loan is for 3.8 years, the average term for overall debt is less because mortgage-based debt transactions are treated as short-term debt, since the assets used as collateral for those mortgages are considered inventory. Accordingly, and although they are actually long-term loans, they are treated as short-term based on the time when they are expected to be taken over or redeemed upon sale of the property.

Financing for the **new corporate head office** was arranged in July 2007 in the amount of €62.8 million, of which €54 million are under a mortgage loan maturing in July 2017 and €8.8 million are under a short-term loan agreement.

The average interest rate for debt in 2007 was 4.82%, with an estimated average spread of 0.64% over Euribor.

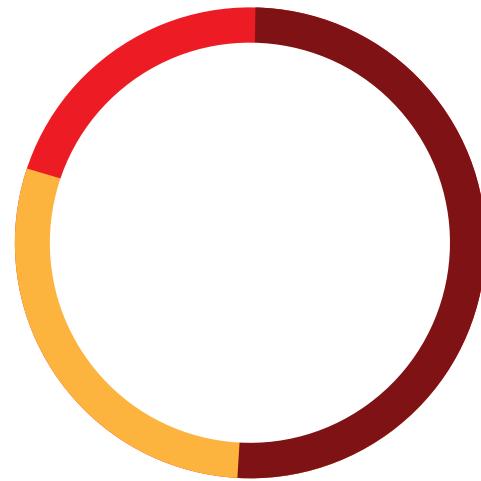
Debt structure

| | |
|-----------------------------------|-----|
| Syndicated loan | 68% |
| Loan agreements and other credits | 12% |
| Mortgages | 20% |



Debt maturity

| | |
|-----------|-----|
| > 4 years | 58% |
| 2-4 years | 21% |
| < 2 years | 21% |



03 b.

Financial Risk Management

The Company constantly monitors its financial risk, in particular liquidity, forex and interest rate.

As for **liquidity**, arrangement of the syndicated loan means that at 31 December 2007, 58% of the debt matures in more than 4 years. Meanwhile, the class quality of Renta Corporación's assets ensures the company's needs are suitably, swiftly and securely covered.

The **interest rate risk management** policy aims to hedge around 30% of total debt drawn down at a fixed rate and so reduce volatility of financial cost. Access to long-term financing in 2007 has allowed the Company to implement policies for interest rate risk management.

- Thus, in March fixed-rate hedging contracts linked to the syndicated loan were for €200 million nominal. At the end of September 2007, interest rate hedging stood at €221.6 million, accounting for 30% of debt.

- Hedging mark-to-market stands at €2 million. All arranged hedging is IAS-compliant.
- Average interest rate for fixed-rate hedged debt was 4.11%, with a term of 3.4 years.

The Group's **forex risk management** policy has gained prominence in the year due to greater internationalisation.

The Company has defined forex risk as the potential negative effect of fluctuations in exchange rates on company profit, Group equity and cash flow.

The Group has intra-group finance positions with its London and New York subsidiaries, which work in other currencies, thus entailing a forex risk.

Consequently, and given the slide experienced by sterling and the dollar since the second half of the year 2007, forex hedging has been arranged on a portion of financed amounts.

03 c.

Cash Flow

In order to optimise Group cash flow, management of main cash flows of the various Group businesses has been centralised.

This centralised management involves, among other measures, using daily cash pooling for all the Group's businesses operating in Spain.

Cash pooling provides clear benefits for developing a common and coordinated financial strategy, implementation of a common risk management policy, financial cost cutting and more information available for decision making.

03 d.

Notes on the Consolidated Balance Sheet

It is worth noting the acquisition in 2007 of the Company's new head office in Barcelona, where all Group services and the Barcelona office are centralised.

Inventory accounts for 79.7% of assets at year-end stood at €858.9 million, reflecting the Group's **high level of investment**. Particularly significant is the rise in **investment in international cities** this year, almost on the same level as the Spanish market.

In addition, the Group holds **investment rights**, i.e. purchase options, with entitlement to acquire new

buildings, with a total value of €506.7 million. The combination of total inventory and investment rights is a key factor in forecasting results for the following years.

Customer balances and other accounts receivable are consistent with the previous year. Suppliers and other accounts payable include payments received as sales commitments, standing at €27 million. These commitments entail a figure for **realisable sales in the coming months of €264.7 million**.

Consolidated Balance Sheet (in thousand of euros)

| Assets | | | |
|---|------------------|----------------|-----------------|
| € thousand | 2007 | 2006 | Difference |
| Total non-current assets | 82,530 | 8,224 | 74,306 |
| Inventory | 858,894 | 710,194 | 148,700 |
| Trade debtors and other accounts receivable | 122,555 | 163,536 | -40,981 |
| Loans and receivables with related parties | 605 | 1,275 | -670 |
| Current tax credits | 10,558 | 0 | 10,558 |
| Derivative financial instrument | 90 | 0 | 90 |
| Cash and cash equivalents | 2,737 | 6,071 | -3,334 |
| Total current assets | 995,439 | 881,076 | 114,363 |
| Total assets | 1,077,969 | 889,300 | 188,669 |
| Liabilities | | | |
| € thousand | 2007 | 2006 | Difference |
| Shareholders' equity and reserves | 220,614 | 203,899 | 16,715 |
| Total equity | 220,614 | 203,899 | 16,715 |
| Financial debt | 548,605 | 0 | 548,605 |
| Other non-current liabilities | 25,054 | 5,784 | 19,270 |
| Total non-current liabilities | 573,659 | 5,784 | 567,875 |
| Trade creditors and other accounts payable | 90,896 | 157,717 | -66,821 |
| Financial debt | 192,800 | 507,313 | -314,513 |
| Current tax liabilities | 0 | 14,587 | -14,587 |
| Total current liabilities | 283,696 | 679,617 | -395,921 |
| Total liabilities | 857,355 | 685,401 | 171,954 |
| Total shareholders' equity and liabilities | 1,077,969 | 889,300 | 188,669 |

03 e.

Notes on Consolidated Income Statement

Following sustained growth during the first semestrer of the year, the property industry was hit along the third and specially the fourth quarter, by an abrupt slow-down triggered mainly by the financial crisis, which has had a global and significant effect on this market. Nevertheless, even in such a difficult environment, **sales** reached **€529.1 million**, 10% down on the previous year.

Business differentiation and **diversification**, both **geographically** and by **business unit**, allowed the Group to achieve 23% more sales during the first nine months of the year than for the same period of the previous year.

In that scenario, **office and land businesses** performed well, with turnover up 40% on 2006.

Spain still represents the main market, with **Barcelona and Madrid as principal locations**. Nevertheless,

2007 saw greater development of the internationalisation process, with a **new office opening in New York**, joining Paris, London and Berlin.

In 2007, the Group strengthened the organisation by bringing in **leading senior managers**, who, along with new additions to staff, are the main reason for higher personnel expenses.

The market development during the year led to an operating profit for 2007 of €56 million compared to €77 million in 2006. Higher interest rates and greater average debt levels due to the Group's expansion gave rise to higher net finance costs, standing at 2.8% of revenues. The enhanced value of stakes in associated companies is reflected by their higher contributions to the Group.

Attributable earnings per share are **€1.42/share**.

Consolidated Income Statement (in thousand of euros)

| | 2007 | 2006 | Difference |
|---|---------------|---------------|----------------|
| Revenues | 529,107 | 590,035 | -60,928 |
| Other operating incomes | 15,765 | 6,172 | 9,593 |
| Goods used | -432,632 | -468,675 | 36,043 |
| Employee benefit expenses | -18,639 | -15,181 | -3,458 |
| Outsourcing expenses | -29,577 | -20,466 | -9,111 |
| Other expenses | -8,066 | -14,871 | 6,805 |
| Consolidated operating income | 55,958 | 77,014 | -21,056 |
| Net financial expenses | -15,513 | -9,767 | -5,746 |
| Share in affiliates' income | 9,010 | 3,671 | 5,339 |
| Consolidated income before tax | 49,455 | 70,918 | -21,463 |
| Corporation tax | -14,103 | -23,417 | 9,314 |
| Consolidated income for the year | 35,352 | 47,501 | -12,149 |
| Attributable income | 35,352 | 47,501 | -12,149 |
| Earnings per share (in euros per share) | 1.42 | 1.97 | -0.55 |

03 f.

Notes on the Consolidated Cash Flow Statement

The Company's performance in 2007, combined with its investment effort, led to an amount of **€154.7 million**.

That cash used in transactions. That cash was used mainly for investment in inventory throughout the year.

This investment is mainly focused on the **efforts** done in international offices as part of the **development** and **positioning process** in these **markets**.

In addition to the significant increase in cash flows used in investment in respect to the previous year, the acquisition of the new head office has been a surplus.

The end result has been a reduction in net cash flow of 3.3 million euros at 31 December 2007.

Consolidated Cash Flow Statement (in thousand of euros)

| Operations | 2007 | 2006 | Difference |
|--|-----------------|-----------------|-----------------|
| Cash used in transactions | -82,771 | -322,596 | 239,825 |
| Interest paid | -43,230 | -16,807 | -26,423 |
| Tax paid | -28,663 | -20,854 | -7,809 |
| Net cash flow used | -154,664 | -360,257 | 205,593 |
| Investment transactions | 2007 | 2006 | Difference |
| Acquisition of tangible fixed assets | -66,870 | -428 | -66,442 |
| Loans to related parties | -593 | -1,275 | 682 |
| Repayment of loans to related parties | 1,263 | 2,891 | -1,628 |
| Deposits and guarantees | -1,440 | -557 | -883 |
| Repayment of deposits and guarantees | 1,192 | 600 | 592 |
| Interest received | 2,426 | 1,127 | 1,299 |
| Minority acquisitions | 0 | -604 | -604 |
| Other investment flows | -112 | -883 | 771 |
| Net cash flows generated | -64,134 | 871 | -65,005 |
| Finance transactions | 2007 | 2006 | Difference |
| Revenues from ordinary share issues | 0 | 83,927 | -83,927 |
| Acquisition of treasury stock | -3,328 | -3,791 | 463 |
| Disposal of treasury stock | 491 | 1,788 | -1,297 |
| Finance obtained | 656,653 | 845,577 | -188,924 |
| Repayment of finance | -424,102 | -555,138 | 131,036 |
| Dividends paid to shareholders | -14,250 | -10,086 | -4,164 |
| Net cash flow generated | 215,464 | 362,277 | -146,813 |
| Cash at beginning of the year | 6,071 | 3,180 | 2,891 |
| Cash at year-end | 2,737 | 6,071 | -3,334 |
| Net reduction / increase in cash flows and cash equivalents | -3,334 | 2,891 | -6,225 |

04

Financial year 2007 was extremely volatile and saw significant adjustments to valuations of listed real estate companies. The group's dividend policy establishes a minimum payout of 30% of net consolidated income.

04

Dividend, Stock Market
and Shareholders

04

Dividend, Stock Market and Shareholders

Renta Corporación shares have been **listed** on the Barcelona and Madrid stock exchanges **since April** 2006, and are traded on the Spanish Stock Exchange Interconnection System (ISBE or Continuous Market). In Spain, as well as being one of constituent companies of the Barcelona and Madrid indexes, Renta Corporación shares are also a constituent of the Ibex Small Cap index. Internationally, since 18 December 2006, they are a constituent of the FTSE EPRA/NAREIT Global

Real Estate index, an international benchmark index for institutional investors specialising in the real estate industry.

Renta Corporación's share capital at the end of 2007 comprised **25,029,301 shares in circulation** with a par value of €1.00 each.

All shares have the same voting and financial rights.

04 a.

Share performance

Financial year 2007 was **extremely volatile** for real estate companies in terms of stock markets performance.

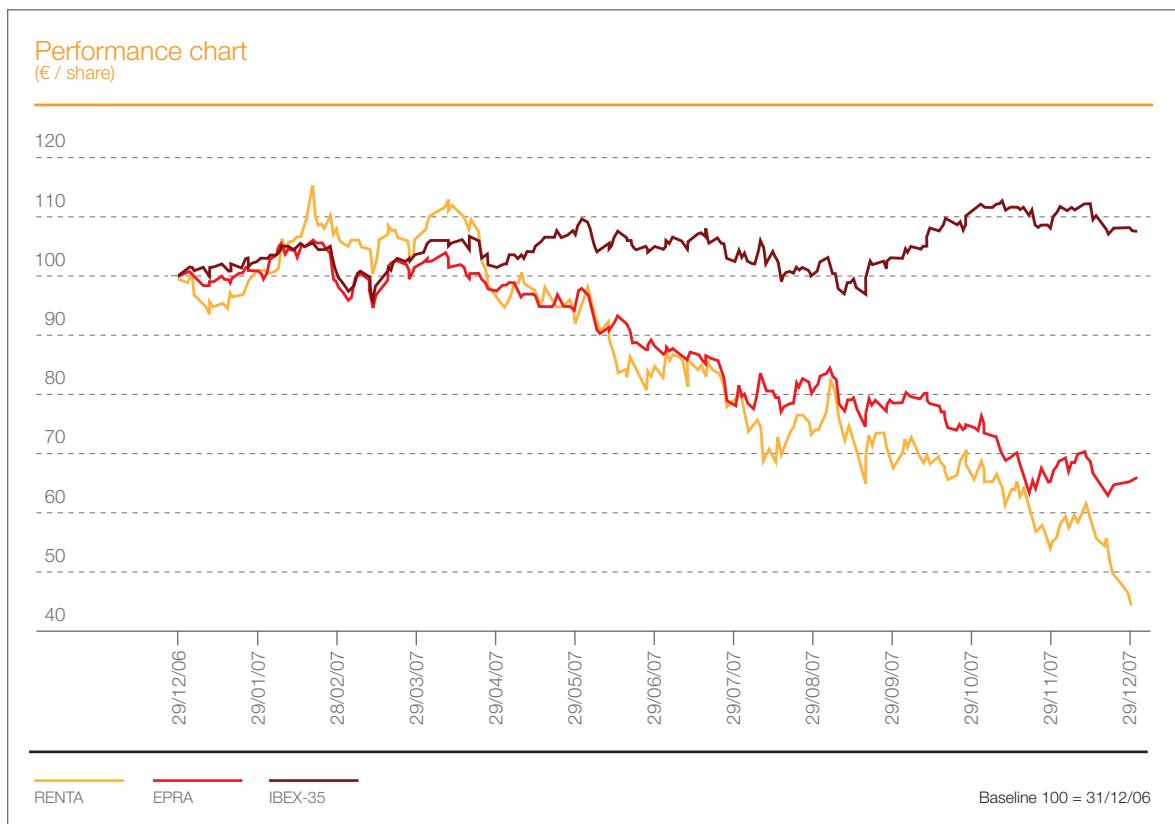
Closing 2006 at €34.13 per share, Renta Corporación shares kicked off in 2007 with a significant rise in value, driven by the company's sound fundamentals, among other factors, and what was still a favourable environment in the Spanish real estate industry.

At 19 February 2007, the shares reached a historic peak at €39.32, a 15% appreciation versus year-end 2006. Beginning in April, a series of adverse news items regarding developments in the industry and its outlook in various countries triggered a progressive adjustment of current values.

Renta Corporación's share price was not immune to those fluctuations, and dropped repeatedly, in spite of healthy results posted, down to €24 per share by the end of July.

In August, the US subprime crisis surfaced and spread rapidly to tighten liquidity in the global financial system, which was particularly hard on financially intensive industries, such as real estate. Virtually all shares in the industry fell even further in the second half of the year, which in Renta Corporación's case led to a **year-end price of €15.28 per share**.

The **year-end** price means a **market capitalisation of €382 million**.



Trading

In 2007, **26,628,226 shares were traded**, a turnover of 1.06 times share capital, with an effective volume of €784,593,863. Average trading figures for the first few months of 2007 were in excess of 100,000 shares per day, which tapered off in the summer months, only to bounce back in Q4.

Volumes (shares)

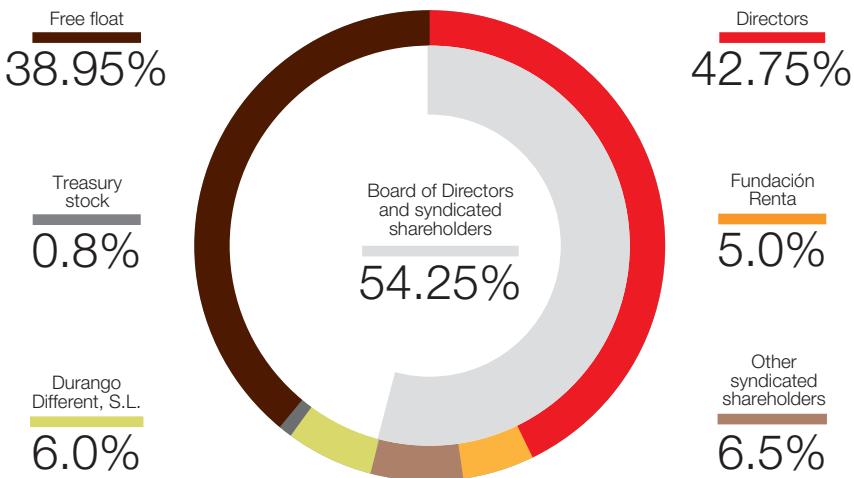
| | | |
|-------------------------|------------|--------------|
| Cumulative | 26,628,226 | (31/12/2007) |
| Maximum | 1,054,981 | (04/04/2007) |
| Minimum | 14,227 | (03/09/2007) |
| January daily average | 121,506 | |
| February daily average | 145,756 | |
| March daily average | 115,689 | |
| April daily average | 159,553 | |
| May daily average | 108,183 | |
| June daily average | 77,536 | |
| July daily average | 47,968 | |
| August daily average | 71,342 | |
| September daily average | 74,166 | |
| October daily average | 106,109 | |
| November daily average | 123,867 | |
| December daily average | 124,115 | |



04 b.

Shareholders

Distribution of holdings in Renta Corporación Real Estate S.A.
at 31 December 2007



Note: Information provided in this section is based on statements filed by shareholders who have reported their shareholder positions because their holding exceeds regulated levels or because they are company directors.

Up-to-date information is also available in the Annual Corporate Governance Report, as required by regulations, and on the Spanish National Securities Market Commission and Renta Corporación websites.

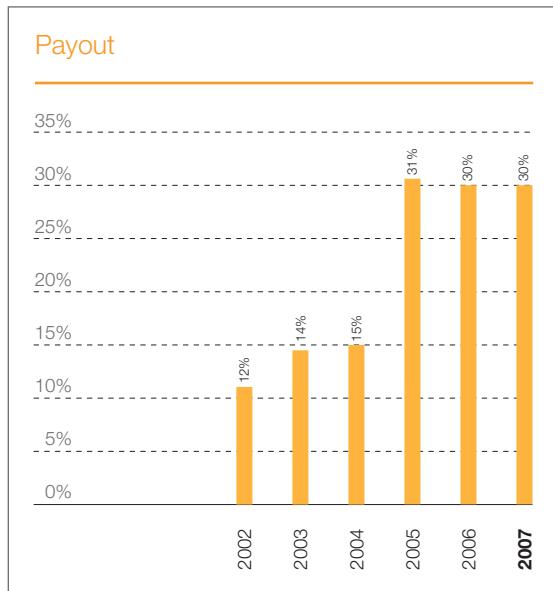
04 c.

Dividend

In 2007, Renta Corporación paid its shareholders a **dividend of €0.57 per share charged to 2006 income**. The dividend was paid on 12 April, with total distribution of €14.25 million, **representing 30% of net distributable income**.

Within the framework of the 2008-2010 Strategic Plan, the **Board** confirmed the group's current **dividend policy** on 15 January 2008, set at a **minimum payout of 30% of consolidated net income**.

As for remuneration from 2007 profit, on 20 February 2008 the Board resolved to propose to the 25 April 2008 **General Meeting of Shareholders** a single dividend **for 2007** of €10,605,640.75 gross, representing a dividend of **€0.42 gross per share**, a payout of 30% of the parent company's consolidated net distributable income and a dividend yield of 2.75% on share price at year-end.



04 d.

Investor Relations

In an endeavour to ensure shareholder awareness, and in general that of the market as a whole, with regard to Renta Corporación's business, salient financials, strategy and evolution, **the Company is committed to an active Investor Relations policy.**

Under that policy, a significant number of actions have been taken, both proactive (notices, presentations, interviews, involvement in conferences, etc.) and reactive, relating to requests for information and questions from shareholders and investors.

In addition, coverage of the company by analysts increased throughout 2007, with new contributions through reports and analysis notes on Company news and results.

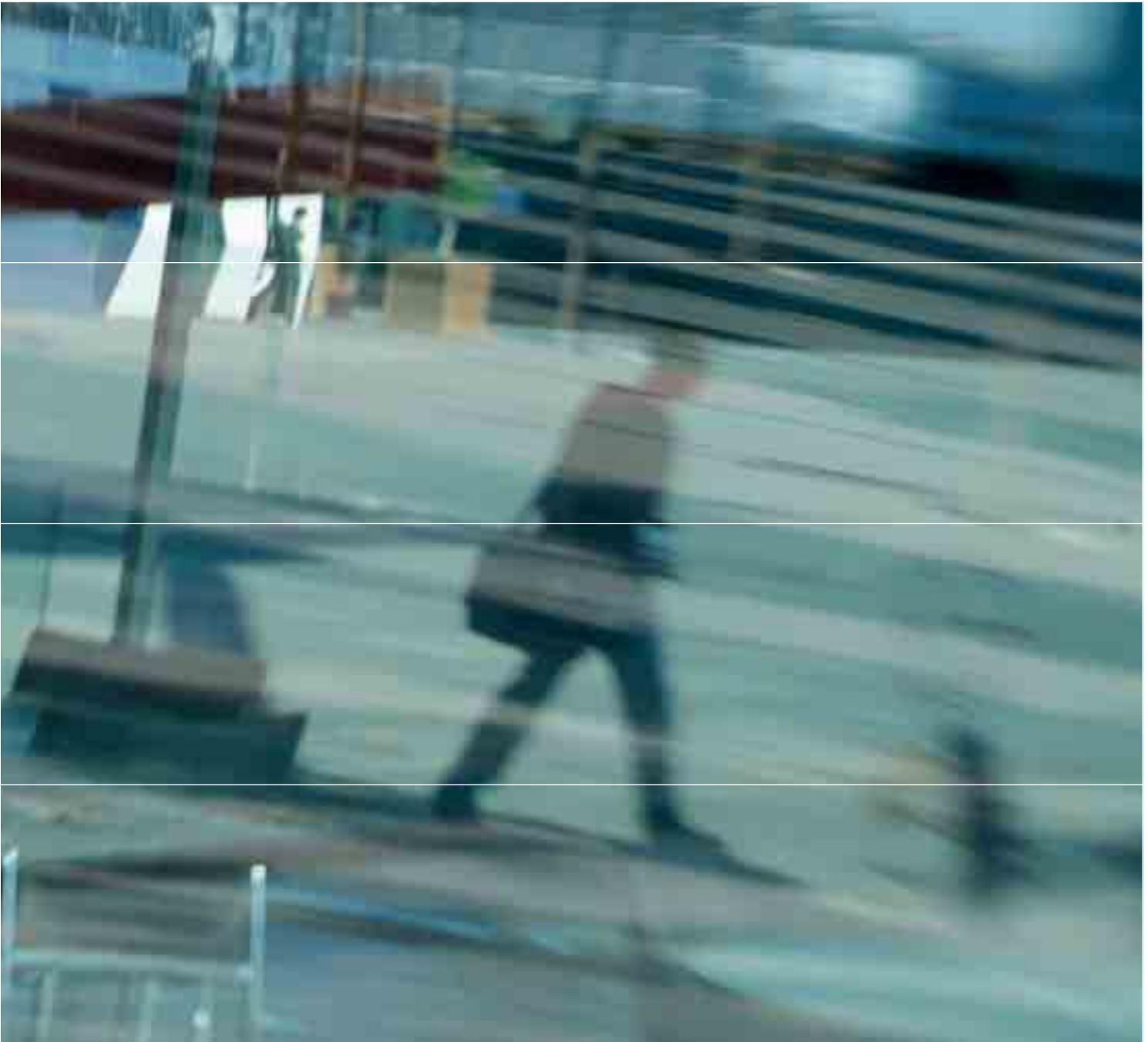
Shareholders and investors interested in Renta Corporación can find published information and reports of material events regarding the company on the company's website at: www.rentacorporacion.com, and can request information by e-mail at: r.inversores@rentacorporacion.com or by phoning +34 93 505 33 83.





05

Renta Corporación assimilates the social, employment and environmental concerns that emerge in the transparent dialogue with its stakeholders into its corporate governance and management.



05

Corporate Social
Responsibility

05 a.

Introduction

Scope and focus

Since 2005, Renta Corporación has included a chapter on its social and environmental performance in its Annual Report. As in previous editions, the 2007 annual report dedicates an entire chapter to detailing the implementation and outcome of its sustainability policies in the past year. This year, the Social Responsibility (CSR) chapter has added two new important features in Corporate Social Responsibility since the previous edition.

Firstly, CSR-related information has been drawn up for the first time in line with criteria set by version 3.0 (G3) of the Global Reporting Initiative (GRI), an international benchmark organisation that draws up guidelines for writing CSR reports.

In addition, the chapter has been structured along the strategic lines of Renta Corporación's Corporate Social Responsibility, established in 2006.

In that respect, information on the management profile and principles of Renta Corporación and corporate governance are to be found in chapter 1 of the 2007 annual report, while the scope and steps taken in each line of CSR are set out in this chapter (5).

Process for gathering information, ensuring its coverage and ascertaining whether it is material

In line with GRI-G3 principles, in order to determine the material issues in social, environmental and commercial terms laid down in this chapter, we have combined internal and external factors, such as the Company's mission and strategy, the major concerns and expectations expressed by stakeholders and our organisation's effect on its customers, society, employees, shareholders and investors.

In that respect, this section has been prepared through an initial process of reflection featuring internal and external consultation. In the past year, in connection with the formulation of the company's CSR strategy, senior management officials were interviewed in order to establish a priority for implementation measures and Renta Corporación's stakeholders. Externally, that process was based on industry-specific analysis through benchmarking and media analysis.

In order to ensure that the CSR information gathered is as current and reliable as possible and complies with the various GRI indicators, the company Secretary's office is directly involved in collecting the necessary information. Those indicators were distributed by subject areas, based on the organisation of the different company departments. Accordingly, a person responsible for each department was designated and assigned the task of gathering the relevant data for each indicator included in their subject area.

Other sources used in drawing up this chapter are various corporate publications (available on the Company website at www.rentacorporacion.com) and consultation with different department heads. That approach provided clarification and additional documentation that contributed to making the CSR information succinct and comprehensive.

The information given in this chapter deals mainly with the Barcelona office, while excluding any information on Company suppliers and subsidiaries (France, UK, Germany and the US) from analysis. However, some of the analysed indicators, such as those referring to the Company's commercial performance and staffing levels and numbers, also include offices outside Spain.

Contact details

If you have any questions or require further information, please contact:

Secretaría General de Renta Corporación

Vía Augusta, 252-260. 08017 Barcelona. Spain
Telf: +34 93 494 96 70 Fax: +34 93 494 96 77
E-mail: barcelona@rentacorporacion.com

05 b. A responsible business model

Renta Corporación applies a responsible management model committed to its stakeholders. The Company views CSR as linked intrinsically to the operation of its business and its entrepreneurial outlook.

In order to foster sustainability policies, the Company has devised a specific structure to co-ordinate and manage activities in this sphere, where Fundación Renta plays a key role as the vehicle for the Company's contribution to society.

★ The Company views Corporate Social Responsibility as a factor intrinsically tied to its business and pursues numerous activities in this sphere consistent with new societal demands

Renta Corporación's focus and Corporate Social Responsibility

In today's environment, Corporate Social Responsibility is an increasingly valuable asset that companies endeavour to include in their day-to-day business strategy with the conviction that it will benefit them and their immediate environment. In line with that commitment and in order to achieve the business excellence it pursues, Renta Corporación is implementing numerous CSR practices that address new social demands.

Renta Corporación views CSR as a strategic factor. Since the Company's inception, its business model has reflected responsible social conduct. CSR is seen as linked intrinsically to the operation of the Company's business and its entrepreneurial outlook. This is an ethical concept rather than merely an aesthetic one and it aims to govern Company decisions by not just pursuing financial profit but also combining its success in business with contribution to sustainability in all areas of society.

Renta Corporación provides added value in an industry where brand and reputation play a key role, particularly with suppliers and customers, but also with society at large. CSR is seen as a means of instilling the values of a socially and environmentally responsible company

and as a mechanism for sharing the values that govern Renta Corporación's business with its employees.

Renta Corporación's strong growth calls for new goals to be devised, new actions to be taken and new challenges in Social Responsibility to be addressed to meet the needs and expectations of its stakeholders. Accordingly, Renta Corporación continued in its efforts throughout 2007 to enhance the integration of its Corporate Responsibility commitments with its business strategy, based on responsible leadership and a transparent business model, ordering, prioritising and aligning the company's internal strategy with all the actions already underway in the various CSR areas.

★ In 2007, the Company designed a CSR strategy based on an internal process of reflection and discussion

Defining and establishing a CSR strategy

One of the most notable actions taken in 2007 was specifying the ground rules for the Corporate Social Responsibility strategy through the assignment of priorities to the Company's various stakeholders, assessment of the degree to which their expectations have been met and establishing an action plan consistent with the identified priorities.

That strategy was the result of an internal process of reflection and dialogue with members of the Renta Corporación team, favouring interaction between departments and providing a global view to ensure and deliver a comprehensive perspective.

In producing its CSR strategy, Renta Corporación has identified the following stakeholders:

- Employees
- Customers
- Tenants
- Suppliers (of buildings, external services and capital)
- Governments
- Society and the media
- Shareholders and investors

Determining the strategy has allowed Renta Corporación to detect areas for improvement and spheres where social or environmental policies may be implemented. It has also helped to identify areas, types of potential risk and opportunities linked to each interest group. The Company has established six strategic lines consis-

tent with priorities for action that have come to light through internal discussion with stakeholders and examination of available external information:

- 1. Improve the working environment, options for career development and work/life balance.**
- 2. Strengthen communication with various stakeholders.**
- 3. Integrate sustainability policies in the business's value chain.**
- 4. Promote and contribute to social development.**
- 5. Foster transparency, trust and good governance.**
- 6. Manage and structure the implementation of CSR policies.**

One of Renta Corporación's main future challenges is to see the result of implementing this strategy and the extent to which various stakeholders' needs and expectations are met, steering policies towards fostering and consolidating the company's reputation and brand image.

★ The Company has defined a specific structure to co-ordinate and manage Corporate Social Responsibility actions, placing Fundación Renta high among its priorities

Governance of Corporate Social Responsibility and the role of Fundación Renta

Governance of Corporate Social Responsibility is a duty of the company Secretary's office, which coordinates actions and oversight of the three areas into which it is structured internally: the Human Resources Department, Fundación Renta and the Technical Department (Environment). In each area, a person has been designated to implement planned actions and gather the information needed to produce the annual report, following the guidelines provided by the Company Secretary's office.

Fundación Renta plays a key role in the Company's CSR organisation by channelling its commitment to society through the accomplishment of actions specifically focused on disadvantaged groups. The Foundation was created in 1999 as a result of the Company's desire to include Corporate Social Responsibility in its business strategy, with the sole aim of benefiting all its stakeholders.

05 C.

Strategic lines of Corporate Social Responsibility

A working environment that strengthens career development, personal development and diversity

Since its inception, Renta Corporación has considered its employees to be its main asset, its highest value and the key to attaining entrepreneurial excellence. Accordingly, the Company strives to provide a working environment that ensures career and personal development.

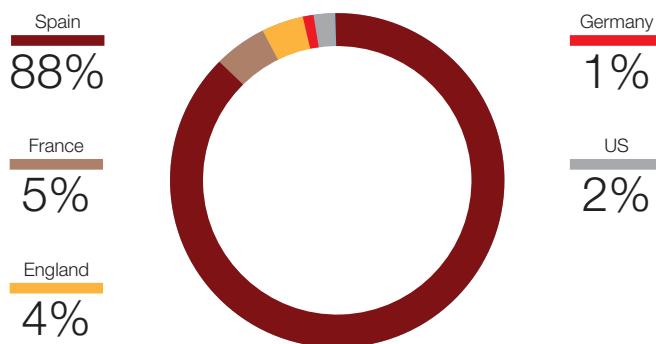
★ Renta Corporación is characterised by its youth, experience, stability and gender balance

A diverse, highly professional team and a benchmark in gender balance

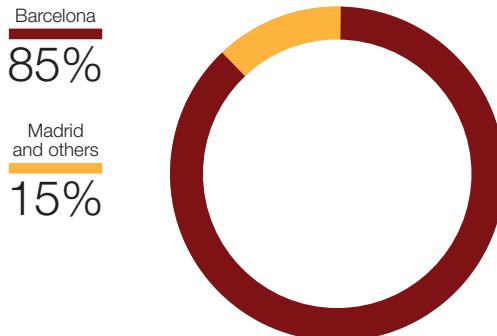
The Company currently has 139 employees, 88% of whom work in Spain (91% of them in Barcelona, which includes the Company's central services and the Barcelona office) and the remaining 12% in Paris, London,

Berlin, and New York. Staff members with permanent contracts under current employment law account for 98% of the total. In 2007, eight people left the company.

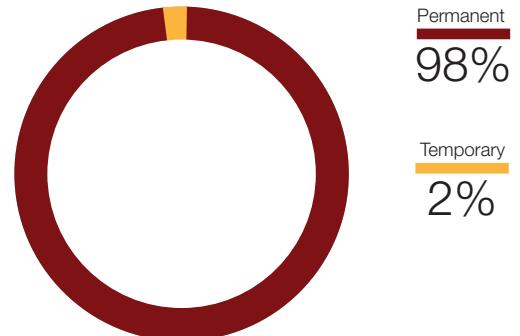
Employees by location



Workforce distribution in Spain

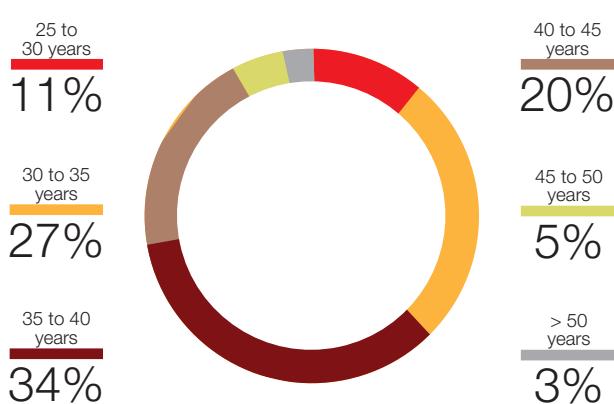


Types of employment contract

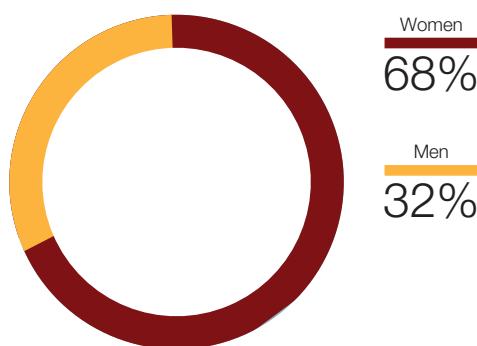


Renta Corporación's workforce is young (average age of 37, given that 34% of staff are aged 35 to 40) and has a high proportion of women (68% of the workforce, 27% of the Board and 46% of management), looking at all Group employees.

Workforce age breakdown



Women on the team



Pleasant and sensitive working environment

Renta Corporación's respect for its employees means that the Company focuses its efforts on providing a satisfying working environment where all employees can maximise the development of their career potential while contributing to Renta Corporación's growth and success.

Under the Company's Code of Conduct, which governs how its employees do business based on values linked to sustainable development, the Company strives to provide a good working environment, basing its actions on the following principles:

- Encourage a good working atmosphere and team spirit.
- Ensure equal opportunities and non-discrimination.
- Provide a healthy and safe working environment.
- Ensure professional integrity.
- Act responsibly when using material resources and protect assets.
- Guarantee confidentiality of information.
- Respect privacy.
- Set up effective internal communication channels that strengthen the Company's organisation.
- Speed up decision-making and appreciate initiative.

Renta Corporación has extended its team and HR policy to enhance the motivation and loyalty of its employees, including training schemes, benefits and facilitating work-life balance conciliation for its employees.

The Company's growth in recent years led to its move to the new head office in Barcelona in 2007, providing a more spacious and comfortable working environment.

- ★ **The development of internal communication channels facilitates interaction and heightens trust within the Company**

This growth calls for development of internal communication channels, featuring implementation of an intranet last year, which is still at the testing stage, to facilitate interaction between departments, strengthen trust and pinpoint synergies and potential areas for improvement.

Internal communication channels in place

| |
|--|
| Annual corporate meetings |
| HR department performance review meetings with all employees |
| Quarterly management Committee events |
| Quarterly management Committee meetings |
| Fortnightly Senior Management meetings |
| E-mail updates (reporting appointments, organisational changes, job vacancies, etc.) |
| CEO letter (in updates) reviewing the Company's quarterly activities |
| Annual meeting between department heads and staff to assess annual performance |
| Website, Intranet and employee mailbox |

Renta Corporación offers its employees competitive salaries and equal pay for equal work, in line with the best remuneration available on the market. In the preparation of the CSR strategy, the excellent working environment and the Company's sensitivity to work and personal employee issues has been highlighted.

One of the key appeals of the Company's HR policy is its benefits policy, available to all employees across the board.

| Benefit | Advantages for employees |
|---------------------------------|---|
| Deferred share issue scheme | Employees receive Company shares through an advance 3-year concession |
| Summer and Christmas bonuses | Bonuses given twice a year |
| Subsidised sporting activities | Sponsorship for sporting activities |
| Subsidised annual subscriptions | Newspaper subscription |

The HR department is developing a company-wide management system to make personalised and up-to-date information available on each employee's status. Furthermore, development of this software application will also allow the Company to expand the number of indicators considered in Corporate Responsibility management, including automatic generation of data on workforce changes, training, etc. The system is expected to go online in early 2008.

★ The company fosters the loyalty and motivation of all its employees through very attractive benefits and ongoing training suited to each employee's needs

An environment that offers excellent potential for career development

Renta Corporación promotes career development by offering real promotion opportunities to its employees, and by providing ongoing training, both internal and external, through different channels.

| Internal training schemes | External training schemes |
|---|---|
| Industry-based working sessions (courses with sales force, management and administration personnel) | Seminars and courses recommended by the Company |
| | Courses requested by employees |
| | Language courses |
| | Conferences, trade shows and seminars |

In 2007, Renta Corporación provided an average of 16 hours of training per employee, aimed at career development. The training schemes include a specific programme covering Risk Prevention and Occupational Health.

In order to improve the effectiveness of its training schemes and adapt to employee requirements, in 2007 Renta Corporación started to develop a Strategic Training Plan. The plan will consider general, departmental and individual training needs, covering any gaps

found in four different areas: languages, development of management skills, talent and abilities and office automation tools.

Renta Corporación operates a yearly career performance assessment scheme for all its employees. Department heads and every employee make a joint annual assessment to look at performance in the preceding year, set priorities and goals for the coming year and perform a salary review.

The system for filling job vacancies is based on a transparent, objective and professional recruitment process open to employees.

Renta Corporación does not have its own collective agreement, and so applies employment regulations under the terms of the Collective Agreement for Offices and Bureaus to the entire workforce, which, among other factors, specifies the minimum notice period for any organisational changes in the company.

A safe working environment

The Company's Risk Prevention and Occupational Health system includes assessment of occupational hazards, basic voluntary health checks and a basic distance learning scheme. All employees complete a questionnaire to assess that training. With the move of its head office, Renta Corporación redesigned its policy to adapt it to the requirements and features of the new building, which was subjected to the pertinent Occupational Hazard Assessment Audit with highly satisfactory results.

★ Renta Corporación is a benchmark company in promoting equal opportunities and taking steps to ensure work-life balance

Commitment to dialogue with the different stakeholders

Renta Corporación's communication with its stakeholders is a key factor for the success of its Corporate Responsibility policies and operation of its business activity, which must be based on good relations and constant dialogue so that the Company can better understand the needs and expectations of its stakeholders and provide a response geared to each of them individually.

The Company has numerous permanent channels for communication with both its internal and external

An environment that encourages work-life conciliation

Currently, Renta Corporación's workforce is motivated and committed to the Company's goals (absenteeism in 2007 was 1.57%).

The company has established several mechanisms to ensure a healthy work-life balance for its employees.

1. Flexible working hours and intensive shifts, which means employees have a 75-minute margin to arrive at work and intensive shift on Fridays.

2. Expansion of the maternity leave policy beyond statutory the requirements, with no effect on pay in any case.

- **Pre-natal period:** working day shortened by 2 hours in the 45-day run-up to expected delivery date

- **Post-natal period:**

Option 1: 16-week maternity leave and working day shortened by 2 hours for 1 year.

Option 2: 8-week maternity leave and half-day return to work for 16 weeks. The employee can then request a 2-hour reduction to her working day for one year.

stakeholders. In addition, 2007 saw an additional in-house consultation process in connection with preparation of the Corporate Responsibility strategy.

★ The Company has created multiple communication channels to hold a constant dialogue with its stakeholders and provide solutions that meet their needs and expectations

Main Company and stakeholder communication channels

| | |
|-------------------------------|--|
| Employees | Annual corporate meetings HR department review meetings with all employees Management Committee seminars/events Fortnightly Senior Management meetings Management Committee meetings E-mail updates (reporting appointments, organisational changes, job vacancies, etc.) CEO letter (in updates) reviewing the Company's quarterly business Annual meeting between heads of department and staff for annual performance assessment Website, Intranet and Employee Mailbox |
| Customers | Two-way updates on new products Regular commercial actions Internal excellence policy in dealings with tenants, involving face-to-face exchanges and personal communication Website and e-mail |
| Suppliers | Customer loyalty activities to foster and strengthen good relations Delivery of significant information to technical personnel and appraisers Website and e-mail |
| Society | Regular reporting of company figures to the media Dialogue with neighbourhood associations and governments Membership in the industry's professional associations and CSR advocates NGO and civil society feedback on Fundación Renta Corporación's contributions and actions Website and e-mail |
| Investors/shareholders | Annual and quarterly publication of financial figures Press releases Annual publication of reports (Annual Report, CSR, Corporate Governance) Conference call open to investors following each quarterly publication of figures Investor Relations office Website and e-mail |

Consultation process to design the Corporate Social Responsibility strategy

Devising the Company's Corporate Social Responsibility strategy started with internal consultation, through face-to-face interviews with Renta Corporación management and employees to find out their views on the Company's Corporate Social Responsibility and the risks and opportunities associated with Renta Corporación's activities as well as the sustainability of its business.

Discussions with Renta Corporación management were held in Q1 2007. They stated their expectations and assessed the potential risks, Company opportunities and actions either implemented or in progress for each of Renta Corporación's stakeholder groups considered in the study (employees, customers/tenants, suppliers of buildings, outsourced service and capital, governments, society, media and shareholders/investors).

★ In developing its Corporate Social Responsibility strategy, the Company has undertaken a consultation process allowing it to set CSR priorities

Contributions and results have aided in setting priorities in terms of Corporate Social Responsibility in the short and medium term, providing a global view in producing the strategy and encouraging interaction between departments.

During the process an external analysis of the industry's best practices and the Dow Jones sustainability index was also carried out to include them in the Company's CSR strategy.

Integration of sustainability policies in the business's value chain

Renta Corporación applies a policy of sustainability throughout its value chain, through actions designed to reduce environmental impact both of its own of its suppliers' activities.

Strengthening environmentally-friendly actions

The nature of Renta Corporación's business, based on transforming property assets to generate value, entails inevitable impact on the environment. Accordingly, the Company takes a responsible stance with regard to the environment and favours refurbishment of buildings. Transformation also results in noticeable improvement the use of natural resources and implementation of energy-efficient measures.

The Company's head office and all other offices apply an internal environmental policy that aims to raise awareness in our people of the need to recycle office waste and minimise consumption (mainly paper, plastic and toner). Furthermore, the Company encourages its people to apply environmental and energy-saving practices such as switching off computers and lights at the end of the working day, and closing doors to maintain a constant temperature in work areas.

The Company has an efficient office waste collection system using special containers. One of this year's significant initiatives is placing special containers to collect CDs, pens, bulbs and glass.

The main resources used at Company offices are paper, cardboard, plastic and toner cartridges.

In 2007, the Company used 435 m³ of water. At present, all water used at Renta Corporación's head office is supplied by the water company and wastewater is piped into the public drainage network.

Power consumption in 2007 was 87,638 kWh, considering the power requirements of the head office in Barcelona. That energy consumption means an indirect carbon footprint of 33.56 tonnes.

The Company has 3 cars and 18 motorcycles. The fuel consumption of Renta Corporación's car fleet in 2007 was 1,725 litres. That energy consumption means a direct carbon footprint of 4.63 tonnes. It is not possible to know exactly how much fuel the motorcycle fleet uses as they are for business and personal use.

Benefits of the transformation business

Extension of a building's working life

Improvements to buildings resulting in improved energy usage ("sustainable construction")

Reduction in new construction by servicing market demand through the refurbishment of existing buildings

Efficient use of resources by changing and reclassifying planning status

- ★ Renta Corporación's environmental policy promotes rational use of resources, reduction in consumption and environmental best practices

Fostering rational use of resources

Since Renta Corporación outsources its operations any consideration of materials used in refurbishing buildings is excluded from this report, while Renta Corporación is sensitive to the issue and as far as possible encourages contractors to use materials consistent with the principle of sustainability.

- ★ Renta Corporación promotes sustainable construction both in the buildings it refurbishes or transforms and at its own head office

Pursuit of sustainable approaches to building refurbishment

Throughout 2007, the Company started to make energy certificates for the buildings it refurbishes or transforms available to users or buyers. That initiative involves producing an energy efficiency rating card for each building to provide accurate information prior to any purchase and sale transaction. The Company plans to certify all the buildings it transforms or refurbishes from 2008.

The energy performance certificate is a requirement in some European countries such as Germany, France and the UK, under the terms of European Directive 2002/91/EC. In Spain, this was enacted under Royal Decree 47/2007 in late October 2007.

Renta Corporación is already implementing these certificates in Spain and Germany in the form of rating cards. They are expected to be in place in France and the UK in 2008.

The rating cards provide basic information on facilities (year of construction, address, etc.), the building's energy performance, energy demand and how it is calculated, energy consumption characteristics and proposals for improvement of energy saving.

Renta Corporación is aware of the environmental impact of its operations and the need to implement sustainability criteria in assessment, design and construction of buildings, and has commissioned specialist firms to perform two studies on the subject with the aim of implementing initiatives to minimise energy and water consumption both in the buildings it designs or transforms and at its own head office.

The first study was made by Instituto Cerdá with the objective of guiding the Company in design of policies for sustainable refurbishment of buildings, assessing environmental and commercial benefits and pinpointing instruments and mechanisms to channel those efforts.

The study looks at nine construction approaches and provides a list of energy-efficient refurbishment measures under the Technical Building Code (CTE), the regulatory framework governing quality standards for buildings to satisfy basic safety and cost-effectiveness requirements: plans, building, maintenance and upkeep.

The results of the study provide key indicators for definition of refurbishment policies for application to facilities, designed to improve their performance and energy-efficiency. In addition, the study looks at the benefits of using thermal solar power and reduction of carbon emissions depending on the energy sources used in buildings.

The study of the main shortcomings and potential for saving energy and waste reduction aims to lower energy demand without compromising the comfort of users through application of a series of measures. They can be active (proposals for improvement of facilities in the use of final and raw energy) or passive (proposals for the building shell and its energy requirements to achieve the required internal conditions).

The Company is developing a specific software application to implement measures and recommendations put forward by the Instituto Cerdá in its future business, working with the Housing Ministry. That implementation is expected to occur progressively starting in 2008.

Renta Corporación is one of the pioneering companies in this sort of initiative in building refurbishment.

Pursuit of sustainable solutions for the Renta Corporación head office

Throughout 2007, the Company applied the measures put forward in the commissioned studies at the new head office building, following a study performed by a specialist architect's studio.

The project involved making a number of changes inside the building, in line with its needs and limitations.

Adaptation of the new Renta Corporación head office to sustainable construction

Aims and description

Aims:

Renta Corporación has adapted the new head office building to the same sustainable building criteria it champions, aimed at achieving an energy-efficient building.

Description of actions taken:

The various upgrades to the new head office and the benefit or sustainable application of each one are listed below:

1. Lighting:

- Installation of low-voltage lighting and various optics devices

2. Installation of suspended ceiling:

- Installation and maintenance of high energy-efficiency lighting
- Installation of tiles with higher sound absorption capability
- Use of environmentally-friendly materials
- Integration of other devices contributing to sustainability (air diffusers, adaptable lighting, etc.)

3. Partitions:

- Installation of partitions by ISO 14001 certified supplier

4. Partition walls and cladding materials:

- Low environmental impact (in production and disposal)
- High level of noise absorption
- Energy efficient
- Low heat transmission

5. Floors:

- Floor fitted by leading supplier in sustainable manufacturing
- Carpeting ensures high noise absorption and cuts heating bills
- Raised floor prevents production of building waste

6. Washrooms:

- Special devices fitted in basins, urinals and cisterns to save water
- Energy-efficient lighting
- Fittings suitable for disabled use

7. Climate control (air conditioners use variable coolant volume technology)

- Lower energy consumption by controlling, adapting and optimising energy
- More environmentally-friendly coolant gas

8. Ventilation and air renewal:

- Energy recovery system for fresh air intake system

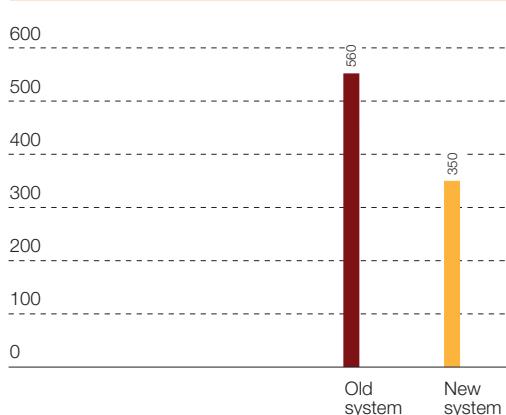
9. Electrical system:

- Installation of independent power supply system to allow greater control based on each floor's requirements

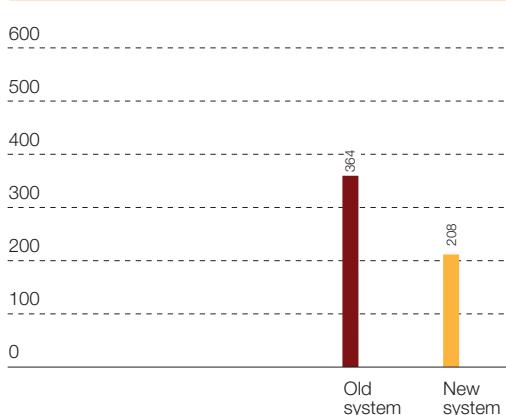
Benefits

Upgrades to the new head office building to ensure efficient use of energy and resources contribute to sustainable development and curb environmental impact of the Company's business. They are also a benchmark for any buildings Renta Corporación refurbishes and transforms in the future, whether in Spain or abroad.

Energy savings in Renta Corporación's new head office air conditioning and air renewal system during the summer (kW)



Energy savings in Renta Corporación's new head office air conditioning and air renewal system during the winter (kW)



Imposition of environmental clauses in building contracts with suppliers

Renta Corporación essentially deals with two types of suppliers: property suppliers and resource and service suppliers. They are a significant group of stakeholders and the Company strives to deal honestly, fairly and impartially with them.

★ Renta Corporación includes environmental protection clauses in its building contracts with third-party suppliers

Property suppliers

- Occasional suppliers (individuals, office sales companies, landowners)
- Repeat suppliers (property sales institutions)
- Intermediaries (estate agents, property managers, brokers, commercial agents)

External and capital suppliers

- Technical services (quantity surveyors, architects, commercial subcontractors, builders, engineers)
- Capital suppliers (banks and appraisers)
- Legal and tax advisors
- Systems suppliers
- External consultants
- Utilities
- Property managers

The Company has various programmes in place designed to ensure loyalty and strengthen relations with this stakeholder group, and to encourage a policy of co-operation and transparency.

The nature of Renta Corporación's business makes resource and service suppliers key players in operating its business. Accordingly, the Company has several programmes in place designed specifically for this group:

- Development of site safety schemes.
- Adjudication of only one builder per property.
- Diversification of technical suppliers and contractors.
- Delivery of pertinent information to technical personnel and appraisers.

The Company's works contracts include specific environmental protection clauses requiring contractors to

comply with current applicable law on the subject, in particular:

- To refrain from burning any products liable to pollute the environment and to refrain from uncontrolled disposal of any building waste.
- To keep the site and surroundings clear of any building waste, including ceramics, plastics and others.
- To take steps to avoid unnecessary destruction of existing vegetation or protected plant species.
- To clear all waste from the sites using means approved by the council or relevant authority, and to refrain from dumping or abandoning any products that are specifically required to be recycled or subject to special disposal controls.
- To prevent contamination of drinking water and to refrain from dumping pollutants.



Promotion and contribution to social development: Fundación Renta

This line of action relates to our commitment to providing social benefits to the community while operating Renta Corporación's business. Accordingly, it focuses its efforts on maintaining good relations with all of society's agents, working in several partnerships and projects through charitable and human rights work.

Renta Corporación makes its contribution to society through two channels. On the one hand, via Fundación Renta's contributions to a substantial number of NGOs, that develop social projects and on the other hand, the Company promotes communication and dialogue with society through various initiatives and membership in business associations.

Social support activities through Fundación Renta

Fundación Renta focuses its efforts on contributions to non-profit NGOs that carry out projects for food, access to water, education, healthcare, assistance for children and women, housing, sanitation and contribution to economic development (particularly in emergency situations), while it also remains open to projects in other spheres, provided that the social aim is justified.

★ Fundación Renta channels a significant portion of the Company's charitable action by contributing to initiatives in the spheres of childhood, health, education, community project development, and social integration of the disadvantaged and disabled

Among the main principles governing Fundación Renta's activity, the one that best summarises its essence is the suitability of the projects it funds, which must have a clear social component and aim to improve quality of life for the disadvantaged.

Fundación Renta is party to agreements with various NGOs or associations, including most notably UNICEF and Oxfam.



A project with a major overall goal: **to uphold the rights of children around the world**, in accordance with the United Nations Children's Fund mandate.

To ensure success, this agreement involves an annual endowment to fund development of social and humanitarian projects in developing countries, such as education for children to ensure quality teaching; holistic development of early infancy to provide boys and girls with a better future; immunisation; the fight against HIV/AIDS and the right to know how to prevent it; protection of children against exploitation, violence, abuse and discrimination.



This co-operation is based on an **annual endowment to fund a variety of development projects in countries in need and actions aimed at raising social awareness across Spain**.

One of the main events is the Day for Hope, a celebration of solidarity organised annually by Intermon Oxfam, involving over 250,000 people. The goal is to promote education in Africa and garner support for the people of Latin America, in order to improve their capacity to produce and market agricultural products that will guarantee their sustenance and to defend their human rights.

Through Intermon Oxfam, Fundación Renta also provides aid to victims of specific disasters such as tsunamis, displacements of refugees, etc.

In the past year, Fundación Renta has provided funding for projects whose main goal is to build or refurbish various infrastructures, in Spain and abroad. In order to diversify social aid as much as possible, Fundación Renta focuses its involvement and resources in multiple operating spheres.

Fundación Renta's work here has been to fund, either on its own or in partnership with other sponsors, the refurbishment or building of infrastructures to provide major benefits to the community, mainly in education (building schools), health care (building medical outposts), social integration (homes for the disabled) and community development (reducing social inequality and improving infrastructure).

This support is distributed under two partnering schemes:

- 1. Cash contributions to fund, entirely or partly, projects run by other charities or non-profit organisations whose goals essentially match those of Fundación Renta.**
- 2. Sponsorship of events to raise money for other charities:** concerts, paddleball and golf tournaments, etc.

In 2007, charitable work was carried out through partnering projects with over 120 organisations, contributing some €970,000. The result is involvement in projects with very different features, both in terms of relationship with beneficiaries and the type of cooperation provided.

Contributions by Fundación Renta during 2007

| | | |
|--|--|---|
| A.F.A.P | Fundación Amazonia | Fundación Vicente Ferrer |
| ANUPAZ - Niños Unidos por la Paz | Fundación Anne | Fundación Vita Mundi |
| Asociación Adia | Fundación Apsuria | Fundación Xamfra Raval |
| Asociación Catalana de Ciegos y Disminuidos Visuales | Fundación Ared | Fundación Xamfra Sant Miquel |
| Asociación catalana SXF | Fundación Aura | Fundespo |
| Asociación Cívica la Nau | Fundación Auxilia | Gestión Clases de Esquí S.L. |
| Asociación contra el cáncer | Fundación Cassià Just | Grupo de Trabajo sobre Tratamientos del VIH, proyecto Infovital |
| Asociación Educativa Integral Estel d'Assis | Fundación de Ciegos Manel Caragol | Intermón Oxfam |
| Asociación Española contra el cáncer | Fundación Esclerosis Múltiple | Invest for Children |
| Asociación Help Voluntarios | Fundación Internacional Josep Carreras | La Torna - Programa Catalunya Magreb |
| Asociación Nuevos Caminos | Fundación Jubert Figueras | Makary Blangoua |
| Asociación Raval | Fundación Llar de Pau | Misioneras de Cristo Jesús "Para Creative Handicrafts", Bombay |
| Asociación Silo | Fundación Micha Wasi | Peruanitos |
| Bona Voluntat en Acció | Fundación Privada l'Arjau | Pro-huérfanos Bosnia-Herzegovina |
| Cáritas | Fundación Privada Catalana d'ELA | Proyecto CACE Valdoco |
| CITTA | Fundación Privada de la Mare de Déu de Lourdes | Proyecto de infraestructuras escolares en Casamance (Senegal) |
| Colegio Oficial de Estomatólogos de Cataluña | Fundación Prodein de Madrid | Proyecto PRO-PIAUI |
| Cooperación Internacional ONG | Fundación Quatre Vents | SAUCE |
| Desarrollo 2000 en África | Fundación Raval Solidari | South Africa Project |
| Escuela Laboure | Fundación Sagrado Corazón | Special Olympics |
| Escuela Mare de Déu del Roser | Fundación San Juan de Dios | Sport Cultura Barcelona |
| Fundación Acoes | Fundación Setem | Tot Raval Fundación Privada |
| Fundación Active África | Fundación Sonrisas de Bombay | Tunku Conservation |
| Fundación Adsis | Fundación Soñar Despiertos | UIC |
| Fundación África Digna | Fundación TAC | Unicef |
| Fundación AIRG-España | Fundación Teràpia a Cavall | Unidad de amputados de San Juan de Dios |
| Fundación Ajudant a Ajudar | Fundación Theodora | Viatgers Sense Fronteres |
| Fundación ALDA | Fundación Tierra y Vida | |
| | Fundación del Valle | |

The following are some of the projects in which Fundación Renta has been involved:

Projects for the disabled

Even though year-on-year progress is made in providing physically or mentally disabled people with social support, more needs to be done to achieve full integration, where they can take on employment responsibilities and be treated fairly and supportively by society. Fundación Renta has contributed to many projects of this sort throughout the year.

Examples of projects for people with disabilities

Fundación de Ciegos Manuel Caragol

In order to **raise funds to continue with new projects and efforts to bring information technology to the sight impaired**, Fundación de Ciegos Manuel Caragol organised a golf tournament for this charity. Fundación Renta sponsored the event, held in July at the Sant Cugat golf club.

Special Olympics

The National **Special Olympics** have shown that there are new ways to achieve **social recognition and acceptance through sports for mentally disabled people**. Fundación Renta regularly provides sponsorship support for its sporting events.

Fundació Catalana del Síndrome de Down

This organisation aims to **improve the quality of life for people with Down's syndrome** and other mental disabilities, to enable their full inclusion in society and help them achieve the highest possible level of dignity, self-determination and well-being. On 24 September 2007 a fund-raising show, "Somnis solidaris", was held at the Barcelona Liceu Opera House, featuring Ángel Corella, Paloma Berganza, Luis Claret, Carmen Corella, Hernán Cornejo and El Tricicle. Proceeds went to APRA Centro Médico Down. Fundación Renta contributed to funding for the event.

Fundación Talita

This charity **supports Down's syndrome children and teenagers in achieving social integration and access to jobs**. Fundación Renta once again sponsored the charity's annual calendar of events.



Apsuria

Apsuria is a charity that seeks to **reintegrate children with cerebral palsy**. Fundación Renta provided cash support to build a home for children, specifically funding the electrotherapy room, which is extremely beneficial for this sort of disability.

El Projecte Aura

Aura is a pioneering project that aims to get disabled people back to work, offering employment with support, social integration, etc. So far, over 60 people have been employed by government agencies and private enterprise thanks to its training schemes.

Ludàlia

This charity, specialising in leisure and culture for 18 to 45 year olds with mental disabilities who need occasional and limited support. Fundación Renta supports them in their theatre classes.

Health projects

Many lives are cut short by serious or chronic disease. Fundación Renta has endeavoured to be part of the solution by working with charities that deal with various health-related issues. The aim is to become actively involved in research activities and solutions to improve patients' quality of life.

Some examples of health projects

Programa Cuida'm, Hospital Sant Joan de Déu

The aim of this charity and the Cuida'm (Care For Me) programme is to **raise funds to help cover the cost of medical treatment in Spain** for seriously ill, poverty-stricken children, mainly from Africa.

Every year, the Barcelona Royal Polo Club organises the International Jumping Contest, and hands over all "children's pony park" proceeds to Cuida'm. This is an area where very young children can enjoy a pony ride, sponsored by Fundación Renta.



Fundación Josep Carreras

Fundación Renta is one of the main sponsors of the campaign launched by Fundación Carreras to **recruit financial backers and new partners**. This awareness campaign, with the motto "Bring them home again", received broad media coverage in the press and on radio and TV. The campaign was a huge success and managed to increase membership considerably.

Fundación de Oncología Infantil Enriqueta Vilavecchia

Since 1999, this charity has worked hard **to improve the lives of children with cancer** and their families. Fundación Renta **sponsored the show "Los Lunnis"** on 8 June 2007 **for children in several hospitals in the Barcelona area**. The show was held at the auditorium of the Sant Joan de Déu Teaching Centre, with 180 children in attendance, accompanied by 55 adults, including healthcare personnel, volunteers and teachers.

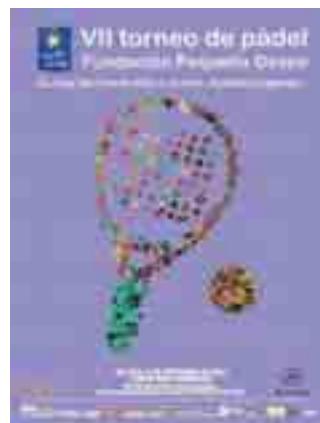
Fundación Esclerosis Múltiple

Fundación Renta sponsored the annual "Mulla't per l'esclerosi múltiple" ("Dive in for multiple sclerosis") campaign, an event held at several Barcelona swimming pools that **aims to raise funds to improve the quality of life of patients with this disease**. Last year, the event was held on 8 July 2007 at 800 pools in the province of Barcelona.

Fundación Pequeño Deseo

FPD's mission is to make dreams come true for children with chronic or terminal illnesses, solely to bring them some joy and raise their morale, which is often the best medicine.

A national paddleball championship was held in Madrid in September.



Fundación Theodora

Fundación Theodora was set up to alleviate the suffering of hospitalised children through laughter by bringing weekly visits by professional artists, Doctores Sonrisa (Smile Doctors), who devote time to children in hospitals.

A golf tournament was held in May.



Fundación Menudos Corazones

This is a non-profit organisation made up of friends and family of children and youngsters with congenital and acquired heart disease.

A charity art sale was held on 26 November, organised by Fundación Menudos Corazones and Fundación Theodora.

Social integration projects

Again Fundación Renta has taken up the fight against discrimination. This involved support for numerous projects aimed at various groups facing the risk of social exclusion. The immigrant population and support action for women were the priority in 2007.

Examples of some social integration projects

Fundación Babel Punto de Encuentro

This charity supports the **integration of immigrants in Europe through cultural education and literacy courses**. Fundación Renta supported this charity by sponsoring the concert "Voces solidarias con África" on 15 May at the Barcelona Teatro Musical, featuring Paco Ibáñez, Georges Moustaki and Luis Eduardo Aute.

Fundación Proyecto Gloria

Proyecto Gloria provides aid to disadvantaged groups, mainly seeking to support people with HIV-AIDS and others in need who are rejected by society, by setting up and managing halfway houses. Fundación Renta regularly works with Proyecto Gloria by supporting its programme to bring people back to society, work and family.



Fundación Ared, Fundación para la reinserción de las mujeres

On 8 March, the “Desfile Solidario” was held at Barcelona’s Abat Oliva University Assembly Hall, sponsored by Fundación Renta. The event aims to **publicise and raise awareness of the social exclusion endured by many people as a result of poverty in the mis-named “fourth world”**. Ared provides education and training focused on the textile industry.



Proyecto Soñar Despiertos

Soñar Despiertos promotes a social action project that aims to **bring children and youths at halfway houses back into society**. These children come from marginalised and broken homes. This action is implemented through volunteers and the “Amigos para Siempre” education scheme, which supports these youngsters by teaching them values, training them and integration them into the workplace in order to bring them successfully back into society.

Fundación Renta sponsored the first charity gala held by the organisation on 29 March at the Barcelona Royal Polo Club to raise funds.

Fundación Balia

Fundación Balia works in disadvantaged communities to **provide social and educational spaces for children and youngsters at risk of social exclusion**. Every year, the programmes organised by Fundación Balia deal with 518 youngsters in Madrid’s Tetuán and Latina districts. Fundación Renta sponsored a group of 15 children of various nationalities (Moroccan, Bolivian, Peruvian, etc.) aged 3 to 4, so they would have the opportunity to spend every afternoon at the Balia Tetuán centre and take part in different social and educational activities.

Escuela Mare de Déu del Roser

This is a centre that **mainly schools children from various halfway houses in Barcelona**. For the last three years, Fundación Renta has funded the cost of major refurbishment work on the centre, helping to improve conditions for pupils.

It also organises a party for them with gifts on 6 January, the traditional date in Spain when children are given toys.



Fundación Marianao

Fundación Marianao supports children and teenagers on the fringes of society and immigrants in trouble with the law, helping these groups get back into society. Fundación Renta has supported the refurbishment of the IT rooms for children and teenagers run by the charity in Sant Boi de Llobregat (Barcelona).

Fundación Èxit

This organisation was created to help 16 to 18 year olds at risk of social exclusion and who have failed to integrate at school or work.

Community development projects

These projects are eradication of poverty, elimination of social inequality, support for literacy and progress in other regions where people lack basic resources. There is still a long way to go in the field of community development, and that is why Fundación Renta supports many local and international projects.

Examples of projects aimed at community development

Por una sonrisa en África

This foundation focuses on villages in **Senegal** to **support sustained development in the region**. Fundación Renta was involved in organising a golf tournament, covering five golf courses across Catalonia. Funds were used to build a women's development centre in the district of Darou Salam (Dakar, Senegal).

Cooperación Internacional

This NGO **supports the social engagement of youths in aiding the disadvantaged**. Through a commitment to serve and minds open to teaching others and learning from them, the social awareness of these youths contributes towards building a better society for the future. A charity golf tournament was organised to raise funds for this charity, with Fundación Renta as sponsor.



Sonrisas de Bombay

Sonrisas de Bombay **promotes the integration of orphans, providing them with a place to live together and learn**. Fundación Renta has funded an education project for 50 children at the Karina orphanage in India.

Fundación Vicente Ferrer

Fundación Renta was one of the sponsors of the tenth anniversary of Fundación Vicente Ferrer. The anniversary celebrations featured six events in six Spanish cities (Seville, Valencia, Bilbao, Malaga, Mallorca and Barcelona) Vicente Ferrer is an NGO committed to **transforming one of the poorest and neediest places in India (Anantapur)**, particularly working with the most marginalised and excluded communities: the Dalits (untouchables), tribal groups and so-called backward castes.

Entreculturas

Fundación Renta has worked with Fundación Entreculturas (a charity for education and development of villages) by sponsoring a **secondary education project for refugees at Gihembe camp in Rwanda** for 12 months. The project aims to ensure secondary education for refugee boys and girls. It also involves and monitors grants for 215 students.

Fundación Miguel Gil Moreno

Fundación Miguel Gil Moreno aims to mitigate the helplessness and abandonment suffered by victims of war when they are no longer front-page news, and endeavours to provide support for families of journalists, particularly freelancers, who have lost their lives on the battlefield. Fundación Renta, following a request from this charity, funded work to expand a nursery in Madina (Sierra Leone).

Fundación Vista Mundi del Hogar de Niños de San Francisco de Asís

This charity provides aid to **build basic sports facilities**.

Fundación Micha Wasi

This charity focuses all its efforts on helping **the most disadvantaged children**, mainly operating in the Hualhuas area. Fundación Renta has helped to **fund a home for abandoned children in Huancayo (Peru)**.

Cometas de Esperanza

Cometas de Esperanza is an NGO operating in **Santo Domingo**, specifically in the **Mosca district** in Santiago de los Caballeros, and mainly endeavours to **provide schooling for children in the area** where it operates, to ensure they get two meals a day and to prevent, and on the other to prevent them from rummaging in the Rafey rubbish dumps with serious consequences to their health. Fundación Renta sponsored a charity paddleball event from 16 to 21 April at the Barcelona Royal Polo Club to raise funds for this NGO.



Universidad de Piura (Perú)

Fundación Renta has for some time been providing **grants to impoverished students** so they can advance their education at Piura University (Peru). In 2007 a project was presented to expand the university, and Fundación Renta has contributed funds for its development.

Anupaz, Niños Unidos por la Paz

Anupaz aims to **improve the development environment of boys and girls** and focuses its efforts on helping them continue to study and so provide them with options for a decent, poverty-free future. The charity aims to stop youngsters from dropping out of school and to promote sexual equality and the empowerment of women. Fundación Renta has sponsored a rural school in northern Argentina.

Sauce

Fundación Sauce is made up of people who, in addition to having specific qualifications as doctors or therapists, share the same goal, to help **build a healthier and happier world**. Fundación Renta has supported the building of a school in the rural community of Tahen.

Tunku Conservation

This is a charity that serves a small rural community made up of 18 families living in a very remote and virtually inaccessible location. **Fundación Renta has funded the building of a medical outpost to look after all families in the Nueva Italia community and other nearby villages** in Chanchamayo (Peru).

Ghana una sonrisa

"Ghana una sonrisa" is a non-governmental development organisation (NGDO) with the purpose of supporting existing African orphanages that receive no aid whatsoever.

Orphanage Africa

OA helps disadvantaged orphans and children in Ghana in many ways. This charity started developing projects to aid existing orphanages through individual analysis of their most serious issues.

Fundación Nuestros Pequeños Hermanos

This is part of an international organisation called NPH which fosters over 3,100 orphan and abandoned children in Latin America at its foster homes in Mexico (1,000 children), Guatemala (350), Honduras (600), Nicaragua (400), El Salvador (250), the Dominican Republic (160), Haiti (750), Peru (60) and Bolivia (60).

These foster children are given education, food, medical care, clothing and the warmth of a stable home where they can live and grow with dignity.

The aim is to integrate all these children into society and the workplace in their own country, and help them to become community models.

Project 2008 supports the Puerto Príncipe paediatrics hospital.

Impact of Fundación Renta activities on stakeholders

Ultimately, Fundación Renta's activities provide added value to the Company's sustainability strategy, reaching all its stakeholders, in particular employees and investors.

For employees, Fundación Renta's work is viewed positively and as something to be proud of. Any action that comes under the policy of Corporate Social Responsibility contributes to attracting and retaining talent, since these initiatives help to build values that are highly prized by employees, defining a business culture that is certainly Group hallmark and one of the features most positively viewed and valued by employees and other Renta Corporación stakeholders.

Development of CSR policies also raises confidence in the market and Company investors. Fostering transparency in information, dialogue between the Company and its stakeholders, and its efforts to meet its commitments above and beyond the business itself all generate greater trust among investors when it comes to making decisions.

Strengthening dialogue with the community

In 2007, Renta Corporación increased its efforts to beautify the cities where it does business by refurbishing buildings, applying sustainability criteria, and has continued to have excellent and responsible dealings with tenants of acquired buildings.

Strengthening communication and dialogue with society is essential to ensure that the social action that the Company has been undertaking is sound and consistent, with the ultimate goal of fostering sustainable social development. For Renta Corporación, these stakeholder groups include a great variety of social players:

- Fundación Renta
- Media (general and specialist publications)
- Neighbourhood associations
- Governments
- People / Society at large

Regarding the media, Renta Corporación's external communication policy is based on dialogue and transparency. The Company reports its figures to the media on a regular basis. Figures are published quarterly, information is disclosed regularly in the form of press releases, and investors wishing to do so are invited to

★ The company fosters communication and dialogue with many players, including the media, neighbourhood associations and governments, and by its membership in to business associations within the industry

take part in a conference call so that they can ask questions. In addition, annual figures are reported to the press face to face. The Company has a specific Communications Office dedicated to conveying a clear and objective message about its business.

The Company also has an ongoing and open dialogue with neighbourhood associations to ensure they are fully aware of any actions to be taken and to hear their point of view and receive suggestions at any time, which normally translates into a benefit not just for them but also for the city and governments.

As concerns governments, Renta Corporación focuses its efforts on detecting planning needs, ensuring constant, dynamic and direct contact, complying with regulatory obligations and commitments, showing flexibility in negotiations, providing reliable data, refurbishing the maximum number of buildings, respecting the surroundings as much as possible and securing benefits for general well-being and society at large.

Another way in which Renta Corporación honours its commitments to the community is through membership in business associations in the industry and organisations that promote social responsibility and sustainable development policies, promoting awareness and involvement with the various social agents.

APCE: The Barcelona city and province Asociación de Promotores Constructores de Edificios (Association of Building Developer-Builders) was set up in 1970 to fill a need for a body that would unify and serve as a joint platform for all players. This is a key business organisation that, given its independence of governments and any political or social group, can act in defence of the professional interests of industry players. It is such a reputable organisation that it is frequently called on, consulted, listened to and respected by all levels of society and government when issues arise and when solutions need to be found within the construction and development industry.

The association is highly knowledgeable about issues affecting the entire group. It examines, studies, produces proposals and at the same time develops initiatives and suggestions designed to provide services to its members.

ASPRIMA: Asociación de Promotores Inmobiliarios de Madrid (Madrid Association of Property Developers) is an organisation that defends the professional interests of developers, its key rule being to provide service to the Region of Madrid and assist governments in addressing issues faced by the industry. This organisation maintains an ongoing dialogue with society regarding its position on a variety of issues through the media and it is a highly representative organisation in the Region of Madrid.

The organisation has a Foundation committed to strengthening education, performing and promoting studies and research into the real estate business, along with promotion of other activities designed to defend the right of citizens to enjoy a dignified and suitable home.

G-14 - Grupo de Inmobiliarias por la Excelencia: G-14 is made up of Spain's top 13 real estate companies: Colonial, Chamartín, Martinsa-Fadesa, Metrova-

cesa, Nozar, Rayet, Realia, Restaura, Reyal Urbis, Sacyr Vallehermoso, Renta Corporación, Hercesa and Parquesol. Quality, professionalism and transparency are the tools it uses to ensure confidence in the industry. The purpose of G-14 is to pursue agreements and measures to promote its business. Its aim is to represent, promote and defend the professional interests of listed and unlisted Spanish real estate companies that do significant business in Spain and abroad and to drive all kinds of technical, commercial and marketing initiatives that serve to encourage excellence in the real estate business of its members.

Fomento del Trabajo: a confederation of Catalan business organisations and companies. Its purpose is to contribute to economic and social progress in Catalonia, assist in the development of companies through its policies and provide the necessary services, represent production sectors, territories and SMEs and large corporations to governments, promote and coordinate actions of member organisations and work with other business organisations to facilitate the development of companies and commercial progress.

Since January 2006 Fomento has had its own Corporate Social Responsibility Board, which holds working meetings on a regular basis.

Fostering transparency, trust and good governance

In order to address the needs and concerns of its stakeholders, in particular its shareholders and investors, Renta Corporación advocates an effective and transparent communication system. The investor community seeks the maximum return on its investment, whether in cash (dividends) or value (appreciation), so development of the Company's Corporate Social Responsibility policies is key to reinforcing the confidence of this group. In this respect, business integrity is one of the Company's major commitments every financial year.

In order to maintain a climate of confidence and understanding with its investors and shareholders, Renta Corporación has developed several mechanisms to ensure both the transparency and the accuracy of its communications and compliance with and full effectiveness of Corporate Governance standards.

★ Renta Corporación advocates effective and transparent communication in its relationship with its stakeholders, particularly with its investors and shareholders

★ The Company has developed several mechanisms to ensure the transparency of its communications and compliance with good governance standards

Mechanisms that ensure transparency in Company communications

In its endeavours to keep investors and shareholders consistently informed of company business, Renta Corporación publishes figures for its business quarterly, half-yearly and yearly.

The Company publishes comprehensive information of interest on its website (www.rentacorporacion.com), including its annual reports on Corporate Social Responsibility and Corporate Governance.

- Information on the Company (its communication policy, share capital, significant holdings and treasury stock, PSO/PRO, share prices, dividends, material facts, corporate publications, investor diary, by-laws and FAQs).
- Financials (salient figures, annual reports and regular public information).
- Information on Corporate Governance (internal regulations and information on the General Meeting of Shareholders).
- Information on Corporate Social Responsibility policy.
- Examples of transactions completed in Spain, the UK, France, Germany and the US.

In addition, Renta Corporación has set up a direct line of communication through the Investor Relations Department, which handles all information requests from investors, analysts or, ultimately, anyone interested in the Company and its business model, stock market performance and other significant facts. Accordingly, ongoing proactive meetings are held with investors and analysts, the Company attends leading forums and conferences to which it has been invited, and all questions are handled by phone or e-mail.

In 2007, the Company paid €17,513 in fines, mainly due to differences in understanding of how certain taxes were to be settled, and for slight delays in settling certain taxes on some of the building work undertaken by the Group. The Company has not been subject to any environmental fines.

Compliance with good governance standards

Renta Corporación comfortably complies with its good governance obligations and recommendations. The Company has pioneered the integration of good governance measures recommended by the Unified Good Governance Code to ensure transparency in its operations. At the last Annual General Meeting of Shareholders held in April 2007, it approved a series of amendments to the by-laws and regulations that self-impose new obligations in pursuit of transparency and good corporate governance. Additional information was made available to the market on how the governing bodies operate and are run.

With a view to ensuring compliance with good governance standards, the Company has set up two supervisory bodies within the framework of the Board of Directors, namely an Audit Committee and an Appointment and Remuneration Committee.

At the first meeting in 2008 (15 January), the Renta Corporación Board and the aforementioned committees approved assessment reports on how the Board, Appointments and Remuneration Committee and Audit Committee were run in 2007 as well as the report on director remuneration policy.

The risk map is also a crucial tool to ensure compliance with the law, general and industry standards and internal policies. The Company's governing bodies oversee the suitability and effectiveness of and compliance with existing good governance standards in order to identify potential events that may affect the successful operation of the Company and they determine the appropriate steps that need to be taken in line with parameters of quality, economy and effectiveness, involving mitigation, transfer or reduction of such effects.

Management and structure of CSR policy implementation

Main progress in CSR management

Throughout 2007, Renta Corporación reached consensus agreements on its Corporate Social Responsibility actions and made them more dynamic based on development of its CSR strategy, particularly through the internal dialogue between departments that was promoted during its design process.

★ Last year, the Company made significant progress in CSR management and has resolved to make its Corporate Social Responsibility actions more dynamic

The Company Secretary's office leads Corporate Social Responsibility policies and actions and sets the guidelines for management as agreed in advance with the governing bodies. The office is divided into three subject areas (HR, Fundación Renta and Environment), each with a designated person responsible for managing and tracking actions falling within their area of responsibility. It is also their duty to gather the information and indicators required to produce the annual CSR report. Recent implementation of CSR policies in the Company means the annual CSR report is the main instrument for gauging the progress and success of policies in this sphere.

In this respect, significant steps were taken in 2007, particularly in HR and Environment. On the one hand, there are actions such as extension and development of internal communication channels between employees, development of new policies (specifically aimed at women) to facilitate work/life conciliation and, for instance, the new occupational risk prevention policy. The year also saw studies and implementation of policies specifically designed to reduce the environmental impact of the Company's business and the introduction of energy certificates for buildings refurbished or transformed by the Company. Other key actions in CSR in 2007 were numerous contributions by Fundación Renta to charities working in developing countries and consultation with company executives on their perception and prioritisation of Renta Corporación's stakeholders.

For the first time, the Corporate Responsibility report was drawn up in line with indicators and criteria set by the Global Reporting Initiative (GRI) in the latest version of its manual on writing these reports (G3). Compliance with GRI drafting directives shows the flexibility of Renta Corporación's management model and the progress achieved in its Corporate Social Responsibility policy, in line with international standards.

The Renta Corporación risk map is also a major step forward and a key tool for managing the Company, allowing it to identify potential events that might affect the Company and adopt the proper measures in line with parameters of quality, economy and effectiveness to prevent or mitigate such events. The achievement of aims involves risks that might have an impact on the Company's reputation and credibility and if they were to materialise and it is therefore crucial for those risks to be foreseen accurately.

★ The Company has set priorities for the following financial year based on the outcome of internal analysis of its stakeholders and external analysis of the industry, and its best practices

Actions for 2008

Renta Corporación has set priorities for the next financial year with the development of the Company's Corporate Social Responsibility strategy and the results of exchanges with each of its stakeholder groups as the point of departure.

Those priorities are summarised in the following table based on the different lines of the Company's CSR strategy in which they fit:

Working environment that fosters capacity for career development and work/life conciliation and diversity

- Implement a data and indicator management system for Company personnel.
 - Develop a professional performance scheme for employees.
 - Develop a Strategic Training Scheme for employees meeting overall, departmental and individual training needs.
-

Commitment to dialogue with the various stakeholders

- Establish IT resources to allow compilation and assessment of ongoing dialogues with the various stakeholders, initially to sort and set parameters for discussion and then to enrich discussion.
-

Integration of sustainability policies in the value chain

- Develop a software application to study and implement sustainable building refurbishment policies.
 - Produce energy certificates for all buildings the Company refurbishes or transforms.
 - Rationalise use of stationery and other consumables.
 - Raise the awareness of office waste.
 - Develop a system to manage environmental indicators in order to monitor usage rates based on energy source.
-

Promotion of and contribution to social development

- Maximise the Company's contribution to society through its involvement with organisations and initiatives that promote CSR in Spain and abroad.
-

Fostering transparency, trust and good governance

- Continue to foster maximum transparency with regard to Renta Corporación's business, sharing clear, concise and comprehensive information and promoting the confidence of all the Company's stakeholders.
-

Management and structure of CSR policy implementation

- Provide details in future CSR reports to measure progress of the Company's Corporate Social Responsibility policies.
-

05 d.

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| 2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries). | 26-41 | ● |
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| 3.5 Process for defining report content, including. | 58 | ● |
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| 3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations. | 58 | ● |
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| 4.14 List of stakeholder groups engaged by the organisation. | 9, 10, 60, 64, 65 | ● |
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| 4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting. | 60, 64, 65 | ● |

GRI (G3) performance indicators

Economic performance

Information on economic management focus

| Aspect | GRI Code | GRI Description | Page | Coverage level (total-partial-NA) |
|--------------------------|----------|--|----------------------|-----------------------------------|
| Economic performance | EC1 (P) | Direct economic value generated and distributed. | 44-55 | ● |
| | EC2 (P) | Financial implications and other risks and opportunities for the organisation's activities due to climate change. | | NA ³ |
| | EC3 (P) | Coverage of the organisation's defined benefit plan obligations. | 61-64, 101, 118, 126 | ● |
| | EC4 (P) | Significant financial assistance received from governments. | | NA ⁴ |
| Presence in the market | EC5 (A) | Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation. | 63 | ● |
| | EC6 (P) | Policy, practices, and proportion of spending on locally based suppliers at significant locations of operation. | | NA ⁵ |
| | EC7 (P) | Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation. | | NA ⁶ |
| Indirect economic impact | EC8 (P) | Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. | 70-79 | ● |
| | EC9 (A) | Understanding and describing significant indirect economic impacts, including the extent of impacts. | 70-79 | ● |

Environmental performance

Information on environmental management focus

| Aspect | GRI Code | GRI Description | Page | Coverage level (total-partial-NA) |
|--------------------------------|-----------|---|-------|-----------------------------------|
| Materials | EN-1 (P) | Materials used by weight or volume. | 66 | ● ⁷ |
| | EN-2 (P) | Percentage of materials used that are recycled input materials. | | ○ ⁸ |
| Energy | EN-3 (P) | Direct energy consumption by primary energy source. | 66 | ● |
| | EN-4 (P) | Indirect energy consumption by primary source. | 66 | ● |
| | EN-5 (A) | Energy saved due to conservation and efficiency improvements. | 67-69 | ● |
| | EN-6 (A) | Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. | 67-69 | ● |
| | EN-7 (A) | Initiatives to reduce indirect energy consumption and reductions achieved. | 67-69 | ● |
| Water | EN-8 (P) | Total water withdrawal by source. | 66 | ● |
| Biodiversity | EN-11 (P) | Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. Indicate location and size of land with high biodiversity value outside protected areas, either owned, under lease or managed. | | NA ⁹ |
| | EN-12 (P) | Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas. | | NA ⁹ |
| Emissions, discharge and waste | EN-16 (P) | Total direct and indirect greenhouse gas emissions by weight. | 66 | ● |
| | EN-17 (P) | Other relevant indirect greenhouse gas emissions by weight. | | NA ⁹ |
| | EN-18 (A) | Initiatives to reduce greenhouse gas emissions and reductions achieved. | 66-69 | ● |
| | EN-19 (P) | Emissions of ozone-depleting substances by weight. | | NA ⁹ |
| | EN-20 (P) | NOx, SOx, and other significant air emissions by type and weight. | | NA ⁹ |
| | EN-21 (P) | Total water discharge by quality and destination. | 66 | ● |
| | EN-22 (P) | Total weight of waste by type and disposal method. | | ○ ¹⁰ |
| Products and services | EN-23 (P) | Total number and volume of significant spills. | | NA ¹¹ |
| | EN-26 (P) | Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. | 66-69 | ● |
| Regulatory compliance | EN-27 (P) | Percentage of products sold and their packaging materials that are reclaimed by category. | | NA ¹¹ |
| | EN-28 (P) | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations. | 80 | ● |
| General | EN 30 (A) | Total environmental protection expenditures and investments by type. | 127 | ● |

Social performance

Information on labour practice and decent work management focus

| Aspect | GRI Code | GRI Description | Page | Coverage level (total-partial-NA) |
|--|-----------|--|-----------------|-----------------------------------|
| Employment | LA-1 (P) | Total workforce by employment type, employment contract, and region. | 61,62 | ● |
| | LA-2 (P) | Total number and rate of employee turnover by age group, gender, and region. | 61,62 | ○ |
| Employer/employee relationships | LA-4 (P) | Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations. | 64 | ● |
| | LA-5 (P) | Percentage of employees covered by collective bargaining agreements. | 64 | ● |
| Health and safety at work | LA-7 (P) | Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements. | 64 | ○ |
| | LA-8 (P) | Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region. | NA 12 | |
| Training and education | LA-10 (P) | Education, training, counselling, prevention, and risk-control programmes in place to assist the workforce, their families, or community members regarding serious diseases. | 63 | ○ |
| | LA-11 (A) | Health and safety topics covered in formal agreements with trade unions. | 63 | ● |
| | LA-12 (A) | Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. | 63,64 | ● |
| Diversity and equal opportunities | LA-13 (P) | Percentage of employees receiving regular performance and career development reviews. | 12-23, 62 | ● |
| | LA-14 (P) | Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group, and other indicators of diversity. | ○ ¹³ | |

Social performance

Information on human rights management focus

| Aspect | GRI Code | GRI Description | Page | Coverage level (total-partial-NA) |
|---|----------|--|-------|-----------------------------------|
| Investment and supply practices | HR-1 (P) | Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. | NA 14 | |
| | HR-2 (P) | Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. | NA 14 | |
| Non-discrimination | HR-4 (P) | Total number of incidents of discrimination and actions taken. | NA 15 | |
| Freedom of association and collective agreements | HR-5 (P) | Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights. | NA 16 | |
| Exploitation of children | HR-6 (P) | Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour. | NA 16 | |
| Forced labour | HR-7 (P) | Activities identified as significantly risky due to the fact that they give rise to forced or non-consensual labour practices, and measures adopted towards its eradication. | NA 16 | |

Social performance

Information on society management focus

| Aspect | GRI Code | GRI Description | Page | Coverage level (total-partial-NA) |
|------------------------------------|----------|---|--------------------------|-----------------------------------|
| Community | SO-1 (P) | Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting. | 70-79 | ● |
| Corruption | SO-2 (P) | Percentage and total number of business units analyzed for risks related to corruption. | 9, 11, 62, 80, 81 | ● |
| | SO-3 (P) | Percentage of employees trained in organisation's anti-corruption policies and procedures. | 9, 11, 62 | ● |
| | SO-4 (P) | Actions taken in response to incidents of corruption. | NA ¹⁷ | |
| Public policy | SO-5 (P) | Public policy positions and participation in public policy development and lobbying. | 78, 79 | ● |
| Compliance with regulations | SO-8 (P) | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations. | 80 | ● |

Social performance

Information on product liability management focus

| Aspect | GRI Code | GRI Description | Page | Coverage level (total-partial-NA) |
|--------------------------------------|----------|--|------------------|-----------------------------------|
| Customer health and safety | PR-1 (P) | Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures. | 66-69 | ● |
| Product and service labelling | PR-3 (P) | Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements. | 67 | ● |
| Marketing communications | PR-6 (P) | Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship. | NA ¹⁸ | |
| Regulatory compliance | PR-9 (P) | Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. | NA ¹⁸ | |

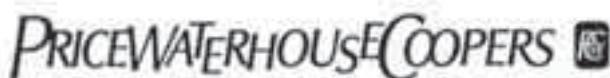
1. No awards have been received in 2007.
2. No external assurance for the report has been seeked.
3. Not applicable due to the nature of Renta Corporación's business.
4. Confidential information.
5. Information on Company suppliers and subsidiaries are beyond the scope of the 2007 CSR report.
6. Not applicable due to the nature of Renta Corporación's business.
7. Material used are office related, mainly paper, carton, printing toner and plastic. Quantities are very small therefore not detailed.
8. Data not available at the time of writing. Future editions shall include this information.
9. Not applicable due to the nature of Renta Corporación's business.
10. Data not available at the time of writing. Future editions shall include this information.
11. Not applicable due to the nature of Renta Corporación's business.
12. Not applicable due to countries where Renta Corporación operates.
13. Renta Corporación holds men to women salary equity.
14. Renta Corporación does business in developed countries, with low risk of violation of human rights. The scope of this report is restricted to operations in Spain.
15. There have been no discrimination incidents in 2007.
16. Renta Corporación does business in developed countries, with low risk of violation of human and association rights. The scope of this report is restricted to operations in Spain.
17. There have been no corruption incidents in 2007.
18. Not applicable due to the nature of Renta Corporación's business.

06



06

Consolidated Annual
Accounts



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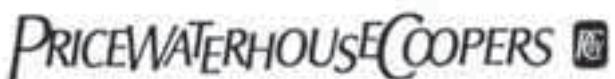
A free translation of the report on the consolidated annual accounts originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Spanish language version prevails.

AUDITOR'S REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

To the shareholders of Renta Corporación Real Estate, S.A.

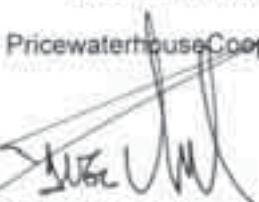
1. We have audited the consolidated annual accounts of Renta Corporación Real Estate, S.A. (Parent Company) and its subsidiaries (the Group) consisting of the consolidated balance sheet as at 31 December 2007, the consolidated income statement, the consolidated statement of changes in equity, the consolidated cash flow statement, and the related notes to the consolidated annual accounts for the year then ended, the preparation of which is the responsibility of the Directors of the Parent Company. Our responsibility is to express an opinion on the consolidated annual accounts taken as a whole, based on the work performed in accordance with auditing standards generally accepted in Spain, which require the examination, on a test basis, of evidence supporting the consolidated annual accounts and an evaluation of their overall presentation, the accounting principles applied and the estimates made.
2. For comparative purposes and in accordance with Spanish Corporate Law, the Parent Company's Directors have presented for each item in the consolidated balance sheet, the consolidated income statement, the consolidated statement of changes in equity, the consolidated cash flow statement and the related notes to the consolidated annual accounts, the corresponding amounts for the previous year as well as the amounts for 2007. Our opinion refers solely to the 2007 consolidated annual accounts. On 22 February 2007 we issued our audit report on the consolidated annual accounts for 2006 in which we expressed an unqualified opinion.
3. In our opinion, the accompanying consolidated annual accounts for 2007 present fairly, in all material respects, the consolidated financial position of Renta Corporación Real Estate, S.A. and its subsidiaries as at 31 December 2007 and the consolidated results of their operations, changes in consolidated net equity and consolidated cash flows for the year then ended, and contain all the information necessary for their interpretation and comprehension in accordance with International Financial Reporting Standards as adopted by the European Union, applied on a basis consistent with the preceding year.

PricewaterhouseCoopers Auditores, S.L. - R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 2º
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290



4. The accompanying consolidated Directors' Report for 2007 contains the information that the Parent Company's Directors consider relevant to the Group's position, the evolution of its business and other matters and does not form an integral part of the consolidated annual accounts. We have verified that the accounting information contained in the aforementioned Directors' Report coincides with that of the consolidated annual accounts for 2007. Our work as auditors is limited to checking the consolidated Directors' Report within the scope already mentioned in this paragraph and it does not include a review of information other than that obtained from the accounting records of Renta Corporación Real Estate, S.A. and its subsidiaries.

PricewaterhouseCoopers Auditores, S.L.



Manuel Valls Morato
Partner

21 February 2008

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Annual accounts

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A free translation of the consolidated annual accounts originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU). In the event of a discrepancy, the Spanish language version prevails.

| ASSETS | Note | At 31 December | |
|---|-------------|-----------------------|----------------|
| | | 2007 | 2006 |
| Non current assets | | | |
| Property, plant and equipment | 6 | 66,914 | 1,198 |
| Intangible assets | 7 | 407 | 182 |
| Investments in associates | 8 | 11,495 | 4,254 |
| Long-term receivables | 9 | 1,111 | 1,100 |
| Long-term prepayments | 9 | - | 70 |
| Derivative financial instruments | 10 | 2,020 | - |
| Deferred income tax assets | 19 | 583 | 1,420 |
| Total non current assets | | 82,530 | 8,224 |
| Current assets | | | |
| Inventories | 11 | 858,894 | 710,194 |
| Trade and other receivables | 9 | 122,555 | 163,536 |
| Loans and receivables with related parties | 34 | 605 | 1,275 |
| Current income tax asset | 27 | 10,558 | - |
| Derivative financial instruments | 10 | 90 | - |
| Cash and cash equivalents | 12 | 2,737 | 6,071 |
| Total current assets | | 995,439 | 881,076 |
| Total assets | | 1,077,969 | 889,300 |
| EQUITY AND LIABILITIES | | | |
| EQUITY AND LIABILITIES | Note | At 31 December | |
| | | 2007 | 2006 |
| Share capital and reserves attributable to equity holders of the company | | | |
| Share capital | 13 | 99,878 | 102,689 |
| Cumulative translation adjustment | 14 | (2,096) | (29) |
| Retained earnings and other reserves | 15 | 122,832 | 101,239 |
| | | 220,614 | 203,899 |
| Minority interests | 16 | - | - |
| Total equity | | 220,614 | 203,899 |
| LIABILITIES | | | |
| Non current liabilities | | | |
| Provisions for liabilities and charges | 32 | 3,936 | 4,660 |
| Deferred tax liabilities | 19 | 11,505 | 1,124 |
| Trade and other payables | 17 | 9,613 | - |
| Borrowings | 18 | 548,605 | - |
| | | 573,659 | 5,784 |
| Current liabilities | | | |
| Trade and other payables | 17 | 90,896 | 157,717 |
| Borrowings | 18 | 192,800 | 507,313 |
| Current income tax liabilities | 27 | - | 14,587 |
| Total current liabilities | | 283,696 | 679,617 |
| Total liabilities | | 857,355 | 685,401 |
| Total equity and liabilities | | 1,077,969 | 889,300 |

The notes on pages 95 to 128 form an integral part of these consolidated financial statements.

| | | Year ended at 31 December | |
|---|-------------|--------------------------------------|---------------|
| | Note | 2007 | 2006 |
| Revenue | 20.1 | 529,107 | 590,035 |
| Other income | 20.2 | 15,765 | 6,172 |
| Purchase costs and changes in inventories | 21 | (432,632) | (468,675) |
| Employee benefit expense | 24 | (18,639) | (15,181) |
| Amortisation, depreciation and impairment losses | 22 | (1,336) | (336) |
| Other external expenses | 23.1 | (29,577) | (20,466) |
| Local taxes | 23.2 | (6,730) | (14,535) |
| Operating profit | | 55,958 | 77,014 |
| Financial expenses | 26 | (15,513) | (9,767) |
| Share of profit / (loss) of associates | 8 | 9,010 | 3,671 |
| Profit before income tax | | 49,455 | 70,918 |
| Income tax expense | 27 | (14,103) | (23,417) |
| Profit for the year | | 35,352 | 47,501 |
| Attributable to: | | | |
| Company shareholders | | 35,352 | 47,501 |
| Minority interests | | - | - |
| Earnings per share for profit attributable to the equity holders during the year (in Euros per share) | | | |
| • Basic | 29 | 1.42 | 1.97 |
| • Diluted | 29 | 1.42 | 1.97 |

The notes on pages 95 to 128 form an integral part of these consolidated financial statements.

A free translation of the consolidated annual accounts originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU). In the event of a discrepancy, the Spanish language version prevails.

RENTA CORPORACIÓN REAL ESTATE, S.A.
Consolidated Statement of Changes in Equity
(thousands of Euros)

| | | | Attributable to equity holders of the company | | | | |
|--|-------------|--|---|--|---|---------------------------------|------------------|
| | Notes | | Share capital (Note 13) | Cumulative translation adjustment (Note 14) | Retained earnings and other reserves (Note 15) | Minority interests (Note 16) | Total net equity |
| Balance at 1 January 2006 | | | 21,427 | (7) | 62,970 | 604 | 84,994 |
| Capital increase expenses | 13.5 | | | | | | |
| • gross | | | (8,298) | - | - | - | (8,298) |
| • tax effect | | | 2,904 | - | - | - | 2,904 |
| Cumulative translation adjustment | 14 | | - | (22) | - | - | (22) |
| Profit for the year | | | - | - | 47,501 | - | 47,501 |
| Total recognised income and expense for the period | | | (5,394) | (22) | 47,501 | - | 42,085 |
| Capital increase | 13 | | 89,320 | - | - | - | 89,320 |
| Purchase of treasury shares | 13.3 | | (3,790) | - | - | - | (3,790) |
| Sale of treasury shares | 13.3 | | 1,126 | - | 662 | - | 1,788 |
| Shares reserve plan | 35 | | - | - | 359 | - | 359 |
| Dividends paid | 15 | | - | - | (10,086) | - | (10,086) |
| Purchases of minority interest | 16 | | - | - | - | (604) | (604) |
| Variation in investments in associates | 15 | | - | - | (167) | - | (167) |
| Balance at 31 December 2006 | | | 102,689 | (29) | 101,239 | - | 203,899 |
| Cash flow hedging instruments | | | | | | | |
| • gross | | | - | - | 2,110 | - | 2,110 |
| • tax effect | | | - | - | (633) | - | (633) |
| Cumulative translation adjustment | | | - | (2,067) | - | - | (2,067) |
| Profit for the year | | | - | - | 35,352 | - | 35,352 |
| Total recognised income and expense for the period | | | - | (2,067) | 36,829 | - | 34,762 |
| Shares reserve plan | | | - | - | 809 | - | 809 |
| Purchase of treasury shares | | | (3,328) | - | - | - | (3,328) |
| Sale of treasury shares | | | 517 | - | (26) | - | 491 |
| Dividends paid | | | - | - | (14,250) | - | (14,250) |
| Variation in investment in associates | | | - | - | (1,769) | - | (1,769) |
| Balance at 31 December 2007 | | | 99,878 | (2,096) | 122,832 | - | 220,614 |

The notes on pages 95 to 128 form an integral part of these consolidated financial statements.

| | Notes | Year ended 31 December | |
|--|-------------|------------------------|--------------|
| | | 2007 | 2006 |
| Cash flows from operating activities | | | |
| Cash used in operations | 31 | (82,771) | (322,596) |
| Interest paid | 26 | (43,230) | (16,807) |
| Taxes paid | 27 | (28,663) | (20,854) |
| Net cash used in operating activities | | (154,664) | (360,257) |
| Cash flows from investing activities | | | |
| Purchases of property, plant and equipment | 6 | (66,870) | (428) |
| Proceeds from sale of property, plant and equipment | 31 | 45 | 204 |
| Purchases of intangible assets | 7 | (308) | (166) |
| Acquisition of financial assets | 9 | - | (927) |
| Income from the sale of financial assets | | 151 | - |
| Purchases of minority interests from a Group company | 16 | - | (604) |
| Dilution of shareholding in an associate | 8 | - | 6 |
| Loans granted to related parties | 34 | (593) | (1,275) |
| Repayment of loans granted to related parties | 34 | 1,263 | 2,891 |
| Deposits | 9 | (1,440) | (557) |
| Repayment of deposits and guarantee deposits | 9 | 1,192 | 600 |
| Interest received | 26 | 2,426 | 1,127 |
| Net cash generated from/(used in) investing activities | | (64,134) | 871 |
| Cash flows from financing activities | | | |
| Proceeds from issuance of ordinary shares (with share premium, net of capital increase expenses) | 13 | - | 83,927 |
| Acquisition of treasury shares | 13.3 | (3,328) | (3,791) |
| Sale from treasury shares | 13.3 | 491 | 1,788 |
| Proceeds from borrowings | 18 | 656,653 | 845,577 |
| Repayment of borrowings | 18 | (424,102) | (555,138) |
| Dividends paid | 15 | (14,250) | (10,086) |
| Net cash generated from financing activities | | 215,464 | 362,277 |
| Cash at beginning of the year | 12 | 6,071 | 3,180 |
| Cash at end of the year | 12 | 2,737 | 6,071 |
| Net (decrease)/increase in cash and cash equivalents | | (3,334) | 2,891 |

The notes on pages 95 to 128 form an integral part of these consolidated financial statements.

1. General information

Renta Corporación Real Estate, S.A. (hereon, the Company) is a real estate company which at the 2007 year end has a group (hereon, the Group), made up of 22 companies: Renta Corporación Real Estate, S.A., as the parent company, 19 subsidiaries and 2 associates. Appendices I and II to these Notes include additional information on the entities included in the consolidation scope.

For the purposes of the preparation of the consolidated financial statements, a group is understood to exist when the parent company has one or more subsidiary entities over which the parent company has either direct or indirect control. The principles applied in the preparation of the consolidated financial statements of the Group, as well as the consolidation scope, are set out in Note 2.2.

On 9 January 2006 the parent company acquired the remaining 3% shareholding in Renta Corporación Real Estate Finance, S.L.U. and thus holds 100% of the latter.

On 13 July 2006 Renta Properties (UK), Ltd., sold One Vincent Square, Ltd. Additionally, on 2 November 2006, Renta Properties (UK), Limited, incorporated Winterley Properties 3 Unlimited, which led to its inclusion in the consolidated group as from that date.

On 7 November 2006 two companies were incorporated in Luxembourg, RC Real Estate Luxembourg, S.A.R.L. and Norfeu, S.A.R.L.

On 15 March, 12 June and 1 August 2007 three companies were incorporated in Luxembourg with the registered names of Tanit Corporation, S.à.r.l., Medas Corporation S.à.r.l. and Fedra, S.à.r.l. respectively. These companies were included in the consolidated group as from that date.

On 9 July 2007, Renta Corporacion Real Estate, S.A. incorporated Renta Corporation in the United State, which led to its inclusion in the consolidated group as from that date.

On 11 July, 18 July and 26 July 2007 Renta Corporation incorporated three companies in New York with the registered names of RC1, LLC, RC2, LLC, RC III, LLC, respectively. And on 19 October 2007 Renta Corporation incorporated two companies with the registered names of RCIV, LLC and RCV, LLC, respectively, which led to their inclusion in the consolidated group as from that date.

On 29 June and 21 December 2007, Mixta África, S.A. executed two share capital increases that have represented the dilution of the shareholding of Renta Corporación Real Estate, S.A. in the shareholding of the former company from the 31.28% it held on 31 December 2006 to 18.55% at 31 December 2007. This change has not represented any variation in the consolidation method, which is still based on equity accounting.

During 2006, Mixta África, S.A. incorporated four companies en Africa, and five companies more in 2007, but none of these new companies have made any sales.

The registered offices of Renta Corporación Real Estate, S.A. for administrative and tax purposes, by virtue of a resolution adopted by the Board of Directors on 24 July 2007 have been modified and are now located in Barcelona, Via Augusta, 252-260 and its Taxpayer Identification Number (C.I.F.) is A-62.385.729.

The Group divides its activities into three business units: residential, offices and land, including the following tasks:

- **Residential.** Acquisition of residential buildings for transformation and later sale. This transformation may consist either of physical restoration of the building or technical and/or legal transformations.
- **Offices.** Acquisition of urban buildings for their transformation and later sale. This transformation may consist of change of use, physical improvements to buildings and/or their repositioning in the market.
- **Land.** Acquisition of building land for transformation and later sale, located mostly in Barcelona, Madrid and their areas of influence. The transformation phase consists in urban planning and management, necessary for carrying out the project most suitable to the needs of demand and the city. Renta Corporación commercialises land apt for later building.

The three business units use the same process, consisting of the acquisition of real estate assets for transformation and later sale. This transformation process is aimed at creating value through the adaptation of buildings to market demands. The business units differ based on the types of real estate assets acquired and the type of transformation applied in order to maximize the sale value.

These processes include acting on the different elements that make up real estate assets and their valuation, which are: physical condition, use, the rental situation and profitability, zoning laws, legal issues, division or aggregation of buildings, etc.

The Group operates mainly in the domestic market as well as in France, England, Germany and United States of America.

These consolidated financial statements were formulated by the Board of Directors on 20 February 2008.

No changes are expected to these Consolidated Financial statements as a result of their adoption by the General Meeting of Shareholders.

2. Summary of significant accounting policies

Set out below are the main accounting policies applied in the preparation of the consolidated financial statements. These policies have been applied consistently throughout all the years presented, unless otherwise stated.

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2.1. Basis of presentation

The consolidated financial statements have been prepared on the basis of the accounting records of Renta Corporación Real Estate, S.A. and its consolidated companies and include the adjustments and reclassifications necessary for homogenisation with the parent Company. These consolidated annual accounts of the Group at 31 December 2007 have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union and approved by the Regulations of the European Commission and which are in force at 31 December 2007.

The new standards and modifications coming into force as from 1 January 2007 effective in relation to the operations are IFRS 7 "Financial Instruments: information to be disclosed" and the complementary modification of IAS 1 "Reporting of Financial Statements – Information to be disclosed on capital". IFRS 7 introduces new disclosures in order to improve the reporting on Financial Instruments, although it has no impact on the classification and valuation of the Financial Instruments of the Group, or on the disclosures relating to taxes, creditors and other accounts payable. The modification of IAS 1 requires the reporting on the objectives, policies and procedures of management of capital needs (equity), quantitative reporting on considered capital, whether the external capital requirements have been met and the consequence of any non-compliance with these external requirements.

At the date of formulation of these accounts, IASB and IFRIC have issued the following standards, modifications and interpretations set out below. These standards, modifications and interpretations are mandatory in years subsequent to the one beginning 1 January 2008 and years thereafter: IFRS 3 (revised in January 2008) "Business Combinations", IAS 27 (revised in January 2008) "Consolidated and separate financial statements", modification of IFRS 2 "Share-based Payment Vesting Conditions and Cancellations", IFRS 8 "Operating segments", IAS 1 (revised in September 2007) "Disclosure of Financial Statements", IAS 23 (revised in March 2007) "Interest costs", CIIFRS 11 "IFRS 2 – Group transactions and transactions with treasury shares", IFRIC 12 "Service Concession Arrangements", IFRIC 13 "Customer Loyalty Programmes" and IFRIC 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction". All these standards, modifications and interpretations, except for IFRS 8 and CIIFRS 11 have still not been adopted by the European Union. The Group has analysed the possible impacts on its financial statements at 31 December 2007 and has concluded that there are no significant impacts.

The accounting policies set out below have been applied consistently to all the years presented in these consolidated financial statements.

The consolidated financial statements have been prepared using the historical cost convention, modified in those cases established by IFRS-EU in which certain assets and liabilities are stated at their fair value.

The preparation of consolidated financial statements compliant with IFRS - UE requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to these consolidated financial statements are disclosed in note 4.

The requirements of the standards mentioned above have been fully met and, therefore, the financial statements present a true and fair view of the assets, financial position and results of the operations of the Group.

A free translation of the consolidated annual accounts originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU). In the event of a discrepancy, the Spanish language version prevails.

The figures set out in the documents that make up these consolidated financial statements (balance sheet, profit and loss account, statement of changes in shareholders' equity, cash flow statements and notes to the financial statements) are stated in thousands of Euros, and can be compared with last year's figures.

The Group companies close their fiscal year on 31 December and the accounts at that date are the ones used in the consolidation.

2.2. Consolidation principles

a) Subsidiaries

Subsidiaries are all entities over which the Group has power to govern the financial and operating policies. Control is assumed to exist when the shareholding constitutes more than half of the voting rights, unless control is limited by contractual agreements or other circumstances. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing control over another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date on which control ceases.

Inter-company transactions, balances and unrealized gains on transactions between the Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Appendix I to these Notes contains the information on all the fully consolidated subsidiaries.

b) Associates

Associates are all entities over which the Group has significant influence; this is presumed when the parent company holds between 20% and 50% of the voting rights or when other circumstances demonstrate the existence of significant influence. In the event that the Group has a shareholding below 20%, it is classified as an associate provided that the Group exercise a significant influence on the financial and operating decisions of the investee company. Investments in associates are accounted for by the equity method of accounting and are initially recognized at cost.

The Group's share of its associates' post-acquisition profits or losses, and the gains and losses on the dilution of the shareholding, is recognized in the income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interests in the associate, including any other unsecured receivable the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Associates' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Appendix II to these Notes contains the information and details of associates consolidated by the equity method.

2.3. Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

a) Primary format of segment reporting: business segments

- **Residential.** Acquisition of residential buildings for transformation and later sale. This transformation may consist either of physical restoration of the building or technical and/or legal transformations.
- **Offices.** Acquisition of urban buildings for their transformation and later sale. This transformation may consist of change of use, physical improvements to buildings and/or their repositioning in the market.
- **Land.** Acquisition of building land for transformation and later sale, located mostly in Barcelona, Madrid and their areas of influence. The transformation phase consists in urban planning and management, necessary for carrying out the project most suitable to the needs of demand and the city. Renta Corporación commercialises zoned land apt for later building.

b) Secondary format of segment reporting: geographic segments

Following criteria based on the location of assets.

- Domestic
- International

2.4. Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Euros, which is the Group's presentation currency (thousands of Euros).

b) Transactions and balances

Foreign currency transactions are translated into the presentation currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except if they differ in net equity such as qualified cash flow hedges.

c) Group companies

The results and financial position of Renta Properties (UK), Ltd., and Renta Corporation and its group companies, which have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates of the year (unless this average is not a reasonable approximation of the accumulated effect of the rates on the dates of the transaction, in which case the income and expense are translated at the date of the transactions); and
- (iii) all resulting exchange differences are recognized as a separate component of equity.

2.5. Property, plant and equipment

All property, plant and equipment are presented at cost less accumulated depreciation and impairment, except land, which is presented net of impairment, since it is not depreciated.

The historical cost includes expenses directly attributable to the acquisition of the assets.

Improvements which extend or improve the useful lives of existing assets are capitalised, provided that it is probable that they will generate future economic benefits and their cost can be reasonably estimated. Repair and maintenance costs are expensed in the year in which they are incurred.

The depreciation of assets carried under PPE is calculated using the straight-line method, over their estimated useful lives and bearing in mind their respective residual values as follows:

| | Years |
|-------------------------------------|---------|
| Buildings | 25 |
| Plant | 10 |
| Furniture | 10 |
| Computer equipment | 4 |
| Vehicles | 6.25 |
| Other property, plant and equipment | 10 - 12 |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Note 2.7).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

2.6. Intangible assets

Acquired computer software and licences are capitalized on the basis of the costs incurred to acquire and bring into use the specific software. These costs are amortized over their estimated useful lives (four years) using the straight-line method.

2.7. Impairment of non-financial assets

At the balance sheet dates the Group evaluates whether there is any indication of impairment of an asset. If so, the Group estimates its recoverable amount.

Assets that are subject to amortisation are tested for impairment whenever internal or external events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment loss is recognized through profit and loss for the difference between the asset's carrying amount and its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.8. Financial assets

The Group classifies its financial assets as follows: assets at fair value recorded in the profit and loss account, investments held to maturity, loans and accounts receivable. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The acquisitions and sales of financial assets are recognised on the date of negotiation, i.e., the date on which the Group undertakes to acquire or sell the asset.

The financial assets are written off when the rights to receive the cash flows from the investments have expired or have been transferred and the Group has substantially transferred all the risks and rewards of their ownership.

The Group does not have assets at fair value recorded in the profit and loss account, assets held to maturity or cash and cash equivalents sale assets.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets in "Trade and other receivables", except for maturities greater than 12 months after the balance sheet date, which are classified as non-current. See Note 2.10.

2.9. Inventories

Inventories include buildings, land and plots and are measured at the lower of cost and net realizable value. Cost of inventories includes the cost of purchase and all additional costs necessary to bring the assets in their present condition and location, such as refurbishments, improvements, and unrefundable taxes, amongst others. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Net realizable value is assessed at every year-end.

The financial expenses arising from bank financing, both generic financing (syndicated loans) and specific financing (loans, mortgages), attributable to the acquisition and transformation of any qualified assets, as well as other costs incurred in relation to the execution of bank financing, are capitalised as a part of the cost of the property over the period of time necessary to complete and prepare the asset for its designed use. A qualified property is an asset that is expected to need a transformation period longer than 12 months as from its date of acquisition. Other interest costs are expensed.

The specific cost identification method is used, i.e., only the costs incurred that can be accurately assigned to each product in inventories are capitalised.

The amounts disbursed for premiums on purchase options on properties (generally buildings and land) are stated at their cost as payments on account under inventories. The payment of purchase options constitutes the normal way through which the group undertakes the first phase of the property acquisition, prior to the final deeding of the purchase.

2.10. Trade and other receivables

Trade receivables are recognized initially at fair value. After initial recognition, they are measured at amortised cost, using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate (see note 3.1). The amount of the provision is recognized in the income statement.

Cash received in advance from customers is presented as a liability in the balance sheet at the amount actually received.

2.11. Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

2.12. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of any tax effect, as the case may be.

When a Group entity acquires shares in the Company (treasury shares), the consideration paid, including any directly attributable incremental cost (net of tax on profit) is deducted from the equity attributable to the Company's shareholders until its cancellation or disposal. When these shares are sold, any amount received, net of any directly attributable incremental cost of the transaction and the respective income tax effects, are included in the net equity attributable to the Company's equity holders.

2.13. Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. The other borrowings are classified as current liabilities.

2.14. Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Their recovery is evaluated each year and the recoverability of those that have not been capitalised are evaluated again.

Deferred income tax assets are recognised for the temporary differences that arise from investments in subsidiaries and associates, except in those cases in which it is likely that these will not reverse in the foreseeable future.

2.15. Income tax and other taxes

The parent company avails itself of the group taxation regime for corporate income tax purposes and is therefore taxed jointly with its subsidiaries Renta Corporación Real Estate R.A., S.A.U., Renta Corporación Real Estate O.N., S.A.U., Renta Corporación Real Estate G.O., S.L.U. and Renta Corporación Real Estate Finance, S.L.U.

The Group company Renta Corporación Real Estate Finance, S.L.U. has been taxed in the past under the general income tax regime. On 4 December 2006, this Company chose to be taxed under special the tax consolidation regime as per RD 4/2004/5 March, which adopted the Corporate Income Tax Act, and it applies for fiscal year 2007.

Corporate income tax expense is recognised based on the reported profit as adjusted for permanent differences between reported and taxable profits, and the effects of any tax credits and deductions to which the Group companies are entitled.

Renta Corporación Real Estate, S.A. is subject to the general prorated VAT regime.

Renta Corporación Real Estate R.A., S.A.U. as from 2001 is subject to the special prorated VAT regime.

Renta Corporación Real Estate Finance, S.L.U., Renta Corporación Real Estate G.O., S.L.U. and Renta Corporación Real Estate O.N., S.A.U. as from 2004 are subject to the special prorated VAT regime.

Masella Oeste, S.L. is subject to the general prorated VAT regime.

Groupe Immobilier Renta Corporación, S.A.S.U. is taxed under the marchand de biens VAT regime.

Renta Properties UK (Ltd.) and RC Real Estate Deutschland GmbH are taxed under the prorated regime in accordance with the specific country legislation.

2.16. Provisions

Provisions are recognised when the Group has a present obligation and when it is probable, legally or implicitly, as a result of past events, that disbursements will be made to settle the obligation, and when the amount of the obligation can be reliably estimated.

The provisions are stated at the current value of the disbursements that are expected will be necessary to settle the obligation at an interest rate that reflects the current market valuations of the temporal value of money and the specific risks entailed by the obligation. The increase in the provision due to the passing of time is recognised as interest expense.

2.17. Revenue and expense recognition

Revenue is measured at the fair value of the sale of assets and services to third parties.

The sales of goods are recognised when the ownership of the asset is transferred, i.e., when the purchases-sale of a building is formally deeded (although, on exceptional occasions, the transfer of the property could be formalised by virtue of a private document, which is accounted for adequately), provided that significant risks and rewards of ownership deriving from the assets have been transferred to the buyer.

On some occasions the Group manages works on behalf of third parties (customers). In these cases the Group outsources the execution of the works to different contractors and reinvoices the cost to the customer. In these cases the income is recognised when the work is reinvoiced, together with the remuneration that has been agreed for the management of the works.

On other occasions, the Group can sell a building with a commitment to carry out certain works on it, and take charge of the contracting, coordination and supervision, with the cost included in the sale price agreed. In these cases, the recognition of the sale is made when the purchase-sale is deeded, although the part of the margin on the remunerated part of the operation is deferred until the works are completed.

In the case of building swaps the possible difference between the cost of acquisition of the building ceded by the Group and the value of the building received by the Group is recognised as income or expense when the swap is deeded.

If there are conditions precedent to either the sales and swaps, the recognition of income will be deferred until these are completed and the swap or sale is finally concluded.

Interest income is recognised using the effective interest rate method, which cannot exceed the nominal interest rate.

Expenses are recognised when they accrue, independently from when they are paid. The cost of inventories is recognised when the goods are recognised as a sale.

2.18. Leases

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. The income from lease contracts with tenants of the properties acquired is considered to be incidental, since the lease contracts are maintained for a short period, until the Group sells the property or enters into an agreement by virtue of which the tenant will vacate the property after the payment of compensation by the Group.

The assets leased to third parties under operating leases are carried under inventories (exceptionally in tangible assets) on the balance sheet since they existed when the assets were acquired for future sale in the ordinary course of business of the Group. The income from the lease is recognised on a straight-line basis over the term of the lease.

2.19. Related party transactions

Transactions with related entities are recorded when there has been a transfer of resources or obligations and are stated at the amount agreed by these entities.

2.20. Dividends distribution

Dividends distributed to the Company's shareholders are recognised in the consolidated financial statements of the Group in the year in which the decision is adopted.

2.21. Environment

Expense arising from business actions designed to protect and improve the environment are expensed when incurred.

Expenses are capitalised when they represent additions to tangible fixed assets in order to minimise environmental impact and to protect and improve the environment and are depreciated over the useful life of the asset.

2.22. Employee benefits

Share-based compensation

The Group has a compensation plan based on shares and payable in shares. The fair value of the services of employees in consideration for shares is expensed over the accrual period. The total amount that is expensed over the accrual period is determined by the fair value of the shares granted at the beginning of the operation, excluding the impact of accrual conditions that are not market conditions (for example, the objectives of profitability and sales growth).

2.23. Derivative financial instruments and hedging operations

The Group uses derivative financial instruments such as foreign currency contracts and interest rate swaps to hedge exchange rate risk and interest rate risk. These financial instruments are initially posted and thereafter at their fair value, which is, since there are unlisted instruments, valuations based on valuation techniques, such as, for example, discounted cash flow analysis.

The method for recognizing the gain or loss on changes in the fair value of these financial instruments depends on whether the derivative has been designated as a hedging instrument, and, if so, the nature of the item it is hedging. Any gain or loss from the changes in the fair value of derivatives that do not meet these requirements to be recorded as hedges are directly expensed, in the net amount, for the year. At 31 December 2007 the Group does not have any derivatives that do not qualify as hedges for accounting purposes.

In order to record these hedges, they are classified as cash flow hedges when they cover exposure to the variation in cash flows that is attributable either to a specific risk related to an asset or liability already recorded, or to a highly expected future transaction.

The Group documents at the beginning of the transaction the existing relationship between the hedging instrument and the items hedged, as well as they risk management objectives and the strategy for making various hedging transactions. The Group also documents their evaluation, both at the beginning and on a continuous basis, as to whether the derivatives that are used in the hedging transactions are high effective in offsetting the changes in fair value or in the cash flows of the items hedged.

The fair value of the derivative instruments used for hedging purposes is broken down in Note 10. The movements in the hedging reserve in equity is broken down in Note 15.

The total fair value of the hedging derivatives is classified as a non-current asset or liability if the remaining maturity of the item hedges is greater than 12 months and as a current asset or liability if the remaining maturity of the item hedged is lower than 12 months.

Cash flow hedges

The effective part of the gain or loss in the fair value of the hedging instrument (previously designated and qualified as such) is recognised directly under net equity, while the non-effective part is recognised in the profit and loss account.

The amounts recorded in net equity are transferred to profit and loss when the transaction hedged affects results, and when a financial income or expense hedged is recognized, or when there is an expected purchase or sale that is being hedged. The loss or gain relating to the effective party of the interest rate swaps that hedge financial debt at a variable interest rate is recognised in the profit and loss account under "net financial costs". When the expected transaction that is hedged generates the recognition of a non-financial assets, the gains or losses previously deferred under net equity are transferred from equity and included in the initial valuation of the costs of the asset or liability.

When a hedging instrument matures or is sold or when it does not meet the accounting requirements to be classified as a hedge, any accumulated gain or loss in net equity until that time will remain in net equity and is recognized when the expected transaction is finally recognized in profit and loss. When it is foreseen that the expected transaction will not take place, the accumulated gain or loss in new equity is immediately taken to profit and loss.

2.24. Creditors and other accounts payable

Creditors are initially recognized at fair value and then valued at their cost and amortised using the effective interest rate method. These balances are included in current liabilities under "Creditors and other accounts payable", except for maturities longer than 12 months from the balance sheet date, which are classified as non-current liabilities.

3. Management of financial risk

3.1. Financial risk factors

The activities of the Group are exposed to various financial risks: market risk (including exchange rate and cash flow interest rate risks), credit risk and liquidity risk. The overall risk management program of the Group is centred on the uncertainty of the financial markets and tries to minimize the potentially adverse effects on the Group's financial profitability. The Group uses various derivatives to cover certain risks.

Risk management is controlled by the Departments of Finance and Treasury of the Group in accordance with the policies adopted by the Board of Directors. These Departments identify, evaluate and hedge the financial risks in close collaboration with the Group's operating units. The Board provides policies for global risk management and for specific areas, such as exchange rate risk, interest rate risk, liquidity risk, the use of derivatives and non-derivatives and the investment of surplus liquidity.

Market risk: exchange rate risk

The Group defines the negative effect of the fluctuation in exchange rates on the results of its companies, Group equity or cash flows as exchange rate risk.

The Group's activity is located in the Euro zone, with some engagement in the UK and the USA.

The Group holds intra-group financial positions with its subsidiaries in London and New York, where it operates with non-Euro currencies, which generates exchange rate exposure. Although this risk was minor in 2006, the growth of the Group in the zones affected by these markets in 2007 has led the Company to contract interest exchange rate hedges.

Thus, and given the depreciation of the Pound Sterling and the US Dollar since the second half of the year, exchange rate hedges have been contracted on a part of the amounts financed.

The effect of the variation in exchange rates on the Group will depend on the volume of exposure it has at any time in those currencies. Thus, of special note has been the period recorded in the last quarter of the year in relation to the Pound in which it fell from a rate of Pound 0.697 per Euro to Pound 0.733 per Euro. This devaluation of the Pound, on an average debt of Pounds 35.5 million, generated only in that quarter an exchange loss of Euros 2.5 million.

The Group was able to close financial derivatives that restricted or minimised the Pound exchange rate risk. Specifically, for a base of Pounds 30 million, an exchange rate of Pounds 0.719 was closed. Bearing in mind that the market rate at the year end was 0.733, this generated again for the Company of Euros 872 thousand, which was booked as financial income.

Also in respect of the dollar the last quarter of the year has been significant (specifically October and November) during which the Dollar fell from 1.384 per Euro to 1.475 per Euro. This devaluation, on an average debt of USD 16.1 million, generated exchange losses of Euros 0.7 million in this quarter alone.

The Group was also capable in this respect of closing financial derivatives, which permitted the restriction or minimization of the Dollar exchange rate risk. Specifically, for a base of USD 14 million, the exchange rate was closed at 1.45. Bearing in mind that the market rate at the year end was USD 1.473 per Euro, this led to a gain of Euros 149 thousand, which has been recorded as financial income.

Market risk: interest rate risk

External financing is contracted at variable interest rates.

The interest risk control policy was designed to cover at a fixed interest rate approximately 30% of the total debt drawn down and to thus reduce the volatility of financial costs. While in 2006 the external borrowing was short-term, access to long-term financing in 2007 has made it possible to apply interest rate risk management policies.

Thus, in March fixed rate hedge contracts were executed for a nominal amount of Euros 200 million related to the syndicated loan. After formalizing additional contracts for a nominal amount of Euros 21.6 million, at the December 2007 close the interest rate hedges total Euros 221.6 million, which covers 29% of the debt.

The average interest rate on the debt hedged at a fixed rate is 4.11% maturing in 3.4 years.

Bearing in mind the gross average debt of the Group in 2007, an increase of 1% in interest rates would affect increase financing costs by Euros 6.3 million. If we take into account that 29% of the debt is at a fixed rate, a 1% increase in interest rates would only have an effect of an additional Euros 4.5 million on financial expenses.

Credit risk

Most sales of buildings made by the Group are settled in cash at the time of the transfer of title. In the other sales of buildings, the collection of all or part of the purchase price is made after the transfer of title to the new owner. In these cases, the amount owed to the Group is guaranteed generally by means of a bank guarantee or through a reservation of title agreement or guarantees in rem so that the Group can recover title to the building in the event of default on the payment of the price. However, on certain occasions, the Group receives a personal guarantee from habitual customers that is not guaranteed. The Group has not had any difficulties in collecting these receivables for sales in the past.

The credit quality is guaranteed depending on the types of customers, who are of renowned prestige and solvency, and by the form of payment of the transactions, which confirms that the fact that the Group is not facing any credit risks in its accounts.

Liquidity risk

Decreases in the liquidity of the real estate market: the Company and its investee companies are engaged in the purchases, transformation and sale of real estate assets with high turnovers. The target inventory turnover is under one year, which requires dynamic asset management. The high quality of the assets, their location and access to the credit finance market ensures a high degree of flexible, assured coverage of its needs.

The business model of Renta Corporación, because of its dynamic, constant flow of purchases and sales, quickly identifies changes in the market and adjusts its practices to the context in which it operates. That is why the Group can adapt its strategy of diversification of products and markets flexibly and constantly.

Financing of the acquisition of real estate: the acquisition of real estate and renovation and transformation activity is financed by debt. In February 2007 a credit facility was executive with a syndicate of 21 financial entities in the amount of Euros 500 million maturing in five years.

Additionally, the Group has mortgage-backed loans of approximately Euros 151 million.

Moreover, the Group has excellent access to the bank market for credit facilities, which allow it to fulfil its other financing needs efficiently, flexibly, and especially for the purchases of investment options on assets.

This syndicated loan and the mortgage-backed loans and other banking credit facilities constitute the Group's financial support.

As a result of the above, the Group is subject to the risks normally related to debt-related financing, including the risk that the cash flow from the sale of buildings will not be sufficient to repay the financing obtained. Nevertheless, the quality of the assets is a solid guarantee of the debt.

The table below presents an analysis of the financial liabilities of the Group that will be settled in the net amount grouped by maturities in line with the outstanding instalments at the balance sheet date until the maturity date stipulated in the contract. In respect of the derivative financial instruments, the amounts relate to the bases of the contracts on which the aforementioned derivative financial instruments have been contracted whose maturity has arisen.

| At 31 December 2007 (thousand euros) | Less than one year | Between 1 and 3 years | Between 3 and 5 years | More than 5 years |
|--|-------------------------------|----------------------------------|----------------------------------|------------------------------|
| Bank loans | 159,152 | 68,250 | 440,588 | 73,415 |
| Derivative financial instruments | 9,828 | 60,648 | 160,628 | 0 |
| Creditors and other accounts payable | 90,986 | 9,613 | | |

| At 31 December 2007 (thousand euros) | Less than one year | Between 1 and 3 years | Between 3 and 5 years | More than 5 years |
|--|-------------------------------|----------------------------------|----------------------------------|------------------------------|
| Bank loans | 507,313 | | | |
| Derivative financial instruments | | | | |
| Creditors and other accounts payable | 157,717 | | | |

The table below presents a breakdown of the bases (notional or contractual values) of the different derivative instruments contracted by the Group at 31 December 2007 which will mature in the following years.

| At 31 December 2007 (thousand euros) | Less than one year | Between 1 and 3 years | Between 3 and 5 years | More than 5 years |
|--|-------------------------------|----------------------------------|----------------------------------|------------------------------|
| Derivatives on US Dollars | 9,504 | | | |
| Interest rate swaps | 324 | 324 | 200,972 | 19,980 |

3.2. Capital risk management

The Group's objectives in relation to capital management are to safeguard its capacity to continue its operations as a going concern in order to generate value for its shareholders and profit for other holders of net equity instruments and to maintain an optimal capital structure and to reduce its cost.

In order to be able to maintain or adjust the capital structure, the Group could adjust dividends payable to shareholders, refund capital to the shareholders, issue new shares or sell assets to reduce debt.

The Group monitors its capital in accordance with the leverage indicator, in line with the practice in the sector. This indicator is calculated as the net debt divided by total capital. The net debt is calculated as the total of financial debt (including current and non-current external borrowings, as shown in the consolidated balance sheet) less cash and cash equivalents. Capital is calculated as net equity, as stated in the consolidated accounts, plus net debt.

The leverage indicators at 31 December 2007 and 2006 were as follows:

| | 2007 | 2006 |
|---|-------------|-------------|
| Borrowings | 741,405 | 507,313 |
| Less: Cash and cash equivalents plus other current deposits | 5,194 | 8,195 |
| Net debt | 736,211 | 499,118 |
| Net equity | 220,614 | 203,899 |
| Total capital | 956,825 | 703,017 |
| Leverage indicator | 76.94% | 70.99% |

The average net debt balance for the year has been approximately Euros 596 million. This increase in the last part of the year has been due to the investments of the Group, which has generated a higher level of borrowings than initially planned.

3.3. Fair value estimation

The book value less the provision for the impairment of accounts receivable and payable is presumed to be close to the fair values due to fact that they fall due in less than one year.

When relevant, the fair value of the financial liabilities for financial reporting purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available for the Group for similar financial instruments.

The fair value of the financial instruments that are listed in active markets (such as securities held for sale and available for sale) is based on the market prices at the balance sheet date. The quotation market price that is used for the financial assets is the current purchase price.

The fair value of the financial instruments that are not listed in active markets is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on the market conditions existing in each of the balance sheet dates. For long-term debt the listed market prices are used or agent quotations. In order to determine the fair value of the other financial instruments other techniques are used, such as estimated discounted cash flows. The fair value of the interest rate swaps is calculated as the current value of the estimated future cash flows. The fair value of the forward exchange rate contracts is determined using the forward exchange rates quoted in the market at the balance sheet date.

4. Accounting estimates and judgements

The estimates and judgements are evaluated continuously on the basis of historical experience and other factors, including the expectation of future events believed reasonable under the circumstances. There are no estimates and judgements that could have a significant risk of leading to a material adjustment to the book values of assets and liabilities within the following financial year.

The estimates made by Group management are as follows:

Inventories: the recoverable amount of inventories has been calculated on an individual basis with reference to their net realizable value (estimated selling price in the ordinary course of business less estimated selling costs). The market prices are analysed for buildings in each location as well as the main costs of sale, which are basically commissions agreed for each estate.

Their classification as short-term assets is made bearing in mind the average operating period for each business segment, which is normally less than a year. The financing of these inventories is classified on the basis of the latter.

Trade and other receivables: in respect of the collection of accounts receivable, although most sales of property made by the Group are settled in cash upon transfer of ownership, the remaining property sales are paid for totally or in part after the transfer of title to the new owner. In these cases, and generally speaking, the payment owed to the Group is generally covered by a bank guarantee or a retention of title agreement or similar real guarantee formulas that enable the Group to recover the ownership of the building in the event of a default on payment. Accordingly, the recoverability of the receivable is guaranteed.

Property, plant and equipment: The useful lives of fixed assets are calculated using the estimate of the period in which the assets will generate profit for the Group. These useful lives are reviewed at the year end, and, if expectations differ from previous estimates, the changes are booked as a change in accounting estimates. Specifically, the useful life of buildings is estimated at 25 years due to the fact that this is the period of time considered necessary in order to contribute to the generation of income.

Deferred income tax: the recoverability of the deferred income tax assets is evaluated when they are generated depending on the evolution of Group profit forecast in its overall business plan.

Derivative financial hedge instruments: the Group selects a variety of methods and uses assumptions that are based mainly on the market conditions at the balance sheet date. The Group has used discounted cash flow analyses for the derivative financial instruments used in its hedging operations.

5. Segment information

5.1. Primary format of presentation segment reporting: business segments

At 31 December 2007, the Group is organised globally into three main business units.

- (i) Residential
- (ii) Offices
- (iii) Land

A free translation of the consolidated annual accounts originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU). In the event of a discrepancy, the Spanish language version prevails.

The main accounts for the year ended 31 December 2006 are:

| Account | Residential | Offices | Land | Not assigned | Total Consolidation |
|---|-------------|-----------|----------|--------------|---------------------|
| Revenue (Note 20.1) | 306,427 | 203,959 | 79,649 | - | 590,035 |
| • External | 306,427 | 203,959 | 79,649 | - | 590,035 |
| • Other segments | - | - | - | - | - |
| Purchase costs and changes in inventories | (259,812) | (150,243) | (58,620) | - | (468,675) |
| Gross margin | 46,615 | 53,716 | 21,029 | - | 121,360 |
| Total assets | 219,405 | 282,502 | 375,195 | 12,198 | 889,300 |
| Total liabilities | 155,859 | 180,779 | 282,774 | 65,989 | 685,401 |

The main accounts for the year ended 31 December 2007 are:

| Account | Residential | Offices | Land | Not assigned | Total Consolidation |
|---|-------------|-----------|-----------|--------------|---------------------|
| Revenue (Note 20.1) | 132,848 | 245,383 | 150,876 | - | 529,107 |
| • External | 132,848 | 245,383 | 150,876 | - | 529,107 |
| • Other segments | - | - | - | - | - |
| Purchase costs and changes in inventories | (113,150) | (213,710) | (105,772) | - | (432,632) |
| Gross margin | 19,698 | 31,673 | 45,104 | - | 96,475 |
| Total assets | 257,743 | 348,496 | 369,104 | 102,626 | 1,077,969 |
| Total liabilities | 232,170 | 224,575 | 349,791 | 50,819 | 857,355 |

Assets not assigned include, amongst others, the cost of acquisition of the Group's new corporate headquarters.

The accounting policies for all business segments are the same as the ones mentioned for the whole Group in Note 2 to these financial statements.

5.2. Secondary format of presentation segment information: geographic segments

The three business segments of the Group operate mainly in two geographical areas, although they are managed on a global basis.

Spain is the country of origin of the Group, and it is the main geographic area in which it operates.

| REVENUE | 2007 | 2006 |
|---------------|---------|---------|
| Domestic | 427,877 | 377,789 |
| International | 101,230 | 212,246 |
| | 529,107 | 590,035 |

The revenue is assigned depending on the country in which the asset is located.

| ASSETS | 2007 | 2006 |
|---------------|-----------|---------|
| Domestic | 824,190 | 757,212 |
| International | 253,779 | 132,088 |
| | 1,077,969 | 889,300 |

Total assets are assigned on the basis of the location of the assets, the increase in assets in the international area is a reflection of the internationalisation that the Group is fostering.

Breakdown of revenue by segment of activity and geography:

| | 2007 | | 2006 | |
|-------------|----------|---------------|----------|---------------|
| | Domestic | International | Domestic | International |
| Residential | 36,703 | 96,145 | 114,864 | 191,563 |
| Offices | 240,298 | 5,085 | 183,276 | 20,683 |
| Land | 150,876 | - | 79,649 | - |
| | 427,877 | 101,230 | 377,789 | 212,246 |

6. Property, plant and equipment

The breakdown and movements of different categories of property, plant and equipment are shown in the following table:

| | Land and buildings | Other plant, tools and furniture | Other fixed assets | Total |
|------------------------------------|-----------------------|-------------------------------------|-----------------------|--------|
| At 1 January 2006 | | | | |
| Cost | 51 | 927 | 534 | 1,512 |
| Accumulated depreciation | (6) | (207) | (272) | (485) |
| Net book value | 45 | 720 | 262 | 1,027 |
| Year ended 31 December 2006 | | | | |
| Opening net book value | 45 | 720 | 262 | 1,027 |
| Additions | - | 290 | 138 | 428 |
| Disposals | (33) | (4) | (5) | (42) |
| Depreciation charge | (1) | (109) | (105) | (215) |
| Closing net book value | 11 | 897 | 290 | 1,198 |
| At 31 December 2006 | | | | |
| Cost | 13 | 1,209 | 660 | 1,882 |
| Accumulated depreciation | (2) | (312) | (370) | (684) |
| Net book value | 11 | 897 | 290 | 1,198 |
| Year ended 31 December 2007 | | | | |
| Opening net book value | 11 | 897 | 290 | 1,198 |
| Additions | 58,356 | 7,955 | 561 | 66,872 |
| Disposals | - | (623) | (4) | (627) |
| Depreciation charge | (164) | (220) | (145) | (529) |
| Closing net book value | 58,203 | 8,009 | 702 | 66,914 |
| At 31 December 2007 | | | | |
| Cost | 58,369 | 8,268 | 1,202 | 67,839 |
| Accumulated depreciation | (166) | (259) | (500) | (925) |
| Net book value | 58,203 | 8,009 | 702 | 66,914 |

The book value of tangible assets fully depreciated totals Euros 411 thousand and Euros 229 thousand at 31 December 2007 and 2006, respectively.

Assets located outside Spain total Euros 104 thousand and Euros 92 thousand at 31 December 2007 and 2006, respectively.

The Group holds proper title to all the assets carried in its books. Property, plant and equipment includes the building that houses the Group's new head office on which a mortgage-backed loan has been constituted in the amount of Euros 54 million.

7. Intangible assets

The breakdown and movement of intangible assets are set out below:

| | Trade marks | Computer Software | Total |
|------------------------------------|----------------|----------------------|-------|
| At 1 January 2006 | | | |
| Cost | - | 164 | 164 |
| Accumulated amortisation | - | (33) | (33) |
| Net book value | - | 131 | 131 |
| Year ended 31 December 2006 | | | |
| Additions | - | 166 | 166 |
| Disposals | - | (74) | (74) |
| Amortisation charge | - | (41) | (41) |
| At 31 December 2006 | | | |
| Cost | - | 182 | 182 |
| Accumulated amortisation | - | 256 | 256 |
| Net book value | - | (74) | (74) |
| Year ended 31 December 2007 | | | |
| Additions | 16 | 291 | 307 |
| Amortisation charge | - | (82) | (82) |
| At 31 December 2007 | | | |
| Cost | 16 | 391 | 407 |
| Accumulated amortisation | 16 | 547 | 563 |
| Net book value | - | (156) | (156) |
| | 16 | 391 | 407 |

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8. Investments in associates

The movement of investment in associates consolidated by the equity method is set out below:

| | Masella Oeste, S.L. | Mixta África, S.A. | Total |
|----------------------------|---------------------|--------------------|---------|
| At 1 January 2006 | 477 | 18 | 495 |
| Participation in equity | - | 88 | 88 |
| Participation in results | (76) | 3,747 | 3,671 |
| At 31 December 2006 | 401 | 3,853 | 4,254 |
| Participation in equity | - | (1,769) | (1,769) |
| Participation in results | (2) | 9,012 | 9,010 |
| At 31 December 2007 | 399 | 11,096 | 11,495 |

The increase in participation in results of Mixta África, S.A. is basically due to the capital increases with share premium that this company performed during 2006 and 2007, after deducting its loss for the same years.

The shareholdings of the Group in these non-listed companies are as follows:

| Name | Country of incorporation | % shareholding | Assets | Liabilities | Operating income | Profit (loss) |
|------------------------|--------------------------|----------------|---------|-------------|------------------|---------------|
| 2006 | | | | | | |
| Masella Oeste, S.L. | Spain | 40% | 1,419 | 416 | - | (193) |
| Mixta África, S.A. (1) | Spain | 31.28% | 48,944 | 30,324 | 26,233 | (3,456) |
| 2007 | | | | | | |
| Masella Oeste, S.L. | Spain | 40% | 1,060 | 64 | 19 | (7) |
| Mixta África, S.A. (1) | Spain | 18.55% | 162,377 | 94,431 | 107,895 | (8,792) |

(1) Aggregates relating to the audited consolidated annual accounts.

The Group has not carried out any transactions with Masella Oeste, S.L. during the years 2006 and 2007. The volume of transactions with Mixta África, S.A. in 2006 and 2007 is as follows:

| Mixta África, S.A. | | |
|-----------------------|------|------|
| | 2007 | 2006 |
| Rendering of services | 125 | 242 |
| Financial income | - | 99 |
| | 125 | 341 |

The balances at the 2006 and 2007 year end arising from loans are as follows:

| Mixta África, S.A. | | |
|------------------------|------|------|
| | 2007 | 2006 |
| Loans granted (note 9) | - | 95 |
| Accounts receivable | 145 | - |
| | 145 | 95 |

In 2006 the amount drawn down from the credit facility formalised on 31 May 2005 was cancelled, and the interest that had accrued and pending at 31 December 2006 has been paid in 2007.

On 26 April 2007 a Consulting Service Lease Agreement was entered into by Renta Corporación and Mixta África, S.A. for a term of one year, tacitly extendible, and by virtue of which the former has invoiced the latter an amount of Euros 125 thousand plus VAT. This amount is still outstanding at the year end.

9. Trade and other receivables

| | 2007 | 2006 |
|---------------------------------------|-------------|-------------|
| Trade debtors for sales and services | 84,921 | 87,285 |
| Loans to associates (note 8) | - | 95 |
| Other accounts receivable | 18,427 | 27,031 |
| Deposits - current | 486 | 400 |
| Public Administration tax receivables | 18,721 | 48,725 |
| Total short-term receivable | 122,555 | 163,536 |
| Deposits- non-current | 335 | 173 |
| Other non-current investments | 776 | 927 |
| Non-current prepayments | - | 70 |
| Total non-current receivables | 1,111 | 1,170 |

Trade debtors for sales and services mainly includes sales made during the last period of the year, remaining in line with those of last year. These sales are duly guaranteed.

In view of the fact that most sales made by the Group are settled in cash, at 31 December 2007 there are not accounts receivable past due.

Other accounts receivable basically carries provisions for taxes, notaries, solicitors and certain advances to debtors.

The decrease in Public Administrations tax receivables against last year is mainly due to the VAT available for offset in future years and refundable VAT for operations. In 2007 the VAT for last year totalling Euros 30,854 thousand has been refunded (2006: Euros 9,818 thousand).

The movement in deposits is as follows:

| | Non current | Current | Total |
|--|--------------------|----------------|--------------|
| Opening balance at 1 January 2006 | 142 | 474 | 616 |
| Increases | 86 | 471 | 557 |
| Decreases | (55) | (545) | (600) |
| Closing balance at 31 December 2006 | 173 | 400 | 573 |
| Increases | 196 | 1,244 | 1,440 |
| Decreases | (34) | (1,158) | (1,192) |
| Closing balance at 31 December 2007 | 335 | 486 | 821 |

The breakdown of VAT and other tax receivables is as follows:

| | 2007 | 2006 |
|---------------------------------------|-------------|-------------|
| VAT receivables | 13,675 | 47,199 |
| Public Treasury taxes | 945 | 758 |
| Tax credit for tax loss carryforwards | 4,101 | 768 |
| | 18,721 | 48,725 |

Credits for tax losses to be offset relate to the tax rate of each country applied to the losses incurred by certain affiliates that the Group expects to be able to offset using the profit from future years.

There is no credit risk concentration in the debtor accounts for sales and services, given that the Group collects in cash on almost all its operations when the public deed is executed. Notwithstanding the above, during the year losses for bad debts of Euros 144 thousand have been recorded (2006: Euros 80 thousand).

10. Derivative financial instruments

The breakdown of the fair value of the derivative financial instruments at the 2007 year end (2006: 0) is as follows:

| | 2007 | |
|--|---------------|--------------------|
| | Assets | Liabilities |
| Interest rate swaps – cash flow hedges | 2,020 | - |
| Forward foreign currency exchange contracts – cash flow hedges | 90 | - |
| Total | 2,110 | - |
| Less non-current part: | | |
| Interest rate swaps – cash flow hedges | (2,020) | - |
| Forward foreign currency exchange contracts – cash flow hedges | - | - |
| Current part | 90 | - |

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The Group has contracted derivative financial instruments for interest rates (interest rate swaps or swaps) and a forward foreign currency exchange contract (purchase: European put/call, sale; European call/put), in line with the financial risk management policy described in Note 3.1.

a) Interest rate swaps

The amounts of the notional principle of the interest rate swap contracts outstanding at 31 December 2007 total Euros 221.6 million (2006: Euros 0).

At 31 December 2007, the fixed interest rates varied between 4.065% and 4.390%, and the main variable interest rates were set by the EURIBOR. The gains and losses on the equity hedge reserve (Note 15.2) in interest rate swap contracts at 31 December 2007 will be transferred to the profit and loss account on a continuous basis until the bank loans are repaid.

b) Forward foreign currency contracts

The principal amounts of the derivative contracts on US Dollars outstanding at 31 December 2007 total Euros 9,504 thousand (2006: 0). The exchange rate contracted has been set at USD 1.45 to the Euro.

The losses or gains recognised in the equity hedge reserve (Note 15.2) in exchange rate contracts at 31 December 2007 will be released to profit and loss when settled.

11. Inventories

| | 2007 | 2006 |
|--|-------------|-------------|
| Land and plots | 274,820 | 320,927 |
| Building acquired for refurbishment and transformation | 556,763 | 380,687 |
| Works in progress | 2,911 | 844 |
| Purchase options | 26,447 | 7,756 |
| Provisions | (2,047) | (20) |
| | 858,894 | 710,194 |

The increase in inventories in 2007 against last year reflects the high level of investment of the Group, the result of its growth, basically, boosted by the larger dimension of the operations.

The cost of inventories recognised as expense and included in purchase costs and changes in inventories at 31 December 2006 and 2007 totals Euros 468,675 thousand and Euros 432,632 thousand, respectively. (Note 21)

Inventories at 31 December 2006 and 2007 include interest capitalised in the amount of:

| | 2007 | 2006 |
|----------------------|-------------|-------------|
| Interest capitalised | 26,641 | 6,306 |

The capitalization rate used to determine the interest costs arising from generic financing is approximately 5.20 % (not applicable in 2006).

The increase in the size of operations, together with the adaptation of the method of calculation applied to the capitalization of the financial cost to bring it into line with changes in Group financing (based on generic and global financing through the syndicated loan) and the increase in market interest rates, has led to an interest capitalization figure that is greater than last year's in absolute terms.

Inventories at 31 December 2006 and 2007 include buildings and land under mortgage-backed loans carried under borrowings (in current liabilities) totalling:

| | 2007 | 2006 |
|---|-------------|-------------|
| Inventories under mortgage-backed loans | 186,782 | 492,537 |
| Mortgage-backed loans (See Note 18) | 97,741 | 316,732 |

The options carried at 31 December 2007 relate to operations that will be foreseeable undertaken from 2008 and thereafter. The premiums on the purchase options at 31 December 2007 amount to Euros 26,447 thousand, Euros 21,670 thousand of which mature initially in 2008. The amount of the underlying asset optioned totals Euros 506,731 thousand, Euros 408,938 of which mature initially in 2008.

The purpose of the purchase options is the acquisition of buildings or land that will become part of the Group's activity.

At 31 December 2007 the amount of Euros 17,768 thousand is included, which realisation is estimated in a period greater than one year.

The inventories that are valued at their fair value less cost of sales total Euros 93,826 thousand.

The loss on impairment of inventories stated in the profit and loss account for the year ended 31 December 2007 total Euros 2,047 thousand (Euros 2,063 thousand charged and Euros 16 thousand utilised).

The income statement also includes the income from inventories (buildings) leased to third parties provisionally until they can be sold, and the income from various floors leased to third parties, from the building that houses the Group's new head offices. The leases total Euros 10,895 thousand (2006: Euros 4,967 thousand) of which Euros 10,011 thousand come from inventories. (Note 20.2)

12. Cash and cash equivalents

| | 2007 | 2006 |
|----------------|-------|-------|
| Cash and banks | 2,737 | 6,071 |

The balance at 31 December 2006 and 2007 is entirely made up of cash at hand and deposits in current accounts in banks.

13. Share capital

| | Capital (Note 13.2) | Treasury shares (Note 13.3) | Share Premium reserve (Note 13.5) | Total |
|-----------------------------|------------------------|--------------------------------|--------------------------------------|---------|
| At 1 January 2006 | 21,949 | (94) | (428) | 21,427 |
| Balance at 31 December 2006 | 25,029 | (2,759) | 80,419 | 102,689 |
| Balance at 31 December 2007 | 25,029 | (5,570) | 80,419 | 99,878 |

13.1 Movement in the number of shares

The movement in the number of shares has been as follows:

| | Number of ordinary shares |
|--|----------------------------------|
| At 1 January 2006 | 21,949,301 |
| Increase in capital through cash contribution | 2,000,000 |
| Increase in capital through cash contribution (green-shoe) | 1,080,000 |
| At 31 December 2006 | 25,029,301 |
| Balance at 31 December 2007 | 25,029,301 |

All shares are fully subscribed and paid, and authorised, and enjoy the same rights.

The par value of each share in 2006 and 2007 has been Euro 1.

13.2 Movement in share capital

| | Ordinary shares Par value | Treasury shares Par value | Total |
|---|------------------------------|------------------------------|--------|
| At 1 January 2006 | 21,920 | 29 | 21,949 |
| Increase in share capital against the share premium reserve | 3,080 | - | 3,080 |
| Acquisitions (Note 13.3) | (141) | 141 | - |
| Disposals (Note 13.3) | 68 | (68) | - |
| ----- | | | |
| Balance at 31 December 2006 | 24,927 | 102 | 25,029 |
| ----- | | | |
| Acquisitions (Note 13.3) | (115) | 115 | - |
| Disposals (Note 13.3) | 18 | (18) | - |
| ----- | | | |
| Balance at 31 December 2007 | 24,830 | 199 | 25,029 |

On 9 February 2006, the Extraordinary General Meeting of Shareholders adopted a resolution to trade all the Company's shares on the Barcelona and Madrid Stock Exchanges. It was also agreed to make an Initial Public Offering of shares at the same time as the Public Offering of Sale.

On 9 March 2006 the Board of Directors adopted the following resolution:

- To increase capital by Euros 2,000 thousand through the issuing of 2,000,000 new ordinary shares with a par value of Euros 1 each and waive the right to preferential subscription on the part of the former shareholders. This increase was carried out with a share premium of Euros 28 per share, and, accordingly, a share premium of Euros 56,000 thousand was generated. All the shares were fully subscribed and paid.
- And to increase share capital by Euros 1,080 thousand through the issuing of 1,080,000 new ordinary shares with a par value of Euro 1 each, allocated to use, as the case may be, in exercising the subscription option (Green-shoe) that is given to global initial public offer coordinating entities. This increase took place on 7 April 2006, with a share premium of Euros 28 per share, generating a share premium of Euros 30,240 thousand. All the shares were fully subscribed and paid.

Trading of Company shares on the stock exchanges began on 5 April 2006.

13.3 Operation with treasury shares and purchase options

| | Treasury shares | Total |
|-----------------------------|------------------------|--------------|
| At 1 January 2006 | (94) | (94) |
| Balance at 31 December 2006 | (2,759) | (2,759) |
| Balance at 31 December 2007 | (5,570) | (5,570) |

The movement in treasury shares during 2006 and 2007 has been as follows:

| | Number | Par value | Average acquisition /sale price | Cost | Total |
|---------------------|---------------|------------------|--|-------------|--------------|
| Balance at 01.01.06 | 28,970 | (29) | - | (94) | (94) |
| Acquisitions | 141,008 | (141) | 26.89 | (3,792) | (3,792) |
| Disposals | (67,504) | 68 | 16.69 | 1,127 | 1,127 |
| Balance at 31.12.06 | 102,474 | (102) | | (2,759) | (2,759) |
| Acquisitions | 114,714 | (115) | 29.01 | (3,328) | (3,328) |
| Disposals | (18,433) | 18 | 28.05 | 517 | 517 |
| Balance at 31.12.07 | 198,755 | (199) | | (5,570) | (5,570) |

The Board of Directors of the Company on 14 June 2006 adopted a specific treasury share repurchase plan to meet the needs arising from the employee and executive incentive plan and hand over shares to the directors. This plan was designed to motivate and foster permanence of its beneficiaries in the Group and grant employees the status of shareholders in the Company.

In addition to the share repurchase program, it was agreed to acquire own shares until the maximum amount permitted by law, in order to contribute to the liquidity of the shares on the market.

On 21 February 2007 the Board of Directors of the Company agreed to adopt a specific plan for the repurchase of shares of the Company in order to meet the needs of an employee and executive incentive plan as well as hand over shares to the Directors. This plan has been designed to motivate and foster loyalty to the Group of its beneficiaries and to confer upon the employees the status of Company shareholders. The General Meeting of Shareholders of 29 March 2007 ratified this plan.

13.4 Rules on the transfer of shares

Article 13 of the Articles of Association now in force does not lay down any restrictions on the free transfer of shares, although there are two para-corporate agreements set out below. On the one hand, UIASEF-Spanish Committee (UCE) and Fundación INTERMON-OXFAM acquired the commitment not to transfer their shares in the company for certain periods of time as from the listing of the company. On the other hand, within the context of the listing on the stock exchange, certain shareholders entered into a shareholders agreement regulating certain restrictions on the transfer of shares. These restrictions materialised in the right of preferential acquisition amongst the signees of the agreement in relation to the transfer of company shares.

13.5 Share premium reserve

| | Capital Increase expenses | Share premium reserve | Total |
|--|----------------------------------|------------------------------|--------------|
| At 1 January 2006 | (911) | 483 | (428) |
| Capital increase charged against the share premium reserve | (5,393) | 86,240 | 80,847 |
| Balance at 31 December 2006 | (6,304) | 86,723 | 80,419 |
| Balance at 31 December 2007 | (6,304) | 86,723 | 80,419 |

The Spanish Companies Act expressly permits the use of the share premium balance to increase share capital and does not establish any restrictions in relation to the distributability of this balance.

As indicated in Note 13.2, share capital was increased as a result of the increase of the par value of the shares in 2006 against the share premium reserve.

13.6 Main shareholders

The Company's main shareholders at 31 December 2007 holding more than 5% direct or indirect control are as follows:

| Nombre | Number of shares | | |
|--|-------------------------|-----------------|--------------|
| | Direct | Indirect | Total |
| Mr. Luis Rodolfo Hernández de Cabanyes | 1.081% | 34.411% | 35.492% |
| Fundación Privada Renta Corporación | 5.010% | - | 5.010% |
| Durango Different, S.L. | 3.995% | 2.010% | 6.005% |

14. Cumulative translation adjustment

The differences in this account are mainly due to the shareholding in Renta Properties UK, Ltd. and Renta Corporation subgroup. The movement in 2007 has been as follows:

| Translation | |
|--------------------------|---------|
| 1 January 2006 | (7) |
| Translation adjustments: | |
| · Group | (22) |
| 31 December 2006 | (29) |
| Translation adjustments: | |
| · Group | (2,067) |
| 31 December 2007 | (2,096) |

15. Retained earnings and other reserves

| | Legal reserve | Other reserves of the parent company | Reserves in fully consolidated companies | Reserves in companies consolidated by the equity method | Retained earnings | Total Retained earnings and other reserves |
|---|----------------------|---|---|--|--------------------------|---|
| Balance at 1 January 2006 | 1,677 | 16,743 | 11,917 | 131 | 32,502 | 62,970 |
| Distribution of 2005 | 1,299 | (4,173) | 35,417 | (41) | (32,502) | - |
| Dividends | - | (3,086) | (7,000) | - | - | (10,086) |
| Profit from treasury shares | - | 662 | - | - | - | 662 |
| Share Plan Reserve allowance | - | 359 | - | - | - | 359 |
| Variation in shareholding in associates | - | (262) | - | 95 | - | (167) |
| Income for the year | - | - | - | - | 47,501 | 47,501 |
| Balance at 31 December 2006 | 2,976 | 10,243 | 40,334 | 185 | 47,501 | 101,239 |
| Distribution of 2006 income | 1,706 | 618 | 42,631 | 2,546 | (47,501) | - |
| Dividends | - | 5,750 | (20,000) | - | - | (14,250) |
| Profit from treasury shares | - | (26) | - | - | - | (26) |
| Share Plan Reserve allowance | - | 809 | - | - | - | 809 |
| Variation in shareholding in associates | - | - | - | (1,769) | - | (1,769) |
| Cash flow hedging instruments | - | - | 1,477 | - | - | 1,477 |
| Income for the year | - | - | - | - | 35,352 | 35,352 |
| Balance at 31 December 2007 | 4,682 | 17,394 | 64,442 | 962 | 35,352 | 122,832 |

15.1 Movements in reserves and retained earnings during 2006

Legal reserve

Due to the fact that the legal reserve as per article 214 of the Spanish Companies Act was not fully constituted, the parent Company allocated Euros 1,299 thousand of 2005 profit to it.

Other reserves of the parent company

The reserves of the parent company have been increased as a result of the receipt of dividends from its subsidiaries totalling Euros 7,000 thousand, and have decreased as a result of the distribution of a extraordinary dividend of Euros 10,086 thousand against Reserves, adopted by the General Meeting of Shareholders of 9 February 2006 and proposed by the Board of Directors of 27 December 2005. In accordance with current legislation in Spain, the parent Company has a treasury shares reserve totalling Euros 2,759 thousand.

During the year treasury shares have been sold from which a profit of Euros 662 thousand has been generated, which has increased the reserves of the parent Company by this amount.

Reserves in fully consolidated companies

The movement in Reserves in fully consolidated companies in 2006 has been as follows:

| | Renta Corporación Real Estate R.A. S.A.U. | Renta Corporación Real Estate G.O., S.L.U. | Renta Corporación Real Estate O.N.,S.A.U. | Groupe Immobilier Renta Corporación, S.A.S.U. | Renta Corporación Real Estate Finance, S.L.U. | Renta Properties (UK) Limited | Total |
|------------------------------------|--|---|--|--|--|--------------------------------------|---------------|
| Balance at 1.01.2006 | 1,456 | (4,543) | (404) | 374 | 15,047 | (13) | 11,917 |
| Inclusion of 2005 results | 7,049 | 12,329 | 12,054 | 718 | 3,756 | (491) | 35,417 |
| Reclassification of 2006 dividends | (5,000) | (2,000) | - | - | - | - | (7,000) |
| Balance at 31.12.2006 | 3,505 | 5,786 | 11,650 | 1,092 | 18,803 | (504) | 40,334 |

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Reserves in companies consolidated by the equity accounting

The movement in Reserves in companies consolidated by equity accounting in 2006 has been as follows:

| | Masella Oeste, S.L. | Mixta África, S.A. | Total |
|---------------------------|---------------------|--------------------|-------|
| Balance at 01.01.2006 | 131 | - | 131 |
| Inclusion of 2005 results | 231 | (272) | (41) |
| Decrease in shareholdings | - | 95 | 95 |
| Balance at 31.12.2006 | 362 | (177) | 185 |

15.2 Movement in retained earnings and reserves in 2007

Legal reserve

Due to the fact that the legal reserve as per article 214 of the Spanish Companies Act was not fully constituted, the parent Company allocated Euros 1,706 thousand of 2006 profit to this reserve.

Other reserves of the parent company

The reserves of the parent company have been increased as a result of the receipt of dividends from its subsidiaries totalling Euros 20,000 thousand, and have decreased as a result of the distribution of an extraordinary dividend charged against reserves of Euros 14,250 thousand, adopted by the Extraordinary General Meeting of Shareholders of 29 March 2007, which had been proposed by the Board of Directors on 21 February 2007. In accordance with current legislation in Spain, the parent Company has a treasury shares reserve totalling Euros 3,037 thousand.

The parent company has sold treasury shares for a loss amounting to Euros 26 thousand, decreasing its reserves in the same amount.

Reserves in fully consolidated companies

The movement in Reserves in fully consolidated companies in 2007 has been as follows:

| | Renta Corporación Real Estate R.A. S.A.U. | Renta Corporación Real Estate G.O., S.L.U. | Renta Corporación Real Estate O.N., S.A.U. | Groupe Immobilier Corporación, S.A.S.U. | Renta Corporación Real Estate Finance S.L.U. | Renta Properties (UK) Limited | Renta Corporación Luxembourg | Renta Corporación Deutschland | Total |
|--|--|---|---|--|--|--|------------------------------------|-------------------------------------|----------|
| Balance at 31.12.2006 | 3,505 | 5,786 | 11,650 | 1,092 | 18,803 | (504) | - | - | 40,334 |
| Inclusion of 2006 Results | 4,895 | 19,628 | 3,727 | 10,358 | 462 | (94) | 3,550 | 105 | 42,631 |
| Reclassification of dividends for 2007 | (2,500) | (17,500) | - | - | - | - | - | - | (20,000) |
| Cash flow hedging instruments | - | - | - | - | 1,477 | - | - | - | 1,477 |
| Balance at 31.12.2007 | 5,900 | 7,914 | 15,377 | 11,450 | 20,744 | (598) | 3,550 | 105 | 64,442 |

Reserves in companies consolidated by the equity method

The movement in Reserves in companies consolidated by equity accounting in 2007 has been as follows:

| | Masella Oeste, S.L. | Mixta África, S.A. | Total |
|---------------------------|---------------------|--------------------|---------|
| Balance at 31.12.2006 | 362 | (177) | 185 |
| Inclusion of 2006 results | (77) | 2,623 | 2,546 |
| Decrease in shareholdings | - | (1,769) | (1,769) |
| Balance at 31.12.2007 | 285 | 677 | 962 |

15.3 Legal reserve

This reserve is not available for distribution and if it is used to offset losses should no other reserves be sufficiently available, it must be replenished out of future profits.

15.4 Other reserves of the parent company

This line included undistributable reserves for the period that treasury shares are held by the Company. Under Spanish legislation, the Company must set up a treasury shares reserve in an amount equal to the amount paid for the acquisition of the treasury shares. The remainder is allocated to voluntary reserves, which are freely available for distribution.

15.5 Reserves in fully consolidated companies

Includes restricted reserves (as they are legal reserves) for 2006 and 2007 as follows:

| | 2007 | 2006 |
|---|-------------|-------------|
| Renta Corporación Real Estate R.A., S.A.U. | 100 | 100 |
| Renta Corporación Real Estate G.O., S.L.U. | 37 | 37 |
| Renta Corporación Real Estate O.N., S.A.U. | 24 | 24 |
| Groupe Immobilier Renta Corporación, S.A.S.U. | 4 | 4 |
| Renta Corporación Real Estate Finance, S.L.U. | 1 | 1 |
| Renta Corporación Luxembourg, S.ar.l. | 1 | - |
| | 167 | 166 |

The individual reserves of each company, as well as results for the year, are freely distributable, due to the fact that there are no restrictions on their distribution.

15.6 Reserves in companies consolidated by the equity method

Includes restricted legal reserves totalling Euros 58 thousand in 2006 and Euros 58 thousand in 2007.

15.7 Profit for the year

The contribution of each company in the consolidation to consolidated income, and the part relating to minority interests, including consolidation adjustments, is as follows:

| Company | 2007 | 2006 |
|---|----------------------------|----------------------------|
| | Consolidated income | Consolidated income |
| Renta Corporación Real Estate, S.A. | 518 | 2,324 |
| Renta Corporación Real Estate R.A., S.A.U. | 4,477 | 4,895 |
| Renta Corporación Real Estate G.O., S.L.U. | 7,011 | 19,628 |
| Renta Corporación Real Estate O.N., S.A.U. | 16,739 | 3,727 |
| Groupe Immobilier Renta Corporación, S.A.S.U. | (2,276) | 10,358 |
| Renta Corporación Real Estate Finance, S.L.U. | (1,152) | 462 |
| Renta Properties (UK), Limited | (2,757) | (94) |
| Renta Corporación Luxembourg, S.ar.l. | 8,136 | 3,550 |
| RC Real Estate Deutschland GmbH | (410) | 105 |
| Renta Corporation (USA) | (750) | - |
| Mixta Africa, S.A. | 5,818 | 2,623 |
| Masella Oeste, S.L. | (2) | (77) |
| | 35,352 | 47,501 |

The proposed distribution of 2007 results and other reserves of the parent Company to be presented to the General Meeting of Shareholders, as well as the adopted distribution for 2006 is as follows:

| | 2007 | 2006 |
|------------------------------|-------------|-------------|
| Basis of distribution | | |
| Income for the year | 11,023 | 17,054 |
| Distribution | | |
| Legal reserve | 325 | 1,706 |
| Voluntary reserves | 92 | 1,098 |
| Dividends | 10,606 | 14,250 |
| | 11,023 | 17,054 |

16. Minority interests

| Renta Corporación Real Estate Finance, S.L. | |
|--|-------|
| 1 January 2006 | 604 |
| Acquisition of minority interests | (604) |
| 31 December 2006 | - |
| 31 December 2007 | - |

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17. Trade and other payables

| | 2007 | | 2006 | |
|--|---------|-------------|---------|-------------|
| | Current | Non current | Current | Non current |
| Trade creditors | 56,956 | 9,613 | 127,438 | - |
| Amounts owing to related parties (note 34) | 58 | - | 172 | - |
| Outstanding remuneration | 2,046 | - | 1,799 | - |
| Deferred income | 1,617 | - | - | - |
| Other payables | 1,295 | - | 186 | - |
| Deposits received from customers | 27,027 | - | 20,671 | - |
| Social Security and other taxes | 1,897 | - | 7,451 | - |
| | ----- | | ----- | |
| | 90,896 | 9,613 | 157,717 | - |

Other payables for the year 2007 includes current deposits and guarantee deposits received.

18. Borrowings

| | 2007 | 2006 |
|---|---------|---------|
| Current | | |
| Loans/credit facilities with financial institutions | 90,931 | 188,805 |
| Mortgage-backed loans | 98,552 | 316,732 |
| Interest debt | 3,317 | 1,776 |
| | ----- | |
| | 192,800 | 507,313 |
| Non current | | |
| Syndicated loan | 495,976 | - |
| Mortgage-backed loan for head office and other borrowings | 52,629 | - |
| | ----- | |
| | 548,605 | - |
| Total borrowings | 741,405 | 507,313 |

Bank loans accrue a market interest rate at the Euribor plus a spread. Therefore, the fair value of the long-term borrowings is approximate to their book value.

The movement in borrowings during 2006 and 2007 have been as follows:

| | Loans from financial institutions | Mortgage Backed loans | Amounts owing to third parties | Interest debt | Syndicated loan | Total |
|-----------------------------|--------------------------------------|--------------------------|-----------------------------------|------------------|--------------------|-----------|
| At 1 January 2006 | 51,118 | 163,280 | 700 | 1,031 | - | 216,129 |
| Financing | 409,709 | 435,868 | - | - | - | 845,577 |
| Cancellation of financing | (272,022) | (282,416) | (700) | - | - | (555,138) |
| Interest charged | - | - | - | 5,278 | - | 5,278 |
| Interest paid | - | - | - | (4,533) | - | (4,533) |
| | ----- | | | | | |
| Balance at 31 December 2006 | 188,805 | 316,732 | - | 1,776 | - | 507,313 |
| Financing | 94,150 | 61,500 | - | - | 500,000 | 655,650 |
| Cancellation of financing | (191,847) | (226,491) | - | - | - | (418,338) |
| Interest charged | 40 | 23 | - | 20,439 | 940 | 21,442 |
| Interest paid | (217) | (583) | - | (18,898) | (4,964) | (24,662) |
| | ----- | | | | | |
| Balance at 31 December 2007 | 90,931 | 151,181 | - | 3,317 | 495,976 | 741,405 |

On 15 February 2007 the Renta Corporación, through Renta Corporación Real Estate, S.A. and Renta Corporación Real Estate Finance, S.L.U. entered into a syndicated loan agreement for Euros 500 million. The operation was led by Santander, Eurohypo and Fortis as the leading entities and insurers. The BBVA has also entered as a leading entity, along with 17 other national and international entities that make up this bank syndicate.

This is the Company's first operation in the structured financial market. The borrowing has been structured into two tranches: the first, Euros 200 million, maturing in 5 years, with a grace period of 36 months; and the second, Euros 300 million, through a revolving line of credit at 5 years. The funds will be allocated to the investment plan and the redefinition of the structure of the Company's current debt.

The interest rate accrued on the syndicated loan is the market rate linked to the Euribor plus a variable spread based on certain financial ratios. During the year interest rate hedge contracts have been executed to reduce the volatility of financial costs (see Notes 3.1 and 10).

Access to long-term borrowing will allow for improvements in management, significant cost savings due to decreased formalisation costs, and the application, by Renta Corporación, of interest rate risk management policies, which have been much more difficult to instrumentalise due to the high turnover of the Company's financing operations.

The Group has credit facilities with the following amounts drawn and not drawn down and maximum credit limits at 31 December 2006 and 2007.

| 2007 | | 2006 | |
|-------------------|----------------------|-------------------|----------------------|
| Amount drawn down | Maximum credit limit | Amount drawn down | Maximum credit limit |
| 82,568 | 96,800 | 188,805 | 273,122 |

The amount relating to the mortgage-backed loans is guaranteed by buildings owned by the different Group companies and carried under Inventories (Note 11) and by the building housing the new head office of the Group which is carried under PPE (Note 6).

The average interest rate obtained during 2006 was 3.7% p.a., while in 2007 the average interest rate has been 4.82% p.a.

Interest accrued and not settled at the year 2006 and 2007 end totals Euros 1,776 thousand and Euros 3,317 thousand, respectively.

The book value of borrowings of the Group is denominated in the following currencies:

| | 2007 | 2006 |
|-----------------|---------|---------|
| Euros | 739,097 | 502,601 |
| Pounds Sterling | 2,308 | 4,712 |
| | 741,405 | 507,313 |

19. Deferred income tax

The gross movement in deferred income tax has been as follows:

| | 2007 | 2006 |
|-----------------------------|-------|-------|
| Opening balance | 1,420 | 195 |
| (Charge)/credited to income | (837) | 1,225 |
| Closing balance | 583 | 1,420 |

The movements in the deferred income tax assets account have been as follows:

| Deferred tax assets | Prepaid expenses for sales commissions | Prepaid expenses generated from amortisations | Deferral of Tax income | Others | Total |
|-----------------------------|---|--|---------------------------|--------|-------|
| At 1 January 2006 | - | 179 | - | 16 | 195 |
| (Charge) / credit to income | (5) | (154) | 1,204 | 180 | 1,225 |
| At 31 December 2006 | (5) | 25 | 1,204 | 196 | 1,420 |
| (Charge) / credit to income | - | (23) | (1,204) | 390 | (837) |
| At 31 December 2007 | (5) | 2 | - | 586 | 583 |

The gross movement in the deferred tax liability account has been as follows:

| | 2007 | 2006 |
|----------------------------|--------|-------|
| Opening balance | 1,124 | - |
| Charge to equity | 633 | - |
| Charge to income (Note 27) | 9,748 | 1,124 |
| Closing balance | 11,505 | 1,124 |

The movements in the deferred tax liability account have been as follows:

| Deferred tax liabilities | Shareholding under equity accounting | Impairment of investments | Capitalisation of financial cost | Hedging financial instruments | Total |
|--|---|------------------------------|-------------------------------------|----------------------------------|----------|
| At 1 January 2006 | - | - | - | - | (1,124) |
| (Charge) / credit to profit and loss account | (1,124) | - | - | - | - |
| At 31 December 2006 | (1,124) | - | - | (633) | (1,124) |
| (Charge) / credit to equity | - | - | - | (633) | (633) |
| (Charge) / credit to profit and loss account | (3,195) | (2,409) | (4,144) | - | (9,748) |
| At 31 December 2007 | (4,319) | (2,409) | (4,144) | (633) | (11,505) |

Given the expected term for reversal, the deferred tax liability of Euros 4,952 thousand at the 2007 year end has been classified as non-current.

There are no significant unrecognised deferred tax assets or liabilities.

20. Revenue and other income

20.1 Revenue

The breakdown of revenue is as follows:

| | 2007 | 2006 |
|----------------|-------------|-------------|
| Sales (Note 5) | 529,107 | 590,035 |
| Revenue | 529,107 | 590,035 |

20.2 Other income

The breakdown of other income is as follows:

| | 2007 | 2006 |
|--|-------------|-------------|
| Income from operating leases (Note 11) | 10,895 | 4,967 |
| Other income | 4,870 | 1,205 |
| Total other income | 15,765 | 6,172 |

21. Purchase costs and changes in inventories

The breakdown of this account is as follows:

| | 2007 | 2006 |
|---|-------------|-------------|
| Purchases of buildings and transformation costs | 567,553 | 864,251 |
| Variation in inventories of buildings | (136,948) | (395,557) |
| Variation in provision for inventories | 2,027 | (19) |
| Total consumption of goods sold (Note 11) | 432,632 | 468,675 |

22. Amortisation, depreciation and impairment for losses

The breakdown is as follows:

| | 2007 | 2006 |
|--|-------------|-------------|
| Depreciation of property, plant and equipment | 529 | 215 |
| Amortisation of intangible assets | 82 | 41 |
| Losses for the sale of property, plant and equipment and intangible assets | 581 | - |
| Loss on uncollectible loans | 144 | 80 |
| | 1,336 | 336 |

23. Other external expenses and local taxes

23.1. Other external expenses

The breakdown of this account is as follows:

| | 2007 | 2006 |
|---|-------------|-------------|
| Leases | 1,054 | 683 |
| Repairs and maintenance | 1,199 | 335 |
| Professional and brokering services | 9,778 | 8,188 |
| Insurance premiums | 560 | 796 |
| Banking services | 2,183 | 1,111 |
| Publicity, advertising and public relations | 6,407 | 4,024 |
| Supplies | 1,012 | 570 |
| Other services | 7,384 | 4,759 |
| | 29,577 | 20,466 |

Professional and brokering services mainly includes brokering commissions and the cost of advisors and lawyers.

Other services mainly includes unexercised purchase options. (See Note 33).

23.2. Local taxes

Local taxes basically include special local taxes and non-refundable Value-Added Tax.

24. Employee benefit expense

The breakdown of employee benefit expense is as follows:

| | 2007 | 2006 |
|---|-------------|-------------|
| Wages, salaries and severance payments (2006: Euros 49 thousand and 2007 Euros 177 thousand) | 15,668 | 13,268 |
| Social Security expenses | 1,707 | 1,311 |
| Other social expenses | 425 | 214 |
| Defined contribution plan | 30 | 29 |
| Share-based payment (note 35) | 809 | 359 |
| | 18,639 | 15,181 |

25. Operating leases

The minimum future payables for irrevocable operating leases are as follows:

| | 2007 | 2006 |
|-----------------------|-------------|-------------|
| Less than 1 year | 389 | 683 |
| Between 1 and 5 years | 989 | 1,165 |
| | 1,378 | 1,848 |

The expense recognised in the profit and loss account for the year relating to operating leases totals Euros 984 thousand (2006: Euros 651 thousand).

In the operating lease agreements executed by different Group companies, the asset leased relates to the offices of national and foreign branches. The main information on these agreements is as follows:

| Group Company | Asset leased | Location | Expiry of rental agreement | Monthly rental payment (thousand Euros) |
|---|---------------------|-----------------|-----------------------------------|--|
| Renta Corporación Real Estate, S.A. | Branch | Madrid | 10/04/2012 | 15 |
| Renta Corporación Real Estate, S.A. | Branch | Palma | 05/10/2011 | 1 |
| Renta Corporación Real Estate, S.A. | Branch | Málaga | 30/09/2010 | 1 |
| Renta Corporación Real Estate, S.A. | Branch | Seville | 31/07/2012 | 1 |
| Groupe Immobilier Renta Corporación, S.A.S.U. | Branch | Paris | 28/02/2011 | 6 |
| Renta Properties (UK) Limited | Branch | London | 27/01/2010 | 4 |
| RC Real Estate Deutschland GmbH | Branch | Berlin | 12/12/2009 | 3 |
| Renta Corporación Luxembourg, S.a.r.l. | Branch | Luxembourg | 01/03/2008 | 2 |
| Renta Corporation (USA) | Branch | New York | 29/02/2008 | 3 |

The minimum future payments receivable for operating leases that cannot be cancelled are as follows (in 2006: 0):

| | 2007 |
|-----------------------|-------------|
| Less than 1 year | 1,593 |
| Between 1 and 5 years | 4,679 |
| More than 5 years | 1,080 |
| | 7,352 |

26. Financial expense

The breakdown of Net financial expense is as follows:

| | 2007 | 2006 |
|--------------------------------------|-----------------|-----------------|
| Interest expense: | | |
| · Bank loans | (13,397) | (10,775) |
| · Other | (4,733) | (470) |
| | (18,130) | (11,245) |
| Interest income: | | |
| · Other | 2,617 | 1,215 |
| · Loans to related parties (Note 35) | - | 1 |
| | 2,617 | 1,216 |
| · Other financial income | - | 262 |
| Net financial expense | (15,513) | (9,767) |

In the cash flow statement, interest paid includes:

| | 2007 | 2006 |
|--|---------------|---------------|
| Interest on bank loans | 18,130 | 11,245 |
| Provision for interest accrued and not paid at the beginning of the year | 1,776 | 1,030 |
| Provision for interest accrued and not paid at the end of the year | (3,317) | (1,776) |
| Interest capitalised in inventories | 26,641 | 6,306 |
| | 43,230 | 16,807 |

In the cash flow statement, interest received includes:

| | 2007 | 2006 |
|---|--------------|--------------|
| Interest income | 2,617 | 1,216 |
| Provision for interest accrued and not collected at the beginning of the year | 95 | 6 |
| Provision for interest accrued and not collected at the end of the year | (286) | (95) |
| | 2,426 | 1,127 |

27. Income tax

The income tax for the year is broken down as follows:

| | 2007 | 2006 |
|--------------|---------------|---------------|
| Current tax | 3,518 | 23,519 |
| Deferred tax | 10,585 | (102) |
| | 14,103 | 23,417 |

The reconciliation between the real and theoretical tax expense is as follows:

| | 2007 | 2006 |
|---|---------------|---------------|
| Consolidated profit before income tax | 49,455 | 70,918 |
| Theoretical tax rate | 32.5% | 35% |
| Theoretical tax expense | 16,073 | 24,821 |
| Non-deductible expenses | 44 | 39 |
| Differences for using different tax rates | (1,904) | (1,328) |
| Deductions | (110) | (115) |
| Income tax for the year | 14,103 | 23,417 |

The current tax charge is made up as follows:

| | 2007 | 2006 |
|---|--------------|---------------|
| Current tax of companies taxed under the consolidation tax regime | 6,492 | 14,960 |
| Current tax of Renta Corporación Real Estate Finance, S.L.U. | - | 249 |
| Current tax of Groupe Immobilier Renta Corporacion, S.A.S.U. | (1,507) | 5,661 |
| Current tax of RC Real Estate Deutschland GmbH | (174) | 78 |
| Current tax of RC Real Estate Luxembourg, S.a.r.l. | (138) | - |
| Current tax of Renta Corporation (USA) | (595) | - |
| Current tax of Renta Properties (UK) Ltd | (796) | (333) |
| Other movements | 236 | 2,904 |
| | 3,518 | 23,519 |

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The current tax liability/(asset) is broken down as follows:

| | 2007 | 2006 |
|---|-------------|-------------|
| Charge for current tax | 3,518 | 23,519 |
| Withholding and payments on account of corporate income tax of companies taxed under the consolidation tax regime | (11,266) | (5,949) |
| Withholding and payments on account of corporate income tax of Renta Corporación Real Estate Finance, S.L.U. | - | (249) |
| Withholding and payments on account of corporate income tax of Groupe Immobilier Renta Corporacion, S.A.S.U. | (5,661) | (163) |
| Withholding and payments on account of corporate income tax of RC Real Estate Deutschland, GmbH | (123) | - |
| Tax credit for tax loss carryforwards | 3,210 | 333 |
| Other movements | (236) | (2,904) |
| | (10,558) | 14,587 |

In the cash flow statement, taxes paid include:

| | 2007 | 2006 |
|--|-------------|-------------|
| Tax accrued | 3,518 | 23,519 |
| Current tax liability at beginning of the year | 14,587 | 11,922 |
| Current tax liability at the year end | 10,558 | (14,587) |
| | 28,663 | 20,854 |

27.1 Consolidated taxation

As the Company meets the requirements set down in the Group Companies Corporate Income Tax Regime Chapter VII, Section VIII of Royal Legislative Decree 4/2004 of 5 March, which adopted the Corporate Tax Act, it filed as parent company, for the first time in 2002, a consolidated tax return in conjunction with Renta Corporación Real Estate R.A., S.A.U., Renta Corporación Real Estate G.O., S.L.U., Renta Corporación Real Estate O.N., S.A.U. and Renta Corporación Real Estate Finance, S.L.U.

Due to the fact that certain operations are treated differently for corporate income tax purposes, and for the purposes of these financial statements, the taxable income for the year differs from accounting profit.

The current income tax charge comes to 32.5% and 35%, for the years 2007 and 2006 respectively, of the taxable income for corporate income tax purposes less the respective deductions:

| | 2007 | 2006 |
|---|-------------|-------------|
| Taxable income | 20,316 | 43,070 |
| Tax rate | 32.5% | 35% |
| | 6,602 | 15,075 |
| Professional training deduction | 15 | 14 |
| Deduction for contribution to Fundación Privada Renta Corporación | 95 | 101 |
| | 6,492 | 14,960 |

The parent Company and its subsidiaries have withheld and paid corporate taxes on account as follows:

| | 2007 | 2006 |
|---|-------------|-------------|
| Withholding tax | 267 | 491 |
| Payments on account of corporate income tax | 10,999 | 5,458 |

At 31 December 2006 and 2007, neither the parent company nor its subsidiaries have outstanding deductions available for offset.

27.2 Renta Corporación Real Estate Finance, S.L.

The reconciliation between accounting profit and taxable income for 2006 is as follows:

| | 2006 |
|--|-------------|
| Results of Renta Corporación Real Estate Finance, S.L.U. | 462 |
| Corporate income tax | 249 |
| | 711 |
| Results before tax | 711 |
| Non tax deductible expenses | - |
| | 711 |
| Taxable income | 711 |
| Tax rate | 35% |
| Current tax charge | 249 |

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Renta Corporación Real Estate Finance, S.L.U. has withheld and paid corporate taxes on account during 2006 as follows:

| | 2006 |
|---|-------------|
| Withholding tax | 335 |
| Payments on account of corporate income tax | 129 |

As indicated in Note 2.15 Renta Corporación Real Estate Finance, S.L.U. has been included in the consolidated tax Group in 2007.

27.3 Other aspects

All the companies in the consolidation scope are open to tax inspection for all the applicable taxes for the last four years as from their incorporation, except for Groupe Immobilier Renta Corporación, S.A.S.U., which was audited by the Tax Authorities for the years 2003 to 2005. No significant liabilities have arisen as a result, and the tax inspections are now closed.

As a result, amongst other things, of the different interpretations to which Spanish tax legislation lends itself, additional tax liabilities may arise in the event of a tax inspection. The Directors of the parent Company consider, however, that any additional assessments that might be made would not significantly affect these annual accounts.

28. Net profit / (loss) on exchange

The exchange differences (charged) / credited to the profit and loss account include the following items and amounts:

| | 2007 | 2006 |
|-------------------|-------------|-------------|
| Loss on exchange | 4,733 | 470 |
| Gains on exchange | (704) | (518) |
| | 4,029 | (48) |

These differences have been generated by the Group's operations in Pounds Sterling and US Dollars. During 2007 the Group has contracted various exchange rate hedges on a part of the amount financed, given the depreciation that these currencies are undergoing in relation to the Euro (see Note 3 and Note 10). These differences on exchange are carried under Other interest expenses and other interest income.

29. Earnings per share

29.1 Basic

Basic earnings per share are calculated by dividing the profit attributable to the Company's shareholders by the average weighted number of ordinary shares in circulation during the year, excluding treasury shares acquired by the Company (Note 13.3).

| | 2007 | 2006 |
|--|-------------|-------------|
| Profit attributable to the Company's shareholders (Thousand Euros) | 35,352 | 47,501 |
| Average number of ordinary shares in circulation | 24,878,874 | 24,170,832 |
| Basic earnings per share (€ per share) | 1.42 | 1.97 |

29.2 Diluted

Diluted earnings per share are calculated by adjusting the average weighted number of ordinary shares in circulation in order to reflect the conversion of all the potential dilutive ordinary shares. There are no differences in relation to the basic shares.

30. Dividends per share

Dividends paid in 2006 and 2007 are as follows:

| | 2007 | 2006 |
|----------------------------------|-------------|-------------|
| Dividends paid (thousand Euros) | 14,250 | 10,086 |
| Dividend per share (€ per share) | 0.57 | 0.46 |

The General Meeting of Shareholders of 9 February 2006 adopted a resolution to pay out a dividend of Euros 0.46 per share for 2005.

At the General Meeting of Shareholders of 29 March 2007 a dividend for 2006 of Euro 0.57 per share was adopted for 2006.

31. Cash generated from operations

| | Note | 2007 | 2006 |
|--|-------------|-------------|-------------|
| Profit for the year attributable to the parent company | | 35,352 | 47,501 |
| Minority interests | | - | - |
| Consolidated profit for the year | | 35,352 | 47,501 |
| Adjustments for: | | | |
| • Taxes | 27 | 14,103 | 23,417 |
| • Depreciation of property, plant and equipment | 6 | 529 | 215 |
| • Amortisation of intangible assets | 7 | 82 | 41 |
| • (Profit)/loss on the disposal of property, plant and equipment (see below) | | | |
| • Interest income | | 581 | (88) |
| • Interest expense | 26 | (2,617) | (1,216) |
| • Other financial income | 26 | 18,130 | 11,246 |
| • Provision for liabilities and charges | 26 | - | (260) |
| • Allowance to share plan | 32 | (724) | 4,660 |
| • Participation in the loss / (profit) of associates | 24 | 809 | 359 |
| Variations in working capital | 8 | (9,010) | (3,671) |
| • Inventories | | (148,700) | (386,660) |
| • Interest capitalised in inventories | | 26,641 | 6,306 |
| • Cumulative translation adjustment | | (2,067) | (22) |
| • Trade and other accounts receivable | 14 | 41,258 | (101,071) |
| • Prepayments | | 70 | 175 |
| • Trade and other payables - long-term | | 9,613 | (27) |
| • Trade and other payables | | (66,821) | 76,499 |
| Cash used in operations | | (82,771) | (322,596) |

In the cash flow statement, the income from the sale of property, plant and equipment includes:

| | 2007 | 2006 |
|---|-------------|-------------|
| Book value (Notes 6 and 7) | 626 | 116 |
| Profit / (loss) on the disposal of property, plant and equipment | (581) | 88 |
| Amount collected from the disposal of property, plant and equipment | 45 | 204 |

32. Contingencies/provisions

Contingencies

There are no, nor have there been, any governmental, legal, judicial or arbitral proceedings (including those underway or pending resolution or those that the Directors are aware of that would affect the Company or the Group companies) that have had in the recent past and/or could have in the future significant effects on the Company or on the profitability of the Group.

The number of claims and litigation (including litigation underway or pending judgement) in which the Renta Corporación Group is involved or affected in any way during the year is rather small, and, in any case, relating to rather insignificant matters.

Provisions

Group Management set up a provision in 2006 to cover the liability for litigation and other claims, and, as the case may be, the current obligations, contingent liabilities and commitments the Group must face, classified under provisions for liabilities and charges and non-current expenses, in the amount of Euros 4,660 thousand. During 2007 this provision has been updated, giving a final result of Euros 3,936 thousand.

33. Commitments

The nature of the business of the Renta Corporación Group means that the buildings acquired are accounted for as inventories.

The specific investments in PPE have been considerable in 2007, given that in July the Group acquired its new corporate head office.

At 31 December 2007 the Group has given guarantees in favour of third parties and financial entities totalling Euros 156,744 thousand (2006: Euros 81,796 thousand). These guarantees have been allocated for the most part to guarantee amounts received during the pre-sale of buildings and are included in current assets of the Group under Creditors and other accounts payable, as well as to guarantee the payment obligations contracted in the purchase of buildings with deferred payment.

At 31 December 2007 the parent company has given personal guarantees in favour of third parties totalling Euros 600 thousand (2006: Euros 8,951 thousand) mostly to guarantee purchases with deferred payment.

"Inventories" includes the premiums on the purchase options paid by the Group for the acquisition of real estate. Purchase options at 31 December 2007 and 2006 are broken down in the following table:

| | 2007 | 2006 |
|--|-------------|-------------|
| Number of purchase options | 26 | 25 |
| Premium on purchase options | 26,447 | 7,756 |
| Investment rights for purchase options | 506,731 | 385,465 |

In 2007 12 purchase options matured without being executed at maturity (5 in 2006). The losses on these unexercised options totalled Euros 4,731 thousand (Euros 2,778 thousand in 2006).

At 31 December 2007 there are no relevant third party contracts outside the scope of the Company's business or contracts with any members of the Group containing a clause by virtue of which any member of the Group has a relevant obligation or a right in relation to the Group.

34. Related party transactions

34.1 Identification of related companies and parties

34.1.1. Members of the governing bodies of Renta Corporación Real Estate, S.A.

We set out below the composition of the Board of Directors and the status of its members in accordance with the Articles of Association and the Regulations of the Board of Directors of the Company:

| Name | Office | Nature of Office |
|--|-------------------------|-------------------------|
| Mr. Luis Rodolfo Hernández de Cabanyes | Chairman | Executive |
| Ms. Anna M. Birulés Bertran | Vice-Chairwoman | Executive |
| Mr. César Bardaji Vivancos | Chief Executive Officer | Executive |
| Mr. Enric Venancio Fillat | Director | Executive |
| Mr. Carlos Solchaga Catalán | Director | External independent |
| Mr. Juan Gallostra Isern | Director | External independent |
| Mr. Carlos Tusquets Trias de Bes | Director | External independent |
| Ms. Esther Elisa Giménez Arribas | Director | Other external director |
| Mr. César A. Gibernau Ausió | Director | Other external director |
| Mr. Pedro Nueno Iniesta | Director | Other external director |
| Ms. Elena Hernández de Cabanyes | Director | Other external director |
| Mr. Juan Velyatos Lluis | Non-member Secretary | - |

34.1.2. Key Company Directors

The key Directors of the Company, defined as such in 2006, are those persons who form part of the Management Committee and Internal Audit.

In 2007, according to the definition of a top manager in the Unified Code of Good Governance, the Company's key directors are those persons who form part of top management plus the internal auditor. There are 7 key directors plus 1, including the aforementioned four executive officers.

34.1.3. Control of the Board of Directors in the share capital of Renta Corporación Real Estate, S.A.

The Members of the Board of Directors have the following interests or control at 31 December 2007:

| Name | Number of shares | | |
|--|-------------------------|-----------------|--------------|
| | Direct | Indirect | Total |
| Mr. Luis Rodolfo Hernández de Cabanyes | 1.081% | 34.411% | 35.492% |
| Ms. Anna M. Birulés Bertran | 1.199% | - | 1.199% |
| Mr. César Bardaji Vivancos | - | 0.001% | 0.001% |
| Mr. Enric Venancio Fillat | 0.03% | - | 0.03% |
| Mr. Carlos Solchaga Catalán | - | - | - |
| Mr. Juan Gallostra Isern | - | - | - |
| Mr. Carlos Tusquets Trias de Bes | - | 0.400% | 0.400% |
| Ms. Esther Elisa Giménez Arribas | 0.004% | 3.418% | 3.422% |
| Mr. César Gibernau Ausió | 0.651% | 0.120% | 0.771% |
| Mr. Pedro Nueno Iniesta | - | - | - |
| Ms. Elena Hernández de Cabanyes | 1.431% | - | 1.431% |

34.2 Sales of inventories, rendering of services and financial income

| | 2007 | 2006 |
|--|--------------|--------------|
| Sale of inventories: | | |
| Companies related by common shareholders | | |
| • Second House Rehabilitación, S.L.U. | - | 2,396 |
| • Alta Business Services, S.L. | 2,630 | 360 |
| • Alderamin Star, S.L. | - | 5,659 |
| | 2,630 | 8,415 |
| Key management personnel and directors | 119 | 959 |
| Total sale of assets | 2,749 | 9,374 |

Additionally, certain directors in 2007 have paid earnest money totalling Euros 1 million for the acquisition of flats.

| | 2007 | 2006 |
|--|------------|------------|
| Rendering of services: | | |
| Companies related by common shareholders | | |
| • Mixta Africa, S.A. (Note 8) | 125 | - |
| • Second House, S.A. | - | 129 |
| | 125 | 129 |
| Key management personnel and directors | 6 | - |
| Total rendering of services: | 131 | 129 |

Services rendered to Second House, S.A., in 2006, included the revoicing of building transformations managed by the Group.

Financial income: in 2006 Euros 1 thousand accrued in financial income from companies related by common shareholders. These loans were cancelled in that year.

34.3 Purchases of assets, services received and financial expenses

| | 2007 | 2006 |
|--|--------------|--------------|
| Services received: | | |
| Companies related by common shareholders | | |
| • Second House, S.A. | 187 | 1,174 |
| • Second House Rehabilitación, S.L.U. | 83 | - |
| • Closa Asociados, Correduría de Seguros, S.L. | 336 | 789 |
| • Fundación Privada Renta Corporación (donation) | 292 | 288 |
| • Gibernau & Plana Asociados, S.L. | 206 | 180 |
| • Instituto Internacional de Finanzas, S.L. | 101 | - |
| • Lueco, S.A. | - | 2 |
| • Near Technologies, S.L. | 91 | 54 |
| • Servei de Documentació i Gestió | 1 | - |
| • Pentalin 2000, S.L. | 150 | - |
| • GP Laboral, S.C.P. | - | 3 |
| | 1,447 | 2,490 |
| Key management personnel and directors | 273 | - |
| Total services received: | 1,720 | 2,490 |

At 31 December 2007 the Master Agreement entered into by Renta Corporación Real Estate, S.A. and Second House, S.A., was ratified by the Board of Directors. This agreement regulates the collaborative commercial and contractual relations between both parties, the brokering of sales, consultancy on high end product design, the purchase of dwellings and recruitment.

34.4 Remuneration paid to Members of the Board of Directors of the Company

We set out below a table showing the remuneration received only by Members of the Board of Directors of the Company in 2007 and 2006:

| | 2007 | 2006 |
|---|------|------|
| Attendance at meetings of the Board of Directors / Delegated Committees | 528 | 489 |

The total amount in life and accident insurance premiums as well as civil liability insurance premiums paid by the Company for Members of the Board of Directors and top managers totals Euros 10 thousand (2006: Euros 1 thousand) and Euros 69 thousand (2006: Euros 93 thousand), respectively, in 2007. Furthermore, the total amount of medical insurance premiums paid by the Company for top management and executive directors of the Company total Euros 4 thousand (2006: Euros 1 thousand).

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34.5 Salaries and other contributions of key management and Members of the Board

| | 2007 | 2006 |
|---|-------------|-------------|
| Salaries and other contributions to Executive Board Members | 3,816 | 2,354 |
| Salaries and other remuneration to the rest of key directors management | 1,878 | 2,910 |
| | <hr/> 5,694 | <hr/> 5,264 |

Salaries and other contributions to Executive Board Members and to the other executives includes the expense accrued for the share plan (note 35), which totals Euros 332 thousand (2006: Euros 112 thousand) and Euros 173 thousand (2006: Euros 104 thousand), respectively.

There is a golden parachute clause for a key manager which sets down an additional amount over and above the legal indemnity in the event of involuntary removal from office in the first eight years. This amount is equal to Euros 625,000 minus the amount stipulated by law.

34.6 Year end balances arising from sales and purchases of assets and services

| | 2007 | 2006 |
|--|------------|--------------|
| Accounts receivable | | |
| Companies related by common shareholders | | |
| • Mixta África, S.A. | 145 | - |
| • Alta Business Serveis, S.L. | 430 | - |
| • Second House Rehabilitación, S.L.U. | - | 1,263 |
| | <hr/> 575 | <hr/> 1,263 |
| Key management personnel and directors | 30 | 12 |
| Total accounts receivable | 605 | 1,275 |
| Accounts payable | | |
| Companies related by common shareholders | | |
| • Second House, S.A. | 24 | 78 |
| • Second House Rehabilitación, S.L.U. | 1 | - |
| • Near Technologies, S.L. | 9 | 9 |
| • Gibernau & Plana Asociados, S.L. | - | 85 |
| • Fundación Privada Renta Corporación (donation) | 24 | - |
| | <hr/> 58 | <hr/> 172 |
| Key management personnel and directors | - | - |
| Total accounts payable | 58 | 172 |

34.7 Loans to related parties

The loans extended to related parties in previous years were fully cancelled in 2006. During 2007 no loans have been extended to related parties.

34.8 Shareholdings of the Members of the Board of Directors

In accordance with the provisions of article 127 ter.4 of the Spanish Companies Act, introduced by Law 26/2003 of 17 July, which modified the Stock Exchange Act, Law 24/1988, of 28 July and the Spanish Companies Act, in order to reinforce the transparency of public limited companies, we set out below the companies with the same, analogous or complementary activity as that which constitutes the corporate purpose of the Company in which Members of the Board of Directors hold an interest, including the shareholdings that they hold in group companies and the offices and functions, as the case may be, they hold therein:

| Name | Name of company | Shareholding | Office or functions |
|----------------------------------|---|---|---|
| Mr. Luis Hernández de Cabanyes | SECOND HOUSE, S.A. FINANTING 2001, S.L. AURODOC 75, S.L. TOGA 20, S.L. SDEEGTUTERS, S.L. DINOMEN, S.L. ALDERAMIN STAR, S.L. MIXTA AFRICA, S.A. | 47.5% 63.15% 50.89% 63.15% 63.15% 62.04% 62.04% 18.11% | - Sole Administrator Sole Administrator Sole Administrator Sole Administrator Sole Administrator Sole Administrator Chairman |
| Ms. Anna M. Birulés Bertran | SECOND HOUSE, S.A. MIXTA AFRICA, S.A. | 1.5% 0.27% | - - |
| Mr. Enric Venancio Fillat | MIXTA AFRICA, S.A. | 0.08% | - |
| Mr. Carlos Tusquets Trias De Bes | LIFE MARINA IBIZA, S.L. | 6.54% through Tusquets Consultores, S.L. | Director |
| Ms. Esther Elisa Giménez Arribas | SECOND HOUSE, S.A. ANPOL CAPITAL, S.L. MIXTA AFRICA, S.A. TIZZANO NOVARA, S.L. TRACENLIT WORLD, S.L. | 4.13% 48.387% 0.18% 50% 50% through Tizzano Novara, S.L. | - Director Physical representative of the Director, which is Fundación Privada Renta Corporación Director - |
| Ms. Elena Hernández de Cabanyes | SECOND HOUSE, S.A. MIXTA AFRICA, S.A. PROMOTORA DE INDUSTRIAS GRÁFICAS, S.A. AURODOC 75, S.L. IGLU VERDE, S.L. INMO ERCINA, S.L. | 3.66% 1.08% 5% 18.22% 50% 50% | Sole Administrator and General manager - - - Director Director |
| Mr. César A. Gibernau Ausió | SECOND HOUSE, S.A. CHARCEBOY, S.L. GP CONSULTING, S.L. MIXTA AFRICA, S.A. | 1.05% 10.91% 18.70% indirecta 0.27% | - - General Power of Attorney Non Member Secretary |
| Mr. Juan Gallostra Isern | GRUPO JG INGENIEROS CONSULTORES DE PROYECTOS, S.A. | 5.78% | Chief Executive Officer |

35. Share-based payments

The Company has decided to implement a new share plan scheme in 2007, in order to, like the one in 2006, motivate loyalty and the retention of the receivers and beneficiaries of the plan by granting employees the status of Company shareholders. The plan consists of the distribution of shares over 3 years that accrue annually at a fixed rate for the first 12 and 24 months, and then the rest accrue until all the shares have been distributed by the end of the third year. The accrual is generated during these periods. The number of shares to be given is determined on 30 June of each year, the starting dates of the respective plans, based on the salary conditions of each manager and/or employee and bearing in mind the average weighted share quotation for the month of June 2007 and 2006, respectively.

The expense accrued at 31 December 2006 totalled Euros 359 thousand (see Note 24). The expense at 31 December 2007, for the share plans for 2006 and 2007, total Euros 809 thousand.

The shares for the first tranche of the plan begun in 2006 have been distributed in 2007.

36. Subsequent events

There have been no significant subsequent events to disclose in these consolidated annual accounts.

37. Other information

37.1 Average number of employees of the Group by category

| Name | 2007 | | | 2006 |
|--------------------------|-------|-----|-------|------|
| | Women | Men | Total | |
| Managers | 1 | 4 | 5 | 5 |
| Sales personnel | 27 | 20 | 47 | 45 |
| Administrative personnel | 46 | 4 | 50 | 36 |
| Skilled experts | 2 | 10 | 12 | 11 |
| Legal personnel | 8 | - | 8 | 6 |
| Services personnel | 4 | 3 | 7 | 5 |
| TOTAL | 88 | 41 | 129 | 108 |

A free translation of the consolidated annual accounts originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU). In the event of a discrepancy, the Spanish language version prevails.

37.2 Audit fees

The fees accrued to PricewaterhouseCoopers Auditores for current auditing services for all the Group companies for the years ended 31 December 2006 and 2007 total Euros 181 and Euros 212 thousand, respectively.

38. Environment

The parent Company and its subsidiaries have adopted the necessary measures to protect and improve the environment and minimise, as the case may be, environmental impact, by complying with current legislation in force. During the year the parent Company and its subsidiaries have not made environment-related investments or incurred expenses to protect and improve the environment, and, furthermore, they have not considered it necessary to set up any provisions for liabilities and charges of an environmental nature as they have no contingencies related to the protection and improvement of the environment or liabilities of an environmental nature.

APPENDIX I: Subsidiaries included in the consolidation

| Registered name | Registered Office | Shareholding | | Company holding title | Consolidation method | Activity | Auditor |
|---|--|--------------------------|------|--|----------------------|----------|-----------|
| | | Cost in thousand d Euros | % | | | | |
| Renta Corporación Real Estate R.A., S.A.U. | Via Augusta 252-260. Barcelona (Spain) | 1,346 | 100% | Renta Corporación Real Estate, S.A. | Fully consolidated | (1) | PwC |
| Renta Corporación Real Estate G.O., S.L.U. | Via Augusta 252-260. Barcelona (Spain) | 183 | 100% | Renta Corporación Real Estate, S.A. | Fully consolidated | (2) | PwC |
| Renta Corporación Real Estate Finance, S.L.U. | Via Augusta 252-260. Barcelona (Spain) | 607 | 100% | Renta Corporación Real Estate, S.A. | Fully consolidated | (4) | PwC |
| Renta Corporación Real Estate O.N., S.A.U. | Via Augusta 252-260. Barcelona (Spain) | 546 | 100% | Renta Corporación Real Estate, S.A. | Fully consolidated | (3) | PwC |
| Groupe Immobilier Renta Corporación, S.A.S.U. | 26, Rue de Trémouille Paris (France) | 12,000 | 100% | Renta Corporación Real Estate, S.A. | Fully consolidated | (5) | PwC |
| Renta Properties (UK), Limited | 74 Grafton Street London (Great Britain) | 13,004 | 100% | Renta Corporación Real Estate, S.A. | Fully consolidated | (5) | PwC |
| Winterley Properties 3, Unlimited | 74 Grafton Street London (Great Britain) | | 100% | Renta Properties (UK), Limited | Fully consolidated | (5) | PwC |
| RC Real Estate Deutschland GmbH | Friederichstrasse, 58 Berlin (Germany) | 24,394 | 100% | Renta Corporación Real Estate, S.A. | Fully consolidated | (1) | PwC |
| Renta Corporación Luxembourg, S.a.r.l. | 8 rue Jean Monnet Luxembourg (Luxembourg) | 100 | 100% | Renta Corporación Real Estate, S.A. | Fully consolidated | (1) | Unaudited |
| Norfeu, S.a.r.l. | 8 rue Jean Monnet Luxembourg (Luxembourg) | | 100% | Renta Corporación Luxemburgo, S.a.r.l. | Fully consolidated | (1) | PwC |
| Tanit Corporation, S.a.r.l. | 8 rue Jean Monnet Luxembourg (Luxembourg) | | 100% | Renta Corporación Luxemburgo, S.a.r.l. | Fully consolidated | (1) | Unaudited |
| Medas Corporation, S.a.r.l. | 8 rue Jean Monnet Luxemburgo (Luxembourg) | | 100% | Renta Corporación Luxemburgo, S.a.r.l. | Fully consolidated | (1) | Unaudited |
| Fedra, S.a.r.l. | 8 rue Jean Monnet Luxembourg (Luxembourg) | | 100% | Renta Corporación Luxemburgo, S.a.r.l. | Fully consolidated | (1) | Unaudited |
| Renta Corporation | 300 Park Ave. (17th floor.) New York (USA) | 4,166 | 100% | Renta Corporación Real Estate, S.A. | Fully consolidated | (5) | Unaudited |
| RC1, LLC | 300 Park Ave. (17th floor.) New York (USA) | | 100% | Renta Corporation | Fully consolidated | (5) | Unaudited |
| RC2, LLC | 300 Park Ave. (17th floor.) New York (USA) | | 100% | Renta Corporation | Fully consolidated | (5) | Unaudited |
| RCIII, LLC | 300 Park Ave. (17th floor.) New York (USA) | | 100% | Renta Corporation | Fully consolidated | (5) | Unaudited |
| RCIV, LLC | 300 Park Ave. (17th floor.) New York (USA) | | 100% | Renta Corporation | Fully consolidated | (5) | Unaudited |
| RCV, LLC | 300 Park Ave. (17th floor.) New York (USA) | | 100% | Renta Corporation | Fully consolidated | (5) | Unaudited |

The date of the closing of the financial statements is 31 December.

Activity:

- (1) Residential business.
- (2) Office business.
- (3) Land business.
- (4) Real estate business and services.
- (5) Residential and office business.

APPENDIX II: Associates included in the consolidation

| Registered name | Registered office | Shareholding | | Company holding title | Consolidation method | Activity | Auditor |
|---------------------|---|--------------------------|--------|--|----------------------|----------|-----------|
| | | Cost in thousand d Euros | % | | | | |
| Masella Oeste, S.L. | Avenida Diagonal 449 1 ^a Barcelona (Spain) | 116 | 40% | Renta Corporación Real Estate O.N., S.A.U. | Equity accounting | (7) | Unaudited |
| Mixta Africa, S.A. | Aribau, 168 Barcelona (Spain) | 281 | 18.55% | Renta Corporación Real Estate, S.A. | Equity accountin | (6) | PwC |

The date of the closing of the financial statements is 31 December.

Activity:

- (6) Residential and land business, and shares tenance.
- (7) New buildings promotion business.

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06 c.

Management Report

1. Evolution of the business

Renta Corporación thanks to its business model and geographic and business unit diversification has generated total ordinary income of Euros 529,107 thousand, which is a remarkable feat given the current difficult context of sales, especially in Spain.

2007 has been marked by the unexpected appearance, in the second half of the year, of a major liquidity crisis in the financial system. In the third and fourth quarters of the year growth has slowed, which has led to the delay in closing certain transactions.

However, and bearing in mind this economic conjuncture, the turnover of the Group in 2007 has been significant.

In 2007 the Group has expanded its field of operations, reinforcing its international expansion in Paris (2002), London (2005), Berlin (2006) and beginning activity in New York, a city in which perfectly fits the business model of Renta Corporación for its size and liquidity.

The conjunctural evolution of the sector has impacted the operating results for the year which have been of Euros 55,958 thousand euros in 2007, while these were 77,014 thousand euros in 2006.

Nevertheless, 2007 has been a significant step in the consolidation of the business model of the Renta Corporación Group in terms of purchasing, transformation and sale of buildings, with the maintenance of significant levels of investment.

2007 has also been relevant in terms of the acquisition of the new corporate head offices in Barcelona.

The increase in average bank borrowings for the expansion of the Group along with the increase in market interest rates has generated net financial costs of Euros 15,513 thousand, an increase against 2006 of 59%, coming to represent 2.9% of turnover.

The shareholding in associates has generated profit of Euros 9,010 thousand, an increase of 145% against last year. This has facilitated an improvement in consolidated profit for the year attributable to shareholders reaching the total of Euros 35,352 thousand. The profit attributable per share has gone from Euros 1.97 in 2006 to Euros 1.42 per share in 2007.

The evolution of shares traded on the stock exchange in 2007 has been highly volatile. After the 2006 year end with a share price of □ 34.13, the share's quotation dropped through successive corrections as from the second quarter of the year and stand at □ 15.28 per share are the 2007 year end.

The growth in assets generated by the Group is reflected in the main aggregates of the balance sheet, with a total increase in assets of 21% on 2006, due to an initial expansion that has not been accompanied by a proportional increase in sales.

At the 2007 year end, the buildings, land and plots in stock total Euros 858,894 thousand, which reflects the effect of the purchases of buildings throughout 2007, which, at the year end, are in the transformation phase. This account also includes the amounts paid for the acquisition of investment rights on buildings in the amount of Euros 26,447 thousand.

In February 2007 Renta Corporación formalised its first structured financing operation through a syndicated loan of Euros 500 million with 21 financial entities. This operations has allows it to replace a large part of its mortgage-backed borrowings and the balance drawn down in the short term on the credit facilities with short-term borrowing. This is helping to strengthen growth capacity and provided additional stability to the company's business plan.

Other accounts payable include the receipts for sale commitments of Euros 27 million, which will represent turnover of Euros 264,688 thousand in the following months.

The Directors of the Company believe that it is not exposed to any significant risks or uncertainties beyond those of the business itself.

2. Business outlook

The strategy for the next few years is based on the adaptation to a changed market environment. Once repositioned in the new conjuncture, Renta Corporación will face the future with the objective of returning to the growth path that has characterised it historically.

The solidity of the business model, which has been built up over many years, the strengthening of the company in the market and an established network for the acquisition, transformation and sale of buildings are the keys to the continued development of the company and for guiding its international development, prioritising growth in the major cities in which it is currently operating.

Investment will be centred in the purchase, transformation and sale of high turnover residential and office buildings. The land business will be limited to specific opportunities.

3. Main risks and uncertainties of the business

The main financial risks that affect the Group would be: exchange rate risk, interest rate risk, credit risk and liquidity risk. The Group constantly monitors these risks in order to anticipate their effects and implement the necessary corrective measures. The Board also provides global risk management policies and policies for specific areas.

Additionally, the Group also has instruments and to minimise their impact:

- The Group carries out its business in the Euro zone, as well as in the UK and the US. In the latter two countries it has contracted financial derivatives to restrict or minimise exchange rate risk arising from their currencies.
- The Group has established interest rate risk control policies to cover 30% of its total borrowings with fixed rate interest in order to reduce the volatility of its financing costs. Thus, in March 2007 interest rate hedge contracts were executed for a nominal amount of Euros 200 million related to the syndicated loan. After having signed additional contracts for a nominal amount of Euros 21.6 million, at the December 2007 close interest rate hedges total Euros 221.6 million, which is 29% of borrowings.
- Most sales of buildings made by the Group are settled in cash at the time of the transfer of title. In the other sales of buildings, the collection of all or part of the purchase price is made after the transfer of title to the new owner. In these cases, the amount owed to the Group is guaranteed generally by means of a bank guarantee or through a reservation of title agreement or guarantees in rem so that the Group can recover title to the building in the event of default on the payment of the price.
- The quality of the Group's assets are a solid guarantee of the debt.

4. Research and development

Due to the nature of the Group's activity, it does not make any investments in research and development.

5. Treasury shares

In 2007 the Company has made acquisitions and sales of 114,714 and 18,433 shares, respectively. Of the total sales, a part has been distributed to employees as part of the Incentive Plan.

The parent company at 31 December 2007 holds a total of 198,755 shares representing 0.79% of its share capital. The par value of these shares totals Euros 199 thousand.

The parent company has set up the respective reserve for treasury shares at 31 December 2007.

6. Subsequent events

Since 31 December 2007 and until the date of formulation of these annual accounts no relevant events or circumstances have occurred that would require disclosure in these accounts.

7. Human Resources

The Renta Corporación team is notable for its level of education, mostly university graduates, its professionalism and motivation. People are the real basis of value creation for Renta Corporación, and constitute the foundation for building company differentiation vis-à-vis the competition. Since its first steps as a company it has acknowledged the contribution of its professional as a critical success factor. Thus, it devotes special attention to having an effective, agile, flexible organisation in a professional work environment in terms of procedures and systems, and provides seamless access to ongoing training and knowledge, through the application of an effective human resources policy.

The staff of Renta Corporación is characterised by its youth. The average age of the team is 37 years old, and there is a major female presence, in relation to the total number of employees in the Group.

The company now has 139 employees, 88.6% of whom work in Spain (91% of whom work at the head office in Barcelona) and the remaining 11% at the branches in Paris, London and Berlin.

8. Environment

The Company has adopted the measures necessary for the protection and improvement of the environment and the minimisation, as the case may be, of any environmental impact, by complying with current legislation.

The impact of the construction of a building on the environment begins with the manufacture of materials and ends with the management of the waste generated by its demolition, with various phases of construction and use in between. The activity of Renta Corporación is based on the transformation of real estate assets. While it is true that construction generates a large volume of rubble, refurbishing actually minimises it.

In spite of the slight environmental impact involved in these transformations, in comparison with the alternative model of demolition and new construction, all the contracts entered into by Renta Corporación include a specific environmental protection clause that must be signed by the building contractor.

Renta Corporación promotes sustainable construction in the buildings it renovates or transforms and in its own head offices.

9. Article 116 b of the Securities Exchange Act

We set out below the information required under article 116 b of the Securities Exchange Act:

- a) The share capital of the Company totals Euros twenty-five million twenty-nine thousand three hundred and one (€ 25,029,301), divided into 25,029,301 ordinary shares with a par value of Euros one (1) each, all belonging to a single class and series and numbered correlatively from 1 to 25,029,301, both inclusive. All the shares are fully subscribed and paid.

- b) In accordance with the provisions of article 13 of the Articles of Association, there are no statutory restrictions on the transferability of the shares and the economic rights deriving thereof, including preferential subscription, although there are two agreements that regulate the transfer of shares, which are set out below. On the one hand, UIASEF-Comité Español (UCE) and Fundación INTERMON-OXFAM acquired a commitment not to transfer their shares in the company for certain periods of time as from the date that the Company's shares began being trade on the stock Exchange. On the other hand, as part of the listing of the company, certain shareholders signed a shareholders agreement that regulates certain restrictions on the transfer of Company shares. These restrictions materialize in a preferential acquisition right in relation to the transfer of shares between the parties to the agreement.
- c) The significant direct and indirect shareholdings in the Company at 31 December 2007 are set out in the table below:

| Name | % number of shares | | |
|-------------------------------------|--------------------|----------|----------------|
| | Direct | Indirect | Total |
| Mr. Luis Hernández de Cabanyes | 1.081% | 34.411% | 35.492% |
| Fundación Privada Renta Corporación | 5.010% | 0.000% | 5.010% |
| Durango Different, S.L. | 3.995% | 2.010% | 6.005% |

- d) The Articles of Association do not set down any restrictions on the exercising of voting rights.
- e) The only para-corporate agreement is that mentioned above in point b) of this section.
- f) The standards for appointing and replacing the members of the governing bodies re set down in articles 39 and 40 of the Articles of Association and in articles 17 to 21 of the Regulations of the Board of Directors and are in accordance with current legislation.
- g) Mr. Luis Hernández de Cabanyes (President) has been given all the powers of the Board of Directors except those that cannot be delegated by Law and by virtue of the Articles of Association. Mr. César Bardají Vivancos (Chief Executive Officer) has been given the powers of the Board of Directors with certain economic limitations. The other executive officers have sufficient powers for the daily operations of Renta Corporación. These powers are limited economically, except for those of Mr. Luis Hernández de Cabanyes, who does not have any economic limits whatsoever, all of which notwithstanding those operations whose relevance requires the prior approval of the Board of Directors.
- h) Section h) of article 116 b of the Securities Exchange Act does not apply as no contracts of this nature have been entered into.
- i) In general the contracts of the executive officers and the odd top manager, except for the President and Vice-President, contain a severance clause stipulating an indemnity of 45 days salary per year of service with a minimum of six monthly pays, taking into account the fixed salary received at the date of termination and the average for the last two years of their variable salary.



Renta Corporación Real Estate, S.A.

CIF: A-62385729

Barcelona Registry of Companies:
Volume 33,020. Folio 118. Sheet B-220077

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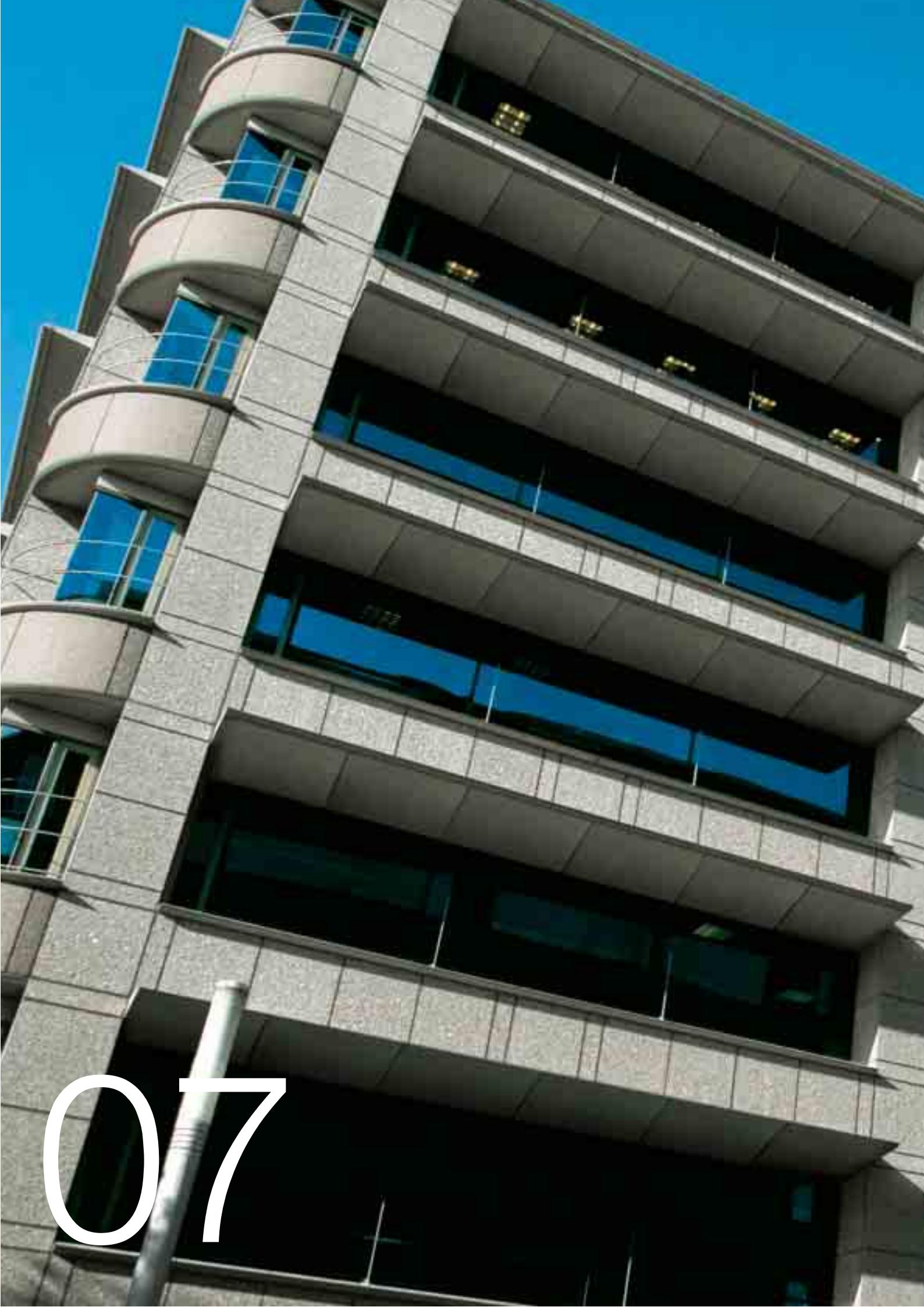
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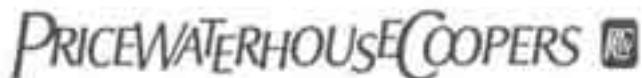
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07

**INDIVIDUAL
ANNUAL
ACCOUNTS
2007**

Auditor's Report



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A free translation of the report on the annual accounts originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Spanish language version prevails.

AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS

To the shareholders of Renta Corporación Real Estate, S.A.

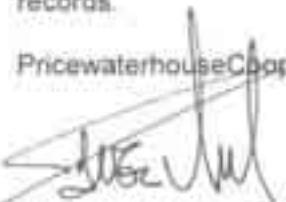
We have audited the annual accounts of Renta Corporación Real Estate, S.A. consisting of the balance sheet as at 31 December 2007, the income statement and the related notes to the annual accounts for the year then ended, the preparation of which is the responsibility of the Directors of the Company. Our responsibility is to express an opinion on the aforementioned annual accounts taken as a whole, based on the work carried out in accordance with auditing standards generally accepted in Spain, which require the examination, on a test basis, of evidence supporting the annual accounts and an evaluation of their overall presentation, the accounting principles applied and the estimates made.

In accordance with Spanish Corporate Law, the Company's Directors have presented, for comparative purposes only, for each item of the balance sheet and the income statement, the corresponding amounts for the previous year as well as the amounts for 2007. Our opinion refers exclusively to the annual accounts for 2007. On 22 February 2007, we issued our audit report on the 2006 annual accounts, in which we expressed an unqualified opinion.

In our opinion, the accompanying annual accounts for the year 2007, present fairly, in all material respects, the financial position of Renta Corporación Real Estate, S.A. at 31 December 2007, the results of its operations, and the sources and application of funds for the year then ended, and contain all the information necessary for their interpretation and comprehension in accordance with generally accepted accounting principles applied on a basis consistent with those used in the previous year.

The accompanying Directors' Report for 2007, contains the information that the Company's Directors consider relevant to the Company's position, the evolution of its business and of other matters and does not form an integral part of the annual accounts. We have verified that the accounting information contained in the aforementioned Directors' Report coincides with that of the annual accounts for 2007. Our work as auditors is limited to checking the Directors' Report within the scope already mentioned in this paragraph and it does not include a review of information other than that obtained from the Company's accounting records.

PricewaterhouseCoopers Auditores, S.L.


Manuel Valls Morató
Partner

21 February 2008

INDIVIDUAL ANNUAL ACCOUNTS

€ EUROS

COMPANY IDENTIFICATION

NIF: A62385729

Registered Name: RENTA CORPORACIÓN REAL ESTATE, S.A.

Registered office: Via Augusta 252-260

Town: BARCELONA Province: BARCELONA

Post Code: 08017 Telephone: 93 494.96.70

ACTIVITIES

Main activity: Real Estate and Building Transformation

CNAE code 810010 70.11

EMPLOYEES

| | | YEAR 2007(2) | YEAR 2006(3) |
|--|-----------|---------------|--------------|
| Salaried employees (average number for the year) | PERM. (4) | 810100 | 10 |
| | TEMP. (5) | 810110 | - |

PRESENTATION OF ACCOUNTS

| | YEAR | MONTH | DAY |
|---|---------------|-------|-----|
| Year-end date to which the accounts refer | 810190 | 2007 | 12 |
| | | | 31 |

Number of pages deposited: 810200 33

If no figures are stated for any of the years, indicate the reason for this:

UNITS

| | | |
|---|--|--|
| Place a X against the unit in which the annual accounts have been prepared: | Euros 999024 | Thousand euros 999025 X |
|---|--|--|

- (2) Year to which the annual accounts refer.
 (3) Previous year.
 (4) To calculate the average number of permanent employees, use the following criteria:
 a) If there have been no significant movements in staff, add the number of permanent staff at the beginning of the year to the number at the end of the year and divide by two.
 b) If there have been movements, calculate the number of employees for each month and divide the total by twelve.
 c) If there has been a reduction in the working day, the employees affected by this measure should be included as permanent staff, but only in proportion to the fraction of the year or working day of the year actually worked.
 (5) The average number of temporary employees may be calculated by adding the total number of weeks worked by temporary staff and dividing by 52. This may also be done as follows:

no. of employees hired x no. of weeks worked

NORMAL BALANCE SHEET

| NIF | A62385729 | UNIT (1) | |
|---|-------------------------------------|-----------|-----------|
| REGISTERED NAME | | | Euros |
| RENTA CORPORACION REAL | | | Thousands |
| ESTATE, S.A. | Space for the Directors' signatures | | |
| | | 999114 | |
| | | 999115 | X |
| ASSETS | | YEAR 2007 | YEAR 2006 |
| A) UNCALLED SHARE CAPITAL | 110000 | | |
| B) FIXED ASSETS | 120000 | 123,674 | 3,904 |
| I. Start-up expenses | 121000 | | |
| II. Intangible assets | 122000 | 406 | 202 |
| 1. Research and development | 122010 | | |
| 2. Patents and trademarks | 122020 | 38 | 22 |
| 3. Goodwill | 122030 | | |
| 4. Transfer rights | 122040 | | 40 |
| 5. Computer software | 122050 | 453 | 161 |
| 6. Rights on assets under finance leases | 122060 | | |
| 7. Prepayments | 122070 | | |
| 8. Provisions | 122080 | | |
| 9. Amortization | 122090 | -85 | -21 |
| III. Tangible assets | 123000 | 66,509 | 434 |
| 1. Land and buildings | 123010 | 58,356 | |
| 2. Plant and machinery | 123020 | | |
| 3. Other plant, furniture and fittings | 123030 | 7,941 | 432 |
| 4. Payments on account and assets in course of construction | 123040 | | |
| 5. Other fixed assets | 123050 | 539 | 36 |
| 6. Provisions | 123060 | | |
| 7. Depreciation | 123070 | -327 | -34 |
| IV. Investments | 124000 | 56,759 | 3,268 |
| 1. Shareholdings in group undertakings | 124010 | 63,773 | 2,845 |
| 2. Loans to associated undertakings | 124020 | | |
| 3. Shareholdings in associated companies | 124030 | 282 | 282 |
| 4. Loan to associated undertakings | 124040 | | |
| 5. Long-term securities portfolio | 124050 | 25 | 25 |
| 6. Other shareholdings | 124060 | | |
| 7. Long-term deposits | 124070 | 90 | 116 |
| 8. Provisions | 124080 | -7,411 | |
| 9. Long-term accounts with public authorities | 124100 | | |
| V. Treasury shares | 125000 | | |
| VI. Long-term trade debtors | 126000 | | |

NORMAL BALANCE SHEET

| NIF | A62385729 | | |
|--|-------------------------------------|---------------|----------------|
| REGISTERED NAME | | | |
| RENTA CORPORACION REAL | | | |
| ESTATE, S.A. | Space for the Directors' signatures | | |
| ASSETS | | YEAR 2007 | YEAR 2006 |
| C) DEFERRED EXPENSE | | 130000 | 369 |
| D) CURRENT ASSETS | | 140000 | 41,591 |
| I. Called up share capital not paid | | 141000 | |
| II. Stocks | | 142000 | |
| 1. Goods purchased for resale | | 142010 | |
| 2. Raw materials and consumables | | 142020 | |
| 3. Work in progress | | 142030 | |
| 4. Finished goods | | 142040 | |
| 5. By-products, scrap and reusable material | | 142050 | |
| 6. Payments on account | | 142060 | |
| 7. Provisions | | 142070 | |
| III. Debtors | | 143000 | 38,270 |
| 1. Trade debtors for sales and services rendered | | 143010 | 118 |
| 2. Amounts owed by group undertakings | | 143020 | 22,152 |
| 3. Amounts owed by associated undertakings. | | 143030 | 145 |
| 4. Other debtors | | 143040 | 689 |
| 5. Loans to employees | | 143050 | |
| 6. Taxes refundable | | 143060 | 15,166 |
| 7. Provisions | | 143070 | |
| IV. Current asset investments | | 144000 | 133 |
| 1. Shareholdings in group undertakings | | 144010 | |
| 2. Loans to group companies | | 144020 | 133 |
| 3. Shareholdings in associated undertakings | | 144030 | |
| 4. Loans to associated companies | | 144040 | |
| 5. Interest receivable | | 144050 | - |
| 6. Other loans | | 144060 | - |
| 7. Short-term deposits and guarantees | | 144070 | |
| 8. Provisions | | 144080 | |
| V. Treasury shares | | 145000 | 3,037 |
| VI. Cash at bank and in hand | | 146000 | 65 |
| VII. Prepayments and accrued income | | 147000 | 86 |
| GRAND TOTAL (A+B+C+D) | | 100000 | 165,634 |
| | | | 172,318 |

NORMAL BALANCE SHEET

| NIF | A62385729 | | |
|--|-------------------------------------|-----------|-----------|
| REGISTERED NAME | | | |
| RENTA CORPORACION REAL | | | |
| ESTATE, S.A. | Space for the Directors' signatures | | |
| LIABILITIES | | YEAR 2007 | YEAR 2006 |
| A) CAPITAL AND RESERVES | | 210000 | 141,601 |
| I. Share capital | | 211000 | 25,029 |
| II. Share premium account | | 212000 | 86,723 |
| III. Revaluation reserve | | 213000 | |
| IV. Other reserves | | 214000 | 18,826 |
| 1. Legal reserve | | 214010 | 4,681 |
| 2. Reserve for treasury shares held | | 214020 | 3,037 |
| 3. Reserve for the controlling company's shares | | 214030 | |
| 4. Statutory reserves | | 214040 | |
| 5. Differences from converting capital to Euros | | 214060 | |
| 6. Other reserves | | 214050 | 11,108 |
| V. Profit and loss account brought forward | | 215000 | |
| 1. Unappropriated profit brought forward | | 215010 | |
| 2. Losses from previous years | | 215020 | |
| 3. Shareholders' contributions to offset losses | | 215030 | |
| VI. Profit (loss) for the year | | 216000 | 11,023 |
| VII. Interim dividend | | 217000 | |
| VIII. Own shares for capital decrease | | 218000 | |
| B) DEFERRED INCOME | | 220000 | |
| 1. Capital grants | | 220010 | |
| 2. Unrealized foreign exchange gains | | 220020 | |
| 3. Other deferred income | | 220030 | |
| 4. Deferred tax income | | 220050 | |
| C) PROVISIONS FOR LIABILITIES AND CHARGES | | 230000 | |
| 1. Provisions for pensions and similar obligations | | 230010 | |
| 2. Provisions for taxes | | 230020 | |
| 3. Other provisions | | 230030 | |
| 4. Sinking fund | | 230040 | |
| D) CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR | | 240000 | 6,855 |
| I. Debenture loans and other marketable securities | | 241000 | |
| 1. Non-convertible debentures | | 241010 | |
| 2. Convertible debentures | | 241020 | |
| 3. Other marketable securities | | 241030 | |

NORMAL BALANCE SHEET

| NIF | A62385729 | | |
|---|-----------|-----------|-----------|
| REGISTERED NAME | | | |
| RENTA CORPORACION REAL | | | |
| ESTATE, S.A. | | | |
| Space for the Directors' signatures | | | |
| LIABILITIES | | YEAR 2007 | YEAR 2006 |
| D) CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR (Continued) | | | |
| II. Bank loans | | 242000 | |
| 1. Bank loans | | 242010 | |
| 2. Creditors for finance leases | | 242020 | |
| III. Amounts owed to group and associated undertakings | | 243000 | |
| 1. Amounts owed to group undertakings | | 243010 | |
| 2. Amounts owed to associated undertakings | | 243020 | |
| IV. Other creditors | | 244000 | 155 |
| 1. Bills payable | | 244010 | |
| 2. Other creditors | | 244020 | 155 |
| 3. Long-term deposits and guarantees received | | 244030 | |
| 4. Taxes and social security contributions | | 244050 | |
| V. Uncalled amounts on shares held | | 245000 | 6,700 |
| 1. Group undertakings | | 245010 | 6,700 |
| 2. Associated undertakings | | 245020 | |
| 3. Other undertakings | | 245030 | |
| VI. Trade creditors | | 246000 | |
| E) CREDITORS FALLING DUE WITHIN ONE YEAR | | 250000 | 17,178 |
| I. Debenture loans and other marketable securities | | 251000 | 27,391 |
| 1. Non-convertible debentures | | 251010 | |
| 2. Convertible debentures | | 251020 | |
| 3. Other marketable securities | | 251030 | |
| 4. Interest on debenture loans and other marketable securities | | 251040 | |
| II. Bank loans and overdrafts | | 252000 | - |
| 1. Loans and other facilities | | 252010 | - |
| 2. Interest | | 252020 | 18 |
| 3. Creditors for finance leases | | 252030 | |
| III. Amounts owed to group and associated undertakings | | 253000 | 13,592 |
| 1. Amounts owed to group companies | | 253010 | 11,890 |
| 2. Amounts owed to associated companies | | 253020 | 11,832 |
| | | | 58 |

NORMAL BALANCE SHEET

| NIF | A62385729 | | |
|---|-----------|-----------|-----------|
| REGISTERED NAME | | | |
| RENTA CORPORACION REAL | | | |
| ESTATE, S.A. | | | |
| Space for the Directors' signatures | | | |
| LIABILITIES | | YEAR 2007 | YEAR 2006 |
| E) CREDITORS FALLING DUE WITHIN ONE YEAR (Continued) | | | |
| IV. Trade creditors | | 254000 | 2,993 |
| 1. Advances from customers | | 254010 | |
| 2. Creditors for purchases or services received | | 254020 | 2,167 |
| 3. Bills of exchange payable | | 254030 | 826 |
| V. Other creditors | | 255000 | 593 |
| 1. Taxes and social security contributions | | 255010 | 313 |
| 2. Bills of exchange payable | | 255020 | |
| 3. Other creditors | | 255030 | |
| 4. Accrued wages and salaries | | 255040 | 280 |
| 5. Short-term deposits and guarantees received | | 255050 | |
| VI. Trade provisions | | 256000 | |
| VII. Accruals and deferred income | | 257000 | |
| F) PROVISIONS FOR LIABILITIES AND CHARGES | | 260000 | |
| GRAND TOTAL (A+B+C+D+E+F) | | 200000 | 165,634 |
| | | | 172,318 |

NORMAL PROFIT AND LOSS ACCOUNT

| NIF | A62385729 | UNIT (1) | |
|---|-------------------------------------|-----------|-----------|
| REGISTERED NAME | | | Euros |
| RENTA CORPORACION REAL | | | Thousands |
| ESTATE, S.A. | Space for the Directors' signatures | | |
| | DEBIT | YEAR 2007 | YEAR 2006 |
| A) EXPENSE (A.1 to A.16) | | | |
| A.1. Reduction in stocks of finished goods and work in progress | 300000 | 28,652 | 20,035 |
| A.2. Raw materials and consumables | 301000 | | |
| a) Consumption of goods purchased for resale | 302000 | | |
| b) Consumption of raw and consumable material | 302010 | | |
| c) Other external services | 302020 | | |
| d) | 302030 | | |
| A.3. Staff costs | 303000 | 5,509 | 2,719 |
| a) Wages, salaries and similar remuneration | 303010 | 5,098 | 2,389 |
| b) Social security contributions | 303020 | 411 | 330 |
| A.4. Fixed asset depreciation | 304000 | 423 | 8,670 |
| A.5. Changes in trade provisions | 305000 | | |
| a) Change in stock provisions | 305010 | | |
| b) Change in bad debt provision and bad debts written off | 305020 | | |
| c) Change in other trade provisions | 305030 | | |
| A.6. Other operating charges | 306000 | 14,014 | 13,446 |
| a) External services | 306010 | 13,883 | 13,440 |
| b) Taxes | 306020 | 131 | 6 |
| c) Other administrative expenses | 306030 | | |
| d) Transfer to sinking fund | 306040 | | |
| A.I. OPERATING PROFIT B.1 + B.2 + B.3 - A.1 - A.2 - A.3 - A.4 - A.5 - A.6) | 301900 | | |
| A.7 Financial expenses and similar costs | 307000 | 618 | 180 |
| a) Amounts owed to group undertakings | 307010 | 462 | 45 |
| b) Amounts owed to associated undertakings | 307020 | | |
| c) Amounts payable to third parties and similar expenses | 307030 | 156 | 135 |
| d) Loss on sale of investments | 307040 | | |
| A.8 Change in provisions for investments | 308000 | | |
| A.9 Loss on exchange | 309000 | 10 | - |
| A.II. NET FINANCIAL INCOME B.5 + B.6 + B.7 - A.7 - A.8 - A.9) | 302900 | 19,906 | 23,253 |

NORMAL PROFIT AND LOSS ACCOUNT

| NIF | A62385729 | | | |
|---|-------------------------------------|-----------|-----------|--|
| REGISTERED NAME | | | | |
| RENTA CORPORACION REAL | | | | |
| ESTATE, S.A. | Space for the Directors' signatures | | | |
| DEBIT | | YEAR 2007 | YEAR 2006 | |
| A.III. PROFIT FROM ORDINARY ACTIVITIES (A.1.+ A.II. - B.I - B.II) | | | | |
| A.10. Change in provisions for depreciation of tangible and intangible fixed assets and controlling shareholdings | 303900 | 19,086 | 11,411 | |
| A.11 Loss on disposal of tangible and intangible fixed assets and controlling shareholdings | 310000 | 7,411 | -262 | |
| A.12. Loss on dealings with own shares and debentures | 311000 | 373 | 6 | |
| A.13 Extraordinary expenses | 312000 | 2,561 | - | |
| A.14. Expenses relating to prior years | 313000 | | | |
| A.IV. NET EXTRAORDINARY PROFIT (B.9 + B.10 + B.11 + B.12 + B.13 - A.11 - A.12 - A.13 - A.14) | 314000 | | | |
| A.V. PROFIT BEFORE TAXES (A.III + A.IV - B.III - B.IV) | 304900 | - | 919 | |
| A.15. Corporate income Tax | 305900 | 8,756 | 12,330 | |
| A.16. Other taxes | 315000 | -2,267 | -4,724 | |
| A.VI. PROFIT FOR THE YEAR (A.V - A.15 - A.16) | 316000 | | | |
| | 306900 | 11,023 | 17,054 | |

NORMAL PROFIT AND LOSS ACCOUNT

| NIF | A62385729 | | |
|--|-------------------------------------|-----------|-----------|
| REGISTERED NAME | | | |
| RENTA CORPORACION REAL | | | |
| ESTATE, S.A. | Space for the Directors' signatures | | |
| CREDIT | | YEAR 2007 | YEAR 2006 |
| B) INCOME (B.1 to B.13) | 400000 | 39,675 | 37,089 |
| B.1. Net turnover | 401000 | 18,235 | 12,980 |
| a) Sales | 401010 | | |
| b) Services rendered | 401020 | 18,235 | 12,980 |
| c) Returned goods and volume discounts | 401030 | | |
| B.2. Increase in stocks of finished goods and work in progress | 402000 | | |
| B.3. Own work capitalized | 403000 | | |
| B.4. Other operating income | 404000 | 891 | 13 |
| a) Sundry income | 404010 | 891 | 13 |
| b) Grants | 404020 | | |
| c) Excess provision for liabilities and charges | 404030 | | |
| B.I. OPERATING LOSS | 401900 | 820 | 11,842 |
| (A.1 + A.2 + A.3 + A.4 + A.5 + A.6 - B.1 - B.2 - B.3 - B.4) | 405000 | 17,916 | 20,000 |
| B.5. Income from shareholdings | 405010 | 17,916 | 20,000 |
| a) in group undertakings | 405020 | | |
| b) in associated undertakings | 405030 | | |
| c) in non-group undertakings | 406000 | | |
| B.6. Income from other marketable securities and long-term loans | 406010 | | |
| a) to group undertakings | 406020 | | |
| b) to associated undertakings | 406030 | | |
| c) to non-group undertakings | 407000 | 2,618 | 3,433 |
| B.7. Other interest and similar income | 407010 | 2,560 | 3,278 |
| a) from group undertakings | 407020 | | |
| b) from associated undertakings | 407030 | 58 | 155 |
| c) from other holdings | 407040 | | |
| d) Gains on sale of investments | 408000 | | |
| B.8. Gains on exchange | 402900 | | |
| B.II. NET FINANCIAL EXPENSE | | | |
| (A.7 + A.8 + A.9 - B.6 - B.7 - B.8) | | | |

NORMAL PROFIT AND LOSS ACCOUNT

| NIF | A62385729 | | |
|--|-------------------------------------|-----------|-----------|
| REGISTERED NAME | | | |
| RENTA CORPORACION REAL | | | |
| ESTATE, S.A. | Space for the Directors' signatures | | |
| CREDIT | | YEAR 2007 | YEAR 2006 |
| B.III. LOSS FROM ORDINARY ACTIVITIES (B.I + B.II - A.I - A.II) | 403900 | | |
| B.9. Profit from disposal of tangible and intangible fixed assets and controlling shareholdings | 409000 | 12 | - |
| B.10. Profit from dealings in own shares and debentures | 410000 | 3 | 663 |
| B.11 Capital grants released to income during the year | 411000 | | |
| B.12 Extraordinary income | 412000 | | |
| B.13. Income relating to prior years | 413000 | | |
| B.IV. NET EXTRAORDINARY LOSS (A.10 + A.11 + A.12 + A.13 + A.14 - B.9 - B.10 - B.11 - B.12 - B.13) | 404900 | 10,330 | - |
| B.V. LOSS BEFORE TAXES (B.III + B.IV - A.III - A.IV) | 405900 | | |
| B.VI. LOSS FOR THE YEAR (B.V. + A.15 + A.16) | 406900 | | |

A free translation of the annual accounts originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Spanish language version prevails

RENTA CORPORACION REAL ESTATE, S.A.

Notes to the annual accounts
for the year ended 31 December 2007

1. Activity

Renta Corporación Real Estate, S.A. (as from its incorporation until 2 June 2001, under the name of Suatel XXI, S.L., and for the subsequent period from 2 June 2001 to 5 December 2003, under the name of Corporación Renta Antigua, S.A.), was incorporated as a limited liability company in Barcelona on 9 October 2000, and became a public limited company on 27 October 2001, with its registered office for legal and tax purposes in Avda. Diagonal 449, Barcelona, Spain until 29 October 2007, date as from which it moved to Via Augusta, 252-260 (Barcelona). The company's is mainly engaged in all manner of operations involving moveable property (except those governed by special legislation) and real estate.

2. Basis of presentation

- a) The annual accounts have been prepared on the basis of the accounting records of the Company and are presented in accordance with company law in force and the standards set down in the General Accounting Plan, in order to show a true and fair view of the financial position and results of the Company.
- b) The figures in the documents comprising these annual accounts, the balance sheet, the profit and loss account and the notes to the accounts are expressed in Euros thousand.
- c) As the Company meets the conditions set down in article 181.4 of the Spanish Companies Act, the Directors present these annual accounts due to the fact that the Company is listed on an official stock exchange in a member state of the European Union.
- d) The consolidated annual accounts of Renta Corporación Real Estate, made up of Renta Corporación Real Estate, S.A. and its subsidiary companies at 31 December 2007, have been formulated separately from these individual annual accounts. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards adopted by the European Union and approved by the Regulations of the European Commission, which are in force at 31 December 2007. The main figures set down in the audited consolidated annual accounts are as follows:

| | |
|--|-----------|
| Total assets | 1,077,969 |
| Equity | 220,614 |
| Profit for the year attributed to the Company Shareholders | 35,352 |
| Revenue | 529,107 |

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RENTA CORPORACION REAL ESTATE, S.A.

Notes to the annual accounts
for the year ended 31 December 2007

3. Proposed distribution of results

The follow distribution of 2007 results will be proposed to the General Meeting of Shareholders:

Basis of distribution

| | |
|---------------------------|---------------|
| Profit and loss (profits) | <u>11,023</u> |
|---------------------------|---------------|

Distribution

| | |
|----------------------|---------------|
| To dividends | 10,606 |
| To legal reserve | 92 |
| To voluntary reserve | <u>325</u> |
| | <u>11,023</u> |

4. Accounting policies

The most significant accounting policies applied in the preparation of these annual accounts are set out below:

a) Intangible fixed assets

Intangible fixed assets are stated at their purchase price or production cost.

The amortisation rates used have been as follows:

| | <u>Rate (%)</u> |
|--------------------------------|-----------------|
| Computer software applications | 25% |

b) Tangible fixed assets

Tangible fixed assets are stated at their purchase price or production cost.

The costs of renovations, extensions or improvements of fixed assets are capitalised only when they extend the useful lives of existing assets, or increase their capacity or productivity, and provided that it is possible to know or estimate the net book value of the assets that are written off inventories when replaced. Repair and maintenance costs are expensed in the year in which they are incurred.

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RENTA CORPORACION REAL ESTATE, S.A.

Notes to the annual accounts
for the year ended 31 December 2007

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives, taking into account normal wear and tear, using the following depreciation rates:

| | <u>Rate (%)</u> |
|-------------------------------------|-----------------|
| Buildings | 4% |
| Other plant, furniture and fixtures | 10% |
| Computer equipment | 25% |
| Other fixed assets | 10% - 12% |

c) Investments

Investments are stated at their purchase price.

When necessary the Company provides for the decline in value of investments. This provision cannot be lower than the loss in value of the shareholding percentage it holds. When the company's shareholdings include tacit goodwill, it estimates the time needed for recovery of this goodwill through the generation of future profits by the investee company. In the event that this tacit goodwill cannot be offset, the corresponding provision for depreciation of the investment is recorded.

d) Accounts payable and receivable for trading operations

Debits and credits arising from the company's short- and long-term debit and credit trading operations are recorded at their face value.

e) Treasury shares

The value of the company's treasury shares is stated at the purchase price and a no-distributable reserve of the same amount is set up for treasury shares. This amount is carried under the Equity in accordance with applicable legislation. The eventual outcome planned for such shares is, on the one hand, sale in the short-term, and, on the other, meeting the commitments set down in the Group employee and executive incentive plan and the handing over of shares to the Directors.

A free translation of the annual accounts originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Spanish language version prevails

RENTA CORPORACION REAL ESTATE, S.A.

Notes to the annual accounts
for the year ended 31 December 2007

f) Corporate income Tax

For corporate tax purposes, the parent Company comes under the tax regime for group companies and pays taxes jointly with its subsidiaries Renta Corporación Real Estate R.A., S.A.U., Renta Corporación Real Estate G.O., S.L.U. and Renta Corporación Real Estate O.N., S.A.U. and as from this year Renta Corporación Real Estate Finance, S.L.U.

Corporate income tax expense is recognised based on the reported profit as adjusted for permanent differences between reported and taxable profits, and the effects of any tax credits and deductions. Deferred tax assets and liabilities arising from timing differences in the recognition of income and expense for accounting and tax purposes are recorded in the balance sheet until the underlying timing differences reverse.

Tax credits and deductions are treated as a reduction in the corporate income tax expense for the year in which they are applied. In the case of tax loss carryforwards, if in a year prior to their application there are no doubts as their meeting tax requirements governing their application, and the time period for their reversal cannot exceed ten years and they are expected to be used, they are recorded under assets as a tax credit.

The Company provides in full for all its deferred tax liabilities even though they may not be expected to reverse in the foreseeable future. The provision is adjusted to reflect changes in the corporate income tax rate. Deferred tax assets are only recorded if there is reasonable assurance that they will be realised within 10 years, or provided that there are deferred tax assets that offset them, after 10 years.

g) Income and expenses

Income and expenses are recorded on an accruals basis, i.e. in the period in which the income or expense deriving from the goods or services in question is earned or incurred rather than the period in which the cash is actually received or disbursed.

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RENTA CORPORACION REAL ESTATE, S.A.

Notes to the annual accounts
for the year ended 31 December 2007

For reasons of prudence, however, the Company only records profits realised at the year end, while foreseeable risks and potential losses arising in the year or in prior years are recorded as soon as they are known.

h) Environment cost

The Company takes into account in their overall operations legislation relating to the protection of the environment. The Company considers that it complies substantially with such legislation and that its carries out procedures designed to encourage and guarantee compliance with the same.

5. Intangible fixed assets

5.1 Movements in the accounts included under Intangible assets are as follows:

| | Balance at 31.12.06 | Increases | Disposals | Balance at 31.12.07 |
|--------------------------|------------------------|-------------|-------------|------------------------|
| Cost | | | | |
| Patents and trademarks | 22 | 16 | - | 38 |
| Transfer rights | 40 | - | (40) | - |
| Computer software | <u>161</u> | <u>292</u> | <u>-</u> | <u>453</u> |
| | <u>223</u> | <u>308</u> | <u>(40)</u> | <u>491</u> |
| Accumulated amortisation | | | | |
| Transfer rights | - | (8) | 8 | - |
| Computer software | <u>(21)</u> | <u>(64)</u> | <u>-</u> | <u>(85)</u> |
| | <u>(21)</u> | <u>(72)</u> | <u>8</u> | <u>(85)</u> |
| Net book value | <u>202</u> | | | <u>406</u> |

5.2 At 31 December 2007 there are no fully amortised assets in use.

A free translation of the annual accounts originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Spanish language version prevails

RENTA CORPORACION REAL ESTATE, S.A.

Notes to the annual accounts
for the year ended 31 December 2007

6. Tangible fixed assets

6.1 Movements in the accounts included under Tangible fixed assets are as follows:

| Cost | Balance at 31.12.06 | Increases | Disposals | Balance at 31.12.06 |
|-------------------------------------|------------------------|------------------------|--------------|------------------------|
| Land and buildings | - | 58,356 | - | 58,356 |
| Other plant, furniture and fittings | 432 | 7,940 | (431) | 7,941 |
| Other fixed assets | 36 | 503 | - | 539 |
| | <u>468</u> | <u>66,799</u> | <u>(431)</u> | <u>66,836</u> |
| Accumulated depreciation | Balance at 31.12.06 | Charge for the year | Disposals | Balance at 31.12.07 |
| Buildings | - | (164) | - | (164) |
| Other plant, furniture and fittings | (31) | (145) | 58 | (118) |
| Other fixed assets | (3) | (42) | - | (45) |
| | <u>(34)</u> | <u>(351)</u> | <u>58</u> | <u>(327)</u> |
| Net book value | <u>434</u> | | | <u>66,50</u> |

The acquisition and refurbishment amounts of the building that houses the Group's new head offices located in Via Augusta 252-260 (Barcelona), are included in the increases's amount of land and buildings.

An amount of Euros 5,553 thousand has been acquired to other Group company at its purchase price.

6.2 At 31 December 2007 there are no fully depreciated assets in use.

7. Investments

7.1 Movements in the accounts included under Investments are as follows:

| | Balance at 31.12.06 | Increases | Decreases | Balance at 31.12.07 |
|---|------------------------|----------------|-----------|------------------------|
| Shareholdings in Group undertakings | 2,845 | 60,928 | - | 63,773 |
| Shareholdings in associated companies | 282 | - | - | 282 |
| Other shareholdings | 25 | - | - | 25 |
| Long-term deposits | 116 | 8 | (34) | 90 |
| Provision for loss in value of shareholdings in associated companies | <u>-</u> | <u>(7,411)</u> | - | <u>(7,411)</u> |
| Total | <u>3,268</u> | | | <u>56,759</u> |

A free translation of the annual accounts originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Spanish language version prevails

RENTA CORPORACION REAL ESTATE, S.A.

Notes to the annual accounts for the year ended 31 December 2007

7.2 At 31 December 2007 the direct or indirect investee companies are as follows:

| <u>Company</u> | <u>Activity</u> | <u>Date of incorporation</u> | <u>Company through which the shareholding is held</u> | <u>Net amount of the shareholding</u> | <u>% shareholding</u> | <u>Year end</u> | <u>Capital</u> | <u>Reserves</u> | <u>Interim dividend</u> | <u>Results</u> |
|--|------------------------------|------------------------------|---|---------------------------------------|-----------------------|-----------------|----------------|-----------------|-------------------------|----------------|
| Direct Shareholdings | | | | | | | | | | |
| Renta Corporación Real Estate R.A., S.A.U./ Barcelona | Real estate operations | 31-07-97 | Renta Corporación Real Estate, S.A. | 1,346 | 100 | 31-12-07 | 500 | 10,040 | (3,673) | 4,628 (1) |
| Renta Corporación Real Estate G.O., S.L.U./ Barcelona | Real estate operations | 21-06-01 | Renta Corporación Real Estate, S.A. | 183 | 100 | 31-12-07 | 183 | 3,943 | (5,800) | 7,023 (1) |
| Renta Corporación Real Estate Finance, S.L.U./ Barcelona | Real estate operations | 30-11-01 | Renta Corporación Real Estate, S.A. | 607 | 100 | 31-12-07 | 3 | 20,384 | - | (1,086) (1) |
| Renta Corporación Real Estate O.N., S.A.U./ Barcelona | Real estate operations | 18-02-00 | Renta Corporación Real Estate, S.A. | 546 | 100 | 31-12-07 | 120 | 12,316 | (8,443) | 10,459 (1) |
| Groupe Immobilier Renta Corporación, S.A.S.U./ Paris | Real estate operations | 27-03-02 | Renta Corporación Real Estate, S.A. | 12,000 | 100 | 31-12-07 | 12,000 | 11,046 | - | (5,174) (1) |
| Renta Properties (UK), LTD/ London | Real estate operations | 08-12-04 | Renta Corporación Real Estate, S.A. | 19,800 | 100 | 31-12-07 | 19,800 | (3,132) | - | (3,663) (1) |
| RC Real Estate Deutschland GMBH / Berlin | Real estate operations | 04-11-05 | Renta Corporación Real Estate, S.A. | 25,025 | 100 | 31-12-07 | 25,025 | 102 | - | (733) (1) |
| Renta Corporación Luxembourg, S.á.r.l./ Luxembourg | Real estate operations | 07-11-06 | Renta Corporación Real Estate, S.A. | 100 | 100 | 31-12-07 | 100 | 5,461 | - | 7,351 |
| Mixta África, S.A. / Barcelona | Real estate operations | 07-04-05 | Renta Corporación Real Estate, S.A. | 282 | 18.55 | 31-12-07 | 1,519 | 75,219 | - | (8,793) (1) |
| Renta Corporation/ New York | Real estate operations | 09-07-07 | Renta Corporación Real Estate, S.A. | 4,166 | 100 | 31-12-07 | 4,166 | (246) | - | (750) |
| Total Cost of Direct Shareholdings Provision | | | | <u>64,055</u> | | | | | | |
| Net | | | | <u>(7,411)</u> | | | | | | |
| Indirect Shareholdings | | | | | | | | | | |
| Masella Oeste, S.L./ Barcelona | Development of new buildings | | Renta Corporación Real Estate O.N., S.A.U. | | | 31-12-07 | | | | |
| Other companies North Africa | Real estate operations | | Mixta África, S.A. | | | 31-12-07 | | | | (2) |
| Other companies United Kingdom | Real estate operations | | Renta Properties (UK), LTD | | | 31-12-07 | | | | (2) |
| Other companies Luxembourg | Real estate operations | | Renta Corporación Luxembourg, S.á.r.l | | | 31-12-07 | | | | (2) |
| Other companies USA | Real estate operations | | Renta Corporation (USA) | | | 31-12-07 | | | | (2) |

(1) According to the audited annual accounts at 31 December 2007.

(2) The economic figures of these companies are consolidated with those of their parent company in the part relating to direct shareholdings.

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- 7.3 On 9 July 2007 the Company incorporated Renta Corporation, with registered office in New York.

Renta Corporation is at the start of its activity, and has incurred losses in 2007. Once the Company can in 2008 fully undertake its business it is expected to generate sufficient resources in the short term to offset the losses from the first year.

- 7.4 During 2007 Groupe Immobilier Renta Corporacion, S.A.S.U., Renta Properties (UK), Ltd. and RC Real Estate Deutschland, GmbH have increased capital by Euros 11,962 thousand, Euros 19,800 thousand and Euros 25,000 thousand respectively. These increases have been fully subscribed by the Company, and Euros 6,700 thousand is pending payment (see Note 12).
- 7.5 During 2007 the shareholding in Mixta Africa, S.A. has been reduced by 18.55%, as a result of the increase in capital in the investee company due to the entry of a new shareholder. The former shareholders have waived their preferred subscription rights. The Company has the same number of shares as last year.
- 7.6 None of the Group companies is listed on a stock Exchange, only the parent company of the Group.

8. Amounts owed by group undertakings

The breakdown at 31 December 2007 of the receivable balances with group companies is as follows:

| | |
|---|---------------|
| Renta Corporación Real Estate R.A., S.A.U. | 2,967 |
| Renta Corporación Real Estate O.N., S.A.U. | 7,271 |
| Renta Corporación Real Estate G.O., S.L.U. | 4,809 |
| RC Real Estate Deutschland GmbH | 1,052 |
| Renta Corporación Real Estate Finance, S.L.U. | 708 |
| Groupe Immobilier Renta Corporación, S.A.S.U. | 2,213 |
| Renta Properties (UK), Limited | 1,598 |
| Renta Corporación Luxembourg, S.á.r.l. | 417 |
| Renta Corporation (USA) | <u>1,117</u> |
| | <u>22,152</u> |

Group companies debtors is included in the receivable balance of Euros 9,146 thousand, relating to the debts of its subsidiaries as a result of the consolidated taxation (See Note 13).

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9. Current asset investments

Movements in Current asset investments have been as follows:

| | <u>Balance at 31.12.06</u> | <u>Additions</u> | <u>Disposals</u> | <u>Balance at 31.12.07</u> |
|---------------------------|--------------------------------|------------------|------------------|--------------------------------|
| Loans to group companies | 122,982 | 122,291 | (245,140) | 133 |
| Interest receivable | 91 | - | (91) | - |
| Group dividend receivable | <u>10,000</u> | <u>17,916</u> | <u>(27,916)</u> | <u>—</u> |
| | <u>133,073</u> | <u>140,207</u> | <u>(273,147)</u> | <u>133</u> |

10. Treasury shares

The movement in the treasury shares accounts during the year has been as follows:

| | <u>Number</u> | <u>Average purchase/ sale price</u> | <u>Cost</u> |
|---|----------------|---|--------------|
| Balance at 31.12.06 | <u>102,474</u> | | <u>2,759</u> |
| Purchases | 114,714 | 29.01 | 3,328 |
| Disposals | (18,433) | 28.05 | (517) |
| Balance at 31.12.07 | <u>198,755</u> | | <u>5,570</u> |
| Provision for impairment of treasury shares | | | (2,533) |
| Balance at 31.12.07 | <u>198,755</u> | | <u>3,037</u> |

On 14 June 2006 the Board of Directors of the Company adopted a specific treasury share repurchase plan in order to satisfy the needs arising from an employee and executive incentive plan of the Renta Corporación Group as well as hand over shares to the Directors. The purpose of this plan is to motivate and encourage Company loyalty and grant employees the status of Company shareholders.

In addition to the share repurchase program it was agreed to acquire treasury shares up to the maximum amount permitted by law, in order to contribute to the liquidity of the shares on the market.

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On 21 February 2007 the Board of Directors of the Company agreed to adopt a specific plan for the repurchase of shares of the Company in order to meet the needs of an employee and executive incentive plan as well as hand over shares to the Directors. This plan has been designed to stimulate and foster loyalty to the Group of its beneficiaries and to confer upon the employees the status of Company shareholders. The General Meeting of Shareholders of 29 March 2007 ratified this plan

During the year the Company has set up a provision for the impairment of treasury shares in the amount of Euros 2,533 thousand, in order to provide for the share quotation value.

11. Capital and reserves

The breakdown of this account at 31 December 2007, and its movement during the year is as follows:

| | <u>Share capital</u> | <u>Share Premium</u> | <u>Legal reserve</u> | <u>Other reserves</u> | <u>Treasury shares reserve</u> | <u>Profit and loss</u> | <u>Total Capital and Reserves</u> |
|--------------------------------|----------------------|----------------------|----------------------|-----------------------|--------------------------------|------------------------|-----------------------------------|
| Balance at 31.12.06 | <u>25,029</u> | <u>86,723</u> | <u>2,976</u> | <u>10,288</u> | <u>2,759</u> | <u>17,054</u> | <u>144,829</u> |
| Distribution of 2006 results | - | - | 1,705 | 1,098 | - | (17,054) | (14,251) |
| Acquisition of treasury shares | - | - | - | (278) | 278 | - | - |
| 2007 results | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>11,023</u> | <u>11,023</u> |
| Balance at 31.12.07 | <u>25,029</u> | <u>86,723</u> | <u>4,681</u> | <u>11,108</u> | <u>3,037</u> | <u>11,023</u> | <u>141,601</u> |

The share capital is made up of 25,029,301 fully paid and subscribed bearer shares with a par value of Euro 1 each, numbered from 1 to 25,029,301.

On 9 February 2006, the Extraordinary General Meeting of Shareholders adopted a resolution to trade all the Company's shares on the Barcelona and Madrid Stock Exchanges. It was also agreed to make an Initial Public Offering of shares at the same time as the Public Offering of Sale. Trading of Company shares on the stock markets began on 5 April 2006.

Due to the fact that the legal reserve as per article 214 of the Spanish Companies Act was not fully constituted, the parent Company must allocate 10% of its profit to it until it reached 20% of share capital. This reserve is not available for distribution if it is used to offset losses, in the event that there are no other reserves sufficiently available, it must be replenished out of future profits.

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During the year the Company ha increased its Treasury shares reserve by Euros 278 thousand against Volunteer reserves. This reserve is not available for distribution until the treasury shares that are carried under assets on the balance sheet are sold.

Article 13 of the Articles of Association now in force does not lay down any restrictions on the free transfer of shares, although there are two para-social agreements set out below. On the one hand, UNICEF-Spanish Committee (UCE) and Fundación INTERMON-OXFAM acquired the commitment not to transfer their shares in the company for certain periods of time as from the listing of the company. On the other hand, within the context of the listing on the stock exchange, certain shareholders entered into a shareholders agreement regulating certain restrictions on the transfer of shares. These restrictions materialised in the right of preferential acquisition amongst the signees of the agreement in relation to the transfer of company shares.

The main shareholders of the Company at 31 December 2007 holding a control of 5% or more of its share capital either directly or indirectly are as follows:

| Name | Number of shares | | |
|--|------------------|----------|---------|
| | Direct | Indirect | Total |
| Mr. Luis Rodolfo Hernández de Cabanyes | 1.081% | 34.411% | 35.492% |
| Fundación Privada Renta Corporación | 5.010% | 0% | 5.010% |
| Durango Different, S.L. | 3.995% | 2.010% | 6.005% |

12. Amounts owing to group companies

12.1 At the 2007 year end the Company has outstanding payables falling due in the long term with RC Real Estate Deutschland GmbH totalling Euros 6,700 thousand (see Note 7.4).

12.2 The breakdown of this account at 31 December 2007 is as follows:

| | <u>Balances payable</u> |
|--|-------------------------|
| Renta Corporación Real Estate R.A., S.A.U. | 6,426 |
| Group Immobilier Renta Corporación, S.A.S.U. | 7,082 |
| Renta Corporación Luxembourg, S.A.R.L | <u>51</u> |
| | <u>13,559</u> |

The Company has a credit facility with Renta Corporación Real Estate Finance, S.L.U. renewable annually and tacitly extensible for annual periods up to a limit of Euros 150,000. The amount drawn down at 31 December 2007 totals Euros 6,232 thousand. It was agreed that the amounts loaned would accrue interest at 3-month Euribor + 0.75 points. The financial expense related to this facility totals Euros 462 thousand, and Euros 104 thousand are pending payment.

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Amounts owing to Group companies includes the payable balance of Euros 745 thousand for the creditor balances with its subsidiaries as a result of the tax consolidation (see Note 13).

13. Tax situation

As the Company met the requirements set down for group companies under Chapter VII, Section VII of Royal Legislative Decree 4/2004 of 5 March, which adopted the Corporate Tax Act, it filed as the parent company a consolidated tax return for the first time in 2002, together with Renta Corporación Real Estate R.A., S.A.U., Renta Corporación Real Estate G.O., S.L.U. and Renta Corporación Real Estate O.N., S.A.U and Renta Corporación Real Estate Finance, S.L.U., the latter since this year.

Because certain items are treated differently for tax and financial reporting purposes, the tax profit differs from the profit reported in these annual accounts.

The reconciliation between reported profits and taxable profits is set out below:

| | |
|--|------------------------|
| Reported net profit / (loss) | 11,023 |
| Corporate income tax | (2,267) |
| Profit before tax | 8,756 |
| <u>Permanent differences</u> | <u>2,203</u> |
| Non-deductible expenses | 3 |
| Thin capitalisation | (333) |
| Treasury shares provision | 2,533 |
| <u>Elimination of the dividend received from subsidiaries</u> | <u>(17,916)</u> |
| <u>Temporary differences</u> | <u>249</u> |
| Share-based payments provision | <u>249</u> |
| Taxable income | <u>(6,708)</u> |

The Corporate income tax income relates to 32.5% of the tax loss carryforward, without bearing in mind the temporary differences while taking into account a tax regularisation for last year of Euros 7 thousand and deductions of Euros 12 thousand.

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At 31 December 2007 the Company does not have tax loss carryforwards or outstanding allowances.

| | |
|---|--------------|
| Public Treasury, debtor for corporate income tax | (2,192) |
| Receivables from subsidiary companies for corporate income tax (See Note 8) | 9,146 |
| Payables from subsidiary companies for corporate income tax (See Note 12) | <u>(745)</u> |
| Tax payable | <u>6,209</u> |

During the year ended 31 December 2007 the Company has withheld and made payments on account for Corporate income tax in the amount of Euros 6 thousand and Euros 10,977 thousand, respectively.

The Company is open to inspection by the Tax Authorities for the last four years for the main applicable taxes.

As a result, amongst others, of the possible different interpretations to which current tax law lends itself, additional tax liabilities could arise as a result of a tax inspection. In any case, the Company Directors believe that such liabilities, if they were to arise, would not significantly affect the annual accounts.

The breakdown of the creditors balances with Public Administrations at 31 December 2007 is as follows:

Creditor balances

| | |
|---|------------|
| Public Treasury, creditor for withholding tax on personal income, Tax on income from capital and others | 287 |
| Social Security, creditor | <u>26</u> |
| | <u>313</u> |

Debtor balances

| | |
|---|---------------|
| Public Treasury, debtor for various items | 15,085 |
| Deferred tax asset | <u>81</u> |
| | <u>15,166</u> |

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14. Long-term creditors

The Company has decided to set up a share plan in 2006 to provide incentives for its beneficiaries to remain in the Company and grant its employees the status of shareholders in the Company. It consists in giving them shares over 3 years that accrue annually on the basis of a fixed percentage at 12 and 24 months, and the rest up until the end of the third year. The accrual is generated over these periods. The number of shares was set on 30 June 2006, date of the commencement of the plan, based on the salary conditions of each executive and/or employee, and considering the average weighted quotation in the month of June 2006 of the Company's shares.

In 2007 the Company has set up a new share distribution scheme with the same characteristics as the plan created last year.

The liability is re-estimated at the year end each year on the basis of the quotation of the share price at that date. The expense recorded in 2007 for this item totals Euros 157 thousand and is carried on the liabilities side of the balance sheet, split into Euros 94 thousand, short term, and Euros 155 thousand, long-term.

15. Income and expenses

Transactions with group, associated and related companies:

The transactions in 2007 with the associated and related companies in the Renta Corporación Group have been as follows:

| | <u>Renta Corporación Group</u> | <u>Associated companies</u> | <u>Related companies</u> |
|-------------------|--------------------------------|-----------------------------|--------------------------|
| Services received | 5,540 | - | 735 |
| Services rendered | 18,201 | 125 | - |
| Financial income | 2,560 | - | - |
| Financial expense | 462 | - | - |

16. Other information

We set out below the remuneration accrued to the members of the Board of Directors of the Company in 2007:

| | |
|---|--------------|
| Attendance at meetings of the Board of Directors / Delegated Committees | 528 |
| Salaries and other remuneration | <u>3,446</u> |
| Total remuneration | <u>3,974</u> |

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Salaries and other remuneration to the executive Board Members includes the expense accrued in relation to the share plan (note 14), which totals Euros 183 thousand.

The total amount of life, accident and civil liability insurance and civil liability insurance premiums paid by the Company for members of the Board of Directors totals Euros 1 thousand and Euros 93 thousand, respectively.

The fees accrued to PricewaterhouseCoopers Auditores, S.L. for current auditing services total Euros 12 thousand.

At 31 December 2007 the parent Company has given personal guarantees to third parties totalling Euros 96 thousand to guarantee purchases made through deferred payment.

In accordance with the provisions of article 127.3.4 of the Spanish Companies Act, which introduced Law 26/2003 of 17 July, which modified the Securities Exchange Act, Law 24/1988, of 28 July, and the Spanish Companies Act, in order to reinforce the transparency of public limited companies, we set out below the companies with the same, analogous or complementary activity as that of the Company and the Group in which members of the Board of Directors hold an interest or occupy offices or functions therein:

| <u>Name</u> | <u>Name of company</u> | <u>Shareholding</u> | <u>Office or functions</u> |
|--------------------------------|------------------------|---------------------|----------------------------|
| Mr. Luis Hernández de Cabanyes | SECOND HOUSE, S.A. | 47.5% | - |
| | FINANTING 2001, S.L. | 63.15% | Sole Administrator |
| | AURODOC 75, S.L. | 50.89% | Sole Administrator |
| | TOGA 20, S.L. | 63.15% | Sole Administrator |
| | SDEEGTUTERS, S.L. | 63.15% | Sole Administrator |
| | DINOMEN, S.L. | 62.04% | Sole Administrator |
| | ALDERAMIN STAR, S.L. | 62.04% | Sole Administrator |
| Ms. Anna M. Birulés Bertran | MIXTA AFRICA, S.A. | 18.11% | Chairman |
| | SECOND HOUSE, S.A. | 1.5% | - |
| Mr. Enric Venancio Fillat | MIXTA AFRICA, S.A. | 0.27% | - |
| | MIXTA AFRICA, S.A. | 0.08% | - |

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| <u>Name</u> | <u>Name of company</u> | <u>Shareholding</u> | <u>Office or functions</u> |
|----------------------------------|--|--|---|
| Mr. Carlos Tusquets Trias De Bes | LIFE MARINA IBIZA, S.L. | 6.54% through Tusquets Consultores, S.L. | Director |
| Ms. Esther Elisa Giménez Arribas | SECOND HOUSE, S.A. | 4.13% | - |
| | ANPOL CAPITAL, S.L. | 48.387% | Director |
| | MIXTA AFRICA, S.A. | 0.18% | Natural person representing the Director of the Fundación Privada Renta Corporacion |
| | TIZZANO NOVARA, S.L. | 50% | Director |
| | TRACENLIT WORLD, S.L. | 50% through Tizzano Novara, S.L. | - |
| Ms. Elena Hernández de Cabanyes | SECOND HOUSE, S.A. | 3,66% | Sole Administrator and General Manager |
| | MIXTA AFRICA, S.A. | 1,08% | - |
| | PROMOTORA DE INDUSTRIAS GRÁFICAS, S.A. | 5% | - |
| | AURODOC 75, S.L. | 18,22% | - |
| | IGLU VERDE, S.L. | 50% | Director |
| Mr. César A. Gibernau Ausió | INMO ERCINA, S.L. | 50% | Director |
| | SECOND HOUSE, S.A. | 1,05% | - |
| | CHARCEBOY, S.L. | 10,91% | - |
| | GP CONSULTING, SL. | 18,70% indirect | General Power of Attorney |
| | MIXTA AFRICA, S.A. | 0,27% | Non-member Secretary |
| Mr. Juan Gallostra Isern | GRUPO JG INGENIEROS CONSULTORES DE PROYECTOS, S.A. | 5,78% | Chief Executive Officer |

The other Directors do not hold any shareholdings in companies with the same, analogous or complementary activity as that which constitutes the corporate purpose of the Company.

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17. Subsequent events

From 31 December 2007 until the date of the formulation of these annual accounts no event or circumstances has occurred that could significantly affected them or that would require disclosure herein.

18. Environment

The Company has adopted the measures necessary for the protection and improvement of the environment and the minimisation, as the case may be, of any environmental impact, by complying with current legislation. The Company has not made any environment-related investments or incurred significant expenses for the protection and improvement of the environment. Furthermore, the Company has not considered it necessary to record any provisions for environment-related liabilities and charges as it does not have any contingencies related to the protection and improvement of the environment or liabilities of an environmental nature.

19. Statement of source and application of funds

Set out below is the statement of source and application of funds for the year:

| APPLICATIONS | 2007 | 2006 | SOURCES | 2007 | 2006 |
|---|----------------|---------------|--|---------------|----------------|
| Interim dividend | 14,251 | 10,086 | Funds generated from operations | 21,748 | 24,804 |
| Acquisitions of fixed assets: | | | Share capital increase | - | 89,320 |
| - Start-up expenses | - | 8,298 | Long-term creditors | 6,757 | 98 |
| - Intangible fixed assets | 308 | 128 | Sale of treasury shares | 520 | 1,789 |
| - Tangible fixed assets | 66,799 | 285 | Disposal of investments | 34 | - |
| - Investments | 60,936 | 790 | Disposal of intangible assets | 32 | - |
| | | | Disposal of tangible assets | 12 | - |
| Acquisitions of treasury shares | 3,791 | 3,791 | | | |
| Deferred expense | 369 | - | | | |
| Total applications | <u>145,991</u> | <u>23,378</u> | Total sources | <u>29,103</u> | <u>116,011</u> |
| Surplus of sources over application of funds (Increase in working capital) | | | Surplus of applications over sources of funds (Decrease in working capital) | | |
| | | <u>92,633</u> | | | <u>116,888</u> |

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Changes in working capital

| | Increases | | Decreases | |
|---|---------------|----------------|----------------|---------------|
| | 2007 | 2006 | 2007 | 2006 |
| Debtors | 5,954 | 14,218 | - | - |
| Current asset investments | - | 88,956 | 132,940 | - |
| Cash at banks and in hand | - | 115 | 189 | - |
| Accruals, prepayments and deferred income | 74 | 12 | - | - |
| Creditors | <u>10,213</u> | <u>-</u> | <u>-</u> | <u>10,668</u> |
| | <u>16,241</u> | <u>103,301</u> | <u>133,129</u> | <u>10,668</u> |
| Change in working capital | | <u>92,633</u> | <u>116,888</u> | |

Supplementary information

Calculation of funds generated from (absorbed by) operations:

| | 2006 | 2005 |
|--|---------------|---------------|
| Accounting profit | <u>11,023</u> | <u>17,054</u> |
| INCREASES | | |
| Amortisation of start-up expenses | - | 8,626 |
| Amortisation of intangible fixed assets | 72 | 21 |
| Depreciation of tangible fixed assets | 351 | 22 |
| Treasury share provision | 2,533 | - |
| Provision for investment impairment | 7,411 | - |
| Loss on controlling shareholdings | 373 | 6 |
| DECREASES | | |
| Profit on sale of tangible fixed assets | (12) | - |
| Profit on operations with treasury shares | <u>(3)</u> | <u>(663)</u> |
| Variation in provision for controlling shareholdings | <u>-</u> | <u>(262)</u> |
| Total funds generated from (absorbed by) operations | <u>21,748</u> | <u>24,804</u> |

MANAGEMENT REPORT

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RENTA CORPORACION REAL ESTATE, S.A.

Director's Report

for the year ended 31 December 2007

1. Evolution of the business

The support provided by the parent Company of the Renta Corporación Group for to the management of the business has been based in 2007 on reinforcing the organizational structure in order to acquire a solid position to face future challenges.

On the one hand the human team has been reinforced through hirings of key top personnel in the management structure in the following areas: Chief Executive Officer, Financial Management, Technology, Systems, Human Resources and General Secretary.

On the other hand, on 5 July 2007 the Company acquired an office building in Barcelona, which, after renovations to adapt to the current and future needs of Renta Corporación, has become its head office.

In addition to these two points, the Company at the beginning of 2007 formalised its first structured financing operation through a syndicated loan of Euros 500 million with 21 financial entities. This operation has allowed it to strengthen business capacity and provide additional stability to the company's business plan.

After closing 2006 with a share price of Euros 34.13, the shares of Renta Corporación began 2007 with a stiff increase in value boosted by the solid fundamentals of the company and the still favorable conjuncture in the real estate sector in Spain. In February 2007 the share reached its maximum historical price of Euros 39.32. which represented a revaluation of 15% against the 2006 close. Starting in April the onslaught of bad news on the evolution and prospects for the real estate sector in different countries, plus a lack of confidence in certain companies in the sector in Spain and the appearance of the sub-prime crisis in the USA, choked liquidity in the financial system globally, especially in certain financing-intensive sectors such as real estate. The sector began to decline and led to the fact that the share value of Renta Corporación now stands at Euros 15.28 per share.

In line with the Company's policy to motivate personnel and make them loyal to the company, as in 2006, the Company's Board of Administration adopted in 2007 a new 3-year share scheme that will allow employees to increase their shareholding or become shareholders for the first time and reap dividends.

Net turnover totals Euros 39,675 thousand, Euros 17,916 thousand of which relate to dividends from subsidiaries, while Euros 18,235 thousand relate to income in consideration for management support that the parent company provides to its subsidiaries.

Staff costs have increased significantly and total Euros 5,509 thousand, due to the increase in personnel and the hiring of various top management executives.

The Directors believe that the Company is not facing any significant risks and uncertainties that are not proper to the business itself.

A free translation of the annual accounts originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Spanish language version prevails

RENTA CORPORACION REAL ESTATE, S.A.

Director's Report
for the year ended 31 December 2007

2. Business outlook

In line with the actions carried out during 2007, the Company is looking to the future with the intention of providing the group with the financial, material and human resources necessary to adapt to the new market conjuncture and permit the development of and compliance with its strategic plan.

3. Research and development

Due to the nature of the Group's activity, it does not make any investments in research and development, although it does allocate an important amount of its budget to employee training in order to maximise the quality of its work and facilitate professional development of the individual.

4. Treasury shares

In 2007 the Company has made acquisitions and sales of 114,714 and 18,433 shares, respectively. Of the total sales, a part has been distributed to employees as part of the Incentive Plan.

The parent company at 31 December 2007 holds a total of 198,755 shares representing 0.79% of its share capital. The par value of these shares totals Euros 199 thousand.

5. Subsequent events

Since 31 December 2007 and until the date of formulation of these annual accounts no relevant events or circumstances have occurred that would require disclosure in these accounts.

6. Recursos Humanos

The Renta Corporación team is notable for its level of education, mostly university graduates, its professionalism and motivation. People are the real basis of value creation for Renta Corporación, and constitute the foundation for building company differentiation vis-à-vis the competition. Since its first steps as a company it has acknowledged the contribution of its professional as a critical success factor. Thus, it devotes special attention to having an effective, agile, flexible organisation in a professional work environment in terms of procedures and systems, and provides seamless access to ongoing training and knowledge, through the application of an effective human resources policy.

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RENTA CORPORACION REAL ESTATE, S.A.

Director's Report
for the year ended 31 December 2007

7. Environment

The Company has adopted the measures necessary for the protection and improvement of the environment and the minimisation, as the case may be, of any environmental impact, by complying with current legislation.

The impact of the construction of a building on the environment begins with the manufacture of materials and ends with the management of the waste generated by its demolition, with various phases of construction and use in between. The activity of Renta Corporación is based on the transformation of real estate assets. While it is true that construction generates a large volume of rubble, refurbishing actually minimises it.

In spite of the slight environmental impact involved in these transformations, in comparison with the alternative model of demolition and new construction, all the contracts entered into by Renta Corporación include a specific environmental protection clause that must be signed by the building contractor.

Renta Corporación promotes sustainable construction in the buildings it renovates or transforms and in its own head offices.

8. Article 116 b of the Securities Exchange Act

We set out below the information required under article 116 b of the Securities Exchange Act:

- a) The share capital of the Company totals Euros twenty-five million twenty-nine thousand three hundred and one (€ 25,029,301), divided into 25,029,301 ordinary shares with a par value of Euros one (1) each, all belonging to a single class and series and numbered correlatively from 1 to 25,029,301, both inclusive. All the shares are fully subscribed and paid.
- b) In accordance with the provisions of article 13 of the Articles of Association, there are no statutory restrictions on the transferability of the shares and the economic rights deriving thereof, including preferential subscription, although there are two agreements that regulate the transfer of shares, which are set out below. On the one hand, UIASEF-Comité Español (UCE) and Fundación INTERMON-OXFAM acquired a commitment not to transfer their shares in the company for certain periods of time as from the date that the Company's shares began being trade on the stock Exchange. On the other hand, as part of the listing of the company, certain shareholders signed a shareholders agreement that regulates certain restrictions on the transfer of Company shares. These restrictions materialize in a preferential acquisition right in relation to the transfer of shares between the parties to the agreement.

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RENTA CORPORACION REAL ESTATE, S.A.

Director's Report
for the year ended 31 December 2007

- c) The significant direct and indirect shareholdings in the Company at 31 December 2007 are set out in the table below:

| Name | % number of shares | | |
|-------------------------------------|--------------------|----------|----------------|
| | Direct | Indirect | Total |
| Luis Hernández de Cabanyes | 1.081% | 34.411% | 35.492% |
| Fundación Privada Renta Corporacion | 5.010% | 0.000% | 5.010% |
| Durango Different, S.L. | 3.995% | 2.010% | 6.005% |

- d) The Articles of Association do not set down any restrictions on the exercising of voting rights.
- e) The only para-corporate agreement is that mentioned above in point b) of this section.
- f) The standards for appointing and replacing the members of the governing bodies are set down in articles 39 and 40 of the Articles of Association and in articles 17 to 21 of the Regulations of the Board of Directors and are in accordance with current legislation.
- g) Mr. Luis Hernández de Cabanyes (President) has been given all the powers of the Board of Directors except those that cannot be delegated by Law and by virtue of the Articles of Association. Mr. César Bardají Vivancos (Chief Executive Officer) has been given the powers of the Board of Directors with certain economic limitations. The other executive officers have sufficient powers for the daily operations of Renta Corporación. These powers are limited economically, except for those of Mr. Luis Hernández de Cabanyes, who does not have any economic limits whatsoever, all of which notwithstanding those operations whose relevance requires the prior approval of the Board of Directors.
- h) Section h) of article 116 b of the Securities Exchange Act does not apply as no contracts of this nature have been entered into.
- i) In general the contracts of the executive officers and the odd top manager, except for the President and Vice-President, contain a severance clause stipulating an indemnity of 45 days salary per year of service with a minimum of six monthly pays, taking into account the fixed salary received at the date of termination and the average for the last two years of their variable salary.

ANEXO I

INFORME ANUAL DE GOBIERNO CORPORATIVO

SOCIEDADES ANÓNIMAS COTIZADAS

DATOS IDENTIFICATIVOS DEL EMISOR FECHA FIN DE EJERCICIO 2007

C.I.F.A-62385729

Denominación Social: RENTA CORPORACION REAL ESTATE, S.A.

MODELO DE INFORME ANUAL DE GOBIERNO CORPORATIVO DE LAS SOCIEDADES ANÓNIMAS COTIZADAS

A ESTRUCTURA DE LA PROPIEDAD

A.1 Complete el siguiente cuadro sobre el capital social de la sociedad:

| Fecha de última modificación | Capital social (€) | Número de acciones | Número de derechos de voto |
|------------------------------|--------------------|--------------------|----------------------------|
| 07/04/2006 | 25.029.301 | 25.029.301 | 25.029.301 |

Indiquen si existen distintas clases de acciones con diferentes derechos asociados:

Sí No X

| Clase | Número de acciones | Nominal unitario | Número unitario de derechos de voto | Derechos diferentes |
|-------|--------------------|------------------|-------------------------------------|---------------------|
| | | | | |

A.2 Detalle los titulares directos e indirectos de participaciones significativas, de su entidad a la fecha de cierre de ejercicio, excluidos los consejeros:

| Nombre o denominación social del accionista | Número de derechos de voto directos | Número de derechos de voto indirectos (*) | % sobre el total de derechos de voto |
|---|-------------------------------------|---|--------------------------------------|
| Fundación Privada Renta | 1.253.980 | 0 | 5,010 % |
| Durango Different, S.L. | 1.000.000 | 503.063 | 6,005 % |

(*) A través de:

| Nombre o denominación social del titular directo de la participación | Número de derechos de voto directos | % sobre el total de derechos de voto |
|--|-------------------------------------|--------------------------------------|
| Promociones Santa Rosa, S.A. | 503.063 | 2,010 % |

Indique los movimientos en la estructura accionarial más significativos acaecidos durante el ejercicio:

| Nombre o denominación social del accionista | Fecha de la operación | Descripción de la operación |
|---|-----------------------|-----------------------------|
| Durango Different, S.L. | 12/04/07 | Compra |

A.3 Complete los siguientes cuadros sobre los miembros del Consejo de Administración de la sociedad, que posean derechos de voto de las acciones de la sociedad:

| Nombre o denominación social del consejero | Número de derechos de voto directos | Número de derechos de voto indirectos (*) | % sobre el total de derechos de voto |
|--|-------------------------------------|---|--------------------------------------|
| Don Luis Hernández de Cabanyes | 270.493 | 8.612.727 | 35,492 % |
| Doña Anna M. Birulés Bertran | 300.169 | 0 | 1,199 % |
| Don César Bardají Vivancos | 0 | 243 | 0,001 % |
| Don Enric Venancio Fillat | 7.301 | 0 | 0,029 % |
| Don Juan Gallostra Isern | 50 | 0 | 0,000 % |
| Don Carlos Tusquets Trías de Bes | 0 | 100.000 | 0,400 % |
| Doña Esther Giménez Arribas | 1.100 | 855.470 | 3,422 % |
| Don César A. Gibernau Ausió | 162.889 | 30.000 | 0,771 % |
| Doña Elena Hernández de Cabanyes | 358.260 | 0 | 1,431 % |

(*) A través de:

| Nombre o denominación social del titular directo de la participación | Número de derechos de voto directos | % sobre el total de derechos de voto |
|--|-------------------------------------|--------------------------------------|
| | | |

| | | |
|---|-----------|-----------------|
| Dinomen, S.L. | 2.710.290 | 10,828 % |
| Finanting 2001, S.L. | 1.482.910 | 5,925 % |
| Sdeegtuters, S.L. | 1.446.885 | 5,781 % |
| Aurodoc 75, S.L. | 1.572.364 | 6,282 % |
| Toga 20, S.L. | 1.400.278 | 5,595 % |
| Anpol Capital, S.L. | 855.470 | 3,418 % |
| % total de derechos de voto en poder del Consejo de Administración | | 42,745 % |

Complete los siguientes cuadros sobre los miembros del Consejo de Administración de la sociedad, que posean derechos sobre acciones de la sociedad:

| Nombre o denominación social del consejero | Número de derechos de opción directos | Número de derechos de opción indirectos | Número de acciones equivalentes | % sobre el total de derechos de voto |
|--|---------------------------------------|---|---------------------------------|--------------------------------------|
| | | | | |

- A.4 Indique, en su caso, las relaciones de índole familiar, comercial, contractual o societaria que existan entre los titulares de participaciones significativas, en la medida en que sean conocidas por la sociedad, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario:

| Nombre o denominación social relacionados | Tipo de relación | Breve descripción |
|---|------------------|-------------------|
| | | |

- A.5 Indique, en su caso, las relaciones de índole comercial, contractual o societaria que existan entre los titulares de participaciones significativas, y la sociedad y/o su grupo, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario:

| Nombre o denominación social relacionados | Tipo de relación | Breve descripción |
|---|------------------|-------------------|
| | | |

- A.6 Indique si han sido comunicados a la sociedad pactos parasociales que la afecten según lo establecido en el art. 112 de la LMV. En su caso, descríbalos brevemente y relacione los accionistas vinculados por el pacto:

Sí X No

| Intervinientes Del Pacto Parasocial | % de capital social afectado | Breve descripción del pacto |
|-------------------------------------|------------------------------|--|
| Fundacion Unicef - Comité Español | 0,847 | En virtud de la escritura de donación y usufructo otorgada el 15 de enero de 2003 ante el notario de Barcelona d. Antonio Bosch carrera con el número 32 de su protocolo, Fundacion Unicef-comité español y fundación Intermón-Oxfam se obligan a (i) no transmitir sus acciones en la sociedad hasta que hayan transcurrido dos años desde la admisión a cotización de dichas acciones en bolsa, momento a partir del cual podrán transmitir como máximo hasta el 50% de las acciones que posean; y (ii) a no transmitir ninguna acción del 50% restante hasta que hayan transcurrido cuatro años desde la citada admisión a cotización de las acciones en bolsa. |
| Fundacion Intermon Oxfam | 0,847 | Ver comentarios del contrato descrito en el apartado anterior |
| Fundacion Privada Renta | 5,010 | En el marco de la salida a bolsa de la sociedad, ciertos accionistas suscribieron en fecha 24 de febrero de 2006 un contrato de accionistas en el que se regulan ciertas restricciones a la transmisión de acciones de la sociedad. Dichas restricciones se materializan en un derecho de adquisición |

| | | |
|---|----------|--|
| | | preferente en las transmisiones de acciones de la sociedad entre los firmantes del contrato. |
| Toga 20, S.L. | 5,595 % | Ver comentarios del contrato descrito en el apartado anterior |
| Doña Cristina Orpinell Kristjansdottir | 0,808 % | Ver comentarios del contrato descrito en el apartado anterior |
| Dinomen, S.L. | 10,828 % | Ver comentarios del contrato descrito en el apartado anterior |
| Finanting 2001, S.L. | 5,925 % | Ver comentarios del contrato descrito en el apartado anterior |
| Sdeegtuters, S.L. | 5,781 % | Ver comentarios del contrato descrito en el apartado anterior |
| Aurodoc 75, S.L. | 6,282 % | Ver comentarios del contrato descrito en el apartado anterior |
| Don Luis Hernández De Cabanyes | 1,081 % | Ver comentarios del contrato descrito en el apartado anterior |
| Doña Anna M. Birulés Bertran | 1,199 % | Ver comentarios del contrato descrito en el apartado anterior |
| Instituto Internacional De Finanzas, S.L. | 0,785 % | Ver comentarios del contrato descrito en el apartado anterior |
| Don César A. Gibernau Ausió | 0,651 % | Ver comentarios del contrato descrito en el apartado anterior |
| Doña Elena Hernández De Cabanyes | 1,431 % | Ver comentarios del contrato descrito en el apartado anterior |
| Don Pere Arimón Vilageliu | 1,592 % | Ver comentarios del contrato descrito en el apartado anterior |
| Doña Esther Elisa Giménez Arribas | 0,004 % | Ver comentarios del contrato descrito en el apartado anterior |
| Anpol Capital, S.L. | 3,418 % | Ver comentarios del contrato descrito en el apartado anterior |
| Don Celso Cabrera Marrero | 0,262 % | Ver comentarios del contrato descrito en el apartado anterior |
| Premisehunter, S.L. | 0,078 % | Ver comentarios del contrato descrito en el apartado anterior |
| Consorcio Two Dos, S.L. | 0,042 % | Ver comentarios del contrato descrito en el apartado anterior |
| Don David Vila Balta | 0,451 % | En fecha 6 de junio de 2007, se adhirieron al pacto descrito en los apartados anteriores |
| Doña Ana Hernandez De Cabanyes | 0,371 % | En fecha 6 de junio de 2007, se adhirieron al pacto descrito en los apartados anteriores |

Indique si la sociedad conoce la existencia de acciones concertadas entre sus accionistas. En su caso, descríbalas brevemente:

Sí X No

| Intervinientes acción concertada | % de capital social afectado | Breve descripción del concierto |
|--|------------------------------|---|
| D. Luis Hernández de Cabanyes | 35,492 % | D. Luis hernández de Cabanyes, titular, directa e indirectamente, del 35,492%, del capital social de Renta Corporacion está casado en régimen de separación de bienes con Doña Cristina Orpinell Kristjansdottir, titular del 0,808% del capital social |
| Doña Cristina Orpinell Kristjansdottir | 0,808 % | Ver comentario apartado anterior |
| Doña Esther Giménez Arribas | 3,422 % | Doña Esther Giménez Arribas, titular, directa e indirectamente, del 3,422%, del capital social de renta corporación es pareja de hecho de d. Pere Arimón Vilageliu, titular del 1,592% del capital social |
| D. Pere Arimón Vilageliu | 1,592 % | Ver comentario apartado anterior |
| Doña Elena Hernández de Cabanyes | 1,431 % | Doña Elena Hernández de Cabanyes, titular del 1,431%, del capital social de renta corporación está casada en régimen de separación de bienes con d. Celso Cabrera Marrero, titular del 0,262% del |

| | | |
|---|---------|---|
| | | capital social |
| D. Celso Cabrera Marrero | 0,262 % | Ver comentario apartado anterior |
| D. David Vila Balta | 0,451 % | D. David Vila Balta, titular del 0,451%, del capital social de renta corporación está casado en régimen de separación de bienes con Doña Ana Hernández de Cabanyes, titular del 0,371% del capital social |
| D. ^a Ana Hernández de Cabanyes | 0,371 % | Ver comentario apartado anterior |

En el caso de que durante el ejercicio se haya producido alguna modificación o ruptura de dichos pactos o acuerdos o acciones concertadas, indíquelo expresamente:

- A.7 Indique si existe alguna persona física o jurídica que ejerza o pueda ejercer el control sobre la sociedad de acuerdo con el artículo 4 de la Ley del Mercado de Valores. En su caso, identifiquela:

Sí No X

| |
|-------------------------------------|
| Nombre o denominación social |
| |
| Observaciones |
| |

- A.8 Complete los siguientes cuadros sobre la autocartera de la sociedad:

A fecha de cierre del ejercicio:

| Número de acciones directas | Número de acciones indirectas (*) | % total sobre capital social |
|-----------------------------|-----------------------------------|------------------------------|
| 198.755 | 0 | 0,794 % |

(*) A través de:

| Nombre o denominación social del titular directo de la participación | Número de acciones directas |
|--|-----------------------------|
| | |
| Total: | |

Detalle las variaciones significativas, de acuerdo con lo dispuesto en el Real Decreto 1362/2007, realizadas durante el ejercicio:

| Fecha de comunicación | Total de acciones directas adquiridas | Total de acciones indirectas adquiridas | % total sobre capital social |
|---|---------------------------------------|---|------------------------------|
| | | | |
| Plusvalía / (Minusvalía) de las acciones propias enajenadas durante el periodo | | | (25.940 €) |

- A.9. Detalle las condiciones y plazo del mandato vigente de la Junta al Consejo de Administración para llevar a cabo adquisiciones o transmisiones de acciones propias.

La Junta General Ordinaria de Accionistas de Renta Corporación celebrada el pasado 29 de marzo de 2007, autorizó al Consejo de Administración para la compra de acciones propias. A continuación se transcriben los términos y condiciones del acuerdo decimosexto adoptado por la referida Junta General de Accionistas.

Autorizar expresamente al Consejo de Administración, con facultad de delegación, de acuerdo con lo establecido en el artículo 75 del vigente Texto Refundido de la Ley de Sociedades Anónimas, la adquisición derivativa de acciones de la Sociedad

en las siguientes condiciones:

- (a) Las adquisiciones podrán realizarse directamente por la Sociedad o indirectamente a través de sus sociedades dominadas.
- (b) Las adquisiciones se realizarán mediante operaciones de compraventa, permuto o cualquier otra permitida por la Ley.
- (c) Las adquisiciones podrán realizarse, en cada momento, hasta la cifra máxima permitida por la Ley.
- (d) Las adquisiciones no podrán realizarse a precio superior del que resulte en Bolsa.
- (e) La presente autorización se otorga por un plazo máximo de 18 meses.

Asimismo, y a los efectos previstos en el párrafo segundo del número 1º del artículo 75 de la Ley de Sociedades Anónimas, otorgar expresa autorización para la adquisición de acciones de la Sociedad por parte de cualquiera de las sociedades dominadas en los mismos términos resultantes del presente acuerdo.

Expresamente se hace constar que las acciones que se adquieran como consecuencia de la presente autorización podrán destinarse tanto a su enajenación o amortización como a la aplicación de los sistemas retributivos contemplados en el párrafo tercero del apartado 1 del artículo 75 de la Ley de Sociedades Anónimas, así como al desarrollo de programas que fomenten la participación en el capital de la Sociedad tales como, por ejemplo, planes de reinversión de dividendo, bonos de fidelidad u otros instrumentos análogos.

La presente autorización sustituye y deja sin efecto, en la cuantía no utilizada, la acordada por la Junta General de accionistas celebrada el 9 de febrero de 2006.

Por otra parte, el Consejo de Administración de la Sociedad en su reunión de fecha 21 de febrero de 2007 y en relación con el plan de recompra de acciones de la Sociedad en el marco de los programas de recompra de acciones propias expresamente regulados en el Reglamento 2273/2003/CE, de 22 de diciembre, acordó prorrogar su vigencia hasta el 31 de diciembre de 2007, así como revisar al alza el importe máximo de adquisición hasta 47 euros por acción

A.10 Indique, en su caso, las restricciones legales y estatutarias al ejercicio de los derechos de voto, así como las restricciones legales a la adquisición o transmisión de participaciones en el capital social.

Indique si existen restricciones legales al ejercicio de los derechos de voto:

Sí No X

| | |
|--|--|
| Porcentaje máximo de derechos de voto que puede ejercer un accionista por restricción legal | |
|--|--|

Indique si existen restricciones estatutarias al ejercicio de los derechos de voto:

Sí No X

| | |
|--|--|
| Porcentaje máximo de derechos de voto que puede ejercer un accionista por una restricción estatutaria | |
|--|--|

| |
|---|
| Descripción de las restricciones legales y estatutarias al ejercicio de los derechos de voto |
|---|

Indique si existen restricciones legales a la adquisición o transmisión de participaciones en el capital social:

Sí No X

| |
|---|
| Descripción de las restricciones legales a la adquisición o transmisión de participaciones en el |
|---|

| |
|----------------|
| capital social |
|----------------|

- A.11 Indique si la Junta General ha acordado adoptar medidas de neutralización frente a una oferta pública de adquisición en virtud de lo dispuesto en la Ley 6/2007.

Sí No X

En su caso, explique las medidas aprobadas y los términos en que se producirá la ineficiencia de las restricciones:

B ESTRUCTURA DE LA ADMINISTRACIÓN DE LA SOCIEDAD

B.1 Consejo de Administración

- B.1.1 Detalle el número máximo y mínimo de consejeros previstos en los estatutos:

| | |
|-----------------------------|----|
| Número máximo de consejeros | 15 |
| Número mínimo de consejeros | 5 |

- B.1.2 Complete el siguiente cuadro con los miembros del Consejo:

| Nombre O Denominación Social Del Consejero | Representante | Cargo en el Consejo | Fecha Primer Nombramiento | Fecha Último Nombramiento | Procedimiento De Elección |
|--|---------------|---------------------------------|---------------------------|---------------------------|---------------------------|
| D. Luis Hernández De Cabanyes | | Presidente y Consejero Delegado | 19-12-2000 | 15-03-2006 | Junta Genera |
| Doña Anna M. Birulés Bertran | | Vicepresidenta | 08-09-2004 | 08-09-2004 | Junta Genera |
| D. César Bardají Vivancos | | Consejero Delegado | 29-03-2007 | 29-03-2007 | Junta Genera |
| D. Enric Venancio Fillat | | Vocal | 29-03-2007 | 29-03-2007 | Junta Genera |
| D. Carlos Solchaga Catalán | | Vocal | 09-02-2006 | 09-02-2006 | Junta Genera |
| D. Juan Gallostra Isern | | Vocal | 09-02-2006 | 09-02-2006 | Junta Genera |
| D. Carlos Tusquets Trías De Bes | | Vocal | 27-12-2004 | 27-12-2004 | Junta Genera |
| Doña Esther Giménez Arribas | | Vocal | 19-12-2000 | 15-03-2006 | Junta Genera |
| D. César A. Gibernau Ausió | | Vocal | 17-11-2003 | 03-03-2005 | Junta Genera |
| D. Pedro Nueno Iniesta | | Vocal | 30-11-2004 | 30-11-2004 | Junta Genera |
| Doña Elena Hernández de Cabanyes | | Vocal | 19-12-2000 | 15-03-2006 | Junta Genera |

| | |
|----------------------------|----|
| Número Total de Consejeros | 11 |
|----------------------------|----|

Indique los ceses que se hayan producido durante el periodo en el Consejo de Administración:

| Nombre o denominación social del consejero | Condición del consejero en el momento de cese | Fecha de baja |
|--|---|---------------|
| D. Josep Mª Farre Viader | Consejero Delegado | 29-03-2007 |

- B.1.3 Complete los siguientes cuadros sobre los miembros del Consejo y su distinta condición:

CONSEJEROS EJECUTIVOS

| Nombre o denominación del consejero | Comisión que ha propuesto su nombramiento | Cargo en el organigrama de la sociedad |
|--|--|---|
| D. Luis Hernandez de Cabanyes | Comisión de nombramientos y retribuciones | Presidente y consejero delegado |
| Doña Anna M. Birulés Bertran | No aplicable (puesto que en el momento de su nombramiento todavía no se habían creado) | Vicepresidenta |
| D. César Bardají Vivancos | Comisión de nombramientos y retribuciones | Consejero delegado |
| D. Enric Venancio Fillat | Comisión de nombramientos y retribuciones | Vocal |

| | |
|--|----------|
| Número total de consejeros ejecutivos | 4 |
| % total del Consejo | 36 % |

CONSEJEROS EXTERNOS DOMINICALES

| Nombre o denominación del consejero | Comisión que ha propuesto su nombramiento | Nombre o denominación del accionista significativo a quien representa o que ha propuesto su nombramiento |
|--|--|---|
| | | |

| | |
|---|--|
| Número total de consejeros dominicales | |
| % total del Consejo | |

CONSEJEROS EXTERNOS INDEPENDIENTES

| Nombre o denominación del consejero | Perfil |
|--|--|
| D. Carlos Solchaga Catalán | Consejero de Renta Corporación desde febrero de 2006 y Consultor Internacional en Solchaga & Recio Asociados desde 1995. Actualmente es Presidente de la Fundación Euroamericana y Vicepresidente del Real Patronato del Museo Nacional Centro de Arte Reina Sofía. De 1976 a 1979 fue Director del servicio de Estudios Económicos del Banco de Vizcaya. Entre 1979 y 1980 fue Consejero de Comercio del Consejo General Vasco. Entre 1980-1994 fue Diputado al Congreso, presidió el Grupo Parlamentario Socialista entre 1993 y 1994. Entre 1982 y 1985 fue Ministro de Industria y Energía y de 1985 a 1993 Ministro de Economía y Hacienda. Asimismo, fue presidente del Comité interno del FMI entre 1991 y 1993. Actualmente es miembro de diversos Consejos Asesores y de Administración. Es Licenciado en Ciencias Económicas y Empresariales por la Universidad Complutense de Madrid y Postgrado de la Alfred P. Sloan School of Massachusetts Institute of Technology (MIT). |
| D. Juan Gallostra Isern | Consejero de Renta Corporación desde febrero de 2006. También es Consejero Delegado y Director General de Grupo JG Ingenieros |

| | |
|---------------------------------|---|
| | Consultores de Proyectos, S.A. desde 2001, donde anteriormente ocupó el cargo de Director Gerente entre 1995 y 2000. Es Consejero de la compañía británica First Q Ltd. Fue miembro del departamento de I+D de la compañía británica Ove Arup & Partners entre 1988 y 1989. En 1999 fundó TEST, S.A., siendo, además, su Director Gerente hasta 1995. Entre 1997 y 2005 fue Consejero de Hospitecnia, S.L. y Profesor Asociado del Departamento de Ingeniería de la Construcción de la Universidad Politécnica de Cataluña. Asimismo, es miembro del Comité Directivo de la Cátedra de empresa UPC-Grupo JG para la sostenibilidad en la ingeniería de edificación (cátedra dotada por el Grupo JG). Es ponente y profesor en seminarios y cursos sobre Ingeniería de la edificación, y ha publicado diversos artículos en revistas especializadas. Pertenece a la Junta Directiva del Colegio Oficial de Ingenieros Industriales de Cataluña y es Presidente de la Comisión Profesional. Es Ingeniero Industrial por la UPC y PDG por el IESE. |
| D. Carlos Tusquets Trías de Bes | Consejero de Renta Corporación desde 2004. Es presidente del Grupo FIBANC - MEDIOLANUM y Consejero de la Banca Mediolanum (Italia). Es Presidente de Inverco Catalunya y Vicepresidente de Inverco Nacional. Presidente del Comité de Organización del Salón del Dinero, la Bolsa y otros Mercados Financieros BORSADINER. Presidente de EFPA España (<i>European Financial Planner Association</i>)En 1971 se incorporó a la Gestora de Patrimonios del Grupo Banca Catalana, de la que fue Subdirector General. En 1977 se unió a BANKUNION, donde desarrolló el Departamento de Mercado de Capitales. En 1983 promovió la creación del Grupo FIBANC, del que es presidente actualmente. Asimismo, es Consejero de 3i Advisory Board (una de las mayores sociedades de Private Equity de Europa). Es Doctor en Ciencias Económicas por la Universidad de Barcelona. |

| | |
|---|------|
| Número total de consejeros independientes | 3 |
| % total del Consejo | 28 % |

OTROS CONSEJEROS EXTERNOS

| Nombre o denominación del consejero | Comisión que ha propuesto su nombramiento |
|-------------------------------------|---|
| Doña Esther Giménez Arribas | Comision De Nombramientos Y Retribuciones |
| D. César A. Gibernau Ausió | Comision De Nombramientos Y Retribuciones |
| D. Pedro Nuñez Iniesta | Comision De Nombramientos Y Retribuciones |
| Doña Elena Hernández De Cabanyes | Comision De Nombramientos Y Retribuciones |

| | |
|---|------|
| Número total de otros consejeros externos | 4 |
| % total del Consejo | 36 % |

Detalle los motivos por los que no se puedan considerar dominicales o independientes y sus vínculos, ya sea con la sociedad o sus directivos, ya sea con sus accionistas:

| Nombre o Denominación Social Del Consejero | Motivos | Sociedad, directivo o accionista con el que mantiene el vínculo |
|---|---|--|
| Doña Esther Giménez Arribas | <p>A pesar de ostentar una participación, tanto directa como indirecta, en el capital social ésta no es lo suficientemente relevante como para calificar a Doña Esther Giménez Arribas como consejero dominical. Tampoco se le puede calificar como consejero independiente, dado que ha sido empleada de la Sociedad, en la actualidad mantiene una relación de servicios de asesoría con la Sociedad y su condición de Directora General de la Fundación Privada Renta.</p> <p>Por todo lo anterior, el Consejo de Administración de Renta Corporación en su reunión de fecha 6 de junio de 2007 recalificó el cargo de Doña Esther Giménez Arribas como “Otros consejeros externos”.</p> | |
| D. César A. Gibernau Ausiò | <p>A pesar de ostentar una participación directa e indirecta en el capital social ésta no es lo suficientemente relevante como para calificar a D. César A. Gibernau Ausiò como consejero dominical. Tampoco se le puede calificar como consejero independiente, dada la relación de servicios de asesoría que mantiene la sociedad Gibernau, Plana y Asociados, S.L. con la Sociedad. Por todo lo anterior, el Consejo de Administración de Renta Corporación en su reunión de fecha 9 de febrero de 2006 recalificó el cargo de D. César A. Gibernau Ausiò como “Otros consejeros externos”.</p> | |
| D. Pedro Nueno Iniesta | <p>D. Pedro Nueno Iniesta no ostenta una participación directa en el capital social por lo que no procedería calificarlo como consejero dominical.</p> <p>Tampoco procede calificar a D. Pedro Nueno Iniesta como consejero independiente de la Sociedad, dada la relación de parentesco que ostenta con D.^a Christina Nueno Plana, directiva de la Sociedad.</p> <p>Por todo lo anterior, el Consejo de Administración de Renta Corporación en su reunión de fecha 26 de julio de 2006 recalificó el cargo de D. Pedro Nueno como “Otros consejeros externos”.</p> | |

| | | |
|----------------------------------|--|--|
| Doña Elena Hernández De Cabanyes | <p>A pesar de ostentar una participación en el capital social ésta no es lo suficientemente relevante como para calificar a Doña Elena Hernández de Cabanyes como consejero dominical. Tampoco procede calificar a Doña Elena Hernández de Cabanyes como consejero independiente de la Sociedad, dada la relación familiar que le une a D. Luis Hernández de Cabanyes, así como su condición administradora única de la sociedad Second House, S.A., de la que son socios algunos administradores de la Sociedad. Todo lo anterior, lleva a calificar el cargo de Doña Elena Hernández de Cabanyes como “Otros consejeros externos”.</p> | |
|----------------------------------|--|--|

Indique las variaciones que, en su caso, se hayan producido durante el periodo en la tipología de cada consejero:

| Nombre o denominación social del consejero | Fecha del cambio | Condición anterior | Condición actual |
|--|------------------|---------------------|---------------------------|
| Doña Esther Gimenez Arribas | 06-06-2007 | Consejero Ejecutivo | Otros consejeros externos |

- B.1.4 Explique, en su caso, las razones por las cuales se han nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial es inferior al 5% del capital:

| Nombre o denominación social del accionista | Justificación |
|---|---------------|
| I | |

dique si no se han atendido peticiones formales de presencia en el Consejo procedentes de accionistas cuya participación accionarial es igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales. En su caso, explique las razones por las que no se hayan atendido:

| Sí | No |
|---|-------------|
| Nombre o denominación social del accionista | Explicación |
| | |

- B.1.5 Indique si algún consejero ha cesado en su cargo antes del término de su mandato, si el mismo ha explicado sus razones y a través de qué medio, al Consejo, y, en caso de que lo haya hecho por escrito a todo el Consejo, explique a continuación, al menos los motivos que el mismo ha dado:

| Nombre del consejero | Motivo del cese |
|--------------------------------------|--|
| D. Josep M ^a Farre Viader | Su decisión viene motivada por el deseo de emprender una nueva trayectoria profesional |

- B.1.6 Indique, en el caso de que exista, las facultades que tienen delegadas el o los consejero/s delegado/s:

| Nombre o denominación social del consejero | Breve descripción |
|--|--|
| D. Luis Hernandez De Cabanyes | Tiene otorgados todos los poderes y facultades delegables conforme a la ley, en virtud de su condición de presidente y consejero delegado de la sociedad, cargo este último por el que fue reelegido por acuerdo del consejo de administración celebrado el 6 de junio de 2006 |
| D. César Bardají Vivancos | Tiene otorgados los poderes y facultades delegables conforme a la ley, pero sujetos a ciertas restricciones. |

- B.1.7 Identifique, en su caso, a los miembros del Consejo que asuman cargos de administradores o directivos en otras sociedades que formen parte del grupo de la sociedad cotizada:

| Nombre O Denominación Social Del Consejero | Denominación Social De La Entidad Del Grupo | Cargo |
|---|--|--|
| D. Luis Hernandez De Cabanyes | Renta Corporación Real Estate GO, S.L. | Representante Persona Física Del Administrador Único Renta Corporación |
| D. Luis Hernandez De Cabanyes | Renta Corporación Real Estate ON, S.A. | Representante Persona Física Del Administrador Único Renta Corporación |
| D. Luis Hernandez De Cabanyes | Renta Corporación Real Estate Finance, S.L. | Representante Persona Física Del Administrador Único Renta Corporación |
| D. Luis Hernandez De Cabanyes | Renta Corporación Real Estate RA, S.A. | Representante Persona Física Del Administrador Único Renta Corporación |
| D. Luis Hernandez De Cabanyes | Rc Real Estate Deutschland Gmbh | Administrador Solidario |
| D. Luis Hernandez De Cabanyes | Groupe Immobilier Renta Corporacion, S.A.S. | Presidente |
| D. Luis Hernandez De Cabanyes | Renta Properties (Uk) Limited | Presidente |
| D. Luis Hernandez De Cabanyes | Winterley Properties 3 Unlimited | Presidente |
| D. Luis Hernandez De Cabanyes | Renta Corporation | Presidente |
| D. Luis Hernandez De Cabanyes | Rc 1, Llc | Presidente |
| D. Luis Hernandez De Cabanyes | Rc II, Llc | Presidente |
| D. Luis Hernandez De Cabanyes | Rc III, Llc | Presidente |
| D. Luis Hernandez De Cabanyes | Rc IV, Llc | Presidente |
| D. Luis Hernandez De Cabanyes | Rc V, Llc | Presidente |
| D. Luis Hernandez De Cabanyes | Masella Oeste, S.L. | Consejero |
| D. César Bardají Vivancos | Groupe Immobilier Renta Corporacion, S.A.S. | Director General |
| D. César Bardají Vivancos | Renta Properties (Uk) Limited | Director |
| D. César Bardají Vivancos | Winterley Properties 3 Unlimited | Director |
| D. César Bardají Vivancos | Rc Real Estate Deutschland Gmbh | Administrador Solidario |
| D. César Bardají Vivancos | Renta Corporation | Director |

| | | |
|----------------------------|--|---------------------------|
| D. César Bardají Vivancos | Rc I Llc | Director |
| D. César Bardají Vivancos | Rc II, Llc | Director |
| D. César Bardají Vivancos | Rc III, Llc | Director |
| D. César Bardají Vivancos | Rc IV, Llc | Director |
| D. Ceésar Bardají Vivancos | Rc V, Llc | Director |
| D. Enric Venancio Fillat | Renta Corporacion Luxembourg, S.A.R.L. | Administrador Mancomunado |
| D. Enric Venancio Fillat | Tanit Corporation, S.A.R.L. | Administrador Mancomunado |
| D. Enric Venancio Fillat | Norfeu, S.A.R.L. | Administrador Mancomunado |
| D. Enric Venancio Fillat | Medas Corporation, S.A.R.L. | Administrador Mancomunado |
| D. Enric Venancio Fillat | Fedra S.A.R.L. | Administrador Mancomunado |

- B.1.8 Detalle, en su caso, los consejeros de su sociedad que sean miembros del Consejo de Administración de otras entidades cotizadas en mercados oficiales de valores en España distintas de su grupo, que hayan sido comunicadas a la sociedad:

| Nombre o denominación social del consejero | Denominación social de la entidad cotizada | Cargo |
|--|--|-------|
| | | |

- B.1.9 Indique y en su caso explique si la sociedad ha establecido reglas sobre el número de consejos de los que puedan formar parte sus consejeros:

| Sí | No <input checked="" type="checkbox"/> |
|----------------------------------|--|
| Explicación de las reglas | |
| | |

- B.1.10 En relación con la recomendación número 8 del Código Unificado, señale las políticas y estrategias generales de la sociedad que el Consejo en pleno se ha reservado aprobar:

| | Sí | No |
|--|-------------------------------------|----|
| La política de inversiones y financiación | <input checked="" type="checkbox"/> | |
| La definición de la estructura del grupo de sociedades | <input checked="" type="checkbox"/> | |
| La política de gobierno corporativo | <input checked="" type="checkbox"/> | |
| La política de responsabilidad social corporativa | <input checked="" type="checkbox"/> | |
| El Plan estratégico o de negocio, así como los objetivos de gestión y presupuesto anuales | <input checked="" type="checkbox"/> | |
| La política de retribuciones y evaluación del desempeño de los altos directivos | <input checked="" type="checkbox"/> | |
| La política de control y gestión de riesgos, así como el seguimiento periódico de los sistemas internos de información y control | <input checked="" type="checkbox"/> | |
| La política de dividendos, así como la de autocartera y, en especial, sus límites. | <input checked="" type="checkbox"/> | |

- B.1.11 Complete los siguientes cuadros respecto a la remuneración agregada de los consejeros devengada durante el ejercicio:

a) En la sociedad objeto del presente informe:

| Concepto retributivo | Datos en miles de euros |
|--|-------------------------|
| Retribución fija | .3 8 9 |
| Retribución variable | .6 1 8 |
| Dietas | |
| Atenciones Estatutarias | |
| Opciones sobre acciones y/u otros instrumentos financieros | |
| Otros | 1 3 2 |
| TOTAL: | .3 3 9 |

| Otros Beneficios | Datos en miles de euros |
|--|-------------------------|
| Anticipos | |
| Créditos concedidos | |
| Fondos y Planes de Pensiones: Aportaciones | |
| Fondos y Planes de Pensiones: Obligaciones contraídas | |
| Primas de seguros de vida | |
| Garantías constituidas por la sociedad a favor de los consejeros | |

b) Por la pertenencia de los consejeros de la sociedad a otros consejos de administración y/o a la alta dirección de sociedades del grupo:

| Concepto retributivo | Datos en miles de euros |
|--|-------------------------|
| Retribución fija | |
| Retribución variable | |
| Dietas | |
| Atenciones Estatutarias | |
| Opciones sobre acciones y/u otros instrumentos financieros | |
| Otros | |
| TOTAL: | |

| Otros Beneficios | Datos en miles de euros |
|--|-------------------------|
| Anticipos | |
| Créditos concedidos | |
| Fondos y Planes de Pensiones: Aportaciones | |
| Fondos y Planes de Pensiones: Obligaciones contraídas | |
| Primas de seguros de vida | |
| Garantías constituidas por la sociedad a favor de los consejeros | |

c) Remuneración total por tipología de consejero:

| Tipología consejeros | Por sociedad | Por grupo |
|-------------------------|--------------|-----------|
| Ejecutivos | | 3.995.650 |
| Externos Dominicales | | |
| Externos Independientes | | 192.150 |
| Otros Externos | | 151.200 |
| Total | | 4.339.000 |

d) Respecto al beneficio atribuido a la sociedad dominante:

| | |
|---|-----------|
| Remuneración total consejeros (en miles de euros) | 4.339.000 |
| Remuneración total consejeros/ beneficio atribuido a la sociedad dominante (expresado en %) | 12,26 |

B.1.12 Identifique a los miembros de la alta dirección que no sean a su vez consejeros ejecutivos, e indique la remuneración total devengada a su favor durante el ejercicio:

| Nombre o denominación social | Cargo |
|------------------------------|-------------------------------|
| D. Juan Velayos Lluis | Secretario General |
| D. David Vila Balta | Director De Adquisiciones |
| D. Javier Carrasco Brugada | Director Económico-Financiero |
| Dña. Margarita Cardona Tur | Auditor Interno |

| | |
|---|-------|
| Remuneración total alta dirección (en miles de euros) | 1.883 |
|---|-------|

B.1.13 Identifique de forma agregada si existen cláusulas de garantía o blindaje, para casos de despido o cambios de control a favor de los miembros de la alta dirección, incluyendo los consejeros ejecutivos, de la sociedad o de su grupo. Indique si estos contratos han de ser comunicados y/o aprobados por los órganos de la sociedad o de su grupo:

| | |
|-------------------------|---|
| Número de beneficiarios | 4 |
|-------------------------|---|

| Órgano que autoriza las cláusulas | Consejo de Administración | Junta General |
|-----------------------------------|---------------------------|---------------|
| | X | |

| | | |
|---|----|----|
| ¿Se informa a la Junta General sobre las cláusulas? | SÍ | NO |
|---|----|----|

B.1.14 Indique el proceso para establecer la remuneración de los miembros del Consejo de Administración y las cláusulas estatutarias relevantes al respecto:

| Proceso para establecer la remuneración de los miembros del Consejo de Administración y las cláusulas estatutarias |
|--|
| <p>En virtud del artículo 46 de los Estatutos Sociales:</p> <p>“Los miembros del Consejo de Administración percibirán, en cada ejercicio, una cantidad fija anual que determinará la Junta General para distribuir entre los consejeros. Esta cantidad deberá oscilar entre un mínimo del cero punto cinco por ciento (0,5%) y un máximo del cinco por ciento (5%) del beneficio neto de la Sociedad en el ejercicio inmediatamente precedente.</p> <p>La anterior cantidad establecida por la Junta General, mientras no sea modificada por ésta, se incrementará anualmente en función del Índice de Precios al Consumo.</p> <p>El Consejo fijará en cada ejercicio el importe concreto a percibir por cada uno de los miembros del mismo, pudiendo graduar la cantidad a percibir por cada uno de ellos en función de su pertenencia o no a órganos delegados del Consejo, los cargos que ocupe en el mismo, o en general, su dedicación a las tareas de administración o al servicio de la Sociedad.</p> <p>Asimismo, los Consejeros podrán ser retribuidos con la entrega de acciones de la Sociedad o de otra compañía del grupo al que pertenezca, de opciones sobre las mismas o de instrumentos vinculados a su cotización. Cuando se refiera a acciones de la Sociedad, esta retribución deberá ser acordada por la Junta General de accionistas. El acuerdo expresará, en su caso, el número de acciones a entregar, el precio de ejercicio de los derechos de opción, el valor de las acciones que se tome como referencia y el plazo de duración de esta forma de retribución.</p> <p>La Sociedad está autorizada para contratar un seguro de responsabilidad civil para sus consejeros.</p> <p>La remuneración prevista en este artículo será compatible e independiente de los sueldos, retribuciones, indemnizaciones, pensiones, aportaciones a sistemas de previsión social,</p> |

seguros de vida, entregas de acciones o de opciones sobre acciones o compensaciones de cualquier clase, establecidos con carácter general o singular para aquellos miembros del Consejo de Administración que cumplan funciones ejecutivas, cualquiera que sea la naturaleza de su relación con la Sociedad, ya laboral -común o especial de alta dirección-, mercantil o de prestación de servicios, relaciones que serán compatibles con la condición de miembros del Consejo de Administración.”

A su vez, el Reglamento del Consejo de Administración, en su artículo 25 establece lo siguiente:

1. Los consejeros y miembros del Comité de Auditoría y de la Comisión de Nombramientos y Retribuciones tendrán derecho a obtener la retribución que se fije con arreglo a las previsiones estatutarias. En particular los miembros del Consejo de Administración percibirán, en cada ejercicio, una cantidad fija que determinará la Junta General y que deberá oscilar entre un mínimo del cero punto cinco por ciento (0,5%) y un máximo del cinco por ciento (5%) del beneficio neto de la Sociedad en el ejercicio inmediatamente precedente.
2. La anterior cantidad establecida por la Junta General, mientras no sea modificada por ésta, se incrementará anualmente en función del Índice de Precios al Consumo.

El Consejo fijará en cada ejercicio el importe concreto a percibir por cada uno de los miembros del mismo, pudiendo graduar la cantidad a percibir por cada uno de ellos en función de su pertenencia o no a órganos delegados del Consejo, los cargos que ocupe en el mismo, o en general, su dedicación a las tareas de administración o al servicio de la Sociedad.

En este sentido, el Consejo deberá aprobar la política de retribuciones que deberá pronunciarse como mínimo sobre las siguientes cuestiones:

- a) Importe de los componentes fijos, con desglose, en su caso, de las dietas por participación en el Consejo y sus Comisiones y una estimación de la retribución fija anual a la que den origen;
- b) Conceptos retributivos de carácter variable, incluyendo, en particular, (i) clases de consejeros a los que se apliquen, así como explicación de la importancia relativa de los conceptos retributivos variables respecto a los fijos; (ii) criterios de evaluación de resultados en los que se base cualquier derecho a una remuneración en acciones, opciones sobre acciones o cualquier componente variable; (iii) parámetros fundamentales y fundamento de cualquier sistema de primas anuales (bonus) o de otros beneficios no satisfechos en efectivo; y (iv) una estimación del importe absoluto de las retribuciones variables a las que dará origen el plan retributivo propuesto, en función del grado de cumplimiento de las hipótesis u objetivos que tome como referencia.
- c) Principales características de los sistemas de previsión, con una estimación de su importe o coste anual equivalente.
- d) Condiciones que deberán respetar los contratos de quienes ejerzan funciones de alta dirección como consejeros ejecutivos, entre las que se incluirán: (i) duración; (ii) plazos de preaviso; y (iii) cualesquier otras cláusulas relativas a primas de contratación, así como indemnizaciones o blindajes por resolución anticipada o terminación de la relación contractual entre la Sociedad y el consejero ejecutivo.

En caso de que se acuerden retribuciones variables, la política retributiva incorporará las cautelas técnicas precisas para asegurar que tales retribuciones guardan relación con el desempeño profesional de sus beneficiarios y no derivan simplemente de la evolución general de los mercados o del sector de actividad de la Sociedad o de otras circunstancias similares.

3. En particular, el Consejo de Administración adoptará todas las medidas que estén a su alcance para asegurar que la retribución de los consejeros externos, incluyendo la que en su caso perciban como miembros de las Comisiones, se ajuste a las siguientes directrices:
 - a) La remuneración del consejero externo deberá ser la necesaria para retribuir su dedicación efectiva, cualificación y responsabilidad que el cargo exija, pero no ser tan elevada como para comprometer su independencia.
 - b) El consejero externo debe quedar excluido de los sistemas de previsión financiados por la Sociedad para los supuestos de cese, fallecimiento o cualquier otro.

| | |
|-----|--|
| | |
| 4. | La retribución del cargo de administrador se entiende sin perjuicio de las cantidades que adicionalmente pueda percibir como honorarios, o salarios en razón de la prestación de servicios profesionales o de vinculación laboral, según sea el caso. |
| 5. | En todo caso, el Consejo procurará que las retribuciones sean moderadas en función de las exigencias del mercado. |
| 6. | Las remuneraciones que hubieren sido fijadas conforme a los resultados de la Sociedad tomarán en cuenta las eventuales salvedades que consten en el informe del auditor externo y minorarán dichos resultados. |
| 7. | Asimismo, los consejeros ejecutivos podrán ser retribuidos con la entrega de acciones de la Sociedad o de otra compañía del grupo al que pertenezca, de opciones sobre las mismas o de instrumentos referenciados al valor de la acción, retribuciones variables ligadas al rendimiento de la Sociedad o sistemas de previsión social. Cuando se refiera a acciones de la Sociedad o a instrumentos referenciados a la cotización de las mismas, esta retribución deberá ser acordada por la Junta General de accionistas. El acuerdo expresará, en su caso, el número de acciones a entregar, el precio de ejercicio de los derechos de opción, el valor de las acciones que se tome como referencia y el plazo de duración de esta forma de retribución. |
| 8. | La retribución mediante entrega de acciones antes prevista podrá extenderse a consejeros distintos de los ejecutivos siempre que dicha retribución se condicione a que los consejeros mantengan las acciones hasta su cese como consejero. |
| 9. | La Sociedad está autorizada para contratar un seguro de responsabilidad civil para sus consejeros. |
| 10. | El Consejo someterá a votación de la Junta General de Accionistas, como punto separado del orden del día, y con carácter consultivo, un informe sobre la política de retribuciones de los consejeros. Dicho informe se pondrá a disposición de los accionistas, ya sea de forma separada o de cualquier otra forma que la Sociedad considere conveniente. El referido informe se centrará especialmente en la política de retribuciones aprobada por el Consejo para el año ya en curso, así como, en su caso, la prevista para los años futuros. Abordará todas las cuestiones sobre las que debe pronunciarse la política de retribuciones aprobada por el Consejo, salvo aquellos extremos que puedan suponer la revelación de información comercial sensible. Hará hincapié en los cambios más significativos de tales políticas sobre la aplicada durante el ejercicio pasado al que se refiera la Junta General e incluirá un resumen global de cómo se aplicó la política de retribuciones en dicho ejercicio pasado. Asimismo, el Consejo informará del papel desempeñado por la Comisión de Nombramientos y Retribuciones en la elaboración de la política de retribuciones y, si hubiera utilizado asesoramiento externo, de la identidad de los consultores externos que lo hubieran prestado. |
| | El Consejo de Administración evaluará la conveniencia de detallar en la Memoria de la Sociedad toda o parte de la información relativa a las retribuciones individuales de los consejeros durante el ejercicio, de conformidad con las recomendaciones de gobierno corporativo aplicables en cada momento. |

Señale si el Consejo en pleno se ha reservado la aprobación de las siguientes decisiones:

| | Sí | No |
|---|----|----|
| A propuesta del primer ejecutivo de la compañía, el nombramiento y eventual cese de los altos directivos, así como sus cláusulas de indemnización. | X | |
| La retribución de los consejeros, así como, en el caso de los ejecutivos, la retribución adicional por sus funciones ejecutivas y demás condiciones que deban respetar sus contratos. | X | |

B.1.15 Indique si el Consejo de Administración aprueba una detallada política de retribuciones y especifique las cuestiones sobre las que se pronuncia:

Sí X

No

| | Sí | No |
|--|----|----|
| Importe de los componentes fijos, con desglose, en su caso, de las dietas por participación en el Consejo y sus Comisiones y una estimación de la retribución fija anual a la que den origen | X | |
| Conceptos retributivos de carácter variable | X | |
| Principales características de los sistemas de previsión, con una estimación de su importe o coste anual equivalente. | X | |
| Condiciones que deberán respetar los contratos de quienes ejerzan funciones de alta dirección como consejeros ejecutivos | X | |

- B.1.16 Indique si el Consejo somete a votación de la Junta General, como punto separado del orden del día, y con carácter consultivo, un informe sobre la política de retribuciones de los consejeros. En su caso, explique los aspectos del informe respecto a la política de retribuciones aprobada por el Consejo para los años futuros, los cambios más significativos de tales políticas sobre la aplicada durante el ejercicio y un resumen global de cómo se aplicó la política de retribuciones en el ejercicio. Detalle el papel desempeñado por la Comisión de Retribuciones y si han utilizado asesoramiento externo, la identidad de los consultores externos que lo hayan prestado:

| Sí | No X |
|--|------|
| Cuestiones sobre las que se pronuncia el informe sobre la política de retribuciones | |
| | |
| Papel desempeñado por la Comisión de Retribuciones | |
| | |
| ¿Ha utilizado asesoramiento externo? | Sí |
| Identidad de los consultores externos | No |

- B.1.17 Indique, en su caso, la identidad de los miembros del Consejo que sean, a su vez, miembros del Consejo de Administración, directivos o empleados de sociedades que ostenten participaciones significativas en la sociedad cotizada y/o en entidades de su grupo:

| Nombre o denominación social del consejero | Denominación social del accionista significativo | Cargo |
|--|--|--------------------------|
| D. Luis Hernandez De Cabanyes | Dinomen, S.L. | Administrador Unico |
| D. Luis Hernandez De Cabanyes | Aurodoc 75, S.L. | Administrador Unico |
| D. Luis Hernandez De Cabanyes | Toga 20, S.L. | Administrador Unico |
| D. Luis Hernandez De Cabanyes | Finanting 2001, S.L. | Administrador Unico |
| D. Luis Hernandez De Cabanyes | Sdeegtuters, S.L. | Administrador Unico |
| Doña Esther Gimenez Arribas | Anpol Capital, S.L. | Administradora Solidaria |

Detalle, en su caso, las relaciones relevantes distintas de las contempladas en el epígrafe anterior, de los miembros del Consejo de Administración que les vinculen con los accionistas significativos y/o en entidades de su grupo:

| Nombre o denominación social del consejero vinculado | Nombre o denominación social del accionista significativo vinculado | Descripción relación |
|--|---|--|
| D. Luis Hernandez de Cabanyes | Dinomen, S.L. | D. Luis Hernández De Cabanyes Es Titular Directo Del 44,44% Del Capital Social Y Titular |

| | | |
|-------------------------------|----------------------|--|
| | | Indirecto Del 17,60%. |
| D. Luis Hernandez de Cabanyes | Aurodoc 75, S.L. | D. Luis Hernández De Cabanyes Es Titular Directo Del 36,13% Del Capital Social Y Titular Indirecto Del 14,76%. |
| D. Luis Hernandez de Cabanyes | Toga 20, S.L. | D. Luis Hernández De Cabanyes Es Titular Directo Del 43,15% Del Capital Social Y Titular Indirecto Del 20%. |
| D. Luis Hernandez de Cabanyes | Finanting 2001, S.L. | D. Luis Hernández De Cabanyes Es Titular Directo Del 43,15% Del Capital Social Y Titular Indirecto Del 20%. |
| D. Luis Hernandez de Cabanyes | Sdeegtuters, S.L. | D. Luis Hernández De Cabanyes Es Titular Directo Del 43,15% Del Capital Social Y Titular Indirecto Del 20%. |
| Doña Esther Gimenez Arribas | Anpol Capital, S.L. | Doña Esther Gimenez Arribas Es Titular Del 48,387 % Del Capital Social |

B.1.18 Indique, si se ha producido durante el ejercicio alguna modificación en el reglamento del consejo:

Sí X No

| Descripción modificaciones |
|---|
| En la Junta General de fecha 29 de marzo de 2007 se tomaron en conocimiento las modificaciones efectuadas en el Reglamento del Consejo de Administración de los artículos 5 a 7, 10 y 11, 13 a 18, 21, 23 a 26, 34, 35 y 39. Las modificaciones, aprobadas por el Consejo de Administración en su reunión del día 21 de febrero de 2007, se realizaron con la finalidad de adaptar su contenido al Código Unificado de Buen Gobierno “Código Conthe”. |

B.1.19 Indique los procedimientos de nombramiento, reelección, evaluación y remoción de los consejeros. Detalle los órganos competentes, los trámites a seguir y los criterios a emplear en cada uno de los procedimientos.

Los artículos 17 a 22 del Reglamento del Consejo de Administración regulan la designación y el cese de los consejeros de Renta Corporación.

Nombramiento de consejeros

1. Los consejeros serán designados, previo informe de la Comisión de Nombramientos y Retribuciones, por la Junta General o por el Consejo de Administración de conformidad con las previsiones contenidas en la Ley de Sociedades Anónimas.
2. En el momento de nombramiento de un nuevo consejero, el mismo deberá seguir el programa de orientación para nuevos consejeros establecido por la Sociedad, con el fin de que pueda adquirir un conocimiento rápido y suficiente de la Sociedad, así como de sus reglas de gobierno corporativo.

Asimismo, los consejeros deberán seguir los programas de actualización de conocimientos establecidos por la Sociedad cuando las circunstancias lo aconsejen.

Designación de Consejeros externos

El Consejo de Administración procurará que la elección de candidatos recaiga sobre personas de reconocida solvencia, competencia y experiencia, debiendo extremar el rigor en relación con aquéllas llamadas a cubrir los puestos de consejero independiente en los términos previstos en el artículo 6 de este Reglamento.

Reelección de Consejeros

El Consejo de Administración, antes de proponer la reelección de Consejeros a la Junta General, evaluará, con abstención de los sujetos afectados, según lo previsto en el artículo 22.1, la calidad del trabajo y la dedicación al cargo de los Consejeros propuestos durante el mandato precedente.

Duración del cargo

1. Los consejeros ejercerán su cargo durante el plazo establecido al efecto por la Junta General, que deberá ser igual para todos ellos y no podrá exceder de seis años, al término de los cuales podrán ser reelegidos una o más veces por períodos de igual duración máxima.
2. El nombramiento de los administradores caducará cuando, vencido el plazo, se haya celebrado la Junta General siguiente o hubiese transcurrido el término legal para la celebración de la junta que deba resolver sobre la aprobación de cuentas del ejercicio anterior.
3. Los consejeros designados por cooptación deberán ver ratificado su cargo en la fecha de reunión de la primera Junta General.
4. El Consejero que termine su mandato o por cualquier otra causa cese en el desempeño de su cargo no podrá ser consejero ni ocupar cargos directivos en otra entidad que tenga un objeto social análogo al de la Sociedad durante el plazo de dos años.

El Consejo de Administración, si lo considera oportuno, podrá dispensar al consejero saliente de esta obligación o acortar el período de su duración.

Cese de Consejeros

1. Los consejeros cesarán en el cargo cuando haya transcurrido el período para el que fueron nombrados y cuando lo decida la Junta General en uso de las atribuciones que tiene conferidas legal o estatutariamente.
2. Los consejeros deberán poner su cargo a disposición del Consejo de Administración y formalizar, si éste lo considera conveniente, la correspondiente dimisión en los siguientes casos:
 - a) Cuando cesen en los puestos ejecutivos a los que estuviere asociado su nombramiento como consejero.
 - b) Cuando se vean incursos en alguno de los supuestos de incompatibilidad o prohibición legalmente previstos.
 - c) Cuando resulten gravemente amonestados por el Consejo de Administración por haber infringido sus obligaciones como consejeros.
 - d) Cuando su permanencia en el Consejo pueda poner en riesgo o perjudicar los intereses, el crédito o la reputación de la Sociedad o cuando desaparezcan las razones por las que fueron nombrados (por ejemplo, cuando un consejero dominical se deshace de su participación en la Sociedad).
 - e) En el caso de los consejeros independientes éstos no podrán permanecer como tales durante un período continuado superior a 12 años, por lo que transcurrido dicho plazo, deberán poner su cargo a disposición del Consejo de Administración y formalizar la correspondiente dimisión.
 - f) En el caso de los consejeros dominicales (i) cuando el accionista a quien representen venda íntegramente su participación accionarial y; asimismo (ii) en el número que corresponda, cuando dicho accionista rebaje su participación accionarial hasta un nivel que exija la reducción del número de consejeros dominicales.
3. En el caso de que, por dimisión o por cualquier otro motivo, un consejero cese en su cargo antes del término de su mandato, deberá explicar las razones en una carta que remitirá a todos los miembros del Consejo.

El Consejo de Administración únicamente podrá proponer el cese de un consejero independiente antes del transcurso del plazo estatutario cuando concurra justa causa, apreciada por el Consejo previo informe de la Comisión de Nombramientos y Retribuciones. En particular, se entenderá que existe justa causa cuando el consejero hubiera incumplido los deberes inherentes a su cargo o hubiese incurrido de forma sobrevenida en alguna de las circunstancias impeditivas descritas en la definición de consejero independiente que se establezca en las recomendaciones de buen gobierno corporativo aplicables en cada momento.

Objetividad y secreto de las votaciones

1. De conformidad con lo previsto en el artículo 29 de este Reglamento, los consejeros afectados por propuestas de nombramiento, reelección o cese se abstendrán de intervenir en las deliberaciones y votaciones que traten de ellas.
2. Todas las votaciones del Consejo de Administración que versen sobre el nombramiento, reelección o cese de consejeros serán secretas.

B.1.20 Indique los supuestos en los que están obligados a dimitir los consejeros.

Los consejeros deberán poner su cargo a disposición del Consejo de Administración y formalizar, si éste lo considera conveniente, la correspondiente dimisión en los siguientes casos: (i) cuando cesen en los puestos ejecutivos a los que estuviere asociado su nombramiento como consejero; (ii) cuando se vean incursos en alguno de los supuestos de incompatibilidad o prohibición legalmente previstos; (iii) cuando resulten gravemente amonestados por el Consejo de Administración por haber infringido sus obligaciones como consejeros, (iv) cuando su permanencia en el Consejo pueda poner en riesgo los intereses de la Sociedad o cuando desaparezcan las razones por las que fueron nombrados (por ej., cuando un consejero dominical se deshace de su participación en la Sociedad), (v), en el caso de los consejeros independientes éstos no podrán permanecer como tales durante un período continuado superior a 12 años, por lo que transcurrido dicho plazo, deberán poner su cargo a disposición del Consejo de Administración y formalizar la correspondiente dimisión, y (vi) en el caso de los consejeros dominicales (i) cuando el accionista a quien representen venda íntegramente su participación accionarial y; asimismo (ii) en el número que corresponda, cuando dicho accionista rebaje su participación accionarial hasta un nivel que exija la reducción del número de consejeros dominicales.

Por su parte, el artículo 39 de los Estatutos Sociales de Renta Corporación, establece que el Consejero que termine su mandato o por cualquier otra causa cese en el desempeño de su cargo no podrá ser consejero ni ocupar cargos directivos en otra entidad que tenga un objeto social análogo al de la Sociedad durante el plazo de dos años. El Consejo de Administración, si lo considera oportuno, podrá dispensar al consejero saliente de esta obligación o acortar el período de su duración.

B.1.21 Explique si la función de primer ejecutivo de la sociedad recae en el cargo de presidente del Consejo. En su caso, indique las medidas que se han tomado para limitar los riesgos de acumulación de poderes en una única persona:

Sí X No

| Medidas para limitar riesgos |
|---|
| No existe riesgo de concentración de poderes. La relación de facultades que corresponden al Consejo de Administración, al Comité de Auditoría y a la Comisión de Nombramientos y Retribuciones son medidas adecuadas para limitar los riesgos de acumulación de poderes en una sola persona. Asimismo, el Presidente y primer ejecutivo de la Sociedad ejerce sus responsabilidades asistido por el primer nivel directivo, en particular, por la Vicepresidenta y el Consejero Delegado, además del Director General de Operaciones, el Secretario General, el Director de Adquisiciones y el Director Económico-Financiero, lo que evita el riesgo de acumulación de poderes en su persona. |

Indique y en su caso explique si se han establecido reglas que facultan a uno de los consejeros independientes para solicitar la convocatoria del Consejo o la inclusión de nuevos puntos en el orden del día, para coordinar y hacerse eco de las preocupaciones de los consejeros externos y para dirigir la evaluación por el Consejo de Administración

Sí No X

| |
|----------------------------------|
| Explicación de las reglas |
| |

- B.1.22 ¿Se exigen mayorías reforzadas, distintas de las legales, en algún tipo de decisión?:

Sí No X

Indique cómo se adoptan los acuerdos en el Consejo de Administración, señalando al menos, el mínimo quórum de asistencia y el tipo de mayorías para adoptar los acuerdos:

| Adopción de acuerdos | | |
|--------------------------------|--|---|
| Descripción del acuerdo | Quórum | Tipo de Mayoría |
| Cualquier tipo de acuerdo | El Consejo quedará válidamente constituido cuando concurran al menos la mitad más uno de sus miembros, presentes o representados | Salvo en los casos en que la Ley o los estatutos específicamente establezcan otros quórum de votación, los acuerdos se adoptarán por mayoría de los asistentes a la reunión. En caso de empate en las votaciones, el voto del Presidente será dirimiente. |

- B.1.23 Explique si existen requisitos específicos, distintos de los relativos a los consejeros, para ser nombrado presidente.

Sí No X

| |
|--------------------------------------|
| Descripción de los requisitos |
| |

- B.1.24 Indique si el presidente tiene voto de calidad:

Sí X No

| Materias en las que existe voto de calidad |
|---|
| El voto dirimiente del Presidente operará siempre que exista un empate en cualquier votación. |

- B.1.25 Indique si los estatutos o el reglamento del Consejo establecen algún límite a la edad de los consejeros:

Sí No X

Edad límite presidente ◊

Edad límite consejero delegado ◊ Edad límite consejero ◊

- B.1.26 Indique si los estatutos o el reglamento del Consejo establecen un mandato limitado para los consejeros independientes:

Sí X No

| | |
|----------------------------------|----|
| Número máximo de años de mandato | 12 |
|----------------------------------|----|

- B.1.27 En el caso de que sea escaso o nulo el número de consejeras, explique los motivos y las iniciativas adoptadas para corregir tal situación.

| |
|--|
| Explicación de los motivos y de las iniciativas |
| |

En particular, indique si la Comisión de Nombramientos y Retribuciones ha establecido procedimientos para que los procesos de selección no adolezcan de sesgos implícitos que obstaculicen la selección de consejeras, y busque deliberadamente candidatas que reúnan el perfil exigido:

Sí No **X**

| |
|--|
| Señale los principales procedimientos |
| |

- B.1.28 Indique si existen procesos formales para la delegación de votos en el Consejo de Administración. En su caso, detállelos brevemente.

A 31 de diciembre de 2007 no existen procesos formales para la delegación de votos en el Consejo de Administración. Tales procesos deberán ajustarse a lo previsto en la legislación vigente.

No obstante, el artículo 16 del Reglamento del Consejo de la Sociedad dispone que los consejeros harán todo lo posible para acudir a las sesiones del Consejo y, cuando no puedan hacerlo personalmente, procurarán otorgar su representación por escrito a otro miembro del Consejo incluyendo las oportunas instrucciones y comunicándolo al Presidente del Consejo de Administración.

- B.1.29 Indique el número de reuniones que ha mantenido el Consejo de Administración durante el ejercicio. Asimismo, señale, en su caso, las veces que se ha reunido el Consejo sin la asistencia de su Presidente:

| | |
|--|---|
| Número de reuniones del Consejo | 8 |
| Número de reuniones del Consejo sin la asistencia del Presidente | 0 |

Indique el número de reuniones que han mantenido en el ejercicio las distintas comisiones del Consejo:

| | |
|---|---|
| Número de reuniones de la Comisión ejecutiva o delegada | - |
| Número de reuniones del Comité de auditoría | 6 |
| Número de reuniones de la Comisión de nombramientos y retribuciones | 6 |
| Número de reuniones de la Comisión de nombramientos | - |
| Número de reuniones de la Comisión retribuciones | - |

- B.1.30 Indique el número de reuniones que ha mantenido el Consejo de Administración durante el ejercicio sin la asistencia de todos sus miembros. En el cómputo se considerarán no asistencias las representaciones realizadas sin instrucciones específicas:

| | |
|--|----|
| Número de no asistencias de consejeros durante el ejercicio | 1 |
| % de no asistencias sobre el total de votos durante el ejercicio | 1% |

- B.1.31 Indique si las cuentas anuales individuales y consolidadas que se presentan para su aprobación al Consejo están previamente certificadas:

Sí X

No

Identifique, en su caso, a la/s persona/s que ha o han certificado las cuentas anuales individuales y consolidadas de la sociedad, para su formulación por el Consejo:

| Nombre | Cargo |
|----------------------------|-------------------------------|
| D. César Bardají Vivancos | Consejero Delegado |
| D. Javier Carrasco Brugada | Director Económico-Financiero |

- B.1.32 Explique, si los hubiera, los mecanismos establecidos por el Consejo de Administración para evitar que las cuentas individuales y consolidadas por él formuladas se presenten en la Junta General con salvedades en el informe de auditoría.

El artículo 39.3 del Reglamento del Consejo de Administración establece que el Consejo procurará formular definitivamente las cuentas de manera tal que no haya lugar a salvedades por parte del auditor. Asimismo, dispone que, cuando el Consejo considere que debe mantener su criterio, explicará públicamente el contenido y el alcance de la discrepancia.

Por otro lado, el mismo artículo establece que, con el fin de evitar que las cuentas se presenten en la Junta General con salvedades, con carácter previo a dicha formulación, el Comité de Auditoría:

- a) Conoce del proceso de información financiera y los sistemas de control interno de la Sociedad, comprueba la adecuación e integridad de los mismos y revisa la designación o sustitución de sus responsables.
- b) Supervisa los sistemas de auditoría interna.
- c) Revisa las cuentas anuales y la información financiera periódica de la Sociedad velando por el cumplimiento de los requerimientos legales y la correcta aplicación de los principios de contabilidad generalmente aceptados, contando para ello con la colaboración directa de los auditores externos e internos.
- d) Lleva las relaciones con los auditores externos para recibir información sobre aquellas cuestiones relacionadas con el proceso de desarrollo de la auditoría de cuentas, así como aquellas otras comunicaciones previstas en la legislación de auditoría de cuentas y en las normas técnicas de auditoría.

Asimismo, el Comité de Auditoría se reúne, de ordinario, trimestralmente, a fin de revisar la información financiera periódica que haya de remitirse a las autoridades bursátiles así como la información que el Consejo de Administración ha de aprobar e incluir dentro de su documentación pública anual.

Se hace constar que los informes de auditoría de las cuentas anuales individuales y consolidadas de Renta Corporación no han presentado hasta la fecha salvedad alguna.

- B.1.33 ¿El secretario del Consejo tiene la condición de consejero?

Sí

No X

- B.1.34 Explique los procedimientos de nombramiento y cese del Secretario del Consejo, indicando si su nombramiento y cese han sido informados por la Comisión de Nombramientos y aprobados por el pleno del Consejo.

| Procedimiento de nombramiento y cese |
|--|
| El artículo 10 del Reglamento del Consejo de Administración prevé que el nombramiento del Secretario del Consejo de Administración sea aprobado por el propio Consejo a propuesta de la Comisión de Nombramientos y Retribuciones. La figura del Secretario podrá recaer en alguno de sus miembros o bien en persona ajena al Consejo con aptitud para desempeñar las funciones propias de dicho cargo. En caso de que el Secretario del Consejo de Administración no reúna la cualidad de Consejero, éste tendrá voz pero no voto. |

| | Sí | No |
|---|----|----|
| <u>La Comisión de Nombramientos informa del nombramiento?</u> | X | |
| <u>La Comisión de Nombramientos informa del cese?</u> | X | |

| | | |
|---|---|--|
| ¿El Consejo en pleno aprueba el nombramiento? | X | |
| ¿El Consejo en pleno aprueba el cese? | X | |

¿Tiene el secretario del Consejo encomendada la función de velar, de forma especial, por las recomendaciones de buen gobierno?

Sí X No

| Observaciones |
|--|
| Está función le corresponde según el artículo 10.3 del Reglamento del Consejo de Administración. |

- B.1.35 Indique, si los hubiera, los mecanismos establecidos por la sociedad para preservar la independencia del auditor, de los analistas financieros, de los bancos de inversión y de las agencias de calificación.

El artículo 39 del Reglamento del Consejo establece que el Comité de Auditoría, se abstendrá de proponer al Consejo de Administración, y éste a su vez se abstendrá de someter a la Junta, el nombramiento como auditor de cuentas de la Sociedad de cualquier firma de auditoría que se encuentre incursa en causa de incompatibilidad conforme a la legislación sobre auditoría de cuentas, así como de aquellas firmas en las que los honorarios que prevea satisfacerle la Sociedad, por todos los conceptos, sean superiores al cinco por ciento de sus ingresos totales durante el último ejercicio.

El Consejo de Administración informará públicamente de los honorarios globales que ha satisfecho la Sociedad a la firma auditora tanto por servicios de auditoría como por servicios distintos a aquellos.

El Comité de Auditoría es, por tanto, el encargado de las relaciones con los auditores externos de la Sociedad, recibiendo información sobre las cuestiones que puedan poner en riesgo la independencia de éstos y cualesquiera otras relacionadas con el proceso de desarrollo de la auditoría de cuentas, así como aquéllas otras comunicaciones previstas en la legislación de auditoría de cuentas y en las normas técnicas de auditoría (artículo 48 de los Estatutos Sociales y artículo 13 del Reglamento del Consejo de Administración).

Por otro lado, el artículo 38 del Reglamento del Consejo regula las relaciones de la Sociedad con los mercados en general y por tanto con los analistas financieros y bancos de inversión, entre otros, con los que la relación de Renta Corporación se fundamenta en los principios de transparencia y de no discriminación. La Sociedad coordina el trato con ellos, gestionando tanto sus peticiones de información como las de inversores institucionales o particulares. En cuanto a las agencias de calificación, la Sociedad no es objeto de calificación crediticia.

- B.1.36 Indique si durante el ejercicio la Sociedad ha cambiado de auditor externo. En su caso identifique al auditor entrante y saliente:

Sí No X

| Auditor saliente | Auditor entrante |
|-------------------------|-------------------------|
| | |

En el caso de que hubieran existido desacuerdos con el auditor saliente, explique el contenido de los mismos:

Sí | No |

| Explicación de los desacuerdos |
|---------------------------------------|
| |

- B.1.37 Indique si la firma de auditoría realiza otros trabajos para la sociedad y/o su grupo distintos de los de auditoría y en ese caso declare el importe de los honorarios recibidos por dichos trabajos y el porcentaje que supone sobre los honorarios facturados a la sociedad y/o su grupo:

Sí | No |

| | Sociedad | Grupo | Total |
|--|----------|-------|-------|
| Importe de otros trabajos distintos de los de auditoría (miles de euros) | 35 | 90 | 125 |
| Importe trabajos distintos de los de auditoría / Importe total facturado por la firma de auditoría (en %) | 35 % | 44 % | 41 % |

- B.1.38 Indique si el informe de auditoría de las Cuentas Anuales del ejercicio anterior presenta reservas o salvedades. En su caso, indique las razones dadas por el Presidente del Comité de Auditoría para explicar el contenido y alcance de dichas reservas o salvedades.

Sí No X

| Explicación de las razones |
|----------------------------|
| |

- B.1.39 Indique el número de años que la firma actual de auditoría lleva de forma ininterrumpida realizando la auditoría de las cuentas anuales de la sociedad y/o su grupo. Asimismo, indique el porcentaje que representa el número de años auditados por la actual firma de auditoría sobre el número total de años en los que las cuentas anuales han sido auditadas:

| | Sociedad | Grupo |
|---|----------|-------|
| Número de años ininterrumpidos | 5 | 8 |
| Nº de años auditados por la firma actual de auditoría / Nº de años que la sociedad ha sido auditada (en %) | 100 % | 100 % |

- B.1.40 Indique las participaciones de los miembros del Consejo de Administración de la sociedad en el capital de entidades que tengan el mismo, análogo o complementario género de actividad del que constituya el objeto social, tanto de la sociedad como de su grupo, y que hayan sido comunicadas a la sociedad. Asimismo, indique los cargos o funciones que en estas sociedades ejerzan:

| Nombre o denominación social del consejero | Denominación de la sociedad objeto | % participación | Cargo o funciones |
|--|------------------------------------|-----------------|--------------------------|
| D. Luis Hernandez de Cabanyes | Second House, S.A. | 47,5% | -- |
| D. Luis Hernandez de Cabanyes | Finanting 2001, S.L. | 63,15% | Administrador Único |
| D. Luis Hernandez de Cabanyes | Aurodoc 75, S.L. | 50,89% | Administrador Único |
| D. Luis Hernandez de Cabanyes | Toga 20, S.L. | 63,15% | Administrador Único |
| D. Luis Hernandez de Cabanyes | Sdeegtuters, S.L. | 63,15% | Administrador Único |
| D. Luis Hernandez de Cabanyes | Dinomen, S.L. | 62,04% | Administrador Único |
| D. Luis Hernandez de Cabanyes | Alderamin Star, S.L. | 62,04% | Administrador Único |
| D. Luis Hernandez de Cabanyes | Mixta África, S.A. | 18,11 % | Presidente |
| Doña Anna M. Birulés Bertran | Second House, S.A. | 1,5% | -- |
| Doña Anna M. Birulés Bertran | Mixta África, S.A. | 0,27% | -- |
| Don Enric Venancio Fillat | Mixta África, S.A. | 0,08% | -- |
| Doña Esther Giménez Arribas | Second House, S.A. | 4,13% | -- |
| Doña Esther Giménez Arribas | Anpol Capital, S.L. | 48,387% | Administradora Solidaria |

| | | | |
|---|---|--|--|
| Doña Esther Giménez Arribas | Mixta África, S.A. | 0,18% | Representante Persona Física Del Consejero Fundación Privada Renta |
| Doña Esther Giménez Arribas | Tizzano Novara, S.L. | 50% | Administradora Solidaria |
| Doña Esther Giménez Arribas | Tracenlit World, S.L. | 50% A Través De Tizzano Novara, S.L. | -- |
| Doña Elena Hernández de Cabanyes | Second House, S.A. | 3,66% | Administradora Única Y Directora General |
| D. ^a Elena Hernández de Cabanyes | Mixta África, S.A. | 1,08% | -- |
| D. ^a Elena Hernández de Cabanyes | Promotora De Industrias Gráficas, S.A. | 5% | -- |
| D. ^a Elena Hernández de Cabanyes | Iglu Verde, S.L. | 50 % | Administradora Solidaria |
| D. ^a Elena Hernández de Cabanyes | Inmo Ercina, S.L. | 50% | Administradora Solidaria |
| D. ^a Elena Hernández de Cabanyes | Aurodoc 75, S.L. | 18,22% | -- |
| D. Carlos Tusquets Trias De Bes | Life Marina Ibiza, S.L. | 6,54% A Través De Tusquets Consultores, S.L. | Consejero |
| D. César A. Gibernau Ausió | Second House, S.A. | 1,05% | -- |
| D. César A. Gibernau Ausió | Mixta África, S.A. | 0,27% | Secretario No Consejero |
| D. César A. Gibernau Ausió | Charceboy, S.L. | 10,91% | |
| D. César A. Gibernau Ausió | Gp Consulting | 18,70% Indirecta | Apoderado General |
| D. Juan Gallostra Isern | Grupo Jg Ingenieros Consultores De Proyectos, S.A | 5,78% | Consejero Delegado |

B.1.41 Indique y en su caso detalle si existe un procedimiento para que los consejeros puedan contar con asesoramiento externo:

Sí X No

| Detalle el procedimiento |
|--|
| El Reglamento del Consejo de Administración (artículos 23 y 24) en el que se regula la información del consejero, establece lo siguiente: |
| <p>Artículo 23.- Facultades de información e inspección</p> <ol style="list-style-type: none"> 1. El consejero podrá solicitar información sobre cualquier asunto de la competencia del Consejo y, en este sentido, examinar sus libros, registros, documentos y demás documentación. El derecho de información se extiende a las sociedades participadas siempre que ello fuera posible. 2. La petición de información deberá dirigirse al Secretario del Consejo de Administración, quien la hará llegar al Presidente del Consejo de Administración y al interlocutor apropiado que proceda en la Sociedad. 3. El Secretario advertirá al consejero del carácter confidencial de la información que solicita y recibe y de su deber de confidencialidad de acuerdo con lo previsto en el presente Reglamento. 4. El Presidente podrá denegar la información si considera: (i) que no es precisa para el cabal desempeño de las funciones encomendadas al consejero o (ii) que su coste no es razonable a la vista de la importancia del problema y de los activos e ingresos de la Sociedad. <p>Artículo 24.- Auxilio de expertos</p> |

- | |
|--|
| <p>1. Con el fin de ser auxiliados en el ejercicio de sus funciones, todos los consejeros podrán obtener de la Sociedad el asesoramiento preciso para el cumplimiento de sus funciones. Para ello, la Sociedad arbitrará los cauces adecuados que, en circunstancias especiales, podrá incluir el asesoramiento externo con cargo a la Sociedad.</p> <p>El encargo ha de versar necesariamente sobre problemas concretos de cierto relieve y complejidad que se presenten en el desempeño del cargo.</p> <p>2. La decisión de contratar ha de ser comunicada al Presidente de la Sociedad y puede ser vetada por el Consejo de Administración si acredita:</p> <ul style="list-style-type: none"> a) que no es precisa para el cabal desempeño de las funciones encomendadas a los consejeros externos; b) que su coste no es razonable a la vista de la importancia del problema y de los activos e ingresos de la Sociedad; o c) que la asistencia técnica que se recaba puede ser dispensada adecuadamente por expertos y técnicos de la Sociedad. |
|--|

B.1.42 Indique y en su caso detalle si existe un procedimiento para que los consejeros puedan contar con la información necesaria para preparar las reuniones de los órganos de administración con tiempo suficiente:

Sí X No

| Detalle el procedimiento |
|---|
| El artículo 15 del Reglamento del Consejo establece que la convocatoria de las reuniones del consejo se cursará con una antelación mínima de tres días, incluirá siempre el orden del día de la sesión y se acompañará de la información relevante. |

B.1.43 Indique y en su caso detalle si la sociedad ha establecido reglas que obliguen a los consejeros a informar y, en su caso, dimitir en aquellos supuestos que puedan perjudicar al crédito y reputación de la sociedad:

Sí X No

| Explique las reglas |
|---|
| El artículo 21.d del Reglamento del Consejo de Administración establece que los consejeros deberán poner su cargo a disposición del Consejo de Administración y formalizar, si éste lo considera conveniente, la correspondiente dimisión en el supuesto de que su permanencia en el Consejo pueda poner en riesgo o perjudicar los intereses, el crédito o la reputación de la Sociedad. |

B.1.44 Indique si algún miembro del Consejo de Administración ha informado a la sociedad que ha resultado procesado o se ha dictado contra él auto de apertura de juicio oral, por alguno de los delitos señalados en el artículo 124 de la Ley de Sociedades Anónimas:

Sí No X

| Nombre del Consejero | Causa Penal | Observaciones |
|-----------------------------|--------------------|----------------------|
| | | |

Indique si el Consejo de Administración ha analizado el caso. Si la respuesta es afirmativa explique de forma razonada la decisión tomada sobre si procede o no que el consejero continúe en su cargo.

Sí ◊ No ◊

| Decisión tomada | Explicación razonada |
|---------------------------------------|-----------------------------|
| Procede continuar / No procede | |

B.2. Comisiones del Consejo de Administración

B.2.1 Detalle todas las comisiones del Consejo de Administración y sus miembros:

COMISIÓN EJECUTIVA O DELEGADA

| Nombre | Cargo | Tipología |
|--------|-------|-----------|
| | | |
| | | |

COMITÉ DE AUDITORÍA

| Nombre | Cargo | Tipología |
|---|------------|------------------------|
| D. César A. Gibernau Ausió | Presidente | Otro Consejero Externo |
| D. ^a Anna M. Birulés Bertran | Vocal | Ejecutivo |
| D. Carlos Tusquets Trías De Bes | Secretario | Externo Independiente |

COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES

| Nombre | Cargo | Tipología |
|---|------------|------------------------|
| D. César A. Gibernau Ausió | Presidente | Otro Consejero Externo |
| D. ^a Anna M. Birulés Bertran | Vocal | Ejecutivo |
| D. Carlos Tusquets Trías De Bes | Secretario | Externo Independiente |

COMISIÓN DE NOMBRAMIENTOS

| Nombre | Cargo | Tipología |
|--------|-------|-----------|
| | | |
| | | |

COMISIÓN DE RETRIBUCIONES

| Nombre | Cargo | Tipología |
|--------|-------|-----------|
| | | |
| | | |

COMISIÓN DE _____

| Nombre | Cargo | Tipología |
|--------|-------|-----------|
| | | |
| | | |

B.2.2 Señale si corresponden al Comité de Auditoría las siguientes funciones:

| | Sí | No |
|--|----|----|
| Supervisar el proceso de elaboración y la integridad de la información financiera relativa a la sociedad y, en su caso, al grupo, revisando el cumplimiento de los requisitos normativos, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los criterios contables | X | |
| Revisar periódicamente los sistemas de control interno y gestión de riesgos, para que los principales riesgos se identifiquen, gestionen y den a conocer adecuadamente | X | |
| Velar por la independencia y eficacia de la función de auditoría interna; proponer la selección, nombramiento, reelección y cese del responsable del servicio de auditoría interna; proponer el presupuesto de ese servicio; recibir información periódica sobre sus actividades; y verificar que la alta dirección tiene en cuenta las conclusiones y recomendaciones de sus informes | X | |

| | | |
|---|---|--|
| Establecer y supervisar un mecanismo que permita a los empleados comunicar, de forma confidencial y, si se considera apropiado anónima, las irregularidades de potencial trascendencia, especialmente financieras y contables, que adviertan en el seno de la empresa | X | |
| Elevar al Consejo las propuestas de selección, nombramiento, reelección y sustitución del auditor externo, así como las condiciones de su contratación | X | |
| Recibir regularmente del auditor externo información sobre el plan de auditoría y los resultados de su ejecución, y verificar que la alta dirección tiene en cuenta sus recomendaciones | X | |
| Asegurar la independencia del auditor externo | X | |
| En el caso de grupos, favorecer que el auditor del grupo asuma la responsabilidad de las auditorías de las empresas que lo integren. | X | |

B.2.3 Realice una descripción de las reglas de organización y funcionamiento, así como las responsabilidades que tienen atribuidas cada una de las comisiones del Consejo.

Comité de Auditoría

Las reglas de organización y funcionamiento del Comité de Auditoría son las que se detallan a continuación y que se establecen en los artículos 48 de los Estatutos Sociales y el artículo 13 del Reglamento del Consejo de Administración:

I. Composición.

El Comité de Auditoría estará formado por tres consejeros, en su mayoría no ejecutivos, nombrados por el Consejo de Administración.

El Presidente del Comité de Auditoría será elegido entre dichos consejeros, debiendo ser sustituido cada cuatro años, y pudiendo ser reelegido una vez transcurrido un plazo de un año desde la fecha de su cese.

Actuará como Secretario aquél que resulte designado de entre sus miembros.

II. Competencias

Sin perjuicio de cualesquiera otros cometidos que puedan serle asignados en cada momento por el Consejo de Administración, el Comité de Auditoría ejercerá las siguientes funciones básicas:

- Informar en la Junta General de Accionistas sobre las cuestiones que en ella planteen los accionistas en materia de su competencia
- Proponer al Consejo de Administración, para su sometimiento a la Junta General de Accionistas, el nombramiento de los auditores de cuentas externos a que se refiere el artículo 204 de la Ley de Sociedades Anónimas, así como sus condiciones de contratación, el alcance de su mandato profesional y, en su caso, su revocación o no renovación
- Supervisar los sistemas internos de auditoría.
- Revisar las cuentas de la Sociedad, vigilar el cumplimiento de los requerimientos legales y la correcta aplicación de los principios de contabilidad generalmente aceptados, contando para ello con la colaboración directa de los auditores externos e internos.
- Supervisar la política de control y gestión de riesgos que inciden en la consecución de los objetivos corporativos.
- Conocer el proceso de información financiera, los sistemas de control internos de la Sociedad, comprobar la adecuación e integridad de los mismos y revisar la designación o sustitución de sus responsables.
- Llevar las relaciones con los auditores externos para recibir información sobre aquellas cuestiones que puedan poner en riesgo la independencia de éstos y cualesquiera otras relacionadas con el proceso de desarrollo de la auditoría de cuentas, así como aquellas otras comunicaciones previstas en la legislación de auditoría de cuentas y en las normas técnicas de auditoría.
- Supervisar el cumplimiento del contrato de auditoría, procurando que la opinión sobre las cuentas anuales y los contenidos principales del informe de auditoría sean redactados de forma clara y precisa, así como evaluar los resultados de cada auditoría.
- Revisar la información financiera periódica que deba suministrar el Consejo a los mercados y a sus órganos de supervisión.

- Examinar el cumplimiento del Reglamento Interno de Conducta, del Reglamento del Consejo y, en general, de las reglas de gobierno de la Sociedad y hacer las propuestas necesarias para su mejora
- Recibir información y, en su caso, emitir informe sobre las medidas disciplinarias que se pretendan imponer a miembros del alto equipo directivo de la Sociedad

III. Operativa y funcionamiento

El Comité de Auditoría se reunirá, de ordinario, trimestralmente, a fin de revisar la información financiera periódica que haya de remitirse a las autoridades bursátiles así como la información que el Consejo de Administración ha de aprobar e incluir dentro de su documentación pública anual. Asimismo, se reunirá a petición de cualquiera de sus miembros y cada vez que la convoque su Presidente, que deberá hacerlo siempre que el Consejo o su Presidente solicite la emisión de un informe o la adopción de propuestas y, en cualquier caso, siempre que resulte conveniente para el buen desarrollo de sus funciones.

El Comité de Auditoría elaborará un informe anual sobre su funcionamiento destacando las principales incidencias surgidas, si las hubiese, en relación con las funciones que le son propias. Además, cuando el Comité de Auditoría lo considere oportuno, incluirá en dicho informe propuestas para mejorar las reglas de gobierno de la Sociedad. El informe del Comité de Auditoría se adjuntará al informe anual sobre el gobierno corporativo de la Sociedad y estará a disposición de accionistas e inversores a través de la página web.

Los miembros del equipo directivo o del personal de la Sociedad estarán obligados a asistir a las sesiones del Comité de Auditoría y a prestarle su colaboración y acceso a la información de que dispongan cuando el Comité así lo solicite. El Comité podrá igualmente requerir la asistencia a sus sesiones de los auditores de cuentas.

Para el mejor cumplimiento de sus funciones, el Comité de Auditoría podrá recabar el asesoramiento de expertos externos, cuando lo juzgue necesario para el adecuado cumplimiento de sus funciones.

Comisión de Nombramientos y Retribuciones

De conformidad con el artículo 14 del Reglamento del Consejo, existirá en el seno del Consejo de Administración una Comisión de Nombramientos y Retribuciones, que se regula de conformidad con las siguientes reglas:

I. Composición

La Comisión de Nombramientos y Retribuciones estará formada por un mínimo de tres consejeros, todos ellos externos en la medida en que sea posible en atención a la composición del Consejo de Administración y recomendable para el buen funcionamiento de la Comisión, que serán nombrados por el Consejo de Administración,

El Presidente de la Comisión de Nombramientos y Retribuciones será elegido entre dichos consejeros externos, debiendo ser sustituido cada cuatro años, y pudiendo ser reelegido una vez transcurrido un plazo de un año desde la fecha de su cese.

Actuará como Secretario de la Comisión, aquel que resulte designado de entre sus miembros.

II. Competencias

Sin perjuicio de otras funciones que pudiera asignarle el Consejo de Administración, la Comisión de Nombramientos y Retribuciones tiene las siguientes responsabilidades básicas:

- Formular y revisar los criterios que deben seguirse para la composición del equipo directivo de la sociedad y sus filiales y para la selección de candidatos.
- Elevar al Consejo de Administración las propuestas de nombramiento de directivos para que éste proceda a designarlos.
- Analizar, formular y revisar periódicamente las propuestas de políticas de contratación y fidelización de nuevos directivos.
- Analizar, formular y revisar periódicamente las propuestas de políticas de retribución de directivos, ponderando su adecuación y sus rendimientos.
- Velar por la transparencia de las retribuciones.
- Informar en relación a las transacciones que impliquen o puedan implicar conflictos de interés

III. Operativa y funcionamiento

La Comisión de Nombramientos y Retribuciones se reunirá, de ordinario trimestralmente. Asimismo, se reunirá cada vez que la convoque su Presidente, que deberá hacerlo siempre que el Consejo o su Presidente solicite la emisión de un informe o la adopción de propuestas y, en cualquier caso, siempre que resulte conveniente para el buen desarrollo de sus funciones.

- B.2.4 Indique las facultades de asesoramiento, consulta y en su caso, delegaciones que tienen cada una de las comisiones:

| Denominación comisión | Breve descripción |
|---|--|
| Comité de Auditoría | El artículo 13 del reglamento del consejo atribuyen al comité de auditoría las funciones Que se detallan en el apartado b.2.3. Anterior |
| Comisión de Nombramientos y Retribuciones | El artículo 14 del reglamento del consejo atribuye a la comisión de nombramientos y retribuciones las funciones descritas en el apartado b.2.3. Anterior |

- B.2.5 Indique, en su caso, la existencia de regulación de las comisiones del Consejo, el lugar en que están disponibles para su consulta, y las modificaciones que se hayan realizado durante el ejercicio. A su vez, se indicará si de forma voluntaria se ha elaborado algún informe anual sobre las actividades de cada comisión.

Las normas de organización y funcionamiento del Comité de Auditoría y de la Comisión de Nombramientos y Retribuciones se recogen en el Reglamento del Consejo de Administración, el cual, se encuentra a disposición para su consulta en la página web de la Sociedad (www.rentacorporacion.com), sin que se haya aprobado hasta la fecha un Reglamento propio para el Comité de Auditoría ni para la Comisión de Nombramientos y Retribuciones.

El Comité de Auditoría elabora un informe anual (que se incorporará al presente Informe y se pondrá a disposición de los accionistas en la página web de la Sociedad) en el que se destacan las principales actividades e incidencias surgidas, en caso de haberlas, en relación con las funciones que le son propias. Asimismo, cuando el Comité de Auditoría lo considere oportuno, incluirá en dicho informe propuestas para mejorar las reglas de gobierno de la Sociedad.

- B.2.6 Indique si la composición de la comisión ejecutiva refleja la participación en el Consejo de los diferentes consejeros en función de su condición:

Sí ◊

No ◊

| |
|---|
| En caso negativo, explique la composición de su comisión ejecutiva |
|---|

C OPERACIONES VINCULADAS

- C.1 Señale si el Consejo en pleno se ha reservado aprobar, previo informe favorable del Comité de Auditoría o cualquier otro al que se hubiera encomendado la función, las operaciones que la sociedad realice con consejeros, con accionistas significativos o representados en el Consejo, o con personas a ellos vinculadas:

Sí X

No

- C.2 Detalle las operaciones relevantes que supongan una transferencia de recursos u obligaciones entre la sociedad o entidades de su grupo, y los accionistas significativos de la sociedad:

| Nombre o denominación social del accionista significativo | Nombre o denominación social de la sociedad o entidad de su grupo | Naturaleza de la relación | Tipo de la operación | Importe (miles de euros) |
|--|--|----------------------------------|-----------------------------|---------------------------------|
| Don Luis Hernandez De Cabanyes | | Contractual | Arras | 1.000 |

C.3 Detalle las operaciones relevantes que supongan una transferencia de recursos u obligaciones entre la sociedad o entidades de su grupo, y los administradores o directivos de la sociedad:

| Nombre o denominación social de los administradores o directivos | Nombre o denominación social de la sociedad o entidad de su grupo | Naturaleza de la operación | Tipo de la operación | Importe (miles de euros) |
|---|--|-----------------------------------|-----------------------------|---------------------------------|
| Doña Anna M. Birules Bertran | Alta Bussines Serveis, S.L. | Contractual | Compra | 2.630 |

C.4 Detalle las operaciones relevantes realizadas por la sociedad con otras sociedades pertenecientes al mismo grupo, siempre y cuando no se eliminen en el proceso de elaboración de estados financieros consolidados y no formen parte del tráfico habitual de la sociedad en cuanto a su objeto y condiciones:

| Denominación social de la entidad de su grupo | Breve descripción de la operación | Importe (miles de euros) |
|--|--|---------------------------------|
| | | |

C.5 Indique si los miembros del Consejo de Administración se han encontrado a lo largo del ejercicio en alguna situación de conflictos de interés, según lo previsto en el artículo 127 ter de la LSA.

Sí X No

| Nombre o denominación social del consejero | Descripción de la situación de conflicto de interés |
|---|---|
| Don Luis Hernandez de Cabanyes | En atención a lo dispuesto en el artículo 10 del Reglamento Interno de Conducta, D. Luis Hernández de Cabanyes se ausentó de la reunión y abstuvo de intervenir y votar la novación del contrato marco suscrito entre Renta Corporación y Second House suscrito el 29 de diciembre de 2005 |
| Doña Elena Hernandez de Cabanyes | En atención a lo dispuesto en el artículo 10 del Reglamento Interno de Conducta, Doña Elena Hernández de Cabanyes se ausentó de la reunión y abstuvo de intervenir y votar la novación del contrato marco suscrito entre Renta Corporación y Second House suscrito el 29 de diciembre de 2005 |
| Doña Esther Giménez Arribas | En atención a lo dispuesto en el artículo 10 del Reglamento Interno de Conducta, Doña Esther Elisa Giménez Arribas se ausentó de la reunión y abstuvo de intervenir y votar la revisión y, en su caso, aprobación de su contrato de arrendamiento de servicios con Renta Corporación. |

C.6 Detalle los mecanismos establecidos para detectar, determinar y resolver los posibles conflictos de intereses entre la sociedad y/o su grupo, y sus consejeros, directivos o accionistas significativos.

El Reglamento del Consejo de Administración y el Reglamento Interno de Conducta regulan los mecanismos establecidos para detectar y regular los posibles conflictos de interés.

En relación con los consejeros, los mecanismos establecidos para detectar los posibles conflictos de interés se encuentran regulados en el Reglamento del Consejo de Administración. El artículo 29 del Reglamento del Consejo de Administración establece que el Consejero deberá comunicar la existencia

de conflictos de interés al Consejo de Administración y abstenerse de asistir e intervenir en las deliberaciones que afecten a asuntos en los que se halle interesado personalmente y se considerará que existe interés personal del Consejero cuando el asunto afecte a un miembro de su familia o a personas concertadas y sociedades o entidades sobre las que un miembro de su familia pueda ejercer una influencia significativa.

También en el artículo 32 del Reglamento del Consejo de Administración se establece que el Consejero no puede aprovechar en beneficio propio o de una persona a él vinculada en los términos del artículo 29 anterior una oportunidad de negocio de la Sociedad, a no ser que previamente se la ofrezca a ésta y que ésta desista de explotarla. A los efectos de lo anterior se entiende por oportunidad de negocio cualquier posibilidad de realizar una inversión u operación comercial que haya surgido o se haya descubierto en conexión con el ejercicio del cargo por parte del Consejero, o mediante la utilización de medios e información de la Sociedad, o bajo circunstancias tales que sea razonable pensar que el ofrecimiento del tercero en realidad estaba dirigido a la Sociedad.

Asimismo, el Consejero deberá informar a la Sociedad de los cargos que desempeñe en el Consejo de Administración de otras sociedades cotizadas y, en general, de los hechos, circunstancias o situaciones que puedan resultar relevantes para su actuación como administrador de la Sociedad de acuerdo con lo previsto en el Reglamento del Consejo de Administración.

El órgano que regula y dirime los conflictos de interés de los consejeros es el Comité de Auditoría.

En relación con los altos directivos los mecanismos establecidos para detectar y regular los posibles conflictos de interés están regulados en el Reglamento Interno de Conducta que también resulta aplicable a los consejeros. El artículo 10 del Reglamento Interno de Conducta establece que las personas sujetas deben actuar en todo momento con libertad de juicio, con lealtad a la Sociedad y sus accionistas e independientemente de intereses propios o ajenos. En consecuencia, se abstendrán de primar sus propios intereses a expensas de los de la Sociedad o los de unos inversores a expensas de los de otros y de intervenir o influir en la toma de decisiones que puedan afectar a las personas o entidades con las que exista conflicto y de acceder a información confidencial que afecte a dicho conflicto.

Asimismo, las personas sujetas deberán informar al Secretario General sobre los posibles conflictos de interés en que se encuentren incursos por causa de sus actividades fuera de la Sociedad, sus relaciones familiares, su patrimonio personal, o por cualquier otro motivo, con la Sociedad o alguna de las compañías integrantes del Grupo, proveedores o clientes significativos de la Sociedad o de las sociedades del Grupo, y entidades que se dediquen al mismo tipo de negocio o sean competidoras de la Sociedad o alguna de las sociedades del Grupo. Cualquier duda sobre la posibilidad de un conflicto de intereses deberá ser consultada con el Secretario General, correspondiendo la decisión última al Comité de Auditoría.

C.7 ¿Cotiza más de una sociedad del Grupo en España?

Sí No X

Identifique a las sociedades filiales que cotizan en España:

| Sociedades filiales cotizadas |
|-------------------------------|
| |

Indique si han definido públicamente con precisión las respectivas áreas de actividad y eventuales relaciones de negocio entre ellas, así como las de la sociedad dependiente cotizada con las demás empresas del grupo;

Sí No X

Defina las eventuales relaciones de negocio entre la sociedad matriz y la sociedad filial cotizada, y entre ésta y las demás empresas grupo

Identifique los mecanismos previstos para resolver los eventuales conflictos de interés entre la filial cotizada y la demás empresas del grupo:

| Mecanismos para resolver los eventuales conflictos de interés |
|---|
| |

D SISTEMAS DE CONTROL DE RIESGOS

- D.1 Descripción general de la política de riesgos de la sociedad y/o su grupo, detallando y evaluando los riesgos cubiertos por el sistema, junto con la justificación de la adecuación de dichos sistemas al perfil de cada tipo de riesgo.

El Comité de Auditoría es el órgano encargado de establecer y supervisar los dispositivos de control, debiendo supervisar los sistemas de control internos de la Sociedad y comprobar la adecuación e integridad de los mismos. En este sentido, cada área de actividad de la Sociedad ejerce su política de control y evaluación de riesgos, siendo establecidos por parte de la Sociedad los riesgos máximos asumibles en cada negocio y su coordinación para que sean consistentes y homogéneas con la política global de riesgos de Renta Corporación.

Los sistemas de control de riesgos se consideran suficientes en relación con las actividades que desarrolla la Sociedad.

- D.2 Indique si se han materializado durante el ejercicio, alguno de los distintos tipos de riesgo (operativos, tecnológicos, financieros, legales, reputacionales, fiscales...) que afectan a la sociedad y/o su grupo:

Sí No X

En caso afirmativo, indique las circunstancias que los han motivado y si han funcionado los sistemas de control establecidos.

| Riesgo materializado en el ejercicio | Circunstancias que lo han motivado | Funcionamiento de los sistemas de control |
|--------------------------------------|------------------------------------|---|
| | | |

- D.3 Indique si existe alguna comisión u otro órgano de gobierno encargado de establecer y supervisar estos dispositivos de control:

Sí X No

En caso afirmativo detalle cuales son sus funciones.

| Nombre de la Comisión u Órgano | Descripción de funciones |
|--------------------------------|--|
| Comité de Auditoría | <p>El artículo 13.2 del Reglamento del Consejo de Administración atribuye al Comité de Auditoría, entre otras, las siguientes funciones:</p> <ul style="list-style-type: none">(a) Identificar los distintos tipos de riesgo (operativos, tecnológicos, financieros, legales, reputacionales) a los que se enfrenta la Sociedad, incluyendo entre los financieros o económicos, los pasivos contingentes y otros riesgos fuera de balance.(b) Identificar la fijación del nivel de riesgo que la Sociedad considere aceptable.(c) Identificar las medidas previstas para mitigar el impacto de los riesgos identificados, en caso de que llegaran a materializarse.(d) Identificar los sistemas de información y control interno que se utilizarán para controlar y gestionar los citados riesgos, incluidos los pasivos contingentes o riesgos fuera de balance. |
| Auditor Interno | <ul style="list-style-type: none">(a) Revisar la fiabilidad e integridad de la información financiera y operacional, así como los medios utilizados para identificar, medir, clasificar y reportar tales informaciones.(b) Revisar los sistemas establecidos para asegurar el cumplimiento de las políticas, normas, planes, procedimientos, leyes y regulaciones que podrían tener |

| | |
|--|--|
| | <p>impacto en la actividad de Renta corporación.</p> <p>(c) Revisar los medios y procedimientos establecidos para salvaguardar los activos y las existencias.</p> <p>(d) Revisar los mecanismos de prevención de pérdidas o fraudes.</p> <p>(e) Revisar y valorar la economía y eficacia de los recursos empleados por los distintos departamentos de Renta corporación para el adecuado desarrollo de sus funciones.</p> <p>(f) Monitorear y evaluar la efectividad del sistema de gestión del riesgo de Renta corporación.</p> <p>(g) Verificar la eficiencia y eficacia de los procesos internos implantados por los diferentes departamentos de Renta corporación para su adecuado funcionamiento y, en su caso, recomendar mejoras a los mismos.</p> <p>(h) Recomendar mejoras a políticas, procedimientos o sistemas como consecuencia de las revisiones realizadas;</p> <p>(i) Dar seguimiento a la implementación de acciones correctivas, tanto de adecuación como de efectividad y eficiencia; y</p> <p>(j) Revisar e investigar procesos concretos u operaciones específicas a solicitud del equipo directivo de Renta Corporación.</p> |
|--|--|

D.4 Identificación y descripción de los procesos de cumplimiento de las distintas regulaciones que afectan a su sociedad y/o a su grupo.

En cuanto al cumplimiento de las distintas regulaciones que afectan a Renta Corporación, y a su grupo, cabe señalar que cumplen las regulaciones específicas que le son de aplicación dentro del ámbito de su actividad, en la Ley de Sociedades Anónimas, así como en el resto de legislación concordante y de correspondiente aplicación.

Asimismo, y, en tanto que Renta Corporación es una sociedad que cotiza en el mercado de valores, ésta cumple las regulaciones específicas de aplicación y en este sentido se somete a las previsiones de la Ley de Mercado de Valores y el resto de legislación concordante y de correspondiente aplicación.

En este sentido, cumple con la obligación de remitir con carácter trimestral y anual la información económica-financiera de la Sociedad y su grupo, así como la comunicación de hechos relevantes y el resto de información solicitada por la Comisión Nacional del Mercado de Valores. Además, los accionistas e inversores tienen a su disposición y pueden consultar en la página web toda la información sobre gobierno corporativo e información relevante de la Sociedad de tal forma que puedan ejercer sus derechos en los términos previstos en la normativa aplicable.

Con respecto a la regulación específica de negocio y actividad de la Sociedad, los procedimientos implantados en las distintas áreas de negocio y soporte, cumplen igualmente con las diferentes normativas específicas aplicadas en el ámbito de actividad de la Sociedad y su Grupo.

Durante el año 2007 se ha implementado la Política de Prevención de Blanqueo de Capitales, elaborando un Manual de normas y procedimientos internos, aprobado por el Comité de Auditoría en fecha 25 de abril de 2007, que básicamente consta de (i) Política de admisión de clientes, (ii) comunicación del responsable ante el SEPBLAC, (iii) formación del personal y (iv) revisión del experto externo.

E JUNTA GENERAL

E.1 Indique y en su caso detalle si existen diferencias con el régimen de mínimos previsto en la Ley de Sociedades Anónimas (LSA) respecto al quórum de constitución de la Junta General

Sí **No X**

| | % de quórum distinto al establecido en art. 102 LSA | % de quórum distinto al establecido en art. 103 LSA para los supuestos |
|--|--|---|
|--|--|---|

| | establecido en art. 102 LSA para supuestos generales | art. 103 LSA para los supuestos especiales del art. 103 |
|--|---|--|
| Quórum exigido en 1ª convocatoria | | |
| Quórum exigido en 2ª convocatoria | | |

| Descripción de las diferencias |
|---------------------------------------|
| |

- E.2 Indique y en su caso detalle si existen diferencias con el régimen previsto en la Ley de Sociedades Anónimas (LSA) para el régimen de adopción de acuerdos sociales:

Sí **No X**

Describa en qué se diferencia del régimen previsto en la LSA.

| | Mayoría reforzada distinta a la establecida art. 103.2 LSA para los supuestos del 103.1 | Otros supuestos de mayoría reforzada |
|--|--|---|
| % establecido por la entidad para la adopción de acuerdos | | |
| Describa las diferencias | | |
| | | |

- E.3 Relacione los derechos de los accionistas en relación con las juntas generales, que sean distintos a los establecidos en la LSA.

Los derechos de los accionistas en relación con las Juntas Generales son los que establece la LSA, que en la actualidad se encuentran en los artículos 26, 28, 30, 31,32 y 33 de los Estatutos Sociales. Asimismo, estos derechos se encuentran más detalladamente expuestos en el Reglamento de la Junta General, cuyo texto íntegro se encuentra a disposición del público en la página web de la Sociedad.

En particular, el Reglamento de Junta General recoge los siguientes derechos de los accionistas:

Derecho de información

El artículo 9 establece que desde el mismo día de publicación de la convocatoria de la Junta General y hasta el séptimo día anterior al previsto para la celebración de la Junta, inclusive, los accionistas podrán solicitar del Consejo de Administración, acerca de los asuntos comprendidos en el orden del día, las informaciones o aclaraciones que estimen precisas, o formular por escrito las preguntas que estimen pertinentes.

Además, con la misma antelación y forma, los accionistas podrán solicitar informaciones o aclaraciones o formular preguntas por escrito acerca de la información accesible al público que se hubiera facilitado por la Sociedad a la Comisión Nacional del Mercado de Valores desde la celebración de la última Junta General. El Consejo de Administración estará obligado a facilitar por escrito la información solicitada hasta el día de la celebración de la Junta General.

Las solicitudes de información podrán realizarse mediante la entrega de la petición en el domicilio social, o mediante su envío a la Sociedad por correspondencia postal u otros medios de comunicación electrónica a distancia dirigidos a la dirección que especifique el correspondiente anuncio de convocatoria o, en defecto de dicha especificación, a la Oficina del Accionista. Serán admitidas como tales aquellas peticiones en las que el documento electrónico en cuya virtud se solicita la información incorpore la firma electrónica legalmente reconocida empleada por el solicitante, u otros mecanismos que, mediante acuerdo adoptado al efecto con carácter previo, considere el Consejo de Administración que reúnen adecuadas garantías de autenticidad y de identificación del accionista que ejercita su derecho de información.

Cualquiera que sea el medio que se emplee para la emisión de las solicitudes de información, la petición del accionista deberá incluir su nombre y apellidos, acreditando las acciones de las que es titular, con objeto de que esta información sea cotejada con la relación de accionistas y el número de acciones a su nombre facilitada por la Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Sociedad de Sistemas o Iberclear), para la Junta General de que se trate. Correspondrá al accionista la prueba del envío de la solicitud a la Sociedad en forma y plazo. La página web de la Sociedad detallará las explicaciones pertinentes para el ejercicio del derecho de información del accionista, en los términos previstos en la normativa aplicable.

Las peticiones de información reguladas en este artículo se contestarán, una vez comprobada la identidad y condición de accionista del solicitante, antes de la Junta General de Accionistas.

Los administradores están obligados a facilitar la información por escrito, hasta el día de celebración de la Junta General, salvo en los casos en que:

- (i) la publicidad de los datos solicitados pueda perjudicar, a juicio del Presidente, los intereses sociales;
- (ii) la petición de información o aclaración no se refiera a asuntos comprendidos en el orden del día ni a la información accesible al público que se hubiera facilitado por la Sociedad a la Comisión Nacional del Mercado de Valores desde la celebración de la última Junta General;
- (iii) la información o aclaración solicitada merezca la consideración de abusiva; o
- (iv) así resulte de disposiciones legales o reglamentarias o de resoluciones judiciales.

No obstante, la excepción indicada en el inciso (i) anterior no procederá cuando la solicitud esté apoyada por accionistas que representen, al menos, la cuarta parte del capital.

El Consejo de Administración podrá facultar a cualquiera de sus miembros, a los Presidentes de las Comisiones de él dependientes o a su Secretario, para que, en nombre y representación del Consejo, respondan a las solicitudes de información formuladas por los accionistas.

El medio para cursar la información solicitada por los accionistas será el mismo a través del cual se formuló la correspondiente solicitud, a menos que el accionista señale al efecto otro distinto de entre los declarados idóneos de acuerdo con lo previsto en este artículo. En todo caso, los administradores podrán cursar la información en cuestión a través de correo certificado con acuse de recibo o burofax.

La Sociedad podrá incluir en su página web información relativa a las respuestas facilitadas a los accionistas en contestación a las preguntas que hayan formulado en el ejercicio de su derecho de información aquí regulado.

Derecho de representación

El artículo 12 establece que todo accionista que tenga derecho de asistir podrá hacerse representar en la Junta General por medio de otra persona, aunque ésta no sea accionista. La representación deberá conferirse por escrito o por los medios de comunicación a distancia cuya utilización se hubiera previsto por el órgano de administración expresamente en la convocatoria, siempre que se cumplan los requisitos previstos en la citada convocatoria y, en todo caso, se garantice debidamente la identidad del representado y del representante. El mismo precepto regula las reglas para considerar válida la representación concedida por los medios de comunicación a distancia

Derecho de voto a distancia

El artículo 24 desarrolla el derecho a emitir el voto a distancia mediante correspondencia escrita postal u otros medios de comunicación electrónica a distancia, facultando al Consejo de Administración para desarrollar las previsiones de dicho artículo y establecer las reglas, medios y procedimientos adecuados al estado de la técnica para instrumentar la emisión del voto y la delegación de la representación por medios electrónicos, ajustándose en su caso a las normas legales que desarrolle este sistema y a lo previsto en los estatutos y en el Reglamento de la Junta General.

E.4 Indique, en su caso, las medidas adoptadas para fomentar la participación de los accionistas en las juntas generales.

El artículo 35 de los Estatutos Sociales de Renta Corporación prevé como medida para fomentar la participación de los accionistas en las Juntas Generales que cualquier accionista pueda intervenir, al menos una vez, en la deliberación de los puntos del orden del día, sin perjuicio de que el Presidente, en uso de sus facultades, se halla autorizado para adoptar medidas de orden tales como la limitación del tiempo de uso de la palabra, la fijación de turnos o el cierre de la lista de intervenciones.

Por otro lado, el artículo 36 del Reglamento del Consejo establece al respecto que el Consejo de Administración promoverá la participación informada de los accionistas en las Juntas Generales y adoptará cuantas medidas sean oportunas para facilitar que la Junta General de Accionistas ejerza efectivamente las funciones que le son propias conforme a la Ley y a los estatutos sociales. En particular, el Consejo de Administración, adoptará las siguientes medidas: (i) se esforzará en la puesta a disposición de los accionistas, con carácter previo a la Junta, de toda cuanta información sea legalmente exigible y de toda aquella que, aún no siéndolo, pueda resultar de interés y ser suministrada razonablemente; (ii) atenderá, con la mayor diligencia, las solicitudes de información que le formulen los accionistas con carácter previo a la Junta; y, (iii) atenderá, con igual diligencia, las preguntas que le formulen los accionistas con ocasión de la celebración de la Junta.

De conformidad con lo anterior, los accionistas tienen a su disposición toda la documentación necesaria para poder debatir sobre los asuntos del orden del día previsto para las Juntas Generales con la antelación suficiente. Tales documentos se publican en la página web de la Sociedad y de la CNMV. Igualmente, los accionistas pueden delegar la representación y el voto en otra persona, aunque no tenga la condición de accionista, en el caso de no poder acudir personalmente a las reuniones de la Junta General.

- E.5 Indique si el cargo de presidente de la Junta General coincide con el cargo de presidente del Consejo de Administración. Detalle, en su caso, qué medidas se adoptan para garantizar la independencia y buen funcionamiento de la Junta General:

Sí No

| Detalle las medidas |
|---|
| <p>El artículo 16 del Reglamento de la Junta establecen que la Junta General será presidida por el Presidente del Consejo de Administración o, en su defecto, por el Vicepresidente, y a falta de Presidente y Vicepresidente, por el miembro del Consejo de Administración que designe la propia Junta.</p> <p>Adicionalmente se indica que el Presidente, aun cuando esté presente en la sesión, podrá encomendar la dirección del debate al Secretario o al miembro del órgano de administración que estime oportuno. Asimismo, el Presidente podrá hacerse asistir, si lo desea, por cualquier experto que tenga por conveniente.</p> <p>Corresponde al Presidente declarar la Junta válidamente constituida, dirigir y establecer el orden de las deliberaciones e intervenciones y los tiempos asignados a ellas conforme a lo previsto en el Reglamento de la Junta General, poner término a los debates cuando estime suficientemente debatido el asunto y ordenar las votaciones, resolver las dudas que se susciten sobre el orden del día y la lista de asistentes, proclamar la aprobación de los acuerdos, levantar la sesión y, en su caso, acordar su suspensión, y, en general, ejercitar todas las facultades, incluyendo las de orden y disciplina, que sean necesarias para la mejor ordenación del desarrollo de la reunión, pudiendo llegar a disponer la expulsión de quienes perturben el normal desarrollo de la reunión, incluyendo la interpretación de lo previsto en el Reglamento.</p> <p>Asimismo, el Reglamento de la Junta contiene, entre otros, preceptos relativos a la formación de la lista de asistentes, desarrollo de las Juntas y votación de las propuestas de acuerdos que garanticen el buen funcionamiento de las Juntas Generales.</p> <p>El órgano de administración podrá requerir la presencia de Notario para que levante acta de la Junta General y estará obligado a hacerlo siempre que, con cinco días de antelación al previsto para la celebración de la Junta General, lo soliciten accionistas que representen, al menos, el uno por ciento del capital social.</p> <p>El acta notarial tendrá la consideración de acta de la Junta y no necesitará la aprobación por ésta.</p> <p>Sin perjuicio de la inscripción en el Registro Mercantil de aquellos acuerdos inscribibles y de las previsiones legales que en materia de publicidad de acuerdos sociales resulten de aplicación, la Sociedad comunicará a la Comisión Nacional del Mercado de Valores, mediante la oportuna comunicación de hecho relevante, los acuerdos aprobados, bien literalmente o mediante un extracto de su contenido. El texto de los acuerdos correspondientes a las Juntas celebradas durante el ejercicio en curso y el anterior será accesible igualmente a través de la página web de la Sociedad. Asimismo, a solicitud de cualquier accionista o de quien le hubiere representado en la Junta General, el Secretario expedirá certificación de los acuerdos o del acta notarial en su caso.</p> |

- E.6 Indique, en su caso, las modificaciones introducidas durante el ejercicio en el reglamento de la Junta General.

Durante el año 2007, y previa aprobación de la Junta General Ordinaria de Accionistas de la Sociedad de fecha 29 de marzo de 2007, se modificaron los artículos 5, 8, 25 y 26 del Reglamento de la Junta General de la Sociedad al objeto de ajustar su contenido a las Recomendaciones del Código Unificado de Buen Gobierno Corporativo o “Código Conthe”. Como consecuencia de estas modificaciones se acordó aprobar un texto refundido del Reglamento de la Junta. El contenido de los artículos modificados es el siguiente:

“Artículo 5.- COMPETENCIAS DE LA JUNTA GENERAL”

La Junta General tiene competencia para decidir sobre todas las materias que le hayan sido atribuidas legal o estatutariamente. Asimismo, se someterán a la aprobación o ratificación de la Junta General de Accionistas aquellas decisiones que, cualquier que sea su naturaleza jurídica, entrañen una modificación estructural de la actividad efectiva de la Sociedad. En particular, y a título meramente ilustrativo, le corresponde:

Censurar la gestión social.

Aprobar, en su caso, las cuentas anuales, tanto individuales como consolidadas, y resolver sobre la aplicación del resultado.

Nombrar y destituir a los miembros del órgano de administración, así como ratificar o revocar los nombramientos de miembros del Consejo de Administración efectuados por cooptación.

Fijar la cantidad fija anual a distribuir entre los consejeros. Esta cantidad deberá oscilar entre un mínimo del cero punto cinco por ciento (0,5%) y un máximo del cinco por ciento (5%) del beneficio neto de la Sociedad en el ejercicio inmediatamente precedente.

Nombrar y destituir a los auditores de cuentas de la Sociedad.

Acordar el aumento y la reducción de capital social, la disolución, transformación, fusión y escisión de la Sociedad, la emisión de obligaciones y, en general, cualquier modificación de los Estatutos sociales.

Acordar la disolución y liquidación de la Sociedad y las operaciones cuyo efecto sea equivalente al de la liquidación de la Sociedad.

Aprobar la adquisición o enajenación de activos operativos esenciales, cuando entrañe una modificación efectiva del objeto social.

Aprobar la “filialización” o incorporación a entidades dependientes de actividades esenciales desarrolladas hasta ese momento por la propia Sociedad, incluso aunque ésta mantenga el pleno dominio de aquéllas;

Aprobar las adquisiciones de otras sociedades de objeto totalmente ajeno al de la Sociedad, cuando la cuantía de la inversión represente un porcentaje elevado –superior, por ejemplo, al 20%- del patrimonio de la sociedad adquirente.

Autorizar al Consejo de Administración para aumentar el capital social o proceder a la emisión de obligaciones y otros valores.

Decidir sobre los asuntos sometidos a su deliberación y aprobación por el órgano de administración.

Aprobar el presente Reglamento y sus modificaciones posteriores.

Corresponderá a la Junta General de Accionistas, además del nombramiento de todos los miembros del Consejo de Administración, la ratificación del primer ejecutivo de la Sociedad cuando:

- a) No tenga la condición de miembro del Consejo; o
- b) Haya sido designado Presidente del Consejo, sin que los Estatutos atribuyan dicha función al Presidente o primer ejecutivo de la Sociedad.”

“Artículo 8.- PUESTA A DISPOSICIÓN DE INFORMACIÓN DESDE LA FECHA DE LA CONVOCATORIA EN LA PÁGINA WEB DE LA SOCIEDAD.

Además de lo exigido por disposición legal o estatutaria y de lo previsto en este Reglamento, desde la fecha de publicación de la convocatoria de Junta General, la Sociedad publicará en su página web el texto de las propuestas de acuerdos que hubiese ya formulado el órgano de administración en relación con los puntos del orden del día, así como aquellos informes que sean preceptivos o que se determinen por el órgano de administración.

Además, desde la fecha del anuncio de convocatoria se incorporará a la página web de la Sociedad toda aquella información que se estime útil o conveniente para facilitar la asistencia y participación de los accionistas en la Junta General, incluyendo, en su caso y a título ilustrativo, lo siguiente:

- (i) Procedimiento para la obtención de la tarjeta de asistencia.
- (ii) Instrucciones para ejercer o delegar el voto a distancia a través de los medios que se hayan previsto, en su caso, en la convocatoria.
- (iii) Información sobre el lugar donde vaya a celebrarse la Junta General y la forma de llegar y acceder al mismo.
- (iv) Información, en su caso, sobre sistemas o procedimientos que faciliten el seguimiento de la Junta General.
- (v) Información sobre la forma en que el accionista puede ejercer su derecho de información (correo, correo electrónico y, en su caso, otros datos análogos).
- (vi) En el caso de que la Junta General deba deliberar sobre el nombramiento o ratificación de consejeros, desde la fecha de publicación de su anuncio de convocatoria, también se publicará en la página web de la Sociedad, la siguiente información actualizada:
 - Perfil profesional y biográfico.
 - Otros Consejos de Administración a los que pertenezca, se trate o no de sociedades cotizadas, y cuya publicación resulte relevante.
 - Indicación de la categoría de consejero a la que pertenezca según corresponda, señalándose, en el caso de consejeros dominicales, el accionista al que representen o con quien tengan vínculos.

- Fecha de su primer nombramiento como consejero de la Sociedad, así como de los posteriores.
- Acciones de la Sociedad, y opciones sobre ellas, de las que sea titular.”

“Artículo 25.- VOTACIÓN DE LAS PROPUESTAS DE ACUERDOS

Una vez finalizadas las intervenciones de los accionistas y facilitadas, en su caso, las informaciones o aclaraciones conforme a lo previsto en este Reglamento, se someterán a votación las propuestas de acuerdos sobre los asuntos comprendidos en el orden del día y, en caso de existir, sobre aquellos otros que, por mandato legal, no sea preciso que figuren en él, correspondiendo al Presidente en relación con estos últimos decidir el orden en que se someterán a votación.

No será necesario que el Secretario dé lectura previa a aquellas propuestas de acuerdo cuyos textos hubiesen sido facilitados a los accionistas al comienzo de la sesión, salvo cuando, para todas o alguna de las propuestas, así lo solicite cualquier accionista o, de otro modo, se considere conveniente por el Presidente. En todo caso, se indicará a los asistentes el punto del orden del día al que se refiere la propuesta de acuerdo que se somete a votación.

La Junta General votará separadamente aquellos asuntos que sean sustancialmente independientes, a fin de que los accionistas puedan ejercer de forma separada sus preferencias de voto. Dicha regla se aplicará, en particular: (i) al nombramiento o ratificación de consejeros, que deberán votarse de forma individual; (ii) en el caso de modificaciones de Estatutos, a cada artículo o grupo de artículos que sean sustancialmente independientes. No obstante, si las circunstancias así lo aconsejan, el Presidente podrá resolver que se sometan a votación conjuntamente las propuestas correspondientes a varios puntos del orden del día, en cuyo caso el resultado de la votación se entenderá individualmente reproducido para cada propuesta si ninguno de los asistentes hubiera expresado su voluntad de modificar el sentido de su voto respecto de alguna de ellas. En caso contrario, se reflejarán en el acta las modificaciones de voto expresadas por cada uno de los asistentes y el resultado de la votación que corresponda a cada propuesta como consecuencia de las mismas.

El proceso de adopción de acuerdos se desarrollará siguiendo el orden del día previsto en la convocatoria. En primer lugar se someterán a votación las propuestas de acuerdo que en cada caso haya formulado el Consejo de Administración. En todo caso, aprobada una propuesta de acuerdo, decaerán automáticamente todas las demás relativas al mismo asunto que sean incompatibles con ella, sin que, por tanto, proceda someterlas a votación.

Por regla general y sin perjuicio de que, a juicio del Presidente, atendidas las circunstancias o la naturaleza o contenido de la propuesta, puedan emplearse otros sistemas alternativos, el cómputo de la votación de las propuestas de acuerdos se efectuará mediante el siguiente procedimiento:

- (i) Se considerarán votos a favor los correspondientes a todas las acciones concurrentes a la reunión, presentes y representadas, deducidos (a) los votos correspondientes a las acciones cuyos titulares o representantes manifiesten que votan en contra, votan en blanco o se abstienen, mediante la comunicación o expresión de su voto o abstención al Notario (o, en su defecto, al Secretario o al personal que lo asista), para su constancia en acta, (b) los votos correspondientes a las acciones cuyos titulares hayan votado en contra, en blanco o hayan manifestado expresamente su abstención, a través de los medios de comunicación a que se refiere el presente Artículo, en su caso, y (c) los votos correspondientes a las acciones cuyos titulares o representantes hayan abandonado la reunión con anterioridad a la votación de la propuesta de acuerdo de que se trate y hayan dejado constancia de tal abandono ante el Notario (o, en su defecto, el Secretario).
- (ii) Las comunicaciones o manifestaciones al Notario (o, en su defecto, al Secretario o al personal que lo asista) previstas en el párrafo precedente y relativas al sentido del voto o abstención podrán realizarse individualizadamente respecto de cada una de las propuestas de acuerdos o conjuntamente para varias o para todas ellas, expresando al Notario (o, en su defecto, al Secretario o al personal que lo asista) la identidad y condición -accionista o representante- de quien las realiza, el número de acciones a que se refieren y el sentido del voto o, en su caso, la abstención.
- (iii) Para la adopción de acuerdos relativos a asuntos no comprendidos en el orden del día, no se considerarán como acciones concurrentes presentes, ni tampoco representadas, las de aquellos accionistas que hubieren participado en la Junta General a través de medios de votación a distancia. Para la adopción de alguno de los acuerdos a que se refiere el artículo 114.1 de la Ley del Mercado de Valores, no se considerarán como representadas, ni tampoco como presentes, aquellas acciones respecto de las cuales no se pueda ejercitar el derecho de voto por aplicación de lo establecido en dicho precepto.”

“Artículo 26.- ADOPCIÓN DE ACUERDOS Y FINALIZACIÓN DE LA JUNTA GENERAL

Los acuerdos quedarán aprobados cuando los votos a favor de la propuesta excedan de la mitad de los votos correspondientes a las acciones concurrentes, presentes y representadas, salvo en los casos en que la Ley o los Estatutos exijan una mayoría superior. En los acuerdos relativos a asuntos no comprendidos en el orden del día se excluirán de la base para el cómputo de la mayoría anteriormente indicada las acciones que no tengan la consideración de presentes ni representadas.

Con el fin de que los intermediarios financieros que aparezcan legitimados como accionistas, pero que actúen por cuenta de clientes distintos, puedan emitir sus votos conforme a las instrucciones de éstos, la Sociedad permitirá fraccionar el voto.

El Presidente declarará aprobados los acuerdos cuando tenga constancia de la existencia de votos a favor suficientes, sin perjuicio de dejar constancia en el Acta del sentido del voto o abstención de los accionistas asistentes que así lo indiquen al Notario (o, en su caso, al Secretario o personal que lo asista).

Finalizada la votación de las propuestas de acuerdo y proclamado su resultado por el Presidente, concluirá la celebración de la Junta General y el Presidente declarará levantada la sesión.”

- E.7 Indique los datos de asistencia en las juntas generales celebradas en el ejercicio al que se refiere el presente informe:

| Fecha Junta General | Datos de asistencia | | | | Total | |
|---------------------|-----------------------|---------------------|--------------------|-------|---------|--|
| | % de presencia física | % en representación | % voto a distancia | | | |
| | | | Voto electrónico | Otros | | |
| 29/03/2007 | 62,275 % | 11,085 % | 0,001 % | | 73,77 % | |

El total de 73,77 % sale de la suma del % de presencia física + % en representación + % voto a distancia + autocartera (0,409%)

- E.8 Indique brevemente los acuerdos adoptados en las juntas generales celebrados en el ejercicio al que se refiere el presente informe y porcentaje de votos con los que se ha adoptado cada acuerdo.

Primero.- Examen y aprobación, en su caso, de las cuentas anuales individuales y consolidadas de la Sociedad correspondientes al ejercicio cerrado a 31 de diciembre de 2006

100 % de votos a favor.

Segundo.- Examen y aprobación, en su caso, de los informes de gestión individual de la Sociedad y consolidado de la Sociedad y sus sociedades dominadas correspondientes al ejercicio cerrado a 31 de diciembre de 2006, así como de la gestión social durante el mencionado ejercicio

100 % de votos a favor.

Tercero.- Aplicación del resultado correspondiente al ejercicio cerrado el 31 de diciembre de 2006
100 % de votos a favor.

Cuarto.- Modificación del artículo 38 de los Estatutos sociales de la Sociedad para su adaptación al Código Unificado de Buen Gobierno “Código Conthe”

100 % de votos a favor.

Quinto.- Modificación del artículo 43 de los Estatutos sociales de la Sociedad para su adaptación al Código Unificado de Buen Gobierno “Código Conthe”

100 % de votos a favor.

Sexto.- Modificación del artículo 50 de los Estatutos sociales de la Sociedad para su adaptación al Código Unificado de Buen Gobierno “Código Conthe”

100 % de votos a favor.

Séptimo.- Modificación del artículo 46 de los Estatutos sociales de la Sociedad para reforzar la compatibilidad del ejercicio de funciones ejecutivas con la pertenencia al órgano de administración de la Sociedad

100 % de votos a favor.

Octavo.- Aprobación de un texto refundido de los Estatutos Sociales como consecuencia de las modificaciones de los artículos de los Estatutos Sociales propuestas en los puntos cuarto a séptimo del Orden del Día de la Junta General

100 % de votos a favor.

Noveno.- Modificación de los artículos 5, 8, 25 y 26 del Reglamento de la Junta General de la Sociedad para su adaptación al Código Unificado de Buen Gobierno “Código Conthe” y aprobación de un nuevo texto refundido de dicho Reglamento como consecuencia de las modificaciones de artículos propuestas

100 % de votos a favor.

Décimo.- Toma de conocimiento sobre las modificaciones del Reglamento del Consejo de Administración de la Sociedad para su adaptación al Código Unificado de Buen Gobierno “Código Conthe”

Undécimo.- Aprobación de los planes de incentivos a consejeros, directivos y empleados 2006 y 2007, así como aprobación de la entrega de acciones de la Sociedad a consejeros y directivos conforme a los citados planes de incentivos, de conformidad con el artículo 130 y la Disposición Adicional cuarta del Texto Refundido de la Ley de Sociedades Anónimas

96,075 % de votos a favor y 3,925 % de votos en contra.

Decimosegundo.- Nombramiento de D. César Bardají Vivancos como miembro del Consejo de Administración de la Sociedad en calidad de consejero ejecutivo

92,282 % de votos a favor y 7,718 % de votos en contra.

Decimotercero.- Nombramiento de D. Enric Venancio Fillat como miembro del Consejo de Administración de la Sociedad en calidad de consejero ejecutivo

92,282 % de votos a favor y 7,718 % de votos en contra.

Decimocuarto.- Aprobación de la cantidad máxima anual a percibir por los miembros del Consejo de Administración conforme al artículo 46 de los Estatutos Sociales

99,999 % de votos a favor y 0,001 % de votos en contra.

Decimoquinto.- Reelección de los auditores de cuentas de la Sociedad y de su grupo consolidado

100 % de votos a favor.

Decimosexto.- Autorización al Consejo de Administración para la adquisición derivativa de acciones propias por parte de la Sociedad y/o por parte de sus sociedades dominadas en los términos previstos por la Ley, dejando sin efecto, en la cuantía no utilizada, la autorización concedida por la Junta General de Accionistas de 9 de febrero de 2006.

100 % de votos a favor.

Decimoséptimo.- Autorización al Consejo de Administración, conforme a lo dispuesto en el artículo 153.1.b) de la Ley de Sociedades Anónimas, para que, dentro del plazo máximo de cinco años, y si lo estima conveniente, pueda aumentar el capital social hasta la mitad del actual capital social, en una o varias veces, y en la oportunidad y cuantía que considere adecuadas, con atribución de la facultad de excluir el derecho de suscripción preferente, dando nueva redacción al artículo 5 de los Estatutos Sociales y dejando sin efecto la autorización acordada por la Junta General de 9 de febrero de 2006

99,224 % de votos a favor y 0,776 % abstenciones.

Decimooctavo.- Delegación en el Consejo de Administración de la facultad de emitir bonos, obligaciones y demás valores de renta fija, simples, canjeables y/o convertibles en acciones, *warrants*, pagarés y participaciones preferentes con atribución de la facultad de excluir el derecho de suscripción preferente, y autorización para que la Sociedad pueda garantizar emisiones de valores de renta fija efectuadas por sociedades filiales

100 % de votos a favor.

Decimonoveno.- Autorización al Consejo de Administración para solicitar la admisión y exclusión de negociación en los mercados secundarios organizados, españoles o extranjeros, de las acciones, obligaciones u otros valores emitidos o que se emitan, así como para adoptar los acuerdos que resulten necesarios para la permanencia en cotización de las acciones, obligaciones u otros valores en circulación de la Sociedad

100 % de votos a favor.

Vigésimo.- Autorización al Consejo de Administración de la Sociedad, en los más amplios términos, para el pleno desarrollo y ejecución de los anteriores acuerdos, incluyendo expresamente el ejercicio de las facultades de interpretar, subsanar y completar los mismos y su elevación a públicos, hasta lograr las inscripciones que procedan, así como la de sustituir las facultades concedidas por la Junta

100 % de votos a favor.

- E.9 Indique si existe alguna restricción estatutaria que establezca un número mínimo de acciones necesarias para asistir a la Junta General:

Sí

No X

| |
|--|
| Número de acciones necesarias para asistir a la Junta General |
|--|

E.10 Indique y justifique las políticas seguidas por la sociedad referente a las delegaciones de voto en la Junta General.

El artículo 31 de los Estatutos Sociales de Renta Corporación establece que, sin perjuicio de la asistencia de las entidades jurídicas accionistas a través de quien ostente el poder de su representación, todo accionista que tenga derecho de asistencia podrá hacerse representar en la Junta por medio de otra persona, aunque ésta no sea accionista. La representación deberá conferirse por escrito o por los medios de comunicación a distancia que, garantizando debidamente la identidad del representado y representante, el órgano de administración determine, y con carácter especial para cada Junta, en los términos y con el alcance establecidos en la Ley de Sociedades Anónimas y en el Reglamento de la Junta.

Asimismo, añade que el Presidente, el Secretario de la Junta General o las personas designadas por su mediación, se entenderán facultadas para determinar la validez de las representaciones conferidas y el cumplimiento de los requisitos de asistencia a la Junta.

No obstante, lo anterior no será aplicable cuando el representante sea cónyuge, ascendiente o descendiente del representado; ni tampoco cuando aquél ostente poder general conferido en escritura pública con facultades para administrar todo el patrimonio que el representado tuviere en territorio nacional.

La representación es siempre revocable y la asistencia personal del representado a la Junta tendrá el valor de revocación.

En el mismo sentido, el artículo 12 del Reglamento de la Junta establece que la representación es siempre revocable. Como regla general, y siempre que pueda acreditarse la certeza de la fecha, se tendrá por válida la última actuación realizada por el accionista antes de la celebración de la Junta. De no existir tal certeza, el voto del accionista prevalecerá sobre la delegación. En todo caso, la asistencia personal a la Junta General del representado tendrá valor de revocación de la representación.

Sin perjuicio de lo previsto en el artículo 108 de la Ley de Sociedades Anónimas, la representación, que será especial para cada Junta, deberá conferirse por escrito. Cuando se confiera por medios de comunicación a distancia, sólo se reputará válida la que se efectúe:

- (i) Mediante correspondencia postal, remitiendo a la Sociedad la tarjeta de asistencia expedida por la entidad o entidades encargadas de la llevanza del registro de anotaciones en cuenta debidamente firmada y cumplimentada por el accionista u otro medio escrito que, a juicio del Consejo de Administración en acuerdo previo adoptado al efecto, permita verificar debidamente la identidad del accionista que confiere su representación y la del delegado que designa.
- (ii) A través de medios de comunicación electrónica a distancia que garanticen debidamente la representación atribuida y la identidad del representado. Será admitida la representación otorgada por estos medios cuando el documento electrónico en cuya virtud se confiere incorpore la firma electrónica legalmente reconocida empleada por el representado u otra clase de firma que, mediante acuerdo adoptado al efecto con carácter previo, considere el Consejo de Administración que reúne adecuadas garantías de autenticidad y de identificación del accionista que confiere su representación.

Para su validez, la representación conferida por cualquiera de los citados medios de comunicación a distancia citados en este apartado habrá de recibirse por la Sociedad antes de las veinticuatro horas del día anterior al previsto para la celebración de la Junta en primera convocatoria. El Consejo de Administración podrá establecer un plazo inferior de conformidad con lo previsto en los estatutos.

E.11 Indique si la compañía tiene conocimiento de la política de los inversores institucionales de participar o no en las decisiones de la sociedad:

Sí

No X

| |
|-----------------------------|
| Describa la política |
|-----------------------------|

E.12 Indique la dirección y modo de acceso al contenido de gobierno corporativo en su página Web.

La página web de la Sociedad es www.rentacorporacion.com. Para acceder al contenido de gobierno corporativo disponible en la página web deberá pincharse en la pestaña “Información para accionistas e inversores” y posteriormente en la pestaña “Gobierno Corporativo”.

F GRADO DE SEGUIMIENTO DE LAS RECOMENDACIONES DE GOBIERNO CORPORATIVO

Indique el grado de seguimiento de la sociedad respecto de las recomendaciones del Código Unificado de buen gobierno.

En el supuesto de no cumplir alguna de ellas, explique las recomendaciones, normas, prácticas o criterios, que aplica la sociedad.

- 1. Que los Estatutos de las sociedades cotizadas no limiten el número máximo de votos que pueda emitir un mismo accionista, ni contengan otras restricciones que dificulten la toma de control de la sociedad mediante la adquisición de sus acciones en el mercado.**

Ver epígrafes: A.9 , B.1.22 , B.1.23 y E.1 , E.2.

Cumple X Explique |

- 2. Que cuando coticen la sociedad matriz y una sociedad dependiente ambas definan públicamente con precisión:**

- a) Las respectivas áreas de actividad y eventuales relaciones de negocio entre ellas, así como las de la sociedad dependiente cotizada con las demás empresas del grupo;**
- b) Los mecanismos previstos para resolver los eventuales conflictos de interés que puedan presentarse.**

Ver epígrafes: C.4 y C.7

Cumple | Cumple parcialmente | Explique | No aplicable X

- 3. Que, aunque no lo exijan de forma expresa las Leyes mercantiles, se sometan a la aprobación de la Junta General de Accionistas las operaciones que entrañen una modificación estructural de la sociedad y, en particular, las siguientes:**

- a) La transformación de sociedades cotizadas en compañías holding, mediante “filialización” o incorporación a entidades dependientes de actividades esenciales desarrolladas hasta ese momento por la propia sociedad, incluso aunque ésta mantenga el pleno dominio de aquéllas;**
- b) La adquisición o enajenación de activos operativos esenciales, cuando entrañe una modificación efectiva del objeto social;**
- c) Las operaciones cuyo efecto sea equivalente al de la liquidación de la sociedad.**

Cumple X Cumple parcialmente | Explique |

- 4. Que las propuestas detalladas de los acuerdos a adoptar en la Junta General, incluida la información a que se refiere la recomendación 28, se hagan públicas en el momento de la publicación del anuncio de la convocatoria de la Junta.**

Cumple X Explique |

- 5. Que en la Junta General se voten separadamente aquellos asuntos que sean sustancialmente independientes, a fin de que los accionistas puedan ejercer de forma separada sus preferencias de voto. Y que dicha regla se aplique, en particular:**

- a) Al nombramiento o ratificación de consejeros, que deberán votarse de forma individual;**
- b) En el caso de modificaciones de Estatutos, a cada artículo o grupo de artículos que sean sustancialmente independientes.**

Ver epígrafe: E.8

Cumple X Cumple parcialmente | Explique |

- 6. Que las sociedades permitan fraccionar el voto a fin de que los intermediarios financieros que aparezcan legitimados como accionistas, pero actúen por cuenta de clientes distintos, puedan emitir sus votos conforme a las instrucciones de éstos.**

Ver epígrafe: E.4

Cumple X Explique |

- 7. Que el Consejo desempeñe sus funciones con unidad de propósito e independencia de criterio, dispense el mismo trato a todos los accionistas y se guíe por el interés de la compañía, entendido como hacer máximo, de forma sostenida, el valor económico de la empresa.**

Y que vele asimismo para que en sus relaciones con los grupos de interés (stakeholders) la empresa respete las leyes y reglamentos; cumpla de buena fe sus obligaciones y contratos; respete los usos y buenas prácticas de los sectores y territorios donde ejerza su actividad; y observe aquellos principios adicionales de responsabilidad social que hubiera aceptado voluntariamente.

Cumple X Cumple parcialmente | Explique |

- 8. Que el Consejo asuma, como núcleo de su misión, aprobar la estrategia de la compañía y la organización precisa para su puesta en práctica, así como supervisar y controlar que la Dirección cumple los objetivos marcados y respeta el objeto e interés social de la compañía. Y que, a tal fin, el Consejo en pleno se reserve la competencia de aprobar:**

- a) Las políticas y estrategias generales de la sociedad, y en particular:**
- i) El Plan estratégico o de negocio, así como los objetivos de gestión y presupuesto anuales;**
 - ii) La política de inversiones y financiación;**
 - iii) La definición de la estructura del grupo de sociedades;**
 - iv) La política de gobierno corporativo;**
 - v) La política de responsabilidad social corporativa;**
 - vi) La política de retribuciones y evaluación del desempeño de los altos directivos;**
 - vii) La política de control y gestión de riesgos, así como el seguimiento periódico de los sistemas internos de información y control.**
 - viii) La política de dividendos, así como la de autocartera y, en especial, sus límites.**

Ver epígrafes: B.1.10, B.1.13, B.1.14 y D.3

- b) Las siguientes decisiones :**

- i) A propuesta del primer ejecutivo de la compañía, el nombramiento y eventual cese de los altos directivos, así como sus cláusulas de indemnización.**

Ver epígrafe: B.1.14.

- ii) La retribución de los consejeros, así como, en el caso de los ejecutivos, la retribución adicional por sus funciones ejecutivas y demás condiciones que deban respetar sus contratos.**

Ver epígrafe: B.1.14.

- iii) La información financiera que, por su condición de cotizada, la sociedad deba hacer pública periódicamente.**

- iv) Las inversiones u operaciones de todo tipo que, por su elevada cuantía o especiales características, tengan carácter estratégico, salvo que su aprobación corresponda a la Junta General;
 - v) La creación o adquisición de participaciones en entidades de propósito especial o domiciliadas en países o territorios que tengan la consideración de paraísos fiscales, así como cualesquiera otras transacciones u operaciones de naturaleza análoga que, por su complejidad, pudieran menoscabar la transparencia del grupo.
- c) Las operaciones que la sociedad realice con consejeros, con accionistas significativos o representados en el Consejo, o con personas a ellos vinculados (“operaciones vinculadas”).

Esa autorización del Consejo no se entenderá, sin embargo, precisa en aquellas operaciones vinculadas que cumplan simultáneamente las tres condiciones siguientes:

- 1º. Que se realicen en virtud de contratos cuyas condiciones estén estandarizadas y se apliquen en masa a muchos clientes;
- 2º. Que se realicen a precios o tarifas establecidos con carácter general por quien actúe como suministrador del bien o servicio del que se trate;
- 3º. Que su cuantía no supere el 1% de los ingresos anuales de la sociedad.

Se recomienda que el Consejo apruebe las operaciones vinculadas previo informe favorable del Comité de Auditoría o, en su caso, de aquel otro al que se hubiera encomendado esa función; y que los consejeros a los que afecten, además de no ejercer ni delegar su derecho de voto, se ausenten de la sala de reuniones mientras el Consejo delibera y vota sobre ella.

Se recomienda que las competencias que aquí se atribuyen al Consejo lo sean con carácter indelegable, salvo las mencionadas en las letras b) y c), que podrán ser adoptadas por razones de urgencia por la Comisión Delegada, con posterior ratificación por el Consejo en pleno.

Ver epígrafes: C.1 y C.6

Cumple X Cumple parcialmente | Explique |

- 9. Que el Consejo tenga la dimensión precisa para lograr un funcionamiento eficaz y participativo, lo que hace aconsejable que su tamaño no sea inferior a cinco ni superior a quince miembros.**

Ver epígrafe: B.1.1

Cumple X Explique |

- 10. Que los consejeros externos dominicales e independientes constituyan una amplia mayoría del Consejo y que el número de consejeros ejecutivos sea el mínimo necesario, teniendo en cuenta la complejidad del grupo societario y el porcentaje de participación de los consejeros ejecutivos en el capital de la sociedad.**

Ver epígrafes: A.2 , A.3, B.1.3 y B.1.14.

Cumple X Cumple parcialmente | Explique |

Los consejeros independientes y los otros consejeros externos ocupan 7 de las 11 plazas del Consejo de Administración. Asimismo, el número de Consejeros Ejecutivos es el mínimo necesario, teniendo en cuenta la complejidad del grupo y el hecho de que el Presidente y la Vicepresidenta ocupan cargos ejecutivos.

- 11. Que si existiera algún consejero externo que no pueda ser considerado dominical ni independiente, la sociedad explique tal circunstancia y sus vínculos, ya sea con la sociedad o sus directivos, ya con sus accionistas.**

Ver epígrafe: B.1.3

Cumple X Explique | No aplicable |

12. Que dentro de los consejeros externos, la relación entre el número de consejeros dominicales y el de independientes refleje la proporción existente entre el capital de la sociedad representado por los consejeros dominicales y el resto del capital.

Este criterio de proporcionalidad estricta podrá atenuarse, de forma que el peso de los dominicales sea mayor que el que correspondería al porcentaje total de capital que representen:

1º En sociedades de elevada capitalización en las que sean escasas o nulas las participaciones accionariales que tengan legalmente la consideración de significativas, pero existan accionistas, con paquetes accionariales de elevado valor absoluto.

2º Cuando se trate de sociedades en las que exista una pluralidad de accionistas representados en el Consejo, y no tengan vínculos entre sí.

Ver epígrafes: B.1.3 , A.2 y A.3

Cumple Explique X

No aplica debido a que no existen consejeros dominicales en la sociedad, ya que los socios con participaciones significativas y con presencia en el Consejo de Administración, ostentan el cargo de consejeros ejecutivos.

13. Que el número de consejeros independientes represente al menos un tercio del total de consejeros.

Ver epígrafe: B.1.3

Cumple X Explique |

14. Que el carácter de cada consejero se explique por el Consejo ante la Junta General de Accionistas que deba efectuar o ratificar su nombramiento, y se confirme o, en su caso, revise anualmente en el Informe Anual de Gobierno Corporativo, previa verificación por la Comisión de Nombramientos. Y que en dicho Informe también se expliquen las razones por las cuales se haya nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial sea inferior al 5% del capital; y se expongan las razones por las que no se hubieran atendido, en su caso, peticiones formales de presencia en el Consejo procedentes de accionistas cuya participación accionarial sea igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales.

Ver epígrafes: B.1.3 y B.1.4

Cumple X Cumple parcialmente | Explique |

15. Que cuando sea escaso o nulo el número de consejeras, el Consejo explique los motivos y las iniciativas adoptadas para corregir tal situación; y que, en particular, la Comisión de Nombramientos vele para que al proveerse nuevas vacantes:

- Los procedimientos de selección no adolezcan de sesgos implícitos que obstaculicen la selección de consejeras;
- La compañía busque deliberadamente, e incluya entre los potenciales candidatos, mujeres que reúnan el perfil profesional buscado.

Ver epígrafes: B.1.2, B.1.27 y B.2.3.

Cumple | Cumple parcialmente | Explique | No aplicable X

16. Que el Presidente, como responsable del eficaz funcionamiento del Consejo, se asegure de que los consejeros reciban con carácter previo información suficiente; estimule el debate y la participación activa de los consejeros durante las sesiones del Consejo, salvaguardando su libre toma de posición y expresión de opinión; y organice y coordine con los presidentes de las Comisiones relevantes la evaluación

periódica del Consejo, así como, en su caso, la del Consejero Delegado o primer ejecutivo.

Ver epígrafe: B.1.42

Cumple X Cumple parcialmente | Explique |

17. Que, cuando el Presidente del Consejo sea también el primer ejecutivo de la sociedad, se faculte a uno de los consejeros independientes para solicitar la convocatoria del Consejo o la inclusión de nuevos puntos en el orden del día; para coordinar y hacerse eco de las preocupaciones de los consejeros externos; y para dirigir la evaluación por el Consejo de su Presidente.

Ver epígrafe: B.1.21

Cumple X Cumple parcialmente | Explique | No aplicable |

18. Que el Secretario del Consejo, vele de forma especial para que las actuaciones del Consejo:

- a) Se ajusten a la letra y al espíritu de las Leyes y sus reglamentos, incluidos los aprobados por los organismos reguladores;
- b) Sean conformes con los Estatutos de la sociedad y con los Reglamentos de la Junta, del Consejo y demás que tenga la compañía;
- c) Tengan presentes las recomendaciones sobre buen gobierno contenidas en este Código Unificado que la compañía hubiera aceptado.

Y que, para salvaguardar la independencia, imparcialidad y profesionalidad del Secretario, su nombramiento y cese sean informados por la Comisión de Nombramientos y aprobados por el pleno del Consejo; y que dicho procedimiento de nombramiento y cese conste en el Reglamento del Consejo.

Ver epígrafe: B.1.34

Cumple X Cumple parcialmente | Explique |

19. Que el Consejo se reúna con la frecuencia precisa para desempeñar con eficacia sus funciones, siguiendo el programa de fechas y asuntos que establezca al inicio del ejercicio, pudiendo cada Consejero proponer otros puntos del orden del día inicialmente no previstos.

Ver epígrafe: B.1.29

Cumple X Cumple parcialmente | Explique |

20. Que las inasistencias de los consejeros se reduzcan a casos indispensables y se cuantifiquen en el Informe Anual de Gobierno Corporativo. Y que si la representación fuera imprescindible, se confiera con instrucciones.

Ver epígrafes: B.1.28 y B.1.30

Cumple X Cumple parcialmente | Explique |

21. Que cuando los consejeros o el Secretario manifiesten preocupaciones sobre alguna propuesta o, en el caso de los consejeros, sobre la marcha de la compañía y tales preocupaciones no queden resueltas en el Consejo, a petición de quien las hubiera manifestado se deje constancia de ellas en el acta.

Cumple X Cumple parcialmente | Explique | No aplicable |

22. Que el Consejo en pleno evalúe una vez al año:

- a) La calidad y eficiencia del funcionamiento del Consejo;
- b) Partiendo del informe que le eleve la Comisión de Nombramientos, el desempeño de sus funciones por el Presidente del Consejo y por el primer ejecutivo de la compañía;

c) El funcionamiento de sus Comisiones, partiendo del informe que éstas le eleven.

Ver epígrafe: B.1.19

Cumple X Cumple parcialmente | Explique |

23. Que todos los consejeros puedan hacer efectivo el derecho a recabar la información adicional que juzguen precisa sobre asuntos de la competencia del Consejo. Y que, salvo que los Estatutos o el Reglamento del Consejo establezcan otra cosa, dirijan su requerimiento al Presidente o al Secretario del Consejo.

Ver epígrafe: B.1.42

Cumple X Explique |

24. Que todos los consejeros tengan derecho a obtener de la sociedad el asesoramiento preciso para el cumplimiento de sus funciones. Y que la sociedad arbitre los cauces adecuados para el ejercicio de este derecho, que en circunstancias especiales podrá incluir el asesoramiento externo con cargo a la empresa.

Ver epígrafe: B.1.41

Cumple X Explique |

25. Que las sociedades establezcan un programa de orientación que proporcione a los nuevos consejeros un conocimiento rápido y suficiente de la empresa, así como de sus reglas de gobierno corporativo. Y que ofrezcan también a los consejeros programas de actualización de conocimientos cuando las circunstancias lo aconsejen.

Cumple X Cumple parcialmente | Explique |

Durante el año 2007 se han incorporado al Consejo de Administración dos consejeros ejecutivos, por tanto, no ha sido necesario que se realizase un programa de orientación para el conocimiento rápido y suficiente de la empresa por tener pleno conocimiento de la misma.

26. Que las sociedades exijan que los consejeros dediquen a su función el tiempo y esfuerzo necesarios para desempeñarla con eficacia y, en consecuencia:

- Que los consejeros informen a la Comisión de Nombramientos de sus restantes obligaciones profesionales, por si pudieran interferir con la dedicación exigida;
- Que las sociedades establezcan reglas sobre el número de consejos de los que puedan formar parte sus consejeros.

Ver epígrafes: B.1.8, B.1.9 y B.1.17

Cumple X Cumple parcialmente | Explique |

A pesar de no constar formalmente reglas aprobadas en relación al número de consejos de los que puedan formar parte los consejeros, el Consejo de Administración y la Comisión de Nombramientos y Retribuciones están plenamente informados de las restantes obligaciones profesionales de cada consejero, así como del número de consejos de los que puedan formar parte, acreditándose en cualquier caso que todos los consejeros dedican a su función el tiempo y esfuerzo necesarios para desempeñarlo con eficacia.

27. Que la propuesta de nombramiento o reelección de consejeros que se eleven por el Consejo a la Junta General de Accionistas, así como su nombramiento provisional por cooptación, se aprueben por el Consejo:

- A propuesta de la Comisión de Nombramientos, en el caso de consejeros independientes.
- Previo informe de la Comisión de Nombramientos, en el caso de los restantes consejeros.

Ver epígrafe: B.1.2

Cumple X Cumple parcialmente | Explique |

28. Que las sociedades hagan pública a través de su página Web, y mantengan actualizada, la siguiente información sobre sus consejeros:

- a) Perfil profesional y biográfico;
- b) Otros Consejos de administración a los que pertenezca, se trate o no de sociedades cotizadas;
- c) Indicación de la categoría de consejero a la que pertenezca según corresponda, señalándose, en el caso de consejeros dominicales, el accionista al que representen o con quien tengan vínculos.
- d) Fecha de su primer nombramiento como consejero en la sociedad, así como de los posteriores, y;
- e) Acciones de la compañía, y opciones sobre ellas, de las que sea titular.

Cumple X Cumple parcialmente | Explique |

Esta documentación se encuentra en la página web a través del Informe Anual.

29. Que los consejeros independientes no permanezcan como tales durante un período continuado superior a 12 años.

Ver epígrafe: B.1.2

Cumple X Explique |

30. Que los consejeros dominicales presenten su dimisión cuando el accionista a quien representen venda íntegramente su participación accionarial. Y que también lo hagan, en el número que corresponda, cuando dicho accionista rebaje su participación accionarial hasta un nivel que exija la reducción del número de sus consejeros dominicales.

Ver epígrafes: A.2 , A.3 y B.1.2

Cumple X Cumple parcialmente | Explique |

31. Que el Consejo de Administración no proponga el cese de ningún consejero independiente antes del cumplimiento del período estatutario para el que hubiera sido nombrado, salvo cuando concurra justa causa, apreciada por el Consejo previo informe de la Comisión de Nombramientos. En particular, se entenderá que existe justa causa cuando el consejero hubiera incumplido los deberes inherentes a su cargo o incurrido en algunas de las circunstancias descritas en el epígrafe 5 del apartado III de definiciones de este Código.

También podrá proponerse el cese de consejeros independientes de resultas de Ofertas Públicas de Adquisición, fusiones u otras operaciones societarias similares que supongan un cambio en la estructura de capital de la sociedad cuando tales cambios en la estructura del Consejo vengan propiciados por el criterio de proporcionalidad señalado en la Recomendación 12.

Ver epígrafes: B.1.2, B.1.5 y B.1.26

Cumple X Explique |

32. Que las sociedades establezcan reglas que obliguen a los consejeros a informar y, en su caso, dimitir en aquellos supuestos que puedan perjudicar al crédito y reputación de la sociedad y, en particular, les obliguen a informar al Consejo de las causas penales en las que aparezcan como imputados, así como de sus posteriores vicisitudes procesales.

Que si un consejero resultara procesado o se dictara contra él auto de apertura de juicio oral por alguno de los delitos señalados en el artículo 124 de la Ley de Sociedades Anónimas, el Consejo examine el caso tan pronto como sea posible y, a

la vista de sus circunstancias concretas, decida si procede o no que el consejero continúe en su cargo. Y que de todo ello el Consejo de cuenta, de forma razonada, en el Informe Anual de Gobierno Corporativo.

Ver epígrafes: B.1.43, B.1.44

Cumple X Cumple parcialmente | Explique |

- 33. Que todos los consejeros expresen claramente su oposición cuando consideren que alguna propuesta de decisión sometida al Consejo puede ser contraria al interés social. Y que otro tanto hagan, de forma especial los independientes y demás consejeros a quienes no afecte el potencial conflicto de interés, cuando se trate de decisiones que puedan perjudicar a los accionistas no representados en el Consejo.**

Y que cuando el Consejo adopte decisiones significativas o reiteradas sobre las que el consejero hubiera formulado serias reservas, éste saque las conclusiones que procedan y, si optara por dimitir, explique las razones en la carta a que se refiere la recomendación siguiente.

Esta Recomendación alcanza también al Secretario del Consejo, aunque no tenga la condición de consejero.

Cumple | Cumple parcialmente | Explique | No aplicable X

- 34. Que cuando, ya sea por dimisión o por otro motivo, un consejero cese en su cargo antes del término de su mandato, explique las razones en una carta que remitirá a todos los miembros del Consejo. Y que, sin perjuicio de que dicho cese se comunique como hecho relevante, del motivo del cese se dé cuenta en el Informe Anual de Gobierno Corporativo.**

Ver epígrafe: B.1.5

Cumple X Cumple parcialmente | Explique | No aplicable |

- 35. Que la política de retribuciones aprobada por el Consejo se pronuncie como mínimo sobre las siguientes cuestiones:**

- a) Importe de los componentes fijos, con desglose, en su caso, de las dietas por participación en el Consejo y sus Comisiones y una estimación de la retribución fija anual a la que den origen;
- b) Conceptos retributivos de carácter variable, incluyendo, en particular:
 - i) Clases de consejeros a los que se apliquen, así como explicación de la importancia relativa de los conceptos retributivos variables respecto a los fijos.
 - ii) Criterios de evaluación de resultados en los que se base cualquier derecho a una remuneración en acciones, opciones sobre acciones o cualquier componente variable;
 - iii) Parámetros fundamentales y fundamento de cualquier sistema de primas anuales (*bonus*) o de otros beneficios no satisfechos en efectivo; y
 - iv) Una estimación del importe absoluto de las retribuciones variables a las que dará origen el plan retributivo propuesto, en función del grado de cumplimiento de las hipótesis u objetivos que tome como referencia.
- c) Principales características de los sistemas de previsión (por ejemplo, pensiones complementarias, seguros de vida y figuras análogas), con una estimación de su importe o coste anual equivalente.
- d) Condiciones que deberán respetar los contratos de quienes ejerzan funciones de alta dirección como consejeros ejecutivos, entre las que se incluirán:
 - i) Duración;
 - ii) Plazos de preaviso; y

- iii) Cualesquiera otras cláusulas relativas a primas de contratación, así como indemnizaciones o blindajes por resolución anticipada o terminación de la relación contractual entre la sociedad y el consejero ejecutivo.

Ver epígrafe: B.1.15

Cumple X Cumple parcialmente | Explique |

- 36. Que se circunscriban a los consejeros ejecutivos las remuneraciones mediante entrega de acciones de la sociedad o de sociedades del grupo, opciones sobre acciones o instrumentos referenciados al valor de la acción, retribuciones variables ligadas al rendimiento de la sociedad o sistemas de previsión.**

Esta recomendación no alcanzará a la entrega de acciones, cuando se condicione a que los consejeros las mantengan hasta su cese como consejero.

Ver epígrafes: A.3 , B.1.3

Cumple X Explique |

- 37. Que la remuneración de los consejeros externos sea la necesaria para retribuir la dedicación, cualificación y responsabilidad que el cargo exija; pero no tan elevada como para comprometer su independencia.**

Cumple X Explique |

- 38. Que las remuneraciones relacionadas con los resultados de la sociedad tomen en cuenta las eventuales salvedades que consten en el informe del auditor externo y minoren dichos resultados.**

Cumple | Explique | No aplicable X

- 39. Que en caso de retribuciones variables, las políticas retributivas incorporen las cautelas técnicas precisas para asegurar que tales retribuciones guardan relación con el desempeño profesional de sus beneficiarios y no derivan simplemente de la evolución general de los mercados o del sector de actividad de la compañía o de otras circunstancias similares.**

Cumple X Explique | No aplicable |

- 40. Que el Consejo someta a votación de la Junta General de Accionistas, como punto separado del orden del día, y con carácter consultivo, un informe sobre la política de retribuciones de los consejeros. Y que dicho informe se ponga a disposición de los accionistas, ya sea de forma separada o de cualquier otra forma que la sociedad considere conveniente.**

Dicho informe se centrará especialmente en la política de retribuciones aprobada por el Consejo para el año ya en curso, así como, en su caso, la prevista para los años futuros. Abordará todas las cuestiones a que se refiere la Recomendación 35, salvo aquellos extremos que puedan suponer la revelación de información comercial sensible. Hará hincapié en los cambios más significativos de tales políticas sobre la aplicada durante el ejercicio pasado al que se refiera la Junta General. Incluirá también un resumen global de cómo se aplicó la política de retribuciones en dicho ejercicio pasado.

Que el Consejo informe, asimismo, del papel desempeñado por la Comisión de Retribuciones en la elaboración de la política de retribuciones y, si hubiera utilizado asesoramiento externo, de la identidad de los consultores externos que lo hubieran prestado.

Ver epígrafe: B.1.16

Cumple X Cumple parcialmente | Explique |

- 41. Que la Memoria detalle las retribuciones individuales de los consejeros durante el ejercicio e incluya:**

- a) El desglose individualizado de la remuneración de cada consejero, que incluirá, en su caso:
 - i) Las dietas de asistencia u otras retribuciones fijas como consejero;
 - ii) La remuneración adicional como presidente o miembro de alguna comisión del Consejo;
 - iii) Cualquier remuneración en concepto de participación en beneficios o primas, y la razón por la que se otorgaron;
 - iv) Las aportaciones a favor del consejero a planes de pensiones de aportación definida; o el aumento de derechos consolidados del consejero, cuando se trate de aportaciones a planes de prestación definida;
 - v) Cualesquiera indemnizaciones pactadas o pagadas en caso de terminación de sus funciones;
 - vi) Las remuneraciones percibidas como consejero de otras empresas del grupo;
 - vii) Las retribuciones por el desempeño de funciones de alta dirección de los consejeros ejecutivos;
 - viii) Cualquier otro concepto retributivo distinto de los anteriores, cualquiera que sea su naturaleza o la entidad del grupo que lo satisfaga, especialmente cuando tenga la consideración de operación vinculada o su omisión distorsione la imagen fiel de las remuneraciones totales percibidas por el consejero.
- b) El desglose individualizado de las eventuales entregas a consejeros de acciones, opciones sobre acciones o cualquier otro instrumento referenciado al valor de la acción, con detalle de:
 - i) Número de acciones u opciones concedidas en el año, y condiciones para su ejercicio;
 - ii) Número de opciones ejercidas durante el año, con indicación del número de acciones afectas y el precio de ejercicio;
 - iii) Número de opciones pendientes de ejercitarse a final de año, con indicación de su precio, fecha y demás requisitos de ejercicio;
 - iv) Cualquier modificación durante el año de las condiciones de ejercicio de opciones ya concedidas.
- c) Información sobre la relación, en dicho ejercicio pasado, entre la retribución obtenida por los consejeros ejecutivos y los resultados u otras medidas de rendimiento de la sociedad.

Cumple | Cumple parcialmente X Explique |

El artículo 25.9 del Reglamento del Consejo de Administración prevé que el Consejo de Administración evaluará la conveniencia de detallar en la Memoria de la Sociedad toda o parte de la información relativa a las retribuciones individuales de los consejeros durante el ejercicio, de conformidad con las recomendaciones de gobierno corporativo aplicables en cada momento, sin embargo, hasta la fecha, las retribuciones de los Consejeros constan en la memoria de forma global.

42. Que cuando exista Comisión Delegada o Ejecutiva (en adelante, “Comisión Delegada”), la estructura de participación de las diferentes categorías de consejeros sea similar a la del propio Consejo y su secretario sea el del Consejo.

Ver epígrafes: B.2.1 y B.2.6

Cumple | Cumple parcialmente | Explique | No aplicable X

- 43. Que el Consejo tenga siempre conocimiento de los asuntos tratados y de las decisiones adoptadas por la Comisión Delegada y que todos los miembros del Consejo reciban copia de las actas de las sesiones de la Comisión Delegada.**

Cumple | Explique | No aplicable X

- 44. Que el Consejo de Administración constituya en su seno, además del Comité de Auditoría exigido por la Ley del Mercado de Valores, una Comisión, o dos Comisiones separadas, de Nombramientos y Retribuciones.**

Que las reglas de composición y funcionamiento del Comité de Auditoría y de la Comisión o comisiones de Nombramientos y Retribuciones figuren en el Reglamento del Consejo, e incluyan las siguientes:

- a) Que el Consejo designe los miembros de estas Comisiones, teniendo presentes los conocimientos, aptitudes y experiencia de los consejeros y los cometidos de cada Comisión; delibere sobre sus propuestas e informes; y ante él hayan de dar cuenta, en el primer pleno del Consejo posterior a sus reuniones, de su actividad y responder del trabajo realizado;
- b) Que dichas Comisiones estén compuestas exclusivamente por consejeros externos, con un mínimo de tres. Lo anterior se entiende sin perjuicio de la asistencia de consejeros ejecutivos o altos directivos, cuando así lo acuerden de forma expresa los miembros de la Comisión.
- c) Que sus Presidentes sean consejeros independientes.
- d) Que puedan recabar asesoramiento externo, cuando lo consideren necesario para el desempeño de sus funciones.
- e) Que de sus reuniones se levante acta, de la que se remitirá copia a todos los miembros del Consejo.

Ver epígrafes: B.2.1 y B.2.3

Cumple | Cumple parcialmente X Explique |

A pesar de que el Comité de Auditoría y la Comisión de Nombramientos y Retribuciones no están compuestas exclusivamente por Consejeros Externos, Renta Corporación cumple con los Estatutos Sociales y el Reglamento del Consejo de Administración que regula que el Comité de Auditoría estará compuesto por 3 consejeros, en su mayoría no ejecutivos y la Comisión de Nombramientos y Retribuciones estará compuesta por 3 consejeros, todos ellos externos en la medida en que sea posible en atención a la composición del Consejo de Administración.

- 45. Que la supervisión del cumplimiento de los códigos internos de conducta y de las reglas de gobierno corporativo se atribuya a la Comisión de Auditoría, a la Comisión de Nombramientos, o, si existieran de forma separada, a las de Cumplimiento o Gobierno Corporativo.**

Cumple X Explique |

- 46. Que los miembros del Comité de Auditoría, y de forma especial su presidente, se designen teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría o gestión de riesgos.**

Cumple X Explique |

- 47. Que las sociedades cotizadas dispongan de una función de auditoría interna que, bajo la supervisión del Comité de Auditoría, vele por el buen funcionamiento de los sistemas de información y control interno.**

Cumple X Explique |

- 48. Que el responsable de la función de auditoría interna presente al Comité de Auditoría su plan anual de trabajo; le informe directamente de las incidencias que se presenten en su desarrollo; y le someta al final de cada ejercicio un informe de actividades.**

Cumple X Cumple parcialmente | Explique |

49. Que la política de control y gestión de riesgos identifique al menos:

- a) Los distintos tipos de riesgo (operativos, tecnológicos, financieros, legales, reputacionales...) a los que se enfrenta la sociedad, incluyendo entre los financieros o económicos, los pasivos contingentes y otros riesgos fuera de balance;
- b) La fijación del nivel de riesgo que la sociedad considere aceptable;
- c) Las medidas previstas para mitigar el impacto de los riesgos identificados, en caso de que llegaran a materializarse;
- d) Los sistemas de información y control interno que se utilizarán para controlar y gestionar los citados riesgos, incluidos los pasivos contingentes o riesgos fuera de balance.

Ver epígrafe: D

Cumple X Cumple parcialmente | Explique |

50. Que corresponda al Comité de Auditoría:

1º En relación con los sistemas de información y control interno:

- a) Supervisar el proceso de elaboración y la integridad de la información financiera relativa a la sociedad y, en su caso, al grupo, revisando el cumplimiento de los requisitos normativos, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los criterios contables.
- b) Revisar periódicamente los sistemas de control interno y gestión de riesgos, para que los principales riesgos se identifiquen, gestionen y den a conocer adecuadamente.
- c) Velar por la independencia y eficacia de la función de auditoría interna; proponer la selección, nombramiento, reelección y cese del responsable del servicio de auditoría interna; proponer el presupuesto de ese servicio; recibir información periódica sobre sus actividades; y verificar que la alta dirección tiene en cuenta las conclusiones y recomendaciones de sus informes.
- d) Establecer y supervisar un mecanismo que permita a los empleados comunicar, de forma confidencial y, si se considera apropiado, anónima las irregularidades de potencial trascendencia, especialmente financieras y contables, que adviertan en el seno de la empresa.

2º En relación con el auditor externo:

- a) Elevar al Consejo las propuestas de selección, nombramiento, reelección y sustitución del auditor externo, así como las condiciones de su contratación.
- b) Recibir regularmente del auditor externo información sobre el plan de auditoría y los resultados de su ejecución, y verificar que la alta dirección tiene en cuenta sus recomendaciones.
- c) Asegurar la independencia del auditor externo y, a tal efecto:
 - i) Que la sociedad comunique como hecho relevante a la CNMV el cambio de auditor y lo acompañe de una declaración sobre la eventual existencia de desacuerdos con el auditor saliente y, si hubieran existido, de su contenido.
 - ii) Que se asegure de que la sociedad y el auditor respetan las normas vigentes sobre prestación de servicios distintos a los de auditoría, los límites a la concentración del negocio del auditor y, en general, las demás normas establecidas para asegurar la independencia de los auditores;

iii) Que en caso de renuncia del auditor externo examine las circunstancias que la hubieran motivado.

d) En el caso de grupos, favorecer que el auditor del grupo asuma la responsabilidad de las auditorías de las empresas que lo integren.

Ver epígrafes: B.1.35, B.2.2, B.2.3 y D.3

Cumple X Cumple parcialmente | Explique |

51. Que el Comité de Auditoría pueda convocar a cualquier empleado o directivo de la sociedad, e incluso disponer que comparezcan sin presencia de ningún otro directivo.

Cumple X Explique |

52. Que el Comité de Auditoría informe al Consejo, con carácter previo a la adopción por éste de las correspondientes decisiones, sobre los siguientes asuntos señalados en la Recomendación 8:

- a) La información financiera que, por su condición de cotizada, la sociedad deba hacer pública periódicamente. El Comité debiera asegurarse de que las cuentas intermedias se formulan con los mismos criterios contables que las anuales y, a tal fin, considerar la procedencia de una revisión limitada del auditor externo.
- b) La creación o adquisición de participaciones en entidades de propósito especial o domiciliadas en países o territorios que tengan la consideración de paraísos fiscales, así como cualesquiera otras transacciones u operaciones de naturaleza análoga que, por su complejidad, pudieran menoscabar la transparencia del grupo.
- c) Las operaciones vinculadas, salvo que esa función de informe previo haya sido atribuida a otra Comisión de las de supervisión y control.

Ver epígrafes: B.2.2 y B.2.3

Cumple X Cumple parcialmente | Explique |

53. Que el Consejo de Administración procure presentar las cuentas a la Junta General sin reservas ni salvedades en el informe de auditoría y que, en los supuestos excepcionales en que existan, tanto el Presidente del Comité de Auditoría como los auditores expliquen con claridad a los accionistas el contenido y alcance de dichas reservas o salvedades.

Ver epígrafe: B.1.38

Cumple X Cumple parcialmente | Explique |

54. Que la mayoría de los miembros de la Comisión de Nombramientos -o de Nombramientos y Retribuciones, si fueran una sola- sean consejeros independientes.

Ver epígrafe: B.2.1

Cumple | Explique X No aplicable |

Explicado en el punto 44.

55. Que correspondan a la Comisión de Nombramientos, además de las funciones indicadas en las Recomendaciones precedentes, las siguientes:

- a) Evaluar las competencias, conocimientos y experiencia necesarios en el Consejo, definir, en consecuencia, las funciones y aptitudes necesarias en los candidatos que deban cubrir cada vacante, y evaluar el tiempo y dedicación precisos para que puedan desempeñar bien su cometido.

- b) Examinar u organizar, de la forma que se entienda adecuada, la sucesión del Presidente y del primer ejecutivo y, en su caso, hacer propuestas al Consejo, para que dicha sucesión se produzca de forma ordenada y bien planificada.
- c) Informar los nombramientos y ceses de altos directivos que el primer ejecutivo proponga al Consejo.
- d) Informar al Consejo sobre las cuestiones de diversidad de género señaladas en la Recomendación 14 de este Código.

Ver epígrafe: B.2.3

Cumple X Cumple parcialmente | Explique | No aplicable |

56. Que la Comisión de Nombramientos consulte al Presidente y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos.

Y que cualquier consejero pueda solicitar de la Comisión de Nombramientos que tome en consideración, por si los considerara idóneos, potenciales candidatos para cubrir vacantes de consejero.

Cumple X Cumple parcialmente | Explique | No aplicable |

57. Que corresponda a la Comisión de Retribuciones, además de las funciones indicadas en las Recomendaciones precedentes, las siguientes:

a) Proponer al Consejo de Administración:

- i) La política de retribución de los consejeros y altos directivos;
- ii) La retribución individual de los consejeros ejecutivos y las demás condiciones de sus contratos.
- iii) Las condiciones básicas de los contratos de los altos directivos.

b) Velar por la observancia de la política retributiva establecida por la sociedad.

Ver epígrafes: B.1.14, B.2.3

Cumple X Cumple parcialmente | Explique | No aplicable |

58. Que la Comisión de Retribuciones consulte al Presidente y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos y altos directivos.

Cumple X Explique | No aplicable |

G OTRAS INFORMACIONES DE INTERÉS

Si considera que existe algún principio o aspecto relevante relativo a las prácticas de gobierno corporativo aplicado por su sociedad, que no ha sido abordado por el presente Informe, a continuación, mencione y explique su contenido.

Dentro de este apartado podrá incluirse cualquier otra información, aclaración o matiz, relacionados con los anteriores apartados del informe.

En concreto, indique si la sociedad está sometida a legislación diferente a la española en materia de gobierno corporativo y, en su caso, incluya aquella información que esté obligada a suministrar y sea distinta de la exigida en el presente informe.

Definición vinculante de consejero independiente:

Indique si alguno de los consejeros independientes tiene o ha tenido alguna relación con la sociedad, sus accionistas significativos o sus directivos, que de haber sido suficientemente significativa o importante, habría determinado que el consejero no pudiera ser considerado como independiente de conformidad con la definición recogida en el apartado 5 del Código Unificado de buen gobierno:

Sí ◇ No X

| Nombre del consejero | Tipo de relación | Explicación |
|----------------------|------------------|-------------|
| | | |

Este informe anual de gobierno corporativo ha sido aprobado por el Consejo de Administración de la sociedad, en su sesión de fecha 20 de febrero de 2008.

Indique si ha habido Consejeros que hayan votado en contra o se hayan abstenido en relación con la aprobación del presente Informe.

Sí ◇ No X

| Nombre o denominación social del consejero que no ha votado a favor de la aprobación del presente informe | Motivos (en contra, abstención, no asistencia) | Explique los motivos |
|---|--|----------------------|
| | | |



INFORME ANUAL DEL COMITÉ DE AUDITORÍA

INTRODUCCIÓN

El Comité de Auditoría de Renta Corporación Real Estate, S.A. fue constituido por acuerdo del Consejo de Administración adoptado en la reunión celebrada el día 4 de febrero de 2005, siguiendo las recomendaciones de Gobierno Corporativo incluidas en el Código de Buen Gobierno (Código Olivencia), actualizadas por la Comisión Especial para el Fomento de la Transparencia y Seguridad en los Mercados y en las Sociedades Cotizadas (Comisión Aldama), y en cumplimiento del acuerdo tercero adoptado en la reunión del Consejo de Administración de fecha 3 de diciembre de 2004, relativo a la creación de Comisiones especializadas del Consejo, así como en observancia de lo dispuesto en la Disposición Adicional Decimoctava de la Ley del Mercado de Valores, introducida por el artículo 47 de la Ley 44/2002.

Las normas sobre organización y funcionamiento del Comité de Auditoría están recogidas en los artículos 47 y 48 de los Estatutos Sociales y en el artículo 13 del Reglamento del Consejo de Administración.

El presente informe contiene el detalle de las principales actividades realizadas por el Comité de Auditoría, a lo largo del ejercicio 2007. Al mismo tiempo pretende ser un instrumento eficaz, tanto para el Consejo de Administración a los efectos de aprobar la ejecución de las funciones encomendadas, como para accionistas presentes y futuros de Renta Corporación Real Estate, S.A.

COMPOSICIÓN DEL COMITÉ DE AUDITORÍA

Conforme a lo dispuesto en el artículo 47 de los Estatutos Sociales de la Compañía y en el artículo 13 del Reglamento del Consejo, el Comité de Auditoría está integrado por tres consejeros, en su mayoría externos y por tanto no ejecutivos. La designación de los miembros del Comité corresponde al Consejo de Administración, con el voto favorable de los dos tercios de los componentes del mismo. Los miembros del Comité designarán de entre ellos al Presidente del mismo, el cual deberá ser sustituido cada cuatro años, pudiendo ser reelegido una vez transcurrido el plazo de un año desde su cese. Asimismo designarán como Secretario al que resulte elegido de entre sus miembros.

El Comité de Auditoría de Renta Corporación Real Estate, S.A. está formado a 31 de diciembre de 2007 por los siguientes miembros:

| Nombre y Apellidos | Cargo | Naturaleza del Cargo |
|-----------------------------|------------|------------------------|
| D. César A. Gibernau Ausió | Presidente | Otro Consejero Externo |
| Dª. Anna M. Birulés Bertran | Vocal | Ejecutivo |

| | | |
|---------------------------------|------------|-----------------------|
| D. Carlos Tusquets Trias de Bes | Secretario | Externo Independiente |
|---------------------------------|------------|-----------------------|

Los miembros que actualmente componen el Comité cuentan con la debida experiencia y competencia para el desempeño de sus funciones, y mantienen un contacto directo y constante con los auditores externos e internos y con los ejecutivos de la Sociedad a fin de recabar la información financiera necesaria.

COMPETENCIAS DEL COMITÉ DE AUDITORÍA

El Comité de Auditoría tiene encomendadas las funciones que se detallan a continuación:

- Informar en la Junta General de Accionistas sobre las cuestiones que en ella planteen los accionistas en materia de su competencia.
- Proponer al Consejo de Administración, para su sometimiento a la Junta General de Accionistas, el nombramiento de los auditores de cuentas externos a que se refiere el artículo 204 de la Ley de Sociedades Anónimas, así como sus condiciones de contratación, el alcance de su mandato profesional y, en su caso, su revocación o no renovación.
- Supervisar los sistemas internos de auditoría.
- Revisar las cuentas de la Sociedad, vigilar el cumplimiento de los requerimientos legales y la correcta aplicación de los principios de contabilidad generalmente aceptados, contando para ello con la colaboración directa de los auditores externos e internos.
- Supervisar la política de control y gestión de riesgos que inciden en la consecución de los objetivos corporativos.
- Conocer el proceso de información financiera, los sistemas de control internos de la Sociedad, comprobar la adecuación e integridad de los mismos y revisar la designación o sustitución de sus responsables.
- Llevar y supervisar las relaciones con los auditores externos.
- Supervisar el cumplimiento del contrato de auditoría, procurando que la opinión sobre las cuentas anuales y los contenidos principales del informe de auditoría sean redactados de forma clara y precisa, así como evaluar los resultados de cada auditoría.
- Examinar el cumplimiento del Reglamento Interno de Conducta, del presente Reglamento y, en general, de las reglas de gobierno de la Sociedad y hacer las propuestas necesarias para su mejora.
- Recibir información y, en su caso, emitir informe sobre las medidas disciplinarias que se pretendan imponer a miembros del alto equipo directivo de la Sociedad.

Asimismo corresponde al Comité de Auditoría:

- En relación con los sistemas de información y control interno:
 - (a) Supervisar el proceso de elaboración y la integridad de la información financiera relativa a la Sociedad y, en su caso, al grupo, revisando el cumplimiento de los requisitos normativos, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los criterios contables.
 - (b) Revisar periódicamente los sistemas de control interno y gestión de riesgos, para que los principales riesgos se identifiquen, gestionen y den a conocer adecuadamente.
 - (c) Velar por la independencia y eficacia de la función de auditoría interna; proponer la selección, nombramiento, reelección y ceso del responsable del servicio de auditoría interna; proponer el presupuesto del servicio; recibir información periódica de sus actividades; y verificar que la alta dirección tiene en cuenta las conclusiones y recomendaciones de sus informes.
 - (d) Establecer y supervisar un mecanismo que permita a los empleados comunicar, de forma confidencial y, si se considera apropiado, anónima las irregularidades de potencial trascendencia, especialmente financieras y contables, que adviertan en el seno de la Sociedad.
- En relación con el auditor externo:
 - (a) Elevar al Consejo las propuestas de selección, nombramiento reelección y sustitución del auditor externo, así como las condiciones de su contratación.
 - (b) Recibir regularmente del auditor externo información sobre el plan de auditoría y los resultados de su ejecución, y verificar que la alta dirección tiene en cuenta sus recomendaciones.
 - (c) Asegurar la independencia del auditor externo y, a tal efecto: (i) que la Sociedad comunique como hecho relevante a la CNMV el cambio de auditor y lo acompañe de una declaración sobre la eventual existencia de desacuerdos con el auditor saliente y, si hubieran existido, de su contenido; (ii) que se asegure que la Sociedad y el auditor respetan las normas vigentes sobre prestación de servicios distintos a los de auditoría y, en general, las demás normas establecidas para asegurar la independencia de los auditores; (iii) que en caso de renuncia del auditor externo, examine las circunstancias que la hubieran motivado.
 - (d) En el caso de grupos, favorecer que el auditor del grupo asuma la responsabilidad de las auditorías de las empresas que lo integren.
- En relación con la política y la gestión de riesgos:
 - (a) Identificar los distintos tipos de riesgo (operativos, tecnológicos, financieros, legales, reputacionales) a los que se enfrenta la Sociedad, incluyendo entre los financieros o económicos, los pasivos contingentes y otros riesgos fuera de balance.

- (b) Identificar la fijación del nivel de riesgo que la Sociedad considere aceptable.
 - (c) Identificar las medidas previstas para mitigar el impacto de los riesgos identificados, en caso de que llegaran a materializarse.
 - (d) Identificar los sistemas de información y control interno que se utilizarán para controlar y gestionar los citados riesgos, incluidos los pasivos contingentes o riesgos fuera de balance.
- En relación con las obligaciones propias de las sociedades cotizadas:
- Informar al Consejo de Administración, con carácter previo a que éste adopte las correspondientes decisiones sobre:
- (a) La información financiera que, por su condición de cotizada, la Sociedad deba hacer pública periódicamente. El Comité de Auditoría deberá asegurarse de que las cuentas intermedias se formulan con los mismos criterios contables que las anuales y, a tal fin, considerar la procedencia de una revisión limitada del auditor externo.
 - (b) La creación o adquisición de participaciones en entidades de propósito especial o domiciliadas en países o territorios que tengan la consideración de paraísos fiscales, así como cualesquiera otras transacciones u operaciones de naturaleza análoga que, por su complejidad, pudieran menoscabar la transparencia del grupo.
 - (c) Las operaciones vinculadas, salvo que esa función de informe previo haya sido atribuida a otra Comisión de las de supervisión y control.

Estas funciones, con las que ha venido trabajando durante el 2007 el Comité de Auditoría, son las mismas que se establecen en los Estatutos Sociales y en el Reglamento del Consejo de Administración aprobados por la Junta General de Accionistas celebrada el día 29 de marzo de 2007.

FUNCIONAMIENTO DEL COMITÉ DE AUDITORÍA

El Comité de Auditoría se reunirá, de ordinario, trimestralmente, a fin de revisar la información financiera periódica que haya de remitirse a las autoridades bursátiles, así como la información que el Consejo de Administración haya de aprobar e incluir dentro de su documentación pública anual. Asimismo se reunirá cuantas veces sea convocado por su Presidente, cuando éste lo estime conveniente para el buen desarrollo de sus funciones o siempre que el Consejo o su Presidente solicite la emisión de un informe o la adopción de propuestas, o a petición de cualquiera de sus miembros.

Están obligados a asistir a las reuniones del Comité y a prestarle su colaboración y acceso a la información de que disponga, cualquier miembro del equipo directivo o del personal de la Sociedad que sea requerido a tal fin por el mismo. El Comité podrá igualmente requerir la asistencia a sus sesiones de los auditores de cuentas.



Por otra parte, el Comité de Auditoría podrá recabar, cuando lo considere necesario para el adecuado y mejor cumplimiento de sus funciones, el asesoramiento de expertos independientes.

REUNIONES CELEBRADAS POR EL COMITÉ DE AUDITORÍA

Durante el ejercicio 2007, el Comité de Auditoría celebró seis reuniones, a las que asistieron todos sus miembros presentes y en uno de los casos representado, además del Consejero Delegado, el Secretario General, el Director General y el Director Económico-Financiero, siempre que se ha considerado oportuno y regularmente la Directora de Planificación, Análisis y Relación de Inversores de la Sociedad.

El Comité de Auditoría solicitó la asistencia de los auditores de la firma de auditoría de la Sociedad, así como del Consejero Delegado, del Director General, de la Directora de Administración y Finanzas y de la *Controller* de la Sociedad, en la reunión celebrada para revisar y analizar las cuentas anuales individuales y consolidadas correspondientes al ejercicio 2006.

Se presenta a efectos informativos el índice de los asuntos examinados en las reuniones celebradas por el Comité de Auditoría en el ejercicio 2006:

Reunión de 24 de enero de 2007

- Información sobre el presupuesto para el ejercicio social 2007.
- Información sobre operaciones vinculadas
- Seguimiento de las recomendaciones de control interno contable
- Presentación del plan anual de trabajo del auditor interno de la Sociedad para el ejercicio social 2007

Reunión de 21 de febrero de 2007

- Revisión de la información financiera periódica correspondiente al 2º semestre del ejercicio 2006.
- Revisión de las cuentas anuales individuales de la Sociedad y las consolidadas de la Sociedad y sus sociedades dominadas correspondientes al ejercicio social 2006
- Aprobación del Informe Anual del Comité de Auditoría
- Presentación del plan anual de trabajo del Auditor Interno
- Información sobre operaciones vinculadas
- Propuesta de reelección de los auditores de cuentas de la Sociedad y de su grupo consolidado

Reunión de 25 de abril de 2007

- Revisión y aprobación de la información financiera periódica correspondiente al primer trimestre del ejercicio social 2007
- Información sobre operaciones vinculadas
- Propuesta de celebración de contrato de consultoría con Mixta África, S.A.
- Ratios financieros en relación con el crédito sindicado
- Información sobre el mapa de riesgos de la Sociedad a desarrollar por el Auditor Interno
- Revisión y aprobación del Informe de Control Interno 2006
- Revisión y aprobación del Manual de normas y procedimientos para la prevención de operaciones relacionadas con el Blanqueo de Capitales

Reunión de 6 de junio de 2007

- Revisión y aprobación, en su caso, del informe anual sobre el cumplimiento del Reglamento Interno de Conducta
- Revisión de los términos y condiciones del contrato de arrendamiento de servicios a suscribir con Dª Esther Elisa Giménez Arribas
- Actualización del protocolo de actuación suscrito con Second House
- Información sobre el proceso de identificación de los riesgos calificados como A+
- Información sobre operaciones vinculadas

Reunión de 24 de julio de 2007

- Información financiera periódica correspondiente al primer semestre del ejercicio social 2007.
- Mapa de riesgos de la Sociedad.
- Seguimiento de las recomendaciones de Control interno contable y otros aspectos identificadas en el Informe de PricewaterhouseCoopers Auditores, S.L.
- Información sobre operaciones vinculadas.

Reunión de 24 de octubre de 2007

- Información financiera periódica correspondiente al tercer trimestre del ejercicio social 2007.
- Estatuto Auditor Interno.
- Estructura societaria y financiera del Grupo Renta Corporación.
- Información sobre operaciones vinculadas.

ACTIVIDADES REALIZADAS POR EL COMITÉ DE AUDITORÍA

Se presenta a continuación un resumen de las actividades realizadas por el Comité durante el ejercicio 2007, destacando los asuntos más relevantes tratados por el mismo en relación con las distintas materias de su competencia:

A) En relación con los estados financieros:

- El Comité recepcionó el informe de auditoría de Renta Corporación Real Estate, S.A. y de las Sociedades de su Grupo, correspondientes al ejercicio 2006, realizados por la firma auditora PriceWaterhouseCoopers Auditores, S.L. La opinión de los auditores sobre las cuentas anuales individuales y consolidadas del ejercicio 2006, de la misma manera que en ejercicios anteriores, pone de manifiesto que expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera de la Sociedad y del Grupo.
- El Comité propuso al Consejo de Administración, con su informe favorable, la formulación de las cuentas individuales de Renta Corporación Real Estate, S.A. del ejercicio 2006 y consolidadas de su Grupo de Sociedades.
- El Comité realizó una revisión y análisis de los resultados correspondientes al primer, segundo y tercer trimestre de 2007 y, no habiendo hallado elementos que pusieran en duda la imagen fiel de los estados financieros revisados y analizados, acordó someter a la aprobación del Consejo de Administración la información periódica correspondiente a dichos trimestres, así como su posterior remisión a la Comisión Nacional del Mercado de Valores (CNMV) y a las Sociedades Rectoras de Bolsas donde se negocian las acciones de la Sociedad, de conformidad con lo dispuesto en el artículo 35 de la Ley del Mercado de Valores y en la Orden de 18 de enero de 1991, sobre información pública periódica de las entidades emisoras de valores admitidos a negociación en las Bolsas de Valores.

B) En relación con la auditoría externa de cuentas:

- El Comité propuso al Consejo de Administración, para su sometimiento a la Junta General de Accionistas, la reelección para el cargo de auditor de cuentas individuales y consolidadas de la Sociedad, por el plazo de un año, a contar desde el comienzo del ejercicio social 2007, a la firma PriceWaterhouseCoopers Auditores, S.L.
- Despues de analizar y revisar (i) la propuesta de honorarios presentada por la firma de auditoría de la Sociedad, PriceWaterhouseCoopers Auditores, S.L., para realizar el trabajo de revisión de las cuentas del ejercicio 2006 correspondientes a Renta Corporación Real Estate, S.A., a las sociedades de su Grupo y a las sociedades con las que forma Grupo Consolidado y (ii) la propuesta de honorarios en relación a la emisión del certificado de los ratios del crédito sindicado, el Comité de Auditoría acordó aceptar las referidas propuestas.

C) En relación con el control interno y gestión de riesgos:

- El Comité de Auditoría aprobó el Mapa de Riesgos de la sociedad donde se identifican, cuantifican y controlan los principales riesgos de la Sociedad.
- El Comité analizó, revisó y dio por finalizado el cumplimiento de las recomendaciones de control interno contable y otros aspectos a realizar por parte de la Sociedad según el Informe elaborado por PricewaterhouseCoopers Auditores, S.L. en fecha 4 de septiembre de 2006.
- El Comité analizó y revisó todas las operaciones realizadas por la Sociedad con partes vinculadas durante el ejercicio 2007, y verificó asimismo la operación de suscripción de diversos aumentos de capital en la sociedad Mixta África, S.A. por parte de algunos accionistas y directivos de la Sociedad, ante el interés comunicado reglamentariamente a la misma Sociedad en invertir dichos sujetos a título individual, directamente o a través de personas vinculadas o sociedades controladas por ellos, mediante aportaciones dinerarias, en la sociedad Mixta África, S.A.
- El Comité de Auditoría aprobó el Plan Anual de Trabajo del Auditor Interno de la Sociedad para el ejercicio 2007.

D) En relación con la normativa de cumplimiento:

- El Comité examinó el cumplimiento del Reglamento Interno de Conducta, el Reglamento del Consejo de Administración, los Estatutos de la Sociedad y, en general, las reglas de gobierno de la Compañía.
- El Comité aprobó un manual de normas y procedimientos para la prevención de operaciones relacionadas con el Blanqueo de Capitales de Renta Corporación que consta de (i) Política de admisión de clientes, (ii) comunicación del responsable ante el SEPBLAC, (iii) formación del personal y (iv) revisión del experto externo y examinó su cumplimiento.

CONCLUSIÓN

Durante el ejercicio 2007 el Comité de Auditoría ha ejercido adecuadamente las funciones que le asignan los Estatutos y el Reglamento del Consejo, en sus principales ámbitos de actuación.

Como resultado de todas las actividades anteriormente expuestas, el Comité ha podido verificar que los estados financieros han sido elaborados de conformidad con los principios y normas generalmente aceptados y, en consecuencia, asegurar que las cuentas anuales a formular por el Consejo de Administración expresan la imagen fiel del patrimonio, de la situación financiera, de los resultados de las operaciones y que contienen la información necesaria y suficiente para su comprensión.

Asimismo el Comité ha constatado que las cuentas anuales y el informe de gestión correspondientes al ejercicio social cerrado a 31 de diciembre de 2006, de Renta Corporación Real Estate, S.A. y de su Grupo de Sociedades, explican con claridad y sencillez los riesgos económicos, financieros y jurídicos en que pueden incurrir.

El Comité ha supervisado también los contenidos del informe de auditoría del ejercicio 2006, procurando que la opinión sobre las cuentas anuales y los contenidos principales de dicho informe sean redactados de forma clara y precisa.

En el área de cumplimiento, el Comité se siente satisfecho con los procesos internos establecidos durante el ejercicio 2007 para asegurar el correcto cumplimiento de la normativa legal vigente, y de las políticas, normas y procedimientos internos del Grupo.

En conclusión, el Comité de Auditoría no destaca ninguna incidencia surgida en relación con las funciones que le son propias, siendo su opinión favorable para el ejercicio 2007.

Los miembros del Comité de Auditoría en fecha 20 de febrero de 2008 proceden a suscribir el presente Informe sobre el desarrollo de sus actividades durante 2007, que se someterá a la consideración de la Junta General de Accionistas.