

TO THE SPANISH SECURITIES AND INVESTMENT BOARD (CNMV)

MATERIAL EVENT

Morgan Stanley & Co. International Limited, as Global Coordinator and stabilisation agent for the Initial Public Offering and Public Offer for Subscription of Renta Corporación Real Estate, S.A. Shares (the **Offering**) hereby announces the following:

1. There have been no stabilisation operations on Renta Corporación Real Estate, S.A. shares following listing on the Madrid and Barcelona Stock Exchanges; and
2. The maximum period available to perform stabilisation practices with regard to the Offering lapsed on 5 May 2006. Nevertheless, the period was terminated early on 7 April 2006 as the entire option over 1,080,000 Renta Corporación Real Estate, S.A. shares had been exercised.

All this has been made public in compliance with the provisions of article 9.3 of EC Regulation 2273/2003 of 22 December 2003, implementing Directive 2003/6/EC passed by the European Parliament and Council on exemptions on buyback and stabilisation programmes on financial instruments, and section 6.5.3 of the Note on Shares in the Offering Prospectus lodged with the Official Registry of the Spanish Securities and Investment Board on 16 March 2006.

Madrid, 19 May 2006.

Morgan Stanley & Co. International Limited