



29 April 2011

RENTA CORPORACIÓN REAL ESTATE, S.A.  
Via Agusta, 252 - 260  
08029 BARCELONA

For the attention of Mr. Javier Carrasco

Dear Sirs,

Please find attached three copies of our audit report, annual accounts at 31 December 2010 and directors' report for 2010 of Renta Corporación Real Estate, S.A.

We would be obliged if you would sign and return the attached copy to us as confirmation of receipt.

Yours faithfully,

PricewaterhouseCoopers Auditores, S.L.

Stefan Mundorf  
Partner

GL/jm.

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**RENTA CORPORACIÓN REAL ESTATE, S.A. AND  
SUBSIDIARIES**

Audit Report,  
Consolidated Annual Accounts at 31 December 2010 and  
Directors' Report for 2010



*This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation*

## **AUDIT 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. (the parent company) and subsidiaries (the consolidated Group), consisting of the consolidated balance sheet at 31 December 2010, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement and the notes to the consolidated annual accounts for the year then ended. As mentioned in note 2 to the accompanying accounts, the Directors are responsible for the preparation of the consolidated Group's annual accounts in accordance with International Financial Reporting Standards as endorsed by the European Union and other provisions of the financial reporting framework applicable to the consolidated group. Our responsibility is to express an opinion on the consolidated annual accounts, taken as a whole, based on the work performed in accordance with legislation governing the audit practice in Spain, which requires the examination, on a test basis, of evidence supporting the consolidated annual accounts and an evaluation of whether their overall presentation, the accounting principles and criteria applied and the estimates made are in accordance with the applicable financial reporting framework.
2. In our opinion, the accompanying consolidated annual accounts for 2010 express, in all material respects, the consolidated financial position of Renta Corporación Real Estate, S.A. and subsidiaries at 31 December 2010 and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with international Financial Reporting Standards as endorsed by the European Union and other provisions of the applicable financial reporting framework.
3. Without this affecting our audit opinion, noteworthy is note 5.2 to the accompanying accounts which indicates that at 31 December 2010 the group records negative equity of Euros 41 million and has incurred losses during the year then ended amounting to Euros 84.9 million while the overall amount of current liabilities exceeds total current assets by Euros 37.8 million. Similarly, as mentioned in note 5.2, the parent company fulfils one of the causes for mandatory dissolution envisaged in Article 363 of the Spanish Capital Companies Act. These conditions indicate the existence of significant uncertainty concerning the group's capacity to continue its operations if it fails to reach an agreement with its financial creditors in the terms currently under consideration. Nonetheless, as is explained in this same note to the accounts, the Directors have prepared the consolidated annual accounts on a going-concern basis since they expect the success of the refinancing process will provide the group with sufficient equity and financial stability to continue its operations in the next few years.

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4. The accompanying consolidated Directors' Report for 2010 contains the information that the Directors of Renta Corporación Real Estate, S.A. consider relevant to the Consolidated Group's position, the development of its business and other matters and does not form an integral part of the consolidated annual accounts. We have verified that the financial information contained in the aforementioned consolidated Directors' Report coincides with that of the consolidated financial statements for 2010. 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 subsidiaries.

PricewaterhouseCoopers Auditores, S.L.

Original signed in Spanish by  
Stefan Mundorf  
Audit Partner

29 April 2011