1- Market situation

- No significant changes in the real estate market which continues to be characterized by a lack of liquidity and some risk aversion to new investments. However, there are some economic indicators that are beginning to show some stability, mainly in the residential market.
- Main markets where Renta Corporación operates are affected by this situation, although it is expected an earlier recovery in the international markets.
- Some good acquisition and transformation opportunities in attractive products are starting to appear.
- The residential market shows a more positive trend, while the other business areas mantain a similar trend within this period of crisis.
  - The residential market appeals to small and property investors looking for residential assets at good prices. The residental markets also attracts end users that are beginning to invest in certain products with appropriate prices adapted to the current market.
  - Investors in the office market are looking for buildings with high yields in order to guarantee rents in the medium and long term. Demand is focused on small and medium space areas, which show a more stable behaviour.
  - The land market is still showing the most complicated situation, with practically no demand.

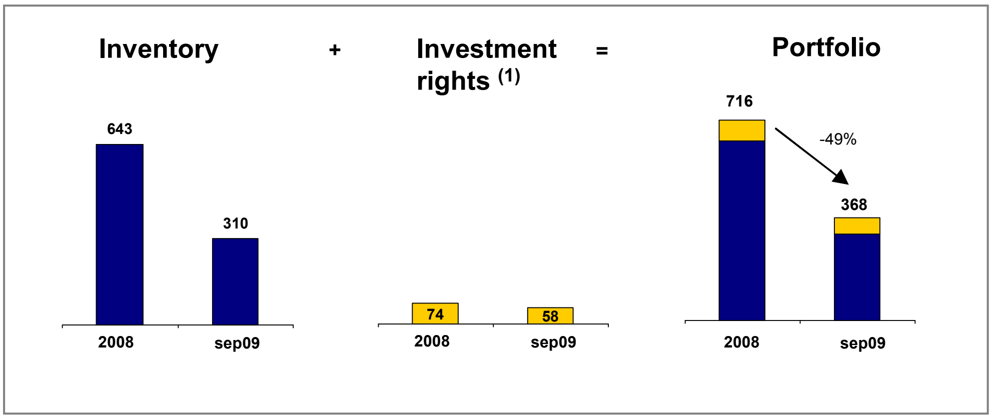
2- Business evolution

- On May 26th, the group formalized a new long term syndicated loan within the refinancing agreement of the total debt. This deal adapts debt terms and conditions to the current market situation. The signing of this deal gives the company more stability for the coming years.
- Accumulated **revenues** at September 2009 are 341.6M €, 60% up compared to the same period in 2008. Sales rose to 331.0 M €, increasing 132.9 M € compared to January-September 2008, while other revenues, primarily rents, stood at 10.6 M €, a reduction of 4.4 M € year on year due to the sale of some assets that generated substantial rents in the past.
- Regarding the **sales**:
  - **Sales** that were part of the **refinancing deal** totalled 281.1 M €. This has been spread across both the domestic (43%) and international (57%) market. By business unit, 65% were building sales and the remainder was land sales.
  - **Ordinary sales** of both old and new portfolio stood at 49.9 M € and mainly come from the national market. 52% was land sales and the remainder come from building sales.
- **Gross margin** on sales totalled -3.3 M € which breaks down on -2.1 M € coming from the sale of assets to the financial institutions; +4.1 M € of ordinary margin and a non ordinary gross margin of -5.3 M € due to provisions on inventory carried out in 2T09, due to the group decision to value its portfolio by independent experts.

- **Variable selling** expenses stood at 10.3 M €, 3.1% on sales, vs 20.7 M € (10.4% on sales) for the same period 2008. This decrease is mainly due to: i) investment rights that the company decided not to execute, that went down from 8.7 M € in the period January - September 2008 to 3.9 M € in the same period 2009; ii) reduction on variable expenses over the current portfolio. During the period January -September 2008 the average portfolio volume was substantially higher than that of 2009 and included two relevant assets with high associated variable expenses, which were part of the portfolio during the whole year 2008 and were sold during the refinancing process in 2009.
- **G&A expenses** for the period were 4.3 M € , down 48% vs same period 2008, a clear indication of the success of all the cost reduction policies carried out by the company.
- **Personnel expenses** were 7.5 M €, down 55% compared to January-September 2008 (16.5 M €). This decrease is mainly due to the staff reduction carried out by the company during 2008 and other policies applied at the beginning of 2009 based on the reduction in the salaries of the senior management team and the staff salary freeze. Current total staff is 82 people compared to an average of 133 people for the period January-September 2008.
- **Net financial result** stood at -10.5M € versus -18.6 M € in the same period 2008. This improvement is mainly due to a lower net debt average, which goes down from 665.2 M € in 2008 to 413.0 M € in 2009, and also due to a lower "all in" interest rate average vs 2008 (3.56% vs 5.52%).
- **Net result** for the period January-September 2009 is a negative of -18.3 M €, which is a 6.9 M € improvement on the same period 2008 result, which was -25.2 M €. It should be pointed out that 2008 result includes an extraordinary income of 12.6 M € coming mainly from the sale of 11.6% stake in the company Mixta Africa, S.A.
- **Net debt** stood at 295.9 M € at the end of September, after the closing of the refinancing process, down 345.7 M € compared to year end 2008. Leverage ratio was 80%, down in 8 p.p. vs December 2008.

(M €)	**sep-09**	**dec-08**	**dif.**
Syndicated loan	249.1	500.0	-250.9
Debt with mortgage guarantee	66.5	71.7	-5.2
Mortgage on Registered Office		53.2	-53.2
Credit facilities and other financial debt	2.5	44.1	-41.6
Cash and short term deposits	-22.2	-27.3	5.1
Total Net Debt	**295.9**	**641.6**	**-345.7**
Net debt / (Net debt + Equity)	80%	88%	-8 pp

- The **portfolio** (inventory and investment rights) came to 367.9M €, a decrease of 348.3 M € vs year end 2008.
  - **Inventory** was valued at 309.5 M €, of which 64% is buildings. The building portfolio has been spread across both the domestic (76%) and international (24%) market. The remaining portfolio is made up of land assets.
  - **Investment rights** decrease in 15.2 M € vs year end 2008. 77% of this correspond to investment rights from the old portfolio acquired before 2007 and the remaining 23% is from the new portfolio.



(1) Investment rights include option premiums detailed under inventory

- In **trade debtors & receivables** there is a 30.7 M € debt which is guaranteed by an asset mortgage and that has been judicially claimed. At the date of publication of this document this guaranteed asset has not been yet judicially executed. In any case the recovery value of the executed asset is estimated in approximately 13 M €. The company is planning to claim the pending amount of the debt.
- The refinancing of the debt and also the sale of assets involved in the refinancing process has left the company in a better position adapted to the current market situation: its debt and inventory levels have been reduced by half in comparison with year end 2008, it has achieved a good liquidity position, its investment rights portfolio has been adjusted and, finally, the headcount and the general expenses have been adapted to the new market situation.
- The company is focused on the following strategic lines:
  - Actively looking for new profit margins. Priority on identifying new product apt for transformation and adaptation to the current market demand.
  - Defining the most appropiate strategy for each asset in our current portfolio deciding whether the best option is (i) the sale of the asset, or (ii) maximising its value by a transformation process, or in some cases, (iii) optimizing the rents to keep the asset in portfolio until the market scenario improves.
  - Intensive control on Group's overhead costs.

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Note:
Periodic public information in accordance with the new requirements of Law 6/2007 and Royal Decree 1362/2007