

1. Relevant issues

- ▶ Renta Corporación closes year 2016 with a **net profit** of **4.0 M€** in comparison with the result of year 2015 which was of 8.2 M€.
- ▶ **Margin from operations** totals **9.0 M€**, 8% below the amount of year 2015 which totalled 9.9 M€.
- ▶ During the year 2016 the company carried out some outstanding transactions both in Barcelona, with the sale of a building in Enrique Granados street or Paseo Pujades, and Madrid, with the sale of two buildings located in the street Andrés Mellado and Paseo Juan XXIII.
- ▶ **Business portfolio** of the company, defined as investment rights and inventory for sale, stands at **215.4 M€** by the end of December 2016 and increases slightly the amount of December 2015. In addition, Renta Corporación manages assets available for sale in collaboration with **real estate funds** totalling an investment amount of approximately **45 M€**.
- ▶ The **share price** by the end of December 2016 is **1.84 euros** per share, **5% above** the price of year end 2015 which was of 1.75 euros per share.

2. Main consolidated economic-financial figures

- The financial statements are presented according to the International Financial Reporting Standards (IFRS), as adopted by the European Union.

	January-December		
Consolidated profit and loss summary (M €)	2016	2015	% var.
Margin from operations	9.0	9.9	-8%
EBITDA	4.2	5.3	-22%
EBIT	4.1	5.3	-23%
Net profit	4.0	8.2	-51%
Consolidated balance sheet summary (M €)	Dec 16	Dec 15	dif.
Total assets	71.1	69.3	1.7
Current assets	34.4	52.8	-18.4
Equity	33.6	29.9	3.8
Net debt ⁽¹⁾	21.4	20.7	0.7
Consolidated main figures (M €)	Dec 16	Dec 15	dif.
Ordinary business portfolio	215.4	214.0	1.4
Inventory	7.0	7.7	-0.7
Investment rights	208.4	206.3	2.1

(1) Includes the temporary effect of the restatement of the equity loan, which has a nominal value of 18.0 M€

2.a. Consolidated profit and loss account

(M €)	January-December				TOTAL Var. vs 2015
	2016		2015		
	TOTAL	% Income	TOTAL	% Income	
Sales	17.5		42.1		-24.6
Cost of sales and variable expenses	-13.9		-37.6		23.7
Margin from sales	3.6		4.5		-0.9
Income from service rendering	6.0		7.2		-1.2
Costs and variable expenses of service rendering	-2.4		-2.2		-0.2
Margin from services rendered	3.6		5.0		-1.4
Other income and variable sale expenses	1.8		0.3		1.5
MARGIN FROM OPERATIONS	9.0	34%	9.9	20%	-0.8
Admin and payroll expenses	-4.9	-18%	-4.5	-9%	-0.3
EBITDA	4.2	16%	5.3	11%	-1.2
Depreciation, provisions & other	-0.1	0%	-0.1	0%	0.0
EBIT	4.1	15%	5.3	11%	-1.2
Net financial income	-0.9	-3%	-11.3	-23%	10.4
Equity accounting and others	0.1	1%		0%	0.1
PROFIT BEFORE TAX	3.3	12%	-6.0	-12%	9.3
Taxes	0.7	3%	14.3	29%	-13.6
NET PROFIT	4.0	15%	8.2	17%	-4.2

INCOME

- Total **income**, including sales and income from service rendering, rents and other, stood at 26.7 M€ compared with year 2015 amount which was of 50.0 M€.

MARGIN FROM OPERATIONS

- The **operating margin** is 9.0 M€ compared to the amount of year 2015 which was of 9.9 M€. Total margin is mainly made up of:
 - ▶ **Margin from sales**, that is the difference between sales and their cost and variable expenses, totalling 3.6 M€, among which it is worth to highlight the sale of a building in Pujades street from Barcelona, and the sale of a building in Ponzano street of Madrid.
 - ▶ **Margin from services rendered** totalling 3.6 M€, to be pointed out the sale of two buildings located in Montalbán street in Madrid and Enrique Granados street in Barcelona.
 - ▶ **Other income and variable sale expenses** amounting to 1.8 M€. This amount includes an impact of 2.7 M€ due to the transfer to investment property, at fair value, of certain assets recorded as inventory to date. These assets will be hold as investment property in order to obtain recurrent income from rents.

OVERHEAD EXPENSES

- The group's combined general and personnel expenses came to 4.9 M€, slightly above the amount of last year, which was of 4.5 M€.

January-December					
(M €)	2016	% Margin	2015	% Margin	dif.
Margin from operations	9.0		9.9		-0.8
G&A and personnel expenses	-4.9	-54%	-4.5	-46%	-0.3
G&A	-1.7	-19%	-1.5	-15%	-0.3
Personnel	-3.1	-35%	-3.1	-31%	-0.1

EBITDA

- Year 2016 **EBITDA** totals 4.2 M€, € in comparison with the figure of year 2015 which was of 5.3 M€.

FINANCIAL RESULT

- Net financial result stood at -0.9 M€, hard to compare to the figure of year 2015 which was of -11.3 M€ and included the registration of several extraordinary impacts amounting to -10.2 M€ mainly related to the classification of part of the Tax Authorities insolvency debt as general privilege.
- If only ordinary interest expenses are taken into account, financial result of both years stands at the same level. In addition to that, year 2015 figure included 0.8 M€ of interests paid to joint accounts.
- The company has registered an extraordinary impact amounting to -0.7 M€ in "Other interest" line, coming mainly from bankruptcy period effects, such as the reversal of the temporary effect on the equity loan and the creditors insolvency debt.

January-December			
(M €)	2016	2015	dif
Ordinary interest expenses	-0.5	-0.4	-0.1
Joint account contracts	0.0	-0.8	0.8
Ordinary interest incomes	0.3	0.0	0.3
Ordinary net financial result	-0.2	-1.1	0.9
Other interests	-0.7	-10.2	9.5
Net financial result	-0.9	-11.3	10.4

TAXES

- The company has registered +0.7 M€ of taxes for the net effect between several impacts:
 - ▶ Current tax expenses totalling -0.7 M€.
 - ▶ Tax expenses amounting to -0.6 M€ derived from the fiscal adjustment on inventory provision as a consequence of the new tax regulation requiring the reversal of inventory impairment losses in a 5 years period.
 - ▶ The registration of a tax credit in assets amounting to +2.0 M€ coming from tax losses to be offset against future profits.

NET PROFIT

- Renta Corporación closed year 2016 with a net profit of 4.0 M€ compared to the profit of year 2015 which totalled 8.2 M€.

2.b. Consolidated balance sheet

Assets (M €)	Dec-16	Dec-15	Equity and Liabilities (M €)	Dec-16	Dec-15
Long term financial assets	0.4	1.6	Capital & Reserves	29.6	21.6
Other long term assets	36.3	14.9	Net profit	4.0	8.2
Long term assets	36.7	16.5	Equity	33.6	29.9
Inventory	27.3	42.8			
Debtors	2.8	5.4	Long term debt	21.4	13.8
Cash/Financial investments	4.3	4.6	Long term creditors	7.5	8.6
Current assets	34.4	52.8	Short term debt	4.3	11.4
			Short term creditors	4.3	5.6
Total Assets	71.1	69.3	Equity and liabilities	71.1	69.3

LONG TERM ASSETS

- Long term assets stood at 36.7 M€ and increase by 20.1 M€ compared to year end 2015 due mainly to the transfer to investment property of certain assets recorded as inventory to date, in order to obtain recurrent income from rents.
- Tax credit increases by 2.0 M€ compared to December 2015 due to the year 2016 credit registration mentioned before. The total amount of tax credit in assets registered is 16.8 M€ and comes mainly from tax losses to be offset against future profits, being this amount only a part of the tax credit likely to be registered.

(M €)	Dec-16	Dec-15	dif
Non-current loans/investment in equity instruments	0.4	1.6	-1.2
Investment property	18.6	-	18.6
Other long term assets	0.9	0.2	0.7
Tax credit	16.8	14.7	2.0
Long term assets	36.7	16.5	20.1

INVENTORY

- Inventory stood at 27.3 M€, decreasing by 15.5 M€ compared to the end of year 2015 due primarily to the transfer to investment property of certain assets, as well as due to the sales of year 2016. This amount includes option premiums of 2.2 M€ that entitle the company to acquire future assets amounting to 208.4 M€.

DEBTORS

- The breakdown of debtors is as follows:

(M €)	Dec-16	Dec-15	dif
Trade debtors & receivables	0.7	3.7	-3.0
Accrued taxes	0.8	0.6	0.2
Other debtors	1.3	1.0	0.3
Debtors	2.8	5.4	-2.6

- By the end of December 2016 debtors totalled 0.7 M€ and decreased by 3.0 M€ compared with year end 2015 due mainly to the collection of receivable amounts from service rendering, some of them concerning real estate funds operations of the company, and the collection of withheld amounts until the completion of work of some ongoing operations.
- Accrued taxes amount to 0.8 M€ in December 2016 almost at the same level than December 2015.
- Other debtors amount to 1.3 M€ by the end of year 2016 and increases by 0.3 M€ vs the end of year 2015 due mainly to the amounts deposited in the notary office in relation to acquisition operations under due diligence process.

EQUITY

- Equity stood at 33.6 M€, increasing by 3.8 M€ compared to the amount of year end 2015 which was of 29.9 M€, due primarily to the profit of current year partially offset by the acquisition of treasury shares totalling -0.2 M€.

(M €)	Dec-16	Dec-15	dif
Capital & Reserves	29.6	21.6	8.0
Net profit	4.0	8.2	-4.2
Equity	33.6	29.9	3.8

CREDITORS

(M €)	Dec-16	Dec-15	dif
Long-term creditors	6.8	8.2	-1.4
Short-term creditors	2.0	3.0	-1.0
Pre-sales/Deferred income	0.1	1.1	-0.9
Other	2.9	1.9	1.0
Short & long term creditors	11.8	14.2	-2.4

- Long-term creditors stand at 6.8 M€ and include the debt with the creditors coming from the insolvency period that will be repaid over the next 6 years. It is also included under this item the registration of the temporary effect coming from the restatement of this debt taking into account the effective interest rate based on the market long term interests. This impact has been and will be reversed as the debt is being repaid over the current and the coming years. Long-term creditors has decreased by 1.4 M€ vs year end 2015 after the reclasification of this debt between the long and the short term according to its maturity period.
- Short term creditors decrease by 1.0 M€ over December 2015 and total 2.0 M€. They are made up of the creditors related with the recurrent activity of the company.

- Pre-sales and deferred incomes totalled 0.1 M€ and decreased by 0.9 M€ compared to year end 2015 as a consequence of its realization.
- “Other” item stands at 2.9 M€ and increases by 1.0 M€ over year end 2015 due mainly to deferred taxes derived from the investment property revaluation and the reclassification between the long and the short term of insolvency creditors.

NET DEBT

- Total net debt stands at 21.4 M€, 0.7 M€ above the amount of December 2015 due mainly to the reversal of the equity loan restatement temporary effect.

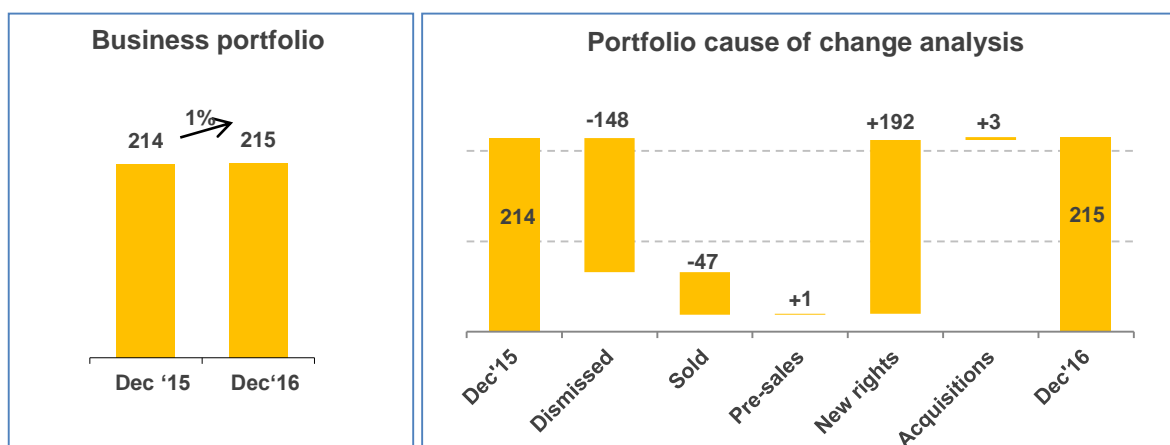
(M €)	Dec-16	Dec-15	Dif
Operations with mortgage guarantee	11.1	11.0	0.1
Other financial debt	0.0	0.5	-0.5
Cash and short term deposits	-4.3	-4.6	0.3
Financial Net Debt	6.8	6.8	0.0
Equity loan (1)	14.5	13.8	0.7
Total Net Debt	21.4	20.7	0.7

(1) It has been included the temporary effect coming from the restatement of the equity loan with a nominal value of 18.0 M€ taking into account the effective interest rate, which is based on the market long term interest rates.

3. Portfolio and company activity

3.a. Portfolio

- **Business portfolio** of the company, defined as investment rights and inventory for sale, stands at 215.4 M€ by the end of December 2016 and increases slightly compared to the amount of December 2015. The number of operations increases compared to year end 2015 and the average size decreases. All the investment rights are focused in Madrid and Barcelona.



- In addition, Renta Corporación manages assets available for sale in collaboration with real estate funds totalling an investment amount of approximately 45 M€.

3.b. Ongoing and completed activity

PASSEIG PUJADES - Barcelona



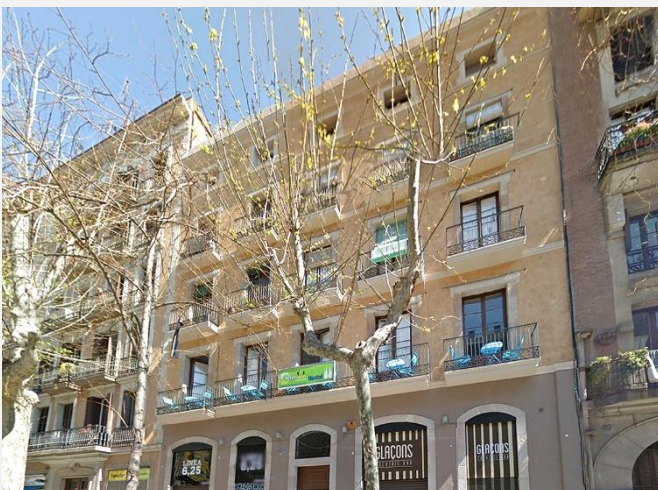
- Year 1880 classic building located in the heart of Born district, near Ciutadella Park and Born Market.
- Project consisting of the total refurbishment of the building including the frontage, the roof, the staircase, the installation of an elevator and the refurbishment of the facilities supplies.
- Total sales amount: 5.3 M€
- Entire project period: 12 months

BAILÉN - Barcelona



- Classic building located in Ensanche Derecho district with 2 retail units and 13 flats. It enjoys excellent access to commercial services and wide connections to public transportation networks. Building very well preserved.
- Total sales amount: 6.5 M€
- Entire project period: 2 months

ENRIQUE GRANADOS - Barcelona



- Building with an outstanding location in Ensanche district of Barcelona, near Paseo de Gracia.
- New-build development and depletion of the building entitlement. Negotiation with tenants and compensation of them.
- Total sales amount: 5.4 M€
- Entire project period: 6 months

ANDRÉS MELLADO - Madrid


- Building made up of 18 flats, located in Chamberí district, in a residential and commercial area with excellent connections to all the city.
- Project of refurbishment and improvement of the building, in addition to the optimization of the property legal situation. Sale unit by unit.
- Total sales amount: 3.0 M€
- Entire project period: 6 months

MONTALBÁN - Madrid

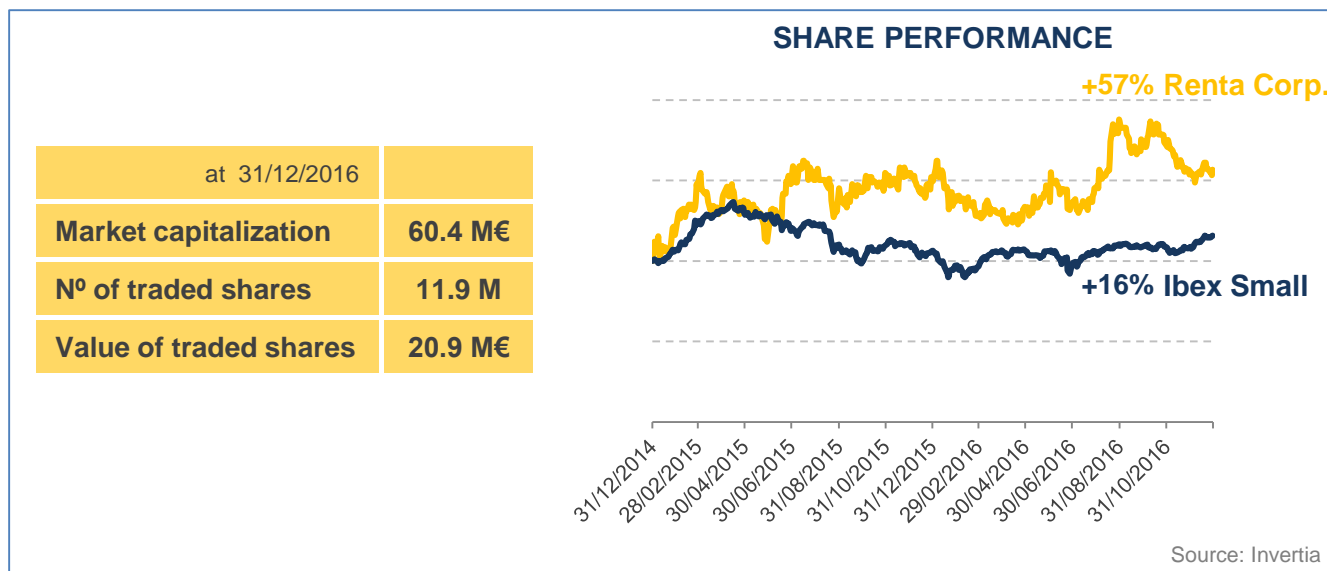

- Building located only a few metres away from Paseo del Prado and Cibeles Square, near Retiro Park. It enjoys excellent connections with Madrid through to access to principal roads and public transportation networks.
- The current use of the building is residential although it also allows tertiary and hotel uses.
- Total sales amount: 20.0 M€
- Entire project period: 18 months

PASEO JUAN XXIII - Madrid


- College with an outstanding location in the Madrid University Town and an excellent accessibility. The complex is made up of a 4 floors building with a semibasement, located in an environment with all kind of facilities and wide green areas.
- Analysis of the development potential and the current building distribution optimization.
- Total sales amount: 11.7 M€
- Entire project period: 2 months

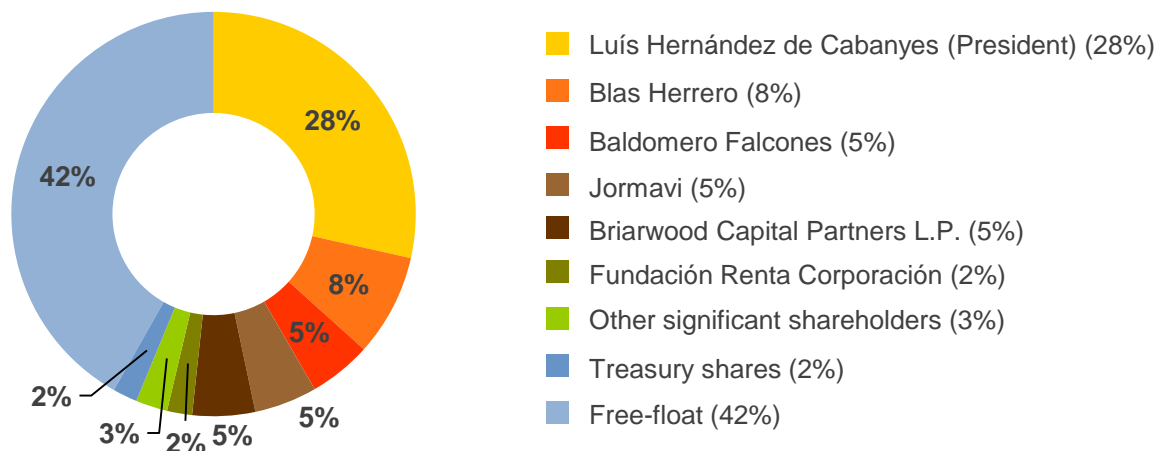
4. Share performance and investor relations

- The **share price** by the end of year 2016 is **1.84 euros** per share, **5% above** the share price of 2015 year end which was of 1.75 euros, reaching a value of 2.2 euros per share in August.



SHAREHOLDER STRUCTURE

31/12/2016



5. Real estate market performance and future outlook

- The recovery of the Spanish economy initiated last year consolidates during year 2016. The gradual improvement of the labour market and the financing conditions for businesses and households keeps encouraging consumption and investment choices. GDP is expected to continue to grow at healthy rates for the next years, which will allow job creation and unemployment decrease.
- The recovery of the Spanish residential real estate sector continues, along with positive growth rates in residential prices, an increase in mortgages, home sales and new housing permits.
- Regarding the commercial real estate market, the lack of product together with the increasing demand forces a yield adjustment. Socimis (REITs) keep active in the market, showing their interest in new acquisitions or managing the portfolio created in the last years.
- Although there are existing conditions to conclude there is an investment opportunity in the Spanish real estate market for the next years, it is also true that the uncertainty in the financial markets coming from a potential global economy downturn or the United Kingdom exit of the European Union (Brexit) could restrain these expectations.

Department of Planning, Analysis and Investor Relations
r.inversores@rentacorporacion.com
Investor Relations: +34 93 505 33 58
Switchboard: +34 93 494 96 70
www.rentacorporacion.com

Warnings

Percentages in the tables are for actual figures in euros, and may in some instances deviate from the rounded figures shown in the tables. In the same way, totals and subtotals may not correspond to the exact sum of all items due to the rounding of figures. The information published in this report may include statements that assume forecasts or estimates of the Company's future evolution. Analysts and investors should bear in mind that such statements regarding the future do not entail any guarantee of how the Company will perform, and involve risks and uncertainties, whereby actual performance may differ substantially from what is suggested in such forecasts.