Summary

- **FY 2007 sales reached €529.1 million, with net profit of €35.4 million. The Company appraises these figures positively given the current market conditions, despite being lower than initially forecasted.**
- **By business unit, Offices stood out with sales reaching €245.4 million, up 20% from previous year. It is also worth highlighting that Land sales reached €150.9 million, almost doubling the figure achieved in 2006.**
- **At closing of the year, the portfolio, including inventory and investment rights, reached €1.37 billion, with pre-sales of around €287 million, of which the Company expects around 45% to materialise in Q1'08.**
- **The Company strengthened its internationalisation process by entering the New York market where it has a portfolio of five properties at different stages of acquisition, transformation and sale process.**
- **In July, Renta Corporación invested a total of €60 million to acquire a building in Barcelona to house the company's headquarters and to provide office and retail space for rent.**
- **In February 2007, the Company signed a €500 million structured loan with a banking syndicate of 21 participants, repayable in five years.**
- **Key figures (2007 vs 2006):**

Sales	Net profit	Gross margin	Portfolio
€ 529.1m	€ 35.4m	€ 96.5m	€ 1.37bn
-10%	*-26%*	*-21%*	*+25%*

	Jan-Dec				
Summary Profit & Loss Account *(€M)*	**2007**	***% sales***	**2006**	***% sales***	**% chg**
Sales	529.1	*100%*	590,0	*100%*	-10%
Total revenue	544.9	*103%*	596,2	*101%*	-9%
Gross margin [1]	96.5	*18%*	121.4	*21%*	-21%
EBITDA	57.3	*11%*	77.4	*13%*	-26%
Net profit	**35.4**	***7%***	**47.5**	***8%***	**-26%**
No. of shares (millions)	25.03		25.03		
EPS (€)	**1.41**		**1.90**		**-26%**

Ratios	**2007**	**2006**	**Diff.**
% Gross margin / Sales	18.2%	20.6%	-2.3 pp
% Gross margin / Cost of sales	22.3%	25.9%	-3.6 pp
Rotation [2]	7.7	8.4	8.3%
EBITDA / Total revenues	10.5%	13.0%	-2.5 pp
Net profit / Total revenues	6.5%	8.0%	-1.5 pp
Leverage [3]	76.9%	71.0%	5.9 pp

Consolidated Operating Figures *(€M)*	**2007**	**2006**	**Diff.**
Total investment	569.6	864.2	-294.7
Portfolio	1,365.6	1,095.6	270.0
Inventory	858.9	710.2	148.7
Investment rights	506.7	385.5	121.3
Pre-sales	286.9	299.2	-12.3

Barcelona

London

Berlin

(1) Gross margin is sales minus the cost of sales
(2) The weighted average of the time that assets sold during the period (in months) remained in the balance sheet
(3) Leverage is net debt divided by net debt plus net equity

Consolidated Profit and Loss Account

(€M)	2007	% sales	2006	% sales	% chg
	Jan-Dec				
Sales	529.1	*100%*	590.0	*100%*	**-10%**
Other revenues	15.8	*3%*	6.2	*1%*	155%
TOTAL INCOME	**544,9**	***103%***	**596,2**	***101%***	**-9%**
Cost of sales	-432.6	*82%*	-468.7	*79%*	-8%
GROSS MARGIN [(1)]	**96,5**	***18%***	**121,4**	***21%***	**-21%**
Overhead expenses	-54.9	*10%*	-50.2	*9%*	9%
EBITDA	**57,3**	***11%***	**77,4**	***13%***	**-26%**
Depreciation, amortisation, and provisions	-1.3	*0%*	-0.3	*0%*	297%
EBIT	**56,0**	***11%***	**77,0**	***13%***	**-27%**
Net financial expenses	-15.5	*3%*	-10.0	*2%*	55%
Equity accounted and others	9.0	*2%*	3.9	*-1%*	129%
PROFIT BEFORE TAXES	**49.5**	***9%***	**70.9**	***12%***	**-30%**
Taxes	-14.1	*3%*	-23,4	*4%*	-40%
NET PROFIT	**35,4**	***7%***	**47.5**	***8%***	**-26%**
No. shares (millions)	25.03		25.03		
EPS (€)	**1.41**		**1.90**		**-26%**

[(1)] Gross margin is sales minus the cost of sales and does not include other income

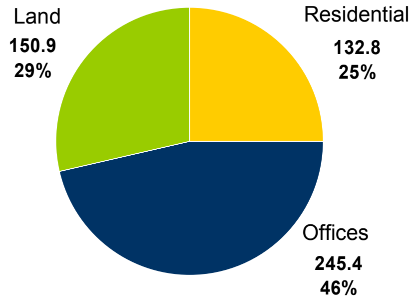
Notes on the Results

1- SALES

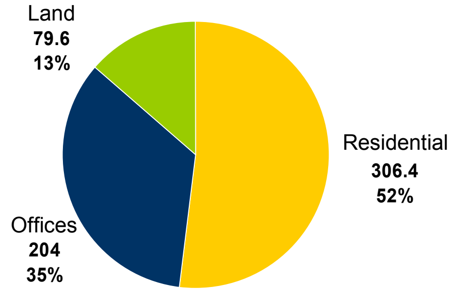
- Despite the difficult market environment, especially in the second half of the year, sales decreased only 10% compared to 2006 amounting to €529.1 million. Company sales have been affected by the financial crisis in the last months of the year, with remarkably tighter financing conditions for real estate investors resulting in delays and in some cases cancellation of transactions already agreed.
- By business unit, the strong Office sales performance stands out, accounting for 50% of total sales with €245.4 million (up 20% vs. 2006). On the contrary, Residential sales mix goes down to 25% vs. 52% in 2006. Land sales almost doubled the 2006 figure, reaching €150.9 million.
- By geography, the Spanish market accounted for 80% of sales, led by Barcelona. Q4 sales bulk was generated by the international branches, amounting to €101.2 million at year's end.

SALES BREAKDOWN BY BUSINESS UNIT

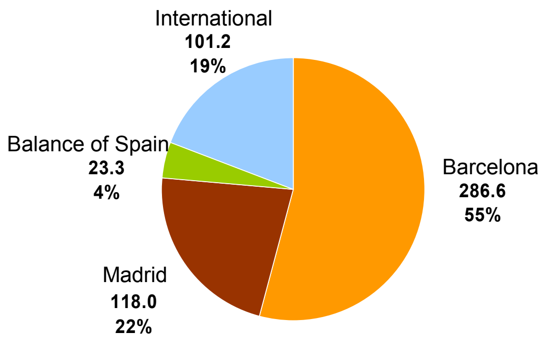
Jan-Dec 2007: €529.1m

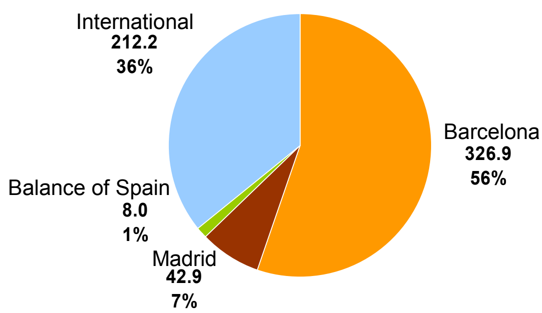


Jan-Dec 2006: €590.0m



SALES BREAKDOWN BY GEOGRAPHY





2 – GROSS MARGIN

- Gross margin reached €96.5 million (-21% vs 2006). Gross margin on cost of sales was 22.3% (-3.6 p.p. vs. 2006), though performance varied in the first and second halves of the year.
- In H1'07, gross margin amounted to €75.9 million (+14% vs H1'06), whilst in H2'07, gross margin was €20.5 million (-63% vs H2'06), clearly below the projected figure due to the lower sales level.
- Sales rotation (*) was 7.7 months in 2007 vs. 8.4 months in 2006.

3 – OVERHEAD EXPENSES

- Total variable selling costs, G&A and personnel expenses came to €54.9 million, with a 1.9 p.p. increase over sales.
- Variable selling costs amounted to €23.7 million, a €1.1 million decrease, and remained flat over sales. A significant part of this item is attributable to investment rights that the Company decided not to carry out. In 2007, not executed investment rights amounted to €4.7 million (0.9% of sales), vs. €2.8 million (0.5% of sales) in 2006. In most cases, the main reason to turn down these projects has been to pursue the objective of adjusting our portfolio to changing market conditions as soon as possible, prioritizing buildings on land (land represented 95% of investment rights we decided not to carry out).
- The increase in G&A expenses in 2007 (€2.5 million) was mostly due to the company's efforts to further develop its international presence and improve its positioning in those markets.
- Personnel expenses grew €3.5 million, in line with head-count growth during the year. Average staff increased by 21 employees in 2007, amounting to 139 at year-end.

	Jan-Dec					
(€M)	**2007**	***% sales***	**2006**	***% sales***	**% chg**	**Var**
Sales	**529.1**		**590.0**		**-60.9**	
Overhead expenses	**54.9**	***10.4%***	**50.2**	***8.5%***	**4.8**	**1.9pp**
Variable selling costs	23.7	*4.5%*	24.9	*4.2%*	-1.1	0.3pp
G&A	12.6	*2.4%*	10.2	*1.7%*	2.5	0.7pp
Personnel	18.6	*3.5%*	15.1	*2.6%*	3.5	0.9pp

(*) The weighted average of the time that assets sold during the period (in months) remained in the balance sheet

4 - FINANCIAL EXPENSES

- Net financial expenses went up from €10 million in 2006 to €15.5 million in 2007, as a result of higher market interest rates and increased average debt levels.
- Total financial expenses were €18.1 million after deducting €23.8 million incorporated into assets as higher inventory value.
- The sharp devaluation of GBP and US$ generated €4.7 million financial expenses due to negative exchange differences, partially offset by €1.6 million financial revenues from hedging instruments.
- Total financial income amounted to €2.6 million in 2007, €1.4 million up over the previous year.

5- NET PROFIT

- Net profit for the year was €35.4 million, down from €47.5 million in 2006.
- Attributable earnings per share (EPS) reached €1.41 vs. €1.90 in 2006.

Consolidated Balance Sheet

Assets *(€M)*	Dec-07	Dec-06
Long term assets	**82.5**	**8.2**
Inventory	858.9	710.2
Receivables	130.8	162.3
Cash	2.7	6.1
Other current assets	3.0	2.6
Current assets	**995.4**	**881.1**
Total assets	**1,078.0**	**889.3**

Equity and Liabilities *(€M)*	Dec-07	Dec-06
Capital	99.9	102.7
Reserves	85.4	53.7
Period profit	35.4	47.5
Total net equity	**220.6**	**203.9**
Financial debt (long term)	**548.6**	**0.0**
Long term payables	**25.1**	**5.8**
Financial debt (short term)	**192.8**	**507.3**
Short term payables	**90.9**	**172.3**
Net equity and liability	**1,078,0**	**889.3**


New York

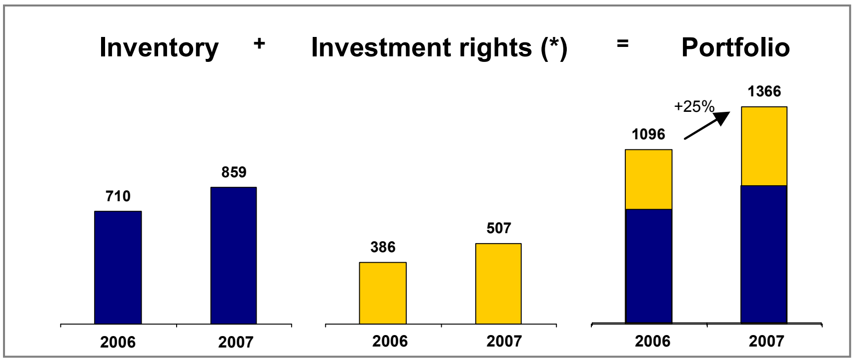
Notes on the Balance Sheet

Assets

INVESTMENT AND PIPELINE

- Investment in 2007 amounted to €569.6 million, €294.7 million down from 2006, due to the market slowdown in the second half of the year. Investment per quarter amounted to €183.7 million in Q1'07, €100.7 million in Q2'07, €216.7 million in Q3'07, and €68.5 million in Q4'07.
- Investment by business unit concentrated in Offices with €306.5 million, accounting for 54% of the total, followed by Residential with €204.6 million, accounting for 36%.
- Investment split between domestic and international markets was well-balanced, 53% and 47% respectively.

- Total inventory and investment rights (portfolio) reached €1.37 billion at year-end 2007, 25% up (+ €270.0 million) on 2006 year-end figure. In the second half of the year the international portfolio increased by €214.3 million, from €269.8 million at the end of June (21% of total portfolio) to €484.1 million (35% of total portfolio).
  - Inventory amounted to €859.9 million, €148.7 million up on previous year. Inventory is higher than in previous quarters due to the slowdown in demand in the final months of the year, exacerbated by the tightening of financing terms suffered by real estate investors. In this environment, the Company has not been able to achieve the projected sales levels. Consequently, inventory has been higher than anticipated.
  - Investment rights reached €506.7 million, €121.3 million up from year-end 2006. Investment rights premiums not executed in 2007 amounted to €4.7 million, mostly a consequence of our focus on adjusting the portfolio to changing market conditions.



- Regarding inventory mix, 67% corresponds to buildings, the bulk of which is Offices. The percentage of land decreased to 33% vs. 46% in 2006.
- The Company's substantial investment effort on the international markets in 2007 is reflected in the €175.2 million inventory increase vs. 2006. This fact is in line with Renta Corporación's strategic objective of focusing in the short/medium term in the international markets where it already operates.

(€M)	**Dec-07**	**Dec-06**	**Diff.**
Land and buildings	**831.5**	**701.6**	**129.9**
By geography			
Barcelona	417.4	368.6	48.7
Madrid	137.4	219.4	-82.0
Other Spanish cities	24.5	36.6	-12.0
International	252.3	77.0	175.2
By business unit			
Residential	237.6	148.9	88.7
Offices	319.1	231.7	87.4
Land	274.8	320.9	-46.1
Purchase option premiums	26.4	7.8	18.7
Work in progress and other	0.9	0.8	0.1
TOTAL Inventory	**858.9**	**710.2**	**148.7**
Investment rights(*)	**506.7**	**385.5**	**121.3**
Total Portfolio	**1,365.6**	**1,095.6**	**270.0**

(*) Investment rights include option premiums itemised in inventory.

RECEIVABLES

- Receivables breakdown is as follows:

(€M)	Dec-07	Dec-06	Diff.
Trade debtors & receivables	85.5	88.5	-3.0
Accrued taxes	29.3	48.7	-19.4
Other receivables	16.1	25.0	-8.9
Receivables	**130.8**	**162.3**	**-31.4**

- At December 2007 close, trade receivables were slightly lower than in 2006 amounting to €85.5 million, of which €39.8 million were due in Q1'08.

Net Equity

- Net equity increased by €16.7 million to €220.6 million at year-end 2007 vs. €203.9 million at year-end 2006.
- The Company distributed a dividend of €14.3 million (€0.57 per share), a pay-out of 30% on 2006 consolidated profit. Payment was made on 12 April 2007.

Liabilities

PAYABLES

- Short term payables, €90.9 million at year-end 2007, are made up as follows:

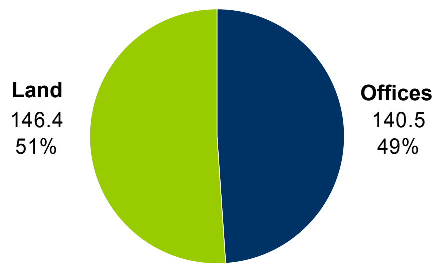
(€M)	Dec-07	Dec-06	Diff.
Accrued taxes	1.9	22.0	-20.1
Suppliers	57.0	127.4	-70.5
Deposits on pre-sales	27.0	20.7	6.4
Other payables	5.0	2.2	2.9
Short term payables	**90.9**	**172.3**	**-81.4**

- Suppliers stood at €57.0 million at year-end. The decrease on the year is mainly attributable to payments made on properties.
- Pre-sales amounted to €286.9 million. The Company expects around 45% of these pre-sales to go through in Q1'08, of which, to date, around 75% have already been signed. The remaining pre-sales mostly depend on the completion of town planning procedures; therefore, it is difficult to predict when they will be booked.

Change in Pre-sales December 06 vs December 07

€M	Deposits on pre-sales	Pre-sales
Dec-06	**20.7**	**299.2**
- Outgoing	-19.2	-267.2
+ Incoming	25.5	254.9
Dec-07	**27.1**	**286.9**

Pre-sales December 2007



FINANCIAL DEBT

- Net debt at end-2007 amounted to €736.2 million and the leverage ratio was 77%. Changes over the year are set out in the table below:

(€M)	Dec-07	Dec-06	Var
Syndicated loan	496.0	0.0	+496.0
Mortgage-backed loans	97.7	316.7	-219.0
Mortgage on headquarters	53.4	0.0	+53.4
Loans and other debts	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

- Net average debt for the year amounted to €596.4 million. The increase in the second half of the year was due to investments made during the first months of the year and to sales decrease in Q4, generating a higher debt level than originally expected.
- On February 15, 2007, the Company signed a structured loan with a bank syndicate of 21 entities. This €500 million loan, with 2012 maturity, is divided into two tranches:
  - Tranche A is for up to €200 million, repayable in five consecutive and increasing half-yearly payments starting February 15, 2010.
  - Tranche B, revolving, for a total maximum amount of €300 million.
- The signing of the syndicated loan has allowed the Company to replace a significant portion of its mortgage-financed operations and short-term credit lines with long-term debt.
- The average debt maturity was 3.4 years at 31 December 2007, the syndicated loan maturity being 3.9 years. Average debt maturity is lower as we consider mortgage-backed loans as short-term debt. This is in line with the classification as inventory of the assets backing these mortgages in view of their expected subrogation or cancellation term, at the time of the sale of the asset.
- This access to long term financing has allowed the Company to implement interest rate risk management policies. In March it signed fixed-rate hedging contracts for €200 million. At the end of 2007, interest rate coverage amounted to €221.6 million, corresponding to 30.0% of net debt.
- In July 2007, financing for the new corporate headquarters building was obtained for a total amount of €62.8 million, €54 million mortgage-backed loan maturing in July 2017 and €8.8 million short-term loan.

Objectives and Outlook

- The new 2008-2010 Plan is drafted along the following strategic lines:
  - The Company's internationalisation process, with the objective of concentrating 75% of investment abroad, priorizing the liquid markets where it already operates.
  - Focus on the transformation and sale of buildings, while land acquisition will be limited to clear opportunities.
  - Expansion of the client base, reaching investors and potential international buyers with sufficient financial capacity.
  - Maintain a solid financial position with enough cash to seize market opportunities while keeping a well balanced leverage ratio.

Other information

1- SIGNIFICANT EVENTS AND OTHER NOTICES

- Among the significant events reported to the National Securities Market Commission from January 2007 to the publication of these financial statements, we highlight the following:
  - 25/01/2007 Proposal for the appointment of a new Chief Executive Officer.
  - 14/02/2007 Execution of a €500 million commercial loan with a bank syndicate.
  - 25/07/2007 New Renta Corporación corporate headquarters.
  - 02/10/2007 Start-up of operations in New York.
  - 07/01/2008 Estimate of 2007 main financial statement figures.
  - 15/01/2008 Guidelines of the 2008-2010 Business Plan.

2 – CHANGES IN THE BOARD OF DIRECTORS

- January 2007
  - Appointment of César Bardají Vivancos to Chief Executive Officer, subject to General Assembly's approval, replacing Josep Mª Farré Viader.
  - Appointment of Juan Velayos Lluis to Deputy Secretary non-member of the Board of Directors for six years (as per the bylaws).
- March 2007
  - Appointment of Enric Venancio Fillat as member of the Board of Directors and Executive Director for six years.
  - Appointment of César Bardají Vivancos as member of the Board of Directors and Executive Director for six years, as well as his appointment to Chief Executive Officer for the same period of time.
- April 2007
  - Appointment effective as of 18 June 2007 of Juan Velayos Lluis to General Secretary and Secretary non-member of the Board of Directors of Renta Corporación.

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