1- Current market environment

- The crisis in the domestic and international real estate sector has worsened over the last months due to the crumbling financial market, affecting the availability and cost of credit.
- The shrinkage of the real estate business, together with the increasing property supply, makes the market environment continue to be very complicated.
- The support measures from governments on both sides of the Atlantic in the financial sector to inject liquidity into the system have not yet affected the economy, and consequently the real estate industry, which continues to show no sign of confidence.
- The main marketplaces where Renta Corporación does business and which have always been characterised by large numbers of transactions, have all registered a drastic and alarming drop in business, though with different features in each business unit.
  - The residential market appeals to portfolio investors looking for attractively priced residential properties. The difficulty lies in discriminating due to the oversupply in the market and the uncertain value of assets in the short term.
  - The growing tendency in the office market is towards assets that provide guaranteed income in the medium and long term and which have higher yield requirements than in previous periods.
  - The market for land continues to be paralysed, due to very low demand.

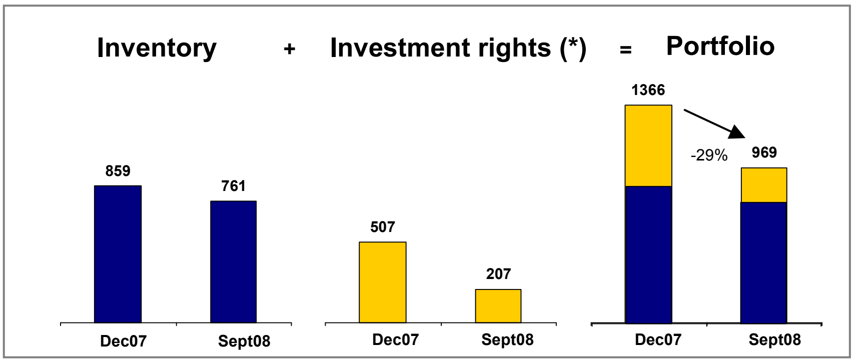
2- Business evolution

- The serious crisis of liquidity in the international financial system and the real estate crisis continue to significantly harm the Company's business.
- **Revenues** accrued by September were €213.1 M, down by 60% from those obtained in the same period last year, although data are not comparable because the market environment in the first six months of 2007 was still good.
  - **Sales** stood at €198.1 M. The Company continues to pursue the strategy announced earlier in the year of prioritising liquidity over margin. It should be noted in this respect that the sales operational gross margin is +0.5%, and that due to preventive measures, provisions have been made on certain properties where the sales price is expected to drop below current cost, this percentage stands at -3.1%.
  - By geographical distribution, 80% of sales are focused on the domestic market, and by business unit, sales are concentrated mainly on buildings.
  - **Income from rents and others** stood at €15.0 M, almost 50% up on the same period of 2007.
- **Variable selling expenses** stood at €20.7 M vs. €16.0 M in the same period of 2007. A very significant item under this heading is premiums on options which were not exercised and amounted to €8.7 M in September (€5.3 M more than Sept. '07).

- **General and personnel expenses** were €24.7 M which includes a workforce reduction of 14% leading to extraordinary expenses of €3.5 M. To tackle the difficult market environment, the Company is implementing structural and personnel cost reduction policies that brought to a yearly basis will represent a 20% saving figure with respect to 2007.
- The **net profit** in the January-September period was a loss of €-25.2 million, although it should be noted that in the third quarter the Company made a net profit of €+0.5 M, owing largely to the extraordinary income from the sale of 11.6% of the Company's holding in Mixta Africa, S.A., which has led to a net profit of €12.6 M.
- The Company is focusing its efforts on **strengthening its financial position** by reducing debt and investing only in the improvement and transformation process of operations that are already in the portfolio. This has meant that:
  - Net **financial debt** at the end of September 2008 stood at €665.2 M, or €71 M below the €736.2 M at the close of 2007.

(€m)	**sep-08**	**dic-07**	**Var.**
Syndicated loan	496.2	496.0	0.2
Operations with mortgage guarantee	93.7	97.7	-4.0
Mortgage on headquarters	52.7	53.4	-0.7
Credit facilities and other financial debt	33.3	94.3	-61.0
Cash and short term deposits	-10.7	-5.2	-5.5
Total Net Debt	**665.2**	**736.2**	**-71.0**
Net debt / (Net debt + Equity)	79%	77%	+2pp

  - **Investment** in the third quarter was €9 M and the total as of September 2008 stood at €120.7 M, four times lower than in 2007. The Company is focusing its efforts on the process of transformation and upgrading of buildings already in its portfolio, investing around 50% for this purpose.



(*) Investment rights include option premiums detailed under inventory

  - In view of the exceptional circumstances affecting the market, the Company is taking an extremely cautious approach when deciding whether to exercise investment options. In the past nine months, we have declined options worth €8.7 M, amounting to €321 M in investment rights.
  - The current **portfolio** stands at €969 M, €397 M lower than at the close of 2007. **Inventory** stands at €761 M, 60% of which are buildings in the domestic (42%) and international (58%) markets, the remaining inventory being in domestic land. **Investment rights** stand at €207 M.

- The Company has asked the financial institutions to review the terms and conditions of financing to adjust them to the exceptional temporary market and company situation. The Company is confident that an agreement will soon be reached which will be satisfactory to all parties.
- The implementation of the **strategies defined by the Company** (intensifying internationalisation, prioritising transformation, broadening the customer base and maintaining a healthy financial position) is slower and more difficult, given that the environment continues to be volatile, characterised by a truly deep financial and real estate crisis, both domestically and internationally, which makes it difficult to make projections and future estimates.

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