

## **RENTA CORPORACION registered revenues of 341.6M€**

- **The company has improved its results by 6.9 M€, although a loss of 18.3 M€ has been reported.**
- **Overheads and personnel expenses went down by 50%.**

October, 22<sup>nd</sup> 2009.- From January to September 2009, revenues reached 341.6M€, a 60% increase on last year's figures for the same period. 331 M€ of this total amount correspond to sales, while 10.6 M€ come primarily from rental income. Excluding sales linked to the refinancing process, the company has carried out sales amounting to 49.9M€. Although July to September is traditionally a low activity period, some deals were closed. In the company's opinion, this suggests that the real estate market is showing signs of recovery, particularly in the residential assets located in prime zones where RC operates. These results also show the company's effort to adapt its business to the new market cycle, giving priority to generate profit margin through the new portfolio as well as giving more liquidity to the old portfolio. Although the company is now focusing on smaller sized operations, it is working hard to maximize the transformation process in order to return the new value added assets to the market as soon as possible and make them attractive to institutional and individual investors.

Gross margin is negative by -3.3 M€. This figure breaks down as follows:

- 4.1 M€ positive ordinary gross margin.
- -2.1 M€ negative margin coming from the sale of assets to the financial institutions within the refinancing process.
- -5.3 M€ non-ordinary negative gross margin for provision on inventory.

The drastic measures that the company implemented to face the current crisis situation are reflected in the general and personnel expenses reduction of 48% and 55%, respectively. These measures have come to a 13 M€ saving for the company.

Although the net result for the period January to September 2009 is negative by -18.3 M€, it has improved by 6.9 M€ compared to the same period last year, which was negative by -25.2 M€. This result is even better when it is taken into account that last year result included a net profit of 12.6M€ mainly coming from the sale of 11.6% stake of the company Mixta Africa.

According to the new size of the company after the refinancing process, the current portfolio stands at 367.9 M€ (716.2 M€ in December 2008). Related to this figure, inventory is valued at 309.5 M€ and the remainder are investment rights. Net debt stands at 295.9 M€ at September closing (641.6 M€ in December 2008). It must be pointed out that Renta Corporación has been able to carry out 13 new value added operations corresponding to new portfolio, 7 of which have been already sold.

