

a. Auditors' Report

A free translation of the report on the consolidated annual accounts originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU). In the event of a discrepancy, the Spanish language version prevails

AUDIT REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

To the shareholders of Renta Corporación Real Estate, S.A.

1. We have audited the consolidated annual accounts of Renta Corporación Real Estate, S.A. (the parent Company) and its subsidiary companies (the Group), consisting of the consolidated balance sheet as at 31 December 2005, the consolidated income statement, the consolidated cash flow statement, the consolidated statement of changes in equity and the related notes to the consolidated annual accounts for the year then ended, the preparation of which is the responsibility of the Directors of the parent Company. Our responsibility is to express an opinion on the consolidated annual accounts taken as a whole, based on the work carried out in accordance with auditing standards generally accepted in Spain, which require the examination, on a test basis, of evidence supporting the consolidated annual accounts and an evaluation of their overall presentation, the accounting principles applied and the estimates made.
2. The accompanying consolidated annual accounts for 2005 are the first that the Group has prepared applying International Financial Reporting Standards adopted by the European Union (IFRS-EU), which generally require that the financial statements present comparative information. Thus, and in accordance with corporate law, the Directors of the parent Company present, for comparative purposes only, for each item of the consolidated balance sheet, the consolidated income statement, the consolidated cash flow statement and the consolidated statement of changes in equity and the notes to the consolidated annual accounts, in addition to the consolidated amounts for 2005, the corresponding amounts for the previous year as well obtained by application of IFRS-EU in force at 31 December 2005. Accordingly, the amounts for the previous year differ from those reflected in the 2004 consolidated annual accounts, which were formulated in accordance with the accounting principles in effect that year. Note 5 to the accompanying consolidated annual accounts contains the differences arising from the application of the IFRS-EU to consolidated equity at 1 January 2004 and at 31 December 2004 and to consolidated Group profit for 2004. Our opinion refers exclusively to the consolidated annual accounts for 2005. On 23 March 2005, we issued our audit report on the 2004 consolidated annual accounts, formulated under the accounting principles in force that year, in which we expressed an unqualified opinion.

3. In our opinion, the accompanying consolidated annual accounts for the year 2005, appearing on pages 7 to 78, present fairly, in all material respects, the consolidated financial position of Renta Corporación Real Estate, S.A. and its subsidiaries at 31 December 2005, the consolidated results of its operations, the changes in consolidated equity and its consolidated cash flow for the year then ended, and contain all the information necessary for their interpretation and comprehension in accordance with International Financial Reporting Standards adopted by the European Union, applied on a basis consistent with those used in preparing the corresponding financial statements for last year, which have been incorporated into the consolidated annual accounts for 2005 for comparative purposes.
4. The accompanying consolidated Directors' Report for 2005, appearing on pages 79 to 82, contains the information that the parent Company's Directors consider relevant to the Group's position, the evolution of its business and of other matters and does not form an integral part of the consolidated annual accounts. We have verified that the accounting information contained in the aforementioned consolidated Directors' Report coincides with that of the consolidated annual accounts for 2005. Our work as auditors is limited to checking the consolidated Directors' Report within the scope already mentioned in this paragraph and it does not include a review of information other than that obtained from the Group companies' accounting records.

PricewaterhouseCoopers Auditores, S.L.



Miguel Alfocea Martí
Audit Partner

13 February 2006