



06	Corporate Governance
16	Business and Market Environment Report
24	Financial Management
38	Stock Market and Shareholders
46	Corporate Social Responsibility Report
58	Covid-19 Management

**Luis Hernández
de Cabanyes**

RENTA CORPORACIÓN CHAIRMAN



Dear shareholders,

As every year since the IPO in 2006, it is a pleasure for me to share with you my reflections on the evolution of Renta Corporación Group. On this occasion I am obliged to do so in sad and unusual circumstances, resulting from the Coronavirus health crisis. However, we understand that this is an exceptional situation, and although we believe it may have an impact on the results of financial year 2020, we are also sure that it will not call into question the strategic plan and growth levers which the Group has set itself for the next few years.

We leave behind a 2019 with very good operating profits, both in the transactional and in the equity businesses, and all this with a well adjusted balance sheet and a healthy debt level, which undoubtedly allows us, despite the circumstances, to face the growth challenges in the strategic plan with optimism. The levers for growth expressed in the plan are already visible in the year, with more substantial operations in the transaction business and therefore improved operating profit. Furthermore, we continue to be committed to the implementation of equity projects to replicate the real estate

investment vehicle that has given us such good results in the residential rental segment with Vivenio. As you know, we are working on two new vehicles in the office-logistics and hotel segments so that they can soon be operational and can reinforce the results of future financial years.

I have repeatedly stated that Renta Corporación has a differential business model, which has proven viable in various market dynamics, and is capable of taking advantage of opportunities and generating value in different circumstances. In my opinion, a moment like this, with uncertainty and liquidity, allows us to develop our transaction operations with particular efficiency. On the other hand, with the start-up of the equity business line and the plan to grow it over the next few years, our intention is simply to add recurrence to our income and make our profit and loss statement even more reliable.

The year closed with an operating profit of almost 30 million euros, which represents a growth of 12% over the previous year, with a net profit of 17.1 million euros. As every year, there are many aspects in the make-up of the profit for the year, but I would like to highlight those that, in my opinion, are some of the significant ones:

In the equity business line, we have managed, together with our partner, to build the PG Pension Fund, a benchmark real estate investment vehicle in the residential segment in

Spain, in a short period of time. With a portfolio of quality assets, very well located and a high degree of management efficiency. Vivenio had, at year-end, a portfolio of almost 3,000 dwellings in operation, spread over 31 buildings, and 2,000 dwellings in production spread over 13 projects. The gross value of our asset portfolio, at the close of 2019, was almost 950 million euros.

As for the transaction business, this was undoubtedly a very good year. The growth of the operating profit of 21.5%, spread over the same number of operations as the previous year, i.e. 21, consolidates the trend highlighted by size and contribution margin, which marks our strategic plan and which we hope to continue in the future, achieving a company with an even more efficient use of capital.

There is no doubt that these excellent results are basically the result of the dedication and professionalism of a great team - highly committed to the Company - as well as the implementation of the strategic plan which we have set ourselves and which has been producing such good results. Furthermore, the diversification of the sources of financing that the Group has undertaken in recent years has also been an essential aspect for the good evolution of the year.

As usual, I am particularly pleased to remind you of Renta Corporación's commitment to its Foundation. Contributions made during FY 2019 stood at 342,000 euros and

allowed us to collaborate in projects that mainly covered the areas of assistance to children and women, education, healthcare and nutrition. In addition, 70% of the projects it has collaborated on during the months of April and May 2020 are directly related to the Covid crisis.

I would like to take this opportunity to congratulate the entire Renta Corporación team, on behalf of the Board of Directors, for the year's results and also to express our gratitude to you, Ladies and Gentlemen, for the trust placed in the Group and to reaffirm our firm commitment to continue working to provide you with the greatest possible value.

01 Corporate Governance

Throughout 2019, Renta Corporación has continued focusing on and reviewing the set of standards governing its action policies and corporate governance transparency, with the aim of upholding high standards in this area and proper recognition from our shareholders, investors and customers.

C G

Governing Bodies

The Company's internal regulations and compliance with the Good Governance Code of Listed Companies are set out in the Statutes, the Regulations of the General Meeting of Shareholders, the Regulations of the Board of Directors, the Internal Code of Conduct for Stock Market Operations and the Code of Conduct. All of these standards are part of the organisation's corporate culture which must press onward in the development of values, in professional standards and business transparency to continue building a company capable of generating confidence in the market, especially in its shareholders.

Governing Bodies

(at 31 December 2019)

BOARD OF DIRECTORS

Luis Hernández de Cabanyes
CHAIRMAN AND MANAGING DIRECTOR
Executive

David Vila Balta
VICE-CHAIRMAN AND CEO
Executive

Ainoa Grandes Massa
DIRECTOR
External independent

Luis Conde Moller
DIRECTOR
External independent

Manuel Valls Morató
DIRECTOR
External independent

Blas Herrero Fernández
DIRECTOR
Representing substantial shareholders

Oravla Inversiones, S.L.
DIRECTOR
Representing substantial shareholders

Cristina Orpinell Kristjansdottir
DIRECTOR
Representing substantial shareholders

Elena Hernández de Cabanyes
DIRECTOR
Other external director

José María Cervera Prat
NON-DIRECTOR SECRETARY

During 2019 there was been no change in the composition of the Board of Directors.

APPOINTMENTS AND REMUNERATION COMMITTEE

Luis Conde Moller
Chairman

Elena Hernández de Cabanyes
Member

Ainhoa Grandes Massa
Secretary

AUDIT COMMITTEE

Manuel Valls Morató
Chairman

Elena Hernández de Cabanyes
Member

Ainhoa Grandes Massa
Secretary

SENIOR LEADERSHIP

This is the Company's highest executive body and the backbone for the whole organisation. As of 31 December 2019, this body is made up of three professionals with a proven track record and a strong ability to channel, organise and coordinate the various circumstances which converge in the Company's business activity, all with the objective of maintaining the business targets in the various environments where it operates as aligned and streamlined as possible.

Luis Hernández de Cabanyes
Executive Chairman
and CEO

David Vila Balta
Executive Vice-Chairman
and CEO

José María Cervera Prat
Corporate General Manager
and Non-director Secretary.

Background of Renta Corporación Directors



LUIS HERNÁNDEZ DE CABANYES CHAIRMAN

Founder of Renta Corporación and Chairman of the Board of Directors, as well as Founder and Vice-President of Fundación Privada Renta Corporación. He has devoted his professional life to business, beginning his career at PricewaterhouseCoopers and going on to found and manage various companies, including Second House. He is a Trustee of the Fundación Princesa de Girona. He holds a degree in Economics and Business Studies from the Universitat Autònoma de Barcelona and has completed the IESE Business School Business Management Program.

Renta Corporación's registered office
Via Augusta, 252. Barcelona

DAVID VILA BALTA VICE-CHAIRMAN AND CEO

Joined Renta Corporación in 2000. From 1994 to 1997 he worked as Factory Manager at Rochelis. From 1997 to 1998 he was Deputy Purchasing Manager with Outokumpu Rawmet and National Sales Director with LOCSA from 1998 to 2000. He is Chairman of Fundación Sagrado Corazón. He holds a degree in Industrial Engineering from the Barcelona School of Engineering and has a PDG from IESE Business School and a degree from Harvard Business School on creating a high-performing Board of Directors.

AINOA GRANDES MASSA INDEPENDENT DIRECTOR

Director of Renta Corporación since April 2017. She is Chair of the Museum of Contemporary Art of Barcelona, vice-chair of the MACBA Foundation and member of its General Board and its Executive Committee.

She is a Senior Advisor at financial group Alantra and a member of the advisory board of law firm Herbert Smith Freehills in Spain, the advisory board of communications company Llorente y Cuenca. She is also President of the Ship2B Foundation (accelerator of start-ups with social impact). She serves also on the board of the ARCO (Ifema) fair in Madrid, the Balia Foundation for Children and the Board of Barcelona Global. Member of Foro Iberoamérica and the International Council of MoMA in NY. She teaches a yearly module for the Cultural Management Master at the Carlos III University in Madrid.

She holds a degree in Business Administration and Management, Finance specialty, from the International University of Catalonia (UIC) and an AMP (Advanced Management Program) from IESE. She completed her training with courses in marketing and communication at EADA, cultural management and patronage at NYU and PADI in digital business at ISDI.

She worked at the Company Sotheby's in Barcelona, Madrid and London before joining the MACBA Foundation as Executive Director, a position she held for 18 years until her appointment as Chair.

Background of Renta Corporación Directors

LUIS CONDE MOLLER
INDEPENDENT
DIRECTOR

Director of Renta Corporación since May 2017. Founded Seeliger y Conde in 1990. He specialises in succession processes for large corporations. He was the Chairman of Amrop from 2003 to 2006.

He began his career as Director of the International and Corporate Banking Division of the Mas-Sardá Bank in Barcelona. He was later a member of the Board of Directors and Executive Vice President of Banco Consolidado de Venezuela, as well as Chairman of Consolidado International Bank in New York. He currently chairs the Barcelona International Boat Show and is a director of the Godó Group Lazard Investment Bank, and a member of the Board of Directors of Fira de Barcelona. He holds a degree in Economics from the University of Barcelona.

**MANUEL VALLS
MORATÓ**
INDEPENDENT
DIRECTOR

Director of Renta Corporación since December 2017. Holds a degree in Economics and Business Administration from the University of Barcelona and a postgraduate degree from IESE - University of Navarra. He is a Chartered Accountant and member of the Official Register of Auditors. He boasts 40 years of experience in PwC, of which 26 years have been as a company partner, where he held various positions of responsibility at the board level, including as a Partner responsible for the Barcelona office and Partner in charge of the Financial Sector in Catalonia, Balearic Islands and Valencia, leading to his position as Head of the Audit Division and as such, Chairman of PwC Auditores, S.L. He has served as Patron of the PwC Foundation and lecturer at various universities.

He is currently a Director of Banco de Sabadell and chairs its Audit Committee. He is also a member of the Risk Management Committee. He also chairs the Audit and Compliance Committee of Cobega

**BLAS HERRERO
FERNÁNDEZ**
DIRECTOR
REPRESENTING
SUBSTANTIAL
SHAREHOLDERS

Director of Renta Corporación since June 2008. Businessman with experience in various industries, including food, audiovisual, real estate and automotive. He is president and owner of Radio Blanca Group, which manages Kiss FM and Hit FM radio stations and two TV channels: DKISS, the new national DTT channel, and Hit TV, the only music TV channel broadcasting free-to-air (FTA) in Spain. Through his company HVB Casas, he carries out real estate projects throughout Spain. In 2006 he founded Kiss Capital Group SCR, S.A., a venture capital company of which he is Chairman and through which he has a stake in media companies and film and television producers.

**ORAVLA INVER-
SIONES, S.L.**
DULY REPRESENTED
BY BALDOMERO FAL-
CONES JAQUOTOT,
DIRECTOR REPRESENTING
SUBSTANTIAL
SHAREHOLDERS

Director of Renta Corporación since April 2016. He was Chairman and Chief Executive Officer of Fomento de Construcciones y Contratas (FCC) from 2008 to January 2013 and of MasterCard International (New York), where he led the merger between MasterCard and Europay and the IPO on the New York Stock Exchange in 2005. He was also Managing Director of Banco Hispanoamericano, Banco Central Hispano and of Banco Santander Central Hispano and a member of its Steering Committee for 15 years. He has also been Chairman of Banco Urquijo Limited (UK), Hispano Americano Sociedade do Investimento (Portugal), Banco Hispano Americano Benelux, Banco Urquijo Chile, Fiat Finance, S.A. and Santander Seguros, S.A.

After his career in banking, he founded Magnum Industrial Partners. He has also served on the boards of directors of Unión Fenosa, CESCE, Generalli Spain and Seguros La Estrella.

**CRISTINA ORPINELL
KRISTJANSDOTTIR**
DIRECTOR
REPRESENTING
SUBSTANTIAL
SHAREHOLDERS

He is the natural person representing Oravla Inversiones, S.L., a Spanish company registered in Madrid, C/ Barquillo nº 9, 5ª Pl. and NIF B-81796591 whose purpose is (i) to acquire, manage and dispose of stocks, shares and any securities, (ii) to promote the creation of companies, their expansion, development and modernisation, domestically and internationally, (iii) to acquire, dispose of, manage, lease, and construct real estate (iv) to conduct agricultural and hunting activities, and (iv) to manage its own securities, stocks and shares in all types of entities.

President of Fundación Renta Corporación. She has a degree in pharmaceuticals from the University of Barcelona and has completed a postgraduate in Management in NGO's at Esade Business & Law School as well as the Finance Programme for Non-financial managers at IESE. From 2008 to 2017 she was a member of the International Advisory Board of Ceibs Business School (Africa campus, Ghana).

**ELENA HERNÁNDEZ
DE CABANYES**
EXTERNAL DIRECTOR

Member of the Renta Corporación Board of Directors since 2000. Founder of Second House, of which she is currently Sole Administrator. Founder and trustee of FUNDACIÓN PRIVADA RENTA CORPORACIÓN and FUNDACIÓN SOÑAR DESPIERTO. Holds a degree in Economics and Business Studies from the Universitat Autònoma de Barcelona and has completed IESE Business School's General Management Program (PDG).

**JOSÉ MARÍA CERVERA
PRAT**
NON-DIRECTOR
SECRETARY

Joined Renta Corporación in March 2015 and in May 2017 he became Non-director Secretary of the Board of Directors. He spent his early career in the auditing field. In 1988 he joined Georgia Pacific as responsible for internal audit in Southern Europe until he was appointed Financial Managing Director for Iberia in 2001. In December 2005 he joined the Miquel Group and Costas & Miquel as Chief Financial Officer. Holds a degree in Business Administration and Management from the University of Barcelona and an MBA from ESADE Business School.

**Prevention of Money
Laundering**



Renta Corporación has a money laundering prevention system consisting of client identification, establishment of risk profile and analysis of operations to ascertain whether they are suspicious. If they are, the information is presented to the Company Secretary's Office for review and, if confirmed, the issue is reported to the relevant government agency.

There were no incidents in the past year and an annual report has been prepared by an external expert for the period 1 January 2018 to 31 December 2018 concerning the internal control and communication procedures and bodies referred to in Article 11, Section 7 of Royal Decree 925/1995 of 9 June, which approves the Regulation of Law 19/1993 of 28 December on certain measures to prevent money laundering, demonstrating that Renta Corporación has control and detection systems in place to ensure compliance with regulations to prevent money laundering.

02 Business and Market Environment Report

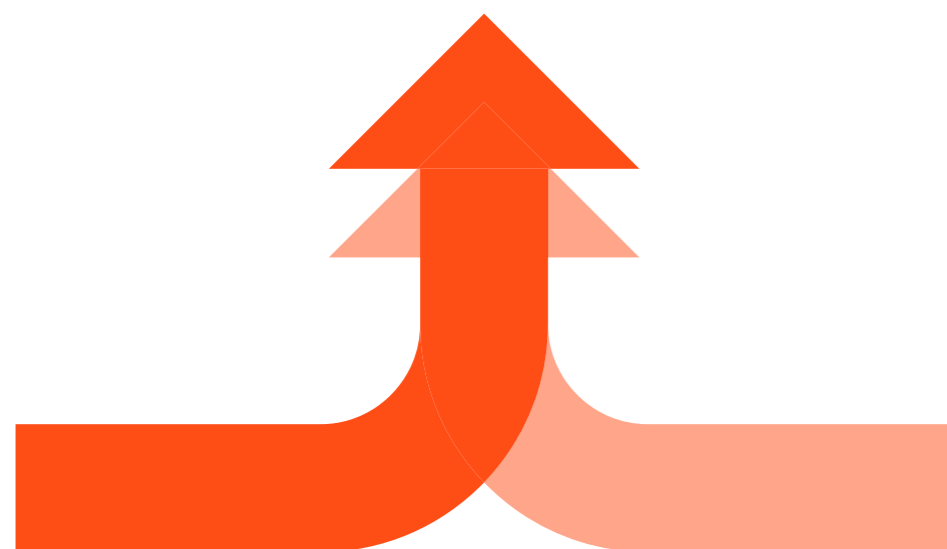
Strong growth in operating profit compared to FY 2018, standing at 29.7 million euros with 12% growth.

DBR

The Company has a business portfolio at year-end 58% higher than at December 2018.

The diversification in the sources of financing, which began in 2018 with the bond issue, has continued throughout FY 2019 with the launch of a promissory note programme. This diversification results in superior and more agile access to financing, in addition to a decrease in the average cost of debt.

Fernando VII, 3-5
MADRID



€M **29.7** 12% increase over 2018
Operating profit growth

In 2019, Spanish GDP grew by 2.0%, four tenths lower than in 2018, as a consequence of the worsening of the international context and the loss of dynamism in domestic demand. This growth has continued to be supported by domestic demand, consumption and investment, which have contributed 1.7 growth points; while external demand, exports and imports, have contributed 0.3 points.

On the other hand, employment grew by 2% in 2019, the same rate as the economy.

By type of asset, the behaviour of the market during the year presented different dynamics.

In the tertiary market, the volume of investment in Spain grew by 1% compared to the previous year and represents the second best year of the last 20. The increase in activity in

the office market, with 53% growth, was the main driver of this improvement, with the hotel and industrial segment also contributing positively. On the other hand, commercial assets lose traction, with the level of investment falling by 38%.

As for the residential segment, the market experienced a 5% average increase in the price of housing, mainly driven by a macroeconomic context of moderate growth, as well as by the effects of the new mortgage law and by political circumstances.

Residential rental in Spain continues to grow and is gaining more and more weight compared to home purchases. Labour activity in areas with a rigid supply of housing, taxation linked to the purchase, and the reduction in financing associated with the purchase, are some of the main drivers of rental demand by families and young people.

Renta Corporación's business portfolio, focused on Madrid and Barcelona, stood at 211 million euros, 58% higher than in December 2018.

In FY 2019, Vivenio Socimi contributed 8.3 million euros to the operating profit, mainly as a result of the origination of the investment portfolio and the incentive fee. This year, Vivenio purchased eight new residential assets in operation, two plots for future development, and acquired commitments to purchase a "turnkey" asset. All these assets are located in Barcelona and Madrid and have a total purchase amount of 360 million euros.

On the other hand, the Company continues to make progress in the implementation projects of two investment vehicles specialising in the acquisition of real estate assets in Spain, one of them focused on office and logistics properties and the second on hotel assets.

The diversification in the sources of financing, which began in 2018 with the bond issue, has continued throughout FY 2019 with the launch of a promissory note programme for a maximum amount of 30 million euros and a validity of 12 months. This diversification has resulted in superior and more agile access to financing, in addition to a decrease in the average cost of debt.

The share price at the close of FY 2019 stood at of 3.15 euros per share and remains stable compared to the close of FY 2018.

Añover de Tajo, 3. Valdemoro, Madrid



Business Overview

Renta's 2019

Renta Corporación closed FY 2019 with strong growth in operating profit compared to FY 2018, standing at 29.7 million euros with 12% growth. This profit is made up of 19.8 million euros from the transaction business, and 9.9 million euros from the equity business.

Structural costs stood at 8.7 million euros and have increased, compared to the previous year, as a result of the reinforcement of the workforce and costs incurred in the development of new projects.

EBITDA increased by 7% compared to FY 2018 as a result of an increase in gross profit which was higher than that of structural costs.

Renta Corporación closed FY 2019 with a net profit of 17.1 million euros, 0.5% higher than that of FY 2018, which was 16.6 million euros.

Worthy of note in the Company's balance sheet is the increase in the Company's non-current assets, due mainly to the recognition of tax credit and the increase in Renta Corporación's holding in Vivenio Socimi's, up by 8.1 million euros over the year.

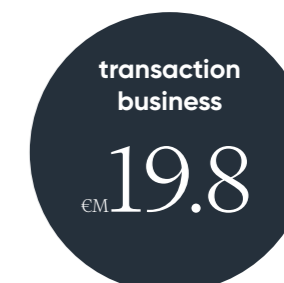
On the other hand, inventory line has increased by 30.9 million euros

as a result of the strong activity and the increase in the acquisition of real estate for transformation and sale.

On the liabilities side, net equity went from 61.5 million euros in December 2018 to 75.8 million at the close of 2019, due mainly to the profit generated in FY 2019 and the distribution of two dividends: one of them complementary to the FY 2018 results and the other an interim dividend based on the FY 2019 result.

Finally, net financial debt increased from 29.2 million euros, at the close of 2018, to 63.9 million euros at the close of 2019, due to the greater activity carried out, which has resulted in an increase in the financing of new operations, mainly through mortgage debt and the issuance of promissory notes.

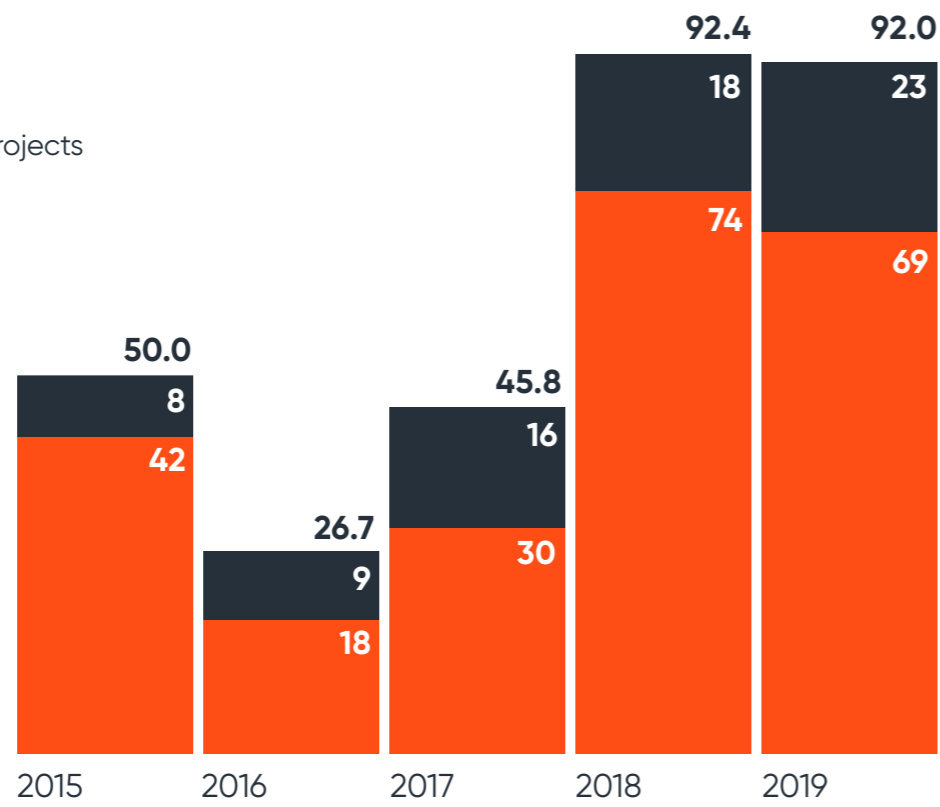
Operating profit growth



Turnover

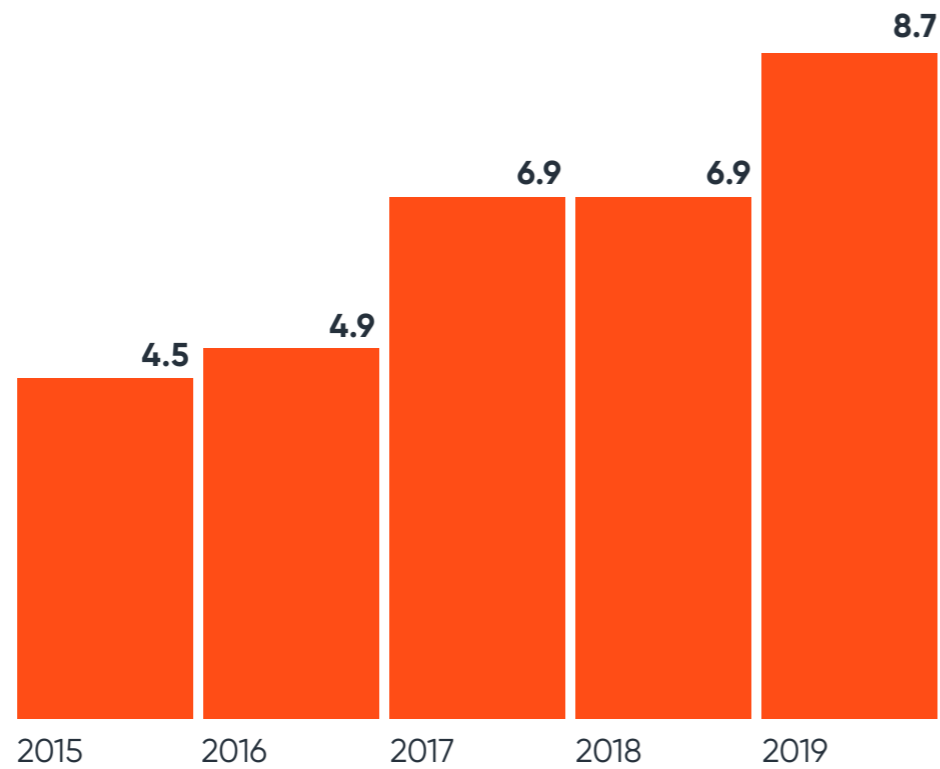
(millions of euros)

- Sales
- Management of Real Estate Projects /Other income



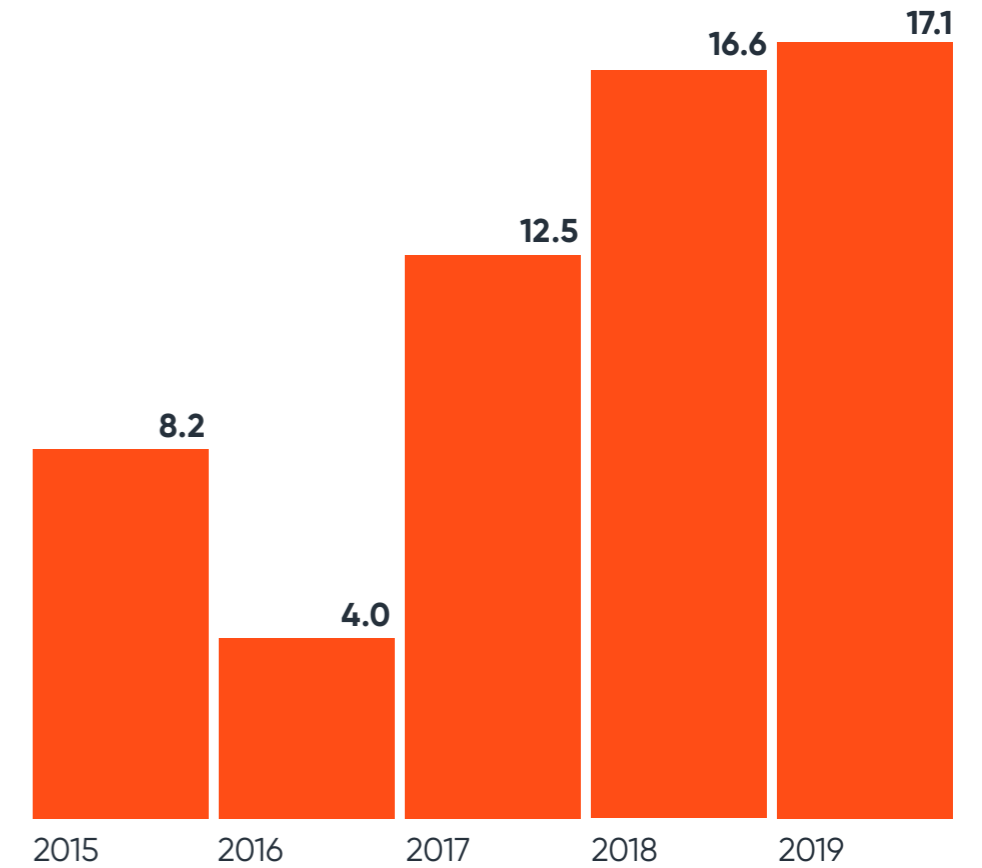
Overhead and Staff Costs

(millions of euros)



Net Profit

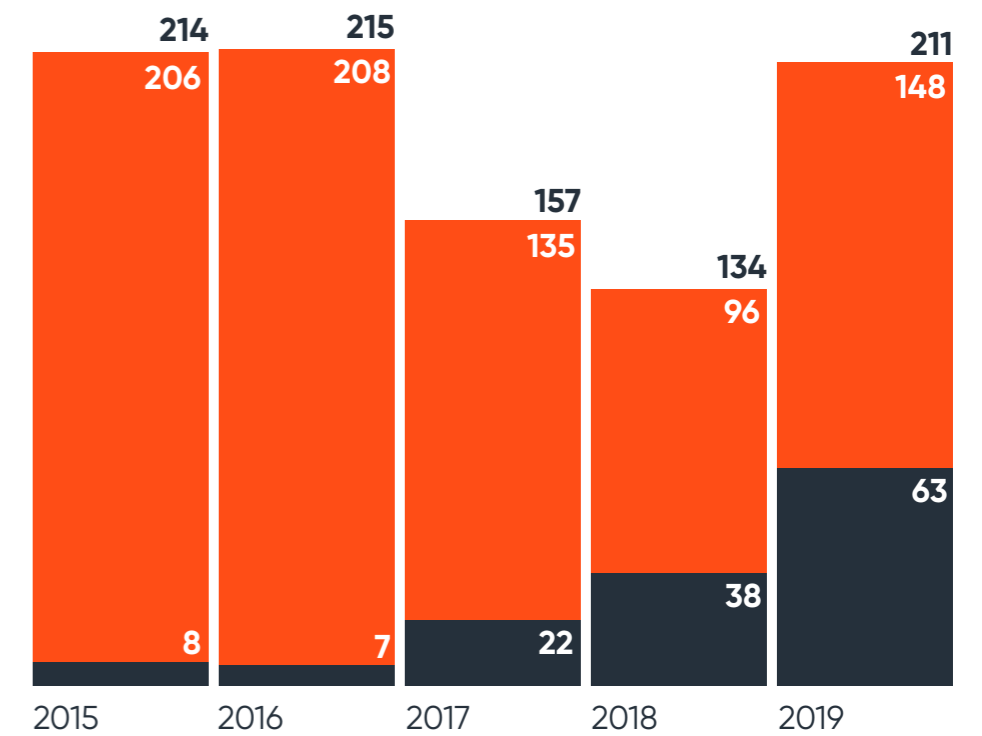
(millions of euros)



Strategic Portfolio

(millions of euros)

- Rights
- Strategic stocks



03 Financial Management

The Group has increased its Net Debt by 35.1 million euros compared to the close of the previous financial year, standing at 81.2 million euros at 31 December, 2019, due to the greater level of activity.

FM

Financing



The following table analyses the data by headings in financial year 2019:

(Millions of €)	Dec-19	Dec-18	Var.
Mortgage debt	35.6	18.9	16.7
Other debts	34.0	19.1	14.9
(-) Cash and financial investments	-5.7	-8.8	3.1
Net Financial Debt	63.9	29.2	34.7
Equity loan	17.3	16.9	0.4
Total Net Debt	81.2	46.1	35.1

In turn, the increase in **Net Financial Debt**, calculated as Net Debt minus Equity Loans, is distributed between bank debt and non-bank debt, mainly promissory notes.

Financial debt by type (millions of euros)

The assets listed under the Inventory heading are classified as current assets because they are to be completed in the Group's normal operating cycle. Consequently, debt associated with the assets under this

heading, appear in their entirety as **Financial Debts** in current liabilities, regardless of its maturity.

Mortgage debt

35.6

Non-mortgage debt

5.1

Bonds

16.2

Promissory notes

12.7

Cash

-5.7

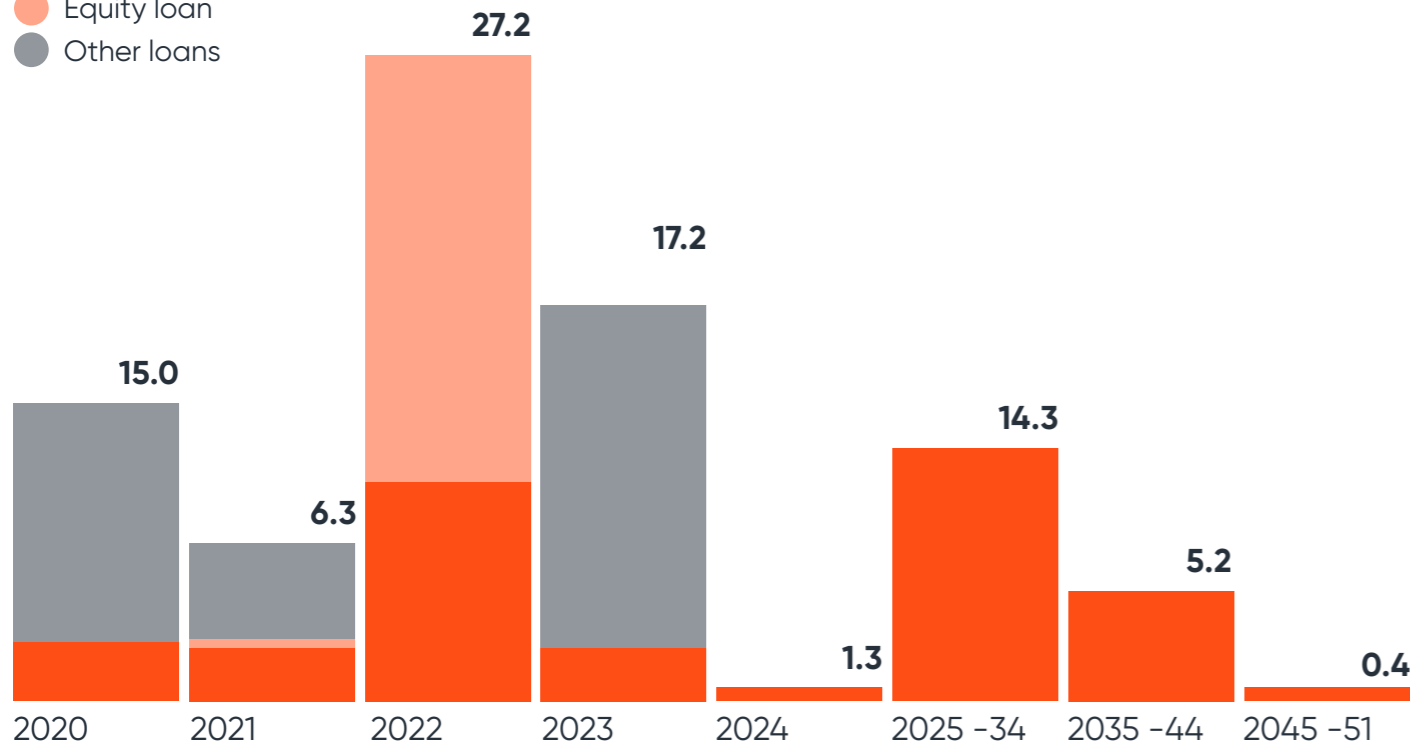
Net financial debt

63.9

Financial debt maturity is shown in the chart below:

End debt amortisation schedule (millions of euros)

- Mortgage loans
- Equity loan
- Other loans



Financial Risk Management

The Group's business was exposed in 2019 to various financial risks: market risk (including exchange rate risk and interest rate risk), credit risk and liquidity risk. The Group's global risk management programme focuses on the uncertainty of financial markets and seeks to minimise potential adverse effects on profitability.

Risk management is controlled by the Group's General Management pursuant to policies approved by the Board of Directors. This department identifies, evaluates and hedges financial risks in close collaboration with the Group's operating units. The Group's Board of Directors stipulates policies for managing overall risk, as well as exchange rate risk, in-

terest rate risk, liquidity risk, use of derivatives and non-derivatives and investment of excess liquidity.



MARKET RISK: EXCHANGE RATE

The Group defines currency risk as the negative effect that a fluctuation of exchange rates may have on profit, equity or cash flows.

The Group has no international companies, nor does it carry out transactions for a significant amount in any currency other than the euro, so the exposure to this type of risk is not significant.

MARKET RISK: INTEREST RATE

The Group is financed, primarily, through an equity loan, mortgage debt rewarded at variable market rates and through private loans, the issuance of promissory notes and ordinary 5-year ordinary unsecured bonds.

The equity loan for a nominal amount of 18.2 million euros is secured by a mortgage on an asset identified as Cánovas. This equity loan, in turn, bears interest at a variable rate of Euribor plus a differential of 1% to 3%, depending on the Group's consolidated net profit, always provided that it exceeds 10 million euros. If the consolidated net profit is under 10 million euros, no variable interest is accrued. In FY 2019, 2018 and 2017, given that the consolidated profit was greater than 10 million euros, variable interest was accrued on this loan.

The interest rate risk is managed in accordance with policies approved by the Board of Directors of the lead company, which establish whether or not hedging instruments are needed to minimise the impact of volatile interest rates. To date, the Renta Corporación Group has no contract for interest rate hedging.

However, the favourable interest rate terms agreed in the Creditors' Agreement and the fixed nature of the remuneration of the bond, mean that there is a natural coverage, limiting its volatility, and it is not necessary to contract interest rate hedging.

CREDIT RISKS

Credit risk arises from both the ability to obtain financing and the ability to access cash and deposits with banks and financial institutions as well as collection from customers, including outstanding receivables and committed transactions.

In 2019, this continued to be a priority for the Group, which managed to obtain mortgage financing for some real estate transactions, seeming to indicate that banks are gradually becoming more receptive to granting credit for real estate transactions.

The Group has so far not experienced any difficulty in collecting receivables arising from transactions during the year, either due to lack of delinquencies or for being able to execute guarantees covering said recovery.

LIQUIDITY RISK

The Group's ability to obtain new financing depends on many factors, some of which are not under its control, such as general economic conditions, availability of credit from financial institutions and established monetary policies.

It is worth highlighting the execution of several closed mortgage financing operations, during the 2019 and 2018 financial years, with various credit institutions. These have financed Renta Corporación business model real estate projects: asset purchase, refurbishing and sale of units in a timescale of less than two years.

On the other hand, the Renta Corporación Group continues to explore new avenues of funding, such as the aforementioned bond and promissory note issues, including any kind of alliance with financial partners, which will allow for the extension of funding sources to carry out more large-scale projects in the future and which will result in higher profits.

CAPITAL RISK MANAGEMENT

Exposure to capital risk is determined by the difficulty of maintaining sufficient net equity and debt levels to keep the Company operational, to generate returns for shareholders and profits for holders of other equity instruments and to maintain an optimal capital structure and limit or reduce its cost.

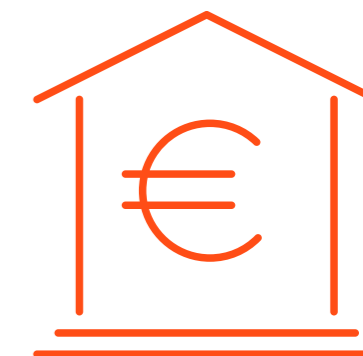
Alcalá, 412. Madrid



Cash Management

The Renta Corporación Group manages to finance its investments through an equity loan, the issue of bonds and promissory notes, mortgage loans on favourable terms, other non-bank loans, as well as through ordinary business generated income.

Treasury management aims to meet payment obligations in the short term and manage cash surpluses. In order to meet payment commitments in the medium and long term and provide the financial resources needed for strategy implementation, Corporate General Management carries out:



01.

Monitoring the liquidity capacity to meet payments in the short term.

02.

Monitoring of financing capacity to meet payment obligations in the medium and long term, as well as to continue the normal course of operations and the defined strategy.

03.

Monitoring of compliance with provisos or other obligations associated with debt.

04.

Searching for sources of credit with the best conditions for the Group.

05.

Adapting the structure and amount of debt depending on the current situation and evolution of the business.

06.

Planning and monitoring of cash inflows and outflows.

Notes on the Consolidated Balance Sheet

Net equity stood at 75.841 million euros, up 14.349 million euros compared to the 61.492 million euros at December 2018

75.841
net equity (€M)

Renta Corporación's non-current assets stood at 73.339 million euros. With respect to FY 2018, this item has increased by 14.380 million euros. This variation is due, in the first place, to the increase of Renta Corporación's long-term holding and receivable account in the capital of Vivenio Socimi's, in the amount of 8.070 million euros. In the second place, the increase of 3.000 million euros in deferred tax assets, as a result of the sum of the recognition of a tax asset for negative tax bases to be offset by future profits, the recording of an advance tax arising from temporary differences and the recognition of a deferred tax asset corresponding to financial expenses not deducted in the current financial year. Finally, the increase in non-current assets is also due to the net increase in the value of real estate investments amounting to 1.899 million euros compared to the end of 2018 and to the first application of IFRS 16 regarding the accounting of lease

es, which has resulted in the recognition of usage rights amounting to 1.094 million euros.

Current assets for the year stood at 104.705 million euros, an increase of 32.449 million with respect to FY 2018. This variation is mainly due to an increase of 30.913 million euros in inventories, resulting from the investment which Renta Corporación has made in the purchase of new assets, with a year-end amount of 88.308 million euros. The value of inventory at year-end includes net purchase options worth 7.277 million euros, entitling a future purchase of assets for 148.428 million euros.

Net equity stood at 75.841 million euros, up 14.349 million euros compared to the 61.492 million euros at December 2018, mainly due to the application of the profit for FY 2019 and the distribution of a dividend during the year of a total of 3.100 million euros.

Long-term financial debt stood at 39.522 million euros, consisting of the equity loan, the senior bond issued in October 2018 and mortgages associated with real estate investments.

Items of other non-current liabilities increased by 1.453 million euros, reaching 4.812 million euros in 2019. The variation is mainly due to the recognition of the financial liability resulting from the application of IFRS 16, equivalent to the present value of the fixed payments during the lease term discounted using the rate implicit in the lease.

Suppliers and other accounts payable amount to 10.287 million euros, mainly including deferred payments for the purchase of some assets and costs related to the acquisition and transformation of some operations purchased during the year, debts with public administrations and advances from customers for reserves and

down-payments, which will give rise to future income of 15.672 million euros.

Finally, short-term debts and financial liabilities amount to 47.582 million euros, an increase of 31.613 million euros. This variation is due to the increase in mortgages with credit institutions and

the registration in 2019 of a promissory note programme with the Alternative Fixed Income Market (MARF) with a maximum outstanding balance of 30.000 million euros and validity of 12 months, of which promissory notes with a par value of 12.900 million euros had been issued at year-end.

Consolidated Balance Sheet (amount in thousands of euros)

Assets	2019	2018	Variance
Total non-current assets	73,339	58,959	14,380
Inventory	88,308	57,395	30,913
Trade debtors and other accounts receivable	10,672	6,038	4,634
Financial investment	372	98	274
Cash and cash equivalents	5,353	8,725	-3,372
Total current assets	104,705	72,256	32,449
Total assets	178,044	131,215	46,829
Liabilities	2019	2018	Variance
Total net equity	75,841	61,492	14,349
Financial debt	39,522	38,900	622
Total non-current liabilities	4,812	3,359	1,453
Total non-current liabilities	44,334	42,259	2,075
Trade creditors and other accounts payable	10,287	11,495	-1,208
Financial debt	43,082	13,013	30,069
Other financial liabilities	4,500	2,956	1,544
Total current liabilities	57,869	27,464	30,405
Total liabilities	102,203	69,723	32,480
Total net equity and liabilities	178,044	131,215	46,829

Notes on the Consolidated Profit and Loss Statement

Revenues reached 89.550 million euros in FY 2019, compared with 90.222 million in 2018 and comprised:

	2019	2018
Real estate sales	68,896	74,124
Real estate project management	8,465	4,449
Provision of equity services	10,682	10,809
Rents	1,507	840
Total	89,550	90,222

Although income from real estate sales has decreased by 5.228 million euros compared to FY 2018, real estate project management revenue has almost doubled that of the same period last year, standing at 8.465 million euros. Focus on the turnover of the real estate portfolio remains constant with respect to the previous year, and is one of the essential characteristics of the Group's business model.

The provision of equity services has generated revenue of 10.682 million euros. In FY 2019, Vivenio Socimi purchased eight new residential assets in operation, two plots for future development, and acquired commitments to purchase a "turnkey" asset. All these assets are located in Barcelona and Madrid and have a total purchase amount of 360 million euros.

The relative decrease in the total of variable selling, personnel and external service expenses was greater than the variation in income, resulting in the consolidated operating profit increasing from 17.372 million euros in 2018 to 18.833 million euros in 2019.

The net financial result is negative, at 3.542 million euros, 243 million euros more than the 2018 financial result. On the one hand, financial expenses increased by 1.405 million euros compared to 2018, as a consequence of the increase in activity and the level of indebtedness in 2019. By contrast, at a comparative level with the previous year, there was an improvement of 1.162 million euros, mainly due to the fact that in 2018 an additional expense was recognised associated with the remuneration of the equity loan which was not repeated in FY 2019.

The diversification in the sources of financing, which began in 2018 with the bond issue, has continued throughout FY 2019 and has led to greater and more agile access to financing, in addition to a decrease in the average cost of debt.

Consolidated profit for the year attributable to shareholders stood at 17.115 million euros, 3% higher than that of 2018, which stood at 16.608 million.

Consolidated profit for the year attributable to shareholders stood at 17.115 million euros, 3% higher than that of 2018, which stood at 16.608 million.

Consolidated Profit and Loss Statement (amount in thousands of euros)

	2019	2018	Variance
Operating revenue	89,550	90,222	-672
Other operating income	578	151	427
Goods used	-54,555	-59,721	5,166
Employee benefit expenses	-6151	-4,653	-1,498
Other expenses - buildings	-4,837	-3,403	-1,434
Outsourcing expenses	-4,466	-4,098	-368
Other taxes	-986	-1,033	47
Losses, impairment and changes in trade provisions	-	-	-
Amortisation and losses related to assets	-300	-93	-207
Profit from disposal of fixed assets	-	-	-
Consolidated operating profit	18,833	17,372	1,461
Change in value of real estate investments	1,899	1,991	-92
Net financial expenses	-3,542	-3,299	-243
Impairment and profit/(loss) from disposals of financial instruments	6	-1	-
Income from investments recorded using the equity method	-	-	-
Consolidated profit before tax	17,196	16,063	1,126
Profit tax	-81	545	-626
Profit and loss for the period from continuing operations	17,115	16,608	500
Profit and loss for the preceding period from discontinued operations, after tax	-	-	-
Consolidated profit for the year	17,115	16,608	500
Profit attributable to shareholders	17,115	16,608	500
Profit/(loss) attributable per share from continuing operations (stated in euros per share)	0.53	0.52	0.01
Profit/(loss) attributable per share from discontinued operations (stated in euros per share)	-	-	-
Attributable Profit/(Loss) per share (stated in euros per share)	0.53	0.52	0.01

Notes on the Consolidated Cash Flow Statement

The Group's practice is focused on the acquisition, transformation and sale of real estate assets with high turnover, which allows rapid acquisition of liquidity. Thus, the buoyancy of the housing market is pinpointed as the most determining factor for generating liquidity in the Group. The Group's business model, by its very essence of acquisition and sales flow, quickly identifies market changes and adapts its practices to the context in which they take place. Operational profit amounts to

19,334 million euros, applied mainly to the investment in Vivenio Socimi, for the credit rights with respect to it pending conversion into shares, as well as for the payment of interest, the payment on account of corporation tax and financing the variation in working capital.

In addition, the flow of investment activities was negative by 717,000 euros, mainly due to the acquisition of tangible fixed assets.

Finally, the flow of financing activities was positive by 28,398 million euros mainly due to the senior bond issue mentioned above.

Av. Diagonal, 468. Barcelona



Consolidated Cash Flow Statement (amounts in € thousands)

Operations	2019	2018	Variance
Operational Profit/(loss)	19,334	18,044	11,783
Changes in current capital	-37,271	-14,069	-23,202
Other income and expenses	-8,344	-9,826	1,482
Interest earned (paid)	-2,279	-1,915	-364
Corporation tax payment	-2,493	-2,514	21
Cash generated / (used) - Operations	-31,053	-10,280	-10,280

Investment operations	2019	2018	Variance
Purchase of intangible assets	-372	-52	-320
Acquisition of tangible fixed assets	-27	-209	182
Receipts from sales of fixed assets	-	-	-
Real estate investment payments	-19	-114	95
Receipts/(payments) relating to investments by group and associated companies	12	31	-19
Other financial assets	-311	-58	-253
Cash generated / (used) - Investment	-717	-402	5

Financing operations	2019	2018	Variance
Issuance of equity instruments	-	-	-
Purchase of equity instruments	-	-	-
Alienation of equity instruments	63	69	-6
Issuing of bonds and other negotiable instruments	19,021	15,802	3,219
Issuance of loans by financial institutions	32,067	28,021	4,046
Issuance of other loans	4,673	5,400	-727
Reimbursement of obligations and other negotiable securities	-6,500	-	-6,500
Repayment of loans	-14,688	-24,062	9,374
Repayment of other debts	-3,138	-8,438	5,300
Dividends	-3,100	-1,100	-2,000
Cash generated / (used) - Financing	28,398	15,692	12,706
Cash at beginning of the year	8,725	3,715	5,010
Cash at year-end	5,353	8,725	-3,372
(Net reduction) / increase in cash flows and cash equivalents	-3,372	5,010	-8,382

04 Stock Market and Shareholders

Renta Corporación shares have been listed on the Barcelona and Madrid Stock Exchanges since April 2006, and are traded on the Spanish Stock Exchange Interconnection System (ISBE or Continuous Market). Renta Corporación's share capital consists of 32,888,511 shares in circulation with a par value of €1 per share. All shares have the same voting and financial rights.

SM

Share History

After the Renta Corporación share prices closed FY 2018 at 3.19 euros, in 2019 the share price remained stable, closing the year at 3.15 euros/share. The year-end price equates to a market capitalisation of 103.6 million euros.

Salient Figures

Source: BME

3.15 4.30

euros/share
Share price as of 31/12/2019

euros/share
Annual maximum 2019

2.98

euros/share
Annual minimum 2019

TRADING

In FY 2019, 12,566,623 shares were traded for a total price of 44,846,568 euros. The month with the highest volume of contracts was June and the month with the lowest volume was July. Average daily trading was 49,670 shares.

Francesc de Bolos, 20. Barcelona



Shareholders

Distribution of holdings in Renta Corporación Real Estate S.A. at 31 December 2019

Note: Information provided in this section was produced from reports filed by shareholders who have reported their shareholder positions either because their holding exceeds regulated levels or because they are obliged to do so as company directors.

Up-to-date information is also available in the Annual Corporate Governance Report, as required by regulations, and on the Spanish Securities and Investment Board and Renta Corporación websites.

51.06%

Free float

28.08%

Directors

18.69%

Others

2.17%

Treasury
shares

Dividends

Once the dividend distribution policy was resumed in 2018, two dividends were distributed in 2019 for a total amount of €3,100,000.

The first of these for an amount of €1,900,000 as a supplementary dividend charged to the FY 2018 profit, and the second, for the amount of €1,200,000, an interim dividend charged to the FY 2019 profit.

In addition, the Board of Directors of 26 February, 2020 had proposed to the Ordinary General Meeting of Shareholders initially scheduled for 22 April, 2020, a supplementary dividend to be charged to FY 2019 profits for an amount of €2,100,000, but due to the exceptional circumstances resulting from the spread of Covid-19 (corona virus disease) and, from a perspective of financial prudence, the Board of Directors of 13 May, 2020 decided to modify the proposal for the application of the profit, to be submitted to the next Ordinary General Meeting of Shareholders that is expected to be held on second call on Tuesday, 16 June, 2020. It should be noted that the Board of Directors remains committed to paying a dividend to shareholders and, once there is greater visibility about the impact of the Covid-19 crisis, the situation will be re-evaluated to proceed with the reinstatement of the dividend.

Investor Relations

It is our wish to keep investors constantly informed of developments within the Group, so that both shareholders and investors can access company public information and material events (from 8 February, 2020 CIP or DIS onwards) through the following communication channels:



FACE-TO-FACE

Mainly via the General Meeting of Shareholders.



PUBLICATIONS

The Annual Report is the main means of communication, supplemented by communications with the Spanish Securities and Investment Board (CNMV):

1. Annual Report, including the Annual Corporate Governance Report, which provides relevant and accurate information on the Company business.

2. Reporting of all material events to the Spanish Securities and Investment Board (CNMV) (from 8 February, 2020 CIP or DIS onwards).



INTERNET

Via its website at www.rentacorporacion.com, the Company provides clear, objective and real-time information about corporate events, its organisation and financial statements, as well as the latest news, material events (from 8 February, 2020 CIP or DIS onwards), reports, presentations and any other information which may help give a clear picture of the current status of the Group. To handle shareholder queries about the progress of the Company, a channel exists which was specifically set up for this purpose via the e-mail address r.inversores@rentacorporacion.com.

05 Corporate Social Responsibility Report

Renta Corporación understands Corporate Social Responsibility (CSR) as a commitment which is inherent to the development of its activity.



Renta Corporación is a company which considers Corporate Social Responsibility (CSR) a strategic part of the business and has as a roadmap a mission, vision and values that are applied and shared with the people and stakeholders with which the Company interacts on a permanent basis during its business activity.



Creating value through business activity.

Seeking to become leaders in the building purchasing and rehabilitating sector in large urban centres.

Applying ethics, transparency and responsibility in relationships and real estate activity, as well as fostering talent in the team.

This CSR activity report features all aspects that distinguish Renta Corporación as a responsible company. And we understand responsibility as not merely complying with envi-

ronmental parameters and applying sustainability criteria when planning our business activity, but in reference to our ethics and responsibility to employees, our commitment

to them and our need for transparency in all areas of our relationship.

Corporate Culture and Stakeholders

Companies that have integrated CSR into their business model are in a better competitive position for facing future challenges. This is the case of Renta Corporación, which during 2019 has continued to be committed to its stakeholders, providing strong communication channels and al-

ways looking for strong commitments to strengthen the relationship in the medium and long term.

In addition, transparency, ethics and talent are the three parameters that define the corporate culture of Renta Corporación. These principles guide

the Company's activity and its relationship with the environment, reflecting its commitment, its strong belief in people as guarantors of delivering value to all its activities and preserving the reputation of the brand in business dealings.



Talent

As the tip of the spear, the greatest asset for a company that strives to be a benchmark in its sector.

Ethics

As the overarching element in all company relationships and a safeguard of integrity and respect in the organisation.

Transparency

As the basis on which a company must work by providing the necessary credibility to carry out its work in the long run.

Commitment to the Team

Renta Corporación's people have always been one of the Company's most obvious strengths, pivotal for business development and its quest for excellence. The Company's responsibility in this area is among the main objectives of its Corporate Social Responsibility.

As of 31 December 2019, the Company had 42 employees.

By year-end 2019, 29% of the Company's team worked from the Madrid office and the remaining 71% from the Barcelona office.

Among the Company's workforce highlights are:

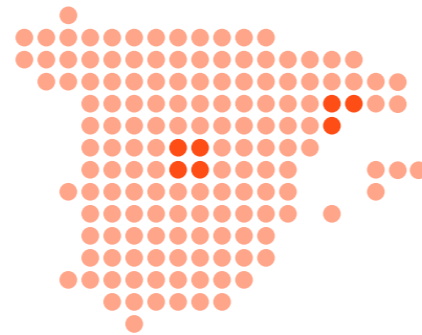
Women account for 57% of the workforce.

The average age of employees is 44.

83% are university graduates.

The percentage of female representation on the Board of Directors is 33%.

Renta Corporación is aware that its team is its most important asset. This statement becomes more valuable in difficult times, since talent management in the pursuit of excellence is essential for overcoming any crisis situation.

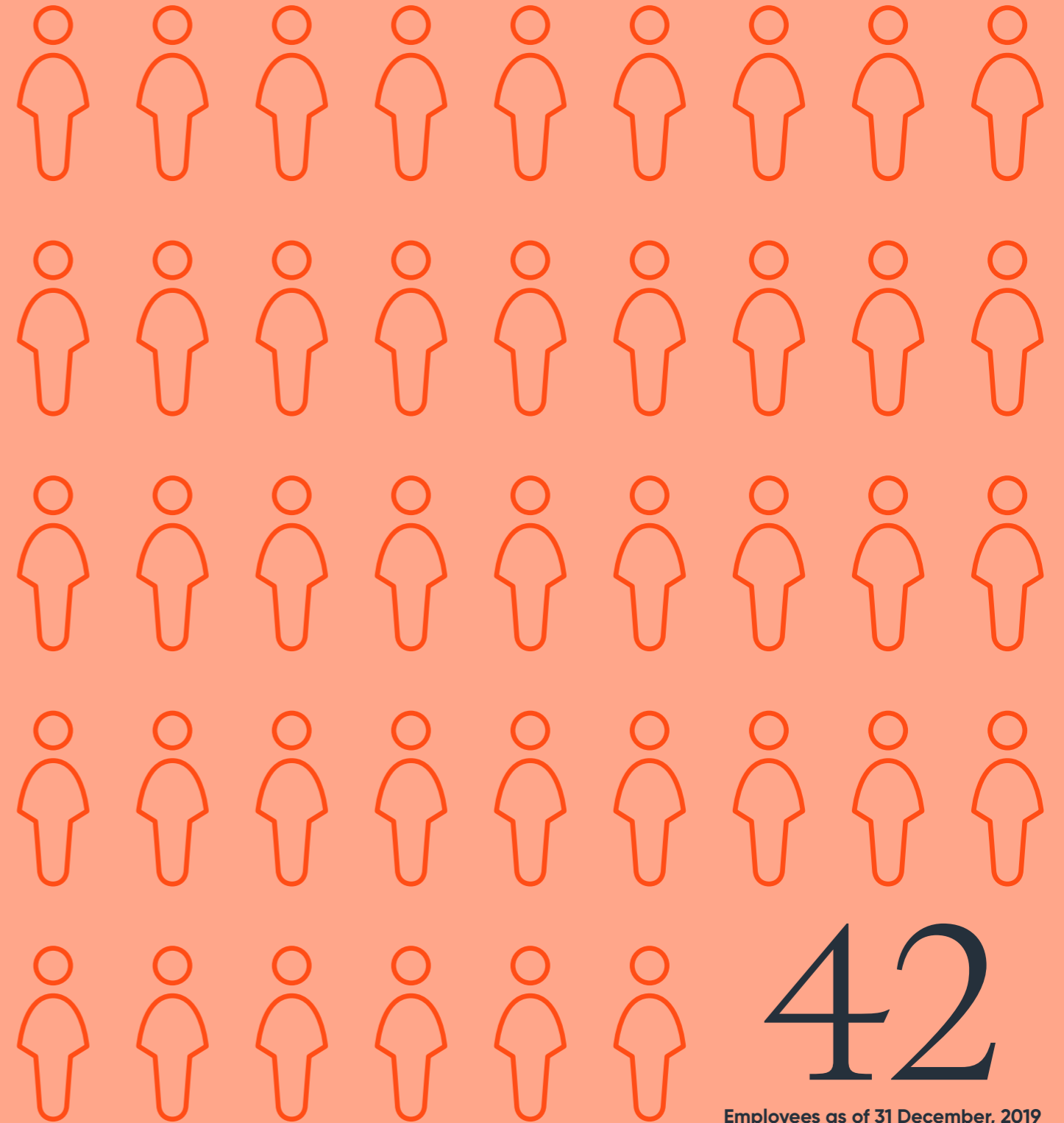


57% Representation of women in the workforce

44 Average age of employees

83% University graduates

33% Female representation on the Board of Directors



Employees as of 31 December, 2019

Main Communication Channels

Communication with stakeholders is part of Renta Corporación's strategy and business management, the objective of which is to harness the information and opportunities that a smooth and direct relationship can provide. In order to ensure the very best quality, the Company is in constant contact with its customers, shareholders, investors and suppliers through various channels. These channels serve to detect strengths and weaknesses and to observe the needs and expectations of the customers themselves.



CUSTOMERS

- Bilateral information regarding new products.
- Regular sales campaigns.
- Internal policy for excellent relationships with tenants, involving direct and personal communication.
- Website and e-mail.

EMPLOYEES

- Annual corporate meetings.
- Human Resources Department performance review meetings with all employees.
- Monthly Management Committee meetings.
- Quarterly information meetings.
- E-mail updates (announcing appointments, organisational changes, job vacancies, etc.).
- Website, Intranet and Employee Mailbox.

SUPPLIERS

- Loyalty actions designed to foster and strengthen good relations.
- Submittal of relevant information to technical personnel and property appraisers.
- Website and e-mail.

SOCIETY

- Regular presentations to the press concerning Company results.
- Dialogue with neighbourhood associations and government authorities.
- Membership of trade associations and CSR promoters.
- Feedback from NGOs and society at large about Fundación Renta Corporación's contributions and activities.
- Website and e-mail.

INVESTORS / SHAREHOLDERS

- Publication of annual and quarterly financial results.
- Press releases.
- Yearly publication of reports (Annual, Corporate Social Responsibility, Corporate Governance).
- Shareholder relations office.
- Website and e-mail.

The Value Chain

Ethics and efficiency are the principles which underlie all activities carried out by Renta Corporación and its relationships with all of its stakeholders, as well as its professionalism as a manifestation of its strong commitment to the business model and the belief that it is the way forward in the coming years.

These principles, coupled with the conviction that people are the strength of our organisation, make Renta Corporación a company that is guided not only by the bottom line but also by the desire to promote more sustainable and efficient development with its business.

Renta Corporación helps to create quality and increasingly sustainable environments for its customers, with efficient resource management as its driving force, a philosophy which it extends to its suppliers. It therefore fosters the following set of guidelines both with its suppliers and internally::

01.

Rational consumption of energy resources

02.

Recycling of materials and waste management

03.

Selecting materials for construction projects that contribute to energy efficiency

04.

Focus on energy refurbishing in all properties in which the Company is involved

Good Governance

In its commitment to establishing a culture of integrity, the Company is committed to good governance by encouraging awareness of it and safeguarding compliance.

Thus, the Good Governance Code, beyond its obligations and recommendations, guarantees the transparency of our operations and proper corporate governance in order to unify and strengthen the identity, culture and behaviour patterns of the Group.

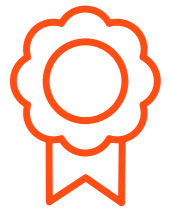
A basic principle of our Corporate Governance is that of transparency with shareholders, investors and the market in general, and to carry out monitoring of best practices in this regard, identify risks and instruments for control and management, information management and security policies and promotion of socially responsible corporate policies.

Through the Company's website, www.rentacorporacion.com, all stakeholders have access to detailed information for any question or request.

Aware of the importance of risk management, Renta Corporación

has established procedures for identifying reputation risks, as well as other risks deriving from compliance with the law, general and industry standards, and internal policies. The Company has two supervisory bodies in the Board of Directors that act as safeguards: the Audit Committee and the Appointments and Remuneration Committee.

The Audit Committee assists the Board in its oversight duties by periodically reviewing the process of preparing the financial information, internal controls and ensuring the external auditor's independence. The Appointments and Remuneration Committee fulfils the function of informing the Board on appointments, re-elections, separations and remunerations of the Board of Directors and their positions, as well as the general remuneration and incentives general policy for the same and senior management.



The Company has strengthened its commitment to good governance by encouraging awareness of it and safeguarding compliance.

ESG Criteria

Renta Corporación maintains and continues to apply ESG (Environmental, Social and Governance) criteria, fully committed to the SDGs (Sustainable Development Goals).

For this reason, Renta Corporación requires LEED certification in its new office promotions (related to energy efficiency, use of water, green areas, etc.). This certification is a demonstration of our commitment to sustainability and the environment and, on the other hand, provides an added value of well-being to future users of the property, highly appreciated by tenants.

Also, in Vivenio Socimi we are applying a similar system, the BREEAM, in all our new developments, whether they are our own or turnkey. In addition, we are carrying out certain investments in those developments that are already in operation, in order to make them more sustainable. Together with our partner APG, we are committed to being valued at 4* in the GRESB ranking (<https://gresb.com>) as a company by 2021.



Fundación Renta Corporación



Sustainability at Renta Corporación is channeled through the Fundación Renta, which aims to collaborate on projects dedicated to:

- Helping children and women
- Healthcare
- Housing, sanitation and infrastructure
- Nutrition and waters programmes
- Education
- Social assistance

Since 1999, the Foundation has collaborated on more than 800 projects, with a contribution of nearly 24 million euros.

It should be noted that the Renta Corporación Board of Directors, as of 22 October, 2014, and in order to

continue the Group's policy of corporate social responsibility, agreed to allocate 2% of the Group's annual net profit to the Fundación Renta Corporación.

Furthermore, Fundación Renta Corporación holds 3.5% of the shares of Renta Corporación Real Estate. In 2019, the Foundation collaborated with 62 causes, with an amount of €269,747, the most significant being contributions to the Elena Barraquer Foundation, the Princess of Girona Foundation, the Pasqual Maragall Foundation, the Sant Joan de Deu Hospital and the Ashoka organisation.



06 Covid-19 Management

Since the World Health Organisation (WHO) declared on 30 January, 2020 that Covid-19 was a public health emergency of international importance, the severity of the crisis has been growing and has become a worldwide health crisis, affecting citizens, businesses and the economy in general. Finally, on 11 March, the WHO confirmed that the Covid-19 outbreak had become a pandemic.

C-19

Environment

The exceptional situation produced by Covid-19 is not only damaging people's health, but has limited consumption and tourism and the production of many companies.

Furthermore, national and international trade relationships have been affected by the measures adopted to alleviate the Covid-19 crisis, with the consequent unfavourable impact on the evolution of business, employment, consumption and the general economic situation. In this sense, the International Monetary Fund (IMF), on 14 April, 2020, estimated a fall of 8 percentage points in Spain's GDP, highlighting the collateral effects that this pandemic will have on our economy.

As for the real estate business, there has been a slowdown not seen in the sector for many decades and an abrupt interruption in investment activity.

Although the gradual restoration of normality should restore confidence to the investment market, at this time, the impact that the Covid-19 might have on the sector cannot be accurately estimated given the uncertainty regarding the duration of the pandemic and the time it will

take to normalise the economy.

This uncertainty has had a significant impact on the markets, with the valuation of Renta Corporación shares also being affected, with the price at the end of the first quarter of the year 2020 standing at 1.49 euros per share.



Renta Corporación

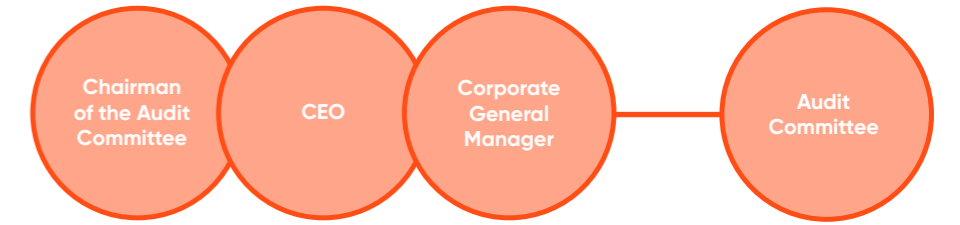
The Company's first priority is the health of our employees. For this reason, teleworking has been implemented for 100% of the workforce, with the availability of remote technological means that has allowed comprehensive operation throughout this period.

In the last few weeks, a plan to return to the workplace has been implemented in phases and shifts, taking all recommended protection measures to minimise any risk.

Also, as the precise evolution of the recovery and the time horizon is still unpredictable, it is the Company's obligation to be prepared in the event that this process takes longer than desirable.

That is why Renta Corporación has put into operation right from the start of the state of emergency decreed by the Government of Spain an internal commission called "the Covid-19 Commission" made up of the Chairman of the Audit Committee, in order to closely monitor the evolution of the situation, to tackle any financial and non-financial impacts that may occur, to develop a contingency plan to apply in the Group and to report on its conclusions to the Board of Directors.

Covid-19 Commission



Within the framework of this plan, three areas have been identified that will require special attention as long as the emergency situation lasts.

- **Liquidity:** Since the start of the recovery from the previous economic crisis, cash has been a priority for Renta, and it is at times like these when austerity and liquidity policies take centre stage. Actions carried out by the Company in recent years, with a successful diversification of financing sources, allow us to face future liquidity needs with guarantees. Nevertheless, we must continue to work to ensure that in moments with liquidity tensions like currently these have a limited impact.
- **Operations:** The Company does not foresee any erosion in the value of its assets as they are highly liquid and are located in prime locations in Madrid and Barcelona. However, it is likely

that the Company may have an interest in taking advantage of the liquidity windows that the market may offer to sell some of these assets, even in exchange for part of the forecast profit.

In addition, the Board of Directors of 26 February, 2020 had proposed to the Ordinary General Meeting of Shareholders, initially scheduled for 22 April, 2020, a supplementary dividend, charged to FY 2019 profits, amounting to 2,100,000 euros. Given the exceptional circumstances resulting from the spread of Covid-19 and, from a perspective of financial prudence, the Board of Directors of 13 May, 2020 decided to modify the proposal for the application of the profit, to be submitted to the next Ordinary General Meeting of Shareholders. It should be noted that the Board of Directors remains committed to paying a dividend to shareholders and, once there is greater visibility about the impact of the crisis, the situation will be re-evaluated to proceed with the reinstatement of the dividend.

Although it is true that the time horizon until normal operation is still uncertain, we understand that this is a one-time situation and, although it may have an impact on the FY 2020 profit forecast, it does not affect the strategic plan and the growth levers which the Group has set for the next few years.



Commitment to Paying a Dividend

