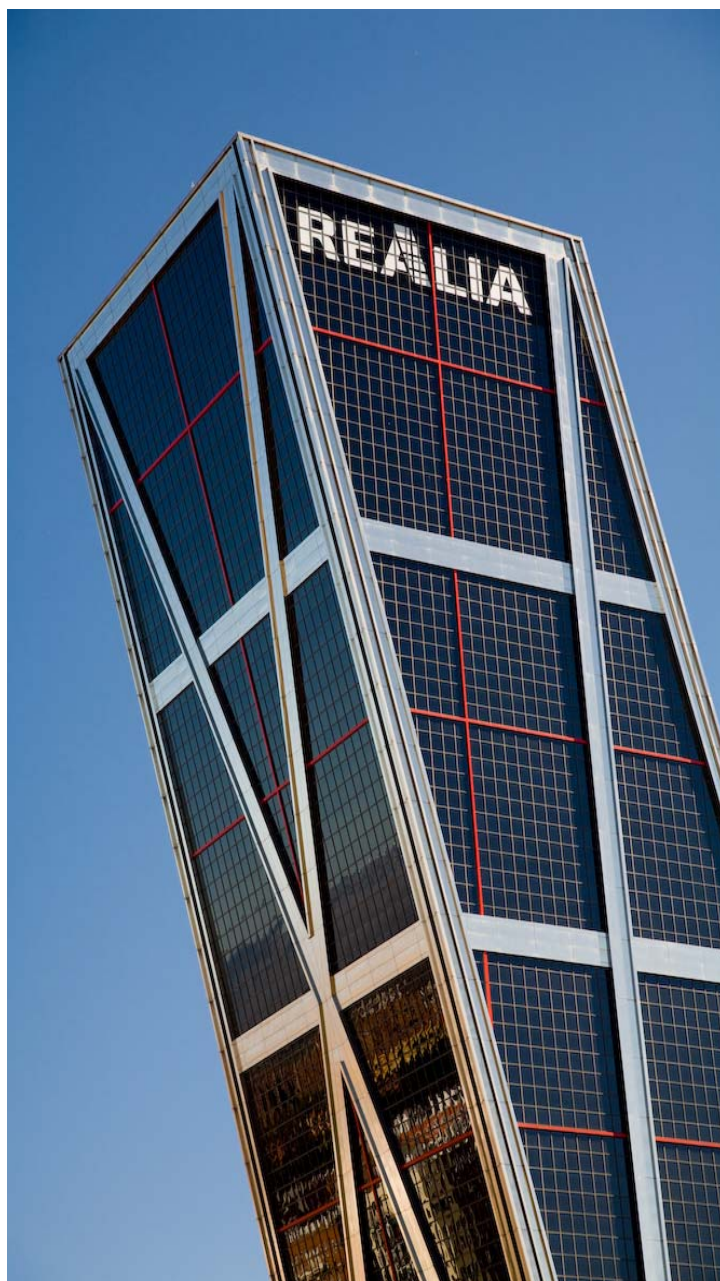


REALIA



January - December 2009 results

1 March 2010

Highlights 2009

ASSETS VALUATION IMPACT

- As of December 2009, the total asset valuation (**GAV**) amounted to **4,550 million euro** based on market appraisals from independent expert of recognised standing, **CB Richard Ellis**.
- Realia **accounts the value of its assets according to its acquisition cost** instead of its market value. The **book value** of assets as of December 2009 totalled **3,413 million euro**, therefore Realia holds **unrealised and unrecognised capital gains after minorities of 869 million euro (674 million euro after tax)**, which do not appear on the balance sheet.
- However, December 2009 asset valuation reflects a market value below book value in certain assets, therefore Realia includes a **94.3 million euro provision in full-year accounts**.
- **Net profit** amounted to **16.2 million euro excluding asset depreciation**.

COMMERCIAL PROPERTY

- The market value of the **commercial property** portfolio amounted to **2,910 million euro**, and **represents 64%** of the **total GAV**.
- Commercial Property business has been **resilient** maintaining **high occupancy** due to the high quality portfolio.
- Rental business represents 99% of the gross margin, with rentals showing a growing weight and **more recurrent income** in 2009.

Homebuilding Development

- The market value of the residential portfolio amounted to **1,639 million euro**, representing **36%** of the **total GAV**.
- **Pre-sales** amounted to 665 homes, **+104%** vs 2008 due to commercial efforts by price reductions.
- Realia continues the strategy started in 4Q2008 of reducing homes prices to sell of the stock.

FINANCIAL SITUATION

- **No refinancing risk**. Over 90% gross debt matures from 2012 – 2017.
- The loan-to-value (**LTV**) ratio stands at **49%**.

ASSET ROTATION

- Consistent with the policy of asset rotation, Realia has sold assets in Seville and Paris for 106 million euro, with **53 million euro of capital gains**.

Financial Highlights (31 December 2009)

(€mm)	2009	2008	Var. (%)
Total Revenues	382.6	468.7	-18.4
Rents	180.2	176.9	1.9
EBITDA	176.0	211.7	-16.9
EBITDA Rents	137.2	128.7	6.6
EBITDA Homebuilding	-14.7	17.6	-183.5
EBITDA Land	0.0	29.7	-100.0
EBITDA Sale of assets	51.5	24.7	108.1
EBITDA Others	2.0	10.9	-82.2
Net Income (Group share)	-54.2	-45.8	-18.3
Net Income whitout asset depreciation	16.2	48.8	-66.8
Net Financial Debt	2,225	2,279	-2.4
Nº Shares (mm)	277.4	277.4	
Earnings per Share (€)	-0.20	-0.17	-18.3

Operational Highlights (31 December 2009)

	2009	2008	Var. (%)
Commercial Property			
GLA (sqm)	630,158	723,069	-12.8
Operational	563,153	498,581	13.0
In Progress	67,005 ¹	224,488	-70.2
Occupancy rate (%)	94.4% ²	96.7%	-2.3
Land & Homebuilding			
Pre-sales			
Total value (€mm)	138.3	75.9	82.3
Homes	665	326	104.3
Pre-sales backlog (€mm)	63.7	111.6	-42.9
Land Bank Consolidated (sqm mm)	3.4	3.5	-3.2
Nº Employees	177	211	-16.1

¹ Excluding some developments postponed until more favourable market conditions.

² Excluding BCN office tower in Barcelona opened recently and in commercializing phase.

Consolidated Income Statement

(€mm)	2009	2008	Var. (%)
Total Revenues	382.6	468.7	-18.4
Rents	180.2	176.9	1.9
Sale of assets	52.8	25.3	108.5
Homebuilding	142.0	203.6	-30.3
Land sales	0.0	48.5	-100.0
Other	7.5	14.4	-48.0
Total Gross Margin	199.9	244.1	-18.1
<i>% Margin</i>	52.3	52.1	
Rents	144.4	143.3	0.7
Sale of assets	52.8	25.3	108.5
Homebuilding	0.8	33.6	-97.7
Land sales	0.0	30.9	-100.0
Other	2.0	10.9	-82.2
Overheads	-24.0	-32.4	-26.0
EBITDA	176.0	211.7	-16.9
Amortization	-34.2	-34.0	0.4
Depreciation	-109.2	-126.1	-13.4
EBIT	32.6	51.5	-36.7
<i>% Margin</i>	8.5	11.0	
Financial Result	-97.7	-87.8	11.2
Other Results	-2.8	-4.2	-32.3
PBT	-67.9	-40.5	67.7
Taxes	14.1	11.9	18.7
Net Income	-53.8	-28.6	88.0
Minority Interests	-0.4	-17.2	-97.9
Net Income (Group share)	-54.2	-45.8	18.3
Net Income whitout asset depreciation	16.2	48.8	-66.8

- Total revenues have decreased due to lower home deliveries and no land sales due to the difficulties in obtaining financing from potential buyers.
- Property business has been resilient with rental growth +1.9%.
- Rental business represents 99% of the gross margin, with rentals showing a growing weight and more recurrent income.

- Realia has sold commercial property assets in Seville and Paris for 106.3 million euro, with 52.8 million euro of capital gains.
- Important cost-cutting effort reducing 26% overheads.
- Realia accounts the value of its assets according to its acquisition cost instead of its market value. The book value of assets as of December 2009 totalled 3,413 million euro, therefore Realia holds unrealised and unrecognised capital gains after minorities of 869 million euro (674 million euro after tax), which do not appear on the balance sheet:

	Book value	GAV (CBRE)	GAV REALIA'S Share	Capital Gains	Capital Gains REALIA'S Share	Capital Gains After Taxes
Assets REALIA Group	3,413	4,550	3,860	1,136	869	674

- However, December 2009 asset valuation reflects a market value below book value in certain assets, therefore Realia includes a 94.3 million euro provision in full-year accounts:

Depreciation	Commercial Property	Land & Homebuilding	Total ¹	Total ²
2009	80.4	13.9	94.3	109.2
2008	41.8	76.9	118.7	126.0

¹ Total asset depreciation

² Total depreciation

- Net financial result amounted 97.7 million euro:

Financial Result	2009	2008
Capitalization Financial Expenses ¹	5.7	15.3
Financial Expenses ²	-110.2	-133.9
Financial Income ³	6.7	12.1
Sale Financial Instruments Results ⁴	0.1	18.6
	97.7	87.8

¹ Finance expenses were capitalised from both rental projects and residential developments in progress.

² Reflects the increase in debt from assets acquisitions and pipeline investments, and higher interest rates.

³ Income from current accounts and others.

⁴ Financial investments

- Debt coverage ratio stands at 1.68x as of December 2009 due to the low loan-to-value (LTV) ratio (49%):

Interest Cover	2009	2008
EBITDA	176.0	211.7
Financial Expenses	-104.5	-121.8
Coverage Ratio	1.68	1.74

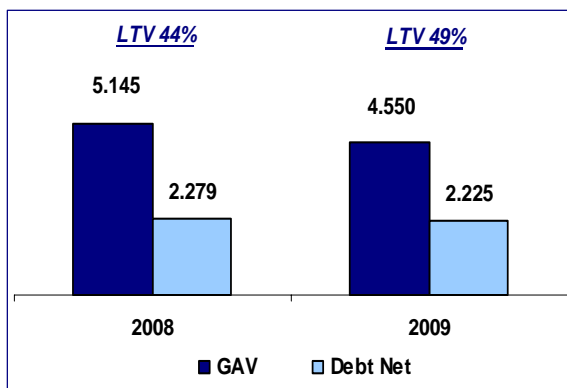
- Gross debt average cost stands at 4.45%.
- Net Income amounted to -54.2 million euro basically due to provisions.
- Excluding asset depreciation, Net Income amounted to 16.2 million euro.

Consolidated Balance Sheet

(€mm)	2009	2008		2009	2008
Tangible Fixed assets	10	12	Equity	509	567
Investment Property	2,199	2,193	Minority Shareholders	267	268
Financial Investment	99	101			
Inventories	1,010	1,174	Financial Debt	2,414	2,420
Accounts Receivable	47	90	Current Creditors	164	295
Other Assets	311	239	Other Liabilities	322	259
Total Assets	3,676	3,809	Total Liabilities	3,676	3,809

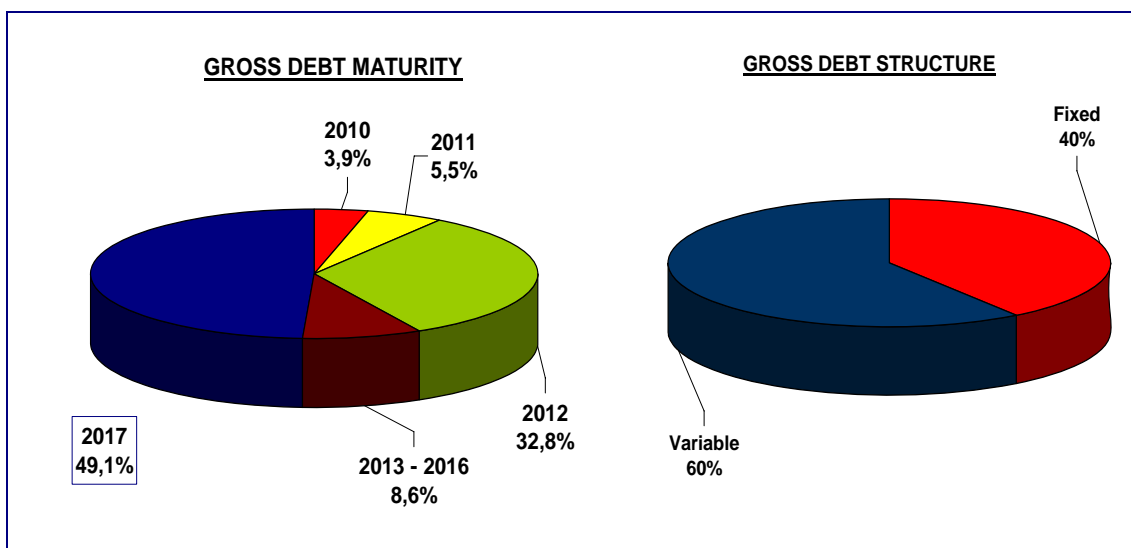
Assets in balance sheet at acquisition cost, not revalued

FINANCIAL STRUCTURE



FINANCIAL STRUCTURE	2009	2008
Syndicated loan	2,190.9	1,387.1
Credit lines	56.8	813.0
Mortgage loans	137.3	155.0
Loans	29.0	64.2
Total Gross Financial Debt	2,414.0	2,419.4
Treasury	160.3	117.2
Treasury equivalents	28.7	22.8
Total Net Financial Debt	2,225.0	2,279.4

- The loan-to-value (LTV) ratio stands at 48.9% as of December 2009



- Over 90% gross debt matures from 2012 - 2017.
- Moreover, under new debt restructuring agreement, Realia has obtained new 80 million euro credit facility from lenders.
- In addition, Realia's major shareholders, FCC and Caja Madrid, contribute with 100 million euro as a participative loan.

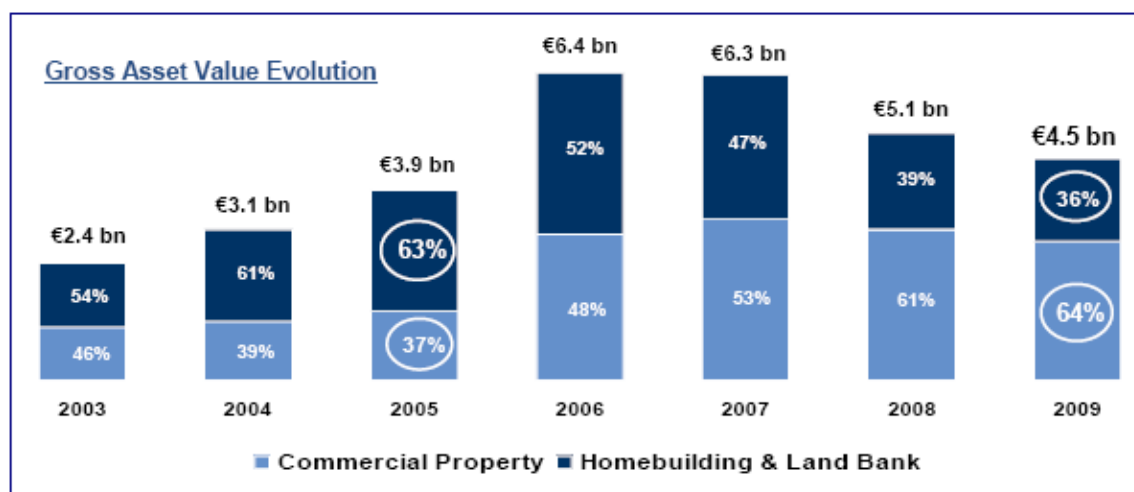
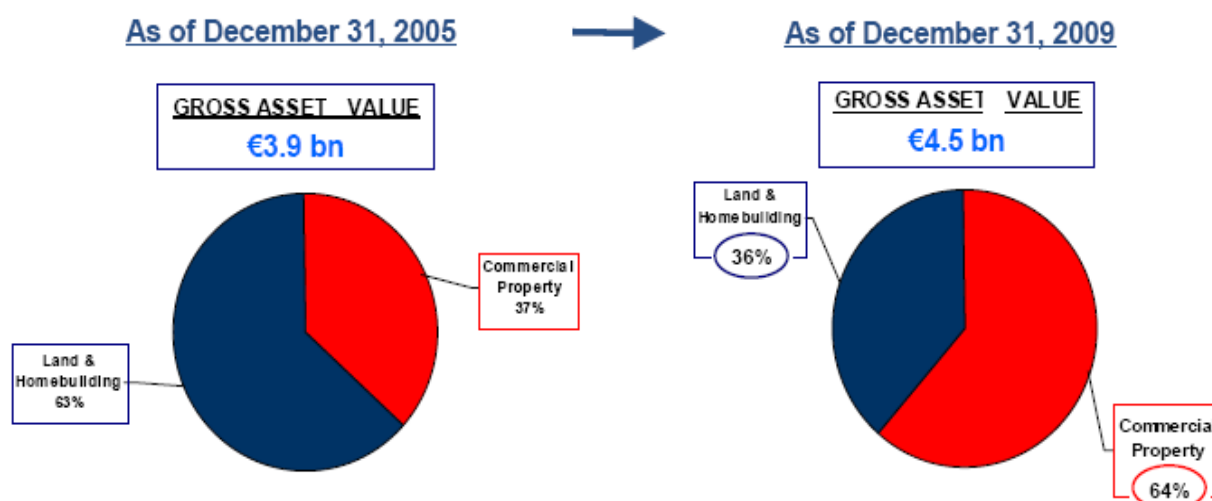
ASSETS VALUATION

- The asset valuation has been made by independent expert of recognised standing, CB Richard Ellis:

(€nm)	2009	2008	Change	LfL
Commercial Property	2.910	3.134	-7,1%	-8,6%
Homebuilding	275	475	-41,9%	-
Land Bank	1.364	1.537	-11,3%	-13,5%
Realia Asset Valuation (GAV)	4.550	5.145	-11,6%	-

¹ Impact from home deliveries (reducing the stock and the value of the remaining stock) and land from some postponed homebuilding development projects which have been relocated to Land Bank

- Commercial Property business represents 64% of the total GAV and residential business 36%.



COMMERCIAL PROPERTY VALUATION

	sqm	GAV 2009	GAV 2008	% Chan ge	LfL (%)	Yield 2009 (%) ¹	Yield 2008 (%) ¹	Yield CBRE 2009 (%) ²	Yield CBRE 2008 (%) ²	GAV €/ sqm
Offices	384,064	2,286.7	2,427.1	-5.8	-8.1	6.0	5.4	6.0	5.6	5,954
Spain	261,217	1,194.7	1,229.8	-2.9	-7.8	5.9	5.4	6.1	6.0	4,574
CBD	109,397	677.9	736.8	-8.0	-8.0	5.6	5.2	5.8	5.8	6,197
BD	61,304	247.3	269.3	-8.2	-8.2	6.2	5.9	6.7	6.4	4,034
Periphery/Other	90,516	269.5	223.8	20.4	-6.2	6.4	5.5	6.4	5.9	2,977
France	122,846	1,092.0	1,197.2	-8.8	-8.4	6.1	5.5	5.8	5.3	8,889
CBD	66,640	709.2	807.1	-12.1	-12.1	5.9	5.1	5.6	5.0	10,642
BD	47,586	354.8	359.1	-1.2	0.3	6.3	6.2	6.0	5.8	7,457
Periphery/Other	8,621	27.9	31.0	-10.0	-10.0	7.9	7.2	7.7	7.1	3,239
Retail & Leisure	132,586	320.1	373.2	-14.2	-12.2	6.8	6.0	7.3	6.6	2,414
Other Assets³	46,504	75.1	39.3	91.1	-11.1	2.1	4.1	3.0	3.8	1,614
Pipeline	140,017	228.3	294.1	-22.4	-	-	-	-	-	1,631
Total	703,170	2,910.2	3,133.6	-7.1	-8.6	6.0	5.5	6.0	5.7	4,139

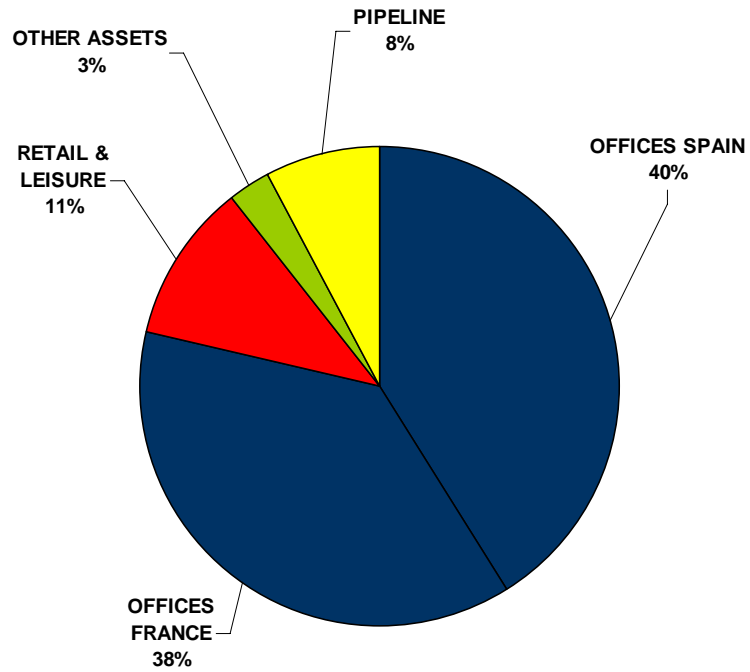
¹ Passing rents as of Dec. 2009 (assuming 100% occupancy) divided by property values (CBRE).

² Market rents (CBRE) divided by property values (CBRE).

³ Mainly a warehouse in Logroño and a hotel in Paris.

- The market value of the commercial property portfolio amounted to 2,910 million euro, 7.1% below December 2008.
- On a *like-for-like* asset basis, the value declined 8.6% against comparable assets in December 2008.
- Market yield, based on market appraisal from CB Richard Ellis, stands at 5.73% vs 5.19% in December 2007. The rise in yields reflects worse financing conditions

**COMMERCIAL PROPERTY VALUATION
(GAV)**



BCN office Tower (Barcelona)

LAND AND HOMEBUILDING VALUATION

(€mm)	2009	2008	% Change	LfL (%)
Land Bank	1,363.9	1,537.4	-11.3	-13.5
Started project ¹	27.1	196.0	-86.2	-
Finish project	248.4	278.5	-10.8	-
Total	1,639.4	2,011.9	-18.5	-

¹ Impact from home deliveries (reducing the stock and the value of the remaining stock) and land from some postponed homebuilding development projects which have been relocated to Land Bank.

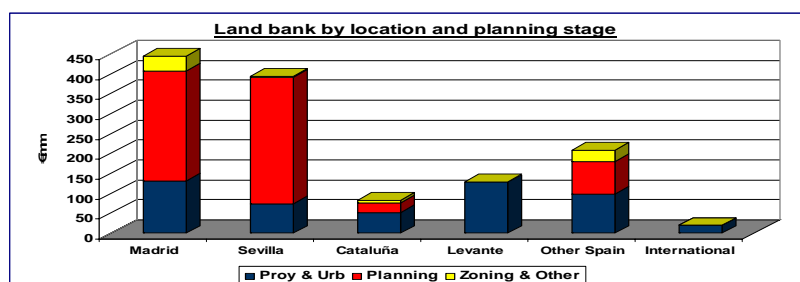
- Realia continues reducing the exposure to residential business by reducing new homebuilding developments.
- The market value of the residential portfolio amounted to 1,639 million euro, 18.5% below December 2008 due to value adjustments in the land bank and home deliveries.
- Building Land Bank as of December 2009 is 2.8 million sqm once deducted the plots already under construction and the land own by minority partners, slightly over Dec 2008 due to some postponed homebuilding development projects which have been relocated to Land Bank.

Land Bank Evolution	Dec. 2009			Dec. 2008		
	(000) sqm	GAV(€mm)	€/ sqm	(000) sqm	GAV(€mm)	€/ sqm
Land Bank	3,357	1,391	414	3,470	1,734	500
Land attributed to started project	23	27	1,180	153	196	1,281
Land owned by minorities	509	88	172	560	128	228
Adjusted Land Bank	2,826	1,276	452	2,757	1,410	511

- With regards to the different stages of development, 39% of the value is in the final phases of development (urbanization and project); 60% is in the planning and zoning phases, and only 0.2% of the land is in the early stages of development.

Adjusted Land Bank	2009			2008		
	(000) sqm	GAV(€mm)	€/ sqm	(000) sqm	GAV(€mm)	€/ sqm
Project	508	337	664	244	192	790
Urbanization	181	167	921	297	261	880
Planning	1,573	700	445	1,719	819	477
Zoning	552	71	128	485	135	278
Other	11	2	173	14	2	170
Total	2,826	1,276	452	2,757	1,410	511

- According to its geographical distribution, 66% of the building surface is located in Madrid and Sevilla. The rest is spread mainly over Catalonia, Levante, Warsaw and Bucharest



NET ASSET VALUE (NNAV)

(€mm)	PROPERTY		RESIDENTIAL		TOTAL		% Change
	2009	2008	2009	2008	2009	2008	
Total GAV	2,910	3,134	1,639	2,012	4,550	5,145	-11.6
Minorities	586	656	104	147	690	803	-14.1
GAV Realia	2,324	2,478	1,536	1,865	3,860	4,343	-11.1
Book value of assets	1,841	1,788	1,150	1,286	2,991	3,074	-2.7
Latent capital gains	483	689	386	579	869	1,268	-31.5
Tax	79	115	116	174	195	289	-32.7
Latent capital gains after tax	404	574	270	405	674	979	-31.1
Adjustments					12	31	-60.5
Equity					509	566	-10.1
NAV (before tax)					1,386	1,834	-24.4
NNAV (after tax)					1,195	1,576	-24.2
Number of shares (mm)					275.5¹	270.6¹	
NAV (before tax) per share (€)					5.03	6.78	-25.8
NNAV (after tax) per share (€)					4.34	5.83	-25.6

¹ Adjusted by treasury stocks

- Net Asset Value after tax (NNAV) amounted to 4.34 euro per share at December 2009, down 25.6% vs December 2008 due to the adjustment in asset value affected by the slow-down of the market.

GAV (Gross Asset Value)	4.550
- Net Debt	-2.225
+ Minorities net debt	159
- Minorities	-690
- Other Asset / Liabilities	-281
NNAV	1.195

NET ASSET VALUE (NNAV) EVOLUTION

	2006	2007	2008	2009
NNAV (€mm)	2,426	2,258	1,576	1,195
NNAV (€per share)	8.75	8.31	5.83	4.34
31 Dec. Stock price	6.50	6.50	1.55	1.66
Discount NNAV	-26%	-22%	-73%	-62%

¹ 2006 stock price is the IPO price (June 2007)

Commercial Property

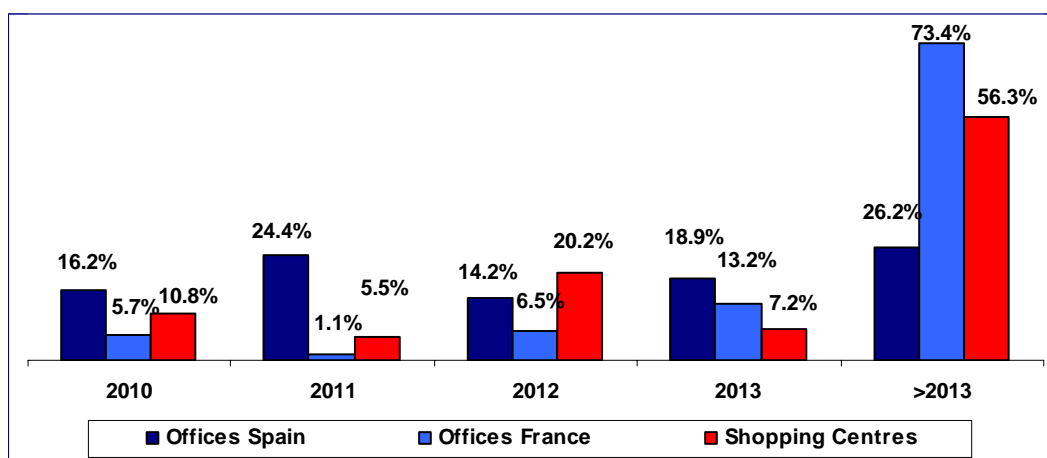
Rental Income (including expenses charged)

(€mm)	2009	2008	% Change	Like for Like (%)	Occupancy (%)	Occupancy ¹ (%)
Offices	145.6	147.5	-1.3	1.2	90.4	96.1¹
Spain	75.2	76.3	-1.5	-1.0	88.5	97.0 ¹
France	70.4	71.2	-1.1	3.7	94.6	94.6
Retails & Leisure	32.1	27.7	16.0	-3.2	88.0	88.0
Other	2.5	1.7	45.8	1.6	99.8	99.8
Total Revenues	180.2	176.9	1.9	0.8	90.6	94.4¹
Gross Margin	144.4	143.3	0.7			
Margin (%)	80.1	81.0				

¹ Excluding BCN office tower in Barcelona opened recently and in commercializing phase (let 27.5%).

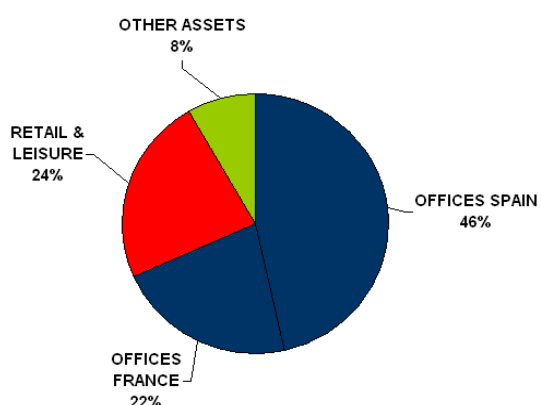
- Commercial Property business has been resilient maintaining high occupancy due to the high quality portfolio.
- Rental growth driven by the opening of new assets from the pipeline: La Noria Outlet Shopping in Murcia (June 2008) and Parque Comercial Plaza Nueva Leganés (May 2009).
- Most of lease contracts from offices in Paris and Shopping Centres in Spain have maturity of more than 5 years, giving solidity to the rental income.

Expiry % of lease contracts

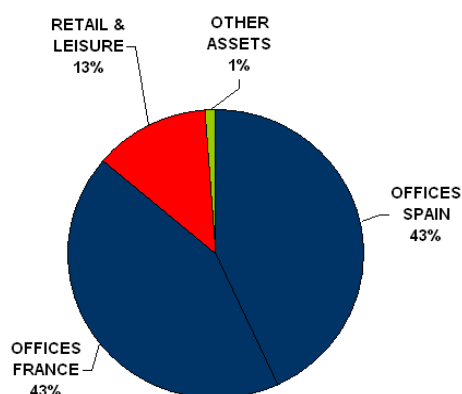


- Office rents account for 87% of the total rental income, with a similar weight of Madrid and Paris. Realia concentrates most of its assets in prime area with long term tenants with high solvency such as government agencies and services companies.

GLA PER USE (SQM)



PASSING RENTS DEC 09



Asset Sales

(€mm)	2009	2008	% Change
Spain	93.8	26.7	251.0
France	12.5	55.1	-77.3
Total Revenues	106.3	81.9	29.9
Spain	53.3	20.1	164.7
France	-0.4	5.2	-108.4
Total Gross Margin	52.8	25.3	108.5
Margin (%)	49.7	31.0	

- Consistent with the policy of asset rotation, Realia has sold in December 2009 Nervion Plaza Shopping Centre in Seville for 94 million euro, with 53 million euro of capital gains.
- The French subsidiary, Siic de Paris, has sold some non-strategic assets for 12.5 million euro.

Pipeline

Pipeline	Location	GLA	Total investment	Incurred investment	Annual rent expected	Yield to cost	Opening
François Ory / rue Louis Lejeune	Paris	13,811	85.0	75.2	5.0	5.9%	2010
129 Malesherbes ¹	Paris	1,202	5.0	2.3	0.7	7.0%	2010
163 Malesherbes ¹	Paris	1,180	4.5	0.6	0.7	4.6%	2011
Total Offices		16,193	94.5	78.1	6.4	5.8%	
Total Pipeline		16,193	94.5	78.1	6.4	5.8%	

¹ Under refurbishment

² Excludes As Cancelas Shopping Centre (in Santiago) until the project is ensured.



Office development in Montrouge – 8-22, rue François Ory (Paris)

- The Project in Santiago de Compostela, As Cancelas Shopping Centre, with a total GLA of 50,812 sqm is being slowed down by financing restructuring.

Land and Homebuilding

(€mm)	2009	2008	Var. (%)
Revenues			
Homebuilding	142.0	203.6	-30.3
Land sales	0.0	48.5	-100.0
Total Revenues	142.0	252.1	-43.7
Gross Margin			
Homebuilding	0.8	33.6	-97.7
Land sales	0.0	30.9	-100.0
Total Gross Margin	0.8	64.5	-98.8
Margin Homebuilding(%)	0.5	16.5	

- Residential activity is being affected by the difficulties in obtaining financing from potential buyers.
- Gross margin on homebuilding was 0.5% due to price reductions in finish homes sold in 2009.
- Realia has delivered 634 homes, mainly in Madrid, Seville and Alicante.

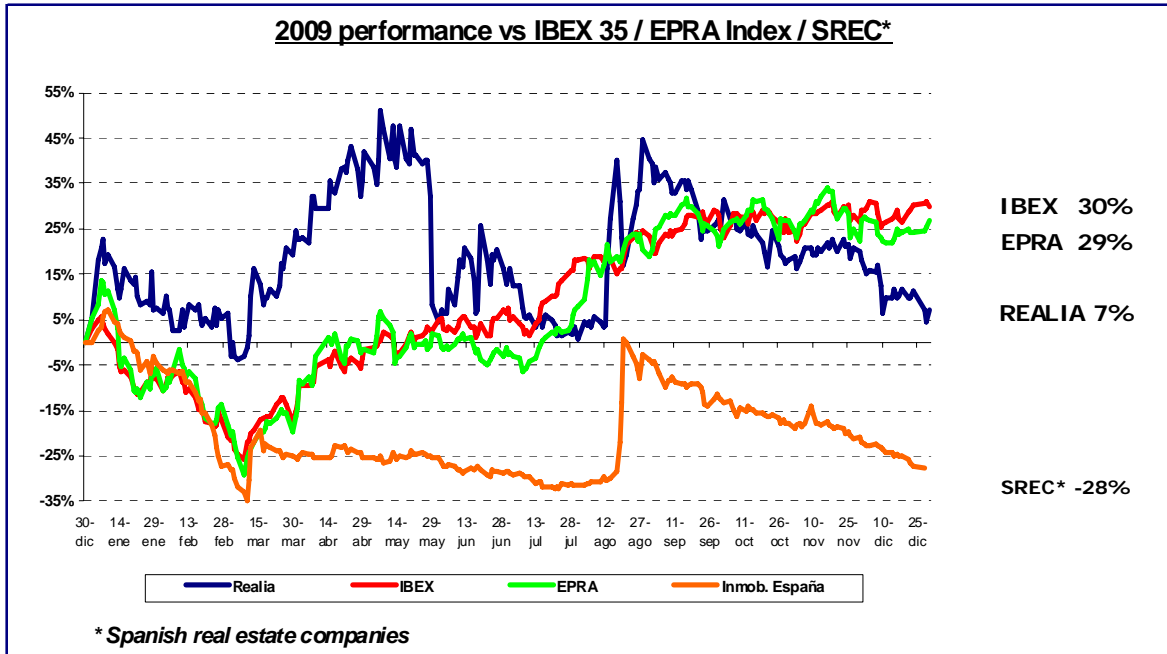
Deliveries	Nº Units	Revenues
	Homes	€mm
Madrid / Centro	184	49.2
Levante	159	32.2
Andalucía	150	29.5
Cataluña	79	18.9
Canarias	24	4.4
Portugal	19	4.7
Asturias	19	3.2
Total	634	142.0

- Pre-sales +104% vs 2008 due to commercial efforts by price reductions.

Pre sales evolution	2009	2008
(+) Pre-sales		
Number of units	665	326
Total value of contracts (€mm)	138.3	75.9
(-) Deliveries		
Number of homes	634	786
Total value of contracts (€mm)	142.0	203.6
Pre-sales backlog at EoP		
Number of units	268	405
Total value of contracts (€mm)	63.7	111.6

- Realia has a total stock of 1,293 homes (232 under construction and 1,061 finished) of which 268 had already been pre-sold and 1,025 for sale.

Stock Data



	2009
Closing Stock Price (€ per share)	1.66
Market cap. EoP (€)	460,444,695
High of the period	2.34
Low of the period	1.49
Daily Trading Volume (€M)	326,410
Daily Trading Volume (shares)	177,350

CONTAC INFORMATION

Tel: + 34 91 210 10 28

E-mail: inversores@realia.es / accionistas@realia.es

LEGAL DISCLOSURE

The accounting statements contained in this document have been verified by independent third parties through the performance of a limited review, which offers limited assurance as regards the scope of the work performed. That review was performed in accordance with the ISRE 2410 standard issued by the International Federation of Accountants (IFAC).

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