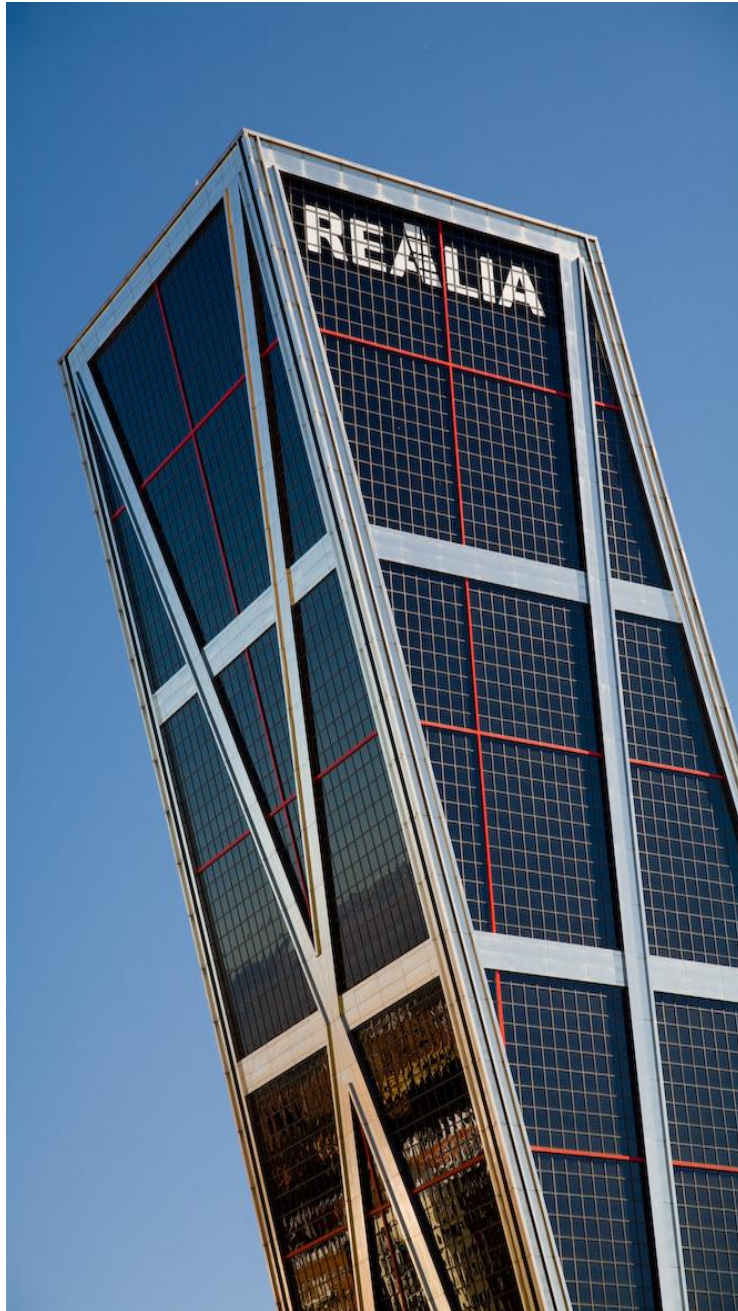


REALIA



January – June 2013 Results

24 July 2013

Highlights 1H 2013

RESULTS

- The Commercial Property business concentrates the bulk of the activity of the company, representing 88% of the total income and 100% of the gross margin.
- 50% of total rental revenues is generated in Paris.
- Important cost-cutting effort reducing overheads -11% vs. 1H 2012.
- Net Income amounted to -28 million euro in 1H 2013.

FINANCIAL SITUATION

- Realia continues making progress in negotiations to reach a debt restructuring agreement with the pool of banks participating in the syndicated loan related to real estate development.

SIIC DE PARIS

- As of June 2013, the total asset valuation (GAV) of the French subsidiary of Realia, Siic de Paris, amounted to 1,482.3 million euro based on market appraisals from independent expert of recognised standing, CB Richard Ellis.
- On a like-for-like asset basis, the value has increased 2.8% vs. comparable assets in December 2012, confirming again the positive performance of the Paris prime office market.

COMMERCIAL PROPERTY

- Realia has sold in 2Q, through its French subsidiary Siic de Paris, the 6th floor of 4-10 Avenue de la Grande Armée office building in Paris with a GLA of 1,725 sqm for 17.8 million euro and generates 0.6 million euro of capital gains. The sale is 7.4% above the latest CBRE valuation as of December 2012.
- Realia sold in 1Q, through its French subsidiary Siic de Paris, 191 Avenue du General Leclerc office building in Paris with a GLA of 2,507 sqm for 4.1 million euro. The sale was in line with the latest CBRE valuation as of December 2012 and generated 0.7 million euro of capital gains.

PIPELINE

- Realia, through its French subsidiary Siic de Paris, continues increasing investments in Paris to renovate and modernize progressively the French office portfolio.

HOMEBUILDING

- Realia has sold 67 homes in 1H 2013 for a total amount of 9.2 million euro.

Financial Highlights (30 June 2013)

(€mm)	1H 2013	1H 2012	% Change
Total Revenues	100.1	105.0	-4.6
Rents	85.5	86.6	-1.3
EBITDA	57.8	64.8	-10.6
Net results (Group share)	-28.0	-9.5	194,5
Net Financial Debt	2,166	2,179	-0.6
Nº Shares (mm)	277.4	277.4	
Results per Share (€)	-0.10	-0.03	

Operational Highlights (30 June 2013)

	1H 2013	1H 2012	% Change
Commercial Property			
GLA (sqm)	598,196	603,766	-0.9
Operational	570,859	554,054	3.0
In Progress ¹	27,337	49,712	-45.0
Occupancy rate (%)	90.9	89.5	
Land & Homebuilding			
Pre-sales			
Total value of contracts (€mm)	9.2	11.9	-23.0
Homes	67	55	22.0
Pre-sales backlog (€mm)	12.4	22.2	-44.1
Land Bank Consolidated (sqm mm)²	2.9	3.3	-3.0
Nº Employees	145	155	-6.5

¹ Including down payments of land and land from housing developments whit out activity.

Consolidated Income Statement

(€mm)	1H 2013	1H 2012	% Change
Total Revenues	100.1	105.0	-4.6
Rents	85.5	86.6	-1.3
Sale of assets	2.1	3.4	-37.6
Homebuilding	6.6	7.2	-8.5
Land sales	2.8	3.8	-26.1
Other	3.1	4.0	-21.5
Total Gross Margin	66.3	74.3	-10.7
Rents	64.4	67.6	-4.6
Sale of assets	2.1	3.4	-37.6
Homebuilding	-0.9	0.5	-295.7
Land sales	0.9	3.0	-69.6
Other	-0.3	-0.1	76.5
Overheads	-8.5	-9.6	-11.1
EBITDA	57.8	64.8	-10.6
Amortization	-18.6	-18.1	3.0
Depreciation	-18.9	-2.8	572.6
EBIT	20.3	43.9	-53.7
Financial Result	-39.7	-47.3	-15.9
Other Results	-	-1.1	-
Results before taxes	-19.4	-4.5	332.1
Taxes	-0.1	6.5	-
Results after taxes	-19.5	2.0	-
Minority Interests	8.5	11.5	26.6
Net results (Group share)	-28.0	-9.5	194.5

- The Commercial Property business concentrates the bulk of the activity of the company, representing 88% of the total income and 100% of the gross margin.
- 50% of total rental revenues is generated in Paris.
- Realia has sold in 2Q the 6th floor of an office building in Paris for 17.8 million euro, with 0.6 million euro of capital gains.
- Realia continues with an important cost-cutting effort reducing overheads -11% vs. 1H 2012.
- Provisions have been made because of assets depreciation for a total amount of 10.2 million euro (6.7 million euro in land bank and 3.5 million euro in the commercial property portfolio).
- Furthermore, a provision of 9.7 million euro has been made to the finished stock of homes (inventories) due to the discounts made during 1H 2013 in home sales.

- Net Income amounted to -28 million euro vs. -9.5 million euro in 1H 2012. Main variations:
 - EBITDA decline from 64.8 million euro in 1H 2012 to 57.8 million euro in 1H 2013.
 - More provisions because of assets depreciation for a net total amount of 18.9 million euro vs. 2.8 million euro in 1H 2012.
 - Lower financial cost due to lower interest rates: from 47.3 million euro in 1H 2012 to 39.7 million euro in 1H 2013.
 - Following a conservative criteria and prudence, Realia has decided not to capitalize the tax credit for a total amount of 12.6 million euro.

Consolidated Balance Sheet

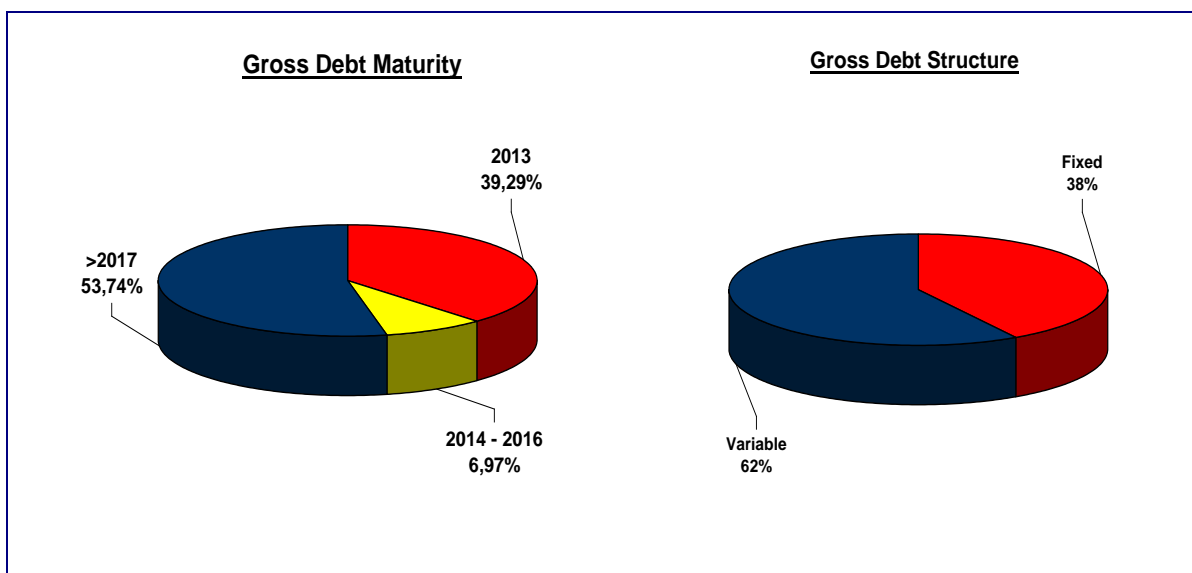
(€mm)	1H 2013	2012		1H 2013	2012
Tangible Fixed assets	9	9	Equity	140	158
Investment Property	2,322	2,332	Minority Shareholders	490	509
Inventories	557	579	Financial Debt	1,831	1,853
Accounts Receivable	53	60	Current Creditors	51	53
Treasury and Equivalents	194	204	Other Liabilities	802	798
Others Assets	179	187			
Total Assets	3,314	3,371	Total Liabilities	3,314	3,371

Realia accounts the value of its assets according to its acquisition cost instead of its market value

Financial Structure

Financial Structure	1H 2013	1H 2012
Syndicated loan	2,157.4	2,095.0
Credit lines	29.7	46.3
Mortgage loans	138.1	111.6
Loans	35.3	37.4
Total Gross Financial Debt	2,360.5	2,290.3
Treasury	131.8	87.4
Treasury equivalents	62.3	24.1
Total Net Financial Debt	2,166.4	2,178.8

- Realia has treasury and treasury equivalents for a total of 194 million euro.
- Realia continues making progress in negotiations to reach a debt restructuring agreement with the pool of banks participating in the syndicated loan related to real estate development.
- Last May 31st, Realia sent to the Spanish regulator the following statement:
 Realia has obtained from 100% of the bank lenders of its residential debt (847 million euro) an extension of the maturity of the loan until September 30th 2013.
 Taking into account the progress of the negotiations, Realia feels confident to achieve a definitive agreement in due time.



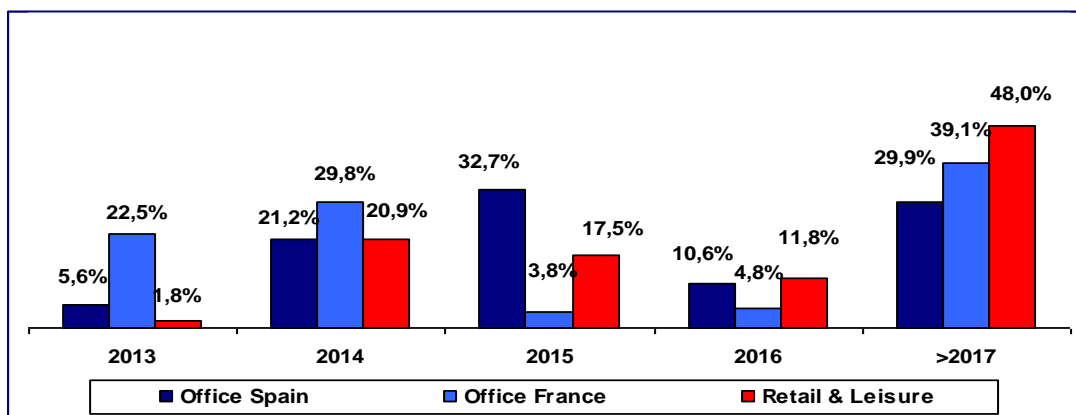
Commercial Property
Rental Income

(€mm)	1H 2013	1H 2012
Rental income	71.2	74.0
Income from expenses charged	14.3	12.6
Total Revenues	85.5	86.6
Expenses charged	-19.2	-16.9
Expenses non charged	-1.9	-2.2
Gross Margin	64.4	67.6
Margin (%)	90.6	91.2

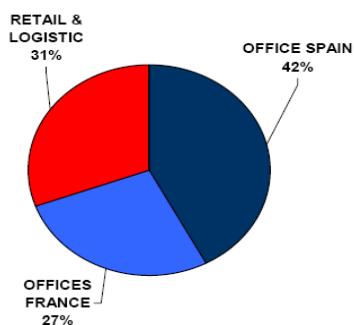
(€mm)	1H 2013	1H 2012	% Change	Like for Like (%)	Occupancy (%)
Offices	60.7	65.4	-7.2	-4.8	91.1
Spain	24.0	29.1	-17.4	-17.4	88.7
France	36.7	36.3	1.0	5.7	95.0
Retails & Leisure	9.9	8.0	23.9	-8.1	87.9
Other	0.6	0.6	-4.8	-4.8	100.0
Total Revenues	71.2	74.0	-3.8	-5.2	90.9

- Rental income decreased -3.8% in 1H 2013 mainly due to the decrease on the Spanish offices rental income.
- Spanish offices rental income has decreased -17.4% due to several reasons:
 - 7.5% due to the extraordinary income in 1Q 2012 of 1.5 million euro from the compensation received from a tenant due to lease early termination, and the rentals generated in this office building
 - 9.9% due to the impact of some downward rent reviews in 1H 2013.
- French offices like-for-like rental income has increased 5.7% mainly due to indexation effects.
- Retail & Leisure rental income has increased 23.9% mainly due to the recent opening of As Cancelas Shopping Centre in Santiago de Compostela (Galicia).

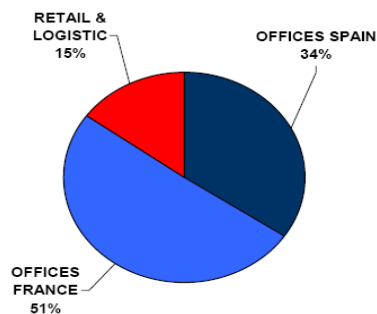
Expiry % of lease contracts including break options



GLA PER USE (Sqm)



PASSING RENTS DEC. 2012



Pipeline

- In the period 2013-2014 Realia intends to carry out some investments which will provide a bigger Commercial Property portfolio and additional rental growth:

Pipeline	Location	Use	GLA	Total investment	Incurred investment	Annual rent expected	Opening
163 Malesherbes ¹	Paris	Offices	1,294	5.5	0.6	0.9	2.014
36 Rue de Liège ¹	Paris	Offices	1,600	2.6	0.3	0.8	2.013
22/24 Vendome ¹	Paris	Offices	1,650	3.4	1.8	1.1	2.013
Les Miroirs ¹	Paris	Offices	22,793	41.0	42.6	9.7	2.013
Total Pipeline			28,484	52.5	45.3	12.5	

¹ Under refurbishment.

- Realia, through its French subsidiary Siic de Paris, continues increasing investments in Paris to renovate and modernize progressively the French office portfolio.

Land and Homebuilding

(€mm)	1H 2013	1H 2012
Revenues		
Homebuilding	6.6	7.2
Land sales	2.8	3.8
Total Revenues	9.4	11.0
Gross Margin		
Homebuilding	-0.9	0.5
Land sales	0.9	3.0
Total Gross Margin	0.0	3.5
Homebuilding Margin (%)	-	6.7
Land sales Margin (%)	32.4	79.0

- Home sales continue affected due to the difficulties in obtaining financing from potential buyers.
- Realia has delivered 52 homes in 1H 2013 for a total amount of 6.6 million euro:

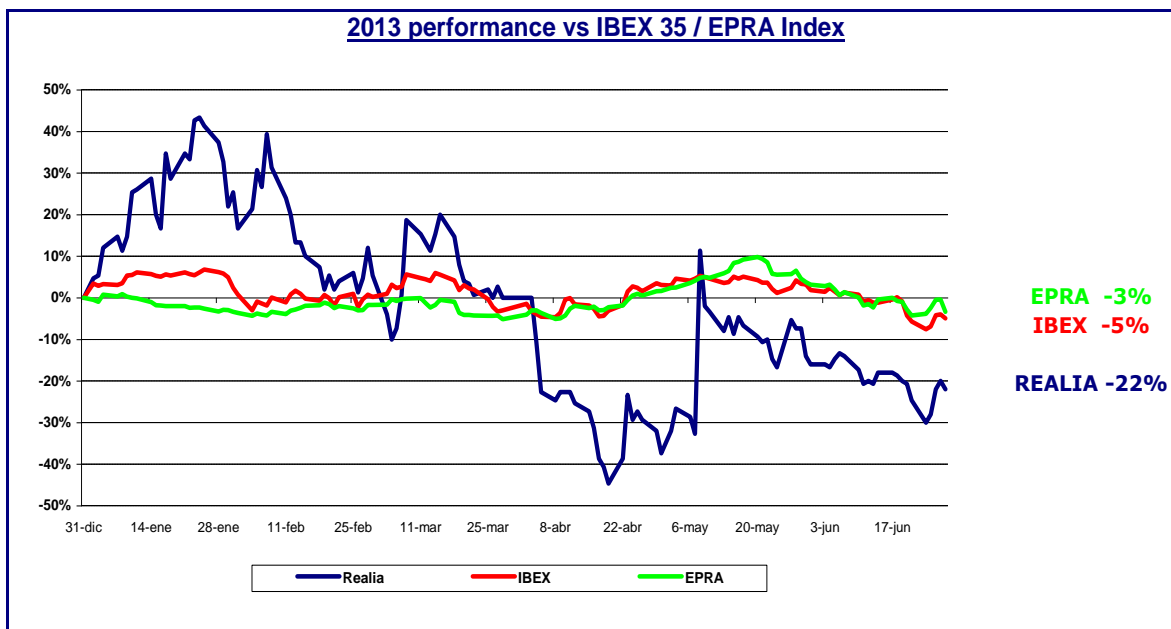
Deliveries	Nº Units Homes	Revenues €mm
Poland	15	1.7
Levante	10	1.3
Andalucía	8	1.0
Madrid / Centre	7	0.9
Cataluña	6	0.8
Canarias	5	0.5
Portugal	1	0.4
Total	52	6.6

- Pre-sales amounted to 67 homes in 1H 2013 for a total amount of 9.2 million euro:

Pre sales evolution	1H 2013	1H 2012
(+) Pre-sales		
Number of units	67	55
Total value of contracts (€mm)	9.2	11.9
(-) Deliveries		
Number of homes	52	41
Total value of contracts (€mm)	6.6	7.2
Pre-sales backlog at EoP		
Number of units	42	93
Total value of contracts (€mm)	12.4	22.2

- Realia has a total stock of 885 homes (153 under construction and 732 finished) of which 42 had already been pre-sold and 843 for sale (300 in Madrid and central area, 245 in Andalusia, 141 in Levante, 113 in Catalonia, 16 in Warsaw (Poland), 20 in Portugal, and 9 in Canary Islands).

Stock Data



	1H 2013
Closing Stock Price (€ per share)	0.59
Market cap. EoP (€)	162,265,148
High of the period (€ per share)	1.15
Low of the period (€ per share)	0.52
Daily Trading Volume (€)	476,804
Daily Trading Volume (shares)	634,302

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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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