RESULTS 2023

26th February 2024

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(*) This report includes a set of Alternative Performance Measures (APMs) defined in the herewith included Appendix, as recommended by ESMA (European Securities and Markets Authority).

1.- EXECUTIVE SUMMARY

REVENUE AND RESULTS

- Total revenue was €152,24m vs €135,19m the previous year (+12,6%).
- The evolution of income in the different business areas vs 2022:

  Commercial property: €89,47m (+1,4%)

  Land & Homebuilding: €58,58m (+37,6%)

  Additionally, REALIA Group obtained an income from Services & Others for an amount of €4,19m (-4,6% vs 2022).

  Income from Commercial property went up by 1,4% mainly due to: 1) rents updating (+4,0%); 2) better rents from Build to Rent (BTR) Business activity (51,9%); and 3) offset the result obtained at FY 2022 (+€1,00m). Without this extraordinary income would have increased by 2,6%.

  Income from Land & Homebuilding went up by 37,6%, even though land bank for an amount of €12,50m was sold in 2022. If we do not consider this operation, the annual increase would have reached 94,9%.

  Accounting Spanish rules state that income from sales should only be included once the public deed of purchase is signed.

  Income from Services went down (-4,6%) mainly due to lower commercialization fees due to a reduction of pre-sales/sales in residential developments commercialized by third-party companies outside Realia Group.

- Operational costs reached €77,76m (-3,4%) vs €80,54m the previous year. This result is mainly due to costs associated with the sale of land in 2022 and to lower operational costs of rental buildings.

- Overhead costs reached €5,30m (+16,7%) vs €4,54m in 2022, due to inflation costs.

- At June 2023, there have been net provisions for €-10,47m vs a net reversion for €24,30m the previous year. It is mainly due to:

  1. Reversion of provisions related to delivery of residential finished product for an amount of €1,61m vs €17,05m the previous year, €3,63m related to residential finished product and €13,42m related to the sale of land.
  2. Provisions related to land & homebuilding for an amount of €10,29m vs €5,79m the previous year.
  3. Provisions to cover risks (clients, proceedings, ten-year insurance of residential delivered product, etc.) for an amount of €1,79m vs €1,68m the previous year.

- EBITDA reached €69,18m vs €50,11m (+38,1%) the previous year.
- Gross operating profit – "adjusted EBITDA" (it includes provisions associated with current assets), went down by 21,1% and reached €58,71m vs €74,41m the previous year. This result is mainly due to the variation of provisions mentioned in the previous point.
- Following commercial property assets valuation (IAS 40) performed by independent appraisers, it has been a depreciation of €24,14m at December 2023 (-1,6% variation vs 2022) vs €11,56m at December 2022. This result is mainly due to yield rate increase (due to capital cost increase) as required by investors.

- Financial result was negative, and it reached €18,58m vs the negative result the previous year, €7,95m. This annual negative variation of €10,63m is mainly due to ordinary financial costs increase for an amount of €5,22m due to the rise of the interest rate and €5,41m due to a lower positive extraordinary financial result obtained in 2023 vs 2022.

  If we do not consider the impact of these extraordinary or atypical results, the ordinary financial result at December 2023 reached €-17,61m vs €-12,40m the previous year. This result has gone up by 42,0% due to higher financing costs related to Euribor.

- In summary, earnings before taxes reached €17,57m vs €80,24m at December 2022 (-78,1%). This result is mainly due to:

  1. Higher operational result obtained in 2023 (€+19,82m).
  2. Negative impact of the provisions variation, mainly in stock made in 2022 vs 2023, (€-34,8m).
  3. Lower result due to commercial property assets valuation (€-35,70m).
  4. and a higher negative financial result, because of a higher financial cost in 2023 related to Euribor and to extraordinary financial income in 2022 (€-10,63m).

- Profit after tax reached €25,57m vs €61,47m (-58,4%) at December 2022 as previously explained. This result includes the impacts of the ruling of the Constitutional Court that declares the unconstitutionality of certain measures that were introduced in the Corporate Tax by Royal Decree-Law 3/2016, of December 2, among which the setting of higher limits stands out. severe measures for the compensation of negative tax bases. This ruling has allowed the Group to activate a greater tax credit for negative tax bases for €15m in 2023.
- Attributable Net Profit reached €24,70m at December 2023 vs €58,14m (-57,5%) at December 2022, due to tax impact and minority shareholders, as previously explained.
- Following the distribution of dividends for an amount of 0,05 €/share at July 2023, NNAV reached €1.185m at December 2023 vs €1.192m at December 2022 (-0,6%). Therefore, NNAV/share reached 1,46 € vs 1,47 € at December 2022 (-0,7%).

INDEBTEDNESS

- At December 2023, Realia Group net financial debt reached €516,90m vs €519,14m at December 2022 (-0,4%).
- At December 2023, Realia Group gross financial debt reached €569,72m vs €554,79m at December 2022 (+2,7%). Cash and equivalents reached €52,82m vs €35,65m at December 2022 (+ 48,2%). This amount together with the cash-flow generated will be allocated to pay back banking debt, to finish residential developments in construction, to start new residential developments, to invest in CAPEX on the current assets and to the acquisition of new projects.
- The net financial result was negative €18,58m vs a negative result of €7,95m at December 2022. This negative annual variation of €10,63m is mainly due to a higher ordinary financial cost of €5,22m due to higher interest rates and a lower positive extraordinary financial result of €5,41m obtained in 2023 vs 2022.

  If we do not consider these extraordinary or atypical results, financial ordinary result should have reached €-17,61m vs €-12,40m (+42,1%) the previous year due to higher financing costs related to Euribor.

- The average rate (derivatives included) reached 3,16% at December 2023 vs 2,33% at December 2022.

COMMERCIAL PROPERTY

- Gross rental income reached €89,47m (+1,4%) at December 2023 vs €88,24m at December 2022. This result is mainly due to: 1) rents updating, (+4%); 2) better rents from Build to Rent (BTR) business activity (51,9%); 3) offset the atypical results obtained in 2022 (€+1,00m). If we do not consider this result, income would have increased by 2,6%.
- Overall occupancy levels of tertiary assets in operation (As Cancelas Siglo XXI, SL included) reached 90,8% at December 2023 vs 92,2% at December 2022.
- Realia Group keeps the operation of Build to Rent (BTR) residential developments. Over 2023, two new residential developments have started their operation. One of these projects of 43 social dwellings started its operation in July 2023 and the other one of 152 social dwellings started its operation in October 2023.
- At December 2023, there are a total of 280 social dwellings in operation in Tres Cantos (Madrid) vs 85 social dwellings at December 2022.
- Overall occupancy levels of these Build to Rent residential developments reached 69,4% at December 2023 vs 100,0% at December 2022. This result is due to the date in which the operation of these two new assets started. Realia expects to reach over 90% occupancy during 1H 2024.

LAND AND HOMEBUILDING

- Over 2023, the delivery of two new developments started and the delivery of the stock of residential finished product continued.
- As of December 2023, Realia delivered 143,5 units for an amount of €57,51m vs 97,5 units delivered at December 2022 for an amount of €29,37m.
- Additionally, land for an amount of €12,50m was sold. This sale has meant a positive impact on the operation result of €2,83m.
- As of December 2023, there is a stock of 401,5 units (homes and small retail) finished or in the pipeline non-delivered of which 80 units are pre-sold or sold. Additionally, there are also 25 land plots for single-family housing intended for sale.
- Realia has a gross land bank, in different urbanistic stages, of 7.035.874 sqm and an estimated buildable area of 1.730.832 sqm.

2.- FINANCIAL HIGHLIGHTS

MAIN FINANCIAL FIGURES

(€mm)	2023	2022	Var. (%)
Total revenue	**152,24**	**135,19**	**12,6**
Commercial property	89,47	88,24	1,4
Land & Homebuilding	58,58	42,56	37,6
Services & Others	4,19	4,39	-4,6
EBITDA	**69,18**	**50,11**	**38,1**
Gross operating profit (adjusted EBITDA) (1)	**58,71**	**74,41**	**-21,1**
Fair value appraisal result	**-24,14**	**11,56**	**-308,8**
Financial result	**-18,58**	**-7,95**	**-133,7**
Profit after tax	**25,57**	**61,47**	**-58,4**
Attributable net profit	**24,70**	**58,14**	**-57,5**
Net financial debt	**516,90**	**519,14**	**-0,4**
Nº shares (mm) (excluding treasury shares)	**811,09**	**811,09**	**0,0**
Earnings per share (€)	**0,030**	**0,072**	**-58,3**

(1) It includes provisions related to current assets

3.- OPERATIONAL HIGHLIGHTS

OPERATIONAL DATA	2023	2022	Var. (%)
Commercial Property			
GLA (sqm)	**438.974**	**413.853**	**6,1**
- Tertiary use (offices, shopping centres and others)	403.879	403.880	
- Residential use, Build to Rent (BTR)	35.095	9.973	
Occupancy (%)	**89,1%**	**92,4%**	**-3,6**
- Tertiary use (offices, shopping centres and others)	90,8%	92,2%	
- Residential use, Build to Rent (BTR)	69,4%	100,0%	
Land & Homebuilding			
Sales			
Total value of contracts (€mm)	57,51	29,37	**95,8**
Units	143,5	97,5	**47,2**
Headcount	**76**	**77**	**-1,3**

Headcount	2023	2022	Var. (%)
Total (1)	**76**	**77**	**-1,3**
Realia Business	43	42	**2,4**
Realia Patrimonio	7	6	**16,7**
Planigesa (1)	26	29	**-10,3**

(1) It includes 21 and 24 people working at reception and concierge services in buildings in 2023 and 2022.

4.- CONSOLIDATED BALANCE SHEET

(€mm)	2023	2022	Var. (%)
Total revenue	**152,24**	**135,19**	**12,6**
Rents	69,96	66,89	4,6
Expenses provision	19,37	20,07	-3,5
Sale of tangible assets	-	1,00	100,0
Land & Homebuilding	57,51	41,88	37,3
Services	4,19	4,39	-4,6
Other income (residential and comm. property)	1,21	0,96	26,0
EBITDA	**69,18**	**50,11**	**38,1**
Rents	62,82	60,58	3,7
Land & Homebuilding	10,42	-7,28	243,1
Services	1,24	1,35	-8,1
Overheads	-5,30	-4,54	-16,7
Assets depreciation and commercial provisions	**-10,47**	**24,30**	**143,1**
Gross operating profit (adjusted EBITDA) (1)	**58,71**	**74,41**	**-21,1**
Amortization	-0,19	-0,32	40,6
Depreciation and other results	0,01	-0,04	125,0
EBIT	**58,53**	**74,05**	**-21,0**
Fair value appraisal result	-24,14	11,56	-308,8
Net financial result	-18,58	-7,95	-133,7
Equity method	1,76	2,58	-31,8
Earnings before taxes	**17,57**	**80,24**	**-78,1**
Taxes	8,00	-18,77	142,6
Result after taxes	**25,57**	**61,47**	**-58,4**
Minority shareholders	0,87	3,33	-73,9
Attributable net profit	**24,70**	**58,14**	**-57,5**

(1) **It includes provisions associated with current assets**

- Total operational revenue reached €152,24m (+12,6%) vs €135,19m at December 2022:
    1. As of December 2023, Realia delivered 143,5 units for an amount of €57,51m vs 97,5 units for an amount of €29,37m at December 2022. Additionally, land for an amount of €12,50m was sold.

2. Income from rents reached €69,96m at December 2023 (46,0% of Realia Group total revenue) vs €66,89m at December 2022 (+4,6%). This result is mainly due to 1) rents updating (+4,0%) and 2) better rents from the Build to Rent (BTR) business activity (+51,9%).

   Common charges transferred to tenants reached €19,37m at December 2023 vs €20,07m at December 2022 (-3,5%). This result is mainly due to lower charges transferred to tenants (mainly energy charges).

- EBITDA reached €69,18m (+38,1%) vs €50,11m at December 2022.

- Gross operating profit – "adjusted EBITDA" (it includes provisions associated with current assets) went down by 21,1%, and reached €58,71m vs €74,41m at December 2022. This result is mainly due to the variation of provisions made in 2023 (€-10,47m) vs (€+24,3m) the previous year.

- The reversion of provisions reached €-10,47m at December 2023 vs €+24,30m at December 2022 with the following breakdown:

	2023		2022	
Breakdown provisions (€mm)	**Land & Homebuilding**	**Comm. Property**	**Land & Homebuilding**	**Comm. Property**
Residential finished product / sale of land	1,61		17,05	
Land bank and residential developments in the pipeline	-10,29	-	5,79	-0,22
Others (clients, litigios, proceedings, ten-year Insurance, etc.)	-0,64	-1,15	1,32	0,36
Total provisions by area	**-9,32**	**-1,15**	**24,16**	**0,14**
Total Provisions	**-10,47**		**24,30**	

- Following commercial property assets valuation (IAS 40) performed by independent appraisers, it has been a depreciation of €24,14m at December 2023 (-1,6% variation vs 2022) vs €11,56m at December 2022. This result is mainly due to yield rate increase (due to capital cost increase) as required by investors.

- The net financial result was negative, and it reached €18,58m vs the negative result the previous year, €7,95m. This annual negative variation of €-10,63m is mainly due to ordinary financial costs increase for an amount of €5,22m due to the rise of interest rates and €5,41m due to a lower positive extraordinary result obtained in 2023 vs 2022.

  If we do not consider the impact of these atypical or extraordinary financial results, the ordinary financial result at December 2023 would have reached €-17,61m vs €-12,40m at December 2022. This result (+42,1%) is mainly due to higher financing costs related to Euribor increase.

- Earnings before taxes reached €17,57m vs €80,24m at December 2022 (-78,1%). This variation is mainly due to:

1. Higher operational result obtained in 2023 (€+19,82m).
2. Negative impact of the provisions variation, mainly in stock made in 2022 vs 2023, (€-34,8m).
3. Lower result due to commercial property assets valuation (€-35,70m).
4. and a higher negative financial result, because of a higher financial cost in 2023 related to Euribor and to extraordinary financial income in 2022 (€-10,63m).

- Profit after tax reached €25,57m (-58,4%) vs €61,47m at December 2022. This result has been previously explained. This result includes the impacts of the ruling of the Constitutional Court that declares the unconstitutionality of certain measures that were introduced in the Corporate Tax by Royal Decree-Law 3/2016, of December 2, among which the setting of higher limits stands out. severe measures for the compensation of negative tax bases. This ruling has allowed the Group to activate a greater tax credit for negative tax bases for €15m in 2023.
- Attributable net profit reached €24,70m (-57,5%) at December 2023 vs €58,14m at December 2022, due to tax impact and minority shareholders, as previously explained.

5.- CONSOLIDATED BALANCE SHEET

(€mm) ASSETS	2023	2022	LIABILATIES	2023	2022
Tangible assets	1.501,94	1.509,15	Attributable net equity	1.167,54	1.177,08
Inventories	323,86	352,76	Minority shareholders	62,85	75,88
Financial derivatives assets	5,25	11,41	Financial debt	574,97	566,20
Accounts receivable	19,29	21,58	Financial derivatives liabilities	32,50	34,37
Treasury and equivalents	52,82	35,65	Other liabilities	234,07	238,70
Other assets	168,77	161,68			
Total Assets	**2.071,93**	**2.092,23**	**Total Liabilities**	**2.071,93**	**2.092,23**

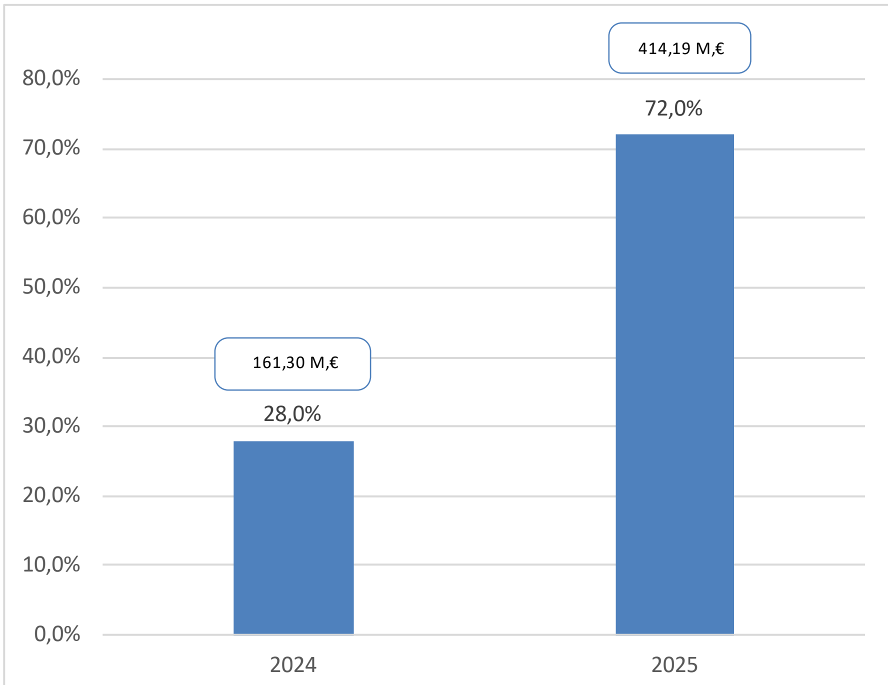
6.- FINANCIAL STRUCTURE

(€mm)	Comm. Property	Land & Homebuilding	2023	2022	Var. (%)
Intragroup loan	65,00	34,00	99,00	70,00	41,4
Non intragroup loan	-	-	-	3,59	-100,0
Syndicated loans	440,49	-	440,49	453,03	-2,8
Other loans	36,00	-	36,00	46,00	-21,7
Valuation of derivatives	-5,25	-	-5,25	-11,41	54,0
Interests	4,33	0,80	5,13	3,45	48,7
Debt formalization expenses	-5,65	-	-5,65	-9,87	42,8
Total gross financial debt	**534,92**	**34,80**	**569,72**	**554,79**	**2,7**
Cash and equivalents	18,69	34,13	52,82	35,65	48,2
Total net financial debt	**516,23**	**0,67**	**516,90**	**519,14**	**-0,4**

- At December 2023, Realia Group financial debt reached €516,90m vs €519,14m at December 2022 M.€ (-0,4%).
- Gross financial debt reached €569,72m (+2,7%) vs €554,79m at December 2022.
- Cash and equivalents reached €52,82m (+48,2%) vs €35,65m at December 2022. This amount together with the cash-flow generated will be allocated to pay back banking debt, to finish residential developments in construction, to start new residential developments, to invest in CAPEX for the current assets and to buy new ones.
- Realia Group net financial result was negative, and it reached €18,58m vs the negative result the previous year, €7,95m at December 2022. This annual negative variation of €10,63m, is mainly due to ordinary financial costs increase for an amount of €5,22m due to the rise of the interest rate and €5,41m due to a lower positive extraordinary financial result obtained in 2023 vs 2022.

  If we do not consider the impact of these extraordinary or atypical financial results, ordinary financial result would have reached €-17,61m vs €-12,40m at December 2022, (+42,1%). This result is mainly due to higher financing costs related to Euribor increase.
- Realia Group has contracted an interest rate hedge for the syndicated loan of its subsidiary Realia Patrimony, S.L.U. to cover the risks to which its future cash flows are exposed. Although the coverage maturity is April 2024, Realia Patrimony, S.L.U., follows the evolution of the financial markets to cover until the loan maturity, April 2025, with the aim of optimizing the financial cost and minimizing the risk.
- The weighted average rate (derivatives included) reached 3,16% at December 2023 vs 2,33% at December 2022.
- At December 2023, the breakdown of the Group gross debt maturity is the following.

Gross debt maturity



- Debt with short-term maturity reaches an amount of €161,30m and its breakdown is the following:
  - Intragroup loans for an amount of €99m with tacit renewal
  - Bilateral loans from the Company Planigesa, S.A. for an amount of €36m. Its refinancing is estimated to take place with no problem.
  - Repayment installments of Realia Patrimonio, S.L.U. syndicated loan schedule will be met upon maturity.
- Long-term debt, April 2025, for an amount of €414,19m is related to the syndicated loan of Realia Patrimonio, S.L.U. renewal throughout 2024.

7.- ASSETS VALUATION

- The assets valuation has been performed by two independent appraisers:
  - At December 2023, CBRE (CB Richard Ellis) has valued at fair value, implementing the RICS methodology, the portfolio of Realia Patrimonio, S.L.U. and subsidiaries, as well as, small residential assets belonging to property companies.
  - At December 2023, TINSA has valued, at fair value, the portfolio of residential business assets implementing the RICS methodology.

(€mm)	Dec. 2023 (€mm)	Dec. 2022 (€mm)	% var. Dec.23 s/ Dec.22
Rental assets	1.506,1	1.478,0	1,9%
Assets in development	-	35,8	-100,0%
Land bank	42,4	42,8	-0,9%
TOTAL RENTAL ASSETS [1]	**1.548,5**	**1.556,6**	**-0,5%**
Land bank	272,1	286,9	-5,2%
Residential developments in the pipeline	35,1	43,6	-19,5%
Residential finished product	31,7	31,3	1,3%
Residential land & others in property companies	9,1	12,1	-24,8%
TOTAL RESIDENTIAL ASSETS	**348,0**	**373,9**	**-6,9%**
TOTAL ASSETS	**1.896,5**	**1.930,5**	**-1,8%**

(1) It includes €50,6m in Dec. 2023 and €51,5m in Dec. 2022 related to the value of As Cancelas asset consolidated by the equity method. Investments on assets for an amount of €16,9m are also included.

- At December 2023, fair value of Commercial Property assets reached €1.548,5m vs €1.556,6m at December 2022 (-0,5%).

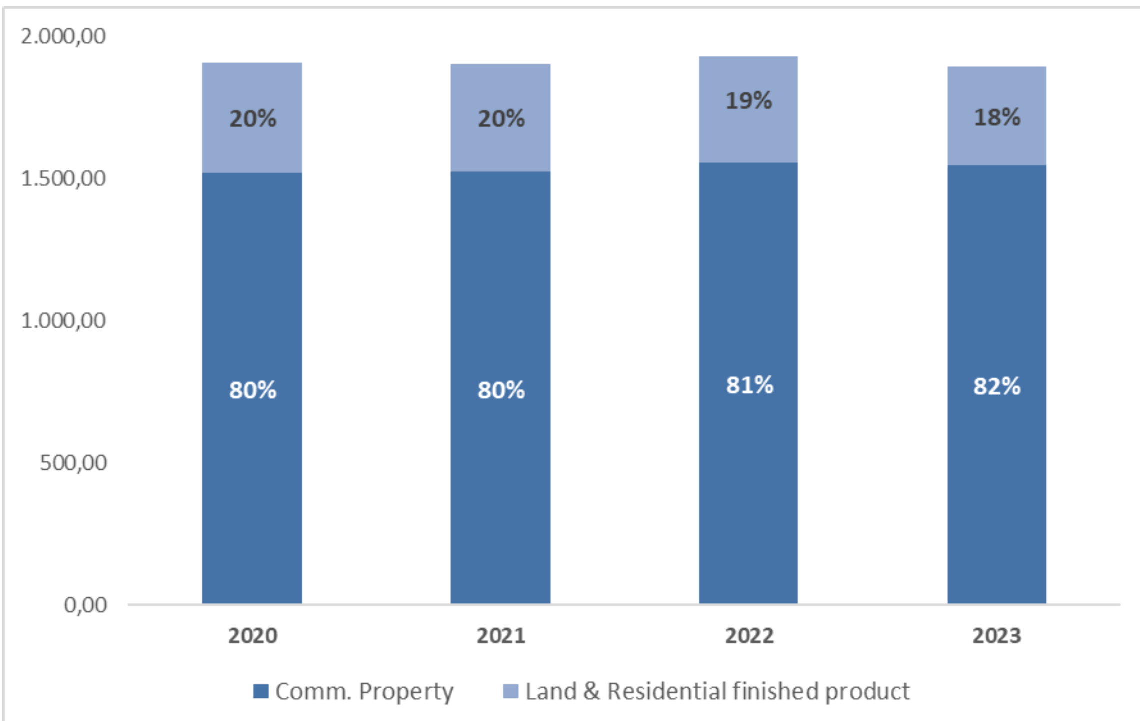
  Valuation of Commercial property assets were affected by the rise in interest rates leading to higher rentability, as required by investors.

- The CAPEX done during 2023 reached €16,90m, with the following breakdown:
  - Investment on rental assets for an amount of €7,54m (It includes investments on As Cancelas XXI asset consolidated by the equity method).
  - Investment on Build to Rent (BTR) assets for an amount of €9,36m.

  If these investments wouldn't have been made and by homogenizing the current assets, at December 2023, the fair value of the commercial property assets would have gone down by 1,6% (€-25,0m).

- Rental assets include three Build to Rent (BTR) assets in Tres Cantos (Madrid) which valuation reached €75,6m at December 2023, 41,2% better than at December 2022. By homogenizing, and not considering investments made over 2023, for an amount of €9,36m, the variation of valuation would have reached 23,7%.
- Fair value of homebuilding assets (land bank, developments in the pipeline and residential finished product) reached €348,0m at December 2023 vs €373,9m (-6,9%) at December 2022. By homogenizing assets at December 2023 (if we do not consider investments made and adjusting the delivered finished product and the sale of land bank), like-for-like fair value of residential assets would have gone down by 1,4% (€-4,9m).
- 82% of total GAV is related to Commercial property portfolio and the remaining 18% to the Residential portfolio.

Gross Asset Value evolution (GAV) by Business areas (€mm)

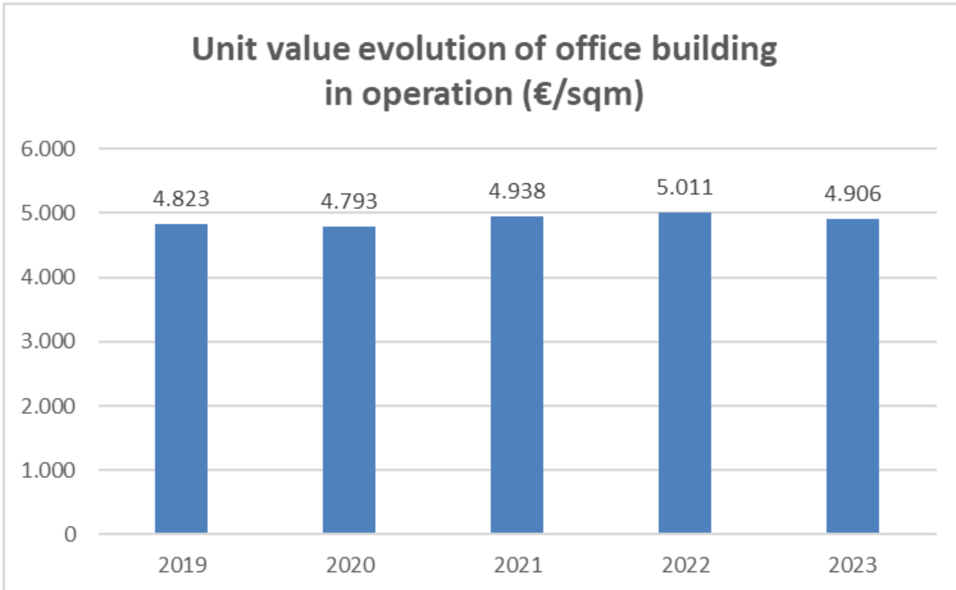


Commercial Property valuation

	Nr. Buildings	sqm	GAV Dec. 2023 (€mm)	GAV Dec. 2022 (€mm)	Var. (%)	Valuation €/sqm	Yield Dec. 2023 (%)[1]	Yield Dec. 2022 (%)[1]
Offices	**26**	**224.749**	**1.102,7**	**1.126,3**	**-2,1**	**4.906,4**	**4,8%**	**4,7%**
CBD [2]	11	82.439	617,5	621,5	-0,6	7.490,4	4,3%	4,2%
BD [3]	3	42.653	185,6	187,2	-0,9	4.351,4	5,3%	4,9%
Periphery/Others	12	99.656	299,6	317,6	-5,7	3.006,4	5,3%	5,5%
Retail & Leisure	**6**	**136.719**	**302,5**	**307,7**	**-1,7**	**2.212,6**	**6,9%**	**6,5%**
Other assets [4]	**6**	**42.411**	**25,3**	**25,4**	**-0,4**	**596,7**	**6,6%**	**6,4%**
Residential Build to Rent (BTR)	**3**	**35.095**	**75,6**	**18,6**	**306,5**	**2.154,1**	**2,4%**	**4,3%**
Total operational	**41**	**438.974**	**1.506,1**	**1.478,0**	**1,9**	**3.431,0**	**5,1%**	**5,1%**
Developabla land Build to Rent (BTR)		**-**	**-**	**35,8**	**-100**	**-**		
Land in the pipeline		**117.014**	**42,4**	**42,8**	**-2,9**	**362,3**		
Total	**41**	**555.988**	**1.548,5**	**1.556,6**	**-0,5**	**2.785,2**		

1. *Yield: annualized current gross rent (CBRE) divided by the assets GAV*
2. *Central Business District*
3. *Business District, excluding CBD.*
4. *Warehouse in Logroño and other assets such as commercial premises, parking spaces, ...*

- At December 2023, like-for-like fair value of the Commercial property portfolio reached €1.548,5m, 0,5% lower than at December 2022.
- As previously explained, by homogenizing assets at December 2023 (if we do not consider investments over 2022), the like-for-like fair value of commercial property assets went down by 1,6%.
- At December 2023, the current yield of the Commercial property portfolio in operation reached 5,1% vs 5,1% at December 2022.



Main assets for asset value (GAV)

Assets	Location	Use	GLA
Torre REALIA	Madrid	Offices	28.424
Torre REALIA BCN	Barcelona	Offices	31.964
Paseo de la Castellana,41	Madrid	Offices s	4.584
Plaza Nueva Parque Comercial	Leganés	Retail	52.675
Salvador de Madariaga 1	Madrid	Offices	25.398
C.C. Ferial Plaza	Guadalajara	Retail	32.440
C.C. As Cancelas (50%)	Santiago Compostela	Retail	25.132
María de Molina 40	Madrid	Offices	9.686
Albasanz 16	Madrid	Offices	19.550
Príncipe de Vergara 132	Madrid	Offices	8.836
C.N. Méndez Álvaro	Madrid	Offices	13.247

Land & Homebuilding valuation

(€mm)	GAV Dec. 2023	GAV Dec. 2022	Var. (%) Dec. 2023 s/ Dec. 2022
Land bank	272,1	286,9	-5,2%
Residential in the pipeline	35,1	43,6	-19,5%
Residential finished product	31,7	31,3	1,3%
Land bank and others in property companies	9,1	12,1	-24,8%
Residential assets total value	**348,0**	**373,9**	**-6,9%**

- Fair value of residential assets (land bank, developments in the pipeline and residential finished product) reached €348,0m at December 2023 vs €373,9m (-6,9%) at December 2022. By homogenizing assets at December 2023, (if we do not consider investments made and adjusting the delivered finished product and the sale of land), like-for-like fair value of residential assets would have gone down by 1,4% (€-4,9m).

Land bank valuation

	Gross land sqm – Dec. 2023	Buildability sqm - Dec. 2023	Buildability sqm - Dec. 2022	GAV Dec. 2023 €mm (*)	GAV Dec. 2022 €mm (*)	Var. GAV (%) Dec. 2023 s/ Dec. 2022
Zoning	3.601.917	96.155	96.155	8,2	11,4	-28,1%
Planning	2.496.108	952.754	923.035	63,0	60,7	3,8%
Urbanization	489.901	220.919	237.274	55,3	53,3	3,8%
Fully-permitted land	447.948	461.004	479.694	152,4	171,2	-11,0%
Total	**7.035.874**	**1.730.832**	**1.736.158**	**278,9**	**296,6**	**-6,0%**

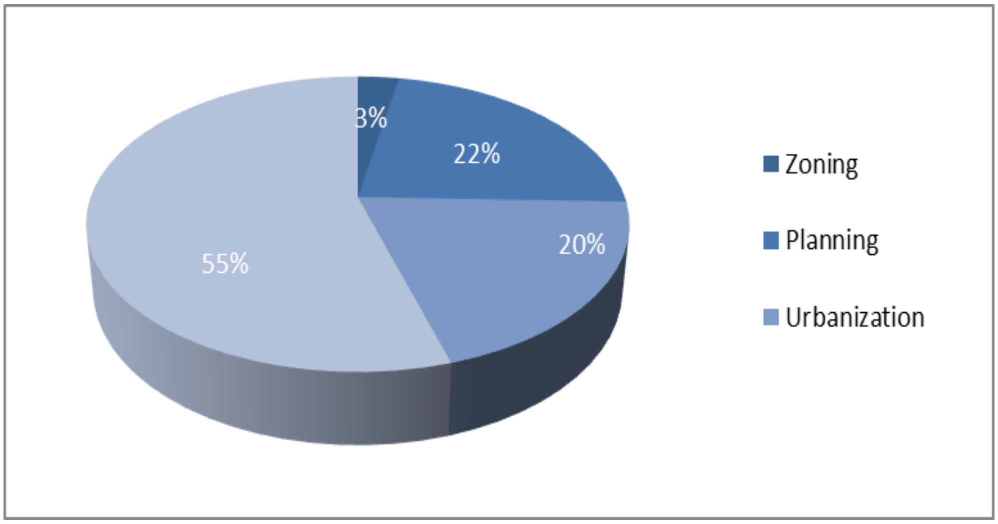
(*) It includes valuation of land bank portfolio in RE companies for an amount of €6,8m at Dec. 2023 vs €9,7m at Dec. 2022.

The most remarkable variations in land bank buildability are due to:

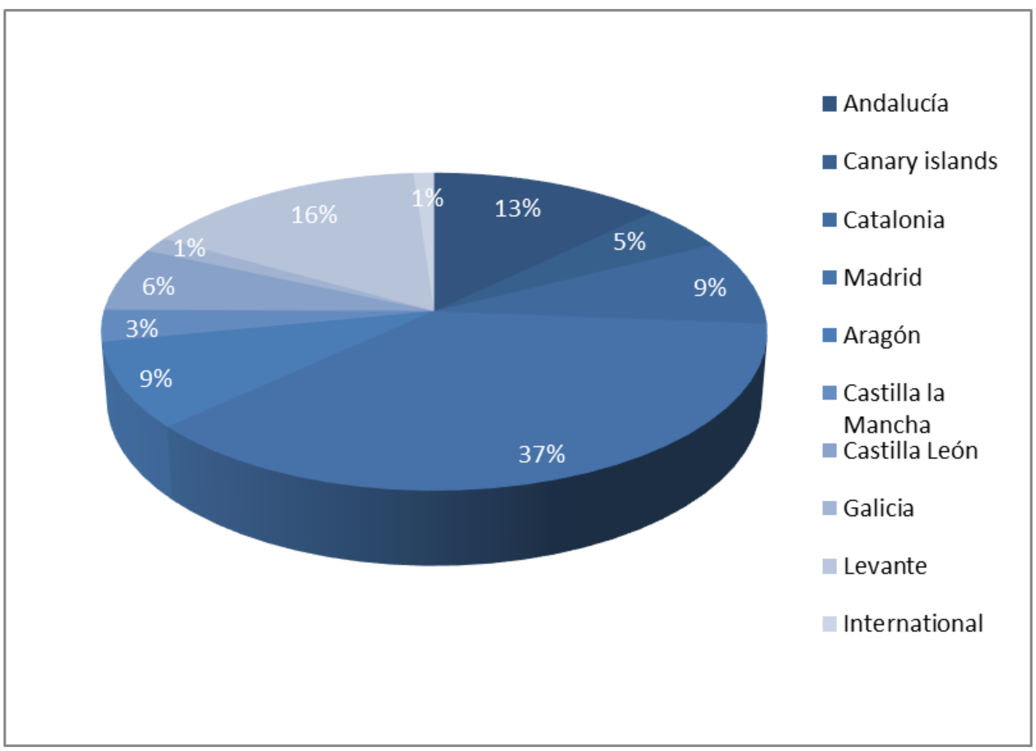
- There are new 29.719 sqm (Planning stage) due to the acquisition of land in El Molar (Madrid).
- There are 23.842 sqm (Fully-permitted land) and 11.760 sqm (Urbanization stage) that have been removed due to the start of three new residential developments: “Hato Verde Soul” in Guillena (Sevilla), “Parque del Ensanche III” in Alcalá de Henares (Madrid) and “Benevivere”in Valdemoro (Madrid).
- Land reclassification of 3.144 sqm (Urbanization stage): “Les Vil.Les del Golf F-III-Parcelas” in San Vicent de Montalt (Barcelona).

GAV land breakdown (€mm)

By urbanistic stage



By geographical area



8.- NET ASSET VALUE (NNAV)

(€mm)	COMM. PROPERTY 2023	COMM. PROPERTY 2022	LAND & HOMEBUILDING 2023	LAND & HOMEBUILDING 2022	TOTAL 2023	TOTAL 2022	Var. %
Total GAV (GAV)	**1.549**	**1.557**	**348**	**374**	**1.897**	**1.931**	**-1,8**
To be deducted							
Minority sharholders	-78	-77	-	-19	-78	-96	19,3
GAV Realia (1)	**1.471**	**1.480**	**348**	**355**	**1.819**	**1.835**	**-0,9**
Book value of the parent company (2)	**817**	**796**	**326**	**336**	**1.143**	**1.132**	**1,0**
Latent capital gains of the parent company (1)-(2)	654	684	22	19	676	703	-3,8
To be deducted							
Taxes	-164	-171	-5	-5	-169	-176	4,0
Latent capital gains after tax	490	513	17	14	507	527	-3,8
Adjustments IAS 40					-490	-512	
Equity					1.168	1.177	-0,8
NNAV after tax					**1.185**	**1.192**	**-0,6**
Nº of shares (treasury shares excluded, in €mm)					811	811	0,0
NNAV after tax per share (€/share)					**1,46**	**1,47**	**-0,7**

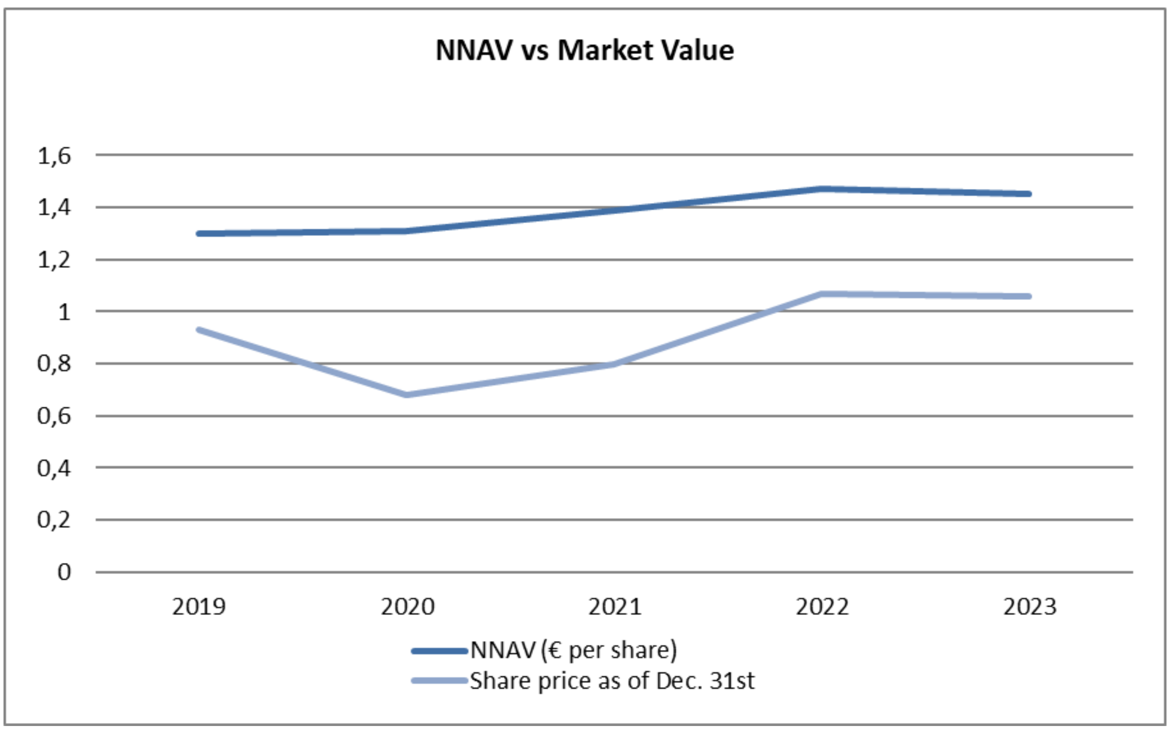
- At December 2023, Net Asset Value (NNAV), following the distribution of dividends for an amount of 0,05€/share, reached 1,46 Euro per share, un 0,7% lower than at December 2022.

- NNAV per share, considering the net equity of the consolidated financial statements is the following:

CONSOLIDATED NET EQUITY ATTRIBUTABLE TO THE PARENT COMPANY (€MM)	**1.168**
Ajdjustments:	
+ Capital gains tangible assets (own use)	-
+ Capital gains stock	17
ADJUSTED NET EQUITY ATTRIBUTABLE TO THE PARENT COMPANY (€MM)	**1.185**
Number of shares (treasury shares excluded)	811.089.229
NNAV PER SHARE (Euro)	**1,46**

Net asset value evolution (NNAV)

	2019	2020	2021	2022	2023
NNAV (€mm)	1.064	1.059	1.129	1.192	1.185
NNAV (€ per share)	1,30	1,31	1,39	1,47	1,46
Share Price as of Dec. 31st	0,93	0,68	0,80	1,07	1,06
Discount NNAV	-28%	-48%	-43%	-27%	-27%



9.- COMMERCIAL PROPERTY

Rents – Consolidated data (1)

(€mm)	2023	2022	Var. (%)
Rental income (2)	69,96	66,89	4,6%
Expenses provisions (2)	19,37	20,07	-3,5%
Sale of tangible assets	-	1,00	100,0%
Other income	0,14	0,28	-50,0%
Total revenue	**89,47**	**88,24**	**1,4%**
Building common charges (2)	-23,42	-23,84	1,8%
Other charges	-3,23	-3,81	15,2%
Total gross margin	**62,82**	**60,59**	**3,7%**
Gross margin on rents (%)	***89,8%***	***90,6%***	***-0,8%***
Application (-)/Reversion (+) Provisions	***-1,15***	***0,14***	-946,6%
Gross margin (adjusted for provisions)	***61,67***	***60,73***	**1,6%**
Adjusted gross margin on rents (%)	***88,2%***	***90,8%***	***-2,6%***

(1) Data in this chart is consolidated. Data from As Cancelas (50%) are not included

(2) It includes rental income and expenses from the Build to Rent (BTR) business activity for an amount of €1,44m and €-0,40m at December 2023 and €0,93m and €-0,21m at December 2022, respectively.

- Gross rental income reached €69,96m (+4,6%) at December 2023 (46,0% of the Group total revenue) vs €66,89m at December 2022. This result is mainly due to 1) better rents for contracts updating (+4,0%) and 2) better rents from the Build to Rent (BTR) business activity (+51,9%).

- Gross margin on commercial property Business area has gone up by 3,7% (€62,82m) vs €60,59m at December 2022. This result is mainly due to 1) better rents (+4,6%) and 2) lower operational charges (-3,6%). This result is mainly due to lower energy costs.

- Adjusted gross margin, once provisions have been deducted, went up by 1,6% reaching €61,67m vs €60,73m at December 2022.

- Gross margins went slightly down. This result is mainly due to lower occupancy levels and to provisions made in 2023.

Rents – Operational data [1]

(€mm)	2023	2022	Var. (%)
Rental incoe [2]	74,83	71,42	4,8%
Expenses provision [2]	21,03	21,77	-3,4%
Sale of tangible assets	-	1,00	100,0%
Other income	0,24	0,28	-14,3%
Total revenue	**96,10**	**94,47**	**1,7%**
Building common charges [2]	-25,17	-25,64	1,8%
Other charges	-4,22	-4,75	11,2%
Total gross margin	**66,71**	**64,08**	**4,1%**
Gross margin on rents (%)	***89,1%***	***89,7%***	***-0,6%***
Application (-)/Reversion (+) Provisiones	***-1,20***	***0,26***	-561,5%
Gross margin (adjusted for provisions)	***65,51***	***64,34***	**1,8%**
Adjusted gross margin on rents (%)	***87,5%***	***90,1%***	***-2,5%***

(1) Data in this chart is operational. Data from As Cancelas appear proportionally (50%).

(2) It includes rental income and expenses provision from the Build to Rent (BTR) business activity for an amount of €1,44m and €-0,40m at December 2023 and €0,93m and €-0,21m at December 2022, respectively.

- At December 2023, income from assets in operation reached €74,83m vs €71,42m at December 2022, (+4,8%). It is mainly due to better rents from contracts updating (+4,0%) and better rents from the Build to Rent (BTR) business activity, (51,9%)
- Gross margin of operational commercial property business area went up by 4,1% (€66,71m) vs the result obtained at December 2022, €64,08m. This result is mainly due to better rents (+4,8%) and to lower operational expenses, mainly due lo lower energy costs (-3,3%).
- Adjusted gross margin, once provisions have been deducted, went up by 1,8% reaching €65,51m vs €64,34m at December 2022.
- Rental gross margin have gone down slightly and it is mainly due to lower occupancy levels and to provisions made in 2023.

Rents-operating breakdown [1]

Rents by sector

(€mm)	2023	2022	Var. (%)	GLA (sqm)	Occup. Dec. 2023 (%)	Occup. Dec. 2022 (%)
Offices	**51,71**	**49,06**	**5,4%**	**224.749**	**89,9%**	**92,1%**
CBD	25,90	24,17	7,2%	82.439	94,7%	95,6%
BD	9,01	8,42	7,0%	42.653	99,0%	93,3%
Periphery	16,80	16,47	2,0%	99.656	82,0%	88,7%
Retail & Leisure	**20,25**	**19,92**	**1,7%**	**136.719**	**89,5%**	**90,1%**
Build to Rent (BTR)	**1,23**	**0,81**	**51,9%**	**35.095**	**69,4%**	**100,0%**
Other	**1,64**	**1,63**	**0,6%**	**42.411**	**100,0%**	**100,0%**
Total revenue	**74,83**	**71,42**	**4,8%**	**438.974**	**89,1%**	**92,4%**

(1) Data in this chart is operational. Data from As Cancelas appear proportionally (50%).

- At December 2023, global occupancy of assets in operation (As Cancelas Siglo XXI, S.L. included) reached 89,1% (-3.3%) vs 92,4% at December 2022. This result is mainly due to two new Build to Rent (BTR) assets which operation started in 2H 2023. One of these assets is 100% occupied and the other one is is 46% occupied. This second asset is being commercialized and its buildability is of 20.435 sqm. If we do not consider the residential assets, the occupancy rate of the tertiary use assets reached 90,8% (-1,4%) vs 92,2% at December 2022.

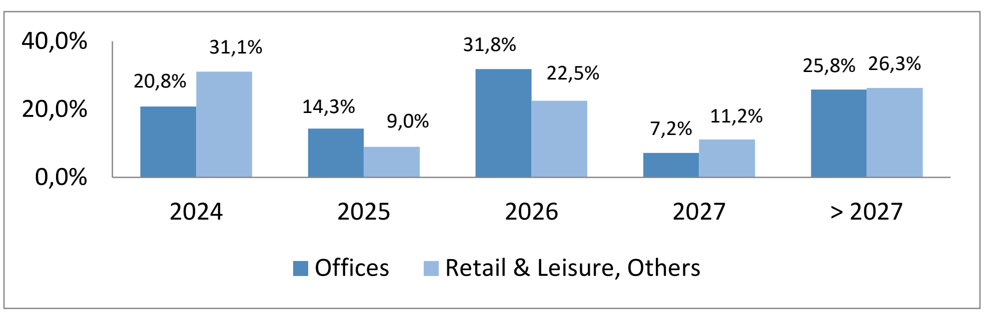
- Offices occupancy went down by 2,2%. This result is mainly due to the impact of office buildings in periphery (-6,7%) and to the business area of these tenants. Most of these tenants are in the technological sector and they have reduced the need of offices space as a consequence of teleworking. Even though, occupancy levels went down, income from rental offices went up by 5,4%.
- At December 2023, Retail & Leisure occupancy went down by 0,6% (820 sqm GLA). This result is mainly due to the punctual departure of tenants. At present, these office spaces are under commercialization. Even though, rental income went up by 1,7%.
- Realia Group keeps the operation of Build to Rent (BTR) residential developments. Over 2023, two new residential developments have started their operation. One of these projects of 43 social dwellings started its operation in July 2023 and the other one of 152 social dwellings started its operation in October 2023.
- At December 2023, there are a total of 280 social dwellings in operation in Tres Cantos (Madrid) vs 85 social dwellings at December 2022.
- Overall occupancy levels of these Build to Rent residential developments reached 69,4% at December 2023 vs 100% at December 2022. Realia expects to reach over 90% occupancy during 1H 2024.
- Income from Build to Rent (BTR) business activity reached €1,23m at December 2023,51,9% better that at December 2022, €0,81m. This result is mainly due to the new two residential developments previously mentioned.

Rents by geographical area

(€mm)	2023	2022	Var. (%)	GLA (sqm)	Occup. Dec. 2023 (%)	Occup. Dec, 2022 (%)
Madrid	**53,70**	**51,38**	**4,5%**	**282.853**	**87,6%**	**93,1%**
CBD	26,85	25,11	6,9%	77.495	96,8%	96,9%
BD	10,17	9,99	1,8%	49.896	99,1%	94,3%
Periphery	15,45	15,47	0%	120.367	82,4%	89,5%
Build to Rent (BTR)	1,23	0,81	51,9%	35.095	69,4%	100,0%
Barcelona	**7,35**	**6,88**	**6,9%**	**32.325**	**93,6%**	**93,2%**
Resto	**13,78**	**13,16**	**4,7%**	**123.796**	**91,2%**	**90,9%**
Total revenue	**74,83**	**71,42**	**4,8%**	**438.974**	**89,1%**	**92,4%**

- According to geographical area, rents increased in Madrid by 4,5%, even though occupancy levels have gone down mainly in periphery and BTR business activity.
- The different geographical areas occupancy levels have gone up, excluding periphery where occupancy levels remain steady.
- On the other hand, in Barcelona rents went up by 6,9%. This result is mainly due to better occupancy levels.
- In the remaining towns, rents went up by 4,7%, even though the occupancy levels remain steady.

Expiry of lease contracts on annualized rents



10.- LAND AND HOMEBUILDING (RESIDENTIAL BUSINESS)

(€mm)	2023	2022	Var. (%)
Revenue			
Land & Homebuilding	57,51	41,88	37,3%
Other	1,07	0,68	57,4%
Total revenue	**58,58**	**42,56**	37,6%
Costs			
Costs of sales	-45,81	-47,15	2,8%
Other costs	-2,35	-2,70	13,0%
Total Costs	**-48,16**	**-49,85**	3,4%
Gross margin	**10,42**	**-7,29**	**242,9%**
Aplication/Reversal of provisions	***-9,32***	***24,16***	-138,6%
Gross margin (adjusted for provisions)	***1,10***	***16,87***	-93,5%
Adjusted gross margin on rents (%)	***1,9%***	***39,6%***	***-37,8%***

Residential portfolio

- Revenue from Land & Homebuilding reached €58,58m (+37,6%) vs €42,56m at December 2022.
- Over 2023, the delivery of two new developments started and the delivery of the stock of residential finished product continued.
- As of December 2023, Realia delivered 143,5 units for an amount of €57,51m vs 97,5 units for an amount of €41,88m at December 2022
- Additionally, land for an amount of €12,50m was sold. This sale has meant a positive impact on the operation result of €2,83m.
- By geographical area, the breakdown of units delivered at December 2023 and December 2022 is the following:

	2023		2022	
	Nr. Units	**Revenue (€mm)**	**Nr. Units**	**Revenue (€mm)**
Madrid/Centro	69,0	23,64	26,0	9,39
Levante	-	0,02	18,0	7,23
Catalonia	68,5	32,70	40,5	10,28
Andalucía	6,0	1,15	13,0	2,47
Total	**143,5**	**57,51**	**97,5**	**29,37**

- At December 2023, gross margin reached €10,42m vs €-7,29m (-17,1%). This result means 17,8% on residential business area revenue. This result was penalized by the sale of land in Pinto (Madrid).

  Considering the provisions increase in 2023, adjusted gross margin reached €1,10 m, 1,9% on total business area vs €16,87m, 39,6% on total business area at December 2022. This result is mainly due to a reversion of provisions for the sale of land in Pinto (Madrid).

- At December 2023, there is a stock of 401,5 units (homes and small retail) finished or in the pipeline non-delivered (other 80 units are pre-sold). There are also 25 land plots for single-family housing intended for sale.

Home stock evolution	2023	2022	Var. (%)
Pre-sales			
Number of units	137,5	128,5	7,0%
Total value of contracts (€mm)	51,41	47,43	8,4%
Deliveries			
Number of units	143,5	97,5	47,2%
Total value of contracts (€mm)	57,51	29,37	95,8%
Pre-sold			
Number of units	80,0	93,5	-14,4%
Total value of contracts (€mm)	30,54	40,99	-25,5%
Stock at end-of-period			
Residential finished product			
Number of units	63,5	85,5	-25,7%
Residential developmeents in the pipeline			
Number of units	258,0	93,0	177,4%

Land bank

- At December 2023, Realia has, in different urbanistic stages, a gross land bank of 7.035.874 sqm and an estimated buildable area of 1.730.832 sqm. 26,6% of this land bank is fully-permitted land and 51,9% is located in Madrid:

Land bank breakdown (buildability by sqm)

	Buildability (sqm)
Zoning	96.155
Planning	952.754
Urbanization	220.919
Fully-permitted land	461.004
Total	**1.730.832**

	Buildability (sqm)
Andalucía	161.909
Canary islands	18.541
Catalonia	72.951
Madrid	897.981
Aragón	154.508
Castilla la Mancha	222.648
Castilla León	64.019
Galicia	6.184
Levante	121.179
International	10.912
Total	**1.730.832**

Main variations in land bank buildabiilty are due to:

- There are new 29.719 sqm (Planning stage) due to the acquisition of land in El Molar (Madrid).
- There are 23.842 sqm (Fully-permitted land) and 11.760 sqm (Urbanization stage) that have been removed due to the start of three new residential developments: “Hato Verde Soul” in Guillena (Sevilla), “Parque del Ensanche III” in Alcalá de Henares (Madrid) and “Benevivere”in Valdemoro (Madrid).
- Land reclassification of 3.144 sqm (Urbanization stage): “Les Vil.Les del Golf F-III-Parcelas” in San Vicent de Montalt (Barcelona).

11.- RISKS AND UNCERTAINTIES

During 2023, the Spanish economy performed better than expected with a GDP increase of 2.5%, based on the boost in both public and private consumption, although symptoms of slowdown have been perceived in the last few months.

For 2024, GDP growth of 1.5% is expected. The forecasts are based on the hypothesis that energy prices will remain around their current levels. On the other hand, the impact of monetary policy is now joined by fiscal policy, leaving behind the important expansionary impulse of recent years (the only short-term support that remains will come from European funds). Finally, the external context will continue to be relatively unfavorable, due to the sluggishness of global exchanges and the persistence of strong geopolitical uncertainties.

Given the lower pull in demand, and the absence of a new energy shock, disinflation should take hold in 2024 and will create favorable terrain for lower interest rates starting in the second half of the year. A decrease in the Euribor is estimated at the end of the year to 3%. Although these are still contractive values, the change in trend will favor a progressive improvement in economic expectations over the course of the year both in Spain and in the rest of the euro zone.

All of this should generate a favorable carryover effect for next year. GDP growth is expected to rise to 2% in 2025. Investment should regain some dynamism, thanks to the change in interest rates and the low level of corporate debt.

In any case, Spain will continue to grow above the European average.

The general inflation rate closed 2023 at 3.1% compared to 5.7% in 2022, mainly due to lower energy costs. Core inflation, for its part, maintains a downward trend, standing at 3.8% at December compared to 7% in 2022. This process of de-escalation of inflation seems to continue, although in 2024 it will be conditioned, among others, by the schedule for withdrawal of anti-inflation measures taken by the government.

Uncertainties about the macroeconomic prospects of the Spanish and European economy, in the short and medium term, remain high. Among the different existing sources of uncertainty, the following stand out:

- The persistence of strong geopolitical uncertainties, derived from the invasion of Ukraine, the Israel-Palestine conflict and the intensification of tensions around the Red Sea could trigger a new disruption of supply chains and trade exchanges, making the process difficult of disinflation, something that if it persists could generate a new increase in production costs.

- Given the risk of interruption of the de-escalation of prices, the ECB could delay the rate cut. A more pronounced increase in financial costs than contemplated in the current scenario would pose a greater risk of non-payment for the most vulnerable sectors and instability in the financial markets.

- In the medium and long term, the persistence of a high public deficit is a factor of vulnerability for the Spanish economy, in a context of reactivation of European fiscal rules and withdrawal of central bank support, both in terms of rates and debt purchase.

- On the other hand, although private debt has reached low values at an aggregate level, some companies and sectors face high financial burdens, in a context of high interest rates in relation to the era of monetary relaxation. Finally, there is concern about the sluggishness of investment in capital goods, a circumstance that does not help to encourage the prospects for productivity growth in the Spanish economy, and that poses a challenge in the face of the macroeconomic impact of European funds.

- The difficulties in assessing the intensity that the impact of the monetary tension introduced to date could have on GDP growth, the evolution of prices and the behavior of financial markets.

- The uncertainty about the speed of transmission of the recent price reductions of some raw materials to the prices of the entire consumer basket, it is expected that the translation of the reduction in prices will be incomplete and relatively slow.

Given these prospects, the Spanish economy, along with the rest of the economies in our environment, are subject to uncertainties due to macro-financial, geopolitical and socio-economic aspects of varying nature and severity.

Despite the difficulties of the current macroeconomic environment in which we find ourselves, it is expected that in 2024 the following will occur:

a) Maintenance of the sale pace of new homes, which allows continuing with ongoing promotions. Tightening access to financing can cause sales periods to be lengthened and, consequently, an adjustment in prices to occur.

b) The start of new projects will be conditioned by the profitability they offer, the increase in construction costs due to the inflationary spiral that we have experienced has impacted the promoter's margins and/or the rise in final prices and their final impact on demand.

c) The evolution of the market will be uneven, depending on the different geographical areas, locations and product types, depending on where demand wants to be located and what type of product.

d) Little and selective financing for the developer, with a greater requirement for the economic and commercial viability of the new developments, as well as its financial solidity. Likewise, the difficulties and requirements for buyers to access financing for their homes will increase, where financial institutions will place special emphasis on the buyer's solvency and the profitability of the proposed operation.

e) Little financing for the purchase of land since currently financial entities understand that it must be financed with their own funds.

f) Consolidation of other financial agents, as sources of alternative financing, and who can enter into certain projects, from which they ask for high returns and interest rates well above traditional banking entities.

g) In the segment of residential rental assets, the Government's regulatory measures aimed at preventing tensions in rental prices are not achieving the desired objectives. The legislative uncertainties in the development of the new State Law for the Right to Housing is causing investors, promoters and buyers to paralyze decision-making, and even some of the “players” are disinvesting in this segment of activity. During 2023, the new State Law for the Right to Housing was approved, and includes, among other modifications, the limitation of rental prices, the creation of a new price review index and the regulation of the disqualification periods of housing. protected housing. This Law may have a negative impact on the development of future residential rental activity projects in the Realia Group.

   One of the main markets where the Realia Group operates is in the Community of Madrid, where it is planned to increase the price of the subsidized housing module in 2024, which will allow developers to make new projects viable that increase the housing supply in the future. are giving the green light to different urban areas that will increase the dynamism in the sector, both promoting new projects and generating urban land that will allow the increase in supply, finally indicating that public-private collaboration actions will be initiated to put in the housing market for affordable rental.

h) In the segment of tertiary rental assets (offices, premises and shopping centers), the incidence of Covid-19 has been decisive for us to think about where the future trends are going, and what the current business models are changing and therefore both the space needs to develop it. The foreseeable scenario would be: 1) rents will be maintained in offices and in shopping centers, variable income linked to the sales of operators will have more weight 2) Space contracting volumes will tend to be stable or with a slight downward trend both in offices (teleworking, unemployment...) and in premises and shopping centers (decrease in consumption, @comerce...) and 3) Appearance of new contractual relationships with tenants, where the flexibility of the contracted spaces will be incorporated into the contracts, as well as the shorter duration of the contracts and the inclusion of clauses against exceptional situations (Covid-19 or similar).

i) In line with what is stated in point h, it will be necessary for lessors to introduce new asset management techniques and in some cases adapt them to the new demands for space and needs of the tenants, to do so , investments in capex and actions must be undertaken in the majority of the assets intended for rental, to adapt them to the new trends of digitalization, sustainability and efficiency of the same.

j) Downward trend in the valuation of real estate assets intended for offices, due to the drop in occupancy and investment levels in this segment. The rest of the assets are expected to have completed the penalty in their valuation and are heading towards an area of stability or slight rebound.

k) The combination of all these factors described in the previous points may negatively affect the Group's accounts, and the intensity of the impact will be given by the capacity of the European economy to continue the inflationary process that allows changing monetary policy, generating a greater investment dynamism that causes the recovery of economic activity, consumption, employment and the capacity for savings

The Realia Group believes that its efforts should be directed towards the three lines of business that it currently develops directly or through its investee companies. In the property area, where its exceptional real estate portfolio, consolidated with the acquisition of 37.1% of the company Hermanos Revilla (company absorbed by Planigesa), gives it a prominent position; but it must undertake the actions described in point i) and act against the risks of the office segment. In the area of promotions, we must be attentive to the evolution of demand, its location and the typology of the products demanded, in order to be able to adapt our new promotion projects and analyze their viability and profitability, especially being attentive to the risks of cost increases (labor and supplies), undertaking these projects when the marketing risk, as well as the profitability risk, are visible and can be limited; and finally, in the development and exploitation of promotions intended for residential rental, one must be attentive to all regulatory changes and their possible impacts on the profitability and legal security of the business.

Given the Group's solid financial structure, its ability to generate cash flows and its LTV level, it is estimated that in the event of any new and unforeseen socio-economic and/or health circumstance that affects the business, it will be able to turn to the financial market and obtain resources. that would cover this eventuality.

For all these reasons, the Directors of the Parent Company consider that the Group's activity in the short term and, therefore, the application of the going concern principle is not compromised.

12.- STOCK DATA

- The closing stock Price (€ per share) has been 1,06 Euro. It has gone down by 0,93% vs 2022 closing stock price:

	31 December2023
Closing stock price (€ / share)	1,06
Market cap. End of period (€)	869.481.639
High of the period (€ / share)	1,095
Low of the period (€ / share)	0,982
Average of the period (€ / share)	1,0438
Daily trading volume (Thousand of Euro)	58,7
Daily trading volume (Thousand shares)	56

13.- FURTHER RELEVANT FACTS

- On January 18, 2024, the Constitutional Court (TC) issued a ruling declaring the unconstitutionality of certain measures that were introduced into the Corporate Tax by Royal Decree-Law 3/2016, of December 2 (RDL 3/2016).), as the regulatory vehicle used for its approval was considered inadequate. In particular, the modifications to the tax on corporations prosecuted are: the establishment of more severe limits for the compensation of negative tax bases; the ex novo introduction of a limit on the application of deductions for double taxation; and the obligation to automatically include in the tax base the impairment of shares that have been deducted in previous years.

The main impacts that the declaration of unconstitutionality of Royal Decree Law 3/2016 has had on the determination of the Realia Group's corporate tax are:

- Extension of the compensation limit to 70%, which allows increasing the application of activated tax credits.
- Reestimate the recoverability of the tax credits that have allowed you to activate new tax credits. which has allowed it to activate tax credits in the amount of €15m.

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APPENDIX – GLOSSARY OF APMs

Gross Margin:

Results directly attributable to the activity. It is calculated as the difference between the total operating income (net amount of turnover, other operating income and Result from the sale of real commercial property assets) and the operating costs (change in inventories of residential finished product or in the pipeline, supplies, other operating expenses -deducting the part allocated to overheads, result from disposal of assets and other results).

Gross Margin (adjusted by provisions):

Results directly attributable to the activity. It is calculated as the difference between the total operating income (net amount of turnover, other operating income and Result from the sale of real commercial property assets) and the operating costs (change in inventories of residential finished product or in the pipeline, supplies, other operating expenses -deducting the part allocated to overheads, result from disposal of assets and other results), deducting the impact of the variation in provisions not associated with current assets.

Gross Operating Profit – adjusted EDITDA

Operating result (Profit or Loss) after deducting the impact of the variation in provisions not associated with current assets.

EBIT (Earnings Before Interest and Taxes):

Operating income, excluding changes in the value of real estate investments

Gross Financial Debt:

Loans with current and non-current credit institutions.

Net Financial Debt:

Gross financial debt minus cash and cash equivalents.

Net Net Asset Value (NNAV):

It is calculated on the basis of the net equity attributed to the parent company, adjusted for the implicit capital gains of the assets of working capital and for own usage valued at the market and deducting the taxes that would accrue on such implicit capital gains, taking into account the tax regulations at the time of calculation.

Net Net Asset Value (NNAV) per share:

It is calculated by dividing the total NNAV of the Company by the number of shares outstanding, treasury shares not included.

Earnings per share:

It is calculated by dividing the result attributable to the parent Company and the number of shares outstanding (treasury shares not included) at the end of the referred period.

GAV (Gross Asset Value):

Like-for-like fair value performed by two independent appraisers (TINSA and CBRE).

BD:

Business District

CBD:

Central Business District

Occupancy:

Surface area occupied by the rental assets portfolio divided by the surface of the portfolio in operation.

Yield:

Annualized current gross rent (CBRE) divided by the assets GAV.

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