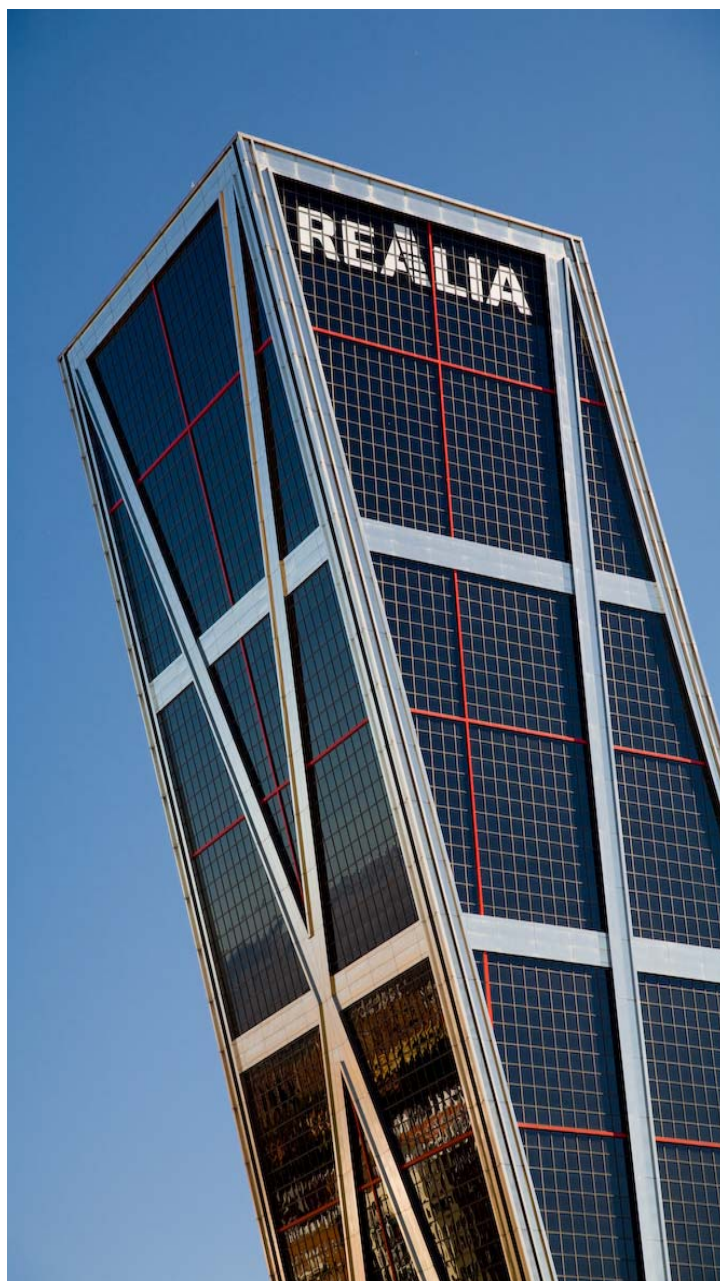


REALIA



January – December 2011 Results

27 February 2012

Highlights 2011

ASSETS VALUATION

- As of December 2011, the total asset valuation (**GAV**) amounted to **4,286 million euro** (-4.3% below Dec. 2010), based on market appraisals from independent expert, **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 2011 totalled **3,404 million euro**, therefore Realia holds **unrealised and unrecognised capital gains of 882 million euro**, which do not appear on the balance sheet.
- Net Asset Value after tax (**NNAV**) amounted to **3.67 euro per share** as of December 2011, down -6% vs December 2010 mainly due to value adjustments in the land bank.
- **Commercial Property** business represents **69% of the total GAV** and residential business 31%.
- **35% of the total GAV (1,510 million euro)** is concentrated in **Paris office market**.
- In the period **2007-2011**, on a *like-for-like* asset basis, the **market value of the land bank has declined -46,8% to 387 euro per sqm**.

RESULTS

- **Commercial Property business represents 96% of the gross margin**, with rentals showing a recurrent income giving the company stability and visibility.
- **49% of total rental revenues is generated in Paris**.
- Realia continues with an **important cost-cutting effort reducing overheads -21.6% vs. 2010**.
- **Net Income** amounted to **1.2 million euro** vs. 1.1 million euro in 2010.

FINANCIAL SITUATION

- Realia has **treasury** and treasury equivalents for a total of **85 million euro**.
- The loan-to-value (**LTV**) ratio stands at **51%**.

COMMERCIAL PROPERTY

- Consistent with the policy of **asset rotation**, Realia has sold assets for a total of **83.6 million euro**, with **45.6 million euro of capital gains**.
- Commercial Property business maintains **high occupancy 92.3%** (ex-BCN Tower) due to the high quality portfolio.
- The refurbishment of **Albasanz 14 office building in Madrid with a total GLA of 9,083 sqm** has finished in 4Q 2011. The current occupancy is 47%.
- As Cancelas Shopping Centre in Santiago de Compostela, with a total GLA of 50,812 sqm, has reached a pre-let of 79.3% with prestigious tenants as Carrefour, Primark, Inditex and Cinesa. The opening is estimated for the 4Q 2012.

HOMEBUILDING AND LAND

- Home sales have decreased in 2011 due to the **difficulties in obtaining financing** from potential buyers.

Financial Highlights (31 December 2011)

(€mm)	2011	2010	% Change
Total Revenues	280.2	317.5	-11.7
Rents	173.4	170.9	1.5
EBITDA	165.4	147.6	12.1
EBITDA Rents	123.9	123.9	0.0
EBITDA Homebuilding	-3.8	-7.7	-51.3
EBITDA Land	0.0	3.6	-98.9
EBITDA Sale of assets	45.6	28.0	63.0
EBITDA Others	-0.3	-0.3	11.0
Net Income (Group share)	1.2	1.1	10.9
Net Financial Debt	2,175	2,127	2.3
Nº Shares (mm)	277.4	277.4	0.0
Earnings per Share (€)	0.00	0.00	10.9

Operational Highlights (31 December 2011)

	2011	2010	% Change
Commercial Property			
GLA (sqm)	605,251	654,484	-7.5
Operational	553,474	571,362	-3.1
In Progress ¹	51,777	83,122	-37.7
Occupancy rate (%) ²	92.3	94.8	-2.6
Land & Homebuilding			
Pre-sales			
Total value of contracts (€mm)	39.1	102.7	-61.9
Homes	206	471	-56.2
Pre-sales backlog (€mm)	20.2	46.6	-56.7
Land Bank Consolidated (sqm mm) ³	3.3	3.4	-1.5
Nº Employees	154	171	-9.9

¹ Excluding some development projects postponed until more favourable market conditions. Including only 50% As Cancelas.

² Excluding BCN office tower in Barcelona in commercializing phase (let 76.4%)

³ Including down payments of land and land from housing developments whit out activity.

Consolidated Income Statement

(€mm)	2011	2010	% Change
Total Revenues	280.2	317.5	-11.7
Rents	173.4	170.9	1.5
Sale of assets	45.6	28.0	63.0
Homebuilding	52.9	103.4	-48.9
Land sales	5.4	9.1	-40.6
Other	2.9	6.1	-52.7
Total Gross Margin	185.5	173.2	7.2
<i>% Margin</i>	<i>66.2</i>	<i>54.5</i>	
Rents	132.4	134.9	-1.9
Sale of assets	45.6	28.0	63.0
Homebuilding	7.8	6.9	13.8
Land sales	0.0	3.6	-98.9
Other	-0.3	-0.2	8.5
Overheads	-20.1	-25.6	-21.6
EBITDA	165.4	147.6	12.1
Amortization	-36.6	-34.4	6.3
Depreciation	6.3	4.5	40.1
EBIT	135.2	117.6	14.9
<i>% Margin</i>	<i>48.2</i>	<i>37.1</i>	
Financial Result	-101.7	-98.1	3.7
Other Results	-4.7	-11.5	-59.3
Results before taxes	28.7	8.0	258.6
Taxes	14.8	1.7	780.8
Results after taxes	43.5	9.7	348.9
Minority Interests	-42.3	-8.6	392.9
Net results (Group share)	1.2	1.1	10.9

- Commercial Property business continues showing a recurrent income giving the company stability and solidity, representing 96% of the total gross margin.
- 49% of total rental revenues is generated in Paris.
- Realia has sold Commercial Property assets for a total of 83.6 million euro, with 45.6 million euro of capital gains.
- Home sales have decreased in 2011 due to the difficulties in obtaining financing from potential buyers.
- However, homebuilding margin has increased in 2001 due to home deliveries in one project in Madrid with higher margin thanks to historical low land price.

- Realia continues with an important cost-cutting effort reducing overheads -21.6% vs. 2010.

	2006	2007	2008	2009	2010	2011
Evolution overheads	27.4	38.7 ¹	32.4	24.0	25.6	20.1

¹ The increase in Overheads reflects the impact of the IPO expenses

	2006	2007	2008	2009	2010	2011
Evolution employees	500 ¹	239	211	177	171	154

¹ The reduction in the number of employees resulting from the sale of the services company TMI in March 2007

- Realia has reinvested provisions for 6.3 million euro, mainly due to 20.4 million euro from the value recovery of certain Paris assets. A new provision of 19.8 million euro has been made due to further value adjustments in the land bank.
- 2011 gross debt average cost stood at 4.29%.
- Minority interests have significantly increased mainly due to the sale of the stake in La Vaguada Shopping Centre (Madrid) through Hermanos Revilla in which Realia has minority partners.
- Net Income amounted to 1.2 million euro vs. 1.1 million euro in 2010.

Consolidated Balance Sheet

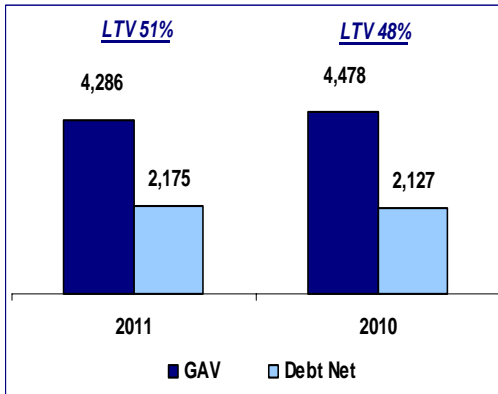
(€mm)	2011	2010		2011	2010
Tangible Fixed assets	9	9	Equity	462	481
Investment Property	2,319	2,358	Minority Shareholders	525	514
Financial Investment	94	96	Financial Debt	2,260	2,357
Inventories	882	923	Current Creditors	64	136
Accounts Receivable	61	53	Other Liabilities	304	313
Treasury and Equivalents	85	230			
Others Assets	165	131			
Total Assets	3,615	3,801	Total Liabilities	3,615	3,801

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

- 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 2011 totalled 3,404 million euro (vs. 3,479 million euro), therefore Realia holds unrealised and unrecognised capital gains after minorities and tax of 586 million euro, which do not appear on the balance sheet

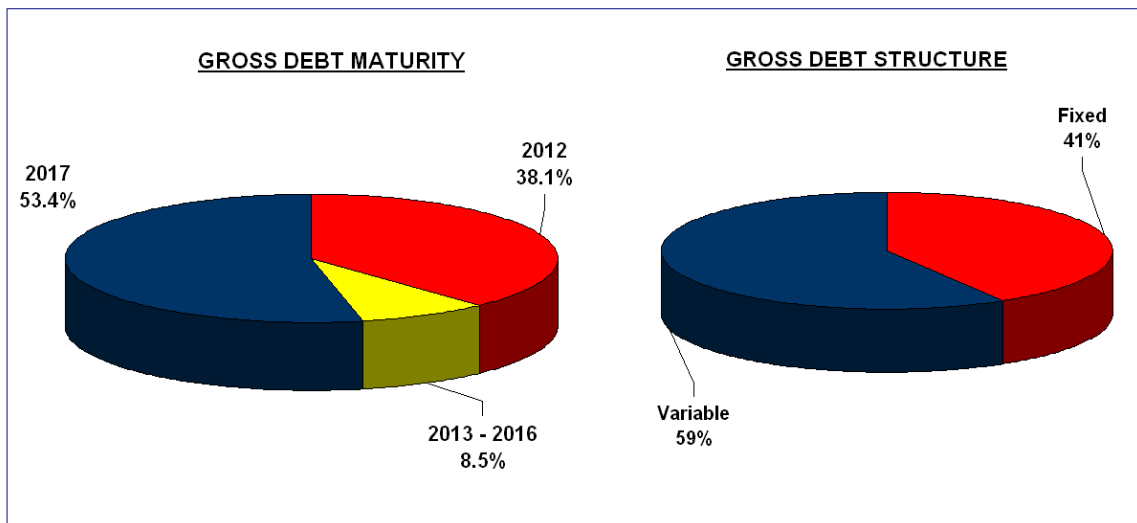
	Book value	GAV (CBRE)	GAV REALIA'S Share	Capital Gains	Capital Gains REALIA'S Share	Capital Gains After Taxes
Assets REALIA Group	3,404	4,286	3,287	882	687	543
- Commercial Property	2,330	2,942	2,045	611	434	366
- Land & Homebuilding	1,073	1,345	1,243	271	253	177

Financial Structure



Financial Structure	2011	2010
Syndicated loan	2,083.7	2,154.8
Credit lines	40.5	49.4
Mortgage loans	124.8	132.4
Loans	10.7	20.6
Total Gross Financial Debt	2,259.8	2,357.1
Treasury	59.1	187.4
Treasury equivalents	25.5	43.0
Total Net Financial Debt	2,175.2	2,126.7

- The loan-to-value (LTV) ratio stands at 51%.
- Realia Patrimonio, the Commercial Property subsidiary of Realia, announced the early repayment of 92.6 million euro of its syndicated loan.
- The repayment will cover syndicated loan’s maturities from 2011-2014.
- The early repayment intends to show Realia Group’s lenders the capacity from Realia to face future maturities.
- Realia has treasury and treasury equivalents for a total of 85 million euro.
- Realia expects to reach a debt restructuring agreement with the pool of banks participating in the near-term debt to convert into long-term debt before the summer.



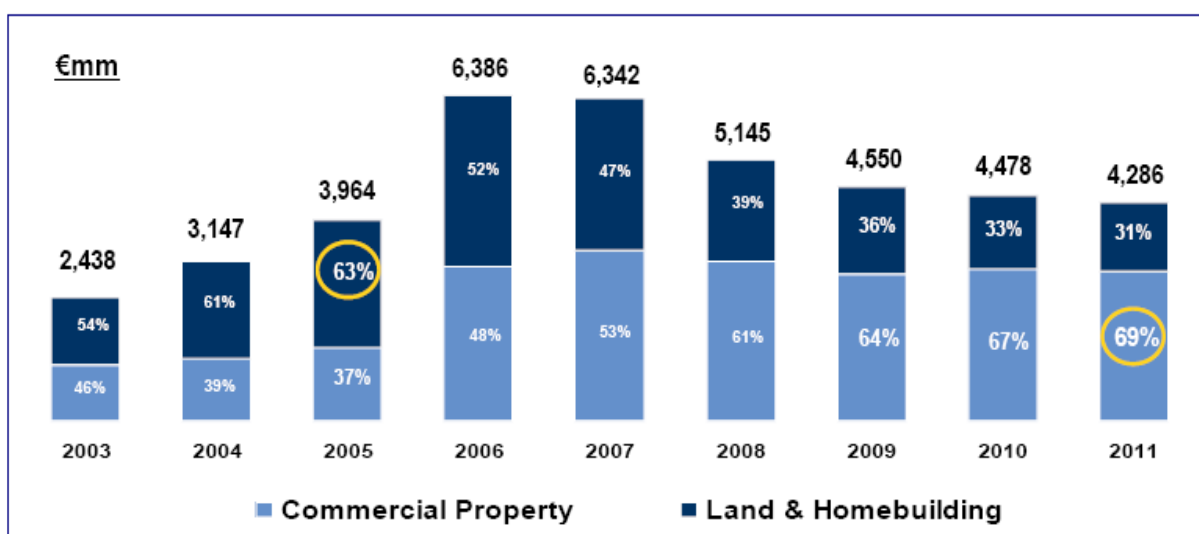
Assets Valuation

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

(€mm)	2011	2010	% Change	% Change LfL
Commercial Property	2,942	3,013	-2.4%	-0.1%
Homebuilding	192	212	-9.4%	-
Land	1,152	1,253	-8.1%	-6.1%
Total Assets Valuation	4,286	4,478	-4.3%	-

- As of December 2011, the total asset valuation (GAV) amounted to 4,286 million euro.
- Commercial Property business represents 69% of the total GAV and residential business 31%.
- 35% of the total GAV (1,510 million euro) is concentrated in Paris office market.
- The market value of the residential portfolio amounted to 1,345 million euro, -8.3% below December 2010, mainly due to value adjustments in the land bank.
- In the period 2007-2011, on a like-for-like asset basis, the market value of the land bank has declined -46,8% to 387 euro per sqm.

Gross Assets Value Evolution (GAV)



Commercial Property Valuation

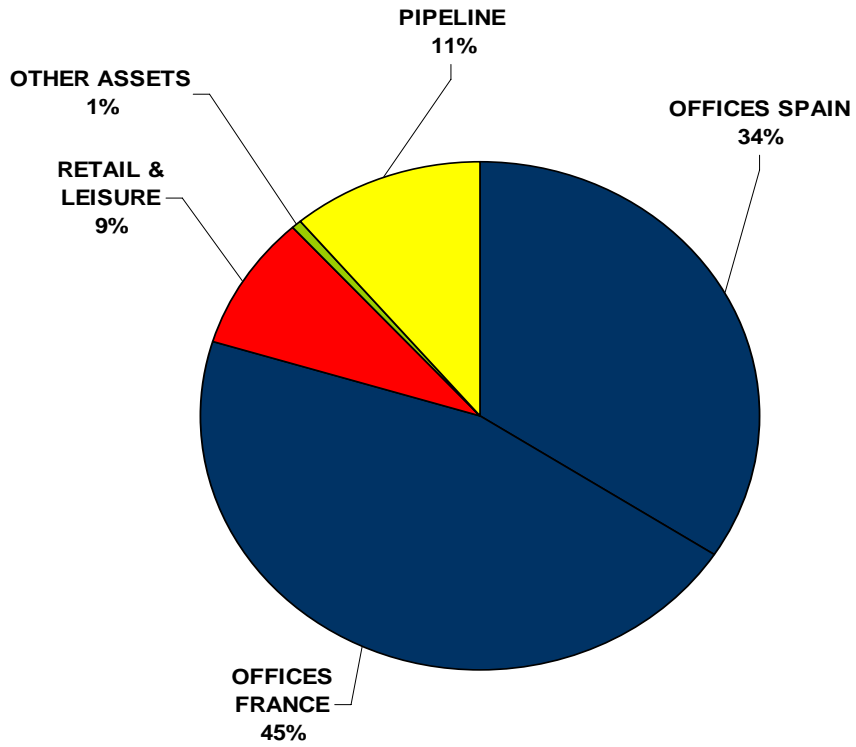
	sqm	GAV 2011	GAV 2010	Change (%)	LfL (%) ¹	Yield 2011 (%) ²	Yield 2010 (%) ²	GAV €/ sqm
Offices	402,998	2,343.2	2,363.5	-0.9	0.1	5.8	5.9	5,814
Spain	241,985	1,007.8	1,007.5	0.0	-2.2	6.1	6.1	4,165
CBD ³	80,999	495.1	505.9	-2.1	-2.1	5.7	5.6	6,112
BD ⁴	61,387	233.8	240.0	-2.6	-2.6	6.2	6.3	3,809
Periphery/Other	99,599	279.0	261.6	6.6	-2.0	6.8	6.8	2,801
France	161,014	1,335.4	1,356.0	-1.5	2.4	5.6	5.8	8,293
CBD ³	62,472	699.5	725.1	-3.5	3.6	5.2	5.3	11,198
BD ⁴	75,914	520.2	518.8	0.3	0.8	6.5	6.5	6,853
Periphery/Other	22,628	115.6	112.1	3.1	-4.0	4.1	5.8	5,109
Retail & Leisure	113,890	255.8	308.5	-17.1	-1.7	7.9	6.9	2,246
Other Assets⁵	36,585	19.9	30.0	-33.7	-1.0	6.3	5.2	543
Pipeline	175,586	322.9	310.8	3.9				1,839
Total	729,060	2,941.7	3,012.8	-2.4	-0.1	6.0	6.0	4,035

¹ Passing rents as of Dec. 2011 (assuming 100% occupancy) divided by property values (CBRE).

² Mainly a warehouse in Logroño (Spain).

- The market value of the commercial property portfolio amounted to 2,941.7 million euro, -2.4% below December 2010.
- On a like-for-like asset basis, the value is in line with comparable assets in December 2010.
- The total asset valuation (GAV) of the French subsidiary of Realia, Siic de Paris, amounted to 1,510 million euro. On a like-for-like asset basis, the value has increased 2.5% vs. comparable assets in December 2010, confirming again the positive performance of the Paris prime office market.
- Current yield (rents as of Dec. 2011 assuming 100% occupancy divided by property values based on market appraisal from CB Richard Ellis) stands at 6.0%.

Commercial Property Valuation
(GAV)



Tour Coface office building (Paris)

Land and Homebuilding Valuation

(€mm)	2011	2010	% Change	LfL (%)
Land Bank	1,152.1	1,253.0	-8.1	-6.1
Started Project	40.0	60.2	-33.6	-
Finish Project	152.5	152.3	0.1	-
Total	1,344.5	1,465.5	-8.3	-

- The market value of the residential portfolio amounted to 1,345 million euro, -8.3% below December 2010, mainly due to value adjustments in the land bank.
- In the period 2007-2011, on a like-for-like asset basis, the market value of the land bank has declined -46,8% to 387 euro per sqm.

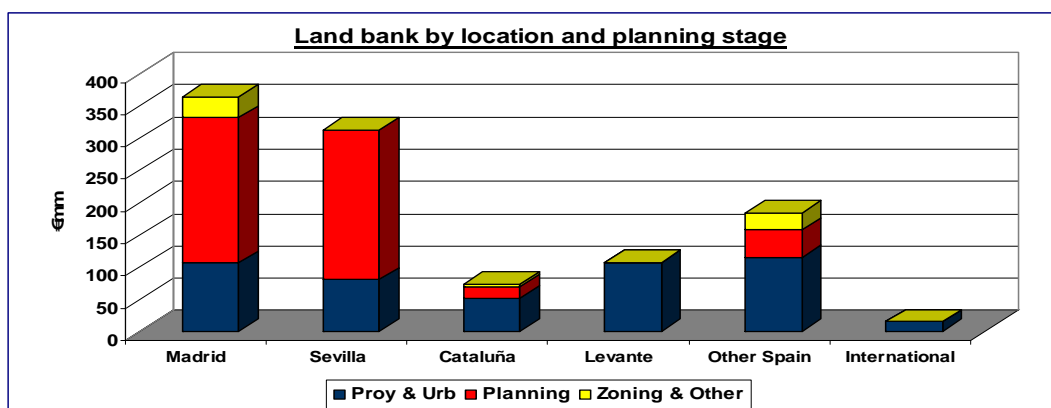
Land Bank Evolution	Dec. 2011			Dec. 2010		
	(000) sqm	GAV(€mm)	€/ sqm	(000) sqm	GAV(€mm)	€/ sqm
Land Bank	3,304	1,192	361	3,353	1,313	392
Land attributed to started project	32	40	1,256	54	60	1,107
Land owned by minorities	547	96	176	547	103	188
Adjusted Land Bank	2,726¹	1,056	387	2,752¹	1,150	418

¹Realia has sold in 2011 two land plots in Madrid & Sevilla, and has started two homebuilding developments in Madrid and Valencia

- With regards to the different stages of development, 45% of the value is in the final phases of development (urbanization and project); 49% is in the planning, and only 6% of the land is in the early stages of development.

Adjusted Land Bank	2011			2010		
	(000) sqm	GAV(€mm)	€/ sqm	(000) sqm	GAV(€mm)	€/ sqm
Project	594	345	581	499	297	596
Urbanization	253	130	513	210	153	726
Planning	1,323	518	392	1,476	632	428
Zoning	555	63	113	555	67	120
Other	-	-	-	11	2	159
Total	2,726	1,056	387	2,752	1,150	418

- According to its geographical distribution, 65% of the building surface is located in Madrid and Sevilla. The rest is spread mainly over Catalonia, Levante and Zaragoza.



Net Assets Value (NNAV)

(€mm)	Property		Residential		TOTAL		
	2011	2010	2011	2010	2011	2010	Var. %
Total GAV	2,942	3,013	1,345	1,466	4,286	4,478	-4.3
Minorities	897	971	102	112	999	1,083	-7.8
GAV Realia	2,045	2,042	1,243	1,353	3,287	3,395	-3.2
Book value of assets	1,610	1,613	990	1,029	2,600	2,643	-1.6
Latent capital gains	434	428	253	324	687	753	-8.7
Tax	68	70	76	97	144	167	-13.6
Latent capital gains after tax	366	359	177	227	543	586	-7.3
Adjustments					8	10	-16.9
Equity					462	481	-4.0
NAV (before tax)					1,157	1,242	-6.9
NNAV (after tax)					1,012	1,077	-6.0
Number of shares (mm)					275.9¹	275.8¹	
NAV (before tax) per share (€)					4.19	4.50	-6.9
NNAV (after tax) per share (€)					3.67	3.91	-6.0

¹Adjusted by treasury stocks

- Net Asset Value after tax (NNAV) amounted to 3.67 euro per share as of December 2011, down -6% vs December 2010 mainly due to value adjustments in the land bank.

GAV (Gross Assets Value)	4,286
- Minorities	-999
- Debt Net (ex-minorities)	-1,914
- Others Assets / Liabilities *	-216
- Taxes on potential capital gains	-144
NNAV (Net Asset Value after tax)	1,012

Net Assets Value Evolution (NNAV)

	2006	2007	2008	2009	2010	2011
NNAV (€mm)	2,426	2,258	1,576	1,195	1,077	1,012
NNAV (€ per share)	8.75	8.31	5.83	4.34	3.91	3.67
31 Dec. Stock price	6.50	6.50	1.55	1.66	1.56	1.09
Discount NNAV	-26%	-22%	-73%	-62%	-60%	-70%

¹2006 stock price is the IPO price (June 2007)

Commercial Property

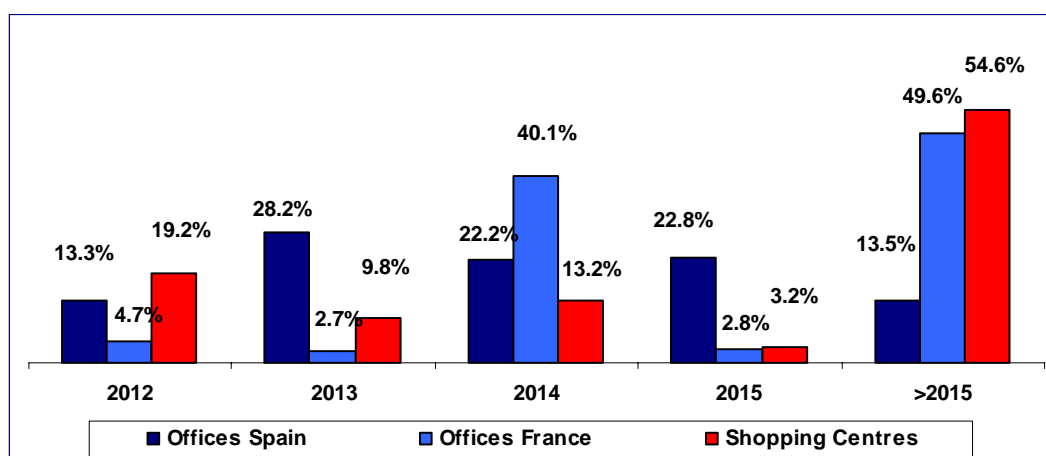
Rental Income (including expenses charged)

(€mm)	2011	2010	% Change	Like for Like (%)	Occupancy (%)	Occupancy ¹ (%)
Offices	149.5	143.3	4.3	-1.9	91.6	92.9
Spain	65.5	72.8	-10.0	-2.1	90.8	93.0
France	84.0	70.5	19.0	-1.7	92.8	92.8
Retails & Leisure	22.2	26.0	-14.8	-7.7	87.9	87.9
Other	1.8	1.6	15.3	5.1	100.0	100.0
Total Revenues	173.4	170.9	1.5	-2.7	91.4	92.3
Gross Margin	132.4	134.9	-1.9			
Margin (%)	76.3	79.0				

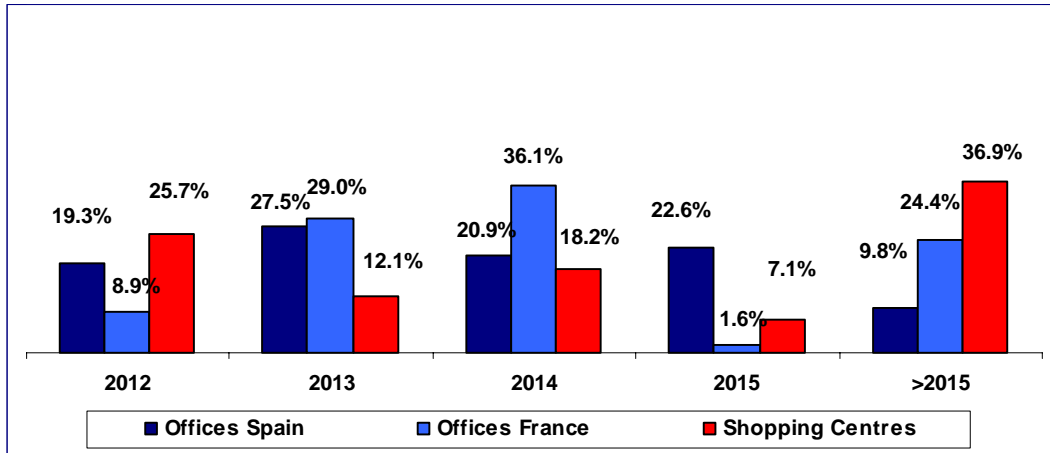
¹ Excluding BCN office tower in Barcelona in commercializing phase (let 76.4%).

- Rental income like-for-like -2.7% in 2011 due to the impact of some downward rent reviews.
- Spanish offices rental income has decreased -10% mainly as a result of the sale in 2010 of Diagonal 640 office building.
- Paris offices rental income has increased +20.5% mainly due to the rentals of new assets (Montrouge and Coface office buildings).
- Retail rental income has decreased -14.8% mainly as a result of the sale in 2Q 2011 of Realia minority interest in La Vaguada Shopping Centre in Madrid.
- Commercial Property business maintains high occupancy 92.3% (ex-BCN Tower) due to the high quality portfolio.
- Realia BCN office Tower in Barcelona (GLA 31,959 sqm) has reached an occupancy of 76.4% with high quality tenants as KPMG, Gallina Blanca, Coffely, GroupM, DAS and Ipsen.

Expiry % of lease contracts



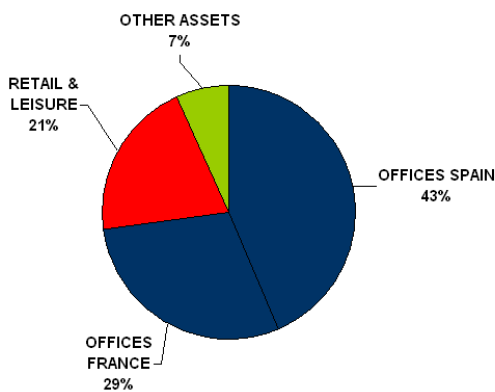
Expiry % of lease contracts including break options



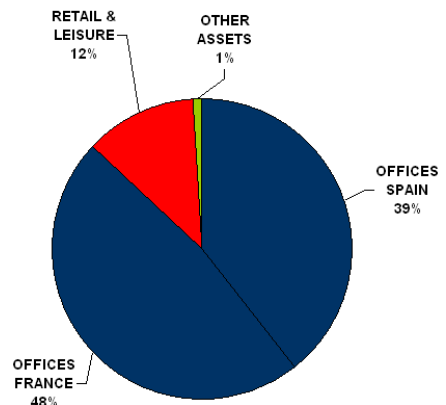
Commercial Property assets

- Office rents account for 87% of the total rental income, increasing the weight in Paris vs. Madrid. 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 2011



Asset Sales

(€mm)	2011	2010
Spain	50.1	144.9
France	33.5	5.2
Total Revenues	83.6	150.1
Spain	41.4	27.9
France	4.2	0.0
Total Gross Margin	45.6	28.0
Margin (%)	54.5	18.6

- Consistent with the policy of asset rotation, Realia has sold assets for a total of 83.6 million euro, with 45.6 million euro of capital gains:
 - Realia has sold, through its branch Hermanos Revilla, its minority interest in La Vaguada Shopping Centre in Madrid for 50 million euro. The sale is 3.5% above the latest CBRE valuation (December 2010) and generates 38.7 million euro of capital gains.
 - Realia sold, through its French subsidiary Siic de Paris, 92 Avenue Wagram office building in Paris for 22 million euro. The sale is 10.5% above the latest CBRE valuation (December 2010) and generates 0.7 million euro of capital gains.
 - Realia has sold, through the French subsidiary Siic de Paris 8ème, Waldorf hotel in 12 boulevard Malesherbes in Paris for 9 million euro. The sale is 0.5% above the latest CBRE valuation (December 2010) and generates 3.5 million euro of capital gains.

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

Pipeline

- In the period 2012-2013 Realia intends to carry out some investments which will provide a bigger Commercial Property portfolio and additional rental growth:

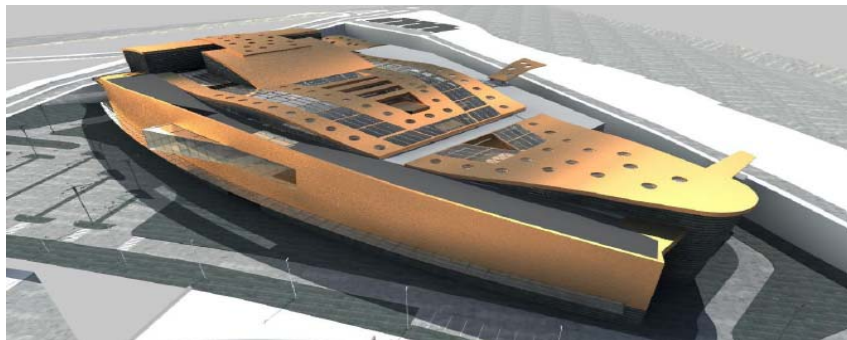
Pipeline	Location	GLA	Total investment	Incurred investment	Annual rent expected	Yield to cost	Opening
As Cancelas ¹	Santiago	25,172	106.0	83.5	6.4	6.0%	2012
Total Retail		25,172	106.0	83.5	6.4		
163 Malesherbes ²	Paris	1,359	3.8	0.2	0.9	6.7%	2012
8 Rue Lavoisier ²	Paris	2,860	1.7	0.0	1.8	5.4%	2012
Les Miroirs ²	Paris	22,386	40.0	3.7	9.7	5.8%	2013
Total Offices		26,605	45.5	3.8	12.4		
Total Pipeline		51,777	151.5	87.4	18.8		

¹ Only Realia's share (50% Shopping Centre + commercial land).

² Under refurbishment.

- The refurbishment of Albasanz 14 office building in Madrid with a total GLA of 9,083 sqm has finished in 4Q 2011. The current occupancy is 47%

- Realia and Carrefour Property have created a 50% Joint Venture to develop and operate As Cancelas Shopping Centre in Santiago de Compostela, with a total GLA of 50,812 sqm. The Project is 79.3% pre-let to prestigious tenants as Carrefour, Primark, Inditex and Cinesa. The opening is estimated for the 4Q 2012.



As Cancelas Shopping Centre in Santiago de Compostela

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



Les Miroirs office building in La Defense (Paris)

Land and Homebuilding

(€mm)	2011	2010	% Change
Revenues			
Homebuilding	52.9	103.4	-48.9
Land sales	5.4	9.1	-40.6
Total Revenues	58.3	112.5	-48.2
Gross Margin			
Homebuilding	7.8	6.9	13.8
Land sales	0.0	3.6	-98.9
Total Gross Margin	7.9	10.5	-25.1
Margin Homebuilding(%)	14.8	6.6	

- Home sales have decreased in 2011 due to the difficulties in obtaining financing from potential buyers.
- However, homebuilding margin has increased in 2011 due to 107 home deliveries in Fuenlabrada (Madrid) with higher margin thanks to historical low land price.
- Realia has delivered 274 homes in 2011 for a total amount of 52.9 million euro:

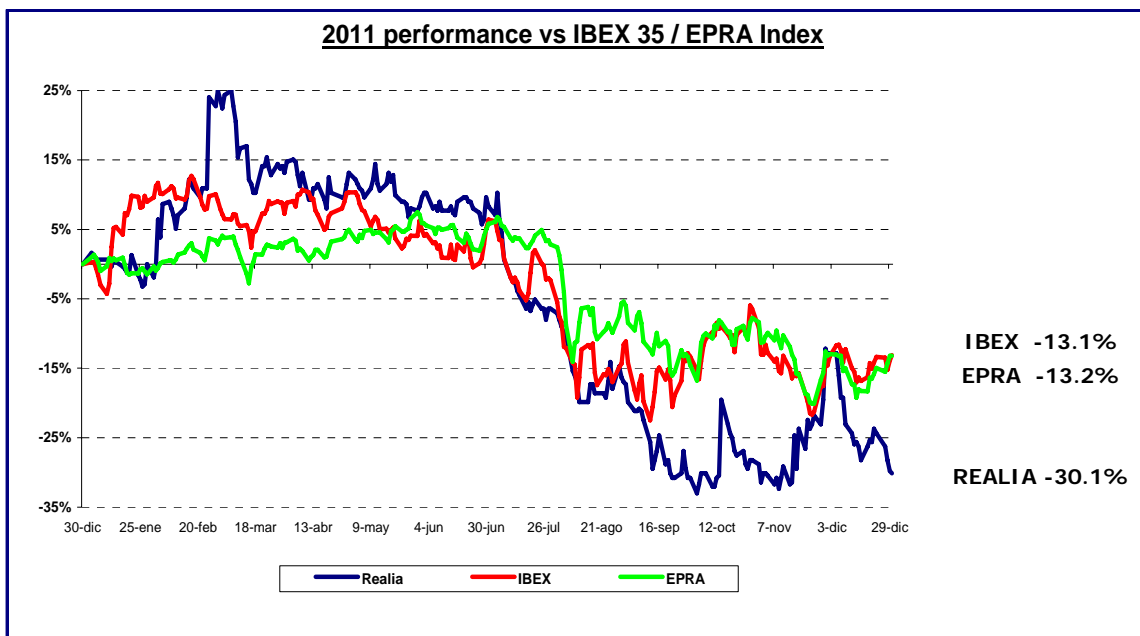
Deliveries	Nº Units Homes	Revenues €mm
Madrid / Centro	146	30.4
Levante	39	8.3
Cataluña	33	6.1
Andalucía	21	3.4
Canarias	18	2.1
Polonia	13	1.9
Asturias	3	0.4
Portugal	1	0.3
Total	274	52.9

- Pre-sales amounted to 206 homes in 2011 for a total amount of 39.1 million euro:

Pre sales evolution	2011	2010
(+) Pre-sales		
Number of units	206	471
Total value of contracts (€mm)	39.1	102.7
(-) Deliveries		
Number of homes	274	447
Total value of contracts (€mm)	52.9	103.4
Pre-sales backlog at EoP		
Number of units	96	220
Total value of contracts (€mm)	20.2	46.6

- Realia has a total stock of 1,084 homes (286 under construction and 798 finished) of which 96 had already been pre-sold and 988 for sale (331 in Madrid and central area, 262 in Andalusia, 180 in Levante, 140 in Catalonia, 51 in Warsaw (Poland), 23 in Portugal, and 1 in Canary Islands).

Stock Data



	2011
Closing Stock Price (€ per share)	1.09
Market cap. EoP (€)	302,340,191
High of the period (€ per share)	1,95
Low of the period (€ per share)	1,05
Daily Trading Volume (€)	179,741
Daily Trading Volume (shares)	115,714

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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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