SAINT CROIX
HOLDING IMMOBILIER, S.A.

Consolidated Management Report

For the first quarter 2013

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The Directors have pleasure in presenting their report, which constitutes the management report ("Management Report") as defined by Luxembourg Law, together with the quarterly financial report as of March 31, 2013 (for the first quarter 2013).

1. Activity and highlights of the Company (consolidated figures – First Quarter 2013)

The Company activity includes the holding of equity interests in Luxembourg and/or foreign companies and mainly in Spanish Real Estate Investments Companies ("Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario" (hereinafter referred under the Spanish acronym "SOCIMI") or in other Companies, whether resident or not in Spain, which have a corporate purpose similar to those of Spanish SOCIMIs and which are subject to earnings distribution requirements that are similar to that established by legal or statutory policy for Spanish SOCIMIs. As at 31 March 2013, the Company owns 100% of two SOCIMIs incorporated under Spanish law, COMPAÑÍA IBÉRICA DE BIENES RAÍCES 2009, SOCIMI, S.A.U. (hereinafter "CIBRA") and COMPAÑÍA IBÉRICA DE RENTAS URBANAS 2009, SOCIMI, S.A.U. (hereinafter "CIRU"), being hereinafter collectively referred to as the Subsidiaries (together with the Company referred to as "the Group").

Given the corporate purpose of the Company, holding of shares, the company is the result of the consolidation of two investments in Spanish companies ("The Subsidiaries"), whose main purposes are the acquisition and/or construction of real-estate assets for lease.

2. Explanation of the consolidated figures as at 31 March 2013

Below are shown the consolidated salient figures of the Company as at March 31, 2013 in comparison to 31 March 2012:

Balance Sheet (salient figures in Euro)	1Q 2012	1Q 2013	+ / -
Investment property (net)	214.778.647	233.510.260	18.731.613
Investments in Group companies and associates	60.997.807	30.801.577	-30.196.230
Net equity	264.157.532	261.901.703	-2.255.829

Profit and Loss Account (salient figures in Euro)	1Q 2012	1Q 2013	+ / -
Revenues	3.007.229	3.209.066	201.837
Gross margin	2.795.456	2.851.818	56.362
% / revenues	*92,96%*	*88,87%*	
EBITDA	**2.568.156**	**2.362.296**	**-205.860**
% / revenues	*85,40%*	*73,61%*	
Depreciation & amortisation (net)	-1.186.363	-1.069.691	116.672
Financial result	305.604	509.702	204.098
EBT	**1.687.398**	**1.802.308**	**114.910**
% / revenues	*56,11%*	*56,16%*	
Income tax	-227.712	-3.273	224.440
Net Result	**1.459.686**	**1.799.036**	**339.350**
% / revenues	*48,54%*	*56,06%*	

- At the closing date of 31 March 2013, the net balance of consolidated investment properties amounts up to EUR 233.51 million in comparison to EUR 214.78 million as at 31 March 2012. It means an increase of EUR 18.73 million (8.72%) between years mainly due to the amortization of assets (EUR 3.46 million), impairment losses (EUR 14.20 million) between periods and new investments carried out during this period of 12 months (EUR 36.79 million, 34.79 in 2, 3 and 4Q of 2012 and 2.00 million in 1Q 2013). During the first quarter of 2013 new investments have been made with regards to work reforms in certain hotels for a total amount of EUR 2.00 million. It is expected that these work reforms are finished before 30 June 2013. The amortization expense has amounted EUR 1.07 million (three months).
- The Subsidiaries generates cash as result of its rental real estate activity. The amount of excess of cash is borrowed to Group companies at market conditions. The decrease in cash (12 months) amounts up to EUR 30.20 million mainly due to the investments made by one the Group during the last quarter of 2012 (EUR 34.79 million) and the work reforms performed during the first quarter of 2013 (EUR 2.00 million). The net balance of loans to Group as at 31 March 2013 amounts up to EUR 30.80 million split by:
    - CIBRA: payable to Group: EUR 10.60 million
    - CIRU: receivable from Group: EUR 41.40 million
- Revenues for the first quarter of 2013 amounts to EUR 3.21 million. In comparison to the prior year first quarter, total revenues increased by around EUR 0.20 million with no relevant impact in the final net results of the subsidiaries. It means that the behavior of the lease existing contracts is developing properly and fulfilling its commitments by tenants.
- During the first quarter of 2013, the gross margin of the Subsidiary amounts up to EUR 2.85 million. It means a slight decrease of EUR 0.05 million in comparison to the first

quarter of 2012 (EUR 2.80 million). In terms of percentage on revenues, it finally implies that the gross margin for the first quarter of 2013 (88.87% of the revenues) is slightly lower than the prior year one 92.96%.

- At the end of the first quarter of 2013, EBITDA amounts EUR 2.36 million (73.61% on revenues). In terms of amount, it is lower in comparison to the first quarter of 2012 (EUR 2.57 million) and in percentage on revenues (73.61% in 2013 versus 85.40% in 2012)
- As result of the above explanations, the Group obtained during the first quarter 2013 a Net Profit after taxes of EUR 1.80 million in comparison to EUR 1.46 million in the first quarter 2012. It means 56.06% in 2013 in comparison to 48.54% in 2012. Besides the slight reduction of gross margin and EBITDA explained above, the improvement in the Consolidated Net Results is due to:
    - New tax frame in the Subsidiaries: Tax rate 0% in 2013 versus 19% in 2012
    - Lower depreciation cost by EUR 0.12 million
    - Increase of financial income by EUR 0.20 million. It includes an extra financial income of EUR 0.32 million coming from the cancellation in advance of one of the bank loans of CIRU with Liberbank (former Caja Extremadura)

The detail of revenues and net book value of the Real Estate Assets as at March 31, 2013 is as follows (first quarter of 2012 and 2013):

	1Q 2012			1Q 2013		
	Revenues	%	Net Book Value	Revenues	%	Net Book Value
Barceló Isla Canela Hotel	482.625	16,05%	21.653.781	496.621	15,48%	21.317.593
Meliá Atlántico Hotel (former RIU)	-306.885	-10,20%	30.170.546	-	-	29.404.312
Iberostar Isla Canela Hotel	513.014	17,06%	21.387.707	322.500	10,05%	21.959.111
Tryp Cibeles Hotel	283.163	9,42%	19.879.964	288.543	8,99%	19.547.113
Tryp Atocha Hotel	434.622	14,45%	29.128.201	347.698	10,83%	23.841.803
Playa Canela Hotel	-	-	13.985.492	-	-	13.838.951
Isla Canela Golf Hotel	102.859	3,42%	3.817.551	-	-	3.543.841
Hotels	**1.509.398**	**50,19%**	**140.023.242**	**1.455.362**	**45,35%**	**133.452.724**
Pradillo 42	363.675	12,09%	16.368.507	373.019	11,62%	16.500.696
Gran Vía 1-2° Right	12.176	0,40%	2.036.279	27.815	0,87%	1.448.845
Gran Vía 1-1° Right	13.131	0,44%	2.566.647	25.595	0,80%	1.865.770
Gran Vía 1-2° Left	10.892	0,36%	2.372.997	23.482	0,73%	1.725.000
Sanchinarro V	-	-	-	-	-	642.968
Sanchinarro VI	-	-	-	1.020	0,03%	10.367.897
Sanchinarro VII	-	-	-	750	0,02%	7.991.978
Vallecas Comercial I	-	-	-	1.800	0,06%	3.897.045
Coslada III	-	-		-	-	6.716.932
Offices	**399.874**	**13,30%**	**23.344.430**	**453.481**	**14,13%**	**51.157.131**
Marina Isla Canela Shop. Center	45.267	1,51%	3.729.737	11.869	0,37%	2.600.905
Gran Vía 1-1° Left	16.480	0,55%	2.445.906	25.500	0,79%	1.774.667
Vallecas Comercial II	-	-	-	41.400	1,29%	3.651.910
Caleruega	24.000	0,80%	976.059	25.200	0,79%	973.638
Rutilo	20.224	0,67%	1.204.247	20.224	0,63%	1.040.786
Pza. España	218.182	7,26%	14.750.666	332.863	10,37%	11.031.336
Dulcinea 4	28.248	0,94%	1.288.024	28.665	0,89%	1.352.881
Albalá 7	55.760	1,85%	2.529.975	57.098	1,78%	2.602.813
Gran Vía 34	621.415	20,66%	20.773.430	631.507	19,68%	20.436.767
San Antón 25 and 27	68.381	2,27%	3.712.931	69.910	2,18%	3.434.702
Commercial premises	**1.097.957**	**36,51%**	**51.410.975**	**1.244.236**	**38,77%**	**48.900.405**
Other revenues (services)	-	-		55.987	1,74%	
Total Revenues (rents)	**3.007.229**	**100,00%**	**214.778.647**	**3.209.066**	**100,00%**	**233.510.260**

3. Earnings per share as at March 31, 2013

The detail of the earning per share is as follows:

FIRST QUARTER 2013	31/03/2013	31/03/2012
Net profit attributable to shareholders	1.799.035	1.459.686
Weighted average number of ordinary shares in issue	4.452.197	4.452.197
Basic earnings per share for the 1Q 2013	**0,39**	**0,33**

4. Properties

At 31 March 2013, the Company owns the following Real Estate Assets:

- **Hotels:** (118,457 square meters representing 72% of the total available surface for rent with a 100% of occupancy rate. These assets generates 44% of total revenues)

The Company is the owner of 5 hotels currently held to earn rentals located in Isla Canela Tourist Resort:

- Hotel Isla Canela Golf: a four star hotel located on a golf course with 58 rooms (116 beds). After the early cancellation of the lease agreement entered into with Vincci Hoteles, S.A. (which took place in 2011) due to non-payment by the latter, which gave rise to the cancellation and to the execution of the bank guarantee for payment of the rent, the Subsidiary has decided to sign a lease agreement with a related party (associated), Isla Canela, S.A., by which this company is currently operating the hotel under a lease contract. The lease was arranged on 31 December 2012 with the related company Isla Canela, S.A., to commence activities on or after 14 January 2013. The term of the lease was extended until 31 December 2014. However, once the initial term has expired, the lease may be extended by three-year periods, provided that an agreement has been reached previously by the parties. The lease provides for annual CPI-linked increases.
- Hotel Barceló Isla Canela: a four star hotel located on the sea front with 350 rooms (700 beds) and held to earn rentals from Barceló Arrendamientos Hoteleros, S.L. The lease commenced on 1 March 2006, expires on 31 December 2022, and is renewable at the discretion of the parties. Also, the parties may terminate the agreement without incurring any penalties in 2017. In relation to future rental income, the agreement provides for annual CPI-linked increases.
- Hotel Iberostar Isla Canela: a four star hotel located on the sea front with 300 rooms (600 beds) and held to earn rentals from Hispano Alemana de Management Hotelero, S.A. the lease commenced on 1 December 2007 and was renewed in 2012. It expires on 31 October 2022 and is renewable at the discretion of the parties. The lease provides for annual CPI-linked increases.
- Hotel Playa Canela: a four star hotel located on the sea front with 202 rooms (404 beds) and held to earn rentals from Grupo Hoteles Playa, S.A. The lease commenced on 15

July 2002, expires on 31 October 2022, and is renewable at the discretion of the parties. The lease provides for annual CPI-linked increases.

- Hotel Meliá Atlántico: a four-star hotel located on the sea front with 359 rooms (718 beds) and operated until 31 October 2012 by RIUSA II, S.A. under lease, and from April 2013 by Meliá Hotels International, S.A., according to the lease arrangement signed in May 2012. The lease will commence in April 2013 for a term of ten years and the parties may terminate it in 2017 without incurring any penalties, provided that certain conditions are met. The lease provides for annual CPI-linked increases.

In addition, the Company is also the owner of 2 hotels located in Madrid:

- Hotel Tryp Cibeles (Hotel Sol Meliá): four-star hotel located at Mesonero Romanos, 13 (Gran Vía- Madrid), with 132 rooms. Operated by Sol Meliá. The lease commenced on 10 February 1998 and expired on 10 February 2008. It was subsequently extended until 15 March 2020, renewable at the discretion of the parties. The lease provides for annual CPI-linked increases.
- Hotel Tryp Atocha: four-star hotel located at Atocha, with 150 rooms and operated by Sol Meliá. The lease commenced on 4 June 1999 and expired on 4 June 2009, and was subsequently extended until 24 March 2022, renewable at the discretion of the parties. The lease provides for annual CPI-linked increases.

- **Offices:** (24,488 square meters representing 15% of the total available surface for rent with a 36% of occupancy rate. These assets generates 15% of total revenues)

It also owns other rental offices, namely:

- Premises at Pradillo: five premises for office use. The lease commenced on 27 February 2009 and expires on 27 February 2019, renewable at the discretion of the parties. The lease provides for annual CPI-linked increases.
- 46 offices and parking spaces located in the 6, 8, 10 and 12 Manuel Pombo Angulo Street, Madrid (Sanchinarro VI)
- 36 offices and parking spaces located in the 20, 22 and 24 Manuel Pombo Angulo Street, Madrid (Sanchinarro VII)
- 33 offices and parking spaces located in the 85 of Constitución Ave., Coslada (Madrid) (Coslada III)
- 31 offices and parking spaces located in the 2 and 4 Tineo Street, Madrid (Vallecas Comercial I) operated under lease to various lessees
- Premises at Gran Vía, 1: three premises for office use. Current tenants are G2 WORLDWIDE, S.A. (2 offices) and ARKADIN SPAIN SERVICIOS DE TELECONFERENCIA, S.L. (1 office)
- Three offices and parking spaces located in the 14, 16 and 18 Manuel Pombo Angulo Street, Madrid (Sanchinarro V)

- **Commercial:** (21,666 square meters representing 13% of the total available surface for rent with a 60% of occupancy rate. These assets generates 40% of total revenues)
  - Premises at Gran Vía, 34: two commercial premises in c/Gran Vía. Operated by Inditex (Zara). The lease commenced on 24 April 2000 and expires on 3 May 2025. It is renewable at the discretion of the parties and can be terminated in 2020. The lease provides for annual CPI-linked increases.
  - Premises at Plaza España (Castellón) operated by Inditex (Zara). The lease commenced on 1 July 2007 and expires on 18 November 2023, renewable at the discretion of the parties. The lease provides for annual CPI-linked increases.
  - Premises at San Antón (Cáceres): two commercial premises and eight premises for residential use. The commercial premises are operated by PUNTO ROMA. The lease commenced on 15 July 2005 and expires on 15 December 2035, renewable at the discretion of the parties. The lease provides for annual CPI-linked increases.
  - Three commercial premises and 48 parking spaces located in the 1 and 3 Valderebollo Street, Madrid (Vallecas Comercial II) operated under lease to Inversión y Gestión Acebo 2000, S.L.
  - Marina Isla Canela Shopping Centre: operated under lease by various lessees
  - Premises at Albalá: premises for commercial use. Operated under lease by CAPRABO, S.A. The lease commenced on 31 July 2002 and expires on 31 July 2027. The lessee may terminate the lease in 2016 provided that twelve months' notice is given. The lease provides for annual CPI-linked increases.
  - Property for commercial use on the 1 Gran Vía Street, Madrid. The current tenant is GULA GULA MADRID, S.L.
  - Premises at Dulcinea: basement for commercial use. Operated under lease by JAVISA SPORT, S.L. The lease commenced on 17 February 2003 and expires on 17 February 2018, renewable at the discretion of the parties. The lease provides for annual CPI-linked increases.
  - Five commercial premises located on the 66 Caleruega Street, Madrid. The current tenant is Begope Restauración, S.L.
  - Premises at Rutilo: five premises for commercial use (ground floor)

According to the valuations carried out at the closing date of 2012 in accordance with the Appraisal and Valuation Standards issued by the Royal Institute of Chartered Surveyors (RICS) of the United Kingdom, the appraisal value of the assets associated to the Subsidiaries´ activity is EUR 263.87 million, which represents unrecognized unrealized gains of EUR 30.36 million (12% potential increase in net equity) calculated as the difference between the appraisal value at the closing date and the book value at 31 March 2013.

5. Investments and disposals during the first quarter of 2013

New investments: New investments have been carried out during 2013 with regards to repairing works in real estate assets that enlarge the useful life of the mentioned assets, mainly in hotels owned by CIBRA (Meliá and Iberostar Hotels). The amount already incurred during the first quarter of 2013 amounts up to EUR 2.00 million. These works will finish during the second quarter of 2013.

Disposals: During the first quarter of 2013, CIBRA has sold two offices, one in Sanchinarro VI and one in Sanchinarro VII for a total amount of EUR 0.42 million with no relevant effect in the results of the Company.

6. Bank borrowings

At 31 March 2013, only one of the Subsidiaries, CIRU, has bank borrowings relating to loans arranged with CaixaBank for the amount of EUR 8.42 million. The purpose of this loan is to finance the investment of the premises located in Castellón, which were acquired in 2011.

In addition, as at 31 December 2012, CIRU had a loan from Liberbank (former Caja Extremadura) related to a mortgage on the property located at San Antón, in Cáceres. On 8 February 8 2013, the mentioned mortgage loan amounting EUR 1,769,030.42 (capital + interest) has been canceled in advance for an amount of EUR 1,450,604.94. The positive effect in the profit and loss account of CIRU has amounted EUR 318,425.48 (financial and extraordinary income). The detail of the operation is as follows:

	Nominal Amount	Efective amount (after 18% discount)	Positive Effect
Capital	1,767,079.27	1,449,005.00	318,074.27
Interest	1,951.15	1,599.94	351.21
Total	**1,769,030.42**	**1,450,604.94**	**318,425.48**

7. Acquisition of treasury shares

At 31 March 2013, the Company did not hold any treasury shares. No transactions involving treasury shares were performed during the first quarter of 2013.

8. Events after the reporting period (until publication of this results)

There are no relevant events to point out except for the signature (16 May 2013) of a credit line between CaixaBank and CIBRA for the amount of EUR 7.00 million (expiration date on May 2014) for the financing of the accounts receivable from public authority (VAT).

9. Dividends

Pursuant to Article 9.2 of Real Estate Investment Trusts Law 11/2009, of 26 October, tax self-assessments are performed on the basis of the proportion of taxable profit for the tax period that corresponds to dividends distributed out of profit for the year. During the first quarter of 2013, the Company has not obtained dividends from the Subsidiaries.

In addition, only one of the Subsidiaries (CIBRA) obtained a positive Net Result at the end of 2012 (EUR 199,922). According to the local regulatory requirements, a net amount of EUR 156.295 will be distributed to the Company in 2013 as dividends. It is expected to be received before the end of June or in July 2013 at the latest.

By order of the Board of Directors

Marco Colomer Barrigón
Director

Ismael Dian
Director