Consolidated Management Report

For the First quarter 2014

31 March 2014

9b, Boulevard Prince Henri

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R.C.S. Luxembourg: B 165 103

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for the first quarter 2014

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 September 30, 2013 (for the third quarter 2013). The Directors have elected to prepare a single Management Report covering both the Company and the Group.

1. Activity and highlights of the Company

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. After the merger process carried out in June 2013, nowadays, the Company owns 100% of one SOCIMI incorporated under Spanish law, COMPAÑÍA IBÉRICA DE BIENES RAÍCES 2009, SOCIMI, S.A.U. (hereinafter "CIBRA"), being hereinafter referred to as the Subsidiary (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 one investment in a Spanish company ("The Subsidiary"), whose main purpose is the acquisition and/or construction of real-estate assets for lease.

On 14 February 2014, the Board of Directors agreed to recommend to the shareholders of the Company during an Extraordinary General Meeting planned on 20 March 2014 to proceed to the transfer of the registered seat of the Company from Luxembourg to Spain and to proceed to the change of nationality of the Company without dissolution or preliminary liquidation of the Company which will continue to exist under the Spanish nationality and will continue as a "sociedad anonima" under the Spanish law, under the special tax regime of the SOCIMI´s (SOCIEDADES ANÓNIMAS COTIZADAS DE INVERSIÓN EN EL MERCADO INMOBILIARIO). At this respect, the Company will be regulated by the Spanish Real Estate Investment Trusts Law 11/2009, of 26 October and its amendment Spanish Law 16/2012 approved on 27 December 2012. It is also recommended that the 4.452.197 shares of the company will continue being listed in the Luxembourg Stock Exchange as it is now. The Board of Directors note that once the Transfer being effective, the registered seat of the Company will be transferred from 9B, boulevard Prince Henri, L-1724 Luxembourg in Luxembourg to Glorieta de Cuatro Caminos 6 and 7, 4th floor, 28020, Madrid in Spain.

On 18 March 2014, the Board of Directors unanimously resolves to acknowledge the lack of quorum for the Extraordinary General Meeting planned on 20 March 2014 (the required quorum of 100% of shareholders is not expected to be met) and, as result, the Board of Directors unanimously resolves to cancel the mentioned Extraordinary General Meeting. (See Note 10)

2. Subsidiaries´ Corporate Purpose

The bylaws of the Subsidiary, (wholly owned by the Company), fully comply with the Spanish law 11/2009 of 26 October 2009, on "Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario" (Real Estate Investment Trusts, or its Spanish acronym, SOCIMI)". The **Subsidiaries´ Corporate Purpose** is as follows:

- The acquisition and development of urban properties earmarked for lease. Development activities include the refurbishment of buildings under the terms and conditions established in VAT Law 37/1992, of 28 December.
- The ownership of interests in the share capital of other real estate investment trusts ("REITs" or "SOCIMI") or other companies not resident in Spain with a company object identical to that of the former, which are subject to a regime similar to that established for the REITs in relation to the obligatory profit distribution policy stipulated by law or the bylaws.
- The ownership of interests in the share capital of other companies, resident or not in Spain, the principal company purpose of which is the acquisition of urban properties earmarked for lease, which are subject to the regime established for REITs in relation to the obligatory profit distribution policy stipulated by law or the bylaws and meet the investment and borrowing requirements referred to in Articles 3 and 7 of Law 11/2009, of 26 October.
- The ownership of shares or investments in property collective investment undertakings governed by Collective Investment Undertakings Law 35/2003, of 4 November.
- The performance of other ancillary financial and non-financial activities that generate rental income, which as a whole represent at least 20% of the Company's rental income in each tax period.

The aforementioned business activities may also be fully or partially carried on indirectly by the Subsidiaries through investments in other companies with a similar object. All activities required by law to meet special requirements that are not met by the Company are excluded.

In view of the business activities currently carried on by the Subsidiaries, it does not have any environmental liability, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position or results. Therefore, no specific disclosures relating to environmental issues are included in these notes to the financial statements.

3. Subsidiaries´ Special Regulation

The Subsidiaries are regulated by **Real Estate Investment Trusts Law 11/2009, of 26 October.** Article 3 of Law 11/2009, of 26 October establishes the investment requirements of this type of company:

1. REITs must have invested at least 80% of the value of their assets in urban properties earmarked for lease, in land to develop properties to be earmarked for that purpose, provided that development begins within three years following its acquisition, and in equity investments in other companies referred to in Article 2.1 of Law 11/2009, of 26 October. The value of the asset is calculated based on the average of the quarterly individual balance sheets of the year. To calculate this value, the Company may opt to substitute the carrying amount for the fair value of the items contained in these balance sheets, which will apply to all the balance sheets of the year. The money or collection rights arising from the transfer of the aforementioned properties or investments made in the year or in prior years will not be included in the calculation, as appropriate, provided that, in the latter case, the reinvestment period referred to in Article 6 of Law 11/2009, of 26 October has not expired.
2. Also, at least 80% of the rental income from the tax period corresponding to each year, excluding the rental income deriving from the transfer of the ownership interests and the properties used by the company to achieve its principal object, once the retention period referred to below has elapsed, should be obtained from the lease of properties and dividends or shares of profits arising from the aforementioned investments. This percentage must be calculated on the basis of the consolidated profit if the company is the parent of a group, in accordance with the criteria established in Article 42 of the Spanish Commercial Code, regardless of its place of residence and of the obligation to formally prepare consolidated financial statements. This group must be composed exclusively of REITs and the other companies referred to in Article 2.1 of Law 11/2009, of 26 October.
3. The properties included in the company's assets should remain leased for at least three years. For properties developed by the company, the term will be seven years. The time during which the properties have been made available for lease will be included in calculating this term, with a maximum of one year. The term will be calculated:
    a. For properties included in the company's assets before the company avails itself of the regime, from the beginning of the first tax period in which the special tax regime established in Law 11/2009, of 26 October applies, provided that at that date, the asset is leased or made available for lease; otherwise b) shall apply.
    b. For properties developed or acquired subsequently by the company, from the date on which they were leased or made available for lease for the first time.
    c. In the case of shares or ownership interests in the companies referred to in Article 2.1 of Law 11/2009 of 26 October, they should be retained on the asset side of the company's balance sheet for at least three years following their acquisition or, as appropriate, from the beginning of the first tax period in which the special tax regime established in Law 11/2009, of 26 October applies.

4. In order to ensure adequate diversification of the property investments, the companies' assets must include at least three properties, none of which may represent more than 40% of the company's assets at the date of acquisition. This calculation will be performed on the consolidated balance sheet of the group referred to in Article 2.1 and the company may opt to substitute the carrying amount of the items included in the aforementioned balance sheet with their market value.

As established by Transitional Provision 1 of Real Estate Investment Trusts Law 11/2009, of 26 October, the company may opt to apply the special tax regime under the terms and conditions established in Article 8 of Law 11/2009, even though it does not meet the requirements established therein, provided that such requirements are met within two years after the date of the option to apply that regime.

Non-compliance of this condition implies that the Company will file income tax returns under the general tax regime from the tax period in which the aforementioned condition is not met. The Company will also be obliged to pay, together with the amount relating to the aforementioned tax period, the difference between the amount of tax payable under the general tax regime and the amount paid under the special tax regime in the previous tax periods, including any applicable late-payment interest, surcharges and penalties.

Subsequent regulatory update: Notwithstanding the foregoing, Law 16/2012 was approved on 27 December 2012, whereby various tax measures were adopted aimed at consolidating public finances and promoting economic activities, by introducing certain amendments to the tax and legal regimes of Real Estate Investment Trusts (SOCIMI) and also to investment and other requirements. The most noteworthy amendments to the aforementioned Law, which came into force on 1 January 2013, are as follows:

1. Flexibility of entry and of property-holding criteria: there is no minimum to the number of properties that must be contributed in the incorporation of a REIT, except in the case of housing units, where a minimum contribution of eight is required. Properties must remain on the Company's balance sheet for a minimum period of 3 years, instead of the seven-year period required previously.
2. Lower capital requirements and unrestricted leverage threshold: the minimum capital required has been reduced from EUR 15 million to EUR 5 million, eliminating the restriction on the maximum debt limit of the property investment vehicle.
3. Decrease in distribution of dividends: before this Law came into force, the obligatory distribution of profit was 90%, and this obligation was reduced to 80% from 1 January 2013.
4. A 0% corporate income tax rate was established for REITs. However, when the dividends paid by the REIT to its shareholders with an ownership interest of more than 5% are exempt or taxed at a rate below 10%, the REIT will be subject to a

special charge of 19%, which shall be treated as corporate income tax on the amount of the dividend paid to the shareholders. If it applies, this special charge must be paid by the REIT within two months after the dividend payment date.

4. Explanation of the consolidated figures as at 31 March 2014

Given the Corporate Purpose of the Company, holding of shares, the Company is the result of the consolidation of the financial investments in Spanish Companies, whose main purposes are the acquisition and/or construction of real-estate assets for lease purpose.

During the first quarter of 2014, the total consolidated revenues amounted up to EUR 3,207,176 (EUR 3,209,066 in 1 Q 2013), with consolidated losses from operations of EUR 474,843 (-15%), (consolidated profit from operations EUR 1,292,543 (+43%) in 2013). This figure includes charges of depreciation and amortization for the amount of EUR 1,119,805, (EUR 1,069,691 in 2013) as well as impairment losses amounted up to EUR 1,739,966 (null in 1 Q 2013). The Company has recorded positive net financial result for the amount of EUR 287,960, (EUR 509,702 in 1 Q 2013). As result, the consolidated results for the period (losses) , after taxes, have amounted up to EUR 190,093 (profit of EUR 1,799,035 in 1 Q 2013).

Below are shown the consolidated figures of the Company as at 31 March 2014 in comparison to 31 March 2013:

Balance Sheet (in Euro)	**1 Q 2013**	**1 Q 2014**	**+ / -**
Investment property (net)	233,510,260	220,015,727	(13,494,533)
Investments in Group companies and associates	30,801,577	49,148,947	18,347,370
Net equity	261,901,703	261,394,969	(506,734)

Profit and Loss Account (in Euro)	**1 Q 2013**	**1 Q 2014**	**+ / -**
Revenues	3,209,066	3,207,176	(1,890)
Gross margin	2,851,818	2,655,343	(196,475)
% / revenues	***88.87%***	***82.79%***	
EBITDA	**2,362,296**	**2,357,749**	**(4,547)**
% / revenues	***73.61%***	***73.51%***	
Depreciation & amortisation (net)	(1,069,691)	(1,092,626)	(22,935)
Impairment losses	-	(1,739,966)	(1,739,966)
Financial result	509,702	287,960	(221,742)
EBT	**1,802,308**	**(186,883)**	**(1,989,191)**
% / revenues	***56.16%***	***(5.83%)***	
Income tax	(3,273)	(3,210)	63
Net Result	**1,799,036**	**(190.093)**	**(1,989,129)**
% / revenues	***56.06%***	***(5.93%)***	

- At the closing date of 31 March 2014, the net balance of consolidated investment properties amounts up to EUR 220.02 million in comparison to EUR 233.51 million as at 31 March 2013. It means a decrease of EUR 13.49 million (5.78%) between years (12 months) mainly due to the amortization of assets (EUR 4.28 million), impairment losses (EUR 9.91 million), disposals of assets amounting up to EUR 2.19 million and new investments carried out during this period of 12 months totaling EUR 1.49 million.
- The Subsidiary 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 increase in

cash (12 months) amounts up to EUR 18.35 million mainly due to net cash obtained through the disposals and new investments operations and the incomes coming from the rental activity. The net balance of the loans to Group as at 31 March 2014 amounts up to EUR 49.15 million.

- Revenues for the first quarter of 2014 amounts to EUR 3.21 million. Total revenues are absolutely in line with revenues obtained during the first quarter of 2013 (EUR 3.21 million).
- During the first quarter of 2014, the gross margin of the Group amounts up to EUR 2.66 million. It means a slight decrease of EUR 0.20 million in comparison to the first quarter of 2013 (EUR 2.85 million). In terms of percentage on revenues, it finally implies that the gross margin for the first quarter of 2014 (82.79% of the revenues) is slightly lower than the prior year 88.87%. The short fall is not significant and due to the mix of revenues.
- At the end of the first quarter of 2014, EBITDA amounts up to EUR 2.36 million (73.51% on revenues). In terms of amount, it is exactly the same than the EBITDA generated during the same period of 2013 (EUR 2.36 million and 73.61%).
- As result of the above explanations, the Group obtained during the first quarter 2014 a Net Result after taxes of EUR 0.19 million (losses) in comparison to EUR 1.80 million reported in the first quarter 2013 (profit). In terms of percentage on revenues, it means -5.93% in 2014 in comparison to 56.06% in 2013. Out of the explanations on gross margin and EBITDA, the net result at the end of 1 Q 2014 is much lower than in 1 Q 2013. Main aspects to be pointed out to explain such a difference are the following:
    - Higher depreciation cost by EUR 0.02 million.
    - At the end of the 1 Q 2014, the Group has recognized estimated impairment losses for the amount of EUR 1.74 million on its investment properties. This amount is split into:
        - EUR 1,53 million of estimated impairment losses on real estate assets based on internal assumptions given that, as explained above, the Group appraises its real estate properties once at the end of the financial year unless there are evidences of impairment losses during the financial year. No impairment losses was estimated and/or recorded at the end of 1 Q 2013 although it was finally recorded at the end of the year based on the real valuation from third and independent valuators.
        - EUR 0.22 million coming from disposals of non-current assets.
    - Decrease of financial income by EUR 0.22 million.

The detail of revenues and net book value of the Real Estate Assets as at 31 March 2014 is as follows in comparison to the prior year (1 Q 2013) (in Euro):

	1 Q 2013			1 Q 2014		
	Revenues	**%**	**Net Book Value**	**Revenues**	**%**	**Net Book Value**
Barceló Isla Canela Hotel	496,621	15.48%	21,317,593	497,614	15.52%	20,933,683
Meliá Atlántico Hotel	-	-	29,404,312	-	-	28,434,211
Iberostar Isla Canela Hotel	322,500	10.05%	21,959,111	323,468	10.09%	21,354,955
Tryp Cibeles Hotel	288,543	8.99%	19,547,113	293,448	9.15%	19,034,784
Tryp Atocha Hotel	347,698	10.83%	23,841,803	347,698	10.84%	21,471,803
Playa Canela Hotel	-	-	13,838,951	-	-	13,410,951
Isla Canela Golf Hotel	-	-	3,543,841	25,000	0.78%	3,590,776
Hotels	**1,455,362**	**45.35%**	**133,452,724**	**1,487,228**	**46.37%**	**128,231,162**
Pradillo 42	373,019	11.62%	16,500,696	380,541	11.87%	16,500,696
Gran Vía 1-2º Right	27,815	0.87%	1,448,845	27,898	0.87%	1,797,485
Gran Vía 1-1º Right	25,595	0.80%	1,865,770	25,672	0.80%	1,715,054
Gran Vía 1-2º Left	23,482	0.73%	1,725,000	23,522	0.73%	1,534,667
Sanchinarro V	-	-	642,968	-	-	188,734
Sanchinarro VI	1,020	0.03%	10,367,897	7,147	0.22%	8,334,754
Sanchinarro VII	750	0.02%	7,991,978	4,050	0.13%	6,818,885
Vallecas Comercial I	1,800	0.06%	3,897,045	3,720	0.12%	3,355,920
Coslada III	-	-	6,716,932	2,550	0.08%	4,455,359
Offices	**453,481**	**14.13%**	**51,157,131**	**475,100**	**14.81%**	**44,701,554**
Marina Isla Canela Shop. Center	11,869	0.37%	2,600,905	(872)	(0.03%)	2,341,905
Gran Vía 1-1º Left	25,500	0.79%	1,774,667	26,172	0.82%	1,768,076
Vallecas Comercial II	41,400	1.29%	3,651,910	41,400	1.29%	3,603,568
Caleruega	25,200	0.79%	973,638	26,400	0.82%	967,935
Rutilo	20,224	0.63%	1,040,786	20,959	0.65%	1,019,930
Pza. España	332,863	10.37%	11,031,336	333,861	10.41%	10,099,233
Dulcinea 4	28,665	0.89%	1,352,881	24,065	0.75%	1,352,881
Albalá 7	57,098	1.78%	2,602,813	58,754	1.83%	2,550,813
Gran Vía 34	631,507	19.68%	20,436,767	651,913	20.33%	20,099,969
San Antón 25 and 27	69,910	2.18%	3,434,702	-	-	3,278,701
Commercial premises	**1,244,236**	**38.77%**	**48,900,405**	**1,182,652**	**36.88%**	**47,083,010**
Other revenues (services)	55,987	1.74%		62,196	1.94%	
Total Revenues (rents)	**3,209,066**	**100.00%**	**233,510,260**	**3,207,176**	**100.00%**	**220,015,727**

In addition, the detail of revenues from a geographical point of view is the following (in Euro):

	1 Q 2013		1 Q 2014	
Madrid	1,339,062	41.73%	1,386,959	43.25%
Huelva	1,467,231	45.72%	1,486,356	46.34%
Castellón	332,863	10.37%	333,861	10.41%
Cáceres	69,910	2.18%	-	-
Total Spain	**3,209,066**	**100.00%**	**3,207,176**	**100.00%**

5. Earnings per share as at 31 March 2014

The detail of the earning per share is as follows (in Euro):

	31.03.2014	**31.03.2013**
Net result attributable to shareholders	(190,093)	1,799,036
Weighted average number of ordinary shares in issue	4,452,197	4,452,197
Basic earnings per shares for the first quarter 2014	**(0.04)**	**0.39**

6. Properties

At 31 March 2014, the Group owns the following Real Estate Assets:

- **Hotels:** (88,756 square meters representing 68% of the total available surface for rent with a 100% of occupancy rate. These assets generates 53% of total revenues)

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

- **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 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 held to earn rentals from Meliá Hotels International, S.A. from April 2013 according to the lease arrangement signed in May 2012. The lease will commence in April 2013 for a term of ten years (May 2022) 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 Group 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:** (24,515 square meters representing 19% of the total available surface for rent with a 40% of occupancy rate. These assets generates 12% of total revenues:
  - Premises at Pradillo 42: 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. The tenant, UNEDISA, has expressed to the subsidiary its willingness to resolve the contract by sending a letter dated 3 February 2014. Since that date, the tenant breached the contract by not complying with its contractual obligations, such as: (i) payment of the rents from March 2014, (ii) delivery to the subsidiary of the bank guarantee that guarantees the payment of annual rent and, (iii) payment of the additional deposit required by the existing contract. After these not complying actions, the subsidiary has required to the Bank which guarantees the payments the execution of the bank guarantee. The tenant has responded directly paying the required amount (EUR 1,839,981). The subsidiary is applying this amount, paid in advance, to cover the monthly rents but foresees legal actions (lawsuit) from the tenant.
  - 43 offices and 43 parking spaces located in the 6, 8, 10 and 12 Manuel Pombo Angulo Street, Madrid (Sanchinarro VI)
  - 35 offices and 33 parking spaces located in the 20, 22 and 24 Manuel Pombo Angulo Street, Madrid (Sanchinarro VII)
  - 32 offices and 32 parking spaces located in the 85 of Constitución Ave., Coslada (Madrid) (Coslada III)
  - 31 offices and 31 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: 3 premises for office use. Current tenants are G2 WORLDWIDE, S.A. (2 offices) and ARKADIN SPAIN SERVICIOS DE TELECONFERENCIA, S.L. (1 office)
  - 1 office and 1 parking space located in the 14, 16 and 18 Manuel Pombo Angulo Street, Madrid (Sanchinarro V)

- **Commercial:** (17,709 square meters representing 14% of the total available surface for rent with an 87% of occupancy rate. These assets generates 34% 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 25 and 27 (Cáceres): two commercial premises and eight premises for residential use. During 2013, the commercial premises have been operated by PUNTO ROMA. Although the lease commenced on 15 July 2005 and expires on 15 December 2035, the Subsidiary and the tenant agreed to terminate it in advance at the end of 2013.
- 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 7: 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 2013 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 represented unrecognized unrealized gains of EUR 36.37 million (14% potential increase in net equity) calculated as the difference between the appraisal value at the closing date and the book value at 31 December 2013. No relevant changes have occurred with regards to the assets with unreleased gains that might imply a decrease of the mentioned value.

7. Investments and disposals during 2014 (1 Q 2014)

New investments: New investments have been carried out during 2014 with regards to repairing works in real estate assets that enlarge the useful life of the mentioned assets, mainly in hotels. The amount already incurred during the period of 3 months of 2014 amounts up to EUR 0.21 million.

Disposals: During the first quarter of 2014, CIBRA has sold eight offices, according to the following detail (in Euro):

	Units	Income	Net Book Value	Result Profit / (Losses)
Coslada III	1	160,000	229,591	(69,591)
Sanchinarro VII	2	370,000	396,806	(26,806)
Sanchinarro V	2	375,000	423,982	(48,982)
Sanchinarro VI	3	595,000	665,044	(70,044)
Total	**8**	**1,500,000**	**1,715,423**	**(215,423)**

8. Bank borrowings

The Company has no debt. The Subsidiary has bank borrowings relating to loans arranged with Caixa Bank. The purpose of the loan from Caixa Bank is to finance the investment in the commercial asset located in Castellón, which were acquired in 2011. As at 31 March 2014, the total amount pending repayment is EUR 6,981,723.

9. Acquisition of treasury shares (own shares)

At 31 March 2014, the Company did not hold any treasury shares.

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

Once the problem of lack of quorum has been resolved (See Note 1), on 30 April 2014, the Board of Directors has agreed to recommend to the shareholders of the Company during an Extraordinary General Meeting planned on 10 June 2014 to proceed to the transfer of the registered seat of the Company from Luxembourg to Spain and to proceed to the change of nationality of the Company without dissolution or preliminary liquidation of the Company which will continue to exist under the Spanish nationality and will continue as a "sociedad anonima" under the Spanish law, under the special tax regime of the SOCIMI´s (SOCIEDADES ANÓNIMAS COTIZADAS DE INVERSIÓN EN EL MERCADO INMOBILIARIO). At this respect, the Company will be regulated by the Spanish Real Estate Investment Trusts Law 11/2009, of 26 October and its amendment Spanish Law 16/2012 approved on 27 December 2012. It is also recommended that the 4.452.197 shares of the company will continue being listed in the Luxembourg Stock Exchange as it is now. The Board of Directors note that once the Transfer being effective, the registered seat of the Company will be transferred from 9B, boulevard Prince Henri, L-1724 Luxembourg in Luxembourg to Glorieta de Cuatro Caminos 6 and 7, 4th floor, 28020, Madrid in Spain.

Out of the mentioned above, there are no relevant events to be pointed out.

11. 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 2014, the Company has not obtained dividends from the Subsidiary (CIBRA).

By order of the Board of Directors

Luxembourg, 26 May 2014

Marco Colomer Barrigón
Director

Ismael Dian
Director