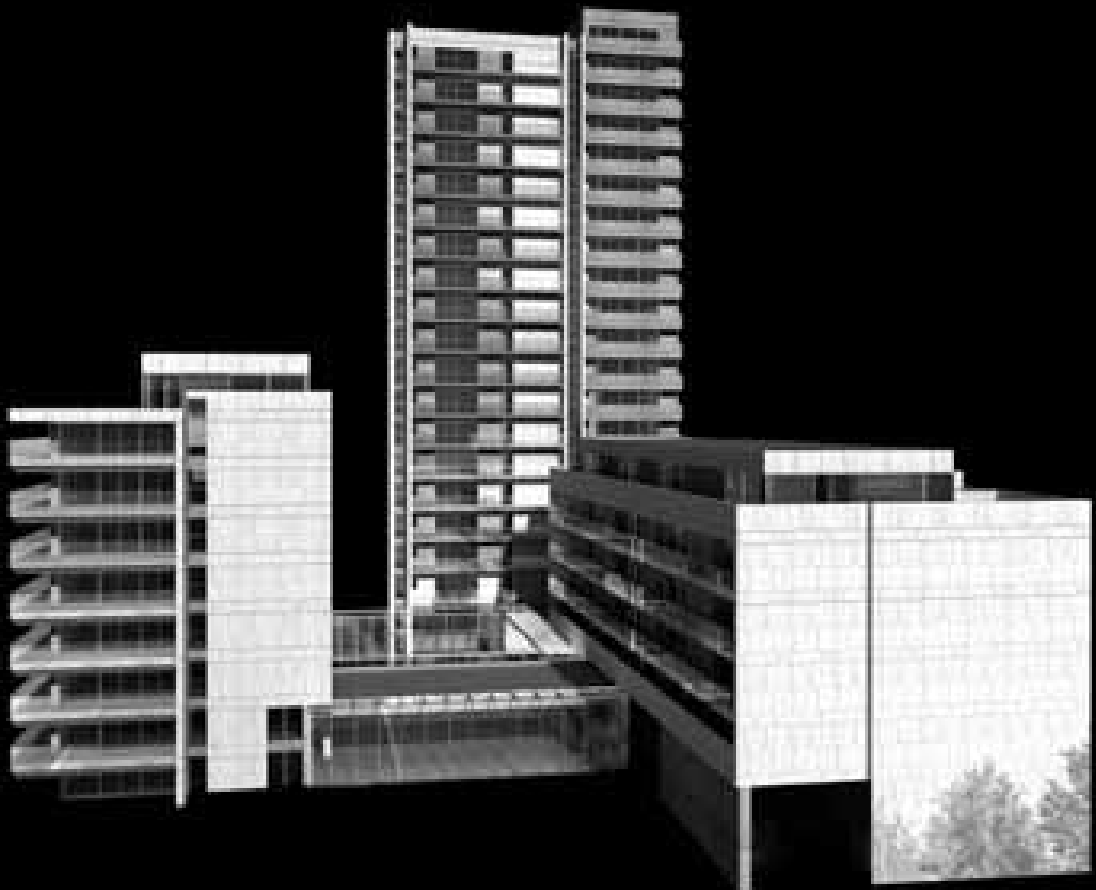


A N N U A L R E P O R T 2 0 0 6



alius

Alius: *alia aliud (gen. alius, dat. alii)*
Another, distinct, different,
in another way, alternative.

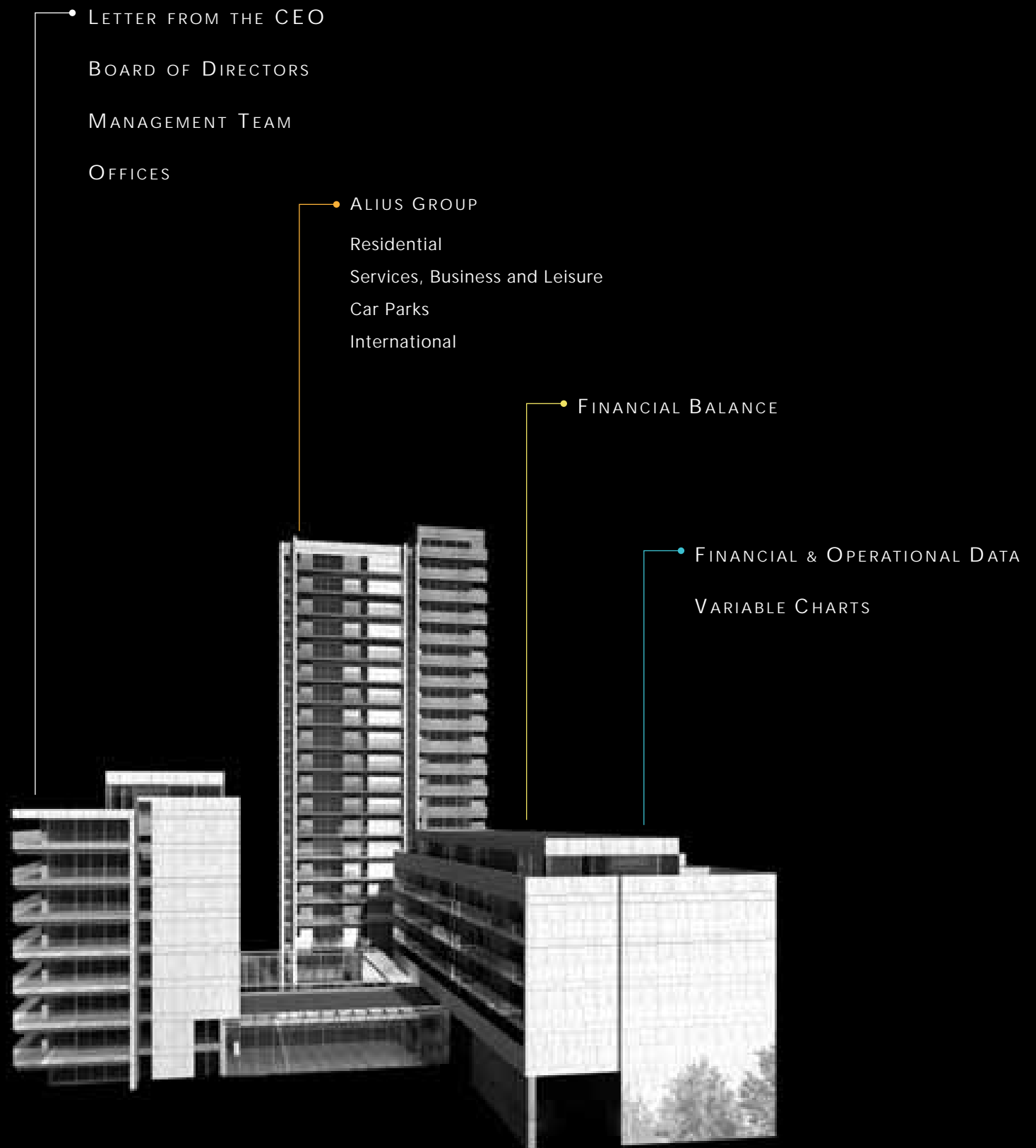


alius



alius





• LETTER FROM THE CEO

BOARD OF DIRECTORS

MANAGEMENT TEAM

OFFICES

• ALIUS GROUP

Residential

Services, Business and Leisure

Car Parks

International

• FINANCIAL BALANCE

• FINANCIAL & OPERATIONAL DATA

VARIABLE CHARTS

*Antonio Mendoza Sanz*

In 2006, Alius Group has experienced a very significant increase in its business volume, profit figure and potential to continue increasing these figures in the forthcoming years. Indeed, as the business and financial data included in this report show, profit before tax during the year amounts to 16.478 million euros, raising its Net Worth to 24.540 million euros, calculated according to strict accountancy criteria. A market-based calculation and including latent profit would raise this figure substantially. Naturally, the 2006 mentioned profit is a consequence of projects completed throughout the year although developed over previous years.

As far as the Alius strategy for the year is concerned, when looking towards the future, attention must be drawn to the intensification of actions leading to penetration into the markets of other countries, which has already commenced over previous years. Of course, Alius will continue actively in the Spanish market, although it will do so with more of a selective character and will attempt to strengthen its activities abroad, attaining geographical diversification which will enable it to limit risks and profit from the possibilities offered by some countries. Alius has been analysing this in-depth for several years. The selected countries so far are Romania and Hungary. In fact, as we will later see in a more detailed explanation, there is a large project in Romania and others will soon be commenced. Also in Florida (USA) activities have continued and new developments are being established. Alius is also interested in certain diversification of activities within the area of infrastructures and is taking steps to achieve this.

An important, noteworthy fact that has occurred in 2006 is the sale of the firm BMTParking SA, of which Alius owned 70% and dealt with the operation of car parks, a traditional activity for the group. This sale does not mean Alius abandoned its car park mission; this will still be promoted. It is simply the result of considering that their sale will be more profitable together with the development and operation of the new car parks than the mere operation of the former ones.

In a superficial, non thorough summary of the main projects in the pipeline, or ones soon to be initiated in Spain, the following should be highlighted:

The development of 14 detached homes of maximum quality in Puerta de Hierro was satisfactorily completed and relinquished to their 14 owners.

The 236 business offices in Alcala de Henares (Madrid), fully subscribed, whose construction has been completed and that will be transferred in the early months of 2007. A new development of 159 business offices, also in Alcala de Henares, will be shortly initiated at a plot located next to the A2 motorway.

Another important business offices project will be developed in Leganes (Madrid) at a plot purchased by Alius which will enable the construction of 410 units in 2 stages of 108 and 302, respectively. Also, in Las Rozas (Madrid) a 110-office project will be carried out, the commencement of the works only waiting for the corresponding permit. In some of these business office projects Alius will count on other associates and will be responsible for their management.

As a continuation of the activities carried out by Alius in Sotogrande, the construction of a new 46-home development of maximum quality is well under way, in one of the best locations in the area, bordering the polo field. For this project, Alius has arrived at an agreement with the English subsidiary of the important French insurance group AXA, through which the investor takes 70% of the shares and Alius is in charge of the management.

In Antequera (Malaga), Alius has a plot divided into 44 sections for detached villas at the Antequera Golf residential state. The first group of villas will shortly be started.

Among the most significant projects developed by Alius, also with other partners, is a large building in Madrid's Avenida Manoteras holding 20 cinemas, 2100 m2 of shopping area and around 1000 car park spaces. The cinemas will be operated by the French UGC CineCité, with whom a 15-year contract has been entered into, extendable for another 10. There will be another operator for the shopping area and, naturally, Alius will operate the car park. The works are almost completed and the centre, representing an investment of over 48 million euros, will be opened in March 2007.

In the car park sector, Alius has notably increased its activity level. It put in service (already in the first days of 2006) the first of the two car parks that had been started in Alcala de Henares, specifically San Lucas, with 236 spaces in rotation. The remaining La Paloma car park, with 310 spaces, is under construction and will be opened in 2007. In this town, where Alius develops significant activities, the commencement of a third car park is forecast to begin soon, including a shopping area and another business office building.

In Algeciras (Cadiz), where the group has had a very notable presence, a 215-space resident car park has been built, whose rights of use are being sold. The project also includes a large, recently built, shopping and office area, with a surface area of 7200 m2, opened in December 2006 and which will be run by Alius.

With regard to the activities outside Spain aforementioned, Alius has purchased a plot in Bucharest for the development of a building which will undoubtedly be emblematic, located in the best part of Romania's capital, with 22 floors and 124 prime quality homes. The foundation works are already being undertaken. There is another significant plot for offices, also in Bucharest, whose purchase will be made early 2007 for the development of a 55000 m2 business centre. There are other interesting projects under study. Also in Budapest, possible land purchases are being negotiated.

In the US, Alius is already developing two property projects on the exclusive Key Biscayne Island, next to Miami. One of them is a prime quality residential project. The other involves development of a shopping centre.

Alius' employee base has substantially decreased to 33 as a consequence of the sale of BMT Parking. Nonetheless, significant new entries have taken place and others are under consideration, with an aim to facing the challenges brought up by the Group's ambitions plans.

As always, I would like to thank in the name of the Board of Administration and my own, all those who contribute to Alius' development and fulfilment of goals: our clients, our partners, our suppliers and contributors and very especially to our employees. We will continue being committed to all of them through our dedication, professionalism and rigour.



A handwritten signature in black ink, appearing to read 'Luis', written over a series of horizontal dashed lines that serve as a guide for the signature's placement.



Alius Inversiones SL is at the top of a group of participated companies, through which it develops its activities in different property sectors.

The group's activities are mainly focused on residential development, services, business and leisure, with a presence in Madrid, Andalucia, Miami (US) and Bucharest (Romania).

Building and operating car parks is another outstanding activity of the group, through subsidiaries specialising in this sector.

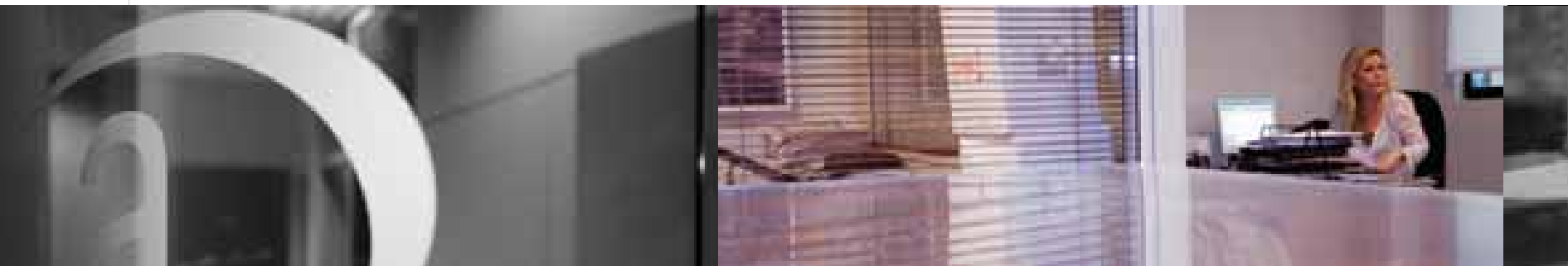


Alius Inversiones SL Board of Directors represents its main shareholders and is made up of:

President:	Mr. Antonio MENDOZA SANZ
Director:	Mr. Jon ORTUZAR WAKONIGG
Managing Director:	Mr. Fernando MORENO MENDOZA
Non Member Secretary:	Mrs. Carmen MIRANDA FERNÁNDEZ

The Alius headquarters is located in the Delta I building, Avenida Manoteras 44, Madrid. The facilities are equipped with modern telecommunications technology and have sufficient space to enable the group's foreseeable growth.

Alius has also offices in Algeciras (Cadiz) and Bucharest (Romania).



Fernando Moreno Mendoza
Managing Director
Civil Engineer, MBA (Thunderbird, US)



José Luis Mendoza Zabala
Assistant Managing Director
Civil Engineer, Master's Degree in Engineering (MIT), MBA (INSEAD)



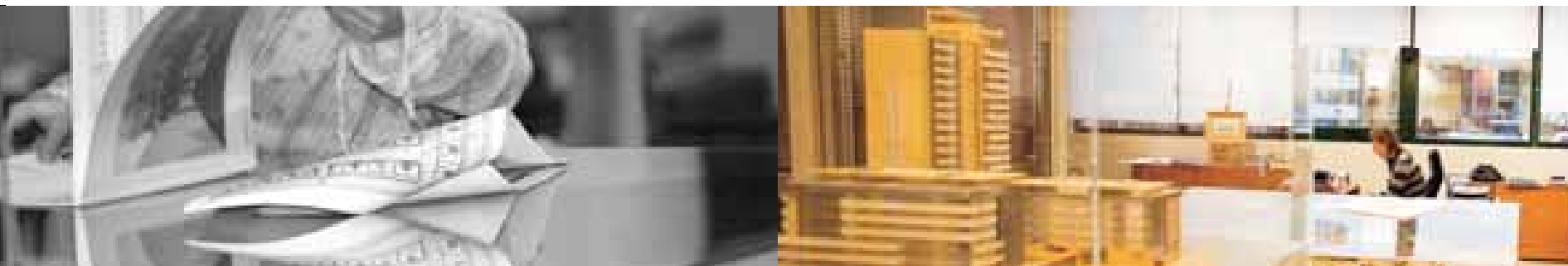
Agustín Amoribieta Alonso
Technical Director
Civil Engineer



Carmen Miranda Fernández
Secretary to the Board of Directors
Lawyer



Álvaro Berriochoa Hazenberg
Finance Director
Economist



Mar Rodríguez Fdez. de Castro
Legal Counselling
Lawyer



Pilar Azcárraga Gonzalo
Marketing Director
Journalist



Lucía Miranda Fernández
Representative in Andalucía



Anca Popescu
Alius representative in Romania



Ana O' Shea Comyn
Sales Director
Publicist



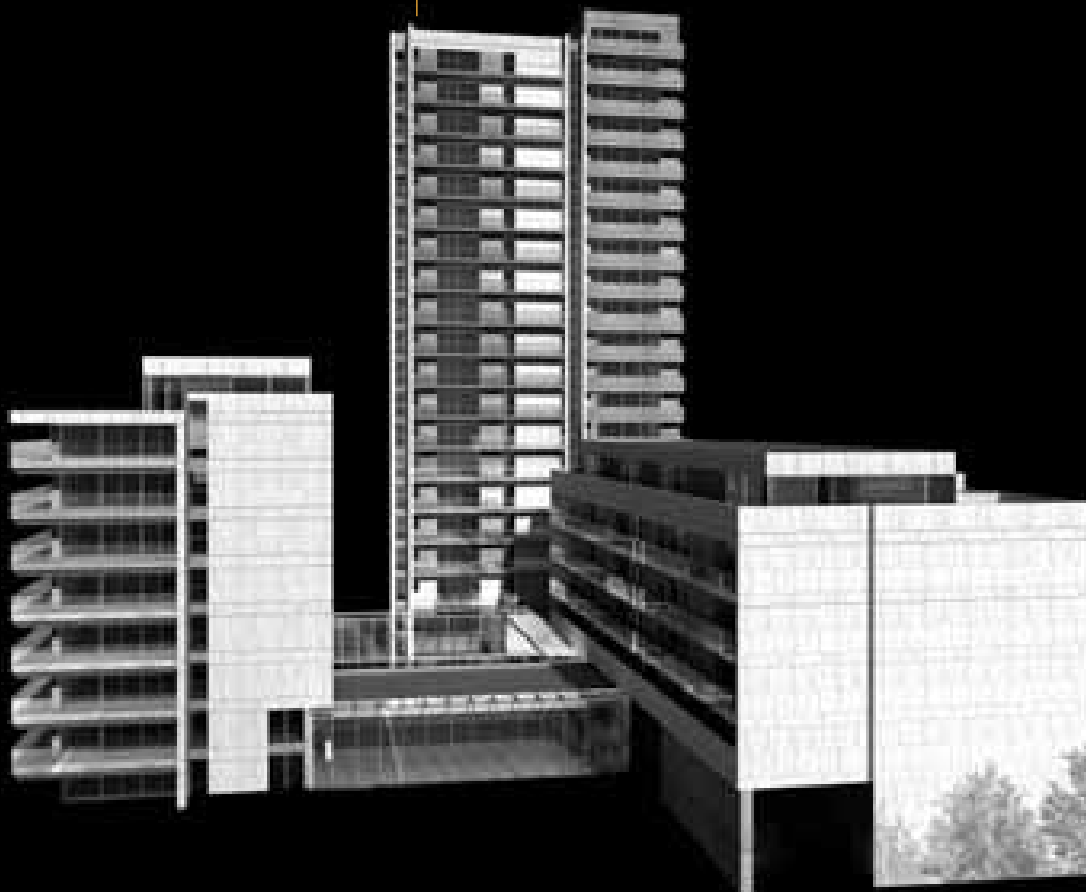
● ALIUS GROUP

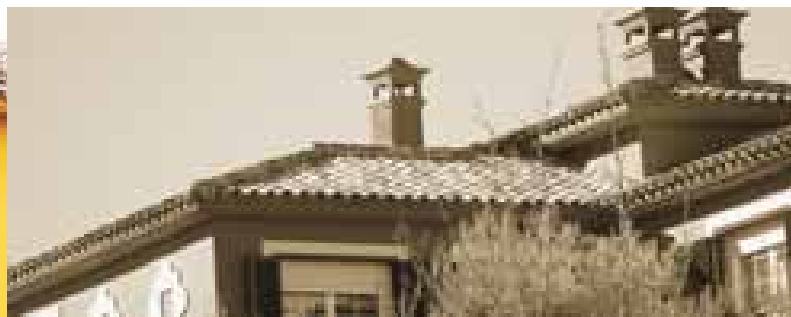
Residential

Services, Business and Leisure

Car Parks

International





Completed

LAS CAÑADAS

El Encinar Residential Estate (Madrid)
Surface area: 27000 m²

Features: 36 family residences built in a Mediterranean style on a plot with excellent views and South orientation. The estate's perimeter is completely closed. It includes common areas, swimming pools and a paddle court.

LA QUINTALEJA

El Encinar Residential Estate (Madrid)
Surface area: 57000 mk²

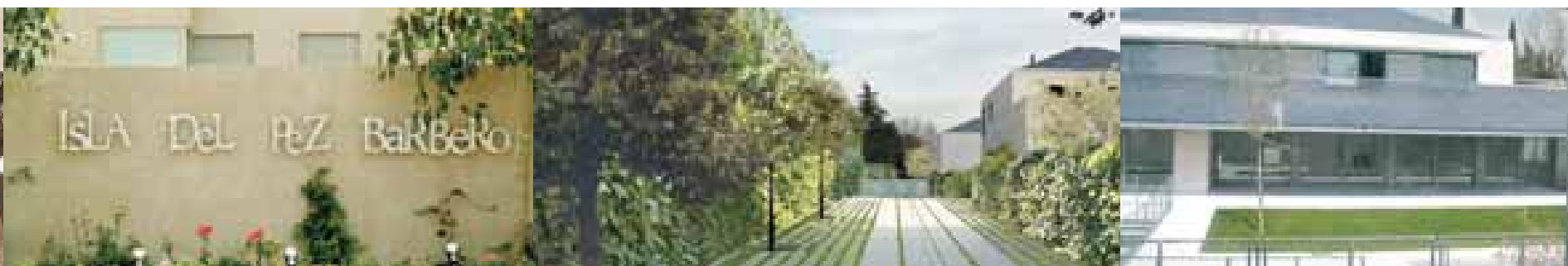
Features: 102 family residences built in a Mediterranean style and South orientation. The estate's perimeter is completely closed down. It includes common areas, swimming pools and a paddle court.

EL ENCINAR DEL GOLF I

El Encinar, next to La Moraleja Golf Course (Madrid)
Surface area: 8100 m²

Features: 10 prime-quality homes built on 10 independent plots next to La Moraleja Golf Course.





EL ENCINAR DEL GOLF II

El Encinar, next to La Moraleja Golf Course (Madrid)
Surface area: 5200 m²

Features: 6 prime-quality homes built on 6 independent plots next to La Moraleja Golf Course.

ISLA DEL PEZ BARBERO

Marina de Sotogrande, Sotogrande (Cadiz)
Surface area: 5760 m²

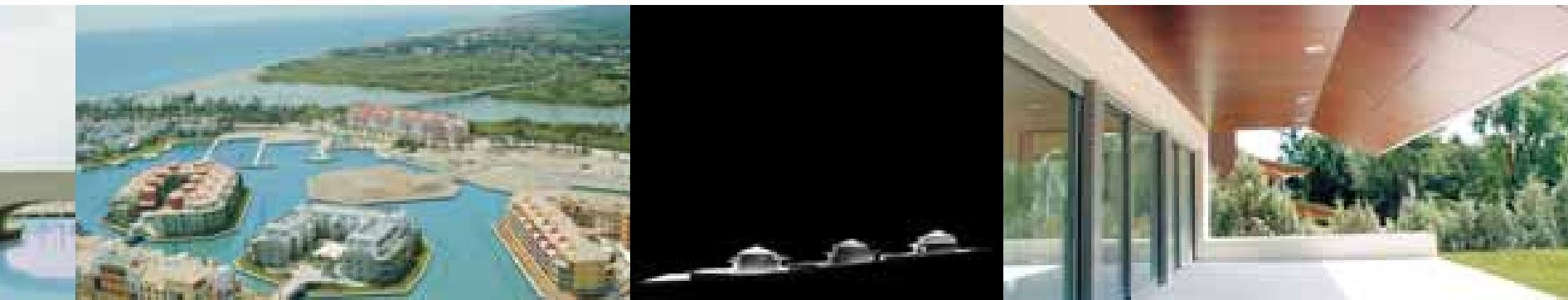
Features: 29 prime-quality homes built on an island located at La Marina de Sotogrande. The properties give access to the moorings surrounding the island. Each property includes 4 to 5 car parking spaces on the lower ground floor.

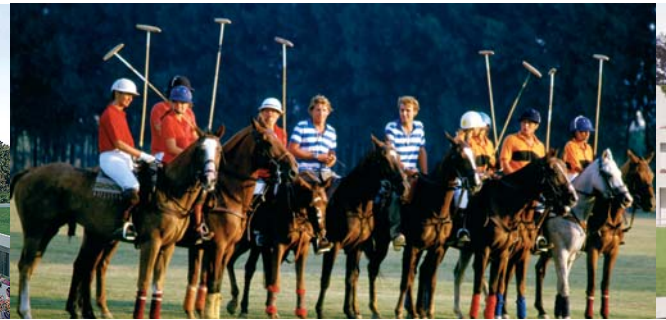
Alius Inversiones SL operates this development together with Sotoinvest SA.

NAVALUENGA

Puerta de Hierro (Madrid)
Surface area: 7265 m²

Features: 14 prime-quality homes on independent plots of 1000 m², within an enclosed estate and with modern security systems.





Under construction

POLOGARDENS

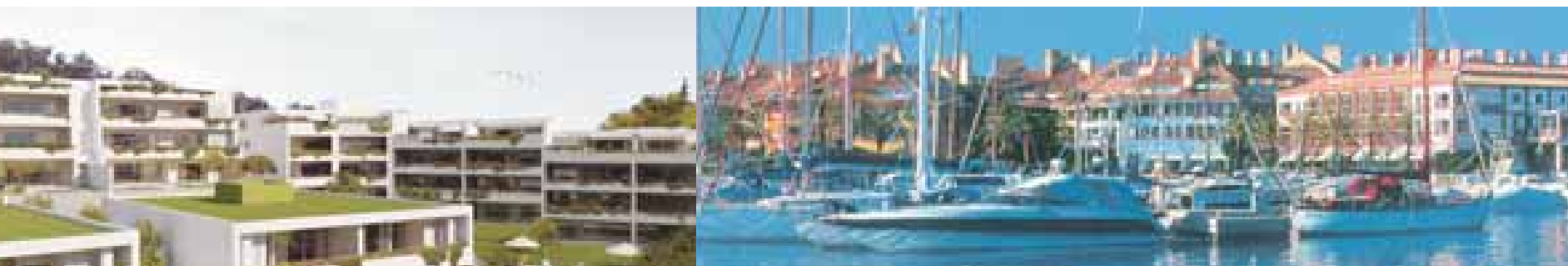
Plot in Sotogrande

Site located next to Sotogrande Polo Field (Cadiz)

Surface area: 17160 m²

Features: This is a privileged plot thanks to its location, its spectacular views and its easy access. Ensemble of 46-prime quality homes in an enclosed, safe environment, with splendid common areas. The properties will have an average surface area of 275 m². Transfer is expected beginning of 2008.





In the pipeline

ANTEQUERA

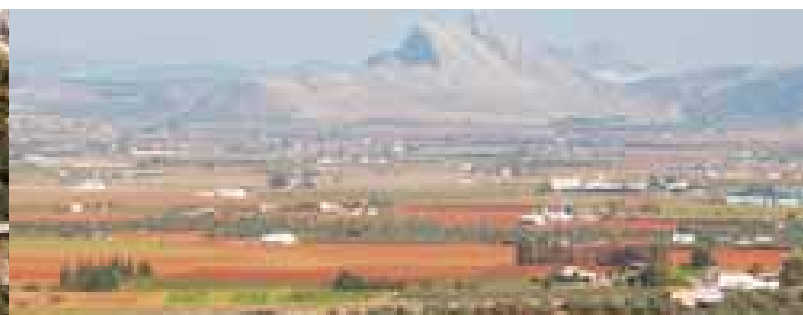
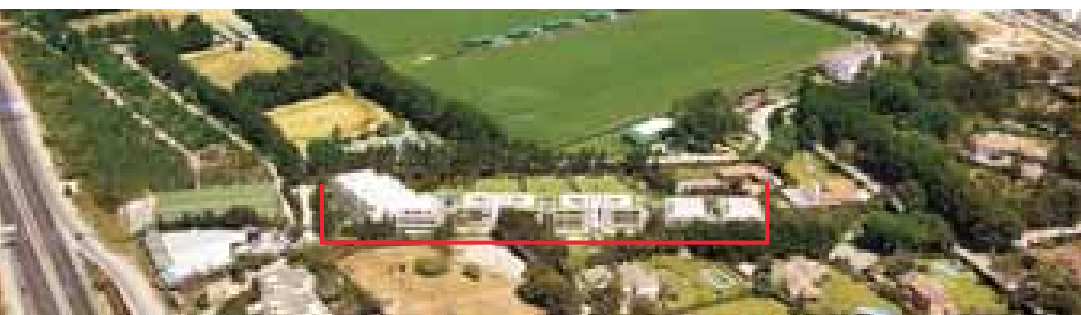
Plot in Antequera (Malaga)

Features: Alius has purchased together with its partner Sotoinvest SA 44 individual plots in Antequera Golf Residential Estate, and the same number of shares at the Golf Club. There are plans to shortly build 44 detached homes integrated within the course.

VERA

Villa Ecuestre (Almeria)

Features: Site for the development of a residential project with 500 properties in the town of Vera, bordering Mojacar and next to a first-degree equestrian centre.





Completed

BUSINESS CENTRE AVENIDA MANOTERAS 32

Avda. de Manoteras, 32, Madrid.
Surface area: 4509 m² and 133
parking spaces

Features: Office building on six open
floors. AVIS' headquarters in Spain.





PROFESSIONAL OFFICES ALIUS HENARES

Calle Antonio Suarez
Alcala de Henares (Madrid)
Surface area: 17160 m²

Features: 3 professional blocks built inside a wide urban space, with a sober design, functional lines and very light materials. The buildings are divided into 236 offices and shops reflecting a modern image that complies with the needs of new professional and business sectors.

Completed

SHOPPING CENTRE PLAZA DE ANDALUCIA

Plaza de Andalucia, Algeciras
SBA: 7200 m²
Parking spaces: 531
Spaces on rotation: 316
Spaces for sale: 215

Features: Plaza de Andalucia is much more than a place for shopping. It means the recuperation for all the residents of an area of approximately 9000m² of space open to the exterior, where one can walk about and enjoy the very centre of Algeciras. The building occupies two sides of the new square and is distributed into 3 floors and a basement/car park. Built accordingly to the most modern quality and security requirements, it subdivides into 40 shops of differing surface areas, suitable for any business or service use.

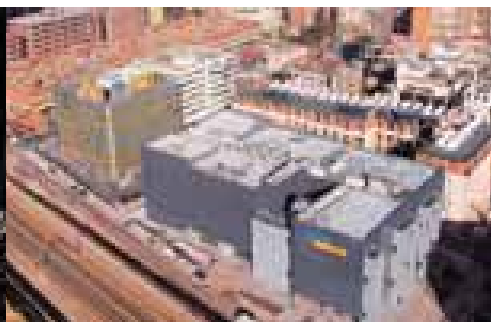
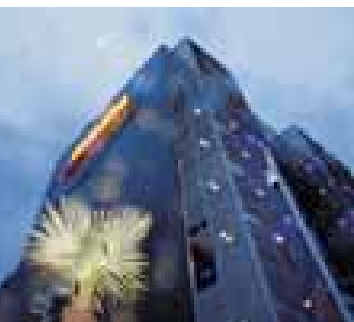




LEISURE CENTRE UGC MANOTERAS

Avenida Manóteras 40, Madrid
Surface area: 27000 m²

Features: Shopping and leisure centre with 20 cinemas holding 4000 seats, 2100 m² of shops and an underground car park with 1000 spaces. The cinemas are operated by UGC Cine Cite.





In the pipeline

PROFESSIONAL OFFICES ROZAS NOVA

Calle V, Poligono Industrial Europolis,
Las Rozas, Madrid.
Surface area: 7118 m²

Features: 110 professional offices and 2 shops. Paddle tennis, swimming pool and gym. Public garden areas and access control stand.

PROFESSIONAL OFFICES ALIUS HENARES II

Poligono 116 Open Door, Alcala de
Henares, Madrid
Surface area: 14024 m².

Features: 159 offices spread in a large circular building with 25 offices distributed over one or two floors, a special open shop of over 400 m², and a second complex with 133 duplex offices and shops on one floor.





PROFESSIONAL OFFICES LEGANES

Poligono PP10, Leganes, Madrid
 Stage I surface area: 6810 m²
 Stage II surface area: 18123 m²

Features: Purchased plot in the PP10 industrial estate for the development of 404 professional offices.
 The area hosts the projected construction of a large Shopping and Leisure Centre. It has large garden areas.

SHOPPING AREA ESTEPONA

Estepona, Malaga
 Plot located right on the CN340 with fabulous sea views
 Surface area: 10333 m²

Features: The development of a residential and shopping multipurpose building is under project, including a service station and a medium-sized sales area.



Built

CAR PARK MENENDEZ TOLOSA

Location:

Plaza Menendez Tolosa (Algeciras)

License period: 75 years

Total spaces: 265 spaces

Total vehicle capacity: 340 vehicles
(there are 75 double spaces)

Spaces for sale: 162 (fully subscribed)

Spaces operated: 103 spaces
(which hold 130 vehicles)

In service since: November 1 1994

CAR PARK CENTRO

Location:

Calle Diego Ponce (Antequera)

Spaces for sale: 87 spaces (fully
subscribed)

Spaces in rotation: 210 spaces

Full surface area: 9516 m²

In service since: February 2 2001

CAR PARK PLAZA DE ANDALUCIA

Location:

Plaza de Andalucia (Algeciras)

Features: 531-spaces car park located
under Avenida Blas de Infante

License period: 50 years

Total surface area: 7683 m²

In service since: January 23 2005

Total spaces: 531

Spaces in rotation: 316

Spaces for sale: 215

CAR PARK SUR DE EUROPA

Location:

Calle Baluarte (Algeciras)

License period: 75 years

Total spaces: 220 spaces

Total vehicle capacity: 226 vehicles
(there are 6 double spaces)

Spaces for sale: 108 (fully subscribed)

Spaces operated: 112 spaces
(holding 116 vehicles)

In service since: November 7 1995

CAR PARK PLAZA DE CASTILLA

Location:

Plaza de Castilla, Antequera
(Malaga)

License period: 50 years

Total spaces: 206 spaces

Spaces for sale: 55 (fully
subscribed)

Spaces in rotation: 151 spaces

In service since: August 16 2004



In operation

CAR PARK ALCALA DE HENARES HOSPITAL SAN LUCAS

Location:

Via Complutense (Alcala de Henares, Madrid)

Features: Car park in rotation on 3 floors under level, with 236 spaces

License period: 40 years

In service since: March 23 2006

CAR PARK AVENIDA MANOTERAS 40

Location:

Avenida Manoteras 40 (Madrid)

Features: 1000-space car park in ownership, located under the UGC Cine Cite-Alius leisure centre.

CAR PARK ALCALA DE HENARES LA PALOMA

Location:

Plaza de la Paloma (Alcala de Henares, Madrid)

Features: Car park in rotation on 2 floors under level, with 321 spaces. The project includes a 500 m² shop above the car park.

License period: 40 years

CAR PARK GRAN VIA

Location:

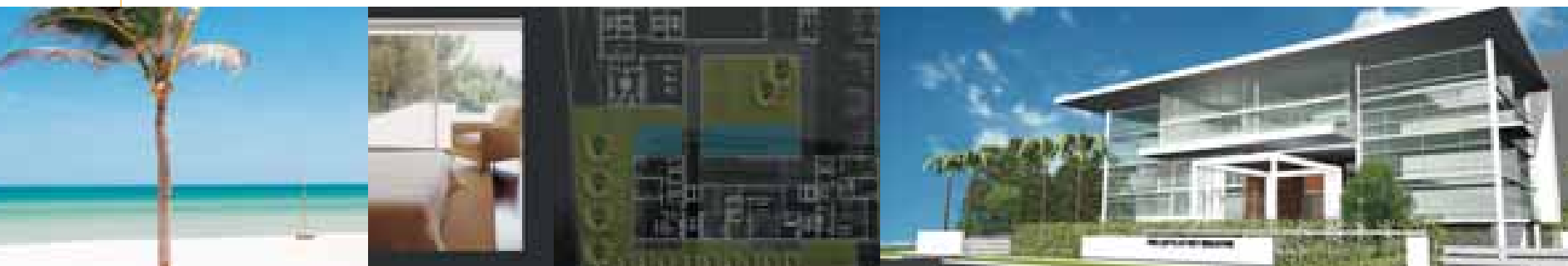
Gran Via (Majadahonda, Madrid)

License period: 50 years

Spaces in rotation: 325 spaces

Total surface area: 15600 m²

In service since: March 22 2002



FLORIDA (EEUU)

In the pipeline

THE LOFTS AT KEY BISCAYNE

Location: Key Biscayne Island

Alius has purchased through its American subsidiary 101 Gettysburg LLC a building in the heart of the exclusive Key Biscayne island with the purpose of demolishing it and develop 11 super luxury, loft design units.



SHOPPING CENTRE

Location: Key Biscayne Island

Also, Alius has bought a plot of about 3000 m² on Key Biscayne's main avenue for a future 3-floor Shopping Centre project.





ROMANIA

Under construction



ALIA APARTMENTS

Location:
Averescu Boulevard
Bucharest, Romania

Through its Romanian subsidiary Alia Imobiliaria, Alius is developing a 20000 m² project of exclusive apartments in one of Bucharest' prime areas.

The 20-floor property development will include 124 apartments and 240 parking spaces. Thanks to its design and quality, Averescu Residential Centre will become, once completed, an emblematic project for the city and a distinguishing mark for Alius.



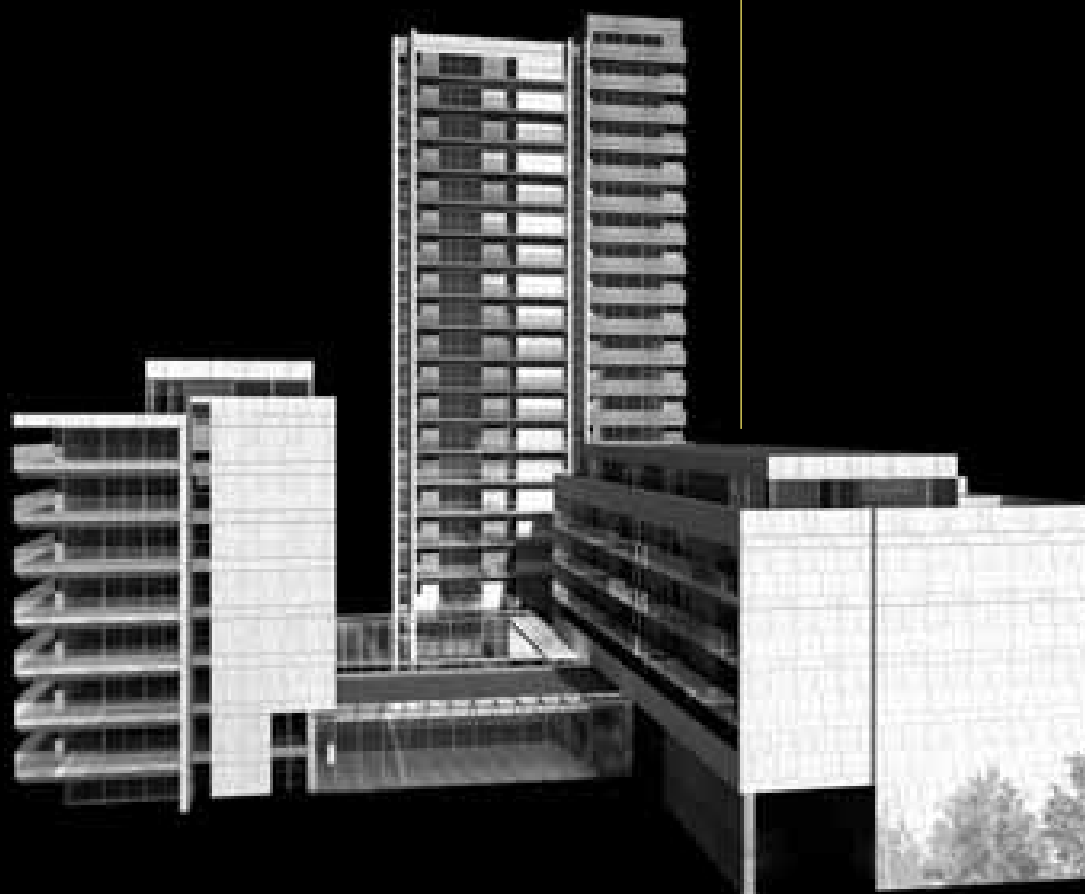
Under project

BANEASA AREA PROJECT

Bucharest, Romania

Through its subsidiary Alia, Alius plans to develop a mixed residential and office project on a plot located in Baneasa area, nearby one of the biggest and hottest commercial developments in town, alongside DN1.





• FINANCIAL BALANCE

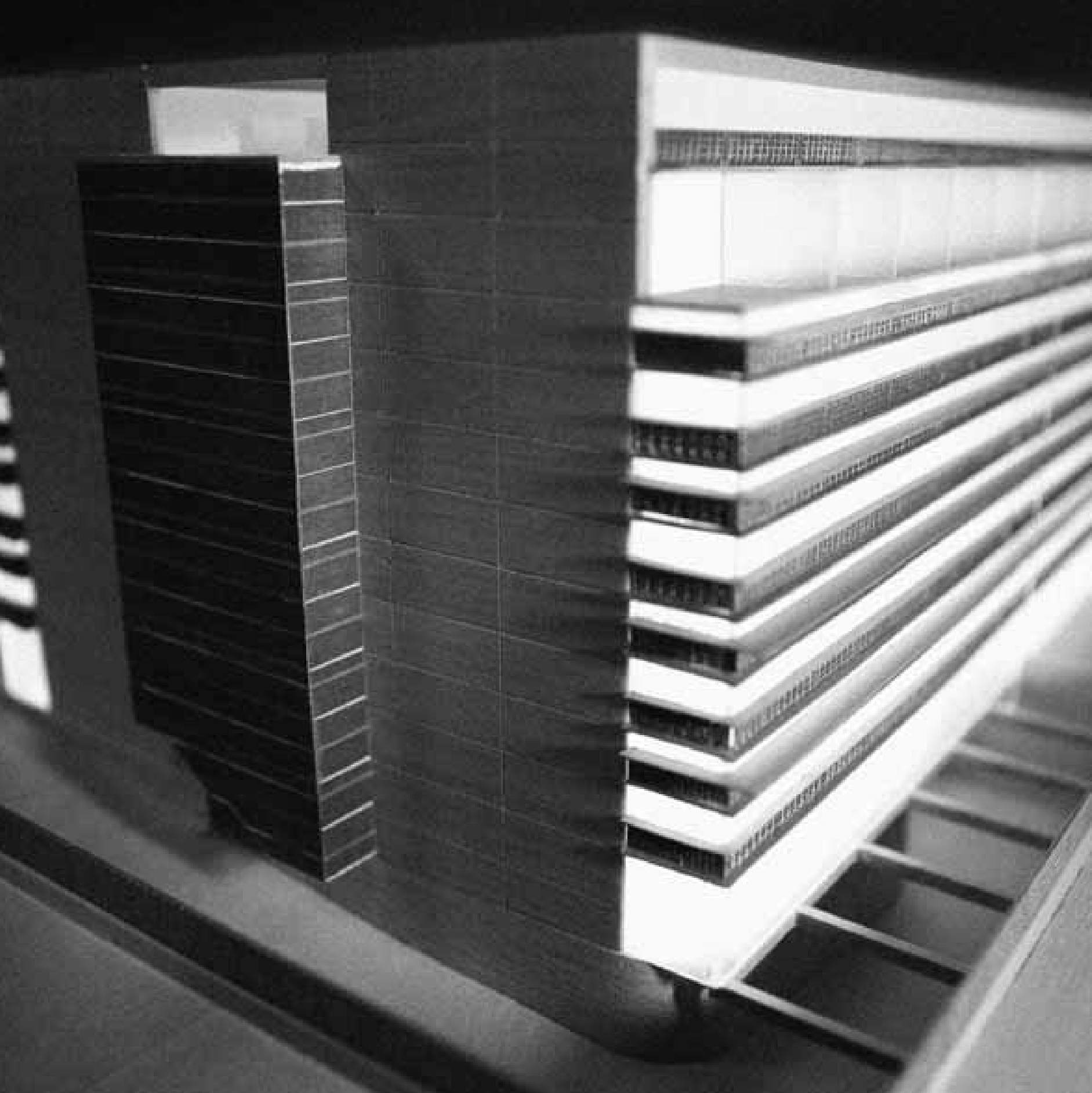
Balance sheet December 31 2006

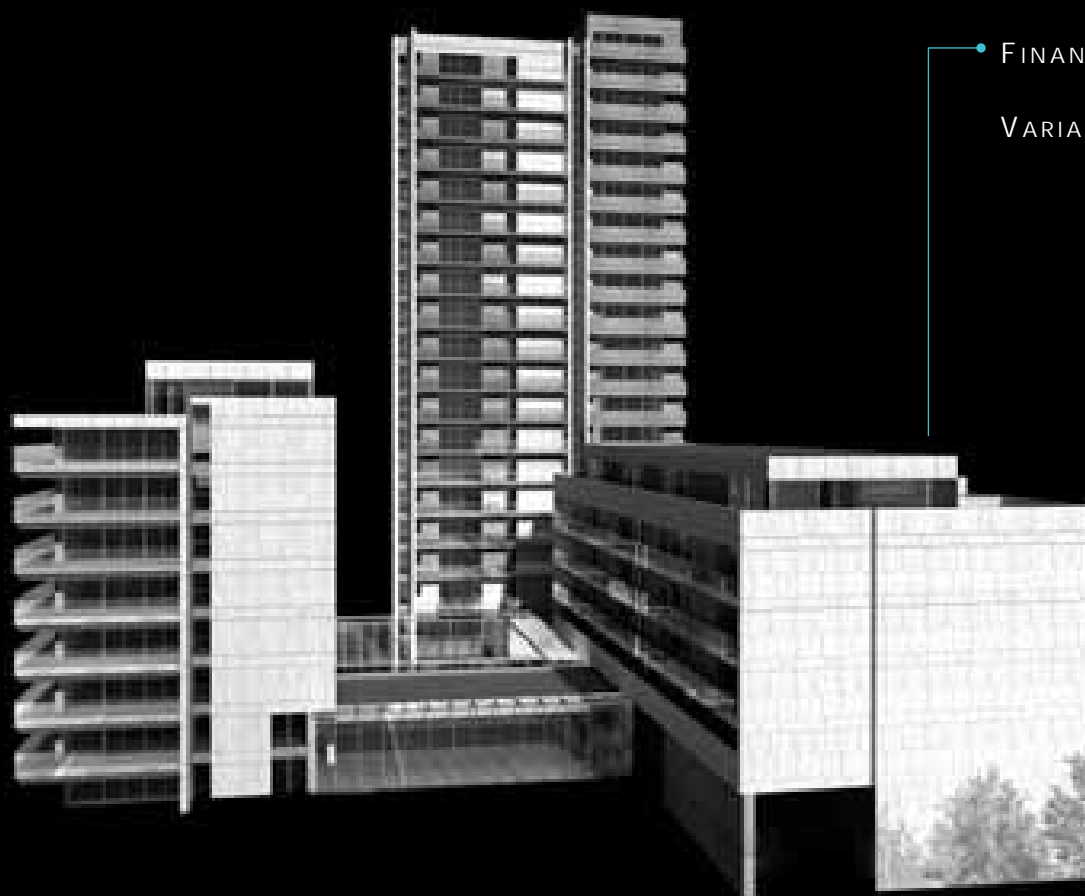
ASSETS

Fixed assets	24,793,327.46
SETUP EXPENSES	18,229.80
IMMATERIAL TIE-UPS	69,334.02
MATERIAL TIE-UPS	65,001.86
FINANCIAL TIE-UPS	24,640,761.78
Inmobiliaria Torrebeleña SL	10,000.00
Alius del Mar SL	9,000.00
Isla del Pez Barbero SL	100,000.00
Alius Henares SL	3,000.00
Jardineria Sotogarden SL	2,115,049.27
Alius Manoteras SL	825,000.00
Alius Andalucía SL	2,000.00
Alius Antequera SL	4,480,000.00
Alius Plaza de Andalucía SL	2,397,317.81
Alius Aparcamientos SL	1,474,200.00
Alius Obras y Servicios SL	6,000.00
Alius Guarroman SL	6,000.00
Alius Sotoinvest SL	3,000.00
Alius Plaza de Castilla SL	6,000.00
Alius Villa Ecuestre SL	4,000.00
Alius Leganes SL	4,800,000.00
NYT Team SL	1,458,452.00
Alius Polar SL	3,000,000.00
Alius Berlin SL	2,960.00
BMTerra Parking Holding SL	340,200.00
BMTerra Majadahonda SL	888,998.02
Long term credit to group companies	2,694,819.52
Long term securities and deposits	14,765.16
Expenses to be distributed over several years	148,677.55
Circulating assets	17,345,034.94
STOCK	122,777.88
DEBTORS	7,225,940.20
Clients	2,498,300.30
Various debtors	2,782,087.63
Public agencies	1,945,552.27
TEMPORARY FINANCIAL INVESTMENTS	9,877,645.74
Contribution to participated companies	1,830,252.14
Others	8,047,393.60
LIQUID ASSETS	114,360.55
Periodization adjustments	4,310.57
TOTAL ASSETS	42,287,039.95

LIABILITIES

Own funds	24,540,673.19
SUBSCRIBED CAPITAL	4,463,099.99
ISSUANCE PREMIUM	2,056,900.00
RESERVES	5,430,699.88
PROFIT AND LOSS	12,589,973.32
Provision for risks and expenses	69,535.72
Long term creditors	0.00
Short term creditors	17,676,831.04
SUPPLIERS AND CREDITORS	168,998.92
SUPPLIERS' RETENTIONS	142,105.17
SALARIES OUTSTANDING	82.62
PUBLIC AGENCIES	7,011,020.81
SHORT TERM DEBTS	8,807,105.18
OTHER NON-BANKING DEBTS	1,547,518.34
TOTAL LIABILITIES	42,287,039.95





• FINANCIAL & OPERATIONAL DATA

VARIABLE CHARTS



2006 Financial Data

Group's business figure	36,015,094.98
Operating profit	7,830,015.02
Net profit before taxes	16,478,112.59
Total assets	42,287,039.95
Own funds	24,540,673.19
Property presales	73,271,853.17
Alius Henares SL	32,983,582.39
Rozas Nova SL	20,422,530.78
Alius Leganes SL	12,164,400.00
Vivero	7,701,340.00

Operational Data 2006

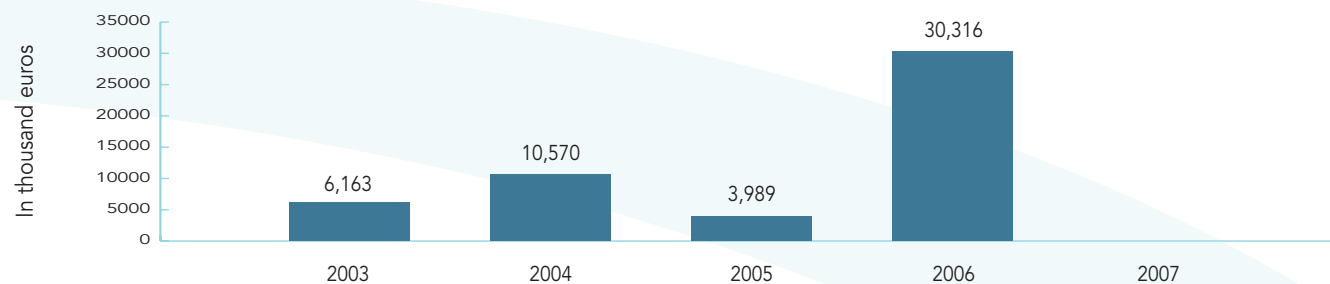
Number of group employees: 33

Contribution to subsidiary companies:

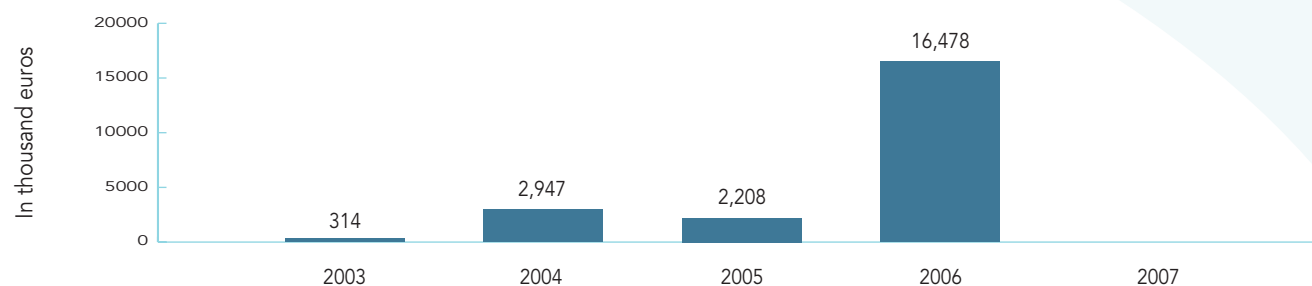
Alius Aparcamientos SL	70.00%
Inmobiliaria Torrebeleña SL	100.00%
Alius del Mar SL	90.00%
Jardineria Sotogarden SL	50.00%
Isla del Pez Barbero SL	50.00%
Alius Henares SL	50.00%
Alius Manoteras SL	46.75%
Alius Andalucia SL	50.00%
Alius Antequera SL	44.80%
Alius Sotoinvest SL	50.00%
Alius Guarroman SL	100.00%
Alius Berlin SL	29.60%
NYT Team SL	40.00%
Alius Plaza de Andalucia SL	70.00%
Alius Polar SL	50.00%
Alius Leganes SL	40.00%
Alius Barquillo SL	60.00%
Alius Villa Ecuestre SL	40.00%

Variable charts

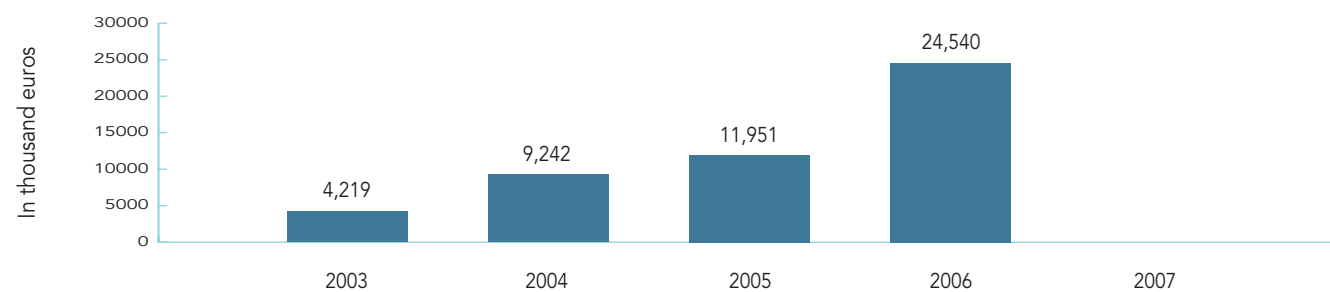
TOTAL INCOME



PROFIT BEFORE TAX



OWN FUNDS





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