



**2017 RESULTS PRESENTATION**  
**February, 27th 2018**



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**REAL ESTATE DEVELOPMENT  
ACTIVITY BOOST** **+77.6%**  
**Pre-sales increase**



**RENTAL ACTIVITY  
DECREASE IN VACATE  
RATIO** **24% vs 33% (Dec 16)**



**84.6M€  
REVENUES** **+47.5%**

**12.1M€  
ADJUSTED EBITDA** **+0.1%**

**11.0M€  
OPERATING  
PROFIT** **+0.2%**

**4.2M€  
NET PROFIT** **+6.7%**



**25.6 M€  
CONSTRUCTION ACTIVITY  
REVENUES** **+371.8%**



**2.5 M€  
PROJECT MANAGEMENT  
ACTIVITY REVENUES** **+71.8%**



**177.6 M€  
NET FINANCIAL DEBT** **-6.3%**

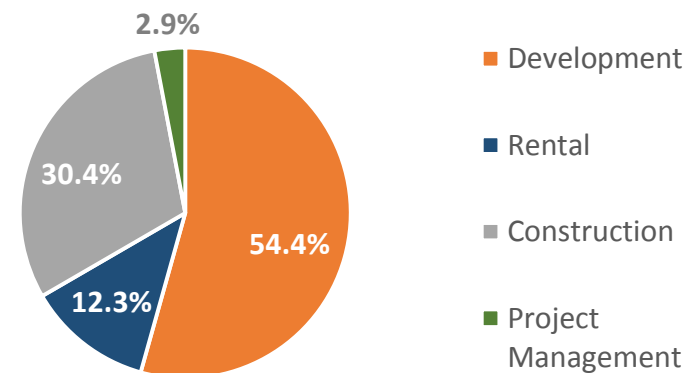
- **Clear recovery of the Real Estate Development segment**
- **Vacate ratio keep decreasing in the Rental segment, although the effects are not yet shown in revenues due to the lag of the new rents**
- **Net profit affected by the strong investment in growth**
- **Construction and Project Management show excellent results**
- **Net financial debt keeps decreasing**

M€	2017	2016	Variation
<b>Revenues</b>	84.6	57.3	+47.5%
<i>Real Estate Development</i>	46.0	40.0	+15.2%
<i>Rental</i>	10.4	10.5	-0.7%
<i>Construction</i>	25.6	5.4	+371.8%
<i>Project Management</i>	2.5	1.4	+71.8%
<b>EBITDA</b>	13.6	14.5	-5.9%
<b>ADJUSTED EBITDA</b>	12.1	12.0	+0.1%
<b>OPERATING PROFIT</b>	11.0	11.0	+0.2%
<b>PBT</b>	5.7	5.2	+9.7%
<b>NET PROFIT</b>	4.2	3.9	+6.7%
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<b>PRE-SALES (Real Estate Development)</b>	135.4	76.2	+77.6%
<b>OCCUPANCY RATE (Rental)</b>	76%	67%	



- Net profit affected by the strong investment in growth of the development activity - personnel expenses (+21.3%) and other operating costs (+29,2%) - and the higher contribution of construction, with smaller margin
- Excellent presales evolution
- Occupancy rate improves

Revenues by business line

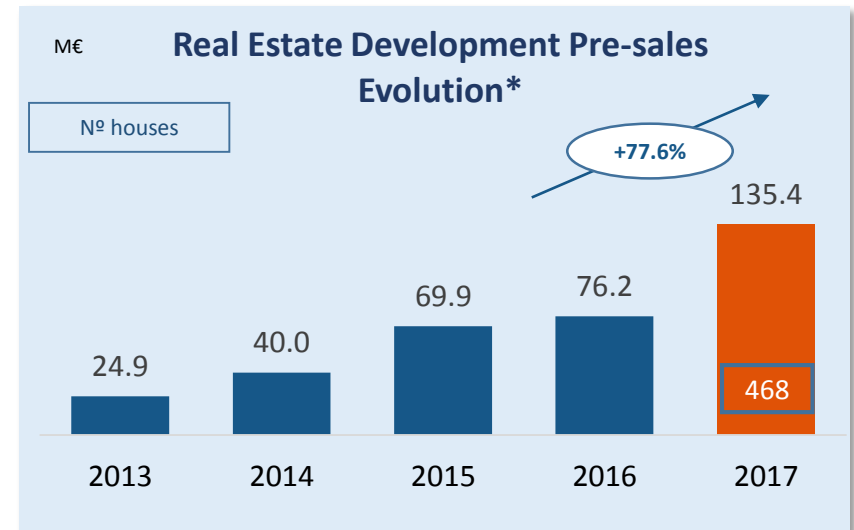
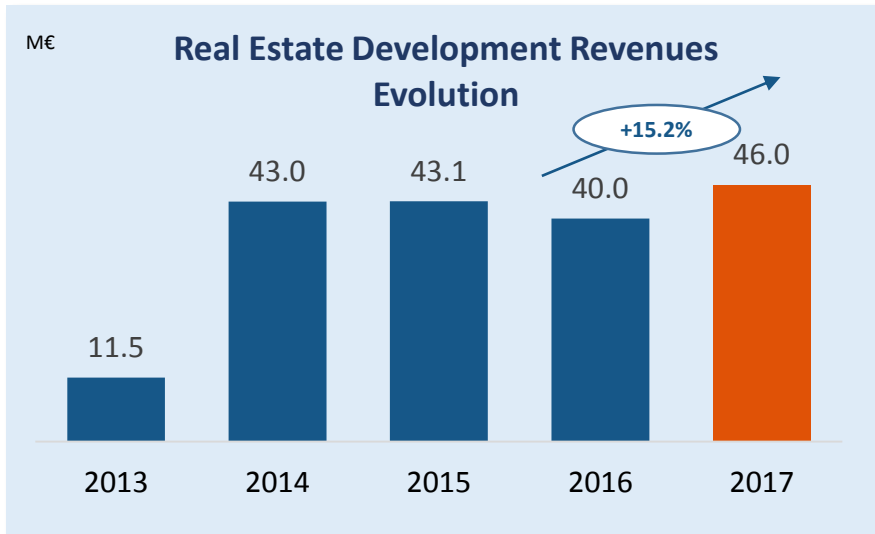


- ✓ Good progress in the strategic plan fulfillment:
  - ✓ **Strong boost in the real estate development** activity: 1,963 houses under development, of which 797 are already under construction
  - ✓ **Rental diversification: Río 55 Madrid Business Park**
  - ✓ **Financial sources diversification:** debt issuance program (MARF) with a maximum outstanding balance of 20 M€
  - ✓ **Recovery of the occupancy rate:** 76% as of December 2017
- ✓ **Corporate restructuring** of the development activity by transferring to Insur Promoción Integral S.L.U the assets and subsidiaries which develop this activity
- ✓ In 2017, in order to provide more liquidity to the stock, the Company **sold treasury stock** corresponding to the 5.89% of the share capital. At December 2017, the Company holds treasury stock corresponding to the 0.78% of the capital

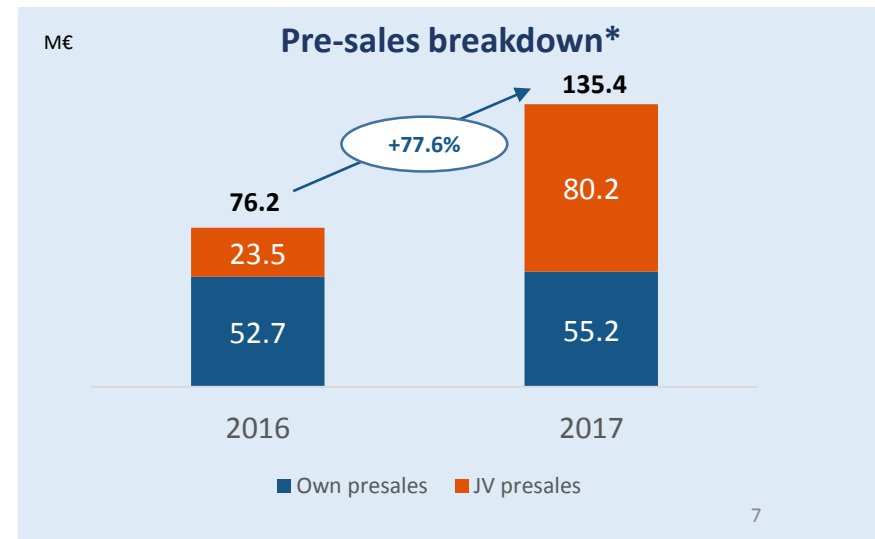


# Real Estate Development

## Activity boost shown in presales figure



- Real Estate development keeps growing at a faster pace
- Total **accumulated presales** at the end of 2017 amount to **135.4 M€**, a 77.6% higher than in 2016
- **203 units were delivered** in 2017 versus 147 houses delivered in 2016
- The Group currently has **1,963 houses under development** of which **797 are under construction** and **468 are already sold**



\*It includes JVs development pre-sales as they are managed by Grupo Insur

A

### Ongoing Developments

**1.963 ongoing units**

- 132 housing units completed of which 101 are pending to be sold and 31 to be delivered.
- 28 ongoing developments (15 in West Andalucía, 9 in Málaga and Costa del Sol and 4 in Madrid) totaling 1,670 units:
  - 381 housing units underway directly by Insur with a development potential of 47,540 sqm.
  - 1,289 housing units underway through JVs (with Insur holding a 50% share), with a development potential of 188,770 sqm.
- 161 housing units under management and construction (delegated development) for Altamira Real Estate that will be delivered within the next months.
- Development of a Business Park in Madrid Rio covering 28,159 sqm above ground level (2 office buildings each covering approximately 14,000 sqm).

B

### Land Portfolio

**2,652 units**

- Lots acquired in the period 2014-2017:
  - 95,000 sqm of buildable plots for residential use, 880 units
  - 30,000 sqm of buildable plots for hotel use.
  - 26,000 sqm of buildable plots for tertiary use.
  - Long-term purchase options on 12 plots with a building potential of 208,148 sqm (1,772 housing units).

Ongoing  
Developments



Land  
Portfolio

**TOTAL OF 4,615 UNITS**



Figures as of January 2018

### PROJECTS UNDER CONSTRUCTION

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery	Units sold
Jardines de Arco Norte 3*	Dos Hermanas (Sevilla)	3,140	27	5.1	2018	20
Edificio Galileo*	Mairena del Aljarafe (Sevilla)	5,390	42	8.1	2018	29
La Reserva - El Rompido*	Cartaya (Huelva)	6,582	66	14.8	2018	41
Moscatelares*	San Sebastián de los Reyes (Madrid)	5,847	38	15.9	2018/19	36
Plaza del Teatro*	Málaga	7,032	57	28.6	2019	29
Jardines de Santa Ana III*	Dos Hermanas (Sevilla)	4,862	35	8.2	2019	7
Conde de Zamora*	Córdoba	10,296	81	20.6	2019	18
		<b>43,149</b>	<b>346</b>	<b>101.3</b>		<b>180 (48.92%)</b>

### PROJECTS UNDER DEVELOPMENT

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery
Altos del Retiro 2nd phase	Málaga	4,391	35	7	2019
		<b>4,391</b>	<b>35</b>	<b>7</b>	

<b>TOTAL</b>		<b>47,540</b>	<b>381</b>	<b>108.3</b>		<b>180 (48.92%)</b>
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\* On marketing stage

‡ Additionally there are 31 houses sold which correspond to developments already finished, so the total amount of houses sold is 211

# Real Estate Development Projects in JV

\* On marketing stage Figures as of January 2018

## JVS PROJECTS UNDER CONSTRUCTION

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery	Units sold
Selecta Rodas *	Dos Hermanas (Sevilla)	7,560	54	12.3	2018	51
Alminar II*	Marbella (Málaga)	8,074	44	21.5	2018	23
Pineda Parque 1st phase*	Sevilla	17,767	102	36.3	2018/19	38
Selecta Arquímedes*	Dos Hermanas (Sevilla)	13,201	116	20.8	2018/19	54
Boadilla Garden*	Boadilla del Monte (Madrid)	13,868	74	36.1	2019-2020	50
Selecta Atenas*	Dos Hermanas (Sevilla)	8,560	61	14.8	2019	16
		<b>69,030</b>	<b>451</b>	<b>142</b>		<b>232</b>

## PROJECTS STARTING CONSTRUCTION IN 2018

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery	Units sold
Elements Phase I*	Marbella (Málaga)	6,656	53	18.0	2019/20	14
Selecta Conil*	Conil de la Frontera (Cádiz)	8,131	73	17.0	2019/20	30
Selecta Olimpia	Dos Hermanas (Sevilla)	3,934	20	6.1	2020	
Selecta Hermes	Dos Hermanas (Sevilla)	13,761	116	21.4	2021/22	
Boadilla Essences I	Boadilla del Monte (Madrid)	6,480	32	17.6	2019/20	
Boadilla Essences II	Boadilla del Monte (Madrid)	3,240	16	8.8	2019/20	
Elements Fase II	Marbella (Málaga)	8,118	66	21.1	2019/20	
QuintEssence I	Marbella (Málaga)	10,282	45	13.6	2019/20	
		<b>60,602</b>	<b>421</b>	<b>124</b>		<b>44</b>

## PROJECTS UNDER DEVELOPMENT

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery
Pineda Parque 2nd phase	Sevilla	8,249	68	24.7	2020
BA-3	Dos Hermanas (Sevilla)	10,499	93	16.5	2020/21
BA-2	Dos Hermanas (Sevilla)	12,032	108	19.7	2022/23
Elements Fase III	Marbella (Málaga)	4,324	34	9.4	2020
QuintEssence II	Marbella (Málaga)	11,791	53	14.7	2020/21
QuintEssence III	Marbella (Málaga)	12,243	61	15.7	2021
		<b>59,138</b>	<b>417</b>	<b>101</b>	

**TOTAL JVS PROJECTS**

**188,770**

**1,289**

**366.1**

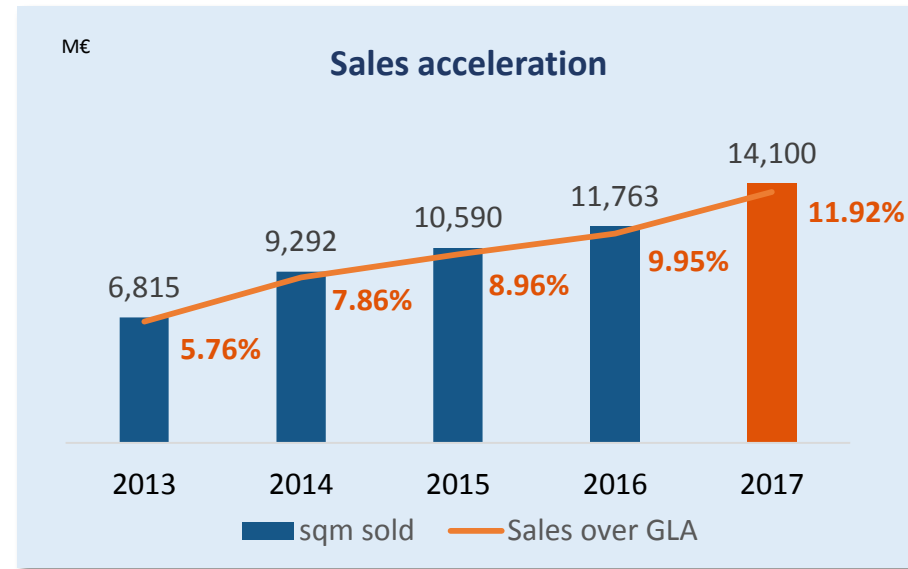
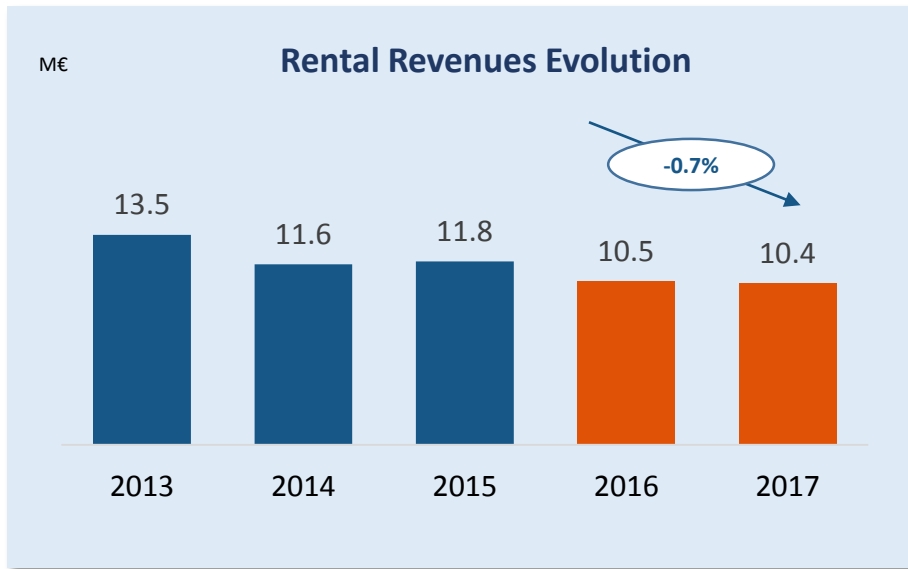
**276 (47.89%)**



**RÍO 55** is a project developed by IDS Madrid Manzanares, S.A., a company founded in 2016 by Insur, which has a 50% stake, and two private investors. Beside the "Google Campus" and the Mahou Calderón urban project, with direct access to the M30 in Madrid, a Business Park will be built with a total **building potential of 28,159 sqm** and **430 parking spots**

It is planned to invest 69 M€ in the Business Park, which will be divided into two buildings of approximately 14,000 sqm each.

During the first half of the year, underground construction works have been started and the **planned ending date is 4Q 2019**



GAV of the assets aimed both at rental and own use amounts to 297,2M€ (CBRE valuation at 31/12/17). These assets present 161,3M€ of unrealized capital gains

**118,240 sqm office and commercial premises portfolio and more than 2,500 parking spots**

- The efforts made within the rental activity are becoming to bear fruit. The **occupancy rate has increase to 76%** in 2017 from **67%** in December 2016
- **Remarkable sales boost:** 14,100 sqm commercialized within 2017
- Despite these progresses, the **revenue figure** is still lower than the one of 2016, mainly because the Junta de Andalucía vacated 12,080 sqm in May 2016, and also, due to the lead time in the accrual of the new rents while the spaces are adapted



**25.6 M€ CONSTRUCTION REVENUES**

Increase of 371.8%

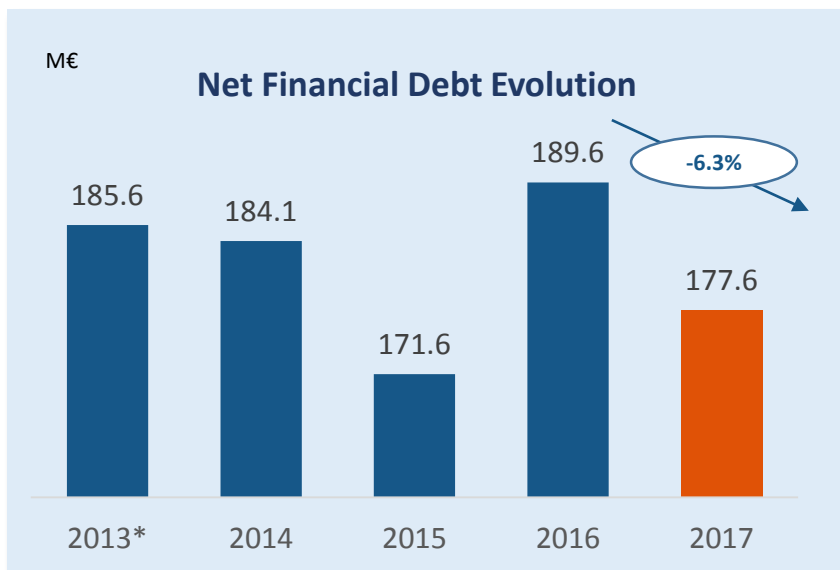
**2.5 M€ PROJECT MANAGEMENT REVENUES**

Increase of 71.8%

## Main projects managed currently

<b>IDS MADRID MANZANARES S.A.</b> <b>Partners: Private investors (50%)</b>	<ul style="list-style-type: none"> <li>Insur Madrid Río – Business Park (28,159 sqm divided between 2 buildings)</li> </ul>	<b>UNDER CONSTRUCTION</b>
<b>DESARROLLOS METROPOLITANOS DEL SUR S.L.</b>  <b>Partner: ANIDA (Grupo BBVA): 50%</b>	<ul style="list-style-type: none"> <li>Selecta Entrenúcleos (Sevilla), 2,337 homes</li> <li>Alminar II (Marbella), 44 homes</li> <li>Selecta Conil (Conil de la Frontera), 73 homes</li> </ul>	<b>UNDER CONSTRUCTION (272 HOMES):</b> <ul style="list-style-type: none"> <li>Alminar II: 44 homes</li> <li>Selecta Rodas: 54 homes</li> <li>Selecta Arquímedes: 116 homes</li> <li>Selecta Atenas: 58 homes</li> </ul> <b>MARKETING STAGE (73 HOMES):</b> <ul style="list-style-type: none"> <li>Selecta Conil: 73 homes</li> </ul>
<b>IDS RESIDENCIAL LOS MONTEROS S.A.</b> <b>Partners: Private investors (50%)</b>	<ul style="list-style-type: none"> <li>Los Monteros (Marbella)</li> <li>312 homes</li> </ul>	<b>MARKETING STAGE:</b> <ul style="list-style-type: none"> <li>Elements I: 53 homes</li> </ul> <b>WORKS STARTING IN 2018</b>
<b>IDS PALMERA RESIDENCIAL S.A.</b> <b>Partners: Private investors (50%)</b>	<ul style="list-style-type: none"> <li>Pineda Parque (Sevilla)</li> <li>170 homes</li> </ul>	<b>UNDER CONSTRUCTION:</b> <ul style="list-style-type: none"> <li>1st phase: 102 homes</li> </ul>
<b>IDS BOADILLA GARDEN RESIDENCIAL S.A.</b>  <b>Partners: Private investors (50%)</b>	<ul style="list-style-type: none"> <li>Boadilla Garden (Boadilla del Monte, Madrid), 74 homes</li> <li>Boadilla Essences (Boadilla del Monte, Madrid), 48 homes</li> </ul>	<b>UNDER CONSTRUCTION:</b> <ul style="list-style-type: none"> <li>Boadilla Garden: 74 homes</li> </ul> <b>PROJECT STAGE:</b> <ul style="list-style-type: none"> <li>Boadilla Essences I: 32 homes</li> <li>Boadilla Essences II: 16 homes</li> </ul>
<b>Delegated Development from Altamira Real Estate</b>	<ul style="list-style-type: none"> <li>Residencial Santa Bárbara (Sevilla)</li> <li>161 homes</li> </ul>	<b>TO BE DELIVERED</b>



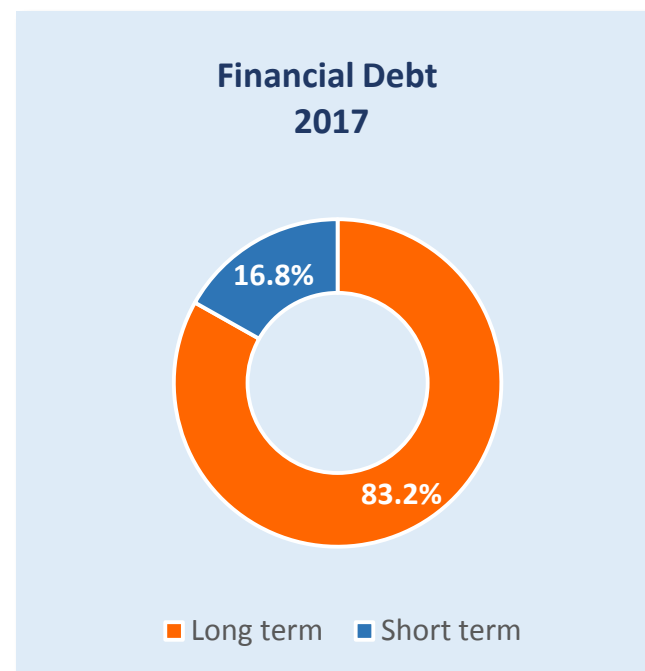


\* Hacienda la Cartuja & Innovación en Desarrollos Urbanos del Sur (currently Insur Promoción Integral) reclassified their net financial debt by equity method in order to make it comparable to 2014, 2015 and 2016

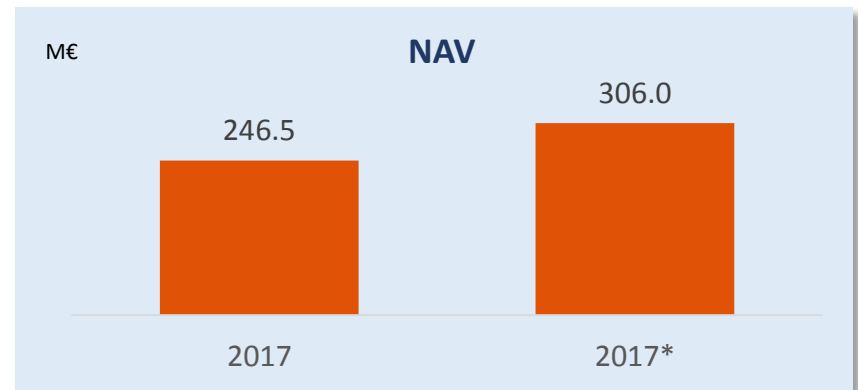
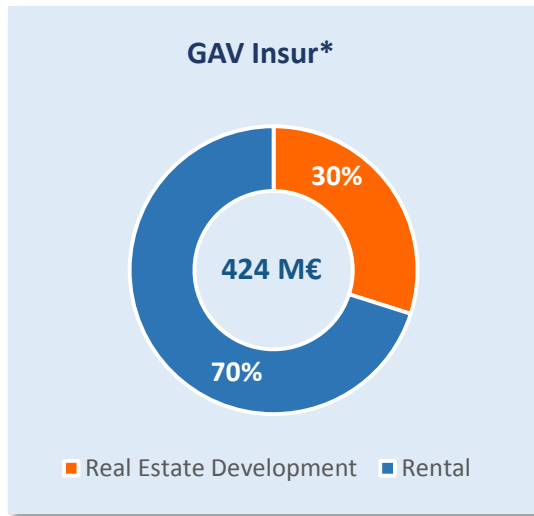
In order to diversify its financial sources, the **Group issued a debt program (MARF)** on July 2017 with a maximum outstanding balance of 20 M€. The issues of the program done within the year have been placed at 3 and 6 months and with interest rates of 1.25% and 1.5% respectively

## Financial Debt Evolution

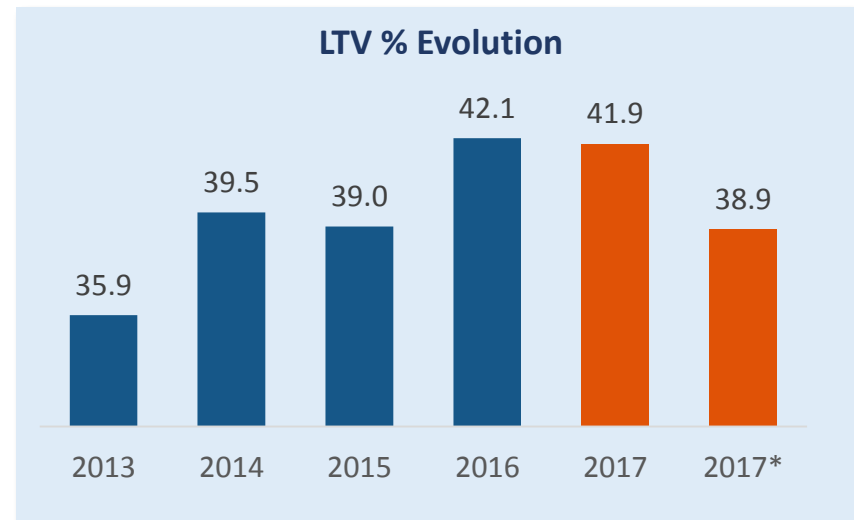
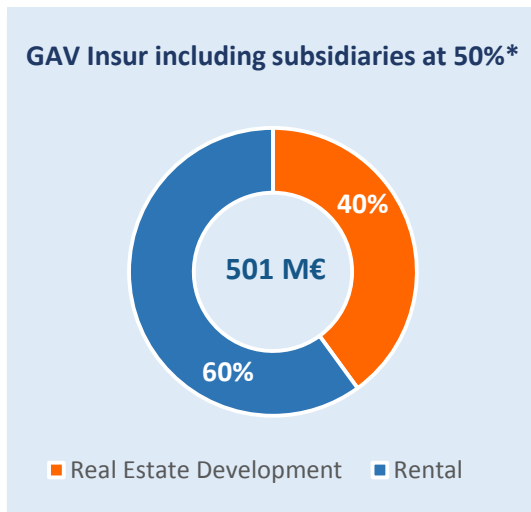
	2017	2016	Var %
Long term Financial Debt	167.0 M€	183.5 M€	-9.0%
Short term Financial Debt	33.8 M€	20.9 M€	+61.7%
<b>Total Financial Debt</b>	<b>200.7 M€</b>	<b>204.4 M€</b>	<b>-1.8%</b>



\* At December 2017 CBRE valuation according to RICS standard



\* Adding 77.1 M€ to the GAV from subsidiaries which consolidate by equity method and 17.6 M of their associated net financial debt



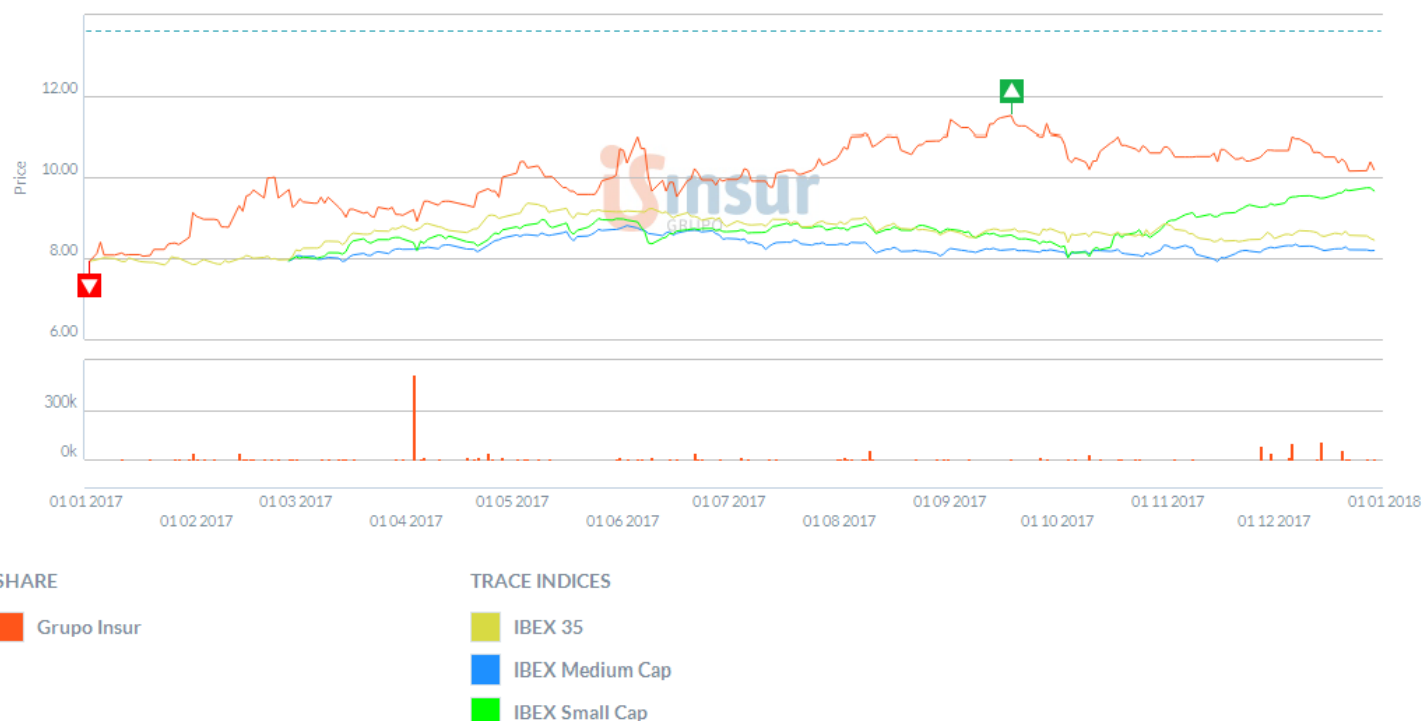
Total GAV JVs 154.2 M€ → correspondingly 77.1 M€ (50%)  
 Total NFD JVs 35.1 M€ → correspondingly 17.6 M€ (50%)

\* Adding 77.1 M€ to the GAV from subsidiaries which consolidate by equity method and 17.6 M€ of their associated net financial debt

## Share Price evolution 01/01/17 to 31/12/17

In 2017 the share Price grew by 29%, closing at 10.19 €/share which implies a market cap of 172,943,121€ at 31st December 2017

SHARE PRICE AND VOLUME GRAPH FOR GRUPO INSUR (MADRID) FROM 01 01 2017 TO 31 12 2017



Dec 17	Market Cap	NAV	Discount vs NAV	Adjusted NAV *	Discount vs adjusted NAV
	172.9 M€	246.5 M€	29.8%	306.0 M€	43.5%

\* Adding 77.1 M€ to the GAV from subsidiaries which consolidate by equity method and 17.6 M€ of their associated net financial debt

## Last year statistics confirm that the recovery of the real estate cycle in Spain is a reality



**Housing prices keep increasing**, BBVA Research estimates that 2017 will close with a 2.5% increase



**Mortgage volumes have increased** by 14.7% in the ten first months of the year compared to the same period of the previous year



**Housing purchases** grew by 14.6% in 2017



**Development activity is recovering**. BBVA Research estimates that the number of approvals of new construction will grow by 24% in 2017



The **consumer confidence** index is hitting its 15 years high



The **number of homes** is growing faster than the population

READY TO GROW WITH PROFITABILITY

**i**nsur  
GRUPO

