



ATRIA HOMES – ALCOBENDAS (CENTER REGION)
Actual picture (March 2019)



Fidentiis Conference

Madrid, Spain

> **22nd May 2019**

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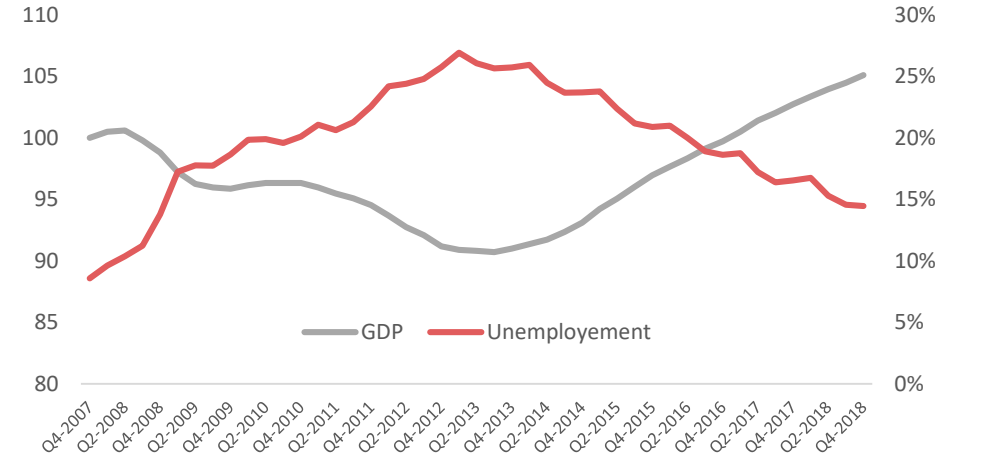
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A CONTINUED AND ROBUST RECOVERY

Spain is one of the fastest growing economies in Europe

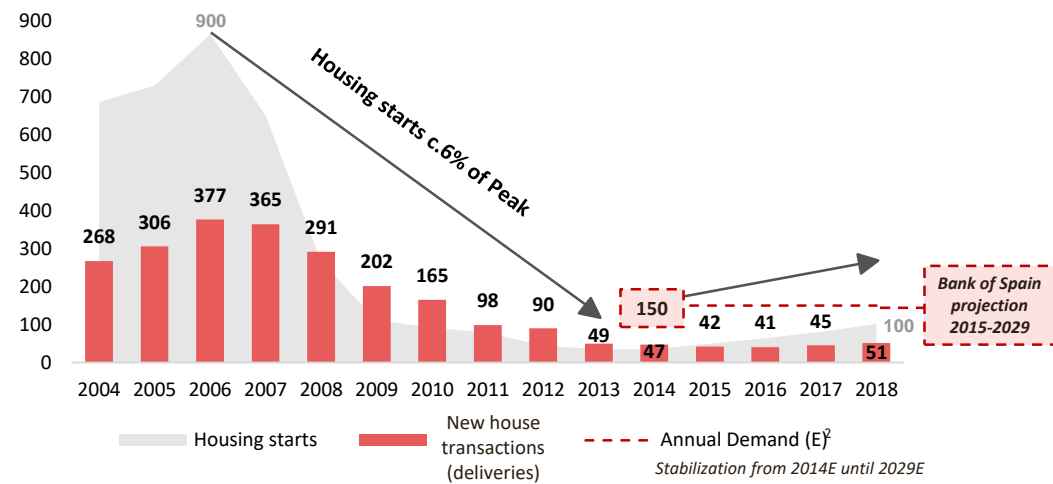
GDP growth vs Unemployment rate (QoQ)

GDP 100 bps base Q4-2017



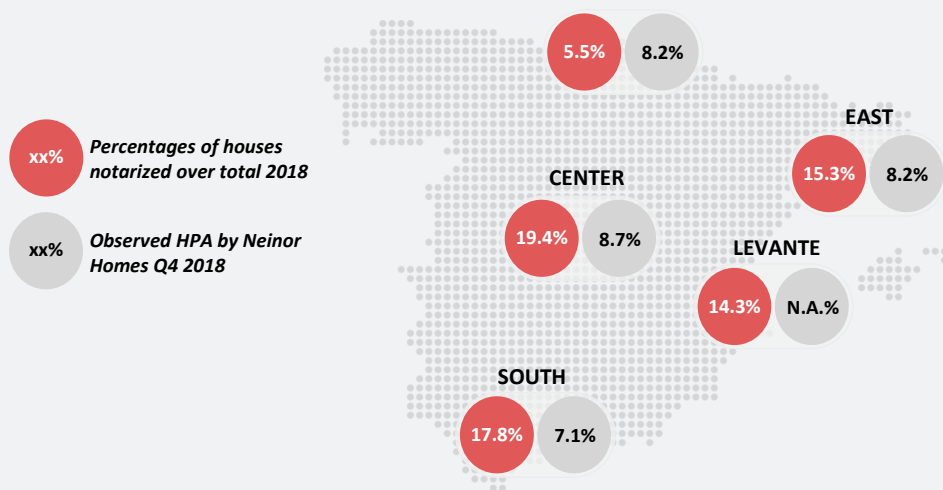
Supply of new houses still 50% below stabilized demand

Home Sales in Spain ('000)



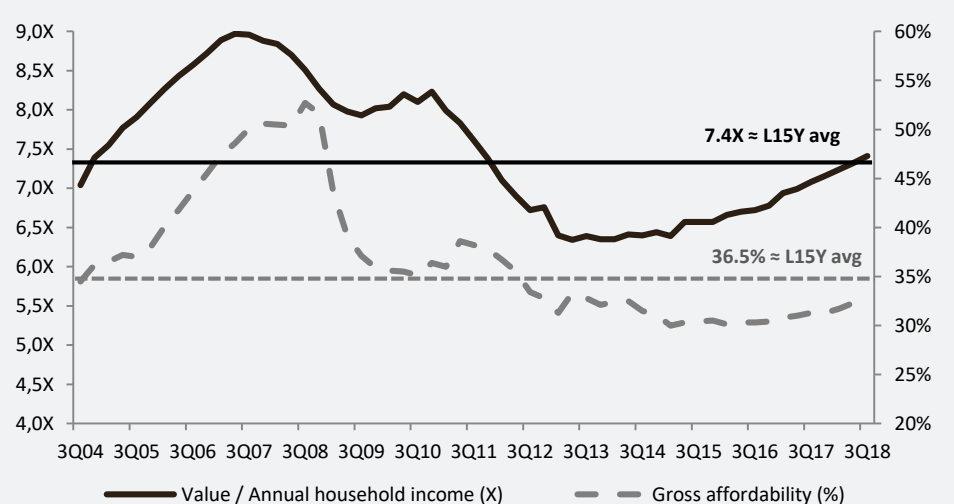
Strong evolution of the most representative regions of the Spanish Market

Distribution of houses notarized & HPA Observed



Affordability levels are still below 2004 and L15Y average levels

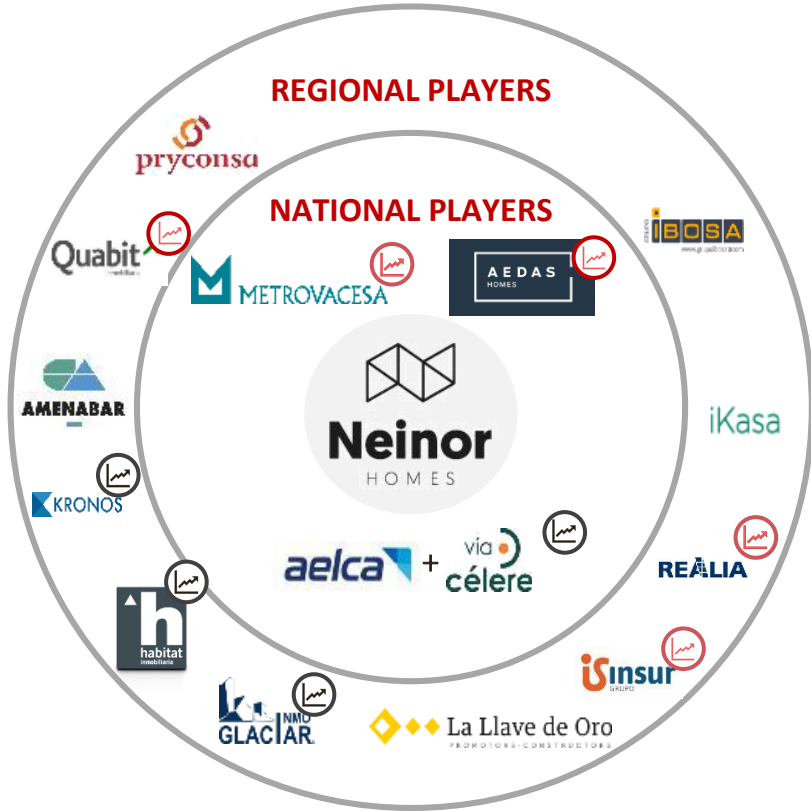
Mortgage affordability



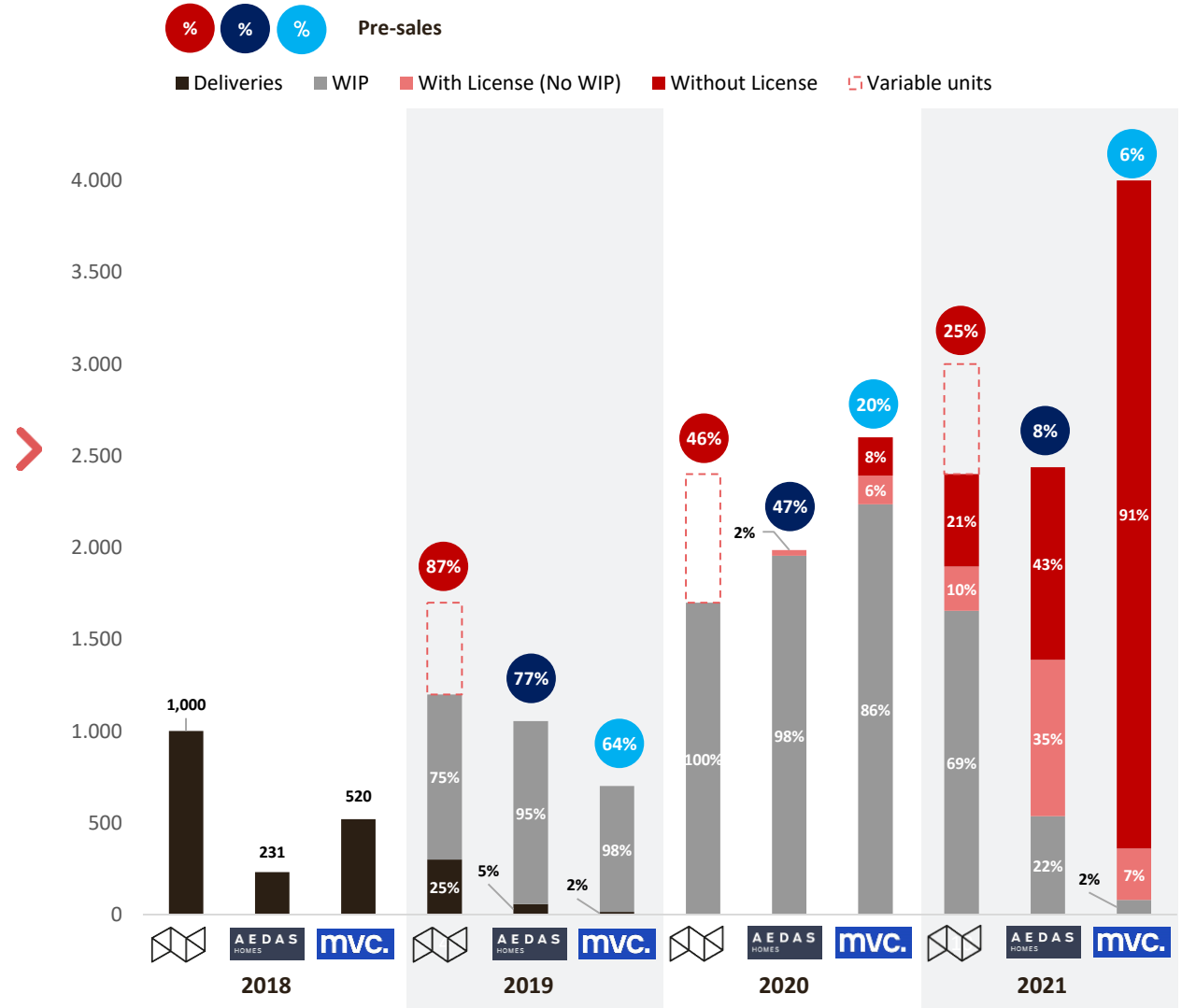
¹ Source: Ministerio de Fomento, INE, Bank of Spain, Fotocasa. ² Source: The potential demand of housing report from "Banco de España" in 2015

A FRAGMENTED AND VERY ATTRACTIVE MARKET

> Demand-supply imbalance creating tensions and opportunities



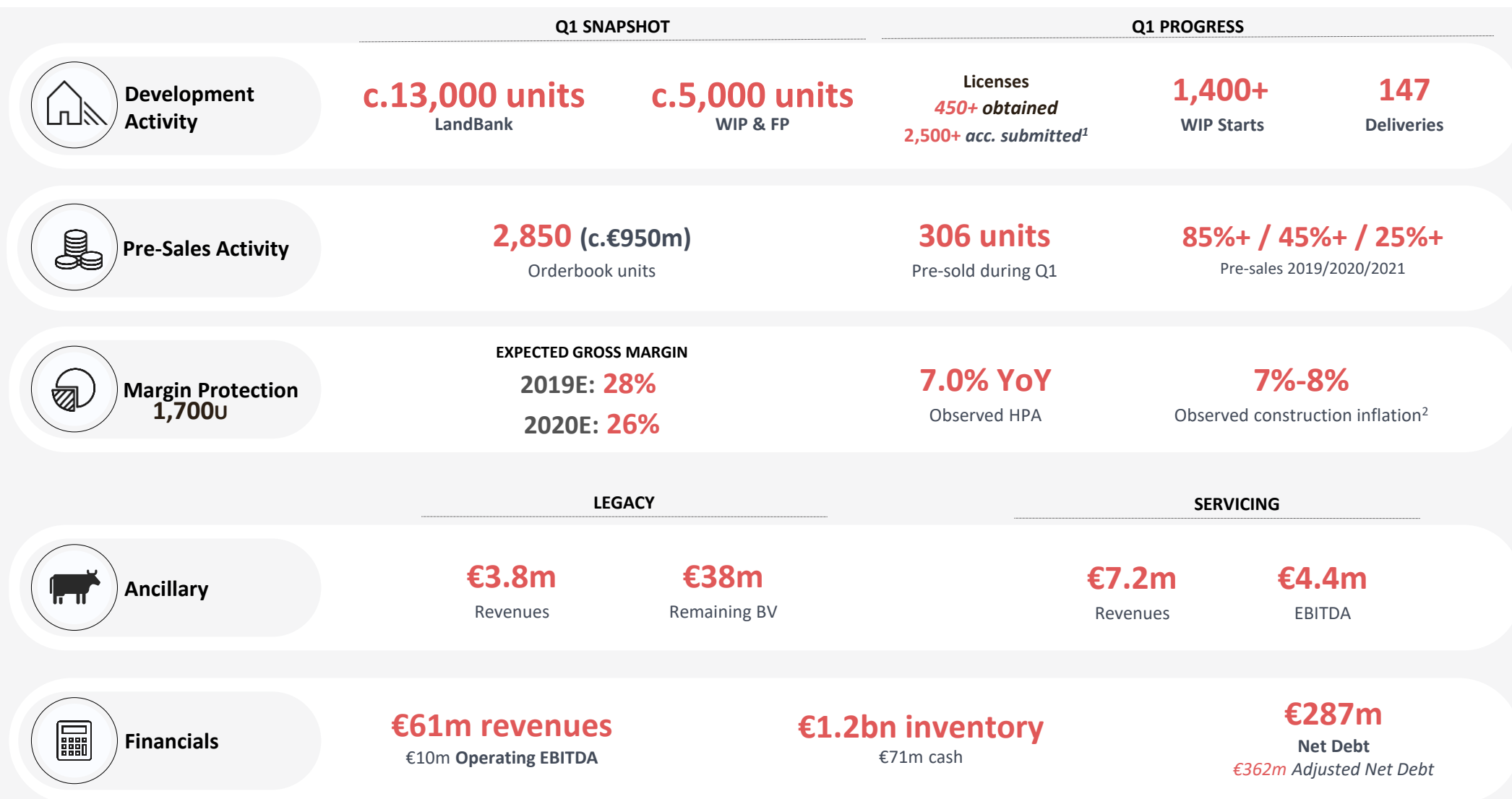
 Competitors controlled by PE funds  Listed competitors



*Data as per Q1 2019 for Neinor and AEDAS, for Metrovacesa the data is halfway Q2

Q1 2019 RESULTS KEY HIGHLIGHTS

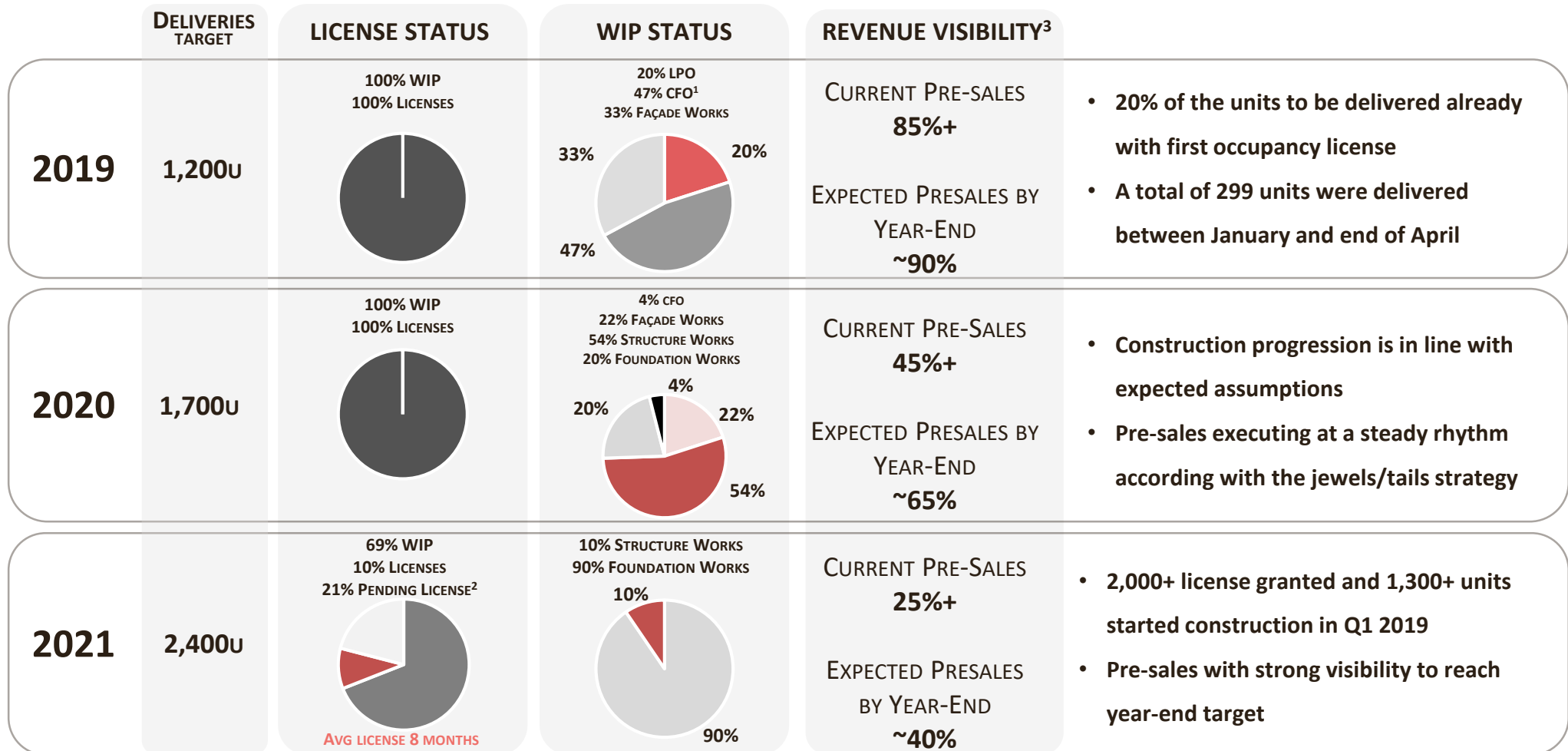
> €10m Operating EBITDA – Steady pre-sales, progress in licenses and WIP starts



Note: Pre-sales rate as of March 2019. ¹ Average accumulated time since submission of licenses is 8 months. These 2,500 units for which license have been requested, are in addition to the 6,000+ units that already had licenses at the time of presenting FY2018 results ² Inflation on per sqm construction ratios used by the Operations team, reflecting the construction prices received on all construction tenders in all regions.

BUSINESS PLAN 2019-2021

PROGRESS IN PRE-SALES AND DELIVERIES, WIP STARTS AND LICENSES



¹ This units are in different stages after finishing the façade works and before getting the CFO. CFO stands for Certificado Final de Obra, last milestone before requesting the First Occupancy License from the Municipality ² 100% Submitted

SHAREHOLDERS' VALUE AND REMUNERATION

- Value creation and shareholder remuneration via dividends a top priority for the new management

EXPECTED DIVIDEND FLOWS STARTING IN 2020

FIRST TIME DIVIDEND IN 2020¹



**c.€200M OF DIVIDEND FLOWS
EXPECTED IN 2020-2022**



**STABILIZATION AT 70% OF NET
INCOME ON RUN RATE**

SHARE BUY-BACK 2019

**FACILITY AGREED TO FUND UP TO
€100M SHARE BUY-BACK²**



TARGET 2019: €50M TO €100M



**EXPECTING ENHANCED EPS GIVEN THE
CURRENT GAP BETWEEN APPRAISAL VALUE
AND MARKET VALUE**

Up to €300m² devoted to shareholder remuneration / value creation in 2019-2022, reflecting the lower capital needs of the new business plan



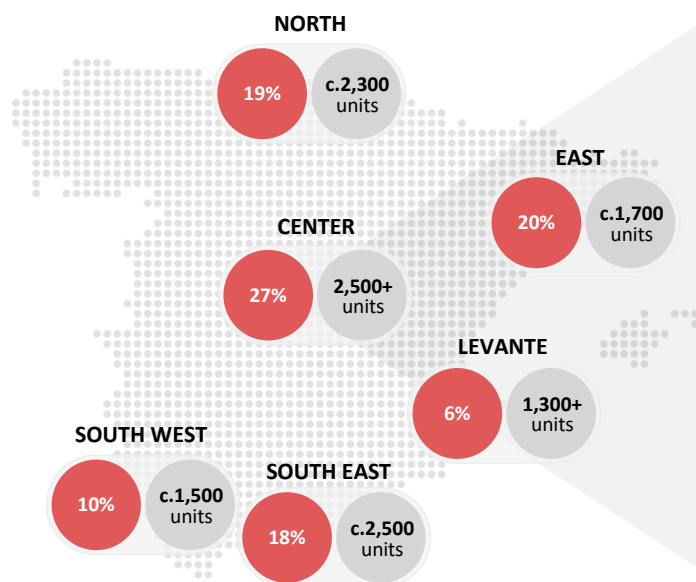
A APPENDIX

CURRENT LAND BANK

> Neinor has a diversified Land Bank (c.13K units) in some of the strongest markets of Spain, such as Madrid or Barcelona.

Neinor's Land Bank – National Footprint

% over GAV value of Land Bank Assets

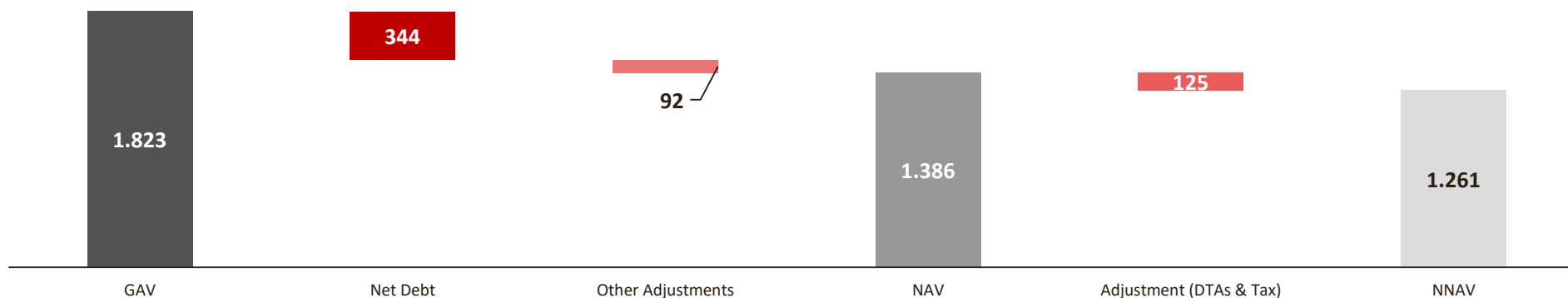


Savills GAV Split by Regional Delegation – Fully-permitted land bank¹

	North	Center	East	Levante	South East	South West	Total FY2018
Number of units	2,268	2,510	1,687	1,317	2,500	1,456	11,738
<i>Buildability Area (sqm)</i>	284,173	317,599	239,461	141,224	326,841	204,886	1,514,184
GDV (EURm)	709	965	612	346	878	418	3,928
<i>ASP (EUR)</i>	313	385	363	263	351	287	335
<i>Average Price per sqm (EUR)</i>	2,496	3,039	2,557	2,450	2,686	2,039	2,594
Costs pending to complete (EURm)	299	367	206	175	439	194	1,680
<i>Costs pending per unit (EUR)</i>	132	146	122	133	176	133	143
<i>Costs pending per sqm (EUR)</i>	1,052	1,155	861	1,239	1,344	945	1,109
Valuation (EURm)	324	463	344	110	307	168	1,717
<i>Valuation per sqm (EUR)</i>	1,140	1,459	1,438	780	940	821	1,134
Strategic Land on Balance Sheet GAV (EURm)							51
Remaining Legacy GAV (EURm)							54
GAV reported 31st of December 2018 (EURm)							1,823

Bridge from GAV to NNAV

EUR millions



¹ Strategic (non fully-permitted) land amounts to 1,400+ units, thus taking the total land bank to 13,000+

147 UNITS DELIVERED IN Q1 2019¹

- > Good performance in the first quarter, as Atria Homes (Madrid) and Medina Homes (Cordoba) started delivery and remaining units from 2018 were notarized as well, with **development gross margin of 30%**.

Atria Homes

Region	Center
Location	Alcobendas, Madrid
Units (#)	148
Units Delivered Q1-19' (#)	43
Sqm	18,317
Construction Company	Sodelor
Construction Started	Q4 2016
Construction Finished	Q4 2018
Delivery	Q1 2019



Medina Homes

Region	South West
Location	Córdoba, Córdoba
Units (#)	107
Units Delivered Q1-19' (#)	39
Sqm	13,500
Construction Company	Construalia
Construction Started	Q2 2017
Construction Finished	Q4 2018
Delivery	Q1 2019



⁽¹⁾ As of closing of April, a total of 299 units have been notarized. Of these, 127 corresponded to Atria Homes and 66 corresponded to Medina Homes.

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HOMES

Neinor

