



GRUPO INSUR RESULTS 2016

Ready for profitable growth



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I. EXECUTIVE SUMMARY

RESULTS FOR 2016

- In 2016 earnings stood at €3.9m, a 30.9% decrease with respect to last year, due to:
 - A lower result owing to disposals of Property Investments in 2016 which stood at €2.4m vs €8.6m in 2015.
 - A delay in obtaining a licence for the two completed developments which has prevented the delivery and sale of the end product for the sum of €25.2m.
- The recurring EBITDA (which does not include the results of property investment disposals), however, has risen dramatically by 46.2% (€12.0m in 2016 vs €8.2m in 2015).
- Net financial debt increased to €18m (a rise of 10.5% with respect to 2015) due to the heavy investments of €36m (contributions to joint ventures and the acquisition of sites).
- A reduction in long-term corporate debt rates were negotiated during the second half of 2016, with a fall of corporate spreads of around 35% which had little effect on the 2016 results due to the date in which they were registered.



I. EXECUTIVE SUMMARY

MAIN MILESTONES IN 2016

- Purchase of 5 sites to build 339 homes with a building area of 47,678 m²

San Sebastián de los Reyes (Madrid)
Boadilla del Monte (Madrid)
Málaga
Dos Hermanas (Sevilla)
Córdoba

- Creation of a JV called IDS Madrid Manzanares, S.A. with two Family Office for the development of a business park in Madrid, with a building area of 26,870 m².
- Strengthening of the organisational structure, especially in the departments of construction and development, with the following projects:
 - 360 homes being built year ending 2016.
 - 665 homes starting building phase in 2017.
 - 702 homes to be built on sites already purchased, to be promoted in the coming year.

1,727 homes



Residencial Conde de Zamora (Córdoba)

- The year 2016 has seen the positive recovery of the property market. This started in 2014, largely in Madrid and Barcelona with some coastal areas and it has spread to other regions , fed by job creation, increased confidence expressed by families and favourable financial conditions.
- This recovery is reflected in the figures:
 - A 2.4% rise in housing prices.
 - A 13.5% rise in housing transactions with respect to 2015, exceeding 450,000 units.
 - Maintenance of the strong investment in the Spanish residential housing market by foreign buyers which increased by 13%.
 - An upturn in the production of new homes thanks to a steady increase in demand and the reduction in stock. A favourable outlook which means that in the forthcoming years we expect to see a rate of 150,000 new builds a year.



Jardines de Arco Norte (Dos Hermanas, Sevilla)



Edificio Miraflores (Sevilla)



La Reserva de Los Naranjos (Marbella) 6

ECONOMIC FIGURES

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SOLVENCY RATIOS

Consolidated profit and loss sheet

(Thousands of Euros)

	2015	2016	Variance 2015-16
Net revenue	55,844	57,323	2.6%
EBITDA	16,878	14,462	(14.3%)
Operating profit	13,839	10,967	(20.8%)
Finance income	(6,958)	(5,775)	(17.0%)
Pre-tax profits	6,881	5,192	(24.5%)
Tax	(1,226)	(1,284)	
Profit after tax	5,655	3,908	(30.9%)
Basic earnings per share (in Euros)	0,36	0,25	(30.5%)

- Revenues have risen 2.6% with respect to the previous year. This figure would have been stronger, however, due to the delay in obtaining licences of first occupation for two developments which the group finished and sold for € 25.2m , greater revenues have not been delivered.
- Results stood at €3.9m vs €5.7m for the previous year which means a reduction 30.9%, due to the reported lower results from disposals (property investments) and the delay in obtaining the licence of first occupation for the two developments.



Elements (Marbella - Málaga)

III. FINANCIAL HIGHLIGHTS FOR 2016

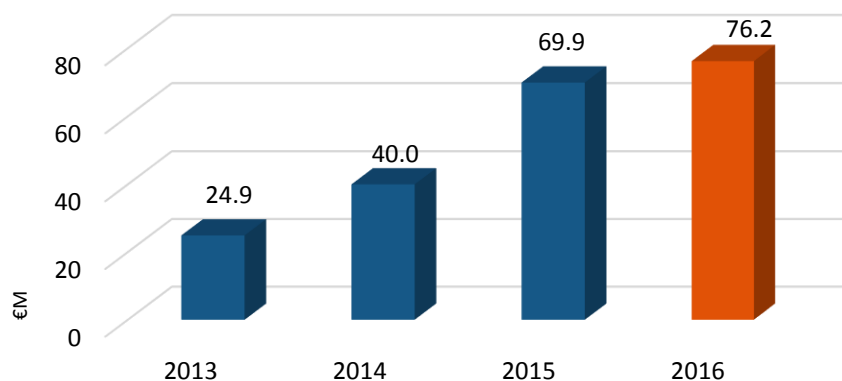
PRE-SALES

	Year				Variance
	2013	2014	2015	2016	2015-2016
Revenue from development	11.5	43.0	43.1	39.9	(7.4%)
Revenue from leasing	13.5	11.6	11.8	10.5	(11.0%)
Revenue from construction	-	-	-	5.4	n/a
Other revenues	7.2	0.7	0.9	1.5	66.7%
Total revenue	32.2	55.3	55.8	57.3	2.7%
Pre-sales revenue (*)	24.9	40.0	69.9	76.2	9.0%

(€M)

(*) Pre-sales of the joint and associated businesses are included as they are companies that are managed by Grupo Insur.

Pre-sales performance



- Pre-sales revenue (deposits and contracts on properties pending delivery) stands at a similar figure for the previous year (€52.7m 2016 vs €53.5m 2015). It does not include pre-sales of €23.5m, booked by companies consolidated in proportion to our shareholding compared to €16.4 in 2015.

OPERATING PROFIT

(Thousands of Euros)	2015	2016	Variance 2015-16
Net revenue	55,844	57,323	2.6%
+/-Inventory variation in projects completed or in progress	9,984	4,232	
Work on own assets	2,448	4,164	
Supplies	(47,336)	(41,406)	
Personnel expenses	(4,982)	(6,043)	21.3%
Amortization	(2,509)	(2,562)	
Implied subsidy of non-financial assets and other	-	10	
Other operating revenue	1,108	515	
Other operating expenses	(8,823)	(6,746)	(23.6%)
Excess provisions	170	-	
Write downs of non-current assets	(700)	(937)	
Asset sales	8,635	2,419	
OPERATING PROFIT	13,839	10,969	(20.7%)

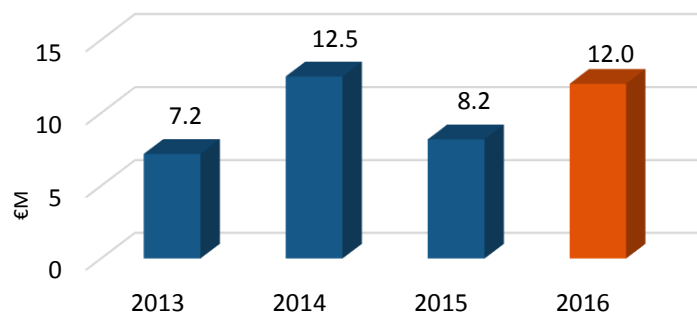
- “Personnel costs” have risen by 21.3%, as a result of 33 new hires in FY16 to respond to the increased activity in the areas of development and construction. “Other operating costs” represent a notable improvement with a fall of 23.6%, which explains that the joint operating costs, personnel costs and amortizations have been reduced by 5.9%, from €16.3m FY2015 to €15.3m FY2016.
- Operating profit stands at €11.0m vs €13.8m for the previous year (down 20.7%) and the main cause of these lower results being the disposals of property investments which stood at €2.4m, for FY2016 opposed to €8.6m for FY2015.

III. FINANCIAL HIGHLIGHTS FOR 2016

EBITDA

- EBITDA fell 14.3% from €16.9m in 2015 to €14.5m in 2016, basically due to the lower results reported on disposals of property investments (€2.4m in 2016 vs €8.6m in 2015). However, recurring EBITDA, which does not take into account the disposals of property investments, standing at €12.0m vs €8.2m for the previous period - a rise of 46.2%.

Recurring EBITDA performance



The EBITDA is as follows

Operating revenue	10,969
(+) Amortization	2,562
(+) Impairment losses on property investment	933
EBITDA	14,468

(Thousands of Euros)



Boadilla Garden (Boadilla del Monte - Madrid)



Pineda Parque (Sevilla)

III. FINANCIAL HIGHLIGHTS FOR 2016

FINANCIAL RESULTS

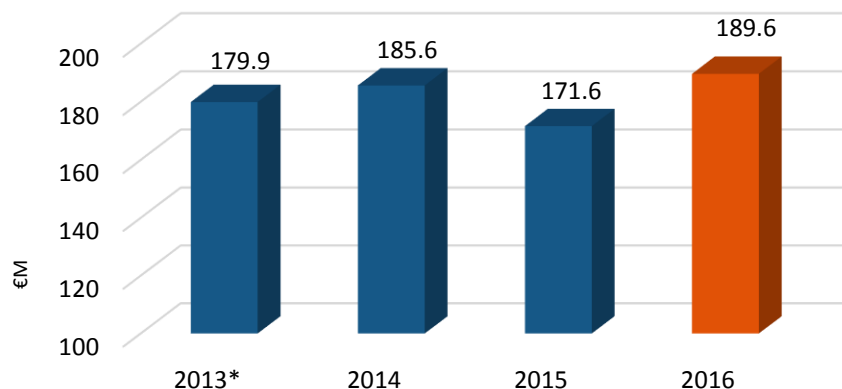
Financial results

(Thousands of Euros)	2015	2016	Variance 2015-16
Income	65	161	47.7%
Financial costs for third party debt	(8,674)	(7,903)	(8.9%)
Capitalized financial costs	1,763	2,831	60.6%
Adjustment in valuations of financial instruments at fair value	(19)	(556)	2,826.3%
Write down and disposals of financial instruments	167	-	n/a
RESULTS	(6,698)	(5,467)	(18.4%)
Results of companies consolidated in proportion to shareholding	(260)	(310)	19.2%

- The negative financial result stands at €5.5m vs €6.7m for the previous year, a 18.4% improvement.
- During the second half of 2016, following a bilateral negotiation with financial entities, the corporate spreads have been reduced in the long-term to around 35%.
- The negative result of the joint ventures stands at €0.3m, owing to non-capitalized expenditures from recently initiated developments.



Net consolidated financial



* This includes the net financial debt from Hacienda La Cartuja, S.A.U. and IDS Residencial, S.A.U. consolidated by the proportional method.

- A 10.5% rise in the financial debt of €18m in comparison with FY2015. The main reason being the heavy investments secured by the Group in joint ventures (€9.8m), new sites (€26m) and CAPEX to property investments (€0.7m).
- The financial debt would have been less as the Group has finished and sold two developments to the tune of €25.2m and they have been unable to deliver them owing to the delay in granting licences of first occupation by the local authority.

Gross financial debt:

	S/T (*3)	L/T(*3)	TOTAL
Corporate financing (*1)	5.1	121.4	126.5
Project financing(*2)	8.0	58.1	66.1
Current financing (*2)	7.8	4.0	11.8
	20.9	183.5	204.4

(€M)

(*1). With a mortgage guarantee on property investments. 28.2% of the total value of property investments are debt-free.

(*2) These loans will be renewed in 2017.

(*3) S/T = short-term, L/T = long-term

Loan maturity L/T :

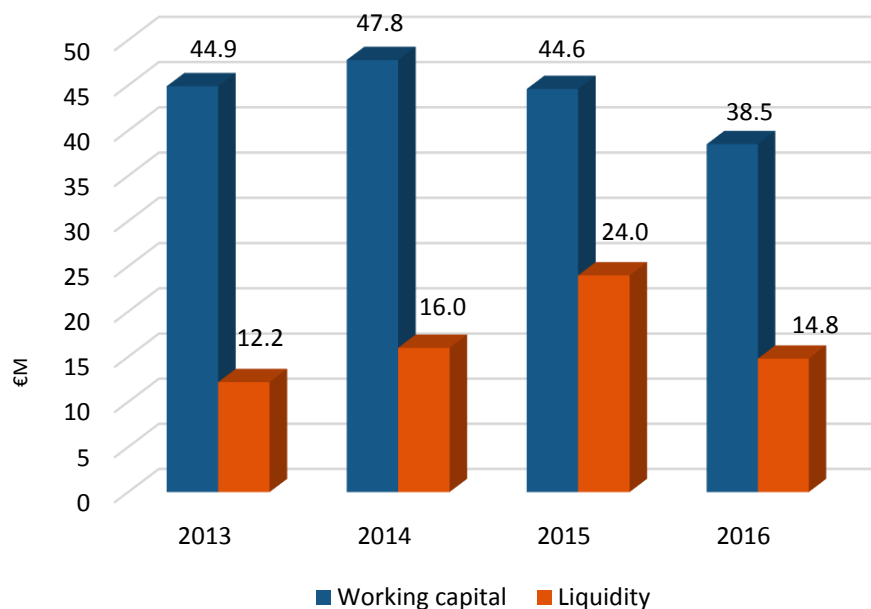
2018	22.1
2019	11.7
2020	11.5
2021	11.5
2022 and successive years	126.7
	183.5

(€M)

	2013	2014	2015	2016	Variance 2015-16
Working capital	44.9	47.8	44.6	38.5	(13.9%)
Cash and cash equivalents (CCE)	12.2	16.0	24.0	14.8	(38.3%)

(€M)

Working capital and liquidity performance



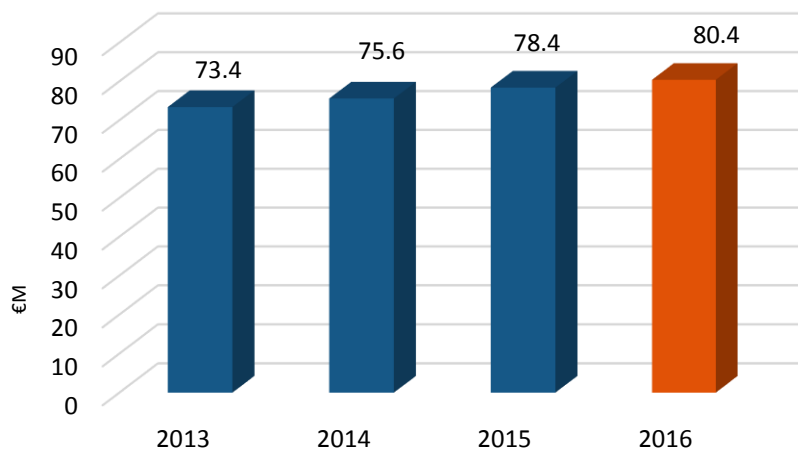
■ The Group has reduced its liquidity position by 38.3%, hitting €14.8m, owing to the heavy investments made in this period.

■ Working capital has been reduced by €6.1m, driven by the Group's development growth strategy creating joint business ventures. The Group has injected during FY16 €9.8m to JVs.

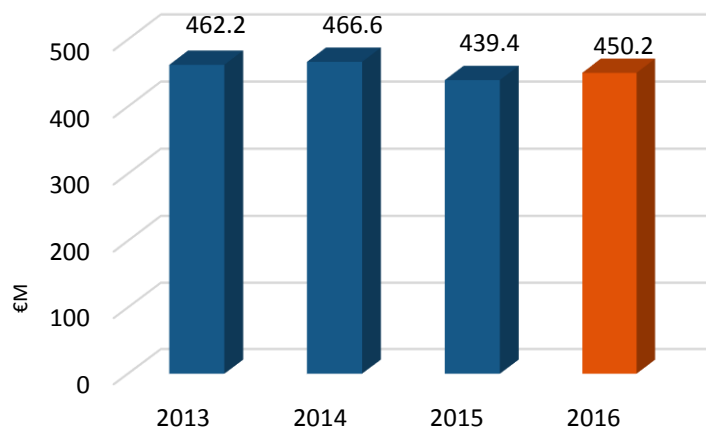
III. FINANCIAL HIGHLIGHTS FOR 2016

SOLVENCY RATIOS (i)

Equity Performance



GAV Performance



In 2015 and 2016 in order to determine the GAV stock is valued by its fair value. In previous years at cost price.

- Net equity ratio for all assets of 23.7% (property investments at cost price).
- Estimated value of real estate investments including self-occupied of €298.8m^(*).
- **Unrealized capital gains of €167.4m.**
- **Net equity for the Group including net unrealized capital gains (tax 25%) rises to €206.0m which means the balance will be financed by 40.7% of own funds.**

^(*) To determine the value of property investments the RICS* method has been used. This differs from the method used in 2015 (Norm ECO/805/2003).

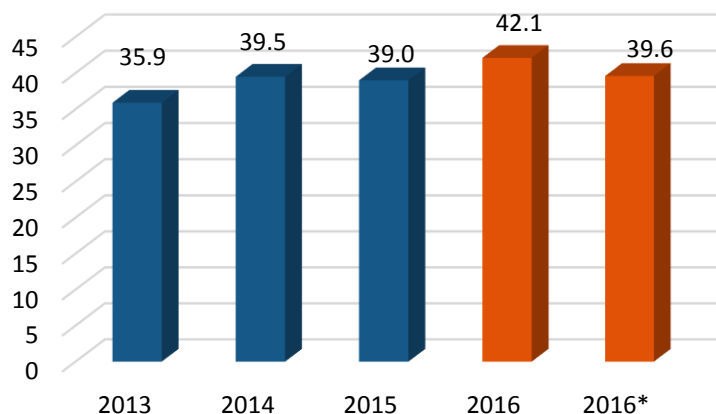
- GAV of €450.2m (according to the RICS* method carried out by CBRE), which is the value of property investments targeted for leasing and own use for a value of €298.8m and stock of €151.4m.

III. FINANCIAL HIGHLIGHTS FOR 2016

SOLVENCY RATIOS(ii)

	FY				
	2013	2014	2015	2016	2016 ^(*)
LTV (%)	35.9	39.5	39.0	42.1	39.6

LTV Performance (%)



(*) Adding to the GAV €28.4m of investments in JVs according to their stake

- Despite the strong correction in asset value, the LTV has remained stable below 40%, adding to the GAV the value of contributions made by joint ventures (at the close of FY2016 €28.4m^(*)).

(*) In 2016 these companies (JVs) do not have any financial debt.



Edificio Insur (Sevilla)



Edificio Insur Huelva (Huelva)

IV. INVESTMENT (LEASING AND ASSET TURNOVER)

LEASING AND ASSET TURNOVER(i)

FY (Financial year)

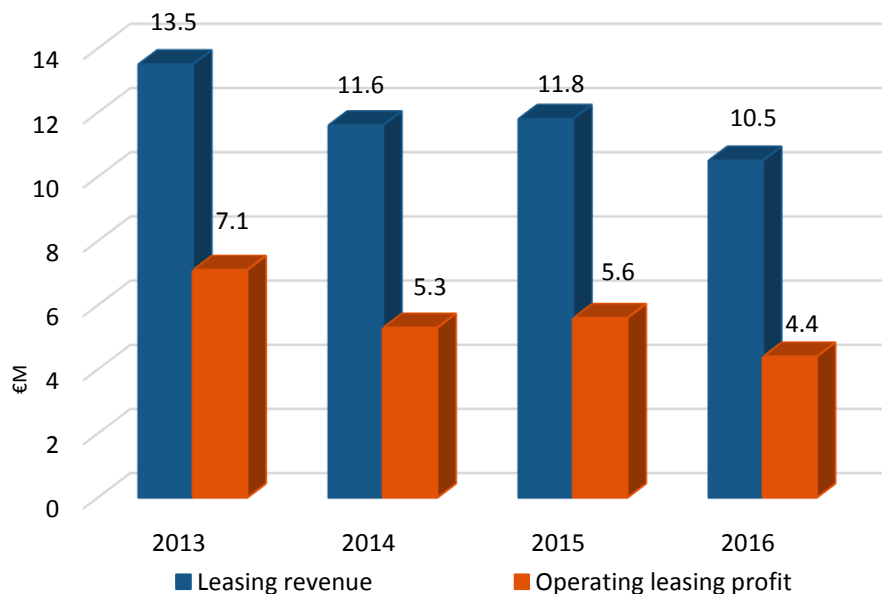
	2013	2014	2015	2016
Leasing revenue	13.5	11.6	11.8	10.5
Operating leasing profit (*)	7.1	5.3	5.6	4.4
Asset turnover	5.2	2.7	8.6	2.4
Operating property investment profit	12.3	8.0	13.5	5.8
% Margin of operating leasing activity	52.5%	45.8%	47.5%	41.5%

(€M)

(*) Without impairment in property investments (€0.7m in 2015 and €0.9m in 2016)

- A fall in revenue due to the vacancy of a property by the regional government.
- A decrease in the result due to lower asset turnover.

Leasing performance



Edificio Centris II (Tomares - Sevilla)

IV. INVESTMENTS

LEASING AND ASSET TURNOVER(ii)

Residential	Nº of plots	Plots leased	Pending leasing
Homes	5	5	-
Parking spaces	2,532	2,481	51

Commercial	M² Total	M² Leased	Pending leasing
Offices	83,088	49,011	34,077
Premises	28,701	27,166	1,535
Archives (storage units)	4,032	1,533	2,499
TOTAL	115,821	77,710	38,111

- The average occupancy rate stands at 67.1% (70.7% 2015), with a premises occupancy of 94.7% (81.6% in 2015) and 59,0% for offices (67,0% in2015).
- The impact of the vacancy of Edificio Insur by the regional government - 12,080 m². Area leased so far 3,899 m².
- Maintaining the replacement capacity of the gross leasing area, with a rise in the rate of re-leasing for the last three years to 9.1% (11,767 m² in 2016) of the total leasable area which will allow us to achieve the 90% occupancy targeted in our strategic plan of 2016-2020 by the end of 2020.
- In 2017, Insur Centros de Negocios, will start managing and operating a Business Center to drive a greater diversity of services and better exploit the building and its facilities. The first of Insur`s Business Center in Sevilla, will be located in Edificio Insur and will have over 2,000 m² of offices and meeting rooms.

CAPEX

- A leasing deal has been signed with a leading operator for a commercial building of 2,766 m² for hotel use with 45 rooms located in calle García Lovera in Córdoba. Building works have already started. This new leasing project fits in with Grupo Insur's strategic plan 2016-2020 of adapting commercial buildings to new uses which drives a stronger occupancy rate in its leasing portfolio as well as diversification of uses. Capex estimated at €3,0m.
- Market repositioning of the offices located in Avda. República Argentina, 21B (Sevilla) as a Business Center (2,325 m², 21 office units meeting and training rooms) – an investment of €0.7m.

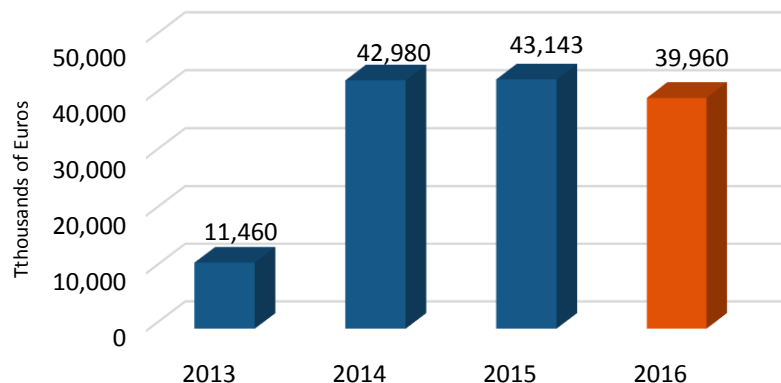


Edificio García Lovera (Córdoba)
Hotel currently under refurbishment

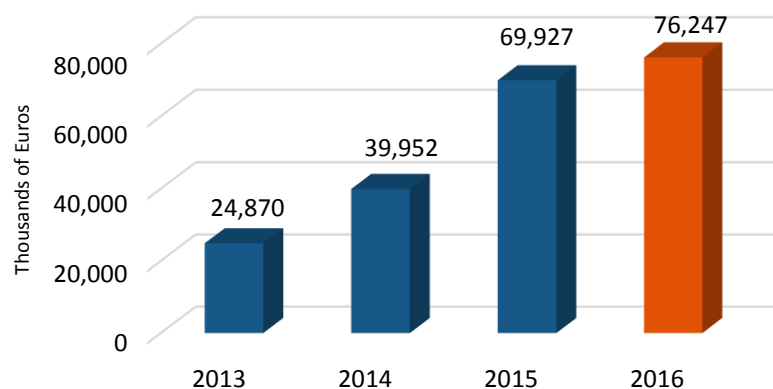


Centro de Empresas República 21 (Sevilla)

Property development revenue performance



Pres-sales property development performance (*)



* The pre-sales of the joint and associated businesses are included as they are managed by the Group.

- In 2016 the Group delivered 147 homes (128 homes in 2015) located in a variety of developments in Sevilla and the surrounding area, Madrid, Córdoba y Marbella.

- Pre-sales figures (€52.7m) are similar to last year (€53.5m). This figure does not include €23.5m of pre-sales booked by companies consolidated by the equity method (Desarrollos Metropolitanos del Sur, S.L., Mosaico Desarrollos Inmobiliarios, S.A. and IDS Palmera Residencial S.A.), which was €16.4m in 2015.

- The Group's pre-sales total at the year end, which includes all the companies such as joint ventures, rises to €76.2m in 2016 vs €69.9m in 2015 – a 9% rise.

- Growing the development activity via Insur Promoción Integral subsidiary (100% owned). Switching the Group personnel related to development activity to this subsidiary. The goal of this company, along with Hacienda La Cartuja, S.L.U., is to carry out all property development activity of the Group.

	BUILDING AREA	HOMES
INVESTMENTS FY 2014	53,373 m²	416
INVESTMENTS FY 2015	147,388 m²	1,045
INVESTMENTS FY 2016	74,548 m²	339
<ul style="list-style-type: none"> ▪ Via the 100% owned subsidiary Insur Promoción Integral, S.L.U.: <ul style="list-style-type: none"> ▪ A residential use site in San Sebastián de los Reyes, (Madrid) Sector UE-12 “Pilar de Abajo”. 5,847 m² 38 ▪ A residential use site in Córdoba which is part of the Plan Parcial PP-O7 “Poniente Sur”. 10,296 m² 81 ▪ Two residential use sites in Boadilla del Monte (Madrid), named R-8 y R-14 part of the “Cortijo Sur” 19,641 m² 128 ▪ A residential use site in Málaga, located in the Plaza del Teatro. 7,032 m² 57 ▪ Via the 100% owned subsidiary Hacienda La Cartuja, S.L.U, a plot named Mc-2 del Proyecto de Reparcelación AO-34 “Venta Bermeja I”, en the municipality of Dos Hermanas (Sevilla). 4,862 m² 35 ▪ Via the 50 % Insur stake in IDS Madrid Manzanares, S.A., the land acquisition of Avda. de Los Melancólicos (Madrid) for office and commercial use. 26,870 m² n/a 		
TOTAL INVESTMENT	275,309 m²	1,800

V. DEVELOPMENT

LAUNCHING THE FIRST DEVELOPMENTS OF THE MEGAPROJECT SELECTA ENTRENÚCLEOS

- Starting the megaproject Selecta Entrenúcleos in Dos Hermanas (Sevilla). The promotion and construction of the first 2 out of 19 developments.
- The developments which have started include: Selecta Rodas (54 homes with community areas) and Selecta Arquímedes (116 multi-family homes with open spaces, sports zone and swimming pool). The building Works Alminar II in Marbella (44 luxury flats) are also making progress.
- In 2017 is planned to launch the development Selecta Atenas with 61 multi-family homes.



Sales office in Selecta Entrenúcleos
(Dos Hermanas - Sevilla)

This company was set up in 2015 by Insur and Anida Operaciones Singulares S.A.U. (which belongs to the banking group BBVA) and aims to develop residential properties, mainly on the plots UE1 del Plan Parcial Entrenúcleos (SEN-1) in Dos Hermanas (Sevilla). The project includes a building area of 292, 726 m² and 2,434 homes are planned for development in several phases.



Selecta Rodas (Dos Hermanas - Sevilla)



Show flat Selecta Arquímedes
in the sales office in Selecta Entrenúcleos



Alminar II (Marbella - Málaga) 22

V. DEVELOPMENT

CREATION OF IDS MADRID MANZANARES, S.A.

- Set up on 15 July 2016 by Grupo Insur (50 % stake) and private investors, with own funds of €16m (currently €12.3m disbursed).
- The aim is the property development of a cutting edge business park on the plot Paseo de los Melancólicos in Madrid, named Insur Madrid Río, with building works expected to start in 2017.
- The business park project spans 27,000 m² which includes two office blocks of 13,500 m² each, each floor 1,700 m² and underground parking plus all the amenities required by the employees such as restaurants and convenience stores.



Insur Madrid Río business park (Madrid)

V. DEVELOPMENT

OWN PROJECT PORTFOLIO

PROJECTS UNDER CONSTRUCTION

Development	Location	Building area	No. of homes	Sales Volume (€m)	Expected Delivery
Parque Guadaira	Sevilla	2,566	18	4.4	2017
Jardines de Arco Norte 2	Dos Hermanas (Sevilla)	4,376	38	6.9	2017
Antonio Mairena	Castilleja de la Cuesta (Sevilla)	3,467	32	5.0	2017
Jardines de Arco Norte 3	Dos Hermanas (Sevilla)	3,140	27	5.1	2018
Edificio Galileo	Mairena del Aljarafe (Sevilla)	5,390	42	7.9	2018
La Reserva - El Rompido	Cartaya (Huelva)	6,582	66	14.8	2018
La Riviera	Marbella (Málaga)	3,409	17	6.1	2018
Altos del Retiro 1ª fase	Málaga	2,760	22	4.7	2017
		31,690	262	54.9	

PROJECTS STARTING CONSTRUCTION 2017

Development	Location	Building area	No. of homes	Sales Volume (€m)	Expected Delivery
Moscatelares	San Sebastián de los Reyes (Madrid)	5,847	38	15.8	2018/19
Plaza del Teatro	Málaga	7,032	57	24.2	2019
Boadilla Garden 1ª Fase	Boadilla del Monte (Madrid)	6,760	36	17.2	2019
Boadilla Garden	Boadilla del Monte (Madrid)	9,720	54	27.9	2019/20
Conde de Zamora	Córdoba	10,296	81	20.8	2019
Jardines de Santa Ana III	Dos Hermanas (Sevilla)	4,862	35	7.2	2019
Altos del Retiro 2ª fase	Málaga	4,391	35	7.0	2019
		48,908	336	120.1	

PROJECTS IN PROCESS OF DEVELOPMENT

Development	Location	Building area	No. of homes	Sales Volume (€m)	Expected Delivery
Boadilla Garden 2ª Fase	Boadilla del Monte (Madrid)	7,108	38	18.5	2020
		7,108	38	18.5	
TOTAL		87,706	636	193.5	

V. DEVELOPMENT

JV PROJECT PORTFOLIO

JV PROJECTS UNDER CONSTRUCTION

Development	Location	Building Area	No. of homes	Sales Volume (€m)	Expected Delivery
Selecta Rodas	Dos Hermanas (Sevilla)	7,560	54	12.3	2017
Alminar II	Marbella (Málaga)	8,074	44	21.5	2018
		15,634	98	33.8	

PROJECTS STARTING CONSTRUCTION 2017

Development	Location	Building Area	No. of homes	Sales Volume (€m)	Expected Delivery
Pineda Parque 1ª fase	Sevilla	17,767	102	36.2	2018/19
Elements Fase I	Marbella (Málaga)	6,656	53	16.3	2019/20
Selecta Arquímedes	Dos Hermanas (Sevilla)	13,201	116	20.5	2018/19
Selecta Atenas	Dos Hermanas (Sevilla)	8,534	58	13.2	2019
		46,158	329	86.2	

PROJECTS IN PROCESS OF DEVELOPMENT

Development	Location	Building Area	No. of homes	Sales Volume (€m)	Expected Delivery
Pineda Parque 2ª fase	Sevilla	8,249	68	24.7	2020
UA-1	Dos Hermanas (Sevilla)	3,934	20	6.1	2020
BC-2	Dos Hermanas (Sevilla)	13,761	116	21.4	2021/22
BA-2	Dos Hermanas (Sevilla)	12,032	108	19.7	2022/23
BA-3	Dos Hermanas (Sevilla)	10,499	93	16.5	2020/21
Elements Fase II	Marbella (Málaga)	8,118	66	21.1	2019/20
Elements Fase III	Marbella (Málaga)	4,324	34	9.4	2020
Elements Fase IV	Marbella (Málaga)	10,282	45	13.6	2019/20
Elements Fase V	Marbella (Málaga)	11,791	53	14.7	2020/21
Elements Fase VI	Marbella (Málaga)	12,243	61	15.7	2021
		95,233	664	162.9	
TOTAL		157,025	1.091	282.9	

- In 2016 construction activity corresponds to services provided by the Group to joint ventures or third parties. In 2016, IDS Construcción y Desarrollos, S.A.U. was created (a 100% INSUR company) which will gradually develop all the construction business of the Group. All the personnel of the Group related to this activity, have been switched to this subsidiary.
- Revenues for this activity were €5.4m in 2016, while operating profit was €0.4m.



Residencial Santa Bárbara (Sevilla)

Developed by Altamira, constructed and commercialised by Grupo Insur



La Reserva de El Rompido (Cartaya – Huelva)

Leasing

- Maintaining the repositioning capacity of the gross leasable area. In 2016 11,767 m² was leased, which represents 10.2% of the total gross leasing area (TGLA). This pace of leasing enables us to meet the rate of occupancy outlined in the 2016-2020 Strategic Plan (90% year ending 2020).
- 16,230 m² of TGLA completed or is in the process of being promoted out of the 40,000 m² invested between 2016-2020. This represents 41% of the objective and guarantees the 67 % increase in rent from new property investments targeted in the Plan (24,000 m² TGLA in 2020).
- Meeting the target of our diversification strategy on the following three fronts:
 - Territorial:
 - Leasing of 50% the business park Insur Madrid Río (area of 13,500 m²t).
 - Leasing of the commercial premises in the development Plaza del Teatro de Málaga (1,150 m²).
 - Product:
 - A rise in the commercial premises portfolio (retail sector) in 1,580 m².
 - 2017 will see the opening of the Business Center in order to diversify services offered.
 - Tenants: repositioning Edificio Insur for multi-occupancy (2,081 m² of the 12,080 m² left vacant in May 2016) following the vacancy of the building by the regional government)(*).
- In 2016 the CAPEX forecast for 2016-2020 (€12m) €3.7m has been budgeted for the refurbishment of the offices in Avda. República Argentina (Sevilla) and the conversion of Edificio García Lovera (Córdoba) to hotel use.

(*) 3,899 m² leased up to the date of this report.

Development

- Consolidating expansion and geographical diversification, driving the areas of Madrid and the Costa del Sol. The year 2016 saw land acquisition in San Sebastián de los Reyes (Madrid), Boadilla del Monte (Madrid) and in Málaga.
- Strategic plan investment 2016-2020: land acquired for the sum of €150m: in 2016 land was acquired with an investment of €48m (32% of the target outlined in the plan).
- Planned deliveries in the strategic plan: between 2,000-2,500 homes 2016-2020. In 2016, 147 homes have been delivered, 193 dwellings are finished and pending delivery, 360 homes are under construction at the close of 2016, 665 dwellings in developments that will start construction in 2017 and 702 homes in the process of development. **Total 2,067 homes.**
- 2016 saw the creation of partnerships with private investors and financial entities in order to roll out large-scale projects (SAREB for the Plaza del Teatro in Málaga and the joint venture for Madrid Río).
- Driving the development activity is the 100% owned Insur Promoción Integral, S.L.U.



Plaza del Teatro (Málaga)



Altos del Retiro (Málaga)

Management and Construction

- 2016 saw the restructuring of the Group with the creation of IDS Construcción y Desarrollos, S.A.U. which will bring together under one umbrella all the construction activity of the Group.
- The estimated figure for revenue for the strategic plan period 2016-2020 is €200m^(*).
- For development projects via joint ventures and financial entities, the estimated figure for management and promotion for the strategic plan period 2016-2020 is €12m^(*).

(*) Estimated revenue is only for projects in the portfolio.



Selecta Rodas (Dos Hermanas - Sevilla)

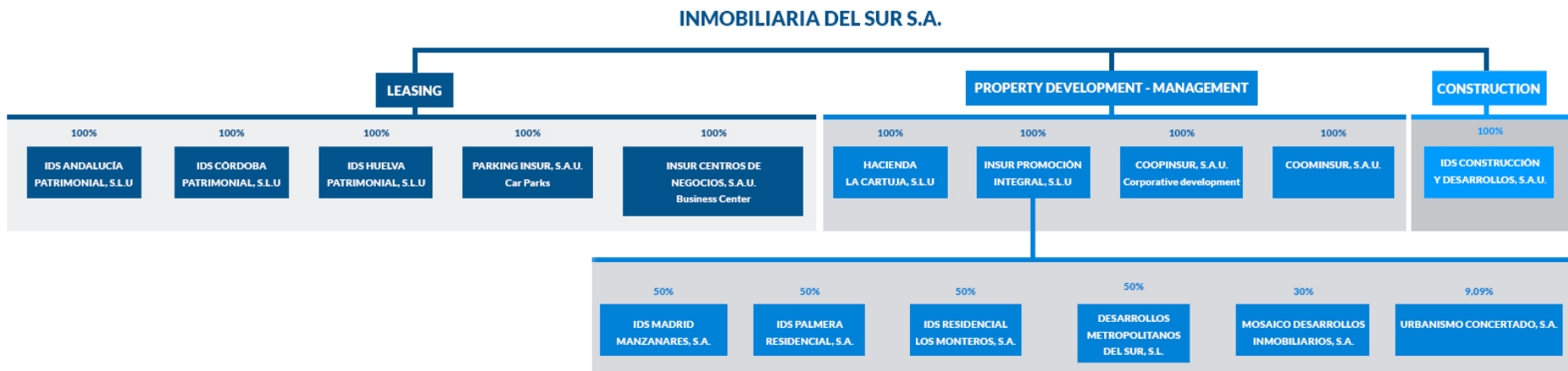


Edificio Galileo (Mairena del Aljarafe - Sevilla)

RESTRUCTURING

- In accordance with the Strategic Plan 2016-2020, 2016 saw the start of the restructuring of the Group with the division of each business of the Group into different companies (leasing, property development-management and construction) in order to better achieve the following aims: **(i) optimize business management . (ii) deliver a smarter allocation of resources. (iii) improve risk management, and (iv) enhance a better understanding of the Group for investors and creditors alike.**
- As a result the following actions have been implemented:

 - The creation of the company **IDS Construcción y Desarrollos**, owned by Inmobiliaria del Sur, which aims to bring together all building activities of the Group. Switching the Group personnel related to this area to the new subsidiary.
 - A capital increase in **Insur Promoción Integral** (previously known as IDS Residencial), a 100% subsidiary, via the contribution of various sites and the financial stake in the joint businesses and associated companies whose activity is property development. Switching the personnel to the activity. The aim of this company, along with Hacienda La Cartuja, S.L.U., is to carry out all property development activity of the Group.



VIII. STOCK MARKET PERFORMANCE

	2013	2014	2015	2016
Capitalisation (thousands of Euros)	271,550	103,528	134,926	134,247
Nº of shares (in thousands)	16,972	16,972	16,972	16,972
Latest price (Euros)	15.2	6.1	7.8	7.91
High price (Euros)	16.6	15.0	15.7	10.42
Low price (Euros)	3.4	5.6	5.8	5.87
Volume (shares in thousands)	1,014	760	1,292	910
Turnover (thousands of Euros)	4,786	5,301	12,315	7,437

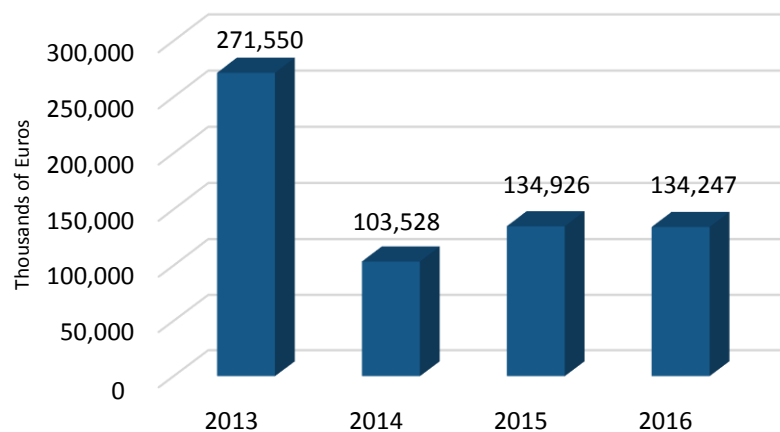


Joaquín Turina (Madrid)

Dividends paid:

	2013	2014	2015	2016
Dividends (thousands of Euros)	1,188	1,697	2,206	1,867

Stock market capitalisation



Dividend

