

**COMISIÓN NACIONAL DEL MERCADO DE VALORES**

C/ Edison, nº 4  
28006 – Madrid

Madrid, July 30, 2019

**QUABIT INMOBILIARIA, S.A.** (“**Quabit**” or the “**Company**”), in compliance with what is established in article 228 of the restated text of the Spanish Stock Market Law (*Ley del Mercado de Valores*) enacted by Royal Legislative Decree 4/2015, of October 23, makes public the following:

**RELEVANT EVENT**

Quabit communicates that the company results corresponding to the period of six months finished at June 30 2019, have been published.

A presentation of the company results is attached.

Sincerely,

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Miguel Ángel Melero Bowen  
Secretary of the Board of Directors



# 1H 2019 RESULTS

July 30<sup>th</sup> 2019

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- 1 Highlights
- 2 Residential Development
- 3 Land Portfolio & Land Management
- 4 Financial Statements and Debt
- 5 Final Remarks
- 6 Annexes

## SPEAKERS



**Félix Abánades**  
CHAIRMAN & CEO



**Rubén Bernat**  
CFO



**Álvaro López-Zaballa**  
HEAD INVESTOR  
RELATIONS

822 new home units under WIP during 1H 2019

Start off Casares Golf 1 (Málaga) deliveries

1H 2019 deliveries: 38 home units

1H 2019 Pre-sales: 78 €M. Pre-sales Book at 30.06.19: 283 €M

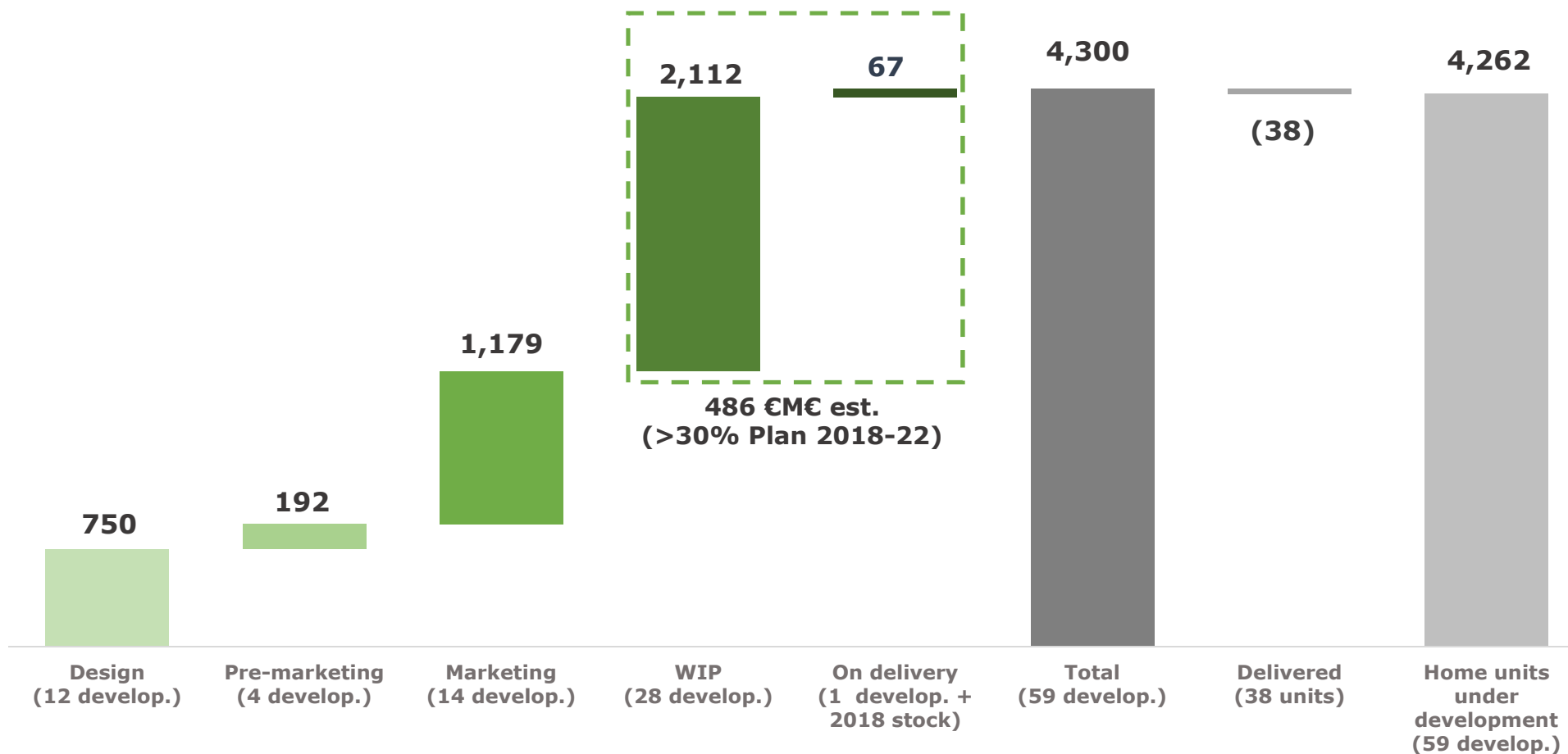
Optimal 2019 (90%) & 2020 (46%) sales coverage

Home units under development estimated turnover: 961 €M

- Reducing land investments needs (Capex in "Ready to build" Land for 2019e + 2020e 80-90 €M vs. 110-120 €M initially expected) due to selective investments (Investments 1H 2019: Cost of Land < 13% GDV)
- Investment in Planning Land Plot to boost our strategy of developing > 25% of our land needs from 2022 onwards

~ 2,200 WIP or delivery home units

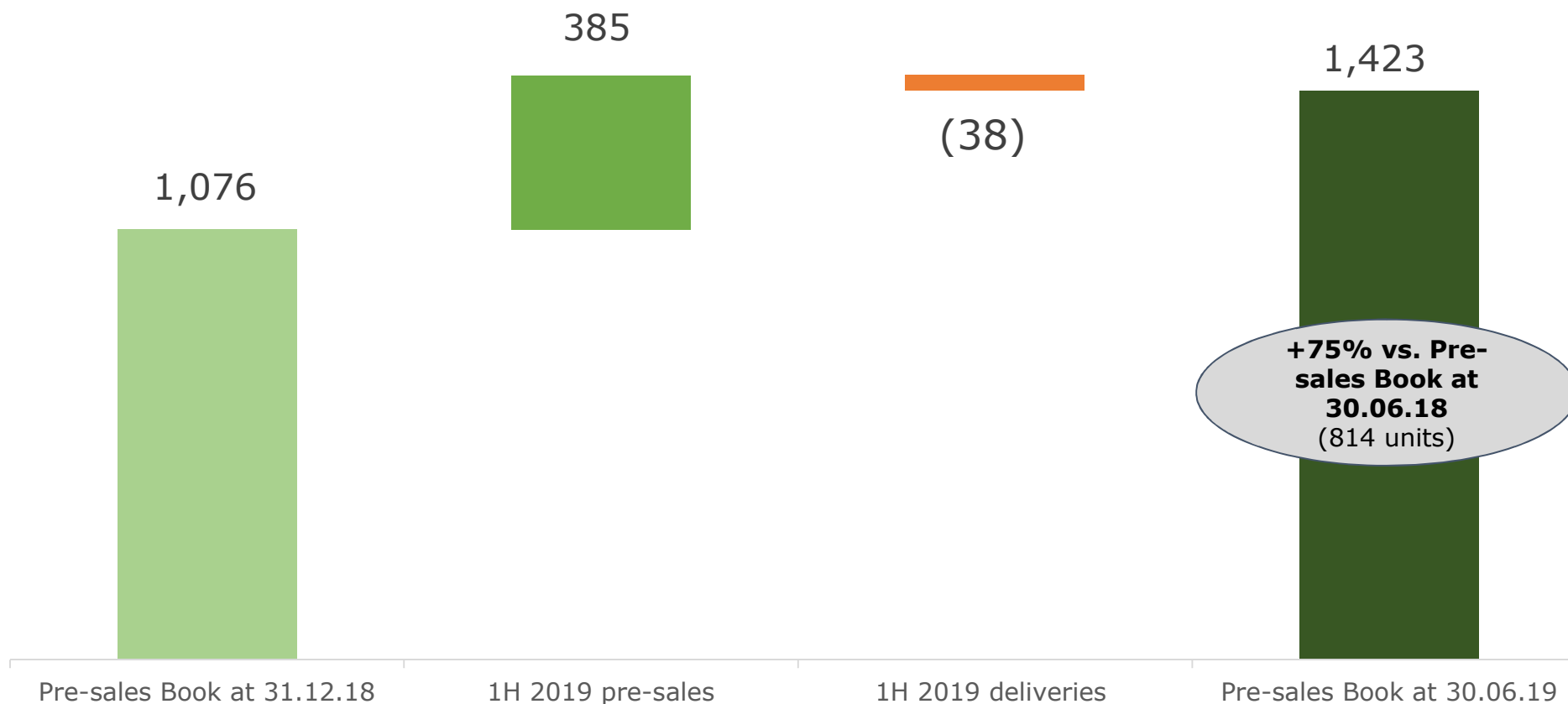
Home units under development by stage at a 30.06.19



- 822 new home units on WIP during 1H 2019
- Home units under development: 961 €M estimated turnover

Pre-sales Book: > 1,400 home units & > 280 €M

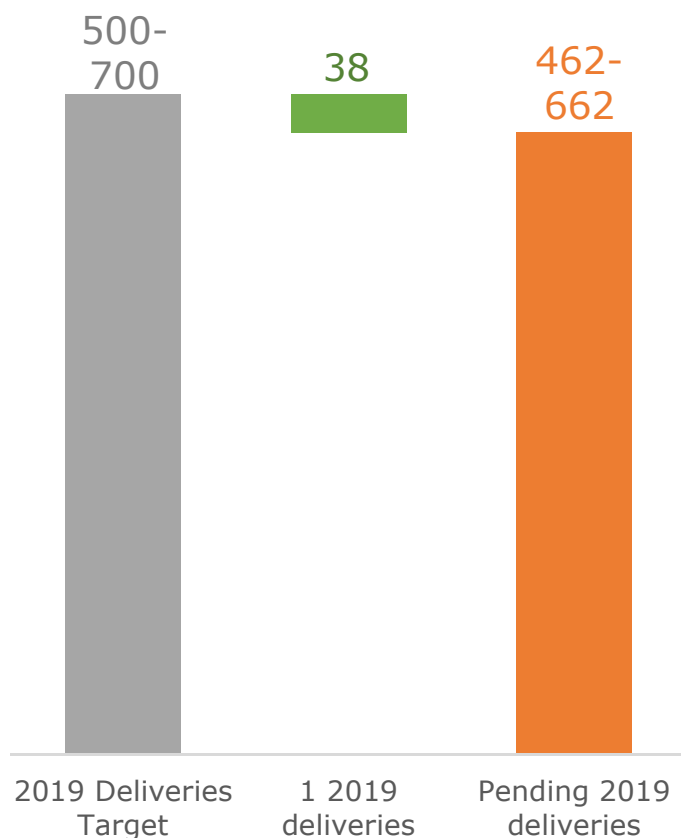
Pre-sales Book evolution during 1H 2019 (home units)



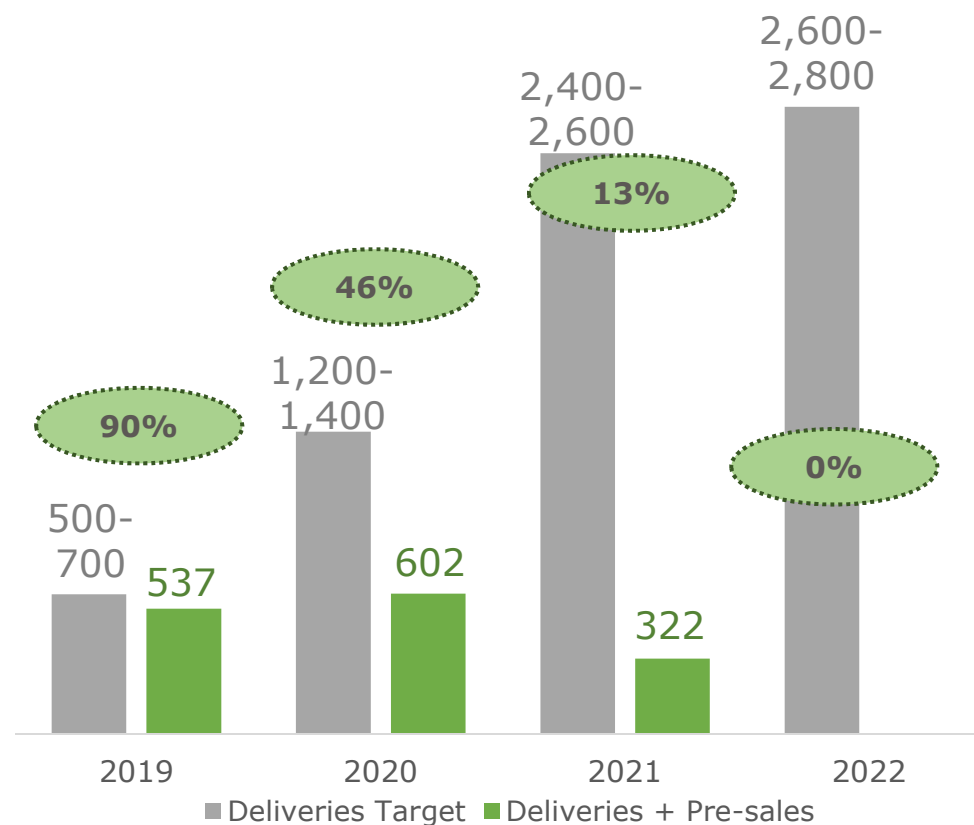
- 1H 2019 pre-sales: 385 home units & 78 €M estimated turnover
  - Pre-sales Book (30.06.19): 283 €M estimated turnover

## 2019 Deliveries and 2019-2022 Sales Coverage

1H 2019 Deliveries (home units)



% Sales Coverage 2019-2022<sup>(1)</sup>



- 38 home units delivered during 1H 2019
- > 85% 2019 deliveries target are expected during 4Q
- Optimal pre-sales levels to fulfill targets and capture HPA

(1) % coverage vs. middle point of the target range



## Going forward to fulfill 2019 targets

Home units on delivery or already delivered at 30.06.2019

	Location	Home units	Delivered	On delivery	Pre-sold	
On delivery & delivered	Stock cierre 2018	Madrid/Barcelona/Corredor del Henares	38	37	1	1
	Casares Golf 1	Málaga (Casares)	29	1	28	27
	<b>Total</b>		<b>67</b>	<b>38</b>	<b>29</b>	<b>28</b>

Construction progress at 30.07.2019 (next developments to be delivered)

	Location	Home units	Construction progress <sup>(1)</sup>	
WIP	Quabit Style	Corredor del Henares (Guadalajara)	64	100%
	Las Suertes Fase1	Corredor del Henares (Alovera)	76	89%
	Hacienda de la Torre Fase1	Málaga (Málaga)	50	88%
	Altair	Málaga (Málaga)	32	88%
	Aguas Vivas Fase2	Corredor del Henares (Guadalajara)	196	85%
	Casares Golf 2 y 3	Málaga (Casares)	58	84%
	Torrejón de Velasco Fase2	Madrid (Torrejón de Velasco)	45	83%
	Torrejón de Velasco Fase1	Madrid (Torrejón de Velasco)	51	79%
	Riverside	Málaga (Benahavis)	75	77%
	Pedregales I	Málaga (Estepona)	63	76%
	Quabit Collection	Zaragoza (Zaragoza)	36	72%
	Hacienda de la Torre Fase2	Málaga (Málaga)	60	70%
	El Lagar	Málaga (Mijas)	79	68%
<b>Total</b>		<b>885</b>		

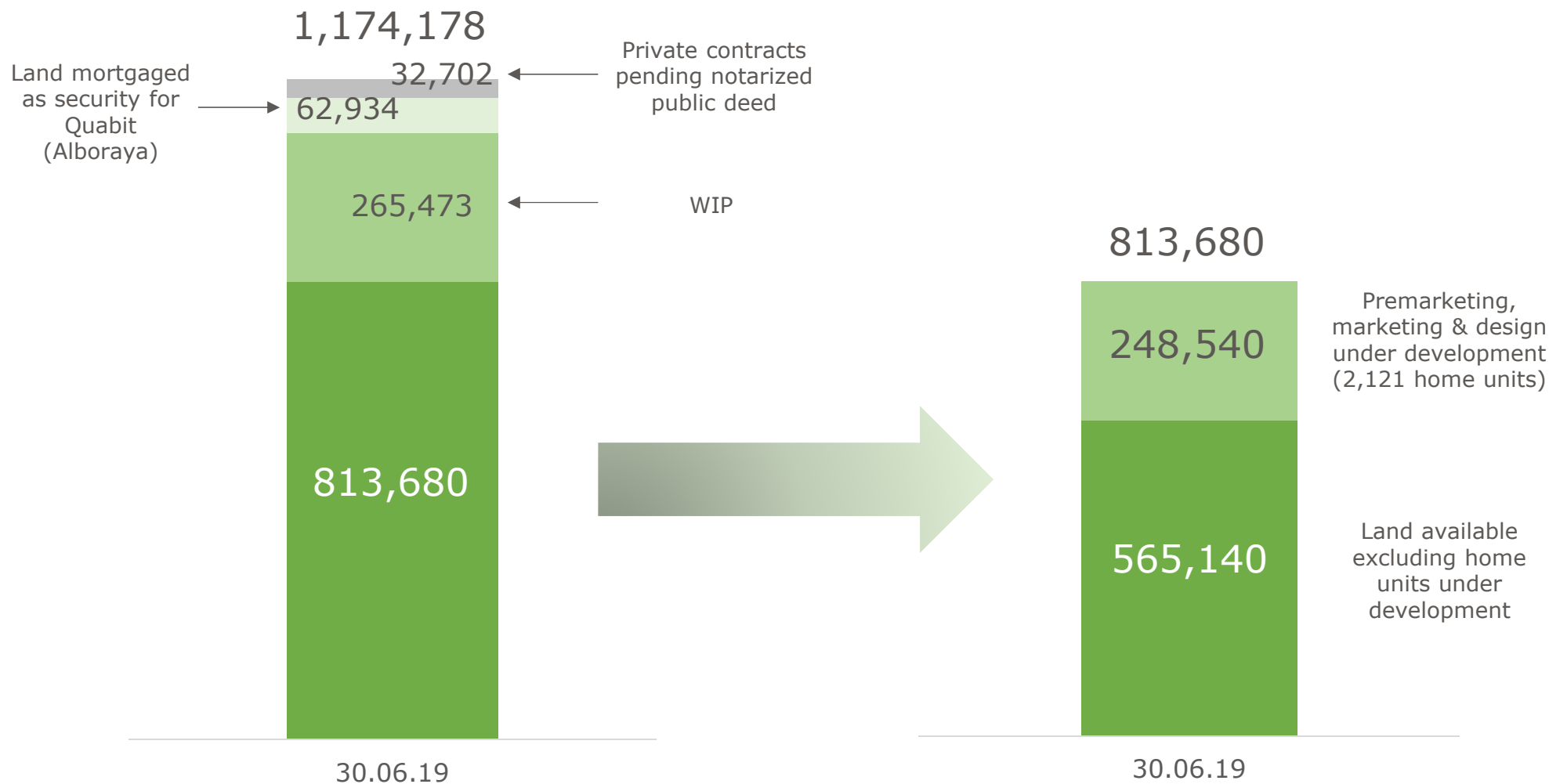
70% pre-sold at  
30.06.19

(1) Construction Progress %: construction progress over expected Final Construction Certificate date. Data updated at 30.07.19

## Land Portfolio at 30.06.19

Total Land Portfolio at 30.06.19  
1,174,178 bsqm

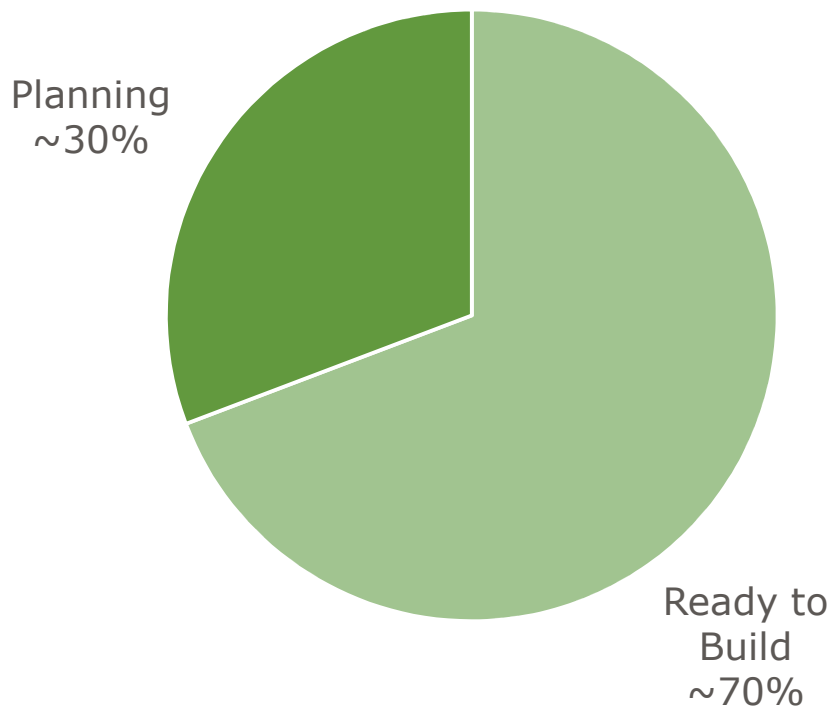
Land Portfolio at 30.06.19  
813,680 bsqm



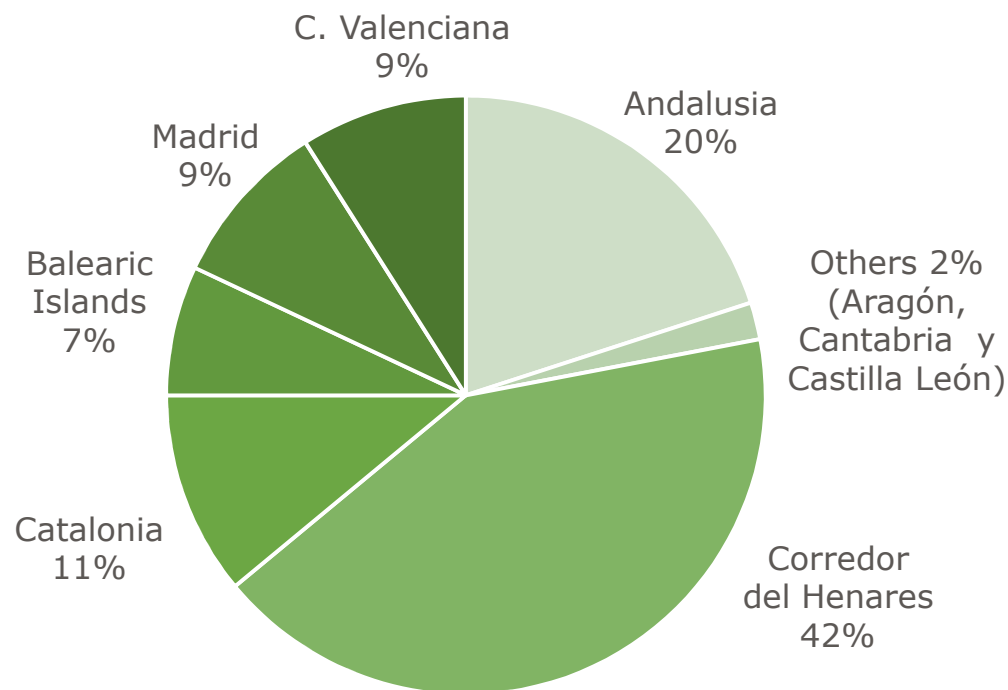
- Additionally, Quabit owns a non buildable land portfolio of 5.4 M sqm

## Very attractive and diversified Land Portfolio

Land Portfolio<sup>(1)</sup> status at 30.06.19  
813,680 bsqm



Land Portfolio<sup>(1)</sup> geographic breakdown at 30.06.19  
813,680 bsqm



• The land in planning allows its development to obtain “Ready to Build”  
Land in very competitive conditions

(1) Does not include 62,934 bsqm of land mortgaged as security for Quabit nor 265,473 bsqm WIP nor 32,702 bsqm of private contracts pending notarized public deed nor 5.4 million sqm non buildable land

## P&L: Strong Like-for-Like growth

Thousand Euros	1H 2019	1H 2018	Change	Like-for-Like Change <sup>(1)</sup>
<b>Turnover</b>	19,375	9,154	112%	112% ↑
<b>EBITDA LfL</b>	(5,754)	(11,171)	48%	48% ↑
+ Debt write-off	469	14,896	(97%)	
<b>EBITDA</b>	(5,285)	3,725	(242%)	
<b>Financial Result</b>	(1,813)	(2,448)	26%	
<b>Earnings Before Tax</b>	(7,702)	1,179	(753%)	40% ↑
<b>Net Income<sup>(2)</sup></b>	798	1,143	(30%)	40% ↑
Attributable to the Parent Company	850	1,178	(28%)	41% ↑
Attributable to Minority Interests	(52)	(35)	(51%)	

- Sharp turnover increase (+112%) due to high price deliveries (Las Lomas: 9 houses in Boadilla del Monte, Madrid: 11 €M)
- Strong Like-for-Like growth at EBITDA and Net Income level

(1) Adjusted for the debt write-off recorded (1H 2018: 4.9 €M and 1H 2019: 0.5 €M) and capitalization of 8.5 €M of tax credits

(2) Includes capitalization of 8.5 €M of tax credits

## Balance Sheet: debt increase due to higher inventories

Thousand Euros

	30.06.19	31.12.18	Change
<b>Non-Current Assets</b>	82,289	73,349	12%
<b>Current Assets</b>	572,665	507,427	13%
Inventories	480,859	426,525	13%
Others	91,806	80,902	13%
<b>Total Assets</b>	654,954	580,776	13%
<b>Equity</b>	294,394	295,818	(0%)
Attributable to the Parent Company	290,577	291,794	(0%)
Attributable to Minority Interests	3,817	4,024	(5%)
<b>Non-Current Liabilities</b>	33,873	18,218	86%
Financial Debt	18,992	5,945	220%
Others	14,881	12,273	21%
<b>Current Liabilities</b>	326,687	266,740	22%
Financial Debt	252,311	211,749	19%
Others	74,376	54,991	35%
<b>Total Liabilities &amp; Equity</b>	654,954	580,776	13%

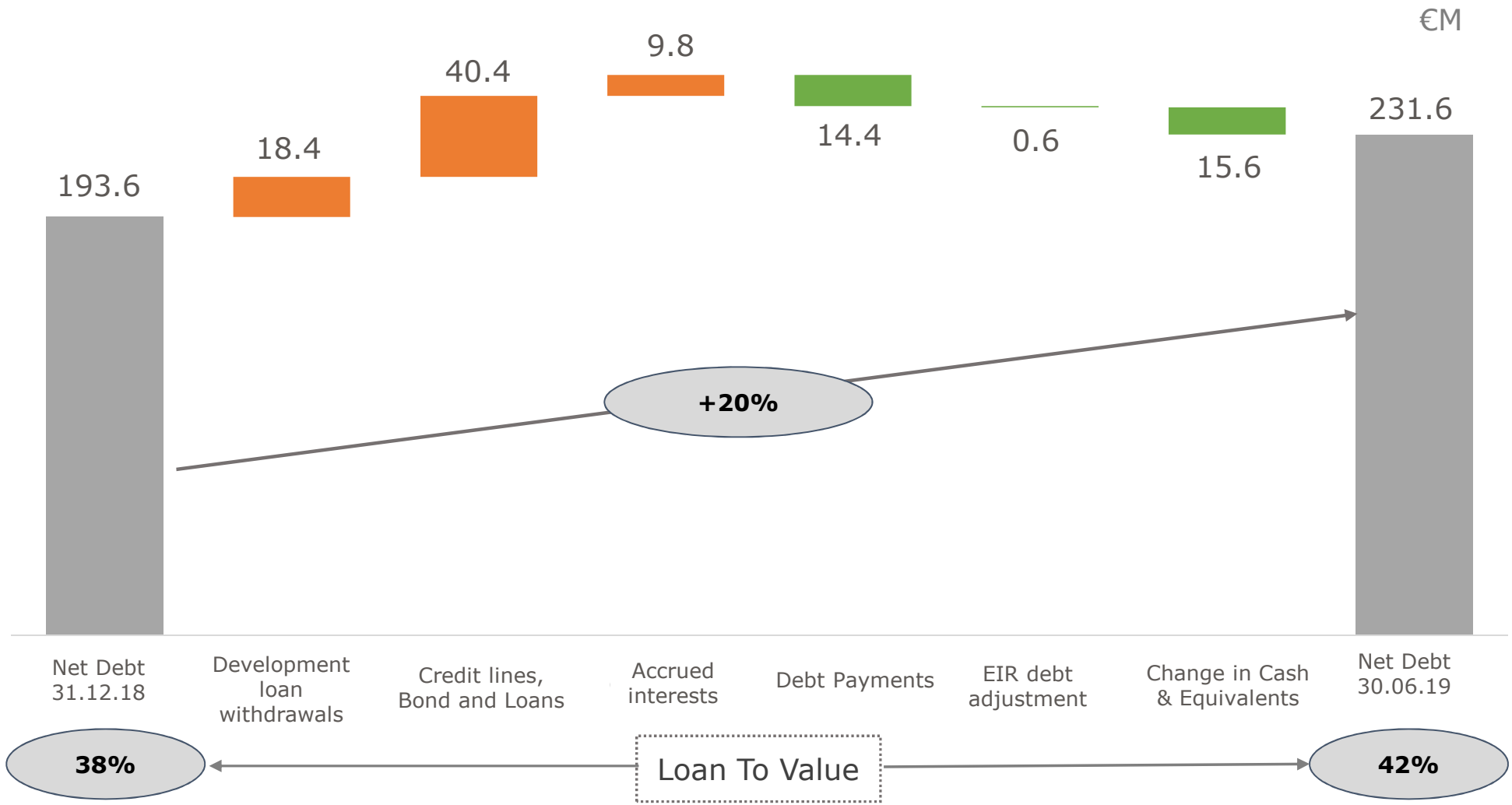
### Inventories:

- Increase due to investments in Land plots and WIP developments

### Financial Debt:

- Increase due to investments in Land plots, development loans withdrawals and capitalization of accrued interest

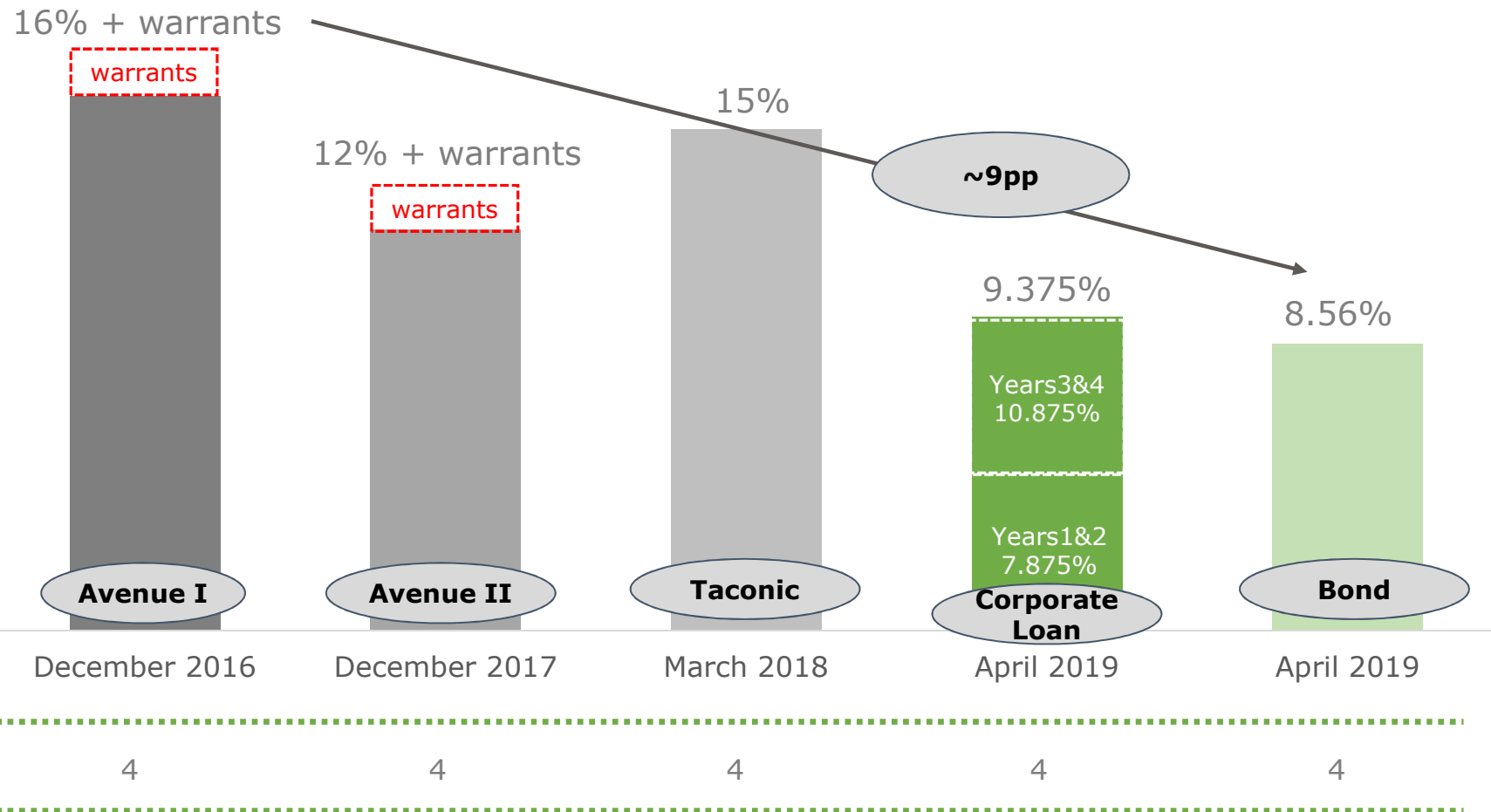
## Net Debt: increase due to investment effort...



- 20% net debt increase due to Land and WIP investments
- LTV will go down during 2020

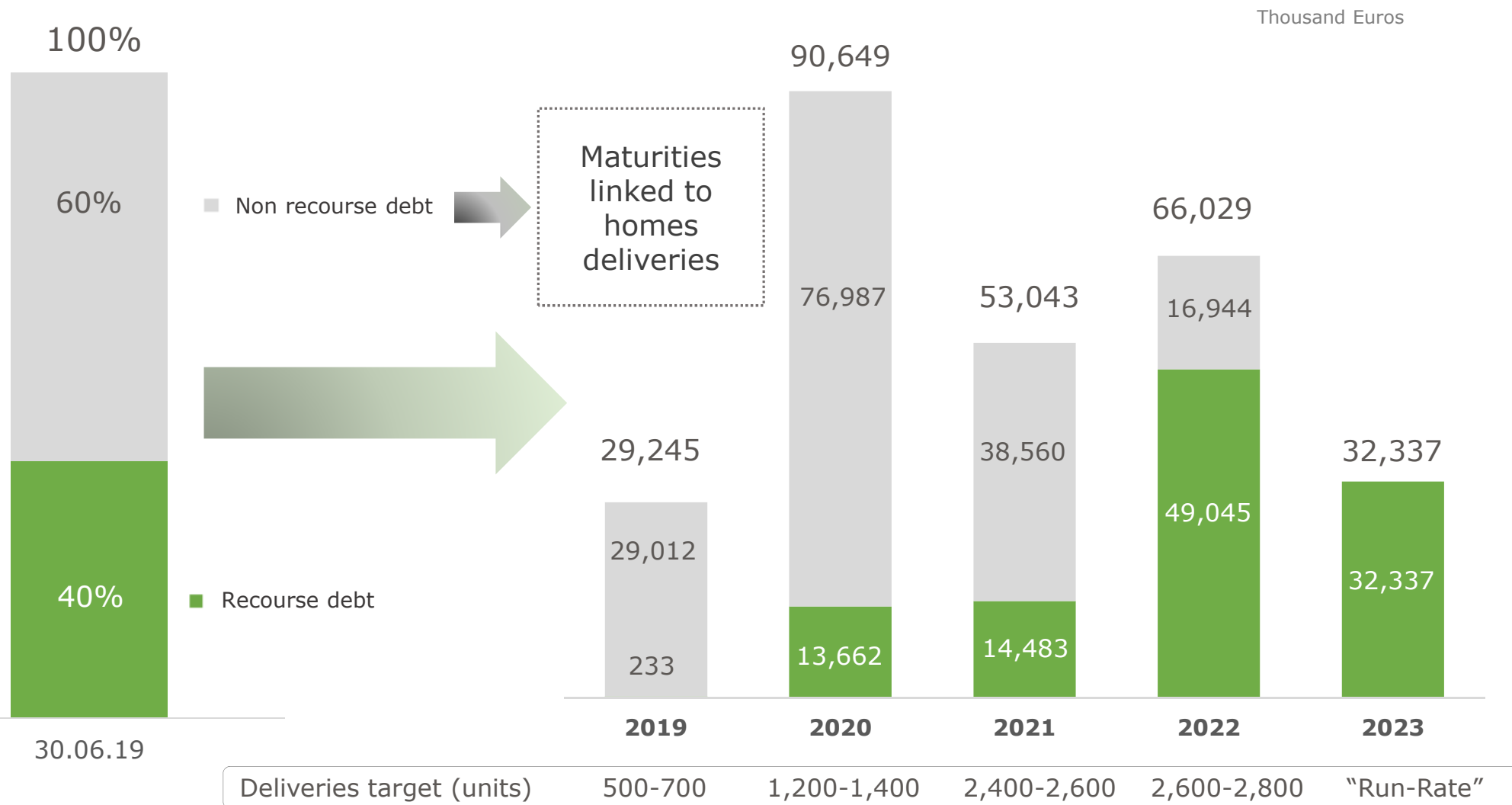
## ...and reducing financial costs

Debt: financial cost evolution (Dec 2016-Jun 2019)



- 27% gross debt of Quabit has a cost of 0% (SAREB)

## Debt maturities aligned with Business Plan cash flows



- 60% gross debt is non recourse debt
- There are not relevant recourse debt maturities until 2022



~ 2,200 WIP and finished stock to fulfill 2019 & 2020 deliveries target

Optimal sales coverage for 2019 (90%) and 2020 (46%) to fulfilled deliveries targets

Selective investments in high demand areas for middle class (Madrid, Corredor del Henares & Valencia)

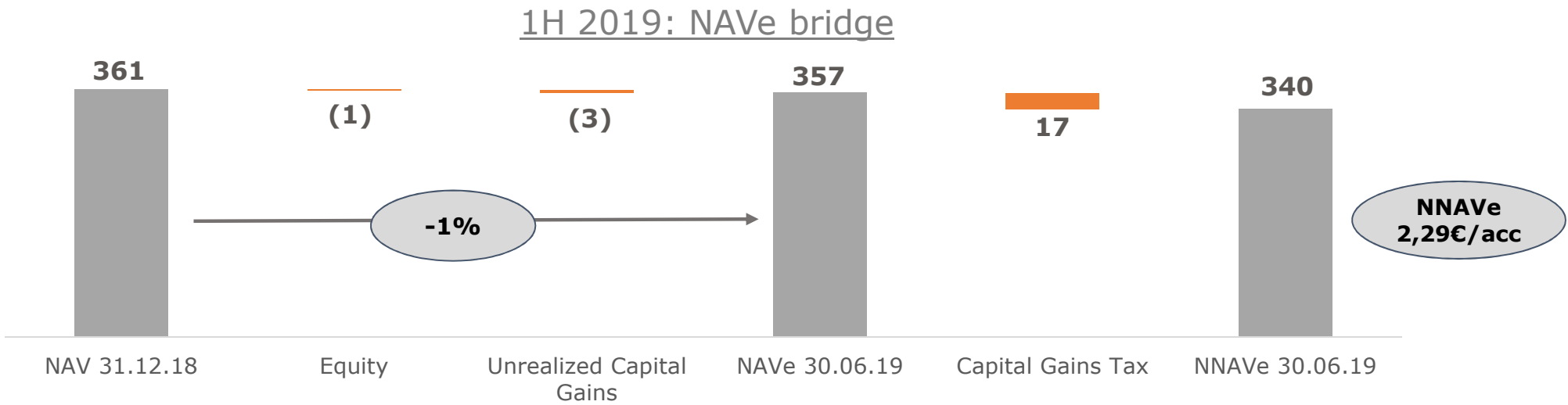
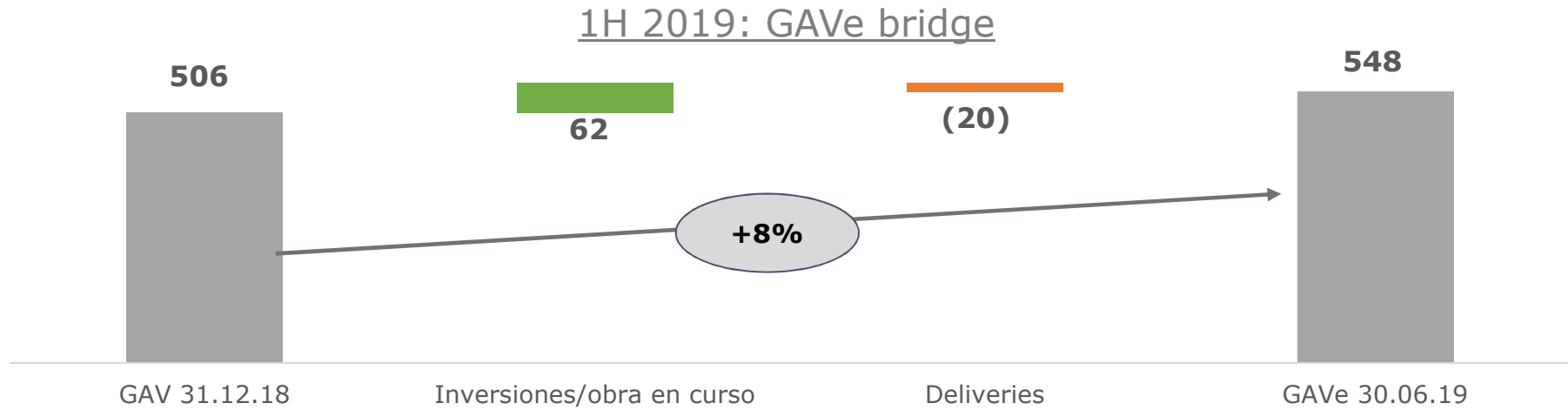
Reducing "Ready to Build" land investment needs (80-90 €M 2019+2020e vs. 110-120 €M initially estimated)

Reducing financial costs

# Q&A

# ANNEXES

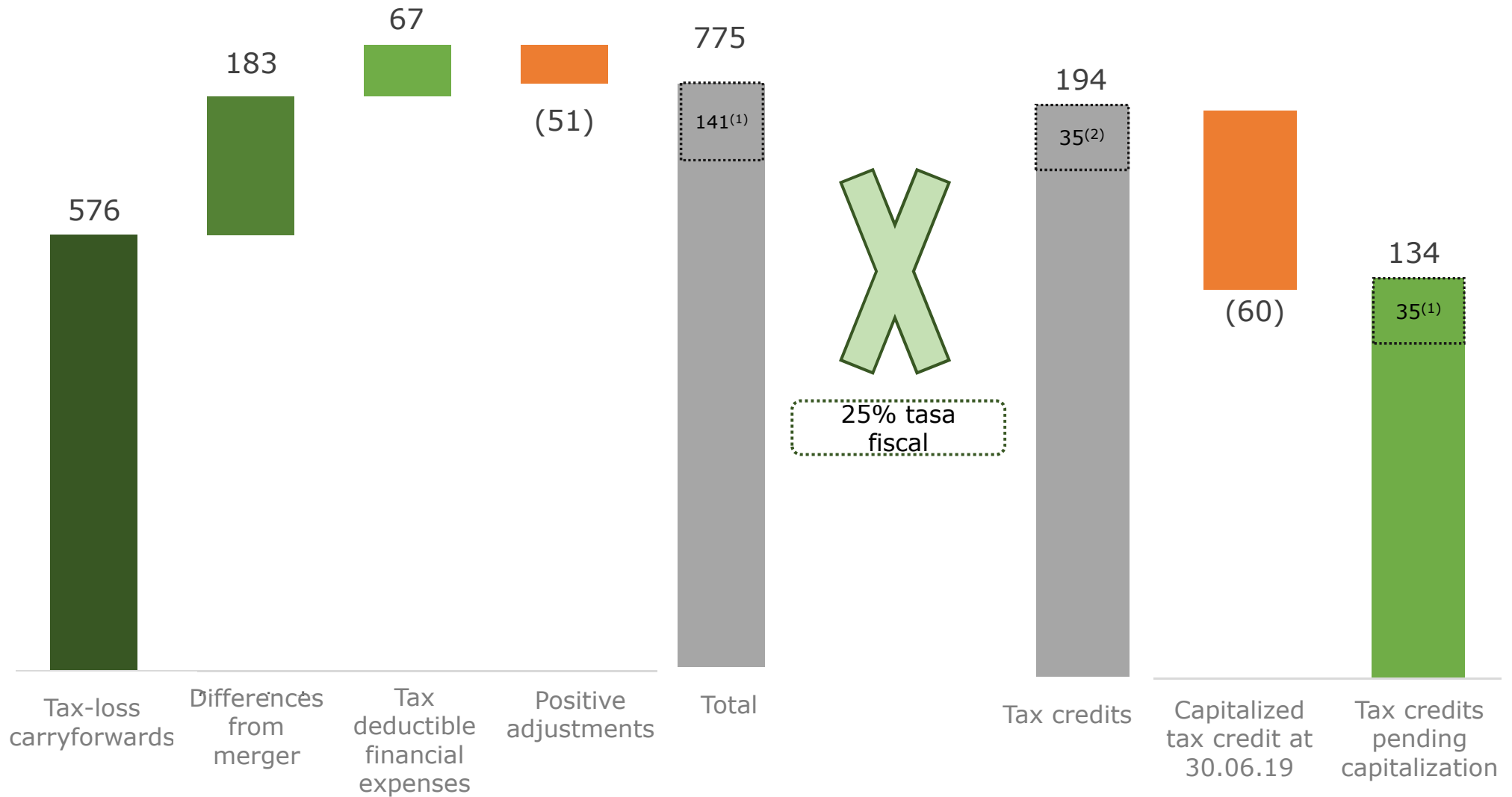
**Very attractive valuation: GAVe & NAVe at 30.06.19<sup>(1)</sup>**



• The stock of Quabit is trading at a discount of more than 55% of its NNAV

(1) RICs independent valuation by BDO at 31.12.18. Does not include Market revaluation during 1H 2019

# Tax Credits<sup>(1)</sup>



(1) Does not include 2Q 2019 tax-loss carryforwards

(2) Administrative contentious with the Public Treasury could reduce by 141 €M the total tax-loss carryforward, thus Quabit Inmobiliaria S.A. tax credits could be reduced by 35 €M



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