July 30, 2019

Results 1H2019

Residencial Novolérez (Pontevedra)

metrovacesa

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Agenda

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Today's Presenters

Jorge Perez de Leza CEO

Borja Tejada CFO

Juan Carlos Calvo IR

1. Highlights of the semester

Residencial Vivaldi (Sagunto, Valencia)

Highlights of the semester

Pre-sales	Backlog of pre-sales	Land sales	Total revenues	NAV
841 units	**€487m** (1,718 units)	**€76m**	**€84m**	**€18.18** per share

Major advance on the residential activity	Record figures of pre-sales (**841 units**) building licenses (**1,682**) and construction initiated (**1,504 units**)
A second turnkey project signed	New project signed with Sanitas for senior homes (**98** equivalent units)
Land sales well on track	€76m revenues from land sales in 1H, with a **10%** gain, mostly from the Commercial portfolio
Solid financial results	• Total revenues of €84m (+73% YoY), with most residential deliveries concentrated on 2H • Adj. operating cashflow of €33m and positive net profit of €6m • NAV of €18.18 per share, +0.4% vs Dec18 (ex dividend) and a low LTV ratio of 2%

2. Business update

Balcón de Europa (Arganda del Rey, Madrid)

Key operational data as of June 30, 2019

Business

7,436 active units
121 active developments

€307k/unit
ASP (1)

4,899 units and
82 developments under commercialization

Sales Backlog (2)
1,718 Sold units
€487m **€284k/unit** ASP (1)

2,803
units under construction

49
developments under construction

32
units delivered YTD

€213k/unit
ASP (1)

€76.4m
Land Sales

6.0 million sqm
buildable area

c.37,000
buildable units (3)

79% (4)
Fully permitted

Financial

€2.7Bn
GAV June 19

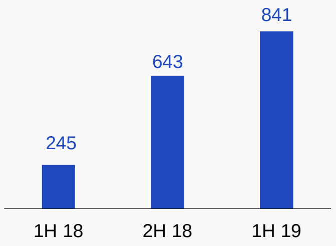
€2.8Bn
NAV June 19

2%
LTV

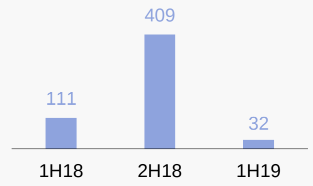
Notes
(1) Average Selling Price, not including future HPA. Excluding the 98 senior home BtR units from the calculation
(2) Defined as bookings + contracts – deliveries in the period
(3) Estimated number of units may vary in time depending on the type of projects and maximum buildability
(4) In terms of GAV as of June 30, 2019

Activity in the semester: significant progress in the period

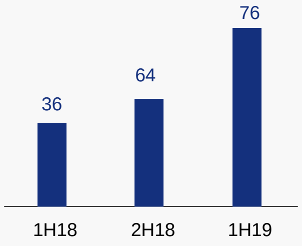
Pre-sales
(# units)



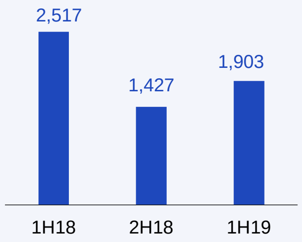
Deliveries
(# units)



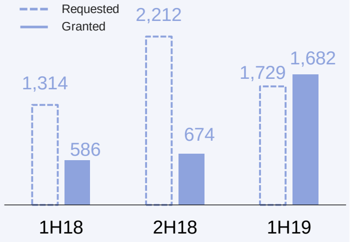
Land sales
(€ m)



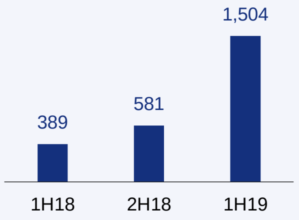
Launches
(# units)



Building licenses
(# units)



Construction started
(# units)



Pre-sales
- 841 units, including 219 sold to institutional buyers
- 417 units sold in 1Q and 424 in 2Q

Deliveries
- 32 units delivered
- 247 units completed works
- 2019 deliveries concentrated on 2H, mostly 4Q

Land sales
- €76m, with a gain of 10% on book value
- €25m in 1Q and €51m in 2Q

Launches
- 26 new projects launched (1,903 units)
- 5 projects in 1Q and 21 in 2Q

Building licences
- 30 licenses requested (1,729 units)
- 23 licences granted (1,682 units)

Construction started
- 21 projects initiated construction (1,504 units)
- 7 projects in 1Q and 14 in 2Q

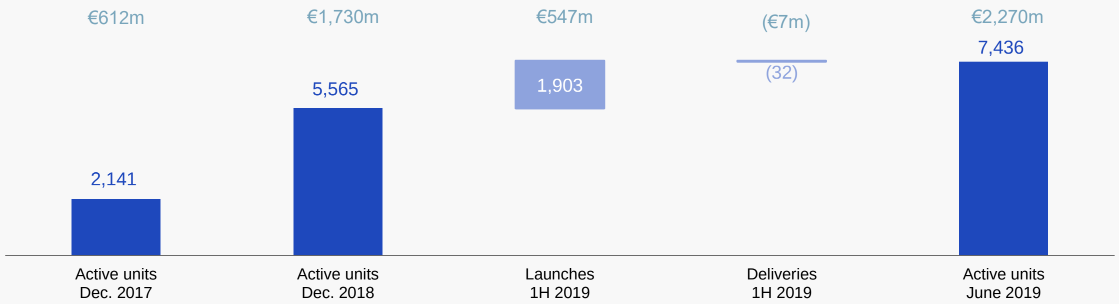
Getting closer to run-rate activity volumes

mvc.

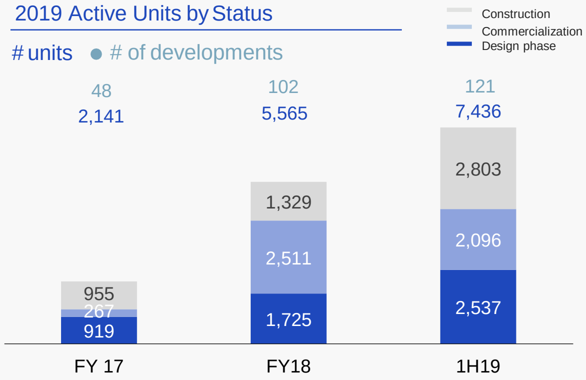
Residential active units: 7,436 as of June 30

Active units Accum. June 2019

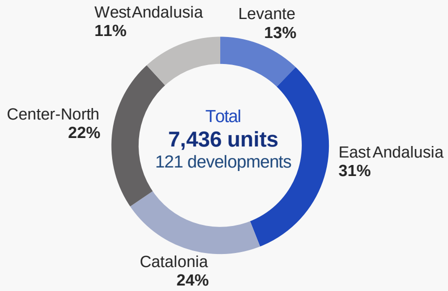
units



2019 Active Units by Status



Active Units as of June 2019 – Geographical Split



Figures as of June 2019:

- Total active units reached 7,436, with an ASP of €307k/unit
- 121 active developments, of which 82 under commercialization (including 49 under construction)
- Geographically, the regions with more active units are: East Andalusia (31%), Catalonia (24%), followed by Centre-North (22%)
- 1,903 units launched during 1H 2019

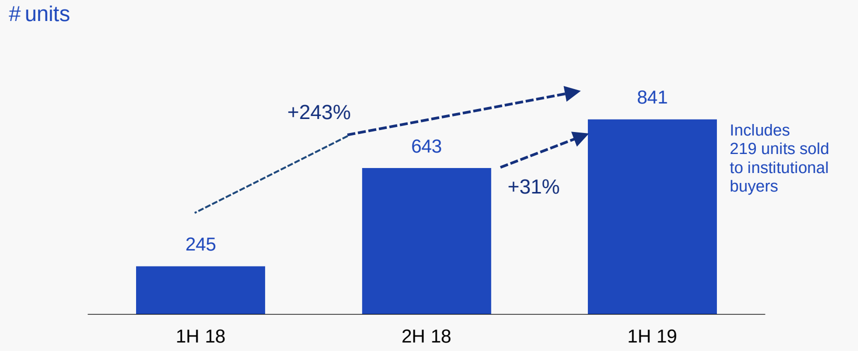
Note

(1) Center-North: Madrid, Navarre, Galicia, Basque Country, Canary Islands and Castilla-Leon; Levante: Valencian Community, Murcia and Ibiza; Catalonia: Catalonia and Mallorca; West Andalusia: Cordoba, Seville, Huelva, Cadiz; East Andalusia: Costa del Sol and Almeria

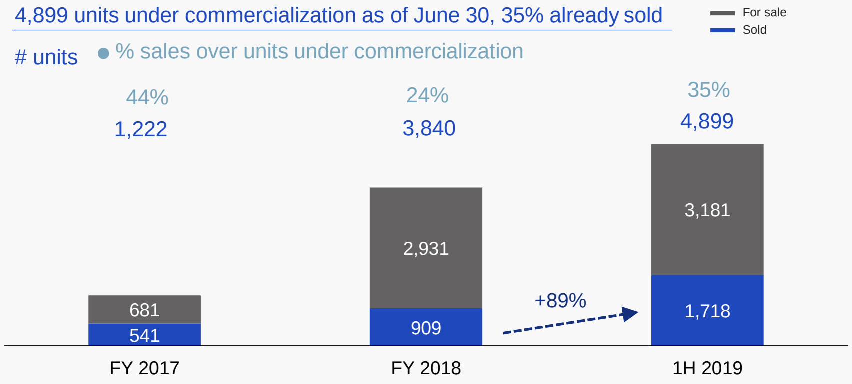
mvc.

Residential pre-sales: 841 units sold in 1H

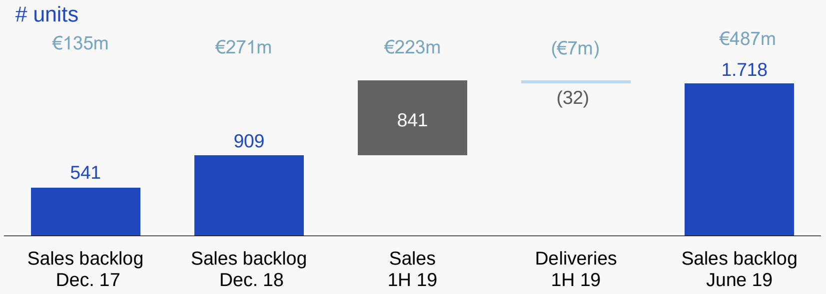
841 units sold in 1H19: 417 in 1Q and 424 in 2Q



4,899 units under commercialization as of June 30, 35% already sold



Sales backlog of 1,718 units



Solid pre-sales activity continues

- Increased volumen HoH, 1H 19 significantly above 2H 18 sales. By quarters, and excluding Build-to-Rent units, 2Q sales were 10% higher than 1Q19
- Units sold already represent 35% of the total units under commercialization
- The backlog of pre-sales amounts to €487m (1,718 units)

Build to Rent: a second deal closed this year

A new contract signed in 2Q:
with Sanitas for senior homes

Institutional buyers
becoming a complementary source of demand

MVC has signed a turnkey project with Sanitas Mayores for senior homes

Details
- Location: Manresa, Barcelona
- One building: 170 rooms for elderly people, equivalent to **98 residential units**
- To be delivered at completion, expected for 1Q22

Additional context
- The plot of land is part of our residential portfolio, and adjacent to our project 'Mirador del Montserrat'. Phase I is under commercialisation (61 units) and phase II was launched recently (77 units)

Second deal signed with an institutional buyer in 2019:
- 1Q: deal with Ares for 2 projects (121 residential units)
- 2Q: deal on a nursing home project (98 *equivalent* units)

Advantages for MVC:
- Adds visibility and reduces commercial risk.
- Facilitates early launch of new phases in the same market with cost synergies

More deals possible in the future:
- We have identified several projects suitable for professional investors
- Includes traditional residential for rent as well as alternative uses like nursing homes or student accommodation

Institutional buyers are becoming a complementary source of demand for MVC projects

Some examples of our landmark residential developments

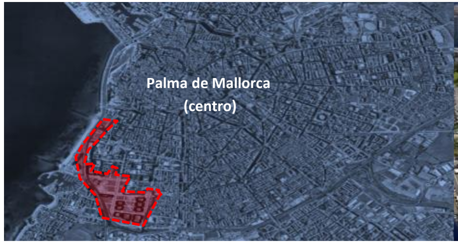
Link to the project website

Torre del Río / Picasso Tower (Málaga)

- Luxury beachfront homes in 3 towers, of which we own 2 (75 + 75 units), plus 99 units in the plot behind (project Halia)
- Designed by prestigious architect Carlos Lamela
- Urbanization works have started in 2Q 19
- 1st phase is 22% pre-sold (1)

 # units:
249
Buildable area:
43,841 sqm

ASP/unit (1st tower):
1,346,000 €
ASP/sqm (1st tower):
6,420 €



Link to the project website

Sector Levante (Palma de Mallorca)

- 1st phase (Jardins de Llevant): 102 units in 2 buildings, 6 story-height, 176 parking spaces,116 storage rooms
- 1st phase has obtained building permit in 1H19
- Construction works recently started
- 1st phase is 30% pre-sold (1)

 # units:
332
Buildable area:
36,850 sqm

ASP/unit (1st phase):
409,000 €
ASP/sqm (1st phase):
3,095 €

Link to the project website

Cancelada, Estepona (Málaga)

- c. 400 units (5 projects) under construction in Estepona
- 72 units (Mirage I&II): delivery in 3Q19 (100% pre-sold) (1)
- 317 units (4 projects): delivery between 2019 (94% pre-sold) and 2020 (c.95% pre-sold) and 2020 (c.30% pre-sold) (1)

 # units:
603
Buildable area:
75,991 sqm

ASP/unit:
315,000 €
ASP/sqm:
2,600 €

Note
(1) Data as of late July

Construction companies: diversification and pro-active approach

Pro-active approach to tackle problematic situations

- MVC has an experienced internal technical team with 30 members to monitor the design, tendering and execution processes
- Early identification of potentially problematic situations
  - Flexibility to seek alternative technical solutions
  - Preserving the quality of the product and protecting margins
  - Taking decisive action when necessary

Example: replacement of a construction company in July

- MVC has recently cancelled its contracts with a regional construction company, on the back of repeated delays. Impact on 4 MVC developments:
  - 2 projects (95 units) scheduled for delivery in 2019 in Estepona, Málaga
  - 2 projects (198 units) scheduled for 2020 in Estepona and Córboba
- While we expect only a minimal impact on timing or costs, we are currently evaluating whether the two 2019 projects may skip into 1Q20

Diversification approach with a focus on large/regional players

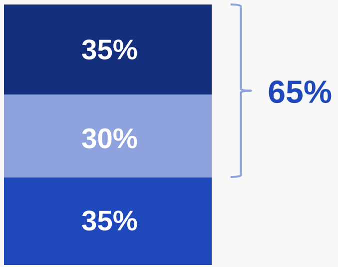
- MVC has a careful selection process for its general contractors. The above case is considered an exception and no similar situations are foreseen
- Diversification: currently, 24 construction companies contracted for 49 sites, with a total volume of €410m
- 65% of the work volume is signed with multinational or large players
- Average project size is 60 units

Diversification of contractor companies

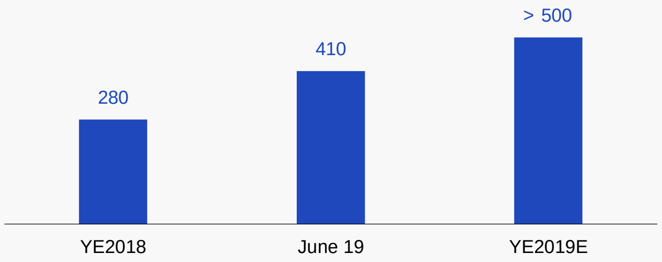
Multinational players:
FCC, Ferrovial, Dragados/VIAS, Sacyr, etc.

Large players:
Avintia, San José, Ortiz, Azvi, Jarquil, Arpada, etc.

Local players:
Cartuja, Daltre, Edifesa, Canval, Torrescamara, Roig, Construalia, Sace, etc



Volume of contracted WIP (€ m)



65% of works are contracted with multinational or large construction companies

Innovation in industralised construction

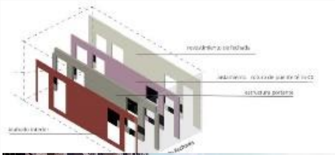
First player to use industrialised construction in high-rise buildings

- Alliance with Viom System (AVINTIA Group) for the construction of 500 units in high-rise buildings (>7 floors) under a proprietary factory production system
- A first development project in Manresa (Barcelona), with 74 units, with building license already requested

Industrialized structure and façade system

- Viom System is based on prefabricated panels including different layers that incorporate not only the structure but also installations, thermal and acoustic insulation as well as indoor wall finishing
- Top quality standards in design and finishes, with a significant reduction in energy use and reduced post-sales service needs






metrovacesa   Avintia Grupo

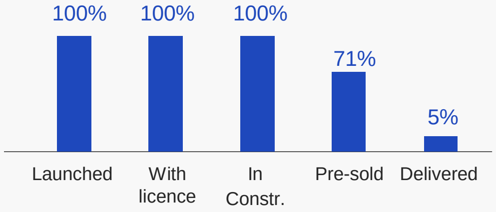
Advantages

Timing	• Cuts construction periods and delivery times by c.30% • Independence of weather conditions
Flexibility	• No significant limitation to creativity • No logistical restrictions from volumetry
Control	• Greater precision and traceability during the process • BIM technology allows to equip elements intelligently
Sustainability	• A more friendly process with the environment and neighbors • Reduction of energy demand and waste
Savings	• Total cost is similar to the traditional system • Improved returns thanks to the shorter construction periods

Residential: Status of initial plan of deliveries 2019-2021[1]

2019
Target: c.700 units

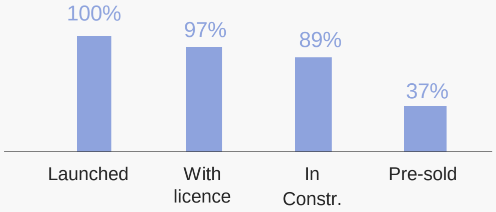
ASP [1]: €242k
Gross margin [2] c.23%



Update: 2 projects likely to skip into 1Q20 after replacing the construction company

2020
Target: c.2,600 units

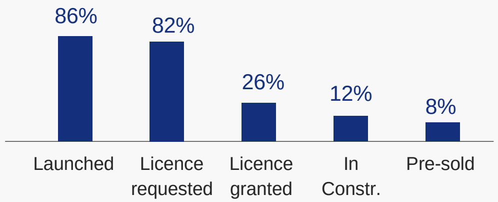
ASP [1]: €295k
Gross margin [2] c.24%



Update: >90% of planned units will be delivered within the year 2020 or in 1Q21

2021
Target: c.4,000 units

ASP [1]: €310k
Gross margin [2] c.26%



Notes: Data as of late July, 2019
(1) Estimates of average selling price (ASP) and Gross Margin assuming a 3.4% annual HPA (as disclosed in IPO Business Plan) for 2020 and 2021 deliveries, as well as a CCI of 4% for 2021 deliveries. Each percentage increase of 1% in HPA translates into an increase in gross margins of approximately 1.5%. Gross Margin includes capitalized financial expenses
(2) Adjusted gross margin, without considering the cumulative effect of the reversal of provisions for project impairment. Lower margins due to projects launched pre-IPO following cash flow criteria, as reported during IPO process

Land sales: € 76m completed in the semester

€100m

Target 2019 land sales

€25m
In 1Q

€51m
In 2Q

Proyect	Location	Use	Sale price (€m)	Buildable sqm	Residential units #	Quarter
Llacuna	Barcelona	Commercial	15.5	9,960		Q1
Avda Manuel Fdez Marquez	Barcelona	Commercial	5.9	11,778		Q1
Arrosadía A4	Pamplona	Residential	2.0	3,048	29	Q1
Arrosadia A6	Pamplona	Residential	2.1	3,214	23	Q1
Doctor Barraquer	Barcelona	Residential	1.5	1,373	9	Q2
Sup T-10 parcela 3.1 C	Málaga	Residential	0.2	481	4	Q2
Soto Lezkairu L.38	Pamplona	Residential	3.8	5,419	45	Q2
Monteburgos I (1)	Madrid	Commercial	30.1	18,884		Q2
Manoteras 14	Madrid	Commercial	15.4	12,016		Q2
TOTAL			**76.4**	**66,173**	**110**	

> €25m
in negotiations

Several plots
in advanced negotiations

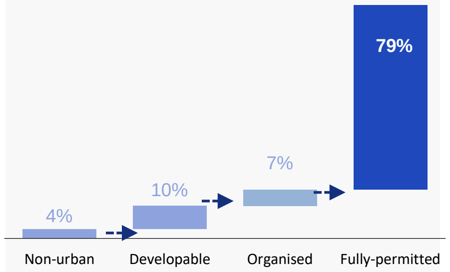
- **88%** commercial land
  12% residential land
- **+10%** vs book value
  +9% vs latest GAV

Very good visibility to meet the €100m sales target for the full year

Note:
(1) The agreement with Tishman Speyer implies the sale of a total c.€90m in land to the JV (76% Tishman, 24% MVC) with a premium to IPO GAV. The sale of land will be split in 3 tranches: 2019, 2020 and 2021

Land management: some key examples

Land bank is 79% fully-permitted



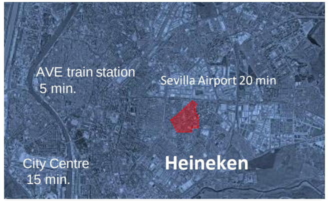
Land transformation in 1H:

- 1 plot transformed from NFP to FP in Madrid city (Santiago Cordero)
- 2 plots transformed from *developable* to *organised* status in Barcelona and Valencia

→ Target to reach 93% fully-permitted by YE2021

Santiago Cordero/Jardines de Tetuán (Madrid)

- Land transformed from NFP (organised) to FP in 2Q, following a rezoning plan approved by the City Hall
- Located in Madrid city, in a consolidated area
- GAV **€6m**
- Area: 6,095 sqm
- # units: 65
- Status: **Fully-permitted land;** Project already launched and building license expected for 2H



Heineken (Sevilla)

- Registration of the plots resulting from the rezoning project
- Located in Sevilla city
- GAV **€15m**
- Area: 16,055 sqm
- # units: 114
- Status: **Fully-permitted land,** urbanisation works expected for 2020

Seda Papelera (Barcelona)

- Received favorable report from the city's Technical Commission for Urban Planning, to modify the Master Plan
- Located in El Prat, near Barcelona airport
- GAV **€51m**
- Area: 176,383 sqm
- # units: 1,590
- Status: **NFP land,** urbanization works expected for 2021

Vinival (Valencia)

- Hearing period for the change in the city Master Plan. Pending change of use from industrial to residential/commercial
- Located in Valencia
- GAV **€23m**
- Area: 64,074 sqm
- # units: 560
- Status: **NFP land,** urbanization works expected for 2021

Commercial portfolio: progress during 1H

M·I·A
MADRID INNOVATION AREA

Sale of commercial land

- €67m sold in 1H
- 2 land plots in Madrid + 2 in Barcelona with a total of 52,600 sqm
- Sold at a premium to appraisal values

Construction started in the MIA office Project

mvc. TISHMAN SPEYER

- Monteburgos-I project now renamed as MIA (Madrid Innovation Area)
- Joint venture between Tishman Speyer (76%) and Metrovacesa (24%)
- Currently under commercialisation, with several pre-letting conversations initiated
- Details:
  - Situated in Las Tablas district (Madrid North) facing directly towards the A-1 road
  - Total project comprises 56,652 sqm, divided in 3 phases. Capex: c. €120m
  - Phase I of 18,955 sqm is already in construction, to be completed in 2021

- Implications for MVC:
  - Early monetisation with scheduled land sales to the JV: Phase-I land sold for €30m in June to be followed by new land sales in 2020 and 2021
  - Partial reinvestment of proceeds into the JV equity (24% stake)

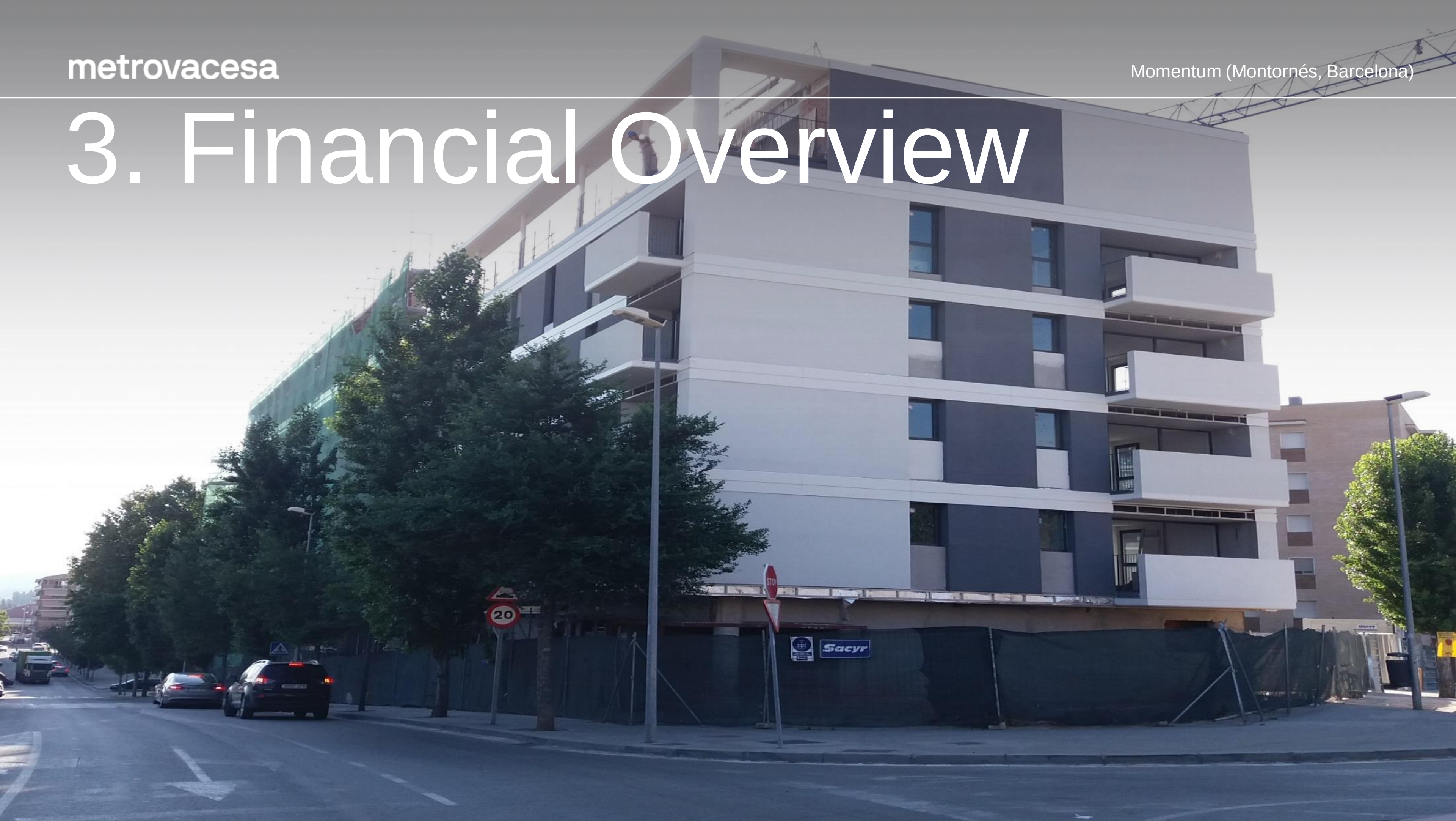
On-going negotiations on other portfolio assets

- Several conversations opened on potential land sales and turnkey projects

Good progress on crystalising value in the commercial portfolio

Momentum (Montornés, Barcelona)

3. Financial Overview



Profit and Loss Account

Summary P&L (1)

	(€m)	Jun. 2018	Jun. 2019
A	Revenues	48.3	83.8
	Residential Development	26.2	7.4
	Land Sales (2)	22.2	76.4
	COGS	(42.0)	(73.6)
	COGs Developments	(19.4)	(5.5)
	COGs Land Sales	(21.3)	(68.8)
	Others	(1.2)	0.6
B	**Gross Profit**	**6.4**	**10.2**
	% Gross Margin	13%	**12%**
	Commercial Cost	(2.6)	(4.3)
C	Wages & Salaries	(6.0)	(8.0)
	Overheads	(5.7)	(3.6)
D	(Impairment)/revaluation	5.4	15.7
	EBIT	**(2.5)**	**10.0**
	% EBITDA margin	-5%	**12%**
E	Net financial results	(3.4)	(3.0)
	Others	(1.4)	(0.1)
	EBT	(7.2)	7.0
	Income Tax	(1.1)	(0.8)
	Net Income	**(8.4)**	**6.1**

Key considerations

A

- Total revenues of €83.8m (+73% YoY)
  - Residential revenues of €7.4m (32 units)
  - Land sales of €76.4m, of which €70m from inventories and €6m from investment properties (2)

B

Gross margin of €10.2m
- 26% margin residential development
- 10% margin in land sales

C

- Operating expenses rising with the increase in activity
  - 165 full-time employees at the end of the period

D

- Positive EBIT post €15.7m impact after new asset appraisal
  - Net reversal of provisions: €8m
  - Change in fair value of real estate investments: € 7m

E

- Financial expenses of €3.0m
  - Related to the corporate debt only

Notes
(1) Audited financial statements
(2) Includes sales from inventories as well as sales of investment properties. In the financial accounts, the sale of investment properties is recognized by difference between sales price and book value.

Balance Sheet

Summary Balance Sheet (1)

	(€m)	Dec. 2018	Jun. 2019
A	Investment property (2)	340.1	340.2
B	Other non- current assets	236.8	254.9
	Total non-current assets	576.9	595.1
A	Inventory	1,840.7	1,846.9
	Land	1,456.8	*1,271.6*
	WIP	345.3	*539.5*
	Cash	147.0	109.6
	Public administration	2.4	4.9
C	Other current assets	26.9	60.3
	Total current assets	2,016.9	2,021.7
	Total Assets	2,593.8	2,616.8
	Provisions	10.1	10.2
	Bank debt	68.1	99.2
	Other non-current liabilities	15.2	18.7
	Total non-current liabilities	93.4	128.2
	Provisions	13.8	15.5
	Bank debt	13.0	20.3
D	Other current liabilities	80.5	103.5
	Total current liabilities	107.3	139.3
	Equity	2,393.1	2,349.3
	Total Equity and Liabilities	2,593.8	2,616.8

Key considerations

A

Book value of real estate assets (inventory + investment property): €2.2bn

- External appraisal value of €2.7bn as of June 2019 implies a GAV to BV ratio of 1.27x
- Significant increase in development activity (WIP)

B

Other non-current assets includes:

- Investment in associates, notably JV with Endesa and JV with Tishman Speyer
- Deferred tax assets and loans to participated companies

C

- Increase in receivables related to deferred collection of land sales (€25m) and intercompany loans with associates (€12m)

D

- Increase in payables mostly on taxes (€17m): VAT tax linked to the land sales plus 2018 corporate tax

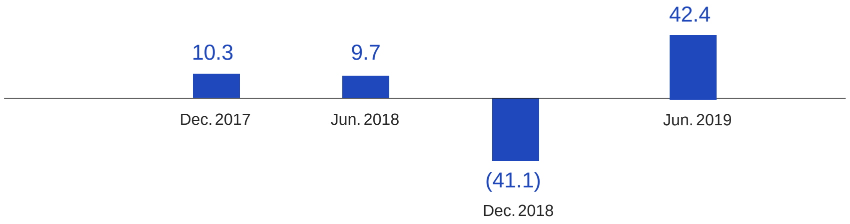
Notes
(1) Audited financial statements
(2) Booked at fair market value (IFRS)

Net Debt: €42m as of June 2019

Net debt position

(€m)	Dec. 2018 (1)	Jun. 2019 (1)
Adjusted gross debt	86.5	124.2
Corporate financing	78.1	108.6
Non current	73.5	103.9
Current	4.6	4.6
Developer loans	8.4	15.7
Non current	-	-
Current	8.4	15.7
Available cash (2)	127.6	86.5
Other liquid assets (3)	7.1	3.7
Unrestricted cash	120.5	78.1
Net Debt	(41.1)	42.4

Net debt (net cash) evolution



Key considerations

- Net debt of €42.4m as of June 2019
  - Change from a net cash position of €41m at Dec 2018
  - LTV ratio of 1.6%
- Gross debt of €124.2m
  - Corporate financing of €108.6m. Repaid €20m in 1H following the sale of land plots. A balance of €135m is still undrawn and available
  - Developer loan of €15.7 used out of €192m loans available. Prioritising the use of buyer's advance payments vs bank loans.
  - An additional +€500m developer loans are pre-arranged
- Maintain financial policy
  - Target LTV < 25%
  - Use mainly project financing for construction projects and corporate financing mainly for general expenses, capex, land urbanization etc.

Notes
(1) Audited financial statements
(2) Total Cash excluding prepayments of clients and other restricted funds
(3) Deposits and investments equivalent to cash

Cash Flow Statement

Summary Cash Flow Statement

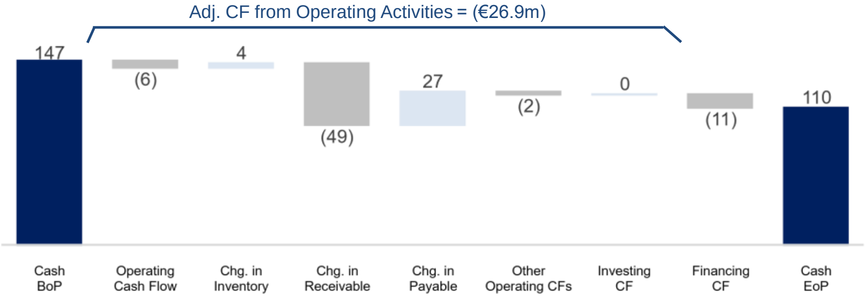
(€m)	Dec. 2018 [1]	Jun. 2019 [1]
EBT	0.4	7.0
Changes in trade provisions	1.6	(8.4)
Changes in investment properties	(9.7)	(7.3)
Financial cost / (income)	6.6	3.0
Other incomes / (expenses)	1.5	0.2
Operating cash flow	0.5	**(5.6)**
Changes in working capital	48.6	(19.3)
Inventories	41.7	3.5
Trades and other receivable	(5.1)	(49.7)
Trades and other payable	11.9	27.0
Other operating cash flows	(14.6)	(2.3)
Net cash flow from operating activities	34.5	**(27.3)**
Net cash flow from investing activities	11.4	0.4
Net cash flow from financing activities	50.7	(10.6)
Net cash increase / (decrease)	96.6	**(37.4)**
Cash BoP	50.3	147.0
Cash EoP	147.0	109.6
o/w. restricted cash	26.5	*31.5*
o/w unrestricted cash	*120.5*	*78.1*

Note
(1) Audited financial statements

Key considerations

- Net debt has increased €83.5m in the semester
  - Dividend payment of €50.0m in May
  - Reduction of €37.4m in total cash and €37.7m increase in gross debt
- Operating cashflow is negative due to the increased activity in the construction of residential projects as well as the capex in land urbanisation
- CF from financing activities includes the €50.0m outflow for dividend distribution and €20m repayment of corporate debt, compensated partly with the increase in the use of developer loans

Change in cash position (€ m)



Cash Flow statement by activity

Project cash flow by source of revenues (1H19)

(€m)	Residential deliveries[1]	Land Sales	**Total**
Revenues	7.4	76.4	**83.8**
CF from projects	3.1	70.6	**73.7**
As % of sales	*42%*	*92%*	*88%*

Cash flow analysis by activity (1H19)

	1H19 (€ m)
Total CF from projects	73.7
Deferred cash collection on land sales [2]	(25.0)
Overheads (cash) [3]	(13.8)
Financial expenses (cash)	(2.4)
CF from current operations (A)	**32.5**
Capex in WIP developments	(49.1)
Advances from clients	23.1
CF from WIP developments (B)	26.0
CF from land transformation (C)	(17.8)
VAT taxes [4] and others	(15.6)
Adj CF from Operating Activities (A+B+C)	**(26.9)**

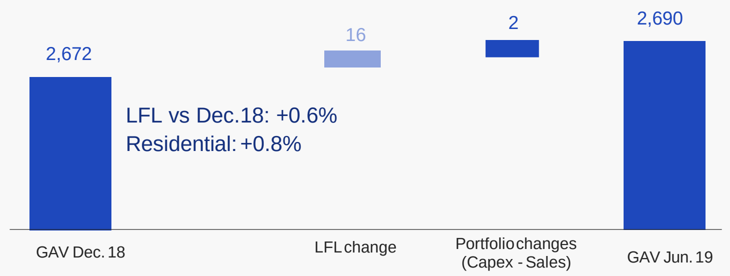
Key considerations

- Adjusted Cashflow from Current Operations is €32.5m positive
  - €3.1m from the residential development activity
  - €70.6m from land sales, with a €25.0m deferred cash collection (within the next 12 months)
  - Minus €16.2m on overheads plus financial expenses
- Adj. Cashflow from Operating Activities is (€26.9m),
  - After considering capex in WIP (€49.1m) and land (€17.8m), VAT taxes & others (€15.6m), partially financed with advances from clients (€23.1m)

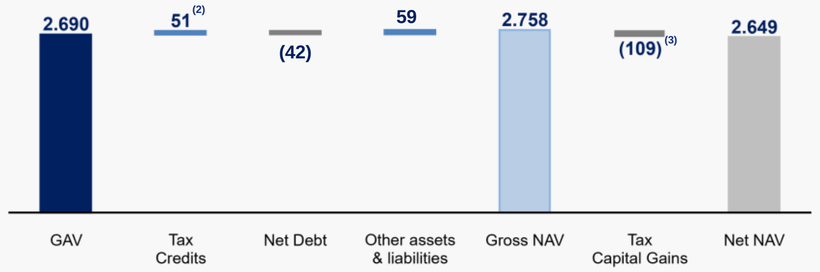
Notes:
(1) Project cash flow calculated as a difference between the revenues and the cash cost of sales, excluding general expenses.
(2) Cash to be collected within the next 6-18 months
(3) Includes overheads, commercial cost, municipal taxes, wages and salaries
(4) Mostly VAT paid in Jan2019 related to revenues generated in Dec2018

GAV detail: +0.6% LFL portfolio growth in 1H

GAV evolution (1)

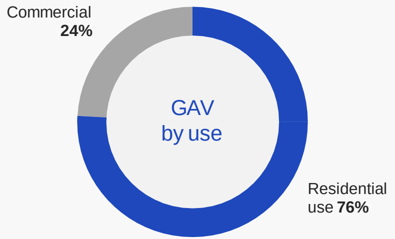


GAV to NNAV Bridge (€m)

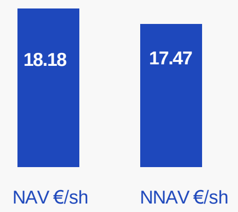


Valuation details (4)

	€/sqm Jun.19	% LFL change	GAV/ GDV
Residential fully-permitted	537	+0.9%	26%
Tier1 FP	754	+3.2%	31%
Tier2 FP	503	+0.2%	24%
Tier3 FP	410	(0.9%)	24%
Residential non-fully permitted	289	+0.4%	14%
Total Residential	**440**	**+0.8%**	**21%**
Commercial use (4)	480	+0.2%	25%
TOTAL MVC	**449**	**+0.6%**	**22%**



NAV & NNAV as of June 2019



NAV/sh €18.18/sh, +0.4% vs. Dec.18 ex dividend of €0.33/sh

Notes
(1) Valuation carried out by Savills Aguirre Newman and CBRE as of June 2019 and December 2018, according to RICS Valuation Global Standards regulations ("Red Book"), based on fair value and not adjusted by the equity accounted method
(2) 25% of tax credits (€169.7m) and tax los carry forwards (€34.4m), according to Note 16 of Annual Accounts
(3) Equivalent to 25% of Capital gains
(4) Madrid and Barcelona have a GAV €/sqm of

4. Closing remarks

Closing Remarks

Market update

- Normalisation of prices, demand and construction costs

Another strong quarter operationally

- Continued progress with record figures of pre-sales, building licenses and start of construction
- Turnkey projects and institutional buyers consolidating as complementary demand

Visibility on FCF and remuneration

- FCF more visible with land sales and planned deliveries
- Reaffirmed committtment to distribute > 80% FCF
- Shareholder remuneration to come through dividends and potentially buyback of own shares

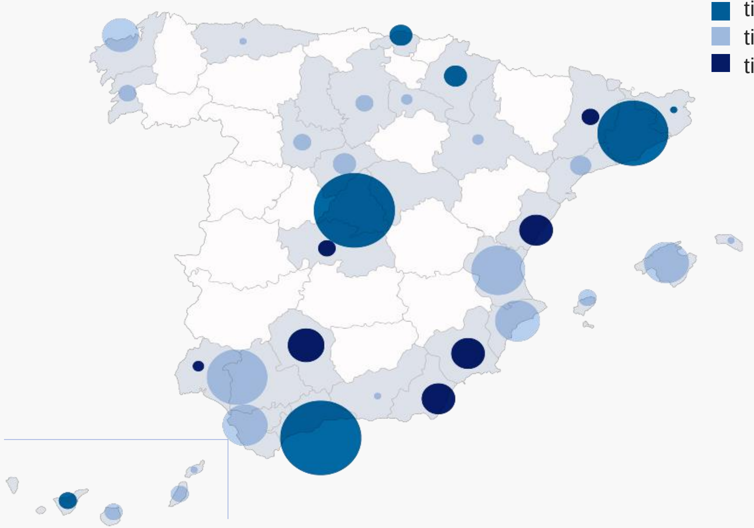
Residencial Ila Natura (Tarrasa, Barcelona)

5. Appendix

- **Geographical exposure**
- **Residential: Planned Deliveries for 2019**
- **Progress on 2018-2021 BP monetization**
- **Commercial Land portfolio overview**

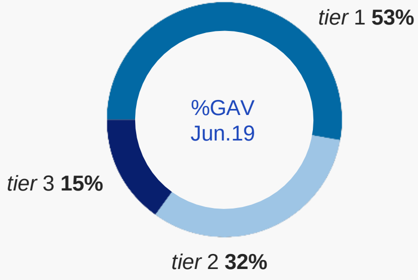
Geographical exposure: in the right locations for residential projects

Distribution by province according to tier

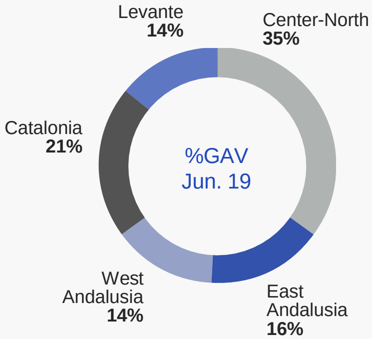


Distribution by tier municipality

Total portfolio
(€ 2,690 m)



GAV by location



€m	Residential		Commercial		TOTAL	
Fully permitted	1,521	74%	604	94%	2,125	79%
Non fully-permitted	526	26%	39	6%	565	21%
TOTAL MVC	**2,047**	**100%**	**643**	**100%**	**2,690**	**100%**

- Municipality tier distribution results in a *tier* distribution by province leading to a less complex macro analysis
- In provinces with municipalities with different *tiers*, classification by province is weighted according to GAV

Note: Fully permitted defined as land with both urbanization and rezoning plans appoved

Residential: Planned deliveries for 2019


Villas Miramadrid (Paracuellos, Madrid)


Villas de la Calderona (Bétera, Valencia)


Sunrise Heights (Manilva, Málaga)

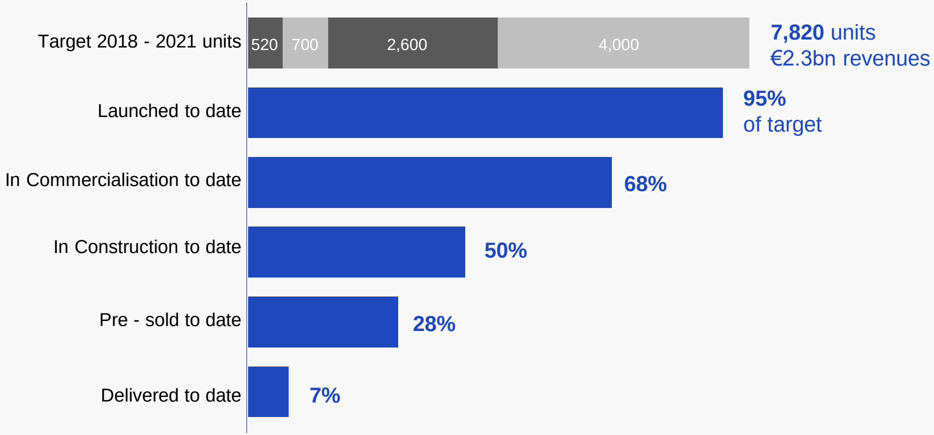
Development	Province	Municipality	Target deliveries 2019	Units delivered	% sold	Construction completion
Le Mirage I & II	Málaga	Estepona	72		100%	Completed
Gaztelondo Berría F1	Vizcaya	Bilbao	13	6	69%	Completed
Puerta del Mediterráneo	Castellón	Oropesa del Mar	15	6	47%	Completed
Gregorio Marañon	Almería	Almería	10	3	45%	Completed
Gaztelondo Berría F2	Vizcaya	Bilbao	21		33%	Completed
Birdie & Falcon	Almería	Pulpí	58	12	26%	Completed
Villas de Miramadrid	Madrid	Paracuellos del Jarama	46		100%	2H
Villas de la Calderona	Valencia	Bétera	19		100%	2H
Res. Vivaldi	Valencia	Sagunto	21		100%	2H
Le Mirage III	Málaga	Estepona	66		97%	2H
Mirador de Guadarrama	Madrid	Collado Villalba	64		95%	2H
Le Mirage IV	Málaga	Estepona	29		86%	2H
Mirador del Jalón	Valladolid	Valladolid	18		83%	2H
Hacienda 5	Valladolid	Aldeamayor	6		67%	2H
Serenity Views	Málaga	Estepona	66		64%	2H
Sunrise Heights	Málaga	Manilva	46		50%	2H
Momentum	Barcelona	Montornés	78		36%	2H
Majestic Heights	Málaga	Manilva	45		33%	2H
Other	-	-	7	5	100%	Completed
TOTAL			**700**	**32**	***71%***	

2019 deliveries are 71% pre-sold, with a 74% construction WIP (1)

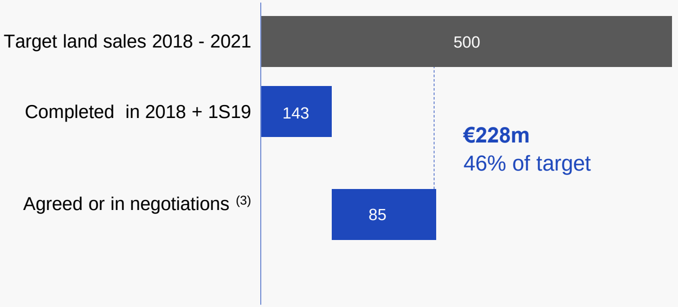
Notes:
(1) Data as of late July 2019

Progress on 2018-2021 BP monetization

Progress on housing deliveries for 2018-2021 (# units) [1]



Progress on land sales for 2018-2021 (€ m) [2]



% of the total 2018-2021 plan that is already activated: **95% in residential and 46% in land**

The accomplishment of the 2018-2021 plan implies:

i) FCFE generation of c.€1bn by YE2021; ii) Monetisation of c.40% of the IPO GAV by YE2021

Notes:

(1) Cumulative as to June 30, 2019

(2) Land sales target of c.€500m for the 2018-2021 period is consistent with the announced BP target of €600m for the 2018-2022 period;

(3) Includes c.€90m of land sales to the JV with Tishman Speyer (Monteburgos I) plus €33m of land in negotiations

Commercial land portfolio overview

Key portfolio data

- GAV: € 643 million (June 2019)
- 1.2 million sqm (buildable)
- 94% fully permitted
- 86% in Madrid/Barcelona

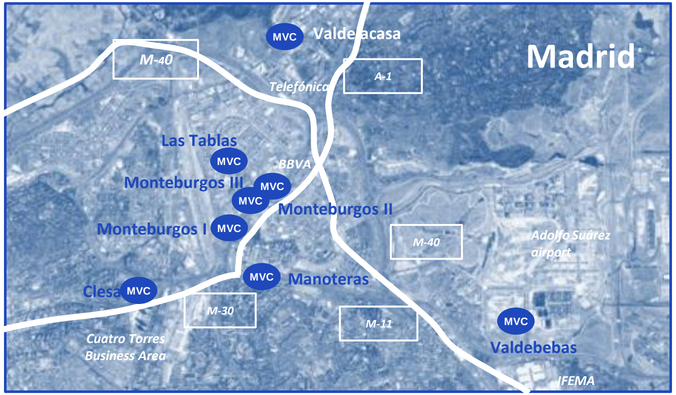
Target to sell or develop most of the portfolio by 2023

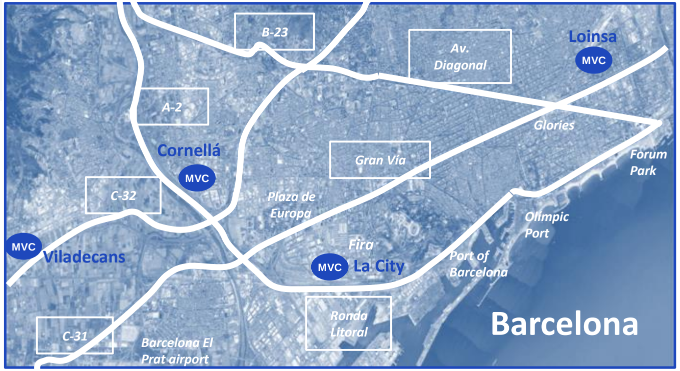
Case by case approach:

- Opportunistic sales: € 67m in 2018 + € 76m in 1H 2019
- Turnkey projects: Josefa Valcárcel office building sold to Colonial in 2018
- Joint Ventures: agreement with Tishman Speyer

Most relevant fully permitted plots (60% GAV):

- **Clesa:** 88,702 sqm - Madrid
- **La City**:135,618 sqm - Barcelona
- **Valdebebas:** 58,131 sqm - Madrid
- **Loinsa:** 32,819 sqm - Barcelona





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Q&A