



Quabit 
Inmobiliaria

RESULTS
JANUARY – MARCH 2018



[Free translation from the original in Spanish. In the event of discrepancy, the Spanish Language version prevails]

1. BUSINESS PERFORMANCE AND SITUATION OF THE GROUP

1.1. Key highlights for Q1 2018.....	2
1.2. Key figures	4
1.3. Financial statements.....	5
1.3.1. Consolidated Income Statement at 31ST March 2018.....	5
1.3.2. Consolidated Balance Sheet at 31ST March 2018.....	6
1.4. Business Areas.....	11
1.4.1. Land management.....	11
1.4.2. Residential development.....	15
1.5. Shareholding structure information	21
1.5.1. Share price.....	21
1.5.2. Shareholders.....	21
1.5.3. Governing bodies.....	22

1. BUSINESS PERFORMANCE AND GROUP SITUATION

1.1. Key highlights for Q1 2018

INVESTMENTS. LAND PURCHASES

- In 2018, Grupo Quabit continues the investment efforts that have been carried out during 2017. To the 160.8 million euros of total investment in 2017 (representing 526,016 square meters of buildable land), acquisitions representing 60,155 square meters buildable (sqmb) have been added during the Q1, by an amount of 17.0 million euros.
- Following these transactions, the Group at 31st March 2018 had under management 1,076,825 sqmb: (1) consolidated land portfolio (713,112 sqmb), (2) works in progress (93,327 sqmb), (3) land acquisition operations to be added in the near future to the consolidated portfolio (207,452 sqmb) and (4) rights over land as collateral (62,934 sqmb).

INVESTMENTS. ONGOING PROJECTS

- In the first quarter of 2018, three new developments have been launched. With this, at 31st March 2018, the Quabit Group had 45 developments at different stages of execution with a total of 2,955 housing units with an estimated turnover of 633 million euros.
- Likewise, works in progress continue to advance according to the planning. During 2018, works have been started in 6 developments, so at date of this report, there are 11 developments with a total of 775 house units with works commenced.
- The pre-sales portfolio (customer commitments through reserves and contracts), at 31st March 2018, comprises 606 residential units in the sum of 123.0 million euros. At 7th May, the pre-sales portfolio comprises 717 units for an amount of 143.6 million euros.

FINANCING OF INVESTMENTS

- The financing of projects in progress is carried out via development loans.
- Land investment is being financed through equity (funds from capital increase) and financing facilities granted by funds.
- Currently, QUABIT is in a process of capital increase with subscription rights for a maximum amount of 63 million euros (nominal value plus premium) and a maximum of 35 million of shares.
- At 27th March 2018 Grupo QUABIT has signed a 50 million euros credit line with funds advised by Taconic Capital Advisors UK LLP and Grupo Royal Metropolitan España, S.A. The destination of this funds is the financing of land purchases (70% of purchase prices).

DEBT EVOLUTION

- Increase in gross debt of 1.9% compared to 31st December 2017.
- On the one hand, the debt has increased due to drawdowns from financing lines that belong to the funds managed by Avenue Europe International Management, L.P (“Avenue”), and drawdowns from development loans for a total amount of 9.9 million euros.
- On the other hand, debt was reduced by 6.9 million euros due to a debt renegotiation agreement with a payment schedule for an amount of 2.9 million euros and a release of debt by 4.9 million euros, consolidating as the payment schedule is attended.

Q1 2018 RESULTS

Key Profit & Loss figures

<i>(Thousands of euros)</i>	31/03/2018	31/03/2017	Variation
Revenue	216	1,207	(82.1%)
EBITDA (*)	4,586	3,004	52.7%
Financial loss	(1,589)	(853)	(86.3%)
Profit/(Loss) before tax	2,929	1,715	70.8%
Net Profit/(Loss)	2,893	1,715	68.7%
- Attributable to the Parent Company	2,894	1,716	68.6%
- Attributable to Minority Interests	(1)	(1)	-

(*) See note on Alternative Performance Measures at the end of this Interim Report.

- Revenues decrease. It should be pointed that the P&L account above does not include sales or results of the new developments, since the accounting record will be made at the time the houses will be delivered. It should also be pointed that, after a liquidation process of pre-existing finished stock before the launch of new developments, the Group has practically no finished stock product (13 units at 31st December 2017).
- A net profit of 2,893 thousand euros was obtained in Q1 2018, increased by 68.7% compared to a profit of 1,715 thousand euros in Q1 2017, as a consequence of the booking of a debt renegotiation agreement with a financial institution.
- Therefore the most relevant activity of Grupo QUABIT in this Q1 2018 is the creation of its future base of operating results through launching of new developments and the progress of the existing ones.
- This progress will be manifested as early as 2018, year in which the deliveries of the first developments will start for a total of 215 units.
- Additionally, pending debt discount (50.2 million euros) and the capitalization of tax credits (137.2 million euros) offer potential profits both in 2018 and subsequent years.

1.2. Key figures

Consolidated P&L account

<i>(Thousands of euros)</i>	31/03/2018	31/03/2017	Variation
Revenue	216	1,207	(82.1%)
EBITDA (*)	4,586	3,004	52.7%
Financial loss	(1,589)	(853)	(86.3%)
Profit/(Loss) before tax	2,929	1,715	70.8%
Net Profit/(Loss)	2,893	1,715	68.7%
- Attributable to the Parent Company	2,894	1,716	68.6%
- Attributable to Minority Interests	(1)	(1)	-

(*) See note on Alternative Performance Measures at the end of this Interim Report.

Consolidated financial indebtedness

<i>(Thousands of euros)</i>	31/03/2018	31/12/2017	Variation
Non-current bank borrowings	11,535	15,472	(25.4%)
Current bank borrowings	248,335	239,456	3.7%
TOTAL GROSS DEBT (*)	259,870	254,928	1.9%
Cash and cash equivalents	(24,834)	(37,156)	(33.2%)
TOTAL NET DEBT (*)	235,036	217,772	7.9%

(*) See note on Alternative Performance Measures at the end of this Interim Report.

Residential developments

<i>(units)</i>	31/03/2018	31/03/2017	Variation
Pre-sales for the period (1)	134	31	332.3%
Deeds for the period (2)	1	2	(50.0%)
Pre-sales portfolio at the end of the period (3)	606	188	222.3%
Stock of finished houses (4)	12	17	(29.4%)

(1) Reservations and contracts (net of cancellations) made in the period.

(2) Delivered houses.

(3) Reservations and contracts for houses to be delivered in the future (finished and marketing stage developments) at a given date.

(4) Finished houses (with or without reservation or contract).

Revenues

<i>(Thousands of euros)</i>	31/03/2018	31/03/2017	Variation
Land management	-	650	(100.0%)
Residential developments	213	440	(51.6%)
Rented property	3	95	(96.8%)
Other	-	22	(100.0%)
TOTAL	216	1,207	(82.1%)

1.3. Financial statements

1.3.1.- Consolidated P&L account for the period ended 31st March 2018

<i>(Thousands of euros)</i>	31/03/2018	31/03/2017	Variation
Revenue	216	1,207	(82.1%)
Procurements	900	(969)	192.9%
Other operating income	7,957	10,366	(23.2%)
Change in trade provisions	62	(3,384)	101.8%
Personnel expenses	(1,580)	(792)	99.5%
Reversals and allowances for impairment	-	422	n.a.
Depreciation and amortization	(34)	(436)	(92.2%)
Other operating expenses	(2,967)	(3,846)	(22.9%)
Gains and losses on disposals of non-current assets	(2)	-	n.a.
Profit from operations	4,552	2,568	77.3%
EBITDA (*)	4,586	3,004	52.7%
Net financial loss	(1,589)	(853)	(86.3%)
Loss from investments in associates	(34)	-	n.a.
Profit/(Loss) before tax	2,929	1,715	70.8%
Taxes	(36)	-	100.0%
Net Profit/(Loss)	2,893	1,715	68.7%
Attributable to:			
Shareholders of the Parent Company	2,894	1,716	68.6%
Minority interests	(1)	(1)	-

(*) See note on Alternative Performance Measures at the end of this Interim Report.

1.3.2.- Consolidated Balance Sheet at 31st March 2018

(Thousands of euros)

ASSETS	31/03/2018	31/12/2017	Variación
NON-CURRENT ASSETS			
Total non-current assets	80,794	81,139	(0.4%)
CURRENT ASSETS			
Inventories	368,520	349,063	5.6%
Other	86,285	98,097	(12.0%)
Total current assets	454,805	447,160	1.7%
TOTAL ASSETS	535,599	528,299	1.4%
LIABILITIES AND EQUITY	31/03/2018	31/12/2017	Variación
EQUITY			
Equity attributable to shareholders of the Parent Company	225,954	223,213	1.2%
Minority interests	3,283	3,243	1.2%
Total equity	229,237	226,456	1.2%
NON-CURRENT LIABILITIES			
Bank borrowings	11,535	15,472	(25.4%)
Other	11,975	12,025	(0.4%)
Total non-current liabilities	23,510	27,497	(14.5%)
CURRENT LIABILITIES			
Bank borrowings	248,335	239,456	3.7%
Other	34,517	34,890	(1.1%)
Total current liabilities	282,852	274,346	3.1%
TOTAL LIABILITIES AND EQUITY	535,599	528,299	1.4%

ASSETS. INVENTORIES

Inventories at 31st March 2018:

(Thousands of euros)	31/03/2018	31/12/2017	Variation
Land (1)	294,532	303,161	(2.8%)
Developments in progress (2)	65,548	36,956	77.4%
Finished developments (3)	5,414	5,712	(5.2%)
Advanced payments to suppliers (4)	2,207	2,415	(8.6%)
Other	819	819	0.0%
Net Book Value	368,520	349,063	5.6%

- (1) Land decreased by 2.8% as a net effect between land purchases and transfers to work in progress.
- (2) Developments in progress increased by 77.4% due to the incorporation of construction costs related to the 5 developments in progress at the end of 2017 and transfers of land development costs related to the 5 developments with works commenced at 31st March 2018: Quabit Style I (Guadalajara), Quabit Aguas Vivas II (Guadalajara), Parque Residencial de Quabit Las Suertes (Guadalajara), Quabit Torrejón VPP I

(Madrid) y Quabit Riverside (Málaga).

- (3) Inventories of finished development is reduced by 5.2% as a result of finished stock sales.
- (4) Advances to suppliers reduced by 8.6% due to application of that advances to some land purchases formalized in 2018.

ASSETS. OTHERS

- Other assets include cash and cash equivalents totaling 24,834 thousand euros (37,156 thousand euros at 31st December 2017).

EQUITY

Changes in equity in 2018:

(Thousands of euros)

Balance at 31st December 2017	226,456
Total net profit for the period	2,893
Treasury share transactions	(471)
Other equity instruments (Avenue Warrants) (*)	488
Capital Increase costs and others	(129)
Balance at 31st March 2018	229,237

(*)The Group has issued 2,828,069 new warrants over the share capital in favor of the funds managed by Avenue in additional consideration to the financing obtained by the group under the Avenue II credit facility, the total number of warrants issued being 7,526,058 as up to 31st March 2018. In 2018, 488 thousand euros were registered in equity under the heading "Other equity instruments" and the balancing item under bank borrowings carried at amortized cost, which corresponds to the fair value of the warrants that have become enforceable in 2018.

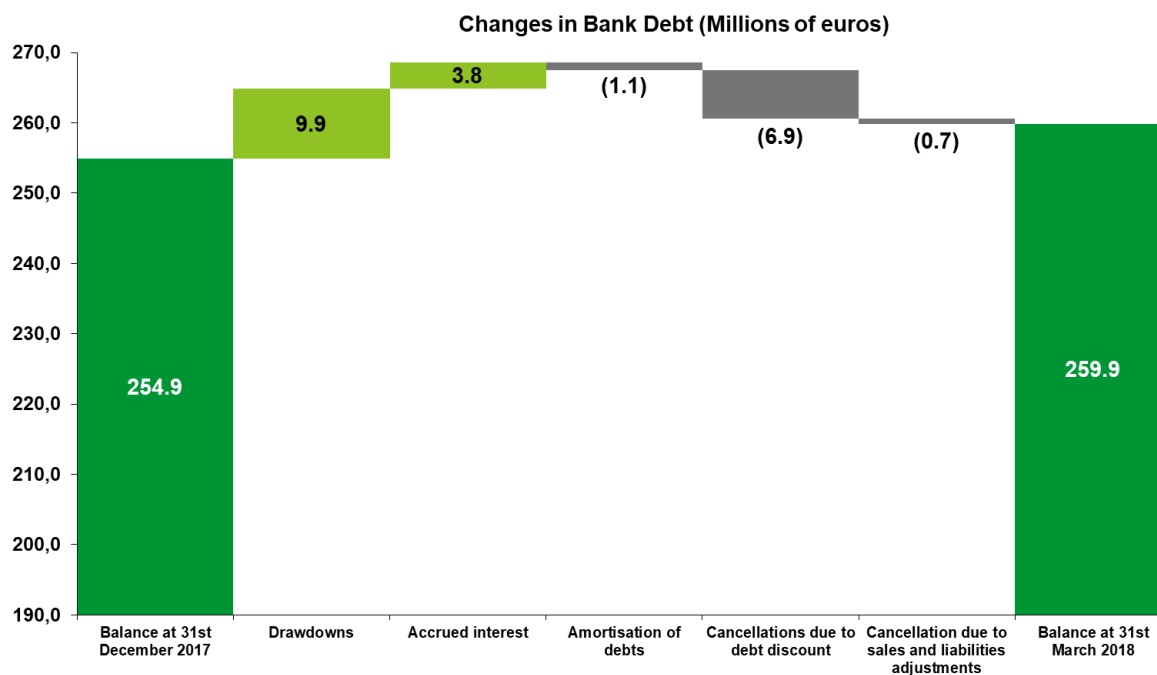
LIABILITIES. BANK DEBT

Structure of bank debt:

<i>(Thousands of euros)</i>	31/03/2018	31/12/2017	Variation
Non-current bank borrowings	11,535	15,472	(25.4%)
Current bank borrowings	248,335	239,456	3.7%
TOTAL GROSS DEBT	259,870	254,928	1.9%
Cash and cash equivalents	(24,834)	(37,156)	(33.2%)
TOTAL NET DEBT (*)	235,036	217,772	7.9%

(*) See note on Alternative Performance Measures at the end of this Interim Report.

Changes in bank debt up to 31st March 2018:



Drawdowns:

- Drawdowns on Development loans, Land loans and Credit facilities by an amount of 3,098 thousand euros: these correspond to drawdowns financing work in progress, land purchases and VAT.
- Avenue I facility drawdowns by an amount of 6,769 thousands euros: drawdowns of funds (nominal without commission) made in 2018 from the credit facility up to 60 million euros approved by funds advised by Avenue Europe International Management, L.P. This credit facility was signed on the 28th December 2016.
- Avenue II facility drawdowns by an amount of 41 thousand euros: Drawdown of funds (nominal without commission) made in 2018 from the tranche of senior loan (limited to 28 million euros) of financing facility up to 40 million euros approved by funds advised by Avenue. This credit facility was signed on the 1st December 2017.

Accrued interest:

- 3.1 million euros corresponding to interest to be paid at maturity.
- 0.7 million euros of interest that will be gradually written off as far as the payments scheduled are attended.

Amortisation of debts:

- 0.6 million euros in compliance with the payments schedule agreed with financial entities.
- Payment of 0.3 million euros associated with commercial agreements for debt cancellation.
- Early repayment of 0.2 million euros agreed with SAREB.

Cancellations due to debt discount:

- Payment of 6.9 million euros associated with commercial agreements and renegotiation of debts.

Cancellation due to sales and liabilities adjustments:

- Adjustment to debt valued at amortized cost for a negative amount of 0.5 thousand euros. net effect of debt carried at amortized cost that includes the impact of increasing the nominal amount drawn with the charged and accumulated commissions to the loan amount and discounting the effect of those commissions and those already paid. Additionally, the impact of the issuance of warrants associated to these two financing facilities for a negative amount of 488 thousand euros is included in this concept.
- 0.2 million euros of debt associated with assets sales.

Structure of bank debt at 31st March 2018:

(Thousands of euros)

Year of maturity	2018	2019	2020	2021 and thereafter	Total
Limited recourse debt	1,771	-	-	-	1,771
Debt discount associated with payments schedule	2,118	6,820	4,951	36,266	50,155
Secured Debt payable on delivery of houses	18,976	501	-	-	19,477
Guaranteed debt for VAT refunds	4,416	-	-	-	4,416
Alpin Equities Loan	3,774	6,254	6,146	-	16,174
Avenue I credit facility	2,824	-	45,165	-	47,989
Avenue II credit facility	-	-	-	23,618	23,618
Debt to be paid according to payments schedule	1,399	8,662	13,266	72,943	96,270
Total bank debt	35,278	22,237	69,528	132,827	259,870

- *Limited-recourse Debt:* secured debt that will be cancelled with the transfer of collateral assets. (net book value of 1,771 thousand euros).
- *Debt discount associated with payments schedule:* Agreed debt discounts which will be recognized as the payments schedule is attended.
- *Secured Debt payable on delivery of houses:* Mortgage debt associated with finished product, developments in progress or sales, which will be cancelled when the assets are delivered.
- *Secured Debt for VAT refunds:* debt amounting to 4,416 thousand euros corresponding to the financing of VAT paid on land purchase operations that will be automatically canceled with the refund of VAT by the Public Treasury
- Loan from funds advised by Alpin Equities: debt amounting to 16,174 thousand euros (amortized cost plus accrued interest as at 31st March 2017): The amortization schedule of this loan has been established as far as the assets are expected to be delivered. Shares in dependent companies who own the assets have been pledged in favor of the funds advised by Alpin equities as guarantee of the agreement compliance.
- *Avenue I & II credit facilities:* This amount includes drawdowns of the Avenue credit facilities in the amount of 71.7 million euros (67.5 million euros of principal and 4.2 million euros of capitalized interest). It is planned to cover the maturities with the treasury obtained from the sale of the assets that are being developed in the land acquired with the funds obtained from them. That is the reason why some maturities have been scheduled before the expiration of facilities in 2020 and 2021. The amounts available from Avenue credit facilities amounting to 15 million euros from Avenue I and 4.9 million euros as a senior loan from Avenue II are committed to signed land purchase operations to be formalized.

- *Debt to be paid according to payments schedule:* 96,270 thousand euros out of 259,870 thousand euros must be paid according to debt repayment schedules. Debt payments scheduled for 2021 and thereafter are concentrated in 2022 (72,943 thousand euros). This amount consists mainly of SAREB debt, as shown in the following payments schedule:

Maturity	31/03/2018 (Thousands of euros)
Year 2019	6,154
Year 2020	10,000
Year 2021	15,000
Year 2022 and thereafter	57,748
TOTAL	88,902

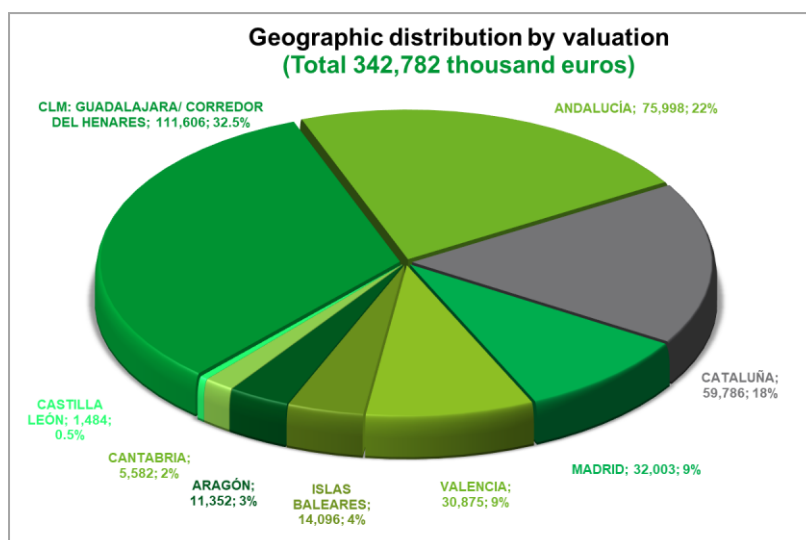
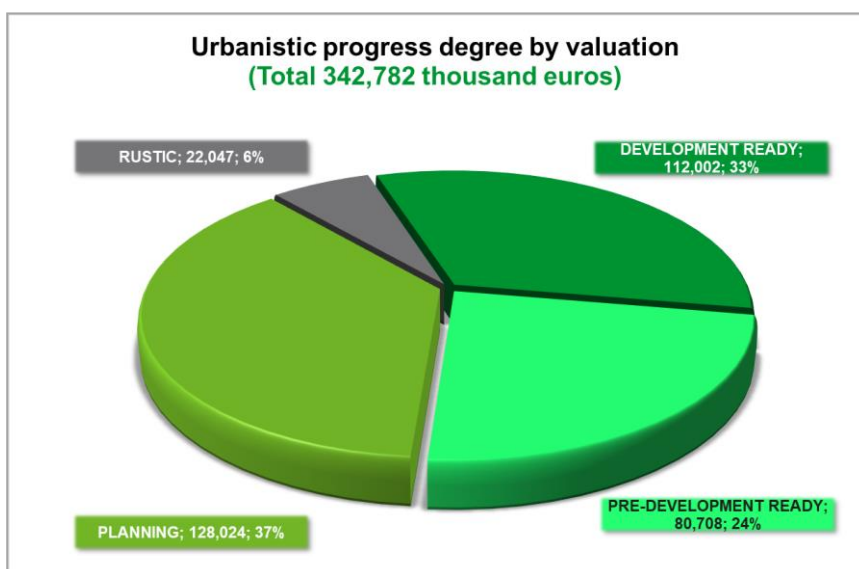
1.4. Business areas

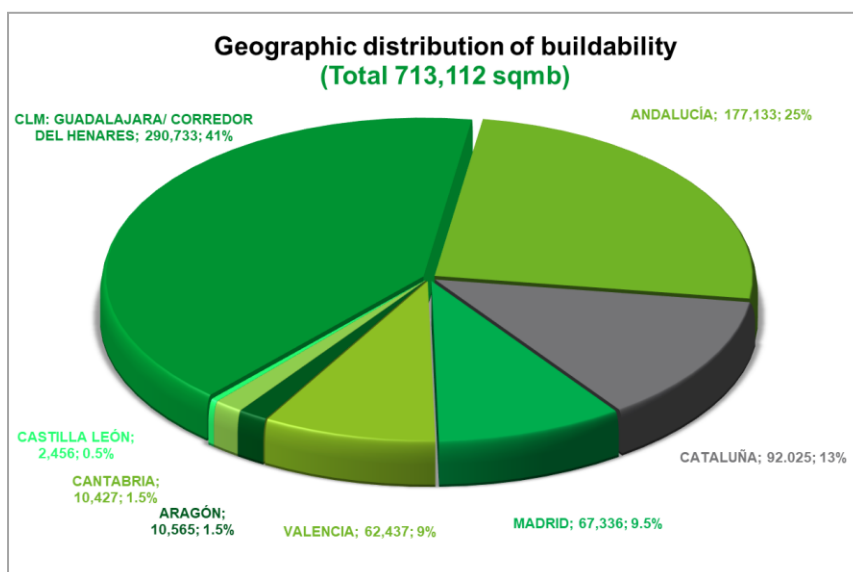
1.4.1.- Land management

Land portfolio

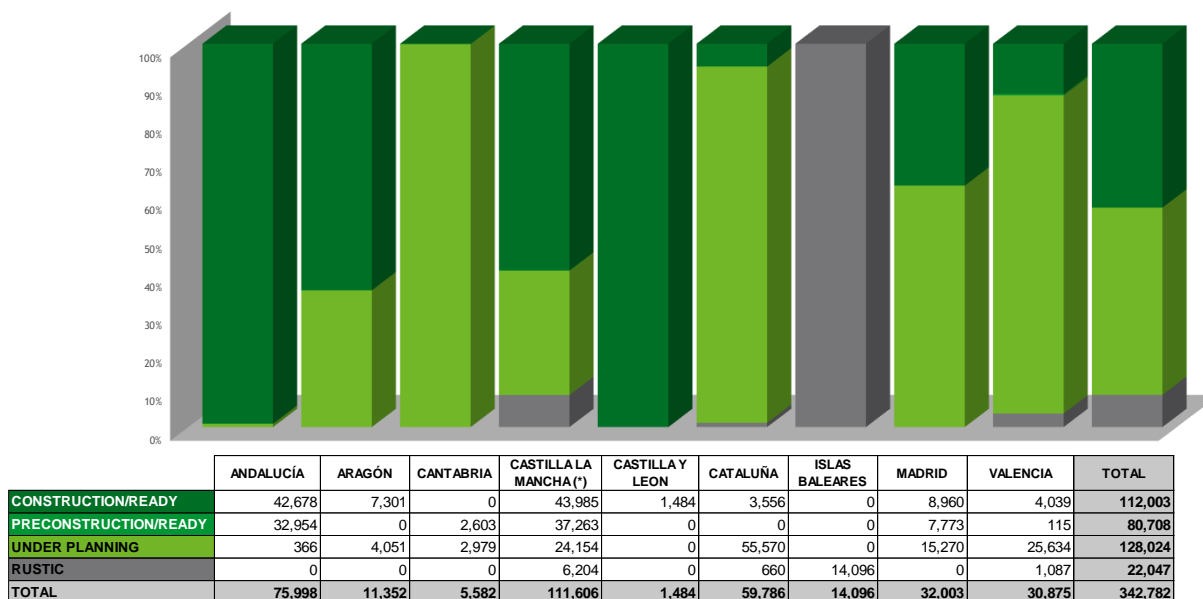
The Group arranges for independent appraisals at least once per year to verify the market value of land. The portfolio of property assets held by Quabit Inmobiliaria, S.A. and its subsidiaries at 31st December 2017 was valued by BDO Auditores S.L.P. ("BDO").

Measuring assets owned by affiliates in terms of both square meters and monetary value based on the percentage interests held in each of the investee entities concerned, the consolidated land portfolio held by the Company and its group at 31st March 2018 sums a total of 0.71 million sqmb land plus 5.3 million square meters of undeveloped land with a total value of 342.78 million euros based on the aforementioned BDO appraisal at 31st December 2017. For the new incorporations to this portfolio during 2018, acquisition price was considered as market value. As shown in the following charts, the land portfolio is diversified in terms of geographical location, and it is largely made up of planning and development land and developed land:





**Land Portfolio Distribution by Geographic Location and Planning Progress
(Thousands of euros)**



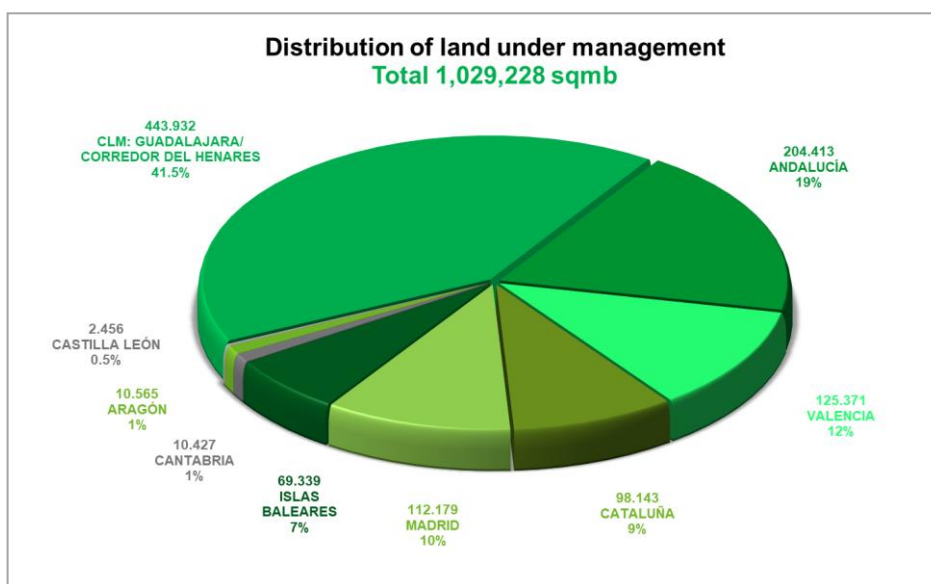
(*) Guadalajara & Corredor del Henares

In addition to the portfolio of landholdings, the Group also holds rights over land at different stages of the planning process. The following table summarizes the situation and market value (as per 31st December 2017) of these land rights:

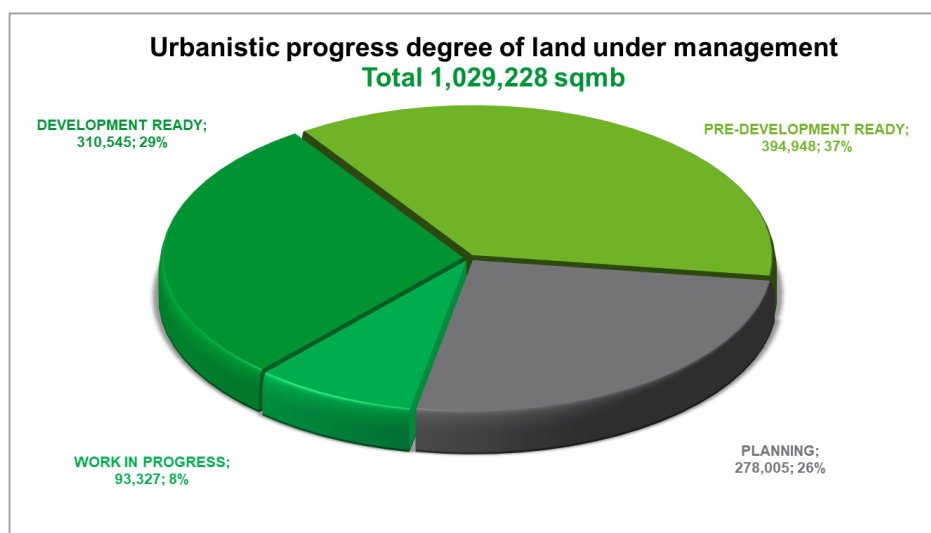
Ítem	(Millions of euros)
Land mortgaged to the Company or Group entities to secured debt	40.2
Private agreements pending to be included in portfolio	77.1
Use rights in exchange for development works	11.4
Total land rights	128.7

The potential development associated with these rights over land total 270,386 sqmb (62,934 sqmb of land mortgaged as security and 207,452 sqmb of private sale contracts pending deed of conveyance).

Adding these 270,386 sqmb to the 713,112 sqmb of the consolidated land portfolio plus the development potential of current projects (93,327 sqmb), the Group currently has under management an asset portfolio with a total development potential of 1,076,825 sqmb. The chart below shows the geographic distribution of this portfolio of assets under management:

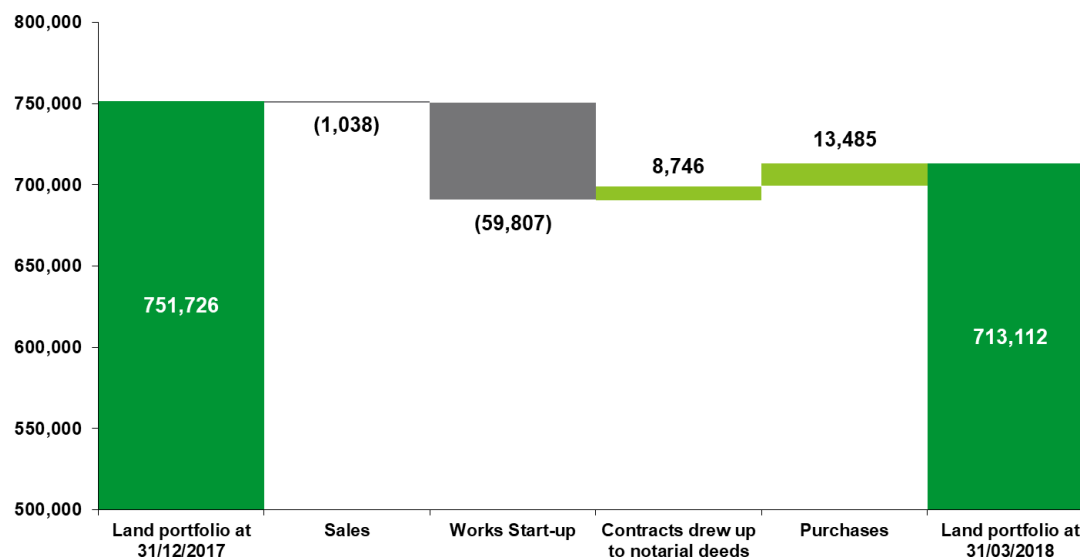


The following chart shows this portfolio under management in order to its urbanistic progress:



Changes in the land portfolio

Land portfolio changes (sqmb)



Sales

The Quabit Group sold in 2018 the entire participation of its shares from the company Mediterranea de Actuaciones Integradas, S.L. This operation represents a decrease of 1 million euros from the land portfolio market value.

Works in progress

In the first quarter of 2018, work licenses were awarded for construction at the following land plots: Quabit Torrejón VPP I (Madrid), Quabit Riverside (Málaga), Parque Residencial de Quabit Las Suertes (Guadalajara), Quabit Style I (Guadalajara) y Quabit Aguas Vivas II (Guadalajara), as a result of which the cost value of this lands that totalizes 22.1 million euros has been transferred to work in progress and it has been removed from the land portfolio.

In April 2018, the work license for Quabit La Peñuela 1 (Madrid) was obtained, so in April the cost value of this land, 693 thousand euros, was transferred to work in progress and removed from the land portfolio.

Contracts drew up to Notarial Deeds

Contracts corresponding to land purchases committed in 2017 and executed in 2018.

Acquisitions

Land purchases committed and executed in the year 2018 according to the detail gathered below.

New investments in 2018. Land acquisitions

Up to 31st March 2018, the Quabit Group has concluded agreements for land purchases in Madrid and Guadalajara.

The investment amount for these land plots totalize 17.0 million euros. The situation of these plots is detailed in the following table, distinguishing those already deeded, and therefore included in the land portfolio reflected in the above charts, and those having a private purchase agreement signed and a deposit paid, and not included in said portfolio.

Town (Province)	Building land (sqmb)	Estimated number of houses (units)	Estimated revenue (Millions of euros)	Situation
Guadalajara (Guadalajara)	25,090	193	31.9	Private contract (*)
Guadalajara (Guadalajara)	21,580	166	28.1	Private contract (*)
Madrid (Madrid)	13,485	125	29.4	Registered in portfolio
Total	60,155	484	89.4	

(*) At the date this Interim Report was published, these contracts were already deeded.

The lands that are pending to deed and integrate into the land portfolio amounts a total of 207,452 sqmb at 31st March 2018.

1.4.2.- Residential development

Developments in execution

The developments in execution are in the following stages:

- Construction works started: construction of the building has commenced.
- Marketing: with formalisation of reservations and/or contracts of sale.
- Pre-marketing: there exists basic sales information (such as types or specifications) and a waiting list of clients is generated prior to entering the marketing phase.
- Design: Draft phase under development for ground plan and façades in accordance with the program of needs created by the company based on analyses of market demand and supply.

The details of the developments and their commercial activity is shown in the table below:

Development	Total Number of units in Development	Units with pre-sale at 31/03/2018 (1)	Pre-sales billing (thousands of €)(2)	Total billing on development (thousands of €)(3)	Situation
Quabit Las Cañas GUADALAJARA	24	20	5,258	6,447	Construction works started in 2017
Quabit Aguas Vivas Fase 1 V.P. GUADALAJARA	116	107	13,398	15,321	Construction works started in 2016
Quabit Las Lomas MADRID	12	11	13,581	14,749	Construction works started in 2017
Quabit Casares Golf Fases 1 y 2 MÁLAGA	87	36	8,461	23,792	Construction works started in 2017
Quabit Sant Feliu BARCELONA	63	61	17,718	18,525	Construction works started in 2017
Quabit Style Fase 1 GUADALAJARA	64	28	5,742	12,716	Construction works started in 2018
Quabit Aguas Vivas 2 V.P. GUADALAJARA	196	80	11,139	29,656	Construction works started in 2018
Parque Residencial de Quabit Las Suertes Fase 1 GUADALAJARA	76	17	2,759	14,025	Construction works started in 2018
Quabit Torrejón V.P. Fase 1 MADRID	51	38	4,422	7,695	Construction works started in 2018
Quabit La Peñuela Fase 1 MADRID	11	9	1,748	2,196	Construction works started in 2018
Quabit Riverside MÁLAGA	75	10	3,317	27,074	Construction works started in 2018
Subtotal – Construction works	775	417	87,543	172,196	
Los Caprichos de Quabit Las Suertes GUADALAJARA	24	4	985	5,850	Marketing stage
Quabit Torrejón V.P. Fase 2 MADRID	45	28	3,187	6,530	Marketing stage
Quabit El Cañaveral V.P. Fase 1 MADRID	102	49	9,349	19,998	Marketing stage
Quabit Las Quintas del Cañaveral V.P. Fase 1 MADRID	34	6	1,634	9,551	Marketing stage
Quabit Altair MÁLAGA	32	15	4,560	8,726	Marketing stage
Quabit Hacienda de la Torre Fase 1 MÁLAGA	110	40	7,662	21,164	Marketing stage
Quabit Los pedregales Fase 1 MÁLAGA	63	32	5,148	10,652	Marketing stage
Quabit Collection ZARAGOZA	36	14	2,905	10,875	Marketing stage
Quabit XXI GUADALAJARA	87	-	-	17,143	Marketing stage (just started)
Quabit Cala de Mijas MÁLAGA	77	-	-	15,098	Marketing stage (just started)
Subtotal – Marketing stage	610	188	35,430	125,587	

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Development	Total Number of units in Development	Units with pre-sale at 31/03/2018 (1)	Pre-sales billing (thousands of €)(2)	Total billing on development (thousands of €)(3)	Situation
Quabit Style Fase 2 GUADALAJARA	42	-	-	8,562	Pre-marketing stage
Quabit La Peñuela Fase 2 MADRID	24	-	-	4,480	Pre-marketing stage
Quabit El Cañaveral V.P. Fase 2 MADRID	101	-	-	19,802	Pre-marketing stage
Quabit Las Quintas del Cañaveral V.P. Fase 2 MADRID	43	-	-	12,079	Pre-marketing stage
Quabit Torres del Mayorazgo MADRID	125	-	-	29,400	Pre-marketing stage
Quabit San Agustín Guadalix MADRID	90	-	-	23,697	Pre-marketing stage
Quabit Hacienda de la Torre Fase 2 MÁLAGA	62	-	-	12,820	Pre-marketing stage
Quabit Unifamiliar Puerto de la Torre MÁLAGA	30	-	-	7,485	Pre-marketing stage
Quabit Los pedregales Fase 2 MÁLAGA	56	-	-	10,405	Pre-marketing stage
Quabit Casares Golf Fase 3 MÁLAGA	49	-	-	13,178	Pre-marketing stage
Quabit Eugenio Gross MÁLAGA	28	-	-	6,975	Pre-marketing stage
Subtotal - Pre-marketing	650	-	-	148,883	
Quabit Aguas Vivas 3 GUADALAJARA	193	-	-	31,864	Design
Quabit Cabanillas Bloque GUADALAJARA	23	-	-	2,768	Design
Quabit Cabanillas Unifamiliar GUADALAJARA	27	-	-	5,670	Design
Parque Residencial de Quabit Las Suertes Fase 2 GUADALAJARA	92	-	-	19,280	Design
Quabit Torrejón V.P. Fase 3 MADRID	15	-	-	2,303	Design
Quabit La Peñuela Fase 3 MADRID	57	-	-	11,679	Design
Quabit Hacienda de la Torre Fase 3 MÁLAGA	68	-	-	12,509	Design
Quabit Hacienda de la Torre Fase 4 MÁLAGA	62	-	-	11,531	Design
Quabit Hacienda de la Torre Fase 5 MÁLAGA	29	-	-	5,445	Design
Quabit Los pedregales Fase 3 MÁLAGA	25	-	-	4,300	Design
Quabit SUP-R6 MÁLAGA	50	-	-	11,052	Design
Quabit Las Lomas del Flamenco Bloque MÁLAGA	263	-	-	60,595	Design
Quabit Las Lomas del Flamenco Unifamiliar MÁLAGA	16	-	-	7,382	Design
Subtotal - Design	920	-	-	186,378	
TOTAL	2,955	605	122,973	633,044	

(1) Pre-sales = Reservations + sale contracts.

(2) Total sale price of units pre-sold.

(3) Estimated billing.

The Quabit Group's development portfolio, at the date of publication of this report, comprises a total of 45 developments and 2,955 house units (2,551 house units at 31st December 2017) with an estimated revenue of 633 million euros, that will be reflected on P&L account as the housing units are delivered.

Of these 2,955 house units, 775 are in construction stage (302 at 31st December 2017), 610 in marketing stage (919 at 31st December 2017), 650 in pre-commercialization (424 at 31st December 2017) and 920 in design stage (906 at 31st December 2017).

The average housing price ascends to 214,000 euros and the product typology includes housing from 89,000 euros to 1.38 million euros, from protected housing to luxury residences; and from first residence in Madrid, Guadalajara, Corredor del Henares or Barcelona, to houses in Costa del Sol.



Quabit XXI. Guadalajara - 87 units.



Quabit Altair. Málaga – 32 single family homes.



Quabit Riverside. Benahavís - 75 units.



Quabit Collection. Zaragoza - 36 units.

New developments launched in 2018

In the Q1 2018, the QUABIT Group has launched 3 new residential development projects:

- Quabit Torres del Mayorazgo. It is located in El Cañaveral (Madrid), having 125 private house units (flats), it means an estimated turnover of 29.4 million euros and it's in the pre-marketing stage.
- Quabit Las Lomas del Flamenco Bloque (263 private flats) and Quabit Las Lomas del Flamenco Unifamiliar (16 private single-family units). These are in the design stage and are located in Málaga, which estimated turnover in millions of euros is 60.6 and 7.4 respectively.

Advance of works in progress

The evolution of construction works is in accordance with the planning and is scheduled for 2018 the completion of the works for a total of 215 house units corresponding to the following developments: Quabit Las Lomas (Madrid), Quabit San Feliú (Barcelona), Quabit Las Cañas (Guadalajara) y Quabit Aguas Vivas I (Guadalajara).



Quabit Las Lomas. Boadilla del Monte, Madrid - 12 luxury single family homes.



Quabit Sant Feliu. Barcelona - 63 units.



Quabit Las Cañas. Guadalajara – 24 family homes.

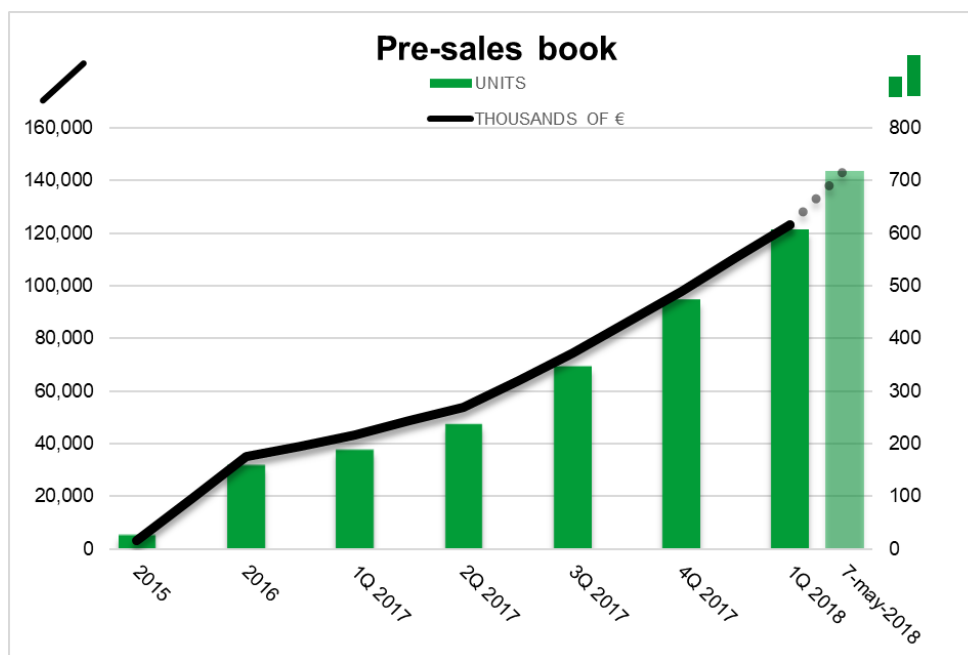


Quabit Aguas Vivas I. Guadalajara – 116 units.

During the year 2018, the Quabit Group has started construction works in 6 residential developments that, together with the 5 developments already started in 2017, totalize 775 house units.

These 6 developments with works started in 2018 are: Quabit Style I (Guadalajara), Quabit Aguas Vivas II (Guadalajara), Quabit Las Suertes Residential Park (Guadalajara), Quabit Torrejón VPP I (Madrid), Quabit La Peñuela I (Madrid) and Quabit Riverside (Málaga).

Pre-sales portfolio



The Quabit Group's pre-sales portfolio (total reservations and purchase commitments for houses at a given date), comprising both finished products stock and new developments, changed as follows in Q1 2018:

Pre-sales portfolio at 31st December 2017	473
Net pre-sales for the period	134
Deeds for the period	(1)
Pre-sales portfolio at 31st March 2018	606

From the 606 house purchase commitments existing at 31st March 2018, 605 house units refer to developments placed on market since 2016 to date, while the unit remaining belongs to the finished products stock.

At 7th May 2018, the total purchase commitments sum 717 house units which turnover is 143,643 thousands euros. From these commitments, 493 units are reserved and 224 units with a signed contract.

Evolution of stock of finished units

During the year 2017, the Group continues the liquidation process of its finished house units stock, with 6 units delivered in the period, as of the finished products stock was 13 units at 31st December 2017.

Up to 31st March 2018, 1 house delivery was produced, so the finished products stock at that date was 12 units, having reserved 1 unit of these 12 units.

1.5. Shareholding structure information

1.5.1.- Share price

The following table shows key stock performance parameters for the period:

Stock market indices	30/03/2018	29/12/2017	Var. %
Ibex 35	9,600.40	10,043.90	(4.42%)
Financial and Property Services	596.96	619.98	(3.71%)
Ibex Small Cap	7,308.10	6,580.20	11.06%

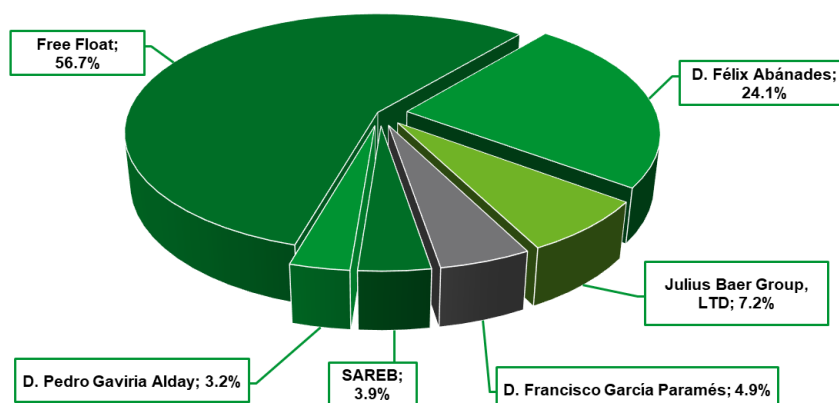
Source: Infobolsa

Stock market performance from 29/12/2017 to 30/03/2018	
Closing price at 29/12/2017 (€/share)	1.8800
Closing price at 30/03/2018 (€/share)	2.0400
% Change	8.51%
Closing market capitalization at 30/03/2018 (€)	225,693,764
Max. closing price (€/share)	2.2700
Min. closing price (€/share)	1.9100
Weighted average price (€/share)	2.1147
Average daily trading volume (shares)	381,764
Total shares traded in the period	24,051,141
Average daily trading volume (€)	807,306
Total cash trades in the period (€)	50,860,286
Total number of shares at 30/03/2018	110,634,198

The Company's shares are currently listed in the Madrid Exchange Stock & Valencia Exchange Stock. Source: BME

1.5.2.- Shareholders

The following chart shows the shareholder structure at the date of publication of this interim report:



The percentage shareholdings shown in the above chart were calculated based on the voting rights held according to the public notices issued by the CNMV Registry of Significant Shareholdings up to the date of publication of this Interim Report and the total number of voting rights in Quabit Inmobiliaria, S.A. at said date (110,634,198).

1.5.3.- Governing bodies

Membership of the governing bodies at 31st March 2018 was as follows:

Name	Board of Directors	Audit Committee	Appointments and Remuneration Committee
Mr. Félix Abánades López	President and Chief Executive Officer	n.a.	n.a.
Mr. Jorge Calvet Spinatsch	Vice-president and Independent Director	Chairman	Member
Mr. Alberto Pérez Lejonagoitia	Proprietary Director	Member	Member
Ms. Claudia Pickholz	Independent Director	Member	Chairman
Mr. Miguel Ángel Melero Bowen	Non-Board Member Secretary	Secretary	Secretary
Ms. Nuria Díaz Sanz	Non-Board Member Deputy Secretary	Vice Secretary	Vice Secretary

There were no changes in the governing bodies in 2018.

NOTE ON ALTERNATIVE PERFORMANCE MEASURES

In addition to the financial information presented, which was prepared in accordance with applicable International Financial Reporting Standards, this Interim Statement also includes certain Alternative Performance Measures (APMs) as defined in the guidelines for Alternative Performance Measures published by the European Securities Markets Authority on 5 October 2015 (ESMA/2015/1057) (the “ESMA Guidelines”), which took effect on 3 July 2016.

The ESMA Guidelines define an APM as “a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.”

The Quabit Group uses certain APMs, which have not been audited, to improve understanding of the Company’s financial performance. The APMs should be read as additional information together with the latest audited financial statements, but they should not under any circumstances be treated as replacing for the financial information prepared under International Financial Reporting Standards. APMs may differ, in terms either of their definition or calculation, from other similar measures calculated by other companies and, therefore, they may not be comparable.

The Company understands that it has properly followed and complied with ESMA recommendations concerning APMs. Following the recommendations contained in the Guidelines, a detail of the APMs used and the reconciliation of certain management indicators with the information presented in the Financial Statements are as follows:

Financial structure ratios		Reconciliation with consolidated financial statements		
		Description	(Thousands of euros)	
			31/03/2018	31/03/2017
EBITDA	Profit/(loss) from operations plus depreciation and amortization	Profit/(loss) from operations	4,552	2,568
		Depreciation and amortization	34	436
		EBITDA	4,586	3,004
Gross debt	Current and non-current bank borrowings		31/03/2018	31/12/2017
		Non-current bank borrowings	11,535	15,472
		Current bank borrowings	248,335	239,456
	Gross debt	259,870	254,928	
Net financial Debt	Gross financial debt minus cash and cash equivalents		31/03/2018	31/12/2017
		Gross debt	259,870	254,928
		Cash and cash equivalents	(24,834)	(37,156)
	Net financial Debt	235,036	217,772	