

**COMISIÓN NACIONAL DEL MERCADO DE VALORES**

C/ Edison, nº 4  
28006 – Madrid

Madrid, November 15, 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 nine months finished on September 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

The logo for Quabit Inmobiliaria features the word "Quabit" in a large, white, sans-serif font. To the right of "Quabit" is a white icon of a stylized house or arrow pointing upwards and to the right. Below "Quabit" is the word "Inmobiliaria" in a smaller, white, sans-serif font.

Quabit  
Inmobiliaria

# 9M 2019 RESULTS

November 15<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

885 new home units under WIP during 9M 2019

940 €M est. turnover in home units under development (30.09.19)

9M 2019 Pre-sales: 117 €M. Pre-sales Book at 30.09.19: 318 €M

Optimal 2019 (99%), 2020 (51%) & 2021 (17%) sales coverage

FCC<sup>(1)</sup> 2019e > 750 home unit (>600 pre-sales at 31.10.19)

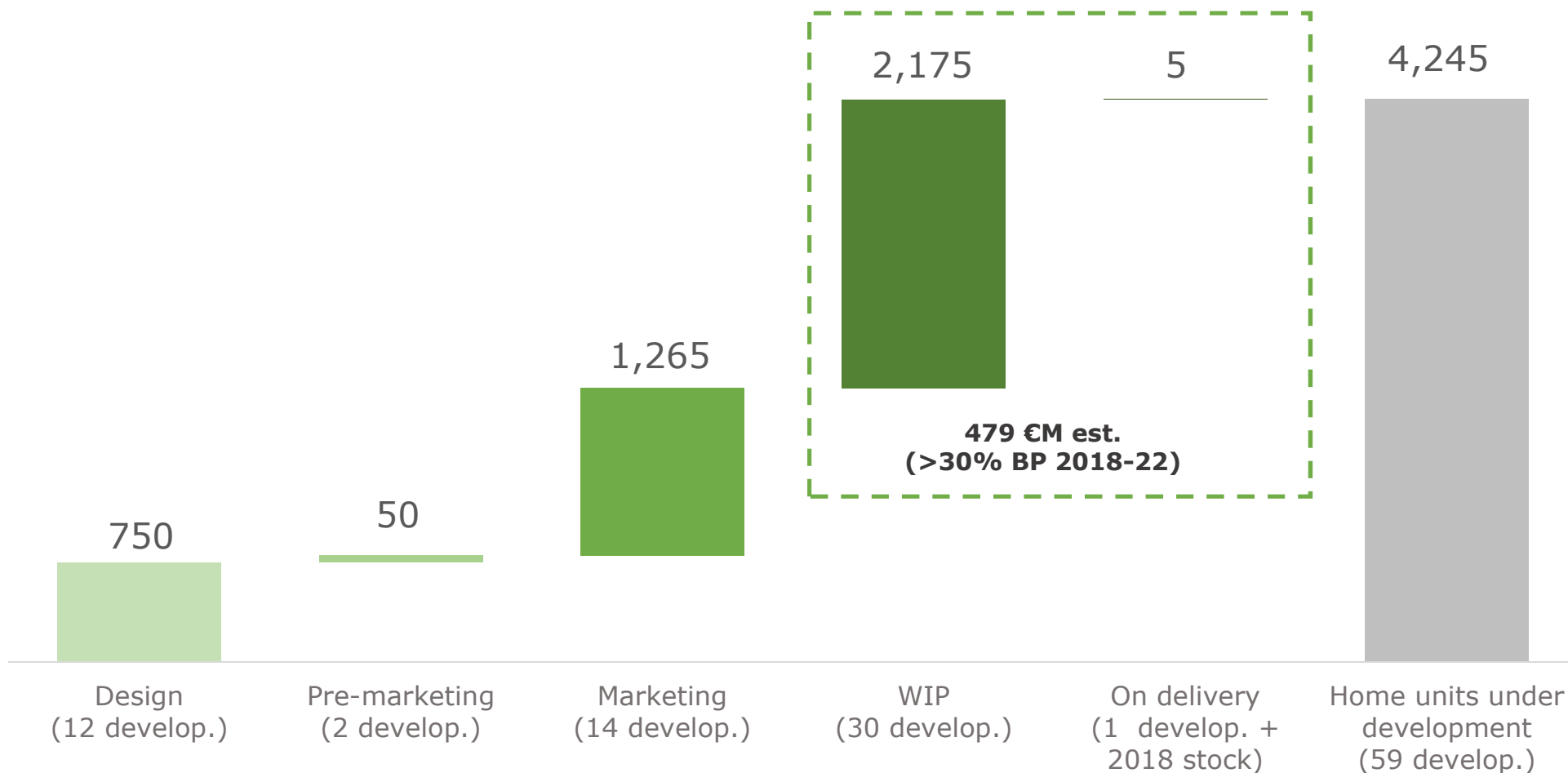
9M 2019 deliveries: 62 home units

- 9M 2019 Selective investments in “Ready to build” land plots (Cost of Land < 13% GDV)
- Investment in Planning Land Plot to boost our strategy of developing > 25% of our land needs from 2022 onwards

(1) Final Construction Certificate

~ 2,200 WIP / On delivery home units

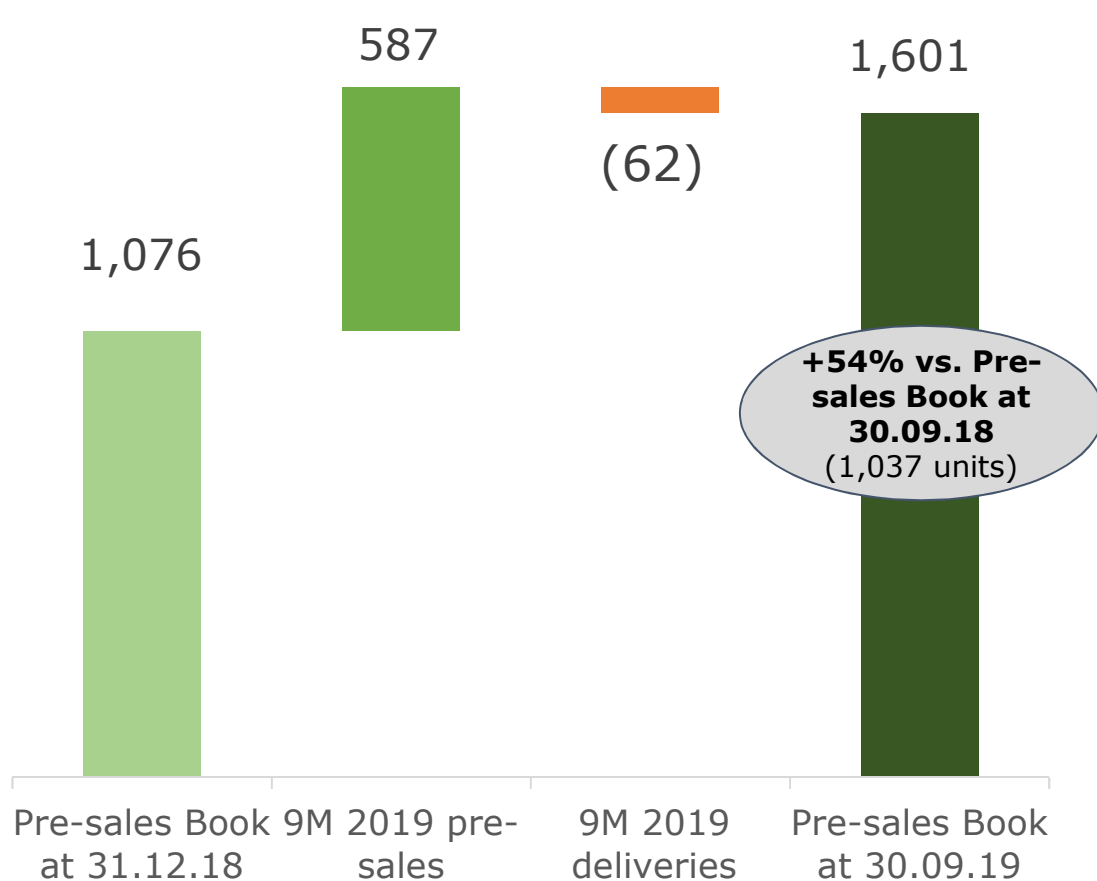
Home units under development by stage at a 30.09.19



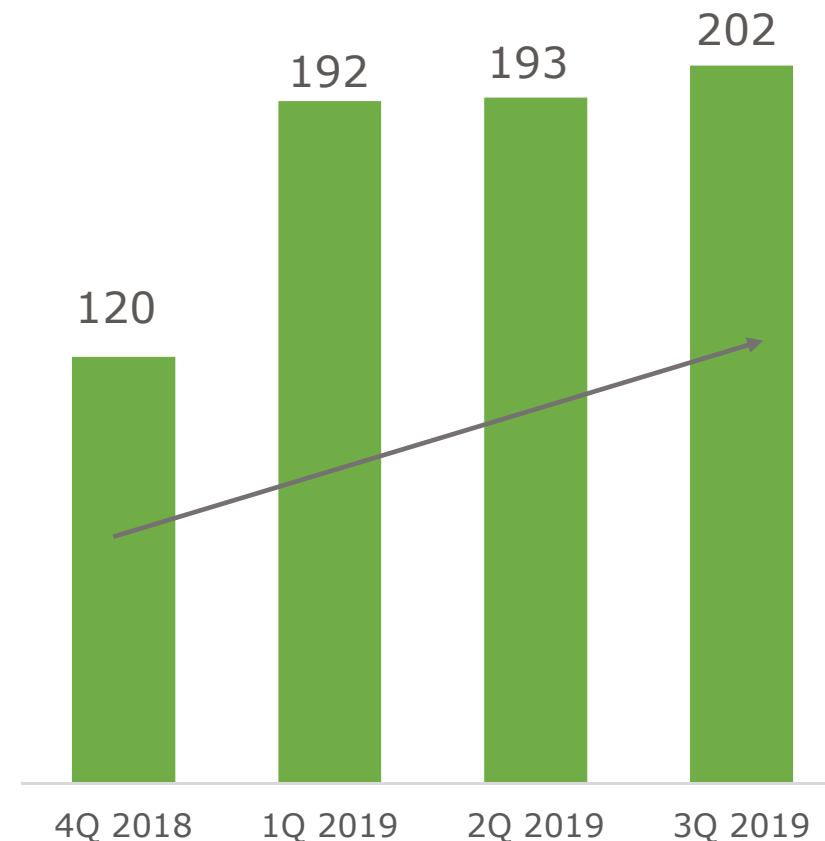
- 885 new home units on WIP during 9M 2019
- 4,245 Home units under development: 940 €M est. turnover

## Pre-sales Book: 318 €M & pre-sales growing

Pre-sales Book evolution 9M 2019  
(home units)



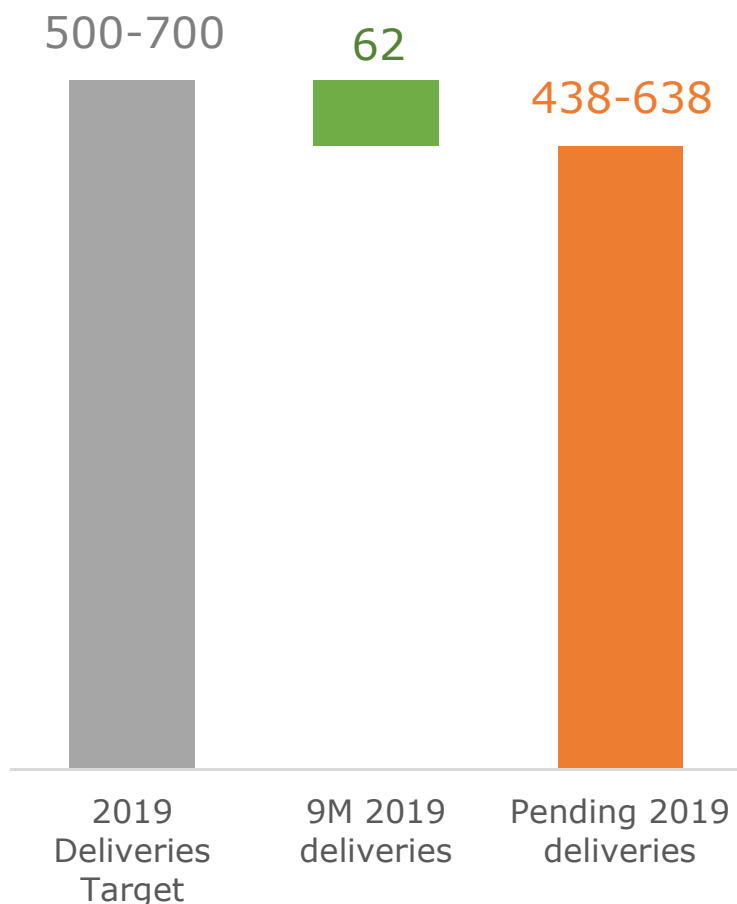
Pre-sales by quarter  
(home units)



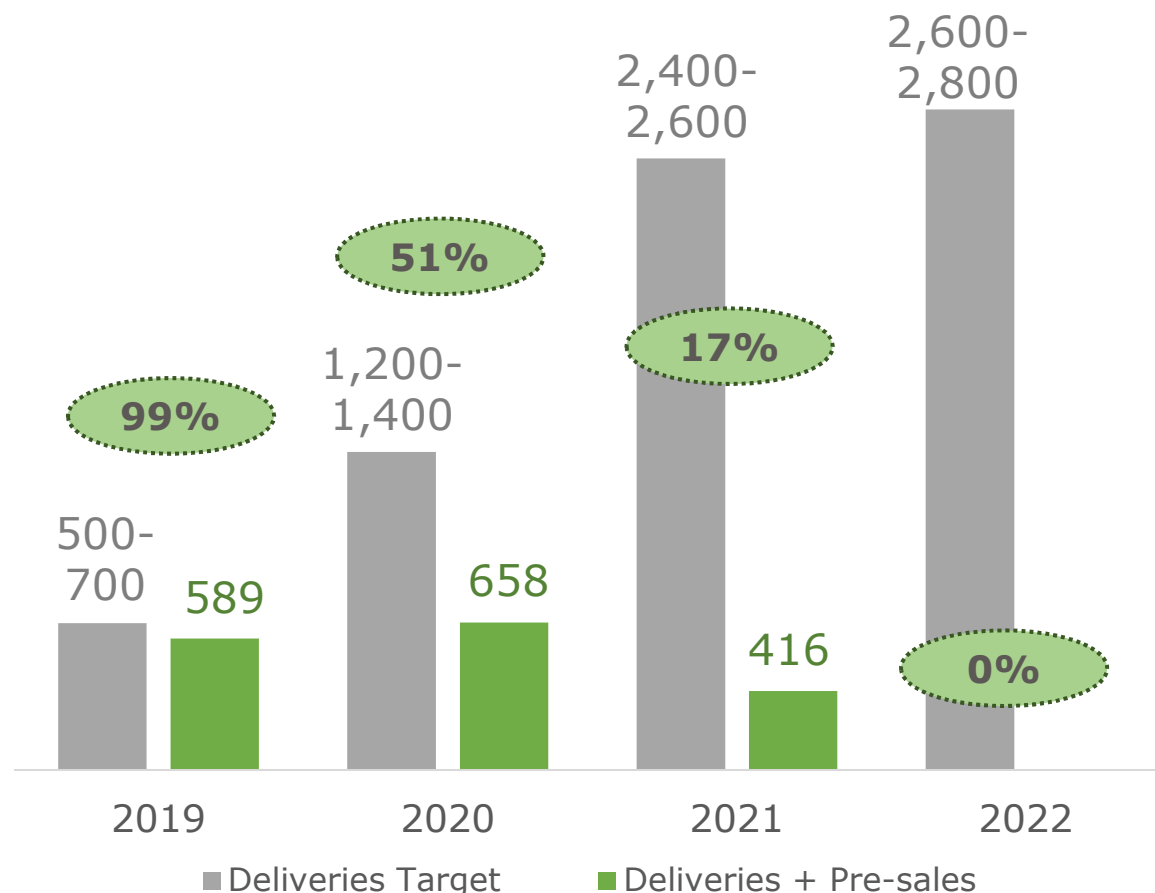
- Positive evolution of pre-sales (3Q 2019 best quarter during last year)
- October has been the best pre-sales month of the last 13 months

## 2019 Deliveries and 2019-2022 Sales Coverage

9M 2019 Deliveries (home units)



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



- 62 home units delivered during 9M 2019
- Optimal pre-sales levels to fulfill targets and capture HPA

(1) % coverage vs. middle point of the target range. 2019 Includes 62 units delivered in 9M 2019



## Construction progress: next developments to be delivered

Construction progress & pre-sales next developments to be delivered (31.10.19)

Development	Location	Home Units	Construction Progress <sup>(1)</sup>	FCC <sup>(2)</sup>
Quabit Style	Corredor del Henares (Guadalajara)	64	100%	July
Torrejón de Velasco 1	Madrid (Torrejón de Velasco)	51	100%	August
Casares Golf 2	Málaga (Casares)	29	100%	October
Las Suertes 1	Corredor del Henares (Alovera)	76	100%	October
Hacienda de la Torre 1	Málaga (Málaga)	50	100%	October
Altair	Málaga (Málaga)	32	100%	October
Torrejón de Velasco 2	Madrid (Torrejón de Velasco)	45	100%	October
Casares Golf 3	Málaga (Casares)	29	100%	October
Aguas Vivas 2.1	Corredor del Henares (Guadalajara)	130	99%	November
Aguas Vivas 2.2	Corredor del Henares (Guadalajara)	66	95%	December (est.)
Riverside	Málaga (Benahavis)	75	92%	December (est.)
Hacienda de la Torre 2	Málaga (Málaga)	60	89%	December (est.)
Quabit Collection	Zaragoza (Zaragoza)	36	89%	December (est.)
Pedregales I	Málaga (Estepona)	63	85%	January (est.)
El Lagar	Málaga (Mijas)	79	81%	January (est.)
		<b>885</b>		
Deliveries at 30.09.19		62		
Stock at 30.09.19		5		
		<b>952</b>		

**80% pre-sold at 31.10.19**

- FCC 2019e >750 home units. FOP<sup>(3)</sup> 2019e ~500 home units

(1) Construction Progress %: construction progress over expected Final Construction Certificate date. Data updated at 31.10.19

(2) FCC: Final Construction Certificate

(3) FOP: First Occupancy Permit

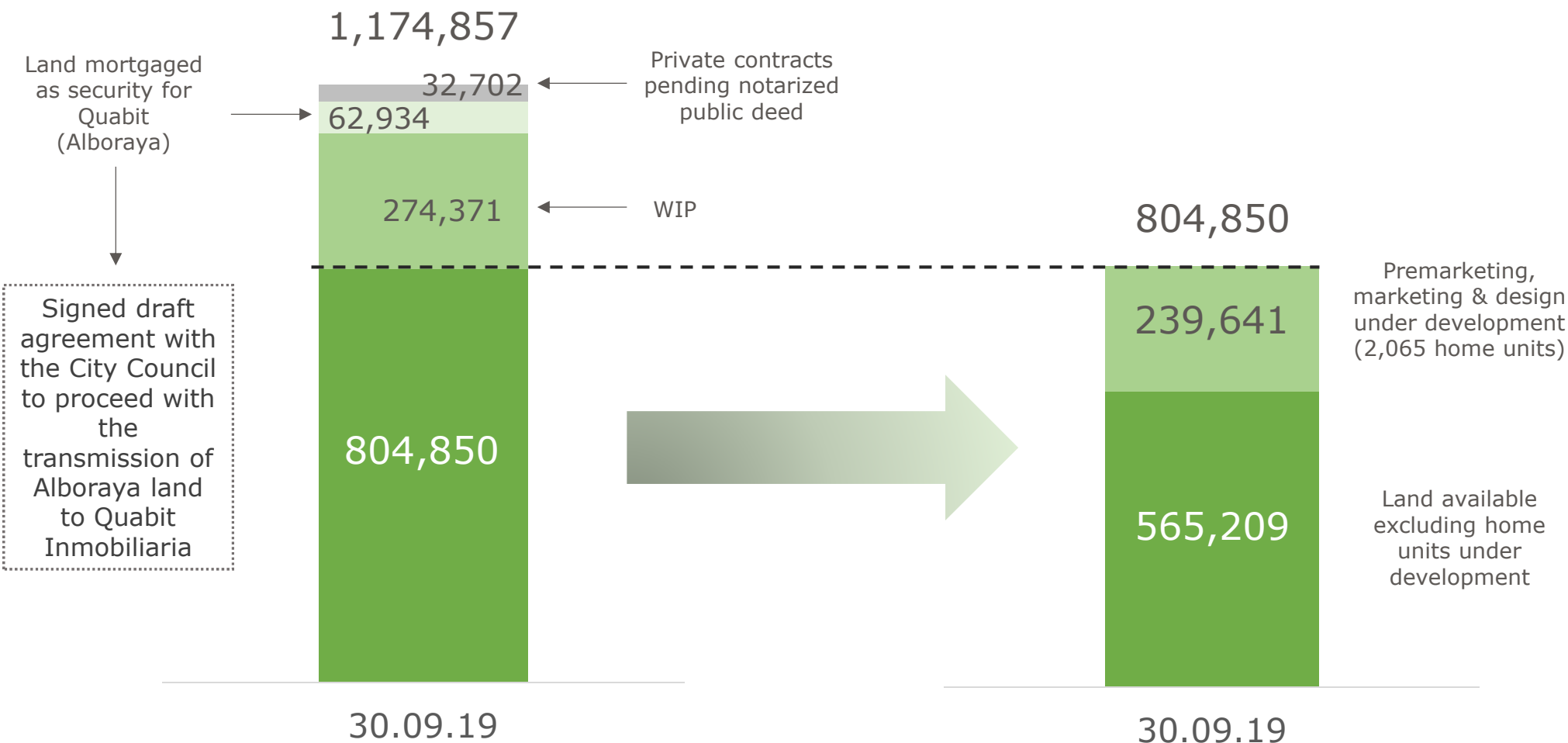
## Land Portfolio at 30.09.19

Total Land Portfolio at 30.09.19

1,174,857 bsqm

Land Portfolio at 30.09.19

804,850 bsqm



Signed draft agreement with the City Council to proceed with the transmission of Alboraya land to Quabit Inmobiliaria

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

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

Thousand Euros	9M 2019	9M 2018	Change	Like-for-Like Change <sup>(1)</sup>
<b>Turnover</b>	<b>24,939</b>	<b>15,227</b>	<b>64%</b>	<b>64%</b> ↑
<b>EBITDA L-f-L</b>	<b>(10,395)</b>	<b>(14,876)</b>	<b>30%</b>	<b>30%</b> ↑
+ Debt write-off	469	15,105	(97%)	
<b>EBITDA</b>	<b>(9,926)</b>	<b>229</b>	<b>(4,435%)</b>	
<b>Financial Result</b>	<b>(3,384)</b>	<b>(4,067)</b>	<b>17%</b>	
<b>Earnings Before Tax</b>	<b>(14,213)</b>	<b>(3,988)</b>	<b>(256%)</b>	<b>23%</b> ↑
<b>Net Income</b>	<b>(5,713)</b>	<b>1,057</b>	<b>(641%)</b>	<b>23%</b> ↑
Attributable to the Parent Company	(5,632)	1,108	(608%)	23% ↑
Attributable to Minority Interests	(81)	(51)	(59%)	

- Sharp turnover increase (+64%) 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 (9M 2019: 0.5 €M vs. 9M 2018: 15.1 €M) and capitalization of tax credits (9M 2019: 8.5 €M vs. 9M 2018: 5 €M)

## Balance Sheet: debt increase due to higher inventories

Thousand Euros

	30.09.19	31.12.18	Change
<b>Non-Current Assets</b>	<b>82,258</b>	<b>73,349</b>	<b>12%</b>
<b>Current Assets</b>	<b>600,286</b>	<b>507,427</b>	<b>18%</b>
Inventories	513,867	426,525	20%
Others	55,445	56,782	2%
Cash & Other liquid assets	30,974	24,120	28%
<b>Total Assets</b>	<b>682,544</b>	<b>580,776</b>	<b>18%</b>
<b>Equity</b>	<b>288,824</b>	<b>295,818</b>	<b>(2%)</b>
Attributable to the Parent Company	284,671	291,794	(2%)
Attributable to Minority Interests	4,153	4,024	3%
<b>Non-Current Liabilities</b>	<b>34,014</b>	<b>18,218</b>	<b>87%</b>
Financial Debt	19,127	5,945	222%
Others	14,887	12,273	21%
<b>Current Liabilities</b>	<b>359,706</b>	<b>266,740</b>	<b>35%</b>
Financial Debt	277,608	211,749	31%
Others	82,098	54,991	49%
<b>Total Liabilities &amp; Equity</b>	<b>682,544</b>	<b>580,776</b>	<b>18%</b>

### Inventories:

- Increase due to investments in Land plots and WIP developments

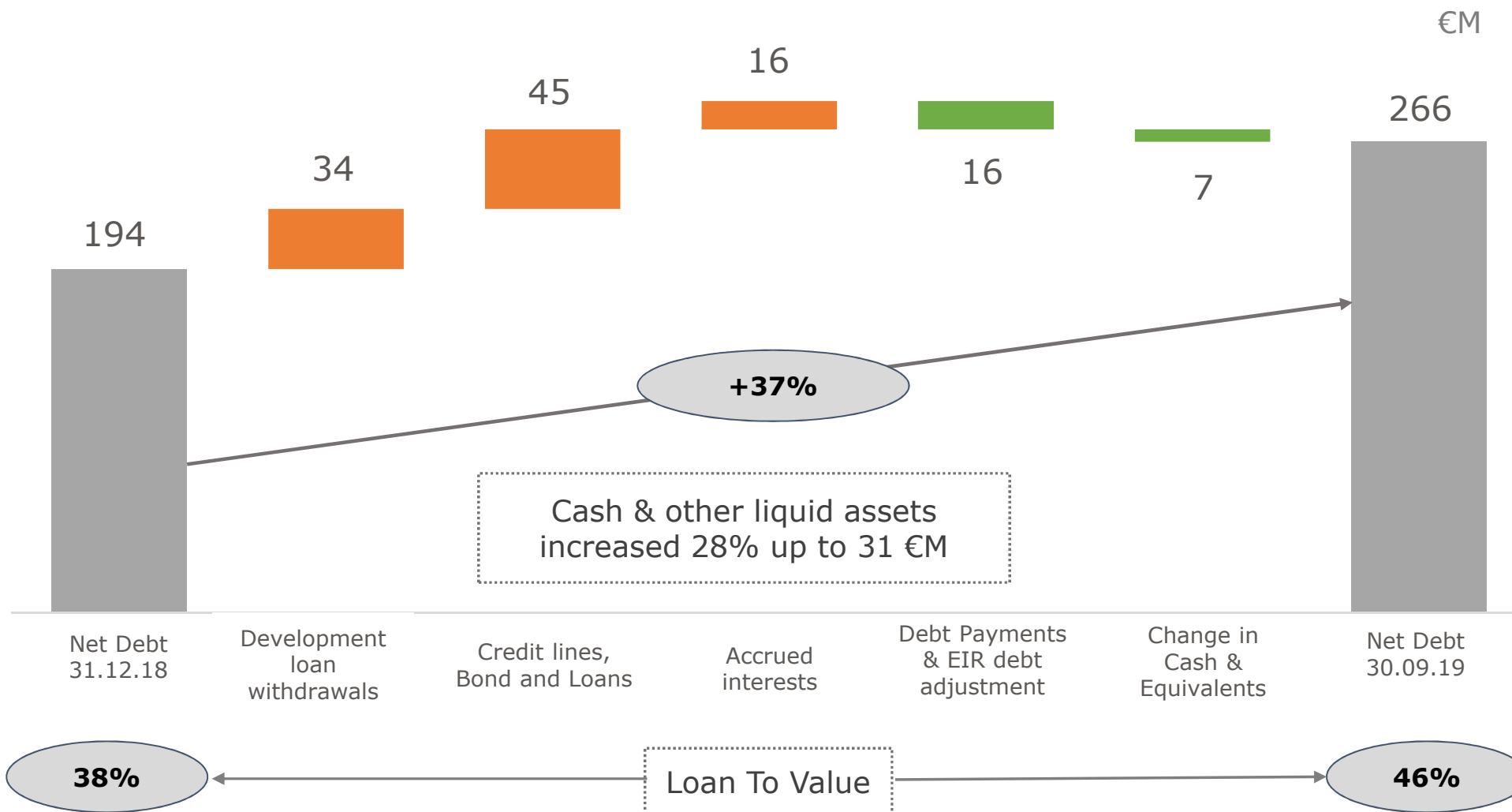
### Cash & Other liquid assets:

- Increase due to new financing transactions

### Financial Debt:

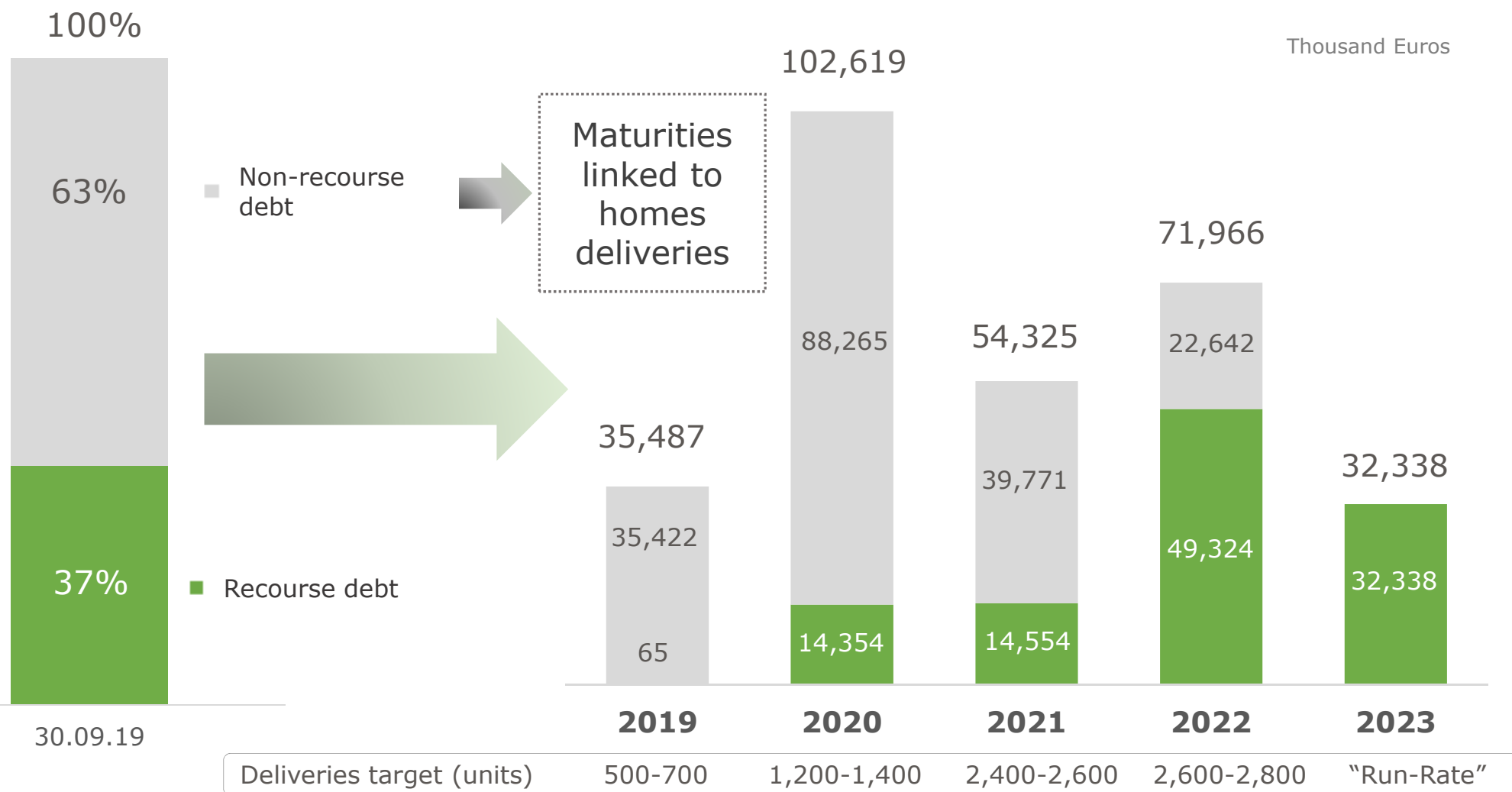
- Increase due to investments in Land plots, development loans withdrawals and capitalization of accrued interest

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



- 37% net debt increase due to Land and WIP investments
- LTV will be reduced throughout 2020 with the beginning of a relevant volume of deliveries

## Debt maturities aligned with Business Plan cash flows



- 63% gross debt is non-recourse debt
- There are not relevant recourse debt maturities until 2022

~ 2,200 WIP and finished stock home units

Optimal sales coverage for 2019 (99%), 2020 (51%)  
& 2021 (17%) deliveries

3Q 2019 best pre-sales quarter of the last 4 Quarters  
October 2019 best pre-sales month of the last 13 months

Reaching >750 FCC<sup>(1)</sup> 2019e  
(>600 pre-sales at 31.10.19)

Selective & cautious land investments 2019+2020e  
(80-90 €M vs. 110-120 €M initially estimated)

Reducing financial costs

Acquisition of Rayet Construction closed in October

Bet on the cooperative segment  
(middle-upper class target customer, 746 contacts from 26.10 to 10.11.19)

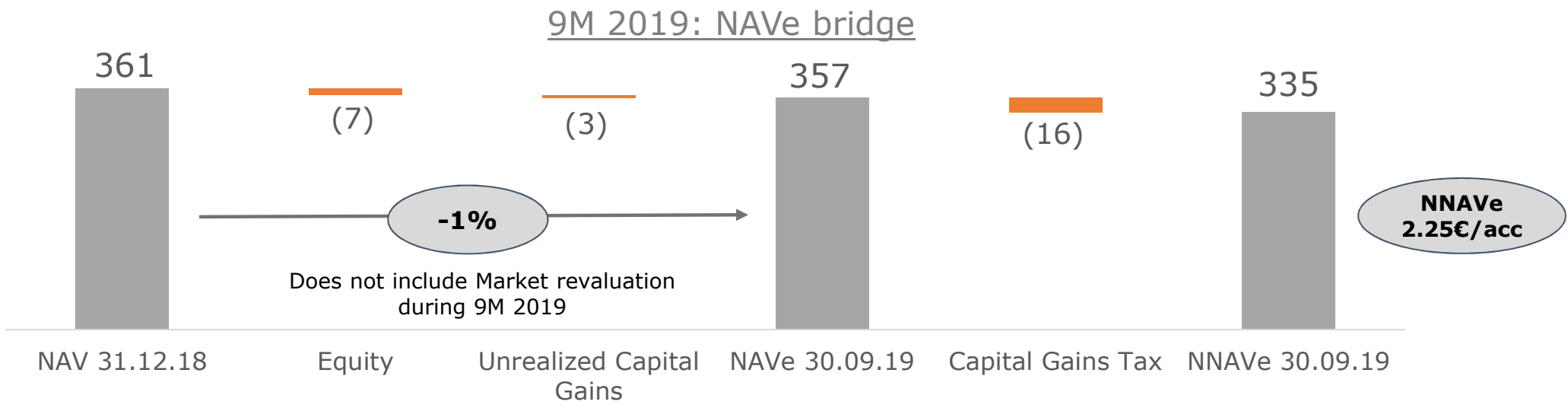
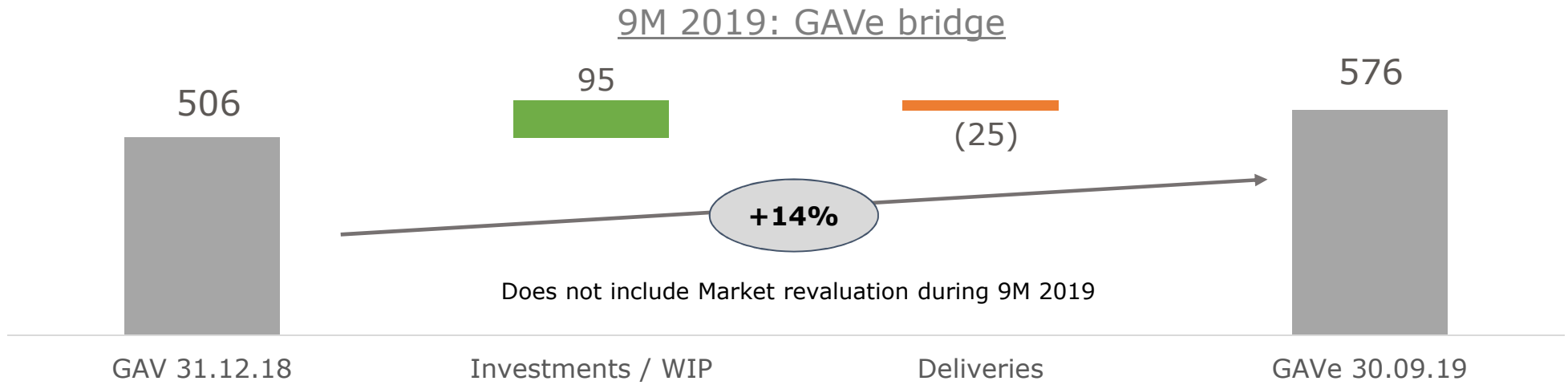
(1) Final Construction Certificate

# Q&A



# ANNEXES

Very attractive valuation: GAVe & NAVE at 30.09.19<sup>(1)</sup>

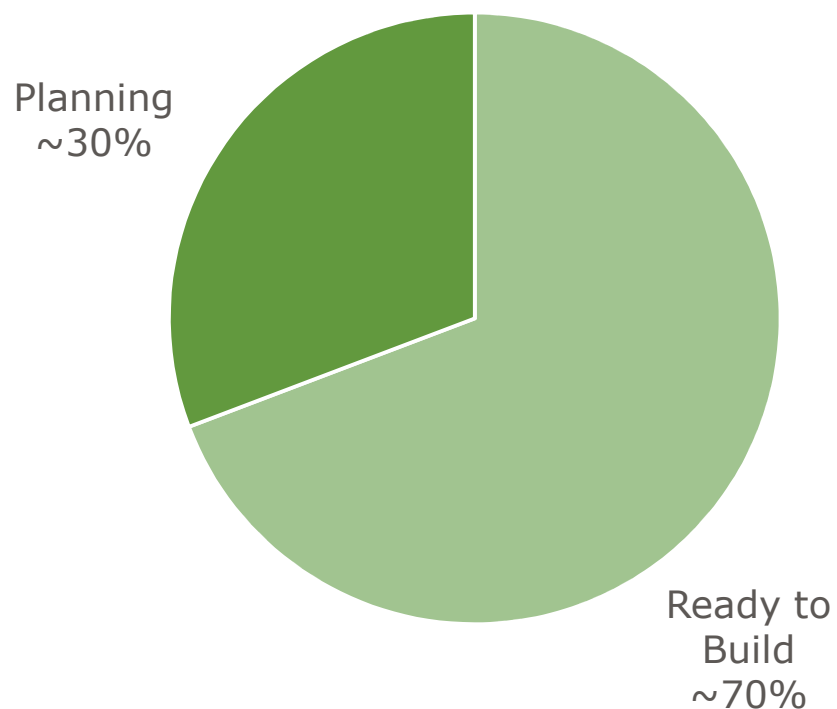


• The stock of Quabit is trading at a discount of more than 60% of its NNAV

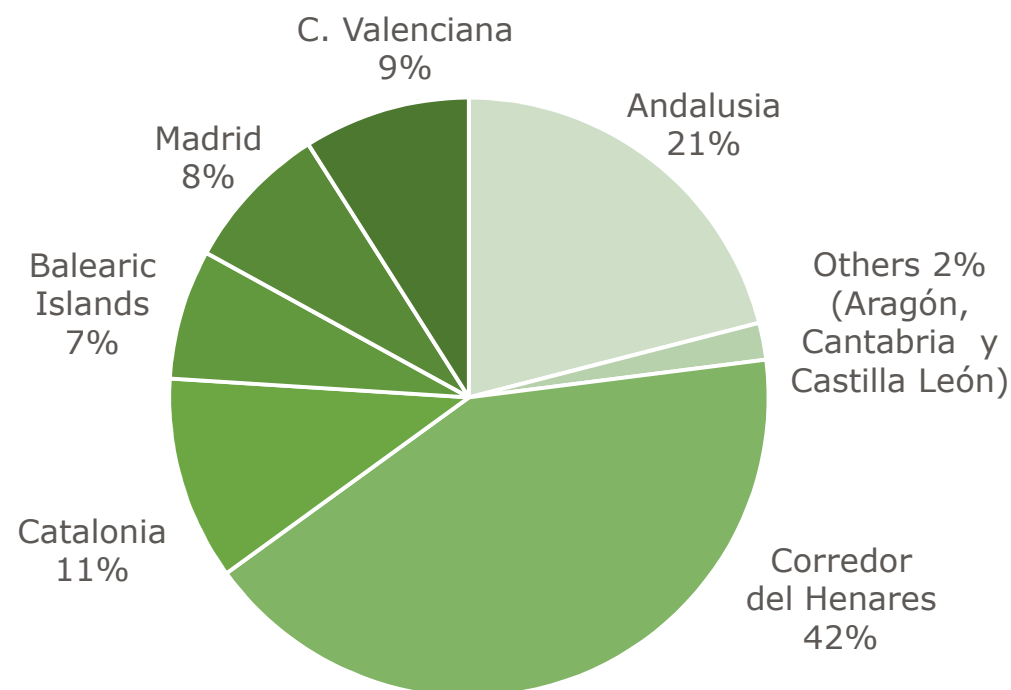
(1) RICs independent valuation by BDO at 31.12.18.

## Very attractive and diversified Land Portfolio

Land Portfolio<sup>(1)</sup> status at 30.09.19  
804,850 bsqm



Land Portfolio<sup>(1)</sup> geographic breakdown at 30.09.19  
804,850 bsqm

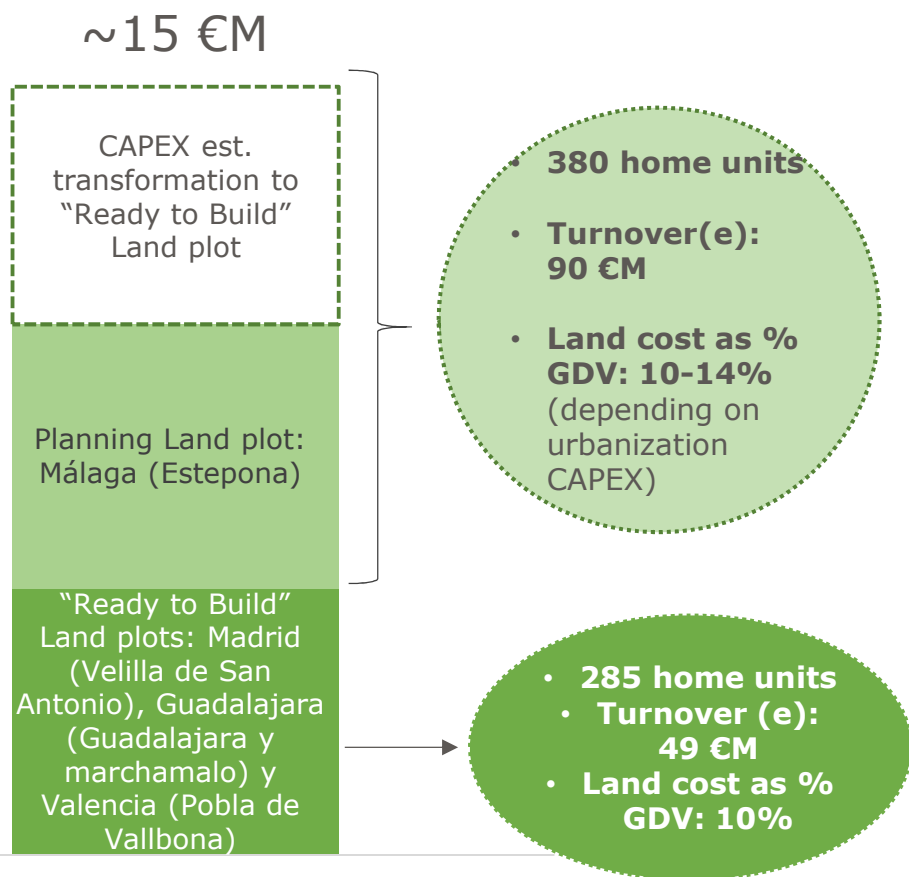


- The land in planning allows its development to obtain "Ready to Build" Land in very competitive conditions

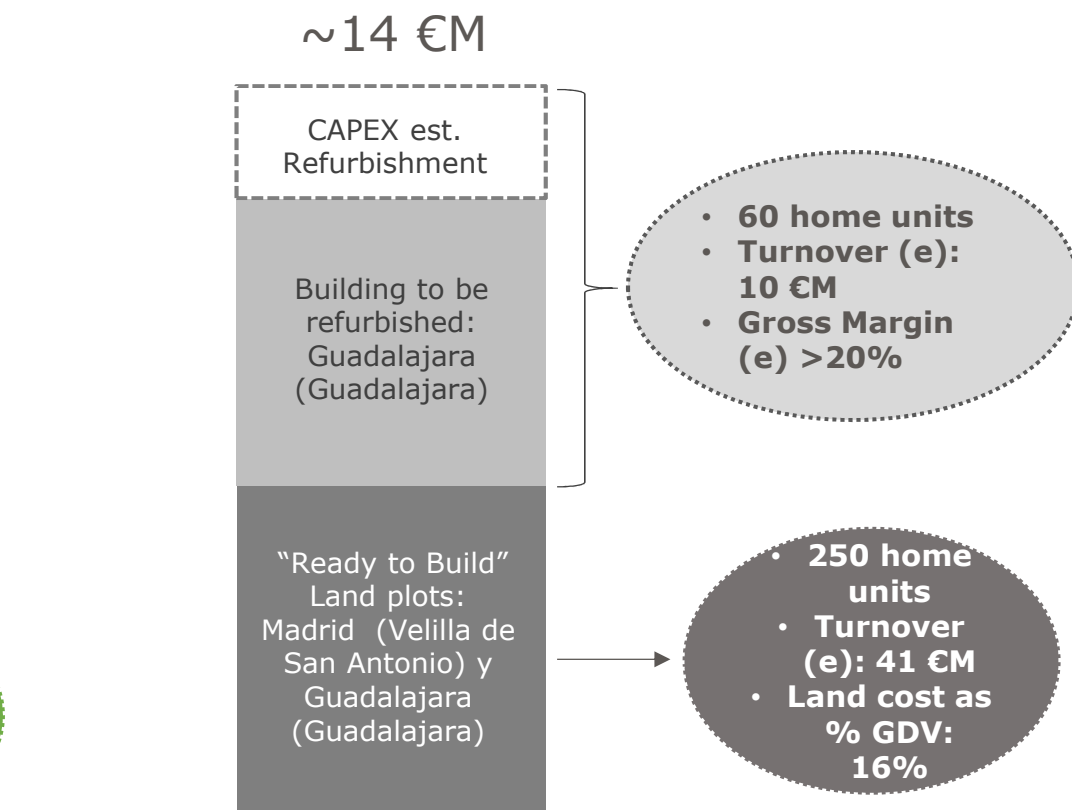
(1) Does not include 62,934 bsqm of land mortgaged as security for Quabit nor 274,371 bsqm WIP nor 32,702 bsqm of private contracts pending notarized public deed nor 5.4 million sqm non buildable land

## 9M 2019 Investments: reducing land investments needs

9M 2019 investments with notarized public deed  
74,221 bsqm



9M 2019 investments with private contract<sup>(1)</sup>  
31,343 bsqm

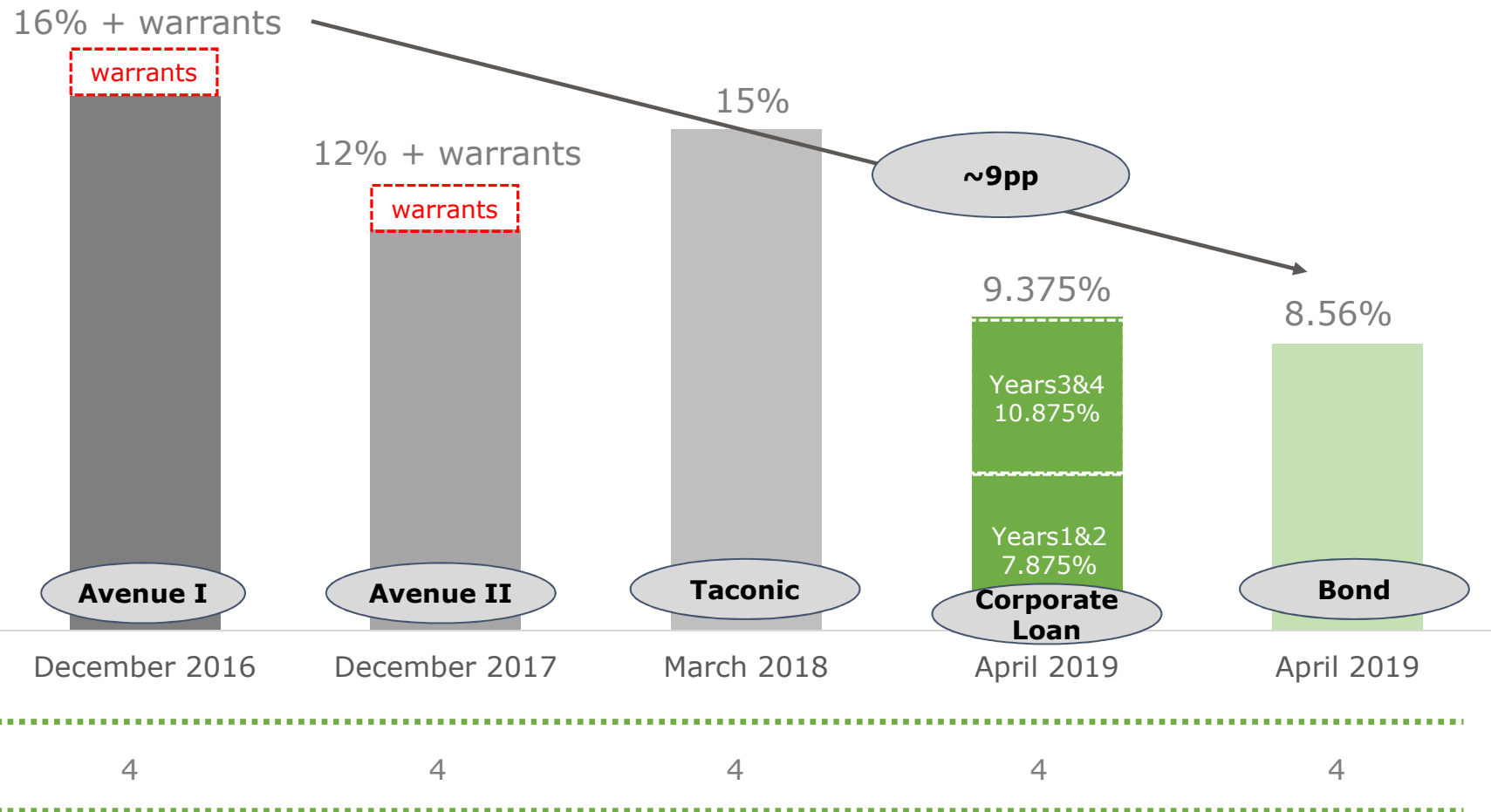


• 2019-2020e land investments for developments with delivery scheduled in 2021-2022 < 90 €M (vs. 110-120 €M initially estimated)

(1) Pending notarized public deed

# Reducing financial costs on new debt issued

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



- 26% gross debt of Quabit has a cost of 0% (SAREB)

## Rayet Construcción Acquisition

### Quabit has agreed the acquisition of 82.95% of Constructora Rayet Construcción to its two main partners

Transaction has been supported by Due Diligence & "Fairness Opinion"

#### Strategic Rational:

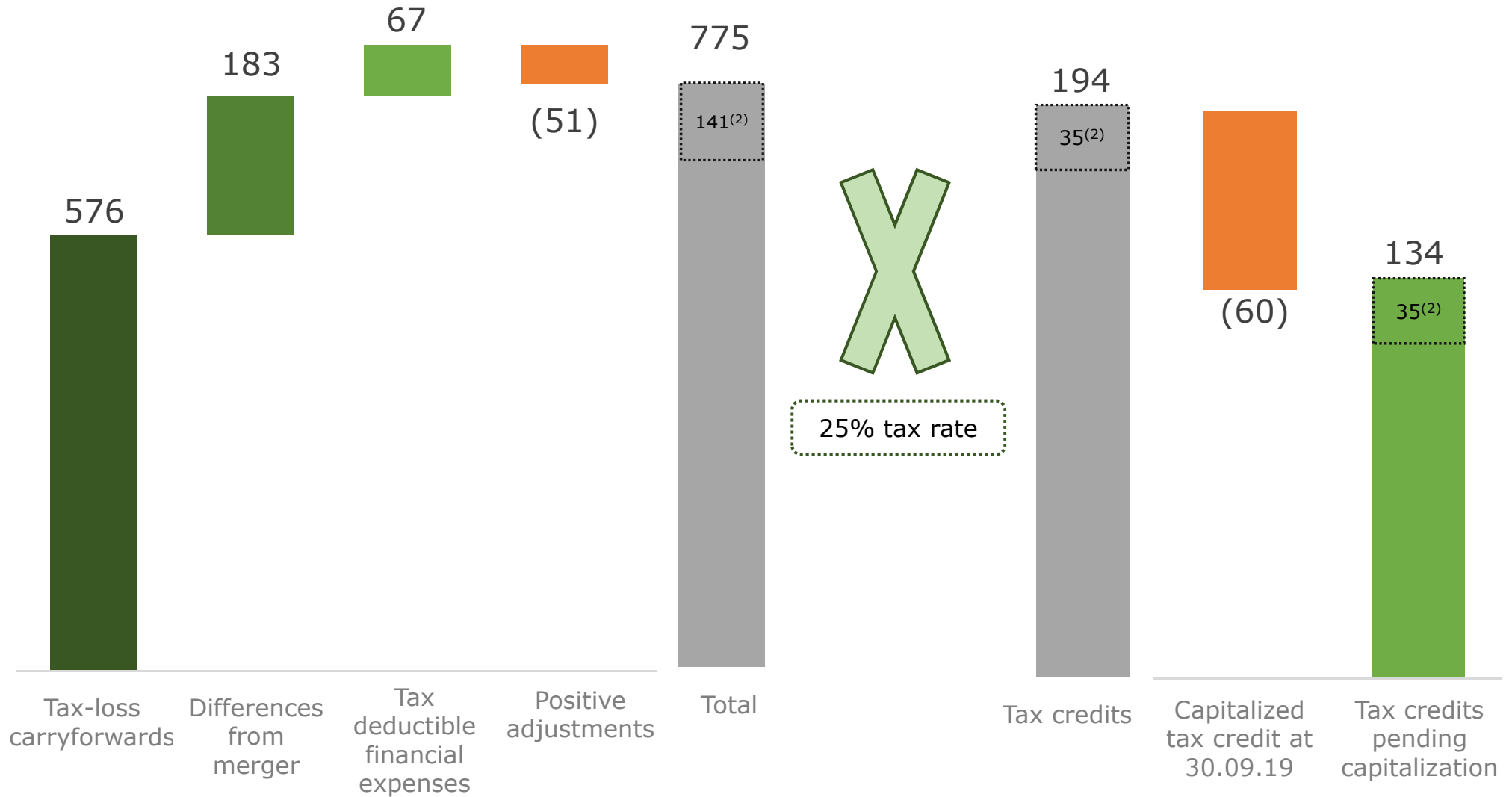
- **Ensure** the minimum **construction periods** necessary to achieve the deliveries set out in the Plan.
- **Ensure the minimum possible impact of construction cost inflation** derived from the supply restriction.
- Advance in the process of industrialization of the construction process through the standardization of materials and processes with the consequent cost reduction.

#### Financial Terms:

- **Price:** 14,368,873 euros
- **Payment:** 9,042,704 euros (due to set-off of certain amounts owed by the sellers)
  - **Cash:** 2,712,812 euros
  - **Quabit Stock:** 3,164,946 Quabit shares valued for exchange purposes at 2.00€/sh.

**Included within Quabit Consolidation scope from 4Q 2019 onwards**

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



(1) Does not include 9M 2019 tax-loss carryforwards

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



c/ Poeta Joan Maragall, 1 – pl. 16  
Madrid 28020. Spain  
Tel. +34 91 436 48 98

Web: [www.grupoquabit.com](http://www.grupoquabit.com)  
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