



3Q RESULTS PRESENTATION
October, 27th 2017

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GRUPO

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I. EXECUTIVE SUMMARY

II. REAL ESTATE DEVELOPMENT ACTIVITY

III. REAL ESTATE DEVELOPMENT ACTIVITY – INSUR MADRID RÍO ASSET

IV. RENTAL ACTIVITY

V. CONSTRUCTION AND PROJECT MANAGEMENT







VI. NET FINANCIAL DEBT REDUCTION

VII. STOCK MARKET INFORMATION

VIII. MACRO ENVIRONMENT

I. EXECUTIVE SUMMARY

3Q 2017 HIGHLIGHTS

	59.7M€ Revenues	+82.2%
	11.2M€ EBITDA	+62.6%
	9.3M€ OPERATING PROFIT	+83.5%
	3.7M€ NET PROFIT	+536.3%
	REAL ESTATE DEVELOPMENT ACTIVITY BOOST	+43.1% Pre-sales increase
	RENTAL ACTIVITY DECREASE IN VACATE RATIO	23% vs 33% (Dec 16) Annualized Rental Income 12.7 M€*
	18.3 M€ CONSTRUCTION ACTIVITY REVENUE	+492.8%
	1.5 M€ PROJECT MANAGEMENT ACTIVITY REVENUE	+119.9%
	187.1M€ NET FINANCIAL DEBT	-1.3%



- **Clear recovery of the Real Estate Development segment**
- **Vacate ratio keep decreasing in the Rental segment**
- **Construction and Project Management show excellent results**
- **Net financial debt reduction**

**Annualized rental income of the contracts in force at September 30th 2017, including the estimated revenues regarding the parking lots rental. This rent includes the corresponding to certain assets which are in transformation process*

I. EXECUTIVE SUMMARY

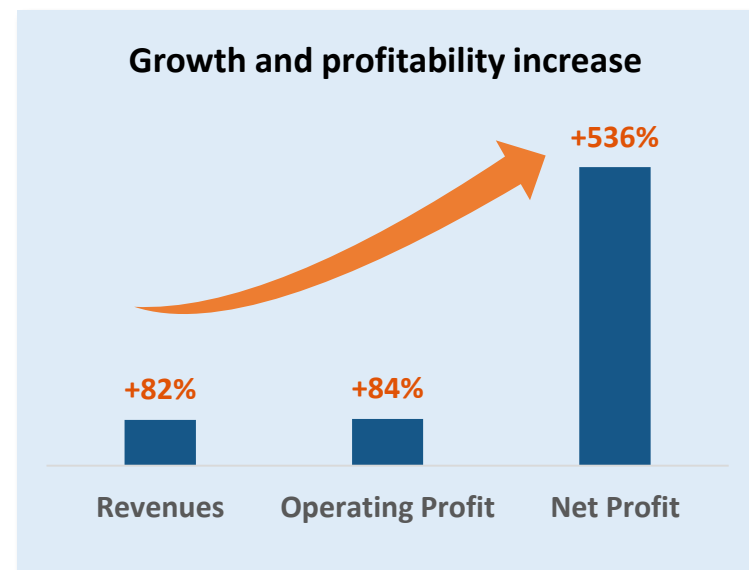
3Q 2017 RESULTS

	3Q 2017	3Q 2016	Variation
Revenues	59.7	32.8	82.2%
<i>Real Estate Development</i>	32.4	21.0	54.3%
<i>Rental</i>	7.5	8.0	-6.0%
<i>Construction</i>	18.3	3.1	492.8%
<i>Project Management</i>	1.5	0.7	119.9%
EBITDA	11.2	6.9	62.6%
ADJUSTED EBITDA	9.8	6.9	42.4%
OPERATING PROFIT	9.3	5.0	83.5%
PBT	5.1	0.8	566.5%
NET PROFIT	3.7	0.6	536.3%

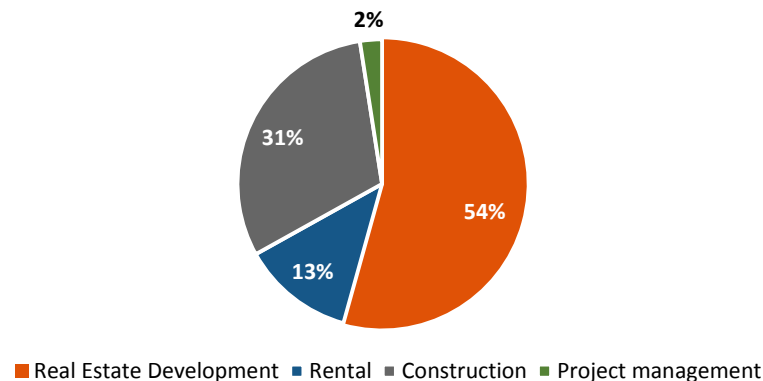
PRE-SALES (Real Estate Development)	124.0	86.7	43.1%
OCCUPANCY RATE (Rental)	77%	67%*	N.A.

Million Euros

- Real Estate Development and Construction segments keep increasing their weight
- EBITDA driven by the rise in revenues and the sale of property investments
- Profitability keeps improving in absolute terms



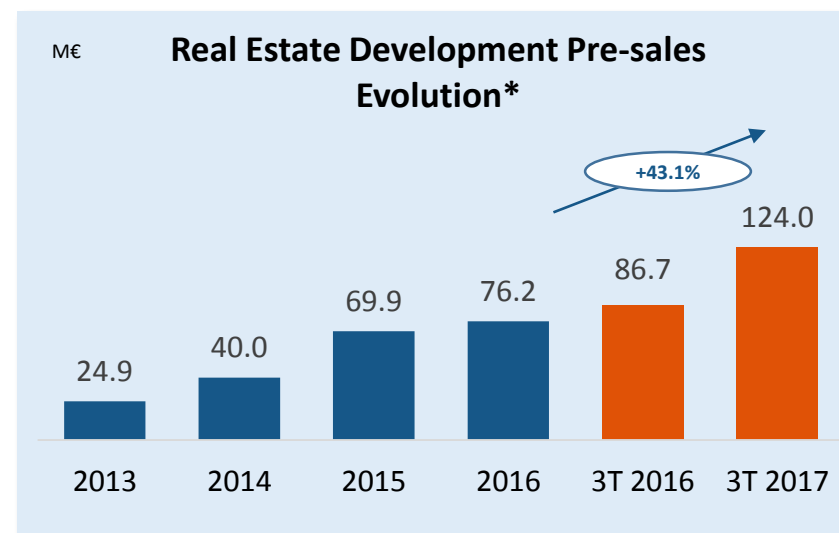
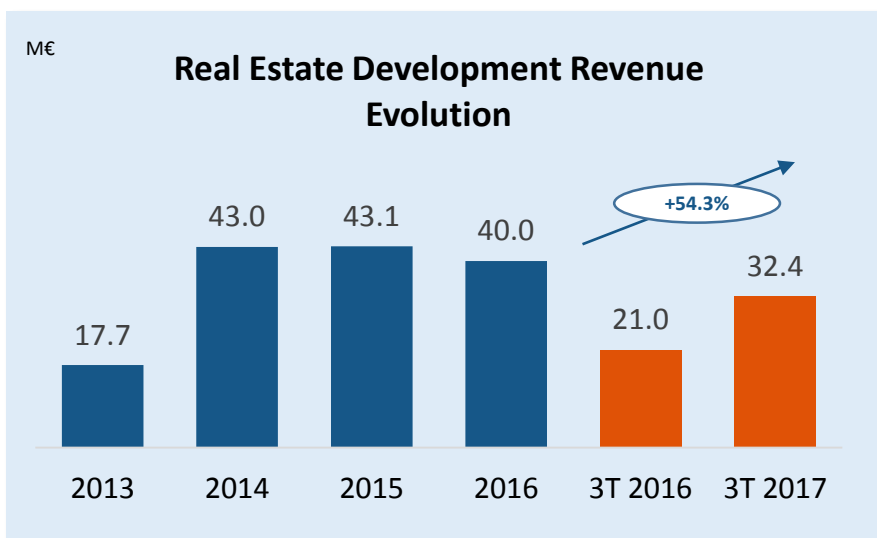
Revenue by business line



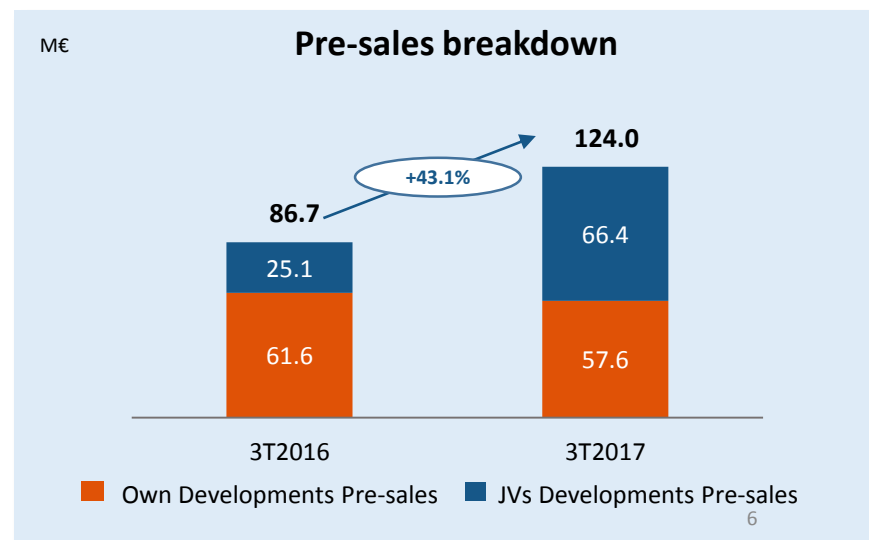
* December 2016

II. DEVELOPMENT ACTIVITY

SALES ACCELERATION



- **Real Estate Development** grows at fast speed
- In 2017, 82.6 M€ of **commercial sales** have been entered into (18.7 M€ in 1Q 2017, 26.5 M€ in 2Q 2017 and 37.4 M€ in 3Q 2017)
- Total accumulated **pre-sales** reached 124.0 M€ in 3Q 2017, a 43.1% higher than the same figure of 2016
- 16.2 M€ of the own property development pre-sales figure, corresponds to **developments that will be delivered in the 4Q 2017**



*It includes JVs development pre-sales as they are managed by Grupo Insur

II. DEVELOPMENT ACTIVITY

ONGOING DEVELOPMENTS AND LAND PORTFOLIO

A

Ongoing Developments

2,039 ongoing units

- 134 housing units completed pending sale or delivery
- 31 ongoing developments (16 in West Andalucía, 11 in Málaga and Costa del Sol and 4 in Madrid) totaling 1,744 units
 - 458 housing units underway directly by Insur with a development potential of 58,085 sqm.
 - 1.286 housing units underway through JVs (with Insur holding a 50% share), with a development potential of 188.744 sqm.
- 161 housing units under management and construction (delegated development) for Altamira Real Estate
- Development of a Business Park in Madrid Rio covering 28.159 m2 s/r (2 office buildings each covering approximately 14,000 sqm).

B

Land Portfolio

2,652 units

- 95.000 sqm of buildable plots for residential use, 880 units
- 30.000 sqm of buildable plots for hotel use.
- 26.000 sqm of buildable plots for tertiary use.
- Long-term purchase options on 12 plots with a building potential of 208,148 sqm (1,772 housing units).

Ongoing
Developments



Land
Portfolio

TOTAL OF 4,691 UNITS

II. DEVELOPMENT ACTIVITY

OWN PROJECTS

PROJECTS UNDER CONSTRUCTION

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery
Jardines de Arco Norte 2	Dos Hermanas (Sevilla)	4.376	38	6.9	2017
Altos del Retiro 1ª fase	Málaga	2.760	22	4.7	2017
Jardines de Arco Norte 3	Dos Hermanas (Sevilla)	3.140	27	5.1	2018
Edificio Galileo	Mairena del Aljarafe (Sevilla)	5.390	42	7.9	2018
La Reserva - El Rompido	Cartaya (Huelva)	6.582	66	14.8	2018
La Riviera	Marbella (Málaga)	3.409	17	6.1	2018
Moscatelares	San Sebastián de los Reyes (Madrid)	5.847	38	15.8	2018/19
Plaza del Teatro	Málaga	7.032	57	24.2	2019
Jardines de Santa Ana III	Dos Hermanas (Sevilla)	4.862	35	7.2	2019
Conde de Zamora	Córdoba	10.296	81	20.8	2019
		53,694	423	113.5	

PROJECTS UNDER DEVELOPMENT

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery
Altos del Retiro 2ª fase	Málaga	4.391	35	7	2019
		4,391	35	7	

TOTAL		58,085	458	120.5	
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II. DEVELOPMENT ACTIVITY

PROJECTS IN JVs

JVS PROJECTS UNDER CONSTRUCTION

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery
Selecta Rodas	Dos Hermanas (Sevilla)	7,560	54	12.3	2018
Alminar II	Marbella (Málaga)	8,074	44	21.5	2018
Pineda Parque 1ª fase	Sevilla	17,767	102	36.2	2019
Selecta Arquímedes	Dos Hermanas (Sevilla)	13,201	116	20.5	2018/19
		46,602	316	90.5	

PROJECTS STARTING CONSTRUCTION IN 4Q2017

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery
Boadilla Garden	Boadilla del Monte (Madrid)	13,868	74	35.7	2019-2020
Selecta Atenas	Dos Hermanas (Sevilla)	8,534	58	13.2	2019
Elements Fase I	Marbella (Málaga)	6,656	53	16.3	2019/20
Selecta Conil	Conil de la Frontera (Cádiz)	8,131	73	15.4	2019/20
		37,189	258	80.6	

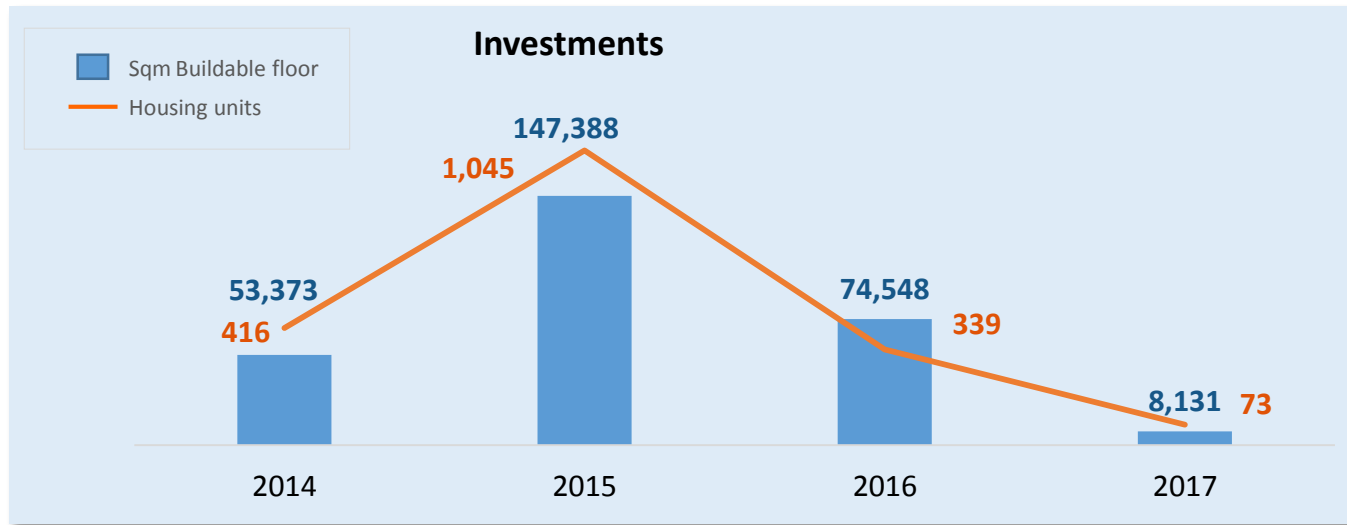
PROJECTS UNDER DEVELOPMENT

Development	Location	Building potential	No. of homes	Volume of sales (M€)	Planned delivery
Boadilla Essences I	Boadilla del Monte (Madrid)	6,480	32	17.6	2019/20
Pineda Parque 2ª fase	Sevilla	8,249	68	24.7	2020
Selecta Olimpia	Dos Hermanas (Sevilla)	3,934	20	6.1	2020
BA-3	Dos Hermanas (Sevilla)	10,499	93	16.5	2020/21
BC-2	Dos Hermanas (Sevilla)	13,761	116	21.4	2021/22
BA-2	Dos Hermanas (Sevilla)	12,032	108	19.7	2022/23
Boadilla Essences II	Boadilla del Monte (Madrid)	3,240	16	8.8	2019/20
Elements Fase II	Marbella (Málaga)	8,118	66	21.1	2019/20
Elements Fase III	Marbella (Málaga)	4,324	34	9.4	2020
QuintEssence I	Marbella (Málaga)	10,282	45	13.6	2019/20
QuintEssence II	Marbella (Málaga)	11,791	53	14.7	2020/21
QuintEssence III	Marbella (Málaga)	12,243	61	15.7	2021
		104,953	712	189.3	

TOTAL JVS PROJECTS		188,744	1,286	360.4	
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II. DEVELOPMENT ACTIVITY

NEW INVESTMENTS



TOTAL INVESTMENTS 2014-2017

283,440 sqm

1,873 HOUSING UNITS

In 2017, Desarrollos Metropolitanos del Sur, S.L., JV of Insur and ANIDA (BBVA Group) holding a 50% share, invested in a plot for residential use in Conil de la Frontera (Cadiz): 8,131 sqm for 73 units

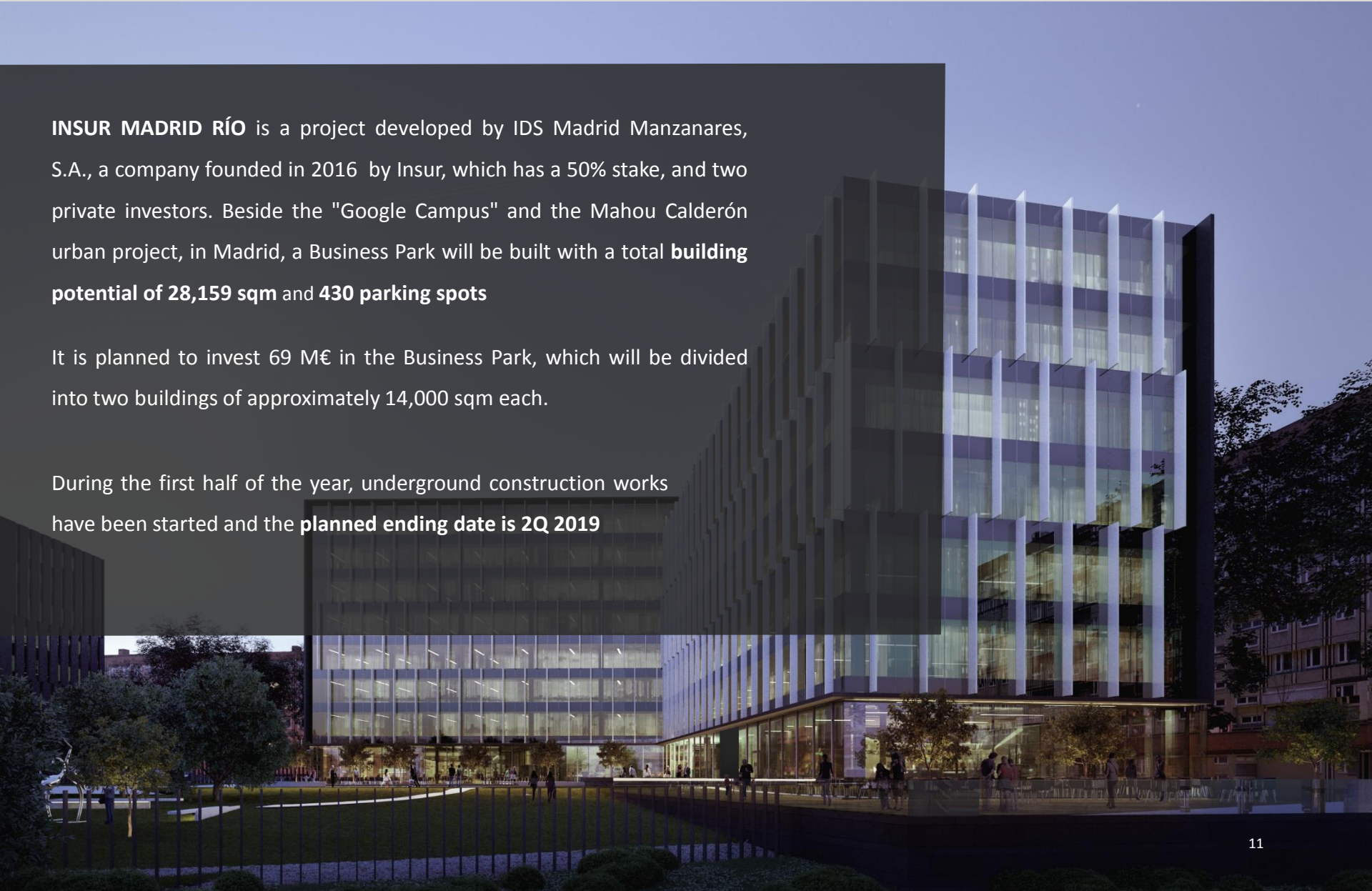


Selecta Conil (Conil de la Frontera)

INSUR MADRID RÍO is a project developed by IDS Madrid Manzanares, S.A., a company founded in 2016 by Insur, which has a 50% stake, and two private investors. Beside the "Google Campus" and the Mahou Calderón urban project, in Madrid, a Business Park will be built with a total **building potential of 28,159 sqm** and **430 parking spots**

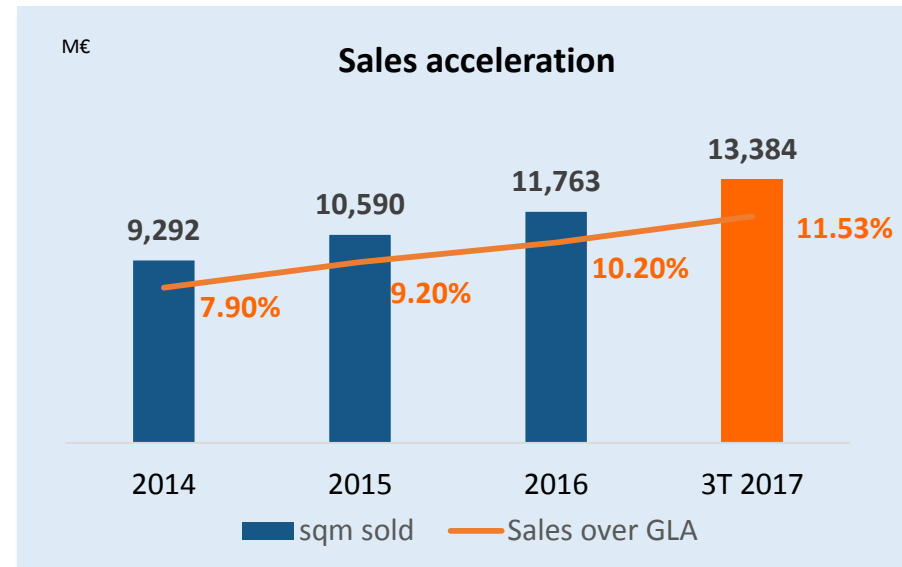
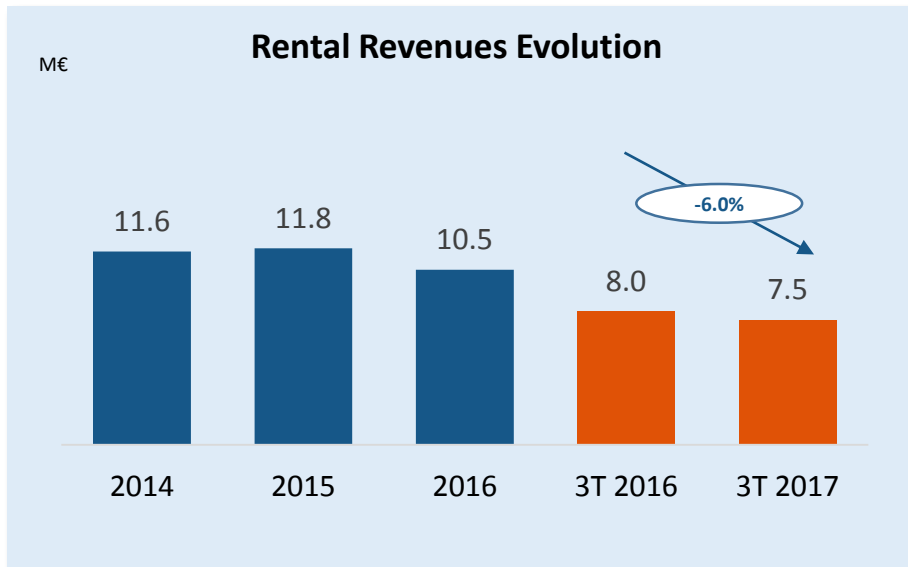
It is planned to invest 69 M€ in the Business Park, which will be divided into two buildings of approximately 14,000 sqm each.

During the first half of the year, underground construction works have been started and the **planned ending date is 2Q 2019**



IV. RENTAL ACTIVITY

REVENUE EVOLUTION



The annualized rental income of the contracts in force at September 30th 2017, including the estimated revenues regarding the parking lots rental amounts to **12.7 M€**. This rent includes the corresponding to certain assets which are in transformation process

116.111 sqm office and commercial premises portfolio and more than 2,500 parking spots

- The efforts made within the rental activity are becoming to bear fruit. The **vacate ratio has decrease** to 23% in 3Q 2017 from 33% in December 2016
- **Remarkable sales boost:** 13.384 sqm commercialized within 2017
- Despite these progresses, the revenue figure is still lower than the one of 2016, mainly because the Junta de Andalucía vacated 12,080 sqm in May 2016, and also, due to the lead time in the accrual of the new rents while the spaces are adapted

18.3 M€ CONSTRUCTION REVENUES

Increase of 492.8%

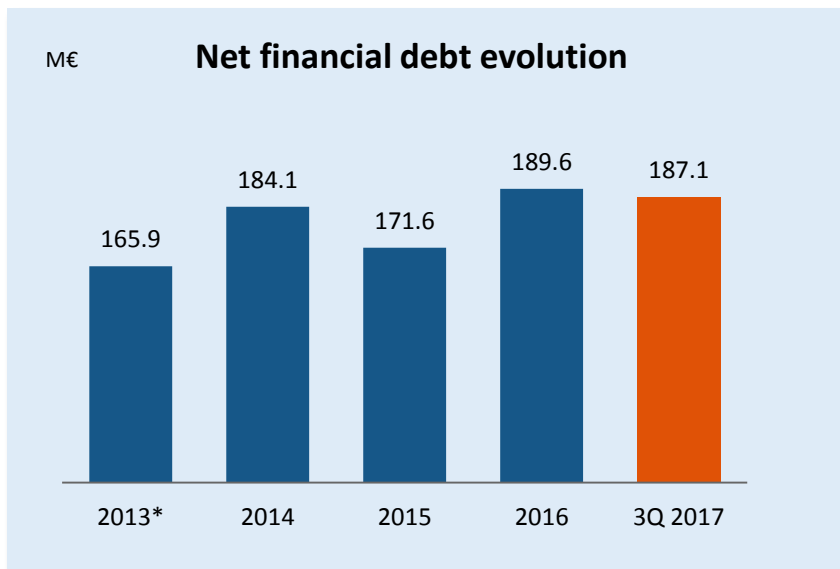
1.5 M€ PROJECT MANAGEMENT REVENUES

Increase of 119.9%

Main projects managed currently

IDS BOADILLA GARDEN RESIDENCIAL. S.A. Partners: Private investors (50%)	<ul style="list-style-type: none"> Boadilla Garden (Boadilla del Monte, Madrid), 74 homes Boadilla Essences (Boadilla del Monte, Madrid), 48 homes 	MARKETING STAGE: <ul style="list-style-type: none"> Boadilla Garden: 74 homes WORKS STARTING IN 2017 PROJECT STAGE: <ul style="list-style-type: none"> Boadilla Essences: 48 viviendas
IDS MADRID MANZANARES. S.A. Partners: Private investors (50%)	<ul style="list-style-type: none"> Insur Madrid Río – Business Park (28,159 sqm divided between 2 buildings) 	Underground construction works have been started
DESARROLLOS METROPOLITANOS DEL SUR. S.L. Partner: ANIDA (Grupo BBVA): 50%	<ul style="list-style-type: none"> Selecta Entrenúcleos (Seville), 2,337 homes Alminar II (Marbella), 44 homes Selecta Conil (Conil de la Frontera), 73 homes 	UNDER CONSTRUCTION (214 HOMES): <ul style="list-style-type: none"> Alminar II: 44 homes Selecta Rodas: 54 homes Selecta Arquímedes: 116 homes MARKETING STAGE (131 HOMES): <ul style="list-style-type: none"> Selecta Atenas: 58 homes Selecta Conil: 73 homes
IDS RESIDENCIAL LOS MONTEROS. S.A. Partners: Private investors (50%)	<ul style="list-style-type: none"> Los Monteros (Marbella) 312 viviendas 	MARKETING STAGE: <ul style="list-style-type: none"> Elements I: 53 homes WORKS STARTING IN 2017
IDS PALMERA RESIDENCIAL. S.A. Partners: Private investors (50%)	<ul style="list-style-type: none"> Los Monteros (Marbella) 312 homes 	UNDER CONSTRUCTION: <ul style="list-style-type: none"> 1st phase: 102 homes
Delegated Development from Altamira Real Estate	<ul style="list-style-type: none"> Residencial Santa Bárbara (Seville) 161 homes 	UNDER CONSTRUCTION

VI. NET FINANCIAL DEBT REDUCTION



* Includes net financial debt of Hacienda La Cartuja. S.A.U. and IDS Residencial. S.A.U. proportionate consolidation

In order to diversify the funding sources, the Group issued a Commercial Paper Program in the MARF in July 2017. The amount of this program is 20 M€ and one year term.

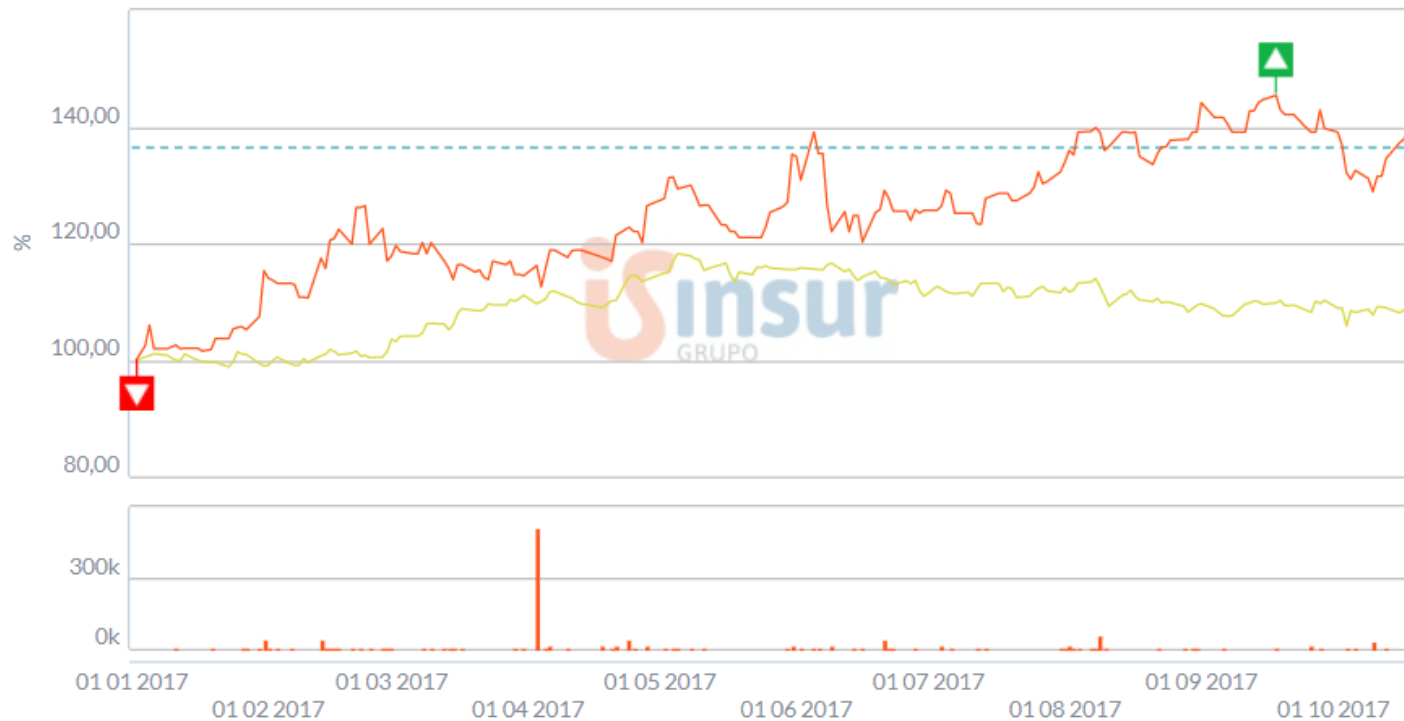
At the end of September, the Group had placed commercial papers valued at **4.8 M€**.

Net financial debt reached 187.1 M€ (3Q2017) from 189.6 M€ (3T2016), which implies **2.5 M€ reduction in absolute terms** and **-1.31% in relative terms**



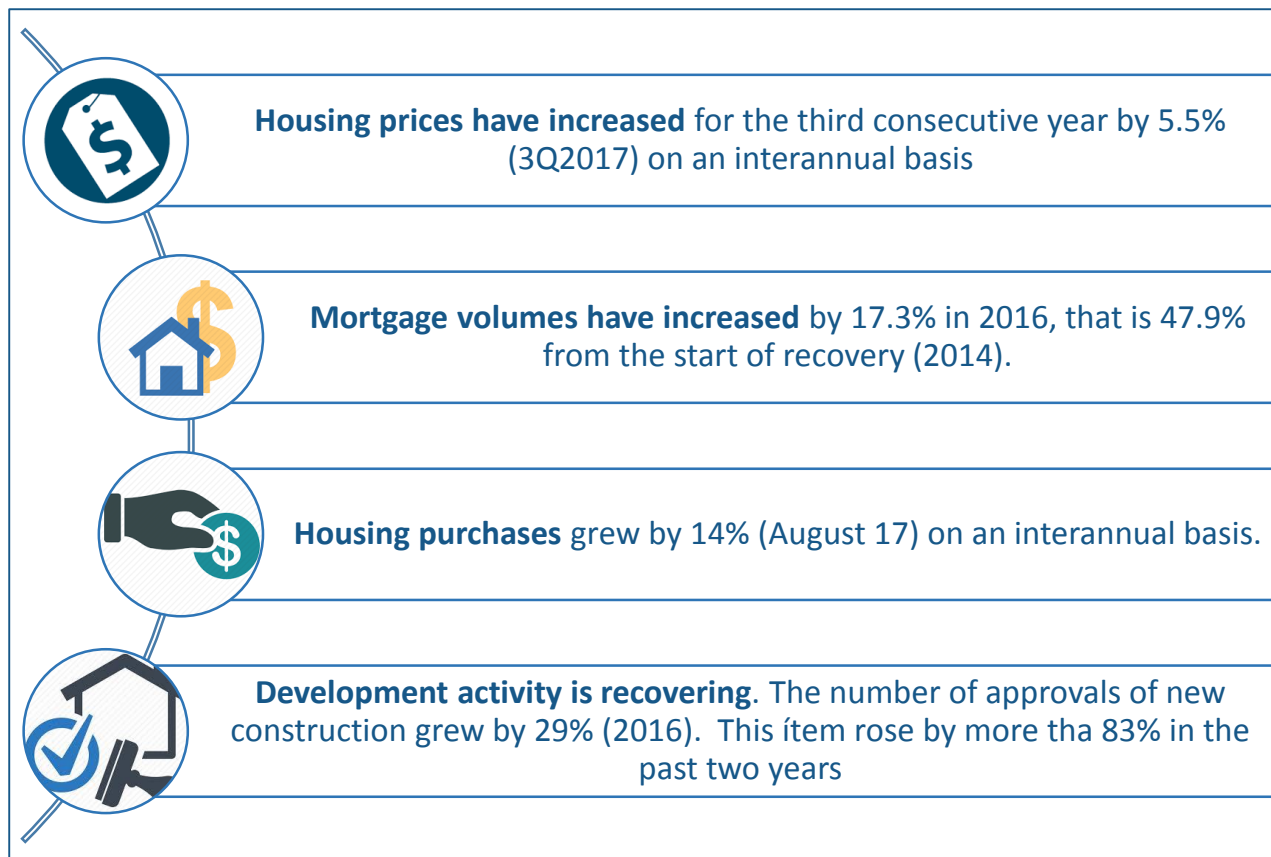
Share Price evolution 01/01/17 to 23/10/17

- Insur
- Ibex 35



So far this year, Insur share Price has increased by 36.41%, while the IBEX 35 has grown by 7.32%

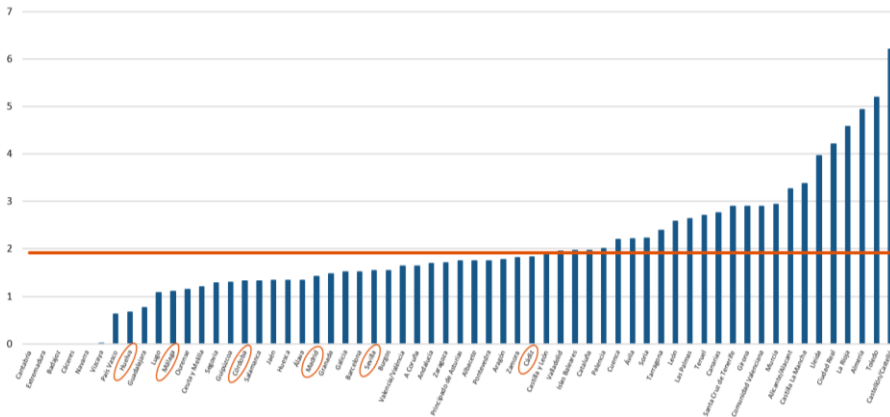
Last year statistics confirm that the recovery of the real estate cycle in Spain is a reality



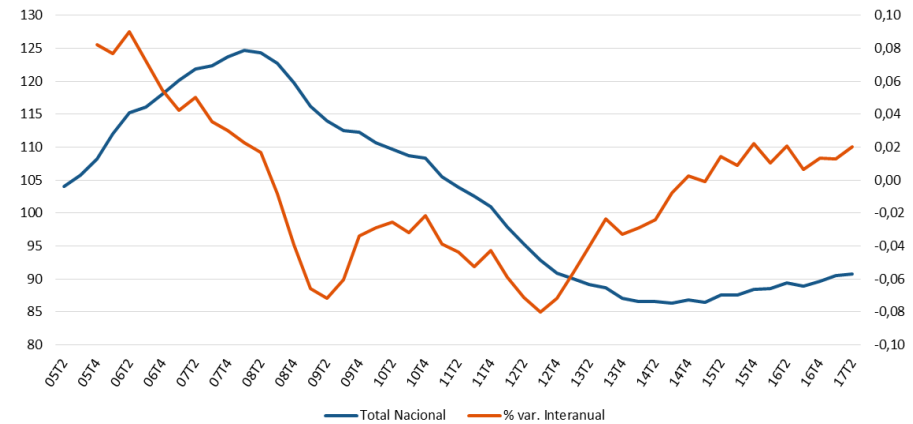
VIII. ENTORNO ECONÓMICO

CONSOLIDACIÓN DE LA RECUPERACIÓN DEL SECTOR (II)

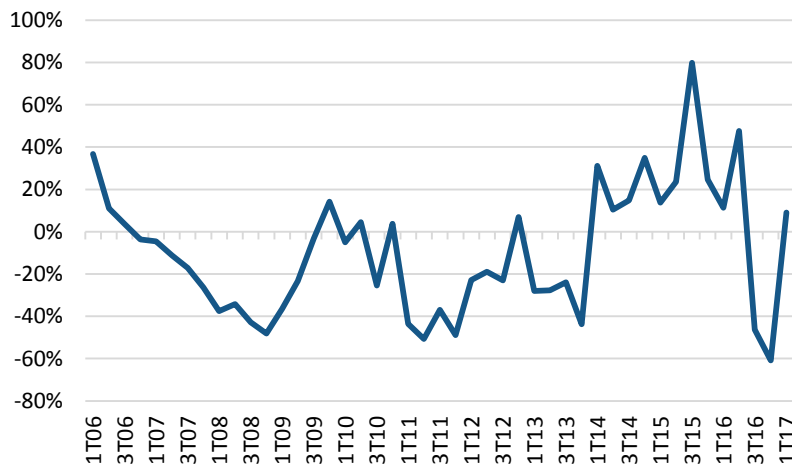
Stock vs. Housing stock 2016



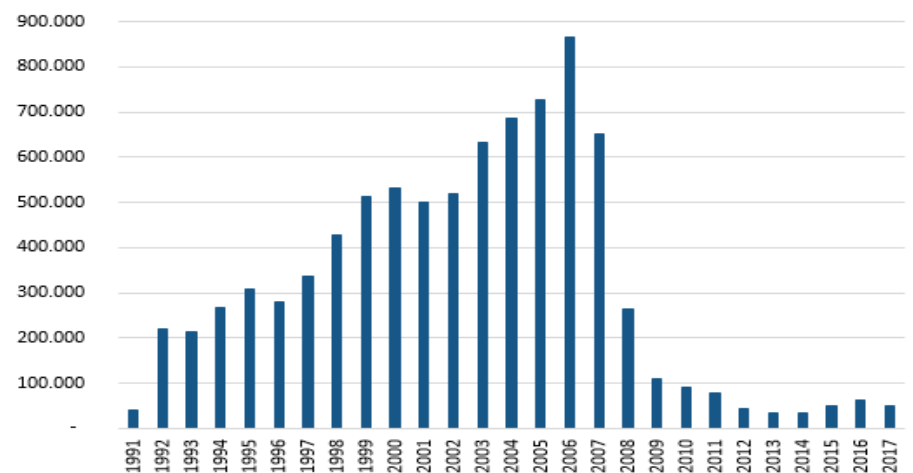
Evolution of house prices



Increase of home mortgage loans



New work approvals (Accumulated)



Source: National Statistics Institute, Ministry of Development.

(*) 2017 únicamente incluye de enero a julio



READY TO GROW WITH PROFITABILITY

ALMINAR II (MARBELLA - MALAGA)

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