Neinor
HOMES

April 18th, 2018

GENERAL SHAREHOLDERS' MEETING

CEO Presentation

Dehesa Homes – Madrid – Delivered in Q4 2017

1.

Resolutions submitted to the General Shareholders' Meeting

Abra Homes – Santurce, Vizcaya (North)

TODAY'S AGENDA

APPROVAL OF THE FY 2017 ACCOUNTS, BOARD CHANGES AND DIRECTORS REMUNERATION

Financial Statements Formulation and Approval	• Financial Statements • Corporate Management • Board of Directors' Management • Auditor Re-Appointment • Approval of application of individual yearly income to December 2017
Board of Directors	• Ratification of Mr. Alberto Prieto Ruiz • Setting the number of directors to 9 members (Adar proposal #1) • Appointment of Mr. Jorge Pepa as a proprietary director (Adar proposal #2) • Appointment of Mr. Francis Btesh as a proprietary director (Adar proposal #3)
Remuneration	• Amendment to the directors' remuneration policy for 2017-2018-2019 • Maximum global annual remunerations of the directors • Consultative vote on 2017 annual report on the remuneration of directors
General Matters	• Delegation of power to formalize and execute all resolutions

2.

Financial Statements

P&L: €8.3M POSITIVE EBITDA ADJUSTED

CORE BUSINESS WEIGHT GROWING AS THE COMPANY DELIVER UNITS

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Summary P&L (in €M)

€M	FY 2017
Revenues[1]	**225,1**
Gross Margin	61,3
Gross Margin (%)	*27,2%*
OpEx & Other[2]	-53,8
Gains (Losses) on disposals[3]	0,7
EBITDA Adjusted	**8,3**
Change in Trade Provisions[4]	-4,5
EBITDA	**3,7**
Amortization	-0,7
Operating Profit (Loss)	**3**
Operating Margin	*1,30%*
Finance Costs	-7,7
Profit (Loss) before Tax	**-4,7**
Tax charge	0
Profit (Loss) for the period [5]	**-4,6**
MIP (fully paid by selling shareholder)	-19
IPO Costs	-2,3
Profit (Loss) for the period in Audited FS	**-25,9**

FULL AUDIT BY DELOITTE: UNQUALIFIED OPINION

€225M REVENUES

Legacy sales €113.9m[6] / Development €76.6m / Servicing €29.2m / Other Revenues[7] €5.4m

DEVELOPMENT GROSS MARGIN: 28%

8 sites and 313[8] units delivered in 2017

TOTAL GROSS MARGIN: 27.2%

Up from 24% in 9 months to September

EBITDA ADJUSTED OF €8.3M

Above expectations

Reconciliation vs. Audited Financial Statements & Other Comments

1. *Total revenues include 219.7€M of sales and 5.4€M Other Revenues. Audited Financial Statements report additional revenues of 0.9€M (mainly reinvoices) considered as less OpEx.*
2. *Total OpEx amounts to 75.1€M including MIP fully paid by LS (19.0€M) and IPO Costs (2.3€M), but excluding 2.4€M of impairment on a legacy asset sold in 2017*
3. *It relates to sales of Non-Current assets (Legacy) for c. 11.9€M, 0.7€M above book value.*
4. *Impairment related to legacy assets unsold*
5. *Profit (Loss) for the period of audited Financial Statements amounts to - €25.9M*
6. *Does not include sales of Non-Current assets (Legacy) for c. 11.9€M*
7. *Other Revenues 2.7€M tax income; 0.7€M rentals revenues; 0.4€M contract penalties; 1.6€M other mainly legacy related revenues*
8. *18 units were notarized in Q1 2018*

CF:POSITIVE NET CASH FLOW

OPERATING CASH AND JP MORGAN BRIDGE INVESTED INTO HIGH QUALITY LAND

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Summary Cash Flow (in €M)

€M	FY 2017
Profit (Loss) before Tax[1,2]	-4,7
Adjustments[2]	9,1
Amortization	0,7
Finance Costs/Revenues	7,7
Change in provisions	4,1
Gains (Losses) on disposals	-0,7
Debt cancellation w/ ShareHold.	-2,7
CF from Operating Activities	**4,5**
Working Capital Variation	**-191,1**
Change in Inventories	-224,9
Book Value Sold[5]	163,8
Land Acquisition[6]	-271,2
Capex	-115,6
Other	-1,9
Other WC Variations[3]	33,8
Net Operating Cash Flow	**-186,6**
CF from Investments Activities	**10,5**
Free Cash Flow	**-176,1**
CF from Financing Activities	**190,2**
Change in Share Capital/Premium[2,7]	95,8
Change in Bank Borrowing	114,0
Change in Deferred Land Debt	-11,9
Finance Costs/Revenues	-7,7
Net Cash Flow	**14,1**
Change in Cash Not-Available	19,8
Cash BoP	**45,3**
Cash EoP[4]	**76,8**

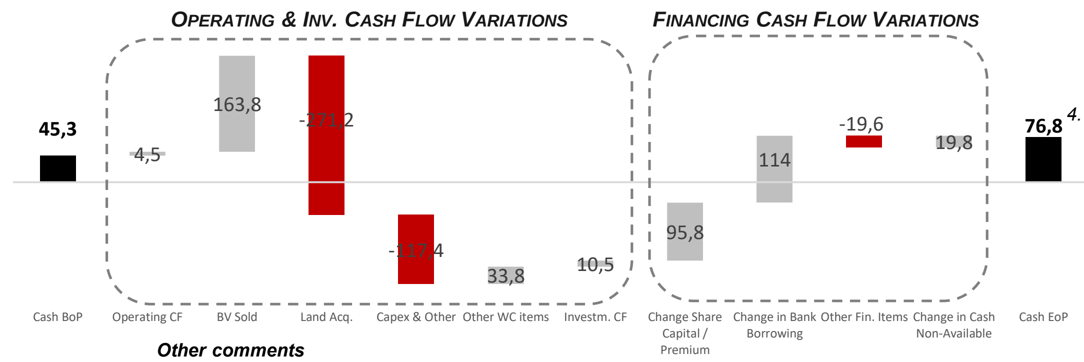
€4.5M+ CF FROM OPERATIONS

€387M INVESTED IN GROWTH: €271M IN LAND, €116M CAPEX

LEGACY DIVESTMENT €119M[5] DELIVERIES €56M

FINANCING: PRIMARY EQUITY AND BRIDGE LOAN

Cash Flow Bridge (in €M)



Reconciliation vs. Audited Financial Statements

1. *Profit (Loss) before Tax does not include 2.3€M of IPO Costs*
2. *Table does not include 19€M of MIP cost fully paid by Lone Star. Audited Financial statements adjust cash flow for an amount of 13.6€M in Adjustments and of 5.2€M in Change in Share Capital*
3. *Other WC variations includes variations in Cash not available (+19.8€M included post-Net Cash Flow) and excludes Deferred land payment (-11.9€M included in CF from financing activities)*
4. Cash EoP assumes 2.3€M of IPO Costs to reconcile with Audited Cash EoP.

Other comments

5. *Book Value sold includes 55.6€M of Development Book Value and 108.1€M of Legacy Book Value (additional 11.1€M book value sold of non-current assets included in CF from Investment Activities)*
6. *Reconciliation with headline land acquisition (€286m): i) €271.2m paid for, ii) €7.9 m of pending urbanization works iii) €3.5m of closing costs (€1.9 already paid) and iv) €3.1m pre-construction costs (paid through CapEx)*
7. *Change in Share Capital includes i) 100M€ of IPO Capital injection and ii) -4.2M€ of Treasury Shares*

BS: GROWING ASSET BASE

BUSINESS RAMP-UP REFLECTED IN GROWING INVENTORIES

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Summary Balance Sheet (in €m)

€M	FY 2017	FY 2016	Change	
PPE	1,9	1,6	0,3	20,9%
Investment Property[(1)]	1,6	12,9	-11,3	-87,5%
Other Non-Current Assets	1,6	1,1	0,5	47,0%
Non-Current Assets	**5,1**	**15,5**	**-10,4**	**-67,2%**
Inventories	1.143,3	925,4	217,9	23,5%
ow Liquidation[(1)]	*83,1*	*206,5*	*-123,3*	*-59,7%*
ow Development	*1.060,1*	*718,9*	*341,2*	*47,5%*
Debtors	53,7	29,6	24,1	81,4%
Cash & Equivalents	76,8	45,3	31,5	69,6%
ow Not Available	*41,1*	*21,4*	*19,8*	*92,5%*
Current Assets	**1.273,9**	**1.000,3**	**273,6**	**27,3%**
Total Assets	**1.279,0**	**1.015,8**	**263,1**	**25,9%**
Equity	**722,4**	**631,0**	**91,4**	**14,5%**
Bank Borrowings	17,9	26,6	-8,7	-32,8%
Other Non-Current Liabilities	0,2	0,4	-0,2	-46,5%
Non-Current Liabilities	**18,1**	**27,0**	**-8,9**	**-32,9%**
Bank Borrowings	399,8	277,1	122,7	44,3%
Creditors	55,1	49,2	5,9	12,0%
ow Def. Land Payment	*0,0*	*11,9*	*-11,9*	*-100,0%*
Other Current Liabilities	83,5	31,5	52,0	164,9%
Current Liabilities	**538,4**	**357,8**	**180,6**	**50,5%**
Total Liabilities	**1.279,0**	**1.015,8**	**263,1**	**25,9%**

€M	FY 2017	FY 2016	Change	
WC Adjusted	**1.100,9**	**920,0**	**180,9**	**19,7%**

WC Adjusted *calculated as Inv. Property & Inventories + Debtors + Cash not available less Creditors (net of deferred land payment) less Other Current & Non-Current Liabilities*

€1.3BN BALANCE SHEET

€263M growth during FY

LEGACY REDUCED BY 61%[2]

€1.06BN IN DEVELOPMENT

€737M Land / €318M WIP

SAVILLS VALUATION 52% ABOVE BOOK VALUES

STRONG LIQUIDITY POSITION

€100M+ of free cash + undrawn bridge loan

€1.1BN WORKING CAPITAL

Increase of €180M+ compared to Dec. 2016

Other Comments

1. *Legacy remaining book value is the result of adding investment property and liquidation inventories*
2. *Legacy stock BoP 2017 amounted to 219M€. The decrease to 85M€ of stock EoP 2017 is due to i) book value sold (108M€), ii) book value sold related to Non-current assets (11M€), iii) Impairment (7M€) and iv) perimeter change to development (8M€)*

NET DEBT: PRUDENT LEVERAGE MANAGEMENT

LOAN-TO-VALUE AT 22% DESPITE ACCELERATION OF ACQUISITIONS

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Net Debt (in €m)

€M	FY 2017	FY 2016	Change	
Gross Debt	**417,7**	**315,6**	**102,1**	**32,4%**
Non-Current Bank Borrowing	**17,9**	**26,6**	**-8,7**	**-32,8%**
Corporate Financing	17,9	26,6	-8,7	-32,8%
Current Bank Borrowing	**399,8**	**277,1**	**122,7**	**44,3%**
Land Financing	236,3	200,9	35,4	17,6%
WIP	*107,8*	*46,3*	*61,5*	*132,9%*
No WIP	*128,5*	*154,7*	*-26,1*	*-16,9%*
Capex Financing	3,2	2,1	1,0	48,4%
Corporate Financing	134,3	66,9	67,4	100,8%
VAT Financing	25,5	6,9	18,6	269,8%
Interests	0,5	0,2	0,3	139,7%
Other Debt	**0,0**	**11,9**	**-11,9**	**-100,0%**
Deferred Land Payment[1]	0,0	11,9	-11,9	-100,0%
Available Cash	**35,7**	**23,9**	**11,8**	**49,1%**
Net Debt	**382,0**	**291,6**	**90,3**	**31,0%**

1. Deferred Land Payment is considered, for conservative purposes, as debt-like item

NET DEBT €382M

Prudent debt policy during the ramp-up phase

HEADLINE RATIOS IN CHECK

LTV 22%, LTC 33%

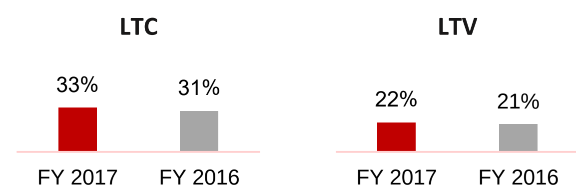
BRIDGE LOAN: 51% DRAWN

€150M JP Morgan Facility Still with Dry Powder

BALANCED BANKING POOL

All lenders < 20% of total

Key Ratios (%)



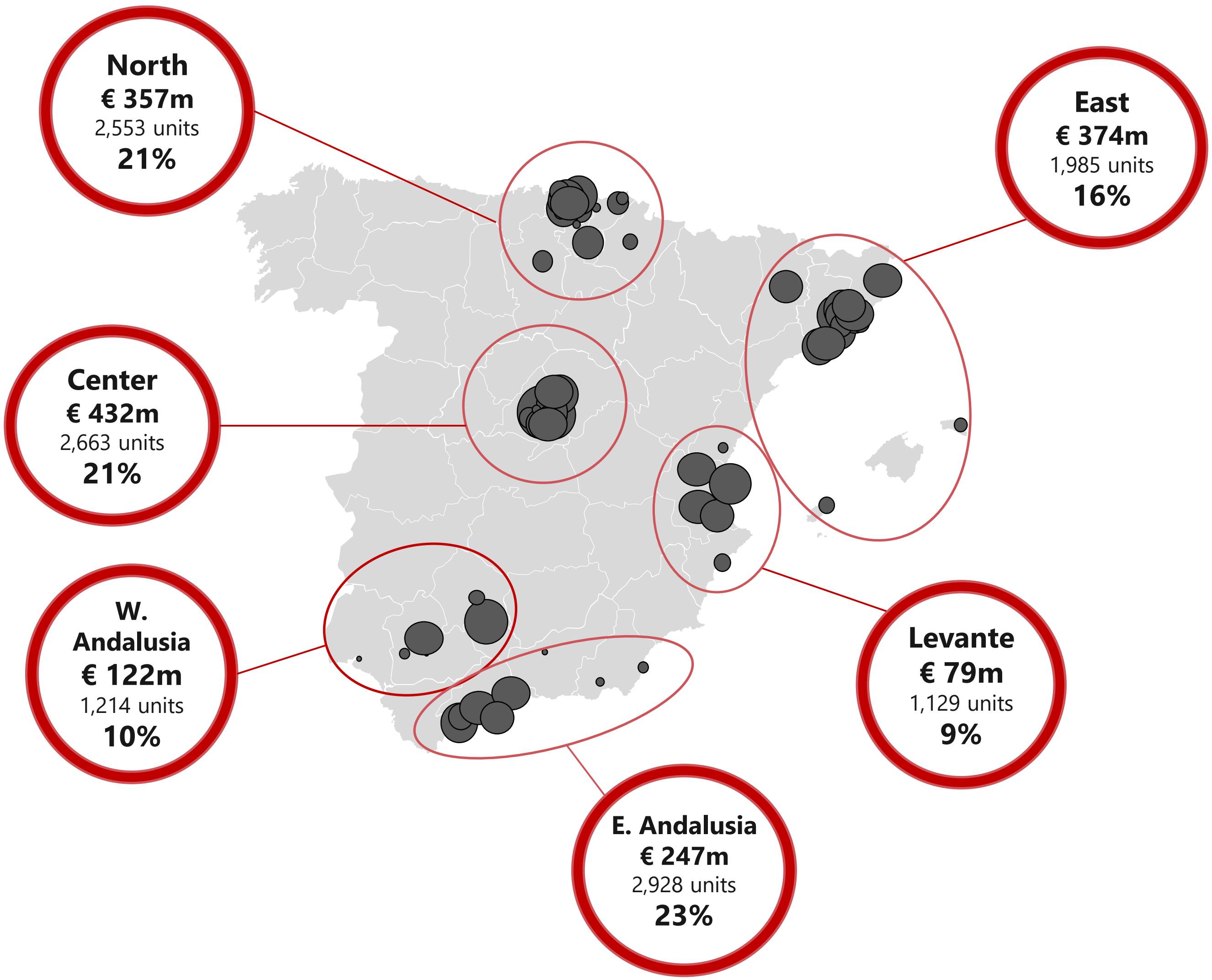
3.

Business Review

Atria Homes – Madrid (Center)

12,500 UNITS OF FULLY PERMITTED LAND BANK

176 developments distributed in 23 provinces, valued at EUR 1,610m by Savills (Dec 2017)



Riverside Homes – Madrid (Center)

c.3,100 UNITS ACQUIRED IN 2017

€286M OF ACCRETIVE ACQUISITIONS AT C. 27% GROSS MARGIN

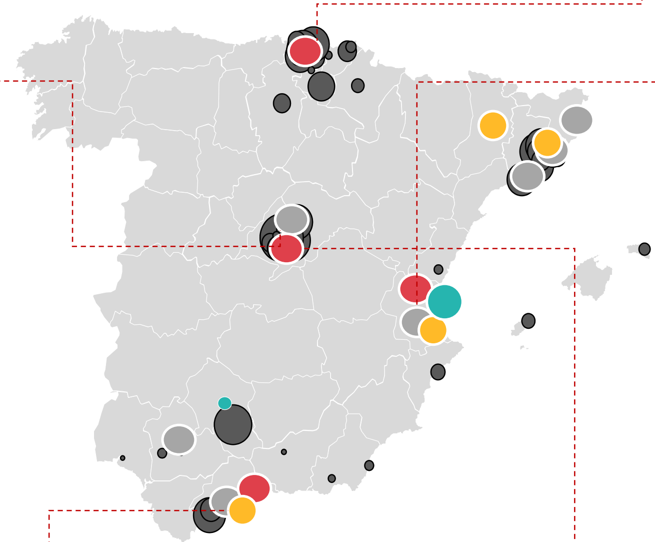
Land plot acquired in Sopelana for the development c. 70 units

Land plot acquired in Las Rozas, Madrid suitable for the development of more than 330 units

Land plot acquired in Malilla, Valencia suitable for the development of over 400 units

Land plot acquired in Colinas del Limonar, Málaga suitable for the development of more than 400 units

Land plot acquired in San Sebastian de los Reyes, Madrid suitable for the development of c. 120 units



- Land developments as at December 31st 2016
- Q1 2017 Land Acquisitions
- Q2 2017 Land Acquisitions
- Q3 2017 Land Acquisitions
- Q4 2017 Land Acquisitions

2017: THE PROGRESS TO RUN RATE

STRUCTURE READY FOR RUN RATE WITH c. 250 EMPLOYEES

Accelerated Launching Activity in 2017

c. 8,500 active units

90 sites in production

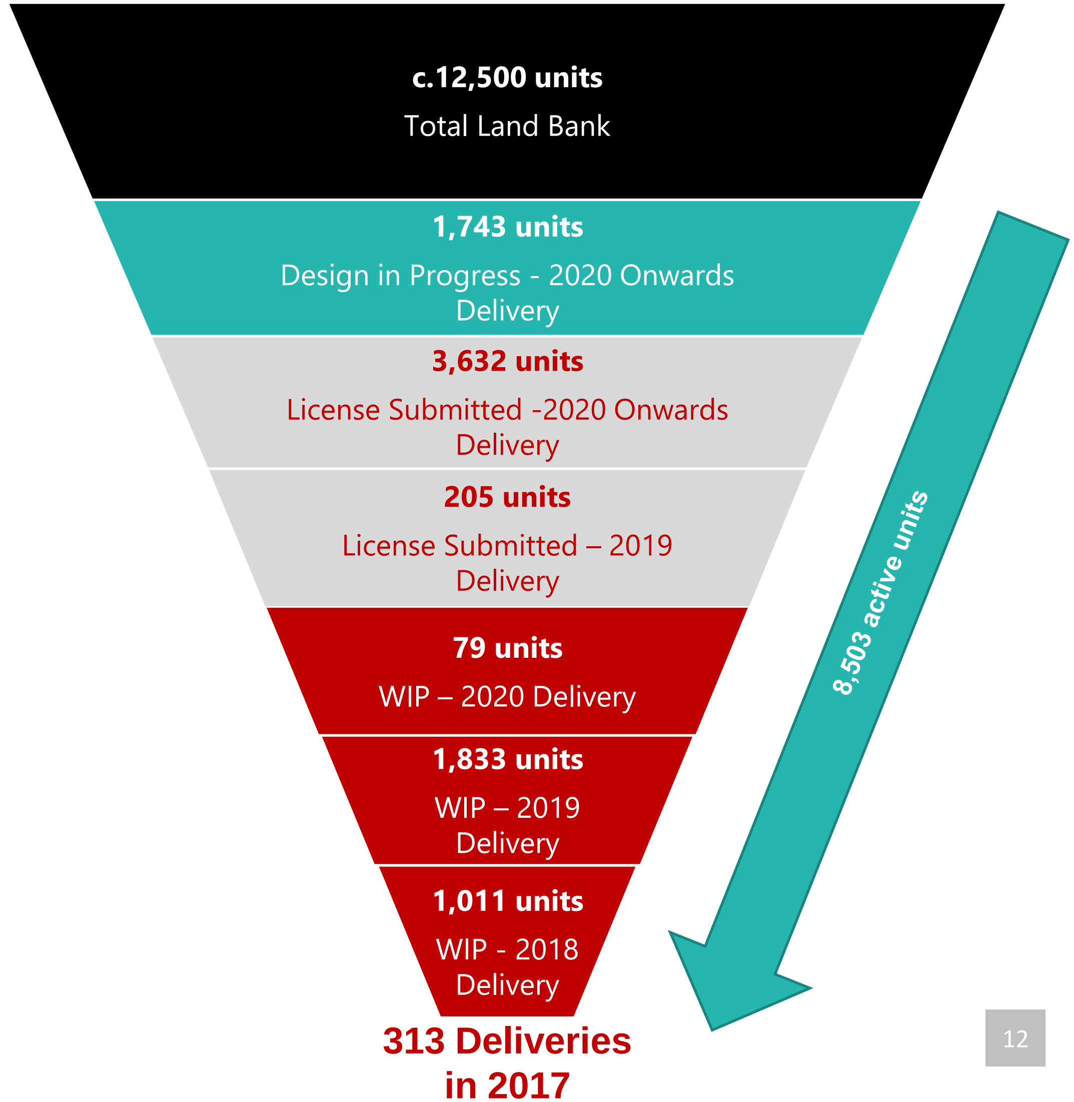
5,517 units launched in 2017

Sustaining and increasing first-mover advantage

Ramp-up to 2020

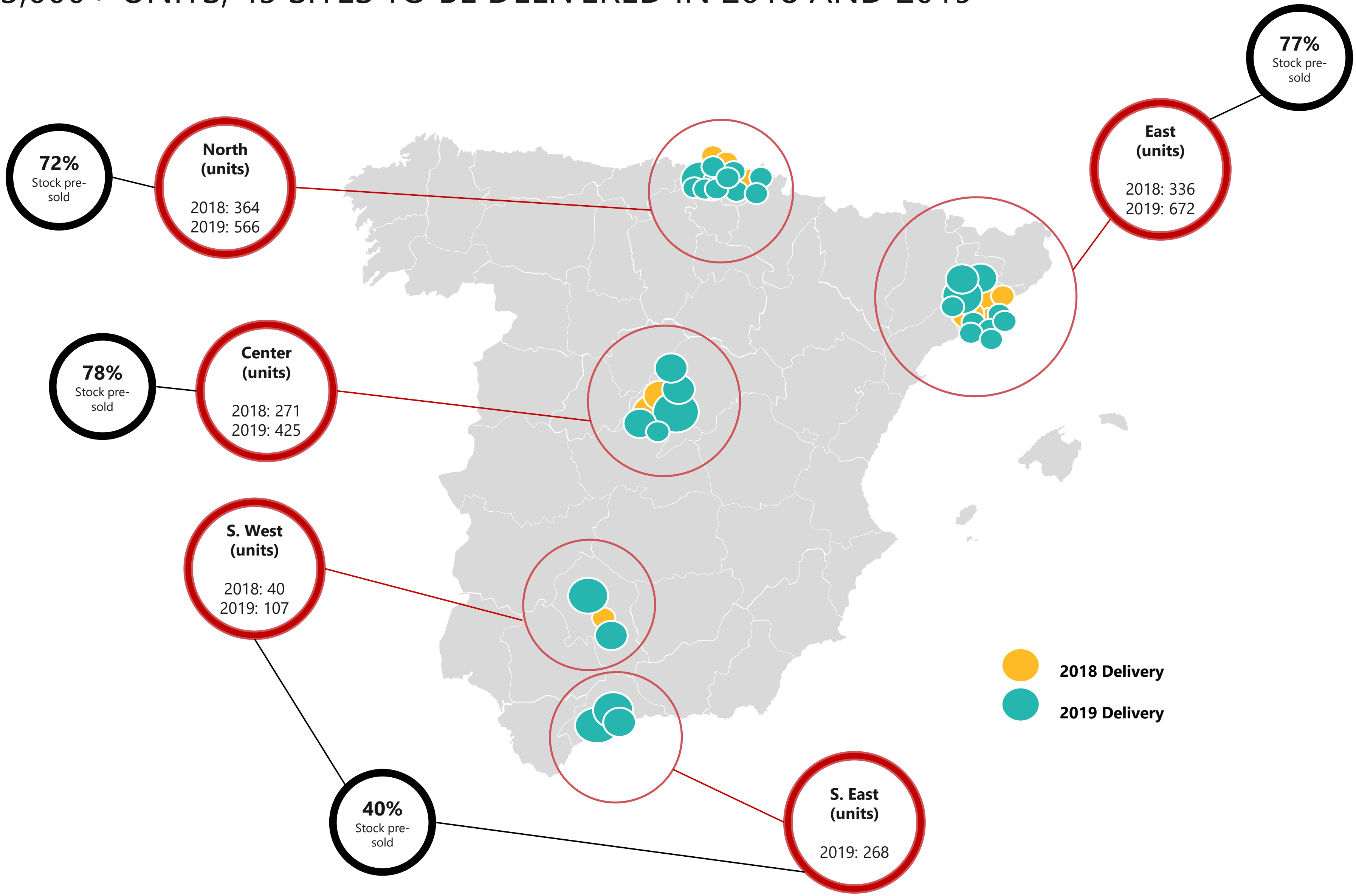
- **All units launched to cover 2020 deliveries**
- **Buffer: launches anticipated and with a buffer of 1,000+ units to cover the 4,000 units expected**
- **90% of licenses requested already**

Development Activity as of 28th February



GEOGRAPHIC ZOOM 2018 / 2019

3,000+ UNITS, 45 SITES TO BE DELIVERED IN 2018 AND 2019



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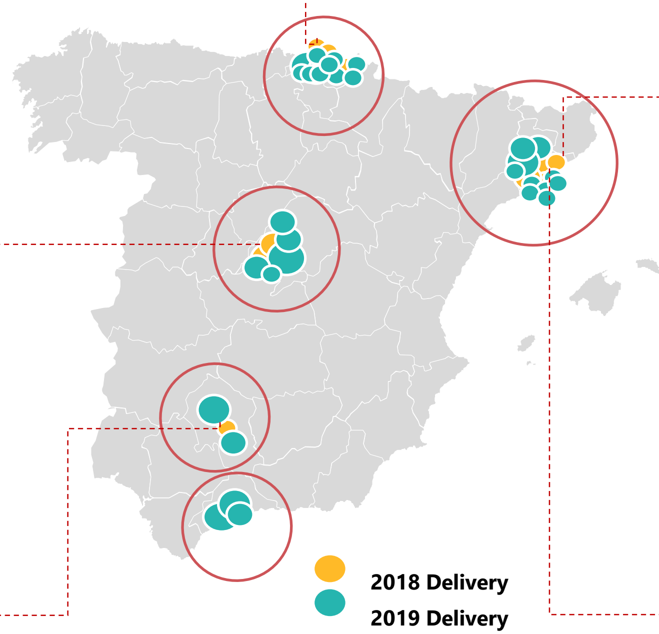
GEOGRAPHIC ZOOM 2018

1,000+ UNITS, 14 SITES TO BE DELIVERED IN 2018

Urduliz Homes (36 units): Expected delivery in H1 2018

Avenida Homes (54 units). Expected delivery in H2 2018

La Catalana R-4 (86 units). Expected delivery in H1 2018



Palacio Homes (40 units). Expected delivery in H2 2018

Marina de Badalona (173 units). Expected delivery in H2 2018

PRE-ORDER BOOK DOUBLED TO €746M

SALES STRATEGIES ADAPTED TO PROTECT AND MAXIMISE MARGINS

2,246 units in pre-order book

1,353 units (€459m, +39% VS 2016) pre-sold in 2017 – ASP €339k

Catalonia: led 2017 pre-sales, and represents 40% of order book.

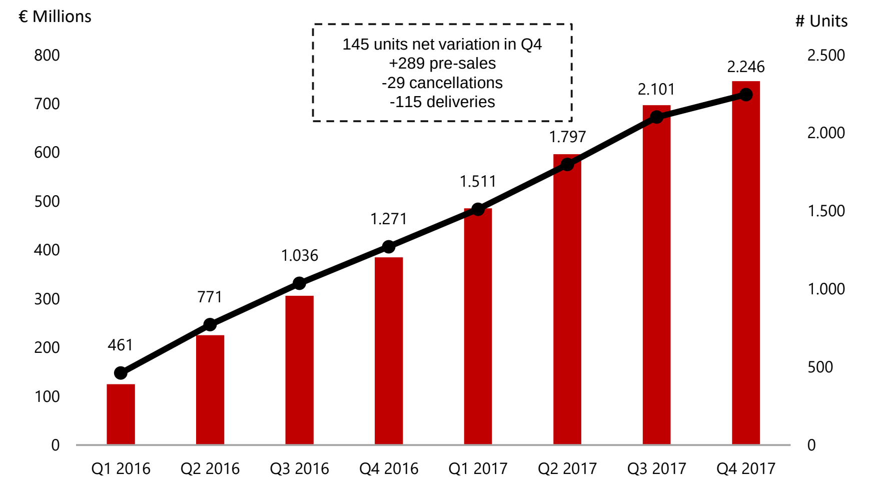
Strong revenue visibility

c. 90% in 2018, c. 60% in 2019

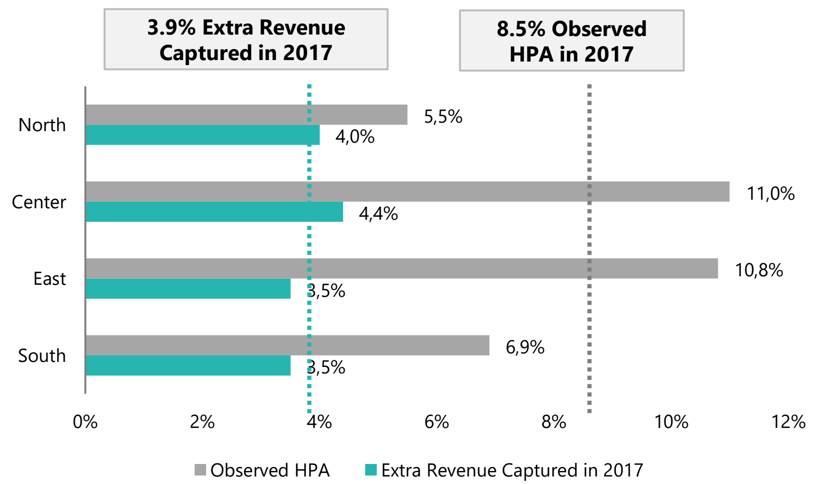
Optimized Tails/Jewels Pre-Sales Strategy

Implemented and improving pre-sales since H2 2017

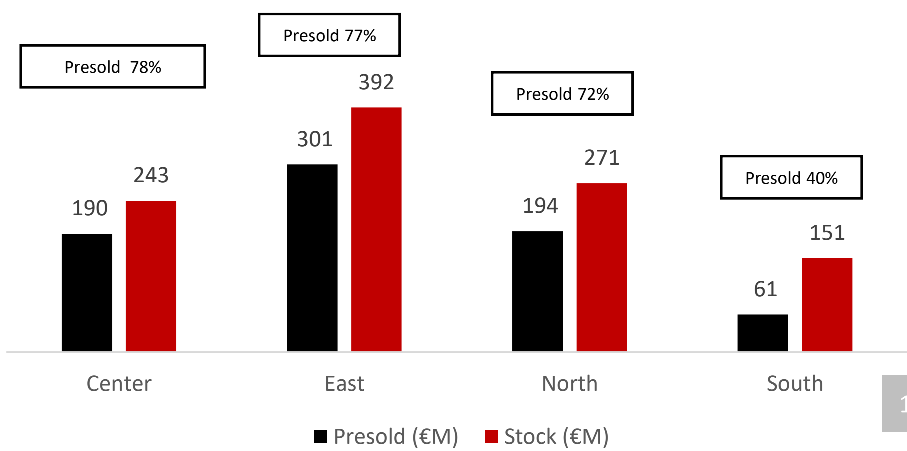
93% GROWTH IN THE ORDER BOOK YoY



EXTRA REVENUE CAPTURED VS. OBSERVED HPA[1]



ORDER BOOK AND STOCK BY REGION



(1) Measured by 1) developments that have been on the market for most of the year and 2) that had pre-sales in comparable units at the beginning and end of the year. Sample of 7 developments (ca. 18% of the average number of sites in commercialization).

313* DELIVERED UNITS ON TIME/ON BUDGET

C. 28% GROSS MARGIN ON 8 DELIVERED SITES

€76.6M IN REVENUE IN 2017

2 sites anticipated from 2018 for a total of 3 sites delivered in Q4

DELIVERIES SINCE 2015: 432 UNITS WITH GROSS MARGIN OF C. 28%**

DEHESA AND PINTOR ALSAMORA FIRST PURE NEINOR HOMES

Developments are the first land plots acquired in 2015 to be designed, sold and delivered by the Company

Dehesa Homes

Region	Center
Location	San Sebastián de los Reyes, Madrid
Units (#)	77
Sqm	9.741
Construction Company	Arpada
Construction Started	Q1 2016
Construction Finished	Q3 2017
Delivery	Q4 2017
Pre-sales at Delivery	100%
Gross Margin (%)	Above 28%

Jardines de Zabalgana IV

Region	North
Location	Vitoria, Álava
Units (#)	17
Sqm	1.770
Construction Company	Urrutia
Construction Started	Q3 2016
Construction Finished	Q4 2017
Delivery	Q4 2017
Pre-sales at Delivery	100%
Gross Margin (%)	Above 18%

Pintor Alsamora Homes

Region	East
Location	Barcelona
Units (#)	34
Sqm	2.925
Construction Company	Beta Conkret
Construction Started	Q2 2016
Construction Finished	Q3 2017
Delivery	Q4 2017
Pre-sales at Delivery	100%
Gross Margin (%)	Above 31%

* *Of the 313 units delivered in 2017, 18 units will be notarized in 2018 (13 already notarized as of Feb. 12th)* **This number does not include the 2 sites (51 units) that the Company promptly delivered in Q2 2017 that were developed under a *fee development* agreement

FOCUSING ON EXECUTION IN 2018

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2018 & 2019 Deliveries	**RAMP–UP DELIVERIES** 2018 & 2019	2018: Deliver 1,000 units (14 sites) on time and with quality margins 2019: Intense monitoring of deliveries: 2,000 units (31 sites)
Run-rate 2020	**RUN-RATE 2020** Focus on 5,500+ launched units	**LICENSES MONITORING** Speed up bureaucracy to obtain the licenses for 2020 deliveries (>90% submitted in advance) **CONSTRUCTION** Construction starts of 5,000+ units **2021 DELIVERIS** Launching of 100% of 2021 deliveries (3,500 units)
Cost Control	**COST CONTROL**	Tight control on Capex and Opex
Tails & Jewels	**TAILS & JEWELS STRATEGY**	Full implementation of tails & jewels strategy to maximize HPA to take advantage of market momentum
Corporate Debt	**FINANCIAL DISCIPLINE**	Advance of corporate debt repayment (€152m) before H1 2019 Focus on Capex and land financing
Land Acquisition	**LAND ACQUISITION IN 2018**	Opportunistic approach to fully permitted acquisition and focus on strategic land opportunities