

# REALIA



**RESULTS 3Q 2022**

*4th November 2022*

**EXECUTIVE SUMMARY**
**MAIN FINANCIAL FIGURES**

(€mm)	3Q 2022	3Q 2021	Var. (%)
<b>Total revenue</b>	<b>104,06</b>	<b>106,99</b>	<b>-2,7</b>
Commercial Property	65,79	61,08	7,7
Land & Homebuilding	35,34	43,44	-18,6
Services & Others	2,93	2,47	18,6
<b>Gross operating profit (adjusted EBITDA) <sup>(1)</sup></b>	<b>50,96</b>	<b>47,17</b>	<b>8,0</b>
<b>Profit after tax</b>	<b>51,98</b>	<b>44,05</b>	<b>18,0</b>
<b>Attributable net profit</b>	<b>49,16</b>	<b>33,17</b>	<b>48,2</b>
<b>Net financial debt</b>	<b>516,51</b>	<b>431,63</b>	<b>19,7</b>
<b>Nº shares (mm). Treasury shares not included</b>	<b>811,09</b>	<b>811,09</b>	<b>0,0</b>
<b>Earnings per share (€)</b>	<b>0,061</b>	<b>0,041</b>	<b>48,8</b>

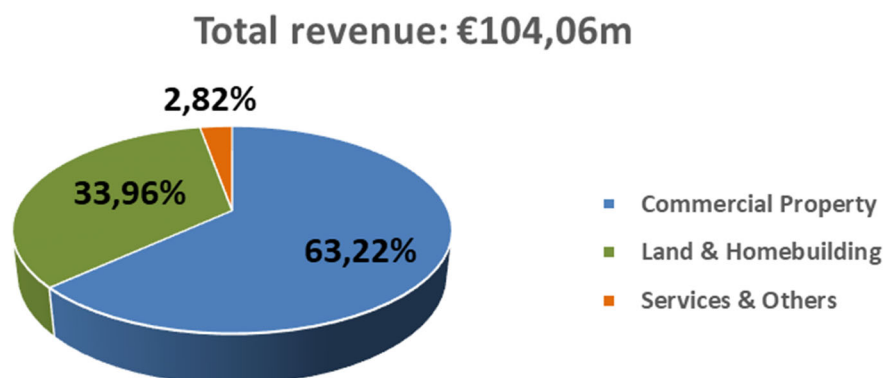
<sup>(1)</sup> It includes provisions related to current assets

**REVENUE AND RESULTS**

- Total revenue was €104,06m, 2,7% lower than the previous year.
- Evolution of income in the different business areas vs 2021:

- Comm. Property: €65,79m (+7,7%)
- Land & Homebuilding: €35,34m (-18,6%)
- Services & Others: €2,93m (+18,6%)

Breakdown by business activity at 3Q 2022:



Income from Commercial Property went up by 7,7%. mainly due to: 1) rents updating and increase of common charges transferred to tenants; 2) slight increase in the occupancy level; 3) better rents from Build to Rent (BTR) business activity; and 4) the result obtained from the refund of a municipal tax related to the sale of an asset.

Income from Land & Homebuilding went down by 18,6%. due to a decrease of product deliveries (76 units in 2022 vs 147 units in 2021), offset partially by the sale of a land plot in Pinto (Madrid) and in San Juan (Alicante) for an amount of €11,93m.

Income from Services went up mainly due to new commercial agreements, technical management and administrative and fiscal management related to residential developments of companies outside Realia Group.

- Gross operating profit - "adjusted EBITDA" (for provisions associated with current assets amounting €15,88m), reached €50,96m vs €47,17m at 3Q 2021 (+8,0%). This result is mainly due to better margins in both business areas, commercial property and land & homebuilding.

Realia Group obtained a positive adjusted EBITDA (gross operating profit) in all business areas (land & homebuilding, commercial property and services).

- Profit after tax reached €51,98m vs €44,05m at 3Q 2021 (+18%).
- Attributable net profit reached €49,16m vs €33,17m at 3Q 2021 (+48,2%). This result is mainly due to the higher share in Hermanos Revilla, S.A., as well as, to better operating and financial results.

## INDEBTEDNESS

- At 3Q 2022, Realia Group gross financial debt reached €554,74m vs €503,82m at 3Q 2021 (+10,1%). This result is mainly due to the acquisition of 37,11% stake in Hermanos Revilla, S.A. last December 2021 and offset by the different amortizations made with the cash-flow the Group has generated.
- Cash and equivalents reached €38,23m vs €72,19m at 30 September 2021. This amount together with the cash-flow generated will be allocated to pay back banking debt, to finish residential developments in construction, to start new residential developments, to develop the Build to Rent (BTR) business activity, to invest in CAPEX for the current assets and to buy new ones.
- As a consequence, at 30 September 2022, Realia Group net financial debt reached €516,51m vs €431,63m at September 2021 (+19,7%).
- The net financial result reached €-9,00m, 0,9% better than at September 2021. This result is mainly due to better spreads applied in the syndicated loan of Realia Patrimonio, S.L.U. that have offset the debt resulting from the acquisition of 37,11% stake in Hermanos Revilla, S.A.

Additionally, there have been another positive financial results amounting €4,96m vs €-1,41m in 2021.

- The weighted average rate (derivatives included) reached 1,72% at 30 September 2022 vs 1,84% at September 2021.

**COMMERCIAL PROPERTY**

- Gross rental income reached €49,71m vs €47,91m at 3Q 2021 (+3,8%). This result is mainly due to: 1) rents updating; 2) slight increase in the occupancy level and 3) better rents from Build to Rent (BTR) business activity.
- Overall occupancy levels of tertiary use assets in operation (As Cancelas Siglo XXI, SL included), reached 92,2% at September 2022 vs 91,1% at September 2021 (+1,1%).
- Realia Group operates a Build to Rent (BTR) residential development of 85 dwellings in Tres Cantos (Madrid). As of 30 September 2022, 100,0% of the total units were occupied vs 87,5% at September 2021.
- There are two new Build to Rent (BTR) residential developments in the pipeline for 195 dwellings in Tres Cantos (Madrid). Total investment will reach €42,9m, €16,5m still pending to be spent. Operation is expected to start by 1H 2023.

<b>OPERATIONAL HIGHLIGHTS</b>	<b>3Q 2022</b>	<b>3Q 2021</b>	<b>Var. (%)</b>
<b>Commercial Property</b>			
<b>GLA (sqm)</b>	<b>413.852</b>	<b>416.761</b>	<b>-0,7</b>
- Tertiary use (offices, shopping centres and others)	403.879	406.788	
- Residential use (BTR)	9.973	9.973	
<b>Occupancy rate (%)</b>	<b>92,4%</b>	<b>91,0%</b>	<b>1,5</b>
- Tertiary use (offices, shopping centres and others)	92,2%	91,1%	
- Residential use (BTR)	100,0%	87,5%	

- Leasable area of tertiary use assets went down, mainly due to the following: at December 2021, Hermanos Revilla, S.A. transferred five non-core assets with a leasable area of 5.867 sqm; and at April 2022, operation of a commercial asset of 3.015 sqm of Realia Patrimonio, S.L.U. started.

**LAND & HOMEBUILDING**

- As of 30 September 2022, Realia delivered 76 units for an amount of €22,97m vs 147 units at September 2021 for an amount of €42,96m.
- We highlight the sale of a land plot in Pinto (Madrid) for an amount of €11,63m which has had a positive impact on the operating account for an amount of €2,66m.
- As of 30 September 2022, there is a stock of 294 units (homes and small retail) finished or in the pipeline non-delivered of which 96 are pre-sold. There are also 40 land plots for single-family housing intended for sale.
- Realia has a gross land bank, in different urbanistic stages, of 6.924.840 sqm and an estimated buildable area 1.728.878 sqm.

**STOCK DATA**

The closing stock price (€ per share) has been 0,95 Euro. It has gone up by 19,35% vs 2021.

	30 Sept. 2022
Closing stock price (€ / share)	0,95
Market cap. end-of-period (€)	779.252.413
High of the period (€ / share)	0,994
Low of the period (€ / share)	0,792
Average of the period (€ / share)	0,893
Daily trading volume (thousand of €)	62,4
Daily trading volume (thousand of shares)	68

**APPENDIX - GLOSSARY OF APMs****Gross Operating Profit (adjusted EBITDA):**

Operating result (Profit or Loss), deducting the impact of the provisions for amortization and the variation in provisions not associated with current assets.

**BDI (Profit after tax):**

Profit after tax

**Gross Financial Debt:**

Loans with current and non-current credit institutions.

**Net Financial Debt:**

Gross financial debt minus cash and cash equivalents.

**Earnings per share:**

It is calculated by dividing the result attributable to the parent Company and the number of shares outstanding (treasury shares not included) at the end of the referred period.

**Occupancy:**

Surface area occupied by the rental assets portfolio divided by the surface of the portfolio in operation.

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