WHAT IS SAREB?

The Management Company for Assets Arising from the Banking Sector Reorganisation (Sareb) is a private institution created in November 2012, to manage and dispose of the assets transferred to it by the nine financial institutions that received government funding.

Sareb was created with a portfolio worth €50,780 million, of which 80% were developer loans and 20% were all classes of real estate assets.

Sareb issued private debt in order to acquire the portfolio. These bonds, that were handed over to rescued financial institutions, are underwritten by the State.

The majority of Sareb's share capital is privately owned (banks, insurance companies, a real estate firm and a utility company). 45.9% is owned by the State, via the Fund for the Orderly Restructuring of the Banking Sector (FROB).

WHAT IS ITS MISSION?

Manage and sell the acquired assets within a maximum timeframe of 15 years, before 2027

WHAT ARE ITS COMMITMENTS?

Sareb remains committed to its undertaking of meeting the payment of the debt issued, so that its activity is not an additional cost to the taxpayer.

Sareb is committed to performing its duties in a way that is both sustainable and responsible. This implies:

- Being in continuous contact with its 15,200 clients, primarily SMEs, in order to provide them with the appropriate solutions.
- Signing agreements with local authorities to temporarily assign housing to groups at risk of exclusion.

MANAGEMENT SNAPSHOT

€10.6  
billion 
portfolio reduction

€9.8  
billion 
repaid debt

€16.8  
billion 
revenue generated

4,000  
homes assigned for social welfare purposes

38,237  
debtor proposals managed

50,000  
properties sold to individuals

8,000  
people have benefitted from social housing agreements
**Portfolio performance (€ million)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Financial assets (€ million)</th>
<th>Real estate assets (€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>48,847</td>
<td>11,108</td>
</tr>
<tr>
<td>2014</td>
<td>45,304</td>
<td>11,180</td>
</tr>
<tr>
<td>2015</td>
<td>43,130</td>
<td>11,902</td>
</tr>
<tr>
<td>2016</td>
<td>40,134</td>
<td>12,292</td>
</tr>
</tbody>
</table>

Portfolio performance for 2016 shows a decrease of -21.0% compared to 2013.

**Senior debt repayment (€ million)**

- **2016**: 2,169 million
- **Accumulated**: 9,856 million

Senior debt repayment for 2016 shows a decrease of -19.4% compared to 2013.

*Includes €671.9 million repaid in February 2017, but booked to 2016*

**Portfolio breakdown 2016 (% in € million)**

- Loans: 69.4%
- Residential: 14.8%
- Land: 10.8%
- Commercial: 3.8%
- Other: 1.2%
Financial assets by type of collateral (% in € million)

- Works in progress: 7.9%
- Land: 26.6%
- Unsecured: 5.7%
- Mixed collateral: 4.8%
- Retail: 7.1%

Real estate assets (% in € million)

- Residential: 48.3%
- Mixed collateral: 4.8%
- Unsecured: 5.7%

Geographical distribution of portfolio
Financial assets/ Real estate assets. YE 2016 (% in € million)

* 13.1% of the debt is not assigned to a specific autonomous region.
Revenue 2016

€3,923 million

Management Revenue (€ million)
From loans

- Sales via PDV growth plans and collateral sales 20.9%
- Amortisation and repayment 10.6%
- Interest 10.2%

From real estate

- Rental income and other 1.1%
- Other operating income 0.7%

Sales revenue (€ million)
From loans

- Loan repayment and sales 18.6%
- Institutional sales 12.1%

From real estate

- Non-residential and land sales 11.9%
- Residential sales and other 13.9%

Servicers

ALTAMIRA

HAYA

Servihabitat

Solvia

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