LIGHTHOUSE
INSTITUTO ESPAÑOL DE ANALISTAS

Inmobiliaria del Sur

EQUITY - SPAIN
Sector: Real Estate

Closing price: EUR 16.30 (30 Jul 2026)
Report date: 31 Jul 2026 (13:10h)

6m Results 2026
Independent Equity Research

6m Results 2026
Opinion (1): In line
Impact (1): We will maintain our estimates

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Inmobiliaria del Sur (ISUR), is a property company with headquarters in Seville and a presence in Andalusia and Madrid, whose business model combines a development activity (residential and tertiary) with a property management business, that has a portfolio of rental assets (mainly offices), both activities having a significant weighting in terms of GAV. The board directly and indirectly controls c. 71,5% of capital.

Market Data

Market Cap (Mn EUR and USD)	304.3	350.8
EV (Mn EUR and USD) (2)	543.3	626.3
Shares Outstanding (Mn)	18.7	
-12m (Max/Med/Mín EUR)	18.80 / 15.32 / 13.50	
Daily Avg volume (-12m Mn EUR)	0.05	
Rotation(3)	4.4	
Refinitiv / Bloomberg	ISUR.MC / ISUR SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Board of Directors	71.5
Treasury stock	2.0
Free Float	26.5

Financials (Mn EUR)	2025	2026e	2027e	2028e
Adj. nº shares (Mn)	18.3	18.7	18.7	18.7
Total Revenues	238.6	147.9	171.0	310.4
Rec. EBITDA	49.0	28.1	33.1	57.7
% growth	*48.4*	*-42.7*	*17.7*	*74.4*
% Rec. EBITDA/Rev.	*20.6*	*19.0*	*19.3*	*18.6*
% Inc. EBITDA sector (4)	*8.2*	*13.6*	*4.5*	*5.3*
Net Profit	43.1	14.9	18.0	36.9
EPS (EUR)	2.35	0.80	0.97	1.98
% growth	*105.9*	*-66.1*	*21.3*	*104.4*
Ord. EPS (EUR)	1.75	0.80	0.97	1.98
% growth	*98.8*	*-54.3*	*21.3*	*104.4*
Rec. Free Cash Flow(5)	120.7	-13.9	-22.7	41.1
Pay-out (%)	*32.0*	*48.0*	*48.0*	*48.0*
DPS (EUR)	0.75	0.38	0.46	0.95
Net financial debt	157.4	185.1	214.9	182.5
ND/Rec. EBITDA (x)	3.2	6.6	6.5	3.2
ROE (%)	*20.0*	*5.4*	*6.4*	*12.2*
ROCE (%)(5)	*12.3*	*4.7*	*5.2*	*8.7*

Ratios & Multiples (x)(6)				
P/E	6.9	20.5	16.9	8.2
Ord. P/E	9.3	20.5	16.9	8.2
P/BV	1.1	1.1	1.1	1.0
Dividend Yield (%)	*4.6*	*2.3*	*2.8*	*5.8*
EV/Sales	2.28	3.67	3.18	1.75
EV/Rec. EBITDA	11.1	19.3	16.4	9.4
EV/EBIT	8.6	19.6	16.6	9.5
FCF Yield (%)(5)	*39.1*	*n.a.*	*n.a.*	*13.4*

(1) The opinion regarding the results is on reported EBITDA with respect to our estimate for the year (12m). The impact reflects whether, due to the results, we envisage a significant revision (>5% - 10%, depending on the sector) of our EBITDA estimate (for any of the estimated years).
(2) Please refer to Appendix 3.
(3) Rotation is the % of the capitalisation traded - 12m.
(4) Sector: Stoxx Europe 600 Real State.
(5) Please see Appendix 2 for the theoretical tax rate (ROCE) and rec. FCF calculation.
(6) Multiples and ratios calculated over prices at the date of this report.

Results 6m26: rec. EBITDA growth of +52%, with good commercial activity.

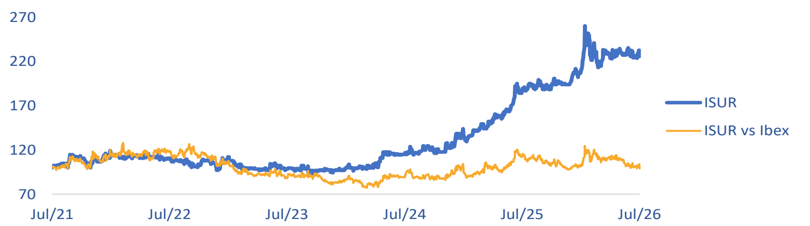
RESIDENTIAL DEVELOPMENT REVENUE GROWS BY +29.4%... ISUR closes 6m26 with consolidated revenue of EUR 67.5 Mn (+6.8% vs. 6m25). Residential development revenue increased by +29.4% to EUR 41.0 Mn, supported by an increase in the number of homes delivered during the half-year (188 homes vs. 117 in 6m25) and a significant improvement in the average selling price (ASP), which reached EUR 0.362 Mn (+12.1% vs. 6m25), favored by the product mix. The property asset management business recorded revenue growth of +5.1% to EUR 10.1 Mn, supported by the positive performance of rental income.

...WITH A STRONG IMPROVEMENT IN REC. EBITDA (+52.5% VS. 1H25) DRIVEN BY DELIVERY GROWTH AND MARGIN EXPANSION. ISUR's rec. EBITDA stands at EUR 15.1 Mn (+52.5% vs. 6m25), reflecting the strong growth in development activity and the group's operational improvement. The EBITDA margin for the residential development business increased by 7.9 p.p. to 22.6%, while the gross margin reached 26.9% (+5.6 p.p. vs. 6m25), supported by both a higher volume of deliveries and a higher value-added product mix. The property asset management business continues to show a positive performance, with an adjusted EBITDA margin of 82.0% (+0.5 p.p. vs. 6m25).

THE PRE-SALES BACKLOG CONTINUES TO PROVIDE HIGH VISIBILITY. In 2Q26, ISUR recorded pre-sales of 95 homes, higher than the 84 homes in 1Q26, but down -44.1% vs. 2Q25. This represents a good level considering the more selective strategy aimed at protecting margins and the delivery target at the end of the strategic plan (2029-30). The cumulative pre-sales backlog stands at 807 homes (EUR 310 Mn; ASP: EUR 0.384 Mn), +1.9% in units and +0.2% in value vs. 1Q26, explained by the high volume of deliveries in 2Q26, although it continues at historically high levels and provides solid operational visibility.

INSUR TRADES AT A C. 28% DISCOUNT TO NAV (EUR 22.6/SHARE). The performance of commercial activity in 6m26 supports ISUR's momentum. This, combined with strong operational performance, leads us to maintain our estimates. The realization of deliveries in the upcoming quarters remains the main business catalyst. Despite the stock's excellent 12-month performance (+20.7%; +17.7% vs. sector), the strong momentum of the development business and the discount to NAV (-c. 28%) indicate that the outperformance could continue, as this exact combination of factors explains the stock's rally over the past 12 months. ISUR is a holding in the Lighthouse Model Portfolio.

Relative performance (Base 100)



Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-2.4	0.9	20.7	12.4	129.6	125.8
vs Ibex 35	-3.8	-9.2	-12.1	-1.5	12.5	-0.9
vs Ibex Small Cap Index	-4.3	-3.0	6.4	4.5	64.8	68.8
vs Eurostoxx 50	-2.6	-6.4	2.6	2.6	61.6	45.5
vs Sector benchmark(4)	-5.3	-3.0	17.7	8.2	100.3	232.7

(*) Unless otherwise indicated, all the information contained in this report is based on: The Company, Refinitiv and Lighthouse.

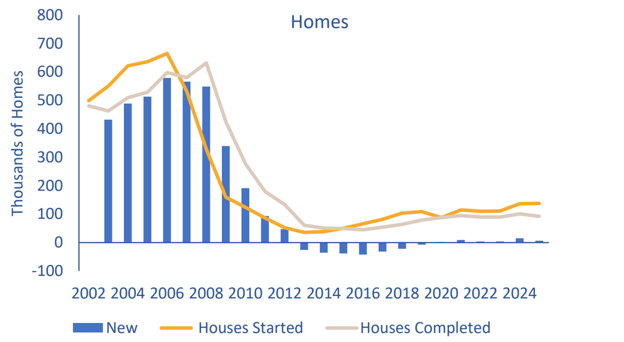
6m Results 2026

Tabea 1. Results 6m2026

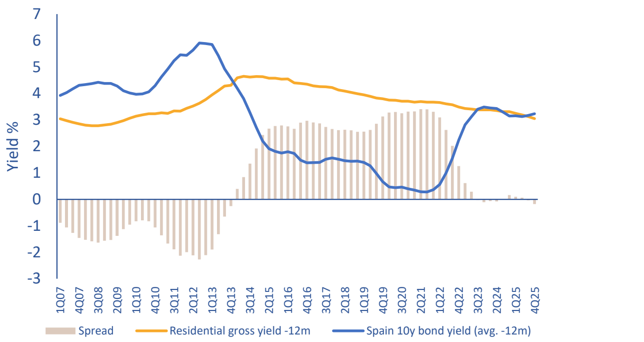
EUR Mn	6m26 Real	6m25	6m26 Real vs 6m25	2026e	2025 vs 2026e
Total Revenues	**67.5**	**63.2**	***6.8%***	**147.9**	***-38.0%***
Propery development business	41.0	31.7	*29.3%*	76.6	*-56.9%*
Rental Revenue	10.1	9.6	*5.2%*	20.5	*5.7%*
Construction	14.2	20.2	*-29.7%*	47.7	*29.4%*
Administration and marketing	2.2	1.7	*29.4%*	3.1	*-34.7%*
Recurrent EBITDA	**15.1**	**9.9**	***52.5%***	**28.1**	***-42.7%***
Rec. EBITDA/Revenues	*22.4%*	*15.7%*	*6.7 p.p.*	*19.0%*	*-1.6 p.p.*
EBITDA	**15.1**	**9.9**	***52.5%***	**28.1**	***-42.7%***
EBITDA/Revenues	*22.4%*	*15.7%*	*6.7 p.p.*	*19.0%*	*-1.6 p.p.*
EBIT	**20.1**	**17.4**	***15.5%***	**27.8**	***-56.0%***
PBT	**16.0**	**12.7**	***26.0%***	**19.5**	***-64.9%***
NP	**12.0**	**9.4**	***27.7%***	**14.9**	***-65.5%***
GAV	611.2	648.2	*-5.7%*		
Rental business GAV	382.0	331.0	*15.4%*		
GAV Propery development busine:	229.2	317.2	*-27.7%*		
NAV	425.5	*425.1*	*0.1%*		
Net Debt	185.6	223.1	*-16.8%*	189.6	*2.2%*
LTV	*30.3%*	*34.4%*	*-4.2 p.p.*		

The company in 8 charts

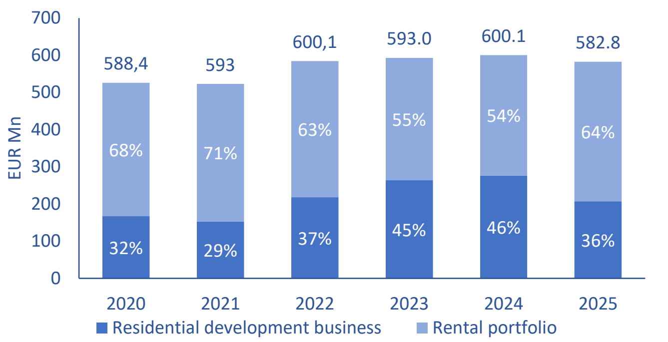
Supply-demand imbalance: a long-term growth driver for the Spanish residential sector



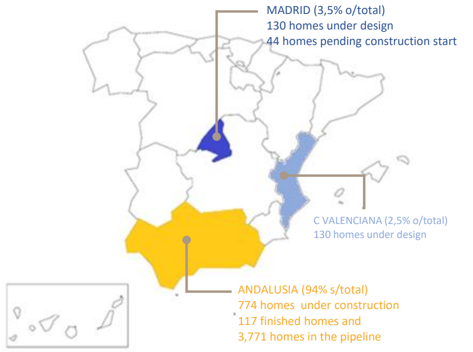
Although the macro and interest rates will weigh heavy in the short term for the property sector



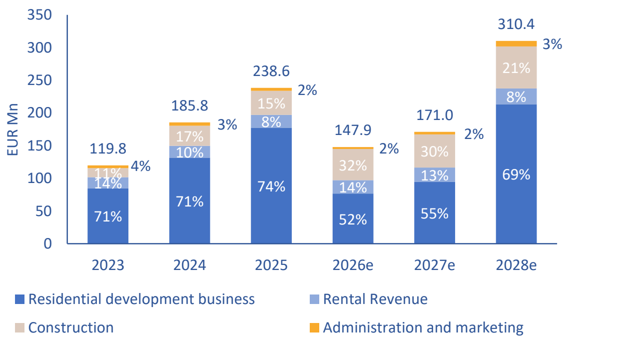
ISUR: A unique property company, combining development and management businesses (both with significant weighting in GAV)



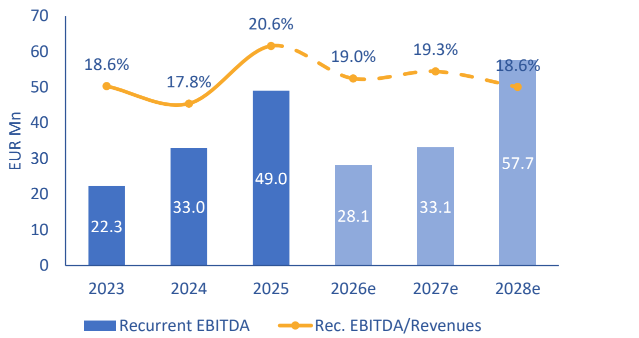
With a land bank for building +5,000 homes (33% in marketing), maintaining unique exposure in Andalusia



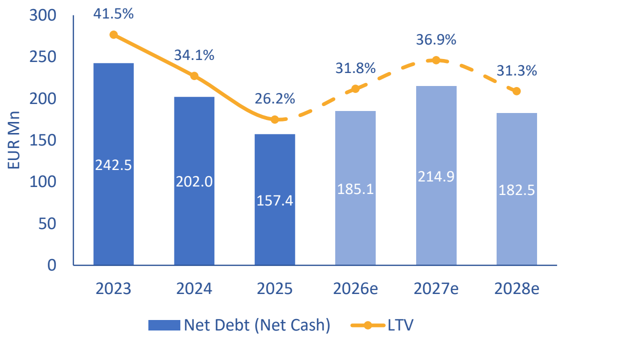
2028e should see a company with revenue of EUR 310Mn...



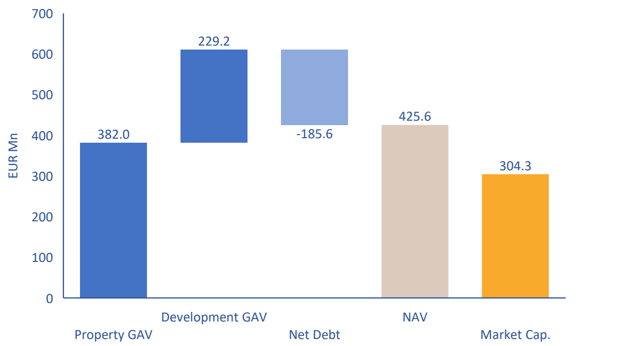
... and EBITDA 2028e of c. EUR 58Mn (+6% CAGR 25-28e)



Despite the rebound in investment, leverage will remain reasonable (LTV c. 32%)



Trading at a discount of 28% vs the NAV



Valuation inputs

Inputs for the DCF Valuation Approach

	2026e	2027e	2028e	Terminal Value [(1)]
Free Cash Flow "To the Firm"	**(7.6)**	**(15.7)**	**48.1**	**n.a.**

			Best Case	Worst Case
Market Cap	**304.3**	At the date of this report		
Net financial debt	**185.6**	Debt net of Cash (6m Results 2026)		
Cost of Debt	4.5%	Net debt cost	4.3%	4.8%
Tax rate (T)	20.0%	T (Normalised tax rate)	=	=
Net debt cost	**3.6%**	**Kd = Cost of Net Debt * (1-T)**	**3.4%**	**3.8%**
Risk free rate (rf)	3.6%	Rf (10y Spanish bond yield)	=	=
Equity risk premium	6.0%	R (own estimate)	5.5%	6.5%
Beta (B)	1.1	B (own estimate)	1.0	1.2
Cost of Equity	**10.2%**	**Ke = Rf + (R * B)**	**9.1%**	**11.4%**
Equity / (Equity + Net Debt)	62.1%	E (Market Cap as equity value)	=	=
Net Debt / (Equity + Net Debt)	37.9%	D	=	=
WACC	**7.7%**	**WACC = Kd * D + Ke * E**	**6.9%**	**8.5%**
G "Fair"	**2.0%**		**2.0%**	**1.5%**

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

Inputs for the Multiples Valuation Approach

Company	Ticker Factset	Mkt. Cap	P/E 26e	EPS 26e-28e	EV/EBITDA 26e	EBITDA 26e-28e	EV/Sales 26e	Revenues 26e-28e	EBITDA/Sales 26e	FCF Yield 26e	FCF 26e-28e
Metrovacesa	MVC.MC	1,665.5	25.4	0.6%	17.5	-2.7%	2.6	0.9%	15.0%	12.0%	3.9%
Aedas Homes	AEDAS.MC	925.8	7.7	-41.4%	6.3	-41.4%	1.0	-41.4%	15.7%	13.6%	-41.4%
Neinor Homes	HOME.MC	1,557.6	12.6	18.9%	9.6	3.2%	1.4	-3.2%	15.0%	22.8%	2.3%
Real estate			15.2	-7.3%	11.1	-13.6%	1.7	-14.6%	15.2%	16.1%	-11.7%
Merlin Properties	MRL.MC	9,163.7	27.7	11.7%	27.8	17.8%	n.a.	18.4%	75.7%	n.a.	-12.8%
Colonial	COL.MC	3,440.9	16.6	5.7%	27.0	8.1%	n.a.	7.1%	83.5%	8.3%	-6.6%
Cevasa	CEV.MC	208.2	15.5	11.4%	15.2	6.9%	10.7	6.1%	70.5%	2.5%	15.5%
REITs			20.0	9.6%	23.3	10.9%	10.7	10.5%	76.6%	5.4%	-1.3%
ISUR	ISUR.MC	304.3	20.5	57.5%	19.3	43.3%	3.7	44.9%	19.0%	n.a.	n.a.

Free Cash Flow sensitivity analysis (2027e)

A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 27e	EBITDA 27e	EV/EBITDA 27e
Max	**21.2%**	**36.3**	**15.0x**
Central	**19.3%**	**33.1**	**16.4x**
Min	**17.4%**	**29.8**	**18.2x**

B) Rec. FCF sensitivity to changes in EBITDA and CAPEX/sales

Rec. FCF EUR Mn	CAPEX/Sales 27e		
EBITDA 27e	4.9%	5.5%	6.1%
36.3	**(18.4)**	**(19.5)**	**(20.5)**
33.1	**(21.7)**	**(22.7)**	**(23.7)**
29.8	**(24.9)**	**(26.0)**	**(27.0)**

Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2021	2022	2023	2024	2025	2026e	2027e	2028e
Intangible assets	-	-	-	-	-	-	-	-
Fixed assets	216.9	216.2	206.6	195.6	371.2	379.0	388.1	404.8
Other Non Current Assets	-	-	-	-	-	-	-	-
Financial Investments	0.5	0.3	-	-	-	-	-	-
Goodwill & Other Intangilbles	-	-	-	-	-	-	-	-
Current assets	185.2	250.1	285.2	288.2	228.0	233.5	269.3	273.4
Total assets	**402.6**	**466.6**	**491.8**	**483.8**	**599.2**	**612.5**	**657.4**	**678.3**
Equity	128.3	137.3	145.7	155.1	275.3	276.4	287.3	315.5
Minority Interests	3.2	3.1	3.2	3.2	3.7	3.7	3.7	3.7
Provisions & Other L/T Liabilities	-	-	-	-	-	-	-	-
Other Non Current Liabilities	-	-	-	-	1.6	1.6	1.6	1.6
Net financial debt	198.0	239.9	242.5	202.0	157.4	185.1	214.9	182.5
Current Liabilities	73.1	86.3	100.4	123.5	161.2	145.7	149.9	175.0
Equity & Total Liabilities	**402.6**	**466.6**	**491.8**	**483.8**	**599.2**	**612.5**	**657.4**	**678.3**

									CAGR	
P&L (EUR Mn)	**2021**	**2022**	**2023**	**2024**	**2025**	**2026e**	**2027e**	**2028e**	**21-25**	**25-28e**
Total Revenues	**125.2**	**117.8**	**119.8**	**185.8**	**238.6**	**147.9**	**171.0**	**310.4**	*17.5%*	*9.2%*
Total Revenues growth	*-5.7%*	*-5.9%*	*1.7%*	*55.1%*	*28.4%*	*-38.0%*	*15.7%*	*81.5%*		
COGS	(63.8)	(64.3)	(66.1)	(103.8)	(133.7)	(59.0)	(72.7)	(164.3)		
Gross Margin	**61.3**	**53.5**	**53.7**	**82.0**	**104.9**	**88.9**	**98.4**	**146.1**	*14.4%*	*11.7%*
Gross Margin/Revenues	*49.0%*	*45.4%*	*44.8%*	*44.1%*	*44.0%*	*60.1%*	*57.5%*	*47.1%*		
Personnel Expenses	(9.1)	(11.1)	(12.6)	(13.6)	(14.7)	(15.2)	(15.8)	(16.3)		
Other Operating Expenses	(29.8)	(21.5)	(18.8)	(35.4)	(41.2)	(45.6)	(49.4)	(72.1)		
Recurrent EBITDA	**22.5**	**20.9**	**22.3**	**33.0**	**49.0**	**28.1**	**33.1**	**57.7**	*21.6%*	*5.6%*
Recurrent EBITDA growth	*-8.5%*	*-7.0%*	*6.9%*	*48.1%*	*48.4%*	*-42.7%*	*17.7%*	*74.4%*		
Rec. EBITDA/Revenues	*17.9%*	*17.7%*	*18.6%*	*17.8%*	*20.6%*	*19.0%*	*19.3%*	*18.6%*		
Restructuring Expense & Other non-rec.	-	-	-	-	-	-	-	-		
EBITDA	**22.5**	**20.9**	**22.3**	**33.0**	**49.0**	**28.1**	**33.1**	**57.7**	*21.6%*	*5.6%*
Depreciation & Provisions	(4.3)	(4.2)	(4.6)	(3.8)	(0.3)	(0.3)	(0.3)	(0.3)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Asset revaluation / Gains from asset sales	3.8	2.2	6.1	6.4	14.3	-	-	-		
EBIT	**21.9**	**18.8**	**23.8**	**35.6**	**63.1**	**27.8**	**32.7**	**57.4**	*30.2%*	*-3.1%*
EBIT growth	*64.2%*	*-14.2%*	*26.5%*	*49.7%*	*77.1%*	*-56.0%*	*17.9%*	*75.2%*		
EBIT/Revenues	*17.5%*	*16.0%*	*19.9%*	*19.2%*	*26.4%*	*18.8%*	*19.1%*	*18.5%*		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(5.6)	(5.2)	(9.1)	(8.1)	(7.5)	(8.3)	(9.1)	(9.1)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
Ordinary Profit	**16.4**	**13.6**	**14.7**	**27.5**	**55.5**	**19.5**	**23.6**	**48.3**	*35.7%*	*-4.6%*
Ordinary Profit Growth	*120.1%*	*-16.9%*	*7.8%*	*87.8%*	*101.8%*	*-64.9%*	*21.3%*	*104.4%*		
Extraordinary Results	-	6.4	-	-	-	-	-	-		
Profit Before Tax	**16.4**	**20.0**	**14.7**	**27.5**	**55.5**	**19.5**	**23.6**	**48.3**	*35.7%*	*-4.6%*
Tax Expense	(4.3)	(4.9)	(3.2)	(6.5)	(12.4)	(4.6)	(5.6)	(11.4)		
Effective Tax Rate	*26.0%*	*24.4%*	*21.8%*	*23.5%*	*22.3%*	*23.5%*	*23.5%*	*23.5%*		
Minority Interests	(0.1)	(0.1)	(0.2)	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
Net Profit	**12.0**	**15.0**	**11.3**	**21.0**	**43.1**	**14.9**	**18.0**	**36.9**	*37.6%*	*-5.1%*
Net Profit growth	*-43.0%*	*25.0%*	*-24.8%*	*86.1%*	*105.0%*	*-65.5%*	*21.3%*	*104.4%*		
Ordinary Net Profit	**12.0**	**8.6**	**6.6**	**16.2**	**32.0**	**14.9**	**18.0**	**36.9**	*27.7%*	*4.9%*
Ordinary Net Profit growth	*33.8%*	*-28.8%*	*-23.3%*	*146.5%*	*97.9%*	*-53.5%*	*21.3%*	*104.4%*		

									CAGR	
Cash Flow (EUR Mn)	**2021**	**2022**	**2023**	**2024**	**2025**	**2026e**	**2027e**	**2028e**	**21-25**	**25-28e**
Recurrent EBITDA						**28.1**	**33.1**	**57.7**	*21.6%*	*5.6%*
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(21.0)	(31.7)	21.0		
Recurrent Operating Cash Flow						**7.1**	**1.4**	**78.7**	*52.0%*	*-18.8%*
CAPEX						(8.1)	(9.4)	(17.1)		
Net Financial Result affecting the Cash Flow						(8.3)	(9.1)	(9.1)		
Tax Expense						(4.6)	(5.6)	(11.4)		
Recurrent Free Cash Flow						**(13.9)**	**(22.7)**	**41.1**	*75.0%*	*-30.2%*
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
Free Cash Flow						**(13.9)**	**(22.7)**	**41.1**	*77.7%*	*-33.9%*
Capital Increase						-	-	-		
Dividends						(13.8)	(7.1)	(8.7)		
Net Debt Variation						**27.7**	**29.9**	**(32.5)**		

Appendix 2. Free Cash Flow

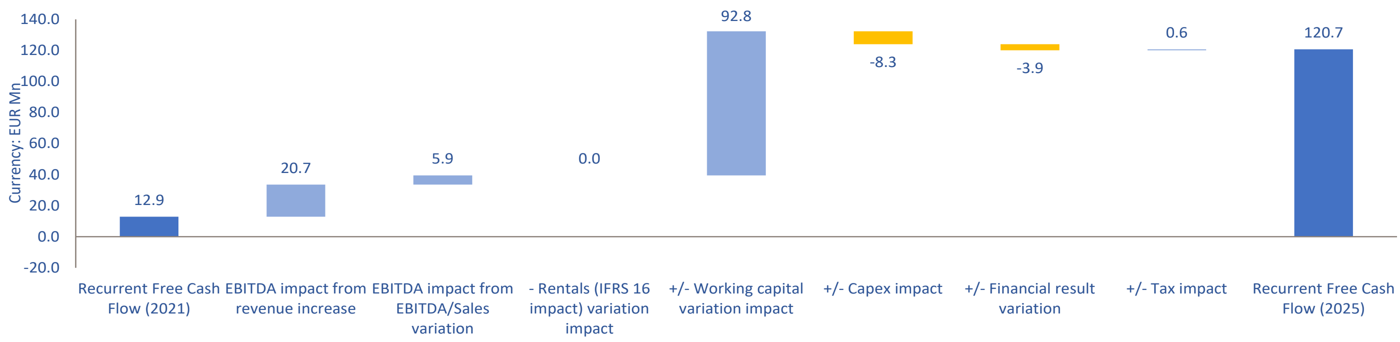
A) Cash Flow Analysis (EUR Mn)	2022	2023	2024	2025	2026e	2027e	2028e	CAGR 22-25	CAGR 25-28e
Recurrent EBITDA	**20.9**	**22.3**	**33.0**	**49.0**	**28.1**	**33.1**	**57.7**	*33.0%*	*5.6%*
Recurrent EBITDA growth	*-7.0%*	*6.9%*	*48.1%*	*48.4%*	*-42.7%*	*17.7%*	*74.4%*		
Rec. EBITDA/Revenues	*17.7%*	*18.6%*	*17.8%*	*20.6%*	*19.0%*	*19.3%*	*18.6%*		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(51.7)	(21.0)	20.1	97.9	(21.0)	(31.7)	21.0		
= Recurrent Operating Cash Flow	**(30.8)**	**1.3**	**53.1**	**146.9**	**7.1**	**1.4**	**78.7**	*89.1%*	*-18.8%*
Rec. Operating Cash Flow growth	*-211.9%*	*104.2%*	*n.a.*	*176.5%*	*-95.2%*	*-80.4%*	*n.a.*		
Rec. Operating Cash Flow / Sales	*n.a.*	*1.1%*	*28.6%*	*61.6%*	*4.8%*	*0.8%*	*25.3%*		
- CAPEX	(0.2)	(0.2)	(0.2)	(13.1)	(8.1)	(9.4)	(17.1)		
- Net Financial Result affecting Cash Flow	(5.2)	(9.1)	(8.1)	(9.5)	(8.3)	(9.1)	(9.1)		
- Taxes	(4.9)	(3.2)	(6.5)	(3.6)	(4.6)	(5.6)	(11.4)		
= Recurrent Free Cash Flow	**(41.1)**	**(11.2)**	**38.3**	**120.7**	**(13.9)**	**(22.7)**	**41.1**	*70.2%*	*-30.2%*
Rec. Free Cash Flow growth	*-419.6%*	*72.8%*	*442.6%*	*214.9%*	*-111.5%*	*-63.2%*	*281.1%*		
Rec. Free Cash Flow / Revenues	*n.a.*	*n.a.*	*20.6%*	*50.6%*	*n.a.*	*n.a.*	*13.2%*		
- Restructuring expenses & others	-	-	-	-	-	-	-		
- Acquisitions / + Divestments	5.4	11.4	13.8	30.9	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(0.5)	(0.5)	(3.2)	(9.2)	-	-	-		
= Free Cash Flow	**(36.3)**	**(0.3)**	**49.0**	**142.4**	**(13.9)**	**(22.7)**	**41.1**	*81.0%*	*-33.9%*
Free Cash Flow growth	*-353.8%*	*99.1%*	*n.a.*	*190.7%*	*-109.8%*	*-63.2%*	*281.1%*		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	*n.a.*	*n.a.*	*12.3%*	*39.1%*	*n.a.*	*n.a.*	*13.4%*		
Free Cash Flow Yield (s/Mkt Cap)	*n.a.*	*n.a.*	*15.8%*	*46.2%*	*n.a.*	*n.a.*	*13.4%*		

B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)	2022	2023	2024	2025	2026e	2027e	2028e
Recurrent FCF(FY - 1)	**12.9**	**(41.1)**	**(11.2)**	**38.3**	**120.7**	**(13.9)**	**(22.7)**
EBITDA impact from revenue increase	(1.3)	0.4	12.3	9.4	(18.6)	4.4	26.9
EBITDA impact from EBITDA/Sales variation	(0.3)	1.1	(1.6)	6.6	(2.3)	0.6	(2.3)
= Recurrent EBITDA variation	**(1.6)**	**1.4**	**10.7**	**16.0**	**(21.0)**	**5.0**	**24.6**
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-
+/- Working capital variation impact	(56.8)	30.7	41.1	77.8	(118.9)	(10.7)	52.7
= Recurrent Operating Cash Flow variation	**(58.4)**	**32.1**	**51.8**	**93.8**	**(139.8)**	**(5.7)**	**77.3**
+/- CAPEX impact	4.7	0.1	(0.1)	(12.9)	5.0	(1.3)	(7.7)
+/- Financial result variation	0.3	(3.9)	1.0	(1.4)	1.2	(0.8)	0.0
+/- Tax impact	(0.6)	1.7	(3.3)	2.8	(0.9)	(1.0)	(5.8)
= Recurrent Free Cash Flow variation	**(54.0)**	**29.9**	**49.5**	**82.4**	**(134.6)**	**(8.8)**	**63.8**
Recurrent Free Cash Flow	**(41.1)**	**(11.2)**	**38.3**	**120.7**	**(13.9)**	**(22.7)**	**41.1**

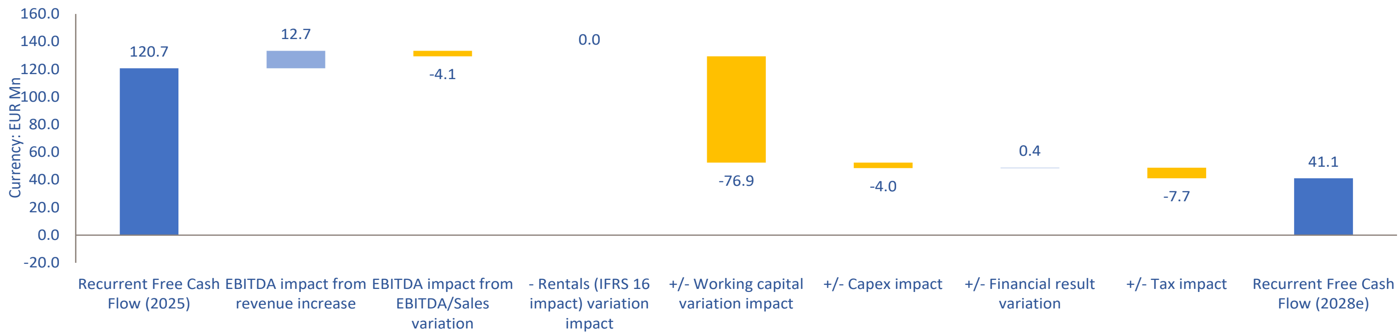
C) "FCF to the Firm" (pre debt service) (EUR Mn)	2022	2023	2024	2025	2026e	2027e	2028e	CAGR 22-25	CAGR 25-28e
EBIT	**18.8**	**23.8**	**35.6**	**63.1**	**27.8**	**32.7**	**57.4**	*49.7%*	*-3.1%*
** Theoretical Tax rate*	*24.4%*	*21.8%*	*23.5%*	*22.3%*	*23.5%*	*23.5%*	*23.5%*		
= Taxes (pre- Net Financial Result)	(4.6)	(5.2)	(8.4)	(14.1)	(6.5)	(7.7)	(13.5)		
Recurrent EBITDA	**20.9**	**22.3**	**33.0**	**49.0**	**28.1**	**33.1**	**57.7**	*33.0%*	*5.6%*
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(51.7)	(21.0)	20.1	97.9	(21.0)	(31.7)	21.0		
= Recurrent Operating Cash Flow	**(30.8)**	**1.3**	**53.1**	**146.9**	**7.1**	**1.4**	**78.7**	*89.1%*	*-18.8%*
- CAPEX	(0.2)	(0.2)	(0.2)	(13.1)	(8.1)	(9.4)	(17.1)		
- Taxes (pre- Financial Result)	(4.6)	(5.2)	(8.4)	(14.1)	(6.5)	(7.7)	(13.5)		
= Recurrent Free Cash Flow (To the Firm)	**(35.6)**	**(4.0)**	**44.5**	**119.7**	**(7.6)**	**(15.7)**	**48.1**	*75.0%*	*-26.2%*
Rec. Free Cash Flow (To the Firm) growth	*-309.9%*	*88.7%*	*n.a.*	*169.0%*	*-106.3%*	*-107.8%*	*405.7%*		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	24.0%	50.2%	n.a.	n.a.	15.5%		
- Restructuring expenses & others	-	-	-	-	-	-	-		
- Acquisitions / + Divestments	5.4	11.4	13.8	30.9	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(0.5)	(0.5)	(3.2)	(9.2)	-	-	-		
= Free Cash Flow "To the Firm"	**(30.8)**	**6.8**	**55.2**	**141.4**	**(7.6)**	**(15.7)**	**48.1**	*87.5%*	*-30.2%*
Free Cash Flow (To the Firm) growth	*-267.3%*	*122.1%*	*710.0%*	*156.4%*	*-105.4%*	*-107.8%*	*405.7%*		
Rec. Free Cash Flow To the Firm Yield (o/EV)	*n.a.*	*n.a.*	*8.2%*	*22.0%*	*n.a.*	*n.a.*	*8.8%*		
Free Cash Flow "To the Firm" - Yield (o/EV)	*n.a.*	*1.3%*	*10.2%*	*26.0%*	*n.a.*	*n.a.*	*8.8%*		

Note: Free Cash Flow Yield (s/Market Cap) estimated adjusted for minority interests.

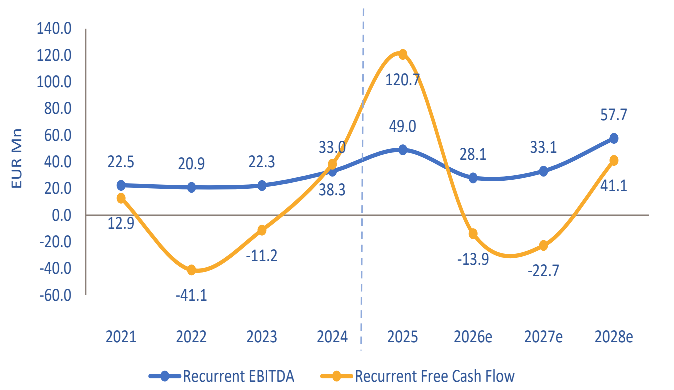
Recurrent Free Cash Flow accumulated variation analysis (2021 - 2025)



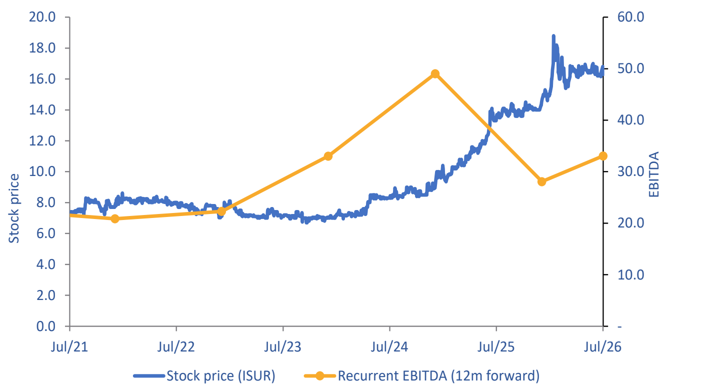
Recurrent Free Cash Flow accumulated variation analysis (2025 - 2028e)



Recurrent EBITDA vs Recurrent Free Cash Flow



Stock performance vs EBITDA 12m forward



Appendix 3. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	304.3	
+ Minority Interests	3.7	6m Results 2026
+ Provisions & Other L/T Liabilities	49.7	6m Results 2026
+ Net financial debt	185.6	6m Results 2026
- Financial Investments	-	6m Results 2026
+/- Others		
Enterprise Value (EV)	**543.3**	

Appendix 4. Historical performance [(1)]

Historical performance (EUR Mn)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	CAGR 19-25	CAGR 25-28e
Total Revenues				113.9	122.8	132.7	125.2	117.8	119.8	185.8	238.6	147.9	171.0	310.4	11.7%	9.2%
Total Revenues growth				n.a.	7.8%	8.1%	-5.7%	-5.9%	1.7%	55.1%	28.4%	-38.0%	15.7%	81.5%		
EBITDA				17.4	22.4	19.4	22.5	20.9	22.3	33.0	49.0	28.1	33.1	57.7	14.0%	5.6%
EBITDA growth				n.a.	28.6%	-13.3%	15.6%	-7.0%	6.9%	48.1%	48.4%	-42.7%	17.7%	74.4%		
EBITDA/Sales				15.3%	18.2%	14.6%	17.9%	17.7%	18.6%	17.8%	20.6%	19.0%	19.3%	18.6%		
Net Profit				10.1	8.9	21.1	12.0	15.0	11.3	21.0	43.1	14.9	18.0	36.9	30.0%	-5.1%
Net Profit growth				n.a.	-11.5%	136.4%	-43.0%	25.0%	-24.8%	86.1%	105.0%	-65.5%	21.3%	104.4%		
Adjusted number shares (Mn)				18.5	18.5	18.5	17.8	18.6	18.5	18.4	18.3	18.7	18.7	18.7		
EPS (EUR)				0.54	0.48	1.14	0.68	0.81	0.61	1.14	2.35	0.80	0.97	1.98	30.3%	-5.6%
EPS growth				n.a.	-11.5%	n.a.	-40.8%	19.6%	-24.5%	86.8%	n.a.	-66.1%	21.3%	n.a.		
Ord. EPS (EUR)				0.30	0.49	0.48	0.68	0.46	0.35	0.88	1.75	0.80	0.97	1.98	23.5%	4.2%
Ord. EPS growth				n.a.	66.7%	-3.1%	42.0%	-31.9%	-23.0%	n.a.	98.8%	-54.3%	21.3%	n.a.		
CAPEX				-	(1.9)	(5.9)	(4.9)	(0.2)	(0.2)	(0.2)	(13.1)	(8.1)	(9.4)	(17.1)		
CAPEX/Sales %)				0.0%	1.5%	4.5%	3.9%	0.2%	0.1%	0.1%	5.5%	5.5%	5.5%	5.5%		
Free Cash Flow				-	(7.0)	(7.0)	14.3	(36.3)	(0.3)	49.0	142.4	(13.9)	(22.7)	41.1	67.9%	-33.9%
ND/EBITDA (x) [(2)]				10.6x	8.8x	10.8x	8.8x	11.5x	10.9x	6.1x	3.2x	6.6x	6.5x	3.2x		
P/E (x)				17.2x	19.8x	6.5x	11.4x	8.8x	11.4x	7.8x	6.2x	20.5x	16.9x	8.2x		
EV/Sales (x)				3.14x	3.04x	2.63x	2.75x	3.19x	3.14x	2.00x	1.81x	3.67x	3.18x	1.75x		
EV/EBITDA (x) [(2)]				20.5x	16.6x	18.0x	15.3x	18.0x	16.9x	11.3x	8.8x	19.3x	16.4x	9.4x		
Absolute performance				1.1%	1.9%	-22.7%	4.3%	-7.5%	-1.7%	27.9%	62.0%	12.4%				
Relative performance vs Ibex 35				18.9%	-8.8%	-8.5%	-3.4%	-2.1%	-19.9%	11.4%	8.5%	-1.5%				

Note 1: The multiples are historical, calculated based on the price and EV at the end of each year, except (if applicable) in the current year, when multiples would be given at current prices. The absolute and relative behavior corresponds to each exercise (1/1 to 31/12). The source, both historical multiples and the evolution of the price, is Refinitiv.
Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

Appendix 5. Main peers 2026e

		Real estate				REITs				
	EUR Mn	Metrovacesa	Aedas Homes	Neinor Homes	Average	Merlin Properties	Colonial	Cevasa	Average	ISUR
Market data	Ticker (Factset)	MVC.MC	AEDAS.MC	HOME.MC		MRL.MC	COL.MC	CEV.MC		ISUR.MC
	Country	Spain	Spain	Spain		Spain	Spain	Spain		Spain
	Market cap	1,665.5	925.8	1,557.6		9,163.7	3,440.9	209.3		304.3
	Enterprise value (EV)	1,953.0	1,163.2	2,533.5		12,591.1	9,349.3	375.1		543.3
Basic financial information	Total Revenues	745.5	1,185.3	1,748.8		597.7	414.4	27.8		147.9
	Total Revenues growth	*5.2%*	*36.4%*	*148.2%*	*63.3%*	*10.9%*	*-2.2%*	*8.4%*	*5.7%*	*-38.0%*
	2y CAGR (2026e - 2028e)	*0.9%*	*-41.4%*	*-3.2%*	*-14.6%*	*18.4%*	*7.1%*	*6.1%*	*10.5%*	*44.9%*
	EBITDA	111.5	185.8	262.6		452.7	346.1	21.1		28.1
	EBITDA growth	*n.a.*	*73.7%*	*237.1%*	*155.4%*	*13.1%*	*8.1%*	*16.0%*	*12.4%*	*-42.7%*
	2y CAGR (2026e - 2028e)	*-2.7%*	*-41.4%*	*3.2%*	*-13.6%*	*17.8%*	*8.1%*	*10.8%*	*12.2%*	*43.3%*
	EBITDA/Revenues	*15.0%*	*15.7%*	*15.0%*	*15.2%*	*75.7%*	*83.5%*	*76.0%*	*78.4%*	*19.0%*
	EBIT	102.0	182.1	232.5		656.2	402.7	20.9		27.8
	EBIT growth	*26.1%*	*85.5%*	*218.7%*	*110.1%*	*66.0%*	*26.5%*	*-35.7%*	*19.0%*	*-56.0%*
	2y CAGR (2026e - 2028e)	*1.5%*	*-41.4%*	*6.0%*	*-11.3%*	*0.4%*	*8.8%*	*10.9%*	*6.7%*	*43.7%*
	EBIT/Revenues	*13.7%*	*15.4%*	*13.3%*	*14.1%*	*n.a.*	*97.2%*	*75.1%*	*86.1%*	*18.8%*
	Net Profit	66.0	121.6	122.1		397.2	223.6	13.4		14.9
	Net Profit growth	*16.1%*	*99.9%*	*0.2%*	*38.7%*	*-49.5%*	*-42.7%*	*-54.6%*	*-48.9%*	*-65.5%*
	2y CAGR (2026e - 2028e)	*0.4%*	*-41.4%*	*19.4%*	*-7.2%*	*20.9%*	*1.9%*	*11.8%*	*11.6%*	*57.5%*
	CAPEX/Sales %	*3.4%*	*0.5%*	*4.3%*	*2.7%*	*139.5%*	*41.4%*	*2.9%*	*61.3%*	*5.5%*
	Free Cash Flow	200.0	125.8	354.5		(275.0)	284.4	5.1		(13.9)
	Net financial debt	328.0	308.7	939.0		4,197.4	4,970.0	78.1		185.1
	ND/EBITDA (x)	2.9	1.7	3.6	2.7	9.3	14.4	3.7	9.1	6.6
	Pay-out	*320.4%*	*87.6%*	*177.1%*	*195.0%*	*59.8%*	*86.4%*	*46.2%*	*64.1%*	*48.0%*
Multiples and Ratios	P/E (x)	25.4	7.7	12.6	15.2	27.7	16.6	15.6	20.0	20.5
	P/BV (x)	1.4	1.0	1.4	1.2	1.0	0.6	0.5	0.7	1.1
	EV/Revenues (x)	2.6	1.0	1.4	1.7	n.a.	n.a.	13.5	13.5	3.7
	EV/EBITDA (x)	17.5	6.3	9.6	11.1	27.8	27.0	17.7	24.2	19.3
	EV/EBIT (x)	19.1	6.4	10.9	12.1	19.2	23.2	18.0	20.1	19.6
	ROE	*5.1*	*9.6*	*10.7*	*8.4*	*6.8*	*4.1*	*3.1*	*4.7*	*5.4*
	FCF Yield (%)	*12.0*	*13.6*	*22.8*	*16.1*	*n.a.*	*8.3*	*5.7*	*7.0*	*n.a.*
	DPS	*1.40*	*2.44*	*2.57*	*2.14*	*0.42*	*0.31*	*0.27*	*0.33*	*0.38*
	Dvd Yield	*12.6%*	*11.4%*	*16.2%*	*13.4%*	*2.8%*	*5.6%*	*3.0%*	*3.8%*	*2.3%*

Note 1: Financial data, multiples and ratios based on market consensus (Refinitiv). In the case of the company analyzed, own estimates (Lighthouse).
Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

LIGHTHOUSE

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Notes and Reports History

Date of **report**	Recommendation	Price (EUR)	Target price (EUR)	Period of **validity**	Reason for **report**	Analyst
31-Jul-2026	n.a.	16.30	n.a.	n.a.	6m Results 2026	Alfredo Echevarría Otegui
26-May-2026	n.a.	16.60	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
08-May-2026	n.a.	16.85	n.a.	n.a.	3m Results 2026	Alfredo Echevarría Otegui
10-Apr-2026	n.a.	16.40	n.a.	n.a.	Estimates downgrade	Alfredo Echevarría Otegui
27-Feb-2026	n.a.	16.40	n.a.	n.a.	12m Results 2025	Alfredo Echevarría Otegui
31-Oct-2025	n.a.	13.90	n.a.	n.a.	9m Results 2025	Alfredo Echevarría Otegui
31-Jul-2025	n.a.	13.50	n.a.	n.a.	6m Results 2025	Alfredo Echevarría Otegui
17-Jun-2025	n.a.	11.90	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
30-Apr-2025	n.a.	10.90	n.a.	n.a.	3m Results 2025	Alfredo Echevarría Otegui
27-Feb-2025	n.a.	9.95	n.a.	n.a.	12m Results 2024	Alfredo Echevarría Otegui
31-Oct-2024	n.a.	8.40	n.a.	n.a.	9m Results 2024	José Miguel Cabrera van Grieken
31-Jul-2024	n.a.	8.30	n.a.	n.a.	6m Results 2024	José Miguel Cabrera van Grieken
27-May-2024	n.a.	8.50	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
06-May-2024	n.a.	7.60	n.a.	n.a.	3m Results 2024	José Miguel Cabrera van Grieken
04-Mar-2024	n.a.	7.15	n.a.	n.a.	12m Results 2023	José Miguel Cabrera van Grieken
30-Oct-2023	n.a.	6.80	n.a.	n.a.	9m Results 2023	José Miguel Cabrera van Grieken
31-Jul-2023	n.a.	7.10	n.a.	n.a.	6m Results 2023	Alfredo Echevarría Otegui
12-Jun-2023	n.a.	7.45	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
08-May-2023	n.a.	7.10	n.a.	n.a.	3m Results 2023	David López Sánchez
19-Apr-2023	n.a.	7.10	n.a.	n.a.	Estimates upgrade	David López Sánchez
01-Mar-2023	n.a.	7.30	n.a.	n.a.	12m Results 2022	David López Sánchez
22-Dec-2022	n.a.	7.30	n.a.	n.a.	Initiation of Coverage	David López Sánchez