

NAMA 2015

Annual Report and Financial Statements

8 June 2016



NAMA Key Financials

Performance in 2015 and to 1 June 2016

Profitable

- **€1.8 billion** profit after impairment and tax (2014: €458m).
- **€86m** 2015 impairment credit (2014: charge (€170m)).
- **€1.6 billion** profit on disposal of loans, property assets; and surplus income (2014: €317m).

Cash Generation

- NAMA ended 2015 with cash balances and liquid assets of **€3.4 billion**.
- Total cash generated from inception to 1st June 2016 was **€34.7 billion**.
- In 2015 NAMA generated **€9.1 billion** in cash through disposal activity which includes non-disposal income of **€591m**.

Asset Sales & Income

- In 2015 NAMA realised proceeds of **€8.5 billion** from the sale of loans and property and other assets.
- Total sales proceeds from inception to 1st June 2016 was **€29 billion**.
- Total income was **€5.7 billion** from inception to 1st June 2016.



NAMA Key Financials

Performance in 2015 and to 1 June 2016

Development Funding

- NAMA has approved substantial development funding for projects in Ireland and expects to approve substantial additional funding, on a commercial basis, for new Irish projects over the period to end-2020.
- NAMA may fund, subject to commercial viability, the delivery of 20,000 new residential properties over the next five years.

Rate of Return

- The Board approved an Entity Return on Investment (EROI) target benchmark of 20%.
- The actual EROI return as at end-2015 was **30%**.

Senior Debt Redemption

- **€22.1 billion** or 73% by end-2015.
- An additional **€2.5 billion** of Senior Bonds were redeemed in March 2016.
- This brings to **€24.6 billion** the amount of Senior Bonds redeemed to end-March 2016 (**81%** of senior debt issued).
- A further **€1 billion** Senior Bond redemption planned for June 2016 (**85%**).

NAMA Key Financials - Summary 2015 Highlights

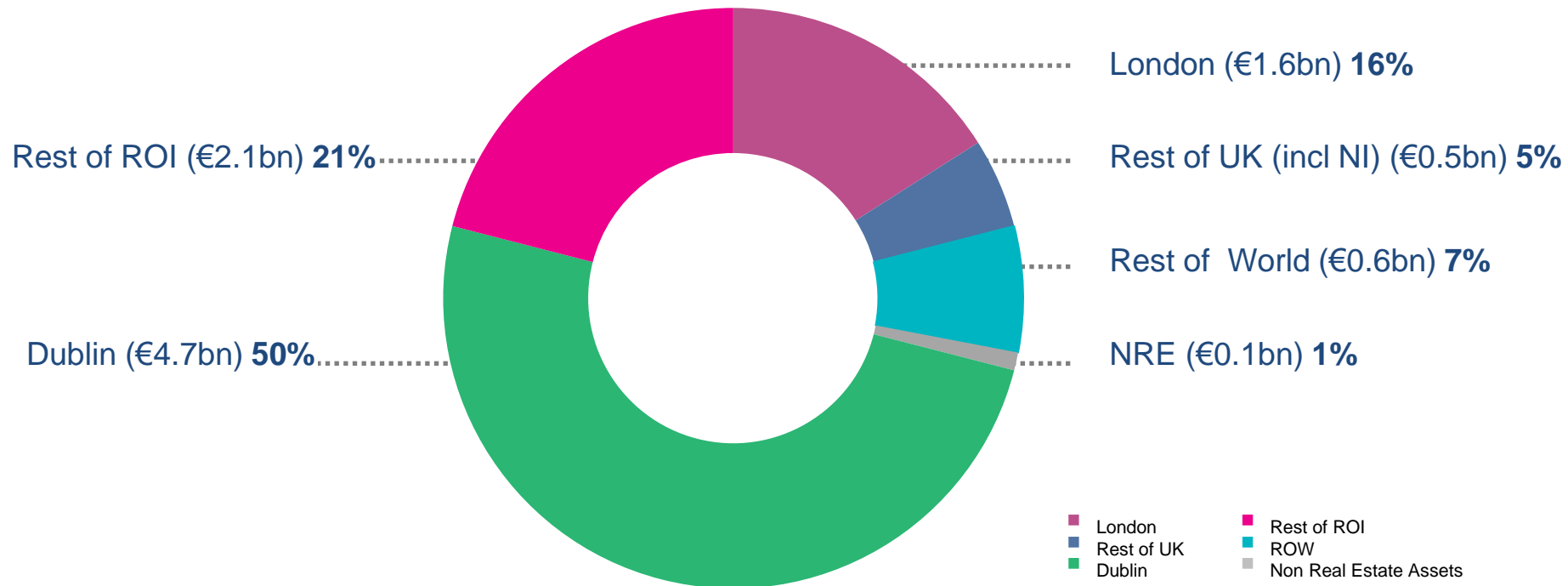
Financial Highlights	2015 €m	2014 €m	From Inception €m
Cash Generation			
Total cash generated	9,093	8,562	32,739
Disposal receipts	8,543	7,757	27,170
Non disposal income	591	809	5,007
Senior Bond Repayments			
Senior bonds redeemed	5,500	9,100	22,100
Profitability			
Operating profit before impairment	1,769	680	
Impairment credit / (charge)	86	(170)	
Profit for the financial year	1,826	458	
Financial Position as at 31 December 2015			
Cash and cash equivalents	3,402	1,849	
Total loans and receivables (net of impairment)	7,816	13,360	

NAMA Key Financials - 2015 Income Statement

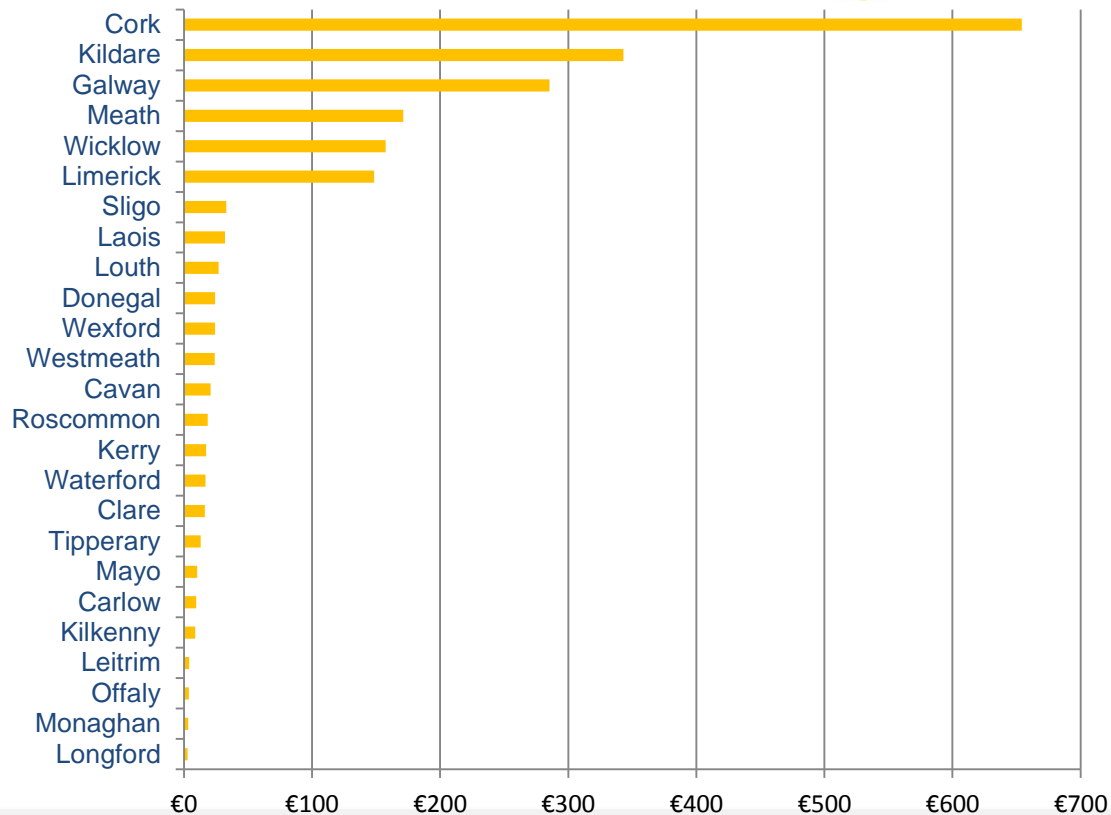
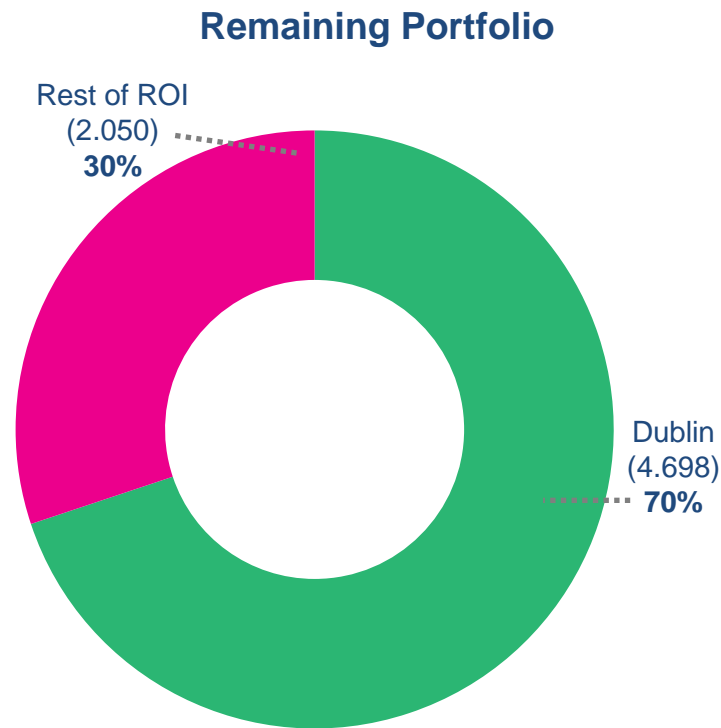
	2015 €m	2014 €m
Interest and fee income	614	955
Interest expense	(221)	(313)
Net interest income	393	642
Net profit on disposal of loans, property assets; and surplus income	1,587	317
Foreign exchange loss	(14)	(22)
Derivatives loss	(134)	(159)
Administration and other expenses	(63)	(99)
Operating profit before impairment	1,769	680
Impairment credit / (charge)	86	(170)
Profit for the year before tax	1,854	510
Tax charge	(28)	(52)
Profit for the year	1,826	458

NAMA retains diverse portfolio interests - €9.6bn as at 31/12/2015

Geographical and sectoral diversity – 50% Dublin



Ireland by County | Urban Centric - €6.7bn as at 31/12/2015



Core Strategic Objectives set by the Board

The Board's primary commercial objective is to redeem all of its senior debt (€30.2 billion) before the end of 2018. The Board also aims to redeem the NAMA subordinated debt (€1.593 billion) by 1 March 2020 and to generate a surplus by the time its work has been completed. It aims to meet all of its future commitments out of its own resources.

In order to meet its primary commercial objective (as at 1 above), NAMA will manage assets intensively and invest in them so as to optimise their income-producing potential and disposal value. Through its disposal activity, it will continue to generate transactions aimed at sustaining the strong performance which the Irish property market has experienced over recent years.

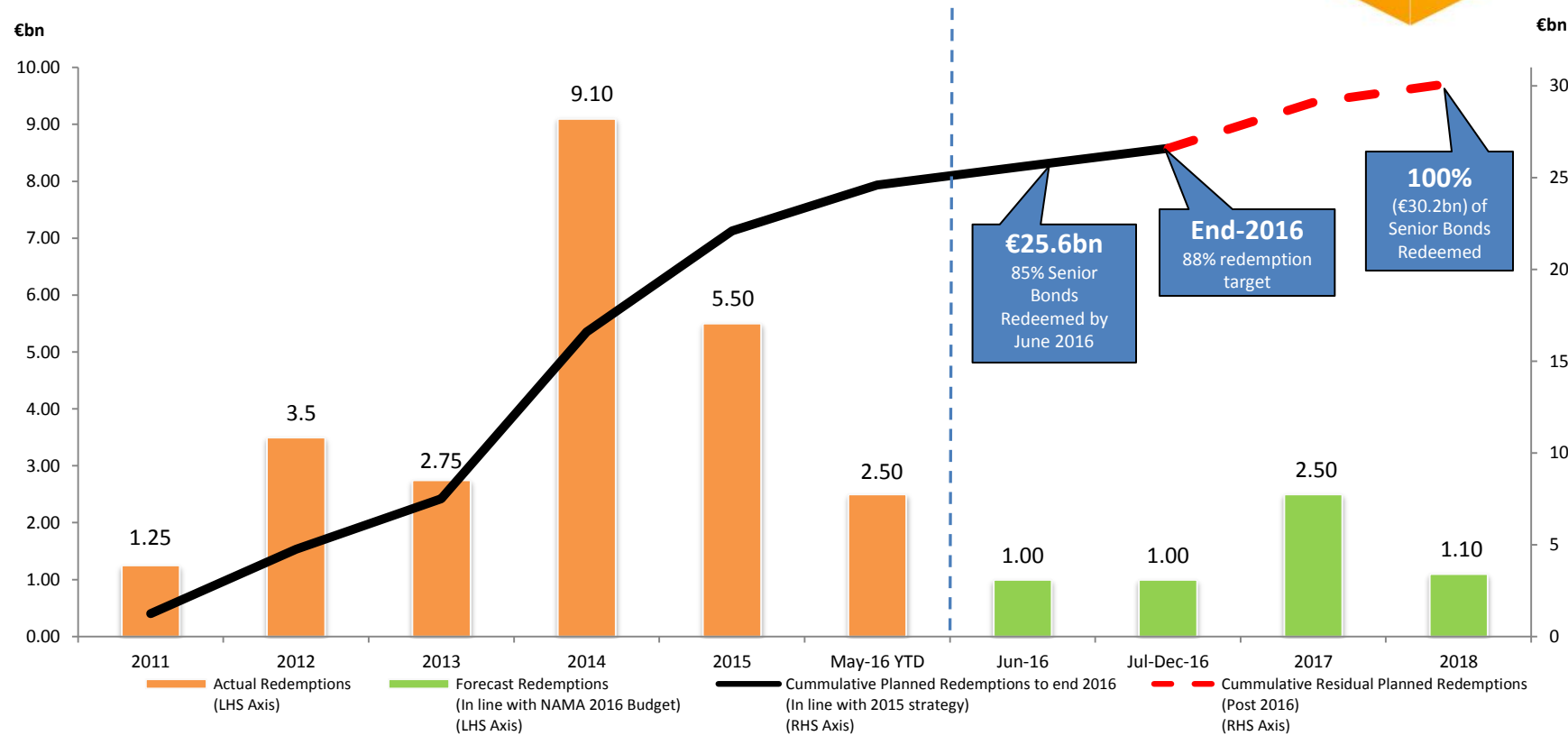
NAMA will facilitate the delivery of Grade A office accommodation in the Dublin Docklands SDZ; it will contribute, not only in terms of project funding, if required, but also in bringing coherence, direction and drive to the delivery process.

NAMA aims to facilitate the completion of 20,000 new residential units, principally in the Dublin area, in the period to the end of 2020 and, through intensive asset management of residential sites, aims also to maximise the number of sites that are ready for development.

Subject to the primacy of its Section 10 commercial mandate but often complementing it, NAMA will seek to make a positive social and economic contribution across the broad range of its activities.

Achieving Strategic Objectives

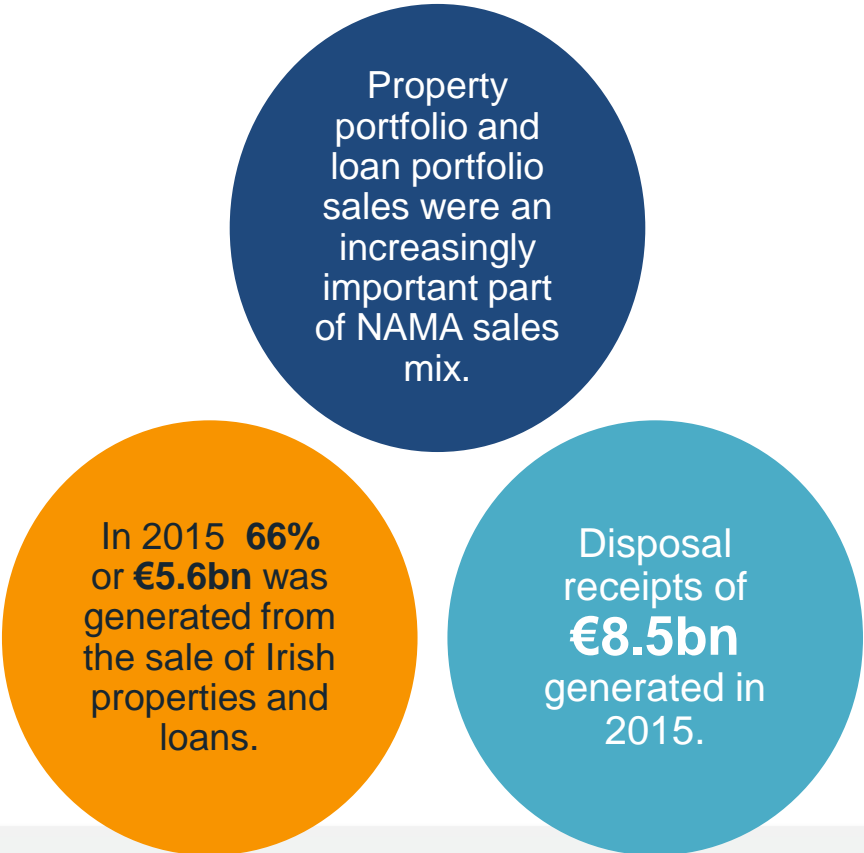
1. Senior Bond repayments 2 years ahead of schedule





Achieving Strategic Objectives

2. Cash generation through portfolio and loan sales



88%
Individual House Sales

Of the 12,781 residential properties sold by NAMA debtors and receivers since 2010, a total of 11,219 (**88%**) were sold to individual house buyers.

Achieving Strategic Objectives

3. Dublin Docklands SDZ

Docklands SDZ Scheme



The North Lotts and Grand Canal Docks area of the Dublin Docklands was designated as a SDZ in December 2012 and the Docklands SDZ scheme was approved by An Bord Pleanála in May 2014.

Development Space



NAMA has an interest in 15 of the 20 development blocks and has developed detailed strategies for each of these blocks.

Commercial & Residential Space



It is estimated that up to 3.8m sq. ft. gross of commercial space and some 2,000 apartments could potentially be delivered if all the sites in which NAMA has an interest were to be fully developed over the lifetime of the Dublin Docklands SDZ scheme.

Achieving Strategic Objectives

3. Dublin Docklands SDZ - Progress





Achieving Strategic Objectives

3. Dublin Docklands SDZ – Construction commenced/completed



Boland's Quay



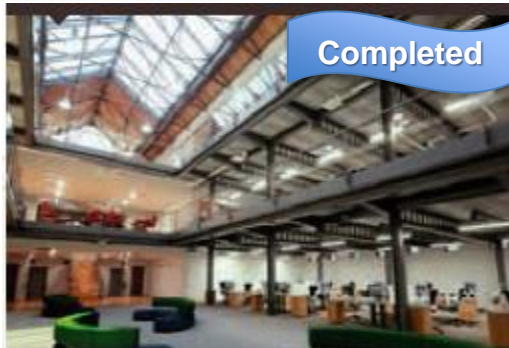
Capital Dock



5 Hanover Quay



Project Wave

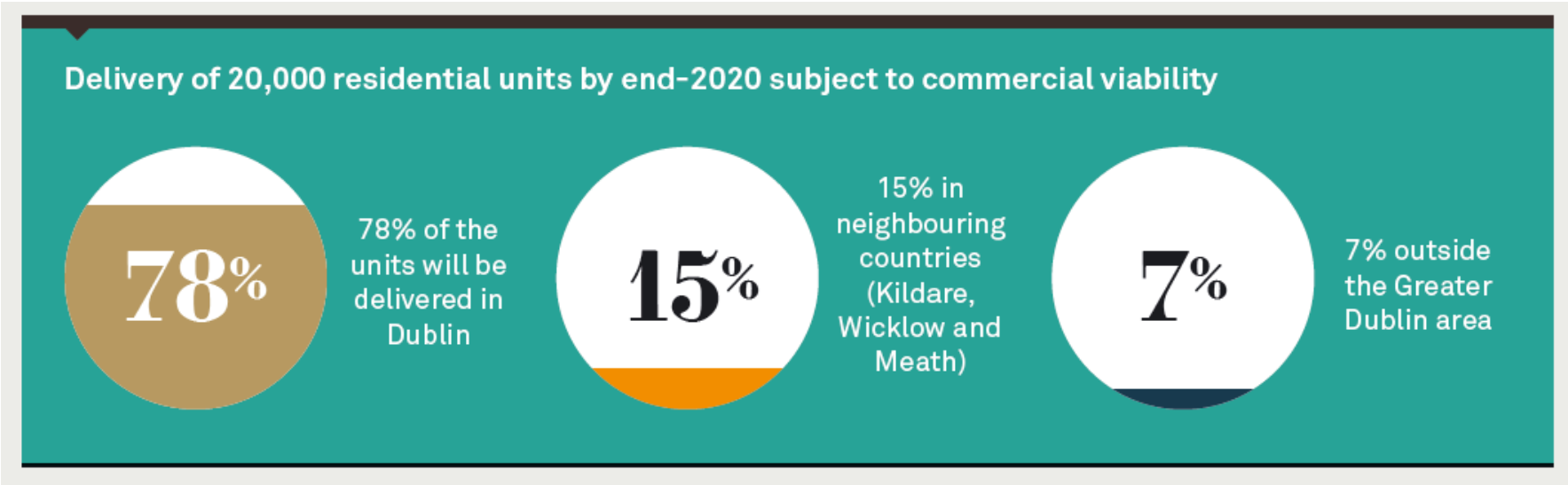


8 Hanover Quay



Achieving Strategic Objectives

4. Residential funding delivery programme – 93% in Greater Dublin Area






Achieving Strategic Objectives

4. Residential funding delivery programme - progress on delivery

Units	Greater Dublin Area	Total Ireland
Completed (across 58 developments) since start 2014	2,466	2,768
Under Construction (across 40 developments)	2,534	3,096
Planning Permission Granted (across 39 developments)	4,296	5,176
Planning applications lodged	3,760	5,066
Planning applications to be lodged within 12 months	5,228	6,627

Achieving Strategic Objectives

4. Residential funding delivery programme - breakdown of units built



	Total Built to date
Fingal County Council	491
Dublin City Council	432
South Dublin County Council	807
Dun Laoghaire Rathdown County Council	455
Sub-Total	2,185
Louth	10
Meath	70
Kildare	127
Wicklow	74
Total Greater Dublin Area	2,466
Cork	154
Galway	42
Rest of Ireland	106
Outside of Greater Dublin Area	302
NATIONAL TOTAL	2,768

Achieving Strategic Objectives

4. Residential funding delivery programme– Housing delivery examples



Coill Dubh, Co. Dublin



Maoilin, Co. Galway



Castlepark, Co. Kildare



Miller's Glen, Co. Dublin

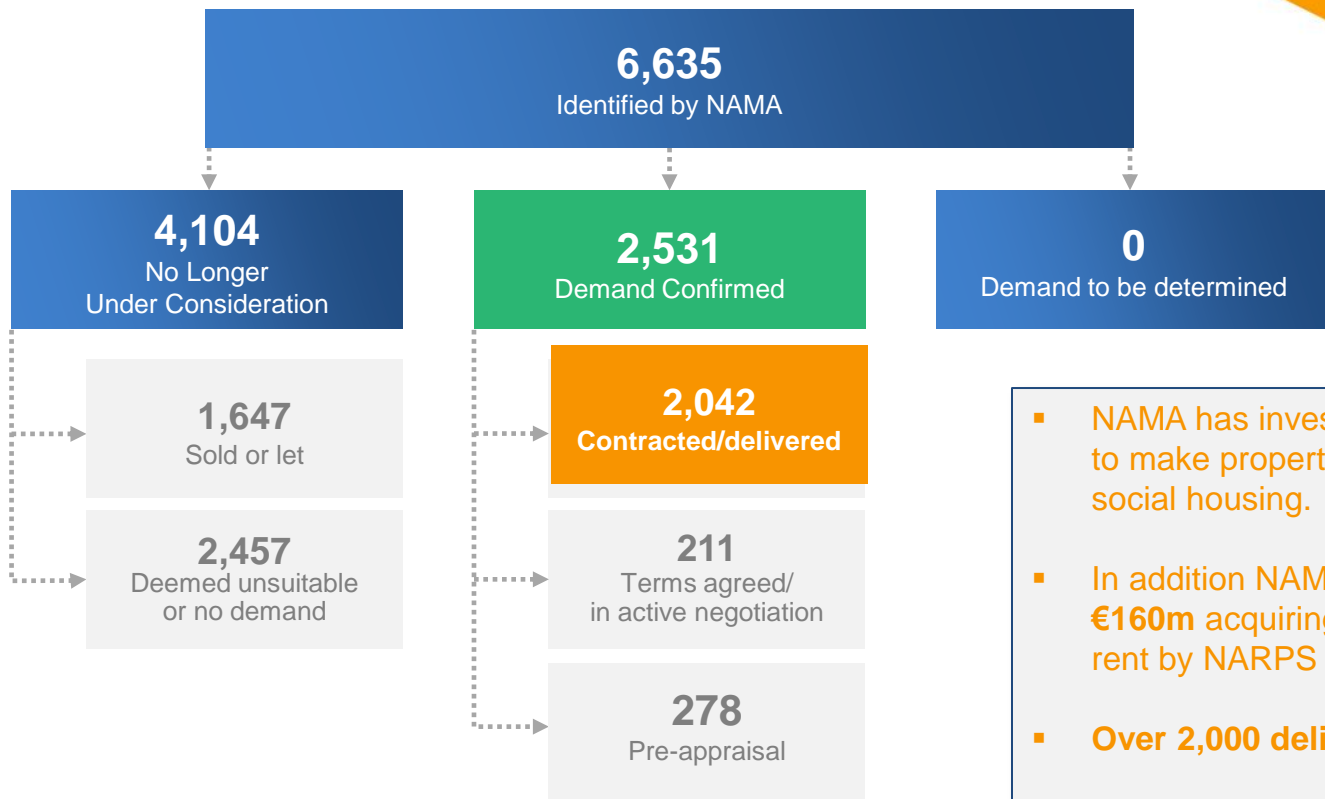


Bracken Park, Dublin 15



Achieving Strategic Objectives

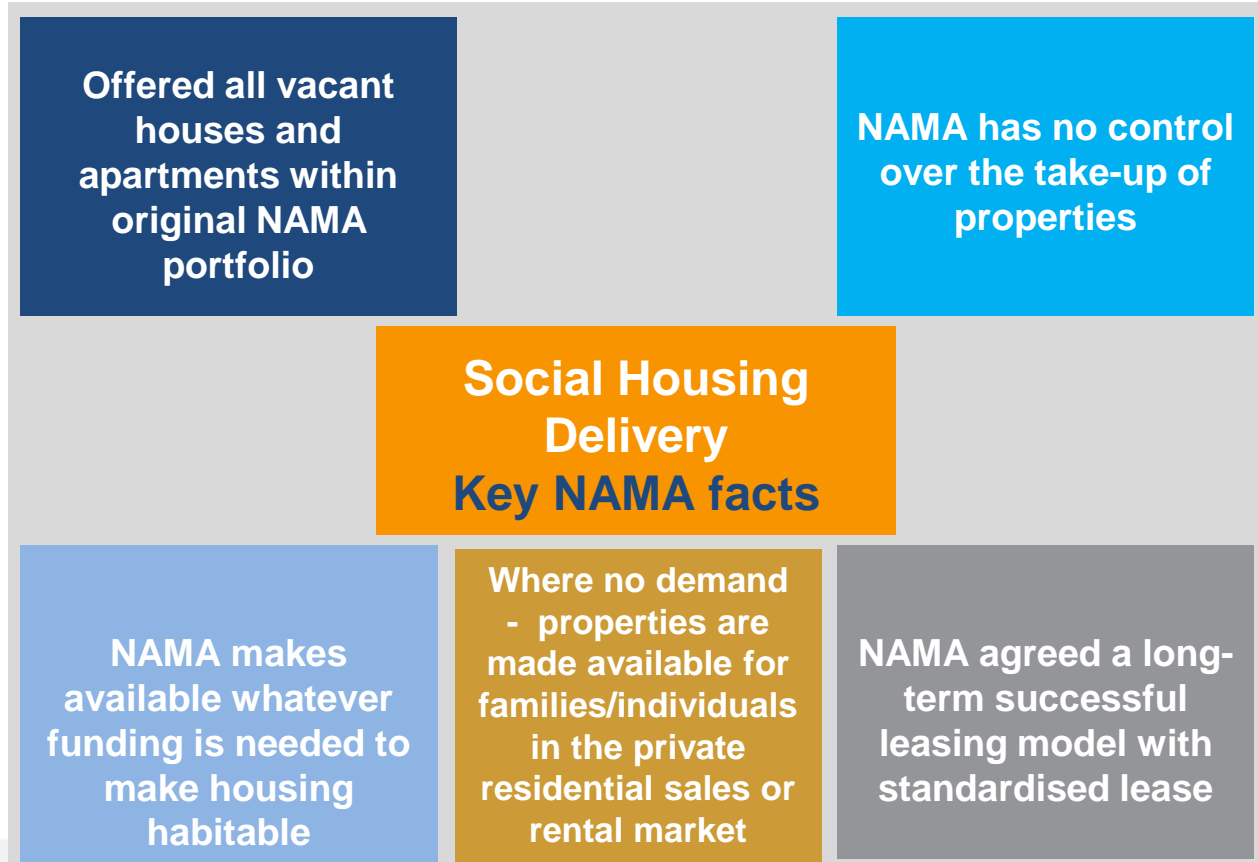
5. Social Housing Delivery



- NAMA has invested over **€100m** to make properties ready for social housing.
- In addition NAMA has spent **€160m** acquiring properties to rent by NARPS to AHBs.
- **Over 2,000 delivered to date.**
- Approx. **5,700 in total** delivered under Part V in 2002-2011.

Achieving Strategic Objectives

5. Social Housing Delivery



Resolution of Unfinished Housing Estates

39 remaining to date from 332 in 2010



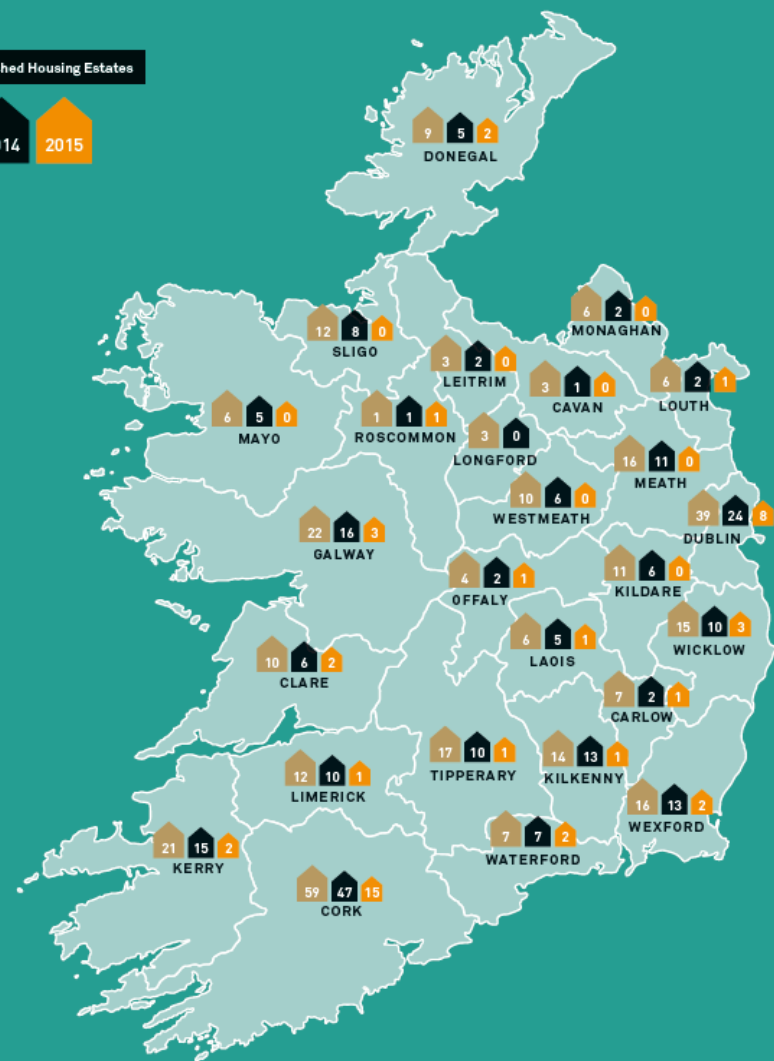
NAMA had exposure to **332** unfinished housing estates.



By end-2015 that figure had reduced to **47**.



To date, NAMA's exposure has reduced to just **39 unfinished housing estates**.



NAMA



Subject to market conditions and consistent with its Section 10 obligations, NAMA is on target to redeem all Senior Debt by end-2018



NAMA will continue to make the most of strong appetite for Irish assets



NAMA will also focus on facilitating new supply of high quality office and residential property on a commercial basis



NAMA will fund the delivery of 20,000 residential units by end-2020 subject to commercial feasibility

- ✓ NAMA focused on completing its mandate successfully
- ✓ State's contingent liability significantly reduced – currently €5.6bn from a potential €43bn at time of IBRC's liquidation in February 2013

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