

# Annual Report Summary 2017



## 2017 Profit

# €481m

NAMA generated cash of €2.56 billion and a profit of €481m in 2017

## Senior Debt 100% Repaid

# €30.2bn

By October 2017, NAMA had achieved its primary objective, completing the repayment of €30.2 billion in senior debt

## Projected Surplus

# €3.5bn

NAMA projects a terminal surplus of up to €3.5 billion by the time it completes its work



## Chairman's Statement (Extract)

2017 was a very important year for NAMA. In October, we achieved our primary objective by redeeming the last of our senior debt. The €30.2 billion in senior debt that we issued to the five participating institutions in 2010 and 2011 was a major contingent burden for Irish taxpayers for many years afterwards. There is much still to be done before NAMA completes its work but we remain resolute in our commitment to delivering the largest possible surplus to the Exchequer and delivering also on our Dublin Docklands and residential delivery objectives. Our aim is to generate the largest surplus that can feasibly be achieved by the time we complete our work: our current projection suggests a surplus of up to €3.5 billion.

**Frank Daly**

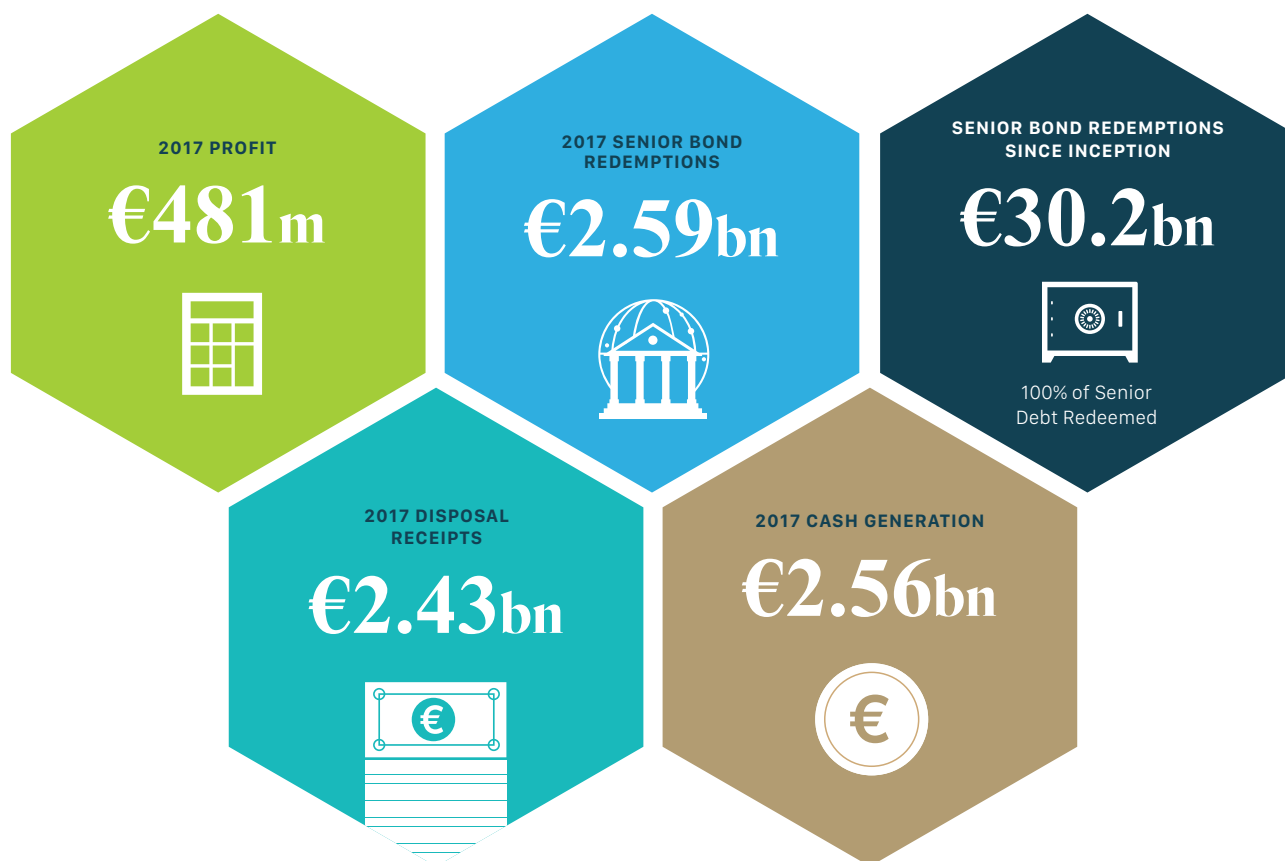


## Chief Executive Officer's Statement (Extract)

Since the NAMA Board approved its business plan for the Dublin Docklands SDZ in September 2014, major progress has been made in the development of office and residential accommodation in this area. Excluding projects sold or completed, construction had commenced on 75% of the office accommodation and planning permission had been lodged or granted for the other 25%. When we launched our initiative in the Docklands, we announced that our objective was to "contribute, not only in terms of project funding, if required, but also in bringing coherence, direction and drive to the process". I believe that we have done exactly that.

**Brendan McDonagh**

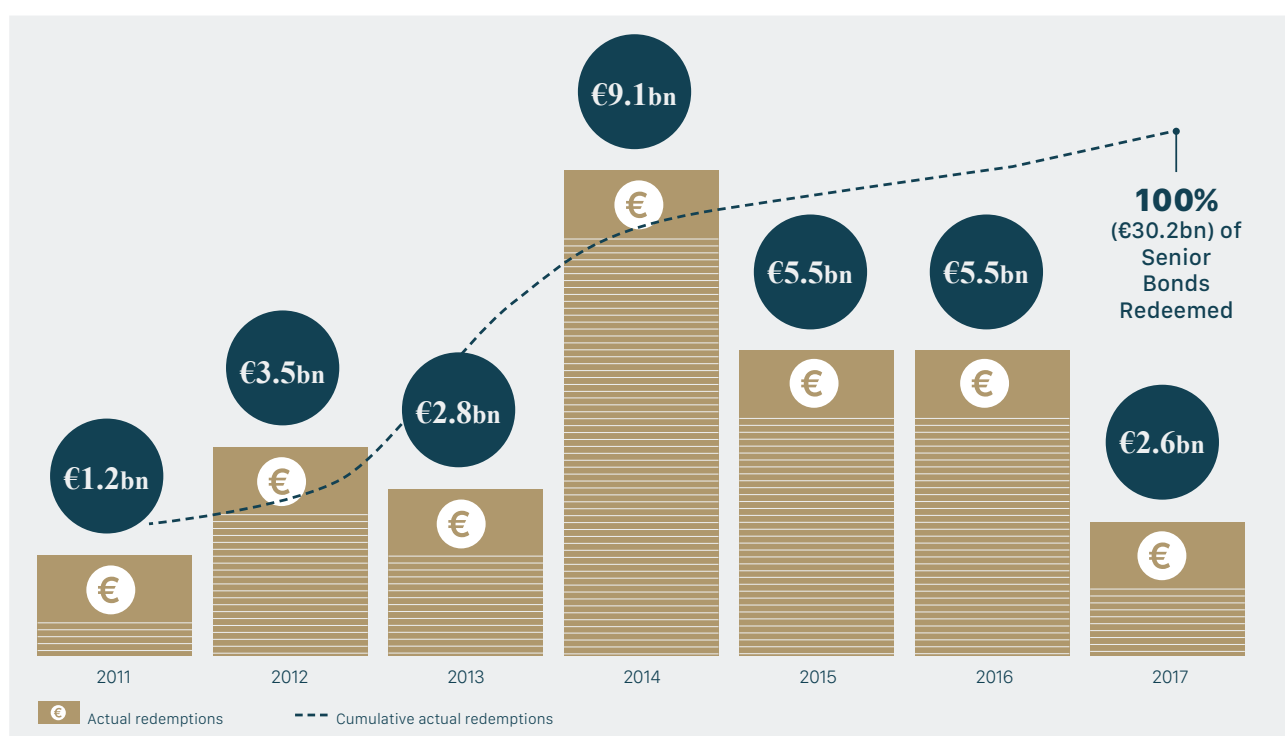
## Key Financial Indicators 2017



## Key Business Highlights

### SENIOR DEBT REDEMPTION

2017 was the year in which NAMA achieved its primary objective and eliminated a significant contingent liability of the Irish State. €30.2 billion in Government-guaranteed senior bonds, which were issued in 2010 and 2011 to acquire loans, has now been fully repaid. The final redemption was made three years ahead of schedule in October 2017.



## RESIDENTIAL DELIVERY

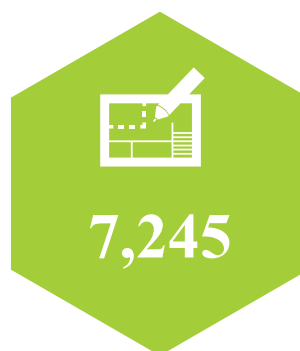
STATUS AS AT END-MARCH 2018



Since 2014, NAMA has funded the construction of 7,190 new residential units in Ireland on residential development land securing its loan portfolio.



An additional 3,637 units are under construction or have funding approved for construction on sites controlled by NAMA debtors and receivers.



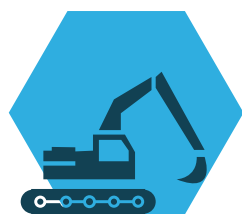
Planning permission has been granted for an additional 7,245 units.



Planning applications have been lodged or will be lodged within 12 months for an additional 8,000+ units.

## DUBLIN DOCKLANDS SDZ

STATUS AS AT END-MARCH 2018



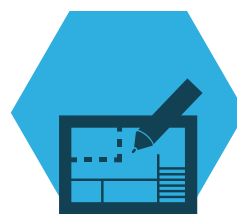
**Construction Commenced**  
**2.56m sq. ft.**

Construction has commenced on sites that will deliver 2.56m sq. ft. of commercial space (mainly Grade A offices) and some 600 apartments.



**Completion Pending**  
**1m sq. ft.**

Of the sites currently under construction, 1m sq. ft. of office space and 190 apartments are set for completion in 2018.



**Planning Permission**  
**400,000 sq. ft.**

Planning permission is in place for a further 400,000 sq. ft. of commercial space and some 780 apartments. Planning has been lodged for the remaining 464,000 sq. ft. of commercial space in which NAMA has an interest.

## SOCIAL HOUSING

STATUS AS AT END-MARCH 2018



**2,474**

2,474 social housing units have been delivered, providing homes for approximately 8,000 people.



**6,984**

NAMA has offered 6,984 residential properties for social housing purposes. Demand has been confirmed by local authorities for 2,717 of these properties.



**€350m+**

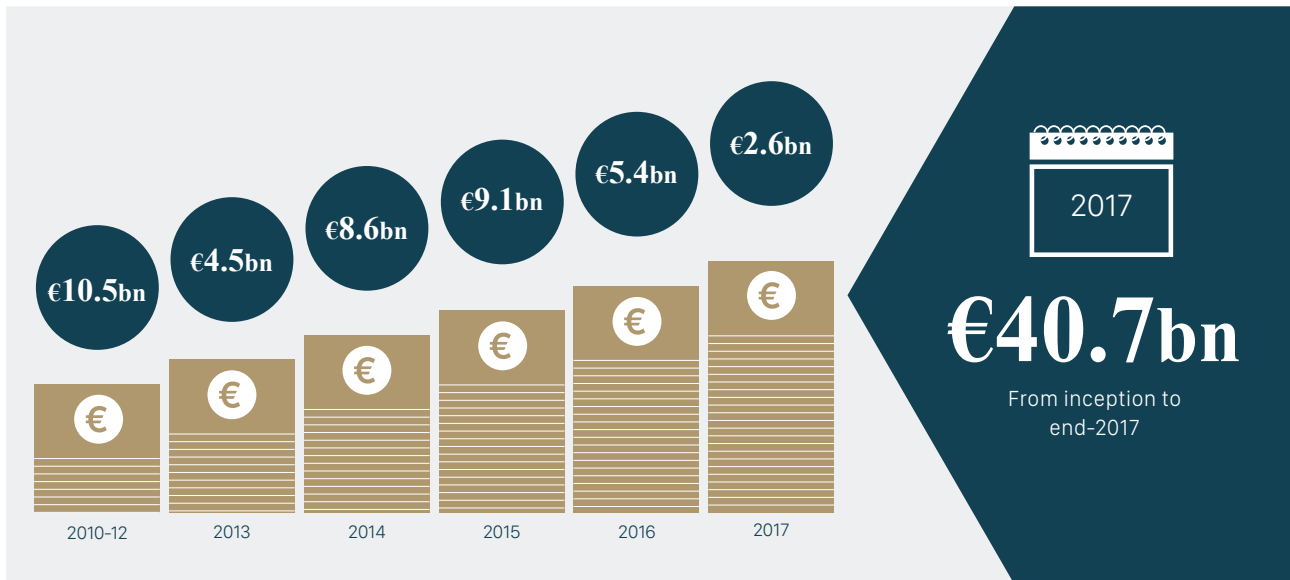
NAMA has invested or committed over €140m to remediate and complete properties for housing and invested over €210m to purchase houses and apartments through its special vehicle for acquiring social housing units, NARPS.

# Deleveraging Progress

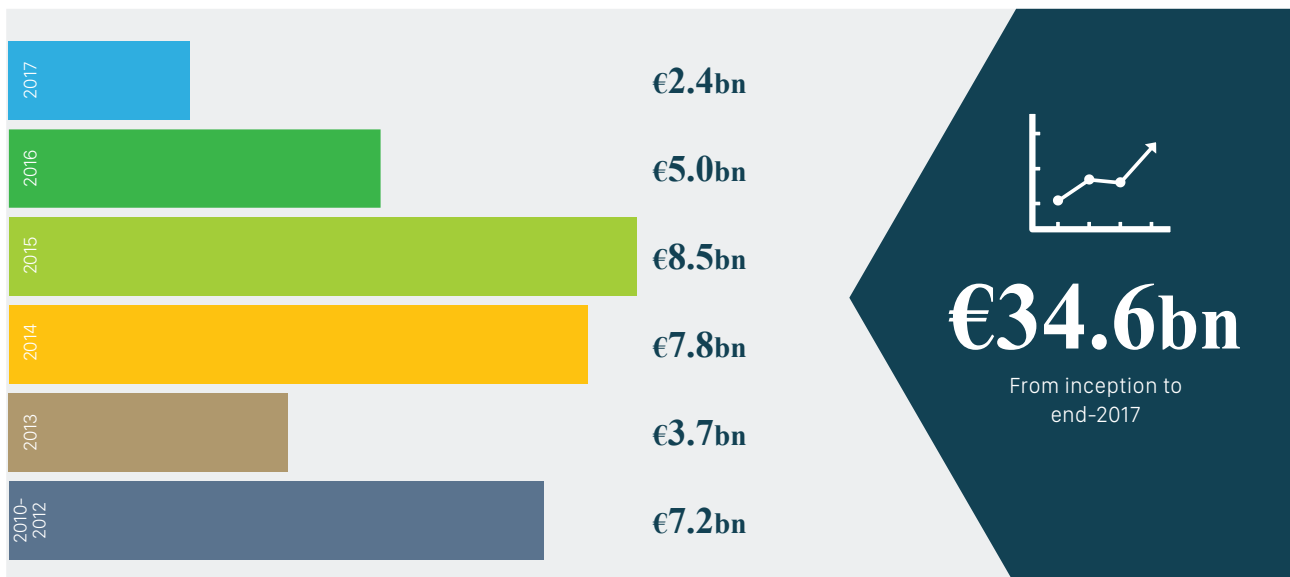
## DISPOSALS AND CASH GENERATION

Cash generation is a critical measure of the progress being made by NAMA in meeting its stated objectives. By end-2017, NAMA had generated a cumulative €40.7 billion in cash, principally through asset and loan sales.

### Cumulative Cash Generation



### NAMA Asset Disposals



# Residential Delivery

NAMA is working with its debtors and receivers to identify, where commercially feasible, opportunities to bring forward new residential development. In this respect, NAMA aims to facilitate the construction of up to 20,000 new residential units in Ireland by 2020, subject to commercial viability.

## NAMA'S FUNDING OF RESIDENTIAL DELIVERY TO END-MARCH 2018

Units	Total Ireland
✓ Completed (across 104 developments) since start 2014	7,190
✓ Under construction/Funding approved for construction (across 52 sites)	3,637
✓ Planning permission granted	7,245
✓ Planning applications lodged	2,177
✓ Planning applications to be lodged within 12 months	6,299
<b>🏠 An additional 2,000 residential units have been built to date on sites sold by NAMA debtors and receivers, many of which benefitted from NAMA funding in relation to planning.</b>	

## BREAKDOWN OF RESIDENTIAL UNITS DELIVERED BY LOCAL AUTHORITY AREA SINCE 2014

	Total Completed to end-March 2018
Dublin City Council	784
Dun Laoghaire-Rathdown County Council	1,721
Fingal County Council	1,236
South Dublin County Council	1,417
<b>Sub-Total Dublin</b>	<b>5,158</b>
Meath County Council	121
Kildare County Council	458
Wicklow County Council	283
<b>Total Greater Dublin Area (GDA) ex-Dublin</b>	<b>862</b>
Cork	698
Galway	192
Rest of Ireland	280
<b>Outside of GDA</b>	<b>1,170</b>
<b>TOTAL NATIONAL</b>	<b>7,190</b>

# Dublin Docklands SDZ

The Docklands SDZ planning scheme was approved by An Bord Pleanála in 2014. NAMA originally held an interest in 15 of the 20 SDZ blocks and it is estimated that in excess of 4m sq. ft. of commercial space and approximately 2,200 apartments will be delivered when these 15 sites are fully developed. By end-March 2018, construction had commenced on sites representing 75% of NAMA's current interests in the Dublin Docklands SDZ area.

## PROGRESS TO DATE

Status as at end-March 2018:



Planning has been secured for 3.6m sq. ft. of commercial space and 2,000 apartments in the SDZ area.



NAMA retains a current interest in 12 sites capable of delivering 3.5m sq. ft. of commercial space and 1,500 apartments.

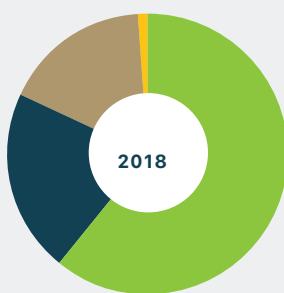
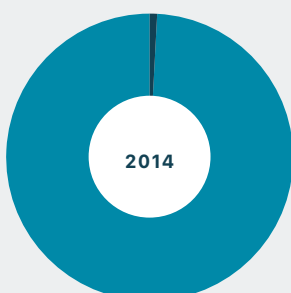


Construction has commenced to deliver 2.56m sq. ft. of office accommodation which is due for delivery in 2018, 2019 and 2020.



When complete, it is estimated that the Docklands project will accommodate in excess of 20,000 office workers and homes for over 5,000 people, regenerating and transforming this important part of Dublin.

## Status of Docklands Commercial Space



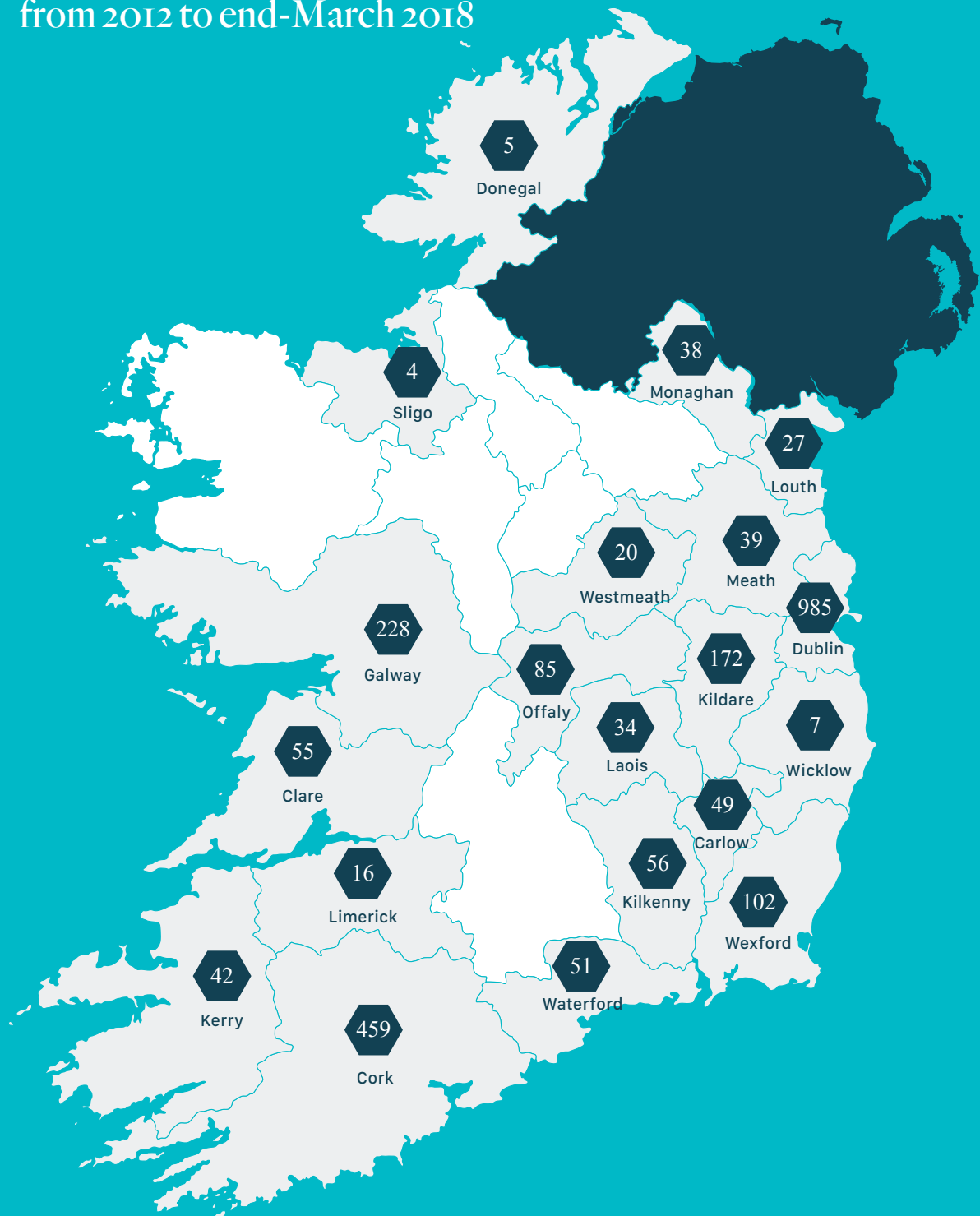
	END-2014	JUN-2018
Construction commenced		61%
Planning granted	1%	21%
Projects sold/sale agreed		17%
Projects completed		1%
Pre-planning	99%	0%

## Social and Economic Contribution

NAMA seeks to manage its portfolio in Ireland in a manner that complements the objectives of other public bodies including Government departments, State agencies and local authorities. This has been particularly evident in the area of social housing and in the resolution of unfinished housing estates.

### Social Housing Delivery

2,474 properties delivered for social housing  
from 2012 to end-March 2018



# NAMA – A Positive Impact on the Irish Economy



## Reducing Ireland's Debt Costs

Through the progress it made on the repayment of its €30.2 billion in senior debt, NAMA helped stabilise and reduce the funding cost of Ireland's debt. This was a material factor in decisions by credit rating agencies to upgrade Irish credit ratings.



## Reducing the State's Burden

NAMA is wholly self-financing and therefore not reliant on the Exchequer for its funding requirements. Where feasible and commercially sensible, NAMA has sought to attract private capital (through JVs and other partnership arrangements) in order to reduce credit risk to Irish taxpayers.



## Creating and Maintaining Employment

NAMA judiciously advances capital to preserve and enhance the value of secured assets. To date, NAMA has advanced funding of €3.8 billion to its debtors and receivers. This has protected jobs and created substantial employment in construction. Industry studies suggest that every €1 billion invested in construction creates 12,000 to 16,000 direct and indirect jobs.



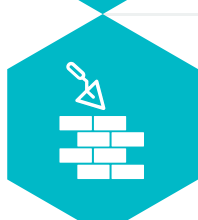
## Supporting Market Growth

NAMA releases assets for sale in a manner aimed at sustaining the strong performance of the Irish property market. NAMA also seeks to ensure an adequate supply of residential development land is available to the market and aims to maximise the number of residential sites that are ready for development.



## Safeguarding Homes

Over €100m has been invested by NAMA to remediate residential properties in its secured portfolio, including substantial fire safety works.



## Resolving Unfinished Housing Estates

NAMA has made significant progress in relation to the resolution of unfinished housing estates, reducing its exposure from 335 unfinished estates in 2010 to just six in March 2018. This major progress has been facilitated through NAMA funding of site resolution plans, and remedial and completion works, with an emphasis on health and safety.



## Driving Regeneration

NAMA brings coherence, direction and drive to developments that it facilitates and funds, most notably through its work in the Dublin Docklands SDZ and in a wide range of residential developments. NAMA also funds infrastructure works, as necessary, to facilitate commercial and residential development.



## Paying Tax

NAMA paid a total of €227m in tax on profits in 2016 and 2017.