Chairman’s Statement (Extract)

From the vantage point of 2017, we take particular pride in the fact that our senior debt will have been redeemed three years ahead of the 2020 target date originally envisaged. This is a major burden which has been taken off the heavily-indebted State. We have now entered the third phase of our work – our wind-down - which involves completing our remaining deleveraging activity and implementing our residential delivery and Dublin Docklands SDZ programmes by 2020.

Frank Daly | Chairman

Chief Executive Officer’s Statement (Extract)

Elimination of the State-guaranteed contingent liability for Irish taxpayers is a significant achievement in itself but the progress that was made in reducing it by two-thirds (€20 billion) between early 2014 and late 2016 also made a major contribution in terms of enabling Ireland to re-access the debt markets and in stabilising and reducing the funding cost of Ireland’s debt.

Brendan McDonagh | Chief Executive Officer

In 2016, NAMA generated €5.4bn in cash and a profit of €1.5bn.

At end-April 2017, NAMA’s senior debt stands at less than 2% of its original level of €30.2 billion.

NAMA’s terminal surplus has been revised and is projected to be up to €3 billion.
# Key Business Highlights

## Dublin Docklands SDZ

<table>
<thead>
<tr>
<th>Pre-Planning</th>
<th>Planning Permission</th>
<th>Construction Commenced</th>
<th>Construction Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>760,000 sq. ft.</td>
<td>756,000 sq. ft.</td>
<td>1.8m sq. ft.</td>
<td>47,500 sq. ft.</td>
</tr>
</tbody>
</table>

- Pre-planning work is underway on the remaining sites to deliver an estimated 760,000 sq. ft. of commercial space and some 860 residential units.
- Planning permission is in place for 756,000 sq. ft. of commercial development space and some 350 residential units across four sites.
- Construction has commenced on sites that will deliver 1.8m sq. ft. of commercial space (mainly Grade A offices) and some 230 apartments.
- Construction has completed on 47,500 sq. ft. of office space and the completed development has been let and sold.

## Sites Sold

**650,000 sq. ft.**

Sites with planning permission for 650,000 sq. ft. of commercial space and some 650 residential units were sold on the open market by NAMA receivers or investment partners after planning permission was received.

## Residential Delivery

- **4,840** Since 2014, NAMA has funded the construction of 4,840 new residential units in Ireland on residential development land securing its loan portfolio.
- **7,475** Planning permission has been granted for an additional 7,475 units.
- **2,064** As at end-March 2017 an additional 2,064 units were under construction by NAMA-funded developers and receivers. Funding had been approved for an additional 1,114 units which had planning granted, but were not yet under construction.
- **10,000+** Planning applications have been lodged or will be lodged within 12 months for an additional 10,000+ units.
Social Housing

- **6,941**
  By end-2016, NAMA had offered 6,941 residential properties for social housing purposes. Demand was confirmed by local authorities for 2,748 properties.

- **€300m+**
  NAMA has invested or committed over €107m to remediate and complete properties for housing and invested over €200m to purchase houses and apartments through its special vehicle for acquiring social housing units, NARPS.

- **2,378**
  2,378 homes were delivered for social housing by end-2016.

Key Financial Indicators 2016

- **2016 Profit**
  €1.5bn

- **2016 Senior Bond Redemptions**
  €5.5bn

- **Senior Bond Redemptions (98%)**
  €29.7bn
  Inception to end-April 2017

- **2016 Cash Generation**
  €5.4bn

- **2016 Disposal Receipts**
  €5.0bn
NAMA Market Highlights

Cash Generation
Due to its strong cash generation performance, NAMA remains on course to redeem all of its senior debt by end-2017 and subordinated debt by 2020. During 2016, NAMA generated €5.4 billion in cash.

NAMA Asset Disposals
Cash generation is a critical measure of the progress being made by NAMA in meeting its stated objectives. Of the €5.4 billion in cash generated in 2016, €5.0 billion was realised from the sale of loans, property and other assets.
Dublin Docklands SDZ

Achieving Strategic Objectives
Dublin Docklands SDZ – Progress as at end-Q1 2017

Pre-planning
760,000 sq.ft. Commercial
860 Residential Units

Planning submitted/granted
756,000 sq.ft. Commercial
350 Residential Units

Construction commenced
1.8m sq.ft. Commercial
230 Residential Units

Construction completed
47,500 sq.ft. Commercial

Sites sold
650,000 sq.ft. Commercial
650 Residential Units

10-12 Hanover Quay
Mayor St.
North Wall Quay
Waterways Ireland

Dublin Landings (Residential)
76 Sir John Rogerson’s Quay
Wintertide
Exo Building

Bolands Quay
Capital Dock
City Quay*
5 Hanover Quay (Commercial)
New Road
Dublin Landings (Commercial)

8 Hanover Quay

Spencer Dock
5 Hanover Quay (Residential)
Wintertide

* Outside Docklands SDZ area.

It is estimated that 4m sq. ft. of commercial space and in excess of 2,000 apartments could potentially be delivered if all 15 sites in which NAMA originally held an interest were to be fully delivered over the lifetime of the Dublin Docklands SDZ scheme. By end-2016, 82% of NAMA’s original interests in the Docklands SDZ were under construction, had received planning permission or had been sold with the benefit of planning permission.
Residential Delivery

NAMA aims to facilitate the completion of 20,000 new residential units, subject to commercial viability, 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. Between 2014 and end-March 2017, a total of 4,840 new residential units were completed on sites funded by NAMA.

NAMA’s funding of residential delivery to end-March 2017

<table>
<thead>
<tr>
<th>Units</th>
<th>Greater Dublin Area</th>
<th>Total Ireland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completed (across 83 developments) since start 2014</td>
<td>4,057</td>
<td>4,840</td>
</tr>
<tr>
<td>Under construction (across 45 sites)/Funding approved for construction</td>
<td>2,754</td>
<td>3,178</td>
</tr>
<tr>
<td>Planning permission granted</td>
<td>6,615</td>
<td>7,475</td>
</tr>
<tr>
<td>Planning applications lodged</td>
<td>2,301</td>
<td>3,608</td>
</tr>
<tr>
<td>Planning applications to be lodged within 12 months</td>
<td>5,605</td>
<td>6,905</td>
</tr>
</tbody>
</table>

Breakdown of residential units delivered by local authority area to end-March 2017

<table>
<thead>
<tr>
<th>Total Completed since 2014 to end-March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dublin City Council</td>
</tr>
<tr>
<td>Dun Laoghaire-Rathdown County Council</td>
</tr>
<tr>
<td>Fingal County Council</td>
</tr>
<tr>
<td>South Dublin County Council</td>
</tr>
<tr>
<td><strong>Sub-Total Dublin</strong></td>
</tr>
<tr>
<td>Meath County Council</td>
</tr>
<tr>
<td>Kildare County Council</td>
</tr>
<tr>
<td>Wicklow County Council</td>
</tr>
<tr>
<td><strong>Total Greater Dublin Area (GDA)</strong></td>
</tr>
<tr>
<td>Cork</td>
</tr>
<tr>
<td>Galway</td>
</tr>
<tr>
<td>Rest of Ireland</td>
</tr>
<tr>
<td><strong>Outside of GDA</strong></td>
</tr>
<tr>
<td><strong>TOTAL NATIONAL</strong></td>
</tr>
</tbody>
</table>

Potential delivery capacity of sites which NAMA or its debtors/receivers sold from 2011 to date

Since 2011, NAMA debtors and receivers have sold sites with the potential to deliver over 50,000 residential units. It is estimated that some 1,116 units have been delivered to date on these sites and that an additional 2,104 units are under construction. The total of 3,220 units delivered or under construction on these sites represents 6% of the sites’ delivery capacity.
Social and Economic Contribution

Social Housing
2,378 properties delivered for social housing by end-2016
Breakdown by local authority area
NAMA advances funding for site resolution works on unfinished housing estates in which it has an interest as a secured lender. In 2010 NAMA had exposure to 332 unfinished housing estates. By end-2016 that figure had reduced to 25 and by end-March 2017, NAMA’s exposure had reduced further to just 11 unfinished housing estates. It is expected that these remaining housing estates will be resolved by end-2017.