

Asset Folio Instrumental To Grupo Insur's 23.2% Increase In Sales For 2015

12/01/2016

Spanish Real Estate News



The economic recovery is boosting the results of Inmobiliaria del Sur (Grupo Insur). The company led by Ricardo Pumar recorded a net profit of €1.2 million during the first nine-months of the year, compared with a loss of €522,000 in the same period last year. Moreover, the company's turnover recorded double-digit growth, to reach €30.8 million, which-represented an increase of 23.2%, according to a statement filed with Spain's National Securities Market Commission (CNMV) on Friday.

The company's EBITDA amounted to €7.91 million during the first nine months of the year, which represented an increase of 23.8% with respect to the same period last year.

The business growth is being driven by the recovery of the property development business line, whose turnover increased by 39.5% to amount to €21.3 million. Moreover, the-group has an accumulated pipeline in the form of contracts and upcoming projects amounting to €61.9 million, i.e. 23% more than at the end of Q3 2014, which are not included in-turnover. Of that amount, €25.1 million relates to developments that are expected to be completed before the end of the year, which will therefore be included in the total-turnover figure for 2015. For the company, these figures “demonstrate the strong increase in commercial activity in this business segment, whose recovery began during the first-quarter of 2014.

In the asset management business line, turnover amounted to €8.6 million, down by 1.75% compared with 2014. Meanwhile, turnover from the construction and management-business line decreased by 12.8% to reach €811,000.

According to the company, the proceeds obtained do not reflect a “strong recovery” in its commercial activity, given that the long maturity period of its projects in the real estate-development segment mean that the “substantial” improvement in the level of commercial sales “is not immediately reflected in the income statement”.

The Board of Directors recently approved the Strategic Plan for the period 2016–2020. During the first three quarters of 2015, the group has continued to invest in new plots of-land, as part of its strategy to re-launch its development activity, with the injection of €37 million through subsidiaries in which it holds a 50% stake.

Finally, as part of its strategy to undertake some of its activity in the property development segment through joint businesses, the company has created two new subsidiaries, in-which it holds 50% stakes, to construct two major residential projects, with an investment of more than €17 million.

Asset Folio have had great success with their partnership with Grupo Insur and coming off a succesful launch in Q/4 of phase II Townhouses in Puerto Banus are now looking forward to 2016 and continued success.-

-

Ref-Diario de Sevilla