Investor Presentation
9M 2016

November 11th, 2016

AEDES SIIQ
COMMERCIAL PROPERTIES

DISCLAIMER

This document has been prepared by AEDES SIIQ S.p.A. (the 'Company') solely for the purposes of this presentation. This document may not be reproduced or distributed in whole or in part by any other person with any way than the Company. The Company takes no responsibility for the use of this document by any person and for any purposes. The information contained in this document has not been subject to independent verification and no representation, warranty or undertaking, express or implied, is made as to the accuracy, completeness or correctness of the information or opinions contained herein. This presentation may contain forwards-looking information and statements about the Company. Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding plans, performance. In any case, investors and holders of the Company are cautioned that forward-looking information and statements are subject to various risk and uncertainties many of which are difficult to predict and subject to an independent evaluation by the Company; that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking statements. No representation, warranty or undertaking is made by the Company in order to the implementation of these forward – looking statements. These risks and uncertainties include, but are not limited to, those contained in this presentation. Except as required by applicable law, the Company does not undertake any obligation to update any forward-looking information or statements. Neither the Company, its shareholders, its advisors or representatives nor any other person shall have any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection with this document. This document does not constitute an offer to sell or an invitation or solicitation of an offer to subscribe for or purchase any securities, and this shall not form the basis for or be used for any such offer or invitation or other contract or engagement in any jurisdiction. Under all circumstances the user of this document shall solely remain responsible for his/her own assumptions, analyses and conclusions.

INDEX

- Corporate Overview
- Business Model & BP Headlines
- NNNAV 1H2016
- Real Estate Portfolio 1H2016
- Financial Results 9M2016
- Investment Opportunities
- Achievements 9M2016

Corporate Overview

COMPANY OVERVIEW

The Aedes REIT strategy aims to create and maintain a real estate portfolio with mainly commercial destination, that generates recurrent cash flow consistent with REIT model.

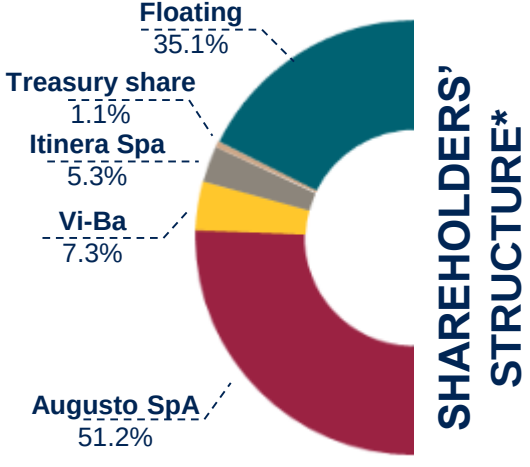
Highly experienced Management

Chairman
C. A. Puri Negri

CEO
G. Roveda

CFO
G. Cerminara

A team of ~ 50 skilled people



*Updated to June 30th,2016

HIGHLIGHTS

	1H2016
GAV Consolidated (€mln)	387.7
GAV pro-quota* (€mln)	485.1
Gross Yield**	8%
LTV (loan to value)	43.2%
Average cost of debt	2.66%
NNNAV (€mln)	294.1
NNNAV per share (€)	0.93

	1H2016	9M 2016
Net Financial Position (€mln)	(146.7)	(149.5)
NFP/Equity	50.3%	50.4%

Share Price (€) Nov. 9th,2016	0.355
Discount on NNNAV 1H2016	61.8%
Market Cap (€mln) Nov. 9th,2016	113.5

*Including the portion attributable to property held by associates and unconsolidated real estate funds

**on Rented Asset

Business Model
&
BP Headlines

BUSINESS MODEL

DEVELOPMENT FOR RENT

- New generation of shopping and leisure centers
- ERV ~ double digit

ACQUISITION OF NEW RENTED ASSETS

- Retail, Offices & Other
- Average Yield 7%
- ERV 7.5%

CASH FLOW FOR FINANCING PORTFOLIO

ASSET TO BE SOLD

RENTED PORTFOLIO

REITS' FEATURES

~ 80% Revenues from rented portfolio

Net Income from Rented Portfolio

- 70% Dividends
- 30% Invested

GUIDANCE 2016 AND HEADLINES 2017-2021

GUIDANCE 2016

- Economic steadiness
- Rental income on an annual basis €18mln
- Gross Yield above 8%
- LTV between 45-50%

HEADLINES 2017-2021

- Positive FFO (funds from operation)
- Return to dividend distribution from 2018
- Portfolio GAV in 2021 €1bln
- LTV equal to about 50%
- Occupancy rate of 95%

ACTUAL FIGURES TOWARDS BUSINESS MODEL 2017-2021

LOAN TO VALUE

45-50% → **Target 50%**

OCCUPANCY RATE

85%* → **Target 95%**

- **RENTED ASSETS** 54.1% → Target ~ 90%
- **DEVELOPMENT FOR RENT** 27.4% → Target ~ 10%
- **ASSET TO BE SOLD** 18.5% → Target 0%

*Including the portion attributable to property held by associates and unconsolidated real estate funds

NNNAV 1H2016

NNNAV 1H 2016

(€/mln)	Accounting Method	Book value	Market value	Capital gain
Rented assets	IAS 40 – Fair Value	224.65	224.65	
Development for Rent	IAS 40 – Book Value	104.70	104.84	0.14
To Be Sold	IAS 2	56.93	58.23	1.31
Total Consolidated Group		**386.27**	**387.72**	**1.45**
Pro quota Assets in funds and JVs	IAS 40 – Fair Value	57.06	57.06	
Pro quota Development for Rent in funds and JVs	IAS 40 – Book Value	22.31	28.21	5.90
Pro quota in To Be Sold in funds and JVs	IAS 2	32.40	34.92	2.51
Total Funds and JVs		**111.77**	**120.18**	**8.41**
Total		**498.04**	**507.90**	**9.86**
Minority interest				
Equity of Group at Book value				285.40
Tax Charge				(1.22)
NNNAV				**294.05**
NNNAV Per share (€)				**0.93**

CB Richard Ellis is the primary independent expert that estimates the Aedes' real estate portfolio since June 30th, 2016.

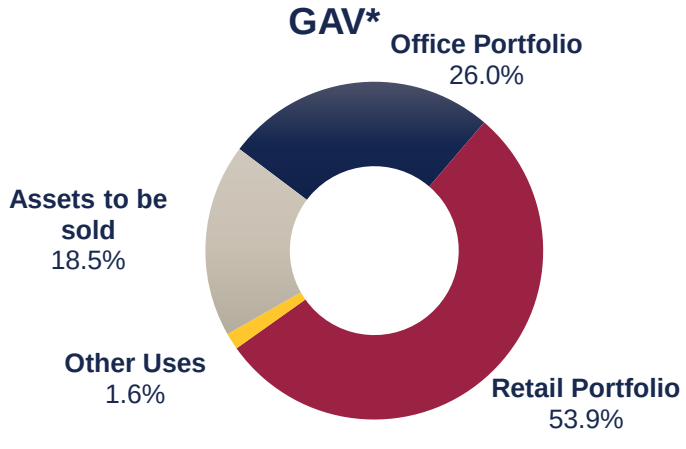
It is recalled that the capital increase to be carried out in the 2015-2020 through warrant is approximately € 20 million. They are still in circulation n. 86,954,220 warrants, of a total of 86,956,536, which give their holders the right to subscribe 1 share Aedes REIT., at a unit price of € 0.69, every 3 warrants held. The NNNAV per share fully diluted basis, taking into account the effects of the increase in share capital of the Warrants 2014-2019 would amount to € 0.90.

Real Estate Portfolio 1H2016

GAV PORTFOLIO BY USE – 1H2016

€/000	Consolidated Pro quota	Not consolidated Funds & JV	Total pro quota Portfolio	GLA sqm	Building permits sqm	Passing Yield %	ERV %	LTV Ratio
Retail Rented	76,860	52,307	129,167	109,928		7.9%	8.3%	46.2%
Retail Development for Rent	104,159	28,206	132,365	4,469	253,750			20.3%
Total Retail Portfolio	**181,019**	**80,513**	**261,532**	**114,397**	**253,750**			**33.1%**
Office Rented	124,465	1,022	125,487	68,437		8.1%	8.7%	48.5%
Office Development for Rent	680		680		32,000			0.0%
Total Office Portfolio	**125,145**	**1,022**	**126,167**	**68,437**	**32,000**			**48.3%**
Total Other Uses Portfolio	**4,070**	**3,730**	**7,800**	**8,363**		5.1%	5.8%	**52.2%**
SUB TOTAL PORTFOLIO RENTED/FOR RENT	**310,234**	**85,265**	**395,499**	**191,197**	**285,750**			**38.3%**
Assets to be sold	40,906	14,711	55,617					50.4%
Lands to be sold	13,800	20,205	34,005					70.0%
SUB TOTAL PORTFOLIO TO BE SOLD	**54,706**	**34,916**	**89,622**					**57.8%**
TOTAL PORTFOLIO	**364,940**	**120,181**	**485,121**					**41.9%**

Minorities	
Petrarca Fund (35%)	20,391
Praga France Sarl (25%)	2,391
TOTAL CONSOLIDATED PORTFOLIO	**387,722**

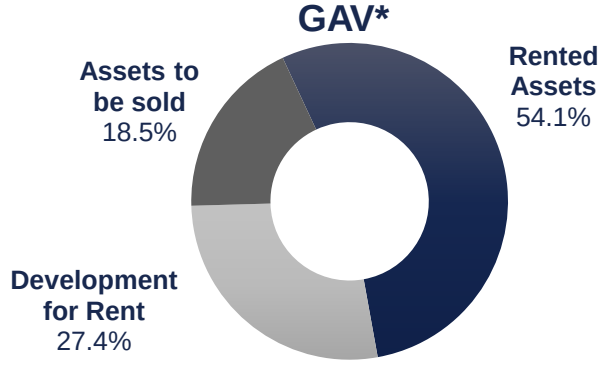


*Including the portion attributable to property held by associates and unconsolidated real estate funds

GAV PORTFOLIO BY TYPE – 1H2016

€/000	Consolidated Pro quota	Not consolidated Funds & JV	Total pro quota Portfolio	GLA sqm	Building permits sqm	Passing Yield %	ERV %	LTV Ratio
Retail	76,860	52,307	129,167	109,928		7.9%	8.3%	46.2%
Office	124,465	1,022	125,487	68,437		8.1%	8.7%	48.5%
Other uses	4,070	3,730	7,800	8,363		5.1%	5.8%	52.2%
Rented Assets	**205,395**	**57,059**	**262,454**	**186,727**				**47.5%**
Retail Development for Rent	104,159	28,206	132,365	4,469	253,750			20.3%
Office Development for Rent	680		680		32,000			0.0%
Development for Rent	**104,839**	**28,206**	**133,045**	**4,469**	**285,750**			**20.2%**
SUB TOTAL PORTFOLIO RENTED/FOR RENT	**310,234**	**85,265**	**395,499**	**191,197**	**285,750**			**38.3%**
Assets to be sold	40,906	14,711	55,617					50.4%
Lands to be sold	13,800	20,205	34,005					70.0%
SUB TOTAL PORTFOLIO TO BE SOLD	**54,706**	**34,916**	**89,622**					**57.8%**
TOTAL PORTFOLIO	**364,940**	**120,181**	**485,121**					**41.9%**

Minorities	
Petrarca Fund (35%)	20,391
Praga France Sarl (25%)	2,391
TOTAL CONSOLIDATED PORTFOLIO	**387,722**

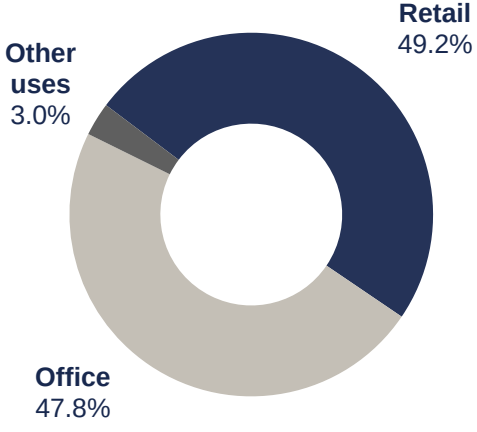


*Including the portion attributable to property held by associates and unconsolidated real estate funds

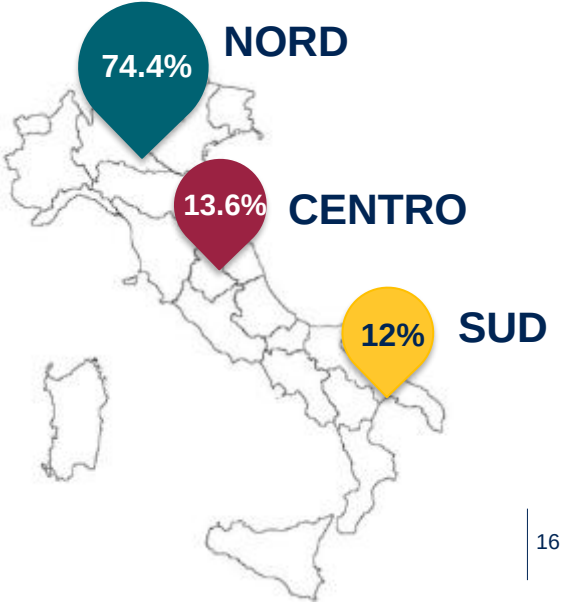
AEDES SIIQ COMMERCIAL PROPERTIES

RENTED ASSETS – 1H2016

€/000	Consolidated Per share	Not consolidated Funds & JV	Total per share Portfolio	GLA sqm	Passing Yield %	ERV %	LTV Ratio
Retail	76,860	52,307	129,167	109,928	7.9%	8.3%	46.2%
Office	124,465	1,022	125,487	68,437	8.1%	8.7%	48.5%
Other uses	4,070	3,730	7,800	8,363	5.1%	5.8%	52.2%
Rented Assets	**205,395**	**57,059**	**262,454**	**186,727**			**47.5%**



GLA BUILDING GEOGRAPHIC BREAKDOWN



RENTED ASSETS

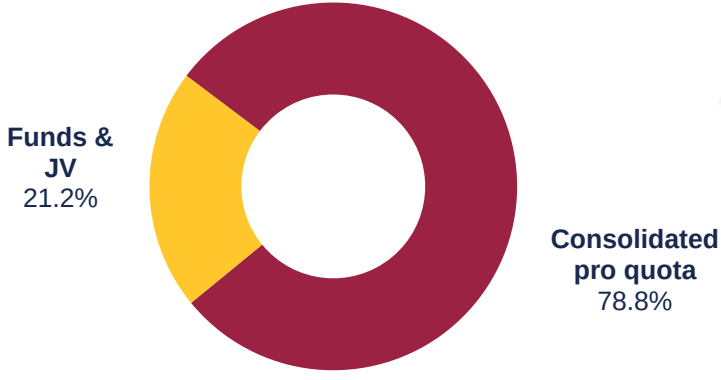
- Location: Milano, Via Agnello
- Total GLA: 4,406 sqm
- Fair Value June 30th,2016: € 40.2 mln

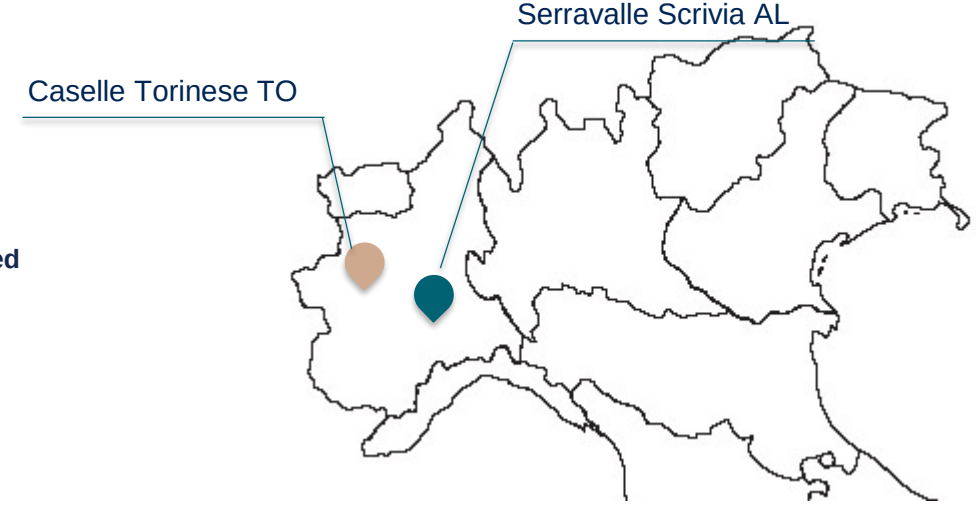
- Location: Catania, via Etnea
- Total GLA: 7,935 sqm
- Fair Value June 30th,2016 : € 18.6 mln

- Location: Roma, Via Veneziani
- Total GLA: 16,292 sqm
- Fair Value June 30th,2016 : € 26.0 mln

DEVELOPMENT FOR RENT ASSETS

€/000	Consolidated Per share	Not consolidated Funds & JV	Total per share Portfolio	GLA sqm	Building permits sqm	LTV Ratio
Retail	104,159	28,206	132,365	4,469	253,750	20.3%
Office	680		680		32,000	0.0%
Development for Rent	**104,839**	**28,206**	**133,045**	**4,469**	**285,750**	**20.2%**





SERRAVALLE OUTLET VILLAGE PHASE 6 – Open on November 10th, 2016

- Joint Venture with TH Real Estate Fund (49.9%)
- Total GLA: 8,748 sqm
- Fair Value June 30th,2016 : €28.2 mln*

SERRAVALLE OUTLET VILLAGE PHASE 7

- It's an extension of Serravalle outlet village phase 6
- Total GLA: 5,187 sqm
- Fair Value June 30th,2016 : €7.5 mln

AEDES SIIQ COMMERCIAL PROPERTIES

**Fair Value referred to 50.1%*

DEVELOPMENT FOR RENT ASSETS - SERRAVALLE RETAIL PARK 3/5

SERRAVALLE RETAIL PARK

- Total GLA: 19,035 sqm
- Fair Value June 30th,2016 : €12.2 mln

ROERO PHASE C

- Extension of Roero Center - Phase B (Rented portfolio)
- Total GLA : 6,400 sqm
- Fair Value June 30th,2016 : €1.7 mln

Roero Center - Phase C

Roero Center - Phase B (Rented Portfolio)

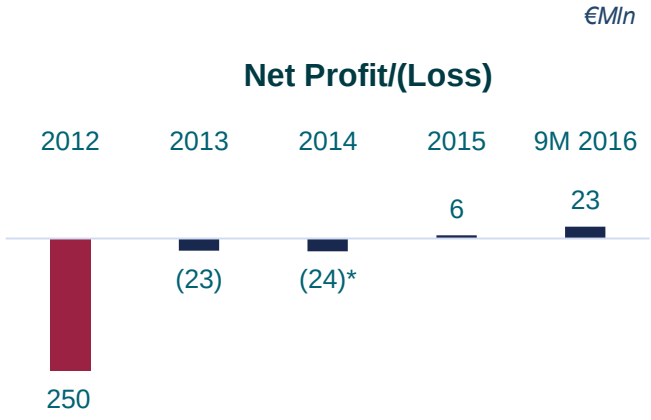
CASELLE DESIGNER VILLAGE

- It’s a shopping and leisure center project close to Turin Airport
- Total GLA : 153,000 sqm
- Fair Value June 30th,2016 : €61.5 mln

Financial Results 9M2016

INCOME STATEMENT 9M2016

€/000	3Q 2016	3Q 2015	9M 2016	9M 2015
Net rental income	4,640	1,487	11,641	4,721
Net service revenues	740	764	2,272	2,489
Other income	1,313	351	3,529	5,962
Total revenues	***6,693***	***2,602***	***17,442***	***13,172***
Total Costs	*(5,260)*	*(4,016)*	*(16,579)*	*(12,736)*
EBITDA	**1,433**	**(1,414)**	**863**	**436**
EBIT (with no recurring cost)	**5,237**	**2,194**	**24,542**	**3,944**
EBT	**4,535**	**1,663**	**21,429**	**1,401**
Taxes	n.a.	n.a.	n.a.	n.a.
Profit/Loss for discontinued operations	**1,044**	**793**	**1,364**	**1,603**
Net income/(loss)	**5,579**	**2,456**	**22,793**	**3,004**
Net profit pertaining to minority shareholders	40	192	45	556
Net profit of the Group	**5,539**	**2,264**	**22,748**	**2,448**



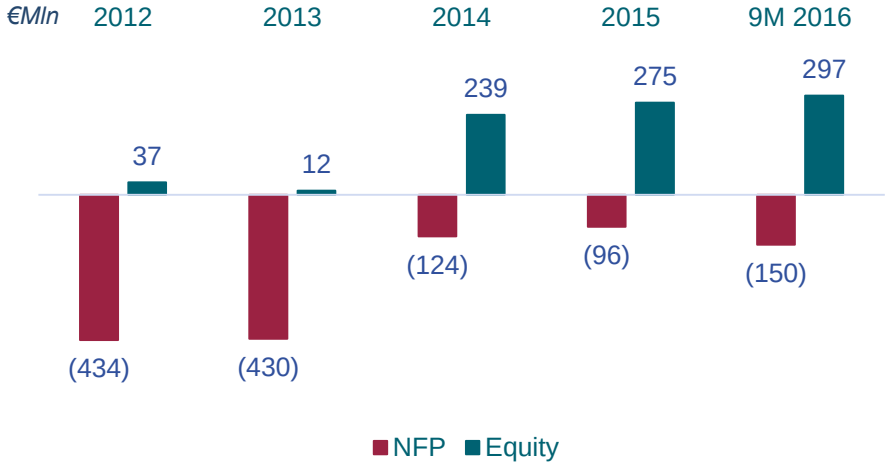
**excluding €74 million of Income from financial restructuring*

Total revenues amounted to **€ 6.7 million** versus € 2.6 million in the third quarter of 2015 showing an increase of € 4.1 million. Within this item, grow significantly, **revenues from rents** amounted **to € 4.6 million** compared to € 1.5 million, thus registering an increase of € 3.1 million, thanks to real estate purchases made by the end of 2015 onwards. The third-quarter **EBITDA** was **€ 1.4 million**, compared to a negative EBITDA of € 1.4 million in the third quarter of 2015, posting an increase of € 2.8 million.

The first nine months of 2016 closed with a **profit attributable to the group of € 22.7 million**, compared with a profit of € 2.4 million in the same period of 2015, reporting an increase of € 20.3 million, thanks in particular the effects of purchases of new rented portfolios, in line with the REIT model.

BALANCE SHEET 9M2016

€/000	9M 2016	2015
Fixed assets	388,922	326,325
Net working capital	68,776	55,498
Capital employed	**457,698**	**381,823**
Other non recurrent assets/liabilities	11,703	10,554
Equity	296,535	275,320
Net Debt	149,460	95,949
Total sources	**457,698**	**381,823**



Invested capital at 30 September 2016 amounted to **€ 457.7 million** versus € 381.8 million at the end of 2015.

The fixed capital amounted to **€ 388.9 million** (€ 326.3 million at the end of 2015). This item is recorded:

- Investment property and other assets of € 334.2 compared to € 269.9 million, an increase of € 64.3 million attributable to the acquisition portfolios during the period;
- Capital invested in associated companies and joint ventures for € 54.6 million, other financial assets for € 0.1 million and intangible assets essentially nil.

Net working capital, amounted to **€ 68.8 million** (€ 55.5 million at the end of 2015) and consists of:

- Inventories of € 57.7 million;
- Trade receivables and other receivables for € 36.7 million;
- Trade and other payables of € 25.6 million.

The consolidated shareholders' equity amounted to **€ 296.5 million** versus € 275.3 million at 31st December 2015, with an increase of € 21.2 million mainly due to the result for the period.

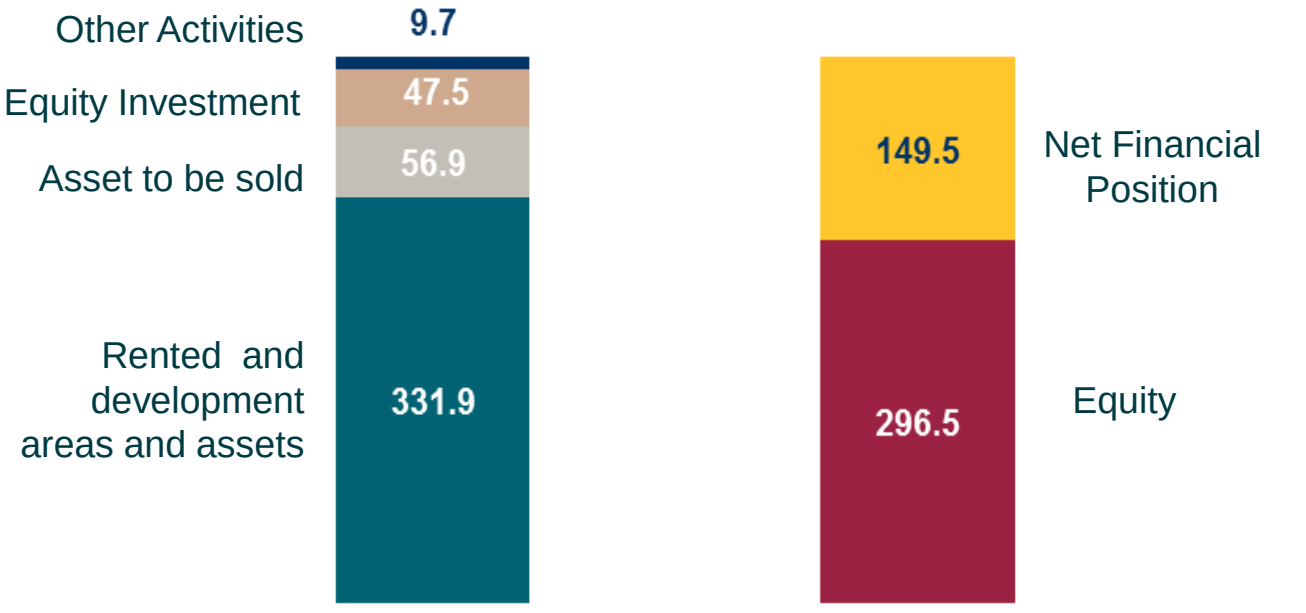
The net financial position was negative by **€ 149.5 million**, compared to negative € 95.9 million at December 31st, 2015. The increase of € 53.6 million is mainly related to the acquisitions of properties during the period.

BALANCE SHEET 9M2016

TOTAL ASSETS
446 mln

EQUITY AND NFP
446 mln

€ mln



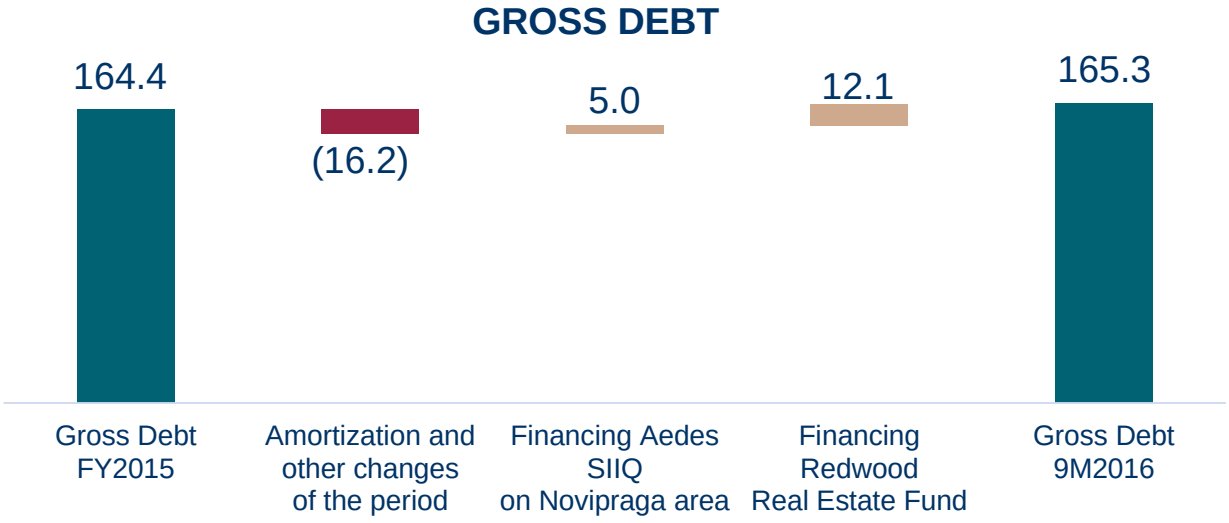
Yield
8%

Rev. Potential Yield
10.1%

Gearing Ratio
57.5%

GROSS DEBT EVOLUTION 9M2016

€Mln



LTV

43.2%

NFP/Equity

50.4%

DURATION

2.79 years

FLOATING VS. FIXED

69.7% vs 30.3%

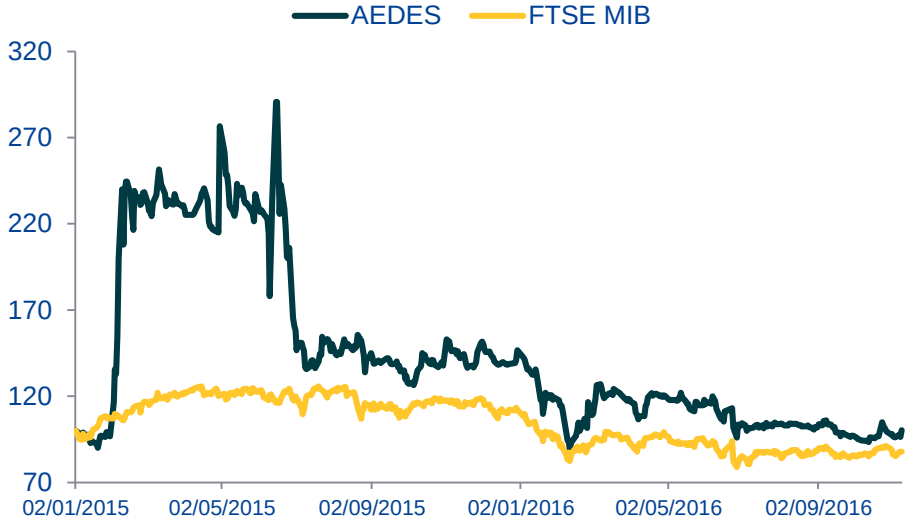
AVERAGE INTEREST RATE

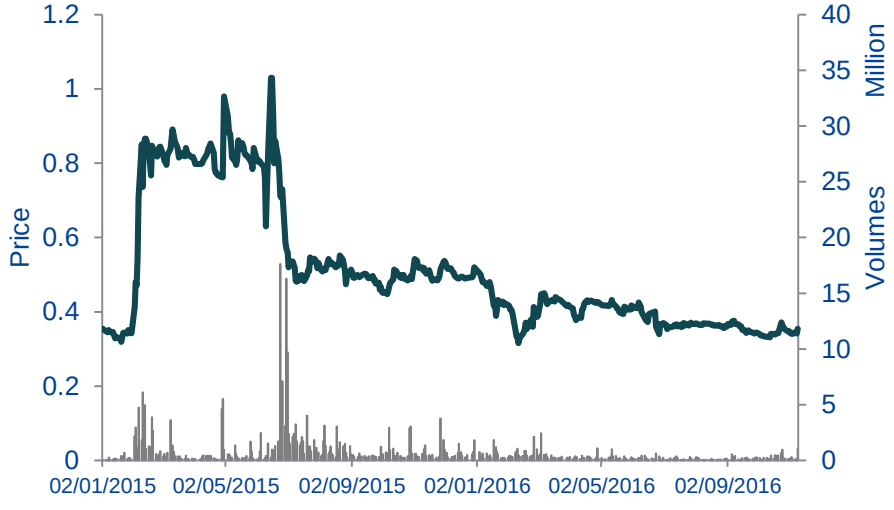
2.6%

AEDES SHARE TREND

Market Segment	MTA
Ticker	AE
Specialist	Intermonte SIM S.p.A.
Auditing Company	Deloitte & Touche S.p.A.

	November 9th, 2016
Market Cap (€Mln)	*113.53*
N° of share	*319,803,191*
Share price (€)	*0.355*
NNNAV per share 1H2016 (€)	*0.93*
Discount on NNNAV 1H2016	61.8%





Investment Opportunities

INVESTMENT OPPORTUNITIES

- Experienced management with strong track record and delivering results
- A complementary opportunistic approach on retail and office investments
- Upside potential from acquisition done at attractive capital values with potential for revaluation
- Upside from value added approach including repositioning and selectively development to create unique leisure shopping centres
- Italian real estate market recover
- Benefits of being Reits
- High discount NNNAV vs. share price

Achievements 9M2016

ACHIEVEMENTS 9M 2016

January 1st, 2016 – Aedes - following to the tax regime for property companies - is transformed into REIT changing its name to Aedes SIIQ S.p.A.

March 15th, 2016 – finalized the acquisition of 70% the Redwood Real Estate Fund that owns 18 retail properties was purchased for €16.4 million;

March 23rd, 2016 – signed the acquisition of financial credits guaranteed by a pledge on the remaining 30% of the Redwood Real Estate Fund for €13.6 million.

The total portfolio has a rental income of €3.6 million

May 11st, 2016 – signed a contract for the sale in Sator Immobiliare SGR S.p.A. of all shares held in the share capital of Aedes Real Estate SGR

June 27th, 2016 – signed with GE Capital Corporation a definitive agreement for the purchase of a property located in Rome at a price of €12.5 million, with a rental income of €3.6 million

ACHIEVEMENTS 9M 2016

June 28th, 2016 – Posted the merger document of Pragatre SIINQ (wholly owned subsidiary) in Aedes REIT with the aim to ensure the Group increased efficiency structure from an economic, managerial and financial point of view.

August 1st, 2016 – Aedes acquired the remaining 5% of the share capital Aedes Real Estate SGR, holding thus the total share capital, which it had undertaken, by contract, to sell to Sator Immobiliare SGR.

September 28th, 2016 – the board of director has approved the strategic guideline 2017-2021

November 3rd, 2016 – opening of Serravalle Outlet Village Phase 6 and November 10th was officially inaugurated.

Always in Serravalle Scrivia, were started the works prodromic work to develop of Phase C of Serravalle Retail Park, which is expected to open in the spring of 2018.

GLOSSARY

- **ERV (Estimated Rental Value)** - It is the estimated rental value at market prices.
- **GAV (Gross Asset Value)** - Total real estate asset value calculated at current market values.
- **Gearing Ratio** - It is a measure of financial leverage, demonstrating the degree to which a firm's activities are funded by owner's funds versus creditor's funds. It is the ratio between the debt and the equity.
- **NNNAV (Triple Net Asset Value)** - NAV net of m-t-m on derivative instruments (included in equity) and latent tax effect on assets and investments owned.
- **Yield -** It is the ratio of the gross rental income and the real estate assets calculated at current market values. It is an index of profitability of real estate assets.
- **Reversionary Potential Yield -** Relationship between the ERV and the market value of the property. It is an indicator that shows the potential profitability of a property if it were fully leased at market rents.

CONTACT

CFO

Gabriele Cerminara

Aedes Siiq S.p.A.

Via Morimondo 26 - Milano

Tel. +39 02 62439253

g.cerminara@aedes-siiq.com

IR Consultant

Silvia di Rosa

CDR Communication S.r.l.

Viale Andrea Doria 15 - Milano

Tel. +39 335 7864209

silvia.dirosa@cdr-communication.it

www.aedes-siiq.com

https://twitter.com/aedes_siiq

https://www.facebook.com/aedessiiq/

https://www.linkedin.com/company/aedes