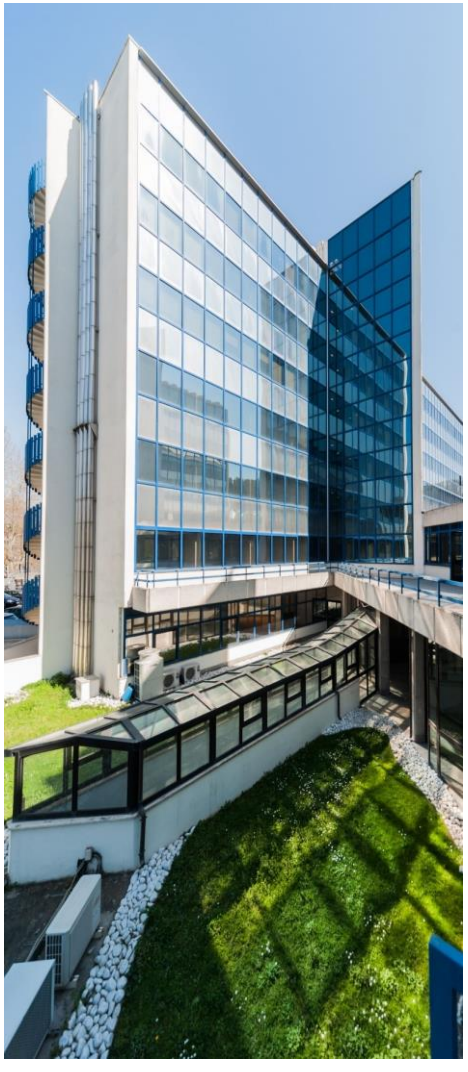
AEDES SIIQ
COMMERCIAL PROPERTIES

Investor Presentation
1Q 2018

May 9, 2018



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Financial Results
1Q 2018

INCOME STATEMENT 1Q 2018

€/000	1Q2018	1Q2017
Gross revenue from rents	4,242	4,214
Margin on property sales	66	59
Margin on sales of non-property inventories	149	172
Margin on sales of shareholdings	0	0
Other revenues	(110)	78
Total Revenues	**4,347**	**4,523**
Total External Direct Costs	**(1,945)**	**(1,322)**
Net Operating Income	**2,402**	**3,201**
Direct personnel costs	(689)	(567)
Direct Internal capitalised costs on real estate	500	175
Total Internal Direct Costs	**(189)**	**(392)**
Cost of head office staff	(686)	(690)
Advisory services to Structure	(672)	(840)
G&A	(936)	(1,404)
Total Overheads	**(2,294)**	**(2,934)**
EBITDA	**(81)**	**(125)**
Adjustment to fair value of real estate investments	0	3,519
Amortisation, depreciation provisions and impairment	(714)	(161)
Income/(expenses) from associates	559	167
EBIT (Operating Result)	**(236)**	**3,400**
Financial income/(charges)	(2,105)	(777)
EBT (Result before taxes)	**(2,341)**	**2,623**
Taxes/Tax charges	0	0
Profit/(loss) from continuing operations	**(2,341)**	**2,623**
Profit/(loss) after taxes on non-current assets to be divested	0	(418)
Profit (Loss)	**(2,341)**	**2,205**
Share of result of the minority shareholders	(16)	38
Group's share of the result	**(2,325)**	**2,167**

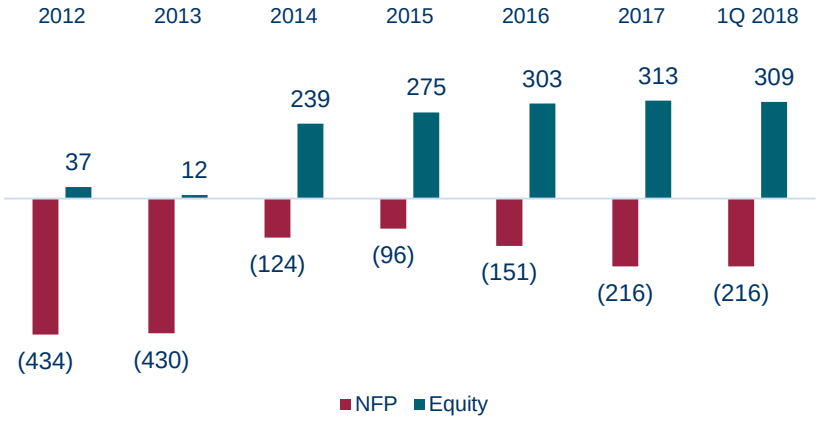
Total revenues amounted to € 4.3 million, compared to € 4.5 million in the corresponding period of 2017. In line with the property company model and adherence to the tax regime reserved for REITs, the weight of **rental revenues** increases, which stands at 98% of total revenues compared to 93% in the same period of the previous year and amounted to € 4.2 million, in line with the first quarter of 2017. The performance of this item is mainly due to € 0.9 million to the greater revenues deriving from the retail park in Serravalle Scrivia (acquired in May 2017), offset by € 0.4 million from lower revenues on a wholly-owned property in Milan (vacant as of May 2017 and being restructured for subsequent rentals) and for € 0.2 million from lower revenues recorded on the Trezzano property being refurbished with new tenants.

During the first quarter of 2018 there were no **adjustments to the fair value of property investments**, since no elements that determined the need to update the appraisals emerged. In the first quarter of 2017, this item was positive for € 3.5 million and was related to the adjustment to fair value of the development area of Caselle subject to the Urban Planning Convention, signed by the subsidiary Satac SIINQ S.p.A. with the Municipality of Caselle.

BALANCE SHEET FY 2017

€/000	31/03/2018	31/12/2017
Fixed assets	492,057	485,596
Net working capital	37,964	46,806
Capital employed	**530,021**	**532,402**
Other non recurrent assets/liabilities	4,580	3,857
Equity	309,249	312,816
Net Debt	216,192	215,729
Total sources	**530,021**	**532,402**

€Mln



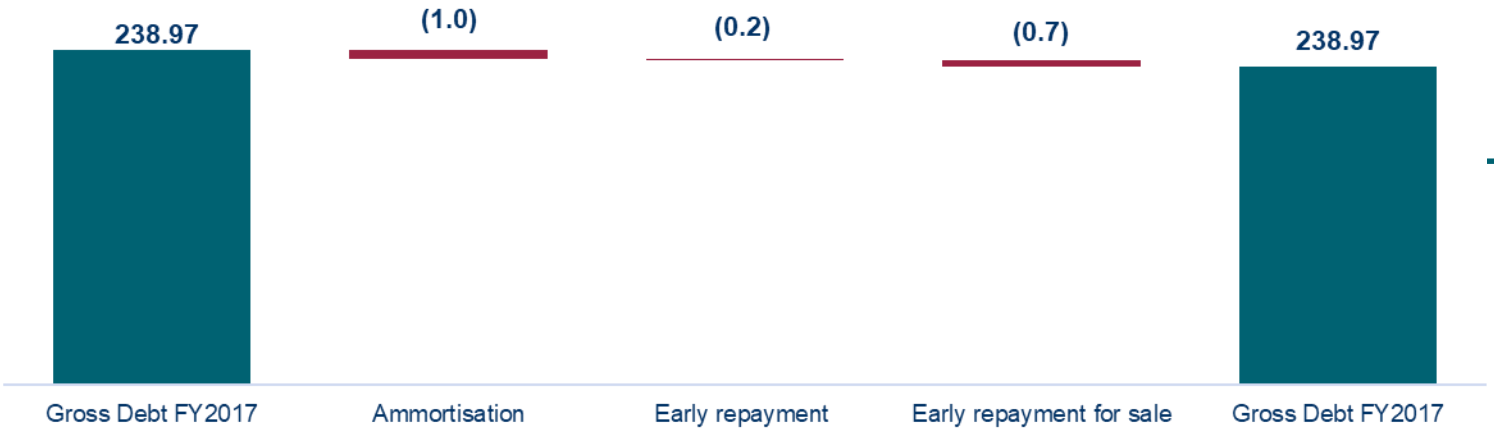
Consolidated shareholders' equity amounted to € 309.2 million compared to € 312.8 million at 31 December 2017. The negative change of € 3.6 million is attributable to the result for the period of - € 2.3 million, to the reserve for valuation at fair value of derivative financial instruments considered hedging for - € 0.4 million, the adoption of IFRS 9 for - € 0.8 million and - € 0.1 million for actuarial losses.

The **Group's net financial debt** at March 31, 2018 is € 216.2 million compared to € 215.7 million at December 31, 2017. The net financial debt of 2018 derives from a difference between gross payables for € 237.0 million. million and bank deposits of € 20.8 million (measured for the first time in accordance with IFRS 9), compared to gross debts for € 238.9 million and bank deposits of € 23.2 million at the end of the financial year previous one. The percentage of gross indebtedness at a variable rate is equal to 52.85% of the Group's overall financial exposure and the average duration is 2.42 years.

GROSS DEBT EVOLUTION 1Q 2018

€Mln

GROSS DEBT



NFP/Equity

0.66

DURATION

2.42 years

FLOATING VS. FIXED

52.8% vs 47.2%

AEDES SIIQ
COMMERCIAL PROPERTIES

* LTV calculated as follow: Gross Debt/GAV

EPRA NNNAV
FY 2017

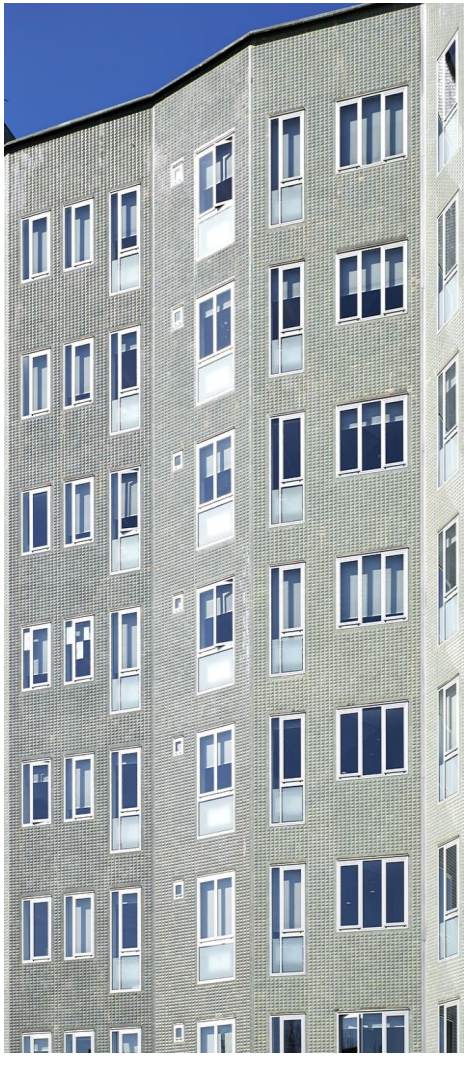
EPRA NNNAV FY 2017

€/000	31/12/2017	31/12/2016
Outstanding shares*	319.773.191	316.303.191
EPRA Net Asset Velue		
Equity Group	313,201	296,408
NAV		
Including:		
Real Estate investment revaluations	0	0
Development projects revaluations	15	120
Other investments revaluations (associates)	1,584	1,525
Inventories revaluations	1,919	1,415
Excluding:		
Fair value of financial derivative instruments	238	375
EPRA NAV	**316,957**	**299,843**
EPRA NAV per share	**0.99**	**0.95**
Fair value of financial derivative instruments	(238)	(375)
Fair value of financial debt	(24)	650
EPRA NNNAV	316,695	300,118
EPRA NNNAV per share	0.99	0.95

AEDES SIIQ COMMERCIAL PROPERTIES

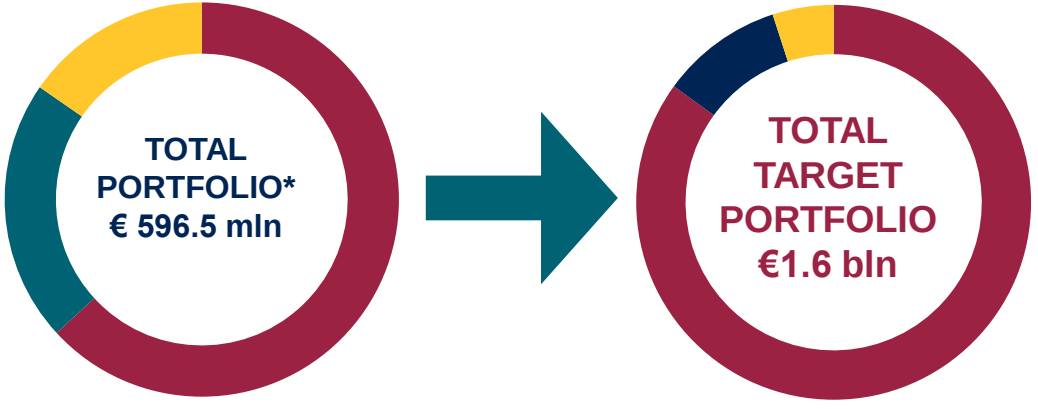
**Excluding* treasury shares

Business Plan Headlines



HEADLINES 2018-2023

- Economic margin improving thanks to leasing activity
- LTV equal to about 50%
- Occupancy rate > 95%
- Portfolio GAV in 2023 equal to € 1.6 bln



	2017	2018 - 2023
RENTED ASSETS	65,80%	Target ~ 85%
DEVELOPMENT FOR RENT	20,90%	Target ~ 10%
ASSET TO BE SOLD	13,30%	Target ~ 5%

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COMMERCIAL PROPERTIES

*Including the portion attributable to property held 100% by associates and unconsolidated real estate funds

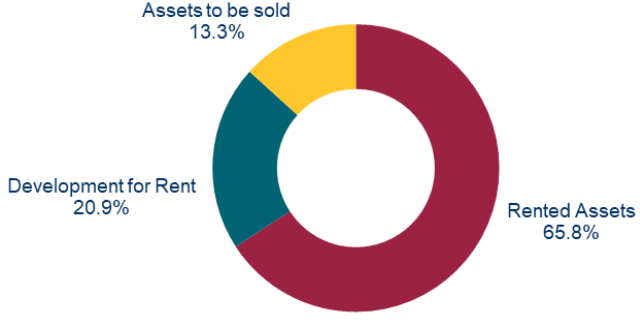
Real Estate Portfolio FY 2017

GAV PORTFOLIO BY TYPE FY 2017

€/000	REAL ESTATE GAV				REAL ESTATE NAV			
	Consolidated	Not consolidated Funds & JV	Total Portfolio	% on Total Portfolio	Consolidated	Not consolidated Funds & JV	Total Portfolio	% on Total Portfolio
Retail	115.410	87.467	202.877	34,0%	62.199	37.095	99.294	28,6%
Office	185.000	534	185.534	31,1%	101.910	273	102.183	29,5%
Other Uses	4.310	-	4.310	0,7%	2.496	-	2.496	0,7%
Rented Assets	**304.720**	**88.001**	**392.721**	**65,8%**	**166.605**	**37.368**	**203.973**	**58,8%**
Retail Development for Rent	115.405	-	115.405	19,3%	97.147	-	97.147	28,0%
Other Uses Development for Rent	9.330	-	9.330	1,6%	6.440	-	6.440	1,9%
Development for Rent	**124.735**	**-**	**124.735**	**20,9%**	**103.587**	**-**	**103.587**	**29,9%**
Sub Total Portfolio Rented/for rent	**429.455**	**88.001**	**517.456**	**86,7%**	**270.192**	**37.368**	**307.560**	**88,7%**
Office	3.700	-	3.700	0,6%	1.924	-	1.924	0,6%
Other Uses	47.210	28.142	75.352	12,6%	28.232	9.051	37.283	10,8%
Sub Total Portfolio to be sold	**50.910**	**28.142**	**79.052**	**13,3%**	**30.156**	**9.051**	**39.207**	**11,3%**
TOTAL GROUP PORTFOLIO	**480.365**	**116.144**	**596.509**	**100,0%**	**300.348**	**46.418**	**346.767**	**100,0%**

Minorities	GAV	NAV
Praga France Sarl (25%)	1,240	850
TOTAL CONSOLIDATED PORTFOLIO	**481,605**	**301,198**

GAV Total Portfolio



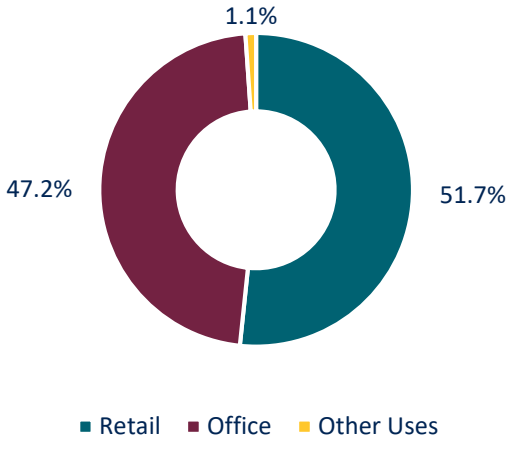
AEDES SIIQ
COMMERCIAL PROPERTIES

RENTED ASSETS BY USE FY 2017

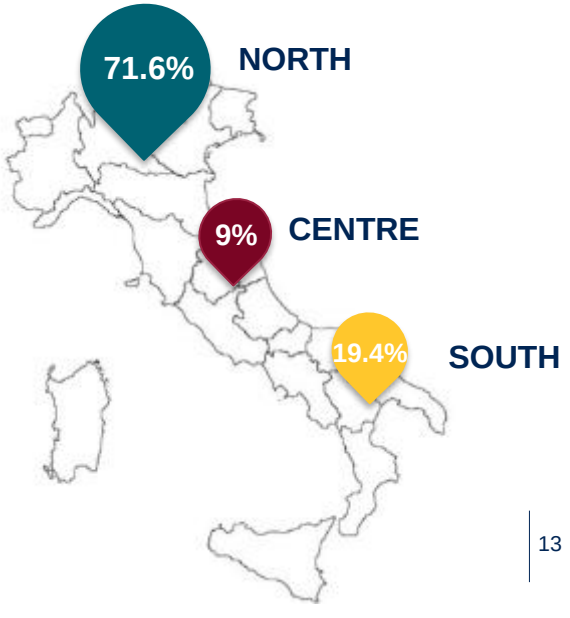
€/000	Consolidated pro quota	Not consolidated Funds & JV	Total Portfolio	% on Total Portfolio	LTV Ratio
Retail	115,410	87,467	202,877	34.0%	51.1%
Office	185,000	534	185,534	31.1%	44.9%
Other Uses	4,310	-	4,310	0.7%	42.1%
Rented Assets	**304,720**	**88,001**	**392,721**	**65.8%**	**48.1%**

BREAK DOWN ON TOTAL RENTED ASSETS BY:

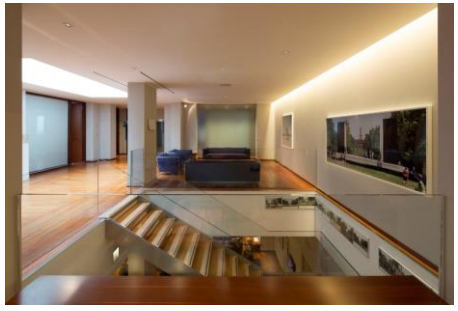
TYPE



GEOGRAPHY



RENTED ASSETS FY 2017



- Location: Milano, Via Agnello
- Total GLA: 4,406 sqm
- Fair Value December 31, 2017: € 48.5 mln

- Location: Catania, Via Etnea
- Total GLA: 7,935 sqm
- Fair Value December 31, 2017: € 16.5 mln

- Location: Roma, Via Veneziani
- Total GLA: 16,745 sqm
- Fair Value December 31, 2017: € 28.8 mln

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

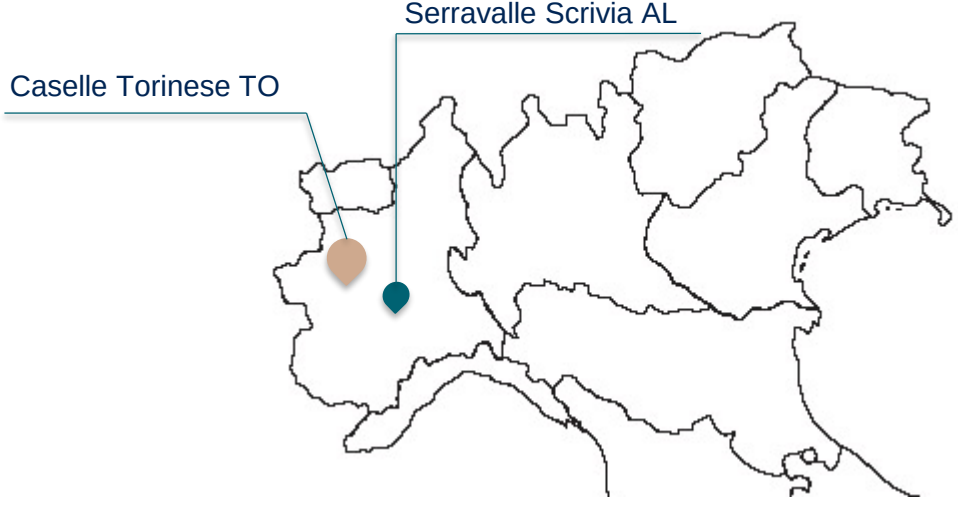
- Joint Venture with TH Real Estate Fund (49.9%)
- Total GLA: 9,595 sqm
- Fair Value December 31, 2017: € 37.4 mln*

*Fair Value referred to 50.1%

DEVELOPMENT FOR RENT FY 2017

€/000	Consolidated pro quota	Not consolidated Funds & JV	Total Portfolio	% on Total Portfolio	LTV Ratio
Retail Development for Rent	115,405	-	115,405	19.3%	15.8%
Other Development for Rent	9,330	-	9,330	1.6%	31.0%
Development for Rent	**124,735**	**-**	**124,735**	**20.9%**	**17.0%**

Retail Development for Rent **92.5%**



Latest Achievements

LAST ACHIEVEMENTS

January 24th, 2018 – The Board of Directors, in implementation of the Shareholders' Meeting resolution of 27 April 2017 authorizing the purchase and disposal of treasury shares, resolved to renew until October 27, 2018, the liquidity support program of the Aedes SIIQ stock, conferring the assignment of Liquidity provider to INTERMONTE SIM SpA.

February 28, 2018 – Aedes SIIQ, following the framework agreement signed in December 2017, finalized the lease for the entire Tower located in Milan in Viale Richard 3, with WPP Marketing Communications (Italy) Srl, a WPP Group company. primary multinational communication group whose parent company WPP PLC is listed on the NYSE. The lease will have a renewable term of 9 years of additional 6 years, with a fee of € 1.8 million per year.

March 2, 2018 - Aedes SIIQ S.p.A increased the provision made available to Intermonte SIM to € 200,000 to purchase and sell the Aedes SIIQ shares on an independent basis, on behalf and with risk to the Company.

LAST ACHIEVEMENTS 2/2

April 27, 2018 - The Shareholders' Meeting has appointed the new Board of Directors, confirming Carlo A. Puri Negri as Chairman of the Board, and the new Board of Statutory Auditors.

April 27, 2018 - The Board of Directors has appointed the following Committees - envisaged by the Corporate Governance Code for listed companies:
- Control, Risks and Operations Committee with Related Parties
- Remuneration and Appointments Committee
- Finance and Investment Committee

In addition, the Board of Directors, in implementation of the shareholders' meeting resolution of April 2018 authorizing the purchase and disposal of treasury shares, resolved to continue the program to support the liquidity of the Aedes SIIQ share, using Intermonte SIM S.p.A.

May 9, 2018 – The Board of Directors confirmed Benedetto Ceglie as Vice Chairman and Director in charge of the internal control and risk management system, and Giuseppe Roveda as Chief Executive Officer.

VIA RICHARD, MILAN

- Signed the closing agreement to purchase two tower buildings, in via Richard - Milan with a total area of more than 15,000 sqm, to be refurbished completely
- Total investment required (purchase and capex) is about € 35 million
- € 10 million capex per tower
- Signed the lease agreement for an entire tower, with WPP, one of the most important multinational communications group listed on the NYSE
- The lease of the Tower, purchased by Aedes on 28 December 2017 and which will be subject to a complete renovation to be started during the year, will have a duration of 9 years, renewable for a further 6 years, with a fee of € 1.8 million per year

Investment Opportunities

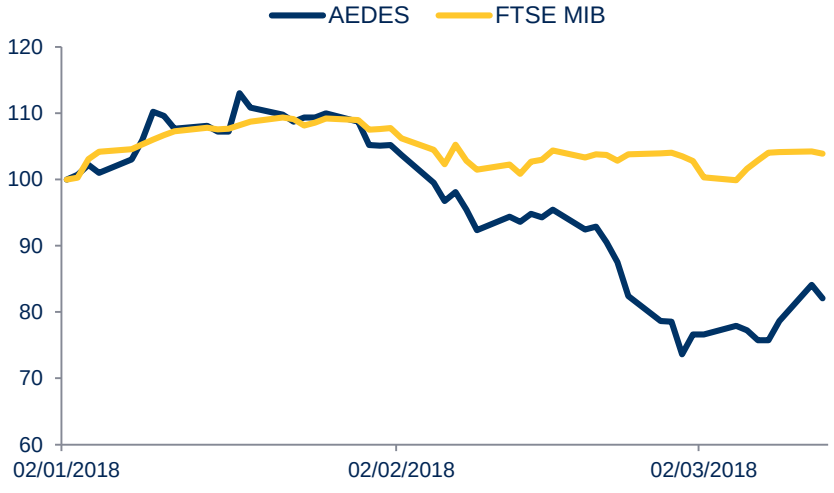
INVESTMENT OPPORTUNITIES

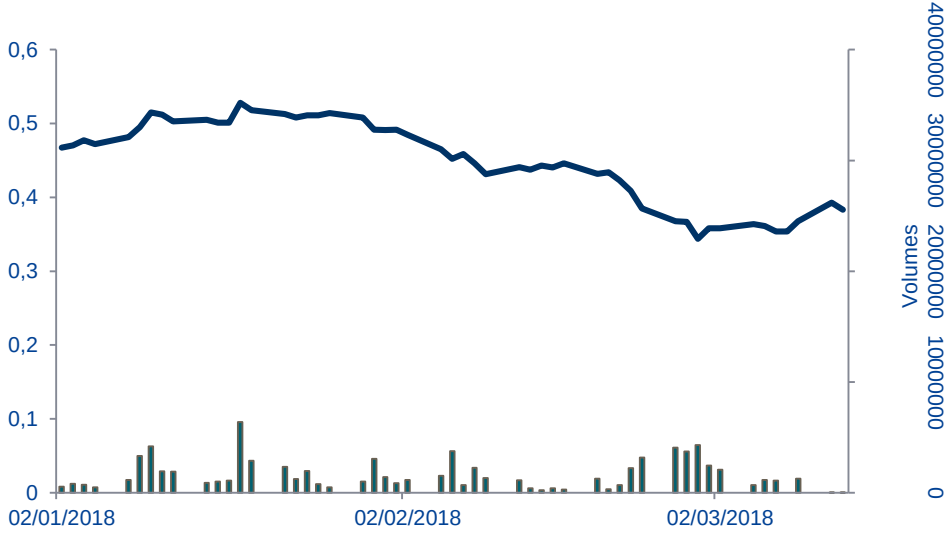
- Experienced management with strong track record and delivering results
- A complementary opportunistic approach on retail and office investments
- Upside potential from acquisition done at attractive capital values with potential for revaluation
- Upside from value added approach including repositioning and selectively development to create unique leisure shopping centres
- High discount NNNAV vs. share price
- Benefits of being Reits
- New PIR regulations to boost Italian real estate market in 2018

AEDES SHARE TREND

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

	March 31, 2018
Market Cap (€Mln)	*131.9*
N° of share	*319,803,191*
Share price (€)	*0.4125*
NNNAV per share FY2017 (€)	*0.99*
Discount on NNNAV	58.3%





CONTACT

CFO

Achille Mucci

Aedes Siiq S.p.A.

Via Morimondo 26 - Milano

Tel. +39 02 62439253

a.mucci@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

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