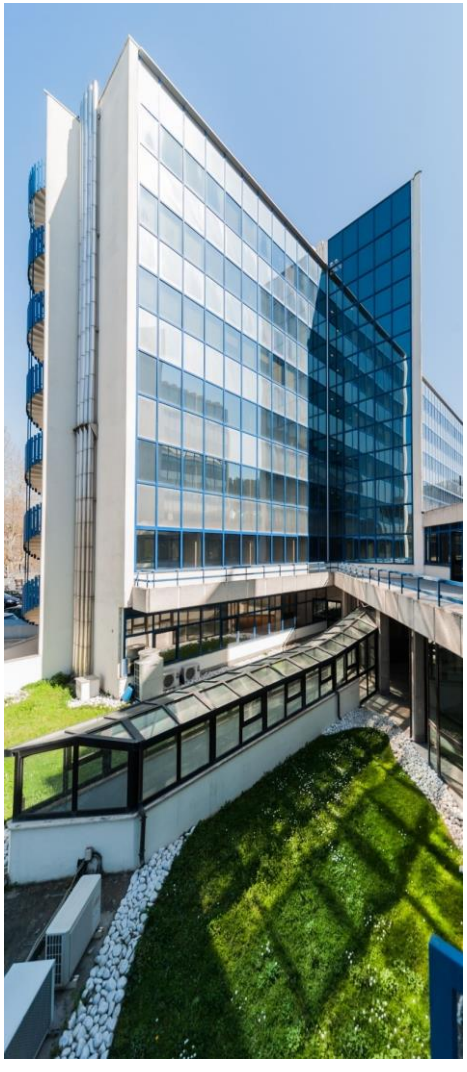
Investor Presentation
9M 2017

November 8th, 2017

AEDES SIIQ
COMMERCIAL PROPERTIES



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HIGHLIGHTS 9M 2017

€/mln
15.2
REVENUES

€/mln
13.3
GROSS REVENUE FROM RENTS

€/mln
1.3
EBITDA

€/mln
(193.2)
NFP

41%*
LTV

3.03%
AVG COST OF DEBT

€/mln
454.4
CONS. GAV

€/mln
550.5**
TOTAL GAV

NNNAV € 311.4 mln

NNNAV per share € 0.98

Share Price (€) November 6th 2017	*0.529*
Discount on EPRA NNNAV November 6th 2017	46%
Market Cap (€mln) November 7th,2017	166.3

AEDES SIIQ
COMMERCIAL PROPERTIES

** LTV calculated as the ratio between gross debt allocated on real estate assets and Real Estate Portfolio at fair value*
**** Including the portion attributable to property held 100% by associates and unconsolidated real estate funds*

Financial Results
9M 2017

INCOME STATEMENT 9M 2017

€/000	3Q 2017	3Q 2016	9M 2017	9M 2016
Gross revenue from rents	4,829	4,347	13,322	10,905
Margin on property sales	-	-	60	-
Margin on sales of non-property inventories	394	366	859	793
Other revenues	696	697	995	2,525
Total Revenues	**5,919**	**5,410**	**15,236**	**14,223**
Total External Direct Costs	**(1,552)**	**(1,161)**	**(4,782)**	**(3,594)**
Net Operating Income	**4,367**	**4,249**	**10,454**	**10,629**
Total Direct Costs	**(442)**	**(250)**	**(1,096)**	**(854)**
Cost of head office staff	(560)	(529)	(1,927)	(1,900)
Advisory services to Structure	(1,040)	(528)	(2,527)	(2,437)
G&A	(1,219)	(1,368)	(3,579)	(3,747)
Total Overheads	**(2,819)**	**(2,425)**	**(8,033)**	**(8,084)**
EBITDA	**1,106**	**1,574**	**1,325**	**1,691**
Adjustment to fair value of RE investments	-	-	7,881	23,063
(Depreciation)/Recovery of inventory value	-	-	(961)	(289)
Amortisation, depreciation provisions	(261)	(609)	(633)	(3,311)
Income/(expenses) from associates	(161)	4,415	(1,143)	3,763
EBIT (Operating Result)	**684**	**5,380**	**6,469**	**24,917**
Financial income/(charges)	(1,447)	(702)	(3,872)	(3,113)
EBT (Result before taxes)	**(763)**	**4,678**	**2,597**	**21,804**
Taxes/Tax charges	n/a	n/a	n/a	n/a
Profit/(loss) from continuing operations	**(763)**	**4,678**	**2,597**	**21,804**
Profit/(loss) Non-current assets to be divested	-	901	(421)	989
Profit (Loss)	**(763)**	**5,579**	**2,176**	**22,793**
Results of minority shareholders	84	40	(256)	45
Group's result	**(847)**	**5,539**	**2,432**	**22,748**

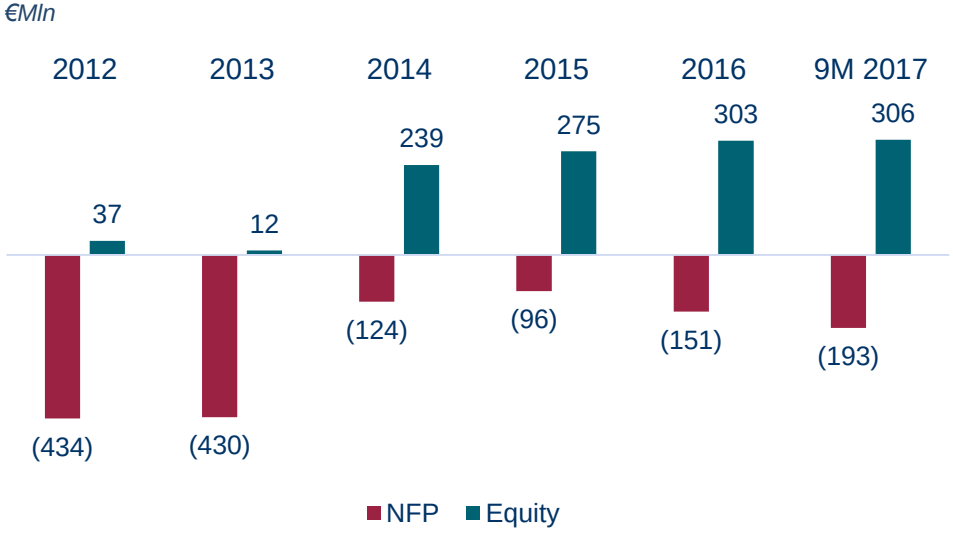
Gross revenue from rents amounted to **€ 13.3 million** compared with € 10.9 million at September 30, 2016.The increase of € 2.4 million, + 22%, is due to the acquisition of assets and real estate portfolios carried out by the Group from the second half of 2015 and continuing in the years 2016 and 2017, which allowed to reach around € 19 million on annual basis.

Direct costs amounted to € 4.8 million at September 30, 2017, compared to € 3.6 million on September 30, 2016, an increase of € 1.2 million attributable to costs related to real estate growth, including increasing IMU and other taxes from € 1.9 million in 2016 to € 2.5 million in 2017.

The **fair value adjustment** of real estate investments was € 7.9 million due to the adjustment to fair value - on the basis of a report prepared by the Independent Expert CBRE - of the Caselle Development Area following the signing of the Municipality of Caselle of the Urban Planning Convention for € 3.5 million, and the revaluation of the Retail Park of Serravalle for € 4.6 million, purchased last May. At September 30, 2016, this item showed a balance of € 23.1 million essentially attributable to the fair value adjustment of Redwood real estate assets and of the Rome property, Via Veneziani, acquired during the period.

BALANCE SHEET 9M 2017

€/000	9M 2017	31/12/2016
Fixed assets	452,859	398,367
Net working capital	49,982	61,727
Capital employed	**502,841**	**460,094**
Other non recurrent assets/liabilities	4,079	6,115
Equity	305,540	303,361
Net Debt	193,222	150,618
Total sources	**502,841**	**460,094**



The **Invested Capital** for the first nine months of 2017 was **€ 502.8 million** with respect to € 460.1 million at the end of 2016, is financed with equity by € 305.5 million, with the net financial debt by € 193.2 million and with other net non-current liabilities by € 4.1 million (1%); the breakdown is as follows:

Fixed Capital equal to **€ 452.9 million** (€ 398.4 million at the end of 2016). The **Net Working Capital** is **€ 50.0 million** (€ 61.7 million at the end of 2016).

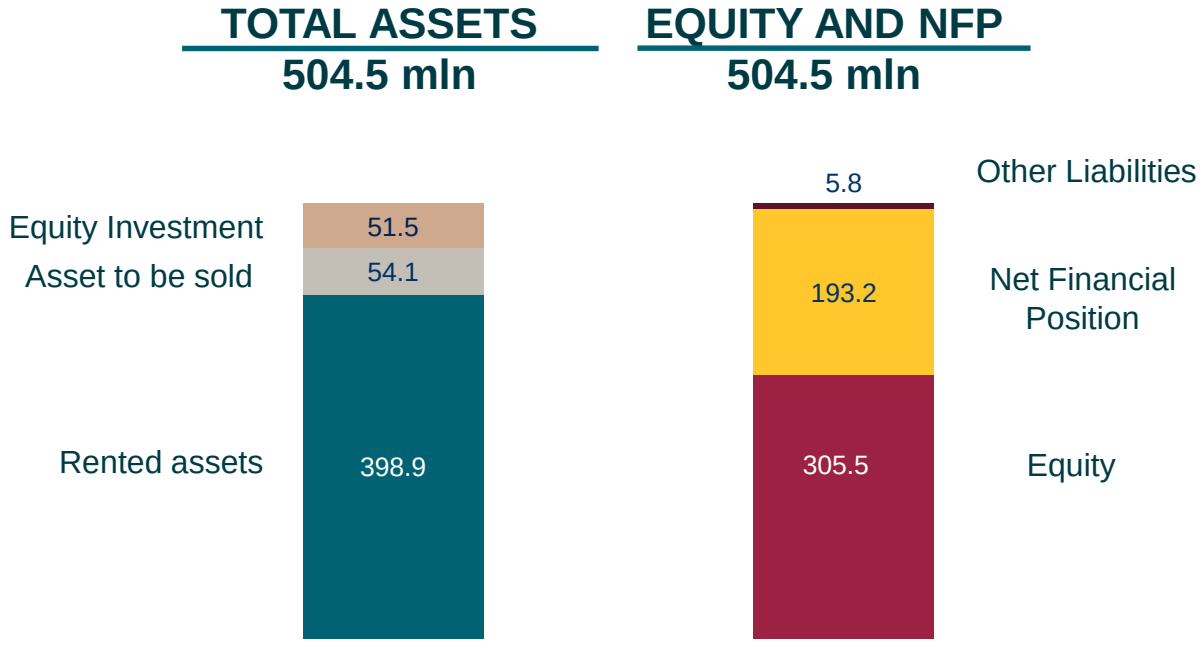
At 30 September 2017, there were no past due or unpaid financial, tax and social security liabilities or amounts due to employees. As regards trade payables, on the same date, the Aedes Group has an overdue amount equal to € 2.0 million, for which there are no disputes or legal actions or suspension of supplies**.**

The **Net Equity** is equal to **€ 305.5 million** versus € 303.4 million as at 31 December 2016, with an increase of € 2.1 million mainly due to the result for the period.

The net financial debt of the Group at 30 September 2017 is **€ 193.2 million** against € 150.6 million at 31 December 2016. The figure of September 2017 includes gross debts of € 211.3 million and bank deposits of € 18.1 million, with respect to a gross debt of € 163.2 million and bank deposits of € 12.6 million at the end 2016. The Group's total financial exposure is 76%. variable, the average duration is 2.34 years. LTV goes from 38.8% to 31 December 2016 to 41% at 30 September 2017.

BALANCE SHEET 9M 2017

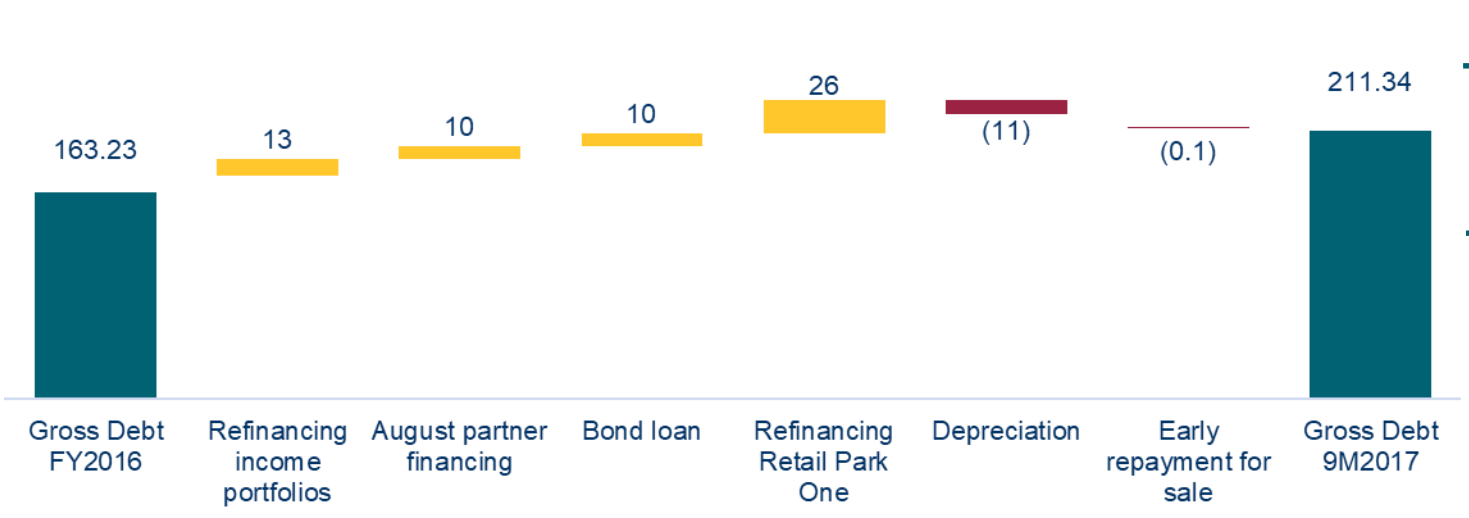
€Mln



GROSS DEBT EVOLUTION 9M 2017

€Mln

GROSS DEBT



LTV*

41%

NFP/Equity

0.63

DURATION

2.34 years

FLOATING VS. FIXED

77% vs 23%

AVERAGE INTEREST RATE

3.03%

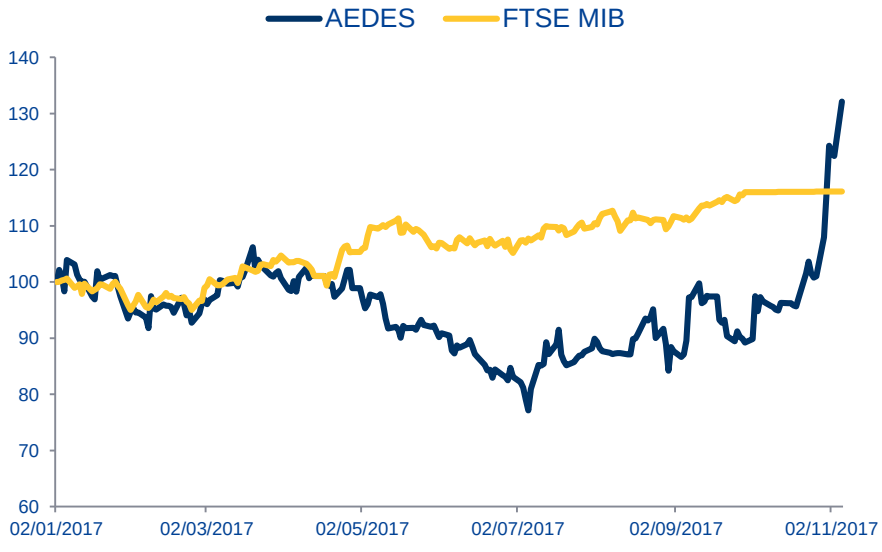
AEDES SIIQ COMMERCIAL PROPERTIES

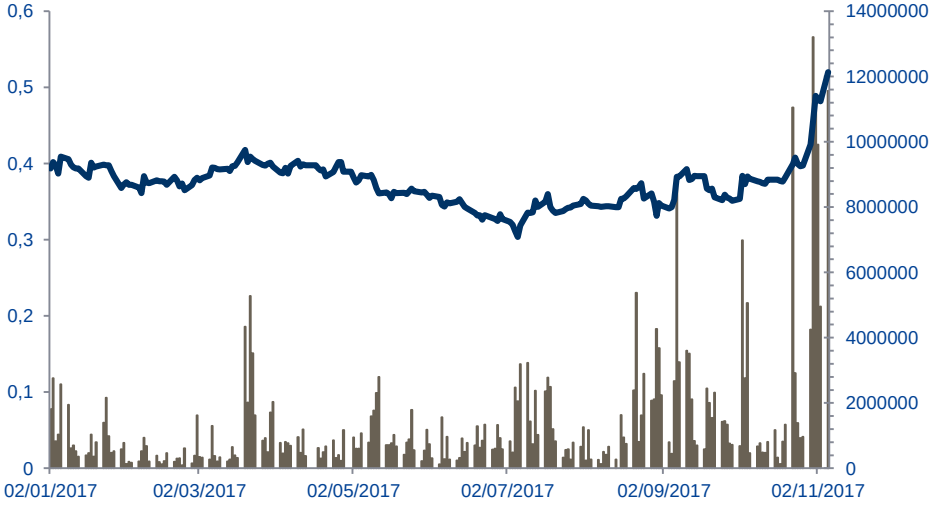
* LTV calculated as follow: Gross Debt/GAV

AEDES SHARE TREND

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

	November 6th, 2017
Market Cap (€Mln)	*166.3*
N° of share	*319,803,191*
Share price (€)	*0.529*
NNNAV per share 1H2017 (€)	*0.98*
Discount on NNNAV	46%





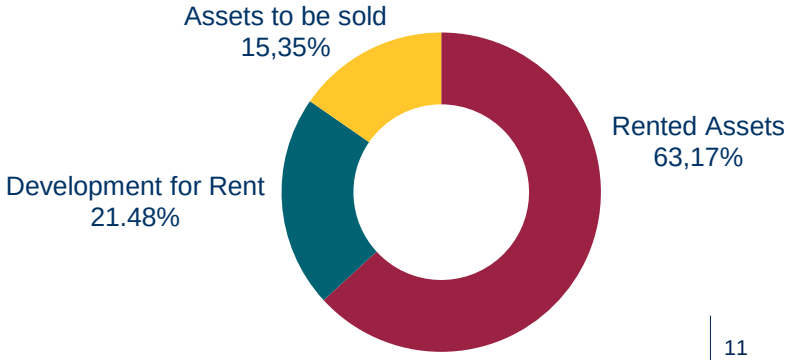
Real Estate Portfolio
9M 2017

GAV PORTFOLIO BY TYPE 9M 2017

€/000	GAV				
	Consolidated pro quota	Not consolidated Funds & JV	Total Portfolio	% on Total Portfolio	LTV Ratio
Retail	118,550	88,720	207,270	37.65%	49.0%
Office	134,214	549	134,762	24.48%	51.4%
Other Uses	4,252	1,451	5,703	1.04%	51.0%
Rented Assets	**257,016**	**90,720**	**347,736**	**63.17%**	**50.0%**
Retail Development for Rent	118,212	-	118,212	21.48%	18.1%
Office Development for Rent	-	-	-	0.00%	-
Development for Rent	**118,212**	**-**	**118,212**	**21.48%**	**18.1%**
Sub Total Portfolio Rented/for rent	**375,228**	**90,720**	**465,948**	**84.65%**	**41.9%**
Retail	2,106	-	2,106	0.38%	63.6%
Other Uses	53,302	29,107	82,409	14.97%	50.7%
Sub Total Portfolio to be sold	**55,408**	**29,107**	**84,515**	**15.35%**	**51.0%**
TOTAL PORTFOLIO	**430,636**	**119,827**	**550,463**	**100.00%**	**43.3%**

Minorities	GAV
Petrarca Fund (35%)	21,637
Praga France Sarl (25%)	2,125
TOTAL CONSOLIDATED PORTFOLIO	**454,398**

GAV Total Portfolio

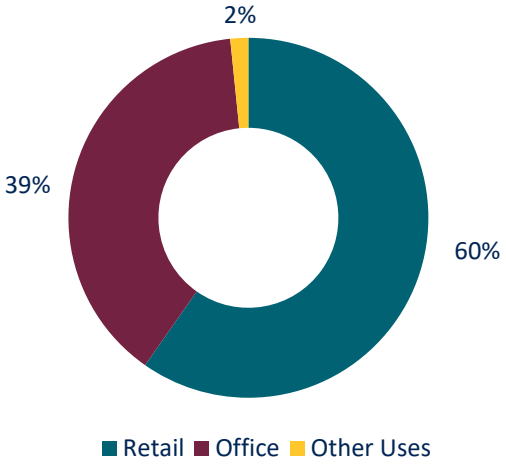


RENTED ASSETS BY USE 9M 2017

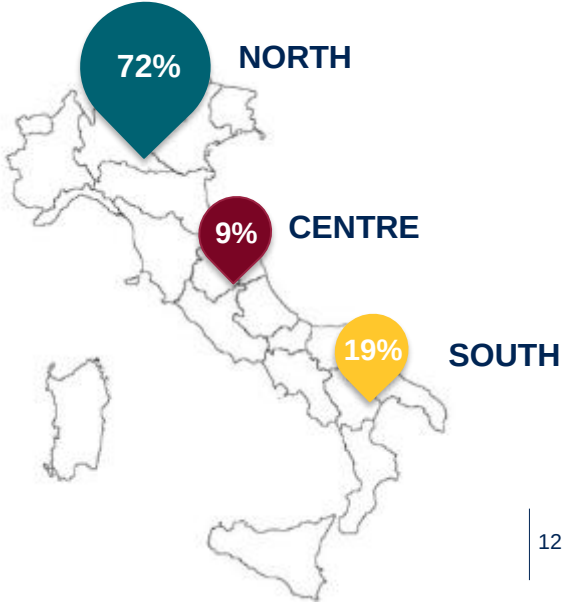
€/000	Consolidated pro quota	Not consolidated Funds & JV	Total Portfolio	% on Total Portfolio
Retail	118,550	88,720	207,270	37,65%
Office	134,214	549	134,762	24,48%
Other Uses	4,252	1,451	5,703	1,04%
Rented Assets	**257,016**	**90,720**	**347,736**	**63.17%**

BREAK DOWN ON TOTAL RENTED ASSETS BY:

TYPE



GEOGRAPHY



RENTED ASSETS 9M 2017

- Location: Milano, Via Agnello
- Total GLA: 4,406 sqm
- Fair Value September 30th, 2017: € 44.4 mln

- Location: Catania, via Etnea
- Total GLA: 7,935 sqm
- Fair Value September 30th, 2017: € 17.5 mln

- Location: Roma, Via Veneziani
- Total GLA: 16,292 sqm
- Fair Value September 30th, 2017: € 29.1 mln

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

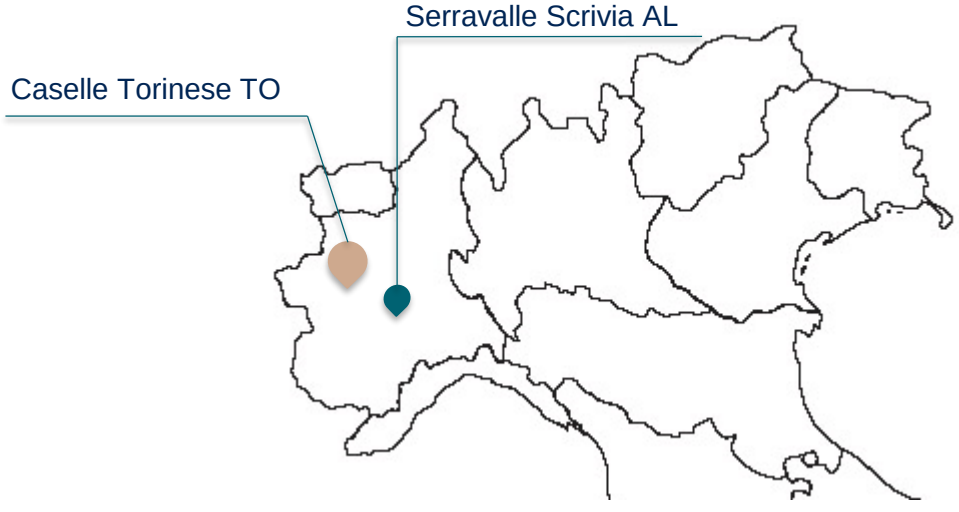
- Joint Venture with TH Real Estate Fund (49.9%)
- Total GLA: 8,748 sqm
- Fair Value September 30th, 2017: € 38 mln*

*Fair Value referred to 50.1%

DEVELOPMENT FOR RENT 9M 2017 1/3

€/000	Consolidated pro quota	Not consolidated Funds & JV	Total Portfolio	% on Total Portfolio	LTV Ratio
Retail Development for Rent	118.212	-	118.212	21,5%	18.1%
Office Development for Rent	-	-	-	-	-
Development for Rent	**118.212**	**-**	**118.212**	**21,48%**	**18,1%**

Retail Development for Rent **100%**



CASELLE OPEN MALL

- It's a shopping and leisure center project close to Turin Airport
- Total GLA : 113,052 sqm
- Fair Value September 30th, 2017: € 71.3 mln

SERRAVALLE RETAIL PARK - PHASE C

- Total GLA: 18,412 sqm
- Fair Value September 30th, 2017: € 17 mln

SERRAVALLE OUTLET VILLAGE - PHASE 7

- It's an extension of Serravalle outlet village phase 6
- Total GLA: 4,149 sqm
- Fair Value September 30th, 2017: € 7.8 mln

EPRA NNNAV
1H 2017

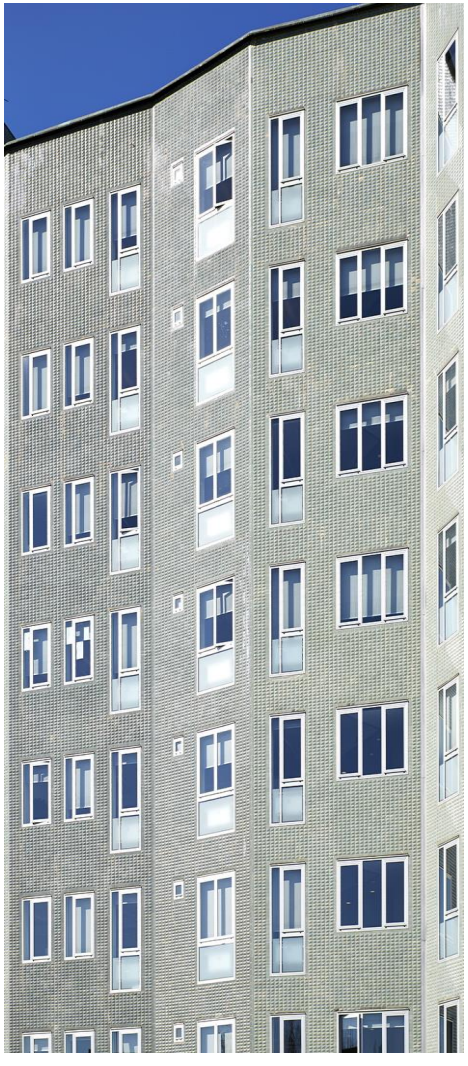
EPRA NNNAV 1H 2017

€/000	30/06/2017	31/12/2016
Outstanding shares*	316,303,191	316,303,191
EPRA Net Asset Value €/000		
Equity Group	299,624	296,408
Warrants 2015-2020		
NAV	**299,624**	**296,408**
Including:		
Development projects revaluations	46	120
Other investments revaluations (real estate holdings)	1,516	1,525
Inventories revaluations	1,406	1,415
Excluding:		
Fair Value of financial derivative instruments	238	375
EPRA NAV	**302,830**	**299,843**
EPRA NAV per share	**0.96**	**0.95**
Fair value of financial derivative instruments	(238)	(375)
Fair value of financial debt	8,831	7,129
EPRA NNNAV	**311,423**	**306,597**
EPRA NNNAV per share *	**0.98**	**0.97**

AEDES SIIQ COMMERCIAL PROPERTIES

**Excluding* treasury shares

Business Plan Headlines



HEADLINES 2018-2023

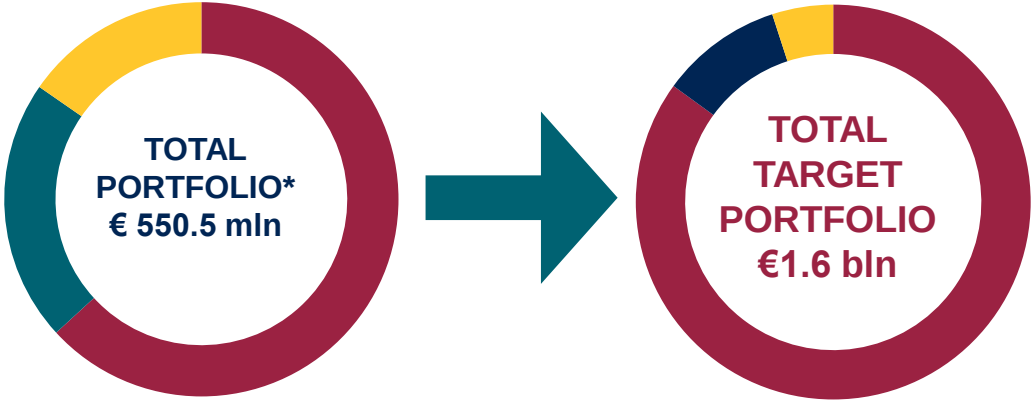
Positive FFO based on rental activity in 2018

Return to dividend distribution from 2018 onwards

Portfolio GAV in 2023 equal to € 1.6 bln

LTV equal to about 50%

Occupancy rate > 95%



	2017		2018 - 2023
RENTED ASSETS	63.17%	→	Target ~ 85%
DEVELOPMENT FOR RENT	21.48%	→	Target ~ 10%
ASSET TO BE SOLD	15.34%	→	Target ~ 5%

AEDES SIIQ
COMMERCIAL PROPERTIES

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

Investment Opportunities

INVESTMENT OPPORTUNITIES

Achievements

ACHIEVEMENTS

March 30th, 2017 – Aedes SIIQ S.p.A. announced that has been signed, with the Municipality of Caselle, the agreement for urban development of the area in the Turin Caselle Torinese, held through its 100% Satac SIINQ SpA.. In the area, which covers an area of about 300,000 square meters, Aedes REIT will develop an Open Mall of over 120,000 square meters of GLA, characterized by a functional mix of Retail and Entertainment, in line with the most innovative international concept already successfully opened abroad.

April 11th, 2017 – Aedes SIIQ announced that has been signed with ING Bank N.V. – branch of Milan and UniCredit S.p.A. a contract for a mortgage loan of € 56 million on a rented portfolio valued about € 111 million. The loan with an LTV of 50% approximately, will run for five years, allowing an increase in the average maturity of the Aedes Group's debt of about one year.

April 12th, 2017 – Aedes SIIQ S.p.A. signed with professional investors a contract for the issue of non-convertible bonds of € 10 million with date of issue and/or subscription Q2 2017, maturity date Q4 2018 - choose by Aedes - further 18 months and 5% fixed rate.

ACHIEVEMENTS 2/3

April 20th, 2017 – Aedes SIIQ S.p.A issued a shareholder's loan of € 10 million by the mayor shareholders Augusto SpA; this loan expires on October 31st 2018, and may be extended for a further 18 months and regulated at the 3-month Euribor plus a spread of 5%.

May 11th, 2017 – Signed the preliminary agreement with Herald Level 2 Lux Holding Sarl for the purchase of the company owner of Serravalle Retail Park for € 39 million. On May 23rd, 2017, signed the final contract for the purchase of the Serravalle Retail Park ownership company.

June 21th, 2017 – The Board of Directors of Aedes SIIQ S.p.A. resolved to renew until 31 December 2017 the Aedes SIIQ liquidity support program, giving the position of Liquidity Provider to INTERMONTE SIM SpA. In addition, the Board of Directors appointed Alessia Farina manager responsible for preparing the corporate accounting documents.

July 20th, 2017 – Stipulated the merger by incorporation of Prague Service Real Estate Srl in Prague Construction Srl now PRAG RES Srl with effect from 1 August 2017.

ACHIEVEMENTS 3/3

July 31th, 2017 – Stipulated merger by incorporation into Aedes SIIQ of fully owned companies Cascina Praga SIINQ S.p.A. and Redwood Srl with a legal effect from the day on which the last of the inscriptions prescribed by art. 2504 of the Italian Civil Code.

September 12th, 2017 – BG Asset Management S.A., as Leading Sponsor, together with Dea Holding S.r.l. and VLG Capital Srl on the one hand, and Aedes SIIQ S.p.A. (MTA: AE) on the other hand, declare on this day that they have signed an agreement for the entry of Aedes SIIQ, with a 40% share in the total initial investment of about € 5.6 million, in the capital of companies that will carry out The Market project.

September 27th, 2017 – The Retail Park One S.r.l. and Novipraga SIINQ S.p.A. have approved the merger by incorporation of Retail Park One S.r.l. in Novipraga SIINQ S.p.A.

October 25th, 2017 – signed the closing of investment agreements in the "The San Marino Market" project, following the agreements signed on 12 September. Aedes SIIQ has subscribed to the same capital increase for a total of € 2.7 million, aimed at acquiring 40% of the company that will play the role of General Partner of the initiative.

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