COIMA RES - PRESS RELEASE

BOARD OF DIRECTORS APPROVES RESULTS AS OF SEPTEMBER 30th, 2020

GROSS RENTS UP 23%, COLLECTED 99% OF RENTS DUE

EPRA EARNINGS UP 28%, INCREASED GUIDANCE FOR 2020 BY 8%

STABLE EPRA NET TANGIBLE ASSET

APPROVED INTERIM DIVIDEND OF EURO 0.10 PER SHARE, IN LINE WITH 2019

Highlights of 9M 2020 financial results

- Gross rents up by 23.4% year-on-year to Euro 33.2 million
- Like for like rental growth of 2.1%
- Collected 98.8% of 9M 2020 rent due (vs 99.6% in 9M 2019)
- NOI margin increased by 190 bps year-on-year to 90.9%
- EBITDA up by 37.4% year-on-year to Euro 23.2 million
- EPRA Earnings per share up by 24.8% year-on-year to Euro 0.36
- Increased EPRA Earnings per share guidance for 2020 by 8% to Euro 0.43
- EPRA Net Tangible Assets per share up by 0.1% to Euro 12.30
- Net LTV 0.9 p.p. lower at 37.9% (vs 38.8% at Dec-19)
- Ample liquidity with Euro 50.9 million of cash on balance sheet
- Agreed Revolving Credit Facility for Euro 10.0 million
- Approved interim dividend of Euro 0.10 per share, in line with 2019

Resilient real estate portfolio

- Portfolio focussed on offices (85%), Milan (90%) and Porta Nuova (50%)
- Limited exposure to hotels and retail amounting to c. 5% of pro-quota rent roll
- Occupancy rate of 97.9% and weighted average lease term of 4.7 years
- Corso Como Place project 97% completed and already 95% pre-let
- High sustainability profile with 65% of portfolio LEED certified

Milan office market update

- Resilient investment market with volumes up 25% year-on-year
- Prime yield tightening by 10 bps to 3.20% in Q3 2020
- Slower letting market with volumes down 45% year-on-year
- Stable prime rent in Q3 2020 at Euro 600 / sqm

Manfredi Catella, Founder and CEO of COIMA RES, commented: "*In the first nine months of 2020 COIMA RES has continued to post a solid performance collecting 99% of rents due and has maintained a solid liquidity buffer of more than Euro 50 million on a consolidated basis. The pandemic will remain a key topic for the months to come and COIMA RES' current priority is to control and reduce risks. The structural impact of a higher adoption of remote working on the office market is an important factor to monitor in the medium to long term, but we believe that COIMA RES' portfolio, with a 50% exposure to Porta Nuova and its objectively high sustainability features, will continue to capture high quality tenant demand in years to come.*"

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Milan, November 5th, 2020 – The Board of Directors of COIMA RES approved the consolidated financial statements as at September 30th, 2020, at a meeting held today under the chairmanship of Massimo Capuano.

Financial Highlights, as of September 30th, 2020

Balance Sheet (Euro million)	**Sep-20**	**Dec-19**	**Delta (%)**	**Delta**
Real Estate Properties	761.3	767.7	(0.8)%	(6.4)
EPRA Net Reinstatement Value	462.9	463.1	(0.0)%	(0.2)
EPRA Net Tangible Assets	444.2	443.7	0.1%	0.5
EPRA Net Disposal Value	437.9	437.8	0.0%	0.1
Net Asset Value (IAS / IFRS)	440.9	440.1	0.2%	0.8
EPRA Net Reinstatement Value per share (Euro)	12.82	12.82	(0.0)%	(0.00)
EPRA Net Tangible Assets per share (Euro)	12.30	12.29	0.1%	0.01
EPRA Net Disposal Value per share (Euro)	12.13	12.12	0.0%	0.01
Net Asset Value (IAS / IFRS) per share (Euro)	12.21	12.19	0.2%	0.02
Net LTV	37.9%	38.8%	n.m.	(0.9) pp

Income Statement (Euro million)	**9M 2020**	**9M 2019**	**Delta (%)**	**Delta**
Gross Rents	33.2	26.9	23.4%	6.3
Net Operating Income (NOI)	30.2	24.1	25.3%	6.1
NOI margin	90.9%	89.5%	n.m.	140 bps
EBITDA	23.2	16.9	37.4%	6.3
Net Profit	7.7	16.2	(52.8)%	(8.5)
EPRA Earnings	13.0	10.1	24.8%	2.9
Recurring FFO	17.9	12.3	44.9%	5.6
EPRA Earnings per share (Euro)	0.36	0.28	24.8%	0.08
Recurring FFO per share (Euro)	0.49	0.34	44.9%	0.15
EPRA Cost Ratio (including direct vacancy costs)	31.1%	37.9%	n.m.	(6.8) pp
EPRA Cost Ratio (excluding direct vacancy costs)	29.1%	37.4%	n.m.	(8.3) pp

Other Data	**Sep-20**	**Dec-19**	**Delta (%)**	**Delta**
EPRA Net Initial Yield	5.1%	4.6%	n.m.	50 bps
EPRA Topped-up Net Initial Yield	5.3%	5.3%	n.m.	stable
EPRA Vacancy Rate	2.1%	2.0%	n.m.	10 bps
WALT (years)	4.7	5.3	n.m.	(0.6)

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Highlights of 9M 2020 financial results

Gross rents increased by 23.4% in 9M 2020 to Euro 33.2 million, mainly due to the increased consolidation perimeter resulting from the acquisitions of the Philips and Microsoft properties. On a like for like basis, gross rents increased by 2.1%.

As of today, COIMA RES collected 98.8% of the 9M 2020 rents due (99.6% at the same date in 2019). The remaining 1.2% relates for 89% to NH Hotels, with which a payment plan is being negotiated, and for 11% to two minor tenants.

The NOI increased by 25.3% to Euro 30.2 million and the NOI margin increases by 190 bps to 90.9%, mainly thanks to the improved asset mix. Recurring G&A expenses decreased by 4.8% to Euro 6.3 million, mainly due to the savings deriving from the reduced asset management fee. EBITDA increased by 37.4% to Euro 23.2 million, because of the increased NOI and reduced G&A expenses. Recurring financial expenses increased by 15.4% to Euro 5.9 million due to the increase in the consolidated gross debt in the last 24 months, mainly related to the acquisitions performed. Recurring FFO and EPRA Earnings increased respectively by 44.9% to Euro 17.9 million and by 28.4% to Euro 13.0 million mainly due to higher EBITDA partially offset by higher financial expenses (and, as far as EPRA Earnings are concerned, an increase in minorities).

The value of the portfolio increased by Euro 3.5 million in 9M 2020 (on a pro-quota basis), mainly due to capex for Euro 8.4 million (mainly related to the Corso Como Place project), partially offset by a downward adjustment to the fair value of the portfolio for Euro 4.8 million (on a pro-quota basis) which was already recorded in H1 2020. COIMA RES has analysed its real estate portfolio for potential impairments compared with the independent appraisers' valuations as of June 30th, 2020. The independent appraisers did not highlight material changes compared to the valuations as of June 30th, 2020, therefore the value of the portfolio was kept unchanged. The next appraisal will be performed in conjunction with the approval of the FY 2020 results.

Net Profit decreased by 52.8% to Euro 7.7 million mainly due the negative change in fair value of the portfolio in 9M 2020 (vs a positive change in fair value of the portfolio in 9M 2019).

EPRA Net Tangible Assets, as of September 30th, 2020, stood at Euro 444.2 million (or Euro 12.30 per share), an increase of 0.1% in 9M 2020. The increase is mainly related to EPRA Earnings of Euro 13.0 million partially offset by the dividend payment in June 2020 for Euro 7.2 million and downward adjustment to the fair value of the portfolio of Euro 4.8 million (on a pro-quota basis) and other items for Euro 0.5 million.

As of September 30th, 2020, the net LTV of COIMA RES stood at 37.9%, a level marginally lower compared to December 31st, 2019. The consolidated cash position of COIMA RES as of September 30th, 2020, stood at Euro 50.9 million.

The solid operational performance since the beginning of the year (in particular in terms of rent collection) and the higher current visibility (compared to three months ago) of the expected activity between today and year end, allow COIMA RES to increase its 2020 guidance of EPRA Earnings per share by 8% to Euro 0.43 (from the previous guidance of Euro 0.40, published on July 30th, 2020).

Interim dividend for the fiscal year 2020 of Euro 0.10 per share

The Board of Directors of COIMA RES resolved to distribute to shareholders an interim dividend for the fiscal year 2020 of Euro 0.10 per share (amounting to Euro 3,610,665.80), in line with the interim dividend of the fiscal year 2019, with an ex-dividend date on November 16th, 2020, record date on November 17th, 2020 and payment date on November 18th, 2020. COIMA RES independent auditors have issued their report pursuant to Article 2433-bis, paragraph 5, of the Italian Civil Code. The Board's resolution on the interim dividend was made based on the accounts of the parent company COIMA RES S.p.A. SIIQ as of September 30th, 2020, which were prepared in accordance with IFRS.

Obtained Revolving Credit Facility from Banco BPM

COIMA RES has agreed with Banco BPM a Revolving Credit Facility for Euro 10.0 million with an 18-months term. This is the first unsecured financing agreement in the history of COIMA RES and represents an important step in the evolution of its financial structure, providing additional flexibility and headroom especially in the current uncertain market conditions.

Contract with COIMA SGR and CEO remuneration

In March 2020, the Board of Directors approved a new asset management agreement between COIMA RES and COIMA SGR containing few modifications with respect to the previous agreement in place, amongst which an extension of the first period and an improvement of the economic conditions in favour of COIMA RES.

The end of the first period of the contract was extended from May 13th, 2021, to January 1st, 2025, and the asset management fee was reduced by 30 bps, from 1.10% of NAV to 0.80% of NAV (i.e. a 27% reduction), effective from January 1st, 2020. The fee reduction is equivalent to a saving for COIMA RES of approx. Euro 1.3 million per annum.

Portfolio of real estate assets and tenants

As of September 30th, 2020, the COIMA RES portfolio consists of 9 real estate properties mainly for office use located in Milan and 58 bank branches located in the North and Centre of Italy. The portfolio is valued at Euro 692.0 million (on a pro-quota basis), 90% of which is in Milan, 50% in Milan Porta Nuova and 85% is for office use. COIMA RES' portfolio has a high sustainability profile: approximately 56% of the portfolio is currently LEED certified, increasing to 65% including the Corso Como Place project where the aim is to achieve a LEED Gold certification.

COIMA RES' portfolio of tenants is mostly made of mid to large sized multinational corporations: the list of the ten largest tenants (representing 85% of the current rent roll on a pro-quota basis) includes Vodafone, Deutsche Bank, Microsoft, BNP Paribas, IBM, Sisal, PwC, Techint, NH Hotels and Philips.

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Leasing

Gioiaotto: in Q3 2020, COIMA RES has renewed the lease agreement with QBE (a global insurance company) for an additional 6 years. The lease, which concerns more than 900 sqm office space at the Gioiaotto property in Porta Nuova in Milan, has been signed at a 44% premium to the previous rent in place and in line with the prime rent in the area.

Acquisitions

Gioia 22: in June 2020, COIMA RES signed a binding agreement for the acquisition of a 10-25% stake in the Gioia 22 property, a 35,800 sqm building situated in Via Melchiorre Gioia 22 in the Milan Porta Nuova district. The closing of the transaction is expected by the end of 2021 or the beginning of 2022, subject to certain transaction conditions, including 75% of the property being leased. The exact stake to be acquired by COIMA RES in the property will be determined by COIMA RES, at its discretion, within the abovementioned range, in proximity of the closing. The purchase price will be calculated attributing a value of Euro 442.1 million to the property. The acquisition will be financed through COIMA RES' own financial resources.

Disposals

Bank branches: between January and October 2020, COIMA RES completed the disposal of 10 bank branches for an aggregate value of Euro 19.2 million. The transactions refer to the disposal of a portfolio of 11 bank branches announced in November 2019 for a total value of Euro 23.5 million. The disposal of the 11th bank branch situated in Milano Via dei Martinitt (for Euro 4.3 million) is expected to be completed in January 2021.

Development projects

Corso Como Place: the project is on track for completion in Q4 2020 within the overall budgeted cost of approx. Euro 169 million. As of September 30th, 2020, the project advancement rate was approx. 97%. As a reminder, between August and September 2019, Accenture and Bending Spoons signed two preliminary leasing agreements for the entire office portion of the project (buildings A and C) which represent 95% of the surfaces being developed.

Outlook

The COVID-19 crisis has resulted in social and economic challenges on a global scale and it will most likely remain an aspect to consider for the remainder of 2020 and beyond. The Italian economy will experience a recession in 2020 and the pace of recovery will depend, amongst other things, on how the health crisis evolves including potential further lock-down phases.

A possible slow-down in the real estate market in the coming months can be anticipated although it can be expected that high-quality office assets in Milan will prove relatively resilient in the medium to long term.

The potential increase in the adoption of the “working from home” practice will influence future tenant demand for office space from both a qualitative and quantitative point of view.

COIMA believes that the polarisation between qualified neighbourhoods and undifferentiated neighbourhoods will consolidate and accelerate further and that qualified neighbourhoods will continue to attract high quality office tenant demand and maintain limited level of office vacancy in the medium term. COIMA defines as qualified neighbourhoods those districts which have a “higher than average” score in terms of accessibility trough public transport, availability of services and wellness options, availability of public parks and a high degree of diversification in terms of end uses. To know more, please consult the study “The Future of Offices” published by COIMA and available on www.coima.com.

As far as the current portfolio is concerned, COIMA RES is considering further disposals of mature, non-strategic and non-core assets as well as the refurbishment and repositioning of selected assets within its portfolio.

COIMA RES will discuss its results during a public conference call on November 6th, 2020, at 15:00 (Italy time). The call will be held in English and the presentation will be available on the company website (https://www.coimares.com/en/investors/results-and-publications). To participate in the call, please call on of the following numbers:

Italy: +39 028020902
UK: +44 2030595875
USA: +1 7187058795

This press release may contain forecasts and estimates which reflect the current management expectations on future events and developments and, therefore, by their nature, forecasts and estimates involve risks and uncertainties. Considering such risks and uncertainties, readers are cautioned not to place undue reliance on these forward-looking statements which should not be considered as forecasts of actual results. The ability of COIMA RES to achieve the expected results depends on many factors outside of management's control. Actual results could cause the results to differ materially (and to be more negative) from those expressed or implied in the forward-looking statements. Such forecasts and estimates involve risks and uncertainties that may significantly affect the expected results and are based on certain key assumptions. The forecasts and estimates expressed herein are based on information made available to COIMA RES as of the date hereof. COIMA RES does not assume any obligation to publicly update and review these forward-looking statements to reflect new information, events or other circumstances, subject to compliance with applicable laws.

The Executive responsible for the preparation of the company's accounting documents, Fulvio Di Gilio, declares that, pursuant to the art. 154-bis comma 2 of the Consolidated Financial Act, the accounting information given in this press release corresponds to accounting documents, books and entries.

For further information on the company: www.coimares.com.

COIMA RES is a Real Estate Investment Trust (REIT) founded in 2015 and listed on the Italian Stock Exchange since 2016. COIMA RES' strategy is focussed on the development and active management of a high-quality real estate portfolio with a high sustainability content that is positioned to meet the current and future demand from tenants. At present, COIMA RES owns and manages a real estate portfolio mainly concentrated on the Milan office segment. COIMA RES aims to offer to its shareholders a balanced risk-return profile characterized by a stable and sustainable dividend and by the potential for appreciation of the real estate portfolio over time.

Contacts

COIMA RES
Alberto Goretti (Director, Investor Relations) – alberto.goretti@coimares.com

COIMA SGR
Kelly Russell (Managing Director, Marketing & Communication) – kelly.russell@coimasgr.com
Lorenzo Barbato (Director, Marketing & Communication) – lorenzo.barbato@coimasgr.com

Italy
SEC Relazioni Pubbliche +39 02 624 999 1
Daniele Pinosa – pinosa@secrp.com – +39 335 723 3872
Fabio Leoni – leoni@secrp.com – +39 348 869 1144

International
Newgate Communications - +44 (0)20 3757 6767
Elisabeth Cowell, Polly Warrack - COIMAFinancial@newgatecomms.com