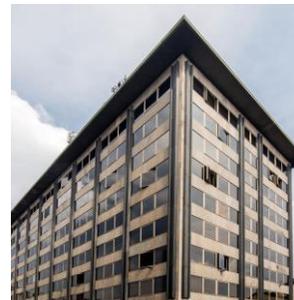


**COIMARES**

**CORPORATE  
PRESENTATION**

May 2019

REAL ESTATE SIIQ



# COIMA - A VERTICALLY INTEGRATED PLATFORM



**LEGACY & TRACK RECORD**

ESTABLISHED IN **1974**

---

**2 MILLION** SQM DEVELOPED

---

**€5 BILLION**  
ASSETS UNDER MANAGEMENT

**PRIVATE & LISTED FORMAT**



**COIMASGR**  
Real Estate Investment



**COIMARES**  
Real Estate SIQ



**MULTI ASSET EXPERTISE**

LOGISTICS

RESIDENTIAL

OFFICE

HOSPITALITY

RETAIL

**PARTNER TO BLUE CHIP INVESTORS**

PRIMARY ASIAN  
PENSION FUND



**GIC**



**ADIA**  
إمارة أبوظبي للاستثمار  
Abu Dhabi Investment Authority



**QIA**



**Ivanhoe  
Cambridge**



**KKR**

# COIMA - 50% SHARE OF GRADE A MILAN OFFICES



**OVER 10 BUILT TO SUIT**  
HEADQUARTERS DEVELOPED IN  
THE LAST 15 YEARS

**APPROX. 1 MILLION SQM**  
OF GRADE A OFFICES  
DEVELOPED

**OVER 15,000**  
CORPORATE EMPLOYEES  
RELOCATED

**BANCA AKROS**



**DELOITTE**



**SAMSUNG**



**UNICREDIT**



**NIKE**



**BNP PARIBAS**



**GOOGLE**



**PHILIPS**



**MICROSOFT**



**HSBC**



# COIMA RES - THE ONLY ITALIAN OFFICE REIT



**1 THE GATEWAY TO ITALIAN REAL ESTATE**  
THE ONLY ITALIAN OFFICE REIT

**2 FOCUSED PORTFOLIO**  
€667M PORTFOLIO, 80% OFFICES, 90% IN MILAN, 40% IN PORTA NUOVA

**3 GROWTH POTENTIAL**  
50% OF PORTFOLIO WITH A GROWTH PROFILE

**4 PRUDENT LEVERAGE**  
34% LTV

**5 BEST IN CLASS GOVERNANCE**  
7 OF 9 BOARD MEMBERS ARE INDEPENDENT

**6 TRANSPARENCY**  
EPRA GOLD AWARD IN REPORTING TWO YEARS IN A ROW

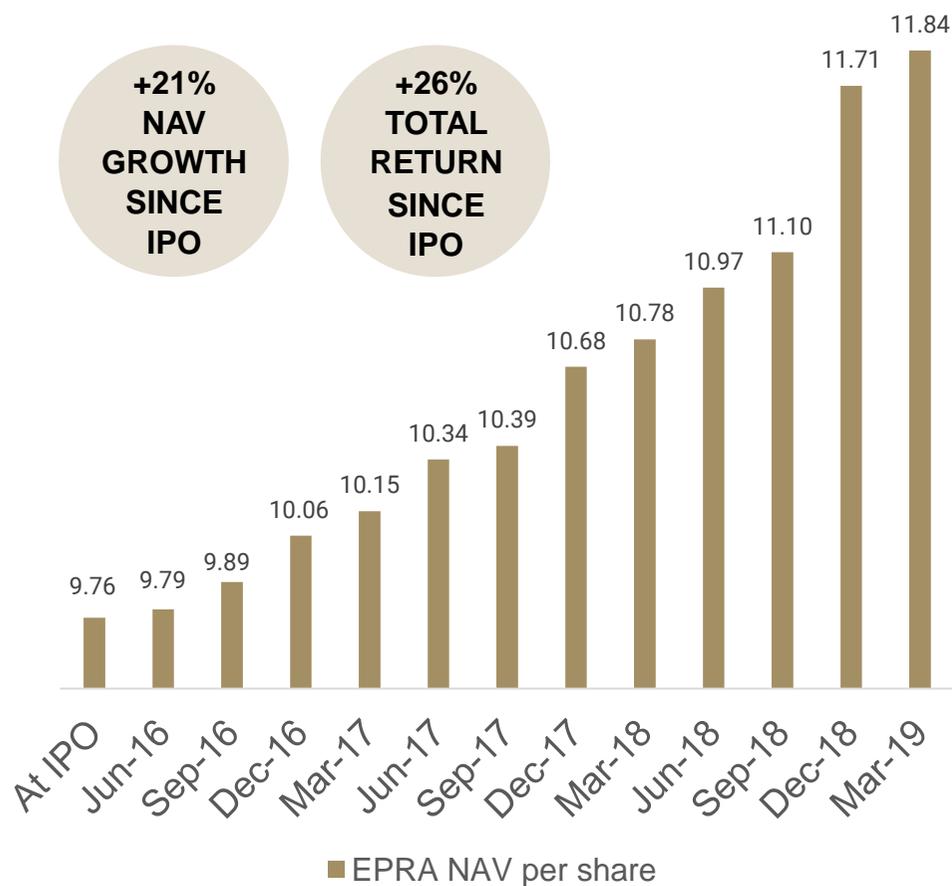
**7 SUSTAINABILITY**  
60% OF PORTFOLIO LEED CERTIFIED

# COIMA RES – ATTRACTIVE RETURN PROFILE



## NAV GROWTH

## FUNDAMENTALS, RETURNS & YIELD



**6%**

LIKE FOR LIKE  
RENTAL GROWTH  
(Q1 2019)

**12%**

RETURN ON EQUITY  
(2018)

**4%**

DIVIDEND YIELD  
(2018)

**6%**

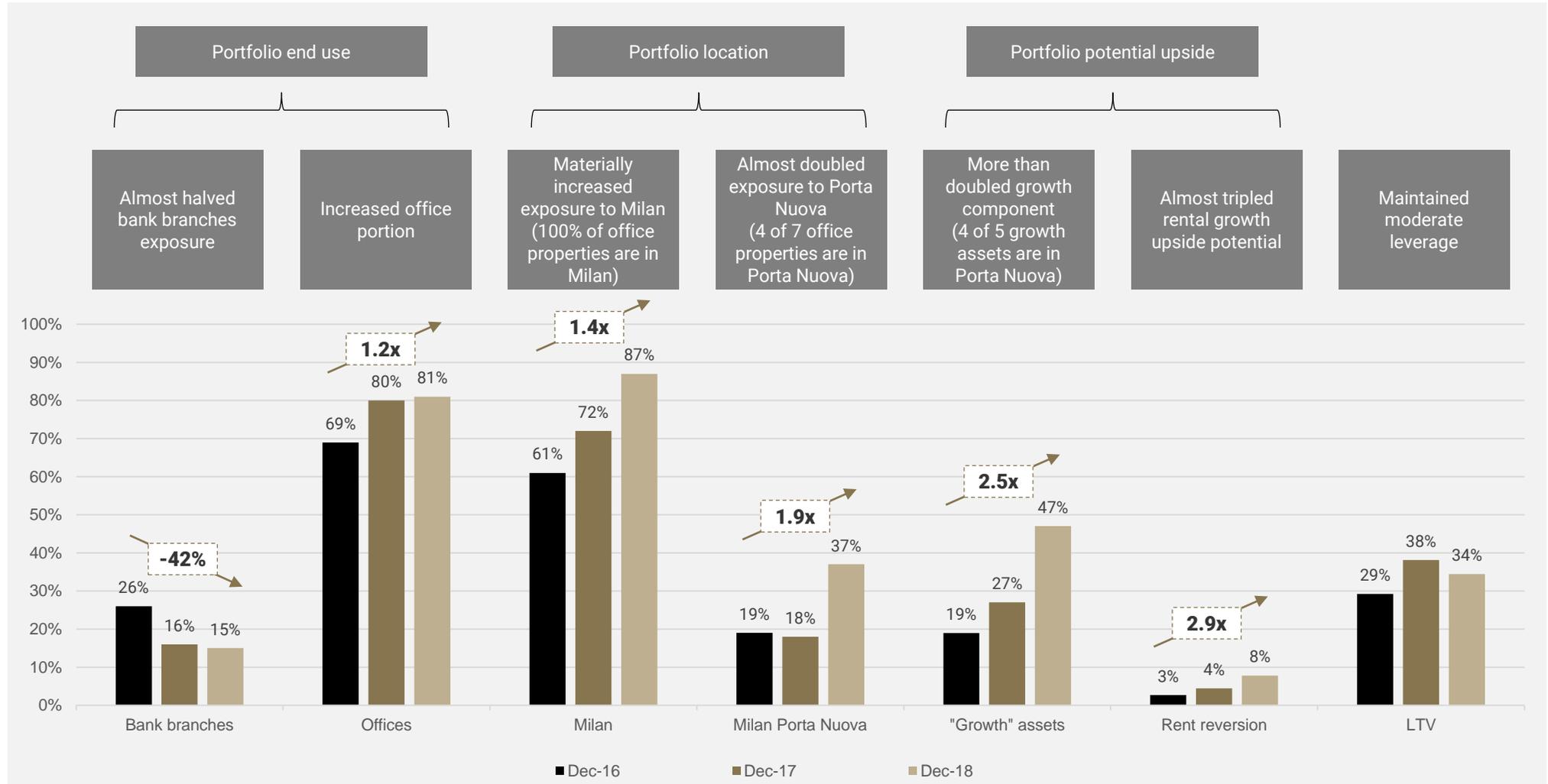
IMPLIED NET  
PORTFOLIO YIELD

# OUR JOURNEY SINCE IPO - KEY DATA POINT



Actively refocused the portfolio towards the most liquid asset class (offices) and towards a more resilient business district (Porta Nuova) whilst increasing the upside potential of the portfolio and maintaining a prudent leverage

## KEY METRICS (%)



Note:

- 1)
- 2)

Rent reversion is a metric estimating the rental upside in the portfolio and is defined as "Gross Rent / ERV - 1"  
 ERV is "estimated rental value" as per independent appraisals reports

**Portfolio overview**

Market overview

Financial results

Governance and sustainability

Appendix



**COIMARES**

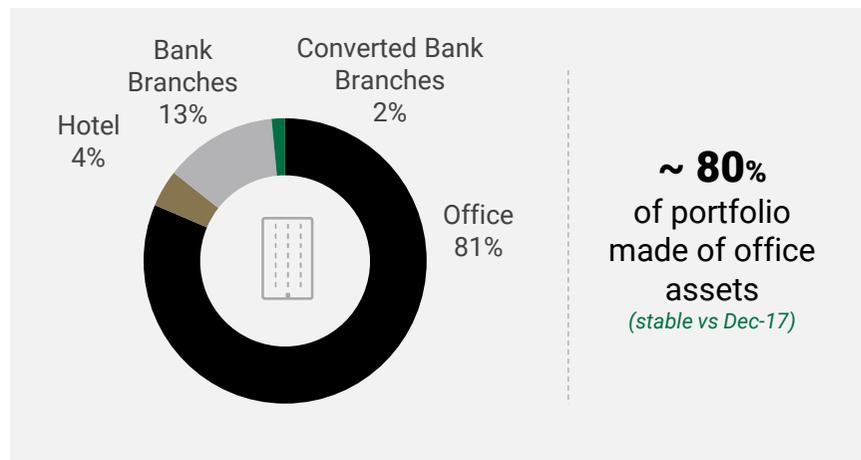
# PORTFOLIO - BREAKDOWN



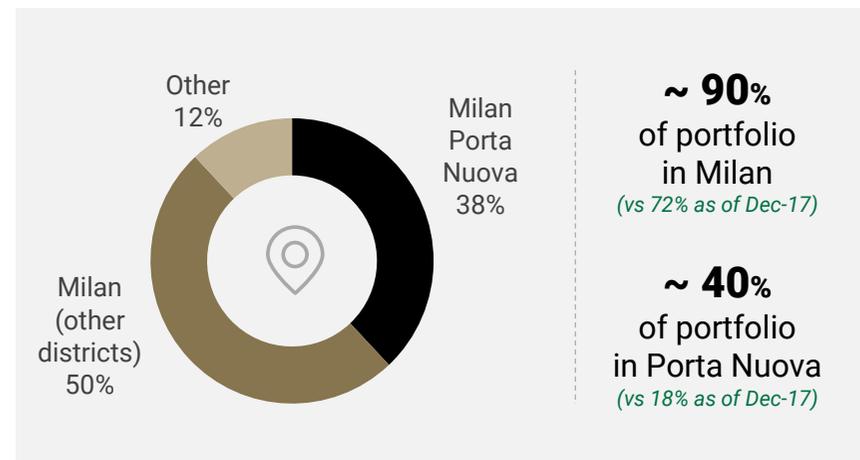
A high quality portfolio focused on Milan offices, the most resilient, large, liquid and transparent market in Italy

**€667 MILLION PORTFOLIO**  
**80% OFFICES**  
**90% MILAN**  
**40% PORTA NUOVA**  
**54% LEED CERTIFIED**  
**6.3 YEARS WALT**  
**4.9% EPRA NET INITIAL YIELD**  
**5.3% EPRA TOPPED-UP NET INITIAL YIELD**  
**3.5% EPRA VACANCY RATE**

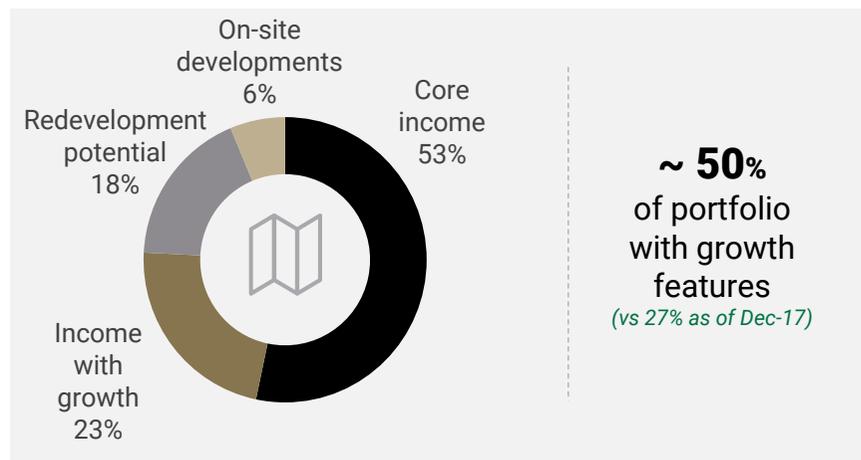
## BREAKDOWN BY USE<sup>1,2</sup>



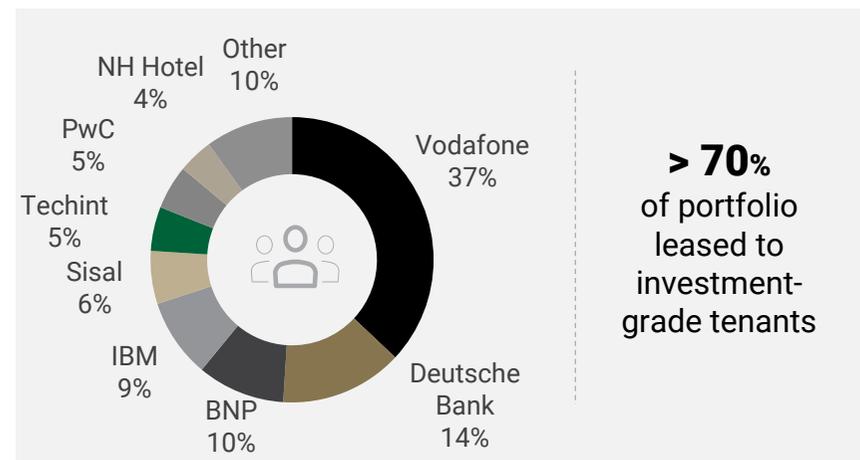
## BREAKDOWN BY GEOGRAPHY



## BREAKDOWN BY STRATEGY



## BREAKDOWN BY TENANT



Note:

- 1) Office portion includes c. 2,200 sqm of ground floor retail
- 2) Pavilion classified as office space

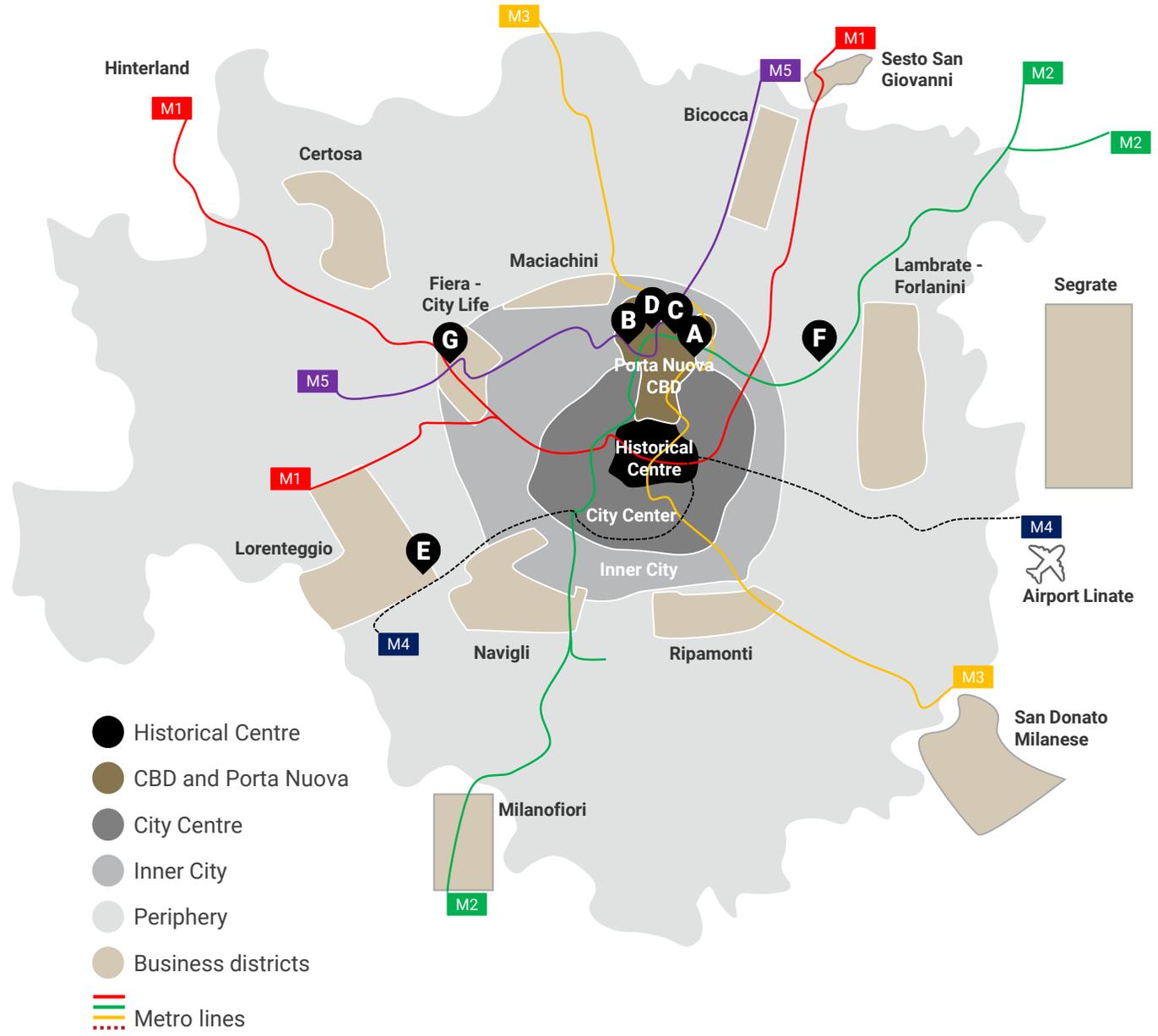
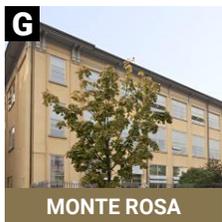
# PORTFOLIO - MILAN OFFICE ASSETS



## PORTA NUOVA



## OTHER DISTRICTS



# PORTFOLIO - LEASE PROFILE OVERVIEW

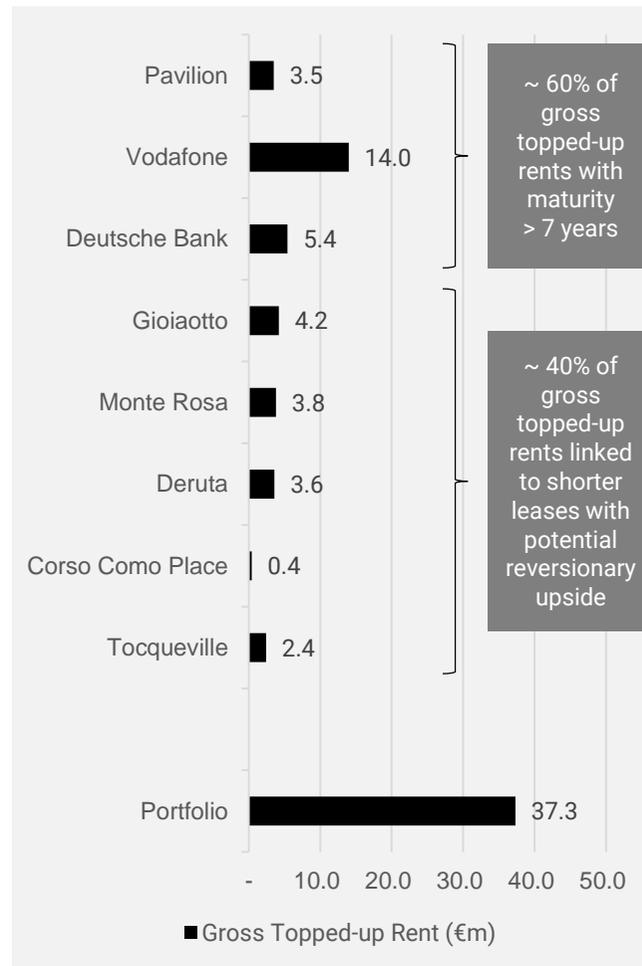


A €667m high quality portfolio focused on Milan offices with both a defensive profile and a “growth” component

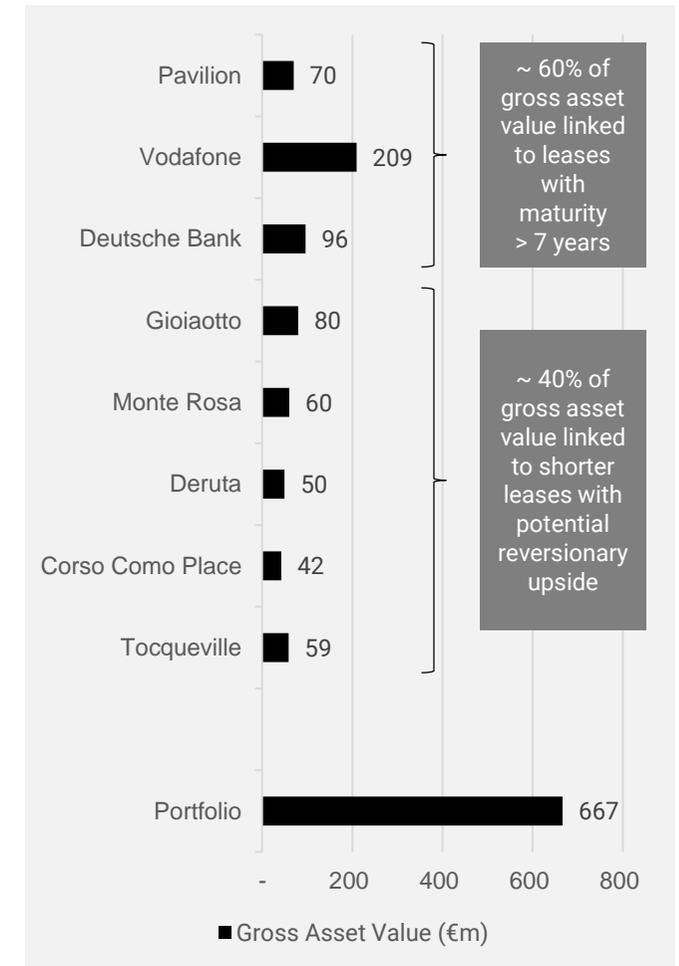
## LEASE MATURITY PROFILE (BY ASSET)



## GROSS RENT PROFILE (BY ASSET)



## GROSS ASSET VALUE (BY ASSET)



# PORTFOLIO - CASH FLOW PROFILE



Strong cash flow profile with limited capex requirements in the next three years

## OVERVIEW OF 2019-2021 PORTFOLIO CASH FLOW PROFILE

Assets		WALT	Comment	2019	2020	2021
	Pavilion	8.8 years	Long term lease Step up in rent in Q1 2020, linked to inflation afterwards	Cash flow		
	Vodafone	7.8 years	Long term lease, linked to inflation	Cash flow		
	Deutsche Bank	7.7 years	Long term lease, linked to inflation	Cash flow		
	Gioiaotto	5.3 years	Long term lease for hotel portion (WALT 6.8 years) Short term leases on office side (WALT 4.5 years)	Cash flow Potential positive reversion from reletting office leasing contracts Potential upside on NH Hotel lease from 2020 onwards (linked to operations)		
	Tocqueville	1.5 years	Medium term lease	Cash flow		
	Deruta	2.8 years	Medium term lease	Cash flow		
	Monte Rosa	4.0 years	Long term lease for Techint portion (WALT 7.6 years) Short term leases on PwC portion (WALT 0.9 years)	Cash flow (Techint)		
				Cash flow (PwC)	Capex	New tenant
	Corso Como Place	1.9 years	Under refurbishment, leasing activity ongoing	Capex (€22.2m COIMA RES' share)	Revenues / Cash flow	

# CORSO COMO PLACE - PROJECT UPDATE



## A “next generation” project in the heart of Porta Nuova

### ■ Value-add project in the heart of Milan Porta Nuova

- Joint venture<sup>1</sup> between COIMA RES and COIMA Opportunity Fund II

### ■ Total project cost of €164m<sup>1</sup>

- Purchase price: €89m (2016)
- Estimated capex & other capitalised expenses: €75m (2017-2020)  
*Already spent €18.2m (Jan-17 / Mar-19)*  
*Residual to be spent €56.8m (Apr-19 / 2020)*

### ■ Leverage and target returns

- Gross Yield on Cost: c. 6%
- Levered IRR: c. 12%
- Project Loan to Cost: c. 60%

### ■ Cutting edge sustainable and innovative technologies

- PLP Architecture leading the project
- Implementation of Smart Building infrastructure
- Approx. 65% of energy use from renewable sources
- Targeting LEED Gold, WELL Gold, NZEB and Cradle to Cradle

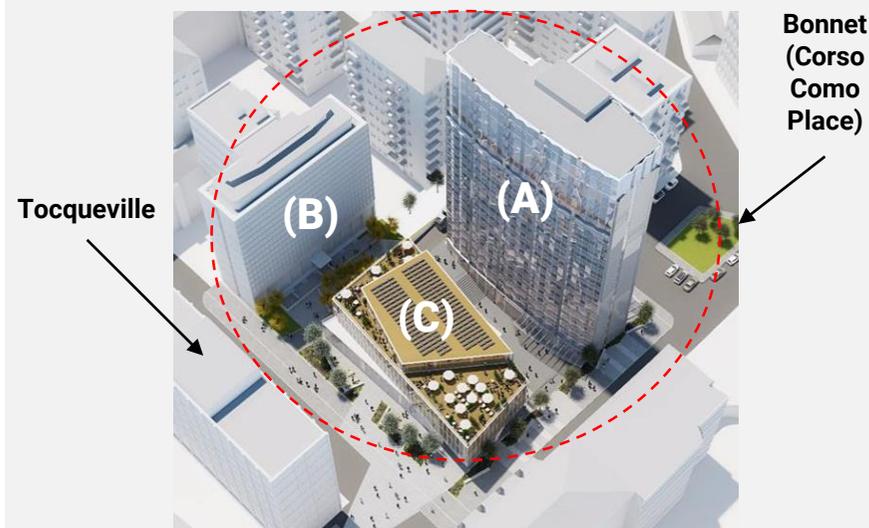
### ■ Place-making

- Creation of a new public space
- Seamless integration of streets connecting to Corso Como & Porta Nuova

- **Building A** (high-rise office tower, 16,000 sqm GBA)
  - existing building, 100% vacant, leasing in progress
  - hard refurbishment

- **Building B** (low-rise office tower, 6,200 sqm GBA)
  - existing building, currently >60% leased
  - extraordinary maintenance works only

- **Building C** (new office / retail low-rise, 4,800 sqm GBA)
  - new building (partially replacing underground parking)
  - 100% vacant, leasing in progress
  - demolish and rebuild existing underground parking
  - develop new office with ground floor retail



**TARGET  
CERTIFICATIONS**



**LEED  
Gold**



**WELL  
Gold**



**Near Zero  
Energy  
Building**

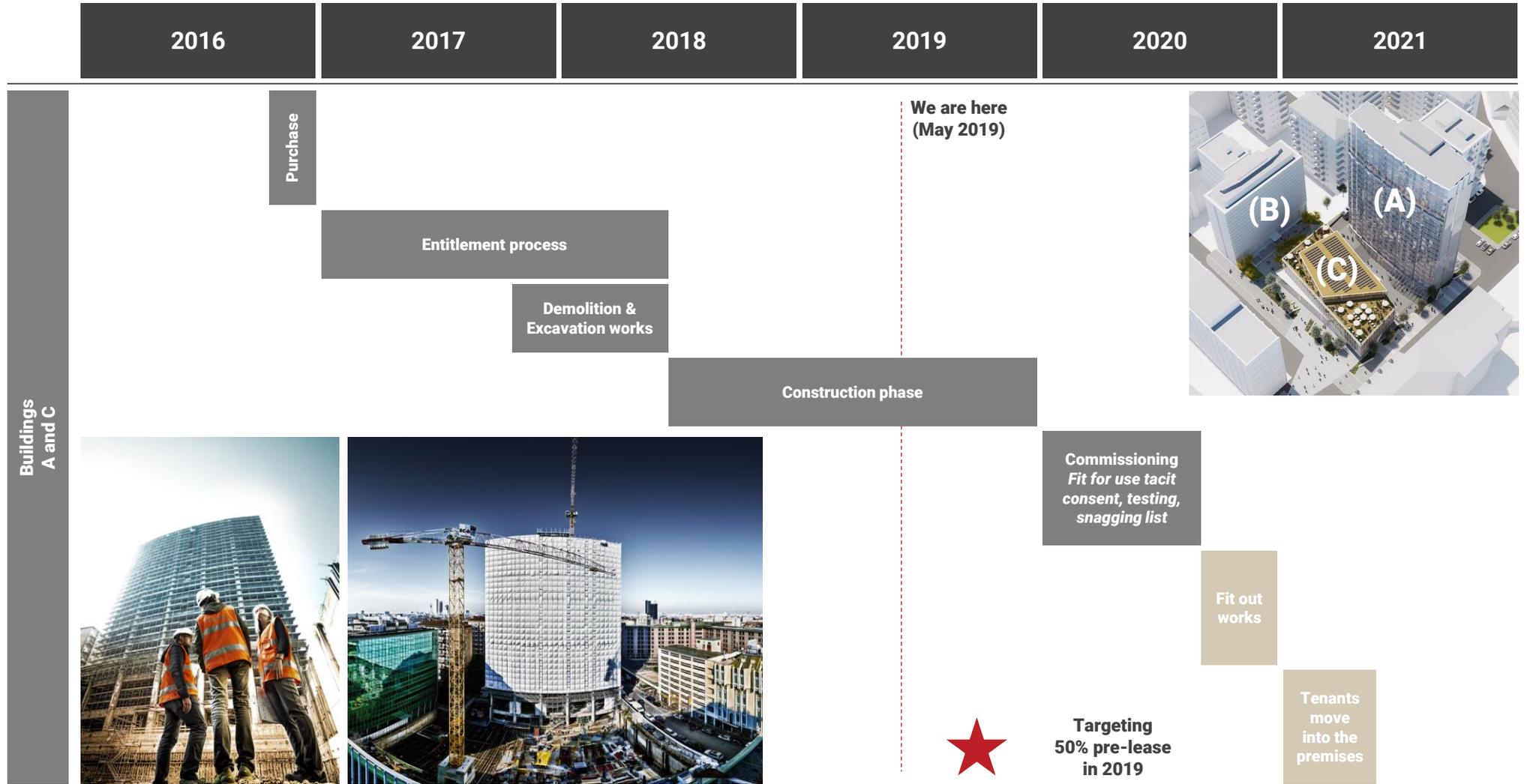


**Cradle  
to  
Cradle**

# CORSO COMO PLACE - INDICATIVE TIMELINE



The project is well on track for delivery in 2020, positive feedback from prospective tenants



# PORTA NUOVA - OVERVIEW



Approx. 40% of COIMA RES portfolio is in Milan Porta Nuova, the most sustainable & innovative business district in Italy

**COIMA SGR AWARDS:**

**"BEST URBAN REGENERATION PROJECT - Porta Nuova"**  
MIPIM (2018)

**"BEST OFFICE & BUSINESS DEVELOPMENT - Fondazione Feltrinelli & Microsoft House"**  
MIPIM (2018)

**"BEST TALL BUILDING WORLDWIDE - Bosco Verticale"**  
CTBUH (2015)



**HIGHEST CONCENTRATION OF LEED BUILDINGS IN ITALY**  
(31 EXISTING + 9 IN PIPELINE)

**+9.9% RENTAL AND OCCUPANCY GROWTH FORECAST**  
(2019-2021)

**38 PRIME CORPORATE TENANTS, MORE EXPECTED TO JOIN**

**HOME TO 35,000+ EMPLOYEES**

**+30% EXPECTED INCREASE IN NUMBER OF EMPLOYEES**  
(2018-2022)

Portfolio overview

**Market overview**

Financial results

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Appendix



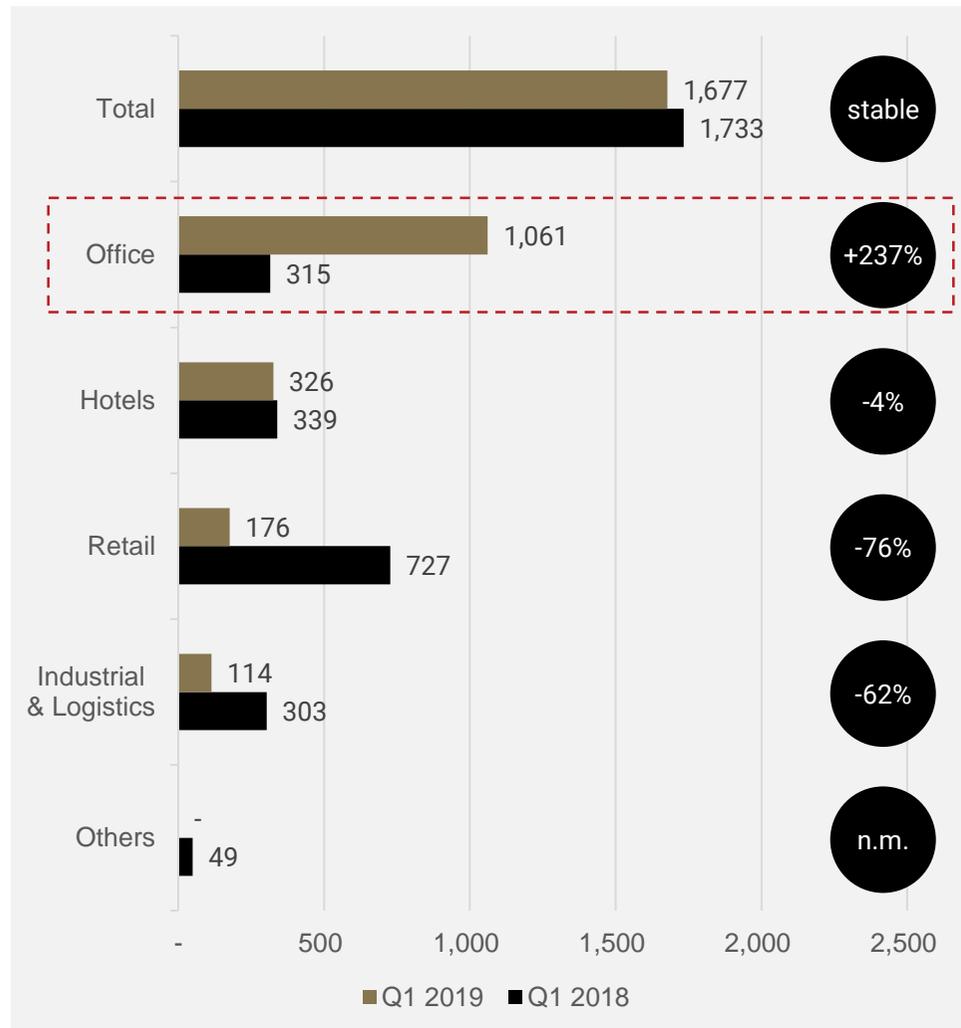
**COIMARES**

# ITALY - INVESTMENT MARKET IN Q1 2019

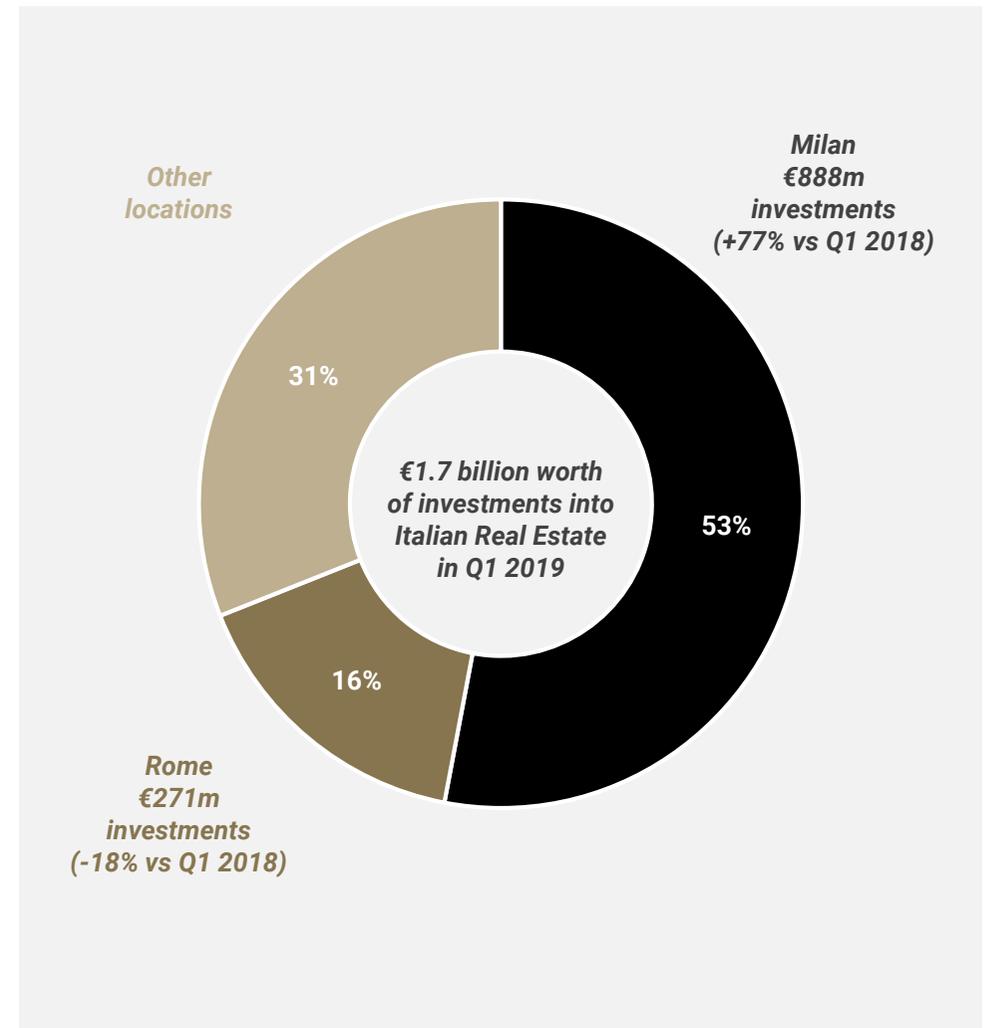


Strong investment volumes into the Italian office segment and in Milan in Q1 2019

■ INVESTMENT VOLUMES INTO ITALY BY ASSET CLASS (€m)



■ BREAKDOWN OF Q1 2019 INVESTMENTS BY LOCATION (%)

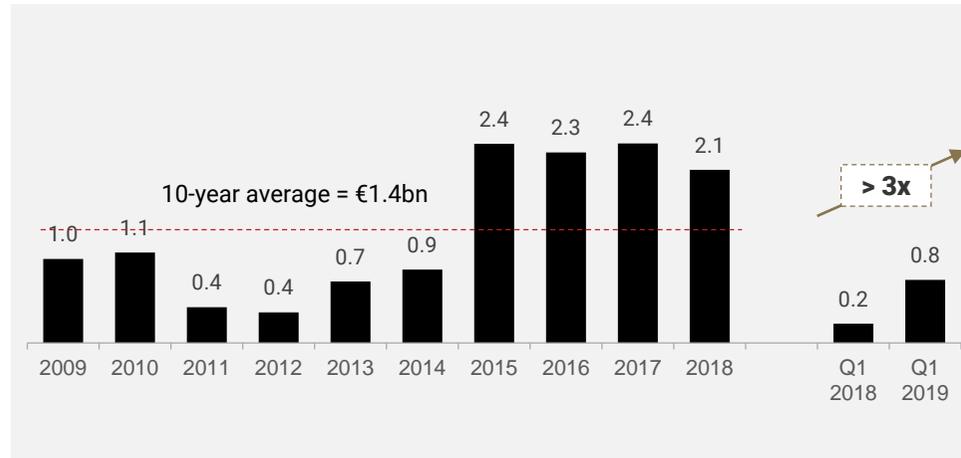


# MILAN OFFICES - INVESTMENT ENVIRONMENT

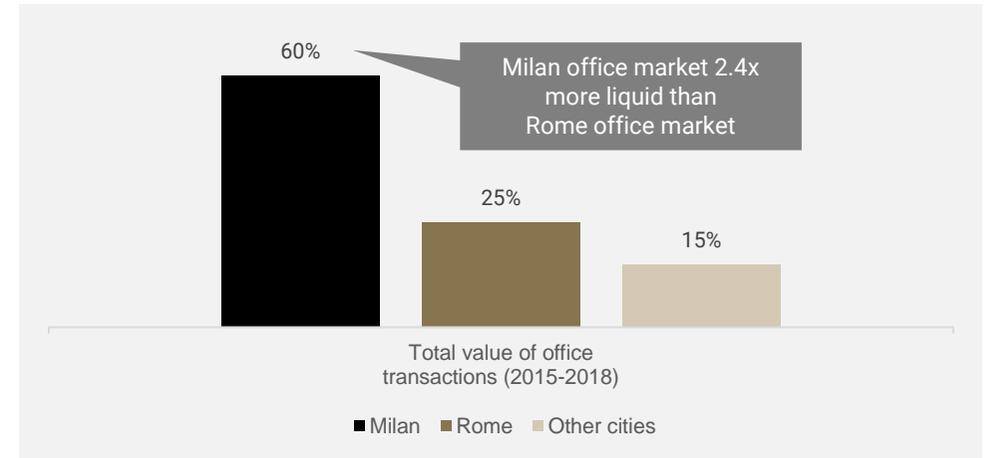


Active investment market in Q1 2019 (€757m volumes, i.e. > 3x the Q1 2018 level). Stable yield environment

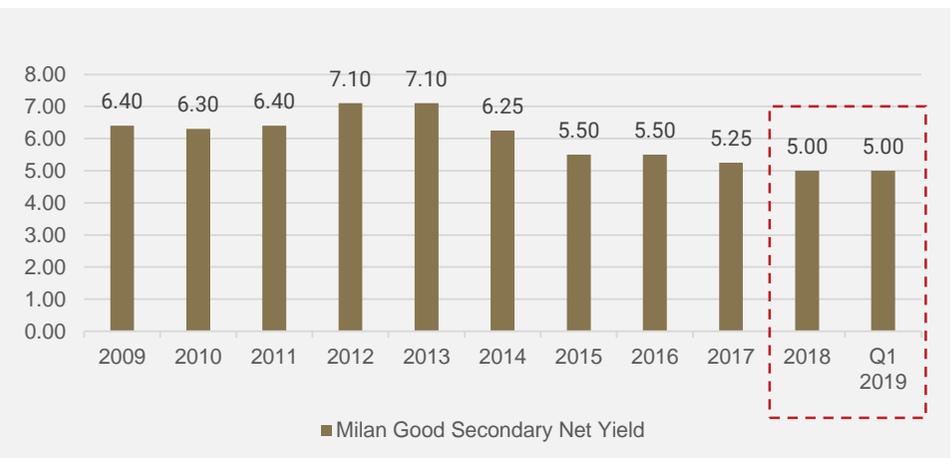
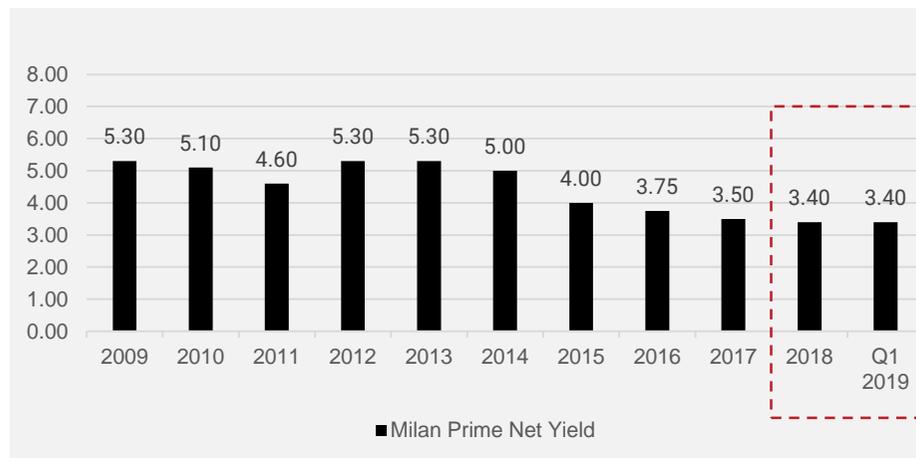
## INVESTMENT VOLUMES (€bn)



## INVESTMENT MARKET LIQUIDITY



## YIELD PROGRESSION (%)

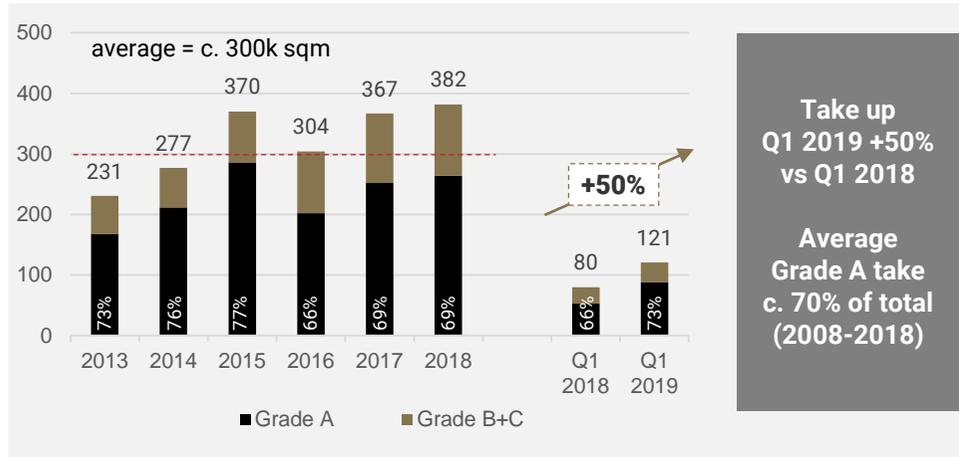


# MILAN OFFICES - DEMAND & SUPPLY DYNAMICS

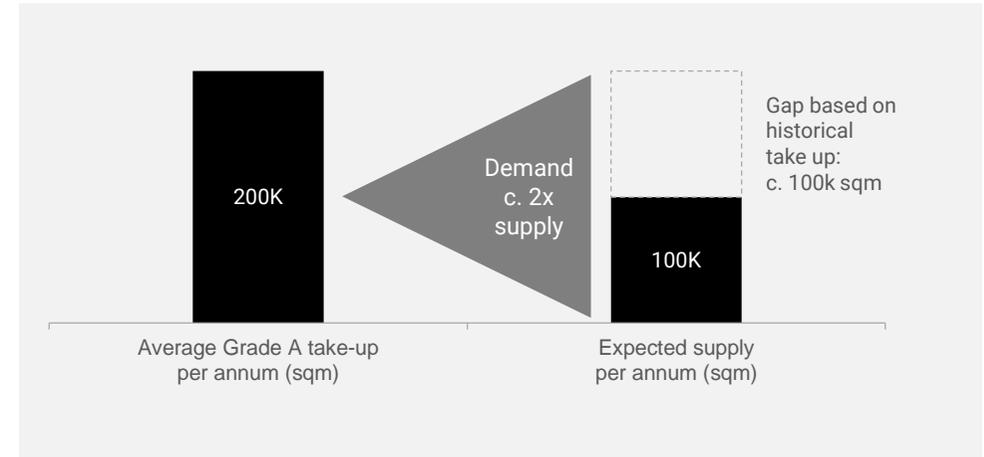


Solid take up in Milan in Q1 2019 (+50% vs Q1 2018). Average Grade A take up is c. 2x expected 2019-2022 pipeline

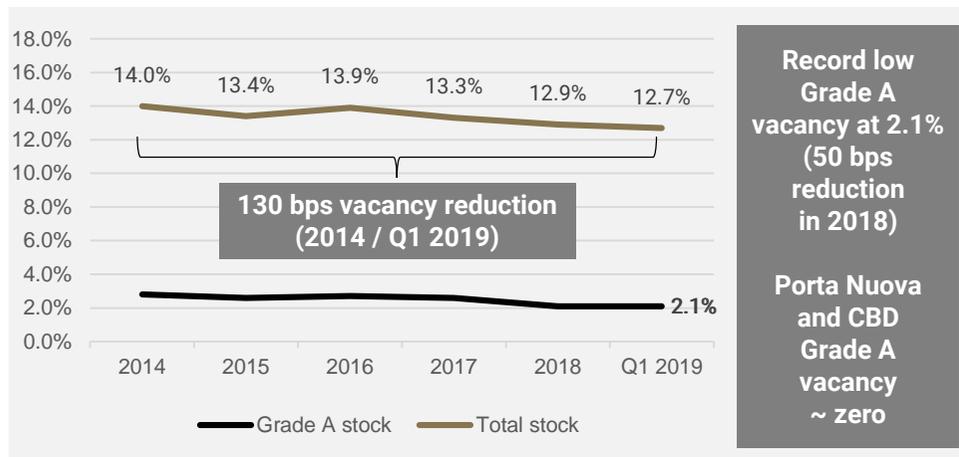
## TAKE UP IN Q1 2019 ('000 SQM)



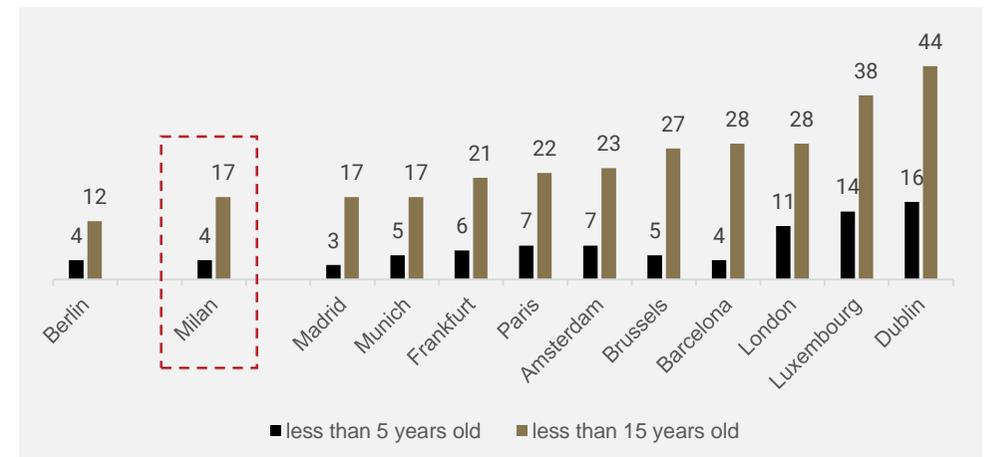
## SUPPLY VS DEMAND IMBALANCE (2019-2022)



## VACANCY RATE BY GRADE (%)



## MILAN OFFICE STOCK AGE IN CONTEXT (% OF TOTAL)

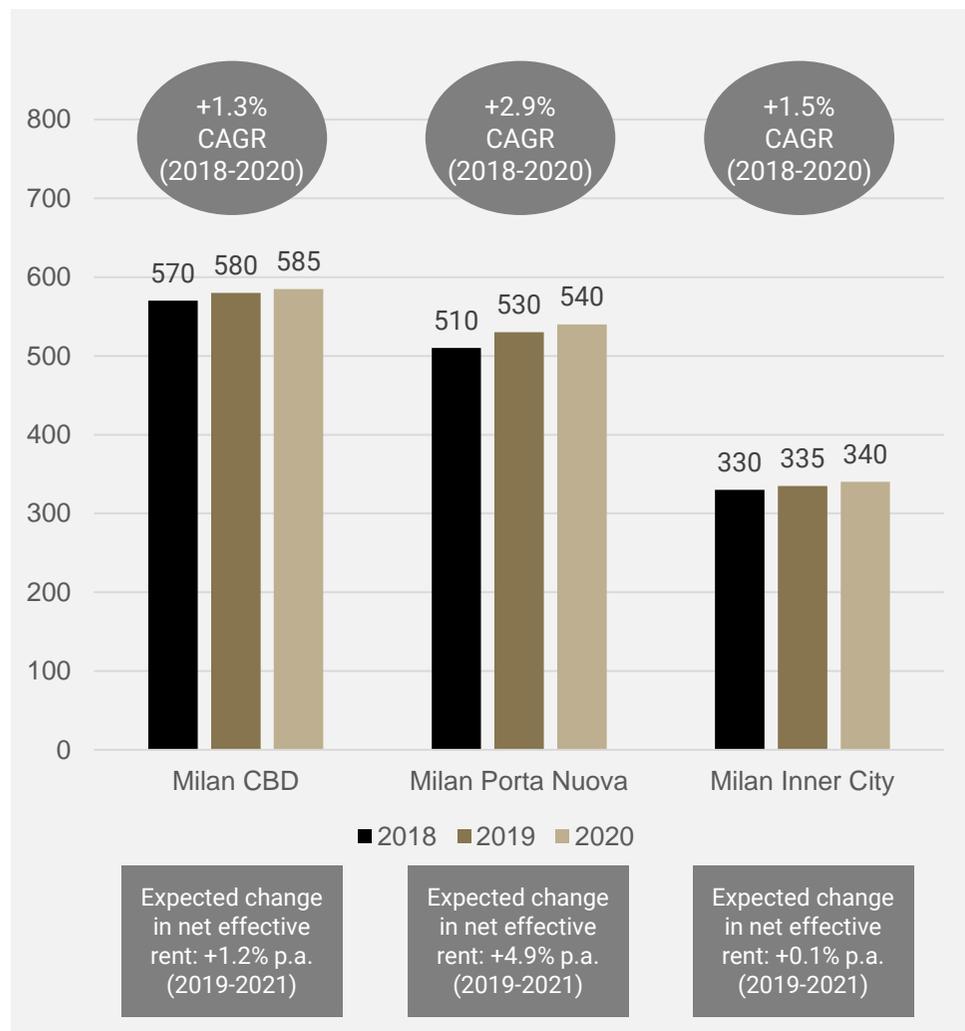


# MILAN OFFICES - RENTAL GROWTH OUTLOOK

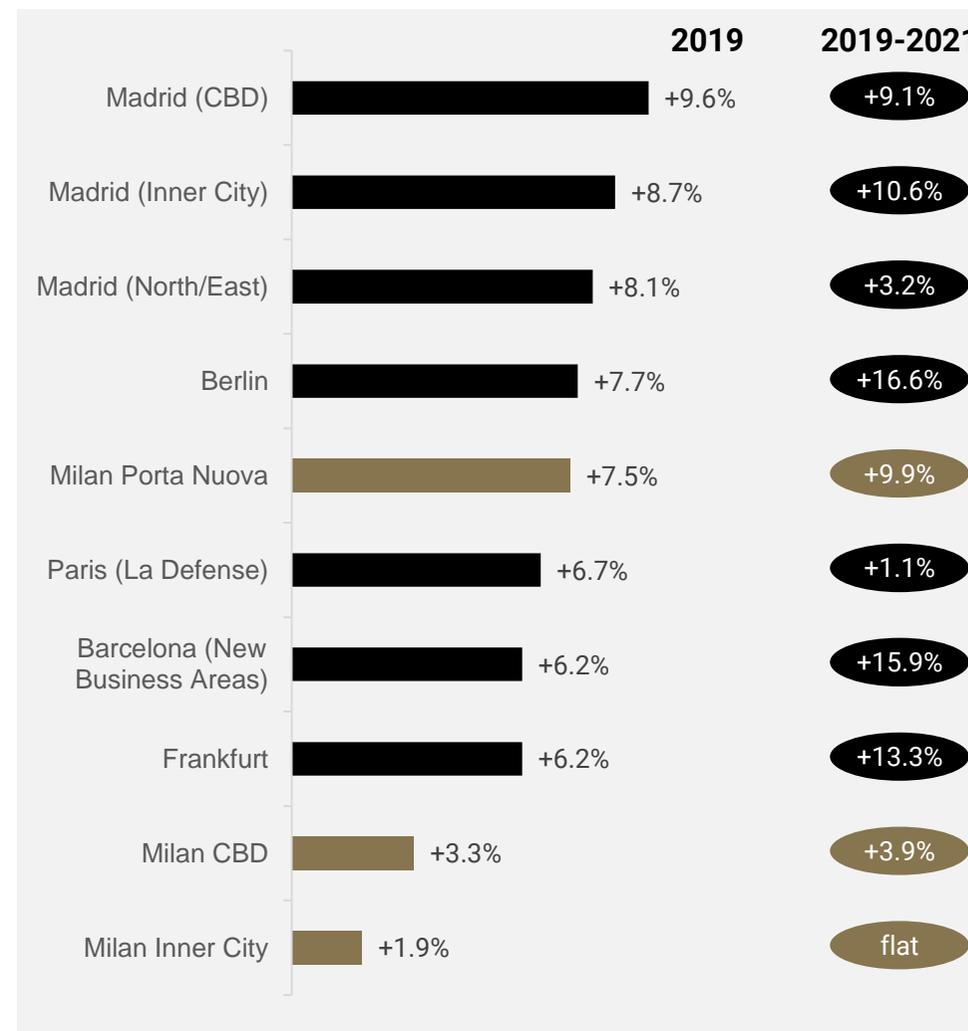


Milan top 10 city in Western Europe for rental growth with a strong outlook in Milan Porta Nuova

## OFFICE HEADLINE RENT BY SUBMARKET (€/SQM)



## OFFICE RENTAL AND OCCUPANCY GROWTH<sup>1</sup>



Source: Green Street Advisors  
 Note: 1) Metric is defined as RevPAM

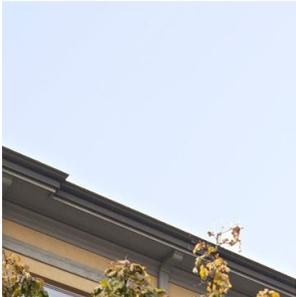
Portfolio overview

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**COIMARES**

# Q1 2019 - FINANCIAL HIGHLIGHTS



BALANCE SHEET	MAR-19	DEC-18	Δ%	Δ
Gross Asset Value <sup>1</sup>	€666.6m	€663.9m	0.4%	€2.7m
EPRA NAV per share	€11.84	€11.71	1.1%	€0.13
EPRA NNAV per share	€11.63	€11.54	0.8%	€0.09
LTV <sup>1</sup>	34.0%	34.5%	n.m.	(50) bps

INCOME STATEMENT	Q1 2019	Q1 2018	Δ%	Δ
Gross Rents	€8.7m	€8.8m	(1.2)%	€(0.1)m
NOI Margin	89.1%	89.4%	n.m.	(30) bps
EBITDA	€5.5m	€5.2m	5.6%	€0.3m
Net Profit	€4.7m	€3.4m	37.8%	€1.3m
EPRA Earnings per share	€0.10	€0.11	(11.8)%	€0.01
Recurring FFO per share	€0.11	€0.12	(9.2)%	€0.01
All in cost of debt (blended)	2.02%	1.97%	n.m.	5 bps
ICR	3.2x	3.3x	n.m.	(0.1)x

OTHER EPRA KPIs <sup>2</sup>	MAR-19	DEC-18	Δ%	Δ
EPRA Net Initial Yield	4.9%	4.8%	n.m.	10 bps
Expected Topped-up Net Initial Yield	5.3%	5.2%	n.m.	10 bps
EPRA Vacancy Rate	3.5%	4.1%	n.m.	(60) bps

Notes:

1) Corso Como Place included on a look through basis

2) Data as of Dec-18 pro forma for IBM leasing (which was signed in August 2018 and became effective on January 31<sup>st</sup>, 2019)



# EPRA NAV - EVOLUTION

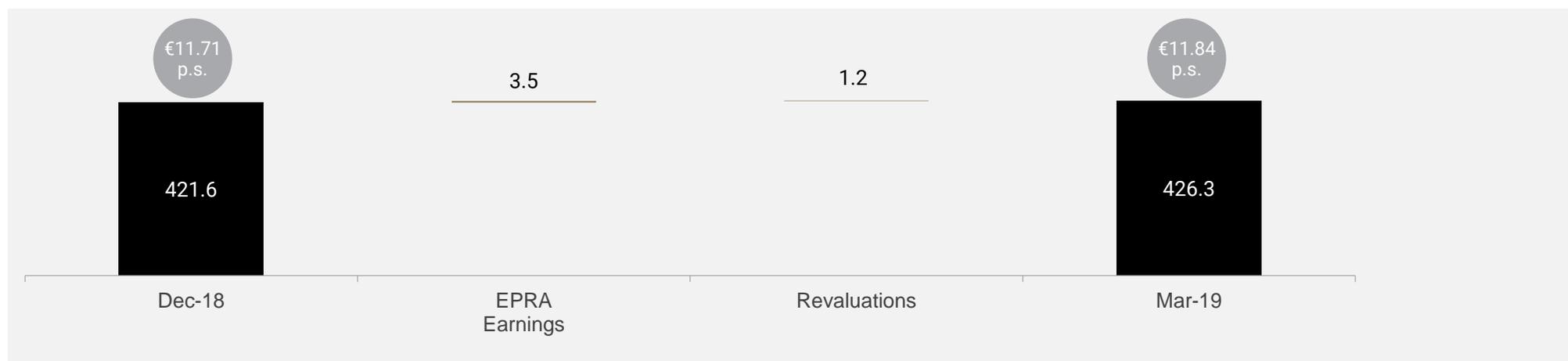


EPRA NAV per share growth of 1.1% in Q1 2019 (9.8% in the last 12 months)

## ■ EPRA NAV PER SHARE EVOLUTION (€)



## ■ EPRA NAV BRIDGE Q1 2019 (€m)

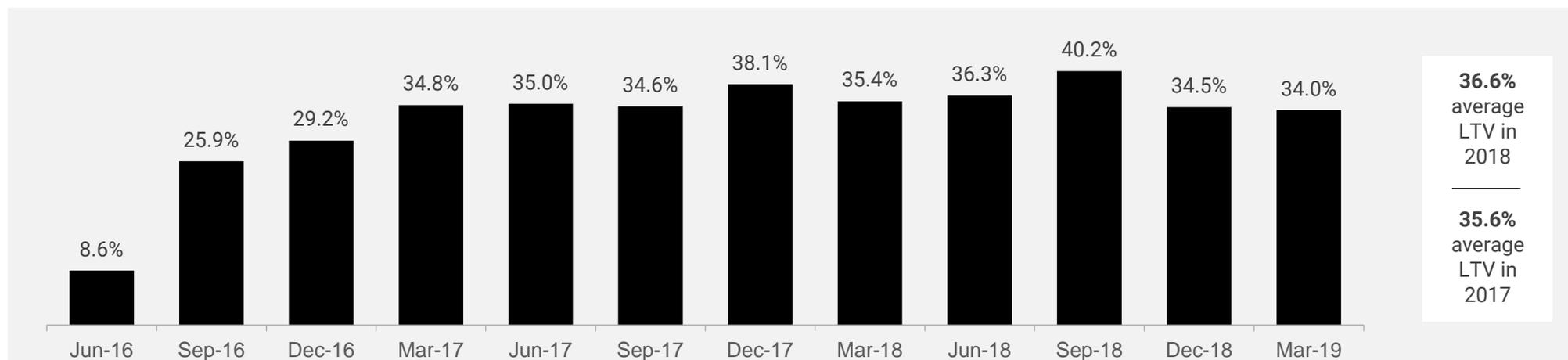


# LTV AND DEBT STRUCTURE - EVOLUTION



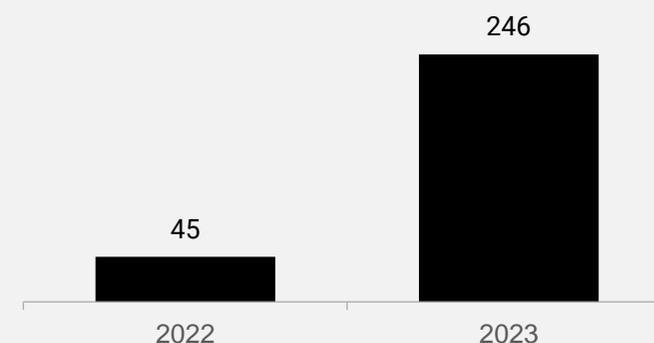
Weighted average debt maturity of c. 4.1 years, “all in” cost of debt of ~ 2.0%, gross debt c. 75% hedged

## LTV PROGRESSION<sup>1</sup>



## GROSS DEBT MATURITY PROFILE (€m)

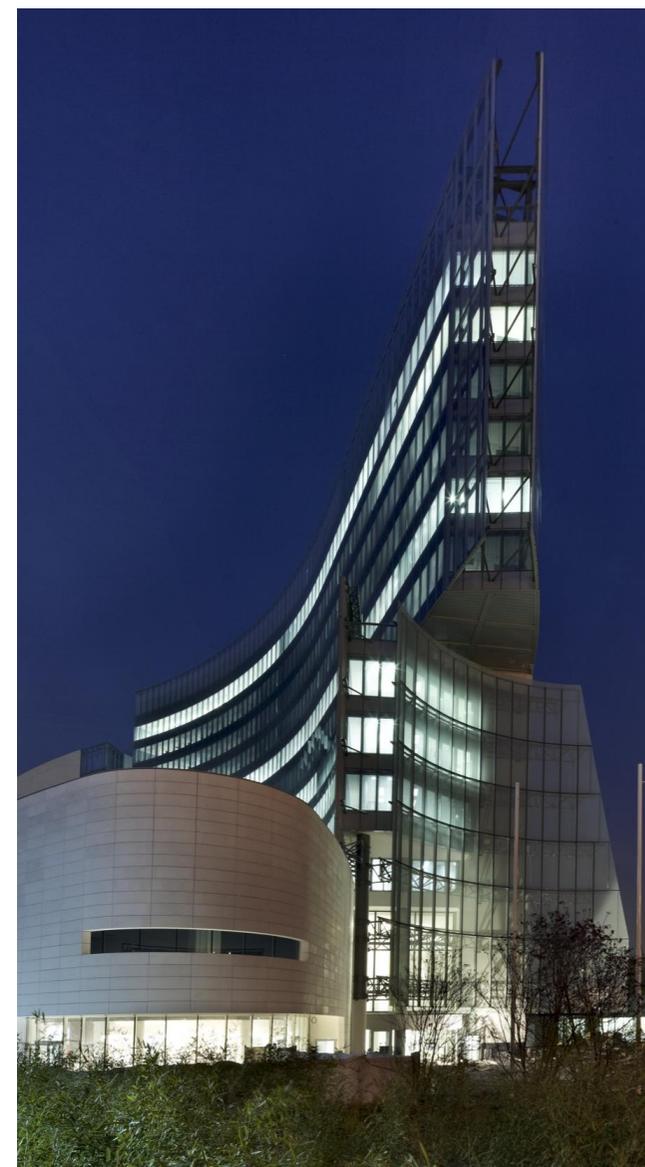
- Debt deal signed on July 16<sup>th</sup>, 2018 (pool of banks: Banca IMI, BNP Paribas, ING, UniCredit)
  - New debt for €70.0m for Monte Rosa and Tocqueville acquisition
  - Refinancing of €149.3m of existing debt on Vodafone complex and Deutsche Bank
  - Maturity of 5 years
- On October 31<sup>st</sup>, 2018, signed with UniCredit a €27.0m<sup>2</sup> financing for the Pavilion acquisition
  - Secured debt, 5 years maturity, 1.80% “all in” cost
- Reimbursed €47.9m of debt related to the Eurcenter disposal in Dec-18



# INCOME STATEMENT



€M	Q1 2019	Q1 2018	Δ Y-Y (%)	Δ Y-Y	FY 2018
Rents	8.7	8.8	(1.2%)	(0.1)	36.3
Net real estate operating expenses	(1.0)	(0.9)	1.4%	(0.0)	(4.0)
<b>NOI</b>	<b>7.8</b>	<b>7.9</b>	<b>(1.5%)</b>	<b>(0.1)</b>	<b>32.3</b>
<b>NOI margin (%)</b>	<b>89.1%</b>	<b>89.4%</b>	<b>(0.3) p.p.</b>	<b>n.m.</b>	<b>89.1%</b>
Other revenues	0.0	0.0	n.m.	0.0	5.6
G&A	(2.1)	(1.9)	10.7%	(0.2)	(8.6)
G&A / Rents (%)	24.6%	21.9%	2.7 p.p.	n.m.	23.7%
Other expenses	(0.0)	(0.0)	n.m.	0.0	(2.4)
Non-recurring general expenses	(0.1)	(0.7)	(85.6%)	0.6	(1.9)
<b>EBITDA</b>	<b>5.5</b>	<b>5.2</b>	<b>5.6%</b>	<b>0.3</b>	<b>25.0</b>
<b>EBITDA Margin (%)</b>	<b>63.1%</b>	<b>59.0%</b>	<b>4.0 p.p.</b>	<b>n.m.</b>	<b>60.6%</b> <sup>1</sup>
Net depreciation	(0.1)	(0.0)	n.m.	(0.1)	(1.2)
Net movement in fair value	1.2	-	n.m.	1.2	28.3
<b>EBIT</b>	<b>6.5</b>	<b>5.2</b>	<b>26.0%</b>	<b>1.3</b>	<b>52.2</b>
Financial income	-	0.0	n.m.	(0.0)	0.0
Income from investments	(0.1)	(0.0)	n.m.	(0.1)	2.4
Financial expenses	(1.7)	(1.6)	7.3%	(0.1)	(6.3)
<b>Profit before taxation</b>	<b>4.7</b>	<b>3.6</b>	<b>31.9%</b>	<b>1.1</b>	<b>48.3</b>
Income tax	-	0.0	n.m.	(0.0)	0.0
<b>Profit for the period after taxation</b>	<b>4.7</b>	<b>3.6</b>	<b>31.8%</b>	<b>1.1</b>	<b>48.3</b>
Minorities	(0.0)	(0.2)	n.m.	0.1	(2.0)
<b>Profit attributable to COIMA RES</b>	<b>4.7</b>	<b>3.4</b>	<b>37.8%</b>	<b>1.3</b>	<b>46.3</b>
EPRA adjustments	(1.2)	0.6	n.m.	(1.7)	(31.2)
<b>EPRA Earnings</b>	<b>3.5</b>	<b>4.0</b>	<b>(11.8%)</b>	<b>(0.5)</b>	<b>15.1</b>
<b>EPRA Earnings per share (€)</b>	<b>0.10</b>	<b>0.11</b>	<b>(11.8%)</b>	<b>(0.01)</b>	<b>0.42</b>
<b>FFO</b>	<b>3.8</b>	<b>3.6</b>	<b>4.9%</b>	<b>0.2</b>	<b>22.0</b>
FFO adjustments	0.1	0.7	n.m.	(0.6)	(4.3)
<b>Recurring FFO</b>	<b>3.9</b>	<b>4.3</b>	<b>(9.2%)</b>	<b>(0.4)</b>	<b>17.7</b>
<b>Recurring FFO per share (€)</b>	<b>0.11</b>	<b>0.12</b>	<b>(9.2%)</b>	<b>(0.01)</b>	<b>0.49</b>



# BALANCE SHEET



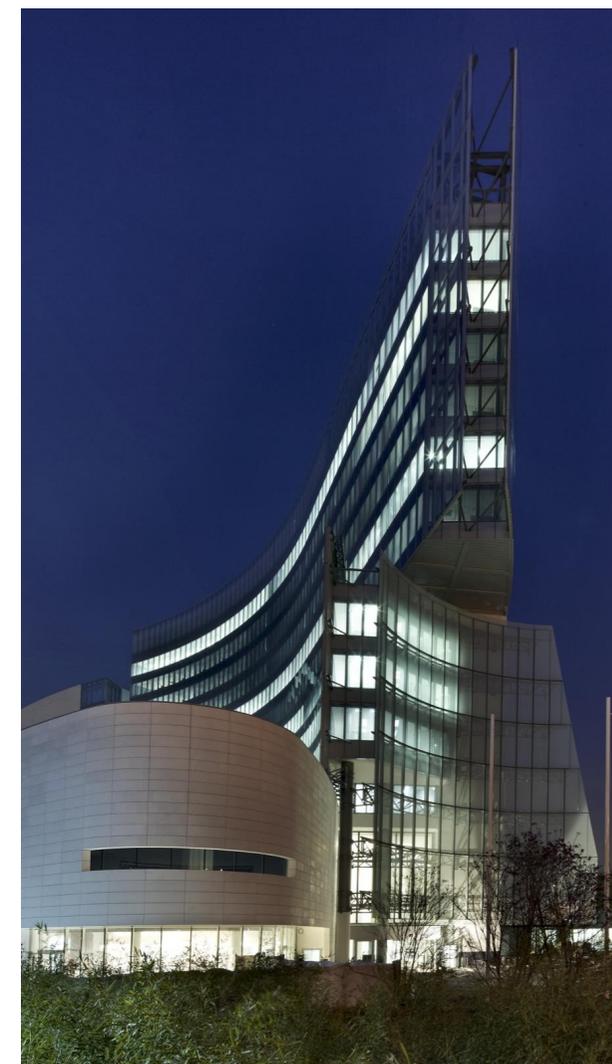
€M	MAR-19	DEC-18	Δ	MAR-19 <sup>1</sup>
Investment properties	624.3	623.5	0.8	666.6
Other assets	3.3	2.9	0.4	3.3
Investments (equity method)	22.2	21.5	0.7	1.5
<b>Total LT assets</b>	<b>649.8</b>	<b>647.9</b>	<b>1.9</b>	<b>671.4</b>
Trade receivables	8.3	8.2	0.1	8.5
Cash	83.9	82.2	1.7	84.8
<b>Total current assets</b>	<b>92.2</b>	<b>90.5</b>	<b>1.7</b>	<b>93.3</b>
<b>Total assets</b>	<b>742.0</b>	<b>738.4</b>	<b>3.6</b>	<b>764.7</b>
Debt	290.6	291.3	(0.7)	311.3
Provisions	0.1	0.2	(0.1)	0.1
Other liabilities	3.7	2.1	1.6	3.7
Trade payables	10.7	12.5	(1.8)	12.7
<b>Total liabilities</b>	<b>305.0</b>	<b>306.1</b>	<b>(1.1)</b>	<b>327.7</b>
Minorities	13.5	13.5	0.0	13.5
<b>NAV</b>	<b>423.5</b>	<b>418.7</b>	<b>4.8</b>	<b>423.5</b>
<b>LTV</b>	<b>33.1%</b>	<b>33.5%</b>	<b>(0.4 p.p.)</b>	<b>34.0%</b>



# CASH FLOW



€M	Q1 2019	Q1 2018	Δ	FY 2018
<b>Profit (loss) for the period</b>	<b>4.7</b>	<b>3.6</b>	<b>1.1</b>	<b>48.3</b>
Non cash items adjustments	(0.5)	0.5	(1.0)	(27.3)
Changes in working capital	(1.0)	(2.4)	1.4	0.6
<b>Net cash flows generated (absorbed) from operating activities</b>	<b>3.1</b>	<b>1.7</b>	<b>1.5</b>	<b>21.6</b>
<b>Investment activities</b>				
(Acquisition) / disposal of real estate property	0.4	38.0	(37.6)	18.2
(Acquisition) / disposal of other tangible assets	(0.0)	(0.0)	(0.0)	(0.1)
(Acquisition) / disposal of other non-current assets	-	-	-	-
(Acquisition) / disposal of financial assets	-	(0.0)	0.0	1.4
Acquisition of associated companies	(0.9)	(0.5)	(0.4)	(2.2)
<b>Net cash flows generated (absorbed) from investment activities</b>	<b>(0.5)</b>	<b>37.5</b>	<b>(38.0)</b>	<b>17.4</b>
<b>Financing activities</b>				
Shareholders' contributions / (Dividend payment)	(0.0)	0.7	(0.7)	(10.1)
Increase / (decrease) in bank borrowings	(1.0)	(23.7)	22.7	28.1
Other change in financing activities	-	-	-	(1.8)
<b>Net cash flows generated (absorbed) from financing activities</b>	<b>(1.0)</b>	<b>(23.0)</b>	<b>22.0</b>	<b>16.2</b>
Net (decrease) / increase in cash equivalents and short-term deposits	1.7	16.1	(14.5)	55.2
Cash equivalents and short-term deposits (beginning of the period)	82.2	27.0	55.2	27.0
<b>Cash equivalents and short-term deposits (end of the period)</b>	<b>83.9</b>	<b>43.2</b>	<b>40.7</b>	<b>82.2</b>



Portfolio overview

Market overview

Financial results

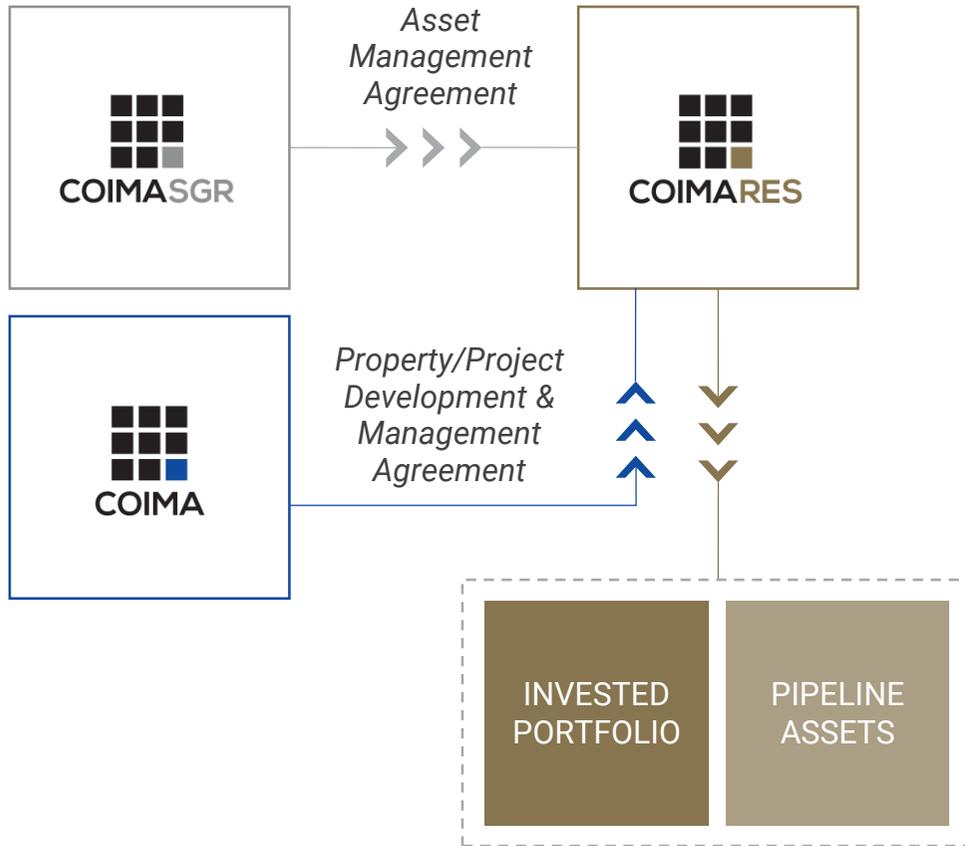
**Governance and sustainability**

Appendix



**COIMARES**

# COIMA RES - STRUCTURE OVERVIEW



## COIMA SGR COMPENSATION

BASE FEE	PROMOTE
----------	---------

- COIMA SGR's compensation is based on NAV with a scale down mechanism:
  - 110 bps (if NAV ≤ €1.0bn)
  - 85 bps (if NAV of €1.0-1.5bn)
  - 55 bps (if NAV ≥ €1.5bn)
- COIMA SGR's (40%) and key managers' (60%) compensation is based on Total Return:
  - 10% above 8% Total Return<sup>1</sup>
  - 20% over 10% Total Return<sup>1</sup>
  - subject to High Watermark

## COIMA SRL COMPENSATION

- COIMA Srl's compensation is based on international benchmark for comparable services
  - 1.0% of annual gross rents for mono-tenant buildings
  - 1.3% of annual gross rents for buildings with 2-4 tenants
  - 1.5% of annual gross rents for buildings with 5 tenants or more

Notes:

1) Total Return defined as NAV per share growth plus dividend paid

# COIMA RES - BEST IN CLASS GOVERNANCE



**Chairman**  
(non executive)

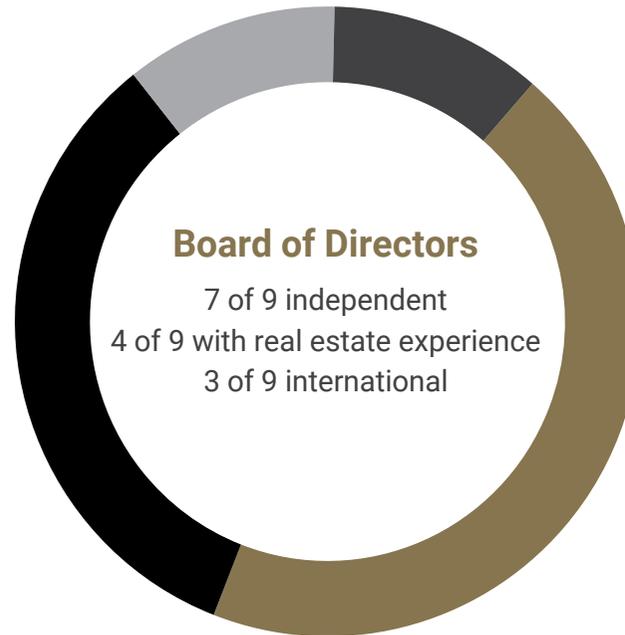
**Massimo Capuano**  
*former CEO*  
*Italian Stock Exchange*  
*former deputy CEO*  
*London Stock Exchange*

**Manfredi Catella**  
*Founder and CEO*  
*COIMA*

**Feras Abdulaziz Al Naama**  
*Qatar Holding*

**Olivier Elamine**  
*Founder and CEO*  
*alstria office*

**Luciano Gabriel**  
*Chairman (and former CEO & CFO)*  
*PSP Swiss Properties*



**Ariela Caglio**  
*Professor*  
*Bocconi University*

**Agostino Ardisson**  
*Former Director*  
*Bank of Italy*

**Alessandra Stabilini**  
*Lawyer*  
*NCTM*

**Antonella Centra**  
*General Counsel*  
*Gucci*

**Independent**  
(Italian and with strong corporate finance, regulatory and legal expertise)

**Independent**  
(international and with strong real estate expertise)

**Investment Committee**  
Manfredi Catella (Chairman)  
Gabriele Bonfiglioli  
Matteo Ravà  
Feras Abdulaziz Al Naama  
Luciano Gabriel  
Michael Vauclair

**Remuneration Committee**  
Alessandra Stabilini (Chairman)  
Massimo Capuano  
Olivier Elamine

**Risk, Control & Related Parties Committee**  
Agostino Ardisson (Chairman)  
Luciano Gabriel  
Alessandra Stabilini

# TRANSPARENCY, SUSTAINABILITY, INNOVATION



Commitment to be best in class in terms of transparency, reporting, sustainability and innovation

## ■ EPRA GOLD AWARDS IN REPORTING

- COIMA RES received two Gold Awards from the European Public Real Estate Association (EPRA) for its 2016 and 2017 Annual Report and Sustainability Report



## ■ THINK TANK ON SUSTAINABILITY AND INNOVATION

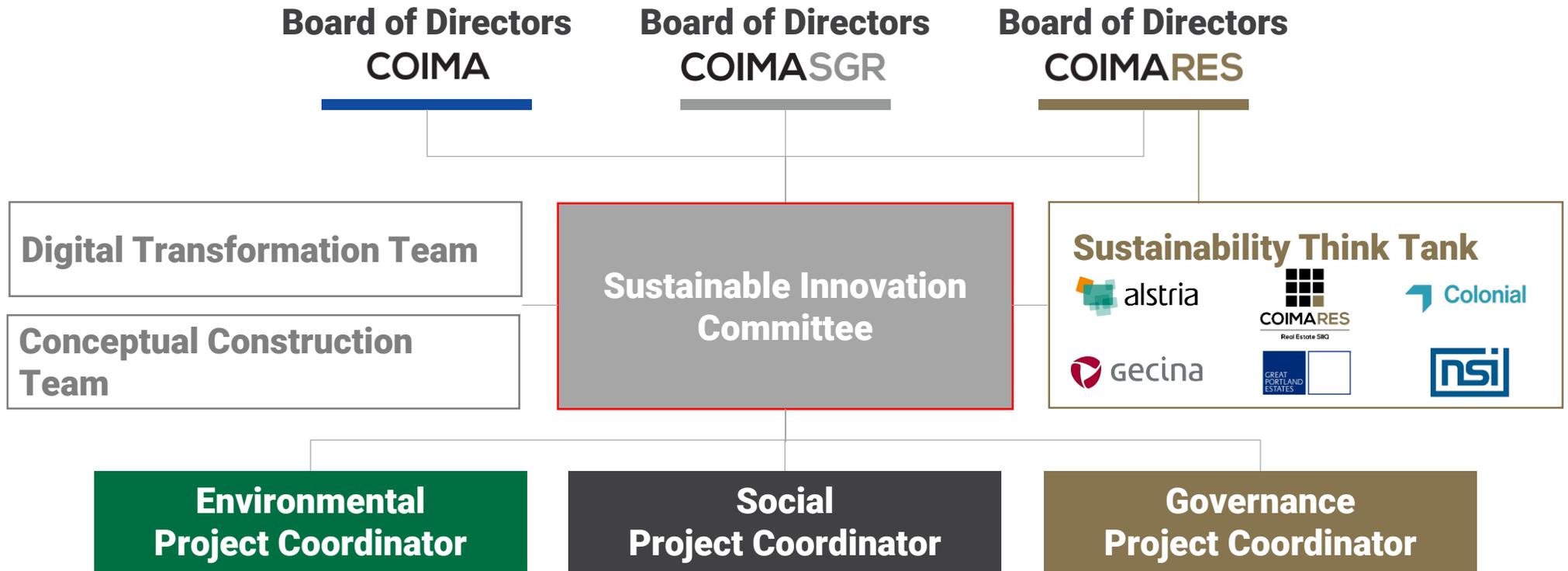
- COIMA RES created a European Think Tank focused on sustainability and innovation with five other REITs (December 2017)



## ■ INCLUDED IN GPR IPCM SUSTAINABILITY INDEX

- COIMA RES was included in GPR IPCM LFSS Sustainable GRES Index since March 19<sup>th</sup>, 2018
- COIMA RES attained a particularly high score of 7.8 out of 10 in the Sustainability and ESG model which considers various factors including strategy, energy efficiency, management of climate change, water efficiency and the recognition of the strong commercial potential of proactively addressing environmental aspects
- COIMA RES is currently a top 25 company out of the 150 companies included in the GPR IPCM Sustainability Index

# IN HOUSE EXPERTISE ON ESG & INNOVATION



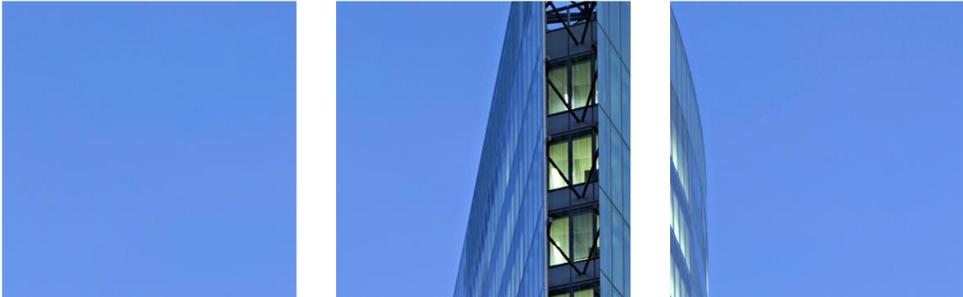
Portfolio overview

Market overview

Financial results

Governance and sustainability

**Appendix**



**COIMARES**

# PORTFOLIO - DETAILS



Data as of March 31 <sup>st</sup> , 2019	DEUTSCHE BANK	VODAFONE COMPLEX	GIOIAOTTO <sup>1</sup>	CORSO COMO PLACE	DERUTA	MONTE ROSA	TOCQUEVILLE	PAVILION	TOTAL
Location	North & Centre of Italy	Milan Lorenteggio	Milan P. Nuova	Milan P. Nuova	Milan Lambrate	Milan CityLife	Milan P. Nuova	Milan P. Nuova	-
Asset class	Bank Branches	Office	Office, Hotel	Office, Retail	Office	Office	Office	Office	-
Product type	Core	Core	Core +	Value-add	Core	Core +	Core +	Core +	-
% of ownership	100.0%	100.0%	86.7%	35.7%	100.0%	100.0%	100.0%	100.0%	-
<b>Gross Asset Value ("GAV")</b>	<b>€96.0m</b>	<b>€209.3m</b>	<b>€79.8m</b>	<b>€42.3m<sup>2</sup></b>	<b>€49.8m</b>	<b>€60.4m</b>	<b>€58.9m</b>	<b>€70.0m</b>	<b>€666.6m</b>
WALT (years)	7.7	7.8	5.3	1.9	2.8	4.0	1.5	8.8	6.3
EPRA occupancy rate	85%	100%	100%	n.a.	100%	91%	100%	100%	96.5%
Gross initial rent	€5.1m	€14.0m	€4.0m	€0.3m <sup>2</sup>	€3.6m	€3.8m	€2.4m	€1.25m	€34.7m
EPRA net initial yield	4.5%	6.2%	4.5%	n.a.	6.6%	5.2%	3.6%	1.6%	4.9%
EPRA topped-up net initial yield	4.7%	6.2%	4.7%	n.a.	6.6%	5.2%	3.6%	4.8%	5.3%
Expected net stabilised yield	5.3% <sup>3</sup>	6.2%	4.7%	6.2% <sup>4</sup>	6.6%	5.6% <sup>4</sup>	4.9% <sup>4</sup>	4.8%	5.6%

Notes:

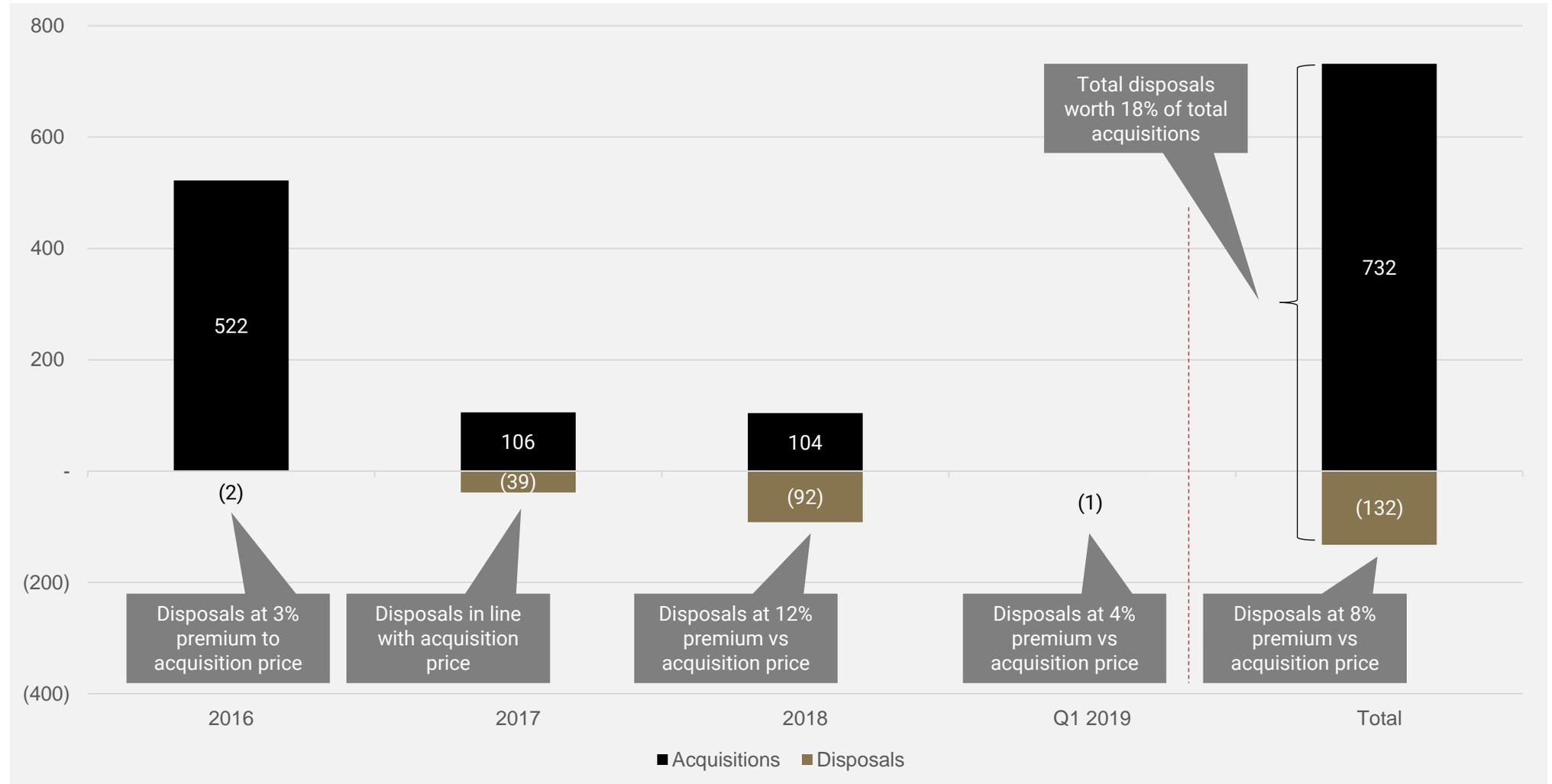
- 1) Financial figures consider Gioiaotto as being 100% consolidated
- 2) Including Corso Como Place on a pro-rata basis
- 3) Calculated excluding the 4 vacant branches as of March 31<sup>st</sup>, 2019
- 4) Yield on cost metric, calculated including expected capex (soft and hard costs) and estimated rental value

# ASSET MANAGEMENT - PORTFOLIO ROTATION



Performed since IPO €732m in acquisitions and €132m in disposals (at a blended premium of 8% to acquisition price)

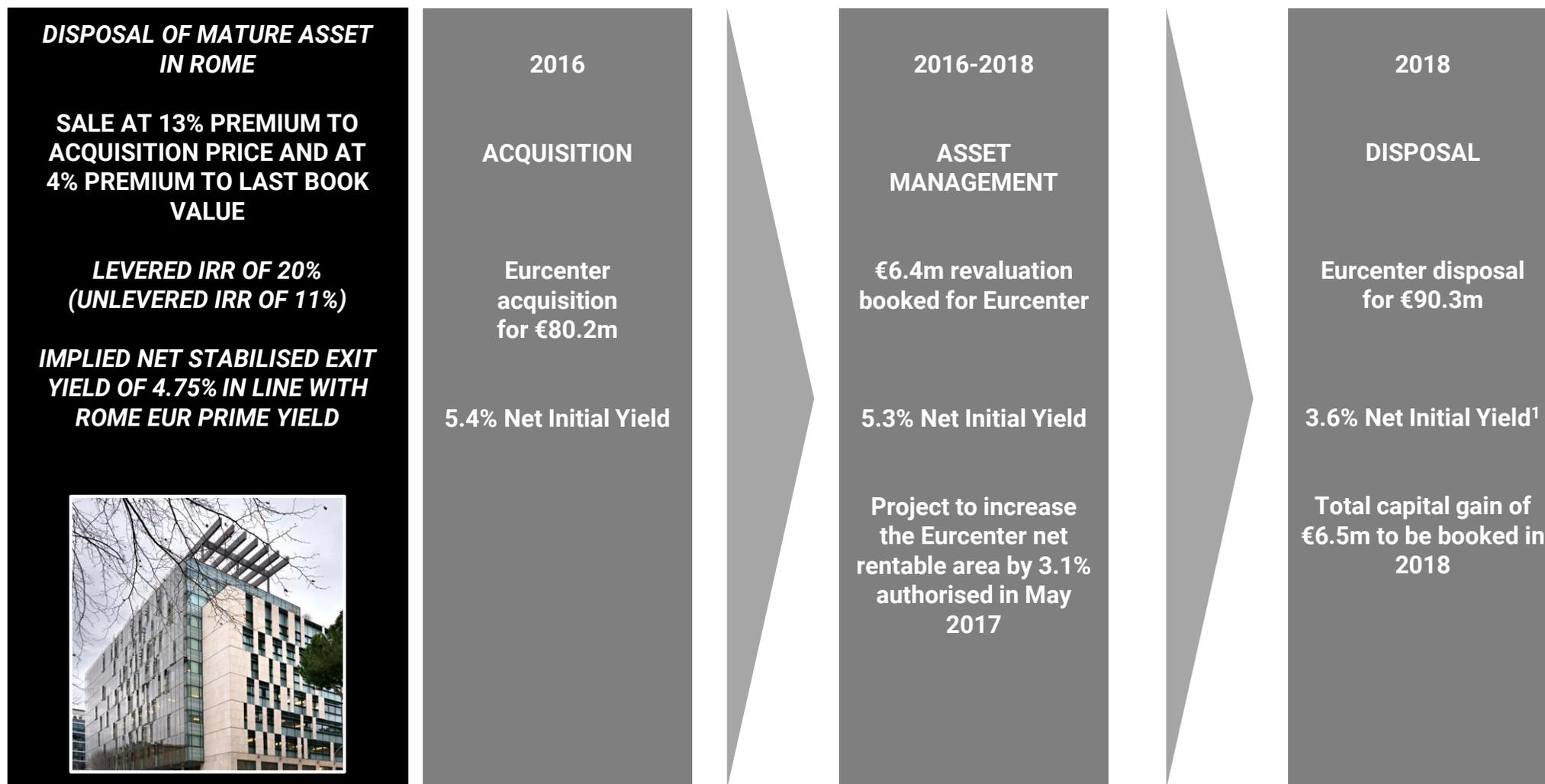
## OVERVIEW OF PORTFOLIO ROTATION SINCE IPO (€m)



# EURCENTER - VALUE CREATION IN DISPOSALS



Asset sold for €90.3m: 13% premium to acquisition price, 20% levered IRR



# PAVILION / IBM - VALUE CREATION IN LEASING



Achieved > 200 bps additional yield vs underwriting plan and brought forward cash flow by 3 years

**LEASING TO SINGLE BLUE CHIP TENANT (IBM)**

**NO MATERIAL CAPEX FOR COIMA RES**

**CASH FLOW FROM YEAR 1**

**LEASING AT NET YIELD ON ACQUISITION PRICE OF 7.2%**



- Signed preliminary purchase agreement with UniCredit in May 2018 for €46.3m
- Signed a 9 + 6 years lease agreement with IBM in August 2018 for 100% of the complex
  - effective from Q1 2019
  - initial gross rent of €1.25m increasing to €3.5m after the first 12 months
- No material capex for COIMA RES to host IBM in the Pavilion
- Acquisition closed in Nov-18
- Revaluation of €24m booked in Q4 2018 (+52% on acquisition price)

**Underwriting business plan at acquisition**

Acquisition	Capex	Capex / Free Rent	Free Rent	Full Rent	...
2018	2019	2020	2021	2022	
Cash flow for COIMA RES	negative	negative	zero	positive	

**IBM leasing**

Acquisition	Incentivised Rent	Full Rent	Full Rent	Full Rent	...
2018	2019	2020	2021	2022	
Cash flow for COIMA RES	positive	positive	positive	positive	

# CORSO COMO PLACE - VALUE CREATION IN RETROFIT



## A “next generation” project in the heart of Porta Nuova

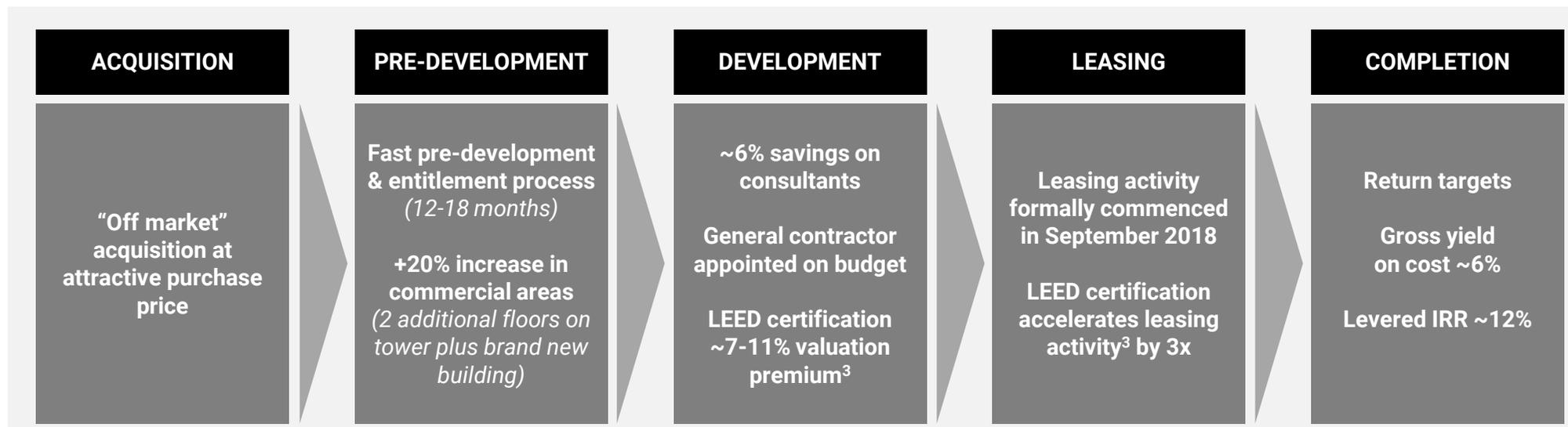
- **Value-add project in the heart of Milan Porta Nuova**
  - Joint venture<sup>1</sup> between COIMA RES and COF II
- **Cutting edge sustainable and innovative technologies**
  - Award winning<sup>2</sup> firm PLP Architecture leading the project
  - Smart Building infrastructure: > 5,000 monitoring sensors, cloud based analytics
  - Approx. 65% of energy use from renewable sources (NZEB)
  - Targeting LEED Gold, WELL Gold and Cradle to Cradle certifications
- **Place-making**
  - Creation of a new public space (c. 2,500 sqm)
  - ~ €1m to be invested in improving c. 6,000 sqm of public area
  - Seamless integration of streets connecting to Corso Como & Porta Nuova



Integrated  
Internet of  
Things  
platform



## VALUE CREATION AT EACH STEP OF THE PROCESS AIMED AT DELIVERING THE MOST COMPETITIVE PRODUCT



Note:

- 1) COIMA RES owns 35.7% stake (remaining stake owned by COIMA Opportunity Fund II)
- 2) PLP Architecture track record includes high profile projects such as “The Edge” in Amsterdam (named the world’s most sustainable building)
- 3) Based on study by Re+build, CBRE and GBCI

# BANK BRANCHES - DISPOSALS SINCE IPO



Sold c. 30% of initial IPO portfolio (€42.0m) at a valuation in line with IPO contribution value

## PORTFOLIO AT IPO (MAY-16)

#: 96 branches<sup>1</sup>  
Book Value @ IPO: €140.1m



**North**  
#: 67 branches  
Book Value @ IPO: €83.9m (60% of total)

**Centre**  
#: 8 branches  
Book Value @ IPO: €17.0m (12% of total)

**South**  
#: 21 branches  
Book Value @ IPO: €39.2m (28% of total)

## DISPOSALS SINCE IPO

#: 27 branches  
Sale Price: €42.0m  
Delta vs Book Value @ IPO: 0.05% premium



**North & Centre**  
#: 6 branches  
Sale Price: €4.0m  
Delta vs Book Value @ IPO: 1.3% premium

**South**  
#: 21 branches  
Sale Price: €38.0m  
Delta vs Book Value @ IPO: 0.1% discount

## CURRENT PORTFOLIO

#: 69 branches<sup>2</sup>  
Book Value @ Dec-18: €96.0m



**North**  
#: 62 branches (2 vacant)  
Book Value @ Dec-18: €79.8m (83% of total)

**Centre**  
#: 7 branches (1 vacant)  
Book Value @ Dec-18: €16.2m (17% of total)

Note:

1) of which 6 vacant

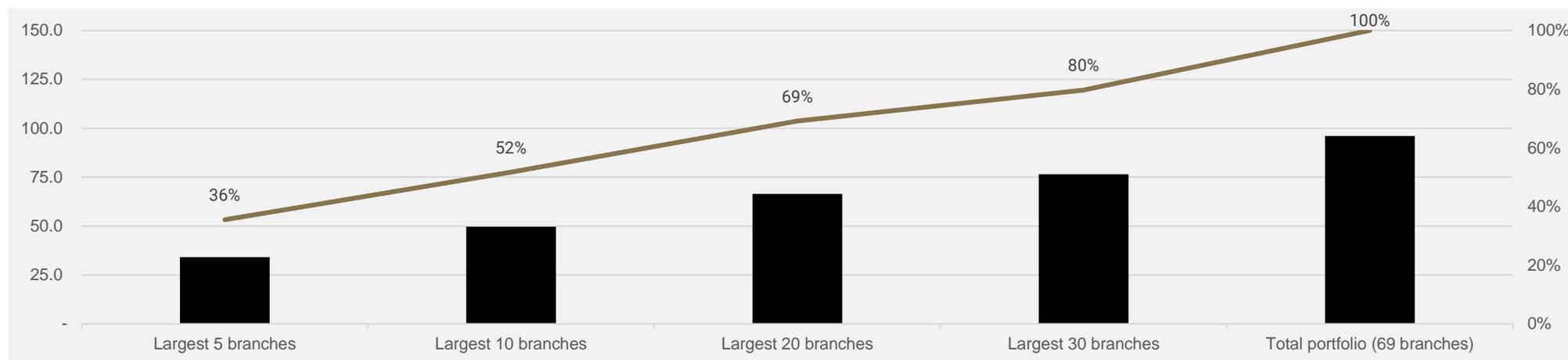
2) of which 3 vacant (Livorno, Padova, Novedrate) and 1 under leasing (Torino), ERV of 3 vacant branches is €0.3m, Book Value of vacant branches is €2.9m as of December 31<sup>st</sup>, 2018

# BANK BRANCHES - BREAKDOWN OF PORTFOLIO

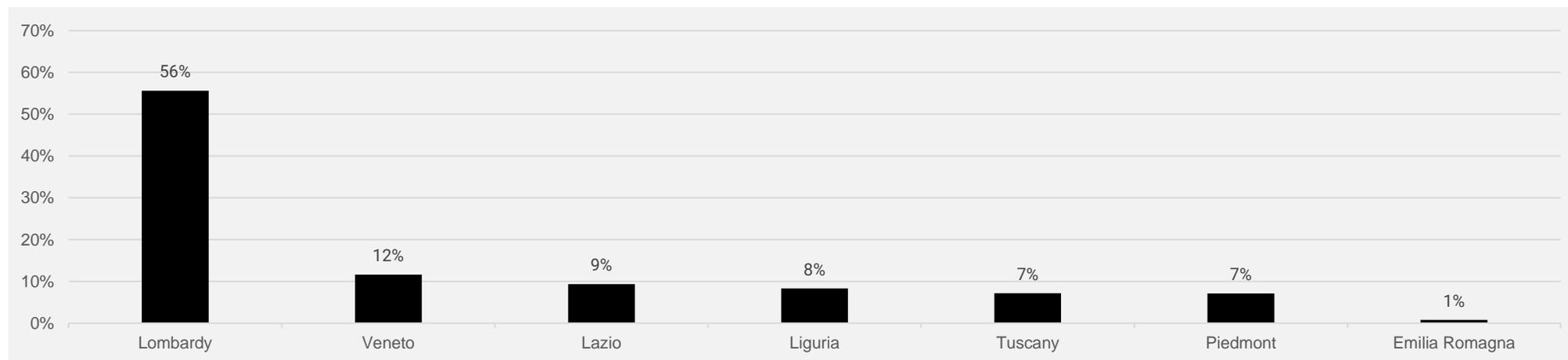


Out of the 69 branches, the largest 10 (30) make 50% (80%) of the overall portfolio value  
56% of bank branches value is in Lombardy

## BOOK VALUE DISTRIBUTION BY BRANCH<sup>1</sup> (€M)



## BOOK VALUE DISTRIBUTION BY REGION (%)



# VODAFONE COMPLEX

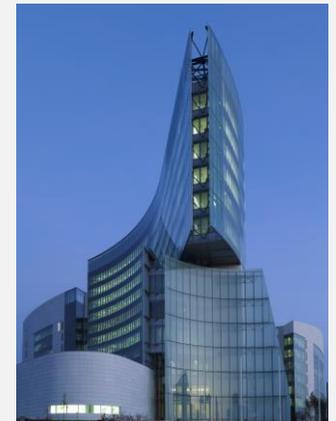


A LEED certified property in the Milan Lorenteggio District serving as Italian HQ for Vodafone

## KEY DATA

■ Construction Year	2012
■ Refurbishment Year	n.a.
■ Acquisition Year by COIMA RES	2016
■ Asset Type	Office
■ Tenant	Vodafone
■ Surface	46,323 sqm
■ Fair Value	€209.3m
■ Gross Initial Rent	€14.0m
■ EPRA Net Initial Yield	6.2%
■ WALT	7.8 years
■ EPRA Occupancy Rate	100%
■ Certification	LEED Silver
■ Architect	Gantes & Marini

## PICTURES





## A LEED certified property in Milan Porta Nuova with rental growth potential

### KEY DATA

■ Construction Year	1970s
■ Last Refurbishment Year	2014
■ Acquisition Year by COIMA RES	2016
■ Asset Type	Hotel / Office
■ Tenants	NH Hotel / Angelini / QBE / etc
■ Surface	14,545 sqm
■ Fair Value	€79.8m
■ Gross Initial Rent	€4.0m
■ EPRA Net Initial Yield	4.5%
■ WALT	5.3 years
■ EPRA Occupancy Rate	100%
■ Certification	LEED Platinum
■ Architect	Park Associati

### PICTURES



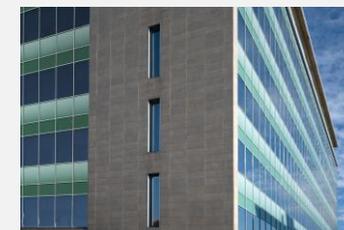


A modern office building in the Milan Lambrate district well connected with public transportation

## KEY DATA

■ Construction Year	2007
■ Refurbishment Year	n.a.
■ Acquisition Year by COIMA RES	2017
■ Asset Type	Office
■ Tenant	BNL (BNP Paribas)
■ Surface	27,571 sqm
■ Fair Value	€49.8m
■ Gross Initial Rent	€3.6m
■ EPRA Net Initial Yield	6.6%
■ WALT	2.8 years
■ EPRA Occupancy Rate	100%
■ Certification	n.a.
■ Architect	n.a.

## PICTURES



# MONTE ROSA



An under-rented office building in the Milan City Life-Lotto district well connected with public transport

## KEY DATA

■ Construction Year	1942 / 1956 / 1961
■ Last Refurbishment Year	1997
■ Acquisition Year by COIMA RES	2017
■ Asset Type	Office
■ Tenant	Techint / PwC
■ Surface	19,539 sqm
■ Fair Value	€60.4m
■ Gross Initial Rent	€3.8m
■ EPRA Net Initial Yield	5.2%
■ WALT	4.0 years
■ EPRA Occupancy Rate	91%
■ Certification	n.a.
■ Architect	n.a.

## PICTURES



# TOCQUEVILLE



An under-rented and strategically located property in Milan Porta Nuova with growth potential upon refurbishment

## KEY DATA

■ Construction Year	1969
■ Last Refurbishment Year	2003
■ Acquisition Year by COIMA RES	2018
■ Asset Type	Office
■ Tenant	Sisal
■ Surface	10,922 sqm
■ Fair Value	€58.9m
■ Gross Initial Rent	€2.4m
■ EPRA Net Initial Yield	3.6%
■ WALT	1.5 years
■ EPRA Occupancy Rate	100%
■ Certification	n.a.
■ Architect	n.a.

## PICTURES



# PAVILION



A unique property in Milan Porta Nuova leased to a blue chip tenant

## KEY DATA

■ Construction Year	2014
■ Refurbishment Year	n.a.
■ Acquisition Year by COIMA RES	2018
■ Asset Type	Office
■ Tenant	IBM
■ Surface	3,576 sqm
■ Fair Value	€70.0m
■ Gross Initial Rent	€1.25m
■ EPRA Topped-up Net Yield	4.8%
■ WALT	8.8 years
■ EPRA Occupancy Rate	100%
■ Certification	LEED Gold
■ Architect	Michele De Lucchi

## PICTURES

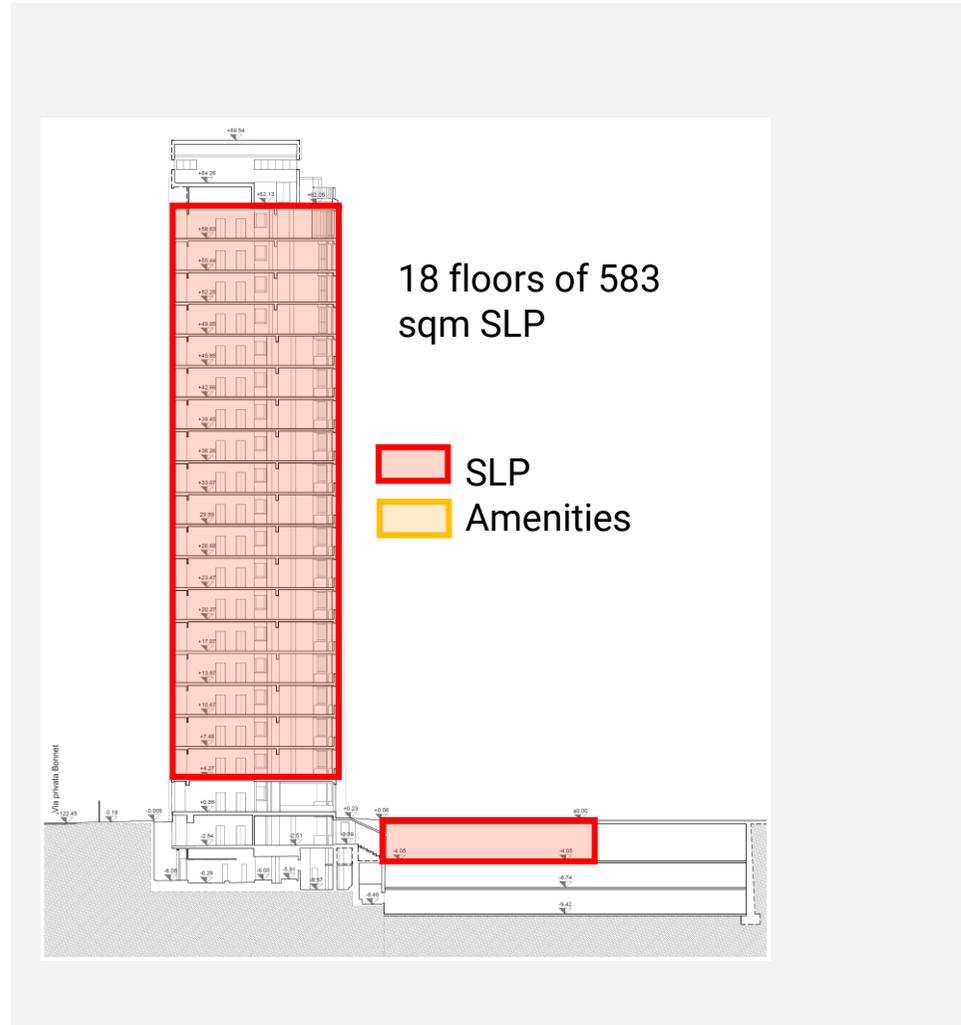


# CORSO COMO PLACE - ADDITIONAL SURFACES

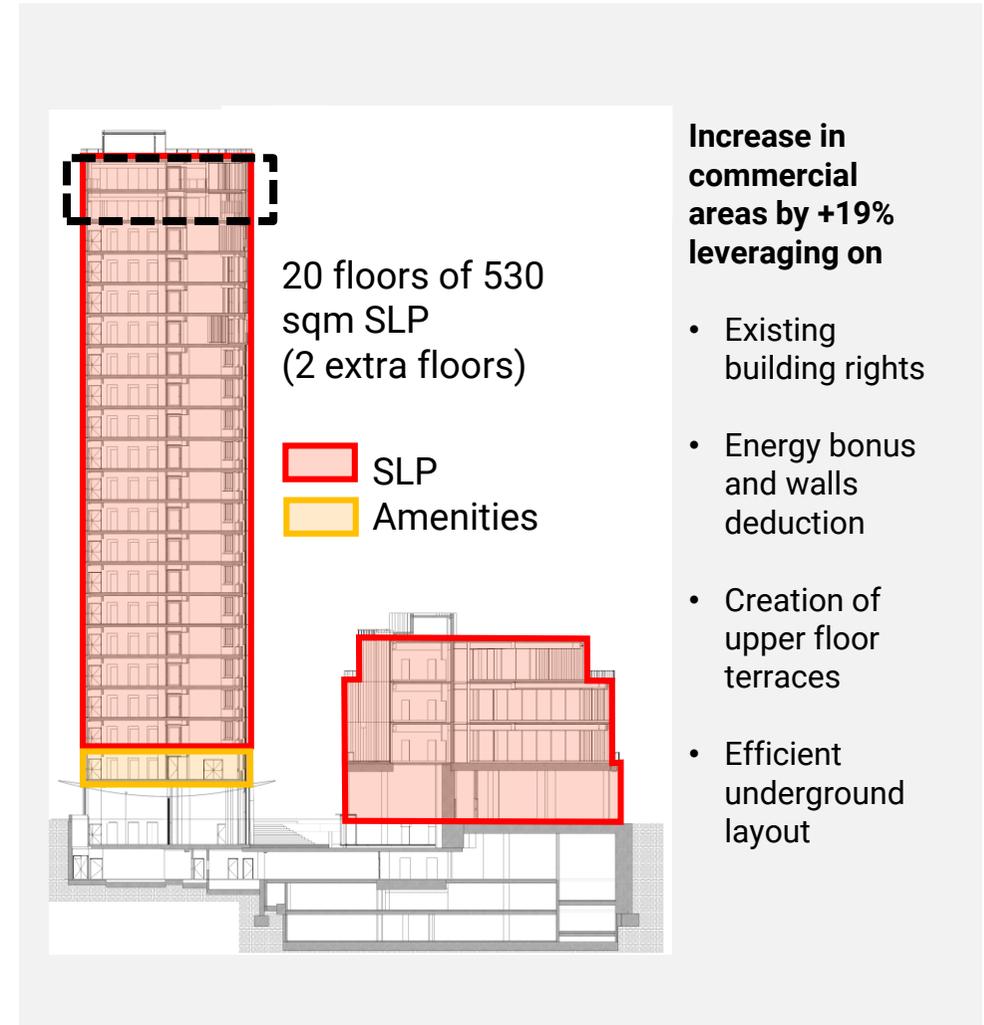


COIMA technical expertise and experience enabled the creation of 19% additional commercial surfaces

## COMMERCIAL AREA AT UNDERWRITING



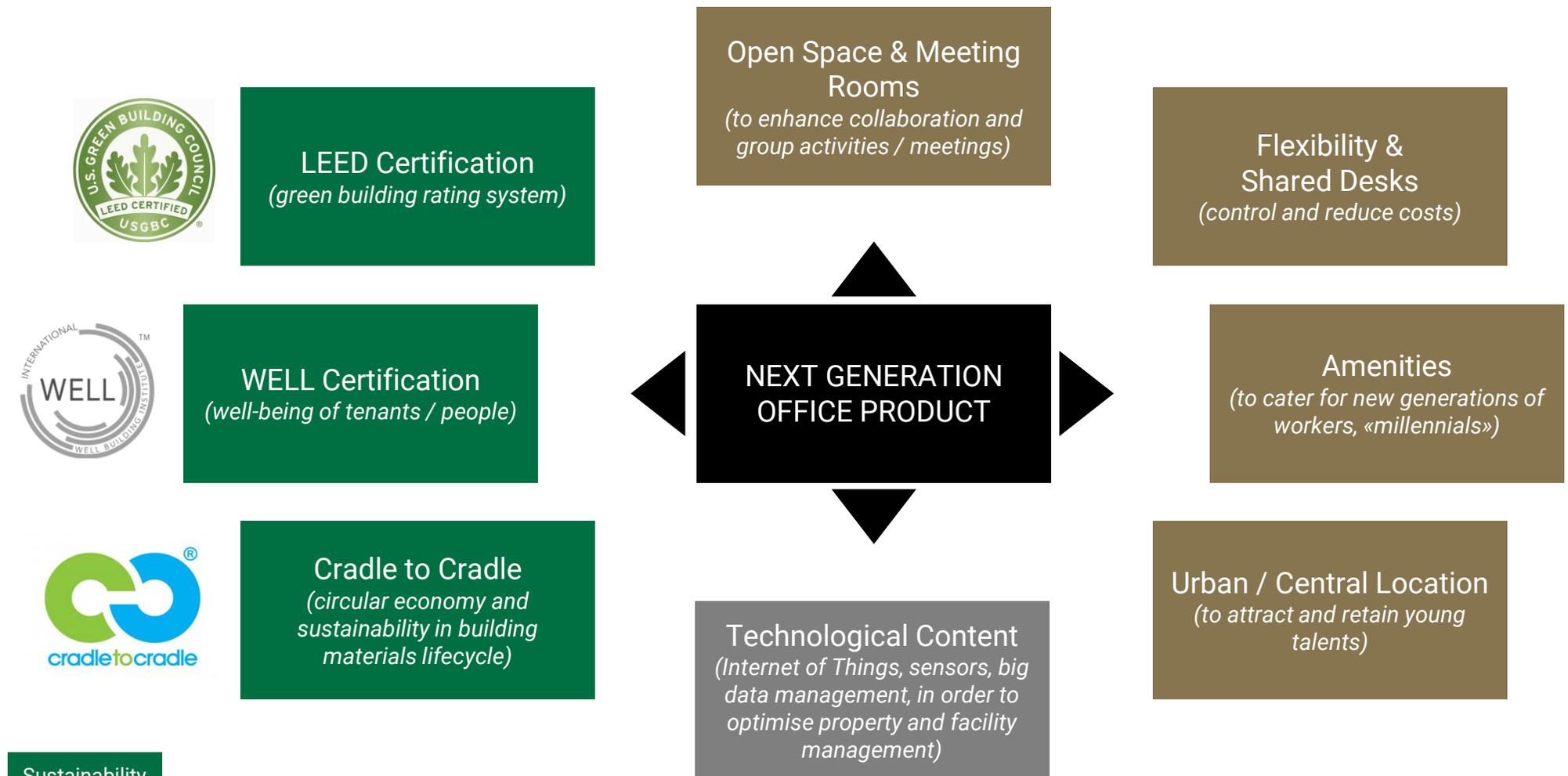
## CURRENT COMMERCIAL AREA



# CORSO COMO PLACE - "NEXT GENERATION" PRODUCT



The Corso Como Place project matches all the features of "next generation" office products



- Sustainability
- Technology
- Work Culture

# CORSO COMO PLACE - ACCOUNTING TREATMENT



- COIMA RES accounts its 35.7% stake in the Corso Como Place project in its balance sheet as "Investments accounted according to the equity method" but also provides figures on a "look-through" basis (i.e. proportional consolidation) for illustrative purposes
- Rents received on the Corso Como Place project (by the current tenants) flow through COIMA RES P&L in the "Income from investment" line, net of the operational costs of the asset (i.e. the operating expenses of the asset and fund costs)
- Capex and other project costs (including financing expenses) spent for the Corso Como Place project flow through COIMA RES cash flow and are capitalised increasing the "Investments accounted according to the equity method" line, they do not have an impact on COIMA RES P&L
- Changes in fair value in the Corso Como Place project (i.e. revaluations) are reflected in the P&L of COIMA RES through the "Income from investment" line and would affect the balance sheet in the "Investments accounted according to the equity method" line



# OFFICE SUSTAINABILITY PREMIUM



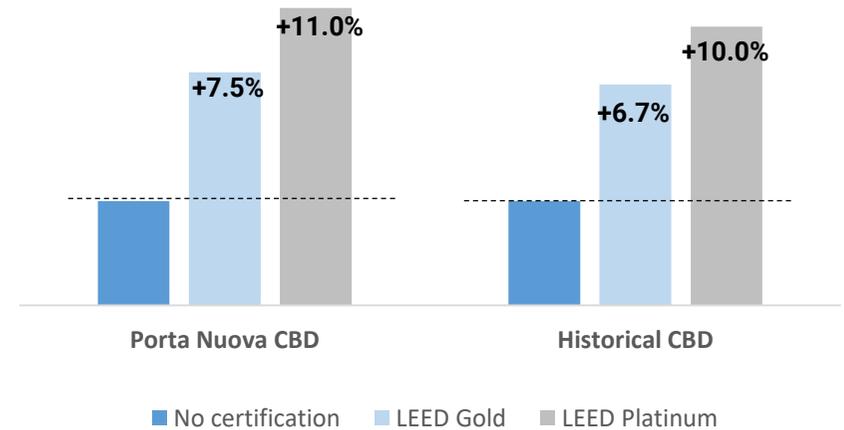
Recent projects delivering quality products have been almost fully pre-let before completion  
 The COIMA platform is currently developing c. 25% of the entire new office stock under construction in Milan



LEED certified buildings in Milan register a 7-11% valuation premium vs. non certified buildings

> 3x of surfaces leased after 3 months for LEED certified buildings (vs non LEED)

Valuation premium for LEED certified building in Milan



**The Corner**

92% pre-let



**Orefici/  
Cantù**

91% pre-let



**Palazzo Aliverti**

Fully pre-let

# DISCLAIMER

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