



COIMA RES - PRESS RELEASE

ACQUISITION OF TWO OFFICE PROPERTIES IN MILAN

AGGREGATE VALUE OF EURO 158 MILLION AND AVERAGE NET YIELD OF 5%

PORTFOLIO EXPOSURE TO MILAN PORTA NUOVA INCREASES TO 50%

Milan, September 30th, 2019 – COIMA RES has secured, through an “off market” transaction, the acquisition of two office properties in Milan, fully let, for an aggregate value of Euro 158 million at a blended EPRA Topped-up Net Initial Yield of 5.0% (EPRA Net Initial Yield of 4.5%). The two properties are the Microsoft headquarters in Milan Porta Nuova (Via Pasubio 21) valued at Euro 97.5 million and the Philips headquarters in Milan Bicocca (Viale Sarca 235) valued at Euro 60.5 million.

The Microsoft headquarters is a 9,400 sqm newly built property, LEED Gold certified, designed by international architecture firm Herzog & de Meuron (construction finalised in 2016) and entirely leased to AAA rated global technology company Microsoft with a 4.4 years WALT. The property serves as the Italian headquarters of Microsoft. The property is in the fast-growing Milan Porta Nuova business district and has excellent access to the Monumentale and Garibaldi metro stations.

The Philips headquarters is a 17,500 sqm refurbished property, LEED Platinum certified, which was built in the 1980s and refurbished in 2016-2017, designed by the Italian architect Alessandro Scandurra. The building is fully let with a 7.0 years WALT. The property serves as the Italian headquarters of Philips, the global leader in the healthcare technology sector, which occupies more than half of the property, with the remainder leased to other tenants operating in different sectors. The property is located in the Bicocca area and has excellent access to the Ponale, Bignami and Bicocca metro stations.

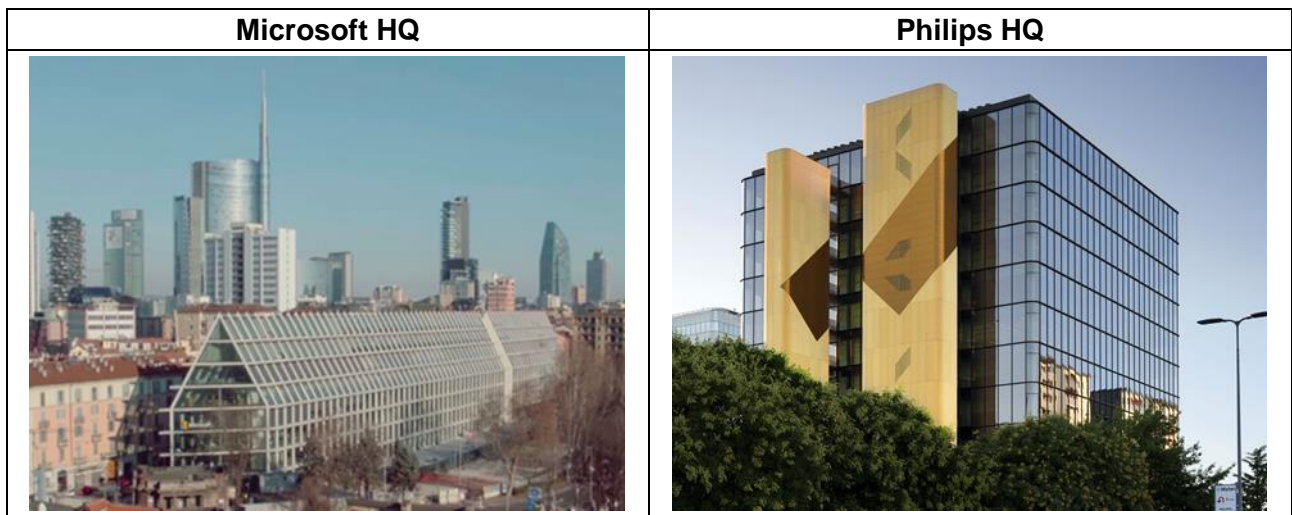
The two acquisitions are in line with COIMA RES’ strategy of focussing on high quality office properties in Milan. With this transaction, COIMA RES’ portfolio exposure to Milan increases to 87% (from 85%), the exposure to Porta Nuova increases to 47% (from 44%) and the exposure to offices increases to 82% (from 79%). The transaction further diversifies COIMA RES’ tenant base with the addition of two blue chip investment grade international firms to its portfolio. In line with COIMA RES’ focus on sustainability, the transaction further increases the portion of LEED certified properties in COIMA RES’ portfolio to 54% (from 44%). Pro-forma for the transaction, the consolidated net LTV of COIMA RES increases from 27% as of June 30th, 2019, to 40% (or from 24% to 38% considering net debt and property values on a pro-rata basis).

From a structuring point of view, the acquisition of the two properties is being executed through the COIMA Core Fund VI (a fund 87% owned by COIMA RES) which is buying units in funds held by a group of Italian investors for a consideration of Euro 111 million (amount net of existing financing in place at funds level). The funds are managed by COIMA SGR. COIMA RES is acquiring a look-through stake in the two properties equal to 82% for the Microsoft headquarters and 77% for the Philips headquarters. Through the transaction, COIMA RES is also acquiring a 13% look-through stake in a portfolio of five technical assets in the North and Centre of Italy fully leased to Telecom Italia (WALT of 13 years and a 6% net yield) worth Euro 7.8 million (gross asset value on a look through basis). The acquisitions will be financed primarily through the deployment of COIMA RES’ liquidity deriving from the Eurcenter disposal and the Vodafone transaction and partially through a new financing signed at attractive economic conditions compared to the COIMA RES’ debt in place. The closing of the acquisition is expected in Q4 2019, subject to satisfaction of certain transaction conditions.

Main metrics of the properties acquired

	Microsoft HQ	Philips HQ
Use	Office	Office
Location	Milan Porta Nuova	Milan Bicocca
Stake secured (look through)	82%	77%
GAV (entire property)	Euro 97.5 million	Euro 60.5 million
Net Rentable Area (entire property)	9,400 sqm	17,500 sqm
EPRA Occupancy Rate	100%	100%
WALT	4.4 years	7.0 years
Certification	LEED Gold	LEED Platinum

Overview of the properties acquired





COIMA RES is a real estate company listed on Borsa Italiana. COIMA RES manages real estate assets in Italy, primarily focusing on commercial properties. The company operates with the beneficial tax status granted to SIQs (Società di Investimento Immobiliare Quotate), which is equivalent to the Real Estate Investment Trust (REIT) regime in other jurisdictions. The investment strategy of COIMA RES is focused on creating a high-quality portfolio of real estate assets with the objective of offering stable and sustainable returns to investors.

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@segrp.com – +39 335 723 3872

Fabio Leoni – leoni@segrp.com – +39 348 869 1144

International

Finelk +44 203 931 9638

Robin Haddrill - robin.haddrill@finelk.eu - +44 7920 016 203

Cornelia Schnepf - cornelia.schnepf@finelk.eu - +44 7387 108 998