



PRELIOS

1H 2015 Results Presentation

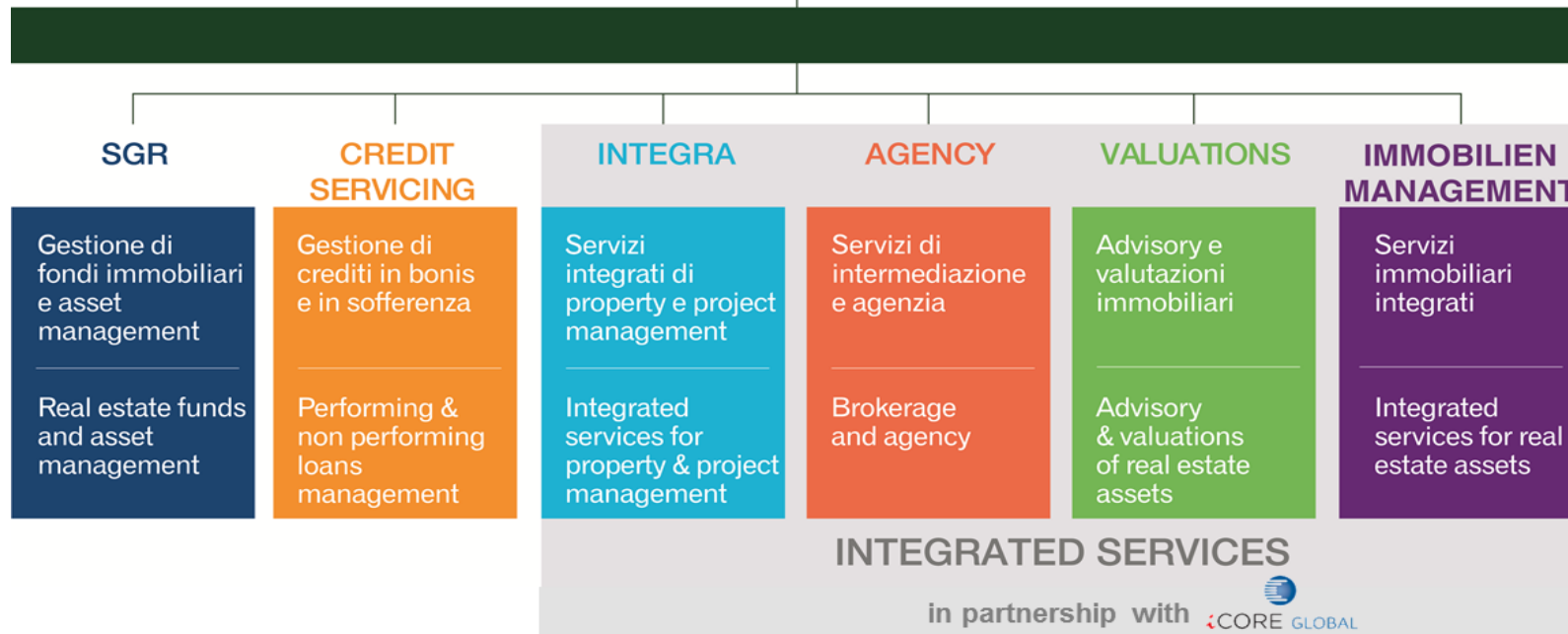
Milan, July 29, 2015


PRELIOS GROUP

Integrated management platform

- Through independent operating companies, Prelios Group is the first platform of real estate finance and specialized services for the management and value enhancement of third parties' portfolios in Italy.
- Our Group comprises an extremely well-qualified structure which includes about 450 employees in Italy and abroad, with significant professional skills and a track record of excellence in the international arena.

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1H 2015 Highlights

First Half 2015 Results in line with 2015 target

- **Revenues** generated by the service platform at **29.0mIn Euro**
- **Ebit*** generated by the service platform at **-3.6mIn Euro**, with positive effect of G&A cost reduction and a positive contribution from the German management platform
- **Net result at -13.1mIn Euro with a strong positive improvement compared to the same period in 2014 (-37,6mIn Euro)** includes the positive effect of **discontinued operations of 3.2mIn Euro** related to the Purchase Price Adjustment of DGAG sale and the positive effect of the revaluation of F.do Spazio Industriale
- **Net Financial Position at -191.1mIn Euro** (-187.6mIn Euro at December 2014) in line with expectation.
- **Availability of Cash of 73.2mIn Euro** (77.2mIn at December 2014)

* Value including G&A (Holding) costs.

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1H 2015 Group Results

(€/mln)	A	C	DELTA	(A - C) / C
	ACTUAL JUNE 2015 DISCONTINUED	ACTUAL JUNE 2014 DISCONTINUED		
Revenues Mgmt Platform	29,0	34,9	-17%	
Revenues investment	3,8	0,3	n.m.	
TOT Revenues	32,8	35,2	-7%	
EBIT Mgmt Platform & Holding	(3,6)	(0,2)	n.d.	
<i>o/w management platform</i>	1,6	6,0	-73%	
<i>o/w Holding</i>	(5,2)	(6,2)	16%	
EBIT investment	(7,1)	(5,4)	-30%	
TOT EBIT	(10,7)	(5,6)	-91%	
Financial charges	(4,4)	(10,9)	60%	
Extraordinary Items ⁽¹⁾	0,5	(23,7)	n.m.	
TOT PBT	(14,6)	(40,2)	64%	
Discontinued operation	3,2	4,9	n.m.	
Net income	(13,1)	(37,6)	65%	
	ACTUAL JUNE 2015 DISCONTINUED	ACTUAL DEC 2014		
Net Equity	93,4	107,3		
Net Financial Position	191,1	187,6		
Cash	73,2	77,2		
Cash available	13,2	31,3		

1) Actual June 2015 includes +2.5 mln of real estate writedowns and revaluations and -2.0 mln of restructuring costs and one off items.

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1H 2015 Consolidated Profit and Loss

(€/mln)

	ACTUAL JUNE 2015 DISCONTINUED	ACTUAL JUNE 2014 DISCONTINUED	Delta ACTUAL 2015 vs ACTUAL 2014 DISCONTINUED	Delta % ACTUAL 2015 vs ACTUAL 2014 DISCONTINUED
Revenues	32,8	35,2	(2,4)	-7%
of which service activities	29,0	34,9	(5,9)	-17%
of which other revenues	3,8	0,3	3,5	1312%
EBIT services	(4,0)	(0,2)	(3,8)	-2269%
Income from equity participations services	0,4		0,4	
Management platform/G&A	(3,6)	(0,2)	(3,4)	-2024%
EBIT consolidated investment activities	(6,5)	(4,2)	(2,3)	-55%
Income from equity participations	(2,5)	(4,3)	1,9	43%
Interest income from participations	1,9	3,1	(1,2)	-38%
Investments	(7,1)	(5,4)	(1,7)	-30%
EBIT	(10,7)	(5,6)	(5,1)	-91%
Financial charges	(4,4)	(10,9)	6,5	60%
of which:				
Financial expenses (including implicit financial expenses)	(8,1)	(10,6)	2,4	23%
Gain on corporate loan acquisition	4,3		4,3	
Other	(0,6)	(0,3)	(0,3)	-83%
Profit before restr. costs, writedown/ reval. & taxes	(15,1)	(16,5)	1,4	9%
Restructuring costs	(2,0)	(1,8)	(0,2)	-12%
Property writedowns/revaluations	2,5	(21,2)	23,7	112%
Impairment test		(0,7)	0,7	
Profit before taxes	(14,6)	(40,2)	25,6	64%
Income taxes	(1,7)	(3,0)	1,3	42%
Net income before discontinued operations	(16,2)	(43,2)	26,9	62%
Discontinued operations	3,2	4,9	(1,7)	-35%
Net income	(13,1)	(38,2)	25,2	66%
Minority interests	(0,0)	0,7	(0,7)	-102%
Net income after minority interests	(13,1)	(37,6)	24,5	65%

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Management Platform: 1H 2015 Revenues and Ebit

(€/mln)

ITALY

		ACTUAL JUNE 2015 DISCONTINUED	ACTUAL JUNE 2014 DISCONTINUED	Δ ACTUAL 2015 vs ACTUAL 2014	Δ% ACTUAL 2015 vs ACTUAL 2014
SGR	Revenues	7,4	10,3	(2,9)	-28%
	Ebit	1,1	3,7	(2,6)	-70%
	ROS	15,3%	36,3%		
Integra	Revenues	9,4	9,6	(0,2)	-2%
	Ebit	1,1	1,1	(0,0)	-5%
	ROS	11,1%	11,5%		
Agency	Revenues	1,3	1,3	(0,1)	-5%
	Ebit	(0,8)	(0,6)	(0,2)	-32%
	ROS	-65,5%	-47,3%		
Valuation	Revenues	2,8	2,5	0,3	9%
	Ebit	0,3	0,6	(0,3)	-51%
	ROS	9,8%	21,7%		
NPL - Credit Servicing	Revenues	3,0	4,9	(1,9)	-39%
	Ebit	(1,8)	0,2	(2,0)	-1064%
	ROS	-61,6%	3,9%		
Management Platform ITALY					
	Revenues	23,9	28,7	(4,8)	-17%
	Ebit	(0,2)	4,9	(5,1)	-104%
	ROS	-0,9%	17,2%		
GERMANY					
Management Platform GERMANY					
	Revenues	5,6	6,1	(0,4)	-7%
	Ebit	1,9	1,3	0,6	47%
	ROS	34,3%	21,8%		
POLAND					
Management Platform POLAND					
	Revenues	0,2	0,1	0,1	43%
	Ebit	(0,1)	(0,2)	0,1	-50%
	ROS	-61,8%	-175,4%		
Management Platform Foreign Countries					
	Revenues	5,8	6,2	(0,4)	-6%
	Ebit	1,8	1,1	0,7	67%
	ROS	31,3%	17,6%		
G&A					
G&A (Holding)					
	Revenues	(0,7)	0,0	(0,7)	#DIV/0!
	Ebit	(5,2)	(6,2)	1,0	16%
TOTAL MANAGEMENT PLATFORM					
	Revenues	29,0	34,9	(5,9)	-17%
	Ebit Management Platform	(3,6)	(0,2)	(3,4)	-2024%
	ROS	-12,5%	-0,5%		
	Revenues excluding G&A	29,7	34,9	(5,2)	-15%
	Ebit Management Platform excluding G&A	1,6	6,0	(4,5)	-73%
	ROS	5,4%	17,3%		

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Investment: 1H 2015 Ebit

(€/mln)

		ACTUAL JUNE 2015 DISCONTINUED	ACTUAL JUNE 2014 DISCONTINUED	Δ ACTUAL 2015 vs ACTUAL 2014	Δ% ACTUAL 2015 vs ACTUAL 2014
<i>Vehicles</i>					
Ebit :		(3,8)	(3,5)	(0,3)	-8%
<i>Funds</i>					
Ebit :		0,7	0,8	(0,1)	-14%
<i>Structure</i>					
Ebit:		(2,6)	(1,9)	(0,7)	-35%
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<u>ITALY Real Estate</u>					
-	Ebit	(5,6)	(4,6)	(1,1)	-23%
<u>ITALY NPL</u>					
-	Ebit	(0,1)	0,1	(0,1)	-174%
<u>GERMANY Real Estate</u>					
-	Ebit	(0,1)	(0,2)	0,1	41%
<u>POLAND Real Estate</u>					
-	Ebit	(1,3)	(0,7)	(0,6)	-75%
<u>TOTAL</u>					
-	Ebit Investment	(7,1)	(5,4)	(1,7)	-30%
-					
-	Total (Management and Investment)	(10,7)	(5,6)	(5,1)	-91%

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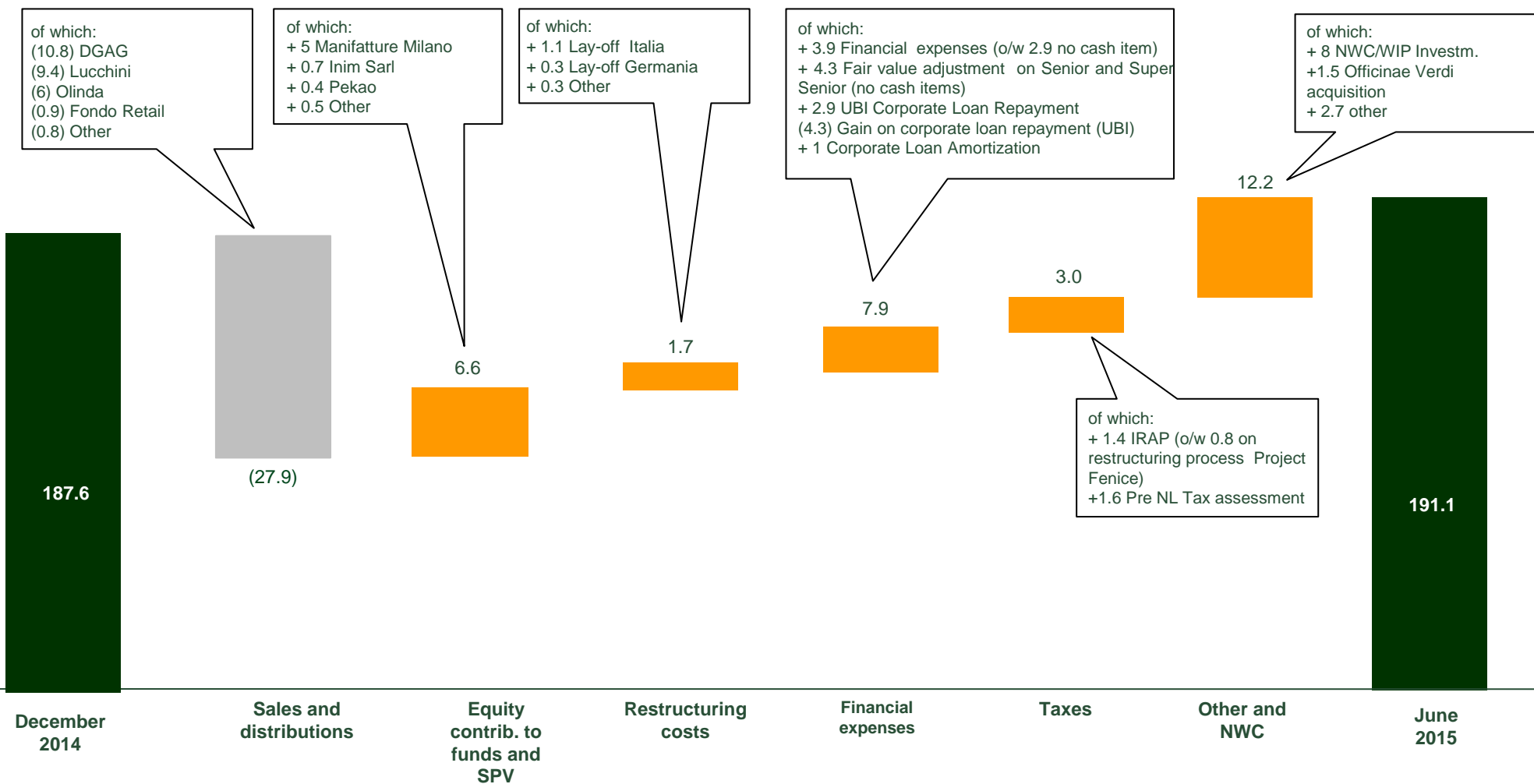
1H 2015 Consolidated Balance Sheet

(€/mln)

	ACTUAL IH 2015	ACTUAL FY 2014
Fixed assets	333.0	346.4
<i>of which participations and shareholders' loan</i>	258.7	285.7
<i>of which goodwill</i>	56.4	56.4
<i>of which other fixed assets</i>	17.9	4.3
Net working capital	19.3	17.0
Inventories	40.0	43.5
Trade receivables	35.2	35.0
Trade payables	(49.4)	(47.3)
Other payables/receivable	(6.7)	(14.2)
Net invested capital	352.3	363.4
Net equity	93.4	107.3
<i>of which group net equity</i>	91.0	104.8
Funds	67.8	68.5
Net financial position	191.1	187.6
Total sources	352.3	363.4

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Net Financial Position Dec 2014 – June 2015 ¹⁾



1) Discontinued figures

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Financial situation of co-investments

Bank Loan characteristics (figures 100% basis)¹⁾ (€/mln)

- LTV ²⁾ Real Estate 42%: Italy 67%, Germany -7% (pro rata Real estate 53%: Italy 67%, Germany -4%)
- Average Duration 0.7 (Italy 0.7, Germany 3.4)
- Average Spread: 236 bps
- 31% interest rate risk hedged
- Recourse guarantees for approx. 12.5 € mln ³⁾ (pro-rata Prelios)

€/mil	NET DEBT	
	100%	pro-rata
Actual IH 2015	1,322	483
Actual FY 2014	1,570	526
Actual FY 2013	2,643	749
Variance IH 2015 vs FY 2014	-248	-43

1) Excluded NPL

2) Calculated on net debt

3) Recourse guarantees includes 4.9mln Euro related to Aree Urbane SPV. already included as financial indebtedness in Net Financial Position 5.0mln Euro related to Kempinsky Plaza and 2.6mln Euro related to Gamma Re.

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Prelios Assets Breakdown as of June 2015

	Mkt. Value 100% 30.06.15	Book Value 100% 30.06.15	Net debt 100% 30.06.15	Mkt. Value pro rata Prelios	Book Value pro rata Prelios	Net Debt pro rata Prelios	LTV pro rata	NAV pro rata Prelios	NIC pro rata Prelios	EBIT+IEP+IIP	
ITALY	1,721	1,649	1,159	603	577	403	67%	200	211	-5.7	
GERMANY	791	683	-58	113	99	-4	-4%	117	70	-0.1	
POLAND	52	12	-25	21	5	-10	-47%	31	15	-1.3	
TOTAL REAL ESTATE CO- INVESTED	2,565	2,344	1,076	737	681	388	53%	348	296	-7.1	
THIRD PARTIES	2,405	N.S.	N.S. ¹⁾	22	N.S.	N.S.			7	0.1	
TOTAL REAL ESTATE ²⁾	4,969	2,344	1,076	758	681	388		348	303	-7.1	
									NPL (investment)	5	0.0
									TOTAL INVESTMENT	308	-7.1
									MANAGEMENT PLATFORM	44	-3.6
									TOTAL PRELIOS	352	-10.7

1) Including initiatives with a Prelios share lower than 5% or not participated. The gross debt 100% of Fdo Cloe is approx. 233 mln.

2) Asset breakdown doesn't include initiatives in "winding up process" or similar processes (Fondo Portafogli Misti, Riva dei Ronchi, Induxia, Maro, Roca, Lupicaia, Aree Urbane and Golfo Aranci) with a total 286 mln gross debt 100% and gross debt pro-rata 101 mln.

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Prelios Assets Breakdown as of June 2015

	Mkt. Value 100% 30.06.15	Book Value 100% 30.06.15	Net debt 100% 30.06.15	Mkt. Value pro rata Prelios	Book Value pro rata Prelios	Net Debt pro rata Prelios	LTV	NAV pro rata Prelios	NIC pro rata Prelios	EBIT+IEP+IIP
COMMERCIAL YIELDING & CORE	1,068	1,011	560	338	320	187	55%	151	143	0.2
TRADING & SOHO	308	302	392	115	111	133	116%	-18	20	-2.3
DEVELOPMENT	130	130	89	62	62	41	66%	21	11	-1.6
LANDS	215	206	118	88	84	41	47%	47	37	-2.0
TOTAL ITALY CO- INVESTED	1,721	1,649	1,159	603	577	403	67%	200	211	-5.7
THIRD PARTIES	2,405	N.S.	N.S. ¹⁾	22	N.S.	N.S.			7	0.1
TOTAL ITALY	4,126	1,649	1,159	624	577	403		200	219	-5.6

1) Including initiatives with a Prelios share lower than 5% or not participation. The gross debt 100% of Fdo Cloe is approx 233 mln.

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Prelios Assets Breakdown as of June 2015

	Mkt. Value 100% 30.06.15	Book Value 100% 30.06.15	Net debt 100% 30.06.15	Mkt. Value pro rata Prelios	Book Value pro rata Prelios	Net Debt pro rata Prelios	LTV	NAV pro rata Prelios	NIC pro rata Prelios	EBIT+IEP+IIP
DGAG (Residential)	0	0	0	0	0	0		0	3	0.0
HIGHSTREET (Commercial)	747	641	-52	90	77	-7	-7%	97	41	0.0
Commercial & other	44	42	-6	23	21	2	10%	20	26	-0.2
TOTAL GERMANY	791	683	-58 ¹⁾	113	99	-4	-4%	117	70	-0.1
TOTAL POLAND LANDS	52	12	-25	21	5	-10	-47%	31	15	-1.3

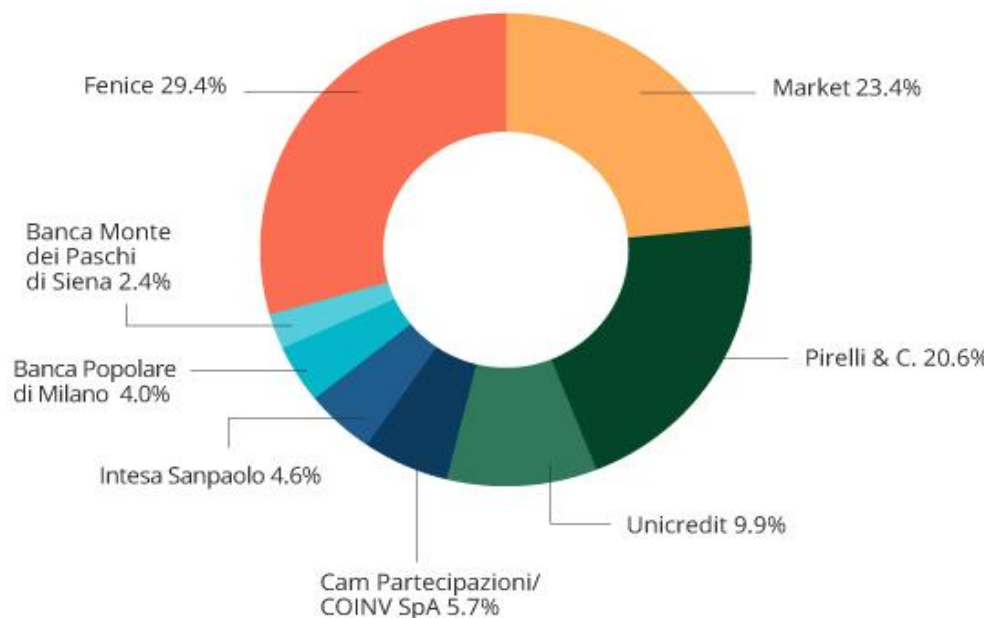
1) Not Including initiatives with a Prelios share lower than 5% or not participated.

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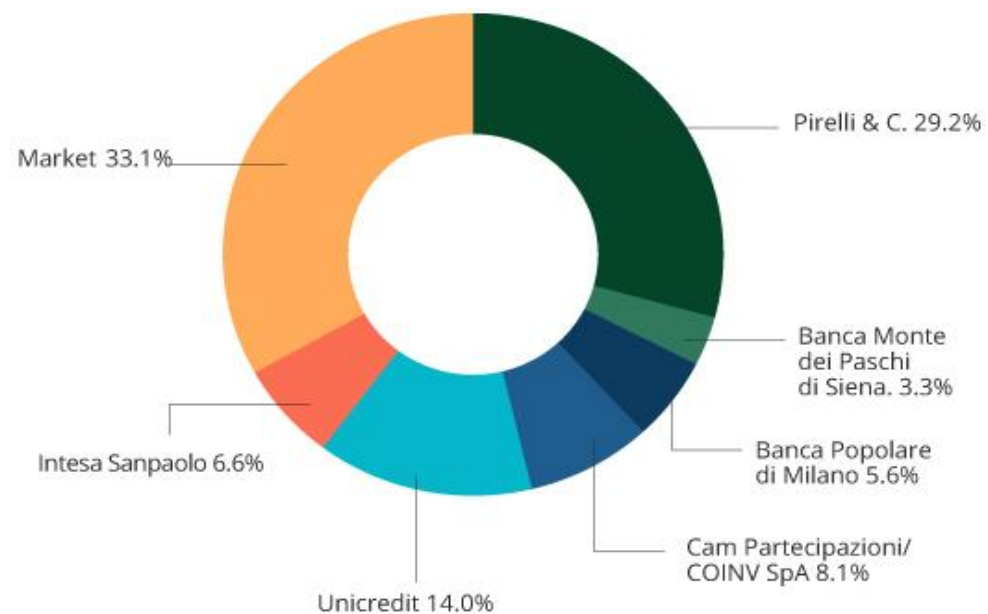
Ownership structure

Below a glance at the current shareholder structure of the Company after the capital increase and the conversion of Prelios convertible debenture loan that took place on 9 April 2014:

ECONOMIC SHARE CAPITAL



SHARE CAPITAL WITH VOTING RIGHTS



Marco Andreasi, Prelios's Financial Reporting Officer declares -pursuant to Legislative Decree No. 58 of 24 February 1998 "Consolidated Law on Finance" - the conformity of the accounting information contained in this presentation against document results, books and accounts records.

This document, includes forecast statements. Such forecasts are based on the current estimates and projections of the Group, relatively to future events and, due to their nature, are subject to an inherent component of risk and uncertainty. The actual results may significantly differ from those contained in said forecast statements due to several factors, including a continuous volatility and a further deterioration of stock and capital markets, changes in macroeconomic conditions and in economic growth and other variations of the business conditions, in addition to other factors, the majority of which is not under the Group control.

Investor Relations Prelios

Francesca Cocco

Tel.+39/02/62.81.4104

ir@prelios.com