



PRELIOS

Full Year 2015 Results Presentation

Milan, March 21, 2015

PRELIOS GROUP

Integrated management platform

- Through independent operating companies, Prelios Group is one of 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 400 employees in Italy and abroad, with significant professional skills and a track record of excellence in the international arena.



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FY 2015 Group Results

(€/mln)	A	B	DELTA (A - B) / B
	ACTUAL DEC 2015 DISCONTINUED	ACTUAL DEC 2014 DISCONTINUED	
Revenues Mgmt Platform	66.4	70.1	-5%
<i>o/w management platform (excluding G&A)</i>	70.1	71.7	
Revenues investment	4.5	2.0	
TOT Revenues	70.9	72.1	
EBIT Mgmt Platform & Holding	(0.8)	0.6	
<i>o/w management platform</i>	7.3	12.5	
<i>o/w Holding</i>	(8.1)	(11.8)	
EBIT investment	(8.9)	14.4	
TOT EBIT	(9.7)	15.0	-165%
Financial charges	(13.5)	(22.5)	
Extraordinary Items ⁽¹⁾	(20.5)	(59.3)	
TOT PBT	(43.8)	(66.8)	34%
Discontinued operation	4.3	8.1	
Net income	(44.5)	(61.1)	27%
	ACTUAL DEC 2015 DISCONTINUED	ACTUAL DEC 2014 DISCONTINUED	
Consolidated Net Equity	66.0	107.3	
Net Financial Position	184.9	187.6	
Cash	72.6	77.2	
Cash available	26.5	31.3	
Statutory Net Equity	19.8	49.4	

1) Actual December 2015 includes -18.2 mln of real estate writedowns and revaluations, -1.9 mln of NPLs portfolio Impairment Test and -0.5 mln of restructuring costs.

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FY 2015 Consolidated Profit and Loss

(€/mln)	ACTUAL DEC 2015 DISCONTINUED	ACTUAL DEC 2014 DISCONTINUED	Delta ACTUAL 2015 vs ACTUAL 2014	Delta % ACTUAL 2015 vs ACTUAL 2014
Revenues	70.9	72.1	(1.2)	
of which service activities	66.4	70.1	(3.7)	-5%
of which other revenues	4.5	2.0	2.4	
EBIT services	(1.2)	0.6	(1.8)	
Income from equity participations services	0.4	0.0	0.4	
Management platform/G&A	(0.8)	0.6	(1.5)	-227%
EBIT consolidated investment activities	(14.8)	(8.8)	(6.0)	
Income from equity participations	1.1	18.7	(17.6)	
Interest income from participations	4.8	4.5	0.4	
Investments	(8.9)	14.4	(23.3)	-162%
EBIT	(9.7)	15.0	(24.7)	-165%
Financial charges	(13.5)	(22.5)	9.0	
of which:				
Financial expenses (including implicit financial expenses)	(16.0)	(20.3)	4.3	
Gain on corporate loan acquisition	4.3		4.3	
Other	(1.8)	(2.3)	0.5	
Profit before restr. costs, writedown/ reval. & taxes	(23.2)	(7.5)	(15.7)	-208%
Restructuring costs	(0.5)	(13.9)	13.4	
Property writedowns/revaluations	(18.2)	(39.1)	20.9	
Impairment test	(1.9)	(6.3)	4.4	
Profit before taxes	(43.8)	(66.8)	23.0	
Income taxes	(4.9)	(2.8)	(2.1)	
Net income before discontinued operations	(48.7)	(69.6)	20.9	
Discontinued operations	4.3	8.1	(3.8)	
Net income	(44.4)	(61.5)	17.1	
Minority interests	(0.1)	0.4	(0.5)	
Net income after minority interests	(44.5)	(61.1)	16.6	27%

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Management Platform: FY 2015 Revenues and Ebit

		(€/mln)	ACTUAL DEC 2015 DISCONTINUED	ACTUAL DEC 2014 DISCONTINUED	Δ ACTUAL 2015 vs ACTUAL 2014	Δ% ACTUAL 2015 vs ACTUAL 2014
ITALY						
SGR	Revenues		16.7	20.5	(3.8)	-18%
	Ebit		3.6	7.3	(3.7)	-51%
	ROS		21.4%	35.7%		
Integra	Revenues		20.9	19.1	1.8	9%
	Ebit		1.4	2.5	(1.1)	-43%
	ROS		6.8%	13.0%		
Agency	Revenues		3.6	5.0	(1.4)	-28%
	Ebit		(0.9)	0.9	(1.8)	-209%
	ROS		-26.2%	17.4%		
Valuation	Revenues		6.7	4.0	2.7	68%
	Ebit		1.1	0.3	0.8	229%
	ROS		16.5%	8.5%		
NPL - Credit Servicing	Revenues		9.5	7.8	1.7	22%
	Ebit		(0.7)	(1.4)	0.7	48%
	ROS		-7.8%	-18.3%		
Management Platform ITALY						
	Revenues		57.4	56.3	1.1	2%
	Ebit		4.4	9.6	(5.2)	-54%
	ROS		7.7%	17.0%		
GERMANY						
Management Platform GERMANY						
	Revenues		12.3	15.1	(2.7)	-18%
	Ebit		3.2	3.3	(0.2)	-5%
	ROS		25.9%	22.2%		
POLAND						
Management Platform POLAND						
	Revenues		0.3	0.3	0.0	6%
	Ebit		(0.3)	(0.4)	0.1	32%
	ROS		-91.0%	-142.8%		
Management Platform Foreign Countries						
	Revenues		12.7	15.4	(2.7)	-18%
	Ebit		2.9	2.9	(0.0)	0%
	ROS		22.8%	18.9%		
G&A						
G&A (Holding & Prelios Europe)						
	Revenues		(3.6)	(1.6)	(2.1)	-132%
	Ebit		(8.1)	(11.8)	3.7	31%
TOTAL MANAGEMENT PLATFORM						
	Revenues		66.4	70.1	(3.7)	-5%
	Ebit Management Platform		(0.8)	0.6	(1.5)	-227%
	ROS		-1.2%	0.9%		
	Revenues excluding G&A		70.1	71.7	(1.6)	-2%
	Ebit Management Platform excluding G&A		7.3	12.5	(5.2)	-41%
	ROS		10.4%	17.4%		

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Investment: FY 2015 Ebit

(€/mln)

		ACTUAL DEC 2015 DISCONTINUED	ACTUAL DEC 2014 DISCONTINUED	Δ ACTUAL 2015 vs ACTUAL 2014	Δ% ACTUAL 2015 vs ACTUAL 2014
<i>Vehicles</i>	Ebit :	(7.7)	(6.1)	(1.6)	-26%
<i>Funds</i>	Ebit :	(2.7)	2.6	(5.3)	-203%
<i>Structure</i>	Ebit:	(4.8)	(3.4)	(1.3)	-39%
<hr style="border-top: 1px dashed black;"/>					
<u>ITALY Real Estate</u>	Ebit	(15.1)	(6.9)	(8.3)	-120%
<u>ITALY NPL</u>	Ebit	0.1	0.3	(0.2)	-58%
<u>GERMANY Real Estate</u>	Ebit	7.8	2.6	5.2	201%
<u>POLAND Real Estate</u>	Ebit	(1.7)	18.4	(20.0)	-109%
<u>TOTAL</u>	Ebit Investment	(8.9)	14.4	(23.3)	-162%
	Total (Management and Investment)	(9.7)	15.0	(24.7)	-165%

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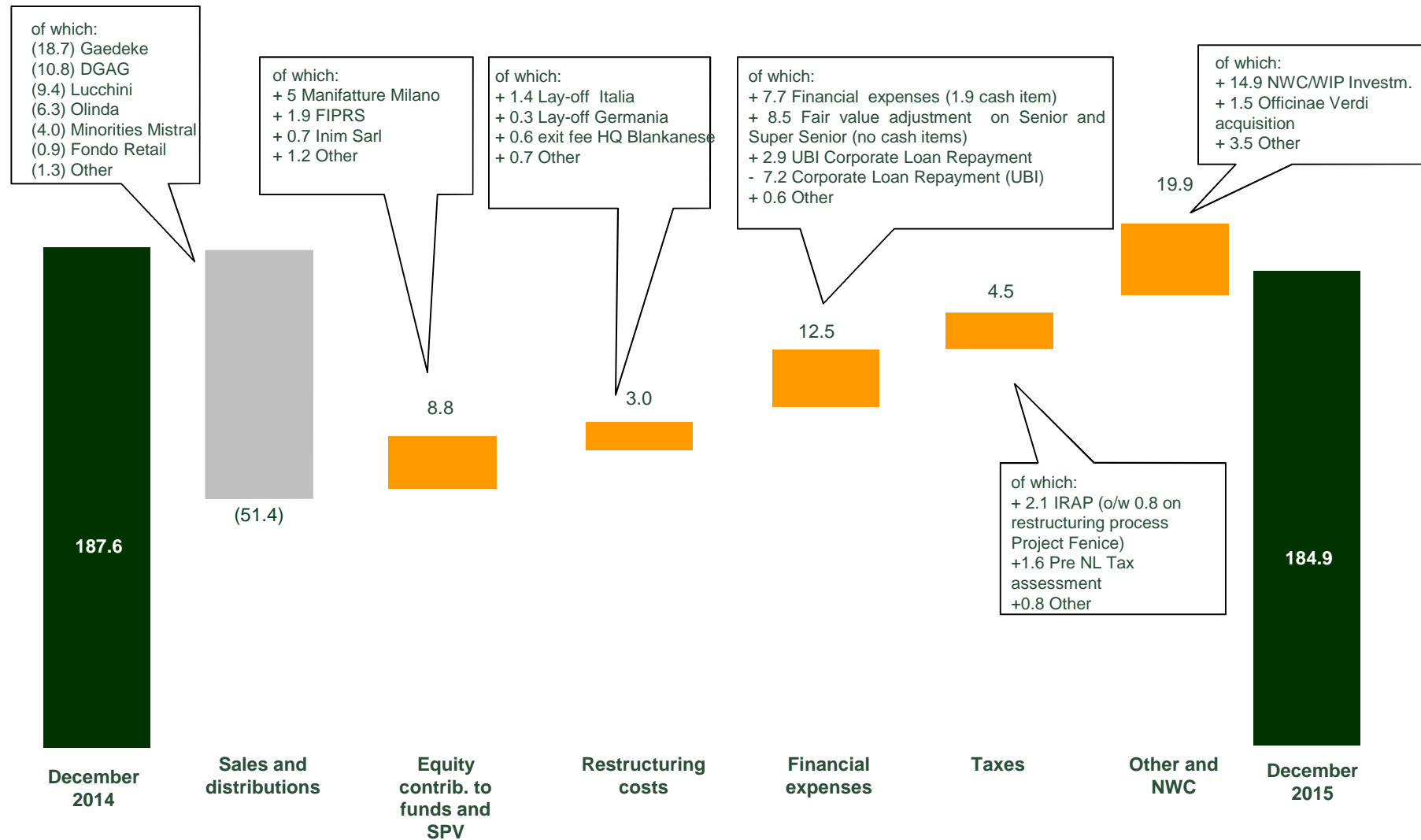
December 2015 Consolidated Balance Sheet

<i>(€/mln)</i>	ACTUAL FY 2015	ACTUAL FY 2014
Fixed assets	290.9	346.4
<i>of which participations and shareholders' loan</i>	221.6 ¹⁾	285.7
<i>of which goodwill</i>	56.4	56.4
<i>of which other fixed assets</i>	12.9	4.3
Net working capital	22.7	17.0
Inventories	39.3	43.5
Trade receivables	41.8	35.0
Trade payables	(54.9)	(47.3)
Other payables/receivable	(3.7)	(14.2)
Net invested capital	313.6	363.4
Net equity	66.0	107.3
<i>of which group net equity</i>	63.2	104.8
Funds	62.7	68.5
Net financial position	184.9	187.6
Total sources	313.6	363.4

1) Including also 1.5 mln related to the participation in Officinae Verdi not related to investment business unit

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(€/mln) Net Financial Position Dec 2014 – Dec 2015 ¹⁾



1) Discontinued figures.

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Financial situation of debt almost entirely transferred to Focus Investments

Bank Loan characteristics (figures 100% basis)¹⁾

- LTV ²⁾ Real Estate 44%: Italy 69%, Germany -12% (pro rata Real estate 55%: Italy 69%, Germany -17%)
- Average Duration 2.1 (Italy 2.1, Germany 8.3)
- Average Spread: 207 bps
- 27% interest rate risk hedged
- Recourse guarantees for approx. 12.5 € mln ³⁾ (pro-rata Prelios)

(€/mln)	NET DEBT	
	100%	pro-rata
Actual FY 2015	1,264	477
Actual FY 2014	1,570	526
Actual FY 2013	2,643	749

1) Excluded NPL

2) Calculated on net debt

3) Recourse guarantees include 4.9 €mln related to Aree Urbane SPV. already included as financial indebtedness in Net Financial Position, 5.0 mln related to Kempinsky Plaza (closed at 2^o of March) and 2.6 mln related to Gamma Re. Focus Investments perimeter.

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Prelios Assets Breakdown of investments as of December 2015 debt almost entirely transferred to Focus Investments

(€/mln)

	Mkt. Value 100% 31.12.15	Book Value 100% 31.12.15	Net debt 100% 31.12.15	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	1,629	1,567	1,124	593	571	408	69%	185	180	-12.3	
GERMANY	655	655	-75	84	84	-14	-17%	98	53	7.8	
POLAND	52	13	-23	21	5	-9	-44%	30	14	-1.7	
TOTAL REAL ESTATE CO- INVESTED	2,336	2,234	1,025	698	660	385	55%	314	248	-6.1	
THIRD PARTIES ²⁾	2,710	N.S.	N.S. ¹⁾	21	N.S.	N.S.			9	-2.9	
TOTAL REAL ESTATE	5,046	2,234	1,025	719	660	385		314	257	-9.0	
									NPL (investment)	3	0.1
									TOTAL INVESTMENT	259	-8.9
									MANAGEMENT PLATFORM	54	-0.8
									TOTAL PRELIOS	314	-9.7

1) Including initiatives with a Prelios share lower than 5% or not participated. The gross debt 100% of Fondo Cloe is approx. 217 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, Gromis and Golfo Aranci) with a total 296 mln gross debt 100% and gross debt pro-rata 104 mln.

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Prelios Assets Breakdown of investments as of December 2015 debt almost entirely transferred to Focus Investments

(€/mln)

	Mkt. Value 100% 31.12.15	Book Value 100% 31.12.15	Net debt 100% 31.12.15	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	1,004	958	535	339	325	197	58%	142	126	-0.7
TRADING & SOHO	295	287	382	111	106	129	116%	-18	19	-3.8
DEVELOPMENT	118	116	83	56	55	38	69%	18	6	-4.1
LANDS	212	206	124	87	84	43	50%	44	29	-3.5
TOTAL ITALY CO- INVESTED	1,629	1,567	1,124	593	571	408	69%	185	180	-12.3
THIRD PARTIES	2,710	N.S.	N.S. ¹⁾	21	N.S.	N.S.			9	-2.9
TOTAL ITALY	4,339	1,567	1,124	614	571	408		185	189	-15.1

1) Including initiatives with a Prelios share lower than 5% or not participation. The gross debt 100% of Fondo Cloe is approx 217 mln.

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Prelios Assets Breakdown of investments as of December 2015 debt almost entirely transferred to Focus Investments

(€/mln)

	Mkt. Value 100% 31.12.15	Book Value 100% 31.12.15	Net debt 100% 31.12.15	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+II P
DGAG (Residential)	0	0	0	0	0	0		0	2	0.0
HIGHSTREET (Commercial)	641	642	-58	77	78	-9	-11%	86	41	0.0
Commercial & other	13	13	-18	7	6	-5	-80%	12	11	7.8
TOTAL GERMANY	655	655	-75¹⁾	84	84	-14	-17%	98	53	7.8
TOTAL POLAND LANDS	52	13	-23	21	5	-9	-44%	30	14	-1.7

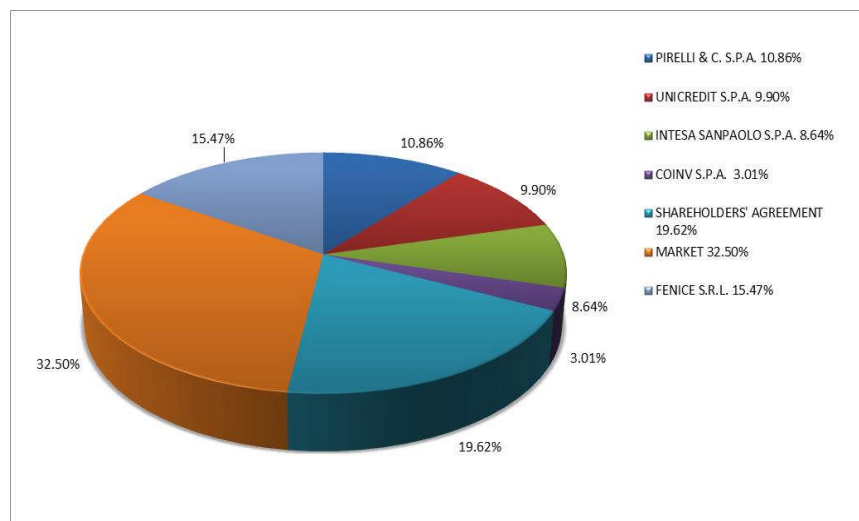
1) Not Including initiatives with a Prelios share lower than 5% or not participated.

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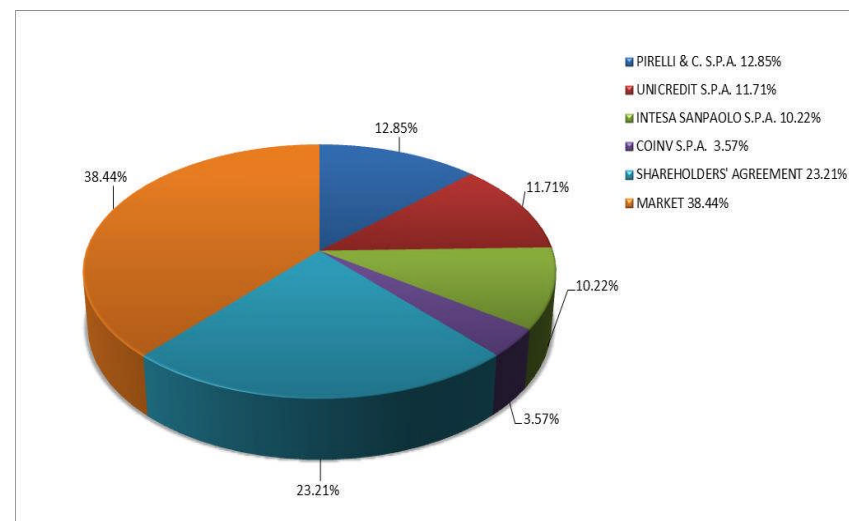
Ownership structure after the capital increase

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 in March 2016:

ECONOMIC SHARE CAPITAL ¹⁾




SHARE CAPITAL WITH VOTING RIGHTS ²⁾



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1) Including «B category» shares.

2) Excluding «B category» shares.



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.