

Real Estate SIIQ



COIMA RES
Financial statements
for the period ending September 30th 2016



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CORPORATE INFORMATION

COIMA RES is a commercial real estate company listed on the Italian Stock Exchange. COIMA RES manages real estate transactions, primarily focused on commercial properties (primarily offices properties), aimed at generating rental income from the major national and international operators. The company operates with the beneficial tax status granted to SIIQs (Società di Investimento Immobiliare Quotate) which is similar to a Real Estate Investment Trust (REIT) in other jurisdictions. The investment strategy of COIMA RES is focused on creating a high-quality portfolio of real estate assets, with a view to generating stable, growing and sustainable cash flows for investors by acquiring, managing, and selectively disposing of properties intended mainly for use in the services and commercial sector and with the potential for their capital value to increase over time.

SHAREHOLDERS

Established by Manfredi Catella in agreement with COIMA and COIMA SGR, and with Qatar Holding LLC as primary sponsor of the venture; since May 2016 COIMA RES is a company with shares listed on the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A.



GOVERNANCE

Board of Directors

Caio Massimo Capuano	Chairman, not executive Director
Feras Abdulaziz Al-Naama	Vice President, Independent Director
Manfredi Catella	Key Manager (CEO)
Gabriele Bonfiglioli	Key Manager
Matteo Ravà	Key Manager
Agostino Ardissonne	Independent Director
Alessandra Stabilini	Independent Director
Michel Vauclair	Independent Director
Laura Zanetti	Independent Director

Board of Statutory Auditors

Massimo Laconca	Chairman
Milena Livio	Statutory Auditor
Marco Lori	Statutory Auditor
Emilio Aguzzi De Villeneuve	Alternate Auditor
Maria Stella Brena	Alternate Auditor

Compensation Committee

Laura Zanetti	Chairman
Alessandra Stabilini	Member
Caio Massimo Capuano	Member

Investment Committee

Manfredi Catella	Chairman
Gabriele Bonfiglioli	Member
Matteo Ravà	Member
Feras Abdulaziz Al-Naama	Member
Michel Vauclair	Member

Control and Risk Committee

Agostino Ardissonne	Chairman
Alessandra Stabilini	Member
Laura Zanetti	Member

Internal Audit

Internal Audit is outsourced to a specialized company named **Tema S.r.l.**, which has indicated **Mr. Arturo Sanguinetti** as responsible for such function.

Risk Manager

Risk management is outsourced to a specialized company named **Macfin**, which has indicated **Mr. Emerico Amari di Sant'Adriano** as responsible for such function.

External Auditors

The shareholders' meeting held on February 1st, 2016 appointed Ernst & Young S.p.A. as auditors of the Company for the period 2016-2024 in accordance with articles 14 and 16 of Legislative Decree n. 39/2010.

Executive responsible for the preparation of the company's accounting documents is **Fulvio Di Gilio**, CFO of COIMA RES.



EXECUTIVE SUMMARY

COIMA RES management has continued accelerated progress of the IPO Business plan. Following are the main highlights.

COIMA RES acquired 345.5 million Euros in new property since IPO; completing approximately 80% of its investment program in less than 5 months:

- On June 30th the acquisition was completed of the LEED certified build to suit, three building complex known as the Vodafone Headquarters in Milan for 200 million Euros with a EPRA Net Initial Yield of 6.2% and a 9 year Walt contributing to the portfolio a long term high yield component;
- On July 27th the acquisition was completed of two prime properties; Gioiaotto (Porta Nuova, Milan) and Palazzo Sturzo (Eur District, Rome) for 145.5 million Euros with a EPRA Net Initial Yield of 4.5% and an active management program that will increase returns to 5.2% within 6 months. The Milan and Rome assets contribute to the portfolio's prime property allocation and to the expected NAV growth.

All acquisitions following IPO have been sourced on an off market basis.

Less than 5 months from IPO, COIMA RES achieves accelerated results

- **Real Estate portfolio growth:** increase from 140 million Euros at IPO to approximately 500 million Euros;
- **Tenant diversification:** from 1 at IPO to 21 tenants;
- **Gross Rental Income¹ growth:** increase from 7 million Euros at IPO to 29.9² million Euros;
- **Funds From Operation growth:** increase from 2.6 million Euros at IPO to 12.1³ million Euros;
- **EPRA Earnings:** increase from 2.5 million Euros (0.1 Euro per share) at IPO to 13.0⁴ million Euros (0.4 Euro per share);
- **Controlling risks:** Net Loan to Value equal to 32.1%;
- **Dividend distribution:** management accelerated investment execution following IPO allows COIMA RES to anticipate distribution of proceeds with first distribution starting in 2017 (in relation to 2016 profit);
- **EPRA Net Initial Yield:** equal to 5.2%.

Note on forward looking information

The condensed interim consolidated financial statements 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. Taking into account 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.

PORTFOLIO AS OF SEPTEMBER 30TH

As of September 30th, 2016, COIMA RES' Portfolio totalling approximately 500 million Euros includes the Deutsche Bank portfolio, three buildings that compose the real estate complex known as "Vodafone Village", Gioiaotto and 2331 Eur Center. The net rentable area is equal to 128,314 square meters and gross initial rents equal to approximately 29 million Euros. The overall Initial Portfolio WALT is approximately 8.9 years, EPRA Net Initial Yield 5.2%.

¹ According to IAS/IFRS principles.

² Pro-forma data considering all the acquisition completed on January 1st, 2016.

³ Pro-forma data considering all the acquisition completed on January 1st, 2016.

⁴ Pro-forma data considering all the acquisition completed on January 1st, 2016.



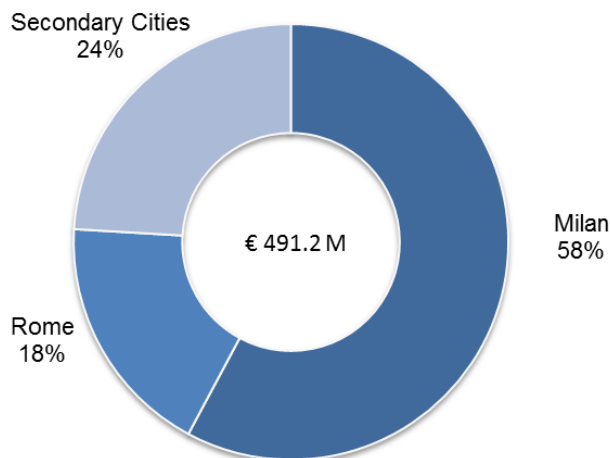
Below a summary of the Portfolio:

		Deutsche Bank Portfolio	Vodafone Village	Gioia 6-8	Sturzo 23-31	Total Portfolio as of September 30th 2016
General	City	Various	Milan	Milan	Rome	-
	Address	Various	Via Lorenteggio 240			-
	Sub-market	Various	Lorenteggio BD	Porta Nuova BD	EUR BD	-
	Asset class	Bank branch	Office	Office, Hotel, Retail	Office, Retail	-
Areas	NRA excl. Parkings (sqm)	61,761	39,991	13,032	13,530	128,314
	EPRA Occupancy rate	90%	100%	100%	100%	97.1%
Leasing	Number of tenants	1	1	9	10	21
	WALT (years)	10.1	10.3	4.6	5.8	8.9
	Gross Initial Rent (€)	7.7	13.8	2.6	4.9	29.0
	Gross Initial Rent (€/sqm)	138	346	198	359	232
	EPRA net initial rent (€)	6.2	12.7	2.2	4.3	25.4
	EPRA net initial rent (€/sqm)	111	318	168	319	204
	Gross stabilized rent (€)	7.7	13.8	3.2	5.1	29.8
	Gross stabilized rent (€/sqm)	138	346	247	376	239
	Net stabilized yield (€)	6.2	12.7	2.8	4.5	26.2
	Net stabilized yield (€/sqm)	111	318	216	336	211
	Expected Gross stabilized rent (€ M)	7.9	13.8	4.0	5.1	30.9
	Expected Gross stabilized rent (€/sqm)	142	346	310	376	248
Expected Net stabilized rent (€ M)	6.5	12.7	3.6	4.5	27.4	
Expected Net stabilized rent (€/sqm)	118	318	277	336	220	
Value	GAV (€)	140.1	206.3	64.3	80.5	491.2
	GAV (€/sqm)	2,268	5,159	4,936	5,950	3,828
Entry Yield	Gross initial yield	5.5%	6.7%	4.0%	6.0%	5.9%
	EPRA Net initial Yield	4.4%	6.2%	3.4%	5.4%	5.2%
	Gross stabilized Yield	5.5%	6.7%	5.0%	6.3%	6.1%
	EPRA topped-up NIY	4.4%	6.2%	4.4%	5.6%	5.3%
	Expected Gross Stabilized Yield	6.3%	6.7%	6.3%	6.3%	6.5%
	Expected Net Stabilized Yield	5.2%	6.2%	5.6%	5.6%	5.7%



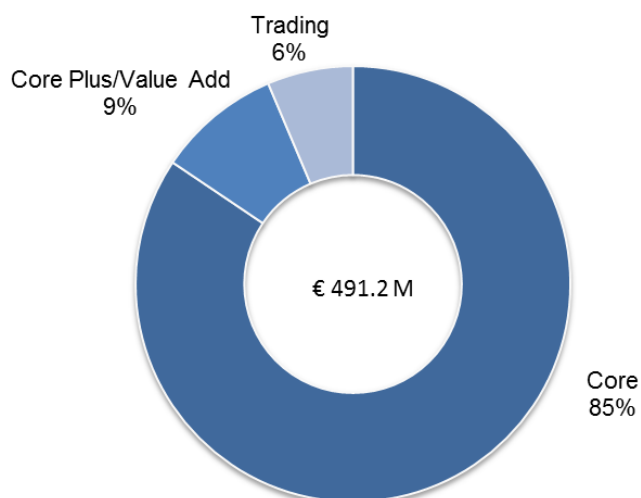
The acquisition plan executed to date proves the initial investment strategy focusing on the development of a portfolio focused on modern office buildings primarily located in Milan.

Breakdown of fair value by geography



The portfolio has been developed in order to create an income producing portfolio.

Breakdown of fair value by strategy



Active asset management plan under execution across all properties

COIMA RES has developed an active asset management plan on the entire portfolio which is focused on the following main areas: **optimization of financing costs and debt profile, disposal program, lease regearing and risk reduction.**

Clear disposal program activated on selected assets

- development of a three year disposal plan of approximately 50 selected assets which accounts for approximately 25% of the entire portfolio value in line with initial program presented during IPO. Following a tender process, four specialized brokers have been selected for sub-portfolios for different regions;



- execution of a preliminary sales and purchase agreement has on the vacant asset in Lecco via alla Spiaggia for 1.5 million Euros (+3.4% vs NAV). Final sales and purchase agreement to be finalized in Q4 2016.

Beginning of lease re-gearing negotiations

- execution on October 19th of addendum in the lease agreement of 6 DB assets which provides for a total increase of rents equal to 220 thousand Euros/year (c. +3% on the total rents) from 1st November 2016. Total rent of the portfolio increased to 7.9 million Euro per year, with a positive impact of the net yield of +0.16% on the overall Deutsche Bank Portfolio;
- active negotiation ongoing with the hotel operator to renew the contract in Gioiaotto which expires in December 2016. Current rent is equal to 98 Euro per sqm comparing to the average prime office rent in Porta Nuova of 400-500 Euro per sqm. Target rent for the hotel portion to break-even the base case alternative office conversion scenario would imply an increase in rental level which would improve the current net yield of the building of approximately 100bps.

FINANCIAL HIGHLIGHTS

Solid financial results reflecting acquisitions performed more quickly than expected

The financials as of September 30th, 2016 are summarized in the table below.

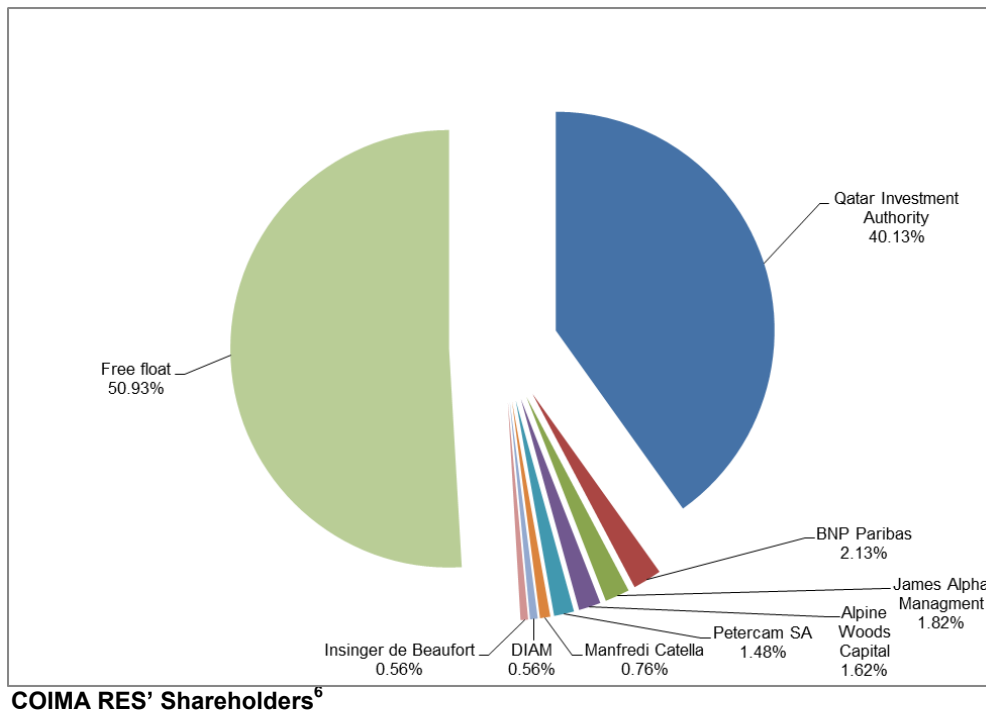
(in million Euros)

	September 30th 2016	Per share
Total property value	491.2	
EPRA Net Initial Yield	5.2%	
EPRA NAV	356.2	9.9
Debt position	290.2	
Cash position	119.0	
Net Loan To Value ⁵	32.1%	
Revenues	8.9	
Profit for the period	6.3	0.3
EPRA Earnings	2.3	0.1

Further management alignment

Founder and Co-Founders of COIMA RES have increased their investment to approximately 3 million Euros in the shares of the Company as a further strengthening of alignment with shareholders and opportunistically giving the very attractive level of price. Based on personal investments combined with pro rata ownership of applicable COIMA entities, CEO Manfredi Catella invested approximately 2.6 million Euros.

⁵ The net Loan to Value excluding the VAT facility is 25.9%.



COIMA RES internal growth and regulated management agreements

COIMA RES internal team increased to 4 employees including CFO, Investment Director, Planning and Control Manager and Finance Associate. Employees of COIMA RES are expected to increase to 5 professionals by year end including the reinforcement of the investor relations function.

COIMA RES benefits of the overall COIMA platform of COIMA SGR and COIMA Srl that has developed a unique track record in investment and asset management with over 40 years of experience and a solid legacy in both core and development projects including Porta Nuova in Milan.

COIMA SGR receives a management fee equal to (i) 110 bps of NAV (for a NAV up to Euro 1 billion); (ii) 85 bps over the portion of NAV exceeding Euro 1 billion up to Euro 1.5 billion; and (iii) 55 bps over the portion of NAV exceeding 1.5 billion Euro. The Management Fee is in line with market practice for similar services. Moreover, from the fourth year, the annual fixed compensation COIMA RES pays to the Chief Executive Officer will be deducted from the Management Fee paid to COIMA SGR, provided that (i) Mr. Manfredi Catella is confirmed as Chief Executive Officer, and (ii) the Chief Executive Officer is the controlling shareholder of COIMA SGR.

In addition to the Management Fee, COIMA SGR shall also be entitled to receive a performance fee, calculated annually on a per share basis as the lesser of 40% of (i) the sum of 10% of the Shareholder Return Outperformance if the Shareholder Return for such year exceeds 8%, and 20% of the Shareholder Return Outperformance, if the Shareholder Return for such year exceeds 10%; and (ii) 20% of the excess of year-end NAV per ordinary share over the Relevant High Water Mark.

COIMA Srl Agreement provides that the fees to be paid to COIMA shall be calculated as follows: (i) the consideration for the property and facility management services (a) for the leased buildings will be equal to 1.5% of the annual fee of the property (gross of any incentives the tenant may have), (b) for the vacant properties, it will be equal to (x) Euro 2.25 per managed square meter, and (y) Euro 0.50 per managed square meter related to areas used as archives or parking spaces, and (c) for common areas and systems managed, it will be equal to the sum of the cost borne by the property manager in relation to the personnel dedicated to the management of common areas and systems and the overall operating costs of the property manager, plus 15% of this amount, and (ii) the consideration for the development and project management

⁶ Source: Bloomberg



services will be equal to 5% of the total cost of the requalification project/development agreement for the property (excluding the purchase value of the property and the cost of financial charges).

Remaining fire power at Revised LTV Target

On June 29th, 2016, COIMA RES entered into a loan agreement with a pool of primary banking institutions for a total amount of 216.3 million Euros and a term of 5 years (3 years for the VAT financing amounting to 44 million Euros). Following the acquisitions of Gioiaotto and Palazzo Sturzo the remaining firepower is approximately 180 million Euros with a current target of LTV at 45%.

Pipeline under due diligence

Current pipeline is being analysed with focus on Milan, office, core acquisitions and based on the acquisition to date and pipeline, EPRA Net Initial Yields between 5.0% - 6.0% remains the management target. As commented in the following market overview yield compression is continuing to be seen in quality assets in prime and secondary locations in the main office market. Considering the strong track record of management in value creation through Core Plus and Value-Added projects and the opportunities presented on the market on these types of assets we will consider investments in these typologies for a contained percentage of the overall portfolio of COIMA RES in the current phase in order to maximize the high yield profile of the company combined with a component of NAV growth to achieve an attractive total shareholder return. In addition looking at the limited firepower remaining JV structures are also under study to increase COIMA RES' exposure to compelling market opportunities. The final objective remains to build a focused portfolio of quality assets, with a diversified tenant base, and good risk adjusted returns.

COIMA Real Estate Forum on October 27th

COIMA will host the 5th edition of the Real Estate Forum on October 27th 2016 attended by primary international and domestic institutional investors, which will include a Property Tour focused on COIMA RES assets.

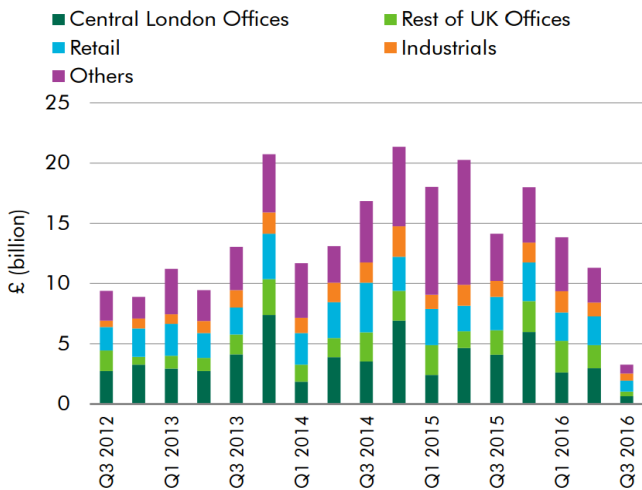
In addition, on December 12th-16th 2016 COIMA RES management will take part in the EPRA Roadshow in Asia.



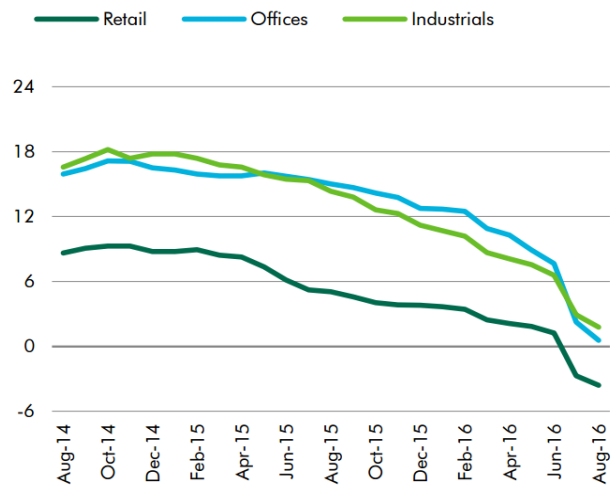
ITALY: ECONOMIC AND REAL ESTATE MARKET CONDITIONS

Life after Brexit

While the outcome of the UK Referendum in June 2016 was final in the vote for Brexit, there remains much uncertainty about the future of the economy, depending on the outcome of negotiations that could take two years to finalize starting in March 2017. Most surely, the Brexit was a major event for the UK economy and its real estate market. UK RE investment volumes collapsed from ca. 11 to ca. 3 billion Pounds in the last quarter, corresponding to a drop of ca. 11 billion Pounds with respect to Q3 2015. Preliminary analysis anticipates a potential correction of around 10%-15% for real estate values in UK within the next 18 months, and an even sharper correction of 20% - 25% for prime office real estate in London due to the currently high volume of construction projects in the City.

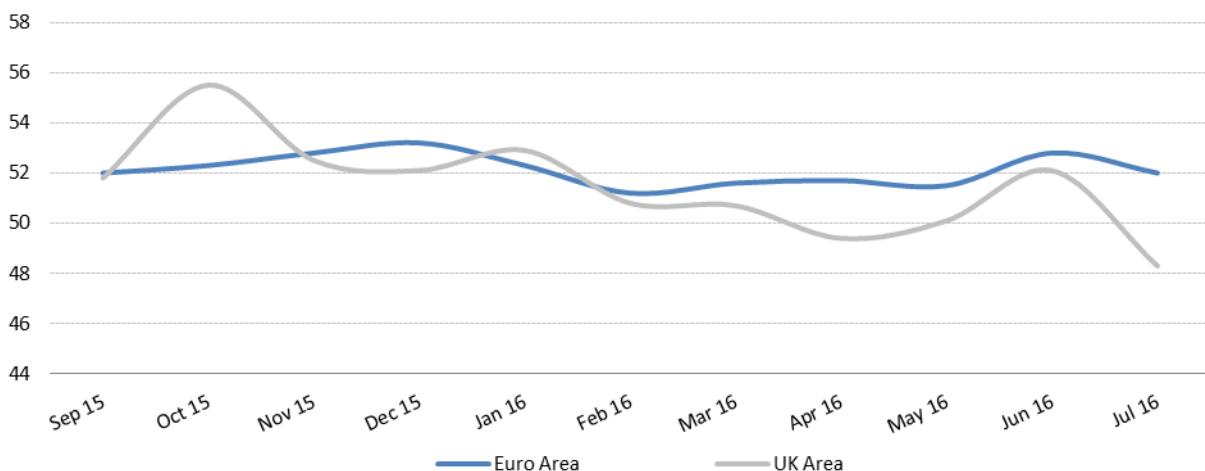


Graph 1. CRE Investment in the UK⁷



Graph 2. UK Year on Year Capital Value Growth (%pa)⁸

Fortunately, consensus sees limited effects on short-to mid-term for the remaining EU countries. For the time being, the PMI (Purchasing Manager Index) for the Euro Area has remained stable overall in the last 12 months, not suggesting any sign of contagion, while the value for the UK has dropped under the threshold of 50 in July.



Graph 3. Euro area vs UK PMI manufacturing index⁹

⁷ Source: CBRE - UK Monthly Index, August 2016

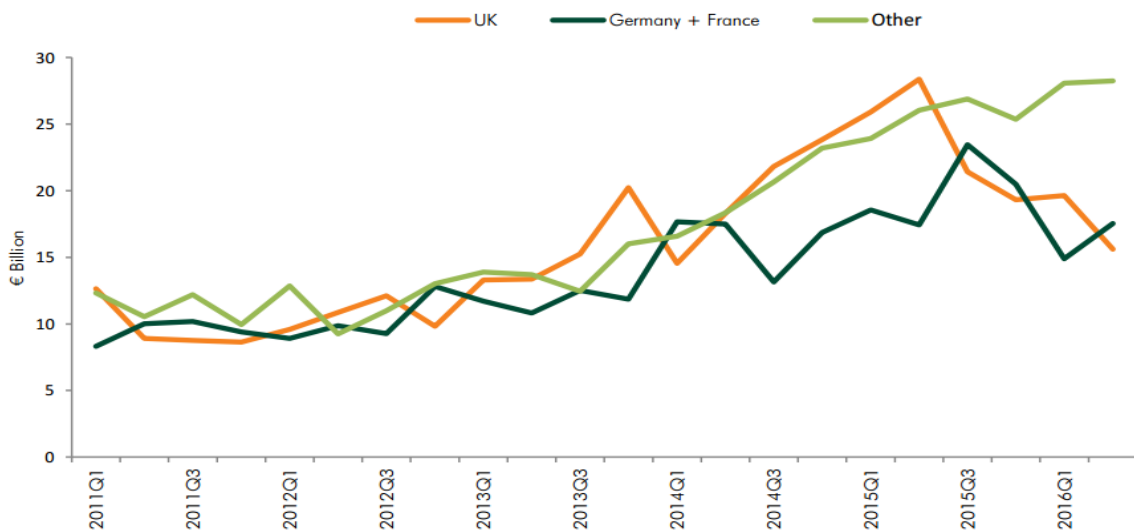
⁸ Source: CBRE - UK Monthly Index, August 2016

⁹ Source: IECONOMICS database



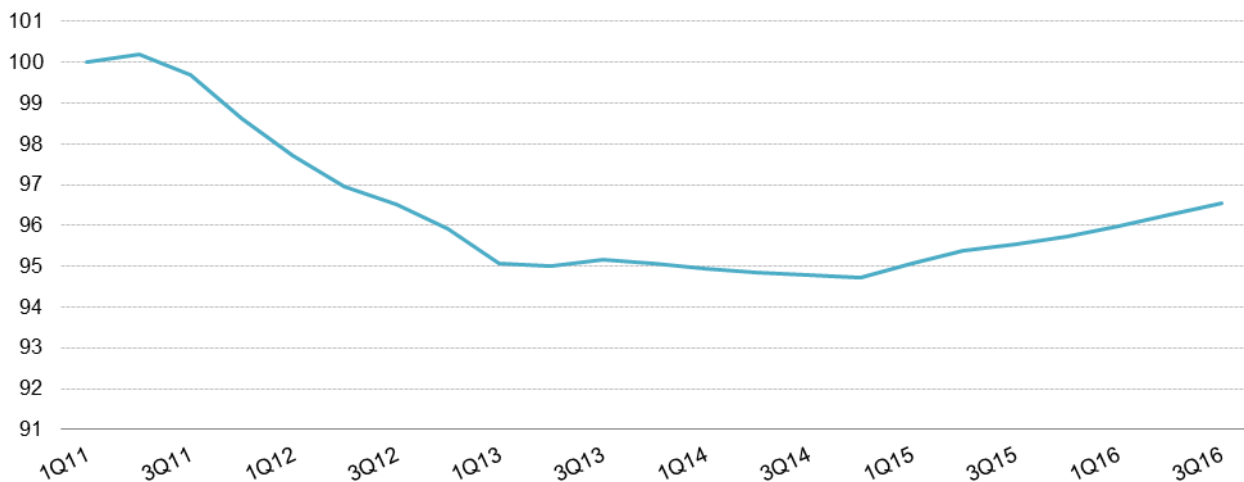
Estimates anticipate a real GDP growth for the Eurozone of 1.5% for 2016 and 1.3% for 2017, which correspond to just a slight downward adjustment with respect to pre-Brexit projections.

The economic recovery goes hand in hand with positive effects on Euro area real estate market. Indeed, the CRE total investment volume for Europe excluding UK grew ca. 12% over the last twelve months.



Graph 4. Commercial Real Estate Investment Volume in Europe¹⁰

As in other core European countries, the Italian economy did not seem affected by the Brexit blast wave either, thanks to the modest direct Italian export volume to the UK, representing only 5% of merchandise exports. In the third quarter of 2016, Italian GDP continued its positive trend with a light acceleration with respect to previous quarter setback, recording a growth of 0.94% over the quarter.



Graph 5. Italian GDP (base Q1 2011 = 100)¹¹

Importance of the Italian Referendum

Mr. Renzi had intended the Referendum schedules for December 4th to be a stepping-stone for comprehensive structural reforms – a more flexible labor market, less burdensome regulations among them. The Prime Minister's success would curtail the power of the Senate, the Upper House of parliament, and enable him to pass legislation to reform the pension system and take steps to lower Italy's traditionally high youth unemployment. However, Mr. Renzi's threat to resign his position if the No vote succeeded has increased the stakes. He has since toned down his rhetoric, suggesting that he may continue in office after all, even if No won. However, after a No vote, the Prime Minister will likely not be able to implement

¹⁰ Source: CBRE CRE Update – September 2016

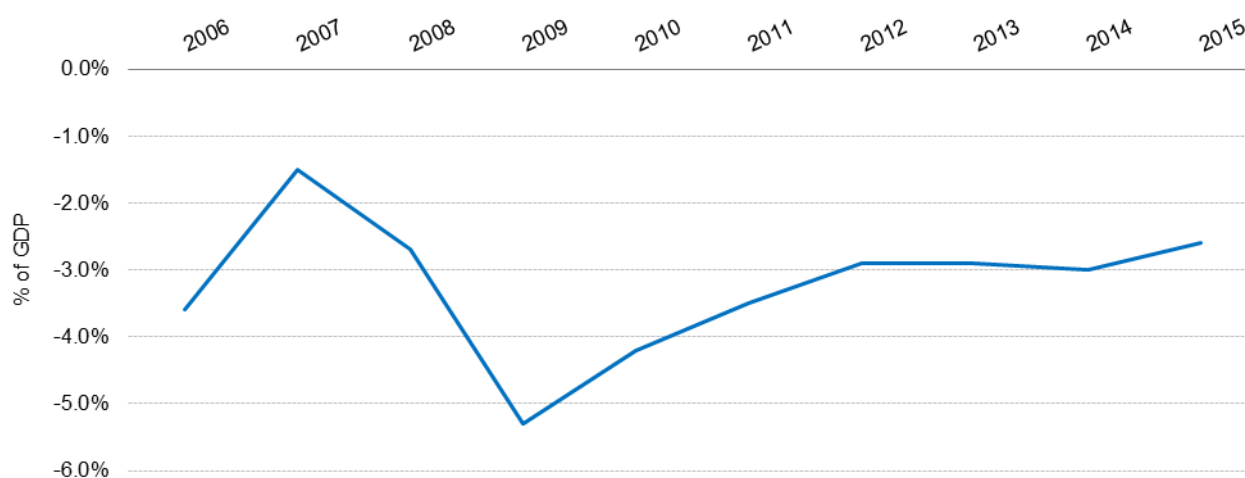
¹¹ Source: ISTAT database



significant reforms if he continues in office until the early-2018 nationwide elections. If Mr. Renzi does resign, President Sergio Mattarella will probably call for the formation of a caretaker government, with nationwide elections accelerated to the second half of 2017. While this may delay structural reforms, a new government will still have to implement similar measures that are essential to improve economic growth and lower unemployment. While the Referendum is considered too close to call, it is encouraging that polls have consistently shown that 35 – 50% of the electorate is undecided. Prime Minister Matteo Renzi has the power of incumbency to influence the vote through the 2017 budget measures expected to be presented to parliament this month.

Mr. Renzi likely to get European Commission Support

Italy is the Eurozone's third largest economy after Germany and France. With the Brexit vote on June 23 continuing to have negative consequences for EU growth and investment, the European Commission will not want to see the situation deteriorate further through political instability in Italy stemming from a No vote in the Referendum.



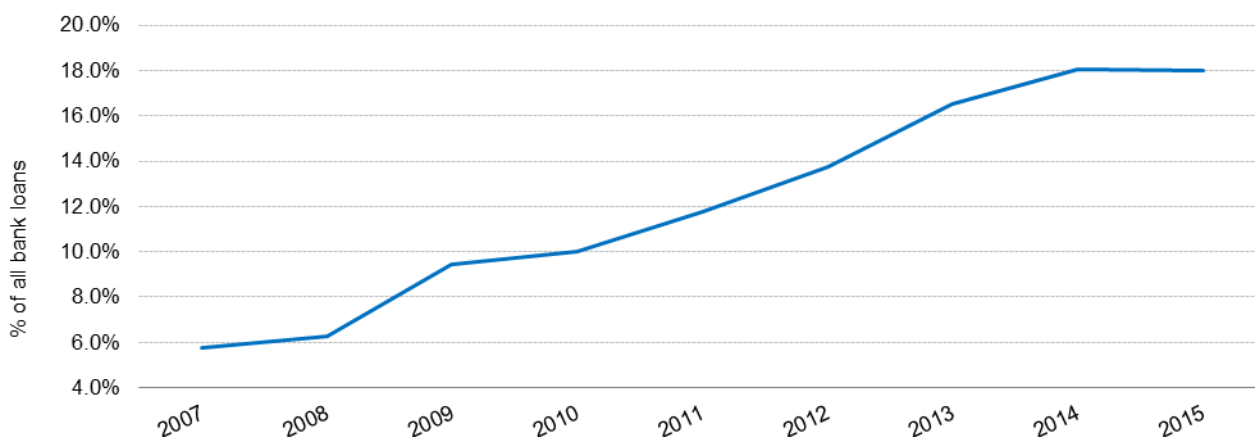
Graph 6. Budget Deficit as % of GDP (EU limit 3%)¹²

Among the likely moves is an implicit EC acceptance of a higher Italian fiscal deficit in 2017. Mr. Renzi has suggested that he would like to lower business taxes to encourage investment and stimulate economic growth, but that the move could increase the deficit in the short-run.

Bank Recapitalization: An Urgent Priority

While banking systems in several western European countries and the United States were hit by a surge in bad loans as a result of the financial crisis in 2008, Italy has been slower than most to adjust to the shock. A write-down of loans in default, and a recapitalization in lending institutions, would have limited the cost of responding to the bad loan situation.

¹² Source: Eurostat database



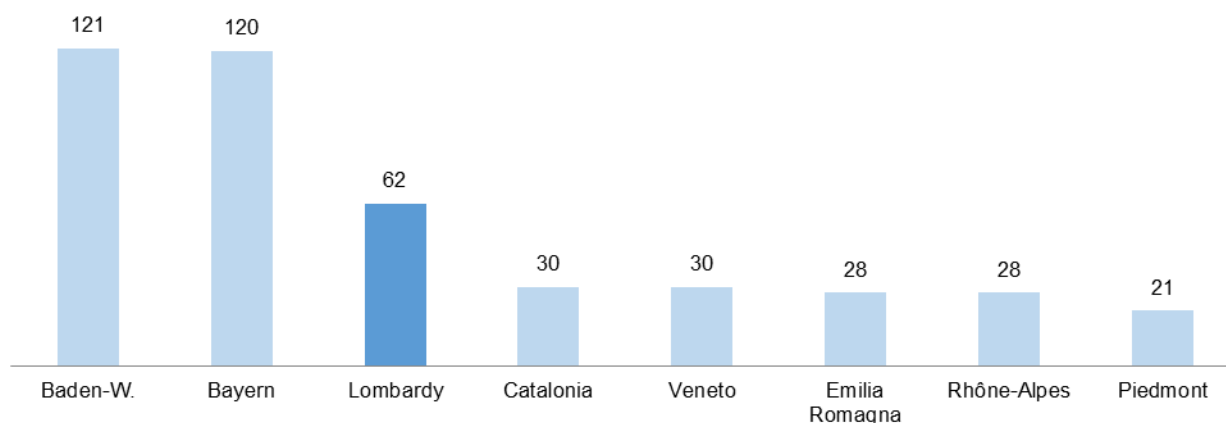
Graph 7. Italian Non-Performing Loans as % of all bank loans¹³

Lack of significant loan write down was the major reason behind non-performing loans surging from 6% of total Italian bank loans in 2007 to 18% in 2015, very high by both European and global standards. Consequently, while European bank share prices were affected overall by the Brexit vote, some Italian banks were hit significantly more than the European average due to investor perception of capital inadequacy in the Italian banking system.

Germany, in particular, has insisted that Italy not use public funds to bail out or partially nationalize troubled banks. However, some large “systemically important” German financial institutions are also believed to have higher risk in their portfolios than European bank stress tests suggest. Should German authorities find the need to use fiscal resources to help the banking system, Italy would be an indirect beneficiary of the development.

However Lombardy and Milan remain motors of Europe

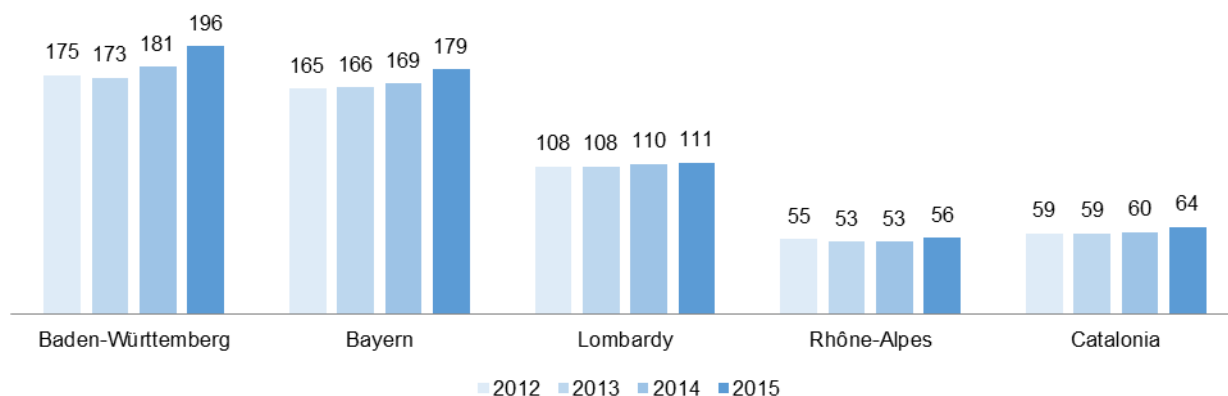
With 16.5% of the Italian population and 18.4% of all active enterprises in Italy, Lombardy contributes for more than 22.0% of Italian GDP and 20.6% of the national value added. It represents the largest economy among the 20 Italian regions and one of the largest at European level, competing with such regions as Bayern, Baden-Württemberg, Île-de-France, Rhône-Alpes, Catalonia. Lombardy hosts 826,000 active companies with one of the highest employment growth in Europe. In 2015, imports and exports from Lombardy accounted for 31.3% and 26.9%, respectively, of the total national accounts. In terms of gross value added by the manufacturing sector, Lombardy is ahead of all Italian regions and most of European economic regions but the two Southern German *Länder* of Baden-Württemberg and Bayern.



Graph 8. Manufacturing gross value added by region (billion Euros)¹⁴

¹³ Source: World Bank database

¹⁴ Source: Assolombarda database

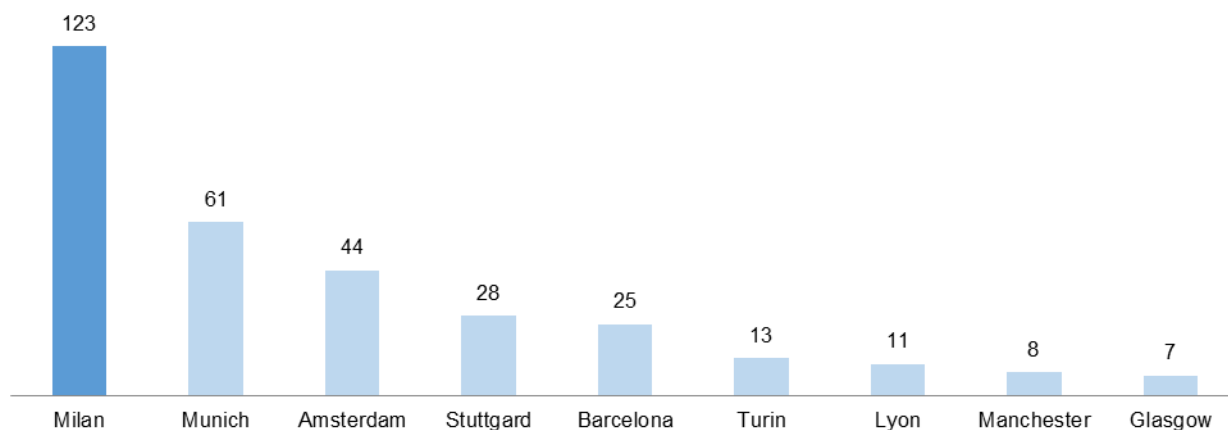


Graph 9. Exports volume (billion Euros)¹⁵

According to a recently published research report by 'Invest in Lombardy', the region has become the main gateway for foreign companies investing in Italy. From 2013 to 2014, as number of foreign direct investments (FDI) at global level diminished by -1.7%, FDI in Lombardy experienced a jump of over +17%, with 62 greenfield projects completed in 2014, of which 85% were located in Milan. The majority of foreign investors were from the Eurozone (56%), with North America and Asia accounting for 23% and 11% respectively.

As a representation of foreign companies' growing interests, the region hosts 4,721 companies participated by foreign capital (accounting for 48.6% of all Italian companies part of foreign multinationals), producing 220 billion Euros of total turnover and employing over 400,000 people.

In the Milan area alone there are 3,285 companies which are part of multinationals (a third of all those present in Italy), with 280,000 employees and 170 billion Euros of turnover. Of these, 123 companies have a turnover higher than 1 billion Euros, which is twice those present in Munich (61) and six times more than those present in Barcelona (25), making Milan the European city with the highest density of multinational companies.



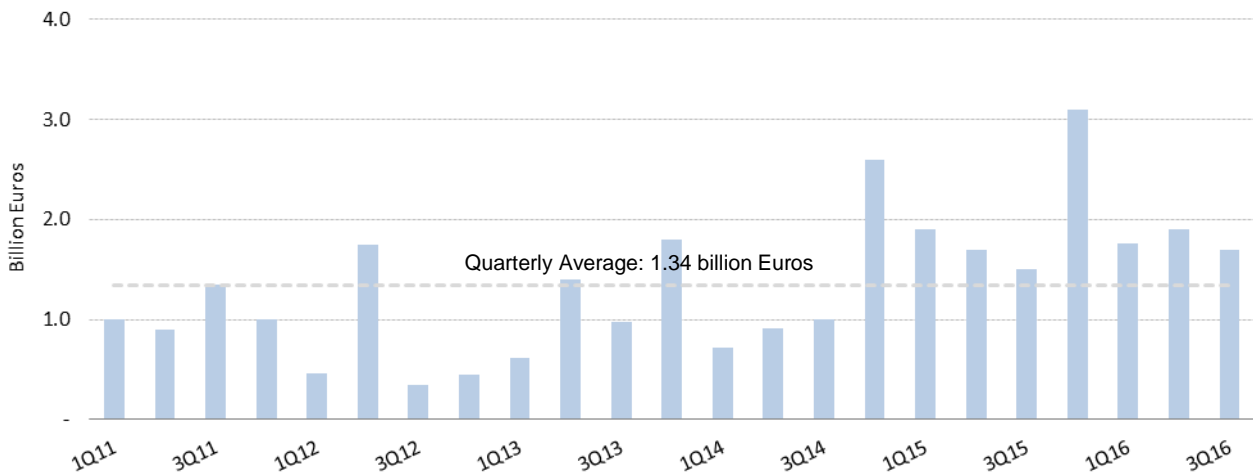
Graph 10. Number of multinational enterprises with turnover > 1 billion Euros¹⁶

Foreign and Domestic Investors are continuing to invest in Italian Real Estate

The Italian Real Estate sector continues to benefit from the overall recovering economy and from the low level of interest rate environment which is leading investors in a tight competition on prime assets. Italian commercial real estate – i.e. office, retail, logistic and hotels – investments in the first three quarters reached 5.4 billion Euros, recording an increase of 5% with respect to the same period in 2015.

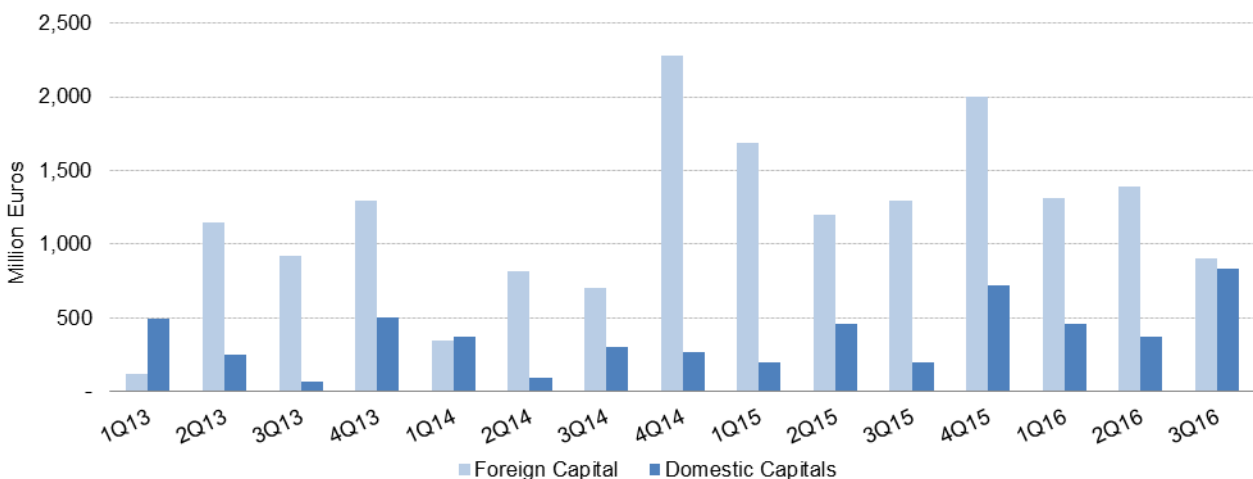
¹⁵ Source: Assolombarda database

¹⁶ Source: Assolombarda database



Graph 11. Italian CRE Investment Volume¹⁷

With almost 3.6 billion Euros, foreign investors are still the most significant contributors to the Italian CRE market in the first nine months of 2016, accounting overall for 68% of the total investment volume. In particular, North America remains the major contributor, followed by Germany which almost doubled the amount of investments in Italian real estate with respect to 2015 figures. However, with approximately 840 million Euros of new investments, domestic investors have shown an unexpected dynamism on the market in the third quarter 2016.



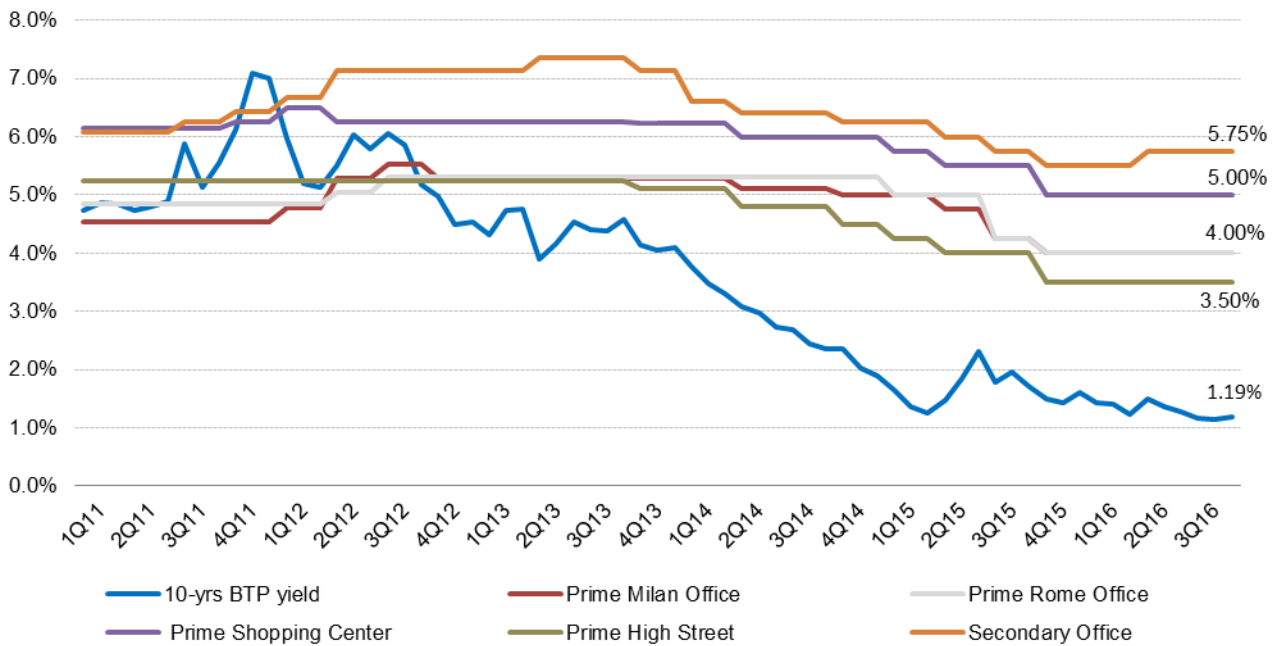
Graph 12. Italian CRE Market – Capital by origin¹⁸

Yield compression in prime location and lack Grade A office space makes Core +/Value-added market opportunities look appealing

The strong mismatch between offer and demand results in a generalized prime yield compression, reaching lows of 4.0% for offices in Milan and Rome’s CBD. On the contrary, quality office assets located in secondary locations (periphery or secondary business district) continue to offer interesting returns, with average net yields standing in the range of 5.75% - 6.00%.

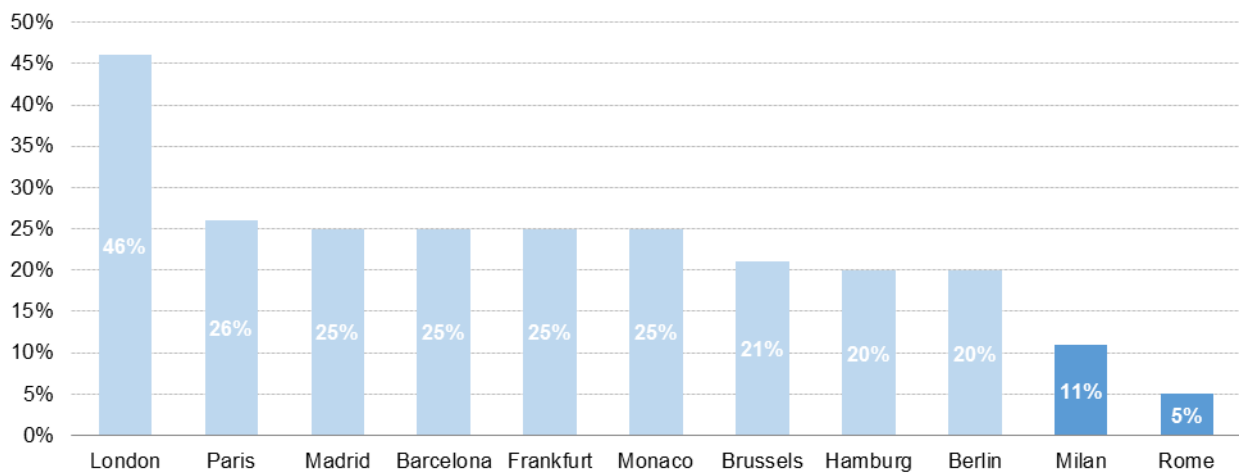
¹⁷ Source: CBRE Q3 2016 Data

¹⁸ Source: CBRE Q2 2016 Data



Graph 13. Italian CRE Prime Net Yields¹⁹

The Italian Real Estate market continues to suffer from a chronic shortage of quality assets, offering the lowest stock of Grade A buildings among European office markets. On the other hand, investors continue to exhibit a strong appetite for quality assets, with approximately 80% of total office investment volume involving Grade A office buildings in the Milan area. This combination provides for the opening of market opportunities in the Core +/Value added investment sectors.



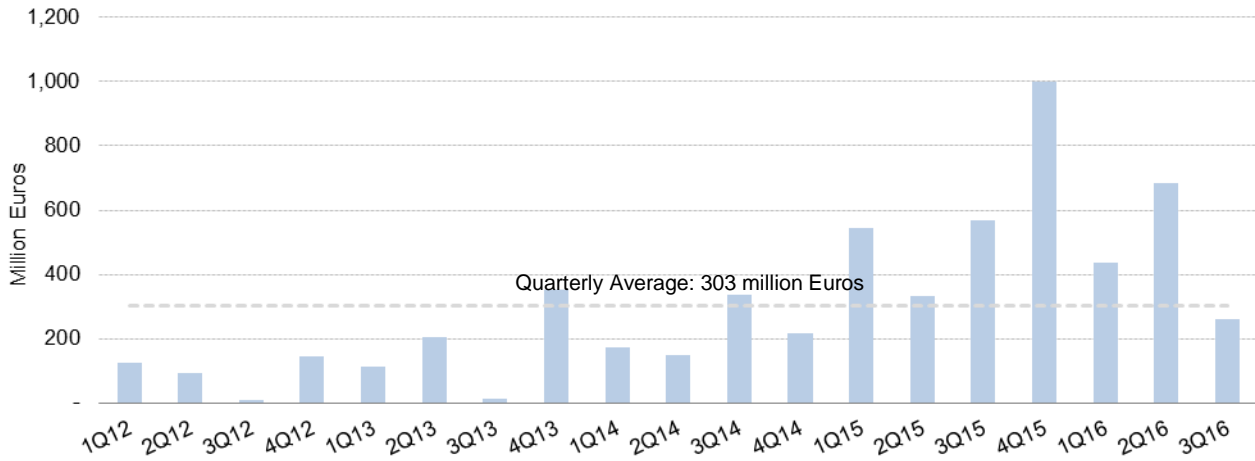
Graph 14. Grade A office stock over total office stock²⁰

Milan's Real Estate market continues to see activity

The economic soundness of the Milan economy, the quality of its infrastructures and excellence of its human capital continue to favour the birth of new companies and the rise of international companies' interest for the Lombardy region, with evident benefits for the real estate sector. Indeed, Milan remains the most active and best performing RE market in Italy. In the first nine months of 2016, Milan office market recorded a total investment volume of ca. 1.4 billion Euros, in line with the good performance of 2015.

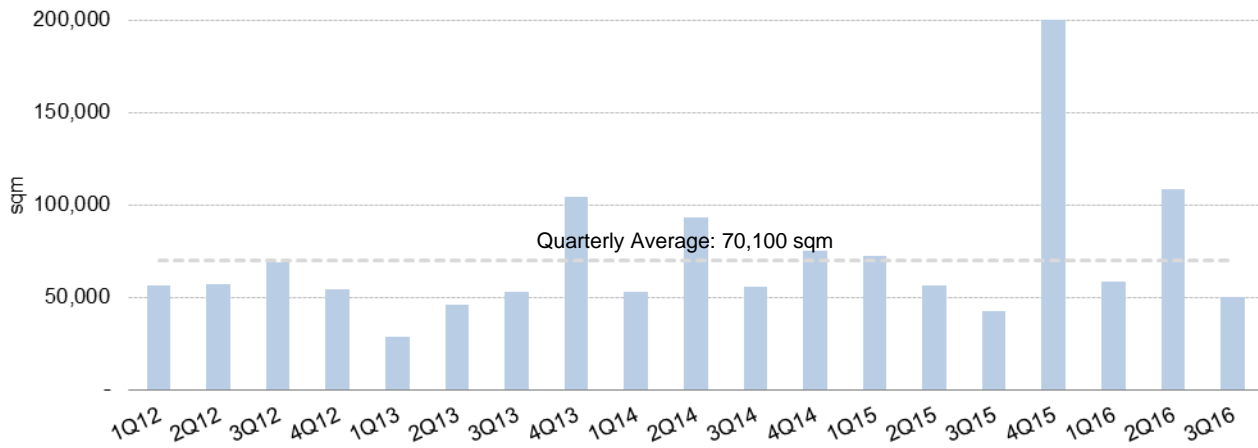
¹⁹ Source: CBRE Report – Q3 2016

²⁰ Source: JLL Data – H1 2016



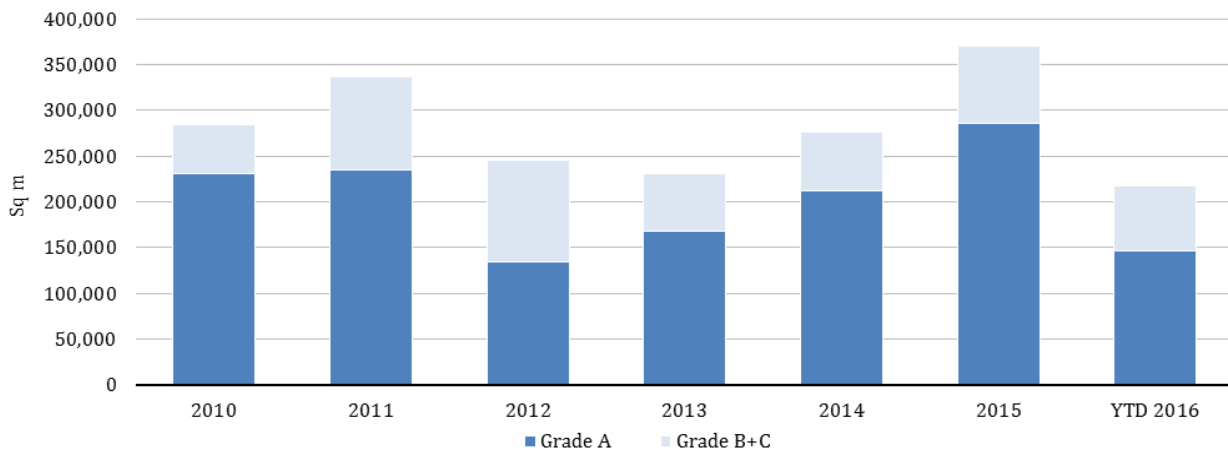
Graph 15. Milan Office Market Investment Volume ²¹

For what concerns the lease market, the Milan office market shows positive results (50,000 sqm) with take-up growing by 18% with respect to the same period in 2015.



Graph 16. Milan Office Market Take-Up Volume ²²

Tenant demand for quality spaces continues to be strong and increasing, with almost 70% of total office demand in the first three quarters of 2016 addressed to Grade A office building.



Graph 17. Milan Office Market Take-Up Volume ²³

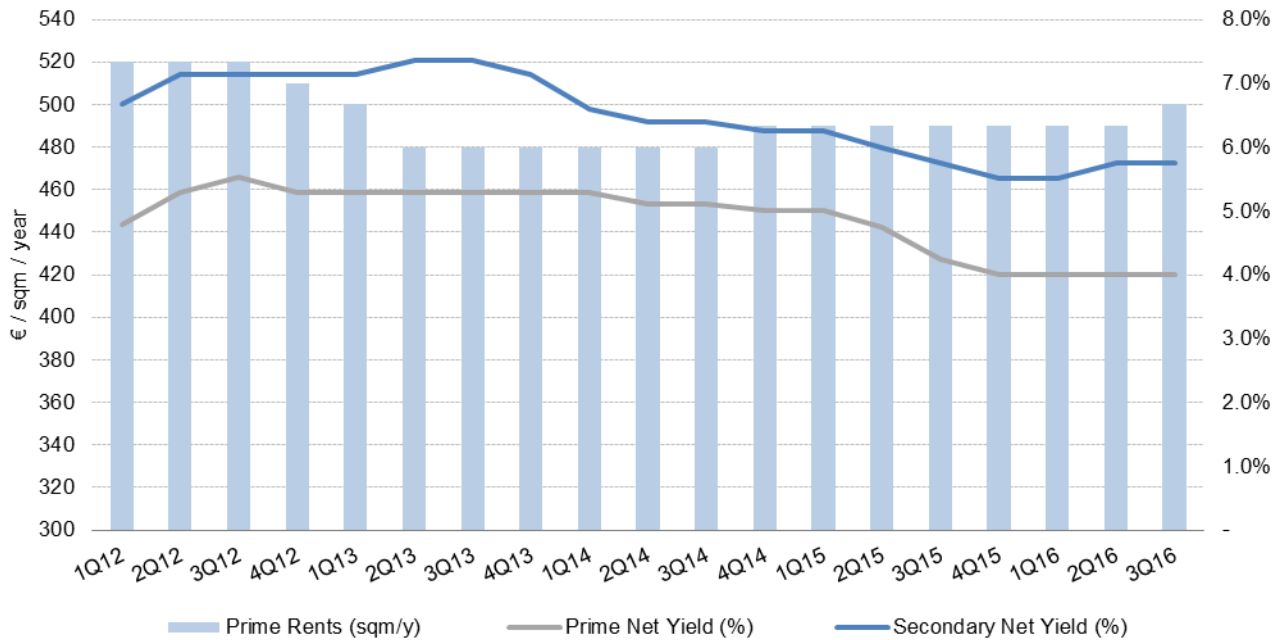
²¹ Source: CBRE Report – Q3 2016

²² Source: CBRE Report – Q3 2016

²³ Source: CBRE Report – Q3 2016



Prime rent for Milan recorded a new hike, reaching a three-year high record of 500 €/sqm/year, with the highest values recorded in the CBD and Porta Nuova business district. The prime yield is stable at 4.00% and the good secondary yield is stable at 5.75%.

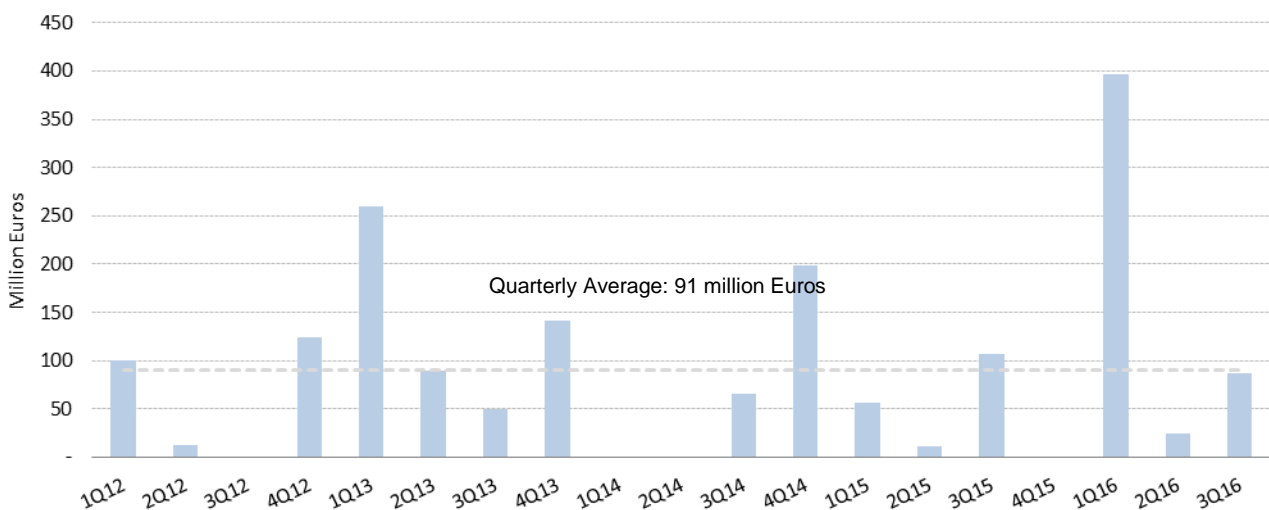


Graph 18. Milan Office Market Prime Rent and Net Yield²⁴

Rome Real Estate Market

Even though at a slower pace, Rome Real Estate market is also experiencing a slow but visible growth, mostly benefiting from the national economic recovery.

In the first three quarters of 2016, the value of investment in Rome office sector reached a volume of ca. 500 million Euros, largely above previous year's performance.



Graph 19. Rome Office Market Investment Volume ²⁵

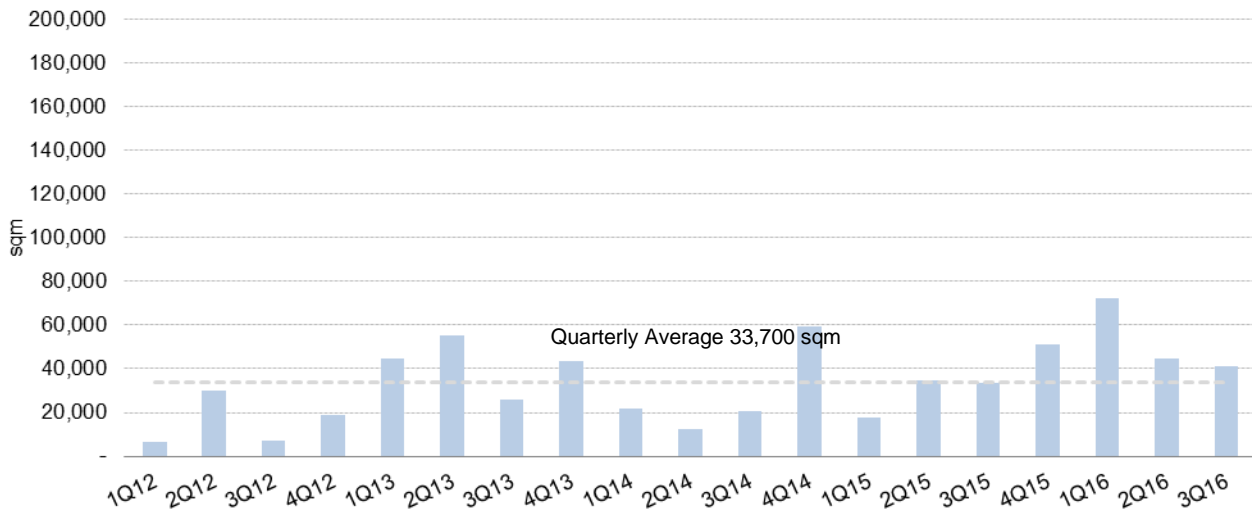
On the lease side, in Q3 2016 Rome office market recorded a take-up volume of around 41,000 sqm, down from the previous quarter, but 25% higher with respect to the same period in 2015. As of today, volume for office take-up reached a total value of ca. 158,000 sqm in the first nine months of 2016, far outperforming the

²⁴ Source: CBRE Report – Q3 2016

²⁵ Source: CBRE Report – Q3 2016

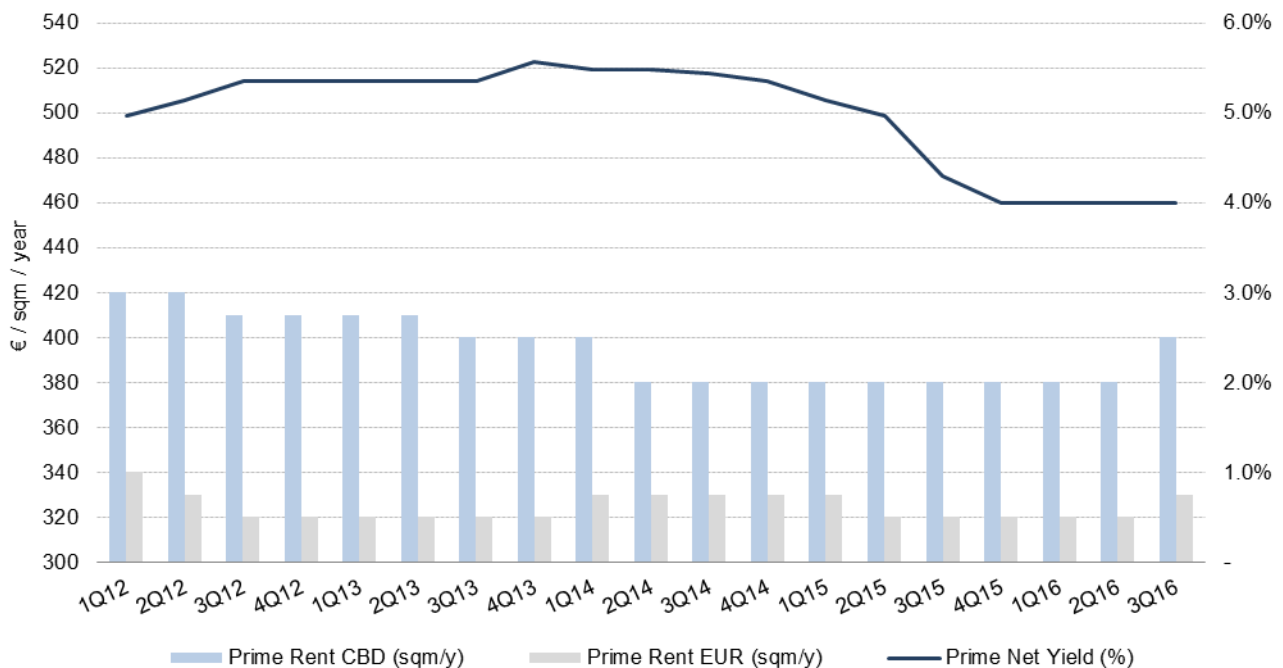


volume recorded for the entire years 2015 (ca. 136,000 sqm) and 2014 (114,000 sqm), and confirming an unprecedented dynamism in Rome end users market in 2016.



Graph 20. Rome Office Market Take-Up Volume ²⁶

Along with increasing demand of office spaces, also office rents in Rome are experiencing a new stimulus: in Q3 2016, prime values for Rome CBD and EUR area rose respectively up to 400 Euros/sqm/year and 330 Euros/sqm/year, while prime net yield remained stable at 4.0%.



Graph 21. Rome Office Market Prime Rent and Net Yield ²⁷

²⁶ Source: CBRE Report – Q3 2016

²⁷ Source: CBRE Report – Q3 2016



STATEMENT OF THE MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS

Pursuant to art. 154-bis, subsection 2 of the Italian Consolidated Law on Finance, the Manager responsible for preparing the Company's financial reports, Fulvio Di Gilio, hereby declares that the accounting information contained in this Interim Statement as at 30 September 2016 corresponds to corporate records, books and accounts.

Milan, October 24th, 2016

Manager responsible for preparing the Company's
financial reports



Fulvio Di Gilio

[This certification has been translated from the original which was issued in accordance with Italian legislation]



FINANCIAL RESULTS OVERVIEW

COIMA RES S.p.A. SIIQ began operations on May 13th, 2016. The table below shows a recap of the 19 weeks of activity and highlights the movements of the key figures of the Company from the pro-forma balance sheet as of December 31st, 2015, included in the Offering Circular, to the interim consolidated financial statements as of September 30th, 2016.

	Pro-forma Balance Sheet	IPO Proceeds	Vodafone Closing	MHREC closing	Adjustments	Balance Sheet
(in million Euros)						
Investment Property	331.5			144.8	14.9	491.2
Financial Asset	0.8			4.3	(0.9)	4.2
VAT Receivable	44.0				(6.0)	38.0
Total LT Assets	376.3					533.4
Inventories (vacant properties)	14.2				(14.2)	-
Trade Receivables	0.3			3.1	4.5	7.9
Other assets				5.2	-	5.2
Cash	6.2	210.0	(30.4)	(63.0)	(3.8)	119.0
Total Current Assets	20.7					132.1
Total Assets	397					665.6
Debt	44.0		169.6	77.2	(0.6)	290.2
Provisions				1.2	0.1	1.3
Other Liabilities				0.4		0.4
Trade Payables	1.6			3.7	1.4	6.7
Total Liabilities	45.6					298.6
NAV	351.4					367.0
Minorities share of MHREC						(11.0)
NAV per Share						9.9
<i>Loan to Value</i>						25.9%

In the column named “Adjustments” is included the reclassification of the inventories in order to show the total value of the real estate properties of the Company. In addition it is included the movements of the balance sheet figures for the period.

As of June 30th, 2016 the Company has executed the acquisition of the “Vodafone Village” as planned and has secured financing for a total of 216.3 million Euros.

As of July 27th, 2016 the Company has executed the acquisition of “Gioiaotto” and “Palazzo Sturzo” for a total amount of 69.9 million Euros.

Investment property includes 140.1 million Euros related to Deutsche Bank portfolio, 206.3 million Euros related to Vodafone Village and 144.8 million Euros related to Gioiaotto (amounting to 64.3 Euro millions) and Palazzo Sturzo (amounting to 80.5 Euro millions).

The VAT receivables are substantially related to the VAT paid for the Vodafone acquisition which are expected to be reimbursed by the Inland Revenue Agency within 18-24 months.

The Company has a net debt position of 171.2 million Euros as of September 30th, 2016.

The trade payables mainly include deferred income for an amount of 1.8 million Euros and invoice to be received for an amount of 3.5 million Euros.

The net asset value, net of minorities, amounts to 356.0 million Euros corresponding to a NAV per share of Euro 9.9.



The interim consolidated figures as of September 30th, 2016 show a net profit of 6.3 million Euros. The following table summarizes the Profit & Loss for the nine month period²⁸.

(Millions of Euros)	September 30 th 2016
Rents	8.4
Real Estate operating expenses	(0.9)
NOI	7.5
G&A	(2.6)
Other expenses	(0.2)
Non-recurring general expenses	(0.9)
EBITDA	3.8
Net depreciation	
Net movement on fair value	2.0
EBIT	5.8
Finance Income	0.2
Income from investments	2.1
Financial expenses	(1.7)
Profit before taxation	6.4
Income tax	
Profit for the period after taxation	6.4
Minority Share of MHREC	(0.1)
Profit attributable to COIMA RES	6.3
EPRA Earnings	2.3
EPRA Earnings per share	0.1
FFO	2.3
Recurring FFO	3.2
Recurring FFO per share	0.1

The net revenues include the rents collected on the Deutsche Bank portfolio for the period starting from May 1st, 2016, the rents collected on the Vodafone Village complex for the period starting from July 1st, 2016 and the rents collected on Gioiaotto and Palazzo Sturzo for the period starting from August 1st, 2016.

The operating expenses include the pro-rata of asset management fee and governance and control function costs as well as consultancies, auditors, IT, marketing and communication and other costs.

The personnel expenses include the costs for the employees of the Company for the months of operation, the long term incentive compensation granted and estimation of the bonuses for the period.

The net movement in fair value of the property portfolio, only related to the Vodafone Village building, is based on the report of the Independent Appraiser CBRE Valuation S.p.A. issued on July 15th, 2016.

The finance income is related to the bank deposit remunerated at approximately 40bps on an annual basis.

The non-recurring income from investments is goodwill emerging from the business combination with COIMA CORE FUND IV and MH Real Estate Crescita related to the difference between the price and the fair value of net equity at the date of the acquisition.

The financial expenses are related to the financing in place.

²⁸ The annualized net profit pro-forma, assuming all the acquisitions completed on January 1st, 2016, is 14.9 million Euros.



The Earnings per share amounts to Euro 0.34 and it is calculated, according to IFRS principles, taking into account the average number of shares outstanding during the period.

The table below summarizes the EPRA metrics of COIMA RES as of September 30th 2016.

EPRA Metrics	Definition	30/09/2016 €/000 - %	€ per share
EPRA Earnings	Recurring earnings from core operational activities	2,312	0.1
EPRA NAV	EPRA Net Asset Value (EPRA NAV) is calculated based on the consolidated shareholders' equity of the Group adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a longterm investment property business model, as per EPRA's recommendations	356,202	9.9
EPRA NNNAV	EPRA NAV adjusted to include the fair value of financial instruments, debt and deferred taxes	356,001	9.9
EPRA Net Initial Yield	Annualised rental income based on the cash rents passing at the balance sheet date, less non recoverable property operating expenses, divided by the market value of the property, increased with acquisition costs	5.2%	
EPRA "topped-up" NIY	Adjustment to the EPRA Net Initial Yield in respect of the expiration of rentfree periods (or other unexpired lease incentives such as discounted rent periods and step rents)	5.3%	
EPRA vacancy rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio	2.9%	
EPRA costs	Recurring running costs of the Company divided by recurring rents	57.3%	

The economic EPRA performance indexes are not yet meaningful for COIMA RES due to recent start-up of activities.

The EPRA NAV amounts to 356.2 million Euros, 0.2 million Euros higher than the NAV calculated according to IFRS principles.

The key elements at the base of NAV calculation are the following:

- Contribution of the Deutsche Bank banking branches portfolio which assures income as from May 1st, 2016;
- Successful completion of the Initial Public Offering for an amount of 215.0 million Euros;
- Execution of debt financing agreements for an amount of 216.3 million Euros with the draw down on June 30th, 2016;
- Acquisition of Vodafone Village which assures income starting from July 1st, 2016;
- Acquisition of Gioiaotto and Palazzo Sturzo which assure income starting from August 1st, 2016.

EPRA earnings²⁹ turn to be positive compared to June figures since the income producing assets contributed for a longer period to the operating profit as already mentioned in the paragraphs before. A bridge to EPRA earnings is reported below:

²⁹ EPRA earnings pro-forma is 13 million Euros (0.4 Euro per share) assuming full year figures .



€/000	30/09/2016
Consolidated net profit in accordance with IFRS	6,319
(i) Changes in value of investment properties, development properties held for investment and other interests	(2,018)
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	
(iii) Profit or losses on sales of trading properties including impairment charges in respect of trading properties	
(iv) Tax on profits or losses on disposals	
(v) Negative goodwill/goodwill impairment	(2,093)
(vi) Changes in fair value of financial instruments and associated close-out costs	104
(vii) Acquisition costs on share deals and non-controlling joint venture interests	
(viii) Deferred tax in respect of EPRA adjustments	
(ix) Minority interest in respect of previous adjustments	
EPRA Earnings	2,312
EPRA Earnings per Share (€)	0.1

The table below highlights the so called FFO (Funds From Operation) which is calculated as core business EBITDA adjusted to include net interest expenses.

€/000	30/09/2016
+ Rent Income	8,864
- Property expenses not recharged to tenants	(857)
Net rents before incentives	8,007
- Incentives, straigh-lines and collection loss	
Net rents after incentives	8,007
+ Other Income (Core Business)	
- Other costs for raw materials and services	(3,409)
- Personnel costs	(659)
- Other operating expenses	(135)
EBITDA	3,804
+ Interest Income	195
- Interest Expenses	(1,680)
FFO	2,319
+ Non recurring general expenses	375
- Non recurring income	
Recurring FFO	2,694

The actual FFO is the result of the limited contribution of each single asset to the operating profit of the Company.

The table below sets forth the Company's net liquidity as of September 30th, 2016 determined in accordance with the recommendation ESMA/2013/319.



(in million Euros)	September 30 th 2016
(A) Cash	119.0
(B) Cash equivalent	
(C) Trading securities	
(D) Liquidity (A)+(B)+ (C)	119.0
(E) Current financial receivables	
(F) Current bank debt	
(G) Current portion of non-current debt	
(H) Other current financial debt	
(I) Current financial debt (F)+(G)+(H)	
(J) Net current liquidity (I)+(E)+(D)	119.0
(K) Non-current bank loans	(290.2)
(L) Bonds issued	
(M) Other non-current loans	
(N) Non-current financial indebtedness (K)+(L)+(M)	(290.2)
(O) Net liquidity (J)+(N)	(171.2)



RISK MANAGEMENT

The table below summarizes the main risks and the mitigating measures of the Company:

	Risks	Mitigating Measures of COIMA RES
1	Market Risks	
	<p>Cyclical Market – the property market is cyclical and as such values and market conditions can be volatile. This could have a potential adverse impact on property values and rental levels, impacting shareholder returns.</p>	<ul style="list-style-type: none"> - Assets are mainly concentrated in Milan, which is a property market historically characterized by low volatility - Company investment strategy foresees a progressive focus on <ul style="list-style-type: none"> o key office within the Milan and Rome areas which proved to be the most stable asset class in adverse market conditions o Grade A offices asset within consolidated business districts, which have demonstrated superior profitability and good resilience during market downturns - The asset manager is experienced in managing property portfolios through adverse market conditions
	<p>Slowdown in economic growth - as a any open economy, the Italian economy is highly exposed to the wider European and world market dynamics.</p> <p>Any slowdown or unexpected market downturn could reduce the demand for space in the main Italian cities, and therefore negatively impact rental levels and property values, while increasing the level of tenant default.</p>	<ul style="list-style-type: none"> - Company investment strategy is focused on acquiring high quality office buildings within large and populated city centers, which are more resilient to market cycles - Company targets top tier international tenants, with long term lease contracts and strong covenants, and operating in different industry sectors in order to enhance portfolio diversification - The company, supported also by asset management team, is highly experienced in facing market downturns
	<p>Exit of early cycle investors - risk of adverse impact on property values and liquidity if there was to be a glut of supply of assets for sale from these investors, for example if their funds had redemption requirements or if Italian property as an asset class was seen to be less attractive.</p>	<ul style="list-style-type: none"> - We have prime and good quality secondary assets in good locations, the demand for which will be more resilient and less volatile than lesser assets in lesser locations
2	Interest Rate Risk	
	<p>Interest Rate Risk – global interest rates are currently at record low levels but may increase in the short to medium term. An increase in interest rates could have an adverse impact on the Company's property values, as the risk premium applied to property yields would increase.</p>	<ul style="list-style-type: none"> - Company covers the interest rate risk with appropriate measures (i.e. derivative transactions and/or option negotiations) in order to minimize the underlying risk.
3	Liquidity Risk	
	<p>Liquidity risk - the risk that the Company does not have adequate resources to</p>	<ul style="list-style-type: none"> - The Company monitors cash position on a continuous basis by planning its cash flows and currently this risk is



	finance the operations and to pay the charges related to the loan agreements.	very low as of today. Moreover, in order to mitigate the liquidity risks, the Company has adopted a policy to maintain leverage below 50%, with a target of 45% LTV at regime for the purpose of lowering risk profile.
4	Income Sustainability Risks	
	Leasing Risk – risk of existing tenants leaving the space they rent, in occasion of lease options and expires. These events may negatively impact revenues, cash flows and asset valuations.	<ul style="list-style-type: none"> - Company consolidated practice is to work closely with tenants to understand their needs and to ensure ongoing satisfaction - Should tenants choose to release the assets, we are confident we would be able to re-let vacated space within a short-medium time, with reasonable levels of tenant incentives
	Counterparty Risk – risk of the existing tenants not meeting their contractual obligations as a result of a distressed financial situation	<ul style="list-style-type: none"> - Largest tenants are Vodafone Group and Deutsche Bank, top tier international investment grade companies. Furthermore, the Company periodically monitors the tenant credit and counterparty risk evaluating appropriate measures. - Company strategy is to diversify the tenancy in terms of i) number of tenants and ii) industry sectors in order to enhance portfolio diversification
3	Regulatory Risk	
	Risks Related to Our Status as SIIQ – Risk that the Company will be not in the position to meet all the requirements by the statutory terms to be eligible for the SIIQ regime.	<ul style="list-style-type: none"> - The Company perform continuously the asset and the profit test to monitor that, even on a forward looking basis, all the SIIQ Status requirements are met.

SUBSEQUENT EVENTS

On October 7th, COIMA RES finalized the hedging agreement to cover the 60% of the senior facility loan secured on June 29th and amounting to 172.3 Euro millions.



FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2016



CONSOLIDATED INCOME STATEMENT

(in thousands Euros)	30/09/2016	<i>of which related parties</i>	30/09/2015	<i>of which related parties</i>
Revenues	8,864			
Change in inventories	-			
Costs for raw materials and services	(3,473)	(1,206)	(31)	
Personnel costs	(659)	(631)		
Other operating expenses	(928)	(204)	(133)	
Depreciation	-			
Adjustment fair value property	2,018			
Operating Earnings	5,822	(2,041)	(163)	0
Financial income	195			
Income (loss) from investments	2,093			
<i>of which non recurring</i>	2,093			
Financial expense	(1,680)			
Profit before tax	6,430	(2,041)	(163)	0
Taxes	-			
Minority Interest	(111)	0	0	0
Profit for the period	6,319	(2,041)	(163)	0
Earnings per share:				
- Base, net income (loss) attributable to ordinary shareholders	0.34		(30.19)	



NOTES TO THE CONSOLIDATED INCOME STATEMENT

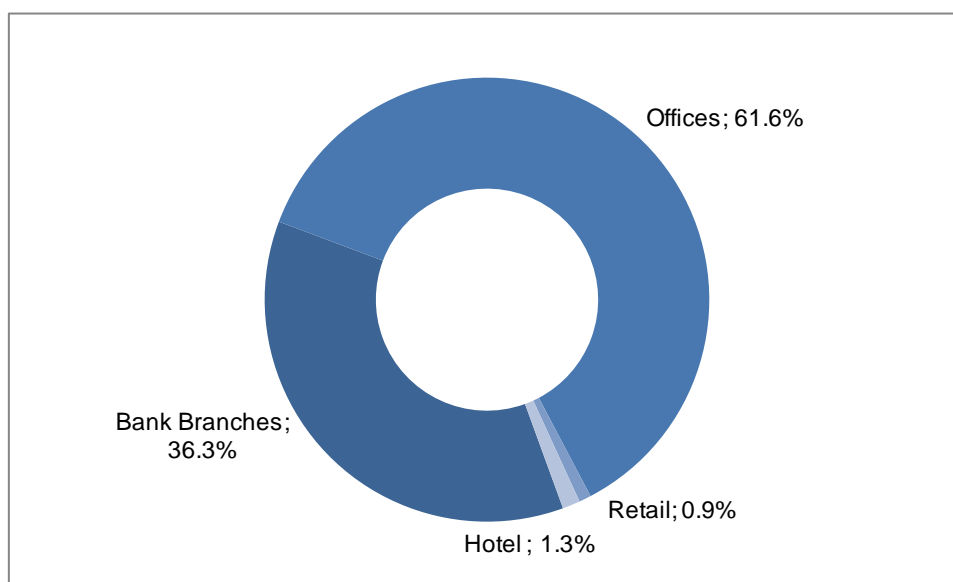
Below are the main items of profit and loss that have most significantly affected Group profit as of September 30, 2016.

Revenues

The Group's revenues amount to 8,864 thousand euro. This amount reflects rental income from:

- Deutsche Bank branches (from May 1st, 2016);
- Vodafone Village building (from July 1st, 2016);
- Palazzo Sturzo building (from August 1st, 2016);
- Gioiaotto building (from August 1st, 2016).

Below are details of the relative weight of revenue by asset type at the close of the third quarter of 2016:



Total revenues per Asset Class 3Q 2016

Cost for raw materials and services

The cost for raw materials and services amounted to 3,403 thousands as of September 30th 2016. The breakdown of the figure is detailed below:



	Corporate	Vodafone	Coima Core Fund IV	MHREC	MHREC Sarl	COIMA RES SIINQ I	Total
Asset management fees	1,189		184	142			1,515
Advisors	560		123	6	10	5	704
utilities		320		49			369
Communication and Marketing	144						144
Governance and control functions	131						131
Auditors	93		27	10			130
IT Services	103						103
Insurances	37	37	20	8			102
Maintenance			31	38			69
Property Management Fees		52	-	12			64
Independent appraisers		9	46	6			61
other costs	16		21	14			50
Custodian Bank			17	15			32
Total	2,272	418	469	299	10	5	3,473

The Company operating expenses could be divided in:

- recurring general costs: Costs associated with the ordinary operations of the Group, including expenses related to corporate governance, audit, asset valuations and external advisors (amounting for the period ending September 30, 2016 to Euro 620 thousands).
- non-recurring general costs: This heading includes expenses related to the inception costs, IPO costs, abort costs and one-off consultancy cost (amounting for the period ending September 30, 2016 to Euro 802 thousands);
- recurring operating building expenses: costs associated with the ordinary operations of each single building (amounting for the period ending September 30, 2016 to Euro 1,186 thousands);
- asset Management fees: Fees of Coima SGR S.p.A. under the management contract with the Company, which are calculated on the basis of NAV (amounting for the period ending September 30, 2016 to Euro 1,189 thousands).

Personnel expenses

The personnel expenses amount to Euro 659 thousands and include the costs of the employees of the Company and the costs of the Board of Directors.

Other operating costs

The other operating costs, amounting to Euro 928 thousands, are mainly related to the property taxes. The breakdown of the figure is detailed below:

	Corporate	Vodafone	Coima Core Fund IV	MHREC	MHREC Sarl	COIMA RES SIINQ	Total
Property taxes		226	431	137			793
Other management costs	104						104
G&A costs	14						14
Membership fees	10						10
Others	2		2				4
Travel expenses	3						3
Total	134	226	432	137			928

Adjustment to fair value of the real estate

The adjustment to fair value of the real estate amounts to Euro 2,018 thousands and refers to the real estate complex called Vodafone Village. The Vodafone Village was revalued based on the independent expert report issued in July.

The next independent expert reports will be issued for the annual reports as the valuation of the assets is performed twice a year. The company, in the light of the preparation of the Q3 reporting, has assessed the absence of eventual signals of impairment of the assets.

**Financial income and expenses**

The financial income, amounting to Euro 195 thousands, refers mainly to the interest accrued on the liquidity investments made by the Company. Specifically COIMA RES invested the excess cash in short-term time deposits with an average remuneration of 40 bps.

Financial expenses essentially include the cost of loans of companies in the Group, including the cost of interest rate hedges.

The total average weighted all-in cost on the Group's debt as of September 30, 2016, including the cost of derivatives, is lower than 2%. The average duration of the financing is 4.4 years. Including the VAT facility, the average duration of financing is 4.2 years.



CONSOLIDATED BALANCE SHEET

(in thousands Euros)	30/09/2016	<i>of which related parties</i>	31/12/2015	<i>of which related parties</i>
Assets				
Real estate investments	477,030			
Other tangible assets	1			
Investments accounted for using the equity method	37			
Derivatives	2			
Long term financial assets	4,272			
Trade receivables and other non current receivables	38,000			
Total non-current assets	519,342			
Inventories	14,150			
Trade receivables and other current receivables	7,866	98	795	46
Financial assets	5,200			
Cash Equivalents	119,029		390	
Total current assets	146,245	98	1,185	46
Total Assets	665,587	98	1,185	46

(in thousands Euros)	30/09/2016	<i>of which related parties</i>	31/12/2015	<i>of which related parties</i>
Liabilities				
Share capital	14,451		71	
Share premium reserve	335,549		499	
Gains (losses) carried forward	(320)			
Valuation reserve	2			
Minorities	11,022			
Profit / (loss) for the period	6,319		(320)	
Total net equity	367,023		250	
Bank borrowings and other non-current lenders	290,196			
Payables for post-employment benefits	1	1		
Provisions for liabilities and charges	1,317	124		
Trade and other non-current payables	390	230	100	100
Total non-current liabilities	291,904	355	100	100
Trade and other current payables	6,650	2,128	835	
Current income tax liabilities	10			
Bank borrowings and other current lenders				
Total current liabilities	6,660	2,128	835	
Total liabilities	298,564	2,483	935	100
Total liabilities and net equity	665,587	2,483	1,185	100



NOTES TO THE BALANCE SHEET

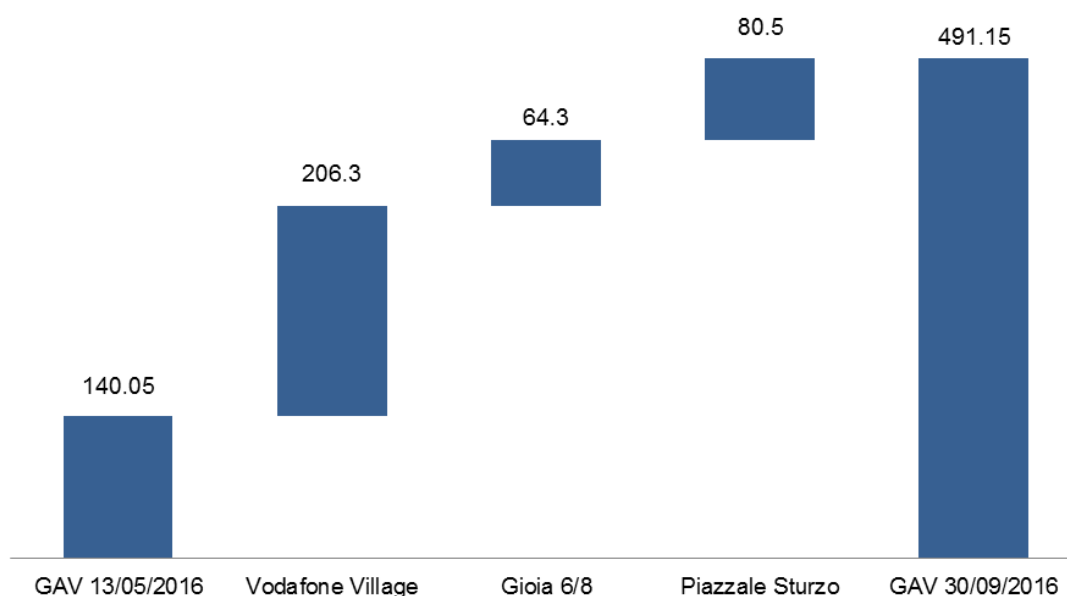
The following are the main items on the consolidated balance sheet that explain the performance of the Group's activity.

Real Estate Investments

COIMA RES investment activities could be summarized as follows:

- On May 11th, 2016 the Company purchased, through a contribution in kind, a portfolio of 96 bank branches leased to Deutsche Bank S.p.A.;
- On June 30th, 2016 the Company purchased the real estate complex called Vodafone Village entirely leased to Vodafone Italia;
- On July 27th, 2016 the Company purchased the 86.67% of the real estate fund called MH Real Estate Crescita. The Fund owns two prime, 100% leased, multi-tenant properties.

The evolution of the GAV (in million Euro) from the IPO to September is reported below:



The GAV includes the real estate investments and the inventories figures.

The amounts showed in the table have been affected by revaluation for an amount of Euro 2,018 thousands.

Financial Assets

The long term financial assets (amounting to Euro 4,271 thousands) and the financial assets (amounting to Euro 5,200 thousands) represent the residual amount to be collected by MHREC deriving from the sale of an indirect real estate investment, which are now deposited in an escrow account to guarantee the reps and warranties provide to the purchaser. These amounts have been split according to the expected timing of the collection.

Trade receivable

The other non-current receivables are related to the VAT receivables for which the Company filled in a request of reimbursement to the Inland Revenue. The expected time to cash in the amount is about 18/24 months.



The current receivables are mainly composed by VAT receivables which will be offset with the VAT payables emerging from the invoices issued to the tenants.

Cash and cash equivalent

The Company's cash and cash equivalents represent the residual equity still to be invested and the net cash generated by the real estate investments.

The main part of the available cash is invested in short term deposits which are remunerated at an average rate of 40 bps.

Net Equity

As of 30 September 2016, share capital is represented by 36,700,000 shares, without par value, and all fully subscribed for and paid up.

Reserves comprise the share premium reserve related to the capital increases of 2016.

Minority interests correspond to the participation of other investors (13.33%) in the results of MH Real Estate Crescita Fund.

Bank borrowings

The bank borrowings include the two facility lines, for a total amount of Euro 216,275 thousands, granted by Banca IMI, Unicredit, BNP Paribas and ING Bank to the Company on June 30, 2016 and a senior facility loan, for a total amount of Euro 78,000 thousands, granted by UBI Banca, ING Bank and Credite Agricole to MH Real Estate Crescita Fund:

(in thousands Euros)

Description	30 September 2016	Due date	Rate	Arrangement fee	Agency fee	Hedging
Senior line	172,275	30/06/21	Euribor 3M +180bps	90 bps	30 k	60%
VAT line ³⁰	42,893	30/06/19	Euribor 3M +150bps	90 bps		
MHREC Senior line ³¹	78,000	24/06/20	Euribor 3M + 175bps	80 bps	25 k	80%
Total	293,168					

The average all-in cost of the above mentioned financing is 1.96% and the average duration is 4.4 years (4.18 years including VAT facility line).

Provision for liabilities and charges

The provision for risks and charges, amounting to Euro 1,317 thousands, includes:

- the discounted value of the Long Term Incentive plan granted to an employee;
- the potential indemnity which might be due to a tenant, after the expiring of the current lease contract as of December 31, 2016, the building will be re-let to an Hotel operator. The above mentioned indemnity has been taken into consideration in the determination of the purchase price of the building.

Trade payables and other non-current payables

Trade payables and other non-current payables are mainly composed by the fair value of the financial instrument granted to executive directors. The fair value of the financial instrument (amounting to Euro 204 thousands) was determined by an independent appraiser.

³⁰ On September 30th, 2016 COIMA RES has partially reimbursed the VAT line.

³¹ The facility will expire on June 24, 2018 and could be extended to June 24, 2020 paying a 20 bps additional arrangement fee.



Trade payables and other current payables

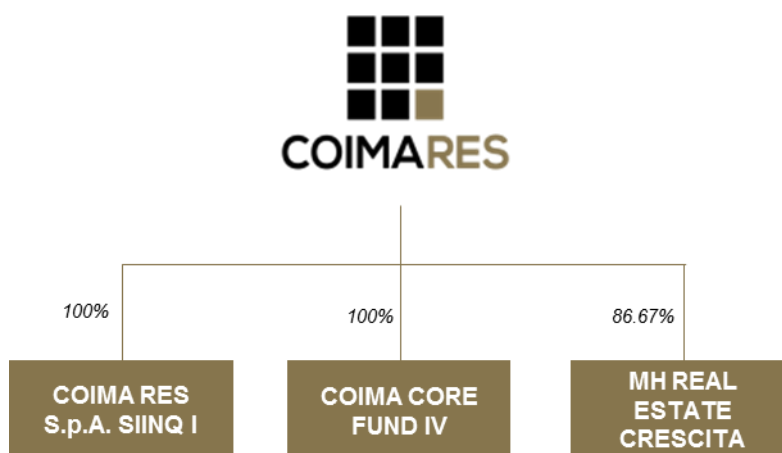
The trade payables and other current payables are mainly composed as follows:

- Invoices to be received for an amount equal to Euro 3,542 thousands;
- Accrued liabilities and deferred income equal to 1,872 thousands;
- Suppliers for an amount equal to Euro 357 thousands;
- Payables to personnel for an amount equal to Euro 207 thousands;
- Other Payables for an amount equal to Euro 406 thousands.

Criteria for the preparation of the interim consolidate financial statements

The Interim consolidated Financial Statements have been prepared adopting the same principles of consolidation and measurement criteria described in the last Half year report. The interim consolidated financial statements do not expound upon all the information required during preparation of the annual consolidated financial statements nor all the information required by IAS 34.

The consolidation perimeter as of September 30, 2016 is reported below:





GLOSSARY

Definition

Bad Leaver	A serious and repeated breach of obligations provided for by applicable laws and regulations, due to gross negligence or willful misconduct of a member of the Board of Directors, which irreparably compromises the trust relationship between the relevant director and the Company and which does not allow to continue, even temporarily, the management relationship.
Break option	The right of the tenant to withdraw the lease agreement.
Capital Increase	Capital increase resolved by the shareholders' meeting of the Company on September 14, 2015, as amended by a shareholders' meeting of the Company held on April 1, 2016, for up to Euro 600,000,000 by issuing 60,000,000 Shares at a price equal to Euro 10.00 per share (with a share premium of Euro 9.60), with exclusion of option rights pursuant to Article 2441, paragraph 5, of the Italian Civil Code; such increase is for an indivisible (<i>inscindibile</i>) amount for Euro 215,000,000, and divisible (<i>scindibile</i>) amount for Euro 385,000,000, to be completed in one or more tranches for the purpose of the Offering. Such increase must be fully subscribed by (i) December 31, 2016, or (ii) completion of the activities relating to the Offering, including the Over-Allotment Option.
CBD	Central Business District, which is the area where office prime market is mainly located.
CBRE	CBRE Valuation S.p.A., with registered office in Milan, Via del Lauro, 5/6.
Co-Founders Increase	Divisible (<i>scindibile</i>) capital increase resolved by the shareholders' meeting of the Company on September 14, 2015, for up to Euro 5,000,000, by issuing 500,000 Shares at a price equal to Euro 10 per share (with a share premium of Euro 9.60), with exclusion of option rights pursuant to Article 2441 of the Italian Civil Code, to be reserved to third party investors (including COIMA and COIMA SGR) way of a cash subscription to be subscribed by December 31, 2016.
COIMA	COIMA S.r.l., with registered office in Milan, Via Fatebenefratelli, 9.
COIMA Agreement	The agreement entered into on October 15, 2015 by and between us and COIMA.
COIMA SGR	COIMA SGR S.p.A., with registered office in Milan, Via Moscova, 18.
Company	COIMA RES S.p.A. (formerly Itares S.p.A.), with registered office in Milan, Via della Moscova, 18.
Coupon	The value accrued by the Financial Instrument.
EPRA Cost Ratios	Calculated as administrative & operating costs (including & excluding costs of direct vacancy) divided by gross rental income.
EBITDA	Earnings before Interest, Taxes, Depreciation & Amortization, is the most significant measure of a company's operating performance as it indicates earnings regardless of the company's means of financing, taxes or investment cycle. EBITDA is a proxy for the operating cash flow that the company



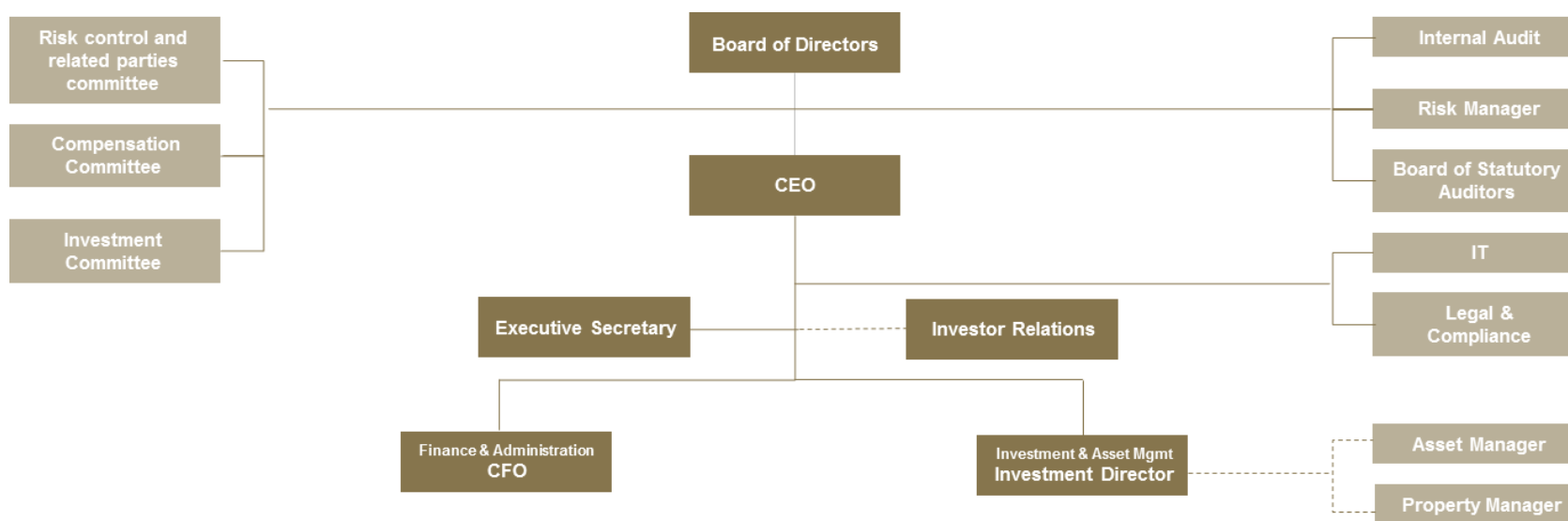
	is capable of generating.
EPRA Earnings	Recurring earnings from core operational activities. EPRA Earnings is a key measure of a company's operational performance and represents the net income generated from the operational activities.
EPRA NAV	EPRA Net Asset Value is calculated based on the consolidated shareholders' equity adjusted include properties and other investment interests at fair value and to exclude certain items not expected to crystallize in a long-term investment property business model, as per EPRA's recommendations.
EPRA Net Initial Yield	Calculated as Net Initial Rent divided by the gross market value of the property.
EPRA NNAV	Triple Net Asset Value is the EPRA NAV adjusted to include the fair value of financial instruments, debt and deferred taxes.
EPRA topped up Net Initial Yield	Calculated as Net Stabilised Rent divided by the gross market value of the property.
EPS	Earnings Per Share calculated as Earning on the basis of the basic number of shares.
Expected Gross Stabilized Rent	Gross Stabilized Rent adjusted for selected active asset management actions incentives.
FFO	Fund From Operations calculated as Core Business EBITDA adjusted to include net interest expenses. FFO is the indicator most commonly used to evaluate a REIT's performance.
Good Leaver	<p>Cases of Good Leaver are: (i) failure to appoint the members of the Board of Directors according to the terms and conditions set forth in the Director Service Agreement and/or</p> <p>non-confirmation/ratification of such members after Listing; (ii) termination of the office the member of the Board of Directors upon occurrence of one of the termination events set forth in the Asset Management Agreement; (iii) failure to re-appoint the member of the Board of Directors for a subsequent three-year period, upon expiration of the first and</p> <p>second three-year periods; (iv) refusal of a member of the Board of Directors of the proposed reappointment at conditions which are worse than those of the previous three-year period; (v); revocation of the member of the Board of Directors without cause; (vi) resignation by a member of the Board of Directors upon occurrence of a Bad Leaver; or (vii) death of a member of the Board of Directors.</p>
Good Secondary	Good quality properties located in semi-central areas or suburbs of the primary cities.
Gross Expected Stabilised Yield	Calculated as Expected Gross Stabilised Rent divided by the gross market value of the property.
Gross Initial Yield	Calculated as Gross Initial Rent divided by the gross market value of the property.
Gross Initial Rent	Annualized rents being received as at a certain date taking into account lease incentives such as free rent periods, discounted rent periods and step rents.
Gross Stabilized Yield	Calculated as Gross Stabilised Rent divided by the gross market value of the property.
Gross Stabilized Rent	Annualized rents being received as at a certain date adjusted for unexpired lease incentives. The adjustment includes the



	annualized cash rent that will apply at the expire of the lease incentive.
Initial Portfolio	The Deutsche Bank branches and the Vodafone properties.
Interest Coverage Ratios	Ratio between the EBITDA and the interest expenses.
LEED Certification	Certification of building efficiency issued by the U.S. Green Building Council.
Net Initial Rent	Corresponds to gross initial rent for the period less service charge expenses and other non-recoverable property operating expenses such as insurance, real estate taxes, marketing and other vacant property costs.
Net Expected Stabilized Rent	Corresponds to Expected Gross Stabilized Rent for the period less, service charge expenses and other non-recoverable property operating expenses such as insurance, real estate taxes, marketing and other vacant property costs.
Net Expected Stabilized Yield	Calculated as Expected Net Stabilised Rent divided by the gross market value of the property.
Net Liquidity	Net Liquidity or Net Financial Position is the effective Net Debt of the Company.
Net Stabilized Rent	Corresponds to Gross Stabilized Rent for the period less service charge expenses and other non-recoverable property operating expenses such as insurance, real estate taxes, marketing and other vacant property costs.
Recurring EBITDA	Calculated as EBITDA amended to exclude the non-recurring income and include non-recurring expenses.
Recurring FFO	Calculated as FFO amended to exclude the non-recurring income and include non-recurring expenses.
Qatar Holding	Qatar Holding LLC, a company with principal offices in Doha, Qatar, Q-Tel Tower, PO Box 23224, wholly-owned by Qatar Investment Authority, sovereign fund of the State of Qatar.
SIINQ	Unlisted real estate invested company regulated by article 1, paragraph 125 of the Finance Act 2007.
SIIQ	Listed real estate investment company regulated by article 1, paragraphs 119-141- <i>bis</i> of the Finance Act 2007.
Weighted Average Debt Maturity	Is the length of time the principal of a debt issue is expected to be outstanding. The average life is an average period before a debt is repaid through amortization or sinking fund payments.



Appendix 1 – Corporate Governance



Coima Res has implemented a series of important investors protection to the company's partially externally managed structure.

In particular key features of Coima Res include:

- 1) Board of Directors with 9 members with majority of independent board members with well combined expertise in public market, regulatory, legal, corporate finance and international real estate. Governance of Coima Res includes a risk and related party committee and a compensation committee with only independent board members. All investment decisions are taken at Board of Director level.
- 2) Operations: Management of Coima Res includes an internal team that is expected to be increased to 5 professionals by year end. The support by the external platform (Coima SGR and Coima Srl) provide a unique combination of over 40 years of legacy and track record in the Italian market and 150 professionals providing origination and execution to Coima Res on an exclusive basis. The current organization aims to benefit Coima Res with the full capacity of the platform with a controlled G&A load and with all decisions taken at Coima Res level only. As indicated in the prospectus Coima Res set an internalization plan in the next 3 years according to the company growth.
- 3) Limited annual fee (1,1% of NAV - not GAV) with an already in place reduction mechanism in function of NAV growth (0,85% between 1-1,5 bl and 0,55% thereafter). Performance fee fully paid in share with a 3 years lock up. IRR performance hurdle of 8% before a 10% returns kicks in and a hurdle of 10% before a 20%, without catch up. Returns are calculated at the entity level (not the asset level) which ensure that the cost of issuing new shares at less than NAV, would be factored into returns. Fee schedule includes a high water mark. There are no acquisition, disposal, leasing, financing fee. The fee structure grant a strong alignment between management and investors.
- 4) Initial five year management contract - limits the argument for a big multiple on the value of the advisor if brought in house.
- 5) €3 million co-investment in Coima Res by the key sponsor. Ownership by founders increased 3 times comparing to what indicated during IPO.



Appendix 2 – Board of Directors

Caio Massimo Capuano. Mr. Capuano graduated in electronic engineering *magna cum laude* from the University of Rome La Sapienza. Mr. Capuano gained a long-time experience working at IBM and Rank Xerox. From 1986 to 1997, he was senior partner at McKinsey& Company, providing advice mainly in the financial institution and information & communication technology sectors. In 1998, Mr. Capuano began to work at Borsa Italiana S.p.A., where he served also as chief executive officer until April 2010. Since October 1, 2007, he was deputy-chief executive officer of the London Stock Exchange Group. In February 2011, Mr. Capuano was appointed chief executive officer of Centrobanca Banca di Credito Finanziario e Mobiliare S.p.A., the corporate and investment bank of the Ubi group. Moreover, he acted as chairman of the associations World Federation of Exchanges and Federation of European Securities Exchanges. He has been appointed chairman of IW Bank S.p.A., a bank of the UBI group specialized in retail banking, wealth management and online trading, and currently serves as member of the consultancy committee for privatizations, which advises the Italian Ministry of Economy and Finance, and as member of the board of directors of Humanitas S.p.A.

Feras Abdulaziz Al-Naama. Mr. Abdulaziz Al-Naama graduated in Economics from Oregon University (Eugene) in June 2013. Since 2014, he is corporate analyst at Qatar Holding.

Manfredi Catella. Mr. Catella graduated in Economics from the *Università Commerciale Cattolica del Sacro Cuore* in Milan and holds a master in Regional Planning and Real Estate from the *Politecnico* in Turin. He is chartered financial analyst, is member of the Italian journalist association (freelance) and author of a number of articles on real estate and territory requalification fields. Mr. Catella has gained 25 years of experience in the investment management and real estate sectors. He is chairman of the real estate company COIMA, founded in 1974 and controlled by the Catella family. Mr. Catella is shareholder and chief executive officer of COIMA SGR S.p.A and founding shareholder of the Company. During the last 15 years, he was responsible for the Italian activities of the US group Hines, with assets under management of more than Euro 5 billion, acquisitions of more than Euro 3 billion, and negotiation of financing agreements of approximately Euro 3 billion. Among the development projects realized, Porta Nuova in Milan represents one of the most important interventions of regional development in Europe, whose investment was higher than Euro 2 billion. Previously, Mr. Catella worked at JP Morgan in Milan, Caisse Centrale des Banques Populaire in Paris, Heitman at Chicago and at HSBC.

Gabriele Bonfiglioli. Mr. Bonfiglioli graduated in Economics *magna cum laude* from the Roma Tre University and studied real estate finance at Amsterdam University, UVA. He has gained more than 12 years of experience in the real estate sector. As of the date of this Offering Circular, Mr. Bonfiglioli is head of the investment team of COIMA SGR S.p.A and has experience in real estate transactions for more than Euro 2 billion, of which approximately Euro 1 billion during the last 36 months, and approximately 50% of which generated off-market. He also carried out fund raising activity for more than Euro 1 billion during the last three years. During his professional career, Mr. Bonfiglioli negotiated lease agreements for more than 70,000 square meters and finance agreements for more than Euro 1 billion. He was member of the investment and performance global committee of the Hines group until 2014. Previously, Mr. Bonfiglioli was employed at the management company of the Beni Stabili group, where he worked on the launch of the first mixed Italian fund for collection for international investors.



Matteo Ravà. Mr. Ravà graduated in Social Sciences and Economics from the Bocconi University in Milan and received a master in Corporate Finance from the management school (*Scuola di Direzione Aziendale*) of the same university. He has gained a more than 12 years of experience in the real estate sector and, as of the date of this Offering Circular, he is responsible for the management of assets and real estate funds for a value higher than Euro 5 billion. During his professional career, Mr. Ravà negotiated lease agreements for more than 100,000 square meters (including for the Italian headquarters of primary Italian and International groups, such as UniCredit, HSBC, Google) and finance agreements for more than Euro 2 billion. Previously, Mr. Ravà worked for more than five years in the business finance sector, providing consultancy services at leading companies, such as Reconta Ernst & Young S.p.A. and Deloitte & Touche S.p.A., carrying out assessment and advisory activities in extraordinary transaction such as mergers, acquisitions and initial public offerings.

Alessandra Stabilini. Ms. Stabilini graduated in Law from the University of Milan in 1995 and received an LL.M. from the University of Chicago law school in 2000 and a Ph.D. in Business Law from the Bocconi University in Milan. Since 2004, she was a teaching assistant in Business Law at the University of Milan and was confirmed in this role in 2007; since 2011, she has been Professor in International Corporate Governance. Ms. Stabilini is a qualified lawyer and is currently partner at NTCM Studio Legale. She has expertise in corporate law, in particular in relation to listed companies and financial markets. Ms. Stabilini is member of the managing council of NED Community and has served as liquidator appointed by the Bank of Italy in connection with several bankruptcy proceedings of financial intermediaries (including proceedings relating to TANK SGR S.p.A.).

Agostino Ardisson. Mr. Ardisson graduated in Economics from the *Università Cattolica del Sacro Cuore* in Milan and since 1973 he worked at the Bank of Italy, where he covered important roles in the credit and surveillance sectors and was director of the branches of Cuneo and Florence of the Bank of Italy. Mr. Ardisson carries out researches in the economic and financial and credit surveillance sectors. From July 2012 to June 2014, he acted as chairman of the board of directors of Fidi Toscana S.p.A. As of the date of this Offering Circular, Mr. Ardisson is director and chairman of the control and risk committee of Banca Esperia S.p.A.

Laura Zanetti. Ms. Zanetti graduated in Economics *magna cum laude* from the Bocconi University in Milan. She is associate professor of Corporate Finance at the Bocconi University in Milan, where she teaches Business Valuation and Corporate Valuation. Ms. Zanetti is director of the faculty of Economy and Finance and Research Fellow at CAREFIN (Center for Applied Research in Finance). She was director of the Master of Science in Finance at Bocconi University, visiting scholar at MIT (Massachusetts Institute of Technology) and the London School of Economics and Political Science. Ms. Zanetti is a certified public accountant and auditor in Italy and author of several publications on corporate finance and Business Valuation.

Michel Vauclair. Mr. Vauclair graduated in Economics from the HEC University of Lausanne and received post-graduation degrees from Cornell University, Ithaca (NY) and from the IMEDE University of Lausanne. In 1982, he received the “Hôtelier-Restaurateur, Sté suisse des Hôteliers” diploma. Mr. Vauclair began his career in 1969 at Banque Paribas (Suisse) SA in Geneva. After 1980, he was founder, chairman and general manager of Sodereal Hotel Management SA in Geneva and manager director at Swissair Nestlé Swissôtel AG in Zurich, director of BSI “Banca della Svizzera Italiana” in Lugan, Switzerland. He also held managerial positions in the Group Société de Banques Suisses in New York and Geneva, Switzerland, and at the UBS group in Geneva and Zurich, Switzerland. Since 2008, Mr. Vauclair has been a member of the management



body of the Oxford Properties group, real estate investment unit of a Canadian pension fund named OMERS Worldwide. As of the date of this Offering Circular, he is chairman of the Grand Hotel du Lac, Vevey, Switzerland.