

PRELIOS CONFIDENTIAL RESTRICTED



PRELIOS

September 2016 Results Presentation

10th November 2016

AGENDA

- Overview Prelios Group
- September 2016 Results Presentation
- Shareholders Structure

Overview Prelios Group

Overview Prelios Group

From a real estate company to a pure services management company

Listed on the Italian Stock Exchange since 2002, Prelios is a **leading European asset management group providing a full range of real estate and financial services. Following the execution of “Centauro transaction”** comprising the spin-off of the investment activity and the biggest part of the corporate loan debt into Focus Investments SpA and its de-recognition (finalized in 1Q 2016), **Prelios became a “pure management” company.**

The Group acts through different operating companies which together form a well-known network rewarded for its quality and reliability confirmed by certifications as well as positive ratings by the international agencies. **Prelios, having already transformed its business model from captive to open market,** aims at further expanding its non-captive business and becoming the reference “asset manager and service provider” in Italy and in some European countries.



Overview Prelios Group

Prelios Group Profile

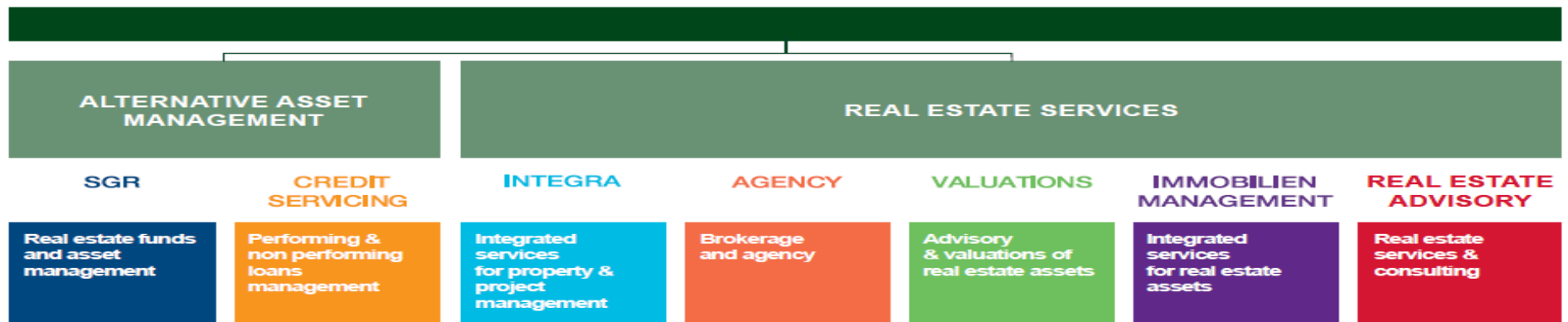
Prelios Group comprises an extremely well-qualified team which includes approximately 400 employees in Italy and abroad, with significant professional skills and a track record of excellence in the international arena with focus into:

Alternative Asset Management

- (“SGR”) : management of real estate funds and asset management;
- (“Credit Servicing”) : non performing loans management – credit servicing.

Real Estate Services

- integrated asset services, which include property and project management (“Integra”), real estate agency services (“Agency”) and real estate appraisals (“Valuations”);
- the Group also operates in Germany through highly specialised divisions in the commercial real estate segment. In Poland it is mainly active in the management and improvement of areas under development.



Overview Prelios Group

Activities and services

Alternative Asset Management

• Prelios SGR

- AuM approx. €3.8bn as at September 2016 with 30 funds, one of the leading players in Italy.
- Prelios SGR is active in structuring and managing investment funds and in advisory services for leading institutional investors, both domestic and international, which as partners help it define its real estate investment strategies.

• Prelios Credit Servicing

- Gross Book Value under management is ca. €9.7bn as of September 2016;
- Registered in April 2016 in the Single Register of Financial Intermediaries envisaged in Article 106 of the Consolidated Banking Act.
- Active in:
 - Special Servicing, or debt management and recovery;
 - Master Servicing, or cash management, payments and reports;
 - Corporate Servicing, or the formation and administration of SPV;
 - Due Diligence for the disposal of loan portfolios; Advisory, for the disposal and acquisition of portfolios.
- Prelios Credit Servicing acted as portfolio Servicers in PopBari transaction, the first securitization backed by the Italian Government “GACS”: this transaction involved a portfolio of approx. € 480m (GBV).

Overview Prelios Group

Activities and services

Real Estate Services

- **Prelios Integra**

- It is one of Italy's leading operators in integrated property management and project development services, with about Euro 4.7 billion in assets under management;
- It provides a wide range of services covering the entire lifecycle of RE asset (e.g. property, project, building management, HSE - Health & Safety, Environment / Energy, due diligence, urban planning and engineering advisory).

- **Prelios Valuations**

- It is one of Italy's foremost independent providers of appraisals for individual properties and real estate portfolios in the service and residential segments. The company is currently engaged to perform over 60,000 appraisals annually and is one of the top companies providing appraisal services to banks in Italy ("Loan Services").

- **Prelios Agency**

- It provides brokerage and advisory services to public and private investors as well as RE funds and institutional investors.

- **Prelios Immobilien Management** and **Prelios Real Estate Advisory**

- Prelios Group companies which operates as a player in the central European real estate services market. The first one, In Hamburg and Frankfurt under the brand name Prelios Immobilien Management, offers services dedicated to commercial real estate. Its special focus is on the management of shopping centers and retail or mixed use properties for non-captive clients. Prelios Real Estate Advisory is specialized in advisory services in Polish providing professional advice in all phases of an investment project, from market analysis, to identifying and selecting projects, audits, due diligence, loan management and asset management services.

Overview Prelios Group

Recent newsflow

- **Prelios Group:**

- Strengthens Its Management Team

- **Prelios SGR:**

- Fondo Bernina Social Housing
- Fondo Madison Imperiale
- Fondo Logita
- Fondo Iaso

- **Prelios Credit Servicing:**

- Banca popolare di Bari
- CARIGE
- Multioriginator
- Rating update (Fitch)

- **Prelios Deutschland**

- Prelios German Retail Property Fund

September 2016 Results Presentation

September 2016 Group Results Highlights

(€/mln)	ACTUAL SEPT 2016	ACTUAL SEPT 2015 DISCONTINUED
Revenues Mgmt Platform	51,3	41,8
<i>o/w management platform (excluding G&A)</i>	51,0	42,6
Revenues investment		4,0
TOT Revenues	51,3	45,8
EBIT	0,1	(3,3)
<i>o/w management platform (excluding G&A)</i>	5,1	2,4
<i>o/w Holding</i>	(5,1)	(5,7)
TOT EBIT	0,1	(3,3)
Investment	(13,3)	(6,2)
Financial charges	(5,1)	(9,1)
Extraordinary Items	(4,1)	0,7
TOT PBT	(22,5)	(17,9)
Discontinued operations		3,2
Net income	(24,1)	(16,6)
	ACTUAL SEPT 2016	ACTUAL DECEMBER 2015
Net Financial Position	3,0	184,9
Cash	26,9	72,6
Consolidated Net Equity	99,4	66,0

September 2016 Group Results

Consolidated Profit and Loss

(€/mln)	ACTUAL SEPT 2016	ACTUAL SEPT 2015 DISCONTINUED	Delta ACTUAL 2016 vs ACTUAL 2015
Revenues	51,3	45,8	5,5
<i>of which service activities</i>	51,3	41,8	9,5
<i>of which other revenues</i>		4,0	(4,0)
EBIT services	(0,1)	(3,7)	3,6
Income from equity participations services	0,2	0,4	(0,2)
Management platform/G&A	0,1	(3,3)	3,4
EBIT	0,1	(3,3)	3,4
Investments	(13,3)	(6,2)	(7,1)
<i>of which:</i>			
<i>Property writedowns/revaluations</i>	(3,4)	2,5	(6,0)
Financial charges	(5,1)	(9,1)	4,0
Profit before restr. costs, writedown/ reval. & taxes	(18,4)	(18,7)	0,3
Restructuring costs	(4,1)	0,7	(4,8)
Profit before taxes	(22,5)	(17,9)	(4,5)
Income taxes	(1,6)	(1,8)	0,1
Net income before discontinued operations	(24,1)	(19,7)	(4,4)
Discontinued operations		3,2	(3,2)
Net income	(24,1)	(16,5)	(7,6)
Minority interests		(0,1)	0,1
Net income after minority interests	(24,1)	(16,6)	(7,5)

September 2016 Group Results

Management Platform: Revenues and Ebit

(€/mln)

			ACTUAL SEPT 2016	ACTUAL SEPT 2015	Δ ACTUAL 2016 vs ACTUAL 2015	Δ% ACTUAL 2016 vs ACTUAL 2015
ITALY						
SGR	Revenues		12,5	11,2	1,4	12%
	Ebit		3,8	2,1	1,8	85%
	ROS		30,3%	18,4%		
NPL - Credit Servicing	Revenues		6,4	4,8	1,7	35%
	Ebit		(0,1)	(2,4)	2,3	97%
	ROS		-0,9%	-50,4%		
Promote CLOE	Revenues					
	Ebit					
	ROS					
Alternative Asset Management						
Alternative Asset Management	Revenues		19,0	15,9	3,0	19%
	Ebit		3,7	(0,4)	4,1	1151%
	ROS		19,7%	-2,2%		
Integra						
Integra	Revenues		14,2	12,8	1,4	11%
	Ebit		1,4	1,6	(0,2)	-12%
	ROS		9,7%	12,2%		
Agency	Revenues		1,6	1,6	0,0	0%
	Ebit		(0,9)	(1,7)	0,8	48%
	ROS		-52,5%	-102%		
Valuation	Revenues		6,9	4,3	2,6	62%
	Ebit		0,9	0,4	0,5	123%
	ROS		13,1%	9,6%		
Services Italy						
Services Italy	Revenues		22,8	18,7	4,1	22%
	Ebit		1,4	0,3	1,1	367%
	ROS		6%	2%		
Management Platform ITALY						
Management Platform ITALY	Revenues		41,7	34,6	7,1	20%
	Ebit		5,2	(0,0)	5,2	10438%
	ROS		12,4%	-0,1%		
GERMANY						
Management Platform GERMANY	Revenues		9,0	7,7	1,4	18%
	Ebit		0,0	2,7	(2,6)	-99%
	ROS		0,2%	34,6%		
POLAND						
Management Platform POLAND	Revenues		0,3	0,3	0,0	15%
	Ebit		(0,0)	(0,2)	0,2	80%
	ROS		-14,9%	-87,9%		
Management Platform Foreign Countries						
Management Platform Foreign Countries	Revenues		9,3	8,0	1,4	17%
	Ebit		(0,0)	2,4	(2,5)	-101%
	ROS		-0,3%	30,5%		
G&A (Holding)						
G&A (Holding)	Revenues		0,2	(0,8)	1,0	131%
	Ebit		(5,1)	(5,7)	0,7	12%
	ROS					
Prelios Europe	Revenues				0,0	0%
	Ebit				0,0	0%
	ROS					
G&A (Holding&Prelios Europe)						
G&A (Holding&Prelios Europe)	Revenues		0,2	(0,8)	1,0	131%
	Ebit		(5,1)	(5,7)	0,7	12%
	ROS					
TOTAL MANAGEMENT PLATFORM						
TOTAL MANAGEMENT PLATFORM	Revenues		51,3	41,8	9,5	23%
	Ebit Management Platform		0,1	(3,3)	3,4	102%
	ROS		0,1%	-8,0%		
TOTAL MANAGEMENT PLATFORM	Revenues excluding G&A		51,0	42,6	8,5	120%
	Ebit Management Platform excluding G&A		5,1	2,4	2,7	-115%
	ROS		10,1%	5,6%		

September 2016 Group Results

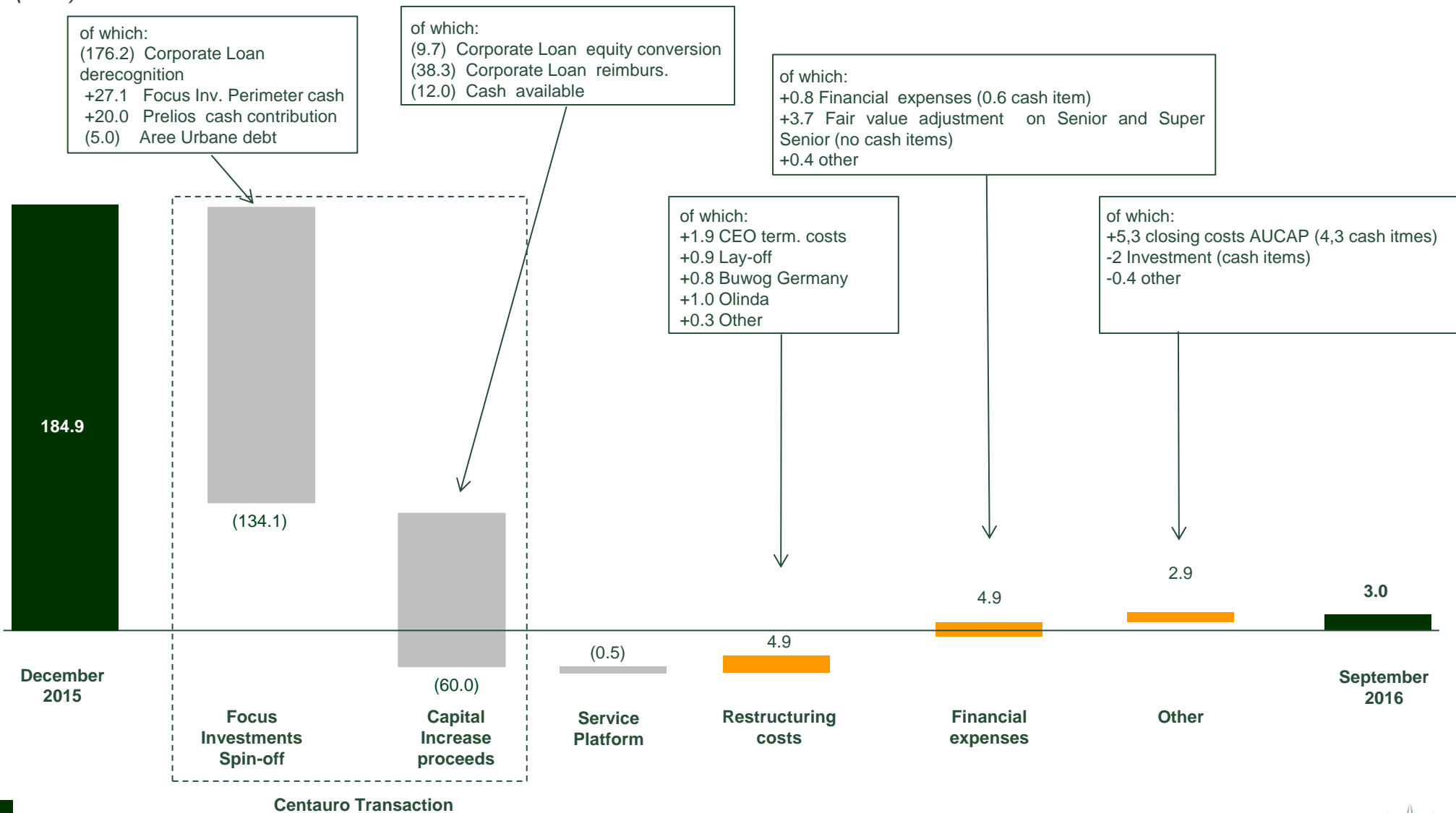
September 2016 and FY 2015 Consolidated Balance Sheet

(€/mln)	ACTUAL Sept 2016	ACTUAL FY 2015
1 Fixed assets	139.2	291.0
<i>of which participations and shareholders' loan</i>	77.9	221.7
<i>of which goodwill</i>	56.4	56.4
<i>of which other fixed assets</i>	4.8	12.9
2 Net working capital	(6.4)	22.7
Inventories	0.0	39.3
Trade receivables	36.6	41.8
Trade payables	(42.5)	(54.9)
Other payables/receivable	(0.5)	(3.7)
3 Net invested capital	132.8	313.6
4 Net equity	99.4	66.0
<i>of which group net equity</i>	99.3	63.2
5 Funds	30.4	62.7
6 Net financial position	3.0	184.9
7 Total sources	132.8	313.6

September 2016 Group Results

Net Financial Position Dec 2015 – Sept 2016

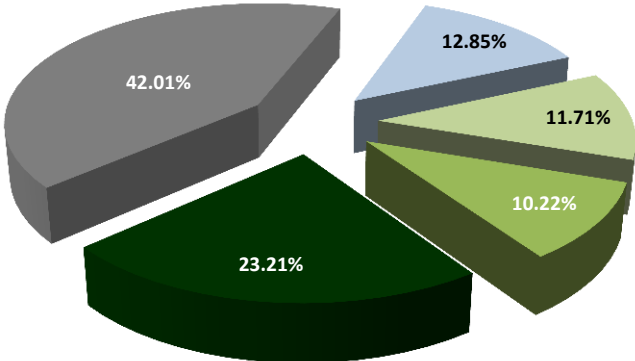
(€/mln)



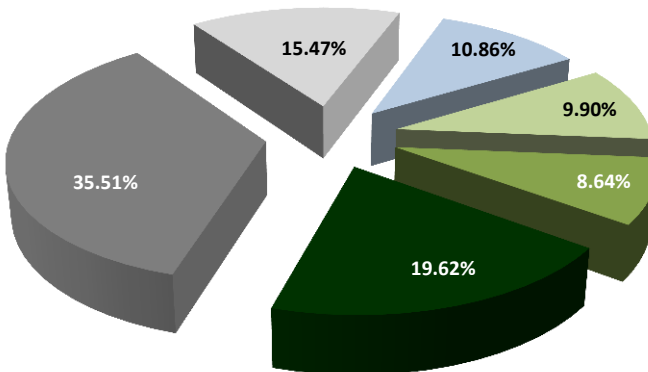
Shareholders Structure

Shareholders Structure

Voting share capital (excluding class B shares)



Economic share capital (including class B shares)



- Pirelli S.p.A.
- Unicredit S.p.A.
- Intesa Sanpaolo S.p.A.
- Prelios Shareholders' Agreement⁽¹⁾
- Market
- Fenice Srl⁽²⁾

(1) Prelios Shareholders agreement includes Deb Holding Srl, Negentropy Capital Partners Llp, Feidos S.p.A., Fondazione Renato Corti, Alexis De Dietrich, Energia Di Famiglia Srl, York European Distressed Credit Holdings II Llc, Lunelli S.p.A., Porto Allegro Srl, Fulvio Conti, Matteo Bruno Lunelli.

(2) Fenice Srl includes Pirelli & C. S.p.A., Uicredit S.p.A.. e Intesa Sanpaolo S.p.A.

Sergio Cavallino, 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.