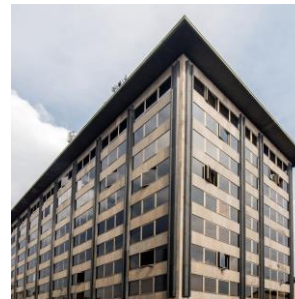


**COIMARES**



**FY 2018 RESULTS**  
A YEAR OF FOCUS AND EXECUTION

February 22<sup>nd</sup>, 2019



**REAL ESTATE SIIQ**

## Key Highlights

*Manfredi Catella, CEO*

Financial Results

*Fulvio Di Gilio, CFO*

Portfolio & Asset Management

*Matteo Ravà, Head of Asset Management*

Market Outlook

*Gabriele Bonfiglioli, Head of Investments*

Closing Remarks

*Manfredi Catella, CEO*

Appendix

**COIMARES**

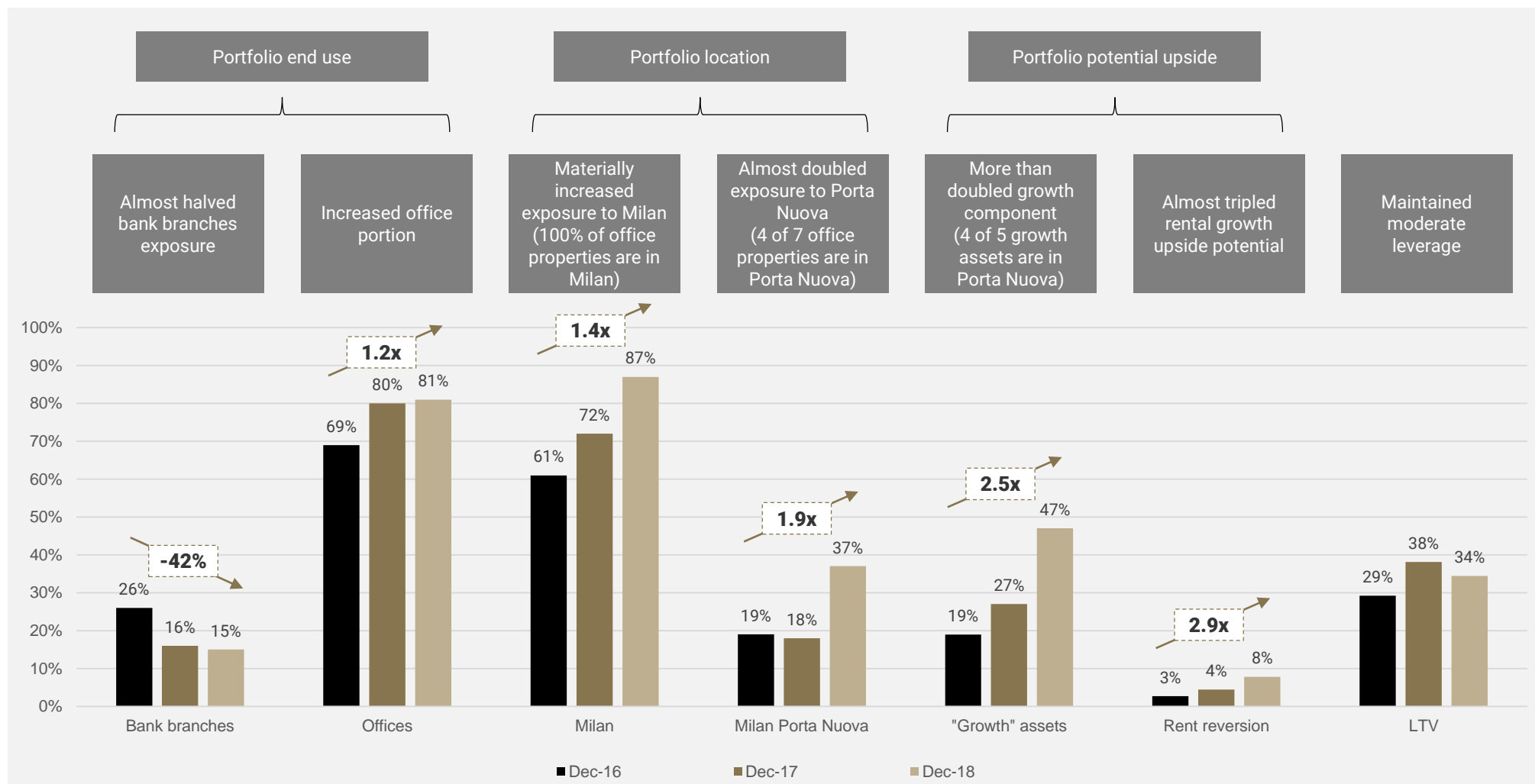


# OUR JOURNEY SINCE IPO - KEY DATA POINT



Actively refocused the portfolio towards the most liquid asset class (offices) and towards a more resilient business district (Porta Nuova) whilst increasing the upside potential of the portfolio and maintaining a prudent leverage

## KEY METRICS (%)



Note:

- 1)
- 2)

Rent reversion is a metric estimating the rental upside in the portfolio and is defined as "Gross Rent / ERV - 1"  
 ERV is "estimated rental value" as per independent appraisals reports

# FY 2018 - HIGHLIGHTS



## ACTIVE PORTFOLIO ROTATION

- Sold mature assets in non-core locations: Eurcenter property in Rome sold at 13% premium and with 20% IRR
- Bought assets with upside in Porta Nuova: Pavilion value creation >50% of acquisition price

## SOLID PORTFOLIO PERFORMANCE

- Signed €4.3m of new leases in 2018 with 18% positive reversion
- Like for like rental growth at +2.5% in 2018 (already locked in like for like rental growth > 5% for 2019)
- Capital value growth of 2.0% on a like for like basis (2.7% excluding bank branches)
- Occupancy increased by 70 bps to 95.1%

## SOLID FINANCIAL RESULTS

- EPRA NAV per share up 9.6% to €11.71
- Return on Equity of 11.8% (vs 8.0% in 2017)
  - Return on Equity since IPO of 21.1%
- Recurring FFO per share up 5.0% to €0.49
- Full dividend for 2018 of €0.30 per share (+11.1% vs 2017)

# COIMA RES - THE ONLY ITALIAN OFFICE REIT



**1 THE GATEWAY TO ITALIAN REAL ESTATE**  
THE ONLY ITALIAN OFFICE REIT

**2 FOCUSED PORTFOLIO**  
€665M PORTFOLIO, 80% OFFICES, 90% IN MILAN, 40% IN PORTA NUOVA

**3 GROWTH POTENTIAL**  
50% OF PORTFOLIO WITH A GROWTH PROFILE

**4 PRUDENT LEVERAGE**  
34% LTV, 2.0% "ALL IN" COST

**5 BEST IN CLASS GOVERNANCE**  
7 OF 9 BOARD MEMBERS ARE INDEPENDENT

**6 TRANSPARENCY**  
EPRA GOLD AWARD IN REPORTING TWO YEARS IN A ROW

**7 SUSTAINABILITY**  
60% OF PORTFOLIO LEED CERTIFIED

## Key Highlights

*Manfredi Catella, CEO*

## Financial Results

*Fulvio Di Gilio, CFO*

## Portfolio & Asset Management

*Matteo Ravà, Head of Asset Management*

## Market Outlook

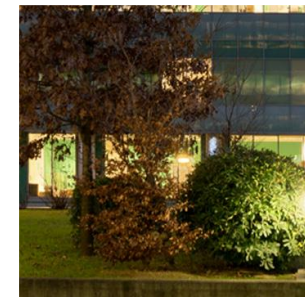
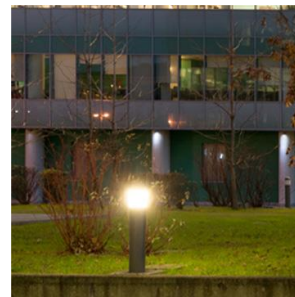
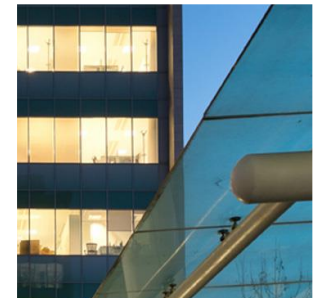
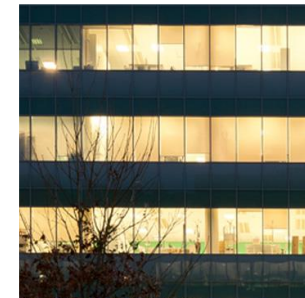
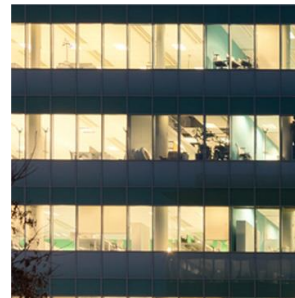
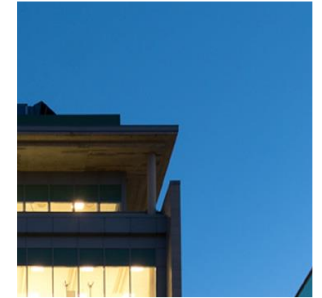
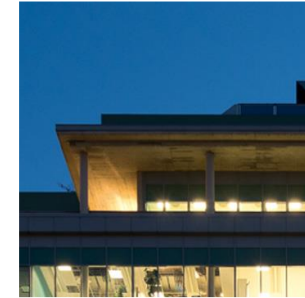
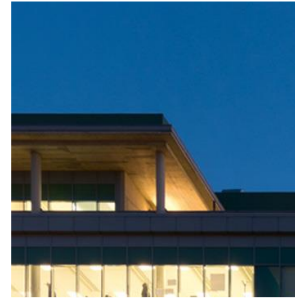
*Gabriele Bonfiglioli, Head of Investments*

## Closing Remarks

*Manfredi Catella, CEO*

## Appendix

**COIMARES**



# FY 2018 - FINANCIAL HIGHLIGHTS



BALANCE SHEET	DEC-18	DEC-17	Δ%	Δ
Gross Asset Value <sup>1,2</sup>	€663.9m	€610.7m	8.7%	€53.2m
EPRA NAV per share	€11.71	€10.68	9.6%	€1.03
EPRA NNAV per share	€11.54	€10.56	9.2%	€0.98
LTV <sup>1,3</sup>	34.5%	38.1%	n.m.	(360) bps

INCOME STATEMENT	FY 2018	FY 2017	Δ%	Δ
Gross Rents	€36.3m	€34.2m	5.9%	€2.1m
NOI margin	89.1%	89.1%	n.m.	flat
EPRA Earnings per share	€0.42	€0.42	(1.3)%	n.m.
Recurring FFO per share	€0.49	€0.47	5.0%	€0.02
All in cost of debt (blended)	2.03%	1.97%	n.m.	6 bps
ICR	4.0x	3.2x	n.m.	0.8x

OTHER EPRA PERFORMANCE MEASURES	FY 2018 <sup>4</sup>	FY 2017	Δ%	Δ
EPRA Net Initial Yield	4.8%	5.3%	n.m.	(50) bps
Expected Net Stabilised Yield	5.6%	5.7%	n.m.	(10) bps
EPRA Vacancy Rate	4.1%	4.8%	n.m.	(70) bps

Notes:

- 1) Bonnet included on a look through basis
- 2) Difference between appraised value of portfolio (€665m) and accounting value (€664m) due to IAS/IFRS accounting principle for a specific bank branch in Milan
- 3) Net debt and LTV as of Dec-17 do not include the €22.7m current financial debt associated to the 21 Deutsche Bank branches sold in January 2018
- 4) Assuming IBM leasing contract already in place as of December 31<sup>st</sup>, 2018 (effective starting date January 31<sup>st</sup>, 2019)

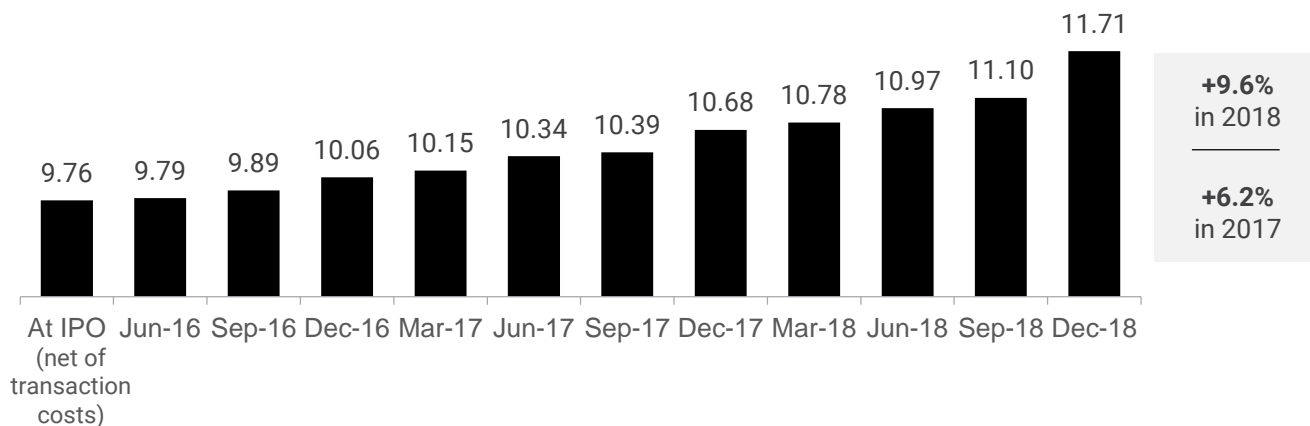


# EPRA NAV - EVOLUTION SINCE IPO

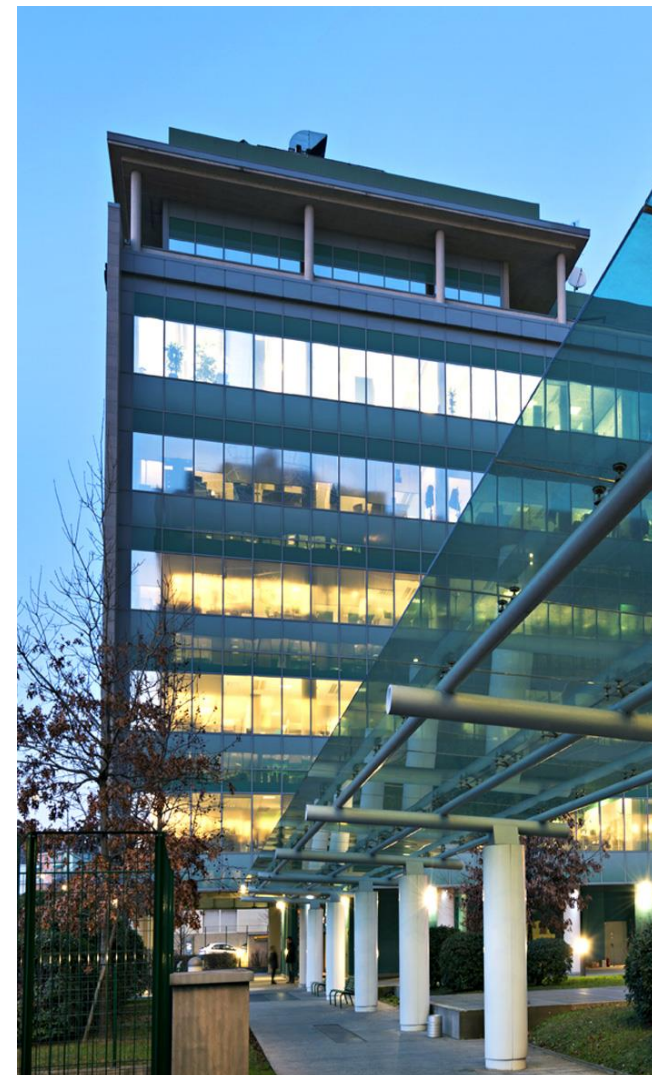
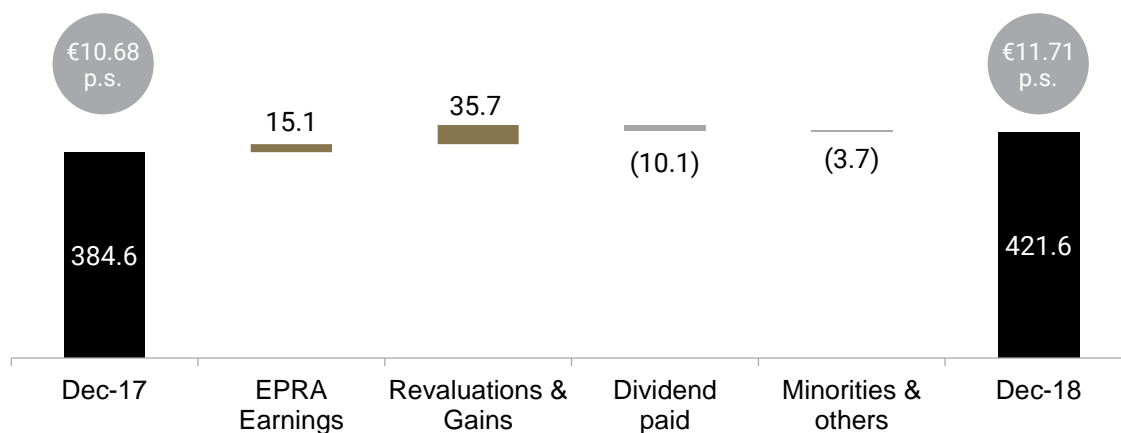


## EPRA NAV per share growth of 9.6% in 2018

### EPRA NAV PER SHARE EVOLUTION (€)



### EPRA NAV BRIDGE 2018 (€m)



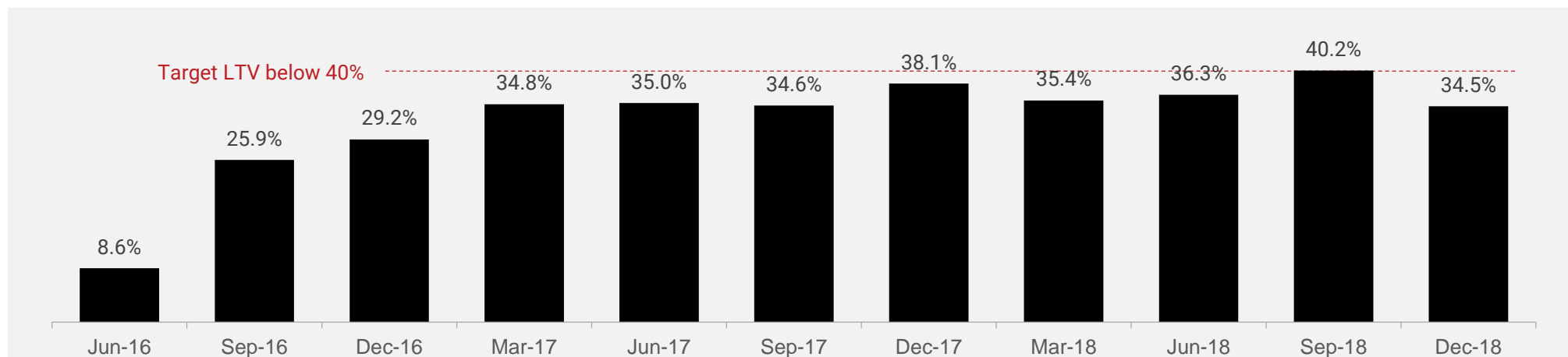


# LTV AND DEBT STRUCTURE - EVOLUTION SINCE IPO



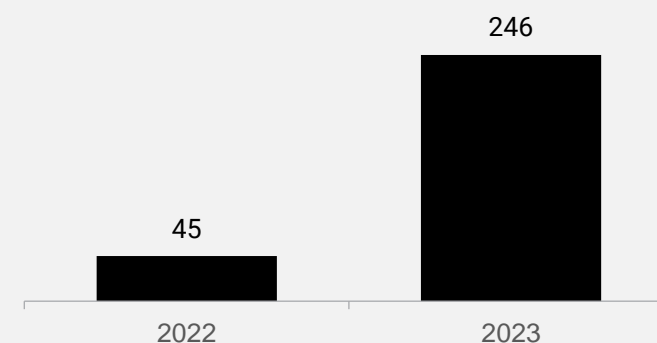
Weighted average debt maturity of c. 4.4 years, "all in" cost of debt of ~ 2.0%, gross debt c. 70% hedged

## LTV PROGRESSION<sup>1</sup>



## GROSS DEBT MATURITY PROFILE (€m)

- Debt deal signed on July 16<sup>th</sup>, 2018 (pool of banks: Banca IMI, BNP Paribas, ING, UniCredit)
  - New debt for €70.0m for Monte Rosa and Tocqueville acquisition
  - Refinancing of €149.3m of existing debt on Vodafone complex and Deutsche Bank
  - Maturity of 5 years
- On October 31<sup>st</sup>, 2018, signed with UniCredit a €27.0m<sup>2</sup> financing for the Pavilion acquisition
  - Secured debt, 5 years maturity, 1.80% "all in" cost
- Reimbursed €47.9m of debt related to the Eurcenter disposal in Dec-18



# GUIDANCE FOR 2019



Guidance considering same portfolio perimeter as of December 31<sup>st</sup>, 2018

## ■ ASSUMPTIONS

### ■ Current portfolio perimeter

- no acquisitions
- no disposals

## ■ GUIDANCE

### ■ EPRA Earnings per share for 2019

- Approx. €0.42

Key Highlights

*Manfredi Catella, CEO*

Financial Results

*Fulvio Di Gilio, CFO*

**Portfolio & Asset Management**

***Matteo Ravà, Head of Asset Management***

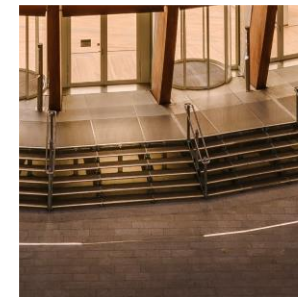
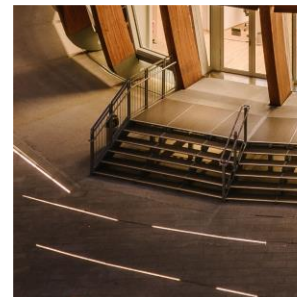
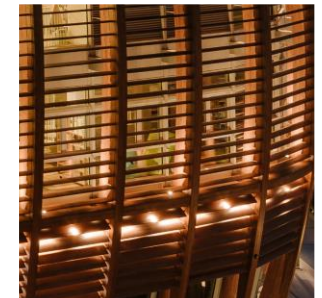
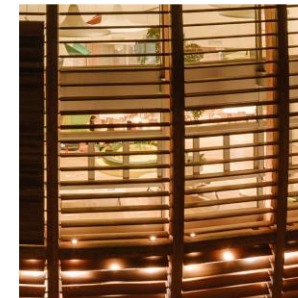
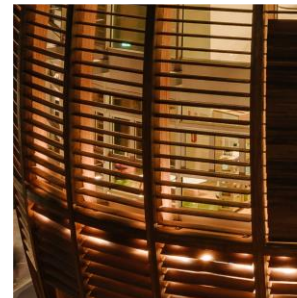
Market Outlook

*Gabriele Bonfiglioli, Head of Investments*

Closing Remarks

*Manfredi Catella, CEO*

Appendix

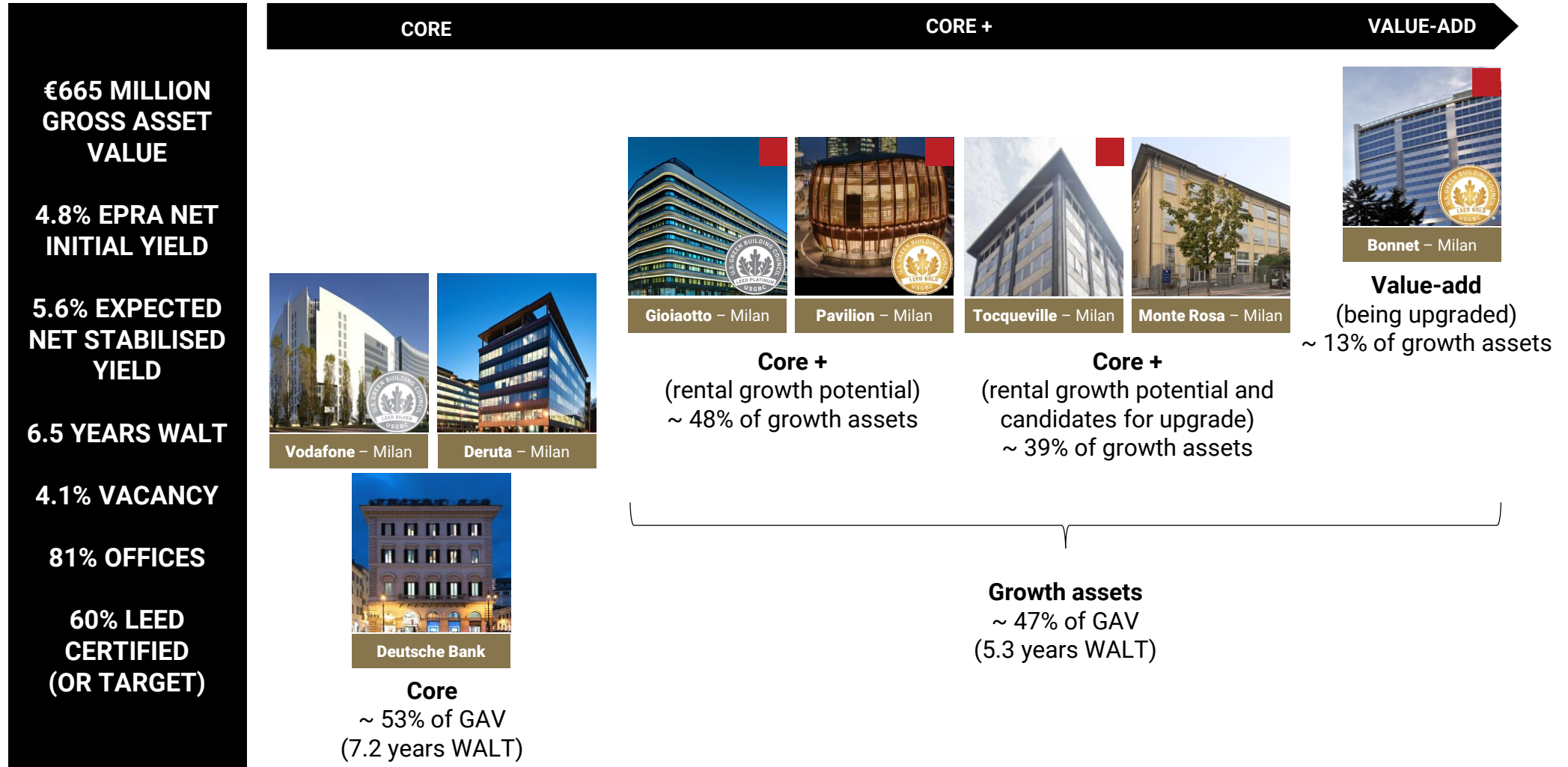


**COIMARES**

# CURRENT PORTFOLIO - OVERVIEW



A €665m high quality portfolio focused on Milan offices with a c. 50% "growth" component



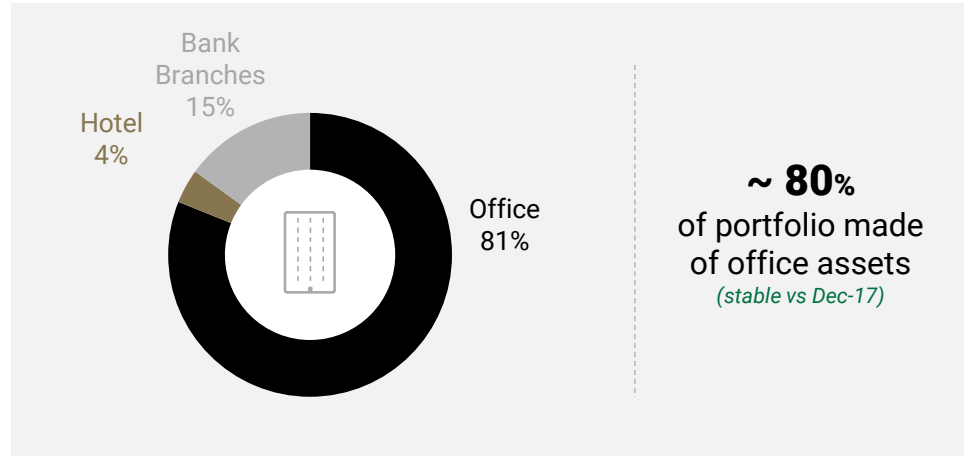
■ Asset in Milan Porta Nuova

# CURRENT PORTFOLIO - BREAKDOWN

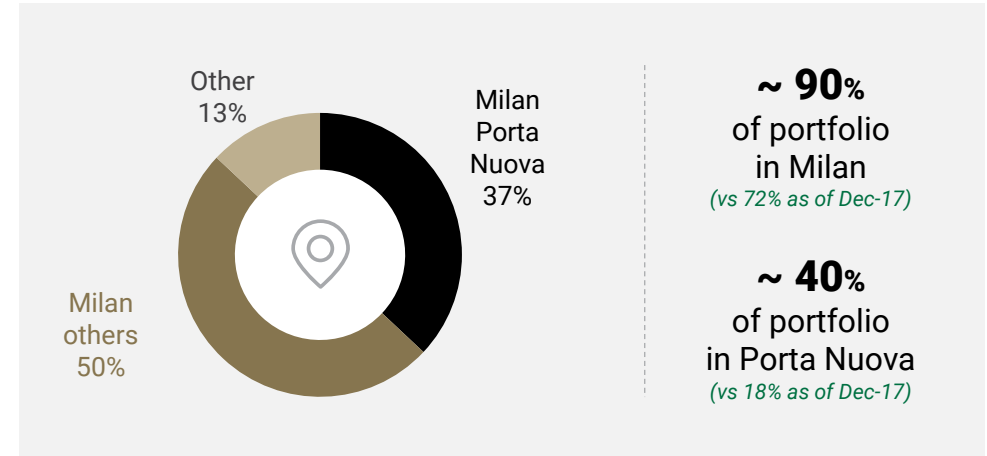


Approx 40% of COIMA RES assets are in Milan Porta Nuova, a fast growth business district in Milan

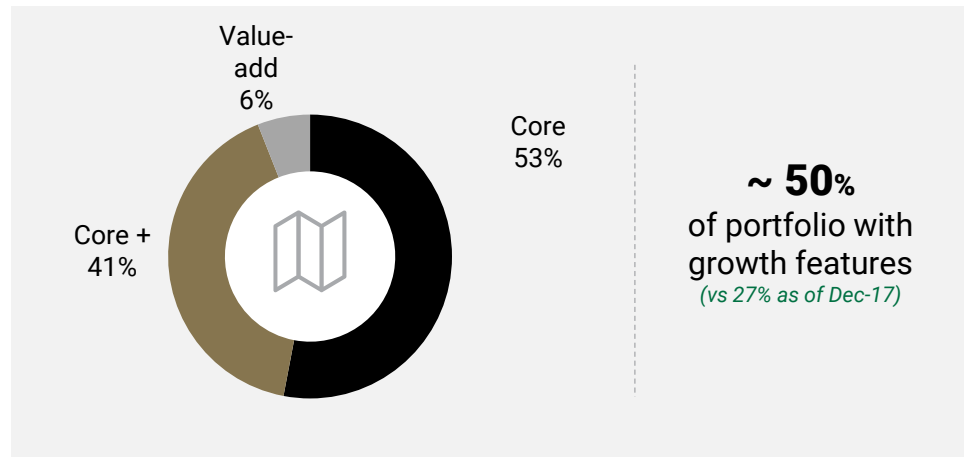
## BREAKDOWN BY USE<sup>1,2</sup>



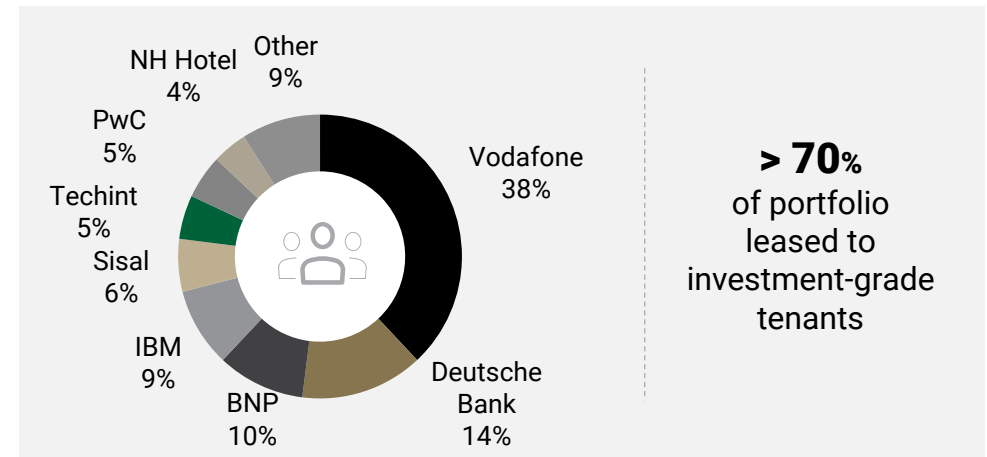
## BREAKDOWN BY GEOGRAPHY



## BREAKDOWN BY STRATEGY



## BREAKDOWN BY TENANT



Note:

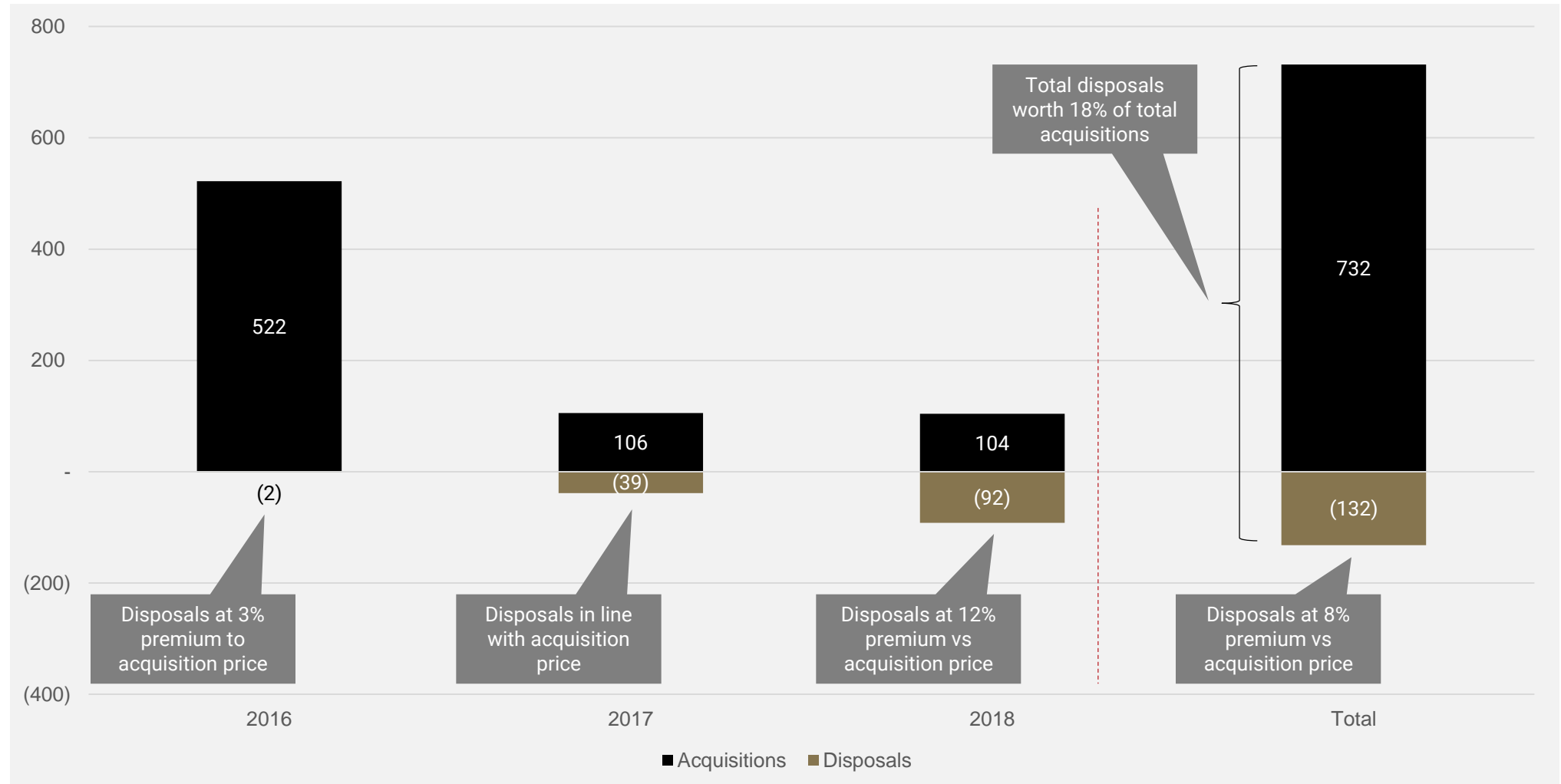
- 1) Office portion includes c. 2,200 sqm of ground floor retail
- 2) Pavilion classified as office space

# ASSET MANAGEMENT - PORTFOLIO ROTATION



Performed since IPO €732m in acquisitions and €132m in disposals (at a blended premium of 8% to acquisition price)

## OVERVIEW OF PORTFOLIO ROTATION SINCE IPO (€m)

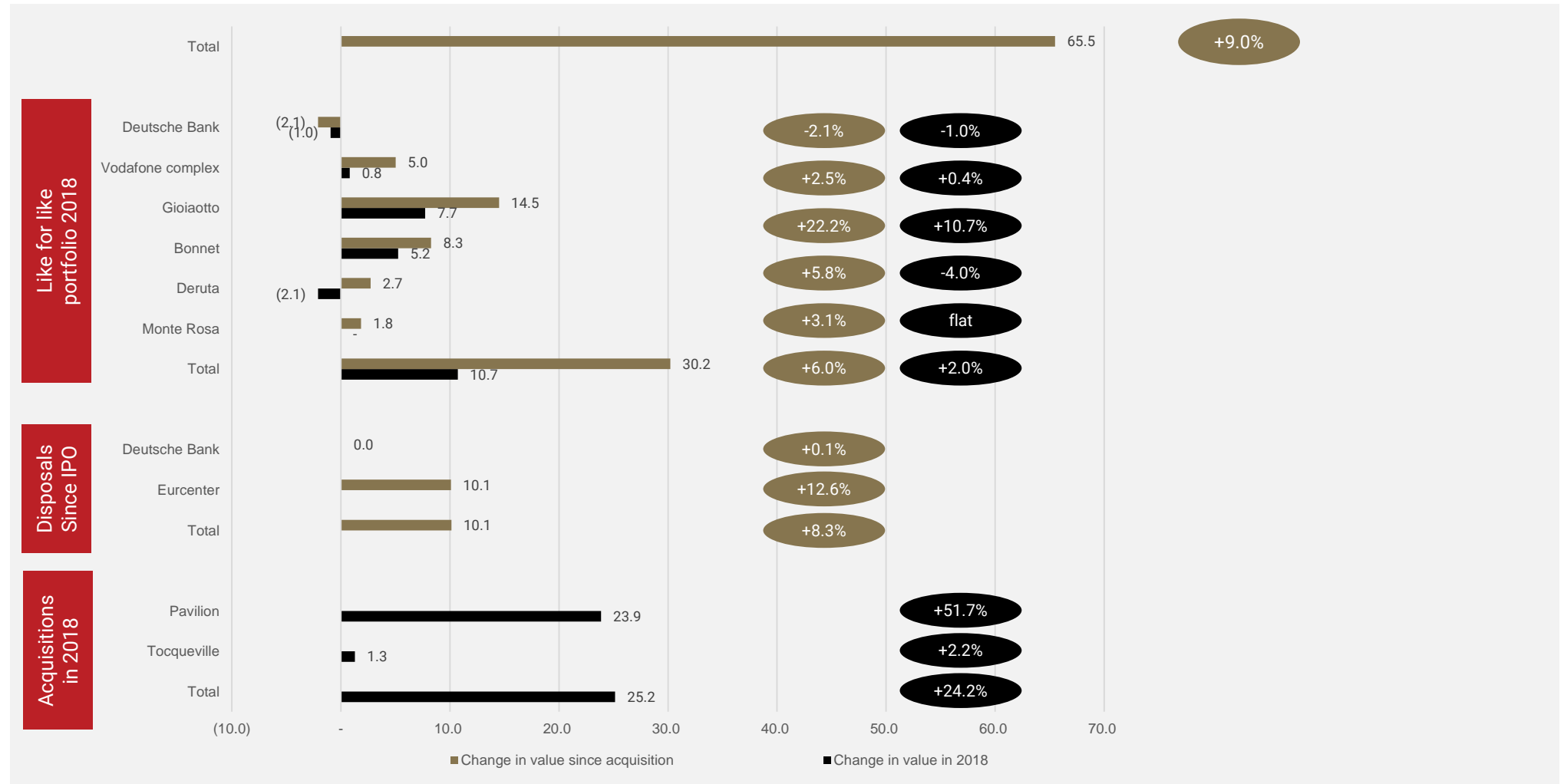


# ASSET VALUE CREATION - ANALYSIS



Capital value growth of +2.0% on a like for like basis<sup>1</sup> (or +2.7% excluding bank branches)

## CHANGE IN VALUE<sup>2,3,4</sup> (€M)



Note:

- 1) Taking into accounts assets that were in the COIMA RES perimeter both as at December 31<sup>st</sup>, 2018 and as at December 31<sup>st</sup>, 2017
- 2) Includes both revaluations, capex and capital gains or losses from disposals
- 3) Does not include brokers' costs for Deutsche Bank and Eurcenter disposals
- 4) Acquisition price includes also capitalised transaction costs

# ASSET MANAGEMENT - HIGHLIGHTS OF 2018



## 01. DISPOSALS

### Deutsche Bank (Q1 2018 and Q3 2018)

- Completed the sale of 21 branches in the South of Italy (closed in January 2018) and of 2 branches in Lombardy (September 2018)
- Aggregate sale price of €39.5m in line with IPO contribution value

### Eurcenter (Q4 2018)

- Completed the disposal of the Eurcenter for €90.3m, largest single office transaction in Rome in 2018
- Sale price 13% premium to acquisition price, 20% levered IRR

## 02. LEASING

### Leasing of Pavilion to IBM (Q3 2018)

- Signed in August 2018 a 9-years leasing agreement with IBM for 100% of the Pavilion complex (lease is effective from January 31<sup>st</sup>, 2019)
- Initial gross rent of €1.25m increasing to €3.5m after the first 12 months, no material capex to be spent by COIMA RES to host IBM in the Pavilion

### Vacancy reduction at Monte Rosa (Q1 2018)

- Total of 500 sqm let to PwC at 8% premium to blended average of rent in place at Monte Rosa

### Office tenant substitutions with upgrade at Gioiaotto (Q1 2018 and Q3 2018)

- Total of 1,400 sqm leased to new tenants at blended premium of 21% vs previous in place rent

### Leasing of vacant bank branch in Milan (Q1 2019)

- Leasing adds €240k of gross rents, 1,700 sqm (18% of total vacant surface within the bank branches portfolio), up to €50k capex by COIMA RES

## 03. FINANCING

### Maturity extension and new financings (Q3 2018 and Q4 2018)

- Overall €219.3m package signed in July 2018 extending maturity to c. 5 years
- Signed Pavilion €27.0m acquisition financing (plus €4.4m VAT line) in October 2018 (5 years maturity, 1.80% "all in" cost)

## 04. ASSET UPGRADING AND REPOSITIONING

### NH Hotel upgraded the Gioiaotto hotel to NH Collection standards (2018)

- Upgrade of NH Hotel finalised in July 2018
- Approx. €4.0m capex spent by NH Hotel, of which €1.4m paid by fund which owns Gioiaotto (86.7% owned by COIMA RES)

### Bonnet (ongoing)

- Presented the Bonnet / Corso Como Place project to the public in September 2018. Early feedback from prospective tenants is positive
- Overall capex and other capitalised costs spent in 2016-2018 of €12.7m (€4.5m is COIMA RES share)
- Approx. €62.3m residual to be spent in 2019-2020 (€22.2m is COIMA RES share)
- Refurbishment project on track for completion in 2020

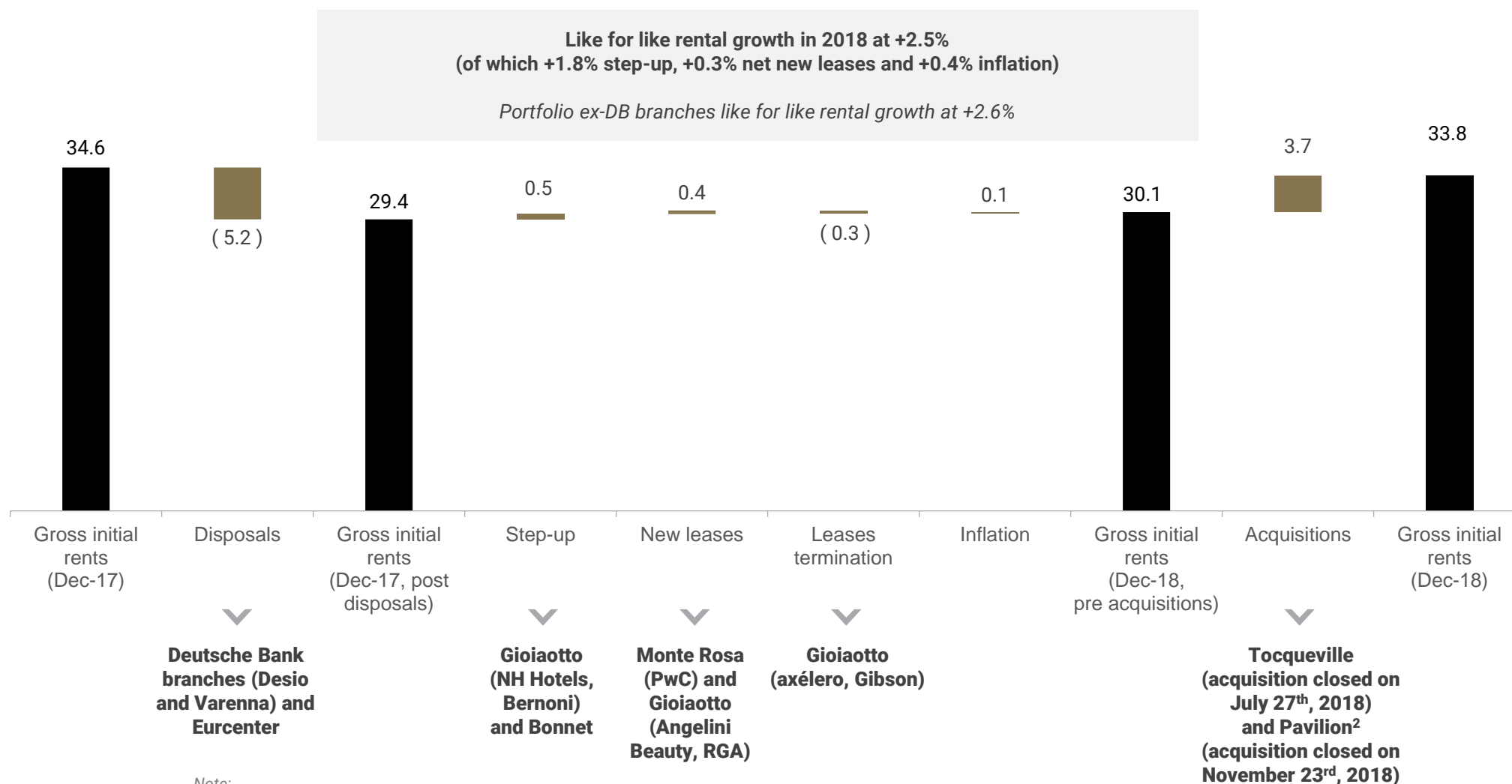


# SOLID RENTAL GROWTH IN 2018



Like-for-like rental growth<sup>1</sup> in 2018 at +2.5%  
 Already locked in like-for-like rental growth<sup>1</sup> > 5% in 2019 (ex-inflation)

## GROSS RENTAL BRIDGE IN 2018 - ANNUALISED RENTS (€m)



Note:

- 1) Figures in this slide refer to annualised gross rents (non IFRS data). According to IFRS, any contractual rental step-up (or step-down) is averaged in the Gross Rents line of the P&L over the rental agreement period
- 2) Assuming IBM leasing already in place as of December 31<sup>st</sup>, 2018

## Key Highlights

*Manfredi Catella, CEO*

## Financial Results

*Fulvio Di Gilio, CFO*

## Portfolio & Asset Management

*Matteo Ravà, Head of Asset Management*

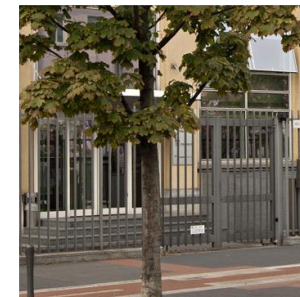
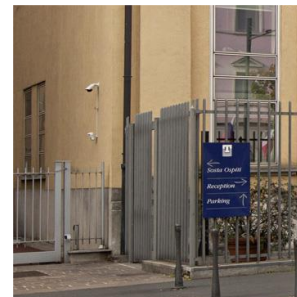
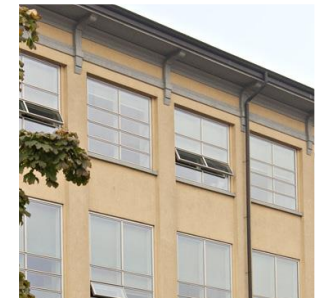
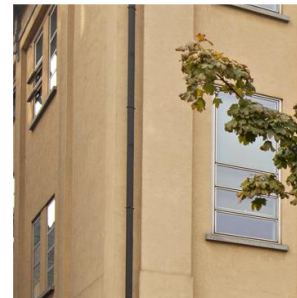
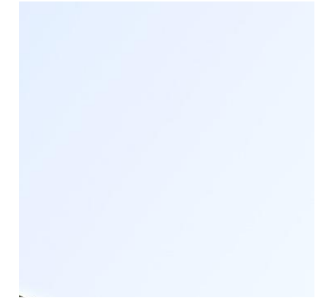
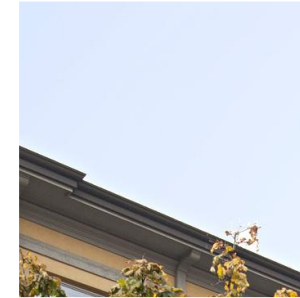
## **Market Outlook**

***Gabriele Bonfiglioli, Head of Investments***

## Closing Remarks

*Manfredi Catella, CEO*

## Appendix



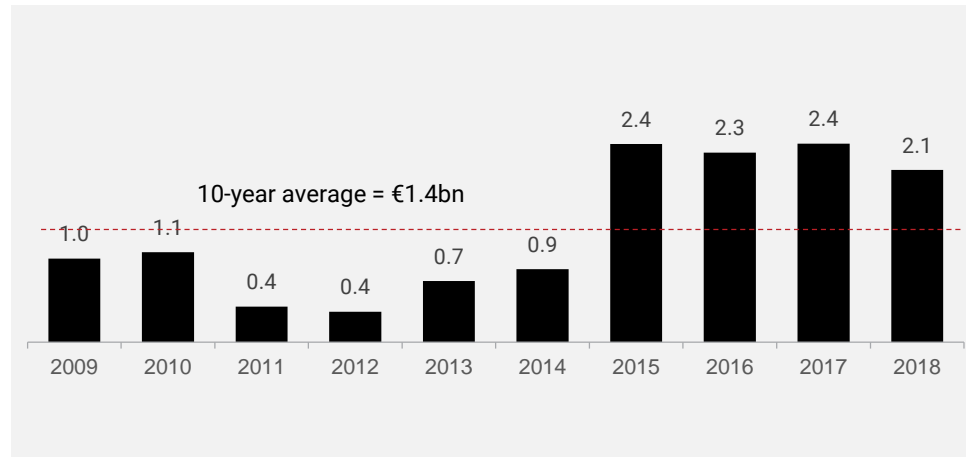
**COIMARES**

# MILAN OFFICES - INVESTMENT ENVIRONMENT

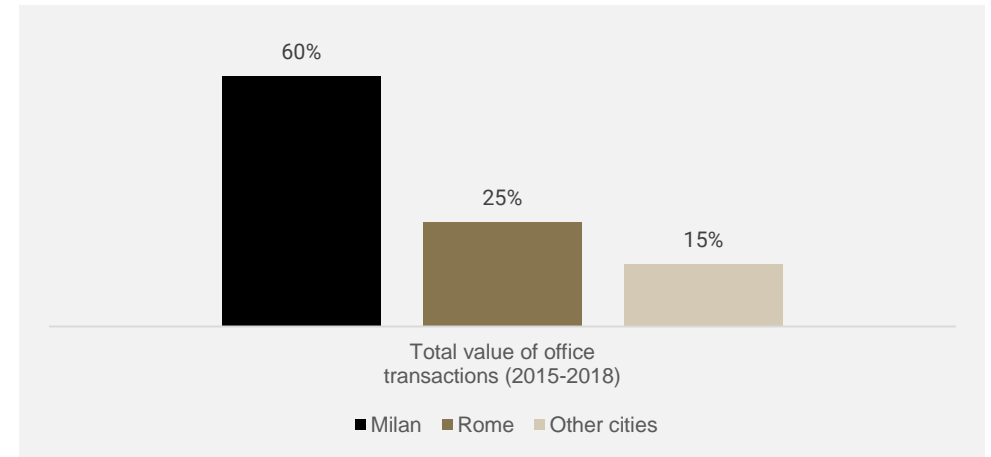


Active investment market in 2018 (volumes 1.5x last 10 years average), despite being 13% lower than 2017 (due to scarcity of product). Yield compression of 10 bps for prime and 25 bps for secondary locations in 2018

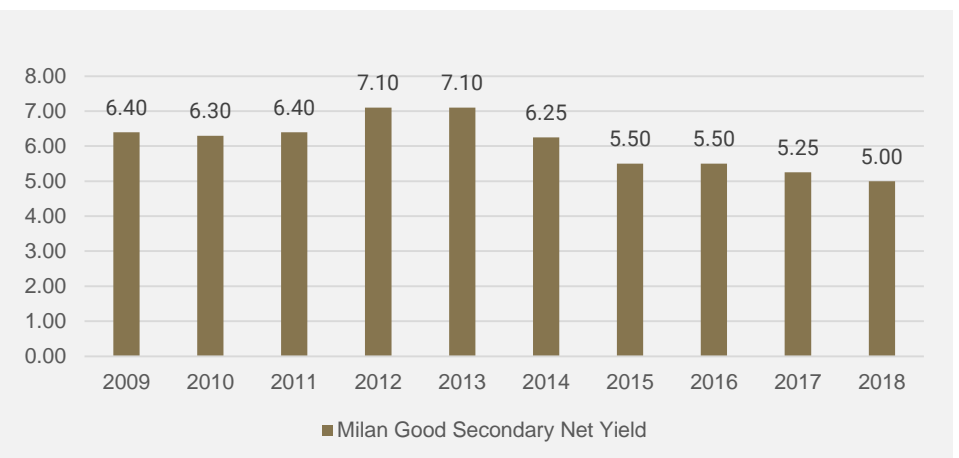
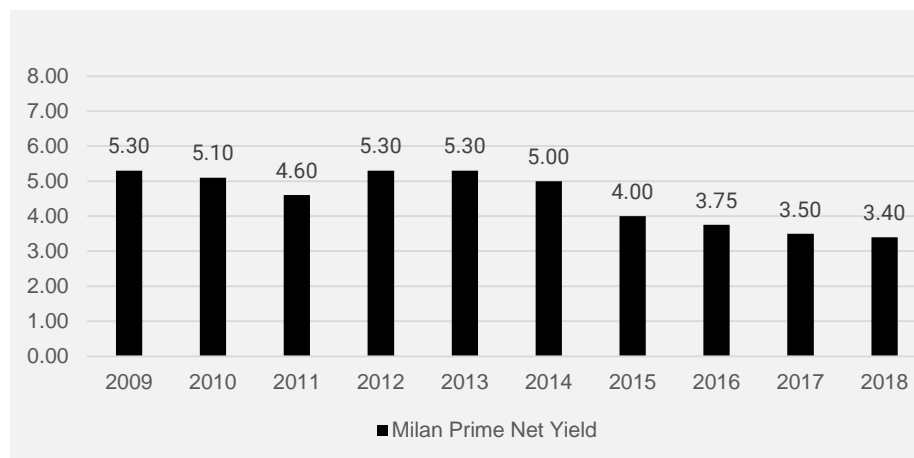
## MILAN OFFICES - INVESTMENT VOLUMES (€BN)



## MILAN OFFICES - INVESTMENT MARKET LIQUIDITY



## MILAN OFFICES - YIELD PROGRESSION (%)

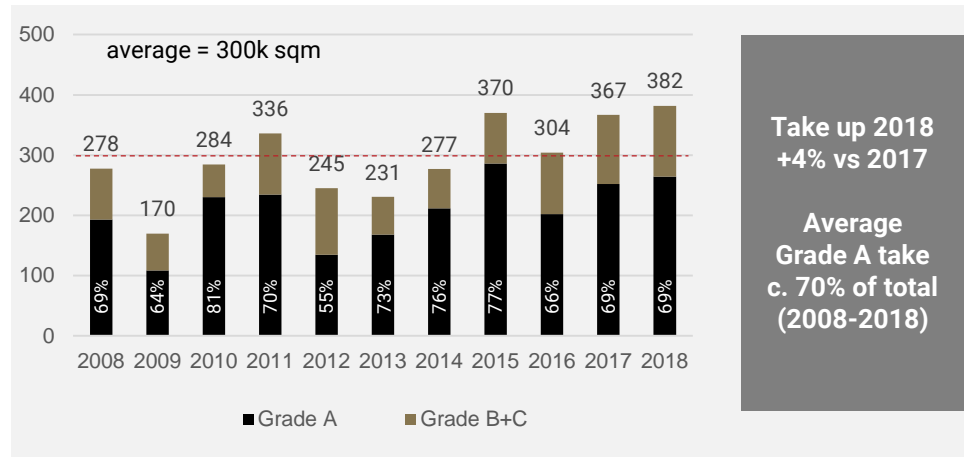


# MILAN OFFICES - DEMAND & SUPPLY DYNAMICS

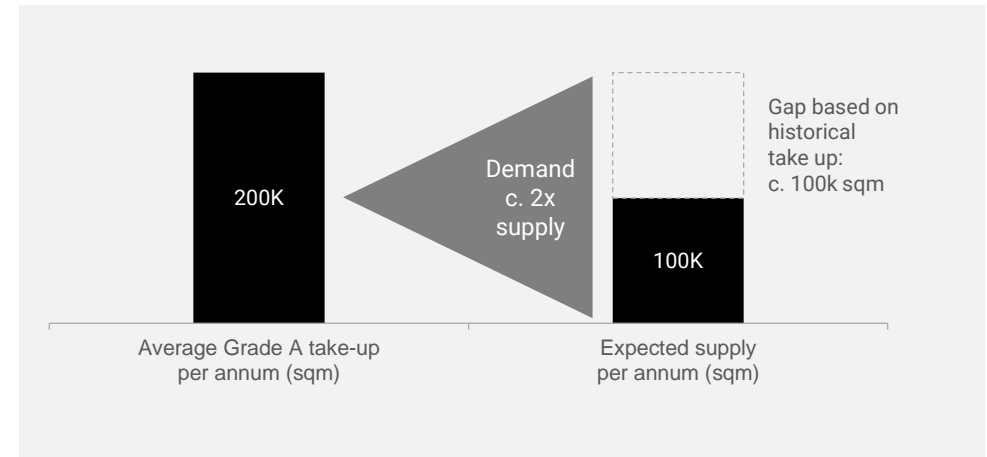


Record take up in Milan for 2018, average Grade A take up is c. 2x expected pipeline

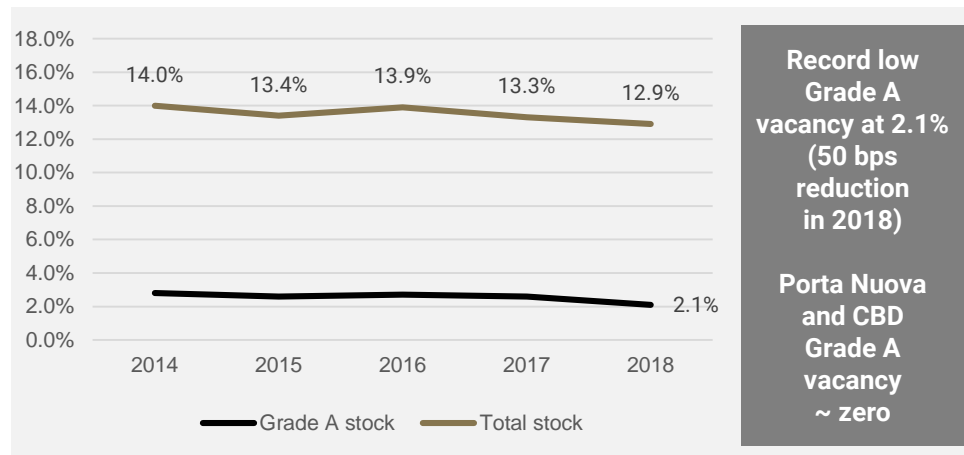
## RECORD HIGH TAKE UP IN 2018 ('000 SQM)



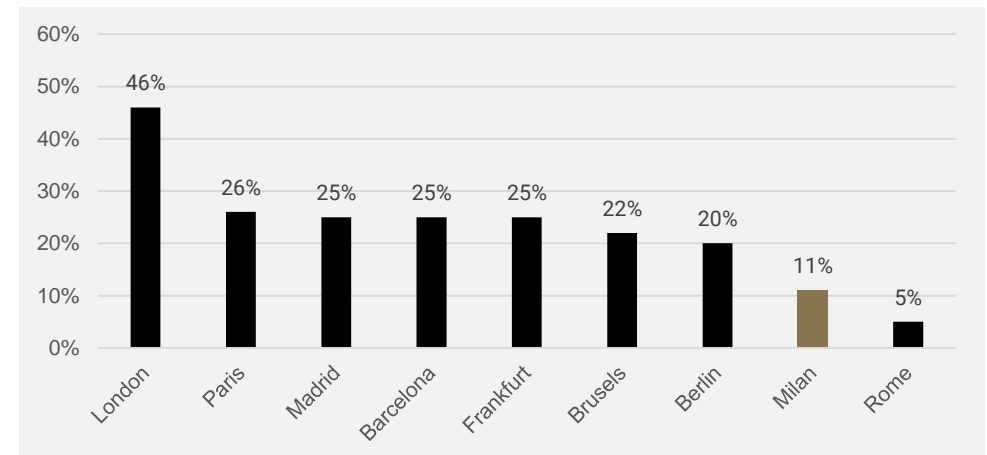
## SUPPLY VS DEMAND IMBALANCE



## VACANCY RATE BY GRADE (%)



## MILAN GRADE A STOCK IN CONTEXT (%)



Sources: C&W, JLL, Oxford Economics

Note:

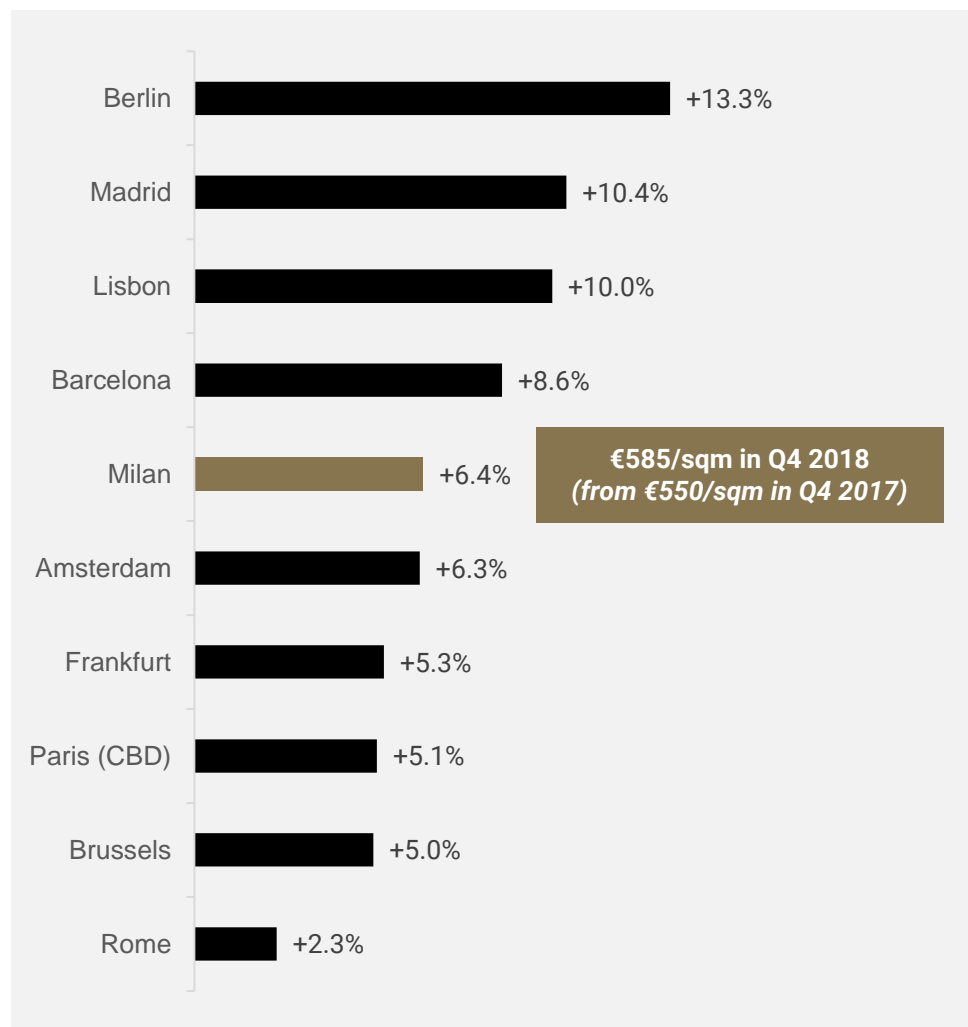
1) Assuming 12 employees / sqm

# MILAN OFFICES - STRONG RENTAL GROWTH

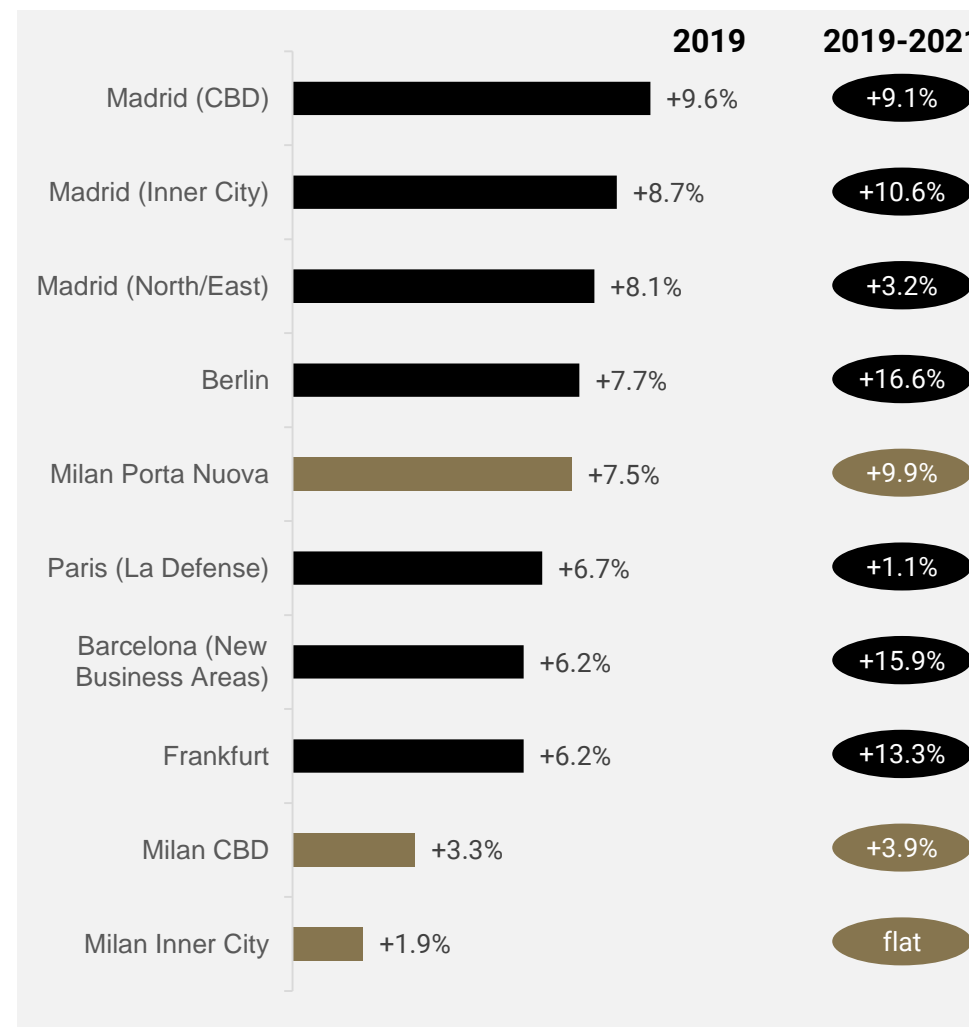


Milan top 5 city in Western Europe for rental growth in 2018 with a strong outlook in Milan Porta Nuova for 2019-2021

## PRIME OFFICE RENTAL GROWTH (2018)



## OFFICE RENTAL AND OCCUPANCY GROWTH<sup>1</sup>



Sources: JLL (2018 data), Green Street Advisors (2019-2021 data)

Note:

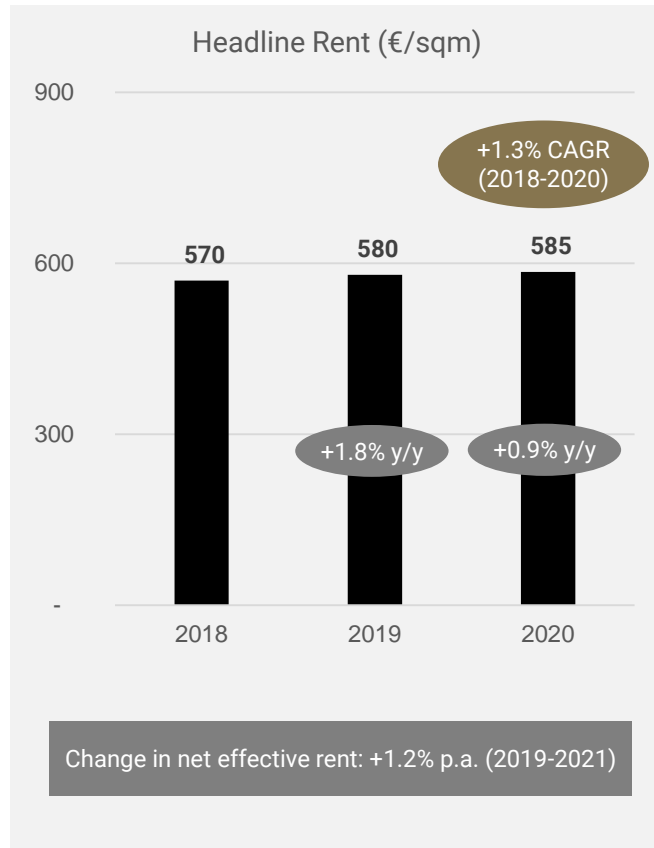
1) Metric is defined as RevPAM

# MILAN OFFICES - RENTAL GROWTH BY SUBMARKET

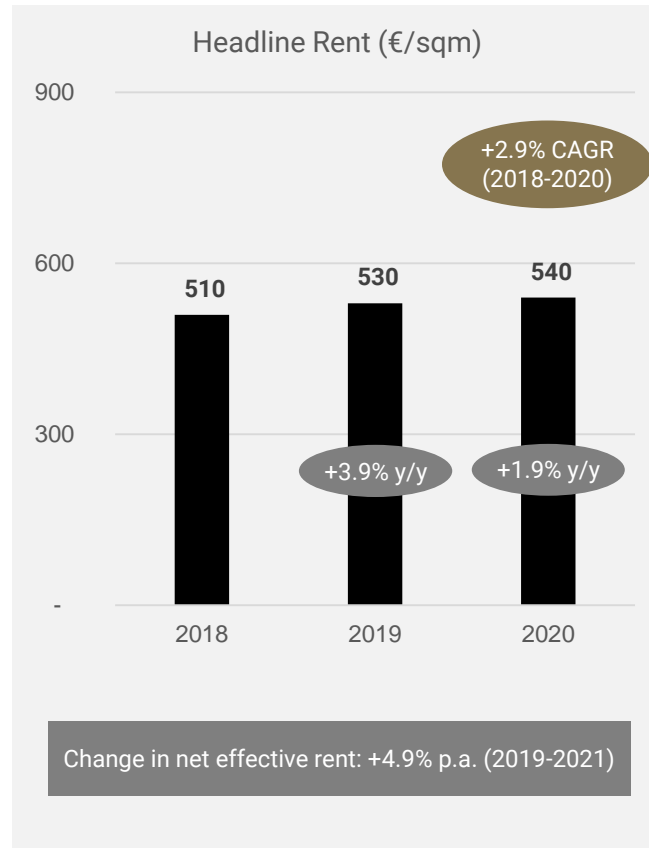


Consistent rental growth expected across all Milan office submarkets (Porta Nuova being the fastest growing district)

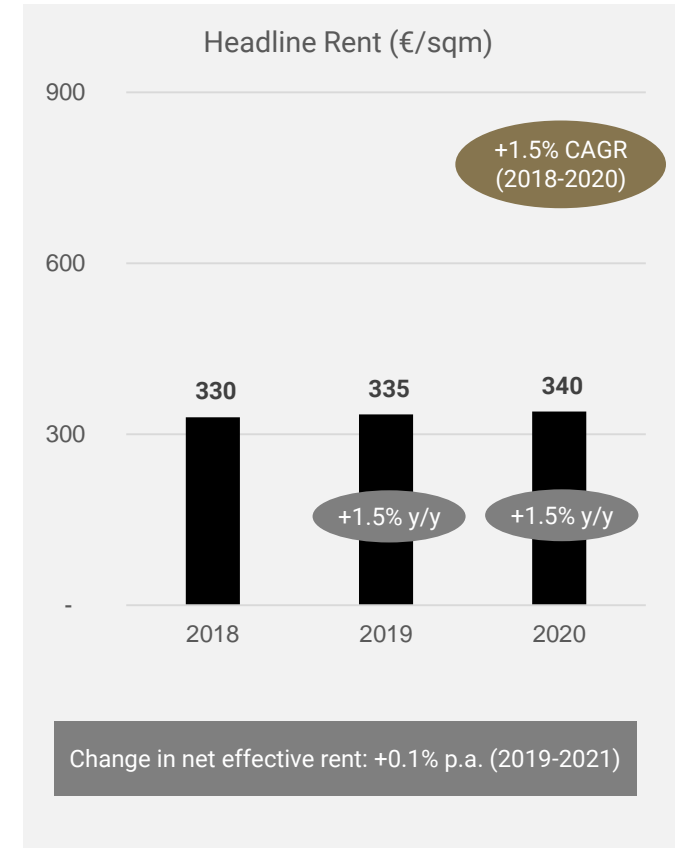
## MILAN CBD



## MILAN PORTA NUOVA



## MILAN INNER CITY

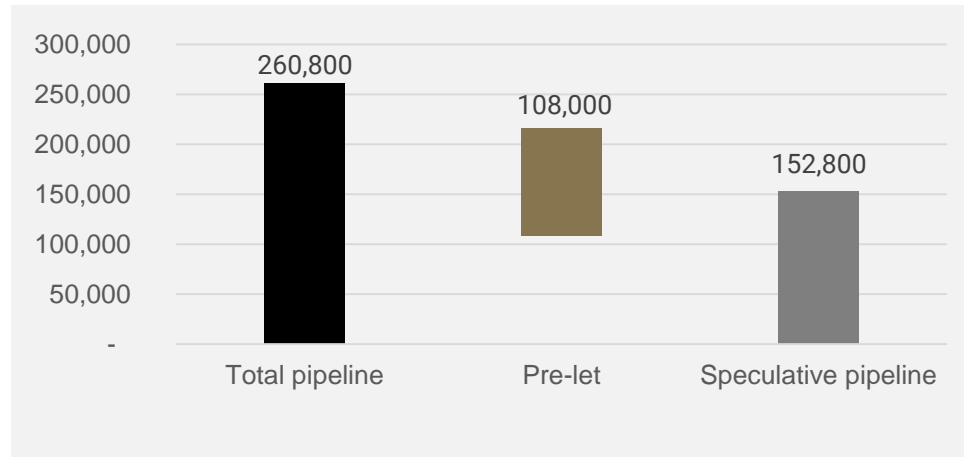


# PORTA NUOVA - OFFICE DEVELOPMENT PIPELINE



Speculative pipeline in Porta Nuova for the next 4 years accounts for c. 38k sqm per year (vs c. 50k sqm avg. take-up)

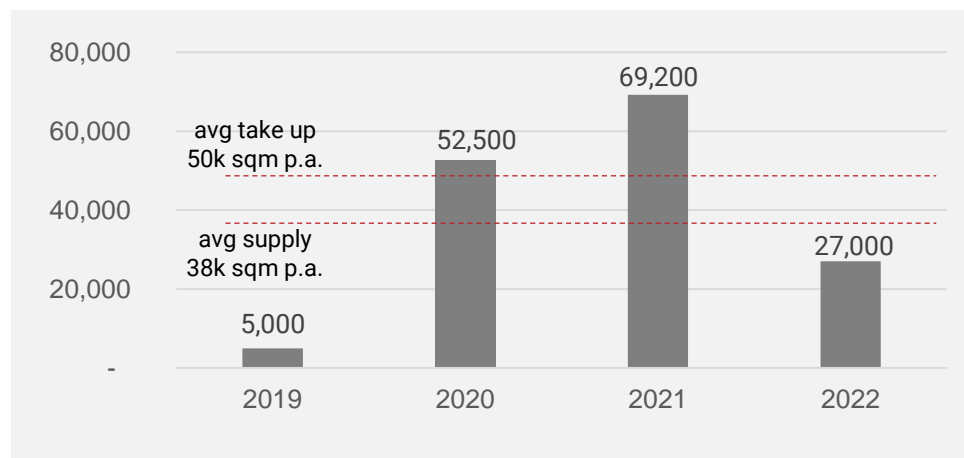
## TOTAL DEVELOPMENT PIPELINE (SQM, 2019-2022)



## VACANCY FOR GRADE A SPACES IS CLOSE TO ZERO

- Porta Nuova established as Milan new CBD
- State-of-the-art Grade A office spaces
- Outstanding accessibility  
(3 metro lines and 2 railway stations)

## SPECULATIVE PIPELINE PER YEAR (SQM)



## Key Highlights

*Manfredi Catella, CEO*

## Financial Results

*Fulvio Di Gilio, CFO*

## Portfolio & Asset Management

*Matteo Ravà, Head of Asset Management*

## Market Outlook

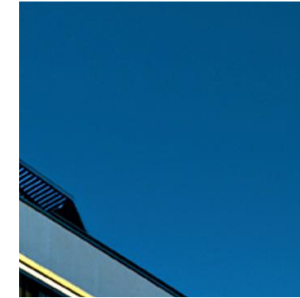
*Gabriele Bonfiglioli, Head of Investments*

## **Closing Remarks**

***Manfredi Catella, CEO***

## Appendix

**COIMARES**





# CLOSING REMARKS



## ASSET MANAGEMENT

- **Further asset rotation in focus**
  - Concentrate up to 100% in Milan
  - Balance tenant exposure
- **Extract value from “growth” assets**

## INVESTMENTS

- **Main focus: Core / Core + Milan offices**
- **Opportunistic: co-investments on Value-add Milan office projects in JV**

## Key Highlights

*Manfredi Catella, CEO*

## Financial Results

*Fulvio Di Gilio, CFO*

## Portfolio & Asset Management

*Matteo Ravà, Head of Asset Management*

## Market Outlook

*Gabriele Bonfiglioli, Head of Investments*

## Closing Remarks

*Manfredi Catella, CEO*

## Appendix

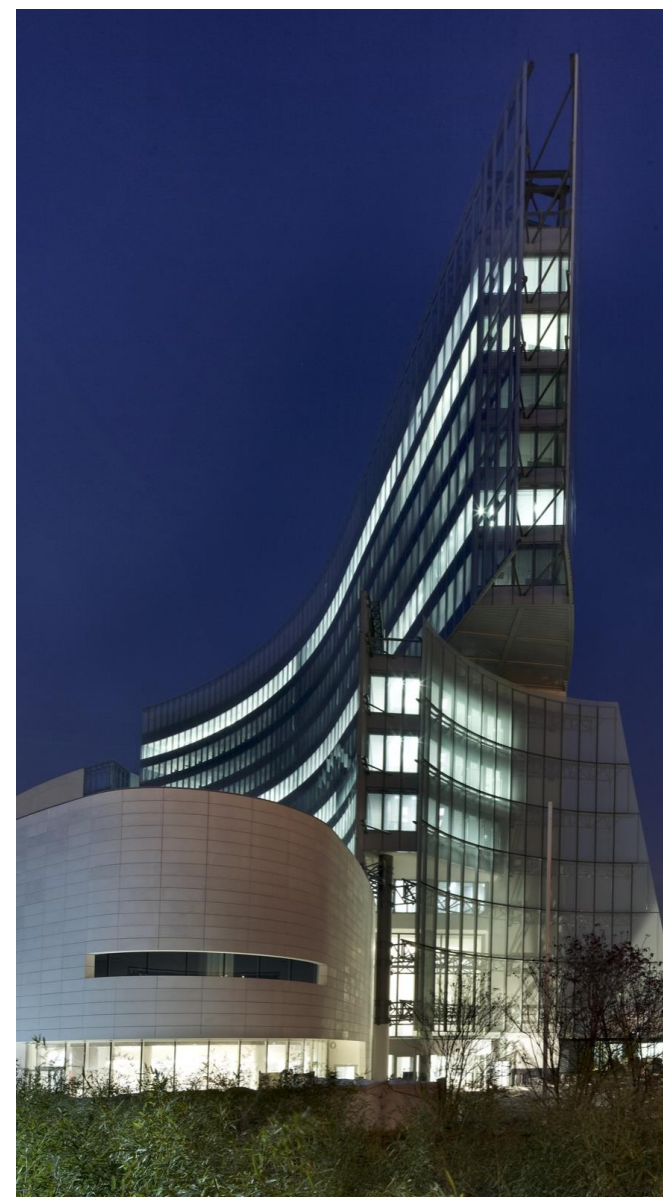
**COIMARES**



# INCOME STATEMENT



€M	2018	2017	Δ Y-Y (%)	Δ Y-Y
Rents	36.3	34.2	5.9%	2.0
Net real estate operating expenses	(4.0)	(3.7)	5.5%	(0.2)
<b>NOI</b>	<b>32.3</b>	<b>30.5</b>	<b>5.9%</b>	<b>1.8</b>
<b>NOI margin (%)</b>	<b>89.1%</b>	<b>89.1%</b>	<b>n.m.</b>	<b>flat</b>
Capital gain on disposals	5.6	0.0	n.m.	5.6
G&A	(8.6)	(8.0)	7.5%	(0.6)
<b>G&amp;A / Rents (%)</b>	<b>23.7%</b>	<b>23.3%</b>	<b>n.m.</b>	<b>0.0</b>
Other expenses	(2.4)	(0.1)	n.m.	(2.3)
Non-recurring general expenses	(1.9)	(0.9)	n.m.	(1.0)
<b>EBITDA</b>	<b>25.0</b>	<b>21.6</b>	<b>15.9%</b>	<b>3.4</b>
<b>EBITDA margin (%)</b>	<b>69.0%</b>	<b>63.1%</b>	<b>n.m.</b>	<b>590 bps</b>
<b>EBITDA margin excl. promote fee and capital gain on disposals (%)</b>	<b>60.6%</b>	<b>63.1%</b>	<b>n.m.</b>	<b>(250) bps</b>
Net depreciation	(1.2)	(0.0)	n.m.	(1.1)
Net movement in fair value	28.3	15.3	n.m.	13.0
<b>EBIT</b>	<b>52.2</b>	<b>36.9</b>	<b>41.5%</b>	<b>15.3</b>
Financial income	0.0	0.5	n.m.	(0.5)
Income from investments	2.4	0.0	n.m.	2.3
Financial expenses	(6.3)	(6.8)	(7.2%)	0.5
<b>Profit before taxation</b>	<b>48.3</b>	<b>30.7</b>	<b>57.4%</b>	<b>17.6</b>
Income tax	0.0	0.0	n.m.	0.0
<b>Profit for the period after taxation</b>	<b>48.3</b>	<b>30.7</b>	<b>57.4%</b>	<b>17.6</b>
Minorities	(2.0)	(1.8)	13.7%	(0.2)
<b>Profit attributable to COIMA RES</b>	<b>46.3</b>	<b>28.9</b>	<b>60.2%</b>	<b>17.4</b>
EPRA adjustments	(31.2)	(13.6)	n.m.	(17.6)
<b>EPRA Earnings</b>	<b>15.1</b>	<b>15.3</b>	<b>(1.3%)</b>	<b>(0.2)</b>
<b>EPRA Earnings per share (€)</b>	<b>0.42</b>	<b>0.42</b>	<b>(1.3%)</b>	<b>0.00</b>
<b>FFO</b>	<b>22.0</b>	<b>15.3</b>	<b>43.7%</b>	<b>6.7</b>
FFO adjustments	(4.3)	1.5	n.m.	(5.8)
<b>Recurring FFO</b>	<b>17.7</b>	<b>16.8</b>	<b>5.0%</b>	<b>0.8</b>
<b>Recurring FFO per share (€)</b>	<b>0.49</b>	<b>0.47</b>	<b>5.0%</b>	<b>0.02</b>



# BALANCE SHEET



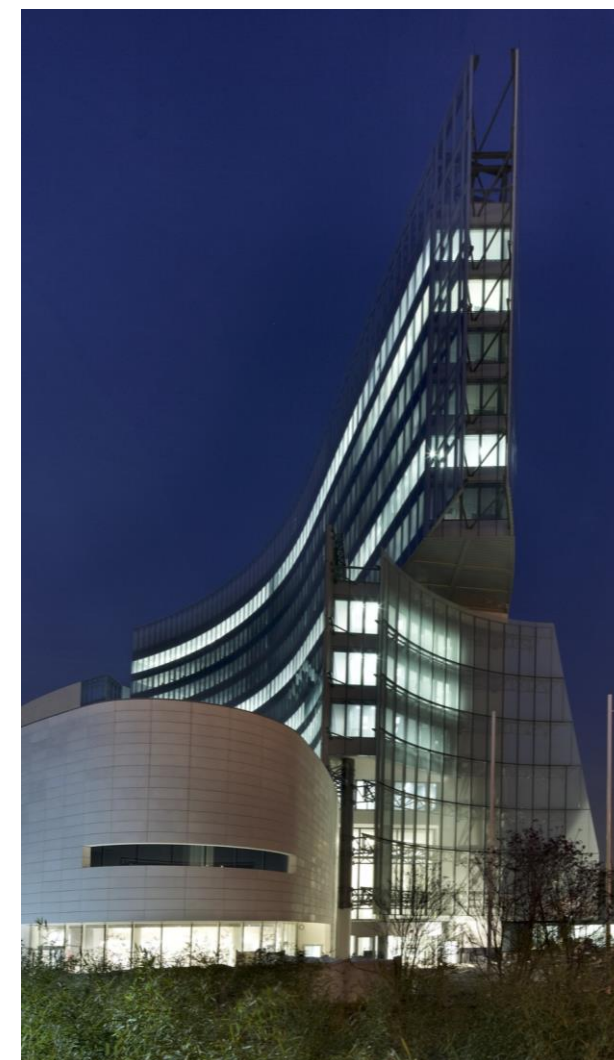
€M	DEC-18	DEC-17	Δ	DEC-18 <sup>1</sup>
Investment properties	623.5	575.6	48.0	663.9
Other assets	2.9	4.2	(1.3)	2.9
Investments (equity method)	21.5	16.9	4.6	1.5
<b>Total LT assets</b>	<b>647.9</b>	<b>596.6</b>	<b>51.3</b>	<b>668.3</b>
Trade receivables	8.2	8.2	0.0	8.7
Cash	82.2	27.0	55.2	82.4
<b>Total current assets</b>	<b>90.5</b>	<b>35.2</b>	<b>55.2</b>	<b>91.1</b>
Assets held for sale	-	38.0	(38.0)	-
<b>Total assets</b>	<b>738.4</b>	<b>669.9</b>	<b>68.5</b>	<b>759.4</b>
Debt	291.3	240.4	50.9	311.3
Provisions	0.2	0.1	0.0	0.2
Other liabilities	2.1	0.1	2.0	2.1
Trade payables	12.5	11.2	1.3	13.6
Current financial debt	-	22.7	(22.7)	-
<b>Total liabilities</b>	<b>306.1</b>	<b>274.6</b>	<b>31.6</b>	<b>327.2</b>
Minorities	13.5	11.9	1.6	13.5
<b>NAV</b>	<b>418.7</b>	<b>383.4</b>	<b>35.3</b>	<b>418.7</b>
<b>LTV</b>	<b>33.5%</b>	<b>37.1%</b>	<b>(3.5 p.p.)</b>	<b>34.5%</b>



# CASH FLOW



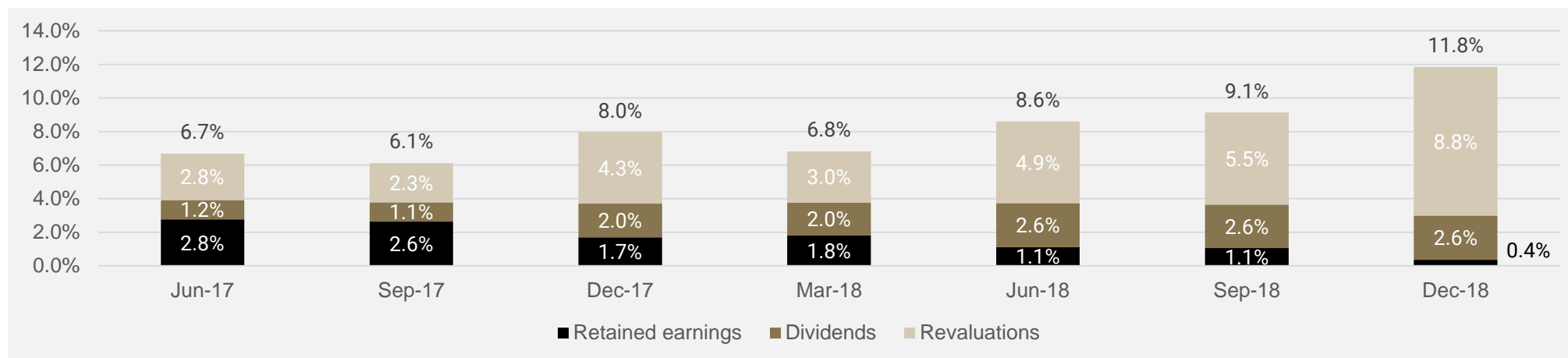
€M	2018	2017	Δ
<b>Profit (loss) for the period</b>	<b>48.3</b>	<b>30.7</b>	<b>17.6</b>
Non cash items adjustments	(27.3)	(14.4)	(12.9)
Changes in working capital	0.6	3.6	(3.0)
<b>Net cash flows generated (absorbed) from operating activities</b>	<b>21.6</b>	<b>19.9</b>	<b>1.7</b>
<b>Investment activities</b>			
(Acquisition) / disposal of real estate property	18.2	(105.1)	123.3
(Acquisition) / disposal of other tangible assets	(0.1)	(0.4)	0.3
(Acquisition) / disposal of other non-current assets	-	38.0	(38.0)
(Acquisition) / disposal of financial assets	1.4	(1.5)	2.9
Acquisition of associated companies	(2.2)	(0.6)	(1.6)
<b>Net cash flows generated (absorbed) from investment activities</b>	<b>17.4</b>	<b>(69.6)</b>	<b>87.0</b>
<b>Financing activities</b>			
Shareholders' contributions / (Dividend payment)	(10.1)	(7.3)	(2.8)
Increase / (decrease) in bank borrowings	28.1	(27.3)	55.4
Other change in financing activities	(1.8)	(1.7)	(0.1)
<b>Net cash flows generated (absorbed) from financing activities</b>	<b>16.2</b>	<b>(36.3)</b>	<b>52.6</b>
Net (decrease) / increase in cash equivalents and short-term deposits	55.2	(86.1)	141.2
Cash equivalents and short-term deposits (beginning of the period)	27.0	113.1	(86.1)
<b>Cash equivalents and short-term deposits (end of the period)</b>	<b>82.2</b>	<b>27.0</b>	<b>55.2</b>



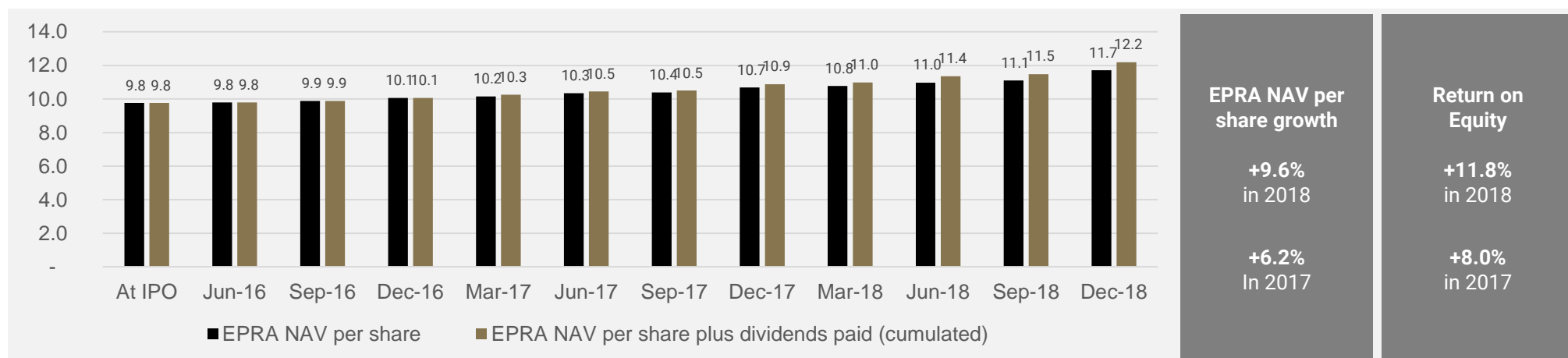
# RETURN ON EQUITY - EVOLUTION SINCE IPO



## RETURN ON EQUITY BREAKDOWN (ROLLING LAST TWELVE MONTHS)



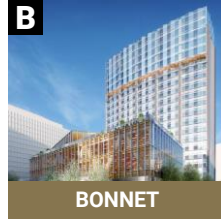
## EPRA NAV PER SHARE GROWTH PROFILE



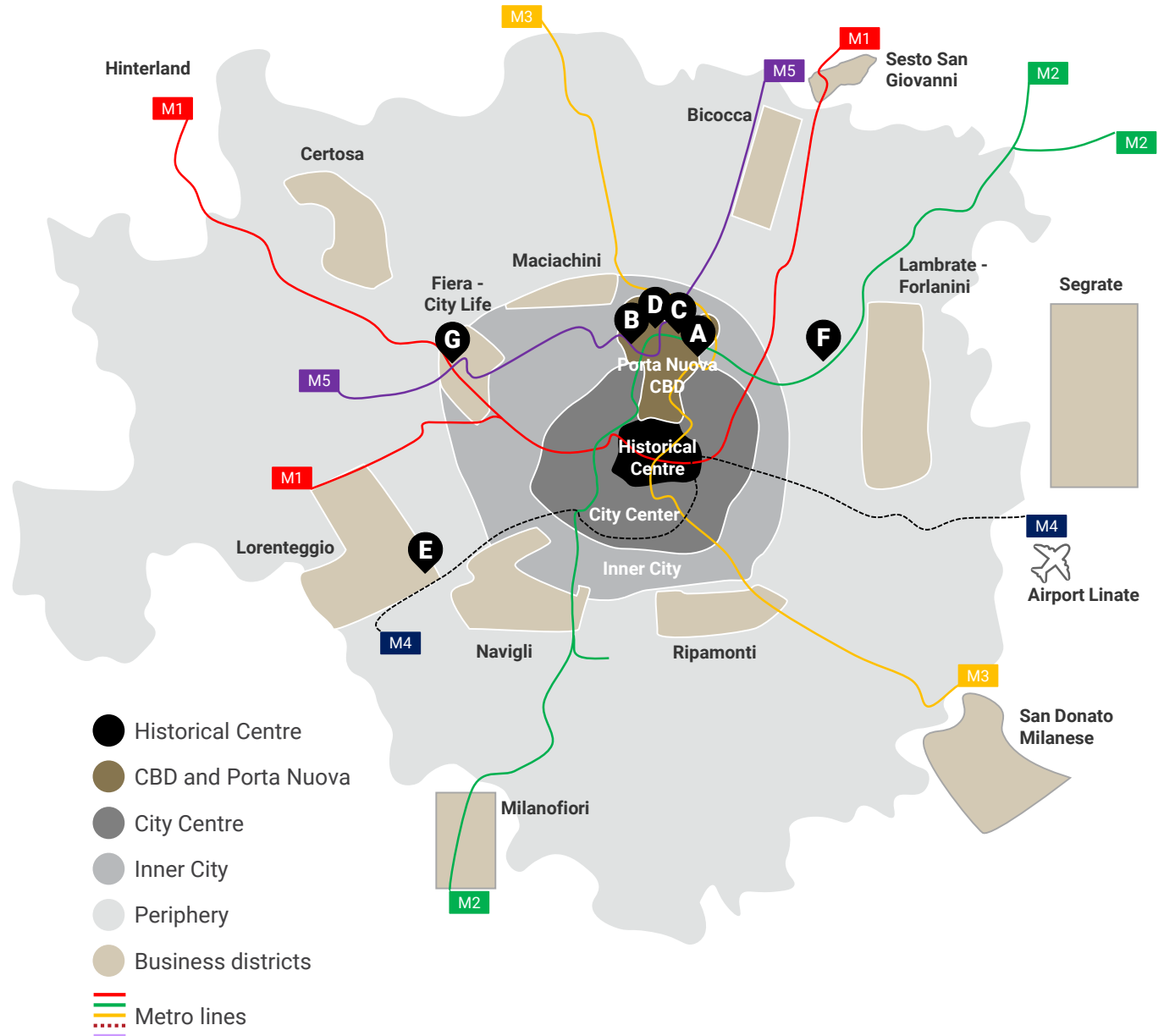
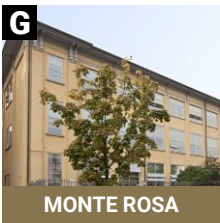
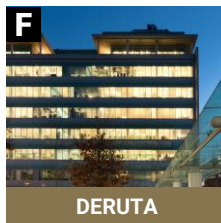
# COIMA RES - MILAN OFFICE ASSETS



## PORTA NUOVA



## OTHER DISTRICTS



# PORTA NUOVA - OVERVIEW



Approx. 40% of COIMA RES assets are in Milan Porta Nuova, the most sustainable & innovative business district in Italy

**COIMA SGR AWARDS:**

**"BEST URBAN REGENERATION PROJECT - Porta Nuova"**  
MIPIM (2018)

**"BEST OFFICE & BUSINESS DEVELOPMENT - Fondazione Feltrinelli & Microsoft House"**  
MIPIM (2018)

**"BEST TALL BUILDING WORLDWIDE - Bosco Verticale"**  
CTBUH (2015)



**HIGHEST CONCENTRATION OF LEED BUILDINGS IN ITALY**  
(31 EXISTING + 9 IN PIPELINE)

**+9.9% RENTAL AND OCCUPANCY GROWTH FORECAST**  
(2019-2021)

**38 PRIME CORPORATE TENANTS, MORE EXPECTED TO JOIN**

**HOME TO 35,000+ EMPLOYEES**

**+30% EXPECTED INCREASE IN NUMBER OF EMPLOYEES**  
(2018-2022)



# PORTFOLIO - DETAILS



	DEUTSCHE BANK	VODAFONE COMPLEX	GIOIAOTTO <sup>1</sup>	BONNET	DERUTA	MONTE ROSA	TOCQUEVILLE	PAVILION	TOTAL
Location	North & Centre of Italy	Milan Lorenteggio	Milan P. Nuova	Milan P. Nuova	Milan Lambrate	Milan CityLife	Milan P. Nuova	Milan P. Nuova	-
Asset class	Bank Branches	Office	Office, Hotel	Office, Retail	Office	Office	Office	Office	-
Product type	Core	Core	Core +	Value-add	Core	Core +	Core +	Core +	-
% of ownership	100.0%	100.0%	86.7%	35.7%	100.0%	100.0%	100.0%	100.0%	-
<b>Gross Asset Value ("GAV")</b>	<b>€96.5m</b>	<b>€209.3m</b>	<b>€79.8m</b>	<b>€40.4m<sup>2</sup></b>	<b>€49.8m</b>	<b>€60.4m</b>	<b>€58.9m</b>	<b>€70.0m</b>	<b>€665.0m</b>
WALT (years)	7.8	8.1	5.6	1.8	3.0	4.1	1.5 <sup>5</sup>	9.1 <sup>6</sup>	6.5 <sup>6</sup>
EPRA occupancy rate	81%	100%	100%	n.a.	100%	91%	100%	100% <sup>6</sup>	95.9% <sup>6</sup>
Gross initial rent	€5.2m	€14.0m	€3.3m	€0.3m <sup>2</sup>	€3.6m	€3.7m	€2.4m	€1.3m <sup>6</sup>	€33.8m <sup>6</sup>
EPRA net initial yield	4.5%	6.2%	3.7%	n.a.	6.6%	5.0%	3.6%	1.6% <sup>6</sup>	4.8% <sup>6</sup>
EPRA topped-up net initial yield	4.5%	6.2%	4.5%	n.a.	6.6%	5.2%	3.6%	4.8% <sup>6</sup>	5.2% <sup>6</sup>
Expected net stabilised yield	5.3% <sup>3</sup>	6.2%	4.5%	6.2% <sup>4</sup>	6.6%	5.6% <sup>7</sup>	4.9% <sup>4</sup>	4.8% <sup>6</sup>	5.6% <sup>6</sup>

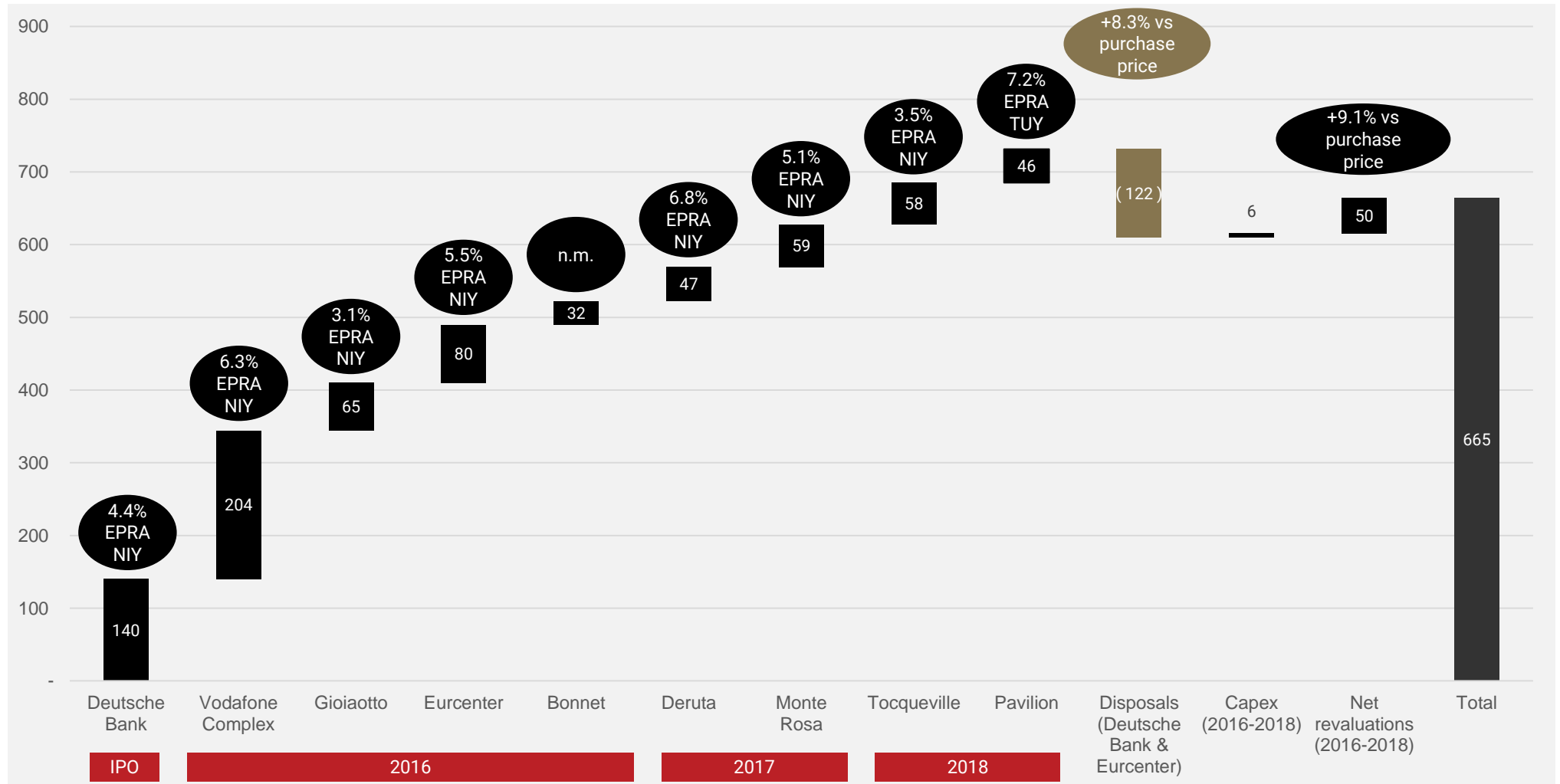
Notes:

- 1) Financial figures consider Gioiaotto as being 100% consolidated
- 2) Including Bonnet on a look through basis
- 3) Calculated excluding the 5 vacant branches
- 4) Yield on cost metric, calculated including expected capex (soft and hard costs) and estimated rental value
- 5) Not considering break options given under-rented nature of the asset
- 6) Assuming the IBM leasing contract as already in place as of December 31<sup>st</sup>, 2018 (effective starting date January 31<sup>st</sup>, 2019)
- 7) Assuming leasing out the vacant portion at market rents and maintenance capex

# GROSS ASSET VALUE - EVOLUTION SINCE IPO



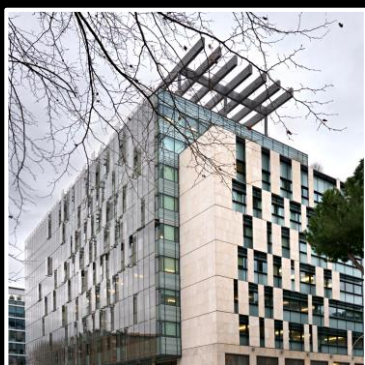
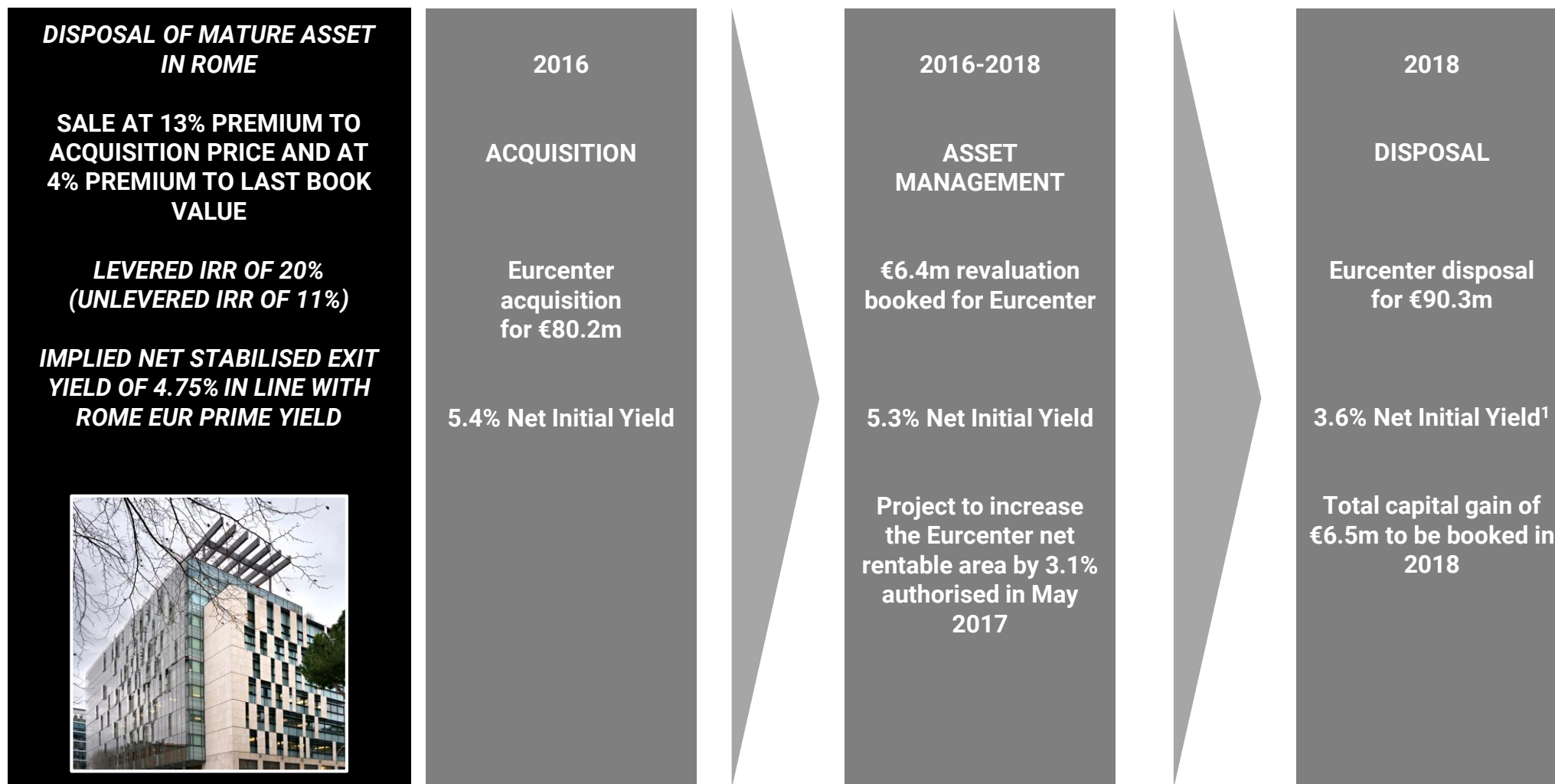
## PORTFOLIO BUILD UP SINCE IPO (€M)



# EURCENTER - VALUE CREATION IN DISPOSALS



Asset sold for €90.3m: 13% premium to acquisition price, 20% levered IRR



# PAVILION / IBM - VALUE CREATION IN LEASING



Achieved > 200 bps additional yield vs underwriting plan and brought forward cash flow by 3 years

**LEASING TO SINGLE BLUE CHIP TENANT (IBM)**

**NO MATERIAL CAPEX FOR COIMA RES**

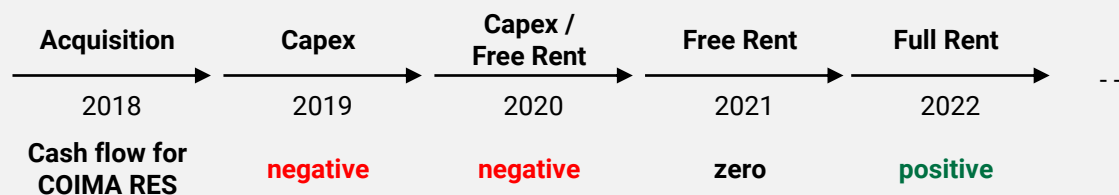
**CASH FLOW FROM YEAR 1**

**LEASING AT NET YIELD ON ACQUISITION PRICE OF 7.2%**



- Signed preliminary purchase agreement with UniCredit in May 2018 for €46.3m
- Signed a 9 + 6 years lease agreement with IBM in August 2018 for 100% of the complex
  - effective from Q1 2019
  - initial gross rent of €1.25m increasing to €3.5m after the first 12 months
- No material capex for COIMA RES to host IBM in the Pavilion
- Acquisition closed in Nov-18
- Revaluation of €24m booked in Q4 2018 (+52% on acquisition price)

**Underwriting business plan at acquisition**



**IBM leasing**



# BONNET - VALUE CREATION IN RETROFIT



## A “next generation” project in the heart of Porta Nuova

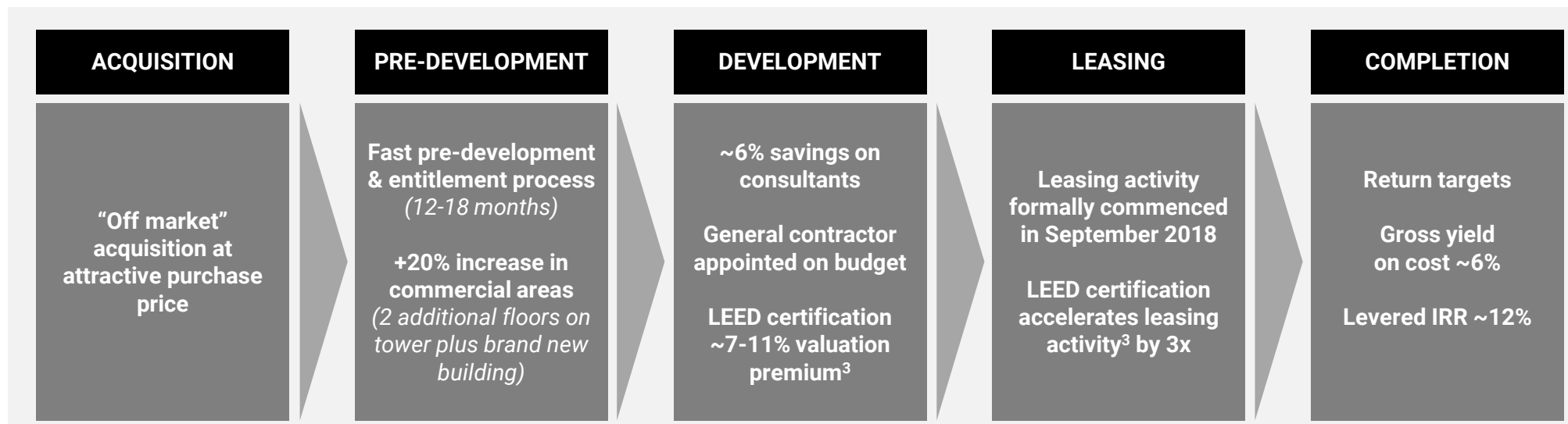
- **Value-add project in the heart of Milan Porta Nuova**
  - Joint venture<sup>1</sup> between COIMA RES and COF II
- **Cutting edge sustainable and innovative technologies**
  - Award winning<sup>2</sup> firm PLP Architecture leading the project
  - Smart Building infrastructure: > 5,000 monitoring sensors, cloud based analytics
  - Approx. 65% of energy use from renewable sources (NZEB)
  - Targeting LEED Gold, WELL Gold and Cradle to Cradle certifications
- **Place-making**
  - Creation of a new public space (c. 2,500 sqm)
  - ~ €1m to be invested in improving c. 6,000 sqm of public area
  - Seamless integration of streets connecting to Corso Como & Porta Nuova



Integrated  
Internet of  
Things  
platform



## VALUE CREATION AT EACH STEP OF THE PROCESS AIMED AT DELIVERING THE MOST COMPETITIVE PRODUCT



Note:

- 1) COIMA RES owns 35.7% stake (remaining stake owned by COIMA Opportunity Fund II)
- 2) PLP Architecture track record includes high profile projects such as “The Edge” in Amsterdam (named the world’s most sustainable building)
- 3) Based on study by Re+build, CBRE and GBCI

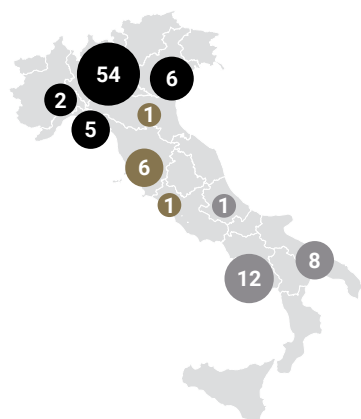
# BANK BRANCHES - DISPOSALS SINCE IPO



Sold c. 30% of initial IPO portfolio (€41.5m) at a valuation in line with IPO contribution value

## PORTFOLIO AT IPO (MAY-16)

#: 96 branches<sup>1</sup>  
Book Value @ IPO: €140.1m



**North**  
#: 67 branches  
Book Value @ IPO: €83.9m (60% of total)

**Centre**  
#: 8 branches  
Book Value @ IPO: €17.0m (12% of total)

**South**  
#: 21 branches  
Book Value @ IPO: €39.2m (28% of total)

## DISPOSALS SINCE IPO

#: 26 branches<sup>2</sup>  
Sale Price: €41.5m  
Delta vs Book Value @ IPO: 0.1% premium

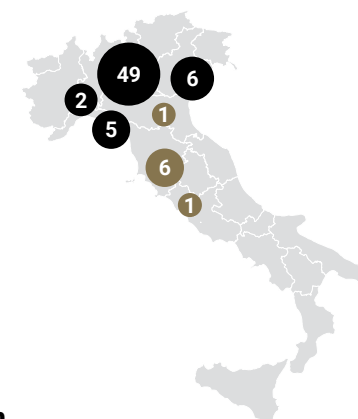


**North**  
#: 5 branches  
Sale Price: €3.5m  
Delta vs Book Value @ IPO: 1.7% premium

**South**  
#: 21 branches  
Sale Price: €38.0m  
Delta vs Book Value @ IPO: 0.1% discount

## CURRENT PORTFOLIO

#: 70 branches<sup>3</sup>  
Book Value @ Dec-18: €96.5m



**North**  
#: 62 branches (3 vacant)  
Book Value @ Dec-18: €79.8m (83% of total)

**Centre**  
#: 8 branches (1 vacant)  
Book Value @ Dec-18: €16.7m (17% of total)

Note:

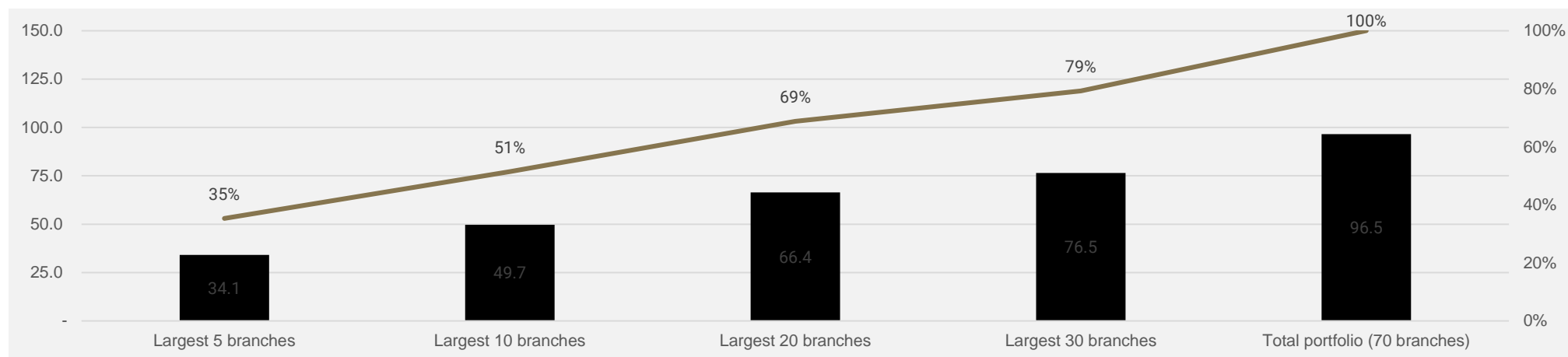
- 1) of which 6 vacant
- 2) of which 1 branch sold in 2016 (North of Italy), 2 branches sold in 2017 (North of Italy), 21 branches sold in Jan-18 (South of Italy) and 2 branches sold Sep-18 (North of Italy)
- 3) of which 4 vacant (Livorno, Torino, Padova, Novedrate), ERV of vacant branches is €0.9m, Book Value of vacant branches is €9.1m as of December 31<sup>st</sup>, 2018

# BANK BRANCHES - BREAKDOWN OF PORTFOLIO

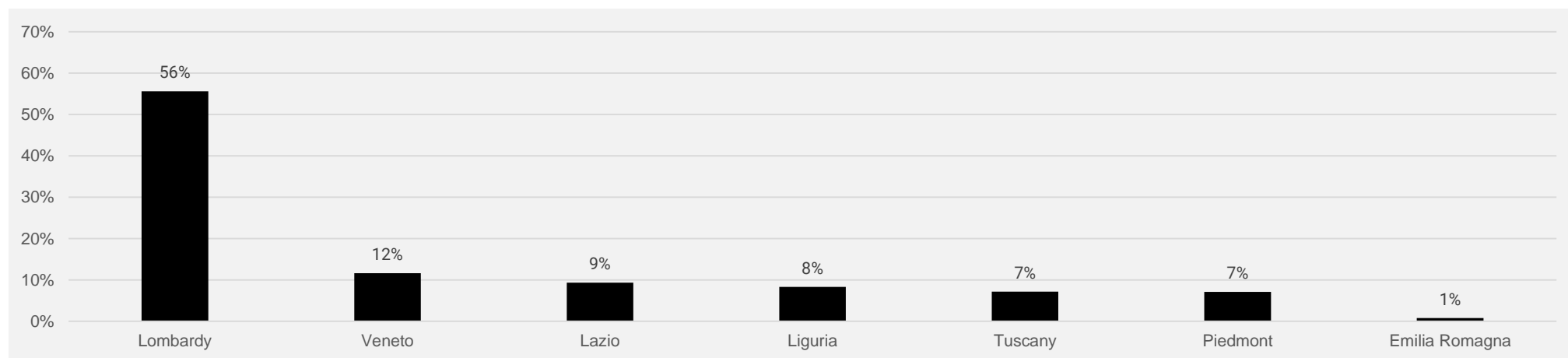


Out of the 70 branches, the largest 10 (30) make 50% (80%) of the overall portfolio value  
56% of bank branches value is in Lombardy

## BOOK VALUE DISTRIBUTION BY BRANCH<sup>1</sup> (€M)



## BOOK VALUE DISTRIBUTION BY REGION (%)



# VODAFONE COMPLEX

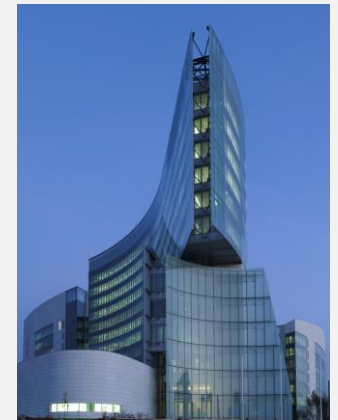


A LEED certified property in the Milan Lorenteggio District serving as Italian HQ for Vodafone

## KEY DATA

■ Construction Year	2012
■ Refurbishment Year	n.a.
■ Acquisition Year by COIMA RES	2016
■ Asset Type	Office
■ Tenant	Vodafone
■ Surface	46,323 sqm
■ Fair Value	€209.3m
■ Gross Initial Rent	€14.0m
■ EPRA Net Initial Yield	6.2%
■ WALT	8.1 years
■ EPRA Occupancy Rate	100%
■ Certification	LEED Silver
■ Architect	Gantes & Marini

## PICTURES





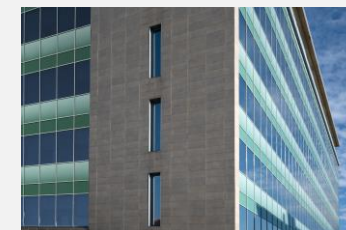
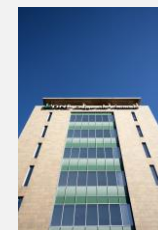
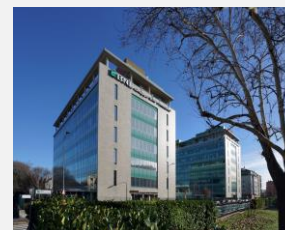


A modern office building in the Milan Lambrate district well connected with public transportation

## KEY DATA

■ Construction Year	2007
■ Refurbishment Year	n.a.
■ Acquisition Year by COIMA RES	2017
■ Asset Type	Office
■ Tenant	BNL (BNP Paribas)
■ Surface	27,571 sqm
■ Fair Value	€49.8m
■ Gross Initial Rent	€3.6m
■ EPRA Net Initial Yield	6.6%
■ WALT	3.0 years
■ EPRA Occupancy Rate	100%
■ Certification	n.a.
■ Architect	n.a.

## PICTURES



# MONTE ROSA



An under-rented office building in the Milan City Life-Lotto district well connected with public transport

## KEY DATA

■ Construction Year	1942 / 1956 / 1961
■ Last Refurbishment Year	1997
■ Acquisition Year by COIMA RES	2017
■ Asset Type	Office
■ Tenant	Techint / PwC
■ Surface	19,539 sqm
■ Fair Value	€60.4m
■ Gross Initial Rent	€3.7m
■ EPRA Net Initial Yield	5.0%
■ WALT	4.1 years
■ EPRA Occupancy Rate	91%
■ Certification	n.a.
■ Architect	n.a.

## PICTURES





## A LEED certified property in Milan Porta Nuova with embedded rental growth

### KEY DATA

■ Construction Year	1970s
■ Last Refurbishment Year	2014
■ Acquisition Year by COIMA RES	2016
■ Asset Type	Hotel / Office
■ Tenants	NH Hotel / Angelini / QBE / etc
■ Surface	14,545 sqm
■ Fair Value	€79.8m
■ Gross Initial Rent	€3.3m
■ EPRA Net Initial Yield	3.7%
■ WALT	5.6 years
■ EPRA Occupancy Rate	100%
■ Certification	LEED Platinum
■ Architect	Park Associati

### PICTURES



# TOCQUEVILLE



An under-rented and strategically located property in Milan Porta Nuova with meaningful growth potential

## KEY DATA

■ Construction Year	1969
■ Last Refurbishment Year	2003
■ Acquisition Year by COIMA RES	2018
■ Asset Type	Office
■ Tenant	Sisal
■ Surface	10,922 sqm
■ Fair Value	€58.9m
■ Gross Initial Rent	€2.4m
■ EPRA Net Initial Yield	3.6%
■ WALT	1.5 years
■ EPRA Occupancy Rate	100%
■ Certification	n.a.
■ Architect	n.a.

## PICTURES



# PAVILION



A unique property in Milan Porta Nuova leased to a blue chip tenant

## KEY DATA

■ Construction Year	2014
■ Refurbishment Year	n.a.
■ Acquisition Year by COIMA RES	2018
■ Asset Type	Office
■ Tenant	IBM (from January 31 <sup>st</sup> , 2019)
■ Surface	3,576 sqm
■ Fair Value	€70.0m
■ Gross Initial Rent	€1.3m (from January 31 <sup>st</sup> , 2019)
■ EPRA Topped-up Net Yield	4.8% (from January 31 <sup>st</sup> , 2019)
■ WALT	9.0 years (from January 31 <sup>st</sup> , 2019)
■ EPRA Occupancy Rate	100% (from January 31 <sup>st</sup> , 2019)
■ Certification	LEED Gold
■ Architect	Michele De Lucchi

## PICTURES



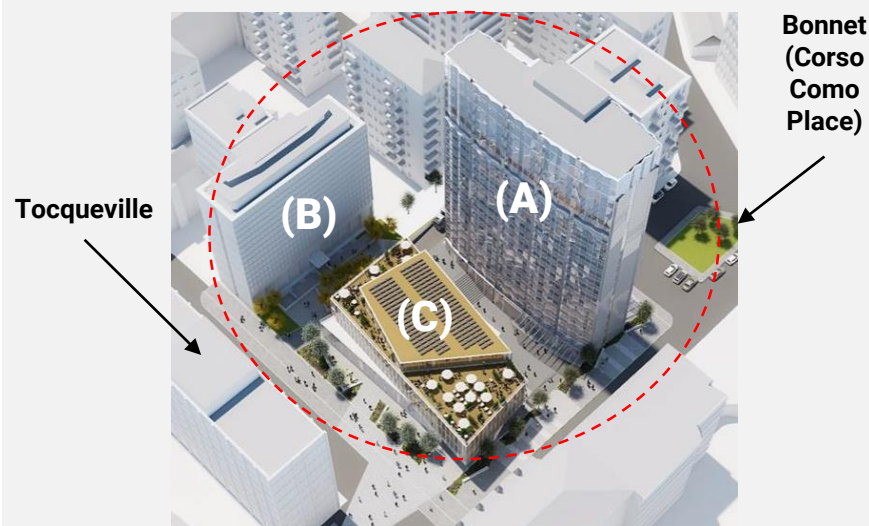
# BONNET - A “NEXT GENERATION” PROJECT



## A “next generation” project in the heart of Porta Nuova

- **Value-add project in the heart of Milan Porta Nuova**
  - Joint venture<sup>1</sup> between COIMA RES and COIMA Opportunity Fund II
- **Total project cost of €164m<sup>1</sup>**
  - Purchase price: €89m
  - Estimated capex: €58m
  - Other capitalised expenses, including financing: €16m
- **Leverage and target returns**
  - Gross Yield on Cost: c. 6%
  - Levered IRR: c. 12%
  - Project Loan to Cost: c. 60%
- **Project timeline**
  - Dec-16: Acquisition of the property
  - Jul-18: General contractor appointed & construction works started
  - Sep-18: Commencement of commercialisation to tenants
  - 2020: Expected completion of the works and delivery of the project
- **Cutting edge sustainable and innovative technologies**
  - PLP Architecture leading the project
  - Implementation of Smart Building infrastructure
  - Approx. 65% of energy use from renewable sources
  - Targeting LEED Gold, WELL Gold, NZEB and Cradle to Cradle
- **Place-making**
  - Creation of a new public space
  - Seamless integration of streets connecting to Corso Como & Porta Nuova

- **Building A** (high-rise office tower, 16,000 sqm GBA)
  - existing building, 100% vacant
  - hard refurbishment
- **Building B** (low-rise office tower, 6,200 sqm GBA)
  - existing building, currently >60% leased
  - extraordinary maintenance works only
- **Building C** (new office / retail low-rise, 4,800 sqm GBA)
  - new building (partially replacing underground parking)
  - demolish and rebuild existing underground parking
  - develop new office with ground floor retail

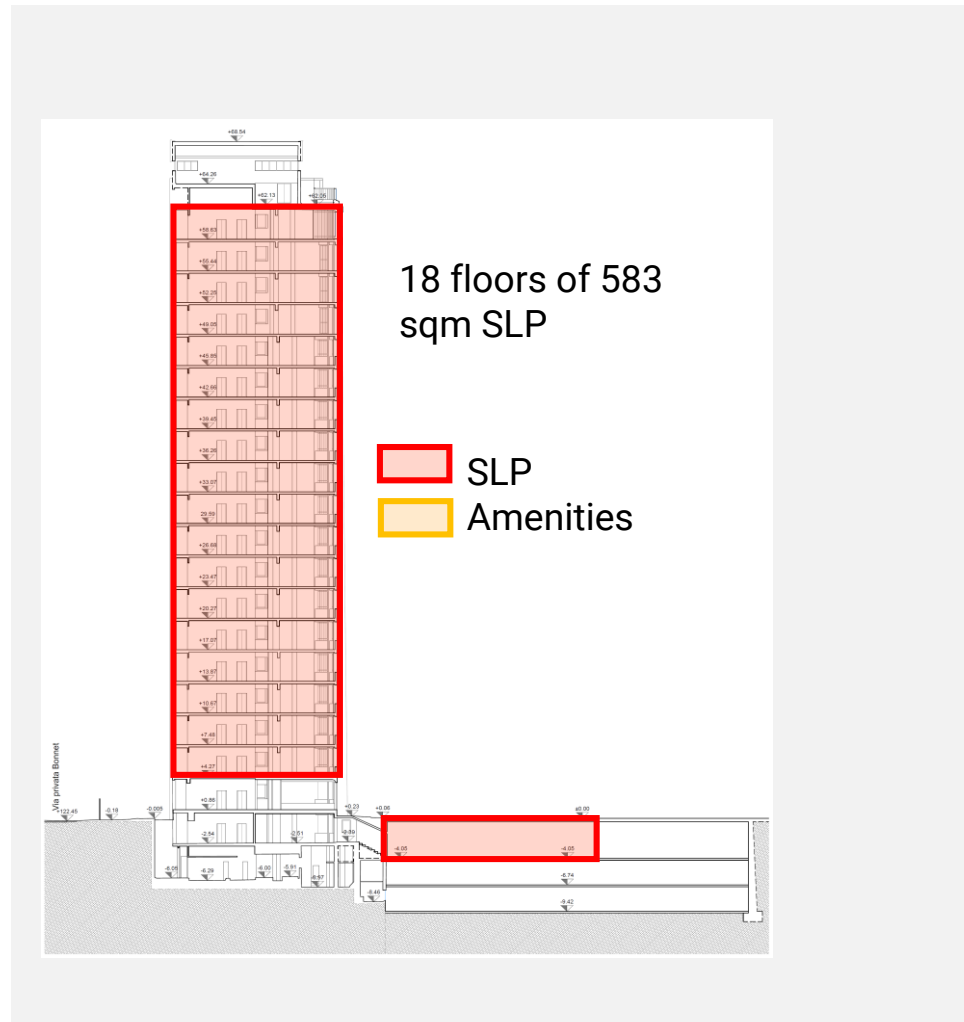


# BONNET - CREATING ADDITIONAL SURFACES

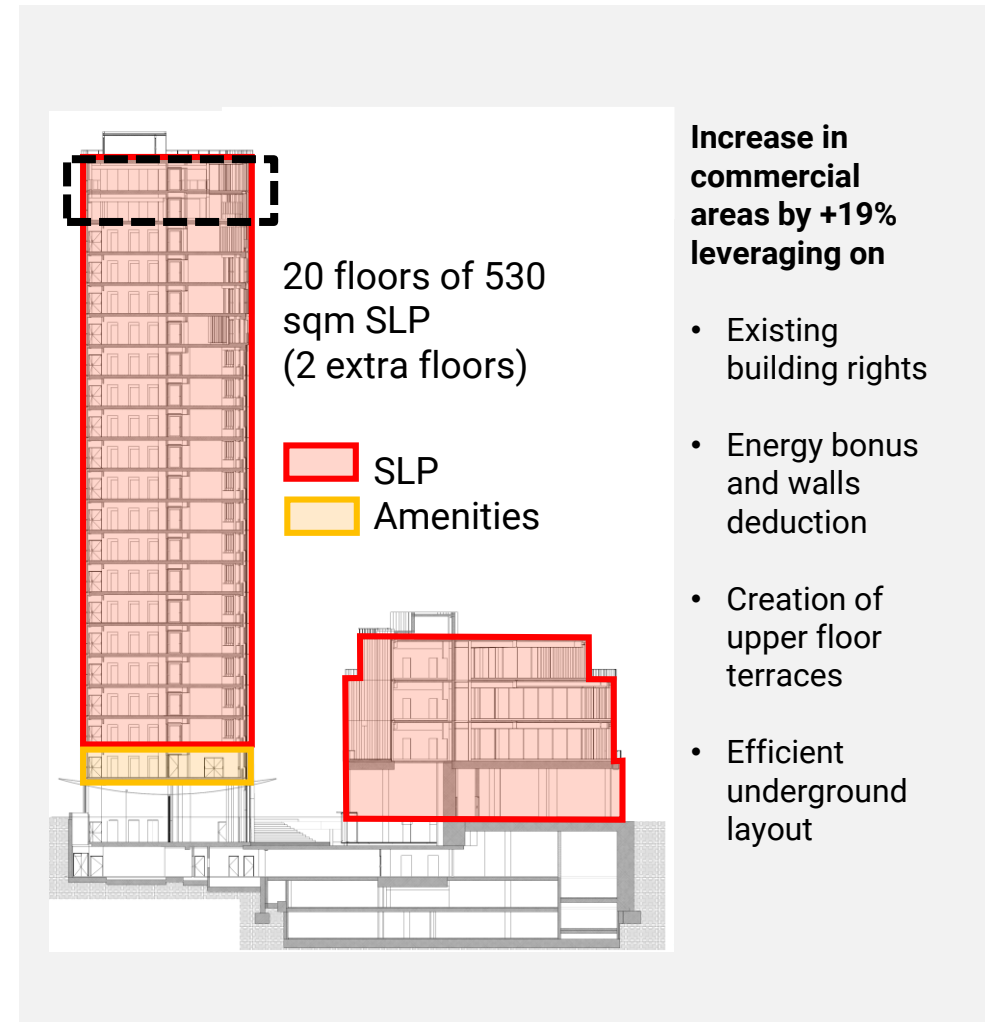


COIMA technical expertise and experience enabled the creation of 19% additional commercial surfaces

## COMMERCIAL AREA AT UNDERWRITING



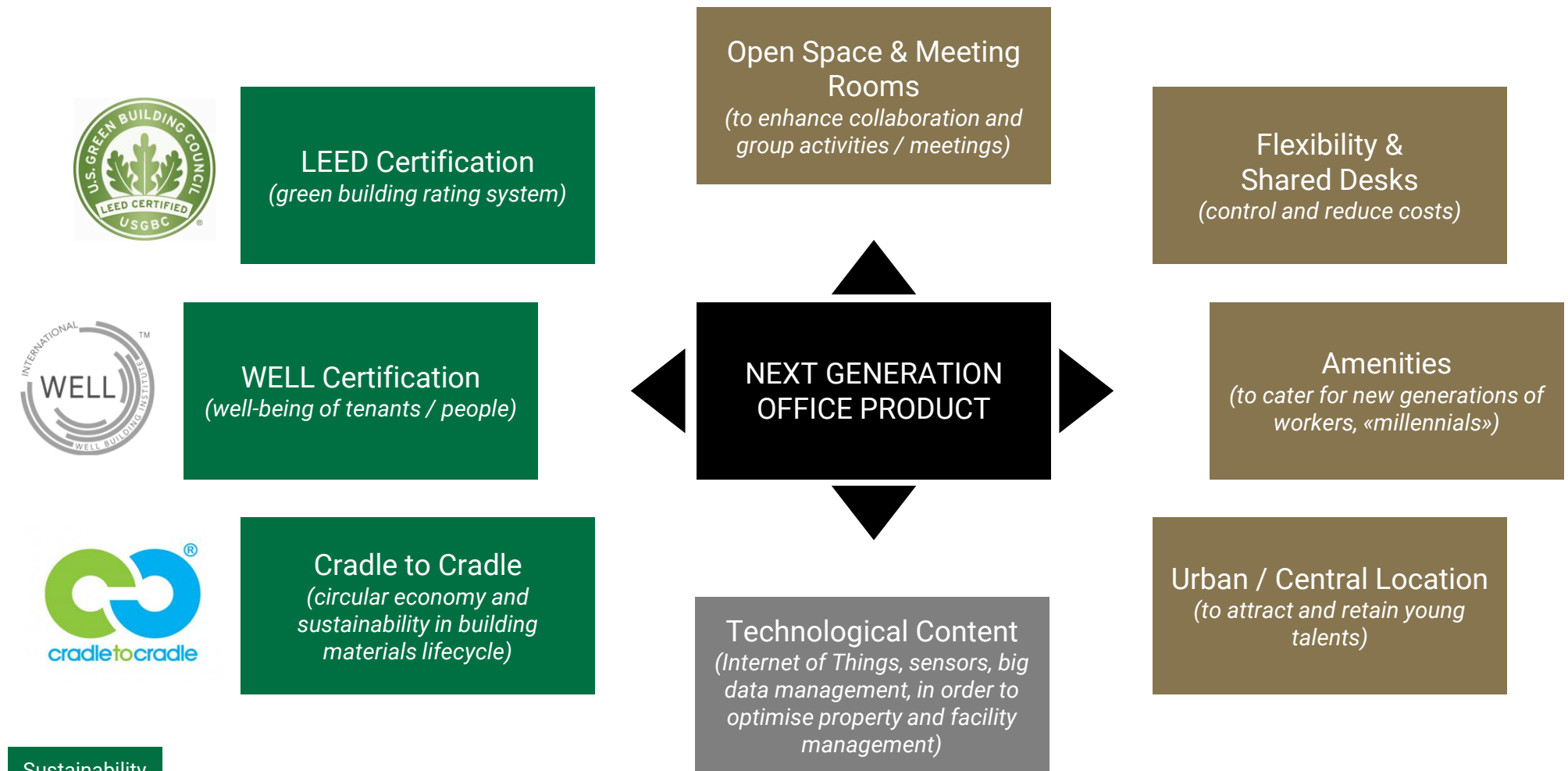
## CURRENT COMMERCIAL AREA



# BONNET - THE "NEXT GENERATION" OFFICE PRODUCT



The Bonnet project matches all the features of "next generation" office products



- Sustainability
- Technology
- Work Culture



# BONNET - ACCOUNTING TREATMENT



- COIMA RES accounts its 35.7% stake in the Bonnet project in its balance sheet as "Investments accounted according to the equity method" but also provides figures on a "look-through" basis (i.e. proportional consolidation) for illustrative purposes
- Rents received on the Bonnet project (by the current tenants) flow through COIMA RES P&L in the "Income from investment" line, net of the operational costs of the asset (i.e. the operating expenses of the asset and fund costs)
- Capex and other project costs (including financing expenses) spent for the Bonnet project flow through COIMA RES cash flow and are capitalised increasing the "Investments accounted according to the equity method" line, they do not have an impact on COIMA RES P&L
- Changes in fair value in the Bonnet project (i.e. revaluations) are reflected in the P&L of COIMA RES through the "Income from investment" line and would affect the balance sheet in the "Investments accounted according to the equity method" line



# OFFICE SUSTAINABILITY PREMIUM



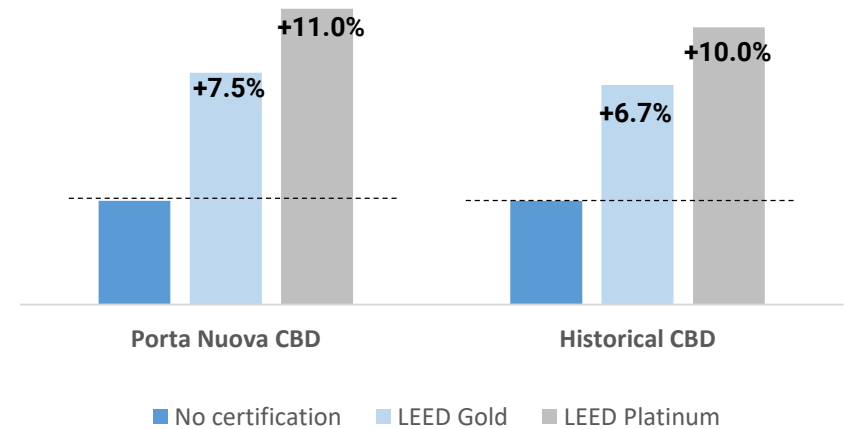
Recent projects delivering quality products have been almost fully pre-let before completion  
 The COIMA platform is currently developing c. 25% of the entire new office stock under construction in Milan



LEED certified buildings in Milan register a 7-11% valuation premium vs. non certified buildings

> 3x of surfaces leased after 3 months for LEED certified buildings (vs non LEED)

Valuation premium for LEED certified building in Milan



**The Corner**

92% pre-let



**Orefici/  
Cantù**

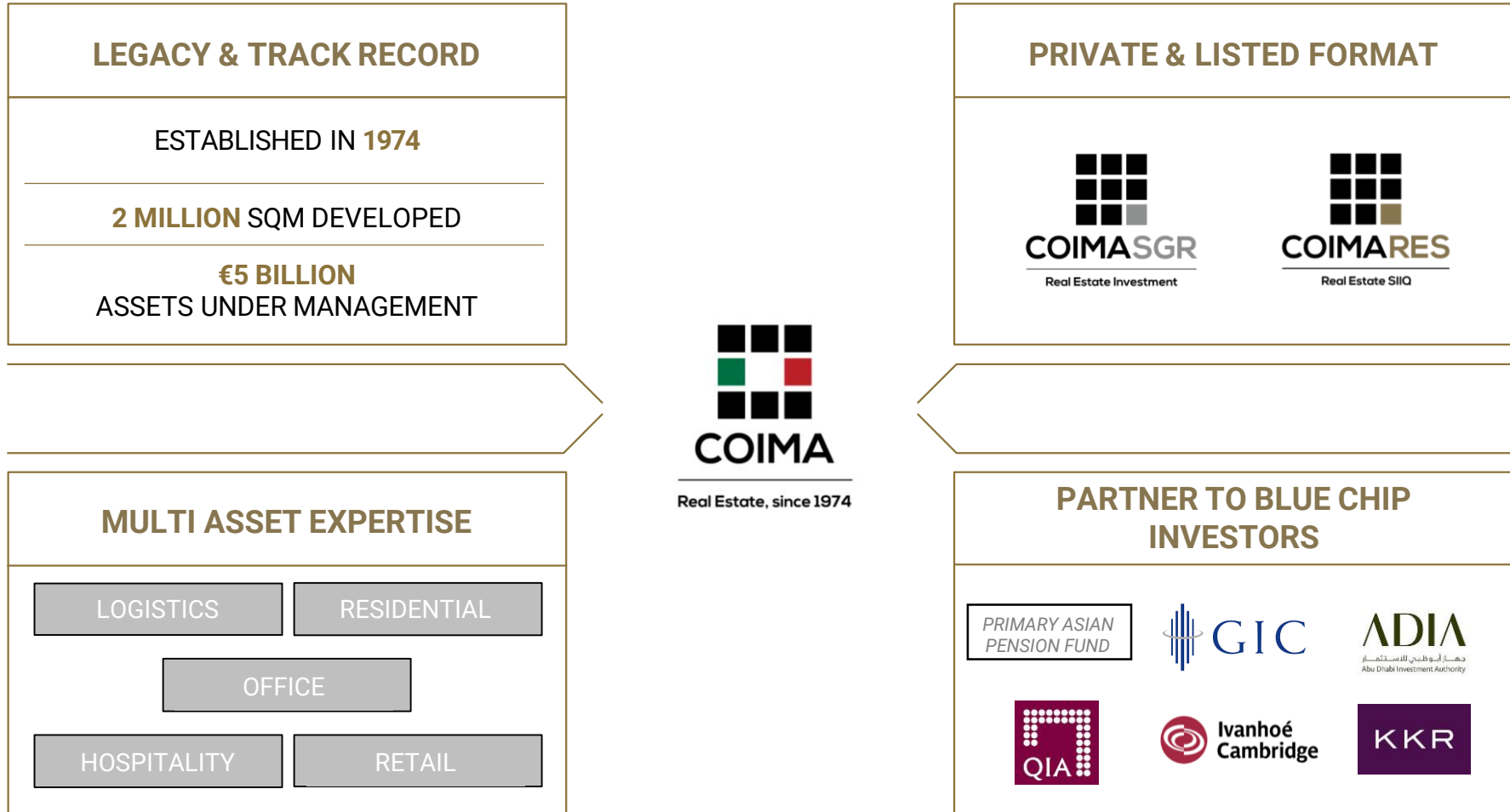
91% pre-let



**Palazzo Aliverti**

Fully pre-let

# COIMA - A VERTICALLY INTEGRATED PLATFORM



# COIMA - 50% SHARE OF GRADE A MILAN OFFICES



**OVER 10 BUILT TO SUIT**  
HEADQUARTERS DEVELOPED IN  
THE LAST 15 YEARS

**APPROX. 1 MILLION SQM**  
OF GRADE A OFFICES  
DEVELOPED

**OVER 15,000**  
CORPORATE EMPLOYEES  
RELOCATED

**BANCA AKROS**



**DELOITTE**



**SAMSUNG**



**UNICREDIT**



**NIKE**



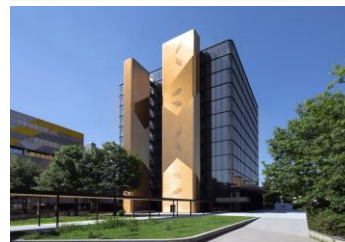
**BNP PARIBAS**



**GOOGLE**



**PHILIPS**



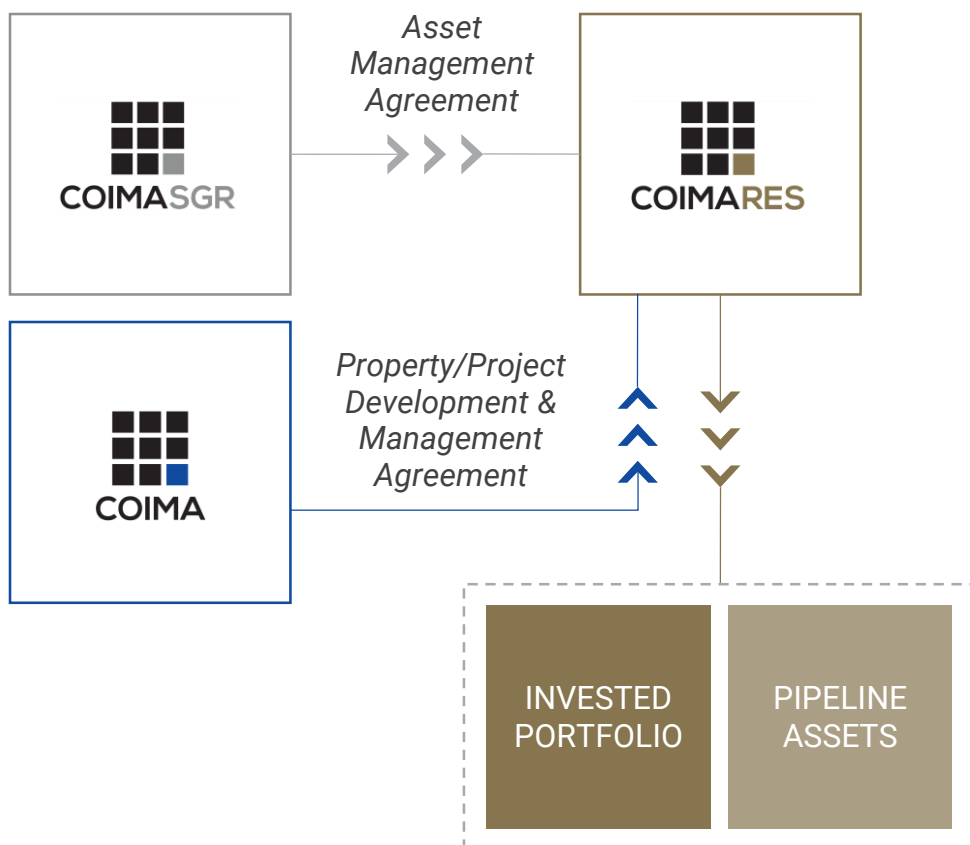
**MICROSOFT**



**HSBC**



# COIMA RES - STRUCTURE OVERVIEW



## COIMA SGR COMPENSATION

BASE FEE	PROMOTE
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- COIMA SGR's compensation is based on NAV with a scale down mechanism:
  - 110 bps (if NAV ≤ €1.0bn)
  - 85 bps (if NAV of €1.0-1.5bn)
  - 55 bps (if NAV ≥ €1.5bn)
- COIMA SGR's (40%) and key managers' (60%) compensation is based on Total Return:
  - 10% above 8% Total Return<sup>1</sup>
  - 20% over 10% Total Return<sup>1</sup>
  - subject to High Watermark

## COIMA SRL COMPENSATION

- COIMA Srl's compensation is based on international benchmark for comparable services
  - 1.0% of annual gross rents for mono-tenant buildings
  - 1.3% of annual gross rents for buildings with 2-4 tenants
  - 1.5% of annual gross rents for buildings with 5 tenants or more

Notes:

1) Total Return defined as NAV per share growth plus dividend paid

# COIMA RES - BEST IN CLASS GOVERNANCE



**Chairman**  
(non executive)

**Massimo Capuano**  
former CEO  
Italian Stock Exchange  
former deputy CEO  
London Stock Exchange

**Manfredi Catella**  
Founder and CEO  
COIMA

**Michel Vauclair**  
Senior Vice President  
Oxford Properties - OMERS

**Feras Abdulaziz Al Naama**  
Qatar Holding

**Olivier Elamine**  
Founder and CEO  
alstria office

**Luciano Gabriel**  
Chairman (and former CEO & CFO)  
PSP Swiss Properties

## Board of Directors

7 of 9 independent  
5 of 9 with real estate experience  
4 of 9 international

**Ariela Caglio**  
Professor  
Bocconi University

**Agostino Ardisson**  
Former Director  
Bank of Italy

**Alessandra Stabilini**  
Lawyer  
NCTM

**Independent**  
(Italian and with strong corporate finance, regulatory and legal expertise)

**Independent**  
(international and with strong real estate expertise)

**Investment Committee**  
Manfredi Catella (Chairman)  
Gabriele Bonfiglioli  
Matteo Ravà  
Michael Vauclair  
Feras Abdulaziz Al Naama

**Remuneration Committee**  
Alessandra Stabilini (Chairman)  
Massimo Capuano  
Olivier Elamine  
Ariela Caglio

**Risk, Control & Related Parties Committee**  
Agostino Ardisson (Chairman)  
Luciano Gabriel  
Alessandra Stabilini  
Ariela Caglio

# TRANSPARENCY, SUSTAINABILITY, INNOVATION



Commitment to be best in class in terms of transparency, reporting, sustainability and innovation

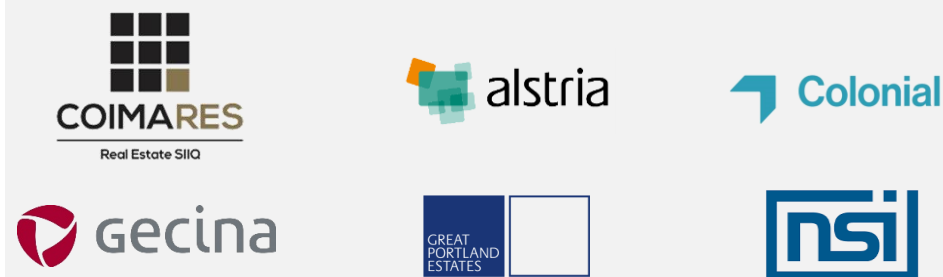
## ■ EPRA GOLD AWARDS IN REPORTING

- COIMA RES received two Gold Awards from the European Public Real Estate Association (EPRA) for its 2016 and 2017 Annual Report and Sustainability Report



## ■ THINK TANK ON SUSTAINABILITY AND INNOVATION

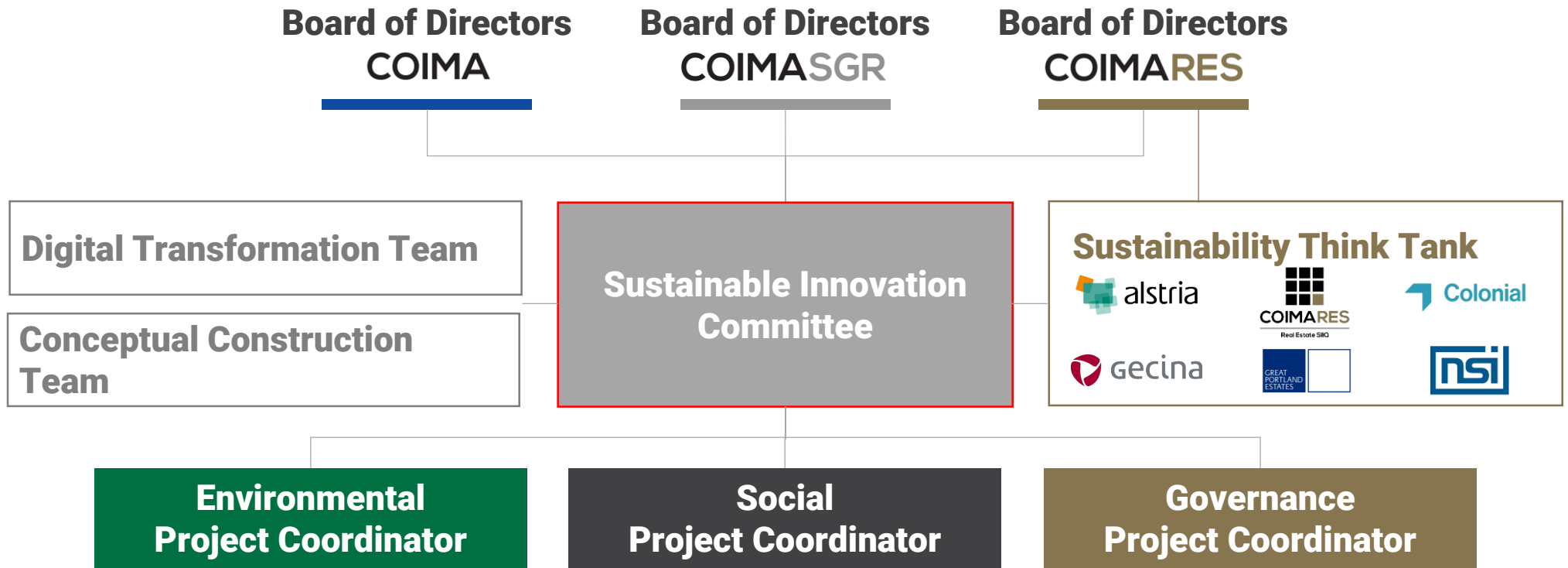
- COIMA RES created a European Think Tank focused on sustainability and innovation with five other REITs (December 2017)



## ■ INCLUDED IN GPR IPCM SUSTAINABILITY INDEX

- COIMA RES was included in GPR IPCM LFSS Sustainable GRES Index since March 19<sup>th</sup>, 2018
- COIMA RES attained a particularly high score of 7.8 out of 10 in the Sustainability and ESG model which considers various factors including strategy, energy efficiency, management of climate change, water efficiency and the recognition of the strong commercial potential of proactively addressing environmental aspects
- COIMA RES is currently a top 25 company out of the 150 companies included in the GPR IPCM Sustainability Index

# IN HOUSE EXPERTISE ON ESG & INNOVATION





# DISCLAIMER

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