



PRELIOS

FY 2012 Financial Results

MILAN, March 27, 2013



Key Messages

- Group Extraordinary Transaction approved
- Focus on the Management Platform for Real Estate Asset and NPL
- Gradual disposal of Co-Investments
- 2013-2016 Strategic Plan approved

Group Extraordinary Transaction: Equity

- 185 €/mio Capital Increase

(of which at least 100 €/mio cash and up to 85 €/mio conversion of debt to equity)

- 70 €/mio: **tranche without pre-emptive rights**

- 50 €/mio cash from the Company's Lenders
 - 20 €/mio cash from the New Investor

- 115 €/mio: **tranche with pre-emptive rights**

- 90 €/mio granted by the Company's Lenders, partly cash and partly conversion of debt to equity
 - 25 €/mio cash from the existing Shareholders' Agreement

Group Extraordinary Transaction: Debt Restructuring

- Group Credit Line 250 €/mio
 - Super Senior Debt:
 - 50 €/mio
 - Maturity 5 yr
 - Bullet repayment
 - 4% Interest Rate
 - 6 months Cash Settlement
 - No financial covenants
 - Senior Debt:
 - 200 €/mio
 - Maturity 6 yr
 - Mandatory repayment only in case of RE and NPL asset disposals
 - 3% Interest Rate PIK for first 4 yr, than step up at market conditions
 - No Financial covenants
- Equity Linked Bond: up to 269 €/mio, with cash-option
 - Maturity 7 yr
 - 1% Interest Rate PIK
 - No financial covenants
 - Trigger event: recapitalization ex art. 2446,2447 Civil Code, date of maturity

EBIT management Platform (€/mln):

- FY2014 : Ebit 14/19 € mln
- FY2015 : Ebit 19/24 € mln
- FY2016 : Ebit 24/28 € mln

Net Financial Position (€/mln):

- FY2014 < 400 € mln
- FY2015 < 350 € mln
- FY2016 < 200 € mln

Group Results

(€/mln)

	Dec 2012	Dec 2011
EBIT Mgmt Platform ¹⁾	13.0	20.3
EBIT investment ²⁾	-19.0	14.4
Net income ³⁾	-241.7	-289.6
Net Financial Position	520.5	488.0
Net Equity	80.4	326.2

1) Excluding impairment losses on service platform for -4.5 mln in December 2012 (-2.5 mln in September 2012).

2) Excluding impairment losses on NPL for -61.6 mln in Dec 2012 (-35.8 mln in Sept 2012 and -60.9 mln in Dec 2011).

3) Including -107.4 mln of losses from real estate devaluations and restructuring costs in December 2012 (-80.5 mln in September 2012 and 243.3 mln in December 2011 besides 8.9 mln of property tax).

Consolidated Profit and Loss

(€/mln)

	DECEMBER 2012	DECEMBER 2011
Revenues	131.0	177.8
<i>of which service activities</i>	124.9	149.0
<i>of which other revenues</i>	6.1	28.8
EBIT services	9.9	19.2
Income from equity participations services	3.1	1.1
Management platform/G&A	13.0	20.3
EBIT consolidated investment activities	(20.6)	(24.5)
Income from equity participations	(10.5)	15.1
Interest income from Shareholders' loans	12.1	23.8
Investments	(19.0)	14.4
EBIT incl. income from equity part. & interest income from shareholders' loans (net of impairment test)	(6.0)	34.8
Impairment test	(66.1) ¹⁾	(60.9)
Rinascente/Coin gain net of related expenses		31.8
EBIT incl. income from equity part. & interest income from shareholders' loans	(72.1)	5.7
Financial charges	(52.0)	(29.8)
Profit (loss) before property tax, restructuring costs, property writedowns/revaluations and income taxes	(124.2)	(24.1)
Restructuring costs	(21.4)	(48.7)
Real estate writedowns/revaluations	(86.0)	(194.6)
One off - Property tax	0.0	(8.9)
Profit before taxes	(231.5)	(276.2)
Income taxes	(9.5)	(15.3)
Net income	(241.0)	(291.5)
Minority interests	(0.7)	1.9
Net income after minority interests	(241.7)	(289.6)

1) Impairment test 2012 is related for -61.6 mln to Investment (NPL portfolios) and -4.5 mln to Management platform.

Management Platform: Revenues and Ebit

(€/mln)

		DECEMBER 2012	DECEMBER 2011
ITALY			
Fund & Asset management	Revenues	23.3	29.1
	Ebit	8.5	16.1
Property	Revenues	15.6 ¹⁾	20.1
	Ebit	5.8	5.6
Agency	Revenues	10.2	23.4
	Ebit	(2.9)	2.6
NPL - Credit Servicing	Revenues	14.0	14.3
	Ebit	0.1 ²⁾	(2.4)
G&A (Holding)	Revenues	1.3	4.2
	Ebit	(9.5)	(9.4)
Total Management Platform ITALY			
	Total Revenues	64.4	91.2
	Total Ebit	2.1	12.6
GERMANY			
Management Platform GERMANY			
	Revenues	59.3	56.2
	Ebit	10.9 ³⁾	9.2
POLAND			
Management Platform POLAND			
	Revenues	1.1	1.7
	Ebit	(0.0)	(1.5)
TOTAL			
	Revenues	124.9	149.0
TOTAL MANAGEMENT PLATFORM		13.0	20.3
	Impairment test	(4.5)	
TOTAL MANAGEMENT PLATFORM		8.5	20.3

- 1) Impact of the closing of the transaction of Progetto Vallata on Ebit for 3.7 mln year to end December 2012 .
- 2) Excluding impairment losses on service platform for -3.4 mln.
- 3) Excluding impairment losses on service platform for -1.1 mln.

Investment: Ebit

(€/mln)

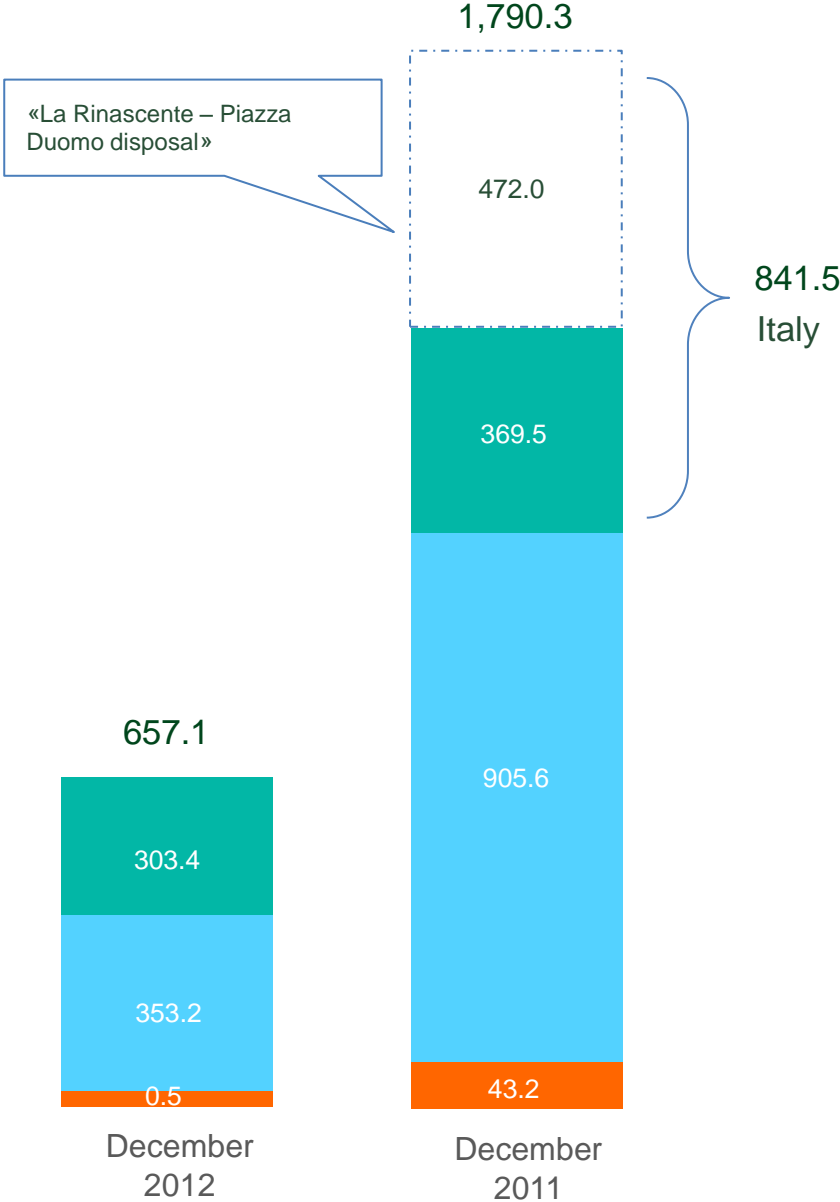
		DECEMBER 2012	DECEMBER 2011
<u>ITALY Real Estate</u>	Ebit	(22.6)	0.6
<u>ITALY NPL</u>	Ebit	2.1	14.6
<u>GERMANY Real Estate</u>	Ebit	2.0	3.9
<u>POLAND Real Estate</u>	Ebit	(0.5)	(4.7)
<u>TOTAL</u>	TOTAL INVESTMENTS	(19.0)	14.4
	Impairment test NPL	(61.6)	(60.9)
	TOTAL INVESTMENTS	(80.6)	(46.4)

Sales trend

(€/mln)

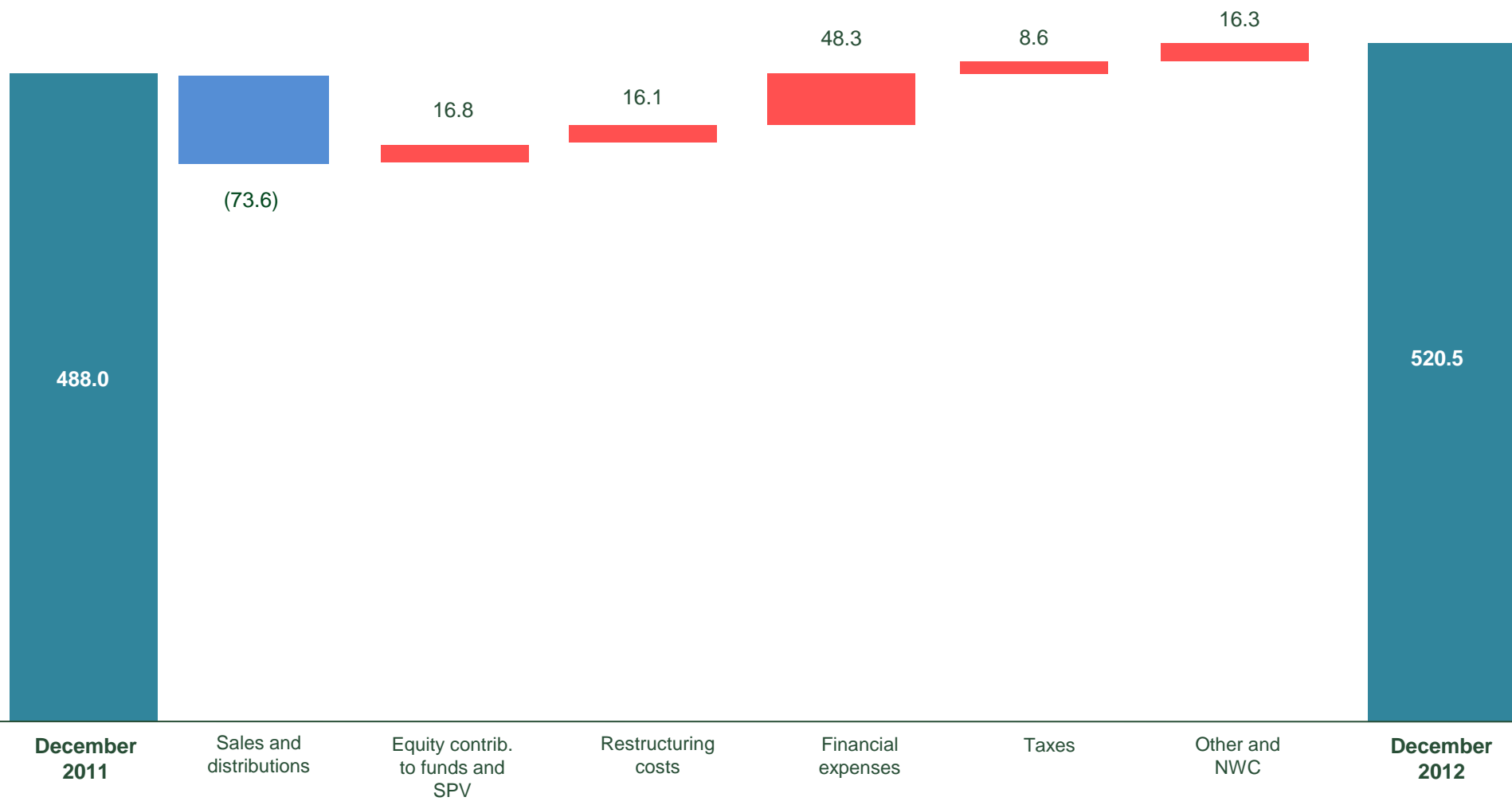
Exit value of sales in 2012 is in line with book value

- ITALY
- GERMANY
- POLAND



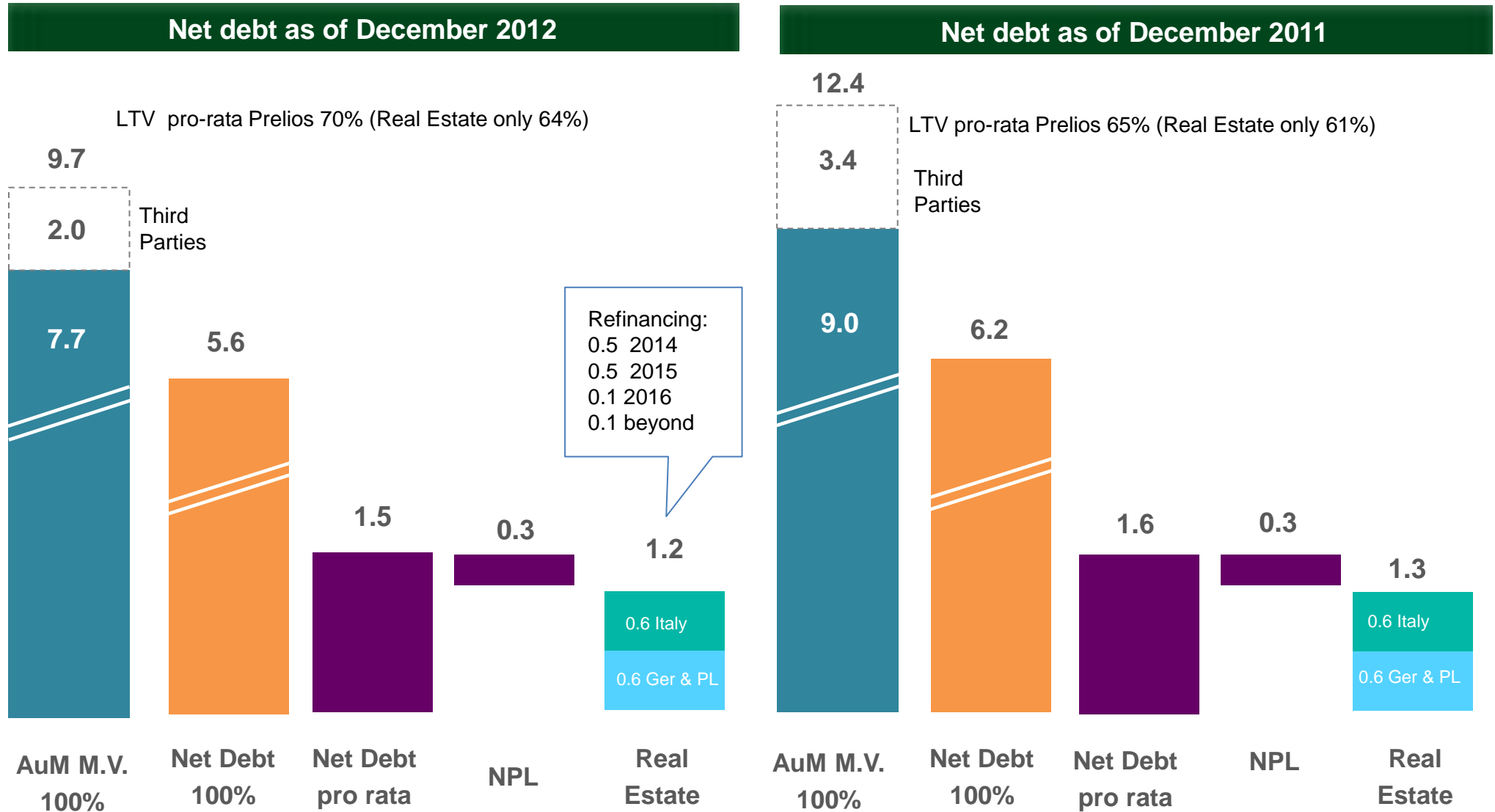
Net Financial Position Dec 2011 – Dec 2012

(€/mln)



Financial situation of co-investments (aggregate debt)

(€/bln)



Financial situation of co-investments (excluded NPL and subsidized loans)

(€/mln)

Bank Loan characteristics (figures 100% basis)

- LTV Real Estate 69%: Italy 58%, Germany 77.5% (pro rata Real Estate 64%: Italy 59%, Germany 73%)
- Average Duration 1.4 (Italy 1.3, Germany 1.5);
- Average Spread: 259 bps;
- 80% interest rate risk hedged
- Recourse guarantees for approx. 39.4€ mln (pro-rata Prelios)

Consolidated Balance Sheet

(€/mln)

	DECEMBER 2012	DECEMBER 2011
Fixed assets	611.7	820.4
<i>of which participations and shareholders' loan</i>	455.2	651.6
<i>of which goodwill</i>	144.8	148.1
Net working capital	55.1	70.4
Inventories	54.4	55.3
Trade receivables	63.9	78.1
Trade payables	(49.4)	(74.9)
Other payables/receivable	(13.8)	11.9
Net invested capital	666.8	890.8
Net equity	80.4	326.2
<i>of which group net equity</i>	74.2	318.8
Funds	65.9	76.6
Net financial position	520.5	488.0
Total sources	666.8	890.8

ANNEXES

Prelios Assets Breakdown as of December 2012

(€/mln)

	Mkt. Value 100% 31.12.12	Book Value 100% 31.12.12	Net debt 100% 31.12.12	Mkt. Value pro rata Prelios	Book Value pro rata Prelios	Net Debt pro rata Prelios	LTV pro rata	NAV pro rata Prelios	NIC pro rata Prelios	EBIT+IEP +IIP
ITALY	2,898	2,631	1,680	917	854	537	59%	380	291	-22.7
GERMANY	3,792	3,780	2,941	819	814	595	73%	224	176	2.0
POLAND	50	28	0	20	11	0	-2%	20	12	-0.5
TOTAL REAL ESTATE CO- INVESTED	6,740	6,440	4,621	1,756	1,680	1,131	64%	625	478	-21.2
THIRD PARTIES ITALY	1,948	1,909	N/A ¹⁾	26	24	15 ¹⁾	56%	12	7	0.1
TOTAL REAL ESTATE	8,688	8,349	4,621	1,782	1,704	1,146	64%	636	486	-21.1
NPL (investment)									27	-59.5
TOTAL INVESTMENT									513	-80.6
MANAGEMENT PLATFORM ²⁾									154	8.5
TOTAL PRELIOS									667	-72.1

¹⁾ Including initiatives with a Prelios share lower than 5%. The net debt 100% of third parties Italy is 426 mln.

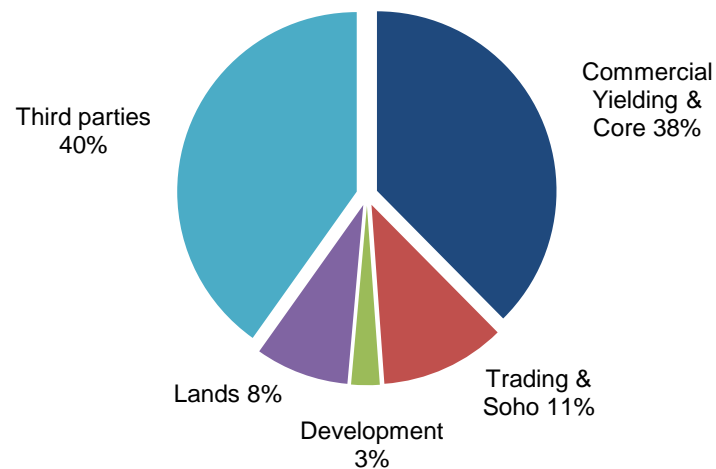
²⁾ Including impairment losses on service platform for -4.5 mln.

Italy: Real Estate Assets Breakdown as of December 2012

(€/mln)

	Mkt. Value 100% 31.12.12	Book Value 100% 31.12.12	Net debt 100% 31.12.12	Mkt. Value pro rata Prelios	Book Value pro rata Prelios	Net Debt pro rata Prelios	LTV	NAV pro rata Prelios	NIC pro rata Prelios	EBIT+IEP+ IIP
COMMERCIAL YIELDING & CORE	1,823	1,662	977	498	477	285	57%	213	167	2.0
TRADING & SOHO	541	476	415	199	175	139	70%	60	33	-11.1
DEVELOPMENT	124	117	67	58	55	33	58%	24	14	-4.2
LANDS	409	375	221	162	146	79	49%	83	78	-9.4
TOTAL ITALY CO- INVESTED	2,898	2,631	1,680	917	854	537	59%	380	291	-22.7
THIRD PARTIES	1,948	1,909	N/A ¹⁾	26	24	15 ¹⁾	56%	12	7	0.1
TOTAL ITALY	4,845	4,540	1,680	943	878	551	58%	392	299	-22.6

¹⁾Including initiatives with a Prelios share lower than 5%. The net debt 100% of third parties Italy is 426 mln.



Germany & Poland: Real Estate Assets Breakdown as of December 2012

(€/mln)

	Mkt. Value 100% 31.12.12	Book Value 100% 31.12.12	Net debt 100% 31.12.12	Mkt. Value pro rata Prelios	Book Value pro rata Prelios	Net Debt pro rata Prelios	LTV	NAV pro rata Prelios	NIC pro rata Prelios	EBIT+IEP+ IIP
DGAG (Residential)	945	942	688	378	377	275	73%	103	78	4.4
HIGHSTREET (Commercial)	2,588	2,588	2,120	313	313	256	82%	57	41	0.0
Residential Small deals	117	115	83	58	57	41	70%	17	14	-3.7
Commercial & other	142	135	49	69	67	23	33%	47	43	1.3
TOTAL GERMANY	3,792	3,780	2,941	819	814	595	73%	224	176	2.0
TOTAL POLAND LANDS	50	28	0	20	11	0	-2%	20	12	-0.5

Management Platform Germany

(€/mln)

		DECEMBER 2012	DECEMBER 2011
Asset management			
	Revenues	11.1	13.4
	Ebit	2.9	6.1
Agency			
	Revenues	6.2	3.1
	Ebit	3.0	0.5
Property/Facility			
	Revenues	42.0	39.7
	Ebit	4.9	2.7
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Management Platform GERMANY			
	Revenues	59.3	56.2
	Ebit	10.9	9.2

Angelo Cattaneo, Prelios' Financial Reporting Officer, declares, pursuant to article 154-bis of the Uniform Financial Act 871998 (Decree 58/1998) that the accounting information contained in this presentation, corresponds to the underlying documentary records, books of accounts and accounting entries

