



9YTD 2017 results

14th November 2017

AGENDA

- ❑ *Overview Prelios Group*
- ❑ *Shareholders Structure*
- ❑ *9YTD 2017 results*

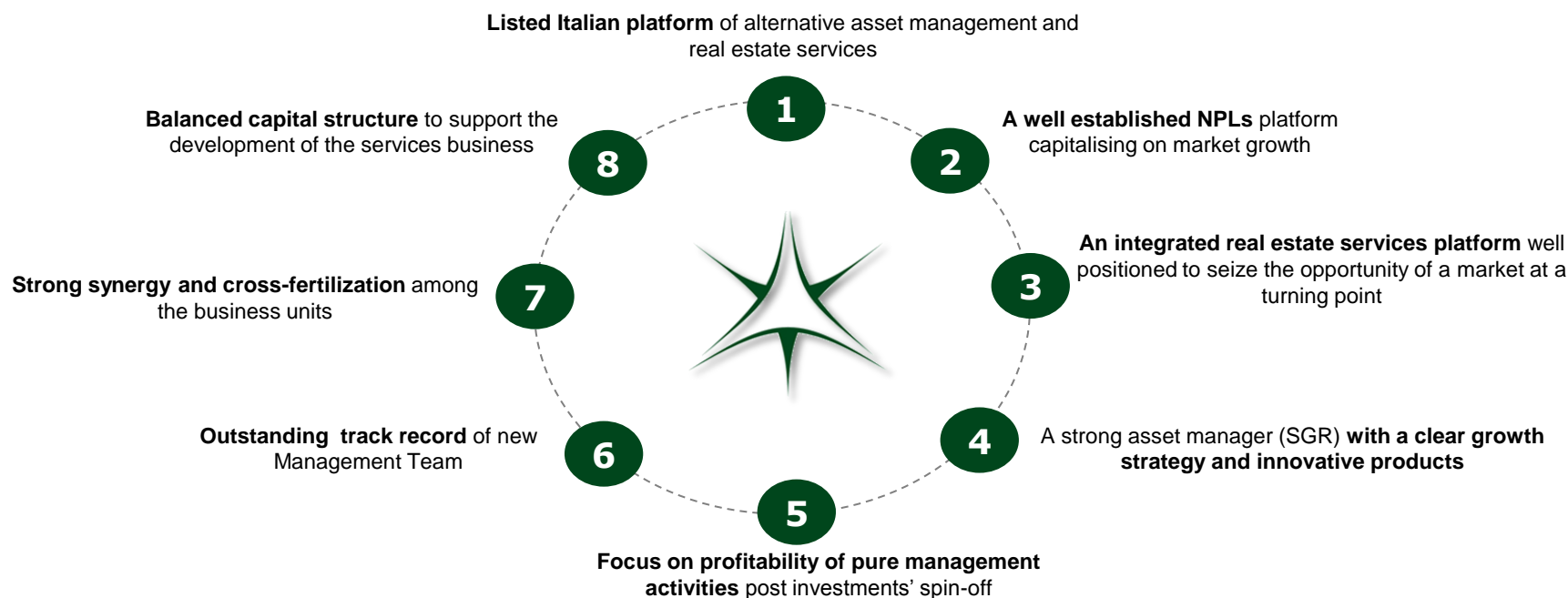
Overview Prelios Group

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From a real estate company to a pure services management company

Listed on the Italian Stock Exchange since 2002 on MTA segment, Prelios is a **leading asset management group providing a full range of real estate and financial services**. Prelios became a “**pure management**” independent company after the execution of the spin-off of the investment activity. The Group is active 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 to become the reference “asset manager and service provider” in Italy leveraging on synergy and cross – fertilization among the business units to finalize the relaunch and strategic repositioning process.



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

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

Real Estate Services

- Prelios Integra (“Integra”) integrated asset services, including property and project management, Prelios Valuations (“Valuations”) real estate appraisals and data quality and Prelios Agency (“Agency”) real estate agency services
- The Group is also active in Germany through highly specialized divisions in the commercial real estate segment. In Poland is mainly active in the management and improvement of areas under development



Overview Prelios Group

Activities and services

Prelios Credit Servicing

- **Gross Book Value under management is ca. € 8.2bn** as of September 2017
- **Independent and regulated by Bank of Italy** (registered in the Single Register of Financial Intermediaries envisaged in Art. 106 of the Consolidated Banking Act.)
 - Active in:
 - **Special Servicing** (credit management and recovery)
 - **Master Servicing** (cash management, payments and reports)
 - **Corporate Servicing** (structuring and administration of SPV)
 - **Due Diligence** and **advisory** during acquisitions/disposals of portfolio
 - **High ranking by rating agencies** confirms the reliability and solidity of PRECS:
 - **Standard & Poor's** ABOVE AVERAGE (February 2017) rating as Special and Master Servicer
 - **Fitch** Special Servicer (June 2017) rating of RSS2+/CSS2+
 - **Acted as Servicer for Banca Popolare di Bari** and **Banca Carige** transactions, the first two public securitizations backed by the Italian Government "GACS": these transactions involved a portfolio of approx. € **1.4 bln** (GBV). Prelios has been appointed as servicer for new «GACS» transactions with **Banca Popolare di Bari** and **Banco di Sardegna**

Prelios SGR

- **AuM approx. 4.0 € bln** as at September 2017 with **32 funds and 3 separate accounts**, one of the leading players in Italy
- Active in **structuring and managing real estate investment funds** with a consistent pipeline
- Actually expanding, in a competitive market, **advisory and structuring services for leading institutional investors**, both domestic and international, acting as **partners** to define their real estate investment strategies.

Overview Prelios Group

Activities and services

Real Estate Services

Prelios Integra

- One of Italian leading operators in integrated property management and project development services, with **more than 6 € bln of assets under management**
- It provides a **wide range of services covering the entire lifecycle of real estate asset** (e.g. property, project, building management, Health & Safety, Environment/Energy, due diligence, urban planning and engineering advisory)

Prelios Valuations

- **One of Italian foremost independent providers** of appraisals for individual properties and real estate portfolios
- **RICS compliant**, recently widened the service offer with advanced risk management solutions

Prelios Agency

- Provides **brokerage and advisory services** to public and private investors as well as real estate funds and institutional investors

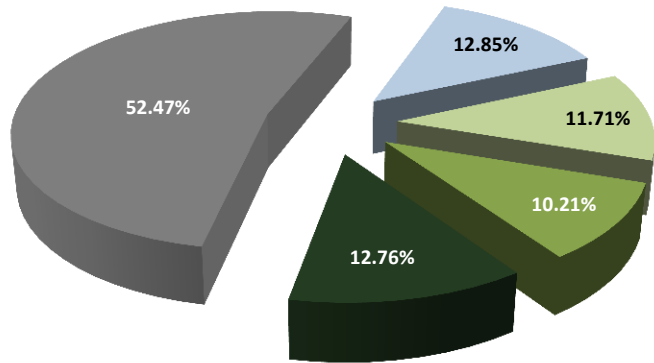
Prelios RE Advisory and Immobilien Management

- The Group, with headquarters in **Hamburg** and **Frankfurt**, offers fund management and real estate services focused on commercial segment and in particular 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 Poland, providing professional support in the full life cycle of an investment project, from market analysis, to identifying and selecting projects, audits, due diligence, loan management and asset management services.

Shareholders Structure

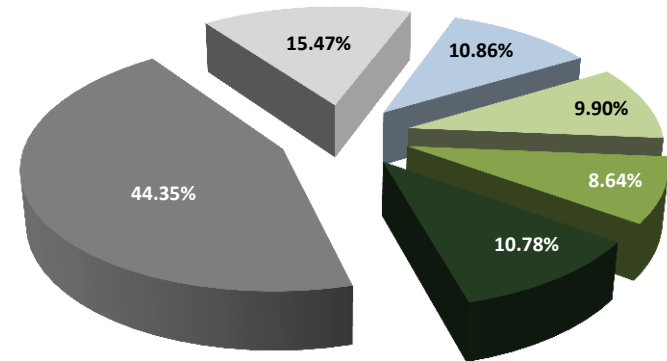
Shareholders Structure

Voting share capital (excluding class B shares)



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

Economic share capital (including class B shares)



Burlington Loan Management DAC, an Irish investment vehicle managed by Davidson Kempner Capital Management LP, entered into a sale and purchase agreement with **Pirelli & C. S.p.A., Intesa Sanpaolo S.p.A., UniCredit S.p.A. and Fenice S.r.l. (44.86% of the economic share capital of Prelios).**

Pursuant to this agreement, the closing of the sale and purchase of the shares is subject to the satisfaction (or the waiver) by and no later than 31 January 2018 of some conditions precedent.

(1) Prelios Shareholders agreement includes Negentropy Capital Partners Llp, Feidos S.p.A., Fondazione Renato Corti, Alexis De Dietrich, Energia Di Famiglia Srl, Fulvio Conti.
 (2) Fenice Srl includes Pirelli & C. S.p.A., Unicredit S.p.A.. e Intesa Sanpaolo S.p.A.

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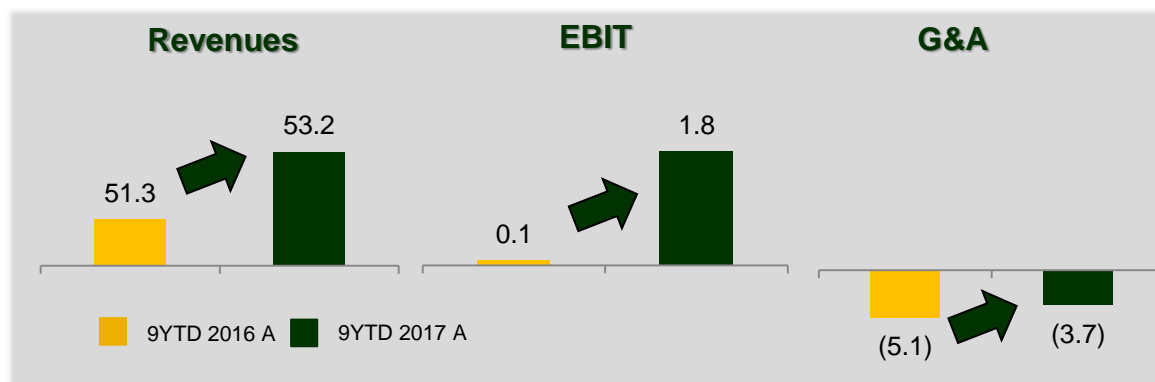
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Highlights

(€/mln)

	ACTUAL SEPT 2017	ACTUAL SEPT 2016	Δ ACTUAL 2017 vs ACTUAL 2016	Δ % ACTUAL 2017 vs ACTUAL 2016
Revenues	53.2	51.3	1.9	4%
EBIT	1.8	0.1	1.7	2344%
Investments	(24.6)	(13.3)	(11.3)	84%
<i>of which extraordinary items</i>	(11.4)	(3.4)	(8.0)	-231%
Financial charges	(1.3)	(5.1)	3.8	75%
Restructuring costs	2.4	(4.1)	6.5	159%
Income taxes	(1.7)	(1.6)	(0.1)	-9%
Net income after minority interests	(23.4)	(24.1)	0.7	3%

- All KPIs increasing YoY
- Positive net income excluding investments contribution
- Funds from operations permanently back to positive



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Management Platform

(€/mln)

€/mln

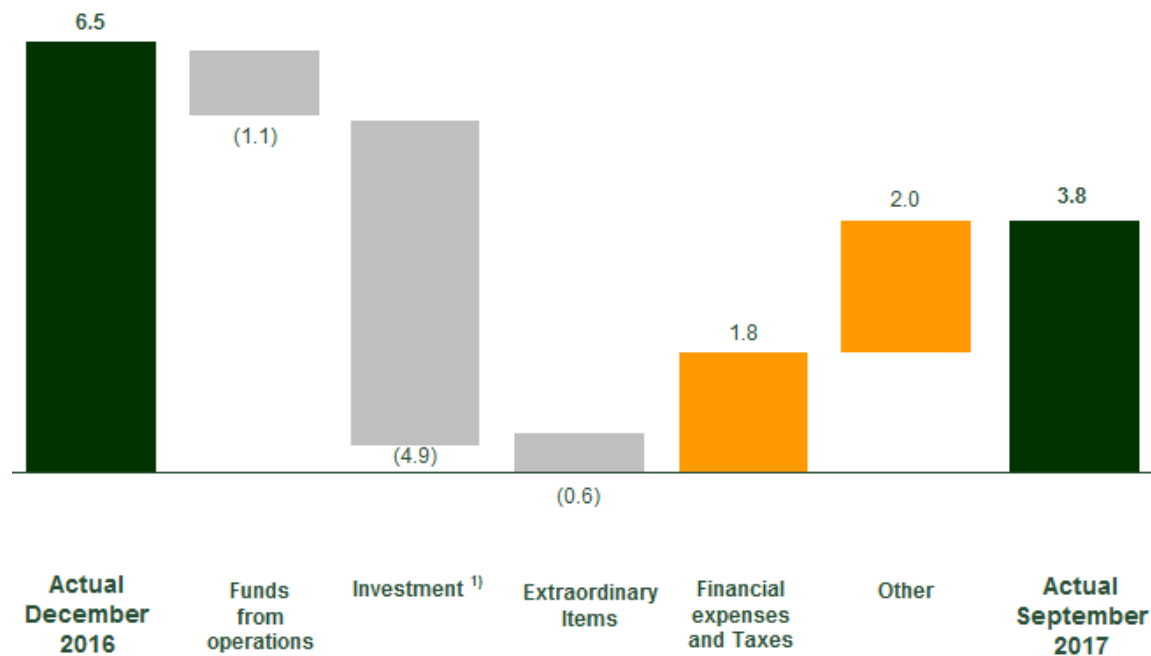
		ACTUAL SEPT 2017	ACTUAL SEPT 2016	Δ ACTUAL 2017 vs ACTUAL 2016	
SGR	Revenues	12.2	12.5	(0.4)	-3%
	Ebit	4.2	3.8	0.4	12%
	ROS	34.8%	30.3%		
NPL - Credit Servicing	Revenues	7.8	6.4	1.4	21%
	Ebit	(0.1)	(0.1)	(0.0)	59%
	ROS	-1.2%	-0.9%		
Alternative Asset Management	Revenues	20.0	19.0	1.0	5%
	Ebit	4.1	3.7	0.4	11%
	ROS	20.7%	19.7%		
Integra	Revenues	15.2	14.2	0.9	7%
	Ebit	1.5	1.4	0.1	9%
	ROS	9.9%	9.7%		
Agency	Revenues	2.1	1.6	0.5	29%
	Ebit	(0.2)	(0.9)	0.7	-81%
	ROS	-7.9%	-52.5%		
Valuation	Revenues	7.6	6.9	0.7	10%
	Ebit	0.9	0.9	(0.0)	-5%
	ROS	11.4%	13.1%		
Services Italy	Revenues	24.8	22.8	2.1	9%
	Ebit	2.2	1.4	0.8	54%
	ROS	9%	6.3%		
Management Platform ITALY	Revenues	44.8	41.7	3.1	7%
	Ebit	6.3	5.2	1.2	23%
	ROS	14.1%	12.4%		
Management Platform Foreign Countries	Revenues	8.7	9.3	(0.6)	-7%
	Ebit	(0.8)	(0.0)	(0.8)	2579%
	ROS	-8.9%	-0.3%		
G&A (Holding)	Revenues	(0.3)	0.2	(0.6)	-244%
	Ebit	(3.7)	(5.1)	1.3	-26%
	Revenues	53.2	51.3	1.9	4%
	Ebit Management Platform	1.8	0.1	1.7	2344%
	ROS	3.4%	0.1%		
	Revenues excluding G&A	53.5	51.0	2.5	5%
	Ebit Management Platform excluding G&A	5.6	5.1	0.4	8%
	ROS	10.4%	10.1%		

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Consolidated Balance Sheet and Net Financial Position

(€/mln)

	ACTUAL Sept 2017	ACTUAL Dec 2016
Fixed assets	103.4	132.1
of which participations and SHL	42.2	70.9
of which goodwill	56.4	56.4
of which other fixed assets	4.8	4.8
Net working capital	(2.5)	(3.6)
Trade receivables	36.8	40.2
Trade payables	(35.1)	(42.7)
Other payables/receivable	(4.1)	(1.1)
Net invested capital	100.9	128.5
Net equity	67.8	91.0
Funds	29.3	31.0
Net financial position	3.8	6.5
Total sources	100.9	128.5



¹⁾ Residual investments (not Focus Investment SpA)

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.