

Milan
07 November, 2023



Ardian and Prelios SGR complete sale of Milan office building at the Milanofiori Business Park

- The 18,000 sqm building has undergone major renovations, including the complete renewal of most spaces across its six floors
- The property reached 100% occupancy as a result of the improvements, attracting leading tenants

Ardian, a world-leading private investment house, and Prelios SGR, one of Italy's most important real estate and securities asset managers, have completed the sale of an office building located at the Milanofiori Business Park in Milan's Assago district to Inovalis, a major French real estate investment manager.

The transaction was conducted through a closed-end investment company (SICAF) wholly owned by Ardian and managed by Prelios SGR.

The building has a commercial area of approx. 18,000 sqm and 125 parking spaces. It consists of 6 floors for executive use, 1 ground floor with two food & beverage units serving the tenants, and a basement floor providing parking and archive facilities.

The building is located in Milan's Milanofiori Business Park, a mixed-use real estate complex including offices, residential properties, shops, a multi-screen cinema, hotel, fitness centre and university campus in the south-west of Milan. The area is strategically connected to the rest of the city via the M2 metro line, which provides access to the city's three main railway stations (Garibaldi, Centrale and Cadorna), and is a 20-minute drive from Linate international airport.

Ardian and Prelios SGR completed major renovation plan on the property between 2018 and 2021. This included a total renovation of the spaces not yet leased and the complete redevelopment of the ground floor. A new double-height lobby was added to the building, alongside the refurbishment of the common areas. The maximum capacity of the floors was also increased. The building has obtained BREEAM certification.

The redevelopment has boosted rental activity and increased occupancy in the building, attracting leading national and international companies which have

rewarded the quality level of the property compared to other buildings in Business Park. As a result, occupancy has increased from 51% at the time of purchase in 2017 to 100% today.

"While some parts of the office market outside of city centres have faced challenges in recent months, the redevelopment and extensive improvements completed on this property have seen it reach full occupancy and attract leading international tenants. This highlights the strong demand from the market for Grade A space and Ardian's ability to enhance the value of its real estate assets. The sale of the property to Inovalis is an excellent signal for the market and demonstrates how Grade A office space with excellent tenant covenants continues to attract interest from institutional investors."

• MATTEO MINARDI • HEAD OF REAL ESTATE ITALY, ARDIAN

"We are pleased to have completed the renovation, improvement and sale of the Assago property, which included the significant improvement of the building's rental profile and sustainability credentials. Against the current market backdrop, this transaction reiterates Prelios SGR's experience in implementing targeted asset management that helps to improve quality and attractiveness for international investors. We are particularly proud to have created value for Ardian through this process."

• NICOLA SAJEVA • DIRECTOR ASSET&DEVELOPMENT MANAGEMENT, PRELIOS SGR

Savills acted as commercial advisor for the transaction. Ardian and Prelios SGR were supported by Studio Legale Gattai, Minoli, Partners as legal and tax advisor. CBRE acted as technical advisor.

ARDIAN

Ardian is a world-leading private investment house, managing or advising \$156bn of assets on behalf of more than 1,470 clients globally. Our broad expertise, spanning Private Equity, Real Assets and Credit, enables us to offer a wide range of investment opportunities and respond flexibly to our clients' differing needs. Through Ardian Customized Solutions we create bespoke portfolios that allow institutional clients to specify the precise mix of assets they require and to gain access to funds managed by leading third-party sponsors. Private Wealth Solutions offers dedicated services and access solutions for private banks, family offices and private institutional investors worldwide. Ardian's main shareholding group is its employees and we place great emphasis on developing its people and fostering a collaborative culture based on collective intelligence. Our 1,050+ employees, spread across 17 offices in Europe, the Americas, Asia and Middle East are strongly committed to the principles of Responsible Investment and are determined to make finance a force for good in society. Our goal is to deliver excellent investment performance combined with high ethical standards and social responsibility.

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PRELIOS SGR

Prelis SGR is part of the Prelis Group and is one of the leading asset management companies in Italy. The company is active in the promotion, establishment and management of real estate and credit alternative investment funds, advisory and management of separate accounts, on behalf of leading Italian and international institutional investors. Prelis SGR plays a pioneering role in the innovation of investment products, both in terms of asset classes and types, including the management of one of the first heterogeneous SICAFs, and the largest UTP fund in Italy and among the largest in Europe. Prelis SGR has developed high standards and control systems in terms of governance, risk management and transparency, while maintaining operational flexibility. The Company is also committed to the promotion of sustainability values, as demonstrated by its adherence already in 2019 to the UN PRI - Principles for Responsible Investment and, from 2020, to the GRESB.

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