

1H 2016 Financial Results

August 2nd, 2016



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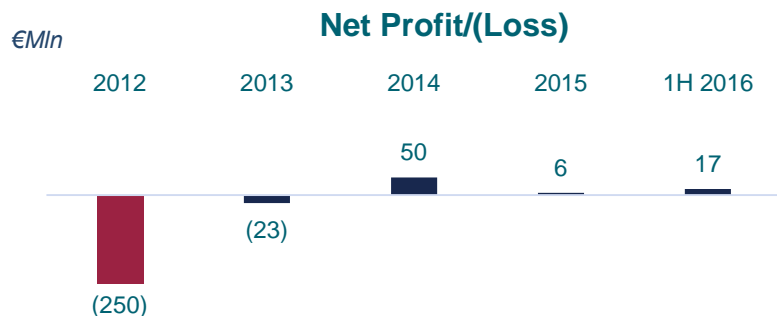


- ❑ Financial Results 1H 2016
- ❑ Real Estate Portfolio 1H2016
- ❑ NAV 1H 2016
- ❑ Achievement 1H 2016

Financial Results 1H 2016

INCOME STATEMENT 1H 2016

€/000	1H 2016	1H 2015
Net rental income	7,001	3,234
Net service revenues	1,532	1,725
Other income	2,216	5,611
Total revenues	10,749	10,570
Total Costs	(11,319)	(8,720)
EBITDA	(570)	1,850
EBIT (without no recurring cost)	19,305	1,764
EBIT (with no recurring cost)	19,305	1,750
EBT	16,894	(262)
Taxes	2	275
Net income/(loss)	17,216	823
Net profit pertaining to minority shareholders	5	364
Net profit of the Group	17,211	459



The first half of 2016 closed with a **profit** attributable to the group of **€17.2 million**, compared with a profit of € 0.5 million in the same period of 2015. It shows a significant positive change of € 16.7 million due to the increase of the rented portfolio.

Total revenues at 30th June 2016 amounted to € 10.8 million versus € 10.6 million in the first six months of 2015.

Rental income amounted to € 7.0 million compared to € 3.2 million at June 30th, 2015, an increase of € 3.8 million. At the end of the first half of 2016, the Group has entered into lease contracts on an annual basis for a total of approximately € 18 million, as result of the acquisition of assets and real estate rented portfolios, realized from the second half of 2015 and continued during the 2016 year. This enables achieving recurring economic equilibrium, in advance of a half compared to the target.

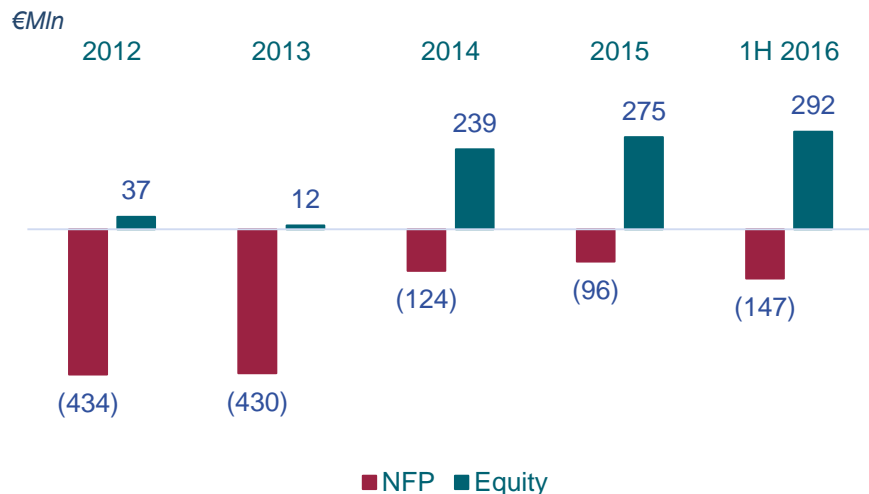
The total costs amounted to € 11.3 million compared to € 8.7 million at 30th June 2015, an increase of € 2.6 million mainly due to a lower capitalization of the real estate portfolio costs.

The EBITDA, as a result of the items discussed above, a loss of € 0.6 million compared to a positive figure of € 1.9 million at June 30th, 2015.

EBIT was € 19.3 million, compared to € 1.8 million in first half 2015, with a significant increase of € 17.5 million.

BALANCE SHEET 1H 2016

€/000	1H 2016	FY 2015
Fixed assets	385,277	326,325
Net working capital	64,678	55,498
Capital employed	449,955	381,823
Equity	291,619	275,320
NFP	(146,665)	(95,949)



The **invested capital** at 30th June 2016 amounted to **€ 450.0 million** versus € 381.8 million at the end of 2015.

The **fixed capital** amounted to **€ 385.3 million** (€ 326.3 million at the end of 2015). This item includes:

- Investment property and other assets of € 332.5 compared to € 269.9 million, an increase of € 62.6 million attributable to the acquisition portfolios during the period;
- Capital invested in associated companies and joint ventures for € 52.7 million, other financial assets for € 0.1 million and intangible assets essentially nil.

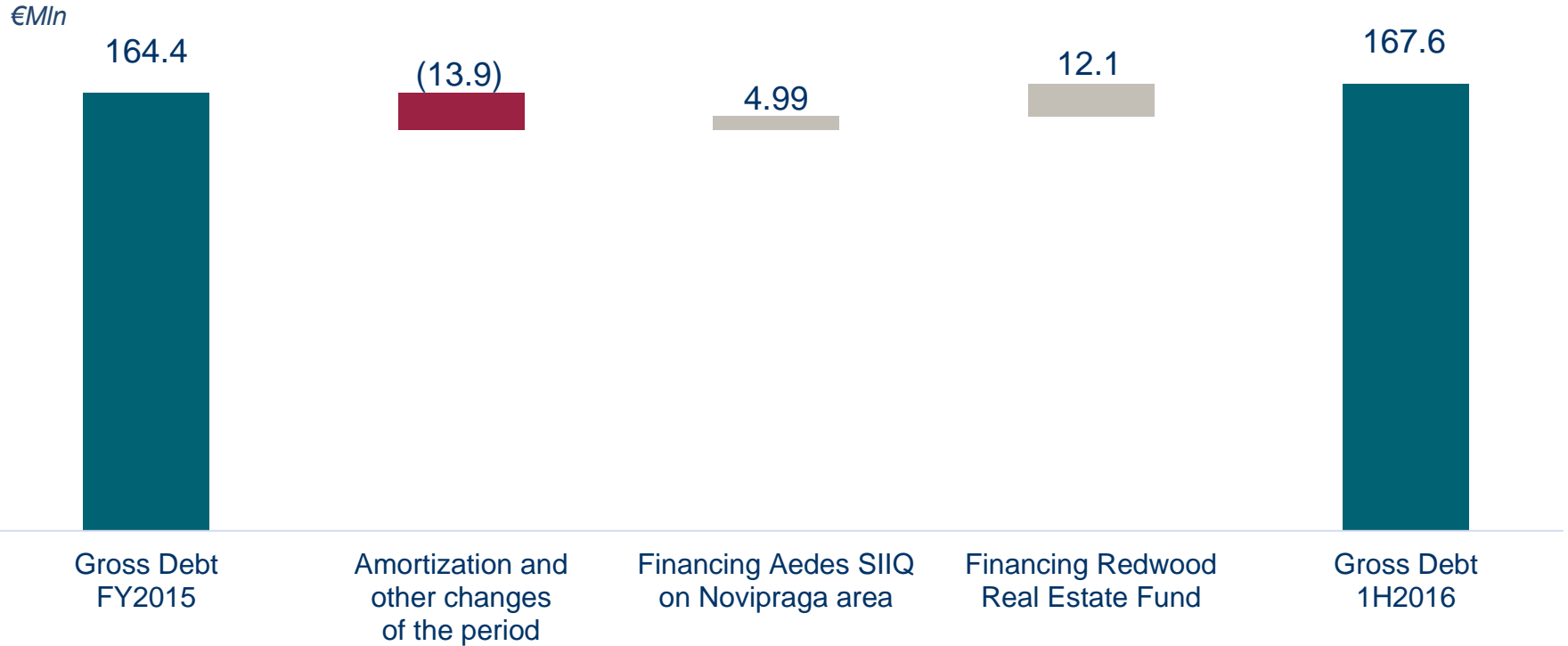
Net working capital amounted to **€ 64.7 million** (€ 55.5 million at the end of 2015) and consists of:

- Inventories of € 57.5 million;
- Trade receivables and other receivables for € 34.5 million;
- Trade and other payables of € 27.3 million.

The **consolidated shareholders' equity** amounted to € 291.6 million versus € 275.3 million at 31st December 2015, with an increase of € 16.3 million mainly due to the result for the period.

The **net financial position** was negative by € 146.7 million, compared to negative € 95.9 million at December 31st, 2015. The increase of € 50.8 is mainly related to the acquisitions of properties during the period.

GROSS DEBT EVOLUTION



The gross debt at June 30th, 2016 totalled € 167.6 million compared with € 164.4 million at December 31st, 2015 with an average length (duration) of 2.96 years, an improvement compared to 2.39 years at December 31st, 2015. The proportion of gross debt at floating rates is equal to 70.2% of overall exposure. The average interest rate amounted to 2.66%.

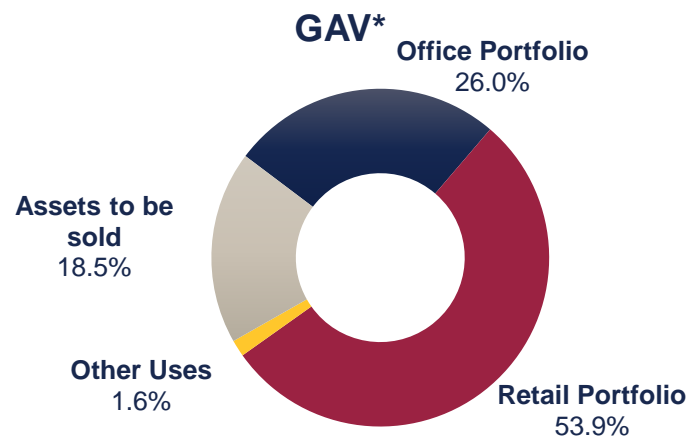
Real Estate Portfolio 1H2016

GAV PORTFOLIO BY USE – 1H2016

€/000	Consolidated Pro quota	Not consolidated Funds & JV	Total pro quota Portfolio	GLA sqm	Building permits sqm	Passing Yield %	ERV %	LTV Ratio
Retail Rented	76,860	52,307	129,167	109,928		7.9%	8.3%	46.2%
Retail Development for Rent	104,159	28,206	132,365	4,469	253,750			20.3%
Total Retail Portfolio	181,019	80,513	261,532	114,397	253,750			33.1%
Office Rented	124,465	1,022	125,487	68,437		8.1%	8.7%	48.5%
Office Development for Rent	680		680		32,000			0.0%
Total Office Portfolio	125,145	1,022	126,167	68,437	32,000			48.3%
Total Other Uses Portfolio	4,070	3,730	7,800	8,363		5.1%	5.8%	52.2%
SUB TOTAL PORTFOLIO RENTED/FOR RENT	310,234	85,265	395,499	191,197	285,750			38.3%
Assets to be sold	40,906	14,711	55,617					50.4%
Lands to be sold	13,800	20,205	34,005					70.0%
SUB TOTAL PORTFOLIO TO BE SOLD	54,706	34,916	89,622					57.8%
TOTAL PORTFOLIO	364,940	120,181	485,121					41.9%

Minorities

Petrarca Fund (35%)	20,391
Praga France Sarl (25%)	2,391
TOTAL CONSOLIDATED PORTFOLIO	387,722



*Including the portion attributable to property held by associates and unconsolidated real estate funds

GAV PORTFOLIO BY TYPE – 1H2016

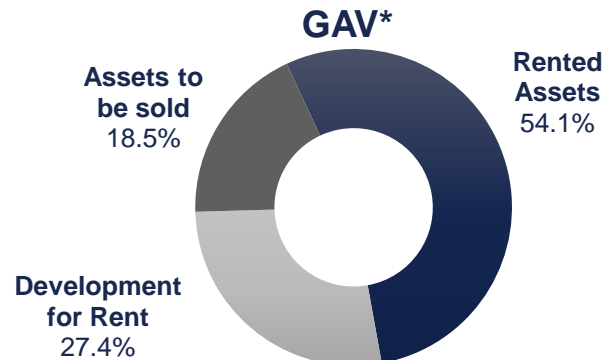
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Other uses	4,070	3,730	7,800	8,363		5.1%	5.8%	52.2%
Rented Assets	205,395	57,059	262,454	186,727				47.5%
Retail Development for Rent	104,159	28,206	132,365	4,469	253,750			20.3%
Office Development for Rent	680		680		32,000			0.0%
Development for Rent	104,839	28,206	133,045	4,469	285,750			20.2%
SUB TOTAL PORTFOLIO RENTED/FOR RENT	310,234	85,265	395,499	191,197	285,750			38.3%
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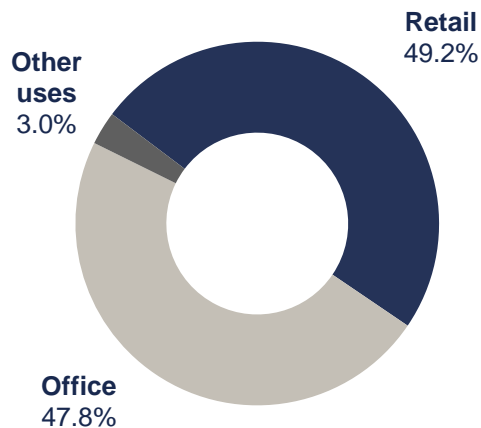
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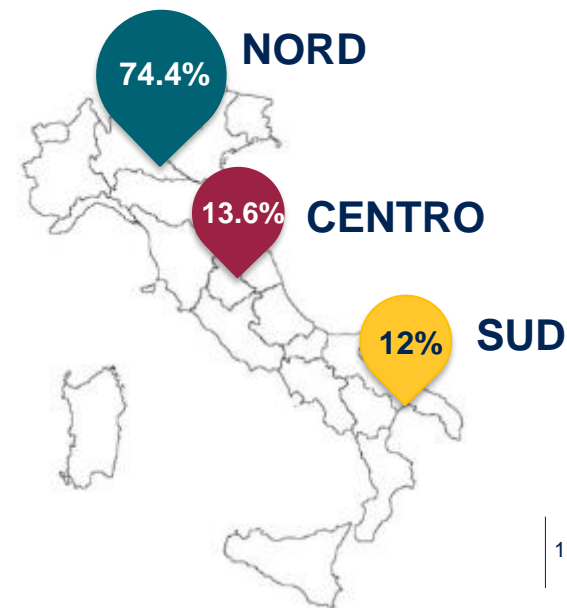


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€/000	Consolidated Per share	Not consolidated Funds & JV	Total per share Portfolio	GLA sqm	Passing Yield %	ERV %	LTV Ratio
Retail	76,860	52,307	129,167	109,928	7.9%	8.3%	46.2%
Office	124,465	1,022	125,487	68,437	8.1%	8.7%	48.5%
Other uses	4,070	3,730	7,800	8,363	5.1%	5.8%	52.2%
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GLA BUILDING GEOGRAPHIC BREAKDOWN





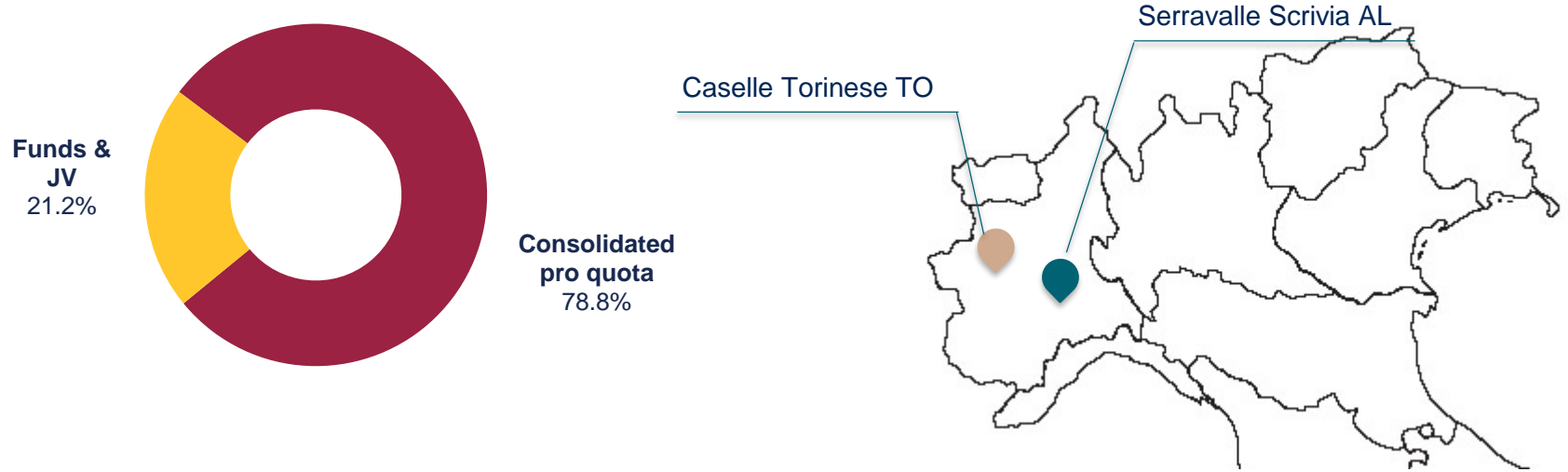
- Location: Milano, Via Agnello
- Total GLA: 4,406 sqm
- Fair Value June 30th,2016: € 40.2 mln

- Location: Catania, via Etna
- Total GLA: 7,935 sqm
- Fair Value June 30th,2016 : € 18.6 mln



- Location: Roma, Via Veneziani
- Total GLA: 16,292 sqm
- Fair Value June 30th,2016 : € 26.0 mln

€/000	Consolidated Per share	Not consolidated Funds & JV	Total per share Portfolio	GLA sqm	Building permits sqm	LTV Ratio
Retail	104,159	28,206	132,365	4,469	253,750	20.3%
Office	680		680		32,000	0.0%
Development for Rent	104,839	28,206	133,045	4,469	285,750	20.2%



SERRAVALLE OUTLET VILLAGE PHASE 6

- Joint Venture with TH Real Estate Fund (49.9%)
- Opening scheduled for November 10th, 2016
- Total GLA: 8,748 sqm
- Fair Value June 30th,2016 : €28.2 mln*



SERRAVALLE OUTLET VILLAGE PHASE 7

- It's an extension of Serravalle outlet village phase 6
- Total GLA: 5,187 sqm
- Fair Value June 30th,2016 : €7.5 mln



SERRAVALLE RETAIL PARK

- Total GLA: 19,035 sqm
- Fair Value June 30th,2016 : €12.2 mln



ROERO PHASE C

- Extension of Roero Center - Phase B (Rented portfolio)
- Total GLA : 6,400 sqm
- Fair Value June 30th,2016 : €1.7 mln

Roero Center - Phase C



Roero Center - Phase B (Rented Portfolio)



CASELLE DESIGNER VILLAGE

- It's a shopping and leisure center project close to Turin Airport
- Total GLA : 153,000 sqm
- Fair Value June 30th,2016 : €61.5 mln



NAV 1H 2016

NAV 1H 2016

(€/mIn)	Accounting Method	Book value	Market value	Capital gain
Rented assets	IAS 40 – Fair Value	224.65	224.65	
Development for Rent	IAS 40 – Book Value	104.70	104.84	0.14
To Be Sold	IAS 2	56.93	58.23	1.31
Total Consolidated Group		386.27	387.72	1.45
Pro quota Assets in funds and JVs	IAS 40 – Fair Value	57.06	57.06	
Pro quota Development for Rent in funds and JVs	IAS 40 – Book Value	22.31	28.21	5.90
Pro quota in To Be Sold in funds and JVs	IAS 2	32.40	34.92	2.51
Total Funds and JVs		111.77	120.18	8.41
Total		498.04	507.90	9.86
Minority interest				
Equity of Grout at Book value				285.40
Tax Charge				(1.22)
NNNAV				294.05
NNNAV Per share (€)				0.93

CB Richard Ellis is the primary independent expert that estimated the Aedes' real estate portfolio.

It is recalled that the capital increase to be carried out in the 2015-2020 Warrant service is approximately € 20 million. Of a total of 86,956,536, they are in fact still in circulation n. 86,954,220 warrants which give their holders the right to subscribe. 1 share Aedes REIT S.p.A., at a unit price of € 0.69, every 3 warrants held. The NAV per share fully diluted basis, taking into account the effects of the increase in share capital of the Warrants 2014-2019 would amount to € 0.90.

Achievements 1H 2016

ACHIEVEMENT 1H 2016 – CORPORATE ACTIVITIES

January 1st, 2016 – Aedes - following to the tax regime for property companies - is transformed into REIT changing its name to Aedes SIIQ S.p.A.

April 27th, 2016 – the Extraordinary General Meeting of Aedes SIIQ approved by a majority to amend Art. 21 of the bylaws which provides for the creation of a statutory reserve by annual allocations proportional to the net profit for the year, to support the development and growth of the Group. The amendment involves the onset of withdrawal rights to shareholders who did not vote in favour of the resolution. The effectiveness of the resolution is a condition precedent to the fact that the amount of cash, to be paid to Aedes shareholders who have exercised their right of withdrawal does, not exceed the total amount of € 2 million

June 30th, 2016 – Since the validity of shareholders' resolution was conditional on the fact that the right of withdrawal does not entail an outlay of more than € 2 million - equal to n.4.360.148 actions - and, given that recesses was exercised for a number of shares equal to 13,658,544, the results of exercised withdrawal rights is ineffective and the shareholders resolution did not occur

ACHIEVEMENT 1H 2016 - OPERATING ACTIVITIES

March 15th, 2016 – finalised the acquisition of 70% the Redwood Real Estate Fund that owns 18 commercial properties was purchased for €16.4 million;

March 23rd, 2016 – signed the acquisition of financial credits guaranteed by a pledge on the remaining 30% of the Redwood Real Estate Fund for €13.6 million;

May 11st, 2016 – signed a contract for the sale in Sator Immobiliare SGR S.p.A. of all shares held in the share capital of Aedes Real Estate SGR, equal to 95% of the same;

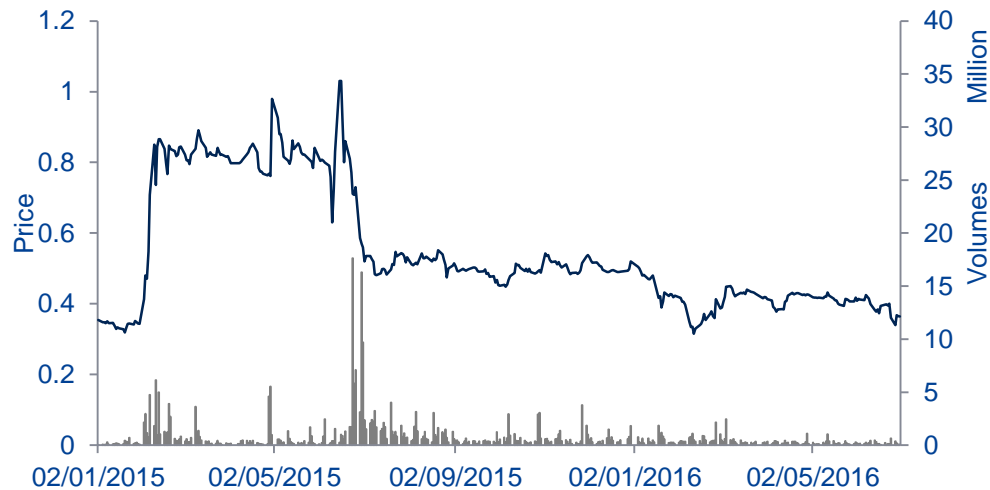
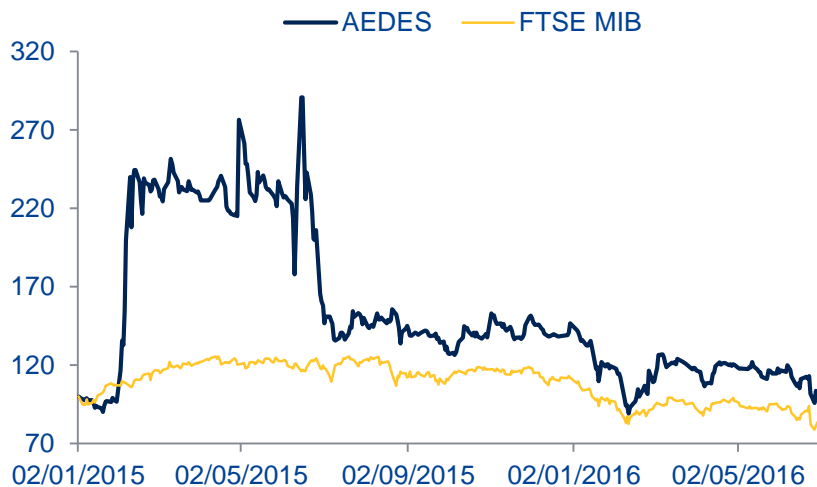
June 27th, 2016 – signed with GE Capital Corporation a definitive agreement for the purchase of a property located in Rome at a price of €12.5 million.

AEDES SHARE TREND

Market Segment	MTA
Ticker	AE
Specialist	Intermonte SIM S.p.A.
Auditing Company	Deloitte & Touche S.p.A.

June 30th, 2016

Market Cap (Mln)	116.6
N° of share	319,803,191
Share price (€)	0.3645
NAV per share June 30 th , 2016	0.93
Discount on NAV 1H2016	61.0%



CONTACT

CFO

Gabriele Cerminara

Aedes Siiq S.p.A.

Via Morimondo 26 - Milano

Tel. +39 02 62439253

g.cerminara@aedes-siiq.com

www.aedes-siiq.com



<https://www.facebook.com/aedessiiq/>

IR Consultant

Silvia di Rosa

CDR Communication S.r.l.

Viale Andrea Doria 15 - Milano

Tel. +39 335 7864209

silvia.dirosa@cdr-communication.it



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