

APPROVED THE FIRST HALF REPORT AS AT 30 June 2016

RENTAL INCOME, EBIT, NET INCOME FOR THE PERIOD, GAV AND NAV SIGNIFICANTLY IMPROVED THANKS TO REAL ESTATE PORTFOLIO ACQUISITIONS IN THE FIRST HALF OF 2016

- **Total revenue: € 10.8 million (€ 10.6 million)¹; Rental income € 7.0 million (€ 3.2 million); 30 June 2016 Rental income on annual basis amounted to € 18 mln Reached the recurring economic equilibrium six months in advance versus the expected target;**
- **EBIT: € 19.3 million (€ 1.8 million), up for the fair value assessment of the portfolio acquired during the period;**
- **Profit for the period to € 17.2 million (€ 0.5 million);**
- **Net Financial Position: - € 146.7 million (- € 95.9 million)²; NFP / PN 0.50 (0.35);**
- **Consolidated GAV: € 387.7 million (€ 321.3 million);**
- **GAV per share³: € 485.1 million (€ 412.4);**
- **NAV € 294.1 mln (279.1 mln); NAV per share € 0.93 (€ 0.87).**

FULL YEAR RESULTS EXPECTED IN FURTHER IMPROVEMENT. IN SEPTEMBER THE GUIDELINES OF THE PLAN UPDATE

Milan, August 2, 2016, - The Aedes S.p.A. REIT Board of Directors (MTA: AE), which met today under the chairmanship of Carlo Puri Negri, approved the consolidated half-year report as of June 30, 2016.

CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2016

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 property portfolio in income.

Total revenues at 30 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 30, 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.

Revenues from services amounted to € 1.5 million, compared to € 1.7 million at 30 June 2015. **The net margin in the general contractor** amounted to € 1.1 million, an increase of € 1 million compared to the first half of 2015. **The net margin on the sale of inventories** amounted to € 0.4 million, compared to € 0.8 million in the first half of 2015.

The total costs amounted to € 11.3 million compared to € 8.7 million at 30 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 30, 2015.

¹ Economic data in parentheses refer to the June 30, 2015

² The balance sheet figures in parentheses refer to December 31, 2015

³ Including the portion attributable to property held by associates and unconsolidated real estate funds

Depreciation and amortization, non-property write-downs and provisions at 30 June 2016 amounted to € 2.7 million compared to € 0.2 million in the first half of 2015.

The change in fair value of investment property at 30 June 2016 amounted to € 23.5 million. An increase of value - based on appraisals carried out by CB Richard Ellis - as the sum of € 32.0 million increases in value for the portfolio acquired in the first half 2016, and the value decreases of € 8.5 million mainly on two areas of lesser importance development, compared to an increase of net value of € 0.5 million in the first half of 2015.

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

Net financial expenses including adjustment effects at fair value of derivative instruments used to hedge interest rate risk, amounted to € 2.4 million in line with the € 2.5 million at June 30, 2015.

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2016

The invested capital at 30 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.

30 June 2016 there were no overdue payables and do not pay over the applicable terms of financial, tax, social security and to employees. As for trade payables, at the same date, the Aedes Group reports overdue for € 3.0 million, for which there are no disputes or judicial actions, suspension of supply relationships.

The consolidated shareholders' equity amounted to € 291.6 million versus € 275.3 million at 31 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 31, 2015. The increase of € 50.8 is mainly related to the acquisitions of properties during the period.

The gross debt at June 30, 2016 totalled € 167.6 million compared with € 164.4 million at December 31, 2015 with an average length (duration) of 2.96 years, an improvement compared to 2.39 years at December 31, 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%.

30 June 2016 there are no financial covenants or other terms of the loan agreements not respected.

GROUP PORTFOLIO

The property portfolio at 30 June 2016 owned by the Aedes Group's share, amounted to a market value of € 485.1 million including the portion attributable to property held by associates and unconsolidated real estate funds, in up 18% compared to the data of December 31, 2015 (€ 412.4 million).

The **GAV (Gross Asset Value) consolidated**, amounted to € 387.7 million, up € 66.4 million compared with the same figure at 31 December 2015 (€ 321.3 million), the net effect of a reduction of € 5, 2 million at constant perimeter (like for like) and an increase of € 71.6 million for income- property purchases. By virtue of the purchases made in 2016, the Group has entered into lease contracts on an annual basis for a total of € 18 million, compared with annualized rent of € 10 million on the property portfolio of the Group as at 31 December 2015.

| €/000 | Consolidated pro-quota | Not consolidated Funds & JV | Total pro-quota Portfolio | GAV % on Total Portfolio | Passing Yield % | ERV % | LTV Ratio | Consolidated pro-quota NAV | Funds & JV NAV | NAV | NAV % on Total Portfolio |
|--|------------------------|-----------------------------|---------------------------|--------------------------|-----------------|-------|--------------|----------------------------|----------------|----------------|--------------------------|
| Retail | 76.860 | 52.307 | 129.167 | | 7,9% | 8,3% | 46,2% | 51.251 | 18.227 | 69.478 | |
| Office | 124.465 | 1.022 | 125.487 | | 8,1% | 8,7% | 48,6% | 63.694 | 869 | 64.563 | |
| Other uses | 4.070 | 3.730 | 7.800 | | 5,1% | 5,8% | 52,2% | 1.325 | 2.405 | 3.730 | |
| Rented Assets | 205.395 | 57.059 | 262.454 | 54,1% | | | 47,5% | 116.270 | 21.501 | 137.771 | 48,9% |
| Retail Development for Rent | 104.159 | 28.206 | 132.365 | | | | 20,3% | 79.429 | 26.095 | 105.524 | |
| Office Development for Rent | 680 | 0 | 680 | | | | 0,0% | 680 | 0 | 680 | |
| Development for Rent | 104.839 | 28.206 | 133.045 | 27,4% | | | 20,2% | 80.109 | 26.095 | 106.204 | 37,7% |
| Sub Total Portfolio Rented/for Rent | 310.234 | 85.265 | 395.499 | 81,5% | | | 38,3% | 196.379 | 47.596 | 243.975 | 86,6% |
| Assets to be sold | 40.906 | 14.711 | 55.617 | | | | 50,4% | 17.886 | 9.712 | 27.598 | |
| Lands to be sold | 13.800 | 20.205 | 34.005 | | | | 70,0% | 7.690 | 2.515 | 10.205 | |
| Sub Total Portfolio to be sold | 54.706 | 34.916 | 89.622 | 18,5% | | | 57,8% | 25.576 | 12.227 | 37.803 | 13,4% |
| TOTAL PORTFOLIO | 364.940 | 120.181 | 485.121 | 100,0% | | | 41,9% | 221.955 | 59.823 | 281.778 | 100,0% |
| Minorities | GAV | | | | | | LTV | NAV | | | |
| Petrarca Fund (35%) | 20.391 | | | | | | | 5.363 | | | |
| Praga France Sarl (25%) | 2.391 | | | | | | | 1.381 | | | |
| TOTAL CONSOLIDATED PORTFOLIO | 387.722 | | | | | | 41,0% | 228.699 | | | |

The Company holds real estate investments in the Portfolio to income or to sell mainly in the Portfolio directly or through subsidiaries and within the Group structure, ie, by means of non-controlling interests in vehicle companies ("spv" or "special purpose vehicle") and real estate funds.

RENTED ASSETS

30 June 2016 the Group's pro rata share of income properties at market value amounted to € 262.5 million, of which 78% owned, directly or through companies and funds falling within the scope of consolidation and 22% through joint ventures and other real estate funds.

The composition for the intended use shows 49% Retail real estate, 48% Office properties and the remaining 3% real estate Other Uses. The duration of investments in income generating property is medium-long and designed to maximize the profits from rents, achievable through new leases or renegotiation in line with market rents and, therefore, the increase in the intrinsic value of real estate. The income portfolio showed a passing yield del'8% and a reversionary potential of about 10%. The geographical location of investments in income property is in Northern Italy for 75.9%, 13.0% in the South and 11.1% in the Center.

The financial leverage is on average equal to 47.5%, given that the property in Rome in Via Veneziani was bought entirely to equity and is subsequently refinanced.

DEVELOPMENT FOR RENT

The portfolio Development for Rent, consists of areas of development, predominantly commercial purposes, of which includes the development of a number of initiatives and subsequent lease.

30 June 2016 the market value of the pro rata share of investments in developing Real Estate Group amounted to € 133.0 million, of which 79% owned, directly or through companies and funds falling within the scope of consolidation and 21% by means of joint ventures and other real estate funds.

Lona to vale is on average lower than the rest of the portfolio, and stands at 20.2%. It expects to sign new loan agreements on major initiatives, including in support of the development costs, near the beginning of the construction work.

ASSET TO BE SOLD

Asset to be sold is composed of existing buildings and development areas to be sold. Asset to be sold owned 61% directly and through subsidiaries and the remaining 39% through joint ventures and real estate funds. In terms of NAV, it is prevalent the proportion invested in real estate (62%) than that in areas (38%). Lona to vale stood at 30 June 2016 to 64.6% on average.

SERVICES

In addition, the Aedes Group conducts real estate services mainly captive type, aimed at controlling the Group's investment and support to the company's purpose. The services provided are mainly project management through Praga Service Real Estate srl and general contractor through Praga Construction S.r.l. Also Aedes delivers directly to subsidiaries or affiliated asset management services, development management, administrative, financial and corporate. Finally, please note that last May was signed the contract for the sale ton Sator Immobiliare SGR of all shares held in the share capital of Aedes Real Estate SGR.

NAV

The total assets owned by the Aedes Group at June 30, 2016 at fair value amounted to € 294.1 million, including the pro portion of equity held through joint ventures, real estate funds and related companies, taking into account the market value of properties owned by these.

Below is a detail of the NAV attributable to the Aedes Group as of June 30, 2016 (in millions of euros):

| (€/ mln) | Book value | Market value | Capital gain |
|---|---------------|---------------|---------------|
| Rented Assets | 224,65 | 224,65 | - |
| Development for Rent | 104,70 | 104,84 | 0,14 |
| To Be Sold | 56,93 | 58,23 | 1,31 |
| Totale Gruppo Consolidato | 386,27 | 387,72 | 1,45 |
| Pro quota Rented Assets in Fondi e JVs | 57,06 | 57,06 | - |
| Pro quota Development for Rent in Fondi e JVs | 22,31 | 28,21 | 5,90 |
| Pro quota in To Be Sold in Fondi e JVs | 32,40 | 34,92 | 2,51 |
| Totale Fondi e JVs | 111,77 | 120,18 | 8,41 |
| Totale | 498,04 | 507,90 | 9,86 |
| Interessi di minoranza | | | - |
| Patrimonio netto del Gruppo a valore di libro | | | 285,40 |
| Tax Charge | | | (1,22) |
| NNAV | | | 294,05 |
| NNAV per azione (€) | | | 0,93 |

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.

SIGNIFICANT EVENTS DURING THE FIRST HALF OF 2016

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

March 15, 2016 - Aedes SIIQ has acquired 70% of the Fund Redwood, owner of 18 retail properties for € 16.4 million and signed a preliminary contract for the purchase of financial claims secured by a pledge on the remaining 30% of the fund for € 13.6 million. The properties generate a rent of € 3.6 million that the cost of real estate, net of cash, is equivalent to a gross entry yield of about 15%.

March 23, 2016 - Aedes SIIQ completed the acquisition, by a leading bank, financial claims secured by a pledge on the shares of 30% of the Redwood Fund. Contextually, anticipating the times, Aedes SIIQ acquired from KYRA SARL ownership of these fund units.

April 27, 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 fed 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.

May 11, 2016 - Signed a contract for the sale to Sator Immobiliare SGR of all shares held in the share capital of Aedes Real Estate SGR, equal to 95% of the same.

The enhancement of the SGR is around € 7.0 million for 95% (€ 7.4 million for 100%) of the share capital, net of the valuation of the Investietico Fund units owned by the same SGR. The contract provides that Aedes perceives a preventive distribution of shareholders' equity of the SGR for € 5.5 million, thus bringing the purchase price of € 1.5 million.

The transaction is expected to gross profit of approximately € 0.3 million, as well as an improvement of the cash available to Aedes equal to the realizable value, around € 9.5 million, and an improvement of approximately € NFP Group 1.8 million. It is expected that, subject to the satisfaction of the conditions precedent provided for in the contract of sale, the closing of the transaction to take place in the fourth quarter of 2016.

June 27, 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, with an annual rent of € 3.6 million. The property is located in Via Veneziani 56, about 10 km south-west of central Rome, in the direction called de 'Medici Park.

June 30, 2016 - The amendment to Article 21 of the Statute for the establishment of a statutory reserve, as approved by the Shareholders April 27, 2016, resulted in the emergence of the right of withdrawal to shareholders who had not approved this amending resolution. 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 they were exercised recesses for a number of shares equal to 13,658,544, the resolution did not occur and also ineffective are the results of exercised withdrawal rights.

SIGNIFICANT EVENTS AFTER THE END OF THE FIRST HALF OF 2016

August 1, 2016 - Aedes Siiq acquired the remaining 5% of the share capital Aedes Real Estate SGR, holding thus the total share capital, which it had undertaken, by contract, to sell to Sator Immobiliare SGR.

STATE OF IMPLEMENTATION OF THE PLAN

The results at 30 June 2016 stood at the high end of the range or better levels than foreseen in the business plan 2014-2019 approved by the Aedes Board of Directors May 27, 2014 and subsequently amended, most recently, on 1 December 2014 ("Plan").

INCOME STATEMENT

The income statement at June 30, 2016 reported an EBIT (operating profit) positive for about 19.3 million euros compares with a forecast plan of approximately €5.2 million. The positive delta of approximately €14.1 million is mainly attributable to the positive results arising from income property acquisitions made in the first half of the year net of other changes in value on the Group's property portfolio.

BALANCE SHEET

As of the balance sheet, the Plan envisaged in the best-case scenario, a total of liabilities included approximately €247.4 million, against which the result achieved on 30 June 2016 shows a total of €209.9 million, better than expected.

The figure for net debt amounted, at 30 June 2016, to about -€146.7 million compared to an expected figure of Plan amounted to -€197.6 million. The difference, positive for €51.0 million, is primarily attributable to approximately €50.3 million of lower debt of the Group compared to forecasts for about €0.7 million due to higher availability of cash compared to the plan because of the postponement of some property developments and for minor cash resources used in investment income assets.

Finally, with regard to equity, the Plan provided, in the best-case scenario, €282.8 million, against which the amount reported at June 30, 2016 amounted to €291.6 million, better than expected.

With the results as at 30 June 2016, the Company has achieved the objectives of the Plan, as was the case at December 31, 2014, March 31, 2015, June 30, 2015, September 30, 2015 and December 31, 2015.

OUTLOOK

The second half of 2016, whose financial figures are expected to further significant improvement compared to 2015, will be targeted to further enhance and improve the average occupancy of the property portfolio and proceed to the advancement of major projects development destined to increase in the income portfolio, consistent with the REIT's strategy. As anticipated, the Company will give update guidelines of the Business Plan, by the end of September.

The consolidated half-year report 30 June 2016 would be available to the public at the registered office, on the internet site of the Company www.aedes-siiq.com and authorized storage mechanism 1Info at www.1info.it.

The manager responsible for preparing corporate accounting documents of Aedes REIT S.p.A., Dott. Gabriele Cerminara attests, pursuant to art. 154-bis, paragraph 2, of Legislative Decree no. 58/98 that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Aedes SiiQ S.p.A.

Established in 1905, listed in 1924 Aedes was the first real estate company listed in the Milan Stock Exchange (NYSE: AE.MI). The strategy of the Company, REITs from January 1, 2016, aims to create and maintain the medium-long run a real estate portfolio with commercial destination, which generate cash flows consistent with the REIT model. The recurring cash flow will come from both the properties already owned with retail destination and offices, currently in income or in the process of commercialization, both from the areas that will be developed in-house to carry out income-generating property with target mainly retail.

For further details: www.aedes-siiq.com

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Attached Income Statement and Consolidated Balance Sheet 30 June 2016

CONSOLIDATED INCOME STATEMENT

| Income Statement | 30/06/2016 | 30/06/2015 | Change |
|--|-------------------|-------------------|----------------|
| Rental income | 7.001 | 3.234 | 3.767 |
| Services Revenues | 1.532 | 1.725 | (193) |
| Net income from sales of inventories | 427 | 828 | (401) |
| Net interest income from General Contractor | 1.124 | 135 | 989 |
| Proceeds from disposals of investments | 0 | 3.300 | (3.300) |
| Other income | 665 | 1.348 | (683) |
| Total revenues | 10.749 | 10.570 | 179 |
| Purchases and services for properties owned | (2.196) | (2.047) | (149) |
| Provision of services | (4.722) | (5.625) | 903 |
| Personnel | (2.582) | (2.351) | (231) |
| Other costs | (2.419) | (1.294) | (1.125) |
| Costs capitalized in inventories | 600 | 2.597 | (1.997) |
| Total costs | (11.319) | (8.720) | (2.599) |
| EBITDA | (570) | 1.850 | (2.420) |
| Depreciation and amortization | (2.705) | (177) | (2.528) |
| Fair value adjustment of investment properties | 23.521 | 517 | 23.004 |
| (Write-downs) / write-back of inventories | (289) | (32) | (257) |
| Income / (expense) from associates | (652) | (394) | (258) |
| Income / (loss) before restructuring | 0 | (14) | 14 |
| EBIT | 19.305 | 1.750 | 17.555 |
| Income / (expense) | (2.412) | (2.498) | 86 |
| Financial expenses capitalized in inventories | 1 | 486 | (485) |
| EBT | 16.894 | (262) | 17.156 |
| Taxes | 2 | 275 | (273) |
| Profit / (loss) from continuing operations | 16.896 | 13 | 16.883 |
| Profit / (loss) after tax of discontinued operations | 320 | 810 | (490) |
| Profit / (Loss) | 17.216 | 823 | 16.393 |
| Result attributable to minority shareholders | 5 | 364 | (359) |
| Group result | 17.211 | 459 | 16.752 |

RECLASSIFIED CONSOLIDATED BALANCE SHEET

| Balance Sheet(€/000) | 30/06/2016 | 31/12/2015 | Change |
|--|-------------------|-------------------|---------------|
| Fixed Capital | 385.277 | 326.325 | 58.952 |
| net working capital | 64.678 | 55.498 | 9.180 |
| INVESTED CAPITAL | 449.955 | 381.823 | 68.132 |
| Group Shareholders' Equity | 285.402 | 269.079 | 16.323 |
| Shareholders' equity attributable to minority shareholders | 6.217 | 6.241 | (24) |
| Total shareholders' equity | 291.619 | 275.320 | 16.299 |
| Other non-current asset and liabilities | 11.671 | 10.554 | 1.117 |
| Bank overdrafts and medium term banks and other lenders | 127.718 | 94.424 | 33.294 |
| Bank borrowings and other short-term lenders | 39.927 | 70.022 | (30.095) |
| Cash and cash equivalents | (20.980) | (68.497) | 47.517 |
| Total net debt | 146.665 | 95.949 | 50.716 |
| TOTAL SOURCES | 449.955 | 381.823 | 68.132 |