- **CONFIRMED BENEDETTO CEGLIE AS VICE CHAIRMAN AND GIUSEPPE ROVEDA AS CEO**
- **APPROVED THE INTERIM RESULTS AS AT MARCH 31, 2018**
  - **Rent revenues: € 4.2 mln (€ 4.2 mln)[1];**
  - **Total revenues: € 4.3 mln (€ 4.5 mln);**
  - **EBITDA in line with March 31, 2017;**
  - **Profit of the period: - € 2.3 million (€ 2.2 million) due to lower revaluations at fair value and higher financial charges;**
  - **Net Financial Debt: € 216.2 mln (€ 215.7 mln); LTV 48.6%[2] (49.6%).**

Milan, 9 May 2018 - The Board of Directors of **Aedes SIIQ S.p.A.** (MTA: AE), met today under the chairmanship of Carlo A. Puri Negri, confirmed Benedetto Ceglie as Vice Chairman and Giuseppe Roveda as CEO, and approved the Consolidated Interim Report at March 31, 2018.

CONSOLIDATED INCOME STATEMENT AS AT MARCH 31, 2018

Total revenues amounted to € 4.3 million, compared to € 4.5 million in the corresponding period of 2017. In line with the property company model and adherence to the tax regime reserved for REITs, the weight of **rental revenues** increases, which stands at 98% of total revenues compared to 93% in the same period of the previous year and amounted to € 4.2 million, in line with the first quarter of 2017. The performance of this item is mainly due to € 0.9 million to the greater revenues deriving from the retail park in Serravalle Scrivia (acquired in May 2017), offset by € 0.4 million from lower revenues on a wholly-owned property in Milan (vacant as of May 2017 and being restructured for subsequent rentals) and for € 0.2 million from lower revenues recorded on the Trezzano property being refurbished with new tenants.

Total external direct costs, net of capitalized costs, amounted to € 1.9 million as at 31 March 2018, compared to € 1.3 million as at 31 March 2017, with an increase of € 0.6 million due to the growth in real estate assets.

The **Net Operating Income**, as a result of the aforementioned items, was positive for € 2.4 million compared to the positive € 3.2 million posted on 31 March 2017.

Total direct costs amounted to € 0.2 million compared to € 0.4 million at March 31, 2017.

General expenses amounted to € 2.3 million, down compared to € 2.9 million at 31 March 2017. The reduction of € 0.6 million is mainly attributable to the positive impact of the accounting effects of the normalization of the rent of the current headquarters already set aside in previous periods.

EBITDA is negative for € 0.1 million and in line with March 31, 2017.

During the first quarter of 2018 there were no **adjustments to the fair value of property investments**, since no elements that determined the need to update the appraisals emerged. In the first quarter of 2017, this item was positive for € 3.5 million and was related to the adjustment to fair value of the development

[1] The financial figures shown in brackets refer to March 31, 2017 and December 31, 2017

[2] LTV calculated as the ratio between gross debt referred to March 31, 2018 and Real Estate Portfolio at fair value referred to December 31, 2017 including capex

area of Caselle subject to the Urban Planning Convention, signed by the subsidiary Satac SIINQ S.p.A. with the Municipality of Caselle.

Amortization, provisions and depreciation at March 31, 2018 amounted to € 0.7 million, compared to € 0.2 million at March 31, 2017. The item is as follows:

- € 0.2 million of amortization/depreciation (zero in 2017), mainly attributable to accelerated amortization on the furnishings and plants of the registered office following the decision of the Company to move its headquarters;
- € 0.5 million for writedowns of trade receivables (€ 0.2 million in 2017).

Income from associates and joint ventures showed a positive balance of € 0.6 million, compared to the balance of € 0.2 million at March 31, 2017 where the increase is mainly due to the results generated by the companies Pragasei S.r.l. and Dante Retail Fund.

EBIT is negative for € 0.2 million, compared to the positive € 3.4 million in 2017, the difference is essentially due to lower revaluations as highlighted above.

Net financial charges are negative for € 2.1 million, compared to a negative balance of € 0.8 million on 31 March 2017. In detail, this item consists of:

- financial income: + € 0.1 million (+ € 0.2 million at March 31, 2017);
- financial expenses: - € 2.2 million (- € 0.9 million at 31 March 2017); the difference is a consequence of the increase in gross debt linked to the increase in real estate assets and the higher costs of the new unsecured debt;
- adjustments to the fair value of derivative instruments: essentially nil (- € 0.1 million at March 31, 2017).

The **net result** for the first quarter of 2018 shows a loss of € 2.3 million (almost entirely attributable to the Group), compared to a profit of € 2.2 million in the first quarter of 2017 (almost entirely attributable to the Group). The result as at 31 March 2017 had been positively influenced for € 3.5 million by adjustments to fair value of property investments, entirely due to the adjustment to fair value for the development area of Caselle subject to the Urban Planning Agreement signed by the subsidiary Satac SIINQ SpA with the Municipality of Caselle.

CONSOLIDATED BALANCE SHEET AT MARCH 31, 2018

Capital employed as at 31 March 2018 is € 530.0 million compared to € 532.4 million at the end of 2017 and is financed from equity for € 309.2 million (58%), for € 216.2 million (41%) from net financial debt and for € 4.6 million (1%) from other non-current net liabilities. It results as follows:

- **Fixed Capital** amounted to € 492.1 million compared to € 485.6 million at December 31, 2017, and mainly consists of:
    - property investments and other tangible assets for € 438.7 million, € 432.4 million at December 31, 2017. The change of € 6.3 million is mainly due to the capitalisations on the properties owned by the Group;
    - capital invested in associates and joint ventures for € 53.2 million, compared to € 53.1 million at December 31, 2017;
    - financial assets of € 0.1 million, in line with December 31, 2017;
    - intangible assets of € 0.1 million, substantially nil at 31 December 2017.

- **Net working capital** amounted to € 38.0 million compared to € 46.8 million at 31 December 2017, and is made up of:
  - inventories for € 49.3 million compared to € 50.2 million at December 31, 2017; the change is attributable to the sale of assets for the period;
  - trade receivables and other receivables for € 14.5 million, compared to € 21.6 million at December 31, 2017. The change is mainly attributable to the collection in 2018 of the receivable deriving from the sale of Lot 10B for € 4.4. million, in addition to trade receivables for contracts with third parties;
  - trade payables and other payables for € 25.8 million, compared to € 25.0 million at the end of 2017.

At March 31, 2018 there were no financial, tax and social security positions due to expired and unpaid employees beyond the applicable deadlines. With regard to trade payables and other payables, on the same date the Aedes Group recorded overdue receivables of € 3.4 million, for which there are no disputes or legal initiatives, nor suspension of supply relationships.

Consolidated shareholders' equity amounted to € 309.2 million compared to € 312.8 million at 31 December 2017. The negative change of € 3.6 million is attributable to the result for the period of - € 2.3 million, to the reserve for valuation at fair value of derivative financial instruments considered hedging for - € 0.4 million, the adoption of IFRS 9 for - € 0.8 million and - € 0.1 million for actuarial losses

The **Group's net financial debt** at March 31, 2018 is € 216.2 million compared to € 215.7 million at December 31, 2017. The net financial debt of 2018 derives from a difference between gross payables for € 237.0 million. million and bank deposits of € 20.8 million (measured for the first time in accordance with IFRS 9), compared to gross debts for € 238.9 million and bank deposits of € 23.2 million at the end of the financial year previous one. The percentage of gross indebtedness at a variable rate is equal to 52.85% of the Group's overall financial exposure and the average duration is 2.42 years.

At March 31, 2018 there are no financial covenants or other clauses in the loan contracts not respected.

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SIGNIFICANT EVENTS DURING THE FIRST QUARTER 2018

January 24, 2018 – The Board of Directors, in implementation of the Shareholders' Meeting resolution of April 27, 2017 authorizing the purchase and disposal of treasury shares, resolved to renew until October 27, 2018, the liquidity support program of the Aedes SIIQ stock, conferring the assignment of Liquidity provider to INTERMONTE SIM SpA.

February 28, 2018 – Following the framework agreement signed in December 2017, Aedes SIIQ completed the lease agreement for the entire Tower located in Milan, Viale Richard 3, with WPP Marketing Communications (Italy) Srl, a WPP Group company, a leading multinational communications group, whose parent company WPP PLC is listed on the NYSE. The lease will have a renewable term of 9 years of additional 6 years, with a fee of € 1.8 million per year.

March 2, 2018 – Aedes SIIQ S.p.A increased the provision made available to Intermonte SIM to € 200,000 to purchase and sell the Aedes SIIQ shares on an independent basis, on behalf and with risk to the Company.

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SIGNIFICANT EVENTS AFTER THE FIRST QUARTER 2018

April 27, 2018 – The Shareholders' Meeting appointed the new Board of Directors, confirming Carlo A. Puri Negri as Chairman of the Board, and the new Board of Statutory Auditors.

April 27, 2018 – The Board of Directors has appointed the following Committees:

- Control, Risks and Operations Committee with Related Parties
- Remuneration and Appointments Committee
- Finance and Investment Committee

In addition, the Board of Directors, in implementation of the shareholders' meeting resolution of 27 April 2018 authorizing the purchase and disposal of treasury shares, resolved to continue the program to support the liquidity of the Aedes SIIQ share, using Intermonte SIM S.p.A.

May 9, 2018 – The Board of Directors confirmed Benedetto Ceglie as Vice Chairman and Director in charge of the internal control and risk management system, and Giuseppe Roveda as Chief Executive Officer.

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STATE OF IMPLEMENTATION OF THE 2014-2019 PLAN

The 2014-2019 business plan, approved by the Board of Directors of Aedes on May 27, 2014 and subsequently supplemented, most recently, on December 1, 2014, has been prepared on a six-monthly basis so a quarterly analysis and comparison cannot be fully representative and exhaustive about any deviations.
For the purposes of a comparison with the final results, therefore, a re-elaboration of the data underlying the Plan in the first quarter of 2018 is used.

INCOME STATEMENT

The income statement as at 31 March 2018 reports a negative EBIT (Operating Result) of around € 0.3 million, against which the Plan envisaged a result in a range between € 5 and 7 million. However, the gap at EBIT level was partially offset by the additional income statement items, with particular reference to lower financial expenses, equal to € 2.1 million at the end of the first quarter of 2018 compared to € 7.0 million from the Plan. In the period from December 31, 2014 to March 31, 2018, the sum of the profits envisaged by the plan and the sensitivity is between € 45 million and € 80 million. The results achieved in the same period reach € 43.4 million, substantially in line with the aforementioned range.

BALANCE SHEET

As for the Balance Sheet, the Plan envisaged a total of liabilities in a range between € 250 and 270 million, against which the final figure for the first quarter of 2018 shows a total of € 274.1 million and therefore in line with expectations. . The figure relating to the net financial position is equal, as at 31 March 2018, to - € 216.2 million compared to an expected Plan figure of - € 220.8 million.
Finally, shareholders' equity amounted to € 309.2 million, compared to the Plan expected figure in a range of € 305 million to € 310 million, thus falling within that range.

With the results as of March 31, 2018, the Company has achieved the Plan objectives, as has already happened in all the previous closures starting from December 31, 2014.

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OUTLOOK

During the year 2018 the Group will continue with the disposal of part of the non-strategic or non-value-added portfolio, the progressive refinancing of the real estate portfolio, refurbishment and portfolio enhancement activities, with the aim of improving employment parameters. and performance for the benefit of future exercises. Therefore, important investment activities are planned on the perimeter of the properties already in the portfolio.

The Company also announced, in conjunction with the publication of the consolidated half-year report (August 2, 2017), the 2023 guidance on macro-objectives for investment and performance.

The guidance drivers envisage the growth and consolidation of a "commercial" portfolio focused on new generation and office retail assets, with the aim of maintaining, in the medium and long term, a real estate portfolio that generates recurring cash flows typical of the model SIIQ / REIT, with returns above the industry average.
The Group will continue to acquire real estate properties and portfolios already in income, including through contributions in kind, mainly located in the North and Central Italy, and to develop a new generation of shopping and leisure centers through the pipeline of projects already in the portfolio. At the same time, it will continue to dispose of assets that are no longer considered strategic, as well as assessing the adoption of further measures aimed at strengthening the Group's capital.

TARGET:

- 2023 Real estate GAV of around 1.6 billion euros
- Occupancy rate > OF 95%
- LTV approximately 50%

These objectives remain confirmed; the occurrence in whole or in part of the same will also depend on factors outside the control of the company such as the economic cycle, the evolution of the real estate market, the evolution of the credit supply, the evolution of the market of capital.
Management will keep the utmost attention to the opportunities offered by the market, planning the further growth of the Group in the best possible way.

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The manager responsible for preparing the corporate accounting documents of Aedes SIIQ S.p.A., Mr. Achille Mucci hereby certifies, as set forth by section 154-bis, paragraph 2, of Legislative Decree no. 58/98 that the accounting information contained in this press release comply with the book entries, accounting records and ledgers.

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The Interim Financial Report at March 31, 2018 will be made available to the public by today, at the registered office, on the Company's website at www.aedes-siiq.com and on the authorized storage mechanism 1Info at www. 1info.it

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Aedes SIIQ S.p.A.
Aedes, founded in 1905, was the first real estate company to be listed and publicly traded on the Italian Stock Exchange in 1924 (MTA:AE.MI). Aedes SIIQ's strategy consists of the creation and expansion of its "Commercial Portfolio", with a particular focus on new-generation "Retail Properties" and high-quality "Office Spaces" exceeding the industry average, in order to generate recurring cash flows in line with the SIIQ/REIT model. Following the successful conclusion of a full financial restructuring at the end of 2014 and the merger with Praga Holding Real Estate S.p.A. – known for the Serravalle Scrivia development and the construction of Italy's first Designer Outlet – in the second half of 2015, the Company is actively present in the industry with a competitive business plan managed

by a highly-skilled team in the Real Estate market. After exercising the option to adopt the civil and taxation model for listed real estate investment companies (the so-called REIT), Aedes became a REIT on January 1, 2016. As of December 31, 2017, Aedes Group's property portfolio amounted to a market value of € 481.6 million (Consolidated GAV). The total revenues for the 2017 amounted to € 20.6 million, of which € 17.4 million are rental income, the consolidated shareholders' equity amounted to € 312.8 million and the LTV equalled 49.6%. The NNNAV calculated on December 31, 2017 amounted to € 316.7 million and a NNNAV per share amounted to € 0.99.

For further information: www.aedes-siiq.com

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Please find attached the Income Statement - Balance Sheet - Net Financial Debt
Reclassified consolidated statements as of March 31, 2018

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

Description (€/000)	31/03/2018	31/03/2017	Change
Gross revenue from rents	4,242	4,214	28
Margin on property sales	66	59	7
Margin on sales of non-property inventories	149	172	(23)
Margin from general contractor and project mgmt services	0	(108)	108
Other revenues	(110)	186	(296)
Total Revenues	**4,347**	**4,523**	**(176)**
Net Losses for vacant properties	(296)	(118)	(178)
IMU Property Tax, other taxes and insurance on properties	(963)	(759)	(204)
Opex	(120)	(114)	(6)
Fees and commissions	(293)	(236)	(57)
Other non-rechargeable costs	(273)	(95)	(178)
Total Direct Costs	**(1,945)**	**(1,322)**	**(623)**
Net Operating Income	**2,402**	**3,201**	**(799)**
Direct personnel costs	(689)	(567)	(122)
Internal capitalised costs	500	175	325
Total Internal Direct Costs	**(189)**	**(392)**	**203**
Cost of head office staff	(686)	(690)	4
Advisory services to Structure	(672)	(840)	168
G&A	(936)	(1,404)	468
Total Overheads	**(2,294)**	**(2,934)**	**640**
EBITDA	**(81)**	**(125)**	**44**
Adjustment to fair value of real estate investments	0	3,519	(3,519)
Amortisation, depreciation provisions and impairment	(714)	(161)	(553)
Income/(expenses) from associates	559	167	392
EBIT (Operating Result)	**(236)**	**3,400**	**(3,636)**
Financial income/(charges)	(2,105)	(777)	(1,328)
EBT (Result before taxes)	**(2,341)**	**2,623**	**(4,964)**
Taxes/Tax charges	0	0	0
Profit/(loss) from continuing operations	**(2,341)**	**2,623**	**(4,964)**
Profit/(loss) after taxes on non-current assets to be divested	0	(418)	418
Profit (Loss)	**(2,341)**	**2,205**	**(4,546)**
Share of result of the minority shareholders	**(16)**	**38**	**(54)**
Group's share of the result	**(2,325)**	**2,167**	**(4,492)**

RECLASSIFIED CONSOLIDATED BALANCE SHEET

Description (Euro/000)	30/03/2018	31/12/2017	Change
Fixed capital	492,057	485,596	6,461
Net working capital	37,964	46,806	(8,842)
INVESTED CAPITAL	**530,021**	**532,402**	**(2,381)**
Equity of the group:	309,650	313,201	(3,551)
Equity share of the minority shareholders	(401)	(385)	(16)
Consolidated Equity	**309,249**	**312,816**	**(3,567)**
Other non-current (assets) and liabilities	**4,580**	**3,857**	**723**
Medium-long term amounts due to banks and other lenders	173,130	174,227	(1,097)
Short-term amounts due to banks and other lenders	63,879	64,743	(864)
Cash and cash equivalents	(20,817)	(23,241)	2,424
Net financial debt	**216,192**	**215,729**	**463**
FUNDING SOURCES	**530,021**	**532,402**	**(2,381)**

CONSOLIDATED NET FINANCIAL DEBT

	NFP (Euro/000)	31/03/2018	01/04/2017	Change
A	Cash	20,817	23,241	(2,424)
B	Cash equivalents	0	0	0
C	Securities	0	0	0
D)	**Liquid assets**	**20,817**	**23,241**	**(2,424)**
E	**Current financial receivables**	**0**	**0**	**0**
F	Current amounts due to banks	(63,002)	(64,262)	1,260
G	Current portion of non-current financial liabilities	(544)	(145)	(399)
H	Other current financial liabilities	(333)	(336)	3
I	**Total current financial debt**	**(63,879)**	**(64,743)**	**864**
J	**Net current financial debt**	**(43,062)**	**(41,502)**	**(1,560)**
K	Non-current amounts due to banks	(117,641)	(118,990)	1,349
L	Bonds issued	(44,189)	(43,992)	(197)
M	Other non-current financial liabilities	(11,300)	(11,245)	(55)
N	**Non-current net financial debt**	**(173,130)**	**(174,227)**	**1,097**
O	Net financial debt	**(216,192)**	**(215,729)**	**(463)**