



# Company presentation

December 2019

**PRODEA**  
INVESTMENTS

# Disclaimer

---

By viewing or receiving this presentation, you are agreeing to be bound by the following limitations.

The information contained in this presentation has been prepared by Prodea Real Estate Investment Company Societe Anonyme (the "Company") and has not been independently verified and will not be updated. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein and nothing in this Presentation is, or shall be relied upon as, a promise or representation. None of the Company nor any of its affiliates, nor their respective employees, officers, directors, advisers, representatives or agents shall have any liability whatsoever (in negligence or otherwise, whether direct or indirect, in contract, tort or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. The information and opinions in this presentation are provided as at the date hereof and subject to change without notice. It is not the intention to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of the Company's financial or trading position or prospects. This presentation does not constitute investment, legal, accounting, regulatory, taxation or other advice and does not take into account your investment objectives or legal, accounting, regulatory, taxation or financial situation or particular needs. You are solely responsible for forming your own opinions and conclusions on such matters and for making your own independent assessment of the Company. You are solely responsible for seeking independent professional advice in relation to the Company. No responsibility or liability is accepted by any person for any of the information or for any action taken by you or any of your officers, employees, agents or associates on the basis of such information. This presentation contains financial information regarding the businesses and assets of the Company. Such financial information may not have been audited, reviewed or verified by any independent accounting firm. The inclusion of such financial information in this presentation or any related presentation should not be regarded as a representation or warranty by the Company, its affiliates, advisors or representatives or any other person as to the accuracy or completeness of such information's portrayal of the financial condition or results of operations by the Company and should not be relied upon when making an investment decision. This presentation includes certain non-IFRS financial measures and other metrics which have not been subject to a financial audit for any period.

Certain information as of and for September 30, 2019 in this presentation is based solely on management accounts and estimates of the Company. The Company's consolidated financial results may differ from its management accounts and estimates and remain subject to normal end-of-period closing and review procedures. Those procedures have not been completed. Accordingly, such information may change and such changes may be material. The foregoing information has not been audited or reviewed by the Company's independent auditors and should not be regarded as an indication, forecast or representation by the Company or any other person regarding the Company's performance for the abovementioned period. Certain financial and statistical information in this presentation has been subject to rounding off adjustments. Accordingly, the sum of certain data may not conform to the expressed total. The Company uses several key operating measures, including NAV, EBITDA, Adjusted EBITDA, FFO, GAV, EPRA NAV, EPRA NAV per Share, and Ratio of borrowings (short and long term), net of total assets, to track the performance of the Portfolio and business. None of these items are a measure of financial performance under generally accepted accounting principles, including IFRS, nor have these measures been reviewed by an external auditor, consultant or expert. These measures are derived from management information systems. As these terms are defined by our management and are not determined in accordance with generally accepted accounting principles, thus being susceptible to varying calculation, the measures presented may not be comparable to other similarly titled measures terms used by others. Certain statements in this presentation are forward-looking. The presentation also includes certain forward-looking information related to the Company's pipeline. Such information is given only as of this date and the Company is under no obligation to provide any update. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These include, among other factors, changing economic, business or other market conditions, changing political conditions and the prospects for growth anticipated by the Company's management., the inherent investment risks in the commercial real estate classes in which the Company invests, fluctuations in economic and real estate market conditions affecting our income and the exposure to risks associated with borrowings as a result of our leverage. The Company's ability to complete the acquisitions in the pipeline on the terms set out therein or at all is subject to numerous risks, including but not limited to competition, availability of financing, due diligence and market conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Our ability to implement forward-looking information is subject to uncertainties and contingencies, some of which are beyond our control, and no assurance can be given that we will be able to reach our targets or that our financial condition or results of operations will not be materially different from such information. In addition, even if our results of operations, including our financial condition and liquidity and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Offering Circular, those results or developments may not be indicative of results or developments in subsequent periods. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation.

The market and industry data and forecasts included in this presentation were obtained from internal surveys, estimates, experts and studies, where appropriate as well as external market research, publicly available information and industry publications. The Company, its affiliates, directors, officers, advisors and employees have not independently verified the accuracy of any such market and industry data and forecasts and make no representations or warranties in relation thereto. Such data and forecasts are included herein for information purposes only. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this presentation. **THIS PRESENTATION DOES NOT CONSTITUTE OR FORM PART OF ANY OFFER FOR SALE OR SOLICITATION OF ANY OFFER TO BUY ANY SECURITIES NOR SHALL IT OR ANY PART OF IT FORMS THE BASIS OF OR BE RELIED ON IN CONNECTION WITH ANY CONTRACT OR COMMITMENT TO PURCHASE SECURITIES.**

# Prodea Investments at a glance



Largest REIC in Greece <sup>(a)</sup>	Best in class portfolio	Diversified portfolio	Strong financials
<p><b>€2.2bn</b> GAV</p> <p><b>373</b> Number of properties</p> <p><b>1,318,434</b> GLA (sqm)</p>	<p><b>97.4%</b> Occupancy</p> <p><b>16 years</b> WAULT<sup>(b)</sup></p> <p><b>€141m</b> Annualized gross rent<sup>(f)</sup></p> <p><b>7.3%</b><sup>(f)</sup> Gross rental yield</p>	<p><b>83%</b> Hellenic market<sup>(c)</sup> and <b>17%</b> gateway cities in SEE<sup>(g)</sup></p> <p><b>Well balanced</b> asset class exposure</p>	<p><b>€104m</b> Adjusted EBITDA<sup>(d)</sup></p> <p><b>~80%</b> Adjusted EBITDA margin<sup>(e)</sup></p> <p><b>€66m</b> FFO<sup>(d)</sup></p> <p><b>€1.3bn</b> EPRA NAV</p> <p><b>36.1%</b> Net LTV</p>

Source: Company information.

Note: Unless stated otherwise, all data refers to the period ended 30 September 2019.

(a) Based on GAV.

(b) Excluding break options.

(c) Includes Greece (66%) and Cyprus (17%).

(d) LTM September 2019 values; Excludes Adjusted EBITDA of operating hotels. By including the operating hotels, Adjusted EBITDA is €109m and FFO is €68m.

(e) Calculated as LTM September 2019 operating profit after subtracting change in fair value of investment properties, impairment of inventories and PPE, net change in fair value of financial instruments and net non recurring income (mainly negative goodwill arising from acquisition of subsidiaries) and adding back depreciation and amortization expenses, divided by total rental revenue excluding operating hotels. By including the operating hotels, Adjusted EBITDA margin is ~68%.

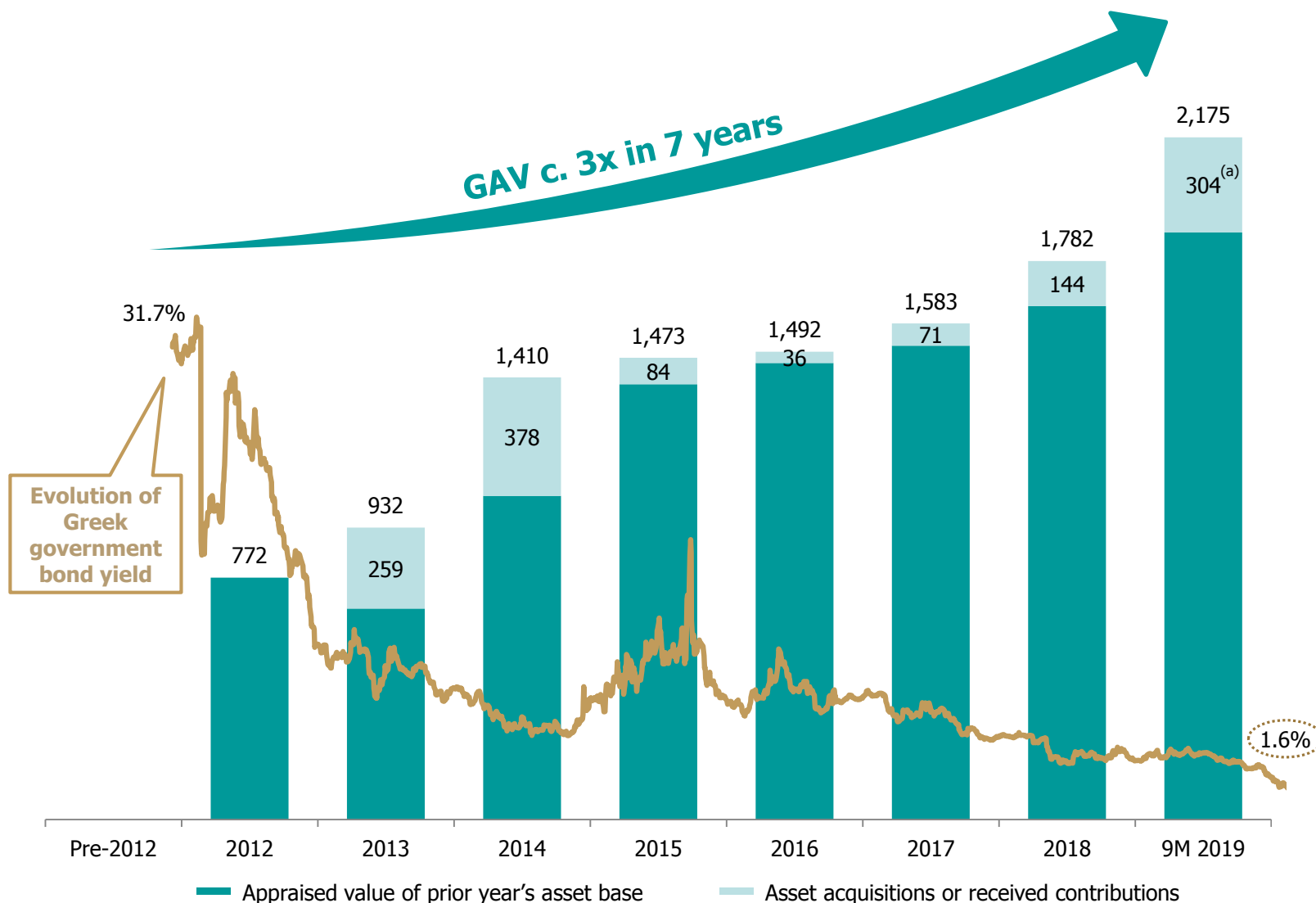
(f) Excluding revenue from operated hotels.

(g) Including Italy.



# Prodea Investments has a strong track record of growth

GAV (in €m)



**2010**  
NBG founded Pangaea as its real estate subsidiary and as a fully controlled REIC

**2013**  
Invel acquired 66% stake

**2015**  
Reverse merger to MIG Real Estate becoming a listed REIC with minimal free float

**2019**  
Invel exercised its call option to acquire NBG's remaining stake as per shareholder agreement

**September 2019**  
Re-branded to  
**PRODEA**  
INVESTMENTS

Source: Company information and FactSet as of 3 December 2019.

Notes: (1) GAV figures include revaluation gains/losses on investment properties as follows – 2013: €(102.0)m; 2014: €98.7m; 2015: €(23.7)m; 2016: €(18.2)m; 2017: €17.2m; 2018: €46.3m; H1 2019: €73.9m.

(2) Assets acquisitions refer to the acquisition value of the investment properties excl. capitalized acquisition related expenses

(a) Refers to acquisitions of Aphrodite Hills, Springs, CTDC and CYREIT on a full consolidation basis while company's effective ownership stakes as of June 30, 2019 are 60%, 60%, 90% and 88%, respectively.

# Unique opportunity to back the largest institutional market recovery play in Europe today

## ① High quality portfolio with strong cash generation

Well occupied and well maintained assets  
Long WAULT with c.87% inflation indexed leases<sup>(a)</sup>  
c.80% adjusted EBITDA margin<sup>(b)</sup>



**€2.2bn GAV diversified  
by segment and geography**

## ② Attractive market opportunity

Greek macro on a clear recovery path  
Yield compression under way



**Gross yield<sup>(c)</sup> 7.7% in Greece**

## ③ Visible portfolio growth

Pipeline focused on offices and  
alternative segments in the Hellenic region



## ④ Right team and supportive shareholder

Internally managed  
36 key team members sourcing and executing acquisitions  
and overseeing the strategy



**Full alignment of interests**



Source: Company information.

(a) Based on annualised rental income as of 30 September 2019.

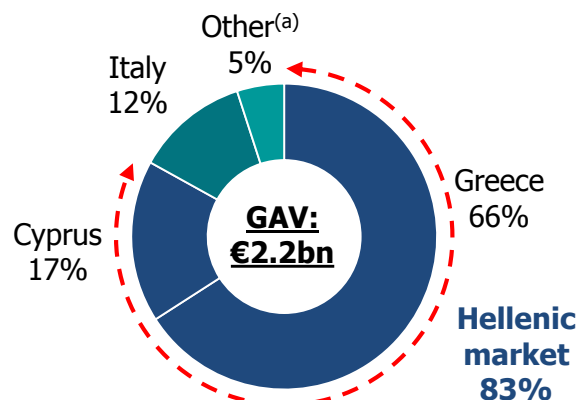
(b) Calculated as LTM September 2019 operating profit after subtracting change in fair value of investment properties, impairment of inventories and PPE, net change in fair value of financial instruments and net non recurring income (mainly negative goodwill arising from acquisition of subsidiaries) and adding back depreciation and amortization expenses, divided by total rental revenue. Excludes operating hotels. By including the operating hotels, Adjusted EBITDA margin is ~68%.

(c) Calculated as annualised rental income divided by appraised value, excludes Prodea Investments's headquarters (€2.25m) and the under land development in Northern Athens (€4.55m).

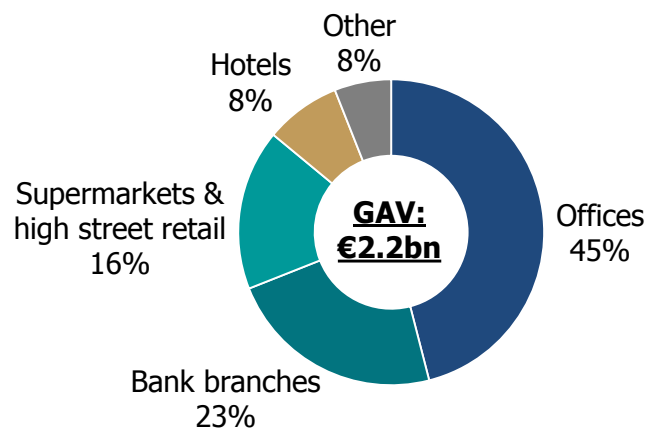
# Unique portfolio of prime and modern assets, well diversified across geography and sectors

## Well diversified portfolio across geography and asset class

### Breakdown by geography



### Breakdown by asset class



**Top 30 assets account for 53.8% of GAV**

## Landmark assets in the portfolio



**Karela Property, near Athens airport**



**GAV: €126m**



**Year of refurbishment: 2017**



**First and largest office complex in Greece granted LEED<sup>(b)</sup> certification**  
**Core tenant: Cosmote**



**Ergon House, Downtown Athens**



**GAV: €10m**



**Year of refurbishment: 2018**



**Iconic building totally refurbished**



**The Landmark Hotel Nicosia, Nicosia, Cyprus**



**GAV: €62m<sup>(c)</sup>**



**Year of refurbishment: 2012**



**5\* hotel in Nicosia, Cyprus**

Source: Company information.

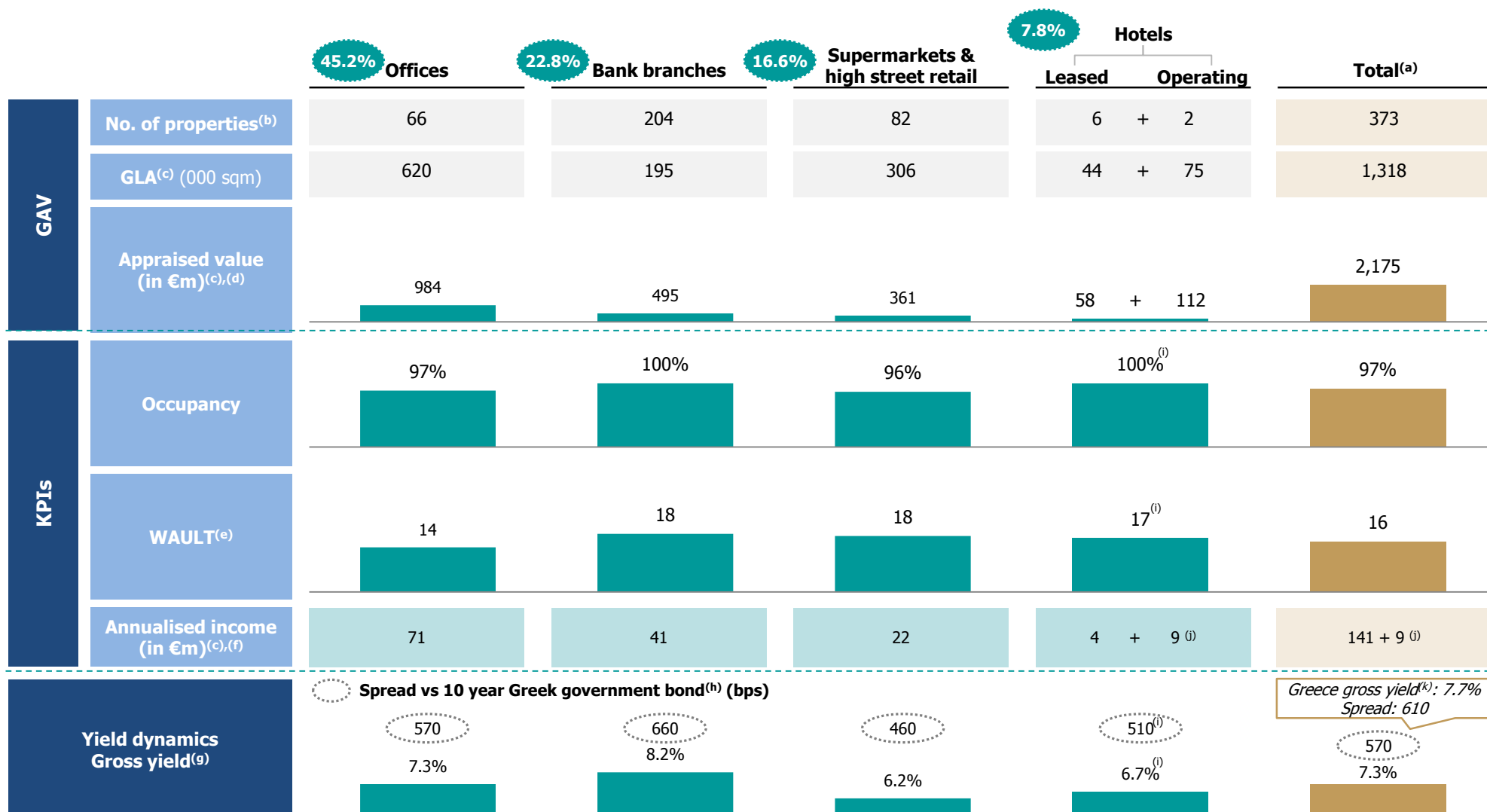
Note: Unless stated otherwise, all data refers to the period ended 30 September 2019.

(a) Other includes Bulgaria (4.4%) and Romania (0.3%).

(b) Represents new construction GOLD level certificate (LEED).

(c) The GAV does not include Furniture, Fixtures and Equipment of €2mm

# High yielding portfolio with superior KPIs



Source: Company information.

Note: Unless stated otherwise, all data refers to the period ended 30 September 2019.

(a) Total also includes storage spaces, archive buildings, petrol stations, parking spaces, real estate inventories in Cyprus, the Pomezia land plot in Italy and Aphrodite Springs in Cyprus.

(b) Breakdown based on the primary use.

(c) In relation to properties with mixed use, the categorization is based on the actual use of such property.

(d) GAV as derived from the interim financial statements for the 9 months period ended 30 September 2019, including the Group's owner occupied properties (fair value: €114.1m), the Pomezia land plot in Italy (fair value: €52.5m), Aphrodite Spring in Cyprus (€25.5m) and the Group's real estate inventories (fair value: €31.4m).

(e) Excluding break options. 11 years including break options.

(f) Annualized rent as of 30 September 2019 calculated as 30 September 2019 monthly rent per the leases multiplied by 12.

(g) Rental yield in the "Offices" category excludes Prodea Investments' headquarters (€2.25 m) and the under development land in Northern Athens (€4.55m), Rental yield in the "Supermarkets & high street retail" category excludes the retail property in Bulgaria (€10.4m).

(h) 10 year Greece Government Bond acting as benchmark as of 3 December 2019 (160bps).






(i) Leased hotels only.

(j) GOP generated from operating the hotels.

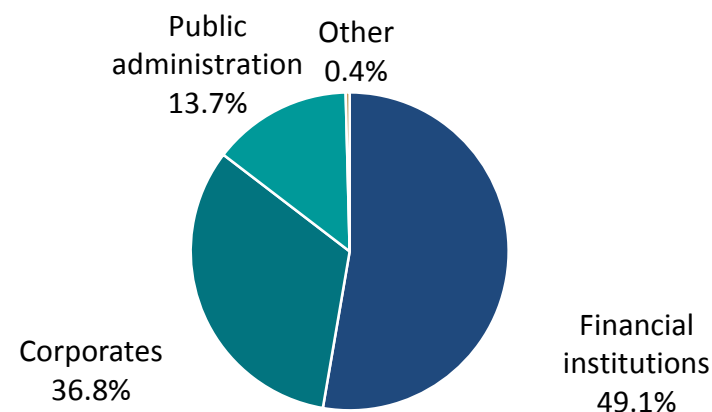
(k) Average gross yield for Prodea investments' Greek portfolio.

# A portfolio leased to strong creditworthy tenants, comprising of financial and governmental institutions, as well as well-known corporates

## Top 5 tenant mix with strong covenants

			Rent (%)
	<b>National Bank of Greece</b>	<ul style="list-style-type: none"> <li>One of Greece's largest banks in terms of total assets and deposits</li> </ul>	<b>47%</b>
	<b>Sklavenitis</b>	<ul style="list-style-type: none"> <li>Leading Greek supermarket chain</li> </ul>	<b>9%</b>
	<b>Hellenic Republic</b>	<ul style="list-style-type: none"> <li>Various ministries and public service departments</li> </ul>	<b>9%</b>
	<b>Cosmote (part of Deutsche Telecom group)</b>	<ul style="list-style-type: none"> <li>One of the leading mobile network operators in Greece</li> </ul>	<b>7%</b>
	<b>Italian Republic</b>	<ul style="list-style-type: none"> <li>Government institution of Italy</li> </ul>	<b>5%</b>

## Breakdown by type of tenant



## Favourable lease terms

- ✓ **16/11 years WAULT** excluding/including break options
- ✓ **95%** of the annualised rents **not subject to break options**
- ✓ **~87%** of the annualized rent **indexed to inflation rate**

Source: Company information.

Note: Unless stated otherwise, all data refers to the period ended 30 September 2019.



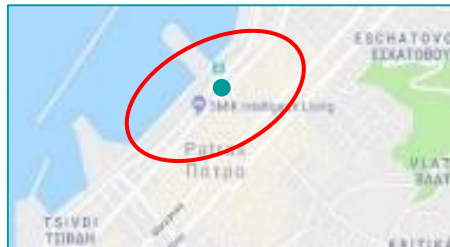
# Prodea's bank branches are strategic to NBG and located in prime urban locations suitable to capture retail demand

## NBG branches are renowned for being in the best locations ...

📍 Alexandrou-polis, Evros



📍 Patra, Peloponnese



**No branch overlap due to mergers in NBG portfolio**

🔴 City center      ● Prodea Investments' property

... with a proven track record of immediate lease up post conversion from retail bank branches to high street retail



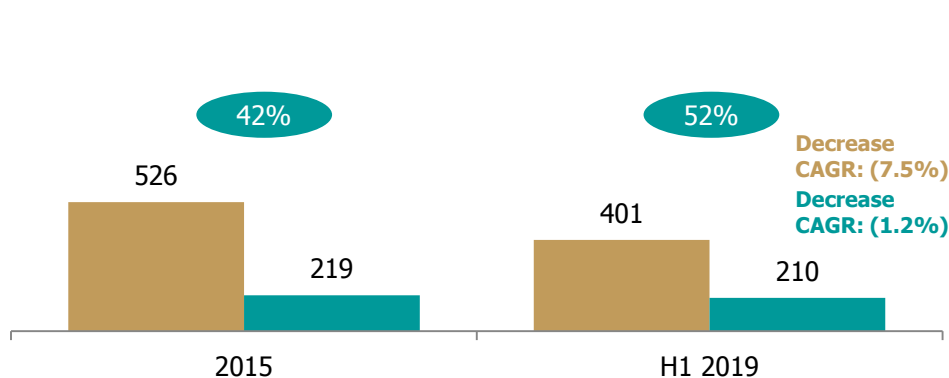
Location	Michail Aggelou 6-8-10 and Vlachidi, Ioannina
Use	High street retail shops
Current tenant	



Location	Dorou, Panepistimiou and 28is Oktovriou, Athens, Attica
Use	High street retail flagship stores
Current tenant	

## Most of Prodea assets are strategic to NBG

■ NBG branches in Greece      ■ Prodea's owned NBG branch portfolio and % of total NBG branches<sup>(1)</sup>

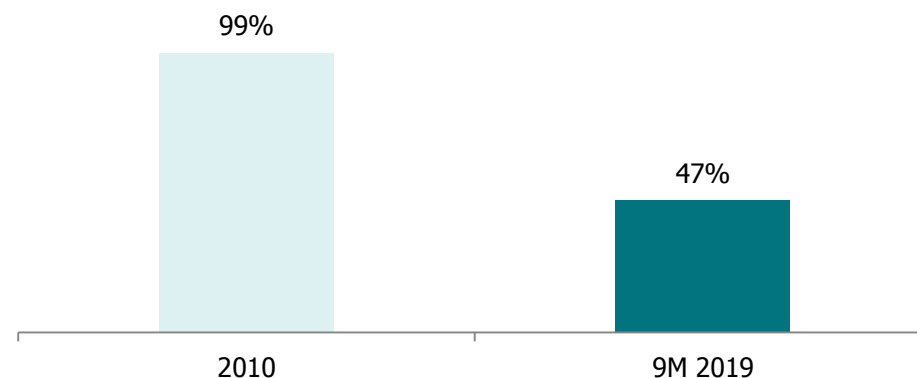


Source: Company information.

(1) Total NBG branches located in Greece.

## NBG rental exposure expected to further reduce post successful pipeline execution

(NBG rent as % of total rent)

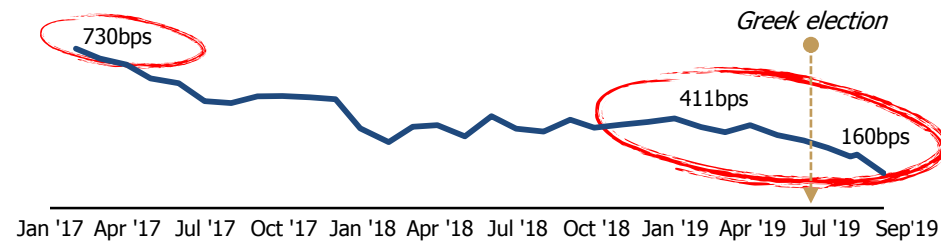


# A strong market leader representing the opportunity to play attractive real estate dynamics

## Government bonds already compressed, real estate yields to follow

### Spread between GGB and Bund compressed

Spread of 10-year GGB vs. Bund since 2017 (in bps)

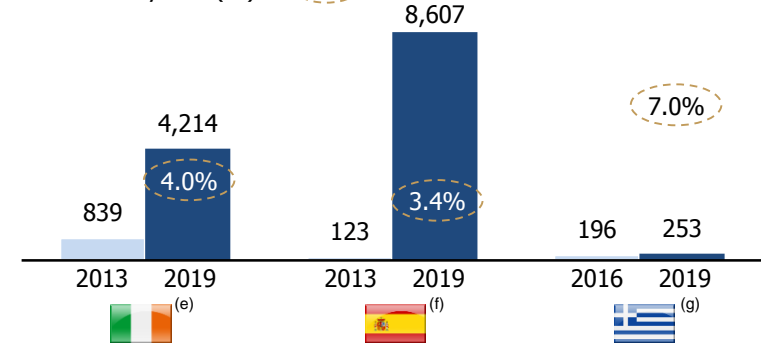


**250bps  
compression  
YTD**

### Greek real estate on an upward trajectory vs. rest of Europe

Companies free float market cap since beginning of each country's cycle (€m)

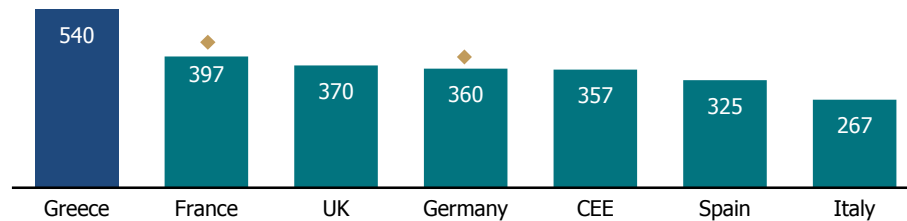
Real estate yields (%)<sup>(d)</sup>



### Commercial yields to follow

Spread of office yields<sup>(a)</sup> vs. 10-year government bond yields (in bps)

◆ Negative government yield

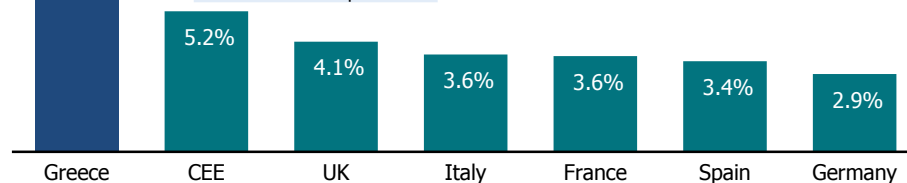


**Supports  
potential  
compression  
of >250bps**

### Bringing down yields

Gross yield (%)<sup>(a)</sup>

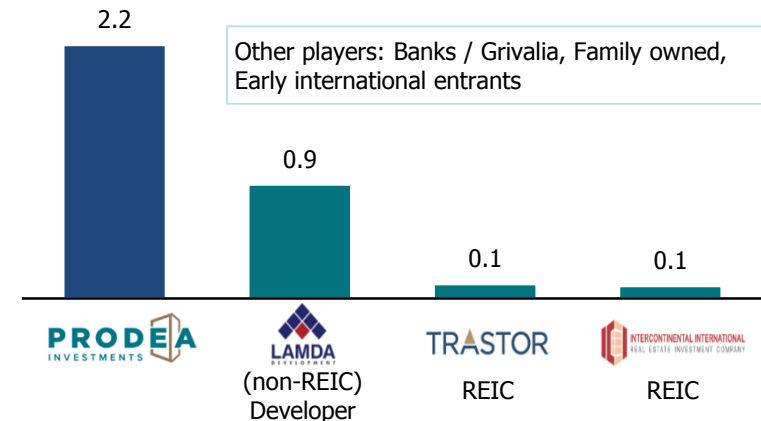
Prodea Investments' Greek portfolio gross yield<sup>(b)</sup>:  
7.73% in Dec-18  
to  
7.66% in Sep-19



**Supports  
potential  
compression  
of >200bps**

### Prodea Investments: largest listed real estate owner and manager in Greece

GAV (€bn)



Source: Bloomberg, Cushman & Wakefield DNA of Real Estate Q1 2019, JLL Greece Market Study September 2019, Greece Eurobank, FactSet as of 2 September 2019, Cushman and Wakefield Spain Office Snapshot Q2 2019, broker research and Dublin Office Market Overview 2019.

Note:

(a) Unless otherwise specified, data is as of 4 December 2019.

(b) Cushman & Wakefield DNA of Real Estate Q1 2019. Corresponding to prime office yields of major European cities as of Q1 2019. CEE (Prague, Budapest, Warsaw, Bucharest) office yield as of Q4 2018.

(c) Average gross yield for Prodea Investments' Greek portfolio.

(d) Figure as of June 2019 as per JLL Greece Market Study September 2019.

(e) Dublin, Madrid and Athens prime office yields.

(f) Dublin Office Market Overview 2019. Irish RE group consists of Cairn Homes, Glenveagh Properties, Green, Hibernia and I-RES.

(g) Cushman and Wakefield Spain Office Snapshot Q2 2019. Spanish RE group consists of Aedas, Colonial, Lar España, Merlin Properties, Neinor and Realia.

(h) JLL Greece Market Study September 2019. Greek RE group consists of Prodea Investments and Lamda Development. Grivalia Properties REIC not included, due to its de-listing from Athens Stock Exchange, following merger with Eurobank.

# Prodea Investments is uniquely positioned to unlock off-market pipeline opportunities focused on Hellenic market



## Selectiveness

*Assets with solid fundamentals, rental growth and rental yield compression potential!*

- ✓ Prime location
- ✓ Attractive risk/return profile
- ✓ Environmental efficiency



## Track-record

**GAV growth: 3x<sup>(a)</sup>**  
even during Greek financial crisis

**€1.1bn**  
of acquisitions since 2013



## Off-market access

- ✓ Local presence and team with extended network



**~90%**  
of deals in the last  
3 years were  
off-market

**~90%**  
of current pipeline  
is off-market



## Reputation and firepower

**Strong credibility  
in the market**

**Firepower/ability  
to do bigger  
deals**

**Efficient due  
diligence**

**Swift execution**

(a) From 2012 to June 2019.

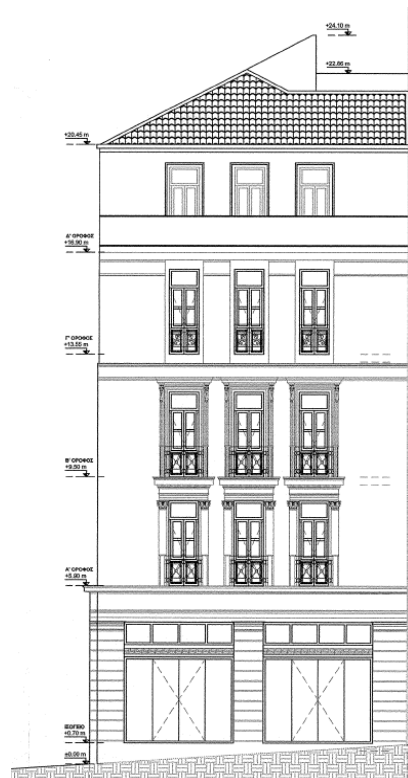
# Past acquisitions demonstrate Prodea Investments' capabilities and investment strategy

## Cypriot CYREIT



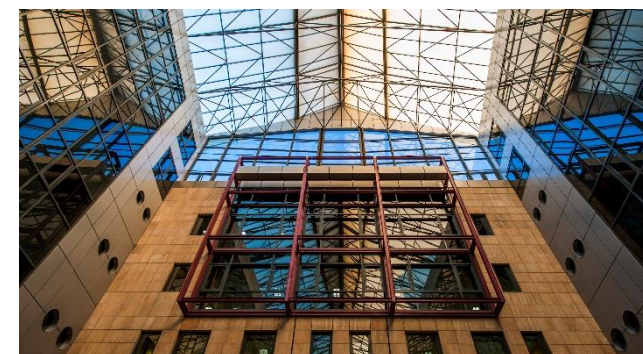
- Acquired 100% management shares and 88% investment shares of Cypriot CYREIT from Bank of Cyprus in 2019
- The portfolio consists of 21 commercial buildings
- Acquisition price of the properties c.€148m and appraised value<sup>(a)</sup> of €163m (+10.4% compared to acquisition price)

## Commercial property, Athens



- Acquired in 2018 at c.€6m
- Value-add opportunity: vacant property to be fully restored
- Estimated entry yield: 8.1%; materialized entry yield: 9.42%
- Acquisition sourced from fund (off-market)

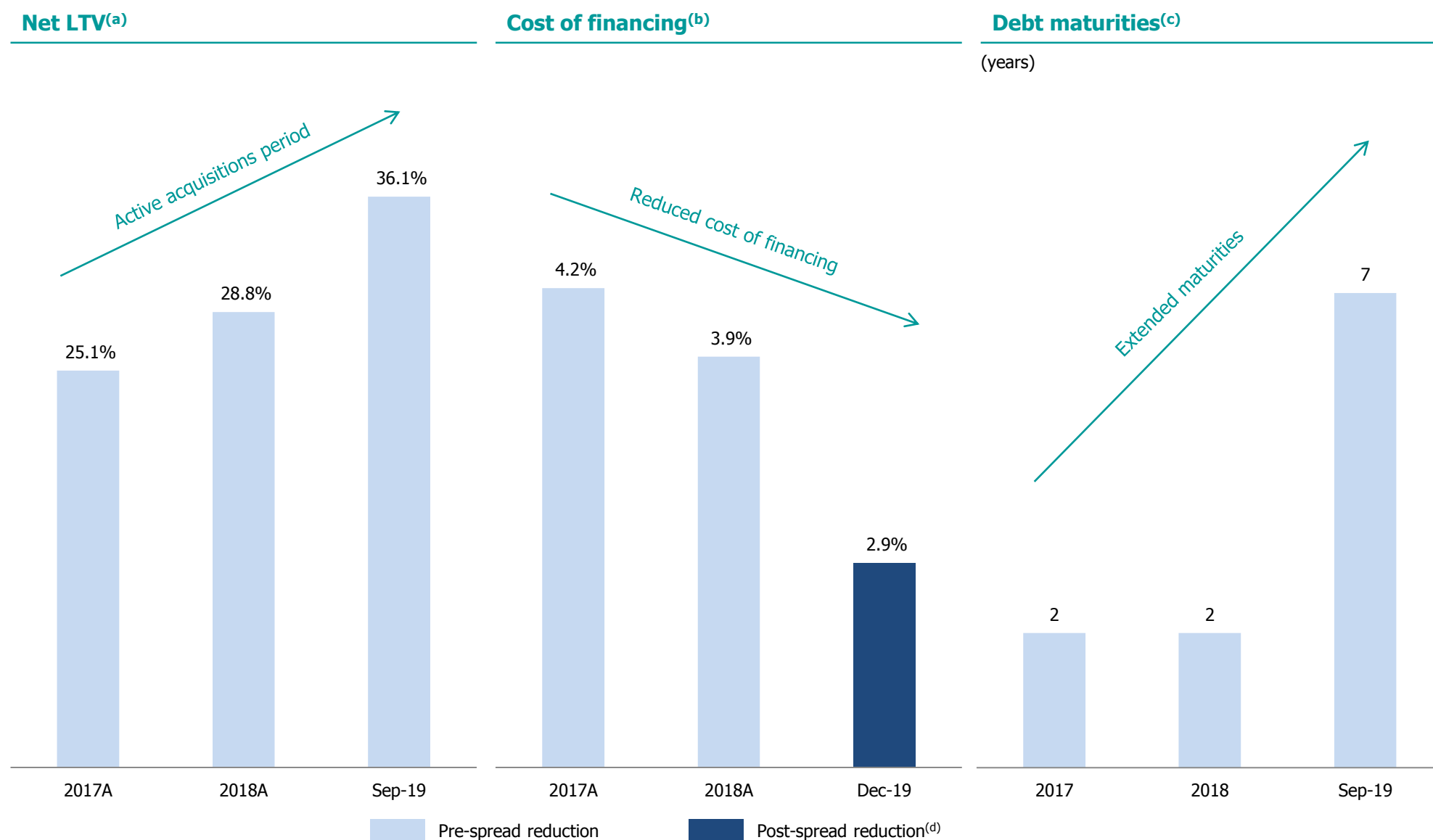
## HR Sale & Lease-back, Greece



- Acquired in 2014 at c.€116m
- Portfolio of 14 office buildings leased to the Hellenic Republic
- Appraised value<sup>(a)</sup> increased by 20.9% to c.€140m
- Acquisition through a on-market sale and leaseback transaction

(a) Valuation by the Independent Valuer as of 30 June 2019.

# Robust financial structure



(a) Net LTV is defined as principal debt less cash and cash equivalents and restricted cash divided by the appraised value of the investment properties, the owner-occupied properties and the real estate inventories as of 31 December 2017, 2018 and September 2019.

(b) Cost of financing does not include cost of hedging, amortization of expenses relating to the issuance of the loans, amortization of discount and contribution of L.128/1975 (0.6%).

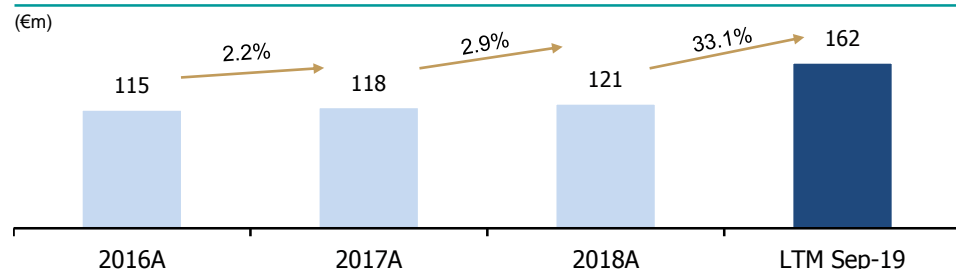
(c) Debt maturities are the weighted average term of the financing agreements including extension options (subject to customary conditions).

(d) Pro-forma for spread reduction post 30 September 2019 for the Company's loans with Greek financial institutions.

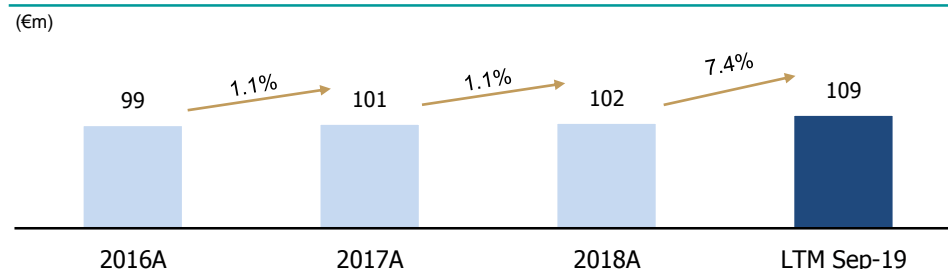


# Strong financial performance

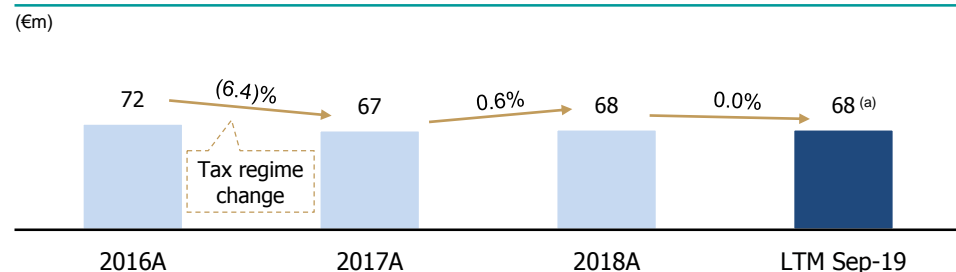
## Revenues



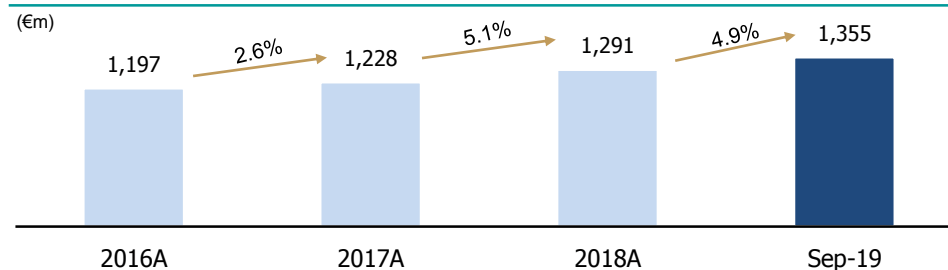
## Adjusted EBITDA



## FFO



## EPRA NAV



	9M (September-2019)	LTM (September-2019)
GAV (€m)	2,175	
Net debt (€m) <sup>(b)</sup>	788	
EPRA NAV (€m)	1,355	
Revenues (€m)	131	162
Adjusted EBITDA (€m)	84	109

## Comments

- Sep-2019 is the first reporting period including effect of acquisition of Operating hotels in 9M 2019
- Increase in personnel expenses<sup>(c)</sup>, depreciation of property and equipment as well as other expenses<sup>(d)</sup> due to inclusion of financial results from Operating Hotels.
- Successful debt refinancing
  - Cost of financing<sup>(e)</sup>: 2.9% in Dec-2019 (vs. 4.2% in Dec-2017)
  - Debt maturities<sup>(f)</sup>: 7 years in Sep-2019 (vs. 2 years in Dec-2017)
  - Loans' amortization: decrease by c. €16m p.a. on Ifl basis
- Benefits from tax regime reinstatement

(a) FFO affected by increased costs from acquisition activity, intercompany eliminations and introduction of new HR incentives. Once new acquisitions stabilise, FFO is expected to return to growth.

(b) Net debt is gross of deferred financing fees.

(c) Include 501 employees and 138 employees from the companies Aphrodite Hills Resort and CTDC (which holds Landmark Nicosia Hotel), respectively, acquired by Prodea Investments during H1 2019.

(d) Other expenses include related expenses arisen from the companies Aphrodite Hills resort and CTDC (which holds Landmark Nicosia Hotel), acquired by Prodea Investments during H1 2019.

(e) Cost of financing does not include cost of hedging, amortization of expenses relating to the issuance of the loans, amortization of discount and contribution of L.128/1975 (0.6%).

(f) Debt maturities are the weighted average term of the financing agreements including extension options (subject to customary conditions).

# Key takeaways

---

## Unique strategic opportunity targeting superior long-term value creation

---

### Macro market recovery

- ✓ Greece at a turning point in economic cycle

### Real estate cycle momentum

- ✓ Yield compression underway

### Best-in-class portfolio

- ✓ High quality portfolio in prime locations

### Strong cash flow generation

- ✓ Predictable and contracted cash flows

### Market leader

- ✓ Unique institutional real estate player

### Healthy capital structure

- ✓ Target 35-40% LTV

### Management team

- ✓ Proven internal management team

---

# Appendix



# Senior management working together with the company since foundation



**Chris Papachristophorou**  
Executive Chairman of the BoD,  
Chairman of the Investment  
Committee

27+

6

- Joined the Board of Directors and the Investment Committee of Prodea Investments in 2013
- Founder and Managing Partner of Invel Real Estate
- Former Managing Director at Deutsche Bank, Global Head of RREEF Opportunistic Investments and Co-CEO of RREEF Alternatives (EMEA)



**Aris Karytinou**  
CEO

30+

9

- Founded Prodea Investments in 2010
- Former General Manager - Real Estate, National Bank of Greece Group (6 years)
- Previously held senior positions within Eurobank EFG Group, including Head of Group Real Estate, Head of Mortgage Lending and CEO of Eurobank Properties REIC which was later renamed into GRIVALIA Properties REIC



**Theresa Messari**  
General Manager,  
COO, CFO

20+

9

- Founded Prodea Investments in 2010
- Former Director of Strategic Planning Support & Control of the Real Estate Sector at EFG Eurobank Ergasias
- Former CFO and IR Manager of Eurobank Properties REIC which was later renamed into GRIVALIA Properties REIC



Overall professional experience



Experience at Prodea Investments

# Fully integrated and internally managed platform comprising experienced professionals

## Experienced senior management team with expertise across value chain...



**Chris Papachristophorou**  
Executive Chairman of the BoD  
and the Inv. committee



**Aris Karytinou**  
Chief Executive Officer

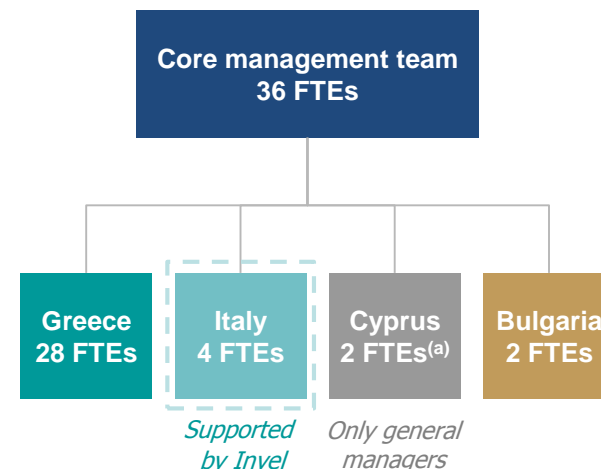


**Theresa Messari**  
General Manager, COO/CFO



Overall professional experience in years Experience at Prodea Investments in years

## ...with local on site professionals in each market of operation



## Experienced investment committee

### Chris Papachristophorou

- Founder, Invel
- Former MD at Deutsche Bank, Global Head of RREEF Opportunistic Investments and Co-CEO of RREEF Alternatives (EMEA)

### Aris Karytinou

- Former General Manager - Real Estate, NBG Group
- Previously held senior positions within Eurobank EFG Group including CEO of Eurobank Properties REIC which was later renamed into GRIVALIA Properties REIC

### George Kountouris

- Senior Advisor at Hudson Advisors and serves on the board of Quintain
- Former Group Co-Head at Deutsche Bank Real Estate Private Equity and European Head and Partner at Credit Suisse
- Previously worked at General Motors Pension, Salomon Brothers, Lazards, CQS Management and Aerium

### George Constantinides

- CFO, Invel
- Former Director and CFO of the IKOS fund and investment advisory business
- Previous experience includes KPMG Audit and Assurance in London covering M&A transactions, valuations and due diligence projects

### Thanasis Karagiannis

- Head of Acquisitions, Greece, Invel
- Experience in international and Greek real estate investments, asset management, structuring and finance

✓ **Best-in-class corporate governance standards**  
✓ **Highly qualified Board with four independent or unaffiliated members**

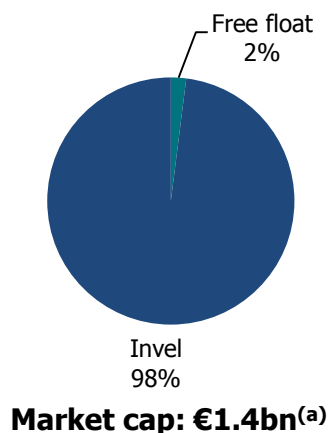
Source: Company information.

(a) Only accounts for managing team of hotels.



# Highly supportive and institutional shareholder base

## Shareholding structure



## Shareholding evolution

- Established in 2010 as the real estate vehicle of the National Bank of Greece and has been fully owned by NBG until December 2013
- In 2013, Invel acquired a 66% stake in Prodea Investments from NBG
- Prodea Investments is listed on the Athens Stock Exchange since 2015, after completing a reverse merger into its subsidiary MIG Real Estate REIC, which was listed on ATHEX since 2009
- In 2019, Invel has exercised its right to buy NBG's remaining stake of 32.7% in Prodea Investments

## Key shareholder



- Invel is an investment vehicle established in 2013
- The combined transaction experience is in excess of €20bn of real estate GAV

## Invel consortium – key members



- Joined consortium in 2018 in line with the strategy of expansion in Southern Europe
- Castlelake funds also owns 52% stake in Aedas Homes



- Coller Capital is one of the leading investors in private equity's secondary markets

Source: Company information

(a) Market cap as of December 3, 2019

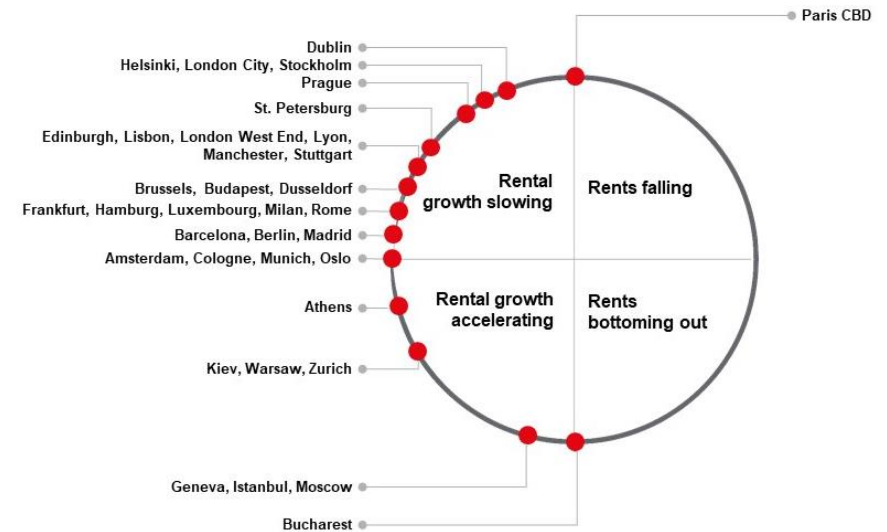
# Office Real Estate market in Greece: undersupplied market as well as improving business environment has resulted in rebounds

## Market outlook

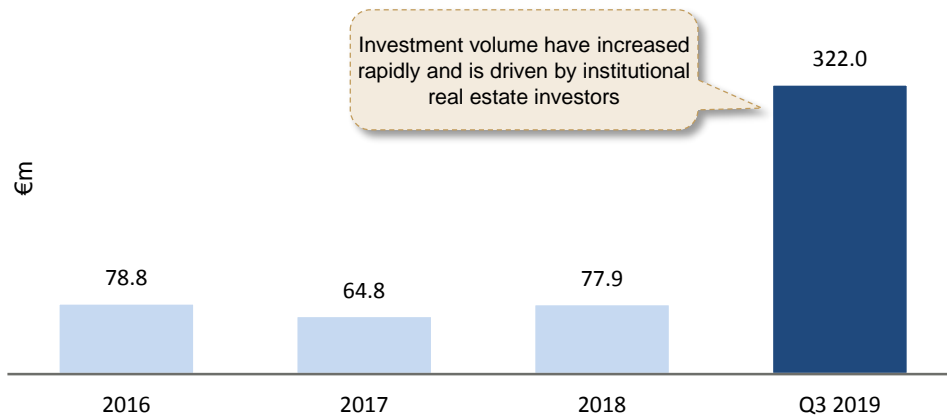
<b>Prime rent</b>	<ul style="list-style-type: none"> <li>CBD: € 18-22 /sqm/month (~35% below peak)</li> <li>Prime rent grew 17.2% for the year to September 2019</li> <li>Rent uplift forecasts for 2019-20</li> </ul>	↑
<b>Prime yields</b>	<ul style="list-style-type: none"> <li>Net rental yields 5.5 – 6.75% and Gross rental yields 6.00 – 7.25%</li> <li>Yield compression in progress (inability of supply to match strong demand)</li> </ul>	↓
<b>Demand</b>	<ul style="list-style-type: none"> <li>In H1 2019, 43% of commercial real estate transaction were in office sector</li> <li>Domestic and foreign investors keep preference on prime assets</li> </ul>	↑
<b>Supply</b>	<ul style="list-style-type: none"> <li>Limited development activity</li> <li>Limited availability of prime office supply. New prime office supply comes from reconstruction</li> </ul>	→

## Recent trends in prime Office rents

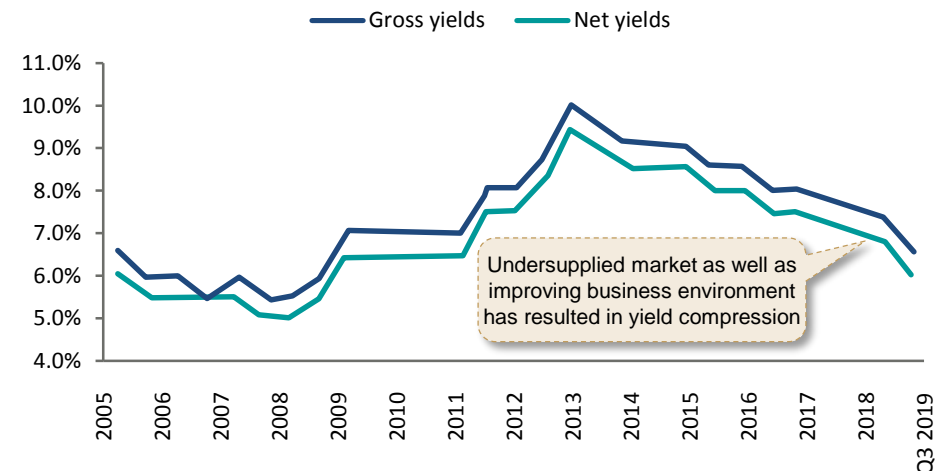
Q3 2019



## Greece office investment volumes



## Evolution of prime Office yields in Athens CBD

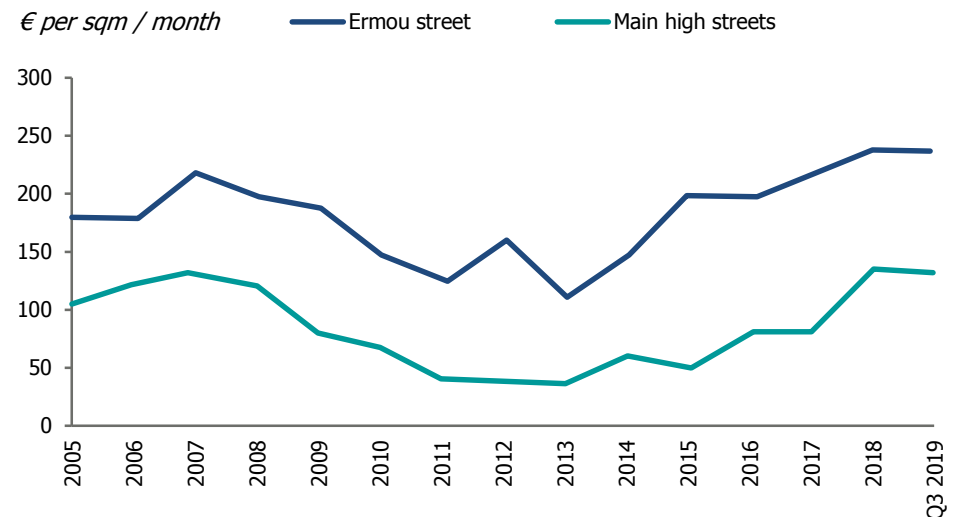


# Retail Real Estate market in Greece: rental dynamics look strong underpinned by demand from international retailers

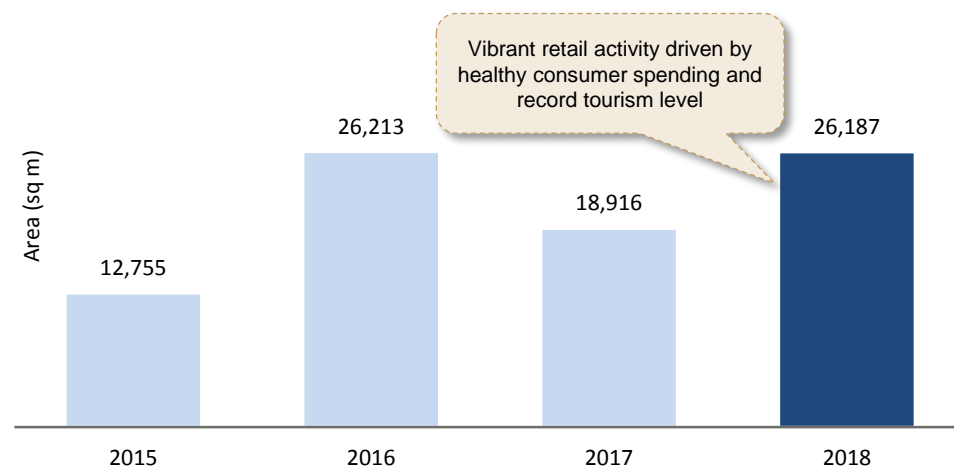
## Market outlook

<b>Prime rent</b>	<ul style="list-style-type: none"> <li>Ermou: €180-240 /sqm/month (enhanced vs. 2008 peak)</li> <li>Positive outlook fuelled by healthy consumer spending and record tourism levels</li> </ul>	↑
<b>Prime yields</b>	<ul style="list-style-type: none"> <li>Athens prime high street retail: gross yield 5.5 - 6.5% and net yield 5.0 - 6.0% for prime locations, for e.g. Ermou St.</li> <li>Yields in prime high street retail are expected to harden due to rare investment properties</li> </ul>	↓
<b>Demand</b>	<ul style="list-style-type: none"> <li>Increasing occupier and investor demand</li> <li>High street retail take up increased by 38.4% in 2018 as compared to 2017</li> </ul>	↑
<b>Supply</b>	<ul style="list-style-type: none"> <li>Recent development in Greater Athens to enhance supply</li> <li>Major projects: Expansion of Smart Park, Golden Hall</li> </ul>	↑

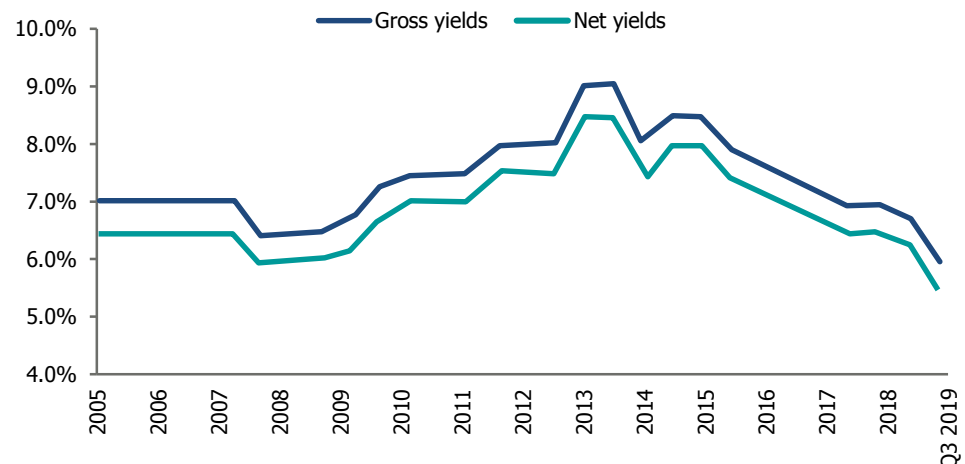
## Athens – Evolution of High street retail rents



## High street demand and take up



## Athens – Evolution of High street retail yields

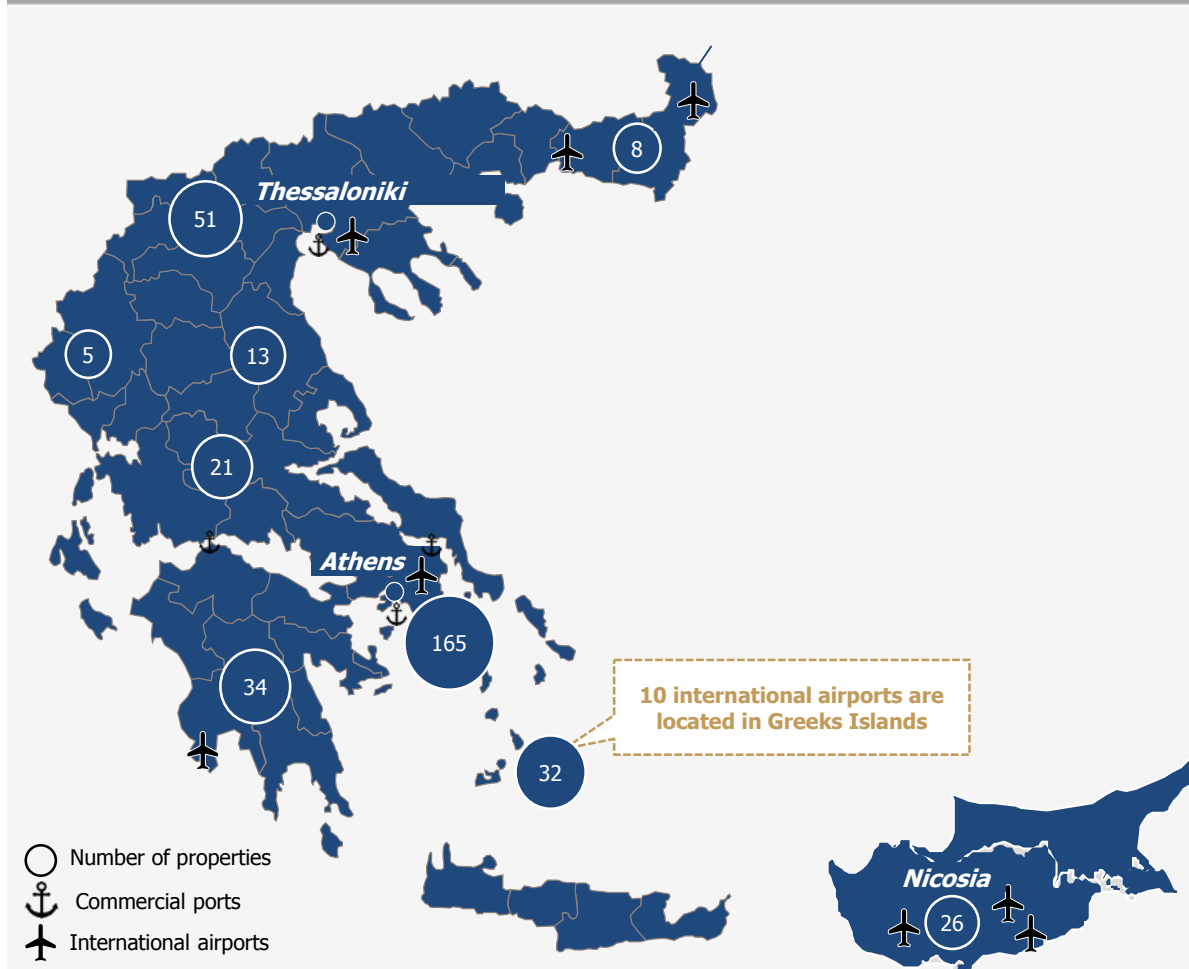


# Footprint across attractive and prime locations in Hellenic market with growing presence in South Eastern Europe

Map is not to scale

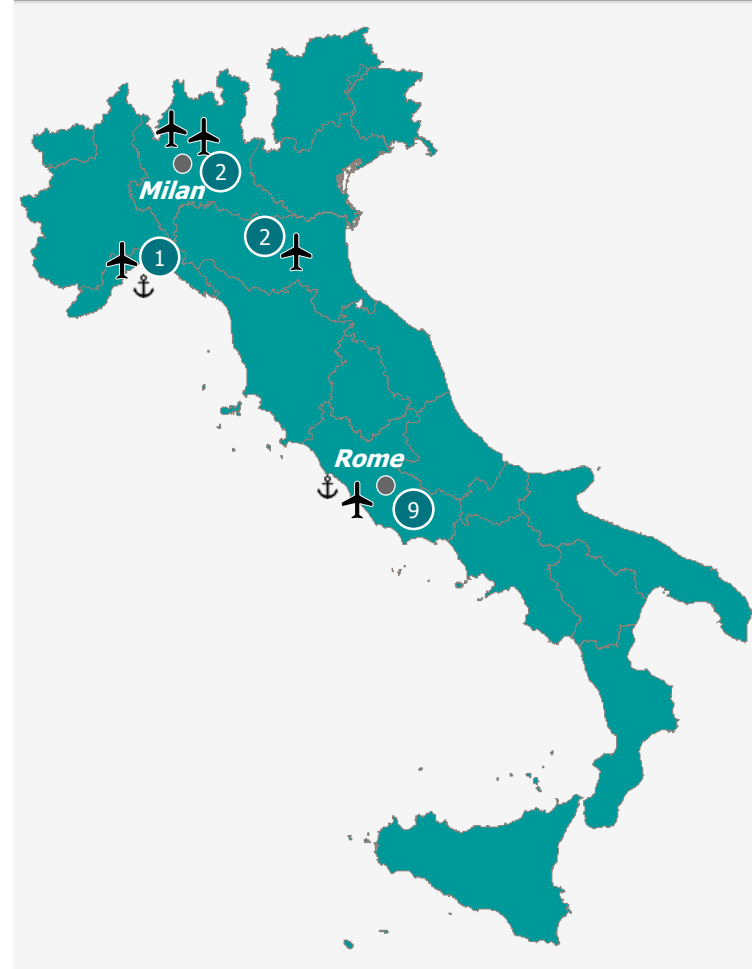
## Hellenic market: 329 properties in Greece and 26 properties in Cyprus

Value = €1,808mm | Occupancy: 97.3% | Capital cities 70.3%



## Italy: 14 assets in 7 cities

Value = 265mm | Occupancy: 99.0% | Capital cities 77.2%



## Romania<sup>(a)</sup> and Bulgaria<sup>(b)</sup>: 4 assets

Value = €102m | Occupancy: 97.8% | Capital cities 99.7%

Source: Company information

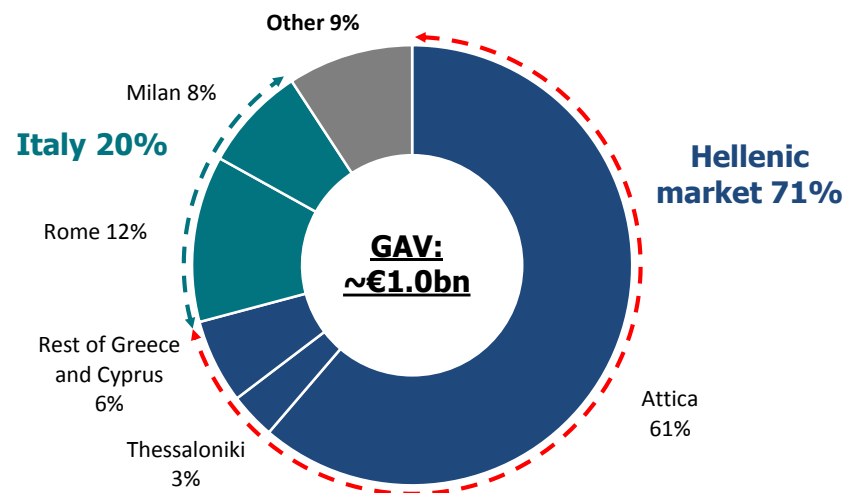
Note: Value derives from the interim financial report statements the 9-month period ended 30 September 2019 and includes the fair value of the investment property plus the fair value of the Group's owner occupied properties (€114.15m) plus the Group's real estate inventories (fair value: €31.37m).

(a) 2 properties in Romania are valued at €6.6m and constitute 0.3% share of the total GAV (95% of GAV is located in Bucharest).

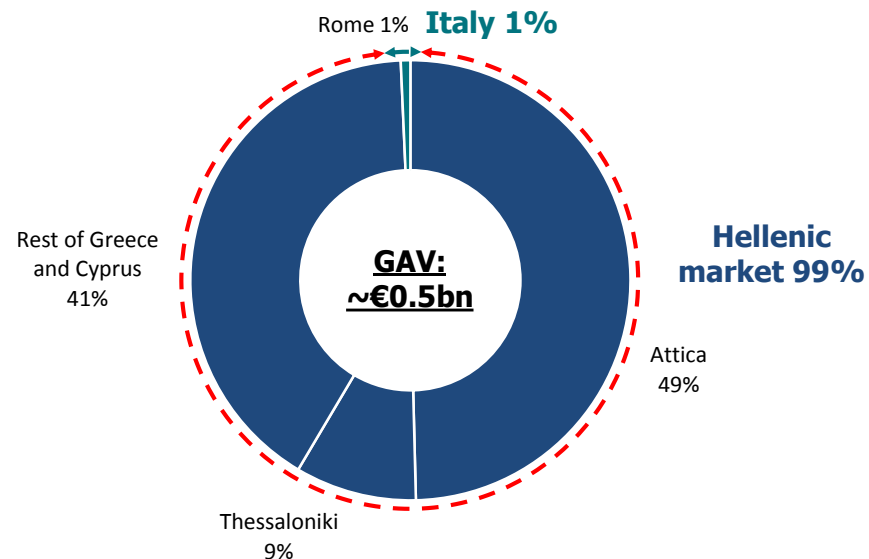
(b) 2 properties in Sofia, Bulgaria is valued at €95.2m and constitutes 4.4% share of the total GAV (89% of GAV relates to the City Office Tower).

# Geographical portfolio breakdown by asset class

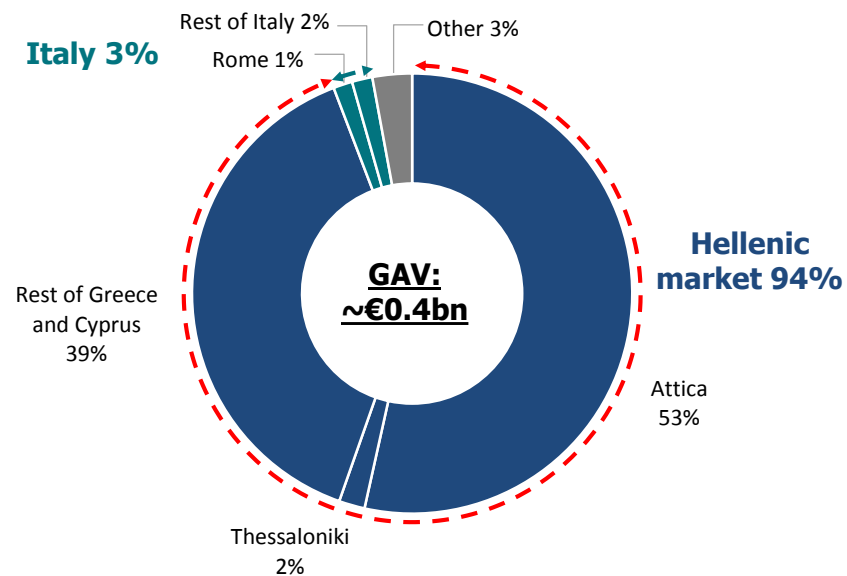
## Office



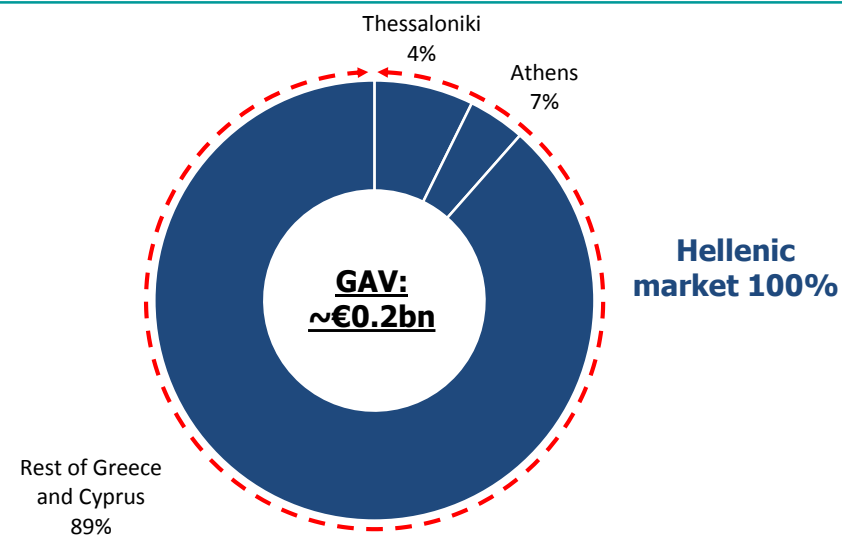
## Bank branches



## Supermarkets & high street retail



## Hotels





# Consolidated income statement – IFRS

Amounts in € '000s	Dec-2016	Dec-2017	Dec-2018	LTM Sep-2019
Revenue	115,433	117,949	121,366	161,521
	<b>115,433</b>	<b>117,949</b>	<b>121,366</b>	<b>161,521</b>
Net Gain / (Loss) from Fair Value Adjustment on Investment Property	(18,220)	17,166	46,326	88,830
Net Change in Real Estate Inventories	-	-	-	(4,416)
Consumables Used	-	-	-	(2,860)
Repair and Maintenance Expenses	(149)	(287)	(283)	(1,137)
Other Direct Property Relating Expenses	(3,686)	(3,602)	(4,184)	(5,541)
Property Taxes – Levies	(8,507)	(8,941)	(9,378)	(9,645)
Personnel Expenses – BoD – Investment Property	(2,643)	(2,944)	(3,215)	(5,417)
Personnel Expenses – BoD – Hotels and Ancillary Services	-	-	-	(7,776)
Depreciation of Property and Equipment	(24)	(25)	(24)	(833)
Amortisation of Intangible Assets	(28)	(29)	(29)	(43)
Net change in fair value of financial instruments at fair value through profit or loss	1,145	1,236	158	75
Net Impairment Loss on Financial Assets	-	-	(192)	(2,020)
Net Impairment Loss on Non-Financial Assets	-	-	-	(4,143)
Other Income	500	527	2,072	2,126
Other Expenses – Investment Property	(2,456)	(3,753)	(5,173)	(5,000)
Other Expenses – Hotels and Ancillary Services	-	-	-	(10,038)
Corporate Responsibility	(153)	(148)	(314)	(195)
<b>Operating Profit</b>	<b>81,212</b>	<b>117,149</b>	<b>147,130</b>	<b>193,488</b>
Negative Goodwill Arising From Acquisition of Subsidiary	-	-	2,093	15,643
Share of Profit of Associate	-	-	-	(3)
Interest Income	142	41	57	31
Finance Costs	(21,099)	(22,231)	(21,944)	(28,511)
<b>Profit Before Tax</b>	<b>60,255</b>	<b>94,959</b>	<b>127,336</b>	<b>180,648</b>
Taxes	(6,792)	(11,261)	(12,232)	(17,547)
<b>Profit for the period</b>	<b>53,463</b>	<b>83,698</b>	<b>115,104</b>	<b>163,101</b>
Attributable to:				
Non-controlling interests	-	-	-	4,597
<b>Company's equity shareholders</b>	<b>53,463</b>	<b>83,698</b>	<b>115,104</b>	<b>158,504</b>

Source: Audited Financial Statements for Dec-2016, Dec-2017 and Dec-2018, Unaudited / Unreviewed Financial Statements for Sep-2018 and Sep-2019.

# Consolidated statement of financial position – IFRS

Amounts in € '000s	Dec-2016	Dec-2017	Dec-2018	Sep-2019
<b>Assets</b>				
<b>Non-current Assets</b>				
Investment Property	1,490,000	1,580,698	1,779,481	2,029,430
Equity method investments and joint ventures	-	-	-	9,403
Property and Equipment	2,265	2,058	2,149	121,870
Intangible Assets	159	130	101	15,155
Deferred tax Assets	1	4	-	-
Other Long-Term Assets	17,325	16,731	10,821	13,489
	<b>1,509,750</b>	<b>1,599,621</b>	<b>1,792,552</b>	<b>2,189,347</b>
<b>Current Assets</b>				
Trade and Other Assets	61,015	50,288	47,525	29,674
Inventories	-	-	-	31,739
Cash and Cash Equivalents	54,732	49,335	45,788	74,192
	<b>115,747</b>	<b>99,623</b>	<b>93,313</b>	<b>135,605</b>
<b>Total Assets</b>	<b>1,625,497</b>	<b>1,699,244</b>	<b>1,885,865</b>	<b>2,324,952</b>
<b>Shareholders' Equity</b>				
Share Capital	766,484	766,484	766,484	766,484
Share Premium	15,890	15,890	15,890	15,890
Reserves	336,119	339,152	342,176	346,737
Other equity	-	-	-	(8,869)
Retained Earnings	76,448	106,327	162,132	207,700
<b>Total Equity attributable to Prodea</b>	<b>1,194,941</b>	<b>1,227,853</b>	<b>1,286,682</b>	<b>1,327,942</b>
<b>Investments' shareholders</b>				
Non Controlling Interests	-	-	-	41,965
<b>Total Equity</b>	<b>1,194,941</b>	<b>1,227,853</b>	<b>1,286,682</b>	<b>1,369,907</b>
<b>Liabilities</b>				
<b>Long-term Liabilities</b>				
Borrowings	344,843	344,668	111,859	824,565
Retirement Benefit Obligations	174	197	218	237
Deferred Tax Liability	198	223	4,586	25,964
Other Long-Term Liabilities	3,329	3,477	3,955	13,812
	<b>348,544</b>	<b>348,565</b>	<b>120,618</b>	<b>864,578</b>
<b>Short-term Liabilities</b>				
Trade and Other Payables	15,521	14,452	24,118	54,150
Borrowings	59,230	102,212	448,280	32,373
Derivative Financial Instruments	1,897	480	148	9
Current Tax Liabilities	5,364	5,682	6,019	3,935
	<b>82,012</b>	<b>122,826</b>	<b>478,565</b>	<b>90,467</b>
<b>Total Liabilities</b>	<b>430,556</b>	<b>471,391</b>	<b>599,183</b>	<b>955,045</b>
<b>Total Shareholders' Equity and Liabilities</b>	<b>1,625,497</b>	<b>1,699,244</b>	<b>1,885,865</b>	<b>2,324,952</b>

Source: Audited Financial Statements for Dec-2016, Dec-2017 and Dec-2018, Unaudited / Unreviewed Financial Statements for Sep-2018 and Sep-2019.

# EBITDA and FFO calculations

<b>EBITDA</b>				
	<b>12M Period Ended</b>			
<b>Amounts in € '000s</b>	<b>Dec-2016</b>	<b>Dec-2017</b>	<b>Dec-2018</b>	<b>LTM Sep-2019</b>
Profit for the period	53,463	83,698	115,104	163,101
Plus: Depreciation of Property and Equipment and Amortisation of Intangible Assets	52	54	53	876
Plus: Net Finance costs	20,957	22,190	21,887	28,480
Plus: Taxes	6,792	11,261	12,232	17,547
<b>EBITDA</b>	<b>81,264</b>	<b>117,203</b>	<b>149,276</b>	<b>210,004</b>
Less: Net Gain from Fair Value Adjustment of Investment Property	18,220	(17,166)	(46,326)	(88,830)
Plus: Impairment of real estate inventories and PPE	-	-	-	4,143
Less: Net change in fair value of financial instruments at fair value through profit or loss	(1,145)	(1,236)	(158)	(75)
Plus/(Less): Net non-recurring expenses / (income)	1,105	1,729	(1,170)	(16,082)
<b>Adjusted EBITDA</b>	<b>99,444</b>	<b>100,530</b>	<b>101,622</b>	<b>109,160</b>
YoY Change of Adjusted EBITDA (%)		1.1%	1.1%	7.4%

<b>Funds from Operations (FFO)</b>				
	<b>12M Period Ended</b>			
<b>Amounts in € '000s</b>	<b>Dec-2016</b>	<b>Dec-2017</b>	<b>Dec-2018</b>	<b>LTM Sep-2019</b>
Profit for the period attributable to the Company's shareholders	53,463	83,698	115,104	158,504
Plus: Depreciation of Property and Equipment and Amortisation of Intangible Assets	52	54	53	876
Plus/(Less): Net non-recurring expenses / (income)	1,105	1,729	(1,170)	(16,082)
Plus: Deferred tax liability (expense)	-	-	-	3,440
Less: Net change in fair value of financial instruments at fair value through profit or loss	(1,145)	(1,236)	(158)	(75)
Plus / (Less): Net (Gain) / Loss from Fair Value Adjustment of Investment Property	18,220	(17,166)	(46,326)	(88,830)
Plus: Net impairment loss on financial assets	-	-	192	2,020
Plus: Net impairment loss on non-financial assets	-	-	-	4,143
Non-controlling interests in respect of the above adjustments	-	-	-	3,732
<b>Funds from Operations (FFO)</b>	<b>71,695</b>	<b>67,079</b>	<b>67,695</b>	<b>67,728</b>
YoY Change of FFO (%)		(6.4)%	0.9%	0.0%

# NAV & EPRA NAV break-down

Amounts in € '000s	Dec-2016	Dec-2017	Dec-2018	Sep-2019
Shareholders' Equity	1,194,941	1,227,853	1,286,682	1,327,942
(less): IFRS Adjustment <sup>(a)</sup>	(175)	(214)	(62)	682
<b>NAV</b>	<b>1,194,766</b>	<b>1,227,639</b>	<b>1,286,620</b>	<b>1,328,624</b>
<i>Y-o-Y Growth</i>		<i>2.8%</i>	<i>4.8%</i>	<i>3.3%</i>
Fair Value of Financial Instruments	1,897	480	148	9
Deferred tax, net	197	219	4,586	25,964
<b>EPRA NAV</b>	<b>1,196,860</b>	<b>1,228,338</b>	<b>1,291,354</b>	<b>1,354,597</b>
<i>Y-o-Y Growth</i>		<i>2.6%</i>	<i>5.1%</i>	<i>4.9%</i>

(a) Difference between the NBV and the market value (as determined by the independent statutory valuers) of the owner-occupied property, the real estate inventories and other non-current assets.

Dividend pay-out of c.  
€51.1mm  
in May 2017

Dividend pay-out of c.  
€56.2mm  
in May 2018

Dividend pay-out of c.  
€73.1mm  
in June 2019

# Current tax regime of Greek REICs

## REIC vs. Societe Anonyme

	REIC	Societe Anonyme
Corporate income tax (CIT)	Investments and liquid assets taxed at 10%*(ECB rate + 1%) – (the floor of 0.75% p.a. was abolished in December 2019)	24% on taxable profit (for financial year 2019)
Advance tax	Exempt	95% of the tax corresponding to the income of the previous tax year
Capital gains tax	Exempt	Subject to CIT
Real Estate Transfer Tax (RETT)	Exempt	3% RETT + 0.09% duty in favor of the municipalities on RETT
Dividend WHT	Exempt	10% (for dividends acquired after 1 January 2019) 5% (for dividends acquired after 1 January 2020)
Uniform Real Estate Property Tax (ENFIA)	Calculation algorithm defined by tax authorities based on individual property characteristics	
Special real estate tax	Exempt	Exemptions may apply subject to conditions