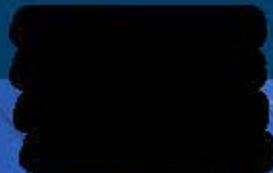


PARIS  
MADRID  
Berlin Prague

**[REDACTED] Real Estate Prime Europe**

*Access the Core of European Prime Cities with a green SRI fund including a genuine low carbon commitment*

For professional investors only. Not for further distribution. Information is valid as of December 2018.



---

# Content

1. **Executive Summary**
2. **[REDACTED] Real Estate**
3. **The Fund**
4. **Expertise & Investment Process**
5. **Investment Case & Views**
6. **Appendices**
  - Fund Investment Process
  - Detailed SRI Process
  - Reporting
  - Biographies

---

01

## Executive summary



# Executive summary



De Rotterdam, acquired by [REDACTED]

## A selective pan European investment strategy

- European economics in most countries should sustain Office leasing activity, retail consumption and business Hotels. Considering the depth of these market segments, **selectivity will be key**.
- A strategy targeting high quality Core and Core+ buildings, with defined SRI objectives, in order to **extract value through an active asset management**.

## What makes us different?

- [REDACTED] is a **long established real estate investment and fund management player in Europe**, allowing for a clear view of opportunities coming to the market (**€4bn of acquisitions out of France over the past 3 years**).
- [REDACTED] semi-open architecture based on a strong integrated platform in France, Luxembourg and Italy and long standing partnerships in major European countries gives us the **required local historical expertise and the important flexibility** to build and diligently manage a well balanced pan European portfolio.
- [REDACTED] as a **leading player in ESG expertise** is putting all resources to structure products in line with our ambition: **AREPE will be a low carbon fund** compliant with the [REDACTED] Real Estate sustainable investment Charter.

---

02

**[REDACTED] Real Estate**



# A leader in European real estate

## A LEADER IN EUROPEAN PRIME CITIES

Real Estate is a company specialized in **developing, structuring and managing** European focused property funds.

- Thanks to the power of its inflows carried out the **largest transactions in the European market**, with €4bn of acquisitions out of France over the past 3 years.
- **sources assets across Europe**, structures the acquisitions and their financing, and manages all type of properties with a **focus on Offices**. **700+ properties** in France, Italy, Germany, the Netherlands, UK, Czech Republic, Luxembourg...

## A COMPLETE OFFERING

- **Commingled Funds** (closed-end and open-ended); **Dedicated Funds; Club Deals & Joint Ventures** ; **Mandates** (tailor made solution).
- A leading player in managing and structuring **regulated funds in France**.
- A **window for international clients** looking to access the European real estate market for diversification

Source: [redacted] 2018

€33 bn

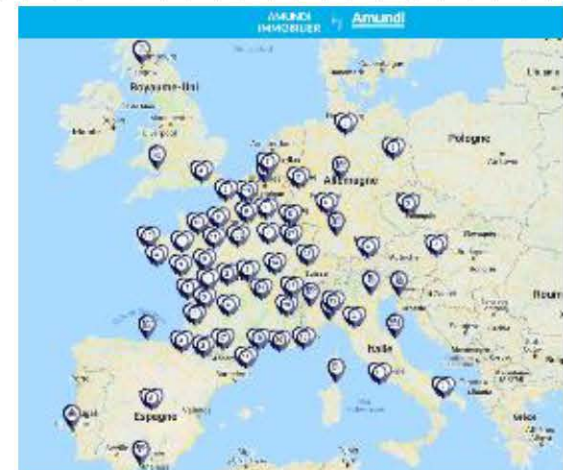
Of AuM

125

Dedicated people

750

Properties in Europe



See the map with detail for each of the 750 assets on: [redacted]



---

# Comprehensive service offering to institutions

## Direct Investment

Club Deals

Mandates

Dedicated  
Funds

**Club Deals:** investing with similar-minded investors

**Mandates:** build from a tailor made proposal, defined according to the client's constraints & guidelines

**Dedicated funds:** build a structure to manage client's assets

## Indirect Investment

Commingled Funds

Different **strategies** (single country or pan-European, single asset class or diversified)

Different **risk profile** (core, core+, value-added)

Different **leverage levels**

Different **jurisdictions** (French OPCI, Lux. SIFs, etc.)

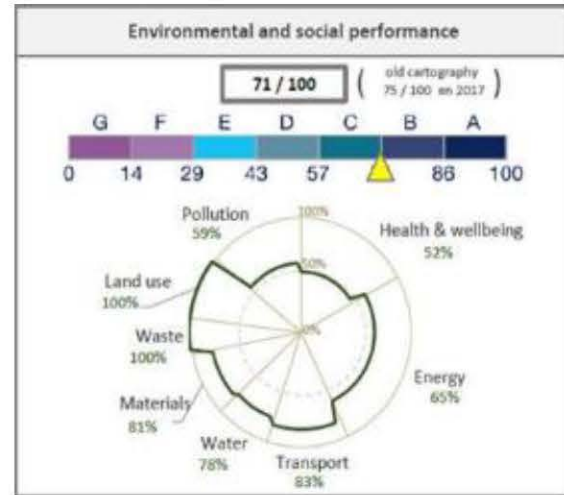
# Real Estate : a genuine low carbon commitment

A fully documented sustainable investment charter

Each of our assets is ranked by our dedicated team, from A to G.

We use a well-known referential to perform a thorough analysis of each asset: the **BREEAM In Use Part 1** international referential is fully exploited in order to perform an analysis of the environmental and social performance of the assets.

Real Estate has also developed **additional and specific tools** to complete and strengthen our sustainable approach on an asset by asset basis:



The Carbon Footprint	2°C Trajectory	Climate Risk
<p>This footprint is calculated based on:</p> <ul style="list-style-type: none"> <li>Energy and leaks of refrigerants (scope 1)</li> <li>Electricity, water and energy consumption (scope 2)</li> <li>Materials used for construction or refurbishment (scope 3)</li> </ul>	<p>This trajectory will help assess the greenhouse gas emissions' reductions needed to respect the Paris agreement</p>	<p>This evaluation shows the exposure of the asset to different climate related risks (sea level, floods, temperature, heatwaves, storms...)</p>

Real Estate has built a genuine low carbon approach, in line with the best standards



---

# 03

## The Fund

**[REDACTED]** Real Estate Prime Europe



## Fund Objective

Navigate the diversity of the Core/Core+ investment opportunities in European Prime Cities

is an open-ended Lux-based fund providing an attractive core/core+ real estate exposure, leveraging expertise in European RE markets. It offers diversification in terms of pan-European geographies and sectors: Offices, Retail and Hotels.

<b>Strategy characteristics</b>	<ul style="list-style-type: none"> <li>- <b>Risk level:</b> Core/Core+</li> <li>- <b>Type:</b> essentially new or recently refurbished assets</li> <li>- <b>Individual asset size:</b> ranging from € 50M to € 200M</li> <li>- <b>Leverage:</b> 50% max (at asset and fund level) / Target 40-45%</li> <li>- <b>A low carbon approach</b> fully compliant with the best standards</li> </ul>
<b>Allocation Guidelines</b>	<ul style="list-style-type: none"> <li>- <b>Sector:</b> offices (70% target; 60% min), all other types (30% target; 40% max)</li> <li>- <b>Geography:</b> 100% Europe               <ul style="list-style-type: none"> <li>- Tier 1 : Min 75% in total, Max 40% by country (FR, UK, DE, BE, NL, LU, Nordics, SP, IT, CH)</li> <li>- Tier 2: Max 25% in total in rest of Europe, max 10% by country</li> <li>- Non Euro investments: max 20%</li> </ul> </li> <li>- <b>Manage to Core:</b> max 20%</li> <li>- <b>Concentration limits:</b> max 25% by asset</li> </ul>
<b>Target Returns (net of fees and tax)</b>	<ul style="list-style-type: none"> <li>- <b>IRR:</b> 6% - 7%</li> <li>- <b>Cash on Cash:</b> 4% - 5%</li> </ul>

# Fund Key Features

A Luxembourg Alternative Investment Fund  
denominated in EUR



## Fund Structure

- **Target Size:** Target equity of € 500m (€1 Bn of assets)
- **Regulatory Qualification:** Luxembourg AIF
- **Legal Form:** Luxembourg Limited Partnership
- **Currency:** EUR
- **Minimum Investment:** €5m

## Liquidity

- **Subscriptions:** Quarterly. Queue system, with *pari passu* calls to the oldest vintage.
- **Redemptions:** Every semester (Dec and June). Queue system by vintage after lock up period.
- **Lock up:** 5 years for investors entering in 2019, 4 years for investors entering in 2020 then 3 years
- **Gates:** 10% of NAV per annum
- **Redemption deadline:** 18 months after demand
- **Redemption fee:** If there are sufficient inflows when redemptions are outstanding, no fee on redemption ; otherwise, redemption fee will be 3% (10Y holding period), 2% (15Y) or 1% (>15Y) of NAV

## Fees (before VAT)

- **Asset Management / Fund Management:** sliding scale considering committed amount 55-50-40bp x NAV (5-10; 10-50; 50+ M€). Fee only payable on investment called.  
*For investors committing before 31/12/2019: **Rebate of 10bp for 5 years after subscription***
- **Acquisition:** 0.5% to 1% x GAV following asset size
- **Disposal:** 200k€, flat
- **Performance fee:** 20% above 7% IRR (payable by investors on realised profit)

## Why a Core / Core + investment program?

### Benefits of the core / core+ segment

- Capital preservation\*
- Room to lock in Risk premia over financing rates
- Assets attractive for Long Term financing
- Assets adapted to a Buy and Hold strategy
- Assets that generate running yields
- A deep market improving availability and asset liquidity
- Better resilience to potential interest rate hikes (which usually triggers flight to quality)

### Drawbacks of the core / core+ segment

- Strong competition on this segment of the market for investment
- Real Estate yields testing historically low levels
- Core assets leave less room for active asset management value creation

\*capital preservation is defined here as a characteristic of core/core+ investments. There is no guarantee of capital.

## ██████████ has a strong track record versus the MSCI PEPFI\*

	%	2015	2016	2017	2018	3Y	3Y (unl.)
<b>██████████</b>	<b>Total return</b>	<b>5,3</b>	<b>16,1</b>	<b>13,6</b>	<b>8,9</b>	<b>12,8</b>	<b>8,0</b>
	LTV	71,0	62,4	58,9	58,2	59,8	0,0
	Percentile	80th	5th	5th	10th	5th	
<b>PEPFI</b>	<b>Total return</b>	<b>8,2</b>	<b>5,7</b>	<b>6,4</b>	<b>6,4</b>	<b>6,2</b>	<b>5,3</b>
	LTV	20,6	21,5	21,9	21,8	21,7	0,0

MSCI 



### Comments

- LTV: part of the performance is down to leverage and ██████████ is significantly more leveraged than the benchmark and will remain so even after we have reduced leverage to ca. 45%. Given the low cost of debt today, we believe this level of leverage makes sense: it boosts income return while the core nature of the portfolio should dampen a capital loss in case of a market downturn.
- Asset-mix: ██████████ current allocation is 100% Germany and a mixture of retail/office/hotel. As such, its asset and country allocation is less risky than the benchmark which includes more risky countries and asset types (eg industrial/logistics).

\*PEPFI: Pan European Property Fund Index ██████████ Estate as at end of December 2018

# Indicative pipeline of Investments – June 2019

Country / city	Sector	Risk	Deal size	Location	Technical specificities	Tenancy	Comments
BELGIUM Brussels	Offices	Core	80m	Excellent	New building Delivery Q4 2020	Vacant	Office building 500m away from the European Commission - well served by the subway (250m away from one of the major metro station - 67 parking spaces - Delivery Q4 2020
BELGIUM Brussels	Offices	Core	40m	Good	Recent building	Fully let WALB 5,42	Multi let office building in the Sought after brussel's Euopean District - 100% let to 8 tenants - WALB 5,42 years - Share deal - NIY around 4,17%
SPAIN Madrid	Offices	Core	<50m	Good	Completely refurbished	Fully let Single tenant	Office building in the South of Madrid - - 7 years lease recently signed by an energy company - 47 parking spaces - Built in 1891 refurbished in 2019 -
FRANCE Levallois	Offices	Core	400m	Good	New building	Fully let Single tenant	Very well located – LT lease – very good tenants
FRANCE Paris 14	Offices	Core	300m	Good	New building	Fully let Multi tenant	New building in Paris
BELGIUM Brussels	Offices	Core	99m-102m	Excellent	Refurbished in 2014	Occupancy 92%	2 independent and interconnected office buildings in Leopold / Location : A / Accessibility : very good, in front of the property / Construction : 1992 / WALT : 7 years /
NETHERLANDS Rotterdam	Offices	Core	85m-90m	Excellent	Recent building	Fully let	Located in the heart of CBD - next to the metro stop Beurs - Single good tenant - comprehensive refurbishment undergoing - handover scheduled for June 2020 - 207 parking spaces
NETHERLANDS Rotterdam	Logistics	Core	50m – 55m	Good	New building	Fully let Single tenant	Located in the port of Rotterdam - connected with the A15 highway - Sale and lease back with 10 years triple-net lease agreement - 43 loading docks - Expected completion in Q1 2020

# Indicative pipeline of Investments – June 2019

Country / city	Sector	Risk	Deal size	Location	Technical specificities	Tenancy	Comments
BELGIUM Brussels	Offices	Core	34-40m	Good	New building	Fully let to five tenants (WALT of almost 10 Y)	The building is a recently constructed office property in the European District of the Brussels CBD. Located close to the Rue de la Loi, the main axis of the district, the building benefits from close proximity to the main EU institutions, excellent infrastructure and many amenities. Specifications fully meet today's market requirements, including a BREEAM Excellent rating.
GERMANY Berlin	Offices	Core	44m-46m	Good	Completely refurbished	Fully let Single tenant	Office located in the West Berlin – Good Tenant - Delivery Q4 2020 - Lease term 20 years -
POLAND Warsaw	Offices	Core	50-75m	Excellent	Recent building	Almost fully let (WAULT 10 years)  Multi tenant	A recent office building constructed in 2017, with 7 700 sqm, 59 parking spaces and amenities (conference centre, fitness club, cafe, restaurant...). The property has a Leed Platinum certification. The building is very well located in the City Center of Warsaw and benefits from an excellent access to public transport. The expected yield is around 4,50%.
FINLAND Helsinki	Offices	Core	100-150m	Good	New building	Fully rented  Single tenant	New 17 700 sqm development completed at the end of 2019, located seaside, in the South West city center of Helsinki. The property is single let to an Agency of the European Union on a 10 year lease agreement. The expected yield is around 4,50%.
CZECH Republic Prague	Offices	Core	90-100m	CBD	New building	Fully rented  Multi tenants	An outstanding quality iconic and sensitively developed multifunctional building consisted of a restored baroque-renaissance palace from 1734, juxtaposed with a 2018 constructed eight storey premium office building
FRANCE Saint Denis	Offices	Core	150 -170m	Good	New building	Fully rented  Multi tenants	Property newly built in an established office submarket close to public transports.

---

# 04

## Expertise

Our strategy in Europe  
Investment Process  
ESG framework  
Teams



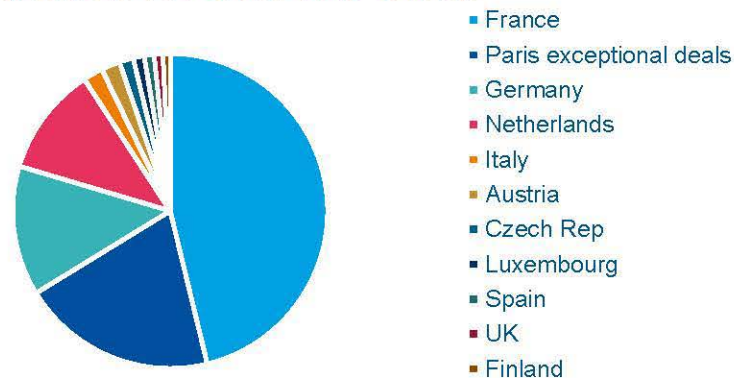
# Strategy to access & select prime assets in Europe

benefits from long history, strong local partnerships, global and CRE economic research

## Deep deal flow in Europe

sources assets across Europe. All segments of real estate assets are covered, with a focus on offices. Thanks to the importance of its inflows, carries out the largest transactions in the European market, with €4bn of acquisitions out of France over the past 3 years.

Acquisitions 2016-2018: over €11bn



	2015	2016	2017	2018
Pipeline	620 assets analysed €41.6 Bn	520 assets analysed €51.6 Bn	577 assets analysed €63.8 Bn	813 assets analysed €66.3 Bn
Projects submitted to the Investment Committee	126 assets €5.7 Bn	74 assets €11.1 Bn	86 assets €17.3 Bn	79 assets €8.8 Bn
Acquisitions	52 assets €2.6 Bn	55 assets €4.3 Bn	30 assets €6.0 Bn*	17 assets €1.1 Bn

(€2.3bn)

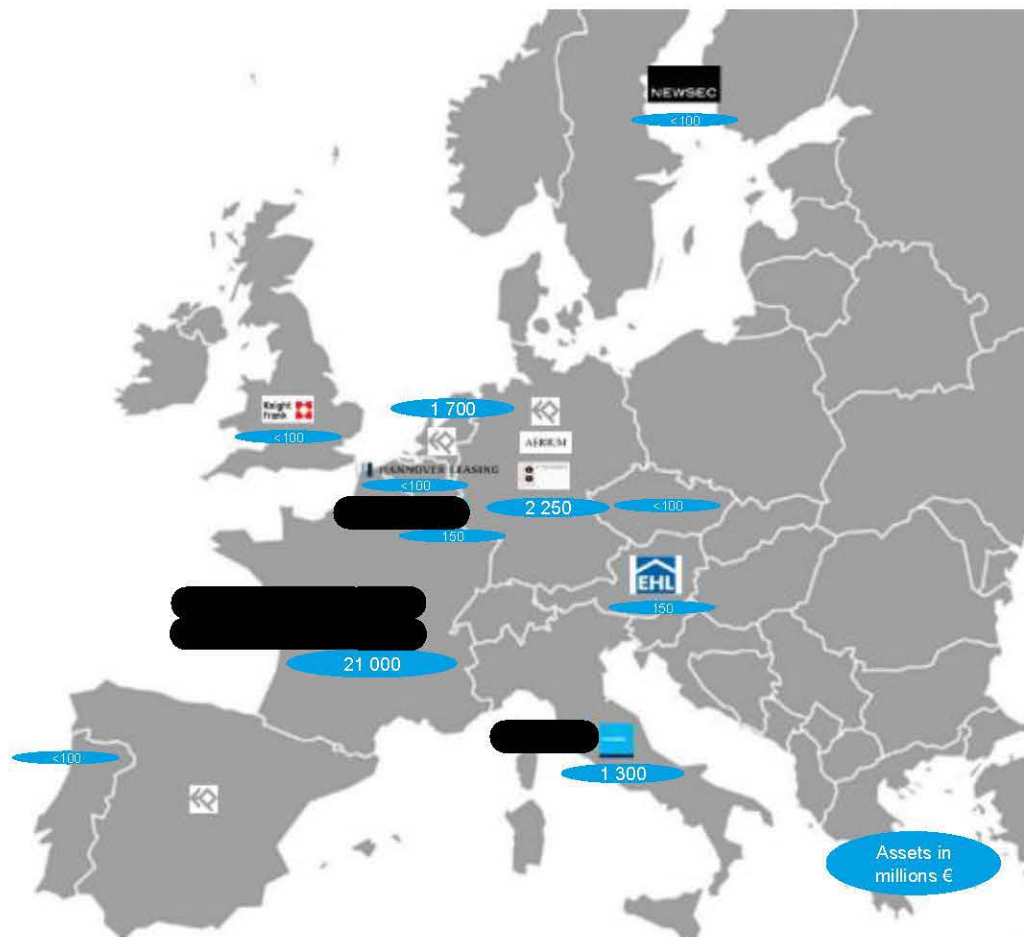
# An open-architecture organisation

Allowing for flexibility and agility

- Semi-open architecture based on a strong integrated platform in France, Luxembourg, Italy;
- Longstanding partnerships in major European countries, giving us the required local expertise and the important flexibility to choose where to invest in Europe;
- A strict and documented methodology when selecting our partners, in terms of compliance with our ESG policy (target 2021).

Country	Partners (non-exclusive)
Germany	Etoile Properties Aerium IC Property Investment & Management
Benelux	Etoile Properties Hannover Leasing
UK	Knight Frank
Scandinavia	Newsec
Austria	EHL
Iberia	Etoile Properties

[Redacted] Estate, December 2018



# Investment process

Real Estate Prime Europe

## Sourcing

- Continuous market watch: discussions with our local partners, brokers, sellers
- Dealflow in open architecture

## Preselection

- First screening, analysis, identification of due diligence issues
- Target portfolio guidelines

## Asset Analysis and Due Diligence

- Thorough financial and ESG analysis of the asset, external valuation and asset visit
- Technical, legal, tax, notarial due diligence

## Deal Structuration & Financing

- Negotiation of financing in accordance with due diligences' conclusions (tender, term sheet, loan documentation)
- Acquisition structuring to minimize risk and tax, closing documentation

## Asset Management

- Strategy & business plan
- Coordination with property and asset manager

# █ has a long experience of core/core+ investments in Europe

█ (a balanced pan-European open ended retail fund – under the form of a French collective undertaking for Real Estate investments “OPCI”) is the flagship of █ in France and combines RE and listed assets (respective targets of 60% and 40%) with max. 40% leverage. The RE portfolio of the fund is a good illustration of █ expertise in European core/core+ investments.

OPCIMMO RE portfolio	2012	2013	2014	2015	2016	2017	2018
Total Return (gross)	+4,6%	+6,6%	+7,5%	+8,8%	+7,2%	+7,2%	+6,9%
RE AuM (€m)	99	297	472	1,636	3,214	4,846	4,920
Number of assets	6	13	17	32	52	71	62
RE Leverage	0%	23,4%	29,6%	30,7%	35,8%	37,8%	34,7%



Source : █ data as of December 2018

Past performance is not a guarantee of future results

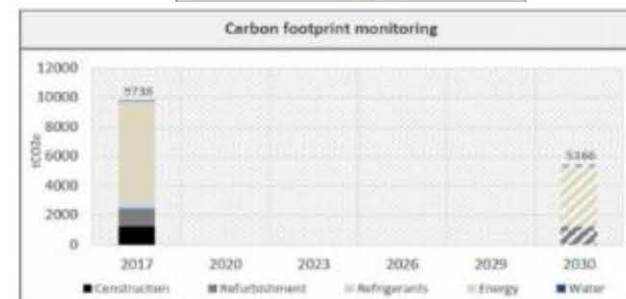
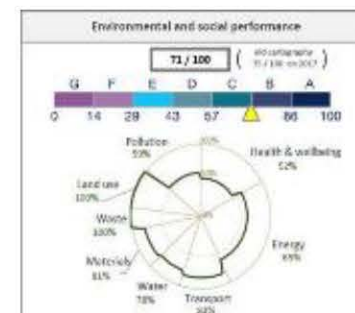
## Our ESG approach: a defined framework to reach the best standards in terms of low carbon commitment

██████████ will integrate additional investment criteria in order to be a **green fund**.

As such, following preselection of the assets, **the fund managers will exclude assets ranked below D, and build a portfolio with a global ranking above or equal to C.**

On top of this ranking, we will perform a specific analysis on each asset in order to be fully aware of its impact in environmental terms:

- The **carbon footprint of the assets**
- The **2 degrees trajectory** of the assets
- The exposure of the assets to **climate risks**



In line with the Paris Agreement – COP 21\* and the European directive\*\* objectives for foreign assets, **we will assess for each asset the greenhouse gas emissions reductions to be achieved and implement an energy consumption reduction trajectory, delivering to our clients a genuine low carbon approach backed by concrete analyses and reporting**

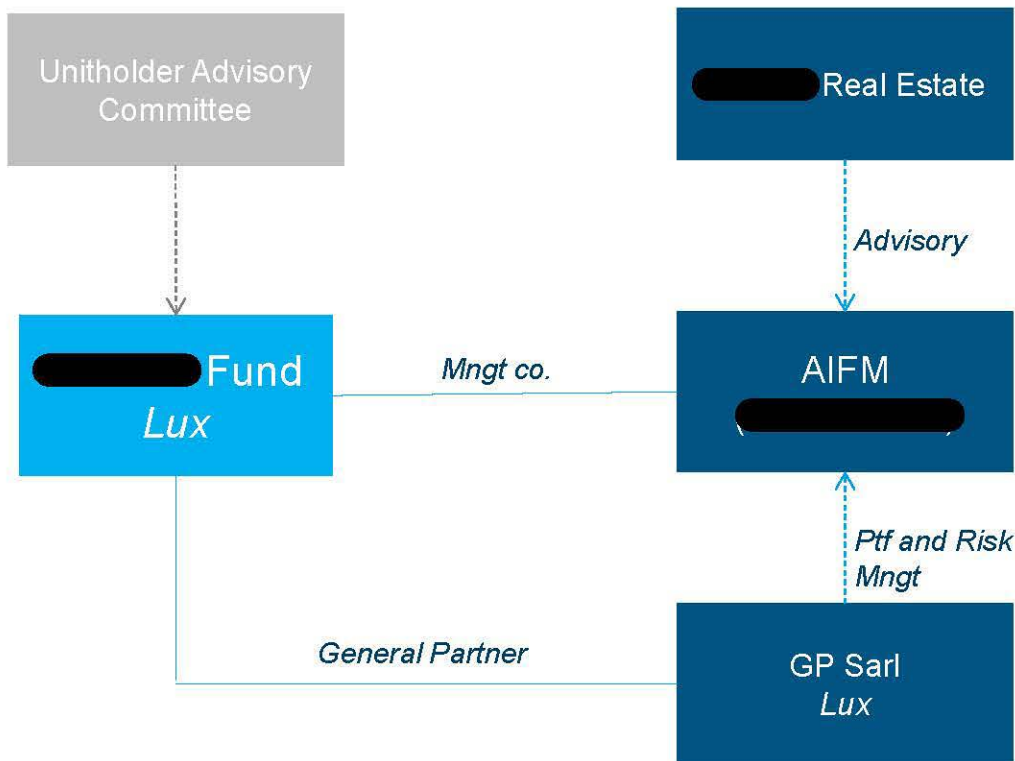
\* *the Paris Agreement :*

- limiting the average increase in the planet's temperature to less than 2°C compared to pre-industrial levels
- reinforcing capacity for adaptation to the harmful effects of climate change and promoting resilience to these changes

\*\**the European Directive :*

- The European Council has adopted an indicative objective to reducing energy consumption by 27% by 2030

# A robust and balanced setup for efficient teamwork



**Real Estate (125 people)**

- Institutional Solutions team
- Investment teams (Research, Acquisitions & Sales, Asset Management)
- Operations (Fund Controlling, Liability Management...)

**Luxembourg (76 people)**

- Strong and long dated experience as an AIFM
- 4 people dedicated to real estate: Conducting Officer, Portfolio Management, Fund Controlling and dedicated Risk&Compliance Officer



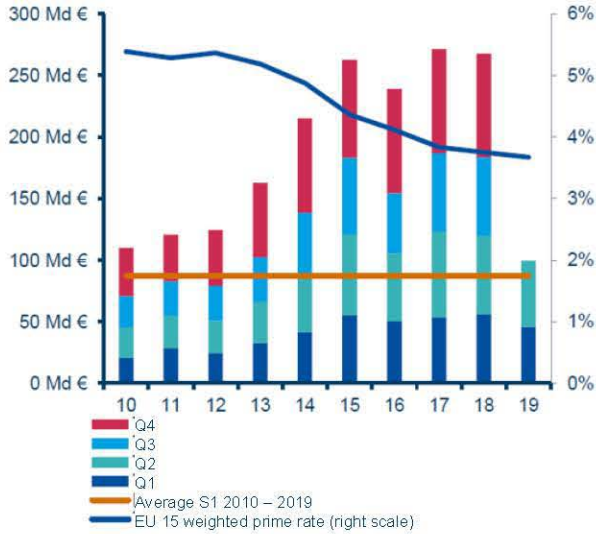
---

05

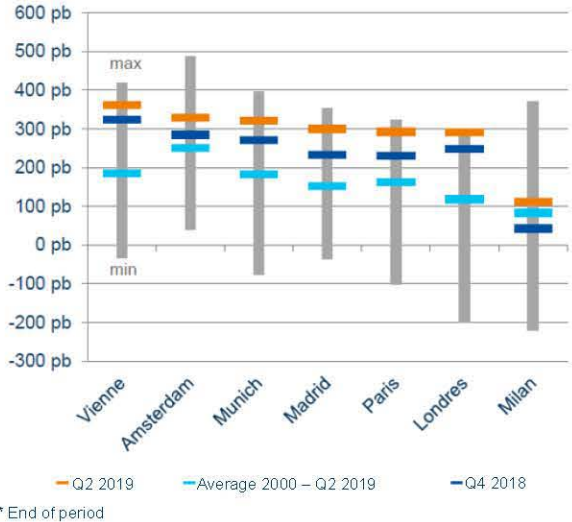
## Investment Case & Views

# Europe is a liquid, deep and attractive real estate market

Investment volumes in European real estate



Spread between office prime yield and 10-year Govies (in basis points, since 2000)



- Europe is a key destination for capital markets
- European investment markets have been very active over the recent years. Offices are the main asset class, with a little less than 1 euro over 2 euros invested.
- Local European actors and even often local national investors have dominated the RE investment markets in Europe, but international investors are gaining market shares (mainly from Asia, Americas and the Middle East)

- Real Estate investors follow their acquisitions at historically low rates, this behavior is led by office rents increases anticipations (and to some extent for the logistics), at low financing rates, and a gap with 10 years rates significantly higher than the long period average.
- The spread between government bonds and prime yields is still currently significantly high on many markets in a lasting low rates environment.

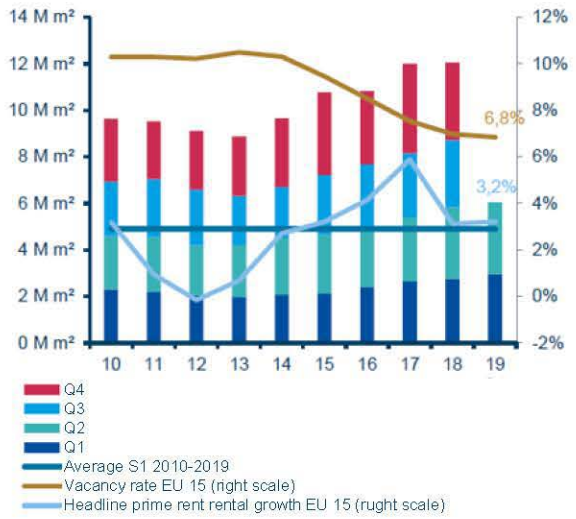
Source: [Redacted]

Source: [Redacted]

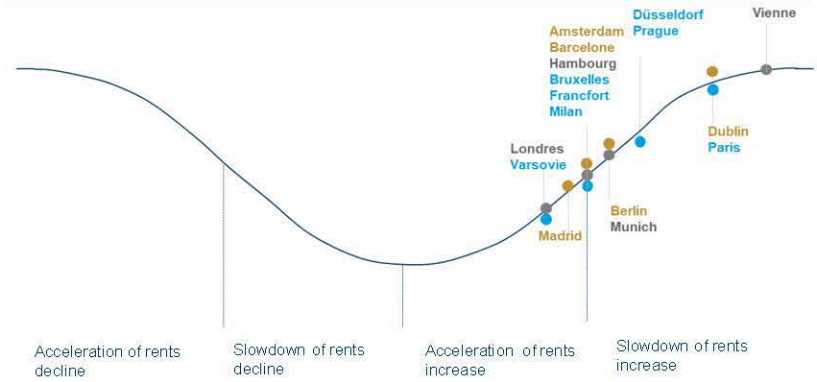


# Offices are by far the main real estate asset class in Europe

## Office take-up and vacancy rate



## View of cities' office prime headline rents – Q2 2019



Rents variation intensity: **weak** moderate **strong**

- The office market has been particularly active at the 1<sup>st</sup> semester 2019, a performance to be highlighted in a context of economic slowdown and of high uncertainties: office commercialization have increased over 1 year in Western Europe and are higher than the decade average.
- A lot of companies continue to favour central zones for “talents hunting” recruitment purposes., but they face a quality offer that is regularly lacking. This context of rarity, if it benefits “in white” launches, it exerts upward pressure on facial rents.

- Major EU markets should benefit from tenants demand
  - All markets have different rental cycles in terms speed: Pan European diversification will allow to anchor RE investment performance
- NB
- The positions are purely indicative and are not an investment recommendation or solicitation
  - City positions can move at different speeds and directions depending on various parameters

Source: [Redacted]

Source: [Redacted]

# A strategy for Europe today: stability & diversity

## Current Fund Target Allocation across Europe

Our strategy for Continental Europe today:

- targeting sustainable LT yield, value protection, with a high level of diversification and valuation potential

- Conviction - Strong
- Conviction - Medium
- Conviction - Low



	France	Germany / Austria	Benelux	Other €	Non €	Target	Themes
<b>Offices</b>	++	+++	++	++	++	70%	Targeting demand-driven markets featuring rent recovery or rent pressures and >200bps risk premiums over risk free rates, always in prime locations
<b>Hospitality Hotels, others</b>	-	++	+	+	-	10%	Focus on leases featuring fixed or floored rents with established operators in markets where constrain of new offer exist. Risk premium must reflect any operational risk taken
<b>Industrial / Warehouse</b>	+	+	+	-	-	10%	Look at the opportunities in close to city centers distribution platforms while large modern logistic platforms might be out of reach (high individual values).
<b>Retail (High street; retail park)</b>	+	+	+	+	-	10%	Focus on prime high street retail or small central urban shopping centers in main secondary cities demonstrating positive data in terms of demographics and spending potential

Tier 1 (FR, UK, DE, BE, NL, LU, Nordics, SP, IT, CH)  
Tier 2

target 80%  
target 20%

# Current views accross Europe

Those markets are diverse and present perspectives and positions in Real Estate cycles which are highly dependent upon each local economic situations, perspectives and exceptional events affecting them:

- Conviction - Strong
- Conviction - Medium
- Conviction - Low

**Germany**  
 Prime office assets in Prime markets are very pricey unless rent reversion is real. Risk premium remains attractive on a leveraged basis. Manage to core or build to core can make sense as a LT investor in main cities. Residential is also attractive

**France**  
 Paris region is a deep and liquid market. Rents have some potential to improve. Considering current low yield and fierce competition, office right outside CBD for Core + assets can be considered. Manage to core strategies could make sense.

**Portugal**  
 Lisbon is a small market but it experienced a rapid economic recovery in recent years and is interesting for Core Offices, quality Retail asset or Hotel walls with top operators. Limited liquidity of this market means investment must be small

**Benelux**  
 Brussels is an interesting market despite its high dependency on EU commissions offices. Opportunities are rare but worth looking at. Despite a recent decrease in yields, Amsterdam and Luxemburg remain attractive for office and residential

**Austria**  
 Office retail and hotel markets to be looked at as risk premium remains attractive and financing offer as good conditions as in Germany. We must remain cautious in this market where competing future supply can break present equilibrium.

**United Kingdom**  
 London office market attractiveness has been hurt by the uncertainties introduced since Brexit vote. Although presenting new opportunities, the UK market does not present today the best investment set.

**Ireland**  
 The market is narrow but opportunities can be looked at in the Dublin office market, which can benefit from Brexit. A particular focus on the competitive future supply will be needed.

**Finland**  
 Although rather small market, Finish office, retail and hotel assets should be looked at. Asset size should remain reasonable as this market lacks liquidity. Residential market can also be looked at although local investors present strong competition

**Italy**  
 Office market is over priced and leverage is not efficient. Each of Milan and Rome office markets are narrow. competition is currently too strong for prime assets. Focus could be made on retail in 2nd tier cities for best in class micro locations.

**Poland**  
 Prime office market in Warsaw will be searched for opportunities as sellers (investors and developers) start to be reasonable in their selling price. Investment should focus on Euro denominated assets offering mainly Euro revenues.

**Spain**  
 Madrid office and retail assets are interesting while financing costs continue to decrease and economy slowly recovers, offering potential for higher rents. Assets in prime locations (Madrid and Barcelona) should be favored as they have best potential for rent evolutions.

**Czech Rep**  
 Office assets could be looked at on an opportunistic basis in Prague but this market is now very competitive and can sometime be overpriced especially for Euro-denominated deals.



---

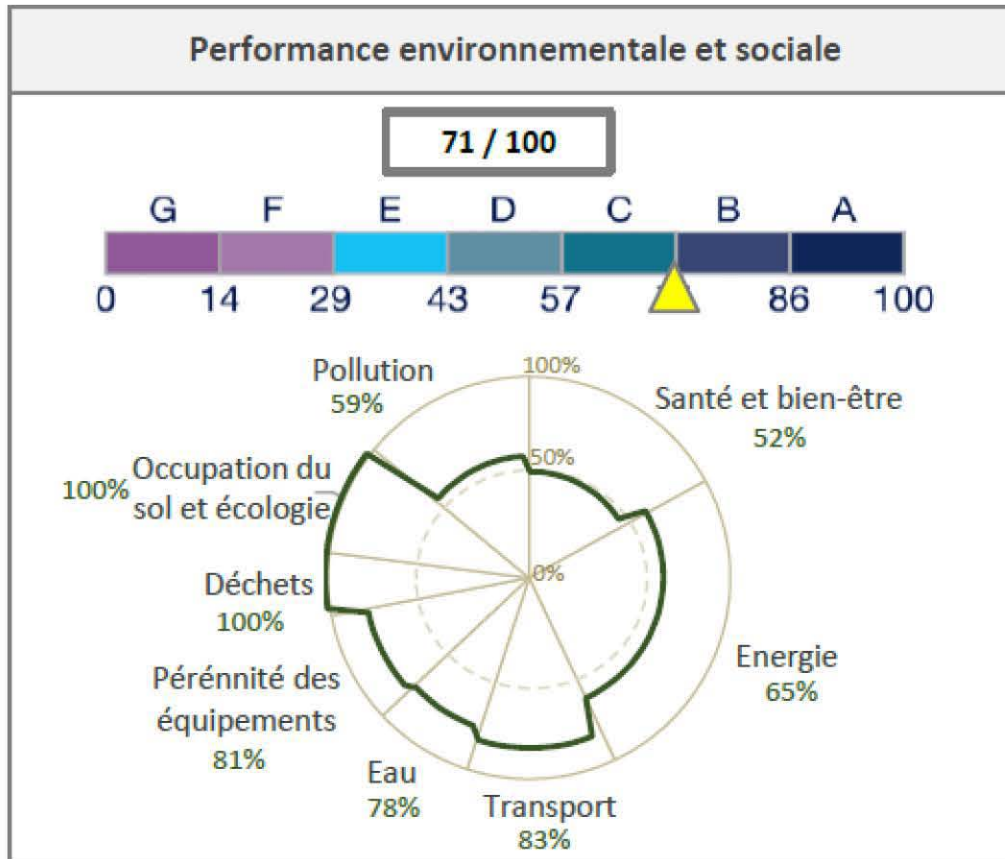
# 06

## Appendices

Focus on our ESG approach  
Fund Information / Reportings  
Recent acquisitions in Europe  
Biographies

# Focus on the ESG approach

## A) The environmental and social mapping



To realize this mapping, we mainly use the BREEAM-In-Use part 1 frame of reference.

This internationally known frame of reference allows us to confirm the relevance of the realised analyses.



Nous y dérogeons sur l'aspect énergie en s'intéressant à l'année de construction du bâtiment et à la réglementation à laquelle il était soumis.

We derogate from it on the energy aspect by focusing on the construction year of the building and the rules and regulations to which it was subject.

# Focus on the ESG approach

## B) Energy-Carbon performances evolutions

Evolution des performances Energie - Carbone

	Energie (kWh <sub>EP</sub> /m <sup>2</sup> .an)	Carbone (kgCO <sub>2</sub> e/m <sup>2</sup> .an)
Performance de référence (2011)	286	17
Performance actuelle (2011)	286	17
Objectif 2030	171	14
Avancement de l'objectif (%)		



Les performances analysées prennent en compte :

- les usages de l'immeuble (parties communes et/ou privatives)
- le mix énergétique de chaque pays d'implantation (pour la conversion énergie-carbone)

La performance carbone est issue des consommations énergétiques uniquement (scope 1 et/ou 2).

This part is based on the consumption of the asset. It allows to visualize the evolution of consumption in relation to two objectives:

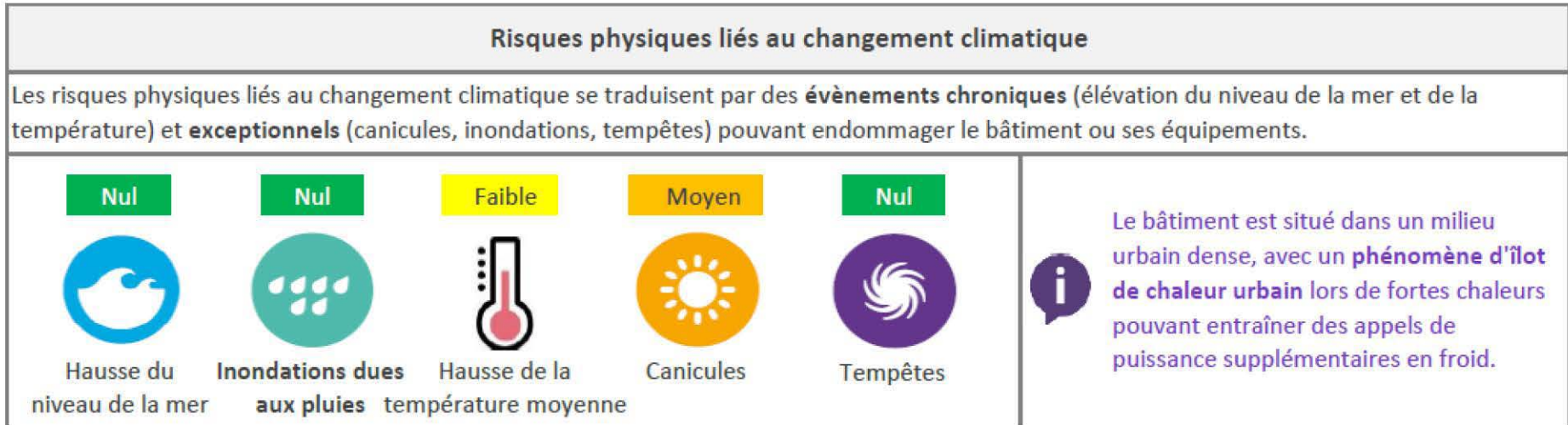
- **Energetic objective:** based on the reductions imposed by the tertiary decree in France and on recommended reductions by the European framework for energy and climate for other European countries.
- **Carbon objective:** based on the necessary reduction to ensure that the asset is on a trajectory compatible with the Paris Agreement limiting the global warming to 2°C.

The translation of the energetic performances in carbon performances takes into account the energetic mix of the asset's country.



# Focus on the ESG approach

## C) Exposure to climate risks



This part allows an evaluation of the exposure of the asset to 5 risks linked to climate changes. 3 criteria are considered to build this grade:

- The geolocation of the asset and the resulting predictive scenarios of the climate change ;
- The devices and characteristics of the asset allowing it to resist to these risks ;
- The immediate environment of the asset that may include aggravating factors.



## Focus on our ESG approach: mobilization within our sector

Real Estate is one of the founding members of the **Observatory of Sustainable Real Estate**, an independent and transparent forum for exchanges, promoting the sustainable development and innovation of French real estate.



Real Estate is a member of the **BBCA low carbon building association** since 2016.

Real Estate participates in the working group on the creation of an SRI label applied to real estate.





# Fund Information Reporting

## Financials : quarterly (D+45)

- NAV calculation, consolidated accounts
- InREV adjustments, distributed dividends statements (semi-annual), ratios

Four sample financial statements are displayed, showing various metrics and calculations related to NAV and dividends.

## Real Estate : semi-annually (D+90)

- Appraisal reports, global market review, asset management report



## Global synthesis : annually (D+90)

- Annual accounts, market, financial and real estate analyses, updated business plan







## Annual Report (D+120)

- Annual audited accounts
- Audit report



# Recent deals in Europe




(1/5) Our sourcing capabilities make us a specialist of European assets' origination and asset management

Deal	Key metrics	Comments
<p>INK MGallery Hotel Amsterdam Core Closed in 2018</p>  	<p>Area: 148 rooms</p> <p>Tenant: Accor Hospitality Nedeland</p> <p>WAULT (years): 14</p> <p>Asset Value: €64,6m</p> <p>Net Initial Yield: 4.02%</p> <p>Unlevered CoC: 4.14%</p> <p>Unlevered IRR 10Y: 4.40%</p>	<p>Investment by ██████████ Funds</p>
<p>El Portico Madrid Core Closed in 2018</p>  	<p>Area: Office 20,814 sqm Parking 401 units</p> <p>Tenants: Multi tenants</p> <p>WAULB (years): 2,25</p> <p>Price: €117,4 m</p> <p>Net Initial Yield: 4.31%</p> <p>Unlevered CoC: 3.31%</p> <p>Unlevered IRR 10Y: 4.26%</p>	<p>Investment by ██████████ Funds</p>







# Examples of recent deals in Europe

(2/5) Our sourcing capabilities make us a specialist of European assets' origination and asset management

Deal	Key metrics	Comments
<p>Enjoy Paris Core Closed in 2018</p>  	<p>Area: Office 16,970 sqm Parking 64 units Tenant: AXA Services WAULT (years): 9 Asset Value: €258m net Net Initial Yield: 3.40% Unlevered CoC: 3.30% Unlevered IRR 10Y: 3.30%</p>	<p>Forward sale deal, development to be completed by end-2018.</p> <p>Co-investment between [REDACTED] Fund and a French institutional investor</p>
<p>BBW Frankfurt Core Closed in 2018</p>  	<p>Area: Office 28,564 sqm Residential 2,494 sqm Commercial 1,028 sqm Parking 347 units Mains tenants: KfW, Dwp Bank, Nomura WAULT (years): 10 Asset Value: €141,2m Net Initial Yield: 4.25% Unlevered IRR 10Y: 3.60%</p>	<p>Investment by [REDACTED] Funds</p>

# Recent deals in Europe

(3/5) Our sourcing capabilities make us a specialist of European assets' origination and asset management

Deal	Key metrics	Comments
<p>Grand Central Frankfurt Core Closed in 2017</p>  	<p>Area: Office 43,674 m<sup>2</sup> Storage 1,636 m<sup>2</sup> Parking 783 units</p> <p>Tenant: Deutsche Bahn Netz AG (100%) -subsidiary of DB AG*</p> <p>WAULT (years): 20</p> <p>Asset Value: €324m net</p> <p>Net Initial Yield: 3.45%</p> <p>Un-levered Cash-on-cash: 3.48%</p> <p>Investor un-levered IRR 10Y: 3.22%</p>	<p>Forward sale deal, development to be completed by end-2020.</p> <p>██████████ funds bought 100% of the deal and seek to share 50% of this deal with co-investor(s).</p>
<p>Rocket Tower Berlin Core Closed in 2017</p>  	<p>Area: Office 26,192 m<sup>2</sup> Retail 1,765 m<sup>2</sup> Parking 411 units</p> <p>Tenants: Multi (occupancy 96%)</p> <p>WALB (years): &gt;13.5</p> <p>Price: €149m net</p> <p>Net Initial Yield: 4.0%</p> <p>LTV: 45%</p> <p>Cash-on-cash: 5.47%</p> <p>Investor IRR 10Y: 7.58%</p>	<p>Co-investment between ██████████ Fund and a Finnish institutional investor</p>

\*DB AG: responsible for railways maintenance





# Recent deals in Europe

(4/5) Our sourcing capabilities make us a specialist of European assets' origination and asset management

Deal	Key metrics	Comments
<p>Coeur Défense Paris, La Défense Core Closed in 2017</p>  	<p>Area: Office 182,765 m<sup>2</sup>            Main tenants: HSBC, RTE, Allianz and EDF EN            WALB (years): 7            Price: € 1,720m            Net Initial Yield: 4.78%            LTV: 52%            Cash-on-cash: 5.59%            Investor IRR 10Y: 7.46%</p>	<p>Co-investment between [REDACTED] and French institutional investors</p>
<p>Tour Hekla Paris, La Défense Core Closed in 2017</p>  	<p>Area: Office 75,876 m<sup>2</sup>            Main tenant: Vacant            WALB (years): -            Price: € 582m            Net Initial Yield: 6.7%            LTV: 41%            Cash-on-cash: 5.8%            Investor IRR 10Y: 6.03%</p>	<p>Speculative development            Co-investment between [REDACTED] and a French institutional investor.</p>

# Recent deals in Europe

(5/5) Our sourcing capabilities make us a specialist of European assets' origination and asset management

Deal	Key metrics	Comments
<p>The Atrium Amsterdam south-axis Core Closed in 2017</p>  	<p>Area: Office 59,044 m<sup>2</sup> Parking 525 units</p> <p>Tenants: Multi (occupancy 68%)</p> <p>WALB (years): 8</p> <p>Price: €520m net</p> <p>Net Initial Yield: 3.83%</p> <p>LTV: 60%</p> <p>Cash-on-cash: 6-7%</p> <p>Investor IRR 10Y: 7.57%</p>	<p>Co-investment with [REDACTED] investors</p>
<p>The Cloud Amsterdam Core Closed in 2017</p>  	<p>Area: Office 23,807 m<sup>2</sup> Parking 195 units</p> <p>Tenants: Multi (occupancy 98.4%)</p> <p>WALB (years): 9.7</p> <p>Price: €159m net</p> <p>Net Initial Yield: 4.24%</p> <p>LTV: 40%</p> <p>Cash-on-cash: 4.78%</p> <p>Investor IRR 10Y: 5.56%</p>	<p>Co-investment between [REDACTED] Fund and a [REDACTED] institutional investor</p>