



**INTERCONTINENTAL INTERNATIONAL**  
REAL ESTATE INVESTMENT COMPANY



**ICI**  
**Annual General Meeting**  
**03 May 2019**

***“A COMPANY BUILT BY INVESTORS FOR INVESTORS”***

# Disclaimer



This Presentation has been prepared by INTERCONTINENTAL INTERNATIONAL REIC S.A., hereinafter (the “Company”).

The Company has taken every care and precaution to ensure that information published in the Presentation is accurate at the time of publication, but the Company cannot guarantee or be held liable for its accuracy or timeliness and the Company may change the information at any time without notice.

No representation or warranty, 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. None of the Company Representatives, Employees, Shareholders, Board Members, or any of their respective affiliates and advisers shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this Presentation.

The past performance of the Company cannot be relied upon as a guide to its future performance. The price of shares and the income derived from them can go down as well as up and investors may not recoup the amount originally invested. This Presentation does not constitute a recommendation regarding the securities of the Company.

The information contained in the Presentation may not be construed as a recommendation or an invitation to invest in shares or other securities, or any other products or services or otherwise deal in these or enter into a contract with INTERCONTINENTAL INTERNATIONAL REIC S.A. or any other company.

The information provided should not be relied upon in connection with any investment decision. You should always seek appropriate professional advice in relation to such and take appropriate steps to verify this information before acting based on it.



## 2018: Milestone Year for ICI

- ❑ Fully invested
- ❑ 9-digit Total Assets (€102.667mln)
- ❑ Economies of scale
- ❑ 35 high caliber clients
- ❑ All time high Operating Profit (€10.108mln), Net Profit After Tax (€9.041mln), and NAV p.s. (€6.97)
- ❑ Included in the ATHEX Composite Share Price & Total Return Indices
- ❑ Capital gains realization (asset sales)
- ❑ ICI's expectations for property market revival coming true

***"BIG ENOUGH TO DO THE JOB; SMALL ENOUGH TO CARE"***



**1**

# **MARKET - GENERAL REMARKS**

# Commercial Property Market Highlights


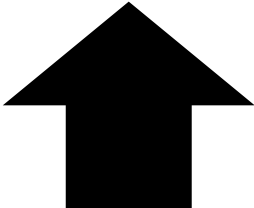



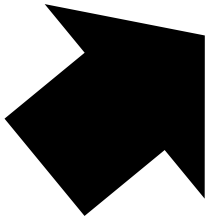



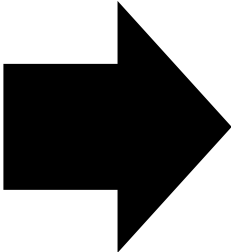

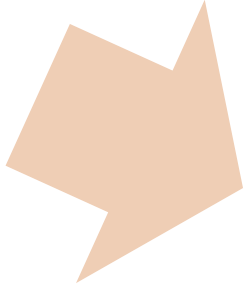


- During 2018 the commercial market witnessed a rebound.\*
- **Office and Retail: higher absolute values per sqm, lower vacancy rates, and higher rental levels.**
- **Lower yields** across all sectors.
- **Lack of quality stock/prime assets** at distressed pricing.
- **Shallow market:** “everyone is buying everything”.
- Increased **transaction volume** coupled with **shorter promotion period. “Discount to asking price” indicator.**
- **Steady buyers:** a number of foreign (private equity, hedge funds etc) vehicles and family offices.
- **Local investors** reactivated.
- New **REICs.**
- In 2018 REICs invested a total of c.€0.5bln, almost double than the previous year.

*\* Housing prices also increased, as per the BoG data.*

# Commercial Property Market Trends 2019



Sector	Prime Rents	Demand	Supply	Prime Yields
Office				
Retail (High Street)				
Industrial Logistics				

Source: ICI REIC



2

# **PORTFOLIO OVERVIEW**

# Portfolio Summary



	31.12.15	31.12.16	31.12.17	31.12.18
<b>Properties</b>	<b>17</b>	<b>20</b>	<b>30</b>	<b>36*</b>
<b>Building Area (sqm)</b>	<b>19,714</b>	<b>24,995</b>	<b>37,470</b>	<b>45,118</b>
<b>Portfolio Value (mln)^</b>	<b>€ 54.40</b>	<b>€ 63.15</b>	<b>€ 79.98</b>	<b>€ 98.09</b>
<b>Annual Rental Income (mln)</b>	<b>€ 4.41</b>	<b>€ 4.72</b>	<b>€ 5.92</b>	<b>€ 7.97</b>
<b>Occupancy Rate</b>	<b>91%</b>	<b>94%</b>	<b>94%</b>	<b>94%</b>
<b>Portfolio Yield: Rent/Portfolio Valuation^</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>

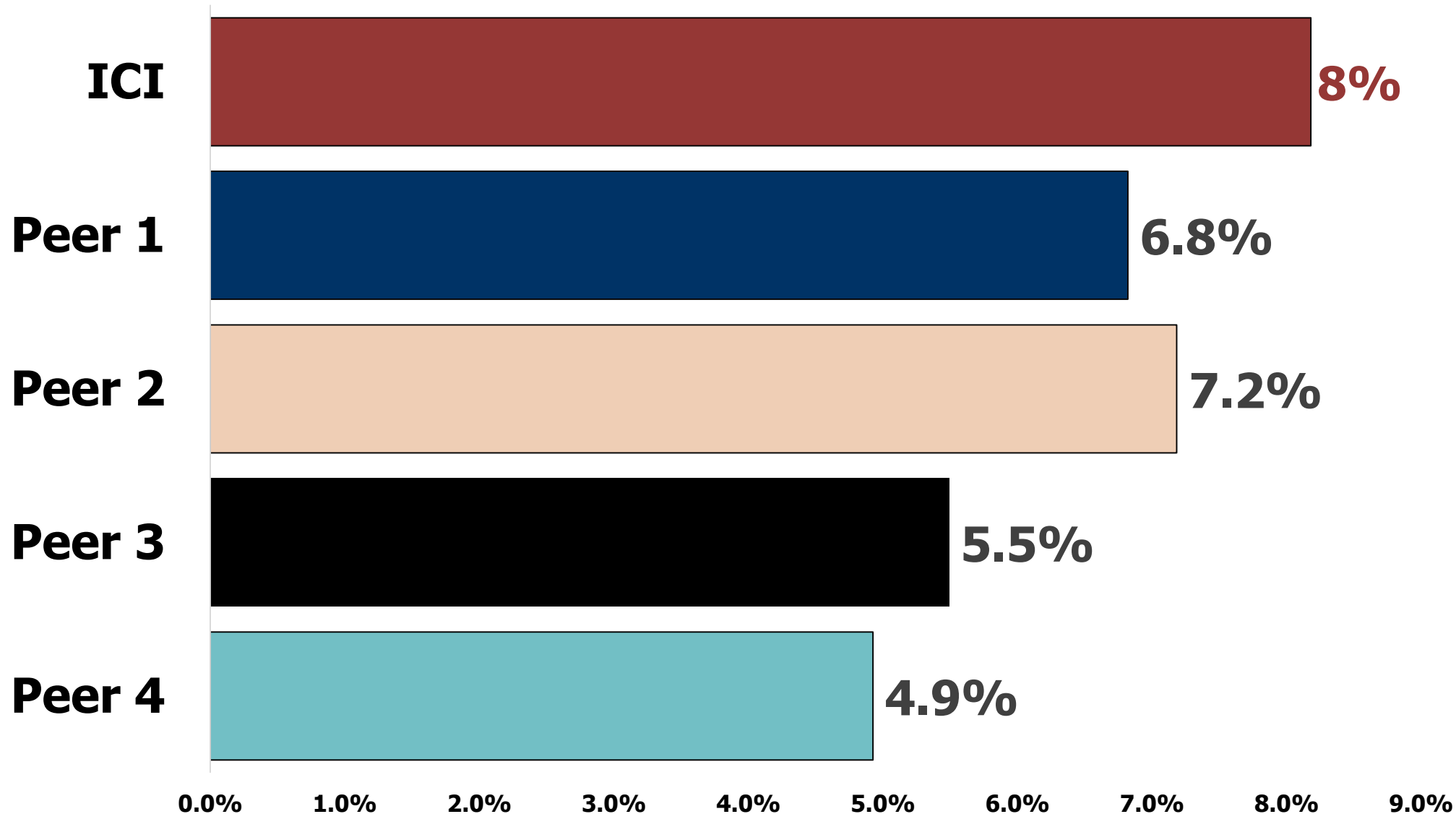
*\* Excluding 2 assets disposed in 2018*

*^ External, independent RICS valuations*

# The Highest Rental Yield

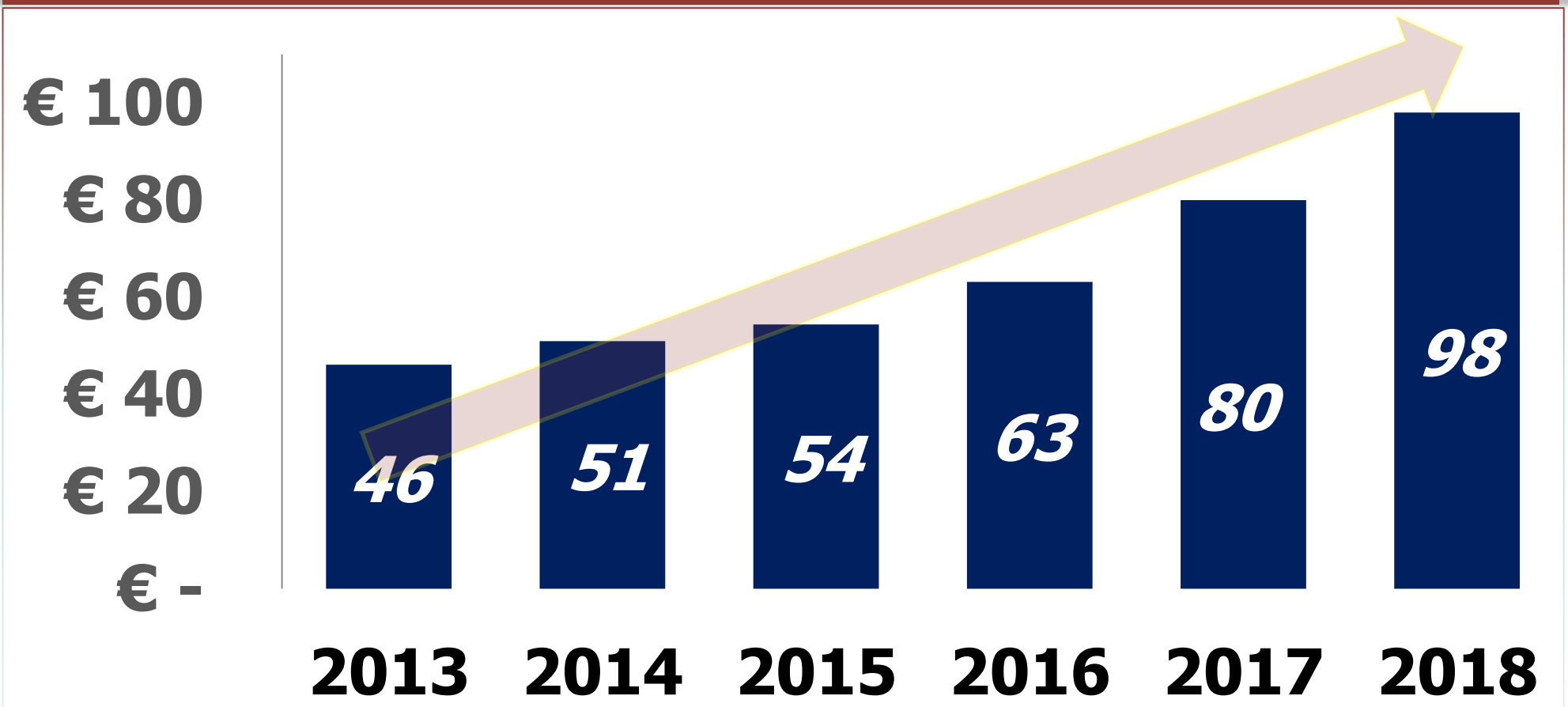


## Implied Portfolio Rental Yield\*



*\*Rental Income/ Properties Values (31.12.2018 Financials)*

# Portfolio: Value Evolution (EUR, MLN)

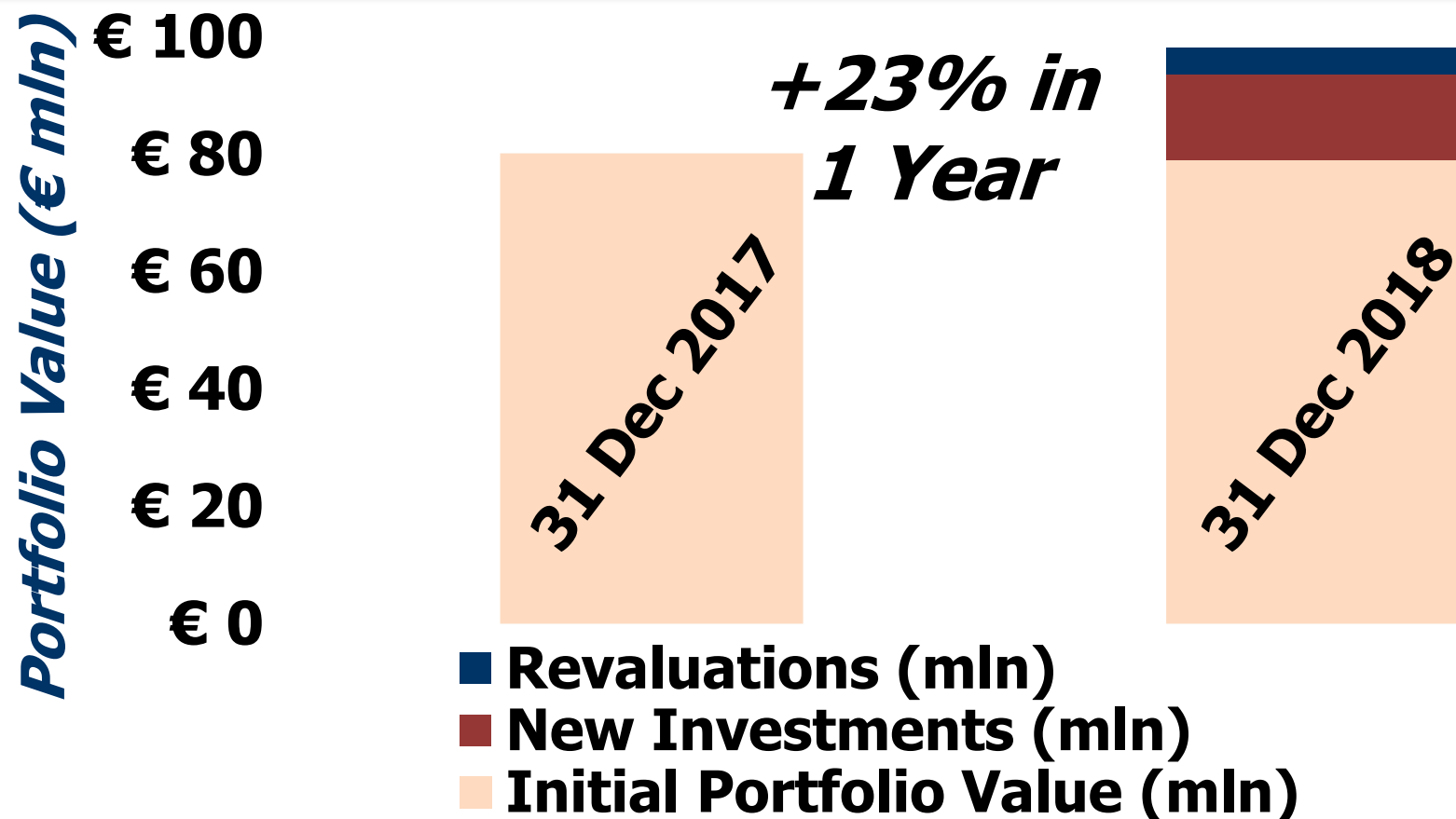


**Property Portfolio Increase in Value:**

✓ **55%** since December 2016

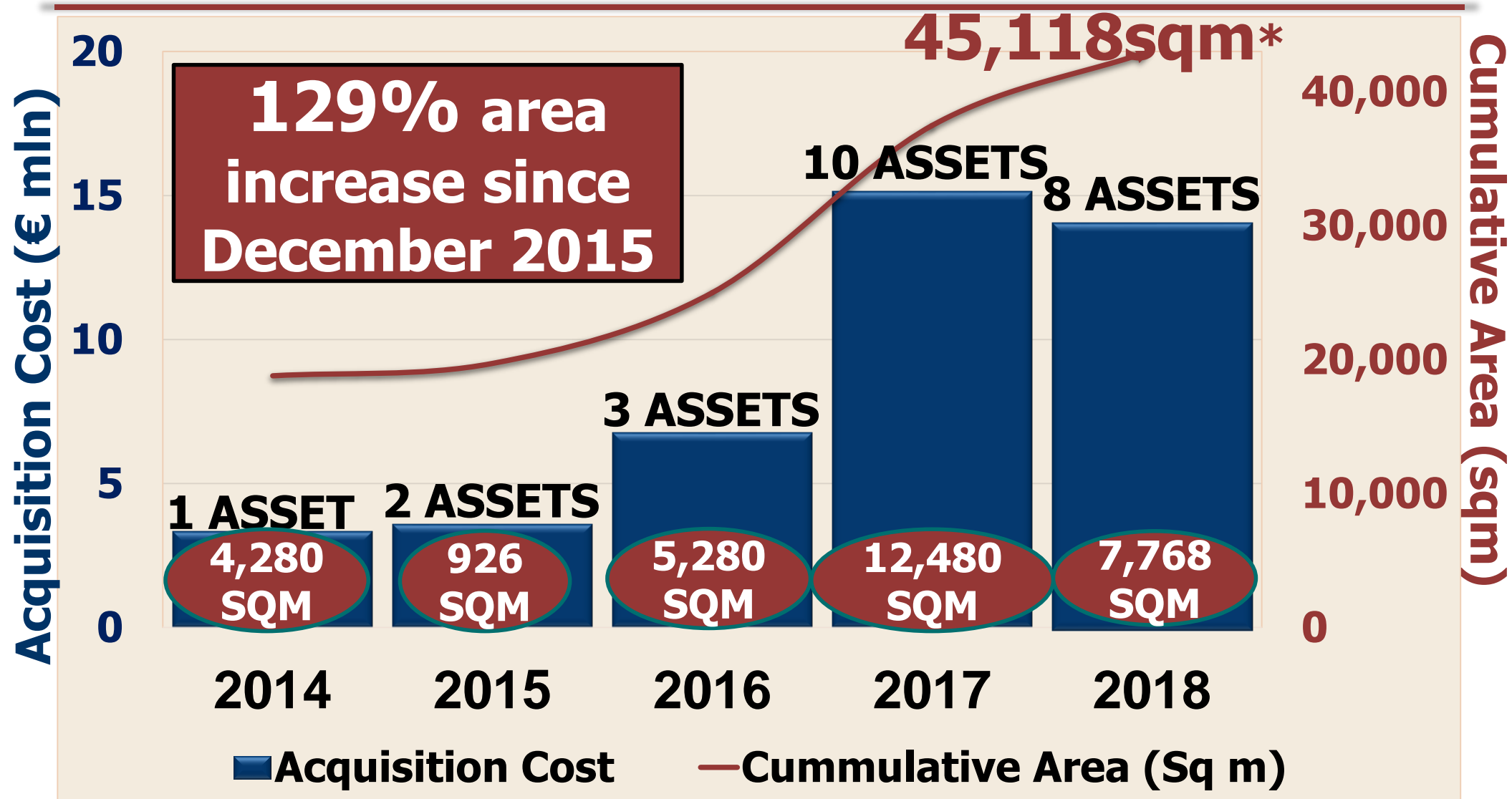
✓ **81%** since December 2015

# 2018 Portfolio: EUR Evolution Breakdown



Portfolio Data	31-Dec-17	31-Dec-18
<b>Disposals (€ mln)</b>		<b>1.01</b>
<b>Initial Portfolio Value (€ mln)</b>		<b>78.97</b>
<b>New Acquisitions (€ mln)</b>		<b>14.63</b>
<b>Valuation Gain (€ mln)</b>		<b>4.49</b>
<b>Portfolio Value (€ mln), Year-End</b>	<b>79.98</b>	<b>98.09</b>

# 2014-2018 Building Area Evolution



\* Excluding two assets already sold in 2018

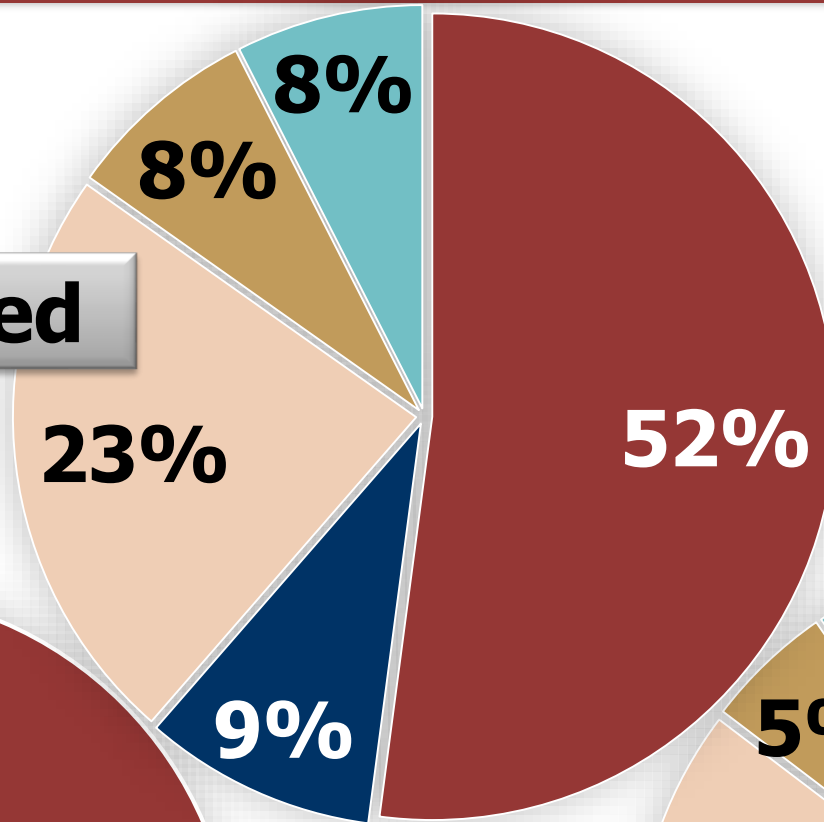
**Overall Acquisition Price per sqm  
(2014-2018): €1,400/sqm**

# Portfolio - Geographic Distribution

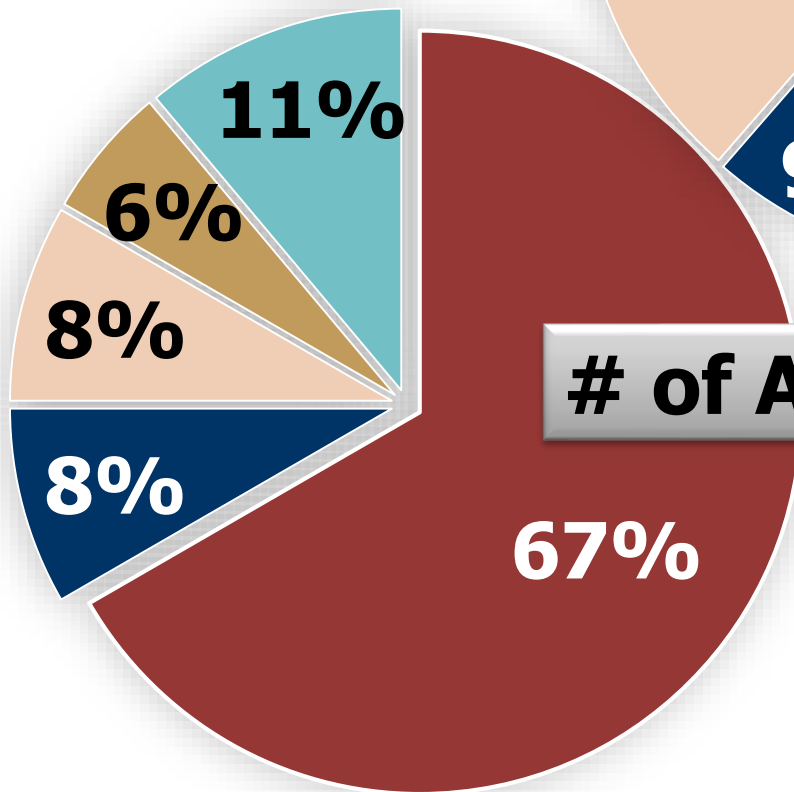


	Attica
	Thessaloniki
	Crete
	Volos
	Other

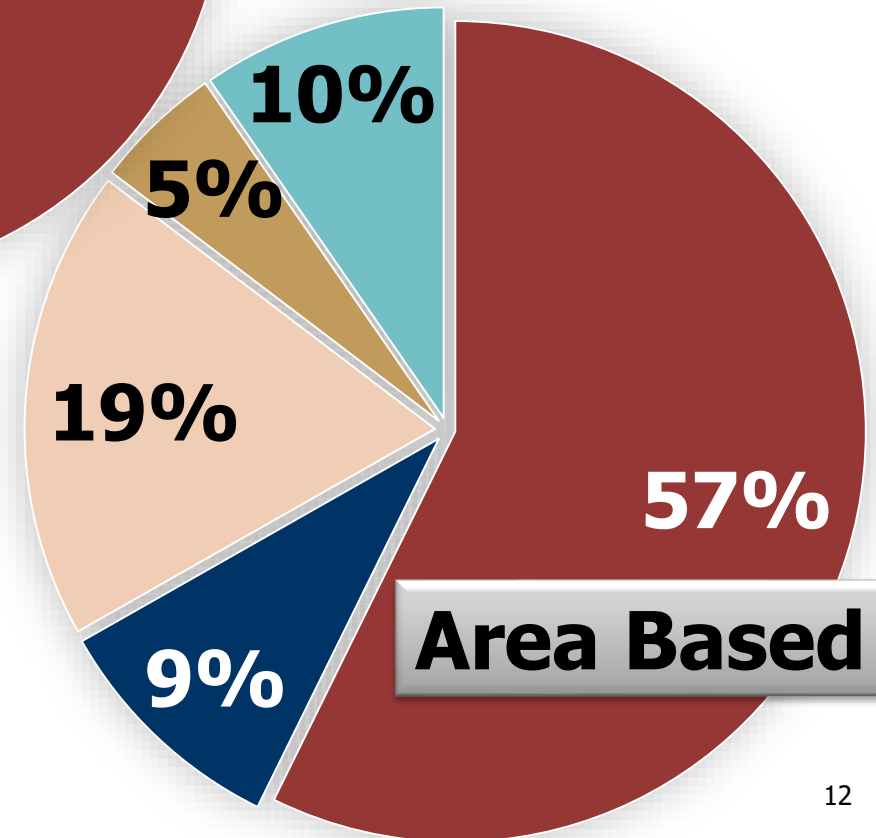
**Value Based**



**# of Assets**







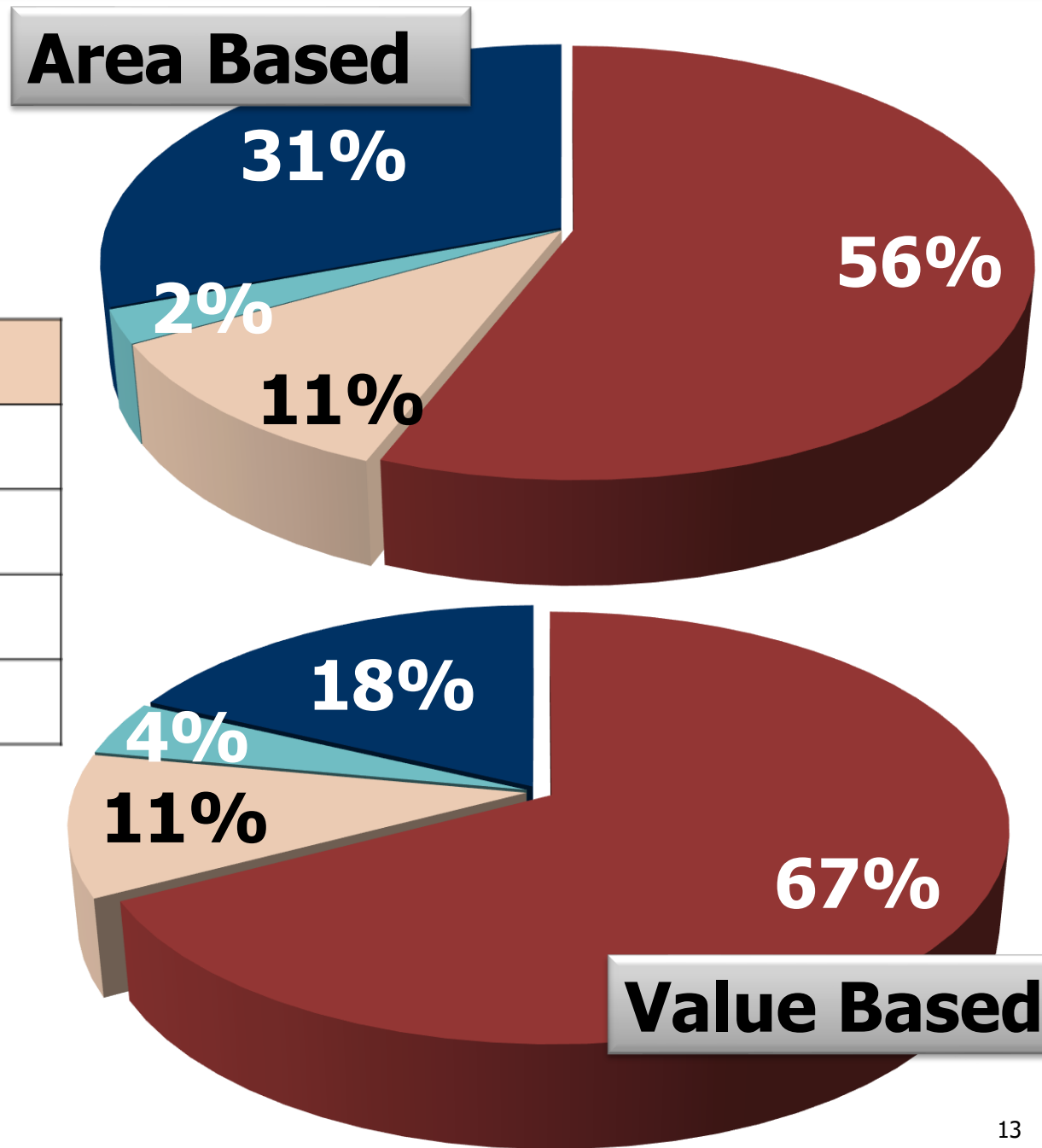
**Area Based**



# Portfolio - Sector Allocation



Asset Classes	
	Retail
	Offices
	Mixed Use
	Residential



# 2018 Acquisitions - Commercial



	Retail	Office Building	Office Retail	S/M	TOTAL
Location	Kolonaki	Marousi	Kolonaki	Livadeia	
Price (€mln)	0.55	7.50	2.45	2.31	12.81
Valuation (€mln)	0.70	7.84	2.70	2.49	13.73
Building Size (sqm)	218	3,586	838	2,169	6,811
Occupancy	100%	100%	100%	100%	100%
Anchor	HATO Estia	Friesland	JP Morgan	Sklavenitis	



# 2018 Acquisitions - Residential



Location	12 Monis Asteriou, Plaka	47 Papaflesa, N. Erythrea	79 Vas. Sofias, Athens	44 Fokianou, Athens	TOTAL
Price (€mln)	0.64	0.24	0.55	0.15	1.58
Valuation (€mln)	0.85	0.38	0.70	0.24	2.17
Building Size (Sqm)	392	203	265	99	959





**3**

# **RENT SUSTAINABILITY & PROSPECTS**

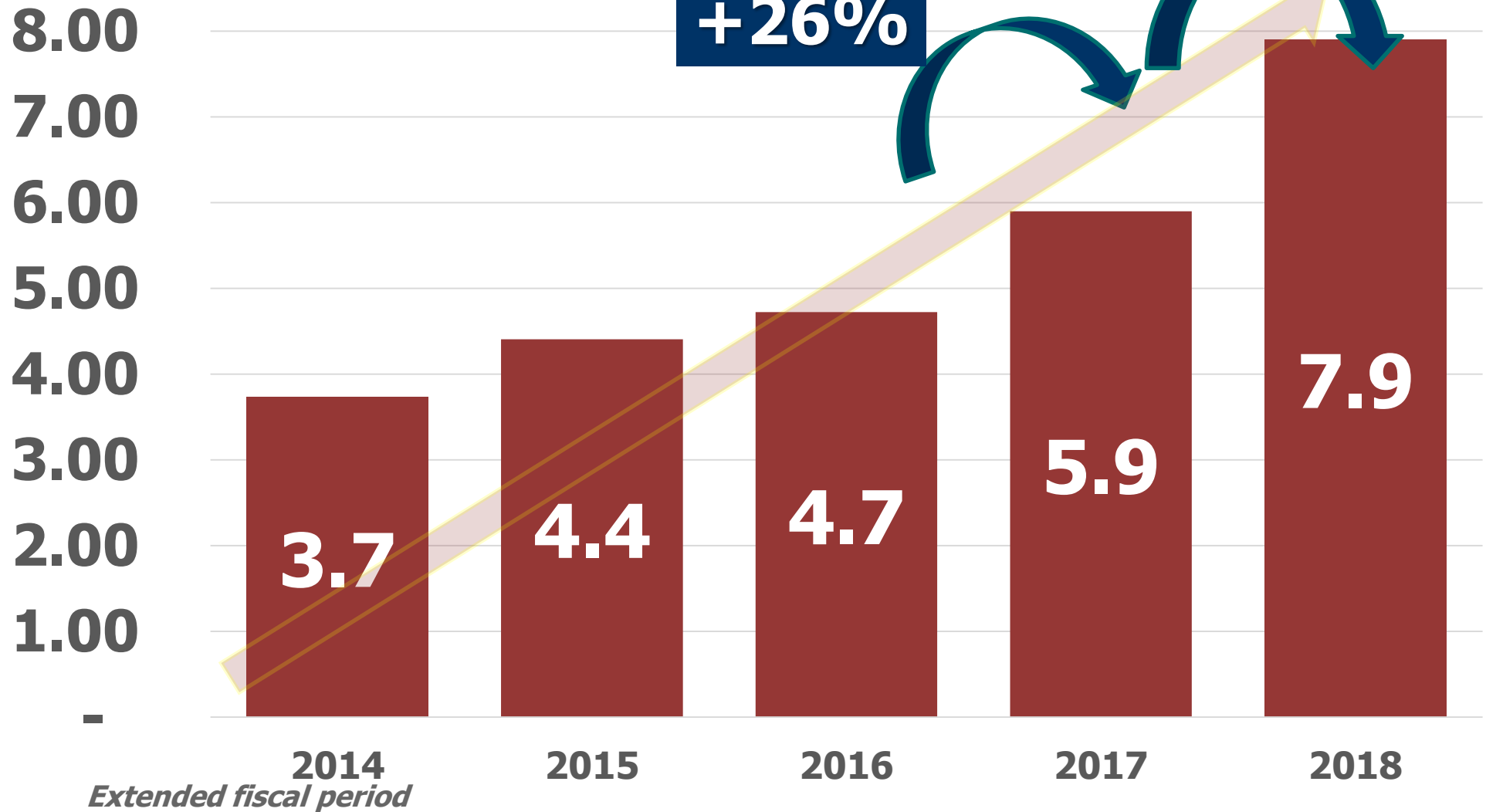
# Rental Revenue



**2015-2018: +80%**

**+34%**

**+26%**



*Amounts in Million €*

# Rent Key Features



**1. Unexpired Weighted Average Lease Term: in excess of 10 years**

**2. Alpha Bank rent: secured by a 'cross-default' clause (until April 2027)**

**3. No collection losses**

**4. Rental income from newly-acquired assets (during 2018): not fully depicted in the 2018 results**

**5. Annual Rent Indexation Clauses**

# Diligent Client Selection



## Indicative New Lessees in 2018



**FrieslandCampina** nir  
*nourishing by nature*



ΙΩΑΝΝΗΣ ΜΑΡΑΚΑΚΗΣ

& ΣΥΝΕΡΓΑΤΕΣ

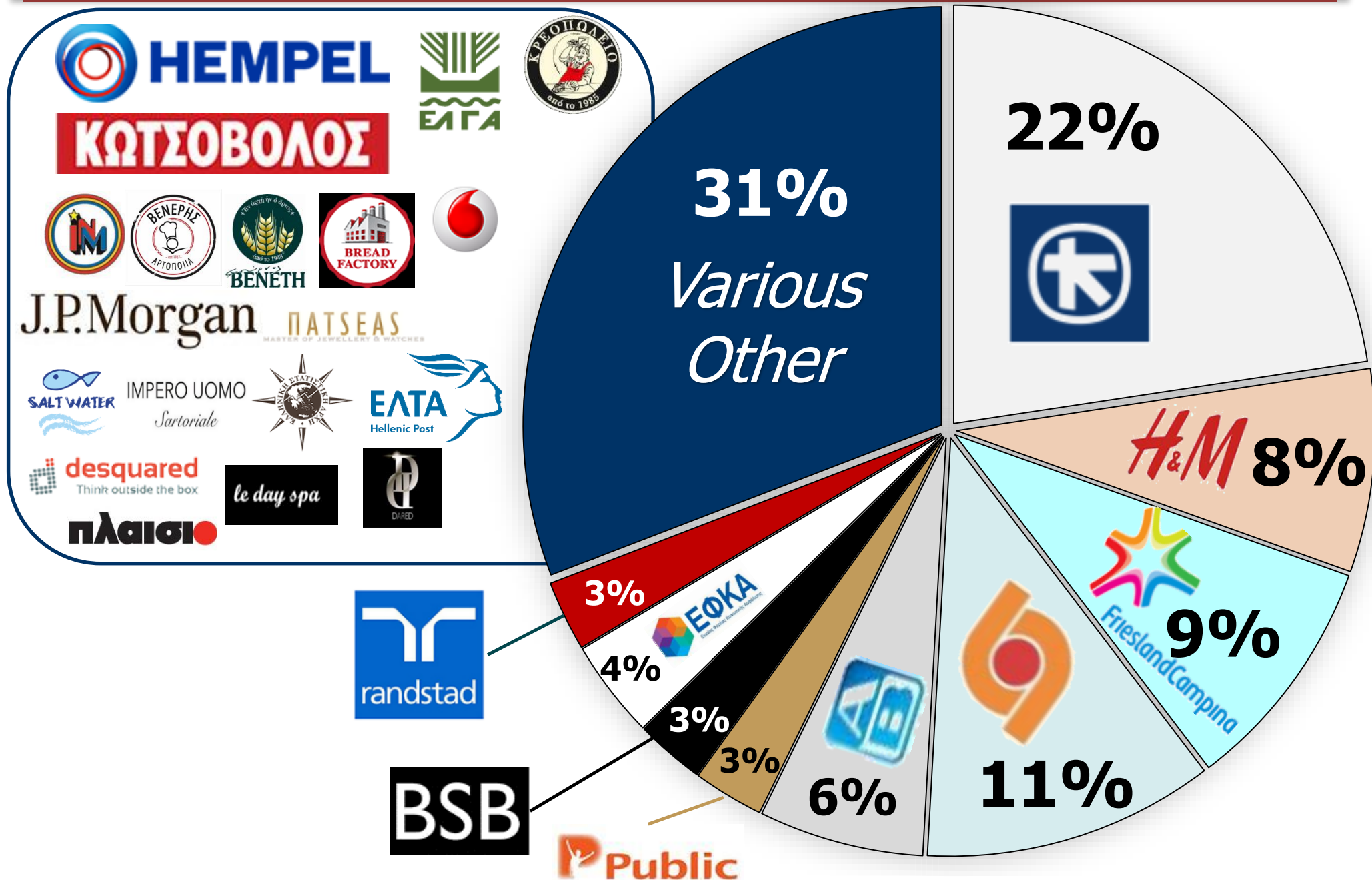


**ΣΚΛΑΒΕΝΙΤΗΣ**

**JJ Hospitality**  
Andreas Bogdanos

IMPERO UOMO  
*Sartoriale*

# Current Building Area Allocation to Tenants





**4**

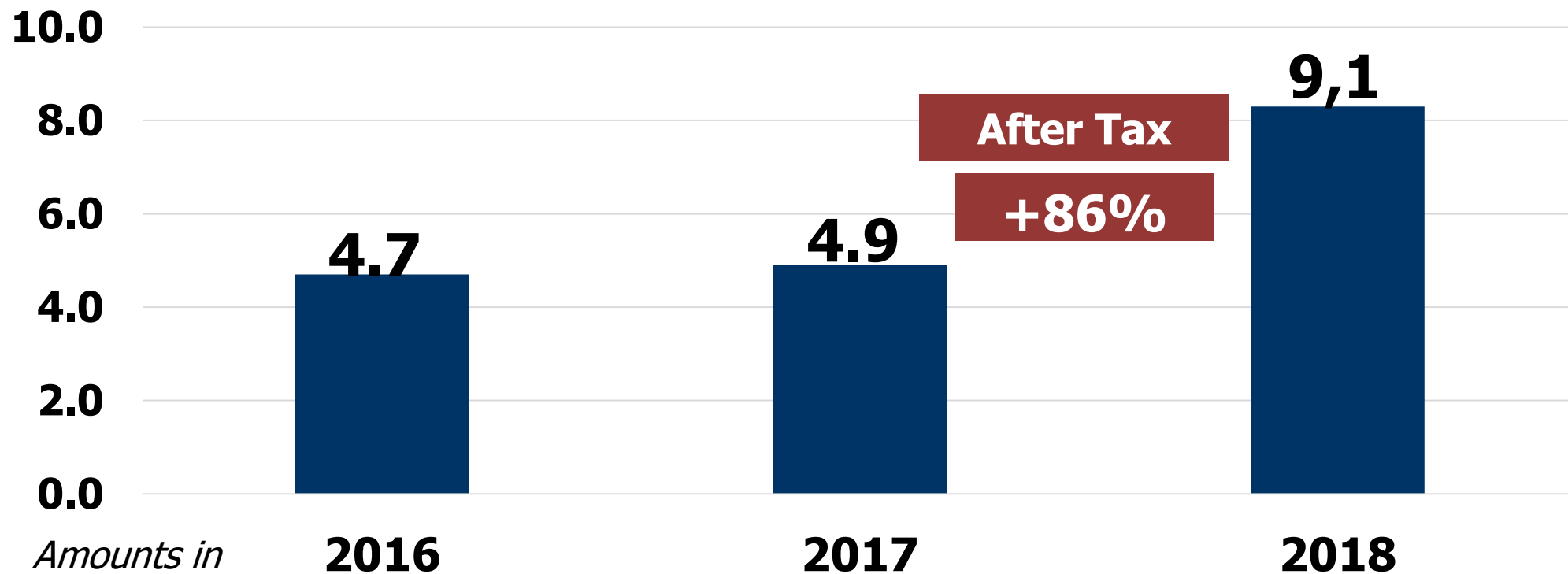
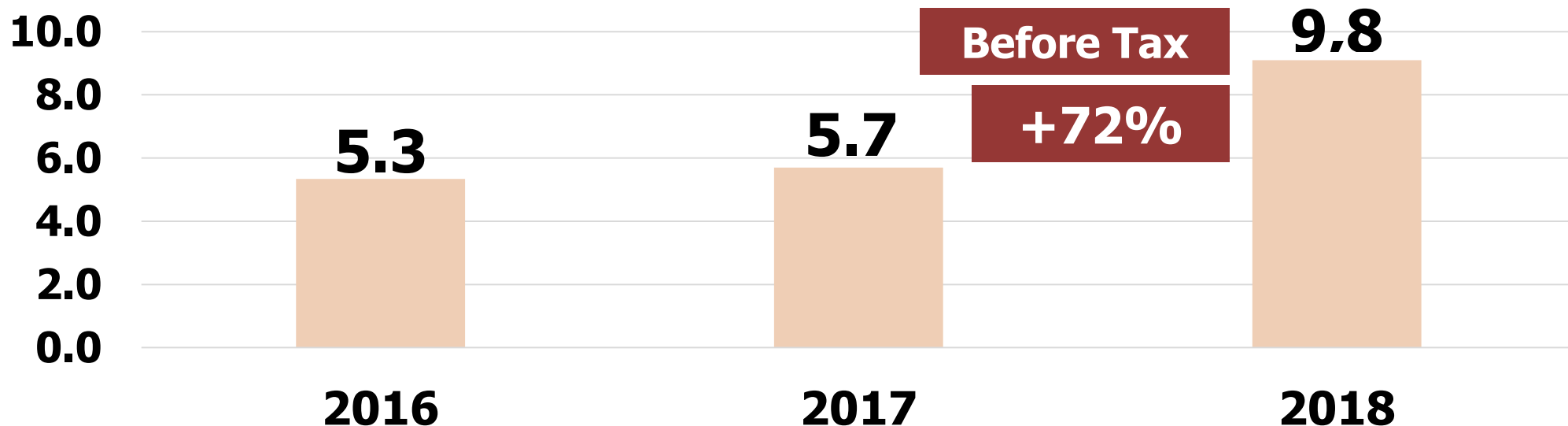
# **2018 FINANCIAL RESULTS**

# Income Statement, FY 2014-2018



Amounts in € '000s	2014	2015	2016	2017	2018	2014 -2018
<b>Rental Income</b>	<b>3.728</b>	<b>4.406</b>	<b>4.724</b>	<b>5.915</b>	<b>7.972</b>	
Property Related Expenses	-39	-259	-269	-516	-624	
<b>Property N.O.I (Property Net Operating Income)</b>	<b>3.689</b>	<b>4.147</b>	<b>4.455</b>	<b>5.399</b>	<b>7.348</b>	<b>+99%</b>
Fair Value Adjustment & Gain from Subsidiaries Purchase	-313	2.597	1.793	1.356	3.918	
<b>Gross Profit</b>	<b>3.376</b>	<b>6.744</b>	<b>6.248</b>	<b>6.755</b>	<b>11.266</b>	
Personnel Expenses	-126	-69	-104	-124	-383	
Other Expenses	-170	-180	-522	-680	-775	
<b>Operating Profit</b>	<b>3.080</b>	<b>6.495</b>	<b>5.622</b>	<b>5.951</b>	<b>10.108</b>	<b>+228%</b>
Exchange Gain / (Loss)	2.1	2.103	670	-2192	-61	
Finance Costs	-128	-326	-285	-290	-270	
<b>Profit before Tax</b>	<b>5.052</b>	<b>8.272</b>	<b>6.007</b>	<b>3.469</b>	<b>9.777</b>	
REIC Tax	-248	-81	-672	-726	-736	
<b>Profit for the period</b>	<b>4.804</b>	<b>8.191</b>	<b>5.335</b>	<b>2.743</b>	<b>9.041</b>	<b>+88%</b>

# Profit Excluding F/X Valuation Impact



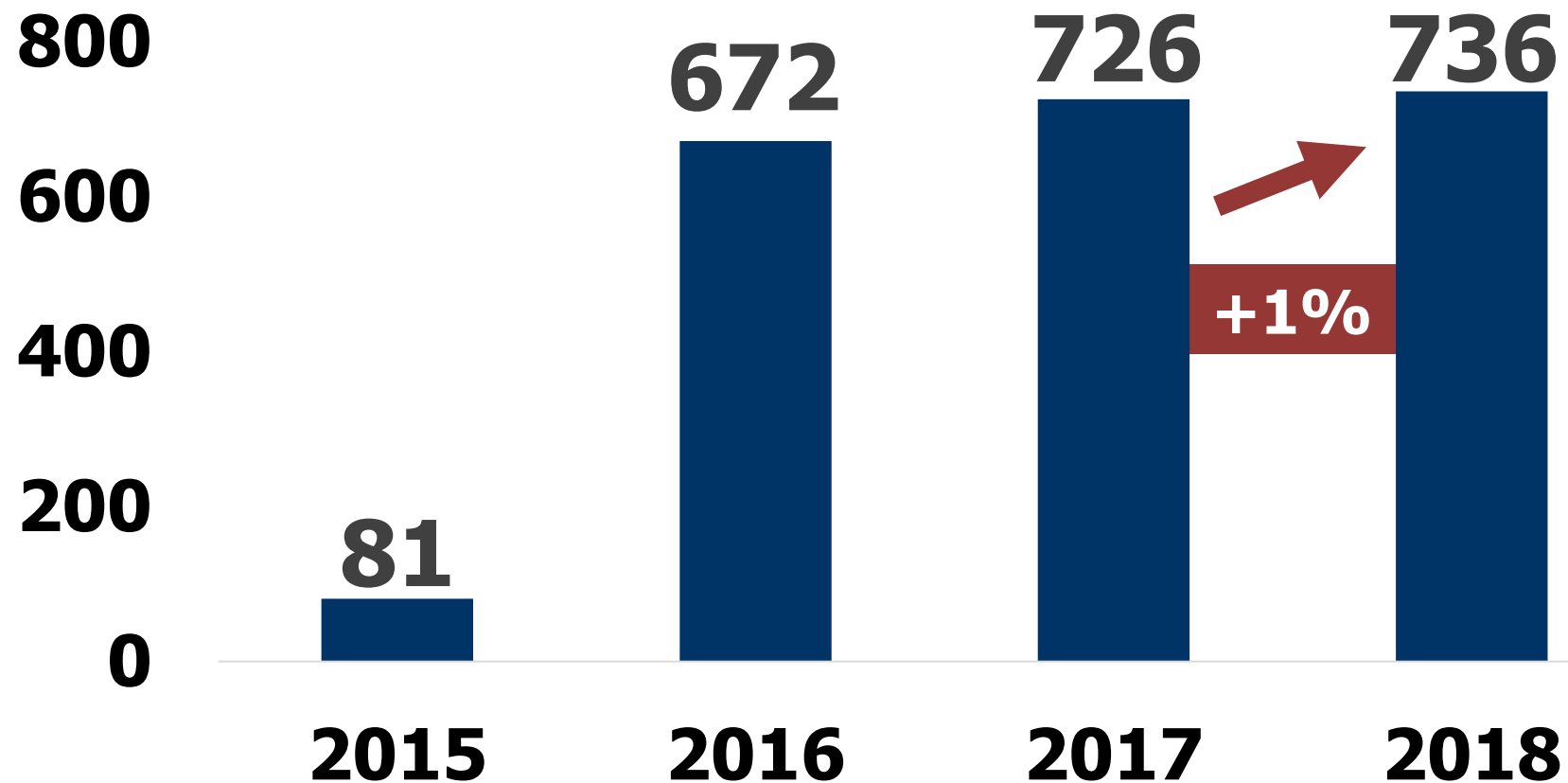
*Amounts in  
Million €*

# REIC Tax



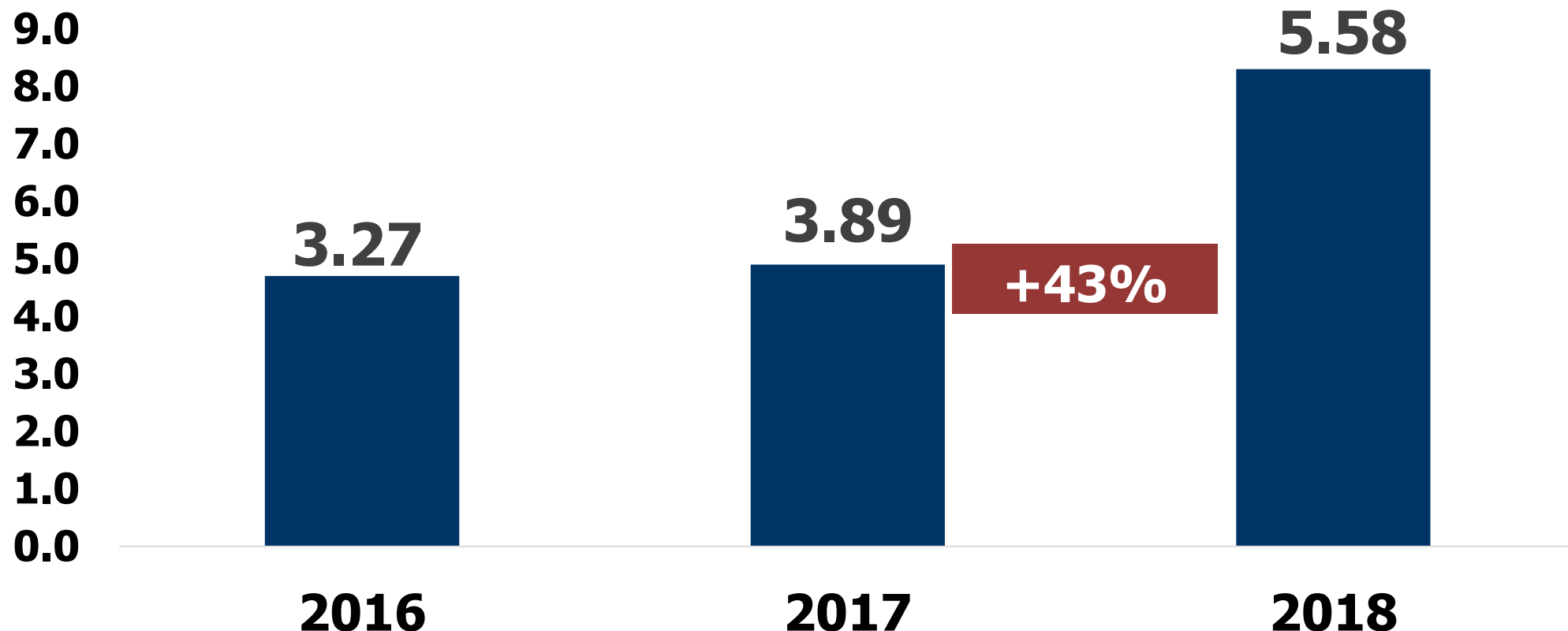
**REIC TAX  
ADVANTAGE**

- **7.5% Effective Tax Rate**
- **No advance tax down-payment**



*Amounts in Million €*

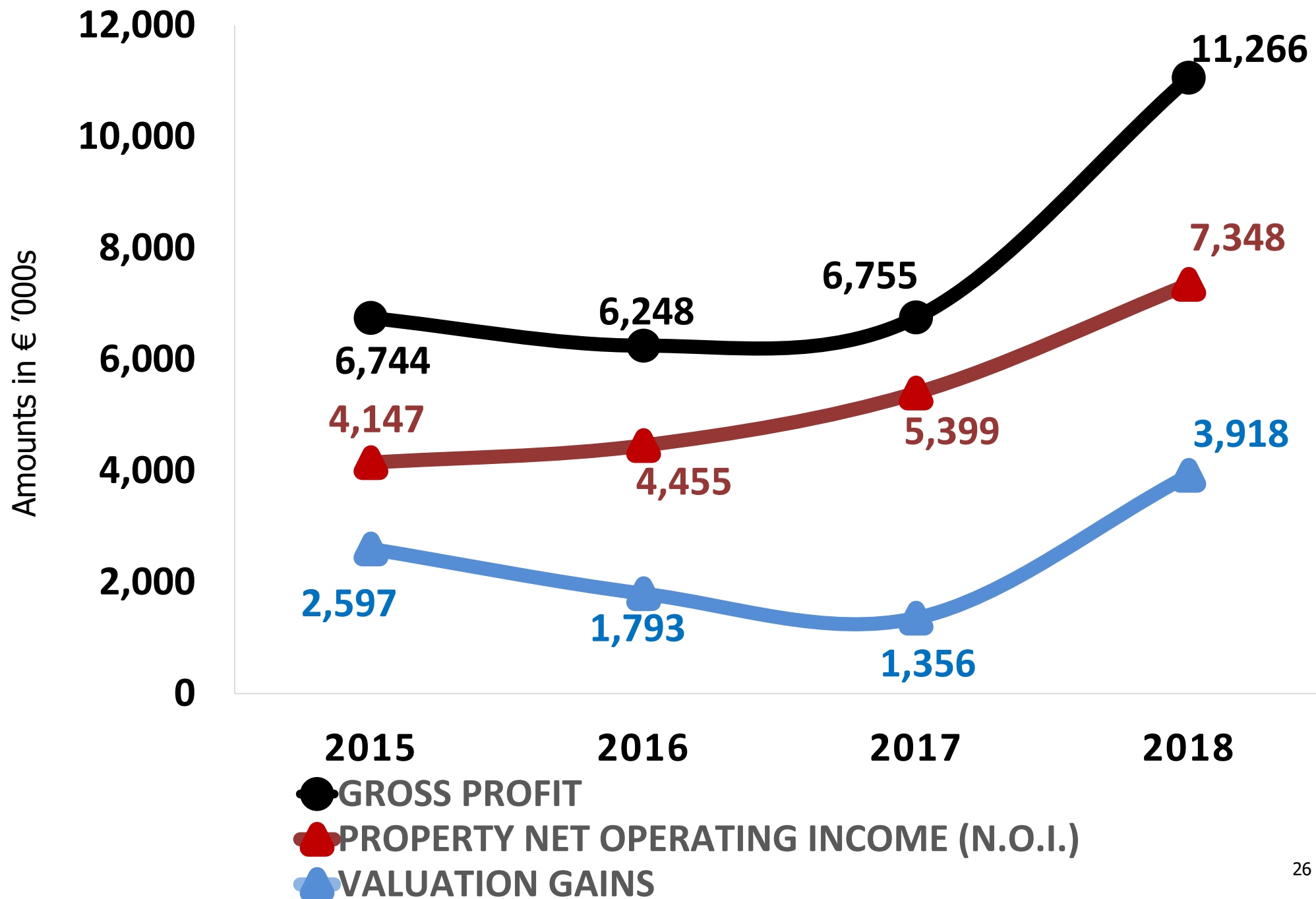
# Funds From Operations



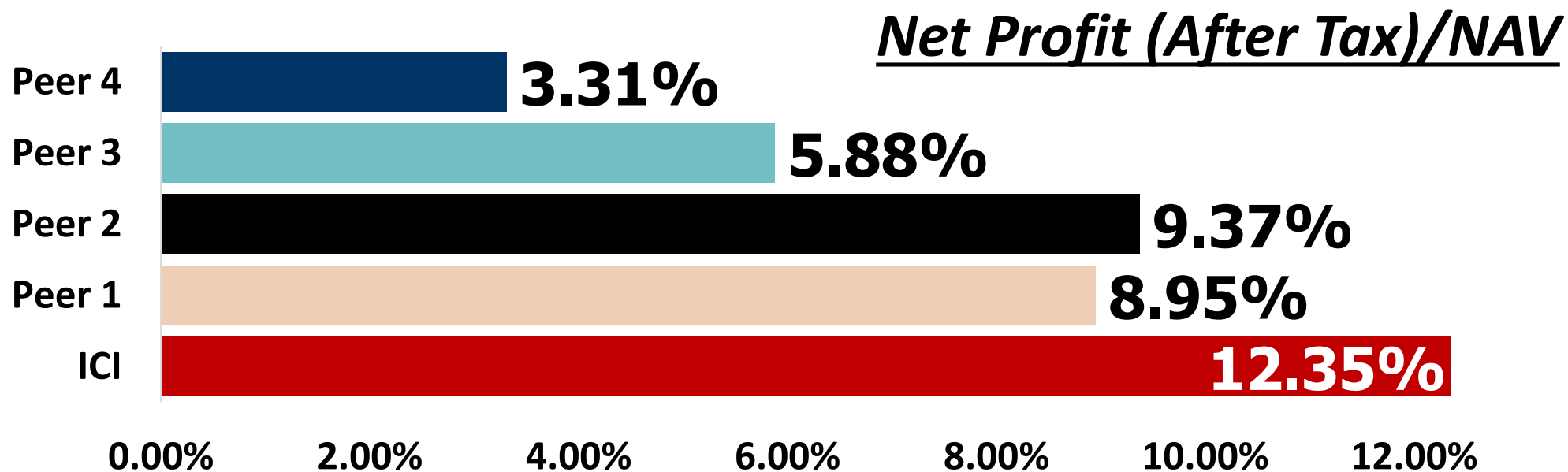
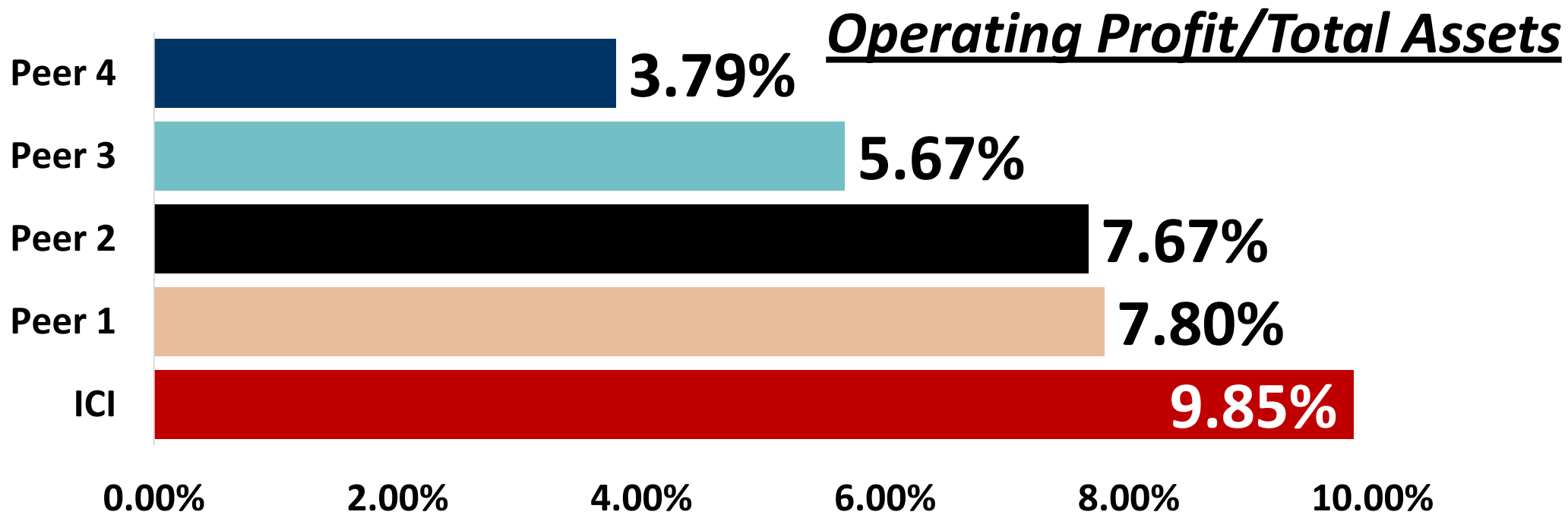
**FFO:** Profit after tax excluding net finance expense, F/X differences, **fair value adjustments**, receivables provisions, and any significant non-recurring income or expense.

*Amounts in Million €*

# Gross Profit Evolution



# Financial Ratios - Comparison





**5**

# **NAV EVOLUTION**

# Balance Sheet (Total Assets)



Amounts in € '000s	30.06.2017	31.12.2017	30.06.2018	31.12.2018
<b><i>Non-current Assets</i></b>				
Investment Property	73.650	77.234	94.590	94.733
Property, Plant and Equipment	15	2.475	2.562	2.513
Intangible Assets				51
Other Receivables				726
<b>Total non-current Assets</b>	<b>73.665</b>	<b>79.709</b>	<b>97.152</b>	<b>98.023</b>
<b><i>Current Assets</i></b>				
Trade and Other Receivables	1.337	232	508	204
Deferred Tax Assets				113
Available-for-sale financial assets	2.389	2.287	-	-
Cash and Cash Equivalents	19.230	16.103	2.346	4.327
<b>Total current Assets</b>	<b>22.956</b>	<b>18.622</b>	<b>2.854</b>	<b>4.644</b>
<b>TOTAL ASSETS</b>	<b>96.621</b>	<b>98.331</b>	<b>100.006</b>	<b>102.667</b>

# Balance Sheet (Equity & Liabilities)



**Amounts in € '000s**                      **30.06.2017** **31.12.2017** **30.06.2018** **31.12.2018**

Share Capital	42,000	42,000	42,000	42,000
Retained Earnings & Reserves	23,435	25,424	27,064	31,194
<b>Total Shareholder Equity</b>	<b>65,435</b>	<b>67,424</b>	<b>69,064</b>	<b>73,194</b>
<b>Total non-current Liabilities</b>	<b>28,896</b>	<b>28,444</b>	<b>28,114</b>	<b>27,346</b>
Trade and Other Payables	637	914	941	484
Loans	1,153	1,185	1,143	1,246
Guarantees	-	-	-	16
Current Tax Liabilities	500	365	743	381
<b>Total Current Liabilities</b>	<b>2,290</b>	<b>2,463</b>	<b>2,827</b>	<b>2,127</b>
<b>Total Liabilities</b>	<b>31,186</b>	<b>30,907</b>	<b>30,942</b>	<b>29,473</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>96,621</b>	<b>98,331</b>	<b>100,006</b>	<b>102,667</b>

# NAV P.S. & Stock Market Discount



■ Discount to NAV

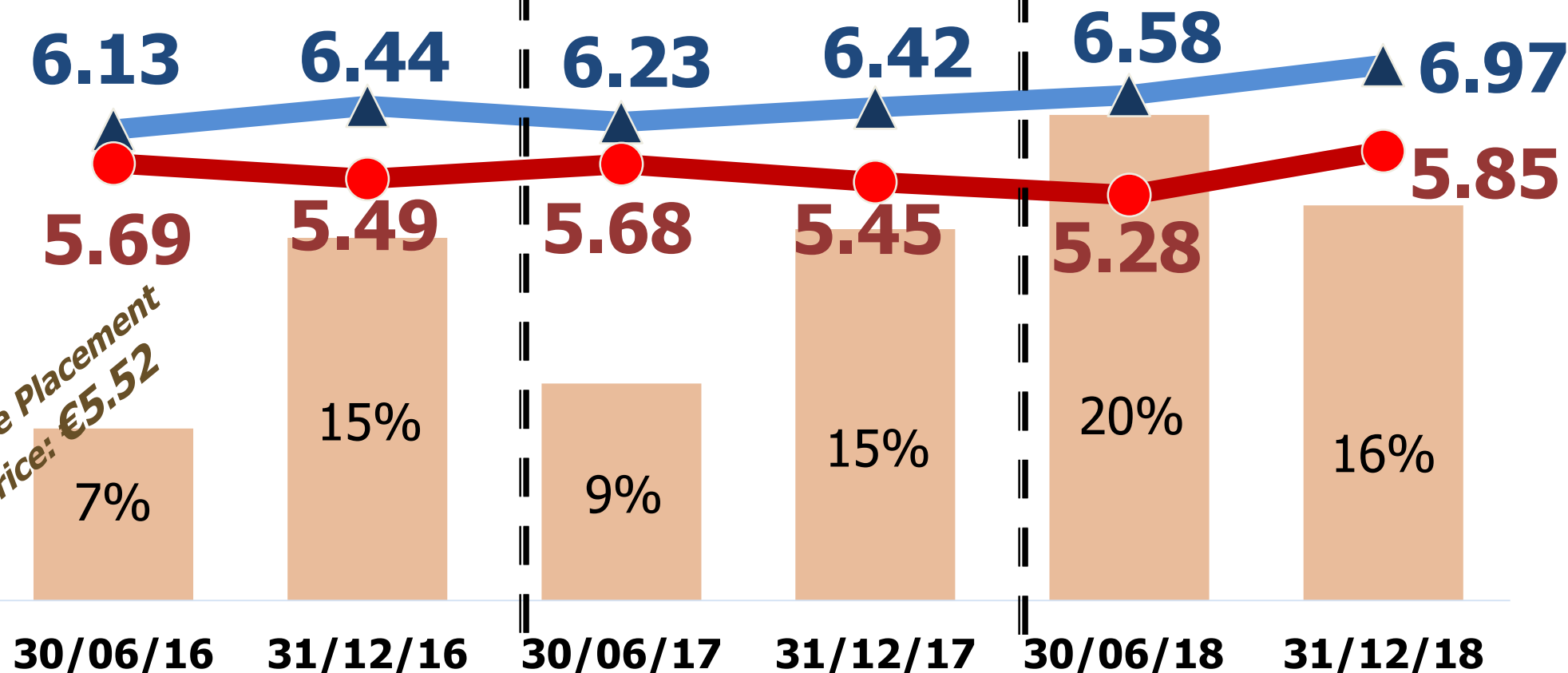
▲ NAV PER SHARE

● Stock Market Average Price (quarter forward)

MAY 2017  
Dividend  
€0,28 p.s.

JUNE 2018  
Dividend  
€0,31 p.s.

Private Placement  
Price: €5.52





6

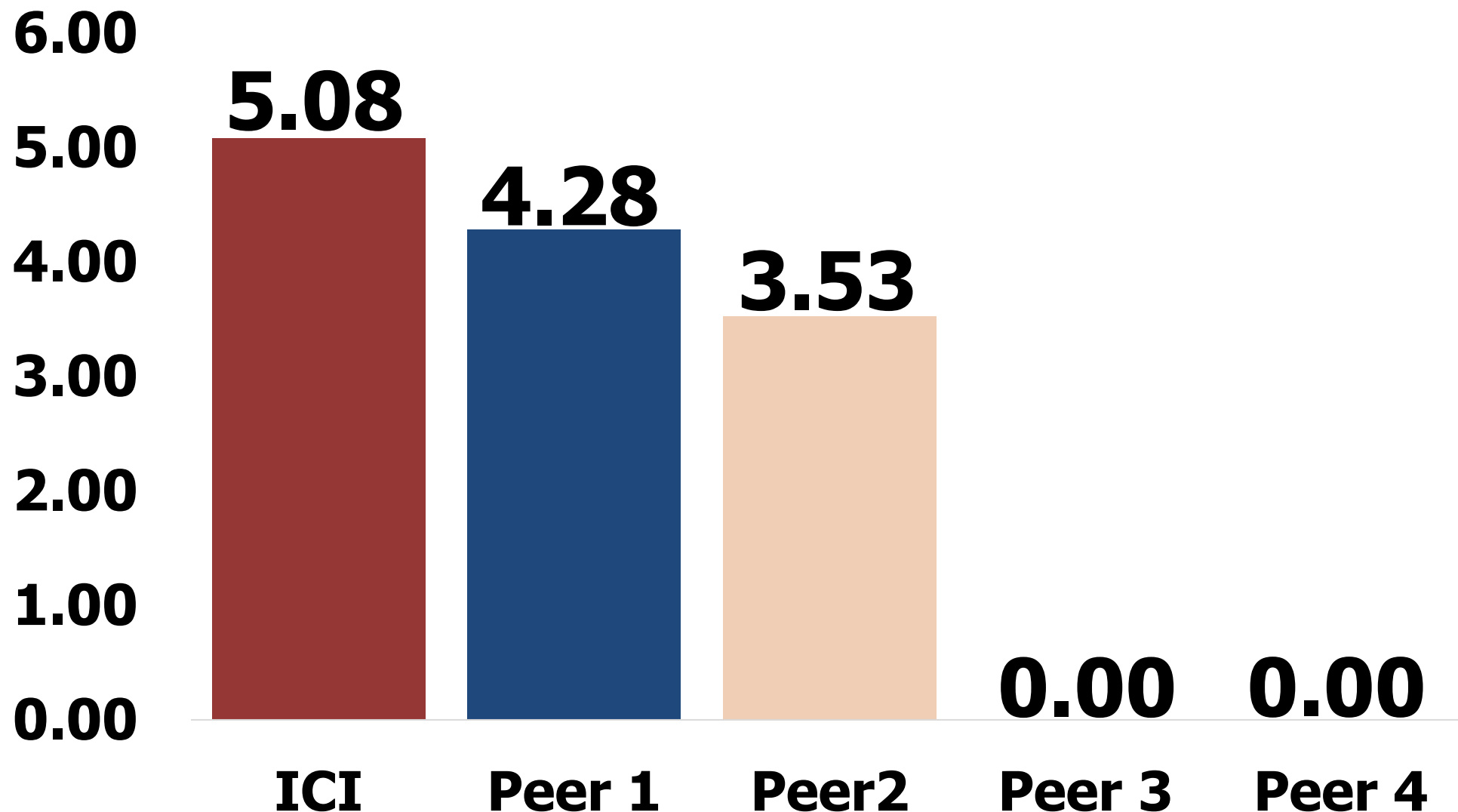
**DIVIDEND FOR THE 2018 PERIOD**

# High Dividend Policy

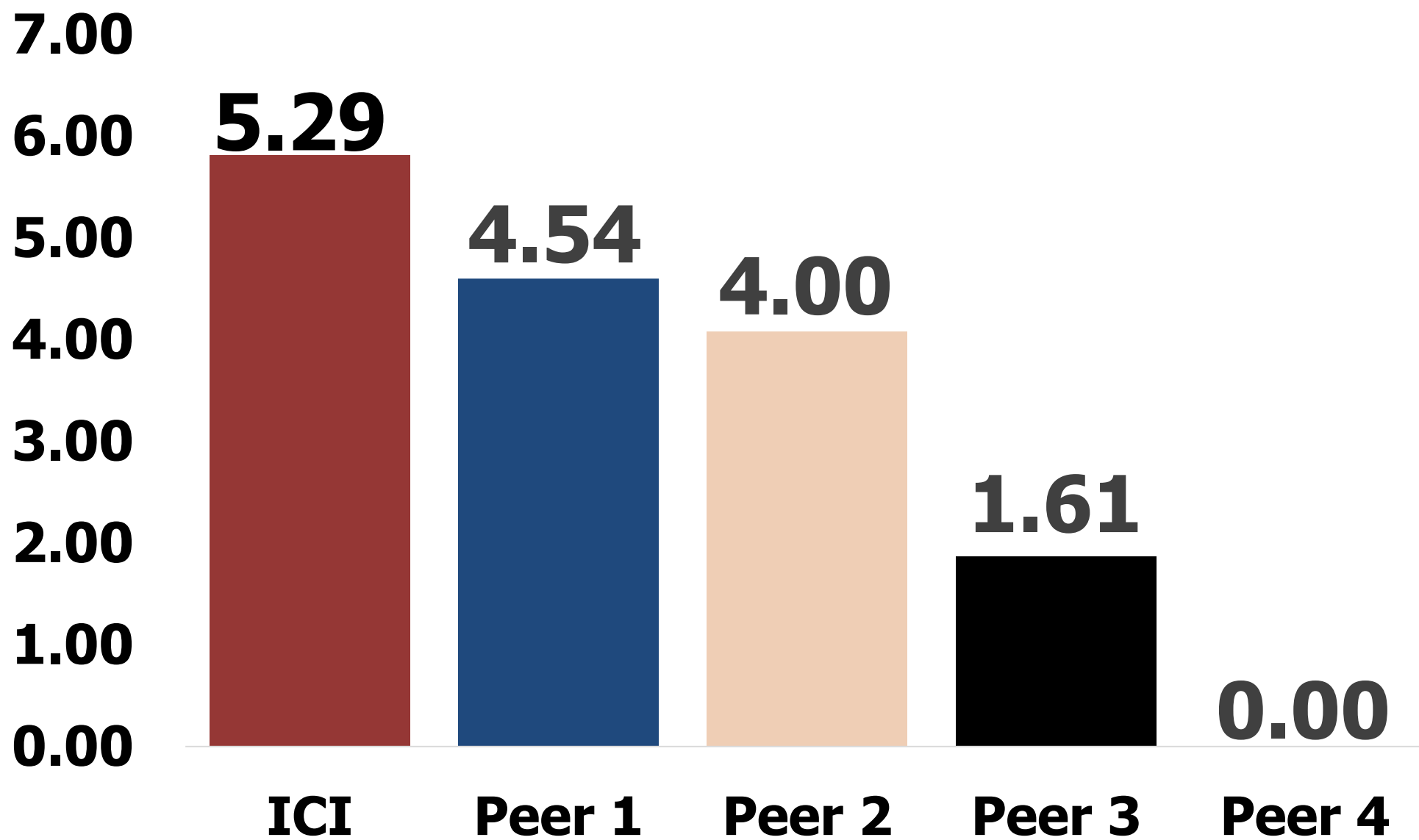


- ❑ **Minimum  
75%** of the annual distributable profit to be paid out every year, as opposed to 50% required by Law
- ❑ One of the highest dividend yields amongst all Greek Listed Firms
- ❑ Devoted to a long-term delivery of the highest dividend yield amongst the Country's REICs

# Greek REICs - 2017 Dividend Yield (%)



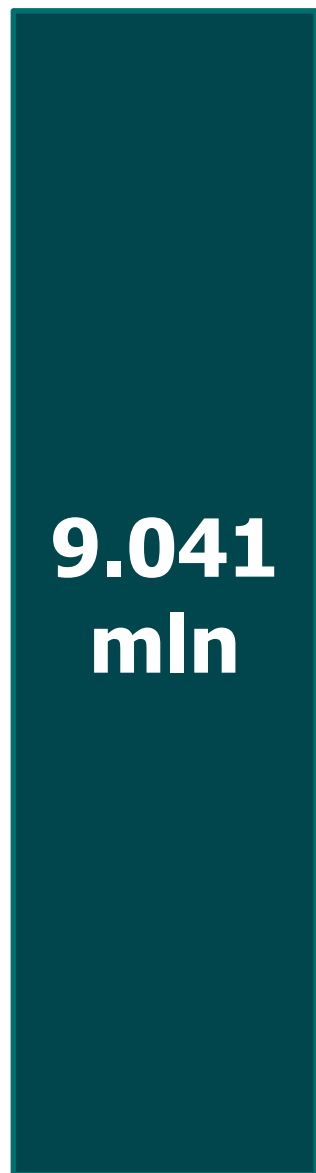
# Greek REICs - 2018 Dividend Yield (%)



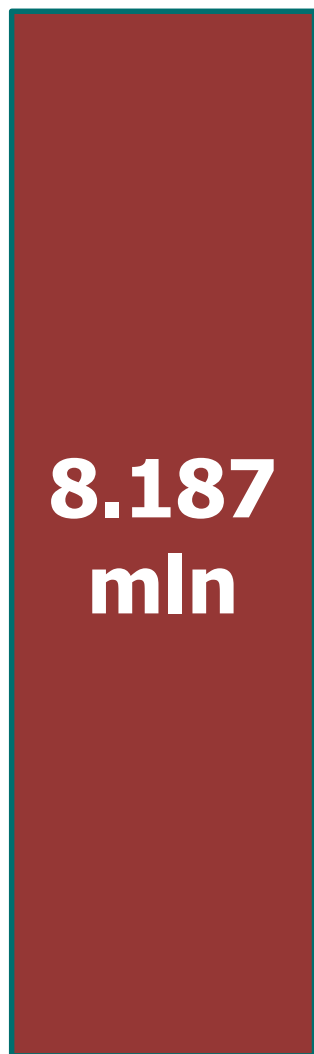
# Distributable Profit Within 2019



**Group Level  
Annual Profit**



**Company Level  
Annual Profit**



**Company Level  
Profit Available for Distribution**  
4.576mln 100%

*3.775mln BoD Decision 82%*

*3.432mln 75%*

**ICI's Articles of  
Incorporation**

**2.288mln 50%**

**Greek REIC  
Law**

# BoD's Dividend Amount Proposal & Timing



**3,774,585.60**



**€0,3595 p.s.**



**€0.36 p.s.**

**(adjusted for own shares)**

**REIC TAX  
ADVANTAGE**

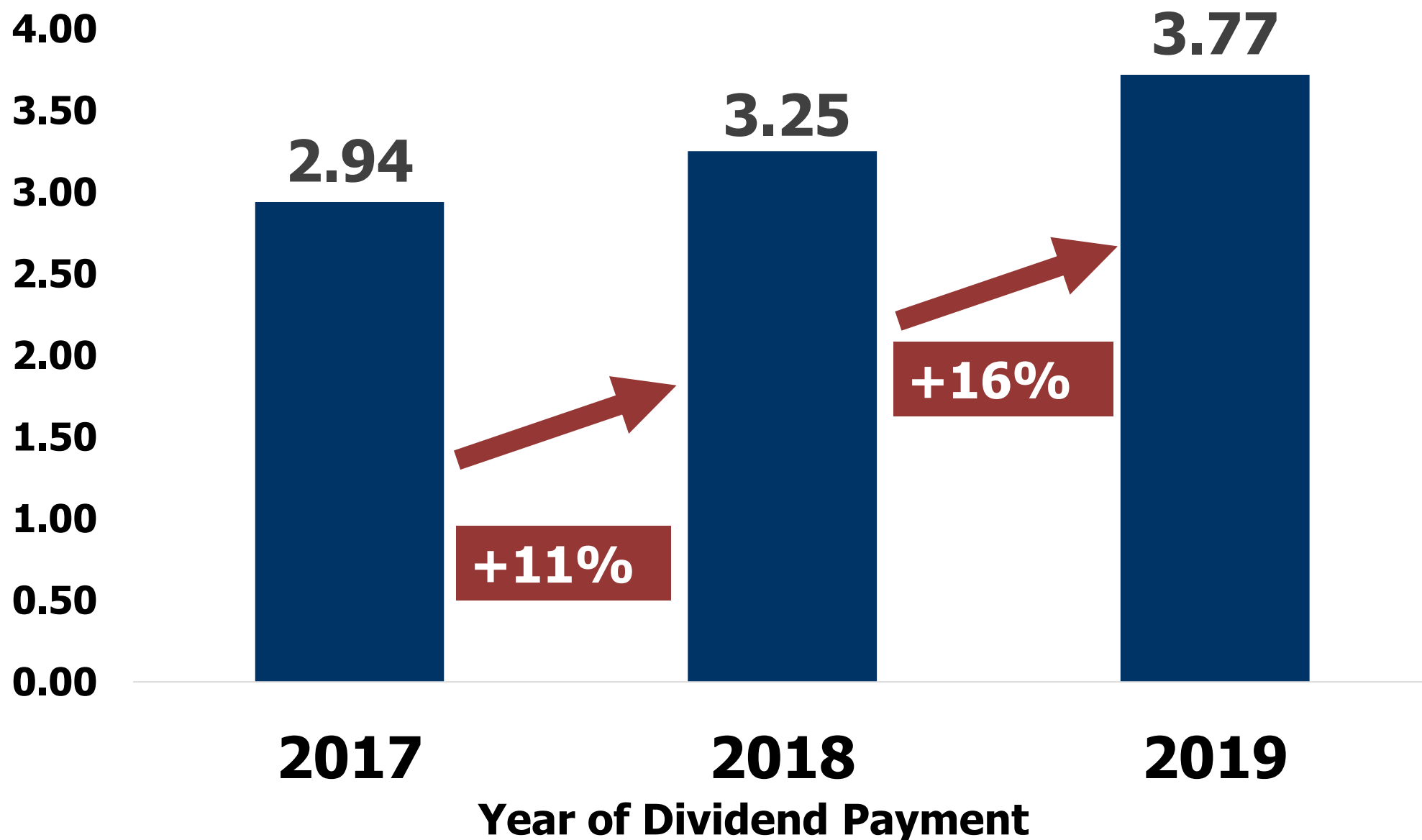


**"NET" TO SHAREHOLDERS  
(NO DIVIDEND TAX)**

## **TIMELINE**

- ✓ **08 May: Dividend Record Date: determination of dividend beneficiaries**
- ✓ **13 May: Commencement of dividend payment**

# Annual Dividend Evolution



*Amounts in Million €*



7

# **THE WAY FORWARD**

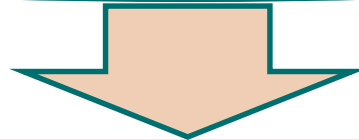


## Active Asset & Property Management

☐ High occupancy & long-term sustainability

☐ Keep clients happy

☐ ***Opportunistic exit from small investments***



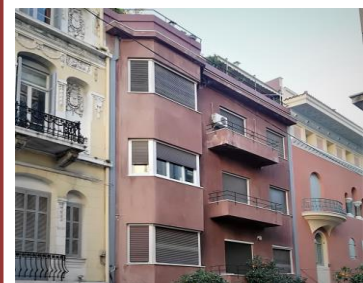
✓ **Realize capital gains**

✓ **Re-allocate cash to more profitable projects**

# Opportunistic Exit: Resi Examples



Location	V. Sofias	Kolonaki	Plaka	Pagрати	TOTAL
Size (sqm)	194	224	391	97	906
Acq. Date	12/17	12/17	03/18	05/18	
Exit Date	02/18	07/18	01/19	4/19	
Acquisition Price (€000)	380	450	640	145	1,615
Valuation (€000)	430	520	850	240	2,040
Exit Price (€000)	500	580	849	245	2,174
Profit* (€000) [Profit %]*	120 [32%]	130 [29%]	210 [33%]	100 [69%]	559 [35%]



\*Excluding rents received.

**Residential: no capital gains tax,  
at any time from acquisition.**



**REIC TAX  
ADVANTAGE**

# Next Steps - Increase Leverage



**c. EUR  
19mln**

**For utilization in new projects**

**Greece offers the highest relative yields in the EU, coupled with sustainable rental levels**

## **EU Prime Yields (est. "All-Property"):**

- **Main German Cities/Vienna/Paris/Amsterdam ~ 3.1%**
- **Rome/Madrid/Dublin ~ 3.7%**
- **Brussels ~ 4%**
- **Lisbon ~ 4.5%**

# Indicative Promising Sectors



## **Offices: prospects & diversification**

- ✓ Solid demand for quality space.
- ✓ Lack of proper product.
- ✓ Class A and B office rents on the increase.

## **Attractive returns on retail related stand-alone assets along main road arteries**

- ✓ Indicatively: supermarkets, car dealerships, and DIYs.


## **ICI is not negative for high-street shops in selected areas (despite the e-commerce evolution)**

- ✓ Evident improving psychology and occupancy.
- ✓ Tourism impact.
- ✓ Strong demand for 'Food & Beverage' space in key locations.
- ✓ Young generations spend a lot on eating and hanging out outside. Studies show that this trend shall continue.

# Deal Types - Problem Solving

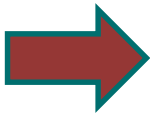


**ICI aspires to continue acquiring properties  
at prices **below Market Value**  
by focusing on **Special Situation Deals****

- ❑ Targeting projects on which value can be added by handling and rectifying technical, legal, notarial, debt, tax, and other practical issues (e.g. co-owners in dispute or abroad).
- ❑ Seeking to resolve perplexed problems and create institutional product, by effectively guiding sellers through necessary procedures. Sellers not always “scientific”/ experienced. Many buyers discouraged due to transaction complexities  **OPPORTUNITY**



## Benefit from high yields by penetrating other cities – “Cash Cow Assets”

- ❑ Decreasing Athens yields.
- ❑ Foreign investors focus on Athens due to lack of other cities' market knowledge, limited ability to travel, and other practical reasons
- ❑ Many times, Athens is strictly their target as they need an easy exit (more feasible for assets in the Capital).
- ❑ REICs: established & locals  opportunity to focus on the periphery. **(i)**Capacity to travel **(ii)**Awareness of the local market situation **(iii)**A swift exit is not obligatory (“long-term players”).

# Investment Strategy Directions



## Selection

## Execution

### Key Criteria

- Identifying and focusing on **sectors** that can deliver **the highest possible value**
- **High initial yields** and **occupancy levels**
- Strong **fundamentals**:
  - Location - Location - Location
  - Long term leases
  - High quality tenants
- Mainly **private transactions**
- **Sophisticated deal structure / dynamics** guaranteeing robust & sustainable cash-flow coupled with higher returns
- **Entry Yield minus financing cost**: high Cash-on-Cash / ROE

### Value Creation

- **Stable cash-flows**
- **Annually adjusted rents (increasing)**

High  
Dividend  
Yield

Essentials  
for NAV  
Appreciation  
Prospects

# 2019 Acquisition



<b>πλαισιο</b>	<b>Retail</b>
<b>Location</b>	<b>N. Efkarpia, Thessaloniki</b>
<b>Price (€ mln)</b>	<b>1.19</b>
<b>Net Yield</b>	<b>8.3%</b>
<b>Building Size</b>	<b>1,693sqm</b>
<b>Occupancy</b>	<b>100%</b>
<b>Tenant</b>	<b>Plaisio</b>



- 4-level retail store
- Full building / stand-alone
- Façade on 3 roads
- Easy access
- Construction quality
- Solid tenant
- Attractive net yield
- Acquisition price lower than replacement cost
- High chance of valuation gains (€1.33mln external valuation)



# APPENDIX

# External Valuers - 3 Years Rule



## 1 Until December 2015



## 2 Until December 2018



## 3 Proposal for 2019



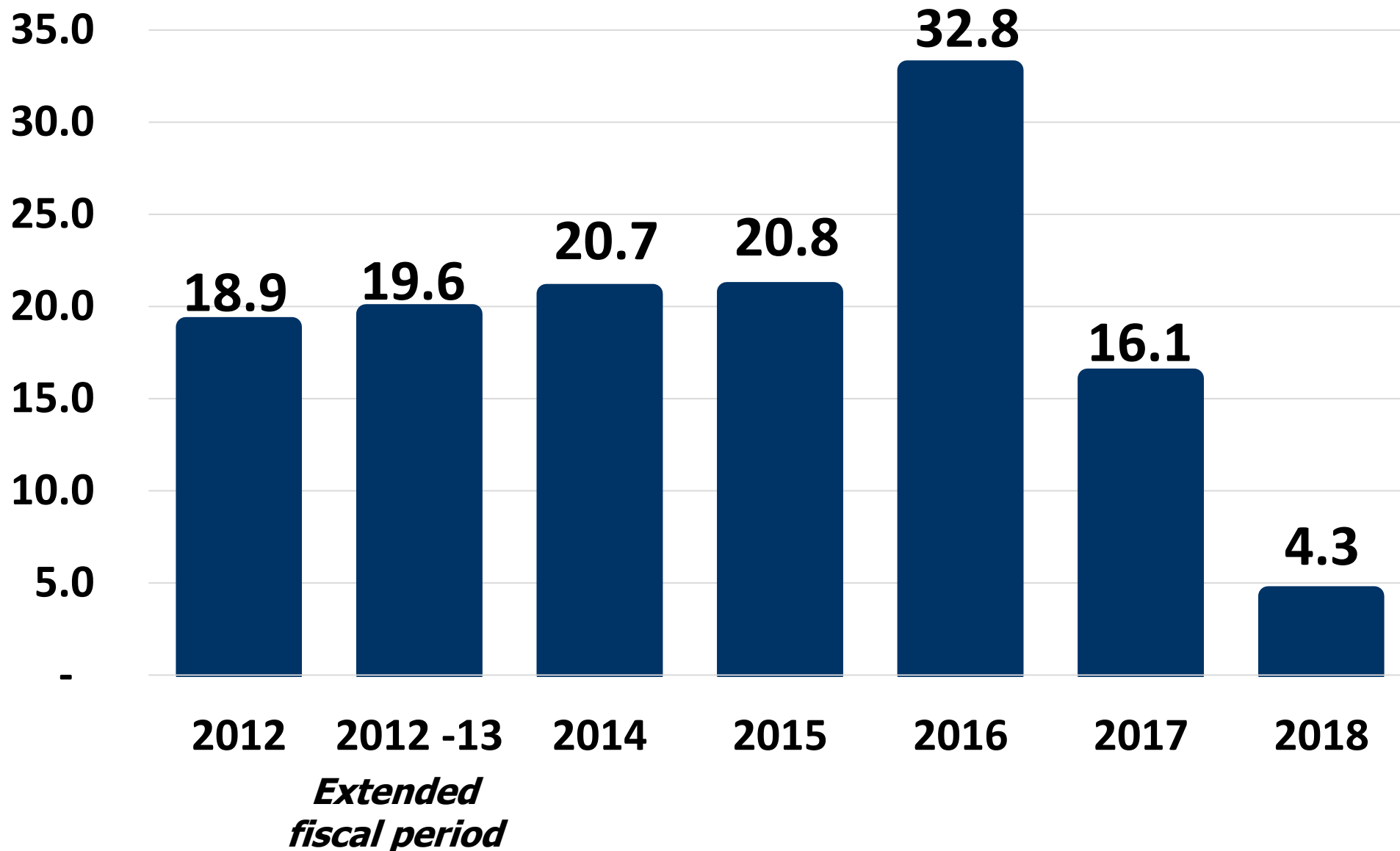
### Prerequisites

- ☐ Registry of Certified Valuers - Ministry of Finance
- ☐ Royal Institution of Chartered Surveyors Certified
- ☐ Approved List of Greek Banks
- ☐ Brand identification
- ☐ PRICING

American Appraisal Hellas was established in 1998 as a subsidiary company of American Appraisal Associates, providing high quality valuation services.

DUFF & PHELPS

# Cash & Cash Equivalents (Year-End)



Amounts in Million €

# Conservative Leverage - Existing Bond Loan



- ❑ Low cost: **EURIBOR + 1.60%** No provision for negative Euribor
- ❑ Prudent repayment profile until 2027

50%

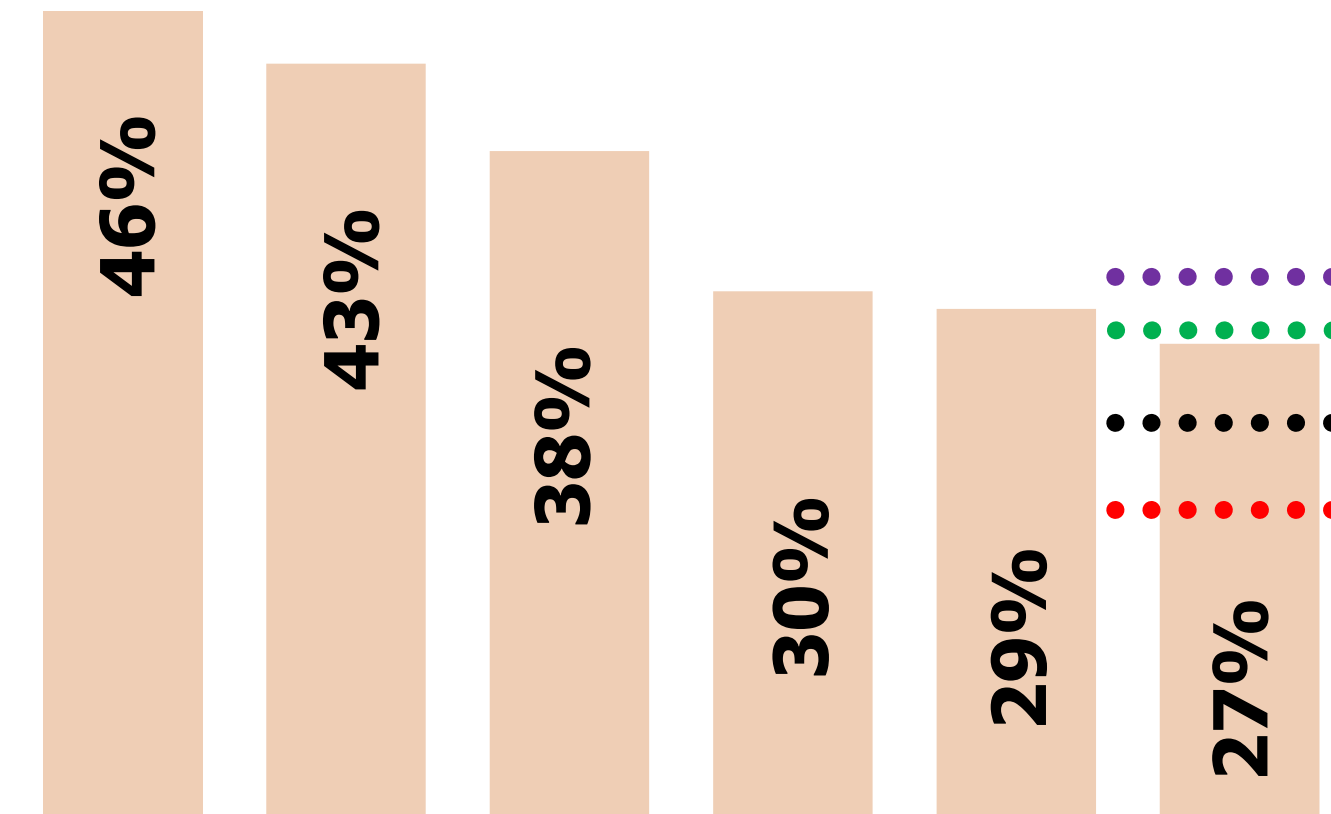
40%

30%

20%

10%

0%



..... Peer 1:30%  
..... Peer 2:28%  
..... Peer 3:23%  
..... Peer 4:19%

2013 2014 2015 2016 2017 2018

# Suggested Bond Loans



## BONDHOLDERS:

1



**Up to  
EUR  
18mln**

**7-year loan**

2



**Up to  
EUR  
1.1mln**

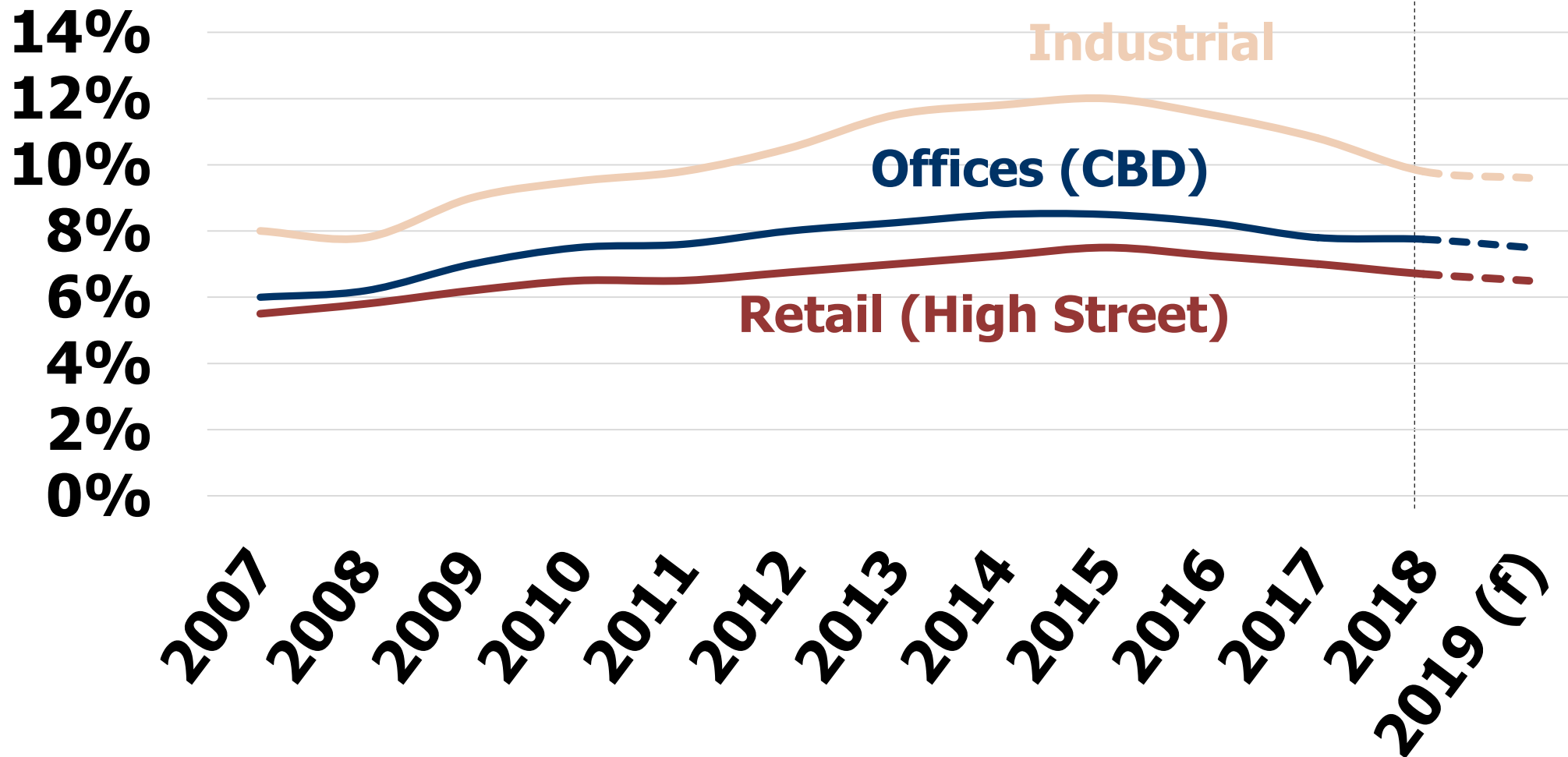
**7-year loan**

# Cash Flow Statement



Amounts in € '000s	H1 2016	FY 2016	H1 2017	FY 2017	H1 2018	FY 2018
Profit before Tax	1.253	6.008	1.078	3.469	5.262	9.777
<i>Adjustments for:</i>						
Interest Income	-34	-177	-63	-93	-19	-96
Finance costs	220	462	192	383	184	367
Exchange Differences	402	-670	1.424	2.192	76	61
Gains from subsidiary	-	-	-254	-254	-255	-206
Gains from properties	-	-	-	-	-	-65
Fair value adjustment of investment properties	-82	-1.793	-517	-1.102	-3.063	-3.712
Provisions for employee benefits	-	-	-	-	-	8
Provisions for doubtful receivables	-	-	-	-	-	24
Depreciation of property and equipment	0	3	4	6	52	107
	<b>1.759</b>	<b>3.832</b>	<b>1.865</b>	<b>4.601</b>	<b>2.236</b>	<b>6.265</b>
<i>Changes in working capital:</i>						
Decrease / (Increase) in receivables	-69	-98	-173	-23	-216	-712
Decrease / (Increase) in payables (except from the banks)	283	63	569	851	219	-389
<b>Cash flows from operating activities</b>	<b>1.973</b>	<b>3.797</b>	<b>2.262</b>	<b>5.429</b>	<b>2.240</b>	<b>5.164</b>
Tax paid	-41	-366	-347	-709	-136	-922
Interest paid	-234	-374	-195	-386	-186	-372
<b>Net cash flows from operating activities</b>	<b>1.698</b>	<b>3.057</b>	<b>1.720</b>	<b>4.334</b>	<b>1.919</b>	<b>3.870</b>
Acquisition of investment property	0	-6.847	-8.276	-11.962	-6.436	-6.905
Sales of investment property						1.075
CAPEX for investment property	-21	-97	-117	-180	-177	-172
Purchases of property and equipment	-	11		-780	-138	-146
Purchase of intangible assets						-50
Interest received	34	177	63	92	19	21
Investments in shareholdings	-		-2.266	-2.265	-7.327	-7.327
Purchase of financial assets available-for-sale	1.494	1.736	-19	-	2.271	2.287
<b>Net cash flows from investing activities</b>	<b>1.506</b>	<b>-5.020</b>	<b>-10.616</b>	<b>-15.095</b>	<b>-11.788</b>	<b>-11.218</b>
Payment of dividend	5.999	-	-2.940	-2.940	-3.252	-3.252
(Purchase) / Sale of own shares	-	-	-15	-72	-12	-30
Proceeds from share capital increase	-116	14.490	-	-	-	-
Proceeds from the issuance of a bond loan	-	-534	-	-	-	-
Repayment of the bond loan	-182	-532	-517	-1.048	-548	-1.110
<b>Net cash flows used in financing activities</b>	<b>5.701</b>	<b>13.423</b>	<b>-3.471</b>	<b>-4.060</b>	<b>-3.812</b>	<b>-4.392</b>
<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>8.905</b>	<b>11.461</b>	<b>-12.367</b>	<b>-14.823</b>	<b>-13.681</b>	<b>-11.739</b>
Cash and cash equivalents at the beginning of the period	20.779	20.779	32.823	32.823	16.103	16.103
Exchange Gain / (Loss)	-402	584	-1.226	-1.897	-76	-36
<b>Cash and cash equivalents at the end of the period</b>	<b>29.283</b>	<b>32.823</b>	<b>19.230</b>	<b>16.103</b>	<b>2.346</b>	<b>4.327</b>

# Prime Property Yields



Source: ICI REIC

# Opportunistic Residential Acquisitions



- **Location:** mainly around the Athens center. Close to places of attraction/metro stations/hospitals/academic institutions.
- **Surface:** preference for up to 250sqm per unit.
- **Other:** construction quality, well-maintained common areas, ample natural light, balconies/verandas, nice views, independent heating system, preference for upper levels, flexibility to be used as office space.
- **Target users & buyers:** executives from Greece or abroad, operators of short-term tourist purposes facilities, HNWIs, Golden Visa.
- **Capital appreciation** opportunity.

**Target  
Characteristics**

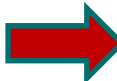


**Regulatory Framework in line with best international practices for REICs**

**Strengthened corporate governance rules & supervision: ensured transparency & accountability**



## A. MAIN TAX BENEFITS

- 1) No Income Tax:** Investments and liquid assets taxed at  $10\% \times (ECB\ rate + 1\%)$ , min. 0.75% p.a.
- 2) No Advance Corporation Tax**
- 3) No Capital Gains Tax**
- 4) No Dividend Tax**
- 5) No Property Transfer Tax**
- 6) Registry Duties discount**
- 7) Reduced Property Tax for owner-occupied assets**
- 8) No depreciation on investment assets**  solid cash flow distribution to shareholders

# Greek REICs Framework (3/3)



## B. CORPORATE STRUCTURE & GOVERNANCE

- 1) Robust structure. Transparency from Committees (Audit, HR & Remuneration, Investment) / Risk & Compliance Officer / Internal Auditor.
- 2) Qualified property management teams in place.
- 3) Mandatory listing in a Greece.

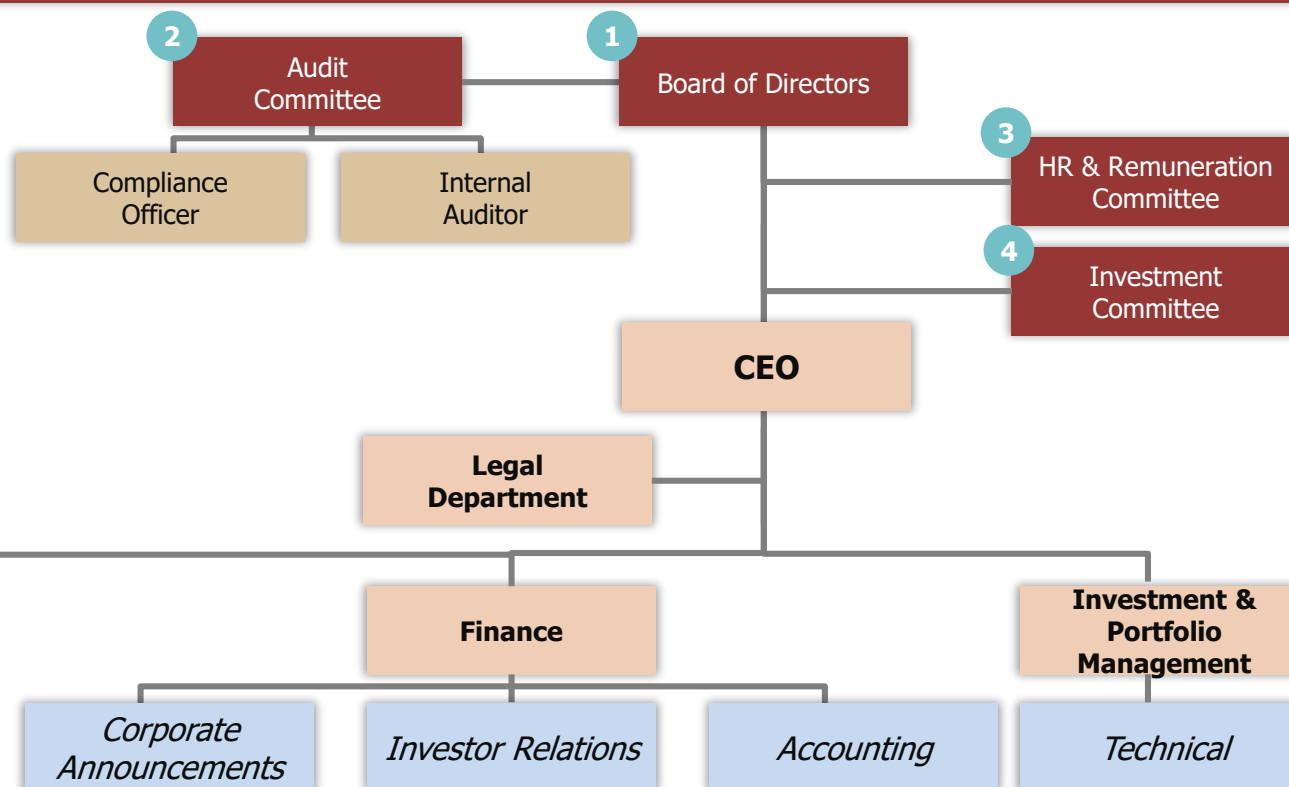
## C. PORTFOLIO REQUIREMENTS & TRANSACTION RULES

- 1) Minimum **80%** of assets in real estate.
- 2) Development cannot exceed **40%** of investment assets value.
- 3) Single property value cannot exceed **25%** of total investments.
- 4) Land banking: up to **25%** of total investments.
- 5) Down-payment limit (**up to 50%**) and security levels (**150%**).
- 6) Acquisitions & sales at **+/- 5%** of external valuation.
- 7) Specific insurance rules.

## D. PROFIT DISTRIBUTION & LEVERAGE

- 1) 50% of the annual net distributable profit, at a minimum.
- 2) 75% maximum leverage.

# ICI Corporate Structure



**1 Board of Directors**

- It is composed of 8 members, appointed by the resolution of the Extraordinary General Assembly
  - 3 executives and 4 non-executives (of which 3 independent)
  - Elected in February 2016 until February 2021

**2 Audit Committee**

- It is composed of 3 members of the BoD (2 of them as non-executive independent)
- Meets at least four times / year
- Among its responsibilities to provide oversight of:
  - the financial reporting process
  - the audit process
  - the system of internal controls and compliance with laws and regulations

**3 HR & Remuneration Committee**

- It is composed of 3 members of the BoD (2 of them as non-executive independent)
- Meets at least once per year
- Among its responsibilities to provide:
  - Clarity to the BoD members and management
  - Evaluation process / methodology of personnel
  - Compensation level and mix
  - Compensation policy update

**4 Investment Committee**

- It is composed of 3 members of the BoD
- Meets at least once / month
- Among its responsibilities:
  - formulation investment strategy
  - Allocation of its portfolio
  - Approval of disposals, investments, CAPEX etc
  - Annual investment targets and source of funding
  - Lease terms



**THANK YOU !**