



NBG PANGAEA



## NBG PANGAEA REIC

April 2017



# Disclaimer

---



NBG PANGAEA

This presentation has been prepared by NBG PANGAEA Real Estate Investment Company (former MIG Real Estate REIC or the Company) solely for information purposes and cannot be used for any other purpose. It is not, therefore, permitted to publish or copy or dispatch this presentation by any other person.

This presentation is not an offer to buy or sell or a solicitation of an offer to buy or sell any transferrable security or other financial instruments or to participate in any other investment. No information or part of this presentation may be construed as constituting investment advice or a recommendation to enter into any transaction. No representation or warranty is given by the Company with respect to the accuracy or completeness of the information included in this presentation, and no claim is made that any future offer to transact on any relevant securities will conform to any terms that may be contained herein. Investors should, therefore, determine, before entering into any transaction, any economic risks and benefits, as well as any legal, tax and accounting consequences of doing so, as well as their ability to assume such risks, without reliance on the information contained in this presentation.

## **PROJECTIONS – ESTIMATES – FORWARD LOOKING STATEMENTS**

The presentation includes both information based on historical financial data and may include estimates, projections and other forward looking statements.

Any such reference is a forward looking statement based upon certain assumptions that in the future may be proven in fact wrong or inaccurate. These assumptions may be influenced by factors within or beyond our control, and actual results may materially differ from the relevant statements included herein.

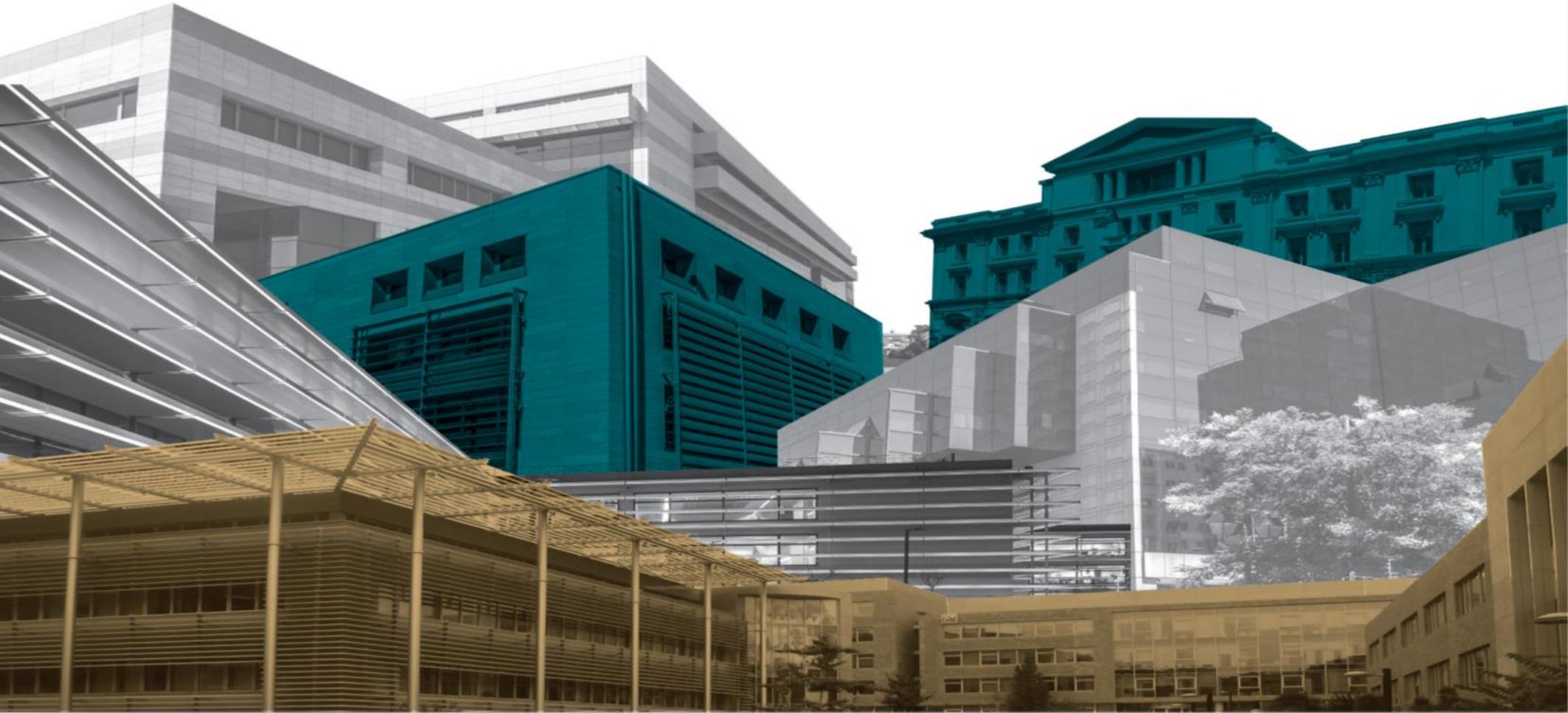
The Company does not intend to amend or update this presentation in case such estimates, projections or forward looking statements do not materialise or change in the future.

## DEFINING REAL ESTATE INVESTMENTS IN GREECE

NBG PANGAEA Real Estate Investment Company (NBG PANGAEA REIC) is the leading real estate investment company in Greece, listed on the Athens Exchange (ATHEX).

With total assets of more than €1.6bn, NBG PANGAEA and its subsidiaries (the Group) engage in real estate investments, internally managed by experienced professionals with proven sourcing, execution and value creation track record.

The Group's real estate portfolio consists of more than 330 commercial properties, primarily office and retail. With more than 80% of its portfolio located in prime urban areas throughout Greece and selectively positioned in other key markets in the SEE such as Italy, Pangaea boasts a high-quality, high yielding, diversified portfolio with predictable cash flows driven by high occupancy levels, long term lease tenures and strong tenant base.





# NBG Pangaea: History

## Largest Listed Real Estate Investment Company ("REIC") in Greece

### Company History

- The Company has been listed on ATHEX since 2009 and following the absorption of its parent company, NBG Pangaea REIC, (the latter held 96.94% in MIG Real Estate REIC) in 2015, the Company has been renamed to NBG Pangaea REIC.
- Following the Merger, the Company is the largest Greek Real Estate Investment Company in terms of assets.
- Former NBG Pangaea REIC was established in 2010 as the real estate vehicle of the National Bank of Greece ("NBG"). At the time 241 commercial properties were contributed by NBG.
- Invel Real Estate Netherlands II BV ("Invel") acquired a 66% stake in Dec-2013 from NBG, which retained 34%.
- The Company, together with its subsidiaries (the "Group"), is an investment property group, with a portfolio of 318 properties located mainly in Greece and Italy.
- Current shareholder base of the Company: **NBG**: 32.66% (controlling shareholder by virtue of a shareholders' agreement with Invel), **Invel**: 65.49%<sup>(1)</sup>, **Free Float**: 1.85%.
- In 2014 former NBG Pangaea REIC issued a corporate bond loan of c. €237mn, covered by a leading international institutional investor; following the Merger, the loan has been assumed by the Company.

### Acquisition History

From Jan-2013 to Dec-2016 the Group invested c. **€619mn** in real estate (out of which c. **€440mn in Greece**).

As of Dec 31, 2016, the Group's real estate portfolio consists of 333 (Dec 31, 2015: 316) commercial properties (mainly retail and offices), of a total leasable area of 899 thousand sq.m.. Most of the properties are located in prime areas throughout Greece. As of Dec 31, 2016, the Group owns fourteen (14) properties in Italy and two (2) properties in Romania.

(1) The percentage includes 2,1% owned by Anthos Properties A.K.E., a subsidiary of Invel

# Investment highlights



NBG PANGAEA

1

One of the leading commercial real estate investment companies operating mainly in Greece and selectively in the wider geographical region

2

High-quality, high-yielding, diversified portfolio in prime urban locations

3

Predictable cash flows driven by high occupancy levels, strong tenant base and long term leases



NBG PANGAEA

4

Capital structure with significant headroom to fund new acquisitions

5

Internally managed by experienced professionals with proven sourcing, execution and value creation track record

# NBG Pangaea at a glance



NBG PANGAEA

## Largest Listed Real Estate Investment Company ("REIC") in Greece

| Portfolio Metrics<br>(31.12.2016) | Appraised Value <sup>(a)(b)</sup> | €1.49bn |
|-----------------------------------|-----------------------------------|---------|
|                                   | No. of Properties                 | 333     |
|                                   | GLA (sqm)                         | 899k    |
|                                   | Occupancy ratio                   | 97.2%   |

| Financial Metrics<br>31.12.2016 | Total Assets  | €1.63bn |
|---------------------------------|---------------|---------|
|                                 | NAV           | €1.19bn |
|                                 | NAV per share | €4.68   |
|                                 | LTV           | 27.1%   |
|                                 | Net LTV       | 23.4%   |

### Geographical Distribution (b)



### Key tenants<sup>(c)</sup>



(a) Including the owner occupied properties and the Pomezia land plot in Italy

(b) Valuation by the independent statutory valuers as of 31-Dec-2016

(c) Percentage represents the % of annualised rent by tenant, i.e. rental income as of 31-Dec-2016 multiplied by 12.

Source: Company information as of 31-Dec-2016

# Characteristics of NBG Pangaea's assets



NBG PANGAEA

## High quality commercial real estate assets

### High quality offices

Athens, Greece



### The first and largest in Greece LEED for New Construction GOLD level certified office complex

Karela Property  
Paiania, Greece



### Modern office complexes

Metro Complex  
Piazza Udine,  
Milan



### High street retail

Retail Branch,  
Patra, Greece



NBG PANGAEA

### High street retail

19 Ermou Street  
Athens, Greece



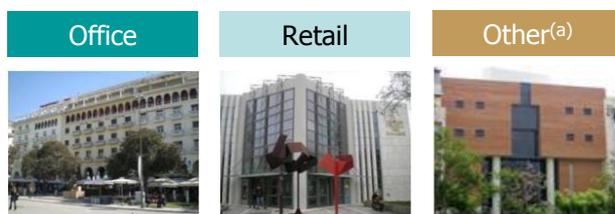
# High-quality, high-yielding, diversified portfolio in prime urban locations



NBG PANGAEA

Portfolio Metrics  
(31.12.2016)

|                                   |         |
|-----------------------------------|---------|
| Appraised Value <sup>(a)(b)</sup> | €1.49bn |
| No. of Properties                 | 333     |
| GLA (sqm)                         | 899k    |
| Occupancy ratio                   | 97.2%   |

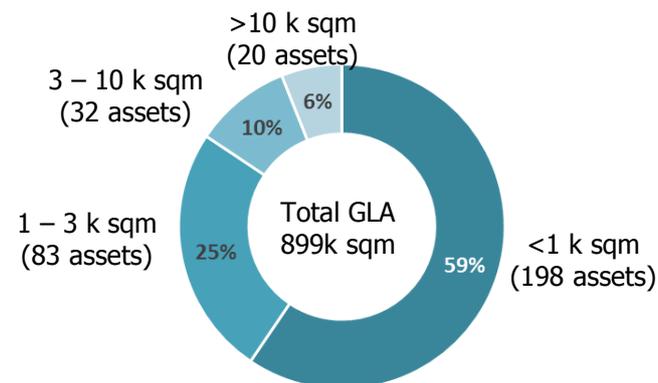


|                                    | Office | Retail | Other <sup>(a)</sup> |
|------------------------------------|--------|--------|----------------------|
| <b>No. of Properties</b>           | 62     | 264    | 7                    |
| <b>GLA (k sqm)</b>                 | 537    | 341    | 21                   |
| <b>Ann. rent (%)</b>               | 55%    | 44%    | 1%                   |
| <b>Appraised value (%)</b>         | 53%    | 43%    | 4%                   |
| <b>Occupancy<sup>(b)</sup> (%)</b> | 97.1%  | 97.2%  | 100.0%               |

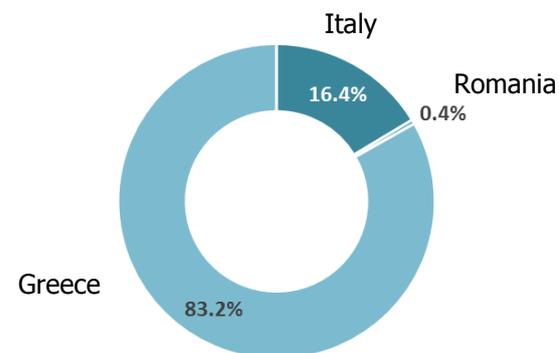
Portfolio breakdown by number of properties in terms of Appraised Value range



Portfolio breakdown by number of properties in terms of GLA<sup>(b)</sup>



Portfolio breakdown by geography in terms of Appraised value



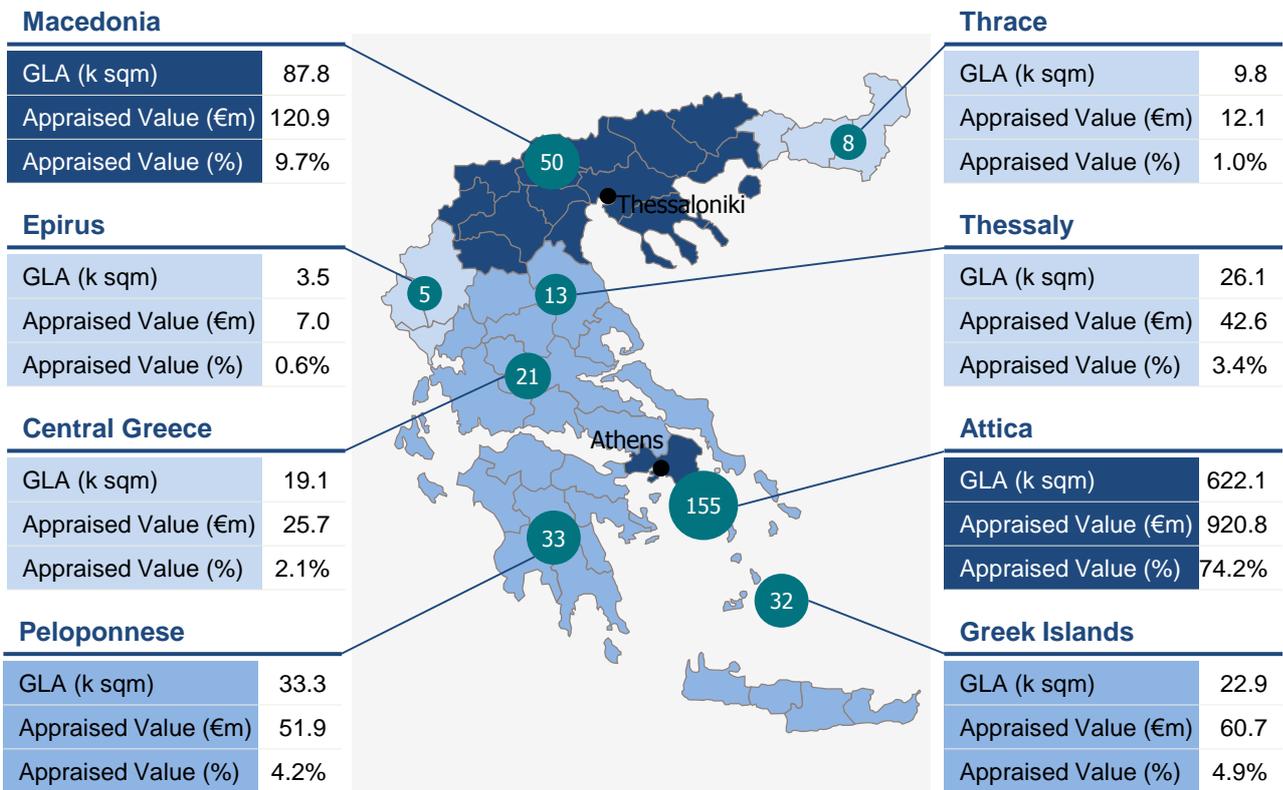
(a) The category "Other" includes city hotels, storage spaces, archive buildings, petrol stations, parking space and the Pomezia land plot in Italy  
 (b) Excluding the Pomezia land plot in Italy and the owner-occupied properties

# High-quality, high-yielding, diversified portfolio in prime urban locations



NBG PANGAEA

## Greece - 317 assets across all Greek prefectures



| GREECE               |         |
|----------------------|---------|
| Properties           | 317     |
| GLA (k sqm)          | 824.6   |
| Appraised Value (€m) | 1,241.7 |
| Appraised Value (%)  | 83.2%   |

| Properties by region | Appraised value by region |
|----------------------|---------------------------|
| Number               | Over €100m                |
|                      | €26m – €55m               |
|                      | €0m – €25m                |

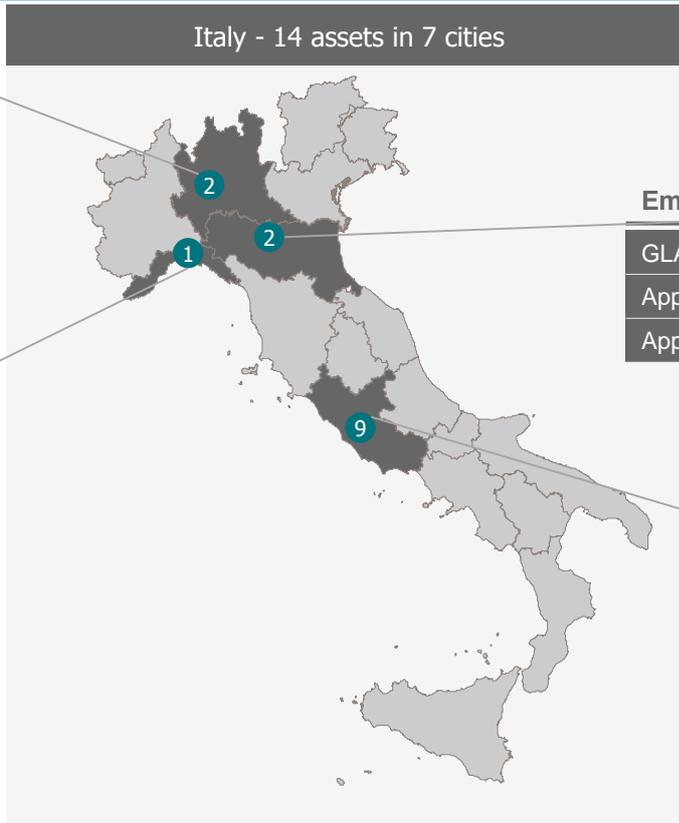
Note: Appraised value derives from the valuation by the independent statutory valuers as of 31-Dec-2016

Source: Company information as of 31-Dec-2016

# High-quality, high-yielding, diversified portfolio in prime urban locations



NBG PANGAEA



## Lombardy

|                      |       |
|----------------------|-------|
| GLA (k sqm)          | 21.4  |
| Appraised Value (€m) | 66.5  |
| Appraised Value (%)  | 27.3% |

## Liguria

|                      |      |
|----------------------|------|
| GLA (k sqm)          | 0.1  |
| Appraised Value (€m) | 0.7  |
| Appraised Value (%)  | 0.3% |

## Emilia - Romagna

|                      |      |
|----------------------|------|
| GLA (k sqm)          | 0.9  |
| Appraised Value (€m) | 3.6  |
| Appraised Value (%)  | 1.5% |

## Lazio<sup>(a)</sup>

|                      |       |
|----------------------|-------|
| GLA (k sqm)          | 48.5  |
| Appraised Value (€m) | 173.1 |
| Appraised Value (%)  | 71.0% |

| ITALY                |       |
|----------------------|-------|
| Properties           | 14    |
| GLA (k sqm)          | 70.9  |
| Appraised Value (€m) | 243.9 |
| Appraised Value (%)  | 16.4% |

## Romania – 2 assets in 2 cities

| ROMANIA               |      |
|-----------------------|------|
| Properties            | 2    |
| GLA (k sqm)           | 3.3  |
| Appraised Value (€ m) | 6.4  |
| Appraised Value (%)   | 0.4% |

Note: Appraised value derives from the valuation by the independent statutory valuers as of 31-Dec-2016

(a) Includes a land plot in Pomezia  
Source: Company information as of 31-Dec-2016

# Summary of investments concluded in 2016



NBG PANGAEA

|                   | Retail Building  | Retail shop  | Retail shop  | Retail shop  | Offices and parking spaces   | Offices and parking spaces   | City hotel  | City hotel addressed to students  |
|-------------------|--|--|--|--|--|--|---|---|
| Type              | <br>Retail building | <br>Retail shop | <br>Retail shop | <br>Retail shop | <br>Offices | <br>Offices | <br>City hotel | <br>City hotel |
| Location          | Chania, Greece   | Patra, Greece  | Kolonaki, Athens, Greece   | Syntagma, Athens, Greece   | Ampelokipoi, Athens (1 <sup>st</sup> floor)  | Maroussi, Athens (1 <sup>st</sup> floor)   | Patra, Greece   | Patra, Greece   |
| Acquisition date  | 26-Feb-2016  | 11-Mar-2016  | 29-Jun-2016  | 07-Jul-2016  |  | 21-Dec-2016  |   |   |
| Acquisition value | €1.82m   | €2.55m   | €1.57m   | €4.70m   |  | €3.72m   |   |   |
| GLA               | c. 746 sqm   | c. 680 sqm   | c. 217 sqm   | c. 369 sqm   | c. 2,359 sqm (incl. 50 parking spaces)   | c. 743 sqm (incl. 15 parking spaces)   | c.5,149 sqm   | c.2,471 sqm   |
| Tenant            | Public   | Massimo Dutti (Inditex Group)  | Vodafone   | Five Shoes   | e-Travel: offices and 25 parking spaces<br>GRNET: 16 parking spaces                            | AIT: Offices CISCO: Parking Spaces   | DPN <sup>(b)</sup>  | DPN <sup>(b)</sup>  |
| Lease expiry      | 2021   | 2025   | 2027   | 2024   | e-Travel: 2025 <sup>(a)</sup><br>EEDET: 2018 <sup>(a)</sup>                                    | AIT: 2017<br>CISCO: 2022   | 2041  | 2041  |

(a) The property has been acquired vacant. The Company has leased the major part of property (96%) in Dec-2016 (start dated of the leases 01-Jan-2017)

(b) The tenant is responsible for the implementation of the development works (at his own cost) in order for the properties to operate as city hotel and city hotel addressed to students, respectively

# Summary of investments concluded in 2016 (cont.)



NBG PANGAEA

| Mixed use portfolio |  |
|---------------------|--|
| Type                |  Retail  Retail  Retail  Office  Retail<br> Retail  Retail  Office  Storage |
| Location            | Rome (4), Piacenza, Pavia, Genova, Civitavecchia, Ferrara (Italy)  |
| Acquisition date    | 19-Dec-2016  |
| Acquisition value   | €21.56m  |
| GLA                 | c. 6,070 sq.m.   |
| Tenant / End User   | Cernaia Srl, Banca Popolare di Sondrio, Societa Essenziale Arl, Caserma Carabinieri Trionfale, Mango Italia Spa, SM Italia Srl, ASL, Zara  |
| Lease expiry        | 2021 (weighted average)  |

# Predictable cash flows driven by high occupancy levels, strong tenant base and long term leases

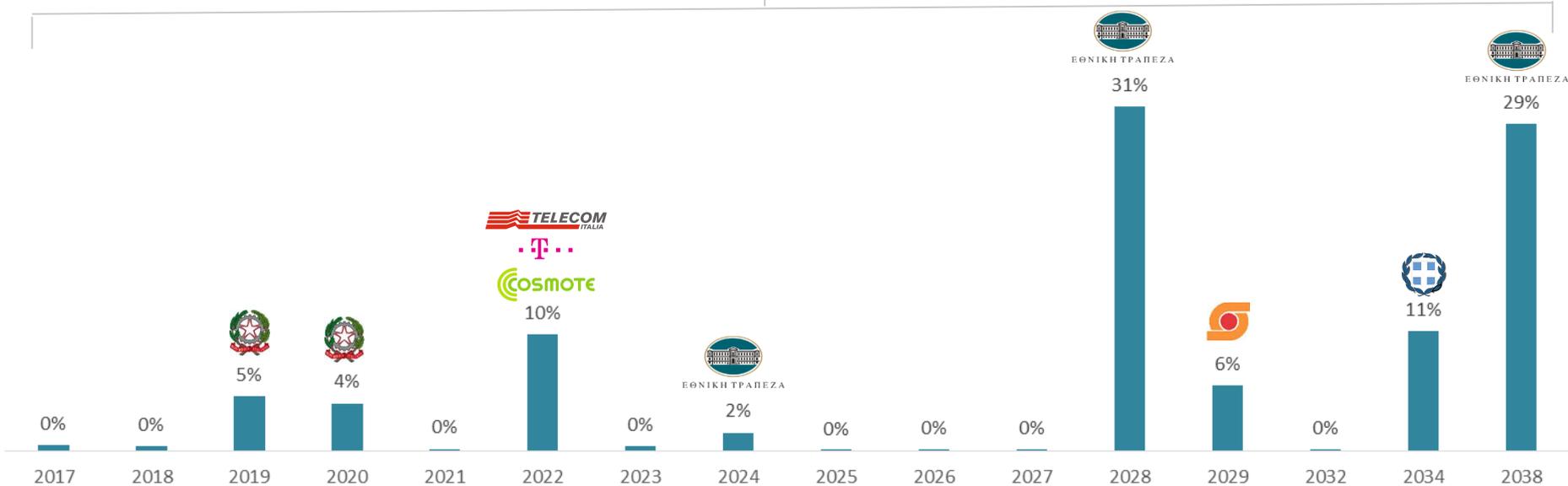


NBG PANGAEA

## Long term leases

- WALT c. 19 years taking into account the lease term
- WALT c. 14 years taking into account the contractually "closed" lease term

95% of the annualised rent not subject to break options <sup>(a)</sup>

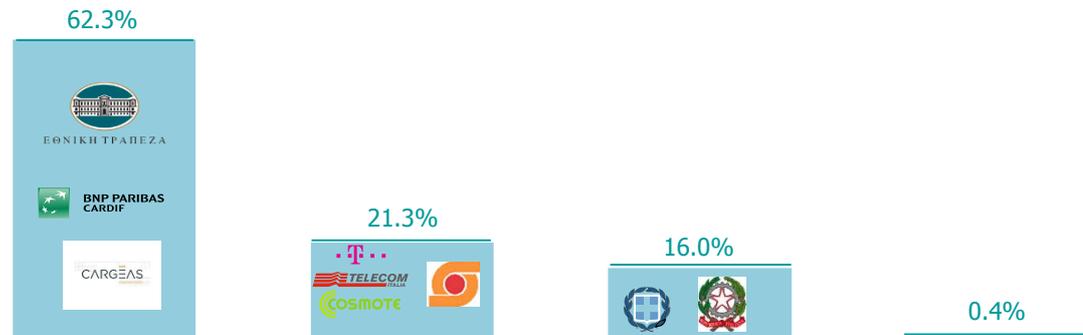


## Strong Tenant Base

## Rents Indexation

Financial Institutions      Corporates      Public Administration      Other

c. 91% of the annualized rent indexed annually by at least CPI, or EHICP, or ISTAT.



Note: Percentages shown on the page are based on annualised rent

(a) The percentages for NBG and Hellenic Republic do not include the flexibility mechanism

Source: Company information as of 31-Dec-2016

# Capital Structure



NBG PANGAEA

|   | 31.12.2014 | 31.12.2015 | 31.12.2016 |
|---|------------|------------|------------|
| Gearing ratio (Borrowings / Total Assets)   | 20.4%      | 24.6%      | 24.9%      |
| LTV ratio (Borrowings/ Investment Property + Owner-occupied property <sup>(1)</sup> )                         | 23.8%      | 27.0%      | 27.1%      |
| Net LTV ratio (Net Borrowings <sup>(2)</sup> / Investment Property + Owner-occupied property <sup>(1)</sup> ) | 14.9%      | 20.8%      | 23.4%      |

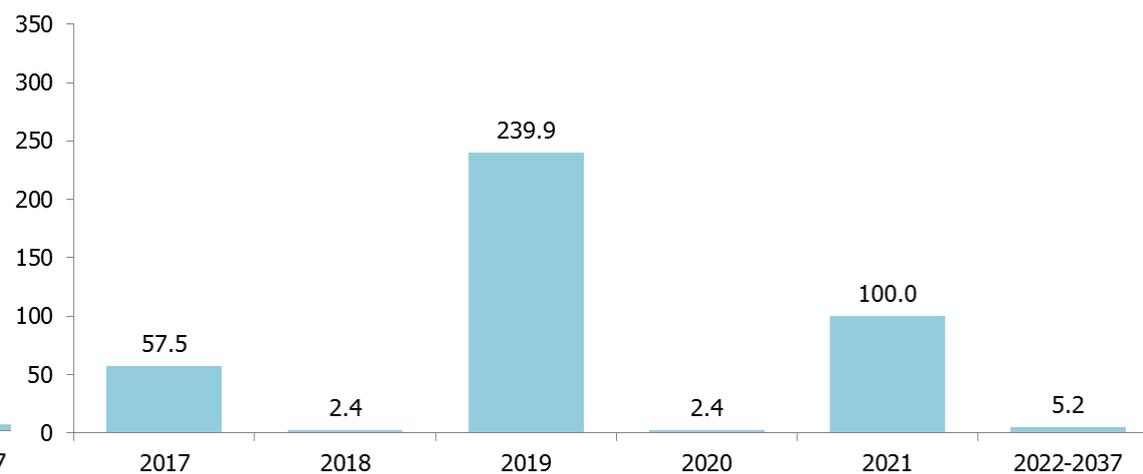
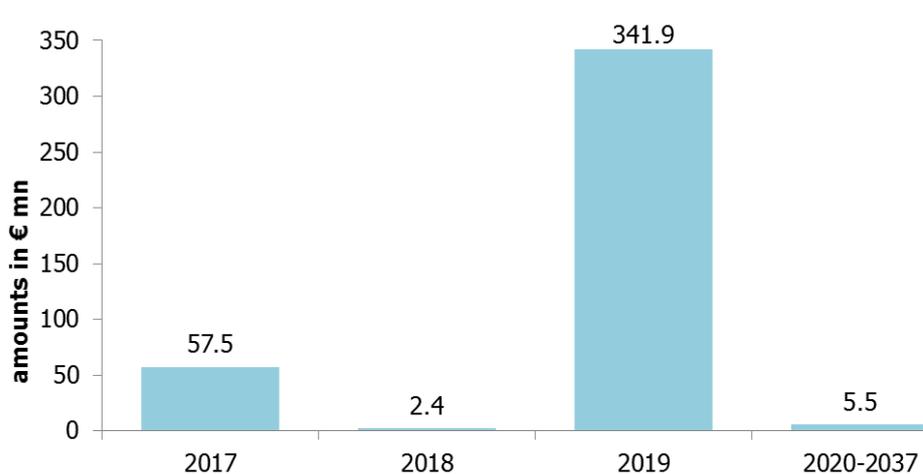
(1) Valuation by the independent statutory valuers as of 31-Dec-2014, 31-Dec-2015 and 31-Dec-2016, respectively

(2) Net Borrowings: Borrowings less cash and cash equivalents

## Debt maturity schedule (amortization of capital) as of 31-Dec-2016

Not taking into account the extension option

Taking into account the extension option



|                                | 31.12.2016                             |                                     |
|--------------------------------|--|-------------------------------------|
| Total borrowings (capital)     | € 407.4 mn                             |                                     |
| Spread over Euribor (weighted) | 4.51%                                  |                                     |
| Maturity (weighted average)    | 2019<br>(without the extension option) | 2020<br>(with the extension option) |

# Financial summary

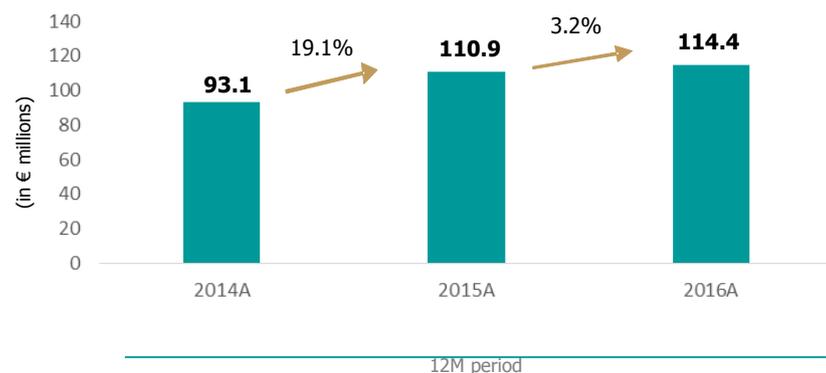


NBG PANGAEA

## Condensed Consolidated Statement of Financial Position

| in € millions                       | Dec-2014       | Dec-2015       | Dec-2016       |
|-------------------------------------|----------------|----------------|----------------|
| Investment Property                 | 1,407.7        | 1,470.0        | 1,490.0        |
| Other Assets                        | 103.4          | 55.9           | 80.8           |
| Cash and Cash Equivalents           | 125.6          | 90.4           | 54.7           |
| <b>Total Assets</b>                 | <b>1,636.7</b> | <b>1,616.4</b> | <b>1,625.5</b> |
| Shareholders' Equity                | 1,260.4        | 1,193.7        | 1,194.9        |
| Borrowings                          | 335.7          | 397.1          | 404.1          |
| Derivative Liabilities              | 3.0            | 2.8            | 1.9            |
| Other Liabilities                   | 37.6           | 22.8           | 24.6           |
| <b>Total Equity and Liabilities</b> | <b>1,636.7</b> | <b>1,616.4</b> | <b>1,625.5</b> |

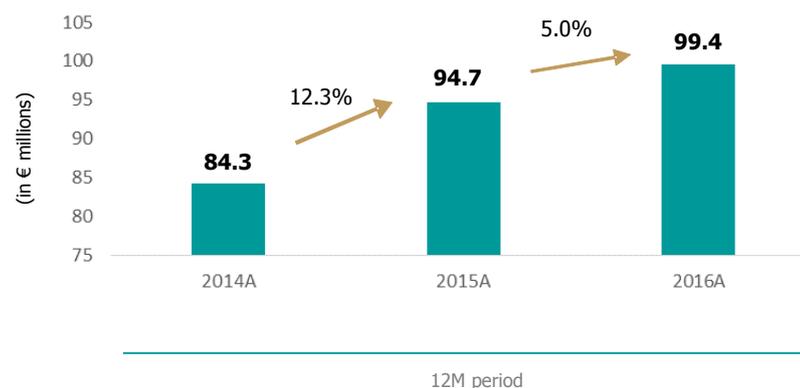
## Rental Income



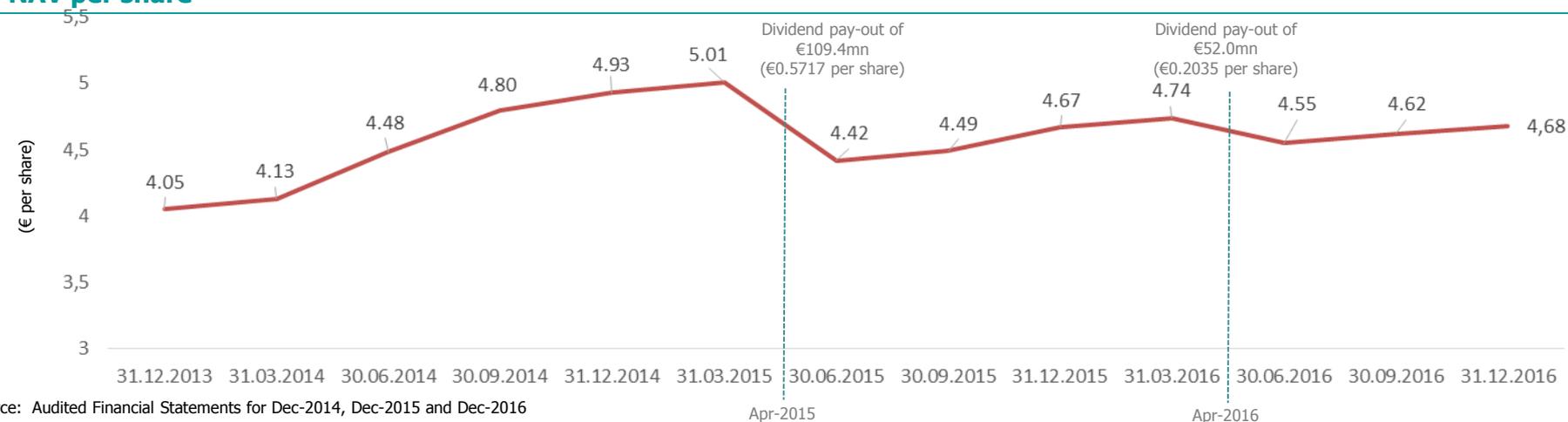
## Condensed Consolidated Income Statement

| in € millions                              | 12M period ended |              |              |
|--|------------------|--------------|--------------|
|  | Dec-2014         | Dec-2015     | Dec-2016     |
| <b>Revenue</b>                             | <b>93.1</b>      | <b>110.9</b> | <b>115.4</b> |
| Direct Property Expenses (Recurring)       | (6.7)            | (11.3)       | (12.0)       |
| Employee Expenses                          | (1.3)            | (2.2)        | (2.1)        |
| Other Income / Expense (Recurring)         | (0.8)            | (2.7)        | (1.8)        |
| <b>Adj. EBITDA</b>                         | <b>84.3</b>      | <b>94.7</b>  | <b>99.5</b>  |
| Net Interest                               | (7.4)            | (20.6)       | (21.0)       |
| REITs Tax Expense                          | (1.5)            | (1.4)        | (6.8)        |
| Net Gain / (Loss) from FV Adjustment on IP | 98.0             | (23.7)       | (18.2)       |
| Net Gain / (Loss) from FV Adjustment on FI | (0.1)            | 0.4          | 1.1          |
| D&A  | (0.0)            | (0.1)        | (0.0)        |
| Other Income / (Expense) (Non-Recurring)   | 3.8              | (6.6)        | (1.1)        |
| <b>Profit / (Loss) for the period</b>      | <b>177.6</b>     | <b>42.7</b>  | <b>53.5</b>  |

## Adjusted EBITDA



## NAV per share





# Appendix

# Consolidated Income Statement – IFRS



NBG PANGAEA

| Amounts in € '000s   | 12M-Period Ended |                 |                 |
|--|------------------|-----------------|-----------------|
|  | Dec-2014         | Dec-2015        | Dec-2016        |
| Revenue  | 93,054           | 110,861         | 115,433         |
|  | <b>93,054</b>    | <b>110,861</b>  | <b>115,433</b>  |
| Net Gain / (Loss) from Fair Value Adjustment on Investment Property                    | 98,651           | (23,723)        | (18,220)        |
| Direct Property Relating Expenses  | (6,718)          | (12,576)        | (12,342)        |
| Employee Expenses  | (1,287)          | (2,175)         | (2,119)         |
| Depreciation of Property and Equipment   | (23)             | (40)            | (24)            |
| Amortisation of Intangible Assets  | (29)             | (29)            | (28)            |
| Net change in fair value of financial instruments at fair value through profit or loss | (125)            | 416             | 1,145           |
| Other Income   | 4,472            | 1,686           | 500             |
| Other Expenses   | (1,435)          | (9,716)         | (2,980)         |
| Social Corporate Responsibility  | -                | -               | (153)           |
| <b>Operating Profit / (Loss)</b>   | <b>186,560</b>   | <b>64,704</b>   | <b>81,212</b>   |
| Interest Income  | 3,233            | 182             | 142             |
| Finance Costs  | (10,693)         | (20,814)        | (21,099)        |
| <b>Interest income - net</b>   | <b>(7,460)</b>   | <b>(20,632)</b> | <b>(20,957)</b> |
| <b>Profit / (Loss) Before Tax</b>  | <b>179,100</b>   | <b>44,072</b>   | <b>60,255</b>   |
| REITs Tax Expense  | (1,482)          | (1,392)         | (6,792)         |
| <b>Profit / (Loss) for the period</b>  | <b>177,618</b>   | <b>42,680</b>   | <b>53,463</b>   |

Source: Audited Financial Statements for Dec-2014, Dec-2015 and Dec-2016

# Consolidated Statement of Financial Position – IFRS



NBG PANGAEA

| Amounts in € '000s                                   | Dec-2014         | Dec-2015         | Dec-2016         |
|--|------------------|------------------|------------------|
| <b>Assets</b>  |                  |                  |                  |
| <b>Non-current Assets</b>                            |                  |                  |                  |
| Investment Property                                  | 1,407,659        | 1,470,079        | 1,490,000        |
| Property and Equipment                               | 4,334            | 3,348            | 2,265            |
| Intangible Assets                                    | 216              | 187              | 159              |
| Deferred tax assets                                  | -                | -                | 1                |
| Other Long-Term Receivables                          | 11,737           | 17,314           | 17,325           |
|  | <b>1,423,946</b> | <b>1,490,928</b> | <b>1,509,750</b> |
| <b>Current Assets</b>                                |                  |                  |                  |
| Trade and Other Receivables                          | 87,118           | 35,074           | 61,015           |
| Cash and Cash Equivalents                            | 125,638          | 90,433           | 54,732           |
|  | <b>212,756</b>   | <b>125,507</b>   | <b>115,747</b>   |
| <b>Total Assets</b>                                  | <b>1,636,702</b> | <b>1,616,435</b> | <b>1,625,497</b> |
| <b>Shareholders' Equity and Liabilities</b>          |                  |                  |                  |
| <b>Capital and Reserves</b>                          |                  |                  |                  |
| Share Capital  | 765,193          | 766,484          | 766,484          |
| Share Premium  | 15,890           | 15,890           | 15,890           |
| Reserves   | 326,953          | 333,615          | 336,119          |
| Retained Earnings / (Losses)                         | 151,038          | 77,719           | 76,448           |
| <b>Equity Attributable to Company's Shareholders</b> | <b>1,259,074</b> | <b>1,193,708</b> | <b>1,194,941</b> |
| Non Controlling Interests                            | 1,362            | -                | -                |
| <b>Total Shareholders' Equity</b>                    | <b>1,260,436</b> | <b>1,193,708</b> | <b>1,194,941</b> |
| <b>Non-current Liabilities</b>                       |                  |                  |                  |
| Borrowings   | 320,054          | 387,284          | 344,843          |
| Retirement Benefit Obligations                       | 251              | 213              | 174              |
| Deferred Tax Liability                               | 382              | 226              | 198              |
| Other Long-Term Liabilities                          | 6,497            | 3,320            | 3,329            |
|  | <b>327,184</b>   | <b>391,043</b>   | <b>348,544</b>   |
| <b>Current Liabilities</b>                           |                  |                  |                  |
| Trade and Other Payables                             | 29,553           | 18,319           | 15,521           |
| Current Tax Liabilities                              | 866              | 756              | 5,364            |
| Borrowings   | 15,621           | 9,830            | 59,230           |
| Derivative Financial Instruments                     | 3,042            | 2,779            | 1,897            |
|  | <b>49,082</b>    | <b>31,684</b>    | <b>82,012</b>    |
| <b>Total Liabilities</b>                             | <b>376,266</b>   | <b>422,727</b>   | <b>430,556</b>   |
| <b>Total Shareholders' Equity and Liabilities</b>    | <b>1,636,702</b> | <b>1,616,435</b> | <b>1,625,497</b> |

Source: Audited Financial Statements for Dec-2014, Dec-2015 and Dec-2016

# Key Greek REIC requirements



NBG PANGAEA

## Asset requirements

- At least 80% of the assets must be invested in real estate
- Development cost must not exceed 40% of the REIC's investment assets
- Single property value cannot exceed 25% of the REIC's total investments.
- Assets for REIC operations cannot exceed 10% of the REIC's total assets.

## Profit distribution/Leverage

- At least 50% of the annual net distributable profit
- Capital gains do not need to be distributed
- Overall leverage must not exceed 75% of REIC's total assets

## Legal requirements

- Incorporated as a "Societe Anonyme" with a minimum capital of €25m
- Mandatory listing on a regulated market operating in Greece
- Statutory seat must be in Greece

# Greek REICs Tax Regime



NBG PANGAEA

## Tax efficient structure

|                         |
|-------------------------|
| Corporate Income tax    |
| Advance Tax             |
| Capital gains Tax       |
| RETT                    |
| Dividend Tax            |
| Special Real Estate Tax |

| REIC   |
|--|
| ● Investments and liquid assets taxed at 10%*(ECB rate + 1%) – Floor: 0,75% p.a. |
| ● Exempt   |