

# TRASTOR REIC

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### Trastor at a Glance

- ✓ Trastor REIC is the first real estate investment company to be established in Greece under law 2778/99 and it is listed on the Athens Stock Exchange
- ✓ The company invests in high quality and high yielding assets, with creditworthy tenants on long-term leases and through active asset management delivers attractive returns to its shareholders
- ✓ Top qualified management team with deep understanding of the local market, proven sourcing, execution and value creation track record
- ✓ In 2017 Trastor raised € 20.2mn of new capital and completed € 19.8mn asset acquisitions
- ✓ Strong shareholding base including: Värde Partners (56.0%), Piraeus Bank (39.4%), Free Float (4.6%)

(€'000)	2014	2015	2016	2017
Number of Properties	25	25	24	35 <sup>(1)</sup>
Revenue	4,249	4,178	3,989	4,169
Investment Properties	74,820	63,053	60,054	79,497
NAV	72,788	63,405	59,500	79,607
NAV per share	1.326	1.155	1.084	0.987
Debt	7,766	5,282	5,282	4,796
LTV ratio	9.8%	8.4%	8.8%	6.4%

# #35

Properties

# 74.2k sqm

GLA

# € 6.4 mn

Annualized Rental  
Income

# € 79.5 mn

Investment Value

# 97.2%

Occupancy Rate

# 6.5 years

WALT

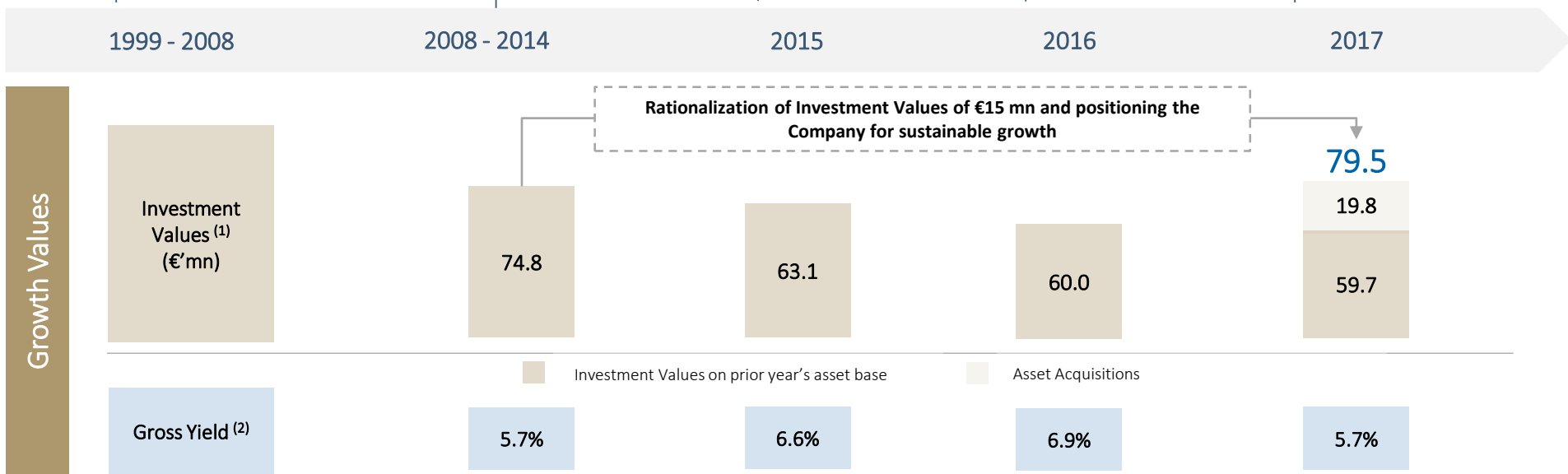
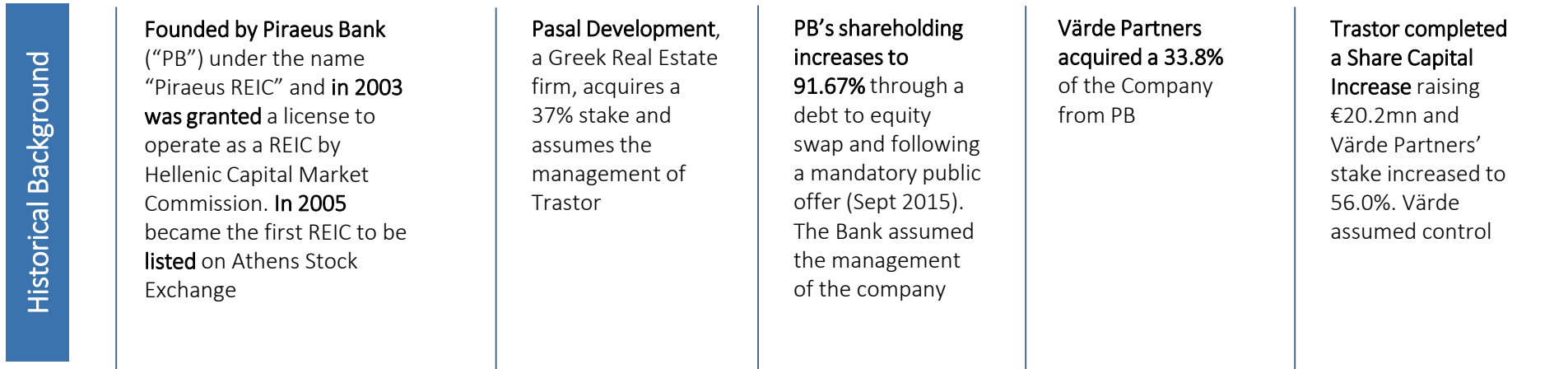
# 6.7%

GRY

# 5.9%

NOI Yield

## Key Milestones



(1) Valuation by the independent statutory valuer as of 31 December of each year.

(2) Based on annualized rents as of 31 December of each year (including new leases concluded or new lease agreements in progress)

### Investment Rational

- Trastor REIC is seeking to capitalize on the unique investment opportunities in the Greek real estate market created by the current macro-economic environment, the acute liquidity constraints, and the ensuing deleveraging of the Greek banking sector
- Our investment rational focuses on: (i) acquiring core and value added assets at attractive valuations; (ii) working with credible and reputable tenants to support their current business and expansion plans; (iii) repositioning of real estate assets to optimize value; (iv) driving operational and scale efficiencies to increase cash flow and; (v) building a balanced and diversified portfolio
- The Company concentrates its investment activity in Greece in the following sectors: (i) Class A and B+ Office; (ii) Prime Retail and; (iii) Logistics. In addition, Trastor is exploring hotel investment opportunities in established tourism destinations
- We create investment opportunities by applying our local knowledge and tapping into our extensive banking and business partner relationships to originate deals. We also look to unlock value from situations involving auctions and the restructuring of CRE NPLs
- We expect faster resolution of non-performing loans backed by commercial real estate, sale of banks' non-core assets, and continuing strong performance in tourism
- The next 2-3 years present an attractive opportunity to invest in Greek real estate which has suffered significant decline in value (c.55% since 2008)

**Trastor aims to become the leading Greek real estate Company**

## Strategy Pillars

### Investment Focus

- ✓ Acquire core and value added assets at attractive valuations
- ✓ Working with credible and reputable tenants to support their current business and expansion plans
- ✓ Repositioning of real estate assets to optimize value



### Sourcing

- ✓ Leveraging the team's local knowledge
- ✓ Utilising relationships to originate deals
- ✓ Auctions and foreclosures
- ✓ Consensual surrenders and debt-for-asset swaps in collaboration with creditor banks
- ✓ Cooperation with NPL service platforms

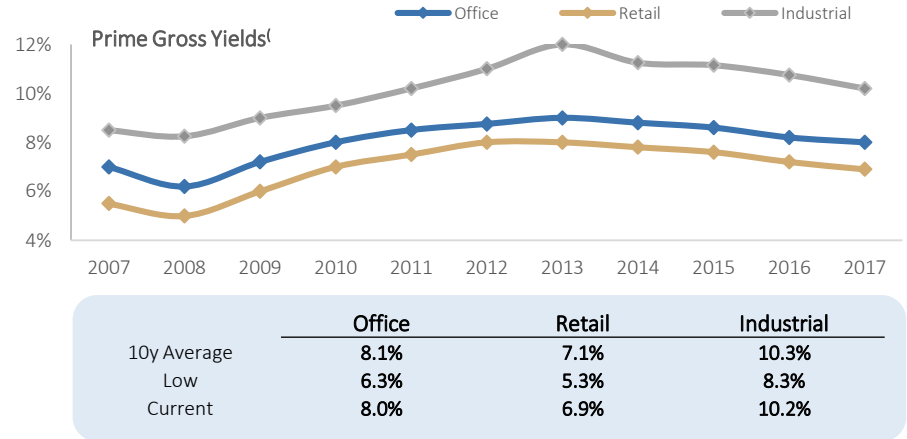
### Asset Classes

- ✓ Class A and B+ Office
- ✓ High Street Retail
- ✓ Logistics
- ✓ Hotels in established tourism destinations

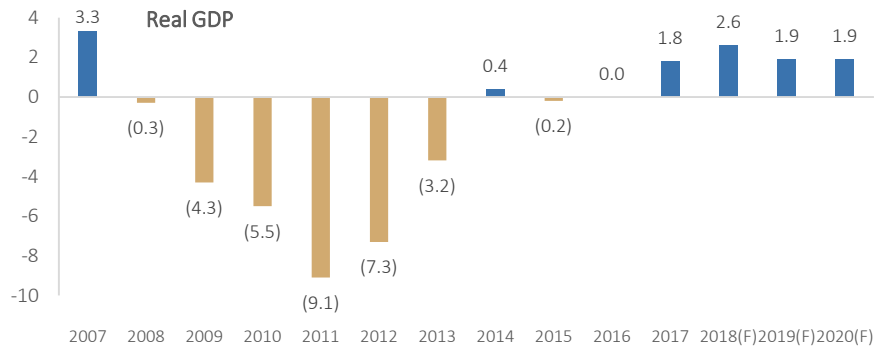
### Greek government bond yields stabilize...



### ...while the real estate market offers attractive yields



### Greek economy returns to sustainable growth...



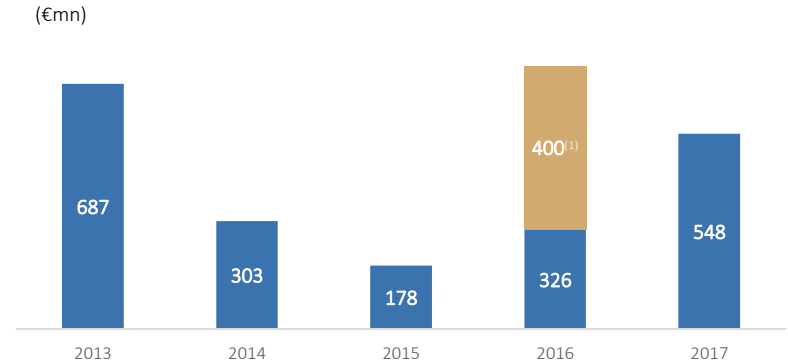
### ...creating opportunities in the Greek real estate market

CRE Sector	Prime Rents	Supply	Demand	Prime Yields
Office	↑	→	↑	↓
Retail	↑	→	↑	↓
Industrial	→	→	↑	↓

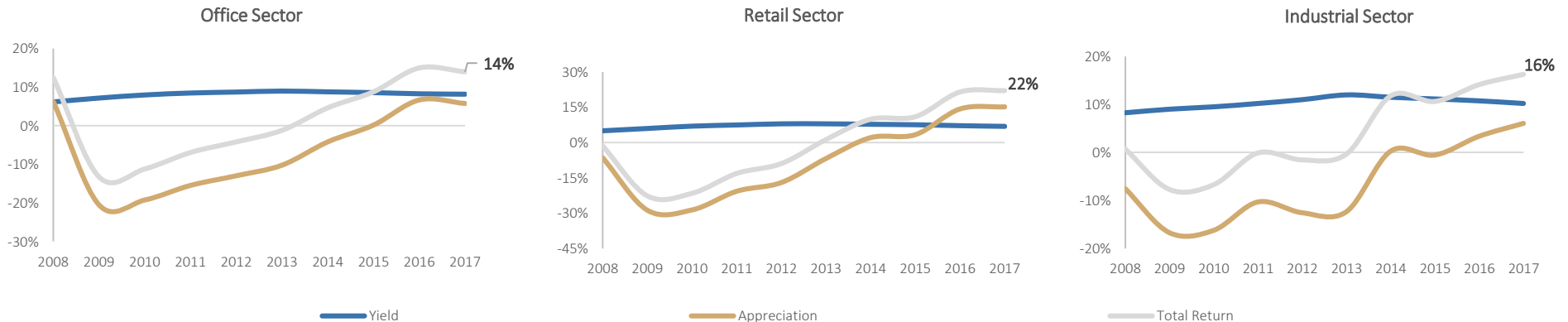
### Market Overview

- In 2017 total investment volume reached **€548mn** which is 68%<sup>(1)</sup> more than the year before and CRE Prime Yields have converted to their 10Yr average level
- **Greek REICs account for 38% (€209mn) of total transaction volume** targeting the whole CRE spectrum while private activity has mainly targeted Hotels and Retail assets
- The hospitality sector accounts for the bulk of the transaction volume (43%) followed by retail (41%) and the office (16%) sectors
- Retail and office income producing properties have transacted at GRY range of 6.8% - 9.9% while 4-star resorts have exchanged at an average price of c.95k per room
- There is room for further capital appreciation of 30% from yield compression towards to 2008 level excluding rental growth

### Investment Volume (2013 - 2017)



### CRE Returns



<sup>(1)</sup>Excluding Asteras project announced in 2016 (€400mn)



## Transaction Activity

### Transactions

Sector	Office	Retail	Hospitality	Industrial	Land	Total
<b>2016</b>						
# of Deals	9	11	6	0	0	<b>26</b>
Volume (€'000)	45,400	20,700	659,600	0	0	<b>725,800</b>
<b>2017</b>						
# of Deals	21	27	9	0	1	<b>58</b>
Volume (€'000)	94,500	223,000	235,200	0	2,500	<b>555,200</b>
<b>2018 ytd</b>						
# of Deals	8	8	1	1	0	<b>18</b>
Volume (€'000)	46,000	21,900	62,900	13,100	0	<b>144,000</b>

### REIC Transactions

REIC	# of Deals	Volume (€'000)	MAX (€'000)	MIN (€'000)
Pangaea	2	71,000	47,000	24,000
Grivallia	10	110,900	22,600	2,700
Trastor	8	18,700	8,500	700
ICI	10	14,900	3,800	400
Briq Properties	2	1,900	1,100	800
<b>Total 2017</b>	<b>32</b>	<b>217,400</b>	<b>47,000</b>	<b>400</b>
<b>Total 2018 ytd</b>	<b>11</b>	<b>49,100</b>	<b>13,100</b>	<b>600</b>

### Hotel Transactions

Yr	Q	Name	Area	Value (€'000)	€/Room
2017	Q1	Amathus Beach	Rhodes	53,700	174,000
2017	Q1	Capsis	Rhodes	30,000	45,000
2017	Q1	Castello	Piraeus	5,500	74,000
2017	Q2	Ledra	Athens	33,400	107,000
2017	Q3	Olympos Naousa	Thessaloniki	5,500	-
2017	Q3	Asteria Glyfadas	Athens	19,500	-
2017	Q3	Arina Sand Hotel	Crete	19,000	94,000
2017	Q3	Zorbas Village Hotel	Crete	24,000	104,000
2017	Q4	King George	Athens	43,000	421,000
2018	Q1	Lakitira Hotels	Kos	62,900	102,000
<b>Total</b>				<b>235,000</b>	<b>298,100</b>

### REIC Gross Yields

	Sector	MAX	MIN
2016	Retail	10.3%	6.2%
	Office	12.1%	6.8%
2017	Retail	9.9%	6.0%
	Office	9.5%	6.8%
2018	Retail	8.7%	7.0%
	Office	8.5%	4.8%

# The Portfolio

## High Quality CRE Assets

### Key Metrics <sup>(1)</sup>

# Properties	35
GLA	74,173 sqm
GAV	89,858
GRI	6,480
Occupancy Rate	97.2%
WALT	6.5



PIRAEUS BANK HQs, Athens



PIRAEUS BANK Heraklion



Kronos BC, Maroussi



NRG Head Offices, Maroussi



NN Hellas Offices, Kifisia



Alimou Retail, Alimos



Kassaveti Retail, Kifisia



HSBC Branch, Chalandri



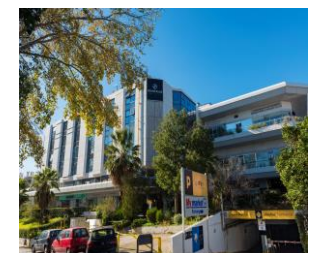
Kosmopolis Centre, Komotini



Wolford Retail, Kifisia



Syntagma Offices, Athens



Ethrio Parking Station, Marousi

### Highlights

- ✓ Prime office portfolio
- ✓ Presence of HQ quality single tenant buildings
- ✓ Urban retail stores at the best commercial locations with established, affluent catchment areas
- ✓ Reputable and financially-strong international and local tenants
- ✓ Recurrent high occupancy rates throughout the cycle

### Key Tenants



<sup>(1)</sup> As of 30.04.2018

## Diversified portfolio

### Well diversified Portfolio in prime urban locations

#### ● Western Macedonia

No. of Assets	1
GLA (sq.m)	216
% Fair Value	0.7%

#### ● Attica

No. of Assets	16
GLA (sq.m)	49,993
% Fair Value	53.5%

#### ● Eastern Macedonia/Trace

No. of Assets	1
GLA (sq.m)	11,499
% Fair Value	13.9%

#### ● Thessaloniki

No. of Assets	2
GLA (sq.m)	4,042
% Fair Value	17.0%

#### ● Epirus /Western Greece

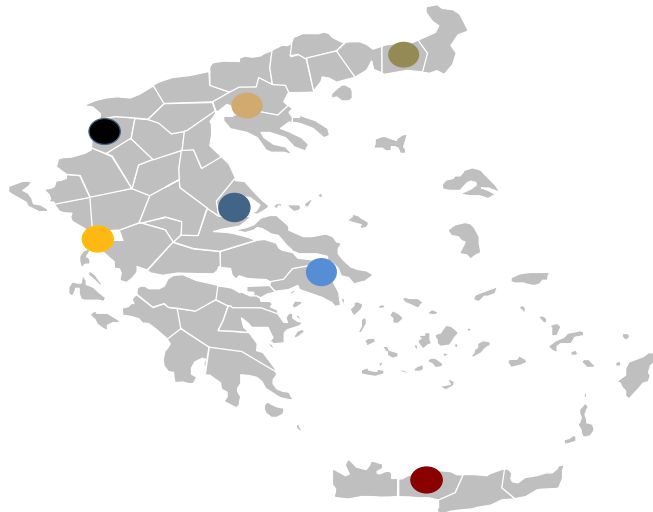
No. of Assets	6
GLA (sq.m)	2,322
% Fair Value	6.7%

#### ● Crete

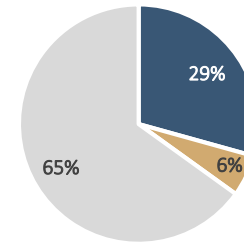
No. of Assets	3
GLA (sq.m)	1,806
% Fair Value	3.3%

#### ● Thessaly/Central Greece

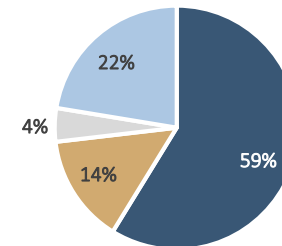
No. of Assets	6
GLA (sq.m)	5,066
% Fair Value	5.0%



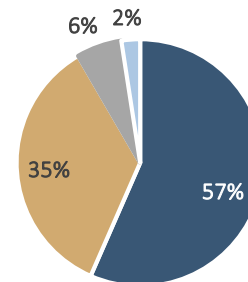
### Income Breakdown<sup>(1)</sup>:



Tenant	
Piraeus Bank	29%
Hellenic Fuels	6%
Other Tenants	65%



Location	
Attica	59%
Thessaloniki	14%
Crete	4%
Rest of Greece	22%



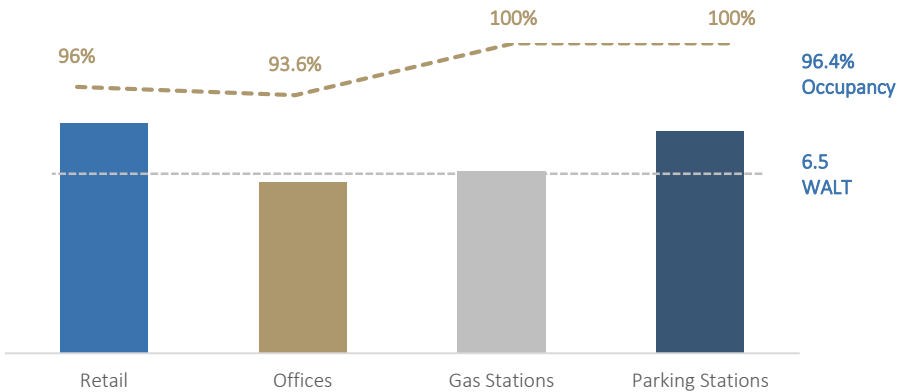
Asset	
Office	57%
Retail	35%
Gas Stations	6%
Parking Station & Land	2%

<sup>(1)</sup> As of 31.03.2018

# The Portfolio

## Occupancy Rate & Tenant Base

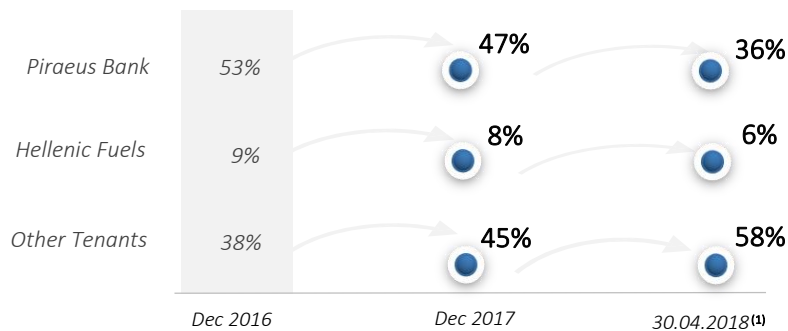
96.4% portfolio occupancy with long term leases<sup>(1)</sup>



...with beneficial terms

- ✓ 37 unique tenants
- ✓ 6.5 years WALT including break options
- ✓ 95% of the annualized rents not subject to break options
- ✓ 99% of the annualized rent indexed annually by at least Greek CPI
- ✓ 46% of leases are triple net agreements

Diversified portfolio driven by strong tenant base



...and reliable large tenants

- ✓ Piraeus Bank represents c. 36% of the annualized rental income while Hellenic Fuels represents c.6%
- ✓ Piraeus currently leases 6 properties (2 retail, 4 offices) while retail properties are used as bank branches and offices are used as head offices
- ✓ Hellenic Fuels currently leases 10 properties (9 gas stations are directly rented to Hellenic Fuels and 1 is independently operated as a BP gas station)
- ✓ Other Tenants represent c. 58% of the annualized rental income

<sup>(1)</sup> Annualized

# Key Financials

## Financial performance

Income Statement (€ '000)	YE 2016	YE 2017
<b>Revenue</b>	<b>3,943.84</b>	<b>4,168.99</b>
Net Gain / (Loss) from Fair Value Adjustment on Investment Property	(2,469.45)	268.93
Direct Property Relating Expenses	(1,080.46)	(1,080.15)
Employee Expenses	(154.24)	(973.69)
Other operating expenses	(445.01)	(1,254.90)
Provision for assets impairment	(2,897.74)	(279.54)
Amortisation of Intangible Assets	(28.20)	(38.99)
Other Income	45.46	5.75
<b>Operating Profit / (Loss)</b>	<b>(3,085.80)</b>	<b>816.39</b>
Interest Income	71.45	83.21
Financial Costs	(291.75)	(295.13)
<b>Interest income -net</b>	<b>(220.29)</b>	<b>(211.92)</b>
<b>Profit / (Loss) Before Tax</b>	<b>(3,306.09)</b>	<b>604.47</b>
REICs Tax Expense	(315.83)	(601.82)
<b>Profit / (Loss) for the period</b>	<b>(3,621.93)</b>	<b>2.65</b>

Balance Sheet (€ '000)	YE 2016	YE 2017
<b>Assets</b>		
<b>Non-current Assets</b>		
Investment Property	79,497.00	60,054.00
Property and Equipment	81.29	16.94
Intangible Assets	2.00	0.75
Other Long-Term Receivables	85.24	262.70
	<b>79,665.52</b>	<b>60,334.39</b>
<b>Current Assets</b>		
Trade and Other Receivables	551.35	397.87
Cash and Cash Equivalents	5,761.60	4,888.71
	<b>6,312.94</b>	<b>5,286.58</b>
<b>Total Assets</b>	<b>85,978.46</b>	<b>65,620.97</b>
<b>Shareholders' Equity and Liabilities</b>		
<b>Capital and Reserves</b>		
Share Capital	40,345.33	27,444.12
Share Premium	7,387.87	163.19
Reserves	37,547.59	37,539.65
Retained Earnings / (Losses)	(5,673.87)	(5,642.76)
<b>Total Shareholders' Equity</b>	<b>79,606.91</b>	<b>59,504.20</b>
<b>Non-current Liabilities</b>		
Borrowings	4,795.50	5,012.37
Retirement Benefit Obligations	75.81	37.19
Other Long-Term Liabilities	319.36	189.40
	<b>5,190.67</b>	<b>5,238.96</b>
<b>Current Liabilities</b>		
Trade and Other Payables	595.38	362.06
Current Tax Liabilities	319.89	246.59
Borrowings	265.61	269.17
	<b>1,180.88</b>	<b>877.81</b>
<b>Total Liabilities</b>	<b>6,371.55</b>	<b>6,116.77</b>
<b>Total Shareholders' Equity and Liabilities</b>	<b>85,978.46</b>	<b>65,620.97</b>

### Strong Corporate Governance

- Experienced Board of Directors with proven real estate, finance, and banking experience
- Majority of non-executive directors, two of which are independent
- Investment Committee, Audit Committee, and Remuneration & Nomination Committee support the BoD
- Corporate Governance Code, Internal Regulation Code, Internal Processes

### BoD Responsibilities

- Trastor's Board of Directors and management put emphasis on strong corporate governance and internal procedures
- Board of Directors currently comprising seven (7) members, elected by the General Assembly
- BoD's role is to ensure the Company adheres to high corporate governance standards, it set and monitors corporate strategy, and provides entrepreneurial leadership and support to management
- The BoD ensures fair and equitable treatment of all shareholders

### Committees

#### Audit Committee

- Monitors and evaluates the Company's internal control and risk management systems
- Supervises the Internal Auditor, the Risk Officer, and the Compliance Officer
- Examines the interim and annual financial results of the Company and the work of the Company's auditor

#### Investment Committee

- Reviews, analyzes, and approves new investment recommendations (and divestments) made by management
- Recommends new investments to the Board of Directors
- Approves commercial terms for new leases and major changes to existing ones
- Monitors the Company's business plan implementation

#### Remuneration & Nominations Committee

- Designs, monitors, and reviews the Company's remuneration policy
- Assesses BoD members and recommends new candidates to the AGM of shareholders
- Appraises key management and recommends new appointments

## Board of Directors

### Michael Hadjipavlou

*Chairman, Non-Executive Member*



- 35 years of experience - Founder of Deloitte Greece, CEO (1985 - 2011) & Chairman (2012-2015) Joined Trastor in 2017
- Qualifications: BSc Honours, London School of Economics Fellow of ICAEW - FCA
- Corporate Finance Qualification (ICAEW) - CF
- Member of the European Management Board of Deloitte for 5 years

### Tassos Kazinos

*Vice Chairman, Executive Member*



- 23 years professional experience in the UK, USA, India and Greece - Joined Trastor in 2015
- Worked for Argo Capital Management, for Albert Abela Corporation, for Arts Alliance and for Bain & Company
- Qualifications: MBA, Harvard Business School, BSc (Economics), London School of Economics

### Anthony Iannazzo

*Non-Executive Member*



- Managing Director of Värde - Joined Trastor in 2016
- Qualifications: B.A. in Political Science, St. John's University (Minnesota) J.D. from Harvard Law School
- Prior to joining Värde, Tony was an associate at Lazard
- Prior to Lazard, he practiced securities and M&A law at Skadden, Arps, Slate, Meagher & Flom LLP

### Dimitrios Voukas,

*Non-executive Member*



- Director at Piraeus Bank, Group Participations - Joined Trastor in 2015
- Qualifications: B.Sc Econ. Economics at Aristotle University of Thessaloniki M.Sc Econ., University of London
- Member of the Board of Directors in various companies mainly in the Financial industry

### George Tingis

*Non-Executive Member*



- Director at Värde Partners, responsible for Greece and Cyprus - Joined Trastor in 2017
- Qualifications: BSc Land Management, Reading University, MSc Economics & Finance, University of York, MBA, London Business School
- MRICS, Royal Institution of Chartered Surveyors

### Lambros Papadopoulos

*Independent Non-Executive Member*



- 25 years of experience - Joined Trastor in 2017
- Worked for Ernst & Young Citigroup (London)
- Qualifications: B.A.(Hons). Accounting with Computing, University of Kent
- Member of the Institute of Chartered Accountants in England and Wales since 1996

### Jeremy Greenhalgh

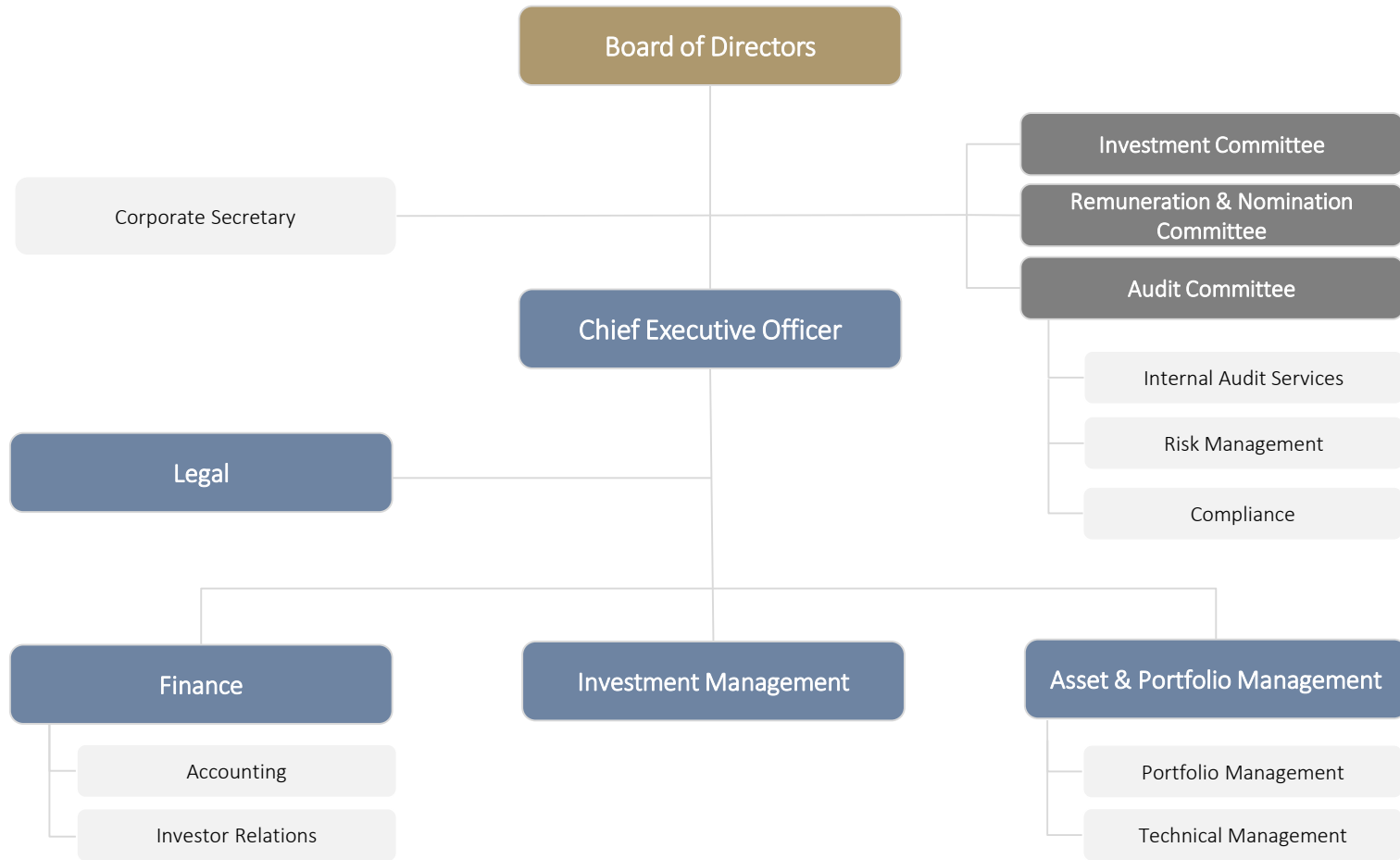
*Independent Non-Executive Member*



- 35 years of experience - Joined Trastor in 2017
- 24 years in corporate finance in London and New York for UBS, Goldman Sachs and Hambros Bank and 20 years as an Independent consultant
- Qualifications: MBA, Harvard Business School, MA Natural Sciences, Cambridge

# Management Team

## Organizational Chart





## Senior Management

- Trastor's management team consists of professionals with investment, asset management, banking, and private equity backgrounds and long-term experience in the Greek real estate market:
  - Deep understanding of local market
  - Active hands-on management
  - Partner network
  - Strong track record
  - International academic and professional background
  
- Trastor's team consist of 13 full time employees

**Tassos Kazinos**  
*Chief Executive Officer*



- 23 years professional experience in the UK, USA, India and Greece - Joined Trastor in 2015
- Worked for Argo Capital Management, served as an Executive Board Member of the Albert Abela Corporation, a private foodservice management company and hotel group with \$ 1.4 billion in sales and worked for Arts Alliance and for Bain
- Qualifications: MBA, Harvard Business School, BSc (Economics), London School of Economics

**George Filopoulos**  
*Investment Manager*



- 14 years experience - Joined Trastor in 2015
- Worked for Piraeus Bank, and Cushman Wakefield
- Qualifications: Executive Certificates, Harvard GSD,
- MSc Real Estate Economics & Finance, London School of Economics,
- BSc Economics, Panteion University

**George Theodoropoulos**  
*Asset & Portfolio Manager*



- 14 years of experience
- Joined Trastor in 2015
- Worked for Piraeus Bank, Marfin Group and Virgin Group (UK)
- Diploma in Property Valuation,
- BSc (Hons) Management & Systems, Cass Business School

**Dimitris Polychronopoulos**  
*Legal Counsel*



- 17 years' experience - Joined Trastor in 2017
- Worked as head of Legal in companies in the telecoms, travel & tourism and real estate sector
- LLM (University of Warwick),
- Law (Dimokrition University),
- Taxation Diploma (AUEB)

Thank You!