

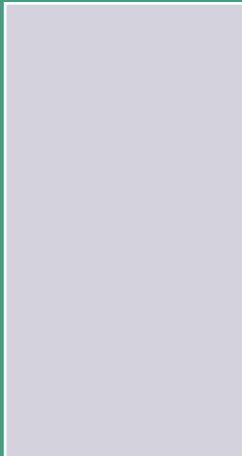
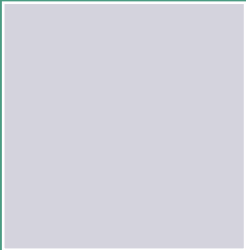
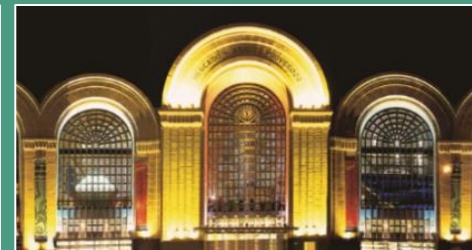


# FY 2020 Conference Call

September 23, 2020

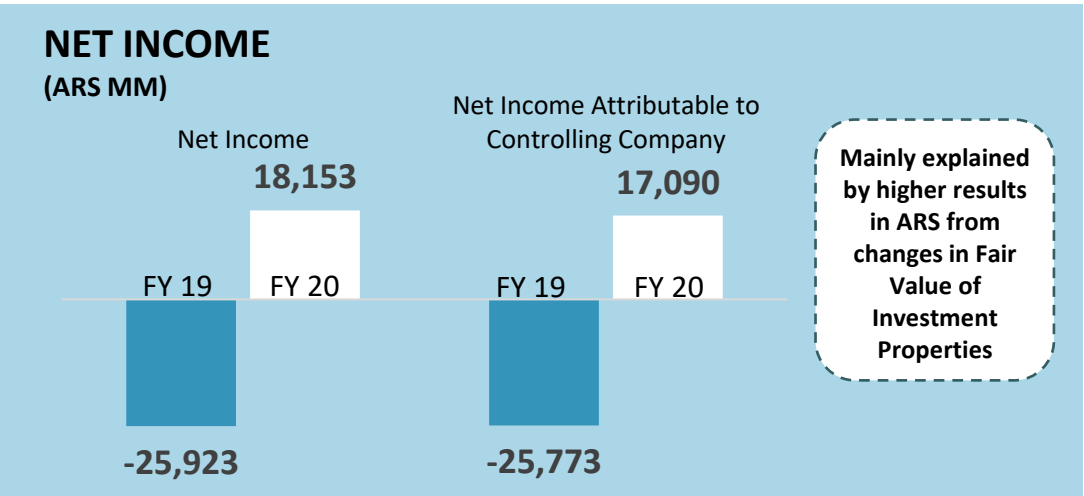
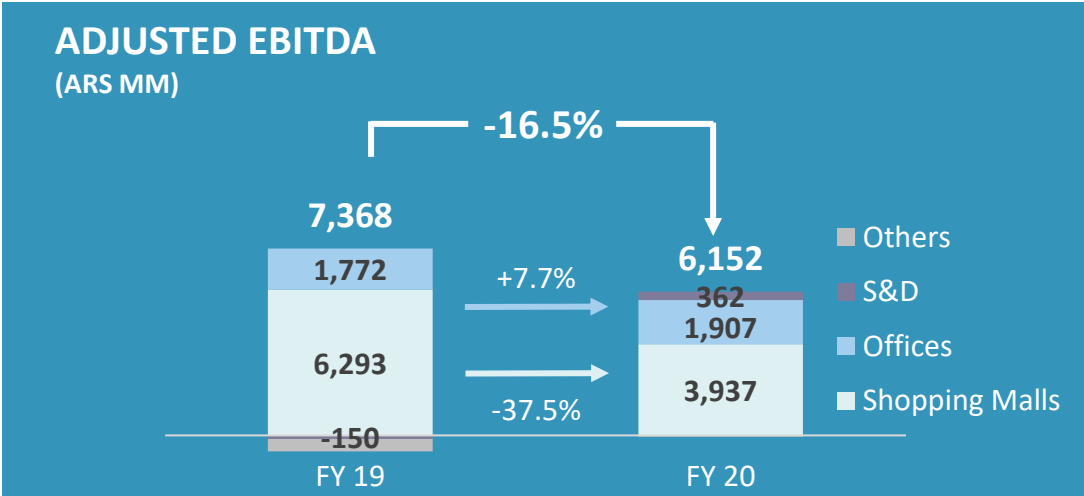
Hosted by:

- Alejandro Elsztain, CEO
- Daniel Elsztain, COO
- Matias Gaivironsky, CFO



# MAIN EVENTS FOR FY 2020

CONSOLIDATED BASIS



**SAME SHOPPING SALES IN REAL TERMS vs. FY 20**

**-25.9%**  
(-92.9% IVQ 20)

**OFFICE PORTFOLIO AVG. RENT (USD/sqm)**

**26.6**  
(in line with previous quarters)

**SHOPPING MALLS OCCUPANCY**

**93.2%**

**OFFICE PORTFOLIO OCCUPANCY**

**93.0%**  
A+ & A

**(86.1% Total)**

**MAIN FY & SUBSEQUENT EVENTS**

- Shopping malls closed since March 2020 due to COVID-19 lockdown.
- Normal operations in the Office segment.
- Office sales for USD 145 MM during IVQ20 & IQ21. Avg. Cap Rate 6.0%.
- Debt cancellation on September 2020 for USD 140 MM.

# COVID-19 IN ARGENTINA

## IMPACT IN OUR BUSINESS



**SHOPPING MALLS**




Operations closed since March 20<sup>th</sup>. The company decided to defer billing and collection of base rent and commercial fund from April to September 30, 2020, supporting tenants and prioritizing long-term relationship. We just charged common expenses.



**OFFICE BUILDINGS**



Normal revenues collection during lockdown period.



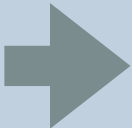
**ENTERTAINMENT & CONVENTION CENTERS**



Operations closed since March 20<sup>th</sup>. Convention Centers, Fairs and Events cancelled or postponed. There is no certainty about the reactivation of the sector.



**EXPENSES**



Cut of nonessential expenses and services.  
Cut of social security taxes and other taxes.



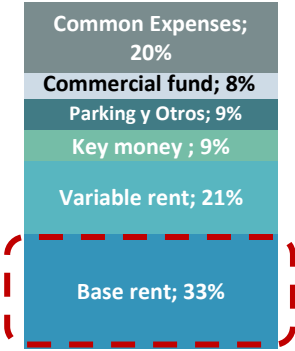
**CAPEX**



Construction works in Catalinas ("200 Della Paolera") and Alto Palermo expansion suspended during lockdown. After the end of the Fiscal Year, construction activity has been reestablished but with some restrictions.



**GUARANTEED BY CONTRACT**

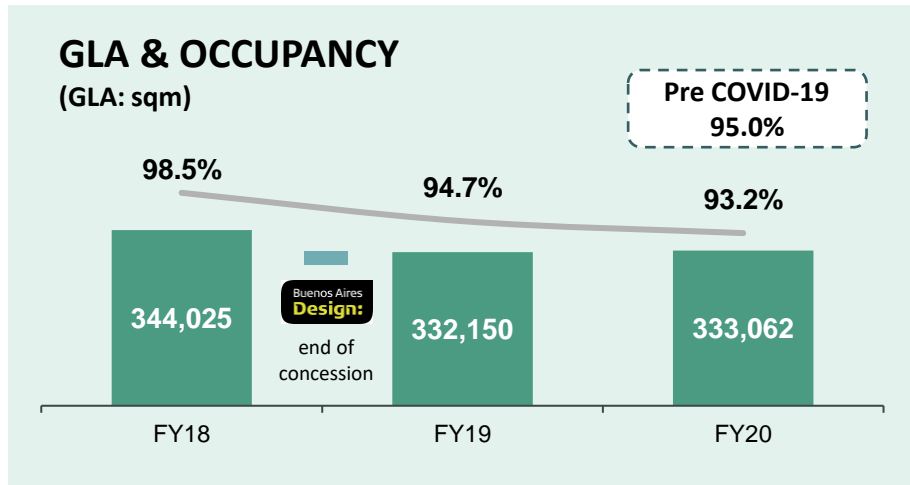


Situation pre Covid-19 (6M FY20)

**Working together with our tenants giving them all our support and help in this unprecedented situation**

# SHOPPING MALLS

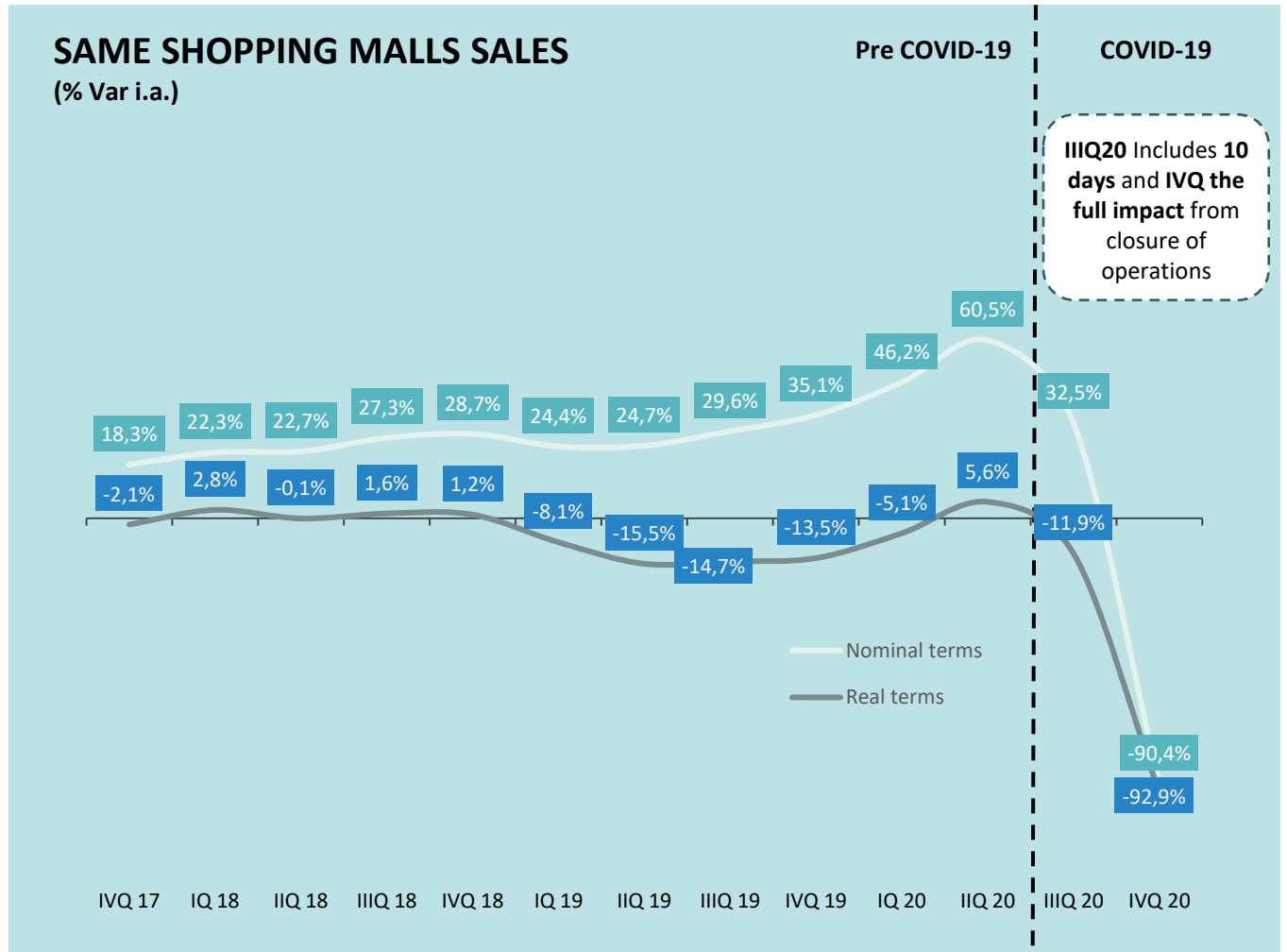
## OPERATING FIGURES



### SHOPPING MALLS – DELINQUENCY

(ARS MILLION)

	9M 20	IVQ 20	FY 20	FY 19	Δ
Delinquency	118	187	305	109	180%
Revenues	5,632	303	5,935	8,541	-30.5%
<b>Delinquency/Revenues</b>	<b>2.1%</b>	<b>61.7%</b>	<b>5.1%</b>	<b>1.3%</b>	<b>+3.8bps</b>

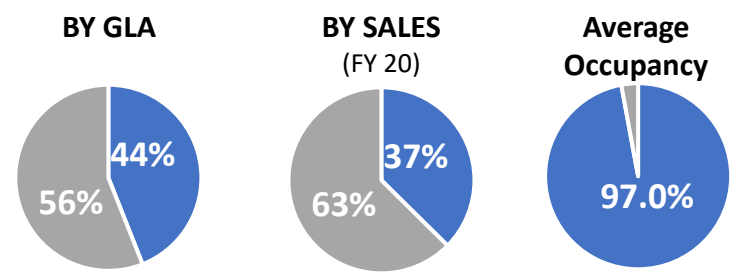


# COVID-19 MALLS' REOPENING

ACCORDING TO IRSA COMMERCIAL PROPERTIES' PROTOCOL



### % OF TOTAL PORTFOLIO\*



\*Includes Alto Rosario recently closed on 9/5 for two weeks and Alto Noa closed on 9/9 for one week (~16% of GLA)

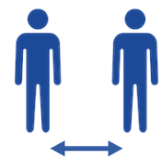
### REOPENING PROTOCOL



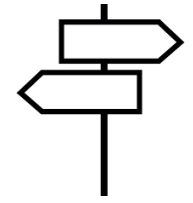
**STRICT SAFETY AND HYGIENE MEASURES**



**REDUCED HOURS AND TRAFFIC**



**SOCIAL DISTANCE**



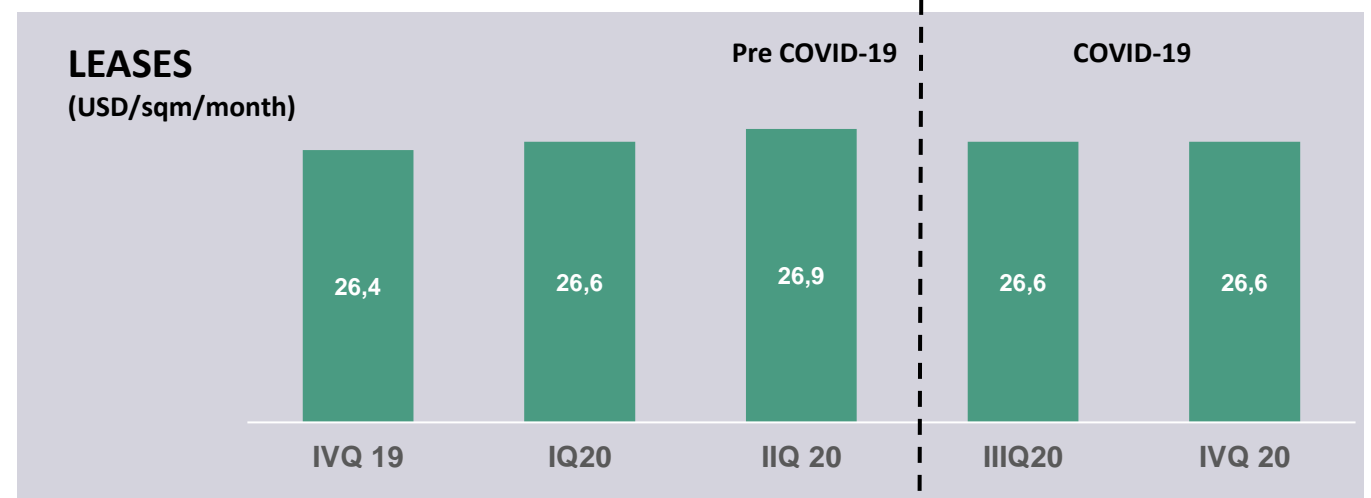
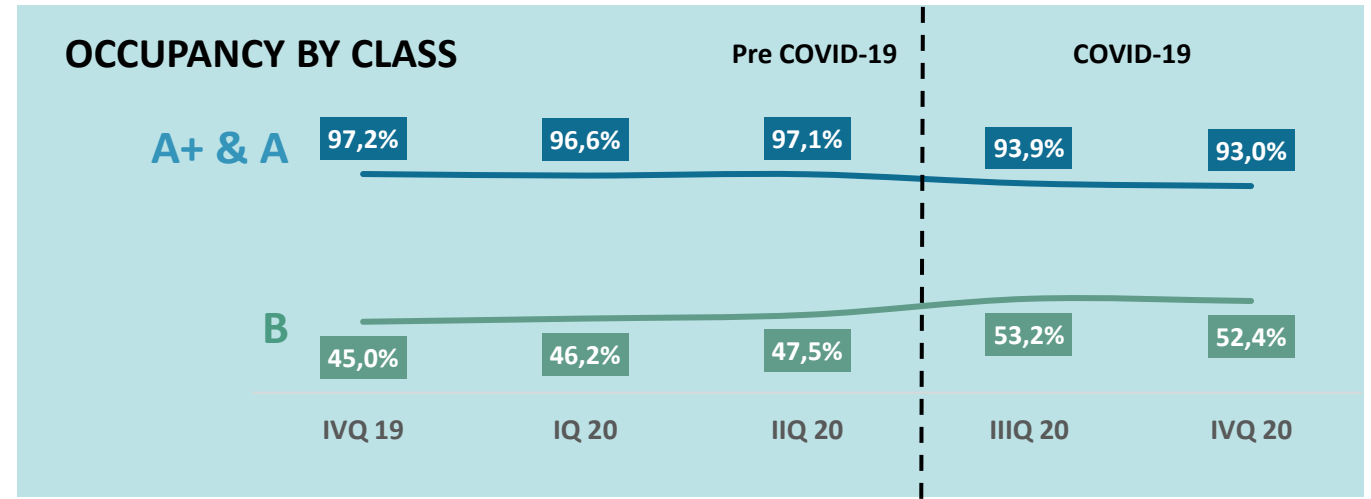
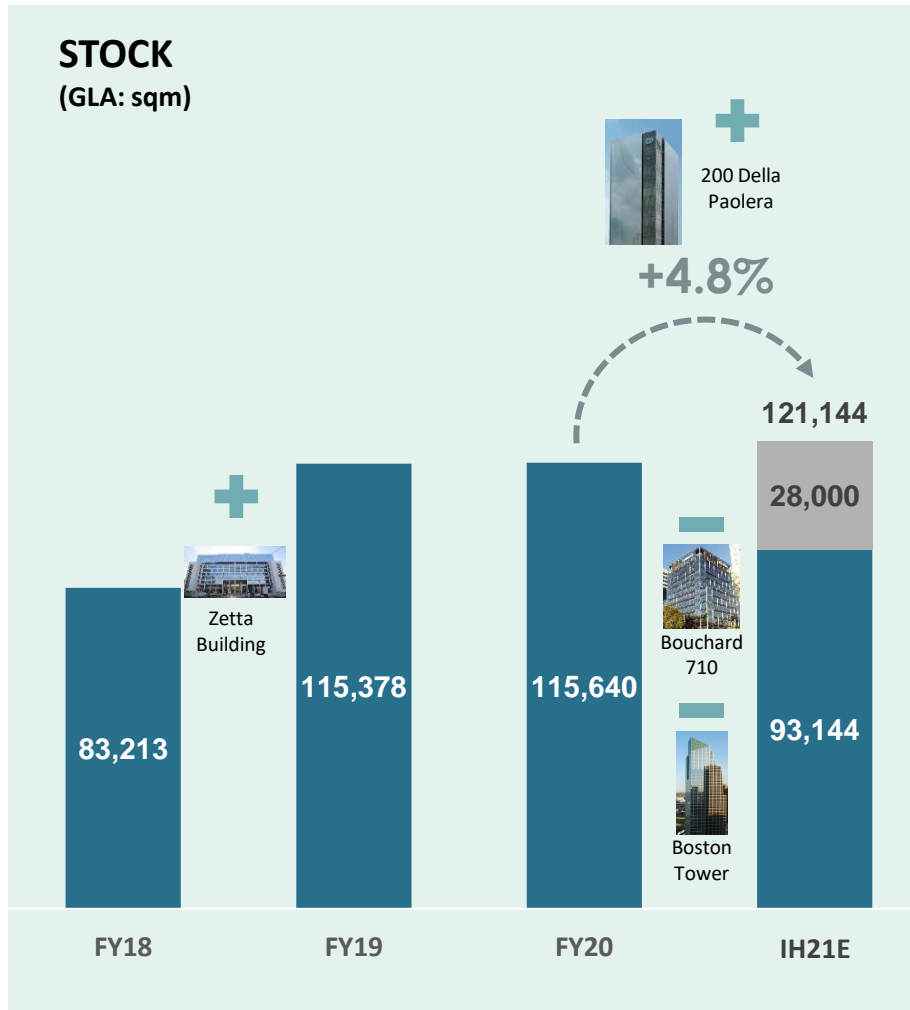
**COMMUNICATION, TRAINING AND INCENTIVES**





# OFFICE BUILDINGS

## OPERATING FIGURES



July 2020

# BOUCHARD 710

Entire building – 12 floors



**15,014**  
GLA sqm

**5,800**  
USD/sqm

**USD 87.2 mm**  
Price

**16%**  
USD IRR

# FY 2020 AND SUBSEQUENT SALES OFFICE BUILDINGS

## PARTIAL SALES



June 2020

**200 DELLA PAOLERA**

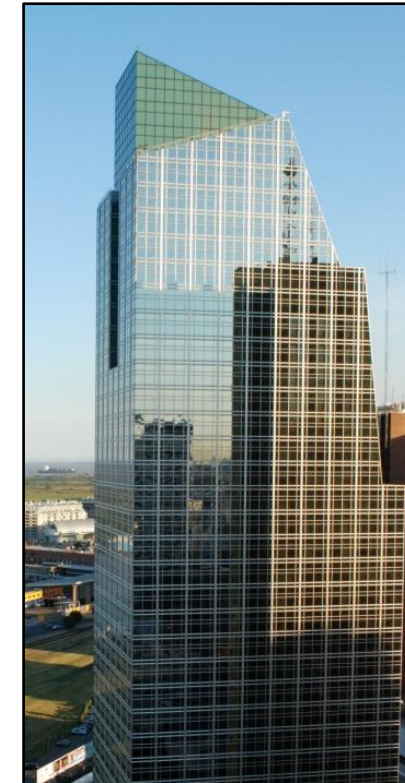
**2 floors**

**2,430**  
GLA sqm

**USD 16.9 mm**  
Price

**6,940**  
USD/sqm

**~28,000**  
Remaining GLA sqm



July and August 2020

**BOSTON TOWER**

**6 floors**

**7,482**  
GLA sqm

**USD 41.4 mm**  
Price

**5,500**  
USD/sqm

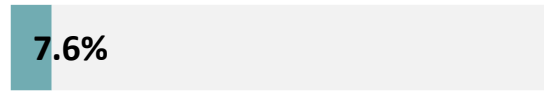
**~7,380**  
Remaining GLA sqm

**AVERAGE CAP RATE 6.0%**

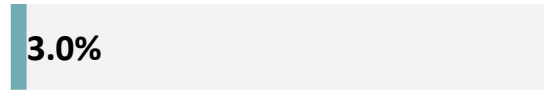
# OFFICE BUILDINGS

## HOME OFFICE IN ARGENTINA BEFORE COVID-19

Total Teleworkers



Private companies working with home office

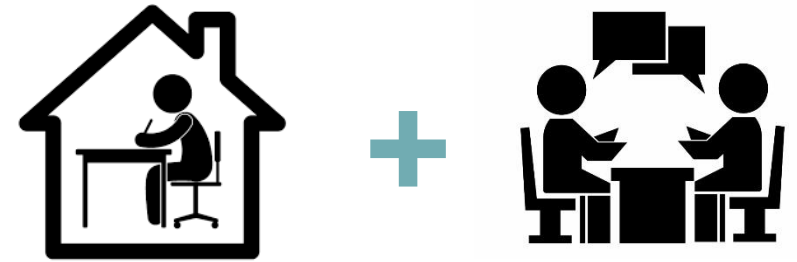


Source: Survey conducted by the National Ministry of Labor

## HOME OFFICE NEW MODALITY DURING LOCKDOWN



## MIXED MODALITY AFTER LOCKDOWN

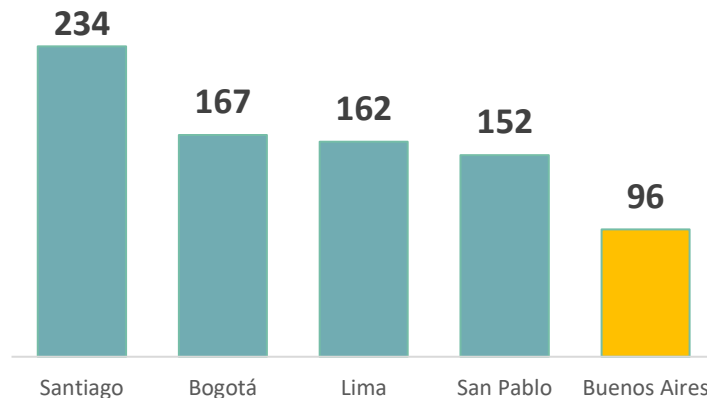


## A+&A BA CITY MARKET BEHAVIOUR

	IVQ 19	IVQ 20
Vacancy	7.6%	9.9%
Average rent (USD/sqm/month)	27.6	26.3

## A+ & A BA MARKET LOW PENETRATION

Stock (sqm) / 1,000 inhabitants



Source: Cushman & Wakefield 2018

## NEW DISTANCING SHORT TERM REQUIREMENTS







# 200 DELLA PAOLERA

## PROJECTS UNDER DEVELOPMENT



## ALTO PALERMO EXPANSION

**3,900**  
GLA sqm

**64%**  
Works Progress

**FY21**  
Est. Opening date

**USD 28.5mm**  
Est. Investment

**~USD 6.2mm**  
CAPEX deployment pending

## 200 DELLA PAOLERA

**35,000**  
Total GLA

**95%**  
Works Progress

**61%**  
Commercialization Progress

**28,000**  
IRCP GLA

**IH21**  
Est. Opening date

**~USD 5.8mm**  
CAPEX deployment pending

**~USD 90mm**  
Est. Investment

**~USD 10mm**  
Est. Stabilized Revenues

Construction works suspended during COVID-19 lockdown. After the end of the Fiscal Year, construction activity has been reestablished but working with protocol restrictions. Both openings are delayed.



# ABASTO AIR SPACE

## TOWER 1

(BA City - October 2019)



# RESIDENTIAL BARTER AGREEMENTS



# INVESTMENT

## CABALLITO

### PLOT 1

(BA City - December 2019)



- **December 2019:** IRCP exchanged its Convertible Notes and subscribed Preferred Shares giving in exchange 100% of the shares of La Maltería S.A. owner of Maltería Hudson property.

- **Tower 1: 8,400 buildable sqm**
- **Total Project: 16,800 buildable sqm**
- Floors: **22** (1 to 3 rooms apartments)
- Payment: **USD 4.5 million**
- USD 1 million in cash
- The balance in, at least, 35 apartment units (24.2% of IRCP owned square meters)



- **Plot 1: 11,400 buildable sqm**
- **Total Project: ~80,000 sqm**
- Residential Floors: **10**
- Ground floor: **commercial uses**
- Payment: **USD 5.5 million**
- In, at least, 31 apartment units (25.53% of IRCP owned square meters)



- **February 2020:** IRCP converted its Preferred Shares into Ordinary. Because of the exchange IRCP owns 30.2% of TGLT share capital.

# TECHNOLOGICAL TRANSFORMATION

PROGRESS DURING FY2020

## APPA!

**100% digital loyalty plan**  
During FY20 reached  
**840k users** and  
**500k transactions.**



## CLOVER

**Technological replacement of contactless payment terminals.**  
We are in the process but we have more than **100 updated stores** to date.



## MOL Marketplace

**Working** to launch an exclusive  
**Marketplace for IRSA CP**



## CONTACT CENTER

Work team provided with digital tolos focused on the unification of **contact channels** and reduction of HR costs.



## WIZI

**New exclusive payment method** for shopping malls. Launch is expected for October 2020.



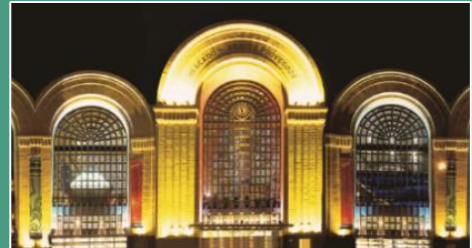
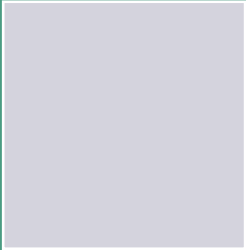
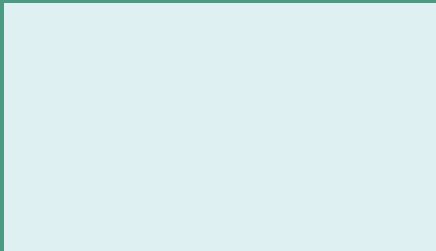
## FOOD HALL

**Web App** that allows the user to access the entire **gastronomic offers** in the shopping malls





# Financial Results





# CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 - ARS MILLION

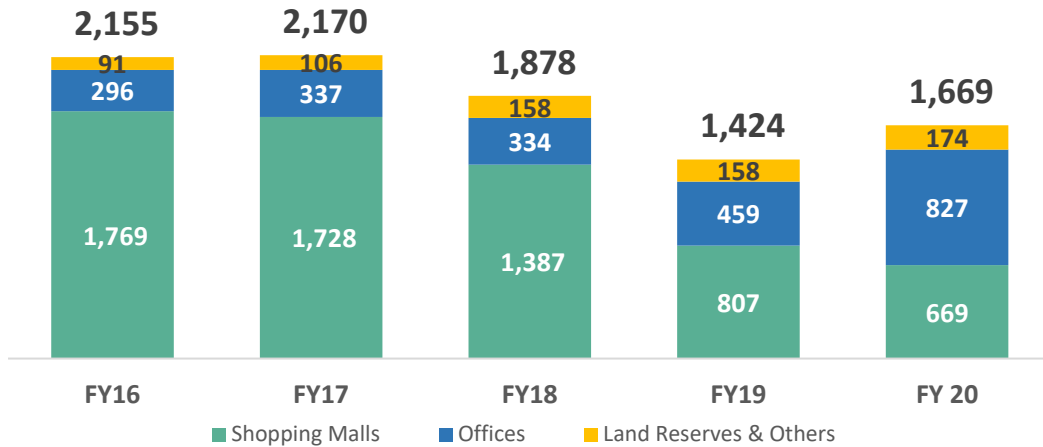
P&L		IVQ 2020	IVQ 2019	Var %	FY 2020	FY 2019	Var %
1	Revenues	1,314	3,436	-61.8%	11,672	14,536	-19.7%
2	Costs	-704	-1,221	-42.3%	-4,101	-4,885	-16.1%
<b>3</b>	<b>Gross Profit</b>	<b>610</b>	<b>2,216</b>	<b>-72.5%</b>	<b>7,572</b>	<b>9,651</b>	<b>-21.5%</b>
4	Change in Fair Value	24,733	-25,922	-195.4%	25,126	-36,964	-168.0%
5	S,G&A Expenses	-541	-418	29.7%	-2,048	-1,976	3.7%
<b>6</b>	<b>Operating (Loss)/Income</b>	<b>24,796</b>	<b>-24,203</b>	<b>-202.4%</b>	<b>30,678</b>	<b>-29,790</b>	<b>-203.0%</b>
7	Net Financial Results	541	2,127	-125.4%	-7,329	-1,693	332.9%
8	Income Tax	-4,273	3,973	-207.5%	-5,374	6,138	-187.6%
9	<i>Current Tax</i>	-	-62	-100.0%	-24	-131	-81.7%
10	<i>Deferred Tax</i>	-4,273	4,429	-196.4%	-5,348	6,664	-180.2%
11	<i>Special Tax</i>	-	-395	1,235.9%	-	-395	-
<b>12</b>	<b>Result for the period</b>	<b>19,914</b>	<b>-18,933</b>	<b>-</b>	<b>18,153</b>	<b>-25,923</b>	<b>-</b>
<b>Attributable to:</b>							
<b>13</b>	<b>Controlling Interest</b>	<b>18,947</b>	<b>-18,568</b>	<b>-</b>	<b>17,090</b>	<b>-25,733</b>	<b>-</b>
<b>14</b>	<b>Non-controlling Interest</b>	<b>968</b>	<b>-365</b>	<b>-</b>	<b>1,064</b>	<b>-151</b>	<b>-</b>
<b>2+5</b>	<b>Total Costs + Expenses</b>	<b>-1,246</b>	<b>-1,639</b>	<b>-23.9%</b>	<b>-6,150</b>	<b>-6,861</b>	<b>-10.4%</b>

# IRCP – ASSETS VALUATION

FAIR VALUE ACCORDING TO FINANCIAL STATEMENTS AT THE END OF EACH PERIOD

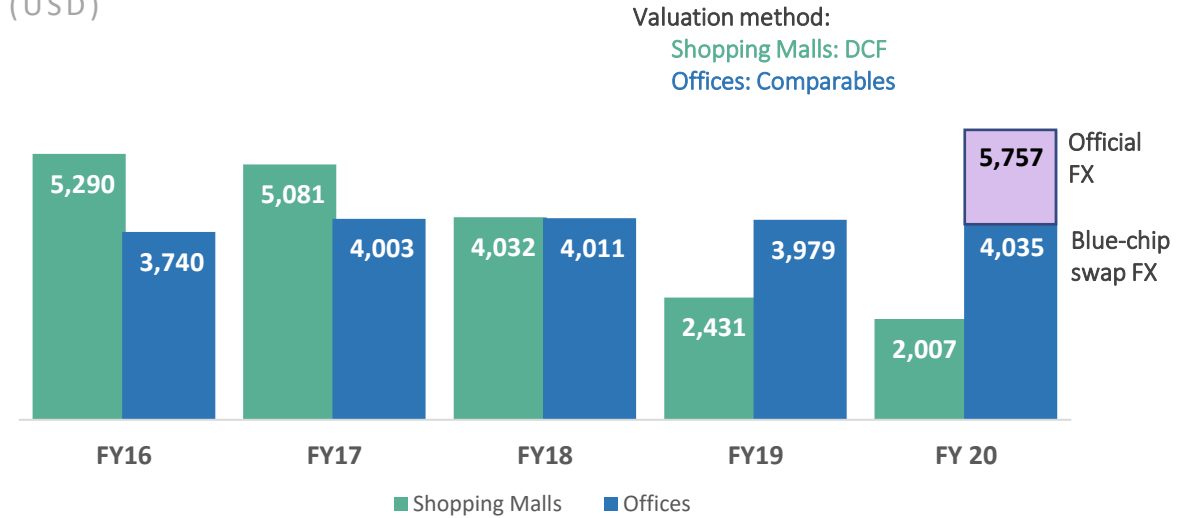
## EVOLUTION BY TYPE OF ASSET

(USD MILLION – OFFICIAL FX)



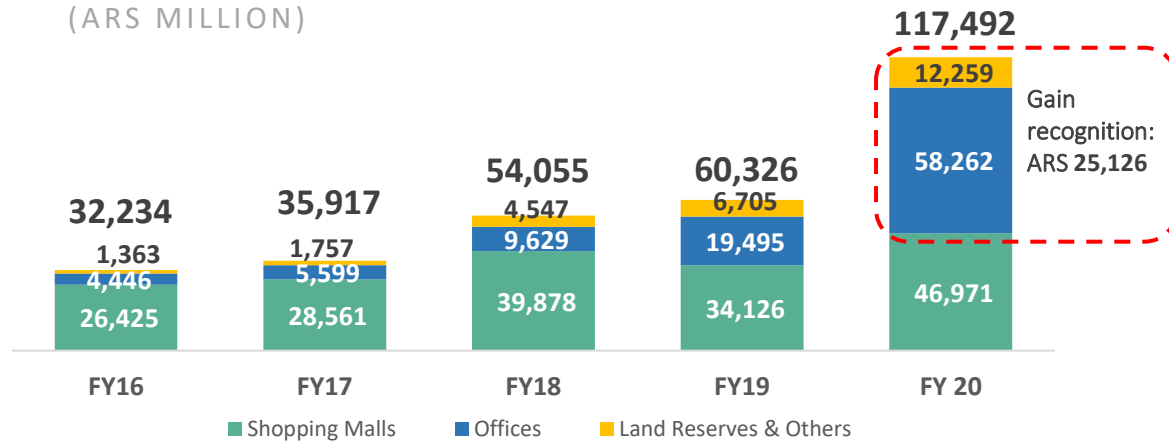
## EVOLUTION BY SQM

(USD)

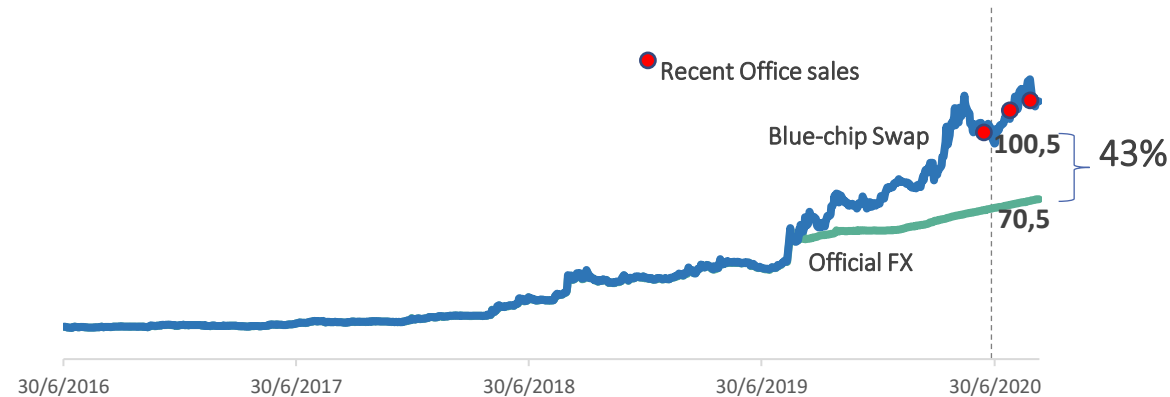


## EVOLUTION BY TYPE OF ASSET

(ARS MILLION)



## FX GAP BETWEEN OFFICIAL AND BLUE-CHIP SWAP



# FINANCIAL OVERVIEW BY SEGMENT

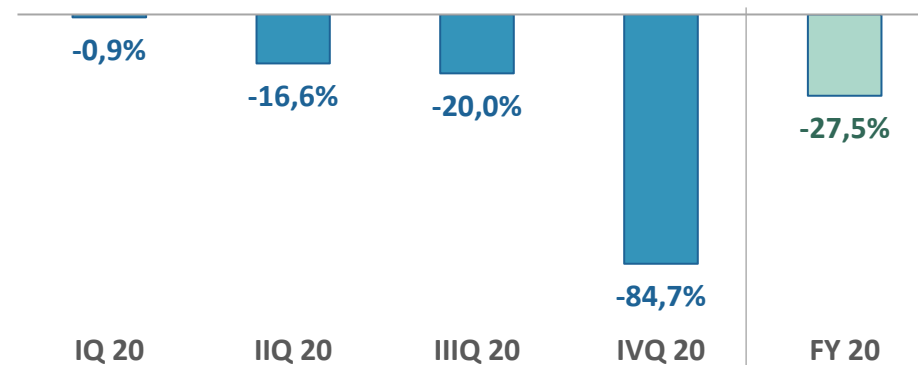
JUNE 30, 2020 - ARS MILLION

Shopping Malls		IVQ 2020	IVQ 2019	Var %	FY 2020	FY 2019	Var %
1	Revenues	303	1,891	-84.0%	5,935	8,541	-30.5%
2	Adjusted EBITDA	-206	1,326	-	3,937	6,293	-37.4%
3	EBITDA Margin %	-67.9%	70.2%	-	66.3%	73.7%	-7.4bps
4	Net Operating Income (NOI)	-41	1,593	-	4,805	7,348	-34.6%

Offices		IVQ 2020	IVQ 2019	Var %	FY 2020	FY 2019	Var %
5	Revenues	526	609	-13.6%	2,315	2,158	7.3%
6	Adjusted EBITDA	486	501	-3.1%	1,907	1,772	7.7%
7	EBITDA Margin %	92.3%	82.3%	-10.0bps	82.4%	82.1%	0.3bps
8	Net Operating Income (NOI)	490	554	-11.5%	2,143	1,989	7.8%

RENTAL SEGMENTS ADJUSTED EBITDA – FY20 BY QUARTER (real i.a. Δ)



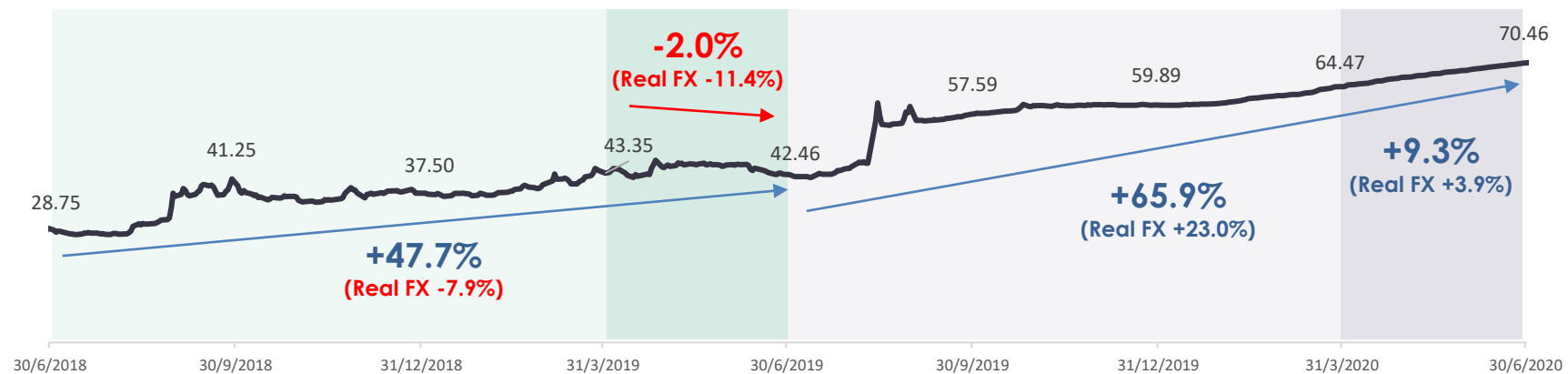
# CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 - ARS MILLION

Net Financial Results		IVQ 2020	IVQ 2019	Var %	FY 2020	FY 2019	Var %
1	Net Interest, loss	-508	-493	3.0%	-2,502	-2,907	-13.9%
2	Foreign Exchange differences, net	-978	3,208	-130.5%	-4,670	84	-5,641.0%
3	Fair value gains of financial assets and derivative Financial Instruments	1,072	-388	-	40	1,598	-97.5%
4	Inflation Adjustment	-77	-222	-65.3%	25	-301	-
5	Other Net Financial Costs	-49	23	-314.8%	-222	-167	33.0%
6	Net Financial Results	-541	2,127	-125.4%	-7,329	-1,693	332.9%

Nominal Official Exchange Rate evolution (ARS/USD)

FY 20 vs FY 19





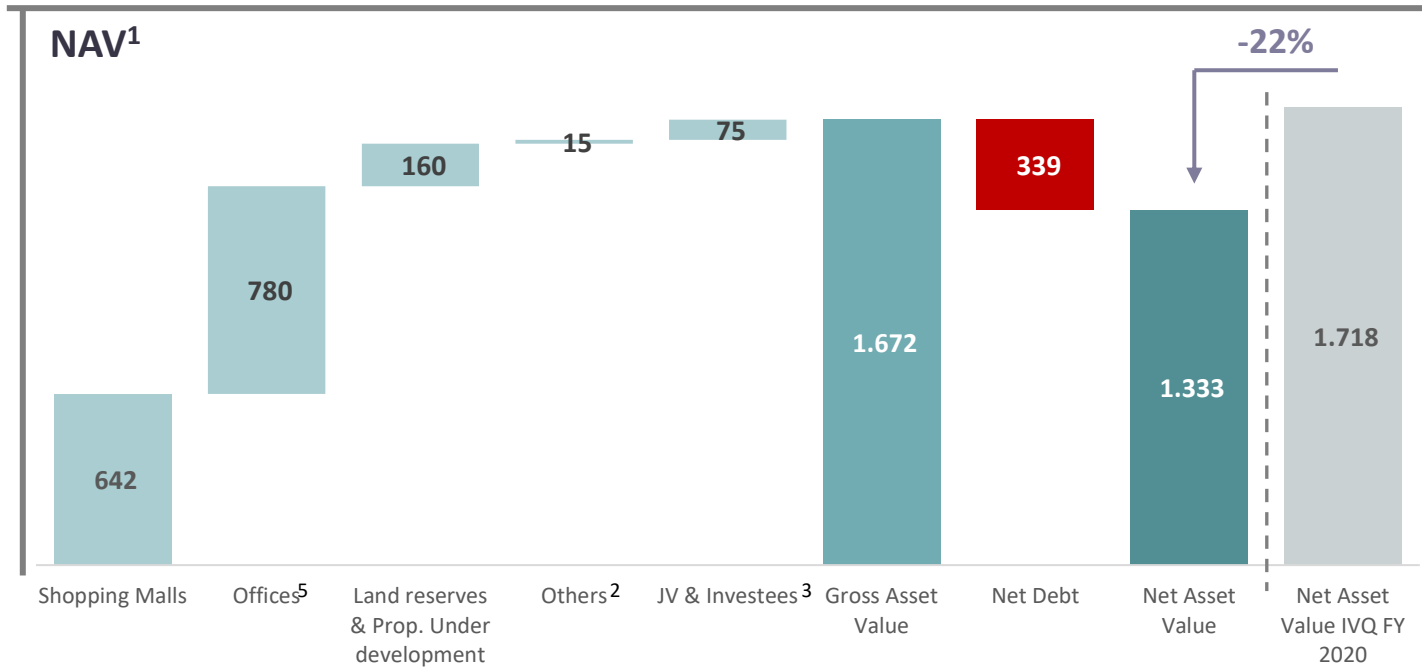
# FINANCIAL METRICS

JUNE 30, 2020 - USD MILLION

**90.4** Adjusted EBITDA  
FY20<sup>4</sup>

**107.9** Net Operating Income  
FY20<sup>4</sup>

**52.5** Adjusted FFO  
FY20<sup>4</sup>



VALUATION RATIOS	June 2020
CAP RATE (NOI/EV)	18%
EV/EBITDA	6.5x
P/FFO	3.8x
P/NAV	0.2x

1- Assets and liabilities adjusted by IRCP ownership

2- Includes trading properties and barbers registered under intangible assets. These two items are recorded at historical cost in the financial statements

3- Includes Quality and Nuevo Puerto Santa Fe as JV and La Rural, Convention Center & TGLT as Investees.

4- FY as of June 30, 2020 Adjusted Avg. FX: \$68.07

5- Includes 200 Della Paolera

# DEBT PROFILE

JUNE 30, 2020 - USD MILLION

**344.6** Consolidated Net Debt<sup>2</sup>

**128.6** Subsequent Office Sales

**3.8x** Net Debt/EBITDA

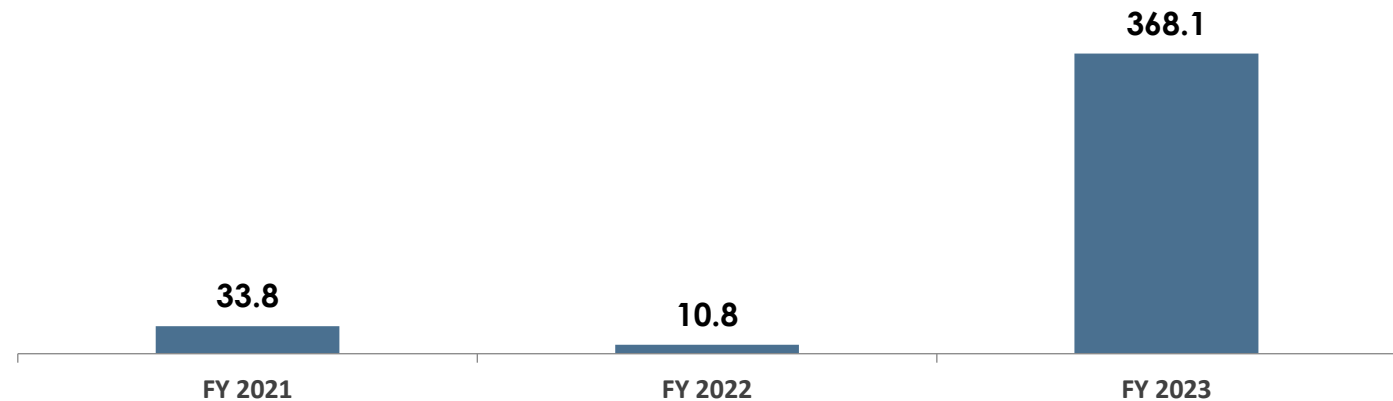
Description	Amount	Maturity
Short-term debt	23.0	<360 days
2020 Series IV (local)	140.0	Sep 2020
PAMSA loan	29.7	Feb 2023
2023 Series II (international)	360.0	Mar 2023
<b>GROSS DEBT</b>	<b>552.7</b>	
Cash & Equivalents <sup>1</sup>	154.7	
Intercompany Credit	53.4	
<b>NET DEBT<sup>2</sup></b>	<b>344.6</b>	

**140.0** Series IV Cancellation

**20.6%** Loan to Value<sup>3</sup>

## AMORTIZATION SCHEDULE

AFTER SERIES IV CANCELLATION



- Cash & Cash Equivalents + Investments in Financial Currents Assets + Intercompany Notes Holdings
- Gross Financial Debt less cash & equivalents, short-term financial current investments & Intercompany Credit with parent IRSA
- Net Financial Debt over Gross Assets Value



## Contact Information

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BYMA Symbol: IRCP

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### Cautionary Statement

Investing in all equities, including natural resources and real estate-related equities, carries risks which should be taken into consideration when making an investment.

This institutional presentation contains statements that constitute forward-looking statements, in that they include statements regarding the intent, belief or current expectations of our directors and officers with respect to our future operating performance. You should be aware that any such forward looking statements are no guarantees of future performance and may involve risks and uncertainties, and that actual results may differ materially and adversely from those set forth in this presentation. We undertake no obligation to release publicly any revisions to such forward-looking statements to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements can be found in the companies' Forms 20-F for Fiscal Year 2019 ended June 30, 2019, which are available for you in our web sites.