

# IIQ FY 2020 Conference Call

February 11, 2020



COMMERCIAL  
PROPERTIES

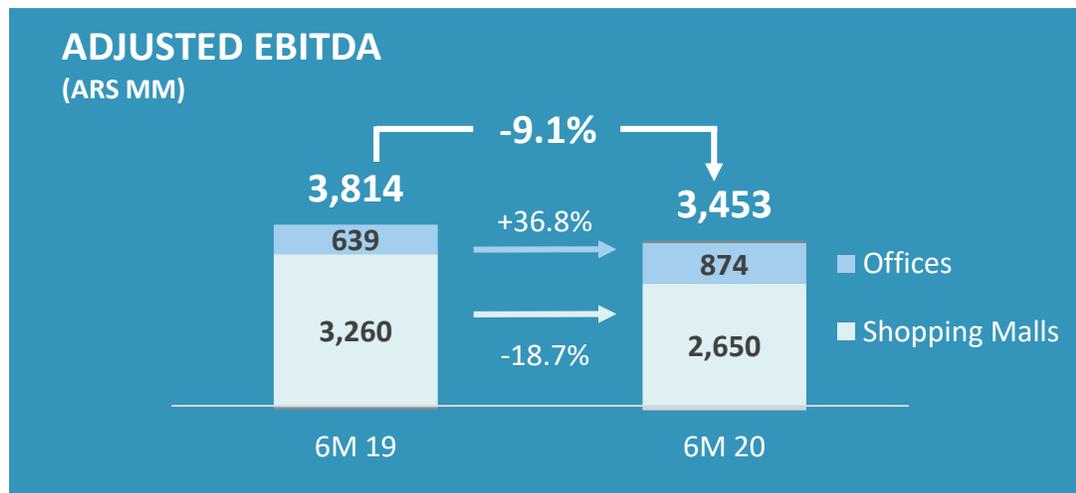


Hosted by:

Alejandro Elsztain, CEO  
Daniel Elsztain, COO  
Matías Gaivironsky, CFO

# MAIN EVENTS FOR IIQ FY2020

CONSOLIDATED BASIS



#### SAME SHOPPING SALES IN REAL TERMS vs. IIQ19

**+5.6%**  
(+60.5% in nominal terms)

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

**26.9**  
(in line with previous quarter)

#### SHOPPING MALLS OCCUPANCY

**95.0%**

#### OFFICE PORTFOLIO OCCUPANCY

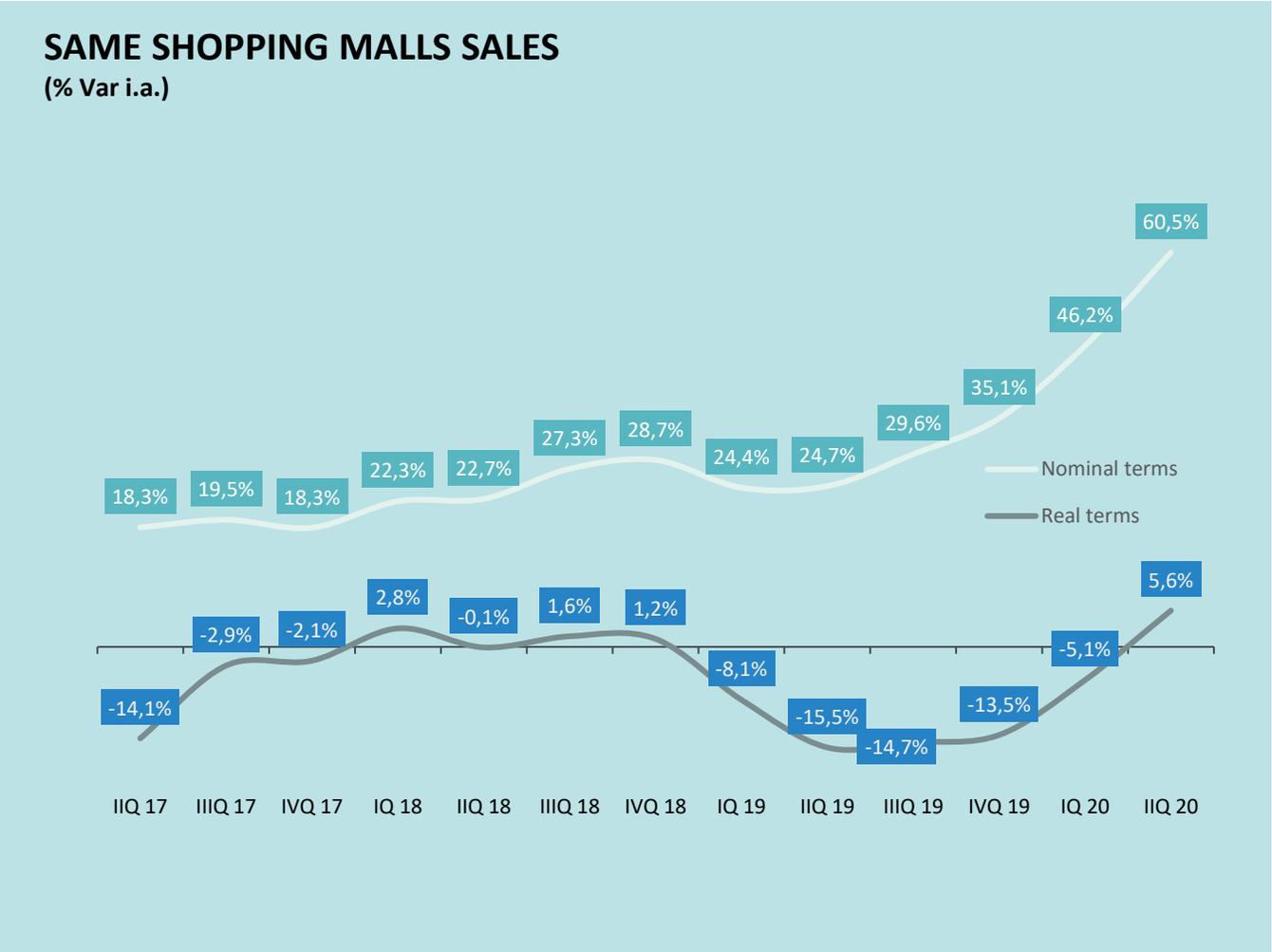
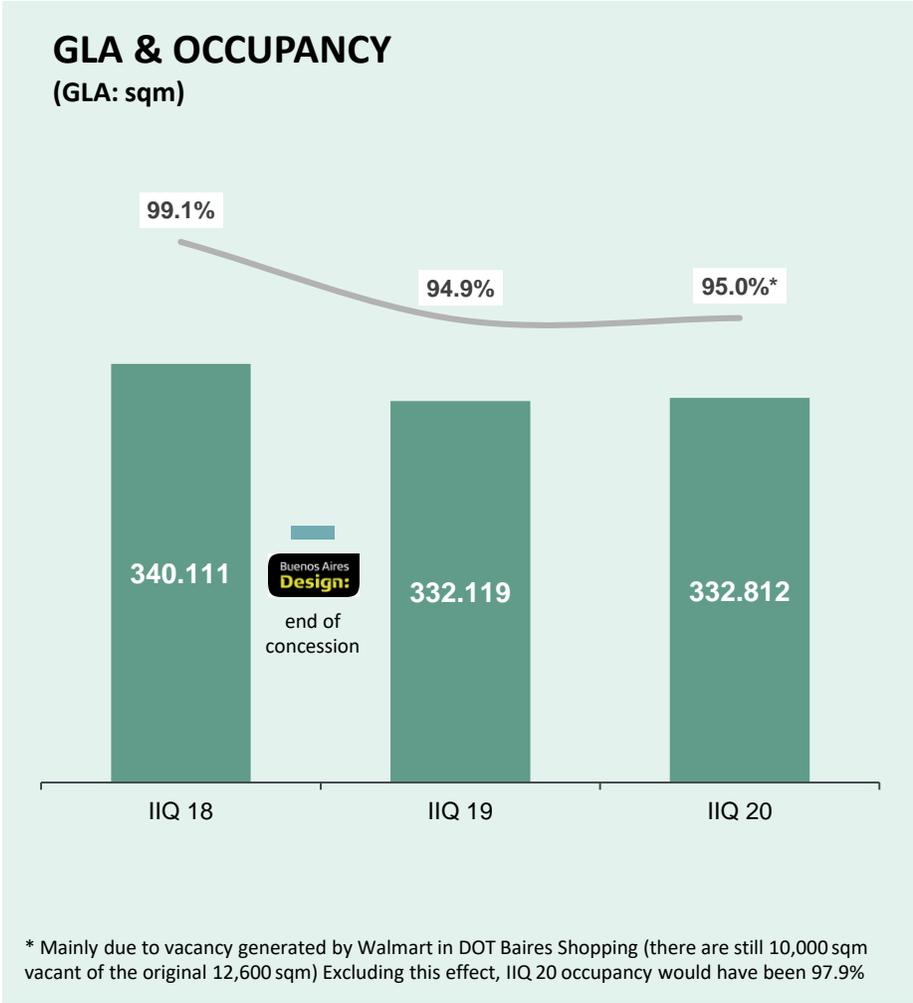
**97.1%**  
A+ & A  
(88.7% Total)

#### DIVIDEND DISTRIBUTION

On November 13, 2019, the Company distributed a **cash dividend** for a total amount of **ARS 595 million** (ARS/share 4.7217 and ARS/ADR 18.8868)  
Dividend yield: 2.6%

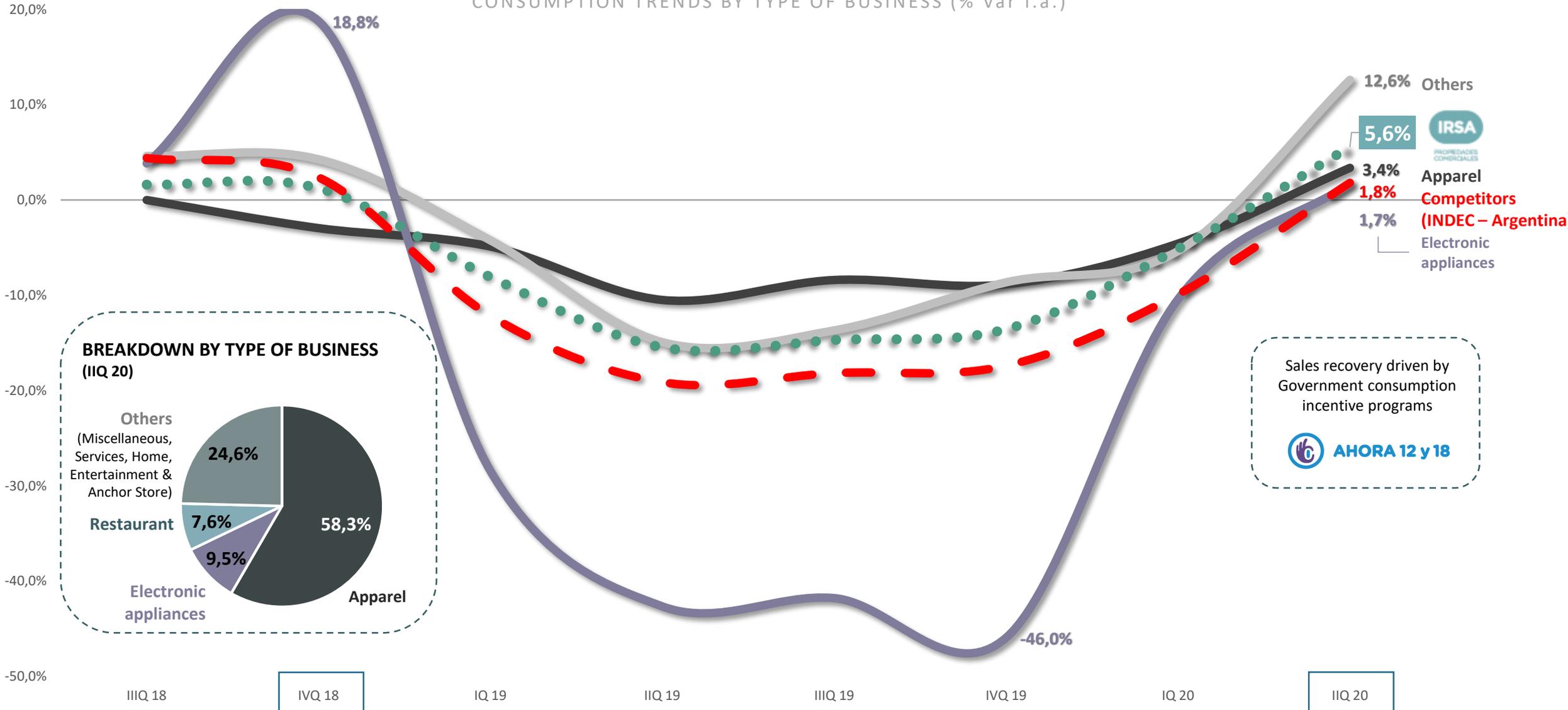
# SHOPPING MALLS

## OPERATING FIGURES



# SAME SHOPPING MALLS' SALES – QUARTERLY REAL TERM GROWTH

CONSUMPTION TRENDS BY TYPE OF BUSINESS (% Var i.a.)



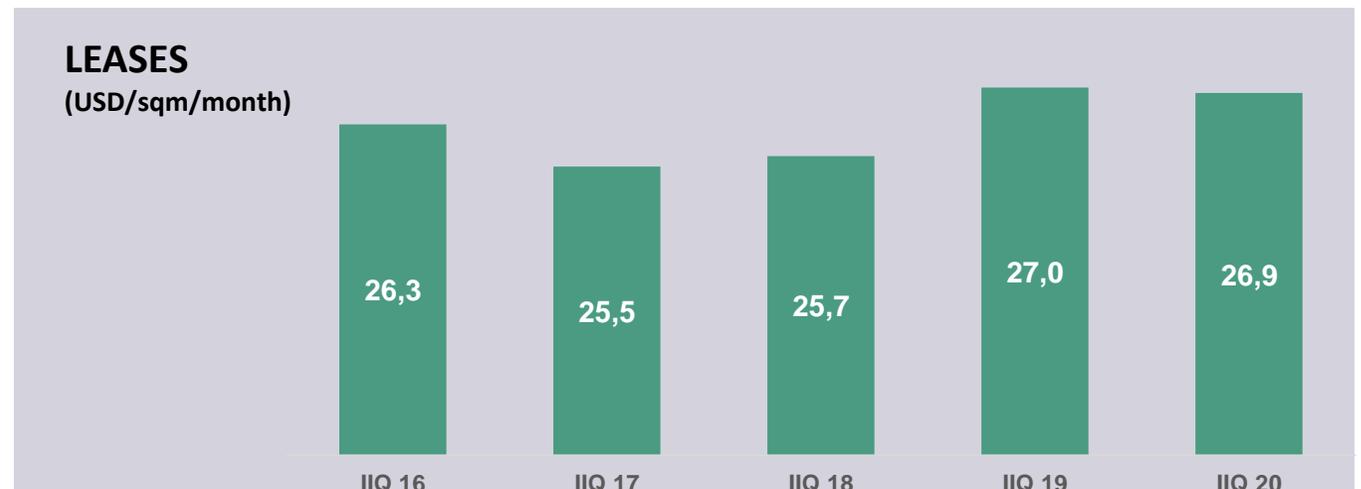
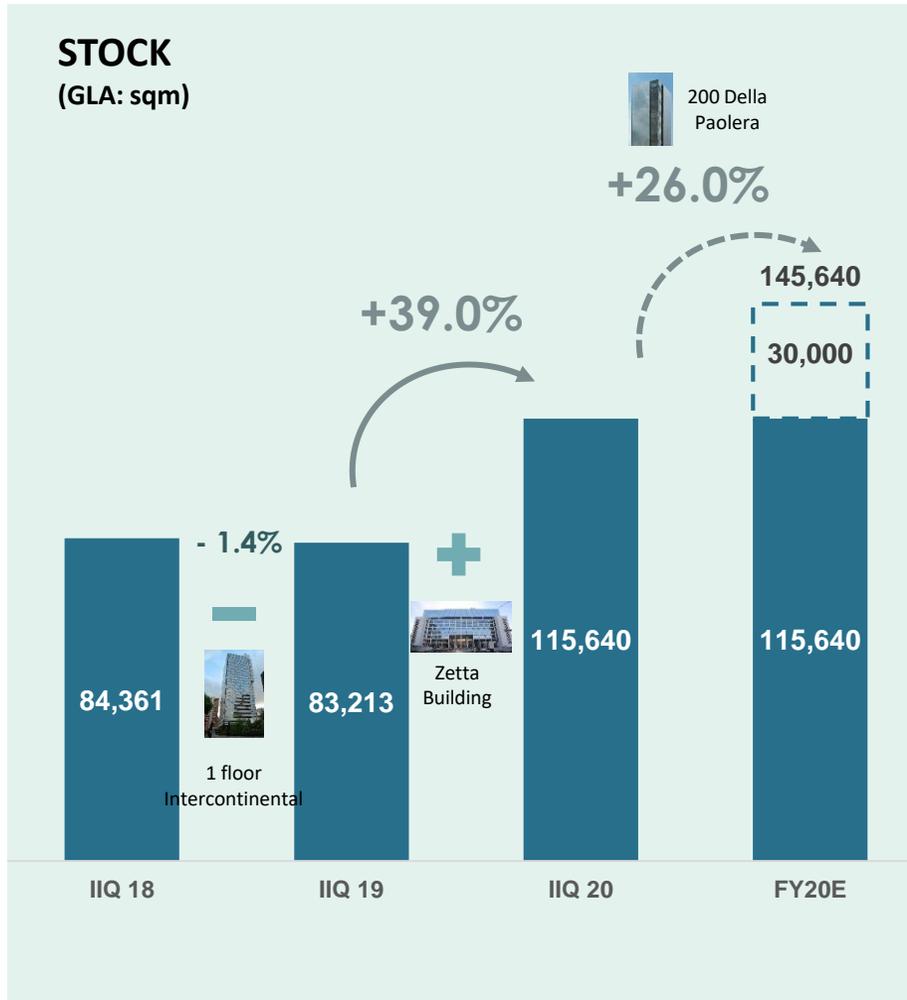
Sales recovery driven by Government consumption incentive programs



FIRST REAL RECOVERY SINCE JUNE 2018

# OFFICE BUILDINGS

## OPERATING FIGURES



# PROJECTS UNDER DEVELOPMENT

## 200 DELLA PAOLERA

## 200 DELLA PAOLERA

**35,000**  
GLA sqm

**87%**  
IRCP stake

**86%**  
Works Progress

**IVQ FY20**  
Est. Opening date

**USD 90mm**  
Est. Investment

**USD 10-12mm**  
Est. Stabilized EBITDA

**38%**  
Commercialization Progress

Units delivered to  
**Globant**

January 2020

## ALTO PALERMO EXPANSION

**3,900**  
GLA sqm

**51%**  
Works Progress

**FY21**  
Est. Opening date

**USD 28.5mm**  
Est. Investment



**DOT BAIRE  
SHOPPING**

## EX WALMART SURFACE RECONDITIONING

~13,000 sqm  
Surface intervention

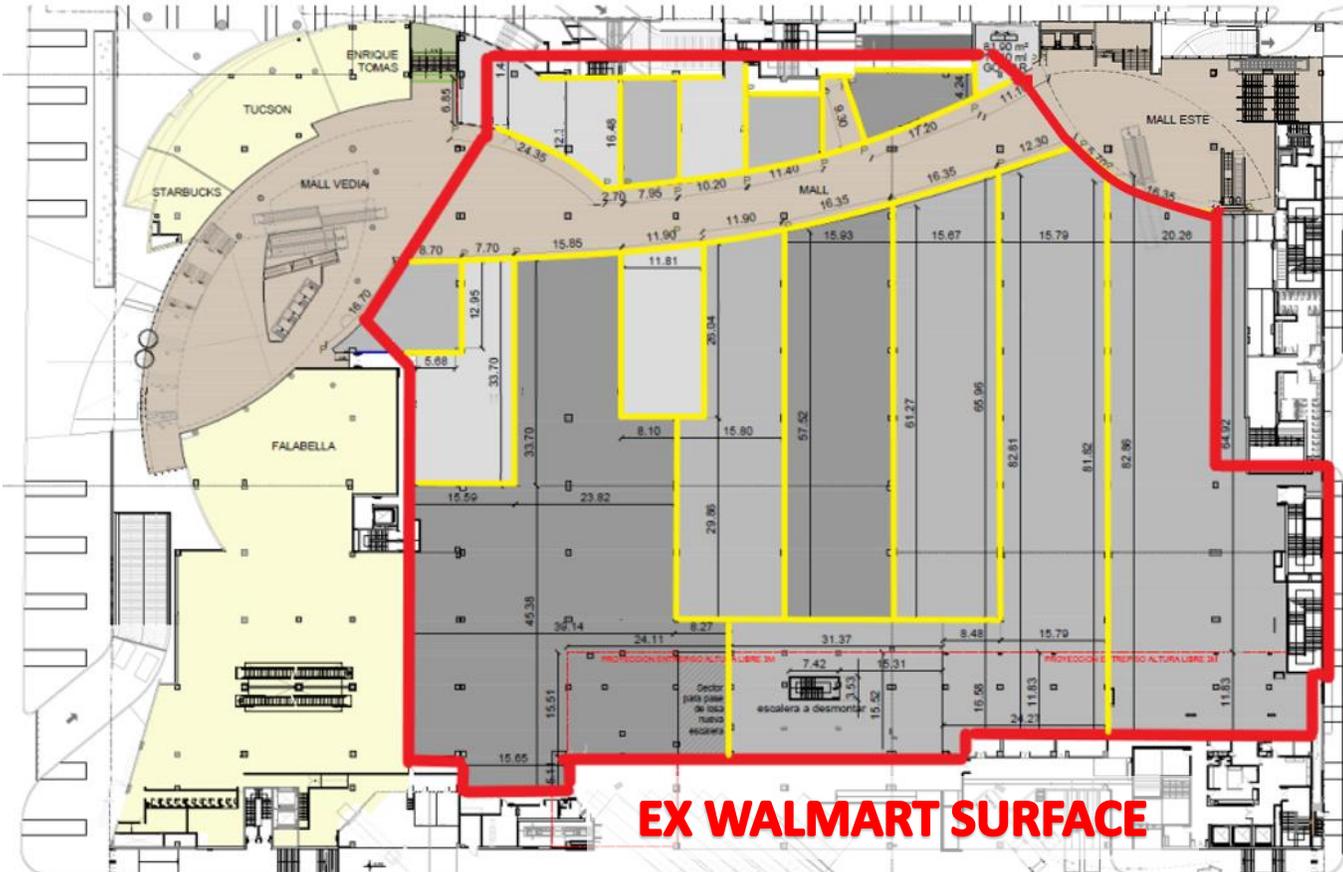
USD 2.5 MM  
Est. Investment

USD 0.3 MM  
Est. EBITDA

10%  
Works Progress

~25%  
Commercialization Progress

July 2020  
Est. Opening date



**EX WALMART SURFACE**



## ROOFTOP OPENING DECEMBER 2019

1,600 sqm  
Intervened surface

USD 0.34 MM  
Investment

20-30%  
Of Food Hall Sales

# ABASTO AIR SPACE

## TOWER 1

(BA City - October 2019)



# RESIDENTIAL BARTER AGREEMENTS



- **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)

# CABALLITO

## PLOT 1

(BA City - December 2019)



- **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)



COMMERCIAL  
PROPERTIES

# Financial Results

# CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2019 - ARS MILLION

| P&L       |                                | IIQ 2020      | IIQ 2019       | Var %         | 6M 2020      | 6M 2019       | Var %         |
|-----------|--------------------------------|---------------|----------------|---------------|--------------|---------------|---------------|
| 1         | Revenues                       | 3,524         | 3,569          | -1.3%         | 6,547        | 6,817         | -4.0%         |
| 2         | Costs                          | -1,043        | -1,157         | -9.8%         | -2,023       | -2,270        | -10.9%        |
| <b>3</b>  | <b>Gross Profit</b>            | <b>2,481</b>  | <b>2,412</b>   | <b>2.9%</b>   | <b>4,524</b> | <b>4,546</b>  | <b>-0.5%</b>  |
| 4         | Change in Fair Value           | -4,951        | -17,814        | -72.2%        | 2,068        | -9,808        | -             |
| 5         | S,G&A Expenses                 | -576          | -450           | 28.0%         | -1,008       | -938          | 7.5%          |
| <b>6</b>  | <b>Operating (Loss)/Income</b> | <b>-2,976</b> | <b>-15,747</b> | <b>-81.1%</b> | <b>5,644</b> | <b>-6,084</b> | <b>-</b>      |
| 7         | Net Financial Results          | 984           | 3,387          | -70.9%        | -4,978       | -2,446        | 103.5%        |
| 8         | Income Tax                     | -656          | 2,525          | -126.0%       | -1,191       | 1,963         | -160.7%       |
| 9         | <i>Current Tax</i>             | 6             | -63            | -             | 5            | -86           | -             |
| 10        | <i>Deferred Tax</i>            | -663          | 2,588          | -125.6%       | -1,196       | 2,049         | -158.4%       |
| <b>11</b> | <b>Result for the period</b>   | <b>-2,777</b> | <b>-10,327</b> | <b>-73.1%</b> | <b>-250</b>  | <b>-6,426</b> | <b>-96.1%</b> |

## Attributable to:

|            |                                 |               |               |               |             |               |               |
|------------|---------------------------------|---------------|---------------|---------------|-------------|---------------|---------------|
| <b>12</b>  | <b>Controlling Interest</b>     | <b>-2,620</b> | <b>-9,830</b> | <b>-73.3%</b> | <b>-381</b> | <b>-6,694</b> | <b>-94.3%</b> |
| <b>13</b>  | <b>Non-controlling Interest</b> | <b>-156</b>   | <b>-497</b>   | <b>-68.6%</b> | <b>131</b>  | <b>268</b>    | <b>-51.1%</b> |
| <b>2+5</b> | Total Costs + Expenses          | -1,619        | -1,607        | 0.8%          | -3,031      | -3,208        | -5.5%         |

# FINANCIAL OVERVIEW BY SEGMENT

DECEMBER 31, 2019 - ARS MILLION

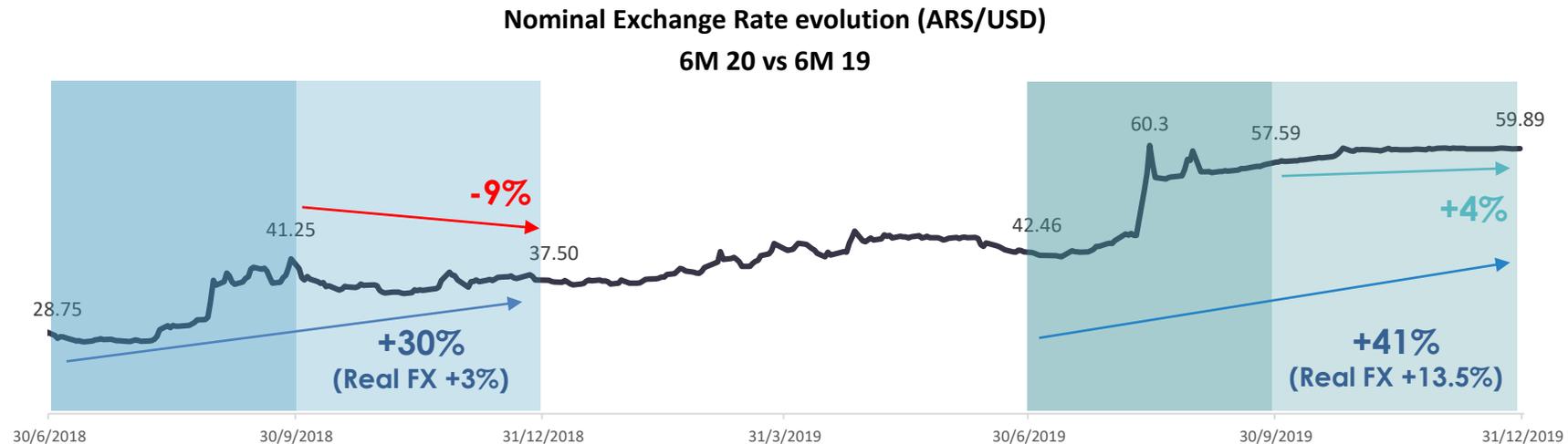
| <b>Shopping Malls</b> |                            | <b>IIQ 2020</b> | <b>IIQ 2019</b> | <b>Var %</b> | <b>6M 2020</b> | <b>6M 2019</b> | <b>Var %</b> |
|-----------------------|----------------------------|-----------------|-----------------|--------------|----------------|----------------|--------------|
| 1                     | Revenues                   | 1,939           | 2,210           | -12.3%       | 3,644          | 4,207          | -13.4%       |
| 2                     | Adjusted EBITDA            | 1,420           | 1,822           | -22.1%       | 2,650          | 3,260          | -18.7%       |
| 3                     | EBITDA Margin %            | 73.2%           | 82.4%           | -9.2pp       | 72.7%          | 77.5%          | -4.8pp       |
| 4                     | Net Operating Income (NOI) | 1,703           | 2,013           | -15.4%       | 3,175          | 3,682          | -13.8%       |

| <b>Offices</b> |                            | <b>IIQ 2020</b> | <b>IIQ 2019</b> | <b>Var %</b> | <b>6M 2020</b> | <b>6M 2019</b> | <b>Var %</b> |
|----------------|----------------------------|-----------------|-----------------|--------------|----------------|----------------|--------------|
| 5              | Revenues                   | 514             | 434             | 18.4%        | 1,076          | 799            | 34.7%        |
| 6              | Adjusted EBITDA            | 395             | 353             | 11.9%        | 874            | 639            | 36.8%        |
| 7              | EBITDA Margin %            | 76.7%           | 81.3%           | -4.6pp       | 81.2%          | 80.0%          | 1.2pp        |
| 8              | Net Operating Income (NOI) | 481             | 397             | 21.2%        | 1,002          | 722            | 38.8%        |

# CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2019 - ARS MILLION

| Net Financial Results |   | IIQ 2020   | IIQ 2019     | Var %         | 6M 2020       | 6M 2019       | Var %         |
|-----------------------|---|------------|--------------|---------------|---------------|---------------|---------------|
| 1                     | Net Interest, loss  | -637       | -853         | -25.4%        | -1,302        | -1,336        | -2.6%         |
| 2                     | Foreign Exchange differences, net   | 1,875      | 5,968        | -68.6%        | -3,256        | -2,034        | 60.1%         |
| 3                     | Fair value gains of financial assets and derivative Financial Instruments | -64        | -1,561       | -95.9%        | -160          | 1,330         | -112.0%       |
| 4                     | Inflation Adjustment  | -136       | -99          | 37.8%         | -143          | -278          | -48.7%        |
| 5                     | Other Net Financial Costs   | -54        | -68          | -20.7%        | -117          | -128          | -8.6%         |
| 6                     | <b>Net Financial Results</b>  | <b>984</b> | <b>3,387</b> | <b>-70.9%</b> | <b>-4,978</b> | <b>-2,446</b> | <b>103.5%</b> |



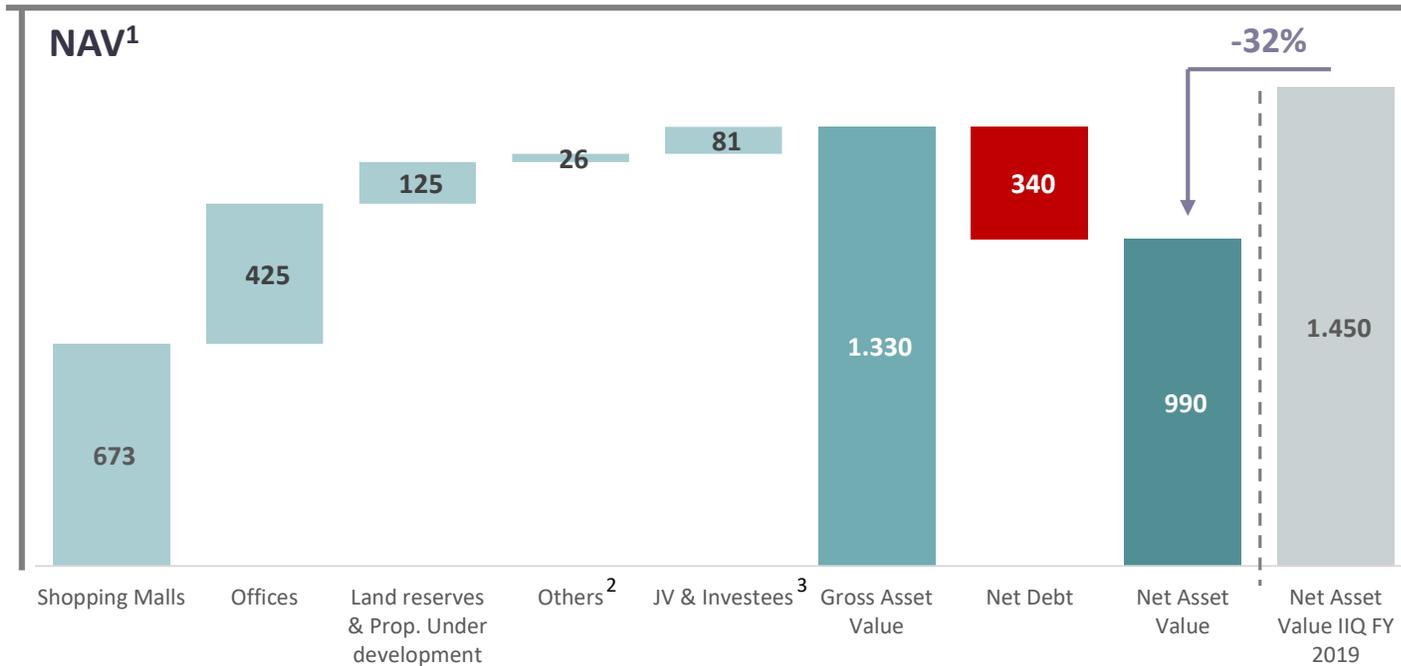
# FINANCIAL METRICS

DECEMBER 31, 2019 - USD MILLION

**107.6** Adjusted EBITDA  
LTM<sup>4</sup>

**134.4** Net Operating Income  
LTM<sup>4</sup>

**75.4** Adjusted FFO  
LTM<sup>4</sup>



| VALUATION RATIOS  | LTM   |
|-------------------|-------|
| CAP RATE (NOI/EV) | 15.4% |
| EV/EBITDA         | 8.1x  |
| P/FFO             | 7.0x  |
| P/NAV             | 0.5x  |

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, La Arena, Convention Center, TGLT & Avenida as Investees.

4- LTM December 31, 2019 Adjusted Avg. FX: \$58.35

# DEBT PROFILE

DECEMBER 31, 2019 - USD MILLION

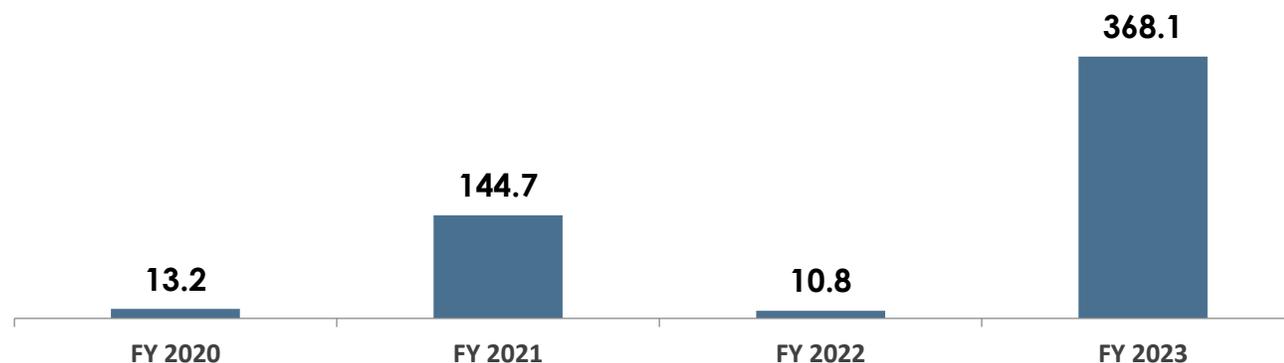
**346.9** Consolidated Net Debt<sup>2</sup>

**3.2** Net Debt/EBITDA

**26%** Loan to Value<sup>3</sup>

| Description                         | Amount       | Maturity  |
|-------------------------------------|--------------|-----------|
| Short-term debt                     | 7.9          | <360 days |
| 2020 Series IV (local) <sup>1</sup> | 133.9        | Sep 2020  |
| PAMSA loan                          | 35.0         | Feb 2023  |
| 2023 Series II (international)      | 360.0        | Mar 2023  |
| <b>GROSS DEBT</b>                   | <b>536.8</b> |           |
| Cash & Equivalents                  | 189.9        |           |
| <b>NET DEBT<sup>2</sup></b>         | <b>346.9</b> |           |

## AMORTIZATION SCHEDULE



## DEBT BY CURRENCY



## DEBT BY TERM



### Notes

1. Net of repurchases
2. Gross Financial Debt less cash & equivalents & short-term financial current investments
3. Net Financial Debt over Gross Assets Value



## Contact Information

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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.