

IQ FY 2019 Conference Call

November 8, 2018



COMMERCIAL
PROPERTIES



Hosted by: **Alejandro Elsztein, CEO**
Daniel Elsztein, COO
Matías Gaivronsky, CFO

Rental Operating Figures

- Shopping malls' sales grew by **24.1%** in IQ19 vs. IQ18 and occupancy remained at **98.7%**
- The average rent of the office portfolio remained stable at **USD/sqm 25.7**
- Occupancy reduced to **93.4%** compared with IQ18, mainly due to the addition of Philips Building leasable area occupied at 69.8%, but showed a slight increase compared to last quarter (92.3%) due to the occupancy of a floor of Boston Tower.



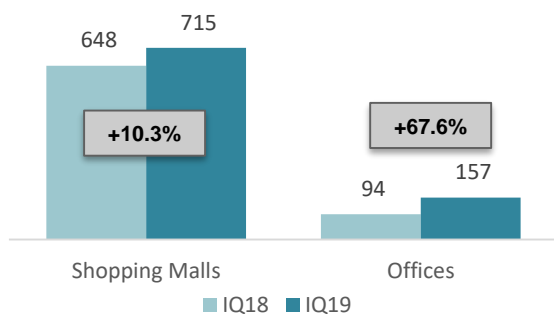
CAPEX: Acquisitions & Developments

- Acquisition of **Maltería Hudson property** with a construction capacity of **177,000 sqm** in Hudson (BA Province) at **USD 7 million** to develop a mixed-uses project (July 2018)
- Acquisition of **14,000 sqm** of Catalinas building under development from controller IRSA for USD 60.3 million (November 2018).
- We started Alto Palermo Shopping expansion for **3,900 sqm** to be finished in FY2020.
- We plan to develop **15,000 sqm** of malls' expansions during FY2019.

Consolidated Financial Statements

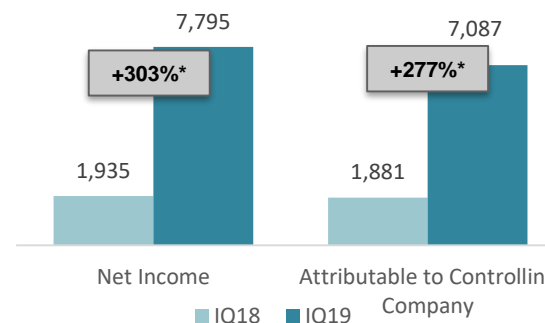
Adjusted EBITDA by Segment

ARS million



Net Income

ARS million

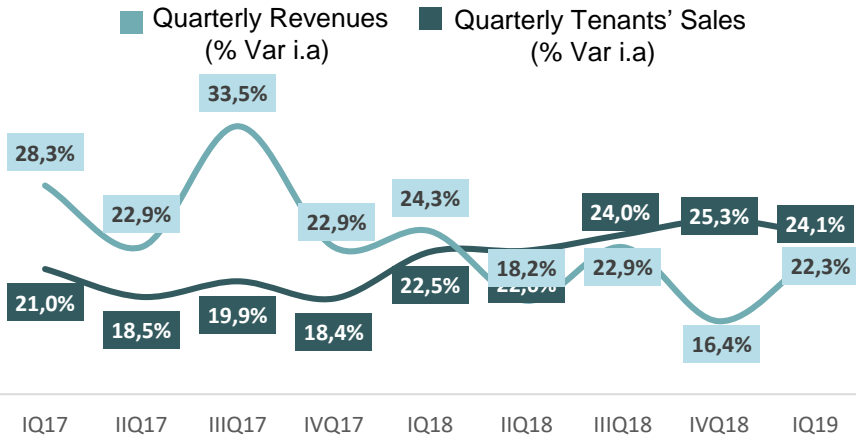


* Mainly explained by higher operating results & higher results from changes in the fair value of investment properties that compensated net financial losses due to the devaluation effect

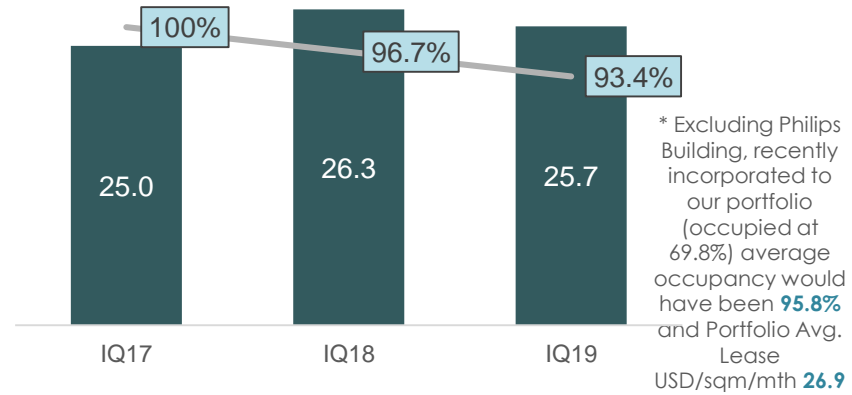
Dividend Announcement: On October 29, our Shareholders' meeting approved a cash dividend for the sum of **ARS 545 million** (ARS/share 4.3249 and ARS/ADR 17.2997). **Dividend yield 1.9%**. Payment Date: November 9, 2018.

Shopping Malls & Offices: Operating Figures

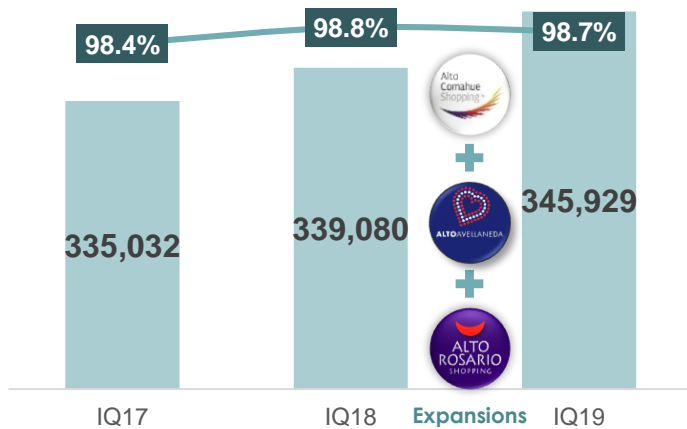
Shopping Malls – Quarterly Revenues & Tenants' Sales (% Var i.a)



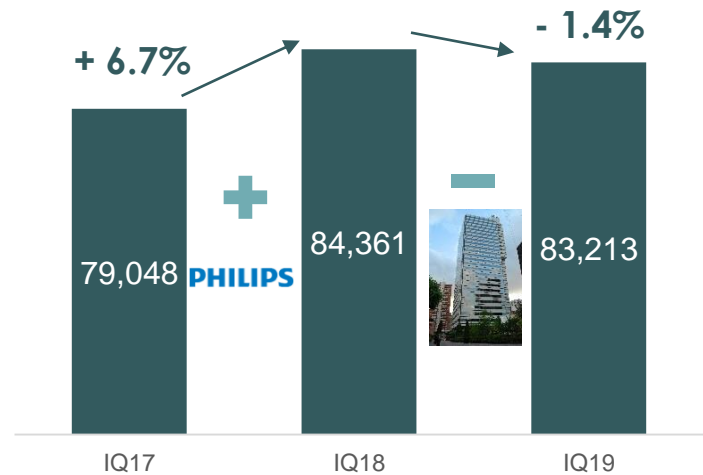
Offices – Leases USD/sqm/mth & Occupancy



Shopping Centers – Sqm GLA (Th.) & Occupancy %



Offices – Stock (sqm GLA)



New Tenants in existing Shopping Malls

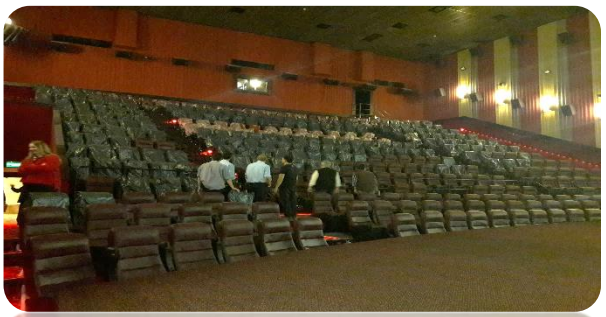


CINEMARK



October 2018
opening date

2,200 sqm
GLA



XD cinema
for 345 people

1,136
seats



Louis Vuitton
opened
a pop-up store



October 2018
opening date



GARBARINO



August 2018
opening date

The first building of the Office Park to be developed in the north area of BA City



Fully leased



32,000 ~ **ARS 1,000mm**
sqm GLA estimated investment

FY2019
opening date

Work Progress 91%





IRCP acquired 14,213 sqm of Catalinas building from controller IRSA



Work Progress 22%*

Est. opening FY2020

Price (including remaining development): **USD 60.3 million**

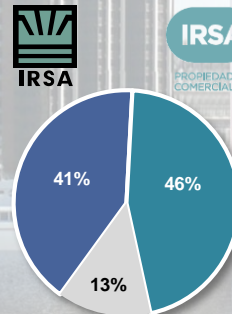
Price/sqm: ~**USD 4,200**

14,213 sqm under development

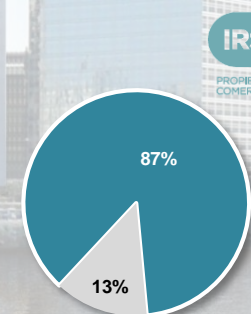
12 Office floors (1st to 12)

Including 131 parking lots

Previous Ownership



Current Ownership



*As of September 30, 2018



- ✓ Surface: 190,000 sqm
- ✓ Capacity to develop: 177,000 sqm
- ✓ Price paid: USD 7 million
- ✓ Potential use: Mixed use



Located over BA - La Plata highway, main connection to the south of BA and the Atlantic Coast

Recent approval, after 20 years, of a Mixed-Use Project in Caballito plot of land

Land Plot of **23,000 sqm**
Capacity to develop
Residential: ~ 76,000 sqm
Retail: ~ 11,000 sqm



Recent approval: Caballito Mixed-Use Project







Financial Results

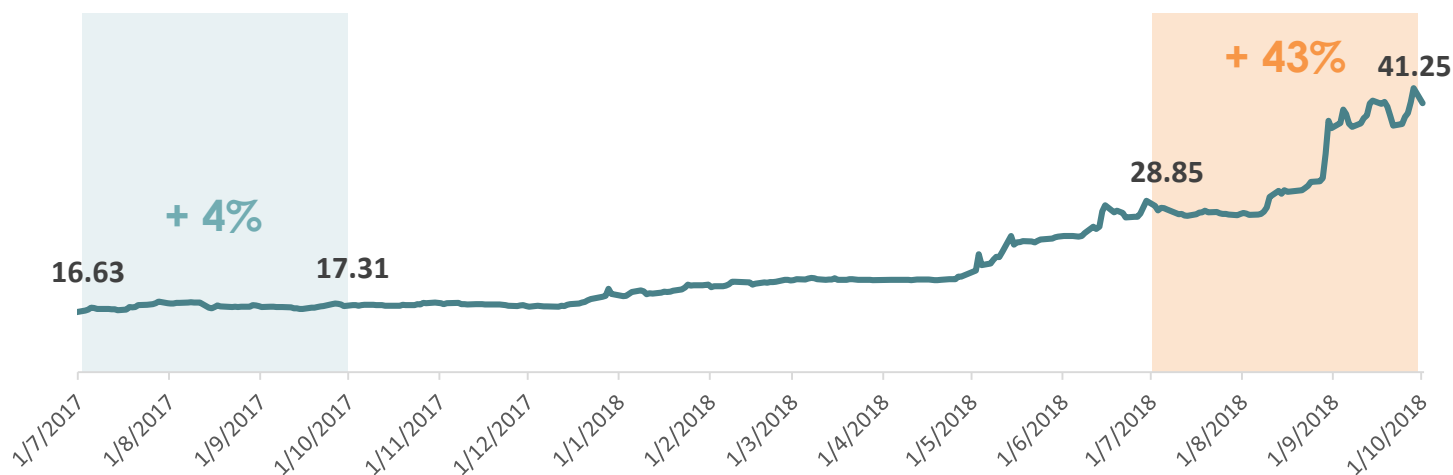


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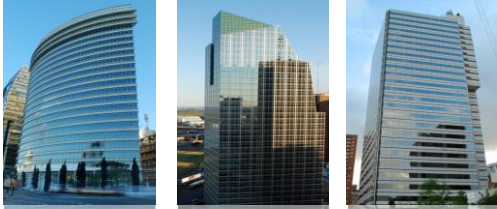
	P&L ARS million		
	IQ 2019	IQ 2018	Var %
Revenues from sales, leases & services	1,727	1,397	24%
Costs	-608	-510	19%
Gross Profit	1,119	887	26%
Change in Fair Value	12,432	2,323	435%
S,G&A Expenses	-263	-140	88%
Operating Income	13,262	3,069	332%
Net Financial Results	-4,028	-217	1,758%
Income Tax	-1,971	-960	105%
<i>Current Tax</i>	-13	-88	-85%
<i>Deferred Tax</i>	-1,958	-872	125%
Net Income	7,795	1,935	303%
Attributable to:			
Controlling Interest	7,087	1,881	277%
Non-controlling Interest	708	54	1,211%

	Net Financial Results ARS million		
	IQ 2019	IQ 2018	Var %
Loss Net Interest	-514	-134	284%
Foreign Exchange differences, net	-6,140	-258	2,281%
Fair value gains of financial assets and Derivative Financial Instruments	2,658	199	1,238%
Other Net Financial Costs	-34	-24	43%
Net Financial Results	-4,028	-217	1,758%

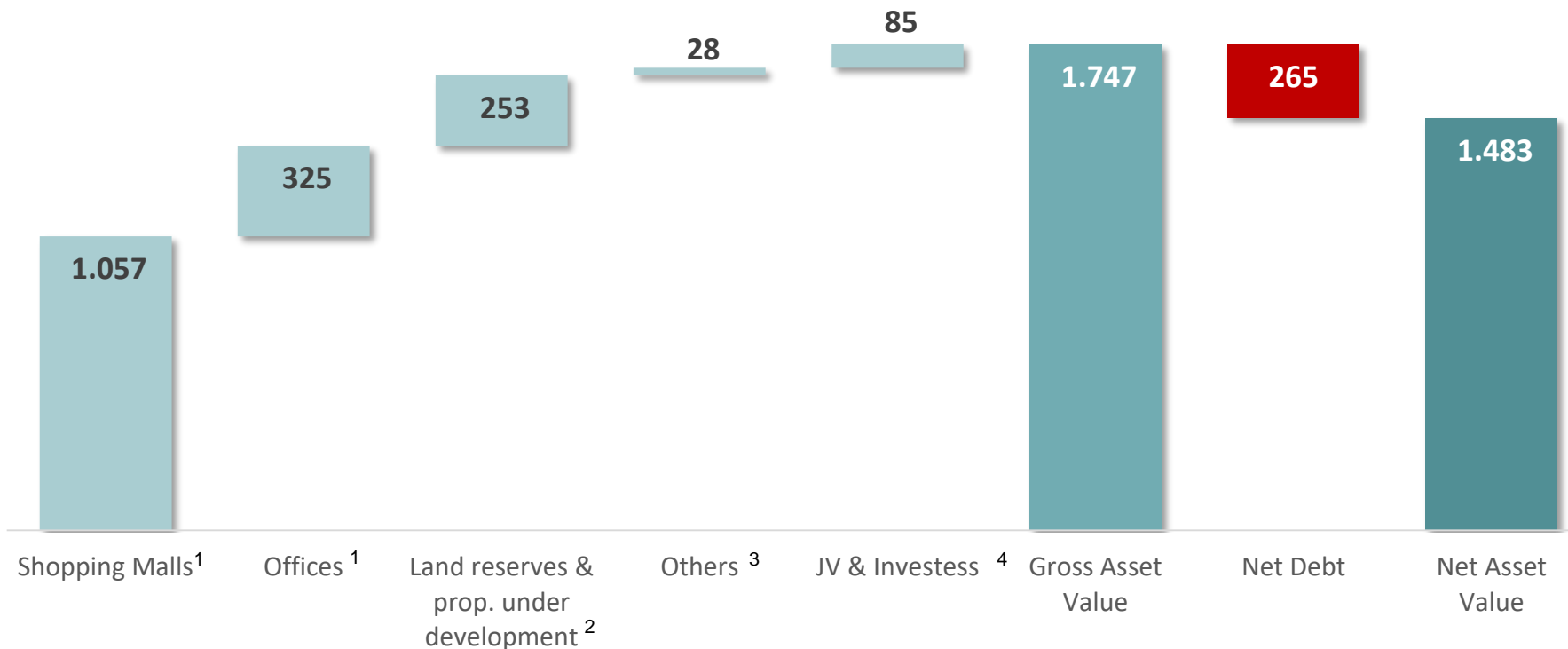
Exchange Rate Evolution (ARS/USD)



	Shopping Malls – ARS million		
	IQ 2019	IQ 2018	Var %
Revenues	1,038.8	849.6	22.3%
Adjusted EBITDA	714.9	648.4	10.3%
EBITDA Margin %	68.8%	76.3%	-7.5pp
Net Operating Income (NOI)	857.9	723.0	18.7%

	Offices – ARS million		
	IQ 2019	IQ 2018	Var %
Revenues	201.8	114.3	76.5%
Adjusted EBITDA	156.7	93.5	67.5%
EBITDA Margin %	77.6%	81.8%	-4.2pp
Net Operating Income (NOI)	179.2	101.7	76.1%


IRCP book NAV as of September '18 (USD million)



Notes

1. Balance sheet shopping malls and office fair values adjusted by IRCP ownership
2. Includes Catalinas' Plot (45%), consolidated under IRSA Inversiones y Representaciones
3. Includes floors of the Intercontinental building used by IRCP, registered under PP&E, and trading properties and barbers registered under intangible assets. These 3 items are recorded at historical cost in the financial statements
4. Includes Qualityy and Nuevo Puerto Santa Fe as JV and La Rural, La Arena, Convention Center, Tarshop, TGLT & Avenida as Investees.

Main Financial Metrics

	ARS million			USD million		
	LTM 19	LTM 18	Var %	LTM 19 ⁽¹⁾	LTM 18 ⁽²⁾	Var %
Adjusted EBITDA	3,249	2,790	16.5%	139	174	-19.8%
NOI	3,762	3,164	18.9%	161	197	-18.1%
Adjusted FFO	2,027	1,784	13.6%	87	111	-21.8%

Valuation Metrics ⁽³⁾	Sep 30, 2018
Cap Rate (LTM NOI / Market Cap)	15.9%
EV/ EBITDA LTM	7.3x
P/ FFO LTM	8.6x
P/ NAV	0.5x

Notes

1. LTM Sep 30, 2018 Avg. FX: \$23.22
2. LTM Sep 30, 2017 Avg. FX: \$16.03
3. Using LTM figures and stock price at September 30, 2018

Consolidated Debt as of September 30, 2018

Debt Description (USD million)

Description	Issue Currency	Outstanding Amount (US\$ million)	Rate	Maturity
Series II Notes due 2023 (int.)	US\$	360.0	8.75%	Mar-23
Series IV Note due 2020 (local)	US\$	140.0	5.00%	Sep-20
PAMSA loan	US\$	35.0	fixed	Feb-23
Short-term debt	ARS	0.3	-	< 360 days
Total IRSA CP's Debt		535.3		
IRSA CP's Net Debt		264.8¹		

Debt Ratios

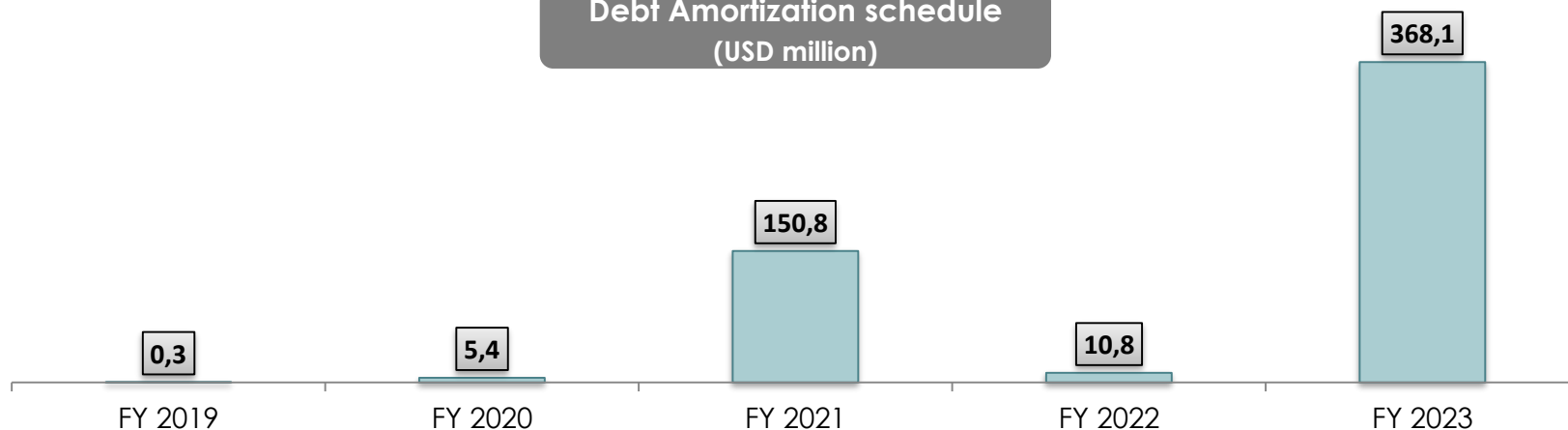
Net Debt/EBITDA LTM 1.90x

Loan to Value² 26%

Local Rating (Fitch) AA+

International Rating B+

Debt Amortization schedule (USD million)



Notes

1. Gross Financial Debt less cash & equivalents, short-term financial current investments (cash & equivalents includes our holding in TGLT's convertible Notes for USD 19 million).
2. Gross Financial Debt over Total Assets

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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 2018 ended June 30, 2018, which are available for you in our web sites.