

IQ 2018 Conference Call

November 8, 2017

IRSA COMMERCIAL PROPERTIES



Hosted by:

Alejandro Elsztain, CEO

Daniel Elsztain, COO

Matías Gaivronsky, CFO

Main events – IQ18

Rental Operating Figures

- Shopping malls' sales grew by 22.5% in IQ18 vs. IQ17 and occupancy increased to 98.8%
- Good results coming from the office segment due to devaluation and lower selling expenses.

CAPEX:

- Plan to develop ~ 21,000 sqm of malls' expansion during FY 2018
- Works in progress in our office developments: Polo Dot 1st stage and Catalinas expected to be finished by FY19 and FY20 respectively

Other investments:

- During the quarter, we acquired convertible notes of TGLT for USD 22.2 million

Debt: In September 2017, we issued notes in the local capital market for USD 140 million at 5% fixed rate due 2020 to keep investing in real estate in Argentina

Liquidity (equity): In October, our parent Company IRSA has sold 10,24 mm shares of the company for ~ USD 138.2 million increasing the float from 5,4% to 13.5%

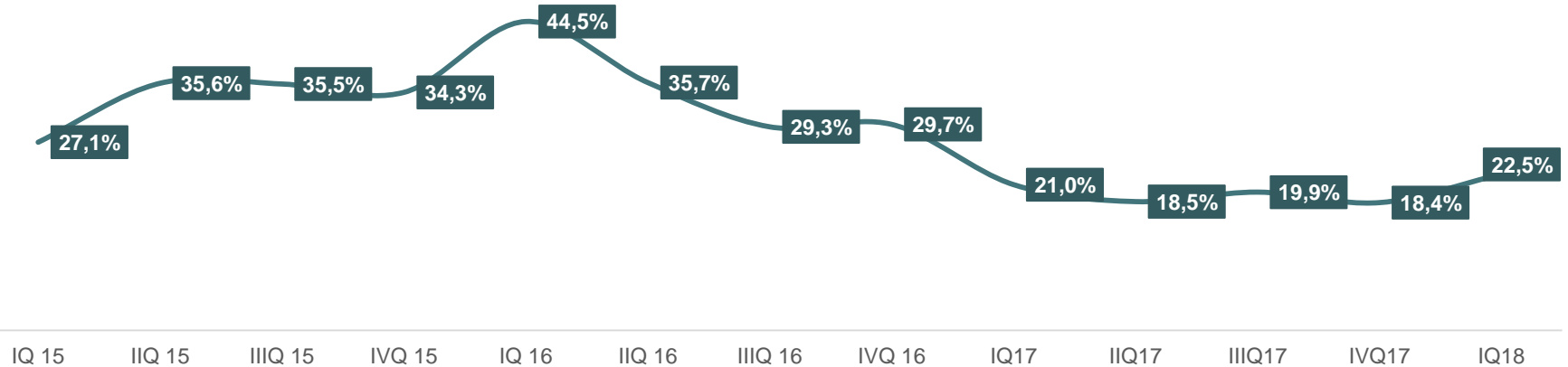
Annual Shareholders' meeting (Oct-31):

- Approval of a cash dividend of **ARS 680 million** (Div yield ~2.2%)
- Appointment of **Isela Costantini** as new independent director

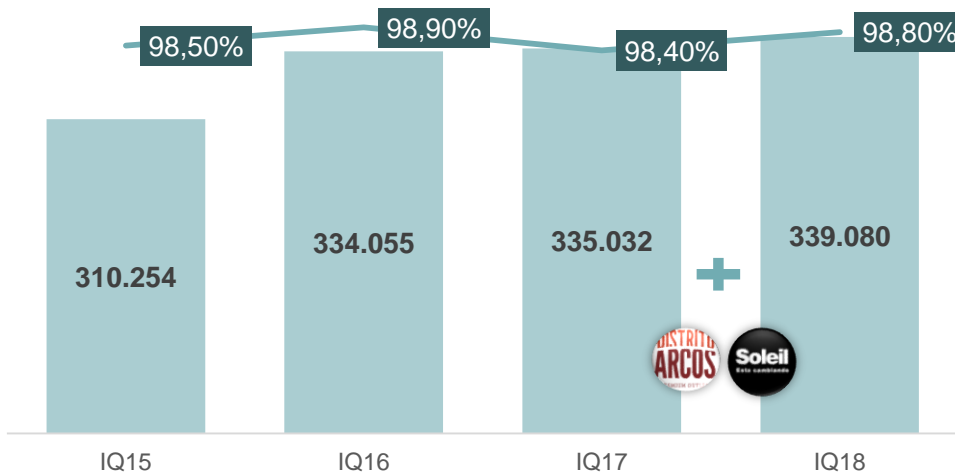
Consolidated Financial Statements:

- Adjusted EBITDA for IQ18 reached ARS 755.7 million increasing by 34.6% compared to IQ17.
- Adjusted EBITDA of Malls' and Office segment reached ARS 648.4 million and ARS 100.1 million, increasing by 26.2% and 39.4% respectively.
- Net income for IQ18 reached ARS 1,934.7 million compared to a gain of ARS 779.6 million in IQ17 mainly explained by higher results from changes in the fair value of investment properties.

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



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



Summary Main Figures (IQ 2018)

Stock (sqm)

Occupancy

Sales (ARS)

Visitors

Movie Theatres in the region of Patagonia

Alto Comahue Shopping Mall



City of Neuquén
Shopping mall

~ARS 180mm
estimated investment **2,200**
sqm GLA

FY2019
opening date

Progress
30%

The shopping of the South of BA

Alto Avellaneda Shopping Mall



City of Buenos Aires
Shopping mall

ARS 36 mm
estimated investment **3,500**
sqm GLA

FY2018
opening date

Progress
80%

Highest sales/sqm mall in the region

Shopping Alto Palermo



City of Buenos Aires
shopping mall

US\$28.5mm
estimated investment
FY2019
opening date

4,000
sqm GLA

Sodimac New Store

Mendoza Plaza Shopping Mall

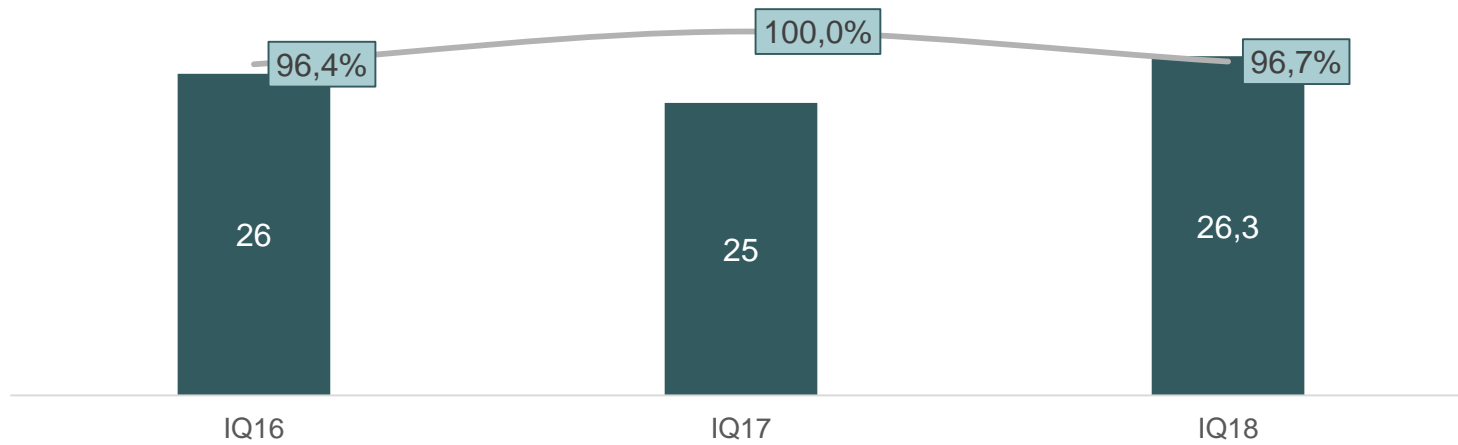


City of Mendoza
Shopping mall

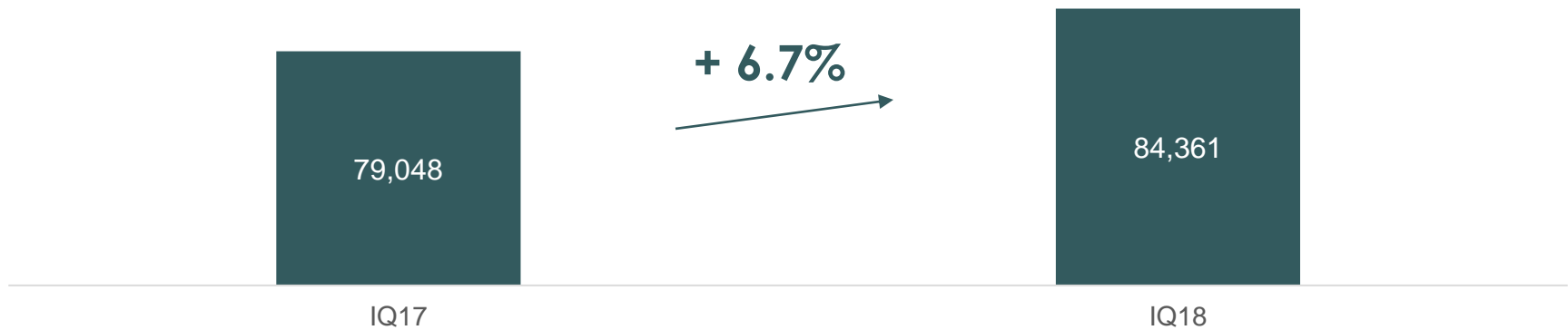
USD11mm
estimated investment
FY2019
opening date

12,700
sqm GLA

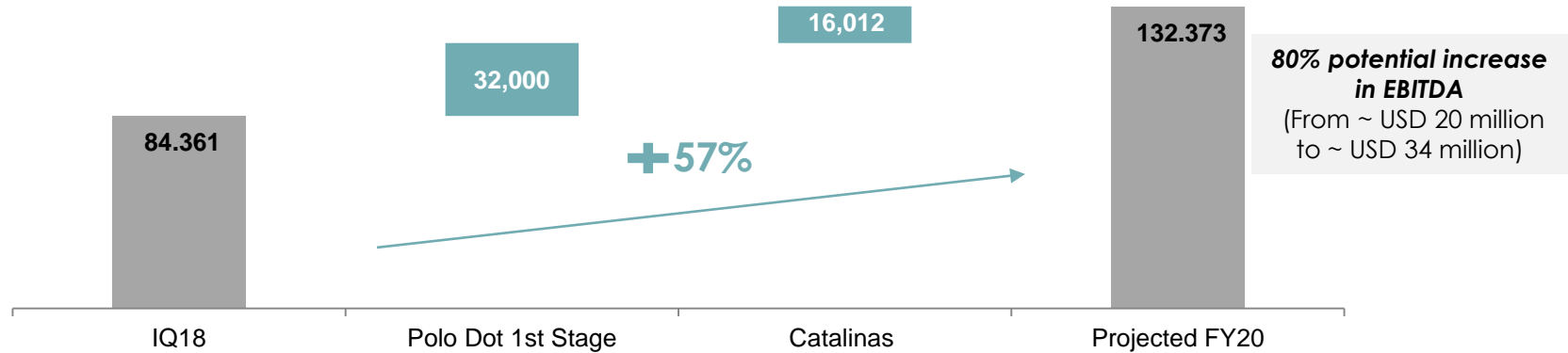
Offices – Leases USD/sqm/mth & Occupancy



Offices – Stock (sqm GLA)



Office buildings under development - Plan for 2018/19



Polo Dot 1st stage

Catalinas Office Building



City of Buenos Aires office

FY2019
opening date

32,000
sqm GLA

~ ARS 1,000 mm
estimated investment

Progress
20%

City of Buenos Aires office

FY2020
opening date

16,000
sqm GLA

~ ARS 720 mm
estimated investment

Progress
5.2%

Astor Palermo

US\$18.9mm (~ 9,2x BV)

Units received on Dec-30, 2016 from barter agreement with TGLT

- 36 residential units (2,413 sqm)
- 32 residential parking lots
- 171 commercial parking lots

Comercialization status as of June 30, 2017

- o 26 apartments and 14 parking lots for **USD 7.7 million**
- o **Gain recognition IQ18: ARS 29.3 million**



Investment in La Rural S.A. (Fair & Exhibition Center)



The **public auction** for the **comercial use** of the “Exhibition and Convention Center of the City of BA” was awarded to the **Joint Venture** (“JV”) formed by **La Rural SA – OFC SRL – OGDEN Argentina S.A. & Enterprise Universal S.A.**

IRCP indirect stake in the JV: 54.25%



The Exhibition and Convention Center

Area: ~ **22,800 sqm**

Capacity for ~ **5000 people**

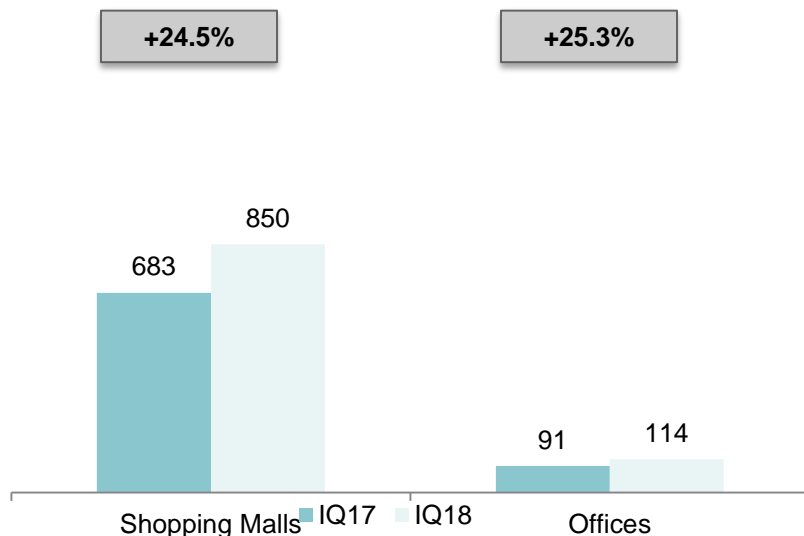


Financial Results



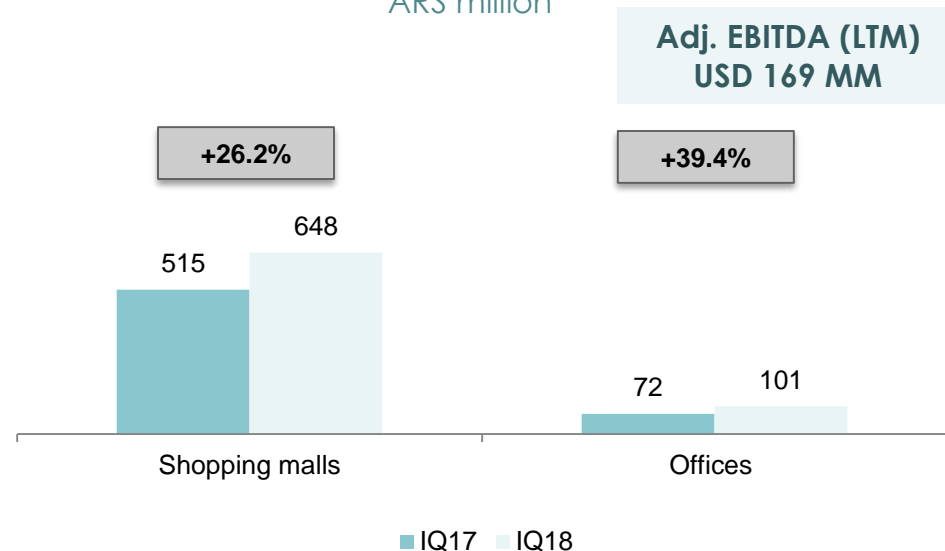
Revenues by Segment

(ARS million)



Adjusted EBITDA(*) by segment

ARS million

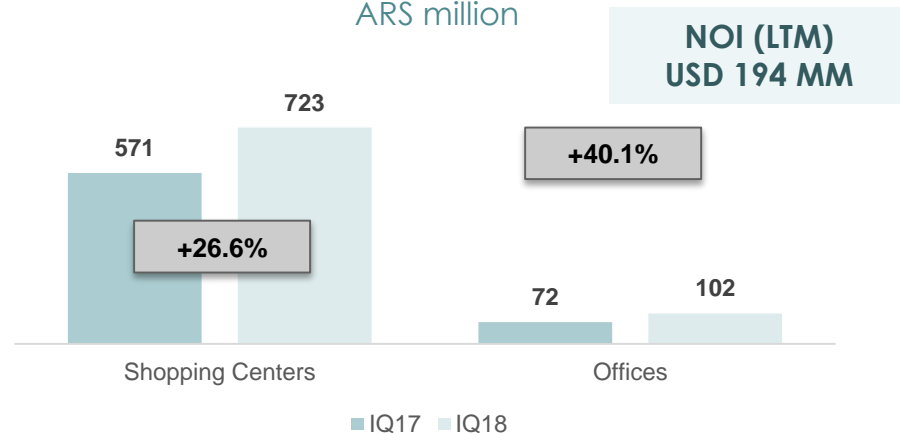


EBITDA Margin by Segment %

	Shoppings Malls	Offices
1Q18	76.3%	87.5%
1Q17	75.2%	78.5%
var YoY	+1.1 pp	+9.0pp

NOI by segment(*)

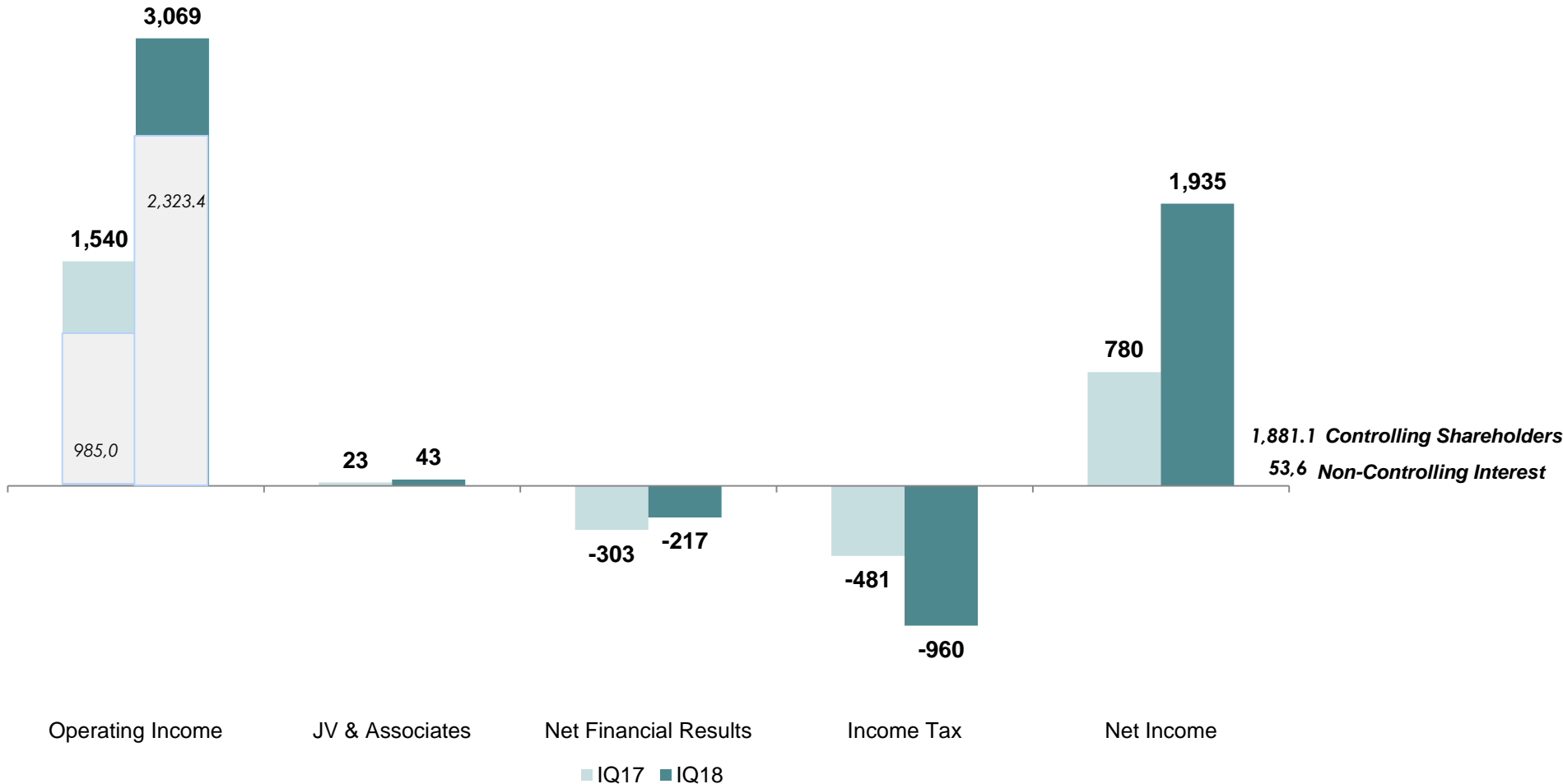
ARS million



(*) Adj. EBITDA Operating income + D&A excluding changes in the fair value of investment properties + realized results from the change in fair value
 NOI: Gross Profit minus Selling expenses plus net gain realized from sales of Investment Properties + D&A

Consolidated Financial Results IQ 18 (in ARS million)

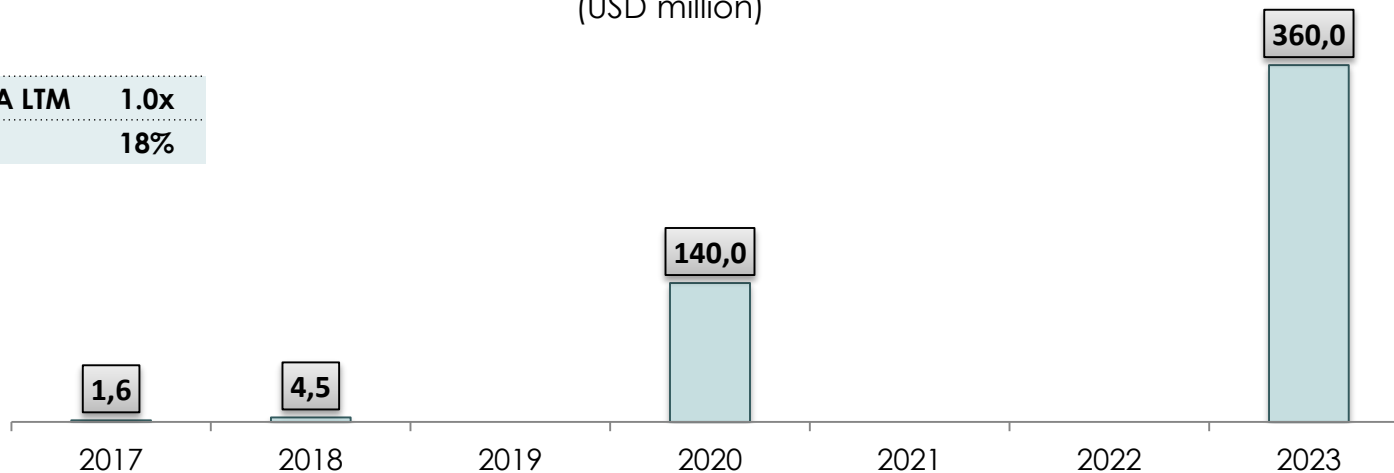
Change in FV of Investment Properties



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
Short-term debt	ARS	1.6	-	< 365 days
Other Loans		4.5	-	-
Total IRSA CP's Debt		506.1		
IRSA CP's Net Debt		175.1¹		

Debt Amortization schedule (USD million)



Debt Ratios

Net Debt/EBITDA LTM	1.0x
Loan to Value ²	18%

Notes

1. Net Debt less cash & equivalents, short-term financial current investments
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 2017 ended June 30, 2017, which are available for you in our web sites.