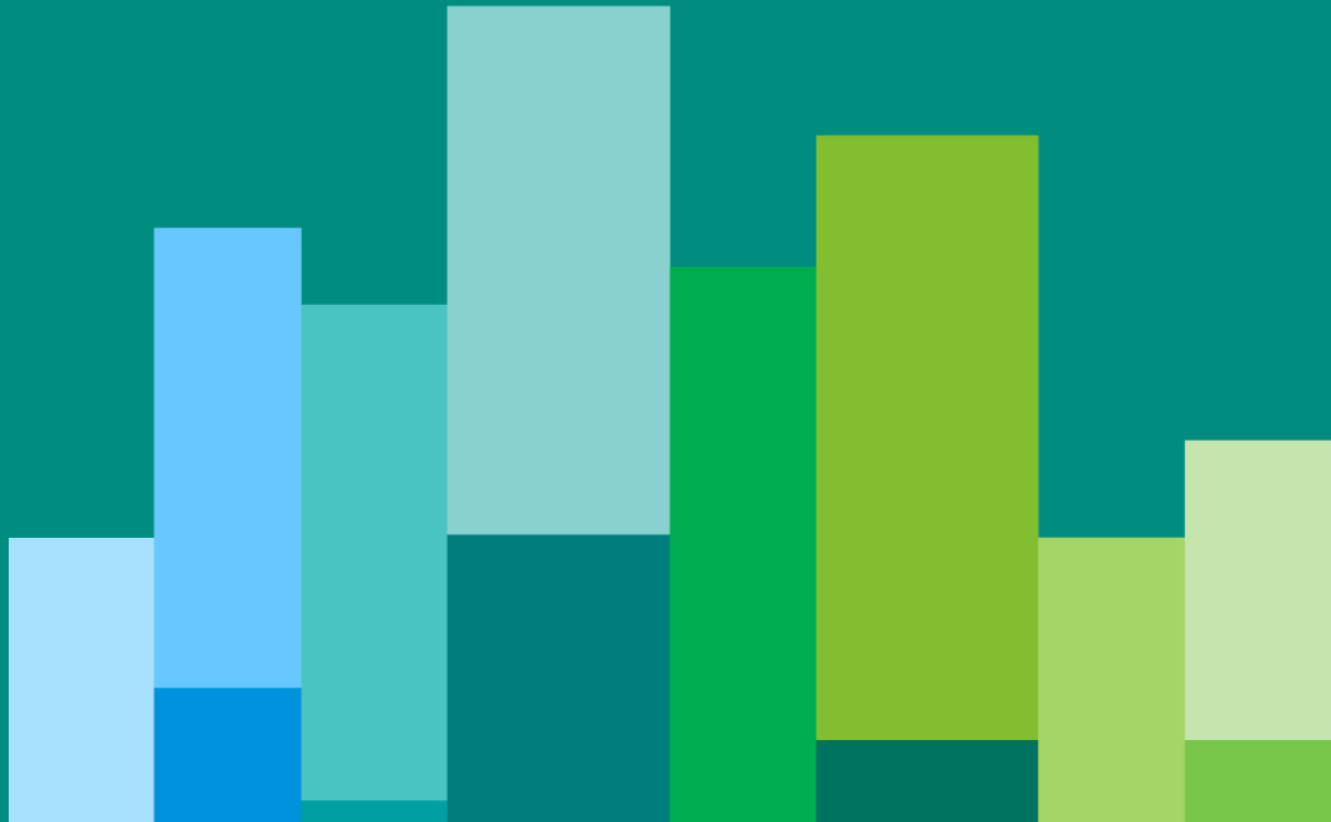


REAL ESTATE INVESTMENT TRUSTS

Isabel Ucha

Board member Euronext

December 6, 2016



REITS

Listed companies whose main activity is direct and indirect investment in urban real estate for lease, distributing most of the income generated, with a specific tax regime.

Asset/activity

- Acquisition and development of real estate for lease
- Holding shares of other REITs or similar
- High % of qualifying assets (around 80%)
- High % of revenues deriving from qualifying assets (80%)
- Minimum holding period of assets
- Maximum leverage

Distribution requirements

- Pay dividends of high % of income (80% to 90%)
- Pay dividends on high % of capital gains
- Pay dividends on high % of other REITs income

Tax regime

- Transparency tax regime: no corporate tax
- Dividends and capital gains on shares are taxed at the investor level (individual or corporate)
- Withholding tax rules may apply

Listing regime

- In some jurisdictions listing is compulsory
- Listing may occur in regulated markets or multilateral trading facilities



REITS AS AN INVESTMENT

Dividends

- Provide a stable income stream to investors

Liquidity

- Stock exchange listed REIT shares can be easily bought and sold

Diversification

- Allows both individual and institutional investors to diversify their portfolios without engaging directly into real estate activities

Transparency

- As listed companies, REITs operate under the same rules as other public companies, namely the same financial reporting

Tax

- Transparency tax regime



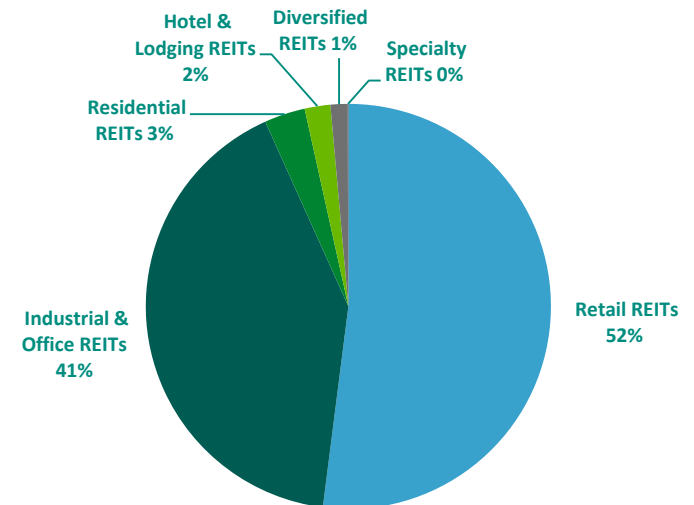
EURONEXT: CRITICAL OVERALL MASS IN REITS...

- Euronext markets have a substantial community of REIT companies: 58 listed issuers combining a total market capitalization of more than €89bn
- High diversification in terms of sectors and companies sizes
- 1 IPO of an REIT issuer in Belgium: **Xior Student Housing** , (€88m raised) for an initial market cap of €116 mln

Number of issuers by market cap



Split by sector / market cap

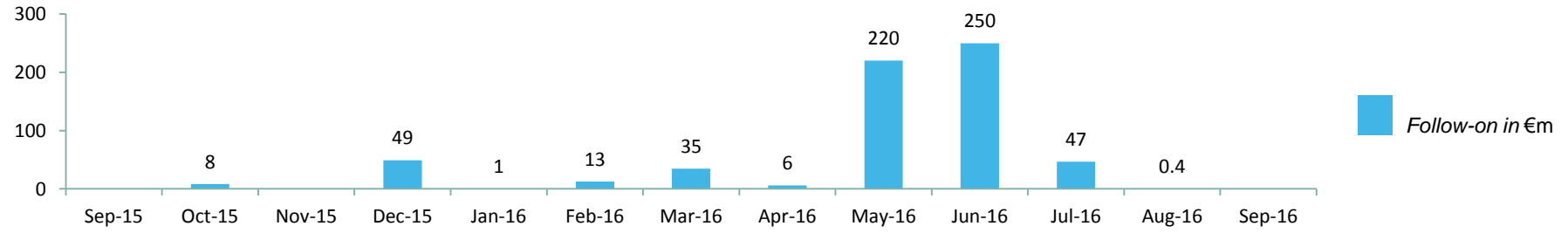
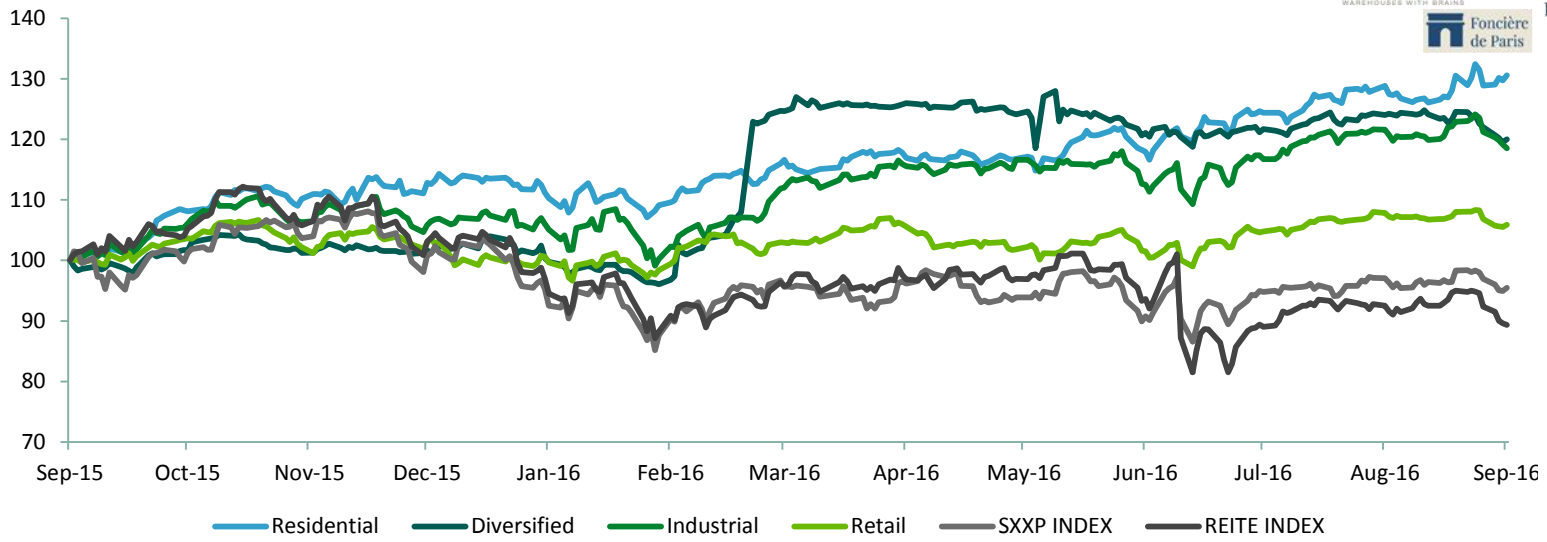


EURONEXT – EUROPEAN REITS CENTER

Outperformance of REITs equities on Euronext (LTM)

Supported by positive investor sentiment, REITs equities listed on Euronext have raised in total **628 million euros** on Euronext since September 2015.

Remarkable peer group

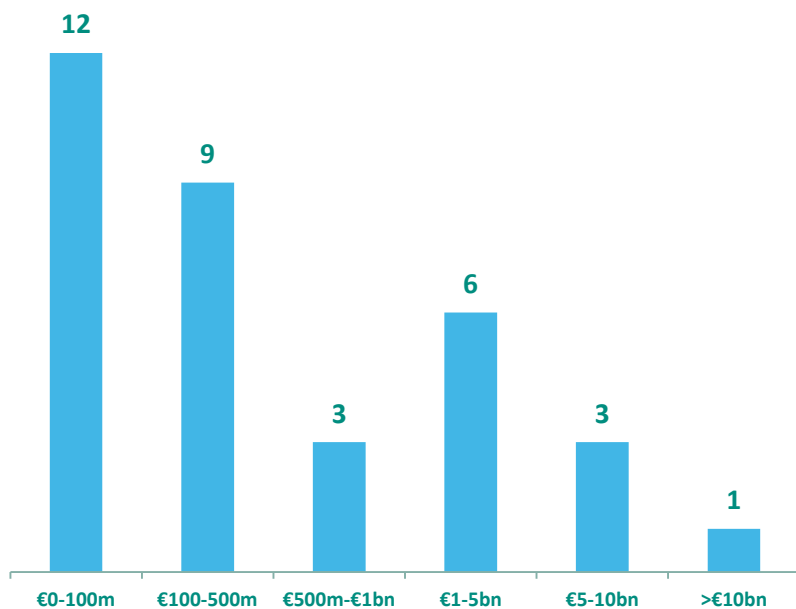


Source: Euronext, Bloomberg, September 2016
 Indices are market cap weighted
 * Average / Median

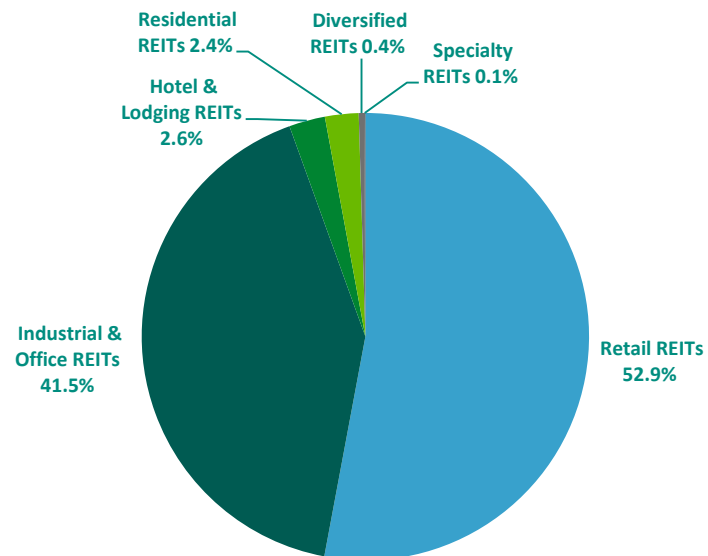
... AS WELL AS ON EURONEXT PARIS

- Euronext Paris has a substantial community of REIT companies: 34 listed issuers combining a total market capitalization of approx. €53.2bn

Number of issuers by market cap



Split by sector / market cap



... AS WELL AS ON EURONEXT AMSTERDAM

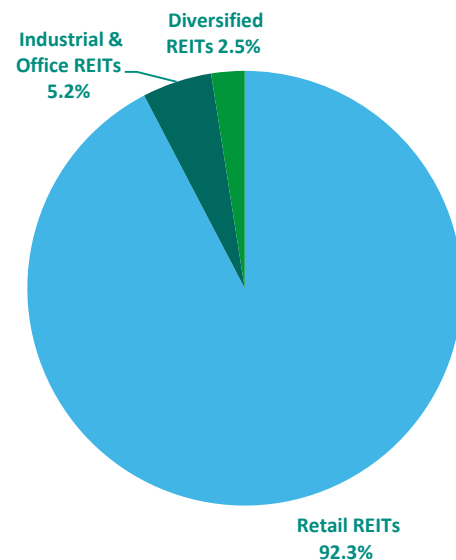
- Euronext Amsterdam has a substantial community of REIT companies: 6 listed issuers combining a total market capitalization of approx. €26bn



Number of issuers by market cap



Split by sector / market cap

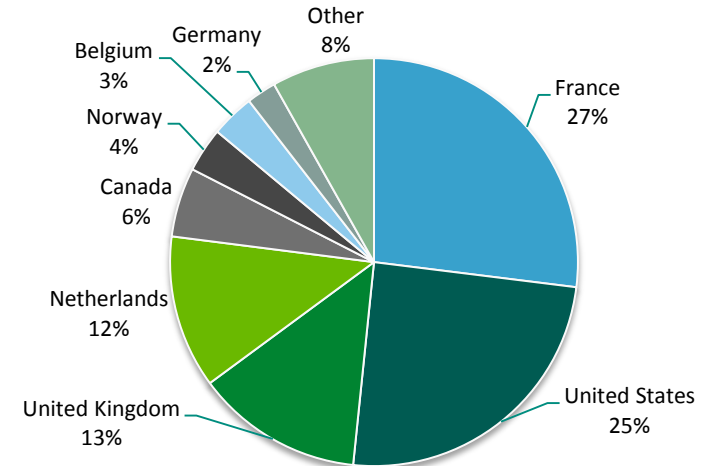


EURONEXT REITS INVESTOR OVERVIEW

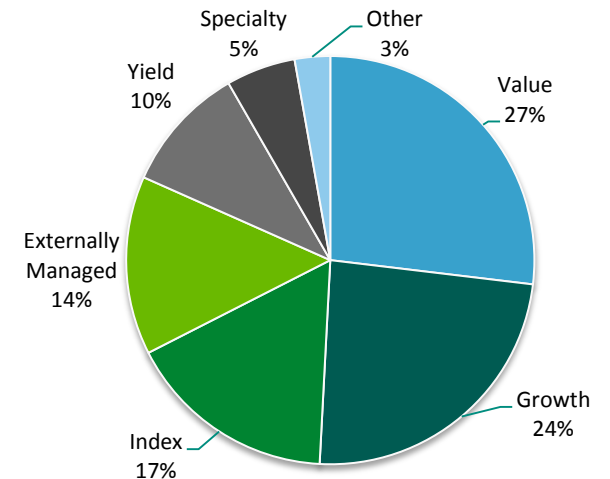
Top 20 Institutional investors holding

Institution name	Count Of Securities	Aggregate Value (€m)	Aggregate Value Change (€m)	Dominant style	Country
APG Asset Management N.V.	11	3,592	+30.65	Yield	Netherlands
Predica	8	3,023	+60.53	Externally Managed	France
Caisse de dépôt et placement du Québec	6	1,805	-	Value	Canada
The Vanguard Group, Inc.	22	1,412	-4.04	Index	United States
Norges Bank Investment Management (Norway)	17	1,364	+2.29	Value	Norway
BlackRock Advisors (U.K.), LTD	19	1,198	-4.27	Index	United Kingdom
Garantie Mutuelle des Fonctionnaires	3	965	-	Externally Managed	France
Northern Cross, LLC	1	943	-96.84	Value	United States
Assurances du Crédit Mutuel Vie S.A.	4	897	-34.21	Externally Managed	France
State Street Global Advisors (SSgA)	18	816	-10.43	Index	United States
AXA Investment Managers (Paris)	24	729	+18.8963	Growth	France
CBRE Clarion Securities, LLC	10	711	-37.48	Specialty	United States
BlackRock Fund Advisors	25	656	-43.49	Index	United States
Dimensional Fund Advisors, L.P. (U.S.)	28	579	+11.96	Value	United States
SAFE (Hong Kong)	1	563	-	Growth	Hong Kong
Natixis Asset Management	23	542	-55.83	Value	France
LaSalle Investment Management Securities, LLC	9	452	-0.01	Specialty	United States
Degroof Petercam Asset Management S.A.	31	446	+1.59	Growth	Belgium
BlackRock Investment Management (U.K.), LTD	19	425	+1.02	Growth	United Kingdom
Morgan Stanley Investment Management Inc.	10	414	+2.39	Growth	United States
TOTAL TOP 20 Institutional Investors (54%)		21,533			
TOTAL		39,704			

Investors by country



Investors by dominant style



REITS IN PORTUGAL

2015 Government Budget

- The introduction of a regime for Portuguese Real Estate Investment Trusts was included in 2015 Budget – the SIPIs (Sociedades de Investimento em Património Imobiliário)
- The previous government targeted to create a regime similar to that of the Spanish SOCIMIs.
 - * Non-regulated real estate company
 - * Minimum share capital €5mln
 - * Distribution 75% to 90%
 - * Listed on a stock market
 - * Transparent tax regime
 - * Special transitory tax regime for year 1

Current Status

- The current government has publicly stated interest in introducing a REITs regime in Portugal
- Some issues have to be tackled:
 - * the legal framework
 - * the tax regime
 - * some constraints to initially listed companies