



INOVALIS







INTRODUCTION TO  
INOVALIS

1

1998

Inovalis was established in **1998** in Paris by **three Associates** who are still managing the company

€7 BN

Inovalis manages **€7 billion** of **real estate** and **financial** assets, owing to its fully **integrated** services

 400

Inovalis creates **investment vehicles** and provides advisory services through its **Fund, Investment & Asset Management, Real Estate services and Wealth Management** teams comprising **400 professionals**.



With offices in **Europe, America and Middle-East** Inovalis **partners** with **Institutional** and **Private** investors.

Superior returns driven by risk sharing, on-the-ground capabilities and innovation



## **Alignment** with Clients and Investors

Targeted co-investment of 10% in each real estate vehicle.



## **Deep innovation culture** to structure customised and attractive solutions

Strong ability to create tailored solutions to address Clients and Investors needs.



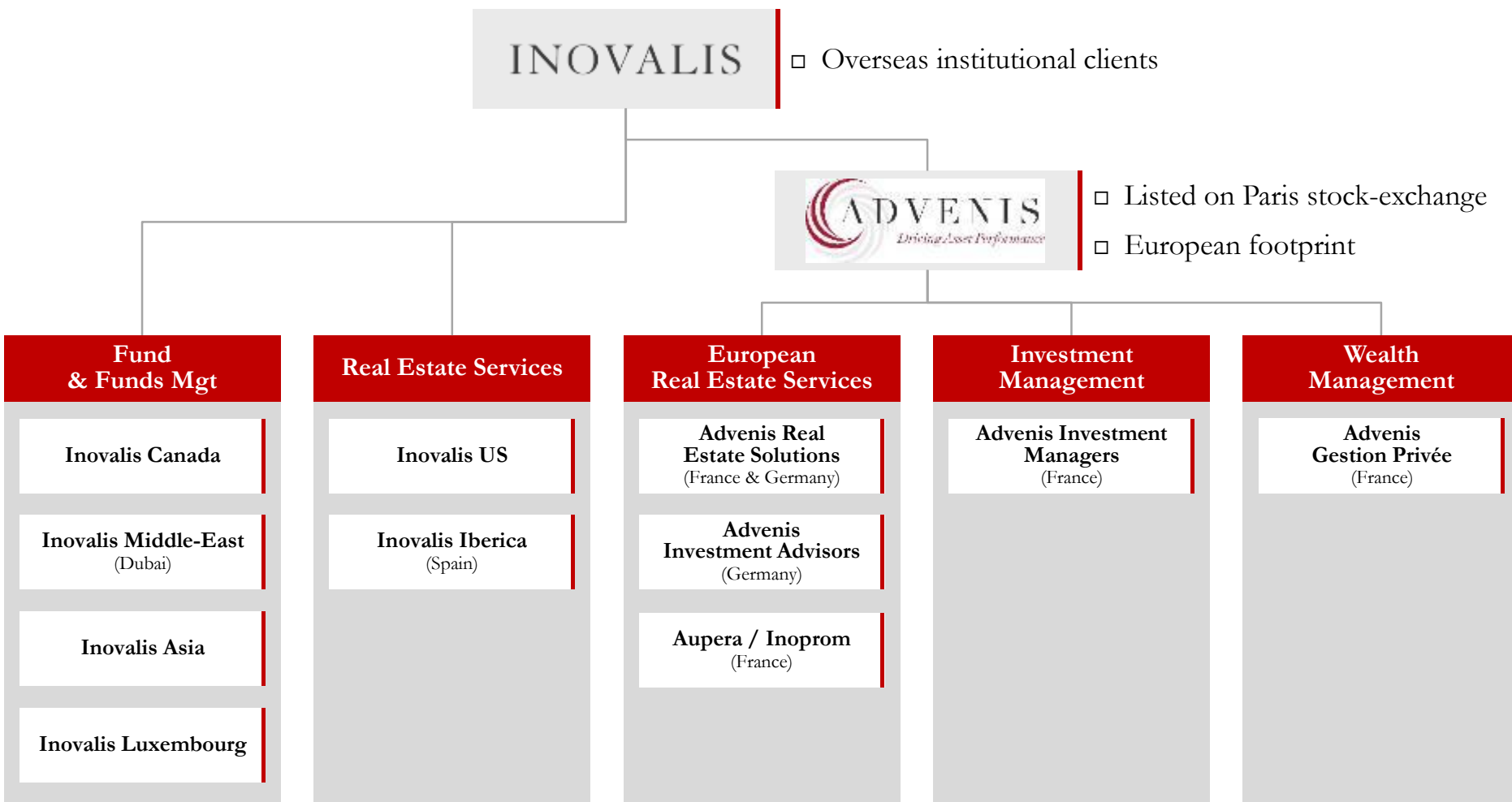
## **Vertical integration** to master every step of the value chain

Constant objective to develop in-house competencies to ensure best quality services / products, from structuring to on-the-ground activities



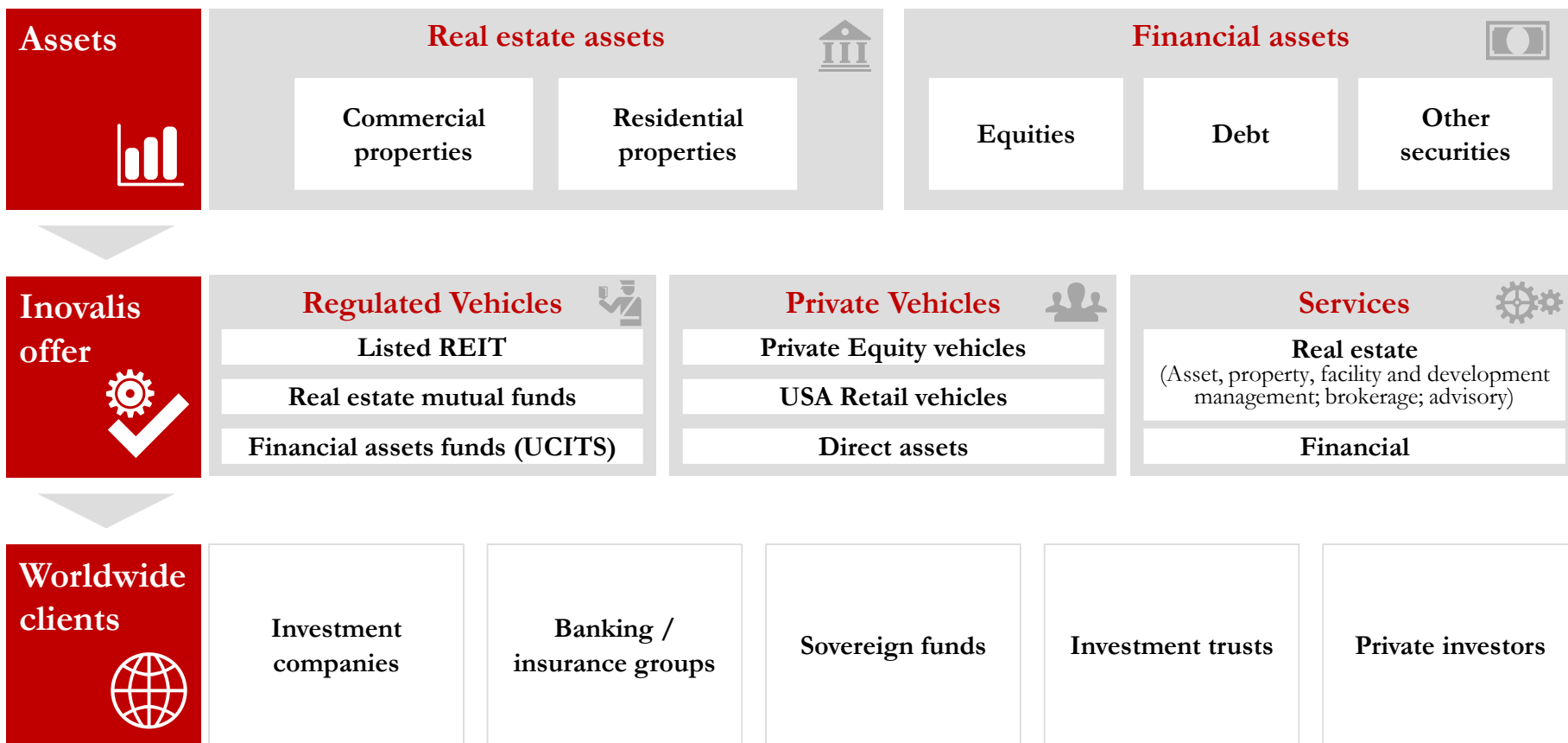
## **International footprint** to offer deal-making capabilities at a global scale

Solutions that allow clients and investors to access investment opportunities outside their domestic market.

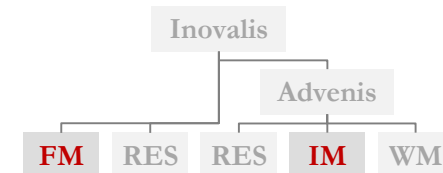




Inovalis assists its clients in investing and managing a wide range of assets through high-value vehicles and services



# Funds and Investment Management



## Funds manager and Investment Manager with an established track record

### WE MANAGE FUNDS

#### Real estate assets

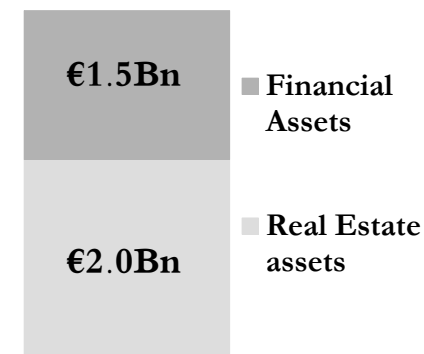
- 20 real estate vehicles set up for both institutional and private investors
- Various vehicles to meet investors' expectations : regulated/listed mutual funds or private vehicles
- Aggregate Equity Raised since inception: €1 **Bn**
- Culture of co-investment: Fund Manager Invests on average **10** to **20%**

#### Financial assets

- 11 UCITS Funds with financial assets
  - Expertise in asset allocation
  - Rewarded Equity funds
  - Highly innovative funds
- Specific organisation to attract highly talented and entrepreneurial Funds managers
- Strong compliance and risk management teams

#### AuM

- €3.5Bn assets under management (excluding real-estate services)



#### Buy & Sell

- Since 1998, 352 property transactions through vehicles
  - 194 acquired
  - 158 sold

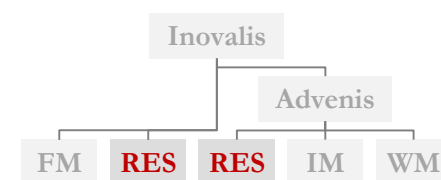
#### Innovation

- Inovalis REIT listed in 2013
- Conventional and Islamic structures
- French real estate funds with tax incentive
- Innovative financial asset strategies: e.g. dividend futures

#### Return

- Funds management returns:
  - Cash Flow vehicles: 11% IRR
  - Development vehicles: 22% IRR
- Asset allocation financial funds: 1<sup>st</sup> decile in France based on the performance in the past 5 years





## Inhouse real estate services in France, Germany, Spain and the US

### WE MANAGE ASSETS ON THE GROUND

#### Activities

A full range of real estate services that answer both investors and tenants needs

- Asset Management
- Property Management
- Facility Management
- Development & Project Management
- Brokerage & Advisory

#### Footprint

- France: 26 offices
- Germany: Frankfurt and Berlin
- Spain: Madrid
- US: Miami

#### Key figures

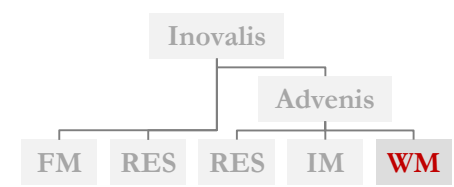
- €3.5Bn assets under management through real-estate services
- 400 clients
- 2 500 sites under Property Management or Facility Management
- 12,000,000 s.m. under management

#### Award

- Inovalis received the Grand Prix for the best renovated building in 2013 by the French Professional Real Estate Event

#### Clients

- Blue chips
- Public entities
- Institutional investors
- Retailers
- Others



## A unique network of financial advisors to private clients

### WE ADVISE ON THE LONG TERM

#### Expertise

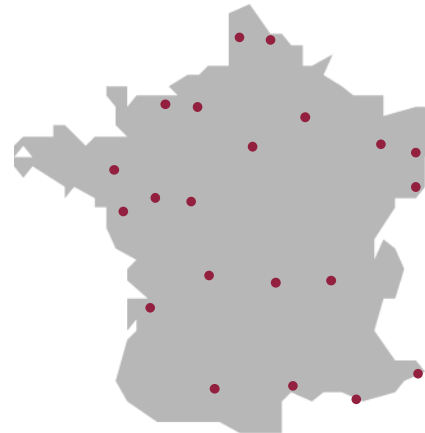


- 20 years of experience
- 1<sup>st</sup> French independent network with 20 agencies
- 40 000 private clients
- A focus on advising customers on the long term, based on a wide offer that covers all wealth-related needs

#### Footprint



- Strong proximity owing to over 20 agencies across France



#### Offer



- “Open architecture” offer (both inhouse and partner products) to better address customers needs:
  - Life insurance
  - Securities accounts
  - Private equity
  - Real estate
  - Real estate mutual funds
- An offer improved by inhouse niche products

#### Indirect distribution



- Dedicated team for distribution of inhouse products through several Private Banking Partners (including BNP Paribas, top 3 European Bank)



INOVALIS  
**TEAM**

2



Senior  
Management

Funds  
Management



## Stéphane AMINE

- **Chairman**, Founder and majority shareholder of INOVALIS
- Over 20 years' experience in European real estate



## David GIRAUD

- **Chief Executive Officer**, Co-founder and shareholder of INOVALIS
- **CEO INOVALIS REIT**
- Over 20 years' experience in real estate investment and risk management



## Fadi CALEDIT

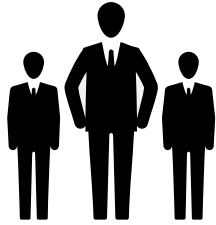
- **Chief Operating Officer**, Co-founder and shareholder of INOVALIS
- Over 20 years' experience in both real estate and financing



## Khalil HANKACH

- **Deputy General Manager** of INOVALIS, in charge of Fund Raising
- **CIO INOVALIS REIT**
- 14 years of experience in real estate acquisitions and financing in France and Germany





Senior  
Management

Funds  
Management



## Jacques STENGER

- Board member of INOVALIS Iberica
- Senior Advisor in GCC countries
- Over 35 years of international financing and real estate experience



## Allen MERHEJ

- Managing Director of INOVALIS GCC
- Over 15 years of advisory experience ranging from real estate investments, projects finance, structured products, capital markets, and investment funds.



## Michael DOWLING

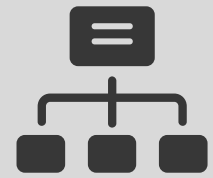
- Managing Director of INOVALIS Asia
- Over 30 years of diverse international real estate finance, investment and development experience



## Anne SMOLEN

- Director of Investors Relations in Canada
- CFO INOVALIS REIT
- over 25 years of international financing and real estate experience including 13 years as a Senior Manager at Ernst & Young

INOVALIS  
BUSINESS MODEL



## Inovalis has...

- Close involvement with current and future clients and investors to determine investment needs
- Deep understanding of the real estate markets
- Investment strategies always being tested
- Full range of skills in-house
- Proven track record: Inovalis has executed more than €7 billion of real estate transactions with this model since inception

### Test Ideas

- Observation
- Research
- Internal Review/Approval

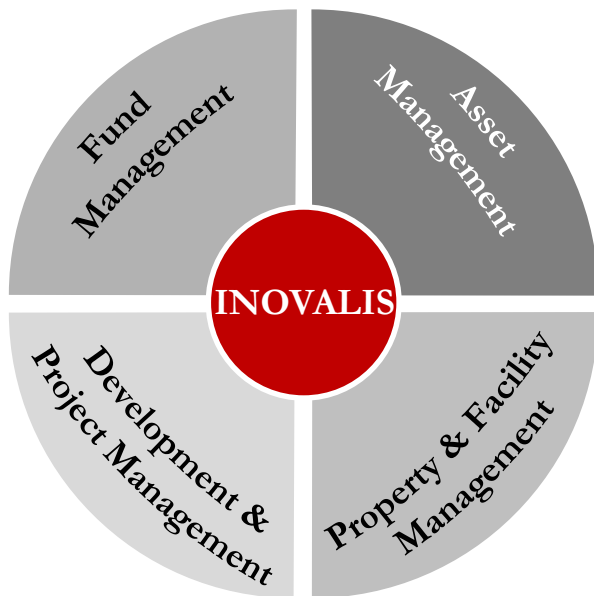
### Product Development

- Structure
- Single Account, Club Deals
- Private / Public Pooled vehicles
- Business Plan

### Product Financing

- Partners
- Alignment of Interests
- Business Plans
- Integrated services to execute plans

**A full range of inhouse services dedicated to both the investors and the tenants**



## Fund Management

- Structuring
- Partner Relations
- Equity
- Debt
- Financial Structuring
- Controlling

## Asset Management

- Acquisition / Pipeline
- Capital Market Activities: Sales, Finance, refinance
- Workouts
- Execute Business Plans
- Maximise returns

## Property & Facility Management (Advenis Real Estate Solutions)

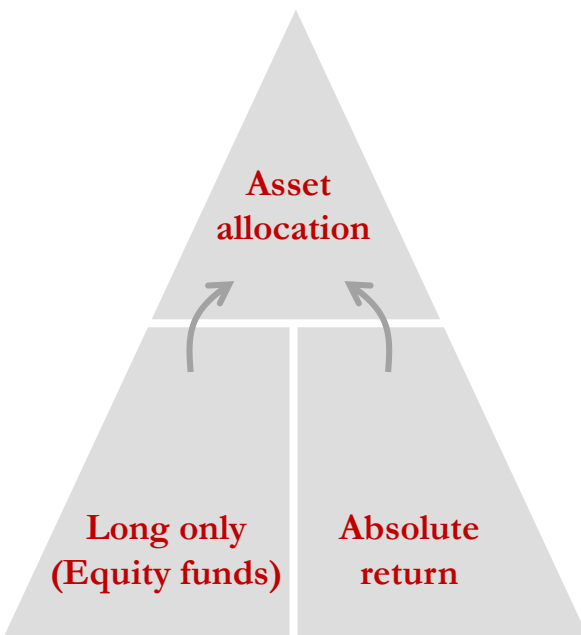
- Operational Management
- Property Reporting

## Development & Project Management (Inoprom / Aupera)

- Develop
- Renovate
- Reposition



## A specialization in asset allocation and two complementary strategies successfully added



### Asset allocation

- Performance by finding the optimal balance between risk and reward by combining different classes of assets
- Funds co-managed by all Advenis IM fund managers, nurtured by the long only and absolute return research

▶ Performance combined with diversification

### Long Only

- 2 renowned Equity funds: US Opera (US Equity) and Ambiose (European Equity)
- US Opera was rewarded with a Lipper Fund Award in 2011 in the North America Equity

▶ Pure Equity performance

### Absolute Return

- 7 high-value financial assets funds (UCITS): Dividend future, long short, etc.
- A tradition of innovation

▶ Research of high performance with risk control

**This approach is strengthened through an organization tailored to attract highly-talented and entrepreneurial funds managers**

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INOVALIS  
TRACK RECORD

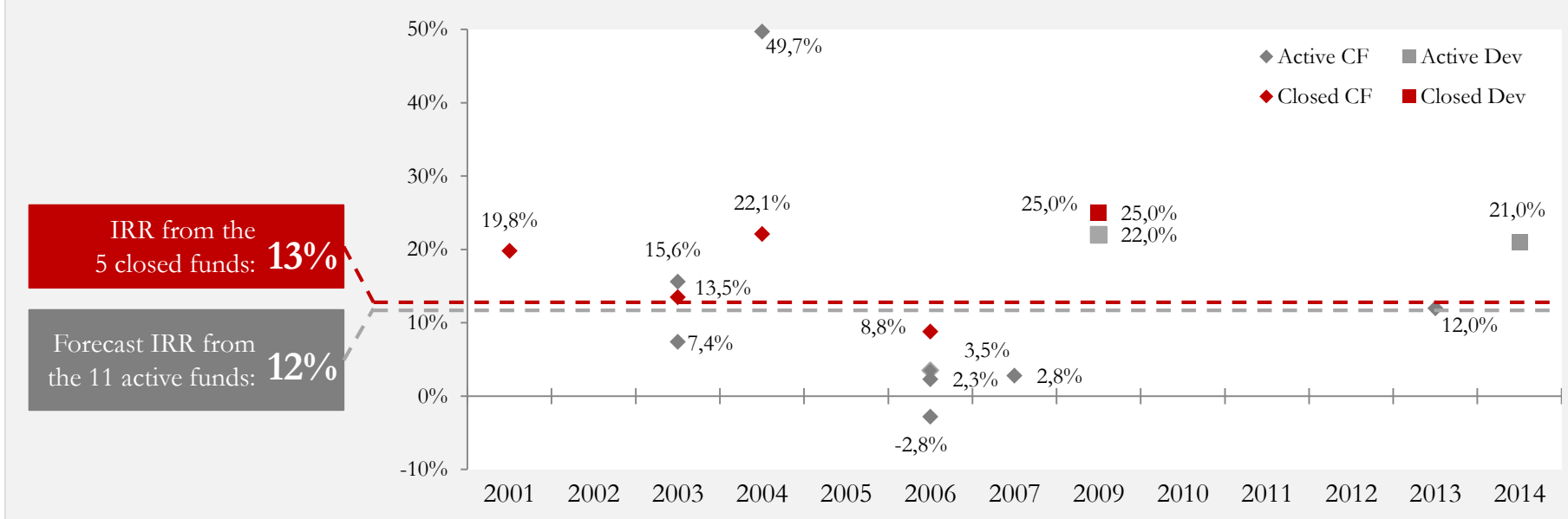
# Real Estate Funds Management: Value Creation Results

## Our value creation model works...

### Achieving Results

- Value creation through good and bad market cycles means achieving returns while protecting capital
- Investment Vehicles have fared the financial crisis well: we have experienced no asset repossession, nor distressed situations due to our alignment of interest with our Partners through co-investment
- Partners in our investment vehicles have received returns ahead of market comparisons for the vintage of investment
- 2006/07 was a highpoint for real estate market valuations and investment vehicles of this vintage have not performed well
- Flexibility in fund structuring and senior financing has allowed INOVALIS to extend exit periods and take full benefit of the market recovery

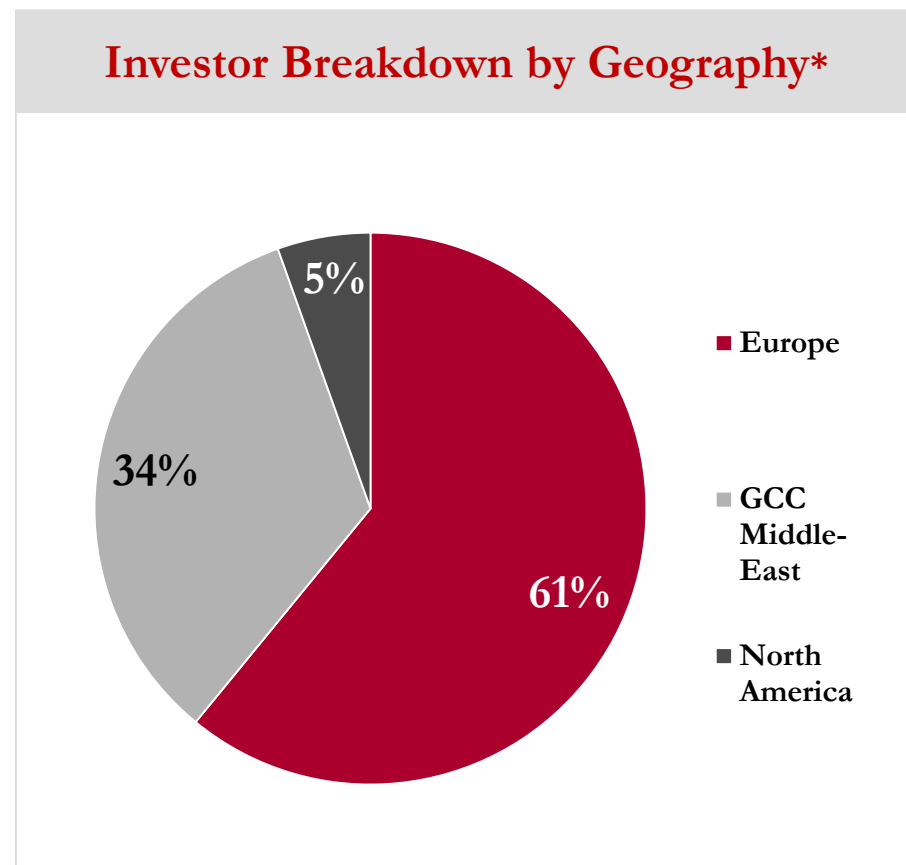
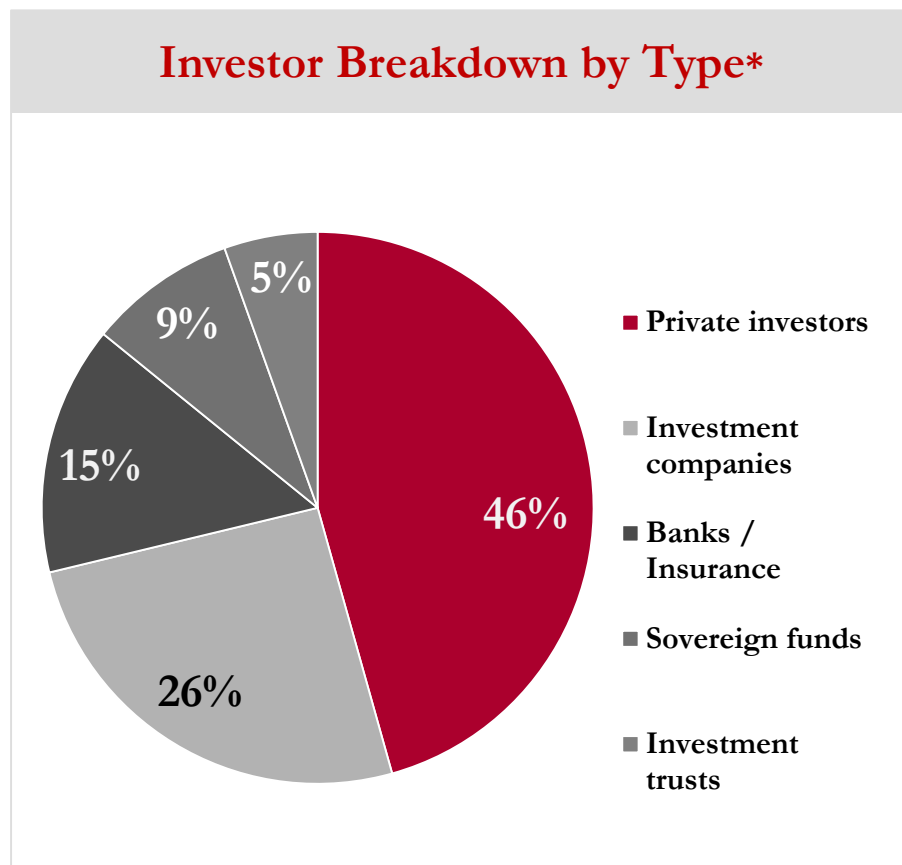
### Range of IRR, affected by commencement vintage of investment, per annum\*



\*Excluding mutual funds set up for tax incentive

# Sources of Equity Under Management (€3.5Bn – excluding real-estate services –)

## A diversified set of investors



\* Real Estate and financial assets distributed and/or under Management



## REIT IPO and Closings – Toronto Stock Exchange



On the 10<sup>th</sup> of April 2013, Inovalis REIT<sup>1</sup> was listed on the Toronto Stock Market for an initial total Capitalization of \$CAD 105 million.

In November 2014 and July 2015, it raised respectively an additional \$CAD 42 million and \$CAD 46 million

## Eurovalys – (September 2015)



Advenis IM, a subsidiary of Inovalis, launched Eurovalys, a French real estate mutual funds investing in german offices  
Eurovalys has been rewarded twice for its innovation  
It is distributed by inhouse and independent wealth managers as well as private banking units of bank partners

## 66% ownership of Advenis (formerly Avenir Finance - July 2014 )

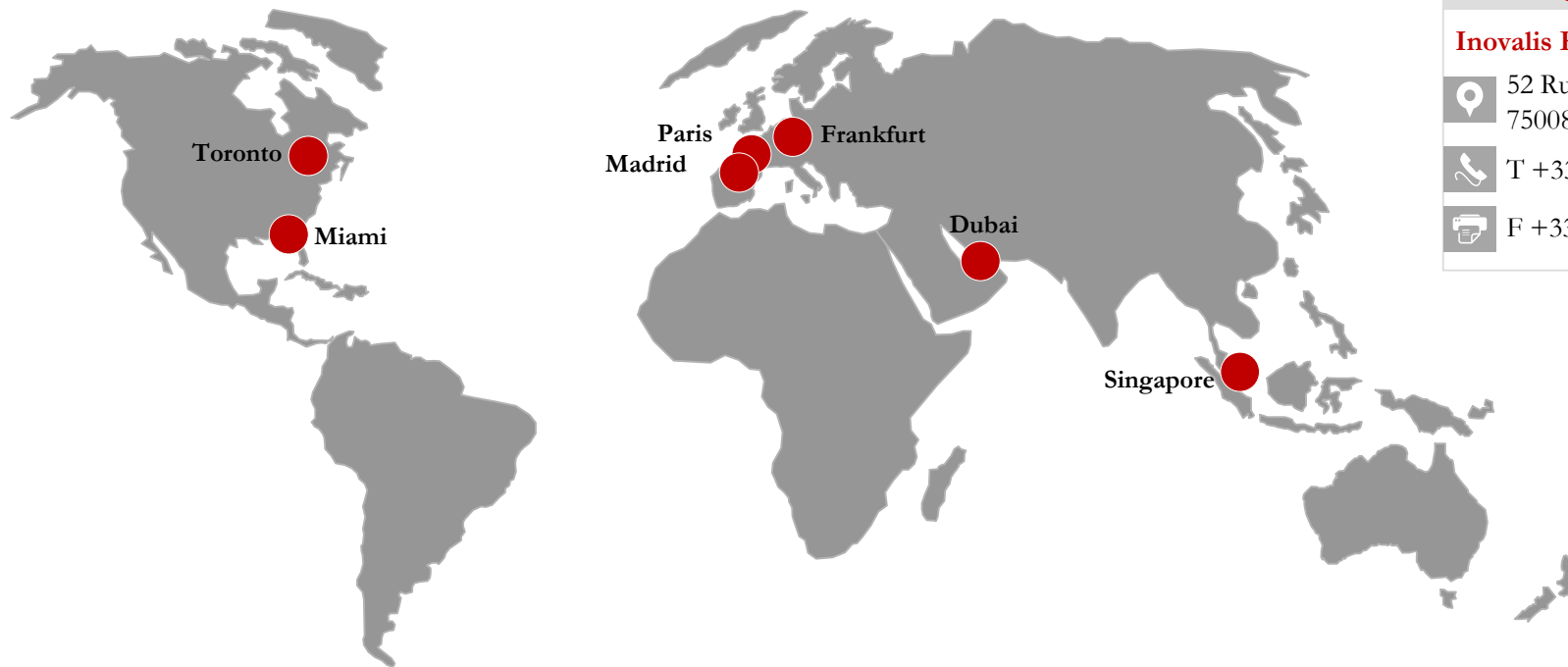


Independent and Paris-listed group specialized in conception and distribution of both financial and real estate products for institutional and private clients  
Formerly known as Avenir Finance, the company was rebranded to Advenis in 2015

## Grand Prix SIMI 2013



Grand Prix for the best renovated building in 2013 by the French Professional Real estate Event  
The asset has been sold in 2014



## Contact

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