



CRESUD



IRSA
COMMERCIAL
PROPERTIES

“30 years
investing in Argentina”

Investor Day

New York – November 2, 2018

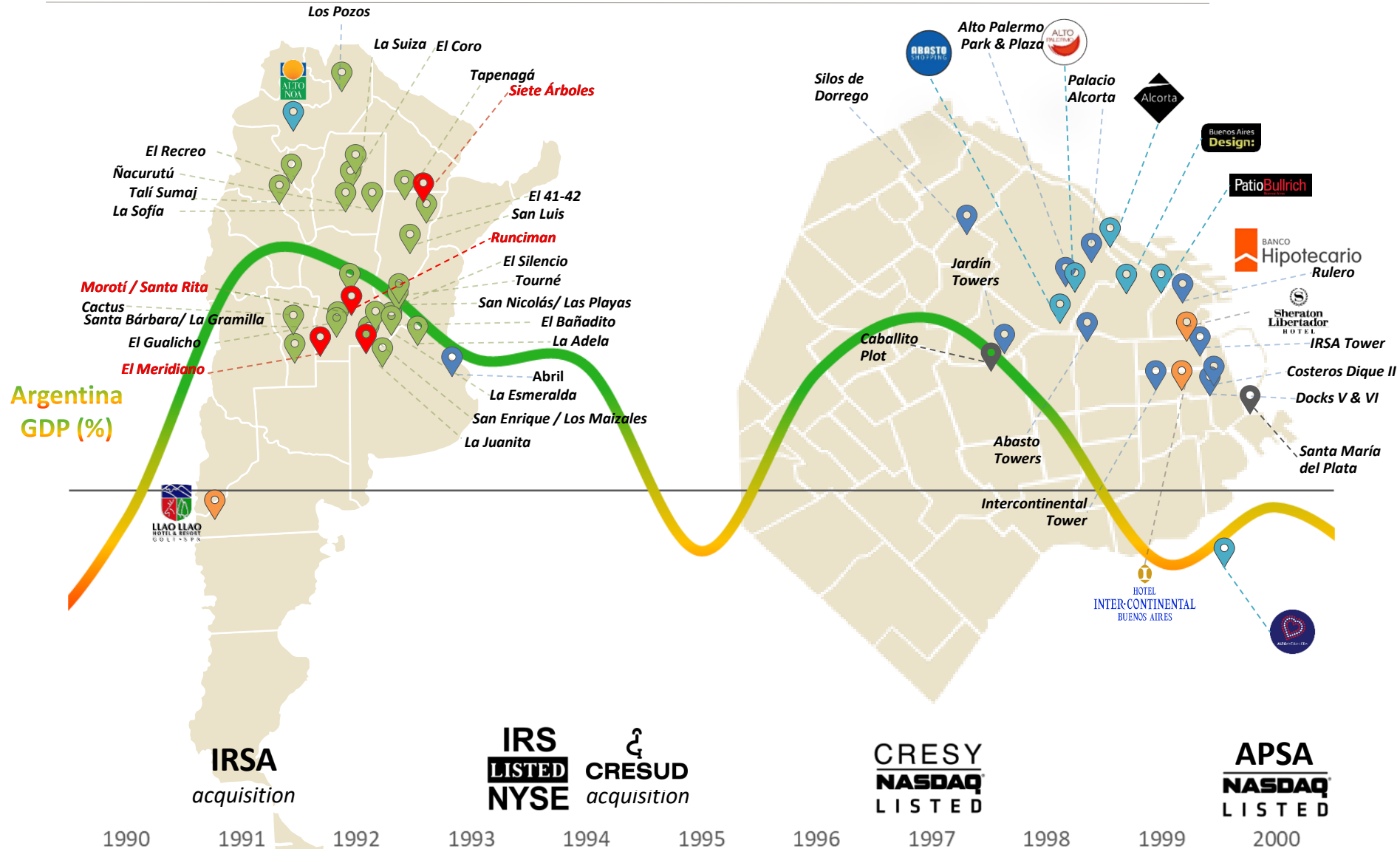
1980 – 2018: Argentina 40 yrs of economic volatility

Argentina GDP (%)

Still alive and kicking...

1980 1982 1984 1986 1988 1990 1992 1994 1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018

1990 – 2000: The convertibility decade & the growth of our group



1999 – 2002: The end of the convertibility

Worst domestic crisis

20/12/2001

Clarín
Se va Cavallo:
negociar con
el peronismo



22/12/2001

**Argentina
GDP (%)**

Clarín
Elegían hoy a
Rodríguez Saá



Brazilian currency crisis



5 presidents in one week



Bonos Provinciales de Emergencia	
Denominación	Emisor
Lecop	La Nación
Patacón	Prov. de Buenos Aires
	Provincia de Córdoba
Federal	Corrientes
Cecacor	Bocade
Quebracho	Boncafor
Petrom	FONDO VALORES
	Patricón I
	Jujuy



Debt restructuring



USD 200 million
Convertible Notes and
Warrants

Debt reduction &
stake increase

CRESUD
19.85% stake



1999

2000

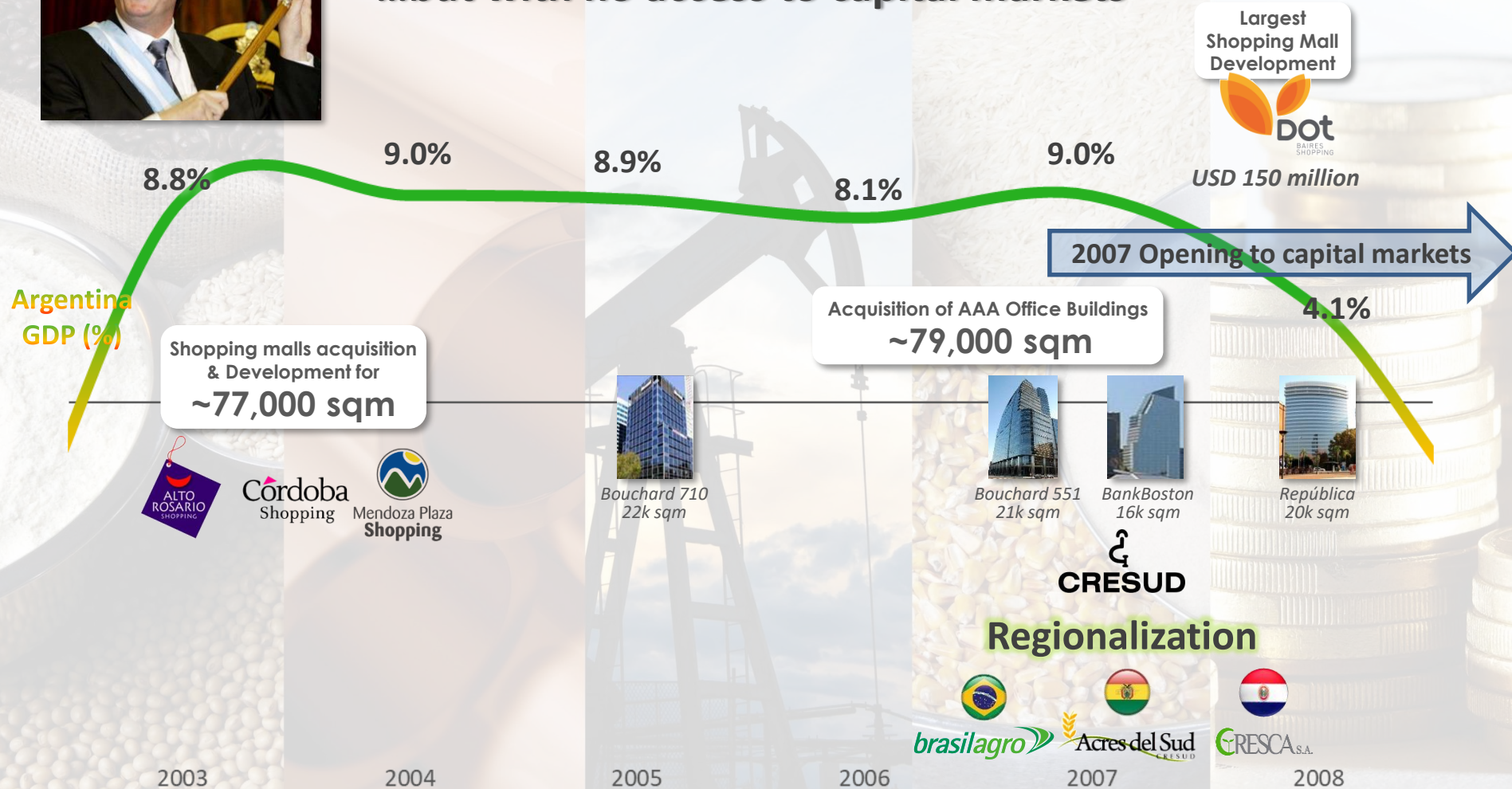
2001

2002

2003-2008: 5 yrs of commodities super cycle



Growing at Chinese rates...
...but with no access to capital markets



2008-2015: US Financial Crisis & Capital Control in Argentina

Time for international diversification... ...with limited expansion in Argentina



2016-2018: Macri's administration



Transfers office portfolio to:



Centros Comerciales

New name & new ticker:



COMMERCIAL PROPERTIES

IRCP
NASDAQ
LISTED

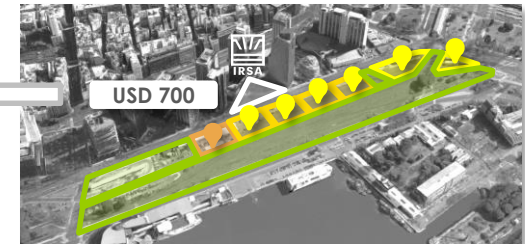
Big investment Plan
launched in Argentina

Catalinas
Development



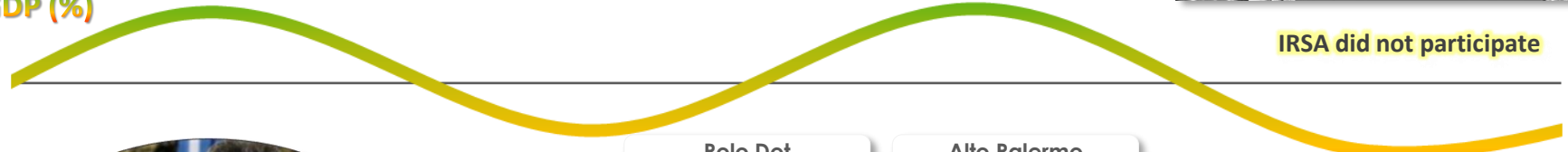
Auctions launched
by BA City

USD 500 million (USD 1,500/sqm)



IRSA did not participate

Argentina
GDP (%)



Polo Dot
Development



Alto Palermo
Expansion



USD 15 million in plots acquisitions
USD 100/ sqm



La Plata
117 th. sqm
Greater BA



Maltería Hudson
177 th. sqm
Greater BA

2015

2016

2017

2018

Current Rural & Urban Real Estate Portfolio

ARGENTINA



Rural & Urban Real Estate in Argentina

-  13 Farms in Argentina 535,000 ha
-  16 Shopping malls 344,000 sqm GLA
-  7 Office buildings 83,000 sqm GLA
(+ 67,000 sqm under development)
-  3 Hotels 714 rooms
-  Urban Landbank ~ 20 million sqm

INTERNATIONAL



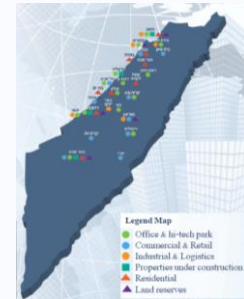
Real estate USA
265,000 sqm de ABL



Farmlands in the Region
~210,000 has



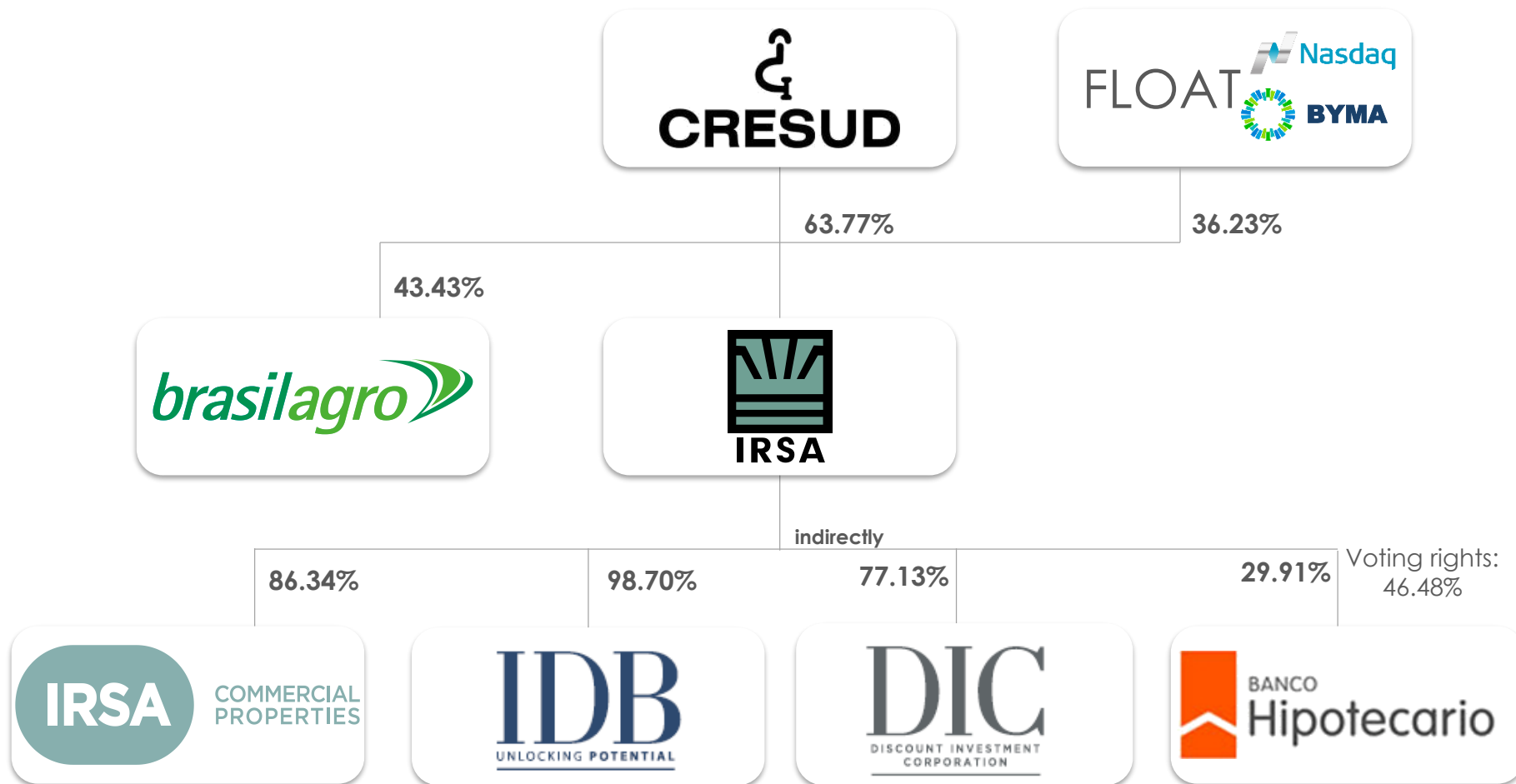
Real estate Israel
~1,200,000 sqm GLA



Real estate
131,000 sqm GLA



Corporate Structure



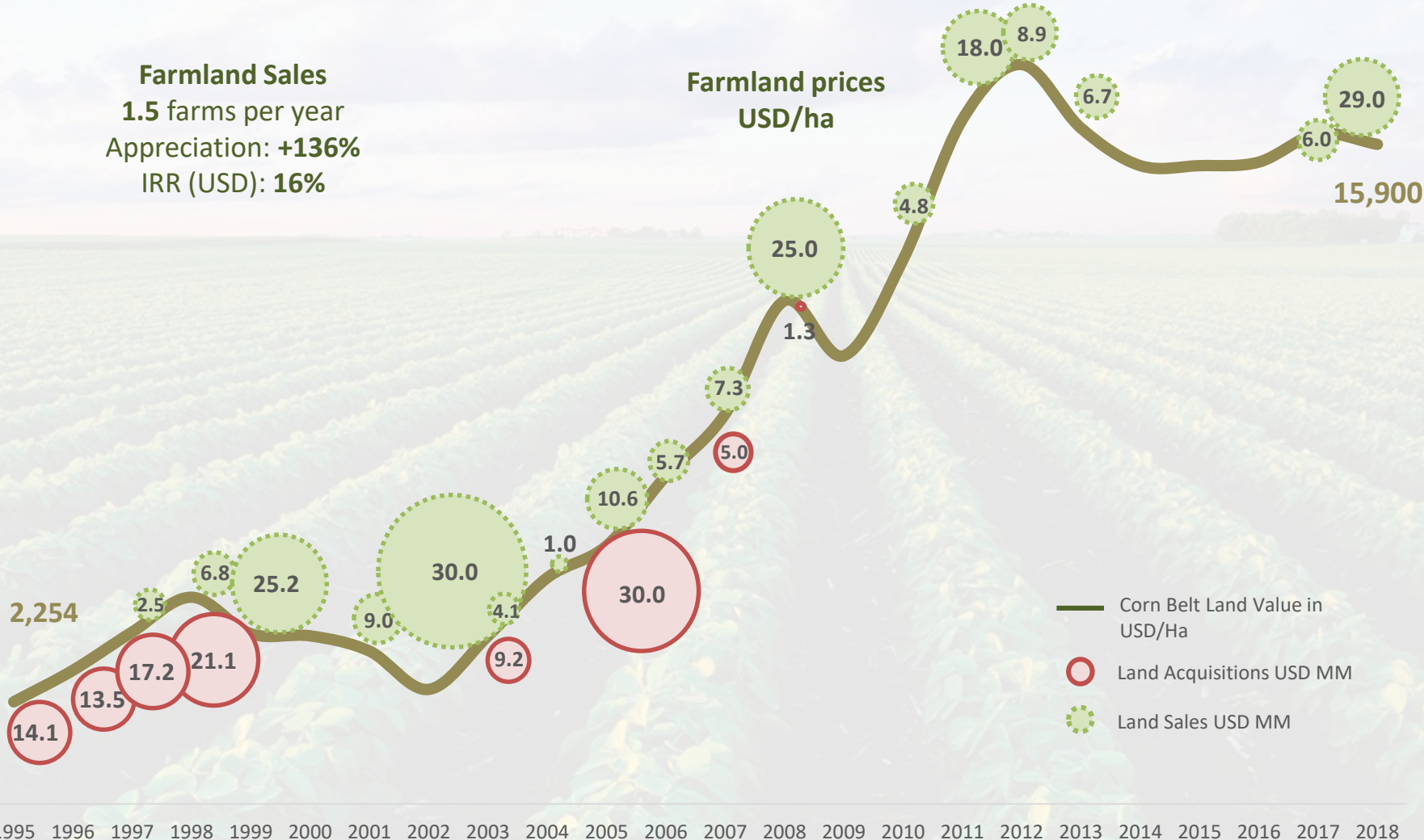


Agribusiness

Our business model execution in Argentina

Farmland Sales
 1.5 farms per year
 Appreciation: **+136%**
 IRR (USD): **16%**

Farmland prices
 USD/ha



Good opportunity after devaluation in Argentina

(April 2003)



Location:
Trenel - La Pampa



CRESUD
Est. "El Tigre"

SALVADORI. 15533919.
-02902-



Turnaround from a Traditional Cattle Farm into Crop Production

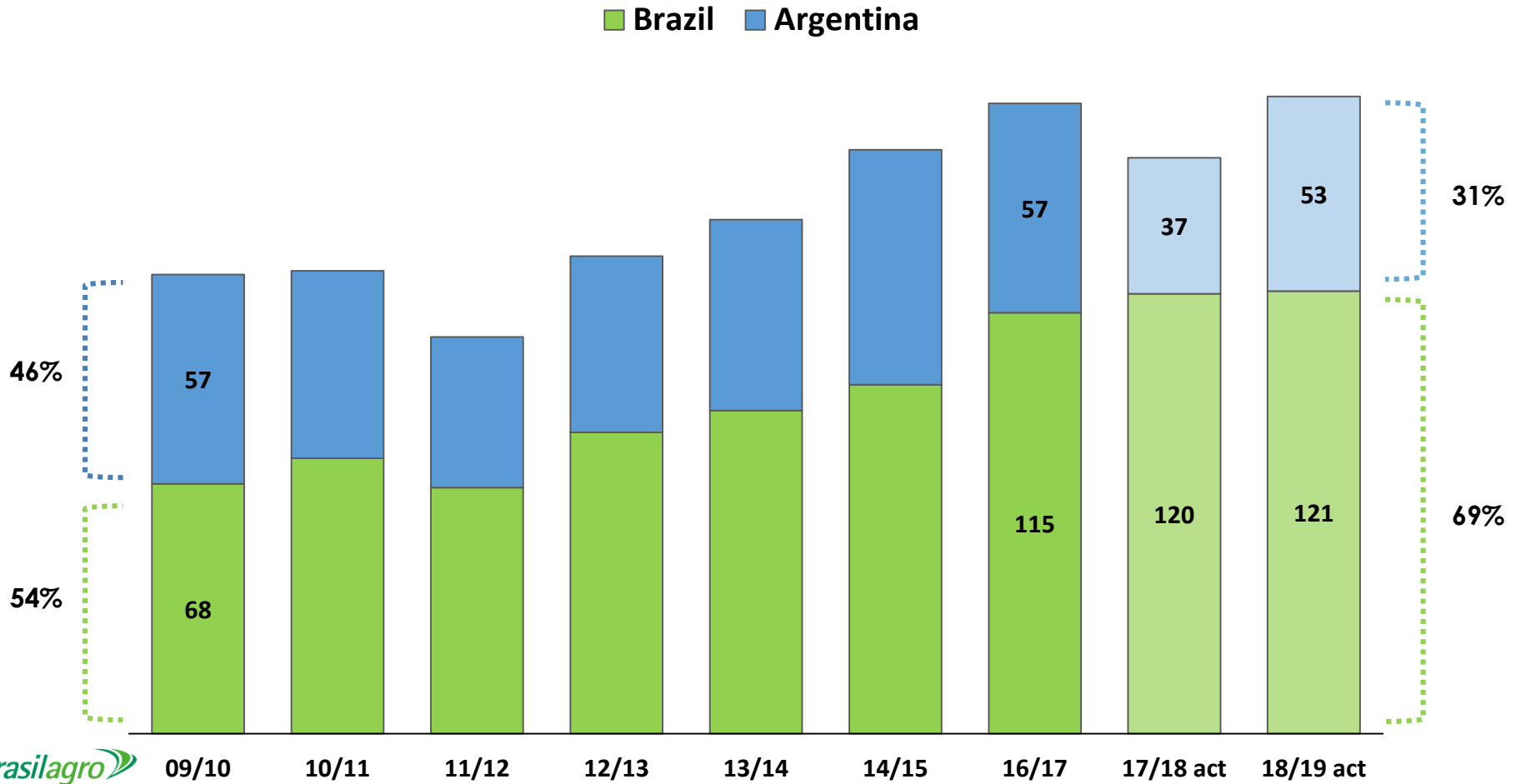
Traditional Practices
Family Owned
Acquisition Cost:
USD/Ha. 1,100

Transformation by changing
farming practices.
Pioneer Farm in the area
producing soybean
CAPEX: USD/Ha. 380

High Productivity Farm
Land Value:
USD/Ha. 5,000

Soybean: Argentina & Brazil production

Million Tons

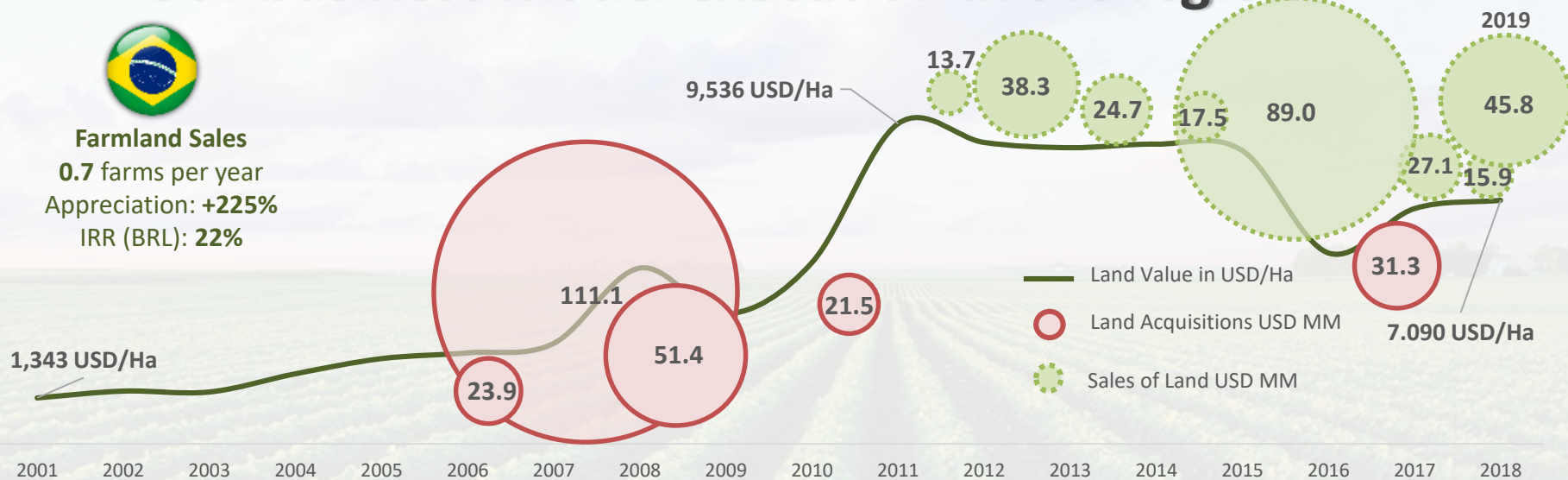


Our business model execution in the region



Farmland Sales

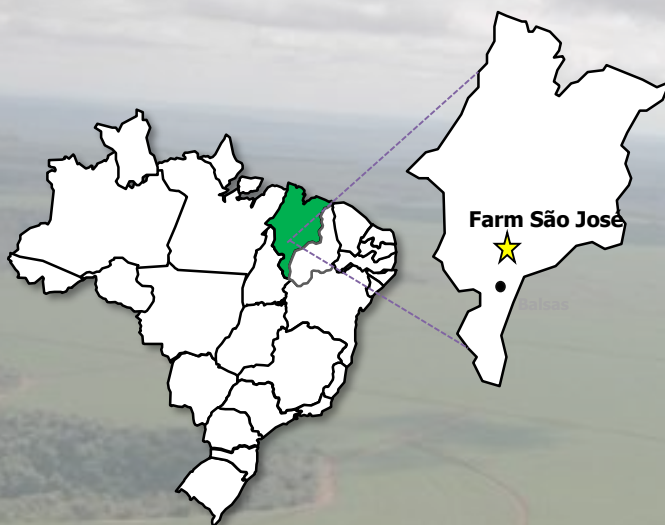
0.7 farms per year
Appreciation: +225%
IRR (BRL): 22%



Farmland Sales
0.6 farms per year
Appreciation: +62%
IRR (USD): 15%



São José Farm (São Raimundo das Mangabeiras/MA)




**Current
Valuation
BRL 160MM**



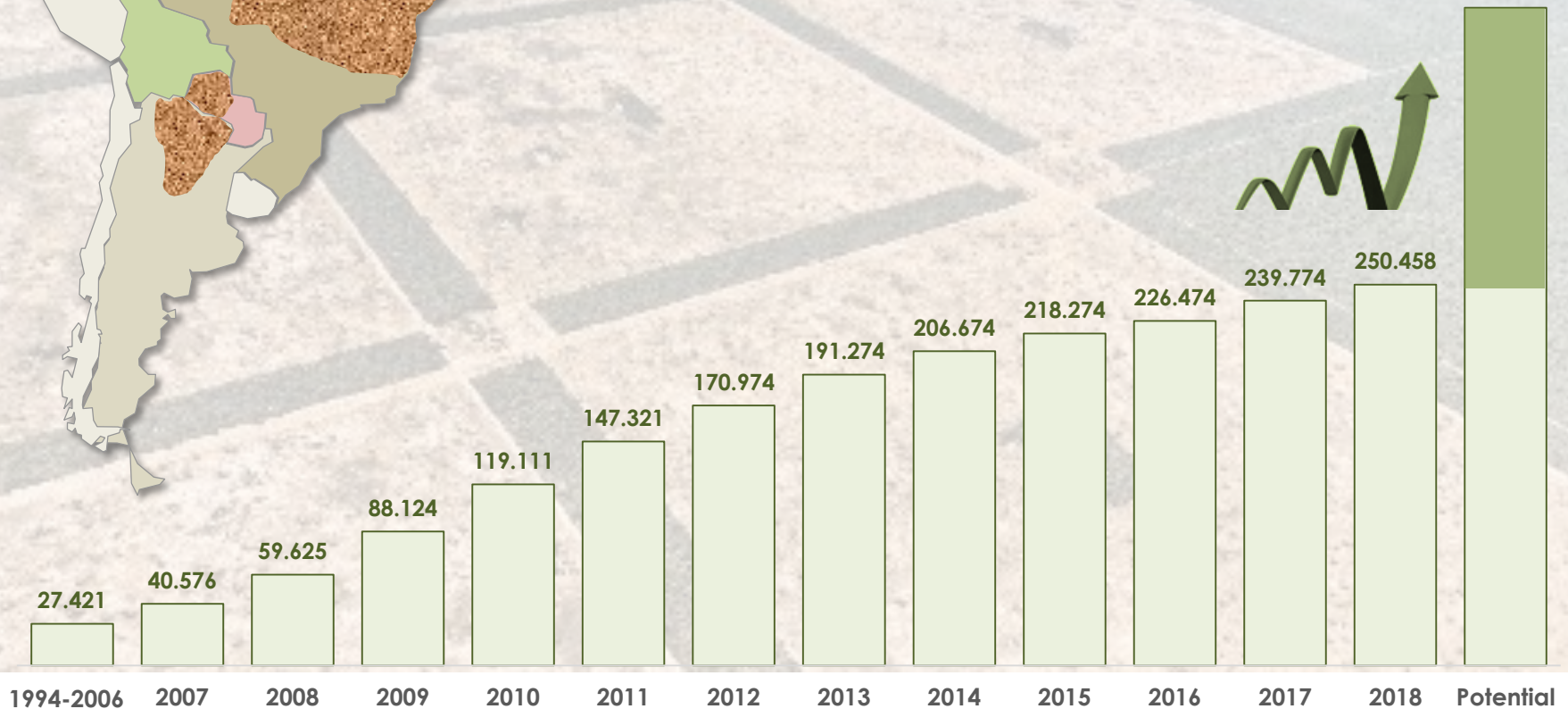
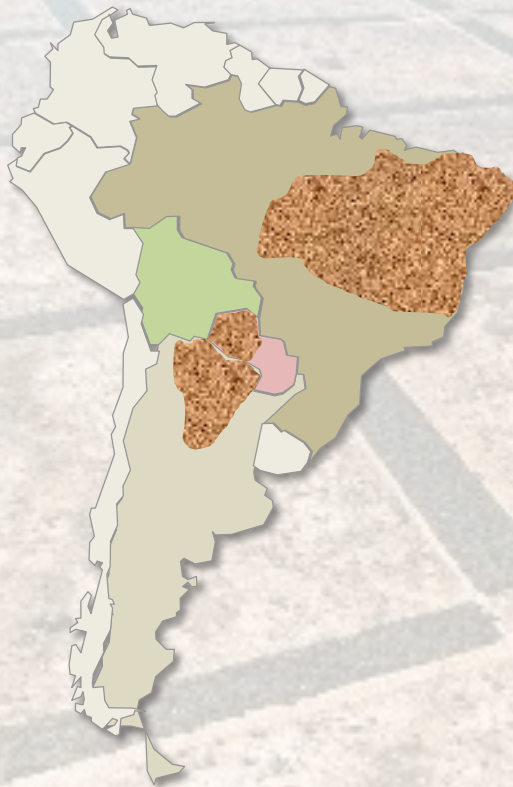
Acquisition – Farm São José	Lease & Partnership
Location: São Raimundo das Mangabeiras/MA	
Total Area: 17,566 ha Arable: 10,000 ha	Arable Area: 15,000 hectares
Project: Grains, Sugarcane	Project : Sugarcane
Value: R\$ 100 million (R\$/arable ha 10,000)	Value: 10% of the total supply

250,000 developed ha

Avg./year
20,000 ha

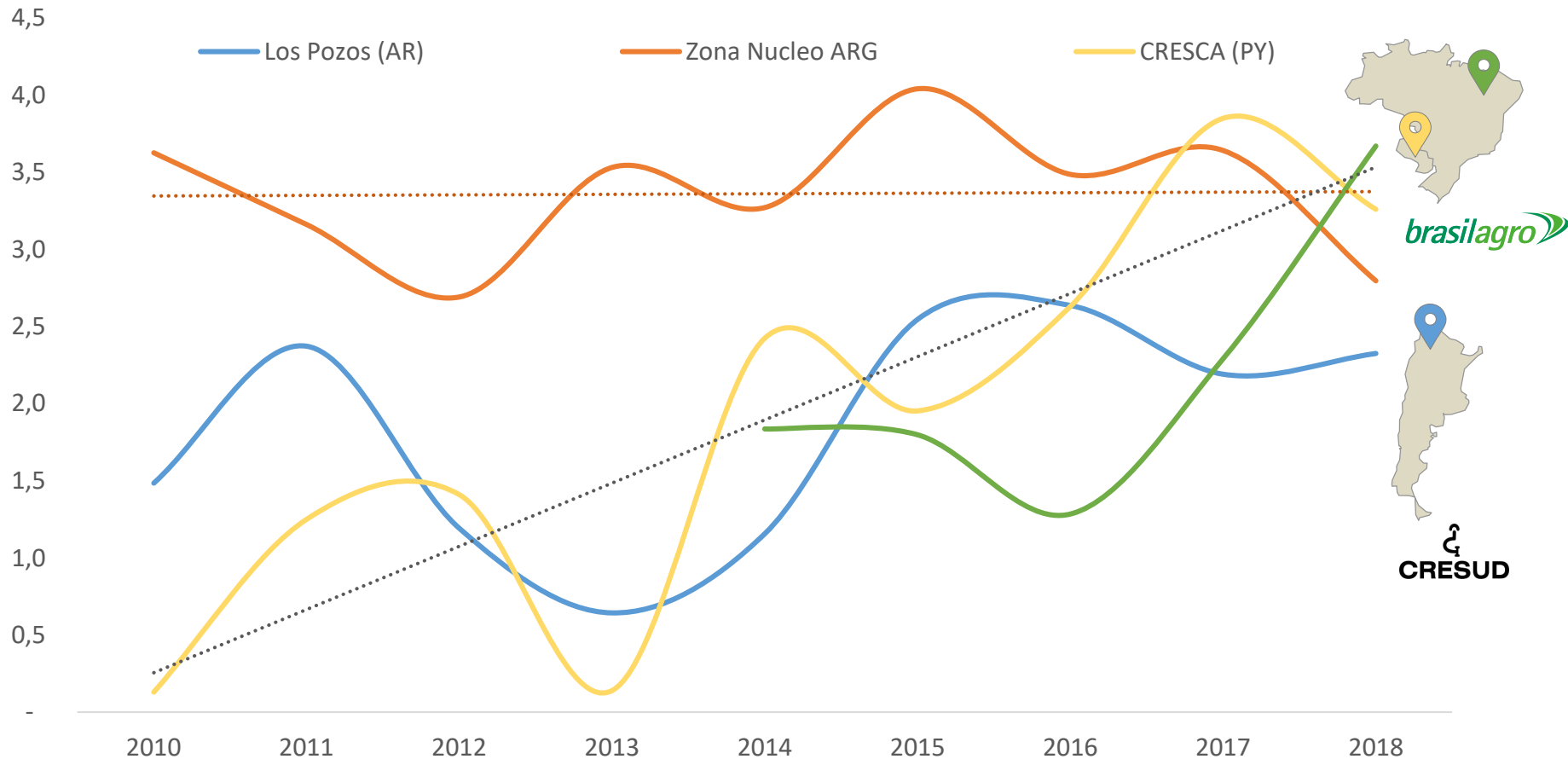


Development
Potential
190,333 has



Increasing land value through development & efficient farming

Soybean Yields (tons/ha)



CRESUD & BRASILAGRO 2018 regional farmland sales

La Esmeralda Farmland

USD 19.0 million (USD/ha 2,031)

8.0x BV



June 2018

- Total area (ha): **9,370**
- Productive area (ha): **8,430**
- Book Value: **USD 2.4 MM**
- IRR (USD): **17.8%**

La Suiza (partial sale)

USD 10.0 million (USD/ha 1,000)

8.4x BV



June 2018

- A sales contract has been signed
- Total sold area (ha): **10,000**
- Productive area (ha): **8,105**
- Book Value: **USD 1.2 MM**
- IRR (USD): **9.5%**

Araucaria (partial sale)

BRL 61.6 million (BRL/ha 93,356)

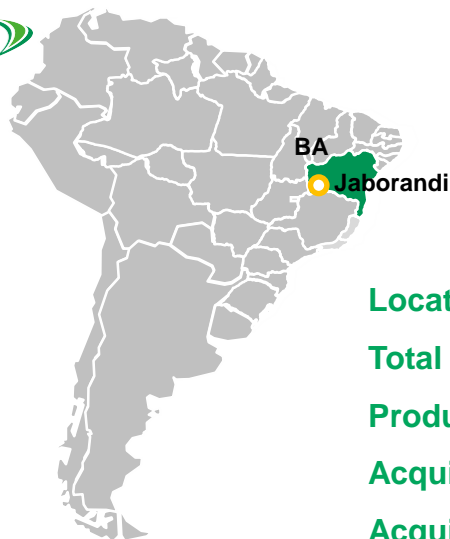
5.6x BV



May 2018

- Total sold area (ha): **956**
- Productive area (ha): **660**
- Book Value: **BRL 11.0 MM**
- IRR (USD): **12.0%**

Brasilagro Farmland sale (July 2018)



Location: Jaborandi / BA
Total Area: 31,106 ha
Productive Area: 24,725 ha
Acquisition date: 2007
Acquisition Price: R\$ 34,6 MM
CAPEX: R\$ 45,0 MM

Acquisition



Current picture



- 100% grains
- 182 km of roads
- 220 – 280 direct employment

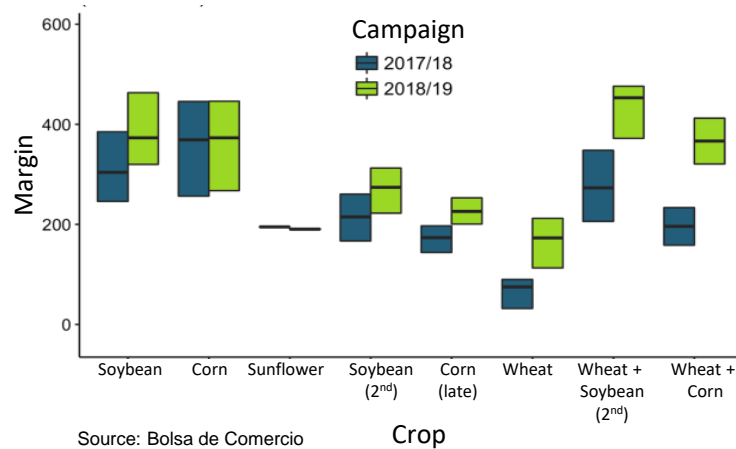
Remaining area
21,822 ha

Partial Sales	July 2017	July 2018
Area (hectares)	Total: 625 ha Productive: 500 ha	Total: 9.784 ha Productive: 7.485 ha
Acquisition Price	R\$1,1 MM	R\$10,1 MM
CAPEX	R\$0,1 MM	R\$7,9 MM
Sale Price	300 bags/ha Nominal Value: R\$10,1 MM	285 bags/ha Nominal VALUE: R\$164,8 MM
TIR ⁽¹⁾ (R\$/US\$)	16,70% / 9,2%	14,00% / 7,1%

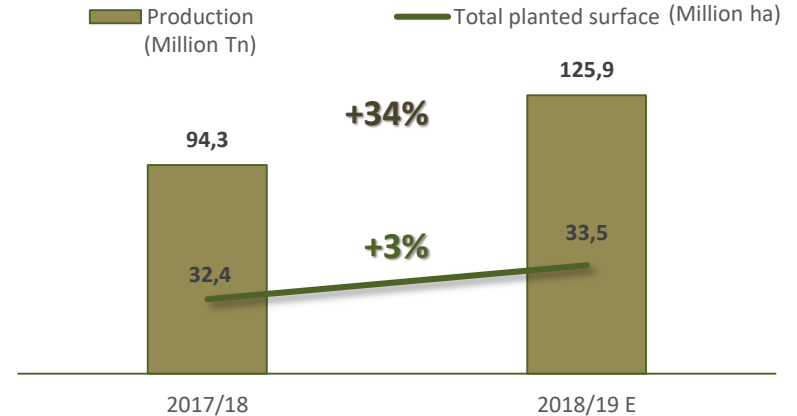
(1) Taxa Interna de Retorno (imobiliária + produtiva) desde o primeiro desembolso até o recebimento esperado da última parcela de acordo as curvas futuras da soja (CBOT) e taxa de câmbio.

Agribusiness today: Good prospects for 2019 campaign in Argentina...

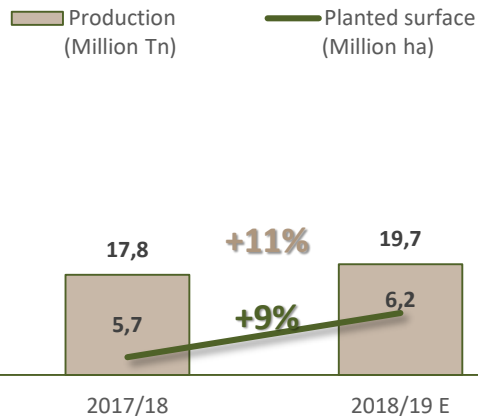
**Gross margin per crop (national avg)
(USD/ha)**



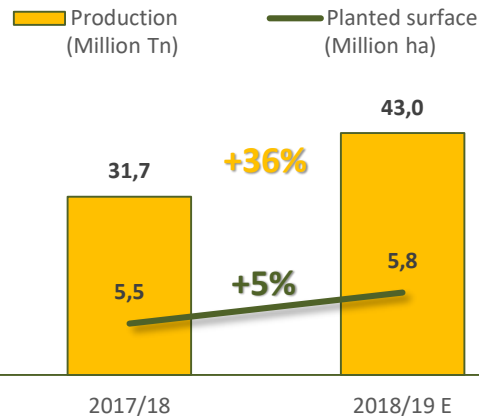
Record Planted surface in Argentina



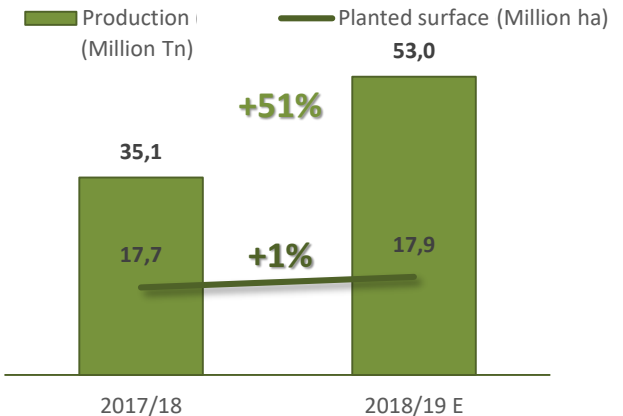
Wheat



Corn



Soybean



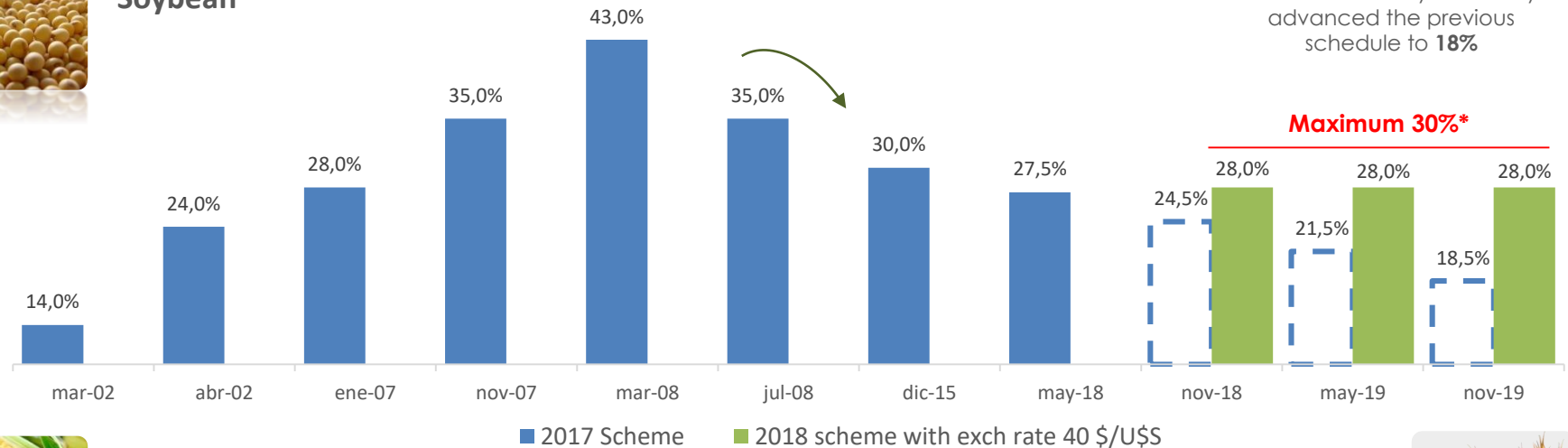
...despite recent increase in tax exports

Crop Export Taxes: Previous scheme + minimum between 12% or \$ 4 per dollar until December 2020

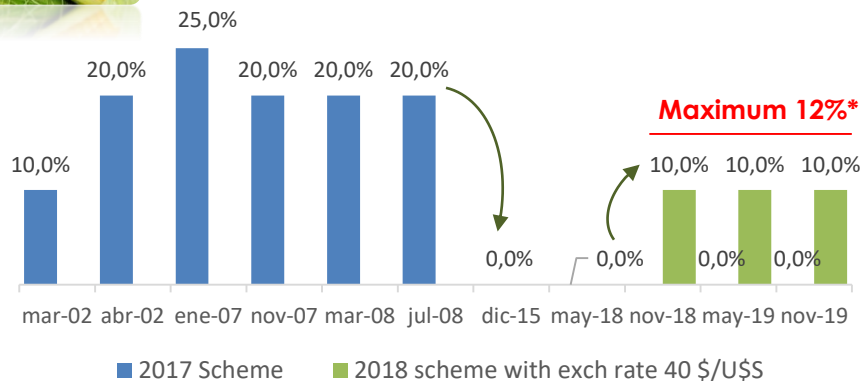
Actual export tax % depends on exch. rate (i.e. 4 \$/USD / 40 \$/USD = 10%)



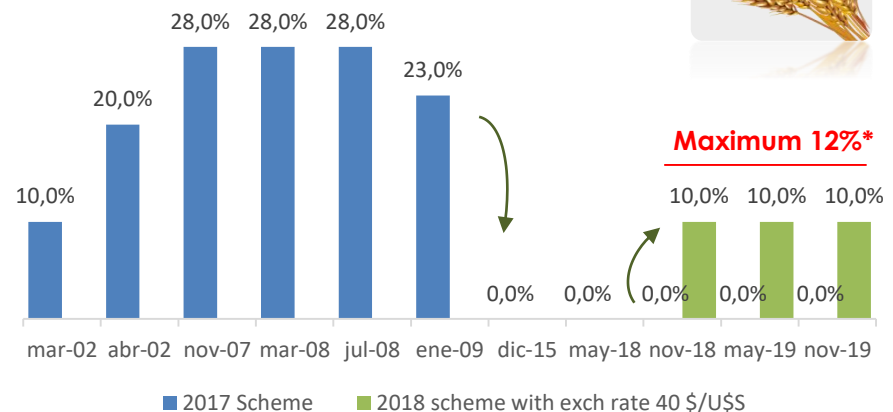
Soybean



Corn

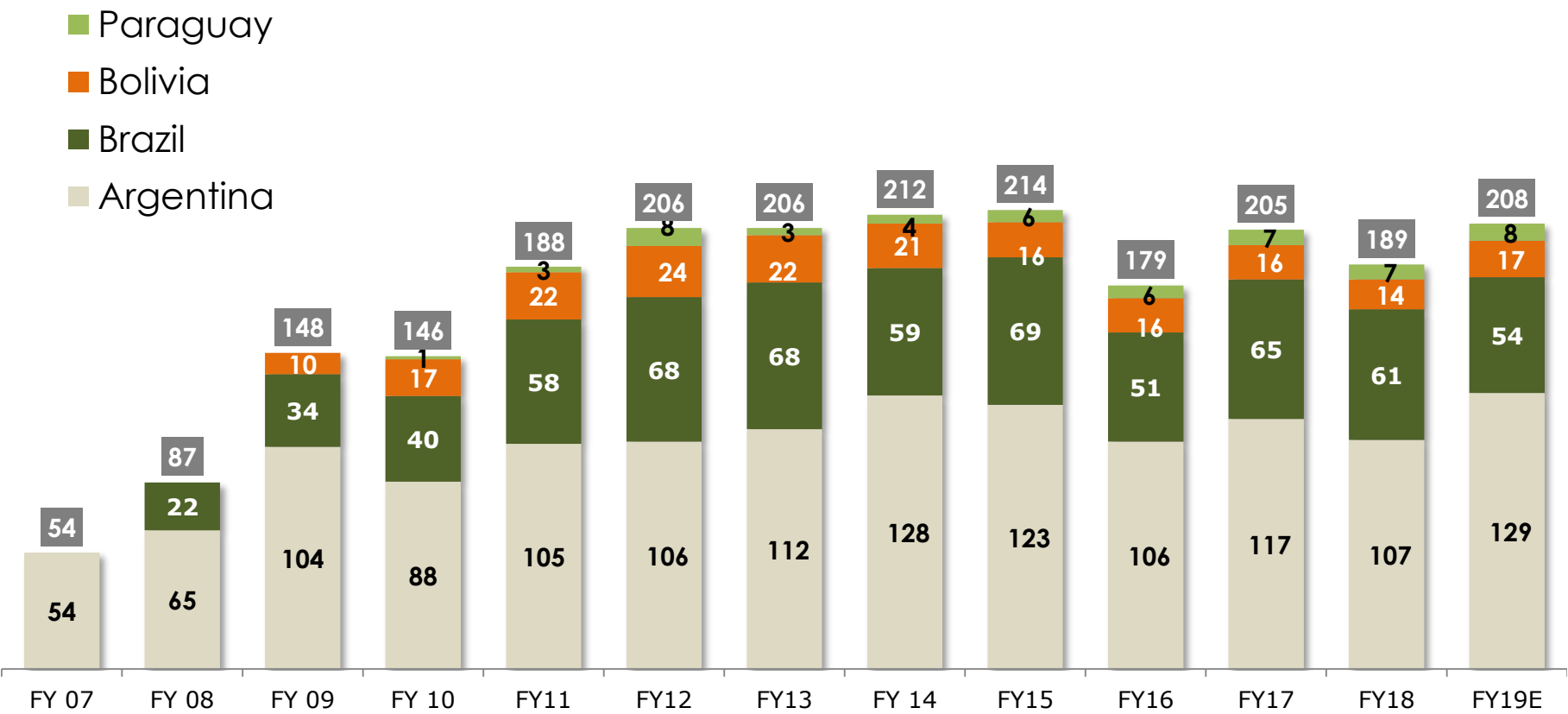


Wheat



*Scenario at ~ 33 \$/USD

CRESUD Regional Planted Area



FyO's growth: From an internet platform to a leading grain broker

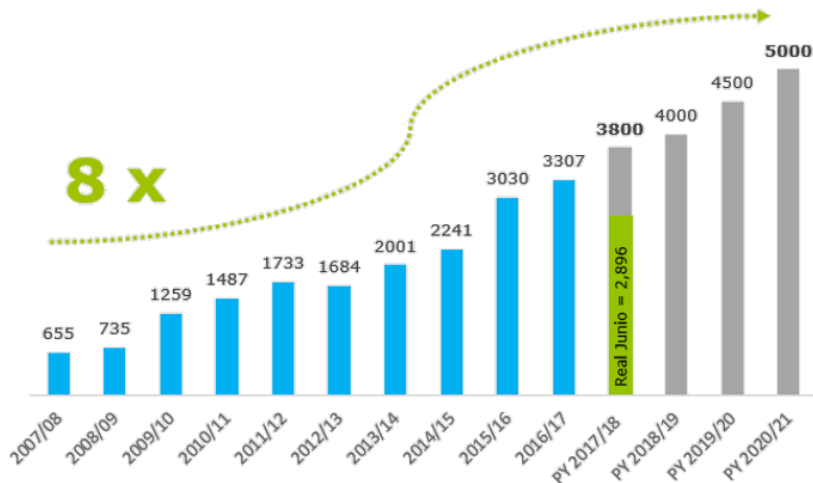


Cresud' Stake: 50.1%

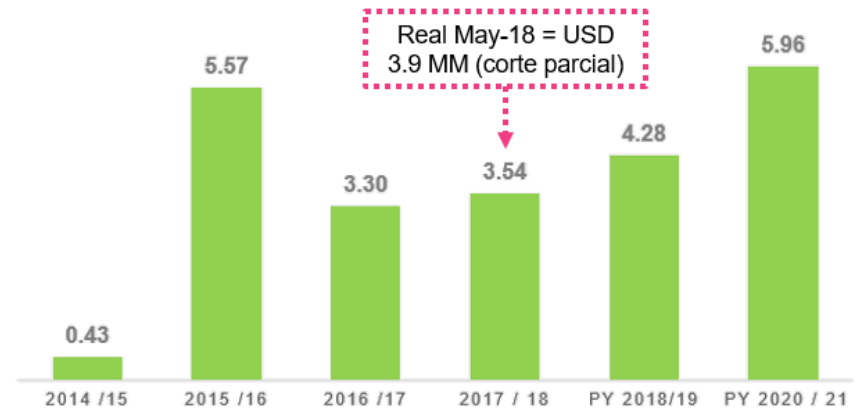
MAIN SERVICES

- Brokerage
- Derivatives
- Exports
- Specialties
- Freight & Logistics
- Trading
- Grain Elevator
- Consultancy
- Portfolio Management
- Training

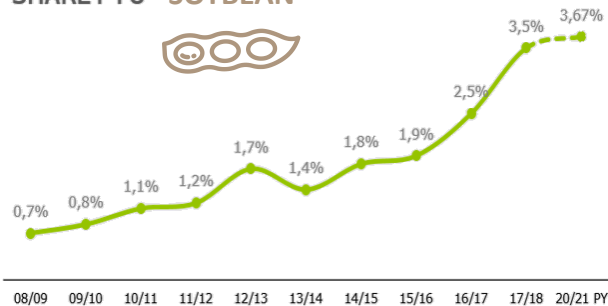
Evolution of Tonnes traded (MM)



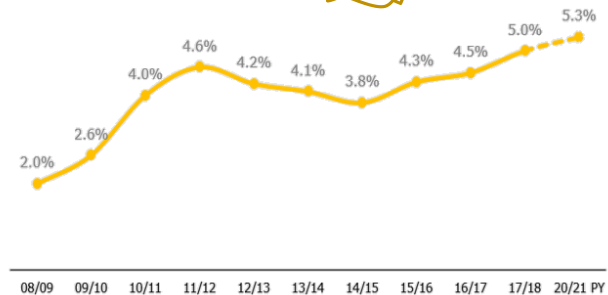
EBITDA (USD MM)



SHARE FYO SOYBEAN



SHARE FYO CORN





Cresud' Stake: 32.5%

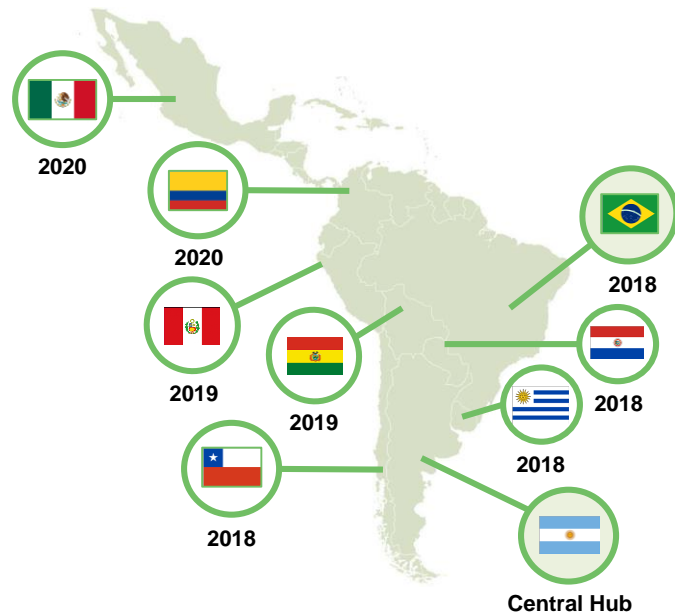
We are building
an e-commerce
ecosystem
around
agribusiness

Agrofy empowers farmers and agribusiness companies with its leading marketplace and digital products.

After two years of operations Agrofy achieved that **5,000 companies** listed more than **50,000 products** consulted by **1.2 million monthly buyers** in **10 different items**



Leading in LATAM in the next 3 years



Leveraging a superior product and back-end infrastructure based in Argentina, Agrofy will scale efficiently across the region. Currently in Brazil.



BUILDING TRACTION

Local commercial team generates liquidity through basic memberships.



VALUE GENERATION

Capitalize on multinational clients to open new markets.



LEAN GROWTH

Leverage central hub in Argentina to streamline processes and control costs.



BRAND EXPOSURE

Along with digital marketing campaigns, agrofy will be present at all principal agro events and expos.



COMMERCIAL
PROPERTIES

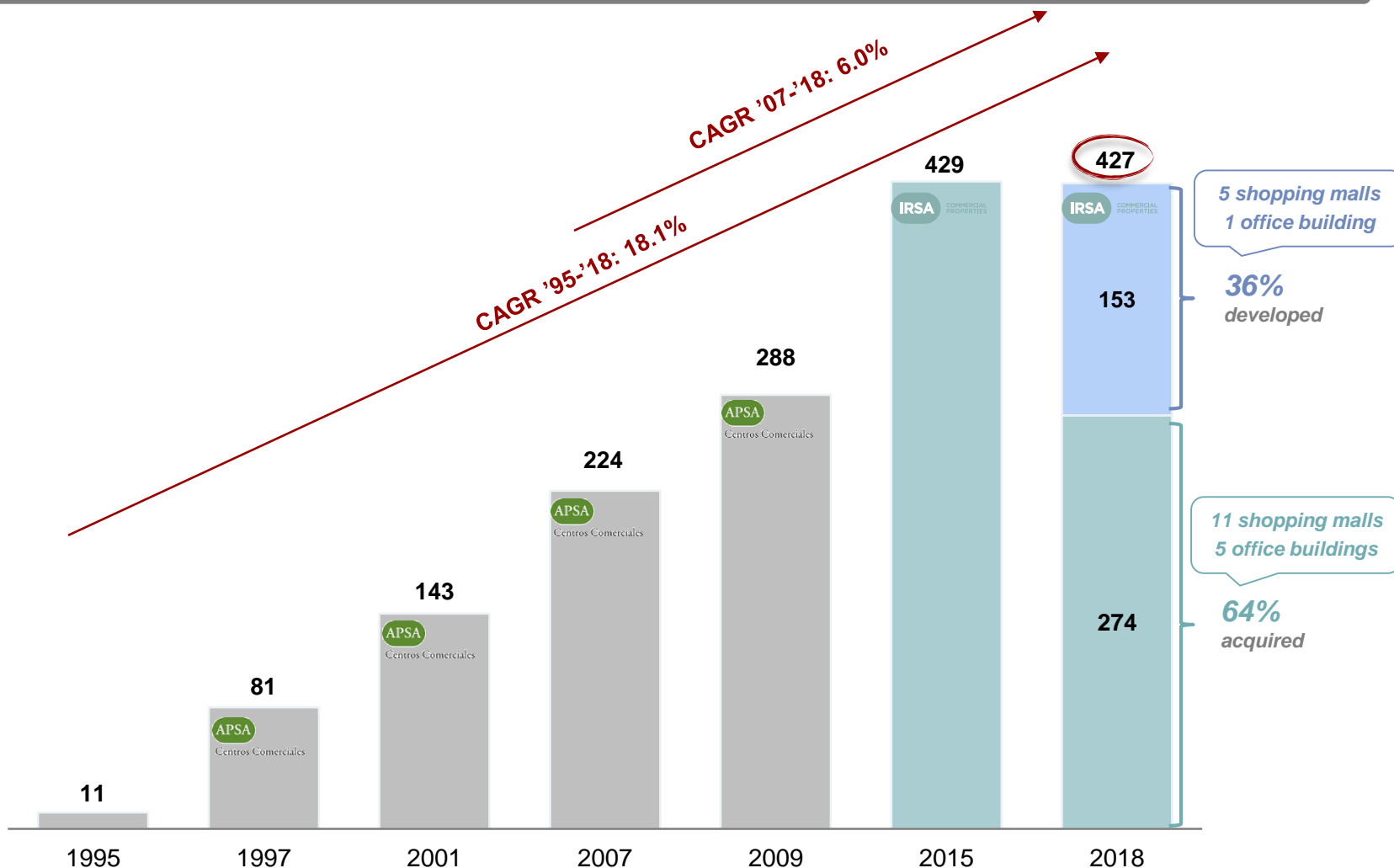
Real Estate

We have consistently grown and established our market position by developing and adding premium real estate assets to our portfolio

IRSA

COMMERCIAL
PROPERTIES

Our growth story in GLA ('000 sqm)



In December 2014, we acquired several premium office buildings from our parent company IRSA and changed our name to IRSA Commercial Properties

IRCP Premium Rental Portfolio

Buenos Aires shopping malls

Buenos Aires office buildings

67% market share in terms of sales

City of Buenos Aires

City of Buenos Aires

Argentina shopping malls

- Low income Area
- Mid Income Area
- High income Area
- Land reserve

- Expanding Corporate North Area
- Business Center
- AAA Location
- Back Office Center
- Land reserve

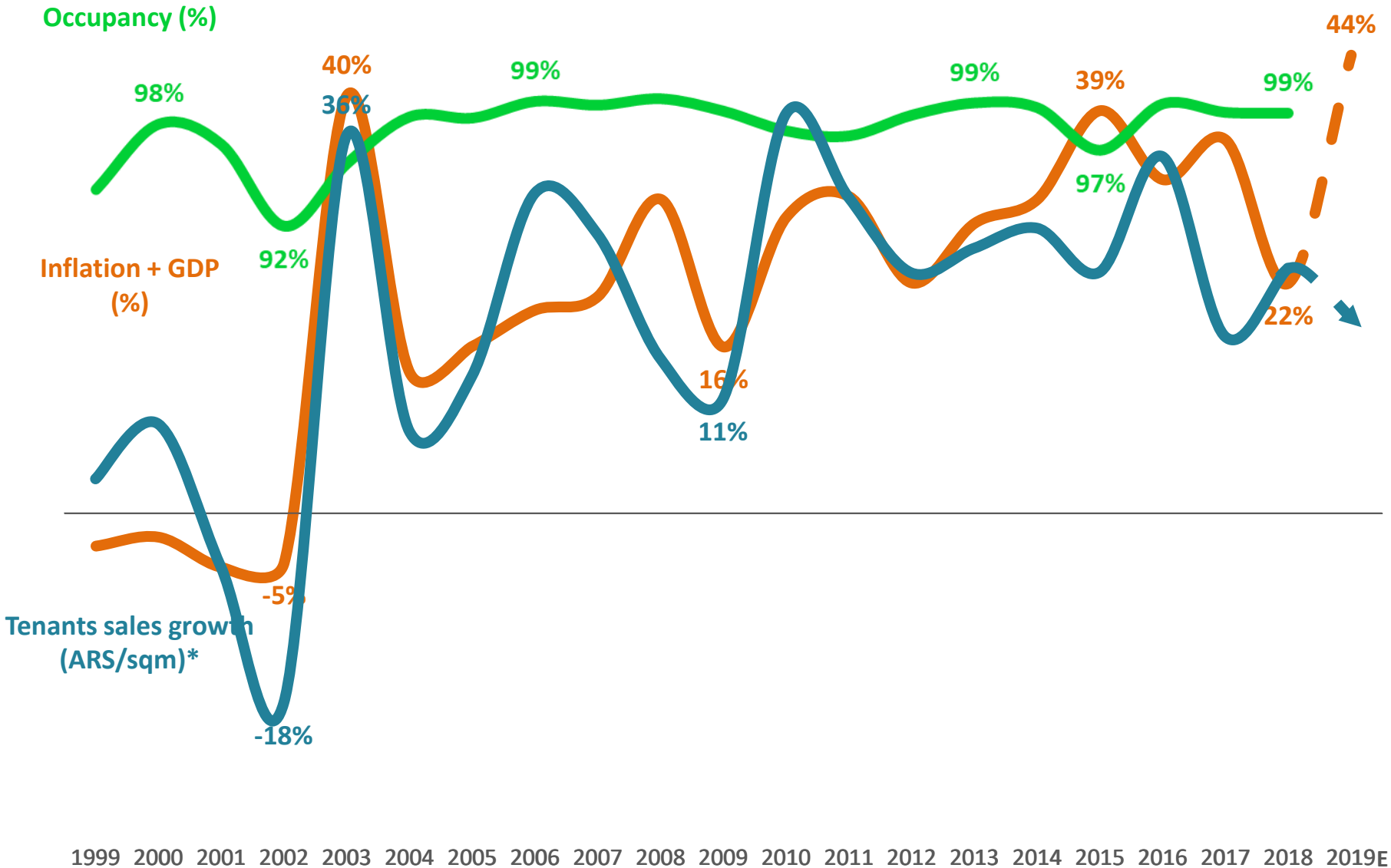


110 million
annual visitors

2,5x
Argentina's Population

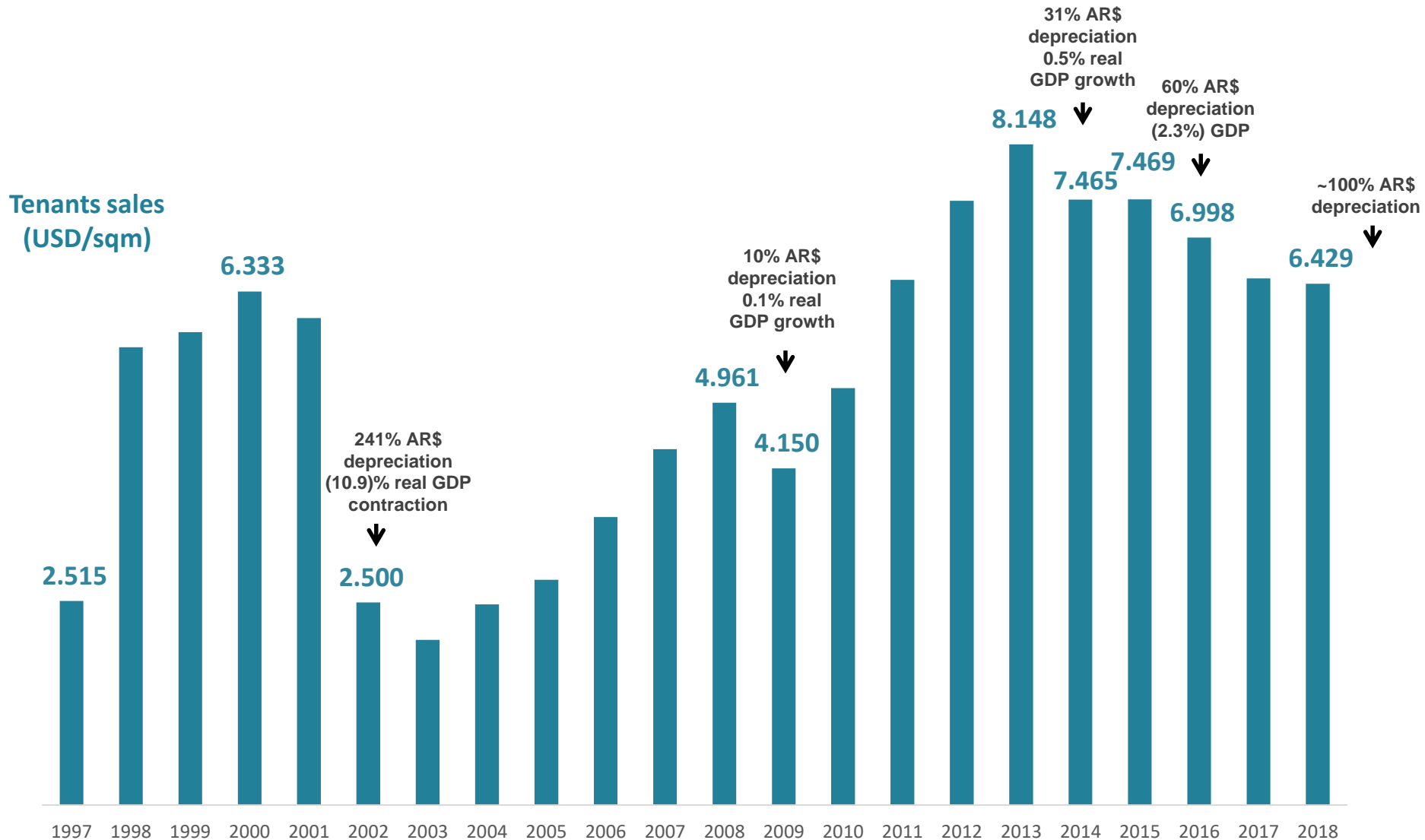
Our premium locations act as an entry barrier for new competitors

Shopping Malls historical figures evolution

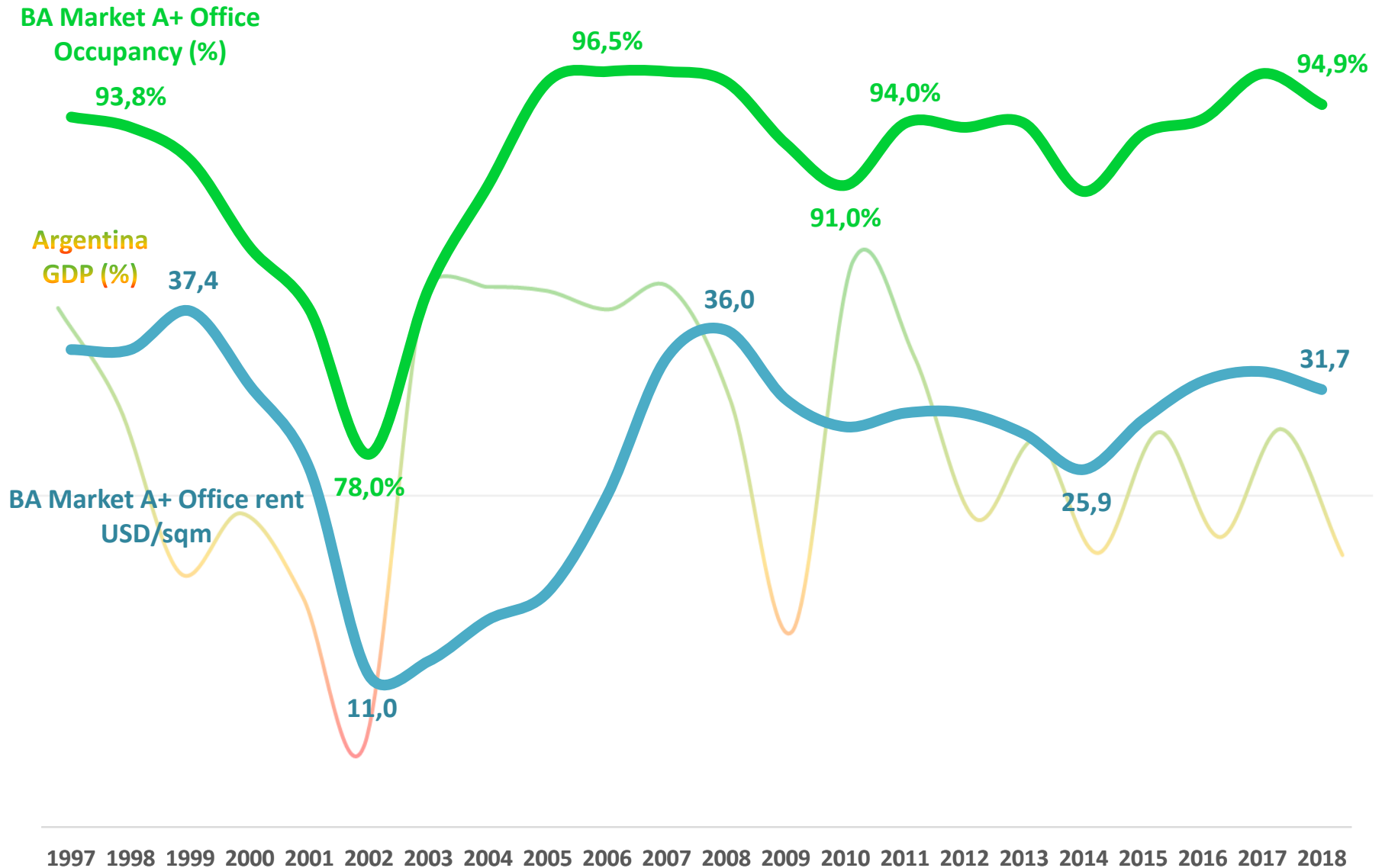


* Excluding DOT Baires

Historical Shopping Malls sales in USD/sqm



A+ Office sector BA City - historical evolution

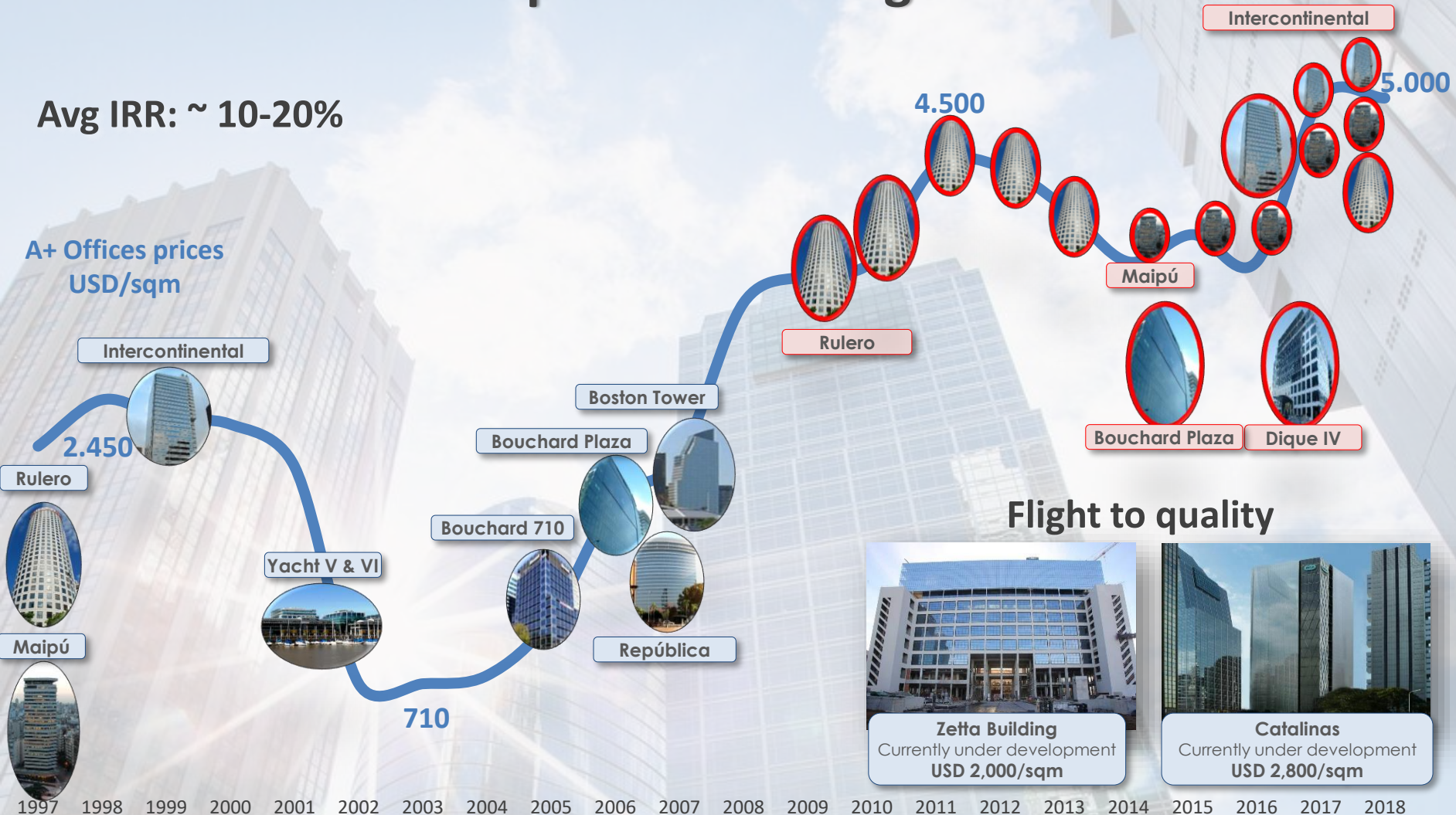


Real Estate Acquisitions & Sales Track Record

Active portfolio management

Avg IRR: ~ 10-20%

A+ Offices prices
USD/sqm



IRSA

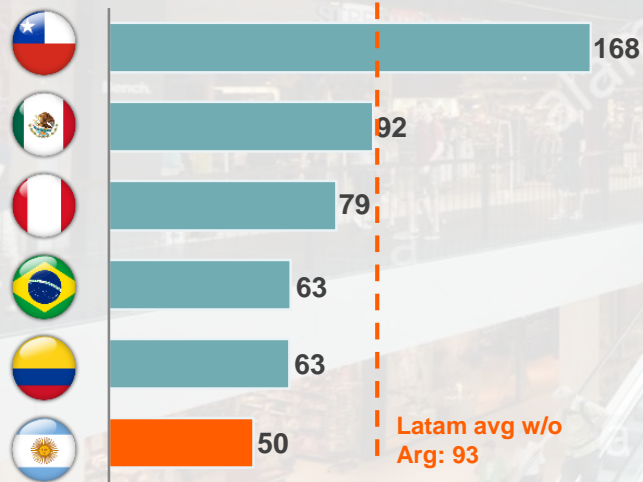
COMMERCIAL
PROPERTIES

Commercial Real Estate



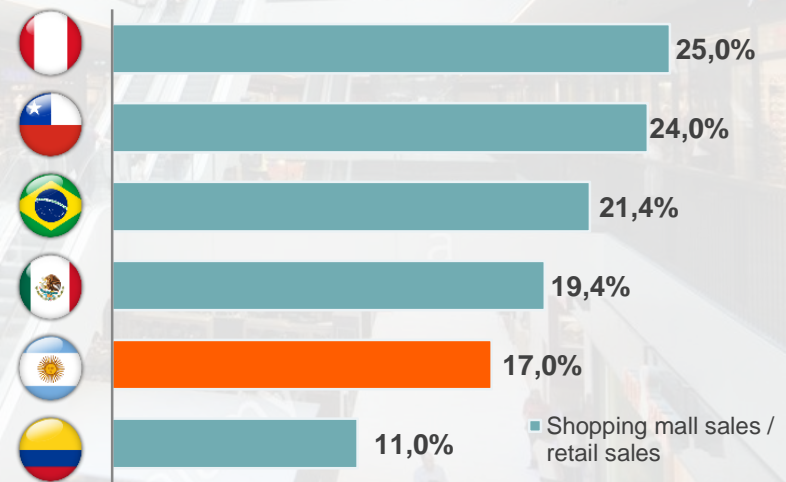
Commercial Real Estate Industry potential in Argentina

Local GLA per capita
(mall GLA per '000 inhab.)



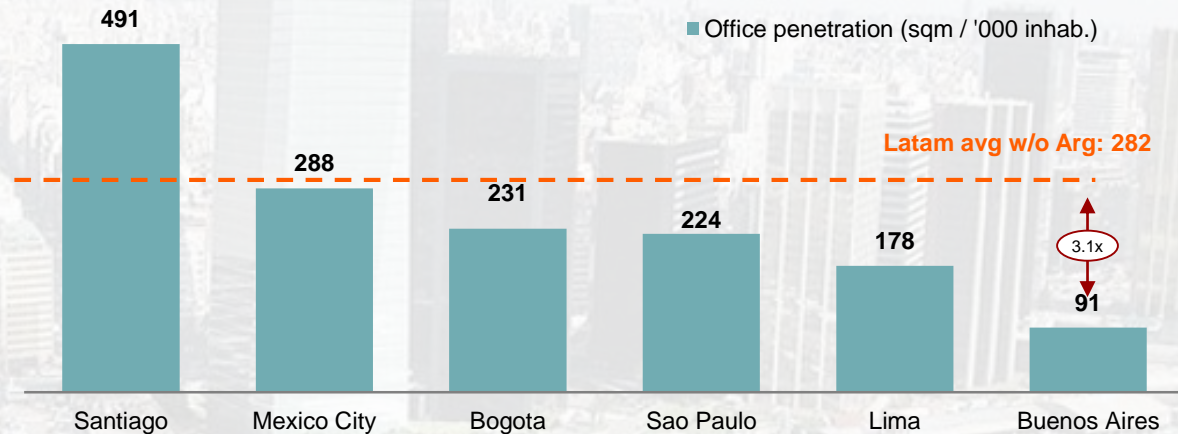
Source: Cushman & Wakefield Global Shopping Center Development Report, as of 2014

Local shopping mall sales penetration
(%)



Source: International Council of Shopping Centers, as of 2014

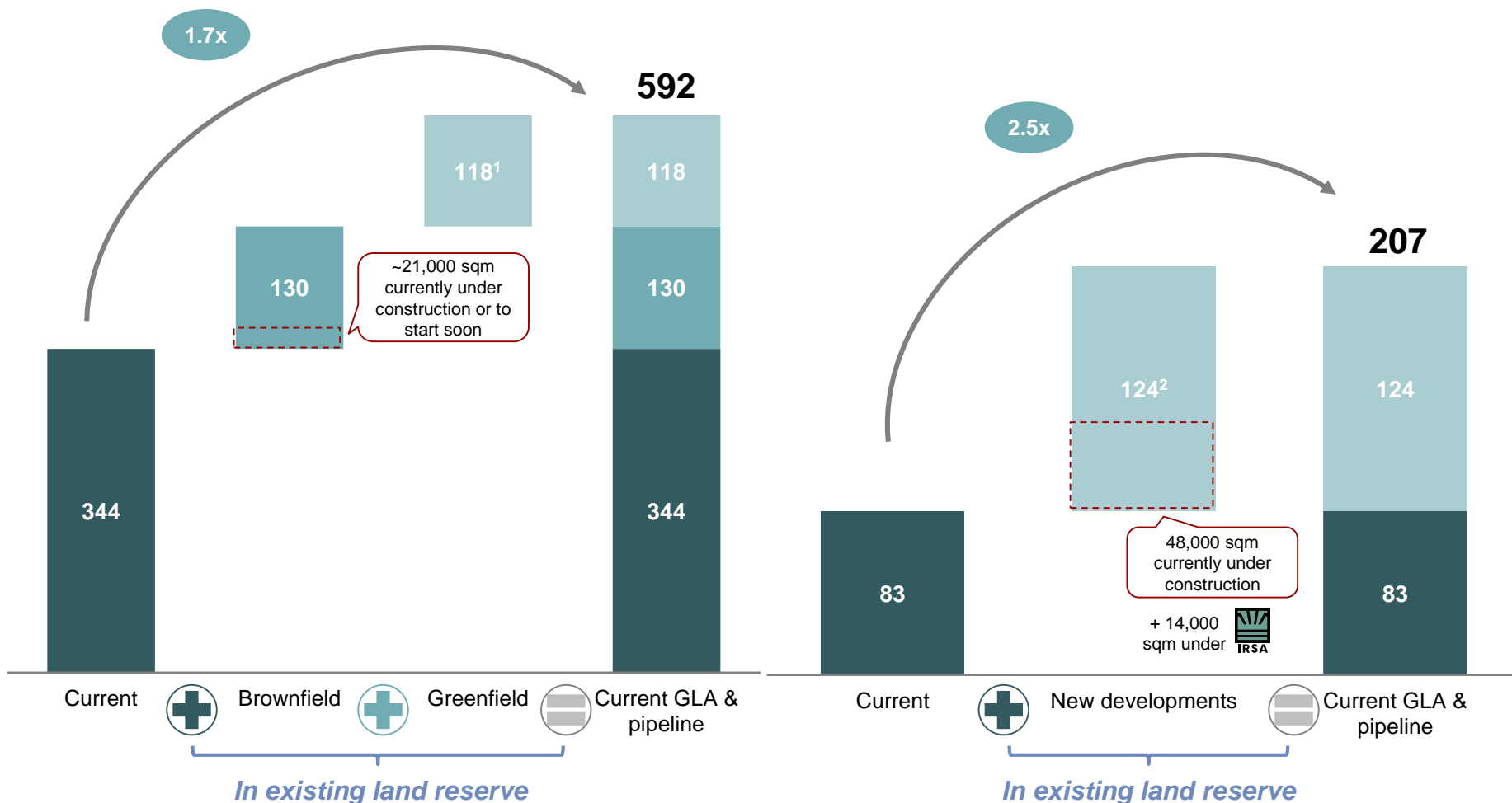
Low regional penetration in the Class A office sector



Our land reserve will allow us to significantly expand our commercial real estate portfolio

We have a robust pipeline for shopping malls...

...as well as for premium office properties



IRSA sold 14,213 sqm of Catalinas building to IRCP

Price (including remaining development): **USD 60 million**

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

14,213 sqm under development

12 Office floors (1st to 12)

Including 131 parking lots



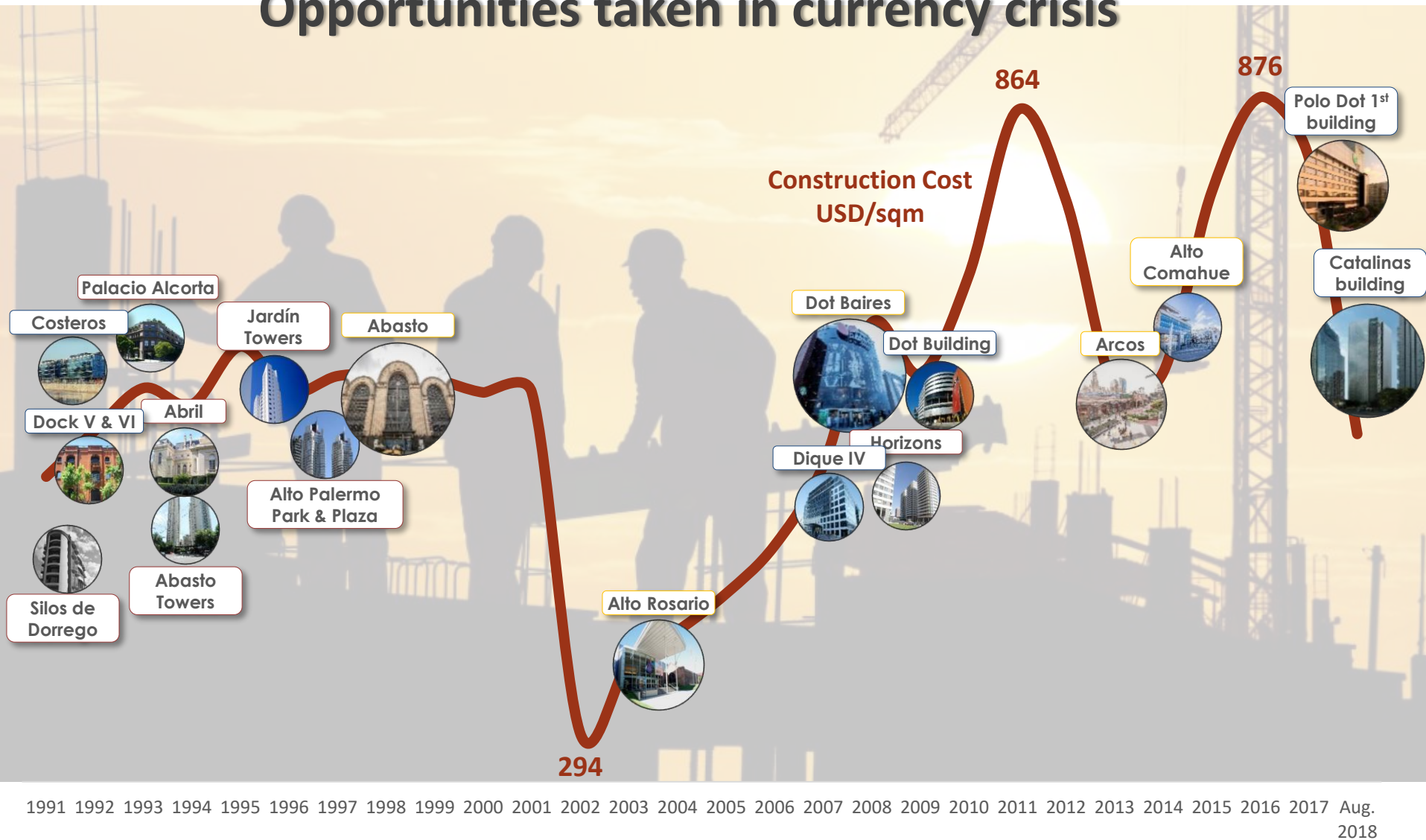
Previous Ownership



Current Ownership



Opportunities taken in currency crisis



Our current projects under development

Highest sales/sqm mall in the region

Shopping Alto Palermo



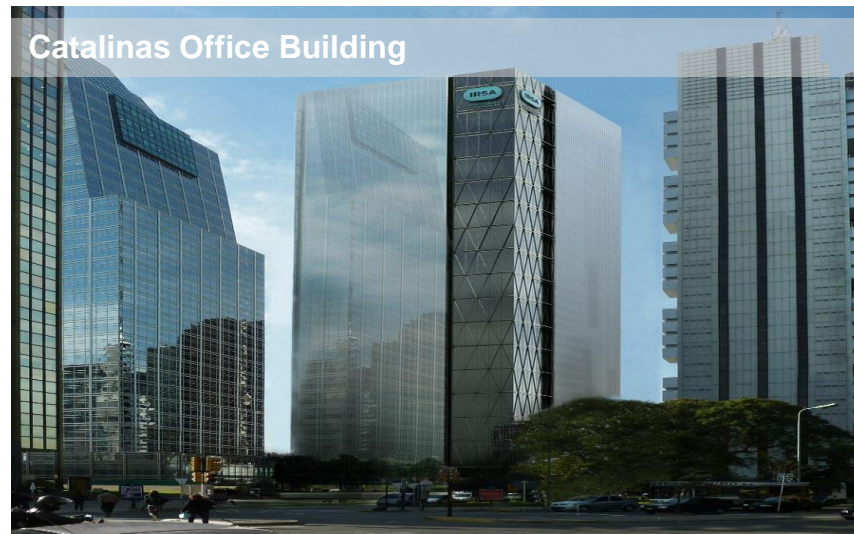
**City of
Buenos
Aires**
shopping mall

US\$28.5mm
estimated investment
FY2019
opening date

3,900
sqm GLA

Modern office building in the City

Catalinas Office Building



**City of
Buenos
Aires**
office

US\$45mm
estimated investment
FY2020
opening date

16,000
sqm GLA
Progress
16%

Polo Dot Full Project



Zetta Building
(Polo Dot 1st stage)

32,000
sqm GLA
FY2019
opening date
80%
owned by IRCP
US\$65mm
Est. investment

Recent acquisition: La Plata Mixed-use Project



Land Plot of **78,000 sqm**
Price paid: USD 7.5 mm
Capacity to develop **100,000 sqm**

La Plata is the **5th** highly
populated city of Argentina with
no shopping malls

Recent acquisition - Maltería Hudson property (Jul 2018)

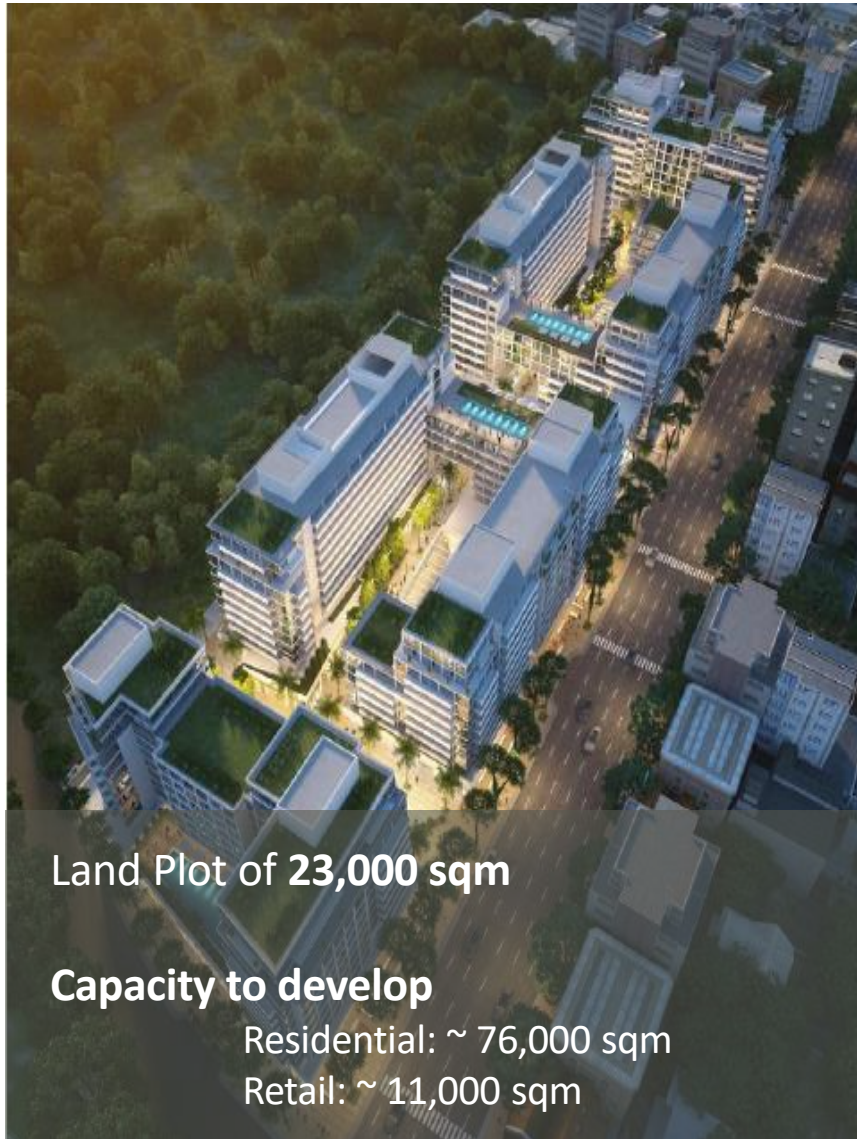


- ✓ Surface: 190,000 sqm
- ✓ Capacity to develop: 177,000 sqm
- ✓ Price paid: USD 7 million
- ✓ Potential use: Mixed use



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

Recent approval: Caballito Mixed-Use Project



Recent approval: Caballito Mixed-Use Project





IRSA Commercial Properties Portfolio Exposure

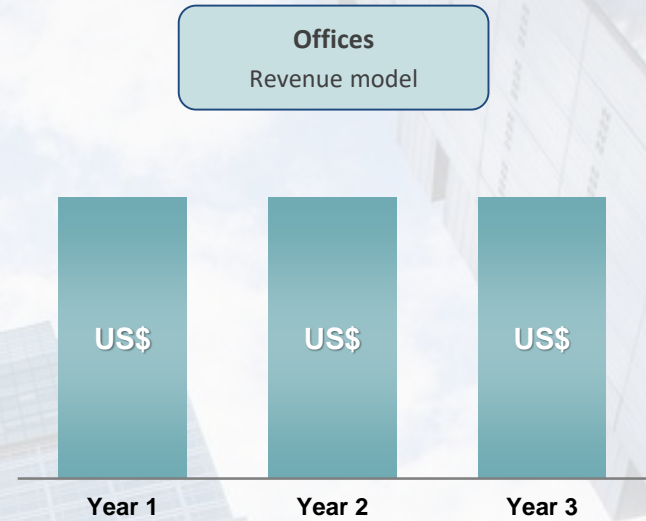
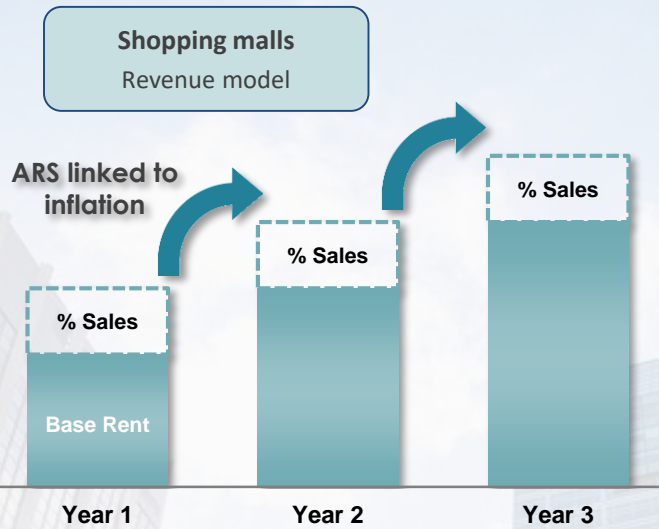
As of June 30, 2018



Brokerage fee
~5x monthly base rent

“Key money” admission rights
~8x monthly base rent

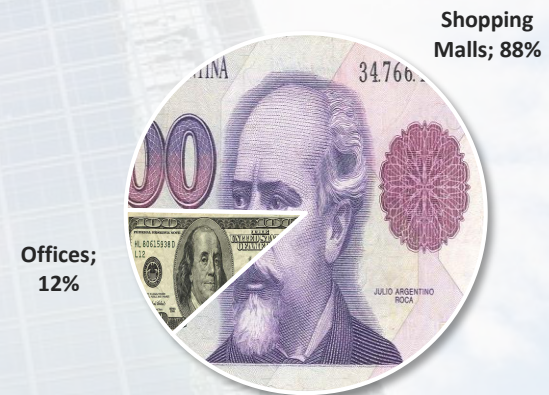
In advance



Assets (BV) - USD 1.7bn

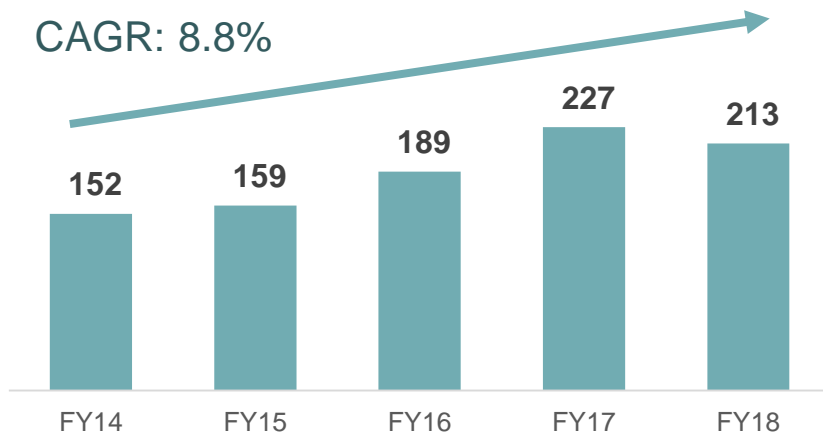


EBITDA - USD 162mn



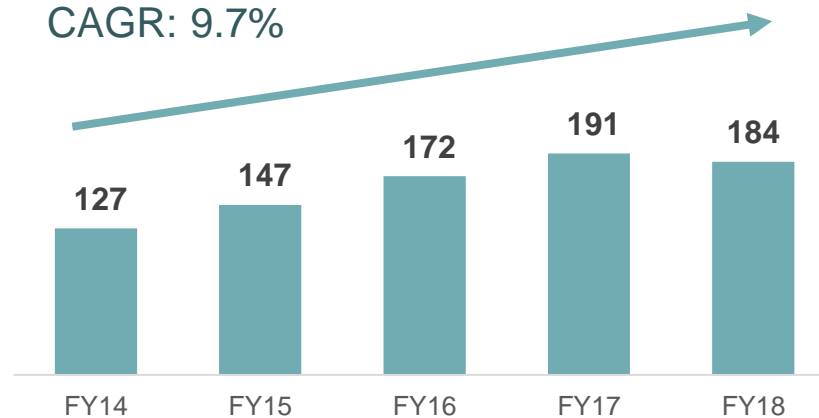
Income from sales, rents and services (USDmm)

CAGR: 8.8%



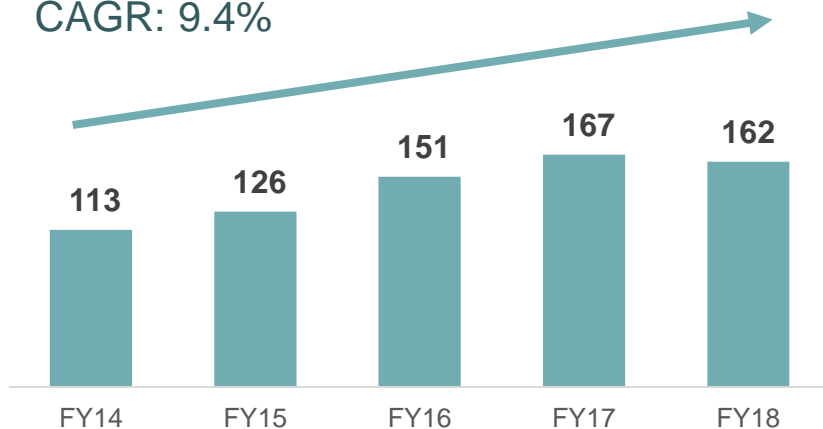
NOI (USDmm)

CAGR: 9.7%



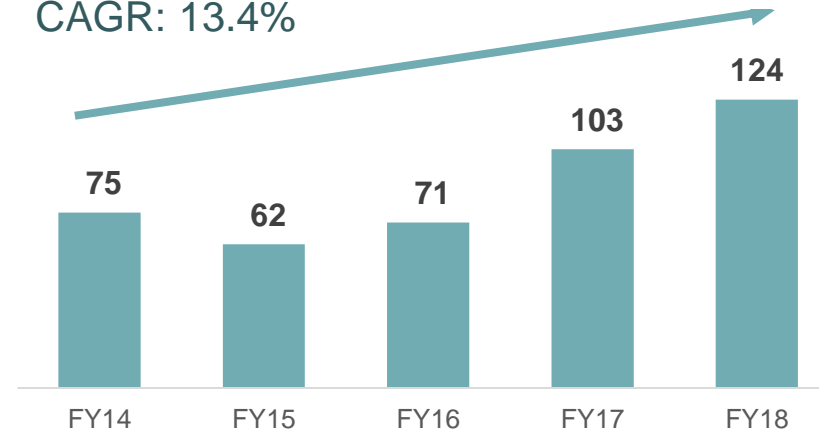
Adjusted EBITDA (USDmn)¹

CAGR: 9.4%



Adjusted FFO (USDmm)²

CAGR: 13.4%



¹ Adjusted EBITDA: EBITDA minus changes in FV of Investment Properties + unrealized gain from sales of investment properties

² Adjusted FFO: Total profit for the period minus net gain from FV adj. of investment properties, plus D&A, minus foreign exchange effects, gains/(losses) on derivative instruments, minus fair value gains of financial assets and liabilities, plus other financial results (net), plus deferred tax, excluding non-controlling interest

IRSA Commercial Properties' Debt Exposure

As of June 30, 2018

IRCP Stand Alone Debt 2018
USD 535mn

IRSA

COMMERCIAL
PROPERTIES

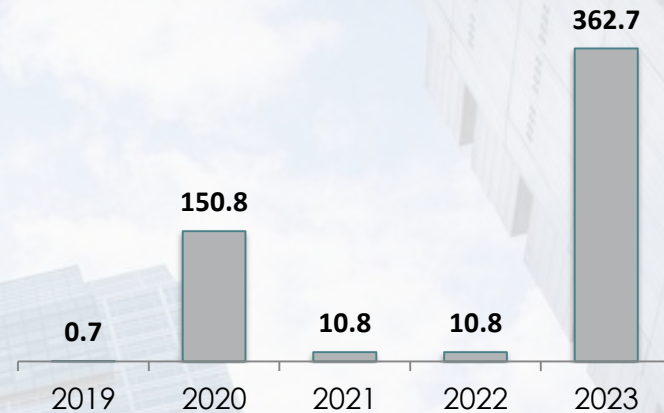
IRCP Debt Amortization
(USD mn)

USD;
100%

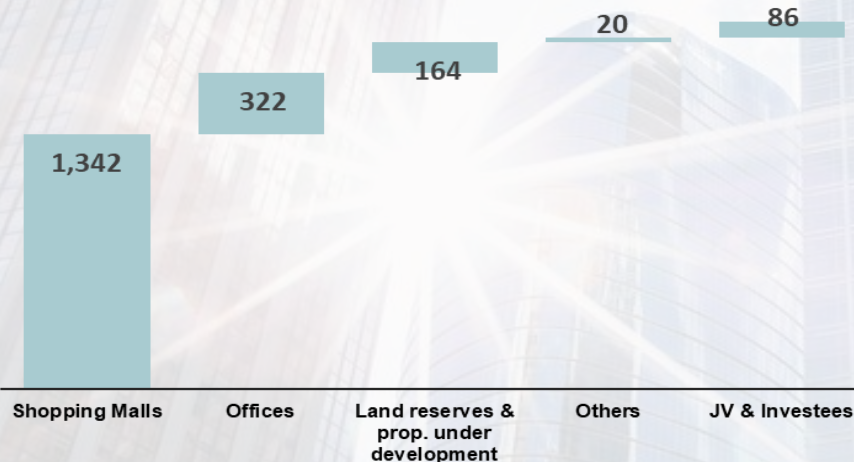


ARS; 0%

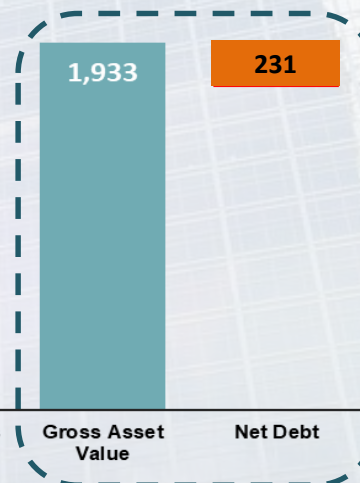
Cash + Eq 2018
USD 305 mn



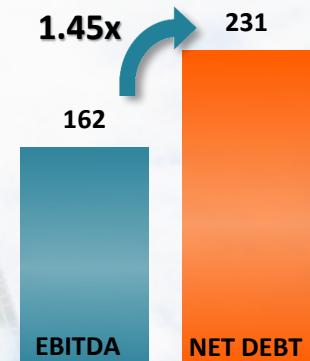
Loan to Value (USD mn)



LTV: 12%



Net Debt / EBITDA (USD mn)



IRSA Stand Alone Debt Exposure

As of June 30, 2018



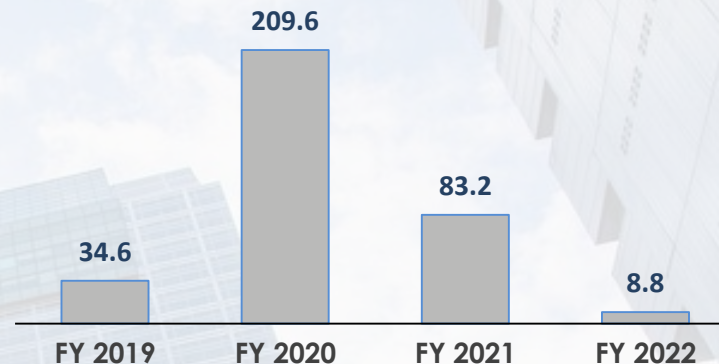
IRSA Stand Alone Net Debt
USD 335.3 mn

USD; 87%

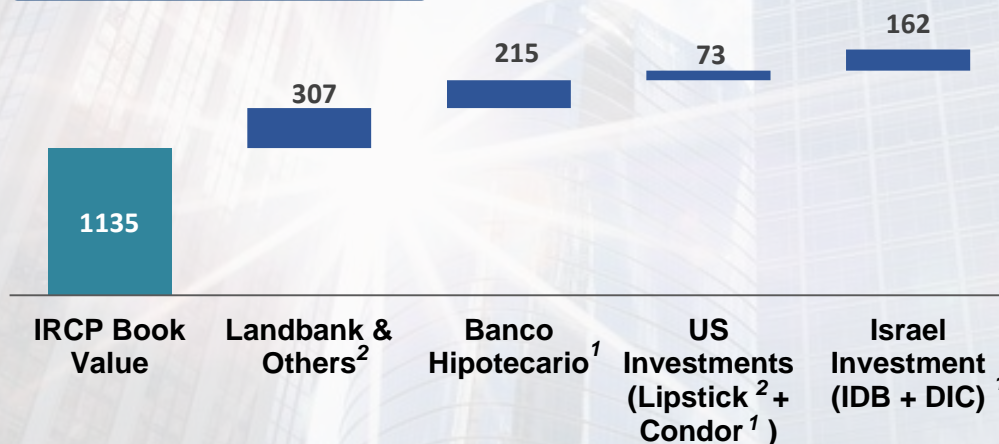


ARS; 13%

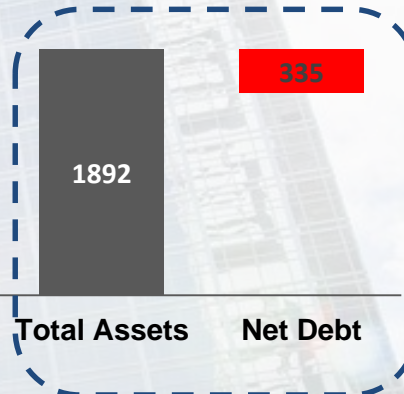
IRSA Stand Alone Debt Amortization (USD mn)



Loan to Value (USD mn)



LTV: 17.7%



Total Assets by currency

NIS; 11%

ARS; 11%

USD; 78%



¹ Market Value as of June 30, 2018.

² Book Value as of June 30, 2018. Others includes Hotels at Historical Cost for USD 6 million.

Agribusiness Portfolio Exposure

As of June 30, 2018

Agribusiness Assets 2018

(FV) - USD 701 mn



Agribusiness EBITDA 2018

USD 75mn



CRESUD Debt Exposure

As of June 30, 2018

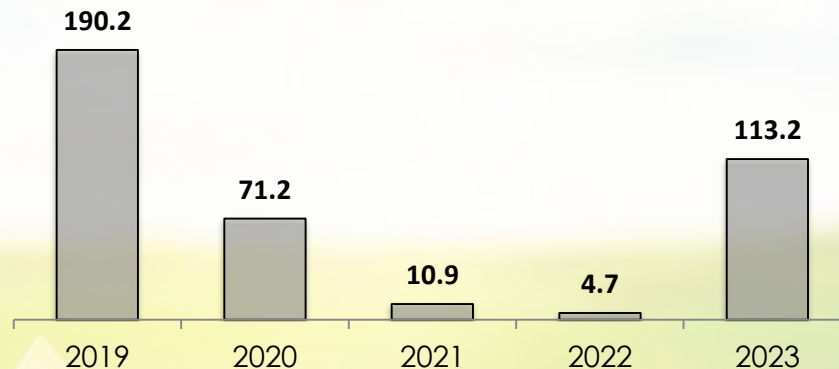
**CRESUD Stand Alone Net Debt
2018 - USD 349.4mn**

**CRESUD Stand Alone Debt
Amortization (USD mn)**

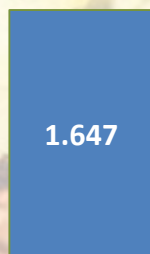
USD; 97%



ARS; 3%



Loan to Value (USD mn)



IRSA Book Value ¹

485

Farmland ²

97

**Other investments
+ Biological assets ³**

LTV: 16.4%

2.229

Total Assets

365.4



Net Debt

¹ Book Value as of June 30, 2018.

² Appraisal from Compañía Argentina de Tierras (Argentina + Bolivia) & Deloitte (Brasil & Paraguay) as of June 30, 2018

³ Includes FyO at recent sale valuation, Carnes Pampeanas at BV, Biological assets and inventories

Recent Dividends announcement at IRSA & IRCP and distribution of own shares at CRESUD

	 CRESUD	 IRSA	
	Distribution of own shares	Dividend in kind (IRCP shares)	Dividend in cash
Amount	20,656.215 treasury shares	ARS 1,412 million	ARS 545 million
Per SHARE	0.04294 shares	0.01109 IRCP shares/IRSA share	ARS 4.3249
Per ADR	0.4294 shares	0.1109 IRCP shares/IRSA ADR	ARS 17.2997
Dividend yield		5%	1.9%
Record Date	November 9, 2018	November 9, 2018	November 8, 2018
Payment Date	November 12, 2018	November 12, 2018	November 9, 2018

Concluding Remarks





Thanks!

Investor Day

New York – November 2, 2018