



2019's THIRD QUARTER RESULTS TELECONFERENCE

NOVEMBER 21, 2019



i- AAA
EQUITY SECURITIES RATING
APRIL, 2019

BRC
Standard & Poor's
S&P Global

G- aaa
PORTFOLIO MANAGEMENT
RATING
APRIL 2019

BRC
Standard & Poor's
S&P Global

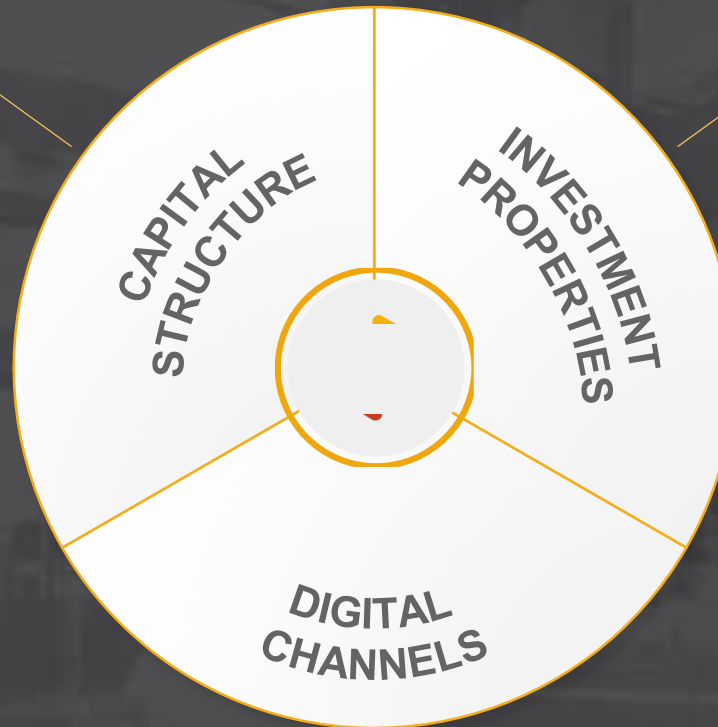
AA+
Ordinary Bonds RATING
OCTOBER, 2019

BRC
Standard & Poor's
S&P Global

ISAGEN'S CORPORATE HEADQUARTERS - MEDELLÍN

HIGHLIGHTS

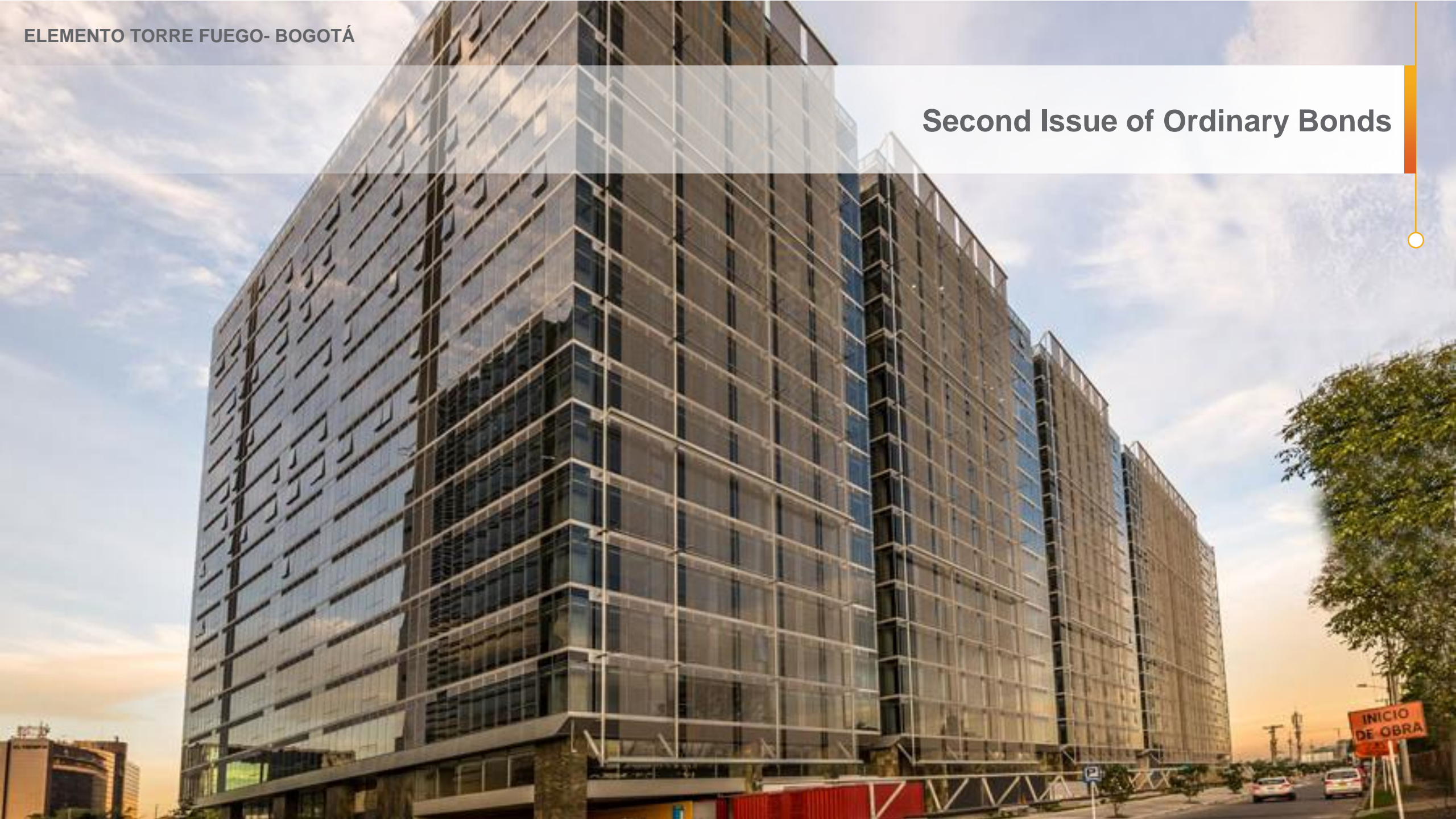
Second Issue of Ordinary Bonds >>>
COP 500,000 MM >>>
Bid to cover: 1.6x >>>



>>> Incorporation of Nuestro Cartago Shopping Center
>>> 10,266 m² of leasable area
>>> Commercial premises: 124
>>> Interest: 58% of the shopping center

>>> Launching of the vehicle's new web page
>>> Good practices on information disclosure
>>> New channel for queries

Second Issue of Ordinary Bonds

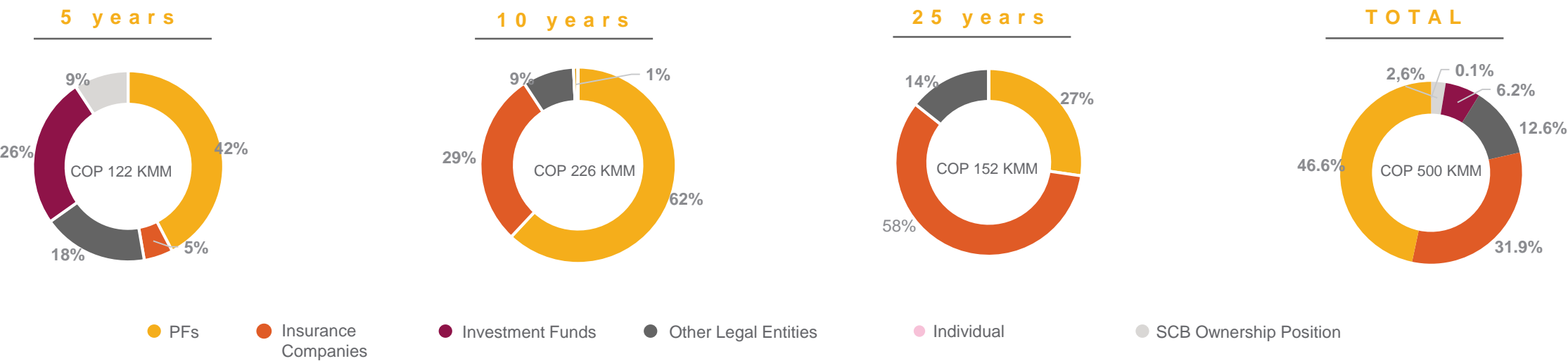


Results of the Second Issue of Ordinary Bonds

Detail of the Issue's Conditions

SERIES	CUT-OFF RATE	DEBT SERVICE	AMOUNT BID	AMOUNT PLACED	BID- TO- COVER	DURATION OF DEBT
5 years	6.50%	6.50%	140,340 MM	122,000 MM	1.6x ¹	9.4 years
10 years	7.28%	7.28%	311,810 MM	226,000 MM		
25 years	CPI + 3.79%	7.80%	192,800 MM	152,000 MM		
		7.25%	644,950 MM	500,000 MM		

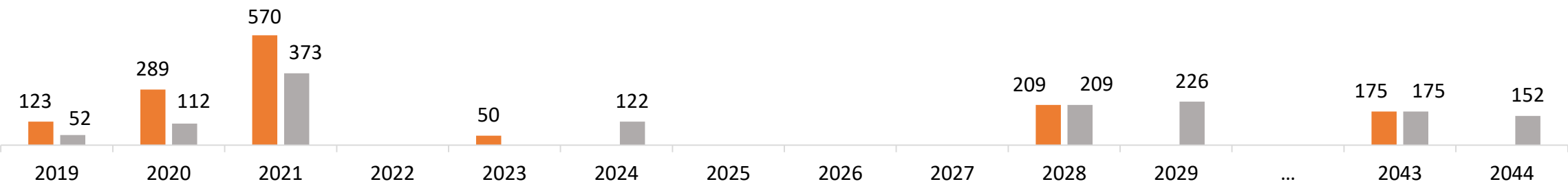
Amount placed per type of investor



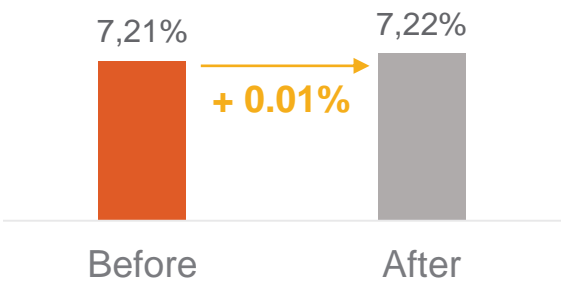
1. Bid to cover on amount offered

The Bond's Second Issue was able to **reduce the capital maturities' concentration** in the medium term, increase the average maturity of the obligations in **more than 4 years**, and increase the **fixed rate** exposure, keeping the cost of the debt stable.

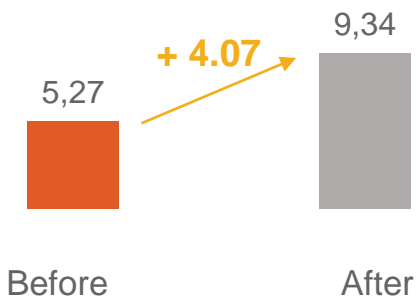
● Capital Maturities Profile (COP thousands of MM)



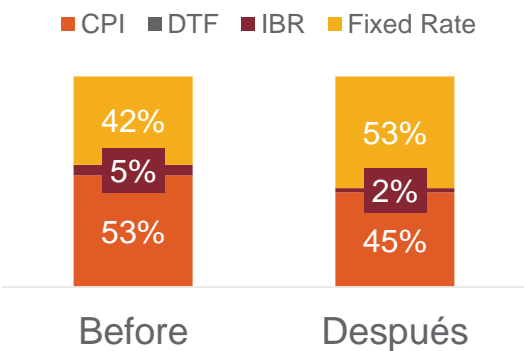
● Cost of Debt



● Average Maturity (years)



● Composition per Rate



Real Estate Market's Trends

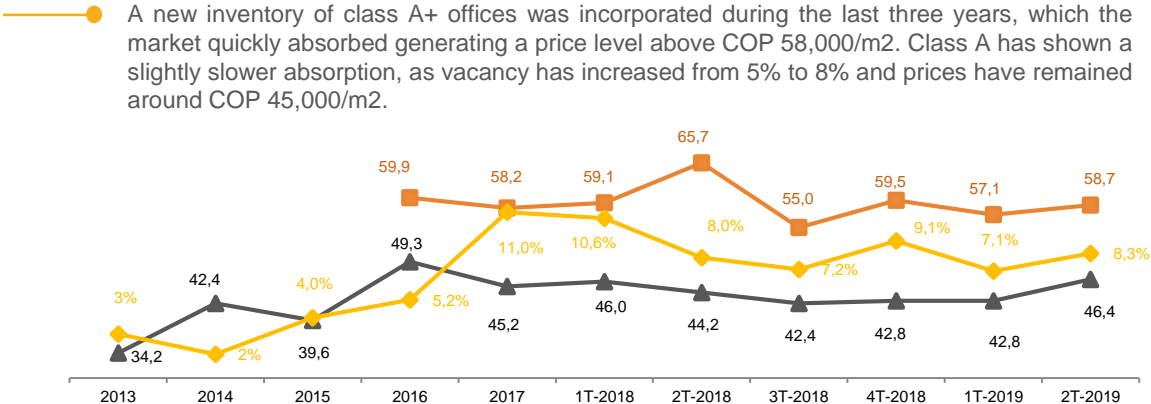
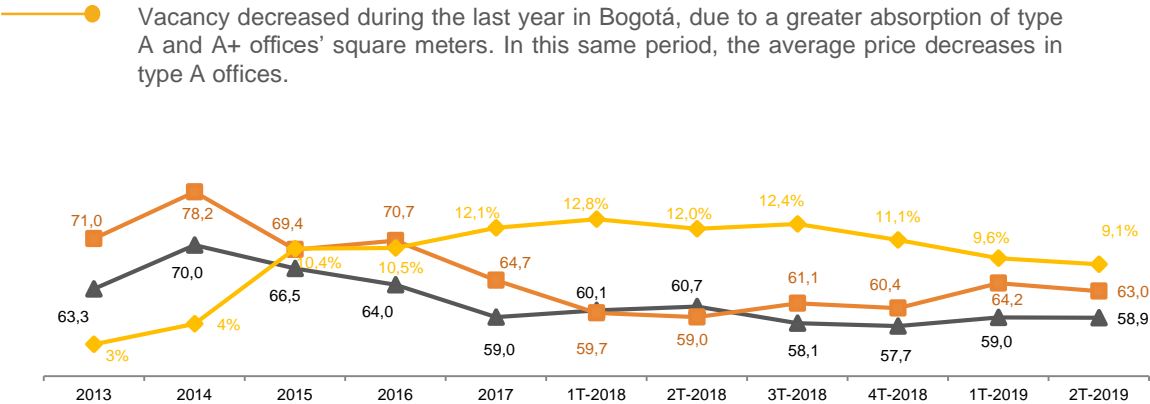


LG- PALMIRA

Bogotá

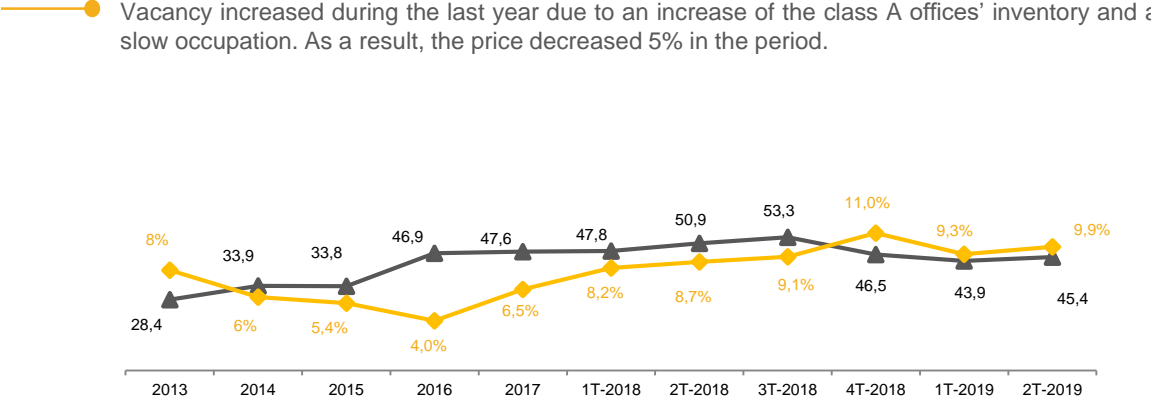
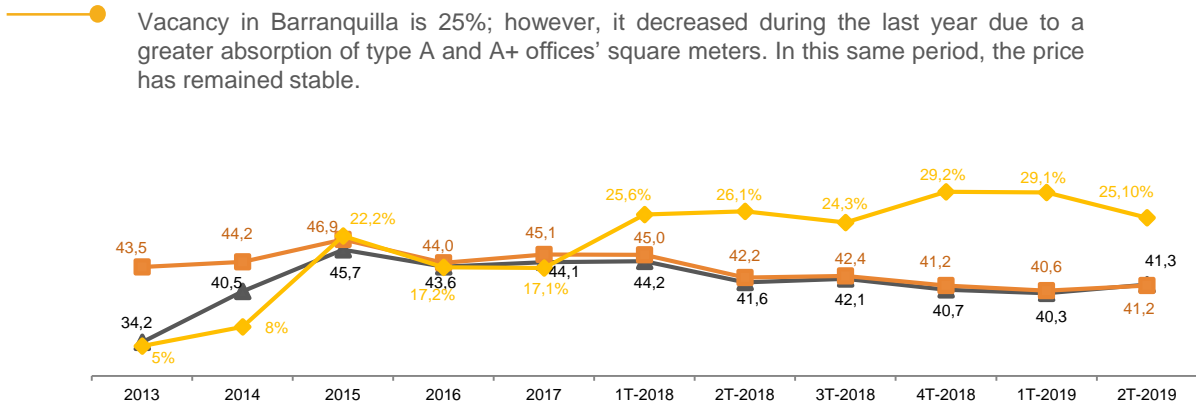
▲ Asking Price m² Class A COP M ■ Asking Price m² Class A+ COP M ◆ Vacancy (%)

Medellín



Barranquilla

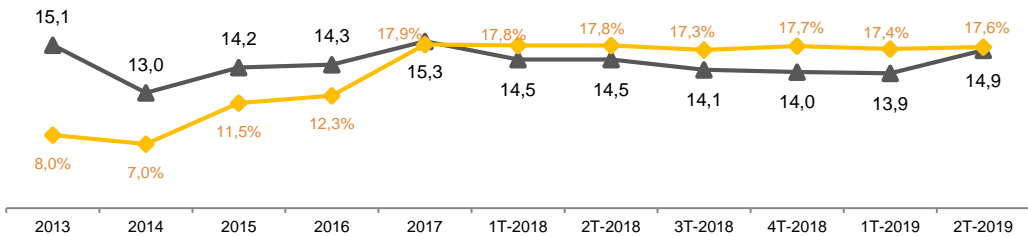
Cali



Bogotá and logistics corridors

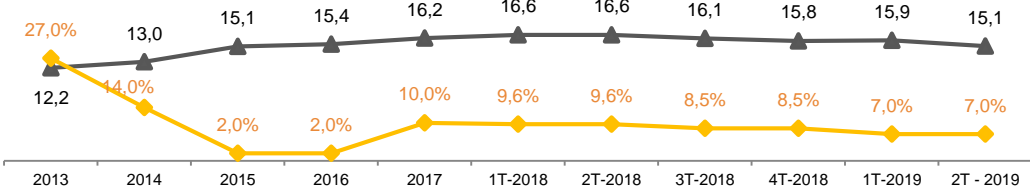
▲ Asking Price m² COP M ● Vacancy (%)

During the last year, vacancy has shown a stable behavior in Bogotá, at levels of 17%. Price has not been significantly impacted, remaining around COP 14,000.



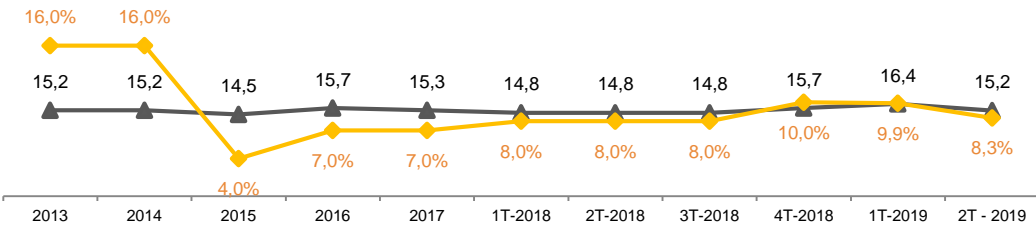
Medellín and logistics corridors

Vacancy decreased by 2.6 pp in the last year, explained by the absorption's increase of type A Warehouses. The price drop resulted from the low dynamism shown by B Warehouses and Free Trade Zones.



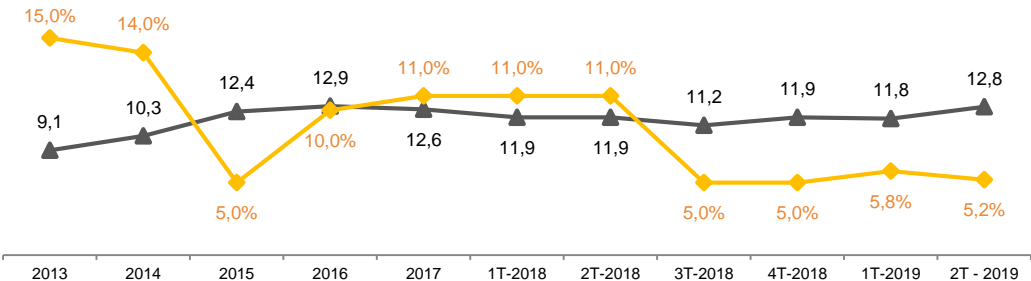
Barranquilla and logistics corridors

In the second quarter of 2019, vacancy returned to 8% levels, following peaks close to 10% in the first months of the year. The average price increased to COP 15,000/m².



Cali and logistics corridors

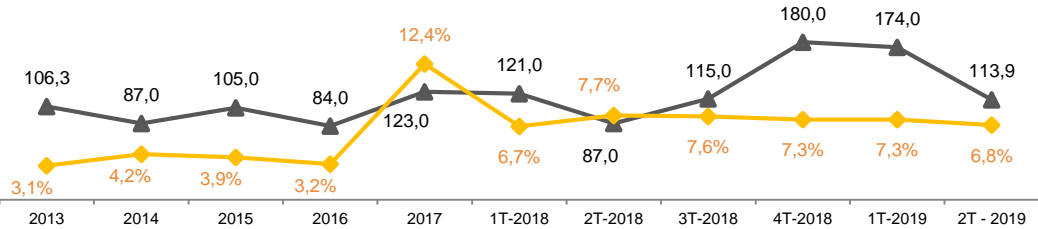
Vacancy has remained stable at 5%, during the last 4 quarters, following a 11% peak in the first half of 2018, explained by the low entry of new inventory to meet the demand. As a result, prices increased in the same period to COP 12,800.



Bogotá

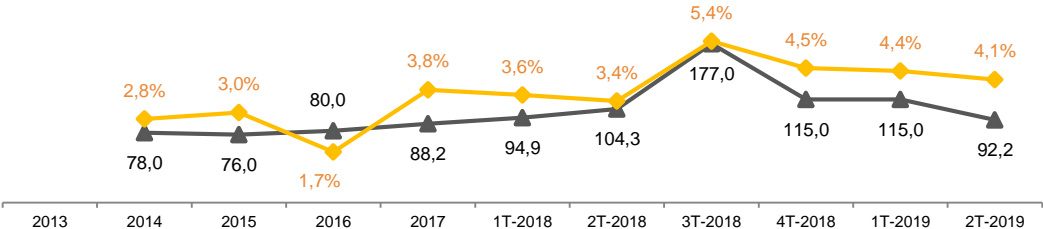
▲ Asking Price m² COP M ◆ Vacancy (%)

As of 2018, average vacancy was close to 7.2%, stabilizing after new inventories entered the regional commercial centers during 2017.



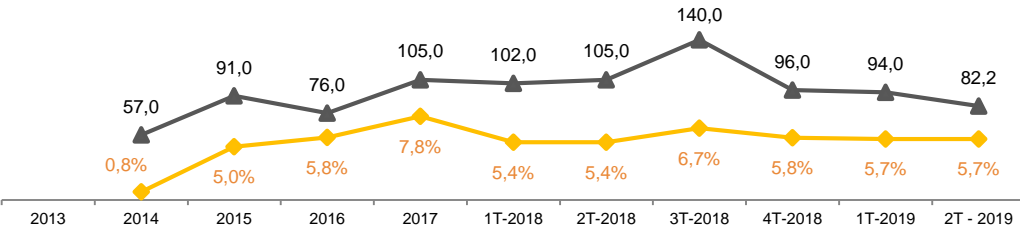
Medellín

Vacancy showed recovery during the last year, explained by the continuous absorption of square meters in super regional commercial centers such as Viva Envigado, which began operations in 2H-2018. The average market prices tended to recover the price that 2018 started with.



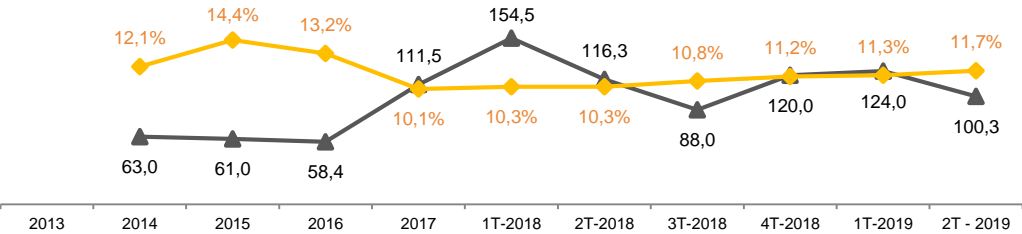
Barranquilla

Vacancy remained stable during the last year. On the other hand, prices decreased in this same period because of the vacancy's persistence in the community shopping centers category.



Cali

In Cali, vacancy had a slight upward trend during the last, as certain tenants left from the super regional shopping centers. Given the vacancy's increase, prices decreased.



Summary of the Management - Pei 2019



NUESTRO MONTERÍA SHOPPING CENTER

Summary of the Management - Pei

11

PORTFOLIO

COP 5.9 Bn
AUM¹

2,052
Contracts

971 thousand
m² GLA²

4,410
Investors

REAL ESTATE MANAGEMENT



49,996 m²

Agreements renewed
as of 3Q – 2019

COP 2.532 MM

Equivalent to renewed
agreements



16,951 m²

Leased as of 3Q - 2019



965 m²

Acquisition of One
Plaza building's
11Qh Floor

COP 6,664 MM

Asset's Value



10,190 m²

Nuestro Cartago's
acquisition

COP 50,324 MM

Asset's Value

58%
interest

FINANCIAL MANAGEMENT



COP 218 kMM

Distributable Cash Flow
paid in 2019

5.33%

Dividend Yield LTM⁵



COP 1.36 Bn

Debt as of Close

7.2% EA

Cost of Debt



COP 500 mil MM

Ordinary Bonds' Second
Issue

1.6x

Bid to cover⁴

SECURITIES LIQUIDITY



COP 611,138 MM

Traded Volume YTD



COP 3,302 MM

ADTV³



431,422

TEIS outstanding

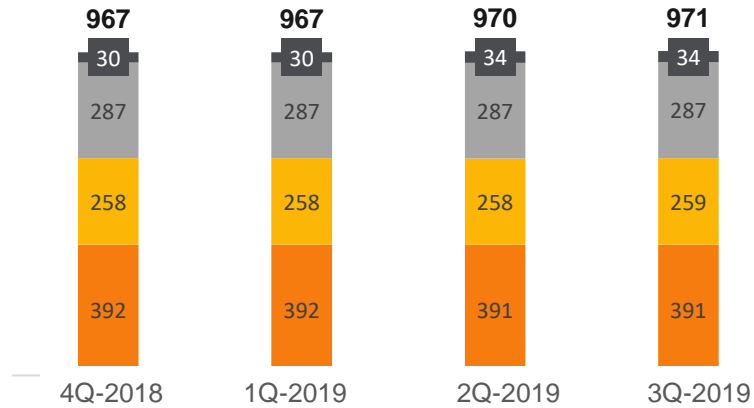
1. AUM= Assets Under Management. GLA= Gross Leasable Area.
2. ADTV: Average Daily Trading Volume
3. Bid to cover on amount offer (COP 400,00 MM)
4. Calculation of the Dividend Yield LTM is based on an amount of COP 218 thousand MM, which corresponds to the total amount distributed in 2019

Management of the Real Estate Portfolio

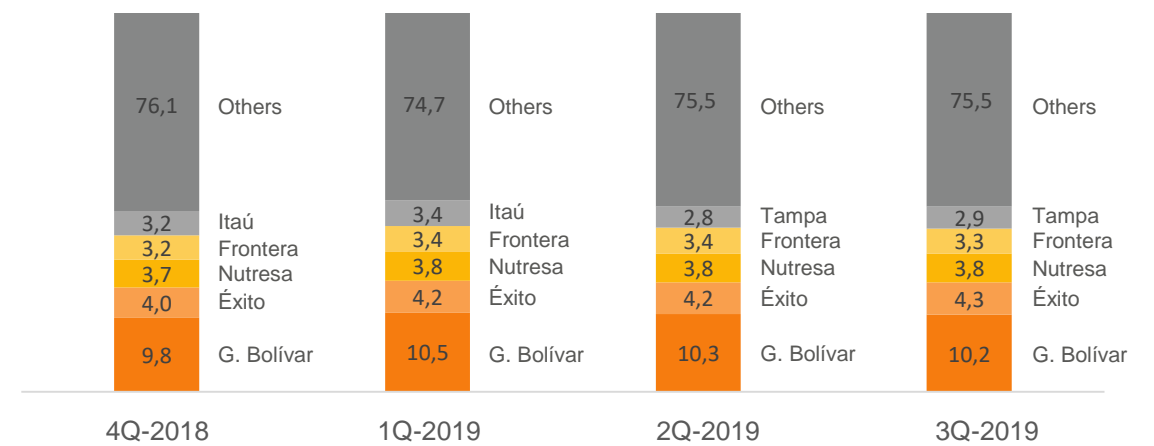


Real Estate Portfolio

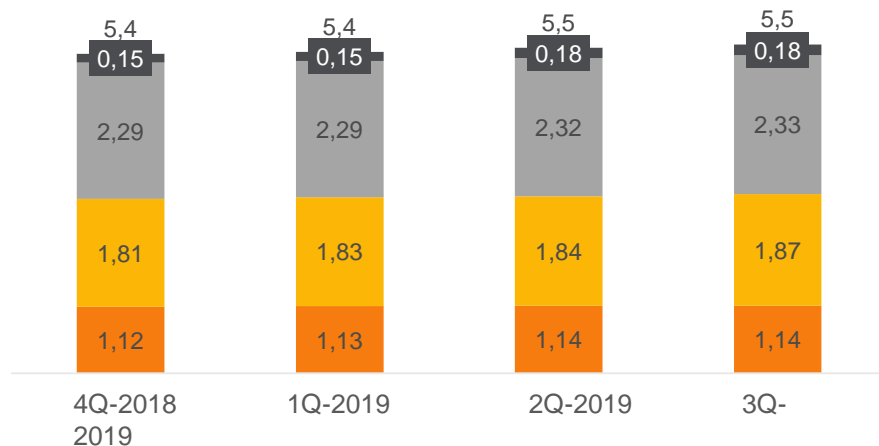
Leasable Area (m²)



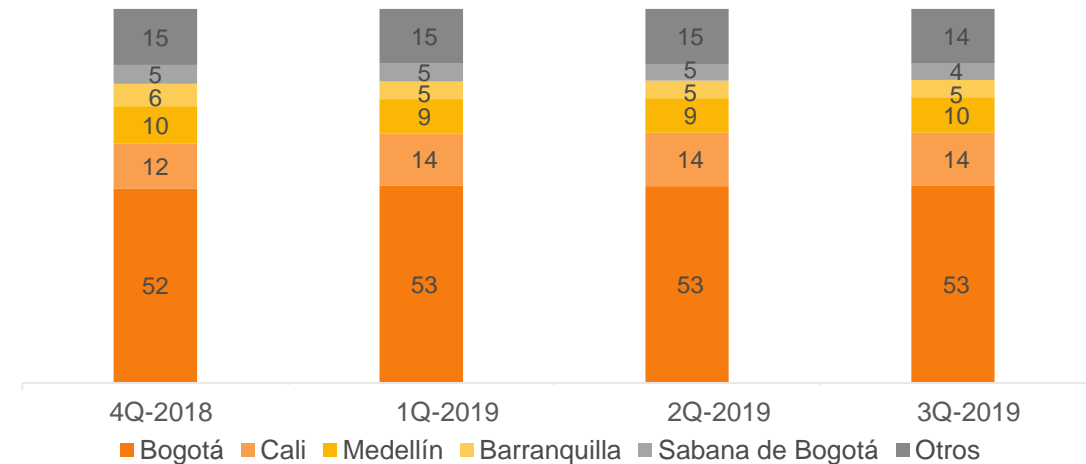
Revenue per Tenant¹ (%)



Investment Properties per category (COP Bn)



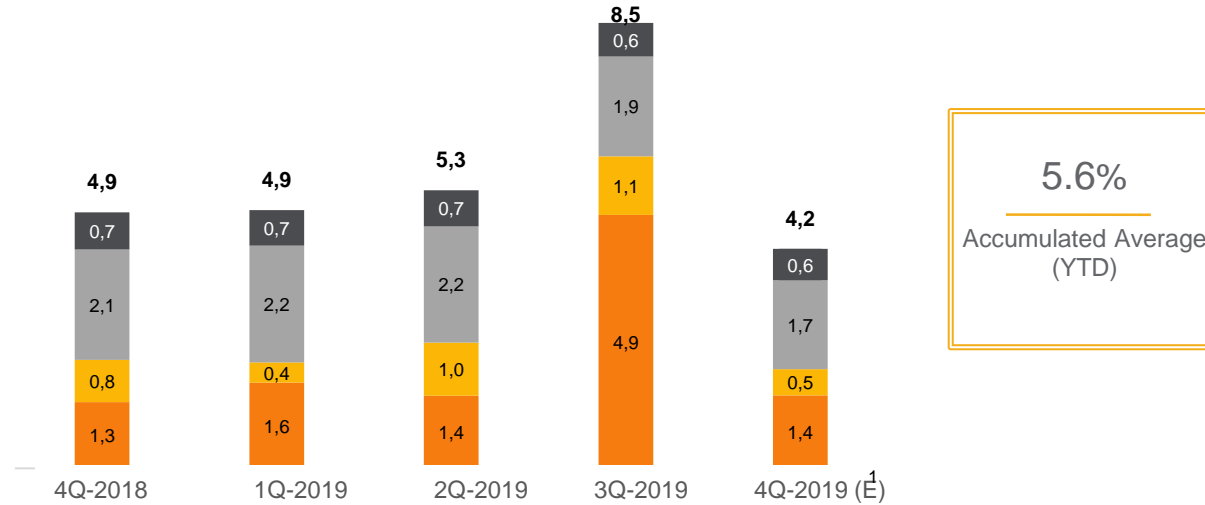
Investment Properties² per city (%)



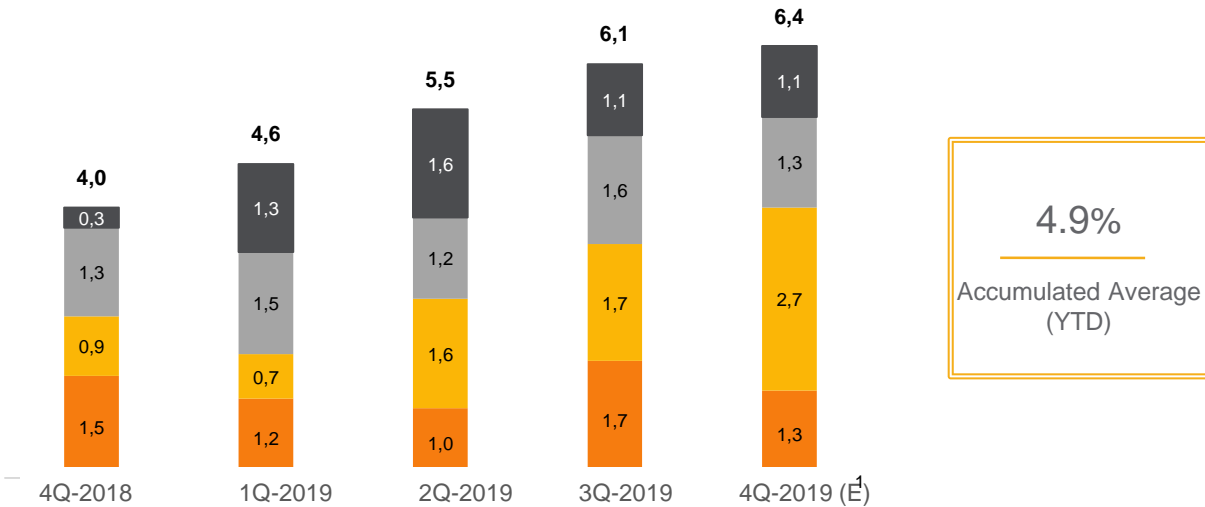
1. Revenue as of September 2019
 2. Investment Properties: Assets under real estate management ex advances and ex ongoing constructions

Warehouses Corporate Commercial Specialized

Physical Vacancy (%)



Economic Vacancy (%)



1. Projection on same meters as of December 2019

Commercial Prospects



68
Commercial Prospects



23
Advanced Negotiations



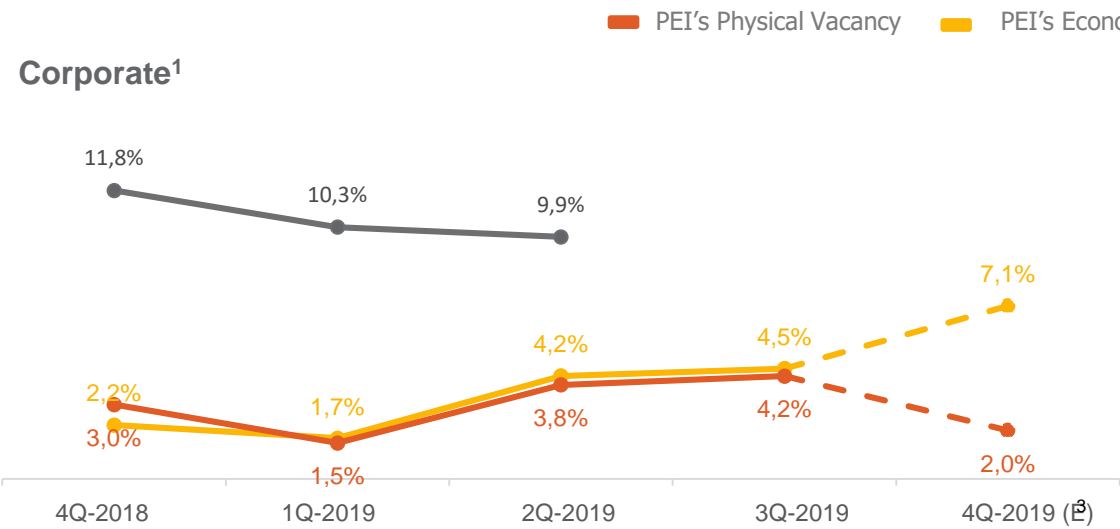
39,995 m²
Area under Negotiation



10
Real Estate

PEI's v. Market's Vacancy

Corporate¹



In the last quarter, both the Physical and Economic Vacancies increased as a result of to the delivery of Fijar 93B's 2nd floor. Delivery to Itaú of the leased area in Calle 27 building, impacted the year's vacancy. This area is already leased.

10,892m²
Vacant Area

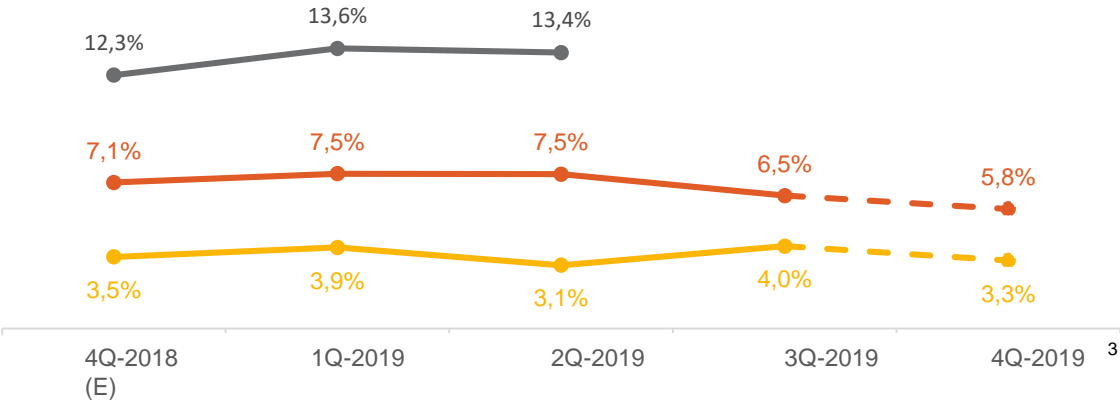


8
Prospects



3,383 m²
Area under commercialization

Commercial²



Physical Vacancy decreased mainly due to Plaza Central's and Atlantis Plaza's higher occupancy. However, Economic Vacancy increased as certain tenants relocated for the entry of new brands, as grace periods were provided for.

18,514m²
Vacant Area



47
Prospects



16,296 m²
Area under commercialization

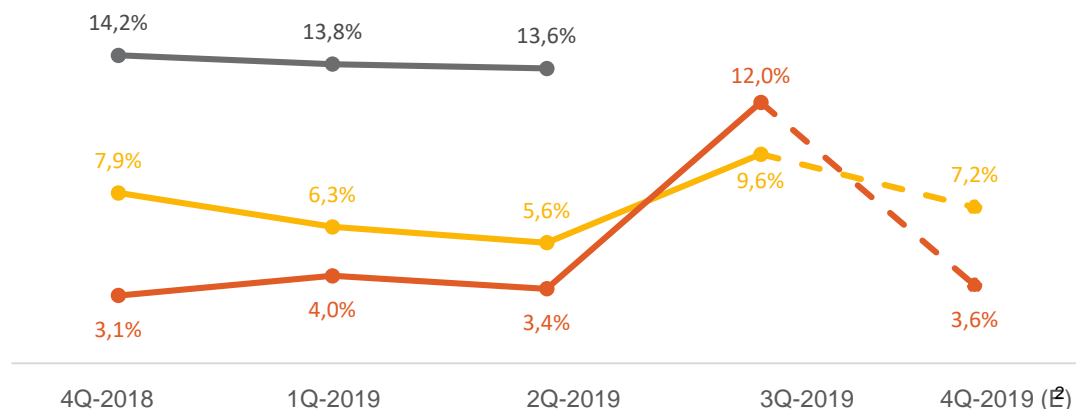
1. Information taken from Colliers International's Market Report
2. Information taken from Galería Inmobiliaria's Report on Operating shopping Centers.

3. Projection for the same meters as of December 2019

PEI's v. Market's Vacancy

■ PEI's Physical Vacancy
 ■ PEI's Economic Vacancy
 ■ Market's Physical Vacancy

Warehouses¹



All of the warehouses occupied by Redetrans were returned during the third quarter. Of the 5 warehouses returned, 2 have lease agreements and one is in process of execution; thus, they shall generate income by the first quarter of 2020.

47,099m²
Vacant Area

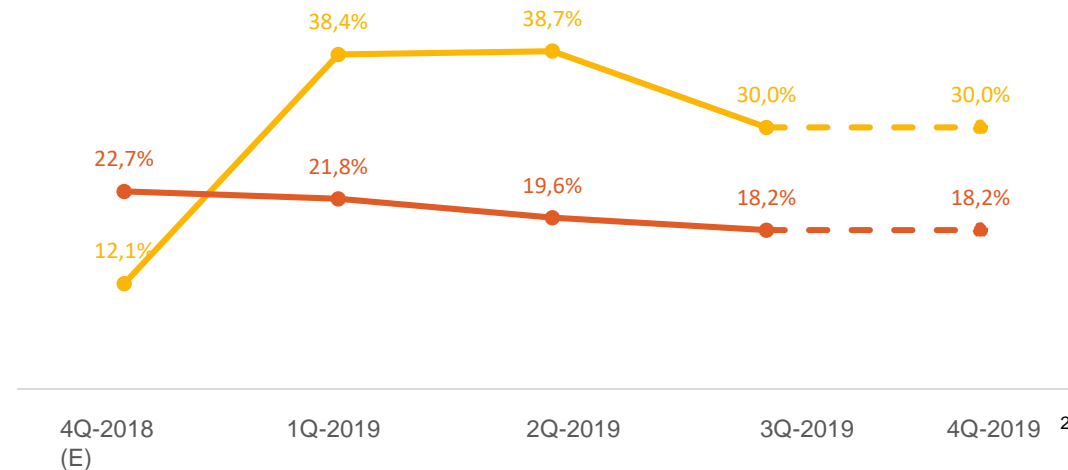


6
Prospects



46,000 m²
Area under commercialization

Specialized



Both the physical and economic vacancies categories decrease due to a higher occupancy in commercial premises and university housing, the latter related to short stays.

6,172m²
Vacant Area



6
Prospects



242 m²
Area under commercialization

1. Information taken from Colliers International's Market Report.

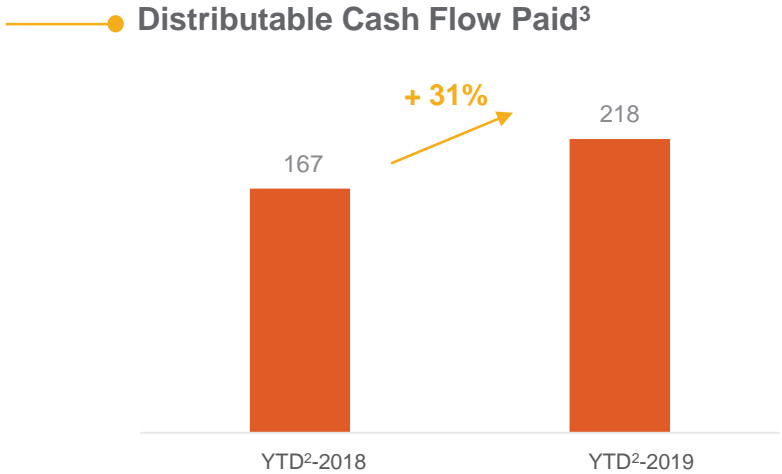
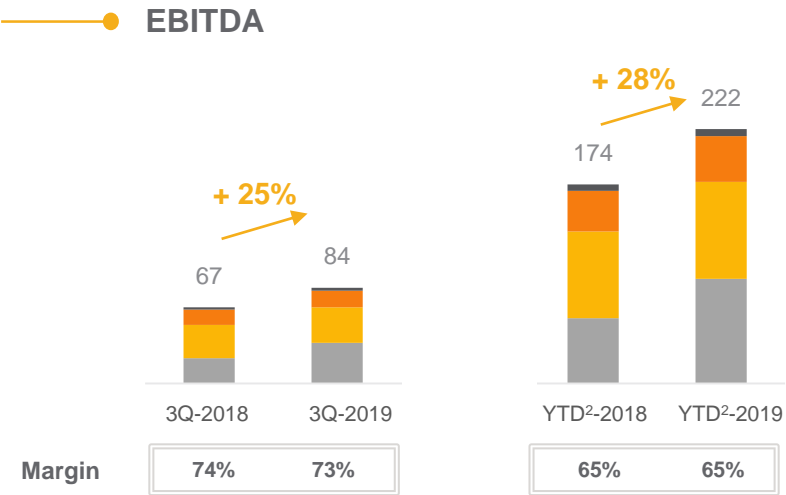
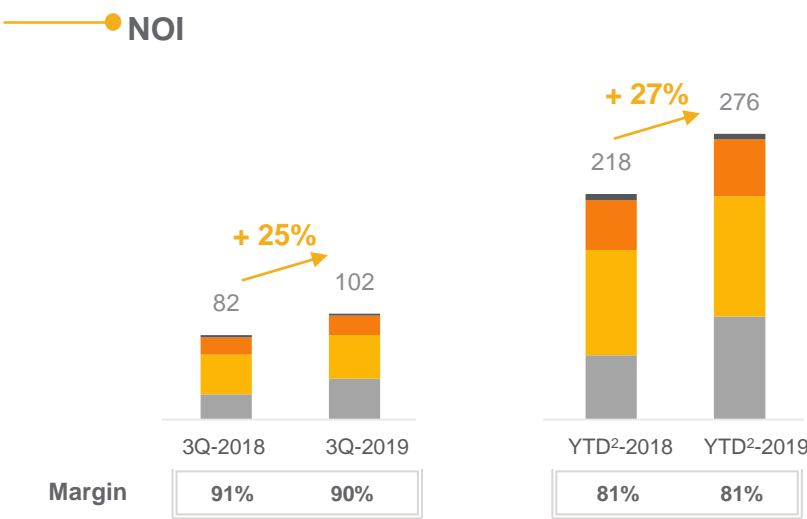
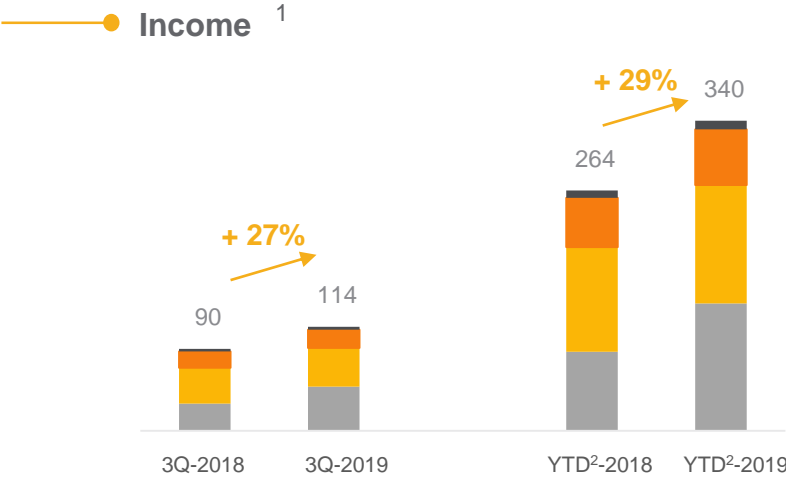
2. Projection for the same meters as of December 2019



Financial Figures

Figures in thousands of MM

Warehouse Corporate Commercial Specialized



Income

EBITDA

Distributable Cash Flow

YTD income increased compared to the prior year, mainly due to the acquisitions made at the end of 2018. Commercial assets are now the most representative in income as a result of Unico's revenues and the assets under stabilization's better performance.

Due to the increase in revenues, the EBITDA's behavior showed a similar growth as a result of the acquisitions. Additionally, because the property tax is amortized during the first semester, on the third quarter the EBITDA achieved a better performance than in the previous quarters.

In 2019 the Distributable Cash Flow increased by 31%, compared to the prior period. This increase is mainly explained by the vehicle's higher revenues, lower financial expenses, and lower investment in working capital.

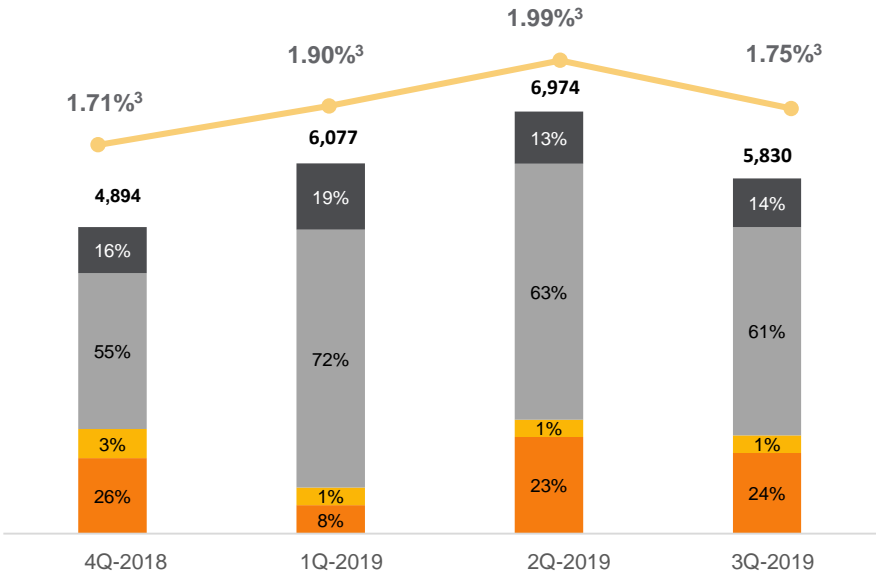
1. Income does not include reimbursable income.
 2. YTD = Year To Day
 3. Paid: Corresponds to payments made in February and August.

● Net Debt Portfolio's Turnover¹



1.75%
Of the operational income during the last 12 months

● Net Debt Portfolio²



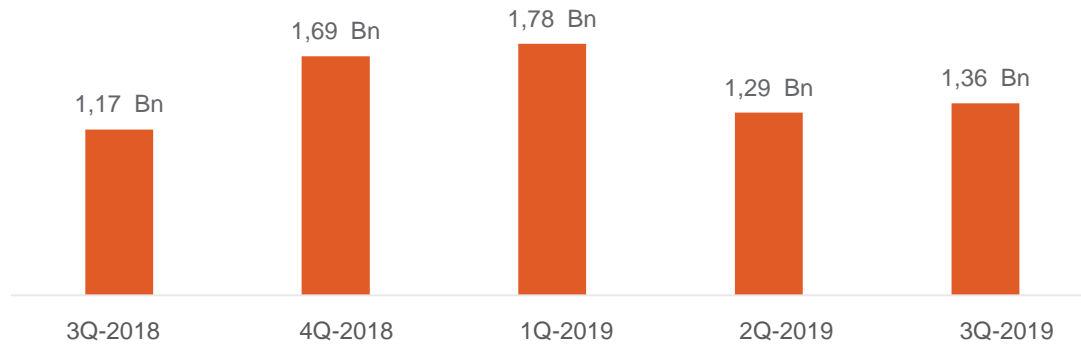
Debt Portfolio's Risk

The 3Q-19's Net Debt Portfolio shows a decrease, as a result of the Commercial Debt Portfolio's stabilization. Additionally, with the 2019 acquisitions, the Debt Portfolio's risk decreased in relation to the operational income, as the latter increased a 27%.

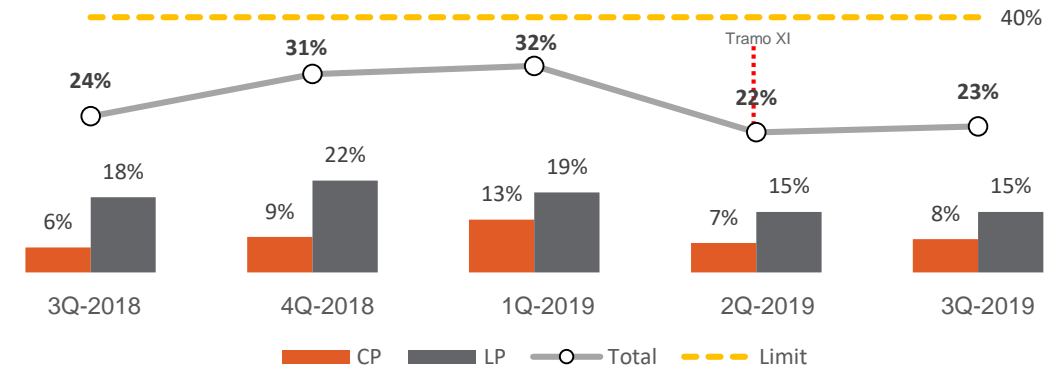
Warehouse Corporate Commercial Specialized

1. Net Debt Portfolio: Corresponds to the current Debt Portfolio less any provisions recorded in the books
2. Does not include COP 5,708 MM from tenants under Insolvency Proceedings pursuant to Act 1116 of 2006.
3. Net Debt Portfolio/Operational Income during the last 12 months.

Indebtedness Level



Asset's Indebtedness Level



Average Maturity

Weighted Average
Indebtedness's
Validity

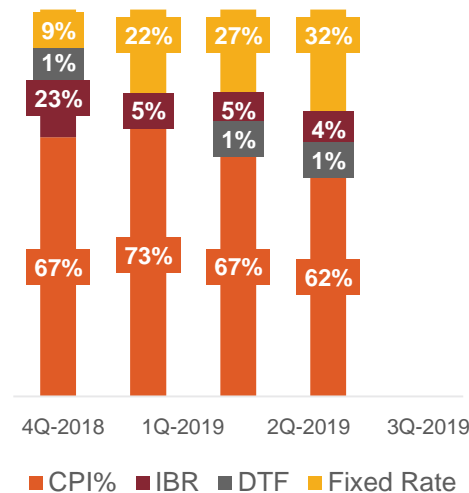
5.5
years

VS

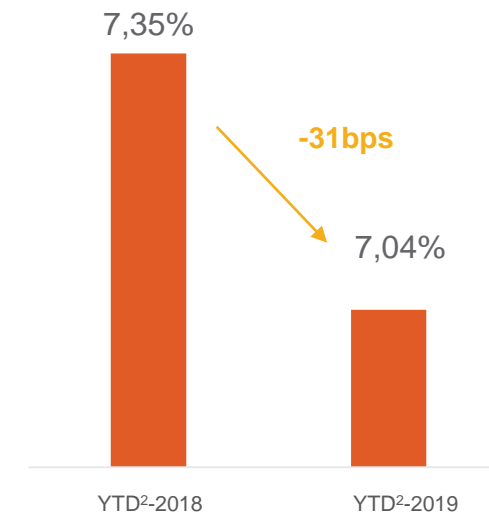
Weighted Average
Contracts' Validity

6.2
years

Composition



Cost of Debt¹

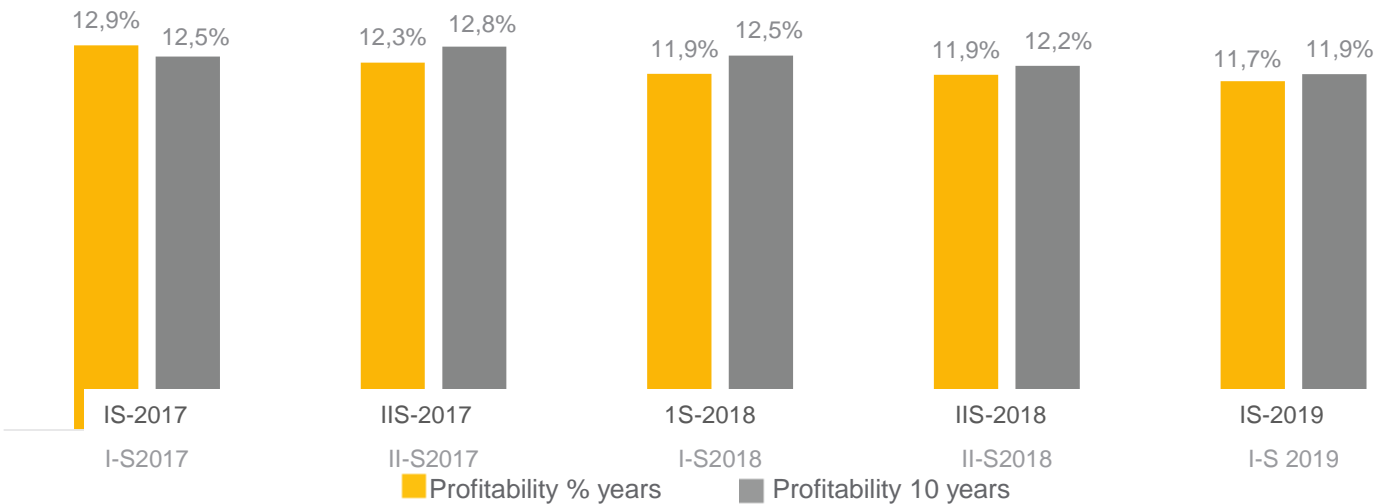


*ST: Short Term LT: Long Term

1. Weighted Average per debt amount from January to September

2. YTD = Year To Day

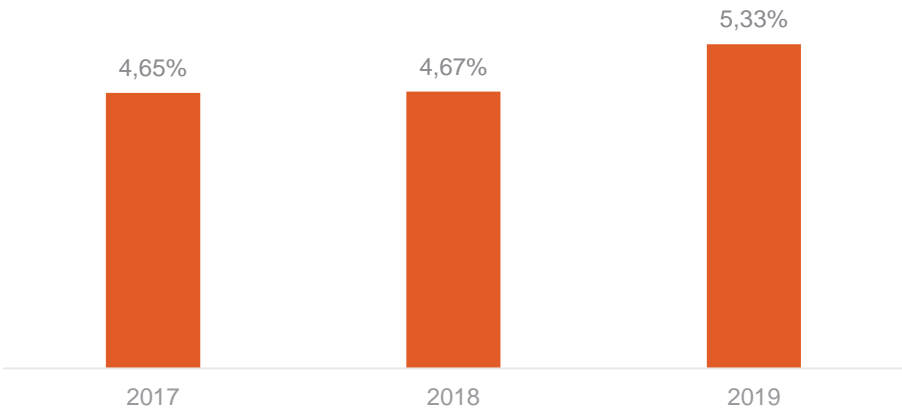
● PEI's Historic Profitability



Long Term Profitability

Pei is a long-term profitability vehicle permanently incorporating new assets. Therefore, it is important to assess the profitability in stabilized periods, as they capture the benefits of the real estate operation's stabilization.

● Dividend Yield ¹



Dividend Yield

2019's Dividend Yield showed an increase compared to the previous two years. In line with the above, the Dividend Yield's increase materializes the capture of the economic benefits resulting from the stabilization of real estate acquired in prior years.

1. Dividend Yield= Distributable Cash Flow per Security/ Security's average Value

QUESTIONS

From this moment begins the questions and answers session.

- If you have any any question and connect via telephone, please press asterisk 1 on your phone. If you wish to withdraw from the waiting list, please type the pound key.
- If you have any questions and connect via web, please leave your query in the questions section.



THANK YOU



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