



Real Estate
Group
in Poland



We provide assistance to real estate, hospitality and construction companies to help them strike a balance between success today and what growth requires tomorrow.

The globalization of capital, increased competition for assets, emerging technologies and changing customer demographics require the real estate, hospitality and construction (RHC) sector to rethink traditional paths to successful investment.

To remain competitive, companies must explore new structuring options, improve efficiency of their operations and balance portfolios to maximize return on investment – all while mastering digital disruption and gaining a deeper understanding of customer preferences.

We work with RHC companies to capitalize on digital innovation and adopt a bolder, more agile approach to navigating this fast-changing market. EY teams help you streamline operations, identify and help mitigate risk, and build better customer relationships to help deliver increased return on investment and better performance.

We will support and assist you
in the following core competence areas:

1

Real Estate
Strategic
Advisory

2

Real Estate
Mergers &
Acquisitions

3

Real Estate
Transaction
Support

4

Tax Services

5

Legal Services

6

Audit Services

7

Accounting Advice
and Financial Risk
Management

EY worldwide



Leader amongst Big 4 firms in auditing IPOs at RHC companies.

Leader amongst Big 4 firms in auditing RHC companies according to the US Fortune 000, Russell 3000 and Forbes Global 2000.

EY leads all Big 4 firms in % of companies audited according to NAREIT Top REITs.

More than

728

offices in

150 countries

More than

230 000

professionals

4 000 global clients

More than

18 000

Real Estate professionals

4 400

Americas

7 500

EMEIA

6 200

Asia - Pacific
incl. Japan

EY in Poland

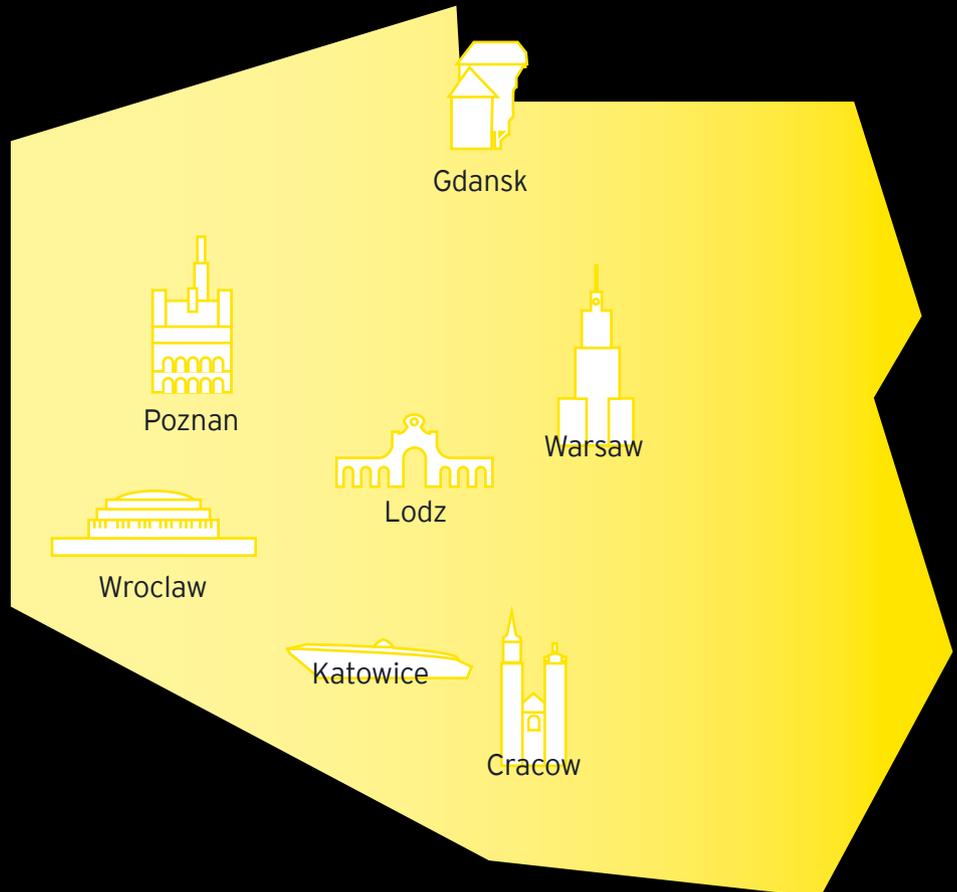
7 offices

Property Valuers, Property Managers, Real Estate Brokers,
Chartered Accountants, Tax Advisors, Attorneys
and Legal Advisors

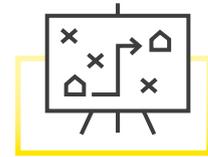
More than

1 800

professionals



1 Real Estate Strategic Advisory



In the areas of conflict between increased profitability and minimized risk on the owner's part, we will support you through targeted analyses of your corporate organization and bringing your real estate strategy into alignment with your corporate strategy.

Our services

Portfolio Strategy, Optimization & Restructuring of property management

- ▶ Target-oriented real estate strategies for public and private sector real estate portfolio owners
- ▶ Conceptualization of real estate investment products (e.g. special funds, a fund of funds)
- ▶ Market entry/ exit strategies
- ▶ Restructuring/optimization of real estate portfolios
- ▶ Real estate portfolio management models and processes
- ▶ Optimization of real estate management processes (internal optimization/outsourcing)
- ▶ Risk management advisory services

Location Consultancy (International Location Advisory Services - ILAS)

- ▶ Location advisory services for business (owners or tenants)

Innovation and strategy

We work with Real Estate companies to capitalize on digital innovation and adopt a bolder, more agile approach to navigating this fast-changing market. EY teams help you streamline operations, identify and help mitigate risk, and build better customer relationships to help deliver increased return on investment and better performance.

- ▶ **Workshops** - we deliver dedicated workshops that can be a foundation for a new strategy, held at EY Wavespace with our global and MiT insights
- ▶ **Strategy** - a future-proof strategy that prepares the company for challenges of a fast-changing market

Additionally EY provides services in response to specific needs of the real estate market in areas of:

- ▶ Cybersecurity
- ▶ Robotics
- ▶ Big data
- ▶ IoT
- ▶ Blockchain



2 Real Estate Mergers & Acquisitions



Our services

M&A Advisory Services

- ▶ Buy-Side Advisory
- ▶ Sell-Side Advisory
- ▶ Advice on Joint Ventures
- ▶ Structuring of transactions (e.g. share deals vs. asset deals, individual vs. portfolio sale)
- ▶ Financial and commercial due diligence

We may assist you along the three stages of a transaction's lifecycle': acquire, hold while increasing the value, and exit.

Acquire real estate property/portfolio due diligence

We support acquisitions by identifying attractive opportunities, executing real estate due diligence, assisting in the negotiation process and deal closing.

Hold while increasing the value

Within the scope of our strategic advisory services we help you determine how to create value within a real estate portfolio and then assist you in executing your plan.

Exit - sell-side assistance

We assist in preparing real estate for alienation in whole or to carve out an entity for sale. Frequently, we first perform a diagnostic assessment, to help determine the actions needed to prepare for an exit.

Real Estate Financing

- ▶ Determination of capital requirements
- ▶ Development of financial models/strategies
- ▶ Providing assistance with obtaining financing

Non-Performing Loans (Sell-Side and Buy-Side)

- ▶ Planning, advising on and support in the transaction process
- ▶ Identification of financial and market risks
- ▶ Setting up an investor database with all data relevant to the appraisal
- ▶ Execution of desktop and drive-by valuations, or full appraisals of the portfolio, or a sample



3 Real Estate Transaction Support



Our services

Appraisal services

- ▶ Appraisals of real estate assets for financial reporting, secured lending, litigation and other purposes
- ▶ Valuations conducted in accordance with Polish and international valuation standards (RICS)
- ▶ Valuations of individual properties and portfolios of real estate assets (including mass valuations) of various types (undeveloped land, commercial and residential properties, hotels and development projects)
- ▶ Appraisals based on various value definitions: market value, fair value, investment value, mortgage lending value (MLV)

Sell-side support

- ▶ Financial due diligence
- ▶ Commercial asset/company due diligence
- ▶ Compilation of data from financial, technical and legal due diligence for potential investors
- ▶ Analysis of lease and other contracts (interface with legal due diligence)
- ▶ Structuring a (virtual) data room

Buy-side due diligence

- ▶ Financial due diligence:
 - ▶ Identification of financial risks and providing recommendations
 - ▶ Translation of financial due diligence findings into an offer/bid and draft SPA (Share Purchase Agreement)
- ▶ Commercial portfolio/ company due diligence
- ▶ Giving our views on SPA and post-acquisition issues
- ▶ Analysis of the available information (data room)
- ▶ Analysis of lease and other contracts (interface with legal due diligence)
- ▶ Desk-top/full appraisal of the portfolio/asset
- ▶ Coordination of legal, technical and environmental due diligence
- ▶ Integration of technical and environmental due diligence results into a valuation analysis

4 Tax Services



We provide a comprehensive range of services to investors and developers operating on the Polish real estate market. Using our expertise, we help our clients stay competitive and mitigate the risks arising from the changing tax environment.

Our services

- ▶ Planning and implementing ownership and financing structures for investment in Polish real estate (both domestic and international)
- ▶ Tax due diligence reviews
- ▶ Assistance in tax structuring of transactions involving acquisition/sale of real estate or shares in real estate companies and securing tax effects of such transactions
- ▶ Preparing and negotiating tax aspects of acquisition/sale contracts
- ▶ Support in tax compliance duties arising from real estate development (VAT refunds, depreciation basis and policies, cost segregation)
- ▶ Restructuring assistance including mergers, de-mergers, contributions and transformations
- ▶ Tax assistance in areas of financing and refinancing real-estate transactions
- ▶ Real estate tax assistance
- ▶ Assistance in disputes with tax authorities and during court proceedings
- ▶ Drafting and filing applications for tax rulings
- ▶ Assistance in aligning business model to the changing tax environment
- ▶ Ongoing tax advice on real estate operations

Profits and taxes are directly correlated.
Mitigating the tax risk and rationalizing
the tax burden secures you profits.

5 Legal Services



EY Law is a law firm with long-term experience in granting support to the biggest companies with presence on the Polish market, providing them with a wide scope of legal services. As a part of our real estate and transaction practice, we advise investors and developers on various legal aspects of their business operations.

Our services

- ▶ Legal assistance with sale and acquisition of real estate (including holding structures)
 - ▶ Due diligence of real estate or companies (including holding structures)
 - ▶ Structuring transactions involving acquisition or sale of real estate, as well as drafting and negotiating shareholders' agreements and joint venture agreements
 - ▶ Support in reorganizations of real estate companies, inter alia during mergers, divisions and transformations etc.
 - ▶ Transactional advice for purposes of financing and refinancing transactions and establishment of collaterals
 - ▶ Drafting and negotiating tenancy and lease contracts for office, retail or warehouse, leasing contracts of real estate etc.
 - ▶ Examining investment terms and conditions including planning aspect
 - ▶ Assistance with construction investments to help foreigners obtain the PPP or public procurement procedure
 - ▶ Negotiating agreements with designers and general contractors
 - ▶ Handling property development projects involving residential buildings, offices and warehouses
 - ▶ Obtaining permits and other administrative decisions required to implement investment projects
 - ▶ Representation of clients before the Minister of Internal Affairs in the area of permits to acquire real estate and company shares the PPP or public procurement procedure and company shares as well as before other public administrative authorities and courts
 - ▶ Ongoing legal assistance in real estate and investments areas
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- As we cooperate closely with business, transaction and tax advisors at EY, we are positioned to provide our Clients with end-to-end integrated services.
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6 Audit Services



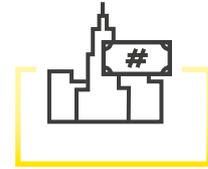
EY is a leading auditor of real estate companies and entities listed on the Warsaw Stock Exchange (“WSE”). We audit financial statements prepared in accordance with Polish Accounting Standards and International Financial Reporting Standards. We also provide other financial reporting services such as:

Our services

- ▶ Assistance in drawing up prospectuses and in Polish Financial Supervision Authority (PFSA) proceedings
- ▶ Assistance with drawing up dossiers of stock or debt securities offered on other public markets (London, New York)
- ▶ Analyses of accounting standards in place and recommendations of changes driven by legal amendments or implementation of the IFRS
- ▶ Seminars and training in accounting and financial reporting
- ▶ We provide, or participate as speakers in, multiple accounting and financial reporting (IFRS) seminars and actively cooperate with regulatory bodies in the area of legislative changes affecting financial reporting in Poland and at the WSE

Our professionals are members of PFSA teams working on amendments to the law governing financial reporting procedures at public companies.

7 Accounting Advice and Financial Risk Management



We provide solutions to complex problems in areas of accounting, and financial reporting.

Our services

- ▶ Advice on how to interpret and apply accounting and reporting requirements for various transactions
- ▶ Transaction support in line with the IFRS
- ▶ Assistance with implementation of the IFRS and conversion of your financial statements to these standards
- ▶ Assistance with implementation of new and adjusted standards and interpretations
- ▶ Identification of necessary changes in IT systems as a result of changed accounting standards
- ▶ Analysis of compliance of accounting policies with accounting standards
- ▶ Updates of accounting policies and/ or charts of accounts
- ▶ Development of a financial statements template in line with the IFRS and the specific of a given business
- ▶ Identification of areas in which financial statements are not in line with applicable standards and/ or differ from best practices of preparing financial statements
- ▶ Assistance with designing accounting processes
- ▶ Employee training
- ▶ Review of treasury operations at a company, specifically liquidity management processes, market and credit risk
- ▶ Assistance with implementation of treasury improvements in areas of strategies, organizational structure, processes, procedures as well as methodologies and tools in place
- ▶ Structuring of hedging transactions and assistance in negotiations with financial institutions
- ▶ Valuation of financial instruments and incentive programs
- ▶ Design of financial risk measurement methods and rules of evaluating effectiveness considering risks; assistance with implementation

Contact



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Anna Kicińska is Partner in Transaction Advisory Services and Leader of the Real Estate Advisory Group. She has over twenty years of real estate experience in transaction support, valuations, market and feasibility analysis and strategic real estate management. She was leading major real estate asset and M&A transactions in the CEE region. Since 1997 she has been a certified Polish appraiser and since 2001 a member of The Royal Institution of Chartered Surveyors (MRICS). She is also Certified Commercial Investment Member (CCIM) and Urban Land Institute Member (ULI).



Tomasz Ożdziński
Associate Partner
Tax Services

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Tomasz Ożdziński is an Associate Partner in the Tax Department and the Tax Leader of the Real Estate Group at EY Poland. He has over two decades of tax experience in managing large, complex advisory projects, including in particular transaction services and tax structuring, both locally and internationally. Tomasz has been involved in a number of business restructuring projects for entrepreneurs from various industries to improve efficiency of their operations. He is a certified tax advisor.



Łukasz Jarzynka
Associate Partner
Audit Services

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Łukasz has over 13 years of experience in audit and is Polish Chartered Accountant. He gained extensive experience in auditing and advising both large and multinational groups, as well as smaller private clients, IPO/SPO transactions and audit of listed companies, with focus on the real estate market. Łukasz is co-author of "The Real State of Real Estate" book - The Real Estate Guide.



Zuzanna Zakrzewska
Partner,

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Zuzanna is an advocate with eighteen years of experience in legal advisory for domestic and international entities from different sectors. She has extensive experience in providing legal support and day to day legal advises to companies particularly from the real estate, financial services and energy sector. Zuzanna specializes in providing legal assistance related to the corporate law including restructuring processes and M&A transactions. She has advised in a numerous transactions involving the acquisition of companies and assets related to real estate both on the buyers and sellers side. Zuzanna also advised clients during processes of examination of legal status of the real estate as well as during negotiating of the lease agreements.



Katarzyna Lubaś
Business Development
and Marketing

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Katarzyna Lubaś is a Business Development and Marketing Coordinator in the EY Real Estate Group. She is responsible for new business development activities and PR, market research and client relations. She has over 15 years of experience in advisory services for the residential market.

EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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