

PRESS RELEASE

Paris, 28 July 2021, 6:00 pm

## Société de la Tour Eiffel announces the appointment of new CEO Christel Zordan and presents its H1 2021 results

The Board of Directors, meeting today under the chairmanship of Didier Ridoret, has modified the composition of the Company's Executive Management. In accordance with the statutory provision and on proposal of the Appointments and Compensation Committee, the Board appointed Christel Zordan as Chief Executive Officer for a term ending in 2024 at the General Meeting called to approve the 2023 financial statements. She will take up her post by the end of 2021.

On proposal of the new Chief Executive Officer, the Board of Directors also decided to reappoint Bruno Meyer as Deputy CEO for the same term.

The Board of Directors of Société de la Tour Eiffel, which met on 28 July 2021, approved the financial statements as at 30 June 2021. The audit procedures for these financial statements have been completed, and the corresponding reports are in the process of being issued.

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*"I am delighted to hand over the management of our property company to a such experienced property professional whose track record in a string of strategic roles will ensure achieving our ambitious goals. Christel Zordan, working closely with the Board of Directors and with the seasoned support of Bruno Meyer, will build on Société de la Tour Eiffel's solid fundamentals. This change pertains to the new dynamic wished by shareholders,"* said Didier Ridoret, Chairman of Société de la Tour Eiffel.



Christel Zordan began her career in 2001 at PwC Corporate Finance. In 2006, she joined the investment teams at GE Real Estate France and later moved on to similar roles at Bouwfonds REIM in 2010.

In 2011, Christel became Head of Transactions and Financing at Compagnie de Phalsbourg before expanding her brief to become group CFO.

In 2014, she helped develop the Altafund business property investment fund as its Head of Investments, and took part in various other business property transactions for the Altarea Cogedim group.

She took over as Head of France for Nuveen Real Estate in 2017 and doubled the assets under management by the US Asset Manager's French arm.

A HEC graduate (majoring in Entrepreneurs), Christel also belongs to a number of professional networks, such as the *Cercle des Femmes de l'Immobilier*, the *Cercle 30* and the Urban Land Institute.



Bruno Meyer, 62, has been Deputy Chief Executive Officer at Société de la Tour Eiffel since September 2018.

He holds a DECS post-graduate accounting degree and began his career in the Financial Department of the French Commissariat à l'Énergie Atomique. He left to run the Européenne de Banque's Accounting Inspectorate, then did the same job for CIC Paris. In 1992, he joined UIS, a listed credit institution specialising in corporate real estate finance, where he worked in various roles including Head of Accounts. After US firm General Electric bought UIS in 1998, Bruno Meyer became CFO for GE Real Estate France, then from 2000-2004, Head of Management Control for GE Real Estate Europe. In early 2005, as Chief Financial Officer, he participated in the creation and initial public offering of listed property company CBoTerritoria. From 2008 to 2010, he was CFO of Eurosic. He then worked as Deputy General Manager of Silic before joining Société de la Tour Eiffel in 2014.

## Half-year results

Bruno Meyer, Deputy Managing Director of Société de la Tour Eiffel, commented: *"Our performance in the first half of 2021 contrasted with the real estate market general sitting on the fence attitude, due to the pandemic impacts. Our operational activity remains steady, thanks to rental successes, the completion of the current phase of developments, the preparation and planning of forthcoming developments and the finalisation of our disposal plan. Despite the uncertainties of the period, we are resolutely pursuing our growth objectives, while preparing for the refocusing of the property company that will accompany the next stage of our strategic roadmap. Tenant satisfaction and the generation of sustainable, high-quality cash flow remain our priorities and the key factors for our success."*

### A very dynamic six months in operational terms...

- 96% of H1 2021 rents collected to date
- €4.4m in new leases signed
- Value of the asset portfolio stable (-0.5%) at €1.84bn
- €20m of projects completed in H1 2021, ending the current investment pipeline
- Planning of our new developments in Greater Paris and regions with potential now at an advanced stage
- €29m in disposals carried out as part of our strategic refocusing on 100% office property
- LTV of 39.5%

### ...contributing to our consolidation based on an effective business model, aiming at its redeployment

- EPRA earnings per share: €1.0
- Recurring cash flow per share: €1.0
- Consolidated net profit: -€0.4m (vs €13.4m)
- Net capital gain on disposals: €12.6m
- Going-concern NAV (NTA) per share: €51.0
- Liquidation NAV (NDV) per share: €53.0
- Net Initial Yield EPRA topped-up: 4.2%
- 2020 dividend payout of €2.0 per share, in cash, unchanged from 2019
- Current treasury: €152m

Amid the ongoing Covid-19 pandemic, the Group has placed the utmost importance on the health and safety of its teams, tenants, clients, service providers and suppliers. We have carried out regular assessments of the impact of the pandemic and made operational adjustments on a daily basis. In particular, the arrangements put in place have been principally aimed at ensuring that our buildings are in good working order and secure, and enabling our teams to work from home.

As at 30 June, the impact of the crisis on the Group is once again deemed to be limited in relation to the activity and type of commercial property.

### **96% of H1 2021 rents collected**

As at the date of this press release, out of a total of €44.0m in invoiced rents for the first half of 2021, 96.4% has already been collected. Moreover, out of a total of €89.3m in rents for 2020, 98.2% has now been collected, up from 96.3% at the time our annual results were published.

This performance was achieved thanks to a property and rental management model that combines a rigorously selective approach with building strong tenant relationships to ensure a high-quality rental portfolio.

Monitoring of tenant risk profiles is carried out using the Coface and Credit Safe databases, and currently indicates that more than 80% of the rental portfolio is in the top two categories (low risk or very low risk), thereby demonstrating its resilience.

### **A 100% office strategy, with a focus on multi-tenant and green-certified buildings**

Société de la Tour Eiffel is continuing its strategic refocusing, with an increasing emphasis on its core market segments. Its portfolio mainly consists of multi-tenant office buildings in thriving locations that can attract any type of tenant.

Despite the overall slowdown in the investment market and the particular situation of the assets in the disposal plan, which are often located in somewhat illiquid markets, the Group has succeeded in selling three assets for €29m and signed three provisional sale agreements for €33m, broadly in line with the most recent appraisal value.

As at 30 June 2021, the value of the asset portfolio stood at €1,844m, with offices making up 91% (€1,682m) and mixed office/retail premises at 4% (€74m). 75% of assets are located in Greater Paris (€1,386m) and 20% in regional cities with potential (€371m) (Aix-en-Provence, Marseille, Bordeaux, Lille, Lyon, Nantes, Toulouse). As part of the initiative to constantly improve the quality of the assets, environmental performance certification has been obtained in respect of 74% of the portfolio.

On a like-for-like basis, and after investments (€8.2m in capex and €6.5m for developments), the value of the asset portfolio showed good resilience over the period (-0.5%, from €1,853m as at 31 December 2020).

### **Completion of existing developments and establishment of a new pipeline**

In the first six months of the year, Société de la Tour Eiffel ended its development plan, with three buildings completed. These projects represent investments of €20m and potential annualised rental income of €1.6m, of which €1.1m has already been secured with agreements signed for Bord'eau Village (Now Coworking, Boardriders) and Kremlin-Bicêtre (Louvre Hotels). The second Hashtag building in Lille, which was completed in April, is currently being marketed.

The first half of 2021 also saw leases being taken up as planned on the emblematic Orsay development, with IBM and Communauté Paris-Saclay occupying 12,000 m<sup>2</sup>, representing annualised rental income of €2.3m.

As previously announced, the Group is taking advantage of the Lyon Dauphiné, Puteaux Olympe and Aubervilliers sites releases to redevelop them. In Lyon, an application was made for a building permit to develop an office/co-living building (5,000 m<sup>2</sup> and 5,500 m<sup>2</sup> respectively). The latter was secured by the signature of a 12-year off-plan lease agreement (*BEFA*) with a specialised operator. For the Puteaux site – on the banks of the Seine – the Group has completed the pre-approval process and applied for a building permit for the construction of a 9,700 m<sup>2</sup> office building. In light of the specific nature of the Aubervilliers site, plans for the redevelopment work are still being defined and discussions are in progress. Lastly, a building permit for the construction of two office buildings with a total surface area of 3,900 m<sup>2</sup> has been obtained for the Parc du Golf in Aix-en-Provence. The closing date for objections has passed, and these buildings are now being marketed.

These four projects are perfect examples of the property company's value creation strategy, and will be included in the development plan once all the necessary approvals and permits have been obtained from the administrative authorities. In total, they represent annualised rental income of €5.6m, which has been allocated to strategic vacancies.

### **Sustained rental activity in a challenging market**

Agreements involving annualised rental income totalling €7.2m were signed during the period, both for new leases (€4.4m) and lease renewals (€2.5m). Impacted by the departure of Atos from Aubervilliers and a significant reduction in surfaces currently occupied by Yokogawa in Vélizy, the net balance of rental activity came to -€3.2m in annualised rental income, or -€0.1m taking into account the amount allocated for strategic vacancies.

Despite a hyper-competitive market that has been hard hit by the pandemic and the resulting delays in the project review process, agreements covering 45,900 m<sup>2</sup> have been signed. Most notable among these successes were the agreements signed with Technic Atome for the Parc d'Aix-en-Provence (4,860 m<sup>2</sup>) and Now Connected for the Tour Lilleurope (1,100 m<sup>2</sup>). In addition, Insec and Volvo renewed their commitments, for 7,440 m<sup>2</sup> in Bordeaux and 3,020 m<sup>2</sup> at the Parc Eiffel Nanterre Seine, respectively.

Meanwhile, Altran has given notice to end its tenancy of 14,000 m<sup>2</sup> in the Topaz building in Velizy, as expected as part of its integration into Capgemini. The premises, which represent annualised rental income of €3.2m, will be vacated at the end of 2021. This will enable the building to be repositioned as a multi-tenant property, in line with the Group's rental strategy.

As at 30 June 2021, the financial occupancy rate (EPRA) was 77.3% (vs 81.4% at end-2020), and the average firm lease term was 2.8 years. Restated for strategic vacancies, the occupancy rate becomes 82.8%.

### **EPRA earnings per share of €1.0 impacted by disposals and strategic vacancies**

On a like-for-like basis and excluding strategic vacancies, gross rental income increased by 0.5% over the period. Overall, it decreased by 4.0%, to €45.1m, due to disposals and strategic vacancies. Net of charges, rental income declined by 6.4%, in line with the change in the occupancy rate.

Current operating income totalled €29.9m (vs €30.8m). The decrease in rental income was partly offset by a reduction in operating costs (+€0.7m). Net risk was broadly unchanged, with an impact of -€0.2m over the period.

Financial expenses totalled €7.3m (vs €8.8m), reflecting lower borrowing costs and early repayments. The average debt interest rate fell to 1.6% (from 1.8%), underlining the performance of the €330m refinancing (carried out in October 2019), which is benefiting from improved financial conditions thanks to the LTV brought below 40% following the issue of perpetual subordinated debt instruments (PSL).

After taking into account other income and expenses, taxes and the earnings of companies accounted for using the equity method, EPRA earnings (recurring net profit) stood at €22.4m, or €1.04 per share.

With the reintegration of all EPRA restatement adjustments (allocations, profit on disposals and changes in the value of financial instruments), consolidated net income was -€0.4m, compared with €13.4m in H1 2020.

Recurring cash flow for the period totalled €16.2m, or €0.97 per share (vs €1.26 in H1 2020).

### **Slight decline in Net Asset Value**

Going-concern NAV (EPRA Net Tangible Assets) per share fell from €53.0 to €51.0 at 30 June 2021, mainly due to the dividend distribution. Liquidation NAV (EPRA NDV is similar to EPRA Triple Net NAV) per share also fell, from €55.0 to €53.0.

### **Substantial room for manoeuvre to withstand new challenges**

The property company's 100% office business model has continued to show resilience in this second financial year marked by Covid-19 crisis. Given the unprecedented scale of the pandemic and the uncertainty over when it will end, caution is required in estimating its consequences into the future. However, according to calculations made at the end of the period (as at year-end 2020), tenants identified as being "high" and "very high" risk, due to their exposure to the consequences of the Covid-19 crisis, still represent less than €3.7m in annual rental income (excluding assets in the process of being sold). No significant payment issues were reported on rent calls in the first half of 2021, when the rent collection rate was 96.4%.

Based on rigorous management, the Group is making resolute progress towards achieving its objectives: refocusing its asset portfolio in strategic areas, improving occupancy rates, securing its revenue, establishing a new development pipeline and generating capacity for future growth.

The financial resources resulting from the €180m increase in equity in June 2020, still enable the Group to strongly cope with the various challenges of this difficult economic environment, particularly the capacity of tenants to meet their payment commitments, the ongoing pre-marketing of developments that have been completed, and the potential fall in value of certain buildings.

Almost the full amount of these funds is still available, and will enable the Group to capitalise on new investment opportunities and secure its cash flow, to the benefit of its growth and shareholders.

### **Calendar**

- February-March 2022: 2021 annual results (after market close)
- April 2022: General Shareholders' Meeting
- June 2022: dividend payment
- July 2022: 2022 half-year results (after market close)

The presentation of the results will be available on the Group's website on the morning of Thursday 29 July: [Financial information - Société Tour Eiffel \(societetoureiffel.com\)](https://www.societetoureiffel.com).

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### About Société de la Tour Eiffel

Société de la Tour Eiffel is an integrated commercial real estate company with €1.8bn in assets and a powerful service culture. It operates across the real estate cycle, supporting companies of all sizes and sectors, and directly manages assets in regions with potential via a rigorous management process. The real estate company manages its real estate portfolio, which is currently growing fast, for the long term. It is implementing a strategic refocus on 100% office property, 80% in Greater Paris and 20% in high-potential regions and is now established as a leading actor in the sector.

Société de la Tour Eiffel is listed on Euronext Paris (Compartment B) – ISIN Code: FR0000036816 – Reuters: TEIF.PA – Bloomberg: EIFF.FP – Indexes: IEIF Foncières, IEIF Immobilier France

[www.societetoureiffel.com](http://www.societetoureiffel.com)

# APPENDICES

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## TABLE OF CONTENTS

KEY FIGURES	8
EPRA KEY PERFORMANCE INDICATORS	9
PORTFOLIO	10
PORTFOLIO KEY INDICATORS	14
RENTAL INCOME	15
FINANCING	17
NET ASSET VALUE (NAV)	18
CASH-FLOW AND SUMMARISED FINANCIAL STATEMENTS	20
GLOSSARY	22

# KEY FIGURES

## Portfolio

(€m)	30/06/2020	31/12/2020	30/06/2021
Portfolio valuation at depreciated cost	1,531.9	1,516.4	1,481.3
Portfolio valuation at Fair Value (excl. Transfer taxes)	1,870.8	1,866.0	1,843.8
EPRA NTA per share (€)	52.4	53.0	51.0
EPRA NAV per share (€)	52.4	53.0	51.1
EPRA NNNNAV per share (€)	54.4	55.0	53.0

## Results

(€m)	30/06/2020	31/12/2020	30/06/2021
Rental income	47.0	92.9	45.1
Current operating profit	5.5	11.6	(7.7)
Net profit - Group share	13.4	10.7	(0.4)
Net profit - Group share per share (€)	0.7	0.2	(0.3)
EPRA earnings	23.0	46.4	22.4

## Cash flow and dividend

(€m)	30/06/2020 <sup>(1)</sup>	31/12/2020	30/06/2021
Recurring Cash Flow	20.9	38.0	16.2
Recurring Cash Flow per share (€)	1.26	2.30	0.97
Dividend per share (€)	2.00	2.00	2.00
Pay-out Ratio (Dividend / recurring Cash Flow)	158%	87%	205%

(1) Adjusted, see further in the appendices

## Market capitalisation

(€m)	30/06/2020	31/12/2020	30/06/2021
Number of outstanding shares at the end of the period	16,589,046	16,589,740	16,589,740
Share price (€)	29.8	29.9	28.5
Market capitalisation	494.4	496.0	472.8

## Financial structure

(€m)	30/06/2020	31/12/2020	30/06/2021
Portfolio value	1,870.8	1,866.0	1,843.8
Net Group LTV	39.0%	39.0%	39.5%
EBITDA / Financial costs	3.5	3.8	4.0

## Valuation ratios

	30/06/2020	31/12/2020	30/06/2021
Cash flow multiple (Capitalisation / Cash Flow)	9.6	13.0	14.6



# EPRA KEY PERFORMANCE INDICATORS

The European Public Real Estate Association (EPRA) issued in October 2019 an update of the Best Practice Recommendations report (BPR), which gives guidelines for performance measures.

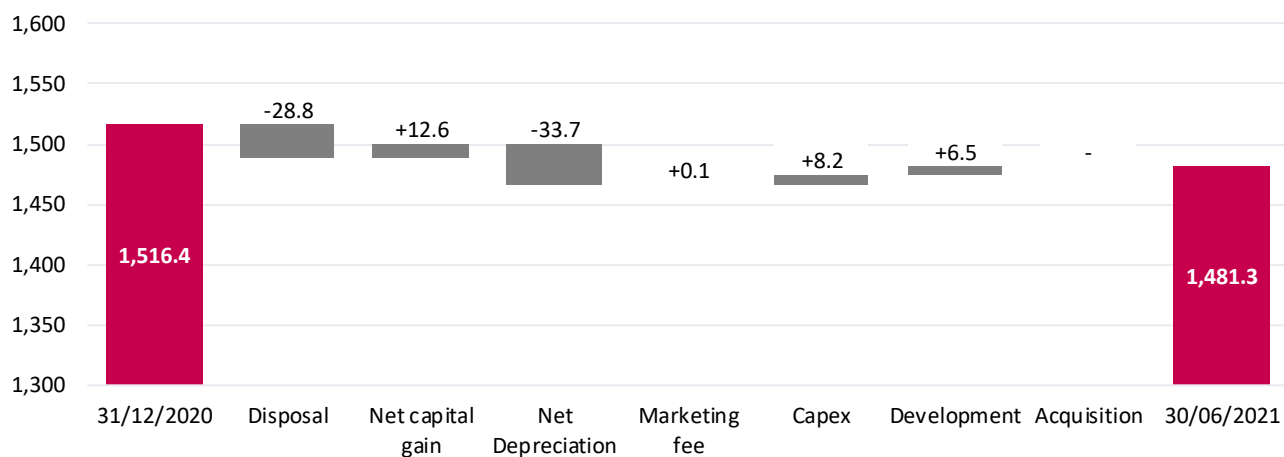
Société de la Tour Eiffel supports the financial communication standardisation approach designed to improve the quality and comparability of information and supplies its investors with the EPRA key performance indicators. They appear in the table here-below.

## EPRA Performance Measures (EPM) – Summary Table

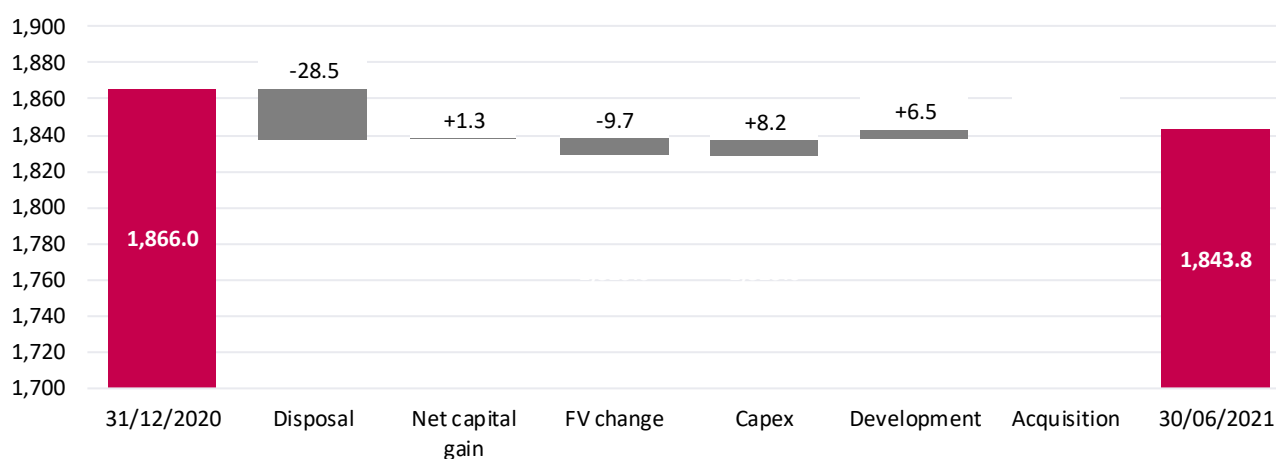
<b>(€m)</b>	<b>30/06/2020</b>	<b>31/12/2020</b>	<b>30/06/2021</b>
EPRA Earnings	23.0	46.4	22.4
EPRA NNNAV	903.3	911.7	879.7
EPRA NDV	903.3	911.7	879.7
EPRA NTA	869.6	878.6	847.3
EPRA NAV	869.7	878.7	847.8
EPRA NRV	995.9	1,002.3	969.5
EPRA Initial Yield	4.2%	4.1%	3.9%
EPRA "Topped-up" Net Initial Yield	4.5%	4.5%	4.2%
EPRA Vacancy Rate	17.1%	18.6%	22.7%
EPRA Cost Ratio (including direct vacancy costs)	34.3%	33.9%	33.4%
EPRA Cost Ratio (excluding direct vacancy costs)	19.8%	24.0%	15.6%
EPRA Property Investments	25.7	61.8	15.3
<b>(€ per share)</b>	<b>30/06/2020</b>	<b>31/12/2020</b>	<b>30/06/2021</b>
EPRA Earnings	1.30	2.38	1.04
EPRA NNNAV	54.4	55.0	53.0
EPRA NDV	54.4	55.0	53.0
EPRA NTA	52.4	53.0	51.0
EPRA NAV	52.4	53.0	51.1
EPRA NRV	60.0	60.4	58.4
Average number of diluted shares (excl. Tr. shares)	16,611,200	16,594,263	16,599,035
Fully diluted number of shares	16,611,593	16,583,368	16,606,595

# PORTFOLIO

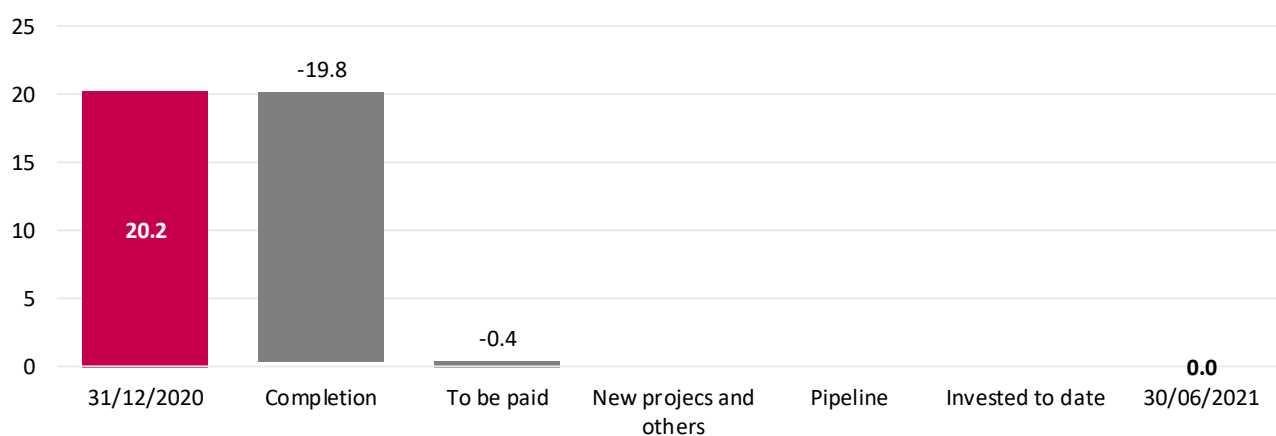
## Portfolio valuation at Amortised Cost (€m)



## Portfolio valuation at Fair Value (€m)



## Progress of the pipeline (€m)



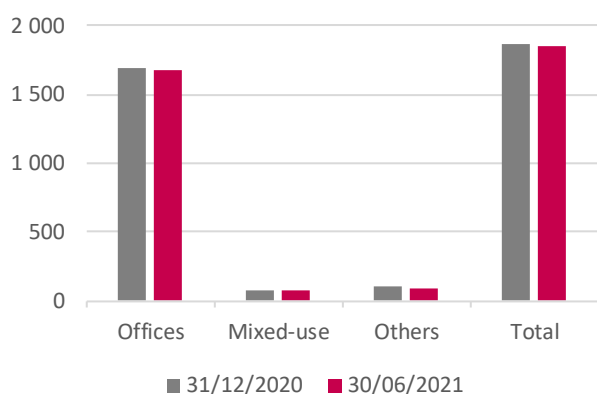
## EPRA Property Investments

(€m)	31/12/2020			30/06/2021		
	Group	Joint-Venture	Total	Group	Joint-Venture	Total
Acquisitions	1.3	-	1.3	-	-	-
Development	45.0	-	45.0	6.5	-	6.5
Investment properties	15.5	-	15.5	8.7	-	8.7
Incremental lettable space	-	-	-	-	-	-
No incremental lettable space	14.9	-	14.9	8.2	-	8.2
Tenant incentives	0.6	-	0.6	0.5	-	0.5
Other expenditures	-	-	-	-	-	-
Capitalised interest on development properties	-	-	-	-	-	-
<b>Total Property Investments</b>	<b>61.8</b>	<b>-</b>	<b>61.8</b>	<b>15.3</b>	<b>-</b>	<b>15.3</b>
Conversion from accrual to cash basis	-	-	-	0	-	0
<b>Total Property Investments on cash basis</b>	<b>61.8</b>	<b>-</b>	<b>61.8</b>	<b>15.3</b>	<b>-</b>	<b>15.3</b>

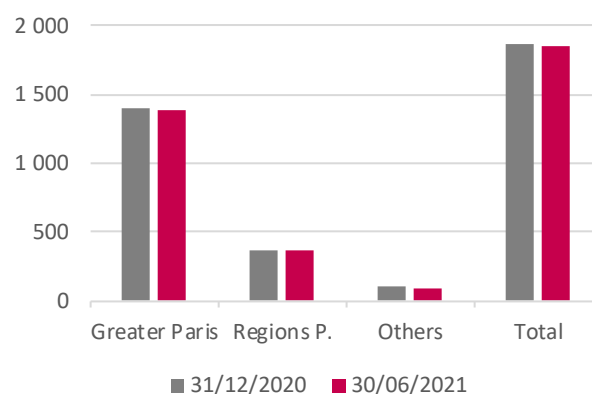
## Portfolio breakdown in Fair Value

(€m)	30/06/2020	31/12/2020	30/06/2021
<b>By type of asset</b>			
Offices	1,671.0	1,694.7	1,682.2
Mixed-use	67.8	69.3	74.3
Others	132.0	102.0	87.4
<b>By region</b>			
Greater Paris	1,390.1	1,404.2	1,385.7
Regions with Potential	348.8	359.8	370.7
Others	132.0	102.0	87.4
<b>Total</b>	<b>1,870.8</b>	<b>1,866.0</b>	<b>1,843.8</b>

Breakdown by type of asset (€m)



Breakdown by region (€m)



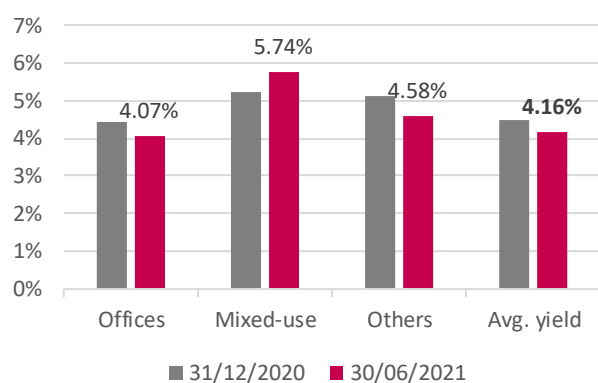
## EPRA Net Initial Yield and 'topped-up' Net Initial Yield

(€m)	30/06/2020	31/12/2020	30/06/2021
Investment property - wholly owned	1,870.8	1,866.0	1,843.8
Investment property - share of JVs/ Fund	-	-	-
Trading property (including share of JVs)	-	-	-
Adjustment of assets under development and land reserves	(65.8)	(23.8)	(13.9)
Value of the property portfolio in operation excluding duties	1,805.1	1,842.1	1,830.0
Transfer duties	125.0	123.2	121.4
<b>Value of the property portfolio in operation including duties (B)</b>	<b>1,930.1</b>	<b>1,965.3</b>	<b>1,951.4</b>
Annualised gross rental income	93.5	90.1	87.3
Annualised irrecoverable property operating expenses	(13.0)	(9.8)	(12.1)
<b>Annualised net rents (A)</b>	<b>80.5</b>	<b>80.3</b>	<b>75.2</b>
Rents at the expiry of the lease incentives or other rent discount	6.6	8.1	6.0
<b>Topped up net annualised rent (C)</b>	<b>87.2</b>	<b>88.5</b>	<b>81.2</b>
<b>EPRA NIY (A/B)</b>	<b>4.2%</b>	<b>4.1%</b>	<b>3.9%</b>
<b>EPRA "topped-up" NIY (C/B)</b>	<b>4.5%</b>	<b>4.5%</b>	<b>4.2%</b>

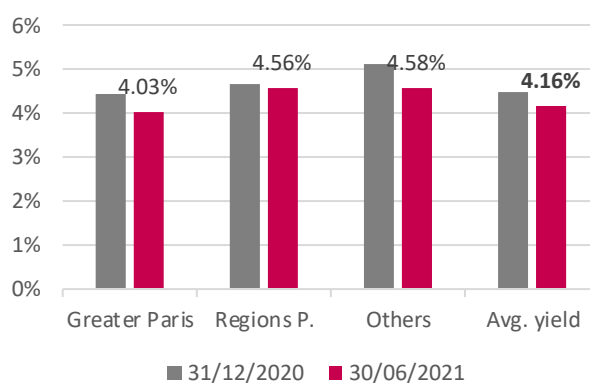
## EPRA Topped-up Net Initial Yield

(€m)	30/06/2020	31/12/2020	30/06/2021
<b>By type of asset</b>			
Offices	4.48%	4.44%	4.07%
Mixed-use	5.91%	5.23%	5.74%
Others	4.17%	5.13%	4.58%
<b>By region</b>			
Greater Paris	4.32%	4.42%	4.03%
Regions with Potential	5.45%	4.67%	4.56%
Others	4.17%	5.13%	4.58%
<b>Average portfolio yield</b>	<b>4.52%</b>	<b>4.50%</b>	<b>4.16%</b>

### Breakdown by type of asset



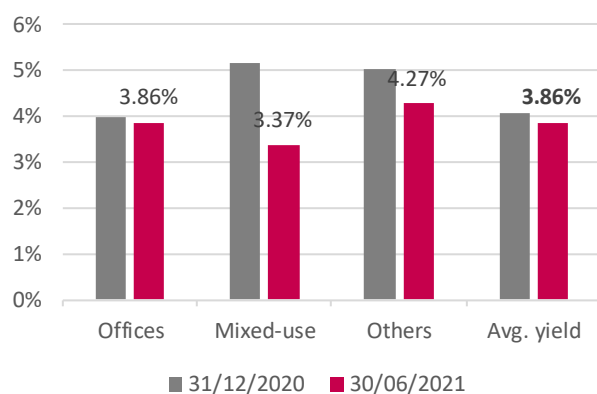
### Breakdown by region



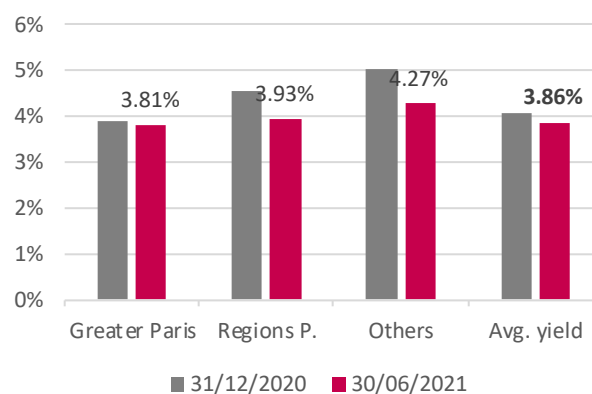
## EPRA Net Initial Yield

	30/06/2020	31/12/2020	30/06/2021
<b>By type of asset</b>			
Offices	4.11%	3.99%	3.86%
Mixed-use	5.84%	5.14%	3.37%
Others	3.99%	5.03%	4.27%
<b>By region</b>			
Greater Paris	3.92%	3.91%	3.81%
Regions with Potential	5.29%	4.54%	3.93%
Others	3.99%	5.03%	4.27%
<b>Average portfolio yield</b>	<b>4.17%</b>	<b>4.09%</b>	<b>3.86%</b>

### Breakdown by type of asset

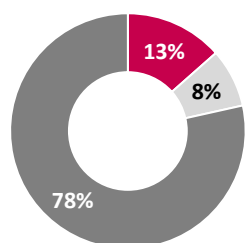


### Breakdown by region



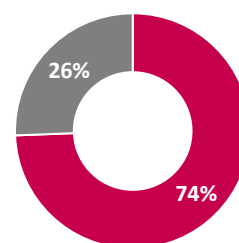
# PORTFOLIO KEY INDICATORS

## Buildings < 10 years in Fair Value



- New and refurbished
- Buildings < 10 years
- Buildings > 10 years

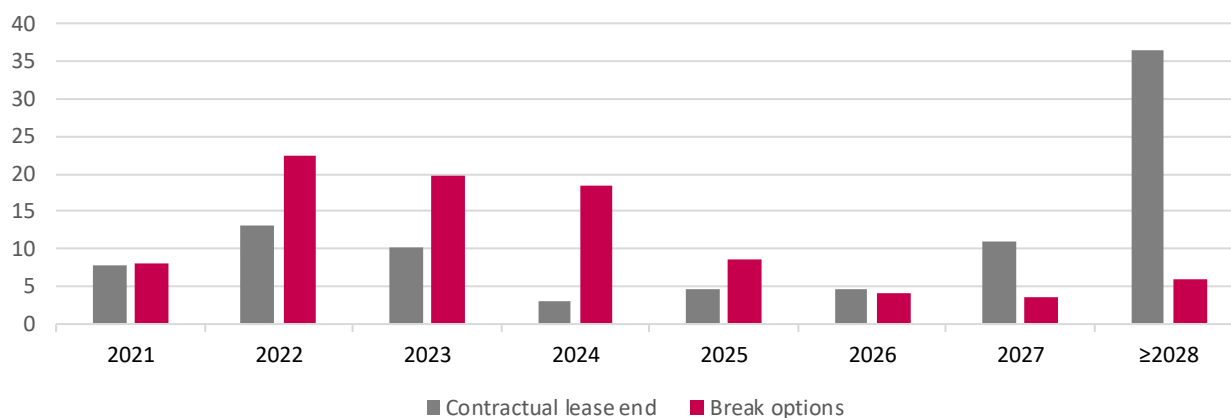
## Labelled new buildings\* in Fair Value



- Labelled buildings
- Non labelled buildings

(\*) Excl. disposal and development plan

## Portfolio lease maturity in rental income (€m)

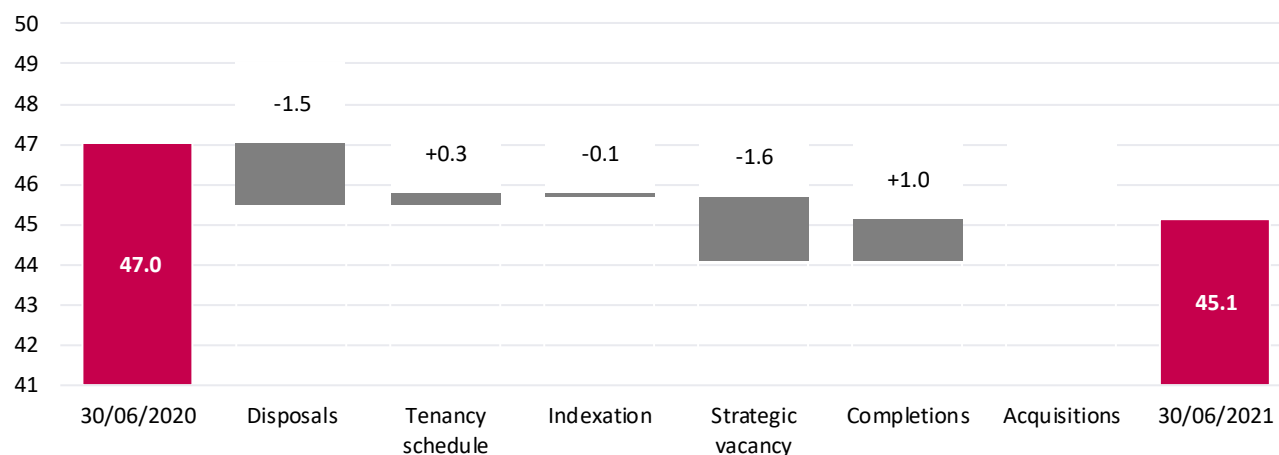


## EPRA Vacancy Rate

(€m)	30/06/2020	31/12/2020	30/06/2021
Estimated rental value of vacant space (A)	20.3	22.1	27.1
Estimated rental value of the whole portfolio (B)	118.6	118.8	119.2
<b>EPRA Vacancy Rate (A/B)</b>	<b>17.1%</b>	<b>18.6%</b>	<b>22.7%</b>

# RENTAL INCOME

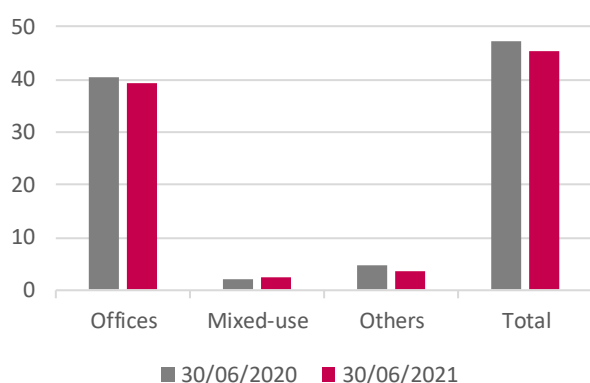
## IFRS Rental Income Walk (€m)



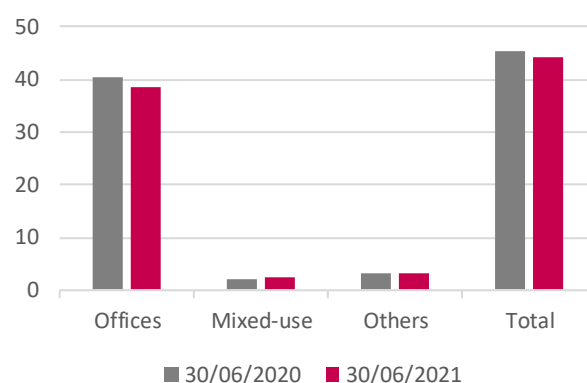
## IFRS Rental Income variation by type of asset

(€m)	Chg. (%)	30/06/2020	30/06/2021
<b>IFRS Rental Income variation</b>			
Offices	-2.3%	40.3	39.4
Mixed-use	7.0%	2.2	2.3
Others	-24.4%	4.6	3.4
<b>Total</b>	<b>-4.0%</b>	<b>47.0</b>	<b>45.1</b>
<b>IFRS Rental Income variation like-for-like</b>			
Offices	-4.5%	40.3	38.5
Mixed-use	7.0%	2.2	2.3
Others	9.3%	3.1	3.3
<b>Total</b>	<b>-3.0%</b>	<b>45.5</b>	<b>44.1</b>

## IFRS Rental Income variation (€m)



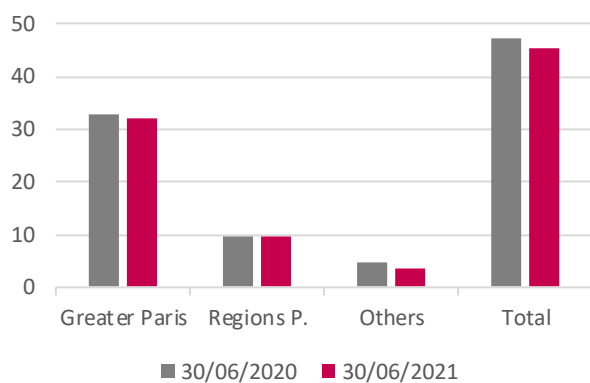
## IFRS Rental Income variation like-for-like (€m)



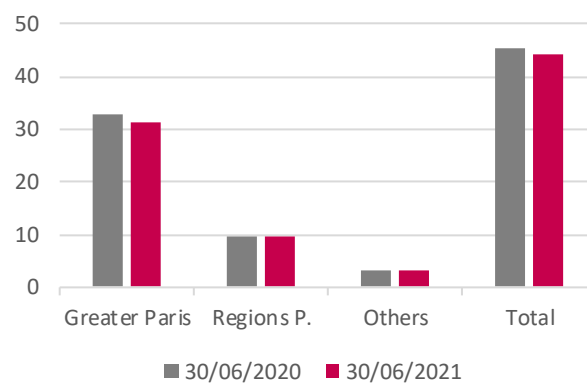
## IFRS Rental Income variation by Region

(€m)	Chg. (%)	30/06/2020	30/06/2021
<b>IFRS Rental Income variation</b>			
Grand Paris	-1.8%	32.7	32.1
Regions with Potential	-1.7%	9.8	9.6
Others	-24.4%	4.6	3.4
<b>Total</b>	<b>-4.0%</b>	<b>47.0</b>	<b>45.1</b>
<b>IFRS Rental Income variation like-for-like</b>			
Greater Paris	-4.4%	32.7	31.2
Regions with Potential	-2.2%	9.8	9.5
Others	9.3%	3.1	3.3
<b>Total</b>	<b>-3.0%</b>	<b>45.5</b>	<b>44.1</b>

IFRS Rental Income variation (€m)



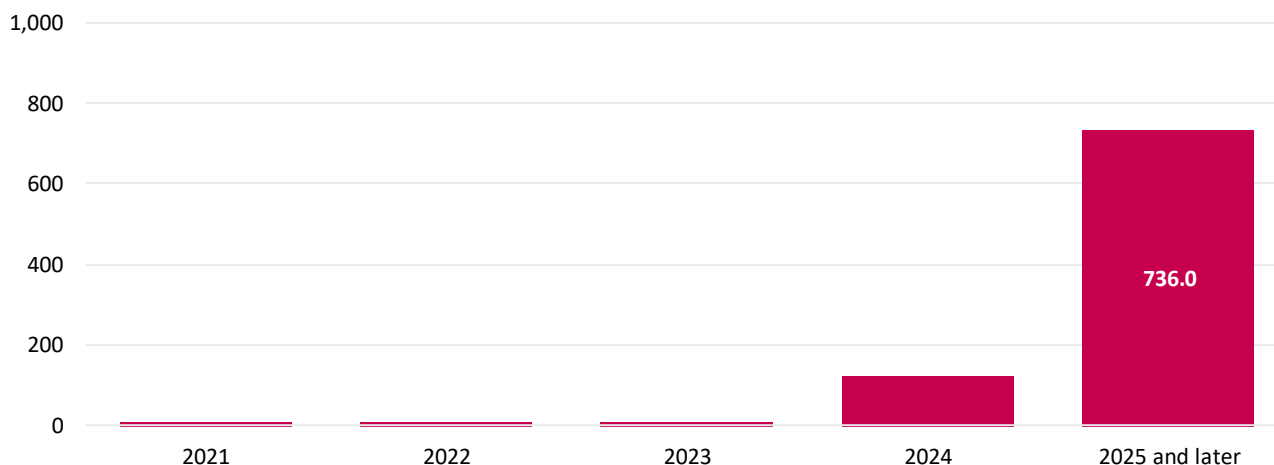
IFRS Rental Income variation like-for-like (€m)





# FINANCING

## Debt maturity schedule (€m)



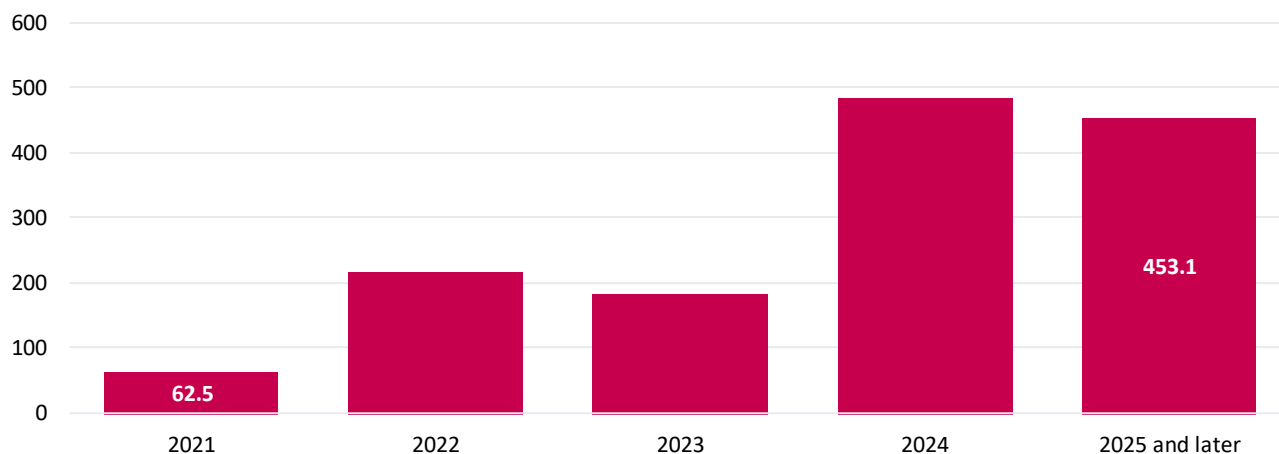
## Summary of financing

(€m)	Maturity	30/06/2020	31/12/2020	30/06/2021
EURO PP 2015 €200m	07/2025	200.0	200.0	200.0
EURO PP 2017 €90m	07/2027	90.0	90.0	90.0
RCF Natixis €60m	12/2024	60.0	-	-
RCF Pool CADIF 2017 €100m	04/2024	100.0	100.0	100.0
RCF Pool CADIF 2018 €100m	07/2025	100.0	100.0	100.0
TL Pool BNPP/SG 2019 €330m	10/2026	330.0	330.0	330.0
SMABTP €350m	11/2021	-	-	-
Mortgage financing	n.a.	113.2	94.9	61.0

## Financial structure ratios

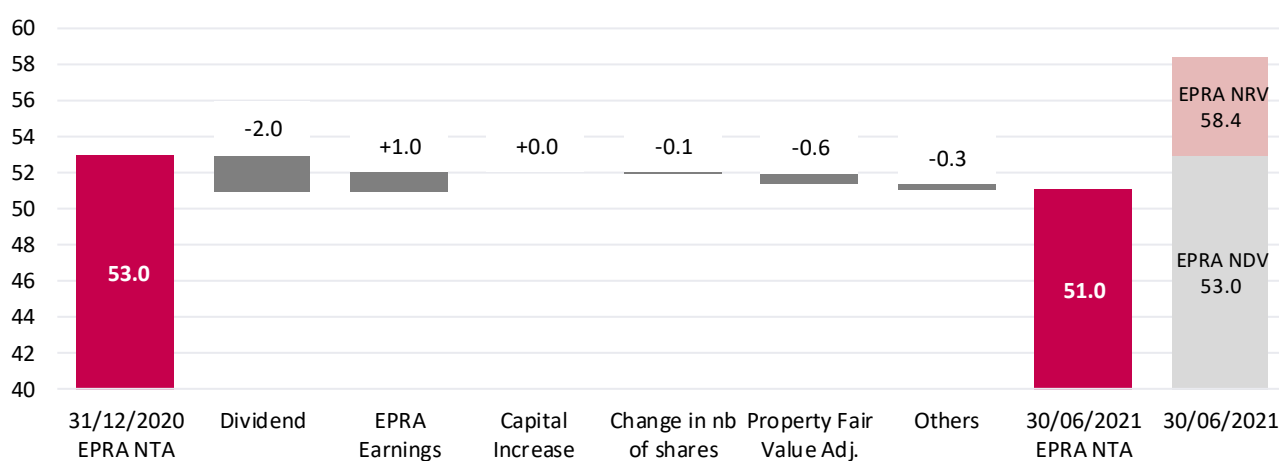
(€m)	30/06/2020	31/12/2020	30/06/2021
Shareholders' equity	798.4	794.3	751.5
Gross financial debt	993.2	914.9	881.0
Net financial debt	730.5	727.6	728.8
LTV	39.0%	39.0%	39.5%
Average cost of finance	1.8%	1.8%	1.6%
Hedging instruments notional	1,013.1	1,439.6	1,400.7
Hedging rate	132.0%	189.6%	197.8%
Debt maturity	5.4	5.0	4.6
Group ICR (EBITDA / Financial cost)	3.5	3.8	4.0
Impact of +100bp on cost of debt (yearly basis)	1.2	(0.4)	(0.9)
Impact of -100bp on cost of debt (yearly basis)	(2.0)	(0.4)	0.9

## Hedging maturity schedule (€m)



## NET ASSET VALUE (NAV)

### EPRA NTA per share Walk (€)



## EPRA Net Asset Value metrics

(€m)	30/06/2020	31/12/2020	30/06/2021
<b>Shareholders' equity (group share)</b>	<b>798.4</b>	<b>794.3</b>	<b>751.5</b>
PSL adjustments	(254.8)	(254.8)	(254.7)
Revaluation of Investment Properties	328.4	340.4	354.0
Revaluation of PSL	31.3	31.8	28.8
<b>EPRA NNNAV</b>	<b>903.3</b>	<b>911.7</b>	<b>879.7</b>
Goodwill as a result of deferred tax adjustment	-	-	-
Goodwill as per the IFRS balance sheet adjustment	-	-	-
<b>EPRA NDV</b>	<b>903.3</b>	<b>911.7</b>	<b>879.7</b>
Deferred tax in relation to fair value gains of strategic assets adj.	(0.8)	(0.9)	(0.4)
Fair value of financial instruments adjustment	(1.4)	(0.3)	(2.7)
Intangibles as per the IFRS balance sheet adjustment	(0.1)	(0.2)	(0.5)
PSL Fair Value adjustment	(31.3)	(31.8)	(28.8)
<b>EPRA NTA</b>	<b>869.6</b>	<b>878.6</b>	<b>847.3</b>
Deferred tax in relation to fair value gains of non-strategic assets adj.	-	-	-
Goodwill as per the IFRS balance sheet	-	-	-
Intangibles as per the IFRS balance sheet	0.1	0.2	0.5
<b>EPRA NAV</b>	<b>869.7</b>	<b>878.7</b>	<b>847.8</b>
Revaluation of intangibles to fair value	-	-	-
Real estate transfer tax	126.2	123.6	121.7
<b>EPRA NRV</b>	<b>995.9</b>	<b>1,002.3</b>	<b>969.5</b>

## EPRA NAV metrics per share

(€)	30/06/2020	31/12/2020	30/06/2021
Fully diluted number of shares	16,611,593	16,583,368	16,606,595
EPRA NNNAV	54.4	55.0	53.0
EPRA NDV	54.4	55.0	53.0
EPRA NTA	52.4	53.0	51.0
EPRA NAV	52.4	53.0	51.1
EPRA NRV	60.0	60.4	58.4

# CASH-FLOW AND SUMMARISED FINANCIAL STATEMENTS

## Recurring cash-flow

(€m)	30/06/2020 <sup>(1)</sup>	31/12/2020	30/06/2021
Gross rental income	46.9	88.2	45.0
Recurring property operating expenses	(9.0)	(11.6)	(9.5)
Recurring corporate expenses	(6.9)	(14.0)	(6.8)
Net financial costs	(10.1)	(24.5)	(12.6)
<b>Recurring cash flow</b>	<b>20.9</b>	<b>38.0</b>	<b>16.2</b>
Average number of shares (excl. Tr. shares)	16,530,686	16,543,995	16,583,610
<b>Recurring cash flow per share (€)</b>	<b>1.26</b>	<b>2.30</b>	<b>0.97</b>

(1) Previously the Recurring Cash Flow took into account the financial interests paid during the period, from now on this amount includes the financial interests appearing in the income statement.

## EPRA Earnings (Recurring / non-recurring presentation - direct method)

(€m)	30/06/2020	31/12/2020	30/06/2021
Gross rental income	47.0	92.9	45.1
<b>Net rental income</b>	<b>38.0</b>	<b>81.2</b>	<b>35.6</b>
Corporate expenses	(7.3)	(14.0)	(6.6)
<b>Current EBITDA</b>	<b>30.8</b>	<b>67.2</b>	<b>29.0</b>
<b>Current EBIT</b>	<b>30.8</b>	<b>61.2</b>	<b>29.9</b>
Other income and expenses	1.6	3.8	0.6
Net financial costs	(8.8)	(17.5)	(7.3)
Miscellaneous (current)	(0.1)	(0.4)	0.0
Taxes (current)	(0.3)	(0.3)	(0.6)
Associates	(0.2)	(0.3)	(0.2)
<b>Net current earnings</b>	<b>23.0</b>	<b>46.4</b>	<b>22.4</b>
<b>EPRA earnings (Net current profit - group share)</b>	<b>23.0</b>	<b>46.4</b>	<b>22.4</b>
Depreciation and amortisation on IP	(25.3)	(49.6)	(37.6)
Net profit or loss on disposals	15.9	15.2	12.6
Fair value adjustments of hedging instr.	(0.2)	(1.3)	2.2
Taxes (non-current)	-	-	-
Miscellaneous (non-current)	-	-	-
<b>Net non-current profit</b>	<b>(9.5)</b>	<b>(35.7)</b>	<b>(22.8)</b>
<b>Net non-current profit - Group share</b>	<b>(9.5)</b>	<b>(35.7)</b>	<b>(22.8)</b>
<b>Net profit/loss (Group share)</b>	<b>13.4</b>	<b>10.7</b>	<b>(0.4)</b>
Earnings per share <sup>(1)</sup> (€)	0.73	0.23	(0.34)
Diluted earnings per share <sup>(1)</sup> (€)	0.73	0.23	(0.34)
EPRA Earnings per share <sup>(1)</sup> (€)	1.30	2.38	1.04

(1) Earnings per share factor in the PSL costs

## Net consolidated result

(€m)	30/06/2020	31/12/2020	30/06/2021
Gross rental income	47.0	92.9	45.1
Property operating expenses	(9.0)	(11.6)	(9.5)
<b>Net operating income</b>	<b>38.0</b>	<b>81.2</b>	<b>35.6</b>
Corporate expenses	(7.3)	(14.0)	(6.6)
<b>EBITDA</b>	<b>30.8</b>	<b>67.2</b>	<b>29.0</b>
Net depreciation	(23.8)	(48.4)	(23.6)
Impairment & provisions	(1.5)	(7.2)	(13.1)
<b>Current operating income</b>	<b>5.5</b>	<b>11.6</b>	<b>(7.7)</b>
Result from disposals	15.9	15.2	12.6
Other operating income and expenses	1.6	3.8	0.6
<b>Operating income</b>	<b>23.0</b>	<b>30.6</b>	<b>5.4</b>
Net financial cost	(8.8)	(17.5)	(7.3)
Other financial income and expenses	(0.3)	(1.7)	2.2
Tax	(0.3)	(0.3)	(0.6)
Associates	(0.2)	(0.3)	(0.2)
<b>Net profit/loss (Group share)</b>	<b>13.4</b>	<b>10.7</b>	<b>(0.4)</b>
Restatement of exceptional items	-	-	-
<b>Recurring net profit/loss</b>	<b>13.4</b>	<b>10.7</b>	<b>(0.4)</b>

## EPRA Cost Ratios

(€m)	30/06/2020	31/12/2020	30/06/2021
Property operating expenses	(26.9)	(45.8)	(27.5)
Corporate expenses	(7.3)	(14.0)	(6.6)
Depreciation, amortisation and net provisions excl. IP	-	(6.0)	0.9
Service charge income	17.9	34.2	17.9
Share in costs of associates	-	-	-
Adjustment of Ground rent costs	0.2	0.4	0.2
Adjustment of Service fee and service charge costs component of rents	-	-	-
<b>Costs (including direct vacancy costs) (A)</b>	<b>(16.1)</b>	<b>(31.3)</b>	<b>(15.0)</b>
Direct vacancy costs	6.8	9.1	8.0
<b>Costs (excluding direct vacancy costs) (B)</b>	<b>(9.3)</b>	<b>(22.2)</b>	<b>(7.0)</b>
Gross rental income (including ground rent costs)	47.0	92.9	45.1
Ground rent costs	(0.2)	(0.4)	(0.2)
Gross Rental Income less ground rent costs	46.8	92.5	44.9
Service fee and service charge costs component of rents	-	-	-
Share in rental income from associates	-	-	-
<b>EPRA Gross Rental Income</b>	<b>46.8</b>	<b>92.5</b>	<b>44.9</b>
<b>EPRA Cost Ratio (including direct vacancy costs) (A/C)</b>	<b>34.3%</b>	<b>33.9%</b>	<b>33.4%</b>
<b>EPRA Cost Ratio (excluding direct vacancy costs) (B/C)</b>	<b>19.8%</b>	<b>24.0%</b>	<b>15.6%</b>

## Consolidated balance sheet

(€m)	30/06/2020	31/12/2020	30/06/2021
<b>ASSETS</b>	<b>1,944.1</b>	<b>1,828.9</b>	<b>1,760.6</b>
Goodwill	-	-	-
Investment properties	1,497.9	1,501.6	1,446.1
Assets earmarked for disposal	34.0	14.8	35.2
Tangible fixed assets	1.1	1.2	0.8
Intangible fixed assets	0.1	0.2	0.5
Right to use the leased asset	19.1	18.5	17.9
Receivables	129.2	105.3	108.0
Cash and equivalent	262.7	187.2	152.1
<b>LIABILITIES</b>	<b>1,944.1</b>	<b>1,828.9</b>	<b>1,760.6</b>
Share capital and reserves	798.4	794.3	751.5
- including result	13.4	10.7	(0.4)
Long term debt	993.2	914.9	881.0
Other liabilities	152.5	119.7	128.2

## GLOSSARY

### Asset or Building in operation

An asset or building rented or available for rent.

### Net asset value (NAV) per share

Equity attributable to owners of the Parent, divided by the fully diluted number of shares in issue at the period end, excluding treasury shares.

### Covenant

The usual early payability clauses provided for in financing contracts concluded between Group companies and banks include non-compliance with certain financial ratios, called covenants.

The consequences of non-compliance with covenants are detailed in each contract and may go as far as the immediate payability of outstanding loans.

The four main financial ratios which the Group has undertaken to maintain in its bank financing arrangements are:

**Loan-To-Value (LTV) ratio:** the amount of net financial debt in relation to the value of the property portfolio;

**Interest Coverage Ratio (ICR):** coverage of financial costs by net rental income;

**Secured financial debt ratio:** amount of financing guaranteed by mortgages or pledges in relation to that for financed real estate investments;

**Value of free consolidated assets:** minimum proportion of the property portfolio (as a % of valuations) corresponding to assets free of any mortgage or pledge.

### Gross financial debt

Loan outstandings at end of period contracted with credit institutions and institutional investors (including accrued interest not yet due).

### Net financial debt

Gross financial debt less net cash

## **Gross rent or rental income**

Amount taking into account the spread of any deductibles granted to tenants.

## **Transfer taxes**

Transfer taxes correspond to ownership transfer taxes (conveyancing fees, stamp duty, etc.) pertaining to the disposal of the asset or of the company owning that asset.

## **EPRA**

European Public Real Estate Association. Its mission is to promote, develop and represent the listed real estate sector at European level.

<http://www.epra.com>

In October 2019, the EPRA updated its Best Practice Recommendations guidelines.

## **EPRA NAV**

In the Best Practice Recommendations released by the EPRA in October 2019, 3 new EPRA NAV were created:

### **EPRA Net Reinstatement Value or EPRA NRV:**

corresponding to the Net Reinstatement Value of the company on the long term.

### **EPRA Net Tangible Asset or EPRA NTA:**

corresponding to the Net Tangible Asset value of the company.

### **EPRA Net Disposal Value or EPRA NDV:**

corresponding to the net disposal value of the company, very close to the previous EPRA NNNAV.

## **Property company**

According to EPRA, the core business of these companies is to earn income through rent and capital appreciation on investment property held for the long term (commercial and residential buildings e.g. offices, apartments, retail premises, warehouses).

## **Occupancy**

Premises are said to be occupied on the closing date if a tenant has a right to the premises, making it impossible to enter into a lease for the same premises with a third party on the closing date. This right exists by virtue of a lease,

whether or not it is effective on the closing date, whether or not the tenant has given notice to the lessor, and whether or not the lessor has given notice to the tenant. Premises are vacant if they are not occupied.

## **Headline rents**

Headline rents correspond to the contractual rents of the lease, to which successive pegging operations are applied as contractually agreed in the lease, excluding any benefits granted to the tenant by the owner (rent-free period, unbilled charges contractually regarded as such, staggering of rent payments, etc.).

## **Net rental income**

Net rental income corresponds to gross rental income less net service charges.

## **Potential rents**

Potential rents correspond to the sum of headline rents for occupied premises and the estimated rental value of vacant premises.

## **Loan-to-value (LTV)**

Group LTV ratio is the ratio between the net debt relating to investment and equivalent properties and the sum of the fair value, transfer taxes included, of investment and equivalent properties.

## **Committed operation**

Operation that is in the process of completion, for which the company controls the land and has obtained the necessary administrative approvals and permits.

## **Controlled operation**

Operation that is in the process of advanced review, for which the company has control over the land (acquisition made or under offer, contingent on obtaining the necessary administrative approvals and permits).

## **Recurring cash flow**

Recurring cash flow corresponds to the operating cash flow after the impact of financial expenses and corporate income tax has been paid. The

operational cash flow refers to the Net rental income of the property company, after deduction of net overhead costs. Recurring cash flow does not take into account non-recurring results.

### **Rental properties - Portfolio**

Rental properties are investment buildings which are not under renovation on the closing date.

### **Like-for-like portfolio**

The like-for-like portfolio includes all properties which have been in the property portfolio since the beginning of the period, but excludes those acquired, sold or included in the development programme at any time during that period.

### **Identified project**

Project that is in the process of being put together and negotiated.

### **Yields**

Headline, effective and potential yields correspond respectively to headline, effective and potential rents divided by the market value including transfer taxes of the buildings in the rental properties on the closing date.

### **Debt ratio**

The average debt rate or debt ratio corresponds to the net financial expense of the debt and hedging instruments for the period in relation to the average outstanding amount of financial debt for the period.

The spot rate corresponds to the average debt rate calculated on the last day of the period.

### **Occupancy rate (EPRA)**

The occupancy rate (EPRA), or financial occupancy rate, is equal to 1 minus the EPRA vacancy rate.

### **Capitalisation rate**

The capitalisation rate corresponds to the headline rent divided by the market value excluding transfer taxes.

### **Yield rate**

The yield rate is equal to the headline rents divided by the market value including transfer taxes.

### **Net Initial Yield EPRA:**

Annualised gross rental income at end of period, including adjustments to the current rent, net of charges, divided by the market value of the property, transfer taxes and fees included.

### **EPRA topped-up Net Initial Yield**

Annualised gross rental income at end of period, after reintegration of adjustments to the current rent, net of charges, divided by the market value of the property, transfer taxes and fees included.

### **EPRA vacancy rate**

The EPRA vacancy rate, or financial vacancy rate, is equal to the Estimated Rental Value (ERV) of vacant surface areas divided by the ERV of the total surface area.

### **Gross estimated rental value (ERV)**

The estimated market rental value corresponds to the rents that would be obtained if the premises were re-let on the closing date. It is determined biannually by the Group's external appraisers.