Press release
July 23, 2020

Earnings at June 30,2020

Performing sustainably

- Like-for-like rental income growth of **3.6% for offices** (+7.7% including deliveries)
- **Around 95%** of first-half rent collected to date
- EPRA Net Reinstatement Value (NRV) up +3.9% year-on-year to €191.7 per share
- EPRA Net Tangible Assets (NTA) up +5.4% year-on-year to €175.0 per share
- **LTV of 33.2%** (including duties), down -210bp year-on-year

Gecina reveals its purpose

"Empowering shared human experiences at the heart of our sustainable spaces"

- Continuing to define the manifesto for its "purpose" with employees, customers and all stakeholders, with publication planned for the end of 2020
- Initiative combining societal demands and economic performance

Activity maintained during the lockdown period

- No buildings were closed in the second quarter, thanks to the stronger health measures rolled out
- **Rent collection to date representing around 95%** for the first half of the year
- **56,000 sq.m of rental transactions**, with **significant headline reversion (+16%),** particularly in **Paris**
- **€352m of sales completed**, with an **average premium of around +4% versus the appraisals**
- Acceleration of Gecina's **digitalization** and the **YouFirst** brand's deployment with **YouFirst Bureau** and **YouFirst Residence**
- **Creation of a dedicated subsidiary to house the residential portfolio**, with over €3bn of assets and over 6,000 apartments

Mobilization to support customers and societal commitments

- Cancellation of second-quarter rent for very small businesses operating in sectors ordered to shut down by the French government (0.5% of the commercial rental base for the second quarter), deferral and application of monthly instalments for amounts due covering nearly 14% of the commercial rental base for this quarter (representing 3% of the annual rental base)
- Reduction of the 2019 dividend, the Chief Executive Officer's fixed compensation and remuneration for directors during the health crisis, donated to the Gecina Foundation
- Payment schedules maintained for suppliers
- Vacant student residences made available to healthcare workers and women victims of domestic violence
- **Gecina has not made use of any furlough arrangements or government-backed loans**

Solid first half of the year in an uncertain environment

- **Like-for-like rental income growth** of **+3.6% for offices** (+2.9% overall)
- Office real estate markets continuing to see positive trends in the most central sectors
- **Portfolio value growth** for the first half of the year, driven by residential and offices in the most central sectors
- EPRA Net Reinstatement Value (NRV) of €191.7 per share (+3.9% year-on-year)
- EPRA Net Tangible Assets (NTA) of €175.0 per share (+5.4% year-on-year)
- **LTV ratio down -210bp** year-on-year **to 33.2%** (including duties)

Model's resilience further strengthening visibility for the current year

- Faced with the disruption linked to the consequences of the Covid-19 health crisis, Gecina suspended its guidance for the year in March 2020
- **The signs of resilience seen during the second quarter, on Gecina's core real estate markets, enable the Group to clarify its expectations for the current year, despite the uncertainty.**
- **Recurrent net income per share in 2020 is expected to range from €5.55 (adverse scenario) to €5.70 (close to the initial pre-Covid-19 assumption of €5.80)** depending on changes in the economic situation and its potential impacts on Gecina's activity during the second half of the year[1].

Key figures

In million euros	June 2019	June 2020	Change (%)	Like-for-like
Offices	268	274	+2.1%	+3.6%
Traditional residential	53	53	+0.3%	+1.2%
Student residences (Campus)	9	9	-1.5%	-2.7%
Gross rental income	**331**	**336**	+1.7%	+2.9%
Recurrent net income (Group share)[2]	219	216	-1.3%	
Per share (in euros)	**2.96**	**2.94**	**-0.8%**	
LTV (excluding duties)	37.5%	35.1%	-240 bp	
LTV (including duties)	35.3%	33.2%	-210 bp	
EPRA Net Reinstatement Value (NRV) per share	**€184.5**	**€191.7**	**+3.9%**	
EPRA Net Tangible Assets (NTA) per share	**€166.1**	**€175.0**	**+5.4%**	
EPRA Net Disposal Value (NDV) per share	€160.5	€167.9	+4.6%	
EPRA NAV per share – previous format	€169.8	€177.7	+4.7%	
EPRA NAV per share (unit) - previous format	€176.4	€185.2	+5.0%	

[1] This range includes provisions recorded in connection with the health crisis. It also excludes potential acquisition or disposal operations that have not been agreed on to date and could therefore be revised up or down in line with the portfolio's potential rotation during the second half of the year.
[2] EBITDA including provisions recorded in connection with the health crisis, restated for net financial expenses, recurrent tax, minority interests, income from associates and certain non-recurring costs (costs relating to the subsidiarization of the residential business) excluding IFRIC 21

gecina

Solid first-half performance despite uncertainty linked to the effects of Covid-19

95% of first-half rents already collected, and collection rate improving in the third quarter compared with the second quarter

For the first half of the year, 95% of office and residential rents have already been collected.
For offices, **94% of rents (including ground-floor retail units) have been collected**. Nearly **0.2% were cancelled** as part of the measures put in place by the Group to support very small business tenants operating in sectors that were shut down. For the remaining **6% not collected to date** (representing c.€20m), nearly **one third corresponds to deferred payments** granted to tenants, while the rest of the amounts are subject to rent recovery proceedings.
Part of these receivables that have not been collected to date accounts for the **higher level of provisions** recorded in the accounts at end-June 2020, impacting the Group's rental margin for **€7m**.

To date, rent collection for the **third quarter** is **ahead of the rate seen for the second quarter** on a comparable calendar basis.

Gecina has also used Dunn & Bradstreet ratings to assess its tenants' risk profiles. 86% of the Group's rental base is made up of tenants from the top two categories (very low risk or low risk).

Overall, rent collection for the residential portfolio is consistent with the levels usually recorded, with a collection rate of close to 100%.

Rental income up +2.9% like-for-like and +1.7% on a current basis

Gross rental income came to €336.1m for the first half of 2020, up +1.7%, linked primarily to a solid like-for-like performance and the impact of deliveries from the development project pipeline offsetting the impact of sales. The like-for-like performance shows an improvement compared with the previous quarters, with growth of +2.9%, significantly outperforming indexation, thanks in part to positive rental reversion, as well as a lower vacancy rate.

On a current basis, organic growth and the contribution by the assets delivered in 2019 and early 2020 globally offset the loss of rent resulting from the sales completed during this same period.
The +1.7% increase reflects organic growth (+€8m) and the impact of sales of non-strategic assets since the beginning of 2019 (for almost -€17m of gross rent), as well as the impact of the buildings delivered, net of transfers to the pipeline (+€10m), and the recent acquisitions in Paris and Neuilly (+€5m).

This performance benefited from **+2.9% like-for-like growth**, reflecting an increase in indexation to +1.9%, as well as a reduction in the Group's vacancy rate and the positive reversion recorded across all the business lines.
However, it is important to note that the contribution from indexation in particular to like-for-like growth could contract over the coming half-year periods as a result of the current economic context.

Gross rental income In million euros	Jun 30, 2019	Jun 30, 2020	Change (%) Current basis	 Like-for-like
Offices	**268.5**	**274.0**	**+2.1%**	**+3.6%**
Traditional residential	52.8	52.9	+0.3%	+1.2%
Student residences (Campus)	9.4	9.2	-1.5%	-2.7%
Total gross rental income	**330.6**	**336.1**	**+1.7%**	**+2.9%**

Annualized rental income

Annualized rental income (IFRS) is down (-€15m) from December 31, 2019 to €650m. This contraction reflects the impact of sales (-€11m) and the redevelopment projects launched (-€7m), partly offset by the impact of new acquisitions and the delivery of a building in the CBD (+€2m). The rest of the change is linked to like-for-like growth and the slowdown in activity for student residences.

Note that this annualized rental income includes €18m from assets intended to be vacated shortly for redevelopment and €7m for a project that has been committed to and was vacated in July 2020.

Annualized rental income (IFRS)		
In million euros	Dec 31, 19	Jun 30, 2020
Offices	539	526
Traditional residential	106	106
Student residences (Campus)	20	18
Total	**665**	**650**

Offices: trends still positive in the most central sectors

Like-for-like, office rental income is up +3.6%.
This increase reflects an **improvement in indexation (+2.1%), as well as the positive reversion achieved (+0.4%)**, particularly in Paris' Central Business District (+1.1%), and a reduction in the vacancy rate, primarily in the Western Crescent, with further space let in the Be Issy building.

During the first half of 2020, **the most central sectors once again benefited from a stronger "reversion" effect than the other sectors**. For instance, the leases signed over the period show **a headline reversion rate of around +16%, with +27% for the CBD and Paris 5/6/7,** compared with a **negative rate for the other sectors**.

For 2020, the performance levels recorded during the first half of the year, particularly on the Paris Region's most central markets, enable Gecina to forecast **office rental income growth of around +3% like-for-like, despite the caution required faced with the effects of the economic crisis resulting from the Covid-19 health shock.**

On a current basis, rental income from offices is up **+2.1%**.
More specifically, this change reflects the impact of the non-strategic assets sold in 2019 and early 2020 (-€17m), fully offset by the impact of the six buildings delivered in 2019, with 72% let, located primarily in Paris City, as well as La Défense.

Gross rental income - Offices	Jun 30, 2019	Jun 30, 2020	Change (%)	
In million euros			Current basis	Like-for-like
Offices	**268.5**	**274.0**	**+2.1%**	**+3.6%**
Paris City	**142.7**	**147.5**	+3.3%	+1.9%
- Paris CBD & 5-6-7	87.8	88.5	+0.8%	+2.8%
- Paris CBD & 5-6-7 - Offices	69.7	71.0	+2.0%	+3.7%
- Paris CBD & 5-6-7 - Retail	18.2	17.5	-3.6%	-0.6%
- Paris - Other	54.9	59.0	+7.3%	+0.3%
Western Crescent - La Défense	87.5	95.5	+9.2%	+7.6%
Paris Region - Other	26.7	21.7	-18.8%	+4.5%
Other French regions / International	11.5	9.2	-19.9%	-3.9%

Traditional residential: resilience confirmed

Like-for-like, rental income from traditional residential properties is up **+1.2%**. However, this performance is mitigated by a rent adjustment on a single commercial lease. **Restated for this lease, the like-for-like performance comes out at +1.5%.**
This performance takes into account indexation of +1.5%, as well as the **positive reversion achieved (+0.4%) on the apartments relet since the start of the year at around +7.4% higher than the previous tenant's rent on average**. The change in the occupancy rate is not significant, but represents a negative contribution of -0.2%.

On a current basis, rental income shows a slight increase, up +0.3% to €52.9m, with organic trends offsetting the impacts of the ongoing vacant unit-based sales program.

YouFirst Campus (student residences): solid although facing a challenge with Coronavirus

Rental income from student residences is down -1.5% on a current basis and -2.7% like-for-like, reflecting the temporary impact of the health crisis in the second quarter through the closure of schools and universities, resulting in the departure of certain tenants.
The first-half like-for-like performance benefited from positive indexation (+1.1%) and positive reversion (+0.4%), but was adversely affected by a Covid-19 effect (-4.1%), linked in particular to the departure of international tenants.

Gecina can see encouraging signs for the start of the next academic year in September with domestic tenants or students from the Schengen Area, but there is still uncertainty at this stage concerning international students from outside the Schengen Area whose international mobility could still be restricted at the start of the new academic year in September 2020.

Market trends still favorable in Gecina’s preferred sectors

The Paris Region’s office real estate market trends were once again marked by a **solid performance in terms of rental transactions, with a growing supply-side shortfall,** especially at the heart of Paris, despite the economic uncertainty linked to the potential effects of Covid-19.

While the volume of rental transactions is significantly lower than the first half of 2019 (-40%) due to the sharp slowdown in commercial activity during the lockdown, immediate supply and rental values showed a solid level of resilience in the second quarter, particularly in the Paris Region’s most central sectors. For **Paris City, the vacancy rate is still at a very low level of 2.8%,** according to Cushman & Wakefield.

In the second quarter, rental values did not contract, while market rents for existing properties continued to trend up year-on-year (+7.6% over 12 months, source: Immostat), although this trend was driven by central markets and especially the heart of Paris’ CBD. The scarcity of immediate supply and future supply at the heart of Paris is continuing to support the robust trends seen for the central sectors in the last few quarters. In Paris City, **rents are trending up for the extended CBD (+11% year-on-year), as well as the rest of Paris City (+5% over 12 months), with trends remaining positive in the second quarter.** However, trends are less marked and even show a slight downturn outside of Paris City (La Défense, Western Crescent, Inner or Outer Rims).

There was still a clear **supply-side shortfall in Paris** in the second quarter of 2020, because Paris accounts for 40% of take-up, but just 16% of immediate supply, with this ratio reversed for the Paris Region’s other sectors. Similarly, assuming that the volume of transactions for the second half of the year is identical to the first half (particularly affected by the health crisis), take-up in Paris City over one year would be equal to all of the current available supply at the heart of the capital, which indicates that despite an uncertain situation, the Parisian market is continuing to show signs of a supply-side shortfall in the central sectors.

Today, these market trends make it possible to see reversion potential (spread between current market rents and the rents in place in our portfolio) of over +8%, primarily due to the portfolio’s most central sectors and particularly Paris City. In the second quarter, this reversion potential remained in place for Paris City, where Gecina has 64% of its office portfolio, compared with a decrease for secondary sectors.

The residential market trends are also still particularly favorable for Gecina, in markets affected by a persistent structural residential supply-side shortfall, especially in Paris City, where immediate supply levels are not covering rental demand at the heart of the city.

Robust rental activity subject to a significant slowdown during the second quarter, but still reflecting encouraging prospects for reversion at the heart of the most central sectors

Over 56,000 sq.m let since the start of 2020

Since the start of 2020, **Gecina has let, relet or renegotiated over 56,000 sq.m**, down -34% compared with an exceptional first six months in 2019, representing **almost €35m of annualized headline rental income**.

The performance levels achieved once again show a clear rental outperformance for the Paris Region’s most central sectors and especially Paris City, despite the uncertainty linked to the potential consequences of the health crisis.

The headline reversion achieved on transactions signed during the first half of the year (relettings, renewals and renegotiations) came to an average of +16%, with the following breakdown:

- A clear outperformance by the central sectors (representing nearly 70% of transactions during the first half of the year), with headline reversion of around **+27% in the CBD and the 5th, 6th and 7th arrondissements**, and **+16% for the rest of Paris**, where levels of incentives have fallen significantly. For reference, 64% of Gecina's office portfolio is located in Paris City.
- For other transactions in secondary sectors where Gecina has less exposure, reversion is negative, with -13%.

These performance levels, achieved through tenant rotations, confirm the Group's strategic focus on the most central sectors and especially the heart of Paris City.

Theoretical reversion potential of over +8% on average, driven by Paris City

The market trends, which are still positive for central sectors, make it possible to see reversion potential (spread between current market rents and the rents in place in our portfolio) of over +8% for the Group's commercial portfolio, primarily due to the portfolio's most central sectors and particularly Paris City **(e.g. +23% for the Paris CBD)**. This potential performance will be gradually delivered over the coming years as the current leases come to an end.

This reversion potential was maintained in Paris City (compared with end-2019), where Gecina has 64% of its portfolio, whereas it decreased for secondary sectors during the second quarter, such as the Western Crescent, where reversion potential is now slightly negative (-6% vs. 0% at end-2019) or the Inner Rim (-11% vs. -9% at end-2019).

Occupancy rate still high, but down slightly due to recent deliveries of buildings that are currently being let

The average financial occupancy rate at end-June 2020 was 93.4%, down -120bp year-on-year and -70bp over six months.
This decrease is linked primarily to the delivery of partially vacant buildings and the sale of fully occupied buildings, offsetting the progress made with letting partially vacant buildings in the first half of 2019 (e.g. Be Issy and Octant-Sextant). As a result, the occupancy rate for the **office portfolio** is down to 93.2%.

For **student residences**, the contraction in the average financial occupancy rate to 82.1% reflects the obvious impacts of the health crisis, which has resulted in schools and universities being closed and restricted the mobility of national and international students.

Average financial occupancy rate	Jun 30, 2019	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020
Offices	**94.4%**	**94.2%**	**93.8%**	**93.0%**	**93.2%**
Traditional residential	97.7%	97.7%	97.6%	97.7%	97.6%
Student residences	84.9%	85.4%	88.0%	93.9%	82.1%
Group total	**94.6%**	**94.4%**	**94.1%**	**93.6%**	**93.4%**

Recurrent net income (Group share) resilient

Recurrent net income (Group share) remained virtually stable for the first half of 2020 compared with the first half of 2019 (-0.8% per share) despite the high volume of sales completed in 2019 and early 2020, as well as the temporary loss of rental income from buildings with strong potential freed up for redevelopment, offset by the new rental income received on the buildings delivered recently as well as non-recurring compensation for early departures.

Portfolio rotation: -€13m net change in rental income

This change reflects the impact of the portfolio's rotation since early 2019 (for €1.2bn of assets sold and €384m of acquisitions over the period). Disposals primarily concern the "Le Valmy" building in the east of Paris, sold in 2020, and the buildings sold during the second half of 2019 (Park Azur in Montrouge, Henner in Neuilly and Foy in Paris).

Operations relating to the pipeline (deliveries and launch of redevelopment work): +€10m net change in rental income

The change in recurrent net income (Group share) also reflects the impact of **operations relating to the pipeline**.

- The additional rental income generated by the recent deliveries of buildings under development represents nearly +€11m.
- Alongside this, the buildings transferred to the pipeline in the last 12 months or to be transferred shortly account for a temporary drop in rental income of around -€9m compared with the first half of 2019. **This loss of rent was fully offset during the first half of the year through compensation received by the Group on some of these buildings that have been freed up early.** However, the second half of 2020 will not be concerned by this effect.

Moderate increase in the cost of risk in connection with the health crisis

The **rental margin** came to 89.2%, down -1.8pts compared with the first half of 2019[3]. This decrease reflects the increase in provisions for trade receivables linked directly to the effects of the Covid-19 crisis for nearly €7m.

	Group	Offices	Residential	Student
Rental margin at Jun 30, 2019[3]	*91.0%*	*92.9%*	*84.0%*	*74.2%*
Rental margin at Jun 30, 2020	89.2%	90.7%	84.6%	70.8%

In addition, the impact of the health crisis reduced the operating margin for other business, including operating income for the last hotel held by the Group, as well as the contribution by finance leases, which slowed down significantly during the second quarter (-€4.7m).

Optimization of the balance sheet

Recurrent financial expenses are down -€5.5m, linked to a reduction in the average cost debt of compared to end-2019, by -10bp to 1.3%, benefiting from the bond financing with a 4.75% coupon that matured in Q2 2019, as well as a slight reduction in the volume of debt as a result of the sales completed recently. These positive effects are partially offset by a lower level of capitalized interest, since the projects held in the pipeline were launched recently.

In million euros	Jun 30, 2019	Jun 30, 2020	*Change (%)*
Gross rental income	**330.6**	**336.1**	***+1.7%***
Net rental income	**304.0**	**299.7**	***-1.4%***
Operating margin for other business	6.1	(0.4)	*-106.8%*
Services and other income (net)	2.6	1.5	*-42.2%*
Overheads	(41.3)	(38.3)	*-7.2%*
EBITDA	**271.4**	**262.5**	***-3.3%***
Net financial expenses	(49.3)	(43.7)	*-11.2%*
Recurrent gross income	**222.1**	**218.8**	***-1.5%***
Recurrent net income from associates	0.6	0.7	*+16.9%*
Recurrent minority interests	(0.8)	(0.6)	*-30.4%*
Recurrent tax	(3.1)	(3.0)	*-4.5%*
Recurrent net income (Group share)	**218.8**	**215.9**	***-1.3%***
Recurrent net income (Group share) per share[4] (in euros)	**2.96**	**2.94**	***-0.8%***

[3] The rental margin at end-June 2019 reported here is proforma for the method retained at end-June 2020 for comparison. At June 30, 2019, expenses billed to tenants included rental and technical management fees for €3.3m. These transferred costs are included in overheads from January 1, 2020 (€3.5m for the first half of 2020).

[4] EBITDA including provisions recorded in connection with the health crisis, restated for net financial expenses, recurrent tax, minority interests, income from associates and certain non-recurring costs (costs relating to the subsidiarization of the residential business) excluding IFRIC 21

gecina

LTV reduced, responsible loans set up, long maturity maintained and historically low cost of debt

Gecina has continued to optimize its liabilities, further strengthening and optimizing its financial structure in a volatile but still accommodating environment.
The financial rating agencies confirmed Gecina's ratings (S&P A- and Moody's A3) during the second quarter, confirming the Group's sound balance sheet structure despite the uncertain environment.

At June 30, 2020, Gecina has a **loan to value (LTV) ratio of 33.2%** including duties and a high level of liquidity with €4.9bn (including €4.4bn of undrawn credit lines), covering all of the Group's financing maturities through to the end of 2023. The **ICR represents 5.5x**, with a secured debt ratio of 0.2%, giving Gecina significant headroom in relation to its bank covenants.
Gecina's sound balance sheet has enabled the Group to use **short-term resources under standard conditions** despite an uncertain macroeconomic context.
At end-June, the **average maturity of Gecina's debt was 7.1 years**.

Building on this position, and as it does not require short-term financing, the Group has continued working to further strengthen its liabilities and link them more closely to CSR commitments. Illustrating this, in July 2020, Gecina renewed a **€240m credit line** with **Société Générale** due to mature in 2021 with a new line based on a maturity of seven years. This line, for which the margin will partly depend on the achievement of CSR objectives, takes the **Group's total amount of responsible loans up to €1.2bn**.

The Group has confirmed the solidity of its balance sheet, while maintaining a **historically low cost of debt, with 1.0% for drawn debt** (and 1.3% including undrawn credit lines).

At end-June 2020, **Gecina's LTV came to 33.2% including duties** (35.1% excluding duties), down -210bp year-on-year (-240bp excluding duties), further strengthening its robust ratings (S&P: A-, Moody's: A3).

Ratios	Covenant	Jun 30, 2020
Loan to value (block, excl. duties)	< 55% - 60%	35.1%
EBITDA / net financial expenses	> 2.0x	5.5x
Outstanding secured debt / net asset value of portfolio (block, excl. duties)	< 25%	0.2%
Net asset value of portfolio (block, excl. duties) in billion euros	> 6.0 - 8.0	20.0

€356m of sales completed or secured during the first half of the year, further strengthening the portfolio's centrality and the Group's balance sheet

Since the start of the year, Gecina has **sold or secured sales for almost €356m of assets, with €352m already finalized, achieving an average premium of around +4.4% versus their latest values, with a loss of rental income of around 3.1%**.

These sales aim to further strengthen the centrality of Gecina's portfolio and rationalize its composition by selling or planning to divest non-strategic assets or assets located in secondary areas for Gecina, while reducing the Group's LTV.

€341m of commercial assets sold since the start of the year

The commercial sales completed since the start of the year represent €341m, achieving an average premium of +4% versus their latest free appraisal values, with almost 80% concerning buildings located outside of Paris, further strengthening the centrality of the Group's commercial portfolio.

As a result, based on the appraisal values from end-June 2020, the **LTV is 33.2% (35.1% excluding duties)**. **For reference, it was 35.3% (37.5% excluding duties) at the end of June 2019.**

€142m invested, including €56m of acquisitions

- €56m of assets acquired during the first half of the year, including the first residential building since the creation of the dedicated subsidiary to house the residential portfolio, in Paris' 8th arrondissement.

- €85m of investments paid out for the pipeline or to improve the residential portfolio, helping capture valuation potential through progress with work on assets under development, as well as improvements to the quality of our residential buildings, helping secure the reversion potential identified.

€3.8bn project pipeline, with €2.9bn underway or to potentially be launched shortly

€2.9bn of projects committed or to potentially be committed in the short term

€1.9bn of committed projects (deliveries for 2020-2023)
70% of the committed pipeline for offices is located in Paris City, with 12% in Neuilly and Boulogne Billancourt, 10% in La Défense and 8% in Montrouge.
The residential pipeline includes seven projects, with five in Paris City.
In total, 17 projects are currently committed to and will be delivered between 2020 and 2023, representing a total investment volume of €1.9bn, with €579m still to be paid out over the coming years.
Three new projects were committed to during the first half of the year: a project in Paris' Central Business District (Paris-Boétie), with delivery expected for the first quarter of 2023, and two student housing projects.
Seven of these 17 projects concern the traditional residential or student residence sectors, highlighting the strategic acceleration targeted by the Group for residential activities.
With an expected yield on cost of 5.4%, the committed pipeline represents a potential rental income volume of around €104m, which will be achieved gradually between 2020 and 2023 as the various assets are delivered.

The pre-letting rate for operations to be delivered before the end of 2023 is moderate to date (24%) since the majority of these programs were transferred to the pipeline at the end of 2019 and early 2020, while the lockdown period slowed down the pace of discussions with potential tenants.
However, including the discussions that are underway with tenants, nearly one third of the space in buildings from the committed pipeline would be pre-let.

At end-June, €579m were still to be invested on committed projects, with €119m by end-2020, €238m in 2021, and €222m in 2022 and 2023.

€1.0bn of "controlled and certain" projects to potentially be launched over the coming half-year periods (deliveries in 2021-2024)
The pipeline of operations "to be committed", i.e. "controlled and certain", groups together the assets held by Gecina that are currently being vacated and for which a redevelopment project aligned with Gecina's investment criteria has been identified. These projects will therefore be launched over the coming half-year periods, unless market conditions were to call into question their real estate and financial rationale.
This pipeline includes **seven projects, with a majority located in Paris,** that will be transferred to the committed pipeline when they are vacated by their current tenants.
For offices, **95% of the pipeline is located in Paris City and Neuilly-sur-Seine**.
In total, the "controlled and certain" is expected to generate an average **yield on cost of 5.8%**, representing almost €57m of potential rental income.

€398m will be invested in these controlled and certain projects once they have been launched, expected for the coming half-year periods.

€0.9bn of "likely" controlled projects over the longer term (possible deliveries in 2023-2026)
The "likely" controlled pipeline covers the projects identified and owned by Gecina for which tenant departures are not yet certain over the short term. The identification of these projects upstream is making it possible to achieve a **potential yield on cost of 5.1%** with a portfolio of potential projects **concentrated primarily in Paris City (79%)**. These projects will be launched as decided by Gecina in line with real estate market developments at the time of their potential launch.

Project	Location	Expected delivery date	Total space sq.m	Total investment (€m)	Already invested (€m)	Still to invest (€m)	Yield on cost (est.) (net)	Theoretical prime yields (BNPPRE)	Pre-let
La Défense - Being	Western Crescent	Q3-20	12,200	98	95	3			
Paris - 7, Rue de Madrid	Paris CBD	Q3-20	11,100	107	103	4			100%
Boulogne - Anthos	Western Crescent	Q2-21	9,600	104	95	9			
Paris - Biopark	Paris	Q3-21	6,400	47	41	7			
La Défense - Sunside	Western Crescent	Q2-21	9,800	82	75	7			
Neuilly - 157 Charles de Gaulle	Western Crescent	Q4-21	11,200	108	75	32			
Paris - L1ve	Paris CBD	Q2-22	33,500	514	392	122			78%
Paris - Bancelles	Paris CBD	Q2-23	30,300	377	255	123			
Montrouge - Porte Sud	Inner Rim	Q3-23	18,700	136	51	85			
Paris – Boétie (new project)	Paris CBD	Q1-23	10,100	180	138	42			
Total offices			**152,900**	**1,753**	**1,319**	**434**	**5.4%**	**3.1%**	**24%**
Paris - St Mandé	Paris	Q4-20	700	4	4	1			na
Paris - Glacière	Paris	Q3-21	300	2	0	2			na
Ivry sur Seine - Ynov	Inner Rim	Q2-21	7,200	41	22	19			na
Ville d'Avray	Inner Rim	Q1-23	10,000	78	9	69			na
Paris - Porte Brançion	Paris	Q2-23	2,900	19	0	19			na
Paris – Vouillé (new project)	Paris	Q2-23	2,400	16	0	16			na
Paris – Lourmel (new project))	Paris	Q2-23	1,700	13	0	13			na
Residential densification		na	1,700	6	0	6			na
Total residential redevelopments			**26,900**	**180**	**35**	**145**	**4.6%**	**3.4%**	
TOTAL committed pipeline			**179,800**	**1,934**	**1,355**	**579**	**5.4%**	**3.1%**	
Controlled and certain: Offices			**83,400**	**908**	**555**	**353**	**5.9%**	**3.1%**	
Controlled and certain: Residential			**15,200**	**79**	**33**	**46**	**4.2%**	**3.1%**	
Total controlled and certain			**98,600**	**987**	**589**	**398**	**5.8%**	**3.1%**	
TOTAL committed + controlled and certain			**278,400**	**2,921**	**1,943**	**978**	**5.5%**	**3.1%**	
Total controlled and likely			**109,400**	**925**	**630**	**296**	**5.1%**	**3.2%**	
TOTAL PIPELINE			**387,800**	**3,846**	**2,573**	**1,273**	**5.4%**	**3.1%**	

Increase in real estate values during the first half of the year, with contrasting effects depending on the sectors and areas

The **portfolio value (block)** represents €20.0bn, stable (-0.1%) over six months, despite the significant volume of sales over the period.
On a like-for-like basis, it is up **+4.0% over 12 months** and +1.0% over six months.

Offices: value growth in central sectors over the first half of the year

On a like-for-like basis, for the office portfolio, the dominance of the most central sectors can be clearly seen once again. For the whole portfolio, the increase in value came to **+4% over 12 months**, with **+7% for the Paris portfolio, while the rest of the Paris Region is down**.
Trends stabilized over the last six months, but they remain positive for Paris City (+2.7% in the CBD and the 5th, 6th and 7th arrondissements), while they are now negative for the rest of the Paris Region.

For Paris City, the increase in values is linked exclusively to a positive rent effect, reflecting the good performance by the most central rental markets, while the like-for-like contraction in values for the rest of the Paris Region primarily factors in an increase in capitalization rates and a slightly negative rent effect.

This performance differential measures the growing gap between the most central sectors, whose outlook is still resilient, thanks in particular to the extremely low vacancy rate currently and restricted future supply, and the secondary sectors, offering a risk profile that is more sensitive to the economic environment.

Traditional residential: values up by nearly +5% over six months

For the residential portfolio, the valuation retained is up **+4.9% like-for-like**. This performance has been driven by positive trends on the market for vacant properties, in a persistently low interest rate environment, and the growing appetite among institutional investors justifying a lower discount for the block values, as well as the **rollout of Gecina's new strategy on this asset class, with its first value creation effects** (more ambitious investment plans and rental reversion). This performance also reflects the strong resilience of this asset class in an uncertain environment linked to the effects of the health crisis.

Breakdown by segment	**Appraised values**	**Net capitalization rates**		**Like-for-like change**		**€/sq.m**
In million euros	**June 2020**	**June 2020**	**Dec 2019**	June 2020 vs. June 2019	June 2020 vs. Dec 2019	**June 2020**
Offices (incl. retail units)	**16,333**	**4.0%**	**3.9%**	**+3.5%**	**+0.3%**	**11,056**
Paris City	**10,420**	**3.3%**	**3.4%**	**+7.1%**	**+2.1%**	**16,569**
Paris CBD / 5-6-7 - Offices	5,664	3.4%	3.3%	+1.7%	+0.7%	*19,187*
Paris CBD / 5-6-7 - Retail	1,758	2.1%	2.2%	+12.1%	+8.1%	*54,444*
Paris - Other	2,998	4.0%	4.0%	+6.2%	+0.9%	*10,853*
Western Crescent - La Défense	4,722	4.8%	4.6%	-2.5%	-3.2%	*8,768*
Paris Region - Other	699	7.1%	6.7%	-7.6%	-1.3%	*2,912*
Other French regions / International	492	4.3%	4.2%	+1.5%	-1.4%	*5,871*
Residential	**3,584**	**3.2%**	**3.3%**	**+6.2%**	**+4.2%**	**7,041**
Traditional residential	3,232	3.0%	3.1%	+6.9%	+4.9%	*7,384*
Student residences	352	4.9%	4.9%	+0.1%	-1.7%	*5,004*
Hotels & finance leases	**120**					
Group total	**20,037**	**3.8%**	**3.8%**	**+4.0%**	**+1.0%**	**10,200**
Total value: unit appraisals	20,588			+4.3%	+1.3%	

EPRA Net Tangible Assets (NTA) up +5.4% year-on-year to €175 per share, with an EPRA Net Reinstatement Value (NRV) of €191.7 per share

The EPRA Net Reinstatement Value (**NRV**) came to €191.7 per share at end-June (+3.9% year-on-year). EPRA Net Tangible Assets (**NTA**) represent €175.0 per share (+5.4% year-on-year).
The EPRA Net Disposal Value (**NDV**) was €167.9 per share at end-June (+4.6% year-on-year).

Diluted EPRA NAV (block) up to €177.7 per share, with year-on-year growth of nearly +5%.

Diluted EPRA NAV (unit) represents €185.2 per share, up by nearly +5% year-on-year, taking into account the residential portfolio's unit values.

This change benefited overall from a stabilization of capitalization rates for offices and a positive "rent" effect in the most central sectors, as well as the impacts of Gecina's total return strategy, particularly through the growth in value achieved for the portfolio under development.

EPRA Net Tangible Assets (NTA) per share growth came to +€8.9 over 12 months, with the following breakdown:

- Dividend paid (H2 2019 and H1 2020): -€5.6
- Recurrent net income: +€5.9
- Like-for-like value adjustment on Office assets: +€4.0
- Like-for-like value adjustment on Residential assets: +€2.3
- Net value increase for pipeline and recent deliveries: +€2.2
- Net capital gains from sales completed or underway: +€0.3
- Other (including IFRS 16): -€0.2

gecina

New EPRA indicators at end-June 2020

At end-June 2020 In million euros	EPRA NRV (Net Reinstatement Value)	EPRA NTA (Net Tangible Assets)	EPRA NDV (Net Disposal Value)
IFRS equity attributable to shareholders	12,651.1	12,651.1	12,651.1
Receivable from shareholders	183.8	183.8	183.8
Includes / Excludes			
Impact of exercising stock options	1.5	1.5	1.5
Diluted NAV	**12,836.4**	**12,836.4**	**12,836.4**
Includes			
Revaluation of investment property	133.8	133.8	133.8
Revaluation of investment property under construction	0.0	0.0	0.0
Revaluation of other non-current investments	0.0	0.0	0.0
Revaluation of tenant leases held as finance leases	9.6	9.6	9.6
Revaluation of trading properties	0.1	0.1	0.1
Diluted NAV at fair value	**12,979.9**	**12,979.9**	**12,979.9**
Excludes			
Deferred tax	0.0	0.0	na
Fair value of financial instruments	(3.0)	(3.0)	na
Goodwill as a result of deferred tax	0.0	0.0	0.0
Goodwill as per the IFRS balance sheet	na	(192.3)	(192.3)
Intangibles as per the IFRS balance sheet	na	(6.7)	na
Includes			
Fair value of fixed interest rate debt	na	na	(409.6)
Revaluation of intangibles to fair value	0.0	na	na
Real estate transfer tax	1,156.7	123.6	na
NAV	**14,133.6**	**12,901.5**	**12,378.0**
Fully diluted number of shares	73,711,096	73,711,096	73,711,096
NAV per share	**€191.7**	**€175.0**	**€167.9**

For information, EPRA NAV (block value) - old format are indicated below:

	Jun 30, 2019		Dec 31, 2019		Jun 30, 2020	
In million euros	Amount / number of shares	€ / share	Amount / number of shares	€ / share	Amount / number of shares	€ / share
Fully diluted number of shares	73,622,597		73,656,339		73,711,096	
Shareholders' equity under IFRS*	**11,985**		**12,699**		**12,651**	
+ Receivable from shareholders	201.6		0.0		183.8	
+ Impact of exercising stock options	4.0		1.7		1.5	
Diluted NAV	**12,191**	**€165.6**	**12,701**	**€172.4**	**12,836**	**€174.1**
+ Fair value reporting of assets at amortized cost	128.5		136.4		143.5	
+ Hotel business	37.7		0.0		0.0	
+ Optimization of transfer duties	118.4		135.1		123.6	
- Fair value of financial instruments	24.8		(20.9)		(3.0)	
- Deferred tax	0.0		0.0		0.0	
= Diluted EPRA NAV	**12,500**	**€169.8**	**12,951**	**€175.8**	**13,100**	**€177.7**
+ Fair value of financial instruments	(24.8)		20.9		3.0	
+ Fair value of liabilities	(296.1)		(280.7)		(409.6)	
+ Deferred tax	0.0		0.0		(0.0)	
= Diluted EPRA triple net NAV	**12,179**	**€165.4**	**12,692**	**€172.3**	**12,694**	**€172.2**

* Including goodwill (€192m at June 30, 2020)

Transition from EPRA NAV (previous format) to new indicators

	EPRA NRV	EPRA NTA	EPRA NDV
NAV per share (previous EPRA format)	**€177.7**	**€177.7**	**€177.7**
Transfer taxes	+€14.0		-€1.7
Goodwill		-€2.6	-€2.6
Intangibles		-€0.1	
Fair value of debt and financial instruments			-€5.5
NAV per share	**€191.7**	**€175.0**	**€167.9**

Other information for the first half of 2020

Gecina's General Meetings approve the launch of the subsidiarization of the residential portfolio

The General Shareholders' Meeting, held as a closed session on April 23, 2020, and the General Meetings for note holders (held on March 23 and April 7, 2020) ratified all the resolutions relating to the proposed contribution enabling the subsidiarization of Gecina's residential portfolio.

Gecina is therefore effectively positioned to move forward with its residential strategy in order to better satisfy the needs for housing, flexibility and services, while responding to key environmental and societal stakes, by developing a responsible, quality rental offering aimed at middle-class households. Today, the Group is therefore positioned to capitalize on potential investment opportunities in order to achieve major synergies and launch new investments in sectors with strong value creation potential in the Paris Region or certain leading French cities that meet Gecina's requirements in terms of financial performance and operational risk.

Jérôme Brunel appointed Chairman of the Board of Directors, replacing Bernard Carayon

Mr Bernard Carayon's term of office ended at the General Meeting held on April 23 as he had reached the age limit set by the bylaws. Mr Bernard Carayon will continue to be a Group Director. The General Meeting also ratified Mr Jérôme Brunel's appointment as a Gecina Director, while the Board of Directors appointed him as Chairman of the Board of Directors with effect from this date.
Jérôme Brunel's expertise, particularly in terms of governance, CSR and public affairs, represents a significant asset, complementing the expert capabilities that are already in place within Gecina's Board of Directors.
The Board of Directors now has 11 members, including seven independent Directors.

Creation of two new committees on CSR and Compliance and Ethics

As recommended by the Governance, Appointments and Compensation Committee, the Board of Directors has also decided to create two new Committees, alongside the Audit and Risks Committee, the Governance, Appointments and Compensation Committee and the Strategic and Investment Committee:

- A Corporate Social Responsibility (CSR) Committee
- A Compliance and Ethics Committee

The creation of the CSR Committee illustrates Gecina's strong commitment to playing a major and increased role within the community on CSR issues.

The creation of the Compliance and Ethics Committee will enable Gecina to ensure its compliance with regulations, as well as anti-corruption standards and market best practices.

Gecina reveals its purpose

"Empowering shared human experiences at the heart of our sustainable spaces"

Work to define the purpose was launched at the start of the year and the review looking into the company's societal rationale is more necessary than ever faced with the current health context. This approach has been led by the management team (Executive Committee and Management Committee), engaging the Group's staff, in order to clearly set out Gecina's core features (distinctive strengths and addressable societal challenges), while launching a review of the commitments that will make it possible to embody this "purpose" in the future. This work will include all of the stakeholders (customers, suppliers, partners, etc.).

The review is underway and is scheduled to be approved by the Board of Directors towards the end of the year, which will make it possible to begin rolling out this purpose in the Group's day-to-day operations.

Continued digitalization and deployment of YouFirst

The last few months have also been marked by the acceleration of the YouFirst brand's deployment for commercial activities (YouFirst Bureau and YouFirst Collaborative) and residential activities (YouFirst Residence and YouFirst Campus), as well as our digital transformation. For instance, Gecina has developed a platform for exchanges with YouFirst Bureau's partner agencies to improve its efficiency for lettings. With this solution, Gecina is optimizing its commercial strategy thanks to real-time tracking of progress with letting applications for each building.

Other digital projects are currently being developed to serve our customers, including the creation of a customer space for YouFirst Residence and YouFirst Campus customers, before sites are delivered for letting. For YouFirst Bureau, the in-depth review of the tech stack for the various assets is feeding into the future webapp that will be the link between YouFirst Bureau and YouFirst Collaborative and its B2B2C customers.

The CRM deployment for all the YouFirst brands has made significant progress and this will be central to YouFirst's commercial relationships with its customers.

Visibility gradually returning for 2020

Faced with the uncertainty linked to the effects of Covid-19, Gecina suspended its guidance for 2020 at the end of March. Although it is too early to accurately estimate the operational impacts linked to this crisis, the Group benefits from key strengths that enable it to be confident that it will be able to cope with the potential short or medium-term consequences of this crisis. These resilience factors therefore enable the Group to draw up an estimated range for its recurrent net income per share at end-2020, depending on the various economic scenarios that Gecina could face for the rest of the year.

Depending on how the economic situation evolves and the potential direct or indirect impacts of the health crisis on Gecina's activity during the second half of the year, recurrent net income per share in 2020 is expected to range from €5.55 (adverse scenario) to €5.70 (close to the initial pre-Covid-19 assumption). This range excludes potential acquisition or disposal operations that have not been agreed on to date and could therefore be revised up or down in line with the portfolio's potential rotation during the second half of the year[5].

About Gecina

As a specialist for centrality and uses, Gecina operates innovative and sustainable living spaces. The Group owns, manages and develops Europe's leading office portfolio, with nearly 97% located in the Paris Region, and a portfolio of residential assets and student residences, with over 9,000 apartments. These portfolios are valued at 20 billion euros at June 2020.

Gecina has firmly established its focus on innovation and its human approach at the heart of its strategy to create value and deliver on its purpose: **"Empowering shared human experiences at the heart of our sustainable spaces"**. For our 100,000 clients, this ambition is supported by its client-centric brand YouFirst. It is also positioned at the heart of UtilesEnsemble, our label setting out our commitment to the environment, to people and the quality of life in cities.

Gecina is a French real estate investment trust (SIIC) listed on Euronext Paris, and is part of the SBF 120, CAC Next 20, CAC Large 60, Euronext 100, FTSE4Good, DJSI Europe and World, Stoxx Global ESG Leaders and Vigeo indices. In 2020, Gecina was awarded the maximum A rating in the CDP climate change rankings

www.gecina.fr

GECINA CONTACTS

Financial communications
Samuel Henry-Diesbach
Tel: +33 (0)1 40 40 52 22
samuelhenry-diesbach@gecina.fr

Virginie Sterling
Tel: +33 (0)1 40 40 62 48
virginiesterling@gecina.fr

Press relations
Julien Landfried
Tel: +33 (0)1 40 40 65 74
julienlandfried@gecina.fr

Armelle Miclo
Tel: +33 (0)1 40 40 51 98
armellemiclo@gecina.fr

[5] This range includes provisions recorded in connection with the health crisis. It also excludes potential acquisition or disposal operations that have not been agreed on to date and could therefore be revised up or down in line with the portfolio's potential rotation during the second half of the year

APPENDICES

1- FINANCIAL STATEMENTS

CONDENSED INCOME STATEMENT AND RECURRENT INCOME

At the Board meeting on July 23, 2020, chaired by Jérôme Brunel, Gecina's Directors approved the financial statements at June 30, 2020. The procedures for a limited review of these accounts have been completed and the statutory auditors' report on the half-year financial information was issued on July 23, 2020 following a verification of the information contained in the Half-year Financial Report.

In million euros	Jun 30, 2019	Jun 30, 2020	*Change (%)*
Gross rental income	**330.6**	**336.1**	***+1.7%***
Net rental income	**304.0**	**299.7**	***-1.4%***
Operating margin for other business	6.1	(0.4)	*-106.8%*
Services and other income (net)	2.6	1.5	*-42.2%*
Overheads	(41.3)	(38.3)	*-7.2%*
EBITDA	**271.4**	**262.5**	***-3.3%***
Net financial expenses	(49.3)	(43.7)	*-11.2%*
Recurrent gross income	**222.1**	**218.8**	***-1.5%***
Recurrent net income from associates	0.6	0.7	*+16.9%*
Recurrent minority interests	(0.8)	(0.6)	*-30.4%*
Recurrent tax	(3.1)	(3.0)	*-4.5%*
Recurrent net income (Group share) (1)	**218.8**	**215.9**	***-1.3%***
Recurrent net income (Group share) per share (2)	**2.96**	**2.94**	***-0.8%***
Gains from disposals	20.4	(5.4)	*na*
Change in fair value of properties	626.0	185.5	*na*
Real estate margin	1.4	0.0	*na*
Amortization	(4.5)	(4.6)	*na*
Net provisions and depreciation	(2.6)	(14.1)	*na*
Financial amortization and depreciation	0.0	(0.6)	*na*
Non-recurring items	0.0	(8.4)	*na*
Change in value of financial instruments and debt	(27.7)	(18.7)	*na*
Bond redemption costs and premiums	(16.0)	0.0	*na*
Share in non-recurrent net income from associates	0.7	(2.7)	*na*
Non-recurring tax	0.7	0.9	*na*
Non-recurrent minority interests	0.1	2.2	*na*
Consolidated net income (Group share)	**817.3**	**349.9**	***-57.2%***

[1] EBITDA restated for net financial expenses, recurrent tax, minority interests, income from associates and certain non-recurring costs
Excluding IFRIC 21

CONSOLIDATED BALANCE SHEET

ASSETS *In million euros*	Dec 31, 2019	Jun 30, 2020
Non-current assets	**19,244.7**	**19,820.9**
Investment properties	17,662.3	18,059.5
Buildings under redevelopment	1,055.1	1,268.6
Buildings in operation	86.0	81.6
Other property, plant and equipment	14.6	12.4
Goodwill	196.1	192.3
Intangible assets	7.0	6.7
Financial receivables on finance leases	121.6	110.2
Long-term financial investments	25.8	25.5
Investments in associates	51.4	48.0
Non-current financial instruments	22.8	14.3
Deferred tax assets	1.9	1.9
Current assets	**1,210.1**	**1,075.5**
Properties for sale	928.8	320.1
Inventories	35.7	32.0
Trade receivables and related	77.4	106.0
Other receivables	111.2	90.4
Prepaid expenses	19.2	18.7
Current financial instruments	0.0	0.7
Cash and cash equivalents	37.8	507.6
TOTAL ASSETS	**20,454.8**	**20,896.4**

LIABILITIES *In million euros*	Dec 31, 2019	Jun 30, 2020
Shareholders' equity	**12,726.6**	**12,676.5**
Share capital	573.1	573.1
Additional paid-in capital	3,281.9	3,289.5
Consolidated reserves	7,329.0	8,449.4
Consolidated net income	1,515.3	339.1
Capital and reserves attributable to owners of the parent	**12,699.2**	**12,651.1**
Non-controlling interests	27.4	25.5
Non-current liabilities	**5,487.7**	**5,495.1**
Non-current financial liabilities	5,398.6	5,395.9
Non-current lease obligations	50.5	50.3
Non-current financial instruments	1.3	11.8
Deferred tax liabilities	1.7	0.3
Non-current provisions	35.7	36.7
Current liabilities	**2,240.5**	**2,724.8**
Current financial liabilities	1,884.9	2,184.8
Current financial instruments	0.6	0.2
Security deposits	80.5	77.7
Trade payables and related	153.0	128.2
Current taxes due & other employee-related liabilities	49.0	96.8
Other current liabilities	72.6	237.0
TOTAL LIABILITIES	**20,454.8**	**20,896.4**

2- ADDITIONAL INFORMATION CONCERNING RENTAL INCOME

2.1 Factors for like-for-like rental income changes in the first half of 2020 vs the first half of 2019

Group

Like-for-like	Indexes	Business effect	Occupancy	Other
+2.9%	+1.9%	+0.4%	+0.9%	-0.3%

Offices

Like-for-like	Indexes	Business effect	Occupancy	Other
+3.6%	+2.1%	+0.4%	+1.4%	-0.3%

Total residential

Like-for-like	Indexes	Business effect	Occupancy	Other
+0.6%	+1.4%	+0.4%	-0.9%	-0.4%

2.2 Rental position

Gecina's tenants operate across a very wide range of sectors responding to various macroeconomic factors.

Breakdown of tenants by sector (offices - based on annualized headline rents):

	GROUP
Public sector	5%
Insurance	3%
Banking	4%
Consulting / law	6%
Energy	11%
Real estate	4%
Industry	8%
IT	4%
Luxury goods - retail	16%
Media - television	6%
Pharma	3%
Services	17%
Technology and telecoms	7%
Other	7%
Total	**100%**

Weighting of the top 20 tenants (% of annualized total headline rents):

Breakdown for offices only (not significant for the residential and student portfolios)

Tenant	GROUP
ENGIE	8%
ORANGE	5%
LAGARDERE	4%
LVMH	3%
EDF	3%
SOLOCAL GROUP	2%
YVES SAINT LAURENT	2%
WEWORK	2%
FRENCH SOCIAL MINISTRIES	2%
BOSTON CONSULTING GROUP	2%
EDENRED	1%
ARKEMA	1%
GRAS SAVOYE	1%
RENAULT	1%
IPSEN	1%
LACOSTE	1%
SALESFORCE	1%
ROLAND BERGER	1%
MSD	1%
LATHAM & WATKINS	1%
TOP 10	**32%**
TOP 20	**45%**

gecina

Volume of rental income by three-year break and end of leases (in €m):

Commercial lease schedule	2020	2021	2022	2023	2024	2025	2026	> 2026	Total
Break-up options	63	110	69	46	59	47	37	126	557
End of leases	60	57	26	20	58	39	38	259	557

2.3 Annualized gross rental income

Annualized rental income corresponds to the effective rental position on the year-end reporting date. As such, it does not take into consideration lettings or properties vacated, or sales or acquisitions of buildings that would not have an impact by the year-end reporting date.

Annualized rental income (IFRS)		
€m	Jun 30, 2020	Dec 31, 2019
Offices	526	539
Traditional residential	106	106
Student residences	14	20
Total	**646**	**665**

3- Financing

3.1 Debt structure

Gecina's gross financial debt(1) came to €7,549m at June 30, 2020, compared with €7,246m at end-2019; net financial debt(2) represents €7,042m at end-June 2020.

The main characteristics of the debt are as follows:

	Dec 31, 2019	Jun 30, 2020
Gross financial debt (in million euros) (1)	7,246	7,549
Net financial debt (in million euros) (2)	7,208	7,042
Gross nominal debt (in million euros) (1)	7,233	7,566
Unused credit lines (in million euros)	4,505	4,405
Average maturity of debt (in years, restated for available credit lines)	7.5	7.1
LTV (excluding duties)	36.0%	35.1%
LTV (including duties)	34.0%	33.2%
ICR	5.3x	5.5x
Secured debt / portfolio value	0.2%	0.2%

(1) Gross financial debt = gross nominal debt + impact of the recognition of bonds at amortized cost + accrued interest not due + other items
(2) Excluding fair value items linked to Eurosic's debt, with €7,073m including these items.

Breakdown of gross nominal debt:

	Jun 30, 2020
Long-term bonds	72%
Credit line drawdowns	1%
Mortgage loans	1%
Short-term resources covered by long-term credit lines	26%

gecina

3.2 Debt schedule

The following table presents the schedule for Gecina's debt at June 30, 2020 following the allocation of undrawn credit lines:

€m	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	>2034
Maturities	-	-	-	-	1,190	1,222	1,412	502	731	500	500	-	500	-	500	-

3.3 Bank covenants

Gecina's financial position at June 30, 2020 is compliant with the various limits likely to affect the conditions for repayment or early repayment clauses in the various credit agreements.
The following table presents the position for the main financial ratios covered under the agreements:

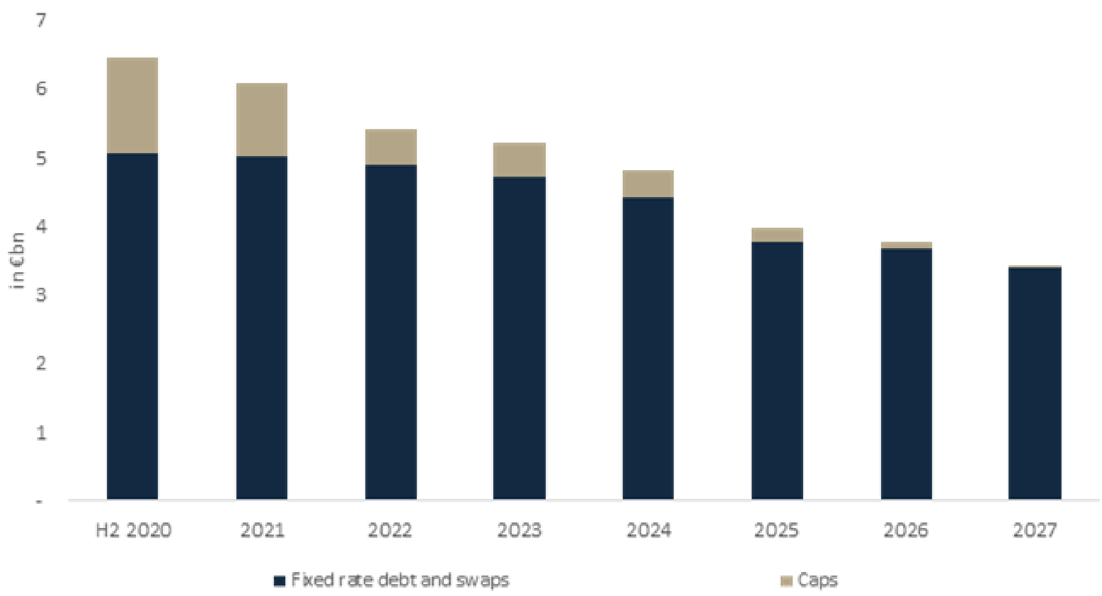
Ratios	Covenant	Jun 30, 2020
LTV: loan to value (block, excl. duties)	< 55% - 60%	35.1%
ICR: EBITDA / net financial expenses	> 2.0x	5.5x
Outstanding secured debt / net asset value of portfolio (block, excl. duties)	< 25%	0.2%
Net asset value of portfolio (block, excl. duties) in billion euros	> 6.0 - 8.0	20.0

3.4 Financial rating

The Gecina Group is rated by Standard & Poor's and Moody's. At June 30, 2020:
- Standard & Poor's maintained its A- / outlook stable rating;
- Moody's maintained its A3 / outlook stable rating.

3.5 Hedging portfolio

The following chart presents the profile of the hedging portfolio:



3.6 Interest rate risk measurement

Gecina's expected net financial debt for 2020 is hedged for up to 90% against an increase in interest rates (based on observed Euribor rate levels, due to caps).

Based on the existing hedging portfolio, the contractual conditions at June 30, 2020 and the anticipated debt in 2020, a 50 basis point increase in interest rates would generate an additional financial expense of around €2m in 2020. A 50 basis point decrease in interest rates would reduce financial expenses by around €2m in 2020.

4- EPRA REPORTING AT JUNE 30, 2020

Gecina applies the EPRA best practices recommendations regarding the indicators listed below. Gecina has been a member of EPRA, the European Public Real Estate Association, since it was created in 1999. The EPRA best practices recommendations include performance indicators to make the financial statements of real estate companies listed in Europe more transparent and comparable.
Gecina reports on all the EPRA indicators defined by the Best Practices Recommendations available on the EPRA website.

4.1 EPRA recurrent net income

The following table presents the transition between the recurrent net income reported by Gecina and EPRA earnings:

In thousand euros	**Jun 30, 2020**	Jun 30, 2019
Recurrent net income (Group share) (1)	**215,922**	**218,774**
- IFRIC 21	(10,851)	(10,518)
- Amortization, net provisions and depreciation	(4,349)	(3,594)
EPRA recurrent net income	**200,722**	**204,662**
EPRA recurrent net income per share	**€2.73**	**€2.77**

(1) EBITDA restated for net financial expenses, recurrent tax, minority interests, income from associates and certain non-recurring costs

4.2 EPRA NAV and EPRA NNNAV

In euros / share	**Jun 30, 2020**	Jun 30, 2019
EPRA NRV	€191.7	€184.5
EPRA NTA	€175.0	€166.1
EPRA NDV	€167.9	€160.5
Diluted NAV	€174.1	€165.6
Diluted EPRA NAV	€177.7	€169.8
Diluted EPRA NNNAV	€172.2	€165.4

4.3 EPRA net initial yield and topped-up net initial yield

The following table presents the transition between the yield rate reported by Gecina and the yield rates defined by EPRA:

(%)	**Jun 30, 2020**	Dec 31, 2019
Gecina net capitalization rate (1)	**3.81%**	**3.80%**
Impact of estimated costs and duties	-0.23%	-0.23%
Impact of changes in scope	0.05%	0.11%
Impact of rent adjustments	-0.46%	-0.45%
EPRA net initial yield (2)	**3.18%**	**3.24%**
Exclusion of lease incentives	0.19%	0.19%
EPRA topped-up net initial yield (3)	**3.38%**	**3.43%**

(1) Like-for-like June 2020

(2) The EPRA net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, after deducting lease incentives, divided by the portfolio value including duties.

(3) The EPRA topped-up net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.

4.4 EPRA vacancy rate

(%)	**Jun 30, 2020**	Jun 30, 2019
Offices	7.3%	5.6 %
Traditional residential	3.7%	2.3 %
Student residences	37.7%	15.1 %
Group total	**7.8%**	**5.4%**

The EPRA vacancy rate corresponds to the spot vacancy rate at the reporting date. It is calculated as the ratio between the market rental value of vacant premises and potential rental income.
The financial occupancy rate reported elsewhere corresponds to the portfolio's average financial occupancy rate.
The higher vacancy rate is linked mainly to the delivery of partially vacant Office buildings, as well as the obvious impacts of the health crisis for student residences, resulting in schools and universities being closed and restricting the mobility of national and international students.

4.5 EPRA cost ratios

In thousand euros / As a %	**Jun 30, 2020**	Jun 30, 2019
Property expenses	(123,675)	(120,612)
Overheads (1)	(45,587)	(41,301)
Amortization, net provisions and depreciation	(4,349)	(3,594)
Expenses billed to tenants	87,286	93,978
Rental expenses charged to tenants in gross rent	0	0
Other income / income covering overheads	1,507	2,606
Share in costs of associates	(115)	(22)
Ground rent	0	884
EPRA costs (including vacancy costs) (A)	**(84,933)**	**(68,061)**
Vacancy costs	6,539	7,071
EPRA costs (excluding vacancy costs) (B)	**(78,394)**	**(60,990)**
Gross rental income less ground rent	336,118	329,718
Rental expenses charged to tenants in gross rent	0	0
Share in rental income from associates	780	726
Gross rental income (C)	**336,898**	**330,444**
EPRA cost ratio (including vacancy costs) (A/C)	**25.2%**	**20.6%**
EPRA cost ratio (excluding vacancy costs) (B/C)	**23.3%**	**18.5%**

(1) Excluding the increase in the rental risk, linked primarily to the effects of the health crisis (€7.1m) and the costs incurred with the subsidiarization of the residential business (€7.3m), the EPRA cost ratios including and excluding vacancies came to 21.0% and 19.0% respectively at June 30, 2020.

4.6 Property-related capex

In million euros	Jun 30, 2020 Group	Jun 30, 2020 Joint ventures	Jun 30, 2020 Total	Jun 30, 2019 Group	Jun 30, 2019 Joint ventures	Jun 30, 2019 Total
Acquisitions	56	na	56	0	na	0
Development	58	na	58	60	na	60
- of which Capitalized interest	2	na	2	5	na	5
Maintenance capex	28	na	28	42	na	42
- Incremental lettable space	0	na	0	0	na	0
- No incremental lettable space	24	na	24	40	na	40
- Tenant incentives	4	na	4	1	na	1
- Other material non-allocated types of expenditure	0	na	0	2	na	2
- Capitalized interest	0	na	0	0	na	0
Total capex	**142**	**na**	**142**	**102**	**na**	**102**
Conversion from accrual to cash basis	20	na	20	35	na	35
Total capex on cash basis	**162**	**na**	**162**	**137**	**na**	**137**

Photo credits: Wilmotte & Associés