



Business at September 30, 2023

Record level of rental activity in the third quarter

2023-2024 pipeline fully pre-let

- Gross rental income up +7.3% on a current basis and +6.1% like-for-like
- Positive reversion on the leases signed in 2023, with +26% for offices in Paris (+14% overall) and +13% for residential
- 2023-2024 pipeline fully pre-let, with two major projects recently let in Paris' Central Business District: "Mondo" (30,000 sq.m) and "35 Capucines" (6,300 sq.m)
- €111m of additional sales covered by preliminary agreements (+7.7% higher than the end-2022 appraisals)
- Ranked 1st out of all 100 European listed real estate companies in the GRESB
- 2023 recurrent net income per share target confirmed at €5.9 to €6.0

Strong rental income growth over the first nine months of the year

- **Growing contribution from indexation** (+4.6%)
- **Occupancy rate up** +130bp for offices and +110bp overall
- **Significant rental uplift captured**, particularly at the heart of Paris (+26% in Paris City and +14% overall for offices) and +13% for residential
- **Pipeline's net rental contribution of +€16.4m**, reflecting the impact of the deliveries of the Ilve building (Paris CBD) and 157-CdG (Neuilly) in 2022, Boétie (Paris CBD) in 2023 and a residential building in Ville d'Avray

Major pre-lettings in Paris' CBD projects to be delivered in 2024

- All office space in the "Mondo" building (30,000 sq.m) now pre-let to a CAC 40 Group
- Finalization of the letting of office space in "35 Capucines" (6,300 sq.m)
- All building deliveries in 2023-2024 already let or pre-let

€1.1bn of sales completed or secured since the start of the year

- €111m of additional disposals under preliminary agreements since the start of July, with a +7.7% premium above the end-2022 appraisals and a loss of rental income of less than 3%, with two Parisian buildings occupied and two non-strategic assets currently vacant in Paris and the Paris Region's Inner Rim.
- Operations that further strengthen the Group's balance sheet and consolidate its long-term outlook in a significantly slower investment market environment

2023 guidance confirmed

- Recurrent net income (Group share) is expected to reach **€5.9 to €6.0** per share in 2023, up **+6% to +8%**

With the letting of “Mondo”, 136,000 sq.m let since the start of the year (52,000 sq.m since end-June 2023)

Since the start of the year, Gecina has **let, relet or renegotiated nearly 136,000 sq.m**, representing around €85m of headline rent of which 52,000 sq.m since the end of June 2023.

These transactions include iconic lettings at the heart of Paris with prime rents in Paris' Central Business District at around €1,000/sq.m/year today. For instance, Gecina let the entire **35 Capucines** building and the **24-26 Saint-Dominique** building, adding to the list of buildings recently let in line with these levels of rent (**3 Opéra, 16 Capucines, 44 Champs Elysées**).

In terms of retail, several transactions illustrate the good commercial trend for central sectors, with several leases signed in the past few months for premium locations on the **Champs Elysées** or **Boulevard des Capucines** with Luxury and Fashion retailers.

- **Nearly two thirds of these transactions concern relettings or renewals** of leases primarily in Paris City, where significant rental reversion has been captured (+26% in Paris, +14% overall).
- **The remaining third concern new leases signed** for buildings that were vacant, under development or delivered recently. Specifically, these rental transactions are reflected in a significant increase in the pre-letting rate for assets that are currently being developed.

Since the start of July, Gecina has completed the pre-letting of two buildings under development and scheduled for delivery in 2024, with:

- **The pre-letting of all the 30,000 sq.m office space in “Mondo”** in Paris' CBD, under a firm lease for over 11 years with a group from the CAC 40. “Mondo” is expected to be delivered during the second half of 2024 and will benefit from the highest environmental certification standards (HQE Excellent, LEED Gold, BiodiverCity, BBKA), as well as the WELL and WiredScore labels with a Gold rating.
- The **“35 Capucines”** building in Paris-CBD (6,300 sq.m), which is scheduled for delivery during the first half of 2024, let to a French luxury group and a law firm. All of the office space is now fully pre-let.



Mondo, Paris 17



35 Capucines, Paris 2

To date, 100% of the office pipeline delivered in 2023 or scheduled for delivery in 2024 is now pre-let, with rent levels that are higher than initially expected.

The office pipeline's main rental challenges now concern operations that will be delivered in 2025 in Paris City (Icône-Marbeuf and 27 Canal-Flandre).

Gross rental income up +7.3% (vs. +2% in 2022)

Strong organic trend and contribution from the pipeline

Gross rental income In million euros	Sep 30, 2022	Sep 30, 2023	Change (%) Current basis	Like-for-like
Offices	368.5	398.3	+8.1%	+6.5%
Traditional residential	80.1	82.7	+3.2%	+4.3%
Student residences (Campus)	14.7	15.8	+7.8%	+7.1%
Total gross rental income	463.2	496.9	+7.3%	+6.1%

On a current basis, rental income is up +7.3% (+8.1% for offices), reflecting an acceleration compared with 2022 (+2%), benefiting from not only the robust like-for-like rental performance, but also the pipeline's strong net rental contribution, with two major deliveries of office buildings in 2022 in Paris (Ilve) and Neuilly (157 CdG), as well as the "Boétie" building in Paris' Central Business District and the "Ville d'Avray" residential building in 2023.

Like-for-like, the acceleration in performance exceeded the levels reported at end-2022, with rental income growth up +6.1% overall (vs. +4.4% at end-2022) and +6.5% for offices (vs. +4.6% at end-2022). This trend follows on from the previous quarters. All of the components contributing to like-for-like rental income growth are trending up.

- **The gradual impacts of the acceleration in indexation** contributed +4.6%
- **The increase in the occupancy rate** represents a contribution of +0.7%. With the occupancy rate gradually improving in 2022, and particularly during the second half of the year, the base effect is naturally easing over the second part of the year.
- **Rental reversion was captured** for both offices and residential, contributing +0.8% to organic rental income growth.

With these positive trends, like-for-like office rental income growth of around +6% can be expected for the full year in 2023.

Guidance confirmed: 2023 recurrent net income growth of +6% to +8% expected (between €5.90 and €6.00)

The results published at end-September 2023 reflect the very good level of the rental markets in Gecina's preferred sectors. This robust operational performance is being further strengthened by the trend for indexation and the pipeline's positive contribution to the Group's rental income growth. Alongside this, Gecina's long debt maturity and active rate hedging policy will enable it to limit the impact of interest rate rises on the Group's financial expenses in 2023.

As a result, Gecina is confirming its growth forecast for 2023, with **recurrent net income (Group share) expected to reach €5.90 to €6.00 per share, delivering +6% to +8% growth.**

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 18.5 billion euros at end-June 2023.

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 our client-centric brand YouFirst. It is also positioned at the heart of UtilesEnsemble, our program setting out our solidarity-based commitments to the environment, to people and to 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 and CAC 40 ESG indices. Gecina is also recognized as one of the top-performing companies in its industry by leading sustainability benchmarks and rankings (GRESB, Sustainalytics, MSCI, ISS-ESG and CDP).

www.gecina.fr

GEцина CONTACTS

Financial communications

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

Sofiane El Amri
Tel: +33 (0)1 40 40 52 74
sofianeelamri@gecina.fr

Press relations

Glenn Domingues
Tel: +33 (0)1 40 40 63 86
glenn Domingues@gecina.fr

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

Appendices

Offices: rental trends still positive

Gross rental income - Offices	Sep 30, 2022	Sep 30, 2023	Change (%)	
In million euros			Current basis	Like-for-like
Offices	368.4	398.3	+8.1%	+6.5%
Central areas (Paris, Neuilly, Southern Loop)	268.5	289.0	+7.6%	+4.7%
Paris City	214.5	228.4	+6.5%	+4.9%
- Paris CBD & 5-6-7	132.1	145.4	+10.0%	+5.9%
- Paris CBD & 5-6-7 - Offices	107.0	122.4	+14.3%	+6.0%
- Paris CBD & 5-6-7 - Retail	25.1	23.0	-8.3%	+5.2%
- Paris - Other	82.4	83.0	+0.7%	+3.5%
Core Western Crescent	54.0	60.6	+12.2%	+3.8%
- Neuilly-Levallois	20.7	25.5	+23.0%	+3.0%
- Southern Loop	33.3	35.0	+5.4%	+4.2%
La Défense	47.6	53.6	+12.7%	+12.7%
Other locations (Péri-Défense, Inner / Outer Rims and Other regions)	52.4	55.7	+6.5%	+8.7%

Like-for-like office rental income growth came to +6.5% year-on-year (vs. +4.6% at end-2022), benefiting from a positive indexation effect, which is continuing to ramp up (+5.1%), passing on the return of an inflationary context, as well as the impact of the positive reversion captured in the last few years (+0.5%) and the improvement in our portfolio's occupancy rate, primarily achieved in 2022 and confirmed since then (+0.8%).

- **In the most central sectors (85% of Gecina's office portfolio)**, like-for-like rental income growth continues to show a robust trend. In Paris' Central Business District it came to **+6%**. Including Neuilly-Levallois and Boulogne-Issy, it represents +4.7%, linked mainly to the combined impact of the indexation of rents and the positive reversion captured at the end of leases.
- **On the La Défense market (8% of the Group's office portfolio)**, Gecina's rental income is up by nearly **+13%** like-for-like.
 - o More than half of this performance is linked to a significant increase in the occupancy rate for the Group's buildings, resulting from the major rental transactions secured in 2021 and 2022 on buildings that were previously vacant (Carré Michelet, Adamas) and that gradually ramped up the Group's rental income in this sector during 2022.
 - o The rest is linked mainly to indexation. Reversion had only a marginally positive impact on this sector, since Gecina's portfolio in this area is fully let and therefore not subject to tenant rotations.

Rental income growth on a current basis came to nearly +8% for offices, reflecting the impact of the **pipeline's positive net contribution**, which has been particularly significant this year (+€16.4m net of tenant departures from buildings to be redeveloped), taking into account the delivery of the Ilve and Boétie buildings in Paris' CBD and 157 CdG in Neuilly. These deliveries have largely offset the buildings that were vacated mid-2022 and are currently being redeveloped, with their delivery scheduled for 2025 (Icône-Marbeuf and Flandre-27 Canal in Paris).

Residential: reversion potential confirmed and excellent level of operational activity

Gross rental income In million euros	Sep 30, 2022	Sep 30, 2023	Change (%) Current basis	Like-for-like
Residential	94.8	98.5	+3.9%	+4.8%
Traditional residential	80.1	82.7	+3.2%	+4.3%
Student residences (Campus)	14.7	15.8	+7.8%	+7.1%

YouFirst Residence (traditional residential): acceleration in operational performance levels

Like-for-like, rental income for traditional residential properties is up **+4.3%**, marking an acceleration compared with 2022 (+2.0%), under the impact of **indexation** that is taking shape (+2.7%) and rental **reversion** that is ramping up (+1.6%). Rents for new arrivals are around **+13%** higher than levels for the previous tenants on average since the start of the year. This performance has been achieved thanks to Gecina's ability to continuously adapt its rental offering to the needs of its clients.

On a current basis, rental income is up +3.2%, slightly lower than the like-for-like performance due to the sales completed this year (particularly in Courbevoie).

YouFirst Campus (student residences): strong upturn in business

Rental income from student residences shows a significant like-for-like increase of +7.1%, linked primarily to the high level of positive reversion captured thanks to the quick rotation of tenants with this type of product.

Occupancy rate: progress since the start of 2022

Average financial occupancy rate (YTD)	Sep 30, 2022	2022	H1 2023	Sep 30, 2023
Offices	92.3%	92.8%	93.8%	93.6%
Traditional residential	96.5%	96.7%	96.3%	95.9%
Student residences	82.7%	86.0%	86.8%	84.2%
Group total	92.5%	93.1%	93.9%	93.6%

The **average financial occupancy rate** is up **+110bp year-on-year** to 93.6%, primarily reflecting the +130bp increase for offices. This improvement in the office portfolio concerns all sectors, and particularly La Défense, where it reached 98%, benefiting from the arrival of the final tenants in the Carré Michelet building midway through the second half of 2022.

Alongside this, the spot occupancy rate for student residences was 97% at end-September (up +2.5pts vs. end of September 2022)

Disposals: €111m of additional sales under preliminary agreements

After completing nearly €1bn of sales during the first half of this year, Gecina secured **€111m of additional sales, currently covered by preliminary agreements, achieving an average premium versus the end-2022 appraisals of around +7.7%**, with an average rate for the loss of rental income of less than 3% for the occupied buildings.

These latest sales concern two Parisian buildings occupied and two non-strategic assets currently vacant in Paris and the Paris Region's Inner Rim.

Since the start of the year, Gecina has therefore sold or secured sales for **€1.1bn** of buildings, achieving an average premium of around **+9.4% versus the end-2022 appraisal values**, with a **loss of rental income of around +2.5%**.