

H1 2016 Key takeaways

NET OPERATING PROFIT OF €12.2M UP 25%

NET PROFIT DOWN TO €4.1M

- (+) Fair value up by €2.4m
- (+) Cost of debt stable at 2.5%
- (-) Gross rental income down 17.0% due to disposals in 2015
- (-) Negative contribution from Banimmo (-€4.1m)

EPRA EARNINGS (EXCLUDING BANIMMO) DOWN TO €5.6M

IMPROVEMENT IN OCCUPANCY RATE

LTV STABLE AT 46.5% (-0.1 PERCENTAGE POINT)

CHANGE IN PORTFOLIO

- €7.4m of acquisitions and refurbishments
- €9.7m from disposals

EPRA NAV PER SHARE: €21.0

EPRA NNAV PER SHARE: €24.0





INVESTMENTS AND DISPOSALS

Investments and disposals

€3m: Acquisitions



Clichy:
€7.9m (€3.2m in H1)

Ongoing:
Lilleurope and Euronantes

€4m: Development & Refurbishment



Lyon - Tangram



Lille



Auber

€10m: Disposals



Miramas:
€4.7m



Aix-en-Provence:
€3.8m



Barberey-Saint-Sulpice:
€1.4m

Porte de Clichy – Les Horizons

Acquisition of 1,535 sqm of offices: €7.9m

- BREEAM
- 7 floors (Ground -1 to G+5)
- Green Façade
- OR: 100% - Signature in December of a 6-year fixed lease
- Tenant: La Maison du Whisky
- Completed in late May

Located at Porte de Clichy in the « Entrée de ville » ZAC (Integrated development zone)

- Major urban development area to the north west of Paris
- Closed to
 - The new Parisian courthouse
 - The regional headquarters of the criminal investigation department
- Excellent public transportation links
 - Porte de Clichy station: RER C, metro lines 13 et 14 (under progress)
 - Train station Clichy-Levallois
 - Immediate access to the ring road and to A1, A13 and A14 motorways

BREEAM[®]



Lyon Part-Dieu – Tangram

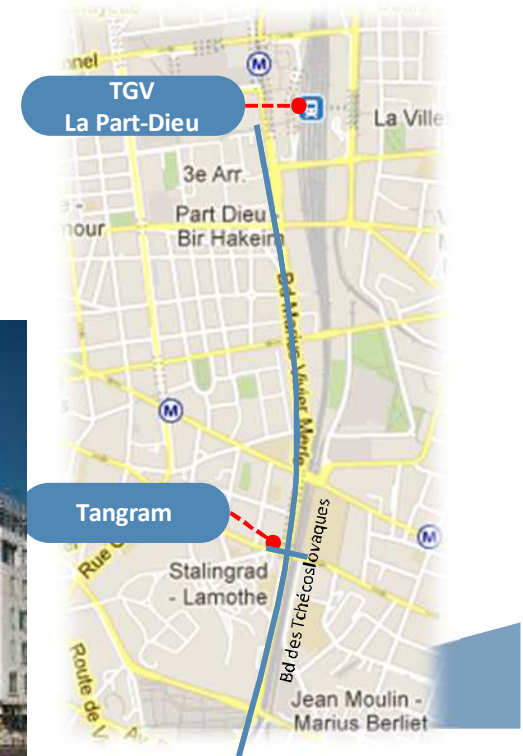


Major refurbishment of 5,915 sqm offices space: €7.7m (€1.0m in H1)

- BBC-effinergie rénovation to be obtained (Green label for commercial real estate refurbished)
- 2 buildings and parking lots for 121 cars
- Completion by T1 2016
 - 2,750 sqm let to ISCOM with a 9-year fixed term lease
 - 3,165 sqm under marketing

Located in Part-Dieu district

- Central Business District
- Closed to the La Part-Dieu TGV station
- Excellent public transportation links
 - 2 métro stations, several bus lines
 - Tram



Nantes – Euronantes



Contract signed for 3,844 sqm of offices: €9.8m

- BREEAM
- 8 floors (Ground -1 to G+6)
- Completion expected on H1 2018

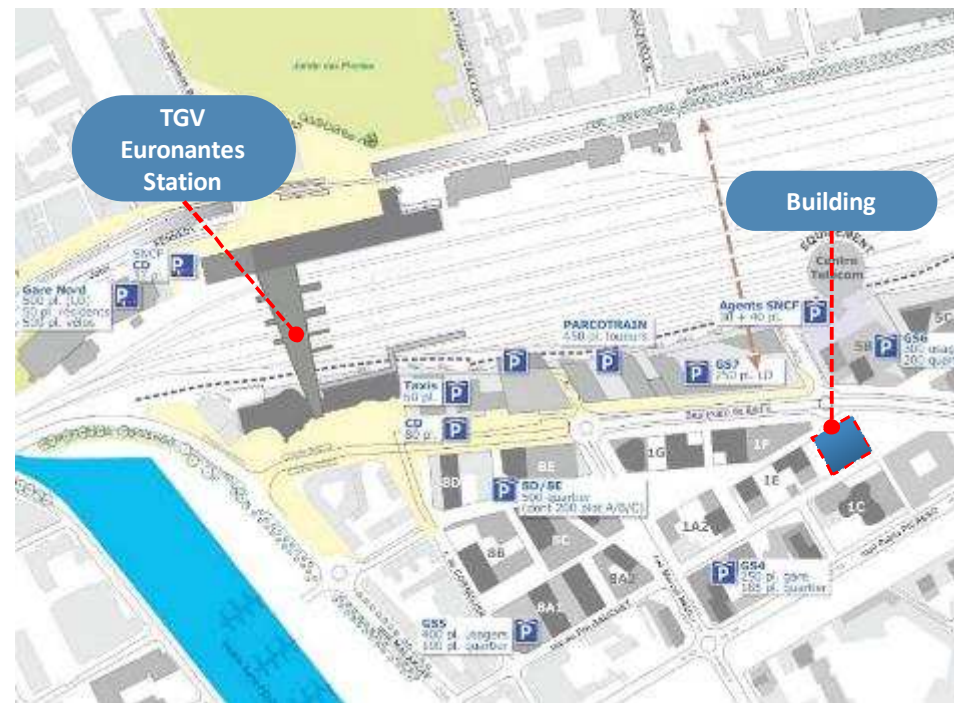


Partnered with the consortium Sogeprom-ADI

- April 2014: Launching of the call for tenders by the municipality
- January 2015: Awarded the project

Located in the Euronantes Railway station district

- New major business district
 - 2020: 130,000 sqm of offices
- Very close to the TGV station
- Excellent public transportation links
 - Tramway and Bus lines



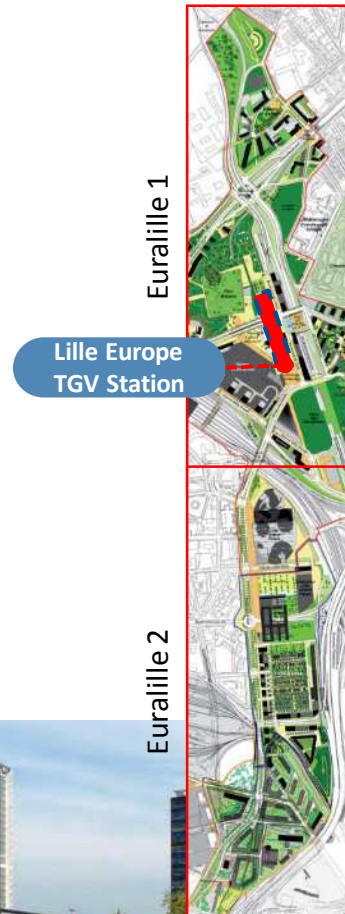
Lille – Lilleurope

Contract signed for 5,000 sqm of additional offices

- Strengthening in the Euralille area
- Owner of 19 floors out of 20
- Easy access
 - Overlook the Lille-Europe station
 - in the heart of Euralille business district

Refurbishment program

- Upgrade to standards
 - Technical equipment
 - Hall
 - Common parts



Reminder: Disposal of a warehouses portfolio – Impact*



8 logistics platforms: €72.1m

- OR: 100% as at 30/06/2015
- Surface area: 172,500 sqm

Financial structure ▲▲▲

- Debt: -€42m ▲
- Cash: +€30m ▲
- Drop in LTV (-6 points) ▲▲
- Reallocation to new investments ▲▲

Operational ▲ ▼

- Gross rental income decrease: -€7.0m ▼▼
- EPRA earnings: -€3.3m for 2016 ▼
- Improving the quality of cash-flow ▲▲▲
(Vacancy and capex risks)
- Occupancy rate: -2.2 point ▼▼
- Yield: - 32 bps ▼

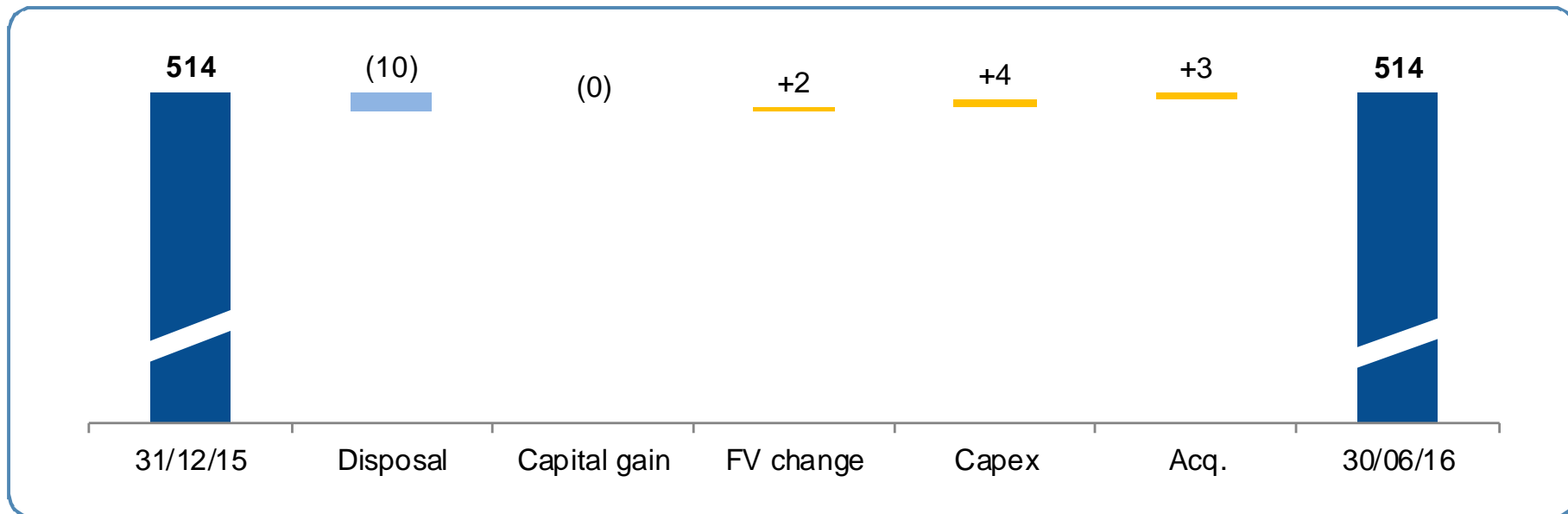
* On a full year basis



PERFORMANCE OF THE PORTFOLIO

Stable Fair value

Change in fair value excluding TT (€m)

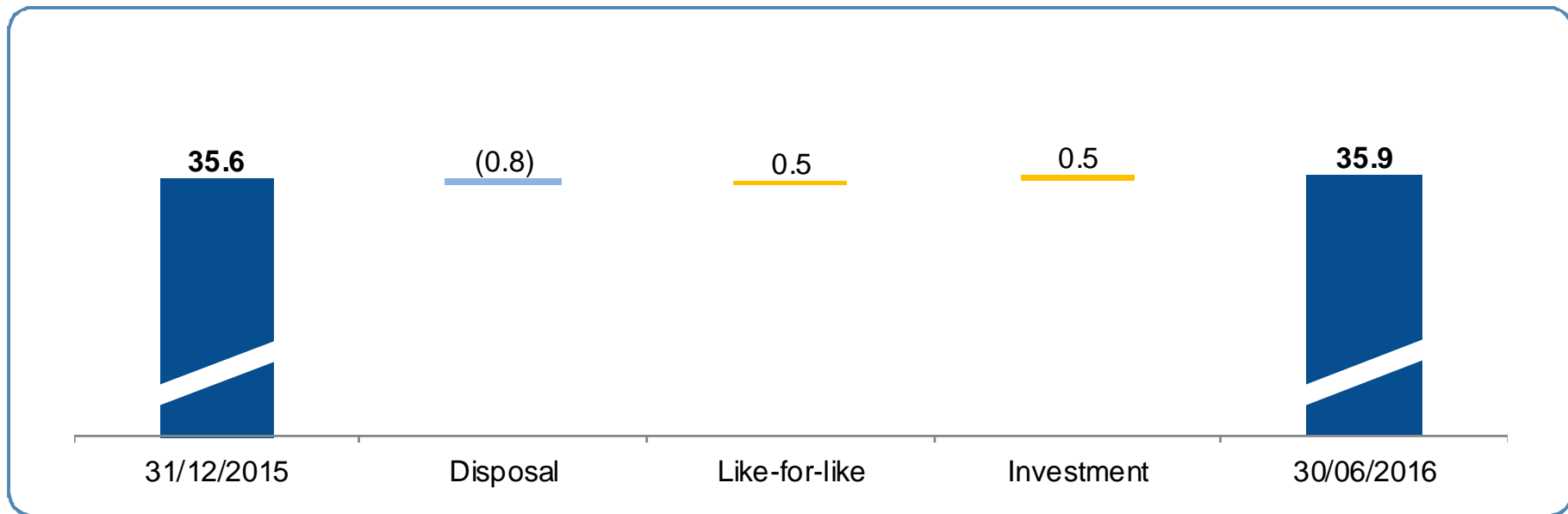


Breakdown of fair value change on a like-for-like basis:

- Market rent effect (ERV): -1.1%
- Cap rate effect: +2.1%
- Miscellaneous: -1.0% (works, reversion, transfer taxes change ...)

Increase of the headline rents

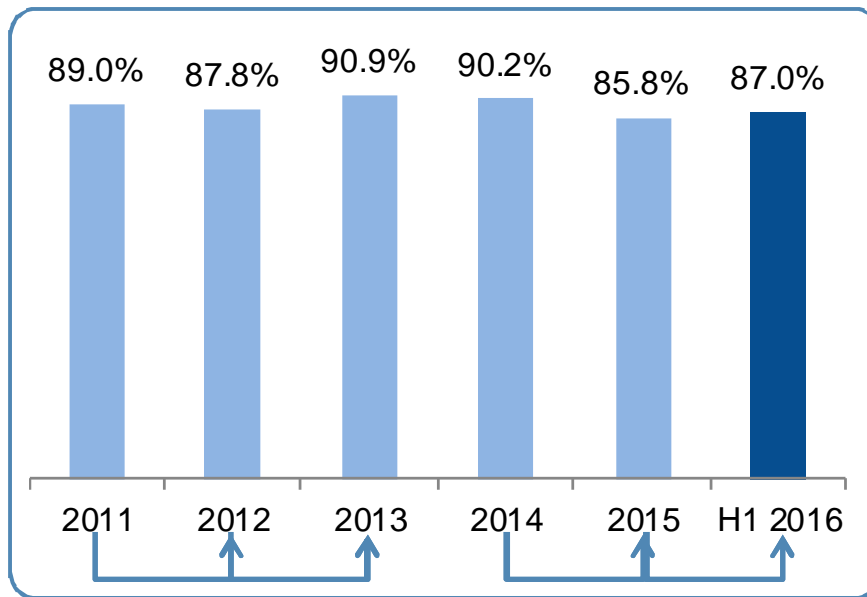
Change in headline rents annualized (€m)



- Total headline rents change: +€0.3m
- On like-for-like, a €0.5m (+1.5%) increase of the headline rent

Improvement of the occupancy rate

Financial occupancy rates (EPRA) change

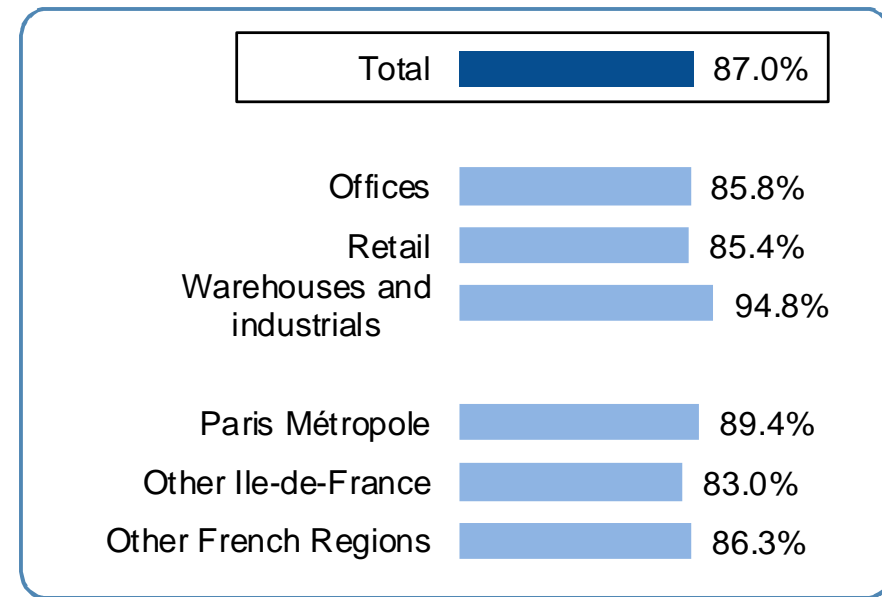


Impact
Baudry
-1.2 pt

Impact
JdQ
+0.8 pt

Impact
Log
-2.1 pt

Impact
Log
-0.1 pt

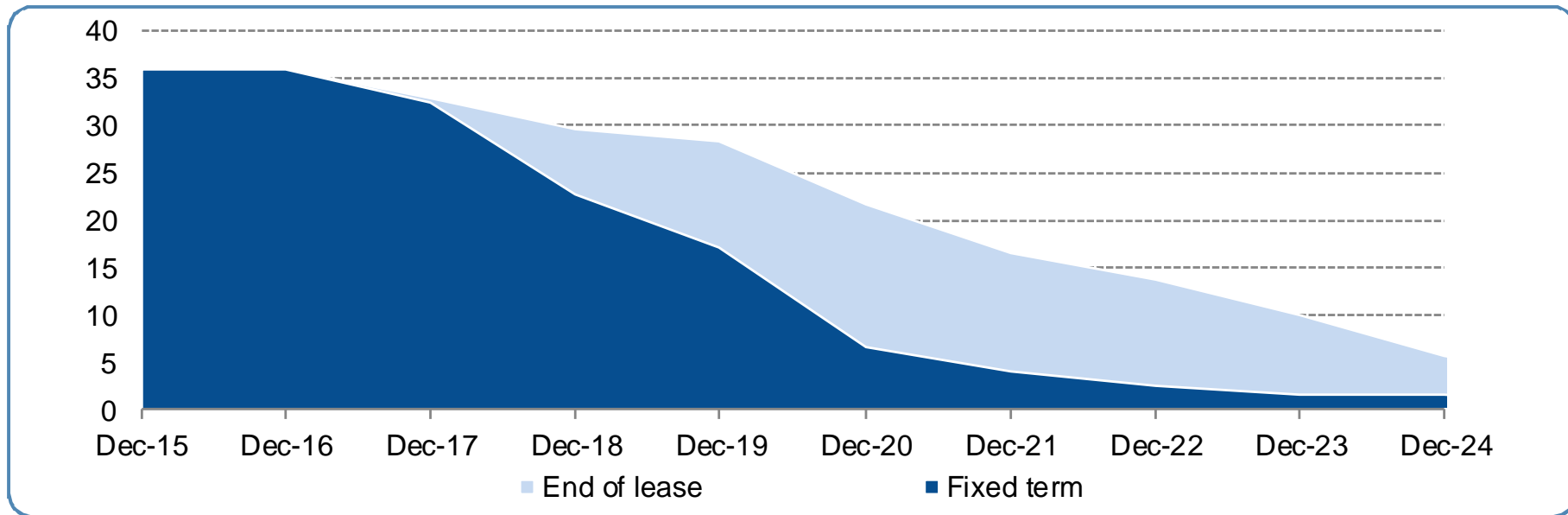


Paris Métropole: Paris + Hauts-de-Seine + Val d'Oise + Val-de-Marne

- Impact of the departure of the tenant on the Tremblay-en-France site in 2015: -2.0 pt
- Impact of the disposal of the logistics: -2.2 pt

Lenghtening of the lease average duration

Schedule in rents (€m) according to lease duration



- Average time up to next break option: 3.6 years (vs 3.1 as at 31/12/2015)
- Average time up to lease expiry: 5.8 years (vs 5.5)
- 17 new leases (27,900 sqm ; €1.6m) → +€0.7m in H2 2016
- 18 terminated leases and departures (4,900 sqm ; €1.1m) → -€0.3m in H2 2016
- 14 renegotiated leases (7,200 sqm vs 6,100 sqm ; €1.0m vs €1.1m) → -€0.0m in H2 2016

+€0.4m
in H2
2016

Banimmo in H1 2016

Repositioning property company

- Portfolio: 18 buildings; Gross rental income: €4.2m; value: €359m

Key events

- Delivery to the tenants of the Marché Saint-Germain in May. Opening scheduled for late 2016
- Urbanove Shopping Development in Judicial Reorganization Procedure until the 30 November 2016
- Change of use procedure for the Athena site
- Launching of the Verpantin works

H1 2016 Results

- Operating result: -€0.1m vs €3.9m
- Net current result: -€3.4m vs €0.7m
- Net result: -€8.4m vs -€1.4m

More details on
www.banimmo.be



Banimmo – Stake in Urbanove

- **August 2010** – Banimmo took a 42.5% stake in Citymall (former Foruminvest in Belgium) for an amount of €54m (equity: €20m and mezzanine loan: €34m) for 3 commercial centre projects in Namur, Charleroi and Verviers
- **December 2013** – Partial depreciation of the stake for €15m
- **May 2014** – Banimmo purchased the company holding the ground lease in Charleroi for €5m
- **November 2014** – Takeover of the Namur and Verviers projects by Urbanove (44% Banimmo; 56% Walloon region + Besix + Degroof) ; new mezzanine loan of €12m (of which Banimmo: €9.9m)
- **December 2014** – Depreciation of the remaining stake (€4m)
- **December 2015** – Depreciation of €21m of the mezzanine loan (out of a total of €45m)
- **April 2016** – Judicial Reorganization Procedure (PRJ) of Urbanove to reorganize the financial structure of the two projects extended until November 2016



URBANOVE
SHOPPING DEVELOPMENT

Banimmo – 2 successful developments

Marché Saint Germain (Paris 6^{ème})

- Acquisition in 2009: €30m
- Eviction, work and financing costs: c. €40m
- Commercial centre increased from 3,200 sqm to 4,400 sqm
- Doubling rents to €4.1m
- Completion by Q2 2016
- Opening late 2016
- OR: 100%

Marché de la Halle Secrétan (Paris 19^{ème}) – SIIC Trophy

- Request for proposal won in April 2011
- Ground lease for 70 years
- Project cost: c. €15m
- Increase threefold the surface area to 3,800 sqm
- Rent: €1.25m
- Opening in October 2015
- OR: 100% - Les 5 fermes, Camaïeu, Neones, Desnoyers, etc





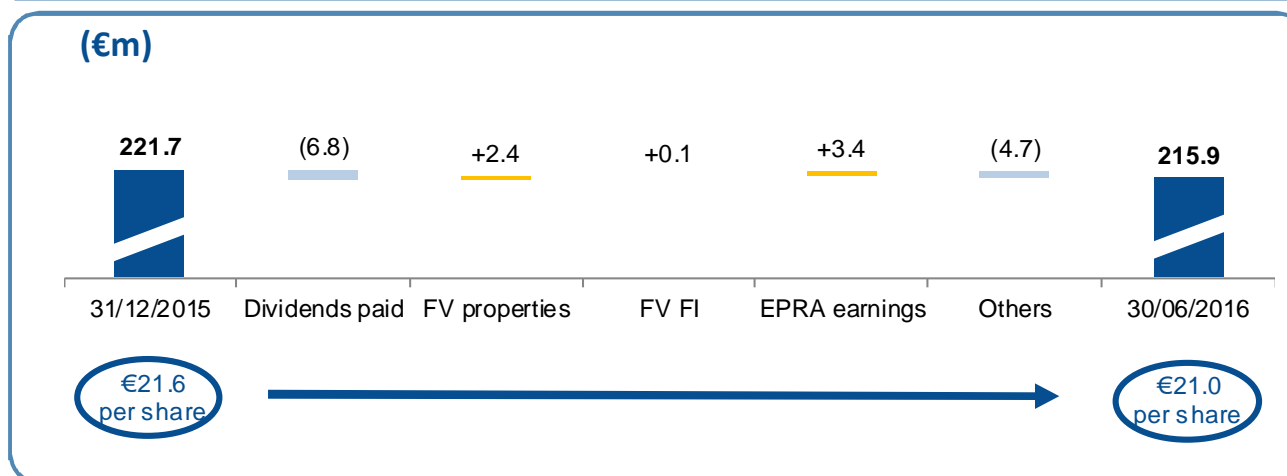
CONSOLIDATED ACCOUNTS

Consolidated earnings

(€m)	30/06/15	31/12/15	30/06/16
Gross rental income	20.7	39.0	17.2
Net rental income	18.2	34.4	14.7
Other income	0.8	1.2	0.2
Corporate expenses	(3.8)	(7.9)	(4.1)
Current EBITDA	15.1	27.7	10.8
Current operating profit	15.0	27.1	10.1
Other income and expenses	0.2	(0.4)	0.0
Net financial cost	(5.0)	(9.1)	(3.8)
Taxes	(0.2)	0.5	(0.6)
Miscellaneous	(2.2)	(0.5)	(0.1)
Associates	(0.4)	(4.3)	(2.3)
Net current profit	7.4	13.3	3.4
Value adjustments of properties & profit on disposals	(5.5)	(3.4)	2.0
Fair value adjustments of hedging instr.	1.9	2.1	0.1
Adjustments for associates	1.8	(11.4)	(0.9)
Others	0.0	(0.1)	(0.5)
Net non-current profit – group share	(1.9)	(12.8)	0.7
Net profit – group share	5.6	0.4	4.1
EPRA Earnings (Net current profit – group share)	7.4	13.3	3.4
EPRA Earnings (excl. Banimmo)	9.7	17.4	5.6
Net operating profit	9.7	23.2	12.2

A 2.6% decrease of the net asset value

(€m)	30/06/15	31/12/15	30/06/16
Shareholders' equity (before allocation)	298.3	291.7	284.8
PSL adjustment	(73.2)	(73.2)	(73.1)
Fair value adjustments to hedging instr.	7.3	7.3	8.1
Net deferred tax	(4.4)	(4.1)	(3.8)
EPRA NAV (excluding transfer tax)	228.1	221.7	215.9
EPRA NNAV (excluding transfer tax)	256.3	250.0	246.4
EPRA NAV (excluding transfer tax) per share (€)	22.2	21.6	21.0
EPRA NNAV (excluding transfer tax) per share (€)	25.0	24.4	24.0



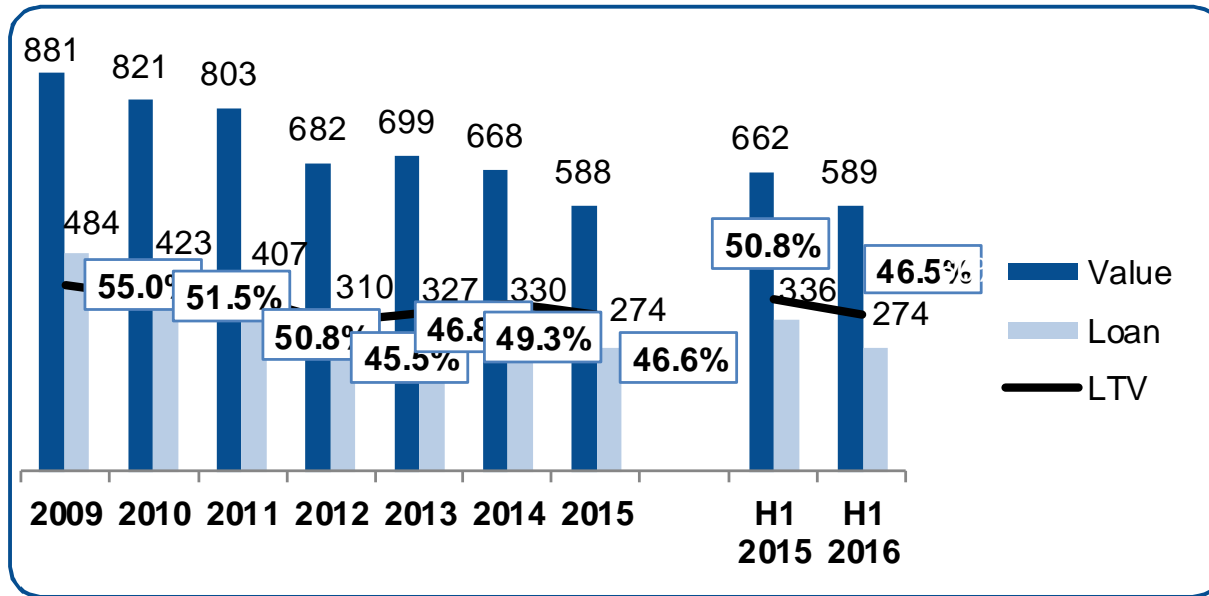
- Excluding PSL (TSDI)
- Others: interest on convertibles and PSL Convertibles, etc
- NAV per share after dilution from convertibles
- Based on the Net Book Value of Banimmo
- With the Banimmo NAV, Affine EPRA NAV : €24.0



FINANCING

A stable LTV

LTV change



- Stability of the net debt: €274m (excl. lease financing)
- A stable LTV: 46.5%



Decrease of the financing costs

Stable average financing cost of 1.6%, or 2.5% hedging included

Banks relationship diversified

- 6 main banks
- Average duration of the debt: 5.1 years
- Financing asset by asset with mortgages
- Amortizable over middle term

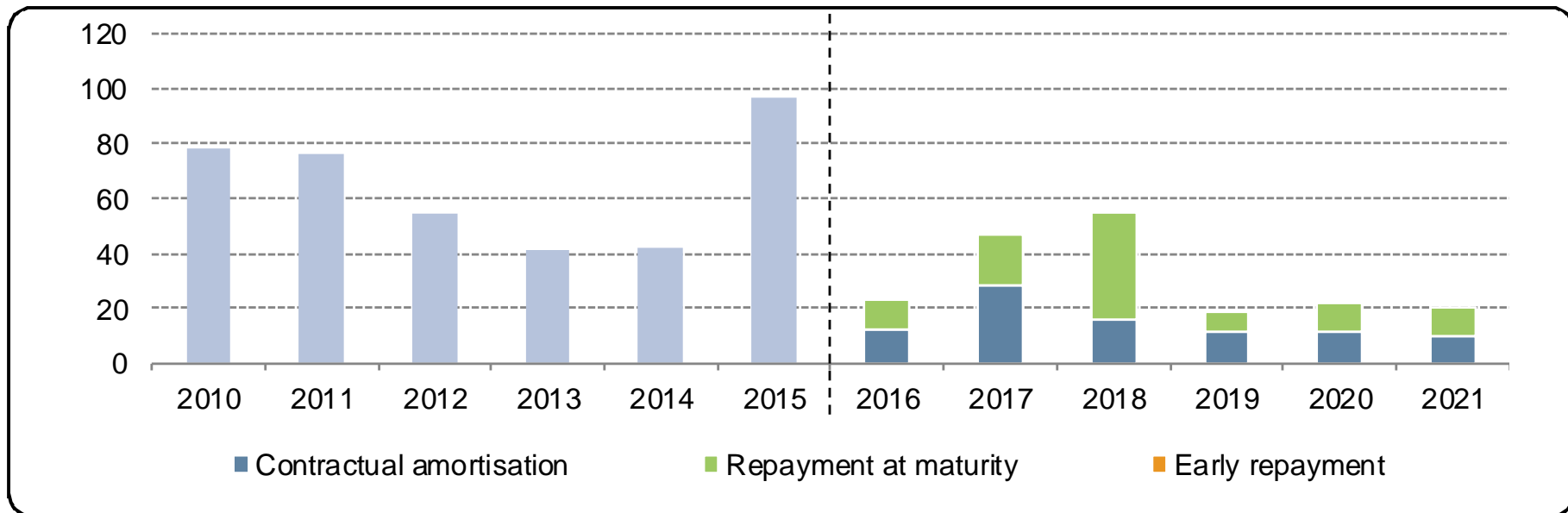
Financing in H1 2016

- Financing / Refinancing: €32m
- Amortisation: €35m



A balanced debt profile

Amortisation of debt (€m)



- A financing policy aiming at smoothing the amortisation
- Repayment: around €18m p.a. on average
- Short term available credit lines of €15m as at 30/06/2016



STRATEGY & OUTLOOKS

Our strategy [1/3]

Concentration of investments on 2 axis:

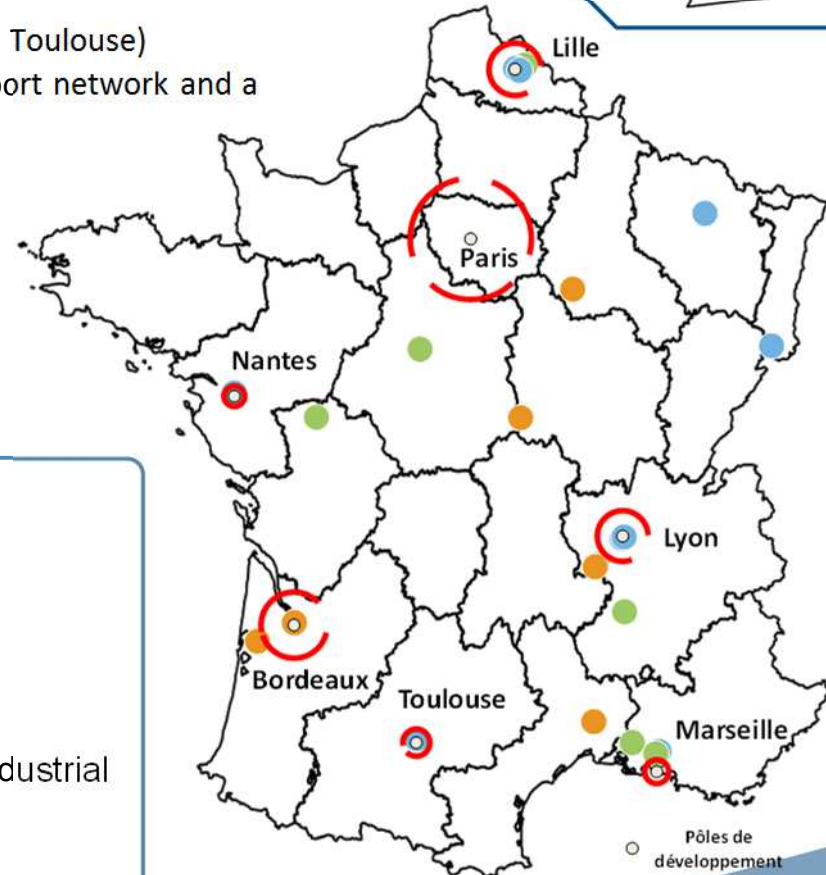
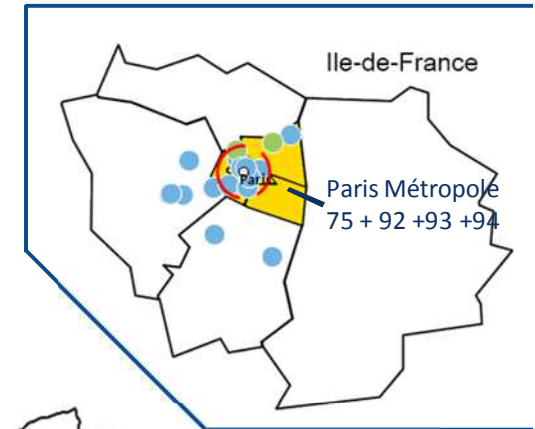
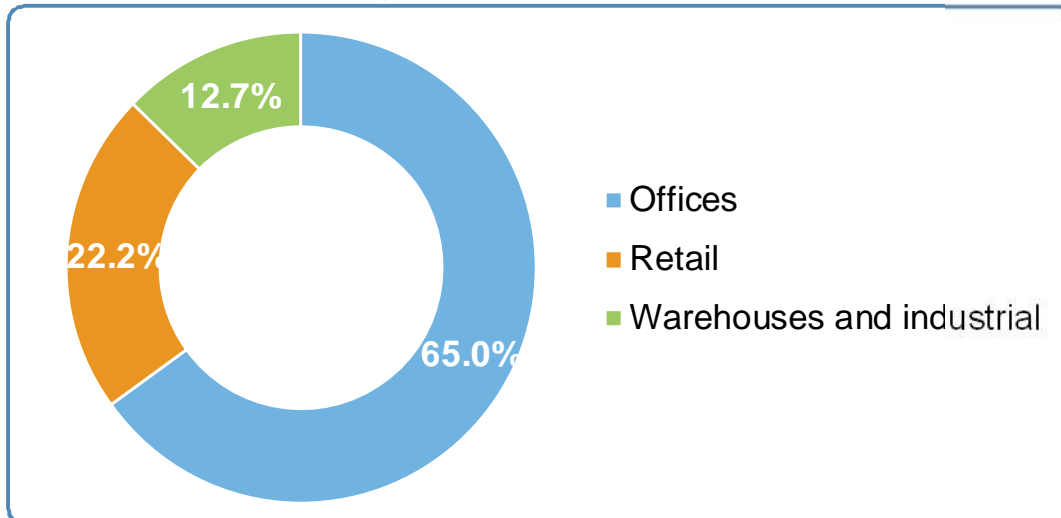
■ Geographic

- On Paris Métropole and
- Regional cities (Bordeaux, Lille, Lyon, Marseille, Nantes, Toulouse) benefitting from good national and international transport network and a strong demographic and economic momentum

■ Type

- Focus on offices
- And retail premises in city center more opportunistically

Breakdown of the portfolio in value term



Our strategy [2/3]

Investments over the last 18 months:

- More than €90m engaged or in well advanced negotiations
- ie €6.5m of gross rental income, €1,6 of which already captured

Continuation of this policy according to 4 criteria:

- 1) Rejuvenate the portfolio by looking for buildings
 - New or recent, preferably with green certification
 - Of an average size of €10m to €30m
 - Ensuring high rental yield
 - Containing a potential for value creation by their location or rental situation

... and to streamline it

- By selling mature, small or isolated assets
 - And logistics assets
-
- 2) Restore the volume of rents of previous years
 - By investing in buildings with a good yield and good location
 - By making the improvement of the OR a strong goal:
 - > through a specific treatment of vacant assets for more than one year and
 - > through paying attention to the comfort of the tenants to stabilize them,
 - > focusing on “built-to-suit”
 - By optimizing daily management through an efficient information system



Our strategy [3/3]

Continuation of this policy according to 4 criteria (next):

- 3) Bring back Banimmo to profitability
 - By completing successfully the planned sales
 - > Alma Court, H5, Diamond and Raket (mature buildings)
 - > Marché Saint-Germain and la Halle Secrétan in Paris
 - > Dolce Chantilly
 - By finding new partners
 - > To exploit the potential of land Banimmo holds in Belgium
 - > To strengthen the equity

- 4) Integrate new technological developments of the property sector
 - Tenant services (virtual concierge services, pickup station...)
 - Electronic document signing (lease, mandate...)
 - New uses of workplace



Contacts

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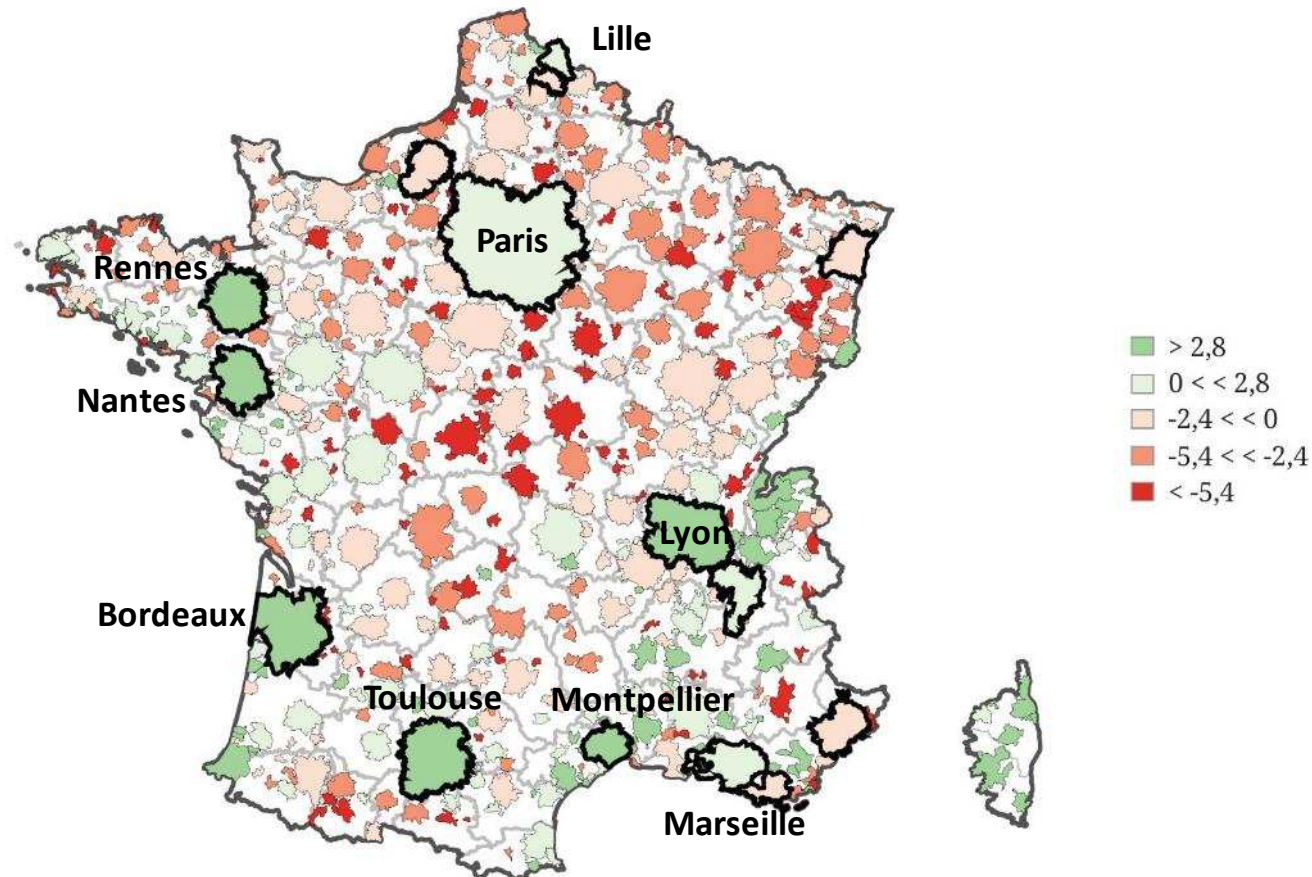




APPENDIX

Evolution of the employed population aged 15 to 64...

... in urban area of residence from 2008 to 2013



■ Source: Insee, census of the population, 2008 and 2013, France Stratégie calculation

Consolidated cash flow

(€m)	30/06/15	31/12/15	30/06/16
Funds from operation	11.2	21.9	7.4
Funds from operation (excluding cost of debt and tax)	16.3	30.1	12.1
Change in WCR	1.8	(3.2)	2.0
Taxes paid	(1.0)	(0.6)	(0.0)
Operating cash flow	17.1	26.3	14.1
Acquisitions & Investments	(6.5)	(43.2)	(12.3)
Disposals	6.1	94.0	9.9
Others	0.0	0.0	2.1
Investment cash flow	(0.4)	50.8	(0.2)
New loans	25.6	43.4	31.9
Loan repayments	(35.8)	(101.8)	(34.9)
Interest	(5.1)	(9.3)	(3.9)
Others (of which dividends)	(6.1)	(9.1)	(7.4)
Financing cash flow	(21.5)	(76.8)	(14.3)
Change in cash position	(4.8)	0.4	(0.4)
Net cash position	(3.0)	2.1	1.8

Consolidated balance sheet

(€m)	30/06/15	31/12/15	30/06/16
Properties	569.5	514.4	514.1
<i>of which investment properties</i>	462.8	456.0	489.0
<i>of which property held for sale</i>	106.7	58.5	25.1
Equity holdings	0.0	0.0	5.0
Equity affiliates	54.2	38.8	34.8
Cash	5.8	6.7	3.4
Other assets	76.9	63.6	61.3
Shareholders equity (before allocation)	298.3	291.7	284.8
<i>of which convertibles</i>	20.4	4.2	4.2
<i>of which PSL</i>	73.2	73.2	73.1
Bank debt	336.9	286.5	284.4
Other liabilities	71.2	45.4	49.3
Total Bilan	706.4	623.6	618.6

Portfolio yield

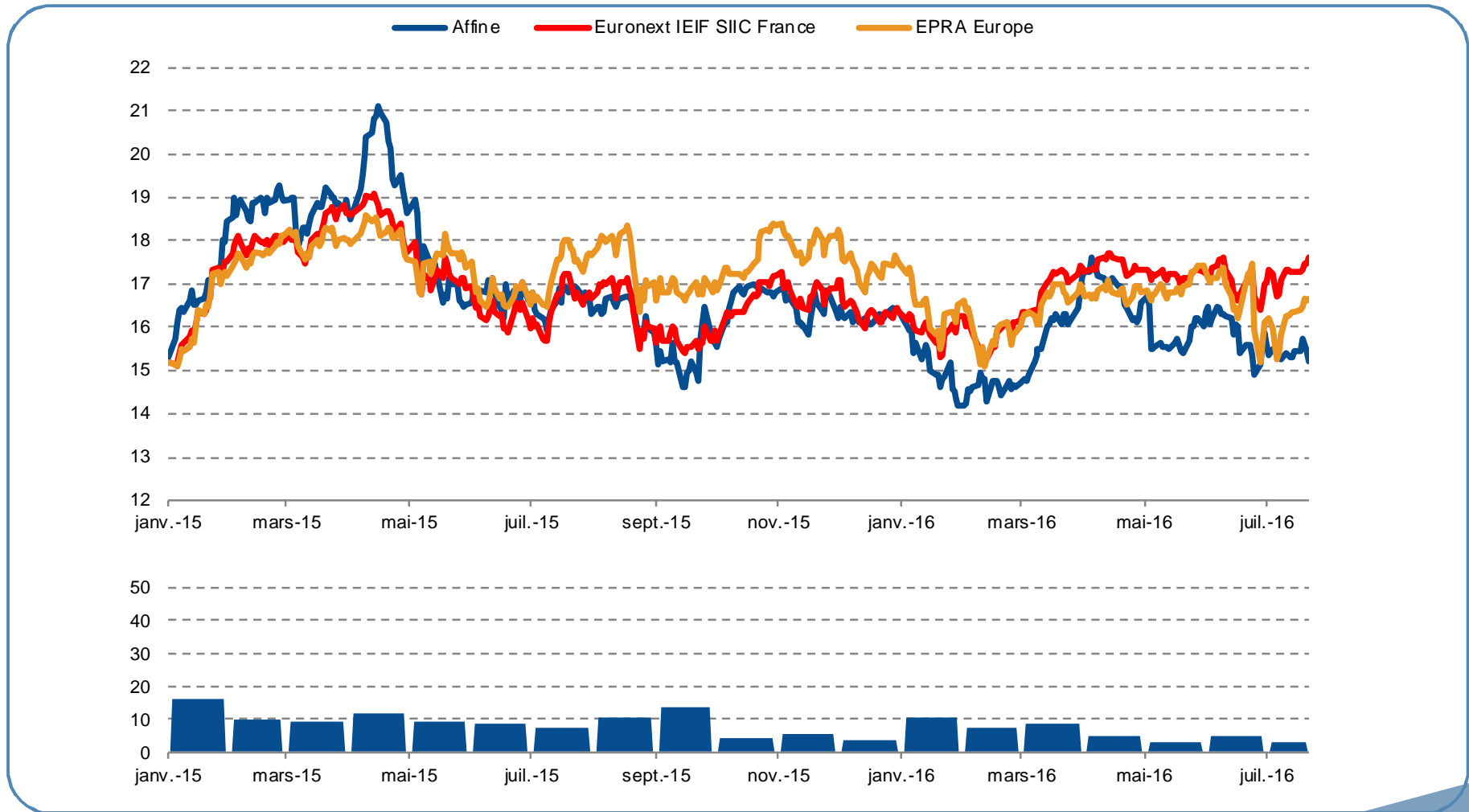
Return by asset type

	Portfolio Split in value	Headline Yield	Potential yield
Offices	65.0%	5.9%	6.9%
Retail	22.2%	6.3%	7.4%
Warehouses & Industrials	12.7%	8.7%	9.2%
Total	100.0%	6.4%	7.3%

Return by location

	Portfolio Split in value	Headline yield	Potential yield
Métropole du Grand Paris	36.6%	5.2%	5.8%
Other Ile-de-France	9.4%	9.1%	10.5%
Other French Regions	52.3%	6.6%	7.6%
Total	100.0%	6.4%	7.3%

Share price (€) and avg transaction vol. (000)

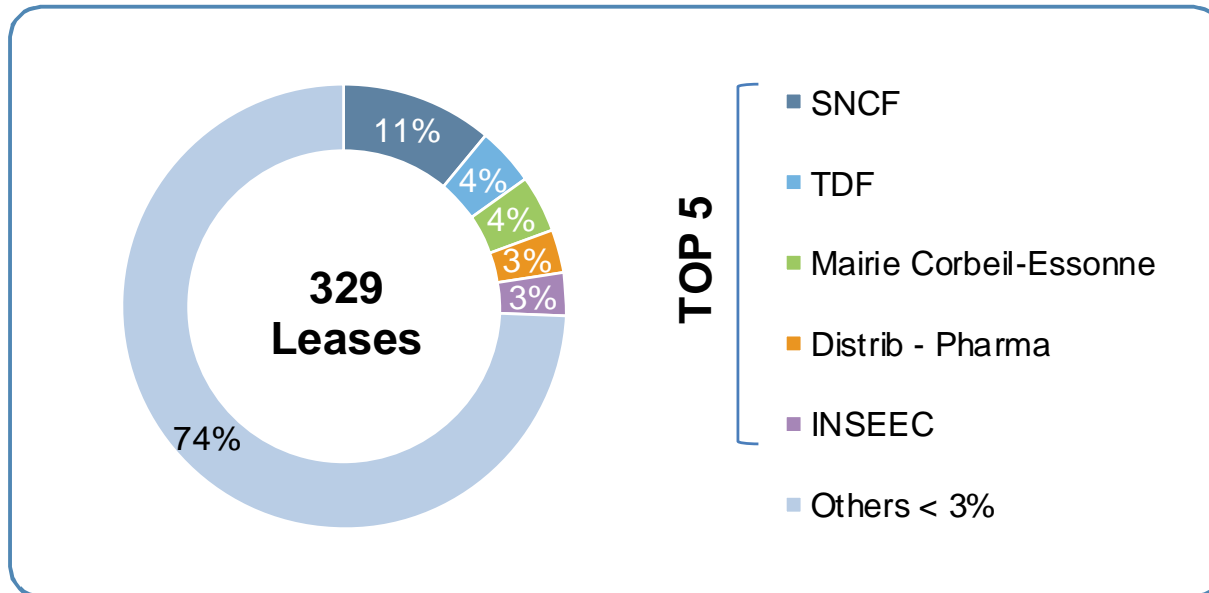


LTV (net debt / portfolio value)

	(€m)	30/06/15	31/12/15	30/06/16
LOAN	Net financial debt	347	284	283
	Debt allocated to lease financing	(11)	(10)	(9)
	Debt for investment properties	336	274	274
VALUE	Value of properties (incl. TT)	604	547	549
	Property companies on equity basis	52	35	36
	VEFA & Fixed assets adjustments	6	6	4
	Adjusted portfolio value incl. taxes	662	588	589
LTV (net debt on portfolio value)		50.8%	46.6%	46.5%

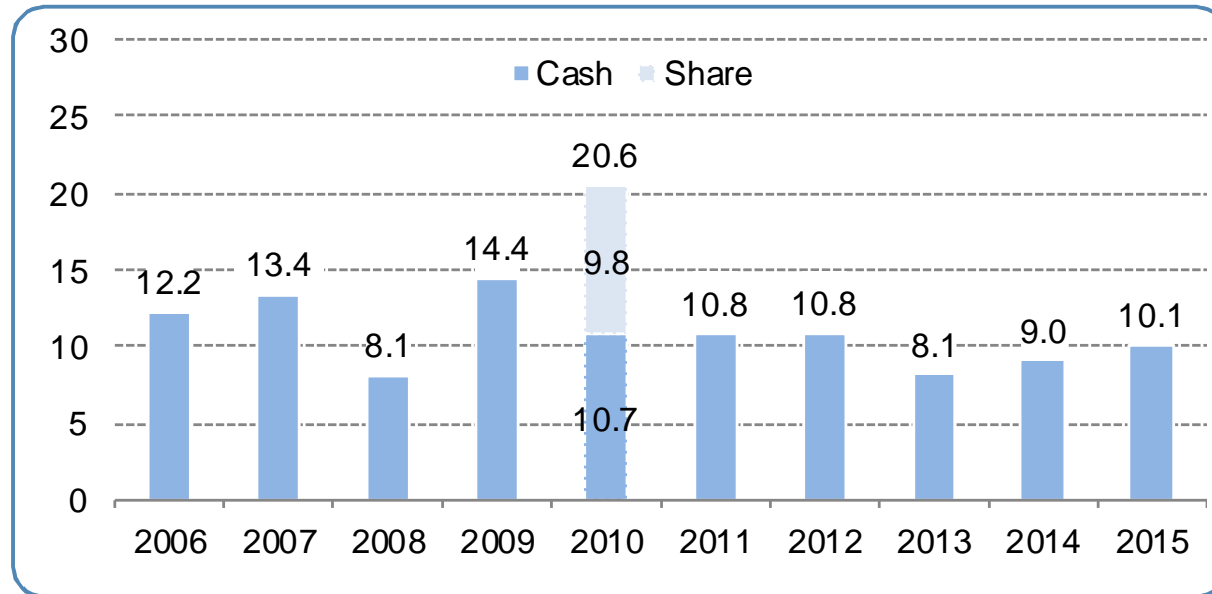
A diversified risk on tenants

A diversified portfolio of customer – Breakdown of rents



Dividend

Affine, high yield property company (€m)



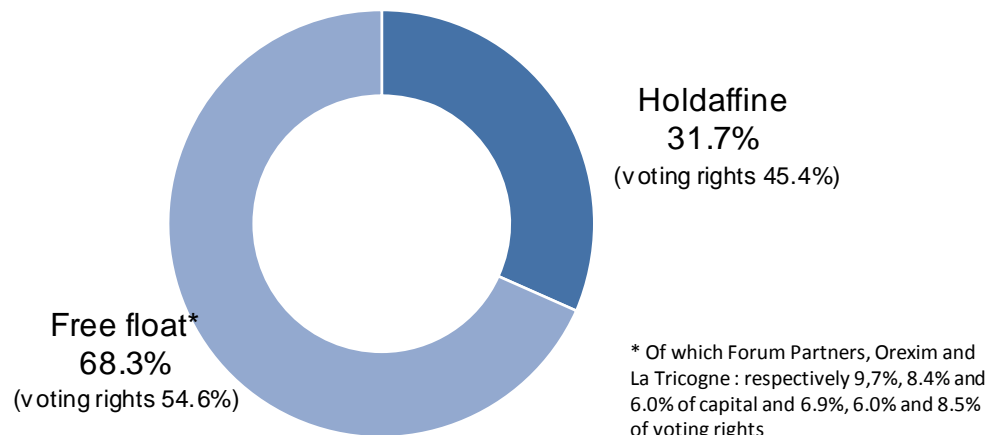
■ A 6.4% yield based on the share price of 30/06/2016 (€15.60)



Shareholding

Shareholding

- Annualised float turnover rate of 25%
- Annualised capital turnover rate of 17%



Affine is listed on NYSE Euronext Paris

30 June 16

Number of shares	10,056,071
Share price	€15.60
Market capitalisation	€156.9m
Change in 2014	-4.6%
EPRA earnings per share	€0.23
Ticker (Bloomberg / Reuters)	IML FP / BTPP.PA