Paris, 3 March 2017, 07:00 a.m.

2016 consolidated annual results

NET PROFIT UP TO €5.5M

- (+) Like-for-like rents increase (+1.0%)
- (-) Impact of disposals (rents: -11.2%)
- (+) Improvement of occupancy rate (+1.7 point)
- (+) Cost of debt down to 2.3%
- (=) Stability of fair value
- (-) Impact of Banimmo (€-7.6 m)

EPRA EARNINGS (EXCLUDING BANIMMO) DOWN TO €11.7M

LTV STABLE AT 46.4% (-0.2 POINT)

CHANGE IN PORTFOLIO

- €22.6m acquisitions and refurbishments (potential rent: €2.5m)
- €17.9m disposals
- €54m pipeline of committed investments and controlled projects (annual potential rent: €4.1m)

EPRA NAV PER SHARE: €21.0
EPRA NNNAV PER SHARE: €24.0

DIVIDEND OF €1.0 PER SHARE (*)

(*) Will be submitted to the vote of the General Meeting of 27 April 2017

The Board of Directors of Affine, held on 28 February 2017, approved the individual and consolidated financial statements as at 31 December 2016. The audit procedures are in the process of finalisation.

1) EARNINGS

The 2016 results reflect the strategy implemented to provide the company with a high-quality property portfolio: disposals of non-strategic assets, which were significantly increased in 2015 to take the opportunity of good market conditions, are entailing a significant decrease in gross rental income, whilst buildings acquired on a turnkey basis (VEFA) will yield rents gradually.

Consolidated net profit for the year amounts to €5.5m versus €0.4m in 2015:

- Rents increased on a like-for-like basis by 1.0%, but disposals made in 2015 and 2016 totalling €113m dragged down the gross rental income of 11.2% compared to 2015.
- The contribution of capital gains from disposals and fair value variations in buildings is nil, while the previous year was affected by capital losses from disposals of a significant proportion of logistics assets (€7.2m).
- Financial costs continue to improve (€7.0m versus €9.1m) resulting from both reduction of debt and drop in financing costs.
- A negative contribution of Banimmo participation (which is 49.5% owned by Affine), has gone from -€16.4m to -€7.6m. (see Banimmo's press release).
- Finally, a few items have negatively impacted the earnings: a decrease of €1.2m in operating profit in extinguishing financial lease, €0.6m in operating expenses and an increase of €1.7m in income tax.

The change in EPRA earnings, a measurement of Affine's consolidated recurring earnings (group share), follows the decrease of the gross rental income, with a fall from €17.4m to €11.7m excluding Banimmo, and from €13.3m to €7.1m, including Banimmo.

For the same reasons, funds from operations dropped from €21.9m to €14.3m. Given the stability of WCR (compared with a €3.2m decrease in 2015), the operating cash flow declined from €26.3m to €22.4m.

The Board of Directors decided to recommend that the Annual General Meeting set the amount of the dividend per share payable for the financial year at €1.0.

2) ACTIVITY

Rental activity was buoyant and the EPRA occupancy rate improved from 85.8% at year-end 2015 to 87.5%.

Over the course of the year, Affine signed €2.3m of new leases, versus €1.1m of expired leases. Renegotiations concerned a total of €2.9m of annual rent (impact for the full year: -€0.1m). These changes should lead to an increase in rents of €0.7m in 2017. Furthermore, tenants giving notice of their departure will have an impact of €0.8m in 2017. Finally, two tenants may leave in 2017 and generate a drop of €0.5m for the year.

For the period, the renewal of the portfolio and its refocusing towards office and retail properties have been pursued by:

- a total of €22.6m of investments through acquisitions and refurbishments to upgrade the quality of assets. Of this total, an amount of €17.9m was deployed in acquiring two new buildings in Clichy and Meudon, as well as four additional floors in the Lilleurope tower. In addition, Affine signed turnkey projects (VEFA) and managed projects for a total pipeline of investments worth €54m.
- the disposal of mature, small assets located outside target areas or building dedicated to logistics amounted to €17.9m.

3) NET ASSET VALUE

At the end of December 2016, the fair value of investment properties was €519m (excluding transfer taxes), down 1.0% on a like-for-like basis versus the end of 2015.

Including the properties of Banimmo (transfer taxes included), the Group's total assets amount to €791m.

EPRA Net Asset Value (excluding transfer taxes, after deducting PSLs and after adjustments to the fair value of derivatives and deferred taxes), fell 2.8% to €215.6m due to the distributions in 2016 (dividends and payment of the BSR bonds and PSL) and losses of Banimmo (-€7.6m). NAV per share (excluding treasury shares and after conversion of BSR bonds), dropped from €21.6 at year-end 2015 to €21.0 (-2.7%).

Lastly, EPRA NNNAV (excluding transfer taxes), which includes the fair value of hedging instruments, deferred tax and the difference between accounting values and the fair value of the debt, amounted to €24.0 per share versus €24.4.

4) FINANCING

€50.2m of new loans were taken out during the period and the company paid off a total of €56.8m.

At 31 December 2016, the financial debt, net of cash, remained stable at €280m (-1.4%). The LTV ratio (net bank debt/market value of buildings including transfer taxes, plus property inventories, plus net position of associates) was 46.4% versus 46.6% at the end of 2015.

The average cost of debt fell from 2.5% to 2.3%. The average term of debt was 5.3 years. There are no significant amount of debt maturing in the next few years.

5) OUTLOOK

Over the last 18 months, the volume of investments deployed or committed is already over €100m. Said investments should ultimately generate an annual rent of €8.5m, €2.4m of which is already recorded in the 2016 accounts (corresponding to an annual potential rent of €4.4m).

Affine is continuing its strategy to renew and streamline the portfolio (essentially office buildings) through a balanced development between Paris Métropole and the six main regional urban areas (Bordeaux, Lille, Lyon, Marseilles, Nantes and Toulouse), in a highly-competitive context.

As for Banimmo, it must revitalise its activities in Belgium by relying on land bank, thereby enabling the development of 290,000 sqm and pursuing the development of city centre shopping centres in France.

Finally, Affine will endeavour to integrate technological developments into the property sector in services for its clients/tenants (renting, new methods for utilising workplaces, etc.).

6) Calendar

- 19 April 2017: First-quarter revenues (after market)
- 27 April 2017: Annual General Meeting
- May 2017: Dividend payment (€1.0*)
- July 2017: 2017 half-year revenues and earnings (after market)
- 18 October 2017: Third quarter revenues (after market)

Consolidated earnings

(M€) (1)	2014	2015	2016
Gross rental income	43.7	39.0	34.7
Net rental income	**39.2**	**34.4**	**29.4**
Other income	1.3	1.2	(0.1)
Corporate expenses	(10.1)	(7.9)	(8.6)
Current EBITDA (2)	**30.3**	**27.7**	**20.7**
Current operating profit	**30.2**	**27.1**	**19.6**
Other income and expenses	0.5	(0.4)	0.3
Net profit or loss on disposals	3.4	(7.2)	(0.0)
Operating profit (before value adjustments)	**34.1**	**19.5**	**19.9**
Net balance of value adjustments	(25.3)	3.8	(0.6)
Net operating profit	**8.9**	**23.2**	**19.3**
Net financial costs	(10.9)	(9.1)	(7.0)
Fair value adjustments of financial instr.	(2.3)	2.1	1.1
Taxes	(1.1)	0.5	(1.3)
Miscellaneous(3)	(0.2)	(0.5)	(0.3)
Associates	(5.3)	(15.7)	(6.4)
Net profit	**(11.0)**	**0.4**	**5.5**
Net profit – Group share	**(11.0)**	**0.4**	**5.5**
Net profit – Group share (excluding Banimmo)	**(6.4)**	**16.9**	**13.1**

(1) Based on IFRS standards and EPRA recommendations.
(2) Recurring EBITDA represents the profit from recurring operations excluding current depreciation and amortisation costs. In 2014, 2015 and 2016, this amount does not include the impairment of buildings in inventory of the property development business of -€1.0 m, -€0.1 m and -€0.2 m respectively, which is recognised under other income and expenses.
(3) Net profit from activities that have been discontinued or are being sold, other financial income and expenses.

EPRA Earnings (indirect method)

(€m)	2014	2015	2016
Net profit – Group share	**(11.0)**	**0.4**	**5.5**
Value adjustments for investment and development properties	24.3	(3.8)	(0.1)
Net profit or loss on disposals	(3.2)	7.2	0.6
Goodwill adjustment	-	-	-
Fair value adjustment of hedging instruments	2.3	(2.1)	(1.1)
Non-current tax, deferred and exit tax	0.6	0.1	0.6
Adjustments for associates	3.4	11.4	1.7
Minority interests in respect of the above	-	-	-
EPRA earnings (4)	**16.5**	**13.3**	**7.1**
EPRA earnings (4) (excluding Banimmo)	**18.3**	**17.4**	**11.7**

(4) EPRA is a trade association of listed European real estate companies, listed on the stock market. In November 2016, this association updated a guide on performance measurement guide. As detailed in the EPRA adjustments note, EPRA earnings essentially exclude the effects of fair value changes and gains or losses on sales.

EPRA EARNINGS (CURRENT/NON-CURRENT PRESENTATION - DIRECT METHOD)

(€m)	2014	2015	2016
Gross rental income	43.7	39.0	34.7
Net rental income	**39.2**	**34.4**	**29.4**
Other income	1.3	1.2	(0.1)
Corporate expenses	(10.1)	(7.9)	(8.6)
Current EBITDA (2)	**30.3**	**27.7**	**20.7**
Current operating profit	**30.2**	**27.1**	**19.6**
Other income and expenses	(0.5)	(0.4)	(0.4)
Net financial costs	(10.9)	(9.1)	(7.0)
Taxes (current)	(0.5)	0.5	(0.7)
Miscellaneous (current) (3)	0.1	(0.5)	0.2
Associates (current)	(1.9)	(4.3)	(4.7)
Net current profit	**16.5**	**13.3**	**7.1**
EPRA earnings (Net current profit – group share)	**16.5**	**13.3**	**7.1**
EPRA earnings (excluding Banimmo)	**18.3**(5)	**17.4**	**11.7**
Other income and expenses (non-current)	1.0	0.1	0.7
Net profit or loss on disposals	3.4	(7.2)	(0.0)
Net balance of value adjustments	(25.3)	3.8	(0.6)
Fair value adjustments of hedging instr.	(2.3)	2.1	1.1
Taxes (non-current)	(0.6)	(0.1)	(0.6)
Miscellaneous (non-current) (3)	(0.2)	(0.0)	(0.6)
Associates (non-current)	(3.4)	(11.4)	(1.7)
Net non-current profit	**(27.4)**	**(12.8)**	**(1.6)**
Net non-current profit – group share	**(27.4)**	**(12.8)**	**(1.6)**
Net non-current profit – group share (excluding Banimmo)	**(24.7)**	**(0.5)**	**1.4**
Net profit	**(11.0)**	**0.4**	**5.5**
Net profit – Group share	**(11.0)**	**0.4**	**5.5**

ABOUT AFFINE

Affine is a real estate company specialising in commercial property. At the end of 2016, it directly owned 43 buildings with a total value of €519m, excluding taxes, for a total floor area of 358,200 sqm. The firm owns office properties (66%), retail properties (23%) and warehouses and business premises (11%). Its assets are distributed more or less equally between Ile-de France and other regions in France.

Affine is also the major shareholder (49.5%) of Banimmo, a Belgian property repositioning company with operations in Belgium and France. At the end of December 2016, Banimmo had total assets of 18 office and commercial buildings, with a value of €238 m (transfer taxes included).

Total Group assets are €791m (including transfer taxes).

In 2003, Affine opted for French real estate investment trust (SIIC) status. Affine's shares are listed on NYSE Euronext Paris (ticker: IML FP/BTTP.PA; ISIN code: FR0000036105) and eligible for the Deferred Settlement Service (long only). It is included in the CAC Mid&Small, SIIC IEIF and EPRA indexes. Banimmo is also listed on NYSE Euronext.

To find out more: www.affine.fr/en/. Follow our news thread on: https://twitter.com/Groupe_Affine

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Appendix to the press release 2016

2016 IN BRIEF

STRATEGY

PROPERTY

ACTIVITY FOR THE PERIOD

FINANCIAL SUMMARY

The financial statements are currently under audit review.

2016 IN BRIEF]

Key figures

Consolidated statements (€m)	2014	2015	2016
Gross rental income	43.7	39.0	34.7
Current operating profit[1]	30.2	27.1	19.6
EPRA earnings (excl. Banimmo)	16.5	17.4	11.7
EPRA earnings	18.3	13.3	7.1
Net profit – group share	(11.0)	0.4	5.5
Funds from operation	22.8	21.9	14.3
Investments (acquisition and works)[2]	21.8	42.9	22.3
FV of investment properties (incl. TT)[3]	610.1	547.0	553.5
FV of investment properties (excl. TT)[3]	575.1	514.4	518.6
EPRA net asset value (excl. TT)[4]	236.0	221.7	215.6
EPRA NNNAV (excl. TT)[4]	261.1	250.0	245.9
Net financial debt	345.0	284.4	280.3
LTV (%)	49.3	46.6	46.4
Average cost of debt (%)[5]	3.0	2.5	2.3
Occupancy rate (EPRA) (%)	90.2	85.8	87.5
EPRA vacancy rate (%)	9.8	14.2	12.5
Figures per share (€)	**2014**	**2015**	**2016**
Net profit[6]	(1.29)	(0.18)	0.34
EPRA earnings (excl. Banimmo)[7]	1.38	1.48	0.95
EPRA earnings[7]	1.56	1.08	0.50
Dividend	1.00	1.00	1.00
EPRA net asset value (excl. TT)[4]	22.99	21.60	21.02
EPRA NNNAV (excl. TT)[4]	25.44	24.35	23.98
Share price (end of the period)	15.17	16.35	14.95

NB: The Banimmo sub-group is consolidated under the equity method. Banimmo's accounts are currently under audit review.
(1) In 2014, 2015 and 2016, this amount does not include the depreciation of buildings in inventory of the property development business of -€1.0m, -€0.1m and -€0.2m respectively, which is recognised under other income and expenses.
(2) At historic cost, with full ownership or under a finance lease agreement.
(3) Fair value of investment properties, including property held for sale, including or excluding transfer taxes. The transfer tax rate used for buildings is 1.8%, 6.9% or 7.5% depending on their status.
(4) Including BRS (bonds redeemable in shares) and after deducting Perpetual Subordinated Loan notes (PSL).
(5) Including hedging costs.
(6) After dilution due to BRS and taking into account the interest on the PSL.
(7) The average number of diluted shares in 2015 was adjusted by the average number of new shares issued from BRS redemption.

Key events

January

Completion of a 5,915 sqm refurbished office space in Lyon (69).

Signature of the turnkey purchase of a 3,844 sqm office space in Nantes (44).

March

Disposal of a 2,168 sqm office space in Aix-en-Provence (13).

April

Disposal of a 12,500 sqm logistics platform in Miramas (13).

May

Disposal of a 5,793 sqm retail unit in Barberey Saint-Sulpice (10).

Delivery by Banimmo of the retail units in the Marché Saint Germain (4,600 sqm) in Paris.

Completion of a 1,500 sqm office space in Clichy (92).

August

Signature of the turnkey purchase of a 5,280 sqm office complex in Lilles (59), in the Euratechnologies area.

September

Acquisition of a 5,053 sqm office space in the Lilleurope tower in Lilles (59).

Disposal by Banimmo of a 16,000 sqm office space in Zaventem on the outskirts of the Brussels.

Acquisition by Banimmo of a 5,100 sqm shopping complex in Anglet (64).

October

Signature of the turnkey purchase of a 5,400 sqm office complex in Meudon (92).

November

Disposal by Banimmo of the Marché Saint Germain (4,600 sqm) in Paris.

December

Disposal of a 3,488 sqm industrial premises in Aulnay-sous-Bois (93).

Disposal of a 5,546 sqm industrial premises in Aix-les-Milles (13).

Strategy focused on 4 areas

This has been developing over 4 years in 4 areas:

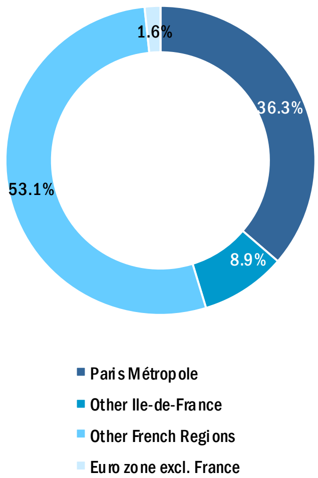
- sustained work aimed at upgrading the properties directly owned by Affine: improving their quality in terms of sustainable development, paying attention to the tenant comfort and thereby generating improved rent stability and occupancy levels, and optimising management through an efficient information system;
- investments focusing on new or recent, certified green buildings which are medium-sized compared to their market (for example, €10m to €20m for offices), or ensuring high rental income while also offering potential value creation due to their location or rental situation;
- balanced development between the Paris region, representing about half of the properties, and major regional target cities benefitting from good national and international transport services and a strong demographic and economic momentum: Bordeaux, Nantes, Lille, Lyon, Marseille and Toulouse;
- Incorporating technological developments into the property sector (rental services, new ways of using space, etc.).

Regarding Banimmo, the company must boost its business in Belgium by relying on its land reserves, and continue the development in France of shopping centres in the city centre.

Breakdown

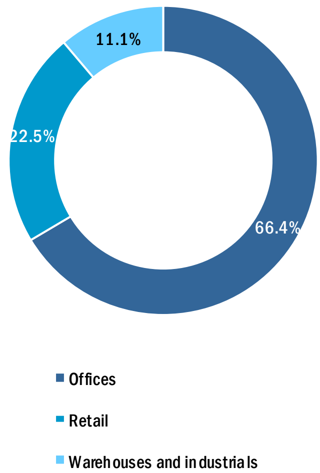
Affine owns 43 properties with a total value of €554m including transfer taxes, with a total surface area of 358,200 sqm.

Breakdown of value by region



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

Breakdown of value by type



Offices

The Office property portfolio represents 163,800 sqm and is valued at €367m including transfer taxes. In particular, it contains assets such as the 7,800 sqm Traversière tower in Paris, close to Gare de Lyon and occupied by SNCF (the French national railway company), the Lille Europe tower (19,000 sqm) over the Euralille train station, the Tangram building in Lyon Part-Dieu (5,900 sqm) and the Les Amarantes buildings in Toulouse (5,800 sqm).

Retail

Commercial properties consist chiefly of city-centre retail real estate such as Les Jardins des Quais in Bordeaux (25,000 sqm) and Les 7 Collines shopping centre in Nîmes (14,000 sqm) giving a total of 59,300 sqm. The fair value of those properties is €125m including transfer taxes.

Warehouses and industrials

A large proportion of the Affine logistics properties was sold in 2015. At the end of 2016, these properties represent a total surface area of 135,100 sqm and are appraised at about €61m including transfer taxes.

Fair value

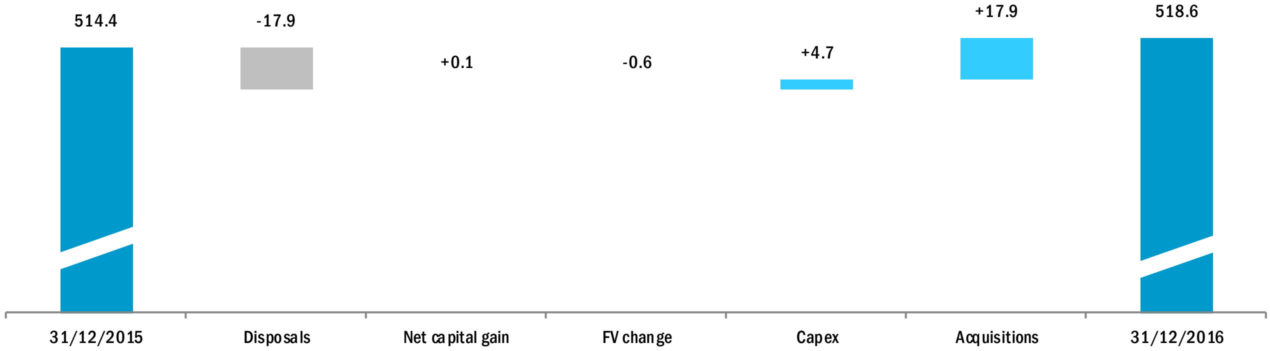
Fair value of directly owned properties

The fair value (including transfer taxes) of the 43 properties stood on 31 December 2016 at €554m compared with €547m at the end of 2015.

Excluding transfer taxes, the value of the properties went from €514m at the end of 2015 to €519m at the end of 2016. This change resulted from:

- disposals totalling €17.9m, with a net capital gain of €0.1m;
- €17.9m of acquisitions;
- €4.7m of investments for improvement of existing properties, €1.2m of which for the Tangram in Lyons;
- a €0.6m decrease in fair value of buildings in the portfolio at the end of the period on a like-for-like basis;

Change in the value of buildings, excluding transfer taxes (€m)



The €0.6m decrease on a like-for-like basis in the portfolio's fair value (that is 1.0%) is the result of:

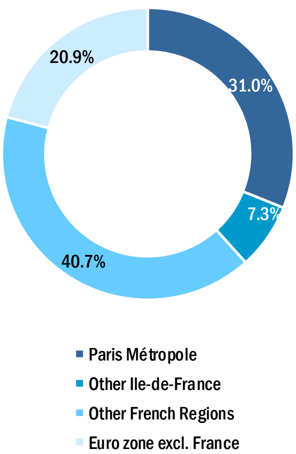
- a 1.0% decrease due to the fall in market rents (ERV).
- a 3.5% increase due to lower yield rates used by appraisers,
- a residual 3.4% decrease (works to be carried out, reversion, etc.).

The average yield resulting from appraisals is 6.4%. A downward or upward change of 25 basis points in this rate would lead to an increase or a decrease respectively of the portfolio's value of €20.8m.

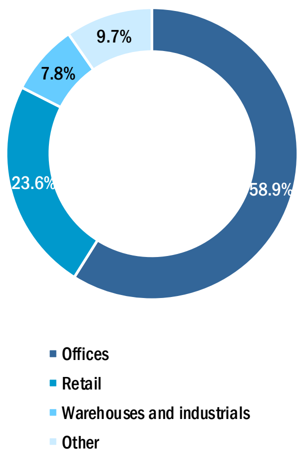
Fair value of total property

By including the buildings owned by Banimmo, the fair value (including transfer taxes) of total property stood at the end of 2016 at €791m compared with €897m at the end of 2015.

Breakdown of value by region



Breakdown of value by type



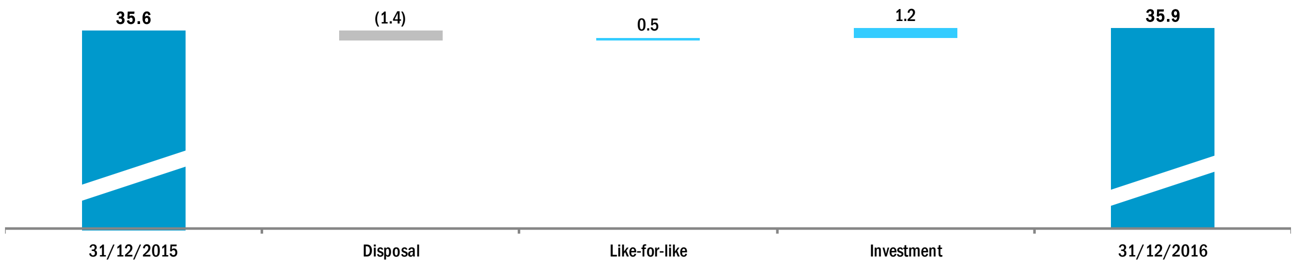
Affine

Headline rents

Rents from leases in effect at 31 December 2016 accounted for €35.9m on an annual basis, an increase of 1.3% on a like-for-like basis compared with 31 December 2015, resulting mainly from the decrease in vacancy.

After taking into account acquisitions and disposals, headline rent went up 0.8%.

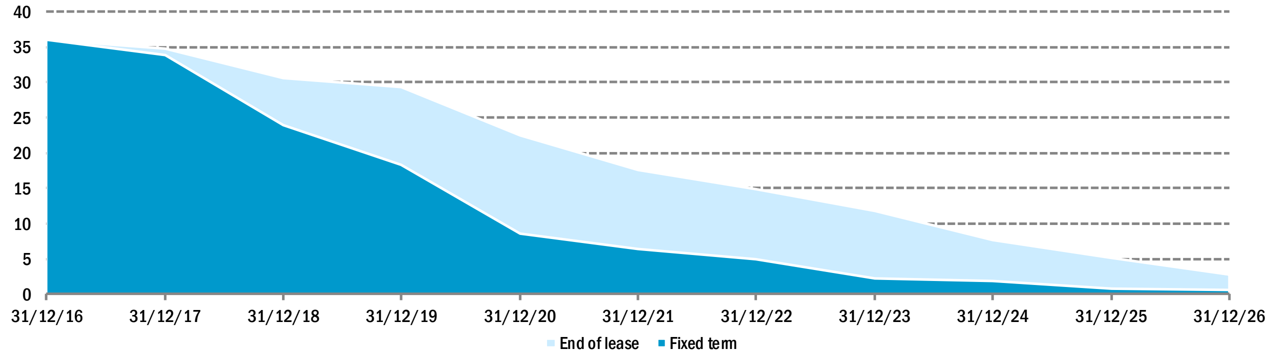
Change in headline rents (€m)



Over the year, Affine signed 30 new leases concerning a total surface area of 33,100 sqm and total annual rents of €2.3m. Furthermore, 26 tenants quit their premises, representing in all, a total surface area of 6,600 sqm and annual rents of €1.1m. Finally, 27 leases representing a total amount of €2.9m (after renegotiation – impact on an annual basis: -€0.1m) were renegotiated and for which priority has been given to extending the minimum period of the leases. Overall, the rental income should increase by €0.7m in 2017.

The average term of leases and their fixed term are 5.1 and 2.9 years respectively (compared to 5.5 and 3.0 years in 2015).

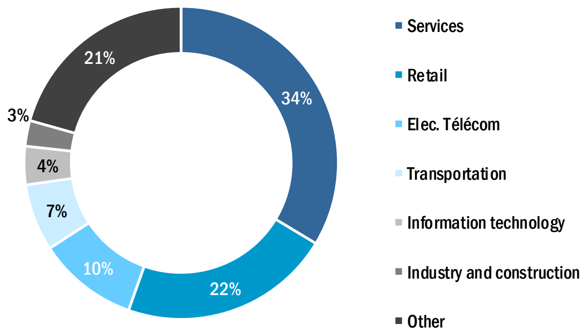
Schedule of leases (€m)



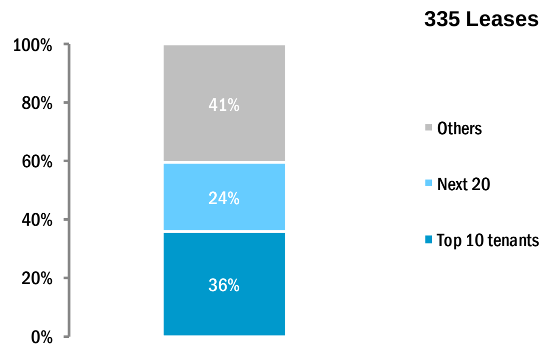
Lease cancellations represent a -€0.8m impact on 2017. Further to this, 2 major tenants might leave in 2017 with a potential impact of €0.5m over 2017.

Among the top thirty tenants, who account for 59% of total rents, none should exceed 10%; this dispersion reduces the risk on rental income. Owing to the sales carried out this year, the largest tenant, SNCF (French national railroad), exceeded this threshold and shall be diluted with forthcoming acquisitions. The other largest tenants are: TDF, the Corbeil-Essonnes municipal authority, and Carrefour.

By business sector of rents



Lease breakdown



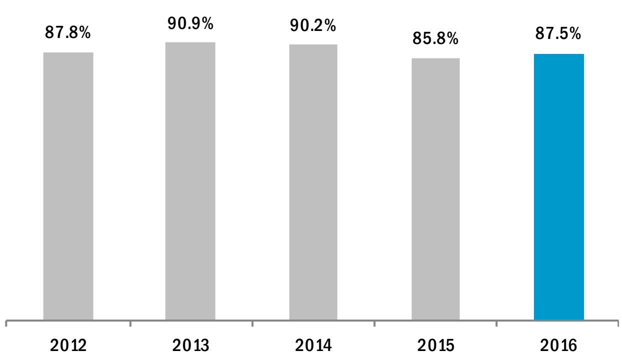
Occupancy rate

As many buildings are occupied by multiple tenants, the mid-term target occupancy rate ranges between 93% and 95%. Taking into account the capital recycling acceleration of those last few years, aiming at rejuvenating and streamlining the portfolio, this target rate is brought back close to 90% in the short run. This change is the result of the strategy to sell off mature buildings, often completely let and located outside the target areas, and invest in new buildings which are in the process of being marketed or offer potential for value creation due to their rental situation, i.e. an occupancy rate temporarily below the target rate.

At 31 December 2016, Affine's (EPRA/financial) occupancy rate (excluding a building currently under refurbishment in Gennevilliers) improved to 87.5%, compared with 85.8% at the end of 2015. The execution of the promise to sell the Tremblay-en-France site, signed at the end of 2016, represents a gain of 1.7 points on the occupancy rate.

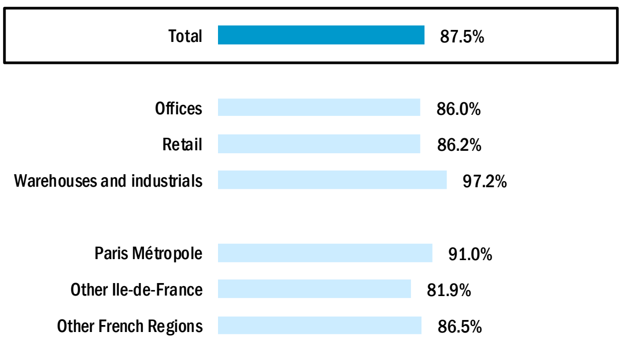
60% of the Company's EPRA vacancy (financial) is concentrated in four properties: offices in Trappes, Tremblay-en-France and Lyons, and a shopping centre in Nimes.

Occupancy rate (EPRA)*



* Financial occupancy rate excluding buildings being refurbished.

Occupancy rate by type and regions



Investments & Disposals

Refurbishment

The renovation of the Tangram, a close to 6,000 sqm office building located at boulevard des Tchécoslovaques in Lyon in the Part-Dieu area, was completed in mid-January 2016. In this context, the company obtained the DEFFIBAT grant issued by the ADEME energy and environment agency. The purpose of this plan is to bring out the best initiatives in the Rhône-Alpes region both in terms of low energy consumption and in terms of environmental and health issues (quality of life and use, water, waste, etc.). The company is aiming for a BBC Renovation Effinergie endorsement. Half of the building has already been let to ISCOM, an educational institution, since the beginning of this year, with the rest under marketing.

Acquisitions

Nantes

In early 2016, Affine signed a turnkey project for a 3,844 sqm office building from the consortium Sogeprom-ADI close to the Euronantes Railway station district of Nantes for €9.8m (including transfer taxes). To seize this opportunity, Affine partnered in 2014 with the consortium to win the call for bids issued by the City of Nantes for this mixed-use development of 12,800 sqm on its Plot 1E site, which will include residential, office, and light industrial space.

This eight-storey building (-1 to +6), which will be the recipient of a BREEAM label, will include 3,544 sqm of office space, 300 sqm of light industrial space and 34 parking units underground. The architectural design is to be provided by Art & Build (Paris) with a completion date scheduled for the second half of 2018.

Clichy-La-Garenne

Maison du Whisky is settling into the new building Les Horizons at Porte de Clichy. Since October, it has established its corporate headquarters over approximately 1,500 sqm, and will take all 7 levels (from the basement level to the 6th floor) in the building, under a 12-year lease, starting with a 6-year fixed term. This building was acquired by Affine on a turnkey basis in October 2015.

It benefits from the BREEAM label and has a distinctive facade with vegetation and flower planters on each level, in addition to a rooftop terrace.

It is located at the exit from the Paris ring road and is part of the Clichy-Batignolles Paris area, one of the new major hubs in the north-west of Paris around the future Judicial Precinct.

Lille

Affine acquired four additional floors in the Lilleurope Tower, an office building in which the company already owns 15 of the 20 floors purchased in 2006, 2008 and 2012. In addition to an immediate increase in rental income, this investment gives Affine the control of this iconic building in order to launch an upgrade program over the next few years.

The four levels represent a surface area of 5,000 sqm and are fully let for a rent of €0.7m. The building is almost fully occupied by various blue-chip tenants such as EDF, Europorte, Macif, SNCF and Tereos.

Located at the heart of Euralille, the third largest business district in France after La Défense (Paris) and La Part-Dieu (Lyon), and overlooking the Lille Europe international TGV (high-speed train) station, the tower stands on one of the city's prime locations. It can be easily reached by rail, road or public transport. The location is set to become even more attractive with the ramp-up of traffic at the Lille Europe train station, the positioning of Euralille as the business district of Lille metropolitan area, the development of Euralille 2, and other urban development projects under study.

Meudon

Affine has signed a purchase agreement with Bouygues Immobilier for the Green Office® en Seine project, a 5,400 sqm office and retail building located in Meudon (Hauts-de-Seine), in the inner suburbs of Paris. This real estate complex, which is currently being marketed to tenants, should be completed by the end of 2017 and is expected to generate around €2m in annual rental income.

This complex, which will be HQE certified (green label), includes two office buildings with 3,800 sqm and 1,610 sqm across four levels (G+3), connected by a walkway, totalling 4,940 sqm of office space, 500 sqm of retail space on the ground floor and 113 underground parking lots.

The Green Office® en Seine project is located in a business district area that includes Boulogne, Issy-les-Moulineaux, Sèvres and Meudon bordering the Seine river across from the Ile Seguin.

Green Office® en Seine belongs to the latest generation of positive energy buildings developed by Bouygues Immobilier and is part of an ambitious environmental strategy by aiming to obtain the BEPOS Effinergie Label and the "exceptional HQE passport" environmental certification.

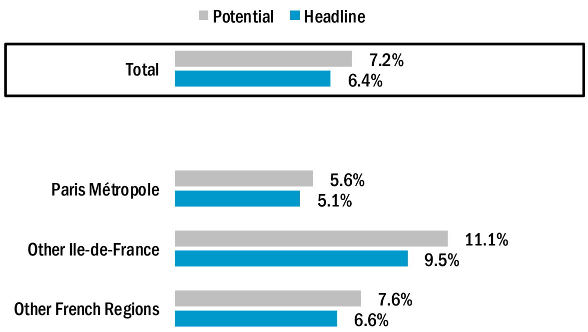
Disposals

As part of its process to reinvigorate and improve its property portfolio, Affine sold, over the period, buildings regarded as mature, too low in value or located outside target development areas: offices in Aix-en-Provence (2,168 sqm); retail in Barberey Saint-Sulpice (5,793 sqm); warehouse in Miramas (12,500 sqm); industrial premises in Aulnay-sous-Bois (3,488 sqm) and in Aix-les-Milles (5,546 sqm). Overall, the properties were generally disposed of at prices very close to fair value at the end of 2015.

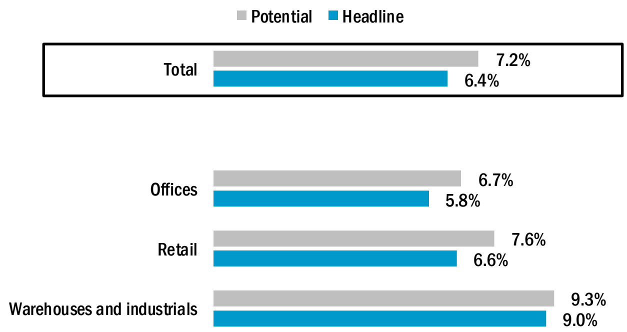
Pipeline

The program for the acquisition and upgrade of assets in progress amounts to €54m in pipeline with €51m already committed: Meudon, Euronantes and Euratechnologies. Other projects are under study.

Rental yield of assets by region



Rental yield of assets by type



Banimmo

At 31 December 2016, Banimmo owned 18 buildings, 4 of which through joint ventures, with total surface area of around 155,000 sqm, and 5 land parcels, one of which through a joint venture, along with large land reserves. At the end of December, the occupancy rate dropped to 70.4% due to the sale of two buildings during the year.

- The 4600 sqm Marché Saint-Germain in Paris for €130m;
- In September, a company holding a multi-tenant 16,000 sqm office building at Zaventem Alma Court in the suburbs of Brussels, on the basis of a value of €30m.
- At year-end, its 50% stake in an office building project in Namur (Cauchy Blvd).

In addition, a commitment was signed for the sale of Halle Secrétan in Paris in October. Finally, in February 2017, Banimmo sold a company that held a 14,000 sqm office building in Antwerp with a value of €13.2 m.

These sales were in line with the €190m disposal program proposed in the strategic plan in order to lower the LTV, which fell to 49.5% at year-end.

The vacancy was mostly concentrated in two Brussels office buildings, North Plaza (13,000 sqm) and Diamond (4,700 sqm on a total surface area of 14,300 sqm), and a site in the Paris region (20,000 sqm).

The company carried out the following development operations during the financial year:

- Athena Business Centre in Vilvorde: In June 2016, Banimmo initiated the procedure to change the use of this five-hectare site. The buildings, currently used for warehousing and office space, will be converted into new residential space, comprising 250 housing units (flats, single-family homes, etc.). The new development is named "Groenloo" and approval of the communal development plan (RUP) is expected in the second half of the year.
- Marché Saint-Germain in Paris (4,600 sqm): the rebirth and renovation of the market has attracted prestigious tenants. The shopping mall, open since December, has been fully let and will generate rental income of over €4.3m; it was sold in late 2016 generating a significant capital gain.
- Verpantin shopping centre in Pantin (4,700 sqm): Banimmo swapped certain retail spaces with joint owner Leclerc, to allow the upcoming launch of refurbishment work on the site. It will include work on the façade, equipment and common areas of the mall, while tenants continue to use the mall.

Lastly, Banimmo acquired a 5,100 sqm shopping complex in Anglet in southwestern France, for €17.4m.

Banimmo also holds investments in companies consolidated under the equity method:

- Grondbank The Loop (25%): ongoing remodelling and development of land around the Flanders Expo complex in Gand, in cooperation with the municipal authority. It contributes marginally to net income;
- Conferinvest (49%): operation of two Dolce conference centres in Bruxelles-La Hulpe and Chantilly.

The Urbanove joint venture, in which Banimmo held a 44% stake alongside the Walloon Region (S.R.I.W.), certain other public entities (NamurinVest, Meusinvest and Invest Services), Besix and Banque Degroof Petercam has seen major changes during the year:

- On 30 March 2016, Urbanove Shopping Development and its subsidiaries filed a motion before the Brussels Commercial Court to open a Judicial Reorganisation Procedure (JRP), which was accepted on 15 April 2016, and renewed on 17 June 2016 until 30 November 2016.
- This JRP was intended to recapitalise the two LRV and LCV development subsidiaries, mainly through external investors, completed by the restructuring of existing debt. The approval of the JRP by the court in December must lead to the disposal by Urbanove of the 2 commercial projects of Namur and Verviers

to allow repayment of a portion of the bank loans; on the other hand, the mezzanine debt will not be repaid, which will result in a definitive loss of €27.7m for Banimmo.

Banimmo's recurring operating result and operating result were up sharply owing to the sale of Alma Court building and the Marché Saint-Germain. Taking into account the financial expenses, taxes, a provision of €14.7m on the value of buildings (primarily North Plaza) and the loss on the Urbanove mezzanine debt (-€27.7m), Banimmo reported a net loss of -€15.4m.

At the end of December 2016, Banimmo's Net Asset Value totalled €82.7m, i.e. €7.3 per share (versus €11.2 at the end of 2015), compared with a 2016 year-end market price of €4.09, and a carrying value of €5.1.

The strategy approved by the Board of Directors is organised around the concentration of its portfolio, continued reduction of general expenses, strengthening equity and the relaunch of the group's basic businesses: redevelopment of city centre commercial centres in France and the development of its land reserves in Belgium.

Banimmo, which is 49.5% owned by Affine, is consolidated under the equity method.

As Banimmo is listed for trading on NYSE Euronext Brussels, all details are available on the www.banimmo.be website.

Consolidated earnings

Consolidated earnings (€m)[1]	2014	2015	2016
Gross rental income	43.7	39.0	34.7
Net rental income	**39.2**	**34.4**	**29.4**
Other income	1.3	1.2	(0.1)
Corporate expenses	(10.1)	(7.9)	(8.6)
Current EBITDA[2]	**30.3**	**27.7**	**20.7**
Current operating profit	**30.2**	**27.1**	**19.6**
Other income and expenses	0.5	(0.4)	0.3
Net profit or loss on disposal	3.4	(7.2)	(0.0)
Operating profit (before value adj.)	**34.1**	**19.5**	**19.9**
Net balance of value adjustments	(25.3)	3.8	(0.6)
Net operating profit	**8.9**	**23.2**	**19.3**
Net financial cost	(10.9)	(9.1)	(7.0)
Fair value adjustments of financial instr.	(2.3)	2.1	1.1
Taxes	(1.1)	0.5	(1.3)
Miscellaneous[3]	(0.2)	(0.5)	(0.3)
Associates	(5.3)	(15.7)	(6.4)
Net profit	**(11.0)**	**0.4**	**5.5**
Net profit – group share	**(11.0)**	**0.4**	**5.5**
Net profit – group share (excl. Banimmo)	**(6.4)**	**16.9**	**13.1**

EPRA adjustments	27.4	12.8	1.6
EPRA earnings[4]	**16.5**	**13.3**	**7.1**
EPRA earnings (excl. Banimmo)	**18.3[5]**	**17.4**	**11.7**

NB: The Banimmo sub-group is consolidated under the equity method. Banimmo's financial statements are currently under audit review.
(1) Based on IFRS standards and EPRA recommendations.
(2) Current EBITDA represents the current operating profit excluding current depreciation and amortisation costs. In 2014, 2015 and 2016, this amount does not include the depreciation of buildings in inventory of the property development business of -€1.0m, -€0.1m and -€0.2m respectively, which is recognised under other income and expenses.
(3) Net profit from activities that have been discontinued or are being sold, other financial income and expenses.
(4) The European Public Real Estate Association (EPRA) updated its Best Practice Recommendations in November 2016 which give guidelines for performance measures. As detailed in the EPRA adjustments note, EPRA earnings essentially excludes the effects of fair value changes and gains or losses on sales.

While on a like-for-like basis rents were up by 1.0%, the impact in 2016 of the disposal of the logistics platforms realised in the second half 2015 explains most of the 11.2% and 14.7% decrease of the gross rental income and net rental income respectively.

Consequently, current operating profit decreased from €27.1m to €19.6m, also reflecting a decrease in income from lease-financing (-€1.2m).

The slight €0.6m decrease in fair value of the buildings (vs +€3.8m in 2015), led to a decrease in net operating profit of 16.7% to €19.3m.

Net financial costs decreased to €7.0m (vs €9.1m) owing to the loan reimbursements related to the disposals. The fair value of financial instruments benefited from the rise of long-term rates (+€1.1m vs +€2.1m in 2015).

Associates mainly reflected the situation of the stake in the Belgian company, Banimmo, which came from -€33.2m to -€15.4m. The negative contribution to Affine results amounted to -€7.6m (vs -€16.5m).

Consequently, Affine posted a net profit excluding Banimmo of €13.1m and a net consolidated profit of €5.5m compared to €0.4m for the same period last year.

Adjusted for exceptional items such as changes in fair value and gains or losses on disposals, EPRA earnings excluding Banimmo amounted to €11.7m (versus €17.4m). After the integration of Banimmo, the EPRA earnings came out at €7.1m compared with €13.3m for 2015.

Consolidated cash flow

Cash Flow (€m)	2014	2015	2016
Funds from operation	**22.8**	**21.9**	**14.3**
Funds from operation excluding cost of debt and taxes	**34.3**	**30.1**	**22.2**
Change in WCR	(13.2)	(3.2)	0.2
Taxes paid	(1.2)	(0.6)	(0.0)
Operating cash flow	**19.9**	**26.3**	**22.4**
Investments	(22.1)	(43.2)	(22.6)
Disposals	25.2	94.0	18.3
Other	0.1	0.0	2.2
Investment cash flow	**3.2**	**50.8**	**(2.2)**
New loans	44.7	43.4	50.2
Loan repayments	(60.4)	(101.8)	(56.8)
Interest	(11.2)	(9.3)	(7.1)
Other (including dividend)	(13.9)	(9.1)	(4.8)
Financing cash flow	**(40.8)**	**(76.8)**	**(18.5)**
Change in cash position	**(17.7)**	**0.4**	**1.7**
Net cash position	**1.8**	**2.1**	**3.9**

Funds from operation (FFO) decreased to €14.3m in connection with changes in rental income; excluding financial costs and taxes, FFO settled at €22.2m.

The WCR is stable with a change of €0.2m (vs. -€3.2m). Operating cash flow was thus €22.4m versus €26.3m for the same period in 2015.

The disbursements related to investments went down with an amount of €22.6m compared with €43.2m in 2015. Affine is committed to turnkey projects, the disbursements of which are spread over the construction period. The contribution of the sale of buildings amounted to €18.3m. The capital gain related to the disposal by Concerto European Developer of the logistics platform completed for Petit Bateau (of which Affine owned 40%) represented €2.2m. Total cash flow from investments came to -€2.2m (vs. €50.8m).

The net balance of financing operations, including dividends distributed and financial costs, generated negative cash flow of €18.5m, with new borrowings covering 88% of repayments over the period.

The available cash position thus increased over the year to reach €3.9m.

Consolidated balance sheet

Consolidated balance sheet (€m)	2014	2015	2016
ASSETS	**706.3**	**623.6**	**610.2**
Properties (excluding transfer taxes)	575.1	514.4	518.6
of which investment properties	426.9	456.0	469.4
of which property held for sale	148.2	58.5	49.2
Equity holdings	0.3	0.0	0.0
Associates	54.7	38.8	31.6
Cash	4.3	6.7	4.9
Other assets	72.0	63.6	55.1
LIABILITIES	**706.3**	**623.6**	**610.2**
Shareholders' equity (before allocation)	303.5	291.7	285.0
of which BRS	*20.4*	*4.2*	*4.2*
of which PSL	*73.2*	*73.2*	*73.1*
Bank debt	346.7	286.5	284.2
Other liabilities	56.0	45.4	41.0

Net asset value

At 31 December 2016, total shareholders' equity amounted to €285.0m, a decline of €6.7m compared to late 2015, due to, on the one hand the distribution made in 2016 (dividends and payment of BRS and PSL coupons) and, on the other hand, the decrease in net book value of Banimmo, consolidated under the equity method, from €36.1m to €28.5m. After deducting quasi-equity (€73.1m in perpetual subordinated loan notes), and adjustments to the fair value of derivatives and deferred taxes, the EPRA net asset value excluding transfer taxes was €215.6m (-2.8%). NAV per share was €21.02 (after BRS dilution and excluding treasury shares), down 2.7% compared with 31 December 2015. Including transfer taxes, NAV per share was €24.47.

NAV (€m)	2014	2015	2016
Shareholders' equity (before allocation), Group share	303.5	291.7	285.0
PSL adjustment	(73.2)	(73.2)	(73.1)
IFRS NAV (excl. TT)	230.3	218.6	211.9
EPRA adjustments	5.6	3.1	3.7
EPRA NAV (excl. TT)	**236.0**	**221.7**	**215.6**
EPRA NAV (incl. TT)	272.5	255.1	250.9
Diluted number of shares (excl. Tr. shares)	10,264,583	10,265,026	10,254,952
Diluted EPRA NAV (excl. TT) per share (€)	**22.99**	**21.60**	**21.02**

EPRA NNNAV, including the fair value of hedging instruments, deferred tax, and the difference between the accounting and discounted value of the debt, amounted to €24.0 (excl. transfer tax).

Financing

The financing policy based on long-term relationships with its banks and dedicated per-transaction medium-term financings, secured with mortgages and with medium-term repayment periods, enables Affine to benefit from access to bank financing on competitive terms.

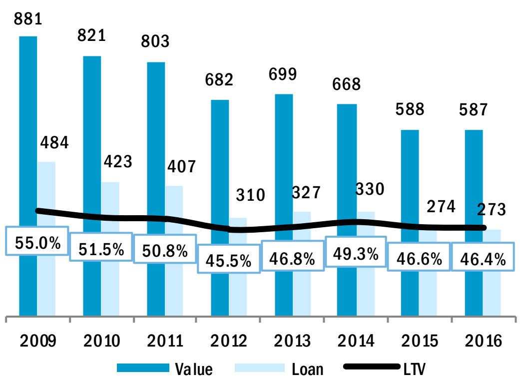
Affine has a resilient risk profile thanks to the large proportion of non-Paris assets in its portfolio, which are more stable and more profitable than its Paris assets, and the diversification of its portfolio.

Affine therefore has good visibility to manage its liabilities by keeping a smooth debt profile, while avoiding in general any financial covenant on the company itself. This allows Affine to optimise the use of its equity by maintaining an LTV ratio close to 50%.

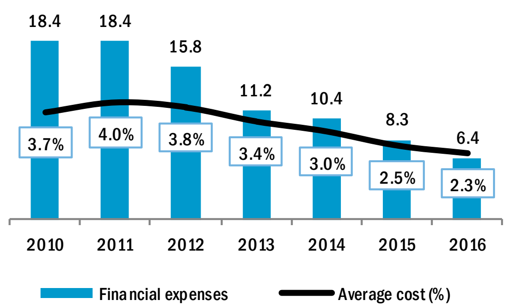
New bank loans taken out in 2016 amounted to €50.2m compared to the €56.8m related to bank debt amortisations and reimbursements over the period.

In addition, the company secured short-term lines of credit totalling €19m.

LTV (Loan-to-Value) (€m)



Cost of debt (€m)



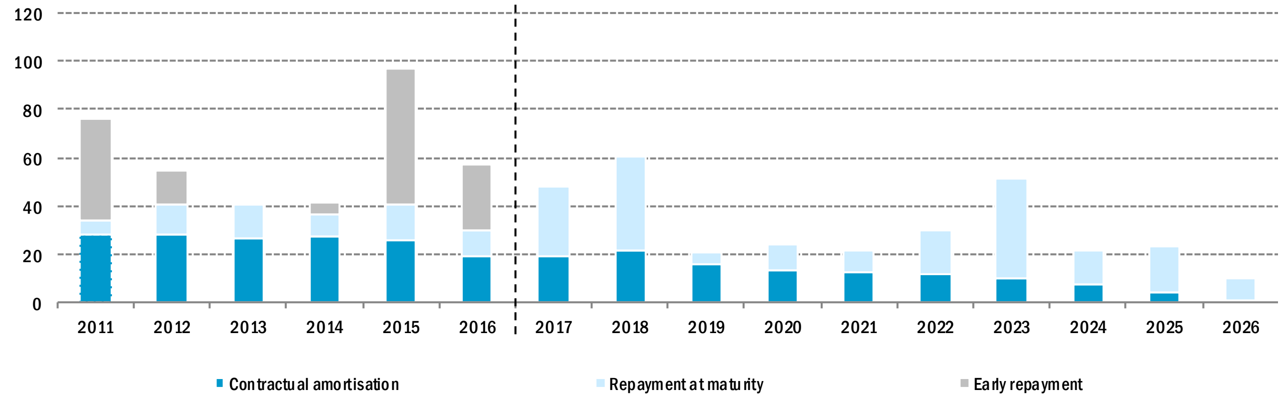
At 31 December 2016, the company's net financial debt (net of cash and cash equivalents) was €280m compared with €284m at year-end 2015. This corresponds to 1.0 times total shareholders' equity.

After deducting the debt allocated to residual finance lease activities (€8m), net financial debt for investment properties, inventories and the Affine stake in the net value of associates (€30m), totalled €273m, resulting in an LTV ratio of 46.4%, compared with 46.6% at year-end 2015.

The ratio of financial costs to average net financial debt resulted for the year in an average cost of debt of 2.3%, down compared to 2015 (2.5%).

At 31 December 2016, the average maturity of debt was 5.3 years. Debts are amortised at a pace corresponding to the life of the underlying asset, with the balance of the loan repaid at final maturity or refinanced. The graph below shows that the company has no major maturities occurring over the next few years.

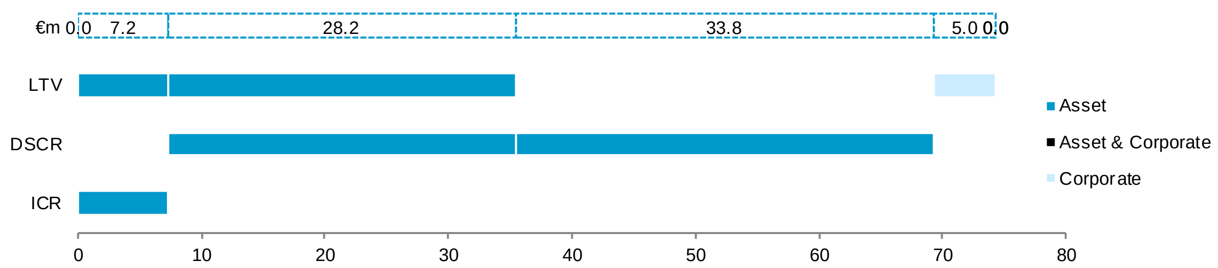
Debt amortisation (€m)



The chart below shows the amounts of debt for Affine which are subject to covenants on the financed asset. The corporate covenant is related to the Micado bond of €5.0m.

At 31 December, no compulsory early repayment was required in part or in whole on any credit due to a failure to comply with financial ratios reported on that date.

Breakdown of covenants (€m)



LTV (net debt / property value)

(€000')	2014	2015	2016
Net financial debt	344 981	284,399	280,291
Debt allocated to lease financing	(15 376)	(9,989)	(7,544)
Net debt for investment properties	**329 605**	**274,410**	**272,747**
Value of properties (incl. TT)	610 106	546,978	553,515
Associates	52 710	35,653	30,073
VEFA & Fixed assets adjustments	5 544	5,844	3,702
Adjusted portfolio value incl. taxes	**668 361**	**588,475**	**587,290**
LTV	**49,3%**	**46.6%**	**46.4%**

Detailed consolidated statements

Consolidated income statement – Condensed presentation

(€000')	2014	2015	2016
Gross rental income	**43,687**	**39,029**	**34,662**
Service charge income/(expenses)	(3,865)	(4,033)	(5,434)
Other property income /(expenses)	(625)	(561)	215
NET RENTAL INCOME	**39,197**	**34,435**	**29,443**
Earnings from finance leases (FL)	842	1,255	10
Earnings from property development	441	(22)	(18)
Other activities	-	(34)	(128)
Corporate expenses	(10,148)	(7,943)	(8,571)
CURRENT EBITDA(1)	**30,332**	**27,690**	**20,735**
Amortisation and depreciation	(132)	(609)	(1,117)
CURRENT OPERATING PROFIT	**30,200**	**27,081**	**19,618**
Charges net of provisions	(633)	(300)	(109)
Net other income and expenses	1,159	(61)	432
Gains on disposal of Investment Properties	3,389	(7,507)	73
Options exercised on FL properties	(0)	278	0
Gains on disposals of operating assets	12	(12)	(95)
Net profit or loss on disposals	**3,401**	**(7,241)**	**(22)**
OPERATING PROFIT BEFORE VALUE ADJ.	**34,127**	**19,479**	**19,919**
Fair value adjustment to Properties	(25,276)	3,753	(573)
Goodwill adjustment	-	-	-
Net balance of value adjustments	**(25,276)**	**3,753**	**(573)**
NET OPERATING PROFIT	**8,851**	**23,232**	**19,346**
Income from cash and cash equivalents	664	527	435
Gross financial cost	(11,578)	(9,632)	(7,400)
Net financial cost	**(10,915)**	**(9,105)**	**(6,965)**
Other financial income and expenses	(183)	(524)	(331)
Fair value adjustments to financial instr.	(2,295)	2,062	1,099
PROFIT BEFORE TAX	**(4,542)**	**15,665**	**13,149**
Current corporation tax	(459)	550	(712)
Other tax	(621)	(93)	(573)
Associates	(5,347)	(15,682)	(6,408)
Net profit from discontinued businesses	-	-	-
NET PROFIT	**(10,969)**	**440**	**5,456**
Net profit – Minority interests(2)	(7)	(0)	-
NET PROFIT – GROUP SHARE	**(10,976)**	**440**	**5,456**
EPRA adjustments	27,429	12,834	1,631
EPRA EARNINGS	**16,453**	**13,274**	**7,088**
Earnings per share (€)	(1.60)	(0.24)	0.33
Diluted earnings per share (€)(3)	(1.29)	(0.18)	0.34
EPRA Earnings per share (diluted) (€)(3)	**1.38**	**1.15**	**0.50**
Average number of shares (excl. Treasury Shares)	9,023,026	9,462,792	10,035,893
Average number of shares diluted (excl. TS)	10,253,554	9,688,680	10,261,781

(1) Current EBITDA represents the current operating profit excluding current depreciation and amortisation costs. In 2014, 2015 and 2016, this amount does not include the depreciation of buildings in inventory of the property development business of -€1.0m, -€0.1m and -€0.2m respectively, which is recognised under other income and expenses.
(2) Non-controlling interests.
(3) The average number of diluted shares in 2015 was adjusted by the average number of new shares issued from BRS redemption.

Consolidated balance sheet – Assets – Condensed presentation

(€000')	2014	2015	2016
Investment properties	427,277	456,396	469,810
Tangible assets	224	400	393
Intangible assets	774	1,408	463
Financial assets	16,739	11,889	11,520
Deferred tax assets	1,393	1,393	960
Shares and investments in associates (equity method)	54,674	38,831	31,551
TOTAL NON-CURRENT ASSETS	**501,083**	**510,318**	**514,697**
Buildings to be sold	148,189	58,457	49,228
Business sector to be sold	-	-	-
Finance lease loans and receivables	8,354	3,002	2,004
Inventory	5,544	5,844	3,702
Trade and other accounts receivable	10,683	12,527	12,077
Current tax assets	1	596	66
Other receivables	28,119	26,168	23,510
Cash and cash equivalents	4,340	6,698	4,875
TOTAL CURRENT ASSETS	**205,229**	**113,291**	**95,463**
TOTAL	**706,312**	**623,609**	**610,160**

Consolidated balance sheet – Liabilities – Condensed presentation

LIABILITIES (€000')	2014	2015	2016
Shareholders' equity (Group share)	303,527	291,728	285,036
of which BRS	*20,424*	*4,211*	*4,220*
of which PSL	*73,181*	*73,160*	*73,118*
Minority interests	0	(0)	(0)
TOTAL SHAREHOLDERS' EQUITY	**303,527**	**291,728**	**285,036**
Long-term borrowings	225,186	216,153	218,167
Financial liabilities	6,614	4,381	3,130
Provisions	4,063	4,476	2,081
Deposits and security payments received	5,613	5,267	4,863
Deferred and non-current tax liabilities	0	0	65
Other	0	(0)	(0)
TOTAL LONG-TERM LIABILITIES	**241,476**	**230,277**	**228,306**
Business sectors to be sold	-	-	-
Liabilities relating to buildings to be sold	83,146	30,562	33,526
Trade payables and other accounts payable	24,817	22,340	21,719
Borrowings and financial debt	48,962	45,823	38,723
Current tax liabilities	521	0	184
Tax and social charges	3,863	2,880	2,666
TOTAL CURRENT LIABILITIES	**161,309**	**101,605**	**96,817**
TOTAL	**706,312**	**623,609**	**610,160**

EPRA Best Practice Recommendations

The European Public Real Estate Association (EPRA) issued in November 2016 an update of the Best Practice Recommendations report[1] (BPR), which gives guidelines for performance measures.

Affine supports the financial communication standardisation approach designed to improve the quality and comparability of information and supplies its investors with the primary EPRA recommendations. The company therefore publishes the EPRA Earnings, the EPRA earnings per share, the EPRA NAV, the EPRA NAV per share, the EPRA NNNAV, the EPRA NNNAV per share and the EPRA vacancy rate.

EPRA Performance Measures (EPM) definition

EPRA indicators	EPRA Definition[1]
EPRA Earnings	Recurring earnings from core operational activities.
EPRA NAV	Net Asset Value adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model.
EPRA NNNAV	EPRA NAV adjusted to include the fair values of (i) financial instruments, (ii) debt and (iii) deferred taxes.
EPRA vacancy rate	Estimated Market Rental Value (ERV) of vacant space divided by the ERV of the whole portfolio.

(1) The report is available on the EPRA website: www.epra.com.

EPRA Performance Measures (EPM)

(€000')	2014	2015	2016
EPRA earnings	16,453	13,274	7,088
EPRA NAV (excl. TT)	235,982	221,706	215,575
EPRA NNNAV (excl. TT)	261,126	249,980	245,933
EPRA occupancy rate (%)	90.2	85.8	87.5
Figures per share (€)	**2014**	**2015**	**2016**
EPRA earnings[1]	1.38	1.08	0.50
EPRA NAV (excl. TT)	22.99	21.60	21.02
EPRA NNNAV (excl. TT)	25.44	24.35	23.98

(1) The average number of diluted shares in 2015 was adjusted by the average number of new shares issued from BRS redemption.

EPRA Earnings (indirect method)

(€000')	2014	2015	2016
Net profit – Group share	**(10,976)**	**440**	**5,456**
Value adjustments for investment and development properties	24,276	(3,818)	(147)
Net profit or loss on disposal	(3,156)	7,241	589
Goodwill adjustment	-	-	-
Fair value adjustments of financial instr.	2,295	(2,062)	(1,099)
Non-current tax, deferred and exit tax	614	79	576
Adjustments for associates	3,400	11,394	1,713
Minority interests in respect of the above	-	-	-
EPRA earnings	**16,453**	**13,274**	**7,088**
EPRA earnings (hors Banimmo)	**18,319**	**17,352**	**11,661**

EPRA Earnings (Recurring / non-recurring presentation - direct method)[1]

(€000')	2014	2015	2016
Gross rental income	43,687	39,029	34,662
Net rental income	**39,197**	**34,435**	**29,443**
Other income	1,283	1,199	(137)
Corporate expenses	(10,148)	(7,943)	(8,571)
Current EBITDA[2]	**30,332**	**27,690**	**20,735**
Current operating profit	**30,200**	**27,081**	**19,618**
Other income and expenses[3]	(474)	(426)	(397)
Net financial cost	(10,915)	(9,105)	(6,965)
Taxes (current)	(466)	536	(709)
Miscellaneous (current)[3]	61	(524)	236
Associates (current)	(1,947)	(4,288)	(4,695)
Net current profit	**16,460**	**13,274**	**7,088**
EPRA Earnings (Net current profit – Gs[4])	**16,453**	**13,274**	**7,088**
EPRA Earnings (excl. Banimmo)	**18,319**	**17,352**	**11,661**
Other income and expenses[3]	1,000	64	720
Net profit or loss on disposals	3,401	(7,241)	(22)
Net balance of value adjustments	(25,276)	3,753	(573)
Fair value adjustments of financial instr.	(2,295)	2,062	1,099
Taxes (non-current)	(614)	(79)	(576)
Miscellaneous (non-current)[3]	(244)	(0)	(567)
Associates (non-current)	(3,400)	(11,394)	(1,713)
Net non-current profit	**(27,429)**	**(12,834)**	**(1,631)**
Net non-current profit – gs[4]	**(27,429)**	**(12,834)**	**(1,631)**
Net non-current profit – gs[4] (excl. Banimmo)	(24,674)	**(460)**	**1,423**
Net profit	**(10,969)**	**440**	**5,456**
Net profit – Group share	**(10,976)**	**440**	**5,456**

NB: The Banimmo sub-group is consolidated under the equity method. Banimmo's financial statements are currently under audit review.
(1) Based on IFRS standards and EPRA recommendations.
(2) Current EBITDA represents the current operating profit excluding current depreciation and amortisation costs. In 2014, 2015 and 2016, this amount does not include the depreciation of buildings in inventory of the property development business of -€1.0m, -€0.1m and -€0.2m respectively, which is recognised under other income and expenses.
(3) To align the definition of current items with the EPRA definition of that term, "Other income and expenses" appears in the current part of this presentation and includes other operational income and expenses. "Miscellaneous (non-current)" includes other financial income and expenses. The non-current part of "Other income and expenses" includes the fair value change of the development properties.
(4) Gs stands for Group share.

Earnings per share

(€000')	2014	2015	2016
Net profit – Group share	**(10,976)**	**440**	**5,456**
PSL charges	(2,302)	(2,135)	(1,953)
BRS charges	(1,178)	(590)	(226)
Net profit – Group share adjusted for the earnings per share	(14,456)	(2,285)	3,278
BRS 1 and 2 adjustments	1,178	590	226
Net profit – Group share adjusted for the diluted earnings per share (after conversion of BRS)	(13,278)	(1,696)	3,504
EPRA adjustments	27,429	12,834	1,631
EPRA earnings adjusted for the PSL charges for calculation of EPRA earnings per share	**14,151**	**11,139**	**5,135**
Earnings per share (€)	(1,60)	(0.24)	0.33
Diluted earnings per share (€)	(1,29)	(0.18)	0.34
EPRA earnings per share (€) (diluted)[1]	**1,38**	**1.08**	**0.50**
EPRA earnings per share (€) (diluted) (excl. Banimmo)[1]	**1.56**	**1.48**	**0.95**
Outstanding number of shares	9,051,431	10,056,071	10,056,071
Average number of treasury shares	(28,405)	(593,279)	(20,178)
Average number of shares (excl. Tr. shares)	9,023,026	9,462,792	10,035,893
Number of new shares from BRS redemption[1]	1,230,528	806,652	225,888
Average number of diluted shares (excl.Tr. shares)[1]	**10,253,554**	**10,269,445**	**10,261,781**

(1) The average number of diluted shares in 2015 was adjusted by the average number of new shares issued from BRS redemption.

IFRS NAV

(€000')	2014	2015	2016
Shareholders' equity (before allocation)	303,527	291,728	285,036
of which BRS	*20,424*	*4,211*	*4,220*
of which PSL	*73,181*	*73,160*	*73,118*
Of which treasury shares	*(244)*	*(268)*	*(395)*
Of which other	*210,166*	*214,624*	*208,094*
PSL adjustments	(73,181)	(73,160)	*(73,118)*
Diluted IFRS NAV excluding transfer tax	230,346	218,568	211,918
Transfer tax (gs[1])	36,473	33,375	35,346
Diluted IFRS NAV incl. transfer tax	266,818	251,943	247,264
Diluted IFRS NAV exc. transfer tax per share	**22.44**	**21.29**	**20.66**
Diluted IFRS NAV incl. transfer tax per share	25.99	24.54	24.11
Outstanding number of shares	9,051,431	10,056,071	10,056,071
Treasury shares	(17,376)	(16,933)	(27,007)
Converted BRS	1,230,528	225,888	225,888
Number of diluted shares (excl. treasury shares)	**10,264,583**	**10,265,026**	**10,254,952**

(1) Gs stands for Group share.

EPRA NAV

(€000')	2014	2015	2016
Diluted IFRS NAV excl. transfer tax	230,346	218,568	211,918
EPRA adjustments	5,637	3,138	3,656
of which fair value of financial instruments	9,925	7,256	4,677
Derivatives at fair value (gs[1]) - Assets -	313	214	1,439
Derivatives at fair value (gs[1]) - Liabilities -	10,238	7,471	6,117
of which net deferred tax	(4,288)	(4,118)	(1,021)
Assets - deferred tax (gs[1])	4,288	4,118	1,086
Liabilities - deferred tax (gs[1])	0	0	65
EPRA NAV excl. transfer tax	235,982	221,706	215,575
EPRA NAV incl. transfer tax	272,455	255,081	250,921
EPRA NAV excluding transfer tax per share (diluted)	**22.99**	**21.60**	**21.02**
EPRA NAV incl. transfer tax per share (diluted)	26.54	24.85	24.47

(1) Gs stands for Group share.

EPRA NNNAV

(€000')	2014	2015	2016
EPRA adjustments	(5,637)	(3,138)	(3,656)
Change of debt fair value[(1)]	30,780	31,413	34,015
EPRA NNNAV excl. transfer tax	261,126	249,980	245,933
EPRA NNNAV incl. transfer tax	297,598	283,355	281,279
EPRA NNNAV excl. transfer tax per share (diluted)	**25.44**	**24.35**	**23.98**
EPRA NNNAV incl. transfer tax per share (diluted)	28.99	27.60	27.43

(1) Excluding Banimmo and its subsidiaries.

EPRA Vacancy rate

Type of asset (€m)	Headline rents	Let. sp. (sqm)	ERV[1] on vacant	ERV[1]	Vacancy rate
Offices	21.8	163,848	3.4	23.9	14.0%
Retail	8.3	59,257	1.3	9.4	13.8%
Warehouses and Industrials	5.4	135,086	0.1	4.9	2.8%
Total	**35.5**	**358,191**	**4.8**	**38.2**	**12.5%**

(1) ERV corresponds to Estimated Rental Value, i.e. the market rental value estimated by the appraisers.

Glossary

Net asset value (NAV) per share

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

Transfer taxes

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

EPRA

European Public Real Estate Association. Its mission is to promote, develop and represent the listed real estate sector at European level. http://www.epra.com

Property company

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

Occupancy

Premises are said to be occupied on the closing date if a tenant has a right to the premises, making it impossible to enter into a lease for the same premises with a third party on the closing date. This right exists by virtue of a lease, whether or not it is effective on the closing date, whether or not the tenant has given notice to the lessor, and whether or not the lessor has given notice to the tenant. Premises are vacant if they are not occupied.

Headline rents

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

Net rental income

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

Potential rents

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

Loan-to-value (LTV)

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

Committed operation

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

Controlled operation

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

Rental properties

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

Like-for-like portfolio

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

Identified project

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

Yield

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

Occupancy rate (EPRA)

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

Capitalisation rate

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

Yield rate

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

EPRA vacancy rate

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

Gross estimated rental value (ERV)

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