

27TH JULY 2018

2018 HALF-YEAR RESULTS



AFFINE

1H18 KEY TAKEAWAYS

NET PROFIT, GROUP SHARE, OF €5.0M

- (=) Net rental income almost unchanged (-0.7%)
- (+) Corporate expenses reduced (-5.4%)
- (=) Fair values of buildings unchanged
- (+) Average cost of debt decreases
- (+) Banimmco net result breaks even

EPRA EARNINGS GROWS UP TO €6.4M

OCCUPANCY RATE INCREASES AT 89% (+2.0 POINTS)

PORTFOLIO VALUE OF ASSETS GROWS (+1.6%)

- €25.2m of acquisitions, developments and refurbishments
- €15.8m from disposals
- €53m pipeline of investments committed and controlled projects

FRIENDLY TAKEOVER BID FOR BANIMMO LAUNCHED BY PATRONALE LIFE: AFFINE COMMITS TO TENDER IT'S 49,5% SHARES

EPRA NAV PER SHARE: €20.0

EPRA TRIPLE NAV PER SHARE: €22.5



INVESTMENTS AND DISPOSALS



INVESTMENTS AND DISPOSALS

€25m: Investments



€53m: Commitments

Turnkey and development projects under construction and committed acquisitions

€16m: Disposals



SÈVRES – LE MAJOLIQUE

ACQUISITION OF 5,670 SQM OF OFFICES

- Market rental income (ERV): €1.2m (i.e. €208/sqm)
- G+9 with 108 underground parking lots on 2 underground levels
- Multi-tenant building
- Occupation rate of 100%

A CHANGING DISTRICT

- In the heart of the Boucle Sud market (Boulogne-Billancourt, Issy-les-Moulineaux)
- Easy access
 - By road
 - > Ring road (Porte de Saint-Cloud) and Quais de la Seine
 - > Main roads (A86, D910, D7, N118)
 - By public transportation
 - > Underground line 9 and tramway T2
 - > Numerous bus lines

BENEFITING LATER FROM THE GREATER PARIS

- In the horizon 2022, station « Pont de Sèvres » will be served by the line 15 connecting Saint-Denis to Villejuif



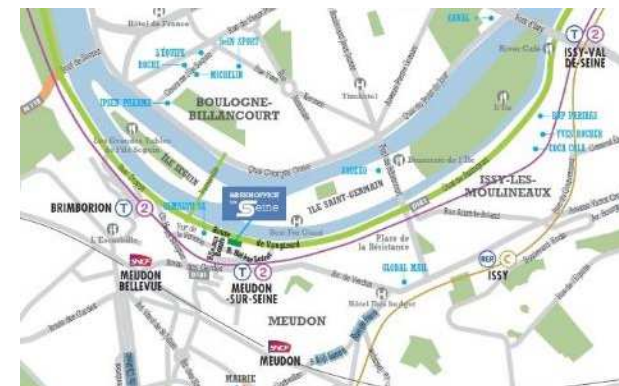
MEUDON – GREEN OFFICE® EN SEINE

COMPLETION EARLY 2018 OF 5,400 SQM OF OFFICES

- Market rental income (ERV): €1.9m (i.e. €350/sqm)
- BEPOS Effinergie and HQE
 - 560 sqm of rooftop solar panels
- 2 buildings with 113 underground parking lots:
 - 3,800 sqm across 4 levels (G+3)
 - 1,610 sqm across 4 levels (G+3)
- Offices rented to the Automotive and Mobility Services Division
- 12-year-firm lease
- Occupancy rate: 97%

LOCATED OPPOSITE ILE SEGUIN

- A dynamic economic environment
 - 400 companies and nearby:
Gemalto and Global Mail
- Excellent public transportation links
 - Tram T2 and Bus 389
 - RER C and the train SNCF N
 - In front of the *Seine Musicale*, music and performing arts center
- Video of the project on:
<https://www.youtube.com/watch?v=yhEcgsxnFq8>



NANTES EURONANTES – KIBORI

ACQUISITION OF 3,880 SQM OF OFFICES

- Market rental income (ERV): €765,000 (i.e. €197/sqm)
- BREEAM
- Mixed Cross-Laminated Timber (CLT) / concrete / metal structure
- 1 building with 8 floors (Ground -1 to G+6)
- 33 underground parking lots
- 100% leased to the Regional Department of Public Finance for the Loire and Loire-Atlantique
- 9-year lease (o/w 5 firm)

IN PARTNERSHIP WITH SOGEPROM

- April 2014: Launching of the call for tenders by the municipality
- January 2017: Acquisition signed
- Completion expected on H2 2018

LOCATED IN THE EURONANTES RAILWAY STATION DISTRICT

- New major business district in 2020: 130,000 sqm of offices
- Close to the TGV station
- Excellent public transportation links
 - Tramway
 - Bus lines
- Video of the project on:
<https://www.youtube.com/watch?v=CzEUM8aVnVQ&sns=em>



LILLE EURATECHNOLOGIES – #HASHTAG

ACQUISITION OF 5,280 SQM OF OFFICES

- Market rental income (ERV): €873,000 (i.e. €165/sqm)
- BREEAM
- 2 buildings with 90 parking lots:
 - 2,230 sqm across 5 levels (G+4)
 - 3,050 sqm across 4 levels (G+3)
- March 2017: Acquisition signed
- Completion planned in 2 phases: H2 2018 and 2020
- Marketing undergoing

LOCATED IN THE EURATECHNOLOGIES AREA

- Lille's new area of excellence dedicated to Information and Communications Technology (ICT)
 - 115,000 sqm business district around the Blan-Lafont building
 - 2,800 jobs, 140 ICT companies: Capgemini, IBM Service Center, Microsoft and Tata Consultancy Services
- Excellent public transport links
 - 2 métro stations
 - 1 bus line
 - 2 public bike stations
- Video of the project on: <https://vimeo.com/193373255>



KREMLIN BICÊTRE

CONVERSION OF AN OFFICE BUILDING INTO A NEW LODGING CONCEPT

- Market rental income (ERV): €330,000 (i.e. €206/sqm)
- Agreement signed with Louvre Hotels Group (12-fixed-terme lease)
- Offers beds rather than rooms
 - Surface area: 1,600 sqm
 - 238 beds over 39 dormitory-type rooms
- Completion: Q1 2020

A COMPLEMENTARY OFFER

- To the 3 stars hotel Campanile
- Which will boost its visibility and improve trafic for the multi-brand place

AT THE EDGE OF PARIS

- Easy access
 - Ring road: Porte d'Italie
 - Highway: A6b and A4
- Excellent public transport links
 - Métro: Line 7, Porte d'Italie or Le Kremlin-Bicêtre station at 5 min walk
 - Bus lines
 - Tramway
 - Public bike stations



OVERVIEW OF THE INVESTMENTS

INVESTMENTS IN H1 2018:

- More than €165m of realized or committed operations and controlled projects
 - €102m of realized acquisitions over the last 12 months
 - > Clichy, Courbevoie, Suresnes, Vaugirard, Sèvres, Meudon
 - €11m of turnkey projects under construction accounted to date
 - > Nantes et Lille #hashtag
 - €53m of committed operations and controlled projects
 - > €10m to come on turnkey projects: Nantes and Lille #hashtag
 - > Developments: Kremlin-Bicêtre, Nîmes, Lyon, Sant Feliu
- €11.1m of gross rental income, €1.8m of which accounted in H1 2018 (corresponding to €6.6m of potential annual rent)

IMPACT ON THE RENTS

Building	Location	ERV (€000')	ERV €/sqm
Meudon	Paris Métropole	1,909	353
Nantes – Kibori	French region	765	197
Lille – Hashtag#	French region	873	165
Clichy – Mozart	Paris Métropole	551	162
Courbevoie – Abreuvor	Paris Métropole	555	268
Suresnes – Marcel Monge	Paris Métropole	1,677	264
Paris – Marché Vaugirard	Paris Métropole	754	353
Sèvres – Majolique	Paris Métropole	1,172	208
Kremlin / Nîmes / Lyon / Sant Feliu	(rents compl.)	2,879	
Total		11,135	

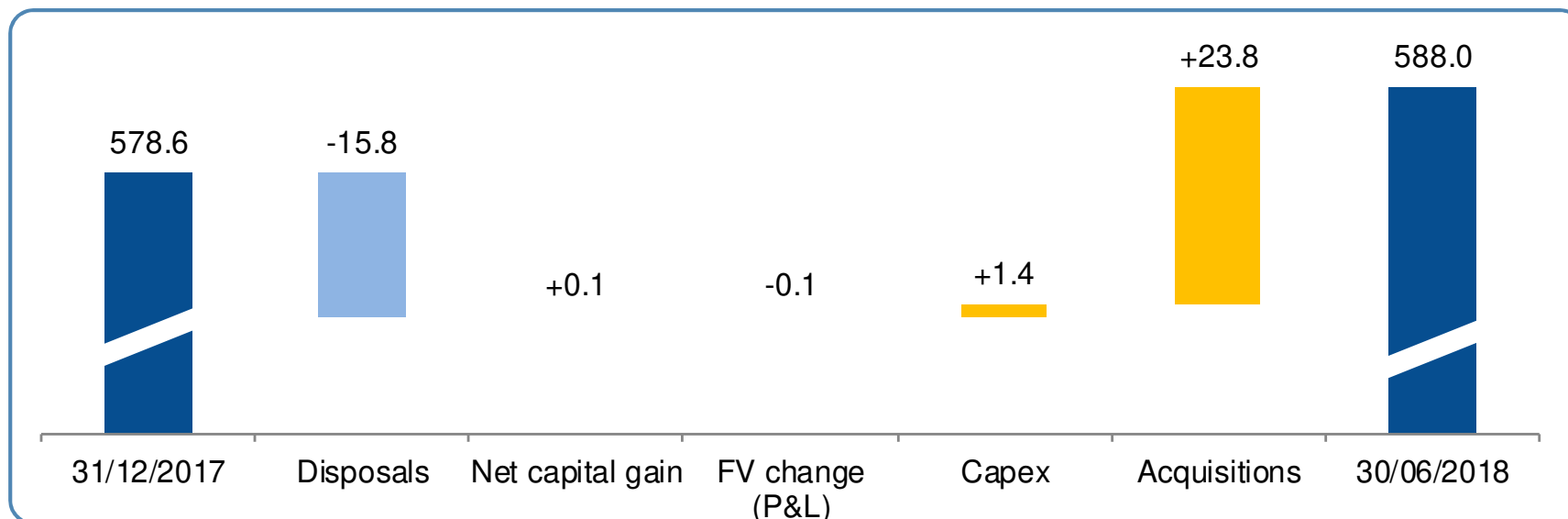


PERFORMANCE OF THE PORTFOLIO



PROPERTIES FAIR VALUE UP 1.6%

CHANGE IN FAIR VALUE EXCLUDING TRANSFER TAXES (€M)

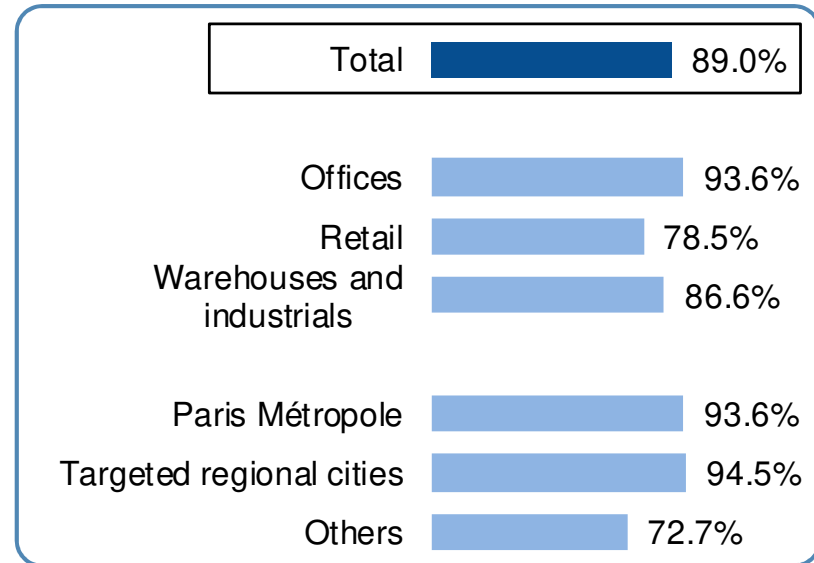
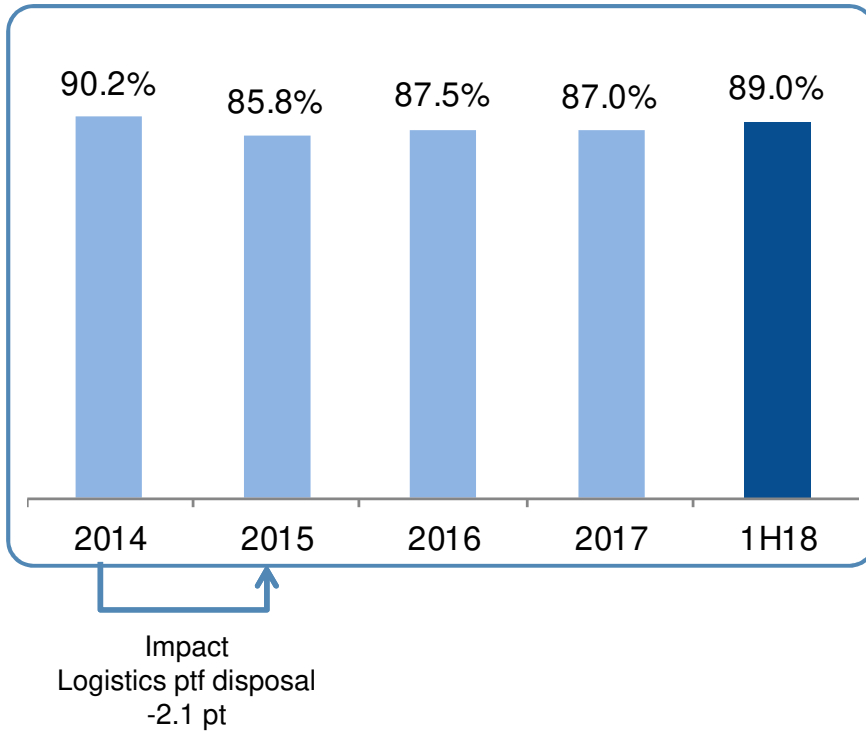


CONTRIBUTION OF THE FAIR VALUE CHANGE TO THE P&L (-0.0%):

- Market rent effect (ERV): +0.8%
- Cap rate effect: -2.9%
- Miscellaneous: +2.0% (works, reversion, internal adjustments ...)

OCCUPANCY RATE

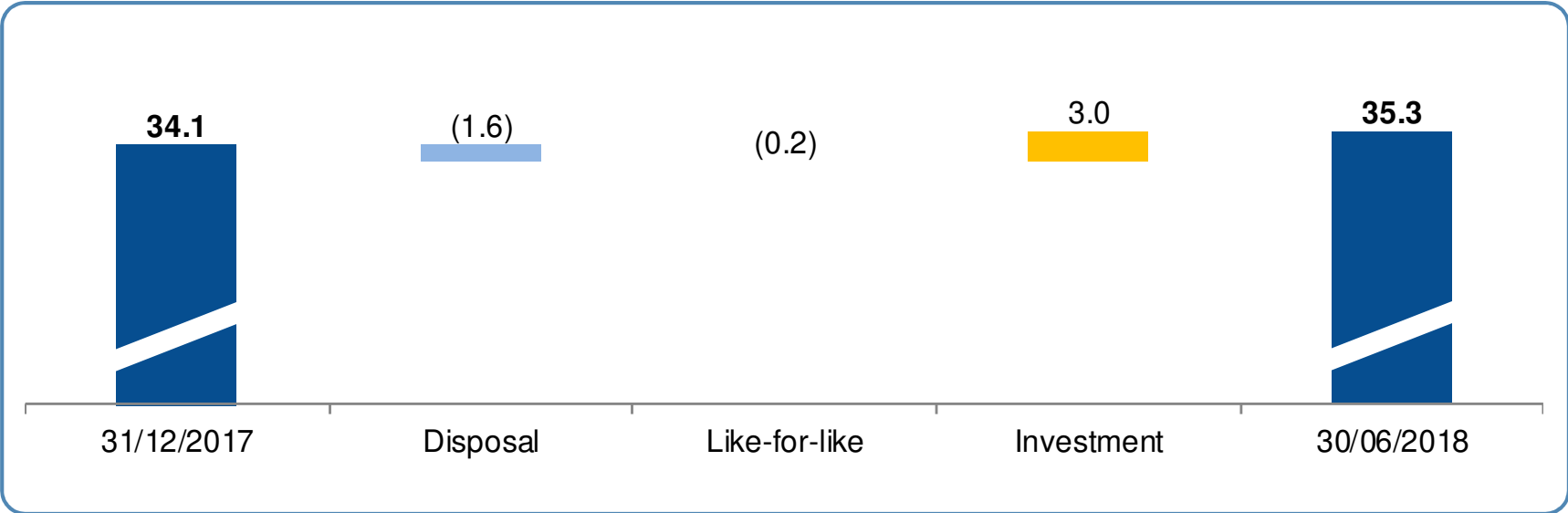
FINANCIAL OCCUPANCY RATES (EPRA)



Paris Métropole: Paris + Hauts-de-Seine + Seine-Saint-Denis + Val-de-Marne

HEADLINE RENTS

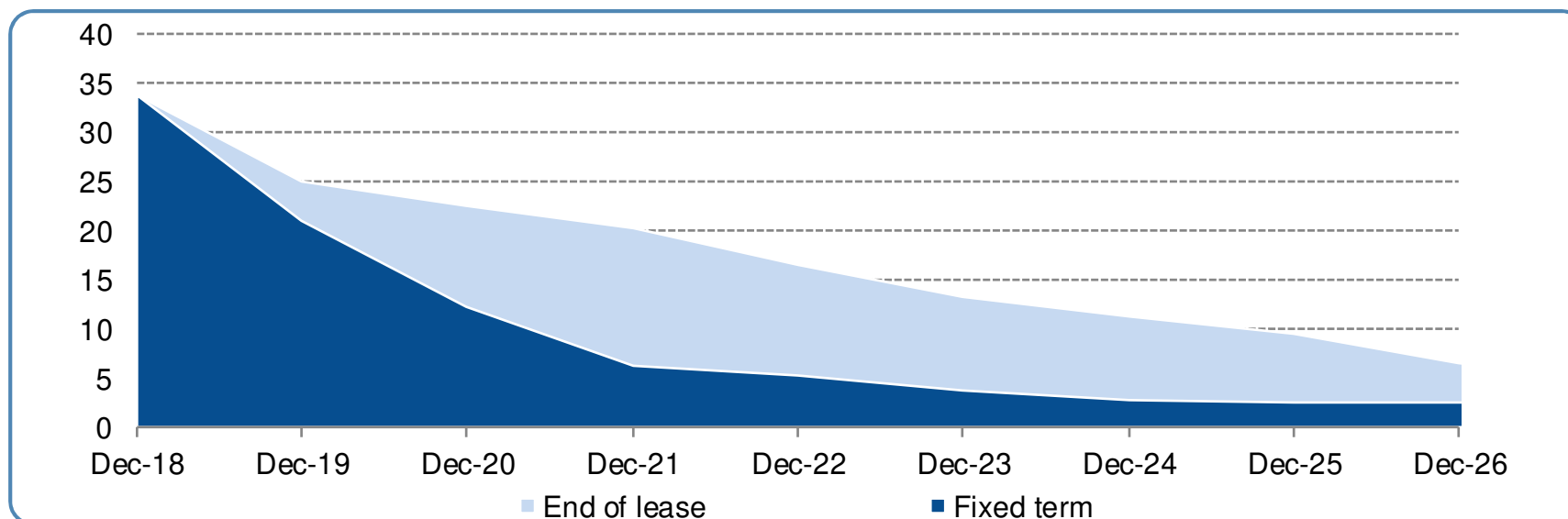
CHANGE IN HEADLINE RENTS ANNUALIZED (€M)



- Scope effect: +4.3%
- Like-for-like: -0.6%

SCHEDULE IN RENTS

ACCORDING TO LEASE DURATION (€M)



- Average lease term to next break option: 3.0 years (vs 2.5 as at 31/12/2017)
- Average lease term to lease expiry: 5.1 years (vs 4.6)
- 13 new leases (€0.6m) → +€0.4m and +€0.2m in 2018 and 2019
- 23 departures (€1.0m) → -€0.8m and -€0.2m in 2018 and 2019
- 9 renegotiated leases (€0.4m vs €0.6m) → -€0.2m and -€0.0m in 2018 and 2019
- Portfolio change (+€1.5m) → +€1.1m and +€0.4m in 2018 and 2019
- 7 terminated leases (€0.8m) → -€0.3m and -€0.5m in 2018 and 2019

} Impact
 2018 : +€0.6m
 2019 : +€0.3m

BANIMMO IN H1 2018

- Portfolio: 9 buildings; Gross rental income: €1.9m; value: €143m

KEY EVENTS

- Disposal of the Banimmo France subsidiary
- Continuing of the Vilvoorde site change of use
- Revised building permit obtained for the vertical scission of North Plaza building
- Disposal of an office building in Rocquencourt (78)
- Exchange of the stake in Dolce la Hulpe against full stake in Dolce Chantilly
- Reimbursement of its €34m bond
- Renting of a 3,050 sqm office surface area in the Diamond building
- Takeover bid by Patronale Life

RESULTS

- Real estate operating result: €2.9m vs €2.3m
- Operating result: €0.9m vs -€2.7m
- Net result: -€0.1m vs -€4.4m

More details on
www.banimmo.be



TAKEOVER BID ON BANIMMO

AFFINE COMMITS TO TENDER ITS STAKE

- Buyer: Patronale Life, Belgian insurance group
- Disposal: all Affine's stake hold in Banimmo, i.e. 49.5%
- Price: €18.6m, i.e. €3.3/share (= average price of the last 6 months)

BANIMMO OVERVIEW

- Performance (2006-2018): -€2.9m
 - Net investment (2006): €66.6m
 - Dividend (2006-2013): €45.1m
 - Disposal (2018): €18.6m

A NEUTRAL IMPACT ON 2018 AFFINE FINANCIAL STATEMENTS

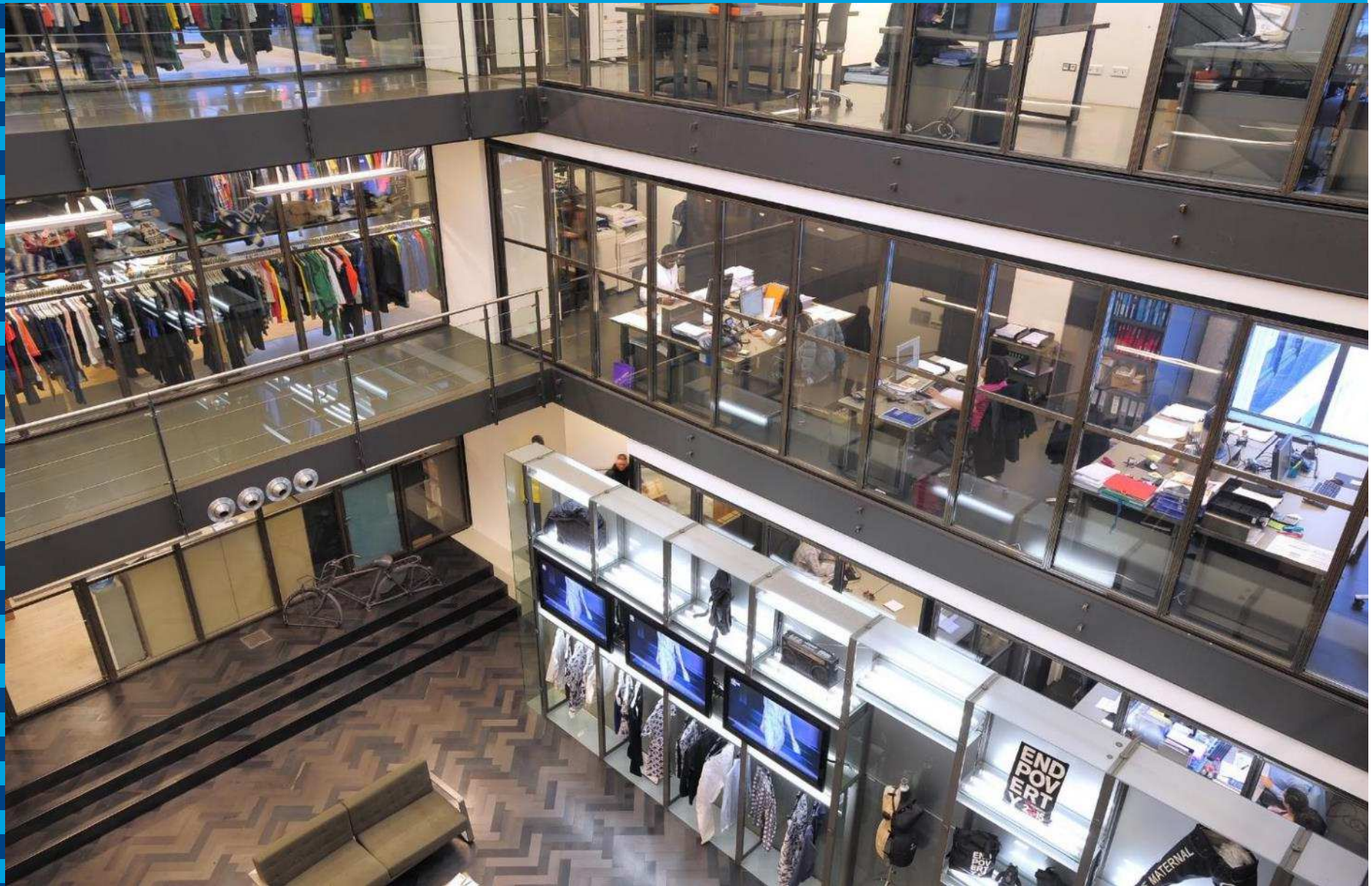
- Disposal at a price close to the 2017 end-period net book value (€3.28/share)
- Balance Sheet Impact
 - Asset & Liabilities: Decrease of the discontinued operations amount
 - Asset → Cash: +€18.6m
 - Liabilities → Banimmo NBV fixed at €18.6m
- P&L Impact
 - Neutral impact of Banimmo net results for Affine

POSITIVE IMPACT ON AFFINE VISIBILITY

- €18.6m in additional resources to implement its strategy,
- An additional stage in its refocusing on its French commercial property business (Paris Métropole and targeted regional cities)



CONSOLIDATED ACCOUNTS

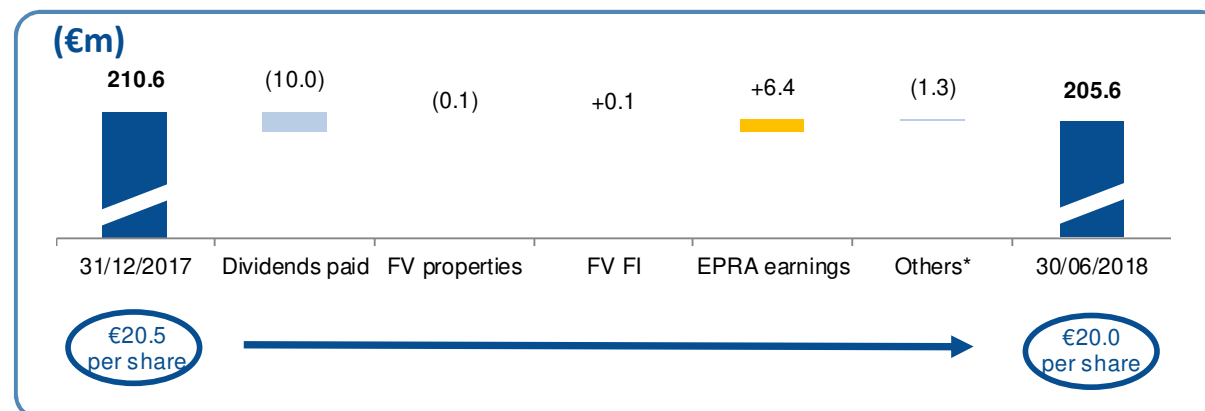


CONSOLIDATED EARNINGS

(€m)	H1 2017	2017	H1 2018
Gross rental income	16.8	33.8	16.6
Net rental income	14.0	29.6	13.9
Other income	0.4	0.8	0.0
Corporate expenses	(4.2)	(8.8)	(4.0)
Current EBITDA	10.3	21.6	10.0
Current operating profit	10.0	21.3	9.9
Other income and expenses	0.4	0.8	0.0
Net financial cost	(3.1)	(6.9)	(3.6)
Taxes	(0.3)	0.4	(0.0)
Miscellaneous	(0.0)	0.0	(0.2)
Associates and Discontinued operations	(2.7)	(6.1)	0.7
Net current profit	4.2	9.4	6.9
Value adjustments of properties & profit on disposals	1.2	2.9	(0.0)
Fair value adjustments of hedging instr.	0.7	0.8	0.1
Adjustments for associates & Discontinued operations	0.8	2.2	(1.0)
Others (o/w Banimmo shares depreciation)	0.0	(7.7)	(0.4)
Net non-current profit – group share	2.7	(1.7)	(1.4)
Net profit – group share	6.9	9.1	5.0
Net profit – group share (excl. Banimmo)	9.0	19.2	4.9
EPRA Earnings (Net current profit – group share)	4.2	10.8	6.4
EPRA Earnings (excl. Banimmo)	6.9	15.5	5.9

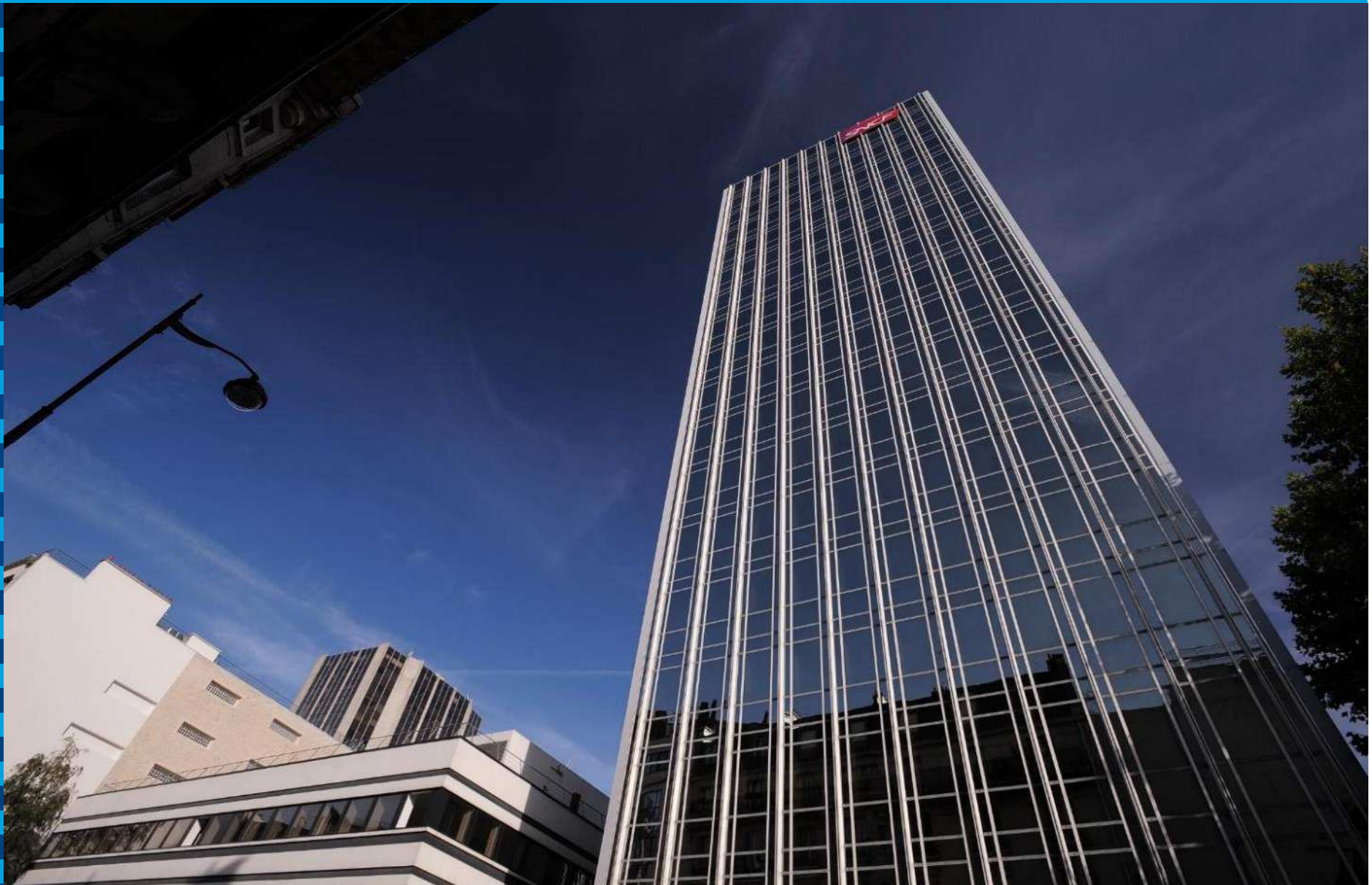
A 2.4% DECREASE OF THE NET ASSET VALUE

(€m)	30/06/17	31/12/17	30/06/18
Shareholders' equity (before allocation)	280.9	282.1	275.9
PSL adjustment	(73.1)	(73.3)	(73.3)
Fair value adjustments to hedging instr.	2.4	1.5	1.5
Net deferred tax	(1.1)	0.3	1.5
EPRA NAV (excluding transfer tax)	209.1	210.6	205.6
EPRA NNAV (excluding transfer tax)	240.6	232.8	230.8
EPRA NAV (excluding transfer tax) per share (€)	20.4	20.5	20.0
EPRA NNAV (excluding transfer tax) per share (€)	23.5	22.7	22.5



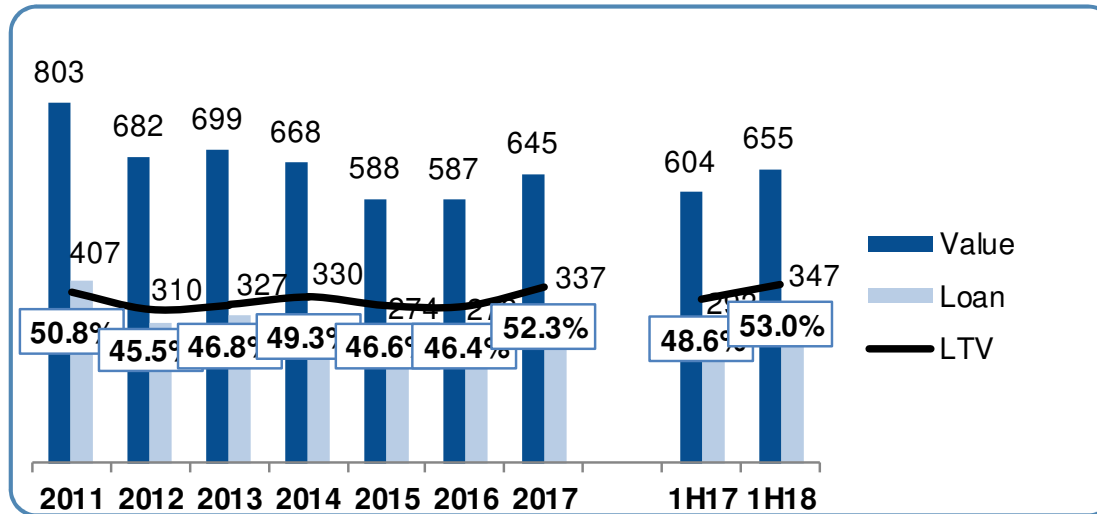
- Excluding PSL (TSDI)
- Others*: interest on convertibles and PSL Convertibles, Banimmco non cash items, etc
- Based on €3.3 share price for Banimmco
- NAV per share after dilution from convertibles

FINANCING



LTV AND DECREASE OF THE FINANCING COST

LTV EVOLUTION (€M)



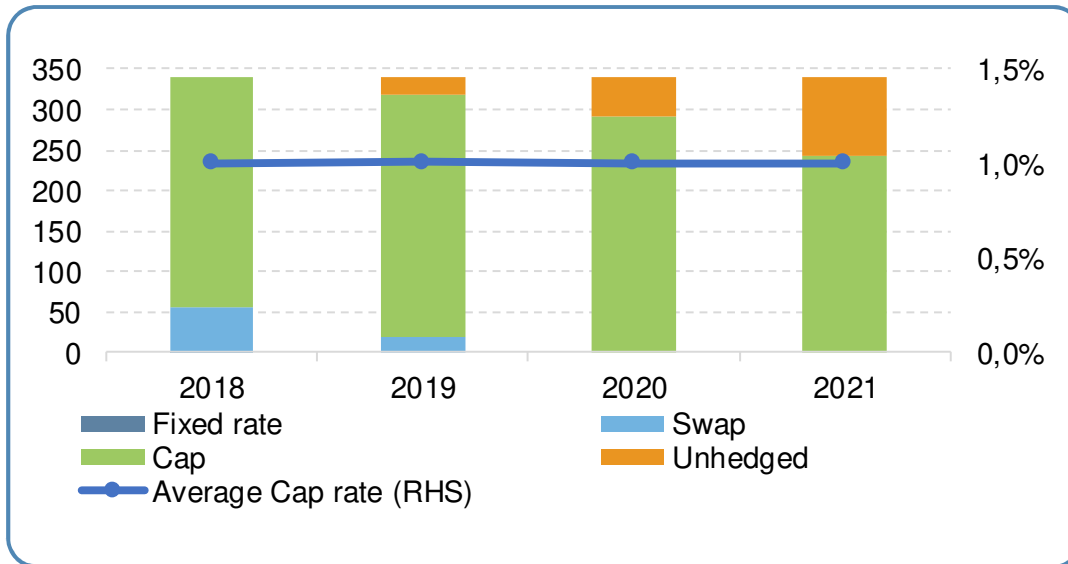
- Net debt: €347m (excl. lease financing)
- LTV: 53.0%

DECREASE OF THE FINANCING COST: 1.9% VS 2.0%



AN INTEREST RATE RISK LARGELY HEDGED

CHANGE IN HEDGING (€M)

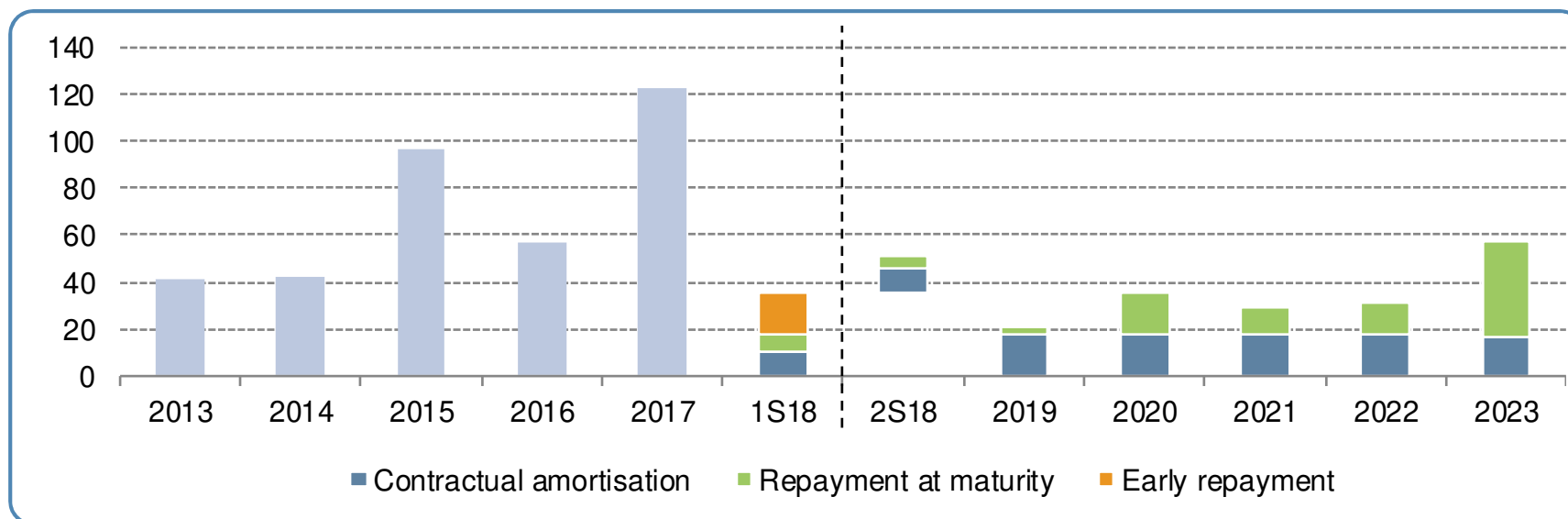


- Normative debt excluding financing lease deemed at €340m
- Macro hedging (global): €150m of cap at 1% for 6 years signed up in September 2016 (maturity Sept 2022)
- Micro hedging (by loan): represents c. 50% of the debt



DEBT PROFILE UNDER CONTROL

AMORTISATION OF DEBT (€M)

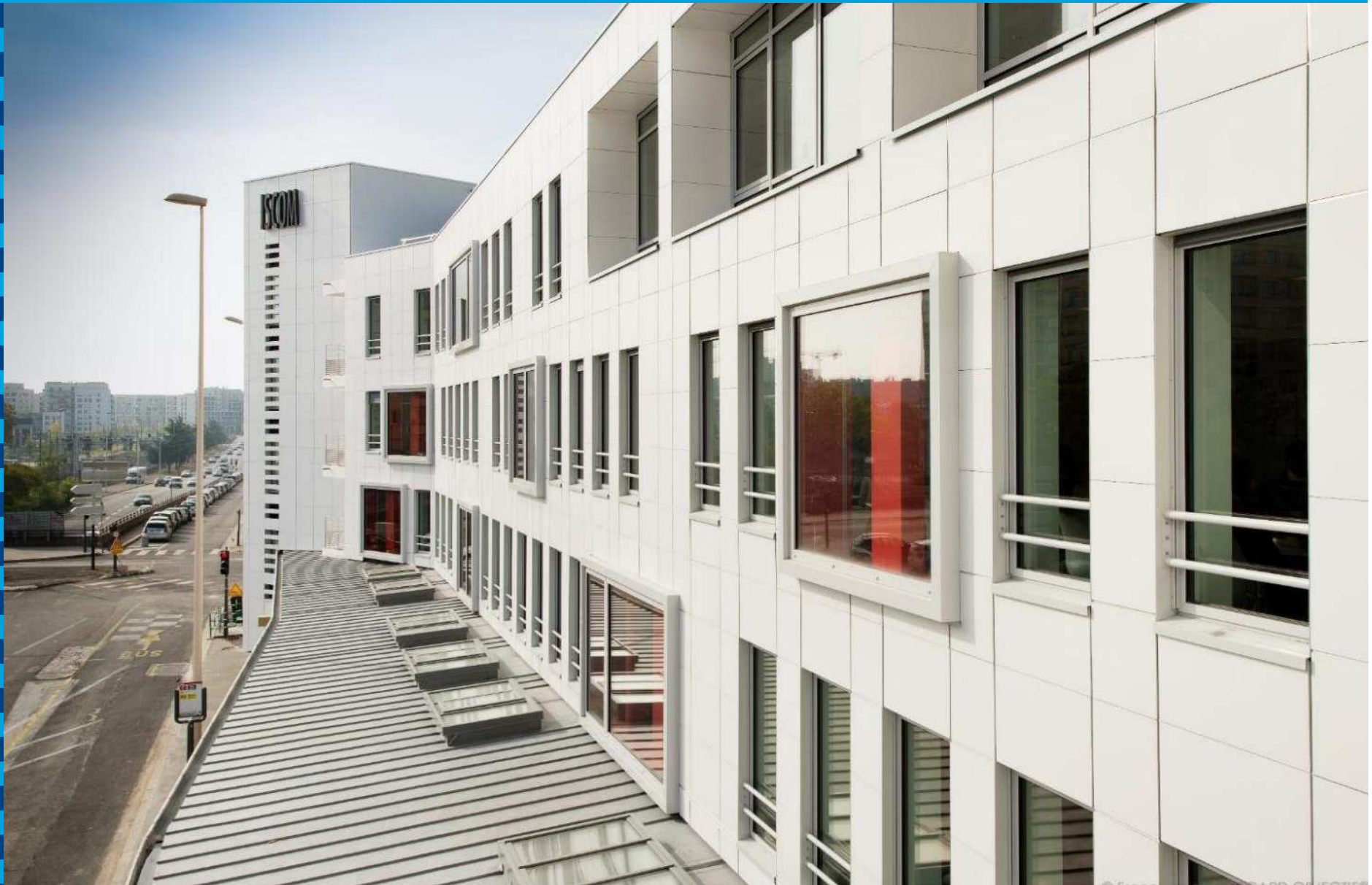


- A financing policy aiming at smoothing the amortization (around €19m p.a. on average)
- Average duration of the debt: 5.8 years
- Short term confirmed credit lines of €21m

FINANCING IN H1 2018

- Financing / Refinancing: €34m
- Amortisation: €35m

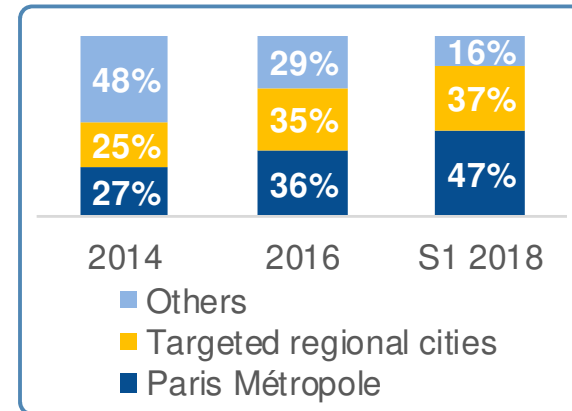
STRATEGY & OUTLOOKS



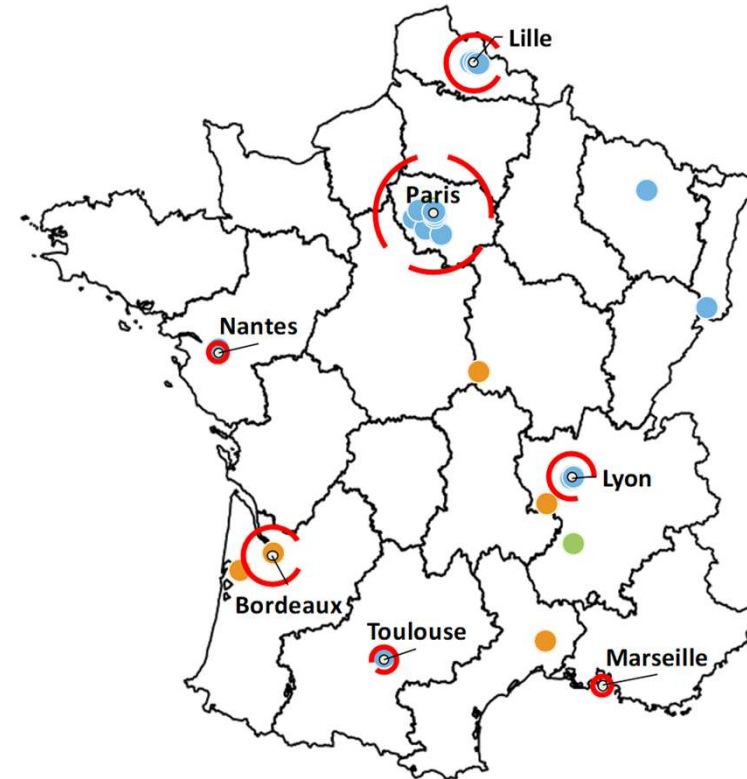
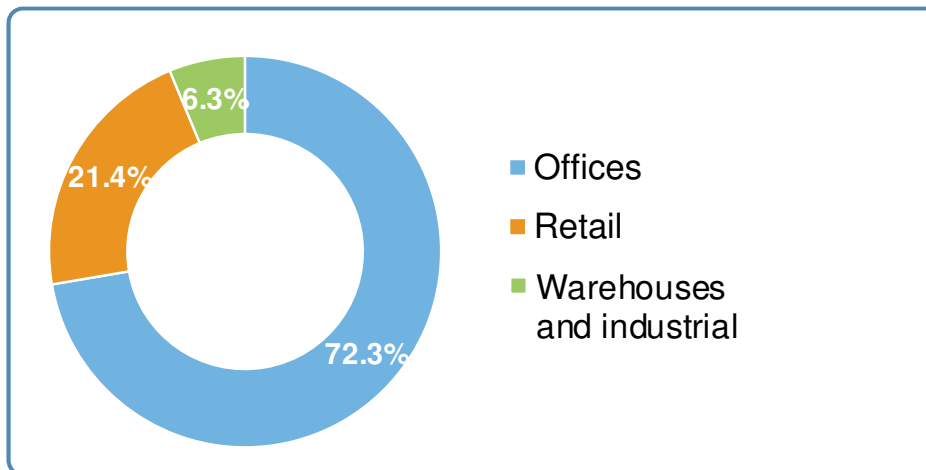
OUR STRATEGY [1/2]

CONCENTRATION OF INVESTMENTS:

- Geographic:
 - On Paris Métropole
 - And regional cities (Bordeaux, Lille, Lyon, Marseille, Nantes, Toulouse) benefiting 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
 - Open to mixed and innovative urban projects



BREAKDOWN OF THE PORTFOLIO IN ASSET VALUE



OUR STRATEGY [2/2]

CONTINUATION OF THIS POLICY ACCORDING TO 3 CRITERIA:

- 1) Renew the portfolio by looking for buildings, ...
 - New (turnkey) or recent, preferably with green certification
 - Of an unit size between €10m to €30m
 - Containing a potential for value creation by their location or rental situation... to streamline it ...
 - By selling mature, small or isolated assets
 - And logistics assets... and in making the most of our land reserve

- 2) Increase significantly the rents by:
 - Investing in buildings with a good yield and good location
 - Making the improvement of the OR a strong goal
 - Optimizing daily management through an efficient information system
 - Co-investing with partners in bigger projects that meet our strategy policy

- 3) 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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CFO

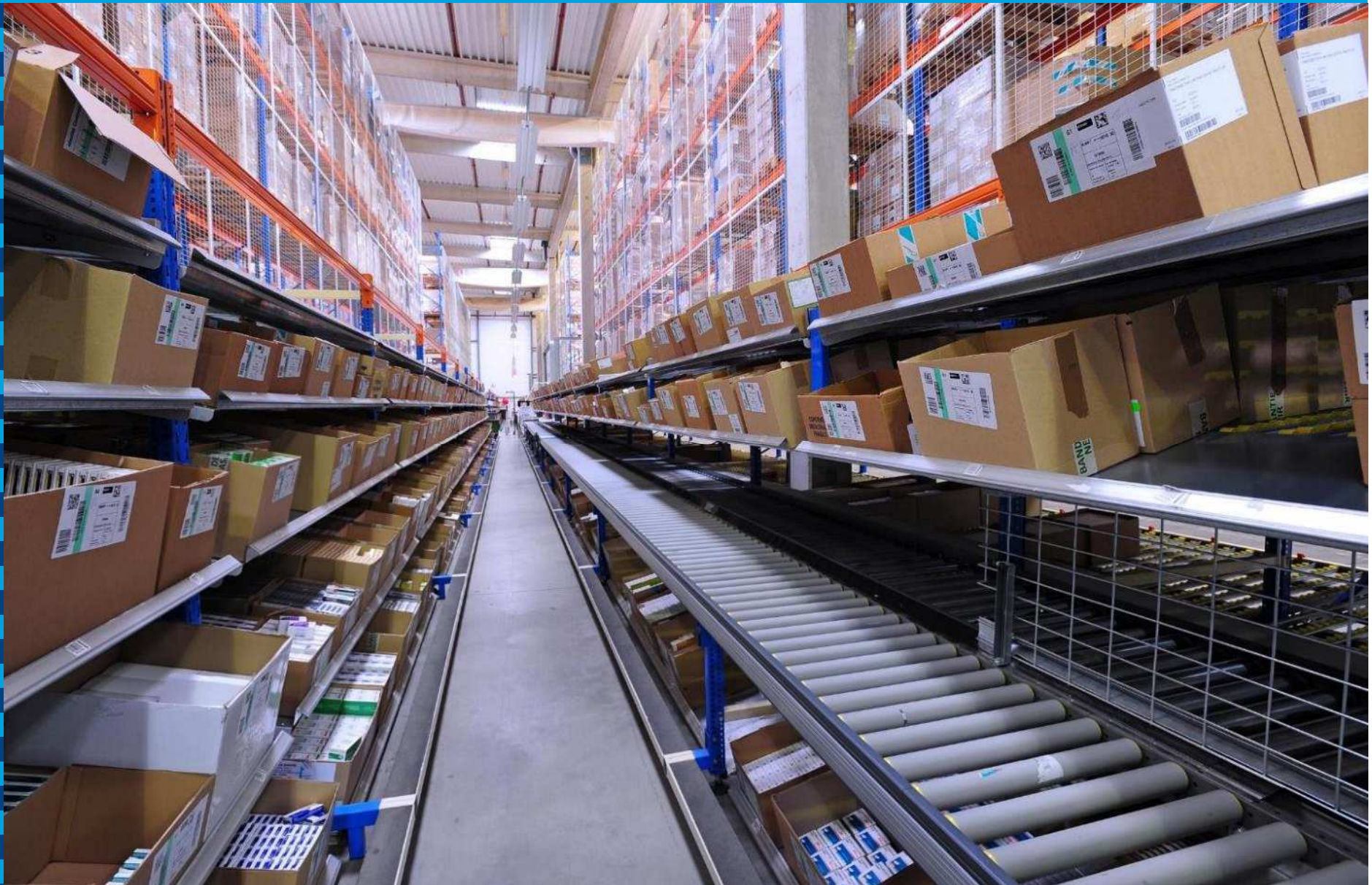
+33 1 44 90 43 53 – frank.lutz@affine.fr

LIQUIDITY CONTRACT: INVEST SECURITIES

WEBSITE: WWW.AFFINE.FR



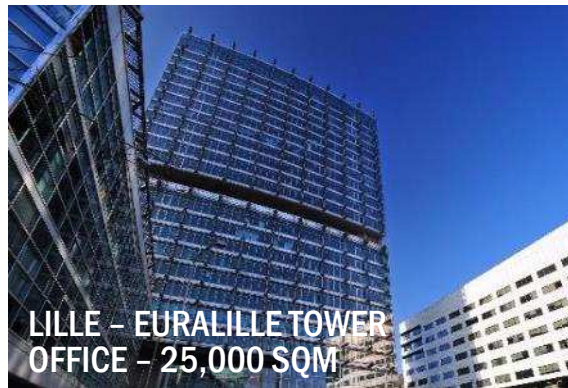
APPENDIX



AFFINE PORTFOLIO...

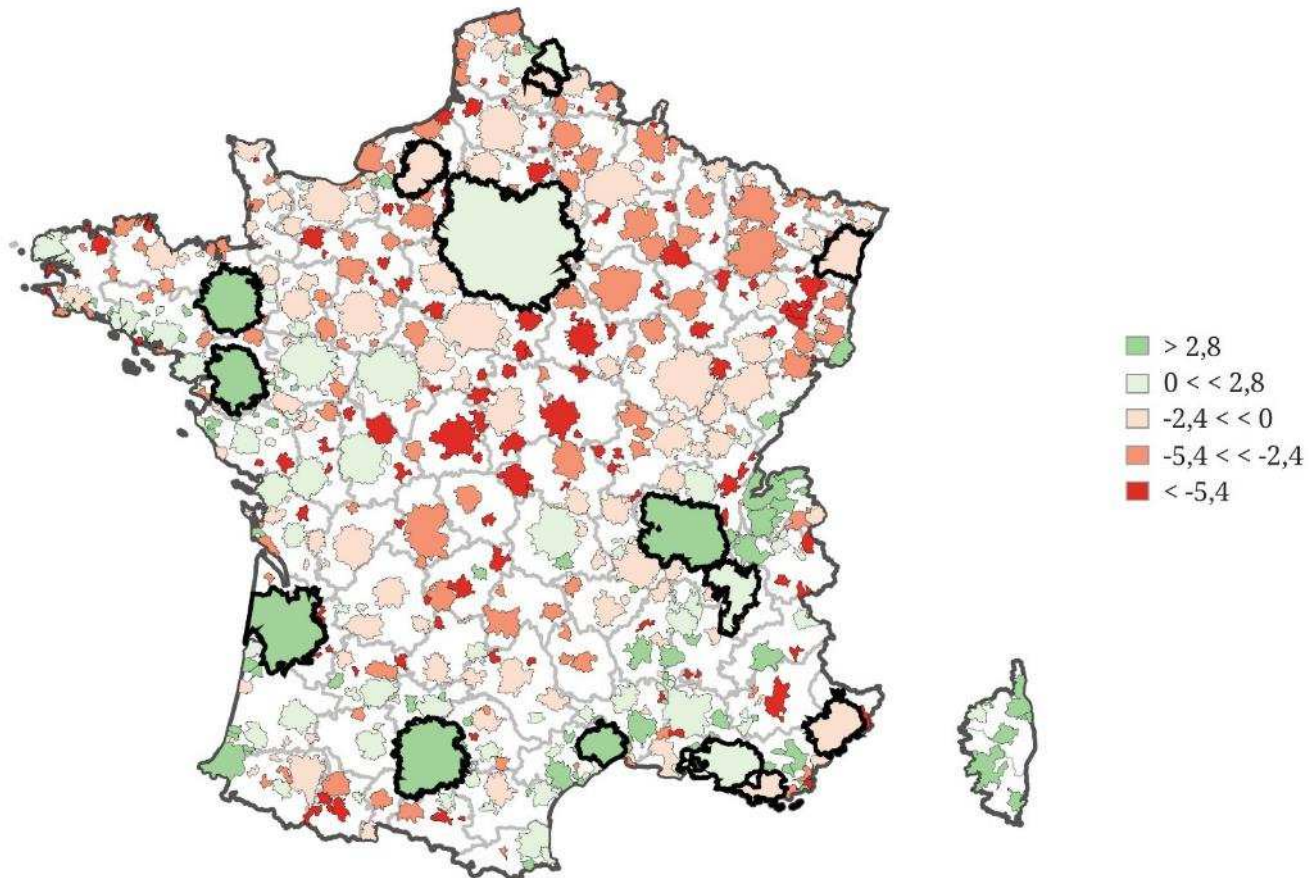
... IN SOME KEY FIGURES

- €626m (transfer tax included)
- 41 buildings
- 248,400 sqm



EVOLUTION OF THE EMPLOYED POPULATION AGED 15 TO 64...

... BY URBAN AREA OF RESIDENCE FROM 2008 TO 2013



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

CONSOLIDATED CASH-FLOW

(€m)	30/06/17	31/12/17	30/06/18
Funds from operations	7.6	15.1	5.8
Funds from operations (excluding cost of debt and tax)	10.6	20.6	10.1
Change in WCR	0.4	(0.0)	1.4
Taxes paid	(0.6)	(0.7)	0.7
Discontinued operations	-	0.4	21.0
Operating cash flow	10.5	20.2	33.2
Acquisitions	(11.1)	(84.8)	(23.2)
Disposals	11.7	37.8	16.7
Others	-	0.0	0.2
Discontinued operations	-	8.5	7.0
Investment cash flow	0.6	(38.5)	0.6
New loans	74.8	172.4	34.1
Loan repayments	(67.4)	(120.0)	(35.1)
Interest	(3.0)	(6.4)	(3.5)
Others (of which dividends)	(14.5)	(15.6)	(10.6)
Discontinued operations	-	(3.3)	(31.1)
Financing cash flow	(9.9)	27.1	(46.2)
Change in cash position	1.1	8.9	(12.4)
Net cash position	5.0	12.7	0.3

CONSOLIDATED BALANCE SHEET

(€m)	30/06/17	31/12/17	30/06/18
Properties	536.9	578.6	588.0
<i>of which investment properties</i>	489.7	540.0	539.1
<i>of which property held for sale</i>	47.2	38.6	48.9
Equity holdings	0.0	0.8	0.0
Equity affiliates	29.5	1.9	2.3
Cash	5.8	7.7	4.5
Discontinued operations	-	180.1	134.0
Other assets	58.7	66.3	67.4
Shareholders equity (before allocation)	280.9	309.3	303.1
<i>of which Non-controlling interest</i>	-	27.2	27.2
<i>of which convertibles</i>	4.2	4.2	4.2
<i>of which PSL</i>	73.1	73.3	73.3
Bank debt	291.7	341.7	340.7
Discontinued operations	-	134.4	88.3
Other liabilities	58.4	50.1	64.3
Total Balance Sheet	630.9	835.4	796.3

PORTFOLIO GROSS YIELD

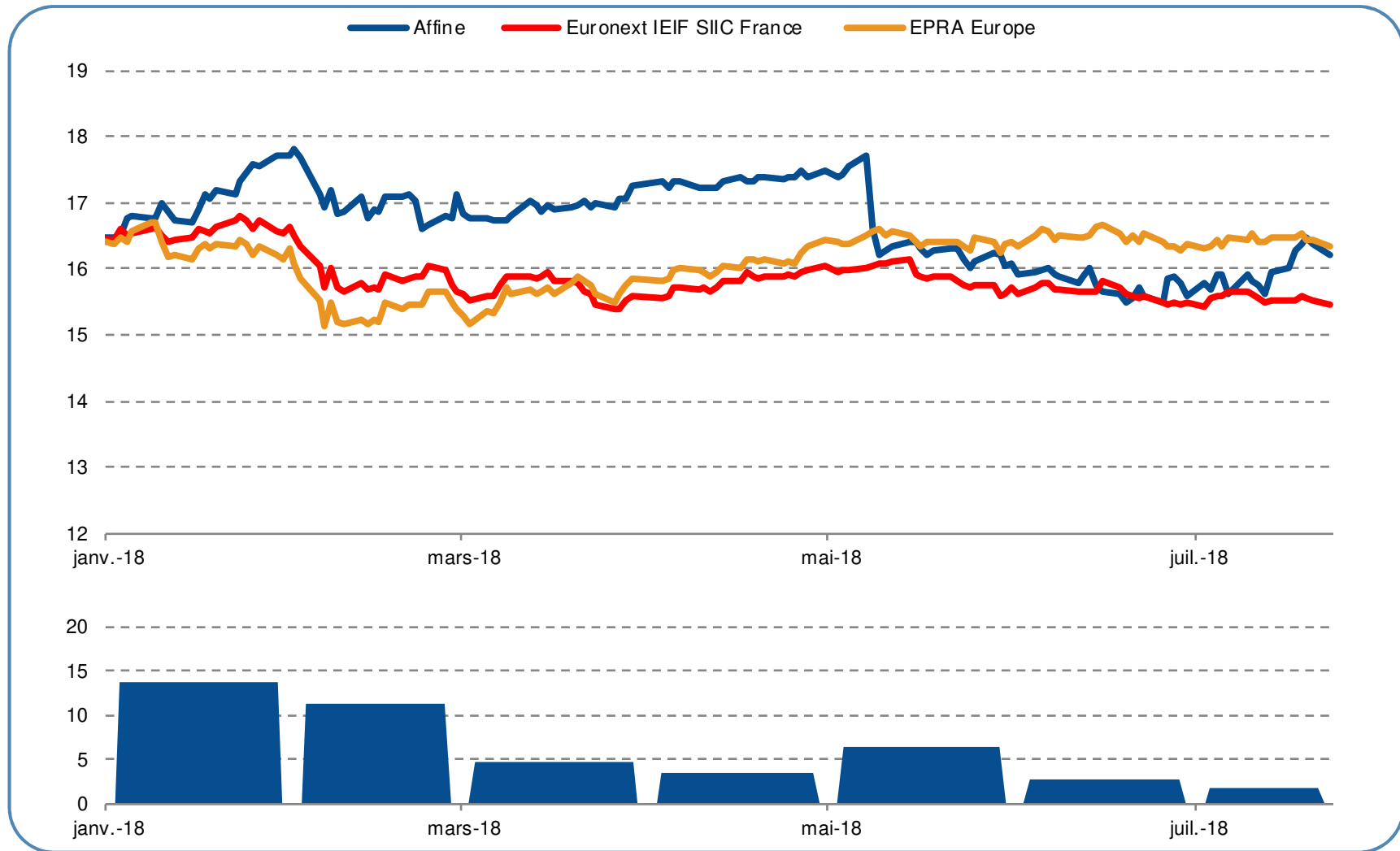
RETURN BY ASSET TYPE

	Portfolio Split in value	Headline Yield	Potential Yield
Offices	72.3%	5.4%	5.8%
Retail	21.4%	5.6%	7.1%
Warehouses & Industrials	6.3%	7.1%	8.2%
Total	100.0%	5.6%	6.3%

RETURN BY LOCATION

	Portfolio Split in value	Headline Yield	Potential yield
Paris Métropole	47.3%	5.2%	5.5%
Targeted regional cities	36.7%	5.1%	5.4%
Others	16.0%	7.8%	10.1%
Total	100.0%	5.6%	6.3%

SHARE PRICE (€) AND AVG TRANSACTION VOL. (000)

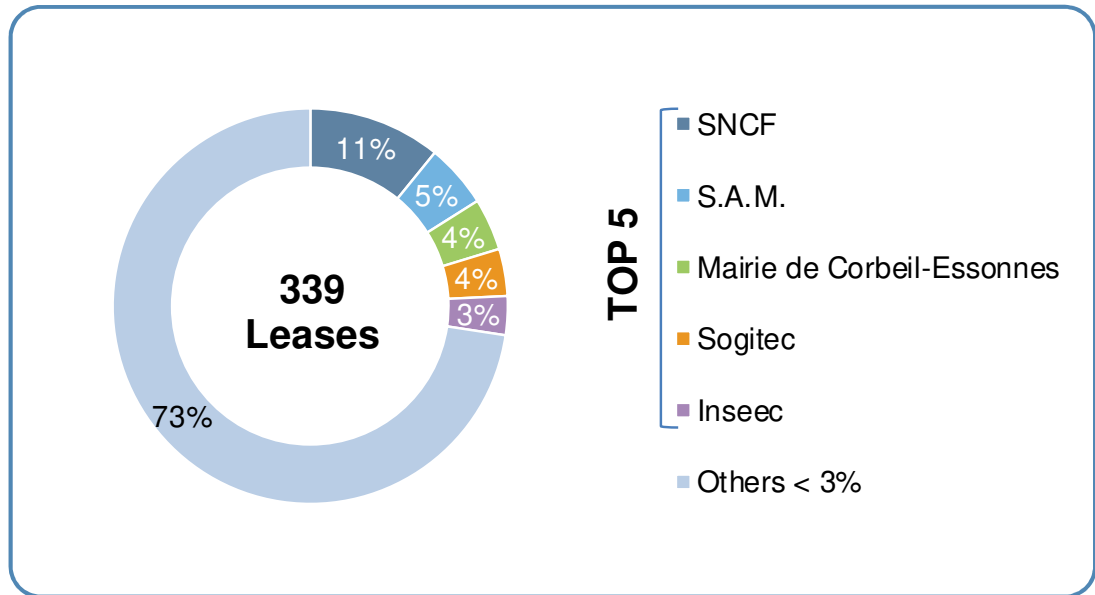


LTV (NET DEBT / PORTFOLIO VALUE)

	(€m)	30/06/17	31/12/17	30/06/18
LOAN	Net financial debt	300	342	351
	Debt allocated to lease financing	(6)	(5)	(3)
	Debt for investment properties	293	337	347
VALUE	Value of properties (incl. TT)	572	616	626
	Property companies on equity basis	28	25	25
	VEFA & Fixed assets adjustments	4	4	4
	Adjusted portfolio value incl. taxes	604	645	655
LTV (net debt on portfolio value)		48.6%	52.3%	53.0%

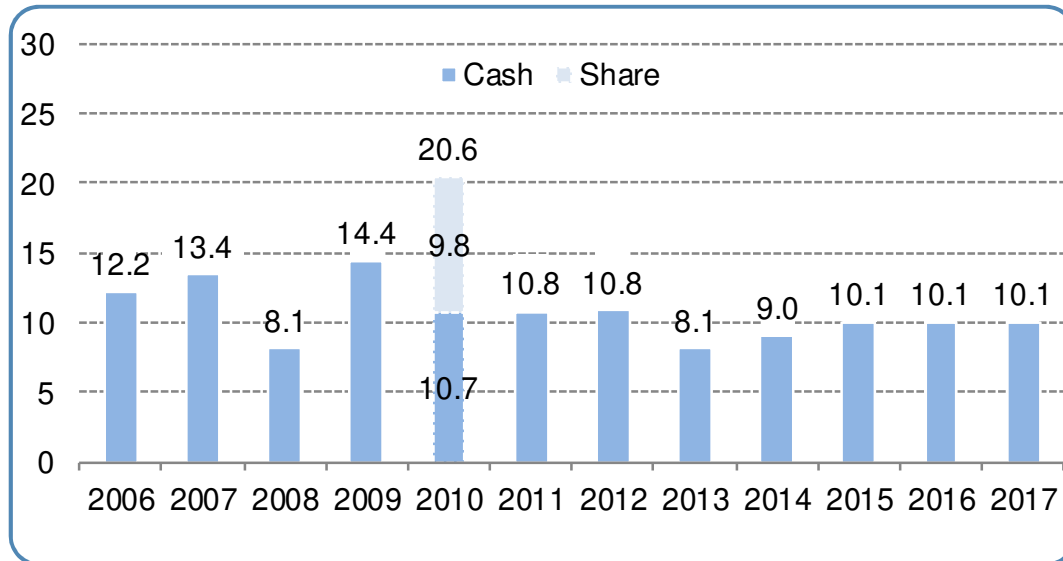
A DIVERSIFIED RISK ON TENANTS

A DIVERSIFIED PORTFOLIO OF CUSTOMER BREAKDOWN OF RENTS

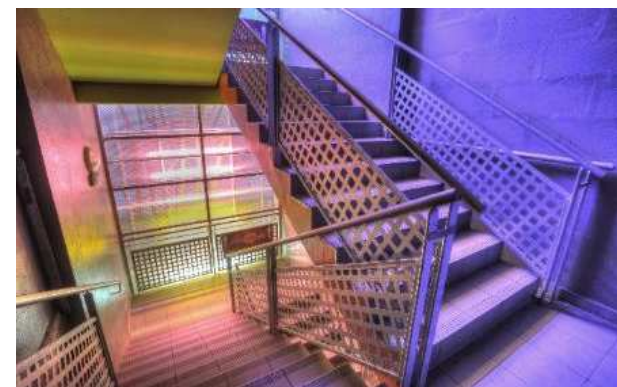


DIVIDEND

AFFINE, HIGH YIELD PROPERTY COMPANY (€M)



■ A 6.4% yield based on the share price of 30/06/2018 (€15.60)



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
- **December 2016** – Disposal of the 2 projects: Amortisation of the remaining outstanding mezzanine loan representing €27.7m



URBANOVE
SHOPPING DEVELOPMENT

BANIMMO – 2 SUCCESSFUL DEVELOPMENTS

DISPOSAL OF THE 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 €4.3m
- Completion by Q2 2016
- Opening and disposal late 2016 at a price of €130m
- OR: 100% - Apple, Nespresso, Uniqlo, Marks & Spencer, Desnoyers, etc

AGREEMENT OF SALE OF THE MARCHÉ DE LA HALLE SECRÉTAN (PARIS 19^{ÈME}) – SIIC TROPHY

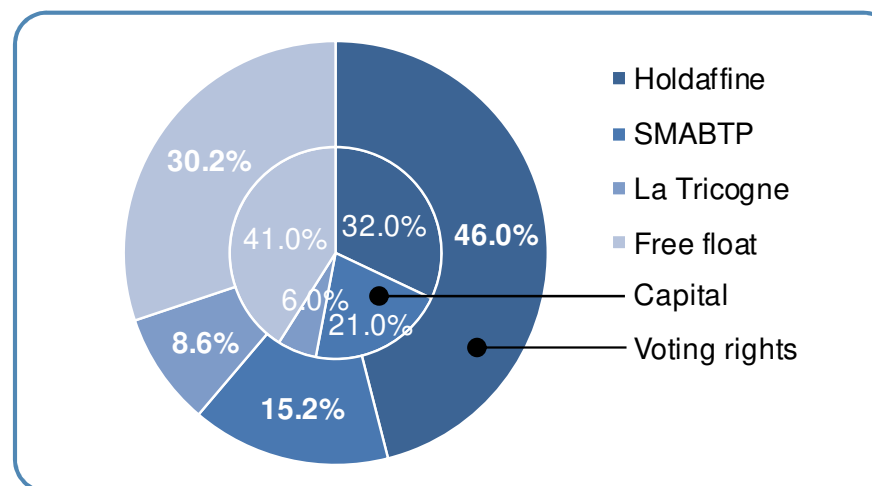
- Request for proposal won in April 2011
- Ground lease for 70 years
- Project cost: c. €15m
- Increase threefold the surface area to 3,800 sqm
- Rent: €1.25m
- Opening in October 2015
- Agreement for sale signed in October 2016
- Property sold in July 2017 for €27.8m
- OR: 100% - Les 5 fermes, Camaïeu, Neones, Desnoyers, etc



SHAREHOLDING

SHAREHOLDING

- Annualised float turnover rate of 44%
- Annualised capital turnover rate of 18%



AFFINE IS LISTED ON Euronext Paris

30 June 2018

Number of shares	10,056,071
Share price	€15.60
Market capitalisation	€156.9m
Change in H1 2018	-5.3%
EPRA earnings per share (excl. Banimmo)	€0.45
Ticker (Bloomberg / Reuters)	IML FP / BTPP.PA