AFFINE

Paris, 27 July 2018, 06:30 a.m.

2018 consolidated half-year results

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
- (+) Banimmo 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

Affine's Board of Directors, at its meeting of 25 July 2018, approved the condensed consolidated half-year financial statements as at 30 June 2018. Limited review procedures were carried out on the consolidated financial statements by the Statutory Auditors.

1) EARNINGS

Consolidated net profit, group share, for the period amounts to €5.0m, compared with €6.9m in the first half of 2017:

- Net rental income decreased by 0.7%, as the positive effect of acquisitions (+11.4%) was reduced by disposals (-8.8%) and change on a like-for-like basis (-3.7%).
- No contribution of disposals (€0.1m) and fair value variation (-€0.1m), compared with a positive contribution of €1.1m in H1 2017.
- Financial expenses increased (€3.6m compared with €3.1m), while the average cost of debt decreased (-10bps), reflecting sustained investments activity in 2017.
- The contribution to earnings from Banimmo (49.5% owned by Affine) changed from -€2.2m to -€0.0m (see Banimmo's press release).
- Finally, three items had a negative effect on the year-on-year evolution of earnings: a deferred tax charge of €1.0m, a decrease of €0.5m in income from finance leases (being gradually discontinued) and €0.4m in other income and expenses, as the first half of 2017 had benefited from provision reversals and exceptional receipts received.

Adjusted from exceptional items such as changes in fair value and gains or losses on disposals, EPRA earnings - excluding Banimmo - stood at €5.9m (-13.6%). Including Banimmo, EPRA earnings amounted to €6.4m.

Funds from operations decreased from €7.6m to €5.8m. Due to the improvement of €1.4m in the WCR (versus +€0.4m in H1 2017) and the inclusion of Banimmo's operating flows (€21.0m, mainly including the disposal of Banimmo France and the Rocquencourt building), operating cash flow increased from €10.5m to €33.2m.

2) Activity

The volume of investments carried out in the last 12 months is €102m, the amount of turnkey projects and developments accounted to date is €11m, and projects committed or controlled amount to €53m. Overall, this will generate an annual rental income in the longer term of €11.1m, corresponding to a potential rental income of €6.6m on an annual basis for leased properties or new-built commissioned (including €1.8m already recognised in the 2018 half-year financial statements) and €4.5m for developments under construction.

During the first half-year, Affine has registered the arrival of new tenants representing €0.6m in headline rents, compared with €1.0m in departures. Renegotiations concerned a total of €0.4m in rental income (impact for the full year: -€0.2m). Furthermore, tenants who have given notice of departure will have an effect of -€0.3m on 2018, with leases entering into force after 30 June having an impact of +€0.1m and changes in portofolio having an impact of +€0.7m.

Over the period, the renewal of the portfolio and its refocusing on the major French cities continued with:

- Total investments, in the form of acquisitions or new-built of €25.2m, including €23.8m devoted to the development of turnkey projects in Meudon, Nantes and Lille, and the acquisition of the office building in Sèvres. The investment pipeline, including turnkey commitments and controlled projects, represents a total of €53m.
- the disposal of a portfolio of three logistics buildings in Mer, Leers and Thouars, with a total surface area of 87,000 sqm, four street shops in Arcachon with a total surface area of 500 sqm and the retail premises in Barberey-Saint-Sulpice for €15.8m, generating a capital gain of €0.1m.

The occupancy rate (EPRA) improved substantially, from 87.0% to 89.0%.

3) Friendly takeover bid for Banimmo by Patronale Life

Affine has announced its intention to tender its shares to the takeover bid recently launched by Belgian insurer Patronale Life for 100% of Banimmo's share capital. Affine's equity investment of 49.5% will therefore be sold at a price of €18.6m, i.e. €3.3 per share (see the press release of 12 July).

This price corresponds to the value recognised in Affine's financial statements at the end of 2017: the impact of Banimmo's earnings will therefore be neutral in Affine's 2018 income statement.

This disposal, which is scheduled to take place no later than 15 November 2018, will provide Affine with €18.6m in additional resources to implement its strategy, and will allow it to move forward in its refocusing on its French commercial property business, whose area of expertise is centred on offices and, additionally, on city-centre retail premises.

4) Net Asset Value

At the end of June 2018, the fair value of investment properties was €588m (excluding transfer taxes), compared with €579m at the end of 2017 (up 1.6% and unchanged on a like-for-like basis).

Including Banimmo's properties, the fair value (transfer taxes included) of the Group's total assets amounted to €769m (compared with €824m at the end of 2017).

The EPRA Net Asset Value (excluding transfer taxes, after deducting PSLs and after adjustments to the fair value of derivatives and deferred taxes), fell by 2.4% to €205.6m, reflecting the impact of net income for the half-year and distributions in 2018 (dividends and payment of the BSR bonds and PSLs). The NAV per share (excluding treasury shares and after conversion of BSR bonds), decreased from €20.5 at the end of 2017 to €20.0 (-2.4%).

EPRA Triple NAV per share (excluding transfer taxes), which includes the fair value of debt, hedging instruments and deferred tax, amounted to €22.5, compared with €22.7 at the end of 2017.

5) Financing

€34.1m in new loans were set up during the period and the company paid off a total of €35.1m.

At 30 June 2018, financial debt net of cash amounted to €347.4 million (versus €337.1 million at the end of 2017). The LTV ratio (net bank debt/market value of buildings including transfer taxes, property inventories and associates) was 53.0% versus 52.3% at the end of 2017.

The average cost of debt fell from 2.0% to 1.9%. The average term of debt is 5.8 years. There are no significant debts maturing in the next few years.

6) Outlook

With the imminent sale of Banimmo, Affine continues to pursue its strategy of renewing and streamlining the portfolio (primarily in the office buildings), alone or in partnership, with development divided equally between Metropolitan Paris and six main regional urban areas (Bordeaux, Lille, Lyon, Marseille, Nantes and Toulouse). The target cities as a proportion of total assets have thus increased from 52% to 84%. This strategy should allow Affine to maintain its distribution strategy and has been strengthened by the rental from the time of delivery of buildings purchased off-plan (see press release: Affine is renting 9,000 sqm in Nantes and Meudon).

7) Calendar

- 17 October 2018: Third-quarter revenues (after-market)
- February-March 2019: 2018 annual revenues and earnings (pre-market)
- 17 April 2019: First-quarter revenues (after-market)
- April 2019: Annual General Meeting
- May 2019: Dividend payment

Consolidated earnings

(€m) (1)	H1 2017	2017	H1 2018
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 (2)	**10.3**	**21.6**	**10.0**
Current operating profit	**10.0**	**21.3**	**9.9**
Other income and expenses	0.5	0.7	0.0
Net profit or loss on disposals	1.6	1.9	0.1
Operating profit (before value adjustments)	**12.1**	**23.9**	**10.0**
Net balance of value adjustments	(0.5)	0.3	(0.1)
Net operating profit	**11.6**	**24.2**	**9.9**
Net financial costs	(3.1)	(6.9)	(3.6)
Fair value adjustment of financial instr.	0.7	0.8	0.1
Taxes	(0.3)	0.3	(1.1)
Miscellaneous (3)	(0.0)	0.8	(0.2)
Associates	(2.0)	(0.1)	(0.2)
Discontinued operations		(12.0)	0.1
Net profit	**6.9**	**7.2**	**5.0**
Net profit – Group share	**6.9**	**9.1(4)**	**5.0**
Net profit – Group share (excluding Banimmo)	**9.0**	**19.2**	**4.9**

(1) Based on IFRS standards and EPRA recommendations.
(2) Current EBITDA represents the profit from current operations excluding current depreciation and amortisation costs. For H1 2017, 2017 and H1 2018, this amount does not include the impairment of buildings in inventory of the property development business of -€0.1m, -€0.1m and -€0.0 respectively, which is recognised under other income and expenses.
(3) Other financial income and expenses.
(4) Non-controlling interests exclusively comprise the non-controlling interests of Banimmo.

EPRA earnings (indirect method)

(€m)	H1 2017	2017	H1 2018
Net profit – Group share	**6.9**	**9.1**	**5.0**
Value adjustments for investment and development properties	0.4	(0.2)	0.1
Profit or (loss) on disposals	(1.6)	(2.7)	(0.1)
Goodwill adjustment	-	8.2	(0.1)
Fair value adjustment of hedging instruments	(0.7)	(0.8)	(0.1)
Non-current tax, deferred and exit tax	(0.0)	0.0	1.1
Adjustments for associates and discontinued operations	(0.8)	(2.2)	1.0
Minority interests in respect of the above	-	(0.5)	(0.5)
EPRA earnings(5)	**4.2**	**10.8**	**6.4**
EPRA earnings (5) (excluding Banimmo)	**6.9**	**15.5**	**5.9**

(5) The European Public Real Estate Association (EPRA) updated its guidelines for performance measurements in November 2016. As detailed in the EPRA adjustments note, EPRA results essentially exclude the effects of changes in fair value and gains or losses on disposals.

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

(€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 (2)	**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 costs	(3.1)	(6.9)	(3.6)
Taxes (current)	(0.3)	0.4	(0.0)
Miscellaneous (current) (3)	(0.0)	0.0	(0.2)
Associates and discontinued operations (current)	(2.7)	(6.1)	0.7
Net current earnings	**4.2**	**9.4**	**6.9**
EPRA earnings (Net current profit – group share)	**4.2**	**10.8**	**6.4**
EPRA earnings (excluding Banimmo)	**6.9**	**15.5**	**5.9**
Other income and expenses (non-current)	0.1	(0.1)	(0.0)
Net profit or loss on disposals	1.6	1.9	0.1
Net balance of value adjustments	(0.5)	0.3	(0.1)
Fair value adjustments of hedging instr.	0.7	0.8	0.1
Taxes (non-current)	0.0	(0.0)	(1.1)
Miscellaneous (non-current) (3)	0.0	0.8	-
Associates and discontinued operations (non-current)	0.8	(6.0)	(0.9)
Net non-current profit	**2.7**	**(2.3)**	**(1.9)**
Net non-current profit – Group share	**2.7**	**(1.7)**	**(1.4)**
Net non-current profit – Group share (excluding Banimmo)	**2.2**	**3.7**	**(1.0)**
Net profit	**6.9**	**7.2**	**5.0**
Net profit – Group share	**6.9**	**9.1**	**5.0**

ABOUT AFFINE

Affine is a property company specialising in commercial real estate. At the end of June 2018, it directly owned 41 buildings with a total value of €588, (excl. transfer taxes) for a total surface area of 248,400 sqm. The Company owns office properties (72%), retail properties (22%) and warehouses and industrial premises (6%). 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 June 2018, Banimmo had total assets of 9 office and commercial buildings, with a value of €143m (transfer taxes included).

Total Group assets are €769m (including transfer taxes).

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

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

CONTACT

INVESTOR RELATIONS
Frank Lutz
+33 (0)1 44 90 43 53 – frank.lutz@affine.fr

PRESS RELATIONS
Dentsuaegis – Alexandra Richert
+33 (0)1 41 16 42 67 – alexandra.richert@dentsuaegis.com

Appendix to the H1 press release 2018

H1 2018 IN BRIEF

STRATEGY

PROPERTY

ACTIVITY FOR THE PERIOD

FINANCIAL SUMMARY

The financial statements are currently under limited audit review.

H1 2018 IN BRIEF]

Key figures

Consolidated statements (€m)	H1 2017	2017	H1 2018
Gross rental income	16.8	33.8	16.6
Current operating profit(1)	10.0	21.3	9.9
EPRA earnings (excl. Banimmo)	6.9	15.5	5.9
EPRA earnings	4.2	10.8	6.4
Net profit – group share	6.9	9.1	5.0
Funds from operation	7.6	15.1	5.8
Investments (acquisitions and works)(2)	11.1	84.8	23.2
FV of investment properties (incl. TT)(3)	571.7	615.9	625.7
FV of investment properties (excl. TT)(3)	536.9	578.6	588.0
EPRA net asset value (excl. TT)(4)	209.1	210.6	205.6
EPRA NNNAV (excl. TT)(4)(5)	240.6	232.8	230.8
Net financial debt	286.7	334.6	342.8
LTV (%)	48.6	52.3	53.0
Average cost of debt (%)(6)	2.0	2.0	1.9
EPRA vacancy rate (%)	11.6	13.0	11.0
Figures per share (€)	**H1 2017**	**2017**	**H1 2018**
Net profit (7)	0.58	0.67	0.36
EPRA earnings (excl. Banimmo)	0.58	1.29	0.45
EPRA earnings	0.32	0.84	0.50
Dividend	-	1.00	-
EPRA net asset value (excl. TT) (4)	20.38	20.53	20.03
EPRA NNNAV (excl. TT) (4)(5)	23.47	22.69	22.49
Share price (end of the period)	16.21	16.48	15.60

NB: The Banimmo sub-group of Affine is consolidated using the equity method up to 30 September 2017 and after that using global integration as a discontinued operation (IFRS 5).
(1) In H1 2017, 2017 and H1 2018, this amount does not include the depreciation of buildings in inventory of the property development business of -€0.1m, €0.1m and €0.0m respectively, which is recognised under other income and expenses.
(2) This amount corresponds to investment disbursed. Buildings are accounted 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) After BRS dilution (bonds redeemable in shares) and excluding Perpetual Subordinated Loan Notes (PSLN).
(5) including the difference between the book value and market value of the PSLN
(6) Including hedging costs.
(7) After dilution, due to BRS and taking into account interest on the PSLN.

Key events

February

Disposal by Banimmo of Banimmo France.

Acquisition of a 5,670 sqm office building in Sèvres (92), le Majolique.

April

Disposal by Banimmo of a 18,200 sqm office building in Rocquencourt (78).

Evolution of governance: appointment of Matthieu Evrard as Chief Executive Officer and Alain Chaussard, Vice President, as Senior Advisor.

May

Disposal by Banimmo of its stake in the conference centre Dolce in la Hulpe, near Brussels, in exchange for acquisition of a full stake in the conference centre Dolce in Chantilly.

Signing of a 12-year lease with the National Association for Automobile Training to install its headquarters on all 5,300 sqm of offices of the Meudon building.

June

Signature with Louvre Hotels Group of an agreement for the operation of a new budget lodging product at Kremlin-Bicêtre (94), Porte d'Italie.

Disposal of a portfolio of 3 logistic buildings with total surface area of 87,000 sqm at Leers (59), Mer (41) and Thouars (79).

Signing of a 9-year lease with the DGFIP of Pays de la Loire for all 3,960 sqm of the Nantes building.

July

Announcement of a takeover bid proposal on Banimmo by Patronale Life: Affine commits to tender its stake

One strategy focused on 4 areas

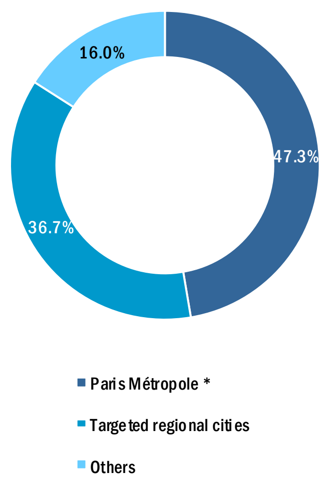
- sustained work to upgrade the properties directly owned by Affine: quality improvement within a sustainable development approach, active rental management to stabilise tenants and improve occupancy rates, and optimised management through an efficient information system;
- investments focused on new or recent certified green buildings, of medium size for their markets (€10m to €30m for offices), or which ensure high rental income while also offering potential value creation due to their location or rental situation. A strategy which also can be structured for co-investment for larger projects;
- balanced development between the Paris region, which represents about half the properties, and the major regional metropolitan areas which benefit from good national and international transport services and strong demographic and economic momentum: Bordeaux, Nantes, Lille, Lyon, Marseille and Toulouse;
- the incorporation of technological and behavioural developments in the property sector (rental services, new ways of using work space, etc.).

Banimmo, after the sale of its French subsidiary in H1 2018, its stake in the conference centre Dolce at La Hulpe and the vacant building in Rocquencourt (78), with a healthier balance sheet structure, resumed its growth and will boost its developing business in Belgium by relying on its land reserves.

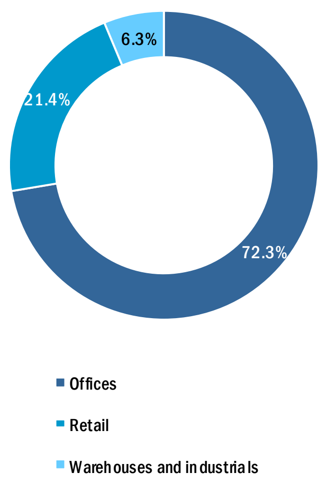
Breakdown

Affine owns 41 properties with a total value of €626m including transfer taxes, with a total surface area of 248,400 sqm.

Breakdown of value by region



Breakdown of value by type



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

Offices

The Office property portfolio represents 142,600 sqm and is valued at €452m including transfer taxes. In particular, it includes assets such as the 7,800 sqm Traversière tower in Paris near Gare de Lyon, the Lille Europe tower (25,000 sqm) over the Euralille train station, the Green Office building in Meudon (5,400 sqm), the Tangram building in Lyon Part-Dieu (5,900 sqm), the Majolique building in Sèvres (5,670 sqm) and the Les Amarantes buildings in Toulouse (5,800 sqm).

Retail

Commercial properties consist chiefly of city-centre real estate such as Les Jardins des Quais in Bordeaux (25,000 sqm) and Les 7 Collines shopping centre in Nîmes (14,000 sqm) for a total of 58,900 sqm. The fair value of these properties is €135m including transfer taxes.

Warehouses and industrial premises

A large proportion of the Affine logistics properties was sold in 2015. At the end of June 2018, these 5 remaining properties represented a total surface area of 46,900 sqm for a value of €39m including transfer taxes (excluding plot of land under development in Sant Feliu in Spain).

Fair value

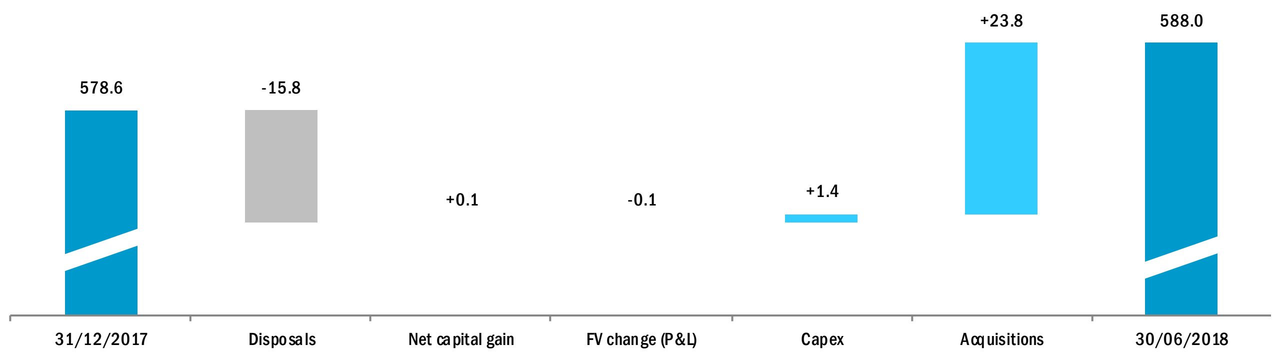
Fair value of directly owned properties

The fair value (including transfer taxes) of the portfolio at the end of June 2018 stood at €626m compared with €616m at the end of 2017.

Excluding transfer taxes, the value of the properties rose from €579m at the end of 2017 to €588m at the end of June 2018. This change resulted from:

- disposals totalling €15.8m, with a net capital gain of €0.1m;
- €23.8m in investments;
- €1.4m in maintenance and improvement work, and development;
- a -€0.1m decrease in the fair value of buildings in the portfolio on a like-for-like basis;

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



The neutral impact on earnings related to the change in the portfolio's fair value on a like-for-like basis (-0.0%) is the result of:

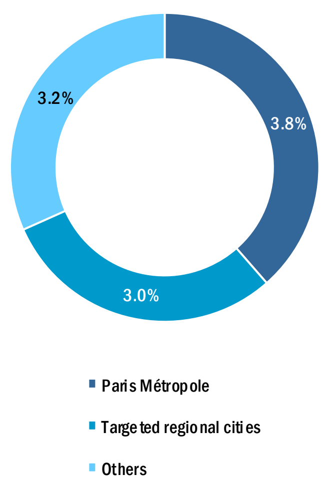
- a 0.8% increase due to the improvement in market rents (ERV).
- a 2.9% decrease due to higher yield rates used by appraisers,
- a residual 2.0% increase (works to be carried out, reversion, internal correction, etc.).

The average return resulting from valuations is 5.7%. A downward or upward change of 25 basis points in this rate would lead to an increase or a decrease respectively of €24.7m in the portfolio's value.

Fair value of total properties

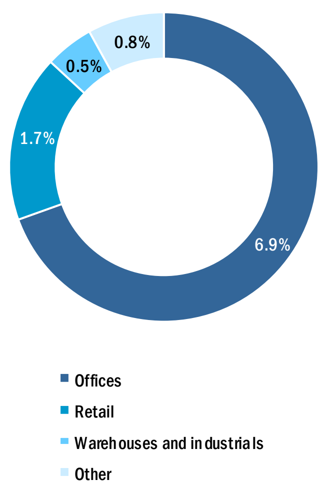
By including the Banimmo buildings, the fair value (including transfer taxes) of total properties stood at €769m at the end of June 2018 compared with €824m at the end of 2017.

Breakdown of value by region



Others: including Belgium for Banimmo (15.2%)

Breakdown of value by type



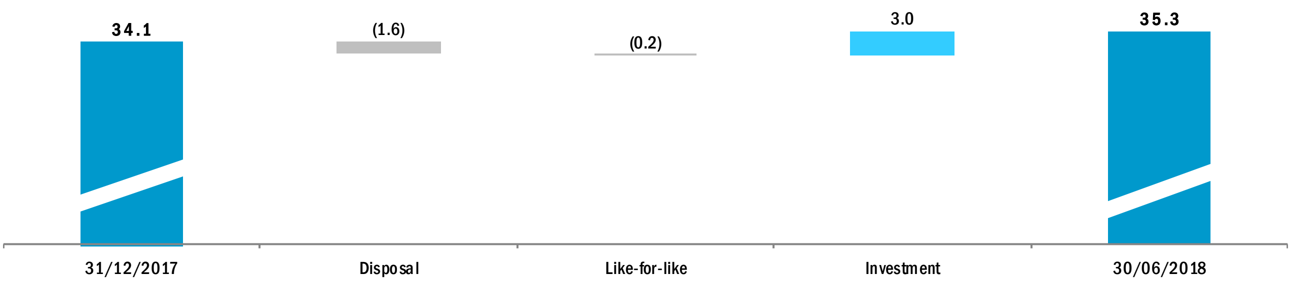
Affine

Headline rents

Rents from leases in effect at 30 June 2018 accounted for €35.3m on an annual basis, an increase of 3.7% compared to 31 December 2017.

On a like-for-like, headline rents are slightly down 0.6%.

Change in headline rents (€m)

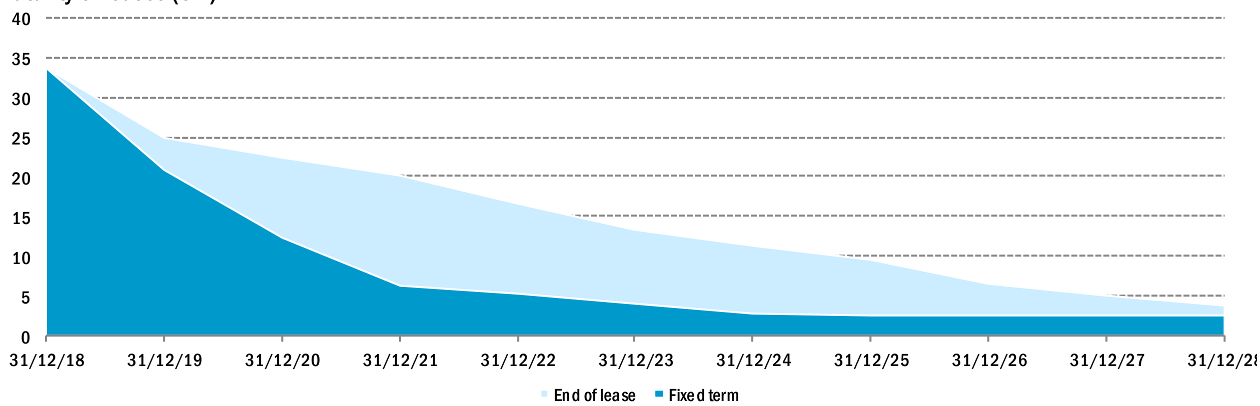


During the first half, Affine signed 13 new leases concerning a total surface area of 3,300 sqm and total annual rents of €0.6m. Furthermore, 23 tenants left their premises, representing a total surface area of 6,800 sqm and annual rents of €1.0m. Finally, 9 renegotiated leases representing total rents of €0.4m (impact on an annual basis: -€0.2m). Based on the rental situation as of 30 June, the impact of these changes on 2018 gross rental income will be -€0.5m.

Investments and disposals realised over the first half represent a +1,1 M€ impact on the gross rental income, including the €1.9m lease signed in Meudon, and lease cancellations, a -€0.3m impact.

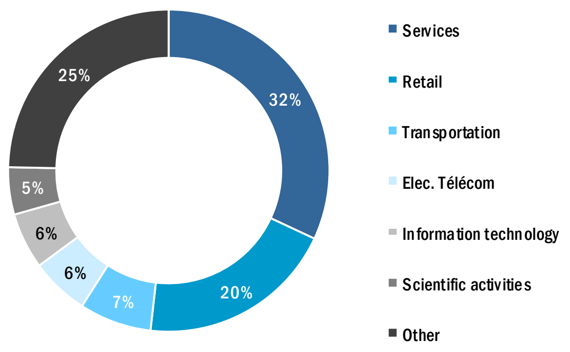
The average term of leases and their fixed term are 5.1 and 3.0 years, respectively (compared to 4.6 and 2.5 years at the end of 2017).

Maturity of leases (€m)

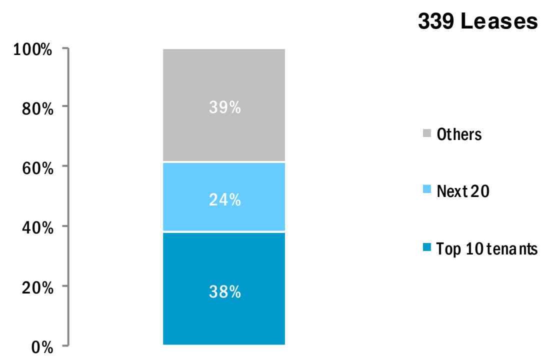


Among the top 30 tenants, which account for 61% of total rents, none should permanently exceed 10%, in order to limit the risk on rental income. However, the largest tenant, SNCF [the French national railways], currently exceeds this threshold and is expected to be diluted with the recent acquisitions. The other major tenants are: the Services de l'Automobile et de la Mobilité, the Corbeil-Essonnes Municipal Authority, Sogitec Industries and INSEEC.

By business sector (rents)



Breakdown of leases



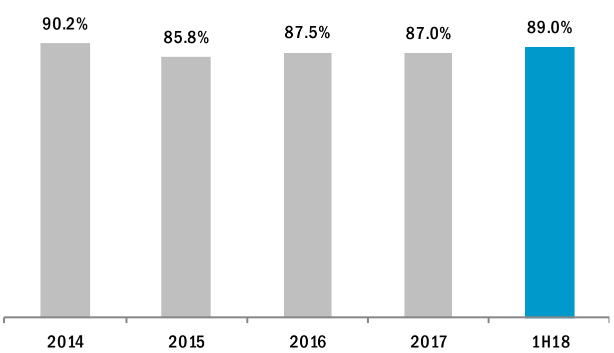
Occupancy rate

Since many buildings are occupied by multiple tenants and, taking into account the acceleration in asset turnover in recent years, aimed at rejuvenating and streamlining the portfolio, the target occupancy rate is about 90%. This rate is as well impacted by the strategy to sell off fully let mature buildings, located outside the target areas, and to invest in new buildings which are being marketed or offer potential for value creation due to their rental position.

At 30 June 2018, Affine's financial occupancy rate (EPRA) (excluding buildings under refurbishment in Gennevilliers and Kremlin-Bicêtre) stood at 89.0%, compared with 87.0% at the end of 2017.

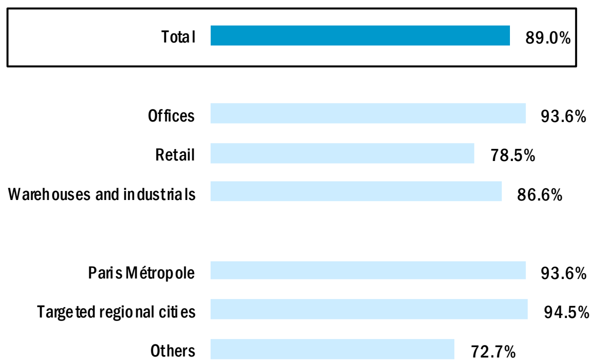
At 30 June 2018, 50% of the Company's EPRA vacancy is concentrated in 4 properties: industrial premises in Gennevilliers and three retail complexes in Nimes, Bordeaux and Saint-Etienne.

Occupancy rate (EPRA)*



* Financial occupancy rate excluding buildings being refurbished.

Occupancy rate by type and regions



Investments & Disposals

Acquisitions

Sèvres – Le Majolique

In February, Affine purchased a fully let 5,670 sqm office building from Allianz in Sèvres (92), in the Paris Metropole area. This acquisition enables the group to increase its annual rental income by €1.2m.

Located alongside the banks of the Seine, facing the Pont de Sèvres bridge and highly visible from the N118 highway, the Majolique building is easily accessible from the Paris ring road (Porte de Saint-Cloud), La Défense (Quais de Seine) and the A86 motorway. The district also has access to several public transport options, including numerous bus lines, the T2 tram line and the Pont de Sèvres metro station (line 9) - and eventually line 15 of the Grand Paris Express, which is scheduled to be completed in 2022.

The property benefits from the bustling growth in the Southern Loop market, around Boulogne-Billancourt and Issy-les-Moulineaux, with major companies such as

CFAO, Fresenius Kabi, General Electric and Renault as neighbours.

Developed in 1992 by Cogedim, the 5,670 sqm office building has nine floors and 108 underground parking spaces. The fully-occupied building was recently renovated, now offering its nine tenants all the comforts of a modern office building.

Development

Kremlin-Bicêtre – Porte d'Italie

Affine has entered into an agreement with Louvre Hotels Group, the 5th-largest hotel group worldwide, for a 12-year fixed-term lease, for the operation of a new budget lodging product, allowing clients to book beds rather than rooms in Kremlin-Bicêtre (94).

This future project will use an office building from Affine's historical portfolio, which will undergo major restructuring works and a superstructure extension covering a total floor area of approximately 1,600 sqm. Its location at Porte d'Italie on the first ring road of Paris offers access to all of the capital's public transport services: metro, tram, bus and A4 and A6 motorways.

The establishment will offer 238 beds comprise 39 dormitory-type rooms, offering two to eight beds with bathrooms, and all the necessary equipment to guarantee a comfortable stay: reception desk, automatic digital check-in, breakfast room, laundry room and a rooftop recreational area. Completion and operation are planned for Q1 2020.

This new concept will be operated by Louvre Hotels Group and will complement that of the neighbouring hotel restaurant Campanile 3 stars, belonging to the same group. The geographical proximity will provide greater visibility and improved traffic for the multi-brand hotel facility.

Disposals

As part of its process to reinvigorate and improve its property portfolio, over the period, Affine sold buildings regarded as mature, too low in value or located outside target development areas:

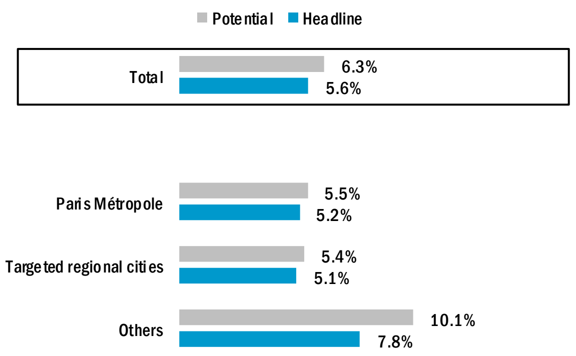
- Warehouses: a portfolio of three logistics properties located in the French regional cities of Mer, Leers and Thouars, with total gross area of 87,000 sqm;
- Retail: 4 shops in Arcachon for a total surface area of 500 sqm and the retail premises located in Barberey-Saint-Sulpice.

The properties were disposed of at prices very close to fair value at the end of 2017.

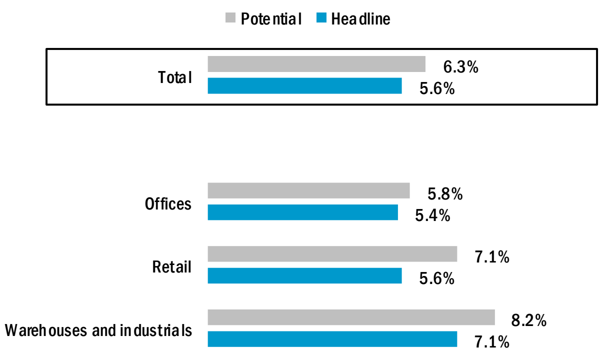
Pipeline

The program for the acquisition and upgrade of assets amounts to €64m, €53m of which constitutes the pipeline and €11m is already included in the turnkey projects under construction: Nantes and Lille. Other projects are under review.

Rental return of assets by region



Rental return of assets by type



Banimmo

As at 30 June 2018, Banimmo held 9 buildings, one of them in joint venture, representing a total surface area of 104,000 sqm, and 9 plots of land and land reserves, of which 3 are in joint ventures, for a total development potential of 311,000 sqm.

At the end of June, the overall occupancy rate of the portfolio stood at 77%, down compared to the end of 2017 (83%). Diamond is the only building with available space under marketing.

Over the first half, Banimmo sold 18,200 sqm office building in Rocquencourt, as well as its subsidiary Banimmo France, and sold its stake in the Dolce centre in La Hulpe in exchange of the acquisition of the entire conference centre Dolce in Chantilly.

At end of May, Banimmo repaid its €34m bond issued in 2013.

Over the period, the company has continued its ongoing development projects:

- Athena Business Centre in Vilvorde: Banimmo obtained approval for the process of changing the intended use for this 5-hectare site. The tertiary buildings will be adapted for a new residential space called ‘Groenloo’, containing 220 housing units (in the form of apartments, single family housing, etc). The town planning approval (RUP) was obtained but is currently under appeal;
- North Plaza in Brussels (13,800 sqm): Banimmo obtained the vertical separation building permit for offices: at the same time a conversation into an hotel is under study;
- A new development is undergoing near Liège.

Banimmo also has stakes in companies consolidated by the equity method:

- Grondbank The Loop (25%): this company is currently developing land around the Flanders Expo complex in Gand, in cooperation with the municipality. The city did not wish to continue the programme outlet centre and Banimmo continues the realisation of "built-to-suit" on the other land;
- Conferinvest (100%): operation of a Dolce conference centre in Chantilly;

As a result of assets disposals, rental income fell to €1.9m compared to €3.9m in H1 2017. The disposal of French assets generated a capital gain of €1.7m.

Taking into account a gain of €1.2m on the fair value of properties (compared to a loss of €0.9m in H1 2017), the real estate operating result amounts to €3.4m against €0.6m in H1 2017.

The sensible reduction of structure loads (-€2.5m vs. -€3.3m) brings operating income to €0.9m (vs. -€2.7m).

After taking into account financial expenses, which decreased significantly, and the share in joint ventures, net income was even, compared with a loss of €4.4m in H1 2017.

At end-June 2018, Banimmo’s Net Asset Value amounted to €65.8m, or €5.8 per share (vs. €5.8 at end-2017), to be compared with an average stock price over the last 6 months of €3.30 and net book value of €4.8 per share.

On 13 July 2018, the Belgian insurance group Patronale Life submitted an irrevocable takeover bid proposal for the entire capital of Banimmo at a price of €3.3 per share, corresponding to the volume-weighted average price of the last six months. Affine announced its commitment to tender its whole stake. Affine's 49.5% stake will thus be sold for €18.6m.

Affine acquired its stake in 2006 for a net amount of around €66.6m. Banimmo managed to benefit from a positive environment by generating large profits in the years that followed, distributing over €45.1m in dividends in total to Affine until 2013. The conversion of Banimmo's business model from a property restructuring to a development company has made its business profile more volatile, as demonstrated by the Urbanove operation, which resulted in significant provisions and a sharp fall in its share price. For the last two years, the new management as set by Affine has concentrated on simplifying the model, organising an accelerated debt reduction programme and re-launching the development projects of its land bank in Belgium.

For Affine, the operation means cash back available to deploy its strategy. The contribution of this sale to earnings is expected to be neutral, as the sale price of the Banimmo shares is substantially equal to the group share net book value in Affine's balance sheet as at 31 December 2017.

Banimmo, 49.5% of which is owned by Affine, has been consolidated using global integration as a discontinued operation (IFRS 5) since 30 September 2017 (see NB here-below).

Since Banimmo is listed on the Euronext Brussels, and all information concerning it is available at www.banimmo.be.

NB: The shareholders' agreement binding Affine to another shareholder of Banimmo as part of a joint control of this company expired on 30 September 2017. As a result, as of 1 October 2017, Banimmo is fully consolidated overall in Affine's accounts.

In addition, given the divergence of the business models of the two companies, Affine wishes to withdraw from Banimmo, and decided to apply to this stake the treatment provided for by the provisions of IFRS 5 on "discontinued operations", defined as "a component of an entity … that is classified as held for sale and … is part of a single, coordinated plan to separate from a line of a main and distinct business or geographical region…".

As a result, in the financial statements for 2017, Banimmo is accounted for under the equity method up to 30 September 2017 and is treated as a "discontinued operation" within the meaning of IFRS 5 as of 1 October 2017. In the balance sheet at 31 December 2017 and 30 June 2018, the total consolidated assets of Banimmo are therefore included in a specific line, "discontinued operation", under assets, and the total consolidated liabilities of Banimmo are included in a specific line, "discontinued operation", under liabilities. In the income statement, Banimmo's income up to 30 September is included in the line "Associates", and since then the income as well as the value adjustment to the stock price are included in the line "discontinued operations".

The reversal of the provision "Retirement expenses net of provisions" has been reclassified as "personnel costs" for prior years.

Consolidated earnings

Consolidated earnings (€m) (1)	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 (2)	**10.3**	**21.6**	**10.0**
Current operating profit	**10.0**	**21.3**	**9.9**
Other income and expenses	0.5	0.7	0.0
Net profit or loss on disposals	1.6	1.9	0.1
Operating profit (before value adj.)	**12.1**	**23.9**	**10.0**
Net balance of value adjustments	(0.5)	0.3	(0.1)
Net operating profit	**11.6**	**24.2**	**9.9**
Net financial cost	(3.1)	(6.9)	(3.6)
Fair value adjustments of financial instruments	0.7	0.8	0.1
Taxes	(0.3)	0.3	(1.1)
Miscellaneous (3)	(0.0)	0.8	(0.2)
Associates	(2.0)	(0.1)	(0.2)
Discontinued operations	-	(12.0)	0.1
Net profit	**6.9**	**7.2**	**5.0**
Net profit – group share	**6.9**	**9.1(4)**	**5.0**
Net profit – group share (excl. Banimmo)	**9.0**	**19.2**	**4.9**

EPRA adjustments	(2.7)	1.7	1.4
EPRA earnings(4)	**4.2**	**10.8**	**6.4**
EPRA earnings (excl. Banimmo)	**6.9**	**15.5**	**5.9**

NB: The Banimmo sub-group of Affine is consolidated using the equity method up to 30 September 2017 and after that using global integration as a discontinued operation (IFRS 5).
(1) Based on IFRS standards and EPRA recommendations.
(2) Current EBITDA represents current operating profit, excluding current depreciation and amortisation costs. In H1 2017, 2017 and H1 2018, this amount does not include the depreciation of buildings in inventory of the property development business of -€0.1m, €0.1m and €0.0m respectively, which is recognised under other income and expenses.
(3) Other financial income and expenses.
(4) The non-controlling interest (minority interests) consists solely of the minority interests of Banimmo.
(5) The European Public Real Estate Association (EPRA) updated its Best Practice Recommendations in November 2016 which gives guidelines for performance measurements. As detailed in the EPRA adjustments note, EPRA results essentially exclude the effects of fair value changes and gains or losses on sales.

The impact of the investments on gross rental income exceeded the impact of disposals with a +2.6% scope effect. Despite the new leases (specifically Lyon Tangram and Bordeaux), the departures of the second half (essentially Thouars, Saint-Etienne, Saint-Germain-en-Laye) remained a burden (like-for-like: -3.7%). While gross rentals were changing by -1.1%, the decrease in service charges allowed that decrease to be limited to -0.7% for net rental income.

Consequently, current operating profit is down 1.3% to €9.9m, after factoring in a decrease in income from other income (€0.0m vs. €0.4m in H1 2017), the first half of 2017 benefiting from an exceptional reversal of provisions and receipts.

The slight capital gain of €0.1m and the -€0.1m change in fair value of the buildings (vs +€1.6m and -€0.5m, respectively, in H1 2017) led to a net operating profit of €9.9m, down 14.6%.

Net financial costs increased to €3.6m (versus €3.1m), owing to investments in 2017. Moreover, the fair value of financial instruments benefited from the slight rise in long-term rates (+€0.1m and +€0.7m in H1 2017).

The sale of the warehouse in Leers, developed by Concerto Développement, generated a deferred tax recovery of €1.0m.

The full consolidation of Banimmo as from Q4 is reflected in the "Discontinued activities" item. Its contribution to the group share net earnings came out in H1 2018 at -€0.0m versus -€2.2m in H1 2017.

Consequently, Affine posted a net profit (excluding Banimmo) of €4.9m and an overall profit of €5.0m compared with €6.9m for the same period last year.

Adjusted for non-current items such as changes in fair value and gains or losses on disposals, EPRA earnings (excluding Banimmo) amounted to €5.9m (against €6.9m). After the inclusion of Banimmo, EPRA was €6.4m compared with €4.2m for H1 2017.

Consolidated cash flow

Cash Flow (€m)	H1 2017	2017	H1 2018
Funds from operation	**7.6**	**15.1**	**5.8**
Funds from operation excluding cost of debt and taxes	**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 operating cash-flow	-	0.4	21.0
Operating cash flow	**10.5**	**20.2**	**33.2**
Investments	(11.1)	(84.8)	(23.2)
Disposals	11.7	37.8	16.7
Other	-	0.0	0.2
Discontinued operations investment cash-flow	-	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)
Other (including dividend)	(14.5)	(15.6)	(10.6)
Discontinued operations financing cash-flow	-	(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**

Funds from operation (FFO) decreased to €5.8m in connection with changes in the EPRA earnings (excluding Banimmo) and, excluding financial costs and taxes, was €10.1m.

WCR improved by €1.4m (vs 0.4m), specifically owing to putting into service Meudon and the immobilisation indemnity paid in H1 2017 and reimbursed in H2. The full integration of Banimmo's operating cash flow (€21.0m) led to a global operating cash flow of €33.2m versus €10.5m for the same period in 2017.

The investments were up, totalling €23.2m (compared with €11.1m in H1 2017). The contribution of buildings sales amounted to €16.7m. Total cash flow from investments remained stable at €0.6m.

The net balance of financing operations, including dividends distributed and financial costs, generated a cash flow of -€46.2m, with new borrowings being for Affine quasi-equivalent to repayments over the period.

The available net cash position thus decreased over the year to reach €0.3m.

Consolidated balance sheet

Consolidated balance sheet (€m)	H1 2017	2017	H1 2018
ASSETS	**630.9**	**835.4**	**796.3**
Properties (excluding transfer taxes)	536.9	578.6	588.0
of which investment properties	489.7	540.0	539.1
of which property held for sale	47.2	38.6	48.9
Equity holdings	0.0	0.8	0.0
Associates	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
LIABILITIES	**630.9**	**835.4**	**796.3**
Shareholders' equity (before allocation)	280.9	309.3	303.1
of which Non-controlling interest	-	*27.2*	*27.2*
of which BRS	*4.2*	*4.2*	*4.2*
of which PSL	*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

Net asset value

The significant increase in the size of the balance sheet resulted from the global integration of Banimmo during the second half of 2017, which contributed €134.0m to the "Other assets" item and €88.3m to the "Other liabilities" item.

At 30 June 2018, total shareholders' equity amounted to €303.1m, down by €6.2m from the end of 2017, owing to the distribution made in 2018 of dividends and the payment of BRS and PSLN coupons (i.e. €11.4m). After deducting quasi-equity (€73.3m in perpetual subordinated loan notes), and restatements of the fair value of derivatives and deferred taxes, the EPRA net asset value excluding transfer taxes was €205.6m (-2.4%). NAV per share was €20.03 (after BRS dilution and excluding treasury shares), down 2.4% compared with 31 December 2017. Including transfer taxes, NAV per share was €23.73.

NAV (€m)	H1 2017	2017	H1 2018
Shareholders' equity (before allocation), Group share	280.9	282.1	275.9
PSLN adjustment	(73.1)	(73.3)	(73.3)
IFRS NAV (excl. TT)	207.8	208.8	202.6
EPRA adjustments	1.3	1.8	3.0
EPRA NAV (excl. TT)	**209.1**	**210.6**	**205.6**
EPRA NAV (incl. TT)	244.4	248.4	243.6
Diluted number of shares (excl. Tr. shares)	10,255,561	10,256,921	10,263,644
Diluted EPRA NAV (excl. TT) per share (€)	**20.38**	**20.53**	**20.03**
Diluted EPRA NNNAV (excl. TT) per share (€)	**23.47**	**22.69**	**22.49**

EPRA NNNAV (NAV triple net EPRA), including the fair value of hedging instruments, deferred taxes, and the difference between the book value and market value of the debt, amounted to €22.49 (excl. transfer tax), down 0.9%.

Financing

Its financing policy, based on long-term relationships with its banks and on dedicated, per-transaction, medium-term loans, secured with mortgages and with medium-term repayment instalments, enables Affine to benefit from access to bank financing on favourable terms.

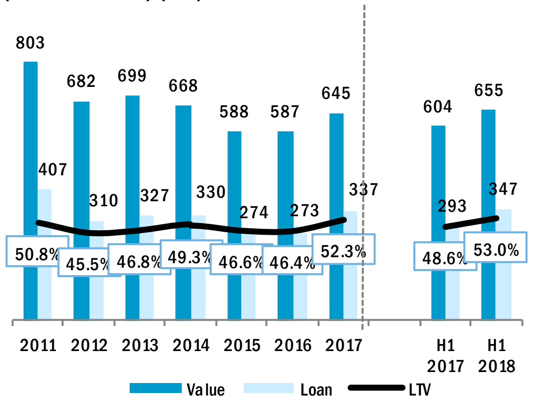
Affine has a resilient risk profile, thanks to the diversification of its portfolio and the large proportion of regional assets in its portfolio which are more stable and more profitable than its Paris assets.

Affine thus has good visibility, helping it manage its evenly scheduled debt profile, while generally avoiding any financial covenant on the company itself. This allows Affine to optimise the use of its equity by maintaining an LTV ratio around 50%.

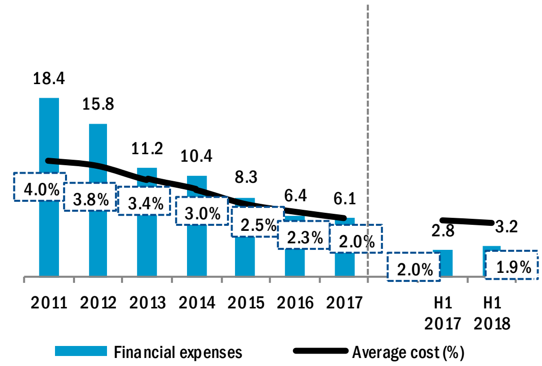
New bank loans taken out over the period amounted to €34.1m compared with the €35.1m for bank debt redemptions and repayments over the period.

In addition, the company has available confirmed short-term lines of credit totalling €21m.

LTV (Loan-to-Value) (€m)



Cost of debt (€m)



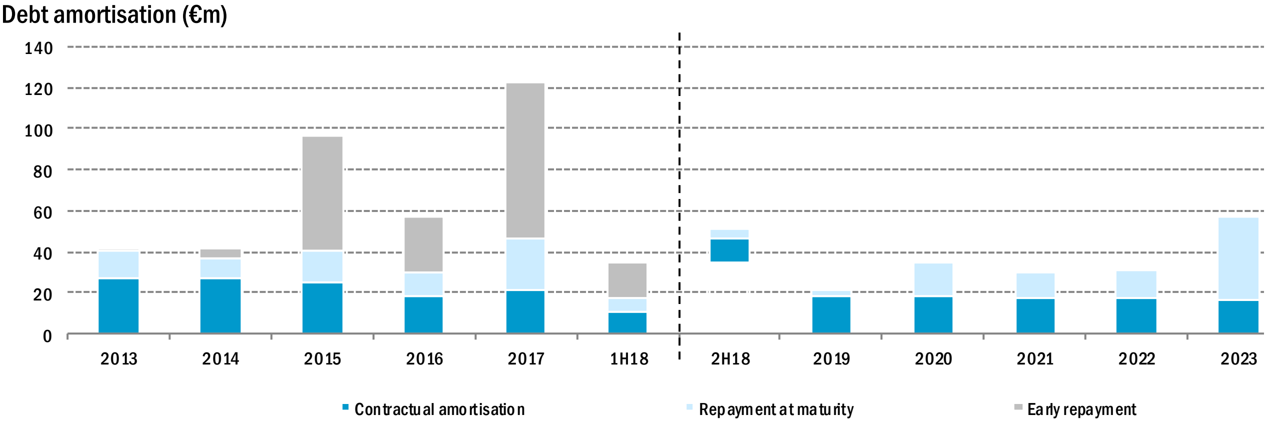
At 30 June 2018, the company's net financial debt (net of cash and cash equivalents) was €351m, compared with €342m at year-end 2017, equivalent to 1.2 times total shareholders' equity.

After deducting the debt allocated to residual finance lease activities (€3.4m), net financial debt amounted to €347m. This amount in relation to the total of investment properties, inventories, Affine's share of the SPV in Montigny-le-Bretonneux (€5m) and of the net position of associates and equity interests, (€20m), yielded an LTV ratio of 53.0%, compared with 52.3% at year-end 2017.

The ratio of financial costs to average net financial debt shows an average cost of debt of 1.9% for the period, down from 2017 (2.0%).

At end of June 2018, the average maturity of debt was 5.8 years. Debts are amortised in line with 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 faces no major repayments over the next few years.

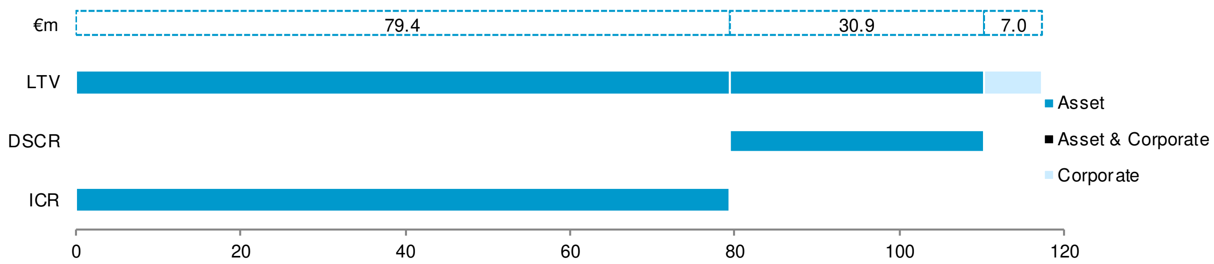
Debt amortisation (€m)



The chart below shows the amount of Affine loans which are subject to covenants on the financed asset. The covenant on the company relates to the Micado bond issue of €5.0m, maturing in October 2018.

At 30 June, no clause stipulating an accelerated partial or full repayment existed on any loan due to a failure to comply with the financial ratios reported on that date.

Breakdown of covenants (€m)



LTV (net debt / value of assets)

(€000')	H1 2017	2017	H1 2018
Net financial debt(1)	299,708	342,103	350,823
Debt allocated to lease financing	(6,277)	(5,001)	(3,444)
Net debt for investment properties	**293,431**	**337,102**	**347,379**
Value of properties (incl. TT)	571,686	615,924	625,657
Associates(2)	28,061	25,296	25,398
VEFA & Fixed assets adjustments	3,792	3,792	3,898
Adjusted portfolio value incl. taxes	**603,539**	**645,012**	**654,954**
LTV	**48.6%**	**52.3%**	**53.0%**

(1) This amount includes in 2017 and H1 2018 the trade payables related to the turnkey projects and the net debt of Affine's share of the Montigny-le-Bretonneux SPV (50%).
(2) This amount includes in 2017 and H1 2018 Banimmo's share valuation owned by Affine and the fair value including transfer taxes of Affine's share of the Montigny-le-Bretonneux SPV (50%).

Detailed consolidated statements

Consolidated income statement – Condensed presentation

(€000')	H1 2017	2017	H1 2018
Gross rental income	**16,821**	**33,793**	**16,638**
Service charge income/(expenses)	(2,687)	(4,117)	(3,014)
Other property income /(expenses)	(108)	(100)	300
NET RENTAL INCOME	**14,027**	**29,576**	**13,924**
Earnings from finance leases (FL)	634	821	133
Earnings from property development	(65)	249	(23)
Other activities	(128)	(233)	(106)
Corporate expenses	(4,197)	(8,799)	(3,972)
CURRENT EBITDA[1]	**10,270**	**21,613**	**9,957**
Amortisation and depreciation	(275)	(329)	(94)
CURRENT OPERATING PROFIT	**9,995**	**21,284**	**9,862**
Charges net of provisions	357	613	(264)
Net other income and expenses	114	64	308
Gains on disposal of Investment Properties	1,635	1,913	143
Options exercised on FL properties	-	-	-
Gains on disposals of operating assets	-	-	(0)
Net profit or loss on disposals	**1,635**	**1,913**	**143**
OPERATING PROFIT BEFORE VALUE ADJ.	**12,101**	**23,874**	**10,049**
Fair value adjustment to Properties	(510)	308	(147)
Goodwill adjustment	-	-	-
Net balance of value adjustments	**(510)**	**308**	**(147)**
NET OPERATING PROFIT	**11,590**	**24,182**	**9,903**
Income from cash and cash equivalents	144	283	213
Gross financial cost	(3,263)	(7,200)	(3,797)
Net financial cost	**(3,119)**	**(6,916)**	**(3,584)**
Other financial income and expenses	(21)	826	(160)
Fair value adjustments to financial instr.	674	832	51
PROFIT BEFORE TAX	**9,125**	**18,924**	**6,210**
Current corporation tax	(298)	374	(13)
Other tax	12	(39)	(1,081)
Associates	(1,973)	(81)	(196)
Net profit from discontinued operations	-	(12,015)	63
NET PROFIT	**6,865**	**7,164**	**4,983**
Net profit – Minority interests[2]	0	1,930	41
NET PROFIT – GROUP SHARE	**6,865**	**9,093**	**5,024**
EPRA adjustments	(2,674)	1,721	1,382
EPRA EARNINGS	**4,192**	**10,814**	**6,406**
Earnings per share (€)	0.58	0.66	0.36
Diluted earnings per share (€)	0.58	0.67	0.36
EPRA Earnings per share (diluted) (€)	**0.32**	**0.84**	**0.50**
Average number of shares (excl. Treasury Shares)	10,029,376	10,029,821	10,035,994
Average number of shares diluted (excl. TS)	10,255,264	10,255,709	10,261,882

(1) Current EBITDA represents the current operating profit excluding current depreciation and amortisation costs. In H1 2017, 2017 and H1 2018, this amount does not include the depreciation of buildings in inventory of the property development business of -€0.1m, €0.1m and €0.0m respectively, which is recognised under other income and expenses.
(2) Non-controlling interests.

Consolidated balance sheet – Assets – Condensed presentation

(€000')	H1 2017	2017	H1 2018
Investment properties	490,104	540,470	539,766
Tangible assets	387	345	283
Intangible assets	433	105	55
Financial assets	8,346	7,227	6,014
Deferred tax assets	960	968	14
Shares and investments in associates (equity method)	29,489	1,902	2,332
TOTAL NON-CURRENT ASSETS	**529,720**	**551,018**	**548,464**
Buildings to be sold	47,165	38,578	48,886
Discontinued operations	-	180,100	134,043
Finance lease loans and receivables	4,232	3,666	2,684
Inventory	3,792	3,792	3,898
Trade and other accounts receivable	7,463	7,759	7,433
Current tax assets	119	930	121
Other receivables	32,612	41,887	46,242
Cash and cash equivalents	5,846	7,716	4,543
TOTAL CURRENT ASSETS	**101,228**	**284,428**	**247,849**
TOTAL	**630,948**	**835,447**	**796,313**

Consolidated balance sheet – Liabilities – Condensed presentation

(€000')	H1 2017	2017	H1 2018
Shareholders' equity (Group share)	280,871	282,071	275,895
of which BRS	*4,227*	*4,229*	*4,226*
of which PSL	*73,108*	*73,279*	*73,271*
Minority interests	(0)	27,225	27,184
TOTAL SHAREHOLDERS' EQUITY	**280,871**	**309,296**	**303,079**
Long-term borrowings	247,324	290,833	295,354
Financial liabilities	2,345	1,742	1,189
Provisions	1,682	922	1,168
Deposits and security payments received	5,002	5,519	5,690
Deferred and non-current tax liabilities	18	1,430	1,509
Other	0	0	(0)
TOTAL LONG-TERM LIABILITIES	**256,371**	**300,445**	**304,910**
Discontinued operations	-	134,376	88,257
Liabilities relating to buildings to be sold	14,595	18,878	20,809
Trade payables and other accounts payable	45,758	37,704	46,645
Borrowings and financial debt	31,059	31,499	30,220
Current tax liabilities	0	54	0
Tax and social charges	2,294	3,194	2,393
TOTAL CURRENT LIABILITIES	**93,705**	**225,706**	**188,324**
TOTAL	**630,948**	**835,447**	**796,313**

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')	H1 2017	2017	H1 2018
EPRA earnings	4,192	10,814	6,406
EPRA NAV (excl. TT)	209,055	210,619	205,621
EPRA NNNAV (excl. TT)	240,649	232,753	230,798
EPRA vacancy rate (%)	11.6	13.0	11.0
Figures per share (€)	**H1 2017**	**2017**	**H1 2018**
EPRA earning[1]	0.32	0.84	0.50
EPRA NAV (excl. TT)	20.38	20.53	20.03
EPRA NNNAV (excl. TT)	23.47	22.69	22.49

EPRA Earnings (indirect method)

(€000')	H1 2017	2017	H1 2018
Net profit – Group share	**6,865**	**9,093**	**5,024**
Value adjustments for investment and development properties	421	(205)	147
Net profit or loss on disposal	(1,635)	(2,691)	(143)
Goodwill adjustment[1]	-	8,193	(144)
Fair value adjustments of financial instr.	(674)	(832)	(51)
Non-current tax, deferred and exit tax	(15)	28	1,069
Adjustments for associates and discontinued operations	(770)	(2,229)	1,018
Minority interests in respect of the above	-	(543)	(514)
EPRA earnings	**4,192**	**10,814**	**6,406**
EPRA earnings (excluding Banimmo)	**6,879**	**15,474**	**5,942**

(1) Corresponds to the Banimmo stakes valuation adjustments.

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

(€000')	H1 2017	2017	H1 2018
Gross rental income	16,821	33,793	16,638
Net rental income	**14,027**	**29,576**	**13,924**
Other income	440	836	4
Corporate expenses	(4,197)	(8,799)	(3,972)
Current EBITDA[2]	**10,270**	**21,613**	**9,957**
Current operating profit	**9,995**	**21,284**	**9,862**
Other income and expenses[3]	381	780	44
Net financial cost	(3,119)	(6,916)	(3,584)
Taxes (current)	(302)	363	(25)
Miscellaneous (current)[3]	(21)	48	(160)
Associates and discontinued operations (current)	(2,743)	(6,131)	741
Net current profit	**4,192**	**9,428**	**6,879**
EPRA Earnings (Net current profit – gs[4])	**4,192**	**10,814**	**6,406**
EPRA Earnings (excl. Banimmo)	**6,879**	**15,474**	**5,942**
Other income and expenses[3]	90	(102)	(0)
Net profit or loss on disposals	1,635	1,913	143
Net balance of value adjustments	(510)	308	(147)
Fair value adjustments of financial instr.	674	832	51
Taxes (non-current)	15	(28)	(1,069)
Miscellaneous (non-current)[3]	0	778	-
Associates and discontinued operations (non-current)	770	(5,965)	(874)
Net non-current profit	**2,674**	**(2,264)**	**(1,895)**
Net non-current profit – gs[4]	**2,674**	**(1,721)**	**(1,382)**
Net non-current profit – gs[4] (excl. Banimmo)	**2,166**	**3,748**	**(1,021)**
Net profit	**6,865**	**7,164**	**4,983**
Net profit – Group share	**6,865**	**9,093**	**5,024**

NB: The Banimmo sub-group of Affine is consolidated using the equity method up to 30 September 2017 and after that using global integration as a discontinued operation (IFRS 5).
(1) Based on IFRS standards and EPRA recommendations.
(2) Current EBITDA represents current operating profit excluding current depreciation and amortisation costs. In H1 2017, 2017 and H1 2018, this amount does not include the depreciation of buildings in inventory of the property development business of -€0.1m, €0.1m and €0.0m, 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')	H1 2017	2017	H1 2018
Net profit – Group share	**6,865**	**9,093**	**5,024**
PSL charges	(932)	(2,235)	(1,309)
BRS charges	(111)	(226)	(101)
Net profit – Group share adjusted for the earnings per share	5,822	6,632	3,614
BRS 1 and 2 adjustments	111	226	101
Net profit – Group share adjusted for the diluted earnings per share (after conversion of BRS)	5,933	6,858	3,715
EPRA adjustments	(2,674)	1,721	1,382
EPRA earnings adjusted for the PSL charges for calculation of EPRA earnings per share [1]	**3,259**	**8,579**	**5,097**
Earnings per share (€)	0.58	0.66	0.36
Diluted earnings per share (€)	0.58	0.67	0.36
EPRA earnings per share (€) (diluted)	**0.32**	**0.84**	**0.50**
EPRA earnings per share (€) (diluted) (excl. Banimmo)	**0.58**	**1.29**	**0.45**
Outstanding number of shares	10,056,071	10,056,071	10,056,071
Average number of treasury shares	(26,695)	(26,250)	(20,077)
Average number of shares (excl. Tr. shares)	10,029,376	10,029,821	10,035,994
Average number of new shares from BRS redemption[1]	225,888	225,888	225,888
Average number of diluted shares (excl. Tr. shares)[1]	**10,255,264**	**10,255,709**	**10,261,882**

IFRS NAV

(€000')	H1 2017	2017	H1 2018
Shareholders' equity (before allocation)	280,871	282,071	275,895
of which BRS	*4,227*	*4,229*	*4,226*
of which PSL	*73,108*	*73,279*	*73,271*
of which treasury shares	*(392)*	*(391)*	*(307)*
of which other	*203,928*	*204,954*	*198,706*
PSL adjustments	*(73,108)*	*(73,279)*	*(73,271)*
Diluted IFRS NAV excluding transfer tax	207,763	208,792	202,624
Transfer tax gs(1)	35,356	37,775	37,977
Diluted IFRS NAV incl. transfer tax	243,119	246,567	240,601
Diluted IFRS NAV exc. transfer tax per share	**20.26**	**20.36**	**19.74**
Diluted IFRS NAV incl. transfer tax per share	23.71	24.04	23.44
Outstanding number of shares	10,056,071	10,056,071	10,056,071
Treasury shares	(26,398)	(25,038)	(18,315)
Converted BRS	225,888	225,888	225,888
Number of diluted shares (excl. treasury shares)	**10,255,561**	**10,256,921**	**10,263,644**

(1) gs stands for Group share.

EPRA NAV

(€000')	H1 2017	2017	H1 2018
Diluted IFRS NAV excl. transfer tax	207,763	208,792	202,624
EPRA adjustments	1,292	1,827	2,997
of which fair value of financial instruments	2,361	1,504	1,502
- Assets - Derivatives at fair value gs(1)	1,617	1,607	1,150
-Liabilities - Derivatives at fair value gs(1)	3,977	3,111	2,652
of which net deferred tax	(1,069)	323	1,495
- Assets - deferred tax gs(1)	1,087	1,107	14
- Liabilities - deferred tax gs(1)	18	1,430	1,509
EPRA NAV excl. transfer tax	209,055	210,619	205,621
EPRA NAV incl. transfer tax	244,411	248,394	243,598
EPRA NAV excluding transfer tax per share (diluted)	**20.38**	**20.53**	**20.03**
EPRA NAV incl. transfer tax per share (diluted)	23.83	24.22	23.73

(1) gs stands for Group share.

EPRA NNNAV

(€000')	H1 2017	2017	H1 2018
EPRA NAV excl. transfer tax	209,055	210,619	205,621
EPRA adjustments	(1,292)	(1,827)	(2,997)
Change of debt fair value(1)	32,887	23,960	28,174
EPRA NNNAV excl. transfer tax	240,649	232,753	230,798
EPRA NNNAV incl. transfer tax	276,005	270,528	268,775
EPRA NNNAV excl. transfer tax per share (diluted)	**23.47**	**22.69**	**22.49**
EPRA NNNAV incl. transfer tax per share (diluted)	26.91	26.38	26.19

(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	24.7	142,638	1.6	25.4	6.4%
Retail	7.8	58,866	2.2	10.3	21.5%
Warehouses and Industrials	2.8	46,869	0.4	3.1	13.4%
Total	**35.3**	**248,374**	**4.3**	**38.8**	**11.0%**

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

Portfolio (1)

Location	Name or Street	Region	Dept	Surface area in sqm	Construction / Last refurbishment	Acquisition date
Offices						
Paris 9e	Rue Auber	Paris Métropole	75	2,283	1875	2008
Paris 10e	Rue d'Enghien	Paris Métropole	75	821	1900 / 2007	2008
Paris 12e	« Tour Bercy » - Rue Traversière	Paris Métropole	75	7,783	1974	2008
Issy-les-Moulineaux	Rue Carrefour Weiden	Paris Métropole	92	2,308	1993	2003
Clichy	Rue Martre	Paris Métropole	92	1,555	2016	2015
Clichy	Rue Mozart	Paris Métropole	92	3,400	1990	2017
Courbevoie	Rue de l'Abreuvoir	Paris Métropole	92	2,068	1966	2017
Suresnes	Rue Marcel Monge	Paris Métropole	92	6,345	1991	2017
Chaville	Avenue Roger Salengro	Paris Métropole	92	10,850	1992	2015
Meudon	Route de Vaugirard	Paris Métropole	92	5,400	2018	2016
Sèvres	Le Majolique – Rue de Troyon	Paris Métropole	92	5,670	2016	2018
Kremlin Bicêtre	Rue Pierre Brossolette	Paris Métropole	94	1,151	1985	2007
Kremlin Bicêtre	Boulevard du Général de Gaulle	Paris Métropole	94	1,860	1985	2007
Montigny-le-Bretonneux(1)	Rue Ampère	Ile-de-France	78	9,546	1998	2003
Saint Germain en Laye	Rue des Gaudines	Ile-de-France	78	2,249	2004	2002
Saint Germain en Laye	Rue Témara	Ile-de-France	78	1,450	2004	2002
Elancourt	Parc Euclide - Rue Blaise Pascal	Ile-de-France	78	6,347	2002	2004
Les Ulis	Rue de la Terre de Feu	Ile-de-France	91	3,500	1986	2003
Corbeil Essonnes	Avenue Darblay	Ile-de-France	91	4,644	2004	2003
Corbeil Essonnes	Rue des Petites Bordes	Ile-de-France	91	2,268	2004	2003
Toulouse	Les Amarantes - Rue Françoise d'Eaubonne	Régions	31	2,895	2014	2014
Toulouse	Les Amarantes - Rue Françoise d'Eaubonne	Régions	31	2,862	2015	2015
Nantes	Rue Henri Picherit	Régions	44	3,084	2001	2006
Nantes	Kibori	Régions	44	3,883	2018	2017
St Julien les Metz	Rue Jean Burger - Tannerie	Régions	57	5,345	1999	2007
Lille	« Tour Europe » - Parvis de Rotterdam	Régions	59	25,000	1995	2006-2017
Lille	#hashtag	Régions	59	5,278	2018 and 2020	2017
Villeneuve d'Ascq	Rue des Fusillés	Régions	59	3,045	1992	2004
Mulhouse	Rue Salomon Grumbach	Régions	68	5,020	2000	2008
Lyon	Rue André Bollier	Régions	69	4,060	2007	2006
Lyon	Rue du Dauphiné	Régions	69	5,481	1983	2005
Lyon	Le Tangram - Bld Tchécoslovaques	Régions	69	5,915	2003 / 2016	2011
Retail premises						
Paris	Le Marché Vaugirard	Paris Métropole	75	2,135	/ 2015	2017
Nîmes	Les 7 Collines - Rue du Forez	Régions	30	17,559	2009	2009
Bordeaux	Jardin Des Quais - Quai des Chartrons	Régions	33	25,530	2005	2013
Arcachon	Rue Roger Expert et Avenue Lamartine	Régions	33	2,975	2011	2009
St Etienne	Dorian - Rue Louis Braille	Régions	42	5,003	1991	2006
Nevers	Carré Colbert - Avenue Colbert	Régions	58	5,828	2010	2008

Location	Name or Street	Region	Dept	Surface area in sqm	Construction / Last refurbishment	Acquisition date
Industrial premises						
Gennevilliers	Rue du Fossé Blanc	Paris Métropole	92	15,217	1992	2011
Warehouses						
Bourg-les-Valence	Rue Irène Joliot Curie	Régions	26	19,521	2004	2005
Sant Feliu de Buixalleu	Parc de Gaserans - Sant Feliu	Spain		3,680	2014	2012
Sant Feliu de Buixalleu 2	Parc de Gaserans - Sant Feliu	Spain		10,811	2014	2014
Miscellaneous						
St Etienne (land)	Rue de la Talaudière	Régions	42	44,356		2007
Sant Feliu (land)	Parc de Gaserans - Sant Feliu	Spain		37,691		2006

(1) Montigny-le-Bretonneux is owned by 50% by Affine and 50% by Kaufman & Broad

EPRA property related capex

(€000')	2017	S1 2018
Acquisitions	88,717.3	23,805.6
Development	164.5	178.0
Like-for-like portfolio	1,779.5	1,204.9
Others (1)	0.0	0.0
Total Investment	**90,661.3**	**25,188.5**

(1) Including tenant incentives and other capitalized fees.

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.