Paris, 1 March 2018, 6:30 a.m.

2017 consolidated annual results

NET PROFIT GS UP AT €9.1M (+66.7%)

- (+) Slight increase in net rental income (+0.5%)
- (+) Net capital gains on disposals of €1.9m
- (=) Stability of fair values (+0.6%)
- (+) Cost of debt down to 2.0%
- (+) Release of provisions and tax charges (+€2.8m)
- (-) Significant impairment of Banimmo participation (-€8.2m)

EPRA EARNINGS UP BY +52.6%

CHANGE IN PORTFOLIO (+11.6%)

- €90.7m of acquisitions, developments and refurbishments
- €32.6m of disposals
- €39m of committed investments and controlled operations (pipeline)

EPRA NAV PER SHARE: €20.5
EPRA NNNAV PER SHARE: €22.7

DIVIDEND OF €1.0 PER SHARE (*)

(*) Subject to vote of the Annual General Meeting of 26 April 2018

The Board of Directors of Affine, held on 27 February 2018, approved the individual and consolidated financial statements as at 31 December 2017. The audit procedures are in the process of finalisation.

1) EARNINGS

The 2017 results benefit from the strategy of focusing the Company on quality real estate assets and strengthening its fundamentals.

With regard to Banimmo, the Company is consolidated within Affine through the equity method until 30 September 2017, and then fully consolidated under discontinued operations (IFRS 5), with a view to future disposal.

Consolidated net profit for the year increased to €7.2m, and €9.1m (group share), compared to €5.5m in 2016:

- Net rental income increased by 0.5%, thanks to a reduction of costs (-€1.0m) which offsets the 2.5% drop in rental income (-1.3% like-for-like).
- Capital gains on disposals (€1.9m) and a slight improvement in fair value (€+0.3m) contributed €2.2m, compared to -€0.6m in 2016.
- Financing costs continue to decrease (€6.9m versus €7.0m), mainly due to the maturity of certain older hedging instruments.
- The negative contribution of Banimmo participation (which is 49.5% owned by Affine), has gone from -€7.6m to -€1.9m (see the Banimmo press release).
- The change in method of valuation of the stake in Banimmo, from net book value to the average of the December stock price, results in a depreciation of €8.2m. The value of Banimmo in the accounts therefore amounts to €18.4m, that is 2.2% of total assets.
- Lastly, a certain number of effects contributed positively to earnings: an increase of €0.8m in operating profit from extinguishing financial lease, €1.0m reduction in tax (recovery of the additional contribution of 3% on dividends in progress) and release of provisions amounting to €1.0m.

Adjusted for non-current items, such as the change in fair value and capital gains or losses on disposals, EPRA earnings excluding Banimmo amount to €15.5m (+32.7%). Including Banimmo, EPRA earnings stand at €10.8m (+52.6%).

Funds from operations amounted to €15.1m compared with €14.3m. Given the stability of the WCR (versus +€0.2m in 2016) and the integration of Banimmo's operating cash flows (€0.4m), operating cash flow fell from €22.4m to €20.2m.

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

In the last 12 months, the volume of transactions completed or committed exceeds €130m. These should eventually generate an annual rent of €8.9m, including €1.1m already recorded in the accounts for 2017 (of which an annual potential rent of €3.7m for investment properties and €3.5m for turnkey projects (VEFA)).

The occupancy rate (EPRA) decreased slightly to 87.0% from 87.5% at end of 2016, mainly due to the departure of tenants from the Thouars warehouse, the shopping centre in Saint-Etienne and offices in Montigny-le-Bretonneux and Saint-Germain-en-Laye.

During the year, Affine signed €1.1m of new leases, compared to €4.7m of expired leases. Renegotiations concerned a total of €2.0m of annual rent (impact for the full year: +€0.1m). Furthermore, tenants giving notice of their departure will have an impact of -€0.8m in 2018, while changes to the changes of perimeter will result in a positive impact of +€1.8m.

Over the period, the renewal of the portfolio and refocusing on offices and city centre shopping areas in major French cities continued with:

- a sustained investment effort, in the form of acquisitions and works aimed at enhancing the quality of the portfolio, for a total of €90.7m: development of signed turnkey projects (VEFA) in Meudon, acquisition of two new turnkey projects in Lille and Nantes, the last floor of the Lilleurope tower, three office buildings in Paris Métropole and the Vaugirard Market in Paris. The investment pipeline, including commitments made under turnkey projects and controlled operations, totalling €39m.
- the sale of two mixed-use office and warehouse/industrial premises in Tremblay-en-France and Trappes, a piece of land in Saint-Etienne and office buildings in Bagnolet and Montigny-le-Bretonneux for a total amount of €32.6m, which generated a capital gain of €1.9m.

3) NET ASSET VALUE

At the end of 2017, the fair value of investment properties was €579m (excluding transfer taxes), compared to €519m at the end of 2016 (+11.6%). On a like-for-like basis, the increase is 0.6%.

Including the properties of Banimmo (transfer taxes included), the Group's total assets amount to €824m (compared to €791m at the end of 2016).

EPRA Net Asset Value (excluding transfer taxes, after deducting PSLs and after adjustments to the fair value of derivatives and deferred taxes), fell 2.3% to €210.6m due to the distributions in 2017 (dividends and payment of the BSR bonds and PSL). NAV per share (excluding treasury shares and after conversion of BSR bonds), decreased from €21.0 at year-end 2016 to €20.5 (-2.3%).

Lastly, EPRA NNNAV (excluding transfer taxes), which includes the fair value of hedging instruments, debt and deferred tax, amounted to €22.7 per share versus €24.0 at the end of 2016.

4) FINANCING

During the period, Affine benefited from good lending conditions to set up new loans in the amount of €172.4m (fully covered) and the company paid off a total amount of €120.0m in debt.

At 31 December 2017, the financial debt, net of cash, stands at €337.1m, compared to €272.8m at the end of 2016. The LTV ratio (net debt/market value of buildings including transfer taxes, plus property inventories, plus net position of associates and the share of assets carried at fair value) was 52.3% versus 46.4% at the end of 2016.

The average cost of debt fell to 2.0% from 2.3%. The average term of debt was 5.8 years. There is no significant amount of debt maturing in the next few years.

5) OUTLOOK

Affine is continuing its strategy to renew and streamline the portfolio (essentially office buildings), either alone or in partnerships, through a balanced development between Paris Métropole and six regional urban areas (Bordeaux, Lille, Lyon, Marseilles, Nantes and Toulouse). Accordingly, in 3 years the share of target cities in the portfolio has increased from 52% to 76%. This strategy should allow Affine to maintain its distribution strategy.

6) CALENDAR

- 18 April 2018: First-quarter revenues (after market)
- 26 April 2018: Annual General Meeting
- May 2018: Dividend payment (€1.0*)
- July 2018: 2018 half-year revenues and earnings (pre-market)
- 17 October 2018: Third quarter revenues (after market)

(*) Subject to vote of the Annual General Meeting of 26 April 2018

CONSOLIDATED EARNINGS

(€m) [(1)]	2015	2016	2017
Rental income	39.0	34.7	33.8
Net rental income	34.4	29.4	29.6
Other income	1.2	(0.1)	0.8
Corporate expenses	(7.9)	(8.6)	(8.8)
Current EBITDA [(2)]	27.7	20.7	21.6
Current operating profit	27.1	19.6	21.3
Other income and expenses	(0.4)	0.3	0.7
Net profit or loss on disposals	(7.2)	(0.0)	1.9
Operating profit (before value adjustments)	19.5	19.9	23.9
Net balance of value adjustments	3.8	(0.6)	0.3
Net operating profit	23.2	19.3	24.2
Net financial costs	(9.1)	(7.0)	(6.9)
Fair value adjustment of financial instr.	2.1	1.1	0.8
Taxes	0.5	(1.3)	0.3
Miscellaneous [(3)]	(0.5)	(0.3)	0.8
Associates	(15.7)	(6.4)	(0.1)
Discontinued operations	-	-	(12.0)
Net profit	0.4	5.5	7.2
Net profit – Group share	0.4	5.5	9.1[(4)]
Net profit – Group share (excluding Banimmo)	16.9	13.1	19.2

(1) Based on IFRS and EPRA recommendations.
(2) Current EBITDA represents the profit from current operating profit excluding current depreciation and amortisation costs. This amount does not include for the years 2015, 2016 and 2017 the impairment of buildings in inventory of the property development business of -€0.1m, -€ 0.2m and €0.1m 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.

EPRA EARNINGS (INDIRECT METHOD)

(€M)	2015	2016	2017
Net profit – Group share	0.4	5.5	9.1
Value adjustments for investment and development properties	(3.8)	(0.1)	(0.2)
Profit or (loss) on disposals	7.2	0.6	(2.7)
Goodwill adjustment	-	-	8.2
Fair value adjustment of hedging instruments	(2.1)	(1.1)	(0.8)
Non-current tax, deferred and exit tax	0.1	0.6	0.0
Adjustments for associates and discontinued operations	11.4	1.7	(2.2)
Minority interests in respect of the above	-	-	(0.5)
EPRA earnings[(5)]	13.3	7.1	10.8
EPRA earnings [(5)] (excluding Banimmo)	17.4	11.7	15.5

(5) 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 excludes the effects of fair value changes and gains or losses on disposals.

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

(€m)	2015	2016	2017
Gross rental income	39.0	34.7	33.8
Net rental income	34.4	29.4	29.6
Other income	1.2	(0.1)	0.8
Corporate expenses	(7.9)	(8.6)	(8.8)
Current EBITDA (2)	27.7	20.7	21.6
Current operating profit	27.1	19.6	21.3
Other income and expenses	(0.4)	(0.4)	0.8
Net financial costs	(9.1)	(7.0)	(6.9)
Taxes (current)	0.5	(0.7)	0.4
Miscellaneous (current) (3)	(0.5)	0.2	0.0
Associates and discontinued operations (current)	(4.3)	(4.7)	(6.1)
Net current earnings	13.3	7.1	9.4
EPRA earnings (Net current profit – group share)	13.3	7.1	10.8
EPRA earnings (excluding Banimmo)	17.4	11.7	15.5
Other income and expenses (non-current)	0.1	0.7	(0.1)
Net profit or loss on disposals	(7.2)	(0.0)	1.9
Net balance of value adjustments	3.8	(0.6)	0.3
Fair value adjustments of hedging instr.	2.1	1.1	0.8
Taxes (non-current)	(0.1)	(0.6)	(0.0)
Miscellaneous (non-current) (3)	(0.0)	(0.6)	0.8
Associates and discontinued operations (non-current)	(11.4)	(1.7)	(6.0)
Net non-current profit	(12.8)	(1.6)	(2.3)
Net non-current profit – Group share	(12.8)	(1.6)	(1.7)
Net non-current profit – Group share (excluding Banimmo)	(0.5)	1.4	3.7
Net profit	**0.4**	**5.5**	**7.2**
Net profit – Group share	**0.4**	**5.5**	**9.1**

ABOUT AFFINE

Affine is a property company specialising in commercial real estate. At the end of 2017, it directly owned 45 buildings with a total value of €579, (excl. transfer taxes) for a total surface area of 332,400 sqm. The Company owns office properties (69%), retail properties (23%) and warehouses and industrial premises (8%). 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 2017, Banimmo had total assets of 14 office and commercial buildings, with a value of €208m (transfer taxes included).

Total Group assets are €824m (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). It is included in the CAC Mid&Small, SIIC and IEIF indexes. Banimmo is also listed on NYSE Euronext.

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

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Appendix to the press release 2017

The financial statements are currently under audit review.

Key figures

Consolidated statements (€m)	2015	2016	2017
Gross rental income	39.0	34.7	33.8
Current operating profit(1)	27.1	19.6	21.3
EPRA earnings (excl. Banimmo)	17.4	11.7	15.5
EPRA earnings	13.3	7.1	10.8
Net profit – group share	0.4	5.5	9.1
Funds from operation	21.9	14.3	15.1
Investments (acquisition and works)(2)	42.9	22.3	84.8
FV of investment properties (incl. TT)(3)	547.0	553.5	615.9
FV of investment properties (excl. TT)(3)	514.4	518.6	578.6
EPRA net asset value (excl. TT)(4)	221.7	215.6	210.6
EPRA NNNAV (excl. TT)(4)	250.0	245.9	232.8
Net financial debt	284.4	280.3	334.6
LTV (%)	46.6	46.4	52.3
Average cost of debt (%)(5)	2.5	2.3	2.0
EPRA vacancy rate (%)	14.2	12.5	13.0
Figures per share (€)	**2015**	**2016**	**2017**
Net profit (6)	(0.18)	0.34	0.67
EPRA earnings (excl. Banimmo)	1.48	0.95	1.29
EPRA earnings	1.08	0.50	0.84
Dividend	1.00	1.00	1.00
EPRA net asset value (excl. TT) (4)	21.60	21.02	20.53
EPRA NNNAV (excl. TT) (4)	24.35	23.98	22.69
Share price (end of the period)	16.35	14.95	16.48

NB: The Banimmo sub-group of Affine is consolidated using the equity method until 30 September 2017 and since then using the global integration as a discontinued operation (IFRS 5). Banimmo's accounts are currently under audit review.
(1) In 2015, 2016 and 2017, this amount does not include the depreciation of buildings in inventory of the property development business of -€0.1m, -€0.2m and €0.1m 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 hedging costs.
(6) After dilution, due to BRS and taking into account interest on the PSLN.

Key events

January

Acquisition of the 3,883 sqm Kibori turnkey office building in Nantes (44), in the new Euronantes area.

March

Acquisition of the 5,280 sqm #hashtag turnkey office complex in Lille (59), in the new Euratechnologies area.

Disposal of a 7,514 sqm mixed used office and warehouse building in Tremblay-en-France (93).

May

Award to Banimmo France of the project to refurbish the 2,680 sqm Halle de la Gare du Sud in Nice (06).

June

Acquisition of a 1,250 sqm office floor in the Lilleurope tower in Lille (59).

July

Disposal by Banimmo of the Halle Secrétan with a surface area of 4,150 sqm in Paris (75).

October

Disposal of a 10,183 sqm mixed-used office and industrials building in Trappes (93).

Acquisition of a 3 office buildings portfolio with a total surface area of 11,800 sqm located in Clichy, Courbevoie and Suresnes (92).

November

Disposal of a 4,056 sqm office building in Bagnolet (93).

Acquisition of the Vaugirard Market with a surface area of 2,132 sqm in Paris (75).

Disposal of a 20,756 sqm land in Saint-Etienne (42).

December

Disposal of a 9,546 sqm office building complex in Montigny-le-Bretonneux (78) to a joint-venture co-owned with Kaufman & Broad in order to redevelop the site.

One strategy focused on 4 areas

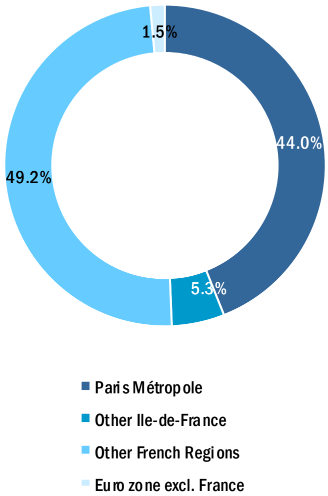
- sustained work to upgrade the properties directly owned by Affine: quality improvement within a sustainable development approach, an active rental management to stabilise tenants and improve occupancy rates, and optimised management through an efficient information system;
- investments focused on new or recent certified green buildings which are medium-sized compared to their market (€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 declined to co-investment for larger projects;
- balanced development between the Paris region, which represents about half of the properties, and the major regional metropolitan areas which benefit from good national and international transport services and a 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 early 2018, must boost its developing business in Belgium by relying on its land reserves.

Breakdown

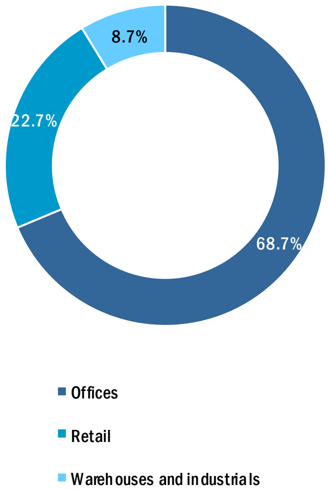
Affine owns 45 properties with a total value of €616m including transfer taxes, with a total surface area of 332,400 sqm.

Breakdown of value by region



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

Breakdown of value by type



Offices

The Office property portfolio represents 138,300 sqm and is valued at €422m 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 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 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 61,400 sqm The fair value of these properties is €140m including transfer taxes.

Warehouses and industrial premises

A large proportion of the Affine logistics properties was sold in 2015. At the end of 2017, these properties represent a total surface area of 132,700 sqm for a value of €53m including transfer taxes.

Fair value

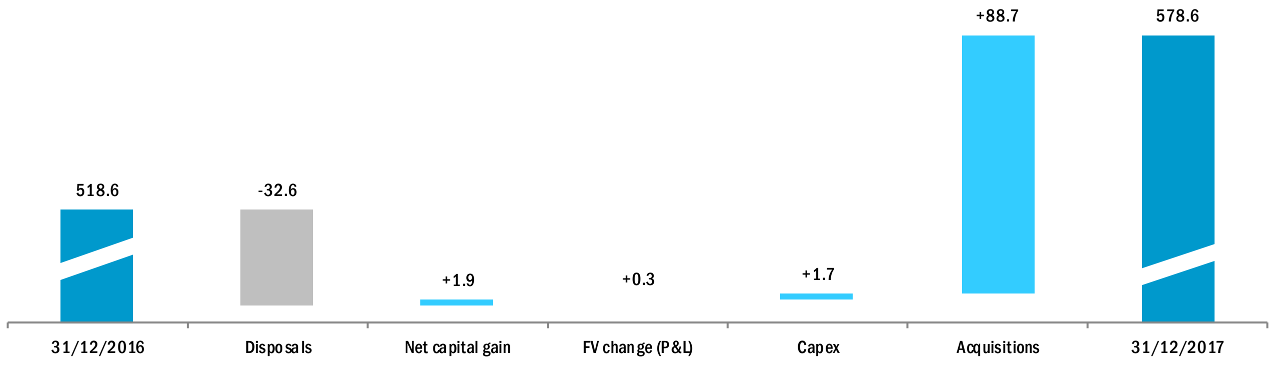
Fair value of directly owned properties

The fair value (including transfer taxes) of the portfolio at the end of 2017 stood at €616m compared with €554m at the end of 2016.

Excluding transfer taxes, the value of the properties rose from €519m at the end of 2016 to €579m at the end of 2017. This change resulted from:

- disposals totalling €32.6m, with a net capital gain of €1.9m;
- €88.7m in investments;
- €1.7m in works for maintenance and improvements, and the developments;
- a €0.3m increase 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 €0.3m change in the portfolio's fair value on a like-for-like basis (0.6%) is the result of:

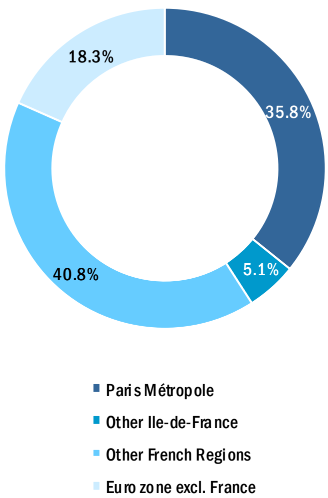
- a 0.5% increase due to the improvement in market rents (ERV).
- a 3.4% increase due to lower yield rates used by appraisers,
- a residual 3.3% decrease (works to be carried out, reversion, internal correction, etc.).

The average return resulting from valuations is 5.6%. A downward or upward change of 25 basis points in this rate would lead to an increase or a decrease respectively of €23.4m in the portfolio's value.

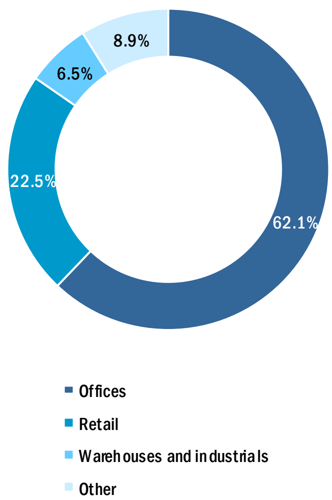
Fair value of total properties

By including the Banimmo buildings, the fair value (including transfer taxes) of total properties stood at €824m at the end of 2017 compared with €791m at the end of 2016.

Breakdown of value by region



Breakdown of value by type



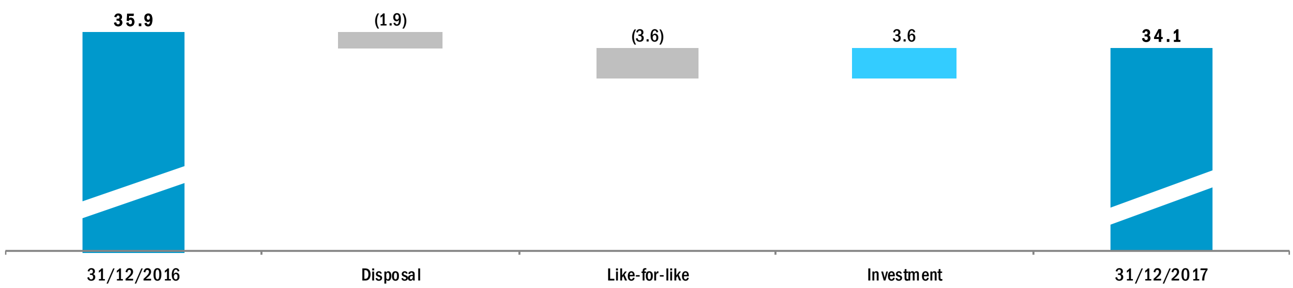
Affine

Headline rents

Rents from leases in effect at 31 December 2017 accounted for €34.1m on an annual basis, a decrease of €3.6m (-9.9%) on a like-for-like basis from 31 December 2016 owing mainly to departures of tenants of the warehouse in Thouars, of the retail gallery in Saint-Etienne and of the offices in Montigny-le-Bretonneux and Saint-Germain-en-Laye.

After taking into account acquisitions and disposals, the decrease of the annualised headline rents is reduced to 5.2%.

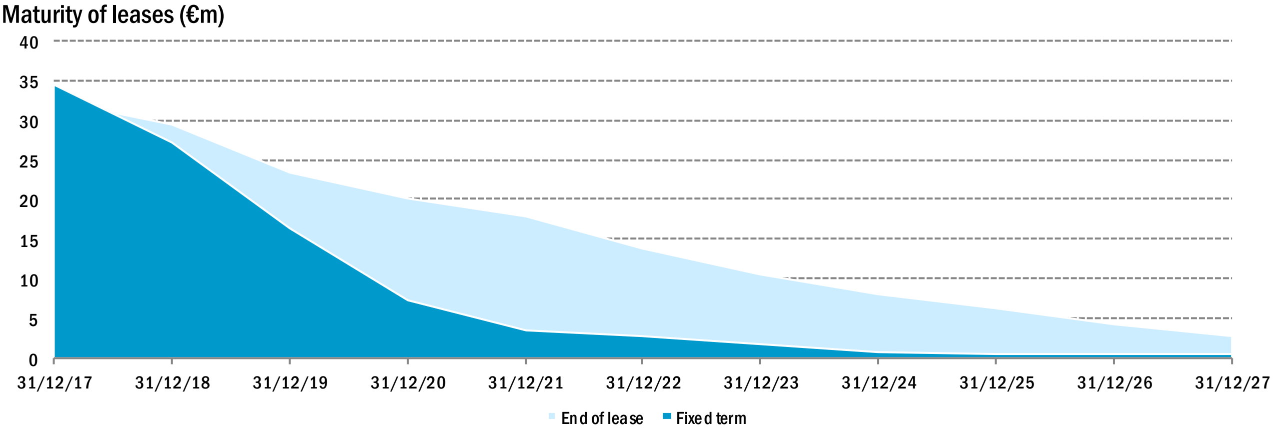
Change in headline rents (€m)



During the year, Affine signed 14 new leases concerning a total surface area of 5,700 sqm and total annual rents of €1.1m. Furthermore, 38 tenants left their premises, representing a total surface area of 63,200 sqm and annual rents of €4.7m. Finally, 19 leases representing total rents of €2.0m (after renegotiation – impact on an annual basis: +€0.1m) were renegotiated. Based on the rental situation as of 31 December, the impact of these changes on the gross rental income will be -€2.4m in 2018. The average term of leases and their fixed term are 4.6 and 2.5 years respectively (compared to 5.1 and 2.9 years at the end of 2016).

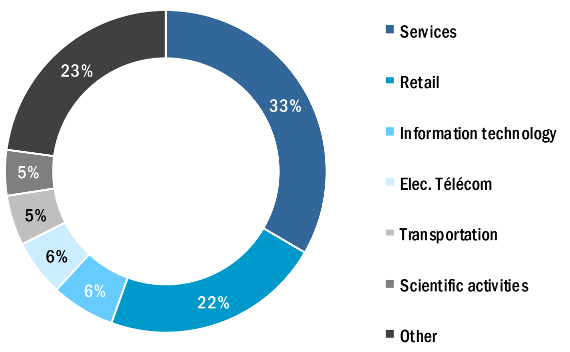
Lease cancellations represent a -€0.8m impact on the 2018 gross rental income.

Maturity of leases (€m)

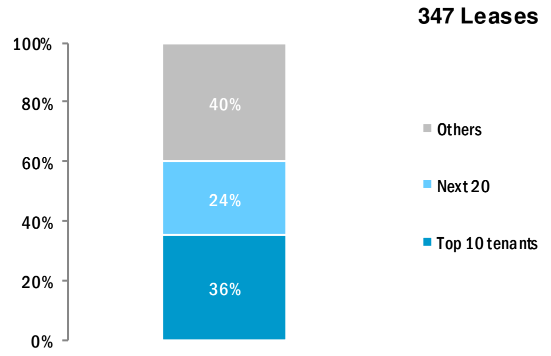


Among the top 30 tenants, which account for 60% of total rents, none should exceed 10%, in order to limit the risk on rental income. However, the most important tenant, SNCF (the French national railways), currently exceeds this threshold and is expected to be diluted with the recent acquisitions. The other major tenants are: the Corbeil-Essonnes Municipal Authority, Sogitec Industries and INSEEC.

By business sector (rents)



Breakdown of leases



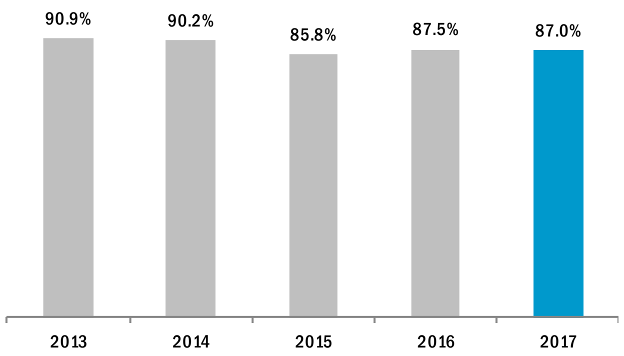
Occupancy rate

Since many buildings are occupied by multiple tenants and, taking into account the acceleration in asset rotation in recent years, aimed at rejuvenating and streamlining the portfolio, the target occupancy rate is about 90%. This change is the result of the strategy to sell off 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 31 December 2017, Affine's financial occupancy rate (EPRA) (excluding a building under refurbishment in Gennevilliers) stood at 87.0%, compared with 87.5% at the end of 2016.

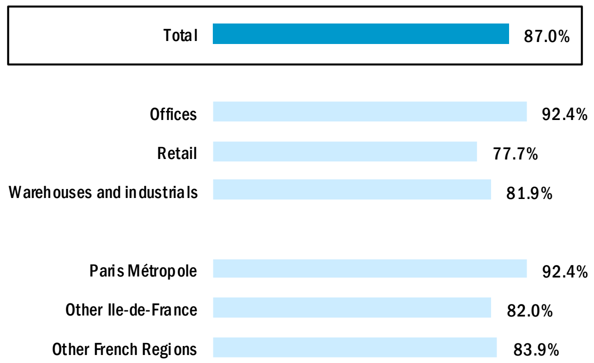
At 31 December 2017, 48% of the Company's EPRA vacancy is concentrated in 4 properties: a warehouse in Thouars (available for sale) and three retail complexes in Nimes, Bordeaux and Saint-Etienne.

Occupancy rate (EPRA)*



* Financial occupancy rate excluding buildings being refurbished.

Occupancy rate by type and regions



Investments & Disposals

Acquisitions

Nantes - Euronantes

At the beginning of the year, Affine acquired for completion the Kibori, from the Sogeprom-ADI consortium, a 3,883 sqm office building in the Euronantes railway station district for €9.8m (including transfer taxes). To seize this opportunity, Affine partnered in 2014 with the consortium to win the invitations to tender 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 8-storey building (-1 to +6), which will have a BREEAM label, will include 3,547 sqm of office space, 336 sqm of light industrial space and 33 underground parking spaces. The architectural design was created by Art & Build (Paris) with completion scheduled for the second half of 2018.

The Euronantes district is the new business hub in Nantes and is particularly attractive because of its exceptional location at the confluence of the Erdre and Loire rivers, only a few minutes' walk from the city centre and the railway station. The commercial complex has a vacancy rate of less than 5% and the recently delivered buildings were completely leased in less than 6 months with first-tier tenants. Kibori will be the only building in the area delivered in 2018.

Lille – Euratechnologies

In March, Affine acquired from the property developer Nacarat the #hashtag, two office buildings with a total surface area of 5,280 sqm in the Euratechnologies district of Lille for €11.0m (including transfer taxes) under an off-plan sale (VEFA) agreement.

Located close to the Leblan Lafont building, at the heart of this high-tech district, the #hashtag comprises firstly, a 2,230 sqm, 5-story office building (ground floor + 4) and secondly, a 4-story building (ground floor + 3) of 3,050 sqm. It offers 90 parking spaces. The architectural design is being done by the firm KAAN Architecten, with delivery planned in two phases, in 2018 and 2019.

This new commercial complex will be certified BREEAM Good and will offer high quality working conditions for its tenant companies and start-ups, which will be able to use all the amenities required for the growth of their businesses in eco-designed, integrated, open and modular spaces.

Lille - Euralille

By acquiring the 11th floor of the Lilleurope tower from Foncia in June, Affine is now sole owner of this iconic 25,000 sqm building in Lille after having acquired the other 19 floors in successive stages from 2006.

In addition to an immediate impact on its revenue, this acquisition will enable Affine to carry out an important refurbishment program to add value to this property built in 1995:

- enhance the visibility and accessibility of the tower;
- renovate and refit common spaces;
- optimise use of the 12th technical floor.

This work will be done in collaboration with SPL Euralille, as part of its projects to revitalise Place François Mitterrand and the link between Matisse park and Dondaines park.

The Lilleurope tower stands at the heart of Euralille, the third largest business district in France after La Défense (Paris) and La Part-Dieu (Lyon). Overlooking the Lille Europe international high-speed railway station, it is situated in one of the city's prime locations. The building has excellent rail, road and public transport links and its appeal will be further enhanced by increased traffic at Lille's railway stations, the concentration of the city's commercial activities in Euralille, and the development of the Euralille 3000 sector.

Paris Métropole

In the second half, Affine acquired three office buildings totalling 11,800 sqm GLA in the west of the Paris Metropole area for €42.5m (including transfer taxes) from LBO France. This acquisition will enable to increase its annualised rental income by €2.7m. This operation is an investment opportunity to increase rents over the coming years.

a) Suresnes

The building is located on the banks of the Seine, in the centre of a commercial and business district with excellent public transport connections, including the T2 Tram Line, the L and U lines of the Transilien Suburban Railway Service, as well as a large number of bus lines. It is also close to the A13 and A14 motorways via the Seine quayside. The building has an occupancy rate of 97%, develops 6,346 sqm over eight floors, occupied by three tenants (of which Sogitec Industries: 80%), and has 170 parking lots. It forms part of a larger property complex of 60,000 sqm.

b) Clichy

The building is located in the "Espace Clichy" Business Park in the André Citroën Mixed Development Zone, which includes retail outlets, offices and housing. It is easily accessible by road (towards Porte de Clichy and the Seine quayside) and by public transport, including a large number of bus lines. It is close to RER C train line and to the Mairie de Clichy metro station (Line 13), which will be the final stop on Line 14, scheduled for 2019. The building is occupied by four tenants on three floors, includes 3,400 sqm of office space and industrial areas and 58 underground parking spaces, and has an occupancy rate of 82%.

c) Courbevoie

This asset benefits from an excellent location in the vicinity of La Défense Business District. Its location makes it very easily accessible by road, as it is very close to the Seine quayside, the N13 and A14 motorways, and La Défense ring road, a little further away. There is a wide variety of public transport options, including the La Défense Esplanade metro station (Line 1), the No. 2 tram line and several bus lines. The building offers its four tenants (of which In Extenso: 70%) a functional and dividable office space, and 38 underground parking spaces spanning 2,068 sqm GLA over four floors. Its occupancy rate was at 100%.

Paris – Le Marché Vaugirard

In November, Affine acquired the retail mall "Marché Vaugirard" from Banimmo. The Marché Vaugirard is located in Paris' 15th arrondissement, opposite the Montparnasse train station.

This shopping mall which is on the Boulevard de Vaugirard, has 25 shops for 2,132 sqm around a Casino supermarket. It benefits from the excellent public transport services of the Montparnasse train station and a dynamic and diverse urban environment, offices on Boulevard Vaugirard and residential property on Falguière street. Since 2015, it has undergone renovations and marketing, and now has an occupancy rate of 96%, producing an annual rent of €690,000.

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:

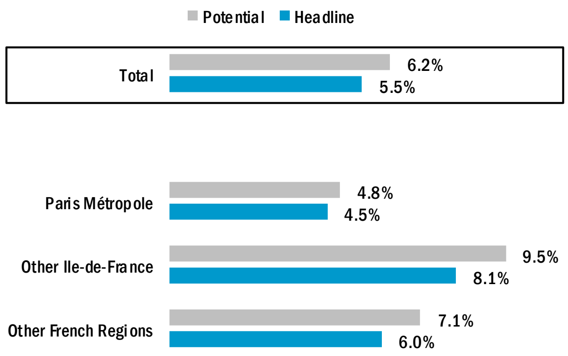
- Offices: a fully let building in Bagnolet (4,056 sqm) and the record of the end of the usufruct of the 3,472 sqm office building in Lyon which it had to sell to the Grand Lyon as part of the Part-Dieu station refurbishment programme. And finally, the complex building in Montigny-les-Bretonneux (9,546 sqm) was sold to a company co-owned by Kaufman & Broad and Affine in order to redevelop the site;
- Mixed-used: 2 mixed-use office and warehouse/industrial buildings in Tremblay-en-France (7,514 sqm) and in Trappes (10,183 sqm);
- Land: 20,756 sqm of land in Saint-Etienne.

The properties were disposed of at prices very close to fair value at the end of 2016, the net capital gain coming from the Tremblay-en-France site.

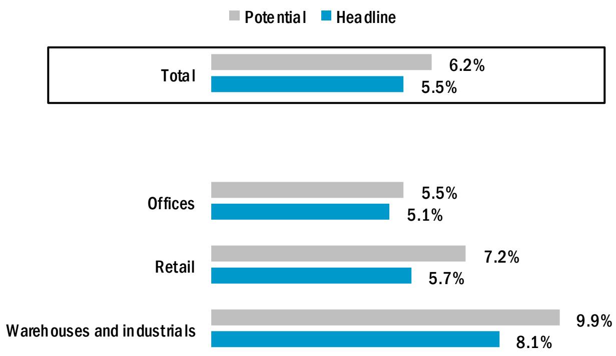
Pipeline

The program for the acquisition and upgrade of assets amounts to €74m, €39m of which constituting the pipeline and €35m already accounted in the under-construction turnkey projects: Meudon, Euronantes and Euratechnologies. Other projects are under review.

Rental return of assets by region



Rental return of assets by type



Banimmo

As at 31 December 2017, Banimmo held 14 buildings, 4 of which in joint ventures, representing a total surface area of 165,000 sqm and 11 plots of land and land reserves, of which 3 are in joint ventures for a total development potential of 304,000 sqm.

At the end of December, the overall occupancy rate of the portfolio, calculated on the basis of actual available space, remained stable at 83% compared to the end of 2016. The signatures on Dolce La Hulpe B14, as well as those by Banimmo France in Anglet and Verpantin, compensated the departures on Diamond.

During the year, Banimmo sold a 14,000 sqm office building in Antwerp, the Halle Secrétan in Paris, the future lease receivables from the offices owned by JV Bureau Cauchy C and its stake in Bureau A at Namur, the Vaugirard Market, and part of the land in Ans.

In mid-December 2017, Banimmo repaid the balance (€47m) of the syndicated loan granted in 2011 by ING and KBC.

New sales and refinancing are organized to ensure the repayment of the €34m bond issue maturing on 30 May 2018.

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

- Athena Business Center in Vilvorde: Banimmo obtained the process to change the intended use for this 5-hectare site. The buildings, which are currently being used as warehouses and office space, 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 approvals (RUP) was obtained;
- North Plaza in Brussels (13,800 sqm): an amended permit for carrying out a vertical separation has been submitted for the site. Reducing the average size of floors is expected to provide greater flexibility and encourage leasing with multiple tenants;
- Table Square at La Défense in Paris: a temporary occupation agreement for 55 years has been signed by Banimmo France. Work is expected to begin in the first half of 2018;
- The Verpantin shopping centre at Pantin (4,700 sqm): Banimmo France is continuing renovations.

Also, Banimmo France was awarded the tender offer for the redevelopment of the Hall of the South Station in Nice. It carries a long-term lease of 45 years and is developing a Chefs Fooding & Vintage hub of 2,700 sqm.

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 its discussions for the realization of "built-to-suit" on the other land;
- Conferinvest (49 %): operation of two Dolce conference centres in Brussels-La Hulpe and Chantilly; the contract with Deloitte University was extended for 3 years (2018-2021) on better terms on both sites.

Finally, on December 21, Banimmo signed a promise for the sale of Banimmo France. The fulfillment of this promise, subject to certain suspensive conditions, occurred on 27 February 2018. The closing is expected within the next few days.

Banimmo's operating profit fell to €4.0m from €42.9m in 2016, reflecting lower net rental income (€4.0m vs. €8.2m), related to disposals in 2016 and 2017, and mostly net capital gains on disposals in 2017, which were down sharply from €59.4m to €11.5m (after the sale of the Marché Saint Germain in 2016). In addition, the cost reduction plan initiated in 2016, decreased the expense from €9.7m to €6.9m. This plan aims to support the reduction of the portfolio while ensuring that the skills necessary for the development of the investment pipeline are maintained. Including the net financial charges down (€5.5m vs. €9.1m), the unwinding of some financial instruments, taxes and changes in fair value, Banimmo's net profit was -€3.9m against - €15.4m last year.

At end December 2017, Banimmo’s Net Asset Value amounted to €66.3m, or €5.80 per share (vs. €7.3m at end 2016), to be compared with an average stock price over December 2017 of €3.28 and net book value of €4.80 per share.

Banimmo, 49.5% of which is owned by Affine, is consolidated using the equity method until 30 September 2017, and since then using the global integration as a discontinued operation (IFRS 5).

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

FINANCIAL SUMMARY]

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 participation 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 main and distinct business or geographical region…".

As a result, in the financial statements for 2017, Banimmo is accounted for under the equity method until 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, the total consolidated assets of Banimmo is therefore included in a specific line "discontinued operation" in the assets, and the total of the consolidated liabilities of Banimmo is included in a specific line "discontinued operation" in the liabilities. In the income statement, the result of Banimmo until 30 September is included in the line "Associates", and the result of the 4th quarter as well as the value adjustment during the year of the stock market 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)	2015	2016	2017
Gross rental income	39.0	34.7	33.8
Net rental income	**34.4**	**29.4**	**29.6**
Other income	1.2	(0.1)	0.8
Corporate expenses	(7.9)	(8.6)	(8.8)
Current EBITDA (2)	**27.7**	**20.7**	**21.6**
Current operating profit	**27.1**	**19.6**	**21.3**
Other income and expenses	(0.4)	0.3	0.7
Net profit or loss on disposal	(7.2)	(0.0)	1.9
Operating profit (before value adj.)	**19.5**	**19.9**	**23.9**
Net balance of value adjustments	3.8	(0.6)	0.3
Net operating profit	**23.2**	**19.3**	**24.2**
Net financial cost	(9.1)	(7.0)	(6.9)
Fair value adjustments of financial instruments	2.1	1.1	0.8
Taxes	0.5	(1.3)	0.3
Miscellaneous (3)	(0.5)	(0.3)	0.8
Associates	(15.7)	(6.4)	(0.1)
Discontinued operations	-	-	(12.0)
Net profit	**0.4**	**5.5**	**7.2**
Net profit – group share	**0.4**	**5.5**	**9.1(4)**
Net profit – group share (excl. Banimmo)	**16.9**	**13.1**	**19.2**

EPRA adjustments	12.8	1.6	1.7
EPRA earnings(4)	**13.3**	**7.1**	**10.8**
EPRA earnings (excl. Banimmo)	**17.4**	**11.7**	**15.5**

NB: The Banimmo sub-group of Affine is consolidated using the equity method until 30 September 2017 and since then using the global integration as a discontinued operation (IFRS 5). Banimmo's accounts 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 2015, 2016 and 2017, this amount does not include the depreciation of buildings in inventory of the property development business of -€0.1m, -€0.2m and €0.1m 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.

While rents were changing by -1.3% on a like-for-like basis, the impact of the disposals, partially offset by the acquisitions realised late 2017, led to a 2.5% decrease in rental revenue. Although, the decrease in service charges led to a 0.5% increase in net rental income.

Consequently, current operating profit is up 8.5% to €21,3m, after factoring in an increase in income from lease financing (+€0.8m vs. +€0.1m in 2016) from reversals of provisions.

The capital gain of €1.9m and the slight €0.3m increase in fair value of the buildings (+€0.6m in 2016) led to a net operating profit of €24.2m, up 25.0%.

Net financial costs decreased slightly to €6.9m (versus €7.0m), because of loan repayments relating mainly to the expiry of some old hedging instruments. Moreover, the fair value of financial instruments benefited from the rise in long term rates (+€0.8m in 2017 and +€1.1m in 2016).

The full consolidation of Banimmo as from Q4 is reflected in the "Discontinued activities" item, the first nine months being treated as "Associates". The Banimmo's net loss of €3.9 represented a loss of €1.9m for Affine. In addition, the change in method of Banimmo's shares valuation at Affine from book value to the stock market value (average over December) resulted in a €8.2m impairment.

Consequently, Affine posted a net profit (excluding Banimmo) of €11.0m and an overall profit of €9.1m compared with €5.5m 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 €15.5m (against €11.7m). After the inclusion of Banimmo, EPRA was €10.8m compared with €7.1m for 2016.

Consolidated cash flow

Cash Flow (€m)	2015	2016	2017
Funds from operation	**21.9**	**14.3**	**15.1**
Funds from operation excluding cost of debt and taxes	**30.1**	**22.2**	**20.6**
Change in WCR	(3.2)	0.2	(0.0)
Taxes paid	(0.6)	(0.0)	(0.7)
Discontinued operations operating cash-flow	-	-	0.4
Operating cash flow	**26.3**	**22.4**	**20.2**
Investments	(43.2)	(22.6)	(84.8)
Disposals	94.0	18.3	37.8
Other	0.0	2.2	0.0
Discontinued operations investment cash-flow	-	-	8.5
Investment cash flow	**50.8**	**(2.2)**	**(38.5)**
New loans	43.4	50.2	172.4
Loan repayments	(101.8)	(56.8)	(120.0)
Interest	(9.3)	(7.1)	(6.4)
Other (including dividend)	(9.1)	(4.8)	(15.6)
Discontinued operations financing cash-flow	-	-	(3.3)
Financing cash flow	**(76.8)**	**(18.5)**	**27.1**
Change in cash position	**0.4**	**1.7**	**8.9**
Net cash position	**2.1**	**3.9**	**12.7**

Funds from operation (FFO) increased to €15.1m in connection with changes in the EPRA earnings (excluding Banimmo) and, excluding financial costs and taxes, was €20.6m.

The WCR came remained stable (-€0.0m vs. 0.2m). The full integration of Banimmo operating cash flow (€0.4m) led to a global operating cash flow of €20.2m versus €22.4m for the same period in 2016.

The investments were up sharply totalling €84.8m (compared with €22.6m in 2016) and factored in the advance in current account of €10m granted to the company co-owned with Kaufman & Broad. The contribution of buildings sales amounted to €37.8m. Total cash flow from investments rose from -€2.2m to -€38.5m.

The net balance of financing operations, including dividends distributed and financial costs, generated a cash flow of €27.1m, with new borrowings exceeding repayments over the period by €52.4m.

The available net cash position thus increased over the year to reach €12.7m.

Consolidated balance sheet

Consolidated balance sheet (€m)	2015	2016	2017
ASSETS	**623.6**	**610.2**	**835.4**
Properties (excluding transfer taxes)	514.4	518.6	578.6
of which investment properties	456.0	469.4	540.0
of which property held for sale	58.5	49.2	38.6
Equity holdings	0.0	0.0	0.8
Associates	38.8	31.6	1.9
Cash	6.7	4.9	7.7
Discontinued operations	-	-	180.1
Other assets	63.6	55.1	66.3
LIABILITIES	**623.6**	**610.2**	**835.4**
Shareholders' equity (before allocation)	291.7	285.0	309.3
of which Non-controlling interest	*(0)*	*(0)*	*27.2*
of which BRS	*4.2*	*4.2*	*4.2*
of which PSL	*73.2*	*73.1*	*73.3*
Bank debt	286.5	284.2	341.7
Discontinued operations	-	-	134.4
Other liabilities	45.4	41.0	50.1

Net asset value

The significant increase in the size of the balance sheet resulted from the global integration of Banimmo, which contributes €180.1m to the "Other assets" item and €134.4m to the "Other liabilities" item.

At 31 December 2017, total shareholders' equity amounted to €309.3m, up by €24.3m from the end of 2016, €27.2m coming from the integration of the Banimmo's equity share following its consolidation by global integration. Excluding this technical impact, the €3.0m decrease resulted mainly from the net results diminished by the distribution made in 2017 of dividends and the payment of BRS and PSLN coupons (i.e. €15.7m). 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 €210.6m (-2.3%). NAV per share was €20.53 (after BRS dilution and excluding treasury shares), down 2.3% compared with 31 December 2016. Including transfer taxes, NAV per share was €24.22.

NAV (€m)	2015	2016	2017
Shareholders' equity (before allocation), Group share	291.7	285.0	282.1
PSLN adjustment	(73.2)	(73.1)	(73.3)
IFRS NAV (excl. TT)	218.6	211.9	208.8
EPRA adjustments	3.1	3.7	1.8
EPRA NAV (excl. TT)	**221.7**	**215.6**	**210.6**
EPRA NAV (incl. TT)	255.1	250.9	248.4
Diluted number of shares (excl. Tr. shares)	10,265,026	10,254,952	10,256,921
Diluted EPRA NAV (excl. TT) per share (€)	**21.60**	**21.02**	**20.53**
Diluted EPRA NNNAV (excl. TT) per share (€)	**24.35**	**23.98**	**22.69**

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 €22.69 (excl. transfer tax), down 5.4%.

Financing

The financing policy, based on its 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.

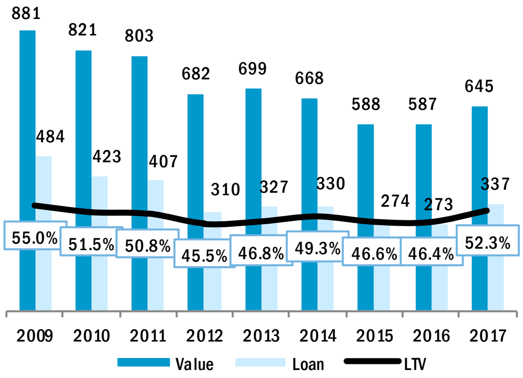
Affine has a resilient risk profile, thanks to the diversification of its portfolio and the large proportion of regional assets in its portfolio which are more stable and more profitable than its Paris assets.

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%.

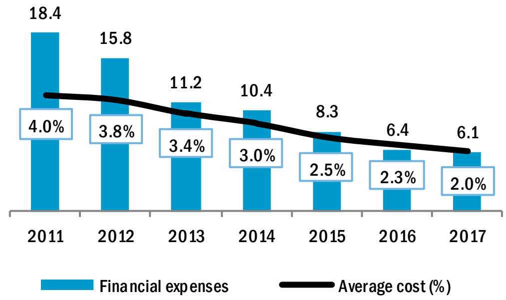
New bank loans taken out over the period amounted to €172.4m compared with the €120.0m for bank debt redemptions and repayments over the period.

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

LTV (Loan-to-Value) (€m)



Cost of debt (€m)



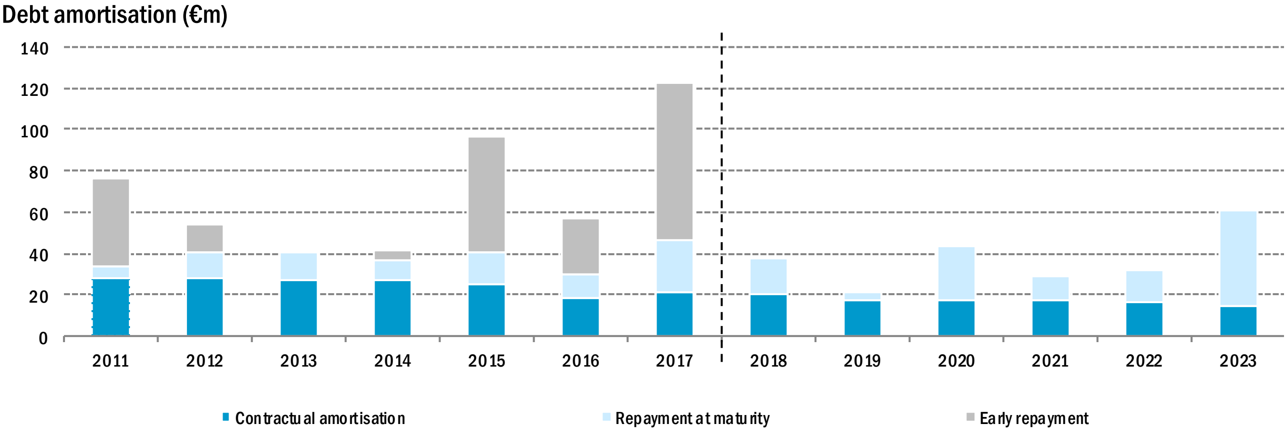
At 31 December 2017, the company's net financial debt (net of cash and cash equivalents) was €342m compared with €280m at year-end 2016, equivalent to 1.1 times total shareholders' equity.

After deducting the debt allocated to residual finance lease activities (€5m) and factoring in the Affine's share of the SPV (Montigny-le-Bretonneux: €0m), net financial debt amounted to €337m. This amount in relation to the total of investment properties, inventories, Affine's share of the SPV (Montigny-le-Bretonneux: €5m) and of the net position of associates and equity interests, (€25m), resulting in an LTV ratio of 52.3%, compared with 46.4% at year-end 2016.

The ratio of financial costs to average net financial shows an average cost of debt of 2.0% for the period, down from 2016 (2.3%).

At end 2017, 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.

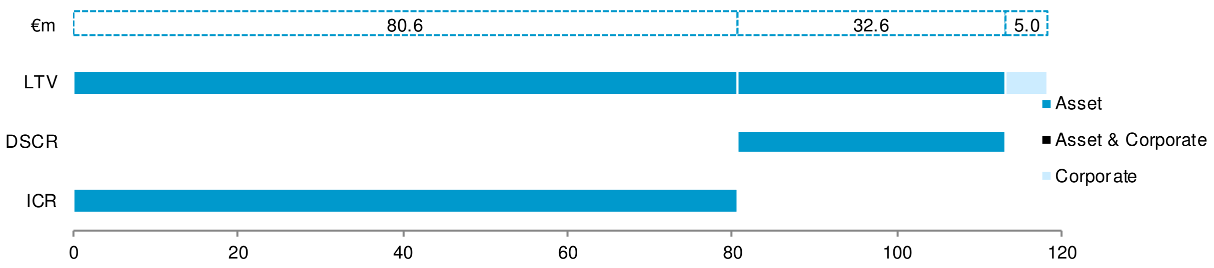
Debt amortisation (€m)



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 and maturing in October 2018.

At 31 December, 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')	2015	2016	2017
Net financial debt(1)	284,399	280,291	342,103
Debt allocated to lease financing	(9,989)	(7,544)	(5,001)
Net debt for investment properties	**274,410**	**272,747**	**337,102**
Value of properties (incl. TT)	546,978	553,515	615,924
Associates(2)	35,653	30,073	25,296
VEFA & Fixed assets adjustments	5,844	3,702	3,792
Adjusted portfolio value incl. taxes	**588,475**	**587,290**	**645,012**
LTV	**46.6%**	**46.4%**	**52.3%**

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

Detailed consolidated statements

Consolidated income statement – Condensed presentation

(€000')	2015	2016	2017
Gross rental income	**39,029**	**34,662**	**33,793**
Service charge income/(expenses)	(4,033)	(5,434)	(4,117)
Other property income /(expenses)	(561)	215	(100)
NET RENTAL INCOME	**34,435**	**29,443**	**29,576**
Earnings from finance leases (FL)	1,255	10	821
Earnings from property development	(22)	(18)	249
Other activities	(34)	(128)	(233)
Corporate expenses	(7,943)	(8,571)	(8,799)
CURRENT EBITDA(1)	**27,690**	**20,735**	**21,613**
Amortisation and depreciation	(609)	(1,117)	(329)
CURRENT OPERATING PROFIT	**27,081**	**19,618**	**21,284**
Charges net of provisions	(300)	(109)	613
Net other income and expenses	(61)	432	64
Gains on disposal of Investment Properties	(7,507)	73	1,913
Options exercised on FL properties	278	0	-
Gains on disposals of operating assets	(12)	(95)	-
Net profit or loss on disposals	**(7,241)**	**(22)**	**1,913**
OPERATING PROFIT BEFORE VALUE ADJ.	**19,479**	**19,919**	**23,874**
Fair value adjustment to Properties	3,753	(573)	308
Goodwill adjustment	-	-	-
Net balance of value adjustments	**3,753**	**(573)**	**308**
NET OPERATING PROFIT	**23,232**	**19,346**	**24,182**
Income from cash and cash equivalents	527	435	283
Gross financial cost	(9,632)	(7,400)	(7,200)
Net financial cost	**(9,105)**	**(6,965)**	**(6,916)**
Other financial income and expenses	(524)	(331)	826
Fair value adjustments to financial instr.	2,062	1,099	832
PROFIT BEFORE TAX	**15,665**	**13,149**	**18,924**
Current corporation tax	550	(712)	374
Other tax	(93)	(573)	(39)
Associates	(15,682)	(6,408)	(81)
Net profit from discontinued operations	-	-	(12,015)
NET PROFIT	**440**	**5,456**	**7,164**
Net profit – Minority interests(2)	(0)	-	1,930
NET PROFIT – GROUP SHARE	**440**	**5,456**	**9,093**
EPRA adjustments	12,834	1,631	1,721
EPRA EARNINGS	**13,274**	**7,088**	**10,814**
Earnings per share (€)	(0.24)	0.33	0.66
Diluted earnings per share (€)	(0.18)	0.34	0.67
EPRA Earnings per share (diluted) (€)	**1.08**	**0.50**	**0.84**
Average number of shares (excl. Treasury Shares)	9,462,792	10,035,893	10,029,821
Average number of shares diluted (excl. TS)	9,688,680	10,261,781	10,255,709

(1) Current EBITDA represents the current operating profit excluding current depreciation and amortisation costs. In 2015, 2016 and 2017, this amount does not include the depreciation of buildings in inventory of the property development business of -€0.1m, -€0.2m and €0.1m respectively, which is recognised under other income and expenses.
(2) Non-controlling interests.

Consolidated balance sheet – Assets – Condensed presentation

(€000')	2015	2016	2017
Investment properties	456,396	469,810	540,470
Tangible assets	400	393	345
Intangible assets	1,408	463	105
Financial assets	11,889	11,520	7,227
Deferred tax assets	1,393	960	968
Shares and investments in associates (equity method)	38,831	31,551	1,902
TOTAL NON-CURRENT ASSETS	**510,318**	**514,697**	**551,018**
Buildings to be sold	58,457	49,228	38,578
Discontinued operations	-	-	180,100
Finance lease loans and receivables	3,002	2,004	3,666
Inventory	5,844	3,702	3,792
Trade and other accounts receivable	12,527	12,077	7,759
Current tax assets	596	66	930
Other receivables	26,168	23,510	41,887
Cash and cash equivalents	6,698	4,875	7,716
TOTAL CURRENT ASSETS	**113,291**	**95,463**	**284,428**
TOTAL	**623,609**	**610,160**	**835,447**

Consolidated balance sheet – Liabilities – Condensed presentation

LIABILITIES (€000')	2015	2016	2017
Shareholders' equity (Group share)	291,728	285,036	282,071
of which BRS	*4,211*	*4,220*	*4,229*
of which PSL	*73,160*	*73,118*	*73,279*
Minority interests	(0)	(0)	27,225
TOTAL SHAREHOLDERS' EQUITY	**291,728**	**285,036**	**309,296**
Long-term borrowings	216,153	218,167	290,833
Financial liabilities	4,381	3,130	1,742
Provisions	4,476	2,081	922
Deposits and security payments received	5,267	4,863	5,519
Deferred and non-current tax liabilities	0	65	1,430
Other	(0)	(0)	0
TOTAL LONG-TERM LIABILITIES	**230,277**	**228,306**	**300,445**
Discontinued operations	-	-	134,376
Liabilities relating to buildings to be sold	30,562	33,526	18,878
Trade payables and other accounts payable	22,340	21,719	37,704
Borrowings and financial debt	45,823	38,723	31,499
Current tax liabilities	0	184	54
Tax and social charges	2,880	2,666	3,194
TOTAL CURRENT LIABILITIES	**101,605**	**96,817**	**225,706**
TOTAL	**623,609**	**610,160**	**835,447**

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')	2015	2016	2017
EPRA earnings	13,274	7,088	10,814
EPRA NAV (excl. TT)	221,706	215,575	210,619
EPRA NNNAV (excl. TT)	249,980	245,933	232,753
EPRA vacancy rate (%)	14.2	12.5	13.0
Figures per share (€)	**2015**	**2016**	**2017**
EPRA earning[1]	1.08	0.50	0.84
EPRA NAV (excl. TT)	21.60	21.02	20.53
EPRA NNNAV (excl. TT)	24.35	23.98	22.69

(1) The average number of diluted shares 2015 was corrected for the average number of new shares from BRS redemption.

EPRA Earnings (indirect method)

(€000')	2015	2016	2017
Net profit – Group share	**440**	**5,456**	**9,093**
Value adjustments for investment and development properties	(3,818)	(147)	(205)
Net profit or loss on disposal	7,241	589	(2,691)
Goodwill adjustment[1]	-	-	8,193
Fair value adjustments of financial instr.	(2,062)	(1,099)	(832)
Non-current tax, deferred and exit tax	79	576	28
Adjustments for associates and discontinued operations	11,394	1,713	(2,229)
Minority interests in respect of the above	-	-	(543)
EPRA earnings	**13,274**	**7,088**	**10,814**
EPRA earnings (hors Banimmo)	**17,352**	**11,661**	**15,474**

(1) Corresponds to the Banimmo stakes valuation adjustments.

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

(€000')	2015	2016	2017
Gross rental income	39,029	34,662	33,793
Net rental income	**34,435**	**29,443**	**29,576**
Other income	1,199	(137)	836
Corporate expenses	(7,943)	(8,571)	(8,799)
Current EBITDA[2]	**27,690**	**20,735**	**21,613**
Current operating profit	**27,081**	**19,618**	**21,284**
Other income and expenses[3]	(426)	(397)	780
Net financial cost	(9,105)	(6,965)	(6,916)
Taxes (current)	536	(709)	363
Miscellaneous (current)[3]	(524)	236	48
Associates and discontinued operations (current)	(4,288)	(4,695)	(6,131)
Net current profit	**13,274**	**7,088**	**9,428**
EPRA Earnings (Net current profit – gs[4])	**13,274**	**7,088**	**10,814**
EPRA Earnings (excl. Banimmo)	**17,352**	**11,661**	**15,474**
Other income and expenses[3]	64	720	(102)
Net profit or loss on disposals	(7,241)	(22)	1,913
Net balance of value adjustments	3,753	(573)	308
Fair value adjustments of financial instr.	2,062	1,099	832
Taxes (non-current)	(79)	(576)	(28)
Miscellaneous (non-current)[3]	(0)	(567)	778
Associates and discontinued operations (non-current)	(11,394)	(1,713)	(5,965)
Net non-current profit	**(12,834)**	**(1,631)**	**(2,264)**
Net non-current profit – gs[4]	**(12,834)**	**(1,631)**	**(1,721)**
Net non-current profit – gs[4] (excl. Banimmo)	**(460)**	**1,423**	**3,748**
Net profit	**440**	**5,456**	**7,164**
Net profit – Group share	**440**	**5,456**	**9,093**

NB: The Banimmo sub-group of Affine is consolidated using the equity method until 30 September 2017 and since then using the global integration as a discontinued operation (IFRS 5). Banimmo's accounts 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 2015, 2016 and 2017, this amount does not include the depreciation of buildings in inventory of the property development business of -€0.1m, -€0.2m and €0.1m 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')	2015	2016	2017
Net profit – Group share	**440**	**5,456**	**9,093**
PSL charges	(2,135)	(1,953)	(2,235)
BRS charges	(590)	(226)	(226)
Net profit – Group share adjusted for the earnings per share	(2,285)	3,278	6,632
BRS 1 and 2 adjustments	590	226	226
Net profit – Group share adjusted for the diluted earnings per share (after conversion of BRS)	(1,696)	3,504	6,858
EPRA adjustments	12,834	1,631	1,721
EPRA earnings adjusted for the PSL charges for calculation of EPRA earnings per share	**11,139**	**5,135**	**8,579**
Earnings per share (€)	(0.24)	0.33	0.66
Diluted earnings per share (€)	(0.18)	0.34	0.67
EPRA earnings per share (€) (diluted)	**1.08**	**0.50**	**0.84**
EPRA earnings per share (€) (diluted) (excl. Banimmo)	**1.48**	**0.95**	**1.29**
Outstanding number of shares	10,056,071	10,056,071	10,056,071
Average number of treasury shares	(593,279)	(20,178)	(26,250)
Average number of shares (excl. Tr. shares)	9,462,792	10,035,893	10,029,821
Average number of new shares from BRS redemption[1]	806,652	225,888	225,888
Average number of diluted shares (excl. Tr. shares)[1]	**10,269,445**	**10,261,781**	**10,255,709**

(1) The average number of diluted shares 2015 was corrected for the average number of new shares from BRS redemption.

IFRS NAV

(€000')	2015	2016	2017
Shareholders' equity (before allocation)	291,728	285,036	282,071
of which BRS	*4,211*	*4,220*	*4,229*
of which PSL	*73,160*	*73,118*	*73,279*
of which treasury shares	*(268)*	*(395)*	*(391)*
of which other	*214,624*	*208,094*	*204,954*
PSL adjustments	(73,160)	*(73,118)*	*(73,279)*
Diluted IFRS NAV excluding transfer tax	218,568	211,918	208,792
Transfer tax gs(1)	33,375	35,346	37,775
Diluted IFRS NAV incl. transfer tax	251,943	247,264	246,567
Diluted IFRS NAV exc. transfer tax per share	**21,29**	**20.66**	**20.36**
Diluted IFRS NAV incl. transfer tax per share	24,54	24.11	24.04
Outstanding number of shares	10,056,071	10,056,071	10,056,071
Treasury shares	(16,933)	(27,007)	(25,038)
Converted BRS	225,888	225,888	225,888
Number of diluted shares (excl. treasury shares)	**10,265,026**	**10,254,952**	**10,256,921**

(1) gs stands for Group share.

EPRA NAV

(€000')	2015	2016	2017
Diluted IFRS NAV excl. transfer tax	218,568	211,918	208,792
EPRA adjustments	3,138	3,656	1,827
of which fair value of financial instruments	7,256	4,677	1,504
- Assets - Derivatives at fair value gs(1)	214	1,439	1,607
-Liabilities - Derivatives at fair value gs(1)	7,471	6,117	3,111
of which net deferred tax	(4,118)	(1,021)	323
- Assets - deferred tax gs(1)	4,118	1,086	1,107
- Liabilities - deferred tax gs(1)	0	65	1,430
EPRA NAV excl. transfer tax	221,706	215,575	210,619
EPRA NAV incl. transfer tax	255,081	250,921	248,394
EPRA NAV excluding transfer tax per share (diluted)	**21.60**	**21.02**	**20.53**
EPRA NAV incl. transfer tax per share (diluted)	24.85	24.47	24.22

(1) gs stands for Group share.

EPRA NNNAV

(€000')	2015	2016	2017
EPRA NAV excl. transfer tax	221,706	215,575	210,619
EPRA adjustments	(3,138)	(3,656)	(1,827)
Change of debt fair value(1)	31,413	34,015	23,960
EPRA NNNAV excl. transfer tax	249,980	245,933	232,753
EPRA NNNAV incl. transfer tax	283,355	281,279	270,528
EPRA NNNAV excl. transfer tax per share (diluted)	**24.35**	**23.98**	**22.69**
EPRA NNNAV incl. transfer tax per share (diluted)	27.60	27.43	26.38

(1) Excluding Banimmo and its subsidiaries.

EPRA Vacancy rate

Type of asset (€m)	Headline rents	Let. sp. (sqm)	ERV1 on vacant	ERV1	Vacancy rate
Offices	21.6	138,282	1.7	22.4	7.7%
Retail	8.3	61,378	2.3	10.2	22.3%
Warehouses and Industrials	4.3	132,698	0.9	5.0	18.1%
Total	**34.1**	**332,358**	**4.9**	**37.6**	**13.0%**

(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
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 et 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
Barberey St Sulpice	Quartier Les Valliers, RN19	Régions	10	1,200	1990	2007
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	3,472	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
Mer	Za des Mardaux	Régions	41	34,127	1975 / 2002	2006
Leers	Rue de la Plaine	Régions	59	21,590	1994	2005
Thouars	Rue Jean Devaux	Régions	79	32,000	2000	2007
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 the only property not fully-owned by Affine (50% Affine – 50% Kaufman & Broad)

EPRA property related capex

(€000')	2017
Acquisitions	88,717.3
Development	164.5
Like-for-like portfolio	1,779.5
Others (1)	0.0
Total Investment	**90,661.3**

(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.