

2020 Half-Year Results

Société de la Tour Eiffel stays on-course despite the Covid-19 crisis and gains greater margin for manoeuvre

The Board of Directors of Société de la Tour Eiffel, which met on 23 July 2020, approved the financial statements at 30 June 2020. The limited review procedures for these accounts have been completed and the corresponding reports are being issued.

Thomas Georgeon, Managing Director of Société de la Tour Eiffel, stated: *"The first half of 2020 was to be the subject of the announcement of a new strategic plan. The news of the global pandemic and the outlooks further to the economic crisis have decided otherwise. However, the first half of 2020 has been highly positive with intense operational activity despite the lock-down, with rental successes, continuation of the development plan, and significant fund-raising among our main shareholders. Faced with the uncertainties of the period, Société de la Tour Eiffel is resolutely pursuing its growth path while preparing for the challenges that are sure to lie ahead. The satisfaction of tenants and the construction of long-lasting and quality cash flows, both of which are priorities for the property company, are the key factors for its success."*

Strategy

- Property portfolio increasing to €1.86bn based on the 100/80/20 refocus: 100% office property, 80% in Greater Paris / 20% in high-potential regional cities
- Improvement of the financial structure: Perpetual subordinated bonds for €180m and return of the LTV ratio in the strategic objective to 39.0% (vs. 49.0% at 31 December 2019)
- Adaptation to the Covid-19 crisis
 - 2020 dividend maintained, but reduced to €2.0 per share (vs. €2.25 announced in March 2020);
 - Continuation of business during the lock-down period and return to the office as of the beginning of June 2020;
 - Support for tenants: Lock-down rent spread evenly over the second half without any penalties for SMEs / VSEs.
- CSR performance a central feature of our property portfolio



Outlook

- €96m of investment pipeline including €7m of projects delivered in 1H 2020
- €189m of disposals: more than 50% of non-strategic assets sold or under sale agreements



Financial Components

- Valuation of the property portfolio: +0.6% to €1.87bn (+ 1.3% on a like-for-like basis)
- EPRA earnings per share: €1.3 / Current cash flow per share: €1.6
- Consolidated net profit: €13.4m (vs. -€2.4m)
- NNNAV EPRA per share: €54.4 (+ 0.3%)
- Net Initial Yield EPRA topped-up: 4.52%

France's 5th largest listed property company in office property with assets of €1.87bn as at 30 June 2020, the Société de la Tour Eiffel Group has based its development strategy on tenant satisfaction, by meeting their requirements and anticipating those of tomorrow. The Group's internalized management model, its unanimously recognized proximity to customers, its precise vision of tenant expectations and its strong CSR commitment make it a benchmark real estate player and an expert in office property in Greater Paris.

A clear 100/80/20 strategy:

Société de la Tour Eiffel is pursuing the strategic refocusing of its property portfolio aiming for a portfolio consisting exclusively of offices, 80% of which are located in Greater Paris and 20% in high-potential regional cities (Aix-Marseille, Bordeaux, Lille, Lyon, Nantes, Toulouse). The three main levers for its growth are its developments, the acquisitions of individual or portfolio buildings and external growth.

At 30 June 2019, the Group's property portfolio amounted to €1,871m, with 89% offices (€1,671m), 4% mixed office / retail assets (€68m) and 7% non-strategic assets (€132m). 74% of the assets are located in Greater Paris (€1,390m) and 19% in high-potential regional cities (€349m).

A half-year marked by adaptation to the COVID-19 crisis

The Coronavirus (Covid-19) epidemic, declared by the World Health Organization to be a "global pandemic", has had an impact on every sector of activity including real estate.

With the Covid-19 epidemic for its backdrop, the Group first of all sought to ensure the safety and health of its employees, that of its tenant companies and their employees, and of its service providers and suppliers. The measures put in place were mainly designed to ensure the proper operation and safety of the buildings, ordering the shutdown of construction sites and continuing the Company's business by having all of its employees switch to teleworking.

In order to support the tenants most exposed to the consequences of the crisis, their rents for the 2nd quarter were spread evenly over the second half of 2020 without any penalties. That support concerned 13% of rents.

The construction sites were all shut down during the lock-down and resumed in very good conditions from mid-May onwards. The interruption in the construction sites should result in a delay of around one quarter in the delivery schedules initially planned.

In view of the wait-and-see attitude observed among many investors, the Group decided to postpone the second part of the €189m disposal plan initially envisaged for 2020, based on the insignificant amount of this residual property portfolio and the lack of any major time constraint to finalize the disposals. During the first half of the year, the logistics portfolio under sale agreements at 31 December 2019 was sold for €35m.

In the end, at 30 June 2020, Société de la Tour Eiffel recorded no significant negative impact at the stage linked to the Covid-19 crisis and continued to implement its growth plan.

€96m of developments in 2020

After taking into account the completion of the Olivier project in Marseille at the start of the year as well as progress in current developments, the balance of the plan amounts to €92m as at 30 June 2020. Advanced to the tune of €60m and expected to generate €5.7m in annualized rental income, it consists of 2 development schemes in Greater Paris (55%) and 3 schemes in high-potential regional cities (45%).

Among the development schemes in progress:

- signing of an off-plan lease agreement (BEFA) on the Saclay plateau in Orsay with IBM for 5,400 sq. m. With the floor space also leased by the Paris-Saclay metropolitan authority, and completion scheduled for autumn 2020, the property transaction has been fully leased.
- transformation of the mixed-use site (shops and offices) in Bordeaux with the transformation of a portion of the parking lot into a business centre with nearly 3,000 sq. m of floor space, after the signing of an off-plan lease agreement (BEFA) (completion re-scheduled for the beginning of 2021).

Sustained rental activity despite a deteriorated environment

€7.6m in annualized headline rents were agreed during the period, including €2.2m in new leases signed and €5.3m in renewed, for a net gain of +€0.9m.

During the lock-down, the Group announced in particular that it had signed for nearly 4,500 sq. m of floor space on its Nanterre Seine Eiffel business park and 1,400 sq. m of floor space on the Olivier (Aygaldes Eiffel business park in Marseille) shortly after delivery.

In addition, as announced, the Group will take advantage of the releases in the second half of 2020 of the Lyon Dauphiné, Puteaux Dion Bouton and Aubervilliers Jean-Jaurès sites to launch value-creating developments over and above current flows (€4.4m in annualized rental income).

As at 30 June 2020, the financial occupancy rate (EPRA) was 82.9% (vs. 82.1% at the end of 2019) and the average firm lease term was 3.0 years.

EPRA earnings (Recurring Net Earnings) were up at €5.8 to stand at €1.3 per share

On a like-for-like basis, rental income fell by -0.7%. and increased by + 3.8% corrected for the departure of Capgemini on 30 June 2019 on the Suresnes site. Overall, it stood at €47.0m, down -6.2% mainly due to disposals.

Current EBITDA came to €30.8m, almost stable (-0.8%), the sharp reduction in corporate expenses, fuelled by cost synergies for €2.5m, making it possible to offset this drop in income.

Financial expenses stood at €8.8m (vs. €9.0m), reflecting additional drawdowns to finance developments and Capex (€35.9m) and an improved financing cost. The average debt interest rate stands at 1.8% (vs. 2.0% in H1 2019), demonstrating the performance of the €330m re-financing carried out last October.

The success of the issuance of new perpetual subordinated bonds for €180m last June, to which the main shareholders of the group contributed, has allowed Société de la Tour Eiffel to significantly enhance its equity capital. The instrument comes with a coupon of 4.5% with a first possibility of repayment in 5 years. This fund-raising made it possible to restore the LTV ratio to 39.0% (vs. 49.0% at year-end 2019) and thus return less than 18 months after the merger with Affine to the strategic objective of 40%.

After taking into account other income and expenses, taxes and earnings of companies accounted for using the equity method, the EPRA result (recurring net profit) stood at €23.0m, or €1.30 per share, an increase of 5.8%.

By reintegrating all EPRA restatement adjustments (depreciation, net profit on disposals, and changes in the value of financial instruments), consolidated net income rose from a loss of €2.4m in 1H 2019 to a profit of €13.4m for the same period in 2020.

Current Cash Flow amounted to €25.7m or €1.55 per share compared with €1.70 for 1H 2019.

Net Asset Value stable

The EPRA NNNNAV per share rose from €54.2 to €54.4 at the end of June 2020, the dividend paid in June having been more than offset by the EPRA earnings and the increase in the fair value of the portfolio over the period.

Taking into account the net impact of investments and disposals, assets amounted to €1,870.8m (excluding transfer taxes and fees), compared with €1,860.1m at year-end 2019 (+1.3%).

Greater margin for manoeuvre to better face new challenges

Following on from the initiatives taken to support vulnerable tenants and the economy more generally against a backdrop of a global health crisis, Société de la Tour Eiffel has responded to the call of the French public authorities by reducing the dividend to €2.0 per share (vs. €2.25 initially proposed). The amount thus retained, i.e. €4.1m, expands the margin for manoeuvre in supporting tenants as well as possible.

At the end of June 2020, tenants identified as at “high” and “very high” risk given their exposure to the consequences of the Covid-19 crisis, represented €3.8m in rent on an annual basis even though at this stage no significant payment incident was observed on rent calls for the 2nd or 3rd quarters.

At the same time, as it has undertaken to do, Société de la Tour Eiffel enhanced its equity in June by issuing €180m in perpetual subordinated bonds to its main shareholders.

In addition to securing the financing of its development plan, the issue gives the property company a greater margin for manoeuvre, providing it with additional resilience faced with the various challenges of the new environment, including the capacity of tenants to meet their payment schedules, delays in completions, and even possible decreases in property values. The fund-raising should also enable the Group to seize new investment opportunities.

With regard to rigorous management, the Group can move forward resolutely towards its objectives: refocusing the portfolio on its strategic locations, improving the quality of assets and income and generating significant capacity for growth.

Calendar

- February-March 2021: 2020 annual results (after market)
- April 2021: General Shareholders' Meeting

The presentation of the results will be available on the Group's website as at 29 of July: www.societetoureiffel.com.

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About Société de la Tour Eiffel

Société de la Tour Eiffel is an integrated commercial real estate company with €1.9 bn in assets and a powerful service culture. It operates across the real estate cycle, supporting companies of all sizes and sectors, and directly manages assets in strong growth regions via a rigorous management process. The real estate company manages its real estate portfolio, which is currently growing fast, for the long term. It is implementing a strategic refocus on 100% office property, 80% in Greater Paris and 20% in the regions and is now established as a leading actor in the sector.

Société de la Tour Eiffel is listed on Euronext Paris (Compartment B) – ISIN Code: FR0000036816 – Reuters: TEIF.PA – Bloomberg: EIFF.FP – A member of Indexes: IEIF Foncières, IEIF Immobilier France
www.societetoureiffel.com

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KEY FIGURES

Portfolio

(€m)	30/06/2019	31/12/2019	30/06/2020
Portfolio valuation at depreciated cost	1,545.3	1,545.3	1,531.9
Portfolio valuation at Fair Value (excl. Transfer taxes)	1,803.6	1,860.1	1,870.8
EPRA NAV per share (€)	49.2	52.2	52.4
EPRA NNNNAV per share (€)	51.6	54.2	54.4

Results

(€m)	30/06/2019	31/12/2019	30/06/2020
Rental income	49.0	97.0	47.0
Current operating profit	13.8	26.2	5.5
Net profit - Group share	2.4	1.4	13.4
Net profit - Group share per share (€)	0.1	(0.1)	0.7
EPRA earnings	21.0	50.0	23.0

Cash flow and dividend

(€m)	30/06/2019	31/12/2019	30/06/2020
Recurring Cash Flow	26.9	47.1	25.7
Recurring Cash Flow per share (€)	1.70	2.9	1.55
Dividend per share (€)	3.00	2.0	2.00
Pay-out Ratio (Dividend / recurring Cash Flow)	176%	69%	129%

Market capitalisation

(€m)	30/06/2019	31/12/2019	30/06/2020
Number of outstanding shares at the end of the period	16,508,749	16,508,749	16,589,046
Share price (€)	37.0	39.4	29.8
Market capitalisation	610.8	650.4	494.4

Financial structure

(€m)	30/06/2019	31/12/2019	30/06/2020
Consolidated Equity	642.2	639.7	798.4
Net Group LTV	49.7%	49.0%	39.0%
EBITDA / Financial costs	3.5	3.7	3.5

Valuation ratios

	30/06/2019	31/12/2019	30/06/2020
Cash flow multiple (Capitalisation / Cash Flow)	11.4	13.8	9.6

EPRA KEY PERFORMANCE INDICATORS

EPRA earnings

(€m)	30/06/2019	31/12/2019	30/06/2020
EPRA earnings	21.0	50.0	23.0
EPRA earnings per share (€)	1.23	2.92	1.30

EPRA Net Asset Value metrics

(€m)	30/06/2019	31/12/2019	30/06/2020
EPRA NNNAV	857.0	900.3	903.3
EPRA NNNAV per share (€)	51.6	54.2	54.4
EPRA NDV	856.1	900.3	903.3
EPRA NDV per share (€)	51.6	54.2	54.4
EPRA NTA	936.0	993.8	995.8
EPRA NTA per share (€)	56.4	59.8	59.9
EPRA NRV	937.2	994.0	995.9
EPRA NRV per share (€)	56.5	59.8	60.0
EPRA NAV	816.5	866.7	869.7
EPRA NAV per share (€)	49.2	52.2	52.4

EPRA yield (EPRA NIY)

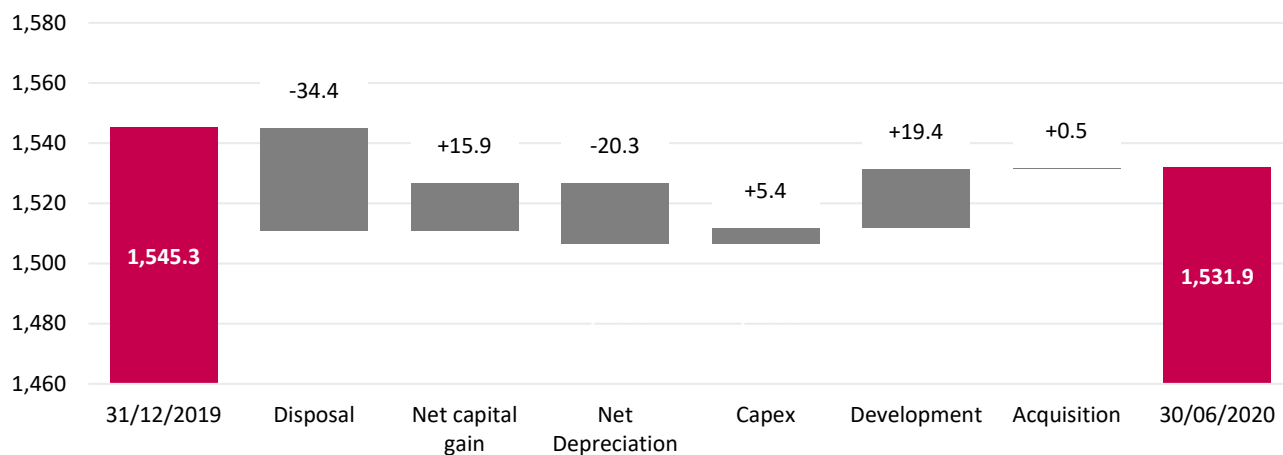
(€m)	30/06/2019	31/12/2019	30/06/2020
EPRA topped-up yield	5.11%	4.66%	4.52%
EPRA yield	4.73%	4.20%	4.17%

EPRA Vacancy Rate

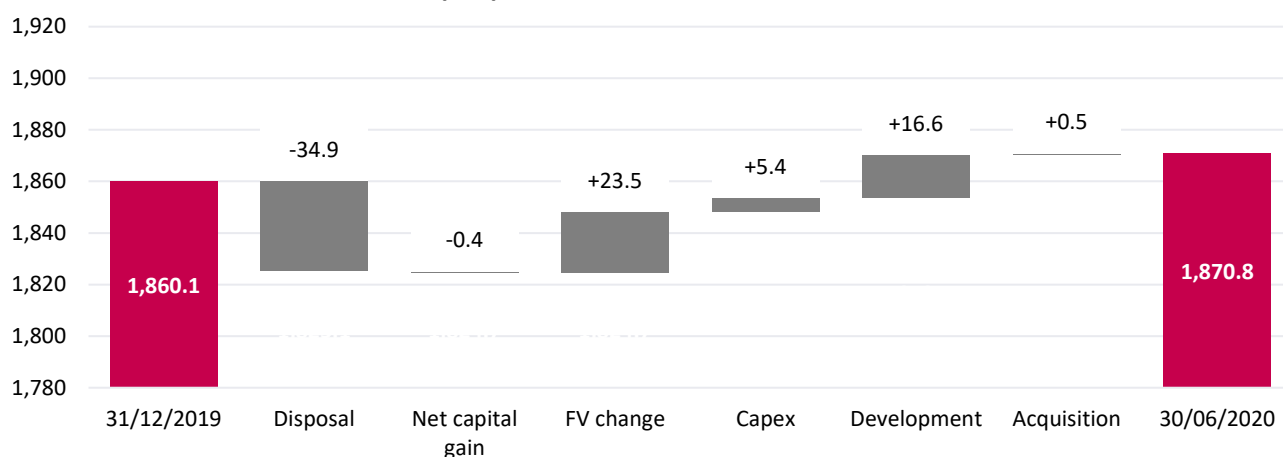
(€m)	30/06/2019	31/12/2019	30/06/2020
Portfolio up and let	15.3%	17.9%	17.1%

PORTFOLIO

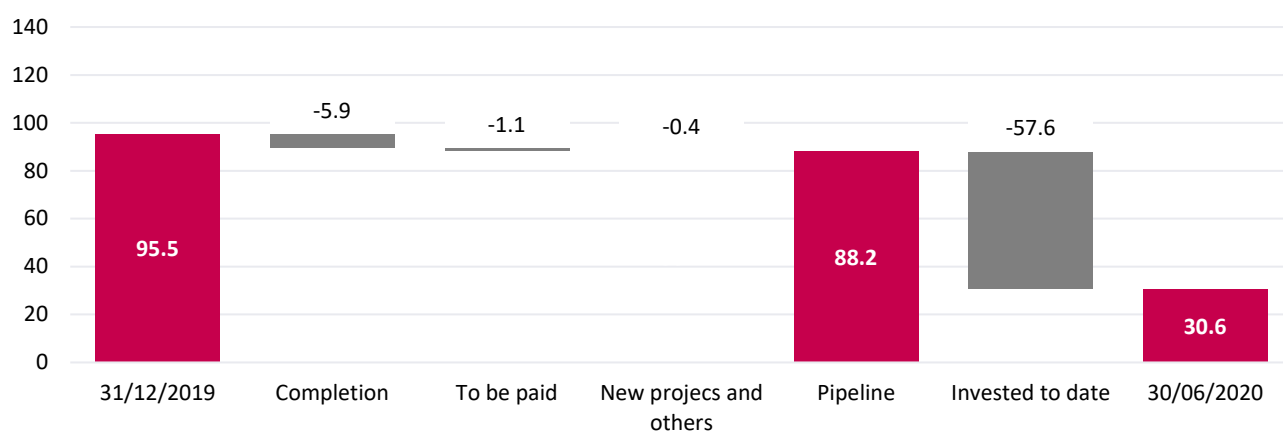
Portfolio valuation at Amortised Cost (€m)



Portfolio valuation at Fair Value (€m)



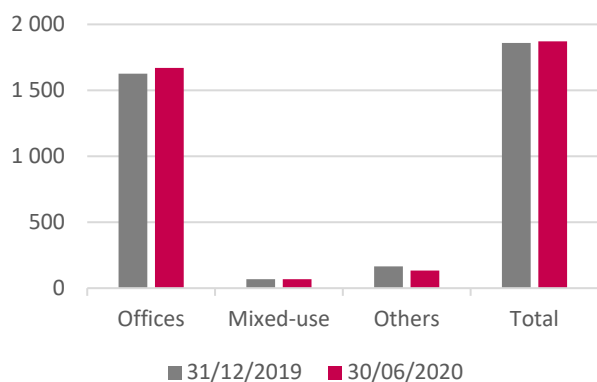
Progress of the pipeline (€m)



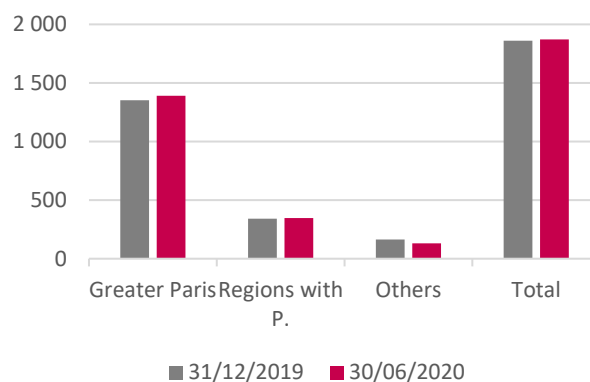
Portfolio breakdown in Fair Value

(€m)	Var. (%)	31/12/2019	30/06/2020
By type of asset			
Offices	2.7%	1,627.0	1,671.0
Mixed-use	0.0%	67.8	67.8
Others	-20.1%	165.3	132.0
By region			
Grand Paris	2.7%	1,352.9	1,390.1
Regions with P.	2.0%	341.9	348.8
Others	-20.1%	165.3	132.0
Total	0.6%	1,860.1	1,870.8

Breakdown by type of asset (€m)



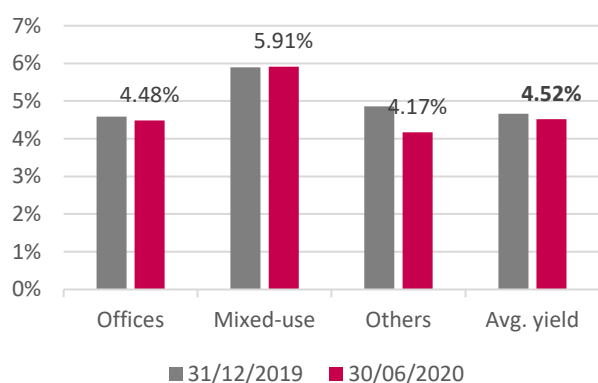
Breakdown by region (€m)



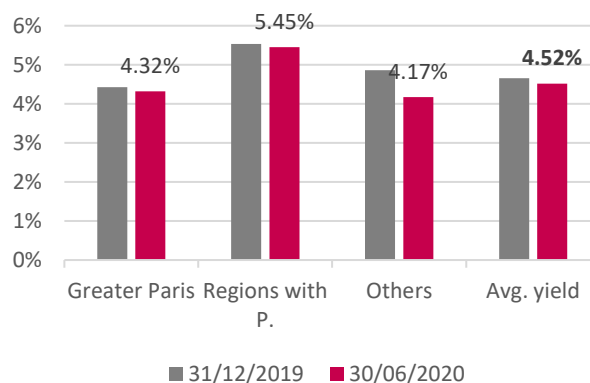
EPRA Topped-up yield

(€m)	Var. (%)	31/12/2019	30/06/2020
By type of asset			
Offices	-2.3%	4.59%	4.48%
Mixed-use	0.3%	5.89%	5.91%
Others	-14.2%	4.86%	4.17%
By region			
Grand Paris	-2.5%	4.43%	4.32%
Regions with P.	-1.4%	5.53%	5.45%
Others	-14.2%	4.86%	4.17%
Average portfolio yield	-3.11%	4.66%	4.52%

Breakdown by type of asset



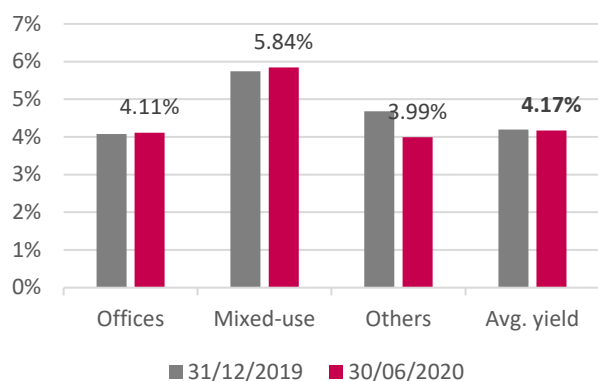
Breakdown by region



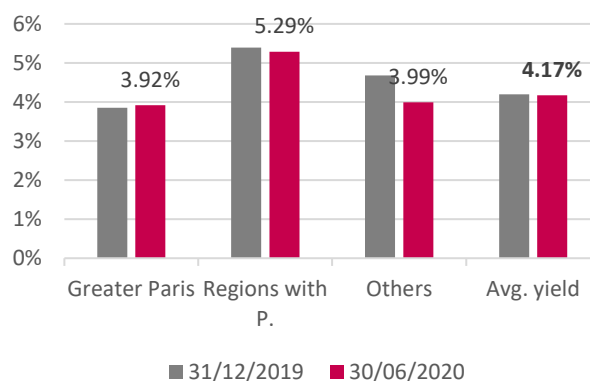
EPRA yield

	Var. (%)	31/12/2019	30/06/2020
By type of asset			
Offices	0.9%	4.08%	4.11%
Mixed-use	1.7%	5.75%	5.84%
Others	-14.7%	4.68%	3.99%
By region			
Grand Paris	1.7%	3.85%	3.92%
Regions with P.	-2.1%	5.40%	5.29%
Others	-14.7%	4.68%	3.99%
Average portfolio yield	-0.58%	4.20%	4.17%

Breakdown by type of asset

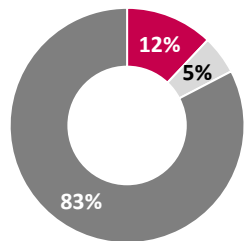


Breakdown by region



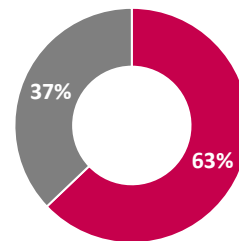
PORTFOLIO KEY INDICATORS

Buildings < 10 years* in Fair Value



- New and refurbished
- Buildings < 10 years
- Buildings > 10 years

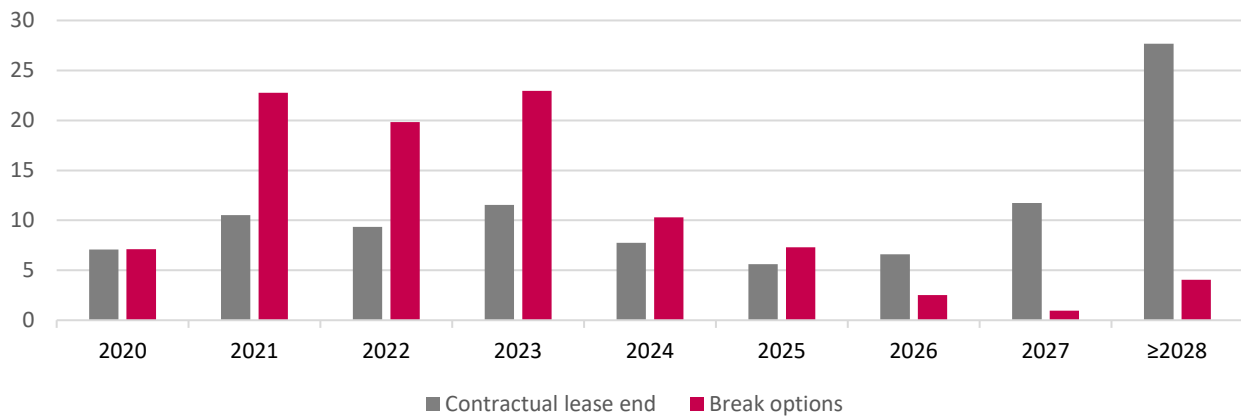
Labelled new buildings* in Fair Value



- Labelled buildings
- Non labelled buildings

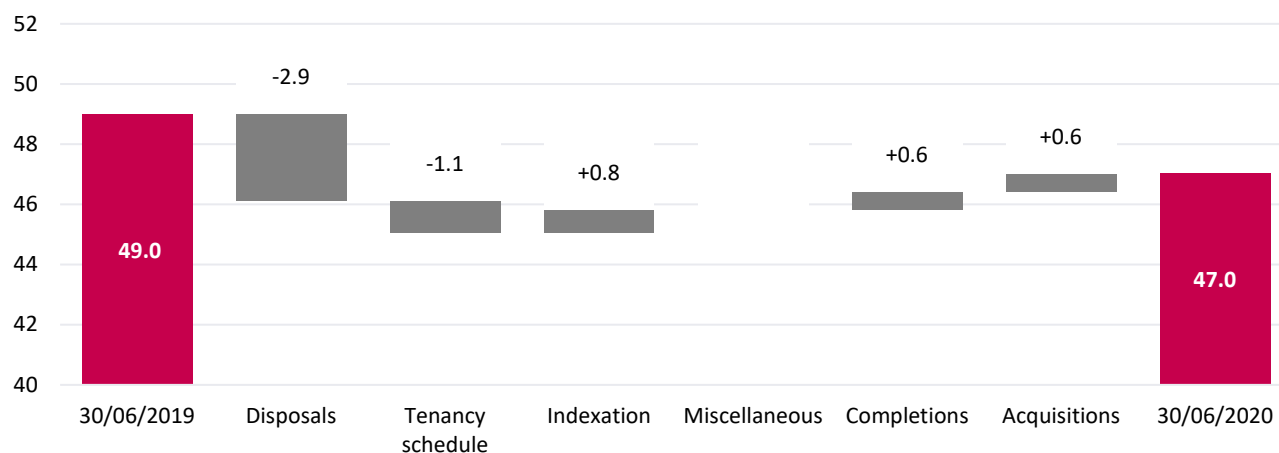
(* Excl. disposal plan)

Portfolio lease maturity in rental income (€m)



RENTAL INCOME

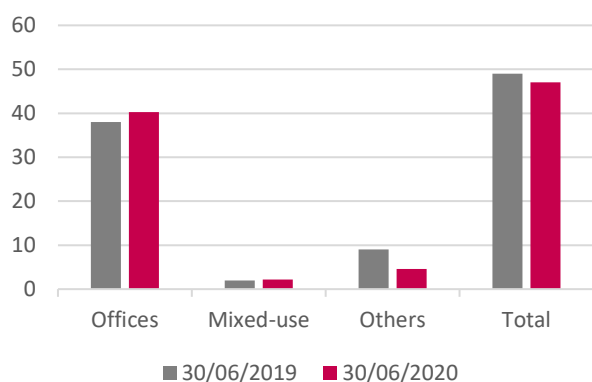
IFRS Rental Income Walk (€m)



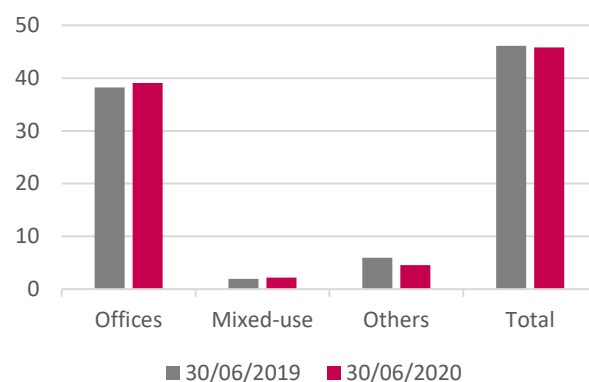
IFRS Rental Income variation by type of asset

(€m)	Var. (%)	30/06/2019	30/06/2020
IFRS Rental Income variation			
Offices	6.0%	38.0	40.3
Mixed-use	12.4%	1.9	2.2
Others	-49.7%	9.0	4.6
Total	-4.0%	49.0	47.0
IFRS Rental Income variation like-for-like			
Offices	2.2%	38.2	39.1
Mixed-use	12.4%	1.9	2.2
Others	-23.7%	6.0	4.6
Total	-0.7%	46.1	45.8

IFRS Rental Income variation (€m)



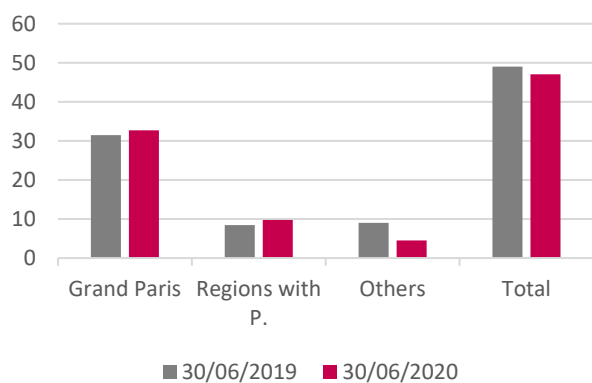
IFRS Rental Income variation like-for-like (€m)



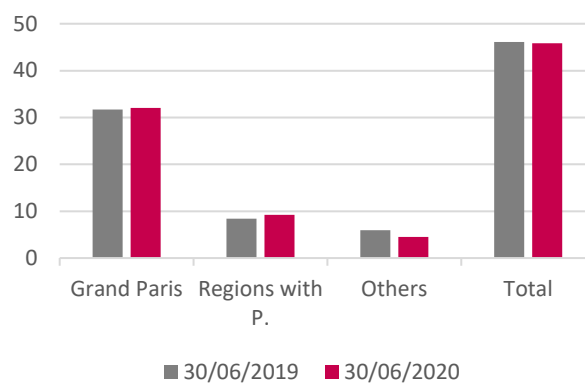
IFRS Rental Income variation by Region

(€m)	Var. (%)	30/06/2019	30/06/2020
IFRS Rental Income variation			
Grand Paris	3.8%	31.5	32.7
Regions with P.	15.7%	8.4	9.8
Others	-49.7%	9.0	4.6
Total	-4.0%	49.0	47.0
IFRS Rental Income variation like-for-like			
Grand Paris	0.9%	31.7	32.0
Regions with P.	9.5%	8.4	9.2
Others	-23.7%	6.0	4.6
Total	-0.7%	46.1	45.8

IFRS Rental Income variation (€m)

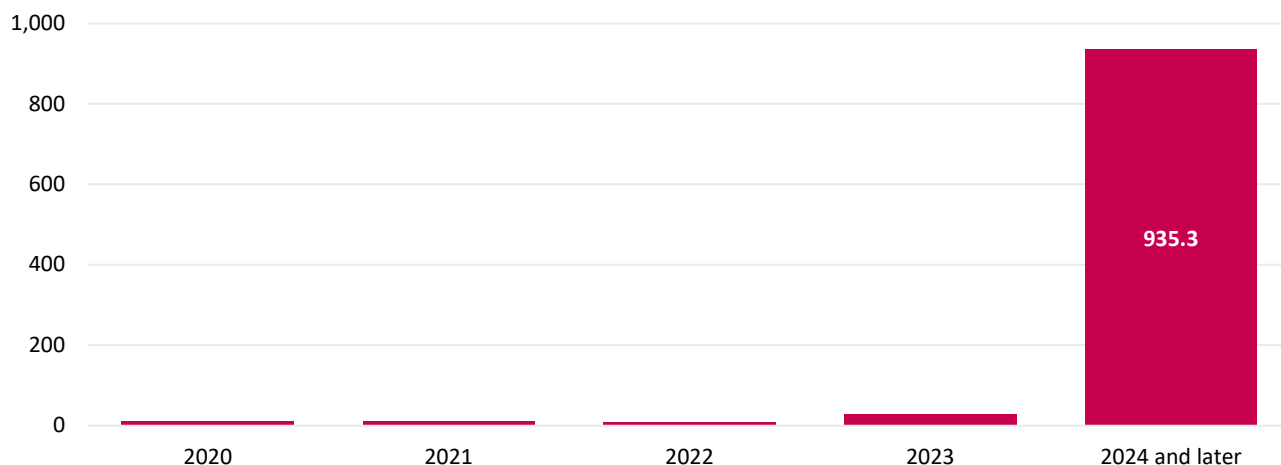


IFRS Rental Income variation like-for-like (€m)



FINANCING

Debt maturity schedule (€m)



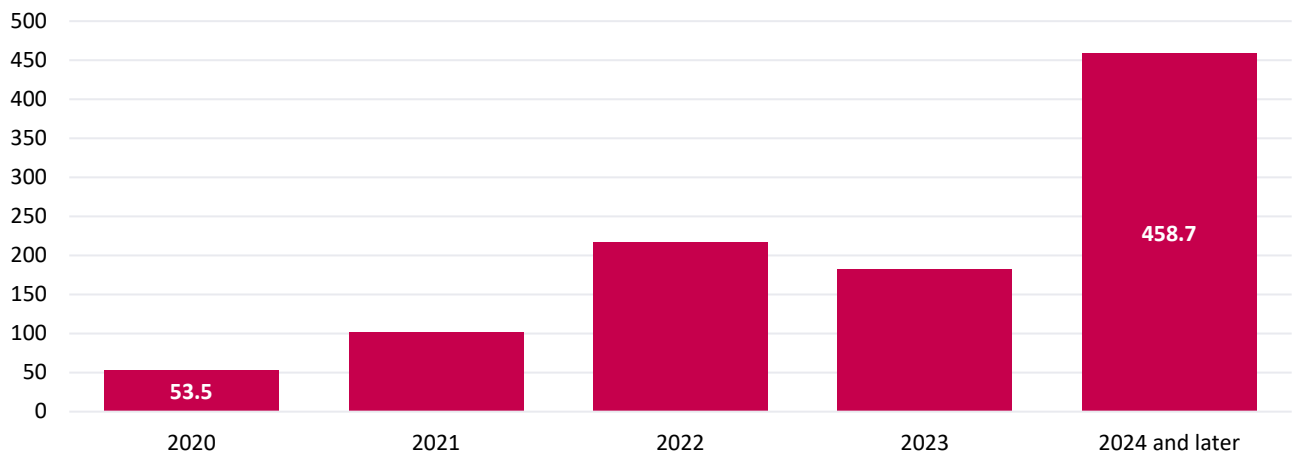
Summary of financing

(€m)	Maturity	30/06/2019	31/12/2019	30/06/2020
EURO PP 2015 €200m	07/2025	200.0	200.0	200.0
EURO PP 2017 €90m	07/2027	90.0	90.0	90.0
RCF Natixis €60m	12/2024	60.0	60.0	60.0
RCF Pool CADIF 2017 €100m	04/2024	100.0	100.0	100.0
RCF Pool CADIF 2018 €100m	07/2025	100.0	100.0	100.0
TL Pool BNPP/SG 2019 €330m	10/2026	-	294.1	330.0
SMABTP €350m	11/2021	50.0	-	-
Mortgage financing	n.a.	357.8	118.2	113.2

Financial structure ratios

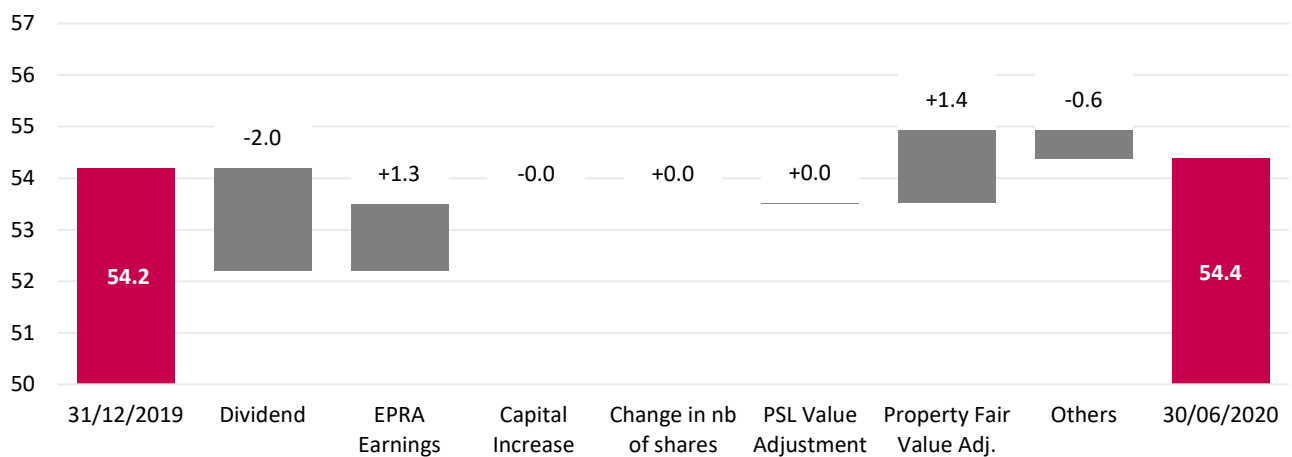
(€m)	30/06/2019	31/12/2019	30/06/2020
Shareholders' equity	642.2	639.7	798.4
Gross financial debt	957.8	962.3	993.2
Net financial debt	896.7	912.0	730.5
LTV	49.7%	49.0%	39.0%
Average cost of finance	2.0%	2.1%	1.8%
Hedging instruments notional	687.4	1,038.3	1,013.1
Hedging rate	109.1%	138%	132.0%
Debt maturity	5.5	5.9	5.4
Group ICR (EBITDA / Financial cost)	3.5	3.7	3.5
Impact of +100bp on cost of debt (yearly basis)	2.9	2.2	1.2
Impact of -100bp on cost of debt (yearly basis)	(2.2)	(3.8)	(2.0)

Hedging maturity schedule (€m)



NET ASSET VALUE (NAV)

EPRA NNNAV per share Walk (€)



EPRA Net Asset Value metrics

(€m)	30/06/2019	31/12/2019	30/06/2020
Shareholders' equity (group share)	642.2	639.7	798.4
PSL adjustments	(75.0)	(75.0)	(254.8)
Revaluation of Investment Properties	249.7	304.5	328.4
Revaluation of PSL	40.1	31.1	31.3
EPRA NNNAV	857.0	900.3	903.3
Goodwill as a result of deferred tax adjustment	-	-	-
Goodwill as per the IFRS balance sheet adjustment	(1.0)	-	-
EPRA NDV	856.1	900.3	903.3
Deferred tax in relation to fair value gains of strategic assets adj.	(0.3)	(0.9)	(0.8)
Fair value of financial instruments adjustment	(0.1)	(1.6)	(1.4)
Intangibles as per the IFRS balance sheet adjustment	(0.2)	(0.2)	(0.1)
PSL Fair Value adjustment	(40.1)	(31.1)	(31.3)
Real estate transfer tax	120.7	127.3	126.2
EPRA NTA	936.0	993.8	995.8
Deferred tax in relation to fair value gains of non-strategic assets adj.	-	-	-
Revaluation of intangibles to fair value	-	-	-
Goodwill as per the IFRS balance sheet	1.0	-	-
Intangibles as per the IFRS balance sheet	0.2	0.2	0.1
EPRA NRV	937.2	994.0	995.9
Fair Value of Intangibles adjustment	-	-	-
Real estate transfer tax adjustment	(120.7)	(127.3)	(126.2)
EPRA NAV	816.5	866.7	869.7

EPRA NAV metrics per share

(€)	30/06/2019	31/12/2019	30/06/2020
Fully diluted number of shares	16,593,524	16,612,200	16,611,593
EPRA NNNAV	51.6	54.2	54.4
EPRA NDV	51.6	54.2	54.4
EPRA NTA	56.4	59.8	59.9
EPRA NRV	56.5	59.8	60.0
EPRA NAV	49.2	52.2	52.4

CASH-FLOW AND SUMMARISED FINANCIAL STATEMENTS

Recurring cash-flow

(€m)	30/06/2019	31/12/2019	30/06/2020
Gross rental income	49.1	93.6	46.9
Recurring property operating expenses	(8.4)	(10.9)	(9.0)
Recurring corporate expenses	(9.3)	(14.4)	(6.9)
Net financial costs	(4.5)	(21.3)	(5.3)
Recurring cash flow	26.9	47.1	25.7
Average number of shares (excl. Tr. shares)	15,790,931	16,150,556	16,530,686
Recurring cash flow per share (€)	1.70	2.91	1.55

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

(€m)	30/06/2019	31/12/2019	30/06/2020
Gross rental income	49.0	97.0	47.0
Net rental income	40.6	86.1	38.0
Corporate expenses	(9.5)	(14.8)	(7.3)
Current EBITDA	31.0	71.3	30.8
Other income and expenses	(0.5)	(1.8)	1.6
Net financial costs	(9.0)	(19.1)	(8.8)
Miscellaneous (current) (3)	(0.3)	0.3	(0.1)
Taxes (current)	(0.1)	(0.2)	(0.3)
Associates	(0.2)	(0.6)	(0.2)
Net current earnings	21.0	50.0	23.0
EPRA earnings (Net current profit - group share)	21.0	50.0	23.0
Depreciation and amortisation on IP	(17.2)	(45.1)	(25.3)
Net profit or loss on disposals	0.5	2.7	15.9
Fair value adjustments of hedging instr.	(1.9)	(2.0)	(0.2)
Taxes (non-current)	-	-	-
Miscellaneous (non-current) (3)	-	(4.1)	-
Net non-current profit	(18.6)	(48.6)	(9.5)
Net non-current profit - Group share	(18.6)	(48.6)	(9.5)
Net profit/loss (Group share)	2.4	1.4	13.4
Earnings per share (€)	0.06	(0.08)	0.73
Diluted earnings per share (€)	0.06	(0.08)	0.73
EPRA Earnings per share (€)	1.23	2.92	1.30

Net consolidated result

(€m)	30/06/2019	31/12/2019	30/06/2020
Gross rental income	49.0	97.0	47.0
Property operating expenses	(8.4)	(10.9)	(9.0)
Net operating income	40.6	86.1	38.0
Corporate expenses	(9.5)	(14.8)	(7.3)
EBITDA	31.0	71.3	30.8
Net depreciation	(23.5)	(47.3)	(23.8)
Impairment & provisions	6.3	2.2	(1.5)
Current operating income	13.8	26.2	5.5
Result from disposals	0.5	2.7	15.9
Other operating income and expenses	(0.5)	(6.0)	1.6
Operating income	13.9	22.9	23.0
Net financial cost	(9.0)	(19.1)	(8.8)
Other financial income and expenses	(2.3)	(1.6)	(0.3)
Tax	(0.1)	(0.2)	(0.3)
Associates	(0.2)	(0.6)	(0.2)
Net profit/loss (Group share)	2.4	1.4	13.4
Restatement of exceptional items	-	-	-
Recurring net profit/loss	2.4	1.4	13.4

Consolidated balance sheet

(€m)	30/06/2019	31/12/2019	30/06/2020
ASSETS	1,746.5	1,722.0	1,944.1
Goodwill	1.0	-	-
Investment properties	1,515.7	1,495.7	1,497.9
Assets earmarked for disposal	29.6	49.6	34.0
Tangible fixed assets	0.9	0.9	1.1
Intangible fixed assets	0.2	0.2	0.1
Right to use the leased asset	24.3	19.7	19.1
Receivables	113.7	105.7	129.2
Cash and equivalent	61.2	50.3	262.7
LIABILITIES	1,746.5	1,722.0	1,944.1
Share capital and reserves	642.2	639.7	798.4
- including result	2.4	1.4	13.4
Long term debt	957.8	962.3	993.2
Other liabilities	146.5	120.0	152.5

GLOSSARY

Asset or Building in operation

An asset or building rented or available for rent

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.

Current cash flow

Current cash flow corresponds to the operating cash flow after the impact of financial expenses and corporate income tax has been paid. The operational cash flow refers to the Net rental income of the property company, after deduction of net overhead costs. Current cash flow does not take into account non-recurring results.

Covenant

The usual early payability clauses provided for in financing contracts concluded between Group companies and banks include non-compliance with certain financial ratios, called covenants.

The consequences of non-compliance with covenants are detailed in each contract and may go as far as the immediate payability of outstanding loans.

The four main financial ratios which the Group has undertaken to maintain in its bank financing arrangements are:

Loan-To-Value (LTV) ratio: the amount of net financial debt in relation to the value of the property portfolio;

Interest Coverage Ratio (ICR): coverage of financial costs by net rental income;

Secured financial debt ratio: amount of financing guaranteed by mortgages or pledges in relation to that for financed real estate investments;

Value of free consolidated assets: minimum proportion of the property portfolio (as a % of valuations) corresponding to assets free of any mortgage or pledge.

Gross financial debt

Loan outstandings at end of period contracted with credit institutions and institutional investors (including accrued interest not yet due).

Net financial debt

Gross financial debt less net cash

Gross rent or rental income

Amount taking into account the spread of any deductibles granted to tenants.

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>

In October 2019, the EPRA updated its Best Practice Recommendations guidelines.

EPRA NAV

In the Best Practice Recommendations released by the EPRA in October 2019, 3 new EPRA NAV were created :

EPRA Net Reinstatement Value or EPRA NRV: corresponding to the Net Reinstatement Value of the company on the long term.

EPRA Net Tangible Asset or EPRA NTA: corresponding to the Net Tangible Asset value of the company.

EPRA Net Disposal Value or EPRA NDV : corresponding to the net disposal value of the company, very close to the previous EPRA NNAV.

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 the company 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 the company has control over the land (acquisition made or under offer, contingent on obtaining the necessary administrative approvals and permits).

Rental properties - Portfolio

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.

Yields

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.

Debt ratio

The average debt rate or debt ratio corresponds to the net financial expense of the debt and hedging instruments for the period in relation to the average outstanding amount of financial debt for the period.

The spot rate corresponds to the average debt rate calculated on the last day of the period.

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.

Net Initial Yield EPRA:

Annualised rent at end of period, including adjustments to the current rent, net of charges, divided by the market value of the property, transfer taxes and fees included.

EPRA topped-up yield

Annualised rent at end of period, after reintegration of adjustments to the current rent, net of charges, divided by the market value of the property, transfer taxes and fees included.

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.