

2020 HALF-YEAR RESULTS

SOLID FUNDAMENTALS TO FACE THE CHALLENGES OF THE CRISIS

29 July 2020



**SOCIETE
DE LA
TOUR EIFFEL**



SPEAKERS PRESENTATION



Thomas GEORGEON
Chief Executive Officer



Bruno MEYER
Deputy Chief Executive Officer



Didier RIDORET
Chairman



SOLID ADVANTAGES SERVING OUR FUTURE DEVELOPMENT

Powerful sector-related catalysts

- Geographic expertise and strong resilience:
 - Greater Paris: € 205/m² of average annualized rental income
 - Regions with potential: € 161/m² of average annualized rental income

Improving basics

- Sustained leasing activity: +€0.9m of signed annualized rental income
- Disposal plan € 190m: > 50% achieved
- Pipeline €96m: > 2/3 achieved

Solid results

- NNNAV: € 54.4 (+0.3%)
- EPRA earnings per share: € 1.3 (+5.8%)
- Cash-flow per share: €1.6 (vs. €1.7)

Robust shareholders

- SMA (52.6%), other institutionals* (33.6%), free-floating (13.8%)
- PSB / Quasi-equity: €180m

Note(*): Malakoff Humanis 11.1%, Suravenir 6.9%, Mutuelle Générale 5.7%, AG Finance 5.4%








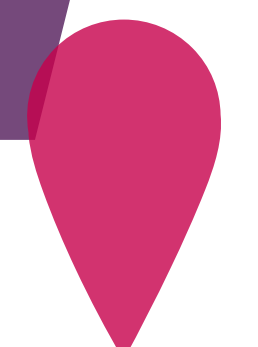
LOCKDOWN: STRATEGICAL MEASURES...



REASSESSMENT OF THE
GROWTH ROADMAP



DIVIDEND ADJUSTMENT
TO € 2.0 (VS.€ 2.25)





...OPERATIONAL MEASURES...

**NO USE OF PARTIAL
UNEMPLOYMENT / NO
STATE-GUARANTEED LOAN**

**RENTS OF VSEs / SMEs
POSTPONED AND / OR
INVOICED MONTHLY**

**STOPPAGE AND QUICK
RESUMPTION OF
CONSTRUCTION WORKS**

**FULL BUSINESS
CONTINUITY AT THE
TENANTS' SERVICE**

**SECURING BUILDINGS AND
SANITARY COMPLIANCE
FOR RESTART**



...AND MAIN IMPACTS TO DATE ON BUSINESS

**RENTS: SUPPORT FOR THE
MOST EXPOSED TENANTS**

13% of tenants
(Residual rent of € 2m
spread over H2 2020)

**DEVELOPMENTS:
COMPLETION SCHEDULE
ADJUSTED**

Approx. 3 months delay

**INVESTMENTS/
IDENTIFICATION OF
OPPORTUNITIES AND
DISPOSALS**

Postponement of
certain disposals in
the announced plan



1

**CONTINUED DEVELOPMENT BASED ON
100 / 80/20 STRATEGY**

2

**ENHANCEMENT OF STRUCTURAL
SOLIDITY**

3

FINANCIAL COMPONENTS

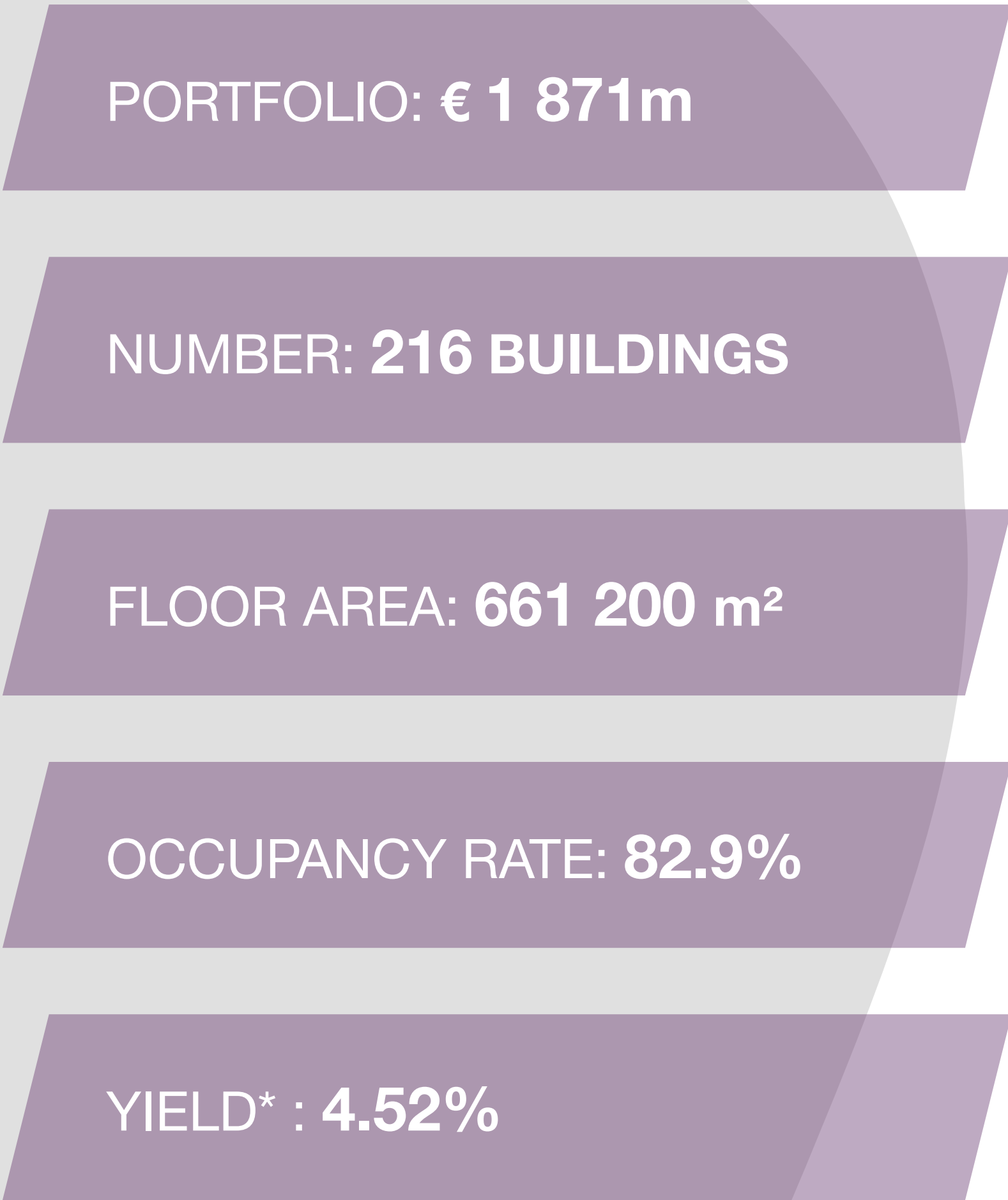
4

STRATEGY



CONTINUED DEVELOPMENT BASED
ON 100 / 80/20 STRATEGY

A PROPERTY PORTFOLIO IN LINE WITH STRATEGY



* EPRA Topped up

GREATER PARIS**

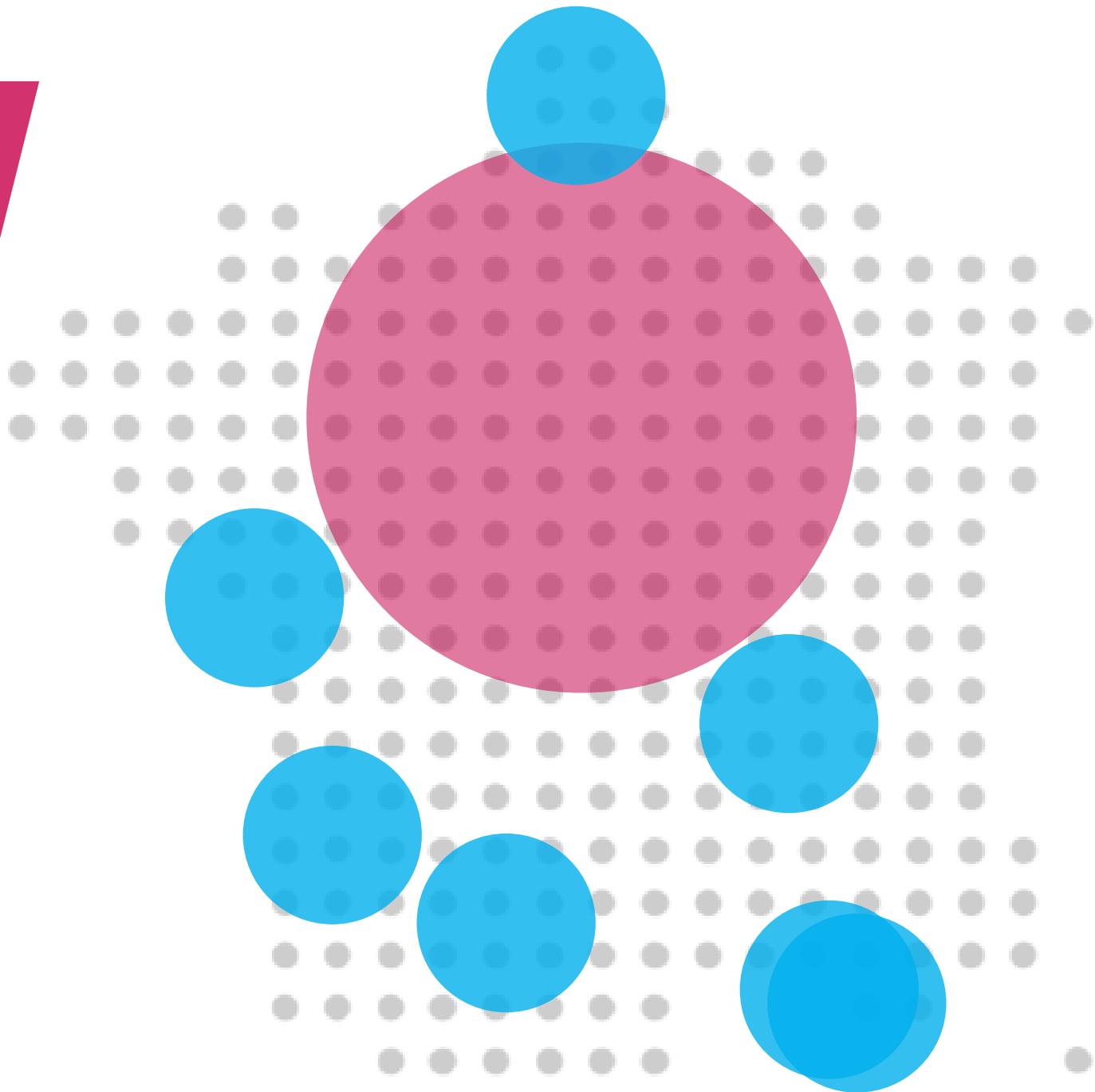
€ 1 390m

108 buildings

393 485 m²

EPRA
occupancy rate
84.5%

Topped up yield
4.32%



20% of business parks

REGIONS WITH POTENTIAL**

€ 349m

54 buildings

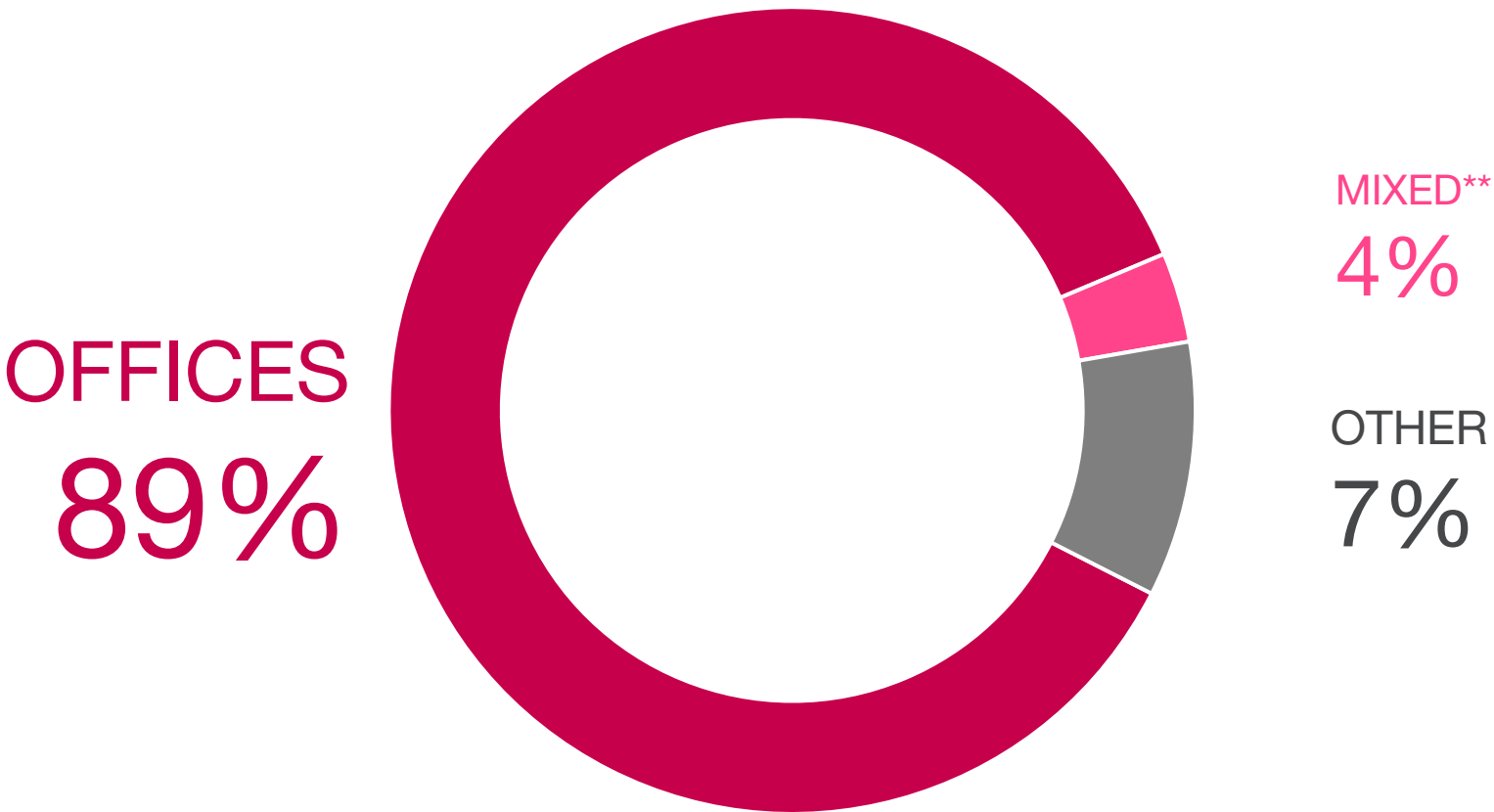
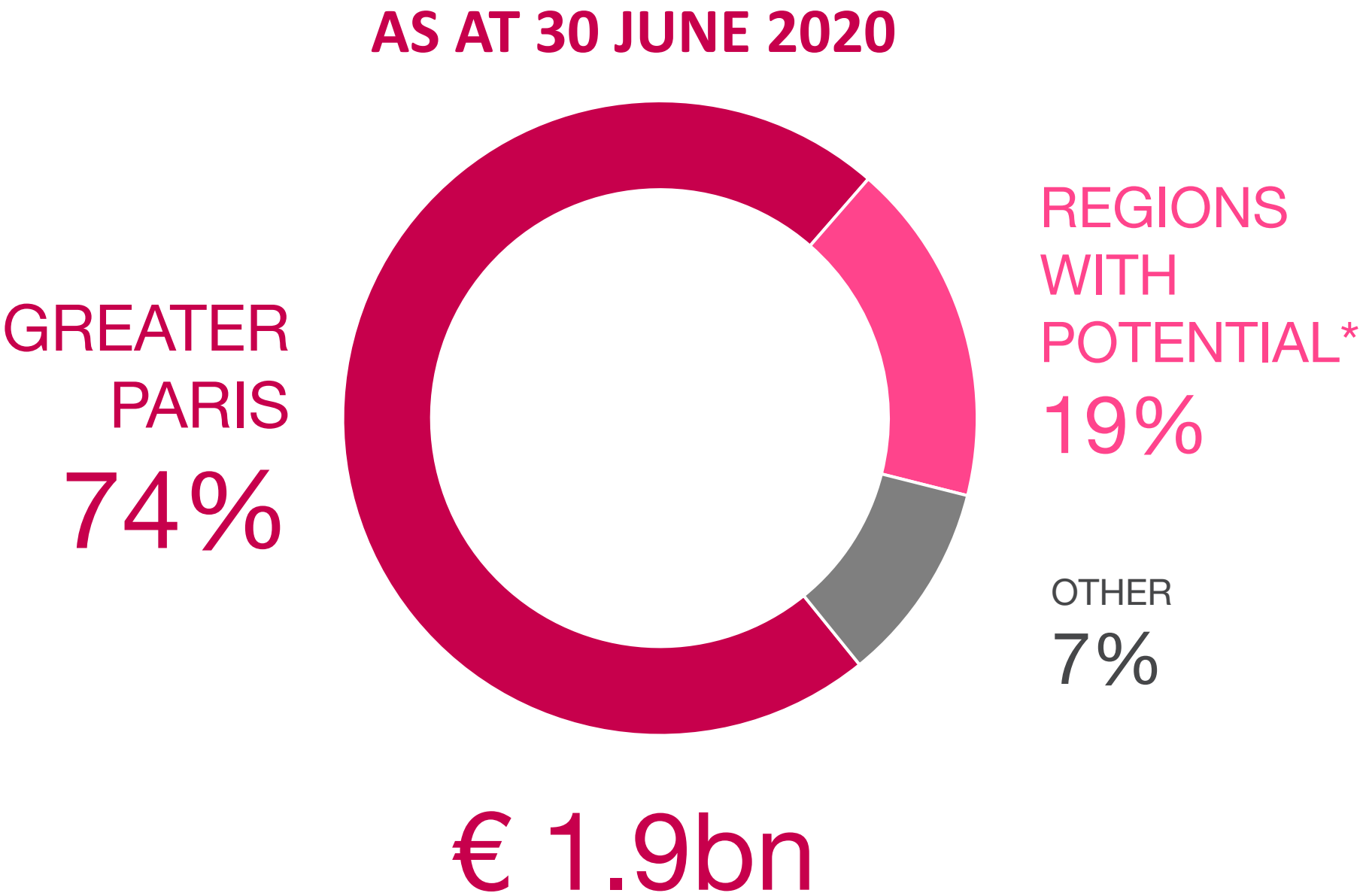
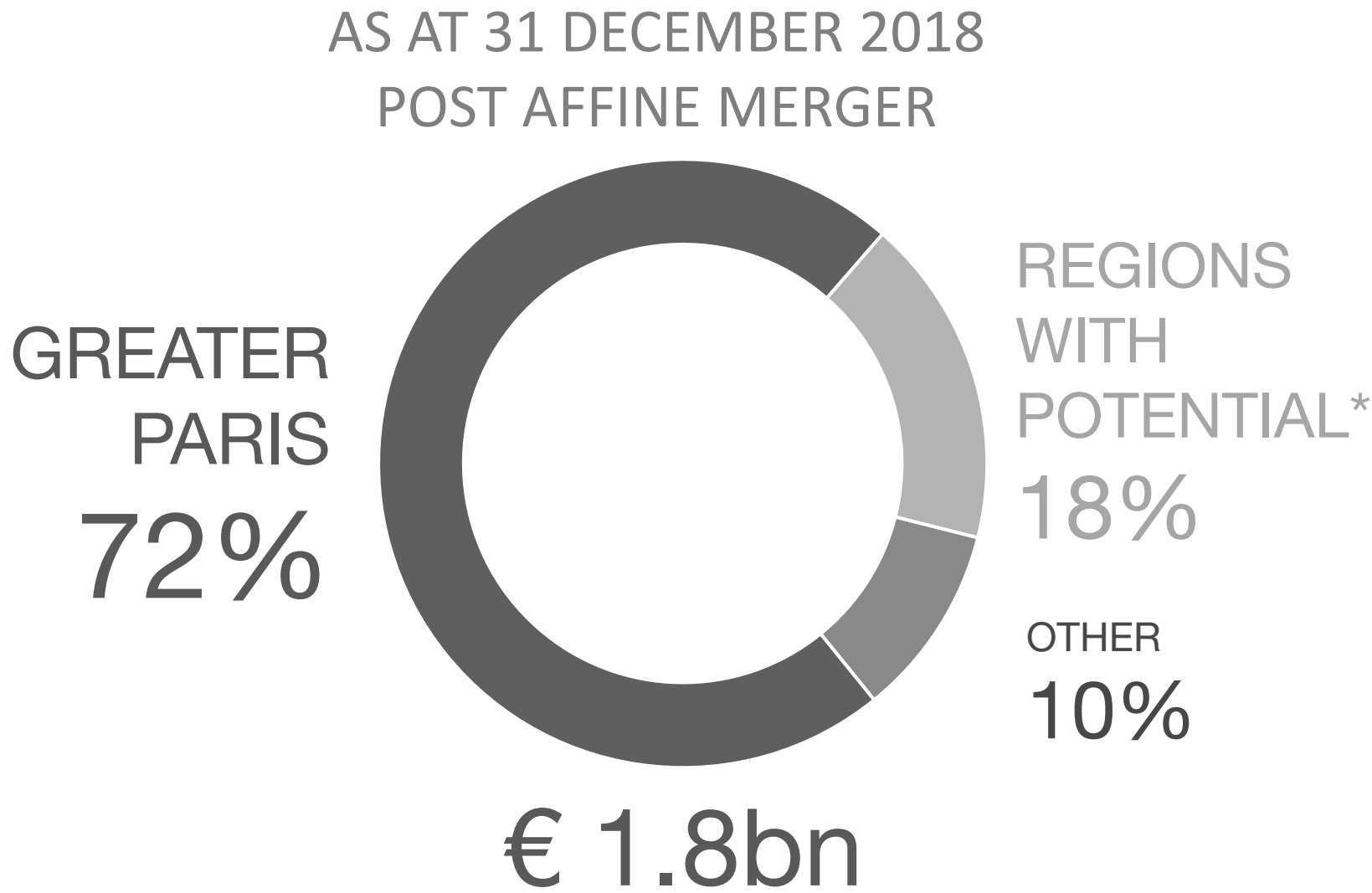
138 824 m²

EPRA
occupancy rate
90.6%

Topped up
yield
5.45%

** after disposal plan

TARGET: 100 / 80/20



* Aix-Marseille, Bordeaux, Lille, Lyon, Nantes, Toulouse,
** Mixed Offices / Retail

GOOD LEASING DYNAMICS IN A MARKET THAT HAS BECOME DIFFICULT

RENEWALS

Domino – Porte des Lilas
Paris – 12 300 m²

*3 renewed leases–
securing the whole
property*

LEASING

Le Delta – Nanterre

2 350 m²

Transactis

RENEWALS

Bourg-lès-Valence

19 500 m²

Fiter

LEASING PERFORMANCE

Parc Eiffel Nanterre Seine

4 500 m²

DEVELOPMENT

1st phase
Campus Eiffel Massy

Further leasing

77% LEASED

DEVELOPMENT

L'Olivier - Marseille

1 400 m²

IDF MARKET H1 2020*

-40% of take-up

-33% outside Paris

Vacancy : 5.5%vs 5.0% end 2019



DEVELOPMENT PIPELINE: LITTLE IMPACT DUE TO THE SANITARY CRISIS

Name of the property	Dev/ Redev.	Status	Floor area (m²)	Works cost (€m)	Beginning of works	Delay due to Covid 19	Scheduled or final handover date	Leasing
Marseille-Parc des Aygalades (Olivier)	development	handovered	3 634	7.0	17/04/2018	N/A	1Q 2020	38%/ 1 tenant: Ceva Freight Mgmt
Kremlin Bicêtre II Brossolette	redevelopment	works	1 617	4.9	15/01/2019	3 months	3Q 2020	100% / single tenant: Louvre Immobilier
Lyon Kbis	development	works	7 660	25.5	17/10/2018	1 month	4Q 2020	0%
Orsay-Parc d'Orsay (construction)	development	works	13 846	43.2	10/10/2018	3 months	4Q 2020	CPS & IBM
Lille Hashtag bât. C	development	works	3 049	5.8	14/03/2017	none	1Q 2021	0%
Bordeaux Hangar 15	redevelopment	works	3 384	8.8	13/09/2019	2 months	1Q 2021	86%/ 1 tenant: Nowcoworking



DISPOSAL PLAN: CONTROLLED OFFSET, LIMITED IMPACT

€ 190m
of Disposals

50/50
Tour Eiffel / Affine

A dedicated
team

Some core assets

Retail assets requesting asset
management

Non strategic lines with little
impact

38% SOLD

**18%
UNDER
SALE
AGREEMENT**

2

ENHANCEMENT OF STRUCTURAL SOLIDITY



NEW MAJOR FINANCING...

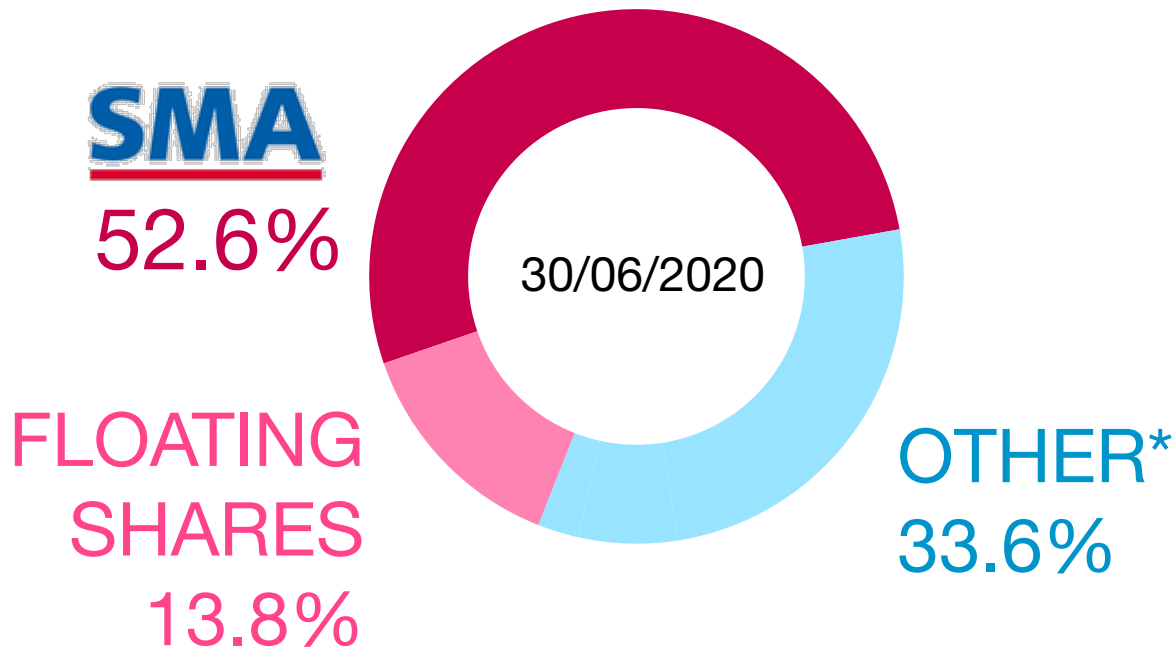
Perpetual Subordinated
Bonds

€ 180m

COUPON 4.5%
NON-CALL PERIOD
OF 5 YEARS

Greater margin for manoeuvre

RATIO LTV : 39 % (vs. 49 % as at 31/12/2019)

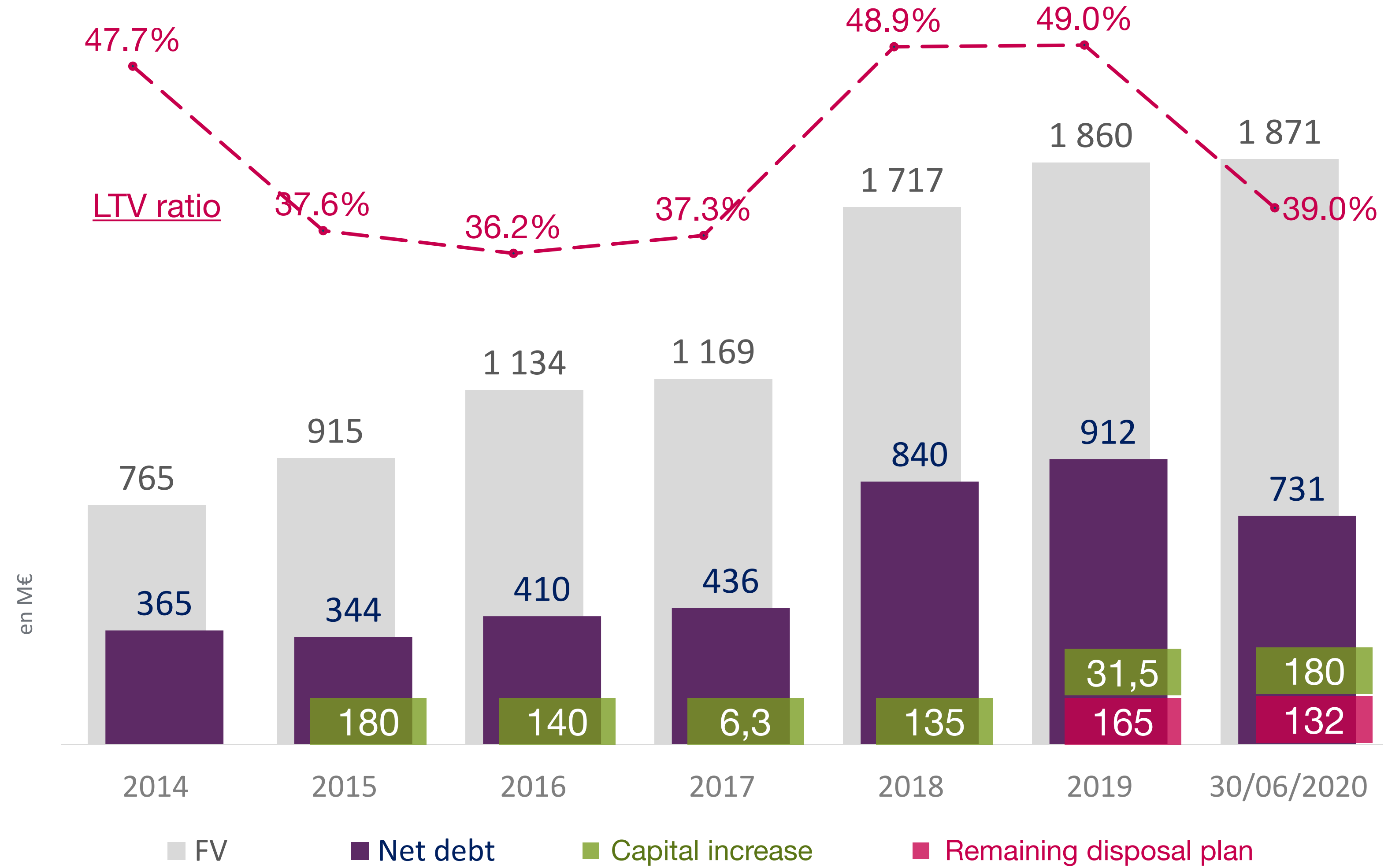


NON DILUTIVE

Note (*) : Malakoff Humanis 11.1%, Suravenir 6.9%, Mutuelle Générale 5.7%, AG Finance 5.4%, La Tricogne 2.5%, Holdaffine 1.9%

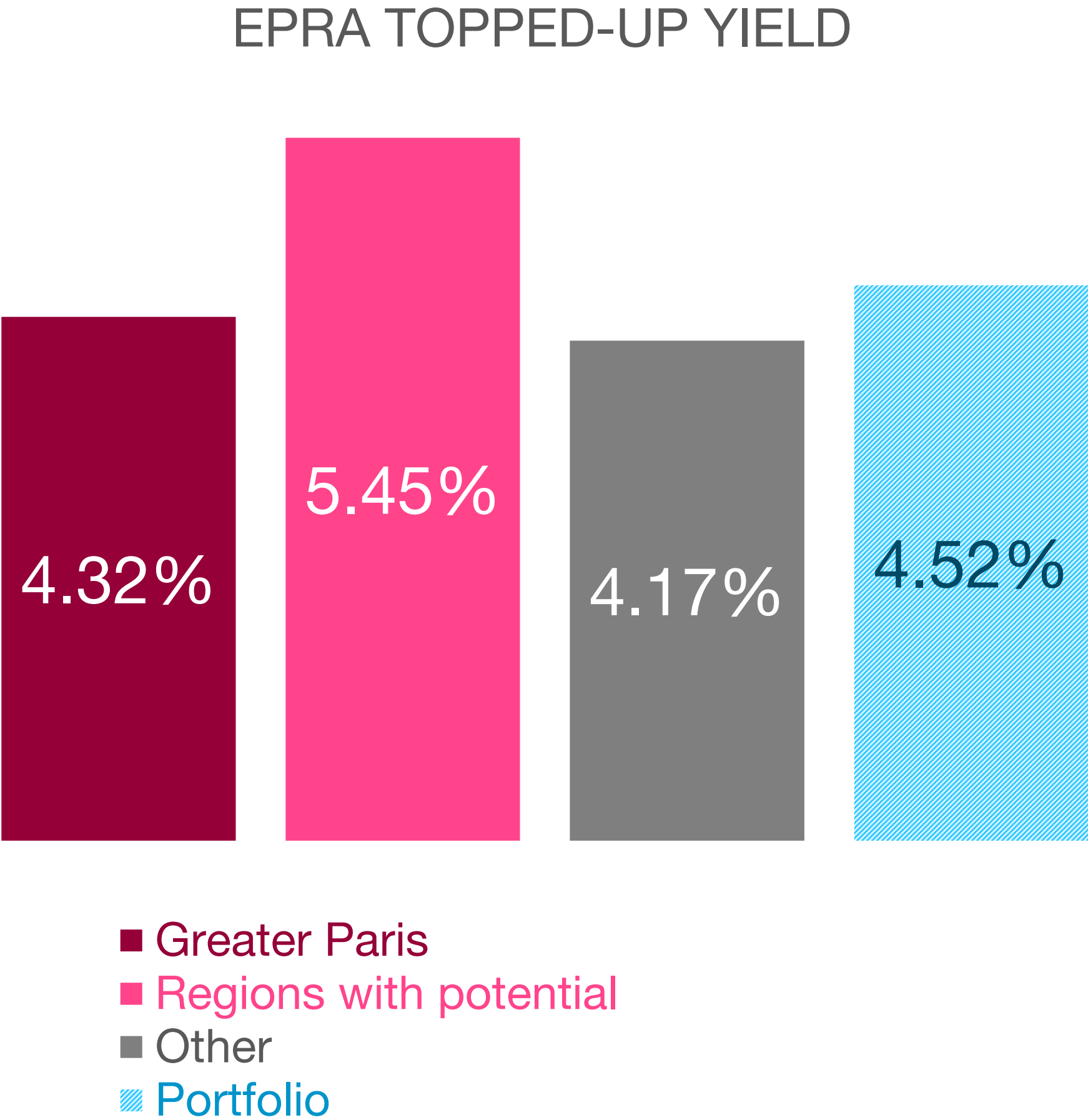
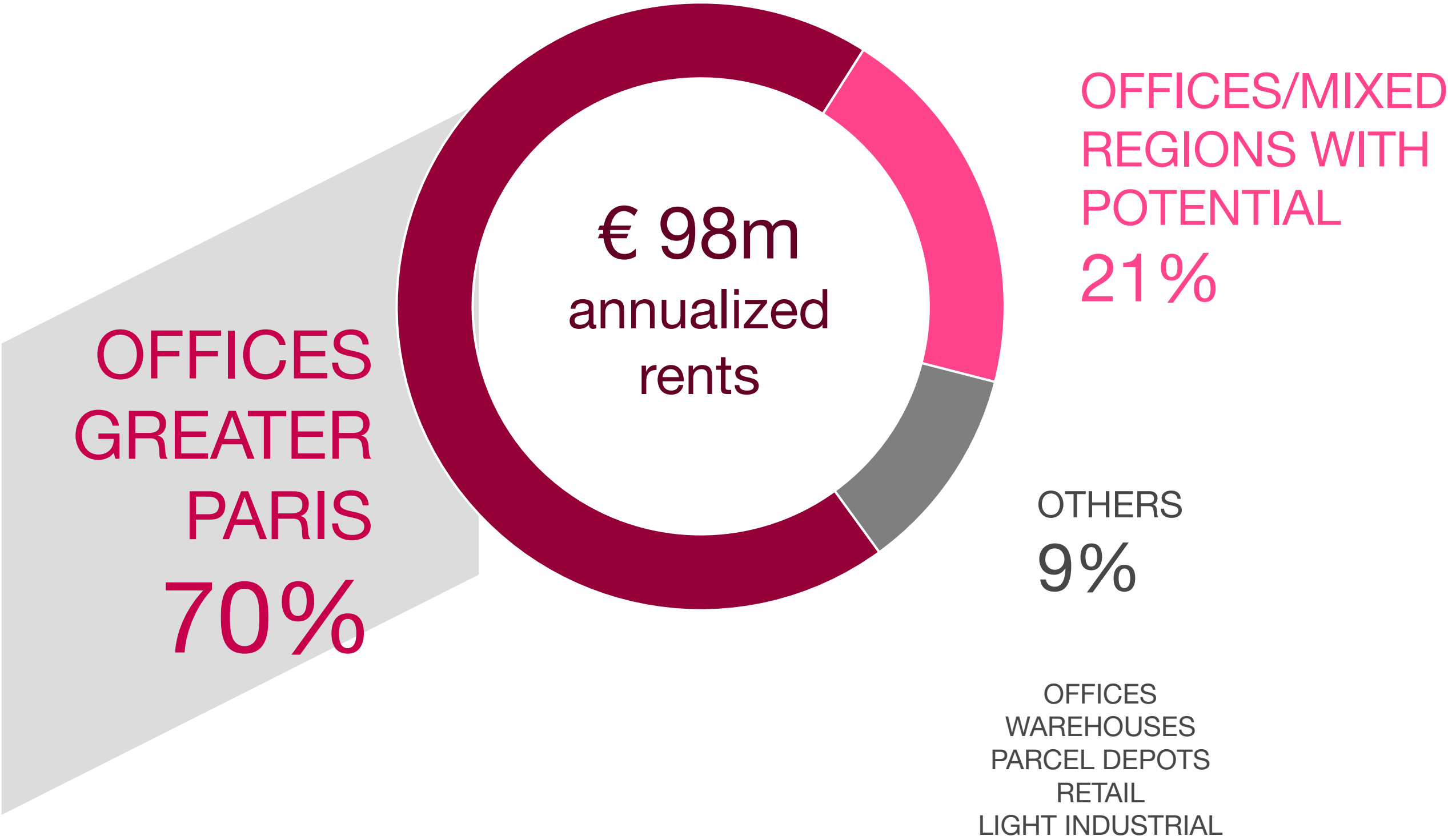
...FOR CONTINUOUS OPTIMISATION OF THE FINANCIAL STRUCTURE

Financial structure change

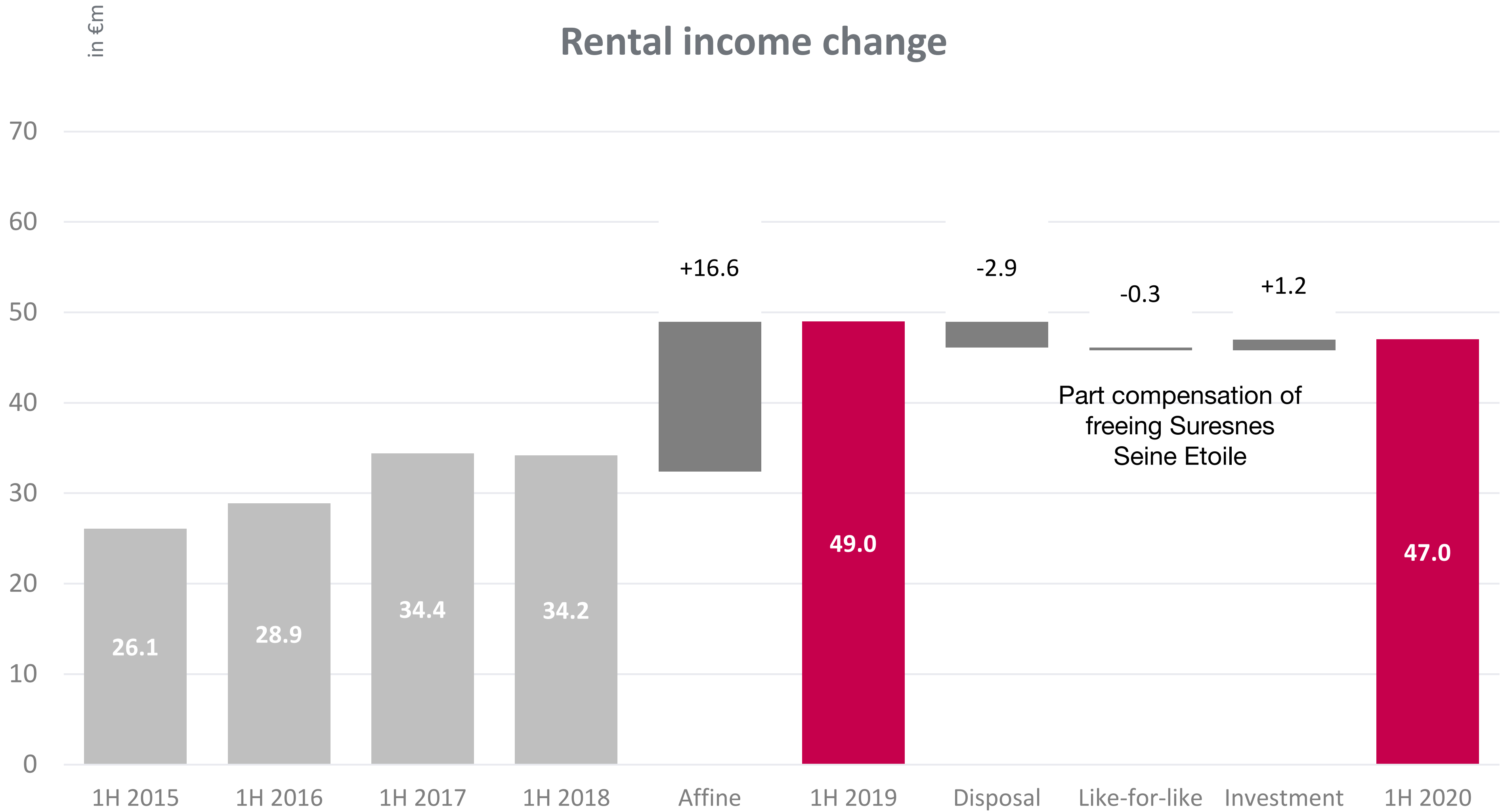


Improvement in financial flexibility

A RESILIENT MODEL GEARED TOWARDS MULTI-RENTALS



EVOLUTION AND STRUCTURE OF RENTS



STRONG DILUTION IN RENTAL RISK

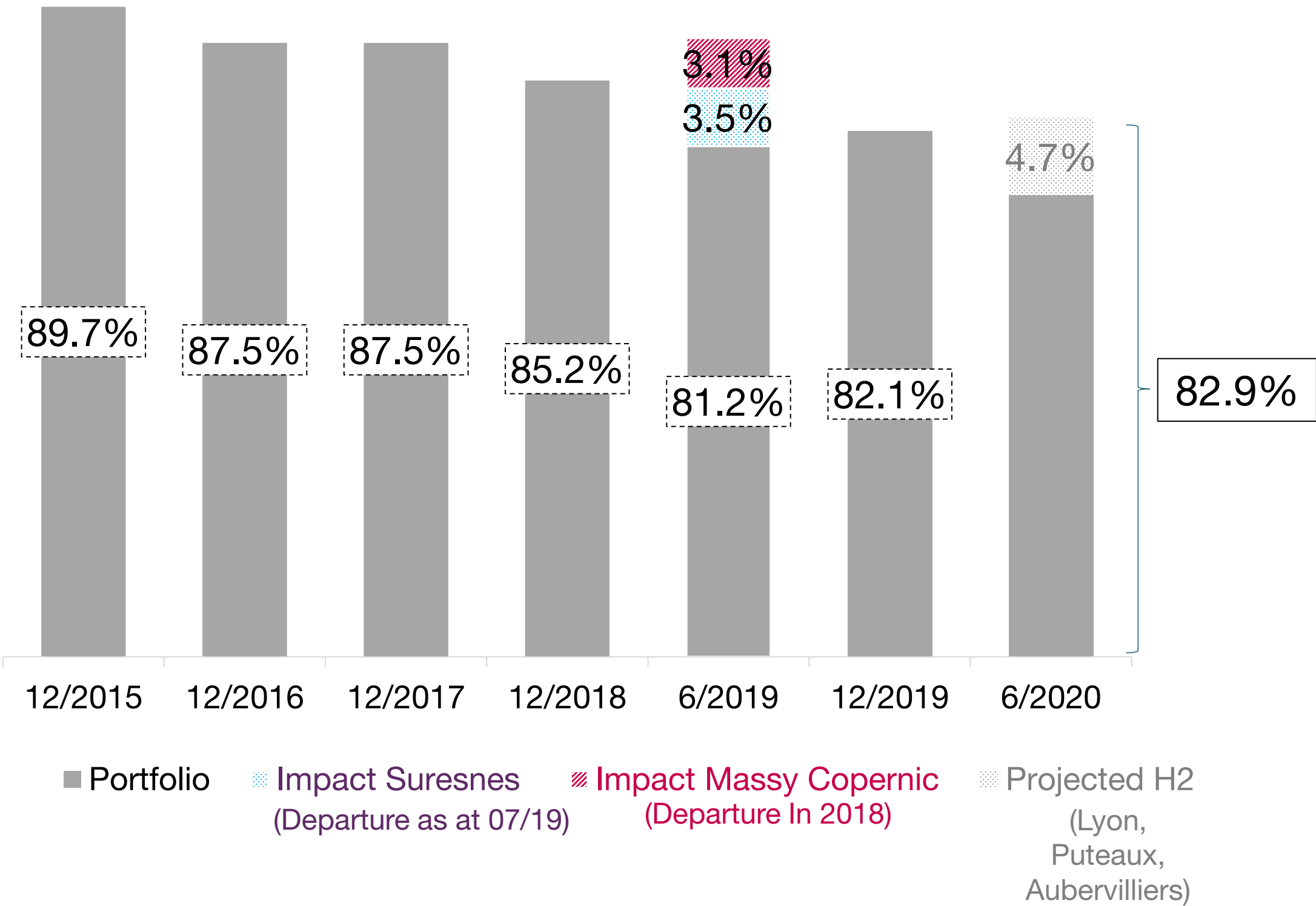
628 LEASES FROM MEDIUM SIZED COMPANIES TO CAC 40

22 tenants
=
c. 50% of rents



None weighs > 4%

EVOLUTION OF OCCUPANCY RATE



WALT
5.3
years

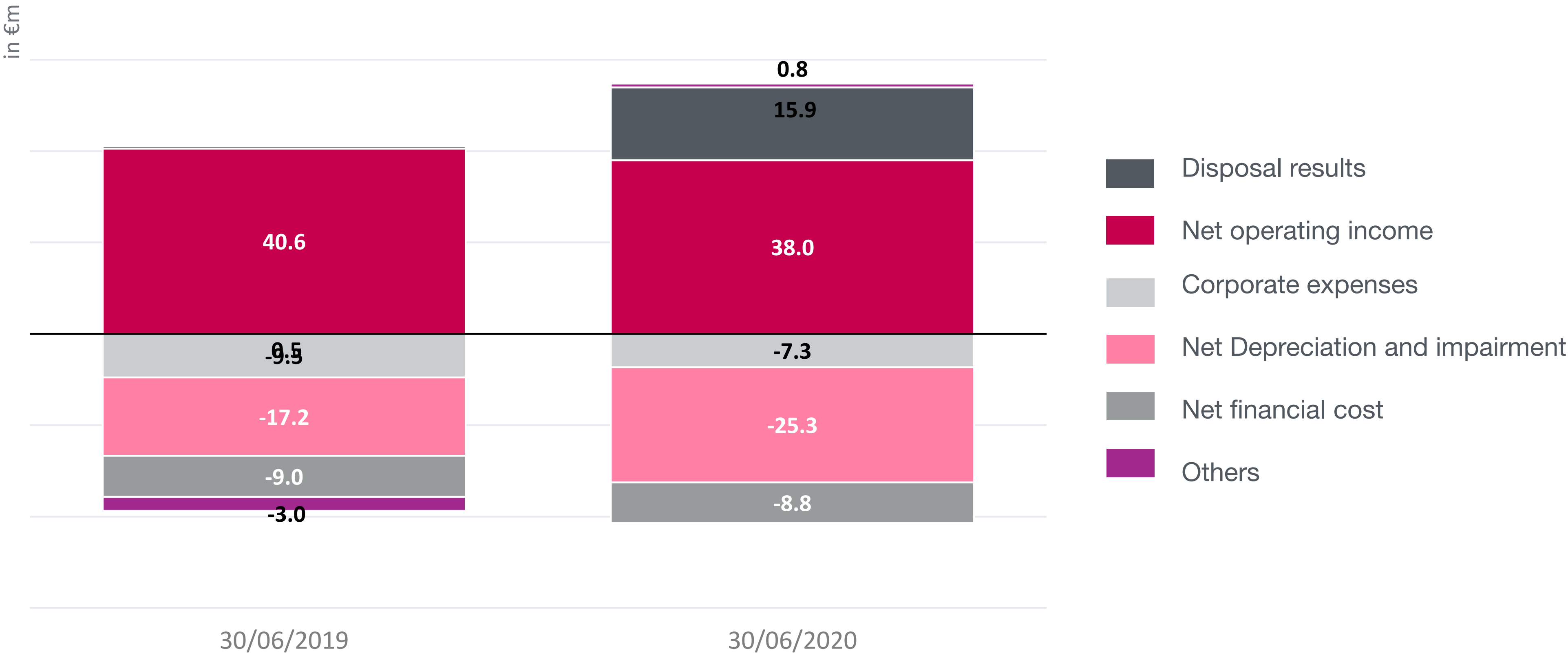
WALB
3.0
years



FINANCIAL COMPONENTS

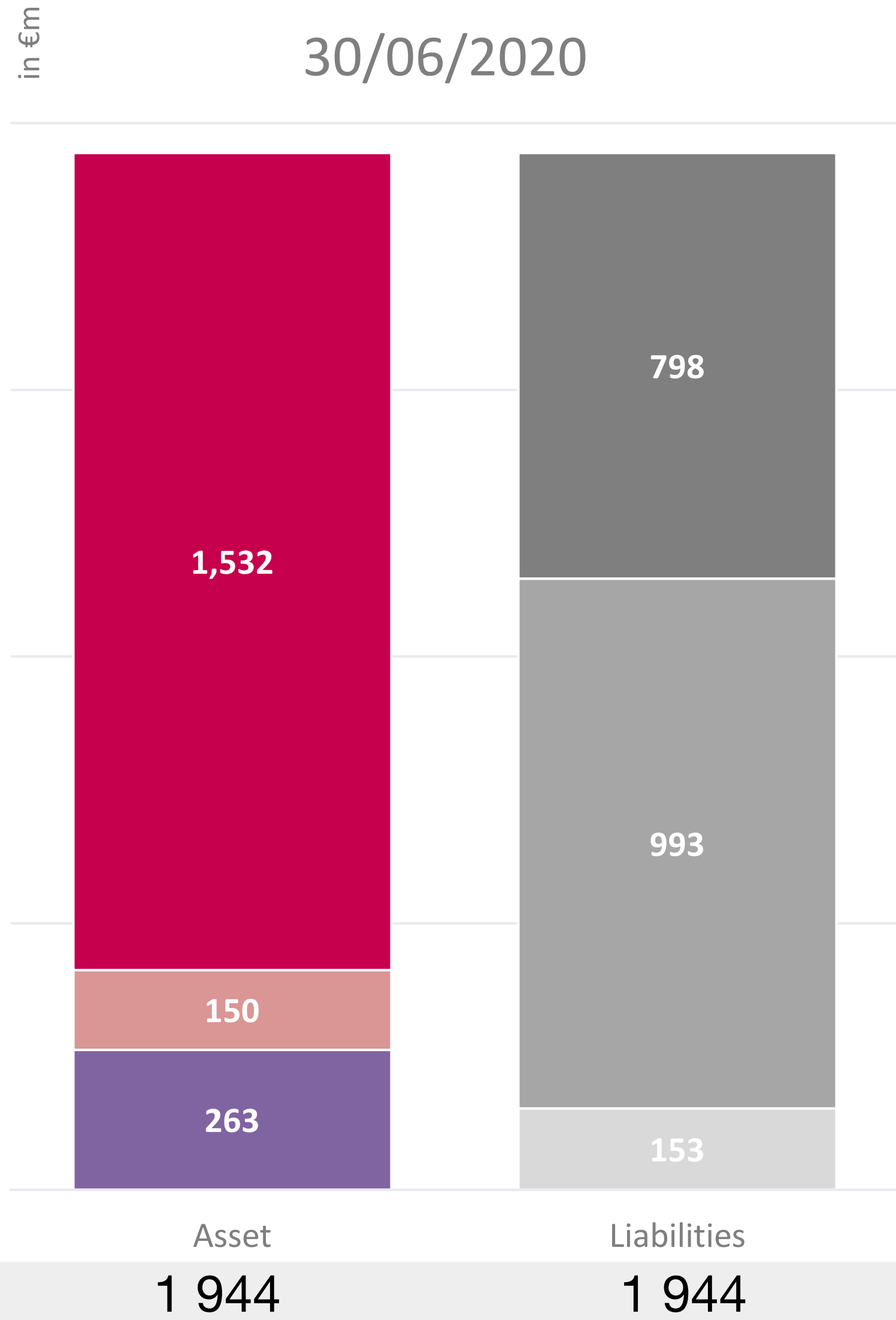
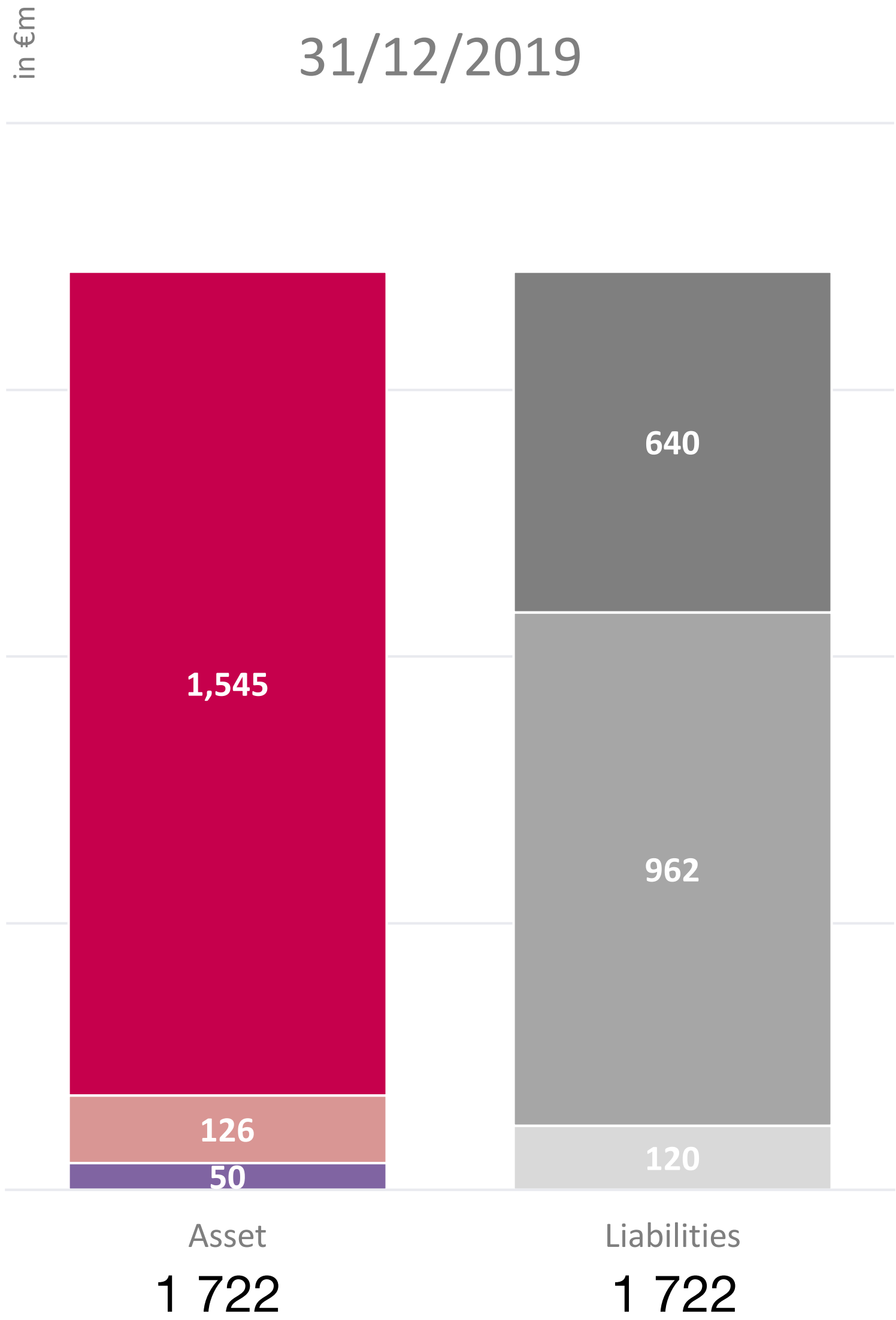


IFRS CONSOLIDATED STATEMENT



30/06/2019	30/06/2020	
Proforma		
€2.4m	€13.4m	Consolidated net result
€26.9m	€25.7m	Recurring Cash Flow
€1.7	€1.6	Recurring Cash Flow / share

BALANCE SHEET

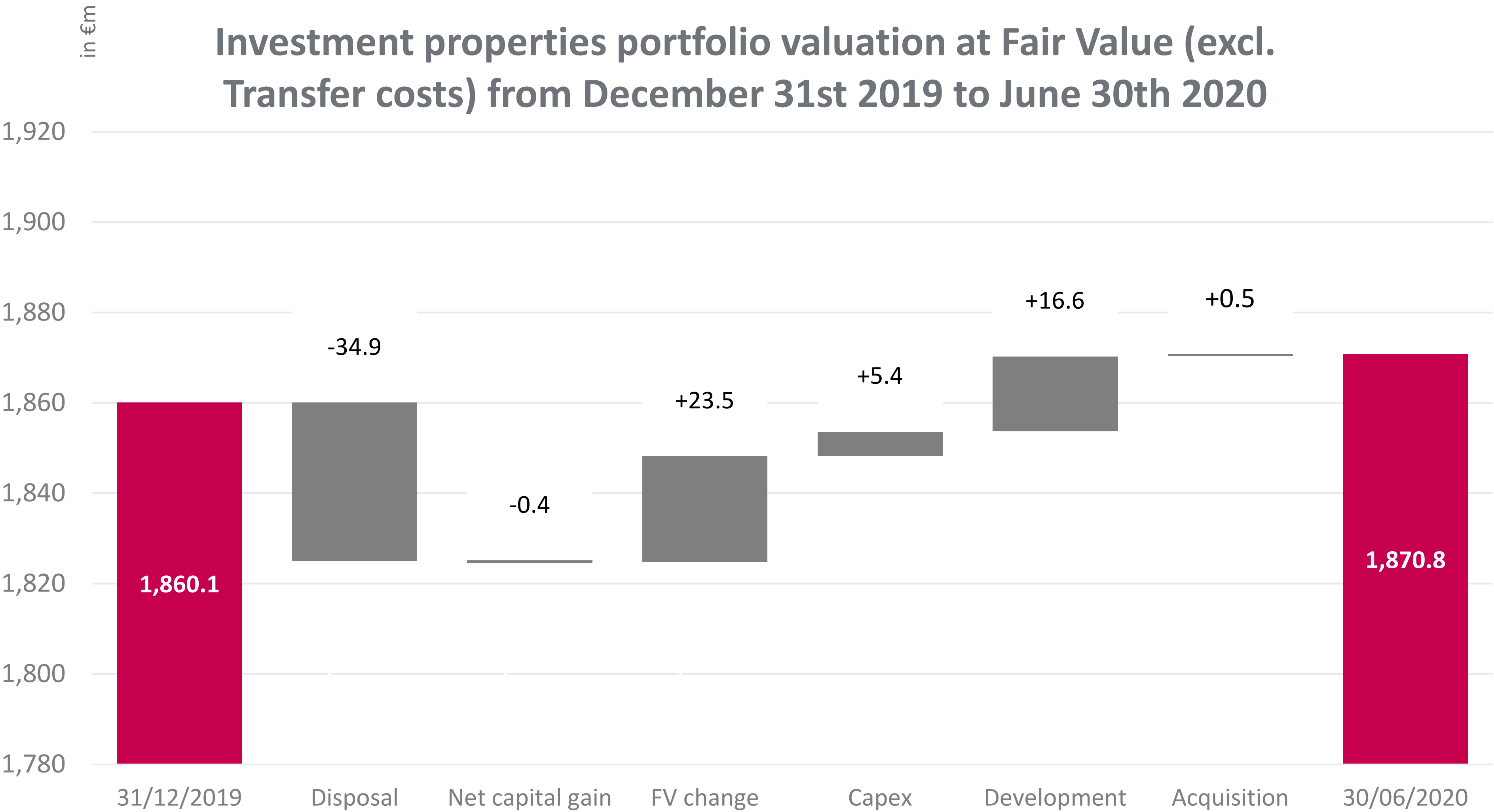


- Asset
- Investment properties
 - Other assets
 - Cash and equivalent
- Liability
- Share capital and reserves
 - Financial debt
 - Other liabilities

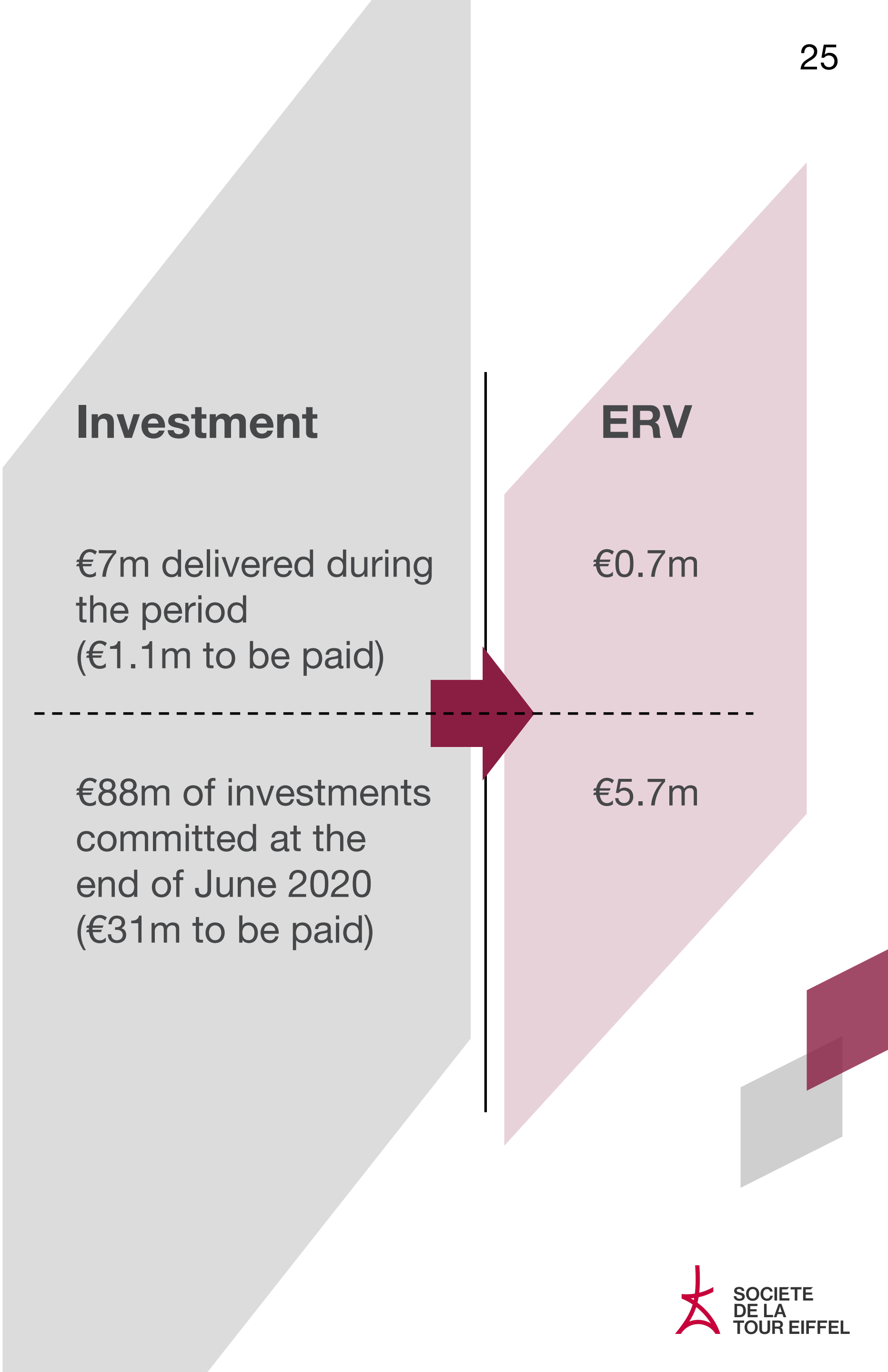
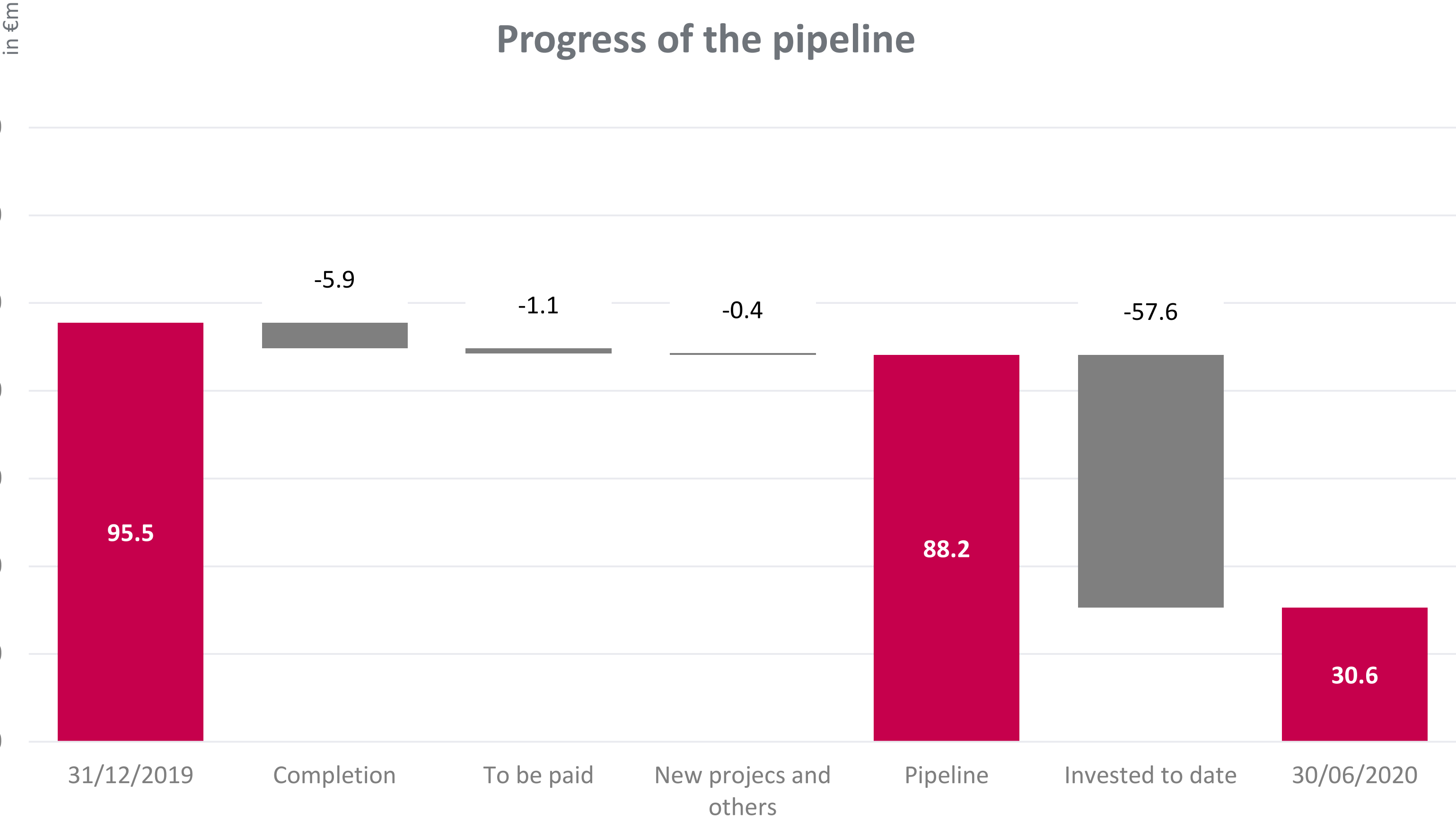
FOCUS ON DEBT



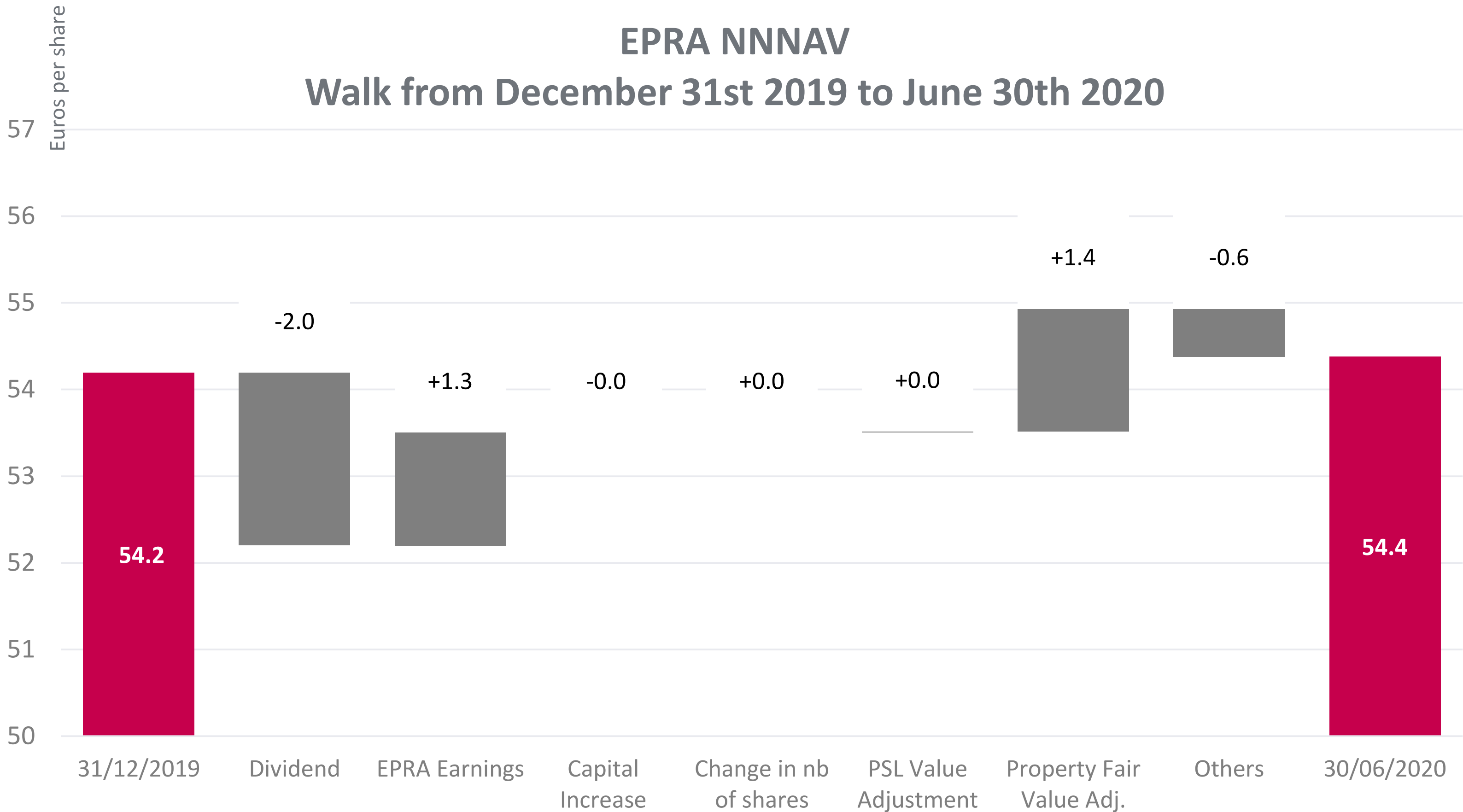
DEVELOPMENT IN THE VALUE OF THE PROPERTY PORTFOLIO



A PIPELINE OF €96M PLANNED HANDOVERS



CHANGE IN NAV PER SHARE



2019 dividend of € 2 per share paid in June 2020

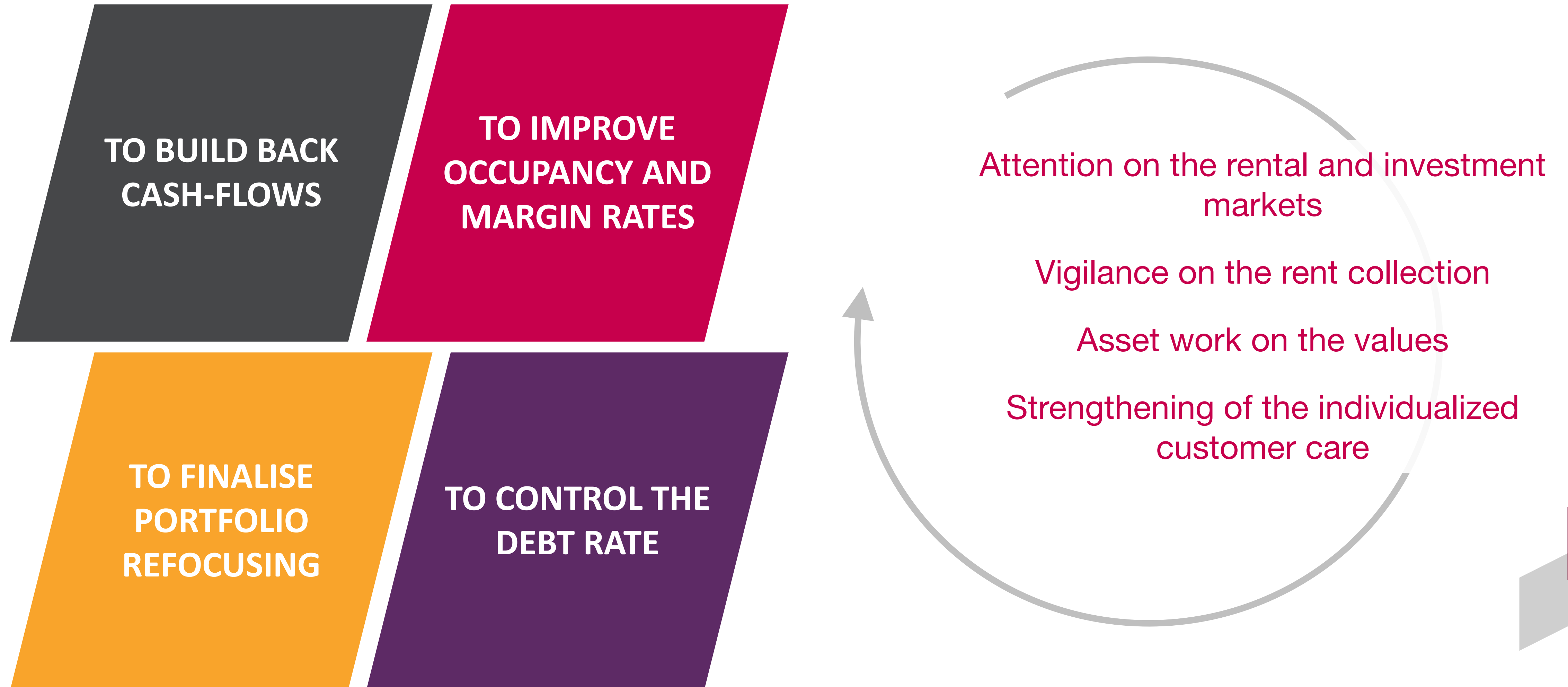


4

STRATEGY



UNCHANGED AMBITIONS IN AN IMPACTED CONTEXT

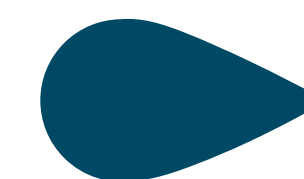




SUSTAINABLE GROWTH OF THE PROPERTY PORTFOLIO: MEDIUM-TERM OBJECTIVES

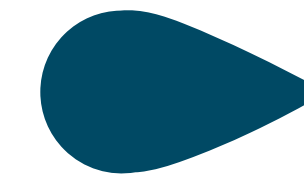
➔ Greater Paris Office Certifications:

- Objective for the 2018-2021 three-year plan: 80%
- Forecast for year-end 2020: 83%



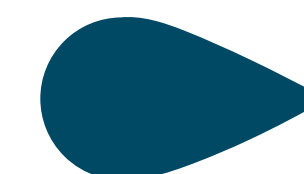
Combat the obsolescence factor

➔ Renegotiation of energy supply contracts: - 8% locked for a period of 3 years

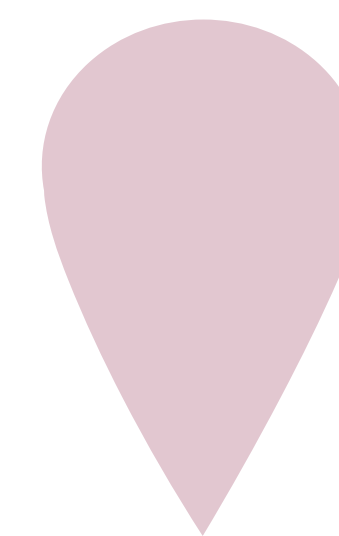
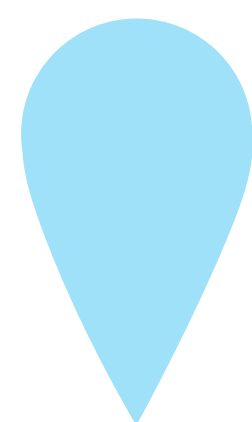


**Lower costs and retain
customers through support**

➔ French « Tertiary Decree »: some assets have already reached the objective of -40% of energy consumption for 2030



**Participate in the fight against
global warming and add value to
assets**



STRATEGIC LEVERS OF OUR DEVELOPMENT

- ➔ Tenant satisfaction: services, practicality, accountability
- ➔ Sustainable generation of secure, growing cash-flow
- ➔ High level of integration into the territorial network
- ➔ Significant reduction of the environmental footprint
- ➔ Attractiveness thanks to the employer's brand and retention of talents





THREE GROWTH AREAS



H1 Investment market*
-21% in IDF and in France
(2020 vs 2019)
T1 : +39%
April-May: -49%

*source BNP PARIBAS



WELL ORIENTED OUTLOOK

**€ 1.9bn OF
PORTFOLIO**

A change of
scale at the
dawn of a new
development
age

**STRATEGIC
REFOCUS
100 / 80/20**

Optimize the
portfolio quality

**€ 190m of
disposal plan**

> 50% achieved

**€96m OF
PIPELINE of
projects
generating future
significant
incomes**



APPENDICES





CONSOLIDATED PROFIT AND LOSS STATEMENT

€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)	(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)	-	(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

Earnings per share factor in the PSL costs



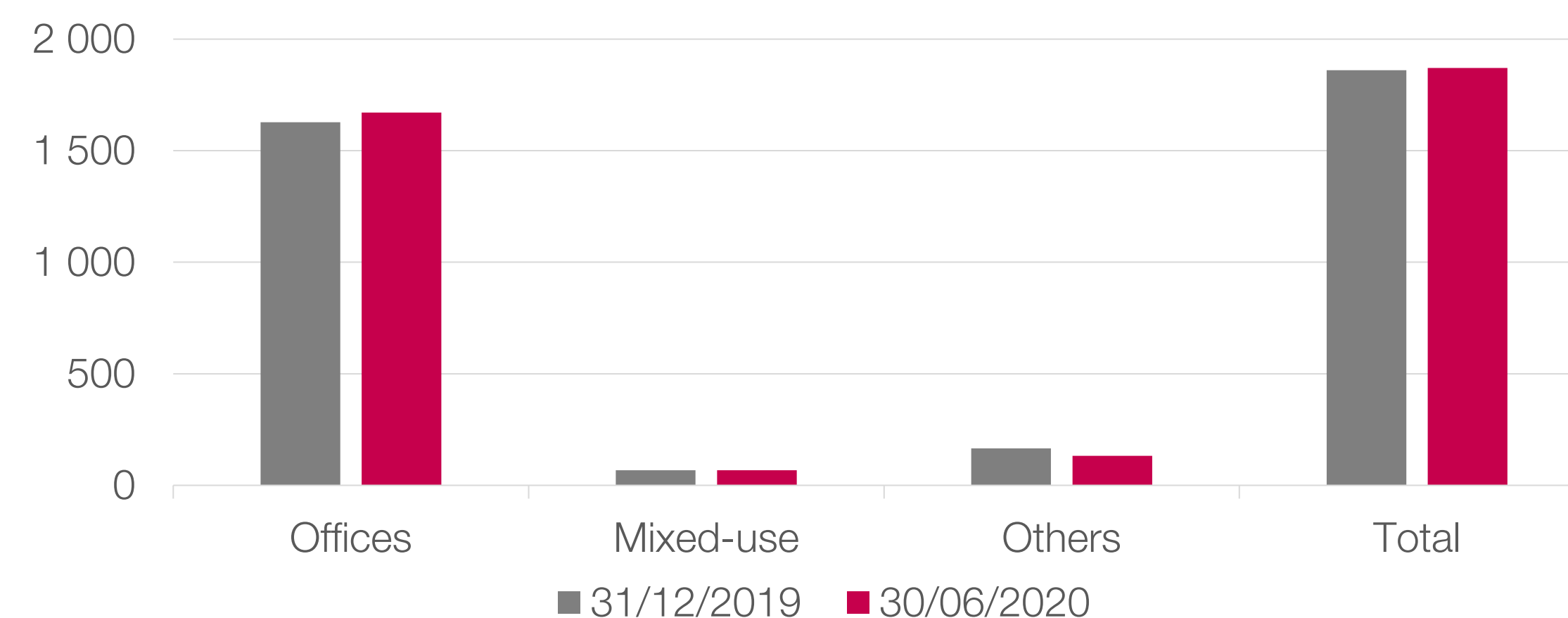
CONSOLIDATED BALANCE SHEET

€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

PORTFOLIO VALUE VARIATION (FAIR VALUE)

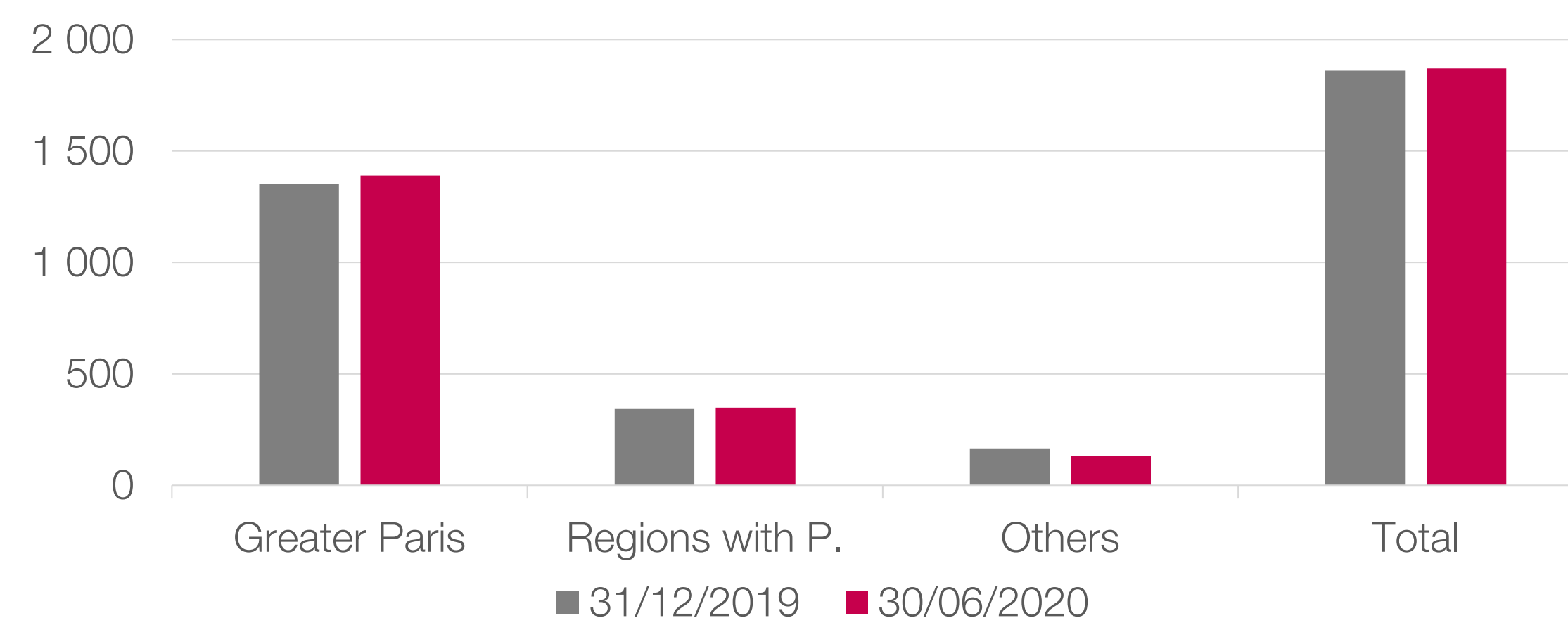
Valuation of the property portfolio (Fair Value) – per type of assets

€m	31/12/2019	30/06/2020	Var (%)
Offices	1,627.0	1,671.0	2.7%
Mixed-use	67.8	67.8	0.0%
Others	165.3	132.0	-20.1%
Total portfolio	1,860.1	1,870.8	0.6%



Valuation of the property portfolio (Fair Value) – by area

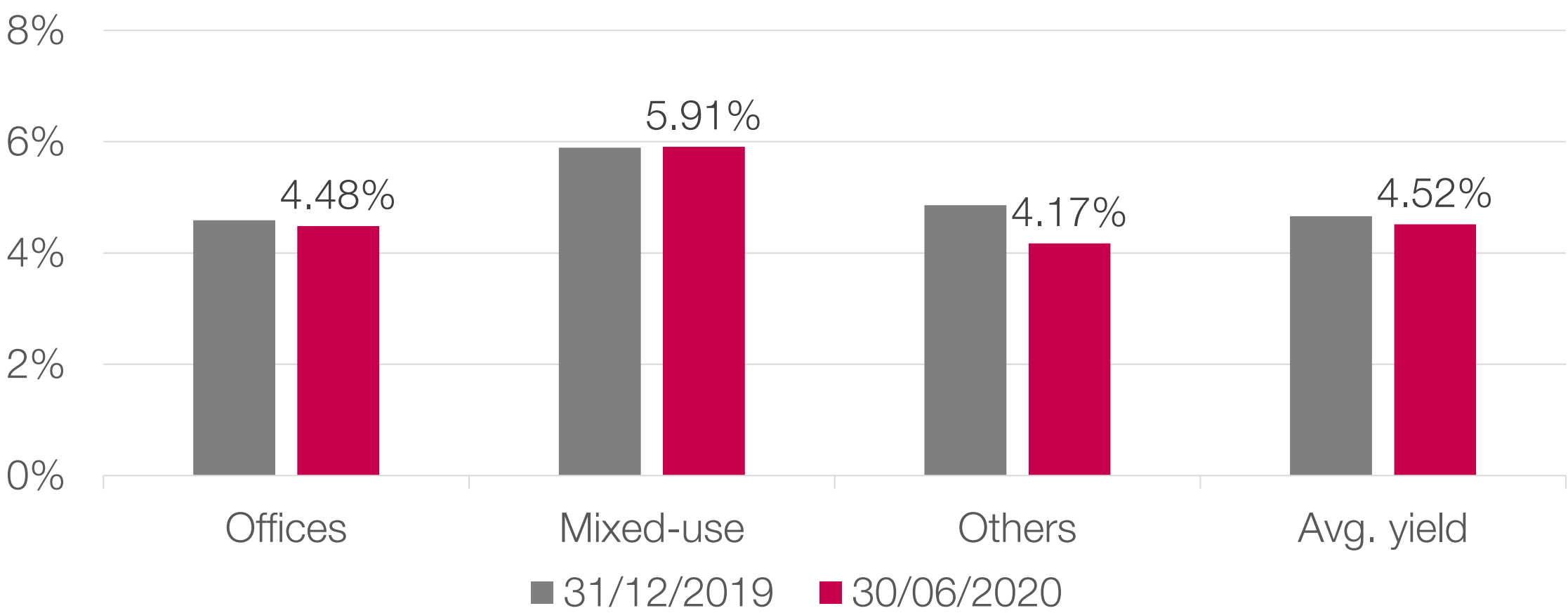
€m	31/12/2019	30/06/2020	Var (%)
Greater Paris	1,352.9	1,390.1	2.7%
Regions with P.	341.9	348.8	2.0%
Others	165.3	132.0	-20.1%
Total portfolio	1,860.1	1,870.8	0.6%



PORTFOLIO EPRA YIELD PER TYPE OF ASSETS

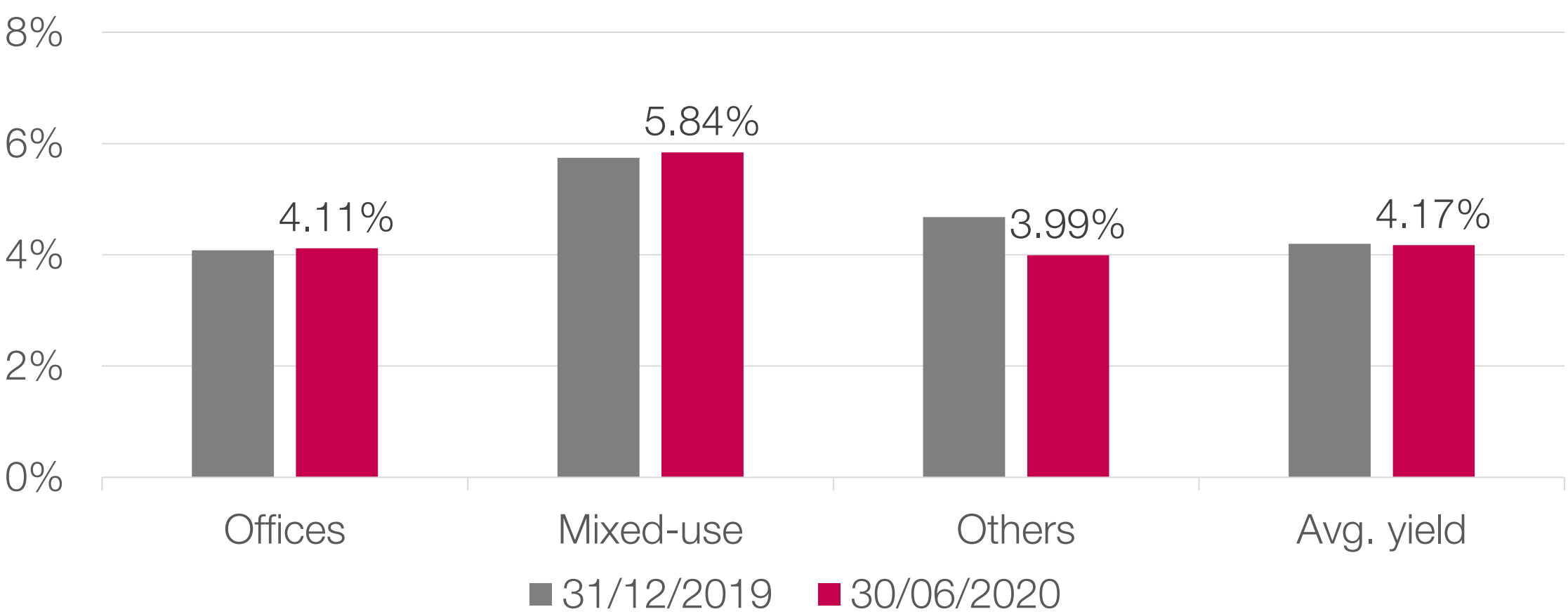
EPRA topped-up yield

	31/12/2019	30/06/2020	Var (%)
Offices	4.6%	4.5%	-2.3%
Mixed-use	5.9%	5.9%	0.3%
Others	4.9%	4.2%	-14.2%
Total portfolio	4.7%	4.5%	-3.1%



EPRA yield

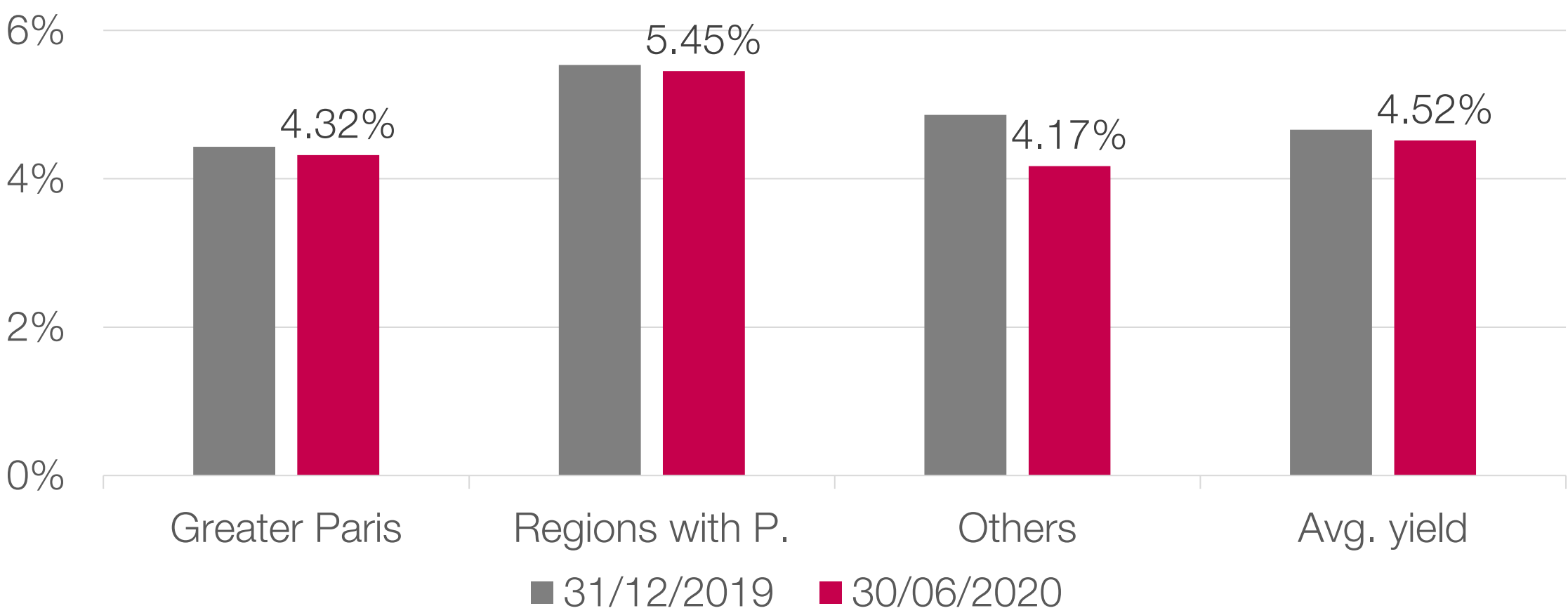
	31/12/2019	30/06/2020	Var (%)
Offices	4.1%	4.1%	0.9%
Mixed-use	5.7%	5.8%	1.7%
Others	4.7%	4.0%	-14.7%
Total portfolio	4.2%	4.2%	-0.6%



PORTFOLIO EPRA YIELD BY GEOGRAPHICAL BREAKDOWN

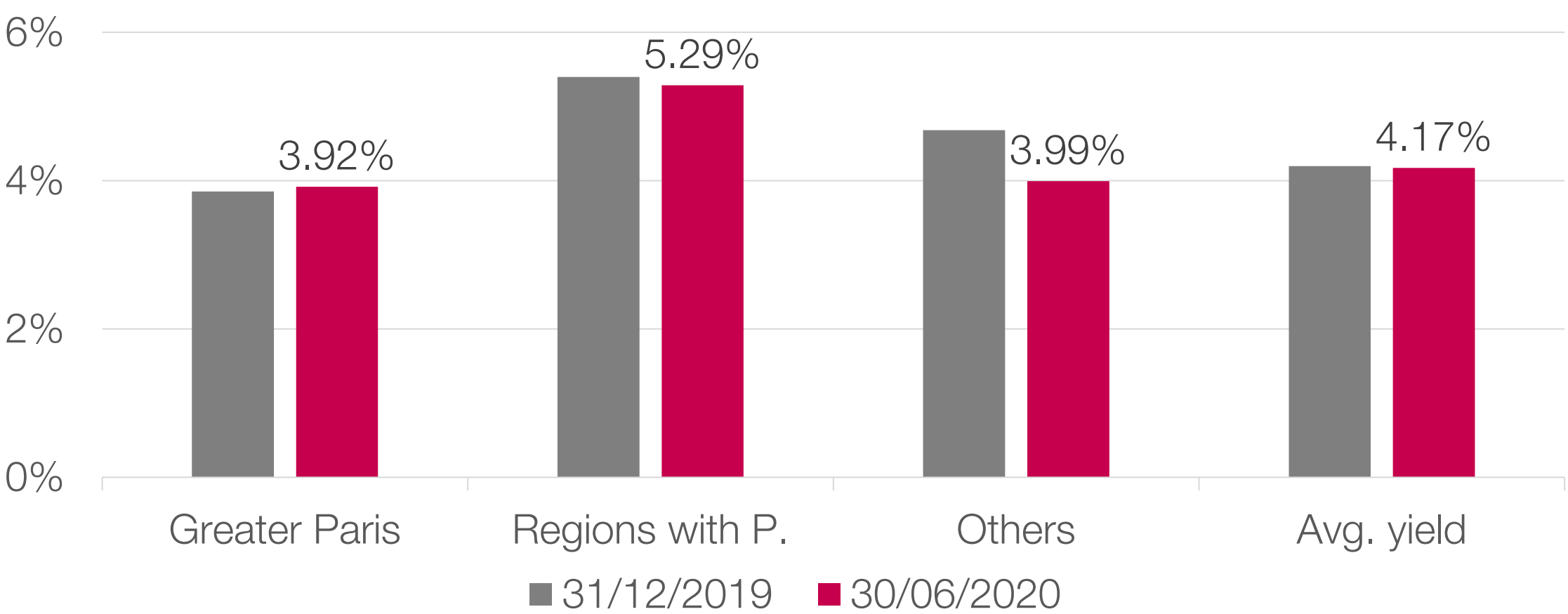
EPRA topped-up yield

	31/12/2019	30/06/2020	Var (%)
Greater Paris	4.4%	4.3%	-2.5%
Regions with P.	5.5%	5.5%	-1.4%
Others	4.9%	4.2%	-14.2%
Total portfolio	4.7%	4.5%	-3.1%



EPRA yield

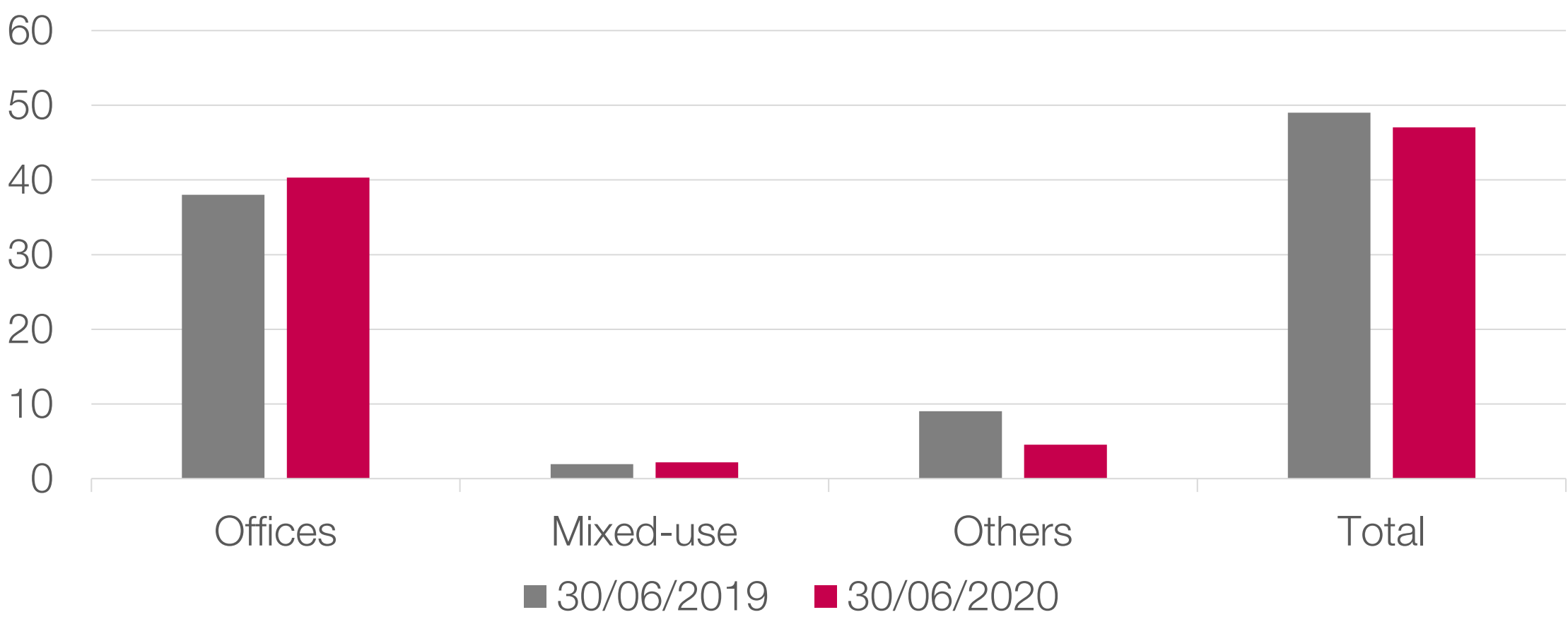
	31/12/2019	30/06/2020	Var (%)
Greater Paris	3.9%	3.9%	1.7%
Regions with P.	5.4%	5.3%	-2.1%
Others	4.7%	4.0%	-14.7%
Total portfolio	4.2%	4.2%	-0.6%



RENTAL INCOME CHANGE BY TYPE OF ASSETS

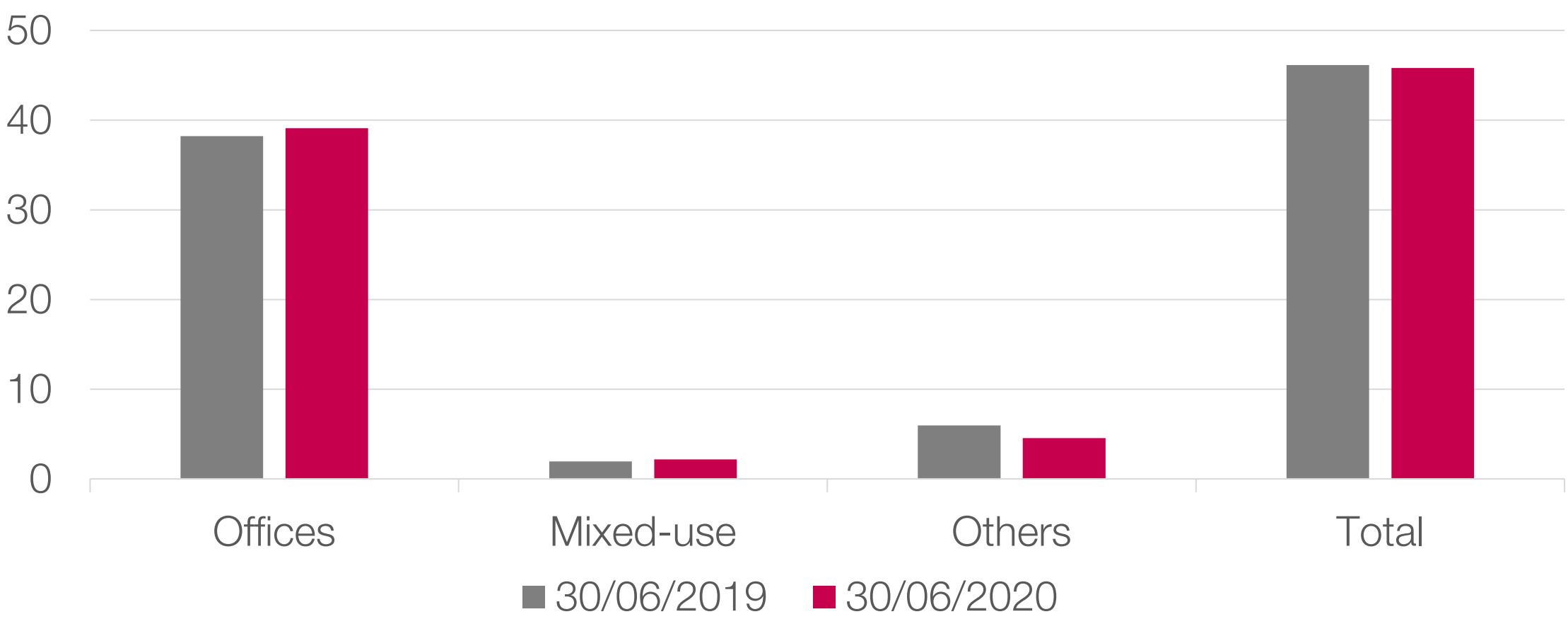
IFRS rental income change

	30/06/2019	30/06/2020	Var (%)
Offices	38.0	40.3	6.0%
Mixed-use	1.9	2.2	12.4%
Others	9.0	4.6	-49.7%
Total portfolio	49.0	47.0	-4.0%



Rental income change on a like-for-like basis

	30/06/2019	30/06/2020	Var (%)
Offices	38.2	39.1	2.2%
Mixed-use	1.9	2.2	12.4%
Others	6.0	4.6	-23.7%
Total portfolio	46.1	45.8	-0.7%





EPRA INDICATORS

€m	30/06/2019	31/12/2019	30/06/2020
EPRA Earnings	21.0	50.0	23.0
EPRA Earnings per share	1.2	2.9	1.3
EPRA Cost Ratio (including direct vacancy costs)	36.2%	25.6%	34.3%
EPRA Cost Ratio (excluding direct vacancy costs)	21.1%	16.7%	19.8%
EPRA NNNAV per share *	51.6	54.2	54.4
EPRA NDV per share *	51.6	54.2	54.4
EPRA NTA per share *	56.4	59.8	59.9
EPRA NRV per share *	56.5	59.8	60.0
EPRA NAV per share *	49.2	52.2	52.4
EPRA Initial Yield	4.7%	4.2%	4.2%
EPRA "Topped-up" Net Initial Yield	5.1%	4.7%	4.5%
EPRA Vacancy Rate	15.3%	17.9%	17.1%
EPRA property related capex	62.1	124.7	25.4
(*) Fully diluted number of shares at end of period	16,593,524	16,612,200	16,611,593