SOCIÉTÉ DE LA TOUR EIFFEL

2025 HALF-YEAR RESULTS
AN ADJUSTED APPROACH WHILE MAINTAINING THE PROPERTY COMPANY'S ROADMAP TARGETS

The Board of Directors of Société de la Tour Eiffel, meeting on 23 July 2025, approved the financial statements for the half-year ended 30 June 2025. The audit procedures for these financial statements have been completed, and the corresponding report is in the process of being issued.

"The first half of 2025 saw a continuation of our efforts to bring our portfolio in line with market expectations, with the rebalancing of our balance sheet and the delivery of assets that reflect our strategy, in both type and quality of certification. While the market environment remains challenging, our teams are fully committed to commercialising our portfolio and the projects under development. We are moving forward with determination and vigilance to recreate the conditions for the long-term growth of the property company." said Christel Zordan, Chief Executive Officer of Société de la Tour Eiffel.

The Company continues to implement its roadmap on an adjusted basis

- Capital increase of €598.8m in January 2025
- Asset value down 3.7% on a like-for-like basis to €1.6bn
- €24m in developments of assets with sound fundamentals
- Loan-to-value ratio (LTV) at 20.9% (covenant < 50%) and EPRA LTV at 28.5%
- ICR (EBITDA/Financial costs) at 2.9x (covenant > 2x)
- €540m in drawdown capacity
- EPRA NTA of €8.4/share
- EPRA Topped-up Net Initial Yield: 4.3%

… essential to the sustainable transformation of its assets in response to the challenges of the property market

- Gross rental income of €36.4m, down 5.9% on a like-for-like basis
- 96% of rents collected by mid-July 2025
- EPRA occupancy rate down to 71.1% (vs. 76.3%) and 74.8% for the secure occupancy rate
- Cost of debt low at 1.94%, benefiting from the investment proceeds of the capital increase
- Consolidated net loss of -€46.0m (vs. -€39.1m)
- EPRA earnings (new method) of €4.3m, or €0.04/share (vs. €0.07 pro forma)
- Recurring cash flow of €5.1m (vs. €9.6m)

Continued disposal of buildings unsuited to the Group's challenges

During the first half, the Group was able to finalise the sale of an asset in Orvault, near Nantes, for €2.8m excluding transfer duties, in line with the appraised value. The Company continues to streamline its portfolio, against the backdrop of a still tight investment market.

Evolution of developments

EvasYon is a mixed-use project in Lyon, comprising a 5,800 sqm office building and a 5,400 sqm co-living building. Launched in summer 2023, this redevelopment (formerly Lyon Dauphiné) was delivered in 2 phases: end 2024 for the co-living part and early 2025 for the office part. The asset is fully pre-let with the signature of a 12-year off-plan lease agreement (BEFA) with Bikube, a specialist operator, for the coliving part, and a firm 6-year lease with a specialist player in the consultancy sector for the office part, starting in 2026.

At the Parc du Golf in Aix-en-Provence, the construction of Jade and Saphir, adjoining office buildings with a total surface area of 4,190 sqm (including 330 sqm of terraces), was handed over at the beginning of March. The buildings are 100% let.

In Puteaux, on the banks of the river Seine, just outside the La Défense district, the Group is continuing the redevelopment of Rivage, a 9,800 sqm wood-concrete office building (not a high-rise building). The project is aiming for a high level of environmental certification: HQE BD Excellent, BREEAM NC Excellent, BBCA standard, BiodiverCity Label, Wiredscore GOLD and Biosourcé Label level 3. Work began in September 2023. Demolition of the existing superstructure was completed in the 2nd quarter of 2024. Work on the superstructure was completed in April and the façade was installed in July. The full range of services will include a *Skybar* on the 8th/9th floor opening onto a landscaped terrace with an unobstructed view of the whole of Paris. Delivery is scheduled for early 2026.

In the parc Eiffel Nanterre Seine, on available land, the Company delivered the Nanturra in the 4th quarter of 2024, a 5,400 sqm multi-storey, divisible multi-use logistics/light industrial facility under its LILK (Light Industrial Last Kilometer) brand. This multi-purpose building concept is designed to meet the need for last-mile business and logistics space close to urban centres. The asset is 54% let and has obtained BREEAM Excellent certification. A second project, the 8,000 sqm Syrah building, which is also divisible, has been launched in Bobigny in the ZAC des Vignes urban development zone. Delivery is scheduled for early 2026. The Syrah stands out for its environmental performance (geothermal probes, low-carbon materials, urban agriculture, etc.). The Nanturra was also built using low-carbon materials such as biosourced paint and low-carbon asphalt.

These six projects (EvasYon, Rivage, Nanturra, Syrah and Jade/Saphir) are representative of the property Company's strategy of value creation, diversification and environmental commitment, and represent up to €10.9m in potential rental income, including €3.9m secured by signed leases.

Update on off-plan projects

The "Millésime" off-plan (VEFA,) 4,500 sqm of office space (HQE Excellent, BREEAM Excellent, Wiredscore GOLD) located in Issy les Moulineaux, will be the headquarters of Les Nouveaux Constructeurs for 10 years, including 9 firm years. Lease signing is scheduled for the end of July, several months ahead of the original timeline.

In addition, the Manufacture off-plan project in Lyon has reached the weather-tight stage. This mixed-use, reversible 4,000 sqm development comprises offices (HQE Excellent, BREEAM Very Good), homes (BBC Effinergie) and retail units. Delivery is confirmed for Q3 2025 for the offices and retail units and Q4 2025 for the residential units.

These investments are part of Société de la Tour Eiffel strategy to transform the portfolio: quality locations, secure rental income and environmentally efficient buildings.

Implementation of the property Company's sustainable commitments

Based on four structural pillars – decarbonising its activities, adapting its assets to climate challenges, preserving biodiversity, and integrating the social issues of education and gender diversity – the ESG approach is illustrated by recent deliveries and projects under development.

The use of low-carbon concrete for Jade in Aix-en-Provence, soil de-sealing, and circular economy practices in the mixed-use EvasYon program in Lyon demonstrate the Company’s ability to translate its commitments into tangible actions. These achievements, certified by leading sustainability labels and already fully leased, underscore the relevance and effectiveness of its ESG strategy.

A portfolio being transformed

As of 30 June 2025, the value of the portfolio stood at €1,586m, 75% in offices (€1,190m), 12% in business/logistics premises (€190m), 11% in mixed use (€174m) and only a small amount managed residential property. All these properties are located in France, 75% of them in Greater Paris (€1,188m). As part of the ongoing efforts to improve the quality of our portfolio, 83% of it is certified for its environmental performance at end-2024.

An active rental activity

Nearly €10.1m in annualised rental income was agreed with tenants during the period, including €6.0m in new leases and €4.1m in renewals. Including the announced departures, the net balance of rental activity is +€2.2m in annualised rents. This includes renegotiations with CMN (3,970 sqm) in Paris-Domino, La Maison du Whisky (1,490 sqm) in Clichy and France Travail (1,540 sqm) in Toulouse, signatures with Transperfect (2,720 sqm) in Bastille and a consultancy firm (5,800 sqm) in Lyon EvasYon, Miraculous (1,040 sqm) in Paris Enghien and Open (2,440 sqm) in Nantes, as well as the announced departures of TeamTo (2,720 sqm) in Paris Bastille, Myflexgroup (1,040 sqm) in Paris Enghien and DDETS (2,810 sqm) in Montigny.

At 30 June 2025, the financial occupancy rate (EPRA) was down to 71.1% (vs. 76.3% at end-2024). Taking into account the Bastille, Lyon EvasYon and Kibori (Nantes) leases, which are effective after 30 June 2025, the secured occupancy rate is 74.8%. Adjusted for provoked vacancy (redevelopment operations: 7.2%), the financial occupancy rate (EPRA) is 78.3% (vs. 81.8%). In addition, the average length of leases and their firm periods came to 5.3 years and 3.3 years respectively (vs. 5.5 and 3.1 years at end 2024).

96 % of H1 2025 rents collected

As of mid-July, out of a total of €36.4m in rents invoiced in the first half of 2025, 96.0% have already been collected (vs. 94.8% in 2024).

This performance is the fruit of the internalised property and rental management model, combining thorough selection with proximity to tenants to build a quality rental foundation. In a fragile economic climate, the Company remains particularly vigilant and maintains close contact and dialogue with its clients.

Monitoring of tenant risk on the basis of Coface and Credit Safe ratings continues to indicate that more than 80% of the rental base consists of tenants belonging to the top two categories (low or very-low risk), thus demonstrating its resilience.

EPRA earnings down to €4.3m

On a like-for-like basis, gross rental income fell by 5.9%, with the impact of vacancies and negotiations (-€3.7m) partly absorbed by the impact of indexation (+€1.4m, +3.7%). Overall, rental income fell by 11.7% to €36.4m, with the impact of disposals (-€3.1m) only partially offset by that of deliveries (+€0.6m). Net rental income fell by 17.9% due to changes in the rental situation.

Current EBIT came to €16.8m (vs. €22.0m), reflecting a €0.5m reduction in operating costs, in line with the adjustments made to the Group's structure. Customer risk increased by €1.0m.

Financial expenses fell to €6.4m (vs. €6.8m), with an average interest rate of 1.9% (vs. 1.7%). The capital increase carried out in January reduced financial expenses by €2.1m, by reducing the use of credit lines from €160m to €0 and increased financial income by €4.9m by investing the remaining (€436.4m). The Company is continuing its interest rate hedging policy, which currently guarantees an average rate of less than 2.50% until the end of 2026 on a nominal amount of €405m.

Following the update of the EPRA performance measurement guide (EPRA BPR) in September 2024, the EPRA Earnings now include other costs related to the funding structure (such as perpetual subordinated loans) as well as adjustments related to non-operating and exceptional items. The cost of perpetual subordinated loans amounted to €6.2m in H1 2025 compared with €6.9m in H1 2024, reflecting the fall in interest rates on the €75m of the 2007 perpetual subordinated loan (PSL), indexed to 3-month Euribor, and the repayment on 19 June 2025 of the €180m of the 2020 perpetual subordinated loan.

After considering this change of method, other income and expenses, tax and income associates, EPRA earnings (net recurring profit adjusted for other costs related to the funding structure) come to €4.3m, compared with €8.1m in 2024, i.e. per share of €0.04 and €0.07 respectively on a pro forma basis (€0.49 reported).

After incorporating all EPRA adjustments (allowances, reversals, income from disposals, other costs related to the funding structure, changes in the value of financial instruments), consolidated net income was -€46.0m, compared with -€39.1m in 2024.

Recurring cash flow for the period was €5.1m, compared with €9.6m in 2024, reflecting the change in EPRA earnings calculated using this new method.

Net Asset Value down sharply, reflecting the value adjustment to the portfolio

The valuation of the Company's assets at 30 June 2025 was 3.7% lower than at the end of 2024 on a like-for-like basis. This decrease is due in particular to the continued rise in capitalisation rates (6.12% vs. 6.04%), the fall in rental income, the increase in restatements and transfer taxes (+0.5%) used in the valuations. After taking account of changes in the scope of consolidation, assets totaled €1,585.5m (disposals: -€2.8m, net capital gain: -€0.1m, change in fair value: -€59.6m, Capex: +€7.0m, developments: +€24.0m and acquisitions: €0).

Continuation EPRA NAV (NTA) per share falls from €8.9 pro forma post-capital increase (or €35.0 prior to the capital increase) to €8.4 at end-June 2025, mainly due to the adjustment in asset value (-€0.4 per share). Liquidation EPRA NAV (NDV) per share, which includes the fair value of financing instruments (fixed-rate debt, hedging instruments, PSL), falls from €9.1 pro forma (€36.8 prior to the capital increase) to €8.4[1].

A necessary capital increase completed to ensure the Company's going concern

On 17 January 2025, the Company raised €598.8m through a capital increase with preferential subscription rights. Approved by the Board of Directors and the General Meeting of Shareholders, this operation was mainly financially supported by the majority shareholder, the SMABTP group, increasing its stake from 52.3% to 93.8%. This capital raising will enable the Company to rebalance its balance sheet, a prerequisite for the continued deployment of its roadmap and the sustainable transformation of its assets in response to the challenges of the property market.

As announced, the funds raised were used primarily to reduce financial costs and ensure an ICR (EBITDA/Financial costs) ratio of more than 2x, in accordance with the bank covenants on the current financing. The Company reduced the drawdown on its RCF and SLL facilities from €160m to €0 at the end of January/mid-February, and invested the remaining €436m, mainly to repay the €200m EuroPP 2015 and the €180m PSL 2020. To date, and after securing the ICR ratio, the Company has redeemed the PSL 2020 in June (thus avoiding the increase in the cost of the coupon from 4.5% to 9.5%) and the EuroPP 2015 in mid-July.

In addition, the 2018 RCF of €100m, which expired on 6 July 2025, will not be renewed in the short term. This will reduce the charges linked to the undrawn commitment fee, thereby helping to improve the ICR ratio for the 2025 financial year. A new sustainable credit line is planned for the second half of the year. The amount and timing will be adjusted to the Company's future needs.

Suspension of the SIIC regime

The crossing of the thresholds of 60% of the share capital and voting rights of the Company by the SMABTP group results in the suspension of the French SIIC (Sociétés d'Investissement Immobilier Cotées or Listed Real Estate Investment Companies) status (“SIIC status”) in 2025. In accordance with the provisions of Article 208 C I and IV of the French General Tax Code, the Company would exit the status if this threshold is not met again by the end of 2025.

Based on the analysis carried out by the Company's tax lawyers, the financial impact of this change of status should be limited (exit cost contained with regards to the expected unrealised capital gains and taxation that should be minimal in subsequent years - the Company does not anticipate any tax charge in excess of €2m in 2025 and €4-6m in subsequent years), and more particularly in comparison to the issues related to the need to strengthen the Company's equity.

An exit from SIIC status would also have consequences for the Company's shareholders. As a reminder, the SIIC status requires the payout of 95% of profits deriving from the rental of properties and 70% of capital gains on the disposal of properties and 100% of dividend distributions received by the Company from other companies subject to the SIIC regime. If the Company exits the SIIC status, it will no longer be subject to these obligations. However, the Company has not generated any distributable profits since 2021 so it is not required to make any distribution (its distribution obligations being deferred until the Company has the legal and accounting capacity to make distributions), and the amount paid to shareholders comes entirely from the share premium account. In these circumstances, the SIIC status is not currently a determining factor in our shareholder return policy.

This change in status does not call into question the Company's corporate purpose, nor its desire to maintain its listing on the Euronext Paris regulated market. Lastly, should an exit from SIIC status occur, the Company’s shares would be eligible again to the PEA (the French tax-advantaged Plan d’Epargne en Actions) at the beginning of 2026. Lastly, the Company could opt for the SIIC status again in the future, provided that it once again meets the conditions for access to the status.

[1] In the event of withdrawal from the SIIC regime, the EPRA Net Asset Value (NDV) could be adjusted.

Financial position

At 30 June 2025, the gross financial debt stood at €639.6m (vs. €798.2m at the end of 2024). With a cash position of €307.8m (vs. €79.0m), the net financial debt was €331.7m, down sharply from €719.1m at the end of 2024.

This change was mainly due to the €598.8m capital increase carried out in January. The LTV ratio (net debt/asset value excluding transfer duties) was therefore 20.9% at 30 June 2025, compared with 44.5% at end-2024. EPRA LTV was 28.5%.

The interest cover ratio (ICR: EBITDA/financial costs), which is subject to a minimum covenant of 2.0x in the Company's financing documentation, stood at 2.9x at 30 June 2025, compared with 3.9x at end-2024. This fall reflects the end of the highly favourable effects of interest-rate hedging instruments, which had fixed the 3-month Euribor at -0.5% on a nominal amount of €480m, partly compensated by the fall in financial costs resulting from the capital raising.

In addition, the investment of cash for the repayment of the €180m PSL 2020 generated an exceptional financial income of €1.8m in the first half. Excluding this effect, the ICR ratio was 2.2x.

This level remains in line with contractual commitments, although well below the standards generally observed in the sector (4x-6x). It gives the Company just enough flexibility to rebuild its EBITDA and gradually restore its financial flexibility over the medium term, with the ICR ratio at 30 June 2026 remaining a key consideration.

Continued vigilance, with an adjusted approach to ensure the necessary adaptation of the assets

With a rebalanced financial structure, Société de la Tour Eiffel is able to continue, in an adjusted way, to deploy its roadmap announced in 2022. The Company remains focused on the sustainable adaptation of its portfolio, reducing the percentage of office buildings to two-thirds and developing a greater diversity of uses. The Company also aims to strengthen its territorial footprint by targeting a third of its assets in major French cities. At the same time, the teams are pursuing their efforts in terms of environmental performance, with the aim of maintaining certification for at least 80% of the property portfolio.

Since 2022, this dynamic portfolio management has resulted in the sale of more than €210m worth of assets (13% of the portfolio) that were no longer adapted to the Company's needs. At the same time, it has invested nearly €200m in assets that are more in line with its market and allocated €134m to developments and redevelopments, of which €110m had already been spent by the end of June 2025.

Despite a market environment that slowed its initial growth, Société de la Tour Eiffel has reduced the proportion of office assets to 75% (vs. 81% in 2021) in favour of greater diversification and mixed use. While Greater Paris still accounts for 75% of the portfolio, the Company is actively pursuing a regional rebalancing. Its environmental commitment is reflected in the 83% of its assets that are certified, illustrating its ambition to combine economic performance with sustainable responsibility.

Supported by its Board of Directors, Société de la Tour Eiffel remains determined to pursue this virtuous path, overcoming challenges and seizing market opportunities.

With a restated ICR (EBITDA/Financial costs) ratio of 2.2x, which is just above the covenant threshold of 2.0x, a portfolio that is undergoing major changes and certain rental pressures, this ratio could be nearing its contractual limit by June 30, 2026. This level, which is quite different from the one estimated for 30 June 2025 prior to the capital increase (1.3x then and confirmed today), suggests that, if necessary, concerted solutions could be considered, including the implementation of waivers, to secure this deadline and support a return to sustainable and profitable growth over the medium term.

Calendar

- 23 July 2025: Analysts' conference (SFAF)
- February-March 2026: 2025 full-year results (after market close)
- April-May 2026: General Meeting of Shareholders
- July 2026: 2026 half-year results (after market close)

The results presentation will be available on the Group's website on the afternoon of Wednesday 23 July, after market close: Financial information – Société Tour Eiffel (societetoureiffel.com).

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About Société de la Tour Eiffel

With a property portfolio amounting to €1.6bn, Société de la Tour Eiffel is an integrated property company with a strong culture of services. This agile company operates in various asset classes, including offices, urban logistics, managed residential and retail, in Greater Paris and other major French metropolitan areas. An active player throughout the property cycle, it assists its tenants – companies of all sizes and sectors – through high-standard direct management of its properties. Société de la Tour Eiffel conducts a pro-active and transversal CSR policy that is an integral part of its strategic orientations.

Société de la Tour Eiffel is listed on Euronext Paris (B board) – ISIN code: FR0000036816 – Reuters: TEIF.PA – Bloomberg: EIFF.FP – Member of the IEIF Foncières and IEIF Immobilier France indices

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