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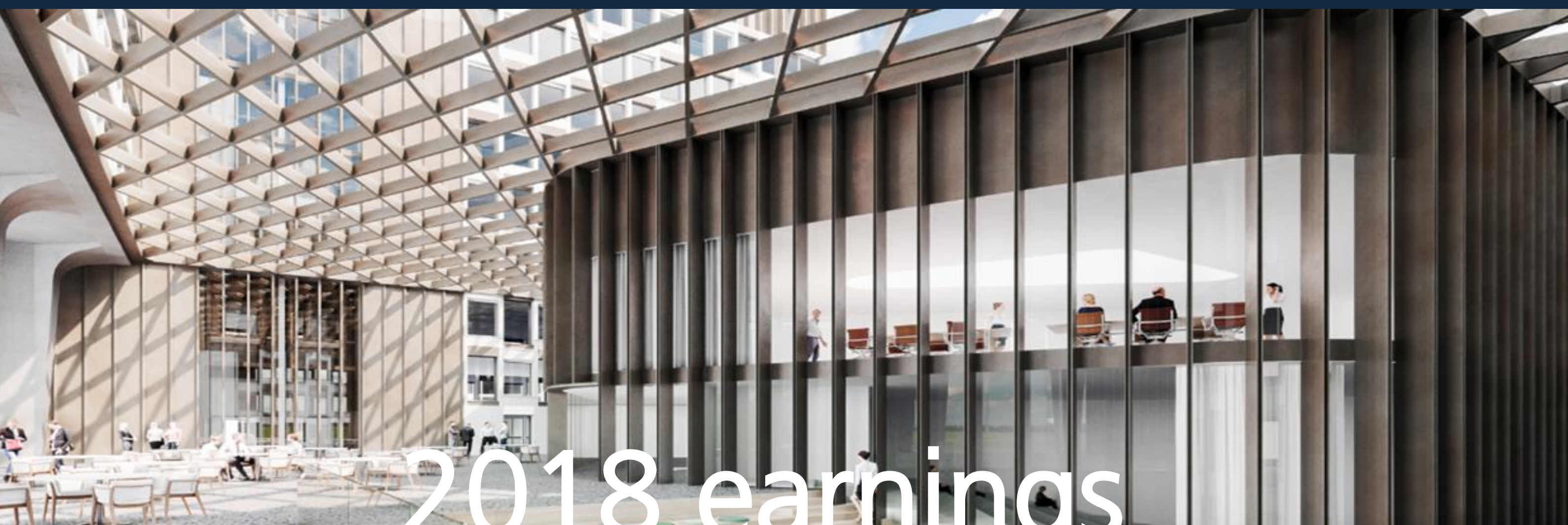
Press release
February 19, 2019



Recurrent net income per share up +9% for 2018

EPRA NAV up +5.4% to €161.6 per share, dividend up +3.8% to €5.5

✓ Solid operational and financial performance in 2018

- **Recurrent net income** up +20% to €437.2m and **+9% per share** to €5.93
- Rental income up +2.5% like-for-like **(+2.7% for offices, +2.0% for traditional residential)**
- **EPRA NAV** up **+5.4% to €161.6** per share (**€168.0 based on unit residential values**)…
- …with nearly 1/3 of the increase, i.e. **+€2.7 per share, coming from the pipeline**
- **€1.5bn of sales** completed or secured in 2018 (**€2.0bn** since Eurosic's acquisition) with a premium of +4% versus the latest free appraisal values (+6% since Eurosic's acquisition)
- **LTV at end-2018 of 38.4% (36.2% including duties),** down by nearly -6pts since Eurosic's acquisition
- **Improved financial ratings (S&P: A-; Moody's: A3),** highlighting the strengthening of the financial structure
- **Launch of a share buyback program for a maximum of €150m**

✓ Historic year for lettings, deliveries and sales

- **247,000 sq.m let or relet**, representing €95m of IFRS annualized rental income…
- …with nearly **100,000 sq.m on assets under development** or delivered in 2018
- Historically high volume of sales making it possible to accelerate the **portfolio's realignment** around the centrality sectors, with 61% of the office portfolio now in Paris City
- **174,000 sq.m of projects delivered** in 2018 (8 office projects, 1 residential project), with 89,000 sq.m of deliveries expected for 2019
- **Committed or "certain" pipeline of €3.2bn**, with €0.2bn for residential, topped up for the coming years

✓ Business model firmly focused on the client with YouFirst

- Identification of key success factors for tomorrow's office, built around users' needs: **Centrality, Flexibility, Connectivity, Wellbeing, Responsibility and Productivity**
- **Launch of the YouFirst program** with new ambitions, particularly for YouFirst Collaborative: gradual rollout of a **network of flexible spaces** on the Group's portfolio with **shared services** based on a cluster approach

✓ Outlook still strong

- Restated for the impact of sales of non-strategic assets from Eurosic's scope, **recurrent net income per share for 2019** is expected to grow by around **+2%** despite the significant volume of assets currently being redeveloped or to be launched for redevelopment shortly
- Growth and value creation potential further strengthened with **€3.2bn of projects underway or to be launched shortly**
- Market continuing to show positive trends for the Group's preferred sectors

In million euros	**Dec 31, 17**	**Dec 31, 18**	***Change (%)***
Gross rental income	558.9	661.7	*+18.4%* *(+2.5% like-for-like; +2.7% for offices)*
EBITDA	453.5	536.1	*+18.2%*
Recurrent net income (Group share) [1]	**363.5**	**437.2**	***+20.3%***
Per share (in euros)	***5.44***	***5.93***	***+9.0%***
EPRA NAV in euros per share (block)	**153.3**	**161.6**	***+5.4%***
EPRA NAV in euros per share (unit)	**159.3**	**168.0**	***+5.5%***
Dividend per share (euros)	5.30	5.50	*+3.8%*

[1] EBITDA restated for net financial expenses, recurrent tax, minority interests, income from associates and certain non-recurring costs (see Note 1.1.3 Recurrent net income in the 2018 Registration Document)

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2018 highlights and key figures

YouFirst: Gecina's response to users' future needs

- All the commercial offers grouped together under the parent brand YouFirst and its versions: YouFirst bureau, YouFirst collaborative, YouFirst residence and YouFirst campus
- Two pillars for YouFirst: a human relationship and a high level of services
- Community of 100,000 clients / end users: 80,000 in commercial living spaces and 20,000 in residential living spaces

Recurrent net income exceeds guidance, driven by Eurosic's integration, operational performances and the reduction in the cost of debt

- **Recurrent net income** up +9% per share to €5.93 (i.e. +20.3% to €437.2m)
- **Rental income** for **offices** up **+2.7% like-for-like**
- Reduction in the average cost of debt by -30bp to 1.4% (including cost of undrawn credit lines) and average maturity up to 7.3 years (vs. 6.9 years at end-2017)

EPRA NAV up +5.4% to €161.6, driven by the pipeline's dynamic development and favorable market trends in Gecina's preferred sectors

- EPRA NAV (block) up +5.4% to €161.6 (€168.0 based on unit residential values)
- Nearly 60% of the like-for-like increase is linked to a positive rent effect, which is expected to be confirmed over the coming half-year periods
- Like-for-like value growth of +3.4% (+2.5% for offices and +7.5% for residential)
- Significant net contribution for the pipeline of around €2.7 per share for the year

Performance enabling Gecina to propose a cash dividend of €5.50 for 2018

Project portfolio: deliveries accelerated and pipeline topped up

- Nine operations delivered in 2018 (89% let[1]), with a further nine to follow in 2019 and 2020 (already 60% pre-let)
- €3.2bn of operations underway or to be launched shortly (with €1.7bn already underway and €1.5bn to potentially follow over the coming half-year periods)
- €0.9bn of potential operations over the longer term under Gecina's control, taking the Group's total pipeline up to €4.0bn, with an average yield of around 6.0%.

€2bn of sales since Eurosic's acquisition, with €1.5bn in 2018

- Acceleration of the **portfolio's rotation**, with €1.5bn of sales completed in 2018 or under preliminary agreements
- and €2.0bn since Eurosic's acquisition at the end of December 2018, with **+5.8% premiums overall versus the latest appraisal values**
- Resulting reduction in the LTV to 38.4%, compared with 44% following Eurosic's acquisition…
- …and centrality further strengthened for Gecina's office portfolio (61% in Paris City, 91% including the Western Crescent and La Défense)

Markets continuing to show positive trends

- Market reflecting the impact of the shortage of supply in areas of scarcity and centrality
- Take-up of 2.5 million sq.m for the Paris Region in 2018, with 42% at the heart of Paris City
- Immediate supply down -13%, with 13% exclusively for Paris City
- Vacancy rate down to 5.1% (vs. 5.9% at end-2017), with the Paris CBD at an all-time low of 1.7%
- Rents up at the heart of Paris

Operational model further strengthened, driving performance for the coming years

- The project deliveries completed in 2018 and scheduled for 2019 are expected to offset to a great extent the impacts of the sales carried out in 2018, the expected loss of rent on assets transferred or to be transferred to the pipeline, and the reduction in capitalized financial expenses. Excluding the impacts of the sales carried out on Eurosic's previous scope following its acquisition, recurrent net income (Group share) per share is expected to increase by around +2% in 2019 (excluding potential impacts of acquisitions or sales not currently committed to), representing around €5.70 to €5.75 per share.

[1] On office projects

Strong rental income growth

Total gross rental income came to €661.7m for 2018, up +18.4%, with like-for-like growth of +2.5%, clearly outperforming indexation.

On a current basis, the +18.4% increase primarily factors in a significant change in scope with Eurosic's integration, the projects delivered, the vacating of properties already transferred or identified for transfer to the pipeline, as well as a historically high volume of sales over the last 18 months.
Eurosic's integration during the second half of 2017 contributed +€102.3m (net of sales carried out on this scope) to rental income growth. This increase also reflects the impact of the delivery of nine assets in 2018 (+€27.8m), the various acquisitions (+€3m) and like-for-like growth (+€9.9m). In addition, rental income includes the impact of the non-strategic assets sold from Gecina's like-for-like scope (-€11.5m) and the loss of rent linked to assets with strong value-creation potential that have been or will be transferred to the development pipeline (-€28.7m).

This performance benefits from **like-for-like** growth of +2.5%, outperforming the slight increase in indexation, up to +1.1%, as well as a reduced vacancy rate and a positive incoming-outgoing differential.

Gross rental income	Dec 31, 17	Dec 31, 18	Change (%)	
In million euros			Current basis	Like-for-like
Offices	**429.4**	**523.9**	**+22.0%**	**+2.7%**
Traditional residential	108.9	104.9	-3.7%	+2.0%
Student residences	15.1	16.8	+11.3%	+2.9%
Other commercial assets	5.4	16.1	na	na
Total gross rental income	**558.9**	**661.7**	**+18.4%**	**+2.5%**

Annualized rental income

Annualized rental income is down -€15m from December 31, 2017, factoring in the loss of rent due to the sales completed (-€65m), as well as tenants vacating buildings to be redeveloped (-€13m). This loss of rent is only partially offset by the deliveries of nine buildings, primarily in Paris (+€56m), as well as the organic trends and various effects (+€6m).

Annualized rental income €m	Dec 31, 18	Dec 31, 17
Offices	517	529
Traditional residential	105	106
Student residences	18	17
Other commercial assets	14	18
Total	654	669

Offices: positive trends in the most central sectors

Like-for-like, office rental income is up +2.7%, exceeding the Group's expectations. This growth reflects the improvement in the financial occupancy rate, against a backdrop of an upturn on the Paris Region's office markets (+0.9%), and an improving level of indexation (+1.2%).

The performance levels achieved mask a good contribution by the most central sectors.
Rental reversion's contribution to like-for-like growth represents **+0.6pts for the Paris CBD and the 6th and 7th arrondissements**, is limited to **+0.2pts for the Western Crescent**, and is **still negative for the rest of the Paris Region (-0.6pts)**, highlighting the differences in rental trends, which are more positive for the Paris Region's most central sectors.

With this organic performance, against a backdrop of improvements in market rental conditions in the most central sectors, the Group expects organic growth in office rental income in 2019 to benefit from a positive trend of around +1.7% to +2.0%, generated by indexation and rental reversion, confirming the solidity of Gecina's underlying markets. There is limited visibility at this stage for the change in rental vacancies, but this could have a negative impact in 2019.

On a current basis, rental income from offices is up +22.0%, benefiting in particular from Eurosic's integration net of the sales carried out on this scope (+€91.3m). The recent acquisitions (Adamas building in La Défense in 2017 and the 8 Graviers building in Neuilly in 2018) generated +€3.0m of additional rental income, while the additional rent received from the buildings delivered in 2017 (55 Amsterdam in Paris and Septen in Lyon) and 2018 (Ville l'Evêque, Guersant, Le France, Le Jade and Penthemont in Paris, and Sky 56 in Lyon) represent +€26.2m. In addition, the change on a current basis reflects the impact of the sales completed on Gecina's historical scope (-€5.3m), while the loss of rent from buildings with strong value creation potential launched as redevelopment programs represents -€28.4m, with more than two thirds linked to the redevelopment of the building at 75 avenue de la Grande Armée in Paris' CBD, the PSA Group's former headquarters, renamed "Live".

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Gross rental income - Offices	Dec 31, 17	Dec 31, 18	Change (%)	
In million euros			Current basis	Like-for-like
Offices	**429.4**	**523.9**	**+22.0%**	**+2.7%**
Paris CBD & 5-6-7 - Offices	127.8	140.3	+9.8%	+2.4%
Paris CBD & 5-6-7 - Retail	35.4	36.3	+2.6%	+2.7%
Paris - Other	59.7	89.7	+50.2%	-2.5%
Western Crescent - La Défense	142.3	163.5	+14.9%	+3.8%
Other Paris Region	41.4	54.7	+32.2%	+0.9%
Other French regions / International	22.8	39.4	+72.5%	na

Traditional residential: positive organic trends

Like-for-like, rental income for traditional residential properties is up +2.0%, compared with organic growth of just +0.6% in 2017.

This performance factors in indexation of +0.9% and the improvement in the financial occupancy rate, as well as the positive reversion (+0.3%) achieved on apartments relet since January 1, 2018, averaging out +5.6% higher than the previous tenant's rent. This significant reversion reflects the first effects of the reorganization of the residential portfolio division, delivering a clear outperformance compared with the average reversion of +1.9% recorded between 2014 and 2017.

On a current basis, the -3.7% contraction in rental income to €104.9m factors in the progress made with the program rolled out by the Group in the past few years to sell apartments on a unit basis when they become vacant.

Student residences: first effects of the three new residences delivered in 2017 and 2018

Rental income from student residences shows a significant increase on a **current basis** (+11.3%), reflecting the impact of the delivery of two residences in Puteaux and Marseille in summer 2017 and the new "Rose de Cherbourg" residence in La Défense for the start of the 2018 academic year.

Like-for-like, the good rental trends reflect the positive consequences of the operational turnaround of two residences in Lille and Paris.

Still positive market trends for offices, particularly at the heart of Paris

In 2018, the Paris Region's office real estate market trends were marked by **very strong letting performances in the most central sectors**.

Strong performance in terms of rental transactions, with **take-up of nearly 2.5 million sq.m – close to a 10-year high** - driven primarily by strong appetite among tenants for the most central sectors, particularly Paris City, where levels of available supply are historically low.

The vacancy rate has therefore continued to fall, dropping to 5.1% at end-2018 (versus 5.9% at end-2017), particularly **in Paris Center West (extended CBD), where it is down to less than 2% (1.7%)**, compared with 3.0% at end-2017 (source: CBRE), revealing a historic supply-side shortfall at the heart of the capital. However, the contraction in vacancy levels is less marked for the rest of the Paris Region.

There is a clear **supply-side shortfall in Paris**, because Paris accounts for 42% of take-up, but just 13% of immediate supply, with this ratio reversed for the Paris Region's other sectors. In Paris, immediate supply is down -20% year-on-year (versus -13% for the whole of the Paris Region) to a historically low volume, especially in Paris' central business district (CBD). However, this **shortage of supply at the heart of Paris** does not seem to be holding back rental transactions, as businesses are positioning themselves increasingly far upstream on operations that are still being developed.

The shortage in terms of immediate supply for Paris is **therefore supporting pre-lettings** upstream from deliveries. The majority of the volume of deliveries expected for the CBD in 2019 and 2020 has therefore already been pre-let.

This is reflected in **higher headline rents** for the most central locations, primarily in the CBD. The increase in rental values observed on average rents with **+12% for Paris City** in 2018 (source: Immostat) is therefore expected to continue in 2019. Although the context is also improving for the Paris Region's other sectors, this significant increase seems to be a trend that is limited to Paris City.

These upside rental pressures at the heart of Paris represent reversion potential for Gecina that will gradually be captured over the coming years as leases come to an end and buildings transferred to the pipeline are delivered.

Occupancy rate still close to 95%

The average financial occupancy rate in 2018 was 94.9%, down -50bp year-on-year. This contraction is linked to the integration of Eurosic, whose average occupancy rate (91.1%) is lower than the rate for Gecina (excluding Eurosic), which represents 96.4%.

Average financial occupancy rate	Dec 31, 17	Mar 31, 18	Jun 30, 18	Sep 30, 18	Dec 31, 18
Offices	**95.3%**	**95.3%**	**95.4%**	**94.9%**	**94.7%**
Diversification	**95.9%**	**96.8%**	**96.3%**	**96.1%**	**96.0%**
Traditional residential	96.9%	97.6%	97.6%	97.5%	97.5%
Student residences	90.3%	92.5%	88.7%	87.6%	87.0%
Other commercial assets	95.9%	97.8%	97.3%	97.4%	97.5%
Group total	**95.4%**	**95.6%**	**95.6%**	**95.1%**	**94.9%**

Recurrent net income (Group share) higher than Gecina's initial expectations

Recurrent net income (Group share) is up +20.3% to €437.2m (+9% per share to €5.93), exceeding the Group's initial expectations. This performance reflects **Eurosic's integration and the conditions for financing this acquisition, as well as the operational and financial synergies achieved**. The year was also affected by the first impacts of the high volume of assets sold during the year, with this trend to continue in 2019. In addition, performance has benefited from the acceleration in the pace of asset deliveries over the second part of the year.

Portfolio rotation: +€93.7m net change in rental income

This growth reflects the **portfolio's rotation** in 2017 and 2018, primarily with Eurosic's acquisition in 2017, as well as the progress made with the sales program announced when this real estate company was acquired.
Eurosic's acquisition contributed +€102.3m to the increase in rental income (net of the sales completed since then for this scope). **Other recent acquisitions** (one building in La Défense and another in Neuilly) contributed just **+€3m** to rental income growth.
The loss of rent resulting from the sales carried out on the Gecina scope (excluding Eurosic) represents -€11.5m. A significant percentage of the sales carried out were finalized during the second half of the year, including two portfolios located in other French regions apart from Paris for nearly €775m.
The annualized impact of all the sales completed in 2018 is around -€65m.

Operations relating to the pipeline (deliveries and launch of redevelopment work): -€0.9m net change in rental income

The change in recurrent net income (Group share) also reflects the impact of **operations relating to the pipeline**. The additional rental income generated by the recent deliveries of buildings under development represents +€27.8m (two office buildings and two student residences delivered in 2017, then nine buildings in 2018). Alongside this, the buildings transferred to the pipeline in 2017 and 2018 account for a temporary drop in rental income of around -€28.7m, including the "Live" building at 75 avenue de la Grande Armée, the PSA Group's previous headquarters.

Optimization of financial expenses

Financial expenses show an increase of just +€13.3m, while the average gross debt volume is up from €5.7bn in 2017 to €8.3bn for 2018, linked primarily to Eurosic's acquisition. This moderate increase in financial expenses with regard to the change in scale for the Group's liabilities takes into account the reduction in the average cost of total debt to 1.4% at end-2018, versus 1.7% in 2017 and 2.2% in 2016 (including costs of undrawn credit lines), while the average maturity of debt has been further extended to 7.3 years (vs. 6.9 years at end-2017).

In million euros	Dec 31, 17	Dec 31, 18	*Change (%)*
Gross rental income	**558.9**	**661.7**	***+18.4%***
Net rental income	**516.9**	**606.9**	***+17.4%***
Operating margin for other business	4.8	12.7	*+161.1%*
Services and other income (net)	3.6	3.5	*-3.3%*
Salaries and management costs	(71.8)	(86.9)	*+21.0%*
EBITDA	**453.5**	**536.1**	***+18.2%***
Net financial expenses	(80.4)	(93.7)	*+16.5%*
Recurrent gross income	**373.0**	**442.4**	***+18.6%***
Recurrent net income from associates	1.0	1.5	*+53.7%*
Recurrent minority interests	(7.5)	(1.7)	*-77.4%*
Recurrent tax	(3.0)	(5.0)	*+64.9%*
Recurrent net income (Group share)	**363.5**	**437.2**	***+20.3%***
Recurrent net income (Group share) per share	**5.44**	**5.93**	***+9.0%***

The rental margin represents 91.7%. The contraction in the rental margin for the office portfolio (-120bp to 94.3%) is linked to the delivery of the Be Issy building, which is now 65% let, and the impact of the development pipeline. The lower rental

margin on traditional residential properties is linked to new expenditure planned in connection with improving the quality of the residential buildings, intended to help capture rental reversion potential.

	Group	Offices	Residential	Student
Rental margin at Dec 31, 2017	92.5%	95.5%	82.6%	77.8%
Rental margin at Dec 31, 2018	91.7%	94.3%	81.9%	75.0%

Average cost of debt reduced and average maturity further extended

Gecina has continued to optimize its liabilities, capitalizing on a volatile but still positive environment to make progress on all its financial indicators, with:

- **€1.9bn of long-term financing raised** (average maturity of 7.7 years), including a new €500m bond issue with a maturity of 12 years and €1.4bn through 11 new bilateral bank credit lines, including the first two sustainable improvement loans,
- **Early repayment (or cancellation) of €2.4bn of financing**,
- Private bond placements (€0.7bn) previously held by Eurosic and Foncière de Paris transferred to Gecina SA following the General Bondholders' Meetings in June 2018.

These operations have made it possible to finalize the full integration of Eurosic's financial structure within the consolidated financial structure. At end-2018, the debt held within the Eurosic Group was down to just €0.2bn (vs €3.2bn in August 2017 at the time of the business combination) and Gecina SA now holds 98% of the Group's financing.

The rapid integration of Eurosic's financing facilities, the use of the bond markets under good conditions and the optimization of the combined structure have had positive impacts on the Group's aggregates, **with a significant reduction in the average cost of total debt to 1.4% (versus 1.7% in 2017) and a further extension of the maturity of debt (7.3 years versus 6.9 years at end-2017)**.

At end-2018, **Gecina's LTV came to 38.4% excluding duties and 36.2% including duties**, down -4pts year-on-year and nearly -6pts since Eurosic's acquisition, primarily due to the €2bn of sales completed or secured to date.

2018 was also marked by the improvement in and convergence of the Group's financial ratings. Moody's has upgraded Gecina's outlook from A3 outlook negative to A3 outlook stable, while Gecina has been rated A- by S&P since October.

Ratios	Covenant	Dec 31, 2018
Loan to value (block, excl. duties)	< 55% - 60%	38.4%
EBITDA (excluding disposals) / net financial expenses	> 2.0x	5.7x
Outstanding secured debt / net asset value of portfolio (block, excl. duties)	< 25%	1.0%
Net asset value of portfolio (block, excl. duties) in billion euros	> 6.0 - 8.0	19.3

Two sustainability performance-linked loans set up in the first half of the year

Since the start of the year, Gecina has set up its first two sustainable improvement loans with the banks ING and Crédit Agricole (for €100m and €150m respectively, with maturities of 7.0 and 7.5 years), with financial conditions that will be indexed against the Group's CSR and financial performance, notably taking into account GRESB ratings, measurements for occupant wellness in Gecina buildings and the achievement of targets set to reduce greenhouse gas emissions.

€2.0bn of sales completed or secured since Eurosic's acquisition, further strengthening the Group portfolio's centrality and reducing its LTV to 38.4%

Since Eurosic's acquisition, Gecina has sold or secured **sales for almost €2.0bn of assets with an average premium of +5.8% versus their latest free appraisal values**, with €1.5bn since the start of the year (including €148m of sales under preliminary agreements at end-December 2018). In total, almost €1.8bn of commercial assets have been sold or are subject to preliminary agreements, with the rest made up of residential assets. These volumes of sales are in line with the Group's commitments to further strengthening its portfolio's centrality, while reducing its debt levels. 80% of the commercial sales carried out over the past 18 months concern assets from the previous Eurosic scope.

€1.8bn of commercial assets sold (or under preliminary agreements), with €1.4bn in 2018

The breakdown of the commercial sales completed (or under preliminary agreements) in 2018 is as follows:

- **Nearly 72%** - or almost €1bn - concern buildings located **outside of the Paris Region**, with 92% from the previous Eurosic scope. These sales were primarily finalized in the second half of 2018;
- **Around 18% in the Paris Region excluding Paris City;**
- **10% in Paris.**

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In this way, Gecina's portfolio has increased its exposure to the Paris Region's most central sectors.

- The Paris Region represents 97% of the office portfolio, compared with 92% at the end of 2017;
- Paris City represents 61%, compared with 56% at end-December 2017 and 53% at end-2015, while the Western Crescent (including La Défense) represents 31% of the Group's office portfolio (versus 29% at end-2017).

Furthermore, based on the appraisal values from end-2018, the **LTV is around 38.4% (36.2% including duties)**, down -6pts since Eurosic's acquisition, in line with the Group's ambition to reduce its LTV to less than 40%.

Lastly, as this sales program reflects a loss of rental income of around 5% and concerns assets that are considered to be mature or non-strategic, it is also making it possible to finance investments in the committed or controlled and certain pipeline offering a yield on cost of 5.8% and extensive value creation reserves.

Nearly €103m of residential sales completed or secured in 2018

Alongside this, Gecina completed nearly €84m of residential sales on a vacant unit basis in 2018, achieving an **average premium of +24.1% versus the end-December 2017 appraisals**. In addition, €5m of block sales were completed, with a 3% premium versus the latest appraisal values.
€14m of vacant unit-based sales were covered by preliminary sales agreements at the end of 2018 and will be finalized during the first quarter of 2019.

Key areas for investment identified on the residential portfolio for the future and already driving performance improvements in 2018

Recap on Gecina's core strategies for residential

Densification: capitalizing on our portfolio's centrality

In connection with the review of its residential portfolio underway since mid-2017, Gecina has identified several key areas for creating value on this portfolio.

In terms of **densification**: Gecina has identified potential for over **20,000 sq.m** of new builds on sites that are already owned by the Group, with building permits currently being drawn up, primarily in Paris City. These operations would represent an investment outlay of around **€80m**. These densification operations make it possible to achieve yields on cost that are significantly higher than usual investments as the Group owns plots where buildings are already located and they will be retained and renovated alongside this to extract their reversion potential. Including the development operations that are already underway or to be launched shortly, the investment volume represents €197m, with €151m still to be paid out by 2022.

Extracting and maximizing reversion potential

Renovation of existing properties: Gecina is rolling out a program to renovate existing assets with a view to improving the quality and appeal of the residential buildings within its portfolio. This program will help capitalize on rental reversion potential and position expected rents above median market levels. These investments will make it possible to maximize the Group's performance in terms of robust organic growth. **Over the next five years**, this program is expected to represent a **total investment volume of around €100m**. Illustrating this, the work launched to renovate an existing building in Paris' 12th arrondissement is expected to make it possible to benefit from reversion potential of over +7% when its tenants rotate.

Refurbishment of vacated apartments: following the conclusive results achieved with the first operations benefiting certain apartments in Paris' 15th arrondissement, the Group plans to refurbish apartments when they are vacated in order to maximize their rental potential. The total budget set aside for this type of operation is expected to represent almost **€40m over the next five years**.

Main achievements and effects in 2018

64,000 sq.m of residential projects already underway, to be launched in 2019 or under review

Gecina's residential division has already launched **four development projects representing almost 20,900 sq.m** (two student residences and two traditional residential programs), with deliveries expected for 2020 and 2021.
Two other projects have been identified for nearly 15,000 sq.m and are expected to be launched in 2019, while **another six are currently under review** for 28,200 sq.m.

First effects of the reduced vacancy rate and the reversion captured

The processes put in place since the start of the year have already made it possible to reduce the residential portfolio's vacancy rate by 0.6pts. Moreover, the reversion potential captured in 2018 shows a significant improvement compared with previous years, with the new leases signed achieving +5.6% higher rents on average than the levels paid by the previous tenants. This performance compares favorably with the average reversion of +1.9% per year observed between 2014 and 2017. As a result, organic growth in residential rental income came to +2.1% in 2018, significantly outperforming indexation.

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Lettings ramped up since the start of the year

2018 followed on from a particularly dynamic year in 2017 in terms of lettings. Since the start of the year, **Gecina has let, relet or renegotiated nearly 247,000 sq.m of offices**, representing **€95m of annualized rental income**, reflecting both the positive trends on the Paris market and the Group's commitment to anticipating its letting challenges.

On the scope for relettings or renewals, Gecina has secured **an average positive reversion of +4.5% for headline rents**.

- This performance has been driven by the capital's core, with **+10% reversion in the CBD and the 6th and 7th arrondissements**, and **+2% for the rest of Paris**. For reference, 61% of Gecina's office portfolio is located in Paris City.
- However, the reversion achieved is **zero for La Défense** and **negative for the Paris Region's other sectors and outside of the Paris Region**.

These performance levels, achieved through tenant rotations, confirm the Group's strategic focus on the most central sectors.

The Group has notably secured nearly 100,000 sq.m of pre-lettings on buildings upstream from their delivery. Regarding the scope for **office buildings delivered in 2018 or to be delivered in 2019, the pre-letting rate is now 77%** (including the lease signed on February 14, 2019 for 5,800 sq.m of the Be Issy building).

Main lettings in 2018 for assets under development:

- Gecina has let the entire **Le France** building in Paris for over 20,000 sq.m to the WeWork Group under a firm 12-year lease, with this building delivered in the last quarter of 2018.
- The 14,400 sq.m **Paris-Guersant** building in the 17th arrondissement, delivered in the third quarter of 2018, has also been fully let (versus 62% at end-2017).
- A firm 10-year lease has been signed with the pharmaceutical group MSD for 29% of the space in the 37,200 sq.m **Carré Michelet** building.
- In addition, the **MAP** building, which will be delivered during the first half of 2019, has been fully pre-let to the Lacoste Group under a firm seven-year lease.
- The building on **Rue de Madrid** in Paris' central business district, which will be delivered in 2020, has been fully let to the WeWork Group with a firm 12-year lease for 11,100 sq.m.
- The **Ibox** building located at Gare de Lyon, in Paris City, with over 19,200 sq.m of space, has been fully let to several tenants. It will be delivered during the first half of 2019.
- Nearly 65% of the **Be Issy** building's space has now been let to two tenants. A lease was signed on February 14 for 5,800 sq.m with the Edenred Group.

At this stage, more than half of the assets expected to be delivered in 2019 have already been pre-let. In Paris City, only 1,800 sq.m of the space to be delivered in 2019 still need to be pre-let, highlighting the good level of the rental markets in the most central sectors and especially Paris City.

Project pipeline topped up to €4.0bn and 174,000 sq.m delivered in 2018

Nine projects delivered in 2018

Gecina delivered nine projects in 2018, representing 174,000 sq.m, including eight office buildings. Five of them are located in Paris: Le Jade, Ville l'Eveque, 32 Guersant, Le France and Penthemont 1. These buildings in Paris are fully let. Gecina has also delivered the Sky 56 building in Lyon Part-Dieu, with 95% of its space let, primarily to the Orange Group, as well as the Octant-Sextant building in Levallois-Perret, 81% let, and the Be Issy building in Issy-les-Moulineaux in the Western Crescent, 65% let. In addition, the "Rose de Cherbourg" student residence in La Défense was delivered for the start of the 2018-19 academic year.

On these nine buildings, Gecina has already recorded a net value creation of €330m since their redevelopments were launched.

€3.2bn of projects committed or to be committed in the short term

€1.7bn of committed projects (deliveries for 2019-2021)

Nearly 63% of this committed pipeline is located in Paris City, with 32% in the Western Crescent's best business districts (Neuilly and La Défense) and the remaining 5% comprising a student residence and a residential program in the Paris Region. **Four new projects** representing 26,200 sq.m were transferred to the pipeline at the end of 2018, with three office projects (two in the Paris CBD and one in La Défense) and one residential project in the Paris Region.

With an expected yield on cost of 5.6%, the committed pipeline represents a potential rental income volume of around €93m as the various assets are delivered. At this stage, 41% of the projects scheduled for delivery between 2019 and 2021 have been pre-let. **The pre-letting rate represents 60%[2] for the nine committed projects scheduled for delivery in 2019-2020.**

[2] On the office portfolio

At end-2018, €364m were still to be invested on committed projects, with €163m in 2019, €144m in 2020 and €57m in 2021.

€1.5bn of "controlled and certain" projects (deliveries for 2020-2024)
The "controlled and certain" pipeline groups together the assets held by Gecina that are currently being vacated and for which a redevelopment project aligned with Gecina's investment criteria has been identified. These projects will therefore be launched over the coming half-year periods.
This pipeline includes **13 projects** that will be transferred to the committed pipeline when they are vacated by their current tenants. In 2018, €42m of rental income was received on these buildings, which are scheduled to be vacated before being redeveloped.
These projects are scheduled for delivery between 2020 and 2024, and 78% are located in Paris City, with an average expected yield on cost of 6.1%.

€590m will be invested in these controlled and certain projects once they have been launched, with €21m to be paid out in 2019 and €115m in 2020.

€0.9bn of "likely" controlled projects over the longer term (possible deliveries in 2022-2026)
The "likely" controlled pipeline covers the projects identified and owned by Gecina that may require pre-letting (for greenfield projects in peripheral locations within the Paris Region) or cases when tenant departures are not yet certain over the short term. The identification of these projects upstream is making it possible to achieve a potential yield on cost of 6.6% with a portfolio of potential projects focused primarily on Paris (50%). These projects will be launched as decided by Gecina in line with real estate market developments at the time of their potential launch. The greenfield operations will be able to be launched or sold based on the opportunities that arise.

Project	Location	Delivery date	Total space sq.m	Total investment (€m)	Already invested (€m)	Still to invest (€m)	Yield on cost (net)	Prime yields (BNPPRE)	Pre-let	Average rental entry date (on leases signed)
Paris – Ibox	Paris	Q1-19	19,200	167	159	8			100%	Q3-19
La Défense - Carré Michelet	La Défense	Q2-19	37,200	338	316	22			29%	Q3-19
Paris - MAP	Paris	Q2-19	13,800	156	149	7			100%	Q2-19
Paris - Penthemont 2	Paris 7th	Q4-19	2,400	53	40	13			100%	Q4-19
Paris - 7, Rue de Madrid	Paris CBD	Q2-20	11,100	109	73	36			100%	Q2-20
Neuilly - 157 Charles de Gaulle	Western Crescent	Q1-21	11,200	103	64	39			0%	
Paris - L1ve	Paris CBD	Q3-21	33,500	478	364	113			0%	
Paris - Pyramide	Paris CBD	Q3-19	2,119	35	33	2			100%	Q3-20
La Défense - Guynemer	La Défense	Q3-19	12,203	96	83	13			0%	
Paris - Friedland	Paris CBD	Q4-19	1,795	28	22	5			0%	
Total offices			**144,517**	**1,562**	**1,304**	**258**	**5.6%**	**3.3%**	**41%**	
Paris - St Mandé	Paris	Q2-20	700	4	1	4			na	
Paris - Porte Brancion	Paris	Q2-21	2,900	19	0	19			na	
Ivry sur Seine - Ynov	Inner Rim	Q2-21	7,200	41	4	37			na	
Ville d'Avray	Inner Rim	Q3-21	10,100	49	3	45			na	
Total residential			**20,900**	**113**	**8**	**106**	**5.1%**	**3.9%**		
TOTAL committed pipeline			**165,417**	**1,675**	**1,312**	**364**	**5.6%**	**3.4%**		
Controlled and certain: Offices			138,059	1,415	870	545	6.2%	3.3%		
Controlled and certain: Residential			14,968	84	39	45	4.3%	3.4%		
Total controlled and certain			**153,027**	**1,499**	**909**	**590**	**6.1%**	**3.3%**		
Total committed + controlled and certain			**318,444**	**3,174**	**2,220**	**954**	**5.8%**	**3.3%**		
Likely redevelopments			90,564	650	389	261	6.0%	3.4%		
Greenfield			75,000	223	4	219	8.6%	5.0%		
Total controlled and likely			**165,564**	**874**	**393**	**480**	**6.6%**	**3.8%**		
TOTAL PIPELINE			**484,008**	**4,048**	**2,614**	**1,434**	**6.0%**	**3.4%**		

Increase in real estate values increasingly marked in central sectors

The portfolio value (block) is up +3.4% year-on-year and like-for-like to €19,270m.
The increase in value observed is linked to a business plan effect and a slight compression of yields for residential and the most central office sectors, as well as value growth for assets under development, benefiting from an upturn on the rental markets in their benchmark markets and the progress made with work.

Once again, the dominance of the most central sectors is reflected in the appraisal values. The business plan effect or rent effect accounts for the majority of the value growth recorded. The rent effect accounts for two thirds of the increase in values for Paris and almost 60% for the entire office portfolio.

The **office portfolio** value is up **+2.5% over 12 months**, including **+4.0% growth for the Paris portfolio**.

Although they have also seen growth, values have increased more slowly for the other sectors **(+0.7% for the Western Crescent and La Défense** and down slightly with **-2.0% for the Paris Region's other sectors**).

These appraisals reflect a very slight compression of capitalization rates in Paris City and an overall stabilization for offices since end-2017 to 4.3% including retail units and **4.6% exclusively for offices**. The office portfolio's growth in value is therefore linked primarily to a positive rent effect and a slight compression of yields in Paris City.

The valuation retained for Gecina's **residential portfolio** is up **+7.5% like-for-like**. This performance has been driven by positive trends on the market for vacant properties and the growing appetite among institutional investors justifying a lower discount for the block values, as well as the **rollout of Gecina's new strategy on this asset class, with its first value creation effects** (more ambitious investment plans and rental reversion).

Breakdown by segment	Appraised values		Net capitalization rates		Like-for-like change	
In million euros	2018	2017	2018	2017	Dec 2018 vs. Dec 2017	Dec 2018 vs. Jun 2018
Offices	**15,354**	**15,760**	**4.31%**	**4.32%**	**+2.5%**	**+0.8%**
Paris CBD & 5-6-7 - Offices	5,050	4,772	3.84%	3.88%	+3.6%	+1.7%
Paris CBD & 5-6-7 - Retail	1,515	1,430	2.26%	2.41%	+6.3%	+2.9%
Paris - Other	2,760	2,614	5.02%	5.09%	+3.0%	+1.2%
Western Crescent - La Défense	4,688	4,551	4.80%	4.69%	+0.7%	-0.6%
Paris Region - Other	862	1,130	6.53%	6.30%	-2.0%	-1.1%
Other French regions / International	479	1,264	5.17%	5.19%	+1.8%	+1.1%
Residential (block)	**3,291**	**3,160**	**3.27%**	**3.49%**	**+7.5%**	**+4.4%**
Other commercial assets	**221**	**246**	**5.98%**	**5.95%**	**-0.2%**	**-0.7%**
Hotels & finance leases	**404**	**482**	**ns**	**ns**	**ns**	**ns**
Group total	**19,270**	**19,648**	**4.13%**	**4.19%**	**+3.4%**	**+1.5%**
Total value: unit appraisals	**19,745**	**20,101**			**+3.4%**	**+1.3%**

Year-on-year EPRA NAV growth of +5.4%

Diluted EPRA NAV (block) represents €161.6 per share, up +5.4% year-on-year and +2.8% over six months.

EPRA NAV (unit) represents €168.0 per share, up +5.5% year-on-year, taking into account the residential portfolio's unit values.

Diluted EPRA triple net NAV (block) came to €160.5 per share, with growth of +5.0% year-on-year and +2.5% over six months.

This change benefits from a slight compression in capitalization rates for offices in Paris and a positive business plan effect, as well as the impact of Gecina's total return strategy, particularly with growth in the value of the development portfolio benefiting from extensive pre-lettings and deliveries during the year.

Growth in EPRA triple net NAV per share for 2018 came to +€7.6, with the following breakdown:

- 2017 dividend: - €5.30
- Impact of recurrent net income: + €5.93
- Like-for-like value adjustment on Office assets: + €3.10
- Like-for-like value adjustment on Residential assets: + €2.63
- Net value increase for 2018 acquisitions and pipeline (incl. deliveries): + €2.71
- Net capital gains from sales completed or underway: - €0.29
- Fair value adjustment on financial instruments and debt: - €0.78
- Compensation receivable: + €0.80
- Other: - €1.20

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In million euros	Dec 31, 17 Amount / number of shares	Dec 31, 17 € / share	Jun 30, 18 Amount / number of shares	Jun 30, 18 € / share	Dec 31, 18 Amount / number of shares	Dec 31, 18 € / share
Fully diluted number of shares	73,454,892		73,507,865		74,375,424	
Shareholders' equity under IFRS	**10,986***		**11,196***		**11,722***	
+ Receivable from shareholders			86.1			
+ Impact of exercising stock options	6.5		5.0		4.0	
Diluted NAV	10,993	€149.6	11,287	€153.6	11,726	**€157.7**
+ Fair value reporting of buildings at amortized cost	113.3		115.6		125.6	
+ Hotel business	43.0		43.0		53.1	
+ Optimization of transfer duties	121.8		124.0		116.4	
- Fair value of financial instruments	(13.1)		(6.0)		(2.9)	
- Deferred tax			(3.9)		0.5	
= Diluted EPRA NAV	11,257	€153.3	11,560	€157.3	12,019	**€161.6**
+ Fair value of financial instruments	13.1		6.0		2.9	
+ Fair value of liabilities	(37.4)		(57.2)		(80.4)	
+ Deferred tax	0.0		3.9		(0.5)	
= Diluted EPRA triple net NAV	11,233	€152.9	11,513	€156.6	11,941	**€160.5**

* Including €208m of goodwill

Gecina launches YouFirst

Dedicated brand for office and residential users

On December 6, 2018, Gecina announced the launch of YouFirst, its relational brand for all its clients: office, collaborative, residential and student. YouFirst is effectively aligned with their needs for continuity across their experiences and high-quality services between their various living spaces.

YouFirst sets out Gecina's convictions for tomorrow's city, understated, fluid and inclusive, built around two commitments:

- The quality of the client relationship, over the long term, founded primarily on the human dimension;
- The development of high value-added services.

YouFirst will be rolled out as follows:

- Youfirst bureau, for commercial;
- Youfirst collaborative, for shared workspaces;
- Youfirst residence, for the rental residential offering;
- Youfirst campus, for student residences.

Survey conducted with our clients in 2018-2019 revealing the key challenges for our sector

Over several months in 2018-2019, Gecina carried out a survey with major office users, making it possible to identify the main challenges for the industry: flexibility, human resources performance, productivity and wellbeing, optimization of uses, connectivity, responsibility.

The real estate industry can meet these major challenges with an offering that is flexible in terms of uses and commitments, central with a focus on the most central and accessible sectors, connected and digital in line with the smart office model, while also promoting wellness and productivity within a responsible approach.

Gecina's first ambitions, favorably positioned on centrality sectors: YouFirst Collaborative

Within this framework, Gecina is announcing two major initiatives for the deployment of "YouFirst Collaborative". The Group will gradually roll out a flex offer across its portfolio over the coming years, aiming to offer more than **40,000 sq.m,** representing 5% of its portfolio in Paris City. The offer will focus on the Paris Region's central sectors and primarily Paris City, where Gecina has various clusters: CBD-Etoile, CBD-Opéra/Bourse, 6th and 7th arrondissements, Monceau-Courcelles, Neuilly-Porte Maillot and La Défense. Gecina also intends to extract additional value from its portfolio by developing the pooling of service spaces for these clusters with shared auditoriums, restaurants, fitness centers, meeting rooms, etc.

Gecina launches a €150m share buyback program

Considering the significant dichotomy between the physical real estate markets and Gecina's stock price, Gecina is launching a €150m share buyback program to capitalize on an accretive investment opportunity for all the Group's aggregates. This operation will also have a limited impact on Gecina's LTV ratio.

Proposed dividend for 2018 up for the seventh consecutive year

A proposal will be submitted at the General Meeting on April 17, 2019 to approve a payout of €5.50 per share for 2018.

For the 2018 dividend, an interim cash dividend of €2.75 will be paid on March 6, 2019, followed by the balance - also in cash - of €2.75 on July 3, 2019.

Stronger model making it possible to look ahead to the future with confidence

The project deliveries completed in 2018 and scheduled for 2019 are expected to offset to a great extent the impacts of the sales carried out in 2018, the expected loss of rent on assets currently being redeveloped or to be launched for redevelopment shortly, and the reduction in capitalized financial expenses. Excluding the impacts of the sales carried out on Eurosic's previous scope following its acquisition, recurrent net income (Group share) per share is expected to increase by around +2% in 2019 (excluding potential impacts of acquisitions or sales not currently committed to), representing around €5.70 to €5.75 per share.

Over the longer term, the pipeline projects currently underway and the projects to be launched over the coming half-year periods are expected to generate a significant net rental gain. Taking into account the loss of rent involved with freeing up assets with strong value creation potential, as well as the annualized residual effect of the sales carried out in 2018, IFRS gross rental income could see growth of €130m to €140m by 2024, thanks exclusively to these internal dynamics developed by the Group.

Gecina, at the heart of urban life

Gecina owns, manages and develops property holdings worth 19.3 billion euros at end- 2018. As a specialist for centrality and uses, the Group is building its business around Europe's leading office portfolio, with nearly 97% located in the Paris Region, and a diversification division with residential assets and student residences. Gecina has put sustainable innovation at the heart of its strategy to create value and anticipate the expectations of around 100,000 customers and end users, thanks to the dedication and expertise of its staff, who are committed to an understated, fluid and inclusive city. To offer its customers high-quality services and support their changing needs, Gecina has launched YouFirst, its relational brand.
Gecina is a French real estate investment trust (SIIC) listed on Euronext Paris, and is part of the SBF 120, CAC Next 20, CAC Large 60, Euronext 100, FTSE4Good, DJSI Europe and World, Stoxx Global ESG Leaders and Vigeo indices. In line with its commitments to the community, Gecina has created a company foundation, which is focused on protecting the environment and supporting all forms of disability.

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APPENDIX

1- FINANCIAL STATEMENTS

CONDENSED INCOME STATEMENT AND RECURRENT INCOME

At the Board meeting on February 19, 2019, chaired by Bernard Carayon, Gecina's Directors approved the financial statements at December 31, 2018. The audit procedures have been performed on these accounts and the certification reports have been issued after verifying the information contained in the annual report, included in the reference document.

In million euros	Dec 31, 17	Dec 31, 18	*Change (%)*
Gross rental income	**558.9**	**661.7**	***+18.4%***
Net rental income	**516.9**	**606.9**	***+17.4%***
Operating margin for other business	4.8	12.7	*+161.1%*
Services and other income (net)	3.6	3.5	*-3.3%*
Salaries and management costs	(71.8)	(86.9)	*+21.0%*
EBITDA	**453.5**	**536.1**	***+18.2%***
Net financial expenses	(80.4)	(93.7)	*+16.5%*
Recurrent gross income	**373.0**	**442.4**	***+18.6%***
Recurrent net income from associates	1.0	1.5	*+53.7%*
Recurrent minority interests	(7.5)	(1.7)	*-77.4%*
Recurrent tax	(3.0)	(5.0)	*+64.9%*
Recurrent net income (Group share) [1]	**363.5**	**437.2**	***+20.3%***
Recurrent net income (Group share) per share	**5.44**	**5.93**	***+9.0%***
Gains from disposals	20.0	(11.5)	*-157.2%*
Change in fair value of properties	1,555.8	565.8	*-63.6%*
Real estate margin	0.5	(9.5)	*-1,926.0%*
Amortization	(5.5)	(13.6)	*+146.6%*
Net provisions and depreciation	8.7	(5.3)	*-160.7%*
Compensation receivable	-	59.0	-
Impact of business combination	(28.6)	(0.7)	*-97.6%*
Financial amortization and depreciation	0.4	0.0	*-94.0%*
Change in value of financial instruments and debt	12.7	(14.6)	*-214.6%*
Bond redemption costs and premiums	(23.8)	0.0	*-100.0%*
Share in non-recurrent net income from associates	3.5	(1.0)	*-127.7%*
Non-recurring tax	(3.9)	(0.7)	*-82.1%*
Non-recurrent minority interests	(7.8)	(0.3)	*-96.4%*
Consolidated net income (Group share)	**1,895.6**	**1,005.0**	***-47.0%***

[1] EBITDA restated for net financial expenses, recurrent tax, minority interests, income from associates and certain non-recurring costs (see Note 1.1.3 Recurrent net income in 2018 Registration document)

CONSOLIDATED BALANCE SHEET

ASSETS *In million euros*	Dec 31, 17	Dec 31, 18
Non-current assets	18,983.0	18,669.5
Investment properties	15,407.4	16,604.0
Buildings under redevelopment	2,806.4	1,508.1
Buildings in operation	244.0	66.9
Other property, plant and equipment	13.3	16.2
Goodwill	207.7	207.7
Intangible assets	5.9	6.6
Financial receivables on finance leases	224.3	175.1
Long-term financial investments	3.4	27.2
Investments in associates	44.7	48.4
Non-current financial instruments	17.7	7.4
Deferred tax assets	8.2	1.9
Current assets	1,123.1	1,039.5
Properties for sale	578.7	649.8
Inventories	156.3	49.1
Trade receivables and related	141.7	110.7
Other receivables	100.0	175.0
Prepaid expenses	22.3	23.1
Current financial instruments	2.1	0.0
Cash and cash equivalents	122.0	31.7
TOTAL ASSETS	20,106.1	19,709.0

LIABILITIES *In million euros*	Dec 31, 17	Dec 31, 18
Shareholders' equity	11,014.4	11,751.2
Share capital	565.2	572.0
Additional paid-in capital	3,167.1	3,273.3
Consolidated reserves	5,358.1	6,871.5
Consolidated net income	1,895.6	1,005.0
Capital and reserves attributable to owners of the parent	10,986.0	11,721.8
Non-controlling interests	28.4	29.4
Non-current liabilities	6,982.6	5,425.4
Non-current financial liabilities	6,926.8	5,382.7
Non-current financial instruments	6.5	3.8
Deferred tax liabilities	12.6	5.8
Non-current provisions	36.8	33.1
Non-current taxes due & other employee-related liabilities	0.0	0.0
Current liabilities	2,109.0	2,532.4
Current financial liabilities	1,607.9	2,103.9
Current financial instruments	0.2	0.7
Security deposits	86.8	81.0
Trade payables and related	278.4	207.3
Current taxes due & other employee-related liabilities	57.3	72.7
Other current liabilities	78.4	66.8
TOTAL LIABILITIES	20,106.1	19,709.0

2- INVESTMENTS DURING THE YEAR

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In million euros	2018
Maintenance capex	75
Pipeline investments	301
Of which, capitalized financial expenses	*18*
Acquisitions	31
Total investments in 2018	406

3- Factors for like-for-like rental income changes in 2018 vs 2017

Offices

Like-for-like change	Indexes	Business effect	Vacancy	Other
+2.7%	+1.2%	+0.0%	+0.9%	+0.6%

Total residential

Like-for-like change	Indexes	Business effect	Vacancy	Other
+2.1%	+0.8%	+0.3%	+0.9%	+0.1%

4- Rental risks

Gecina's tenants operate across a very wide range of sectors responding to various macroeconomic factors.

Breakdown of tenants by sector (offices - based on annualized rents):

	2018
Public sector	7%
Insurance	4%
Other	5%
Banking	5%
Real estate	3%
Industry	8%
IT	5%
Luxury goods - retail	15%
Media - television	4%
Services	37%
Technology and telecoms	7%

Volume of rental income by three-year break and end of leases:

Commercial lease schedule	2019	2020	2021	2022	2023	2024	2025	> 2025	Total
Break-up options	124	66	78	40	29	56	21	136	549
End of leases	74	35	70	26	31	41	45	227	549

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5- FINANCING

5.1 Debt structure

Gecina's gross financial debt[1] came to €7,433m at December 31, 2018, compared with €8,453m at end-2017; net financial debt[1] represents €7,402m at end-2018.

The main characteristics of the debt are as follows:

	Dec 31, 2017	Dec 31, 2018
Gross financial debt (in million euros) [2]	8,453	7,433
Net financial debt (in million euros) [1]	8,331	7,402
Gross nominal debt (in million euros) [2]	8,427	7,406
Unused credit lines (in million euros)	3,760	4,255
Average maturity of debt (in years, restated for available credit lines)	6.9	7.3
LTV	42.4%	38.4%
LTV (including transfer taxes)	40.0%	36.2%
ICR	5.6x	5.7x
Secured debt / portfolio value	3.6%	1.0%

(1) Excluding fair value items linked to Eurosic's debt, with €7,455m including these items.
(2) Gross financial debt (excluding fair value items linked to Eurosic's debt) = Gross nominal debt + impact of the recognition of bonds at amortized cost + accrued interest not due + other items.

Breakdown of gross nominal debt:

	Dec 31, 18
Long-term bonds	75%
Corporate bank loans	0%
Mortgage loans	3%
Short-term resources covered by long-term credit lines	23%

5.2 Debt schedule

The following table presents the schedule for Gecina's debt at December 31, 2018 following the allocation of undrawn credit lines:

In million euros	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	> 2032
Maturities	-	-	-	329	1,323	1,277	1,372	202	502	731	500	500	-	500	-	137

5.3 Bank covenants

Gecina's financial position at December 31, 2018 is compliant with the various limits likely to affect the conditions for repayment or early repayment clauses in the various credit agreements.
The following table presents the position for the main financial ratios covered under the agreements:

Ratios	Covenant	Dec 31, 2018
LTV: loan to value (block, excl. duties)	< 55% - 60%	38.4%
ICR: EBITDA (excluding disposals) / net financial expenses	> 2.0x	5.7x
Outstanding secured debt / net asset value of portfolio (block, excl. duties)	< 25%	1.0%
Net asset value of portfolio (block, excl. duties) in billion euros	> 6.0 - 8.0	19.3

6- Annualized gross rental income

Annualized rental income corresponds to the effective rental position on the year-end reporting date. As such, it does not take into consideration lettings or properties vacated, or sales or acquisitions of buildings that would not have an impact by the year-end reporting date.

Annualized rental income In million euros	2017	2018
Offices	529	517
Traditional residential	106	105
Student residences	17	18
Other commercial assets	18	14
Total	**669**	**654**

7- Payout

A proposal will be submitted at the General Meeting on April 17, 2019 to approve a payout of €5.50 per share for 2018.
For the 2018 dividend, an interim cash dividend of €2.75 will be paid on March 6, 2019, followed by the balance - also in cash - of €2.75 on July 3, 2019.

This document does not constitute an offer to sell or a solicitation of an offer to buy Gecina securities and has not been independently verified.
If you would like to obtain further information concerning Gecina, please refer to the public documents filed with the French Financial Markets Authority (Autorité des marchés financiers, AMF), which are also available on our internet site.
This document may contain certain forward-looking statements. Although the Company believes that such statements are based on reasonable assumptions on the date on which this document was published, they are by their very nature subject to various risks and uncertainties which may result in differences. However, Gecina assumes no obligation and makes no commitment to update or revise such statements.