Press release
July 19, 2023

Earnings at June 30, 2023

Operational and strategic successes in a changing environment
2023 guidance revised upwards

- Recurrent Net Income (Group share) per share growth of +7.5% (+4.5% in 2022)
- Gross rental income up +8% on a current basis driven by reversion (+15% for offices), occupancy (+80bp), indexation and pipeline
- Disposals: €1bn with a +10% premium versus the end-2022 appraisal values and 2.5% loss of rental income
- Improvement in all debt metrics (LTV down to 32.2%)
- Efficiency plan generating a -17% reduction in energy consumption over 6 months
- 2023 guidance revised upwards: 2023 recurrent net income per share expected to be up +6% to +8%

First-half Recurrent Net Income (Group share) up +7.5% (€2.93 per share)
- **Like-for-like rental income growth of +6.9%** (+7.5% for offices) driven by:
    - Improvement in occupancy (+1.6%), with the average occupancy rate up +80bp over six months
    - Indexation that is ramping up (+4.2%)
    - Rental uplifts (+1.1%)
- **Pipeline's** positive net contribution (+€7m over six months)
- **Average cost of debt under control** at 1.4% (1.1% for drawn debt)

Operational performances and market trends that confirm Gecina's positioning
- **Leaing trends** confirmed in **central areas**
    - Reversion captured on offices, with +33% for Paris and +15% overall
    - Residential reversion of +13% captured
- **Market vacancy rate** in Paris' Central Business District at an **all-time low** (c.2% source JLL)
- **Pipeline deliveries scheduled** over the next 12 months, **82% already pre-let**

Significant improvement in all debt indicators in an uncertain financial context
- €1bn of disposals with an **average premium of +10%** versus the latest appraisals and a **loss of rental income of 2.5%**, executed in a quiet investment market, resulting in:
    - **LTV down** -150bp in six months to **32.2%** (including duties) despite the -4% drop in valuations like-for-like (with the NTA down by -6%)
    - **Liquidity further strengthened**, now covering bond maturities until 2028
    - **Debt now 95% hedged on average through to 2027**

Strong reduction in energy consumption with the efficiency plan launched in 2022
- Average **energy** consumption reduced by around **-17%** over six months for the office buildings managed by Gecina following the efficiency action plan rolled out
- Roadmap to reduce carbon emissions per sq.m by **-75% since 2008**, in line with the carbon ambition "CAN0P-2030"

Recurrent net income per share growth of +6% to +8% now expected for 2023
- **Operational performances** exceeding expectations (positive trends on central markets)
- **Disposals** carried out with an accretive impact on recurrent net income
- Strong control over **operating expenses** in an inflationary environment

2023 recurrent net income growth guidance upwards, with €5.9 to €6.0 per share now expected (vs. €5.8 to €5.9 initially), up +6% to +8% compared with 2022 (vs. +4% to +6% initially)

Beñat Ortega, Chief Executive Officer: *"The first half of this year confirms the performance achieved in 2022, reflecting Gecina's strong operational successes in central areas and our proactive long-term debt management, giving us visibility over our financial expenses. The confirmation of these trends further strengthens our confidence, enabling us to raise our guidance in recurrent income per share for 2023.*

In an uncertain context, with a disrupted macroeconomic environment, but favorable leasing trends for Paris City, we have decided to optimize and accelerate the Group's dynamic capital allocation strategy.

During the first half of 2023, we sold €1bn of mature real estate assets, above their appraisal values and with a loss of rental income of only 2.5%, enabling us to further strengthen the quality of our balance sheet, which was already particularly robust, in addition to financing our pipeline, concentrated primarily in Paris and driving strong value creation, and offering us an opportunistic financial headroom.

In the context of a new reality on the real estate markets, today we are building the foundations for a Group that will be better positioned to deliver sustainable outperformance".

	Jun-22	Jun-23	Change	Like-for-like
Offices	244.7	266.6	+9.0%	+7.5%
Traditional residential	53.4	55.6	+4.1%	+4.6%
Student residences	10.1	10.7	+6.1%	+6.2%
Gross rental income	**308.2**	**332.9**	**+8.0%**	**+6.9%**

Recurrent net income (Group share)[1]	201.2	216.5	+7.6%
Per share (€)	**2.73**	**2.93**	**+7.5%**

	Dec-22	Jun-23	Change
LTV (excluding duties)	35.7%	34.1%	-160bp
LTV (including duties)	33.7%	32.2%	-150bp

EPRA Net Reinstatement Value (NRV) per share	189.5	176.9	-6.6%
EPRA Net Tangible Assets (NTA) per share	**172.2**	**161.4**	**-6.3%**
EPRA Net Disposal Value (NDV) per share	183.8	172.2	-6.3%

[1] EBITDA excluding IFRIC 21 after deducting net financial expenses, recurrent tax, minority interests, including income from associates and restated for certain non-recurring items.

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Recurrent net income: strong growth

In million euros	Jun 30, 2022	Jun 30, 2023	Change (%)
Gross rental income	**308.2**	**332.9**	***+8.0%***
Net rental income	**277.8**	**301.3**	***+8.5%***
Operating margin for other business	1.4	1.0	*-28.1%*
Services and other income (net)	1.3	1.9	*+52.7%*
Overheads	(39.1)	(39.7)	*+1.6%*
EBITDA - recurrent	**241.4**	**264.6**	***+9.6%***
Net financial expenses	(38.5)	(47.5)	*+23.4%*
Recurrent gross income	**202.9**	**217.0**	***+7.0%***
Recurrent net income from associates	0.7	1.1	*+55.2%*
Recurrent minority interests	(0.9)	(0.9)	*+6.0%*
Recurrent tax	(1.6)	(0.8)	*-52.4%*
Recurrent net income (Group share) [1]	**201.2**	**216.5**	***+7.6%***
Recurrent net income (Group share) per share	**2.73**	**2.93**	***+7.5%***

(1) EBITDA excluding IFRIC 21 after deducting net financial expenses, recurrent tax and minority interests, including income from associates and restated for certain non-recurring items.

Recurrent net income (Group share) came to €2.93 per share, up +7.5%, thanks to the combination of robust leasing trends, the increase in the rental margin and the good control of overheads and financial expenses.

Like-for-like rental performance: +€19m

This change takes into account the increase in the occupancy rate, the gradual impact of indexation and the positive rental reversion secured.

Pipeline (deliveries and redevelopments): +€7m net change in rental income

Recurrent net income (Group share) benefited from a positive effect of the **pipeline**, with the impact of building deliveries higher than the temporary effects of the assets made unavailable for rent with a view to being redeveloped.

- **+€13m** of additional rental income generated by **the recent deliveries** of buildings under development: "157 CDG" in Neuilly and "l1ve" Paris-CBD in 2022, as well as Boétie Paris-CBD and a residential building in Ville d'Avray during the first half of 2023.
- The buildings to be redeveloped reduced first-half rental income by **-€6m**, including the launch of work to redevelop the Icône building (previously 32 Marbeuf in Paris CBD) and 27 Canal (previously "Flandre" in Paris City).

Asset disposals: -€2m net change in rental income

The significant volume of disposals completed since the start of the year (€1bn of disposals, with a loss of rental income of around 2.5%) was concentrated primarily at the end of the second quarter. The impact on rental income is therefore moderate for the first half of the year.

Rental margin up +40bp

	Group	Offices	Residential	Student
Rental margin at Jun 30, 2022	90.1%	92.1%	82.5%	82.4%
Rental margin at Jun 30, 2023	90.5%	93.2%	80.5%	75.5%

The rental margin is up +40bp over 12 months. This growth is linked primarily to the higher average occupancy rate and costs being charged back to tenants more effectively, offsetting the increase in local taxes.

Overheads under control

In an inflationary context, the Group paid particularly close attention to changes in its overheads. This focus has started to deliver benefits across all of the Company's cost areas. As a result, the EBITDA margin shows a significant increase, up +110bp year-on-year.

Financial expenses: up +€9m

The disposals completed during the first half of the year have not yet had any impact on financial expenses. However, the impact on them will be immediately visible from the start of the second half of the year.

Financial expenses are up +€9m over 12 months. This increase is firstly due to a volume effect because the average net debt is up +€239m between the first half of 2022 and the first half of 2023. However, this increase also reflects a base effect compared with the first half of 2022, before the hedging facilities (caps) were fully activated. The average cost of debt has virtually stabilized since the second half of 2022 following the activation of these instruments (with an average cost of 0.2%), confirming the effectiveness of the Group's debt hedging and further strengthening its visibility over the cost of its debt for the coming half-year periods.

Gross rental income up +8% on a current basis

Gross rental income In million euros	Jun 30, 2022	Jun 30, 2023	Change (%) Current basis (%)	Like-for-like (%)
Offices	**244.7**	**266.6**	**+9.0%**	**+7.5%**
Traditional residential	53.4	55.6	+4.1%	+4.6%
Student residences	10.1	10.7	+6.1%	+6.2%
Total gross rental income	**308.2**	**332.9**	**+8.0%**	**+6.9%**

Like-for-like, the acceleration in performance exceeded the levels reported at end-2022, with rental income growth of +6.9% overall (vs. +4.4% at end-2022) and +7.5% for offices (vs. +4.6% at end-2022).

All of the components contributing to like-for-like rental income growth during the first half of this year are trending up.

- **The impact of the increase in the occupancy rate** contributed +1.6% to like-for-like growth.
- **The gradual impacts of the acceleration in indexation** contributed +4.2%.
- **Rental reversion was captured** for both offices and residential: the capturing of this reversion contributed +1.1% to organic rental income growth.

With these positive trends on all Gecina's business lines, **like-for-like rental income growth** of around **+6% is expected for the full year in 2023.**

On a current basis, rental income is up by nearly +8%, benefiting from not only the robust like-for-like rental performance, but also the **pipeline's strong net rental contribution** (+€7m), particularly following two major deliveries of office buildings in 2022 in Paris and Neuilly and two new deliveries in 2023 with the "Boétie" office building (Paris CBD) and a residential building in Ville d'Avray.

Offices: positive rental trends

Gross rental income - Offices In million euros	Jun 30, 2022	Jun 30, 2023	Change (%) Current basis	Like-for-like
Offices	**244.7**	**266.6**	**+9.0%**	**+7.5%**
Central areas (Paris, Neuilly, Southern Loop)	**179.3**	**194.2**	**+8.3%**	**+5.8%**
Paris City	**143.3**	**154.7**	+8.0%	+6.3%
- Paris CBD & 5-6-7	88.4	99.1	+12.1%	+6.9%
- Paris - Other	54.8	55.6	+1.3%	+5.4%
Core Western Crescent	**36.0**	**39.5**	**+9.8%**	**+3.6%**
La Défense	**30.7**	**35.2**	**+14.5%**	**+14.5%**
Other locations	34.7	37.2	+7.3%	+8.8%

Increase in occupancy rate, positive reversion, indexation

Gecina has **let, relet or renegotiated nearly 84,000 sq.m** since the start of the year, with a strong level of lettings activity, in the context of a reduction in the vacancy rate in the central markets where Gecina operates.

- **The vast majority of the transactions** carried out during the first half of the year concerned **relettings or renewals of leases**.
  - Overall, the **average reversion captured came to +15%**
  - This performance, driven by central sectors in particular, was further strengthened during the first half of the year, with reversion reaching over **+30% in Paris City**.
- The remaining 10% of transactions mainly concerned **buildings that were delivered recently or under development**: they included the signing of a lease for the 35 Capucines building in Paris' Central Business District.

Iconic transactions confirming the Group's strategic positioning

Among the latest rental transactions secured since the start of the year, some operations highlight the very good performance by central markets for high-quality buildings.

During the first half of the year, the Group secured several rental transactions at close to or over €1,000/sq.m/year in Paris' Central Business District, confirming the widespread adoption of a new rental benchmark, including:

- **35 Capucines** (6,300 sq.m): nearly half of the building pre-let to a law firm (delivery expected for the second quarter of 2024)
- **24-26 Saint-Dominique** (7,900 sq.m): half of the building pre-let to a private equity player (from the second half of 2024), following the BCG Group's relocation to the l1ve building in Paris' CBD

These transactions add to the list of rental transactions secured recently over the last 12 months based on these same levels of rent, with the 3 Opéra, 16 Capucines and 44 Champs-Elysées buildings.

The Group also let 8,700 sq.m in Boulogne-Billancourt in the Horizons building, with rents now over €500/sq.m.

85% of the Group's portfolio is located in Paris City, Neuilly-sur-Seine/Levallois or the Southern Loop (primarily Boulogne-Billancourt), concentrated in the sectors with the most positive trends, benefiting from the polarization of the markets. In these sectors, the theoretical timeframe to clear the stock of vacant space is short, particularly in Paris and Neuilly (around 0.4 years), where it has been decreasing regularly in the last few years.

Change in gross rental income for offices

Like-for-like office rental income growth came to +7.5% year-on-year (vs. +4.6% at end-2022), benefiting from an improvement in the occupancy rate across our buildings for +1.9%, as well as a positive indexation effect which is continuing to ramp up (+4.8%), passing on the return of an inflationary context, as well as the impact of the positive reversion captured in the last few years (+0.8%).

- **In the most central sectors (85% of Gecina's office portfolio)** in Paris City, Neuilly-Levallois and Boulogne-Issy, like-for-like rental income growth came to **+5.8%**, benefiting from an improvement in the occupancy rate (+0.7%), positive indexation (+4.5%) and other effects including positive rental reversion (+0.9%).

- **On the La Défense market (8% of the Group's office portfolio)**, Gecina's rental income is up **+14.5%** like-for-like:
  - Two thirds of this performance factor in a significant increase in the occupancy rate for the Group's buildings, resulting from the arrival of tenants in the second half of 2022 with the leases signed previously on buildings that were vacant (Carré Michelet, Adamas).
  - Reversion had a marginally positive impact on this sector (+0.2%).

Rental income growth on a current basis came to nearly +9% for offices, reflecting the impact of the pipeline's positive net contribution (+€7m net of tenant departures from buildings to be redeveloped), notably taking into account the delivery of the "l1ve" building during the second half of 2022 and the "Boétie" building during the first half of 2023, which are both located in Paris' Central Business District, largely offsetting the buildings vacated and currently being redeveloped (Icône-Marbeuf and 27 Canal-Flandre in Paris).
The impact of disposals completed during the first half of the year is moderate at this stage (-€2m).

Residential: operational trends confirmed during the first half of the year

Gross rental income In million euros	Jun 30, 2022	Jun 30, 2023	Change (%) Current basis	 Like-for-like
Total residential	**63.5**	**66.3**	**+4.4%**	**+4.9%**
Traditional residential	53.4	55.6	+4.1%	+4.6%
Student residences	10.1	10.7	+6.1%	+6.2%

The residential division's rental income is up +4.9% like-for-like. This performance reflects the impact, on an equivalent basis, of **indexation**, **rental reversion** and the **higher occupancy rate** in our buildings (+190bp year-on-year).

YouFirst Residence: strong operational trends

Like-for-like, rental income from traditional residential properties is up **+4.6%**.
This performance takes into account the impacts of positive **indexation** (+2.5%) and the **positive reversion** (+1.2%) secured on the apartments relet, **with an verage uplift of +13%**.

YouFirst Campus: strong upturn in activity

Rental income from student housing portfolio is up +6.2% like-for-like and +6.1% on a current basis, reflecting the gradual improvement since the third quarter of 2021.
This performance is linked primarily to the significant **reversion** captured (contributing +5.5%).

Financial occupancy rate up +80bp over six months and +160bp year-on-year

Average financial occupancy rate	Jun 30, 2022	Sep 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023
Offices	**91.8%**	**92.3%**	**92.8%**	**94.5%**	**93.8%**
Traditional residential	96.8%	96.5%	96.7%	97.1%	96.3%
Student residences	86.3%	82.7%	86.0%	93.4%	86.8%
Group total	**92.3%**	**92.5%**	**93.1%**	**94.9%**	**93.9%**

The Group's average financial occupancy rate is at a high level, with **93.9%, up +160bp over 12 months and +80bp over six months**, reflecting the benefits of the strong upturn in rental transactions since the second quarter of 2021 and the digitalization of letting processes, making it possible to reduce transition vacancies in residential assets, as well as the normalization of occupancy levels for student residences.

For offices, the performance reflects the robust trend for leasing transactions, the delivery of buildings during the last 12 months that were fully let (l1ve-Paris CBD and Boétie-Paris CBD), the leases signed during previous quarters that came into effect in the second half of 2022.
However, this rate decreased during the second quarter of 2023. This decrease is temporary because it reflects the departure of tenants from three buildings located in Paris and Neuilly, with the majority of their space already relet, which are subject to small-scale renovation works. The completion of these works, expected for mid-2024, will enable the future tenants to occupy the building, resulting in a mechanical improvment of the average financial occupancy rate.

For traditional residential, the moderate contraction in the occupancy rate (-50bp over one year) follows the delivery of a residence during the first half of the year (in Ville d'Avray), where occupancy levels are gradually ramping up.

For student housing, the occupancy rate shows a slight increase year-on-year (+50bp) and over six months (+80bp), but is down over three months, once again reflecting a temporary effect, linked to the digitalization of letting processes. The Group expects this rate to normalize over the coming quarters.

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Portfolio value: positive rent effect in central sectors, moderating the impact of an increase in capitalization rates

Breakdown by segment	Appraised values	Net capitalization rates		Like-for-like change	
In million euros	Jun 30, 2023	Jun 30, 2023	Dec 31, 2022	Jun 2023 vs. Jun 2022	Jun 2023 vs. Dec 2022
Offices (incl. retail units)	**14,632**	**4.5%**	**4.2%**	**-7.2%**	**-4.5%**
Central areas	**12,428**	**3.9%**	**3.6%**	**-5.5%**	**-3.4%**
- Paris City	10,121	3.6%	3.3%	-4.6%	-2.8%
- Core Western Crescent	2,308	5.0%	4.6%	-8.5%	-5.4%
La Défense	**1,107**	**6.7%**	**6.0%**	**-14.1%**	**-9.8%**
Other locations	**1,097**	**8.3%**	**7.5%**	**-14.3%**	**-8.6%**
Residential (block)	**3,801**	**3.2%**	**3.1%**	**-4.5%**	**-2.2%**
Hotels & finance leases	**49**				
Group total	**18,482**	**4.2%**	**4.0%**	**-6.6%**	**-4.0%**
Total value: unit appraisals	**19,035**			**-6.3%**	**-3.8%**

The portfolio value (block) came to €18.5bn, with a like-for-like **value adjustment of -4% over six months** and nearly -7% over 12 months. However, this change includes very contrasting trends depending on the areas, with a polarization of the markets, once again benefiting the most central sectors.

Offices: adjustment of capitalization rates partially offset by positive rent effects in central sectors

The value of our office portfolio shows a decrease of around -4.5% on average over six months and -7.2% over 12 months.

- Reflecting the impact of an adjustment in yields (**"yield effect"**), with **a negative impact across all sectors** (-6% to -8% for the first half of the year).
- Combined with a **"rent effect"** reflecting the different trends of the Paris Region's rental markets. This effect is **positive in Paris City** (+5%) and the Core Western Crescent (Neuilly and Boulogne) with nearly +3%, but it is negative elsewhere (-3% to -6%), in the Paris Region's less central sectors.

The very strong weighting of Gecina's portfolio in the most central sectors, where rental trends are particularly positive, made it possible to moderate the value adjustment for the first half of the year.

Over 24 months, the trends in terms of life-for-like value growth reflect a significant adjustment due to yield expansion, offset by a very favorable rent effect in the central areas.

- **The "yield effect"** (negative macroeconomic effect attributable to an increase in capitalization rates) negatively affected the value of assets across all asset classes by around **-14%**.
- However, the **"rent effect"**, attributable to rental trends in each sector, show significant differences between locations.
  - This "rent effect" is **negative for more peripheral areas** (Inner and Outer Rims), where it reached **-10%**, accentuating the decrease in value for the assets concerned.
  - However, it is **significantly positive for the central sectors (+15% in Paris)**, offsetting the drop in value resulting from the increase in rates.

Residential: resilient values

For the residential portfolio, the valuation retained is down slightly with **-2.2%** over six months (-2.2% for traditional residential, -1.7% for student housing) and -4.5% over 12 months (-4.8% for traditional residential and -2.3% for student housing).

NAV: Net Tangible Assets (NTA) of €161.4 per share (-6% over six months) Net Disposal Value (NDV) of €172.2 (-6% over six months)

- The EPRA Net Disposal Value (**NDV**) was **€172.2** per share (-6% over six months). It represents **€179.7** per share including the unit values for residential.
- EPRA Net Tangible Assets (**NTA**) came to **€161.4** per share (-6% over six months). They represent **€168.8** per share including the unit values for residential.
- The EPRA Net Reinstatement Value (**NRV**) came to **€176.9** per share (-7% over six months). It represents **€184.9** per share including the unit values for residential.

This change primarily reflects the like-for-like adjustment in the portfolio value.
The scale of this contraction in the NAV was reduced by the Group's moderate leverage effect, with an LTV (including duties) of 32.2% today.

The change in EPRA Net Tangible Assets (NTA) per share came to -€11 over six months, with the following breakdown:

- Dividend paid in H1 2023:	- €2.65
- H1 2023 recurrent income:	+ €2.9
- Value adjustment linked to the yield effect:	- €17.2
- Value adjustment linked to the "rent" effect:	+ €6.6
- Capital gains on sales:	+ €1.2
- Other (including IFRS 16):	- €1.7

Capital allocation: €1bn of disposals immediately accretive, with positive impacts across all debt KPIs

€1bn of disposals

Since the start of the year, Gecina has completed nearly €1bn of disposals. All of the assets sold achieved a premium versus the latest appraisal values, with an average of +10%. For information, this premium represents +17% compared with the end-2019 appraisals.
These sales were completed with an average loss of rental income of 2.5%.

Specifically, the Group sold:

- three office buildings in Paris' Central Business District (129 Malesherbes, 142 Haussmann and 43 Friedland), representing over 5,100 sq.m.
- one office building located in Cergy-Pontoise (around 10,000 sq.m)
- one residential building in Courbevoie (16,600 sq.m)
- the 101 Champs Elysées building, occupied by LVMH (nearly 10,000 sq.m)

Use of proceeds from the sales

In the short term, the proceeds from these sales have been used to **replace short-term financing facilities** (commercial paper) with an average cost of around 3.5%, resulting in an **accretive** impact on recurrent net income per share.
These sales had **a positive impact on Gecina's debt KPIs** (LTV, ICR, net debt/EBITDA), as well as **the level of available liquidity**, now enabling it to cover all of bond maturities through to 2028 (at constant debt levels).

These disposals are also enabling the **Group to optimize its debt hedging with a view** to increasing its duration and level over the medium term. Based on the current level of debt, the Group's debt is fully hedged for the second half of 2023, with its hedging rate gradually decreasing to reach 75% in 2027. **The hedging rate is now 95% on average through to the end of 2027**.

Over the medium term, these disposals have secured all of the financing for the pipeline of committed projects for which the return on capital employed is very significantly higher than the loss of rental income. Alongside this, the strengthening of Gecina's solid balance sheet structure opens up opportunistic financial headroom for the coming years.

€160m of investments made, primarily on development projects

70% of the €160m of investments spent during the first half of 2023 were focused on the development pipeline or projects delivered during the year.
The remaining corresponds to investments to improve the residential and commercial portfolio, helping capture the reversion potential.

Balance sheet and financial structure: debt structure further strengthened during the first half of the year

Ratios	Covenant	Jun 30, 2023
Loan to value (block, excl. duties)	< 60%	34.1%
EBITDA / net financial expenses	> 2.0x	5.3x
Outstanding secured debt / net asset value of portfolio (block, excl. duties)	< 25%	-
Net asset value of portfolio (block, excl. duties) in billion euros	> 6.0	18.5

Since the start of the year, Gecina's debt structure has been further strengthened, reflecting the impact of a significant volume of disposals, contributing to the improvement in all the characteristics of the Group's debt.
Gecina has also aligned its financing with its CSR convictions, setting up new responsible credit lines and requalifying all of its outstanding bonds as Green Bonds.

€575m of new financing secured since the start of the year

Since the start of 2023, thanks to its strong financial ratings, Gecina has proactively secured €575m of new debt under favorable conditions.

- €325m of bank loans - including €180m of undrawn credit lines - with a maturity of 6.1 years based on equivalent financial conditions (margin) to the other existing credit lines.
- €250m of bond financing, with an average maturity of 8.4 years and a margin of 91bp.

LTV down to 32% (including duties)

The reduction in the Group's net debt (to €6.3bn at end-June 2023 vs. €7.2bn at end-December 2022), particularly following the disposals completed during the first half of the year, consolidated the **LTV at around 32% (including duties)**, and also significantly improved the ICR and the net debt/EBITDA ratios.

Liquidity further strengthened, making it possible to cover bond maturities through to 2028

Alongside this, access to liquidity has been significantly strengthened, thanks to nearly €5.3bn of available liquidity, with €4.1bn of liquidity net of short-term financing facilities, considerably higher than the long-term target of €2.0bn. To date, this surplus liquidity makes it possible to cover the bond maturities through to 2028, i.e. one more year than the situation published at the end of 2022.

Excellent visibility over the hedged cost of debt, with over 90% hedging maintained through to 2026

In terms of the sensitivity of the Group's average cost of debt, Gecina capitalized on the opportunity offered by a high volume of sales during the first half of the year to also optimize the hedging of its debt. Based on the current level of debt, the Group's debt is fully hedged for the second half of 2023, with its hedging rate gradually decreasing to reach 75% in 2027. **The hedging rate is now 95% on average through to the end of 2027**. For comparison, Gecina's debt at end-2022 was 90% hedged on average through to just 2025.

The ICR represents 5.3x (vs. 5.5x one year ago). **It does not yet include the impact of the sales completed** mid-2023, which will significantly improve this indicator.
The secured debt ratio is still 0%, giving Gecina significant headroom in relation to its bank covenants.

Project pipeline: €2.6bn of outstanding quality projects phased over the coming years (€862m to be invested)

With a committed pipeline of around €1.4bn and a €1.2bn controlled and certain pipeline that could be launched over the coming years, the Group is expected to benefit from a strong leverage effect on rental income growth between 2023 and 2027.

€1.4bn of committed projects (deliveries for 2023-2025), €372m of investments still to be made and €70m of potential rental income

The office projects under development are concentrated primarily in central sectors, with **92% of the committed pipeline for offices in Paris City**, for an expected yield on cost of around 5.6%. This yield on cost is up 30bp over six months, linked primarily to the combined impact of an increase in the rental income expected, as well as an excellent level of control over construction costs.
Nearly 30% of the committed pipeline is also made up of residential assets. In total, **16 projects** are currently committed to and will be delivered between **2023 and 2025**.

This pipeline includes the “Icône” redevelopment project (previously “32 Marbeuf”, 13,300 sq.m) in Paris’ Golden Triangle, with delivery scheduled for early 2025, and three other projects in Paris, with “27 Canal” (previously “Flandre”, 15,300 sq.m), “Mondo” (previously “Bancelles”, 30,100 sq.m) and “35 Capucines” (6,300 sq.m), at the heart of Paris’ Central Business District, very close to Place de l’Opéra.
For these buildings, the letting processes have been particularly active, and nearly 50% of the space in the 35 Capucines building was already pre-let during the first half of the year.

Major source of growth for coming years
Over the next 12 months, and primarily during the first half of 2024, seven projects are scheduled to be delivered:

- two office projects**, with 82% pre-let** (Porte Sud–Montrouge and 35 Capucines–Paris-CBD)
- five residential projects in Paris and Rueil

At end-December, €372m were still to be invested on committed projects, with €158m by end-2023, €198m in 2024 and €16m in 2025.

€1.2bn of “controlled” projects and €490m of investments that could potentially be launched over the coming half-year periods (deliveries in 2025-2027)

The pipeline of operations “to be committed”, i.e. “controlled”, 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.
This pipeline includes **seven projects, with four office buildings, located exclusively in Paris or Neuilly.** These projects will be able to be committed to once the administrative authorizations have been obtained and they have been vacated by their current tenants.

All of these projects are subject to regular reviews in line with market developments, and the final launch decision can be taken by Gecina up until the effective redevelopment start date.

€0.2bn of “likely” controlled projects over the longer term (possible deliveries in 2027-2028)

The “likely” controlled pipeline covers the projects identified and owned by Gecina for which tenant departures are not yet certain.
These projects have a **potential yield on cost of around 6%**. These projects will be launched when decided by Gecina in line with real estate market developments.

Energy efficiency plan: Energy consumption reduction exceeding the Group's expectations

Energy efficiency plan already performing particularly well: energy consumption reduced by -17% and carbon emissions by -21% in six months.
In 2022, Gecina launched an energy efficiency plan aiming to rapidly and significantly reduce energy consumption for the buildings across its portfolio, supporting its tenants to use their offices more efficiently.

Today, the Group is able to collect real-time information on 92% of its rental space in operation. All of the office buildings are now equipped with connected sensors (2,400 sensors installed, including 1,200 added during the first half of the year), while 2,400 sensors have also been installed across the residential portfolio, enabling each building's operating conditions to be adjusted in real time with a view to optimizing its performance.

- 100% of the office tenants have already received a list of specific recommendations for their buildings to reduce their energy consumption.
- A dedicated team is gradually being deployed for the Group's 50 main buildings. To date, 47 of them have already been reviewed by this task force. Following this deployment, specific lists have been drawn up with actions to be taken to optimize the energy consumption of these buildings, making it possible to open discussions and look specifically at concrete actions with the tenants in place.

At end-June, this efficiency plan was already showing very significant progress.

- **Average energy consumption** across the commercial portfolio managed by Gecina was reduced by around **-17%** over six months, contributing to the **reduction in carbon emissions by -21%** over this same period.

Gecina's performance is aligned with the roadmap from its ambition to be carbon neutral by 2030, following on from the commitment it has set out since 2008.
Carbon emissions across Gecina's commercial portfolio have been reduced by -75% since 2008 (to 8.6kgCO_2/sq.m/year), while **energy consumption has been reduced by -50%** over this same period (to 150 Kwhf/sq.m/year).

Guidance revised upwards: 2023 recurrent net income growth of +6% to +8% now expected (between €5.90 and €6.00)

The results published at end-June 2023 reflect the very good level of the rental markets in Gecina's preferred locations. This robust operational performance is being further strengthened by the ramping up of indexation and the pipeline’s positive contribution to the Group’s rental income growth.
Alongside this, Gecina’s long debt maturity and active rate hedging policy will enable it to limit the impact of interest rate rises on the Group’s financial expenses in 2023.

During the first half of the year, the Group’s operational performances exceeded its initial expectations, and the €1bn of sales completed, with a loss of rental income of 2.5%, contributed to the robust trend for recurrent net income per share growth.

As a result, Gecina is raising its guidance for 2023, with **recurrent net income (Group share) now expected to reach €5.90 to €6.00 per share (vs. €5.80 to €5.90 previously),** with growth of **+6% to +8%**.

About Gecina

As a specialist for centrality and uses, Gecina operates innovative and sustainable living spaces. The Group owns, manages and develops Europe’s leading office portfolio, with nearly 97% located in the Paris Region, and a portfolio of residential assets and student residences, with over 9,000 apartments. These portfolios are valued at 18.5 billion euros at end-June 2023.

Gecina has firmly established its focus on innovation and its human approach at the heart of its strategy to create value and deliver on its purpose: **“Empowering shared human experiences at the heart of our sustainable spaces”.** For our 100,000 clients, this ambition is supported by our client-centric brand YouFirst. It is also positioned at the heart of UtilesEnsemble, our program setting out our solidarity-based commitments to the environment, to people and to the quality of life in cities.

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 and Euronext 100 indices. Gecina is also recognized as one of the top-performing companies in its industry by leading sustainability benchmarks and rankings (GRESB, Sustainalytics, MSCI, ISS ESG and CDP).
www.gecina.fr

GECINA CONTACTS

Financial communications

Samuel Henry-Diesbach
Tel: +33 (0)1 40 40 52 22
samuelhenry-diesbach@gecina.fr

Sofiane El Amri
Tel: +33 (0)1 40 40 52 74
sofianeelamri@gecina.fr

Press relations

Glenn Domingues
Tel: +33 (0)1 40 40 63 86
glenndomingues@gecina.fr

Armelle Miclo
Tel: +33 (0)1 40 40 51 98
armellemiclo@gecina.fr

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1. APPENDICES

1.1. Financial statements / Net asset value (NAV) / Pipeline

CONDENSED INCOME STATEMENT AND RECURRENT INCOME

At the Board meeting on July 19, 2023, chaired by Jérôme Brunel, Gecina's Directors approved the financial statements at June 30, 2023. The audit procedures have been completed on these accounts, and the certification reports have been issued.

In million euros	Jun 30, 2022	Jun 30, 2023	*Change (%)*
Gross rental income	**308.2**	**332.9**	***+8.0%***
Net rental income	**277.8**	**301.3**	***+8.5%***
Operating margin for other business	1.4	1.0	*-28.1%*
Services and other income (net)	1.3	1.9	*+52.7%*
Overheads	(39.1)	(39.7)	*+1.6%*
EBITDA - recurrent	**241.4**	**264.6**	***+9.6%***
Net financial expenses	(38.5)	(47.5)	*+23.4%*
Recurrent gross income	**202.9**	**217.0**	***+7.0%***
Recurrent net income from associates	0.7	1.1	*+55.2%*
Recurrent minority interests	(0.9)	(0.9)	*+6.0%*
Recurrent tax	(1.6)	(0.8)	*-52.4%*
Recurrent net income (Group share) [1]	**201.2**	**216.5**	***+7.6%***
Recurrent net income (Group share) per share	**2.73**	**2.93**	***+7.5%***
Gains from disposals	4.9	76.5	*ns*
Change in fair value of properties	362.9	(862.9)	*na*
Amortization	(4.8)	(5.3)	*+9.8%*
Net provisions and depreciation	(0.9)	(0.5)	*-44.4%*
Financial depreciation	0.3	0.0	*na*
Other non-recurring items	(3.5)	0.0	*na*
Change in value of financial instruments and debt	12.1	(12.0)	*na*
Share in non-recurrent net income from associates	(0.9)	(9.9)	*ns*
Non-recurrent minority interests	1.6	2.4	*+48.2%*
Consolidated net income attributable to owners of the parent [2]	**573.1**	**(595.1)**	***na***

[1] EBITDA excluding IFRIC 21 after deducting net financial expenses, recurrent tax, minority interests, including income from associates and restated for certain non-recurring items.

[2] Excluding impact of IFRIC 21

CONSOLIDATED BALANCE SHEET

ASSETS *In million euros*	Dec 31, 2022	Jun 30, 2023
Non-current assets	**20,267.3**	**18,654.9**
Investment properties	18,131.2	16,628.9
Buildings under redevelopment	1,354.1	1,297.6
Operating properties	78.4	79.7
Other property, plant and equipment	11.2	10.1
Goodwill	183.2	174.9
Intangible assets	13.5	12.4
Financial receivables on finance leases	48.9	39.9
Financial fixed assets	57.3	52.6
Investments in associates	108.5	98.7
Non-current financial instruments	279.8	258.9
Deferred tax assets	1.2	1.2
Current assets	**410.6**	**1,010.5**
Properties for sale	207.5	171.3
Trade receivables and related	38.1	66.0
Other receivables	91.0	94.9
Prepaid expenses	23.4	25.4
Cash and cash equivalents	50.6	652.9
TOTAL ASSETS	**20,677.9**	**19,665.3**

LIABILITIES *In million euros*	Dec 31, 2022	Jun 30, 2023
Shareholders' equity	**12,780.9**	**11,777.6**
Share capital	574.7	574.7
Additional paid-in capital	3,303.9	3,303.9
Consolidated reserves	8,709.1	8,485.3
Consolidated net income	169.6	(607.4)
Shareholders' equity attributable to owners of the parent	**12,757.2**	**11,756.5**
Non-controlling interests	23.7	21.1
Non-current liabilities	**5,591.7**	**5,935.2**
Non-current financial debt	5,298.2	5,650.9
Non-current lease obligations	50.1	49.8
Non-current financial instruments	152.2	143.2
Non-current provisions	91.2	91.2
Current liabilities	**2,305.2**	**1,952.6**
Current financial debt	1,929.0	1,305.4
Security deposits	87.6	94.9
Trade payables and related	178.2	181.7
Current tax and employee-related liabilities	41.8	98.6
Other current liabilities	68.6	271.8
TOTAL LIABILITIES	**20,677.9**	**19,665.3**

NET ASSET VALUE

	EPRA NRV (Net Reinstatement Value)	EPRA NTA (Net Tangible Asset Value)	EPRA NDV (Net Disposal Value)
IFRS equity attributable to shareholders	11,756.5	11,756.5	11,756.5
Receivable from shareholders	195.7	195.7	195.7
Includes / Excludes			
Impact of exercising stock options			
Diluted NAV	**11,952.2**	**11,952.2**	**11,952.2**
Includes			
Revaluation of investment property	180.5	180.5	180.5
Revaluation of investment property under construction	-	-	-
Revaluation of other non-current investments	-	-	-
Revaluation of tenant leases held as finance leases	0.8	0.8	0.8
Revaluation of trading properties	-	-	-
Diluted NAV at fair value	**12,133.6**	**12,133.6**	**12,133.6**
Excludes			
Deferred tax	-	-	x
Fair value of financial instruments	(115.7)	(115.7)	x
Goodwill as a result of deferred tax	-	-	-
Goodwill as per the IFRS balance sheet	x	(174.9)	(174.9)
Intangibles as per the IFRS balance sheet	x	(12.4)	x
Includes			
Fair value of debt (1)	x	x	792.4
Revaluation of intangibles to fair value	-	x	x
Transfer duties	1,086.2	119.1	x
NAV	**13,104.0**	**11,949.7**	**12,751.1**
Fully diluted number of shares	74,057,311	74,057,311	74,057,311
NAV per share	**€176.9**	**€161.4**	**€172.2**

(1) Fixed-rate debt has been measured at fair value based on the yield curve at June 30, 2023

DEVELOPMENT PIPELINE OVERVIEW

Project	Location	Delivery date	Total space (sq.m)	Total investment (€m)	Already invested (€m)	Still to invest (€m)	Yield on cost (est.)	Average prime yield (BNPPRE / CBRE)	Pre-let
Montrouge - Porte Sud	Inner Rim	Q2-24	12,600	83					100%
Paris - 35 Capucines	Paris CBD	Q2-24	6,300	182					46%
Paris - Mondo (formerly Bancelles)	Paris CBD	Q3-24	30,100	388					0%
Paris - 27 Canal (Flandre)	Paris	Q4-24	15,300	117					0%
Paris - Icône (Marbeuf)	Paris CBD	Q1-25	13,300	210					0%
Total offices			**77,600**	**978**	**761**	**217**	**5.6%**	**3.7%**	**20%**
Paris - Glacière	Paris	Q4-23	800	9					
Paris - Wood'up	Paris	Q1-24	8,000	97					
Paris - Dareau	Paris	Q2-24	5,500	52					
Rueil - Arsenal	Rueil	Q2-24	6,000	47					
Rueil - Doumer	Rueil	Q2-24	5,500	46					
Bordeaux - Belvédère	Bordeaux	Q3-24	8,000	39					
Garenne Colombes - Madera	La Garenne Colombes	Q1-25	4,900	43					
Bordeaux - Brienne	Bordeaux	Q2-25	5,500	26					
Paris - Porte Brancion	Paris	Q3-24	2,100	16					
Paris - Vouillé	Paris	Q1-25	2,400	24					
Paris - Lourmel	Paris	Q1-25	1,600	17					
Residential densification		na	500	1					
Total residential			**50,800**	**417**	**262**	**155**	**3.7%**	**3.2%**	
Total committed pipeline			**128,400**	**1,395**	**1,023**	**372**	**5.0%**	**3.5%**	
Controlled: Offices			**85,000**	**1,146**	**726**	**420**	**4.9%**	**3.9%**	
Controlled: Residential			**12,400**	**104**	**33**	**70**	**3.7%**	**3.2%**	
Total controlled			**97,400**	**1,249**	**759**	**490**	**4.8%**	**3.9%**	
Total committed + controlled			**225,800**	**2,644**	**1,782**	**862**	**4.9%**	**3.7%**	
Total controlled and likely			**41,200**	**212**	**62**	**150**	**6.0%**	**4.4%**	
TOTAL PIPELINE			**267,000**	**2,857**	**1,844**	**1,012**	**5.0%**	**3.7%**	

(1) Committed pipeline is valued at €1,199m at H1-2023, this suggesting already book value creation is c.€176m
(2) Prime rates for office at the end of June 2023 (BNPPRE)
(3) Prime rates for residential at the end of May 2023 (CBRE)

1.2. EPRA reporting at June 30, 2023

Gecina applies the EPRA[1] best practices recommendations regarding the indicators listed hereafter. Gecina has been a member of EPRA, the European Public Real Estate Association, since its creation in 1999. The EPRA best practice recommendations include, in particular, key performance indicators to make the financial statements of real estate companies listed in Europe more transparent and more comparable across Europe.

Gecina reports on all the EPRA indicators defined by the "Best Practices Recommendations" available on the EPRA website.

Moreover, EPRA defined recommendations related to corporate social responsibility (CSR), called "Sustainable Best Practices Recommendations."

(1) European Public Real Estate Association.

	06/30/2023	06/30/2022	See Note
EPRA Earnings *(in million euros)*	199.0	185.8	1.2.1.
EPRA Earnings per share *(in euros)*	€2.70	€2.52	1.2.1.
EPRA Net tangible asset value *(in million euros)*	11,949.7	13,394.7	1.2.2.
EPRA Net initial yield	3.5%	3.2% [1]	1.2.3.
EPRA "Topped-up" net initial yield	3.8%	3.5% [1]	1.2.3.
EPRA Vacancy rate	7.7%	7.4%	1.2.4.
EPRA Cost ratio (including direct vacancy costs)	22.3%	23.8%	1.2.5.
EPRA Cost ratio (excluding direct vacancy costs)	20.2%	21.5%	1.2.5.
EPRA Property related capex *(in million euros)*	160	134	1.2.6.
EPRA Loan-to-Value	36.6%	35.9%	1.2.7.

(1) At December 31, 2022.

1.2.1 EPRA RECURRENT NET INCOME

The table below indicates the transition between the recurrent net income disclosed by Gecina and the EPRA recurrent net income:

In thousand euros	06/30/2023	06/30/2022
RECURRENT NET INCOME (GROUP SHARE)[1]	**216,532**	**201,195**
IFRIC 21	(12,288)	(10,219)
Depreciation and amortization, net impairment and provisions	(5,199)	(5,135)
EPRA RECURRENT NET INCOME (A)	**199,045**	**185,841**
Average number of shares excluding treasury shares (B)	73,832,958	73,752,206
EPRA RECURRENT NET INCOME PER SHARE (A/B)	**€2.70**	**€2.52**

(1) EBITDA excluding IFRIC 21 after deducting net financial expenses, recurring tax, minority interests, including income from associates and restated for certain non-recurring items.

1.2.2 NET ASSET VALUE

The calculation for the net asset value is explained in section "Net asset value."

In euros per share	06/30/2023	06/30/2022
EPRA NAV NRV	€176.9	€198.9
EPRA NAV NTA	**€161.4**	**€181.2**
EPRA NAV NDV	€172.2	€187.9

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1.2.3 EPRA NET INITIAL YIELD AND EPRA "TOPPED-UP" NET INITIAL YIELD

The table below indicates the transition between the yield rate disclosed by Gecina and the yield rates defined by EPRA:

In %	06/30/2023	12/31/2022
GECINA NET CAPITALIZATION RATE(1)	**4.2%**	**4.0%**
Impact of estimated costs and duties	-0.2%	-0.2%
Impact of changes in scope	0.1%	0.0%
Impact of rent adjustments	-0.6%	-0.6%
EPRA NET INITIAL YIELD(2)	**3.5%**	**3.2%**
Exclusion of lease incentives	0.3%	0.3%
EPRA TOPPED-UP NET INITIAL YIELD(3)	**3.8%**	**3.5%**

(1) Like-for-like June 2023.
(2) The EPRA net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.
(3) The EPRA topped-up net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.

▸ EPRA net initial yield and EPRA "Topped-up" net initial yield *(in million euros)*		Offices	Traditional residential	Student residences	Total H1 2023
Investment properties		14,632	3,402	399	18,433 (4)
Adjustment of assets under development and land reserves		(2,325)	(204)	(37)	(2,566)
▸ **VALUE OF THE PROPERTY PORTFOLIO IN OPERATION EXCLUDING DUTIES**		12,307	3,197	363	15,867
Transfer duties		733	218	18	969
▸ **VALUE OF THE PROPERTY PORTFOLIO IN OPERATION INCLUDING DUTIES**	**B**	**13,040**	**3,415**	**381**	**16,836**
Gross annualized IFRS rents		497	108	21	626
Non recoverable property charges		(15)	(18)	(4)	(37)
▸ **ANNUAL NET RENTS**	**A**	**482**	**90**	**18**	**590**
Rents at the expiration of the lease incentives or other rent discount		55	0	0	56
▸ **"TOPPED-UP" ANNUAL NET RENTS**	**C**	**538**	**90**	**18**	**645**
EPRA NET INITIAL YIELD(2)	**A/B**	**3.7%**	**2.6%**	**4.6%**	**3.5%**
EPRA "TOPPED UP" NET INITIAL YIELD(3)	**C/B**	**4.1%**	**2.6%**	**4.6%**	**3.8%**

(2) The EPRA net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.
(3) The EPRA topped-up net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.
(4) Except finance lease, hotel, headquarter and investment in Euler.

1.2.4 EPRA VACANCY RATE

In %	06/30/2023	06/30/2022
Offices	6.9%	6.8%
Traditional residential	5.8%	4.6%
Student residences	32.0%	30.4%
EPRA VACANCY RATE	**7.7%**	**7.4%**

EPRA vacancy rate corresponds to the vacancy rate "spot" at the end of the period. It is calculated as the ratio between the estimated market rental value of vacant spaces and potential rents for the operating property portfolio.

The financial occupancy rate reported in other parts of this document corresponds to the average financial occupancy rate of the operating property portfolio.

EPRA vacancy rate does not include leases signed with a future effect date.

	Market rental value of vacant units *(in million euros)*	Potential rents *(in million euros)*	EPRA vacancy rate at the end of June 2023 *(in %)*
Offices	39	561	6.9%
Traditional residential	7	113	5.8%
Student residences	8	26	32.0%
EPRA VACANCY RATE	**54**	**701**	**7.7%**

1.2.5 EPRA COST RATIOS

In thousand euros/in %	06/30/2023	06/30/2022
Property expenses(1)(2)	(135,153)	(114,733)
Overheads(1)(2)	(39,688)	(39,065)
Depreciation and amortization, net impairment and provisions(3)	(5,199)	(5,135)
Recharges to tenants	103,527	84,351
Rental expenses charged to tenants in gross rent	0	0
Other income/income covering overheads	1,940	1,271
Share in costs of associates	(147)	(136)
Ground rent	0	0
EPRA COSTS (INCLUDING VACANCY COSTS) (A)	**(74,720)**	**(73,446)**
Vacancy costs	7,086	7,124
EPRA COSTS (EXCLUDING VACANCY COSTS) (B)	**(67,634)**	**(66,322)**
Gross rental income less ground rent	332,932	308,193
Rental expenses charged to tenants in gross rent	0	0
Share in rental income from associates	1,469	906
GROSS RENTAL INCOME (C)	**334,401**	**309,099**
EPRA COST RATIO (INCLUDING VACANCY COSTS) (A/C)	**22.3%**	**23.8%**
EPRA COST RATIO (EXCLUDING VACANCY COSTS) (B/C)	**20.2%**	**21.5%**

(1) Marketing costs, eviction allowances, and time spent by the operational teams directly attributable to marketing, development or disposal projects are capitalized or reclassified as a result of disposals of €7.2 million in 2023 and €5.7 million in 2022.
(2) Without IFRIC 21.
(3) Excluding impairment of assets recognized at historical cost.

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1.2.6 CAPITAL EXPENDITURE

In million euros	06/30/2023			06/30/2022		
	Group	Joint ventures	Total	Group	Joint ventures	Total
Acquisitions	0	n.a.	0	0	n.a.	0
Pipeline	115	n.a.	115	92	n.a.	92
Of which capitalized interests	4	n.a.	4	3	n.a.	3
Maintenance capex[1]	45	n.a.	45	42	n.a.	42
Incremental lettable space	0	n.a.	0	0	n.a.	0
No incremental lettable space	41	n.a.	41	37	n.a.	37
Tenant incentives	3	n.a.	3	5	n.a.	5
Other expenses	0	n.a.	0	0	n.a.	0
Capitalized interest	0	n.a.	0	0	n.a.	0
TOTAL CAPEX	**160**	**n.a.**	**160**	**134**	**n.a.**	**134**
Conversion from accrual to cash basis	7	n.a.	7	(11)	n.a.	(11)
TOTAL CAPEX ON CASH BASIS	**166**	**n.a.**	**166**	**123**	**n.a.**	**123**

(1) Capex corresponding to (i) renovation work on apartments or private commercial surface areas to capture rental reversion, (ii) work on communal areas, (iii) lessees' work.

1.2.7 EPRA LOAN-TO-VALUE

In million euros	Group	Share of joint ventures	Share of material associates	Non-controlling Interests	Combined
Include					
Borrowings from financial institutions [1]	145	-	13	-	158
Commercial paper[1]	1,194	-	-	-	1,194
Hybrids	-	-	-	-	-
Bond loans[1]	5,587	-	-	-	5,587
Foreign currency derivatives	-	-	-	-	-
Net Payables[2]	470	-	1	(2)	469
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (equity characteristic)	16	-	-	(16)	0
Exclude					
Cash and cash equivalents	(653)	-	(5)	2	(655)
NET DEBT (A)[3]	**6,758**	**-**	**10**	**(16)**	**6,752**
Include					
Owner-occupied property[4]	247	-	-	-	247
Investment properties at fair value[4]	16,668	-	106	(36)	16,737
Properties held for sale[4]	171	-	-	-	171
Properties under development[4]	1,298	-	-	-	1,298
Intangibles	12	-	-	-	12
Net receivables	-	-	-	-	-
Financial assets	-	-	1	-	1
TOTAL PROPERTY VALUE (EXCL. RETTS) (B)[5]	**18,396**	**-**	**106**	**(36)**	**18,467**
Real estate transfer taxes	1,086	-	8	(2)	1,092
TOTAL PROPERTY VALUE (INCL. RETTS) (C)	**19,483**	**-**	**114**	**(39)**	**19,558**
EPRA LTV (EXCL. RETTS) (A/B)	**36.7%**				**36.6%**
EPRA LTV (INCL. RETTS) (A/C)	**34.7%**				**34.5%**

(1) See details of the group's financial debt in note 5.5.5.11.1 to the consolidated accounts.
(2) This item includes current liabilities (accrued interest, security deposits, trade payables, tax and social security liabilities, other liabilities) net of current receivables (trade receivables, other receivables and prepaid expenses).
(3) Adjusted for net payables excluding accrued interest, net financial debt is €6,297 million.
(4) Block values of buildings and finance leases, excluding real estate transfer taxes.
(5) Adjusted for intangible assets and the book value of equity-accounted investments, the value of property portfolio is €18,482 million.

1.3. Additional information on rental income

1.3.1 RENTAL SITUATION

Gecina's tenants come from a wide range of sectors of activity, reflecting various macro-economic factors.

Breakdown of tenants by sector (offices – based on annualized headline rents)

	Group
Public sector	8%
Consulting/services	19%
Industry	37%
Finance	7%
Media – television	6%
Retail	6%
Hospitality	5%
Technology	12%
Other	1%
TOTAL	**100%**

Weighting of the top 20 tenants (% of annualized total headline rents)

Breakdown for office only (not significant for the Residential and Student portfolios):

▸ Tenant	Group
ENGIE	7%
LAGARDÈRE	3%
WEWORK	3%
BOSTON CONSULTING GROUP	3%
SOLOCAL GROUP	2%
YVES SAINT LAURENT	2%
EDF	2%
MINISTÈRES SOCIAUX	2%
GRAS SAVOYE	1%
ARKEMA	1%
EDENRED	1%
EIGHT ADVISORY	1%
LVMH	1%
IPSEN	1%
RENAULT	1%
JACQUEMUS SAS	1%
LACOSTE OPÉRATIONS COURT 37	1%
SALESFORCE COM.FRANCE	1%
ORANGE	1%
CGI FRANCE	1%
TOP 10	**25%**
TOP 20	**36%**

1.3.2 ANNUALIZED GROSS RENTAL INCOME

Annualized rental income is down –€7 million from December 31, 2022, primarily reflecting the impact of the sales completed during the first half of the year (–€25 million), but significantly offset by the like-for-like rental trends (+€11 million) and the buildings delivered during the first half of the year (+€7 million).

Note that this annualized rental income includes €22 million from assets intended to be vacated for redevelopment.

In addition, the annualized rental income figures below do not yet include the rental income that will be generated by committed or controlled projects, which may represent nearly €130 million of potential headline rents.

In million euros	06/30/2023	12/31/2022
Offices	515	520
Traditional residential	108	109
Student residences (Campus)	22	23
TOTAL	**645**	**652**

1.3.3 LIKE-FOR-LIKE RENT CHANGE FACTORS FOR THE FIRST HALF OF 2023 VS. THE FIRST HALF OF 2022

Group

▸ Like-for-like change	Indexes	Business effects	Vacancy	Other
6.9%	4.2%	1.1%	1.6%	0.0%

Offices

▸ Like-for-like change	Indexes	Business effects	Vacancy	Other
7.5%	4.8%	0.8%	1.9%	–0.1%

Total residential

▸ Like-for-like change	Indexes	Business effects	Vacancy	Other
4.9%	2.2%	1.9%	0.5%	0.3%

1.3.4 VOLUME OF RENTAL INCOME BY THREE-YEAR BREAK AND END OF LEASES *(in million euros)*

▸ Commercial lease schedule	2023	2024	2025	2026	2027	2028	2029	> 2029	Total
Break-up options	34	88	81	64	102	44	35	115	562
End of leases	30	50	24	40	95	46	49	228	562

1.4. Financial resources

The first half of 2023 was marked by higher short-term interest rates and more stable long-term rates, with inflation remaining very high amid an economic backdrop that remained uncertain.

Amid this volatile environment, Gecina could rely on the robust and flexible balance sheet it has built up over the last few years. The Group was able to take advantage of favorable bond market conditions at the end of 2022 and in the first half of 2023 to raise a total of €400 million (average maturity 9.5 years) through tap issues.

The Group's already significant levels of liquidity at December 31, 2022 were further bolstered by these tap issues, by taking out €145 million in responsible bank loans, and by the early refinancing of undrawn credit lines resulting in €180 million of new responsible lines of credit, with an average maturity of seven years.

Over the past eighteen months, Gecina has raised a total of €3 billion in new long-term financing, further illustrating the Group's deep and liquid access to all sources of financing.

At June 30, 2023, Gecina therefore had immediate liquidity of €5.3 billion, or €4.1 billion excluding NEU CP, which is considerably higher than the long-term target of a minimum of €2.0 billion. This excess liquidity notably covers all bond maturities until 2028 (and therefore in particular the 2025 and 2027 maturities).

This proactive management of the financial structure has ensured that the Group's main credit indicators remain at an excellent level. The maturity of the debt was 7.6 years at the end of June 2023, the interest rate risk hedging is 89% on average until the end of 2028, and the average maturity of this hedging is 6.7 years. The loan-to-value (LTV) ratio (including duties) was 32.2%, and the interest coverage ratio (ICR) stood at 5.3x. Gecina therefore has a significant margin with respect to all of its banking covenants.

1.4.1 DEBT STRUCTURE

Net financial debt amounted to €6,297 million at June 30, 2023, down €872 million further the asset sales realized during the first-half of the year.

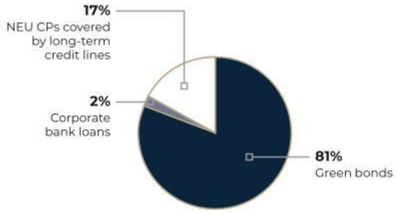
The main characteristics of the debt are:

	12/31/2022	06/30/2023
Gross financial debt *(in million euros)*(1)	7,219	6,950
Cash position *(in million euros)*(	51	653
Net financial debt *(in million euros)*(2)	7,169	6,297
Gross nominal debt *(in million euros)*(1)	7,224	7,039
Unused credit lines *(in million euros)*	4,610	4,660
Average maturity of debt *(years, restated from available credit lines)*	7.5	7.6
LTV (including duties)	33.7%	32.2%
LTV (excluding duties)	35.7%	34.1%
EPRA LTV (excluding duties)	36,8%	36,6%
ICR	5.6x	5.3x
Secured debt/Properties	0.0%	0.0%

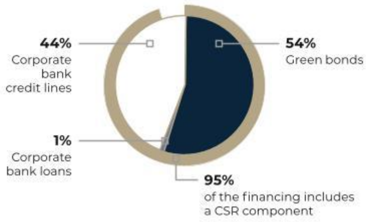
(1) Gross financial debt (excluding fair value related to Eurosic's debt) = Gross nominal debt + impact of the recognition of bonds at amortized cost + accrued interest not yet due + miscellaneous.
(2) Excluding fair value related to Eurosic's debt, €6,303 million including these items.

Debt by type

Breakdown of gross nominal debt *(€7.0 billion)*



Breakdown of authorized financing
(€10.5 billion, including €4.7 billion of unused credit lines at June 30, 2023)



Gecina uses diversified sources of financing. Long-term bonds represent 81% of the Group's nominal debt and 54% of the Group's authorized financing.

At June 30, 2023, Gecina's gross nominal debt was €7,039 million and comprised:

- €5,700 million in long-term Green Bonds issued under the Euro Medium-Term Notes (EMTN) program;
- €145 million in responsible bank loans;
- €1,194 million in NEU CP covered by confirmed medium- and long-term credit lines.

1.4.2 LIQUIDITY

The main objectives of the liquidity are to provide sufficient flexibility to adapt the volume of debt to the pace of acquisitions and disposals, cover the refinancing of short-term maturities, allow refinancing under optimal conditions, meet the criteria of the credit rating agencies, and finance the Group's investment projects.

Financing and refinancing transactions carried out in the first half of 2023 amounted to €575 million and related in particular to:

- raising €250 million of Green Bond debt via tap issues on existing medium- and long-term issues (maturing in 2028, 2032, 2033 and 2036) placed in January and May 2023 (a similar transaction was completed in December 2022 for €150 million). The average margin on these new bonds was 91 basis points with an average term of 8.4 years;
- taking out €145 million in responsible bank loans, with an average term of five years;
- setting up new responsible credit lines totaling €180 million with an average maturity of nearly seven years, in particular through the early renewal of the line maturing in 2024. These new financing programs all have a margin that depends on achieving CSR objectives, and their financial terms are consistent with those of the lines renewed early.

At the end of June 2023, total liquidity stood at €5.3 billion, including €4.7 billion of undrawn credit lines and €0.7 billion of cash (€4.1 billion net of NEU CP). This level of cash is due to the recent disposal of several assets, which will be used in the short term to redeem financial debts.

Gecina updated its EMTN program with the AMF in June 2023 and its Negotiable European Commercial Paper (NEU CP) program with the Banque de France in May 2023, with caps of €8 billion and €2 billion, respectively.

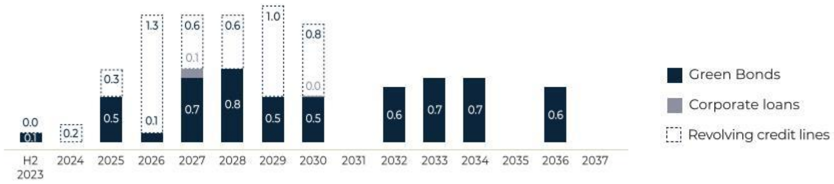
In the first half of 2023, Gecina continued to use short-term resources via the issue of NEU CPs. At June 30, 2023, the Group's short-term resources totaled €1,194 million, versus €1,574 million at the end of 2022.

1.4.3 FINANCING SCHEDULE

As at June 30, 2023, the average maturity of Gecina's debt (€7.0 billion), after allocation of unused credit lines and cash, was 7.6 years.

The following chart shows the financing schedule at June 30, 2023 (excluding commercial paper):

Financing schedule *(in € billion)*



All of the credit maturities up to 2028, including 2025 and 2027 bond maturities in particular, were covered by unused credit lines as at June 30, 2023 or by free cash. Furthermore, 100% of the debt has a maturity beyond 2027.

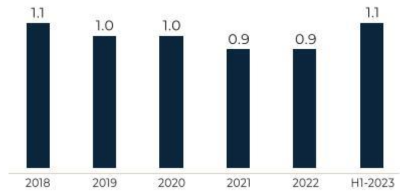
The table below presents Gecina's debt maturity breakdown as at June 30, 2023:

In € billion	Total	H2 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	> 2036
Gross debt	7.0	1.3	–	0.5	0.1	0.8	0.8	0.5	0.5	–	0.6	0.7	0.7	–	0.6	–
Financing (including undrawn credit lines)	10.5	0.1	0.2	0.8	1.4	1.4	1.4	1.5	1.4	–	0.6	0.7	0.7	–	0.6	
Net debt (after allocation of undrawn credit lines)	6.4	–	–	–	–	–	1.1	1.5	1.3	–	0.6	0.7	0.7	–	0.6	–

1.4.4 AVERAGE COST OF DEBT

The average cost of the drawn debt amounted to 1.1% in the first half of 2023 (and 1.4% for total cost), up compared to 2022, mainly due to Euribor increase for the debt hedged by caps (not yet triggered in the first half of 2022). The cost of debt benefits from the Group's financial structure, including its quality financial ratings, high level of liquidity, long average maturity and ability to anticipate short-term refinancing challenges, and from its extensive and long hedging structure.

Average cost of drawn debt *(in %)*



Capitalized interest on development projects amounted to €4.0 million in the first half of 2023 (compared with €2.6 million in the first half of 2022).

1.4.5 CREDIT RATING

The Gecina Group is rated both by Moody's and Standard & Poor's:

- Standard & Poor's rating confirmed at A– stable outlook on July 2023;
- Moody's rating remained at A3 stable outlook.

1.4.6 MANAGEMENT OF INTEREST RATE RISK HEDGE

Gecina's interest rate risk management policy is aimed at hedging the company's exposure to interest rate risk. To do so, Gecina uses fixed-rate debt and derivative products (mainly caps and swaps) in order to limit the impact of interest rate changes on the Group's results and to keep the cost of debt under control.

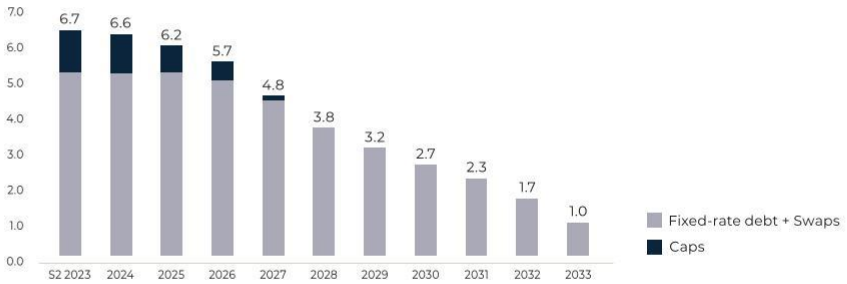
Gecina continued to adjust and optimize its hedging policy with the aim of:

- maintaining an optimal hedging ratio;
- maintaining a high average maturity of hedges (fixed-rate debt and derivative instruments); and
- securing favorable long-term interest rates.

At June 30, 2023, the average duration of the portfolio of firm hedges stood at 6.7 years.

Based on the current level of debt, the debt is fully hedged in the second half of 2023, and the hedging ratio gradually decreases in the future, reaching 75% in 2027.The hedging ratio will average 95% until end-2027.

The chart below shows the profile of the hedge portfolio (including hedging operations of early July 2023):



Gecina's interest rate hedging policy is implemented mainly at Group level and on the long-term; it is not specifically assigned to certain loans.

Measuring interest rate risk

Gecina's anticipated nominal net debt in the second half of 2023 is fully hedged against higher interest rates (depending on observed Euribor rate levels, due to caps).

Based on the existing hedge portfolio, contractual conditions as at June 30, 2023, and anticipated debt in 2023, a 50 basis point increase in the interest rate compared to the forward rate curve of June 30, 2023, would generate an additional expense of about +€0.1 million in 2023. A 50 basis point fall in interest rates compared to June 30, 2023, would result in a reduction in financial expenses in 2023 of about –€0.1 million.

1.4.7 FINANCIAL STRUCTURE AND BANKING COVENANTS

Gecina's financial position as at June 30, 2023, meets all requirements that could affect the compensation conditions or early repayment clauses provided for in the various loan agreements.

The table below shows the status of the main financial ratios outlined in the loan agreements:

	Benchmark standard	Balance at 06/30/2023
LTV – Net financial debt/revalued block value of property holding *(excluding duties)*	Maximum 60%	34.1%
ICR – EBITDA/net financial expenses	Minimum 2.0x	5.3x
Outstanding secured debt/revalued block value of property portfolio *(excluding duties)*	Maximum 25%	0.0%
Revalued block value of property holding (excluding duties), *(in billion euros)*	Minimum 6	18.5

The financial ratios shown above are the same as those used in the covenants included in all the Group's loan agreements.

LTV excluding duties was 34.1% at June 30, 2023, (35.7% at the end of 2022). The ICR stood at 5.3x (5.6x in 2022).

1.4.8 GUARANTEES GIVEN

At the end of June 2023, the Group did not hold any debt guaranteed by real sureties (i.e. mortgages, lender's liens, unregistered mortgages).

Thus, at June 30, 2023, there was no financing guaranteed by mortgage-backed assets for an authorized maximum limit of 25% of the total block value of the property portfolio in the various loan agreements.

1.4.9 EARLY REPAYMENT IN THE EVENT OF A CHANGE OF CONTROL

Some loan agreements to which Gecina is party and bonds issued by Gecina provide for mandatory early repayment and/or cancellation of loans granted and/or a mandatory early repayment liability, if control of Gecina changes.

On the basis of a total amount of authorizations of €10.5 billion (including unused credit lines) at June 30, 2023, €4.3 billion of bank debt and €5.7 billion of bonds are concerned by such a clause relative to a change of control of Gecina (in most cases, this change must lead to a downgrade in the credit rating to "Non-Investment Grade" for this clause to be activated).

In the case of bonds issued by Gecina, this clause will not be activated if this downgrade is followed by an upgrade in the Investment Grade category within 120 days.