



Paris, 24 October 2024

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## SFL – Third-Quarter 2024 Financial Information

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**Revenue: €192.2m (up 12.0%)**  
**Occupancy rate: 99.8% (100% for offices)**  
**Average nominal rent: €982/sq.m. (up 14.7%)**  
**Average effective rent: €866/sq.m. (up 21.1%)**  
**EPRA sBPR and BPR: Gold**  
**GRESB: “5 Stars” rating maintained**

SFL’s operating indicators improved significantly in the first nine months of 2024 compared with the year-earlier period. Rental income rose by a strong 8.9% vs. the first nine months of 2023, attesting to the property portfolio’s robustness and its appeal to the increasing number of businesses looking for modern offices in strategic locations with excellent environmental performance ratings. Revenue growth was driven by the high level of rental activity which allowed the Group to capture the portfolio’s reversionary potential, with the average nominal rent lifted by 14.7% to a record €982/sq.m.

Dimitri Boulte, SFL’s Chief Executive Officer, commented: *“Quarter after quarter, we are seeing sustained demand for central locations, modern, environmentally-friendly and technically advanced offices, and access to an array of services. Our strategy is perfectly aligned with these expectations. Thanks to our unique portfolio, the quality of our properties and the work of our teams to enhance the service dimension while also ensuring that each property meets very high technical and environmental standards, we are in the best possible position to tap into the popularity of Paris’s prime office property market offering close to 100% occupancy and very strong revenue growth. Finally, our CSR strategy and reporting has been rewarded by the GRESB and EPRA, making SFL a leader in terms of non-financial performance.”*



**Revenue up by a strong 12,0% to €192.2 million**

**Consolidated revenue by business segment (€000's)**

	<b>2024 (9 months)</b>	<b>2023 (9 months)</b>	<b>Change</b>
<b>Revenue*</b>	<b>192.2</b>	<b>171.6</b>	<b>+12,0%</b>
<b>Rental income</b>			
Paris CBD	143.6	129.2	+11.1%
Paris Other and Western Crescent	43.2	42.4	+1.9%
<b>Total rental income</b>	<b>186.8</b>	<b>171.6</b>	<b>+8.9%</b>

*\* including a €5.4 million reversal of the provision for impairment of rent receivables in 2024*

Revenue for the first nine months of 2024 came to €192.2 million, including rental income of €186.8 million and a €5.4 million provision reversal.

The €186.8 million in consolidated rental income, as reported, was €15.2 million higher (up 8.9%) vs. the year-earlier period.

**On a like-for-like basis** (revenue-generating properties, excluding changes in the portfolio affecting period-on-period comparisons), **rental income was €11.9 million higher (up 7.4%)**.

The increase reflected:

- application of rent escalation clauses (€6.9 million impact);
- the contribution of leases signed in 2023 and 2024 with new clients, such as a leading luxury goods company which took over the former Exane offices in the #Cloud.Paris building;
- the effective rent uplifts negotiated with existing tenants such as Fast Retailing for new leases, addenda or protocols on occupied space.

The Washington Plaza, Cézanne Saint-Honoré and #Cloud.Paris properties continued to post double-digit increases in rental income compared with prior reporting periods.

**Rental income from spaces being redeveloped** rose by €7.2 million (up 67.4%) vs. the first nine months of 2023, primarily reflecting delivery of lessor-funded redevelopment work in the Louvre Saint-Honoré building to the Cartier Foundation in July 2023 and on the site of Adidas's flagship store in the Galerie Champs-Élysées building in August 2023.



**Penalties received from tenants for breaking their leases** were offset by the cancellation of the related rent accruals in the IFRS financial statements, which trimmed €3.9 million from rental income for the first nine months of 2024. However, after reversing the provisions set aside at 31 December 2023 for the effect of the terminations, the net effect on Group revenue was an increase of €1.5 million.

### **Sustained rental activity in a more uncertain environment**

In the first nine months of 2024, the Group signed leases on over 16,000 sq.m. of mainly office space.

The average nominal rent for the new office leases was significantly higher, at €982 per sq.m. (vs. €856 per sq.m. in 2023), corresponding to an effective rent of €866 per sq.m. (vs. €715 per sq.m. in 2023), for an average non-cancellable period of 8.0 years. These lease terms attest to the resilience of the Paris office property market and the attractiveness of the Group's properties.

The physical occupancy rate for revenue-generating properties was a record 99.8% at 30 September 2024 (vs. 99.7% at 31 December 2023).

### **Financing: a solid financial structure and unused credit lines**

SFL's consolidated net debt at 30 September 2024 amounted to €2,661 million (vs. €2,539 million at 31 December 2023), representing a loan-to-value ratio of 33.7% based on the portfolio's appraisal value including transfer costs at 30 June 2024. The average cost of debt after hedging was 2.05% and the average maturity was 3.3 years. At 30 September 2024, the interest coverage ratio stood at 3.6x.

At that date, the Group had €1,570 million in undrawn confirmed lines of credit and its liquidity position was excellent.

### **Recognised and rewarded non-financial performance**

SFL continues to be one of the highest scoring European groups in the Global Real Estate Sustainability Benchmark (GRESB), attesting to its outstanding commitment to sustainable development.

In 2024, SFL ranked among the top 10% of participants in the Europe/Listed compartment, with exceptional scores of 92/100 for the Standing Investments benchmark and 97/100 for the Development benchmark.

This year's renewal of its "5 Stars" rating underscores the consistency of SFL's performance since its first participation in 2012, confirming its position as a benchmark in the sector.

Eric Oudard, Technical and Development Director at SFL, explained: *"Our results demonstrate our ongoing commitment to responsible and sustainable management. We remain determined to pursue our initiatives in favour of an increasingly positive environmental and social impact, and continue offering our clients well-designed, environmentally-friendly workplaces."*



SFL has also earned the following EPRA certifications this year:

- **EPRA sBPR - Gold**, once again underlining the robustness and quality of its non-financial reporting;
- **EPRA BPR - Gold**, for its commitment to transparent financial reporting.

## About SFL

A benchmark player in the prime segment of the Parisian commercial real estate market, Société Foncière Lyonnaise stands out for the quality of its property portfolio, which is valued at €7.4 billion and is focused on the Central Business District of Paris (#Cloud.Paris, Edouard VII, Washington Plaza, etc.), and for the quality of its client portfolio, which is composed of prestigious companies. As France's oldest property company, SFL demonstrates year after year an unwavering commitment to its strategy focused on creating a high value in use for users and, ultimately, substantial appraisal values for its properties. With its sights firmly set on the future, SFL is committed to sustainable real estate with the aim of building the city of tomorrow and helping to reduce carbon emissions in its sector.

Stock market: Euronext Paris Compartment A – Euronext Paris ISIN FR0000033409 – Bloomberg: FLY FP – Reuters: FLYP PA

S&P rating: BBB+ stable outlook